



CPA Education Association

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Prepared by:

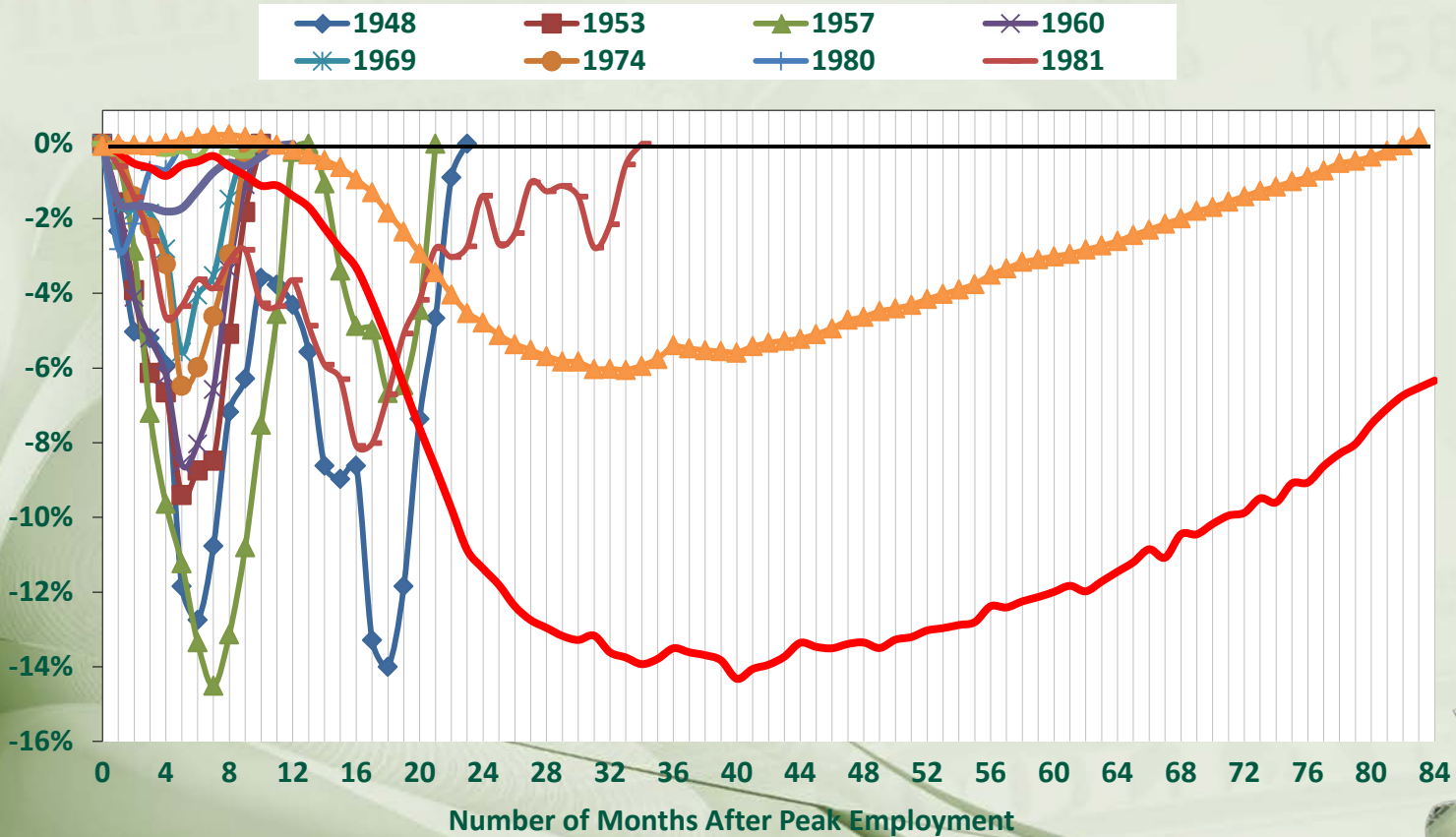


Job Market Recovery



US has regained all jobs lost, not NV

Comparison of Recession Job Growth Recoveries,
% Job Losses Relative to Peak Employment Month (June 2014)

