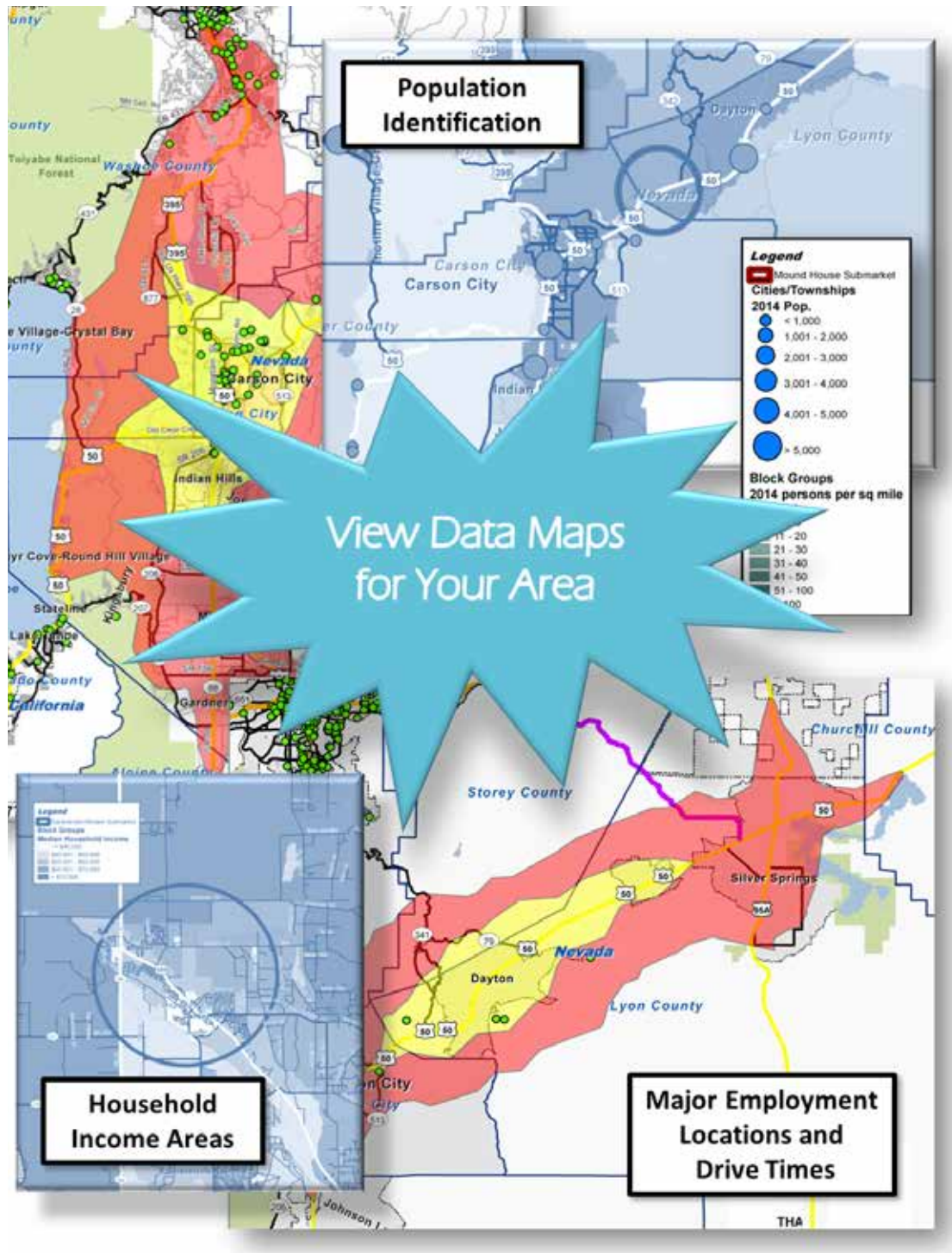


Carson City DATA MAPPING



2014-2018 Metropolitan Housing Study

A COMPREHENSIVE RESOURCE FOR COMMUNITY PLANNING IN AND AROUND NEVADA'S CAPITAL CITY

- Do these communities need additional housing?
- Single-family or multifamily?
- Senior housing, workforce or family?
- Do area salaries support new housing development costs?
- Is there infrastructure in place to adequately support new housing development?
- Can the communities in this metropolitan area plan smarter while avoiding an over or under building scenario?

