

RENO-SPARKS ECONOMIC INDICATORS

January 29, 2021

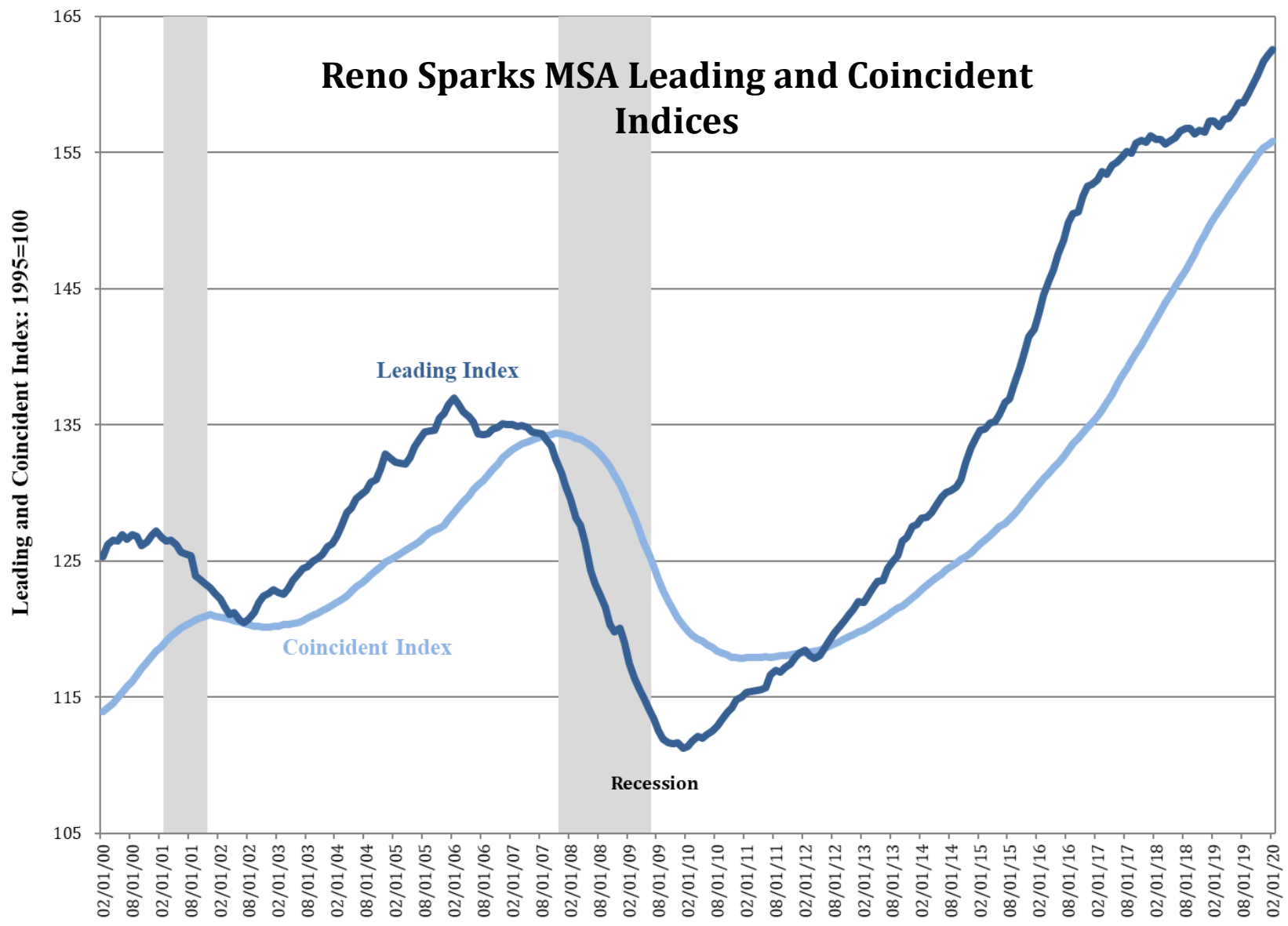
