

RENO MSA INDUSTRY TRENDS-DECEMBER 2016

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Business Activity, Construction, and Housing indexes provide a simplified look at important industry trends within the Reno MSA economy.

Business Activity Index December 2016

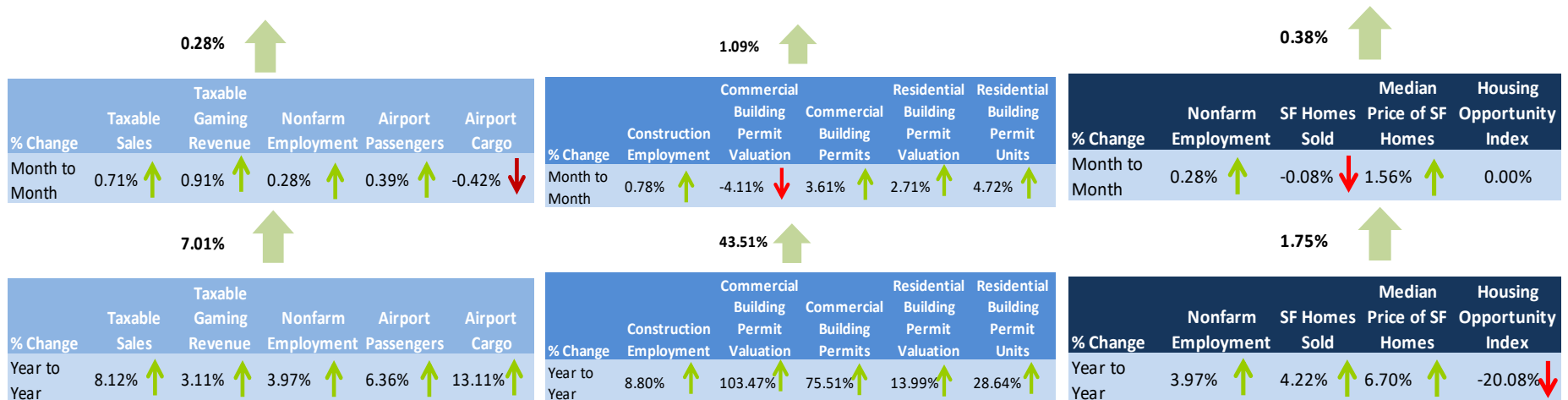
Provides historical and current trends for business activity in the Reno MSA region.

Construction Index December 2016

Provides historical and current trends for the construction industry in the Reno MSA region.

SF Housing Index December 2016

Provides historical and current trends for single-family housing activity in the Reno MSA region.



The Reno MSA Business Activity, Construction, and Housing Indexes are created using the composite methodology introduced by the Department of Commerce and made popular by The Conference Board. All data variables are monthly, seasonally adjusted using the moving average method and all series reported in dollar terms are adjusted for inflation. All indexes, with the exception of the Construction Index, are based on data starting January 1995, with 1995=100. The Construction Index is based on data starting January 2001, with 2001=1000. The following variables are included in each index:

Business Activity Index

- MSA Employment
- WC Gaming Revenue
- WC Taxable Sales
- RTIA Passengers
- RTIA Cargo

Construction Index

- MSA Construction Employment
- WC Commercial Permits
- WC Commercial Permit Valuation
- WC Residential Permit Units
- WC Residential Permit Valuation

SF Housing Index

- MSA Employment
- WC Single-Family Home Sales
- WC Single Family Median Sales Price
- MSA Housing Opportunity Index

* MSA-Reno Metropolitan Statistical Area * WC-Washoe County * RTIA-Reno Tahoe International Airport *SF-Single Family