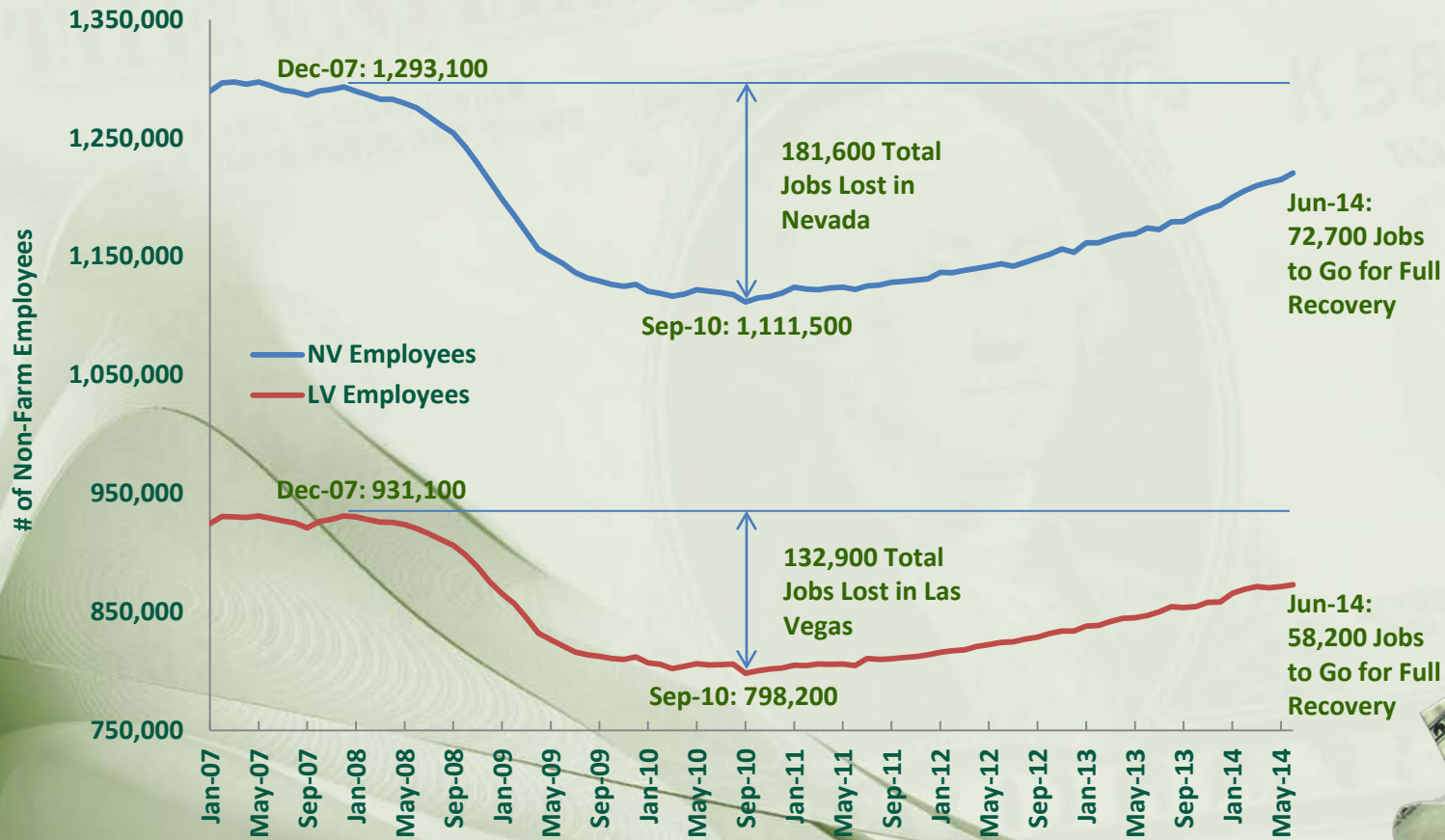


Source: US Bureau of Labor Statistics.



Las Vegas job recovery lags, like NV

Comparison of Recession Job Growth Recoveries,
% Job Losses Relative to Peak Employment Month (June 2014)



Source: US Bureau of Labor Statistics.



Most job sectors haven't recovered

Comparison of Recession Job Growth Recovery in Nevada by Sector (December 2007 – June 2014)

Industry	Jobs Lost	% Regained
Total Employment	184,400	57%
Construction	67,500	5%
Manufacturing	11,200	34%
Wholesale	6,500	2%
Transportation & Warehousing	5,300	87%
Financial Activities	11,000	47%
Professional & Business	22,500	120%
Healthcare & Social Assistance	0	Inf.
Local Government	8,800	-16%
State Government	2,200	32%
Retail Trade	20,600	68%
Food and Drinking Places	1,700	953%
Gambling Industry	1,900	-37%
Casino Hotels	23,700	40%

Source: US Bureau of Labor Statistics.



