

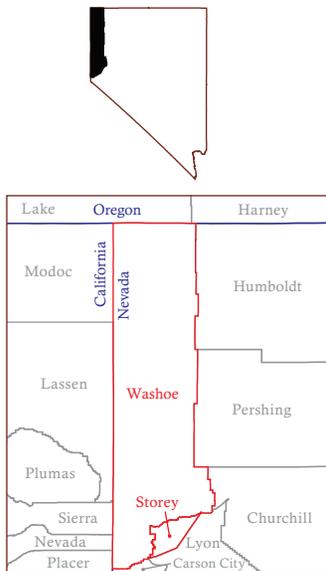


# Reno-Sparks, Nevada

U.S. Department of Housing and Urban Development | Office of Policy Development and Research | As of April 1, 2012



## Housing Market Area



The Reno-Sparks Housing Market Area (HMA) consists of Washoe and Storey counties in northwestern Nevada. The HMA is a Northern California-Nevada regional hub for gaming, tourism, and healthcare services. Some of the largest area employers are the University of Nevada, Reno (UNR); Renown Regional Medical Center; Peppermill Hotel Casino; and International Game Technology.

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## Summary

### Economy

Economic conditions in the Reno-Sparks HMA have been weak since 2007. During the 12 months ending March 2012, average nonfarm payrolls declined by 400 jobs, or 0.2 percent, but the average unemployment rate dropped from 13.1 to 12.7 percent. Recent and expected future growth sectors include the leisure and hospitality, professional and business services, and transportation and utilities sectors. Nonfarm payrolls are expected to grow at an average annual rate of 0.9 percent during the forecast period.

### Sales Market

Sales housing market conditions in the HMA have been soft since 2007, with a current estimated vacancy rate of 3.3 percent because of excess supply built from 2000 through 2007. Demand is estimated for 1,225 new homes during the forecast period. The 230 homes under construction will satisfy some of this demand (Table 1). Builders should be aware that a portion of the 10,000 other vacant units in the HMA may come back on the market and satisfy some of this demand.

### Rental Market

Rental housing market conditions in the HMA are relatively balanced, with an estimated vacancy rate of 8.5 percent. According to Johnson-Perkins & Associates, Inc., in the first quarter of 2012, the apartment vacancy rate was 5.6 percent, unchanged from the first quarter of 2011; average asking rent levels also remained stable. Rental housing demand during the forecast period is estimated for 1,925 new units. The 65 units currently under construction will meet some of this demand (Table 1).

**Table 1.** Housing Demand in the Reno-Sparks HMA, 3-Year Forecast, April 1, 2012 to April 1, 2015

	Reno-Sparks HMA	
	Sales Units	Rental Units
Total Demand	1,225	1,925
Under Construction	230	65

*Notes: Total demand represents estimated production necessary to achieve a balanced market at the end of the forecast period. Units under construction as of April 1, 2012. A portion of the estimated 10,000 other vacant units in the HMA will likely satisfy some of the forecast demand.*  
 Source: Estimates by analyst

# Economic Conditions

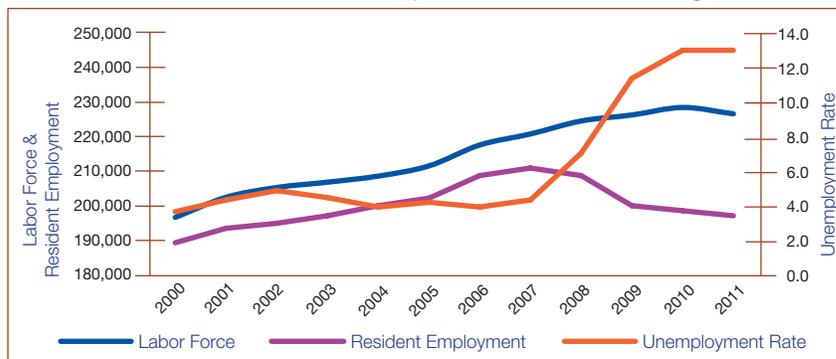
Economic conditions in the Reno-Sparks HMA have been weak since the national economic recession began in 2007. Nonfarm payrolls increased at an average annual rate of 4,300 jobs, or 2.2 percent, from 2000 through 2007. The leading sectors during that period were the mining, logging, and construction, the professional and business services, and the education and health services sectors, which averaged 6.4-, 6.3-, and 4.2-percent annual growth rates, respectively. From 2008 through 2011, nonfarm payrolls declined steeply, at an average annual rate of 8,500 jobs, or 4 percent. The sectors that experienced sharp average annual losses during that time were the mining, logging, and construction, the manufacturing, and the wholesale and retail trade sectors, which decreased 15.3, 6.9, and 4.1 percent, respectively. During the 12 months ending March 2012, average nonfarm payrolls declined by 400 jobs, or 0.2 percent, to a total of 189,400 jobs; by comparison, payrolls declined by 2,800 jobs, or 1.4 percent, during the 12 months ending March 2011 and by 17,400 jobs, or 8.3 percent, during the 12 months ending March 2010. During the 12 months ending March 2012, the average unemployment

rate fell from 13.1 to 12.7 percent, primarily because of a decline in the labor force of 2,600 workers, or 1.1 percent (Figure 1).

