

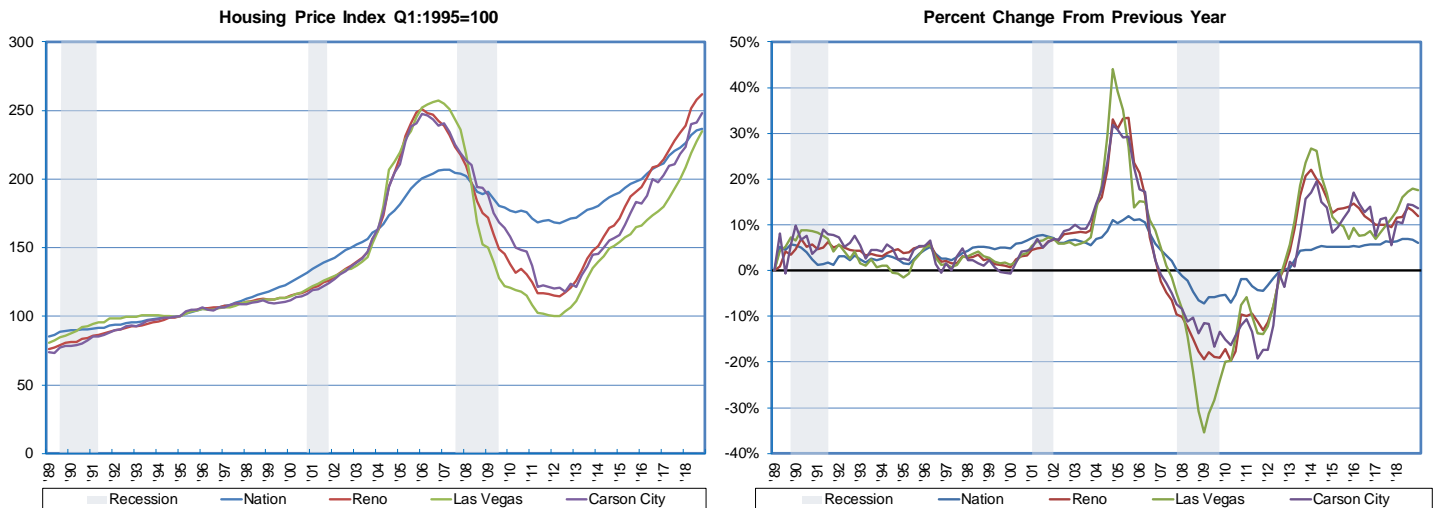
Research Notes



Housing Price Index
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Indexed Housing Prices in Reno and Carson City Are Returning to High levels, and Las Vegas is Nearly There



- Using quarterly non-seasonally adjusted data obtained from the Federal Reserve Bank of St. Louis sourced from the U.S. Federal Housing Finance Agency (FHFA) we examine the housing market in the Reno Metropolitan Statistical Area (MSA), Carson City MSA, and Las Vegas MSA compared to the Nation.
- Data comes from the FHFA House Price Index (HPI). The HPI is an index examining average price changes in repeat-sales & refinancing of the same single-family houses whose mortgages have been purchased or securitized by Fannie Mae or Freddie Mac. All estimates are indexed with the first quarter 1995 equal to one hundred, and are not seasonally adjusted. Indexing is a way of setting numerous variables equal to a specific value, allowing for the comparison of trends. Estimates that are indexed are not meant to give exact figures about a specific region or time, but only to show comparisons of different data sets.
- Reno peaked before the recession at 251.1 in the first quarter 2006 then dropped to 114.7 in the second quarter 2012 for a decrease of 136.4 points. As a percentage Reno experienced its fastest growth between the second quarter 2004 and the same quarter 2005 at a rate of 33.3 percent, and had a decrease of 19.8 percent in the first quarter 2010 over the year.
- Las Vegas Peaked at an index of 257.3 in the fourth quarter 2006 then decreased by 157.3 to 100.0 in the first quarter 2012 the lowest it had been since 1995 by this index, and the largest decrease of the areas examined. Las Vegas grew at the fastest rate of 44.1 percent in third quarter 2004, and the largest decline of 35.4 percent in quarter four 2008, both over the previous year.

Continued Next Page

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- Carson City peaked at 247.3 in the first quarter 2006 prior to the recession then decreased by 129.3 to 118.0 in the second quarter 2012. The fastest over the year growth rate was 31.9 percent in fourth quarter 2004, and the decline rate of 19.2 percent in quarter two 2011 both over the previous year.
- National housing indexes were less volatile compared to Nevada with a Peak index of 206.8 in the first quarter 2007, and a decline to 167.6 in second quarter 2012 a decrease of 39.2. In the fourth quarter 2018 the index was at 236.3. On an over the year percentage growth the nation experienced its fastest growth rate in the second quarter 2015 at 11.9 percent, and the largest decline in fourth quarter 2008 at 7.1 percent.
- Since the lows experienced by each region in 2012 they have all recovered to new highs with the exception of Las Vegas. Las Vegas is back to a level of 234.9 an increase of 134.9, but is still not equal to the maximum of 257.3 in the third quarter 2006. On a percentage basis, in the fourth quarter 2018 the nation was growing at 6.0 percent, Reno at 11.8 percent, Las Vegas at 17.6 percent, and Carson City at 13.6 percent.

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