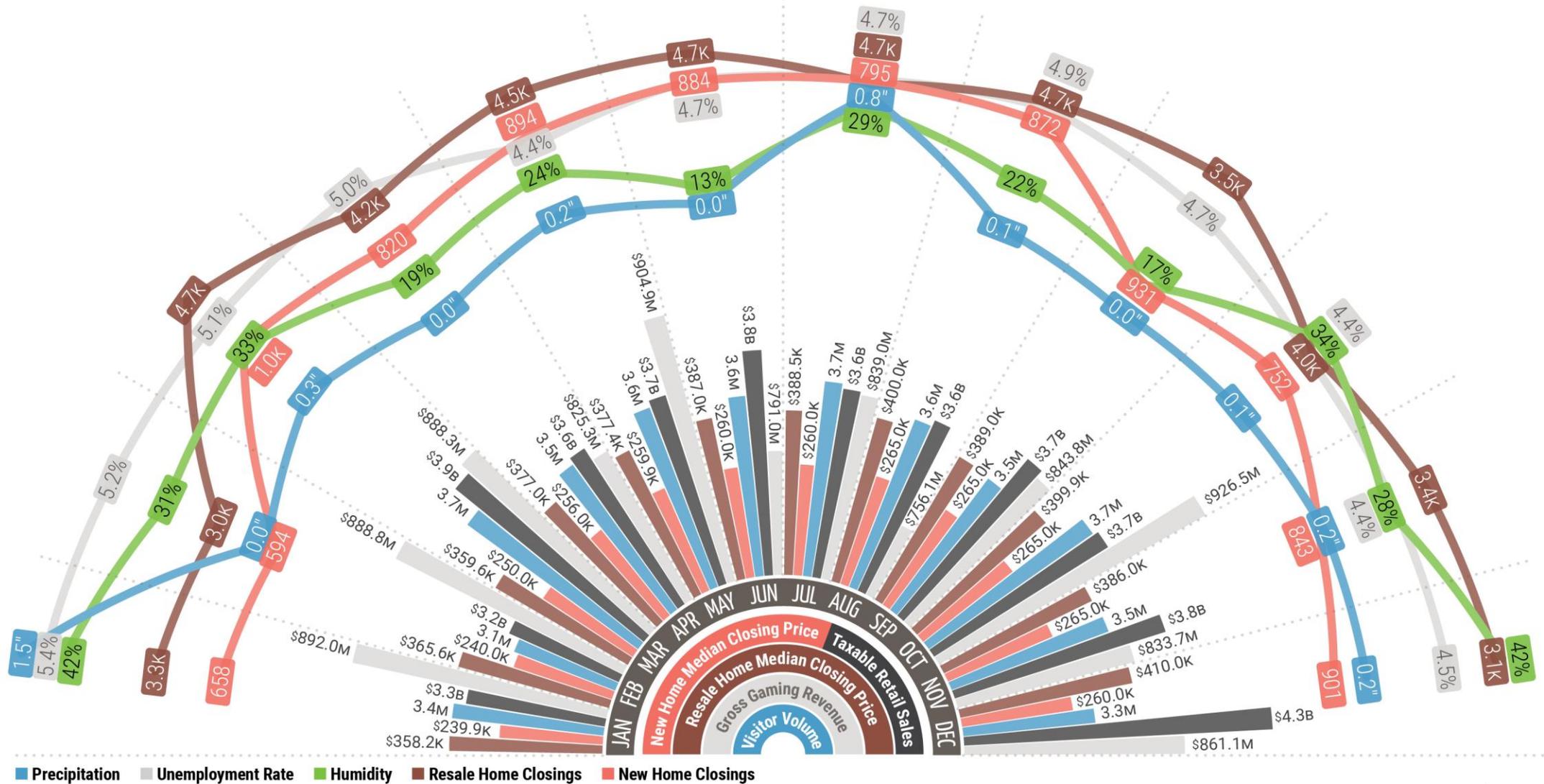
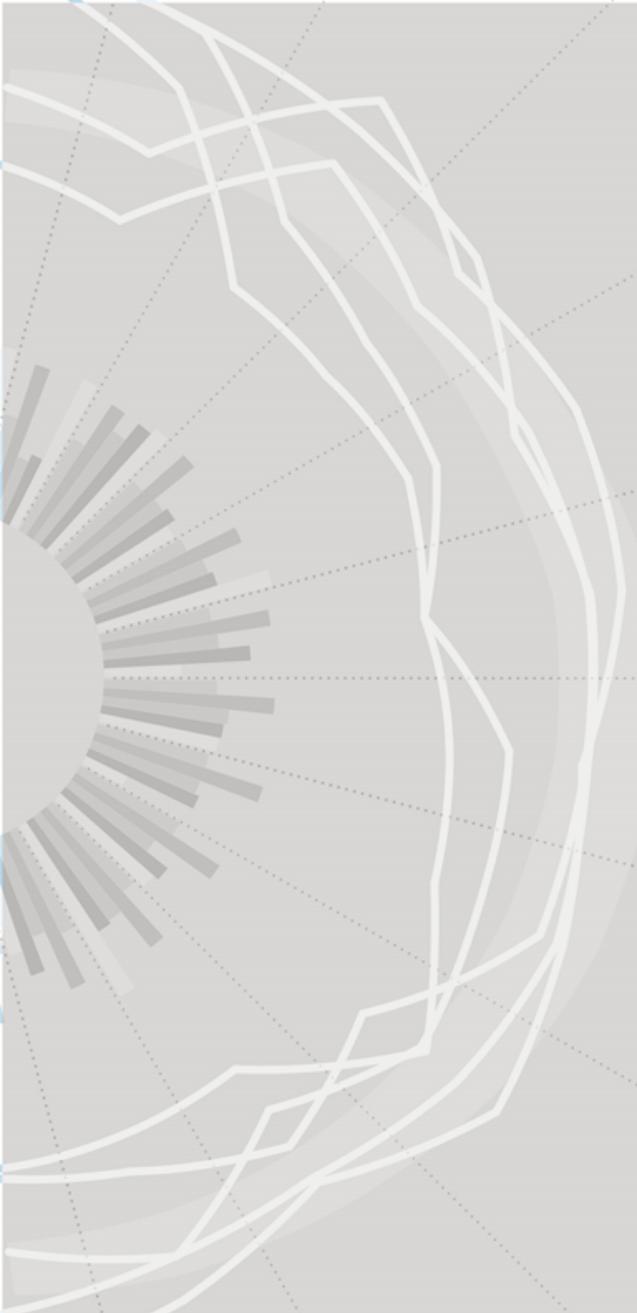


# 2019 LAS VEGAS PERSPECTIVE

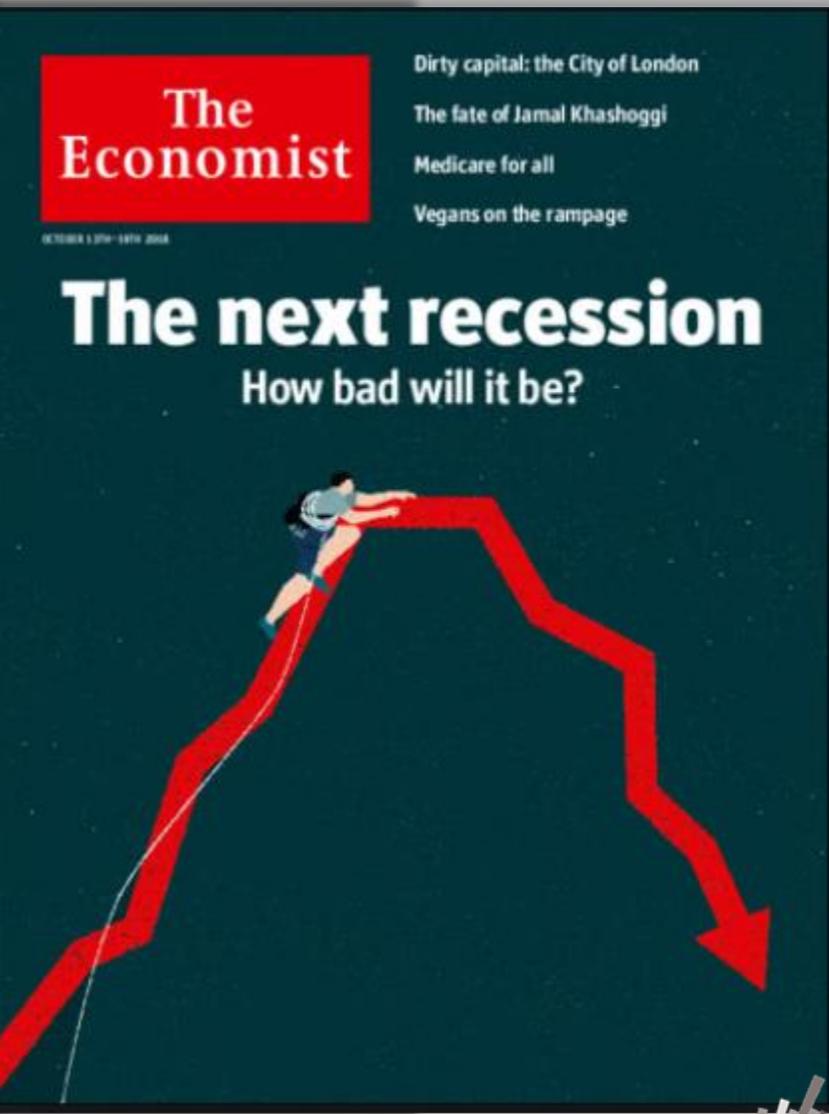
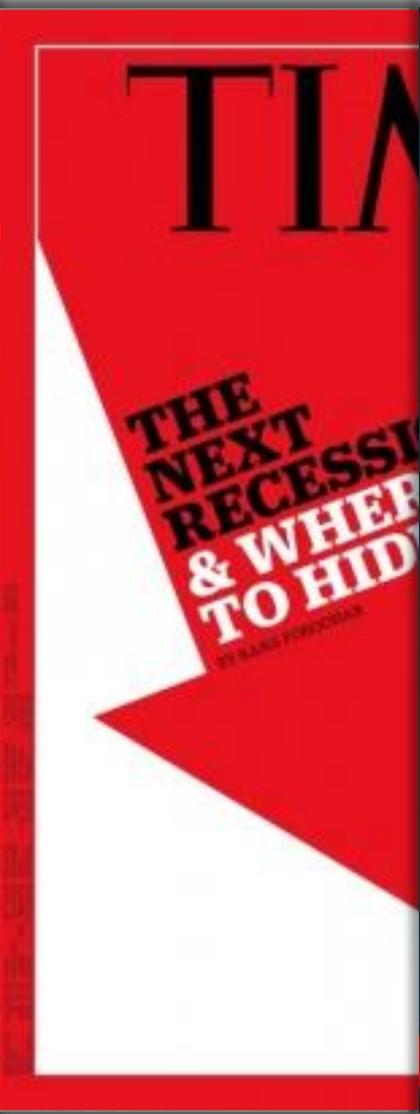
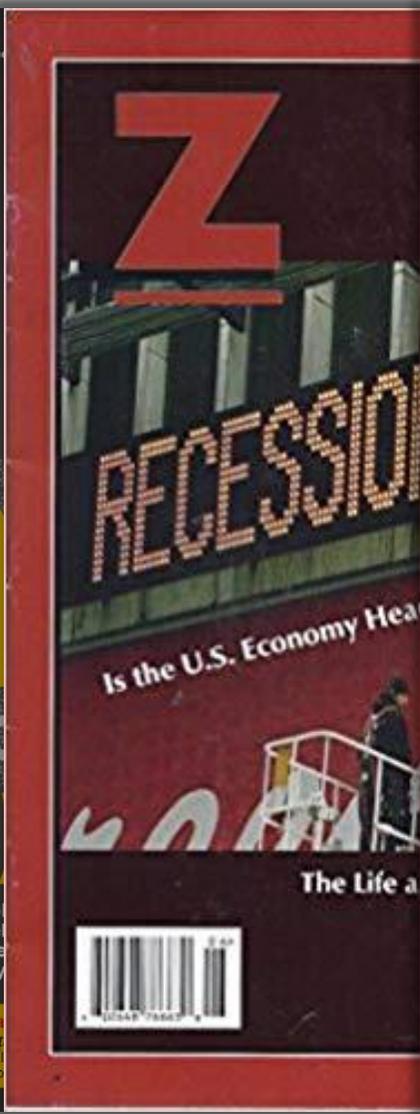




WHAT HAPPENS IN  
THE NATIONAL ECONOMY  
**MATTERS TO OUR  
LOCAL ECONOMY**

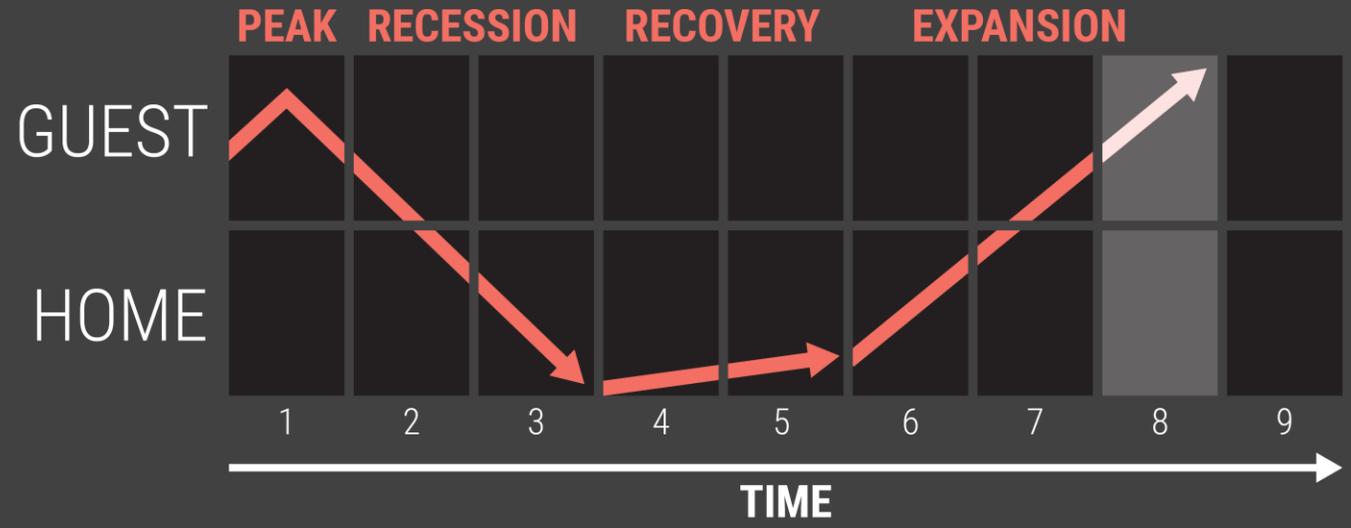


# Nevada Is Not An Island



# BUSINESS CYCLE

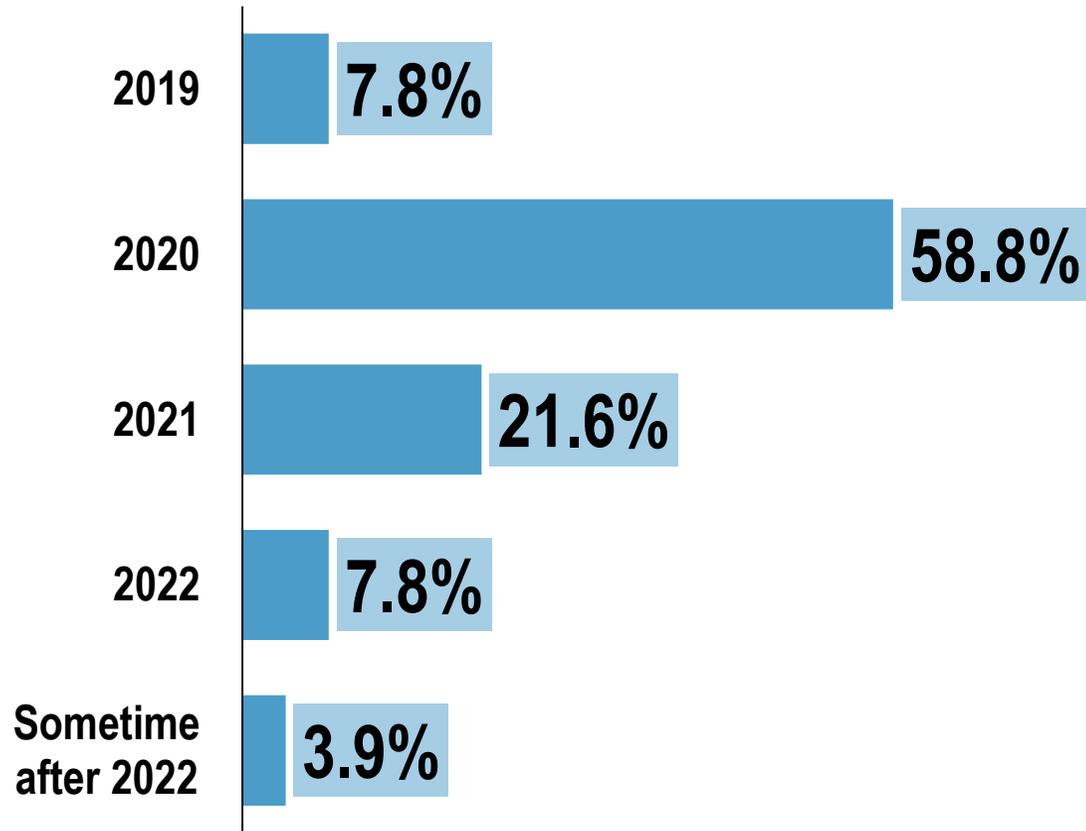
BALL **3** STRIKE **2** OUT **1**



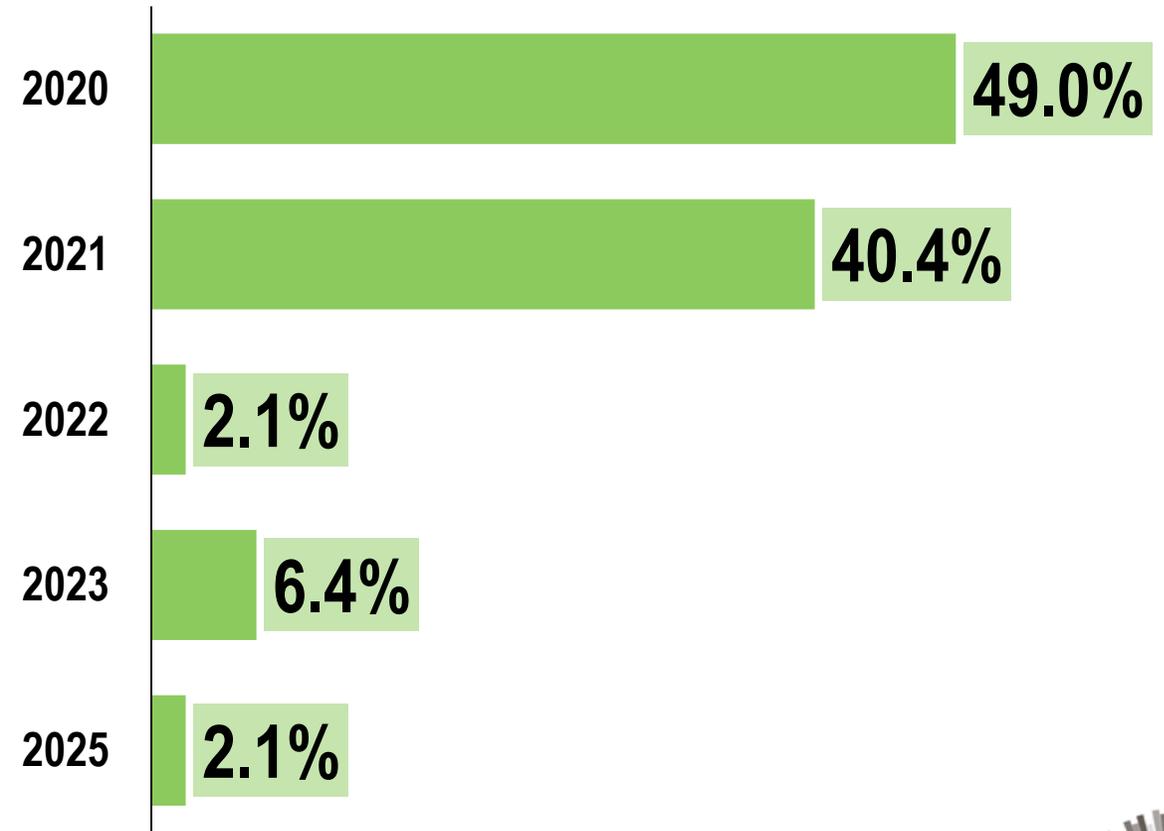
# The Next Recession

When do you expect the next recession to start?

May 2018 Survey



April 2019 Survey



Source: Wall Street Journal, Economist Forecasting Survey

# Factors Affecting U.S. Growth



## TAX CUTS & JOBS ACT

MORE jobs | FAIRER taxes | BIGGER paychecks

# Factors Affecting U.S. Growth



# Factors Affecting U.S. Growth



# Factors Affecting U.S. Growth



# Factors Affecting U.S. Growth

EMPLOYMENT OPPORTUNITIES AVAILABLE

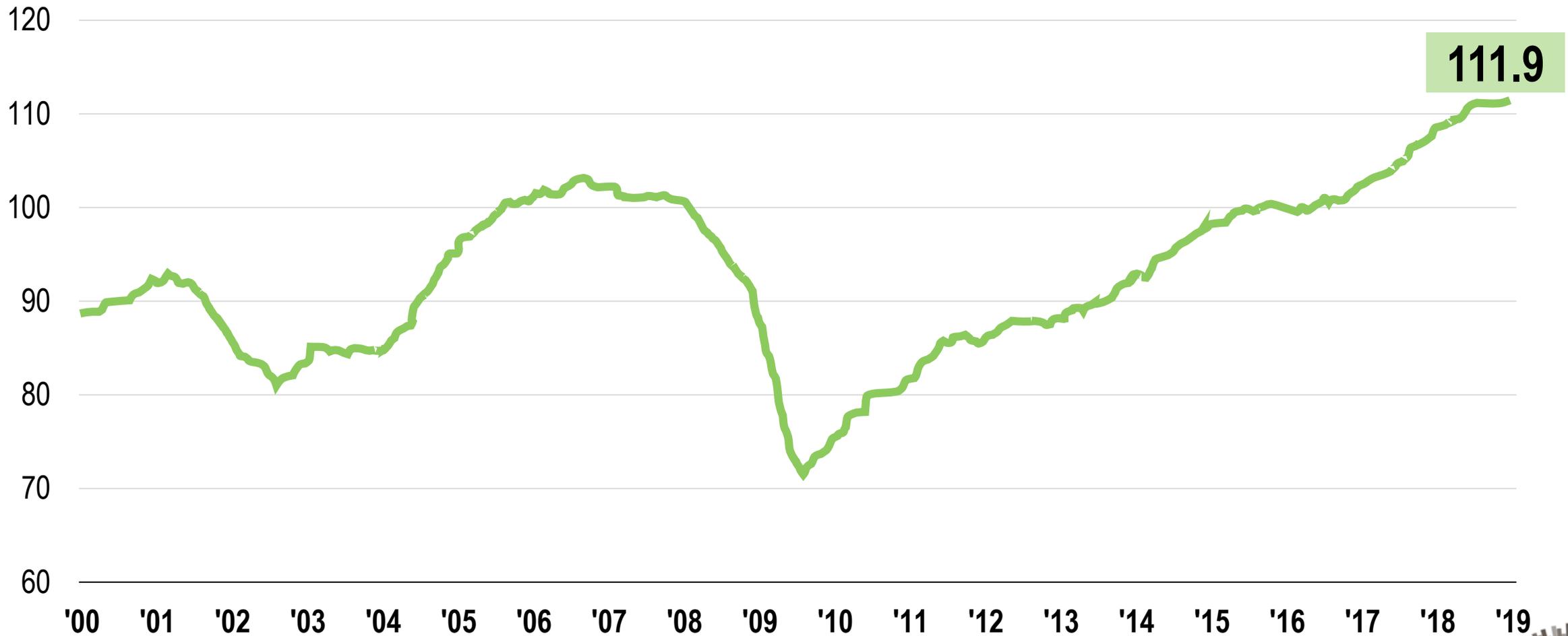
PLEASE INQUIRE WITHIN

# Leading U.S. Economic Indicators

Indicator	Prior Year		Present Value		% Change
<b>Population</b>	2017	325.2 M	2018	327.2 M	▲ +0.6%
<b>Employment (Nonfarm)</b>	April '18	148.4 M	April '19	151.0 M	▲ +1.8%
<b>Average Weekly Earnings (Private)</b>	April '18	\$928	April '19	\$955	▲ +2.9%
<b>Unemployment Rate</b>	April '18	3.7%	April '19	3.3%	▼ -0.4%
<b>Personal Income</b>	March '18	\$17.4 T	March '19	\$18.1 T	▲ +3.9%
<b>Gross Domestic Product</b>	2017	\$19.5 T	2018	\$20.5 T	▲ +5.2%
<b>30-Year Fixed Rate Mortgages</b>	April '18	4.47%	April '19	4.14%	▼ -0.3%
<b>Mortgages Past Due</b>	Q4 '17	2.1 M	Q4 '18	1.6 M	▼ -22.4%
<b>S&amp;P 500 Adj Closing Price</b>	March '18	\$17.4 T	March '19	\$18.1 T	▲ +3.9%

