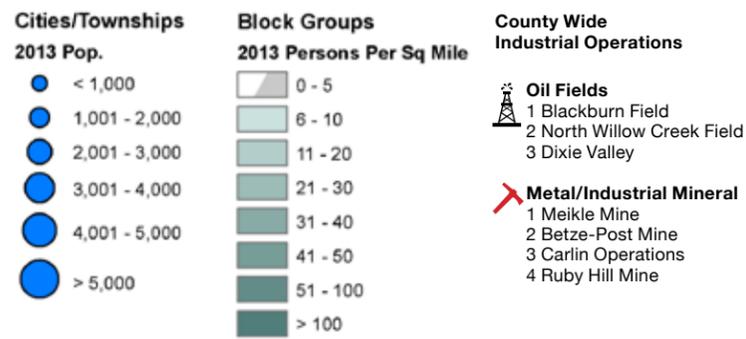
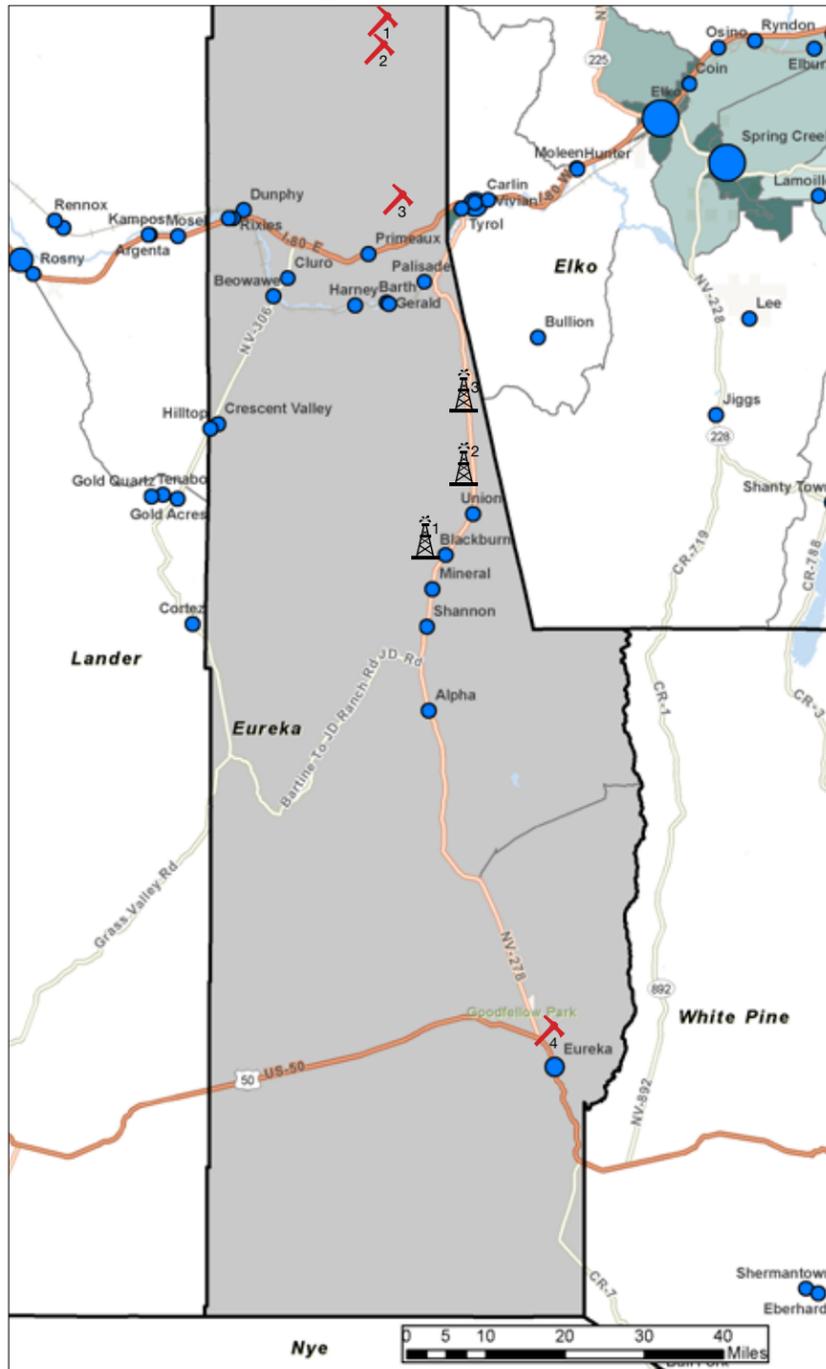