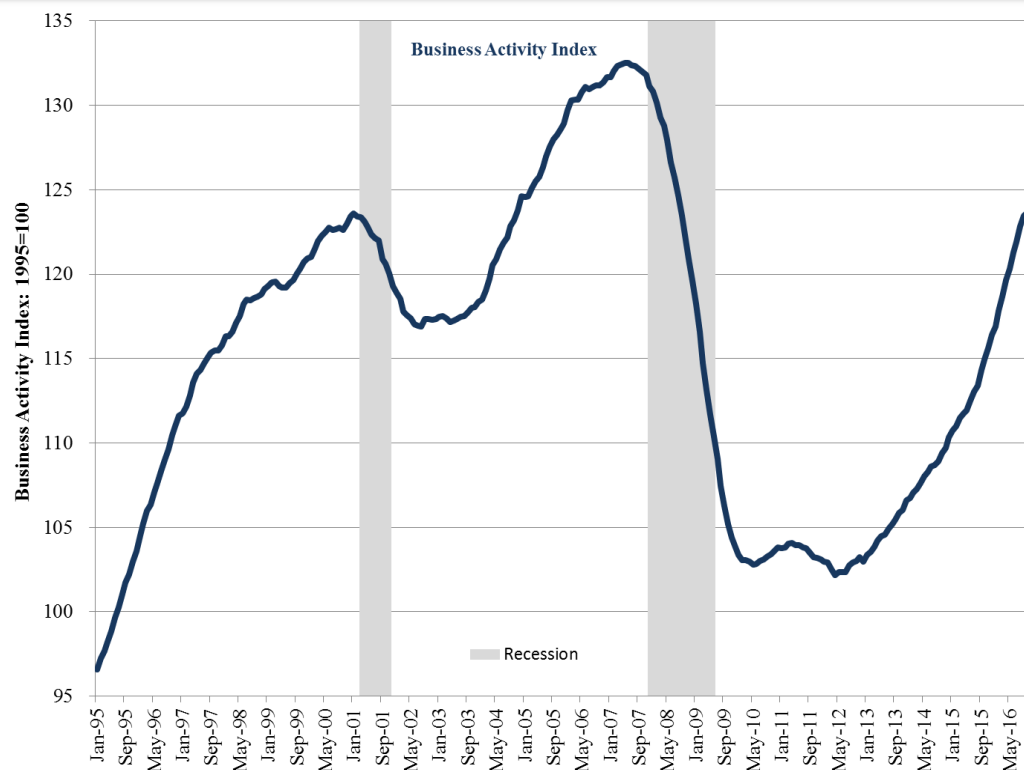
Reno MSA Business Activity Index

Reno MSA Business Activity Index increased by 0.59% between November and December 2016, totaling 48 straight months of growth in business activities in the region.

The Reno MSA Business Activity Index provides a simplified picture of business activity in the Reno MSA region. While similar to our Reno MSA Leading Economic Index, this index excludes some local residential indicators and all national indicators to arrive at a local business activity index. As with the leading index, taxable sales data for this index is projected using average 12-month, year-over-year change for the variable.

The Index shows 0.28% increase between November and December 2016. The index increased by 7.01% over the same period last year (December 2015 and 2016).

Business activity in the region increased for 48 straight months since December 2012.



Series	Latest Period- December 2016	Previous Period- November 2016	Change Previous Period	Previous Year- December 2015	Change Previous Year
Taxable Sales (Washoe Co., SA, CPI)	414,089,226	411,150,520	0.71%	382,976,867	8.12%
Taxable Gaming Revenue (Washoe Co., SA, CPI)	42,801,879	42,415,235	0.91%	41,512,853	3.11%
CES Employment (Reno MSA, SA)	218,758	218,142	0.28%	210,400	3.97%
Airport Passengers (Reno Tahoe Airport, SA)	304,236	303,060	0.39%	286,055	6.36%
Airport Cargo Lbs. Shipped (Reno Tahoe Airport, SA)	13,033,910	13,088,954	-0.42%	11,523,082	13.11%
Business Activity Index Result	124.56	124.21	0.28%	116.41	7.01%

Source: Nevada Department of Taxation, Nevada Gaming Control Board, Current Employment Statistics (CES)-Bureau of Labor Statistics, and Reno-Tahoe International Airport.