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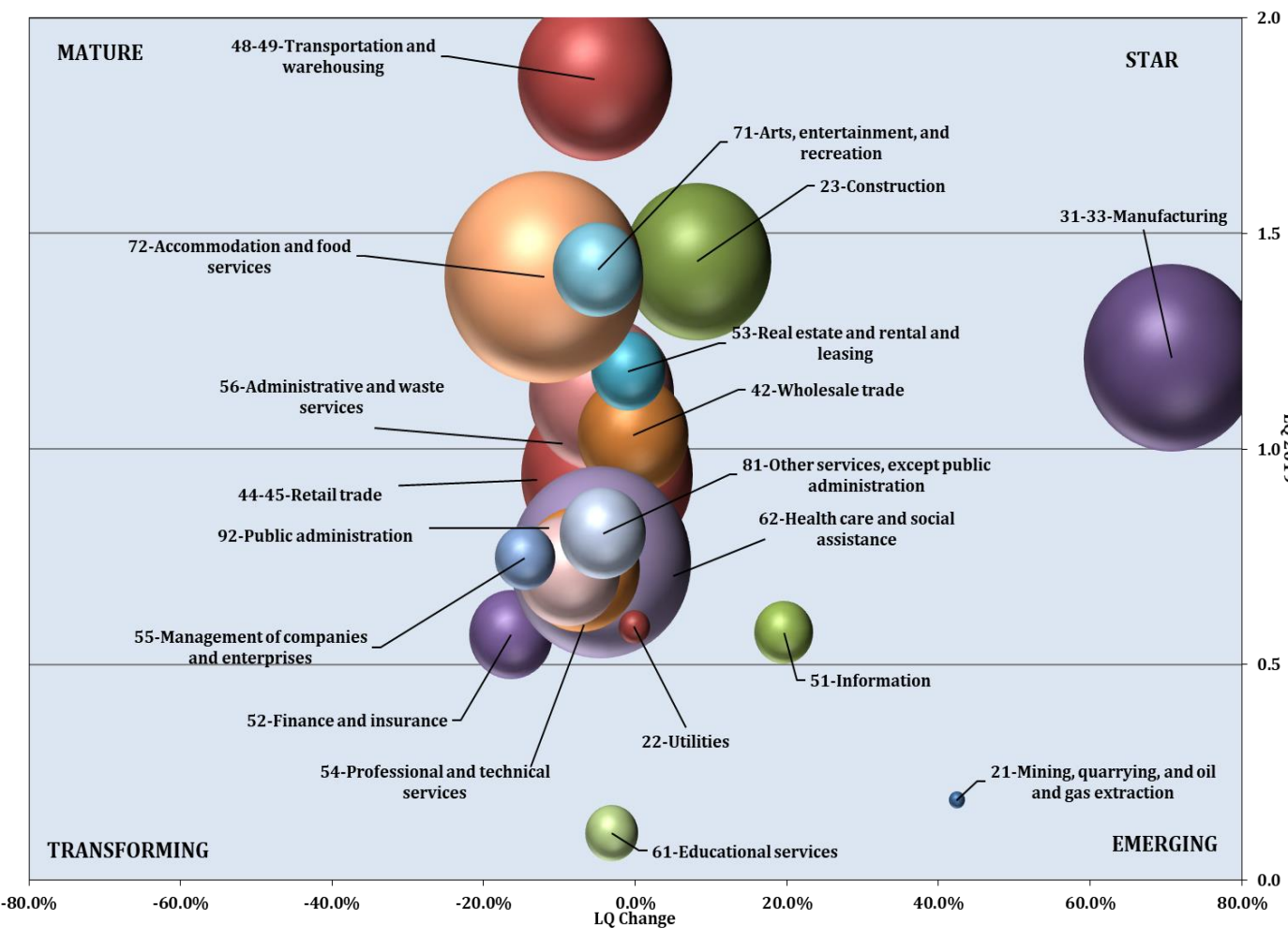
EKAY Economic Consultants, Inc.

