

AUGUST 2020

ECONOMIC UPDATE

The Nevada Builders Alliance is Nevada's largest state-wide professional organization representing the construction industry and all affiliated sectors. Since our inception in 1966, our mission has been to create a positive business environment for our member companies and communities. We work every day to build a better, stronger Nevada.

Northern Nevada

1000 N. Division St.; Suite 102
Carson City, Nevada 89703
(775) 882-4353

Southern Nevada

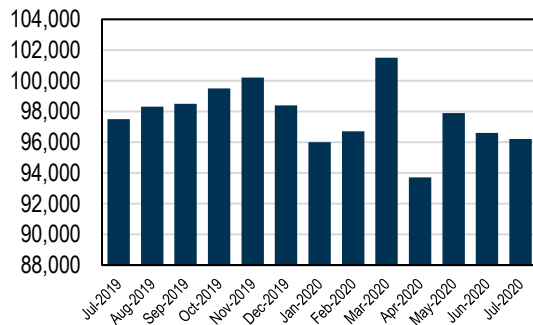
195 E. Reno Ave.; Suite B
Las Vegas, Nevada 89119
(702) 744-8058

Prepared by:

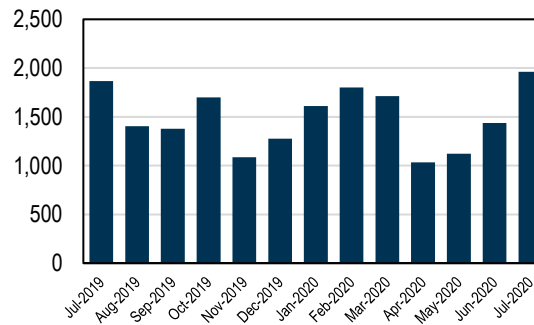


The state of Nevada continued to experience economic gains relative to the low point posted in April 2020. However, overall employment, tourism metrics and other economic indicators remain well below pre-COVID levels. Notably, overall employment increased for the third consecutive month to 1,276,300 statewide by July 2020, which was largely driven by the return of jobs in a number of sectors: trade, transportation, and utilities; professional and business services; and education and health services. The pace of recovery has slowed following the initial bounce, and employment remains down 136,200 jobs (or -9.6 percent) from a year ago. As a result of recent activity, the unemployment rates stands at 14.2 percent in July 2020 - up from 4.1 percent one year ago. Employment within the construction sector remained relatively stable during the cycle, declining a modest 1.3 percent on the year to 96,200. Residential permitting volumes surged in July as selected consumers are focused on acquiring a new home; this should benefit the residential construction sector through the balance of the year. Single-family home permitting rose 47.0 percent from June to July 2020, resulting in the largest monthly permitting total in the past year. While there are some green shoots that remain within the economy, it is important to note that a broader recovery is likely to be measured in years and not months. Accounting for approximately one-third of the economy, the hospitality sector is expected to continue to be impacted until travel activity returns in a meaningful way; its recovery will play a key role going forward.

