

Data Briefing: Housing Costs and Housing Cost Burdens in the State of Nevada

To gain a clearer understanding of the number of renters and homeowners in the State of Nevada as well as the costs households pay for housing relative to income, we summarize tenure, mortgage and cost characteristics obtained from the most recent wave of the American Community Survey available (the 2022 1-year ACS).

- Table 1 provides a breakdown of the distribution of owner and renter households together with descriptive statistics regarding housing tenure.
- Table 2 summarizes physical characteristics of housing units in the State of Nevada.
- In Table 3 we summarize monthly housing costs for owner-occupied units with and without a mortgage.
- In Table 4 we split the market into owners and renters and describe monthly housing costs as a proportion of household income.
- Table 5 illustrates the distribution of household income and shows how annual household income varies between homeowners and renters.
- Tables 6 & 7 detail estimates of cost and excessively cost burdened renters for all States as well as select geographies.

Approximately 60.3% of households in the State of Nevada represent homeowners with an average household size of 2.69 people per home (Table 1). Additionally, these data suggest that approximately 1 out of 4 homeowners moved into the home they currently live in sometime since 2021.

While 27.4% of homeowners moved into their current home between 2018 and 2020, 28.3% of homeowners moved into their current home between 2010 and 2017. Despite the temporal distribution of recent movers, out of the entire stock of residential units in Nevada, only 3% of these units were built since 2020 (Table 2).

Table 3 suggests that the median monthly housing cost for homeowners with a mortgage is \$1,730/mo., although, the median monthly housing cost averaged across all owner-occupied housing units is \$1,328/mo. Both Table 5 and Table 4 indicate that the median monthly housing cost for renters is \$1,461/mo.

Table 4 contrasts housing costs for homeowners and renters with their income. 7.2% of homeowners with a mortgage contribute between 30% and 34.9% of their income towards housing while 23.9% of homeowners contribute 35% or more.

This data suggests that 31.1% of homeowners holding a mortgage in Nevada are contributing more than 30% of their income towards housing.

9.6% of renters contribute between 30% and 34.9% of their household income towards rent while 47.7% of renters contribute 35% or more. This suggests that 57.3% of renters are allocating more than 30% of their income towards monthly housing costs.

Table 5 describes the income distribution of renters and homeowners. Median annual household income is \$90,979 (\$7,581/mo.) amongst homeowners while the median income for renters is \$51,455 (\$4,287/mo.). Recall that median rent for renters was estimated to be \$1,461/mo. while the median monthly housing cost was estimated to be \$1,328/mo. for all homeowners and \$1,730/mo. for

homeowners with a mortgage. Collectively, the data imply that:

- The median homeowner contributes between 17.5% to 22.8% of their monthly income towards monthly housing costs.
- The median renter contributes approximately 34.1% of their monthly income towards rent.

While the median renter in the State of Nevada contributes 1.49 to 1.94 times more of their income towards housing than the median homeowner does, the 2022 ACS suggests that the median homeowner earns as much as $(90,979 - 51,445)/51,445 = 76.81\%$ more in annual income than that of the median renter. Further, more than half of all renters contribute more than 30% of their income towards monthly housing costs.

Table 1: Ownership Breakdown: Homeowners vs. Renters

Variable	Estimate	Margin of Error	Percent
HOUSING TENURE			
<i>Occupied housing units</i>	1,198,356	±7,074	1,198,356
Owner-occupied	722,684	±9,872	60.3%
Renter-occupied	475,672	±9,766	39.7%
Average household size of owner-occupied unit	2.69	±0.03	(X)
Average household size of renter-occupied unit	2.53	±0.03	(X)
YEAR HOUSEHOLDER MOVED INTO UNIT			
<i>Occupied housing units</i>	1,198,356	±7,074	1,198,356
Moved in 2021 or later	251,610	±8,908	21.0%
Moved in 2018 to 2020	328,460	±8,521	27.4%
Moved in 2010 to 2017	338,552	±8,652	28.3%
Moved in 2000 to 2009	171,059	±6,886	14.3%
Moved in 1990 to 1999	74,012	±3,678	6.2%
10 to 19 units	62,029	±4,523	4.7%
20 or more units	144,872	±6,342	10.9%
Mobile home	70,538	±3,781	5.3%
Boat, RV, van, etc.	2,935	±794	0.2%

Source: Lied Center for Real Estate, 2022 ACS 1-year estimates.