The Nevada Rural Housing Authority (NRHA) set out to answer these questions, and others, for Nevada's capital city and its surrounding urban communities.

The result – a 344 page housing study covering Carson City and ten neighboring urban communities, commissioned by NRHA, which is helping lay the foundation for more efficient community planning and support of future housing development. This report, released in December of 2014, provides up-to-date, comprehensive data on housing demand, inventory and supporting infrastructure for communities in this region of the state.

The study spanned over 12 months and involved collaboration with city, county and community leaders, financial institutions, and local businesses throughout the region. Its value to this part of the state is underscored by the number of financial underwriters including, NRHA, the USDA and its Department of Rural Development, Nevada Division of Business & Industry, Governor's Office of Economic Development, Wells Fargo Bank and Nevada State Bank.

Armed with this valuable information and the experience and resources of the NRHA development team, these communities can now plan for a prosperous and successful future. To view the complete and detailed report as provided by Vogt Santer Insights, please visit our website at nvrural.org/2014housingstudy.

Carson City Region

REGIONAL HOUSING STUDY SUMMARY • JANUARY 2015



A COMPREHENSIVE ASSESSMENT OF:

- Household Demographics
- Renter & Homebuyer Capacity
- Current Housing Conditions

FOR THE PURPOSES OF:

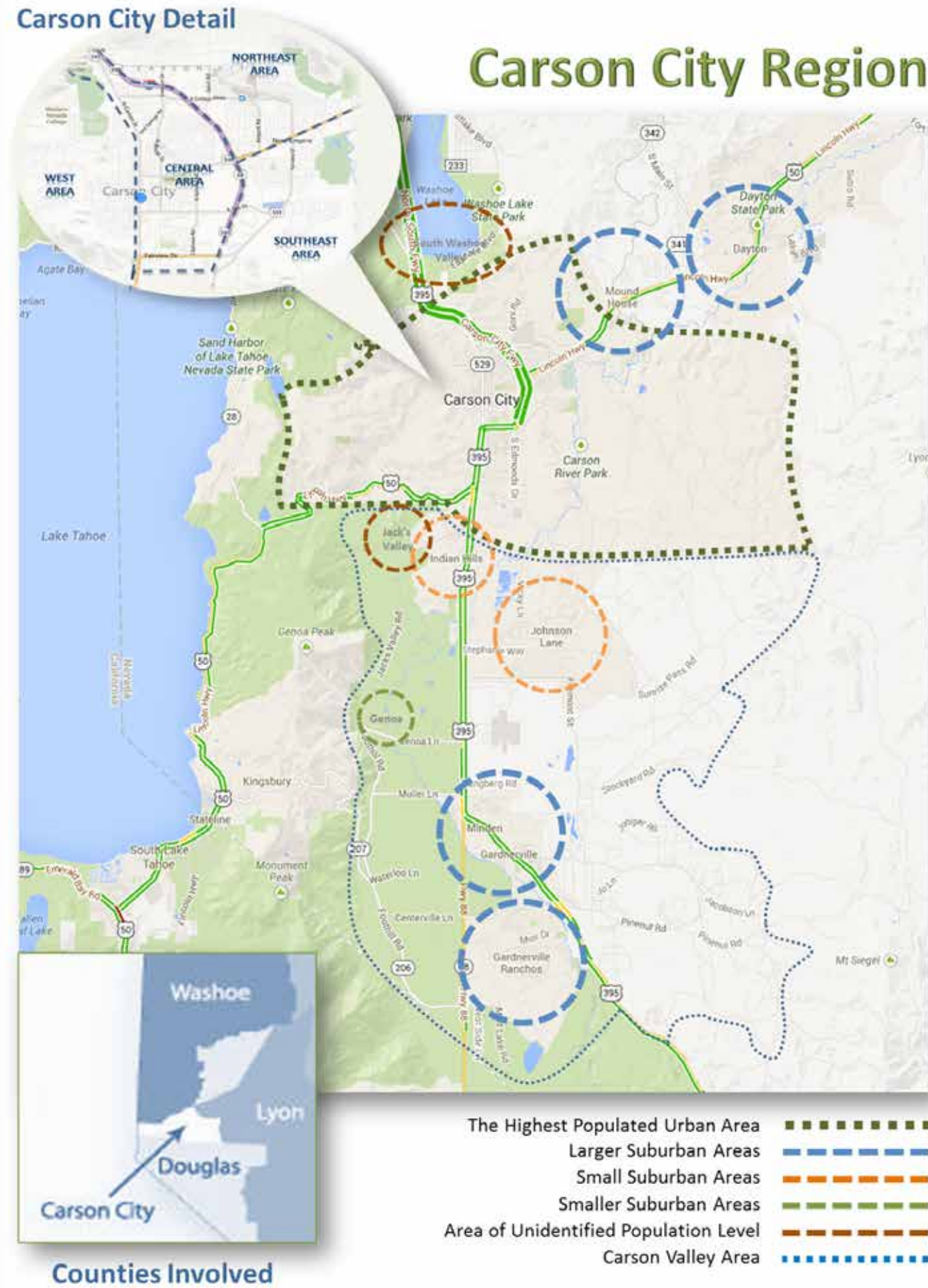
- Supporting Area Economic Development Efforts
- Identifying and Projecting Housing Trends
- Defining Housing Goals & Objectives



