



Survey of Housing Market Sentiment

4th Quarter 2021 | **Volume 9**



Lied Center
for Real Estate

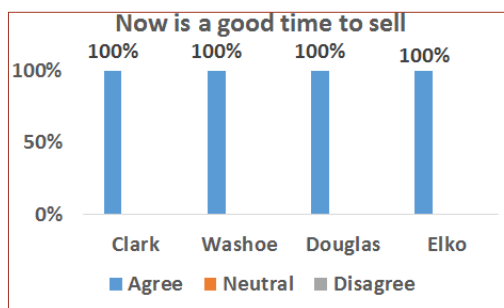
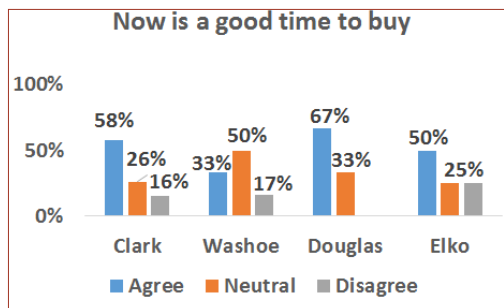
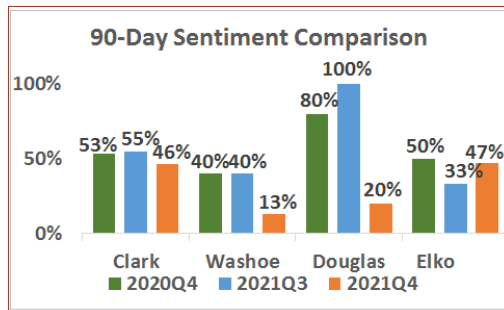
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Overall Housing Sentiment

- 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. For the first time since 2020Q3, brokers were at least as optimistic about the next year as the next 90 days.
- For the third consecutive quarter, the 90-day sentiment saw a quarter-to-quarter decrease in Clark and Washoe County. On a year over year basis, the 90-day sentiment score is down in both Clark and Washoe County.
- Clark County brokers that did business primarily in Spring Valley were the most optimistic about the housing market over the next 90 days and the next year. Within Washoe County, brokers that did business primarily in Reno held almost an identical sentiment to brokers in Sparks.
- Clark and Washoe County saw a large quarterly decrease in the share of brokers that disagree that now is a good time to buy. For the third consecutive quarter, all brokers from Clark and Washoe County indicated that they believe 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	50%	17%	25%	33%
	Stay The Same	40%	67%	50%	100%
	Getting Worse	10%	17%	0%	0%
Overall Assessment of Real Estate Market over the next year?	Getting Better	60%	67%	25%	100%
	Stay The Same	30%	33%	50%	33%
	Getting Worse	10%	0%	0%	0%
Total Sentiment Score*	90-day	46%	13%	47%	20%
	Year	46%	70%	55%	47%

