

Survey of Housing Market Sentiment

1st Quarter 2020 | Volume 2

Lied Institute for
Real Estate Studies

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Overall Housing Sentiment

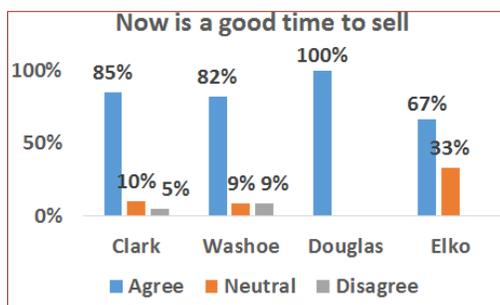
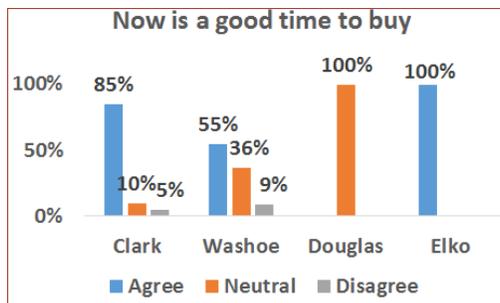
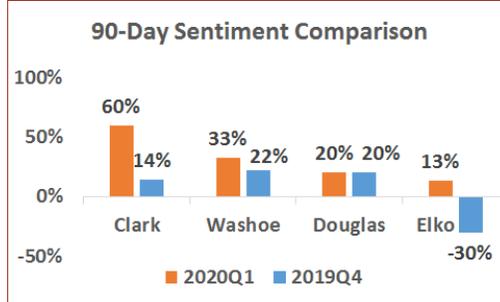
- Brokers continue to lean towards an optimistic view of the overall real estate market over the next 90-days and over the next year.
 - » Clark County was the only region that had any respondents that believed the overall real estate market would get worse over the next 90-days.
 - » Washoe County saw a slightly less optimistic view of the overall real estate market over the next year during 2020Q1 than during 2019Q4.

- When scoring all questions, Clark County saw the most optimism in the real estate market over the next 90-days.
 - » Clark County and Washoe County both saw increases in sentiment over the next 90-days, when comparing to 2019Q4.
 - » Clark County brokers were the only brokers that were less optimistic of the next year than the next 90-days.

- A high percentage of the brokers surveyed believe that now is a good time to buy and sell.
 - » Clark County brokers that believed now is not a good time to buy do business in all major regions of the Las Vegas metropolitan area.
 - » Washoe County brokers that believed now is not a good time to buy do business in both Reno and Sparks.

		Clark County	Washoe County	Douglas County	Elko County
Overall Assessment of Real Estate Market over the next quarter?	Getting Better	46%	27%	0%	0%
	Stay The Same	46%	73%	100%	100%
	Getting Worse	8%	0%	0%	0%
Overall Assessment of Real Estate Market over the next year?	Getting Better	55%	73%	0%	67%
	Stay The Same	40%	18%	100%	33%
	Getting Worse	5%	9%	0%	0%
Total Sentiment Score*	90-day	60%	33%	20%	13%
	Year	53%	64%	53%	60%

* Total sentiment scores "Getting Better" as +1, "Stay The Same" as 0, "Getting worse" as -1. All scores are added up and divided by the total number of questions answered. A score of 100% implies all brokers in that region signaled optimism in all of their answers. A score of -100% implies all brokers in that region signaled pessimism in all of their answers.



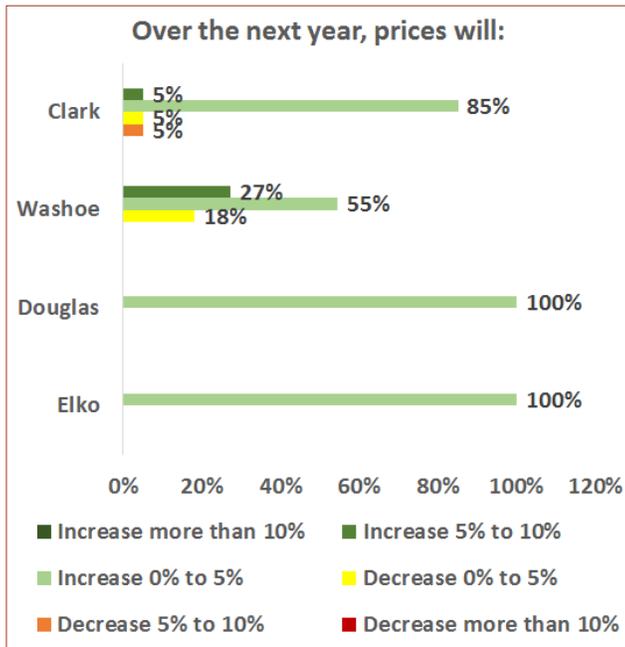
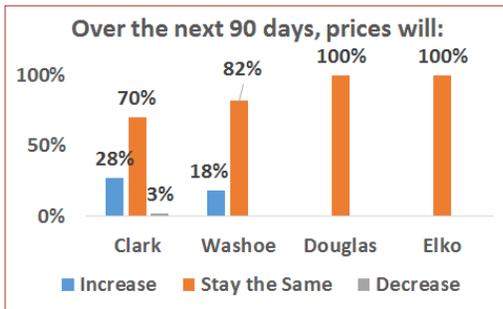
Pricing

- Both Clark and Washoe County saw increased optimism in home prices over the next 90 days.
 - » Washoe County, which had 100 percent of respondents believe prices would increase in the next year during the 2019Q4 survey, saw slightly less optimism this quarter.

