



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

APARTMENT SURVEY

1ST QUARTER 2022 DATA

RENO/SPARKS METRO AREA

PRESENTED BY

JOHNSON PERKINS GRIFFIN, LLC

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JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

SURVEY COMMITTEE

Stephen R. Johnson MAI, SREA
Reese Perkins, MAI, SRA
Scott Q. Griffin, MAI
Sarah K. Fye, MBA
Carson T. Cooke

DATA ACCUMULATION AND ANALYSIS COMPLETED BY

Johnson Perkins Griffin, LLC

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SURVEY SPONSORS

Johnson Perkins Griffin, LLC
Real Estate Appraisers and Consultants
245 East Liberty, Suite 100
Reno, Nevada 89501
(775) 322-1155 FAX (775) 322-1156



STATEMENT OF METHODOLOGY

The information presented in this report was collected and assembled from a combination of original research and secondary sources. This section summarizes the methods used in gathering the data.

Sources

The survey data is collected on a quarterly basis from participating apartment managers, management companies and owners. All information collected from individual complexes is completely confidential and only aggregate statistics are reported. The information furnished by the survey participants is considered reliable. However, the Survey Committee makes no warranty as to the reliability of the data and assumes no legal responsibility for the use of the data from the survey.

Survey Criteria

The projects have 80 units or more in the Reno/Sparks service area;

- Projects reflect market rents. **Affordable Housing, Student & Senior Housing Projects are excluded;**
- New projects have reached a stabilized occupancy of at least 90%;
- The projects have a competitive on-site management program; and
- A willingness of the on-site manager to participate in the survey.

The results of this survey depict the operating conditions of the average of 26,445 units reported. A total of 102 projects were surveyed. We believe the statistics presented here are representative of the overall conditions of the Reno-Sparks Survey Area.

Survey Modifications

The total apartment projects and units participating in the survey remained steady between the 4th Quarter of 2021 and the 1st Quarter of 2022.

TOTAL NUMBER OF PROJECTS & UNITS-PRIOR TO CURRENT QUARTER			
	4 th Quarter 2021	1 st Quarter 2022	Change
Total Projects	102	102	No Additional Projects
Total Units	26,445	26,445	No Additional Units



COVID-19 IMPACT

The Supreme Court ruled on August 26, 2021 to end the temporary stay on a lower court ruling seeking to overturn the federal eviction moratorium issued by the Centers for Disease Control and Prevention (CDC) in response to the Covid-19 Pandemic. In doing so, the Supreme Court's ruling invalidated the federal eviction moratorium. Currently, in the state of Nevada there are no holds on evictions or utility shutoffs due to Covid-19.

In order to assess how Covid-19 has impacted our survey participants, we included a question regarding delinquency in our 1st Quarter 2022 survey. Approximately 19 survey participants provided us with delinquency information. Of those who participated, we had properties report a range of between 0.00% and 15.00% delinquency. Overall, the weighted average delinquency was 2.22% for the participating properties, which is up from 1.99% in the 4th Quarter of 2021 (data based upon 26 survey participant responses). It is noted that the reported delinquency only accounts for 0.34% of total units surveyed.

While it is unknown exactly how the multi-family market will be ultimately impacted by the pandemic, we can speculate that there may be an increase in vacancies in the coming quarters, which may lead to some decrease in average rental rates. Additionally, it is likely that rent abatements and other concessions will become more prevalent in the upcoming quarters.



ECONOMIC OUTLOOK

Nevada added 6,300 jobs over the month, with Leisure and Hospitality contributing 3,400 jobs, according to the Nevada Department of Employment, Training and Rehabilitation's (DETR) February 2022 economic report. Employment remains below typical levels, but is up 126,700 since February 2021, an annual increase of 9.7%. The large increase in employment over the year reflects the significant effects of the pandemic over the last year. The total employment level in the State is 1,434,100. The State's unemployment rate in February is 5.1%, decreased by 0.1% from 5.2% in January and decreased by 4.7% when compared to February 2021.

"It is promising to see the latest numbers from February's economic report, particularly the continued rebound in employment growth in Nevada. It's great to see gains made in leisure and hospitality, the hardest industry in our State. Across all State agencies, we are focused on creating more economic opportunity for Nevadans," said Governor Steve Sisolak.

"Nevada's strong over-the-month employment growth in February was led by the Las Vegas Metropolitan Statistical Area, with the number of jobs up 0.7% since last month. The State's unemployment rate continues a steady decline, down from 5.2% in January to 5.1% in February. The State's labor market is continuing its recovery as we emerge from the COVID recession, particularly in the industries that were hit hardest by the pandemic," said David Schmidt, Chief Economist.

Metropolitan Statistical Area (MSA) Employment (Seasonally Adjusted):

- Las Vegas employment increased by 7,600 jobs (0.7%) since January, an increase of 116,400 jobs (12.6%) since February 2021.
- Reno employment had an increase of 300 jobs (0.1%) since January, an increase of 10,000 jobs (4.1%) since February 2021.
- Carson City employment had an increase of 100 jobs (0.3%) since January, an increase of 900 jobs (3.0%) since February 2021.

(Source: Nevada Department of Employment, Training and Rehabilitation Labor Market Summary December 17, 2021)



ECONOMIC INDICATORS

February 2022 Seasonally Adjusted Employment Summary (in thousands)

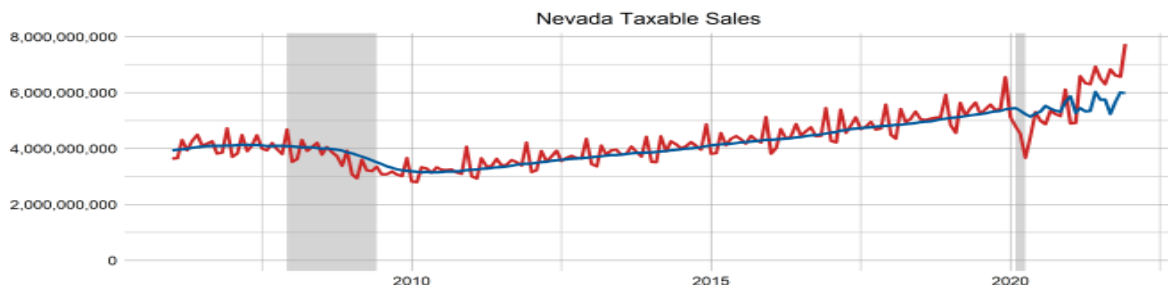
Area	Current Month	Previous Month	Monthly Change	M/M Growth	Previous Year	Annual Change	Y/Y Growth
U.S.	150,399.0	149,721.0	678.0	0.5%	143,727.0	6,672.0	4.6%
Nevada	1,434.1	1,427.8	6.3	0.4%	1,307.4	126.7	9.7%
Carson City MSA	31.4	31.3	0.1	0.3%	30.5	0.9	3.0%
Las Vegas - Paradise MSA	1,039.5	1,031.9	7.6	0.7%	923.1	116.4	12.6%
Reno - Sparks MSA	253.3	253.0	0.3	0.1%	243.3	10.0	4.1%

February 2022 Not Seasonally Adjusted Employment Summary (in thousands)

Area	Current Month	Previous Month	Monthly Change	M/M Growth	Previous Year	Annual Change	Y/Y Growth
U.S.	148,967.0	147,510.0	1,457.0	1.0%	142,129.0	6,838.0	4.8%
Nevada	1,425.1	1,412.0	13.1	0.9%	1,291.9	133.2	10.3%
Carson City MSA	31.1	30.8	0.3	1.0%	30.2	0.9	3.0%
Las Vegas - Paradise MSA	1,032.5	1,023.3	9.2	0.9%	916.2	116.3	12.7%
Reno - Sparks MSA	251.3	249.0	2.3	0.9%	240.9	10.4	4.3%

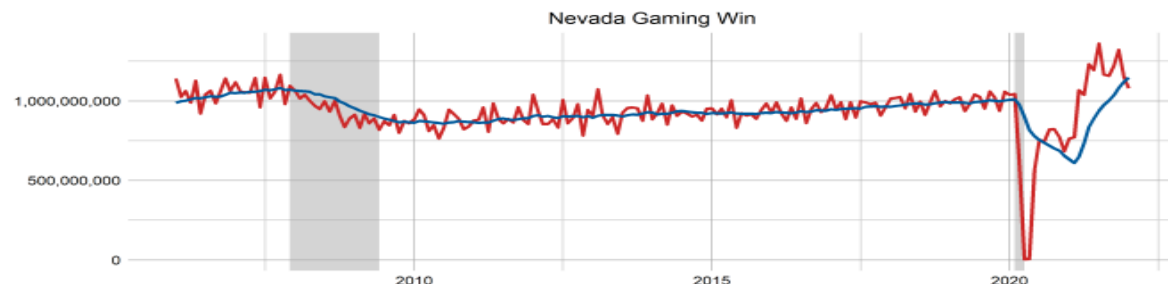
(Source: Nevada Department of Employment, Training and Rehabilitation Labor Market Summary March 24, 2022)

Taxable Sales



Taxable sales in Nevada were \$7,736,265,432 in December 2021. Taxable sales are provided by the Nevada Department of Taxation⁷.

Gaming Win



Gaming win in Nevada was \$1,078,761,266 in January 2022. Gaming win data is provided by the Nevada Gaming Control Board⁸.

(Source: Nevada Department of Employment, Training and Rehabilitation Economic Summary January 2022)



SUMMARY OF FINDINGS

AVERAGE SIZE, RENT & VACANCY RATE BY UNIT TYPE							
CATEGORY	STUDIOS	1 BED/1 BATH	2 BED/1 BATH	2 BED/2 BATH	3 BED/2 BATH	TOWNHOME	TOTALS
Average SF-By Unit Type	421 SF	726 SF	861 SF	1,060 SF	1,293 SF	1,256 SF	907 SF
Average Rent-By Unit Type	\$1,150	\$1,460	\$1,501	\$1,787	\$2,180	\$1,821	\$1,633
Average Rent/SF-By Unit Type	\$2.73	\$2.01	\$1.74	\$1.69	\$1.69	\$1.45	\$1.80
Indicated Vacancy Rate-By Unit Type	3.81%	2.43%	3.28%	2.62%	2.29%	2.97%	2.66%

OVERALL AVERAGE RENT & VACANCY-PRIOR & CURRENT QUARTER			
Category	4 th Quarter 2021	1 st Quarter 2022	Change
Average Vacancy	3.18%	2.66%	-52 Basis Points
Average Rent	\$1,616	\$1,633	+\$17 or +1.05%

COMPARISON OF RENTAL RATES & VACANCY RATES TO PRIOR QUARTER						
UNIT TYPE	AVERAGE RENT			AVERAGE VACANCY		
	4th Qtr. 2021	1st Qtr. 2022	Result	4th Qtr. 2021	1st Qtr. 2022	Result
Studio	\$1,058	\$1,150	+\$92	4.62%	3.81%	-0.81%
1 Bedroom/1 Bath	\$1,436	\$1,460	+\$24	2.74%	2.43%	-0.32%
2 Bedroom/1 Bath	\$1,482	\$1,501	+\$19	3.33%	3.28%	-0.06%
2 Bedroom/2 Bath	\$1,786	\$1,787	+\$1	3.19%	2.62%	-0.57%
3 Bedroom/2 Bath	\$2,151	\$2,180	+\$29	4.63%	2.29%	-2.35%
Townhouse	\$1,811	\$1,821	+\$11	3.24%	2.97%	-0.27%
TOTALS	\$1,616	\$1,633	+\$17	3.18%	2.66%	-0.52%