Soft sales housing market conditions since 2007 have contributed to a steep and prolonged decline in the construction subsector in the HMA. Subsector payrolls peaked at 23,300 jobs during the 12 months ending March 2006 and then began a steady decline during the same period in 2007; this decline continued after the end of the national recession in June 2009. After declining by 500 jobs, or 5.2 percent, during the 12 months ending March 2012, construction subsector payrolls averaged 8,600 jobs, an employment level last recorded in 1994. Construction subsector payrolls are expected to continue declining during the forecast period. Housing production remains well below the average annual output recorded from 2000 through 2007. In addition, several major public infrastructure projects in the HMA near completion, including the new Interstate 580 (I-580)/US Route 395 Meadowood interchange by the end of 2012 as well as the the final portions of the I-580 extension between Reno-Sparks and Carson City by late July 2012.

The gaming and tourism industries have played major roles in the HMA economy dating back to the legalization of gambling in Nevada in 1931, and the proximity of the HMA to Lake Tahoe has made it an outdoor tourism destination. Of the 10 largest private employers in the HMA, 5 are hotel casinos, and the fifth largest employer is gaming machine manufacturer International Game Technology, with 2,250 employees (Table 2). The national recession

**Figure 1.** Trends in Labor Force, Resident Employment, and Unemployment Rate in the Reno-Sparks HMA, 2000 Through 2011



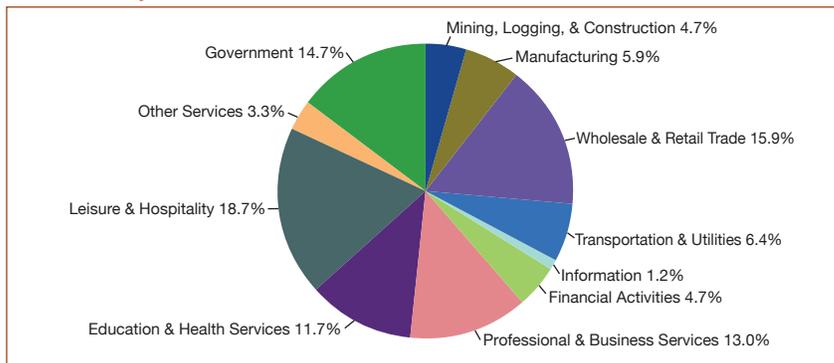
Source: U.S. Bureau of Labor Statistics

**Table 2.** Major Employers in the Reno-Sparks HMA

Name of Employer	Nonfarm Payroll Sector	Number of Employees
University of Nevada, Reno	Government	4,250
Renown Regional Medical Center	Education & Health Services	2,750
Integrity Staffing Solutions	Professional & Business Services	2,250
International Game Technology	Manufacturing	2,250
Peppermill Hotel Casino	Leisure & Hospitality	2,250
Atlantis Casino Resort Spa	Leisure & Hospitality	1,750
Silver Legacy Resort Casino	Leisure & Hospitality	1,750
St. Mary's Regional Medical Center	Education & Health Services	1,750
Eldorado Hotel Casino	Leisure & Hospitality	1,250
Grand Sierra Resort and Casino	Leisure & Hospitality	1,250

Notes: Data as of the first quarter of 2012. Excludes local school districts.

