

RENO-SPARKS ECONOMIC INDICATORS

January 8, 2021

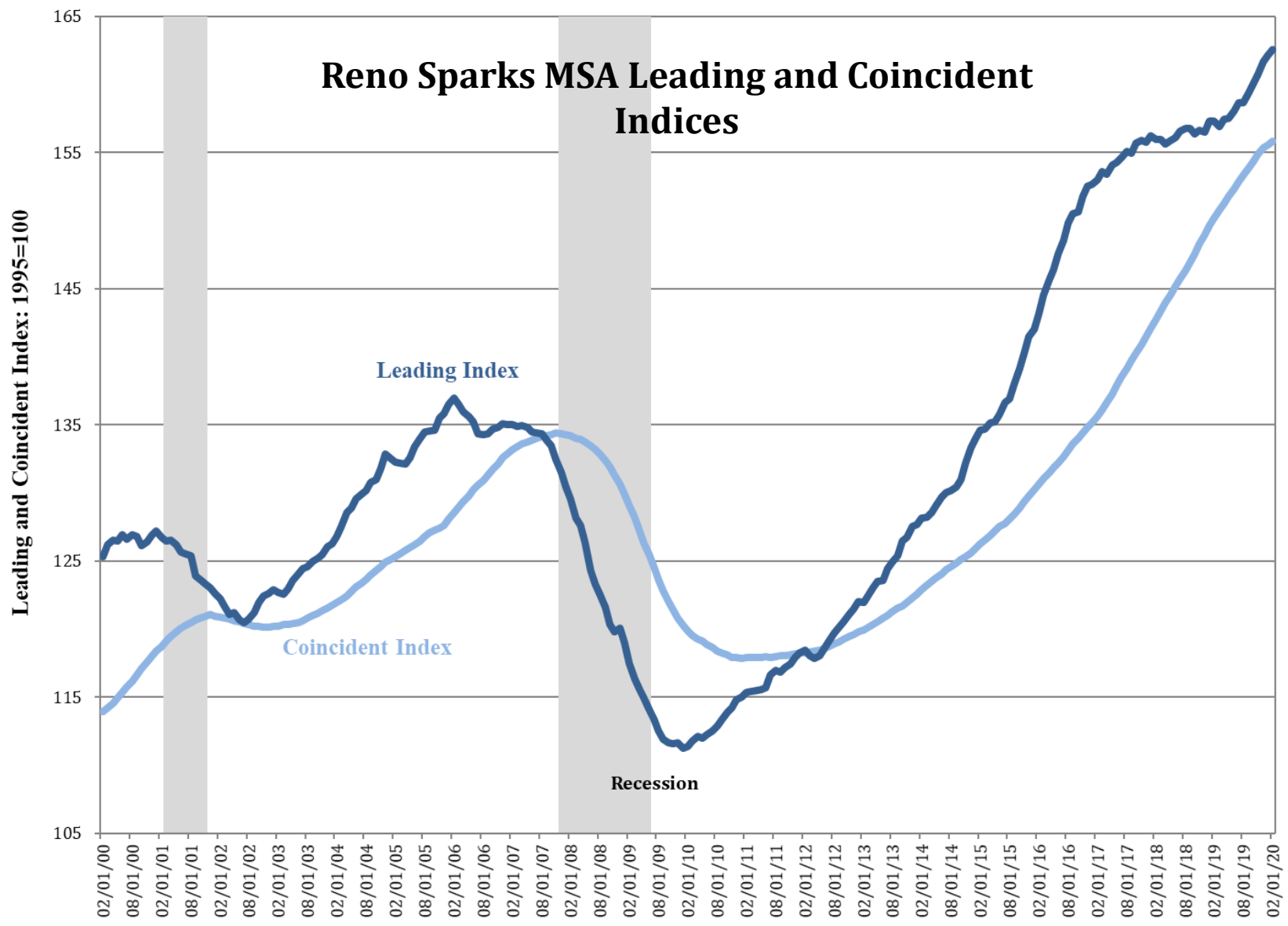
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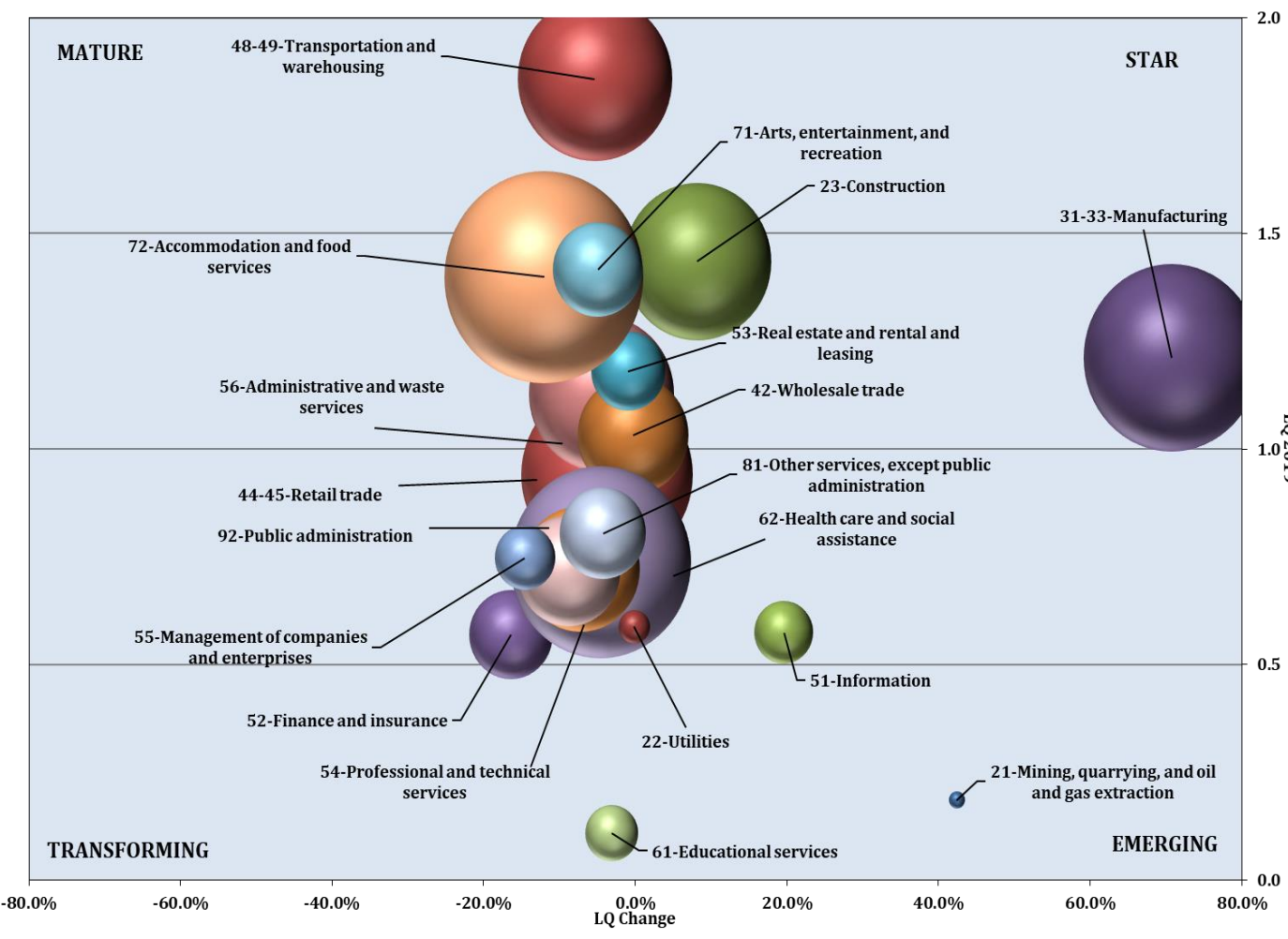