RENTAL AND VACANCY RATES BY SUBMARKET AREA							
Area	Submarket	AVERAGE RENT			AVERAGE VACANCY		
		4th Qtr. 2021	1st Qtr. 2022	Result	4th Qtr. 2021	1st Qtr. 2022	Result
1	Northwest Reno	\$1,661	\$1,654	-\$7	2.74%	2.37%	-0.37%
2	Northeast Reno	\$1,432	\$1,426	-\$6	1.96%	3.93%	+1.96%
3	W. Sparks/N. Valley	\$1,435	\$1,453	\$0	3.29%	2.83%	-0.46%
4	East Sparks	\$1,791	\$1,846	+\$55	3.69%	2.89%	-0.80%
5	West Reno	\$1,480	\$1,565	\$0	3.56%	4.00%	+0.44%
6	Southwest Reno	\$1,407	\$1,431	+\$25	6.22%	3.82%	-2.39%
7	Brinkby/Grove	\$1,112	\$1,136	+\$24	1.74%	1.49%	-0.25%
8	Airport	\$1,517	\$1,421	-\$96	1.79%	1.43%	-0.36%
9	Lakeridge	\$1,834	\$1,873	+\$39	5.91%	4.15%	-1.76%
10	Southeast Reno	\$1,708	\$1,714	+\$6	2.39%	2.04%	-0.35%
11	Downtown Urban	\$1,657	\$1,691	+\$34	4.77%	2.96%	-1.81%
Overall Reno-Sparks		\$1,616	\$1,633	+\$17	3.18%	2.66%	-0.52%



HISTORICAL RENTAL AND VACANCY RATES BY UNIT TYPE

Quarter/ Year	UNIT TYPE													
	Studio		1/1		2/1		2/2		3/2		Townhouse		TOTAL	
	Avg. Rent	Vacancy %	Avg. Rent	Vacancy %	Avg. Rent	Vacancy %	Avg. Rent	Vacancy %	Avg. Rent	Vacancy %	Avg. Rent	Vacancy %	Avg. Rent	Vacancy %
Q1-2010	\$490	10.96%	\$701	7.40%	\$734	6.70%	\$936	8.11%	\$1,128	10.16%	\$1,090	10.48%	\$858	7.87%
Q2-2010	\$489	10.96%	\$687	6.70%	\$725	10.03%	\$909	7.43%	\$1,102	8.58%	\$1,068	9.35%	\$837	7.79%
Q3-2010	\$483	7.06%	\$687	5.68%	\$721	7.27%	\$905	6.10%	\$1,091	6.04%	\$1,100	6.23%	\$834	6.18%
Q4-2010	\$480	7.66%	\$677	5.57%	\$711	7.40%	\$895	8.37%	\$1,085	9.40%	\$1,073	7.65%	\$824	7.16%
Q1-2011	\$487	10.36%	\$675	4.86%	\$716	5.06%	\$887	6.25%	\$1,086	6.30%	\$1,056	4.53%	\$821	5.64%
Q2-2011	\$476	7.21%	\$686	5.22%	\$738	5.33%	\$902	5.73%	\$1,115	5.06%	\$1,009	6.52%	\$837	5.51%
Q3-2011	\$484	4.20%	\$691	4.76%	\$744	3.87%	\$913	6.31%	\$1,098	9.06%	\$1,027	6.83%	\$840	5.38%
Q4-2011	\$463	6.31%	\$680	5.61%	\$756	7.30%	\$875	6.67%	\$1,070	8.96%	\$1,074	7.37%	\$822	6.56%
Q1-2012	\$472	3.60%	\$673	4.25%	\$752	5.84%	\$883	6.43%	\$1,070	9.30%	\$1,028	7.65%	\$822	5.59%
Q2-2012	\$482	5.86%	\$679	3.89%	\$758	4.96%	\$910	6.12%	\$1,094	7.10%	\$1,038	7.65%	\$836	5.13%
Q3-2012	\$507	4.25%	\$689	3.59%	\$757	4.86%	\$899	5.77%	\$1,074	7.19%	\$1,068	7.08%	\$836	4.83%
Q4-2012	\$487	8.86%	\$687	4.37%	\$757	6.35%	\$892	5.85%	\$1,083	6.43%	\$1,074	9.35%	\$830	5.60%
Q1-2013	\$494	7.96%	\$683	3.81%	\$759	5.75%	\$888	5.49%	\$1,080	6.81%	\$1,029	8.22%	\$829	5.11%
Q2-2013	\$509	7.66%	\$695	3.50%	\$770	5.54%	\$912	4.72%	\$1,082	6.05%	\$1,051	7.93%	\$843	4.65%
Q3-2013	\$531	4.35%	\$713	3.18%	\$780	4.96%	\$928	4.20%	\$1,113	5.58%	\$1,067	4.92%	\$859	4.05%
Q4-2013	\$545	2.40%	\$717	3.81%	\$785	4.05%	\$917	4.52%	\$1,117	5.28%	\$1,068	3.92%	\$860	4.12%
Q1-2014	\$548	3.89%	\$731	4.03%	\$795	3.28%	\$948	3.94%	\$1,123	3.04%	\$1,093	5.47%	\$876	3.83%
Q2-2014	\$533	2.69%	\$753	2.51%	\$764	2.33%	\$969	2.40%	\$1,170	1.97%	\$1,105	1.92%	\$852	2.41%
Q3-2014	\$540	1.35%	\$768	2.16%	\$796	2.58%	\$1,023	1.96%	\$1,189	2.10%	\$1,106	6.23%	\$887	2.13%
Q4-2014	\$555	1.35%	\$775	3.14%	\$797	3.90%	\$968	3.24%	\$1,176	4.23%	\$1,096	4.44%	\$868	3.31%
Q1-2015	\$565	1.65%	\$790	2.55%	\$810	3.11%	\$997	3.35%	\$1,209	3.32%	\$1,107	4.10%	\$889	2.97%
Q2-2015	\$562	1.95%	\$816	2.19%	\$823	1.88%	\$1,040	2.38%	\$1,251	2.85%	\$1,143	4.44%	\$920	2.27%
Q3-2015	\$589	2.99%	\$837	2.35%	\$848	2.29%	\$1,065	3.11%	\$1,264	2.81%	\$1,137	2.30%	\$942	2.67%
Q4-2015	\$580	2.54%	\$840	2.85%	\$854	2.83%	\$1,066	3.01%	\$1,263	2.56%	\$1,159	4.81%	\$946	2.90%
Q1-2016	\$639	1.80%	\$875	2.32%	\$885	1.96%	\$1,119	2.46%	\$1,316	2.30%	\$1,248	2.59%	\$990	2.30%
Q2-2016	\$643	2.25%	\$904	1.84%	\$930	1.56%	\$1,164	2.27%	\$1,411	1.96%	\$1,233	2.59%	\$1,029	1.98%
Q3-2016	\$662	1.48%	\$923	2.00%	\$973	1.41%	\$1,192	2.79%	\$1,420	2.75%	\$1,258	3.33%	\$1,054	2.24%
Q4-2016	\$673	1.92%	\$939	2.95%	\$984	2.75%	\$1,207	3.02%	\$1,382	3.26%	\$1,287	2.96%	\$1,066	2.93%
Q1-2017	\$669	1.47%	\$992	2.42%	\$1,019	1.32%	\$1,244	2.63%	\$1,468	1.54%	\$1,362	1.11%	\$1,111	2.23%
Q2-2017	\$715	1.17%	\$1,060	1.28%	\$1,081	0.95%	\$1,353	1.15%	\$1,595	1.05%	\$1,338	1.85%	\$1,194	1.17%
Q3-2017	\$737	1.32%	\$1,071	2.21%	\$1,103	2.20%	\$1,346	2.60%	\$1,616	3.80%	\$1,396	1.89%	\$1,202	2.41%
Q4-2017	\$723	3.52%	\$1,062	3.76%	\$1,091	3.03%	\$1,310	3.69%	\$1,551	5.50%	\$1,405	8.36%	\$1,180	3.80%
Q1-2018	\$744	1.17%	\$1,092	2.11%	\$1,122	1.93%	\$1,387	2.04%	\$1,631	0.89%	\$1,436	2.70%	\$1,230	1.97%
Q2-2018	\$781	1.76%	\$1,170	1.86%	\$1,210	1.25%	\$1,475	1.46%	\$1,754	1.40%	\$1,508	1.35%	\$1,318	1.58%
Q3-2018	\$863	2.79%	\$1,170	2.57%	\$1,209	2.23%	\$1,468	2.99%	\$1,775	4.14%	\$1,503	3.24%	\$1,319	2.79%
Q4-2018	\$837	5.28%	\$1,155	3.10%	\$1,192	3.49%	\$1,421	3.81%	\$1,762	5.59%	\$1,527	3.24%	\$1,292	3.64%
Q1-2019	\$801	3.37%	\$1,158	2.97%	\$1,217	2.29%	\$1,471	3.02%	\$1,779	5.16%	\$1,539	4.05%	\$1,316	3.06%
Q2-2019	\$841	3.37%	\$1,185	2.84%	\$1,262	2.02%	\$1,490	2.73%	\$1,838	1.96%	\$1,548	4.32%	\$1,344	2.67%
Q3-2019	\$814	2.49%	\$1,200	3.23%	\$1,252	3.18%	\$1,481	3.62%	\$1,816	2.76%	\$1,561	2.70%	\$1,345	3.31%
Q4-2019	\$804	3.08%	\$1,179	3.75%	\$1,226	3.55%	\$1,461	4.48%	\$1,771	3.83%	\$1,532	2.43%	\$1,324	3.96%
Q1-2020	\$873	3.96%	\$1,194	3.35%	\$1,209	3.33%	\$1,486	3.61%	\$1,804	4.00%	\$1,545	3.78%	\$1,341	3.51%
Q2-2020	\$915	2.12%	\$1,225	3.60%	\$1,251	3.03%	\$1,514	3.25%	\$1,795	2.74%	\$1,592	5.68%	\$1,369	3.32%
Q3-2020	\$923	2.52%	\$1,271	2.11%	\$1,299	1.44%	\$1,567	2.58%	\$1,870	2.47%	\$1,594	2.43%	\$1,421	2.24%
Q4-2020	\$927	3.18%	\$1,279	2.72%	\$1,301	2.63%	\$1,565	2.87%	\$1,887	3.54%	\$1,612	1.89%	\$1,424	2.82%
Q1-2021	\$944	2.65%	\$1,306	1.94%	\$1,327	1.62%	\$1,625	1.88%	\$1,961	2.71%	\$1,656	1.89%	\$1,469	1.95%
Q2-2021	\$1,007	1.04%	\$1,419	1.83%	\$1,430	1.44%	\$1,792	1.61%	\$2,174	1.64%	\$1,764	0.00%	\$1,607	1.63%
Q3-2021	\$1,102	3.23%	\$1,454	2.54%	\$1,465	1.68%	\$1,801	2.27%	\$2,189	2.82%	\$1,745	1.62%	\$1,632	2.35%
Q4-2021	\$1,058	4.62%	\$1,436	2.74%	\$1,482	3.33%	\$1,786	3.19%	\$2,151	4.63%	\$1,811	3.24%	\$1,616	3.18%
Q1-2022	\$1,150	3.81%	\$1,460	2.43%	\$1,501	3.28%	\$1,787	2.62%	\$2,180	2.29%	\$1,821	2.97%	\$1,633	2.66%
AVERAGE	\$677	3.95%	\$949	3.32%	\$989	3.56%	\$1,205	3.88%	\$1,450	4.39%	\$1,300	4.52%	\$1,090	3.66%
MEDIAN	\$639	3.18%	\$875	2.97%	\$885	3.11%	\$1,119	3.24%	\$1,316	3.80%	\$1,233	4.05%	\$990	3.18%
LOW	\$463	1.04%	\$673	1.28%	\$711	0.95%	\$875	1.15%	\$1,070	0.89%	\$1,009	0.00%	\$821	1.17%
HIGH	\$1,150	10.96%	\$1,460	7.40%	\$1,501	10.03%	\$1,801	8.37%	\$2,189	10.16%	\$1,821	10.48%	\$1,633	7.87%



