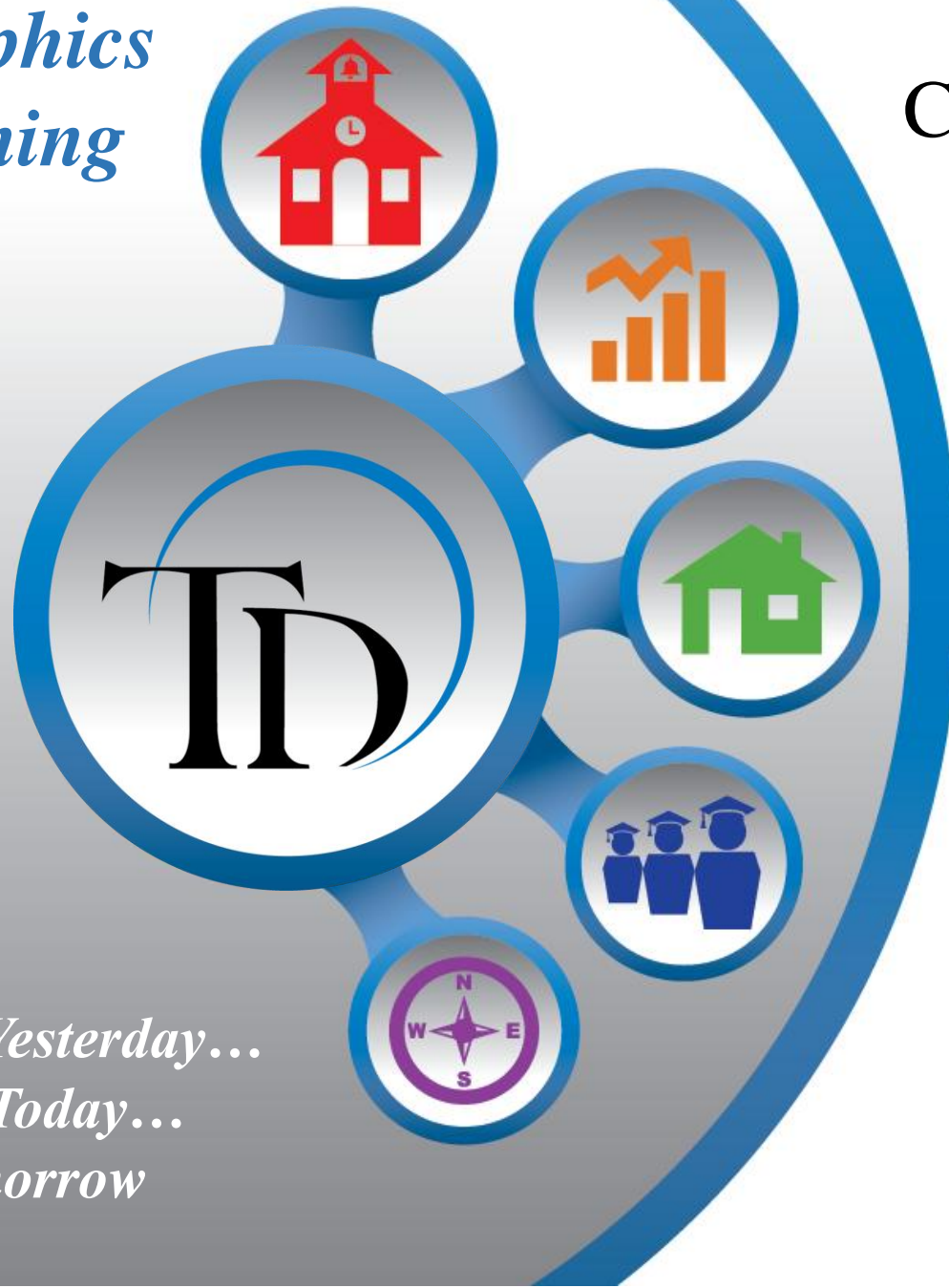


*Demographics
and Planning*

Growth in
Comal County
February 2017



*Learn from Yesterday...
Understand Today...
Plan for Tomorrow*

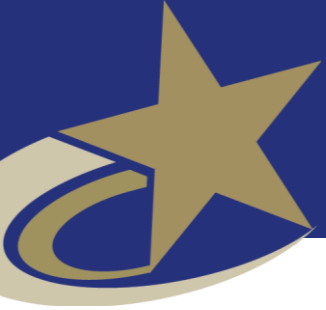


Economic Indicators

- The state unemployment rate is below 4.5%, **and most major Texas MSA's are currently within "full employment."**
- While the depressed oil market has slowed Texas job growth since mid 2014, **the oil and gas sector saw the first month of net job gains since December 2014.**
- **Texas is expecting a 2% job growth rate in 2017**, up from 1.6% in 2016.
- Unemployment rates - Texas Labor Market Information (Dec 2016)
 - U.S. 4.5%
 - Texas 4.6%
 - DFW MSA 3.7%
 - Austin-Round Rock MSA 3.2%
 - San Antonio MSA 3.7%
 - Houston MSA 5.3%
- **#1 Exporter:** In 2015 Texas exported \$251 billion in goods to destinations all over the world, leading the nation for the 14th year running.
- **51 Fortune 500:** Fifty-one of the nation's leading companies base their headquarters in Texas.

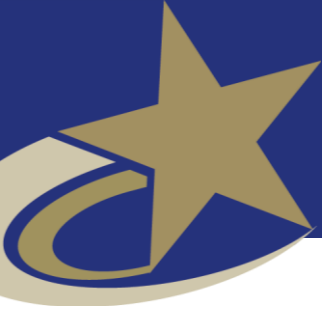
Source: Federal Reserve Bank of Dallas and the Texas Workforce Commission