Pre-Pandemic



2019 Growth-Share Matrix

Reno-Sparks MSA



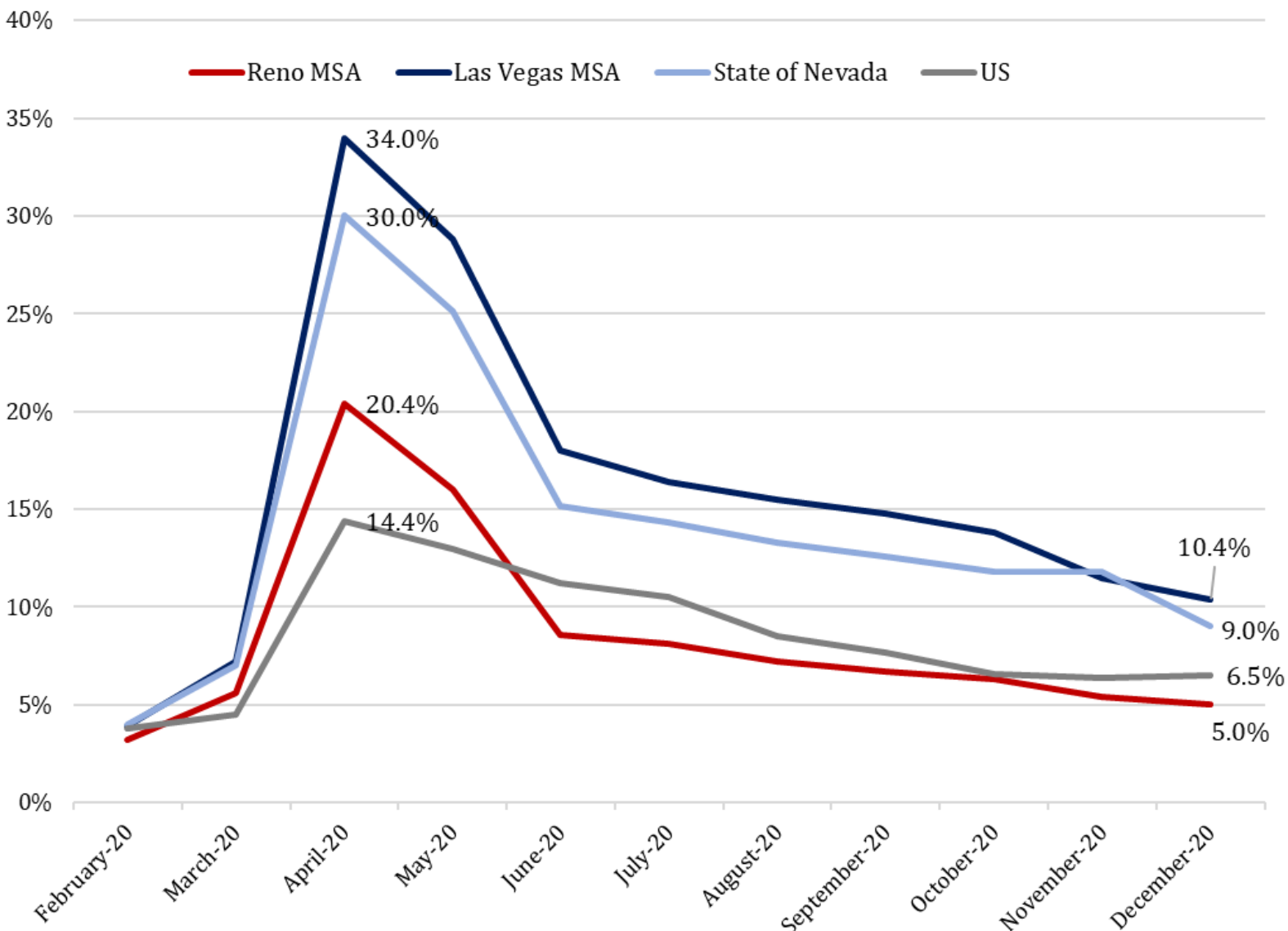
- Star**
 - Construction
 - Manufacturing
- Mature**
 - Arts, Entertainment, & Recreation
 - Accommodation and Food Services
 - Real Estate & Rental and Leasing
 - Administrative and Waste Services
 - Wholesale Trade

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	Decem- ber	
Leisure and Hospitality	(16,300)	(15,400)	(5,600)	(5,200)	(5,700)	(5,500)	(6,200)	(6,100)	(6,600)	\$ 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)	(500)	\$ 894
Transport, Warehousing, & Utilities	(3,200)	(3,100)	(3,200)	(3,100)	(3,100)	(2,600)	(2,600)	(2,700)	(1,400)	\$ 1,036
Education and Health Services	(2,600)	(2,500)	(2,200)	(2,400)	(1,400)	(800)	(1,100)	(900)	(400)	\$ 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	1,400	\$ 1,142
Manufacturing	(200)	200	(200)	-	200	(400)	-	800	800	\$ 1,230
Construction	(400)	300	-	(600)	(300)	(500)	(500)	(500)	100	\$ 1,233
Wholesale Trade	(1,400)	(1,400)	(1,400)	(1,400)	(1,400)	(1,200)	(100)	(300)	(100)	\$ 1,291
Government	(900)	(1,100)	(1,800)	-	300	(2,500)	(2,100)	(2,400)	(2,400)	\$ 1,531
Information	(100)	(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)	(9,200)	\$ 1,073

