



# Survey of Housing Market Sentiment

4th Quarter 2020 | **Volume 5**



Lied Center  
for Real Estate

**UNLV** | LEE  
BUSINESS SCHOOL

# Overall Housing Sentiment

- Brokers from all regions in Nevada hold an optimistic view that the overall real estate market will improve over the next quarter and over the next year.

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- For the first time, Washoe County brokers were the least optimistic about the real estate market over the next year.

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- Within Clark County, Boulder City saw the largest share of brokers that believed the overall real estate market would improve over the next 90 days.
  - » No brokers that did business in Boulder City believed the overall real estate market would get worse over the next 90 days.

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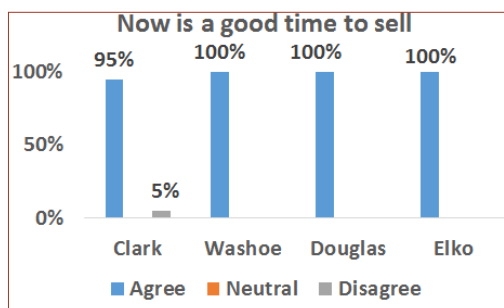
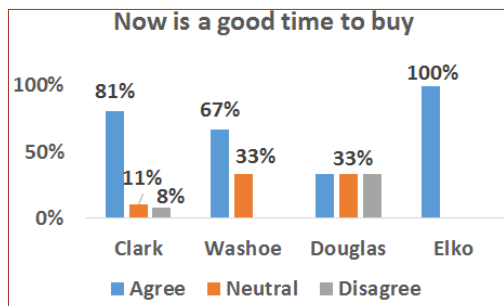
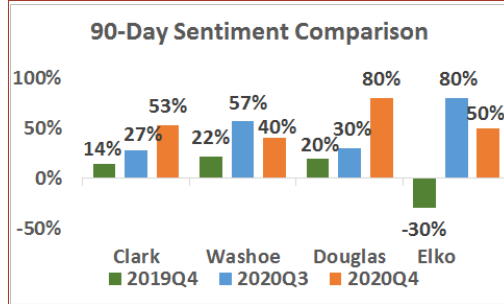
- The 90-day sentiment score saw a quarterly increase in Clark County and a quarterly decrease in Washoe County. The 90-day sentiment score is up year over year for all regions.

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- The share of Clark County brokers that believe now is a good time to sell peaked this quarter at 95 percent.
  - » For the third consecutive quarter, 100 percent of Washoe County brokers believed that now is a good time to sell.

		Clark County	Washoe County	Douglas County	Elko County
Overall Assessment of Real Estate Market over the next quarter?	Getting Better	54%	50%	67%	50%
	Stay The Same	35%	50%	33%	50%
	Getting Worse	11%	0%	0%	0%
Overall Assessment of Real Estate Market over the next year?	Getting Better	59%	33%	100%	100%
	Stay The Same	22%	50%	0%	0%
	Getting Worse	19%	17%	0%	0%
Total Sentiment Score*	90-day	53%	40%	80%	50%
	Year	43%	37%	93%	80%

\* 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

- Clark County saw its highest recorded share of brokers that believed home prices would increase over the next 90 days and over the next year

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- Washoe County saw its lowest recorded share of brokers that believed home prices would increase over the next year.
  - » For comparison, all Washoe County brokers surveyed in 2019Q4 believed that home prices would increase over the next year.

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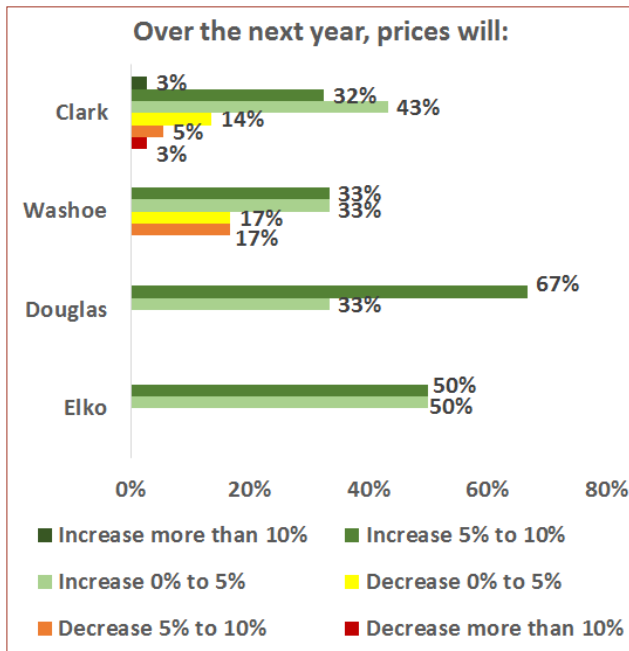
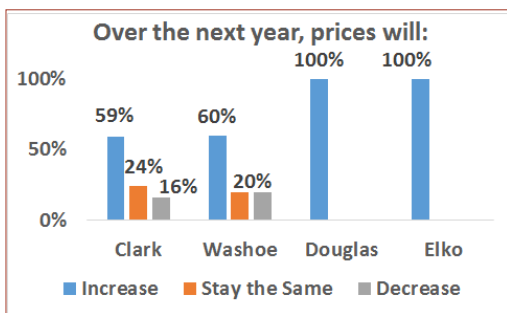
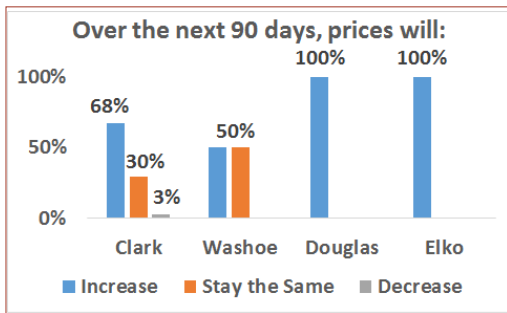
- Clark County has seen two consecutive quarters with an increase in the percent of brokers that believe prices will increase more than 5 percent over the next year.