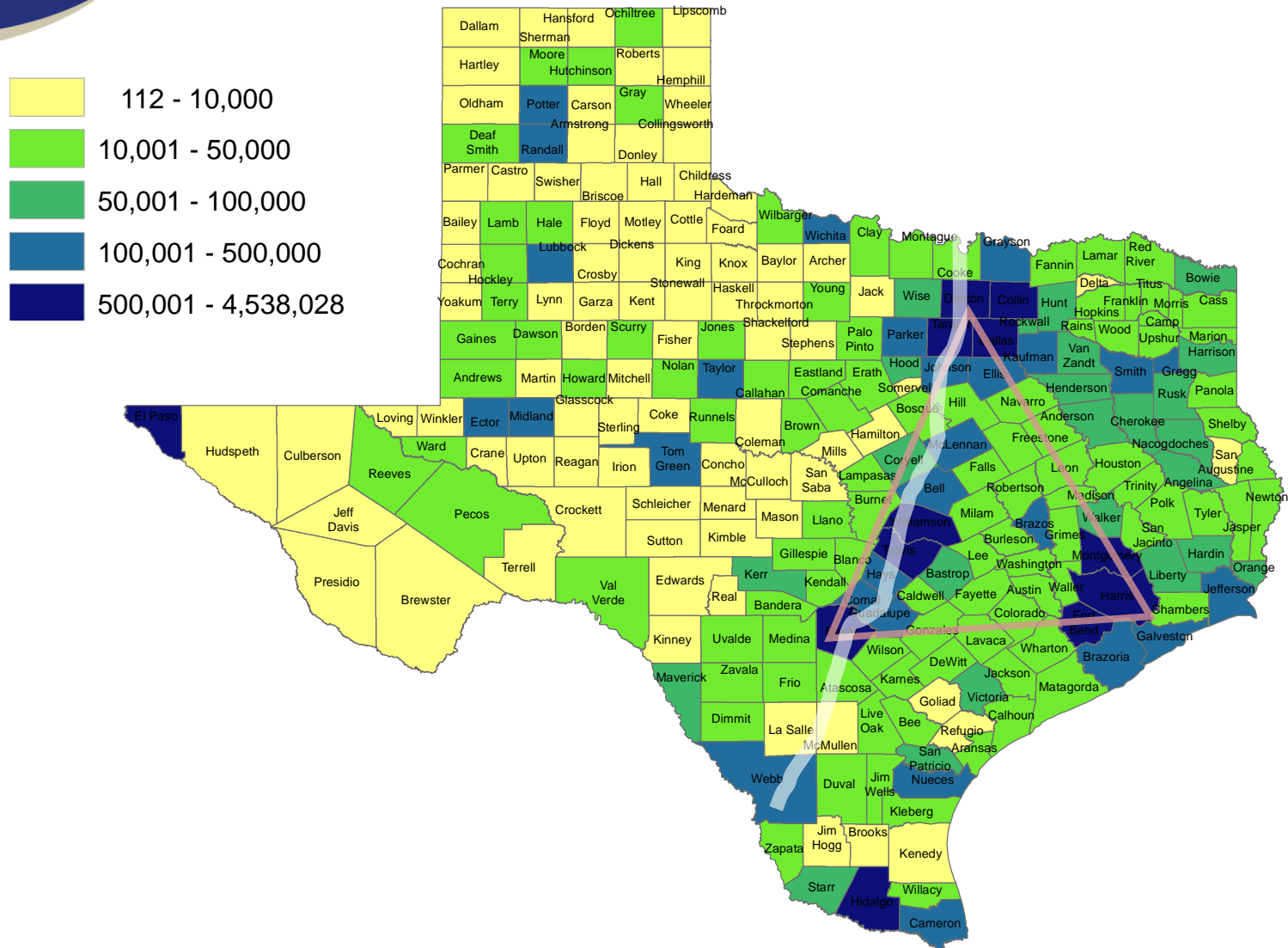


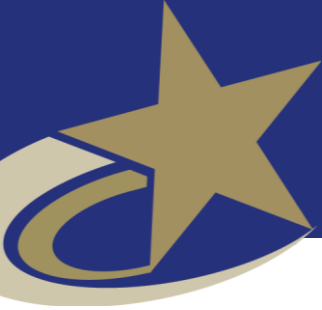
Growing States, 2000-2015

	2000 Population	2010 Population	2015 Population	Numeric Change 2010-2015	Percent Change 2010-2015
United States	281,421,906	308,745,538	321,418,820	12,673,282	4.1%
Texas	20,851,820	25,145,561	27,469,114	2,323,553	9.2%
California	33,871,648	37,253,956	39,144,818	1,890,862	5.1%
Florida	15,982,378	18,801,310	20,271,272	1,469,962	7.8%
Georgia	8,186,453	9,687,653	10,214,860	527,207	5.4%
North Carolina	8,049,313	9,535,483	10,042,802	507,319	5.3%
Arizona	5,130,632	6,392,017	6,828,065	436,048	6.8%



Total Estimated Population by County, Texas, 2015



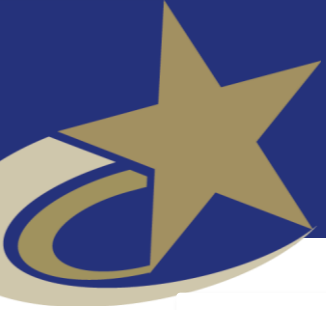


Top Counties for Percent Growth* in Texas, 2014-2015

County	U.S. Rank	2014-2015 Percent Population Change	Percent Change from Migration	Percent Change from International Migration
Hays	1	5.2%	85.5%	1.9%
Comal	2	4.5%	90.7%	2.1%
Fort Bend	4	4.3%	79.3%	16.5%
Williamson	7	3.9%	79.1%	6.7%
Montgomery	10	3.6%	80.8%	9.9%
Denton	12	3.4%	74.5%	11.7%
Ector	18	3.3%	63.1%	3.1%
Midland	19	3.3%	66.2%	3.2%
Collin	23	3.2%	75.2%	15.8%
Kaufman	25	3.1%	79.8%	3.2%
Parker	29	2.8%	89.8%	2.2%
Brazos	32	2.8%	69.2%	27.4%
Guadalupe	38	2.7%	78.8%	4.6%
Ellis	39	2.7%	77.2%	2.7%

*Among Counties with 10,000 or more population in 2014

Source: U.S. Census Bureau, 2015 Vintage Population Estimates

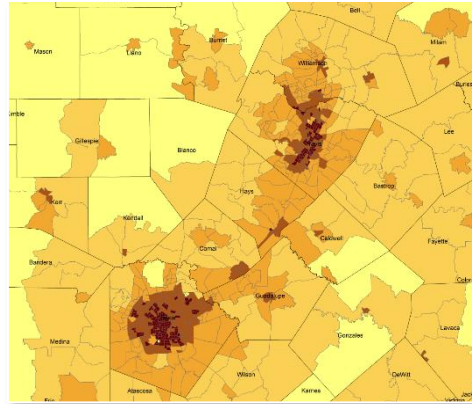
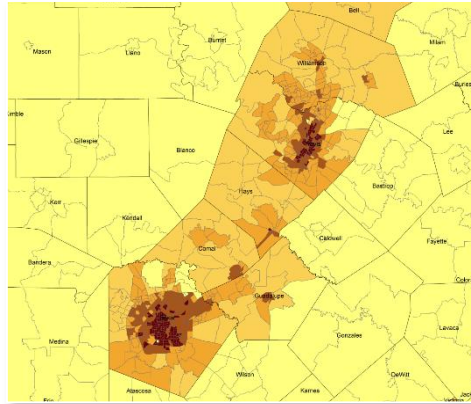
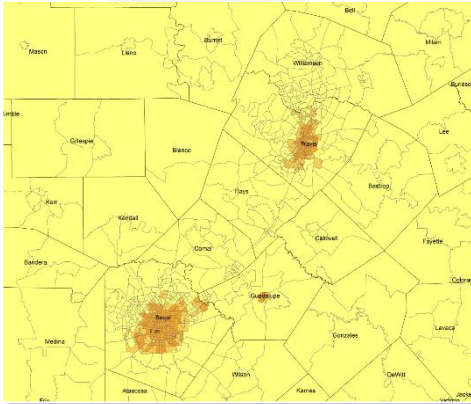


Density by Census Tract, Austin/San Antonio Corridor,

1970

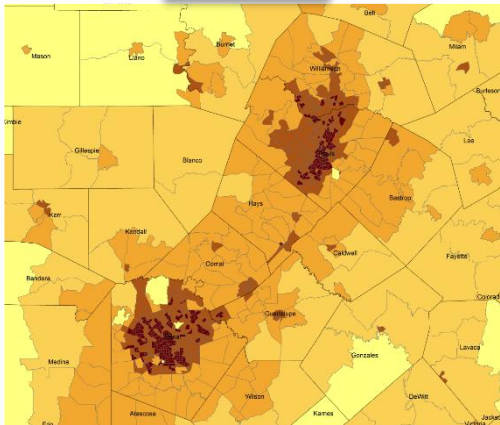
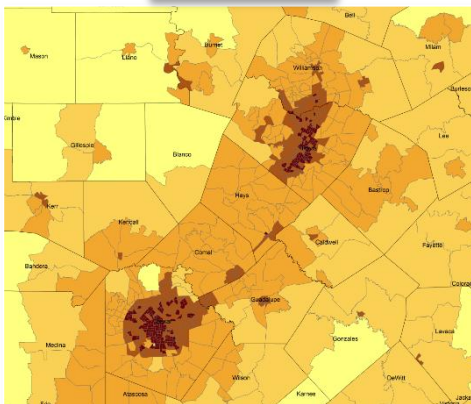
1980