EKAY Economic Consultants, Inc.

Pre-Pandemic



2019 Growth-Share Matrix Reno-Sparks MSA



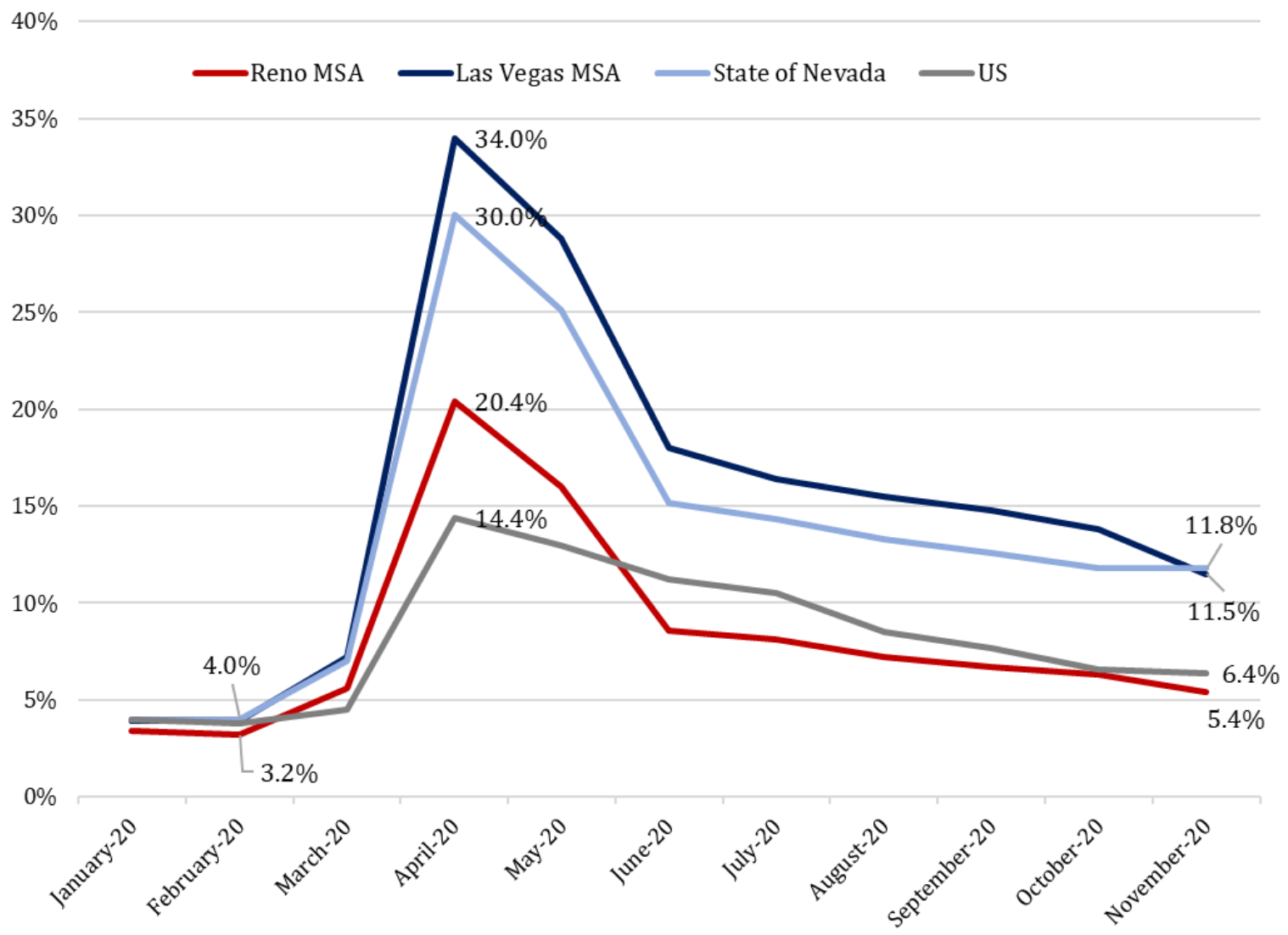
- Star**
 - Construction
 - Manufacturing
- Mature**
 - Arts, Entertainment, & Recreation
 - Accommodation and Food Services
 - Real Estate & Rental and Leasing
 - Administrative and Waste Services
 - Wholesale Trade

Pandemic Impacts

Reno-Sparks MSA

Industry	Month Over Month 2019-2020 Change								2Q 2020 Weekly Wage
	April	May	June	July	August	Sep- tember	October	Novem- ber	
Leisure and Hospitality	(16,300)	(15,400)	(5,600)	(5,200)	(5,700)	(5,500)	(6,200)	(6,100)	\$ 451
Retail Trade	(3,700)	(1,700)	(300)	(100)	(100)	800	(300)	(900)	\$ 699
Other Services	(1,900)	(1,200)	(1,000)	(1,100)	(700)	(600)	(600)	(600)	\$ 894
Transport, Warehousing, & Utilities	(3,200)	(3,100)	(3,200)	(3,100)	(3,100)	(2,600)	(2,600)	(2,700)	\$ 1,036
Education and Health	(2,600)	(2,500)	(2,200)	(2,400)	(1,400)	(800)	(1,100)	(900)	\$ 1,091
Mining and Logging	-	-	-	-	-	-	-	-	\$ 1,095
Professional and Business Services	(3,700)	(3,000)	(1,900)	(1,700)	(1,600)	(1,000)	(700)	200	\$ 1,142
Manufacturing	(200)	200	(200)	-	200	(400)	-	800	\$ 1,230
Construction	(400)	300	-	(600)	(300)	(500)	(500)	(500)	\$ 1,233
Wholesale Trade	(1,400)	(1,400)	(1,400)	(1,400)	(1,400)	(1,200)	(100)	(300)	\$ 1,291
Government	(900)	(1,100)	(1,800)	-	300	(2,500)	(2,100)	(2,400)	\$ 1,531
Information	(100)	(100)	(100)	-	-	-	(100)	-	\$ 1,726
Financial Activities	(100)	(200)	(100)	(200)	(100)	100	-	200	\$ 2,139
Total	(34,500)	(29,200)	(17,800)	(15,800)	(13,900)	(14,200)	(14,300)	(13,200)	\$ 1,073