* 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

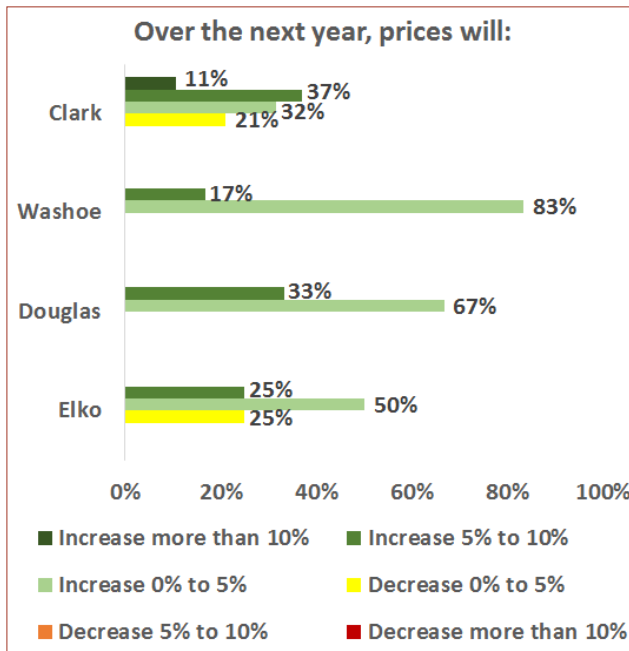
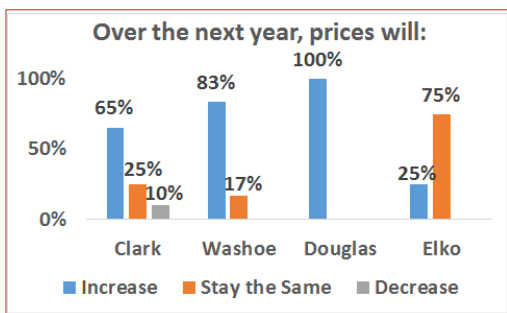
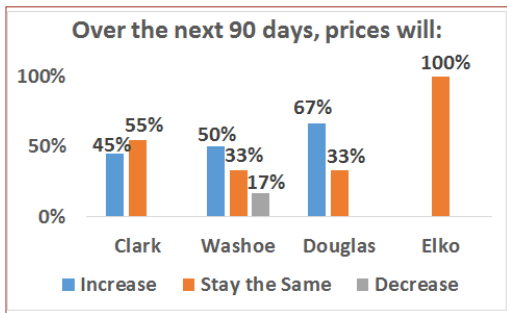
- For the third consecutive quarter, no brokers from Clark County believed that home prices would decrease over the next 90 days. The percent of Clark County brokers that believed home prices would increase over the next 90-days decreased by 33 percentage points from the previous quarter and 23 percentage points from the previous year.

- For the first time since 2019Q4, brokers from Washoe County indicated that they believe prices will decrease over the next 90 days.

- Both Clark and Washoe County brokers were more optimistic about home prices over the next year compared to the next 90-days. For the fifth consecutive quarter, more brokers in Clark County indicated that home prices would decrease over the next year compared to the next 90-days.

- For the last two quarters, Clark and Washoe County brokers have seen a reduction in the share of brokers that believe home prices will increase by at least 5 percent over the next year. This quarter, 48 percent of brokers in Clark County and 0 percent of Washoe County brokers believed home prices would increase at least 5 percent. Just two quarters ago, over 70 percent of brokers in both regions believed home prices would increase at least 5 percent over the next year.

- Clark County brokers that primarily do business in Boulder City were the most optimistic about home prices over the next year as 100 percent indicated prices would increase at least 5 percent. Within Washoe County, brokers from both Reno and Sparks held almost exact sentiments about prices over the next year.



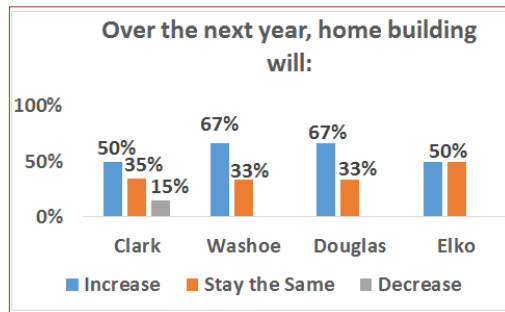
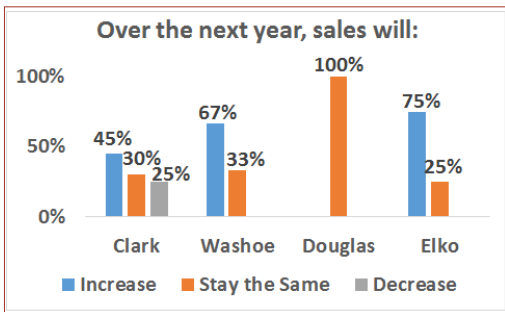
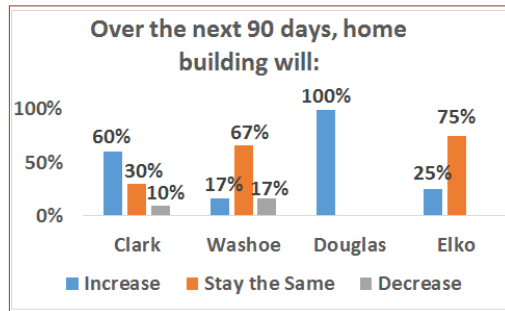
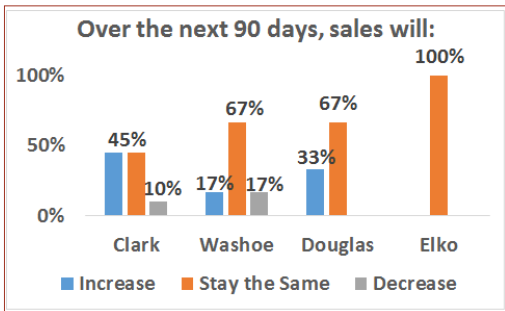
Volumes