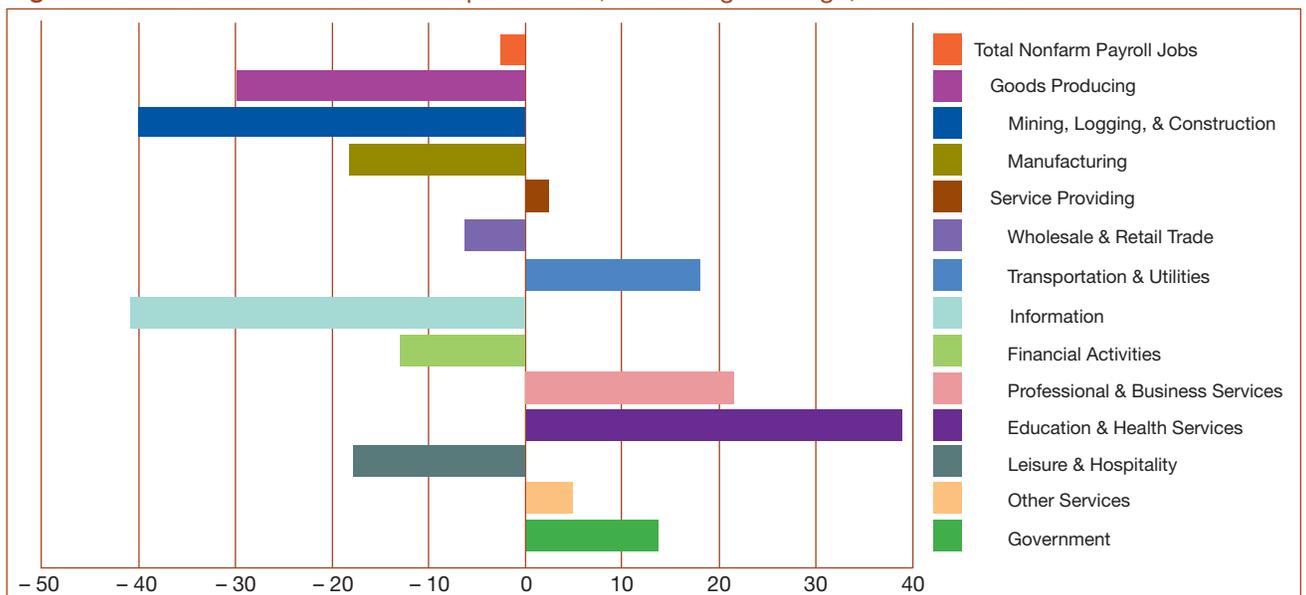
Source: Nevada Department of Employment, Training, and Rehabilitation, Research & Analysis Bureau

**Figure 2.** Current Nonfarm Payroll Jobs in the Reno-Sparks HMA, by Sector

Note: Based on 12-month averages through March 2012.

Source: U.S. Bureau of Labor Statistics

heavily affected the leisure and hospitality sector, which declined by 3,000 jobs, or 7.4 percent, during the 12 months ending March 2009 and by another 3,000 jobs, or 8.2 percent, during the same period in 2010. These recent payroll declines represent an acceleration of a long-term trend in the HMA, where the sector's share of total nonfarm payrolls was 22 percent in 2000, declining to 19 percent as of the current date (Figures 2 and 3). Despite a drop of \$10.7 million, or

**Figure 3.** Sector Growth in the Reno-Sparks HMA, Percentage Change, 2000 to Current

Note: Current is based on 12-month averages through March 2012.

Source: U.S. Bureau of Labor Statistics

more than 1 percent, in Washoe County taxable gaming revenue and a decrease of 100 jobs, or 0.3 percent, in hotel-casino industry payrolls, leisure and hospitality sector payrolls increased by 1,100 jobs, or 3.3 percent, during the 12 months ending March 2012 because of a hiring resurgence by restaurants, bars, and gaming establishments without hotel facilities. Outdoor tourism in the area also began to recover from the economic downturn. From 2008 to 2009, the number of annual visitors to Lake Tahoe state parks declined 4 percent, from 752,915 to 722,098, but it rebounded by increasing more than 5 percent, to 760,193, in 2010 and nearly 6 percent, to 804,221, in 2011.

The education and health services sector has grown steadily more important to the economy in the HMA during the past decade because of strong population growth, which increased the sector's share of total nonfarm payrolls from 8 percent in 2000 to 12 percent as of the current date. During the 12 months ending March 2012, education and health services sector payrolls were relatively stable,

increasing by 50 jobs, or 0.3 percent, to a total of 22,050 jobs (Table 3). The sector contains two of the largest private employers in the HMA: Renown Regional Medical Center and St. Mary's Regional Medical Center have 2,750 and 1,750 employees, respectively. Dignity Health agreed on March 30, 2012, to sell St. Mary's to Prime Healthcare Services, preventing the possible closure of a major regional employer.

Ongoing state and local government subsector budget cuts since 2009 have significantly affected the economy in the HMA. After declining by 800 jobs, or 2.8 percent, during the 12 months ending March 2010 and by 300 jobs, or 0.9 percent, during the same period in 2011, government sector payrolls declined by 1,300 jobs, or 4.5 percent, during the 12 months ending March 2012. Several of the largest employers in the HMA are in the government sector, including UNR, which employs 4,250 faculty and staff. State budget cuts have affected UNR particularly: state appropriations for the university and its affiliated programs declined 24 percent, from \$279.1 million in the 2008–2009 budget to \$211.7 million in the 2011–2012 budget. Since 2009, the university has eliminated 600 positions and ended 24 programs. UNR's Office of Institutional Analysis projects that undergraduate and graduate student enrollment will increase during the forecast period at an average annual rate of 340 students, from 18,000 in the fall semester of 2011 to 19,350 in the fall semester of 2015.

