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Date: March 7th, 2003

To: Chairwoman Senator O'Connell and the Senate Governmental Affairs Committee

From: Lon A. DeWeese, Chief Financial Officer

Subject: Additional information requested for S.B. 78

Thank you for your attention to S.B. 78 at the Committee's Work Session on March 5th. I have attached for your attention the additional information on current 'Median Income Levels' that you requested at that time. For your information and consideration, all current and past bond financing conducted by the Housing Division have been controlled by the IRS Median Income limits of 120% of median, for an area. However, the ratio of actual lending to the upper end of the income limits are listed below:

YEAR	IRS Limit Clark County	Median for actual Loans made	Ratio of Actual: Limit	# Loans Made
1999	51,900	36,692	70.7%	627
2000	53,500	38,496	71.9%	861
2001	58,900	39,811	67.5%	567
2002	56,500	38,127	67.5%	235

The Housing Division firmly believes that the four year trend in lending, whereby **average loans run at 65-75% of income limits**, will continue with new higher income limits proposed for 'special needs groups'. It is, however, necessary to have the higher limits [150% of median income] in the proposed legislation in order to ensure the widest available pool of loan applicants from within the 'special needs groups'. It is a **fundamental underwriting fact that the wider the income distribution within a lending pool the lower the financial risks**. Thus, the higher income limit for members of a mortgage pool will ameliorate the potential higher risks of the below median income members of a 'special needs group' and allow for the lowest possible mortgage interest rates.

Hopefully, this data and the enclosed tables will directly address your questions. If I can be of further assistance, please feel free to contact me [687-4258 or email: nhd@nvhousing.state.nv.us].

Enc.

Median Income Tables for Housing Programs

Per 2003 HUD Values

Current bond programs maximums per IRS=120%

Community:	% of Median	Family Size: 1	2	NV Avg=2.6	3	4	5	6
Las Vegas MSA	100	39,200	45,200	**48,620**	50,900	56,500	61,000	61,000
	120	47,040	54,240	**58,344**	61,080	67,800	73,200	73,200
	150	58,800	67,800	**72,930**	76,350	84,750	91,500	91,500
Reno MSA	100	43,600	49,800	**53,580**	56,100	62,300	67,300	72,300
	120	52,320	59,760	**64,296**	67,320	74,760	80,760	86,760
	150	65,400	74,700	**80,370**	84,150	93,450	100,950	108,450
Churchill County	100	39,600	45,200	**48,620**	50,900	56,500	61,000	65,500
	120	47,520	54,240	**58,344**	61,080	67,800	73,200	78,600
	150	59,400	67,800	**72,930**	76,350	84,750	91,500	98,250
Douglas County	100	44,700	51,100	**54,940**	57,500	63,900	69,000	74,100
	120	53,640	61,320	**65,928**	69,000	76,680	82,800	88,920
	150	67,050	76,650	**82,410**	86,250	95,850	103,500	111,150
Elko County	100	44,400	50,700	**54,540**	57,100	63,400	68,500	73,500
	120	53,280	60,840	**65,448**	68,520	76,080	82,200	88,200
	150	66,600	76,050	**81,810**	85,650	95,100	102,750	110,250

Esmeralda County	100	39,600	45,200	**48,620**	50,900	56,500	61,000	65,500
	120	47,520	54,240	**58,344**	61,080	67,800	73,200	78,600
	150	59,400	67,800	**72,930**	76,350	84,750	91,500	98,250
Eureka County	100	43,200	49,400	**53,060**	55,500	61,700	66,600	71,600
	120	51,840	59,280	**63,672**	66,600	74,040	79,920	85,920
	150	64,800	74,100	**79,590**	83,250	92,550	99,900	107,400
Humboldt County	100	40,700	46,600	**50,080**	52,400	58,200	62,900	67,500
	120	48,840	55,920	**60,096**	62,880	69,840	75,480	81,000
	150	61,050	69,900	**75,120**	78,600	87,300	94,350	101,250
Lander County	100	41,600	47,500	**51,100**	53,500	59,400	64,200	68,900
	120	49,920	57,000	**61,320**	64,200	71,280	77,040	82,680
	150	62,400	71,250	**76,650**	80,250	89,100	96,300	103,350
Lincoln County	100	39,600	45,200	**48,620**	50,900	56,500	61,000	65,500
	120	47,520	54,240	**58,344**	61,080	67,800	73,200	78,600
	150	59,400	67,800	**72,930**	76,350	84,750	91,500	98,250
Lyon County	100	39,600	45,200	**48,620**	50,900	56,500	61,000	65,500
	120	47,520	54,240	**58,344**	61,080	67,800	73,200	78,600
	150	59,400	67,800	**72,930**	76,350	84,750	91,500	98,250
Mineral County	100	39,600	45,200	**48,620**	50,900	56,500	61,000	65,500
	120	47,520	54,240	**58,344**	61,080	67,800	73,200	78,600
	150	59,400	67,800	**72,930**	76,350	84,750	91,500	98,250

Pershing County	100	39,600	45,200	**48,620**	50,900	56,500	61,000	65,500
	120	47,520	54,240	**58,344**	61,080	67,800	73,200	78,600
	150	59,400	67,800	**72,930**	76,350	84,750	91,500	98,250
Storey County	100	46,500	53,100	**57,120**	59,800	66,400	71,700	77,000
	120	55,800	63,720	**68,544**	71,760	79,680	86,040	92,400
	150	69,750	79,650	**85,680**	89,700	99,600	107,550	115,500
White Pine County	100	39,600	45,200	**48,620**	50,900	56,500	61,000	65,500
	120	47,520	54,240	**58,344**	61,080	67,800	73,200	78,600
	150	59,400	67,800	**72,930**	76,350	84,750	91,500	98,250
Carson City	100	42,000	48,000	**51,600**	54,000	60,000	64,800	69,600
	120	50,400	57,600	**61,920**	64,800	72,000	77,760	83,520
	150	63,000	72,000	**77,400**	81,000	90,000	97,200	104,400