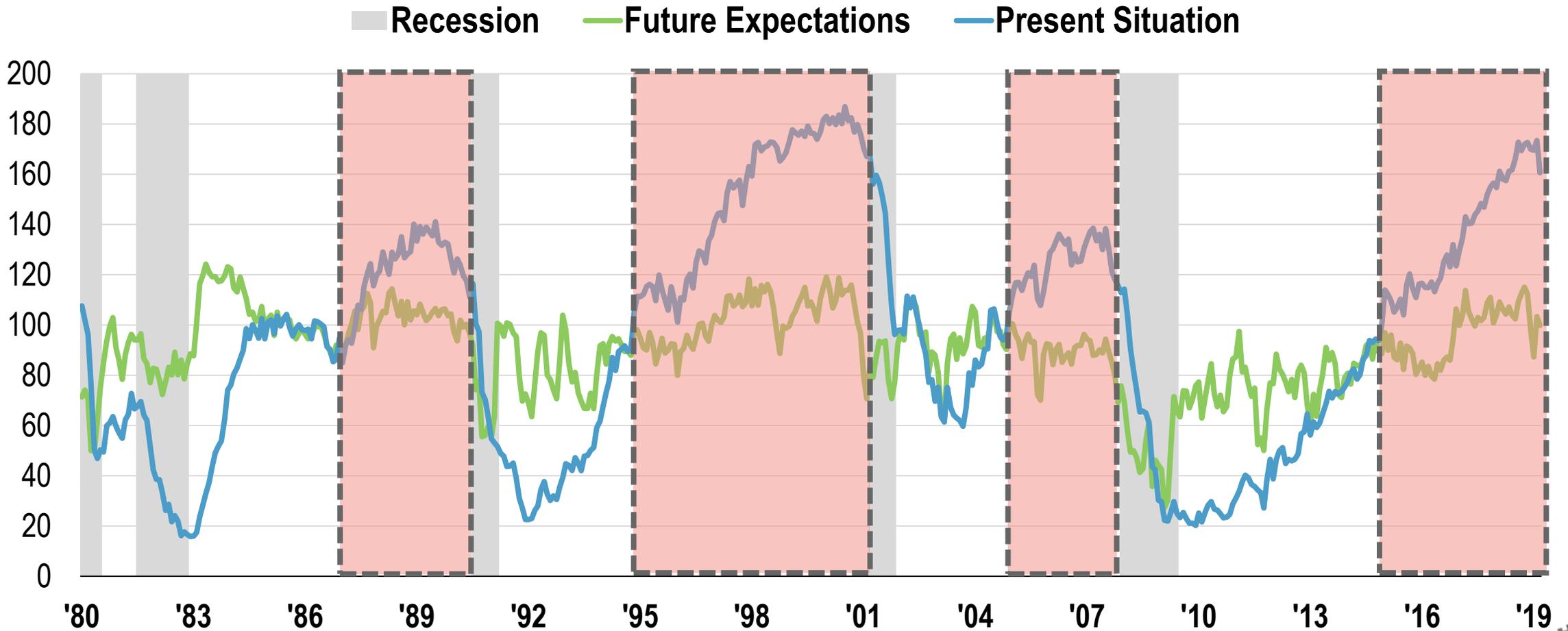
# Leading Economic Index

## United States

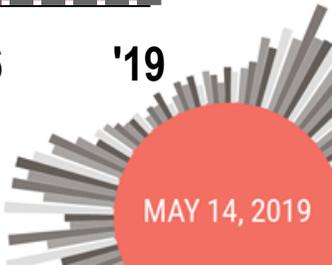


Source: The Conference Board

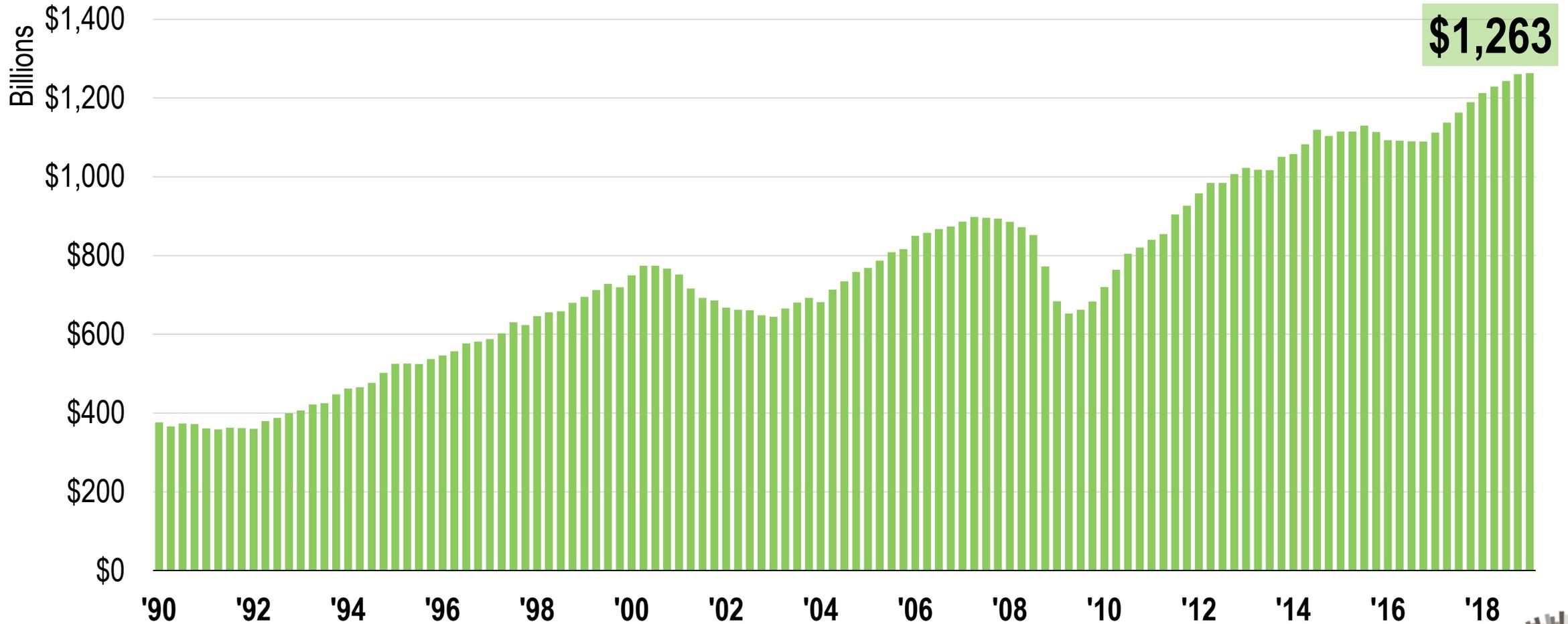
# Consumer Confidence Trends



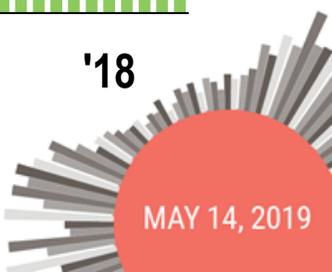
Source: The Conference Board



# Gross Private Domestic Investment Equipment

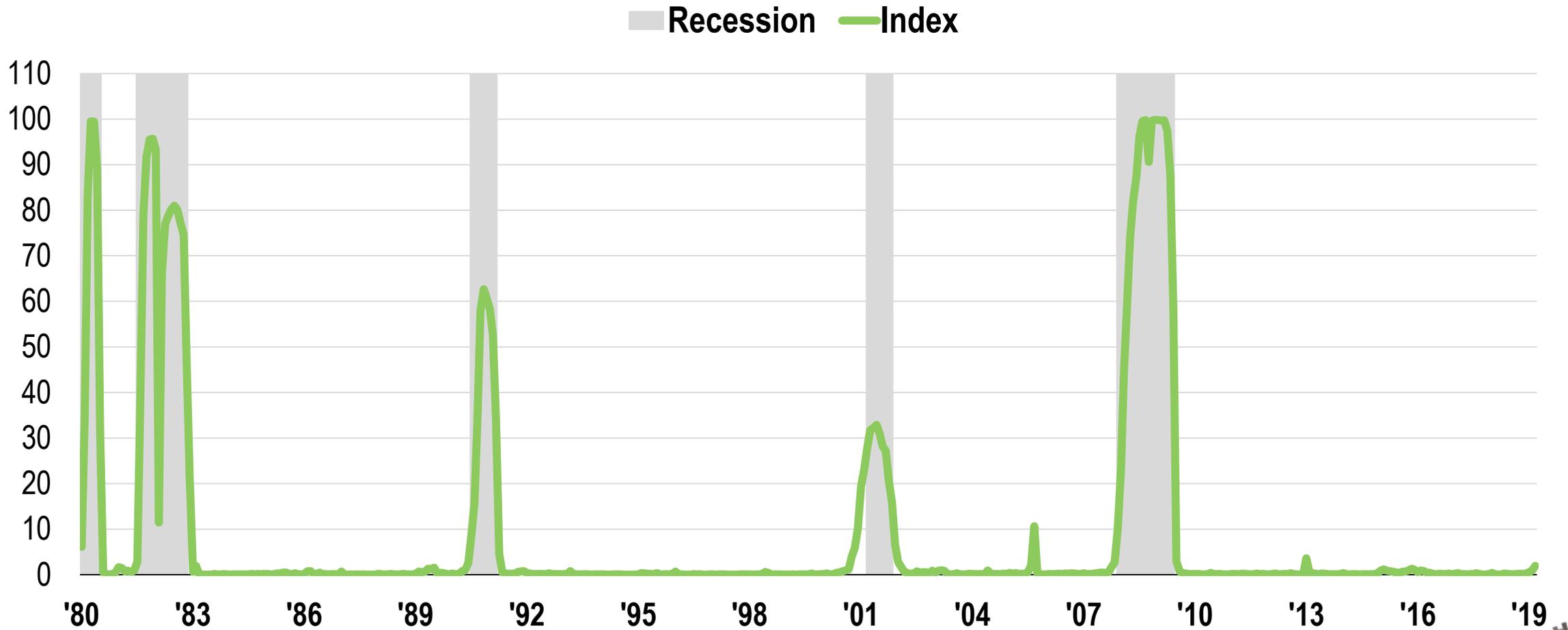


Source: Bureau of Economic Analysis



# U.S. Recession Probabilities

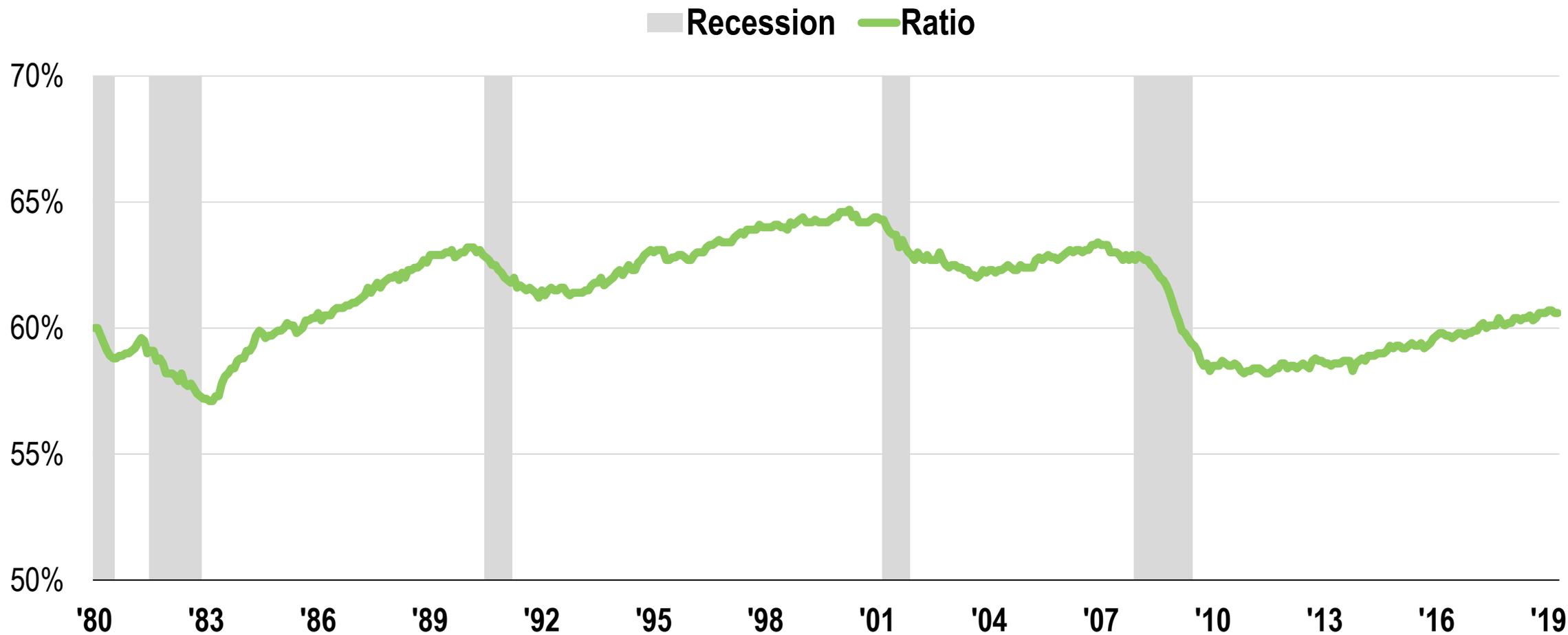
## Smoothed



Source: Piger, Jeremy Max

# Employment-to-Population Ratio

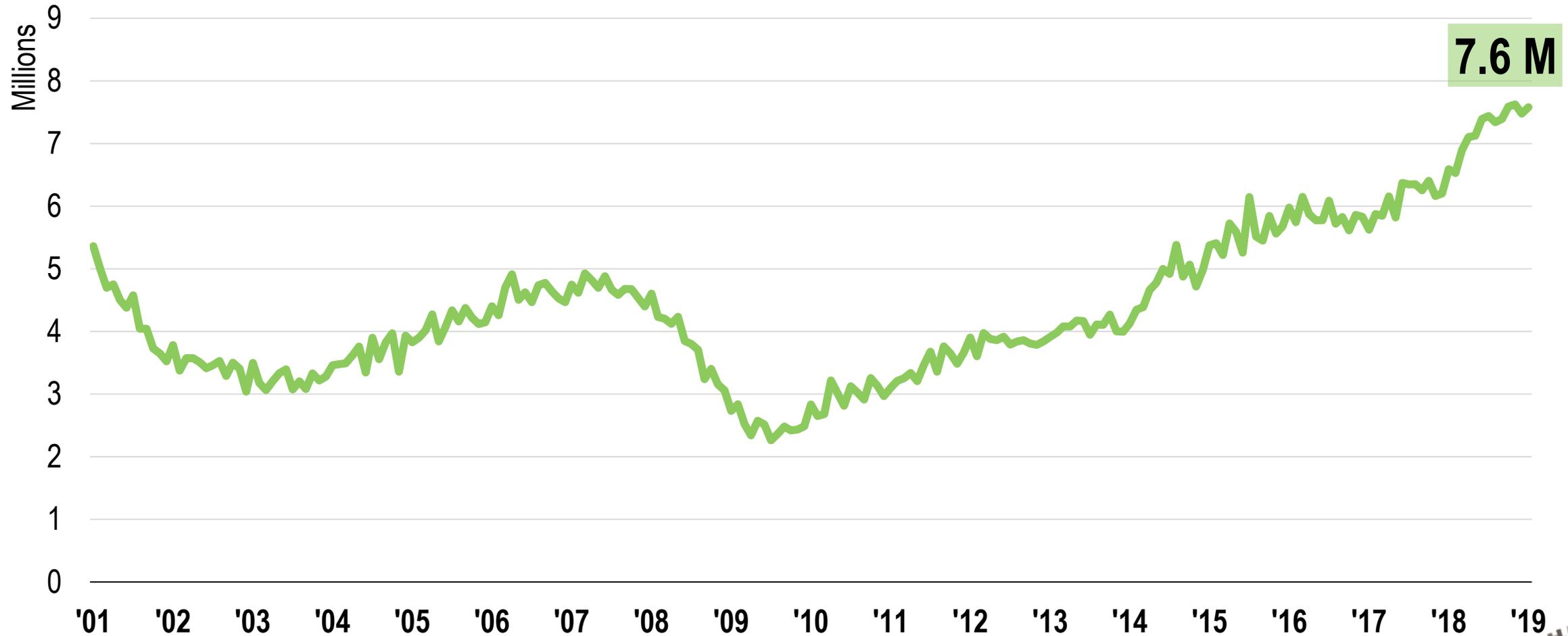
## United States



Source: U.S. Bureau of Labor Statistics

# Total Unfilled Job Vacancies

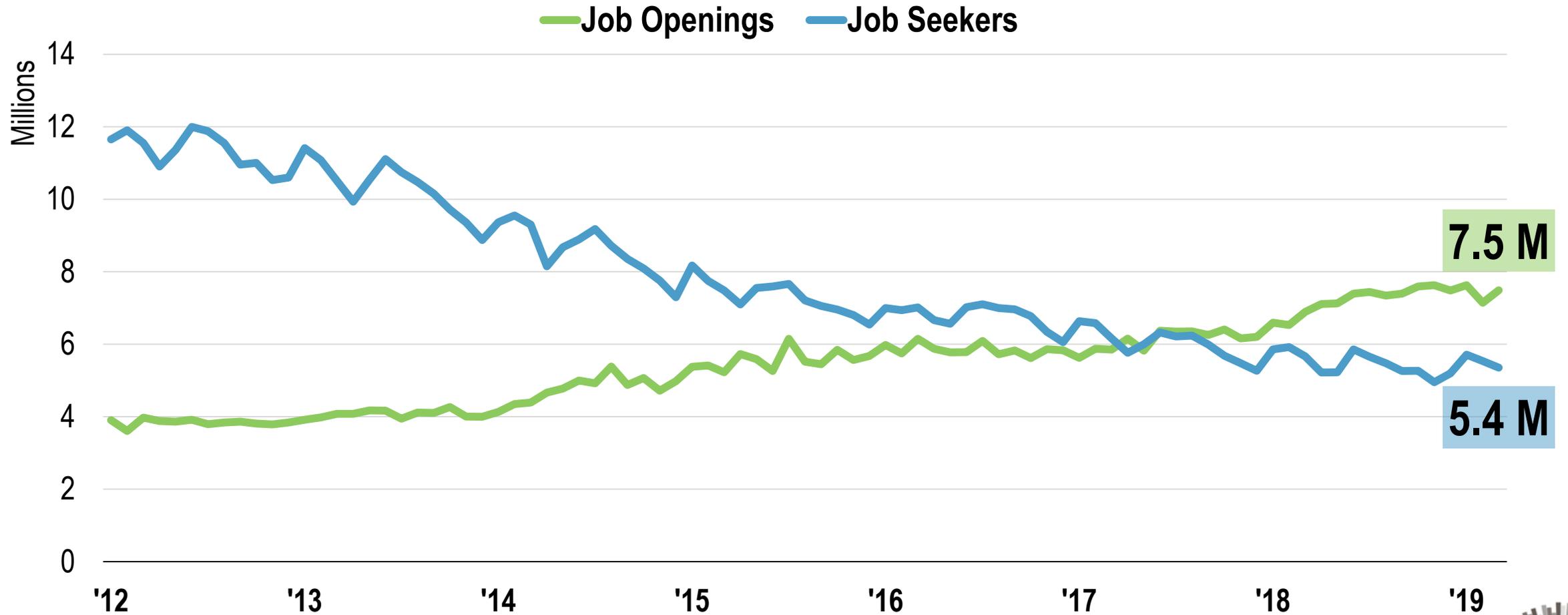
## United States



Source: Organisations for Economic Co-operation and Development

# Job Openings vs. Job Seekers

## United States

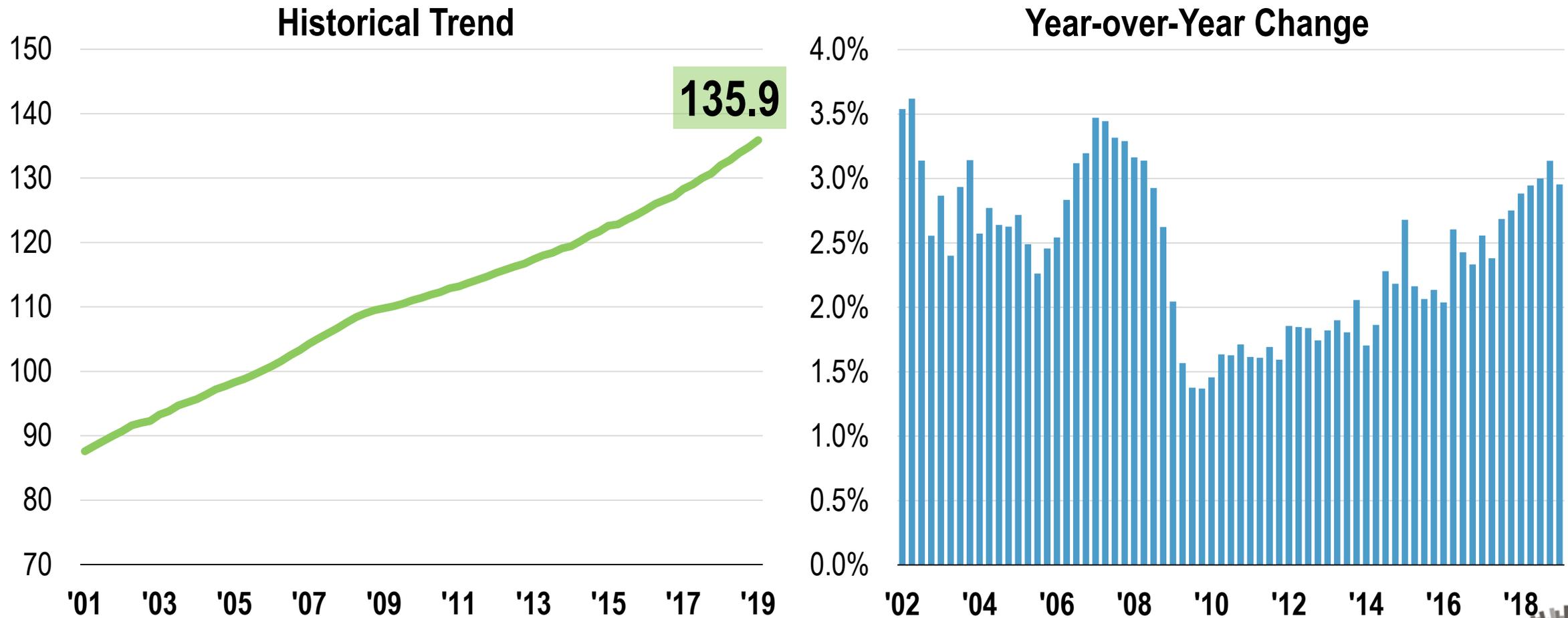


Source: U.S. Bureau of Labor Statistics



# Employment Cost Index

## Wages and Salaries: Private Industry Workers

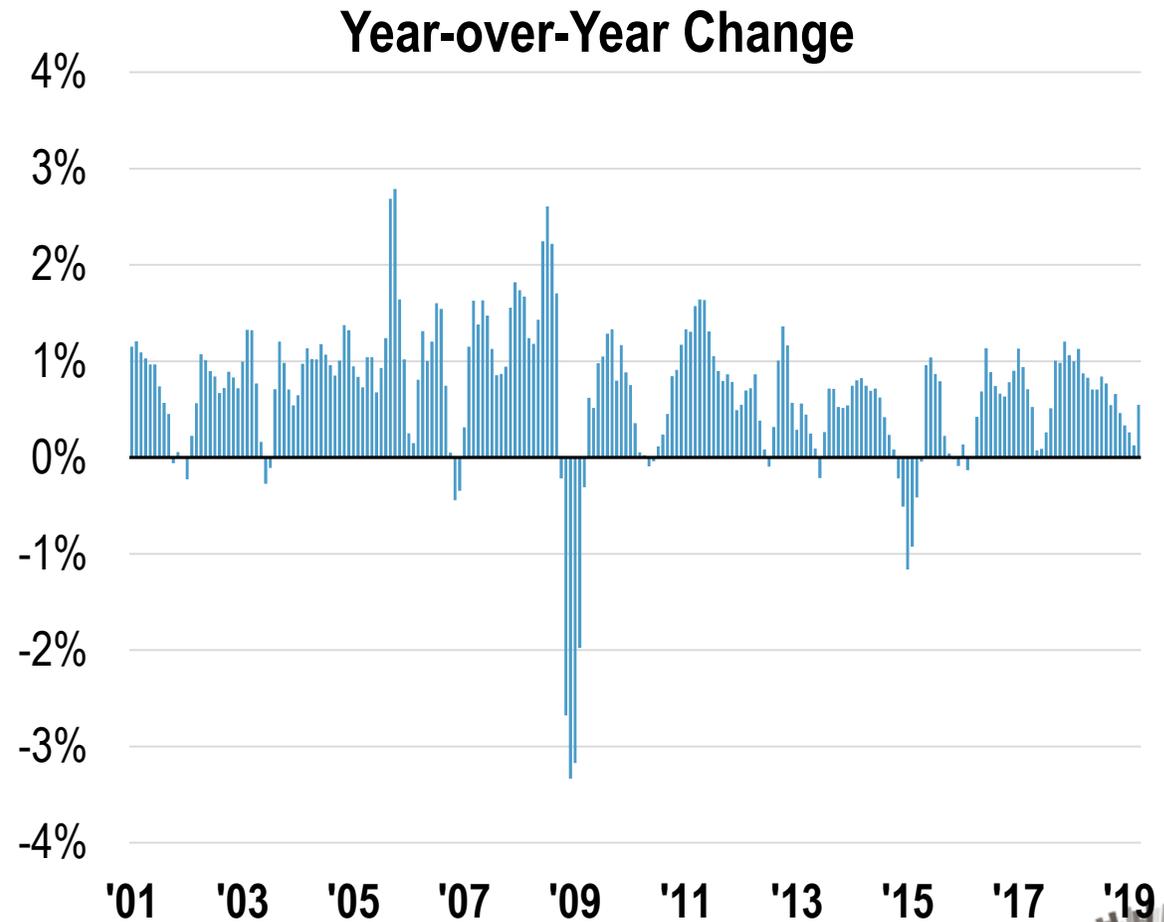
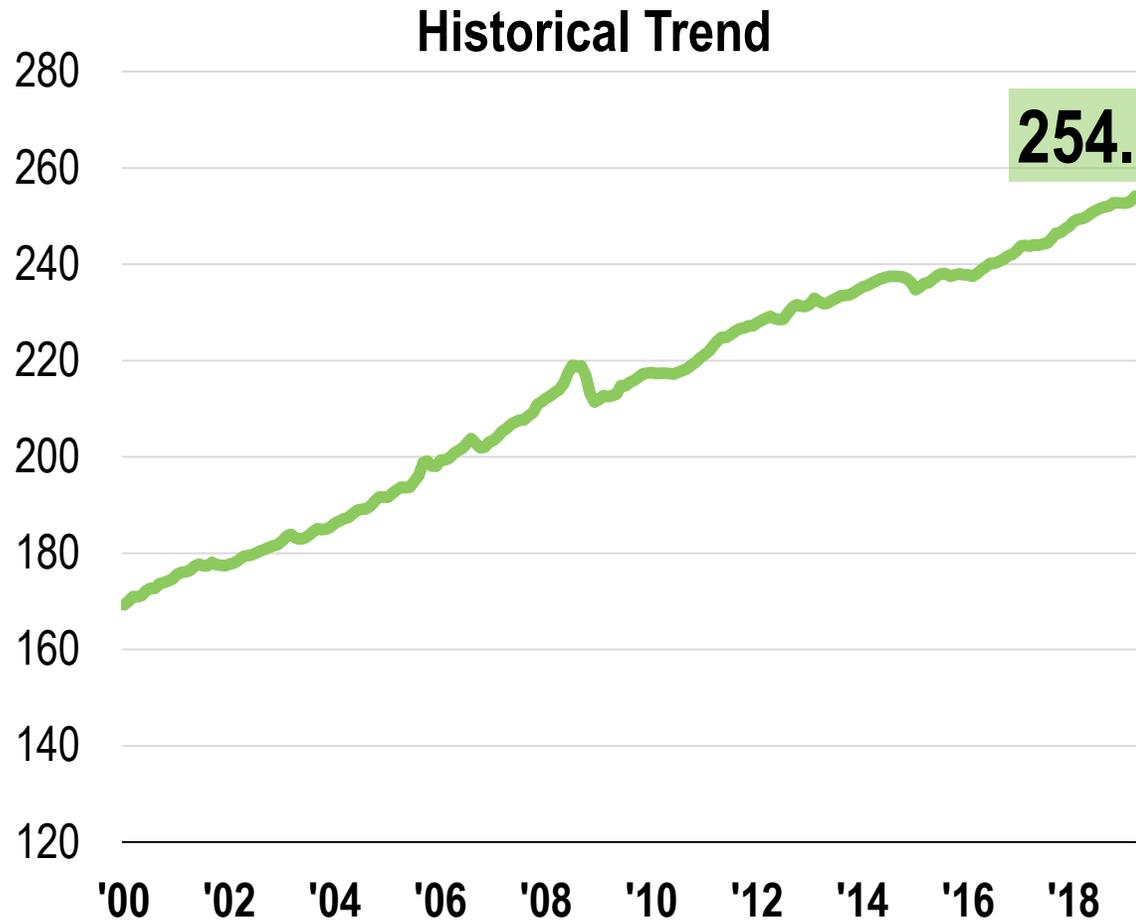


Source: U.S. Bureau of Labor Statistics



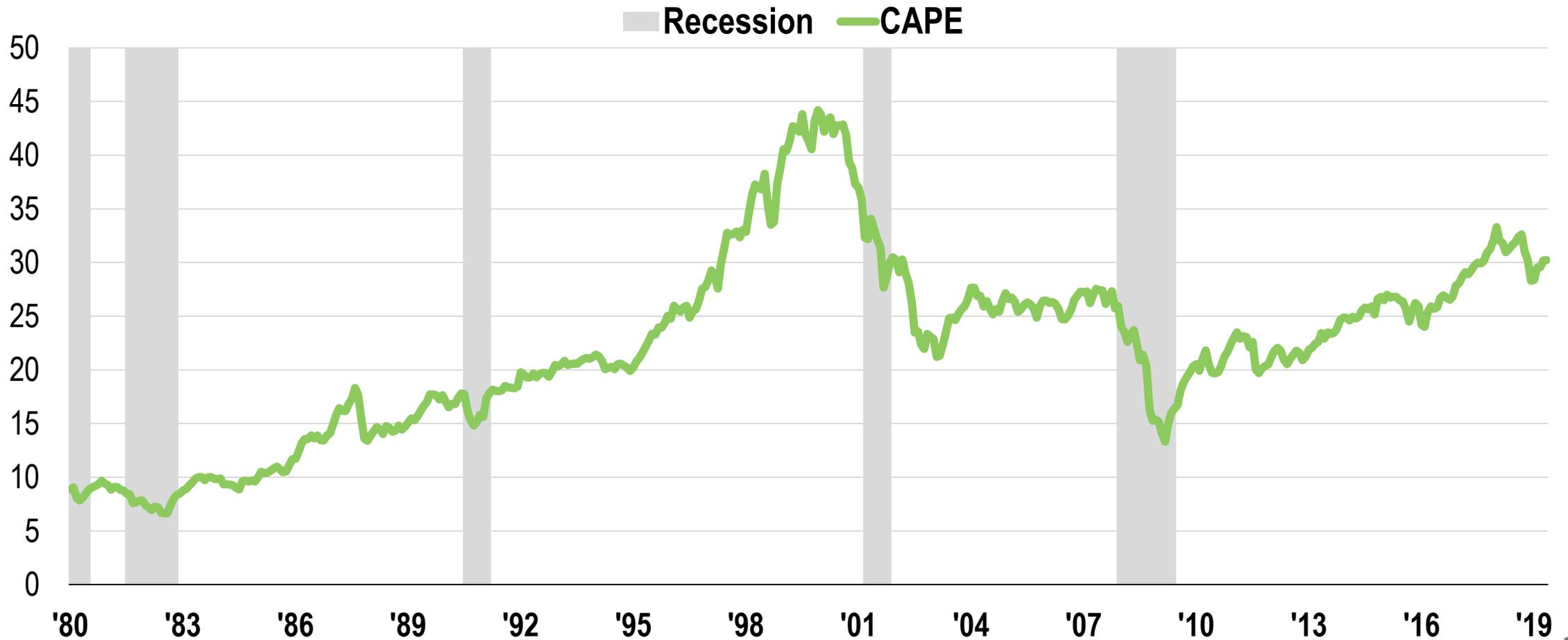
# Consumer Price Index

## All Urban Consumers: All Items



Source: U.S. Bureau of Labor Statistics

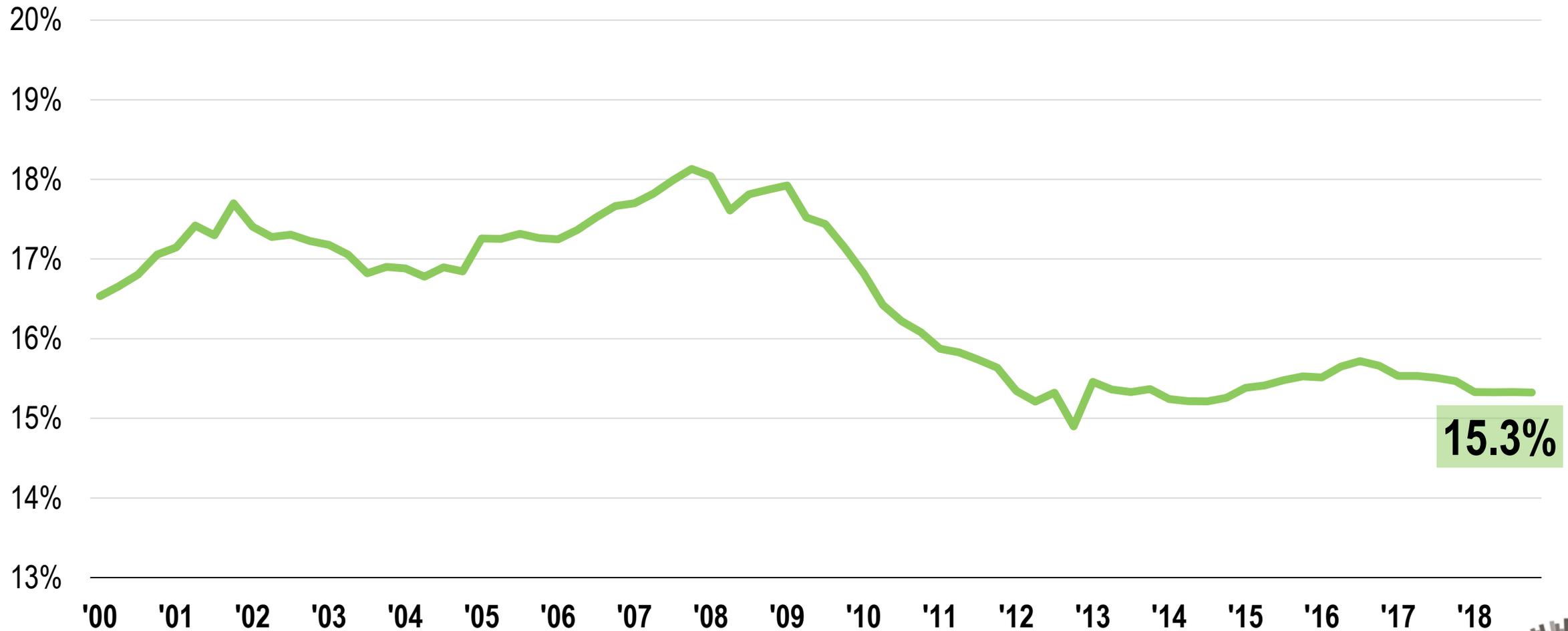
# Cyclically Adjusted Price Earnings Ratio



