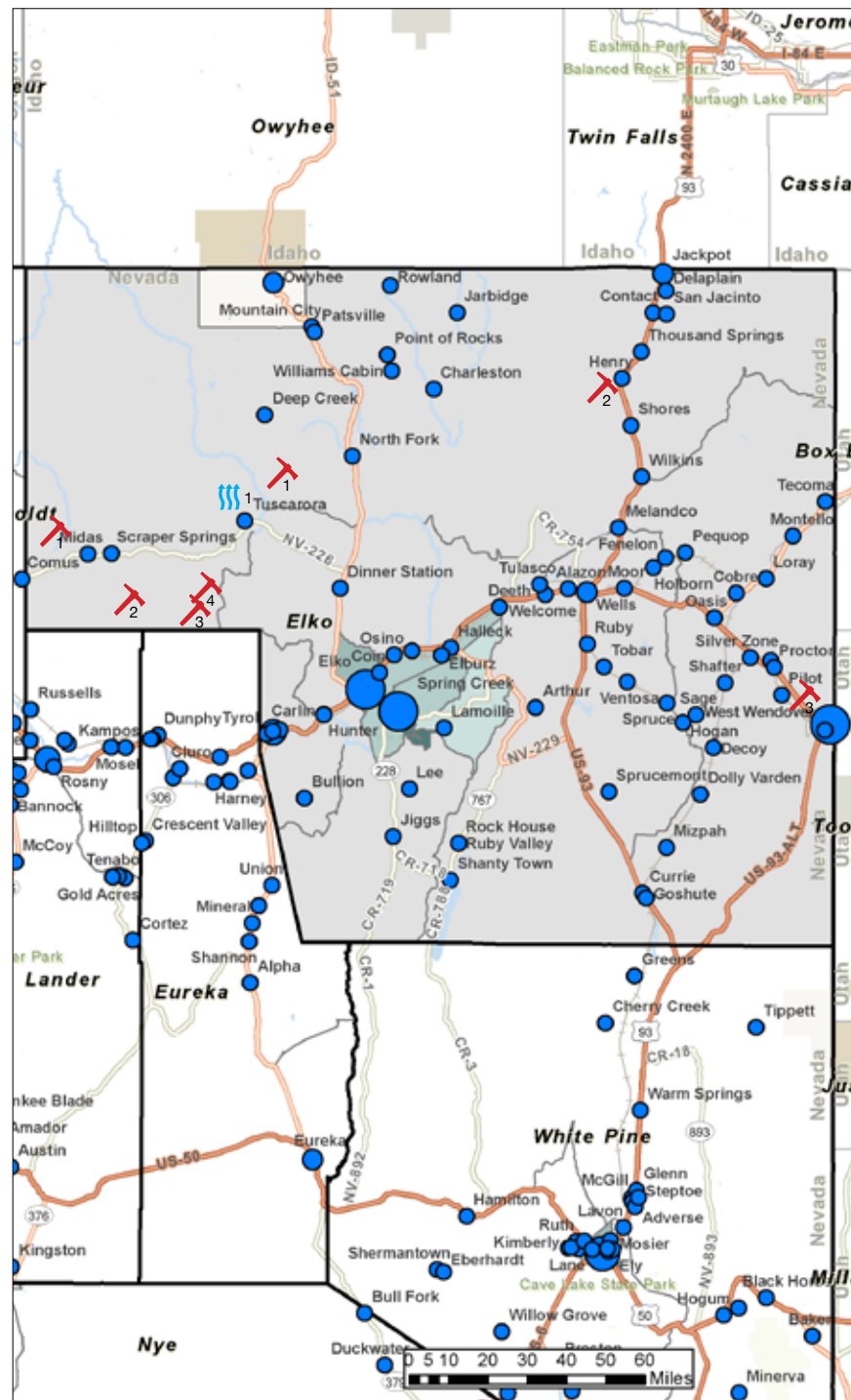


Elko County

POPULATION & INDUSTRIAL OPERATIONS MAP



Cities/Townships 2013 Pop.	Block Groups 2013 Persons Per Sq Mile	County Wide Industrial Operations
● < 1,000	□ 0 - 5	🌊 Geothermal 1 Tuscarora
● 1,001 - 2,000	□ 6 - 10	🔪 Industrial Mineral
● 2,001 - 3,000	□ 11 - 20	1 Midas Mine
● 3,001 - 4,000	□ 21 - 30	2 Holister Mine
● 4,001 - 5,000	□ 31 - 40	3 Storm Mine
● > 5,000	□ 41 - 50	4 Rossi Barite Mine
	□ 51 - 100	5 Jerritt Canyon Mine