Table 2: Occupancy and Building Characteristics

Variable	Estimate	Margin of Error	Percent
HOUSING OCCUPANCY			
<i>Total housing units</i>	1,328,788	±137	1,328,788
Occupied housing units	1,198,356	±7,074	90.2%
Vacant housing units	130,432	±7,088	9.8%
Homeowner vacancy rate	1.1	±0.2	(X)
Rental vacancy rate	6.8	±0.7	(X)
UNITS IN STRUCTURE			
<i>Total housing units</i>	1,328,788	±137	1,328,788
1-unit, detached	802,033	±8,357	60.4%
1-unit, attached	68,019	±4,322	5.1%
2 units	19,219	±2,774	1.4%
3 or 4 units	76,023	±5,216	5.7%
5 to 9 units	83,120	±5,325	6.3%
10 to 19 units	62,029	±4,523	4.7%
20 or more units	144,872	±6,342	10.9%
Mobile home	70,538	±3,781	5.3%
Boat, RV, van, etc.	2,935	±794	0.2%
YEAR STRUCTURE BUILT			
<i>Total housing units</i>	1,328,788	±137	1,328,788
Built 2020 or later	40,373	±3,482	3.0%
Built 2010 to 2019	180,220	±6,216	13.6%
Built 2000 to 2009	346,382	±8,316	26.1%
Built 1990 to 1999	294,503	±7,968	22.2%
Built 1980 to 1989	185,286	±6,792	13.9%
Built 1970 to 1979	153,607	±6,193	11.6%
Built 1960 to 1969	66,954	±4,402	5.0%
Built 1950 to 1959	35,933	±3,295	2.7%
Built 1940 to 1949	12,981	±1,979	1.0%
Built 1939 or earlier	12,549	±1,964	0.9%
ROOMS			
<i>Total housing units</i>	1,328,788	±137	1,328,788
1 room	46,742	±3,539	3.5%
2 rooms	50,701	±4,662	3.8%
3 rooms	141,498	±6,164	10.6%
4 rooms	232,237	±8,903	17.5%
5 rooms	259,733	±9,137	19.5%
6 rooms	231,384	±6,773	17.4%
7 rooms	142,187	±6,028	10.7%
8 rooms	109,782	±4,924	8.3%
9 rooms or more	114,524	±5,548	8.6%
Median rooms	5.2	±0.2	(X)
BEDROOMS			
<i>Total housing units</i>	1,328,788	±137	1,328,788
No bedroom	49,817	±3,653	3.7%
1 bedroom	134,989	±7,295	10.2%
2 bedrooms	317,133	±8,532	23.9%
3 bedrooms	503,056	±8,220	37.9%
4 bedrooms	257,129	±7,362	19.4%
5 or more bedrooms	66,664	±4,043	5.0%

Source: Lied Center for Real Estate, 2022 ACS 1-year estimates.