COMMENTARY

The overall average rental rate for all units surveyed increased by 1.05%, with all unit types experiencing an increase in average rental rates. Additionally, three of the submarkets experienced a decrease in average rental rates, six of the submarkets experienced an increase in average rental rates and two of the submarkets experienced no change in average rental rates.

The overall vacancy rate for all units surveyed decreased by 52 basis points, with nine of the eleven submarkets showing decreases in vacancies. All unit types experienced decreases in average vacancies. Average vacancy for all unit types is now at 2.66%.

Just under 4,500 apartment units are currently under construction in the Reno-Sparks market, with just over 6,000 units in the planning stages. Due to the Covid-19 Pandemic, and as all eviction moratoriums have been lifted, it is likely that vacancy rates may increase somewhat. Rental rates, which have continued to increase since the last recession, may begin to stabilize, or even decrease slightly.



GUIDELINES

The units reported in the survey are subject to the following conditions:

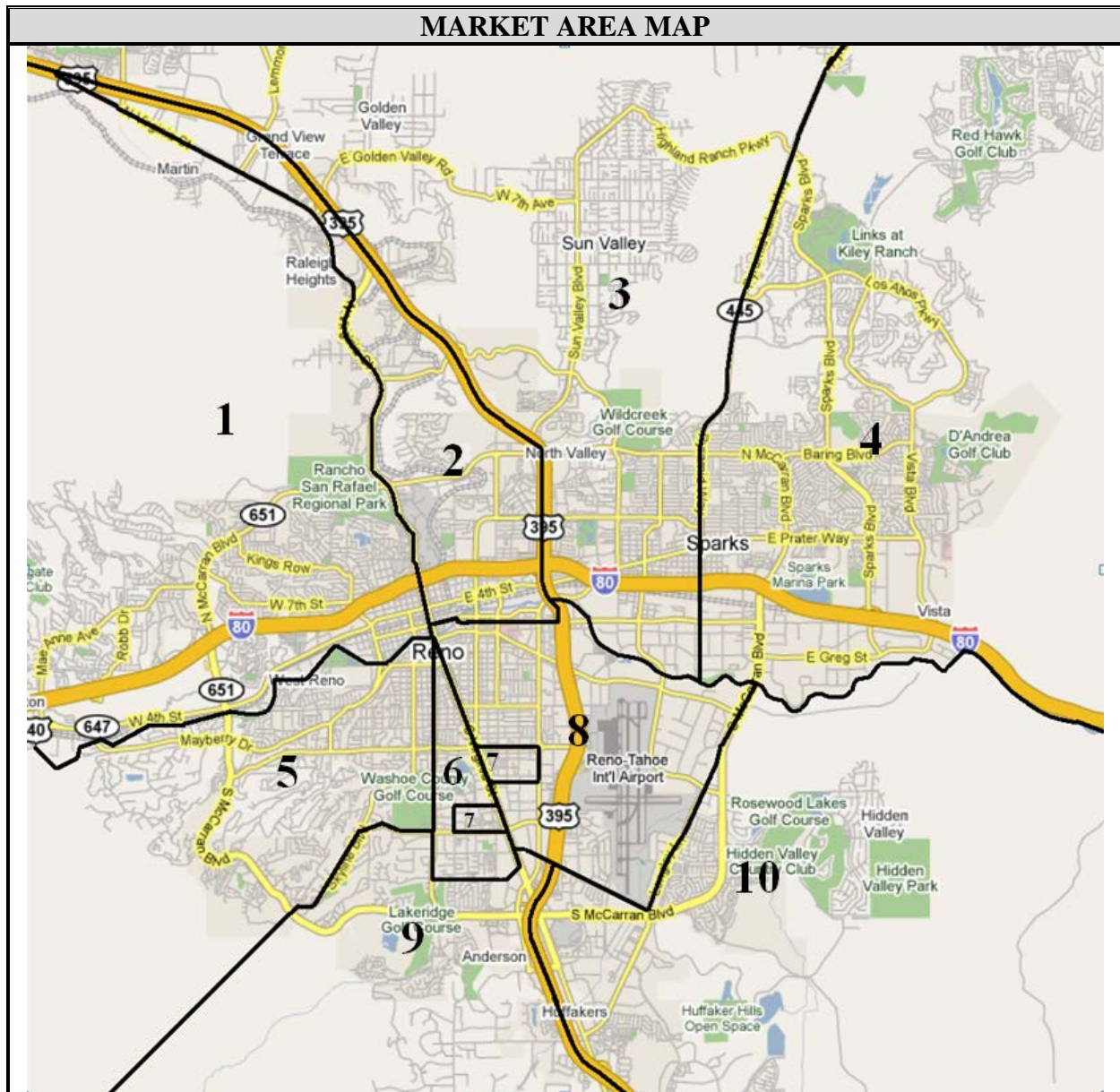
- Occupancy rates represent conditions as of the date of survey;
- Rents utilized in the report represent the base price of an unfurnished apartment;
- Units with more than one size per unit type were calculated on a weighted average for each unit type
- Weighted averages were used in all charts to give the most accurate statistics possible. The averages were weighted by the number of units reporting each data type;
- Vacant units are defined as those units currently available for lease (no contract in place).

APARTMENT UNIT CLASSIFICATIONS

Apartment Type	Description
Studio	Units With One Living Area Plus Bath & Kitchen
1 Bed/1 Bath	Units With One Bedroom And 1 Bath Or 1-1/2 Baths
2 Bed/1 Bath	Units With 2 Bedrooms, 1 Bath OR 1 Bedroom, Den, 1 Bath
2 Bed/2 Bath	Units Have 2 Bedrooms And 2 Baths Or 1-1/2 Baths
3 Bed/2 Bath	Units Having 3 Bedrooms And 2 Baths (Some Units Include A 3 rd Bath)
Townhouse	Units Having 2 Or 3 Bedrooms, 2 Baths OR 2 Bedrooms, Den, 2 Baths



MARKET AREAS		
Area	Submarket	Location
1	Northwest Reno	North of Truckee River & West of N. Virginia St.
2	Northeast Reno	North of 2 nd St.; West of US-395 & Northtowne Lane; East of N. Virginia St.
3	West Sparks/North Valleys	North of the Truckee River; West of Pyramid Way; East of US-395
4	East Sparks	North of the Truckee River & East of Pyramid Way
5	West Reno	North of Moana Lane; West of Plumas St.; South of Truckee River
6	Southwest Reno	South of Truckee River; West of S. Virginia St.; East of Plumas St.; North of Redfield Parkway
7	Brinkby/Grove	North of Moana Lane; West of S. Virginia St.; South of Brinkby Ave.; East of Lakeside Dr. & North of Linden St.; West of Kietzke Lane; South of Plumb Lane; East of S. Virginia St.
8	Airport	North of Peckham Lane; West of Longley Lane; East of S. Virginia St.; South of 2 nd St. & Truckee River
9	Lakeridge	South of Moana Lane and Redfield Parkway; West of S. Virginia St.
10	Southeast Reno	South of Truckee River; East of S. Virginia St. & Longley Lane
11	Downtown Urban	Downtown Reno; Downtown Sparks
*Submarket Area 11 is not depicted on the following Market Area Map, as it contains portions of Downtown Reno and Downtown Sparks, which are contained within previously existing Submarket Areas.		





PROJECTS APPROVED AND/OR UNDER CONSTRUCTION

Lewis Apartment Communities broke ground on Esprit Townhomes in the 2nd Quarter of 2019. Esprit is a 126-unit townhome apartment project located at the southeast corner of Veterans Parkway and Geiger Grade Road. At the end of the 1st Quarter of 2022, 11 buildings were complete, approximately 65% of the project had been pre-leased and 63% of the project was occupied.

In the 3rd Quarter of 2018, Silverwing Development broke ground on The Deco, a high-rise 209-unit apartment complex located at Victorian Square in Sparks. Certificate of Occupancy on the project was received in the 1st Quarter of 2021. As of the date of this survey, 63% of the project had been leased and 62% of the project was occupied.

Mountain West Builders and Oakmont Properties broke ground on Double R Apartments in the 3rd Quarter of 2019. Double R Apartments is a 440-unit apartment complex located at the southeast corner of Double R Boulevard and Technology Way in Reno. At the end of the 1st Quarter of 2022, nine buildings were complete, approximately 51% of the project was pre-leased and 48% of the project was occupied.

Lyon Living and Reno Land Inc. broke ground on the Reno Experience District (RED) at the beginning of the 3rd Quarter of 2019. When complete, RED will be developed with 1,300± multi-family units. The Emory and Basecamp are currently the only complexes within RED leasing units. The Emory is a 282-unit luxury apartment project. At the end of the 1st Quarter of 2022 construction on the project was complete; approximately 66% of the project had been pre-leased and 61% of the project was occupied. Basecamp is a 317-unit luxury apartment project. At the end of the 1st Quarter of 2022, approximately 41% of the project had been pre-leased and 17% of the project was occupied.

S3 Development Company broke ground on Westlook in the 4th Quarter of 2019. Westlook is a 192 -unit apartment complex located at the northeast corner of West 4th Street and Twin Lakes Drive in northwest Reno. At the end of the 1st Quarter of 2022, four buildings were complete, approximately 48% of the project was pre-leased and 39% of the project was occupied.

The Ryland Apartments broke ground in the 1st Quarter of 2022. The 118-unit apartment complex will be located on the north side of Ryland Street between Park Street and High Street, just southeast of downtown Reno.

The chart below summarizes the market rate projects within the Reno-Sparks market with approvals, in planning stages, or under construction.