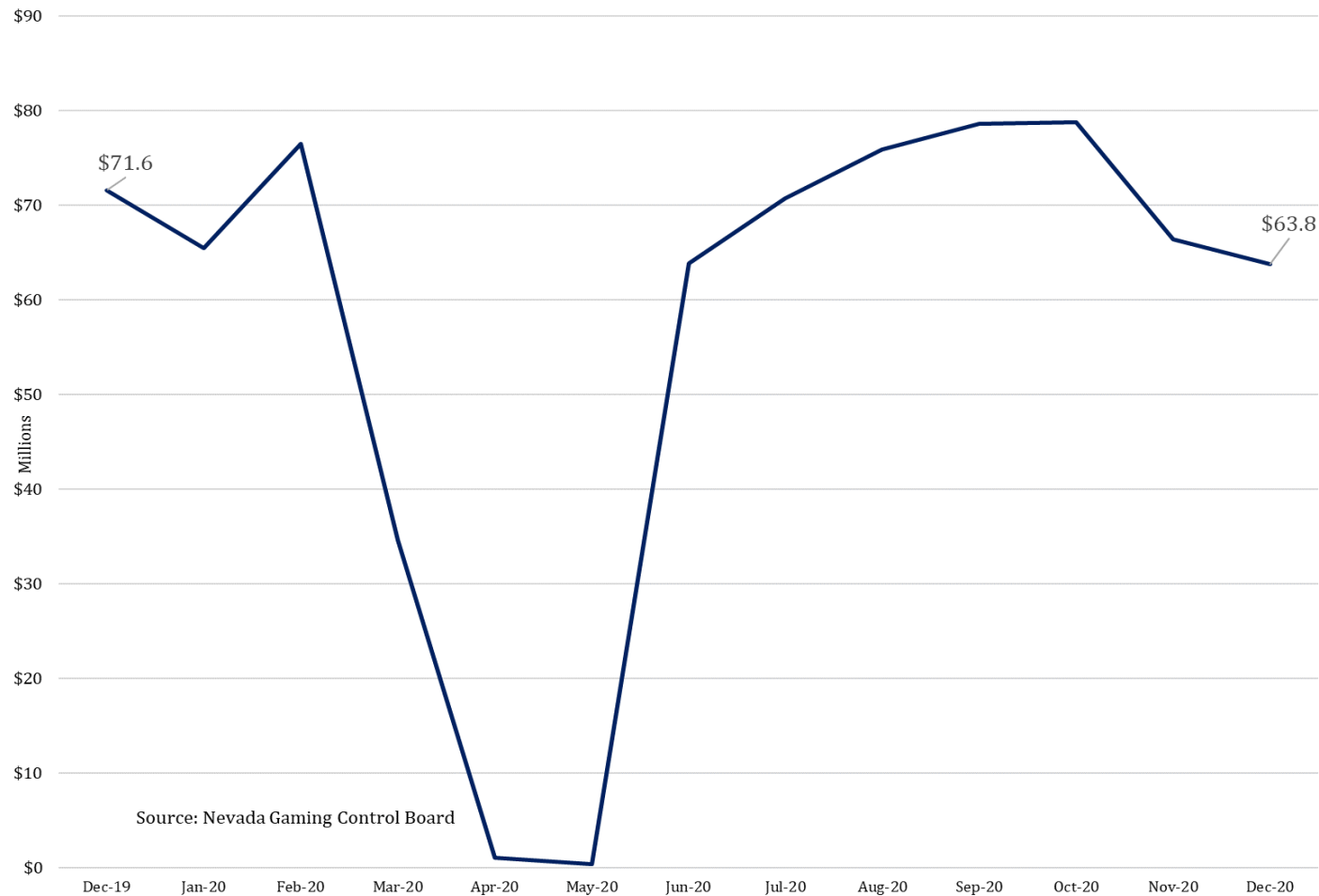
Source: DETR



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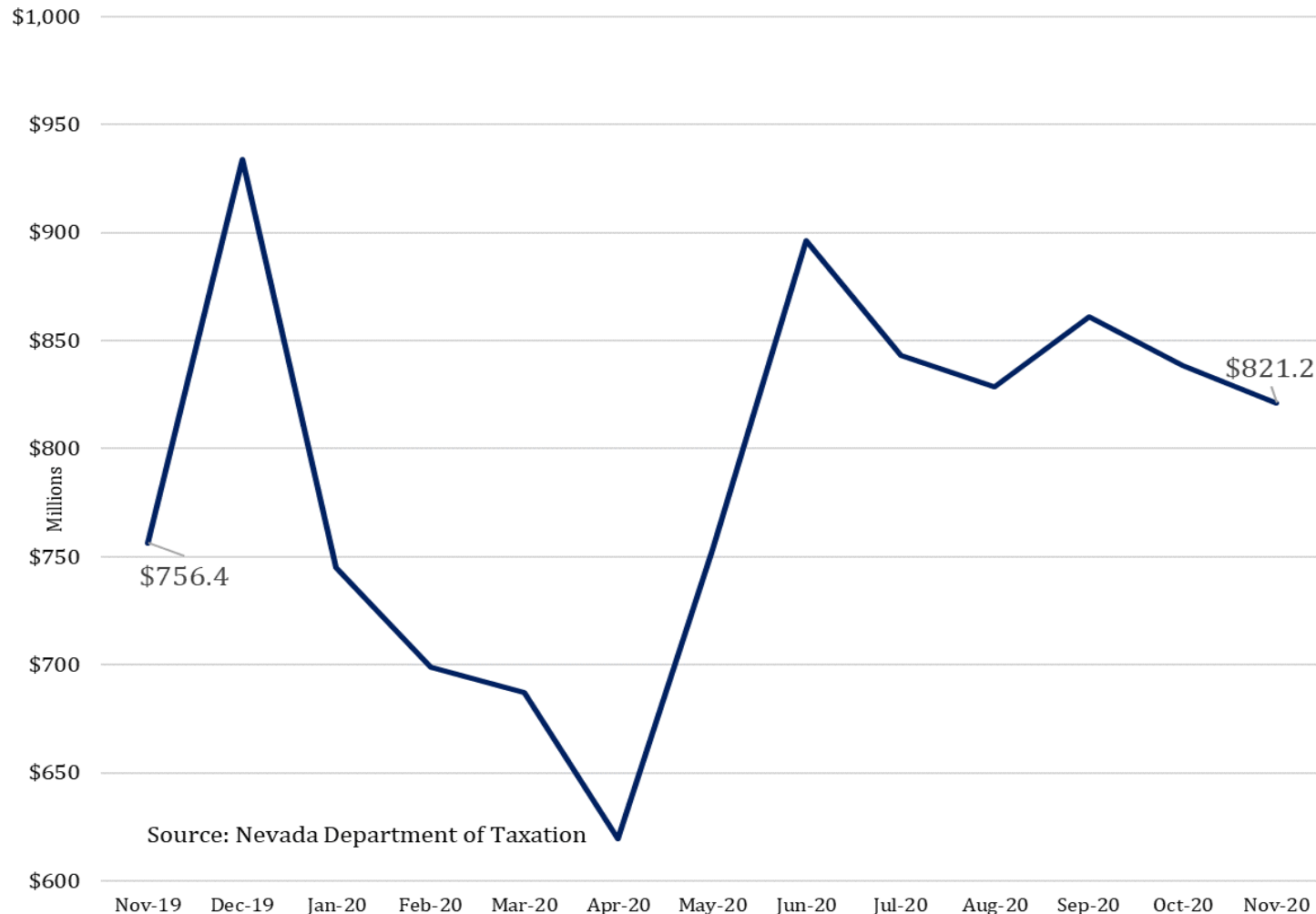


Washoe County



- December 2020 revenue down 11% compared to December 2019
- November down 5.5%, October up 5.9%, September up 1.9%

Washoe County



- November revenue up 8.6% compared to November 2019
- October up 8.3%, September up 4.7%, August up 3.2%