1990

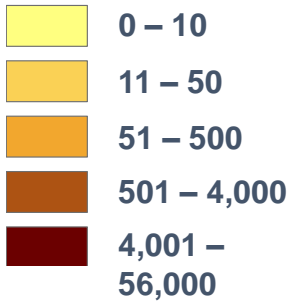


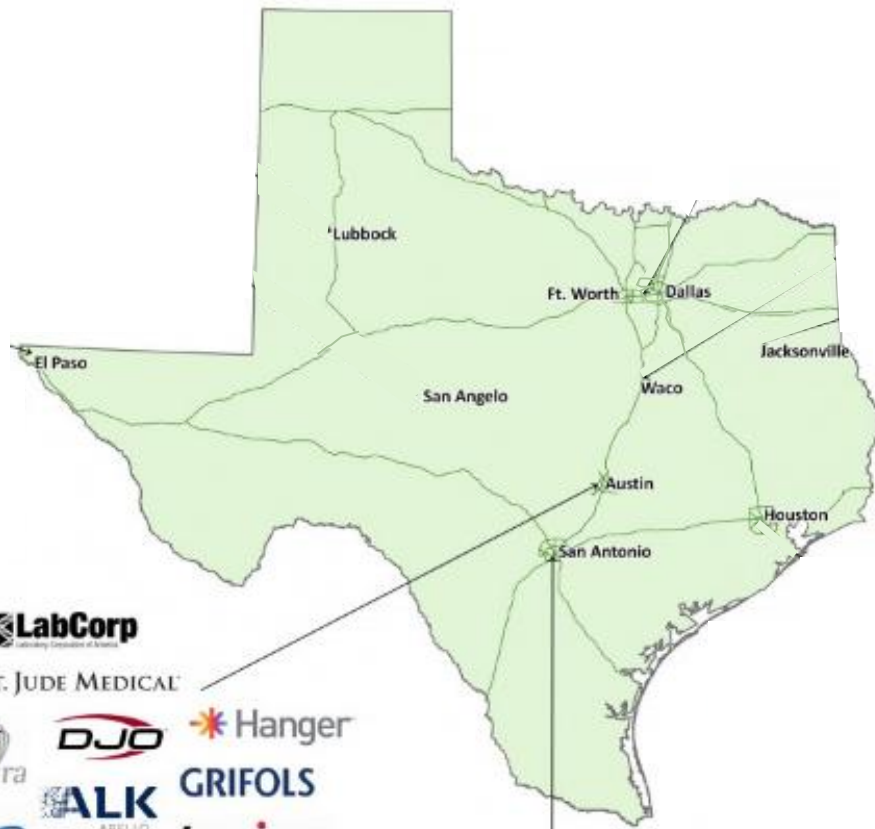
2000

2010



Persons per
Square Mile





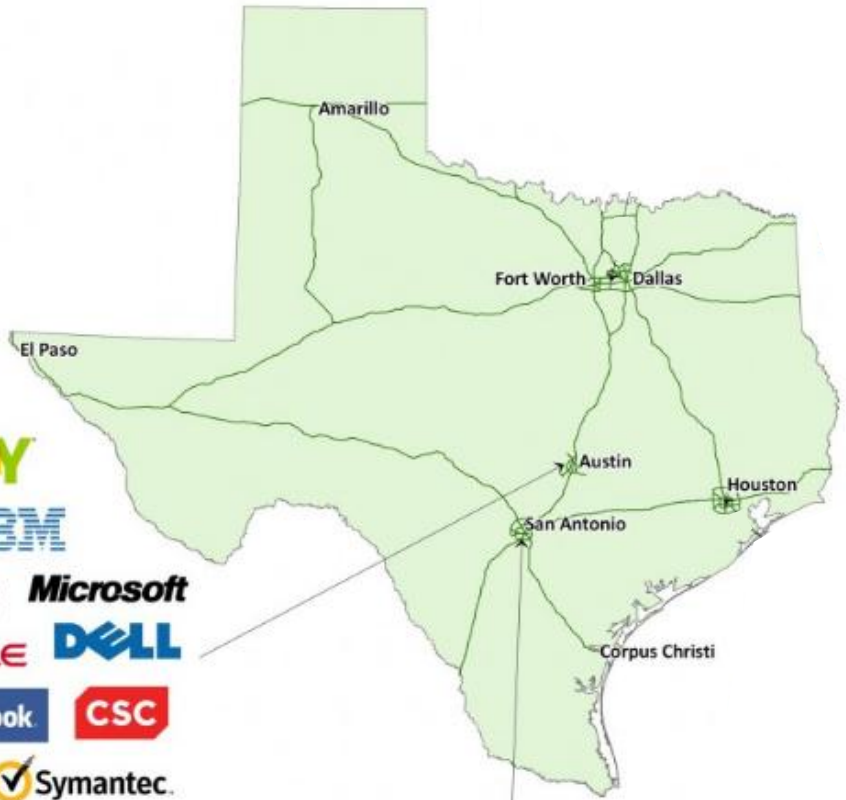
- LabCorp**
- ST. JUDE MEDICAL**
- Hospira**
- HealthTronics**
- life technologies**
- nc Research**
- SIGMA-ALDRICH**
- Agilent Technologies**
- DJO**
- ALK**
- zimmer**
- ArthroCare Corporation**
- QUINTILES**
- PPD**
- Hanger**
- GRIFOLS**
- Luminex**
- DPT**
- Mission PHARMACAL**
- BD**
- TEXAS BIOMEDICAL RESEARCH INSTITUTE**
- KCI**
- Medtronic**
- genzyme**
- sanofi aventis**





Major IT Services Companies in Texas

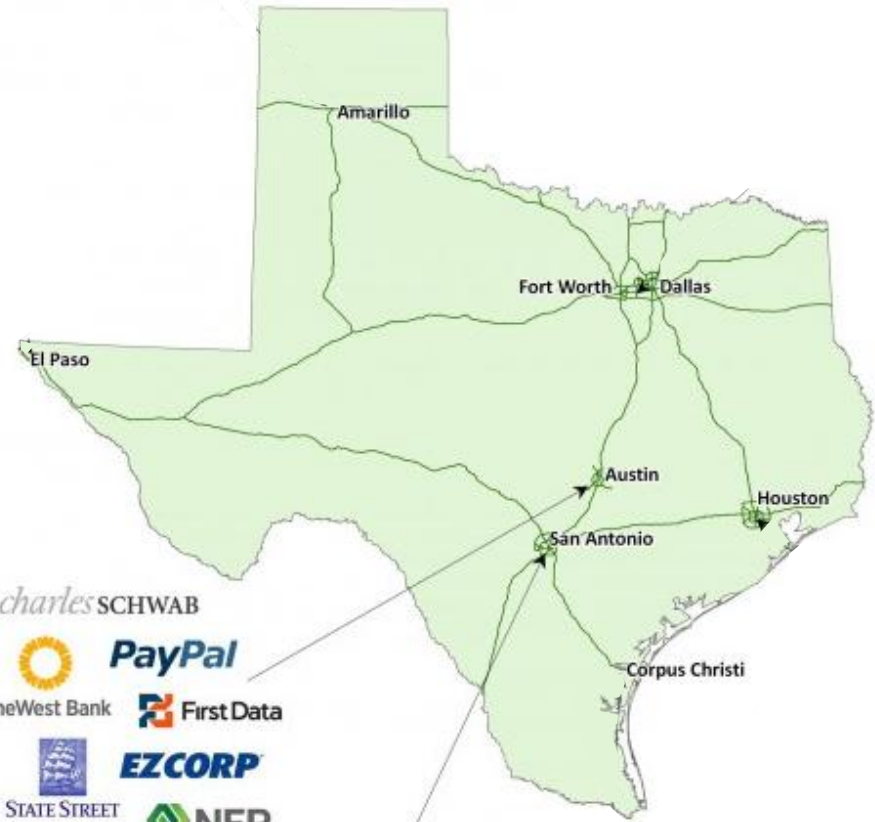
Selection of firms with total corporate revenues exceeding \$500 million





Major Financial Services Companies in Texas

Firms with total corporate revenues exceeding \$1 billion



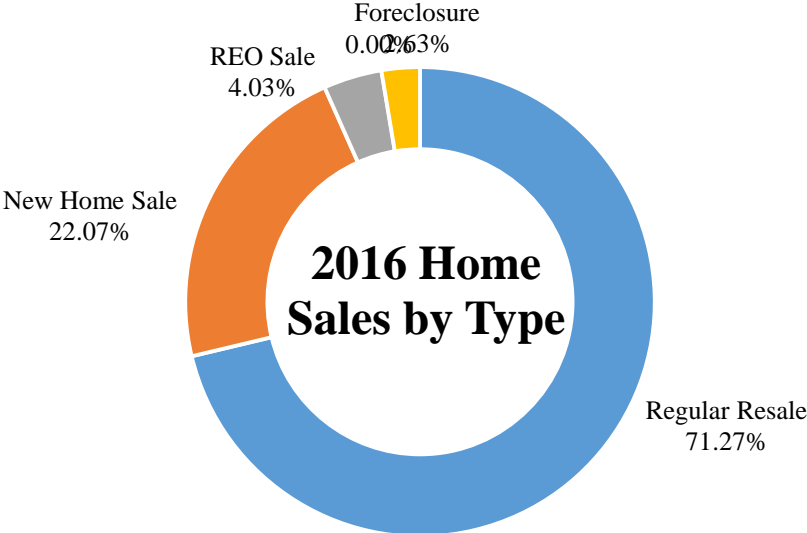
- charles SCHWAB
- PayPal
- OneWest Bank
- First Data
- EZCORP
- STATE STREET
- NFP
- Morgan Stanley
- STIFEL NICOLAUS
- JPMorganChase
- HARLAND CLARKE
- USAA
- MasterCard
- UBS





Comal County Home Sales

2016 Home Sales by Type



- Comal County had 4,668 home sales in 2016, and 22% were of new homes
- The average sale price in 2016 for a new home was \$331,240
- The average sale price in 2016 for an existing home was \$284,855