Source: Robert J. Shiller

# Household Financial Obligations

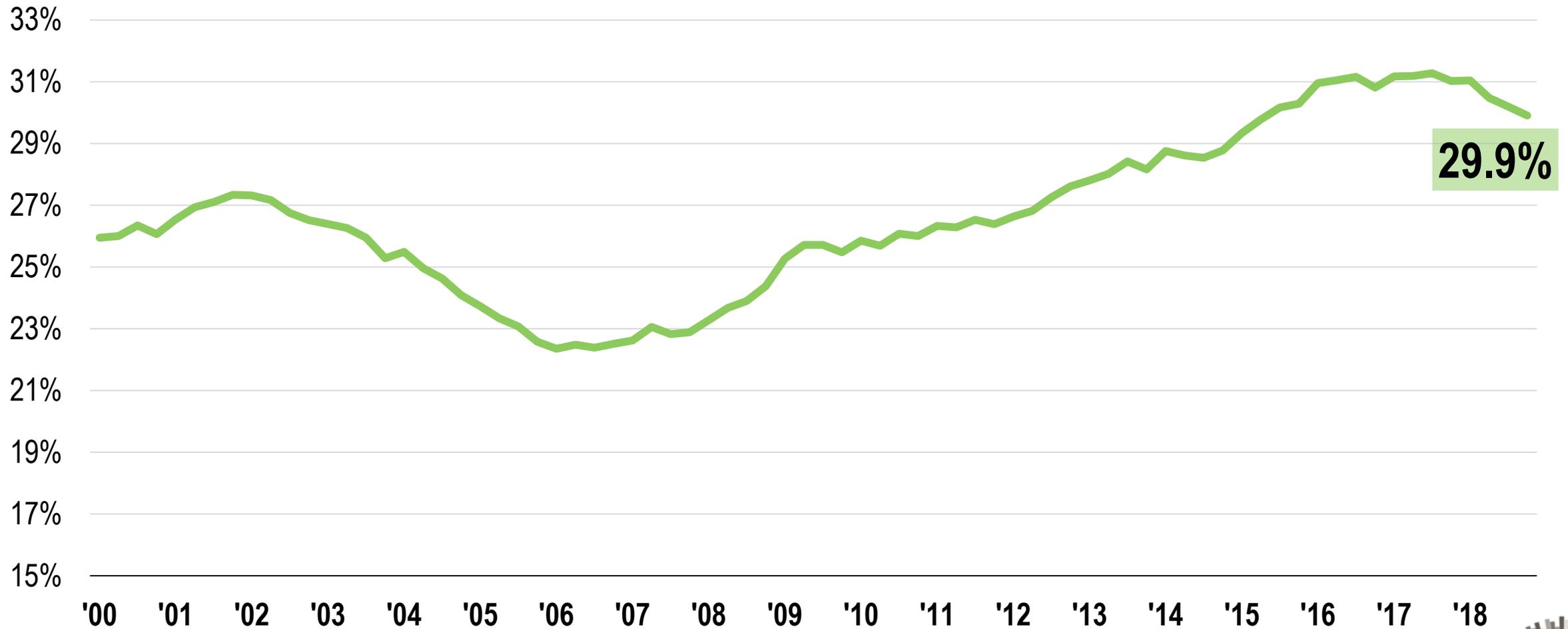
## As a Percent of Disposable Personal Income



Source: Board of Governors of the Federal Reserve System

# Corporate Business Debt

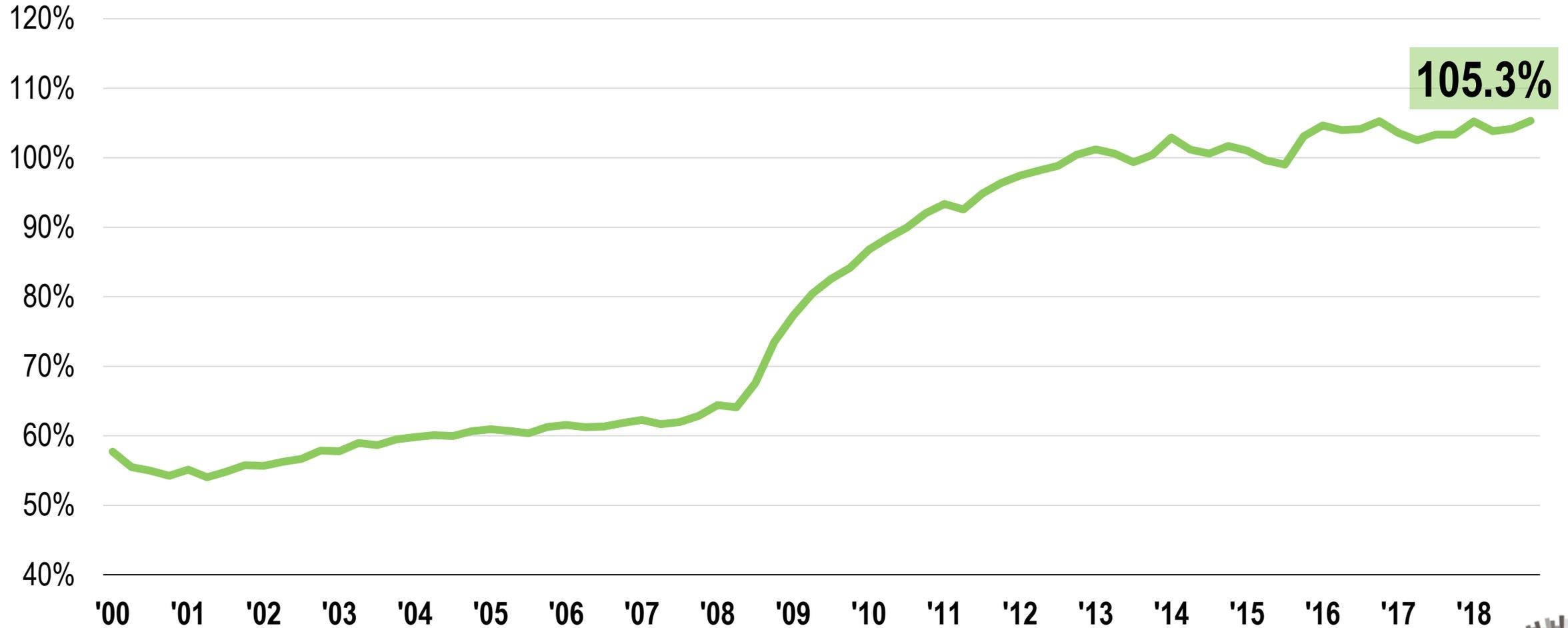
## As a Percent of GDP



Source: Board of Governors of the Federal Reserve System and U.S. Census Bureau

# Federal Debt

## As a Percent of Gross Domestic Product



Source: Federal Reserve Bank of St. Louis

# 10-Year Treasury Constant Maturity

## Minus 2-Year

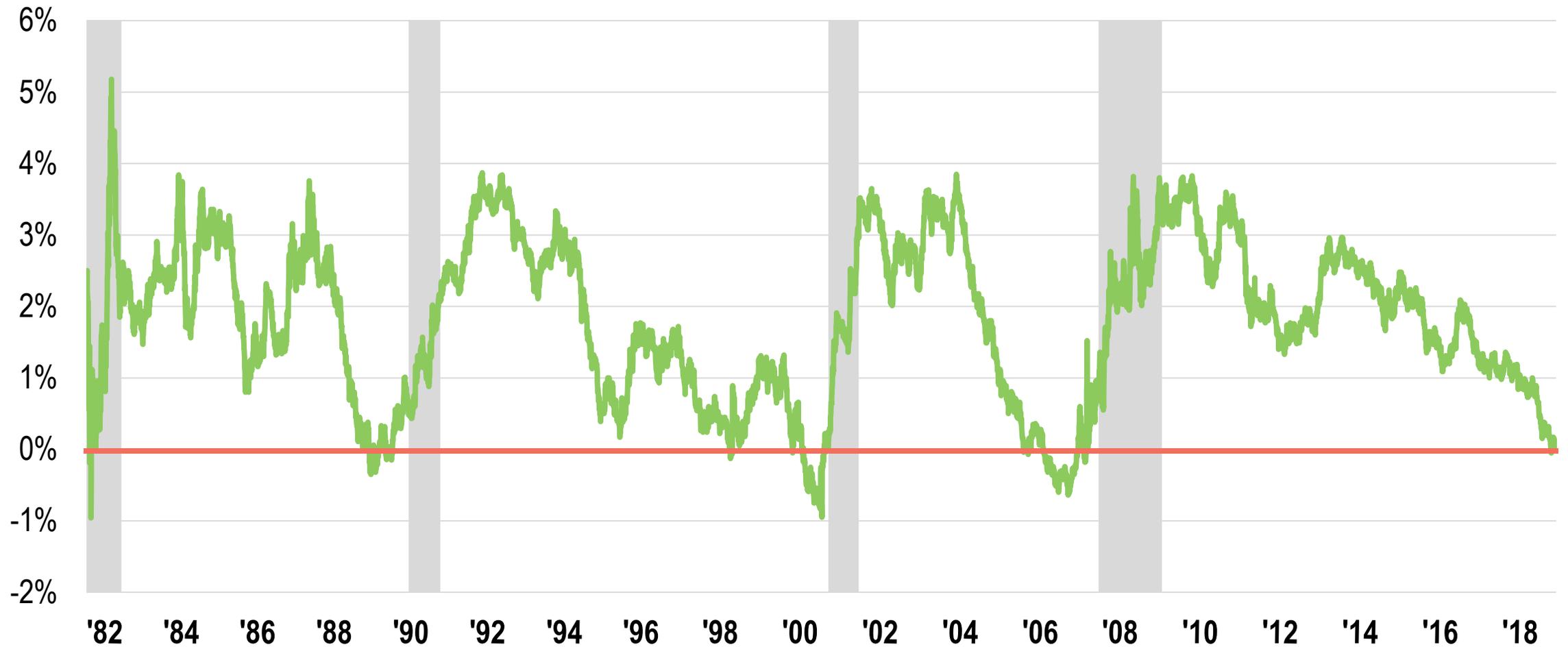


0.2%

Source: Federal Reserve Bank of St. Louis

# 10-Year Treasury Constant Maturity

## Minus 3-Month



Source: Federal Reserve Bank of St. Louis

## **The Yield Curve Just Inverted, Putting The Chance of a Recession at 30%**

*The interest rate on the U.S. Treasury 10-year bond just fell below the rate on the 3-month bill in response to the Fed's March Announcement. This is called yield curve inversion...It implies a 25%-30% probability of a recession on a 12-month view.*

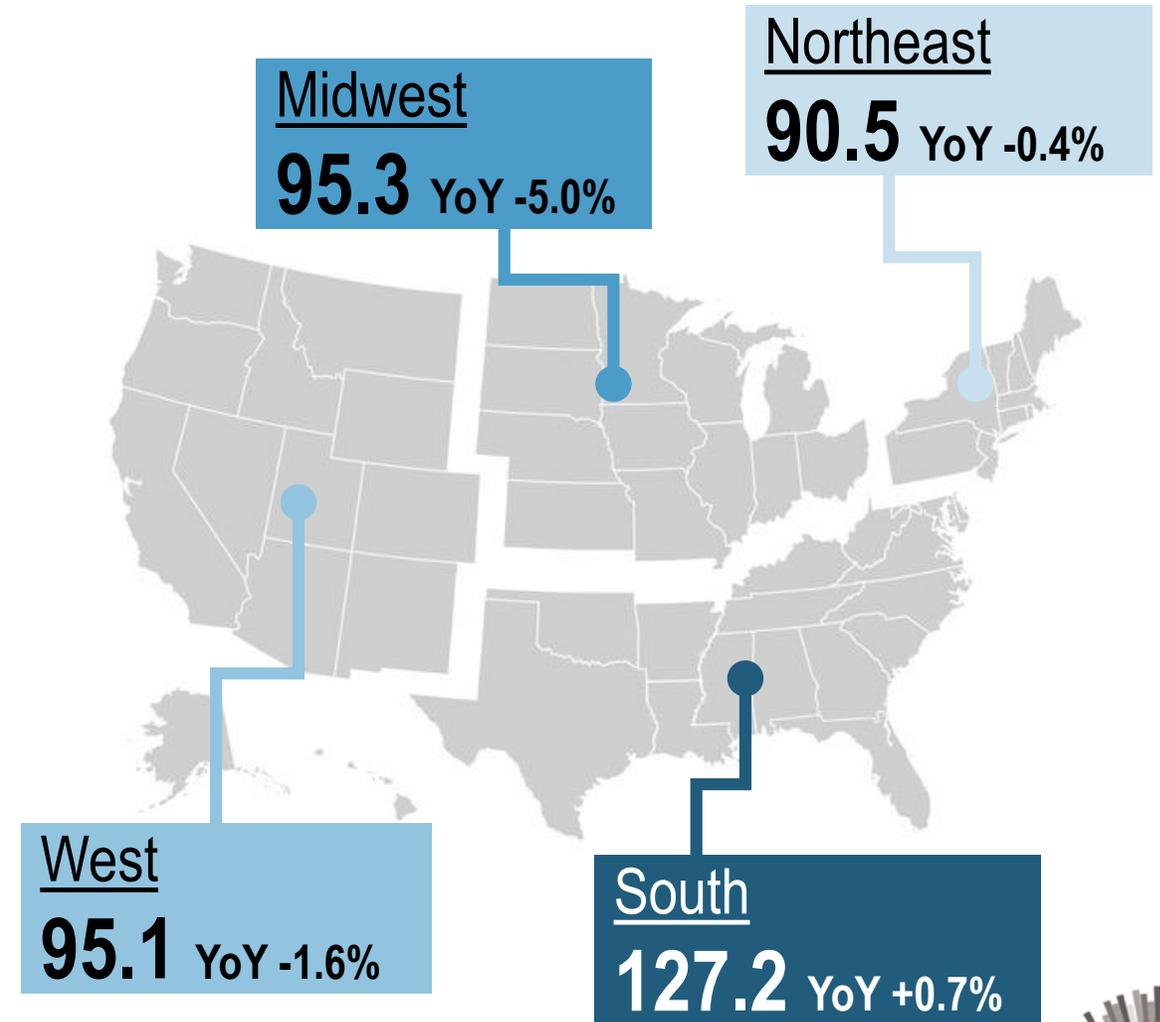
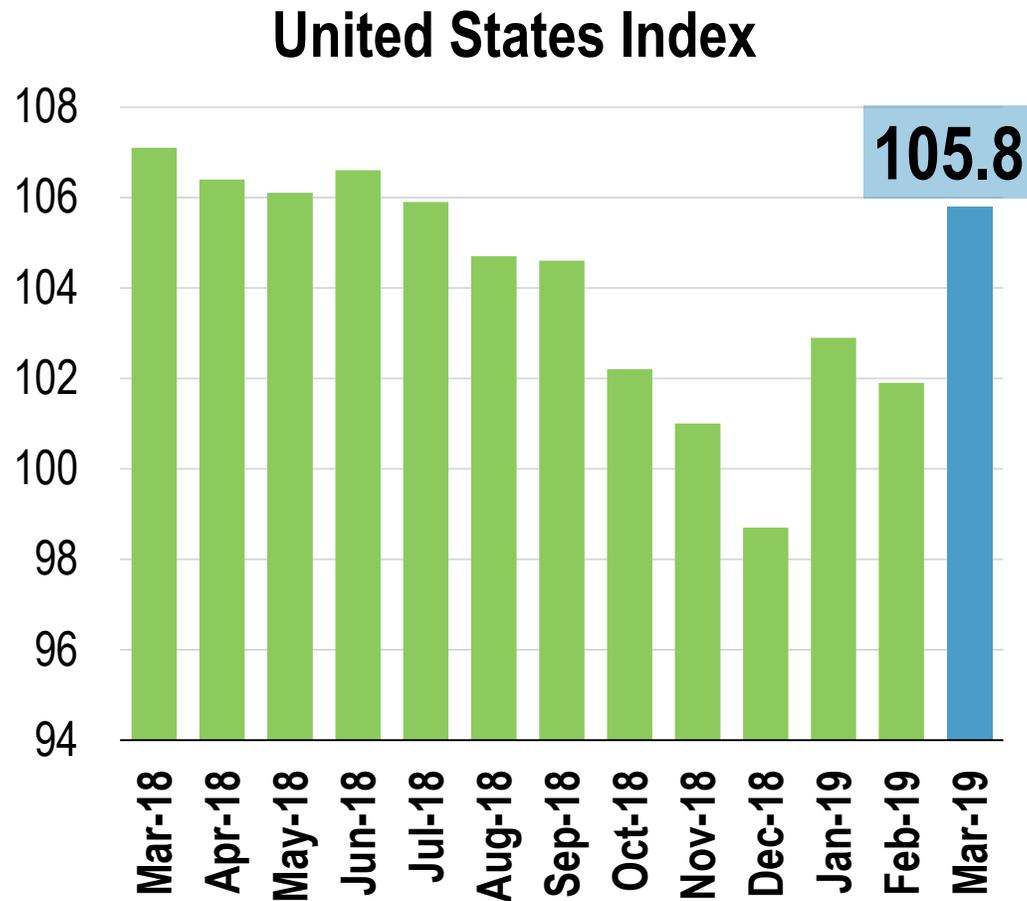
*As economic relationships go, the yield curve has a good track record. You can see the data below going back to 1982. Per the chart, using this series over recent history, the yield curve inverts before a recession reliably with no false positives. An impressive record.*

## China Is Losing The Trade War In Nearly Every Way

*The stock market is a terrible way to measure China growth. Investors know it. So they look to the economic data. Industrial production is still positive but in decline. Quarterly GDP growth is in decline...China released weak exports data for the month of December.*

*Exports to the U.S. fell 3.7%, the first nonseasonal decline since October 2016. That would indicate an end to the pre-tariff purchasing rush by U.S. companies in the third quarter and into the fourth.*

# Pending Home Sales Index

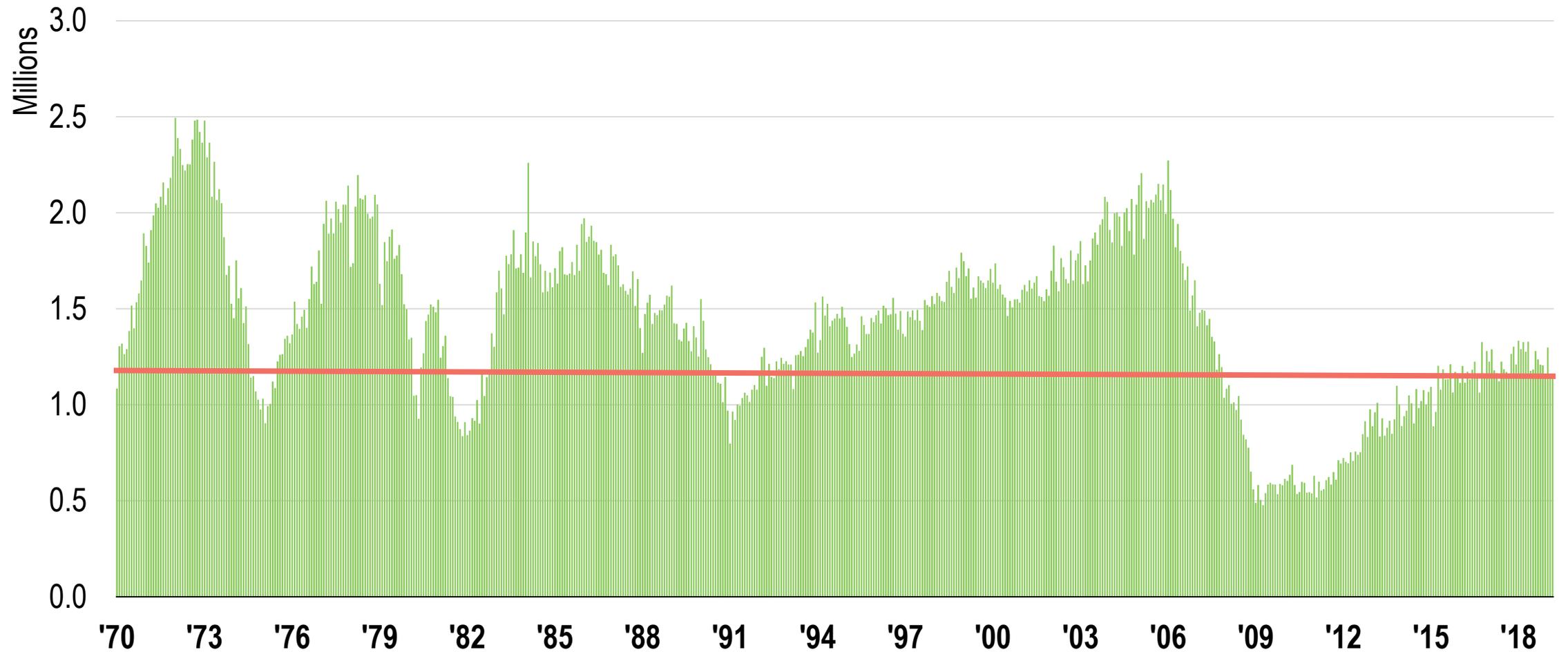


Source: National Association of Realtors

Note: An index above 100 coincides with a historically high level of home sales activity.

# Housing Starts

## United States



Source: U.S. Census Bureau

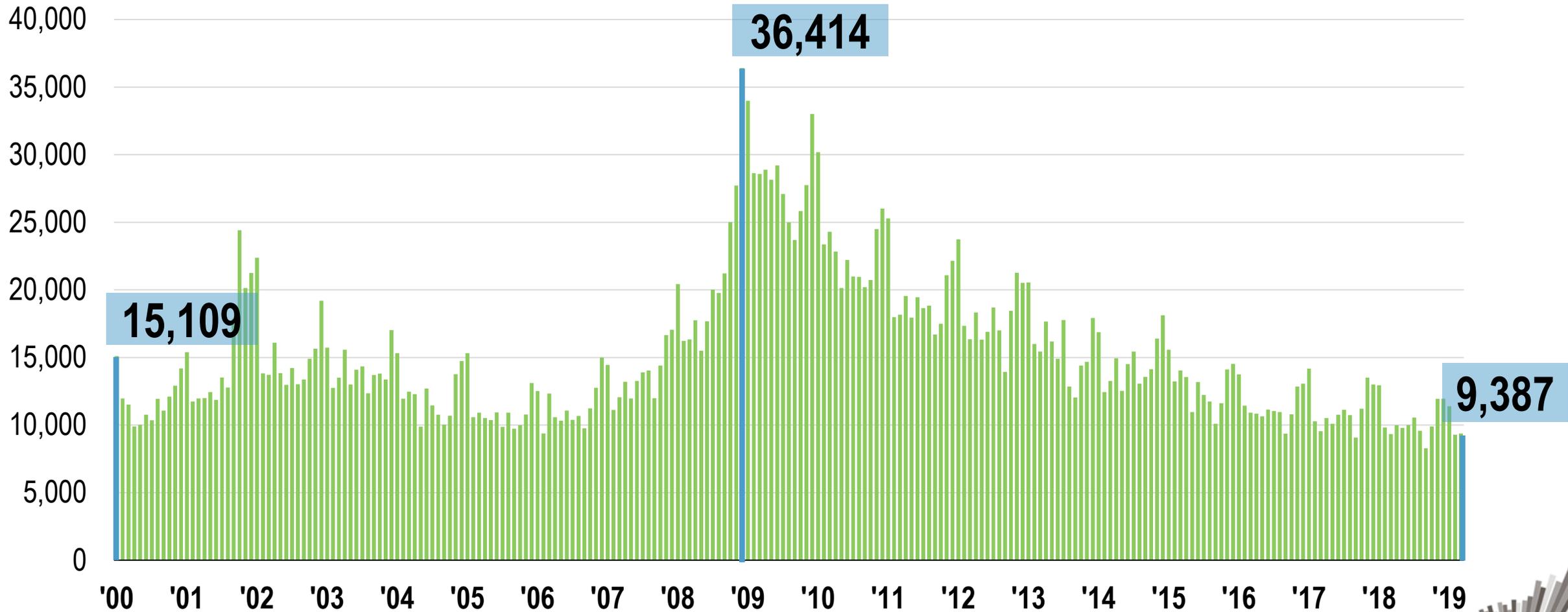


SOUTHERN NEVADA'S ECONOMY IS  
**OUTPERFORMING**  
**NATIONAL AVERAGES**



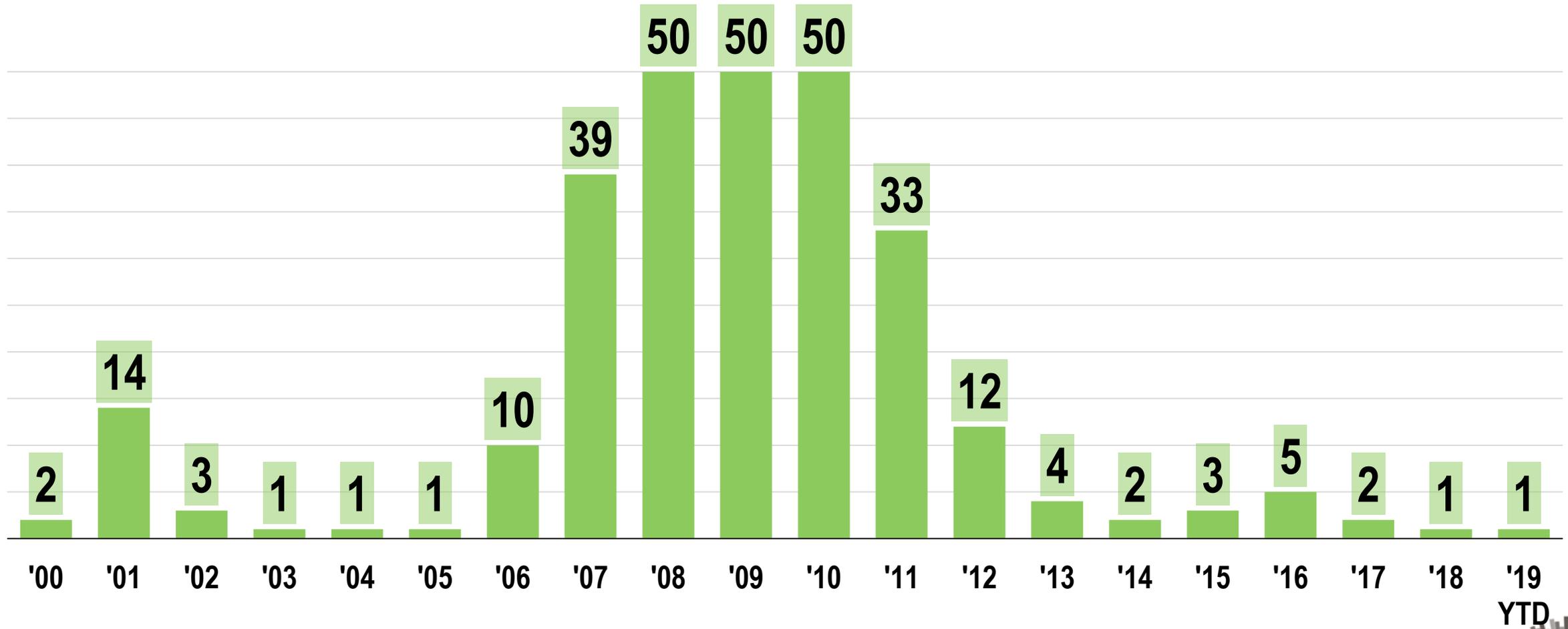
# Initial Unemployment Insurance Claims

## Nevada



Source: U.S. Department of Labor

# Nevada's Job Growth Ranking



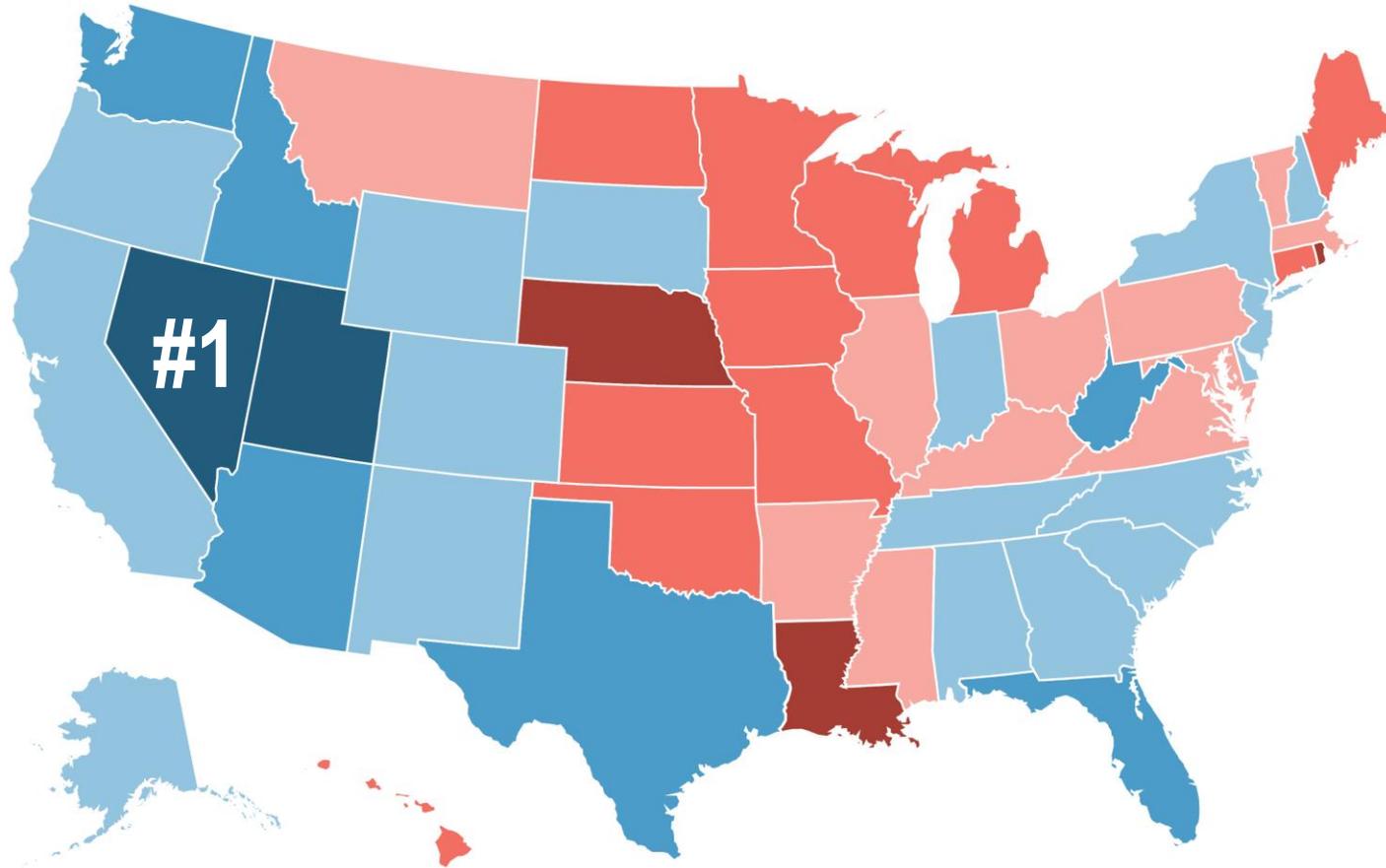
Source: U.S. Bureau of Labor Statistics

Note: For December of each year.