Table 3: Home Value, Mortgage Status, and Estimated Owner Costs

Variable	Estimate	Margin of Error	Percent
VALUE			
Owner-occupied units	722,684	±9,872	722,684
Less than \$50,000	30,000	±2,979	4.2%
\$50,000 to \$99,999	12,654	±2,292	1.8%
\$100,000 to \$149,999	13,031	±1,738	1.8%
\$150,000 to \$199,999	17,512	±2,360	2.4%
\$200,000 to \$299,999	80,465	±4,626	11.1%
\$300,000 to \$499,999	312,537	±8,923	43.2%
\$500,000 to \$999,999	218,239	±6,208	30.2%
\$1,000,000 or more	38,246	±3,411	5.3%
Median (dollars)	434,700	±3,727	(X)
MORTGAGE STATUS			
Owner-occupied units	722,684	±9,872	722,684
Housing units with a mortgage	477,464	±10,409	66.1%
Housing units without a mortgage	245,220	±6,657	33.9%
SELECTED MONTHLY OWNER COSTS (SMOC)			
<i>Housing units with a mortgage</i>	477,464	±10,409	477,464
Less than \$500	5,670	±1,030	1.2%
\$500 to \$999	43,812	±3,636	9.2%
\$1,000 to \$1,499	122,810	±6,539	25.7%
\$1,500 to \$1,999	132,388	±6,843	27.7%
\$2,000 to \$2,499	86,978	±5,395	18.2%
\$2,500 to \$2,999	41,985	±3,635	8.8%
\$3,000 or more	43,821	±3,532	9.2%
Median (dollars)	1,730	±23	(X)
<i>Housing units without a mortgage</i>	245,220	±6,657	245,220
Less than \$250	26,986	±2,835	11.0%
\$250 to \$399	57,306	±3,808	23.4%
\$400 to \$599	80,997	±4,761	33.0%
\$600 to \$799	36,918	±3,041	15.1%
\$800 to \$999	17,121	±1,992	7.0%
\$1,000 or more	25,892	±2,744	10.6%

Source: Lied Center for Real Estate, 2022 ACS 1-year estimates.

Table 4: Housing Costs vs. Household Income

Variable	Estimate	Margin of Error	Percent
SELECTED MONTHLY OWNER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME (SMOCAPI)			
<i>Housing units with a mortgage (excluding units where SMOCAPI cannot be computed)</i>			
	473,798	±10,247	473,798
Less than 20.0 percent	204,466	±7,449	43.2%
20.0 to 24.9 percent	73,321	±4,580	15.5%
25.0 to 29.9 percent	49,008	±4,164	10.3%
30.0 to 34.9 percent	33,911	±3,590	7.2%
35.0 percent or more	113,092	±5,614	23.9%
Not computed	3,666	±1,182	(X)
<i>Housing unit without a mortgage (excluding units where SMOCAPI cannot be computed)</i>			
	240,170	±6,460	240,170
Less than 10.0 percent	133,865	±5,099	55.7%
10.0 to 14.9 percent	37,556	±2,956	15.6%
15.0 to 19.9 percent	22,688	±2,767	9.4%
20.0 to 24.9 percent	10,937	±1,978	4.6%
25.0 to 29.9 percent	7,311	±1,207	3.0%
30.0 to 34.9 percent	5,354	±1,202	2.2%
35.0 percent or more	22,459	±2,492	9.4%
Not computed	5,050	±1,212	(X)
GROSS RENT			
Occupied units paying rent	462,009	±9,407	462,009
Less than \$500	11,889	±1,896	2.6%
\$500 to \$999	68,958	±3,695	14.9%
\$1,000 to \$1,499	163,435	±7,634	35.4%
\$1,500 to \$1,999	130,295	±7,131	28.2%
\$2,000 to \$2,499	59,853	±4,280	13.0%
\$2,500 to \$2,999	14,701	±2,468	3.2%
\$3,000 or more	12,878	±2,106	2.8%
Median (dollars)	1,461	±17	(X)
No rent paid	13,663	±2,130	(X)
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME (GRAPI)			
<i>Occupied units paying rent (excluding units where GRAPI cannot be computed)</i>			
	450,409	±9,725	450,409
Less than 15.0 percent	39,870	±3,043	8.9%
15.0 to 19.9 percent	50,819	±4,427	11.3%
20.0 to 24.9 percent	51,397	±4,357	11.4%
25.0 to 29.9 percent	50,097	±4,319	11.1%
30.0 to 34.9 percent	43,238	±4,380	9.6%
35.0 percent or more	214,988	±8,353	47.7%
Not computed	25,263	±2,571	(X)

Source: Lied Center for Real Estate, 2022 ACS 1-year estimates.