Eureka County

POPULATION & INDUSTRIAL OPERATIONS MAP



2014-2018 Rural Nevada Housing Study

A COMPREHENSIVE RESOURCE FOR
COMMUNITY PLANNING IN NEVADA'S
MINERAL BELT COMMUNITIES

Do Nevada's rural 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 rural communities plan smarter while avoiding an over or under building scenario? Nevada Rural Housing Authority (NRHA) set out to answer these questions, and others, for Nevada's rural mining-based communities.

The result – a 1,050 page housing study covering ten rural counties, commissioned by NRHA, that is helping lay the foundation for more efficient community planning and to support future housing development. This report, released in the summer of 2014, provides up-to-date, comprehensive data on housing demand, inventory and supporting infrastructure for Nevada's rural communities.

The study spanned over 11 months, and involved collaboration with city and county leaders, mining companies, financial institutions, and local businesses throughout the state. Its value to our 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 available to them, rural 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.



3695 Desatoya Drive
Carson City, Nevada 89701
nvrural.org
Main Office: (775) 887-1795
Fax: (775) 887-1798

Eureka County

HOUSING STUDY SUMMARY • SEPTEMBER 2014



A COMPREHENSIVE
ASSESSMENT OF:

Household Demographics
Renter & Homebuyer Capacity
Current Housing Conditions

FOR THE PURPOSES OF:

Supporting Rural Economic
Development Efforts
Projecting housing trends
Defining housing goals



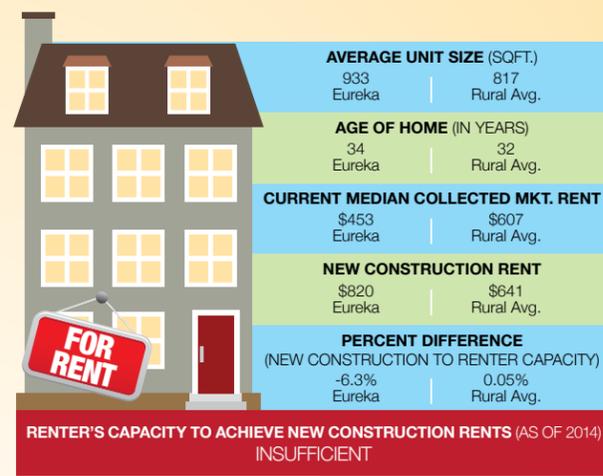
Eureka County's Housing at a Glance

RENTAL RATES & HOUSING PRICE ANALYSIS

For sale home pricing
(Sale prices for median sized home situated on 1/4 acre or smaller lot)

