

RESEARCH NOTES



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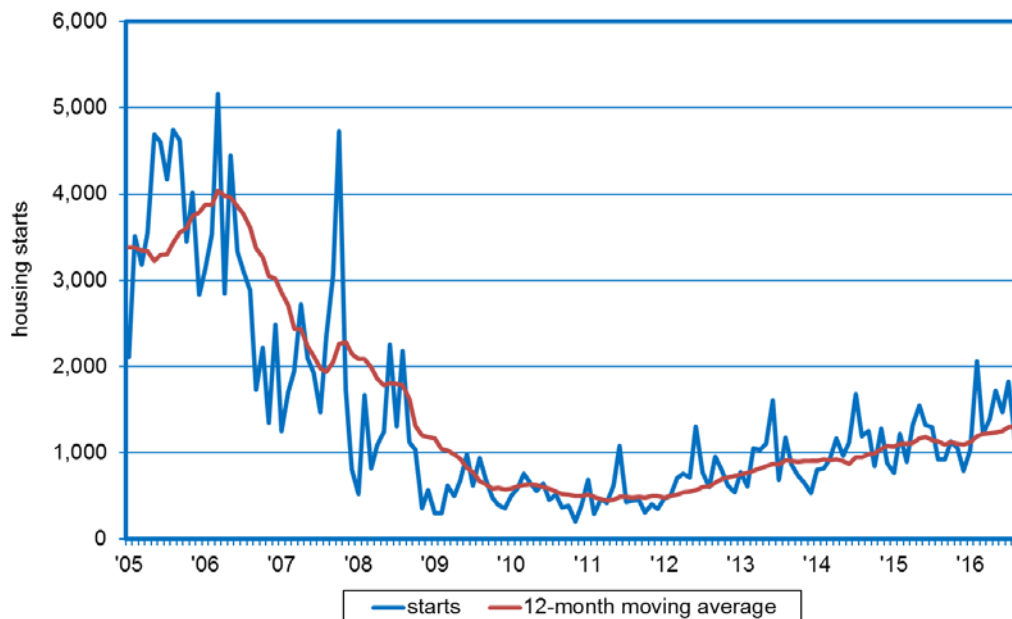
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Housing Starts
Hayley Smith-Kirkham, Economist

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Nevada Privately-Owned Housing Starts Continue Trending Up; Improvement Evident Beginning in 2012



- Privately-owned housing starts in Nevada peaked at around 4,000/month in early 2006, prior to the recession. However, as the downturn unfolded, starts bottomed out at around 500/month throughout much of 2010 and 2011. Between 2006 and 2011, roughly 100,000 construction jobs were lost in Nevada.
- Housing starts have been steadily gaining ground since the trough, and currently stand at about 1,300/month, the highest level of activity since late 2008. About 25,000 jobs have been added back to construction payrolls.
- So far this year, housing starts are up by more than 25% compared to a year ago. That compares to just a four percent gain in the nation as a whole. In fact, housing starts growth in Nevada has exceeded national growth in four of the past five years, typically by a rather wide margin.
- Recent trends point to an ongoing recovery from the housing boom and subsequent bust of the late 2000s. All things considered, the pace of the recovery is perhaps best described as moderate but sustainable; arguably a better scenario than the unprecedented conditions which preceded the economic downturn. Housing's recent recovery is reflected in construction payrolls.