The professional and business services sector was one of the leading growth sectors during the 12 months ending March 2012, adding 600 jobs, or 2.6 percent. Technical support and call center company Fusion Contact

**Table 3. 12-Month Average Nonfarm Payroll Jobs in the Reno-Sparks HMA, by Sector**

	12 Months Ending March 2011	12 Months Ending March 2012	Percent Change
Total Nonfarm Payroll Jobs	189,800	189,400	- 0.2
Goods Producing	20,600	20,050	- 2.6
Mining, Logging, & Construction	9,375	8,900	- 5.2
Manufacturing	11,200	11,150	- 0.5
Service Providing	169,200	169,300	0.1
Wholesale & Retail Trade	30,200	30,050	- 0.5
Transportation & Utilities	11,900	12,150	1.8
Information	2,275	2,200	- 3.3
Financial Activities	8,950	8,800	- 1.6
Professional & Business Services	24,050	24,650	2.6
Education & Health Services	22,000	22,050	0.3
Leisure & Hospitality	34,250	35,350	3.3
Other Services	6,425	6,175	- 4.0
Government	29,150	27,850	- 4.5

Notes: Based on 12-month averages through March 2011 and March 2012. Numbers may not add to totals because of rounding.

Source: U.S. Bureau of Labor Statistics

Centers relocated a facility to the HMA in the first quarter of 2012 with plans to hire 180 employees. Business process outsourcing company One Contact Inc. recently announced the opening of a data entry and transcription services facility that is expected to begin operation in September 2012 and create 200 jobs.

Transportation and utilities sector payrolls returned to growth during the 12 months ending March 2012, with an increase of 200 jobs, or 1.8 percent, after a decline of 200 jobs, or 1.2 percent, during the previous 12 months. The Economic Development Authority of Western Nevada has targeted the HMA as a site for Internet fulfillment and logistics centers, based on the HMA's favorable geographic location for one- and two-day rail and truck shipping to most of the West Coast. Several companies have recently moved to the HMA or expanded existing facilities. Supply chain and logistics company Replico relocated its western distribution center to the area and added 150 new jobs in January 2012. In March 2012, NOW Foods, a health

food manufacturer and distributor, began hiring 90 employees to staff the upcoming manufacturing addition to its existing distribution facilities, which is expected in the third quarter of 2012. Finally, specialty clothing retailer Urban Outfitters will open its West Coast Internet distribution center in the HMA in September 2012, bringing an expected 120 new jobs to the HMA by next year.

Apple, Inc. recently announced plans to build a data center east of the city of Sparks with a \$1 billion investment during the next decade that will contribute an estimated gain of 35 full-time and 200 contract employees. The facility will add 580 jobs during construction and is expected to be complete by the end of 2012.

Economic conditions in the HMA are expected to undergo a modest recovery during the forecast period, with an expected average nonfarm payroll growth of 0.9 percent. The leisure and hospitality and the professional and business services sectors are expected to continue to lead job growth during the forecast period.

## Population and Households

As of April 1, 2012, the population of the Reno-Sparks HMA is estimated at 431,900, growing at an average annual rate of 8,250, or 2.2 percent, from 2000 to 2010, and 3,250, or 0.8 percent, from 2010 to the current date (Figure 4). Approximately 99 percent of the total HMA population lived in Washoe County as of April 2010. Net natural

change (resident births minus resident deaths) remained relatively steady, with an average annual increase of 2,725 people from 2000 through 2010. The effects of the recession on the economy in the HMA have suppressed net in-migration, which averaged 6,550 people a year from 2000 through 2007 but declined to an average annual rate of 950 people

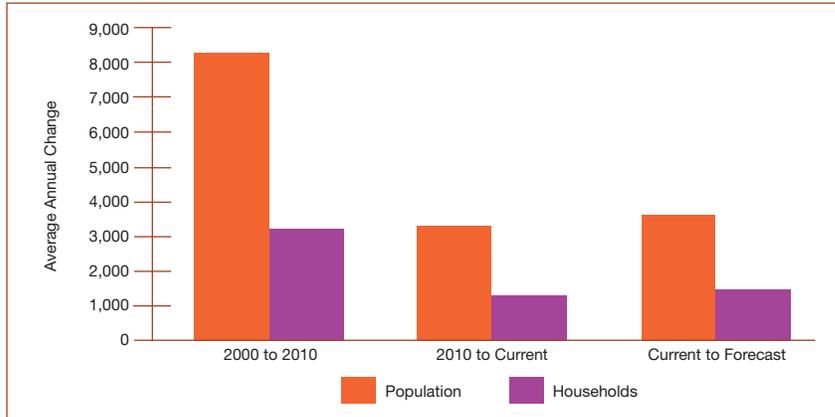
from 2008 through 2010. Since 2010, annual net in-migration has averaged 850 people (Figure 5). The total HMA population is expected to reach 442,600 by the end of the forecast

period, increasing at an average annual rate of 3,575, or 0.8 percent. Net in-migration is expected to average 1,175 people a year during the forecast period because of the slow economic recovery.

