

NEVADA HOUSING DIVISION



NHD Apartment Facts

Second Quarter 2007

COVERED AREAS:
Greater Las Vegas Valley
Greater Reno/Sparks Area
Rural Nevada

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Final Report

2nd Quarter 2007

Point-In-Time Apartment Survey

Section I -- Greater Las Vegas Valley

Section II -- Greater Reno/Sparks Area

Section III -- Rural Nevada

NHD Apartment Facts

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NHD's Multi-Family Programs Provide Financing for Affordable Housing Throughout the State



HELP Las Vegas Genesis Apartments

HELP Las Vegas Genesis

HELP Las Vegas Genesis Apartments are located within a gated community providing safe, decent, affordable transitional housing for those seeking a step-up in life.

The 75-unit complex which was awarded \$708,399 in tax credits by the Division sits in the middle of downtown Las Vegas' homeless corridor. The affordable residential rental units provide for much needed housing with a high percentage of the units targeted to provide assistance for veterans.



Senator Richard Bryan Seniors Apartments

Senator Richard Bryan Apartments

The Sen. Richard Bryan first-phase 120-unit multi-family housing complex (awarded more than \$8 million in tax credit financing) will be home to some very fortunate low-to moderate-income seniors.

The senior development offers one- and two-bedroom size units that are situated in various desert-themed color coordinated buildings.

From The Administrator



Charles L. Horsey
Administrator

NHD's Annual Multi-Family Survey

It is with great pleasure that the Housing Division is presenting its findings for the second quarter 2007 multi-family housing survey.

Research through mail questionnaires and telephone interviews help the Division each year to systematically identify and compare for analysis the multi-family housing market in the Greater Las Vegas Valley, the Greater Reno/Sparks Area, and the Rural Nevada communities,

Through these surveys, the Division is able to evaluate the effectiveness of its financings and to identify housing gaps for serving the housing needs of the general targeted and special-needs populations. Since its inception, the Division has financed more than 30,000 multi-family units statewide.

A significant portion of the Division's financed units are located in the more urbanized areas and provide rental residential housing targeted for the 55+ age group and for those populations with special needs. The rural areas of the state requires the Division look at housing for families who need larger-size units, and especially at the uniqueness of Nevada's economy where smaller units are desired by workers who commute from the larger urban areas of the state, or are transitional workers.

Of continued importance, however, is the Division's commitment in providing housing that is affordable


throughout the state serving its low-to moderate-income individuals and families.

Increasing residential rental rates throughout all areas of the state have resulted in many families struggling to find affordable, safe, decent and sanitary housing.


Through creative financing by the Division's Multi-Family Programs (Bond, Low-Income Housing Tax Credit, and HOME/Low-Income Housing Trust Fund), and with the assistance of the Division's supportive multi-family housing developers, the Division's financed rental residential units remain affordable. Data from this year's study shows that affordable rental rates are 35% to 50% below the unregulated market rates. It is apparent our efforts are helping to assist those most in need.

I'm proud that the Division continues to be a major player in the financing of many of Nevada's multi-family affordable housing developments. These developments have proven to be affordable as well as attractive and well designed.

Charles L. Horsey



“Through these surveys, the Division is able to evaluate the effectiveness of its financings and to identify housing gaps for serving the housing needs of the general targeted and special-needs populations.”



The Survey

Goals and Objectives

The Division's goals for the *NHD Apartment Facts* report is to assist governmental planners and multifamily market place participants in their short-term and long-range planning processes.

The Division, through this data collection, documents new multi-family units and tracks vacancies and rental rates for existing multi-family housing units in the Greater Las Vegas Valley, the Greater Reno/Sparks Area, and for communities in rural Nevada.

The primary reasons the Housing Division continues this task are to:

1. Create a comprehensive database of rental properties;
2. Give interested parties planning tools to target funding; and
3. Create long-range, monitoring devices to identify emerging and changing trends in the rental property market.

Methodology

The scope of work used in this study consisted of the following tasks:

Design and administration of a mail survey to all identified apartment projects in the Greater Las Vegas Valley, the Greater Reno/Sparks Area, and rural Nevada.

Follow-up data collection by a telephone interview, for those apartment complexes that did not respond to the mail survey.

Implementation of the collection of primary housing data.

Data collected was focused on specific housing related questions:

1. total number of housing units in the multi-family housing complex,
2. address of the property,
3. year property built,
4. number of vacancies,
5. number of vacancies by apartment type,

6. breakdown of total housing units by unit sizes,
7. rental rates (low to high range) for unit sizes,
8. percentage of apartment units rented to the 55+ age group,
9. location of housing for the 55+ age group,
10. location of new multi-family development,
11. housing density of multi-family development, and
12. assessment of housing for the special needs population.

An analysis of data collected through the mail survey and telephone interviews is prepared by NHD staff. A final report is prepared outlining in table and graph formats findings of the survey.

Data:

All data for the second quarter 2007 study is based upon primary data collection conducted by the Housing Division. From this data collection, 811 apartment complexes were identified in the Greater Las Vegas Valley representing 131,767 apartment units validated for the database.

In the Greater Reno/Sparks Area, 237 apartment complexes were identified representing 27,050 apartment units validated for the database.

For rural Nevada, 124 apartment complexes were included in the sample representing 5,104 apartment units validated for the database.

Survey data analysis is based upon a 85% response rate for the Greater Las Vegas Valley, a 81% response rate for the Greater Reno/Sparks Area, and a 75% response rate for rural Nevada.¹

All data for the multi-family analysis is based upon market rate rents; subsidized and public housing rental properties are not included.

¹Response rate is based upon response rate of unit count and not response rate of apartment complexes. Typically, larger complexes, representing more apartment units, have a sophisticated management structure, have on-site management, and, therefore, are more likely to respond to questionnaires.

Section I

Greater Las Vegas Valley

Greater Las Vegas Valley Apartment Survey Study

Key Points

Key findings from the 2nd Quarter 2007 survey reflect the following:

1. The two-bedroom size apartments continue to remain the most popular rental unit type.
2. The two-bedroom size apartments comprise nearly half (49%) of the identified multi-family housing units.
3. The average apartment complex shows a decrease in size, averaging over 196 units per apartment since 2000.
4. Data reflects an overall vacancy rate of 5.1%, a +1.7% change in vacancy rate from the 2006 point-in-time survey data.
5. Four-bedroom size apartment rental units reflect the highest vacancy rates.
6. Vacancy rates are higher in older developed areas of the Valley.
7. Five zip codes, located in the central part of the Valley, house nearly one-third of all multi-family units.
8. Most of 2007's multi-family construction has occurred in older developed areas undergoing urban revitalization.
9. Since 2000, data reflects a downward trend of multi-family construction.
10. The second quarter 2007 mean rental rates show a mean increase in rental rates of +4.59% over 2006's data.
11. The greatest rental rate change since 2006 occurred in the one-bedroom size apartments with a 5.02% increase in rental rates.
12. Affordable rents¹ for studio, one, two and three-bedroom size units are an average of 28.75% lower than market rents for comparable configuration.
13. The one-bedroom size unit continues to be the most popular size unit for the 55+ age group, with 50% of this age group selecting this size unit.
14. More than 85% multi-family units produced to house the 55+ age group has been built since 1980.
15. Five zip code areas house 42.6% of the 55+ age group who rent.
16. The zip codes that house most of the 55+ age group who rent are areas close to shopping, medical services, public transportation, and gaming.
17. Vacancy rates for those apartments that house the 55+ age group averaged 4.28% in 2007, compared to a 3.06% vacancy rate in 2006.
18. The lowest monthly rental rate for senior housing (55+ population) is located in the older developed residential areas of the Valley.
19. Affordable rents¹ for studio, one, and two-bedroom size units that house the 55+ population are an average of 40.56% lower than market rents for comparable configuration.

Affordable rents¹ for studio, one, and two-bedroom size units that house the 55+ population are an average of 40.56% lower than market rents for comparable configuration.

¹Affordable rents are those rents provided to individuals or families in which one-third of those families' income is 60% or less of area median income,

i.e. apartment complex units that are income restricted.

² Vacancy rates are determined from data collected from survey responses to the specific vacancy rate question.

Distribution of Apartments by Type of Unit

The split of unit types shows that the two-bedroom size continues to be the most popular rental unit type. Two-bedroom units comprise nearly half of NHD's identified apartment units in the Greater Las Vegas Valley. (See Graph 1.)

TABLE 1
Number of Apartments by Type of Unit
June 1997-2007

	Total Units	SRO ²	Studios	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
June 1997	121,509	na	9,314	44,754	57,481	9,804	156
June 1998	131,754	na	8,837	49,180	62,515	11,044	156
June 1999	143,163	na	10,173	52,395	67,808	12,526	261
June 2000	148,904	989	8,625	54,063	71,197	13,772	258
June 2001	151,582	1,474	7,509	55,548	72,784	14,009	258
June 2002	160,083	1,459	8,804	56,920	76,996	15,633	271
June 2003	158,433 ¹	1,653	9,155	55,198	76,255	15,892	280
June 2004	156,404 ¹	1,360	9,693	53,781	75,703	15,589	278
June 2005	147,689 ¹	1,224	8,819	52,279	70,651	14,305	411
June 2006	135,696 ¹	579	6,684	48,447	66,518	13,069	399
June 2007	131,767 ¹	924	7,168	45,734	64,624	12,987	330

¹ Due to demolitions, conversion to condominiums, refusal to participate, expressed non interest in taking the time to answer questions for the survey or telephone systems that serve as screening of telephone calls, has resulted in a lower number of total units in the survey's database.

² Single Room Occupancy.

Distribution of Apartments by Type of Unit

Of the total number of apartment units identified, more than 11% of the identified units either had mail returned or the complex's management staff was not accessible for participating in the survey. Over the past three years, 16.69% or 16,687 units were identified as being converted from apartment rental units to condominiums. This year's survey had responses from on-site condominium property management who indicated that 30% to 50% of their units had not sold to home owners and were available for rental.

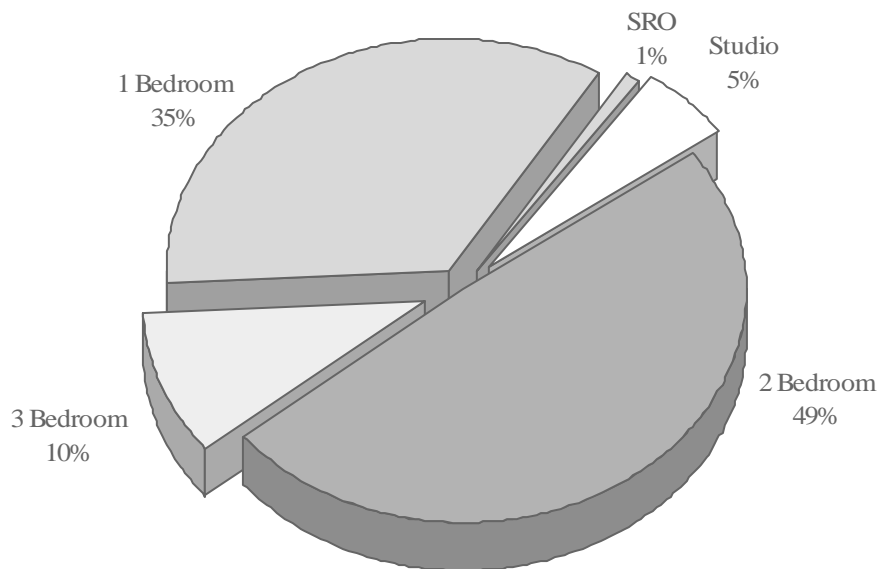
Table 1-A
Number of Apartments by Type of Unit
 June 2004-2007
 Database Breakdown

Description	June 2004	June 2005	June 2006	June 2007
Total # of apartment complexes identified	866	869	855	811
Total # of apartment units identified	165,649	166,815	159,328	153,388
# of units identified to be demolished	346	2,414	1,820	405
# of units identified converted from apartment rental units to condominiums	3,800	11,780	10,288	1,107
# of identified rental units where there was no response, or owners and/or managers refused to participate	3,081	2,885	6,612	17,172
# of identified rental areas where mail was returned, in those cases rental complexes are too small to have on-site management office	404	768	3,057	2,591
# of rental units identified as under construction with targeted completion dates later in year	1,244	452	638	346
Total # of rental units validated for database	156,404	147,689	135,696	131,767

Distribution of Apartments by Type of Unit

Graph 1 shows that residents of the multi-family residential rental market prefers larger-size units. Nearly one-half of the multi-family housing inventory is two-bedroom in size. The four-bedroom size units represent less than one percentage of unit types available in the market place.

GRAPH 1
Distribution of Apartment Units by Size
June 2007



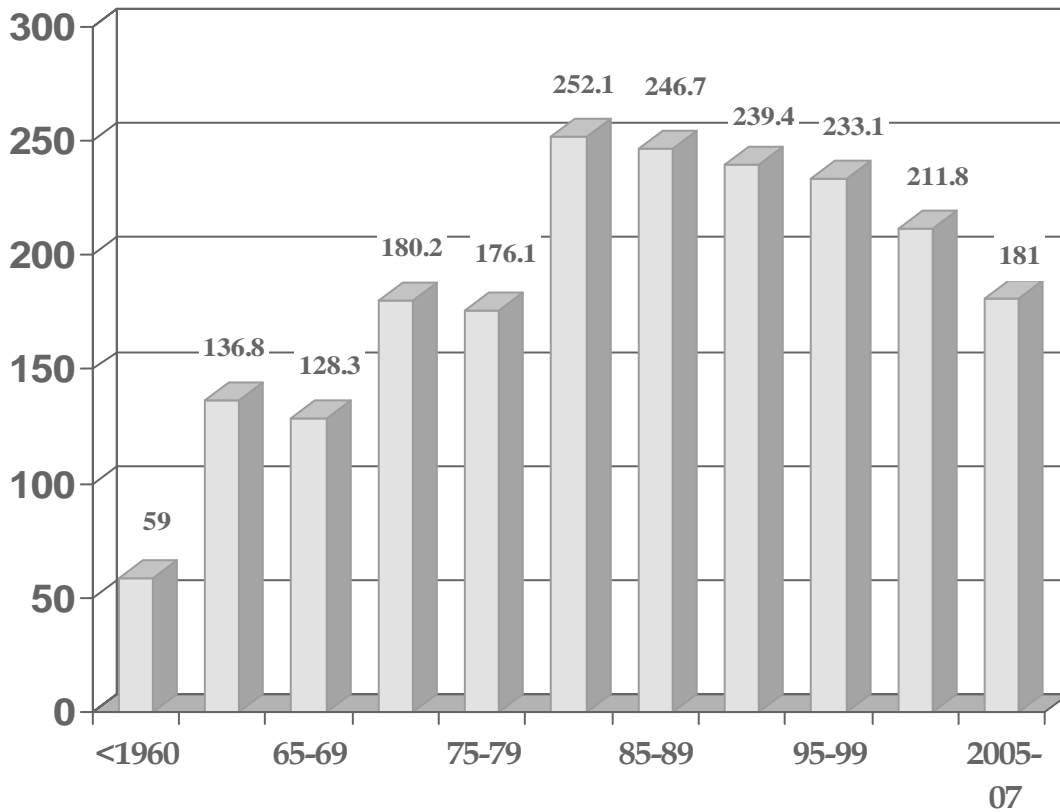
Note: Four-Bedroom size units represent less than 1% of the total number of apartment units in the Greater Las Vegas Valley; therefore, that number is not shown in Graph 1.

Growth in Average Apartment Project Size

The average apartment complex size averaged from 233 to 252 units per apartment complex during the years 1980 through 1999. Starting in year 2000 the size of complexes have become smaller reflecting a decline in number of units per complex.

GRAPH 2
Average Apartment Project Size by 5-year Increments
<1960 to 2007

Units Per Project



Year Built

Vacancy Rates

The vacancy rates in the Division's second quarter 2007 survey reflects an increase in number of vacancies for the Greater Las Vegas Valley. The 2007 data shows a vacancy rate of 5.1%, a vacancy rate increase of 1.7% from the second quarter 2006 point-in-time survey data.