- Both Clark and Washoe County saw a large quarter-to-quarter and year over year decrease in the percent of brokers that believed home sales would increase over the next 90 days.

- Washoe County is typically more optimistic about home sales over the next year compared to the next 90 days. However, this was the first quarter where Washoe County brokers leaned towards home sales decreasing over the next year.

- Both Clark and Washoe County brokers saw a large quarter-to-quarter decrease in the share of brokers that believe home building will increase over the next 90 days or year. On a year over year basis, home building optimism is up in Clark County and down in Washoe County.

- Within Clark County, brokers that did business primarily in Summerlin were the most optimistic about home sales and home building activity over the next year.



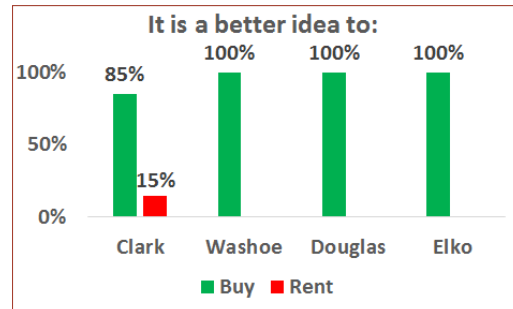
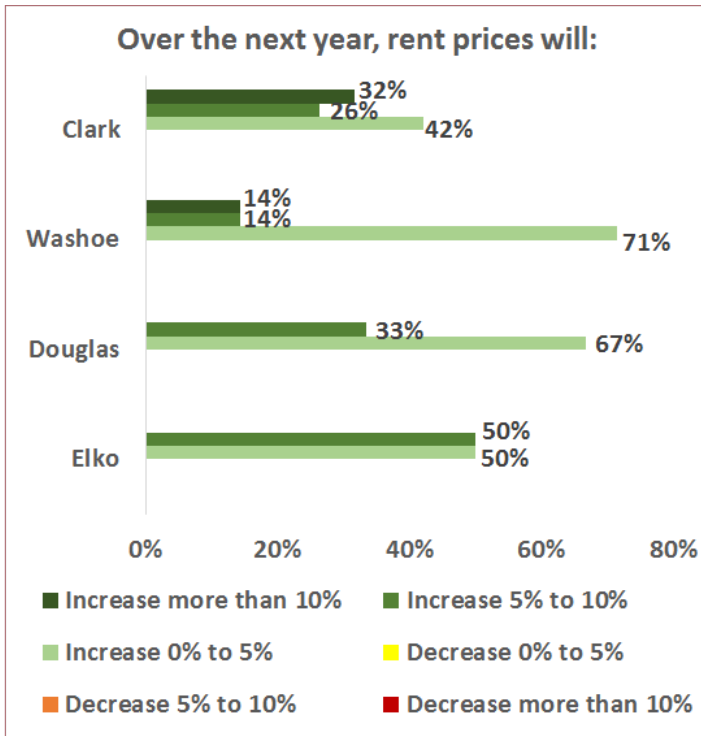
Rentals

- For the third consecutive quarter, no brokers from Clark County believed that rental prices would decrease over the next year. During 2020Q4, about 15 percent of brokers in both Clark and Washoe County believed rental prices would decrease over the next year.