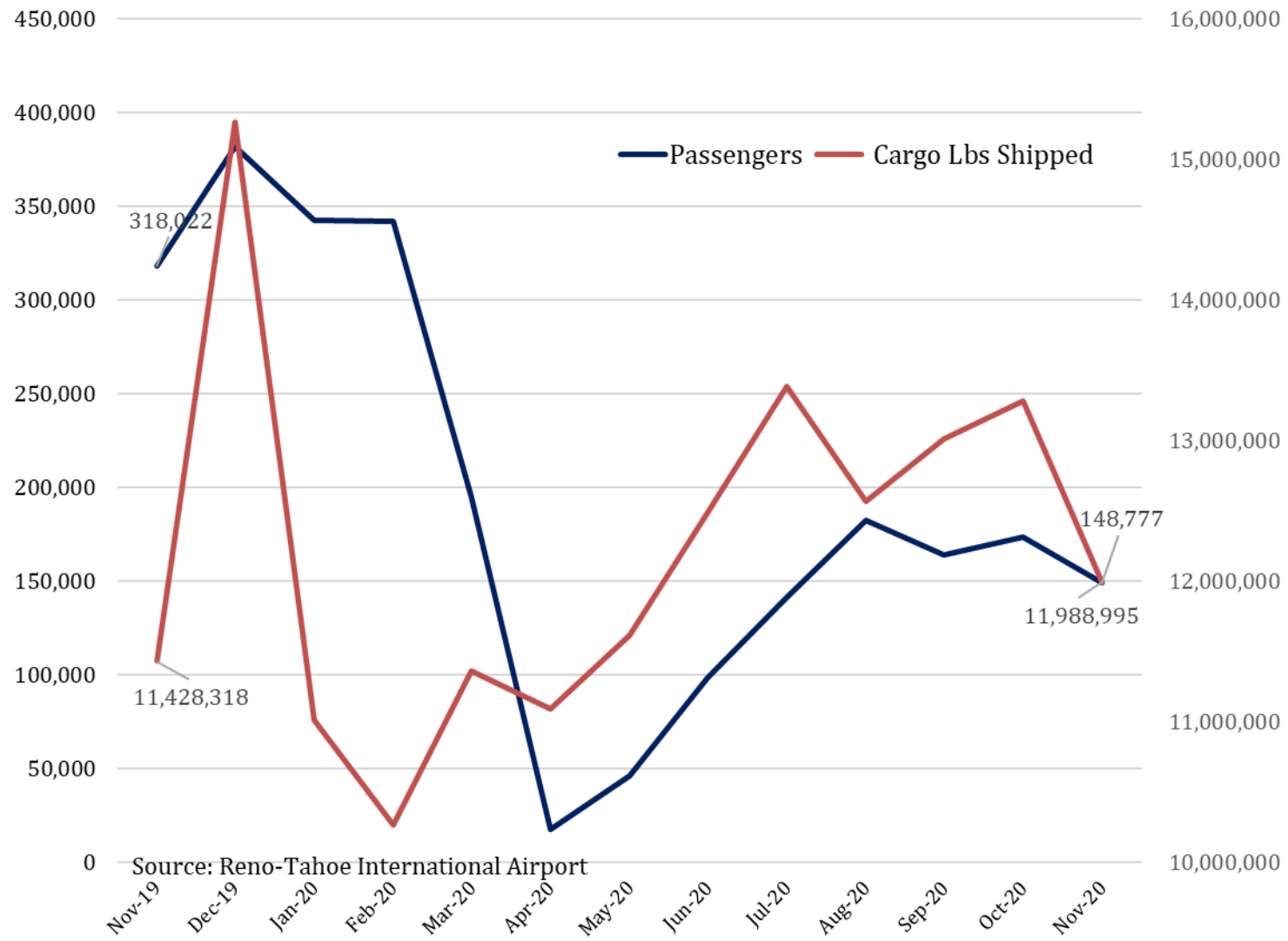
Washoe County

Source	Latest Month Change (Nov-19 & Nov-20)		COVID Change (Apr-Nov '19 & Apr-Nov '20)	
	Difference	% Change	Difference	% Change
Food Service and Drinking Places	\$(19,941,609)	-19.7%	\$(199,139,064)	-22.8%
Clothing and Clothing Accessories Stores	(554,249)	-1.9%	(24,606,433)	-11.9%
Electronics and Appliance Stores	176,112	0.9%	(13,461,260)	-9.4%
Furniture and Home Furnishings Stores	(45,213)	-0.2%	(958,540)	-0.7%
Gasoline Stations	28,599	0.5%	4,167,900	8.4%
General Merchandise Stores	3,723,499	4.6%	11,515,518	2.0%
Health and Personal Care Stores	2,522,800	20.3%	13,299,296	13.9%
Miscellaneous Store Retailers	5,221,005	26.7%	18,857,207	11.9%
Sporting Goods, Hobby, Book, and Music Stores	10,493,550	52.9%	20,482,399	14.0%
Food and Beverage Stores	3,206,348	11.6%	28,614,709	12.2%
Motor Vehicle and Parts Dealers	11,608,960	11.8%	44,285,137	5.3%
Other Sources	12,819,888	5.6%	76,341,918	3.8%
Building Material & Garden Equipment/Supplies	9,840,921	22.3%	76,540,868	18.0%
Nonstore Retailers	25,666,099	53.5%	256,461,753	103.5%
Total Countywide Taxable Sales	\$ 64,766,710	8.6%	\$ 312,401,408	5.1%