TABLE 2
Vacancy Rates
(Data by Year Project was Built)

Date Units Built	2nd Qtr. 2007 # Responding to vacancy question		2nd Qtr. 2007 # of Reported Vacant Units	Vacancy Rate 6/30/07	Vacancy Rate 6/30/06	Vacancy Rate 6/30/05	Vacancy Rate 6/30/04	Vacancy Rate 6/30/03	Vacancy Rate 6/30/02
	Projects	Units							
2007 only	9	1,376	**	**	**	**	**	na	na
2005-2006	10	2,063	**	**	**	**	**	**	**
2000-2004	82	17,194	593	3.4%	3.1%	3.7%	7.1%	8.1%	na
1995-1999	119	27,473	1,244	4.5%	2.7%	2.4%	4.7%	6.6%	6.8%
1990-1994	59	13,537	571	4.2%	3.0%	2.8%	3.4%	7.8%	5.7%
1985-1989	92	22,078	1,247	5.6%	4.1%	3.3%	5.0%	7.9%	6.5%
1980-1984	46	11,570	608	5.3%	3.6%	3.4%	5.4%	7.0%	6.8%
1975-1979	53	9,448	394	4.2%	3.0%	3.3%	4.7%	8.6%	7.0%
1970-1974	43	7,750	610	7.9%	3.3%	4.9%	7.2%	9.6%	7.2%
Pre-1970	54	6,046	617	10.2%	5.1%	5.0%	8.3%	7.6%	7.3%
Date unknown	7	485	43	8.9%	2.0%	10.2%	.06%	16.8%	12.0%
	574	115,581	5,927	5.1%	3.4%	3.4%	5.3%	7.6%	6.9%

*Vacancy data is derived from a 91.3% survey response rate to the specific vacancy rate question.

** 2007 units are under construction or in first phase of renting. 2005 and 2006 data are not included in determining the Valley's overall vacancy rate as rent-up time is allowed prior to determining vacancy rates of the Greater Las Vegas Valley.

na - not applicable.

Note: Totals do not include assisted living, group homes, subsidized or special needs housing units.

Vacancy Rates

Table 3 reflects that in the Greater Las Vegas Valley, the four-bedroom size apartments experience the highest vacancy rate, with the single room occupancy and the one-bedroom size units experiencing the lowest vacancy rates.

TABLE 3
Reported Vacancies by Type of Unit
for All Reporting Apartment Complexes
2007

Apartment Type	Number of Units in Sample ¹	Vacancies by Unit Type	Vacancy Rate
Single Room Occupancy (SRO)	768	9	1.2%
Studio Apartments	4,693	330	7.0%
1-Bedroom Size Apartments	23,881	1,048	4.4%
2-Bedroom Size Apartments	35,992	1,947	5.4%
3-Bedroom Size Apartments	8,029	508	6.3%
4-Bedroom Size Apartments	209	20	9.6%

¹Number of units in sample was derived from the responses of apartment complexes that provided a breakdown of number of vacancies by apartment type.

Housing Units and Vacancy Rate by Zip Code

TABLE 4 — Total Number of Housing Units and Vacancy Rate by Zip Code

Zip Code	Total Number of Apartment Units in Zip Code Area 6/30/07	Vacancy Rate (%) by Zip Code for those Apartment Units Reporting Vacancies 6/30/07	Vacancy Rate (%) by Zip Code Area for those Apartment Units Reporting Vacancies 6/30/06	Vacancy Rate (%) by Zip Code Area for those Apartment Units Reporting Vacancies 6/30/05	Vacancy Rate (%) by Zip Code Area for those Apartment Units Reporting Vacancies 6/30/04
89005	175	0.0%	0.0%	0.0%	2.1%
89012	2,548	3.3%	1.8%	2.4%	4.8%
89014	6,029	3.5%	2.9%	3.4%	4.4%
89015	2,991	3.7%	2.3%	2.5%	4.2%
89030	2,360	9.3%	6.5%	7.5%	8.3%
89031	1,704	1.8%	2.5%	2.8%	2.5%
89032	1,241	4.4%	2.2%	5.5%	17.5%
89036	NA	NA	.8%	0.0%	2.4%
89052	1,228	4.6%	1.7%	4.4%	7.0%
89074	1,634	4.0%	2.1%	2.3%	2.0%
89101	5,494	4.3%	2.1%	3.4%	6.2%
89102	8,023	5.9%	4.2%	3.4%	4.7%
89103	8,140	4.2%	2.5%	2.6%	5.1%
89104	4,209	7.5%	7.2%	3.1%	6.6%
89106	2,505	5.6%	4.7%	7.3%	5.6%
89107	2,351	2.0%	5.4%	3.2%	5.3%
89108	6,112	7.3%	4.3%	2.6%	4.9%
89109	7,384	7.6%	3.2%	4.1%	5.8%
89110	3,347	4.4%	4.5%	2.5%	2.6%
89113	585	4.3%	.5%	0.0%	5.0%
89115	6,087	7.7%	6.0%	3.1%	5.9%
89117	7,710	4.1%	2.0%	2.1%	3.0%
89118	2,201	4.7%	1.6%	2.2%	5.0%
89119	10,082	4.8%	2.7%	2.0%	5.3%
89120	1,582	1.5%	2.1%	2.0%	1.4%
89121	6,865	6.6%	2.9%	3.8%	5.1%
89122	3,088	3.9%	3.5%	4.4%	4.0%
89123	5,604	3.3%	4.9%	2.4%	6.3%
89128	2,832	8.2%	4.9%	3.8%	6.6%
89129	2,508	3.6%	.8%	2.9%	6.8%
89130	1,040	4.9%	1.6%	2.4%	2.0%
89131	272	6.3%	.7%	1.8%	3.3%
89134	288	10.4%	NA	NA	NA
89135	485	5.5%	3.8%	3.1%	5.2%
89139	679	1.0%	1.5%	4.7%	2.8%
89141	340	3.5%	0.0%	7.6%	na
89142	1,744	6.5%	4.7%	3.6%	2.1%
89144	448	0.0%	6.3%	3.9%	4.7%
89145	548	2.6%	.7%	4.2%	7.5%
89146	2,830	4.6%	.9%	3.5%	5.4%
89147	3,235	4.4%	3.9%	3.2%	6.3%
89148	1,385	2.8%	2.1%	5.5%	5.6%
89149	274	5.1%	NA	NA	NA
89156	728	6.2%	4.9%	2.1%	5.9%
89166	336	44.6% ¹	NA	NA	NA
Total Units	131,767				

NA– New zip code.
¹The reporting vacancy units for this zip code indicates an older complex where major renovation is underway.

Distribution of Rental Units by Zip Code

Zip Code	Total Number of Apartment Units in Zip Code Area	Percent	Cumulative
89119	10,082	7.7%	7.7%
89103	8,140	6.2%	13.9%
89102	8,023	6.1%	20.0%
89117	7,710	5.9%	25.9%
89109	7,384	5.6%	31.5%
89121	6,865	5.2%	36.7%
89108	6,112	4.6%	41.3%
89115	6,087	4.6%	45.9%
89014	6,029	4.6%	50.5%
89123	5,604	4.3%	54.8%
89101	5,494	4.2%	59.0%
89104	4,209	3.2%	62.2%
89110	3,347	2.5%	64.7%
89147	3,235	2.5%	67.2%
89122	3,088	2.3%	69.5%
89015	2,991	2.3%	71.8%
89128	2,832	2.2%	74.0%
89146	2,830	2.2%	76.2%
89012	2,548	1.9%	78.1%
89129	2,508	1.9%	80.0%
89106	2,505	1.9%	81.9%
89030	2,360	1.8%	83.7%
89107	2,351	1.8%	85.5%
89118	2,201	1.7%	87.2%
89142	1,744	1.3%	88.5%
89031	1,704	1.3%	89.8%
89074	1,634	1.2%	91.0%
89120	1,582	1.2%	92.2%
89052	1,472	1.1%	93.3%
89148	1,385	1.1%	94.4%
89032	1,241	.9%	95.3%
89130	1,040	.8%	96.1%
89156	728	.5%	96.6%
89139	679	.5%	97.1%
89113	585	.4%	97.5%
89145	548	.4%	97.9%
89135	485	.4%	98.3%
89144	448	.3%	98.6%
89141	340	.3%	98.9%
89166	336	.2%	99.1%
89134	288	.2%	99.3%
89149	274	.2%	99.5%
89131	272	.2%	99.7%
89086	272	.2%	99.9%
89005	175	.1%	100.0%
Total	131,767		

TABLE 5

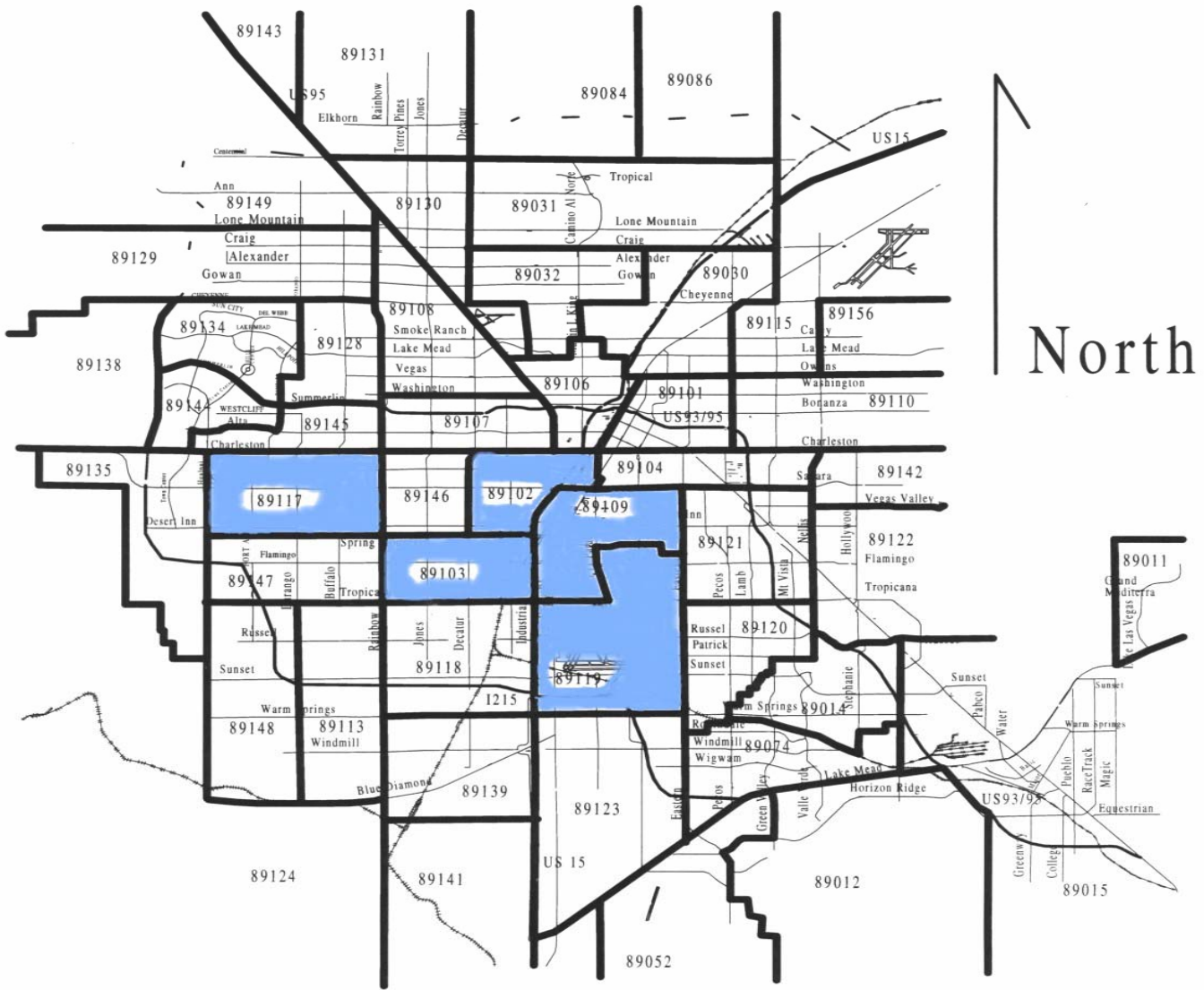
**Total Number of
Apartment Units by
Zip Code**

June 2007

Zip Code Map of the Greater Las Vegas Valley

Nearly one-third of all multi-family housing units are located within five zip codes, 89102, 89103, 89109, 89117, and 89119; these areas of the Valley are centrally located to shopping, medical, education, and gaming facilities.

MAP 1
High Density Zip Code Areas of Multi-Family Housing

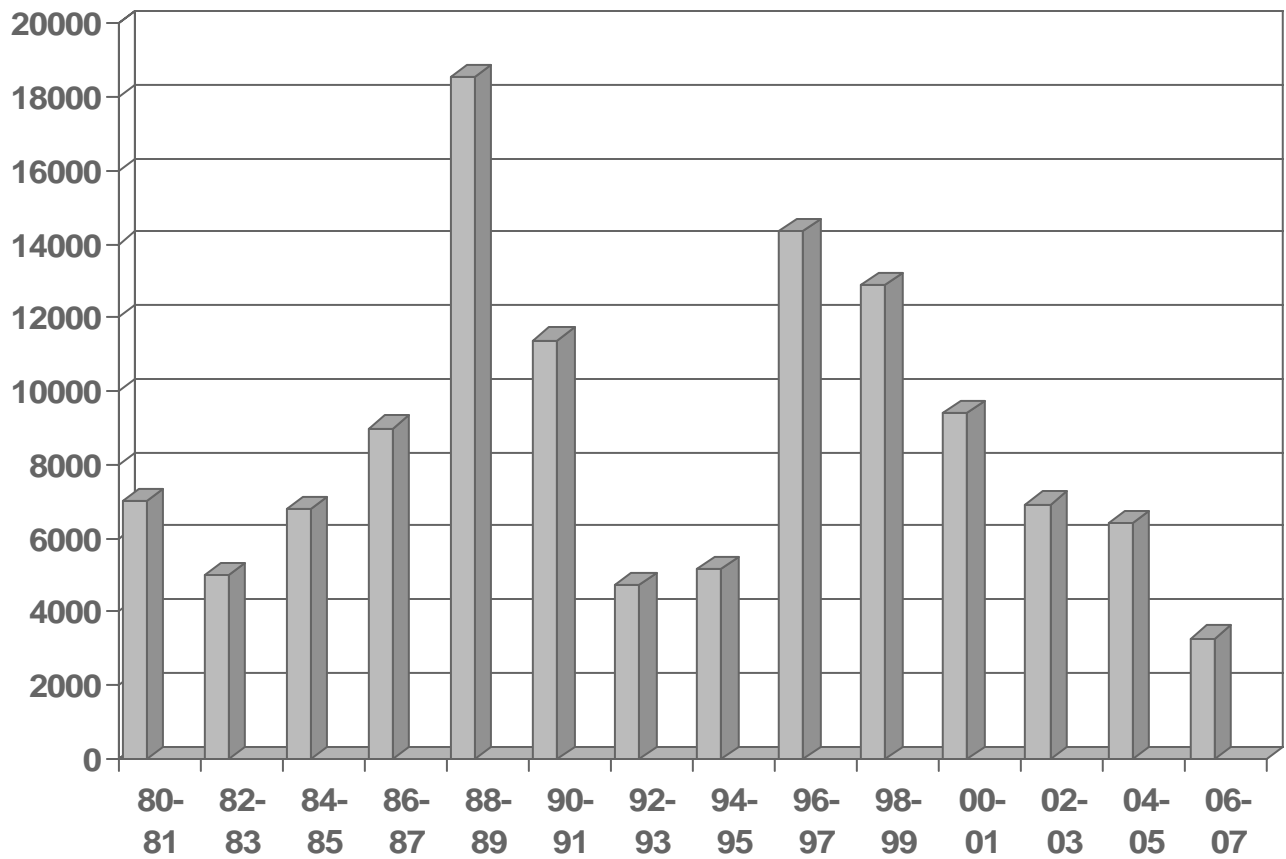


Number of Apartment Units By Year Built Since 1980

Years 1988 and 1989 saw the greatest number of new apartment units produced in the Greater Las Vegas Valley. Since year 2000, data reflects a downward trend in number of rental multi-family housing units being added to the housing inventory.

