

## KEY FINDINGS

From the air we breathe, to the water we drink and the land that we walk on, the environment touches nearly every aspect of daily life. The environment is a concern of many Nevadans, including those with high net worth. In a 2014 survey of high net worth households by Nevada State Bank, 82% said ensuring long-run water resource stability was an important or very important state priority. On the topic of protecting the environment and slowing global warming, just over 4 in 10 of survey respondents said those were important or very important priorities for the state.

Through the years, Nevadans have undertaken numerous initiatives with the goal of preserving, protecting and improving the environment. Below is a summary of some initiatives that have helped create a better quality of life for both current and future generations of Nevadans.

### Water Conservation

In the arid Southwest, there is no greater concern for sustainability and quality of life than the availability of a stable, reliable source of clean drinking water. The Colorado River makes life possible in the desert and affects not only the quality of life, but the health and growth of regional economies, as well.

For the past decade, the Colorado River has been experiencing its worst period of drought in a century. Since 2000, the surface level of Lake Mead, which is Southern Nevada's primary water source,

has dropped more than 100 feet. During this time, the Southern Nevada Water Authority has led the region through one of the nation's most successful water conservation campaigns during one of the region's most explosive periods of growth.

Water conservation programs such as turf replacement, mandatory watering schedules, and Water Smart Homes have contributed to a 41-percent decline in daily per capita water use since 1990. The majority of that reduction (35 percent) has been realized since 2002 during the period of greatest need. Today, Southern Nevada uses as much total water as it did more than a decade ago, even though it is home to 500,000 additional residents.

### Outdoor Conservation

One of Nevada's premier assets is its natural beauty. From the tranquil waters of Lake Tahoe in the north to the red-hued

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#### INSIGHTS FROM TOM WARDEN



**SENIOR VICE PRESIDENT  
COMMUNITY AND  
GOVERNMENT RELATIONS,  
THE HOWARD HUGHES  
CORPORATION**

For more than a quarter century, The Howard Hughes Corporation and its predecessor have strived to set an example for the responsible balancing of development and growth with environmental preservation and sustainability. That stewardship began in 1988 – the year Summerlin was announced – with a land exchange that transferred 5,000 acres at the gateway to Red Rock Canyon to the Bureau of Land Management. A similar exchange 14 years later further protected Southern Nevada's natural treasure by enlarging the buffer zone on the valley's western edge.

That early spirit of stewardship and sustainability has continued through more than two decades of expansion, even as Summerlin has remained one of the most popular master-planned communities in the nation. In 2003, when drought and rapid population growth combined to drop Lake Mead to its lowest point in four decades, Summerlin became the first Southern Nevada community to enact Water Smart restrictions that, most notably, banned installation of front lawns for all new homes. Summerlin's adoption of Water Smart restrictions came a year before the Southern Nevada Water Authority instituted them for the entire valley. Around the same time, Summerlin required all new homes to meet federal Energy Star requirements for energy efficiency, and the community continues to promote green building initiatives such as LEED-certified homes, office buildings, and retail centers.

Unfortunately, since these initiatives began, the need for them has only grown. Today, extended drought has become the norm across the western United States, and Lake Mead is lower than it has been since its initial fill up. With significant population growth projected for Nevada and the rest of the southwest, as well as the continuing challenge of climate change, a commitment to environmental protection and sustainability will be more important than ever. The Howard Hughes Corporation will continue to lead by example and engagement, but we all share the responsibility of working to ensure that the natural beauty and environmental resources that make Southern Nevada the community it is today are preserved and protected for tomorrow.

ruggedness of Red Rock Canyon in the south, Nevada is home to some of the most treasured outdoor spaces in the nation. These locations support opportunities for recreation by local residents and ecotourists who come from around the globe to experience the state's outdoor resources.

These resources, however, require care and protection to ensure that the potentially damaging effects of human interaction are kept to a minimum. That charge falls to policymakers who designate specially protected areas and the various state and federal agencies that manage them. Among states, Nevada has the highest share of land that is protected by either state or federal designation. Nearly 83 percent of the state's 71 million acres is officially protected, including national forests, state and national parks, recreation areas and the 41 million acres of land overseen by the Bureau of Land Management.