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- This quarter was the first quarter where Washoe County brokers indicated that they believed home prices would decrease more than 5 percent over the next year.
  - » More brokers believed that home prices would decrease by more than 5 percent over the next year in Washoe County than in Clark County.

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- For the second consecutive month, there were Clark County brokers that believed home prices would increase or decrease by more than 10 percent over the next year.



# Volumes

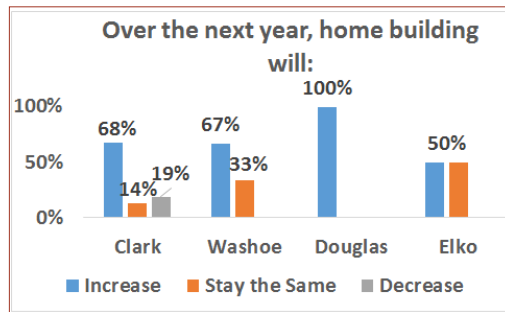
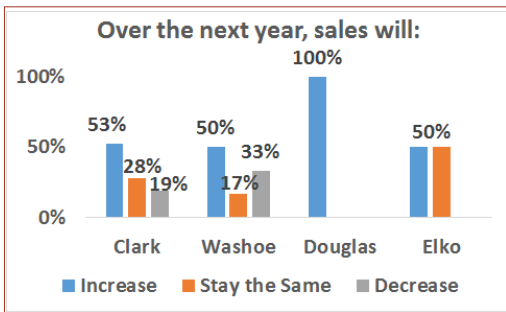
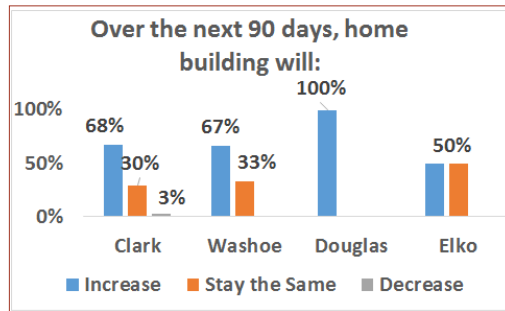
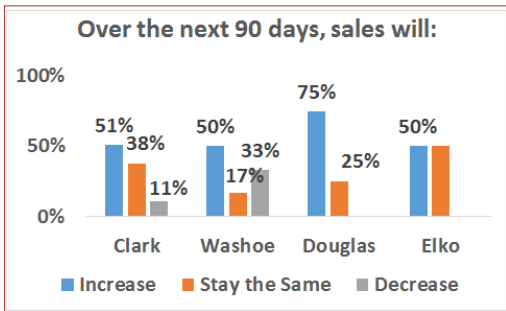
- Both Clark and Washoe County saw a quarterly decrease in the percentage of brokers that believed home sales would increase over the next 90 days and over the next year.
  - » This was the first time since 2020Q1 where Washoe County brokers indicated that they believed sales would decrease over the next 90 days and over the next year.

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- On a year over year basis, Clark and Washoe County saw a large increase in home sale and home building optimism.
  - » The most notable increase in optimism came from Clark County home building as less than 30% of brokers surveyed in 2019Q4 believed that home building would increase.

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- Within Clark County, brokers that did business primarily in Spring Valley were the most optimistic about home sales over the next year.



# Rentals

- This quarter saw a large quarterly decrease in the percent of brokers from Clark County that believed rental prices would decrease over the next year.
  - » Clark County also saw a large year over year increase in rental price optimism.