San Antonio New Home Ranking Report

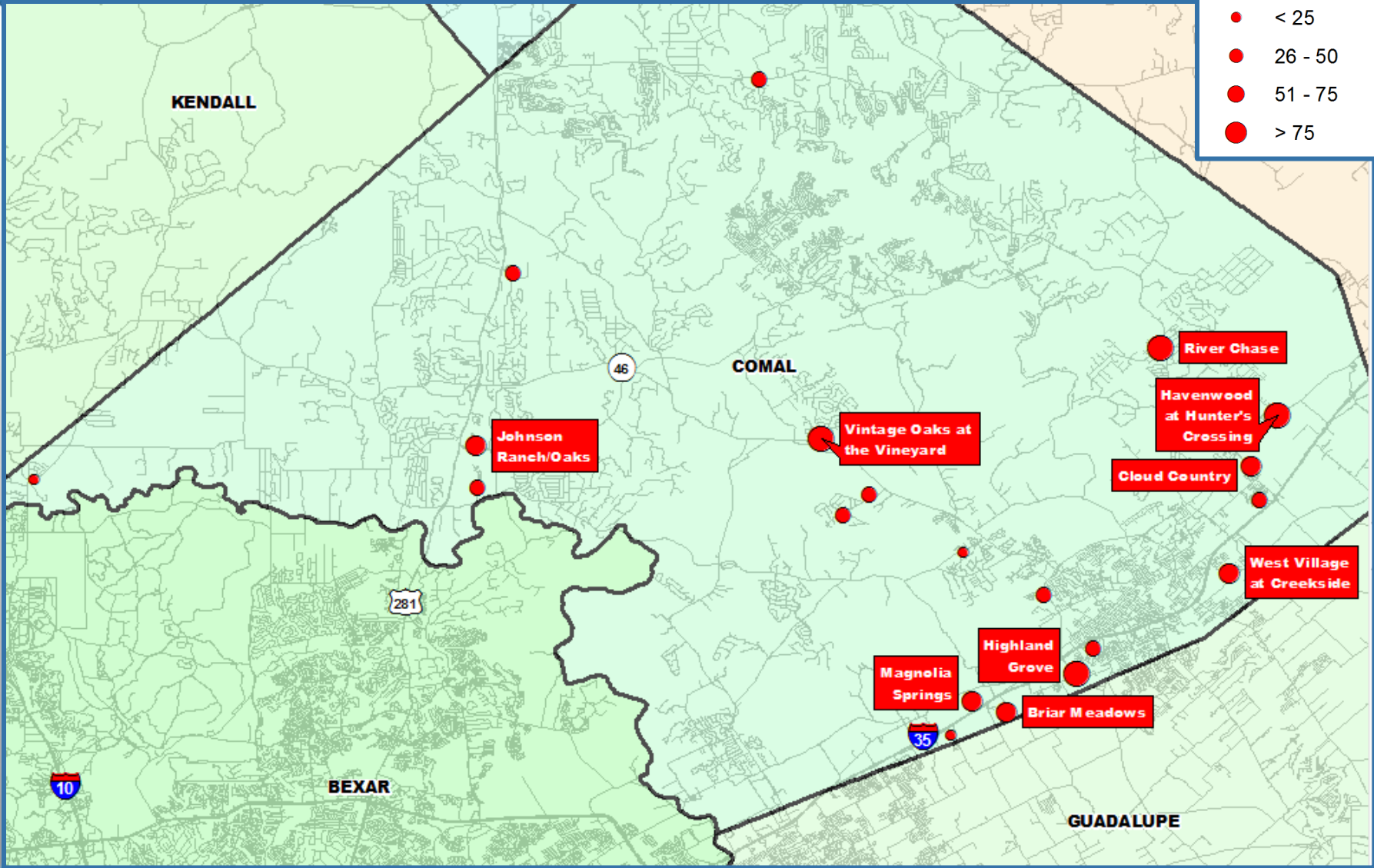
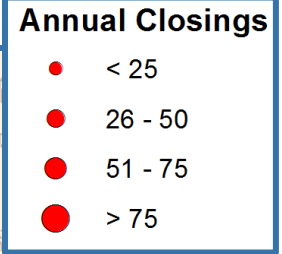
ISD Ranked by Annual Closings – 4Q16

Rank	District Name	Annual Starts	Annual Closings	VDL	Future
1	Northside ISD	3,484	3,488	6,302	32,902
2	Comal ISD	1,605	1,610	3,007	25,565
3	Schertz-Cibolo U City ISD	730	858	1,725	6,402
4	Boerne ISD	714	709	1,358	10,387
5	Judson ISD	762	647	1,673	5,527
6	North East ISD	541	542	980	5,979
7	New Braunfels ISD	540	538	1,100	8,669
8	Medina Valley ISD	455	396	656	15,427
9	Southwest ISD	354	325	358	5,273
10	East Central ISD	338	321	757	3,796
11	Seguin ISD	105	122	236	1,206
12	Southside ISD	100	91	72	8,943
13	Navarro ISD	82	78	193	312
14	San Antonio ISD	152	74	286	3,002
15	Harlandale ISD	46	41	67	156





Top 20 Subdivisions by Annual Closings



- The Top 20 most active subdivisions in Comal County closed 1,020 new homes in 2016
- The most active subdivision in Comal County is the Vintage Oaks at the Vineyard

Millennials and Household Formation



Who are they?

A different world, a different worldview. Millennials have grown up in a time of rapid change, giving them a set of priorities and expectations sharply different from previous generations.

BORN BETWEEN

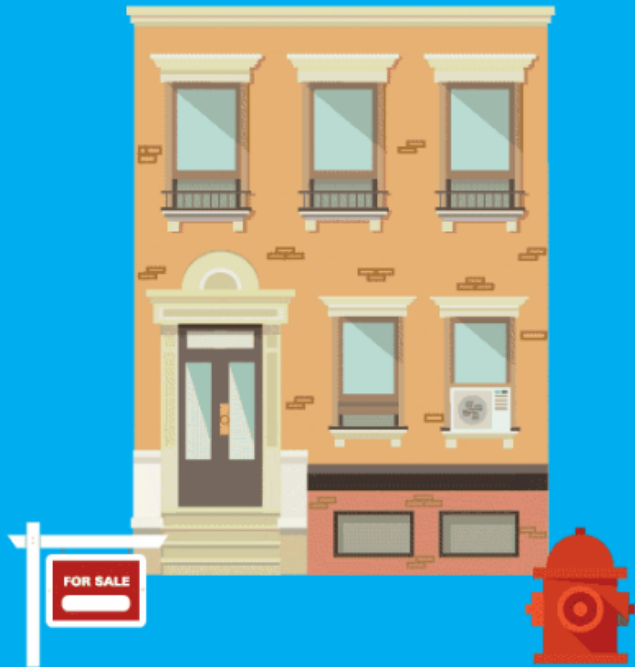
1980 → 2000

Source: Goldman Sachs Global Investment Research

- Millennials are the largest generation in US history
- Due to lower employment levels, lower incomes and higher student loan balances than any previous generation, Millennials are delaying household formation
- The percent of 18-31 year olds married and living independently has dropped from 56% in 1968 to just 23% in 2012
- As Millennials enter peak home-buying years of 25-45 the desire to settle down and later household formations could surge home sales



Millennials and Household Formation



Housing

As Millennials enter their peak home-buying years, their reluctance to enter the housing market could change. The cohort's sheer size, plus its desire to settle down in the future, could lead to a surge in home sales.

PEAK HOME-BUYING YEARS

25_{y/o} → 45_{y/o}

Source: Goldman Sachs Global Investment Research



Millennials and Household Formation



Love & Marriage

Millennials have been putting off significant milestones like marriage and children. But that doesn't mean they want to stay single forever.