GRAPH 3
Multi-Family Units by Year Built Since 1980
1980-2007

of Units



Growth Zip Codes

In 2007, a significant part of the Valley's new multi-family construction was constructed within the City of Las Vegas and within the City of Henderson. These new units were located in areas undergoing urban revitalization or in areas of need for affordable multi-family housing.

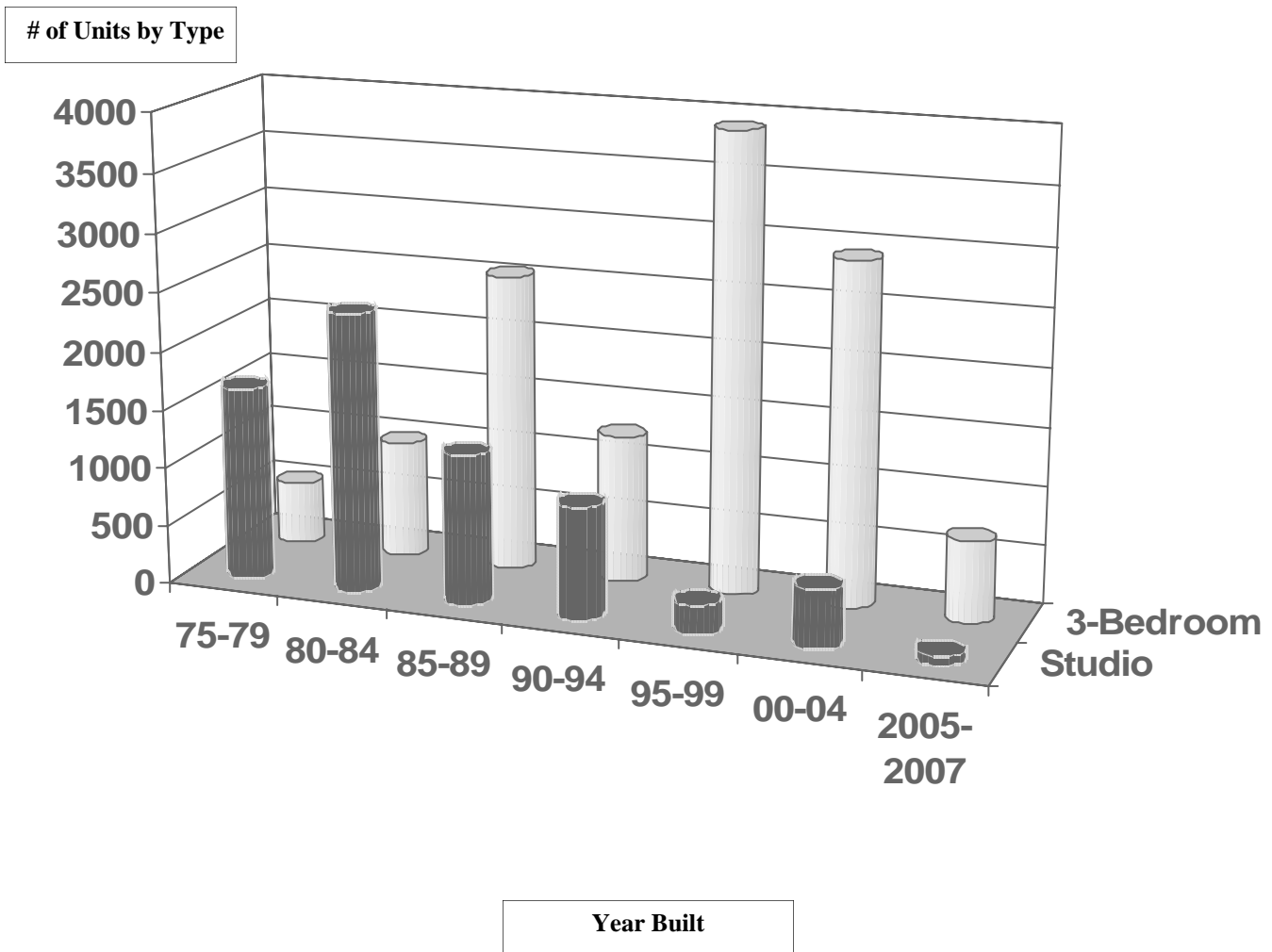
TABLE 6
New Construction and Under Construction
Multi-Family Housing
 During 2006 and First 6 Months of 2007

2006			2007		
Zip Code	New Units Recorded for Calendar Year 2006	% of new construction	Zip Code	New Units as of 6/30/07	% of new construction
89012	296	18.6%	89015	326	18.9%
89030	272	17.1%	89101	273	15.8%
89108	238	15.0%	89108	655	37.9%
89113	384	24.2%	89110	122	7.1%
89122	400	25.1%	89148	350	20.3%
Total	1,590	100.0%	Total	1,726	100.0%

Mix of Apartment Unit Types By Year Built

Studio-size apartment construction equaled or outpaced the larger three-bedroom size from 1975 through 1984. Beginning in 1985, the three-bedroom size apartments gained in popularity, continuing to outpace the smaller-size studio units. Significant increases are reflected in the 1995 to 1999 data when the construction of the three-bedroom size unit far exceeded studio units developed. Since 2000, the number of three-bedroom size units being constructed have shown a decline.

GRAPH 4
Apartment Unit Types by Year Built
 1975-2007



Distribution of Rents by Apartment Size

Rental rates, as of June 2007, reflect an overall increase of +4.59%. Rental rates in the Greater Las Vegas Valley show a continued increase; however this data reflects a decline of 3.07% in rental rates over June 2006 data. The 2006 NHD apartment survey showed an overall increase of +7.66% in multi-family housing units.

TABLE 7
Mean Rental Rates by Apartment Sizes
June 1997-2007

Date	Studio	1-Bedroom	2-Bedroom	3-Bedroom
June 1997	\$446.79	\$540.10	\$643.43	\$783.22
June 1998	\$460.75	\$561.81	\$675.67	\$826.83
% change 97-98	+3.1%	+4.0%	+5.0%	+5.6%
June 1999	\$ 444.97	\$ 556.80	\$673.19	\$838.72
% change 98-99	-3.5%	-9%	-4%	+1.4%
June 2000	\$454.00	\$573.41	\$692.24	\$861.66
% change 99-00	+1.99%	+2.9%	+2.8%	+2.7%
June 2001	\$459.38	\$588.14	\$714.05	\$883.56
% change 00-01	+1.17%	+2.51%	+3.05%	+2.48%
June 2002	\$489.00	\$599.29	\$726.48	\$901.53
% change 01-02	+6.1%	+1.9%	+1.7%	+2.0%
June 2003	\$498.55	\$607.08	\$732.55	\$908.67
% change 02-03	+1.9%	+1.3%	+8%	+8%
June 2004	\$515.48	\$618.62	\$747.04	\$922.65
% change 03-04	+3.28%	+1.87%	+1.94%	+1.52%
June 2005	\$533.32	\$655.12	\$794.95	\$962.76
% change 04-05	+3.34%	+5.57%	+5.97%	+4.18%
June 2006	\$570.46	\$715.20	\$855.01	\$1,054.61
% change 05-06	+6.51%	+8.40%	+7.02%	+8.71%
June 2007	\$597.93	\$753.01	\$899.03	\$1,096.96
% change 06-07	+4.59%	+5.02%	+4.90%	+3.86%

Note: Rental rates for SRO (Single Room Occupancy) and four-bedroom size apartments mean monthly rental rates are not reflected in this table as both of these size units represent less than one percent of the Valley's total number of multi-family units.

Distribution of Rents by Apartment Size

Table 8 reflects the significant gap between affordable and market units rental rates in multi-family residential housing complexes. Rental rates for size of units show a percentage difference in rents of more than 26%, with the one-bedroom size units showing the most significant gap in rental rates with a 30.44% difference between affordable and market-rate multi-family residential unit rental rates.

TABLE 8
Mean Rental Rates
Market Rate, Affordable, and Special Needs Housing Rental Rate Comparison
 2007

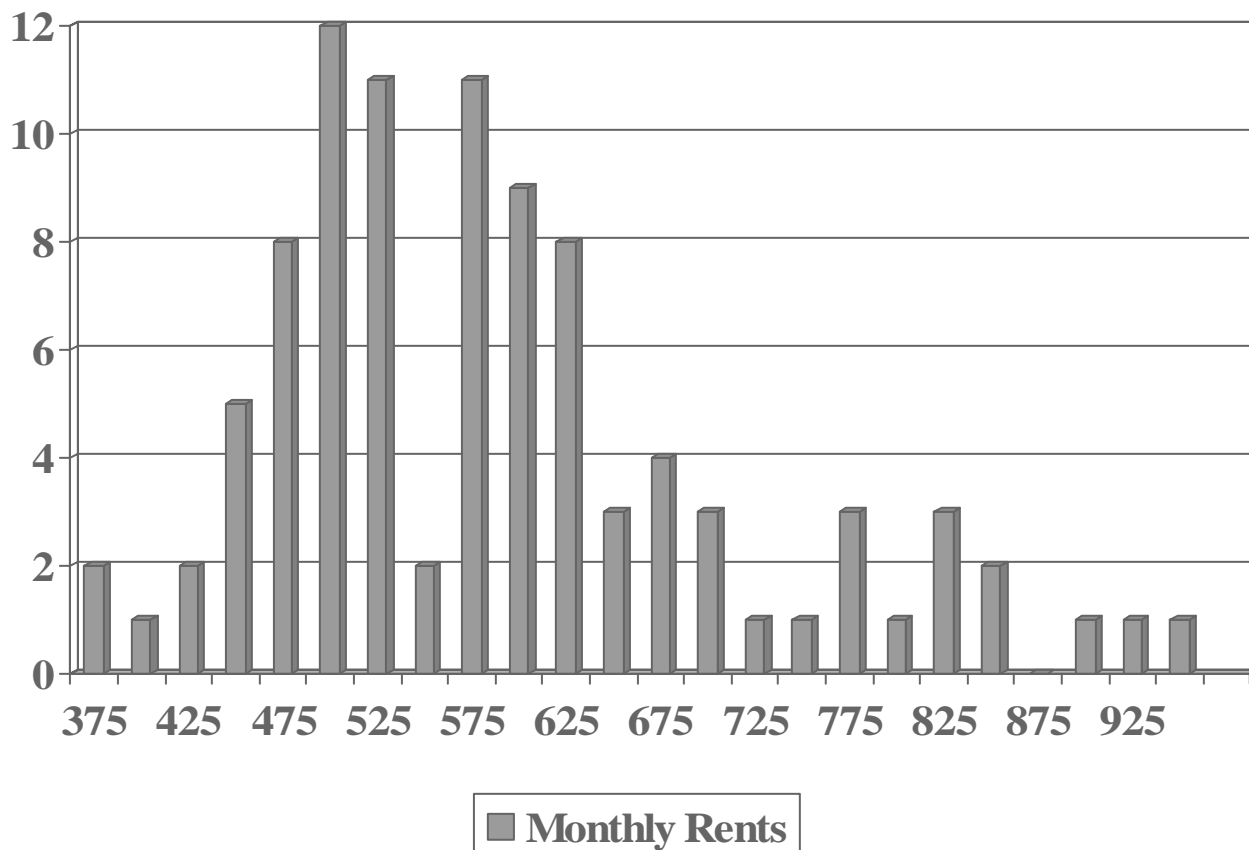
Type of Units	Studio		1-Bedroom		2-Bedroom		3-Bedroom	
	2007	2006	2007	2006	2007	2006	2007	2006
Market Units Rental Rate	\$597.93	\$570.46	\$753.01	\$715.20	\$899.03	\$855.01	\$1,096.96	\$1,054.61
Affordable Units ¹ Rental Rate	\$436.67	\$512.50	\$523.82	\$525.89	\$638.34	\$629.70	\$783.30	\$775.01
Percentage Difference between Affordable and Market-Rate Multi-Family Residential Unit Rental Rates	-26.97%	-10.16%	-30.44%	-26.47%	-29.00%	-26.35%	-28.59%	-26.51%
Special Needs Housing ²	\$302.20	\$406.20	\$345.78	\$479.22	\$359.50	\$438.33	\$399.00	\$400.00

¹ Affordable units denote apartment complex units that are income restricted.

² Special needs housing denotes transitional rental housing and multi-family rental units for persons who are mobility impaired and are very-low income.

Distribution of Rents by Apartment Size

GRAPH 5
Distribution of Rental Rates for Studio Apartments
 June 2007

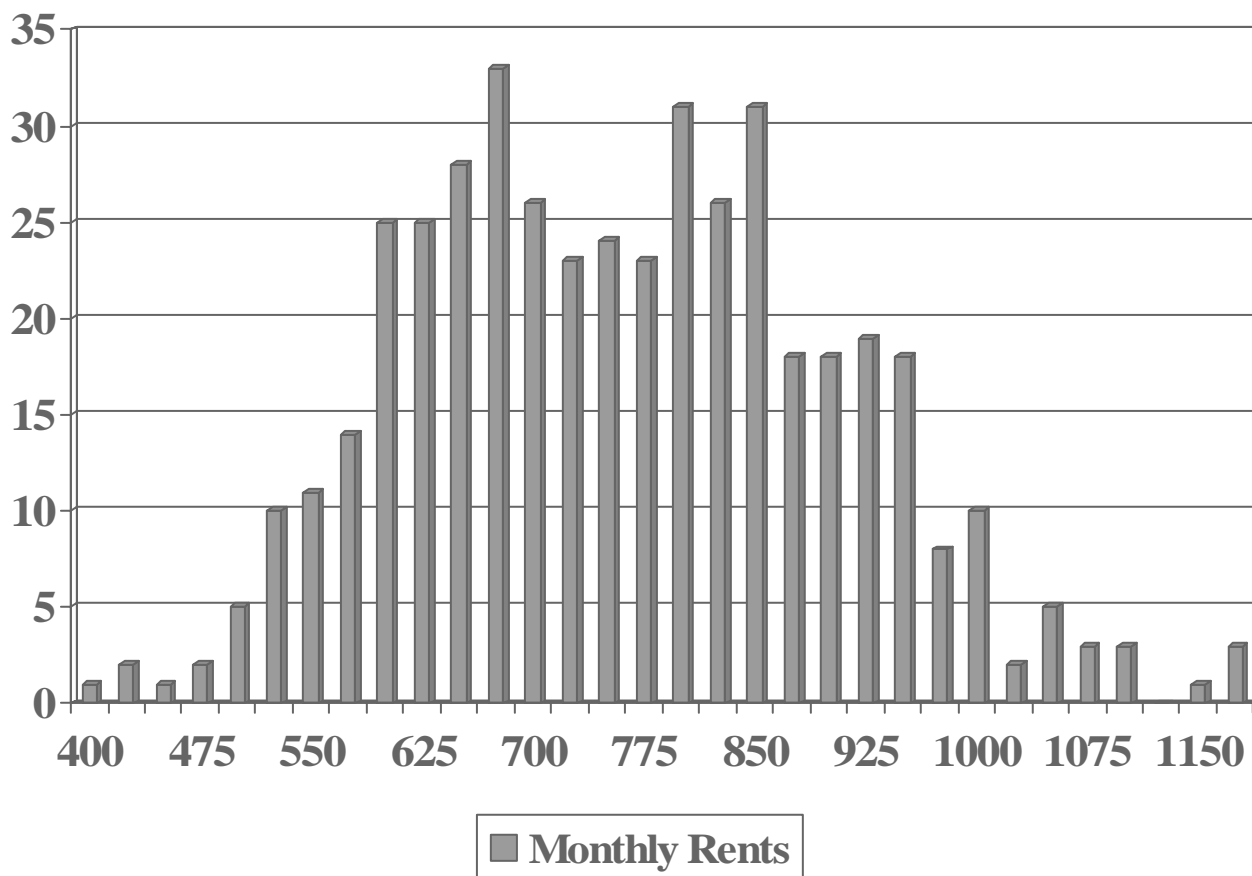


Average Low = \$587.82 up 5.30% since 2006
 Average High = \$608.03 up 3.91% since 2006

Note: 95 apartment complexes reporting.