LV job growth among nation's best

Comparison of Job Growth Rates in Metro Areas with at least 500,000 jobs
(June 2013-June 2014)

Top 10 Fastest Growing Metros

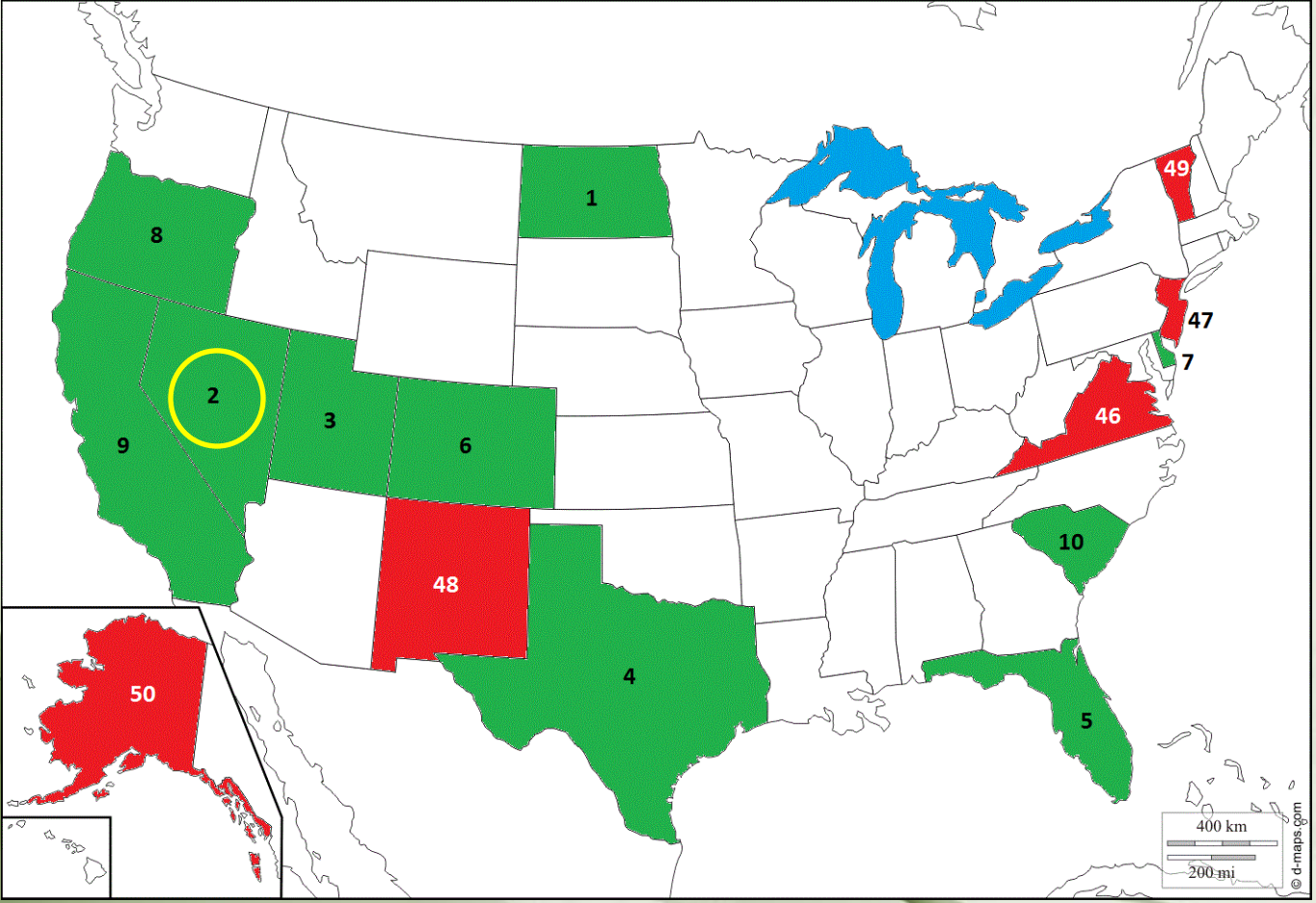
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|----------------------|---------------------------|
| 1. Raleigh, NC | 6. San Jose |
| 2. Dallas-Fort Worth | 7. Houston |
| 3. Austin, TX | 8. Nashville, TN |
| 4. Jacksonville, FL | 9. Las Vegas |
| 5. Orlando | 10. Miami-Fort Lauderdale |

Source: US Bureau of Labor Statistics (51 Metros with > 0.5 mill. Jobs).