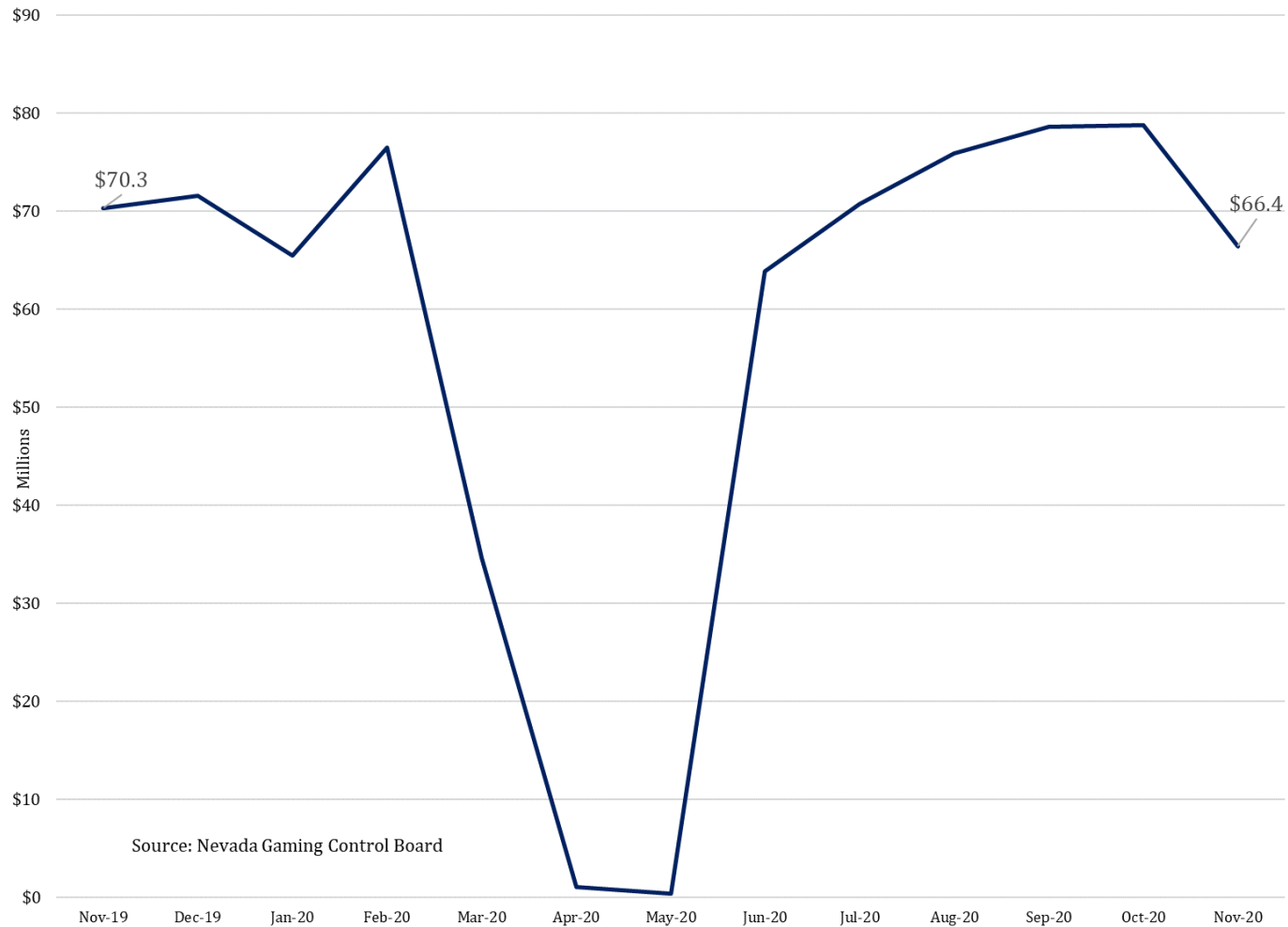
Source: DETR



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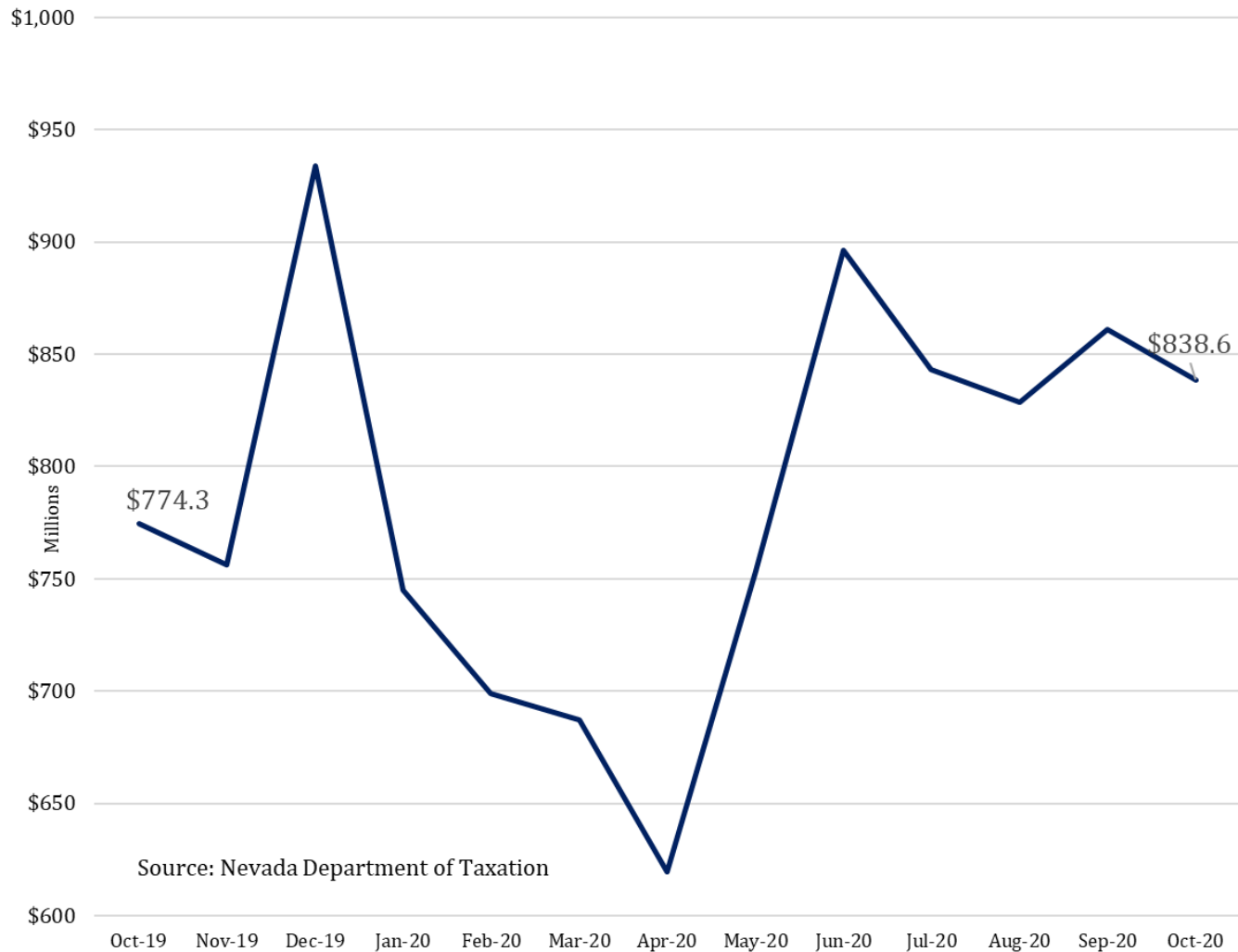


Washoe County



- November 2020 revenue up 5.5% compared to November 2019
- October revenue up 5.9%, September revenue up 1.9

Washoe County



- October 2020 revenue up 8.1% compared to October 2019
- September revenue up 4.7%, August up 3.2%