- Within Washoe County, there was almost no difference in opinion on prices over the next year between Reno and Sparks.
 - » All brokers that believed prices would decrease over the next year do business in Incline Village.

- Over 50% of brokers surveyed in each region believe that home prices will increase 0% to 5% over the next year.
 - » Washoe County, which did not have any respondents indicate a decrease in prices over the next year during the 2019Q4 survey, had 18 percent of respondents indicate prices would decrease 0 to 5 percent over the next year.

- Within Clark County, Henderson saw the largest share of brokers that believe home prices will decrease 5 to 10 percent over the next year.



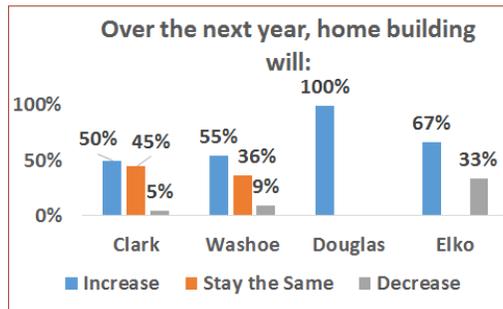
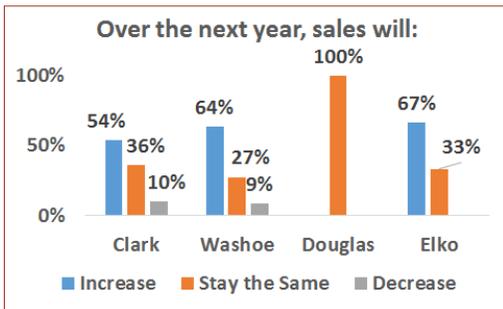
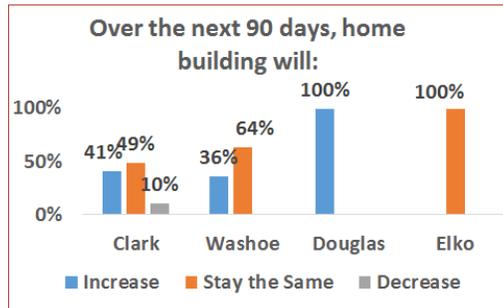
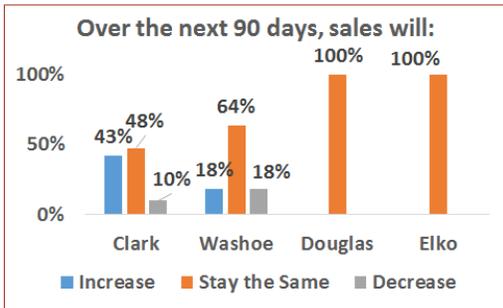
Volumes

- Clark County continues to be more optimistic that home sales will increase over the next 90 days than Washoe County.

- Clark and Washoe County respondents show increased optimism that home sales will increase next year.

- Clark County showed a large increase in respondents that believe home building activity will increase over the next 90-days and over the next year.

- Washoe County, which had no respondents from 2019Q4 that believed home building would decrease over the next year, had 9 percent of respondents believe that home building would decrease over the next year during the 2020Q1 survey.

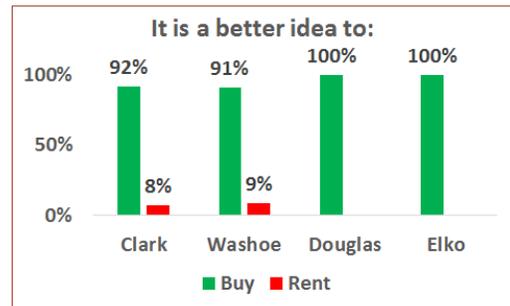
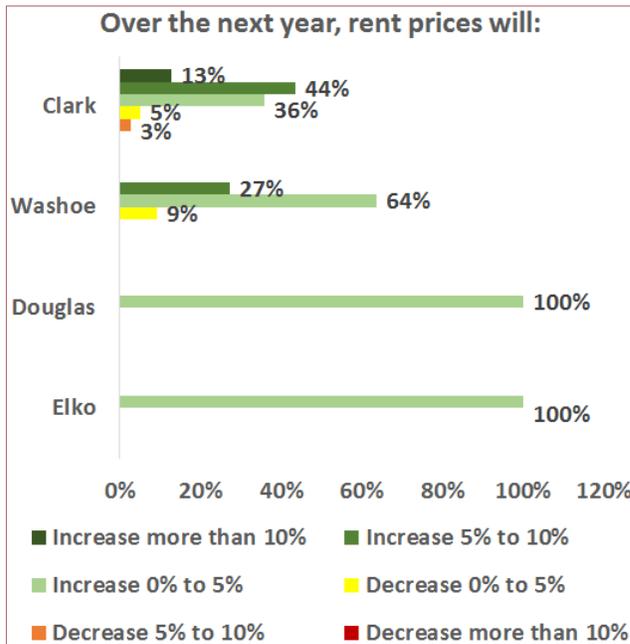