Because of Nevada's long history of land protection, today the state portfolio of natural jewels includes Red Rock Canyon National Conservation Area, Lake

Tahoe State Park, Great Basin National Park, Lake Mead National Recreation Area, Valley of Fire State Park, Mount Charleston, the recently designated Basin and Range National Monument, and many more. These areas have helped safeguard ancient historical and cultural sites, protect sensitive wildlife habitats, and preserve Nevada's natural beauty for future generations.

### Green Buildings

Nevada's conservation efforts extend to the buildings we live and work in every day. Through renovation, retrofitting and new construction, hundreds of buildings in the state have achieved certification through the Leadership in Energy and Environmental Design (LEED) program of the U.S. Green Building Council. Nevada's LEED-certified buildings include numerous casino-resorts, university campus buildings, hospitals, offices, retail stores, government buildings, single-family homes and apartment complexes.

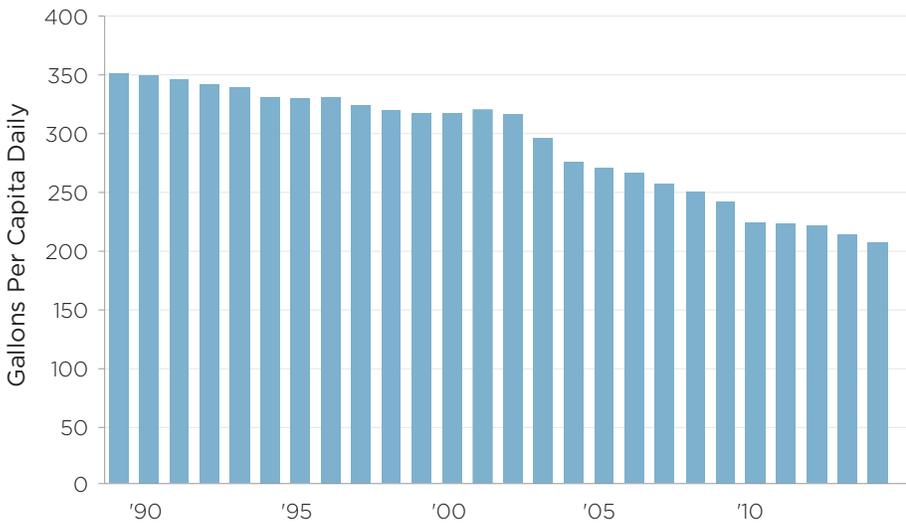
Nevada is home to 187 certified green buildings, including 36 that have achieved the highest rating of Platinum. Another

225 buildings in the state have applications pending for LEED certification, as well. Compared to other states, Nevada has the fifth-highest share of Platinum ratings among its certified buildings.

The state's new-home building market has also rated well under the Energy Star certification program by the U.S. Environmental Protection Agency, which awards certifications to new homes based on their energy efficiency. In 2014, 33 percent of new single-family homes built in Nevada were Energy Star certified, giving it the third-highest share among the states. The national average was 12 percent. Energy Star estimates that Nevada's certified homes saved more than \$913,000 in utility costs during 2014.

These achievements are just a few of the many milestones for environmental protection and sustainability in Nevada. Ongoing efforts at the local, state, and federal levels, including the potential development of the Gold Butte National Conservation Area, will help ensure a future of sustainable community growth and preservation of the state's natural resources for generations to come.

### PER CAPITA WATER CONSUMPTION IN SOUTHERN NEVADA



Source: Southern Nevada Water Authority

### LANDS DESIGNATED AS PROTECTED AREAS

State	Protected Area
Nevada	82.4%
Alaska	68.6%
Utah	66.9%
Idaho	66.7%
Arizona	64.8%

Source: U.S. Geological Survey

### LEED-CERTIFIED BUILDINGS IN NEVADA

Certification Level	Number
Platinum	36
Gold	73
Silver	61
Certified	17

Source: U.S. Green Building Council

The Private Bank by Nevada State Bank retained the team at Applied Analysis to explore the high net worth segment of the community. Specifically, the team has been working to better understand the size, consumer trends, needs and other aspects of this key segment of the market. Research efforts expected over the course of the next several months will focus on selected demographic and economic data, as well as information garnered through direct surveying techniques and other cutting edge research methodologies. This reporting series has been designed with these high net worth individuals in mind. We hope you find the elements of our research and analysis helpful in assessing the market.

The High Net Worth Report is published quarterly and can be found at [www.nsbank.com/HNWreport](http://www.nsbank.com/HNWreport). For more information, please call The Private Bank by Nevada State Bank at 702.855.4596.

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