The total number of households in the HMA grew at an average annual rate of 3,175, or 2.1 percent, from 2000 to 2010 and 1,300, or 0.8 percent, from 2010 to the current date. Currently, an estimated 167,800 households are in the HMA, of which 56.8 percent are owners (Figure 6). From 2000 through 2010, the number of owner households increased at an average annual rate of 1,775, or 2.0 percent, slightly outpaced by average annual renter household growth of 1,400, or 2.3 percent, because of the large shift towards renting that occurred from 2008 through 2010. This trend accelerated from 2010 to the current date, when the estimated number of owner households declined at an average annual rate of 960, or 1 percent, and the number of renter households increased at an average annual rate of 2,250, or 3.3 percent.

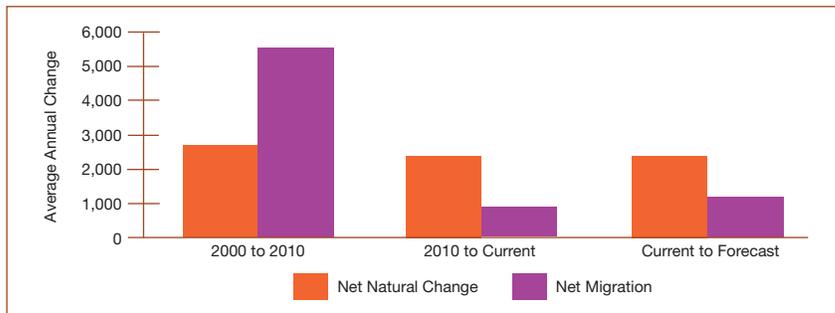
The total number of households is expected to reach 171,900 by the end of the forecast period and average annual growth to remain steady at 1,375 households, or 0.8 percent, a year. For additional data on the HMA, see Table DP-1.

**Figure 4. Population and Household Growth in the Reno-Sparks HMA, 2000 to Forecast**



Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

**Figure 5. Components of Population Change in the Reno-Sparks HMA, 2000 to Forecast**



Sources: 2000 and 2010–2000 Census and 2010 Census; current and forecast—estimates by analyst

**Figure 6. Number of Households by Tenure in the Reno-Sparks HMA, 2000 to Current**



Sources: 2000 and 2010–2000 Census and 2010 Census; current—estimates by analyst

# Housing Market Trends

## Sales Market

Excess single-family home inventory built during the peak years of 2000 through 2007, a steady pipeline of distressed properties into the housing market, and a shift in household preferences towards renting have led to a soft sales housing market in the Reno-Sparks HMA, with a current estimated vacancy rate of 3.3 percent. The current weak economic conditions and a significant increase in single-family home construction from 2000 through 2007 continue to burden the sales housing market. According to LPS Applied Analytics data, 10.1 percent of home loans in the HMA were 90 or more days delinquent, were in foreclosure, or transitioned into REO (Real Estate Owned) as of March 2012, down from 11.9 percent in March 2011 and 12.4 percent in March 2010. By comparison, the national rate was 7.8 percent in March 2012, down from 8.1 percent in March 2011 and 9.0 percent in March 2010.

According to CoreLogic®, average annual home sales in the HMA remain below the 4,225 new homes and 11,700 existing homes sold during the peak years of 2004 through 2006. During the 12 months ending March 2012, 650 new homes and 8,225 existing homes sold, up 1 and 6 percent, respectively, compared with the number sold during the previous 12 months. New home sales continued their steady decline of the past few years, falling 33 percent in 2008, 55 percent in 2009, and 38 percent in 2010. Existing home sales fell 28 percent in 2008 before rebounding by increasing 4 percent in 2009 and 44 percent in 2010. During the 12 months ending March 2012, the average sales price of a new home continued to decline, falling 3 percent,