**PROPOSED & UNDER CONSTRUCTION
(MAJOR APARTMENT PROJECTS OVER 80 UNITS)**

Projects Under Construction

Project Name	Units	Location	Area	Status
The Retreat	283	West 4th Street and Summit Ridge Drive	1	Under Construction
Overlook at Keystone Canyon	342	Keystone Avenue & North McCarran Boulevard @ Terminus of Leadership Pkwy.	1	Under Construction
The Villas at Keystone Canyon-Phase II	115	Keystone Avenue & North McCarran Boulevard	1	Under Construction
Westlook	192	West 4th Street, East of South McCarran Boulevard	1	Under Construction
Edison	232	Southeast Corner of Valley Road and Enterprise Road	2	Under Construction
Stonebrook Apartments	396	SEC Pyramid Highway & Dakota Hills Drive	4	Under Construction
Basecamp at RED	340	Previous Park Lane Mall Site	7	Under Construction
Esprit Townhomes	126	Southeast Corner of Veterans Parkway & Geiger Grade Road	10	Under Construction
Double R Apartments	440	Double R Boulevard & Technology Way	10	Under Construction
Indigo	260	West Side of Veterans Parkway @ West Terminus of Trieste Road	10	Under Construction
Integra Peaks	300	Northside of Damonte Ranch Parkway, East of Double R Boulevard	10	Under Construction
Palomino	328	SEC Damonte Ranch Parkway & Steamboat Parkway	10	Under Construction
SyRes	330	Northeast Corner of Longley Lane and South Virginia Street	10	Under Construction
Reno City Center (Former Harrah's)	530	Northeast Corner of North Virginia Street and East 2nd Street	11	Under Construction
Ryland Apartments	118	North Side of Ryland Street, Between Park Street & High Street	11	Under Construction
The Atrium	132	Victorian Square	11	Under Construction
Total Units:	4,464			

Projects Planned

Project Name	Units	Location	Area	Status
5th & Vine Apartments	302	Northeast Corner of Keystone Avenue & 5th Street	1	Planning Stages
The Kallan	242	Southeast Corner of South Verdi Road & Cabela Drive	1	Planning Stages
Gardella Avenue Apartments	300	South Side of Gardella Avenue, Just East of Coastal Street	2	Planning Stages
Bennie Lane Studios	119	Southeast Corner of Ferrari McLeod Boulevard & Gardella Avenue	2	Planning Stages
The Lakes at Lemmon Valley Phase II	280	Sky Vista Parkway, West of Lemmon Valley Road	3	Planning Stages
Lemmon Landing	342	Northeast Corner of Lemmon Drive & Memorial Drive	3	Planning Stages
Northtowne Apartments	120	Northeast Corner of Northtowne Lane & Lund Lane	3	Planning Stages
Spectrum-Dandini Development	420	Northeast Corner of US Highway 395 & Dandini Boulevard	3	Planning Stages
Azure-Phase II	447	East of Sparks Marina-East Side of Marina Gateway Drive	4	Planning Stages
Kiley Ranch North Phase 6	306	Southwest Corner of Kiley Parkway & Windmill Farms Parkway	4	Planning Stages
Kiley Ranch Apartments	450	Southeast Corner of Pyramid Way and Sparks Boulevard	4	Planning Stages
The APEX @ Vista	360	East Side of Vista Boulevard Between Los Altos Parkway & Wingfield Hills Road	4	Planning Stages
Reno Experience District	359	Previous Park Lane Mall Site	7	Planning Stages
Elysium	270	Southwest Corner of South Virginia Street & South Hills Drive	10	Planning Stages
500 South Center	126	Southeast Corner of South Center Street & Stewart Street	11	Planning Stages
550 North Virginia	261	Northeast Corner of North Virginia Street & East 5th Street	11	Planning Stages
98 West Commercial Row	103	Southeast Corner of West Commercial Row & North Sierra Street	11	Planning Stages
Ballpark Apartments	369	Northeast Corner of Lake Street and East 2nd Street (Phase I)	11	Planning Stages
Riverfront Apartments	393	Northeast Corner of Lake Street and East 2nd Street (Phase II)	11	Planning Stages
Promenade-Phase I & II	288	Victorian Square	11	Planning Stages
PromWest	168	East of Fountainhouse	11	Planning Stages
Total Units:	6,025			

In addition to the above projects, a number of apartment projects, including smaller market rate and tax credit projects, are in the planning stages. A number of land owners are also going through the entitlement process for apartments, in order to sell or develop the properties.



ABSORPTION

The chart below summarizes the absorption rates of several market apartment projects in the Reno-Sparks area between 2002 and a current date, and includes the recent absorption rate of The Lakes at Lemmon Valley-Phase I.

HISTORICAL & CURRENT ABSORPTION RATES

Project Name	# of Units	Lease up Dates		Absorption Per Month
		Start	Stabilized	
Sharlands Terrace	304	Mar-00	Jan-02	13.22
Canyon Hills Phase I	256	Jun-01	Jul-02	18.29
The Village at Wildcreek	240	Jul-01	Sep-02	16.00
Aviana at Tuscany	311	Jul-01	Apr-03	14.14
Silver Creek	376	Jan-01	Aug-03	11.75
Villas at D'Andrea	256	Apr-02	Dec-03	12.19
Marina Village	240	Oct-04	Oct-06	10.00
Horizons at South Meadows	344	Nov-05	Jan-07	22.93
Caviata at Kiley Ranch	184	Jun-07	Oct-09	6.10
Waterstone at Kiley Ranch	203	Jul-07	Oct-09	7.00
The View Apartments	308	Apr-09	Jan-11	13.33
The Trails at Pioneer Meadows	300	Aug-09	Jul-11	11.78
The Alexander at South Virginia	350	Aug-09	Jul-11	13.87
The Village at Arrowcreek	208	Oct-13	Feb-15	11.56
The Bungalows at Sky Vista-Phase I	338	Mar-14	Nov-15	16.10
The Villas at Keystone Canyon	288	Sep-14	Nov-15	19.20
Edge Water at Virginia Lake	284	May-15	Sep-16	16.71
Square One	100	Jun-16	Feb-17	11.11
3 rd Street Flats	94	Dec-16	Jun-17	13.43
Fountainhouse	220	May-16	Aug-17	13.75
Harvest at Damonte Ranch Phase I	278	Nov-16	Jun-18	13.90
The Village South	243	Nov-16	Jun-18	12.15
Vineyards at Galleria	210	Aug-17	Jun-18	19.09
Latitude 39	148	June-17	Aug-18	9.87
Harvest at Damonte Ranch Phase II	182	Nov-18	Oct-19	15.17
Sierra Vista	336	Mar-18	Oct-19	16.80
Vida	312	May-18	Nov-19	16.42
Waterfront at the Marina	209	Dec-18	Jan-20	14.93
Lyfe at the Marina	280	Aug-18	Feb-20	14.74
The Bridges	194	Jun-18	Mar-20	8.82
Silverado	96	May-19	May-20	7.38
Lumina	330	Dec-18	Jul-20	16.50
Harvest at Damonte Ranch Phase III	260	May-19	Aug-20	16.25
North Peak	352	Mar-18	Mar-21	9.51
INOVA	420	Mar-19	Jun-21	15.00
Azure	308	Apr-20	Jun-21	20.53
Parq Crossing	288	May-20	Jun-21	20.57
The Lakes at Lemmon Valley-Phase I	488	Aug-20	Dec-21	28.71



RENT CONCESSIONS

During the 1st Quarter of 2022 17.65% of the apartment projects in our Survey offered rent concessions, which decreased from 19.61% in the 4th Quarter of 2021. Concessions range from discounted move-in costs to reduced rent on a twelve-month lease. A majority of the properties now offering concessions, are offering a discount to Tesla and other Tahoe Reno Industrial Center employees. The most commonly found rent concessions consist of:

- Reduced rent with a 12-month lease
- One month free rent with a 12-month lease

The chart below summarizes the percentage of projects which have offered concessions, and the overall vacancy rate, between 2016 and a current date. It is recognized that an increasing number of apartment projects are utilizing YieldStar, and concessions are not reported separately by the apartment managers.

REGIONAL CONCESSION HISTORY

Quarter/Year	% Offering Concessions	Overall Vacancy %
Q1-2016	12.35%	2.30%
Q2-2016	6.17%	1.98%
Q3-2016	4.82%	2.24%
Q4-2016	10.84%	2.93%
Q1-2017	7.14%	2.23%
Q2-2017	2.35%	1.17%
Q3-2017	4.65%	2.41%
Q4-2017	4.65%	3.80%
Q1-2018	4.65%	1.97%
Q2-2018	11.24%	1.58%
Q3-2018	13.33%	2.79%
Q4-2018	8.89%	3.64%
Q1-2019	16.67%	3.06%
Q2-2019	10.00%	2.67%
Q3-2019	19.57%	3.31%
Q4-2019	23.66%	3.96%
Q1-2020	27.37%	3.51%
Q2-2020	23.71%	3.32%
Q3-2020	10.10%	2.24%
Q4-2020	13.40%	2.82%
Q1-2021	9.18%	1.95%
Q2-2021	3.96%	1.63%
Q3-2021	8.91%	2.35%
Q4-2021	19.61%	3.18%
Q1-2022	17.65%	2.66%



SURVEY RESULTS

This section of the report covers survey findings pertaining to the total survey area for the 1st Quarter of 2022.

OVERALL QUARTERLY TRENDS:

The graphs in this section illustrate percentage vacant, percentage of rent increases or decreases and average monthly rent per quarter. The following graphs are included in overall trends:

- Overall Reno/Sparks Averages
- Overall Trends For Studio Units
- Overall Trends For 1 Bedroom/1 Bath Units
- Overall Trends For 2 Bedroom/1 Bath Units
- Overall Trends For 2 Bedroom/2 Bath Units
- Overall Trends For 3 Bedroom/2 Bath Units
- Overall Trends For Townhouse Units
- Average Rent Per Unit Type

TRENDS PER MARKET AREA:

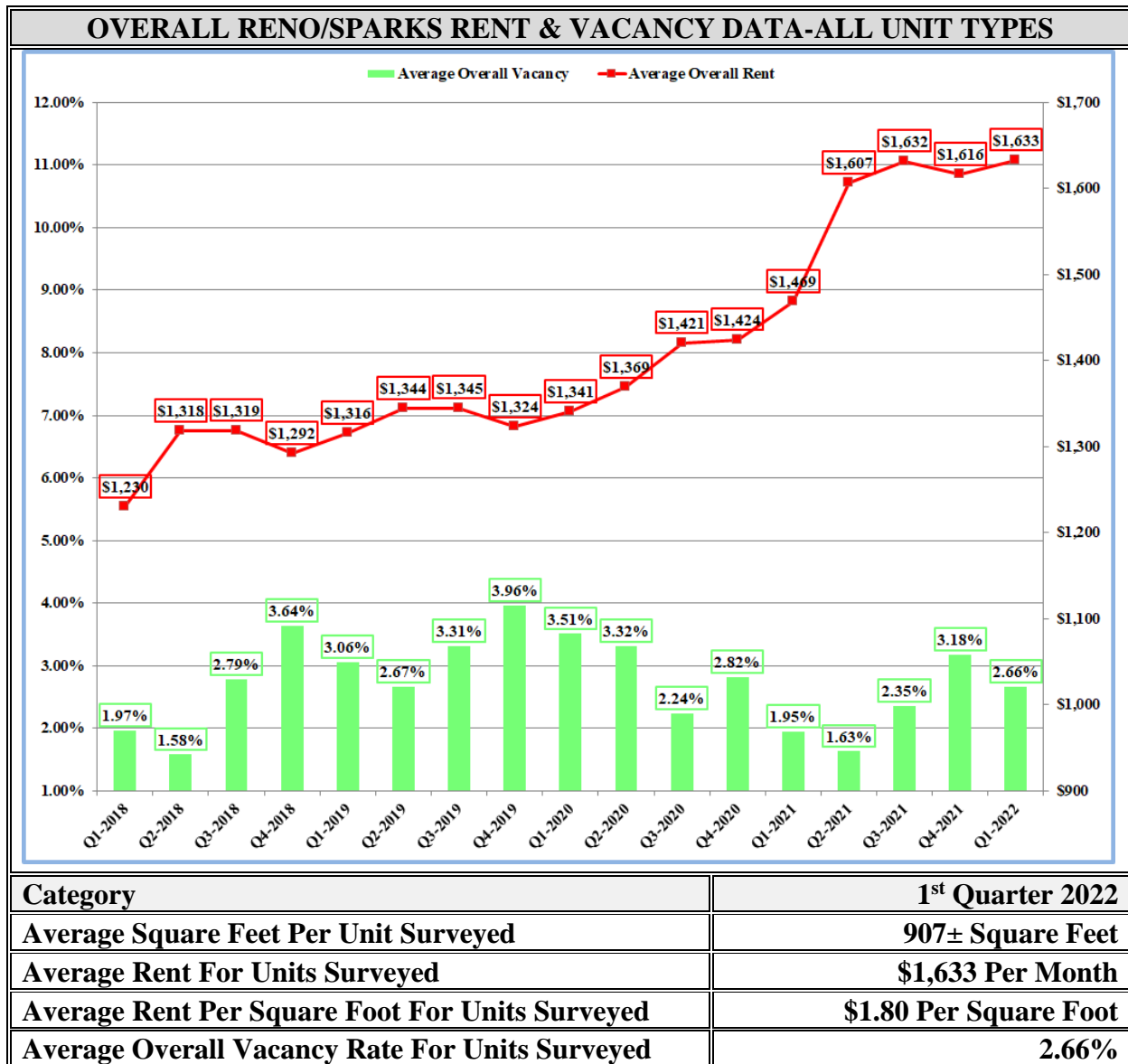
These graphs illustrate quarterly vacancy percentage and average monthly rent. The submarket categories are as follows:

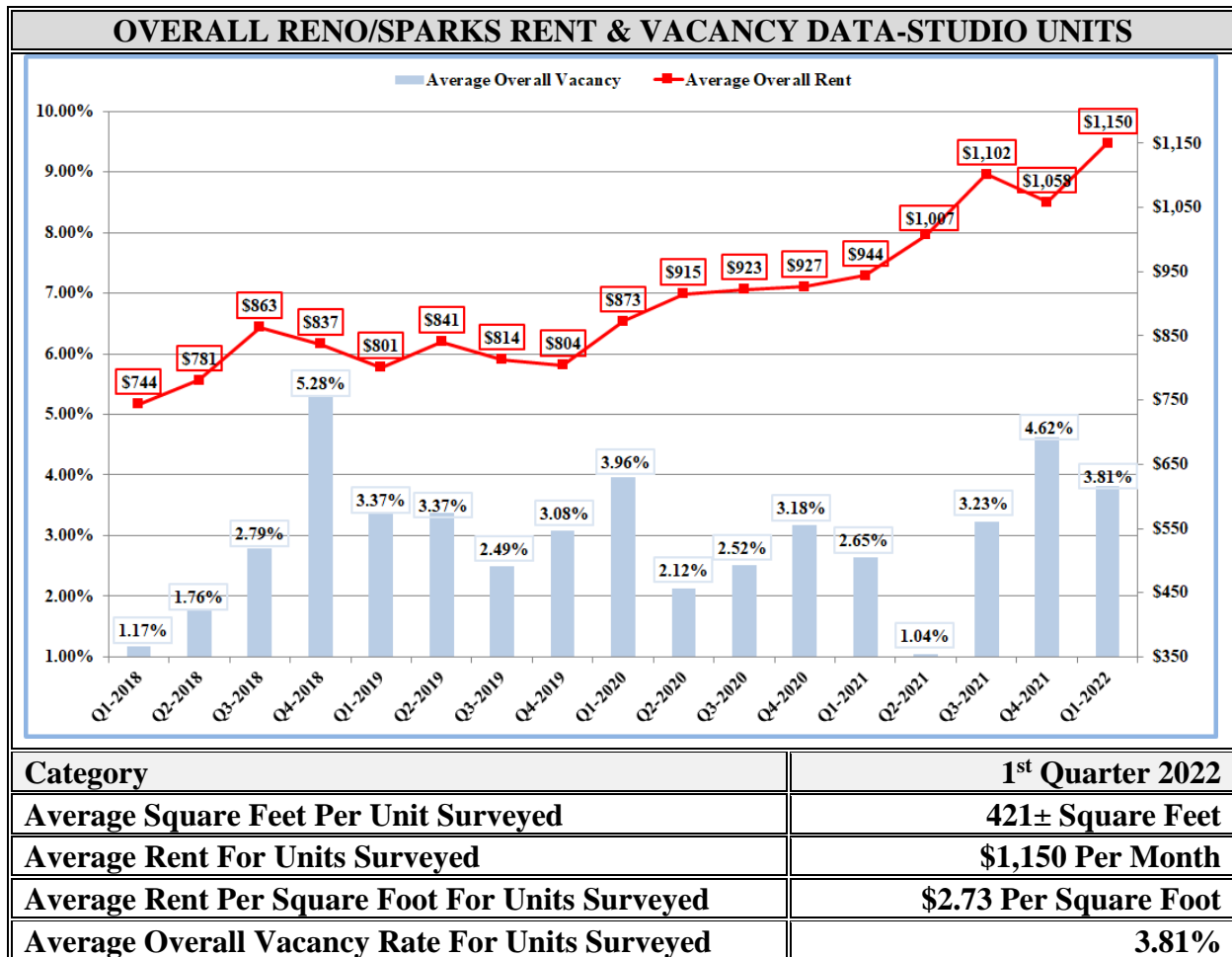
- Area 1-Northwest Reno
- Area 2-Northeast Reno
- Area 3-West Sparks/North Valleys
- Area 4-East Sparks
- Area 5-West Reno
- Area 6-Southwest Reno
- Area 7-Brinkby/Grove
- Area 8-Airport
- Area 9-Lakeridge
- Area 10-Southeast Reno
- Area 11-Downtown Urban

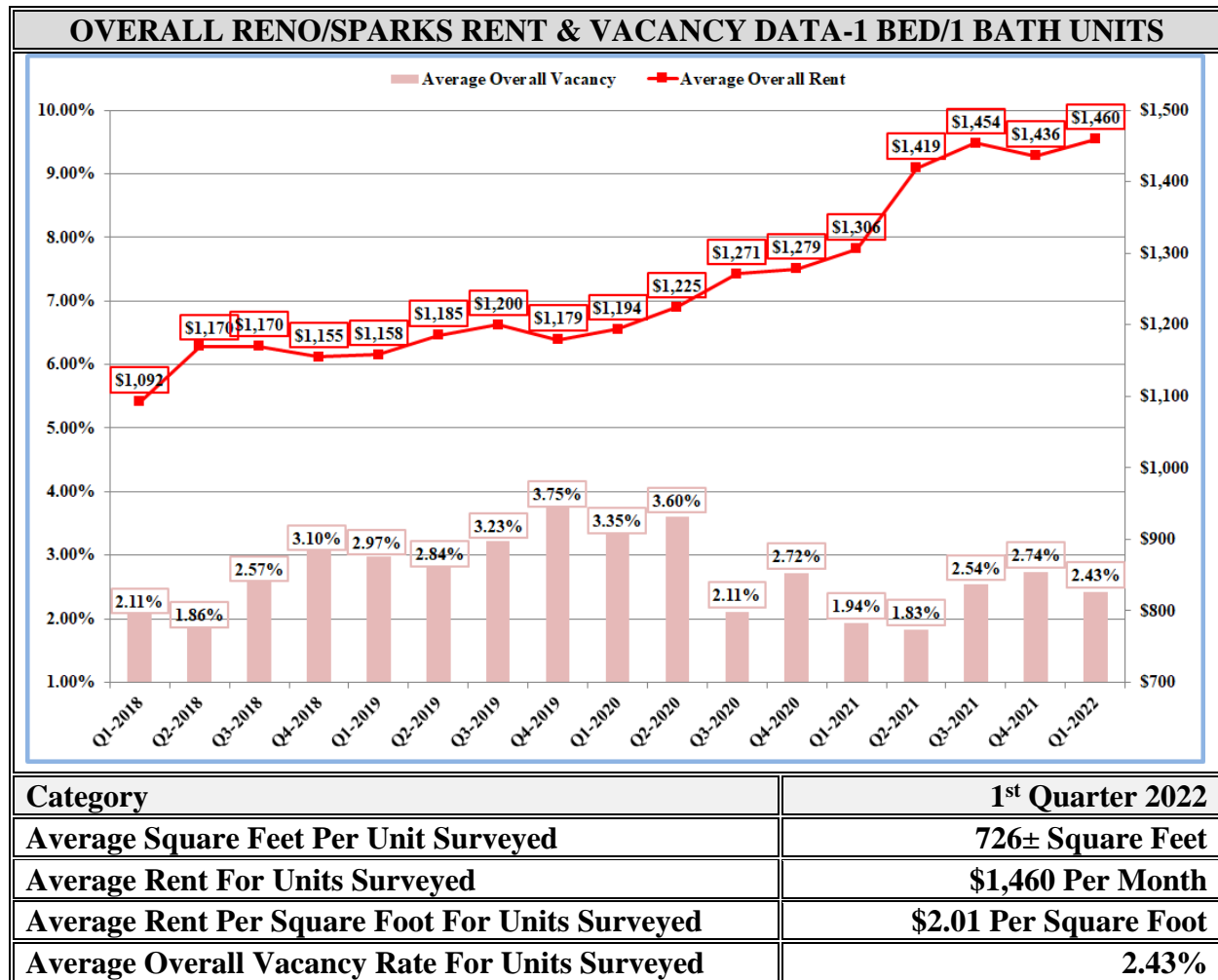
CURRENT SURVEY COMPARISONS:

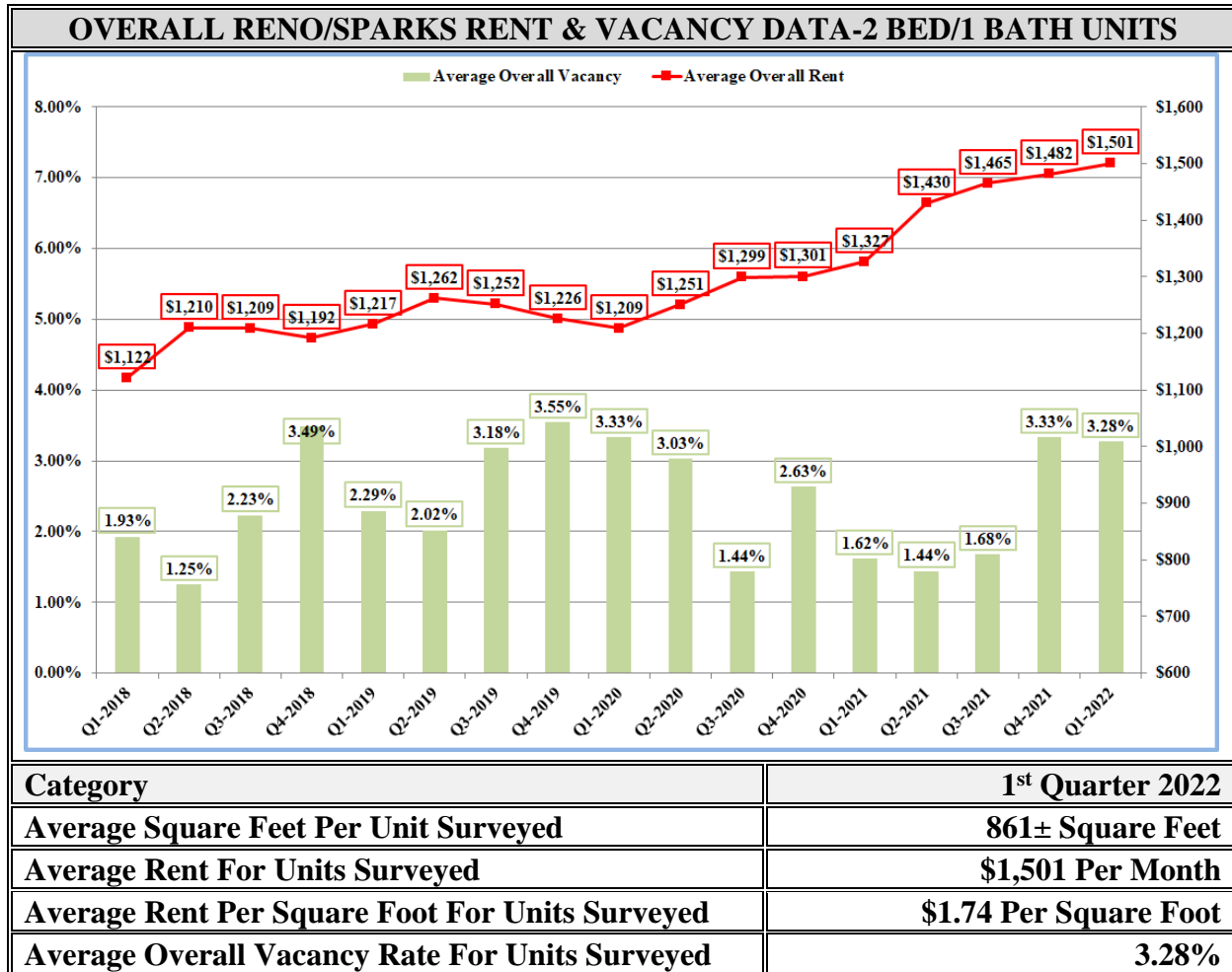
This section of graphs illustrates overall comparisons based on unit type and submarket categories. These graphs include:

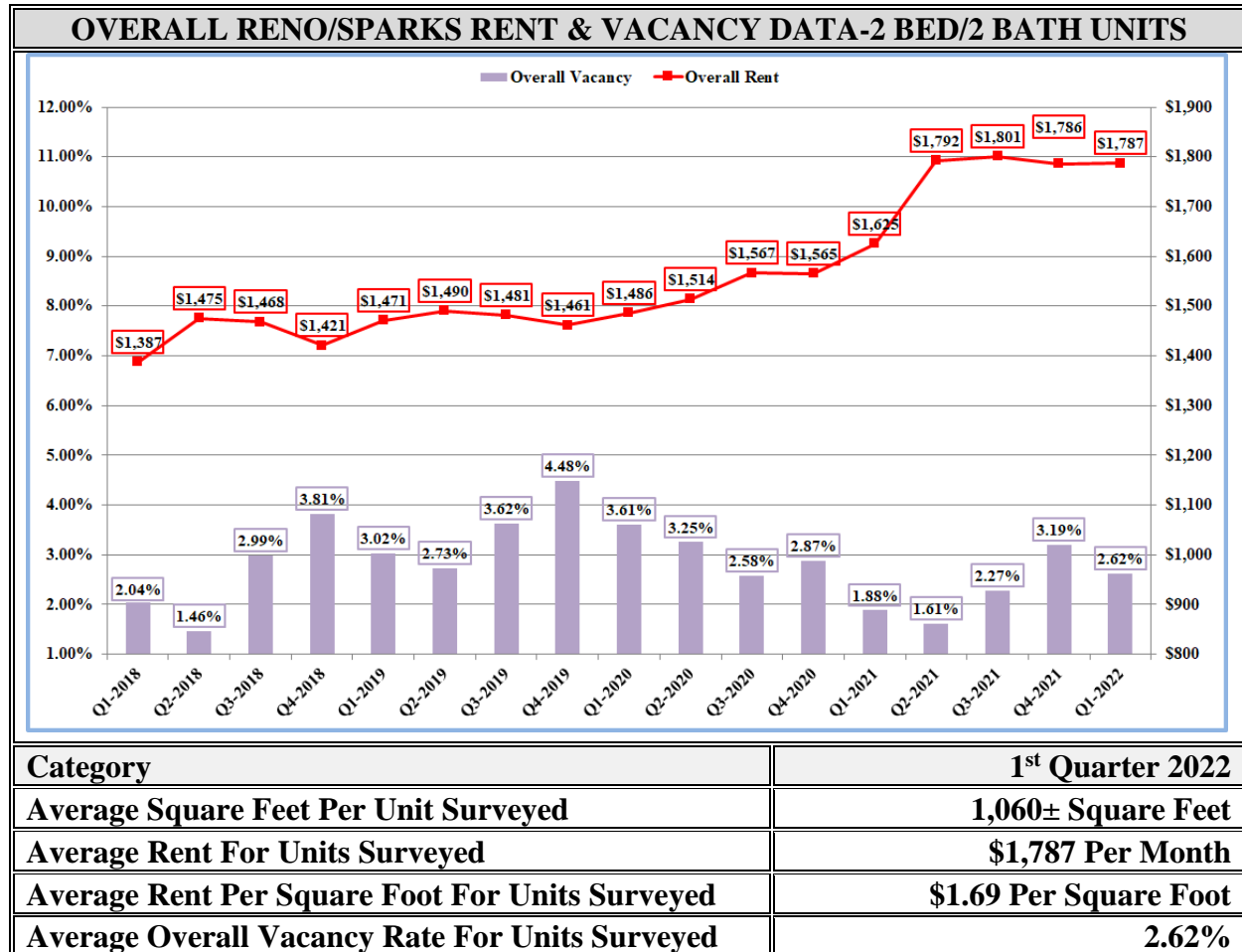
- Summary By Unit Type
- Summary By Area
- 15 Properties With The Highest Average Rents

