

KEY FINDINGS

Nevada's luxury home market entered 2020 with all signs pointing toward building on a positive 2019 that mirrored strong growth in the state and national economies. In that year, 1,269 luxury homes sold in Nevada, a total that represented an 11.8 percent increase over the 1,135 sales in 2018 and a near doubling of the 655 luxury home sales just four years earlier. The economic momentum has since evaporated amid the COVID-19 public health crisis and related economic response. The economic uncertainty is likely to impact the broader real estate markets, but the implications for the luxury segment of the residential market have yet to be determined.

During 2019, the Southern Nevada market reported 851 sales of new and resale homes priced at or above \$1.0 million, totaling \$1.4 billion in transactions with an average sales price of nearly \$1.7 million. The following points provide an overview of trends in the Southern Nevada luxury home market in 2019:

- Luxury home sales increased by 15.6 percent over 2018
- Of all 851 home sales, 688 (80.8 percent) were between \$1 million and \$2 million
- There were 15 total sales for residences valued at over \$5 million
- Of sales above \$5 million, five were located in the Ridges in Summerlin, two were in MacDonald Highlands in Henderson and three were in high-rise condominiums
- The price distribution of new and resale homes in this market segment remained consistent with 2018

Approximately 4 out of 10 luxury homes were sold within the Summerlin master-planned community and the city of Henderson also reported a respectable pace of luxury home sales with 238 premium-priced closings. Other transactions were located throughout the Las Vegas valley, including Southern Highlands, Canyon Gate, Spanish Trail and a number of condominium projects within the resort corridor.

In Northern Nevada, Reno and surrounding Washoe County have provided a relatively affordable luxury home market compared to more expensive markets in neighboring California. Attractive housing and strong economic growth in 2019 generated demand in the regional housing market, which combined with limited home

availability to cause upward pressure on home prices. In Washoe County, luxury homes accounted for 418 of the roughly 9,700 homes sold during the year, totaling \$769 million in transactions. The following points provide an overview of trends in the Washoe County luxury home market in 2019:

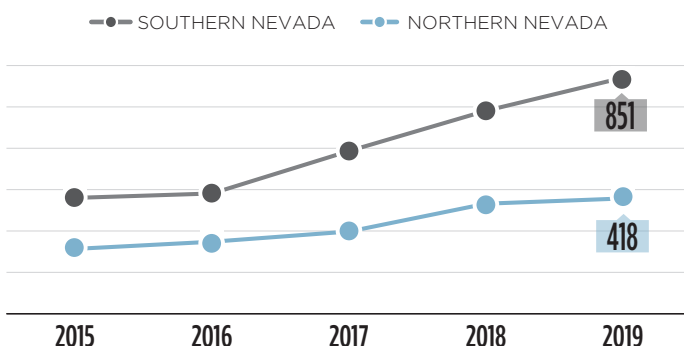
- Luxury home sales increased by 4.8 percent over 2018
- The average sales price was over \$1.8 million among luxury home purchases
- Of 418 total sales, 325 were for homes ranging between \$1 million and \$2 million in value
- There were 59 home sales between \$2 million and \$3 million
- There were 34 sales exceeding \$3 million

In Washoe County, a large share of the luxury home purchases took place in the Incline Village area and in several subdivisions south of Reno, such as Montreux, ArrowCreek and Mount Rose. North Lake Tahoe accounted for four of the top seven neighborhoods in terms of number of closings, with the Lakeview subdivision recording the highest average price at \$2.5 million. Incline Village was followed by Montreux (33 closings, \$1.8 million average price) and Arrowcreek (29 closings, \$1.5 million average price). Both of these communities are located North of Lake Tahoe, between Incline Village and Reno.

Heading into 2020, long-term trends in the Nevada housing market and overall economy pointed to another year of growth in the luxury segment. The emergence of the COVID-19 pandemic and the economic tailspin caused by widespread shutdowns to stem the virus's spread have the potential to affect the luxury home market, though to what degree remains unknown and depends on how quickly the economy can emerge from its current depths.