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THE REGION

The study area for this report includes Carson City and nearby parts of Douglas County, Lyon County and Washoe County. The list of the geographic areas that comprise the larger Carson City region includes:

- Carson City (Identified by its Central, Northern, Southeastern and Western Urban Submarkets);
- Gardnerville Ranchos, Minden/Gardnerville, Johnson Lane/Stephanie Way, Indian Hills/Sunridge, Genoa and Jack's Valley in Douglas County;
- Dayton/Dayton Valley and Mound House in Lyon County;
- South Washoe Valley in Washoe County.

POPULATION GROWTH

The Carson City Regional Area population base increased by 11,326 between 2000 and 2010. This represents a 12.6% increase over the 2000 population, or an annual rate of 1.2%. Between 2010 and 2013, the population increased by 841, or 0.8%.

It is projected that the population will increase by an additional 1,440, or 1.4%, between 2013 and 2018. Nearly 37% of the population was estimated to be between 25 and 54 years old in 2013. This is the prime group of potential renters in similar markets. Nearly 35% of the population was determined to be age 55 and older in 2013. Notably, nearly all age groups are projected to increase between 2013 and 2018. The large share of the population under the age of 24 (over one-fourth of the area's population in 2011) represents a potential source of first-time renters.

Between 2011 and 2016, the greatest growth among household age groups within the area is projected to be among the households between the ages of 65 and 74. All household age groups age 55 and older are projected to increase, reflecting a specific need for housing for older adults. The age 25 to 34 age group is also projected to increase over the next five years.

NEEDS BASED ON AGE

Housing needs for students and young adults (ages 18 to 34): The rental units needed for these households should be priced at less than \$525/month (efficiency and 1-bedroom unit types) or, higher than \$525/month for larger units (2-bedroom unit types or larger).

Housing needs for middle-age adults (35 to 54): This study predicts no net increase in housing demand for two fundamental reasons:

1. Some future housing needs can be met through older adults freeing up units as they transition into other housing types; and,
2. There will be a slight decline or little growth in households overall.

