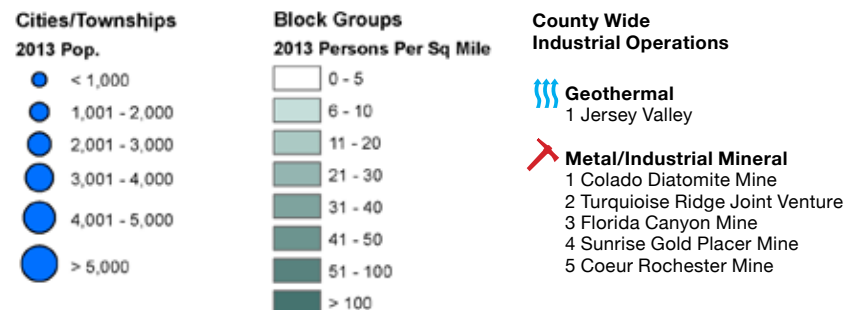
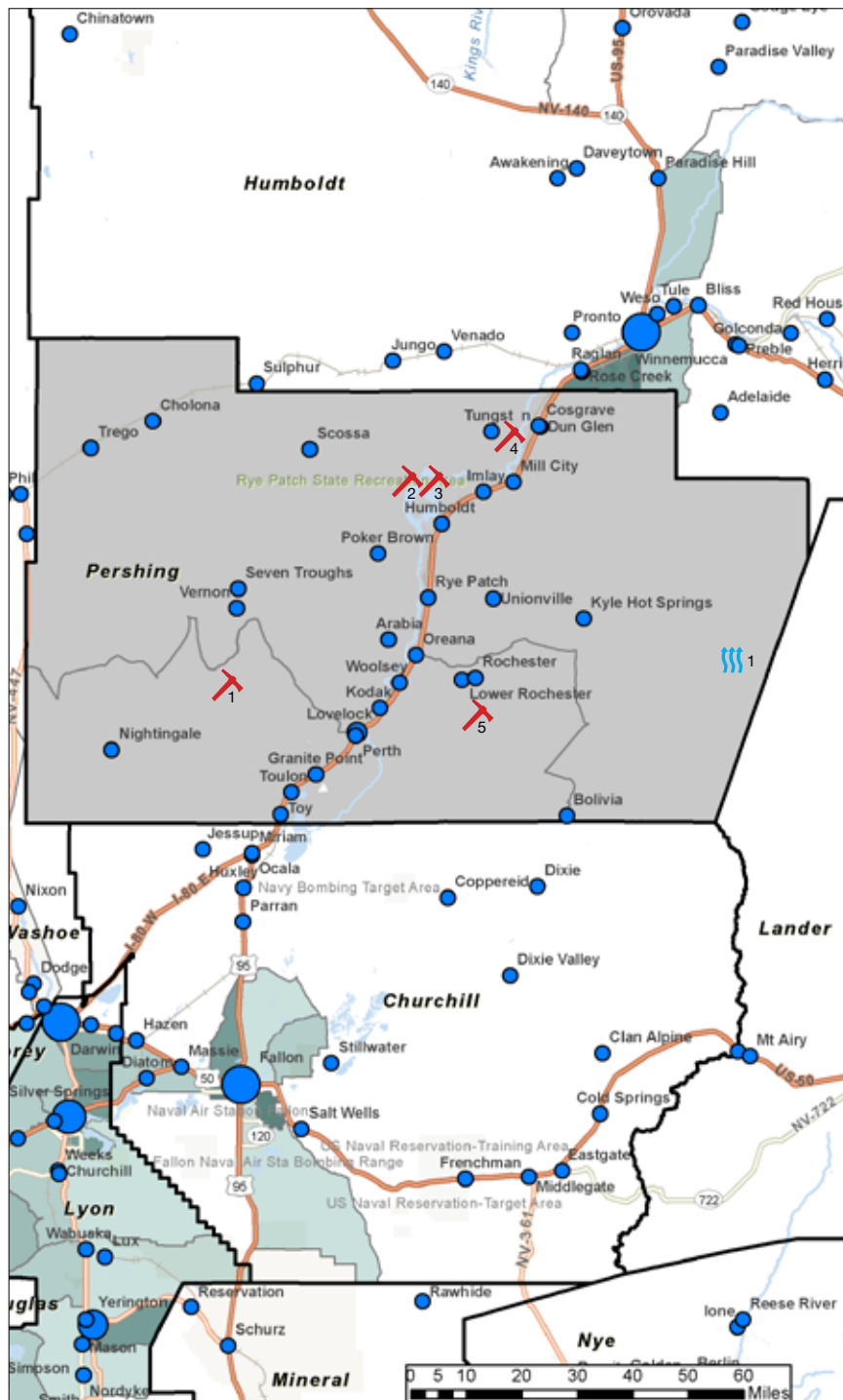


Pershing County

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.