# Year-over-Year Job Growth

2018 vs. 2019



Nevada's employment base grew by nearly

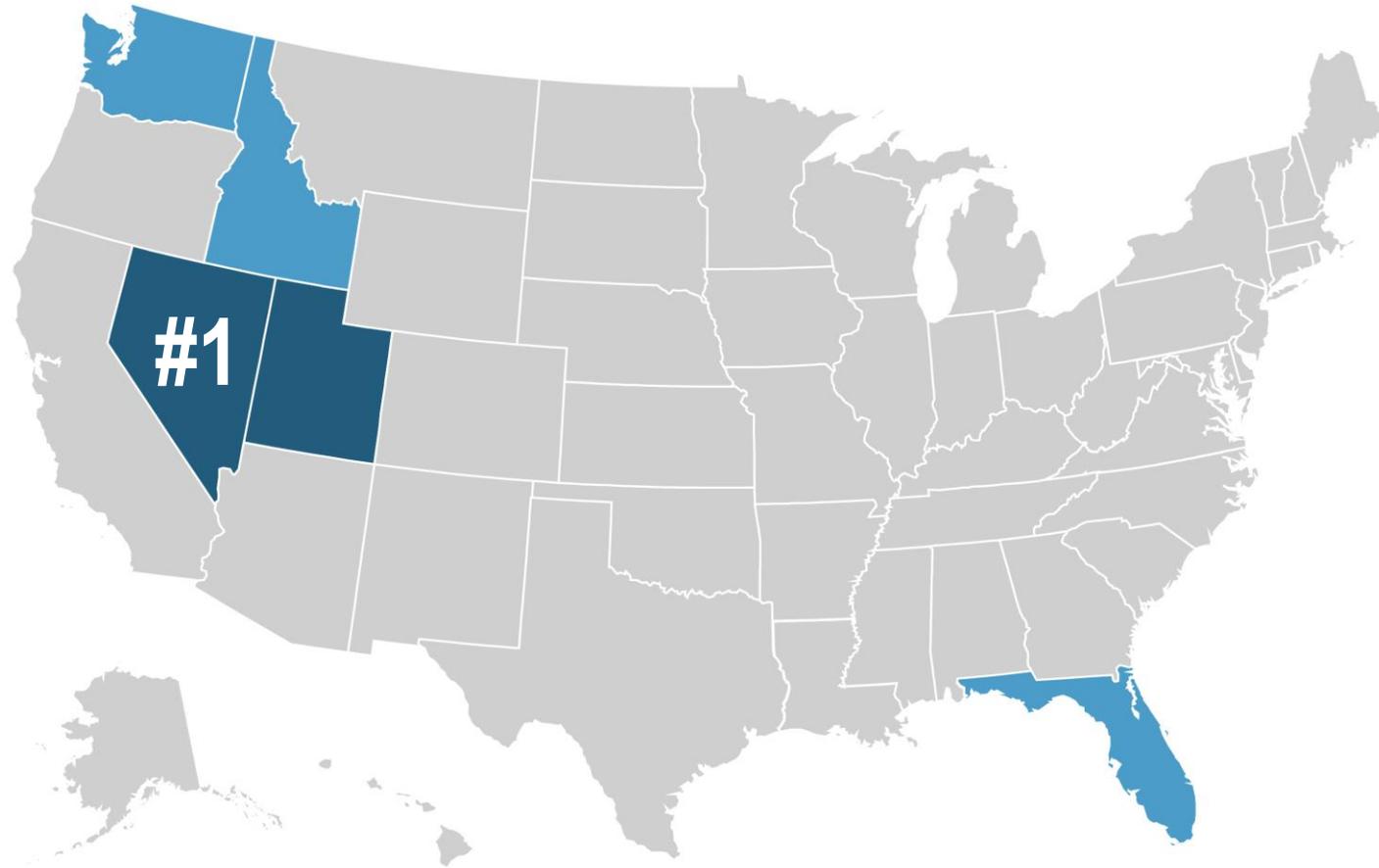
**2x**

the national average

Source: U.S. Bureau of Labor Statistics

# Year-over-Year Job Growth

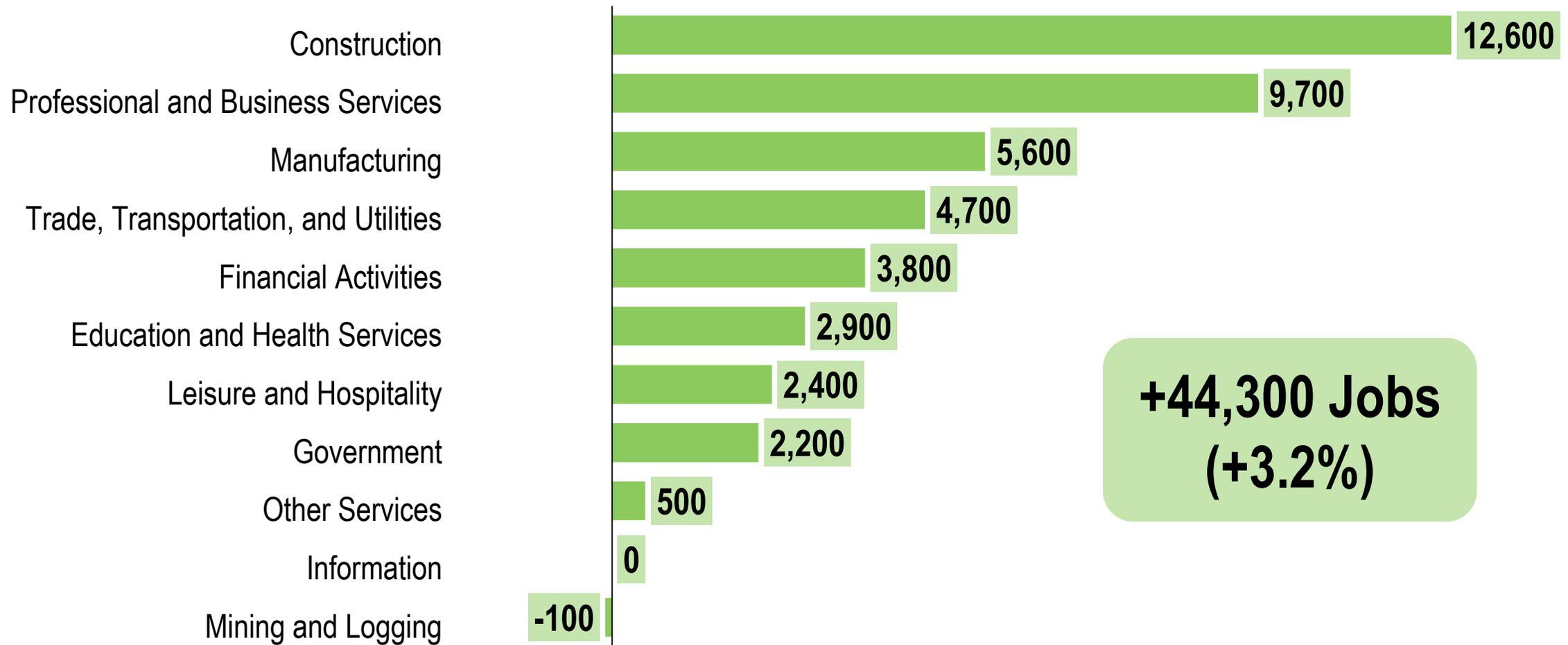
2018 vs. 2019



Source: U.S. Bureau of Labor Statistics

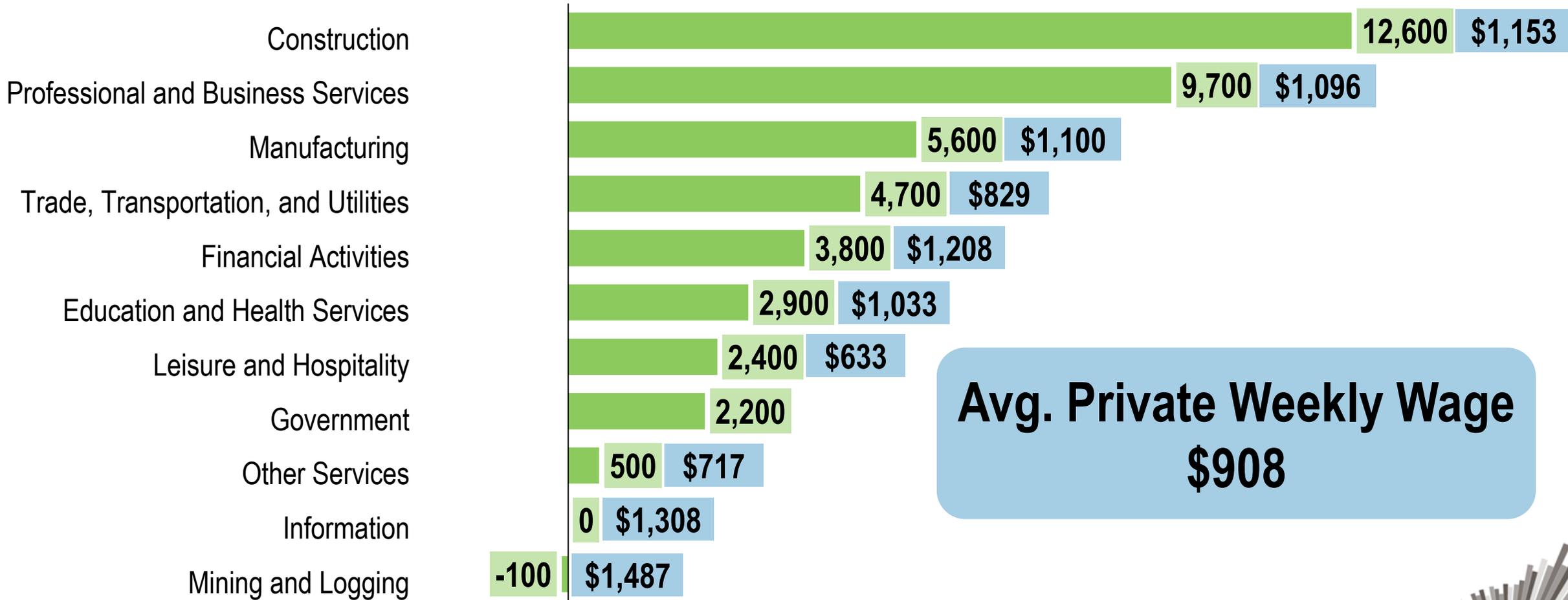
# Nevada Sector Job Growth

## Past 12 Months



Source: U.S. Bureau of Labor Statistics

# Nevada Sector Job Growth and Average Weekly Wages

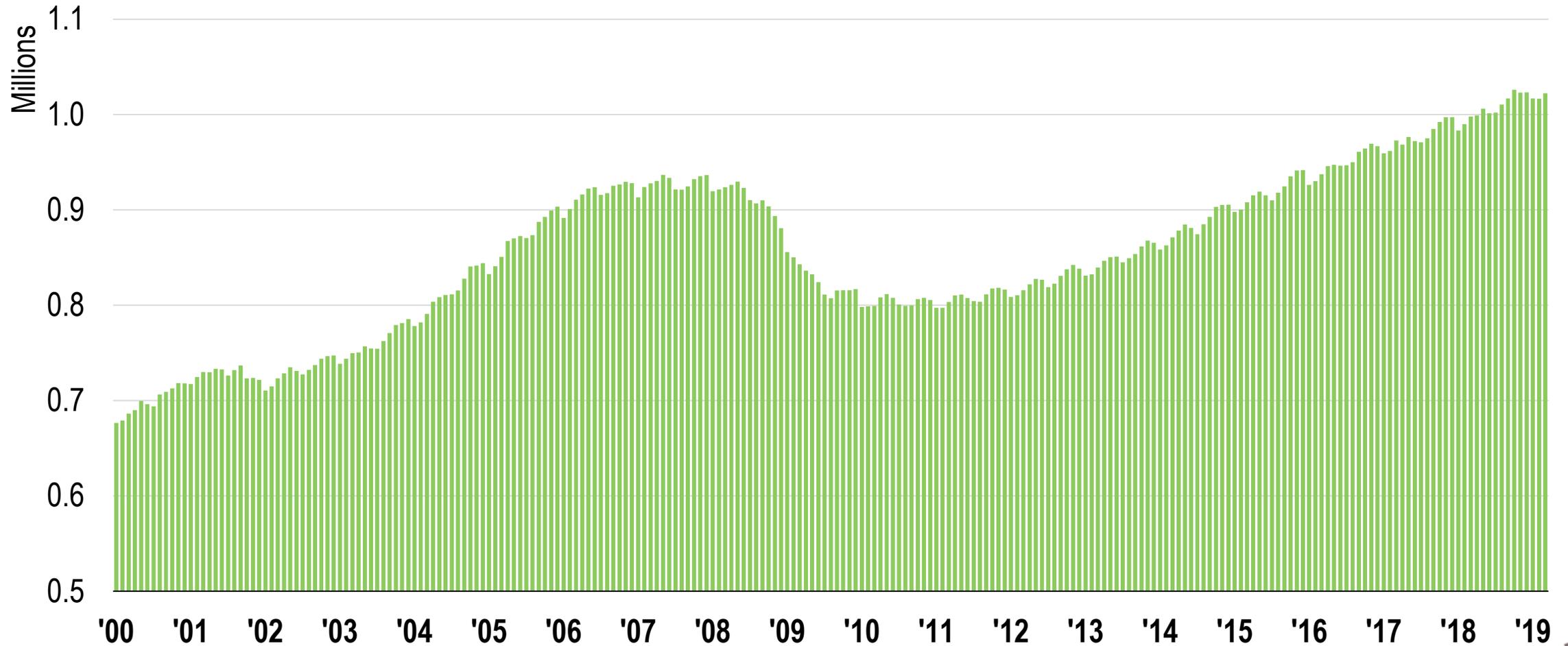


Source: U.S. Bureau of Labor Statistics  
 Note: Wage data is for Q3 2018 (latest available)

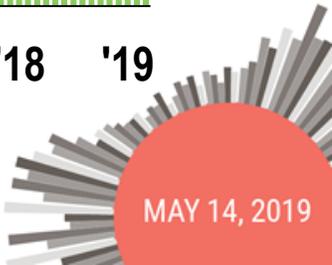


# Total Employment

## Las Vegas MSA

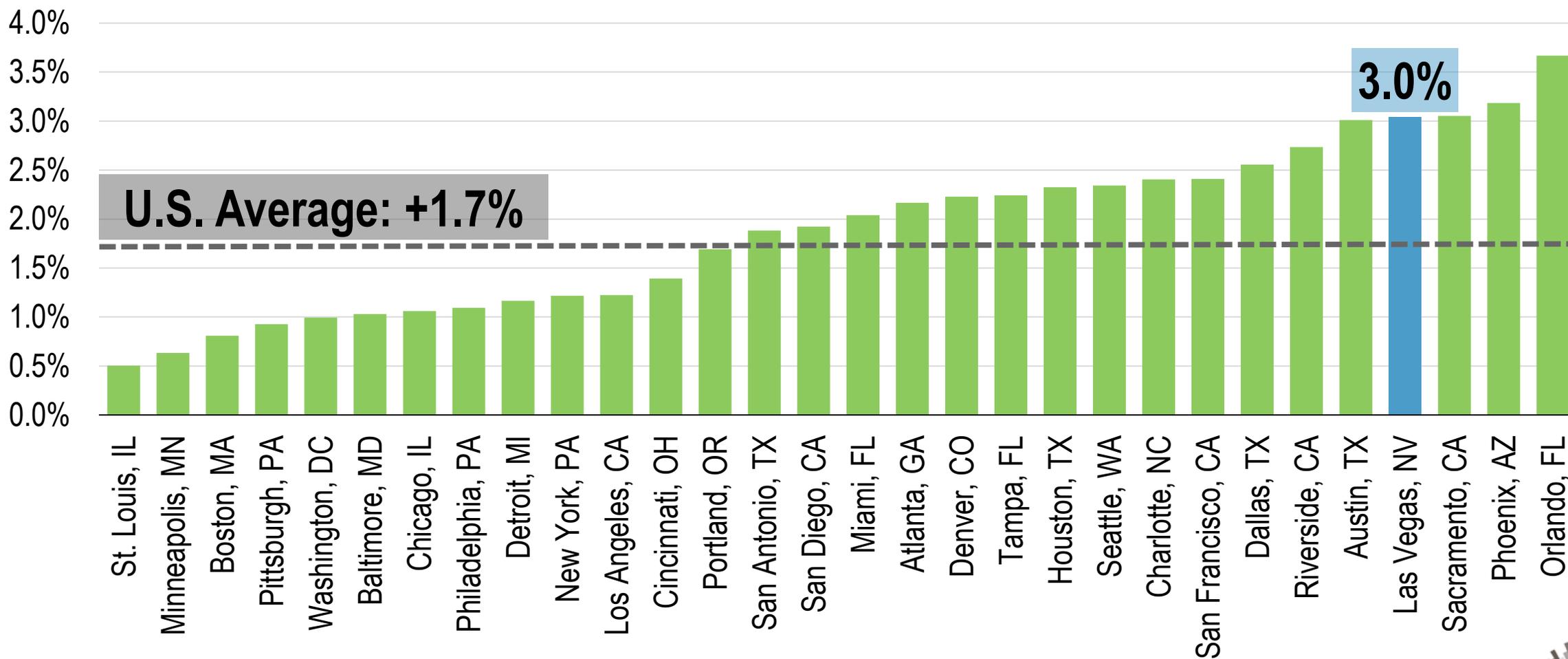


Source: U.S. Bureau of Labor Statistics



# Local Area Annual Job Growth

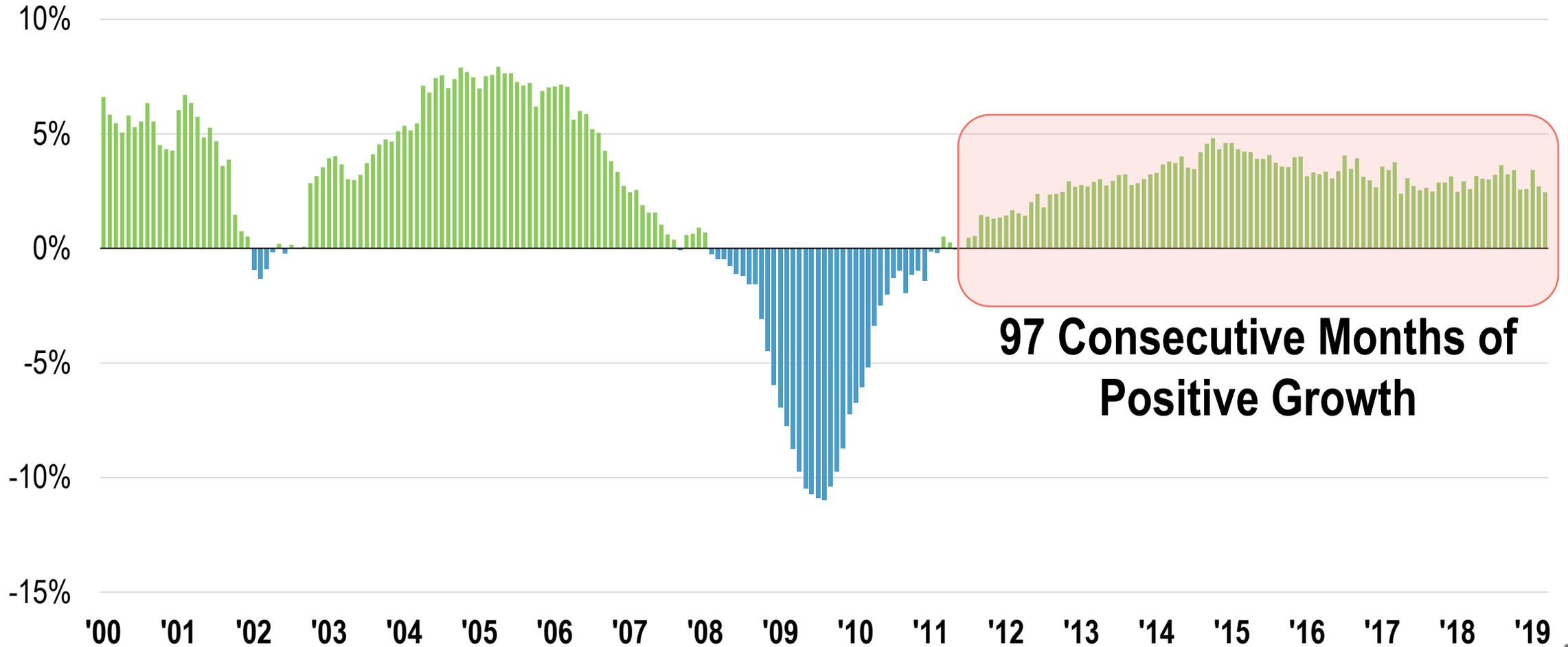
## Largest 30 MSAs | Trailing 12-Month Average



Source: U.S. Bureau of Labor Statistics

# Year-Over-Year Job Growth Rate

## Las Vegas MSA

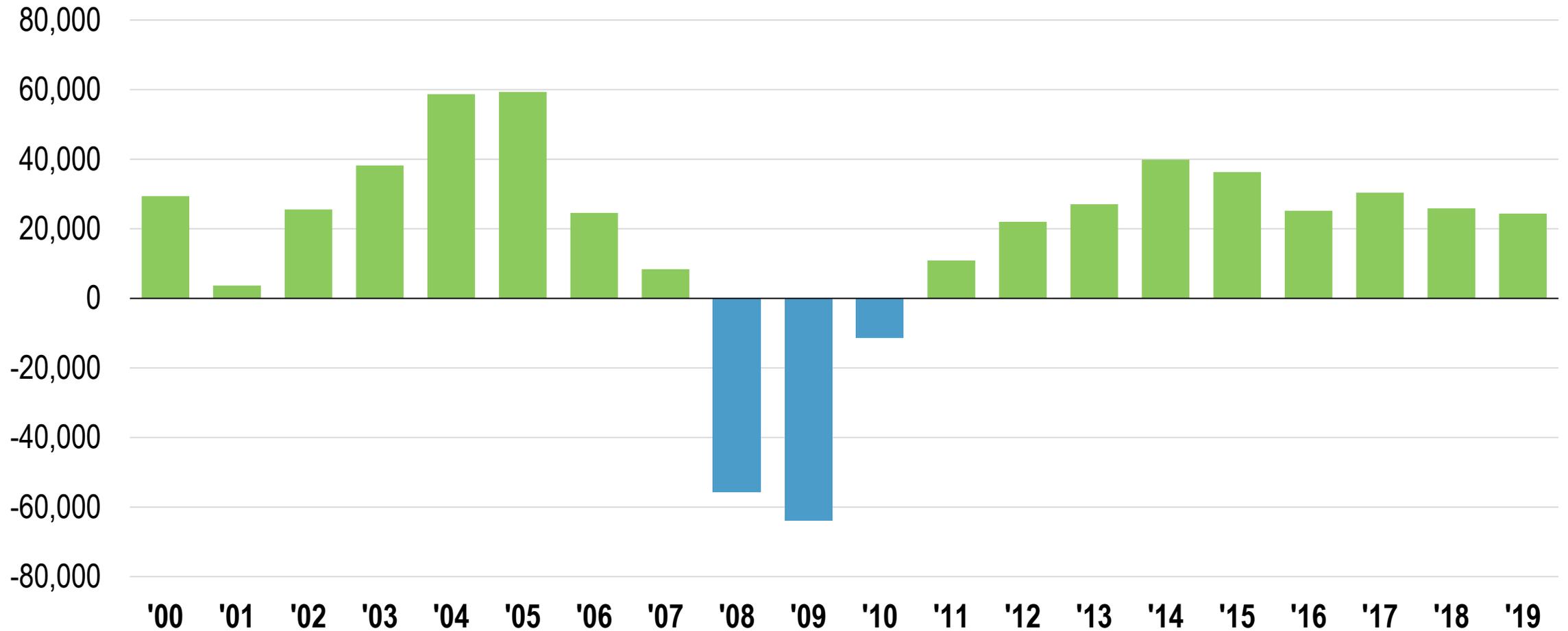


**97 Consecutive Months of Positive Growth**

Source: U.S. Bureau of Labor Statistics

# Annual Job Growth

## Las Vegas MSA



Source: U.S. Bureau of Labor Statistics

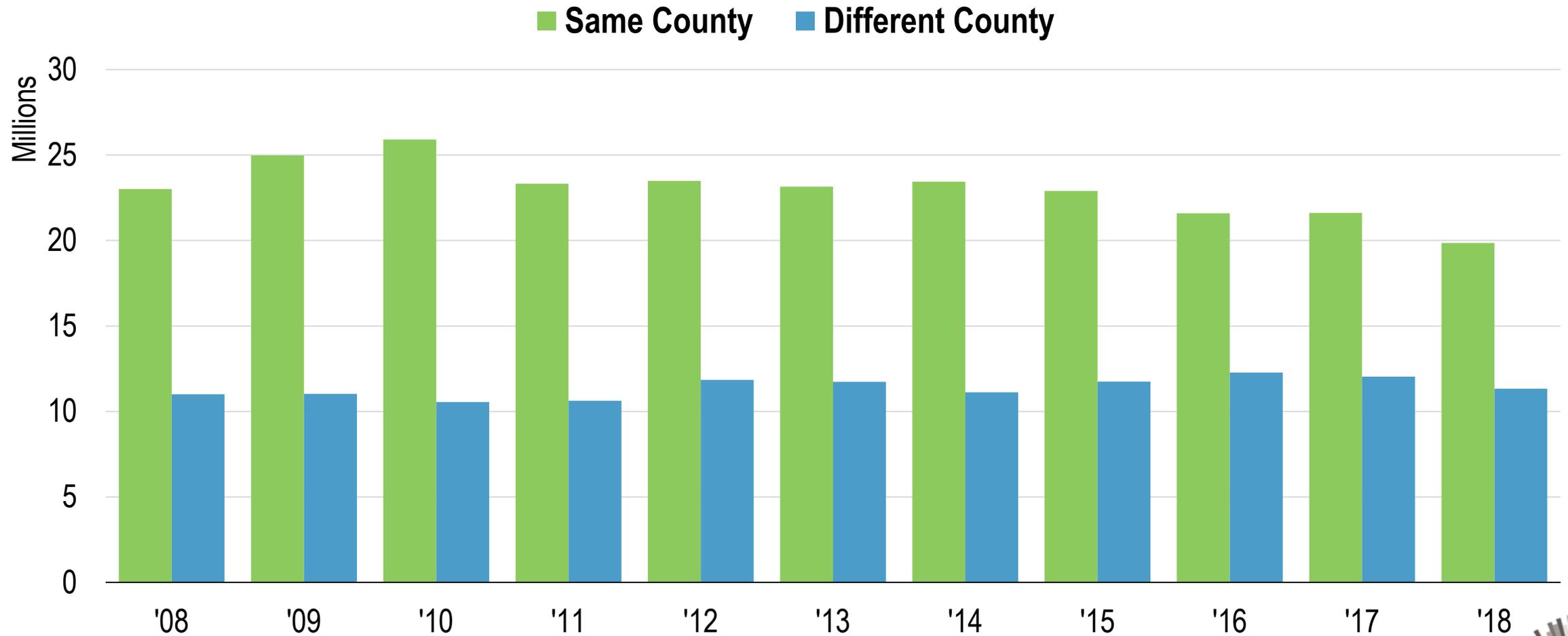
Note: Data for December of each year.