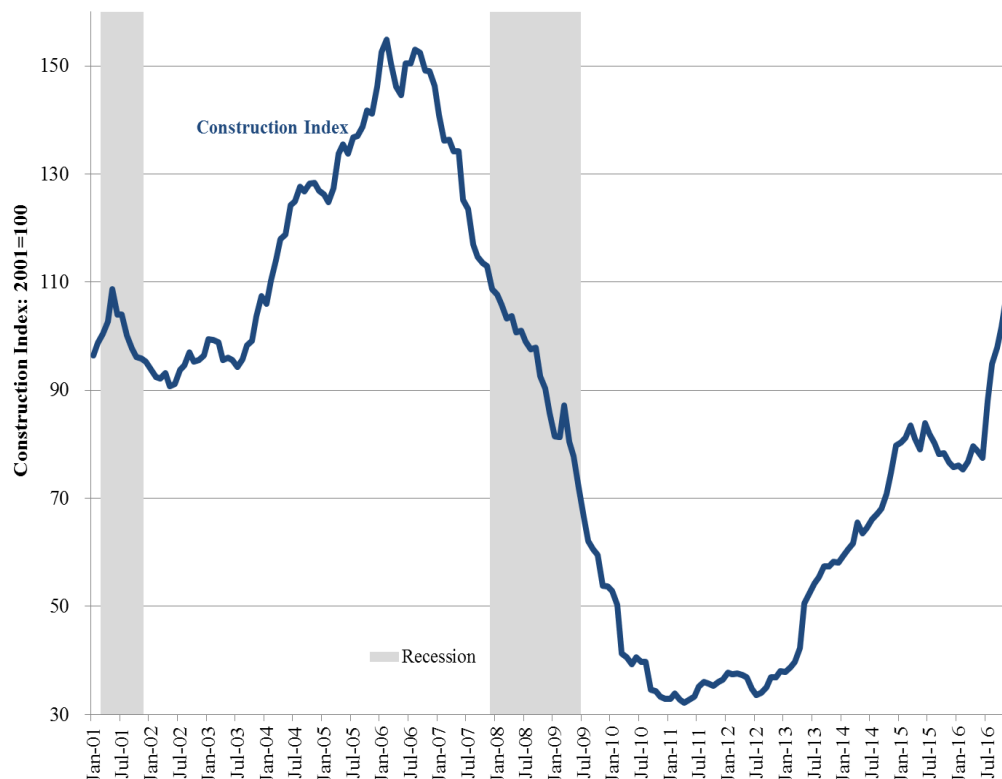
SA-Series results are seasonally adjusted. CPI-Series results are adjusted for inflation to 1995.

Reno MSA Construction Index

Reno MSA Construction Index increased by 1.09% between November and December 2016, the sixth month of positive growth in the index.

The Reno MSA Construction Index provides a picture of the performance of the construction industry in the Reno MSA region. Currently, no single variable represents the condition of the construction industry in the area. By combining multiple construction-related indicators into a single number, the Construction Index represents the state of the construction industry each month, allowing for comparison of trends in the industry over time.

The Index shows a 1.09% increase between November and December 2016. The index increased by 43.51% from the same period last year (December 2015 and 2016). This is the sixth month of index growth following two months of index decline in May and June 2016.



Series	Latest Period December 2016	Previous Period November 2016	Change Previous Period	Previous Year December 2015	Change Previous Year
Reno MSA Construction Employment (SA)	14,008	13,900	0.78%	12,875	8.80%
Washoe Co. Commercial Building Permit Value (SA, CPI)*	29,349,053	30,606,049	-4.11%	14,424,010	103.47%
Washoe Co. Commercial Building Permits (SA)*	29	28	3.61%	16	75.51%
Washoe Co. Residential Building Permit Value (SA, CPI)*	41,475,002	40,380,787	2.71%	36,384,385	13.99%
Washoe Co. Residential Building Permit Units (SA)*	298	284	4.72%	231	28.64%
Construction Index Result	108.82	107.65	1.09%	75.83	43.51%

Source: Current Employment Statistics-Bureau of Labor Statistics, Building Departments of City of Reno, City of Sparks, and Washoe County.

SA-Series results are seasonally adjusted. CPI-Series results are adjusted for inflation to 2001.