	□ > 100	6 Big Ledge Barite Mine
		7 Pilot Peak Limestone Quarry

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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Elko County

HOUSING STUDY SUMMARY • SEPTEMBER 2014



A COMPREHENSIVE
ASSESSMENT OF:

Household Demographics
Renter & Homebuyer Capacity
Current Housing Conditions

FOR THE PURPOSES OF:

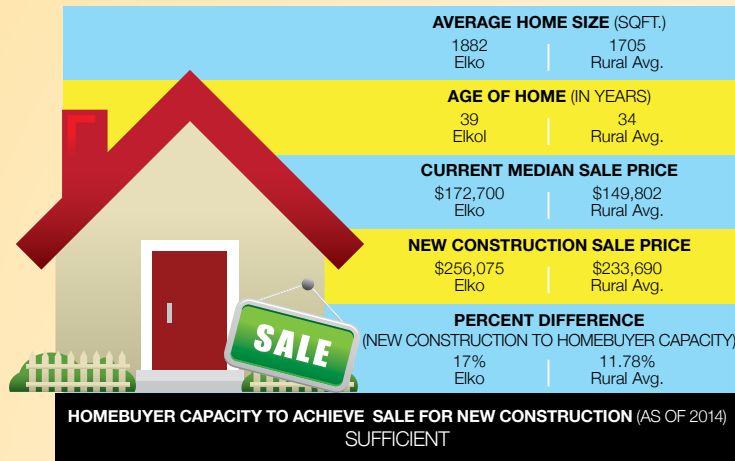
Supporting Rural Economic
Development Efforts
Projecting housing trends
Defining housing goals