**FEWER PEOPLE  
ARE MOVING,  
BUT MORE  
PEOPLE ARE  
MOVING TO  
SOUTHERN  
NEVADA**



# National Movements

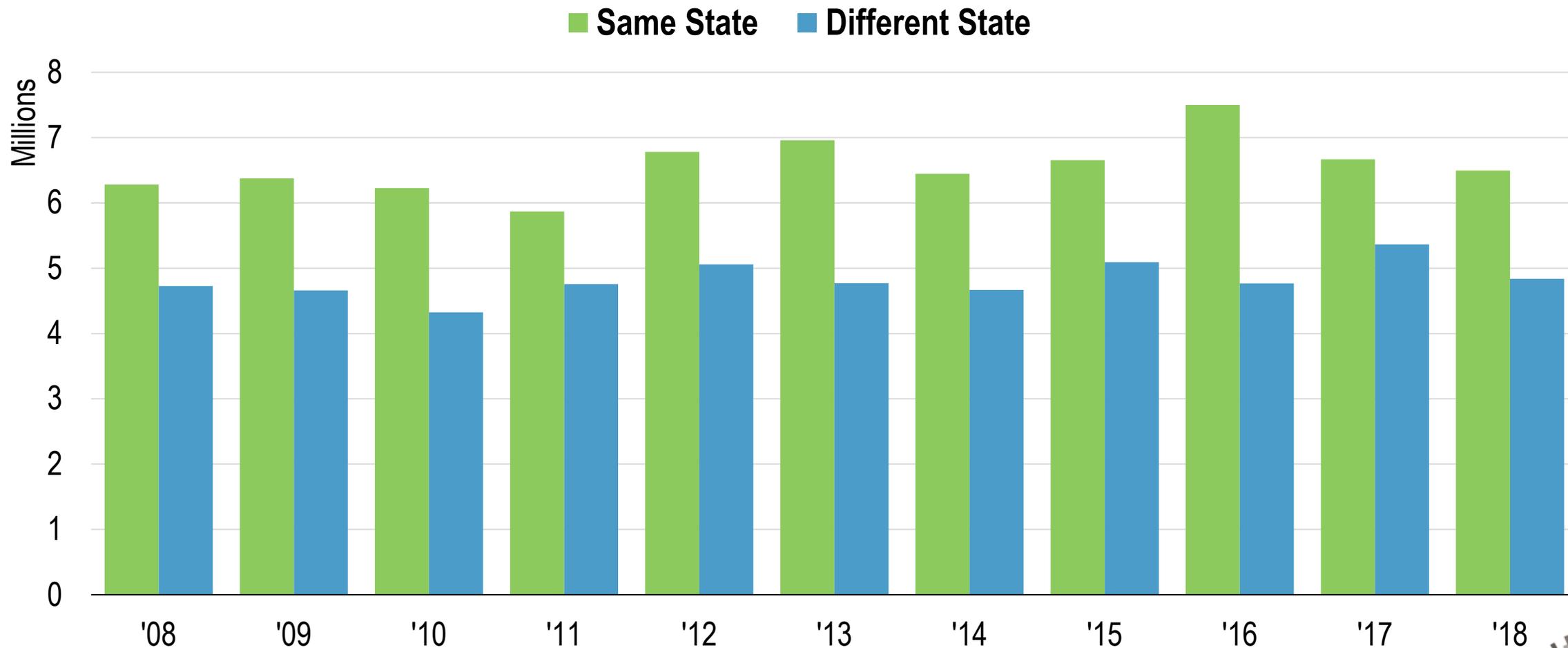
## Local vs. Non-Local



Source: U.S. Census Bureau

# National Movements

## Same State vs. Different State



Source: U.S. Census Bureau



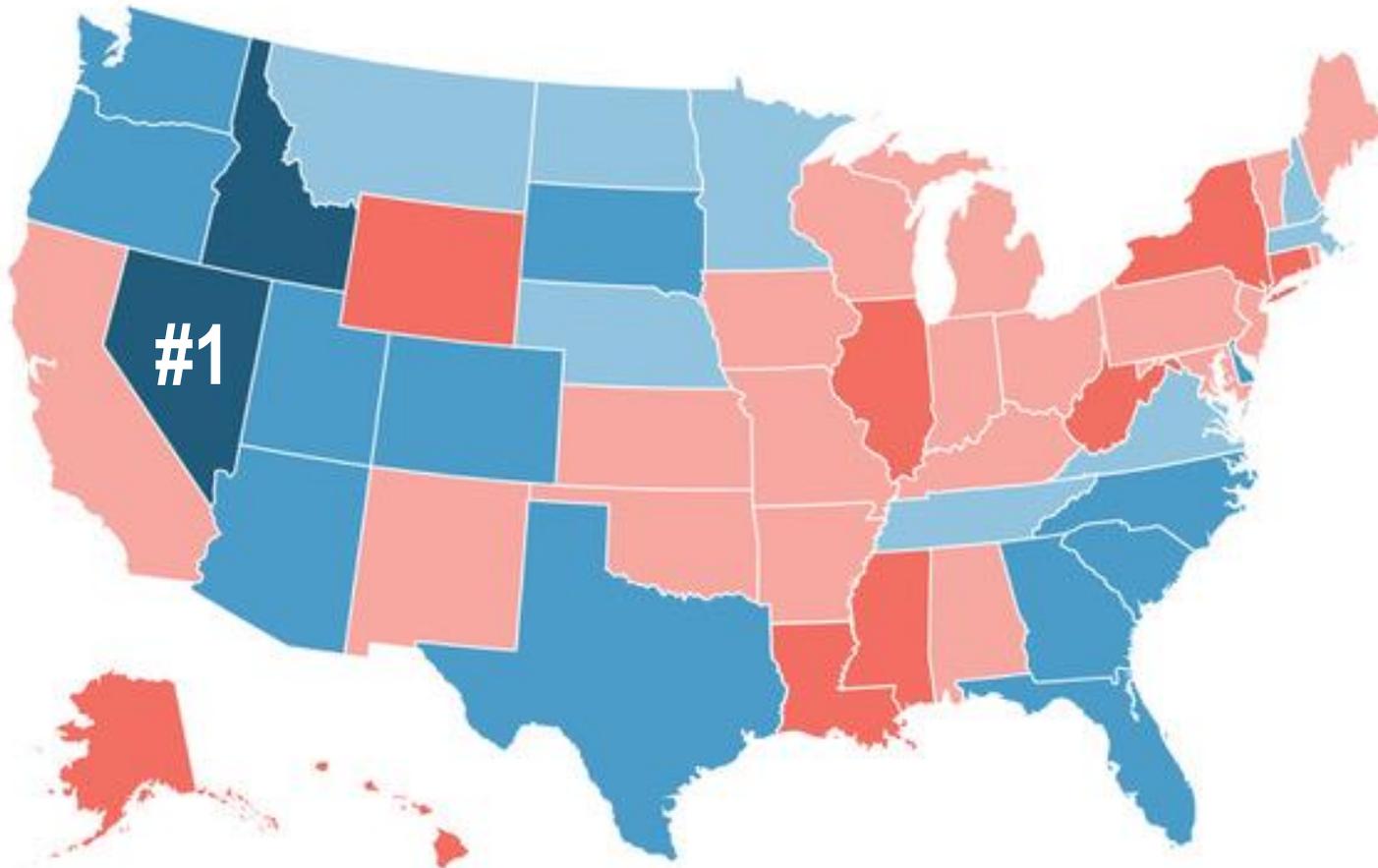
# 13.0

**Nevada's Net Migration Rate**  
(Movers per 1,000 People)

*Source: IRS SOI Tax Stats (2016, latest available)*

# Population Growth by State

2017 vs. 2018



Nevada's population grew by over

**3x**

the national average

More Than 2.0%

1.0% to 2.0%

0.5% to 0.9%

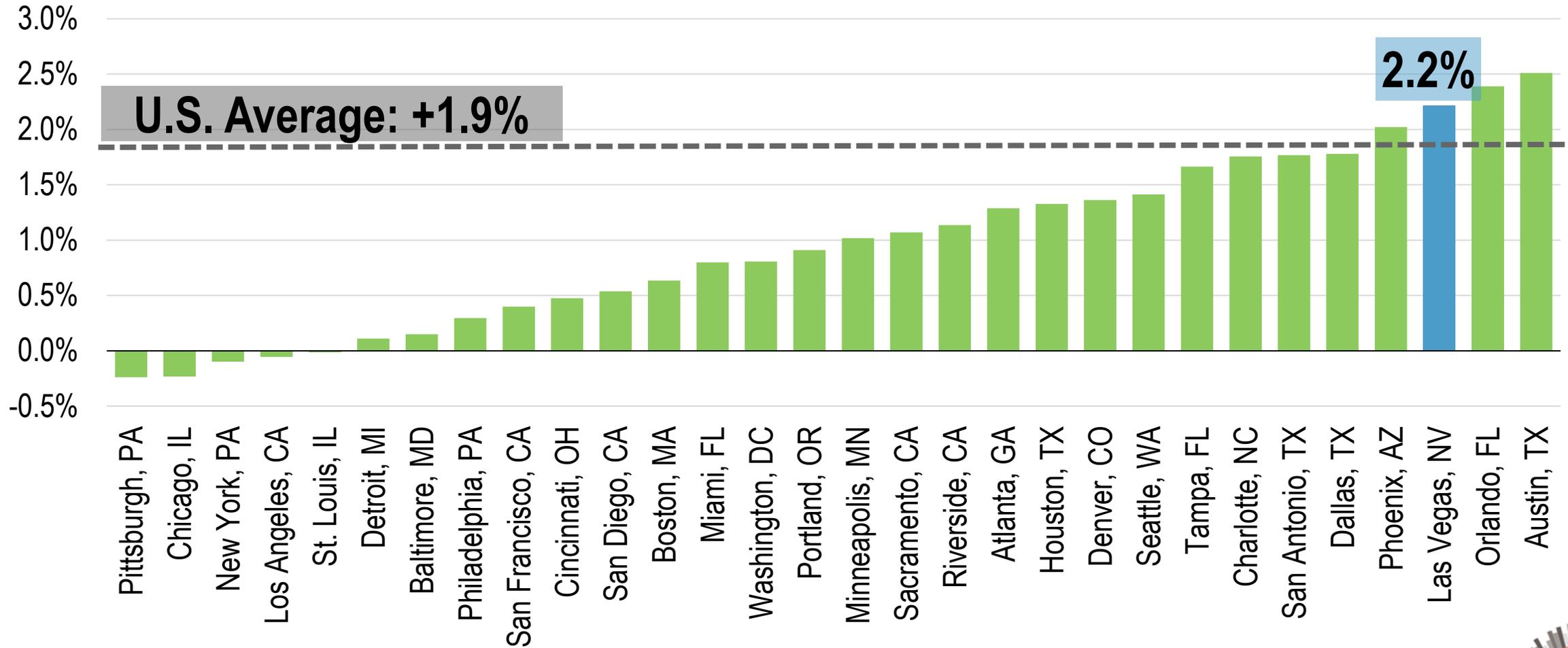
0.0% to 0.4%

Less Than 0.0%

Source: U.S. Census Bureau

# Local Area Population Growth

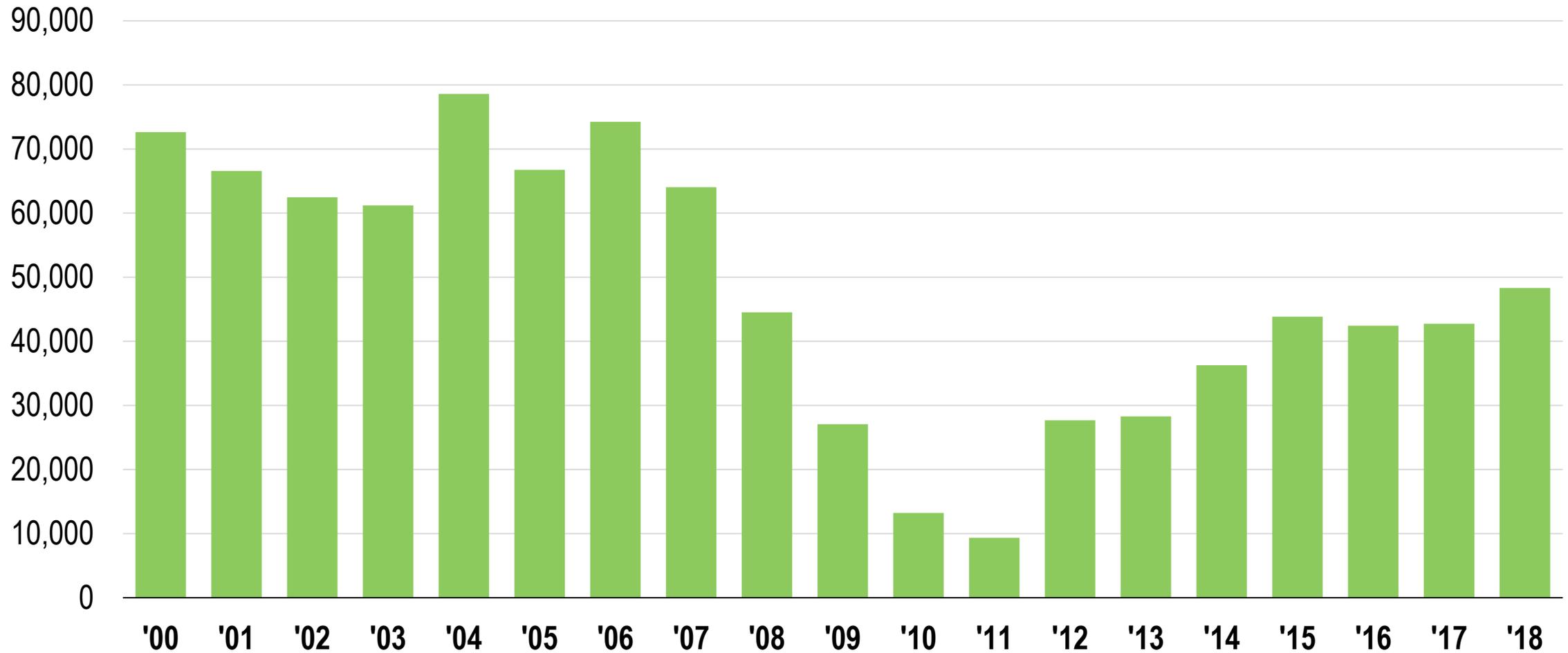
## Largest 30 MSAs



Source: U.S. Census Bureau

# Annual Population Growth

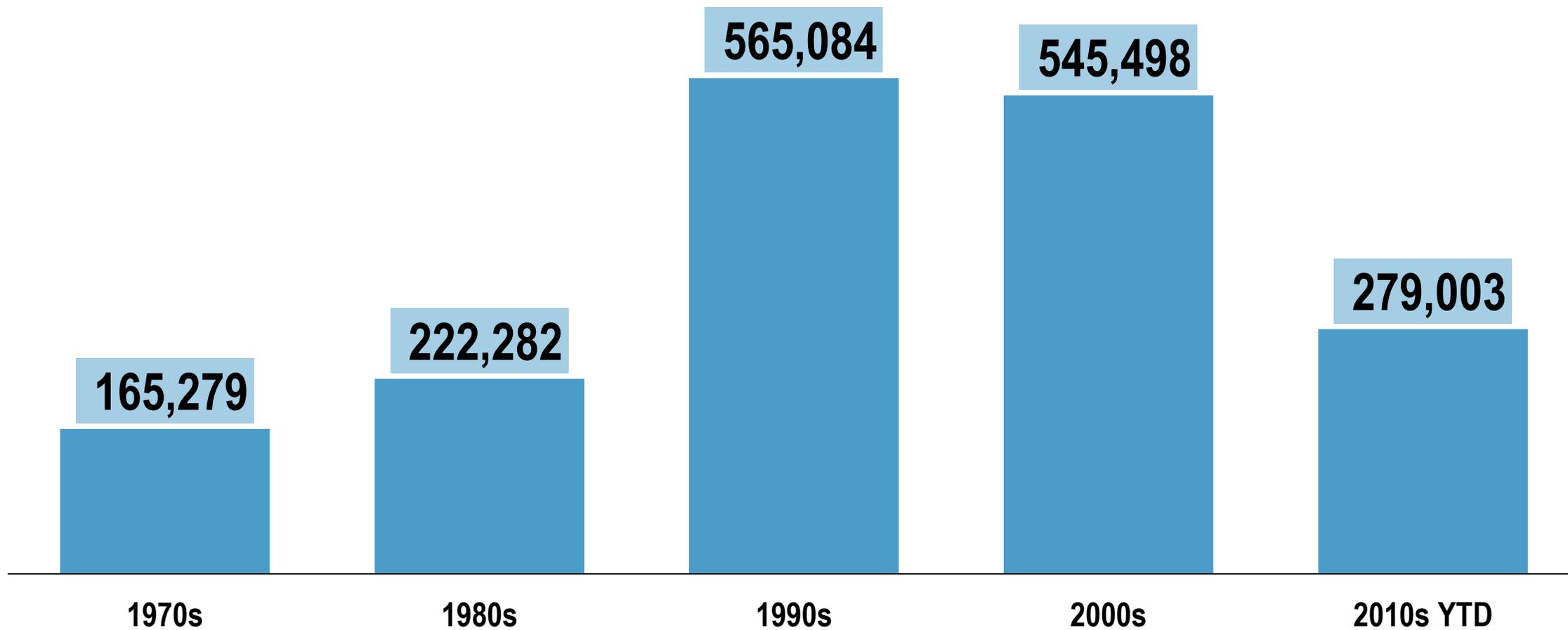
## Las Vegas MSA



Source: U.S. Census Bureau

# Population Growth by Decade

## Las Vegas MSA



Source: U.S. Census Bureau

# Growth Itself is an Economic Driver

## Construction Employment as a Share of Total Employment

4.9%

United States

6.6%

Las Vegas MSA

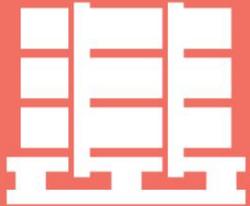
# CHANGING HOUSING MARKET



# SUPPLY CONSTRAINTS



**Cost of  
Building Lots**



**Cost of  
Materials**



**Insufficient  
Labor**

# DEMAND CONSTRAINTS



**Rising Mortgage  
Interest Rates**

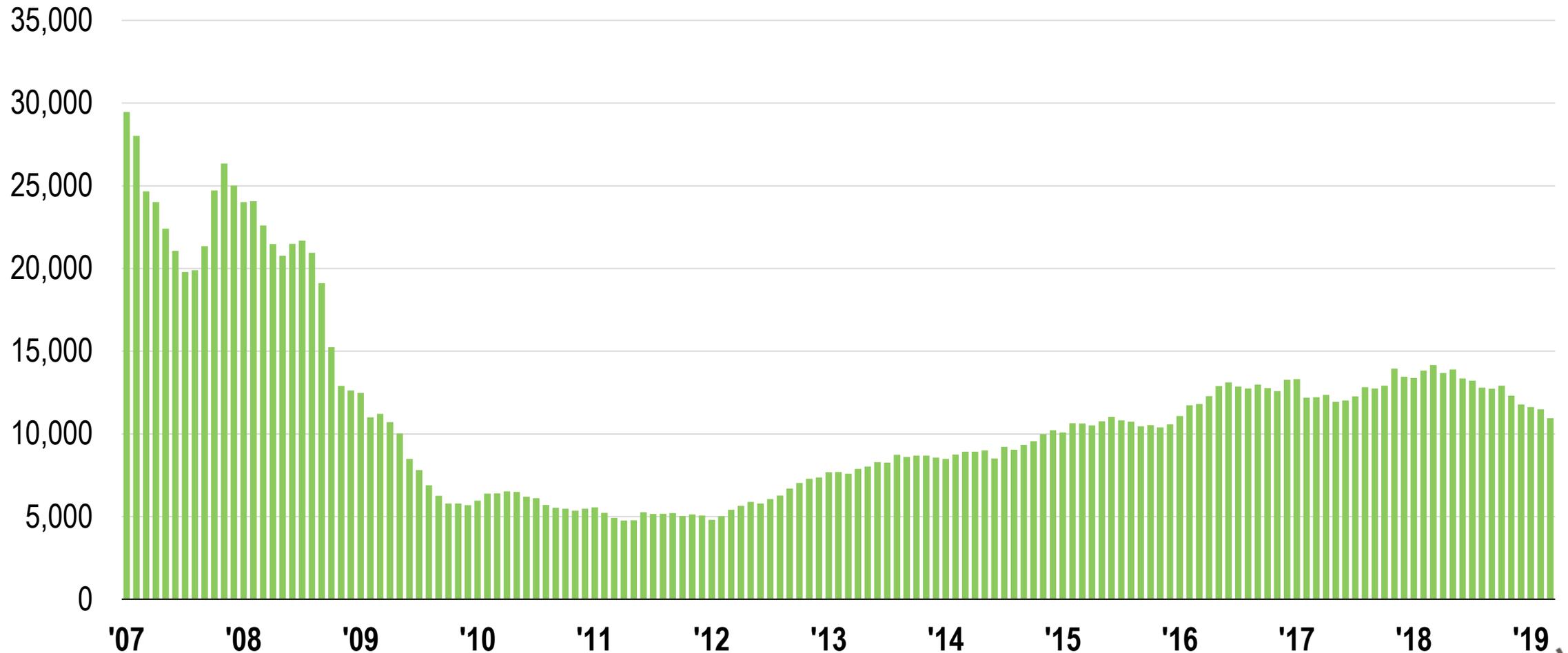
# RESULT



**Reduced  
Affordability**

# New Residential Permitting Volume

## Trailing 12-Month Total | Las Vegas MSA

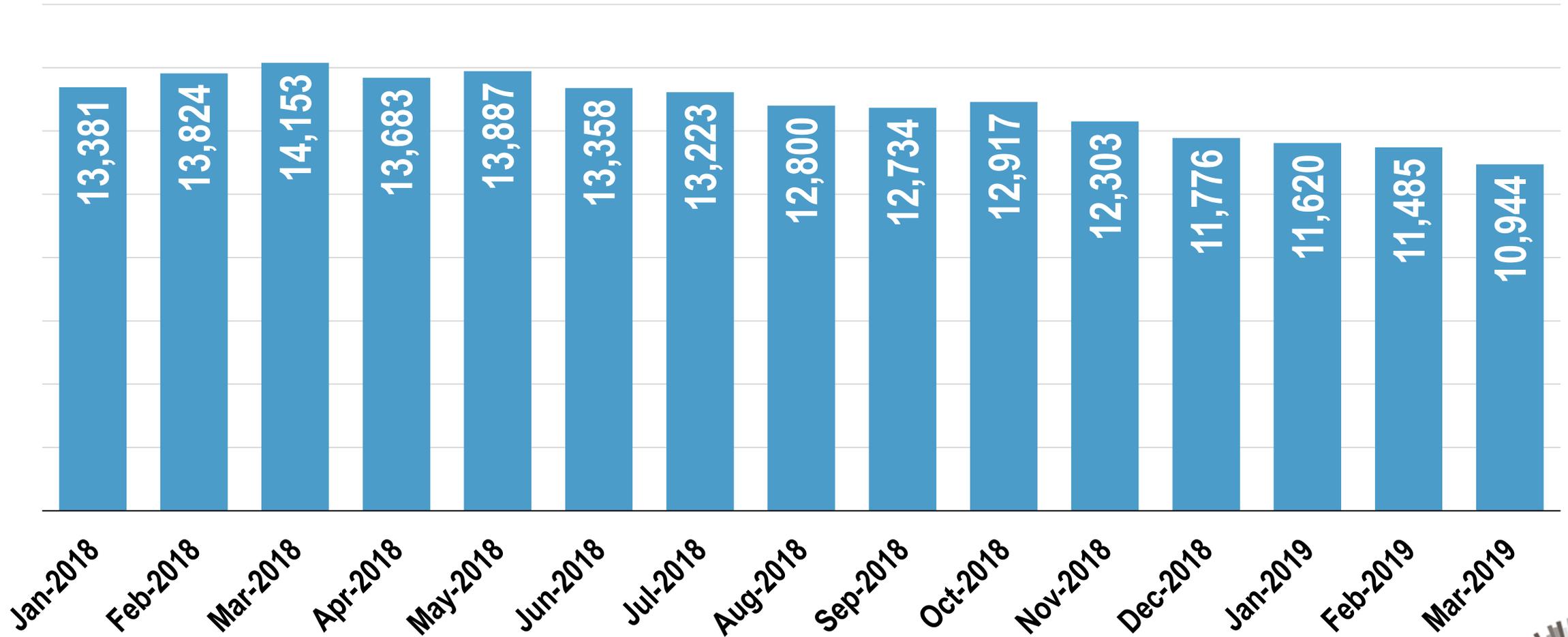


Source: U.S. Census Bureau



# Residential Permitting Volume

Last 12 Months | Las Vegas MSA



Source: U.S. Census Bureau

# Employment Growth-to-Permit Ratio

## Las Vegas MSA



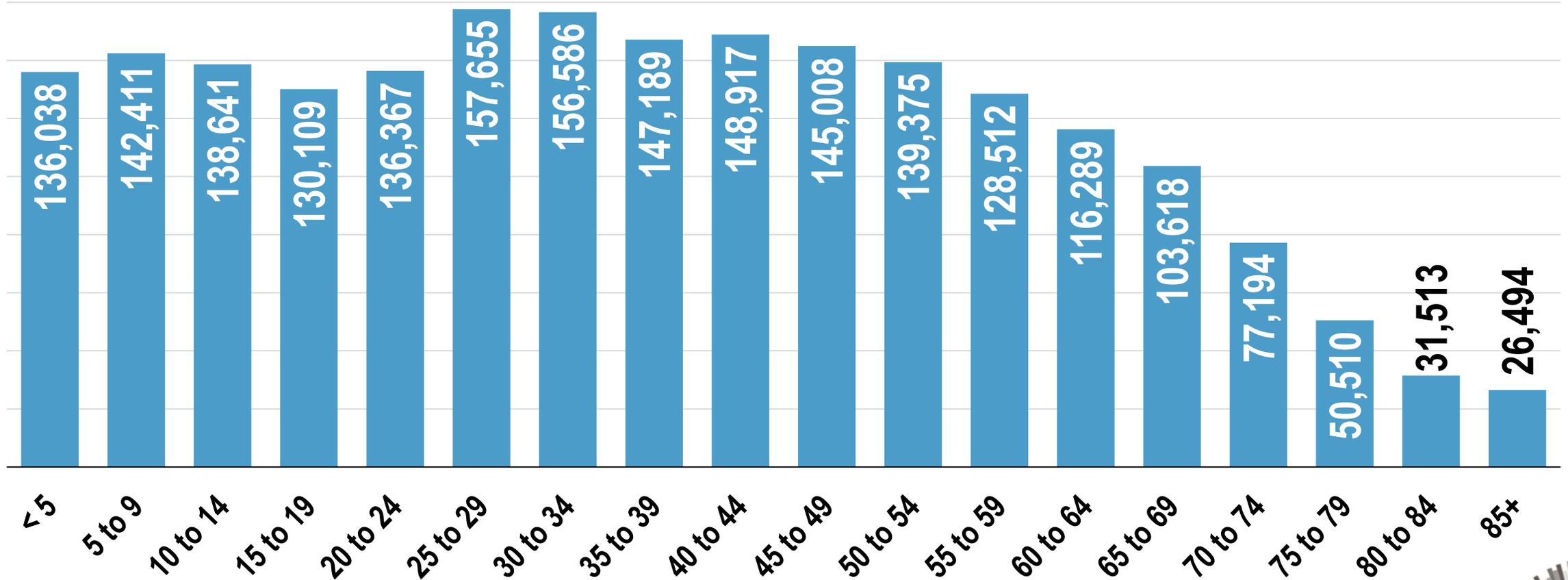
2.23

1.17

Source: U.S. Census Bureau, Bureau of Labor Statistics and Applied Analysis

# Residents by Age Group

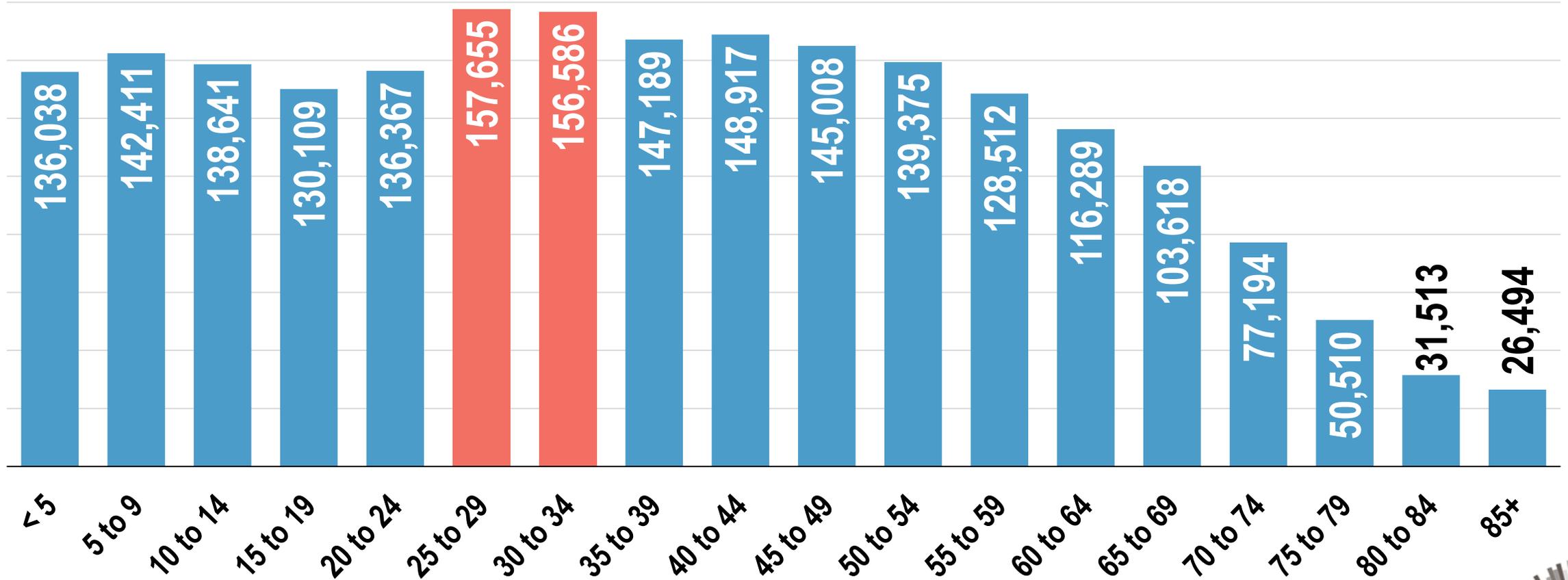
## Clark County



Source: U.S. Census Bureau

# Residents by Age Group

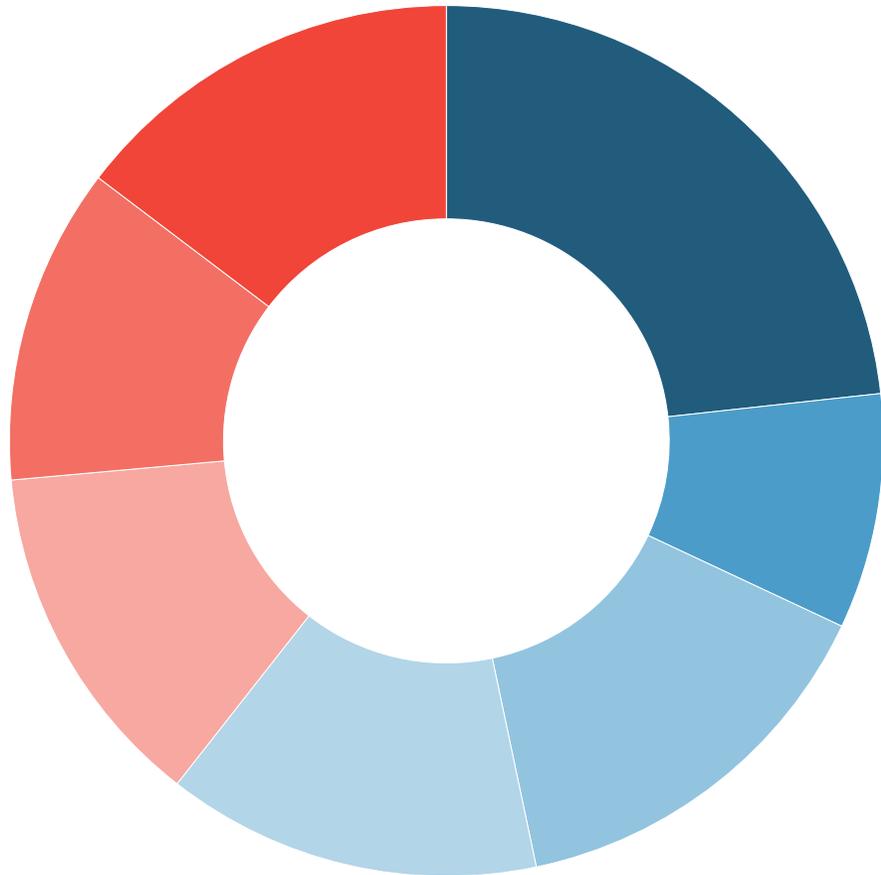
## Clark County



Source: U.S. Census Bureau

# Residential Profile

## Age of Clark County Residents



Under 18	23.3%
18 to 24	8.7%
25 to 34	14.7%
35 to 44	13.9%
45 to 54	13.0%
55 to 64	11.8%
65 and Over	14.7%