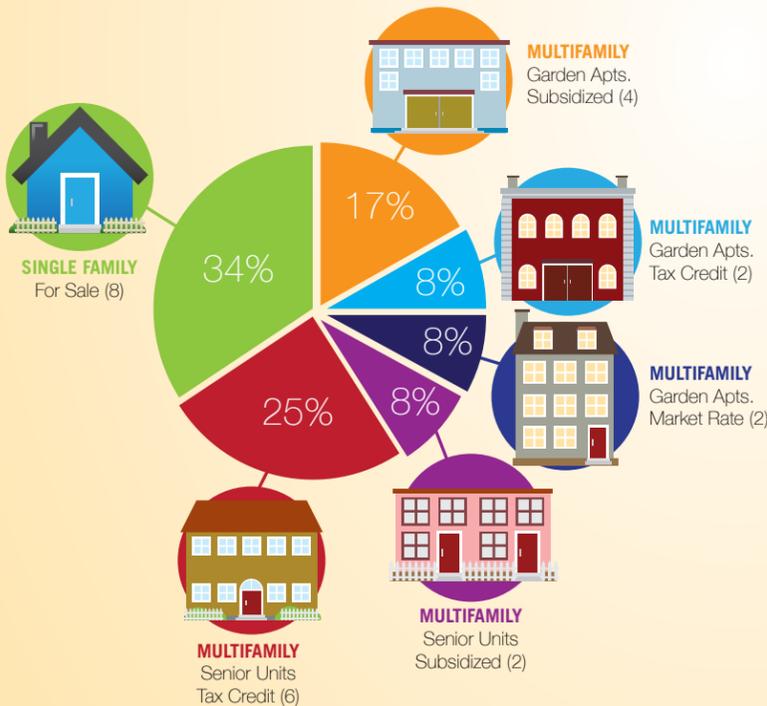


Multifamily market rental rates
(Average market rents for 1, 2 & 3 bedroom garden style units)



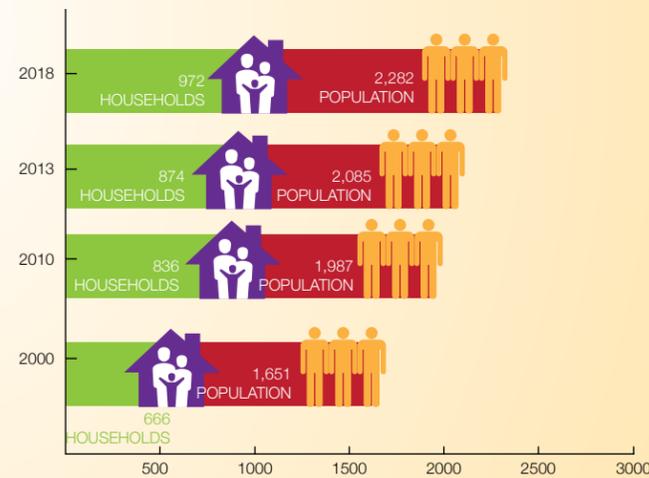
NEW HOUSING UNITS

Demand for new housing units identified for Eureka County

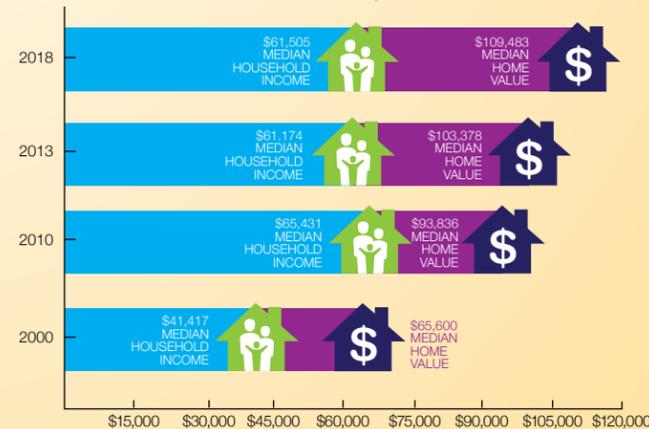


AREA ECONOMIC ASSESSMENTS

Population and household count



Median household income & median home value comparison



Eureka County

HOUSING STUDY SUMMARY | SEPTEMBER 2014

THE COUNTY

Eureka County is located in the east-central area of the state. As of December 2013, the population is estimated to be 2,085, comprising 874 households. It should be noted that the population in this area is projected to increase by 197 residents, or 9.4% of the area population, by the end of the year 2018, while households are projected to increase by 98, or 11.2%, over the same period. Eureka, the county seat, is a Census Designated Place. Eureka County is rural and a large portion of the county is somewhat isolated due to limited accessibility, with mining, agriculture and ranching as the primary industries. Eureka County has a strong history of mining that continues to support the economy. New mining projects coming online in the near future are anticipated to have an impact on the county's population and resource demands.