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

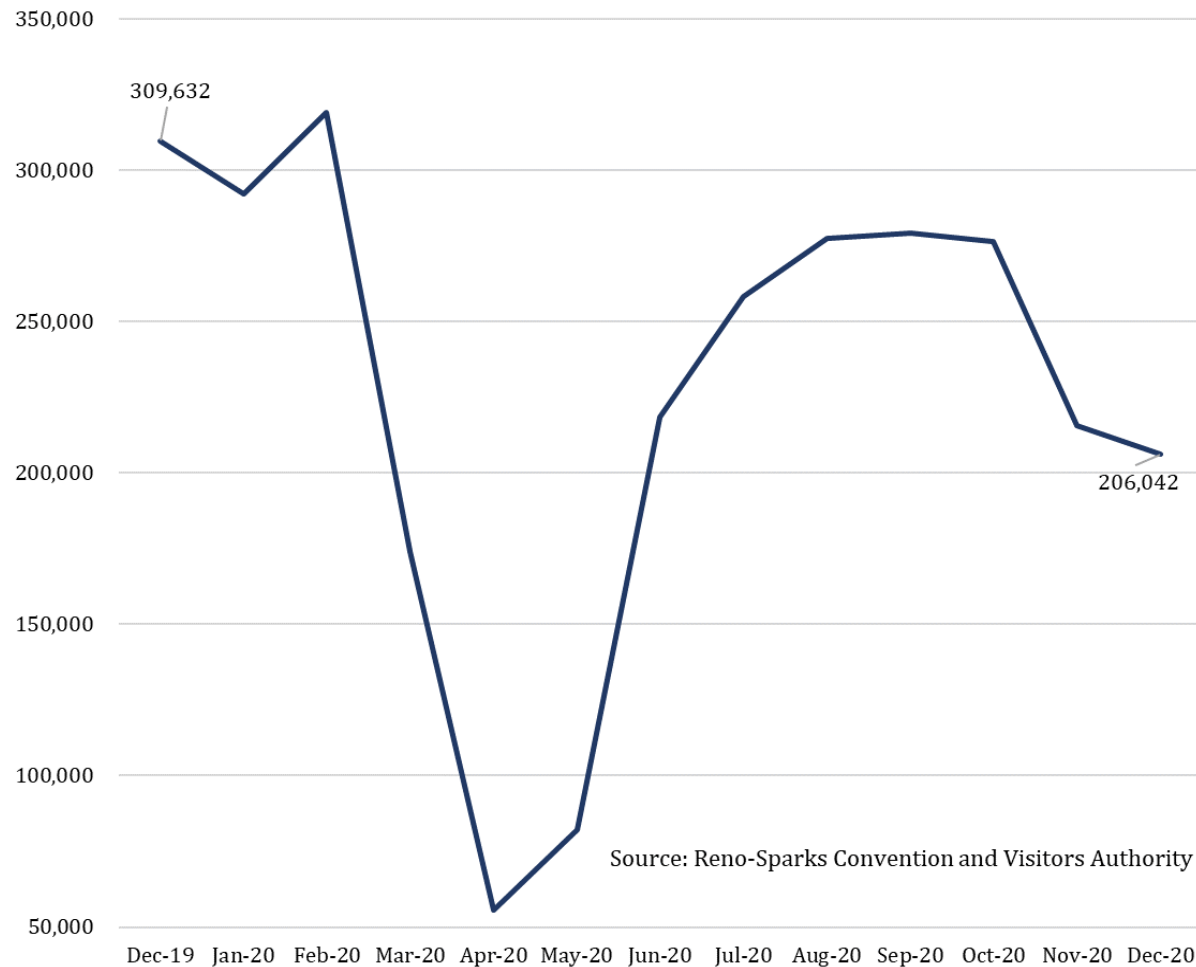
Source: Nevada Department of Taxation

Reno-Tahoe International Airport























Source: Reno-Tahoe International Airport

Washoe County



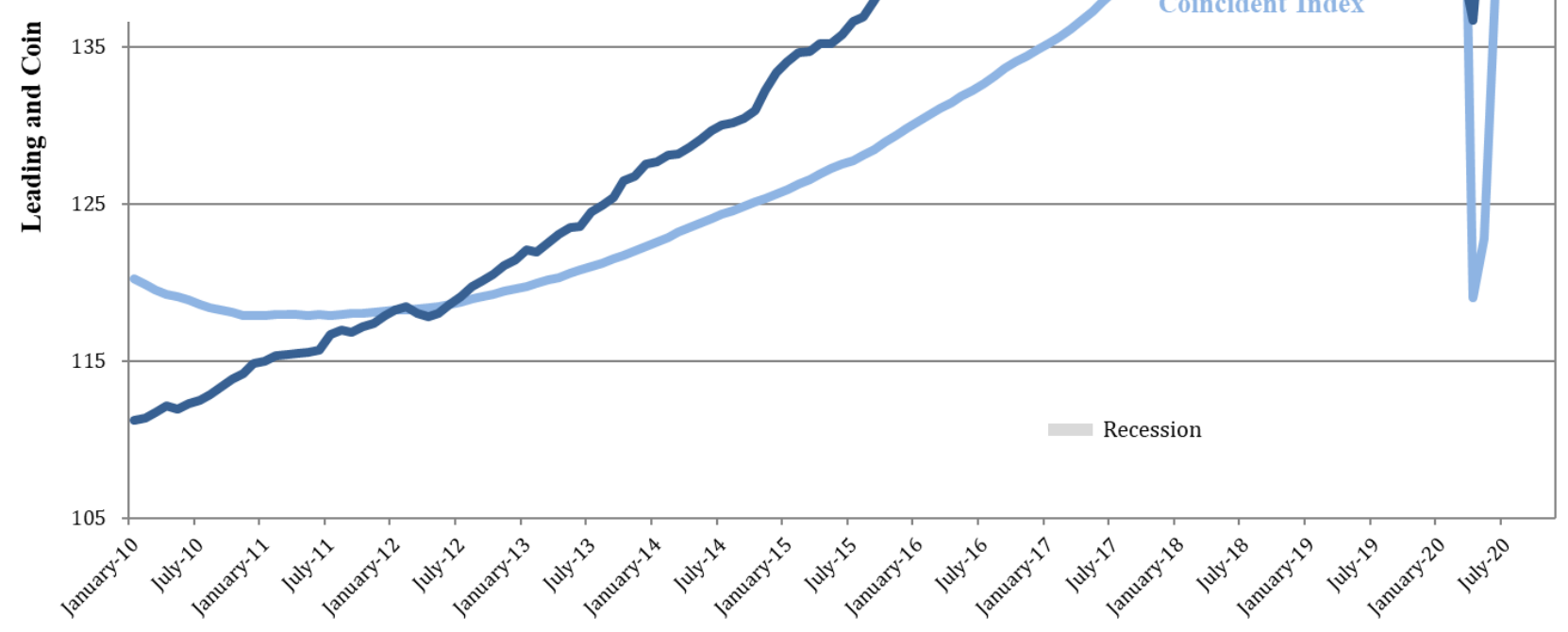
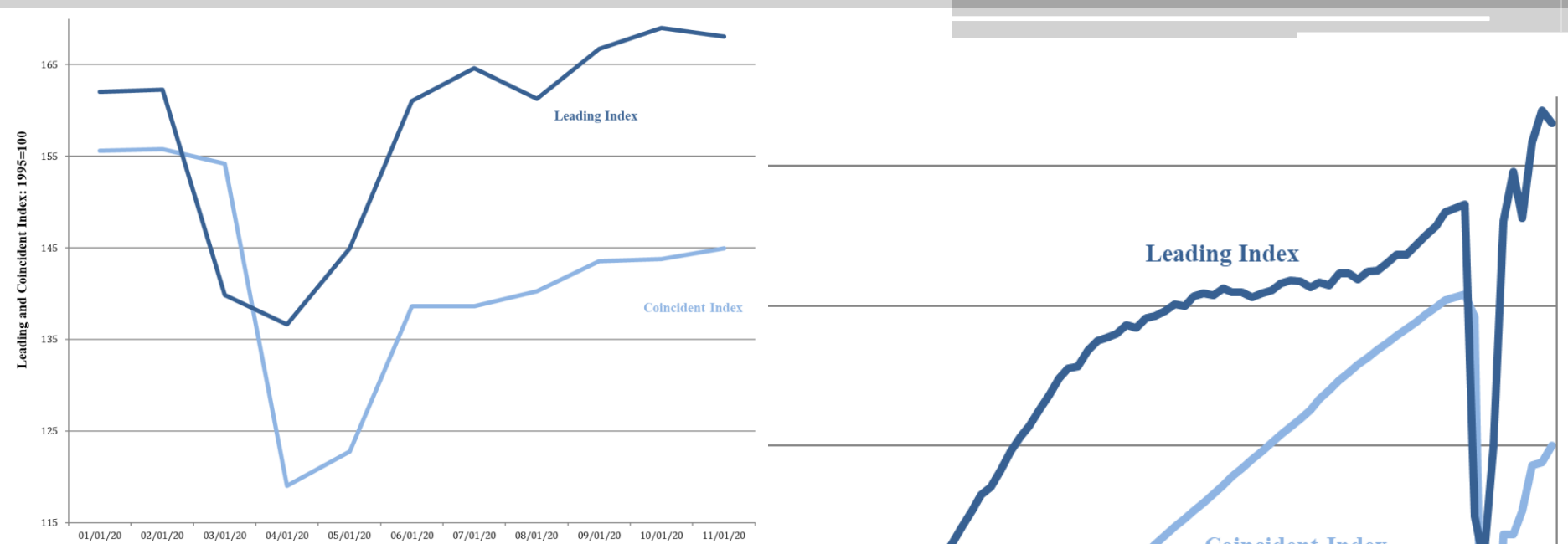
- December 2020 visitors 33.5% compared to December 2019
- November down 28%, October down 21%, September down 27.5%

Region

	4Q 2020 Regional Real Estate Activity			
	Washoe County	Carson City	Dayton	Fernley
New Home Sales	 577	 25	 40	 32
y-o-y % ch.	52.2%	-26.5%	73.9%	-22.0%
New Home Median Sales Price	 \$481,000	 \$589,900	 \$366,269	 \$346,988
y-o-y % ch.	0.6%	43.1%	7.4%	3.3%
Existing Home Sales	 1,722	 176	 132	 170
y-o-y % ch.	17.2%	22.2%	50.0%	19.7%
Existing Home Median Sales Price	 \$454,386	 \$380,000	 \$350,000	 \$299,250
y-o-y % ch.	19.6%	13.9%	13.8%	10.8%
Single-Family Listings				
y-o-y % ch.				

- New sales limited by number and types of projects
- 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