LUXURY HOMES SALES

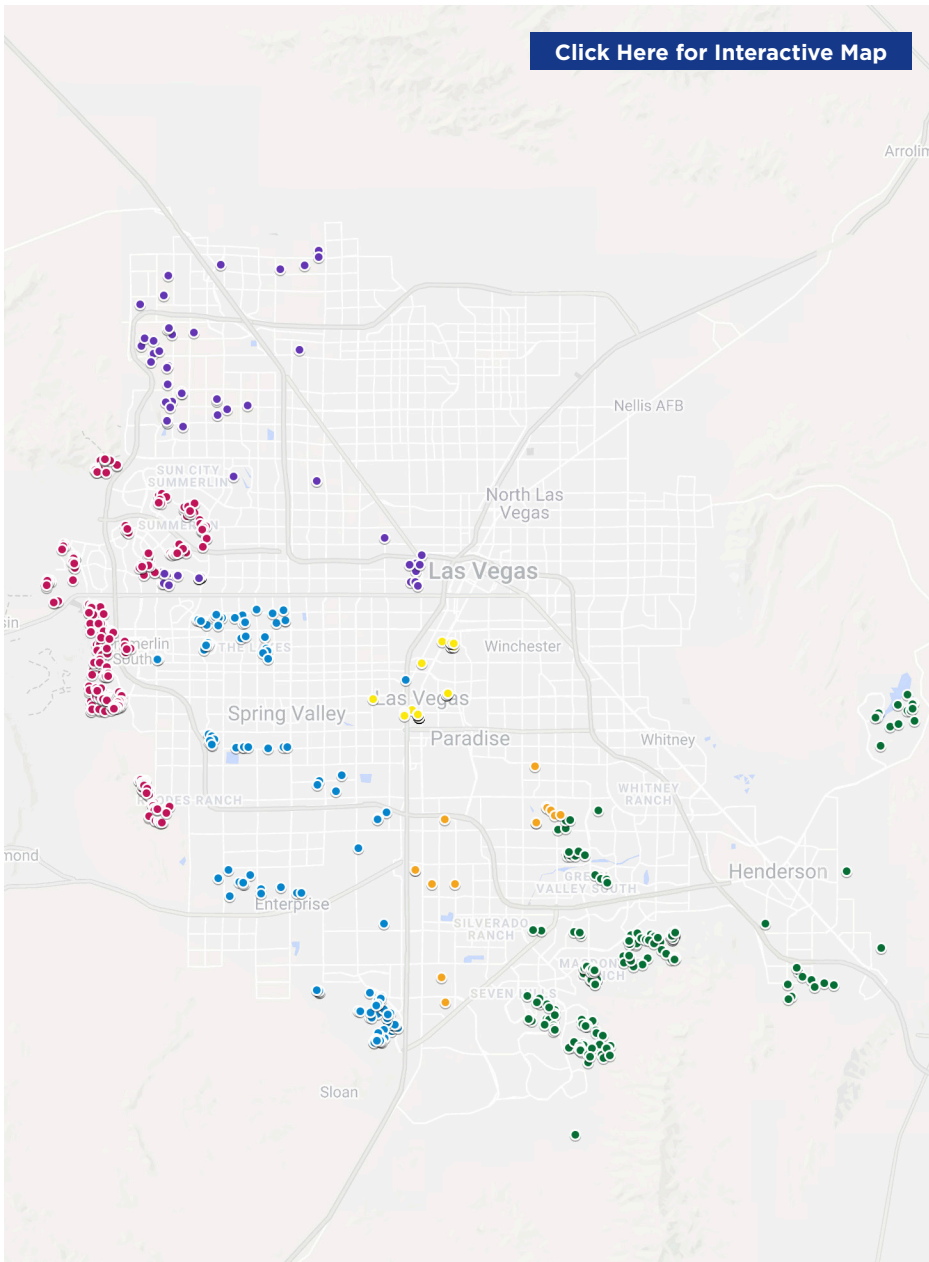
New and Resale Transactions with Sales Prices Above \$1.0 Million



