



Survey of Housing Market Sentiment

2nd Quarter 2021 | **Volume 7**



Lied Center
for Real Estate

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Overall Housing Sentiment

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

- The 90-day sentiment reached an all-time high in both Clark and Washoe County. The one-year sentiment reached an all-time high in Clark County.

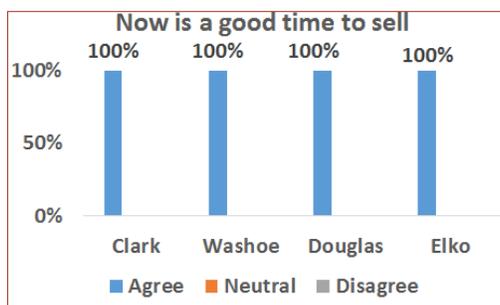
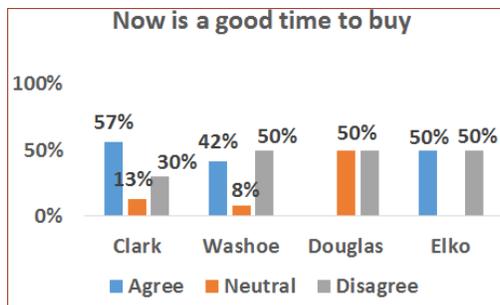
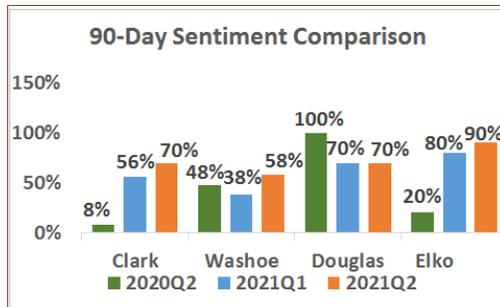
- Brokers from all different sub regions of Clark County held almost identical sentiments on the overall real estate market prices over the next 90-days and the next year.

- For the third consecutive quarter, Clark County brokers held a higher sentiment score over the next 90-days than the next year. For only the second time since 2019Q4, Washoe County brokers also held a higher sentiment score over the next 90-days than the next year.

- Clark and Washoe County saw it's lowest recorded share of brokers indicate that now is a good time to buy. All brokers from all regions 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	70%	58%	100%	100%
	Stay The Same	26%	42%	0%	0%
	Getting Worse	4%	0%	0%	0%
Overall Assessment of Real Estate Market over the next year?	Getting Better	78%	67%	100%	100%
	Stay The Same	4%	33%	0%	0%
	Getting Worse	17%	0%	0%	0%
Total Sentiment Score*	90-day	70%	58%	70%	90%
	Year	68%	55%	90%	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

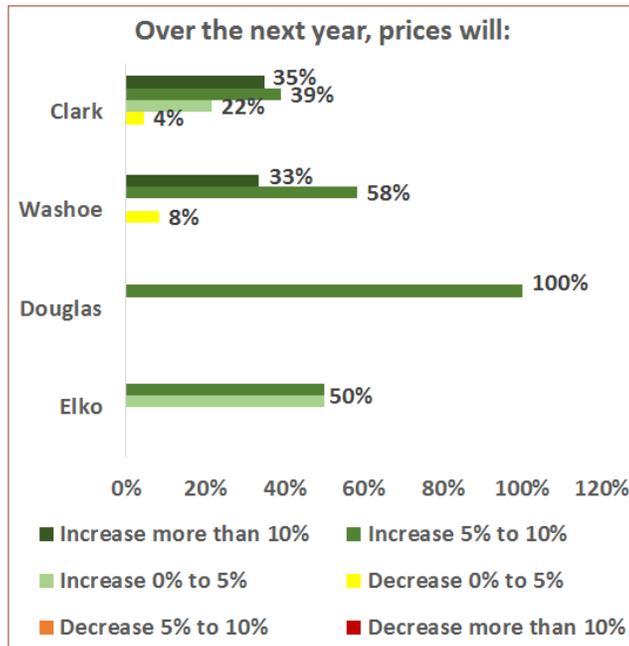
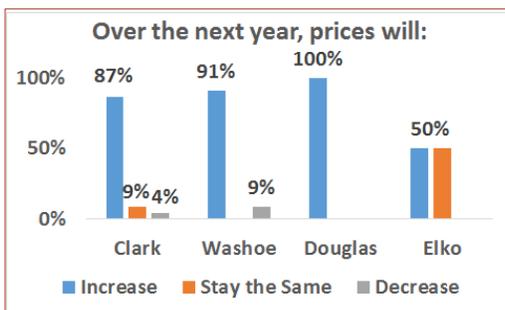
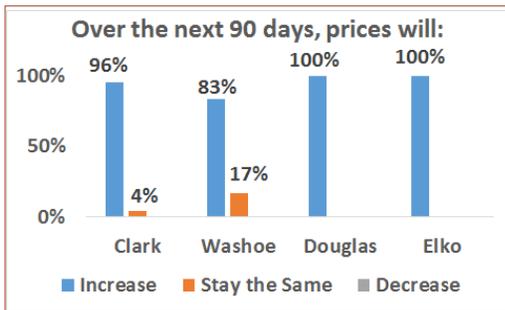
- For the third consecutive quarter, Clark County saw its highest recorded share of brokers that believed home prices would increase over the next 90 days and over the next year. This was the first time that no Clark County brokers indicated prices would decrease over the next 90 days.