Source: Goldman Sachs Global Investment Research

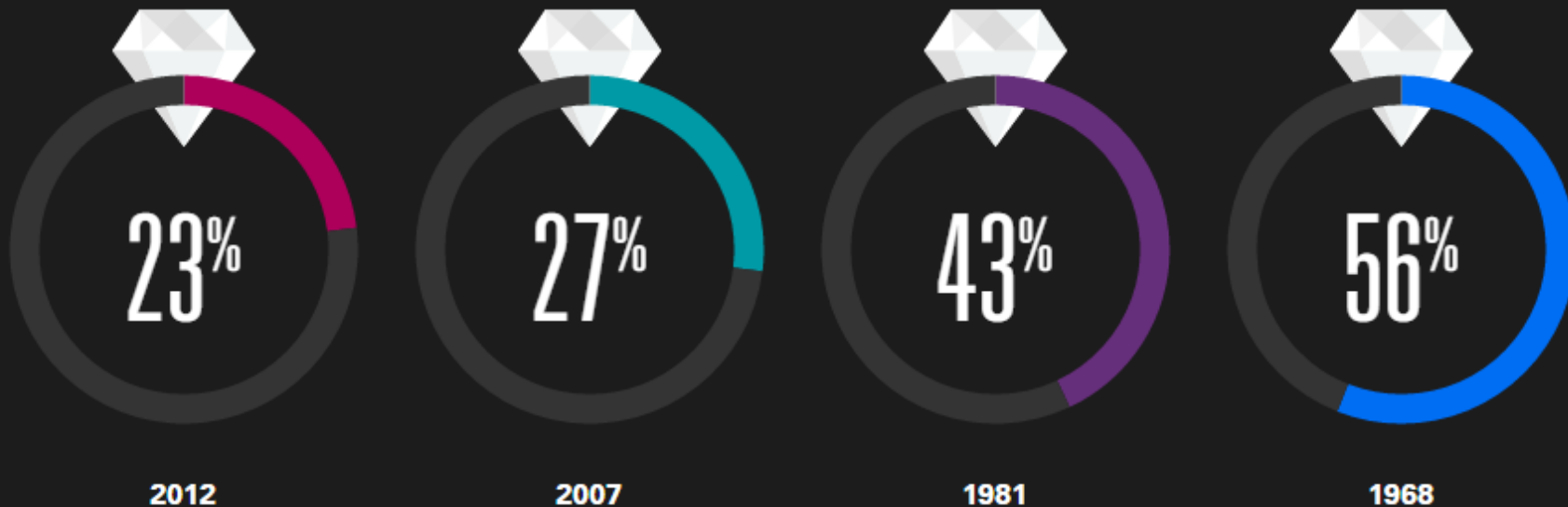


Millennials and Household Formation



MARRIAGE CAN WAIT

The percentage of young people married and living on their own has dropped by more than 50% since the 1960s.



% of 18-31 year olds married and living in their own household

Source: Pew Research Center, Current Population Survey



Millennials and Household Formation



The Takeaway

The Millennial generation is the largest in US history and as they reach their prime working and spending years, their impact on the economy is going to be huge.

Millennials have come of age during a time of technological change, globalization and economic disruption. That's given them a different set of behaviors and experiences than their parents.

They have been slower to marry and move out on their own, and have shown different attitudes to ownership that have helped spawn what's being called a "sharing economy."

They're also the first generation of digital natives, and their affinity for technology helps shape how they shop. They are used to instant access to price comparisons, product information and peer reviews.

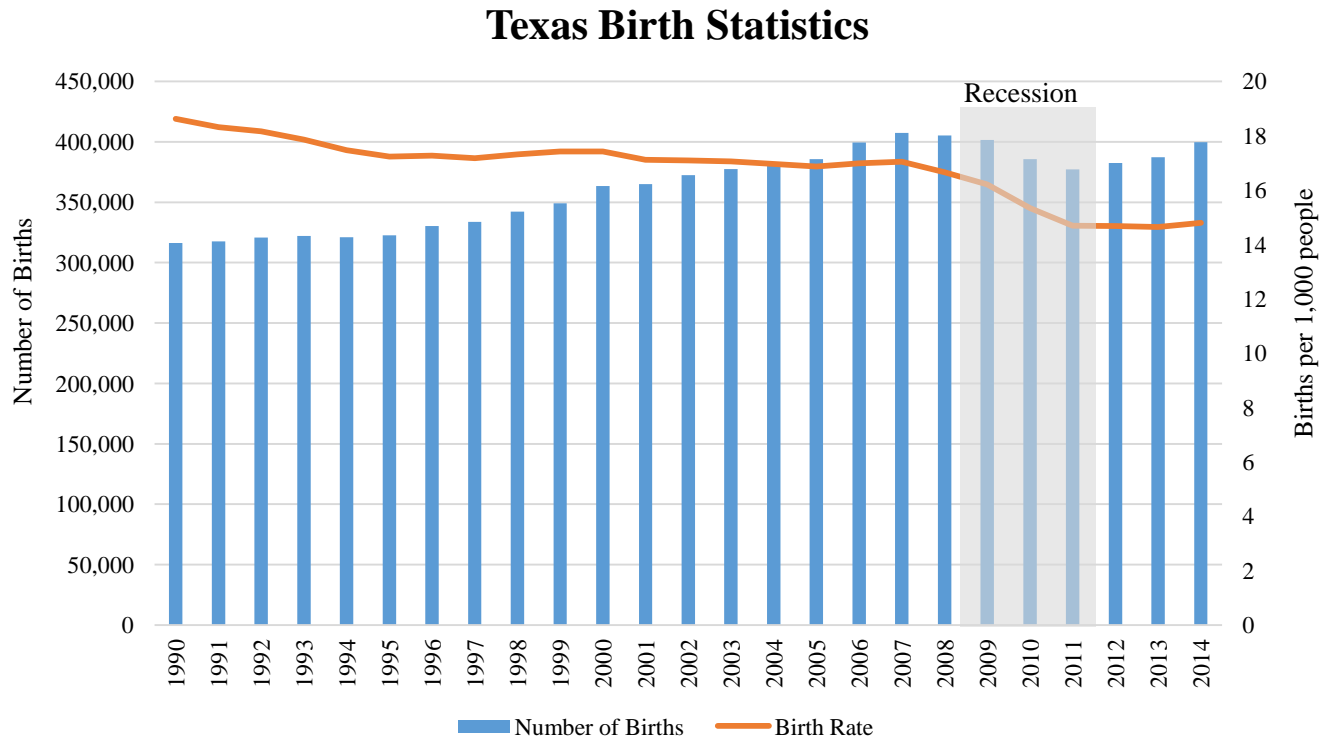
Finally, they are dedicated to wellness, devoting time and money to exercising and eating right. Their active lifestyle influences trends in everything from food and drink to fashion.

These are just some of the trends that will shape the new Millennial economy.





Texas Birth Statistics

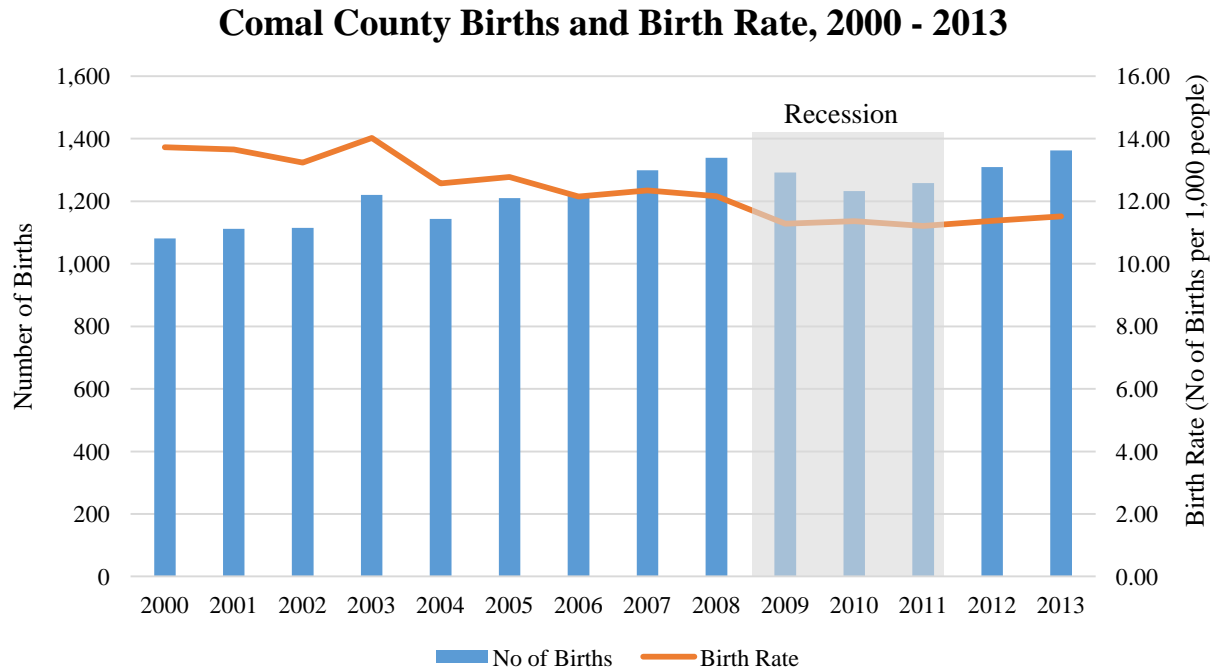


- In Texas, nearly 400,000 babies were born in 2014
- In 2014, the birth rate rose for the first time since 2005 as the economy grew and the unemployment rate dropped below 5%