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Pershing County

HOUSING STUDY SUMMARY • SEPTEMBER 2014



A COMPREHENSIVE ASSESSMENT OF:

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

FOR THE PURPOSES OF:

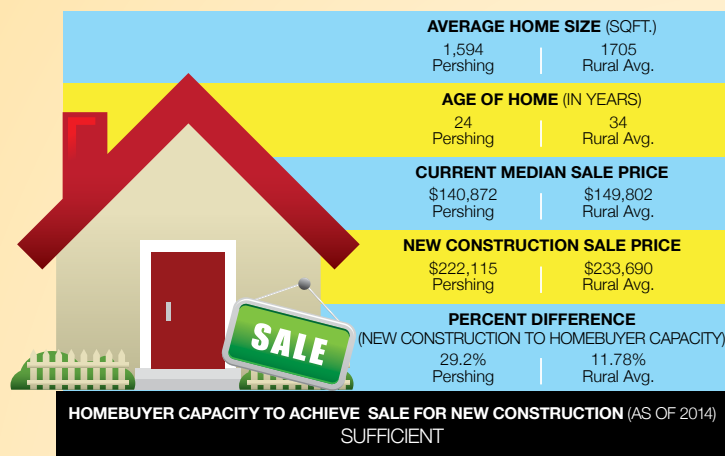
- Supporting Rural Economic Development Efforts
- Projecting housing trends
- Defining housing goals



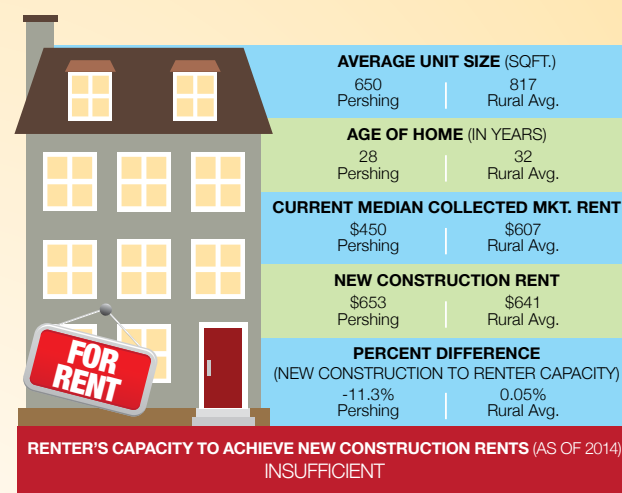
Pershing County's Housing at a Glance

RENTAL RATES & HOUSING PRICE ANALYSIS

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

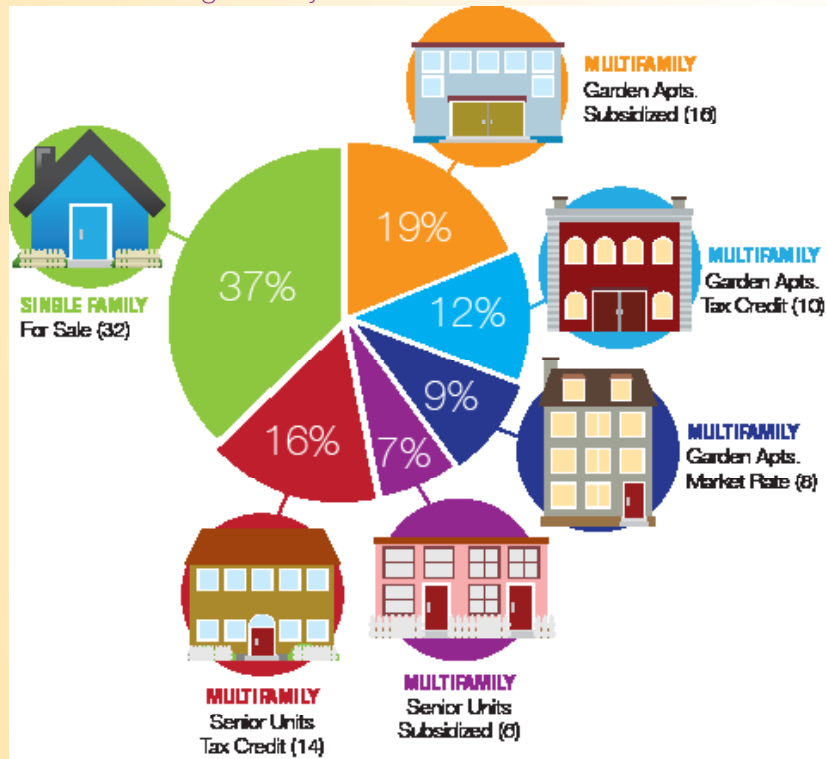


Multifamily market rental rates
(Average market rents for 1, 2 & 3 bedroom garden style units)