Table 5: Household Income and Housing Costs: Renters vs. Owners

Variable	All Housing Units		Owner-occupied housing units		Renter-occupied housing units	
	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Occupied housing units	1,198,356	±7,074	722,684	±9,872	475,672	±9,766
HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2022 INFLATION-ADJUSTED DOLLARS)						
Less than \$5,000	46,479	±4,043	19,918	±2,863	26,561	±2,797
\$5,000 to \$9,999	21,129	±3,113	8,177	±1,573	12,952	±2,678
\$10,000 to \$14,999	36,765	±3,602	11,479	±1,644	25,286	±3,063
\$15,000 to \$19,999	33,104	±3,371	15,052	±2,143	18,052	±2,381
\$20,000 to \$24,999	44,832	±4,227	19,100	±2,223	25,732	±3,394
\$25,000 to \$34,999	88,905	±5,053	37,308	±3,392	51,597	±4,099
\$35,000 to \$49,999	138,617	±7,050	66,454	±4,749	72,163	±5,338
\$50,000 to \$74,999	210,742	±6,697	113,785	±5,122	96,957	±4,753
\$75,000 to \$99,999	162,870	±7,622	105,507	±5,024	57,363	±4,613
\$100,000 to \$149,999	214,626	±7,136	157,591	±6,146	57,035	±5,004
\$150,000 or more	200,287	±7,475	168,313	±6,744	31,974	±3,350
Median household income (dollars)	72,333	±1,026	90,979	±1,534	51,445	±1,614
MONTHLY HOUSING COSTS						
Less than \$300	48,973	±3,425	42,953	±3,160	6,020	±1,512
\$300 to \$499	97,336	±5,232	91,467	±4,947	5,869	±1,066
\$500 to \$799	115,352	±6,137	89,181	±5,084	26,171	±2,945
\$800 to \$999	87,996	±4,625	45,209	±3,526	42,787	±3,032
\$1,000 to \$1,499	303,723	±9,156	140,288	±6,718	163,435	±7,634
\$1,500 to \$1,999	266,983	±9,732	136,688	±6,593	130,295	±7,131
\$2,000 to \$2,499	148,627	±6,860	88,774	±5,338	59,853	±4,280
\$2,500 to \$2,999	56,972	±4,496	42,271	±3,591	14,701	±2,468
\$3,000 or more	58,731	±3,953	45,853	±3,638	12,878	±2,106
No cash rent	13,663	±2,130	(X)	(X)	13,663	±2,130
Median (dollars)	1,401	±15	1,328	±26	1,461	±17
MONTHLY HOUSING COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS						
Less than \$20,000	113,133	±6,354	45,910	±3,726	67,223	±4,973
Less than 20 percent	3,246	±991	2,775	±895	471	±423
20 to 29 percent	6,294	±1,421	3,613	±1,077	2,681	±910
30 percent or more	103,593	±6,221	39,522	±3,365	64,071	±5,087
\$20,000 to \$34,999	131,873	±6,362	56,408	±3,829	75,465	±4,995
Less than 20 percent	15,449	±2,119	14,410	±2,055	1,039	±591
20 to 29 percent	11,962	±1,610	8,430	±1,331	3,532	±855
30 percent or more	104,462	±5,854	33,568	±3,113	70,894	±4,945
\$35,000 to \$49,999	137,240	±7,038	66,454	±4,749	70,786	±5,256
Less than 20 percent	26,499	±2,410	24,537	±2,173	1,962	±913
20 to 29 percent	19,416	±2,277	10,113	±1,768	9,303	±1,561
30 percent or more	91,325	±6,299	31,804	±3,855	59,521	±5,050
\$50,000 to \$74,999	208,062	±6,809	113,785	±5,122	94,277	±4,751
Less than 20 percent	57,754	±3,152	47,752	±2,941	10,002	±1,801
20 to 29 percent	61,723	±4,260	27,869	±2,650	33,854	±3,466
30 percent or more	88,585	±5,211	38,164	±3,578	50,421	±4,126
\$75,000 or more	574,069	±9,327	431,411	±8,547	142,658	±6,585
Less than 20 percent	386,316	±8,829	309,101	±8,388	77,215	±5,075
20 to 29 percent	142,676	±7,065	90,552	±5,233	52,124	±4,412
30 percent or more	45,077	±3,167	31,758	±2,848	13,319	±2,424
Zero or negative income	20,316	±2,587	8,716	±1,778	11,600	±1,980
No cash rent	13,663	±2,130	(X)	(X)	13,663	±2,130