Price Segment	Southern Nevada		Northern Nevada	
	Sales	Share	Sales	Share
\$1.0M to \$2.0M	688	80.8%	325	76.7%
\$2.0M to \$3.0M	94	11.0%	59	14.1%
\$3.0M to \$4.0M	41	4.8%	15	3.5%
\$4.0M to \$5.0M	13	1.5%	10	2.6%
\$5.0M and Over	15	1.8%	9	3.1%
Total	851	100%	418	100%

SOUTHERN NEVADA LUXURY HOME SALES IN 2019

New and Resale Transactions in the Urban Las Vegas Valley with Sales Prices Above \$1.0 Million



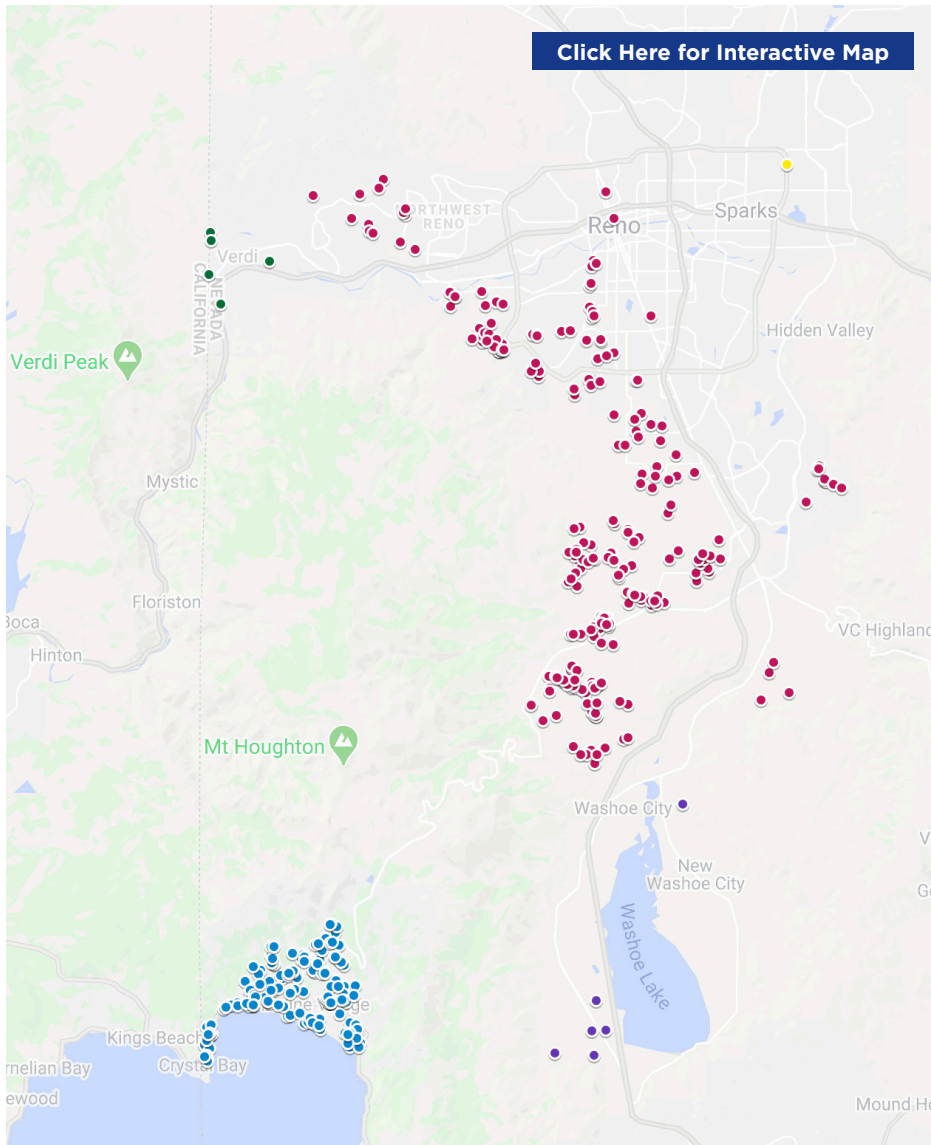
Community/Area	Home Sales	Average Price
Summerlin	330	\$1.59M
Henderson	238	\$1.66M
Southwest	133	\$1.79M
Northwest	73	\$1.55M
Resort Corridor Condominiums	51	\$2.29M
Southeast	15	\$1.79M
Boulder City (not shown)	7	\$1.39M
Mesquite (not shown)	4	\$1.34M
Total Southern Nevada	851	\$1.68 M