Nevada job growth relatively strong

Year-Over-Year Percent Job Growth by State (June 2014)
Top 10 States (Green); Bottom 5 States (Red)

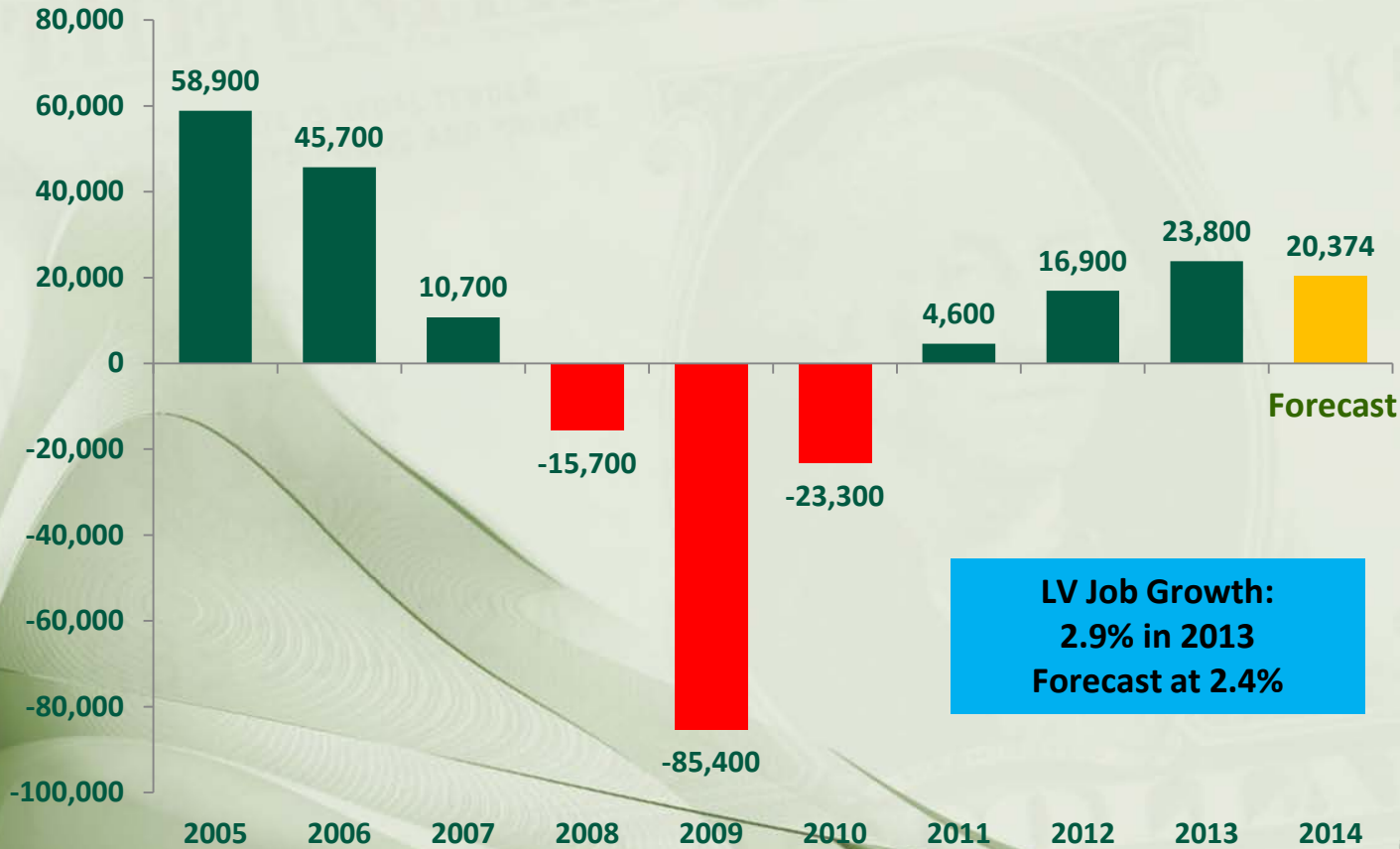


Source: US Bureau of Labor Statistics.



Job growth must increase faster

At Current Rate, LV Will Only Regain Jobs Lost in Recession by 2017
Annual Job Growth in Las Vegas (2005-2014)



LV Job Growth:
2.9% in 2013
Forecast at 2.4%

Sources: US Bureau of Labor Statistics; Forecast: RCG.