Comal County Birth Statistics

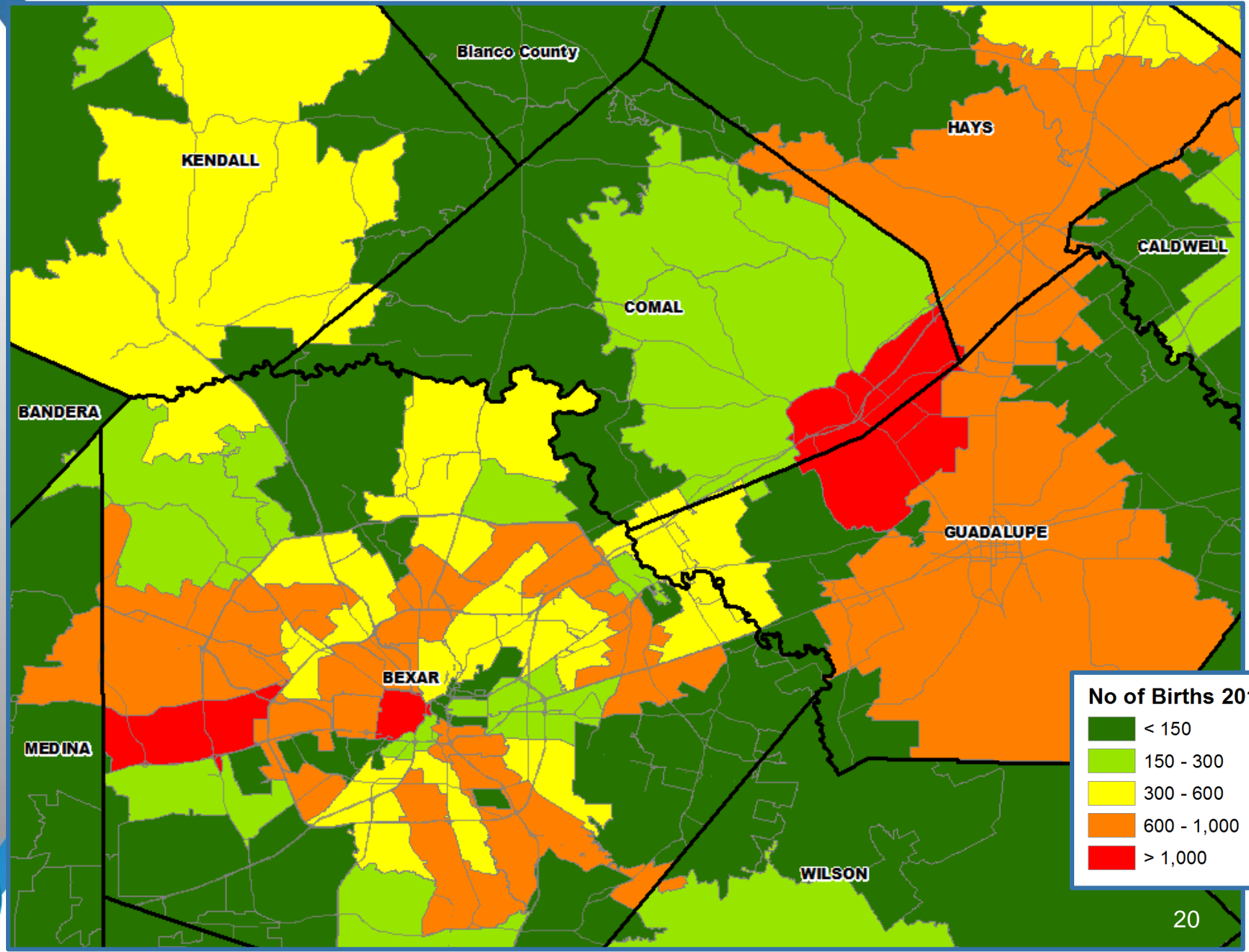


- In Comal County, 1,363 babies were born in 2013
- While the number of births has started to rise due to population growth, the birth rate has been falling for decades
- This tracks national trends of later household formations and lower birth rates for most demographic groups





San Antonio MSA Birth Density by Zip Code





Texas Mobility Rates

Annual Mobility Rates for the Ten Most Populous States, 2009-2013

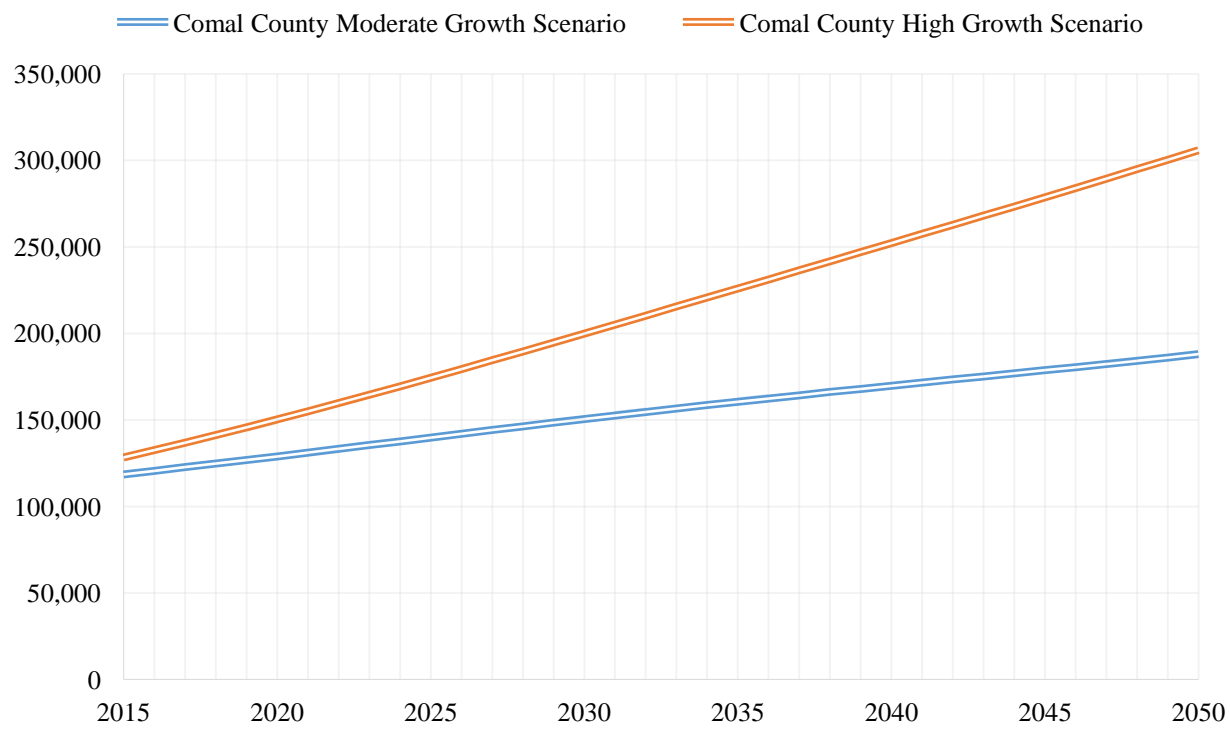
Population Rank	State	Total Population	Percent Non-Movers	Percent Movers
2	Texas	25.28 million	82.8%	17.2%
9	Georgia	9.69 million	83.6%	16.4%
4	Florida	18.89 million	83.7%	16.3%
1	California	37.20 million	84.2%	15.8%
10	North Carolina	9.54 million	84.7%	15.3%
8	Michigan	9.78 million	85.3%	14.7%
7	Ohio	11.42 million	85.5%	14.5%
5	Illinois	12.70 million	86.8%	13.2%
6	Pennsylvania	12.60 million	88.0%	12.0%
3	New York	19.27 million	88.8%	11.2%

- Texas has a highly mobile population, with more than 1 in 6 Texans moving each year
- Texas has the highest mobility rate among the nation’s 10 largest states
- Roughly 60% of Texans move within the same county, while 12% move to Texas from other states
- Between 2009 and 2013, Texas gained nearly 300,000 people annually through domestic and international migration





Comal County Population Estimates



- In 2015, Comal County had a population of more than 120,000 people in roughly 50,200 residential units
- On a moderate growth trajectory by 2030, the county is projected to have more than 150,000 residents
- State Demographers anticipate Comal County to have more than 180,000 people by 2050, and could have as many as 300,000