...it is VSI's opinion that the likely best-case scenario relative to income levels is that the 2018 household incomes will remain close to 2013 levels (when median household income was \$61,174), and that income levels will most likely increase from that point in time.

COUNTY POPULATION GROWTH

Mining households are generally of working age and have a higher percentage of married-couple families with children compared to the general population and thus place greater demand on schools, recreational facilities and services. As such, mining is expected to continue to influence demographic trends for the area. Between 2013 and 2018, the largest increase among household age groups is projected to be among those between the ages of 65 and 74 while all population segments age 55 and older are projected to increase. However, these changes may not translate into a need for new housing units, because many of the county's older adults are already housed and are aging into older cohorts. Instead, it is likely that some older adults will likely move into senior-specific housing at some future date, freeing up single-family homes for younger households.

AREA HOUSEHOLD INCOME

In 2010, the median household income was \$65,431. This declined by 6.5% to \$61,174 in 2013, likely the result of the recent national recession. By 2018, it is projected that the median household income will be \$61,505, an increase of 0.5% over 2013. While area projections indicate a decline in median household income, it is VSI's opinion that the likely best-case scenario relative to income levels is that the 2018 household incomes will remain close to 2013 levels

(when median household income was \$61,174), and that income levels will most likely increase from that point in time. Based on the 2010 U.S. Census and the American Community Survey (ACS), up to 55% of Eureka County households, depending upon income level, are considered rent overburdened. NOTE: Those "overburdened" are households who are paying 30% or more of their adjusted annual income for housing costs (which includes their cost for utilities). Between 2013 and 2018, most of the household growth within Eureka County will be among households with incomes between \$60,000 and \$125,000. It is projected that between 2013 and 2018 the number of households with an annual household income below \$30,000 will grow by 21, a 10.4% increase.

HOME VALUES AND HOUSING IN GENERAL

The median home value in Eureka County in 2010 was \$93,836; in 2013, over 53% of owner-occupied housing structures were valued over \$100,000, with a median

home value of \$103,378 — an increase of more than 10% and one of the few areas of the state that experienced an increase in home values during the recent national recession. Over the next five years, the median home value for the area is projected to increase nearly 6% to just over \$109,400. At present, an estimated 3.5% of area housing units are considered substandard (no plumbing and/or kitchen facilities or more than one occupant per room), and an estimated 4.8% of area housing units are overburdened by housing costs, including 11.9% of area rental units (multi- and single-family dwellings). Eureka County rentals have a combined occupancy rate of 83.1%, a low rate for rental housing. VSI identified a deficit of units within the three income segments of the market. The two lowest income categories, up to 60% AMHI, generally include subsidized, affordable Tax Credit alternatives and moderate rent market-rate units. These income segments indicate net demand of 11 subsidized and affordable units, including seven general occupancy units and four units for older adults. Based on the demand analysis for Eureka County, we estimate housing demand through 2018 to include up to 19 additional rental units over the next five years — up to five units annually. We estimate the county could generate demand for up to two new home sales annually in the near term within the targeted \$188,000 to \$227,000 sales price range.

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 January 22nd, 2014, and as revised on August 1st, 2014, which includes a complete detailed analysis of this County. 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 the rural 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.

NEED BEFORE DECEMBER 31, 2018

For Sale Housing: 8 Homes
 Senior Housing: 8 Units
 Rental Housing: 8 Units
Estimate Demand: 24 New Housing Units