Distribution of Rents by Apartment Size (continued)

GRAPH 6
Distribution of Rental Rates for 1-Bedroom Apartments
 June 2007

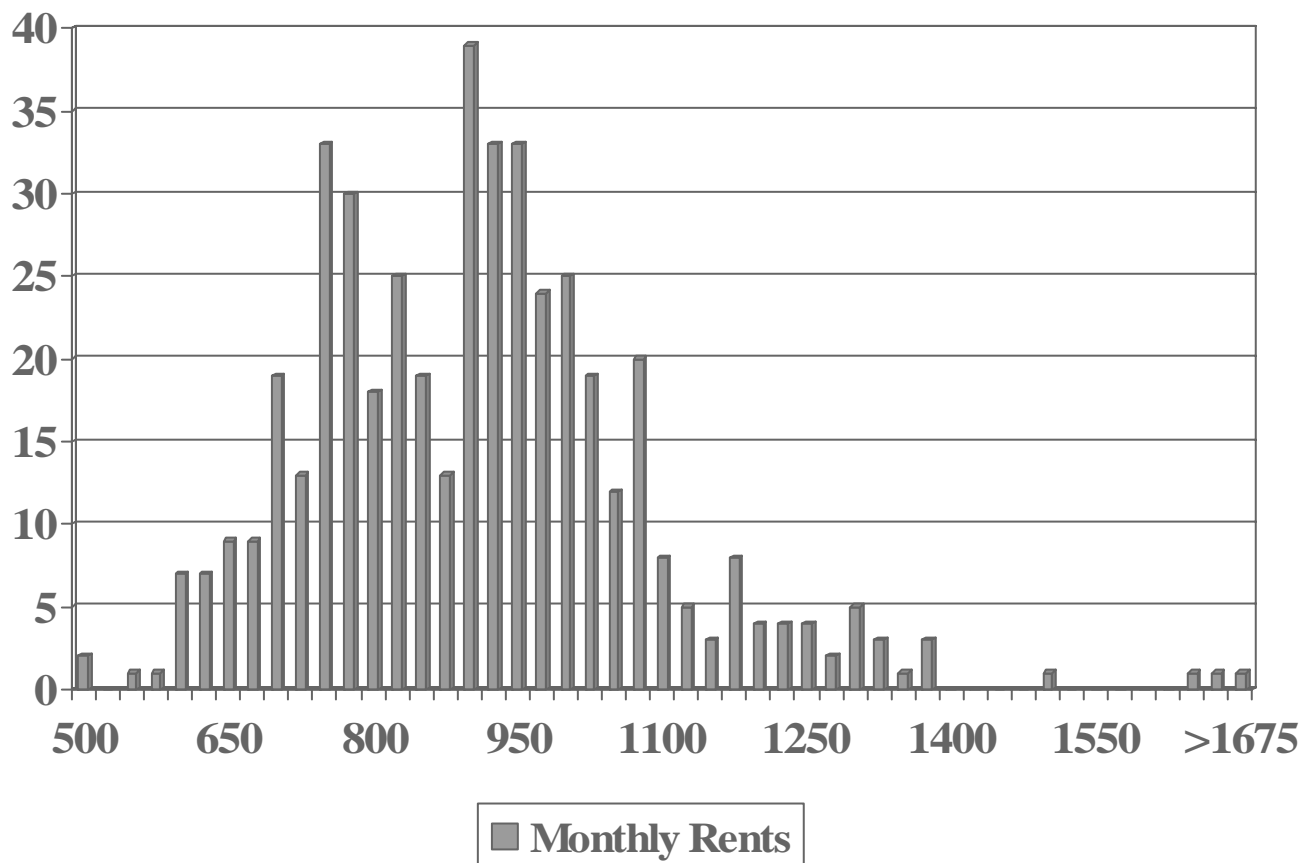


Average Low= \$731.89 up 5.21% since 2006
 Average High= \$774.12 up 4.84% since 2006

Note: 449 apartment complexes reporting.

Distribution of Rents by Apartment Size (continued)

GRAPH 7
Distribution of Rental Rates for 2-Bedroom Apartments
 June 2007

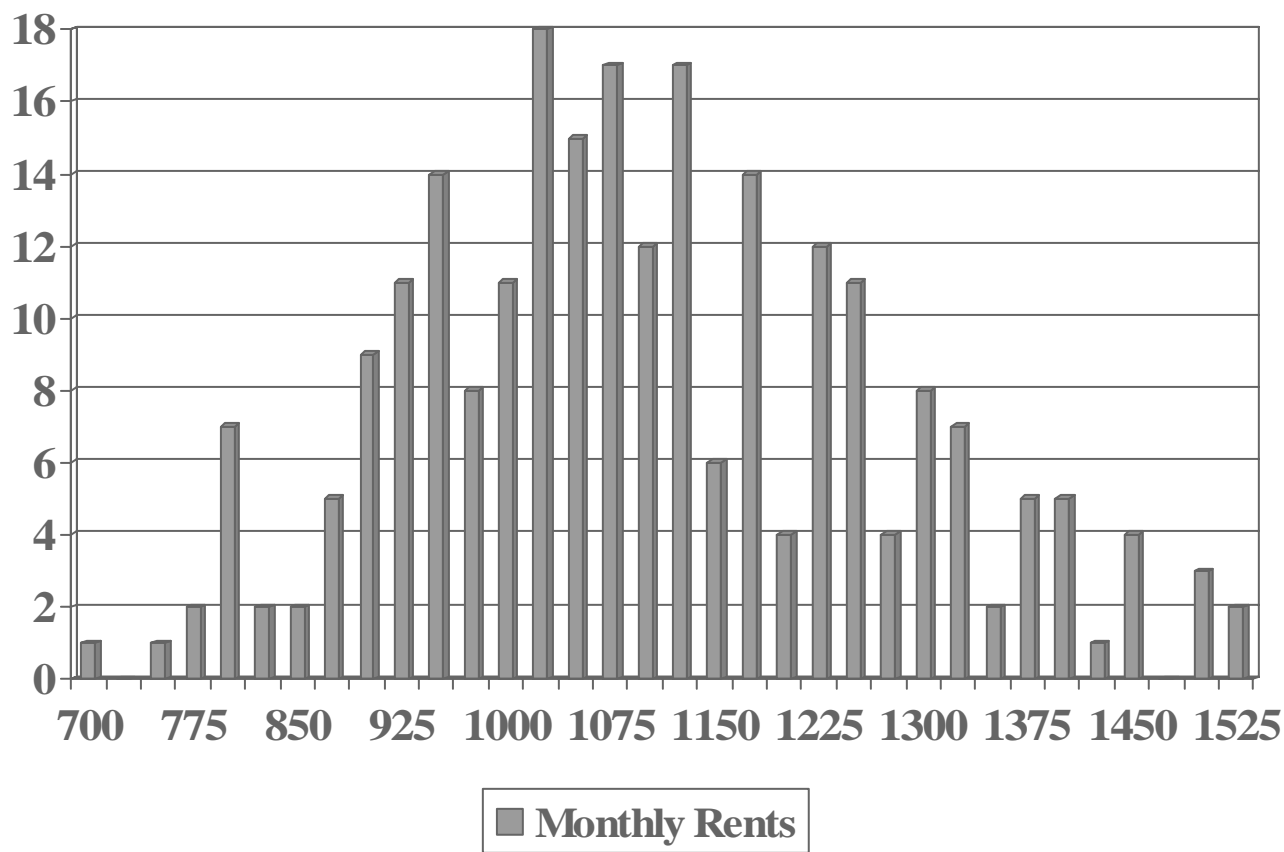


Average Low= \$866.46 up 5.23% since 2006
 Average High= \$931.61 up 4.58% since 2006

Note: 466 apartment complexes reporting.

Distribution of Rents by Apartment Size (continued)

GRAPH 8
Distribution of Rental Rates for 3-Bedroom Apartments
 June 2007



Average Low= \$1,070.44 up 3.47% since 2006
 Average High= \$1,123.48 up 4.24% since 2006

Note: 243 apartment complexes reporting.

Distribution of Apartments by Type of Unit that House the 55+ Age Group

Table 9 below shows that the one-bedroom size apartment unit is the most popular size unit of the 55+ age group and clearly shows that the senior age-group population's residential unit size preference is either a one- or two-bedroom size unit.

TABLE 9
Number of Apartments by Type of Unit that House the 55+ Age Group
 1999-2007

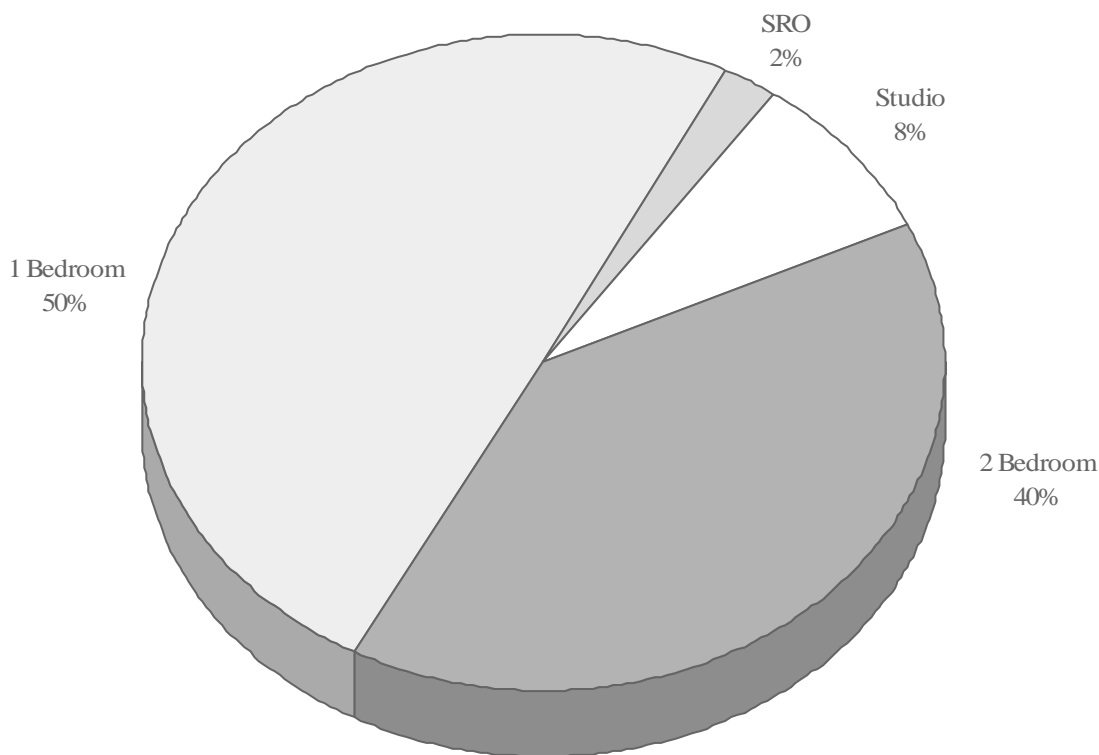
Apartments Targeting the 55+ Age Group	Total Units	SRO	Studios	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
Apartments (6/99)	5,421	*	605	3,168	1,642	2	na
Apartments (6/00)	7,633	11	861	4,534	2,203	24	na
Apartments (6/01)	8,836	290	585	5,135	2,810	16	na
Apartments (6/02)	12,547	290	1,582	6,059	4,573	43	na
Apartments (6/03)	14,662	555	1,555	7,202	5,230	112	8
Apartments (6/04)	13,383	276	1,816	6,210	4,975	106	na
Apartments (6/05)	11,284	248	944	5,521	4,501	70	na
Apartments (6/06)	9,828	0	469	5,131	4,228	0	na
Apartments (6/07)	11,431	248	939	5,670	4,518	56	na

*SRO (Single Room Occupancy) data was included within studio count for 6/99 period.
 na -- no four-bedroom size apartments reported.

Distribution of Apartments by Type of Unit that House the 55+ Age Group

Graph 9 below shows that the one-bedroom size apartment unit is the most popular size unit for those residents who are of the 55+ age group. The one-bedroom unit represents one-half of available rental residential housing where this age group resides.

GRAPH 9
Percentage Distribution of Apartments by Type of Unit that House the 55+ Age Group
June 2007



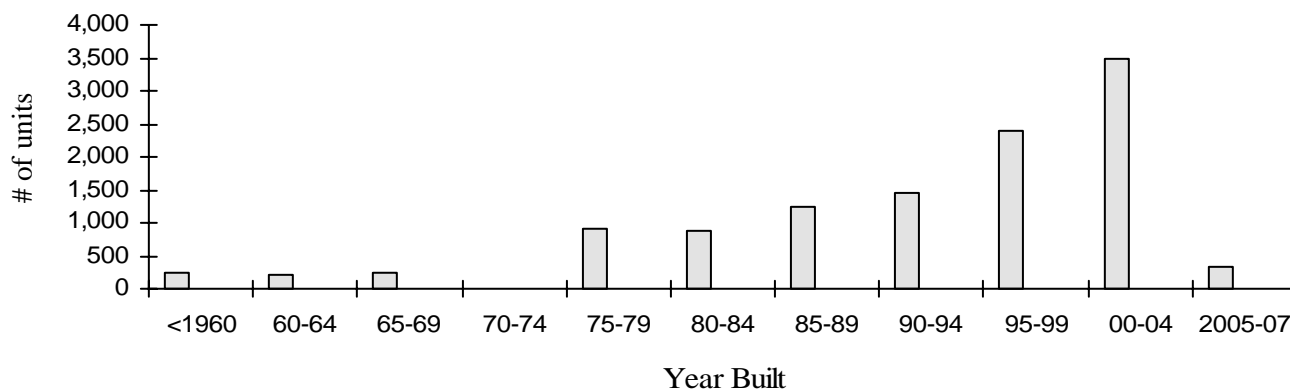
Distribution of Apartments by Type of Unit that House the 55+ Age Group

TABLE 10
Number of Apartments by Type of Unit and Year Built that House the 55+ Age Group
 <1960-2007

Year Apartment Complexes Built	Total Units	SRO	Studios	1-BR	2-BR	3-BR	4-BR
2005 to 2007	347	0	20	58	217	40	0
2000 to 2004	3,476	0	119	1,495	1,862	0	0
1995 to 1999	2,407	0	124	1,303	980	0	0
1990-1994	1,469	0	96	852	521	0	0
1985-1989	1,236	0	100	551	569	16	0
1980-1984	868	0	197	671	0	0	0
1975-1979	907	248	68	399	192	0	0
1970-1974	8	0	0	8	0	0	0
1965-1969	250	0	41	105	104	0	0
1960-1964	209	0	41	112	56	0	0
<1960	254	0	133	116	17	0	0
Total	11,431	248	939	5,670	4,518	56	0

Two-thirds of the multi-family units, where most of the Greater Las Vegas Valley's 55+ population reside, have been constructed within the past 20 years.

