

Village Nurseries' 2015 Revenue Grows More Than 14% to Landscape Contractor Market

Sales Improvement Reflects Recent Resurgence in Housing Starts

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ORANGE, Calif.--(<u>BUSINESS WIRE</u>)--Village Nurseries Wholesale, a specialty grower for landscape professionals, announced company revenues in 2015 increased 14.4 percent over 2014 to its core landscape contractor market in the tri-state area of California, Arizona and Nevada. Although the current severe drought affected sales at the retail level, increased demand for low water use, low maintenance plant materials primarily for housing and commercial construction projects, as well as in turf removal, were instrumental in improving sales to the landscape professional market sector.

"The demand for plant material is closely correlated to new housing starts," stated David House, Village Nurseries CEO. "With approximately 1.2 million new housing starts forecast for 2016, the increase in construction and building permits will fuel the demand for more landscape plantings, especially low water use, low maintenance plant materials in the western United Sates. As a result, we expect revenues to the core landscape contractor market sector to grow based on year-over-year increases in both housing and commercial permits."

The promise of El Niño, and snow pack levels already above 100 percent of normal, also bolster the company's expectations for continued revenue growth in 2016.

According to Nursery Management Magazine, http://www.nurserymag.com/article/nm1115-horticulture-industry-growth-predictions, the nursery industry is forecasted to grow 5-7 percent in 2016 and 2017, thanks in part to "healthy housing starts, rising home values and a recovering job market."

The American Institute of Architects (AIA) Construction Forecast Panel http://www.bdcnetwork.com/consensus-construction-forecast-double-digit-growth-expected-commercial-sector-2015-2016 characterizes the current commercial sector as "red-hot" and forecasts nonresidential construction in 2016 will increase 8.2%, with spending approaching \$390 billion.

The 2016 Dodge Construction Outlook http://www.constructiondive.com/news/inside-the-dodge-2016-construction-outlook-commercial-residential-predic/408351/ predicts 2016 will see slow but steady expansion for the construction industry.

Considered one of the most respected wholesale nurseries in the region, Village Nurseries is spearheading the effort to keep landscapes green and colorful. The company launched its Save Water-Stay GreenTM campaign midway through 2015 to help educate landscape professionals and consumers they can save water and still design dramatic environments. Approximately 70 percent of the company's 950 acres of inventory performs well with low water requirements, which also helps commercial and residential customers meet state mandated water restrictions.

"Our commitment to providing low water use plants goes beyond the basics," House noted. "Thanks to our partnerships with major growers, we're also able to offer rare, unusual and patented plant materials that will delight landscape architects and designers."

A complete listing of low water use plants is available as a subset of Village Nurseries' extensive plant library: https://www.villagenurseries.com/product-category/low-water-use.

About Village Nurseries

Founded in 1976, Village Nurseries currently has sales offices in Orange and Sacramento, California and more than 950 acres under cultivation in growing facilities throughout Northern and Southern California. It serves markets throughout the western United States while maintaining four specialty Landscape Center locations to serve landscape professionals. For more information, visit http://www.villagenurseries.com

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