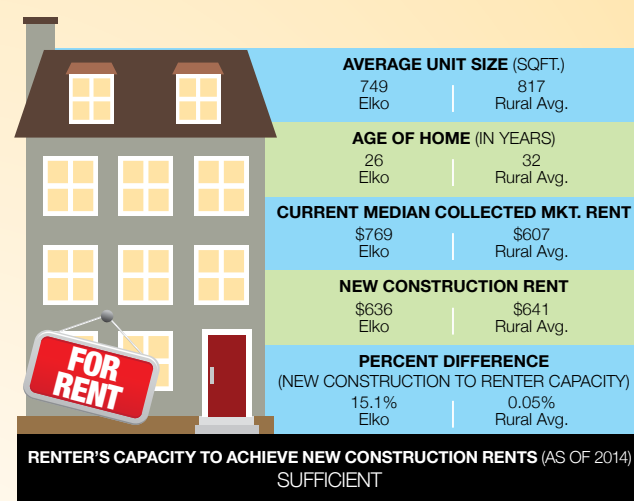
Elko County's Housing at a Glance

RENTAL RATES & HOUSING PRICE ANALYSIS

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

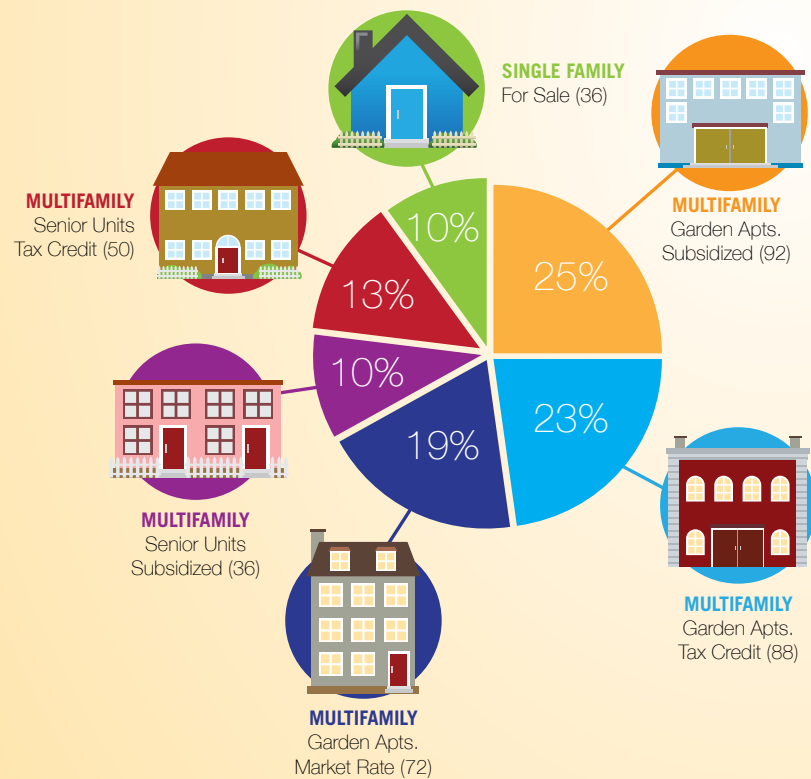


Multifamily market rental rates
(Average market rents for 1, 2 & 3 bedroom garden style units)