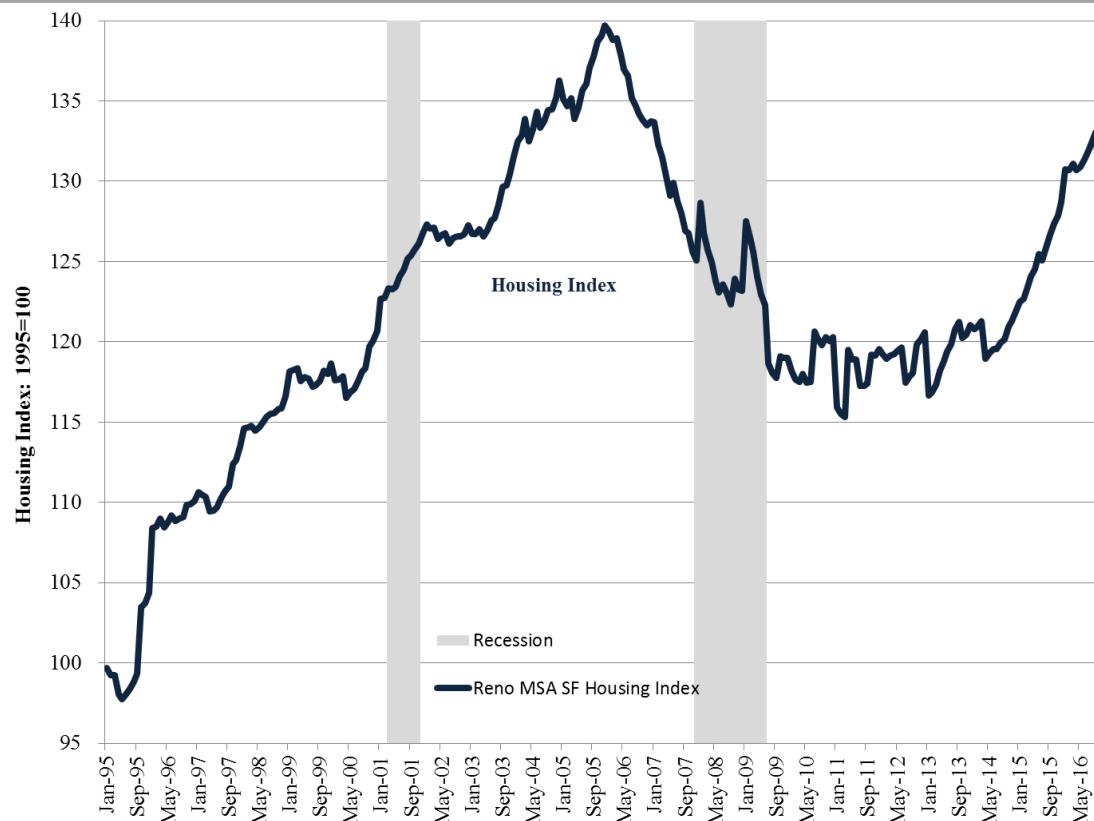
*Includes data for Washoe County, City of Reno, and City of Sparks.

Reno MSA Single-Family Housing Index

Reno MSA Single-Family Housing Index increased by 0.38% between November and December 2016, following a one-month decline in October 2016.

The Reno MSA Single-Family Housing Index provides a simplified picture of the residential housing market in the Reno MSA region, including employment, number of home sales, home prices, and home affordability. Currently, no single variable represents housing activity in the area. By combining multiple housing market-related indicators into a single number, the Single Family Housing Index represents the state of the housing market each month, allowing for comparison of trends in the region over time.

The Index shows a 0.38% increase between November and December 2016. The index increased by 1.75% over the same period last year (December 2015 and 2016).



Series	Latest Period- December 2016	Previous Period- November 2016	Change Previous Period	Previous Year- December 2015	Change Previous Year
CES Employment (Reno MSA, SA)	218,758	218,142	0.28%	210,400	3.97%
New and Existing Homes Sold (Washoe Co., SA)	727	728	-0.08%	698	4.22%
Median Price of New/Existing Homes (Washoe Co., SA, CPI)	205,284	202,135	1.56%	192,401	6.70%
Housing Opportunity Index (Reno MSA)-estimated	41.8	41.8	0.00%	52.3	-20.08%
Housing Index Result	130.95	130.45	0.38%	128.70	1.75%

Source: Current Employment Statistics (CES)-Bureau of Labor Statistics, Washoe County Assessor/Center for Regional Studies (UNR), National Association of Home Builders.

SA-Series results are seasonally adjusted. CPI-Series results are adjusted for inflation to 1995.