NOTABLE SALES ACTIVITY BY NEIGHBORHOOD

SUMMERLIN	SALES
Red Rock Country Club	42
Reverence	34
Sterling Ridge (The Ridges)	26
Ironwood (The Cliffs)	23
Silver Ridge (The Ridges)	21
Scots Pine (Stonebridge)	19
Nova Ridge (The Cliffs)	15
Onyx Point (The Cliffs)	15
Altura (The Paseos)	12
Other	123
Total	330
HENDERSON	SALES
Vu	38
Anthem Country Club	36
Axis	30
MacDonald Highlands	28
Terracina	13
The Canyons	9
Blackrock	8
Fountains	6
Other	70
Total	238
SOUTHWEST	SALES
Olympia Ridge (So. Highlands)	16
Canyon Gate	12
Christopher Collection (So. Highlands)	12
Spanish Hills	10
Tuscan Cliffs (So. Highlands)	9
Spanish Trail	7
Other	67
Total	133
NORTHWEST	SALES
One Queensridge Place	13
Queensridge	6
Other	54
Total	73
RESORT CORRIDOR	SALES
Waldorf Astoria at CityCenter	20
Turnberry Place	11
Veer Towers at CityCenter	6
Park Towers	6
Panorama Towers	4
Other	4
Total	51
SOUTHEAST	SALES
Marquis	2
One Las Vegas	2
Other	11
Total	15

NORTHERN NEVADA LUXURY HOME SALES IN 2019

New and Resale Transactions in Washoe County with Sales Prices Above \$1.0 Million



Community/Area	Home Sales	Average Price
● Reno	251	\$1.51M
● Incline Village	153	\$2.40M
● Washoe Valley	6	\$1.49M
● Verdi	5	\$1.69M
● Sparks <i>(not all shown)</i>	3	\$1.45M
Total Northern Nevada	418	\$2.17M

NOTABLE SALES ACTIVITY BY NEIGHBORHOOD

RENO	
Montreux	33
ArrowCreek	29
Saddlehorn	13
Somerset	13
Pine Bluff at Caughlin Ranch	12
Estates At Mt Rose	10
Juniper Trails at Caughlin Ranch	10
Fieldcreek Ranch	7
Monte Vista At Estates At Mount Rose	7
Damonte Ranch	6
Mountaingate	6
Other	105
Total	251
INCLINE VILLAGE	
Championship Golf Course	21
Ponderosa	16
Lakefront	15
Lakeview	15
Upper Tyner	14
Lower Tyner	11
Mill Creek	10
Crystal Bay	9
Eastern Slope	9
Mountain Golf Course	8
Crystal Bay Lakefront	7
Jennifer	7
Apollo	4
The Woods	4
Ski Way	2
Central	1
Total	153
WASHOE VALLEY	
Various	6
Total	6
VERDI	
Various	5
Total	5
SPARKS	
Various	3
Total	3

The Private Bank by Nevada State Bank retained the team at Applied Analysis to explore the high net worth segment of the community. Specifically, the team has been working to better understand the size, consumer trends, needs and other aspects of this key segment of the market. Research efforts focused on selected demographic and economic data, as well as information garnered through direct surveying techniques and other cutting edge research methodologies. This reporting series has been designed with these high net worth individuals in mind. We hope you find the elements of our research and analysis helpful in assessing the market.

The High Net Worth Report can be found at www.nsbank.com/HNWreport.
For more information, please call The Private Bank by Nevada State Bank at 702.855.4596.

The Private Bank by Nevada State Bank provides specialized banking services to significant net-worth clients.
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