Housing needs of older adults and seniors (55 and older): Assuming current Baby Boomers and seniors do not leave the Carson City area upon retirement, it is anticipated that the city will experience substantial growth in its senior population. Regardless of decisions on where they will live, because of their relatively large numbers, older adults and seniors will drive the homeownership market within the region in coming years.

- Most older adults plan to stay in current homes but will need assistance maintaining their homes. In the resident survey conducted, 18% of respondents said their homes do not meet the accessibility needs of household members.
- If they need new homes, the housing needs of these individuals will focus on low-maintenance homes with universal design features, and units should be able to be made accessible if needed. Units designed and intended to serve the oldest adult population sector should be located close to public services and transit.

POTENTIAL FOR OWNER-OCCUPIED HOUSING

Overall, regional demand over the next four years includes estimated demand for 425 various types of new housing units, which encompasses

single family, townhome, multi-family, etc. This includes 285 workforce/affordable housing units and 140 units targeted to market-rate households. This represents an average of just more than 100 new housing units annually though the year 2018, and prior to what is now being referred to throughout northwest Nevada as the "Tesla affect".

The largest portion of the projected demand is situated within the Dayton/Dayton Valley area. The Minden/Gardnerville submarket has the second largest demand projection (with a projected demand for approximately 74 new housing units). The Carson City area, including its four urban submarkets, collectively represents the third highest projection area, with a development potential for 63 new housing units over the next four years.

This study recommends placement of residential developments with proximity to resident services, shopping and accessibility to major and/or key employment centers located throughout the region.

For new growth, demand for ownership units is predicted to largely occur for older adults and seniors who are moving into the area and buying, becoming homeowners and/or looking for alternative housing products. Overall, it is anticipated that the region will see increased demand for housing with universal design, smaller lots and which can be made accessible as homeowners age.

REGIONAL CONSIDERATIONS

In general, the study advises that new housing development should continue to be concentrated in areas with convenient resident services. Within the Carson City region, this includes the central Carson City area, Minden/Gardnerville and Gardnerville Ranchos. A potential development opportunity was also assessed east of Carson City near Dayton. For affordable single-family homes, the study predicts that all geographic areas of the market are appropriate for development, though speculative development is not recommended.

The report shows specific demand analyses for the investigated portions of Carson City, Douglas County, Lyon County and Washoe County. Additional consideration should be given to what is being identified as the "Tesla affect". This is the result of the recent forecasting of significant job growth in the industrial employment sector affecting northwestern Nevada. More specifically the "Tesla affect" relates to industrial growth forecasted to take place in northern Storey County, and the ensuing completion of the USA Parkway from I-80 in Storey County, south to State Highway 50 located in the north central portion of Lyon County. It is the USA Parkway extension that is anticipated to potentially have a significant impact on housing in the eastern portion of the Carson City Region, should the employment base grow as is presently being projected by other sources. However, it should be noted that this study was completed before the "Tesla affect" came into existence, and the results depicted in this study identify housing conditions as of the date of this report without consideration of the "Tesla affect".

This survey was conducted to establish the overall strength of the various housing markets as defined within the Carson City region. The report identifies specific housing demand analysis for the investigated portions of Carson City, Douglas County, Lyon County and Washoe County. The full detailed report, as issued by Vogt Santer Insights (VSI), is available on NRHA's website at nvrural.org/housing_studies.

This survey was conducted to establish the overall strength of the housing market within the rural areas of the State of Nevada. A full detailed report was issued by Vogt Santer Insights (VSI) on March 20, 2014, revised January 19, 2015, which includes a complete detailed analysis of Carson City and surrounding region. One of the points of emphasis in VSI's discussions with the Nevada Rural Housing Authority (NRHA) was that future development should not saturate a market and potentially create a situation of overbuilding. It is in the best interest of all parties involved in these areas (local government officials, lending institutions, developers and state agencies) that local housing needs be met without creating market issues by adding too many units to an area quicker than those areas households can purchase or rent the new homes and apartments as they are brought on-line.