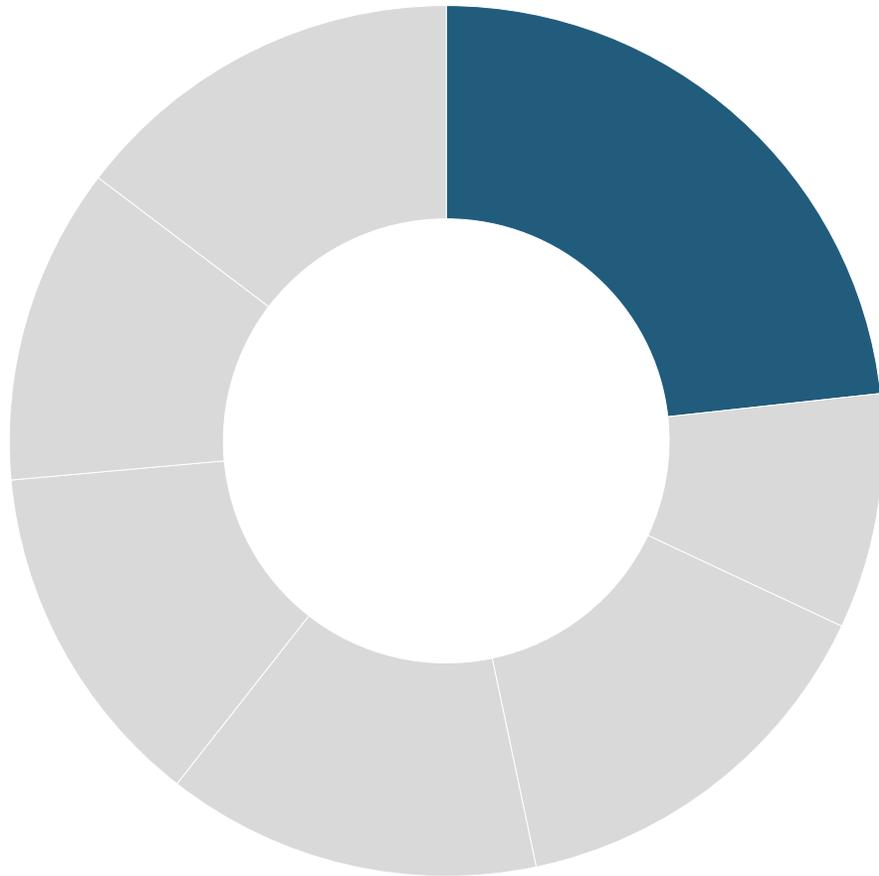
**Average Age** 38.6

**Median Age** 37.9

Source: Las Vegas Perspective

# Residential Profile

## Clark County Residents Under 18

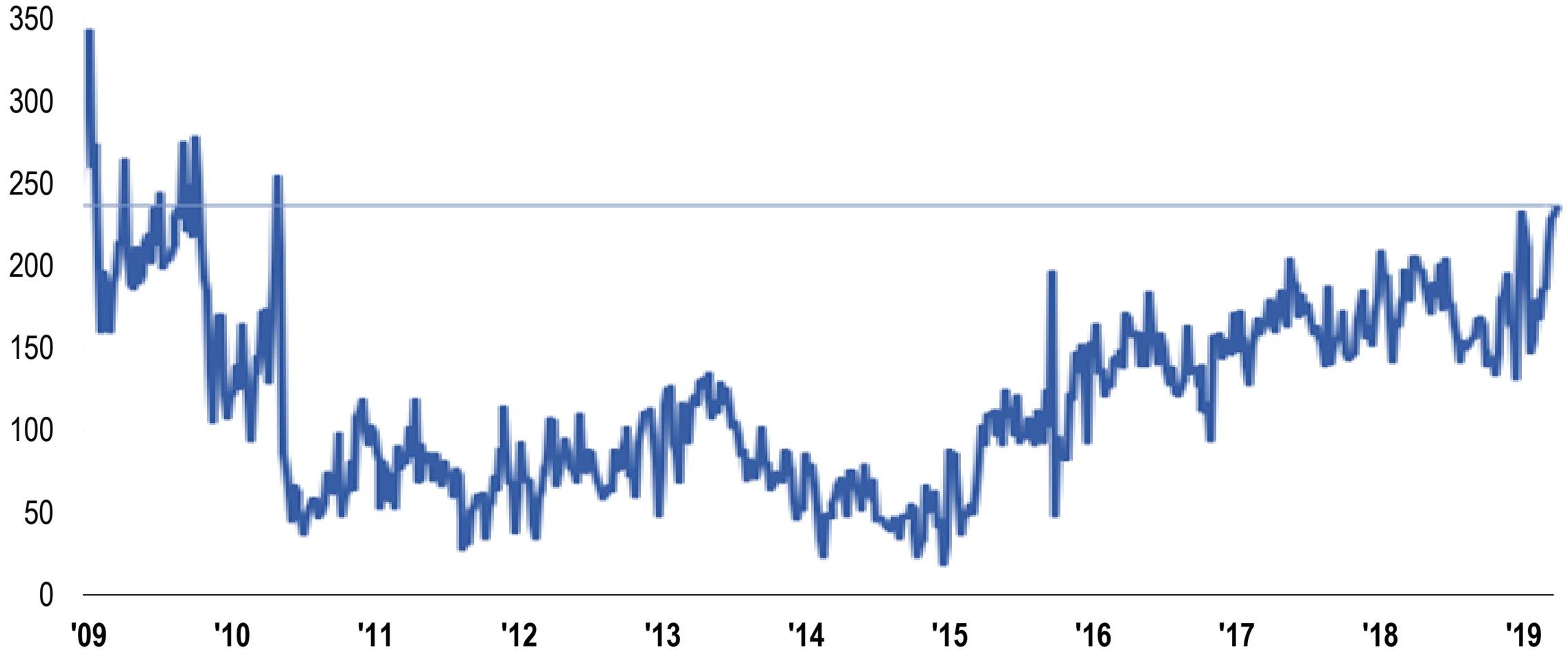


Under 18	
2014	24.1%
2015	23.8%
2016	23.6%
2017	23.3%
2018	23.3%

Source: Las Vegas Perspective

# Mortgage Applications

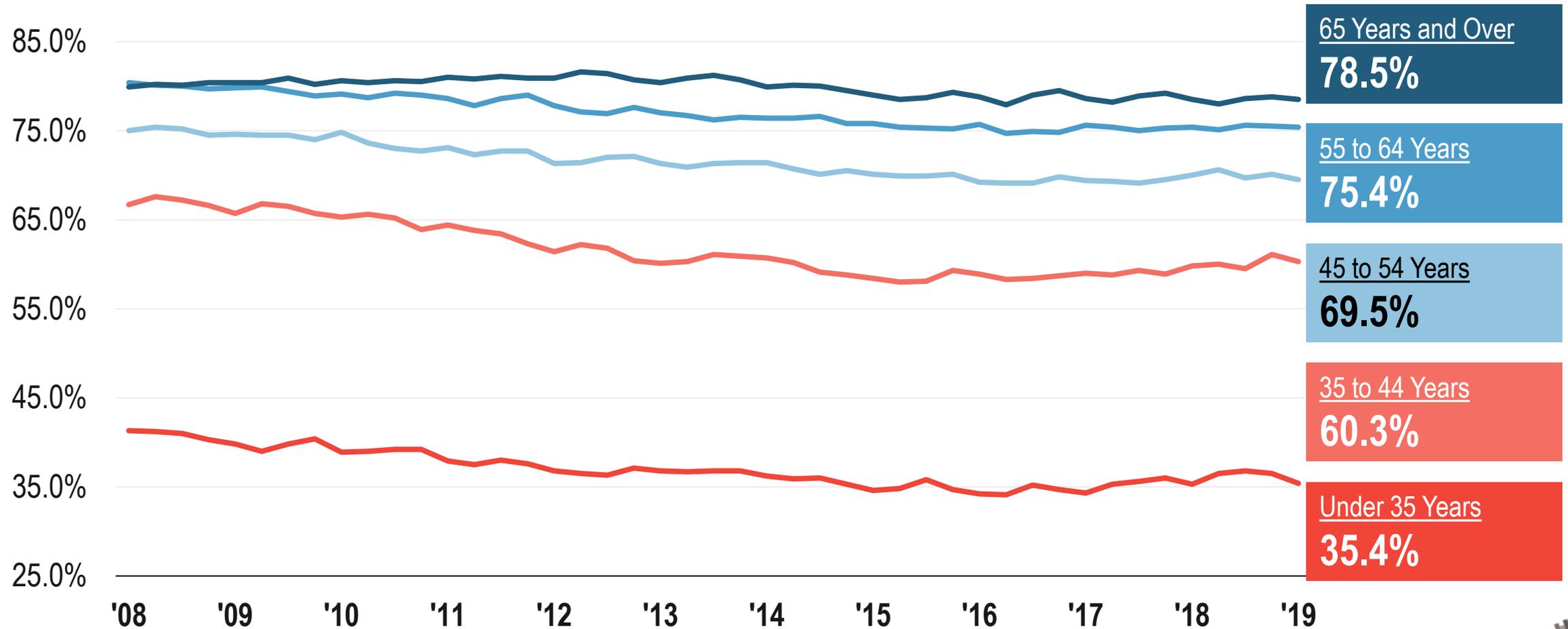
## United States



Source: MBA

# Homeownership Rates by Age

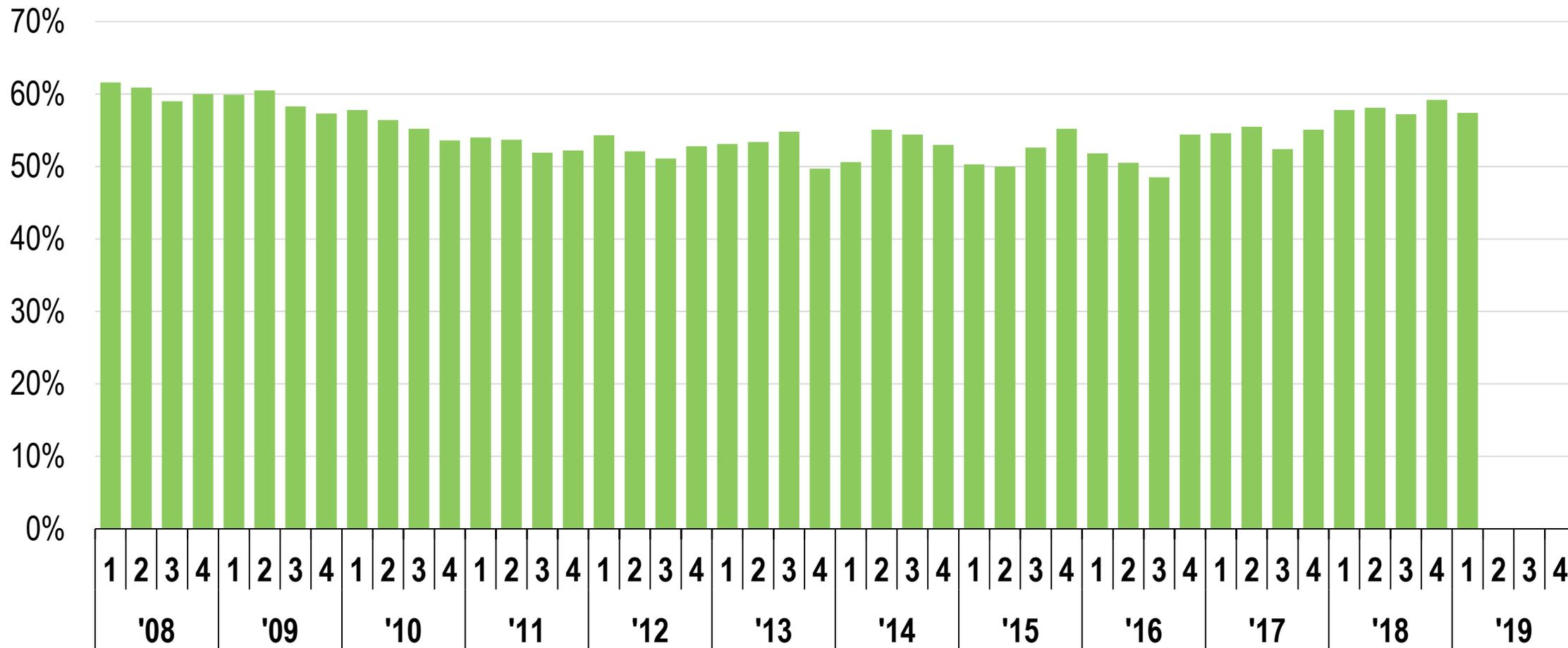
## United States



Source: U.S. Census Bureau

# Homeownership Rate

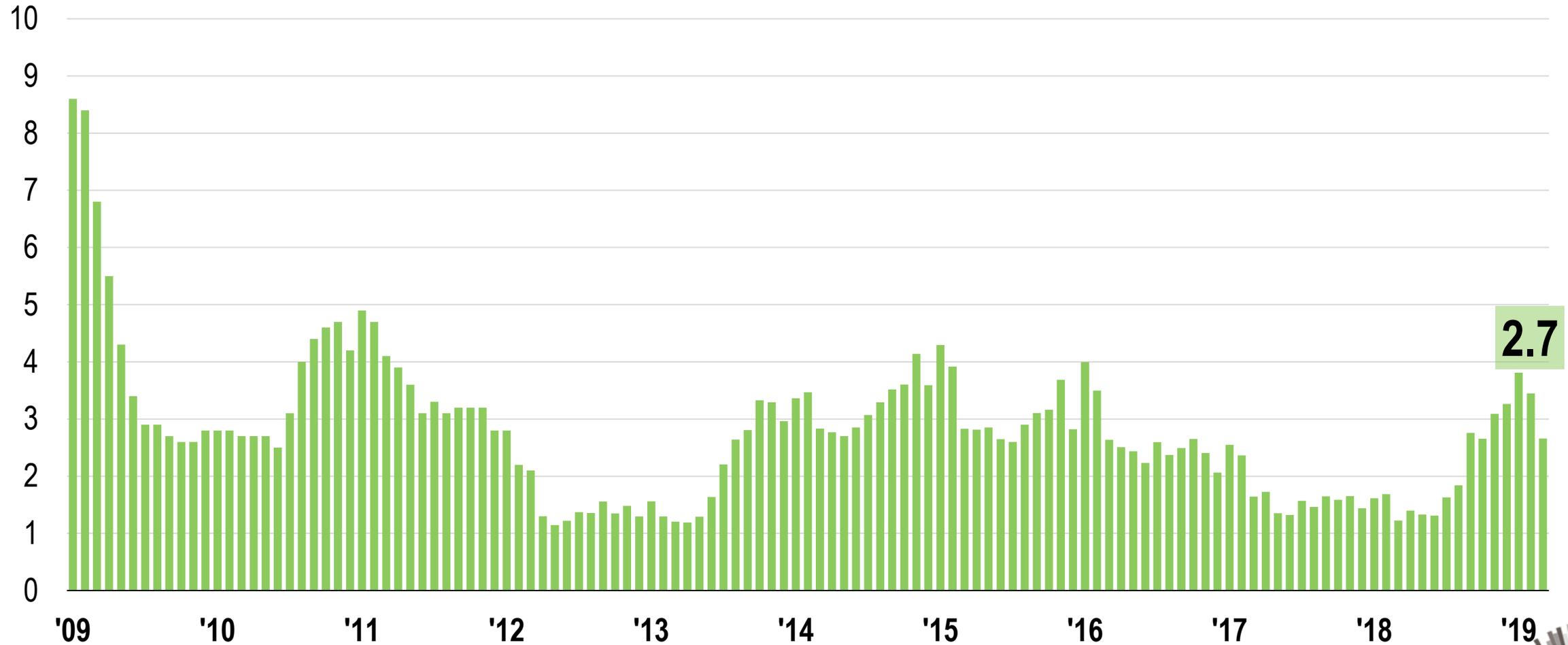
## Las Vegas MSA



Source: U.S. Census Bureau

# Effective Months of Availability

## Multiple Listings Service | Las Vegas Area

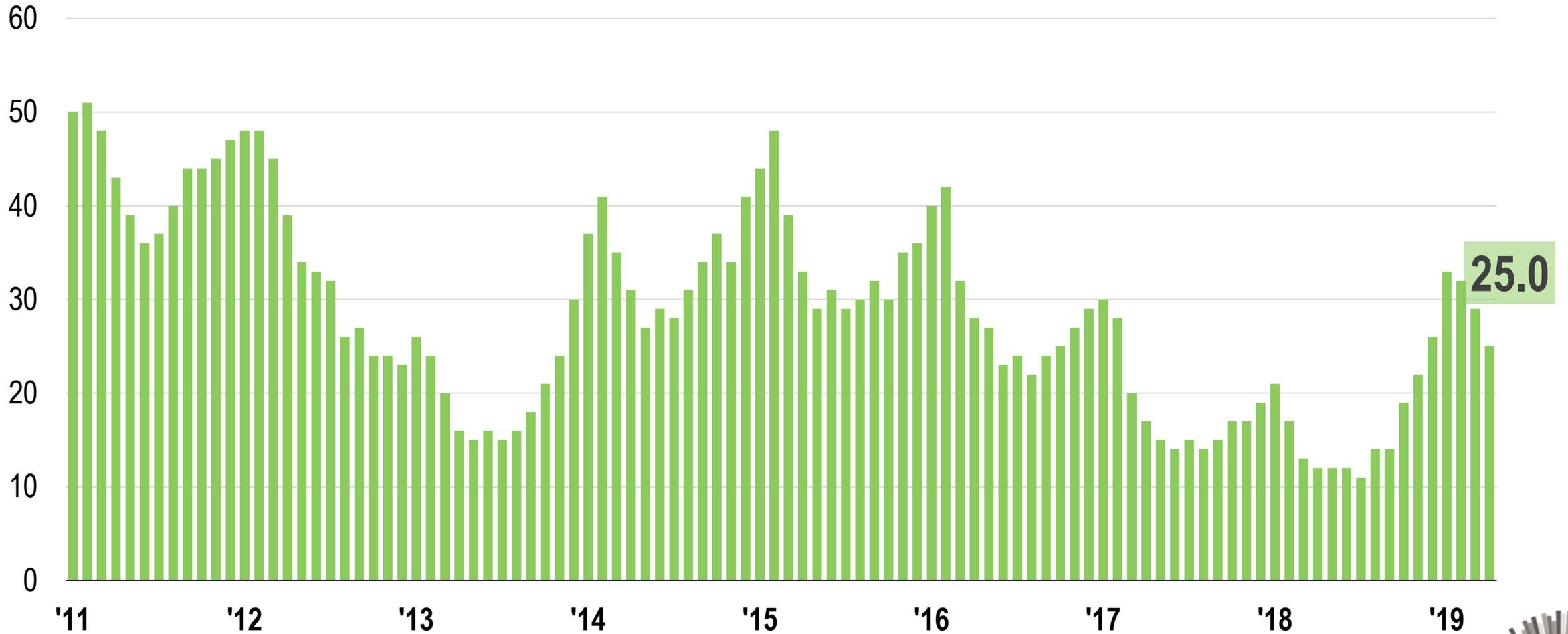


Source: SalesTraq



# Median Days on the Market

## Single Family Market | Las Vegas Area

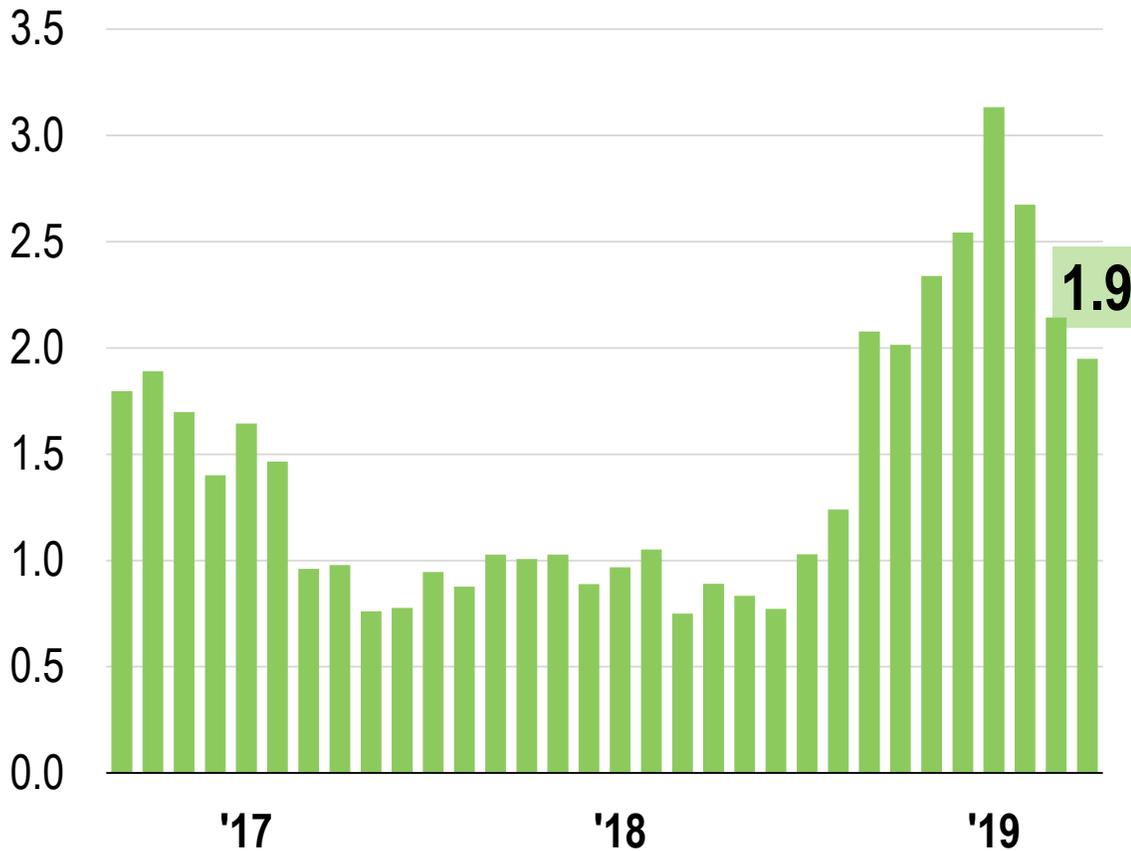


Source: SalesTraq, GLVAR

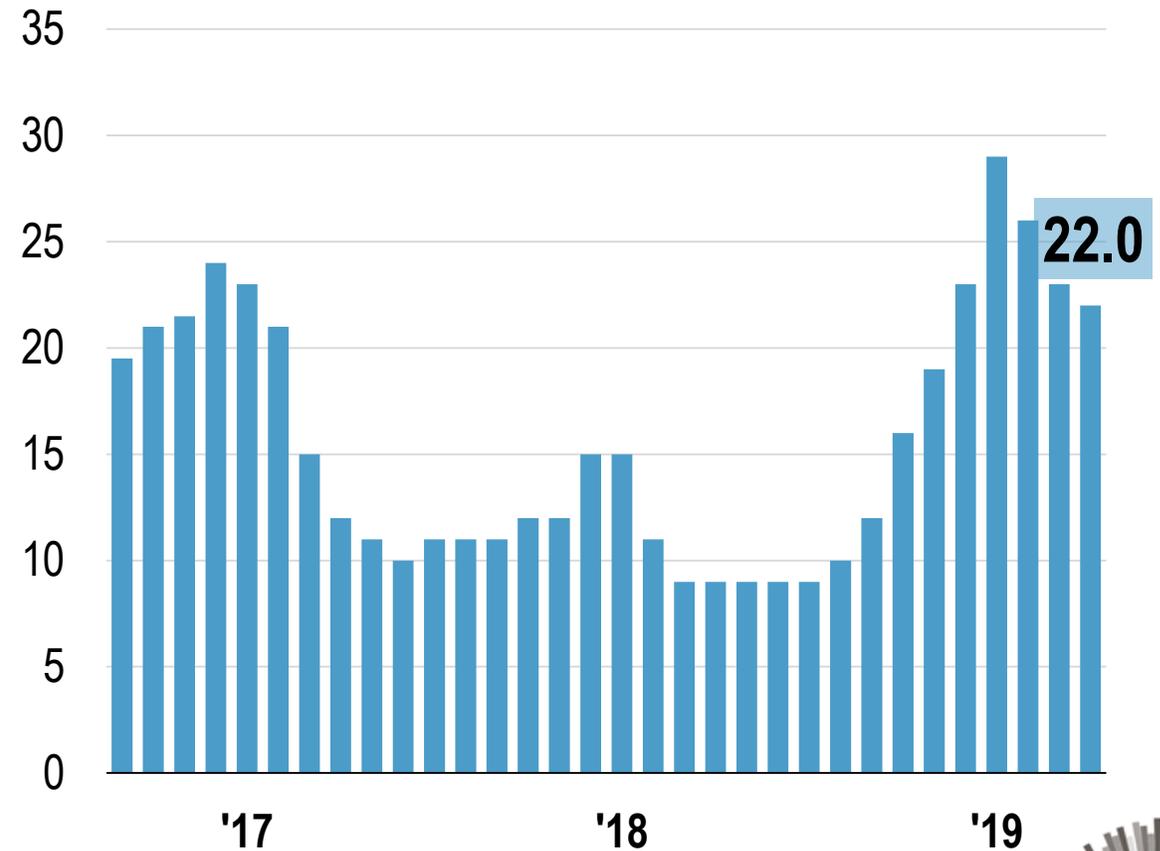
# Homes Priced Under \$300,000

## Las Vegas Area

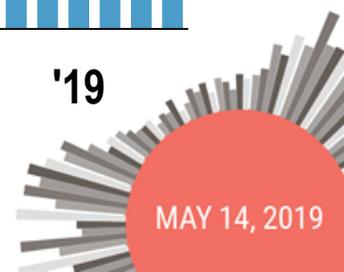
### Effective Inventory



### Median Days on Market



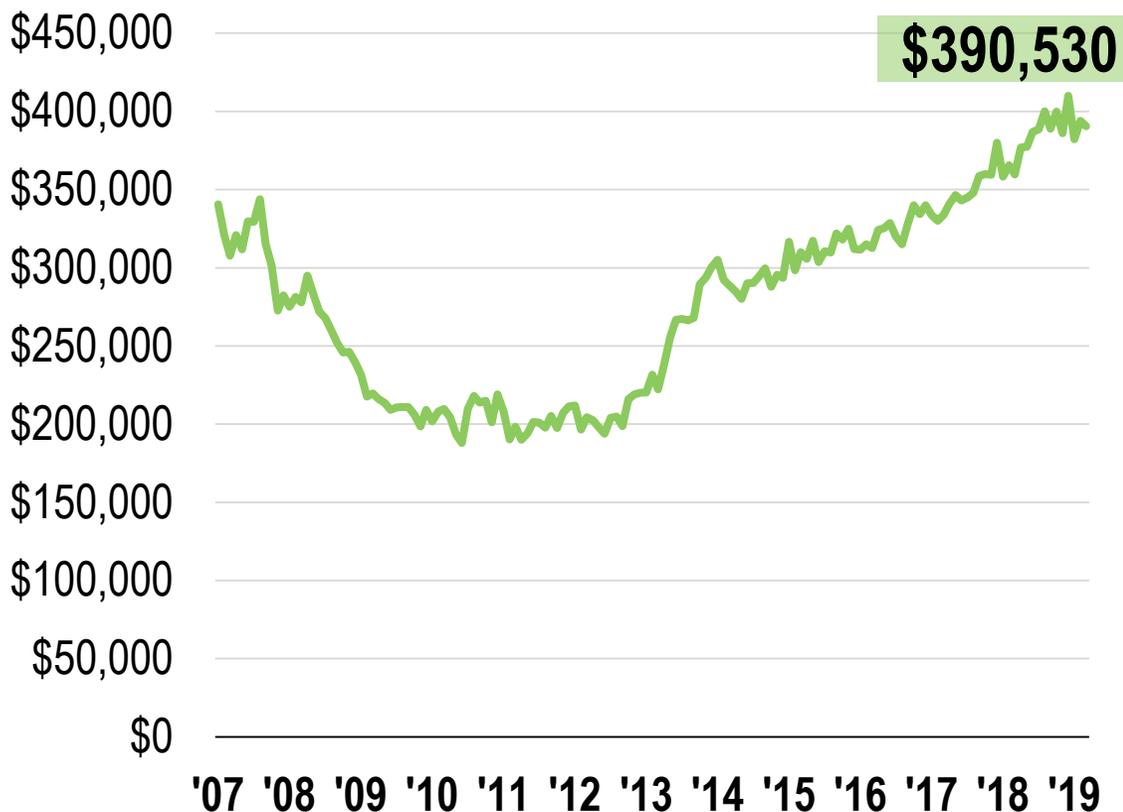
Source: SalesTraq



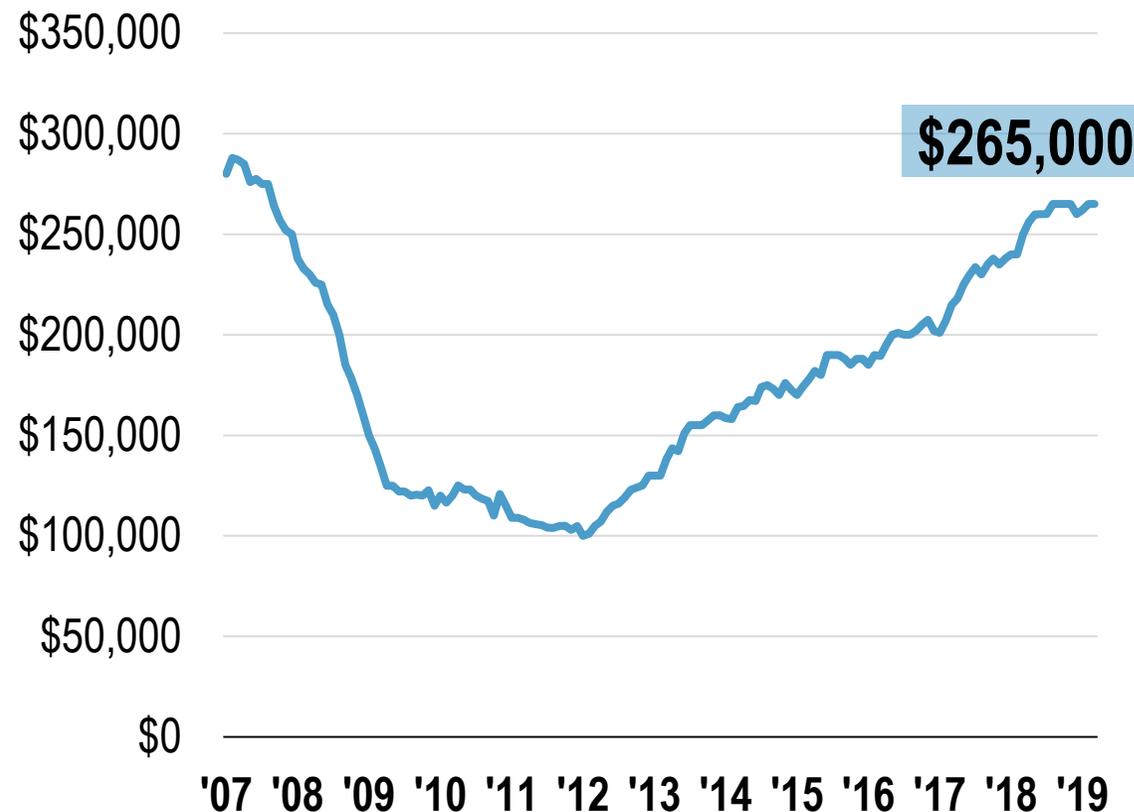
# New and Existing Home Prices

## Las Vegas Area

### New Home Median Price



### Existing Home Median Price



Source: *Salestrag*

# Major Western Housing Markets

## Median Single Family Sales Price

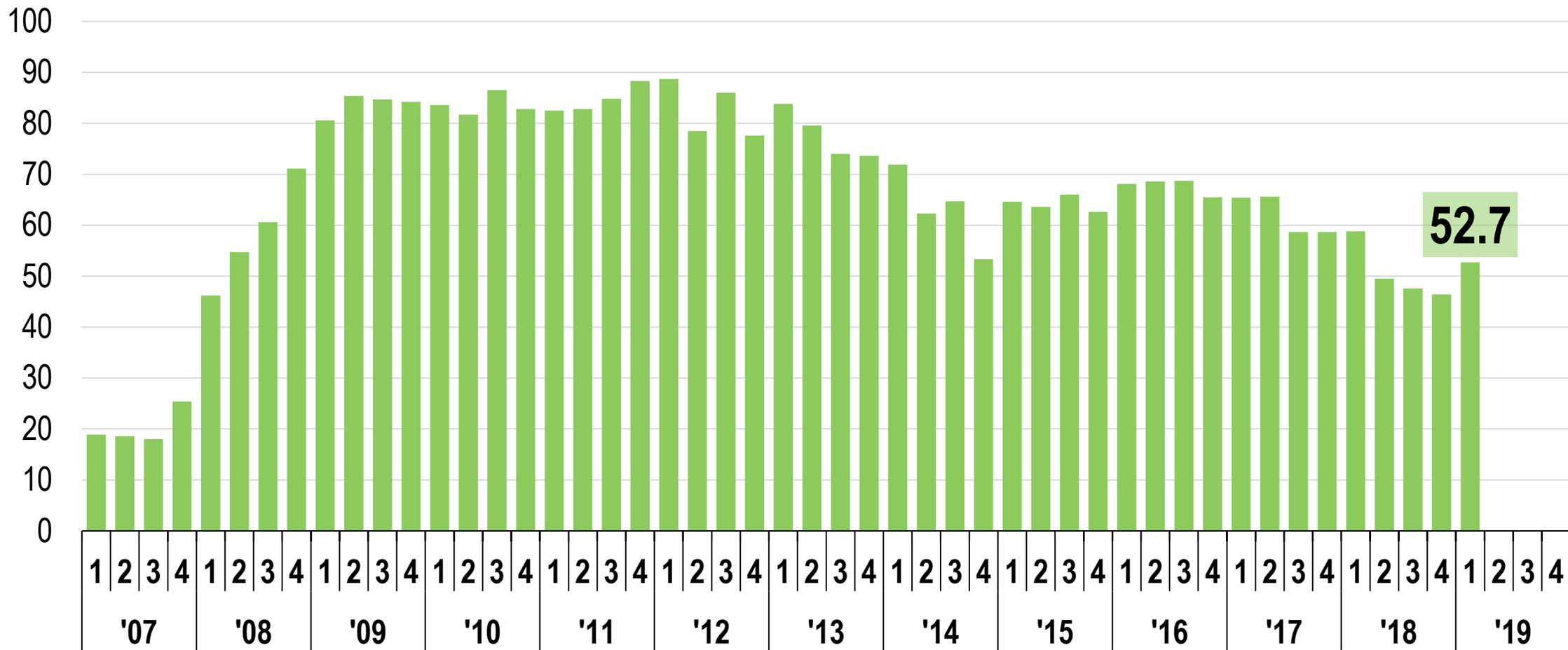


Rank	Metro Area	Median Sales Price
1	San Francisco, CA	\$952,400
2	San Diego, CA	\$626,000
3	Los Angeles, CA	\$576,100
4	Seattle, WA	\$489,600
5	Denver, CO	\$438,300