- For the second consecutive quarter, more than 30 percent of brokers in Clark County and 14 percent of brokers in Washoe County believed rental prices would increase more than 10 percent over the next year.

- Clark County brokers that did business primarily in Henderson or Boulder City were the most optimistic about rental prices over the next year.

- The share of brokers in both Clark and Washoe County that indicated it is a better idea to rent than buy decreased from the previous quarter. For the first time since 2021Q1, all brokers from Washoe County indicated that it is a better idea to buy than rent.

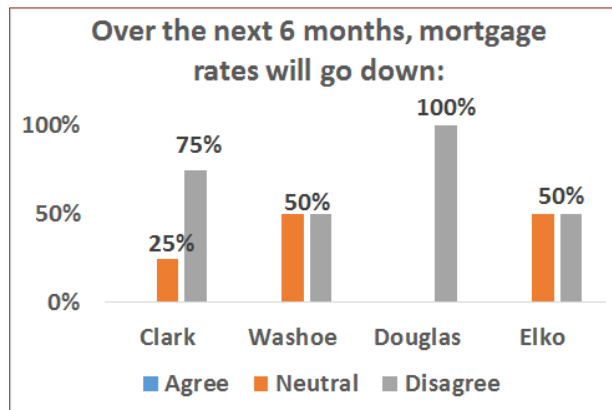
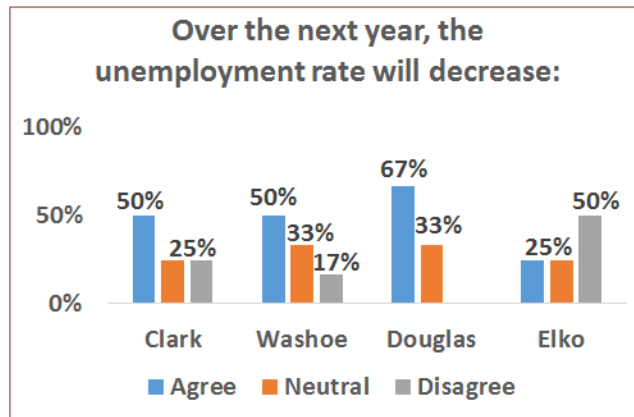
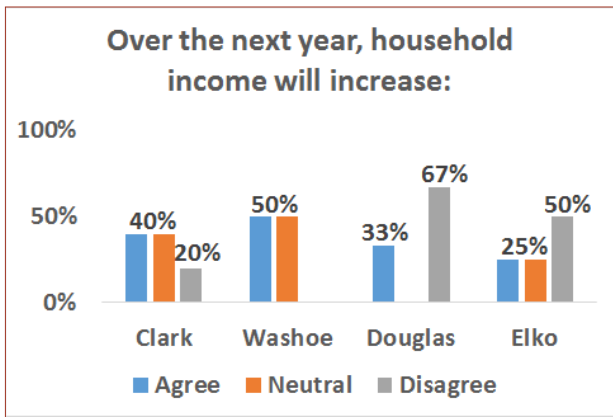


Economy

- Both Clark and Washoe County remain optimistic about household income over the next year. However, both regions are slightly less optimistic than they were last quarter. Both regions were pessimistic about household income when asked this question in 2020Q4.

- Clark County saw another slight quarterly decrease in the share of brokers that believe the unemployment rate will decrease over the next year, but remain optimistic. Washoe County saw a large quarterly increase in the the share of brokers that believe the unemployment rate will decrease over the next year, and hold an optimistic view regarding the unemployment rate.

- For the sixth 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 they believe mortgage rates will decrease in the next 6 months



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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