GRAPH 10
Distribution by Years of Multi-Family Construction of Units that House the 55+ Age Group



Distribution of Apartments by Zip Code that House the 55+ Age Group

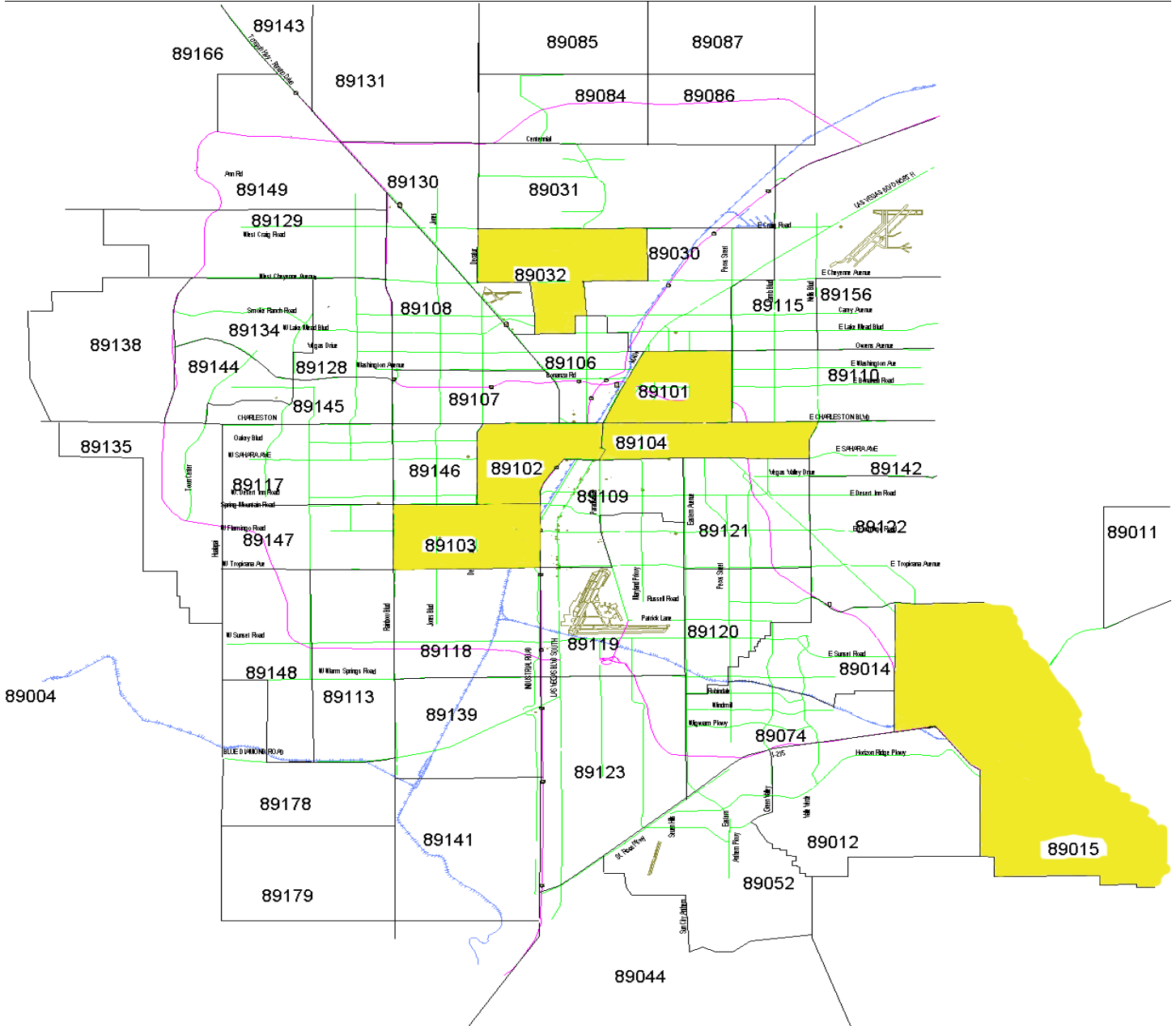
More than one-half of all apartments who house residents that are in the 55+ age group are centrally located within the city of Las Vegas' 89101, 89102, 89103, and 89104 zip codes, the City of North Las Vegas' 89032 zip code area, and Henderson's 89015 zip code area. (see Map 3).

Table 11
Number of Apartments by Zip Code that House the 55+ Age Group
2007

Zip Code	Number of Units	% of Total
89104	1,375	12.03%
89102	1,241	10.86%
89101	905	7.92%
89032	680	5.95%
89015	667	5.84%
89103	608	5.32%
89106	586	5.13%
89109	523	4.57%
89121	453	3.96%
89108	428	3.74%
89118	428	3.74%
89107	418	3.64%
89117	405	3.54%
89119	402	3.52%
89052	400	3.50%
89123	368	3.22%
89128	242	2.12%
89110	235	2.06%
89012	205	1.79%
89120	205	1.79%
89030	200	1.75%
89115	144	1.26%
89142	122	1.07%
89014	113	.99%
89005	59	.52%
89146	19	.17%
Total	11,431	100.00%

Multi-Family Units by Zip Code that House the 55+ Age Group

MAP 3
Multi-Family Density by Zip Code that House the 55+ Age Group
 2007



Shaded area denotes zip codes with highest percentage of multi-family residential housing where the 55+ age group reside.

Vacancy Rates for Apartments that House the 55+ Age Group

Table 12 below shows an increase in vacancies for housing targeting the 55+ age group. The 2007 point-in-time survey shows a 4.28% vacancy rate, a 1.22% increase over 2006's data.

TABLE 12
Vacancy and Vacancy Rates for Apartments that House the 55+ Age Group
 (Data by Year Project Built and By Unit Type)

Year Apartment Complexes Built	Total Number of Projects Responding to Vacancy Question 2007 Survey	Total Number of Apartment Units 2007	Number of Reported Vacant Units 2007	Vacancy Rate 6/30/07	Vacancy Rate 6/30/06	Vacancy Rate 6/30/05	Vacancy Rate 6/30/04
2007	1	120	na	na	na	na	na
2005-2006	2	215	27	na	1.18%	11.51%	na
2000 –2004	23	3,004	113	3.76%	4.10%	4.33%	16.8%
1995-1999	16	2,407	147	6.11%	4.39%	2.42%	5.5%
1990-1994	5	1,157	44	3.80%	2.93%	3.63%	4.6%
1985-1989	7	1,236	46	3.72%	.66%	1.28%	2.1%
1980-1984	4	868	17	1.96%	2.13%	.43%	2.1%
1975-1979	6	907	26	2.87%	1.87%	4.05%	7.8%
1970-1974	1	8	0	0.00%	3.13%	37.5%	8.5%
Pre-1970	8	713	29	4.07%	1.43%	2.71%	6.5%
Date unknown	1	12	2	16.67%	6.89%	12.50%	8.9%
Totals	73	10,527	451	4.28%	3.06%	3.74%	7.12%

Note: Totals includes counts from all types of complexes whose residents are 75% to 100% occupied by the 55+ age group. Totals reflect findings from apartment complexes who responded to the vacancy question on the NHD Apartment Survey.

Mean Market Rate Rental Rates by Zip Code and by Type of Unit for Apartments that House the 55+ Age Group

TABLE 13
Mean Rental Rates by Zip Code and by Type of Unit for Apartments that House the 55+ Age Group
 June 2007

Market Rate Rental Rates

Zip Code	Rental Rates Studio Apartments	Rental Rates 1-BR Apartments	Rental Rates 2-BR Apartments
89014	—	\$974.00	\$1,068.50
89032	\$789.00	\$919.00	\$1,149.00
89101	\$510.00	\$514.50	\$580.00
89102	\$691.67	\$708.00	\$841.87
89103	\$832.50	\$753.00	\$917.00
89104	\$582.50	\$586.00	\$727.50
89107	—	\$730.00	\$895.00
89108	\$610.00	\$660.00	\$725.00
89109	—	\$565.00	\$727.50
89110	—	\$595.00	\$695.00
89115	—	\$730.00	\$880.00
89117	—	\$825.00	\$950.00
89118	—	\$811.67	\$940.00
89119	\$689.00	\$687.50	\$889.50
89121	—	\$805.00	\$950.00
89123	\$769.00	\$934.00	\$1,169.00
89128	—	\$1,090	\$1,310.00

Affordable Units¹ Housing Rental

Zip Code	Rental Rates Studio Apartments	Rental Rates 1-BR Apartments	Rental Rates 2-BR Apartments
89012	—	\$461.00	\$718.00
89015	—	\$473.50	\$617.50
89030	—	\$347.50	\$401.00
89032	—	\$549.50	\$659.00
89052	—	\$530.50	\$638.00
89101	\$339.25	\$428.00	\$477.50
89104	—	\$661.00	\$777.00
89106	—	\$513.38	\$621.75
89108	—	\$526.00	\$700.00
89110	—	\$385.00	\$468.50
89119	—	—	\$380.50
89120	—	—	\$516.00
89121	—	—	\$676.00
89146	—	\$467.00	\$557.00

¹Affordable units denote apartment complex units that are Income restricted.

TABLE 13-A
Mean Rental Rates
Market Rate and Affordable Housing Rental Rate Comparison that House the 55+ Age Group
 2007

Type of Units	Studio	1-Bedroom	2-Bedroom
Market Units Rental Rate	\$684.21	\$758.10	\$906.75
Affordable Units ¹ Rental Rate	\$339.25	\$485.67	\$586.27
Percentage Difference between Affordable and Market-Rate Multi-Family Residential Unit Rental Rates	-50.41%	-35.94%	-35.34%

Section II

Greater Reno/Sparks Area

Greater Reno/Sparks Apartment Survey Study

Key Points

Key findings from the 2nd Quarter 2006 survey reflect the following:

1. The two-bedroom size apartments continue to remain the most popular unit type.
2. The two-bedroom size apartments comprises 45% of the identified multi-family housing units.
3. The years 2005 through the first six months of 2007 shows a significant increase in apartment project size in the Greater Reno/Sparks Area.
4. Data reflects an overall vacancy rate of 5.3%, representing a +1.8% change in vacancy rate from the 2006 point-in-time survey data.
5. The four bedroom-size unit reflects the highest vacancy rates, with the one-bedroom size experiencing the lowest vacancy rate.
6. Two zip code areas (89502 and 89509) located in the south-central part of the City of Reno house nearly one-third (30.8%) of the Greater Reno/Sparks Area's multi-family units.
7. Two zip codes areas 89501 located in Reno and 89436 located in Sparks reflect the areas with the greatest number of multi-family units being constructed. Data for multi-family construction during 2006 reflects zip codes 89501 and 89521 showing the highest rate of new construction.
8. Years 1998 through 2001 saw the greatest number of new apartment units produced in the Greater Reno/Sparks Area over the past 20 years.
9. Since 2002, there has been a steady decrease of number of multi-family residential units being constructed in the Greater Reno/Sparks Area.
10. Years 1995 through 2004 showed increased construction for both the three-bedroom and studio size units, with both the three bedroom and studio sized units showing equal numbers being constructed during the 2005 to 2007 time period.
11. Rental rates for all size rental units have increased during 2007.
12. The greatest rental rate change occurred in the three-bedroom size unit with, experiencing 7.43% in rental rate increases.
13. Affordable rents¹ show a considerable decrease in

“The years 2005 through the first six months of 2007 shows a significant increase in apartment project size in the Greater Reno/Sparks Area.”

rental rates versus market rate rents, with affordable rents ranging from 10% to more than 24% less than market-rate rents in 2006.

14. The three-bedroom size units show the highest rental rate percentage difference for affordable units, showing rents that are 24.34% less than market-rate rents.
15. The one-bedroom size unit remains the most popular size unit for the 55+ age group, representing 63% of the housing where seniors reside.
16. The one-bedroom size unit attractiveness in 2007 of 63% where the 55+ population resides is a staggering difference from 2006's data where the one-bedroom size unit represented 81% of housing where seniors lived.
17. The mean rental rate for the 55+ age group housing ranges from \$510 a month for studio units to \$1,037 a month for three-bedroom size units.

¹Affordable rents are those rents provided to individuals or families in which one-third of those families' income is 60% or less of area median income.

Distribution of Apartments by Type of Unit

The split of unit types shows that the two-bedroom size apartment unit is the most popular type for the Greater Reno/Sparks Area, making up nearly one-half of all the area's multi-family housing inventory.

TABLE 14
Number of Apartments by Type of Unit
June 2000¹-2007

	Total Units	SRO ²	Studios	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
June 2000	16,556	252	1,090	6,147	8,065	983	19
June 2001	24,046	335	1,700	8,562	11,757	1,600	92
June 2002	28,499	473	2,448	9,733	13,541	2,123	181
June 2003	30,346	802	2,922	10,116	13,913	2,364	229
June 2004	29,947	775	2,785	9,930	13,815	2,293	349
June 2005	28,497	316	1,976	10,053	13,537	2,401	214
June 2006	28,278	249	2,236	9,616	13,331	2,514	332
June 2007	27,050	414	2,667	9,047	12,290	2,276	356

¹ The first apartment survey for the Reno/Sparks Area was in 2000; the Greater Las Vegas Valley's first survey was in 1997.

² Single Room Occupancy.

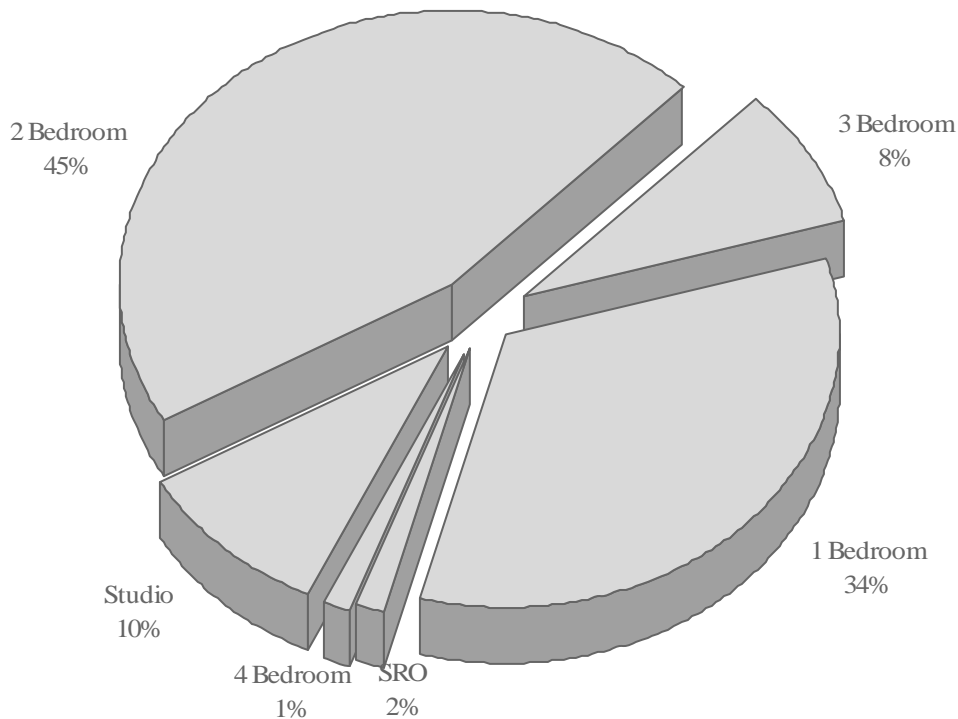
Table 14-A
Number of Apartments by Type of Unit, Database Breakdown

Description	June 2005	June 2006	June 2007
Total # of apartment complexes identified	240	234	237
Total # of apartment units identified	33,132	33,901	32,380
# of units identified converted from apartment rental units to condominiums	315	2,051	191
# of identified rental units where there was no response, phone systems allowed for screening calls, or owners and/or managers refused to participate	1,299	1,587	4,113
# of identified rental areas where mail was returned, in those cases rental complexes are too small to have on-site management office	1,274	538	1,026
*Total # of apartment rental units validated for database	28,497	28,278	27,050

Distribution of Apartments by Type of Unit

Graph 12 shows the highest percentage of apartment units are two-bedroom in size, with the studio and three-bedroom size gaining in popularity. The four-bedroom size unit and the single room occupancy (SRO) unit continue to maintain the lowest percentage of unit type.