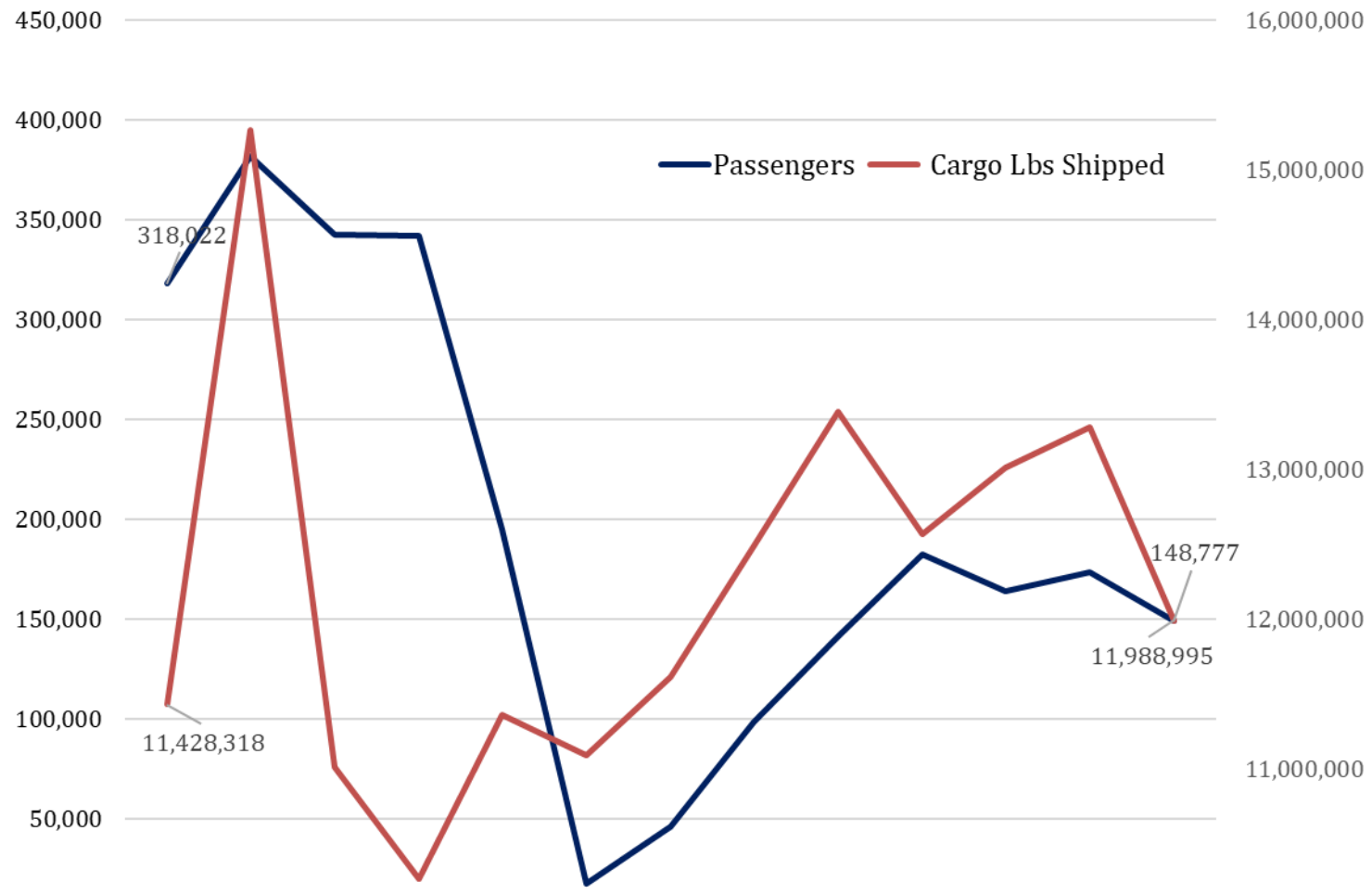
Washoe County

Source	Latest Month Change (Oct-19 & Oct-20)		COVID Change (Apr-Oct '19 & Apr-Oct '20)	
	Difference	% Change	Difference	% Change
Food Service and Drinking Places	\$ (6,276,360)	-6.1%	\$(179,197,455)	-23%
Clothing and Clothing Accessories Stores	2,289,309	9.7%	(24,052,184)	-14%
Electronics and Appliance Stores	(2,306,574)	-11.9%	(13,637,372)	-11%
Furniture and Home Furnishings Stores	2,874,532	17.3%	(913,327)	-1%
Gasoline Stations	1,024,853	18.1%	4,139,301	10%
General Merchandise Stores	6,967,037	10.3%	7,792,019	2%
Sporting Goods, Hobby, Book, and Music Stores	(646,711)	-4.1%	9,988,849	8%
Health and Personal Care Stores	1,471,469	10.9%	10,776,496	13%
Miscellaneous Store Retailers	4,157,979	22.2%	13,636,202	10%
Food and Beverage Stores	3,329,724	12.5%	25,408,361	12%
Motor Vehicle and Parts Dealers	8,553,929	8.3%	32,676,177	4%
Other Sources	28,199,286	11.2%	63,522,030	4%
Building Material & Garden Equipment/Supplies	9,981,359	18.9%	66,699,947	17%
Nonstore Retailers	4,688,956	8.4%	230,795,654	116%
Total Countywide Taxable Sales	\$ 64,308,788	8.3%	\$ 247,634,698	4.6%

- Biggest Losses: Food Service and Drinking Places, Clothing Stores, Electronics and Appliance Stores
- Biggest Gains: Building Materials and Nonstore Retailers