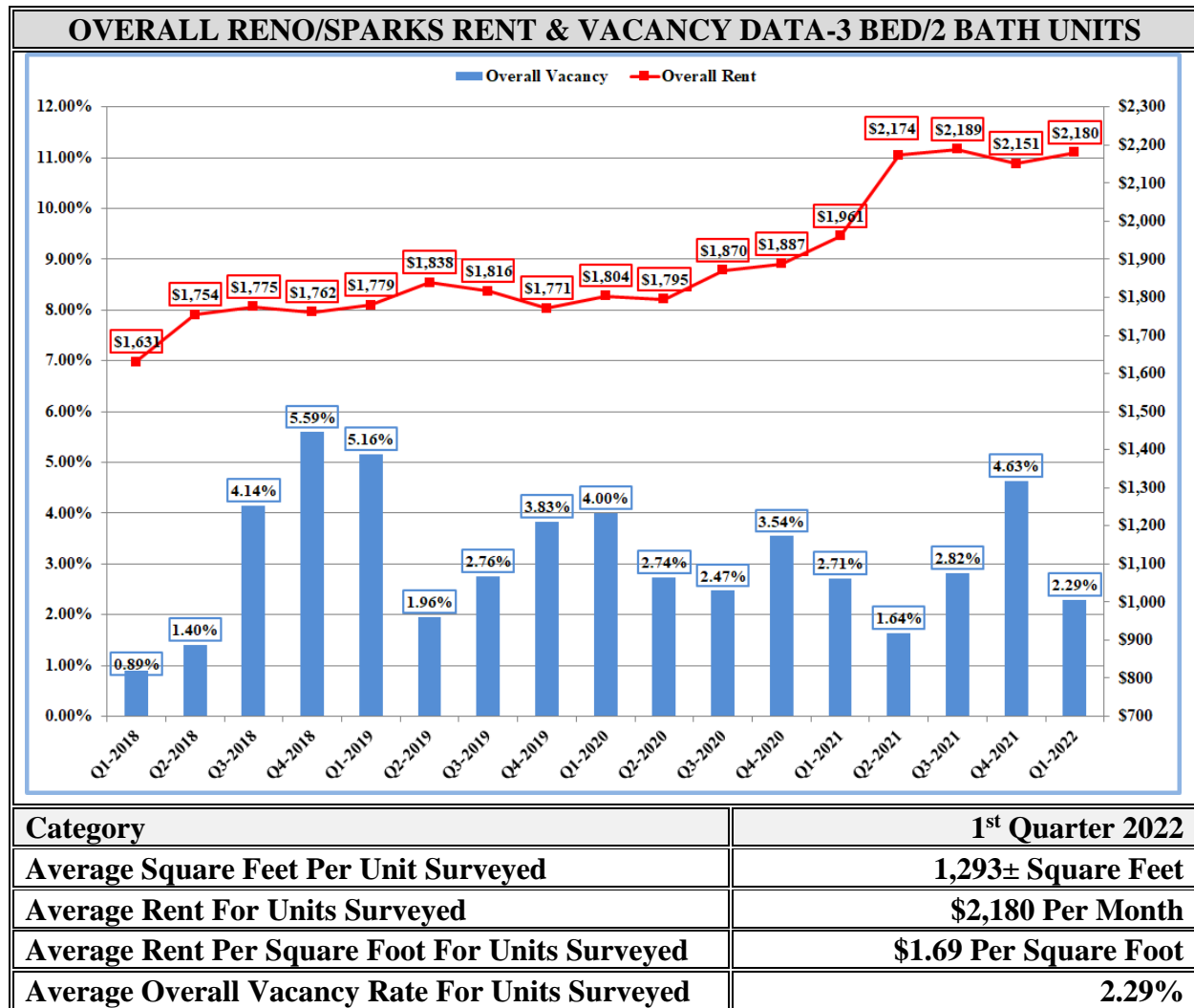


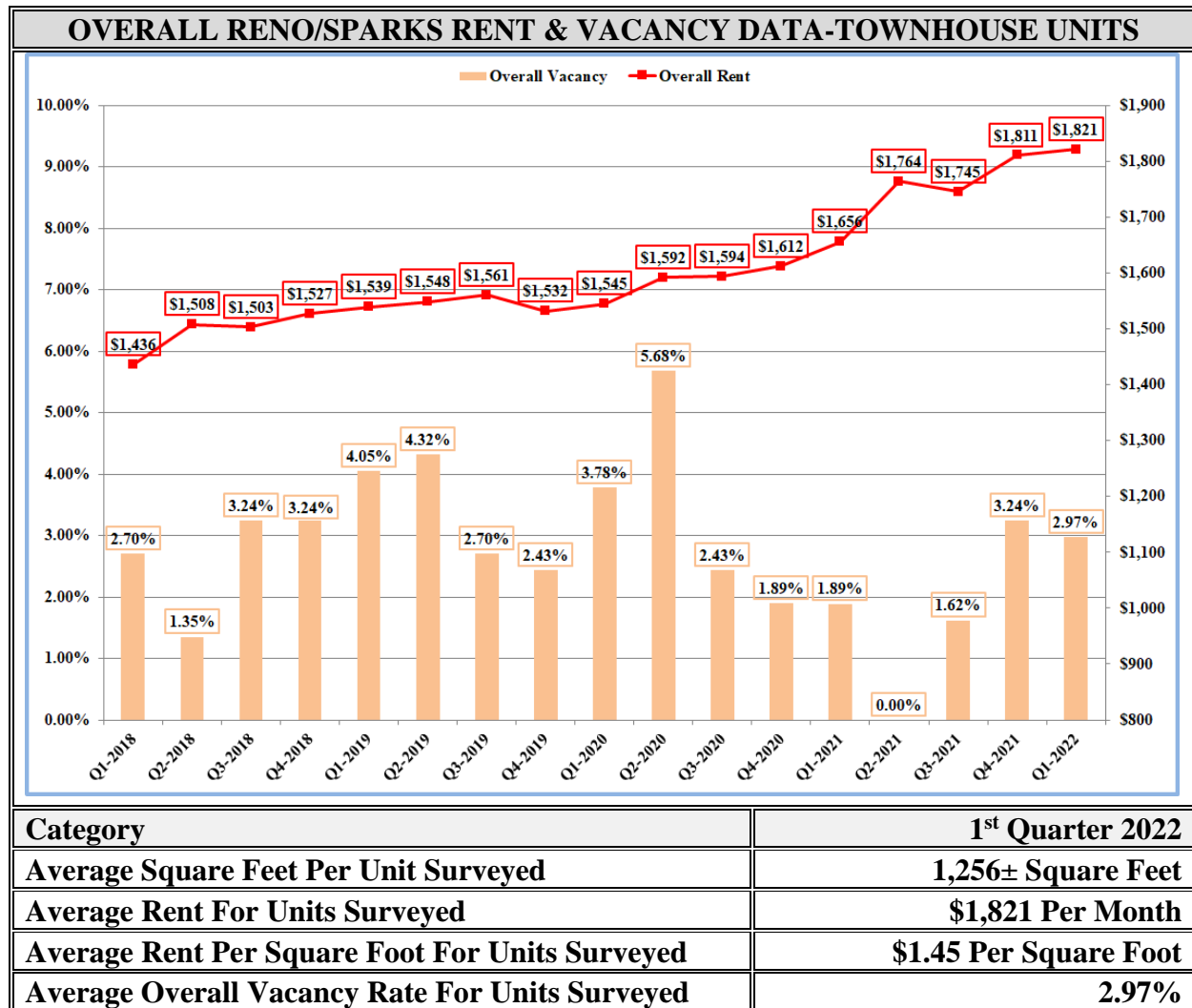


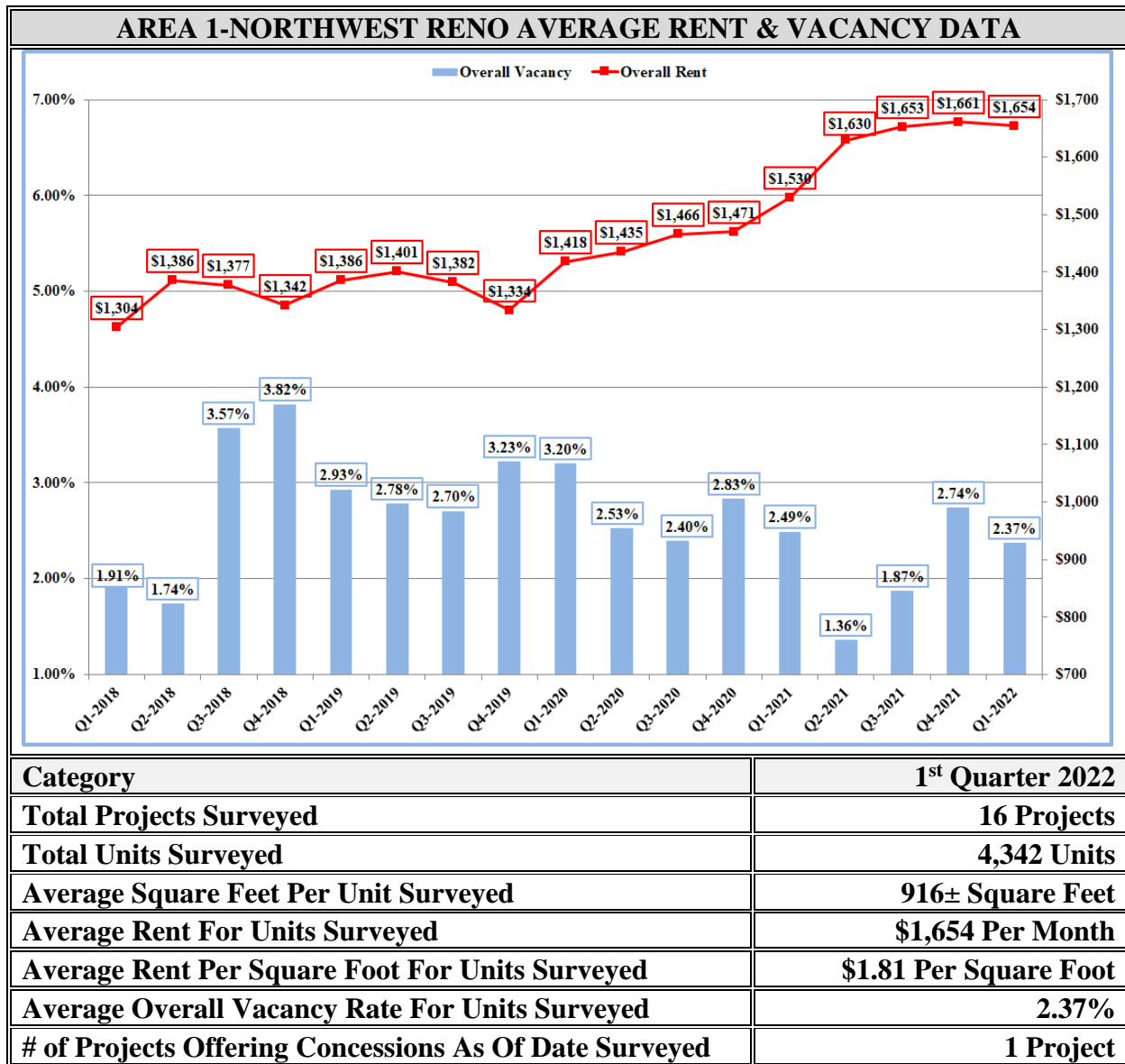


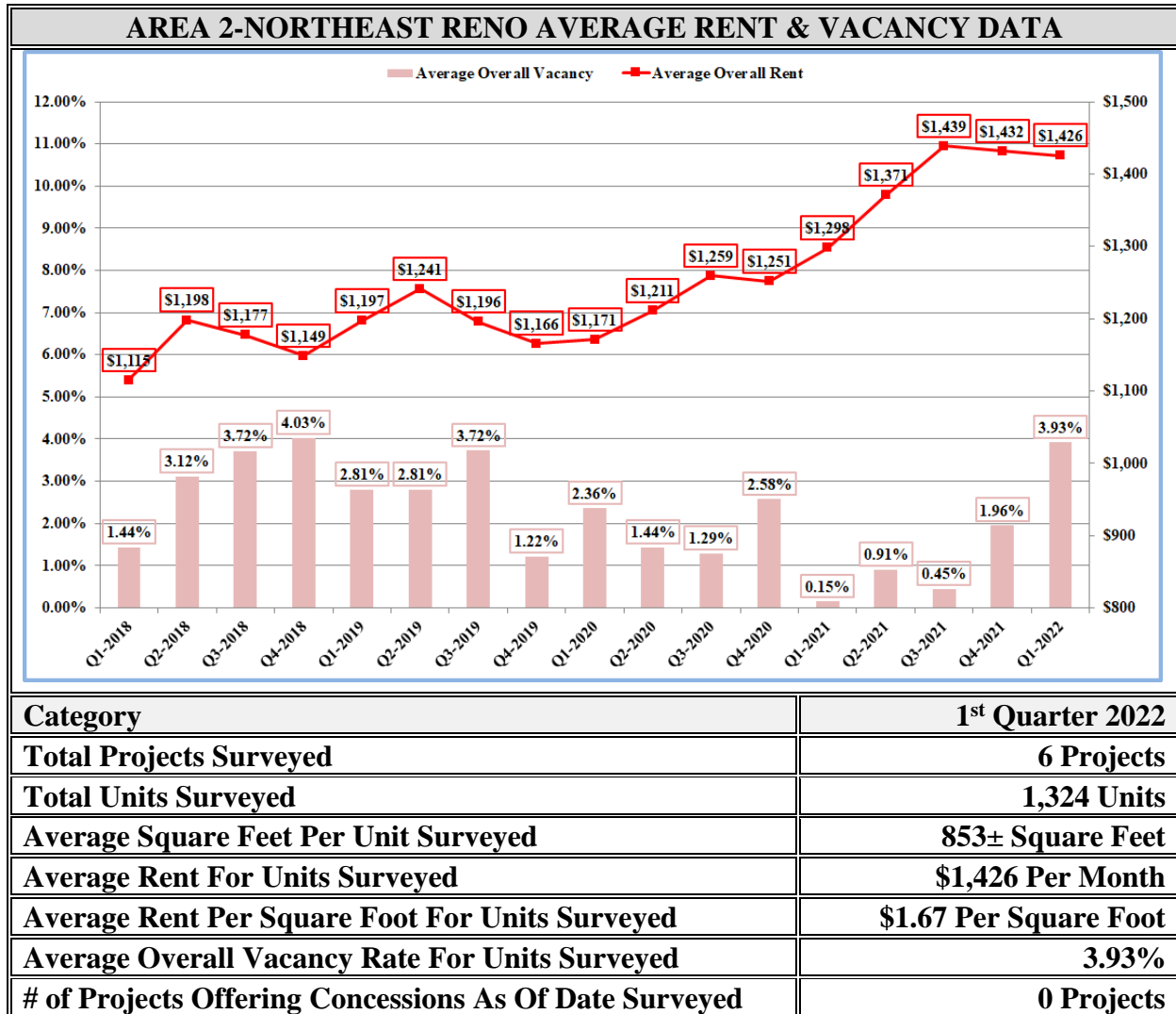