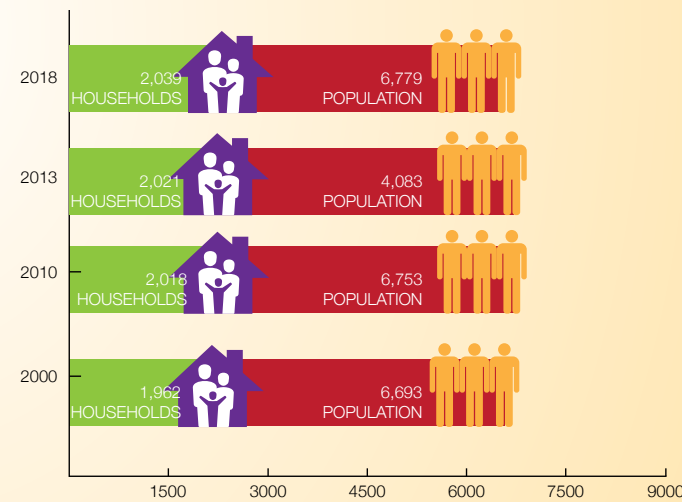
NEW HOUSING UNITS

Demand for new housing units identified for Pershing County

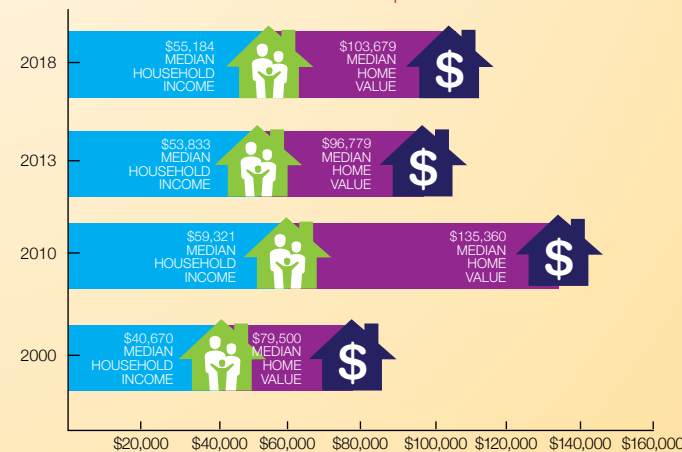


AREA ECONOMIC ASSESSMENTS

Population and household count



Median household income & median home value comparison



NEED BEFORE DECEMBER 31, 2018

For Sale Housing: 32 Homes
Senior Housing: 20 Units
Rental Housing: 34 Units
Estimate Demand: 86 New Housing Units

Pershing County

HOUSING STUDY SUMMARY | SEPTEMBER 2014

THE COUNTY

Pershing County is located in the northwest-central area of the state. As of December 2013, the population is estimated to be 6,820, comprising 2,021 households. It should be noted that the population in this area is projected to decrease by 41 residents, or 0.6% of the population by the end of the year 2018, while households are projected to increase by 18, or 0.9% over the same period. Lovelock, the county seat, is the only city in the county and is located in the south-central part of the county. The town's economy is now based primarily on tourism and employment at the Lovelock Correctional Center, though Pershing County remains a popular spot for a variety of gold and silver mining companies.

Based on the demand analysis for Pershing County, VSI estimates housing demand through 2018 to include up to 68 additional rental units over the next five years.

projected that between 2013 and 2018, the number of households with an annual household income below \$75,000 will decrease by 32, a 2.2% decrease. Based on the 2010 U.S. Census and the American Community Survey (ACS), up to 24% of Pershing 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).

HOME VALUES AND HOUSING IN GENERAL

Pershing County home values have been impacted by the recent recession, and recovery is expected to be slow. The median home value in Pershing County in 2010 was over \$135,000; in 2013, over 47.6% of owner-occupied housing structures were valued over \$100,000, with a median home value of \$96,779 — a decrease of 28.5% from 2010. Over the next five years, the median home value for the area is projected to increase over 7% to just over \$103,675 in 2018. Notably, the 2018 projection for median home value is well below the median home value in 2010. At present, an estimated 5.0% of area housing units are considered substandard (no plumbing and/or kitchen facilities or more than one occupant per room), and an estimated 25.3% of area housing units are overburdened by housing costs, including 31.2% of area rental units (multi-family and single-family dwellings). This survey did not identify any modern single-family subdivisions within the Pershing County area. Significantly, less than 10% of all housing units in Pershing County were constructed in the 10 years prior to the 2010 Census. The majority of the housing in the community was built between 1970 and 2000, indicating a market with relatively old housing stock. Based on the demand analysis for Pershing County, VSI estimates housing demand through 2018 to include up to 68 additional rental units over the next five years. Estimates for single-family homes within the area project demand for eight new home sales annually in the near term reflective of all price points, locations and product alternatives. In order to serve 10% to 20% of the currently estimated out-of-area workers who commute into the county for employment, the market should support 0.5 up to 2.0 additional for-sale units.

COUNTY POPULATION GROWTH

Between 2013 and 2018, the greatest growth among household age groups is projected to be among the households between the ages of 65 and 74. Household growth is also occurring at a rapid rate among households age 85 and older. In fact, all household age groups age 55 and older are projected to increase between 2013 and 2018, indicating an increasing need for senior-specific housing in the market. 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

Area projections indicate a slight decline in median household income between 2010 and 2013, from \$59,321 to \$53,833 in 2013, a 9.3% decrease likely reflecting the lingering impact of the recent national recession. By 2018, it is projected that the median household income will be \$55,184, reflecting an additional decrease of 2.5% compared to the 2013 level. Between 2013 and 2018, most of the household growth within Pershing County will be among households with incomes between \$100,000 and \$125,000. It is

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.