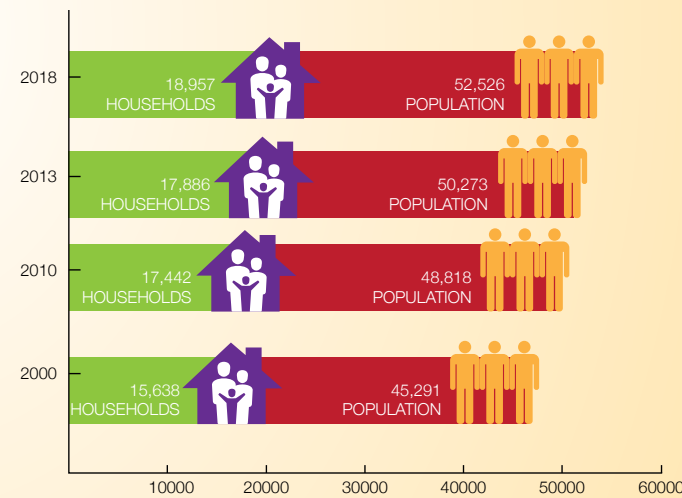
NEW HOUSING UNITS

Demand for new housing units identified for Elko County

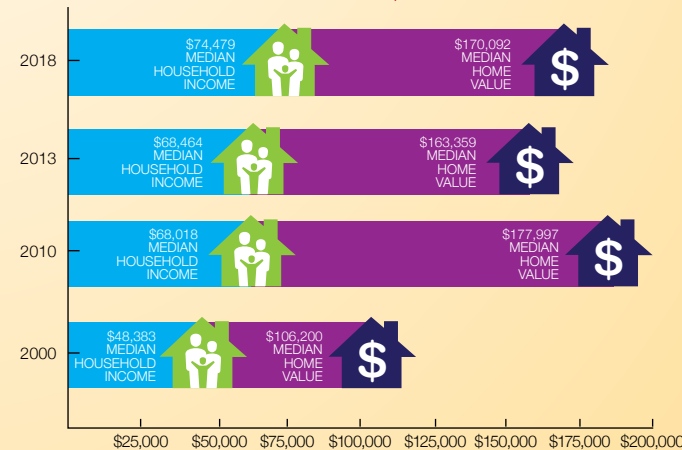


AREA ECONOMIC ASSESSMENTS

Population and household count



Median household income & median home value comparison



Elko County

HOUSING STUDY SUMMARY | SEPTEMBER 2014

THE COUNTY

Elko County is located in the northeast area of the state. As of December 2013, the population in Elko County is estimated to be 50,237, comprising 17,886 households. The population in this area is projected to increase by nearly 2,300 residents, or 4.6% of the population, by the end of 2018, while households are projected to increase by 1,071, or 6.0%, over the same period. Elko, the county seat, is one of four cities in the county, including Carlin, Wells and West Wendover. The majority of the county's residents live in Elko, which is located in the southwest part of the county. Elko's economy is based on gold mining, ranching and tourism. The accommodation/food service industry is the largest employment sector, providing over 5,500 jobs. Additionally, two of the largest gold mining companies in the world operate out of Elko: Newmont Mining and Barrick Gold Company are poised to hire hundreds of people in the coming years.

By 2018, the median household income is projected to be \$74,479, an increase of 8.8% over 2013. Growth among higher paying jobs will help to offset the impact of an increase in both lower-income and fixed-income households.

COUNTY POPULATION GROWTH

All population segments age 55 and older are projected to increase. Between 2013 and 2018, the greatest growth among household age groups is projected to be among those 65-74. Household growth is also occurring at a rapid rate among households 75-84, 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 move into senior-specific housing, freeing up single-family homes for younger households.

AREA HOUSEHOLD INCOME

In 2010, the median household income was \$68,018. This increased by 0.7% to \$68,464 in 2013, despite the recent national recession. By 2018, the median household income is projected to be \$74,479, an increase of 8.8% over 2013. Growth among higher paying jobs will help to offset the impact of an increase in both lower-income and fixed-income households. Between 2013 and 2018, most of the household growth within Elko County will be among households with incomes \$75,000-\$200,000. Between 2013 and 2018, the number of households

with an annual household income below \$30,000 is projected to decline by 170, a 5% decrease. Based on the 2010 U.S. Census and the American Community Survey (ACS), up to 51% of households, depending upon income level, within Elko County are rent overburdened. NOTE: Those "overburdened" are households who are paying 30% or more of their adjusted annual income for housing costs (including cost for utilities).

HOME VALUES AND HOUSING IN GENERAL

Home values have been impacted by the recent recession, and it is predicted that recovery will be slow. At present, an estimated 9.4% of area housing units are considered substandard (no plumbing and/or kitchen facilities or more than one occupant per room) and an estimated 21.9% of area housing units are overburdened by housing costs, including 35.5% of area rental units, which consist of a combination of both multi-family and single-family dwellings. Our survey identified 41 conventional multifamily housing projects containing 2,027 units within Elko

County. Elko County rentals have a combined occupancy rate of 97.3%, a high rate for rental housing. Elko County's 1,443 market-rate units are 97.6% occupied, and the 158 non-subsidized Tax Credit units are 96.8% occupied. Approximately 348 conventional apartment units have been added to the market during the past five years. The three newest properties in the market are fully occupied, emphasizing the demand for new, better quality rentals in the market — which will originate from employment growth and out-of-market workers relocating to the area or gaining new employment. The affordable and subsidized demand will primarily originate from among existing Elko County households. Targeted specifically to the city of Elko, we estimate the short-term housing need for just over 235 units, including nearly 175 affordable and subsidized units and 96 new market-rate units. Other demand levels include 76 units in Wendover/West Wendover, 54 units in Carlin, and 22 units in Wells. This housing demand includes a variety of market-rate, workforce and subsidized units. Based on this study, we estimate Elko County could generate demand for 60 to 70 new home sales annually in the near term. Within the targeted \$186K to \$228K sales price range, demand is projected at eight to ten new homes annually.

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: 36 Homes
Senior Housing: 86 Units
Rental Housing: 252 Units
Estimate Demand: 374 New Housing Units