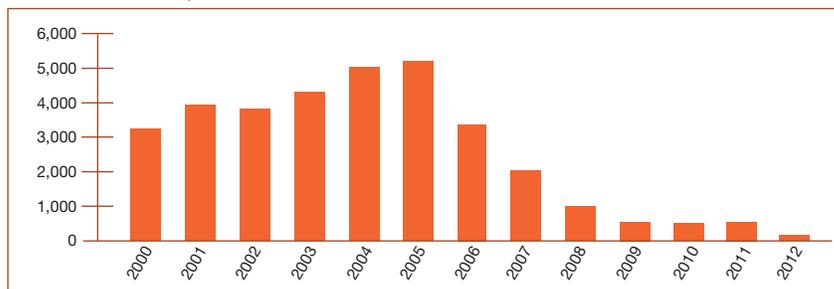
from \$264,200 to \$256,700. By comparison, the average sales price of a new home declined 8 percent in 2008, 10 percent in 2009, and 14 percent in 2010. REO and short sales have increased sharply during the past few years; on average, they represented 1 percent of total existing home sales before 2007, climbing to 13 percent in 2008, 51 percent in 2009, and 59 percent from 2010 through the current date. The substantial inventory of distressed properties in the HMA continues to exert downward pressure on the existing home sales market. The average sales price of an existing home fell 11 percent, from \$193,900 during the 12 months ending March 2011 to \$172,400 during the same period in 2012; by comparison, the average sales price of an existing home declined 4 percent in 2008, 22 percent in 2009, and 23 percent in 2010. If distressed sales are excluded from existing home sales, the average sales price of an existing home during the 12 months ending March 2012 was \$210,200, roughly 22 percent greater than the average price including distressed properties.

New home construction, as measured by the number of single-family building permits issued, has declined sharply since the beginning of the recession. According to preliminary data, permits were issued for 500 single-family units during the 12 months ending March 2012, up 6 percent compared with the 470 units permitted during the same period in 2011 but down 4 percent compared with the 520 units permitted in 2010. By comparison, from 2000 through 2007, the number of permits issued averaged 3,925 a year, with a peak of 5,150 homes permitted during

the 12 months ending March 2006 (Figure 7). New developments during peak construction years were particularly concentrated in the northeast Sparks/Spanish Springs region and the South Meadows region in the southeastern portion of the HMA.

Condominium conversions became a significant factor in the HMA at the

**Figure 7.** Single-Family Building Permits Issued in the Reno-Sparks HMA, 2000 to 2012



Notes: Includes townhomes. Includes data through March 2012.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

**Table 4.** Estimated Demand for New Market-Rate Sales Housing in the Reno-Sparks HMA, April 1, 2012 to April 1, 2015

Price Range (\$)		Units of Demand	Percent of Total
From	To		
100,000	149,999	170	14.0
150,000	199,999	210	17.0
200,000	249,999	400	33.0
250,000	299,999	210	17.0
300,000	349,999	85	7.0
350,000	399,999	50	4.0
400,000	449,999	25	2.0
450,000	and higher	75	6.0

Note: The 230 homes currently under construction and a portion of the estimated 10,000 other vacant units in the HMA will likely satisfy some of the forecast demand.

Source: Estimates by analyst

peak of the sales market: a total of 692 rental units in the city of Reno converted to for-sale units from 2005 through 2007. In 2006, the 17th through 27th floors of the Grand Sierra Resort and Casino (formerly the Reno Hilton) converted from hotel rooms into 670 units intended to sell as hotel-condominium properties. Several former casinos, including the 376-unit Montage (formerly the Golden Phoenix Hotel Casino), the 176-unit Belvedere (formerly the Sundowner Hotel Casino), and the 125-unit Residences at Riverwalk Towers (formerly the Comstock Hotel Casino), converted to condominiums because of the high cost of constructing new towers.

Demand is estimated for 1,225 new homes in the HMA during the forecast period, with stronger demand expected in the second and third years. The 230 single-family homes currently under construction will satisfy a portion of the demand in the first year of the forecast period (Table 1). Roughly 65 percent of demand is expected to fall in the \$100,000-to-\$249,999 price range (Table 4). Builders should be aware that a portion of the 10,000 other vacant units may come back on the market and satisfy some of forecast demand.

## Rental Market

The rental housing market in the Reno-Sparks HMA is relatively balanced, with an estimated 8.5-percent overall vacancy rate as of the current date (Figure 8). According to Johnson-Perkins & Associates, Inc., the apartment vacancy rate during

the first quarter of 2012 was 5.6 percent, unchanged from the previous year. The average asking apartment rent was \$822, unchanged from the first quarter of 2011. During the first quarter of 2012, average asking rents in the HMA were \$673 for a

one-bedroom, one-bathroom unit; \$752 for a two-bedroom, one-bathroom unit; and \$1,070 for a three-bedroom, two-bathroom unit.