- Washoe County saw a slight quarter-to-quarter increase in the share of brokers that believe prices would increase over the next quarter and the next year. For the sixth consecutive quarter, no brokers from Washoe County indicated that they believed prices would decrease over the next 90 days.

- Clark County brokers were much less split on how much they believe home prices will change over the next year. Only 40 percent of Clark County brokers believed prices would increase 0 to 5 percent over the next year. This was the first time that no Clark County brokers believed home prices would decrease more than 5 percent over the next year

- Clark County has seen four consecutive quarters with an increase in the percent of brokers that believe prices will increase more than 5 percent over the next year. The percent of Clark County brokers that believed home prices would increase more than 10 percent was also at an all-time high.

- Brokers from all sub regions within Clark and Washoe County held similar sentiments on home prices over the next year.

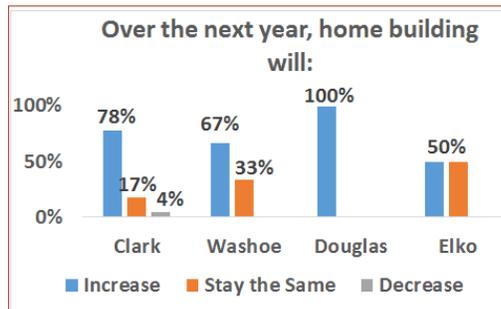
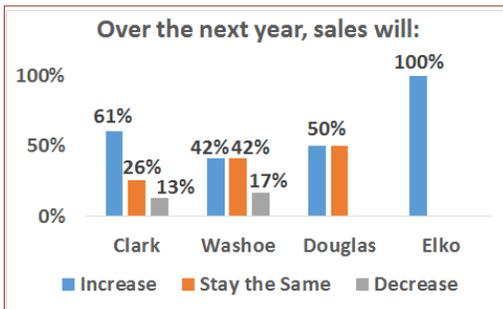
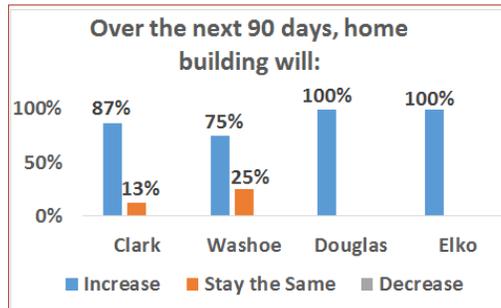
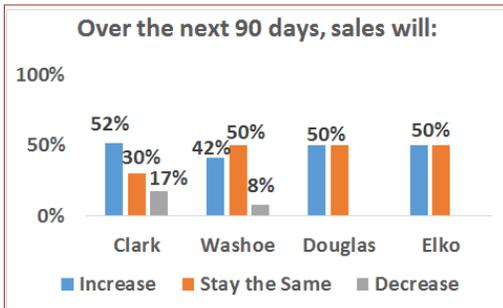


Volumes

- Both Clark and Washoe County saw a slight quarterly increase in the percent of brokers that believed home sales would increase over the next 90 days. However, both counties saw a quarterly decrease in the percent of brokers that believe sales will increase over the next year.

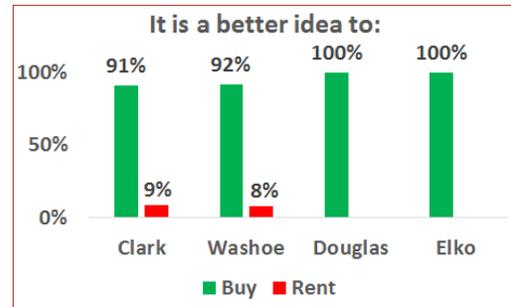
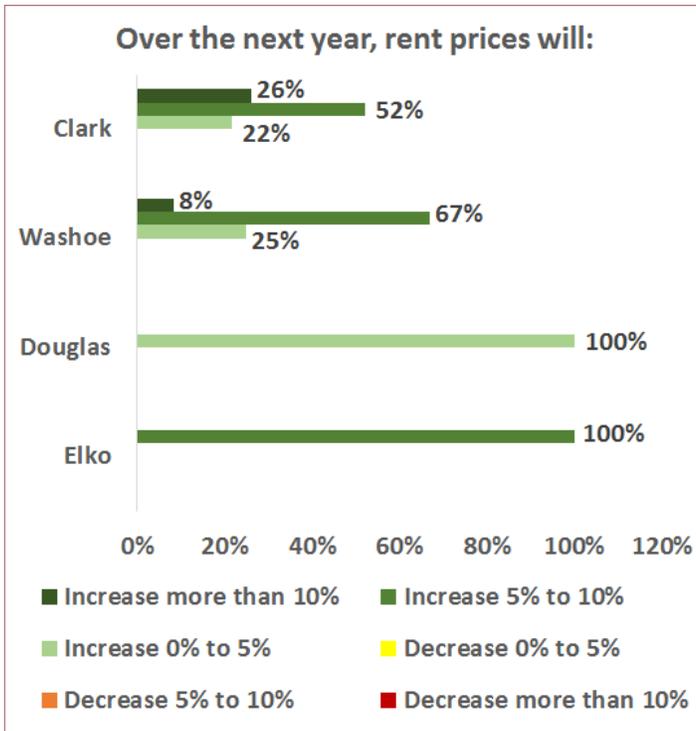
- Within Clark County, brokers that did business primarily in Spring Valley were the most optimistic that sales would increase over the next year.