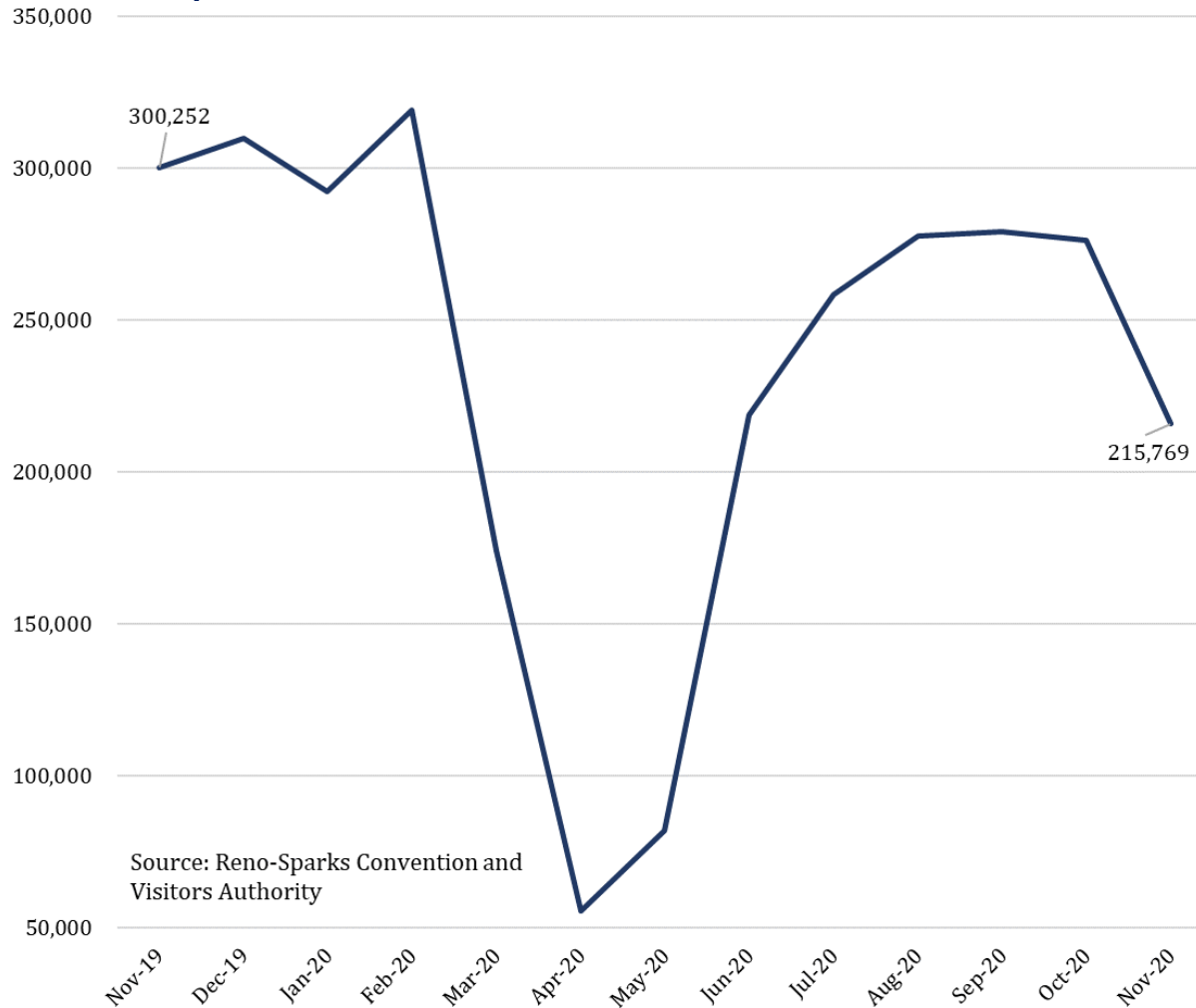
Source: Nevada Department of Taxation

Reno-Tahoe International Airport























Source: Reno-Tahoe International Airport

Washoe County