Despite declining apartment vacancy rates, new multifamily construction in the HMA remains limited. Based on preliminary data, during the 12 months ending March 2012, 70 multifamily units were permitted, down from 160 units permitted during the same period in 2011 and 230 units permitted in 2010. By comparison, the average annual number of multifamily units permitted was 810 from 2000 through 2007 and 360 from 2008 through 2011 (Figure 9). Roughly 18 to 20 percent of multifamily units permitted from 2000 through 2007 were condominiums, declining to near zero from 2008 through 2011.

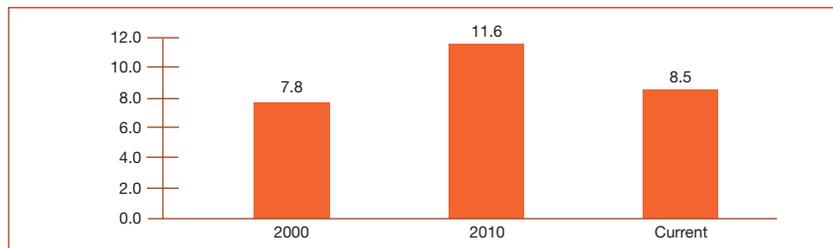
The most recent large-scale apartment developments in the HMA are the 350-unit Alexander at South Virginia,

the 300-unit Trails at Pioneer Meadows, and the 308-unit View Apartments. The Alexander and the Trails began leasing units in August 2009 and reached stabilized occupancy in June 2011. The View had two phases of construction: the first began leasing units in April 2009 and the second began leasing in December 2009; both phases reached stabilized occupancy by January 2011. Asking rents at the Alexander start at \$940 for a one-bedroom, one-bathroom unit; \$1,055 for a two-bedroom, two-bathroom unit; and \$1,470 for a three-bedroom, two-bathroom unit. Rents at the Trails start at \$759 for a one-bedroom, one-bathroom unit; \$859 for a two-bedroom, two-bathroom unit; and \$1,099 for a three-bedroom, two-bathroom unit.

Apartment complex property managers report significant competition for tenants from single-family units, particularly in the case of three-bedroom, two-bathroom units. Distressed sale properties and single-family homes that have converted to rental units are available in the HMA for monthly payments comparable to the average asking rent of \$1,070 for a three-bedroom, two-bathroom unit reported by Johnson-Perkins & Associates, Inc., or the rent levels at the newest apartment complexes. Single-family homes and townhomes represented 21 and 5 percent, respectively, of total occupied rental units in 2000, increasing to 28 and 6 percent, respectively, in 2010.

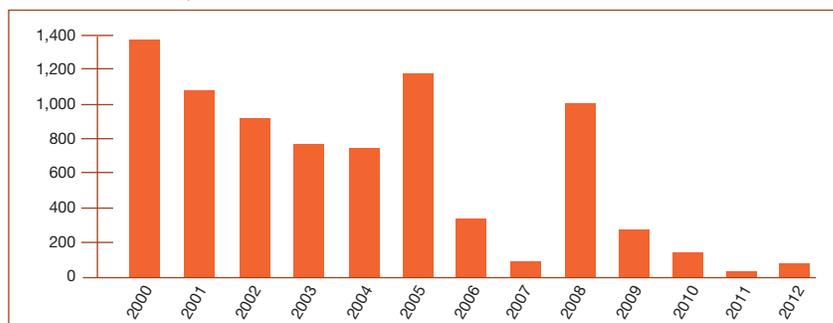
UNR, which enrolled approximately 14,425 undergraduate students during the fall 2011 semester, has a significant effect on the rental housing market in the HMA. UNR has a dormitory capacity of 2,050 beds, which means 12,375 students live in

**Figure 8.** Rental Vacancy Rates in the Reno-Sparks HMA, 2000 to Current



Sources: 2000 and 2010—2000 Census and 2010 Census; current—estimates by analyst

**Figure 9.** Multifamily Building Permits Issued in the Reno-Sparks HMA, 2000 to 2012



Notes: Excludes townhomes. Includes data through March 2012.

Sources: U.S. Census Bureau, Building Permits Survey; estimates by analyst

off-campus housing and constituted an estimated 4,125 renter households in the fall of 2011, or roughly 6 percent of the estimated current renter households in the HMA. The average apartment vacancy rate in the Johnson-Perkins & Associates, Inc. Northeast Reno sub-market, which includes UNR, was 4.5 percent during the first quarter of 2012, down from 6.3 percent in the first quarter of 2011. The average rent was \$785, up nearly 3 percent from \$764 in

the first quarter of 2011. The Nevada Living Learning Community, a 320-bed dormitory, is under construction and is expected to be complete before the fall 2012 semester.