- Clark and Washoe County brokers showed little quarterly change in home building sentiment over the next 90 days and next year. Brokers from both counties are much more optimistic about home building activity now than they were in 2020Q2.



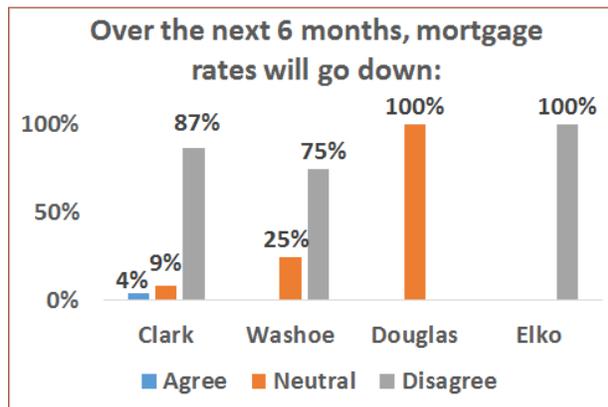
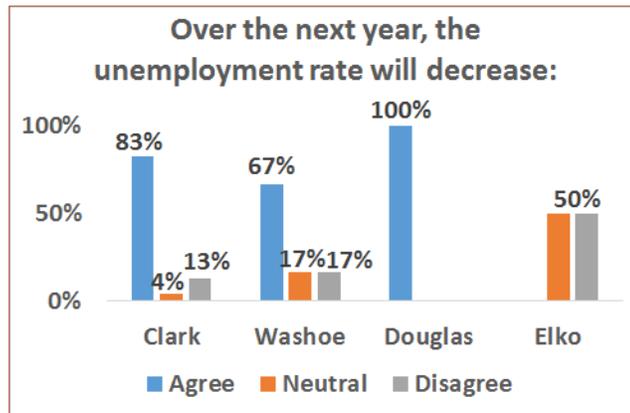
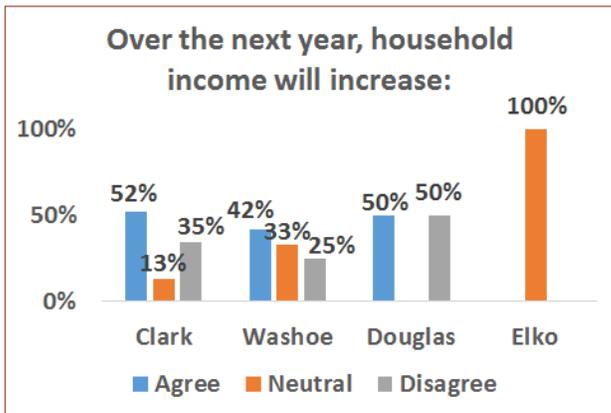
Rentals

- This was the first quarter that no brokers believed that rental prices would decrease over the next year. About 10 percent of brokers in Washoe and Clark County that were surveyed last quarter believed that rental prices would decrease.
- At least 70 percent of brokers in Clark and Washoe County believe that rental prices will increase at least 5 percent over the next year. For the second consecutive quarter, at least 20 percent of the brokers in Clark County indicated that they believe rental prices would increase more than 10 percent over the next year.
- Brokers from all sub regions within Clark and Washoe County held similar sentiments on rental prices over the next year.
- For the first time since 2020Q1, less than 100 percent of brokers in Washoe County believed it is a better idea to own than rent.



Economy

- 2020Q2 was the second time that both Clark County and Washoe County brokers indicated that they believed household income will increase over the next year. Optimism increased slightly from the previous quarter in Clark County and decreased slightly in Washoe County.
- All regions saw a large quarterly increase in optimism towards the unemployment rate over the next year. Over 80 percent of brokers in Clark County believed that the unemployment rate will decrease over the next year, which represents the highest recorded share of brokers with this sentiment.
- For the fourth consecutive quarter, brokers in both Clark and Washoe County leaned heavily towards mortgage rates increasing over the next six months. During this time, no brokers from Washoe County have indicated that believe mortgage rates will decrease in the next 6 months. In 2020Q1, 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 institute produces relevant and timely real estate research, supports educational programs in real estate economics and finance for students and professionals, and provides community outreach and continuing education.

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