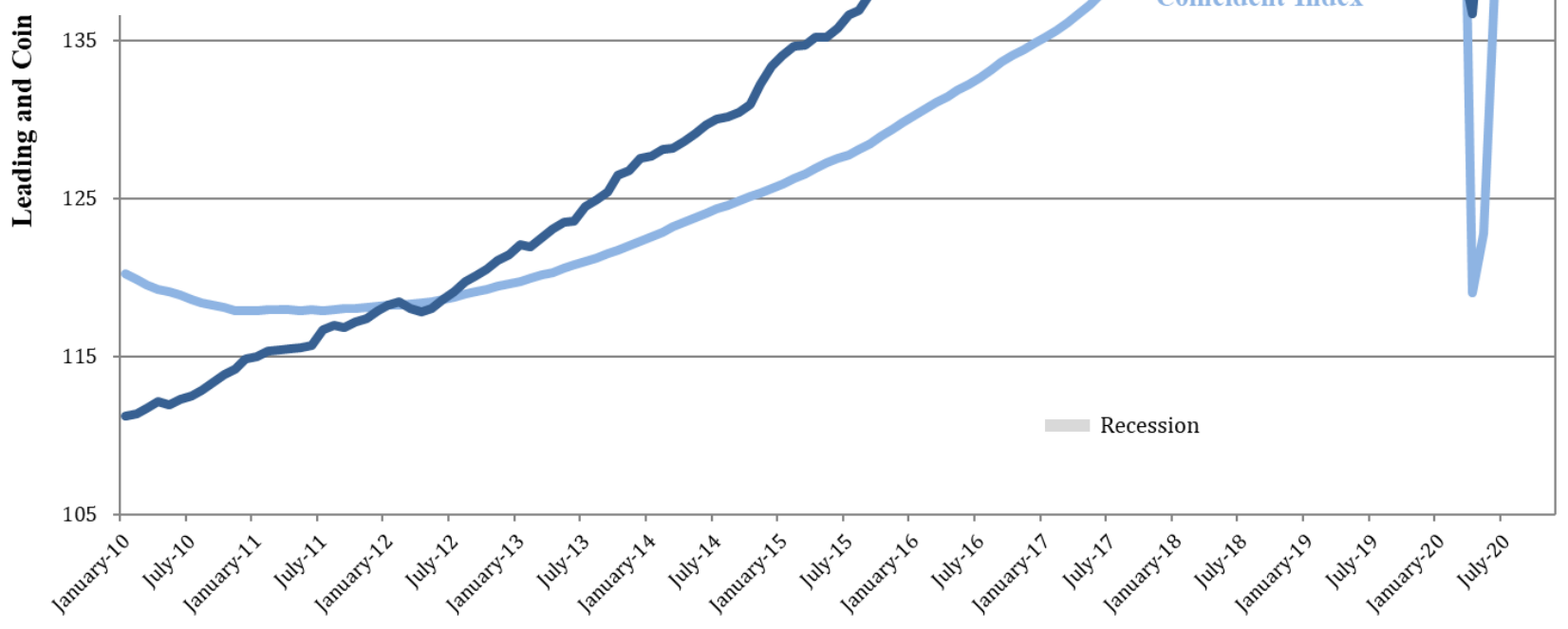
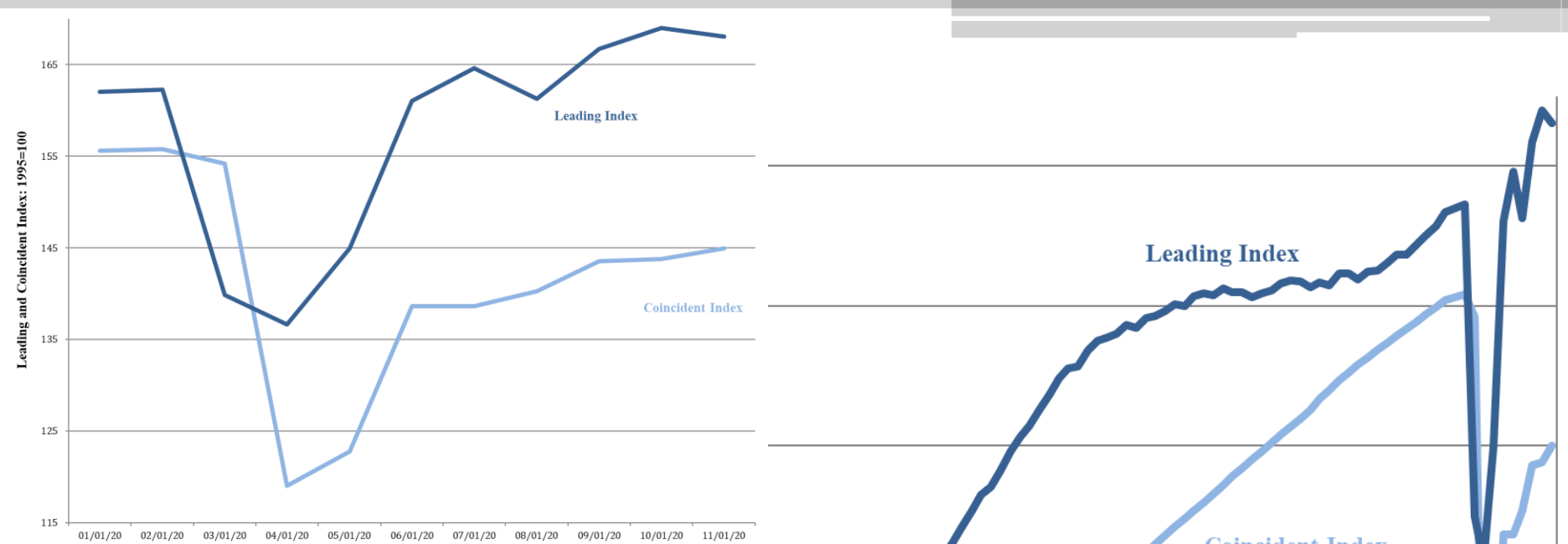
- November 2020 visitors down 28% compared to November 2019
- October visitors down 21%, September down 27.5%