GRAPH 12
Distribution of Apartment Units by Size
June 2007

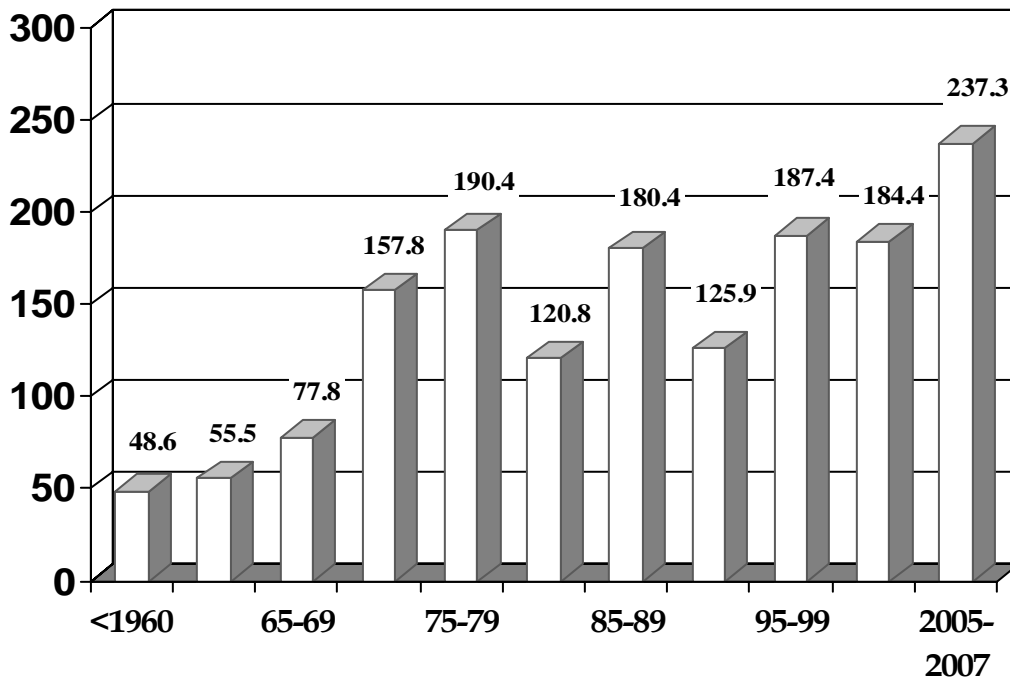


Growth in Average Apartment Project Size

Apartment complexes built since 1970 show a varied increased range of number of residential units within an apartment complex. Since 1995, however, data reflects a constant trend for greater numbers of residential units being built in multi-family developments.

GRAPH 13
Growth in Average Apartment Project Size by 5-year Increments
<1960 to 2007

Units Per Project



Year Built

Vacancy Rates

The Division's second quarter 2007 survey reflects a 5.3% vacancy rate for the Greater Reno/Sparks Area. This data shows an increase of 1.8% in units available to rent from the second quarter 2006 survey data.

TABLE 15
Vacancy Rates
(Data by Year Project was Built)

Date Units Built	2nd Qtr. 2007# Responding to vacancy question Projects	2nd Qtr. 2007# of Reported Vacant Units	Vacancy Rate 6/30/07	Vacancy Rate 6/30/06	Vacancy Rate 6/30/05	Vacancy Rate 6/30/04	Vacancy Rate 6/30/03	Vacancy Rate 6/30/02
2007 only	3	624	**		**	**	**	**
2005-2006	3	800	21	2.6%	**	**	**	**
2000-2004	19	3,501	308	8.8%	1.8%	5.1%	6.3%	13.6%
1995-1999	18	3,265	164	5.0%	2.5%	5.0%	3.5%	4.1%
1990-1994	12	1,511	53	3.5%	2.6%	4.0%	3.7%	3.4%
1985-1989	21	3,789	87	2.3%	2.2%	4.5%	4.2%	4.5%
1980-1984	17	1,936	56	2.9%	2.6%	1.9%	2.3%	4.6%
1975-1979	25	4,376	196	4.5%	4.1%	3.9%	5.5%	4.6%
1970-1974	24	3,880	308	7.9%	6.5%	3.8%	6.5%	6.2%
Pre-1970	24	1,389	76	5.5%	3.6%	6.3%	8.5%	4.8%
Date unknown	2	55	1	1.8%	6.3	2.5%	0.0%	5.4%
Totals	168	25,126	1,297	5.3%	3.5%	4.9%	5.1%	5.8%

*Vacancy data is derived from a 93.2% survey response rate to the specific vacancy rate question.

** Vacancy information is not included in determining an overall vacancy rate, as the properties are in their first phase of rent-up.

na - not applicable.

Note: Totals do not include assisted living or group homes, special needs, nor subsidized or public housing complexes.

Vacancy Rates

Table 16 reflects that in the Greater Reno/Sparks Area, the three-and four-bedroom size apartments show a higher vacancy rate than any other size residential multi-family unit.

TABLE 16
Reported Vacancies By Type of Unit
for All Reporting Apartment Complexes
June 2007

Apartment Type	Number of Units in Sample ²	Vacancies by Unit Type	Vacancy Rate
Single Room Occupancy (SRO)	414	22	5.3%
Studio Apartments	2,118	177	8.4%
1-Bedroom Size Apartments	5,505	210	3.8%
2-Bedroom Size Apartments	7,375	416	5.6%
3-Bedroom Size Apartments	1,366	148	10.8%
4-Bedroom Size Apartments	188	31	16.5%

²Number of units in sample and vacancy rate were derived from the responses of apartment complexes that provided a breakdown of number of vacancies by apartment type.

Housing Units and Vacancy Rate by Zip Code

TABLE 17
Total Number of Housing Units and Vacancy Rate by Zip Code
 June 2006-2007

Zip Code	Total Number of Apartment Units by Zip Code	Vacancy Rate (%) by Zip Code for those Apartment Complexes Reporting Vacancies 2007	Vacancy Rate (%) By Zip Code for those Apartment Complexes Reporting Vacancies 2006
89431	3,257	5.2%	3.7%
89433	397	10.3%	4.5%
89434	1,688	3.7%	4.4%
89436	1,051	7.8%	1.3%
89501	791	8.1%	1.0%
89502	4,818	4.9%	4.9%
89503	3,159	6.7%	3.6%
89506	812	3.4%	2.7%
89509	3,522	6.1%	4.2%
89511	1,452	.6%	.1%
89512	3,019	4.7%	2.8%
89521	1,000	7.4%	2.4%
89523	2,084	4.3%	2.1%
Total	27,050		

Distribution of Rental Units by Zip Code

TABLE 18
Total Number of Apartment Units by Zip Code
 June 2006

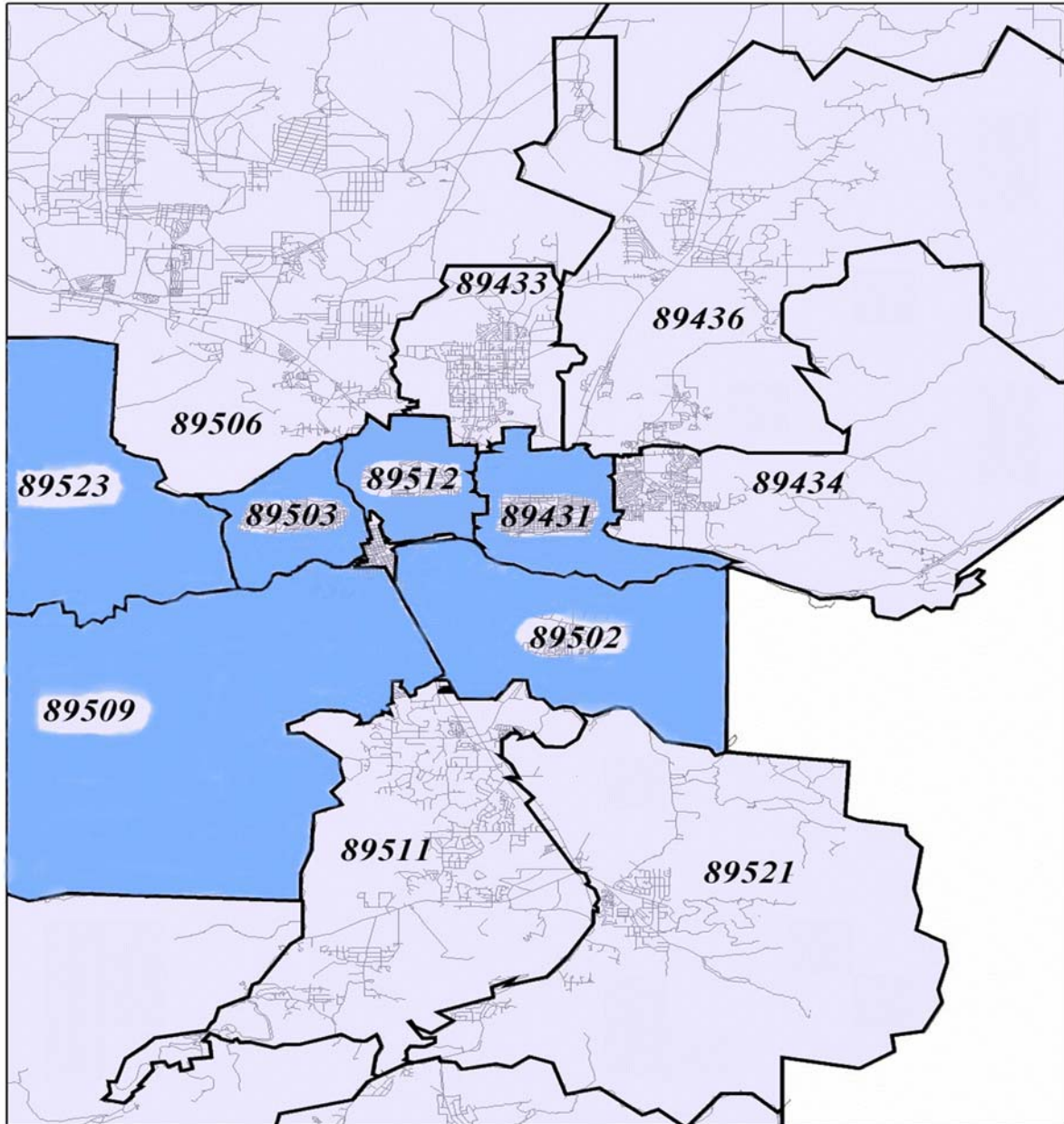
Zip Code	Total Number of Apartment Units in Zip Code Area	Percent	Cumulative
89502	4,818	17.8	17.8%
89509	3,522	13.0	30.8%
89431	3,257	12.0	42.8%
89503	3,159	11.7	54.5%
89512	3,019	11.2	65.7%
89523	2,084	7.7	73.4%
89434	1,688	6.2	79.6%
89511	1,452	5.4	85.0%
89436	1,051	3.9	88.9%
89521	1,000	3.7	92.6%
89506	812	3.0	95.6%
89501	791	2.9	98.5%
89433	397	1.5	100.0%
Total	27,050		

Six Zip Codes house nearly three-fourths of all multi-family units in the Greater Reno/Sparks Area. (See Map 4)

89502
 89509
 89431
 89503
 89512
 89523

Zip Code Map of the Greater Reno/Sparks Area

MAP 4
High Density Zip Code Areas of Multi-Family Housing



Denotes multi-family high density area.

New Construction of Multi-Family Housing — Growth Zip Codes

In 2006, 80% of all new multi-family construction in the Greater Reno/Sparks Area was located in zip code 89521, an outlying urban area in Reno. In 2007, identified multi-family construction was located in zip code 89436 in Sparks and in zip code 89501, the downtown Reno area.

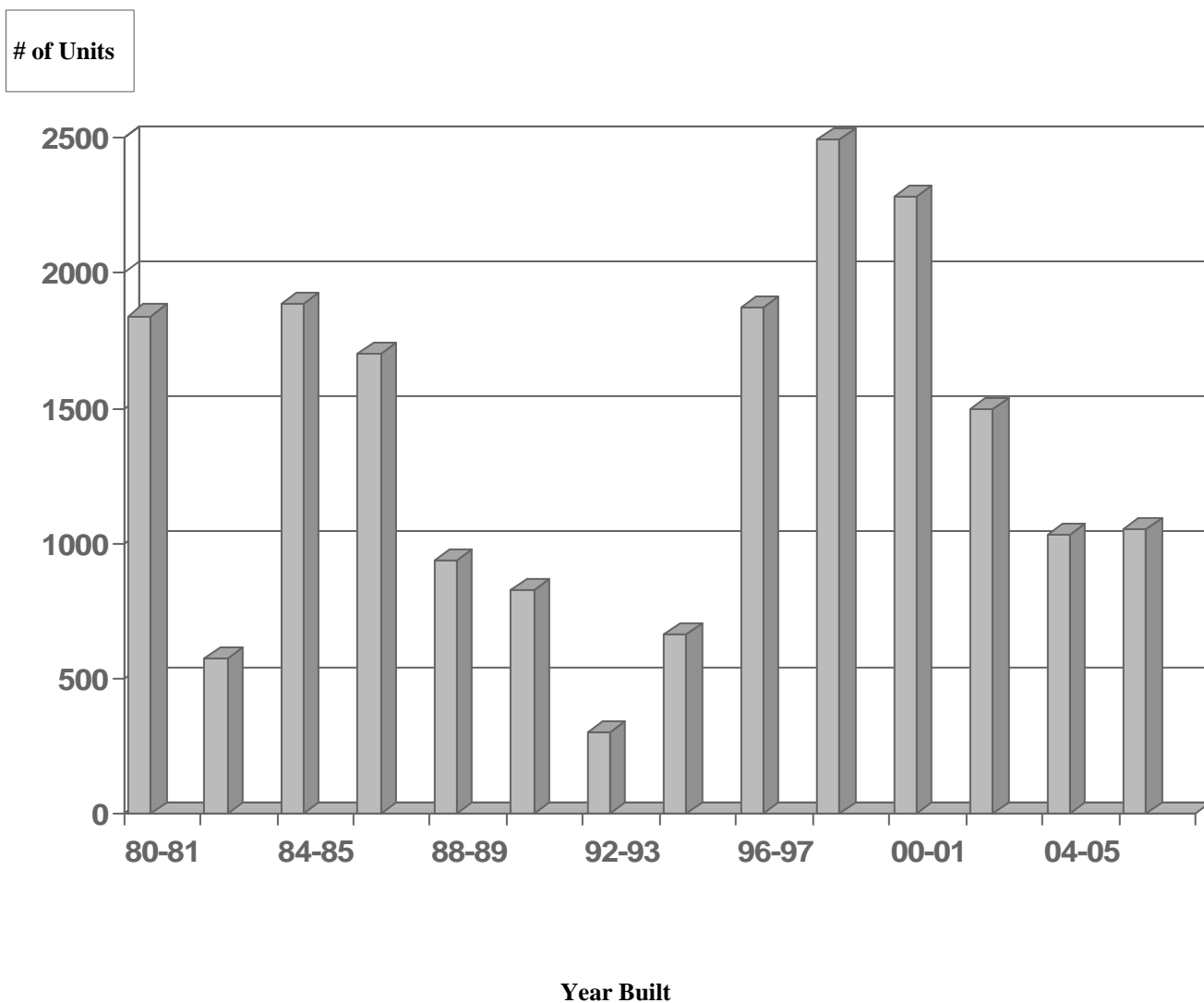
TABLE 19
New Construction of Multi-Family Housing
 During 2006 and First 6 Months of 2007

2006			2007		
Zip Code	New Units Recorded for Calendar Year	% of new construction	Zip Code	New Units as of 6/30/07	% of new construction
89501	84	54.1%	89436	387	62.0%
89521	344	45.9%	89501	237	38.0%
Totals	428	100.0%	Totals	624	100.0%

Number of Apartment Units By Year Built Since 1980

Years 1998 through 2001 saw the greatest number of new apartment units produced in the Greater Reno/Sparks Area. Since year 2002, new multi-family unit development continues to show a steady down turn.