6	Portland, OR	\$389,000
7	Salt Lake City, UT	\$341,000
8	<b>LAS VEGAS, NV</b>	<b>\$295,100</b>
9	Phoenix, AZ	\$272,700
10	Boise, ID	\$263,800
11	Albuquerque, NM	\$205,500

Source: National Association of Realtors

# Housing Opportunity Index

## Las Vegas MSA



Source: National Association of Homebuilders

# 30-Year Fixed Rate Mortgages

## United States



Source: U.S. Census Bureau



# GROWTH BRINGS CHANGE

Often times we focus on  
changes in our economic base



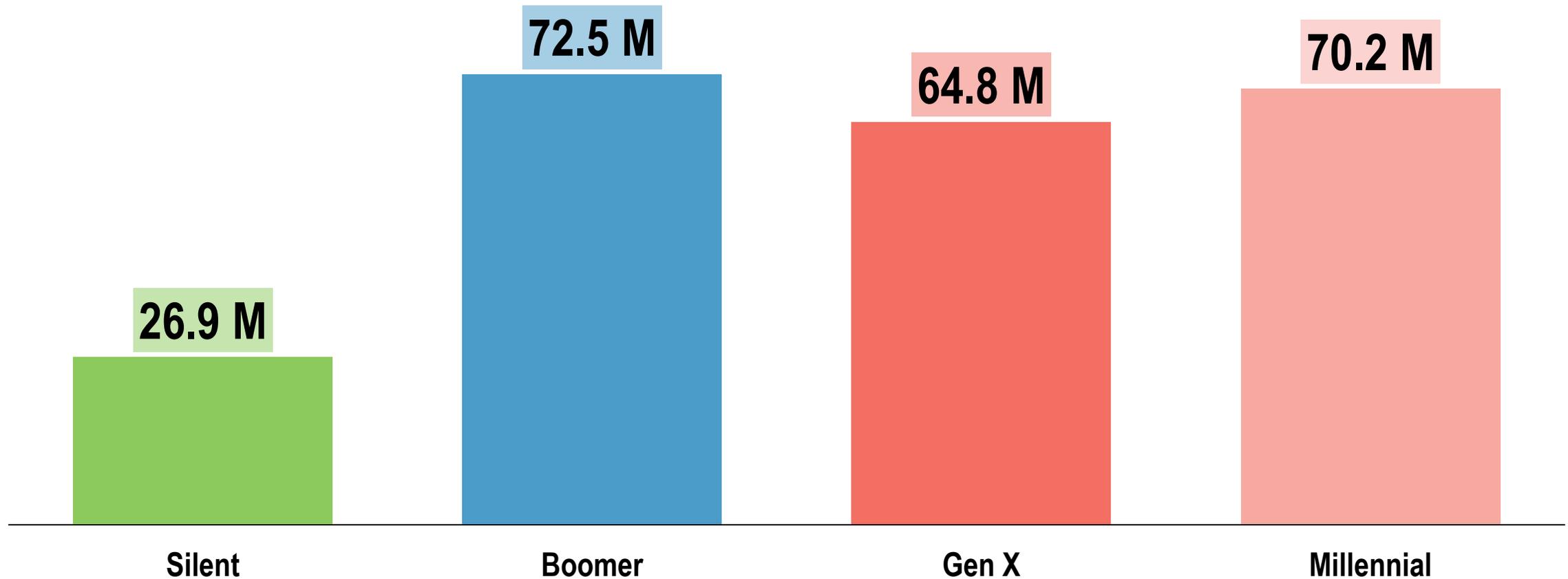
# What about the changes in our consumer base?





# Population by Generation

2017 (in Millions)



Source: Pew Research

# Boomers vs. Millennials | Metro Status

Metro Dwellers When They Were Young (21-36)

68%

Boomers in 1985

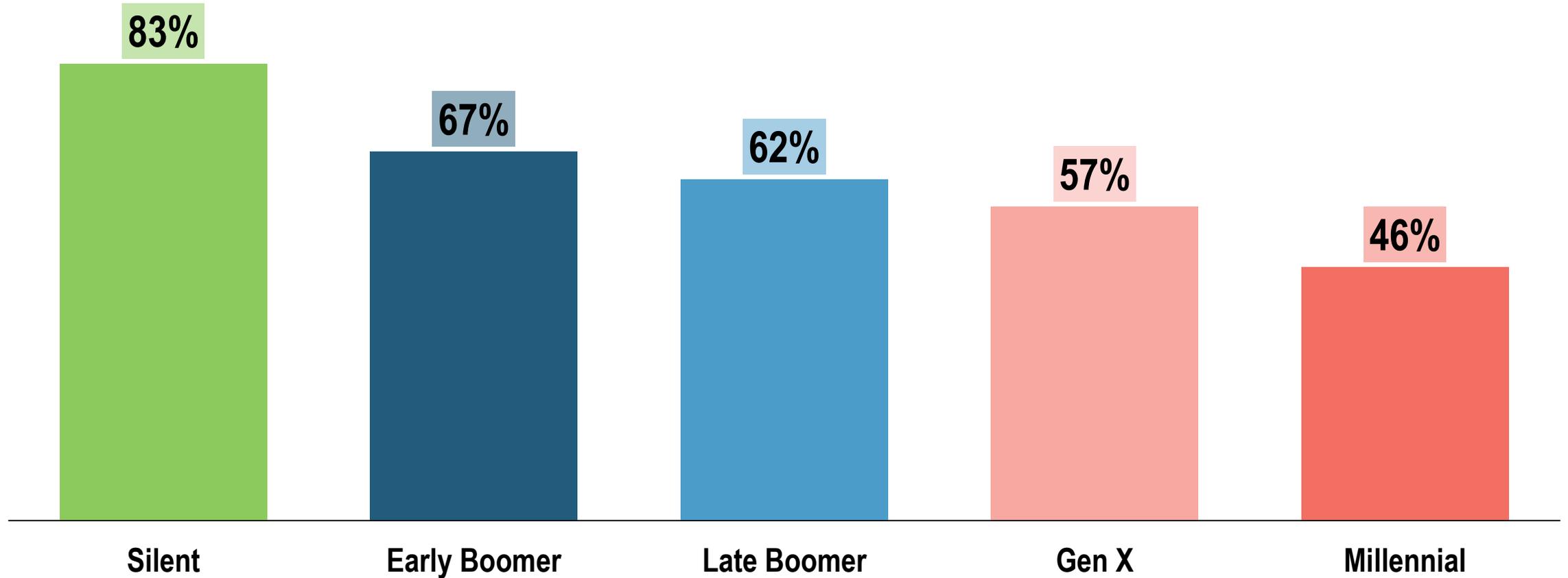
88%

Millennials in 2017

Source: Pew Research

# Married by Generation

## 25- to 37-Year Olds

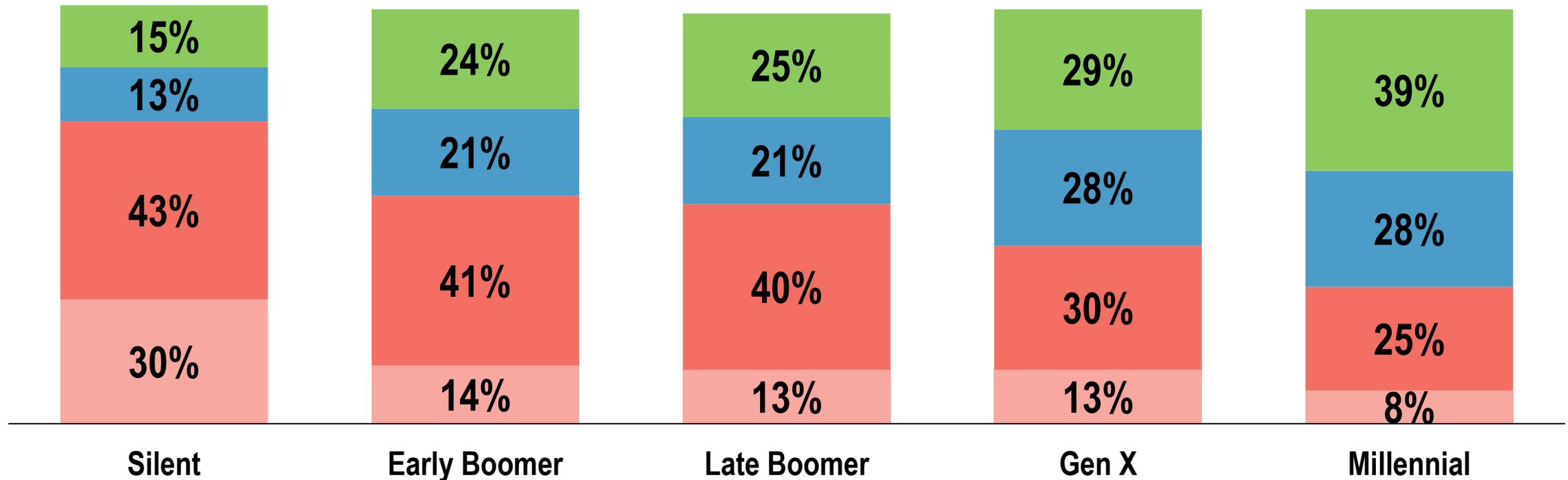


Source: Pew Research

# Educational Attainment

## 25- to 37-Year Olds

■ Less than High School Grad ■ High School Grad ■ Some College ■ Bachelor's Degree or Higher

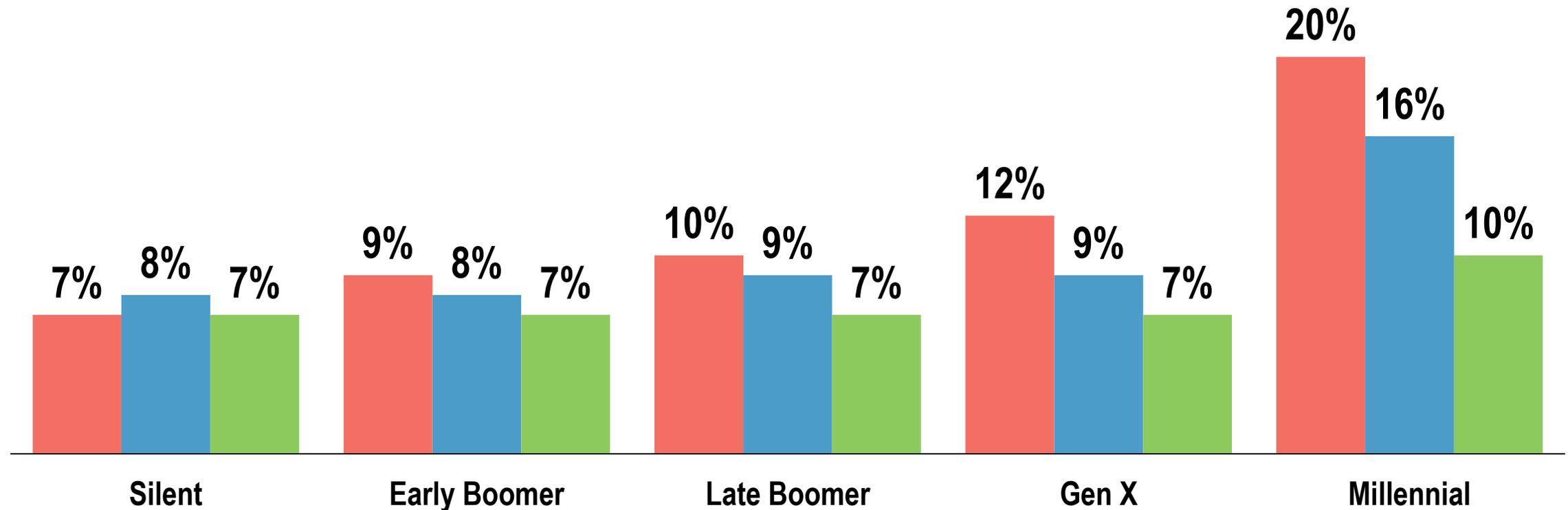


Source: Pew Research

# Living with Parents

## By Educational Attainment | 25- to 37-Year Olds

■ High School Grad ■ Some College ■ Bachelor's Degree or Higher



Source: Pew Research

# Boomers vs. Millennials | Household Income

Median Household Income When They Were Young (21-36)

\$59,147

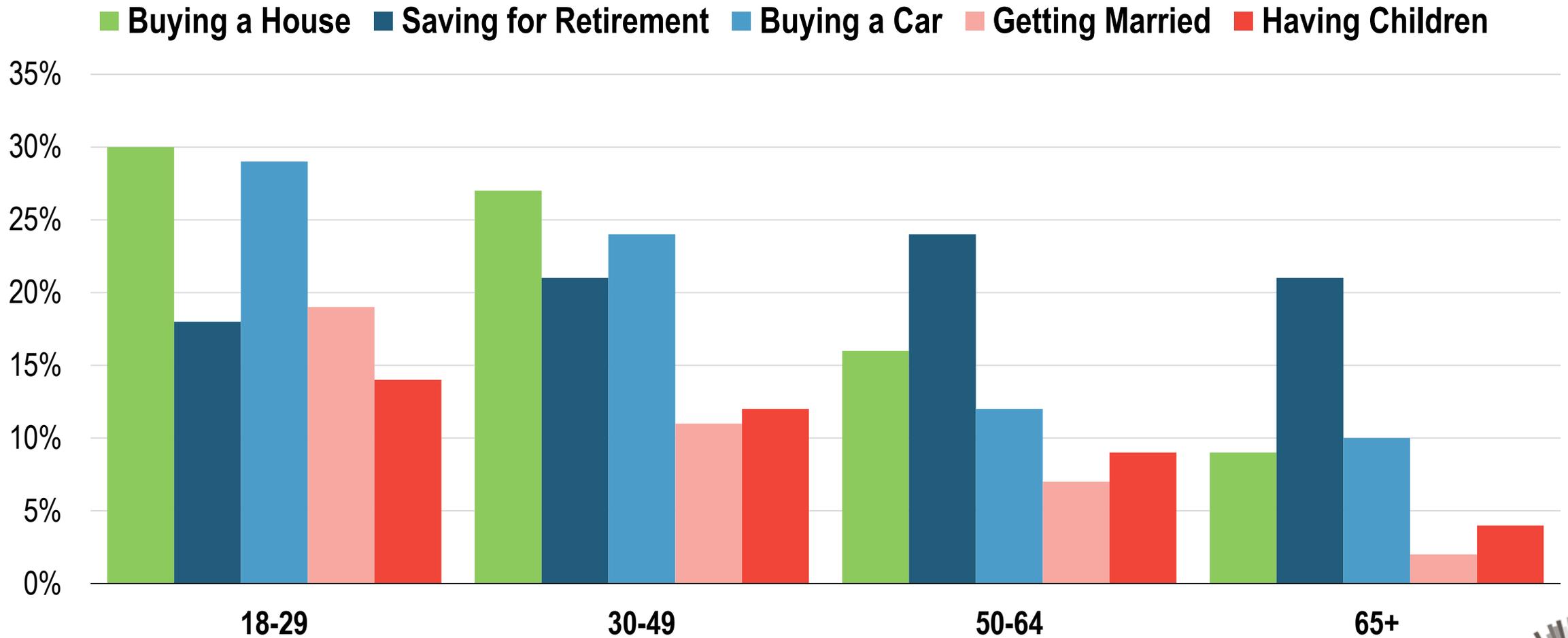
Boomers in 1985

\$72,500

Millennials in 2017

Source: Pew Research

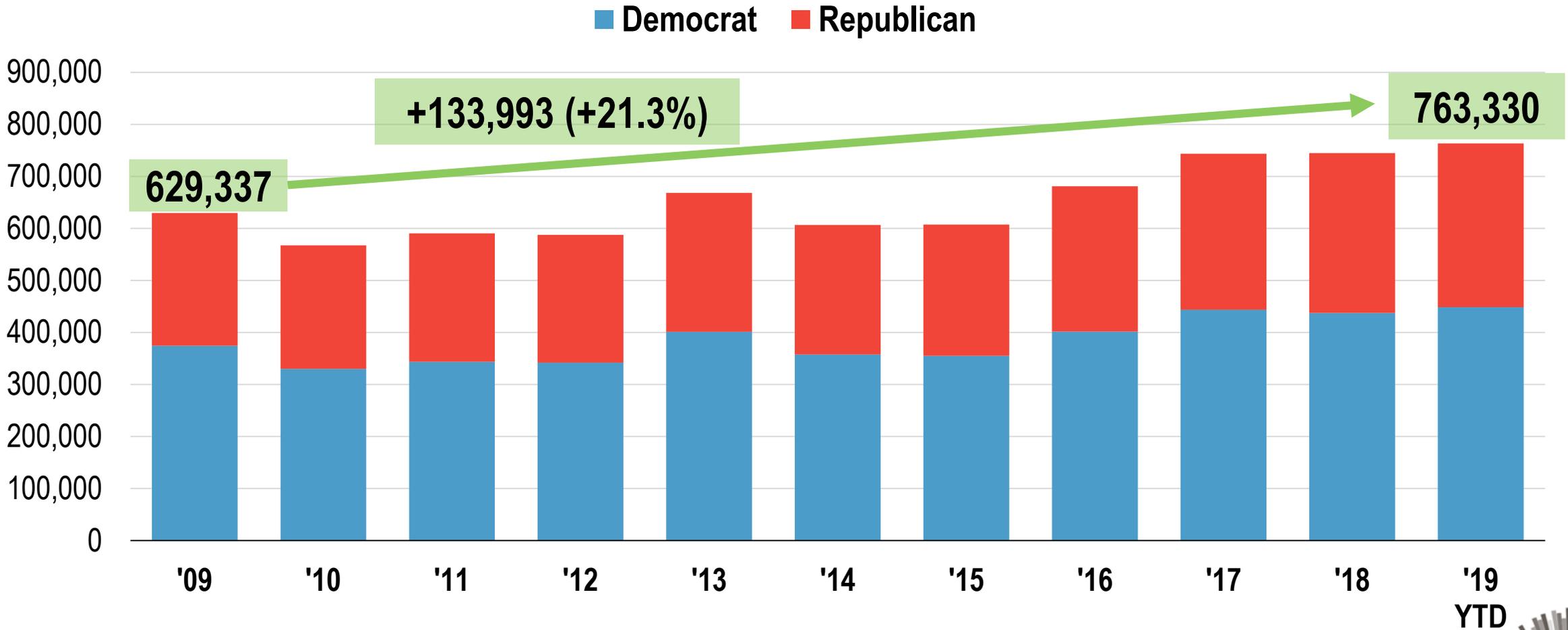
# Life Events Delayed by Unpaid Student Debt