Demand is estimated for 1,925 new market-rate rental units in the HMA during the forecast period. There are 65 units currently under construction (Table 1). Table 5 shows the estimated demand by number of bedrooms and rent level.

**Table 5.** Estimated Demand for New Market-Rate Rental Housing in the Reno-Sparks HMA, April 1, 2012 to April 1, 2015

Zero Bedrooms		One Bedroom		Two Bedrooms		Three or More Bedrooms	
Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand	Monthly Gross Rent (\$)	Units of Demand
550 to 749	180	800 to 999	540	1,000 to 1,199	740	1,300 to 1,499	160
750 or more	10	1,000 to 1,199	100	1,200 to 1,399	85	1,500 to 1,699	20
		1,200 or more	35	1,400 or more	45	1,700 or more	10
<b>Total</b>	<b>190</b>	<b>Total</b>	<b>680</b>	<b>Total</b>	<b>870</b>	<b>Total</b>	<b>190</b>

Notes: Numbers may not add to totals because of rounding. The 65 units currently under construction will satisfy some of the estimated demand.

Source: Estimates by analyst

## Data Profile

**Table DP-1.** Reno-Sparks HMA Data Profile, 2000 to Current

	2000	2010	Current	Average Annual Change (%)	
				2000 to 2010	2010 to Current
Total Resident Employment	189,400	198,464	196,900	0.5	- 0.6
Unemployment Rate	3.7%	13.1%	12.7%		
Nonfarm Payroll Jobs	194,100	190,100	189,400	- 0.2	- 0.3
Total Population	342,885	425,417	431,900	2.2	0.8
Total Households	133,546	165,187	167,750	2.1	0.8
Owner Households	79,462	97,133	95,200	2.0	- 1.0
Percent Owner	59.5%	58.8%	56.8%		
Renter Households	54,084	68,054	72,550	2.3	3.3
Percent Renter	40.5%	41.2%	43.2%		
Total Housing Units	145,504	186,831	187,800	2.5	0.3
Owner Vacancy Rate	2.0%	3.3%	3.3%		
Rental Vacancy Rate	7.8%	11.6%	8.5%		
Median Family Income	\$52,000	\$70,400	\$71,200	3.1	1.1

Notes: Numbers may not add to totals because of rounding. Employment data represent annual averages for 2000, 2010, and the 12 months through March 2012. Median family incomes are for 1999, 2009, and 2010.

Sources: U.S. Census Bureau; U.S. Department of Housing and Urban Development; estimates by analyst

## Data Definitions and Sources

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2000: 4/1/2000—U.S. Decennial Census  
2010: 4/1/2010—U.S. Decennial Census  
Current date: 4/1/2012—Analyst’s estimates  
Forecast period: 4/1/2012–4/1/2015—Analyst’s estimates

**Demand:** The demand estimates in the analysis are not a forecast of building activity. They are the estimates of the total housing production needed to achieve a balanced market at the end of the 3-year forecast period given conditions on the as-of date of the analysis, growth, losses, and excess vacancies. The estimates do not account for units currently under construction or units in the development pipeline.

**Other Vacant Units:** In the U.S. Department of Housing and Urban Development’s (HUD’s) analysis, other vacant units include all vacant units that are not available for sale or for rent. The term therefore includes units rented or sold but not occupied; held for seasonal, recreational, or occasional use; used by migrant workers; and the category specified as “other” vacant by the Census Bureau.

**Building Permits:** Building permits do not necessarily reflect all residential building activity that occurs in an HMA. Some units are constructed or created without a building permit or are issued a different type of building permit. For example, some units classified as commercial structures are not reflected in the residential building permits. As a result, the analyst, through diligent fieldwork, makes an estimate of this additional construction activity. Some of these estimates are included in the discussions of single-family and multifamily building permits.

For additional data pertaining to the housing market for this HMA, go to [www.huduser.org/publications/pdf/CMARtables\\_Reno-SparksNV\\_13.pdf](http://www.huduser.org/publications/pdf/CMARtables_Reno-SparksNV_13.pdf).

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This analysis has been prepared for the assistance and guidance of HUD in its operations. The factual information, findings, and conclusions may also be useful to builders, mortgagees, and others concerned with local housing market conditions and trends. The analysis does not purport to make determinations regarding the acceptability of any mortgage insurance proposals that may be under consideration by the Department.

The factual framework for this analysis follows the guidelines and methods developed by HUD’s Economic and Market Analysis Division. The analysis and findings are as thorough and current as possible based on information available on the as-of date from local and national sources. As such, findings or conclusions may be modified by subsequent developments. HUD expresses its appreciation to those industry sources and state and local government officials who provided data and information on local economic and housing market conditions.

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