GRAPH 14
Multi-Family Units by Year Built Since 1980
1980-2007

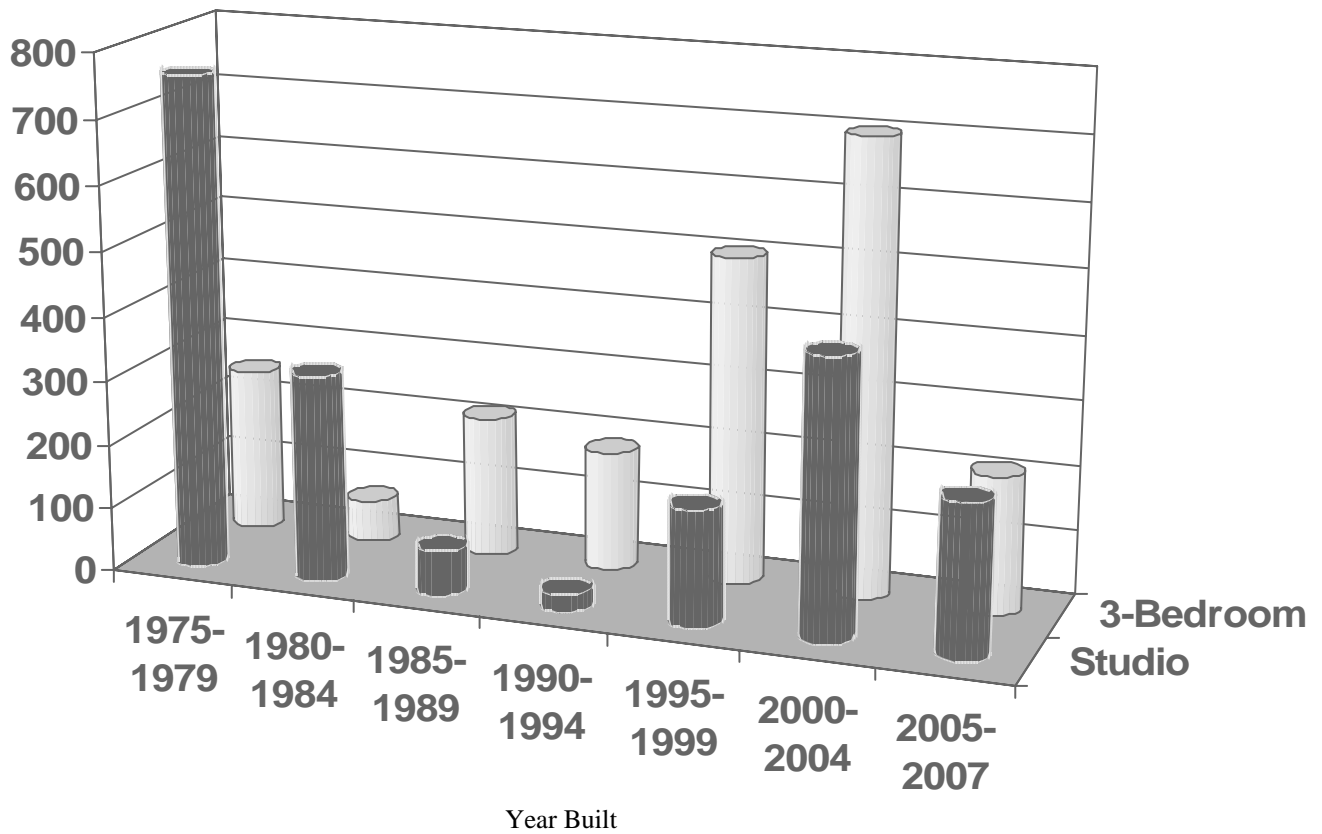


Mix of Apartment Unit Types By Year Built

The 1995 through 2004 time period reflects the highest number of three-bedroom units added to the Greater Reno/Sparks Area’s housing inventory. Since 2005, the studio and three-bedroom size units have shown very similar numbers of residential rental unit development.

GRAPH 15
Apartment Unit Types by Year Built
 1975-2007

of Units by Type



Note: The above data is based upon the response from market-rate multi-family residential units.

Distribution of Rents by Apartment Size

Rental rates, as of June 2007 shown in Table 20, reflect an increase in monthly rental rates for all size units. The greatest rental rate increase was in the three- and four-bedroom size units.

TABLE 20
Mean Rental Rates by Apartment Sizes
June 2007

Date	Studio	1-Bedroom	2-Bedroom	3-Bedroom
June 2001	\$446.00	\$574.00	\$695.50	\$923.50
June 2002	\$464.99	\$585.14	\$707.06	\$919.46
% change 01-02	+4.1%	+1.9%	+1.6%	-.44%
June 2003	\$482.67	\$595.87	\$707.16	\$908.55
% change 02-03	+3.7%	+1.8%	0.0%	-1.2%
June 2004	\$478.06	\$599.56	\$719.18	\$930.99
% change 03-04	-.96%	+.62%	+1.7%	+2.5%
June 2005	\$501.71	\$626.16	\$749.86	\$960.90
% change 04-05	+4.71%	+4.25%	+4.09%	+3.11%
June 2006	\$531.63	\$663.41	\$772.32	\$992.22
% change 05-06	+5.63%	+5.61%	+2.91%	+3.16%
June 2007	\$537.48	\$688.31	\$820.88	\$1,071.86
% change 06-07	+1.09%	+3.62%	+5.92%	+7.43%

Distribution of Rents by Type of Apartment

Table 21 below shows that the 2007 multi-family affordable rental rates are significantly lower in rents from market-rate rental rates, with differences ranging from -9.52% for studio size units to -24.34% for the three-bedroom size.

Special Needs Housing rents reflect rates from 6% to 10% lower than the affordable rates as special needs housing typically serve the very low income population, with incomes of 30% or less of the area median income.

TABLE 21
Mean Rental Rates
Market Rate, Affordable, Special Needs, 55+ Rental Rate Comparison
 June 2007

Type of Units	Studio		1-Bedroom		2-Bedroom		3-Bedroom	
	2006	2007	2006	2007	2006	2007	2006	2007
Market-Rate Rental Units	\$531.63	\$537.48	\$663.41	\$688.31	\$772.32	\$820.88	\$992.22	\$1,071.86
Affordable Units ¹ Rental Rate	\$541.13	\$486.30	\$589.45	\$581.27	\$684.27	\$677.64	\$766.72	\$810.93
Percentage Difference between Affordable and Market-Rate Multi-family Residential Unit Rental Rates	+1.79%	-9.52%	-11.15%	-15.55%	-11.4%	-17.45%	-22.73%	-24.34%
Special Needs Housing ²	\$456.75	\$515.25	\$535.00	\$517.93	\$735.00	\$619.00	\$1,003.83 ³	\$729.37
Percentage Difference between Special Needs and Affordable Multi-family Residential Rental Rates	15.59%	5.95%	9.24%	10.90%	7.41%	8.65%	na	10.06%

¹Affordable units denote apartment complex units that are income restricted.

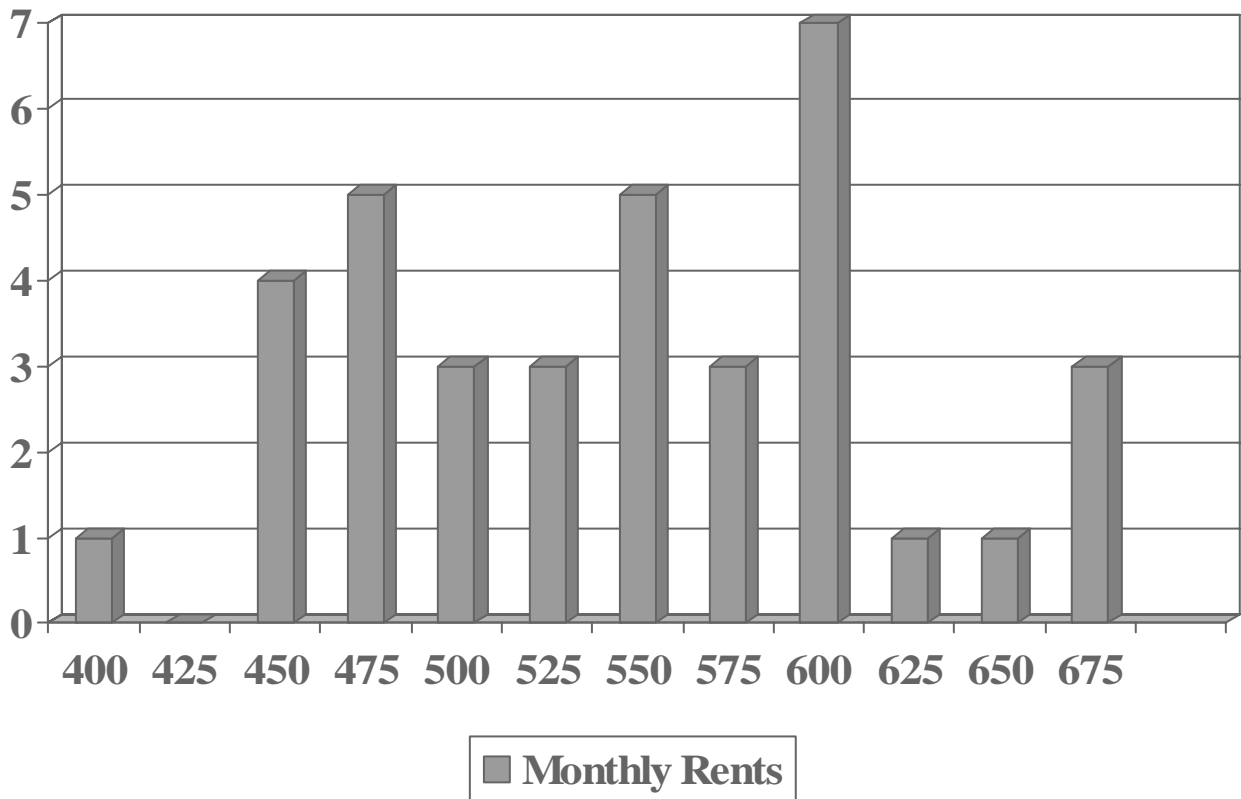
na—not available

² Special needs housing denotes transitional housing and multi-family rental units for persons who are mobility impaired.

³Data was not reported to reflect \$0 income residents, which resulted in an inflated rental rate for this category.

Distribution of Rents by Apartment Size

GRAPH 16
Distribution of Rental Rates for Studio Apartments
June 2007

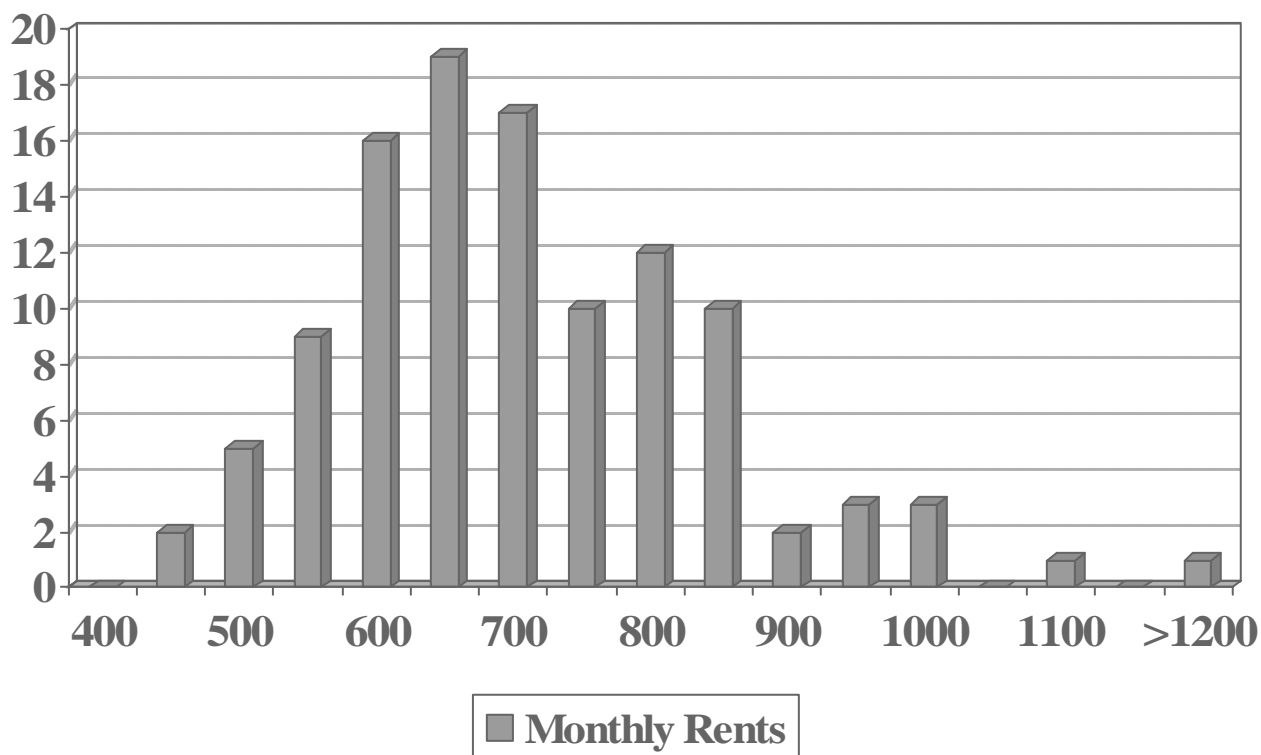


Average Low= \$525.28 up 1.26% % since 2006
Average High= \$ 549.69up .93% since 2006

Note: 36 projects reporting.

Distribution of Rents by Apartment Size (continued)

GRAPH 17
Distribution of Rental Rates for 1-Bedroom Apartments
June 2007

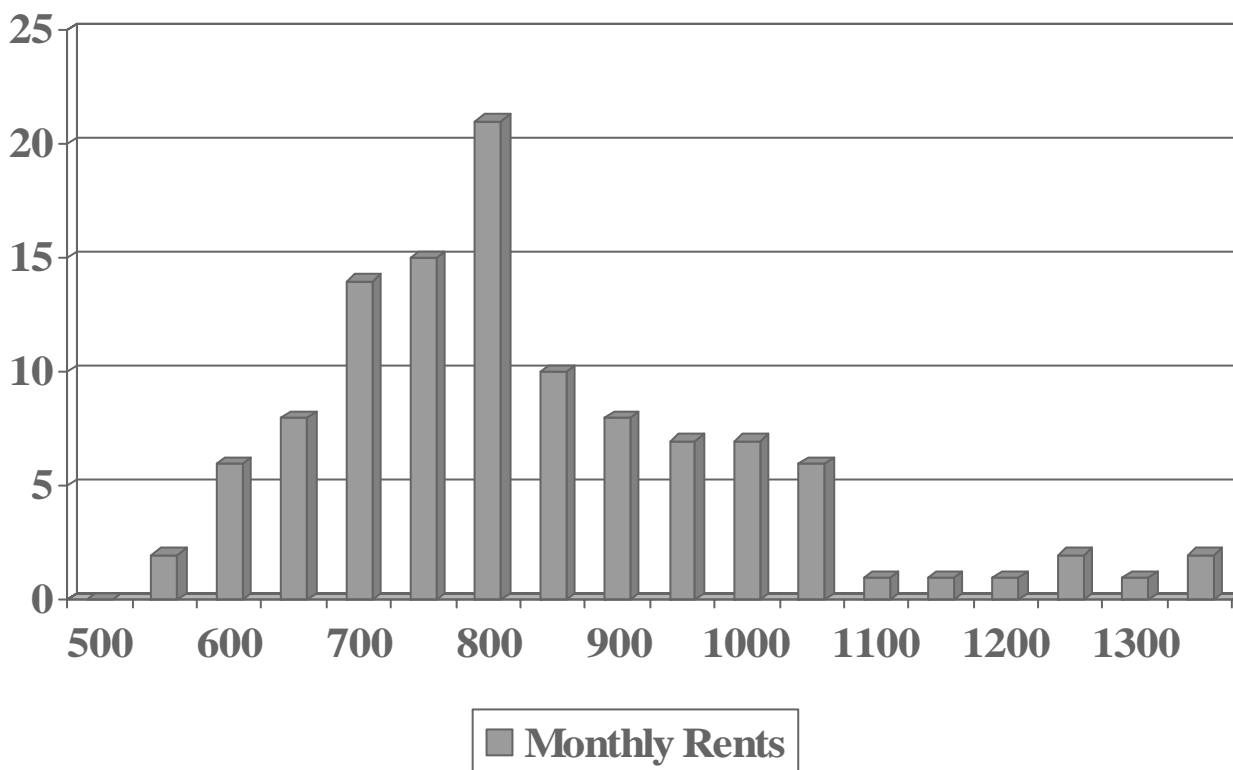


Average Low= \$669.59 up 3.89% since 2006
Average High= \$707.04 up 3.36% since 2006

Note: 110 projects reporting.