Source: Bankrate

# Active Voter Registration by Major Party

## Trailing 12-Month Average | Nevada

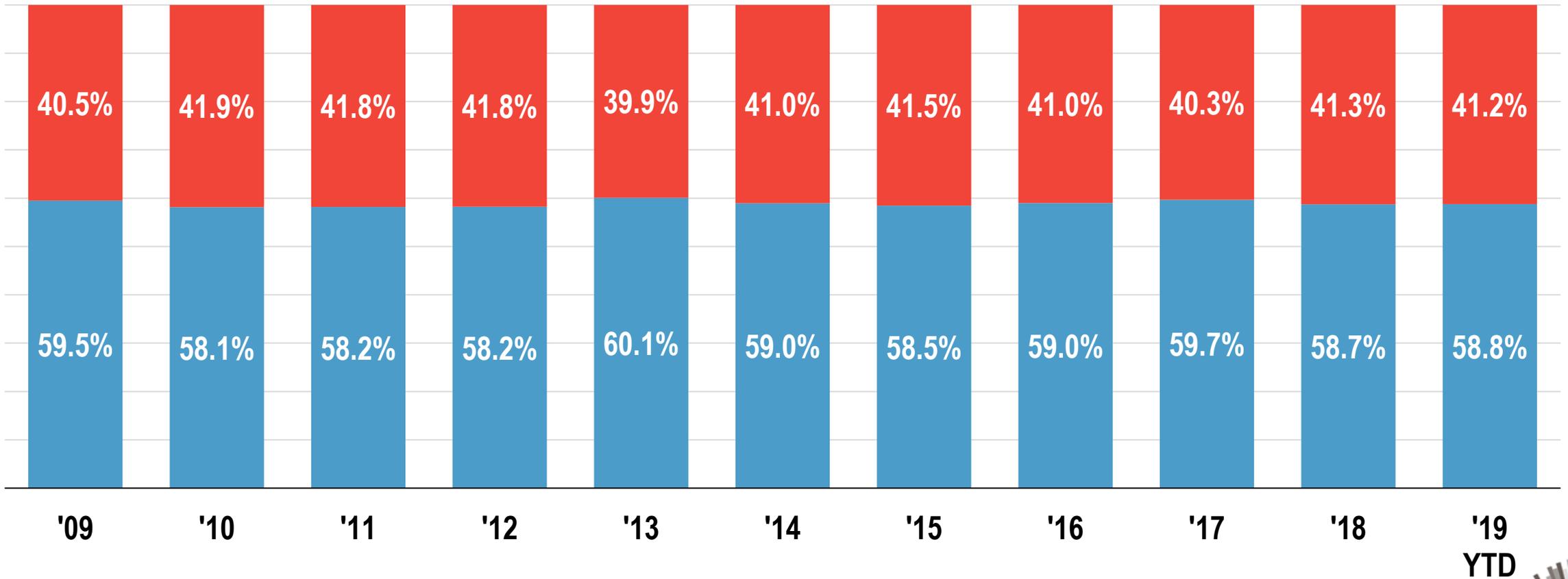


Source: Nevada Secretary of State

# Active Voter Registration by Major Party

Trailing 12-Month Average | Nevada

■ Democrat ■ Republican



Source: Nevada Secretary of State



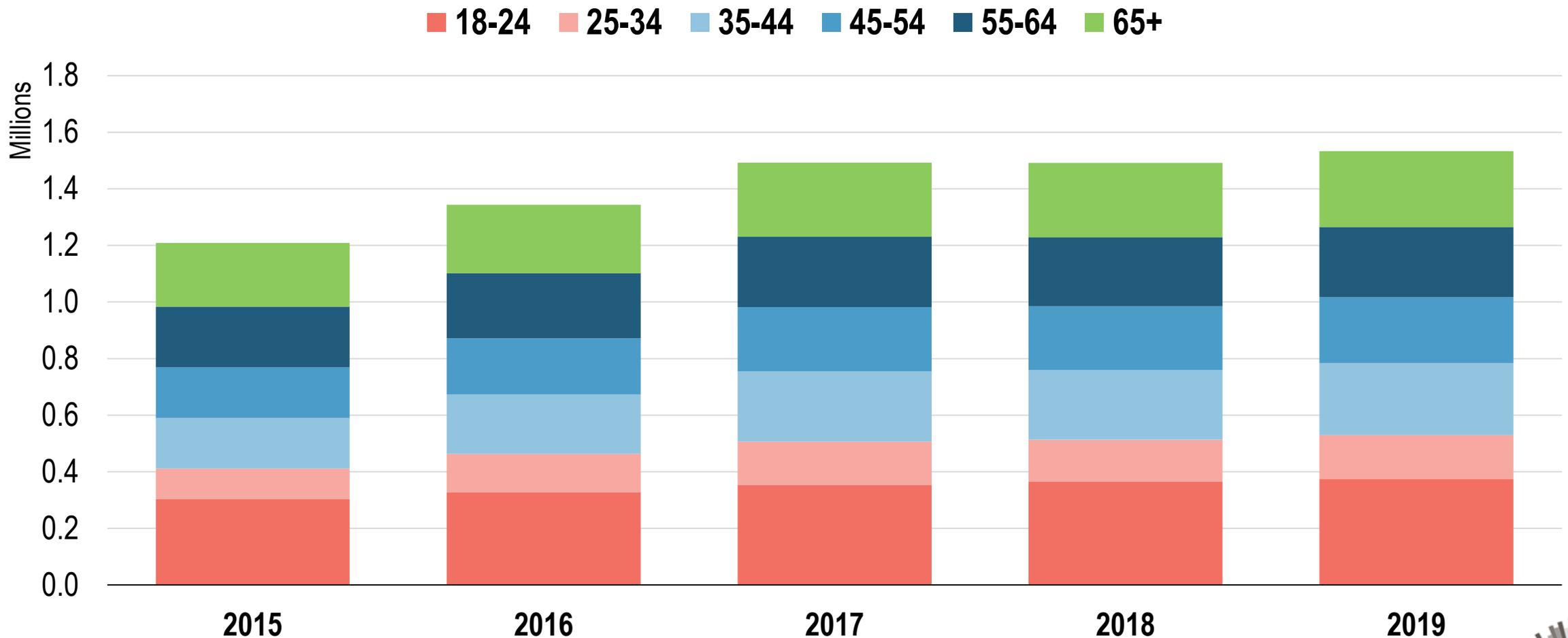
2019 LAS VEGAS PERSPECTIVE



MAY 14, 2019

# Active Voter Registration by Age

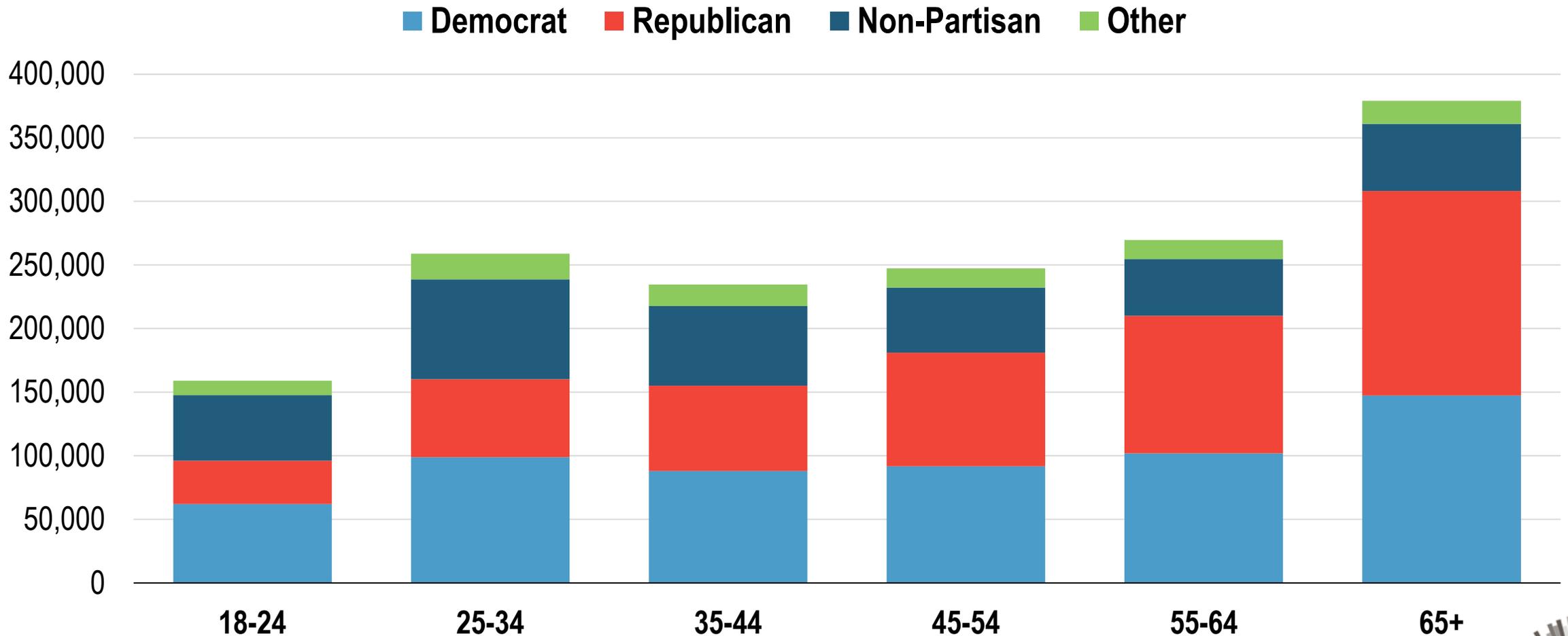
## Trailing 12-Month Average | Nevada



Source: Nevada Secretary of State

# Active Voter Registration by Age

April 2019 | Nevada



Source: Nevada Secretary of State

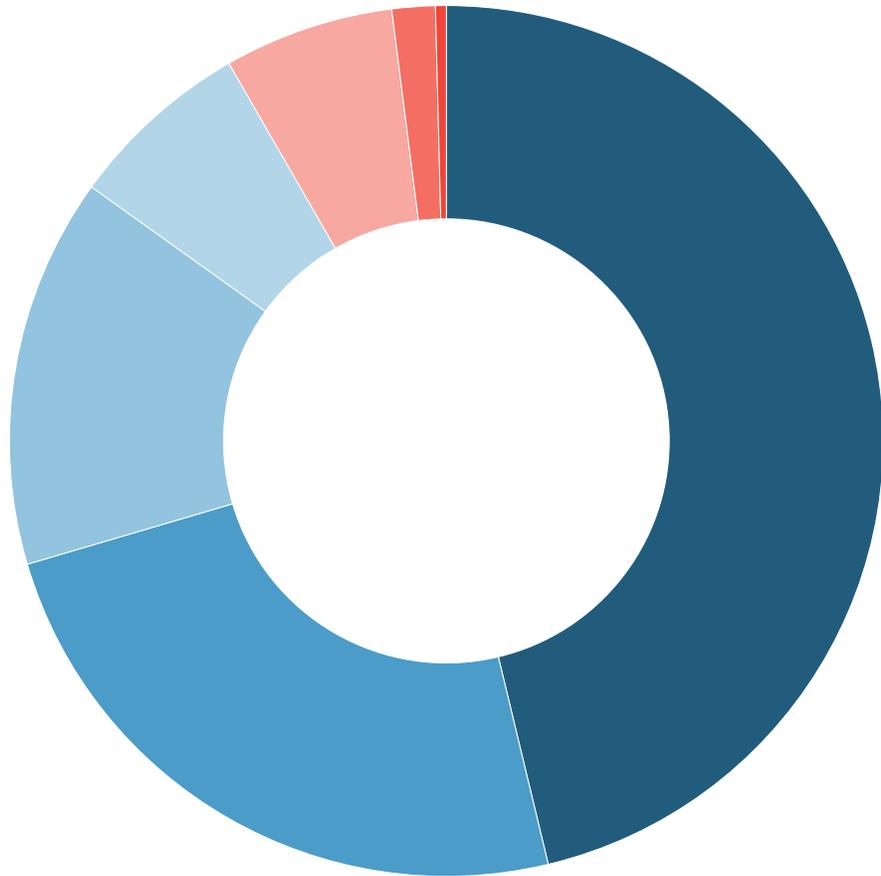




**Nevada has gone with  
California in  
8 of the last 10  
presidential elections**

# CCSD Enrollment by Race/Ethnicity

Minority-Majority School District



Hispanic/Latino	46.3%
Caucasian	24.2%
Black/African American	14.5%
Multiracial	6.8%
Asian	6.3%
Hawaiian/Pacific Islander	1.6%
Native American/Alaskan Native	0.4%

Source: Clark County School District

# LAS VEGAS

September 8, 2018

# REVIEW-JOURNAL

---

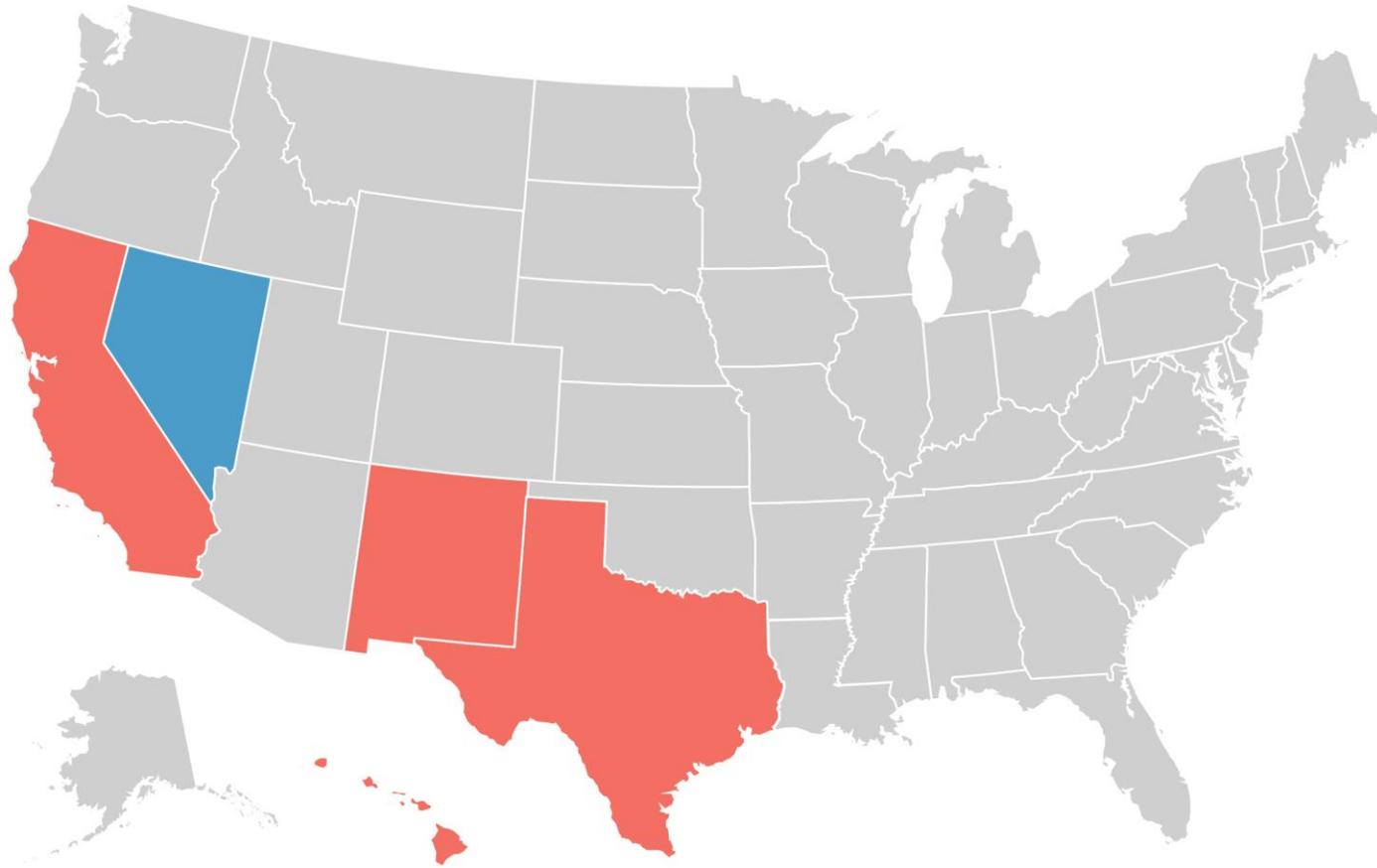
---

## **UNLV Named One of Most Diverse Campuses in U.S.**

*UNLV achieved a diversity index of 0.76, with the report noting that 29 percent of the student body is Hispanic. Rutgers University in Newark, New Jersey, is tied with UNLV. The closer a school's number is to 1.0, the more diverse the student population*

# Minority-Majority States

## 2017

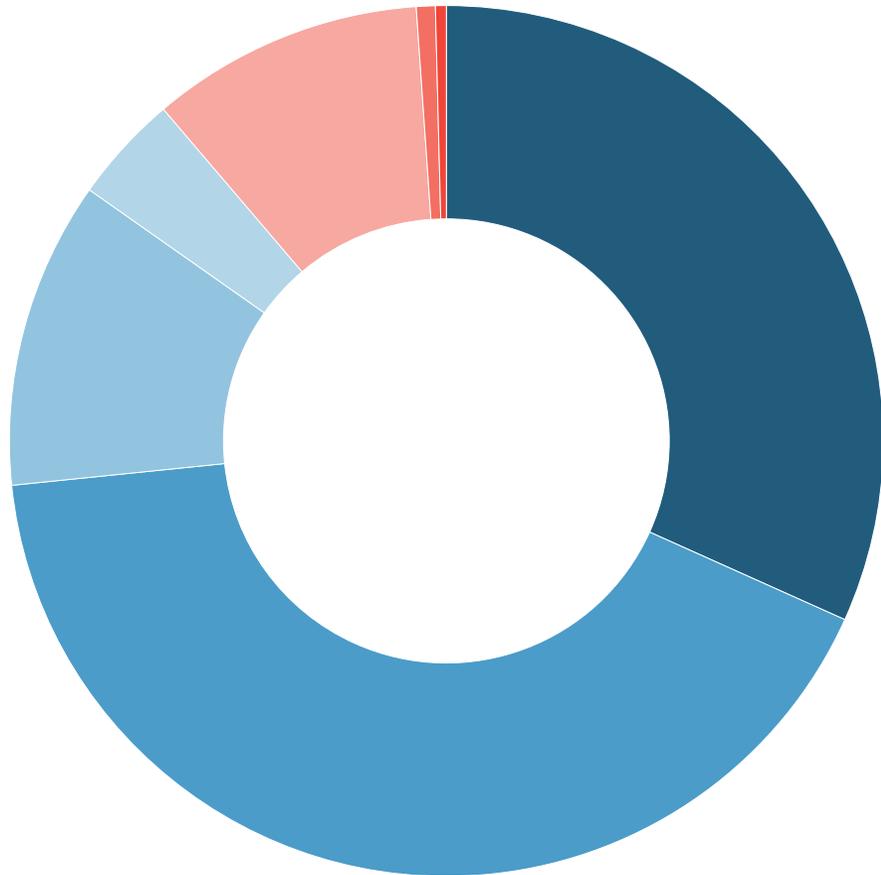


State	Minority Share
Hawaii	77.8%
California	62.1%
New Mexico	61.8%
Texas	57.1%
<b>Nevada</b>	<b>49.5%</b>
<b>U.S. Average</b>	<b>38.5%</b>

Source: U.S. Census Bureau

# Population by Race/Ethnicity

## Southern Nevada



Hispanic/Latino	31.7%
Caucasian	41.6%
Black/African American	11.4%
Multiracial	4.0%
Asian	10.1%
Hawaiian/Pacific Islander	0.7%
Native American/Alaskan Native	0.4%

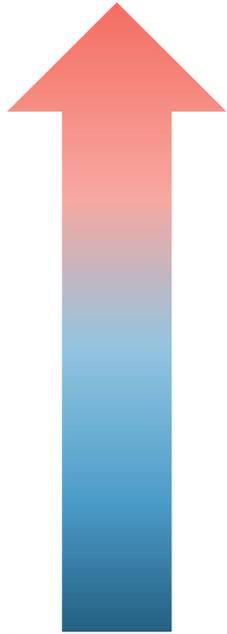
Source: Perspective

# Minority Shares

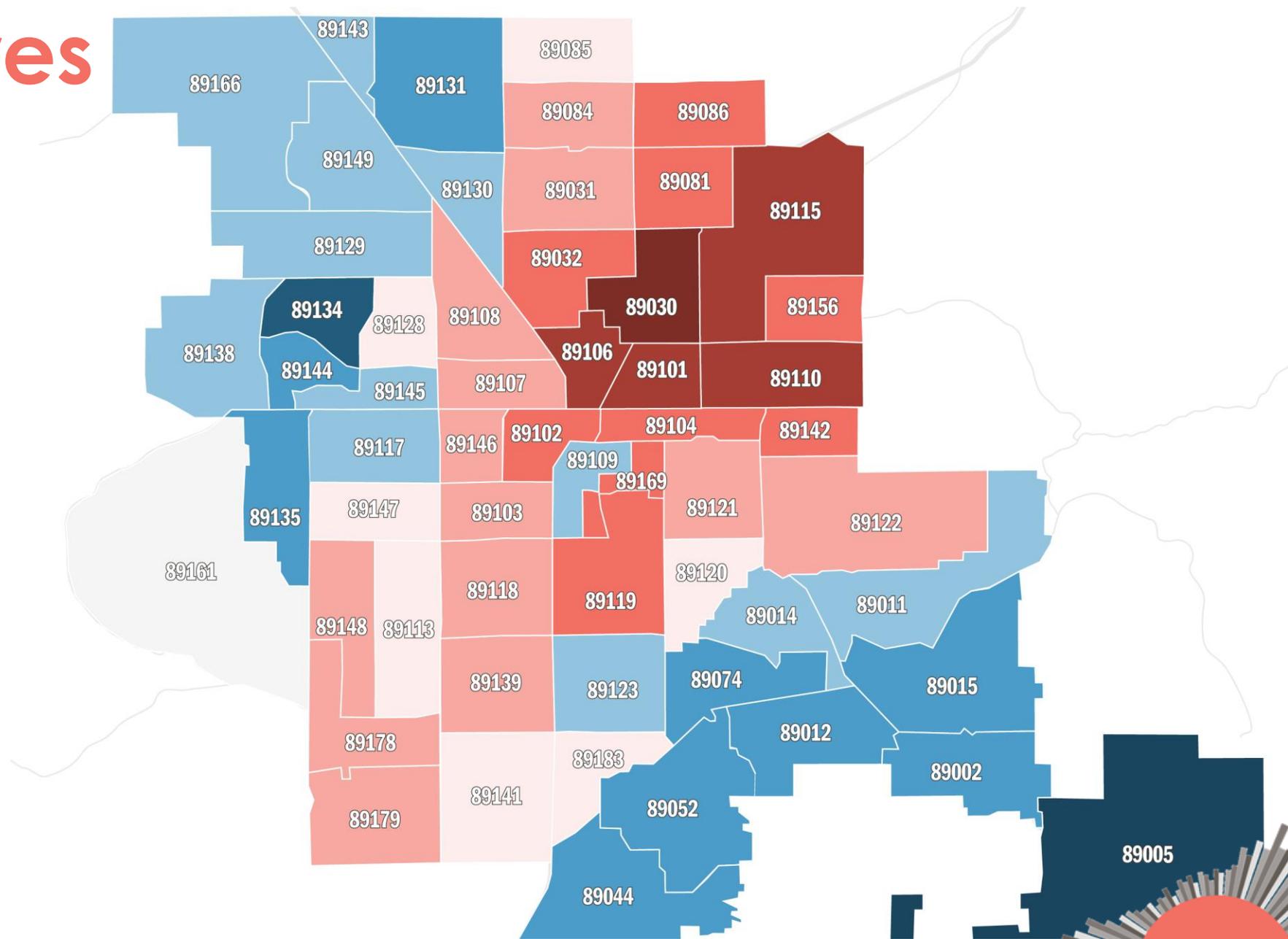
## Southern Nevada

Share of Minorities

Highest



Lowest



Source: Perspective



# 34.5%

Clark County Residents Over the Age of 5 that  
Speak a Language Other Than English at Home

Source: U.S. Census Bureau

# CONCLUSION

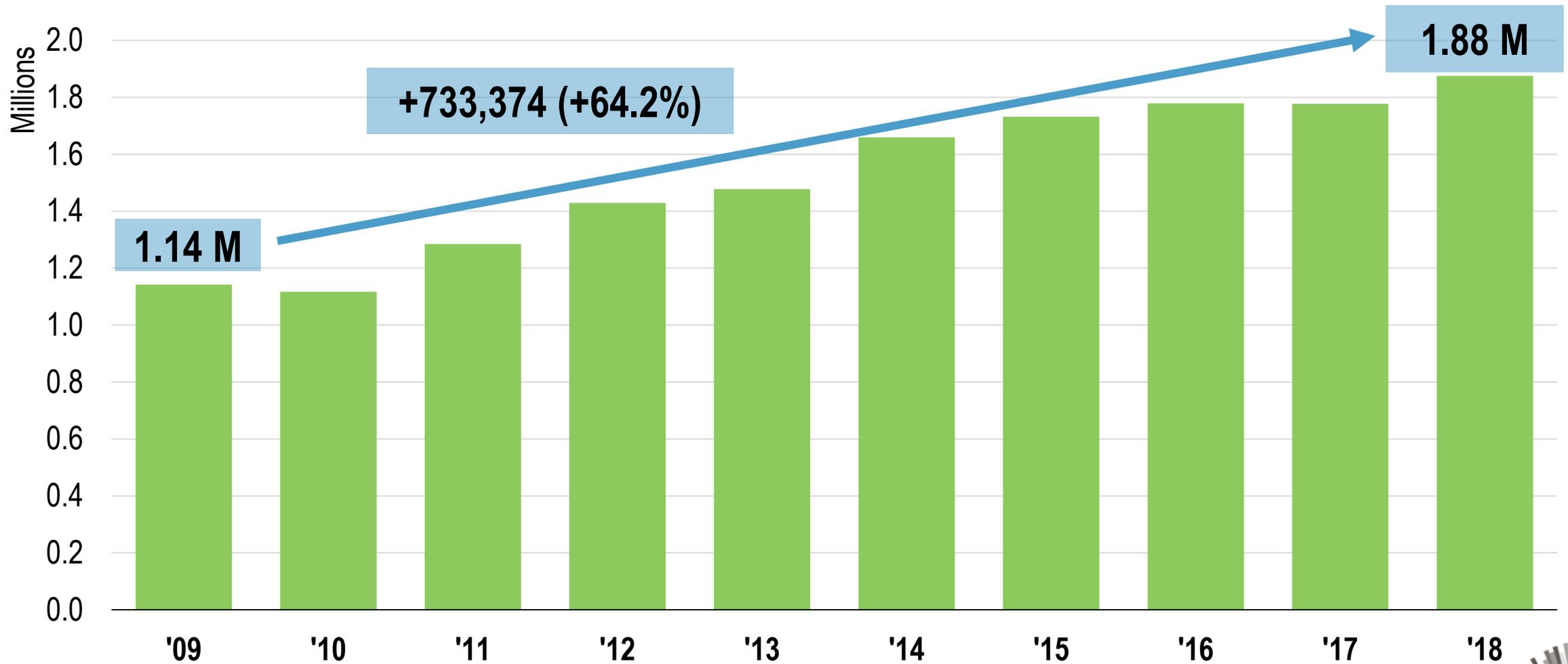
Is our success more a function of the businesses that are here or the consumers that buy the goods and services from them?





# International Enplaned Visitors

## McCarran International Airport



Source: McCarran International Airport

 **iStreamPlanet**

**amazon**  


 **KRS GLOBAL**  
BIOTECHNOLOGY

  
**switch**

  
**BIGELOW**  
AEROSPACE®

Pigeonly

**Google**

**BOXED**

**ARISTOCRAT**

  
Influential

  
**SOFIDEL**

  
GLOBAL LOGISTICS  
FREIGHT SOLUTIONS

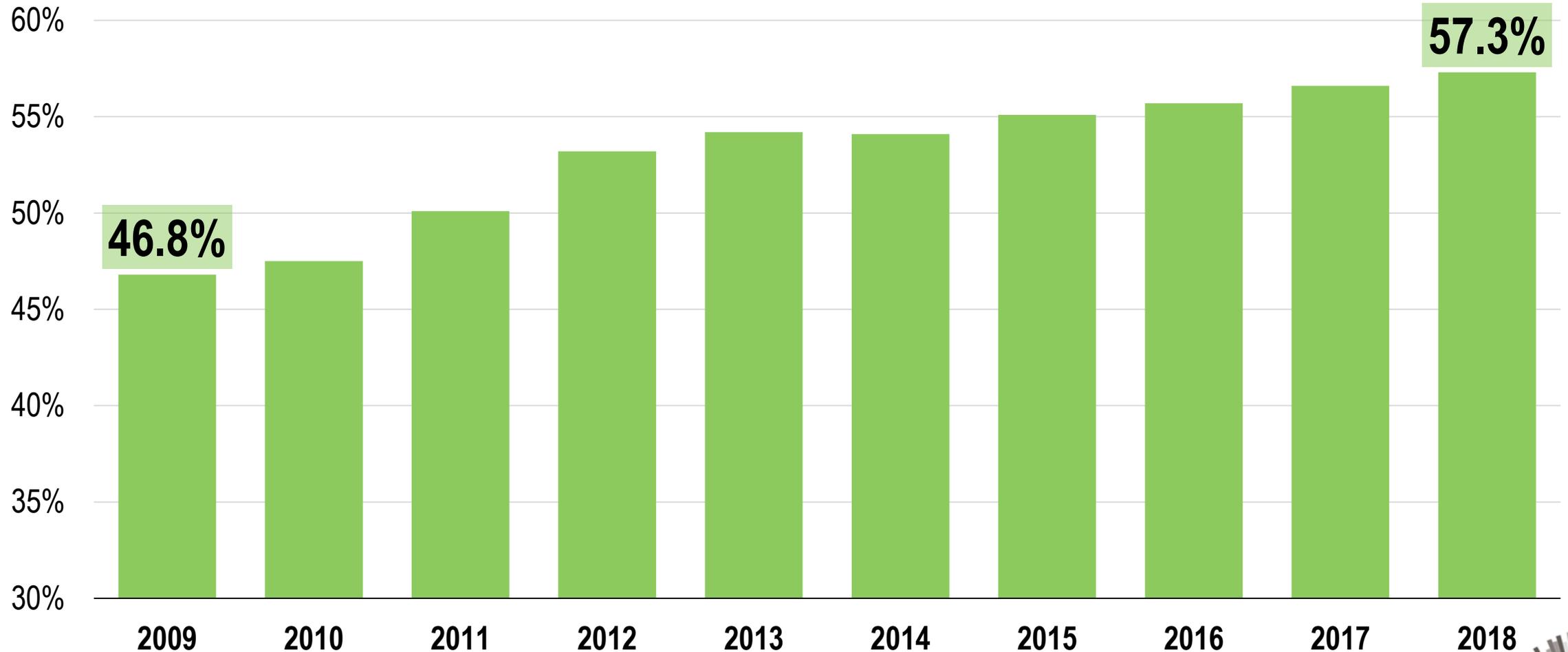
**eleks**®

• **A P T I V** •

  
**SG**  
SCIENTIFIC GAMES

# Diversifying Our Resident Base

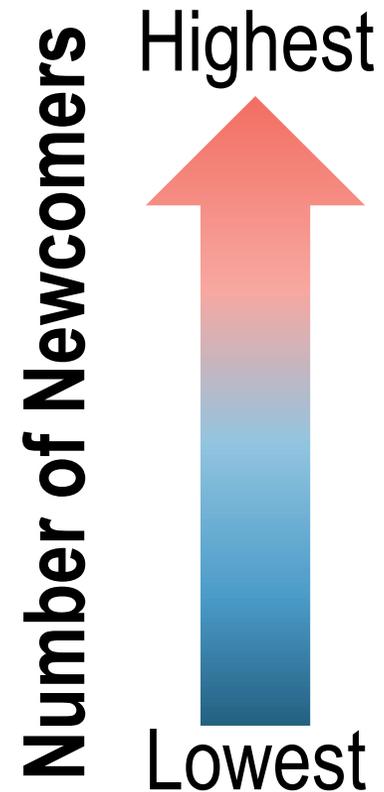
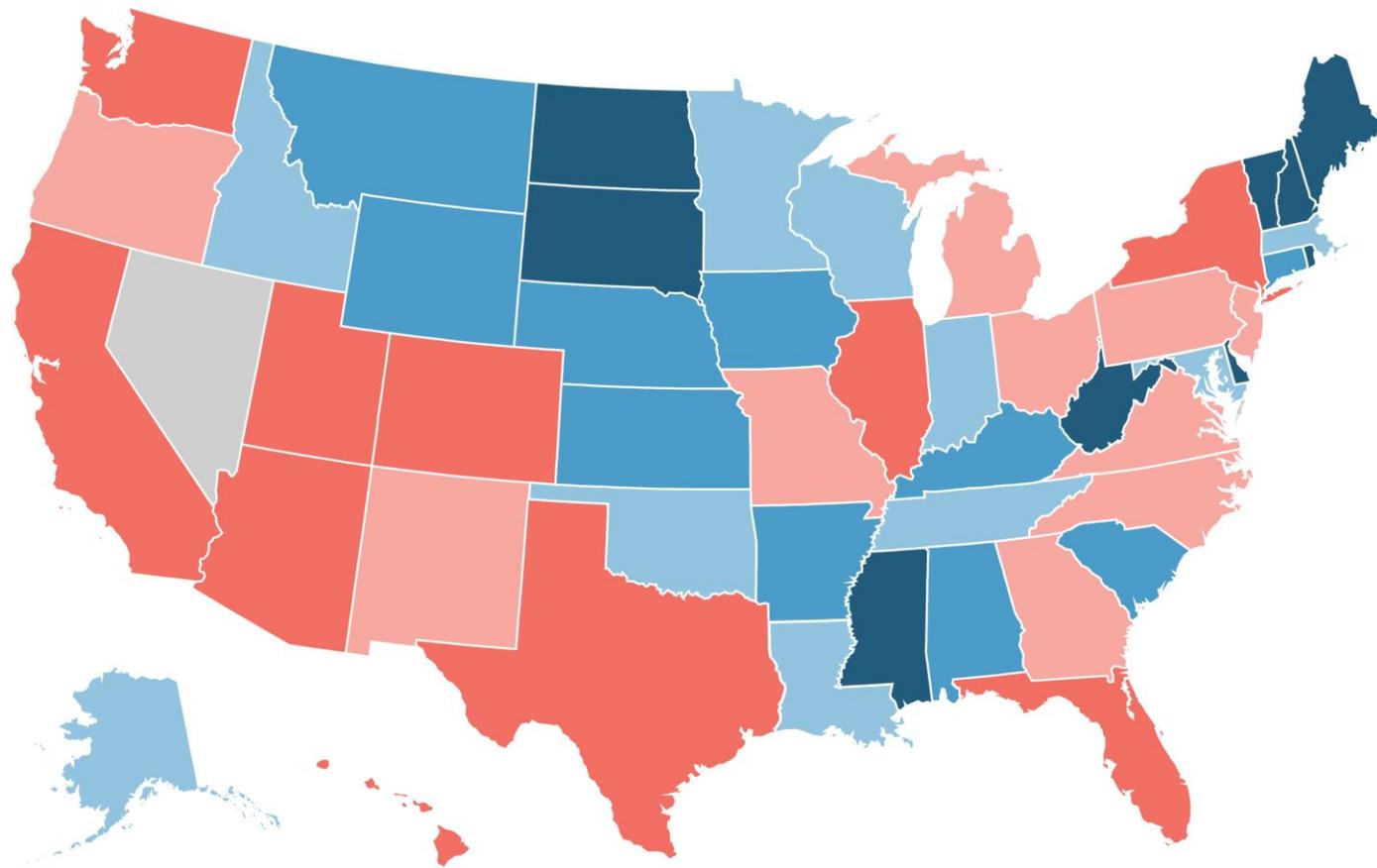
## Minority Resident Population Share in Clark County



Source: Perspective

# Diversifying Our Resident Base

## Newcomer State of Origin | 2018



Source: Perspective



# 2019 LAS VEGAS PERSPECTIVE