Source: Lied Center for Real Estate, 2022 ACS 1-year estimates.

Cost Burdened Renters

With these descriptive results in place, we move attention to an analysis of *excessively cost burdened renters* defined as renters paying 35 percent or more of their income on housing as well as *cost burdened renters* defined as renters paying 30 percent or more. As shown in Table 6, In Nevada, 57.3 percent of renters pay more than 30 percent of their income on housing. This percentage is slightly larger in the Las Vegas, Henderson, North Las Vegas Metro Area at 58.3 percent. For context, our analysis shows that the Las Vegas, Henderson, North Las Vegas Metro Area ranks worse than New York-Newark-Jersey City, NY Metro Area (where 52.6 percent of renters pay 30 percent or more on housing) and even the San Francisco-Oakland-Berkeley, CA Metro Area (where 48.9 percent of renters pay 30 percent or more on housing).

Table 6: Cost Burdened Renter’s Select Geographies

Geography	%Cost Burdened Renters
Nevada	57.30%
Las Vegas, Henderson, North Las Vegas Metro	58.30%
New York-Newark-Jersey City, NY Metro Area	52.60%
San Francisco-Oakland-Berkeley, CA Metro Area	48.90%

Source: Lied Center for Real Estate, 2022 ACS 1-year estimates.

Turning attention to Table 7, we breakdown the percent of excessively cost burdened renters by state and order states from the highest to the lowest percentage estimates.