Region

3Q 2020 Regional Real Estate Activity				
	Washoe County	Carson City	Dayton	Fernley
New Home Sales	 550	 12	 25	 18
y-o-y % ch.	37.8%	-63.6%	-19.4%	-56.1%
New Home Median Sales Price	 \$468,267	 \$436,076	 \$355,109	 \$331,593
y-o-y % ch.	-1.0%	6.1%	9.8%	0.4%
Existing Home Sales	 2,218	 192	 138	 162
y-o-y % ch.	20.9%	2.1%	16.0%	11.7%
Existing Home Median Sales Price	 \$440,000	 \$399,975	 \$325,000	 \$275,000
y-o-y % ch.	12.0%	12.7%	1.6%	2.6%
Single-Family Listings	 1,289	 146	 145	 157
y-o-y % ch.	-34.5%	-31.1%	-7.1%	-18.7%

- Decline in construction in Carson, Dayton, Fernley (due to 5Ls)
- Increased demand for existing homes
 - Decline in listings, price growth

Source: Center for Regional Studies, UNR



Outlook

- **Black Swan-Medical Recession**

- Economic fundamentals remain unchanged
 - Continued impact of governmental policy
 - Significant amount of household savings, pent-up demand, return in consumer confidence
 - Operations shifts and pivots (automation, distanced activity)

- **Industry Diversity**

- Less focus on leisure and hospitality
 - Less reliance on visitor spending for gaming operations
- Manufacturing, transportation, and warehousing growing
 - On- and near-shoring as response to global uncertainty

- **Employment Mismatch**

- Leisure and hospitality versus manufacturing skills
- Employment shortages in some industries
- Growth in training/educational programs

- **Continued Population Growth**

- Baby boomers leaving larger cities with high tax rates
- Remotely working employees moving for quality of life
 - Home prices will continue to increase, necessitating a regional approach to housing

- **Public Sector Impacts**

- Loss in revenue during shutdown and restricted operations
 - Increased taxes/fees and cuts in expenditures