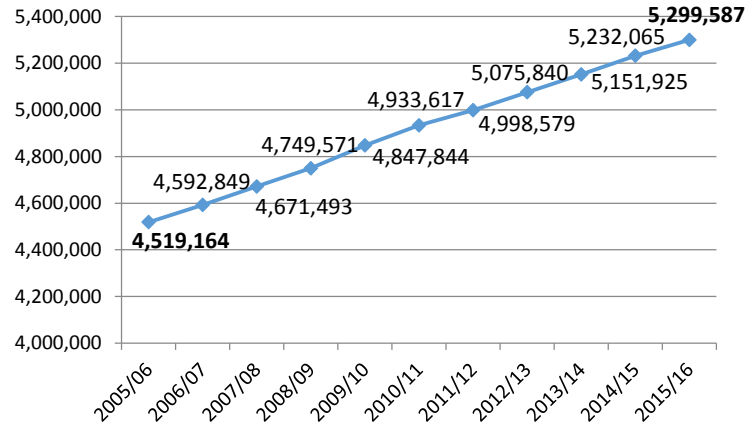


Texas Enrollment Trends

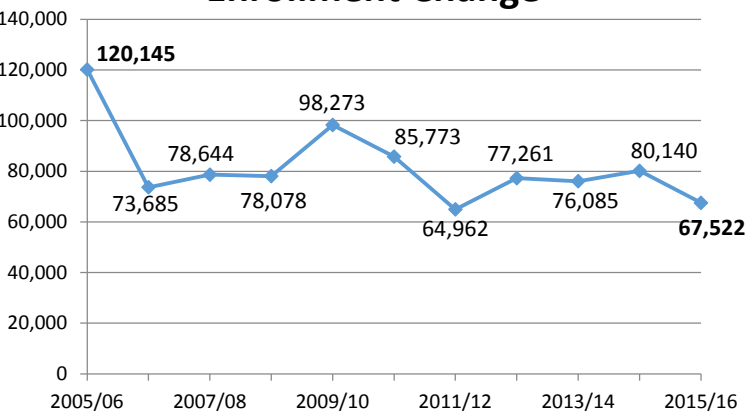
2015/16 State Enrollment

Total Enrollment 5,299,587
Total Growth 67,522

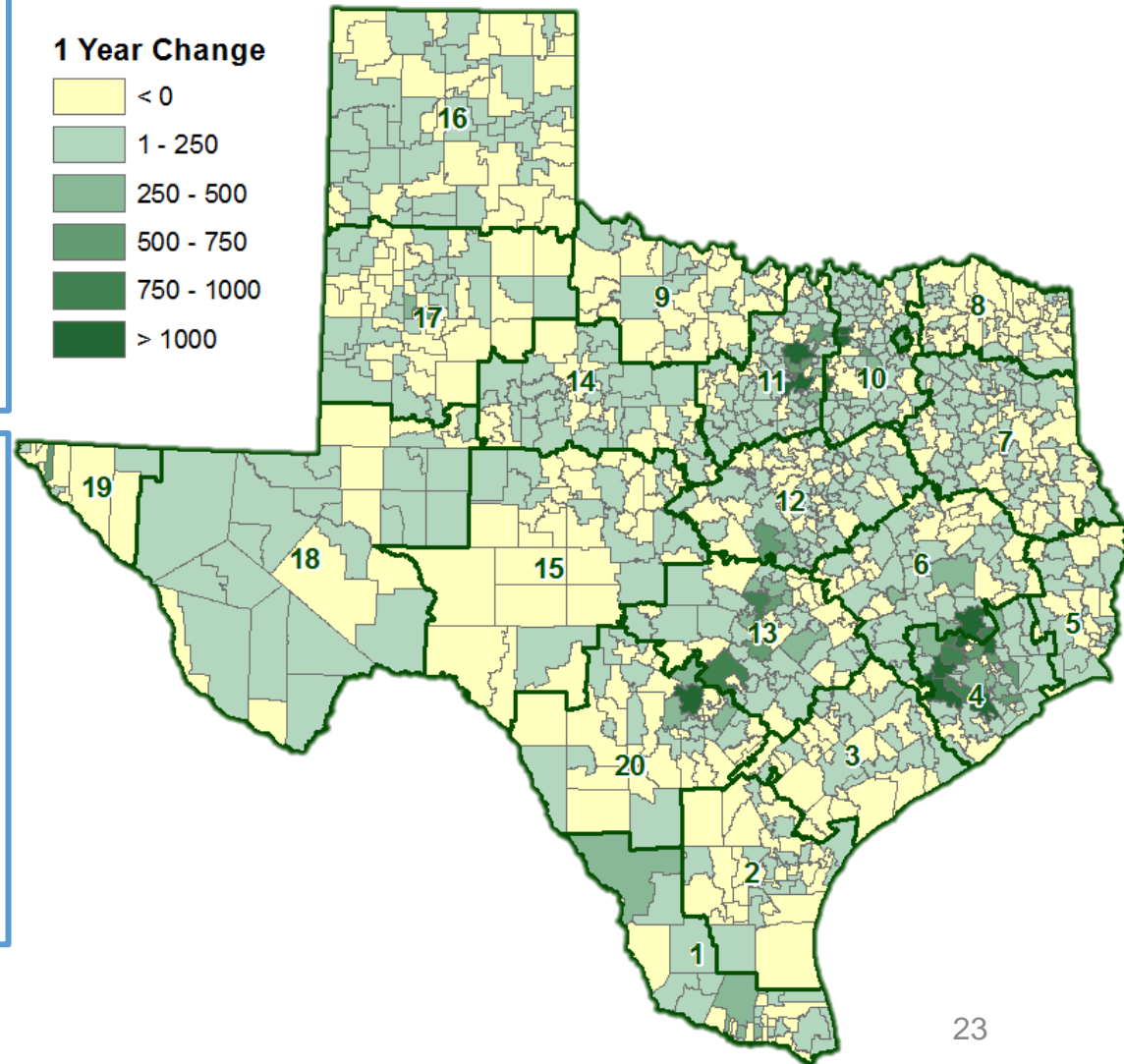
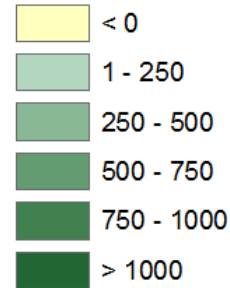
Total State Enrollment