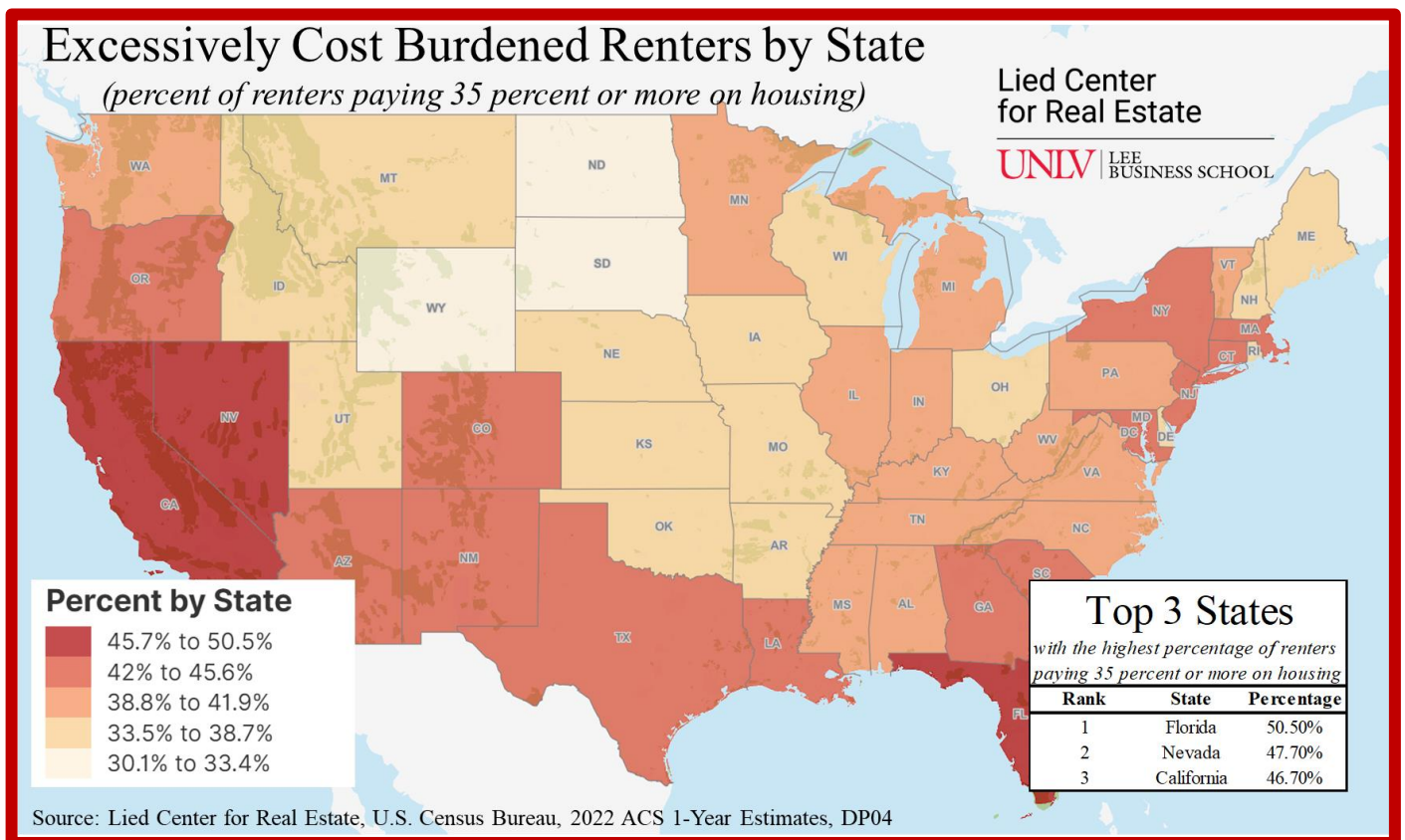


Table 7: Percent of Excessively Cost Burdened Renters by State
All States within the United States, Puerto Rico, and the Island Areas

State	% Excessively Cost Burdened Renters	Rank
Florida	50.50%	1
Nevada	47.70%	2
California	46.70%	3
Hawaii	46.60%	4
Louisiana	45.60%	5
Connecticut	45%	6
Puerto Rico	44.90%	7
New Mexico	44.70%	8
New York	43.80%	9
Oregon	43.80%	10
New Jersey	43.60%	11
Colorado	43.40%	12
South Carolina	43.40%	13
Massachusetts	43.30%	14
Texas	43.30%	15
Georgia	43.10%	16
Arizona	43%	17
Maryland	42.30%	18
Washington	41.90%	19
West Virginia	41.50%	20
Mississippi	41.40%	21
Michigan	41.10%	22
Alabama	40.80%	23
Illinois	40.80%	24
Virginia	40.60%	25
Indiana	40.30%	26
Pennsylvania	40.20%	27
Minnesota	40.10%	28
Vermont	39.70%	29
Kentucky	39.60%	30
Tennessee	39.50%	31
North Carolina	39%	32
Oklahoma	38.70%	33
Ohio	38.30%	34
Utah	38.30%	35
New Hampshire	38.10%	36
Kansas	38%	37
Arkansas	37.80%	38
Delaware	37.80%	39
Idaho	37.70%	40
Maine	37%	41
Wisconsin	37%	42
Missouri	36.80%	43
Rhode Island	36.80%	44
District of Columbia	36.40%	45
Iowa	36.20%	46
Nebraska	36.20%	47
Alaska	35%	48
Montana	34.80%	49
North Dakota	33.40%	50
Wyoming	31.70%	51
South Dakota	30.10%	52

Source: Lied Center for Real Estate, ACS (2022) 1-year estimates.