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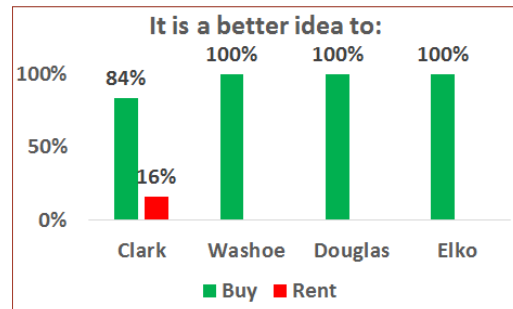
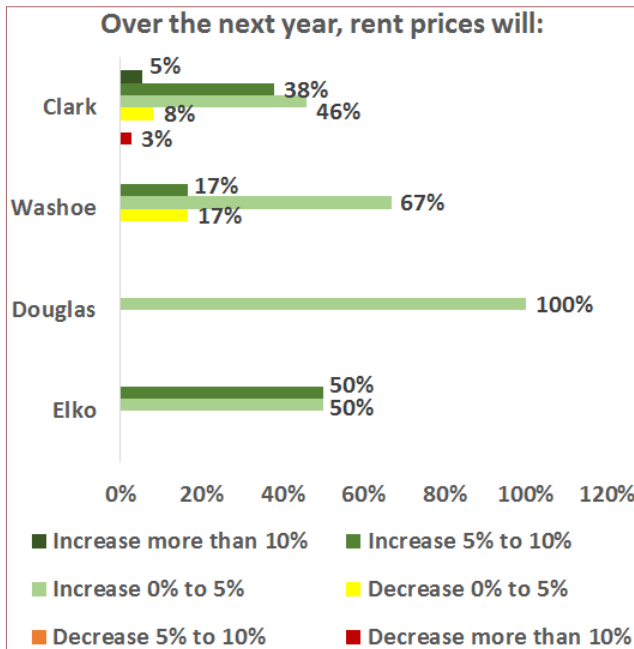
- Within Washoe County, 17 percent of brokers believed that rent prices would decrease over next year.
  - » This represents a 26-percentage point decrease from the previous quarter, but a 17-percentage point increase from 2019Q4.

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- This was the second consecutive quarter that Clark County brokers indicated that they believe rental prices will decrease more than 10 percent over the next year. These brokers did business primarily in Henderson.

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- For the third consecutive quarter, no brokers in Washoe County believed it was a better idea to rent than to buy.



# Economy

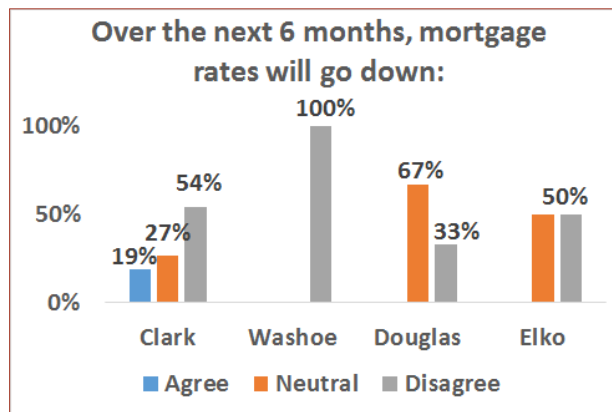
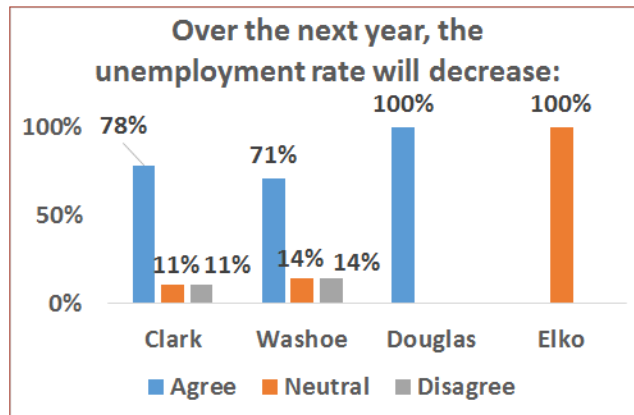
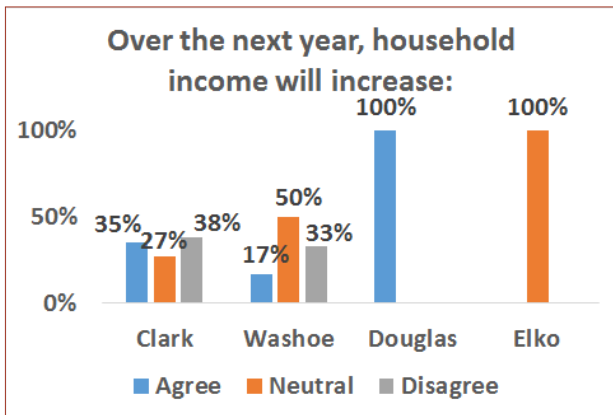
- For the third consecutive quarter, Clark County brokers leaned towards household income decreasing over the next year.
  - » Washoe County held the same sentiment for the second consecutive quarter.

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- Clark County brokers showed an increase in optimism about the unemployment rate for the second consecutive quarter.
  - » Washoe County saw a slight quarterly decrease in the percent of brokers that believed the unemployment rate would decrease over the next year.
  - » In 2019Q4, less than 50 percent of brokers in Clark and Washoe County believed that the unemployment rate would decrease over the next year.

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- For the second consecutive quarter, brokers in both Clark and Washoe County leaned heavily towards mortgage rates increasing over the next six months.
  - » In 2019Q4, brokers held a neutral view on mortgage rates changing over the next year.





## 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 Center for Real Estate

The Lied Center for Real Estate 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 Center strives to improve real estate business and effective public-policy practices in Southern Nevada. The center 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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