Distribution of Rents by Apartment Size (continued)

GRAPH 18
Distribution of Rental Rates for 2-Bedroom Apartments
June 2007

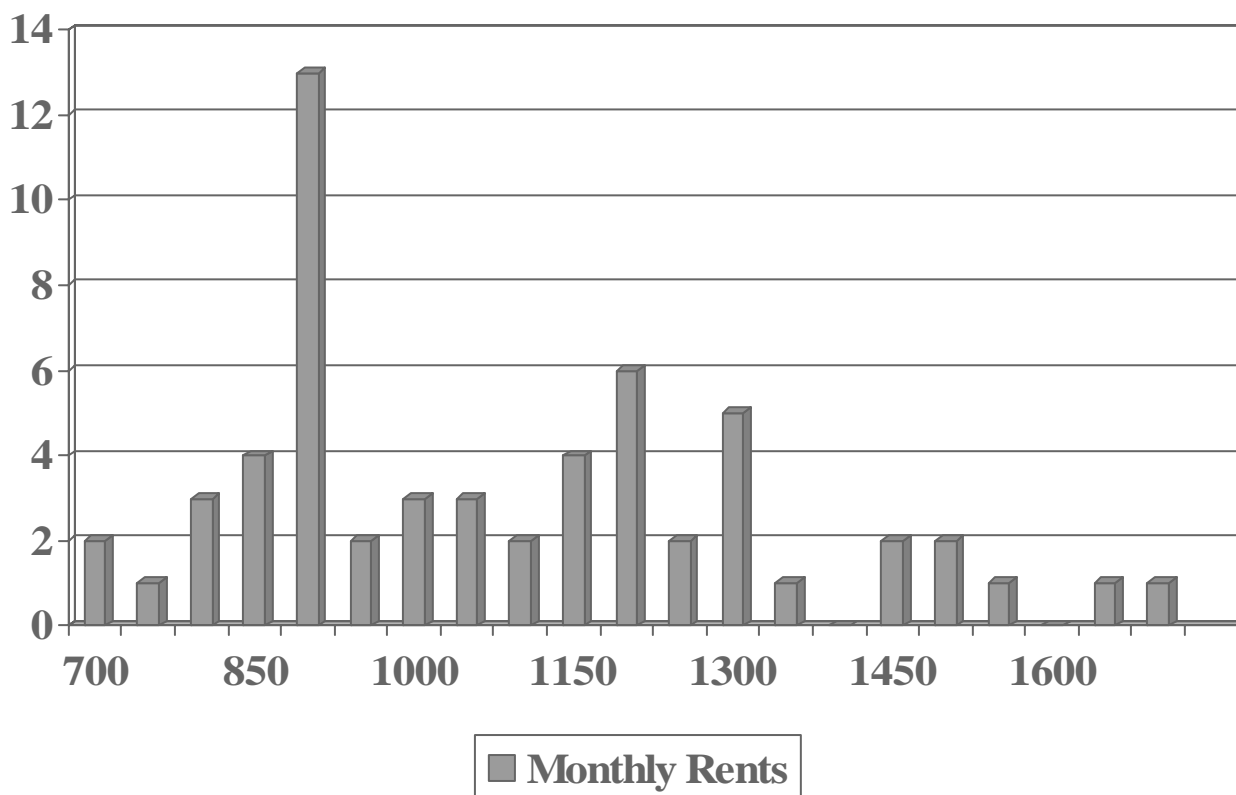


Average Low=\$781.17 up 6.05% since 2006
Average High= \$860.59 up 5.79% since 2006

Note: 112 projects reporting.

Distribution of Rents by Apartment Size (continued)

GRAPH 19
Distribution of Rental Rates for 3-Bedroom Apartments
 June 2007



Average Low= \$1,045.38 up 7.99% since 2006

Average High= \$1,098.33 up 6.89% since 2006

Note: 58 projects reporting.

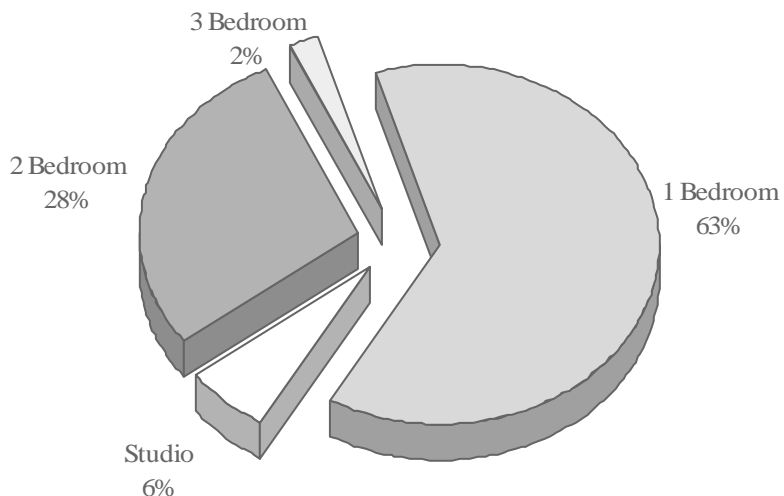
Distribution of Apartments by Type of Unit That House the 55+ Age Group

Table 22 and Graph 20 below show that the one-bedroom size apartment is the most popular size offered the 55+ age group. Of this age group, nearly two-thirds reside in one-bedroom size units.

TABLE 22
Number of Apartments by Type of Unit that House the 55+ Age Group
 2002-2007

Apartments Targeting 55+	Total Units	SRO	Studios	1-Bedroom	2-Bedroom	3-Bedroom
Apartments (6/02)	1,502	208	197	597	468	32
Apartments (6/03)	2,139	292	145	902	617	183
Apartments (6/04)	2,000	209	84	862	789	56
Apartments (6/05)	1,593	208	57	823	458	47
Apartments (6/06)	812	0	22	657	133	0
Apartments (6/07)	1,034	0	65	653	295	21

GRAPH 20
Percentage Distribution of Apartments by Type of Unit that House the 55+ Age Group
 June 2007



Mean Rental Rates by Zip Code and by Type of Unit for Apartments that House the 55+ Age Group

Table 23 shows the mean rental rate for those zip code areas that have a higher percentage of the 55+ population. Table 23-A reflects the mean rental rates of the apartment units that predominantly house the 55+ age group. The mean rental rates for these units range from \$510 a month for the studio size unit to a high of \$1,037 for the three-bedroom size.

TABLE 23
Mean Rental Rates by Zip Code and by Type of Unit for Apartments that House the 55+ Age Group
 June 2007

Zip Code	Rental Rates (\$) for SROs	Rental Rates (\$) for Studios	Rental Rates (\$) for 1-BR	Rental Rates (\$) for 2-BR	Rental Rates (\$) for 3-BR
89431	NA	\$461	\$575	\$685	NA
89503	NA	\$545	\$627	\$773	NA
89509	NA	NA	\$785	\$985	\$1,185
89511	NA	NA	\$690	\$795	\$890
89512	NA	\$517	\$641	\$864	NA

NA—no reporting units.

Table 23-A
Mean Rental Rate by Residential Type that House the 55+ Age Group

SRO's	Studios	1-Bedroom	2-Bedroom	3-Bedroom
NA	\$510.25	\$653.38	\$812.50	\$1,037.50

NA—no reporting units.

Multi-Family Housing in the Greater Reno/Sparks Area



Banbridge Apartments is a NHD multi-family financed project, providing 128 affordable units for families in Sparks.



Diamond Creek is a 288-unit NHD bond/tax credit family housing project located in Reno. Diamond Creek provides state-of-the-art amenities for its residents and open space for family activities.



Cottonwood Place is a NHD Low-Income Housing Tax Credit Project providing 43-units of special needs housing. The project is located in Reno.

Section III
Rural Nevada

Rural Nevada Apartment Survey Study

Key Points

Key findings from the 2nd Quarter 2007 survey reflect the following:

1. The two-bedroom size apartments are the most popular, representing 46% of the residential multi-family housing stock in rural Nevada.
2. The overall vacancy rate for the rural area is 4.61%, a decrease of 1.6% over 2006 data.
3. The rural area's data reflects a vacancy rate lower than that experienced in the Greater Las Vegas Area and in the Greater Reno/Sparks Area.
4. The highest vacancy rate in rural Nevada is for those units constructed in the early 1980's.
5. The lowest vacancy rate is in the smaller single room occupancy and the four-bedroom size units.
6. The SRO which shows a low vacancy rate might indicate that these size units provide housing for workers who commute from the larger urban areas of the state, or provides housing for a transitional worker base.
7. Rental rates for affordable one-, two-, and three-bedroom housing units are 4% to nearly 25% lower than market rate rents.
8. The studio size rental rates are higher in affordable units than in market units.
9. Rural Nevada shows lower rental rates for all size units compared to rates experienced in the larger metropolitan areas of the Greater Las Vegas Valley and the Greater Reno/Sparks Area.

Multi-Family Housing in Rural Nevada



Lovelock Gardens
Lovelock



Mountain Shadows
Elko



Mountainview
Winnemucca

Table 24
Mean Rental Rates by Apartment Sizes for all Areas in Nevada
June 2007

June 2006	Studio	1-Bedroom	2-Bedroom	3-Bedroom
Greater Las Vegas Valley	\$597.93	\$753.01	\$899.03	\$1,096.96
Greater Reno/Sparks Area	\$537.48	\$688.31	\$820.88	\$1,071.86
Rural Nevada	\$494.00	\$635.94	\$712.79	\$894.89

Distribution of Apartments by Type of Unit

Table 25 and Graph 22 show that the two-bedroom size unit is clearly the most common size for the rural part of Nevada with 50% of the multi-family housing inventory comprising this size housing.

TABLE 25
Number of Apartments by Type of Unit
June 2007

	Total Units	SRO	Studios	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom
June 2005	2,355	24	38	723	1,183	355	12
June 2006	5,958	191	204	2,093	2,815	611	44
June 2007	5,104	208	239	1,655	2,320	663	19

Note: The first apartment survey for the Rural Nevada communities was in 2005; the Greater Las Vegas Valley's first survey was in 1997 and the Greater Reno/Sparks Area's survey was in 2000.

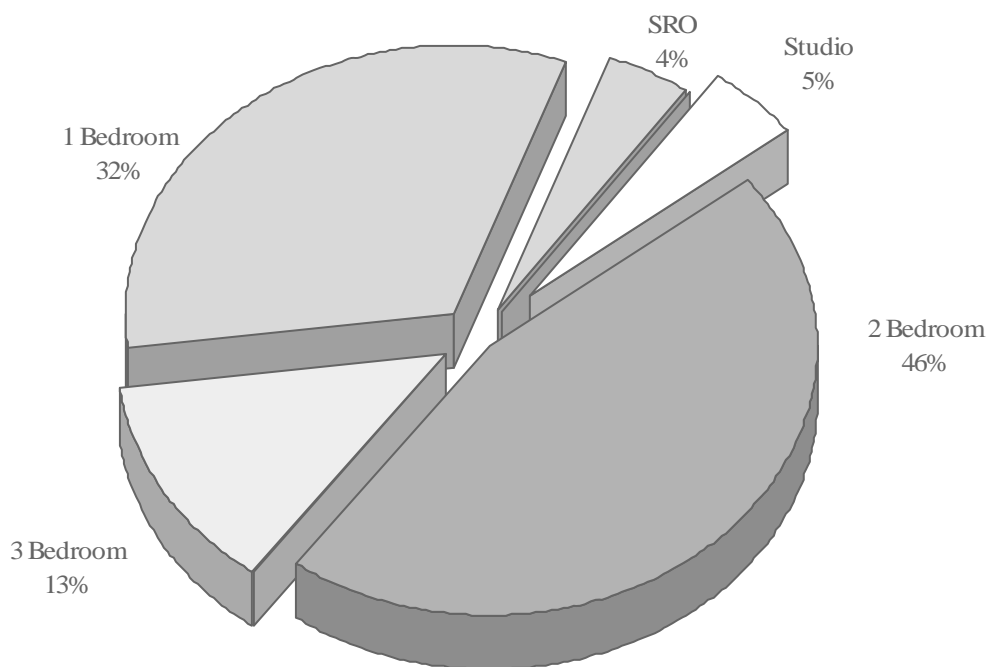
Table 25-A
Number of Apartments by Type of Unit
Database Breakdown

Description	June 2007
Total # of apartment complexes identified	124
Total # of apartment units identified	6,391
# of identified rental units where there was no response, or owners and/or managers refused to participate, or mail was returned ¹	1,287
*Total # of apartment rental units validated for database	5,104

¹The rural areas of the state have smaller apartment projects with some a combination of four-plexes. As a result of this multi-family layout, management is typically not on site resulting in lack of information to locate owners or management company.

Distribution of Apartments by Type of Unit

GRAPH 22
Distribution of Apartment Units by Size
June 2007



Note: Four bedroom size units are not shown in the graph as that group represents less one percent of the housing inventory.

Vacancy Rates

TABLE 26
Vacancy Rates
(Data by Year Project was Built)

Date Units Built	2nd Qtr. 2006 # Responding to vacancy question Projects	2nd Qtr. 2006 # of Reported Vacant Units*	Vacancy Rate 6/30/07	Vacancy Rate 6/30/06	Vacancy Rate 6/30/05
2006-2007	1	132	na	na	-
2000-2005	9	441	9	2.04%	4.81%
1995-1999	14	547	35	6.40%	4.84%
1990-1994	13	517	27	5.22%	1.15%
1985-1989	9	678	29	4.28%	3.94%
1980-1984	7	343	24	7.00%	4.05%
1975-1979	6	789	33	4.18%	17.47%
1970-1974	2	250	13	5.20%	9.76%
Pre-1970	1	22	0	0.00%	0.0%
Date unknown	15	663	26	3.92%	4.23%
Totals	76	4,250	196	4.61%	6.2%

Na—projects are in rent-up phase

TABLE 27
Reported Vacancies By Type of Unit
for All Reporting Apartment Complexes
June 2007

Apartment Type	Number of Units in Sample ²	Vacancies by Unit Type	Vacancy Rate
Single Room Occupancy (SRO)	208	1	0.48%
Studio Apartments	194	18	9.28%
1-Bedroom Size Apartments	806	16	1.98%
2-Bedroom Size Apartments	1,099	51	4.64%
3-Bedroom Size Apartments	335	14	4.18%
4-Bedroom Size Apartments	19	0	0.00%

²Number of units in sample was derived from the responses of apartment complexes that provided a breakdown of number of vacancies by apartment type.

Distribution of Rents by Apartment Size

TABLE 28
Mean Rental Rates by Apartment Sizes
June 2007

Date	Studio	1-Bedroom	2-Bedroom	3-Bedroom
June 2005	\$462.84	\$623.38	\$676.23	\$828.73
June 2006	\$445.00	\$657.75	\$716.47	\$820.21
% change 05-06	-3.85%	+5.51%	+5.95%	-1.02%
June 2007	\$494.00	\$635.94	\$712.79	\$894.89
% change 06-07	+11.01%	-3.32%	-5.14%	+9.10%

TABLE 29
Market Rate and Affordable Rental Rate Comparison
June 2007

Type of Units	Studio		1-Bedroom		2-Bedroom		3-Bedroom	
	2006	2007	2006	2007	2006	2007	2006	2007
Market Units Rental Rate	\$445.00	\$494.00	\$657.75	\$635.94	\$716.47	\$712.79	\$820.21	\$894.89
Affordable Units ¹ Rental Rate	Na	\$525.00	\$555.23	\$608.24	\$597.37	\$628.02	\$636.57	\$675.21
Percentage Difference between Affordable and Market-Rate Multi-family Residential Unit Rental Rates	Na	+6.28%	-15.59%	-4.36%	-16.62%	-11.89%	-22.39%	-24.55%

¹Affordable units denote apartment complex units that are income restricted.

Na– Not applicable