Our renter cost analysis shows that Nevada is the second highest excessively cost burdened state for renters with 47.7% of renters paying 35 percent or more on housing and slightly ahead of California where 46.7 percent of renters pay 35 percent or more.

Conclusion

In terms of quantitatively assessing the affordability of a community we contrast housing costs with household income. When housing prices and rents rise, the pace at which income levels change will dictate the prevalence of cost burdened households in a city.

This data briefing shows that Nevada's renters are more cost burdened than Nevada's homeowners. Renters with the goal of owning a home may find it increasingly harder to do so which can exacerbate wealth gaps between homeowners and renters over time. This concern is particularly relevant considering data released by the Survey of Consumer Finances¹ which shows that the gap in wealth between owners and renters has reached a historic high. While we found that Nevada ranks high in terms of housing cost burden, this does not imply that housing is necessarily affordable in lower ranking states. Underscoring this point, we find that the percentage of excessively cost burdened renters exceeds 40% in 28 states.

Limitations

In terms of the limitations of this research, we note here that income as reported in the ACS is not compatible with income reported in the decennial census. This deals with how the questions regarding income are asked on the survey.

Second, while this data briefing relies on the most recent wave of the ACS available, the data nonetheless represents market conditions in 2022 and not 2024.

Third, and as is the case with any survey including the ACS, sampling error may arise. Given that, in this study we report margins of error to alert users of the reliability of the numbers.

Lastly, monthly housing costs expressed as a percentage of household income represents only one of several methodological approaches available for evaluating housing affordability. One noteworthy critique is that monthly housing costs fail to account for transportation costs which some researchers have argued may represent the second-biggest budget item for most families². Additionally, homeowners paying more than 35 percent of their income on housing may qualify as cost-burdened but may nonetheless be positioned to make ends meet if their overall level of income is sufficiently high. Along these lines, a fruitful avenue for additional research involves an analysis of how the percentage of cost burdened renters varies with respect to the socio-economic and demographic profiles of renter- and owner-occupied households.

Replication Data

Readers may access the raw data files obtained from the U.S. Census that were used to produce the findings in this data brief by [clicking here](#).

¹Source: <https://www.bls.gov/news.release/cesan.nr0.htm>

²Source: <https://www.hudexchange.info/programs/location-affordability-index/about/#:~:text=The%20prevailing%20standard%20of%20affordability,since%20this%20standard%20was%20estabished>.

The Lied Research Report

The Lied Center for Real Estate – Lee Business School

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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 market reports, supports educational programs in commercial real estate for students and professionals, and provides community outreach and continuing education.

About the Authors

Dr. Shawn J. McCoy serves as the Director for the Lied Center, where he oversees the Center's agenda of excellence in teaching and forging strategic partnerships to bring together real estate researchers, students, and industry and community leaders. He is a *Lincoln Institute Scholar* with a research specialization in the fields of real estate and housing economics, applied econometrics, environmental economics, and geographic information systems. He publishes extensively in the world's highest-ranking peer-reviewed journals in these fields including *Real Estate Economics* and *the Journal of the Association of Environmental and Resource Economists*. In addition to his work that is featured frequently in local, national and international media, he has testified as an expert in real estate analytics and global climate risks to governments and public agencies spanning 39 different countries.

Dr. Nicholas B. Irwin serves as the research director for the Lied Center and leads the Center's work on public-facing policy briefs and rigorous academic research. He specializes in the fields of housing economics, urban economics, and environmental economics with his work often appearing in internationally recognized journals across these areas including the *Journal of Real Estate Finance and Economics*, the *Journal of Environmental Economics*, *Land Economics*, the *Journal of Real Estate Research*, and *Regional Science and Urban Economics*. His research examines behavioral spillovers in decision-making of homeowners and how the housing market responds to information shocks related to environmental hazards and changes to public goods. His research has been featured in both local, regional, and national media outlets, including the Las Vegas Review-Journal, KNPR's State of Nevada, and the Associated Press, among others.

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