Enrollment Change



1 Year Change

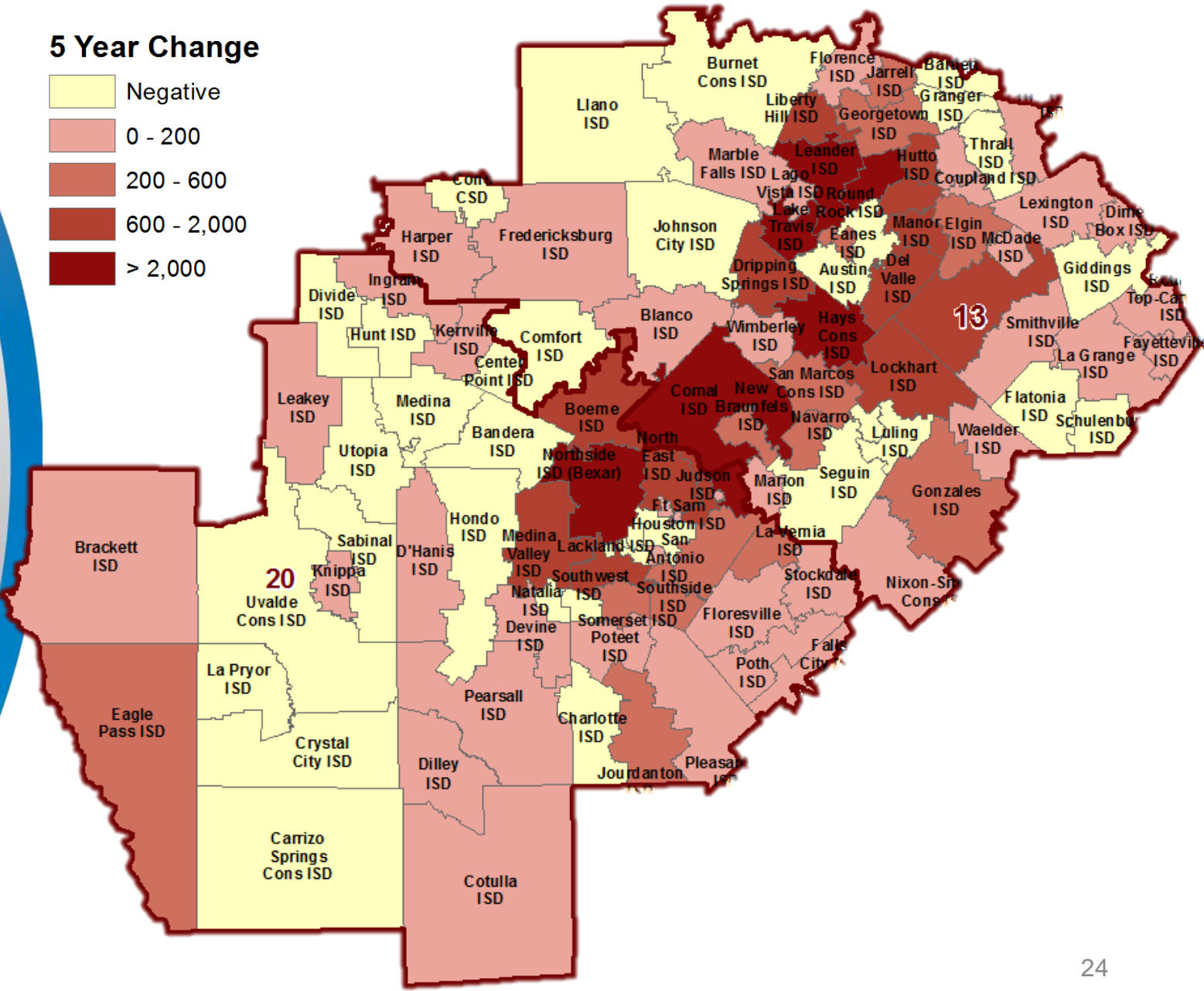




Region 13 & 20 Enrollment Trends

5 Year Change

- Negative
- 0 - 200
- 200 - 600
- 600 - 2,000
- > 2,000





Region 13 & 20 Enrollment Trends

Region 13

Rank	DISTRICT	2010/11 Enrollment	2015/16 Enrollment	5-YEAR CHANGE (10/11-15/16)	5-YEAR PCT Growth
1	Leander ISD	32,152	37,155	5,003	15.6%
2	Comal ISD	17,239	21,163	3,924	22.8%
3	Hays Cons ISD	15,325	18,655	3,330	21.7%
4	Round Rock ISD	44,776	47,826	3,050	6.8%
5	Lake Travis ISD	6,978	9,236	2,258	32.4%
6	Manor ISD	7,227	8,874	1,647	22.8%
7	Pflugerville ISD	22,763	24,097	1,334	5.9%
8	Bastrop ISD	9,075	10,274	1,199	13.2%
9	Dripping Springs ISD	4,490	5,618	1,128	25.1%
10	Hutto ISD	5,417	6,532	1,115	20.6%
11	Liberty Hill ISD	2,709	3,485	776	28.6%
12	Del Valle ISD	10,787	11,554	767	7.1%
13	Lockhart ISD	4,709	5,397	688	14.6%
14	Georgetown ISD	10,470	10,991	521	5.0%
15	New Braunfels ISD	7,958	8,463	505	6.3%
16	San Marcos Cons ISD	7,417	7,876	459	6.2%
17	Jarrell ISD	975	1,427	452	46.4%
18	Eanes ISD	7,717	8,075	358	4.6%
19	Elgin ISD	3,974	4,322	348	8.8%
20	Navarro ISD	1,561	1,812	251	16.1%

Region 20

Rank	DISTRICT	2010/11 Enrollment	2015/16 Enrollment	5-YEAR CHANGE (10/11-15/16)	5-YEAR PCT Growth
1	Northside ISD (Bexar)	95,581	105,102	9,521	10.0%
2	Schertz-Cibolo-Universal City ISD	12,431	15,116	2,685	21.6%
3	Southwest ISD	11,815	13,692	1,877	15.9%
4	Boerne ISD	6,639	7,902	1,263	19.0%
5	Judson ISD	22,040	23,282	1,242	5.6%
6	North East ISD	66,604	67,775	1,171	1.8%
7	Medina Valley ISD	3,490	4,472	982	28.1%
8	East Central ISD	9,617	10,089	472	4.9%
9	Jourdanton ISD	1,323	1,615	292	22.1%
10	Southside ISD	5,320	5,582	262	4.9%
11	Eagle Pass ISD	14,850	15,093	243	1.6%
12	Somerset ISD	3,790	3,998	208	5.5%
13	La Vernia ISD	3,034	3,238	204	6.7%
14	Floresville ISD	3,784	3,984	200	5.3%
15	Harlandale ISD	14,895	15,090	195	1.3%
16	Randolph Field ISD	1,169	1,357	188	16.1%
17	Cotulla ISD	1,192	1,363	171	14.3%
18	Kerrville ISD	4,861	5,029	168	3.5%
19	Knippa ISD	255	421	166	65.1%
20	Ft Sam Houston ISD	1,431	1,585	154	10.8%





Comal ISD Ten Year Forecast

By Grade Level

Year	EE/PK	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Total Growth	% Growth
2012/13	400	1,364	1,385	1,441	1,435	1,467	1,456	1,421	1,419	1,469	1,460	1,423	1,312	1,241	18,693		
2013/14	384	1,489	1,454	1,443	1,493	1,516	1,538	1,502	1,531	1,499	1,576	1,418	1,426	1,231	19,500	807	4.3%
2014/15	392	1,438	1,585	1,527	1,531	1,572	1,590	1,552	1,574	1,602	1,656	1,531	1,421	1,356	20,327	827	4.2%
2015/16	403	1,470	1,572	1,660	1,621	1,584	1,646	1,687	1,613	1,638	1,711	1,649	1,550	1,359	21,163	836	4.1%
2016/17	325	1,612	1,599	1,701	1,762	1,705	1,654	1,703	1,755	1,698	1,767	1,717	1,693	1,477	22,168	1,005	4.7%
2017/18	325	1,697	1,718	1,700	1,793	1,861	1,782	1,716	1,785	1,833	1,838	1,754	1,746	1,632	23,180	1,012	4.6%
2018/19	325	1,814	1,841	1,841	1,814	1,881	1,966	1,845	1,793	1,858	1,971	1,790	1,771	1,696	24,206	1,026	4.4%
2019/20	325	1,916	1,971	1,959	1,940	1,909	1,984	2,056	1,935	1,894	1,962	1,925	1,834	1,707	25,317	1,111	4.6%
2020/21	325	2,034	2,067	2,067	2,051	2,031	2,000	2,036	2,165	2,042	2,018	1,911	1,960	1,775	26,482	1,165	4.6%
2021/22	325	2,112	2,184	2,185	2,170	2,151	2,129	2,084	2,150	2,282	2,202	1,976	1,948	1,906	27,804	1,322	5.0%
2022/23	325	2,163	2,253	2,287	2,287	2,274	2,249	2,168	2,209	2,271	2,443	2,145	2,016	1,903	28,993	1,190	4.3%
2023/24	325	2,246	2,343	2,365	2,390	2,395	2,373	2,304	2,296	2,327	2,427	2,395	2,186	1,969	30,341	1,348	4.6%
2024/25	325	2,309	2,425	2,466	2,477	2,503	2,502	2,422	2,437	2,421	2,485	2,375	2,435	2,137	31,719	1,378	4.5%
2025/26	325	2,395	2,482	2,550	2,588	2,595	2,626	2,553	2,563	2,569	2,584	2,432	2,416	2,372	33,050	1,331	4.2%
2026/27	325	2,469	2,577	2,612	2,678	2,710	2,716	2,681	2,701	2,701	2,744	2,531	2,476	2,355	34,276	1,226	3.7%

*Yellow box = largest grade per year

*Green box = second largest grade per year

- Comal ISD will enroll more than 25,000 students by 2019
- 5 year growth = 5,636 students
- 2021/22 enrollment = 27,804 students
- 10 year growth = 12,108 students
- 2026/27 enrollment = 34,276 students





Summary

- New Braunfels has one of the lowest unemployment rates in the state at 3.0%.
- The San Antonio MSA added nearly 22,000 jobs in the last 12 months.
- Roughly 22% of Comal County home sales are of new homes.
- Texas has the highest mobility rate of the nation's 10 largest states.
- As the large Millennial generation ages, home sales and birth rates are expected to rise.
- On a moderate growth trajectory by 2030, Comal County is projected to have more than 150,000 residents.
- Comal ISD added more than 1,000 students this fall.
- Comal ISD is projected to have more than 34,200 students for the 2026/27 school year.

Bob Templeton
Templeton Demographics
(817) 251-1607