Slow growth sign of cont'd struggles

15-Year Pre-Recession Average was 5.2% Growth per Year, 1.7% Since 2008
Annual Population Growth in Clark County (2000-2014)

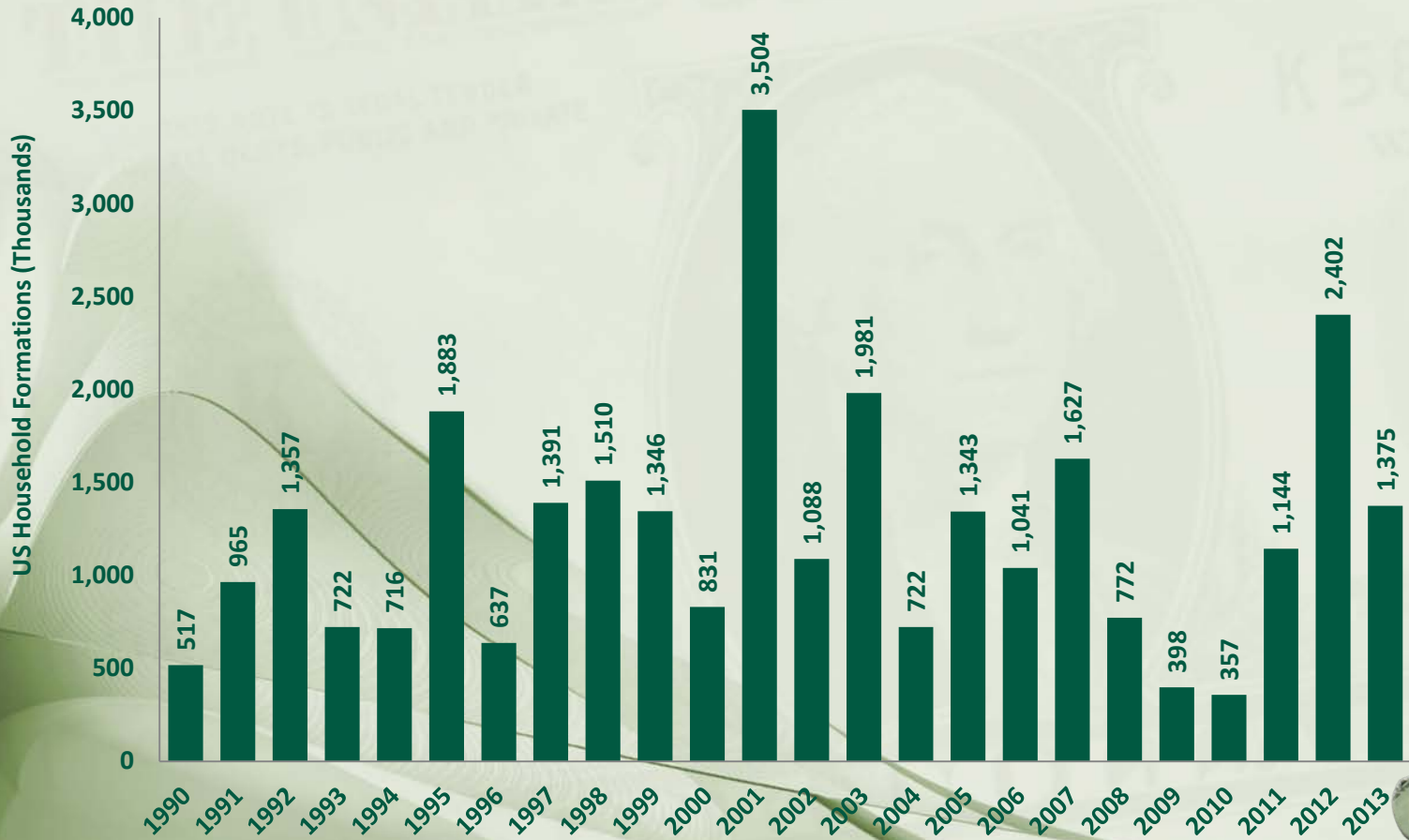


Sources: US Census Bureau; Forecast: Woods & Poole.



Household formations picking up

15-Year US Pre-Recession Household Formation was 1,356/YR; Since 2008, 1,075/YR
Net US Household Formations (1000s): 1990-2013



Source: US Census Bureau.



Where are all the buyers?

- Las Vegas led the nation in foreclosures
- Many former owners have credit issues
- Most are locked out from loans for 7 years
- Peak foreclosures were 2008-2011
- Peak eligibility to buy again is 2015-2018
- Some of this demand will emerge next year

Source:



Millennial impact on housing

- Starting families later than earlier generations
- Lower birth rates
- Many still living with parents
- Higher preference for urban lifestyle
- Tendency to share accommodation & transport
- Not convinced homeownership is good for wealth
- Expect to own a home... One day
- Not a high priority for them in 2014
- Mostly renting – creating demand for landlords



Questions?



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