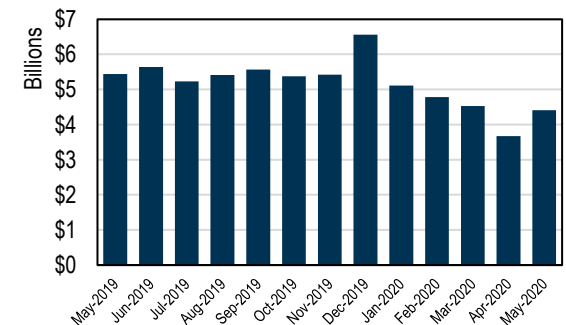
CONSTRUCTION EMPLOYMENT



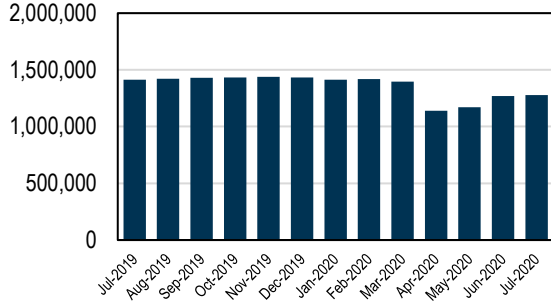
NEW RESIDENTIAL UNITS PERMITTED



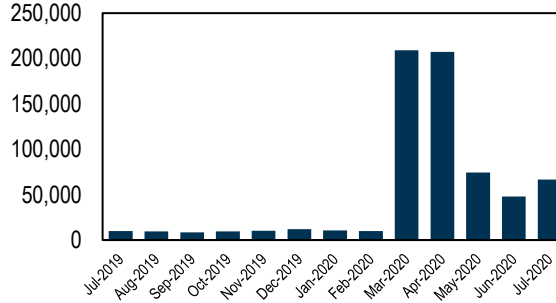
TAXABLE RETAIL SALES



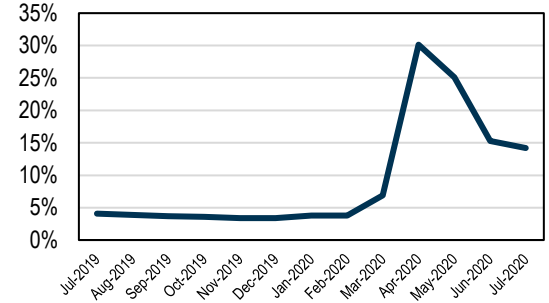
TOTAL EMPLOYMENT



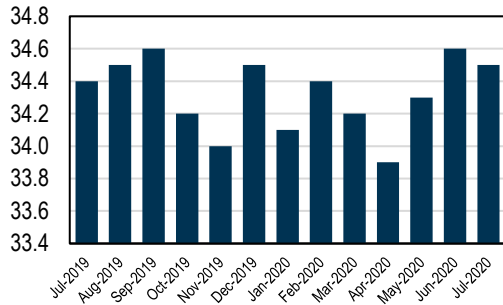
INITIAL UNEMPLOYMENT CLAIMS



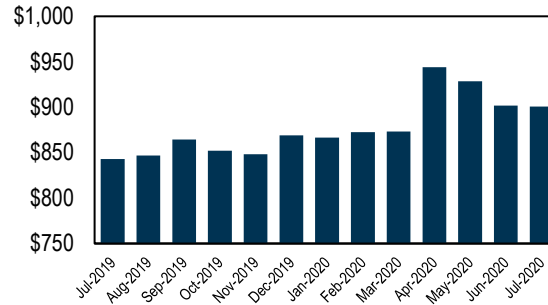
UNEMPLOYMENT RATE



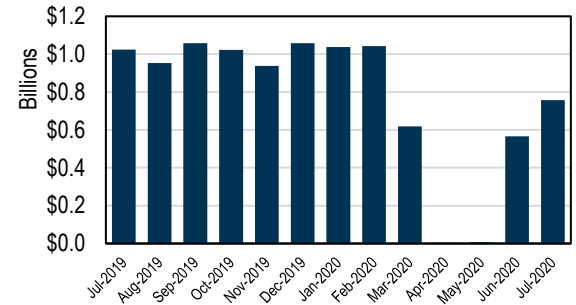
AVERAGE WEEKLY HOURS - PRIVATE



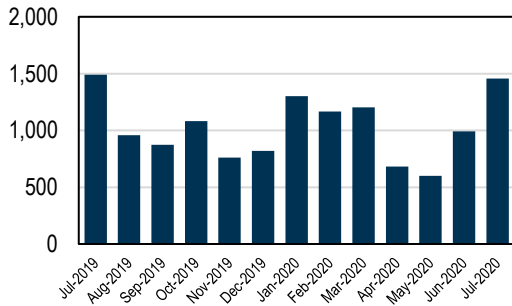
AVERAGE WEEKLY WAGES - PRIVATE



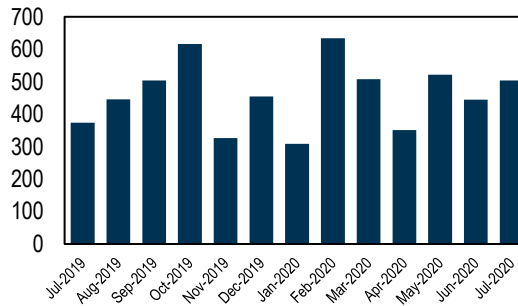
GROSS CASINO GAMING REVENUE



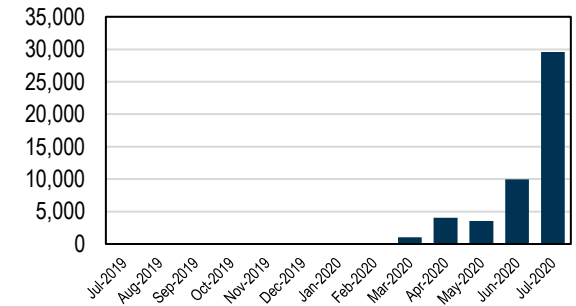
NEW SINGLE-FAMILY UNITS PERMITTED



NEW MULTI-FAMILY UNITS PERMITTED



NEW COVID-19 CASES



Applied Analysis ("AA") was retained by Nevada Builders Alliance to summarize and analyze a series of key economic indicators on a recurring basis. Relevant data were obtained from AA's internal databases as well as national, regional and local data providers, including without limitation, state and local governments. For more information visit <https://nevadabuilders.org/> or <http://appliedanalysis.com/>.

Sources: Bureau of Labor Statistics; Nevada Department of Employment, Training and Rehabilitation; Nevada Department of Taxation; Nevada Gaming Control Board; US Census Bureau; Nevada Department of Health and Human Services. While we have no reason to doubt the accuracy of the data reported by these providers, we have not performed audit or assurance procedures on these data, and as such, we cannot attest to their completeness.