Rentals

- Clark County was the only region that had any brokers that believe rent prices will decrease more than 5 percent over the next year.
 - » 8 percent of brokers surveyed believed rental prices would decrease over the next year, an 11 percentage point decrease from last quarter (19 percent).
 - » All brokers that believed rental prices would decrease more than 5 percent over the next year did business in Henderson.

- Washoe County saw more pessimism in the rental market in 2020Q1, compared to last quarter.
 - » During 2019Q4, no brokers believed rental prices would decrease over the next year, whereas 9 percent of brokers in 2020Q1 believed rental prices would decrease over the next year.

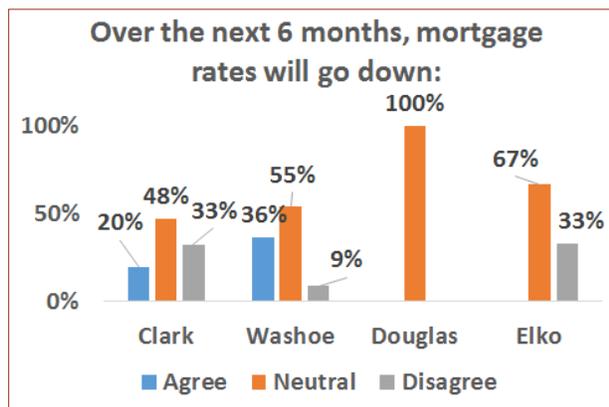
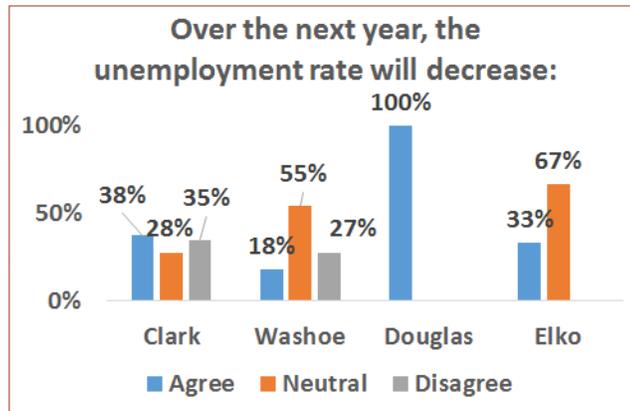
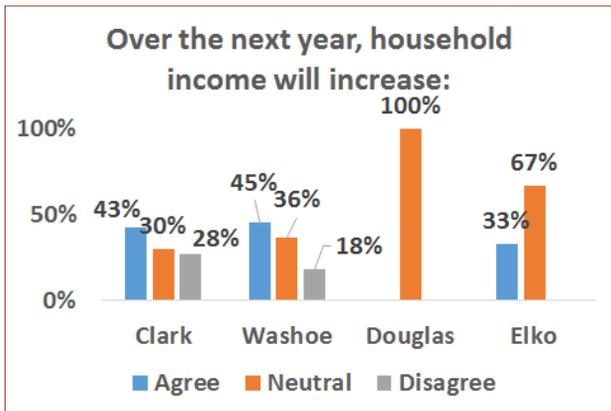
- Washoe County saw the largest percentage of brokers that believed it was a better idea to rent than to buy.
 - » Nobody from Washoe County that was surveyed in 2019Q4 believed it was a better idea to rent.



Economy

- Clark and Washoe County saw increased optimism this quarter that household income would increase over the next year.
 - » Clark County continues to be slightly optimistic about the unemployment rate while Washoe County continues to be slightly pessimistic.

- Clark and Washoe County brokers disagree the most when it comes to mortgage rates.
 - » Clark County broker lean towards mortgage rates increasing over the next 6 months, while Washoe County brokers lean heavily towards mortgage rates decreasing over the next 6 months.
 - » Respondents from both counties were more neutral about mortgage rates when asked this question last quarter



About the Survey

The Housing Market Sentiment Survey is conducted every quarter in collaboration with our industry partner, Nevada Realtors. A representative sample of residential real estate brokers from all regions in Nevada are surveyed to gather their opinion of the housing market in locations they operate. This is a forward looking survey gauging the housing market sentiment in Nevada.

About the Lied Institute for Real Estate Studies

The Lied Institute for Real Estate Studies was established in 1989 by the Lee Business School at the University of Nevada, Las Vegas to foster excellence in real estate education and research. Through partnerships with business and community leaders, the Lied Institute strives to improve real estate business and effective public-policy practices in Southern Nevada. The institute produces relevant and timely real estate research, supports educational programs in real estate for students and professionals, and provides community outreach and continuing education.

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