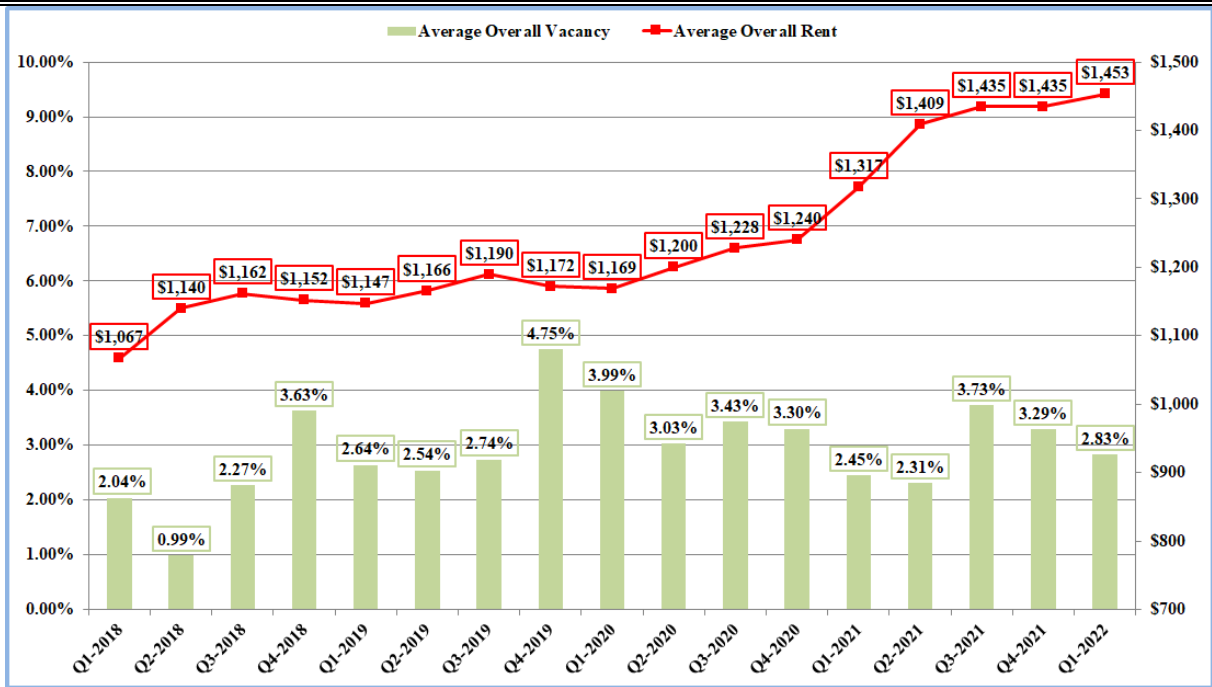




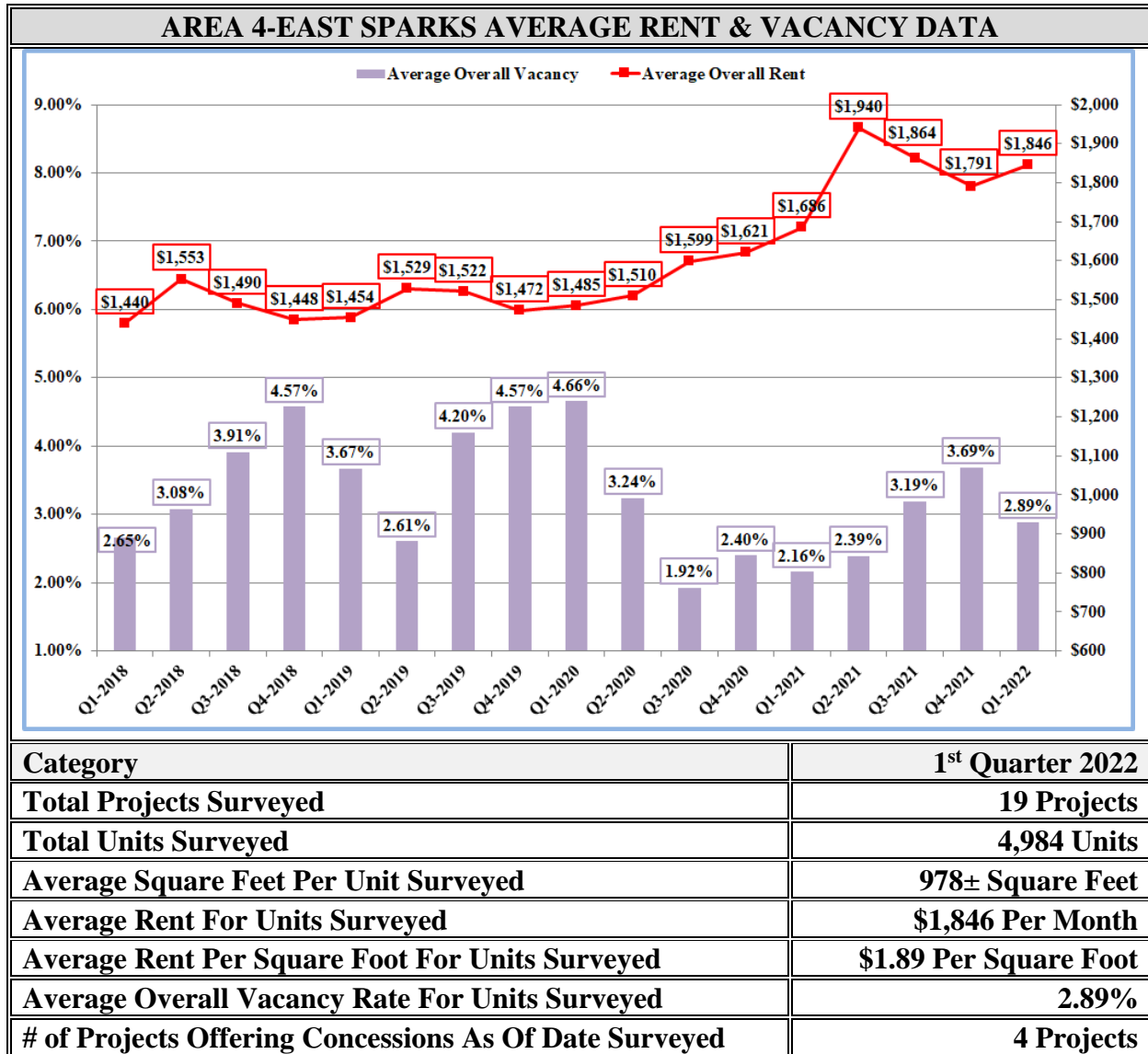


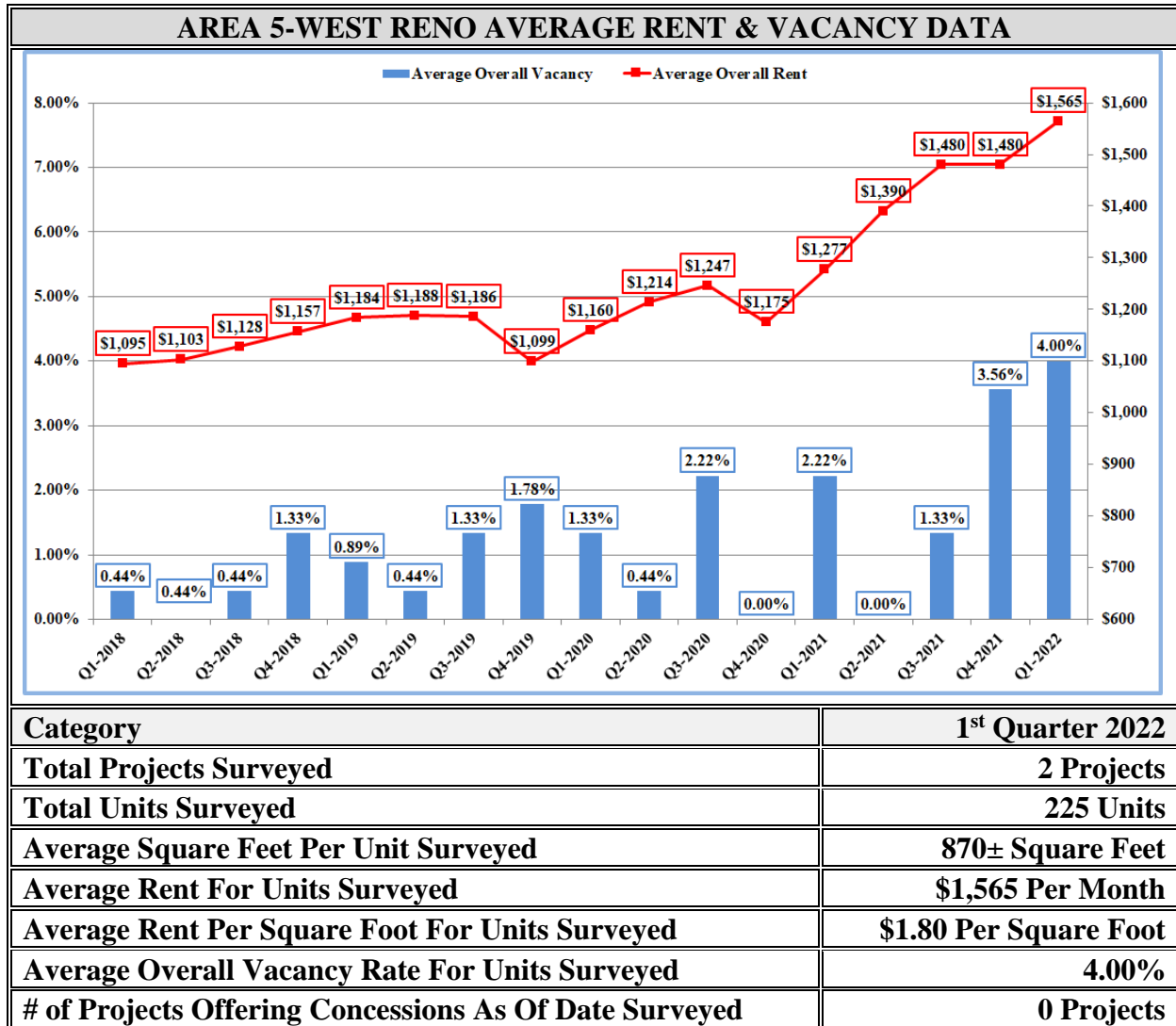


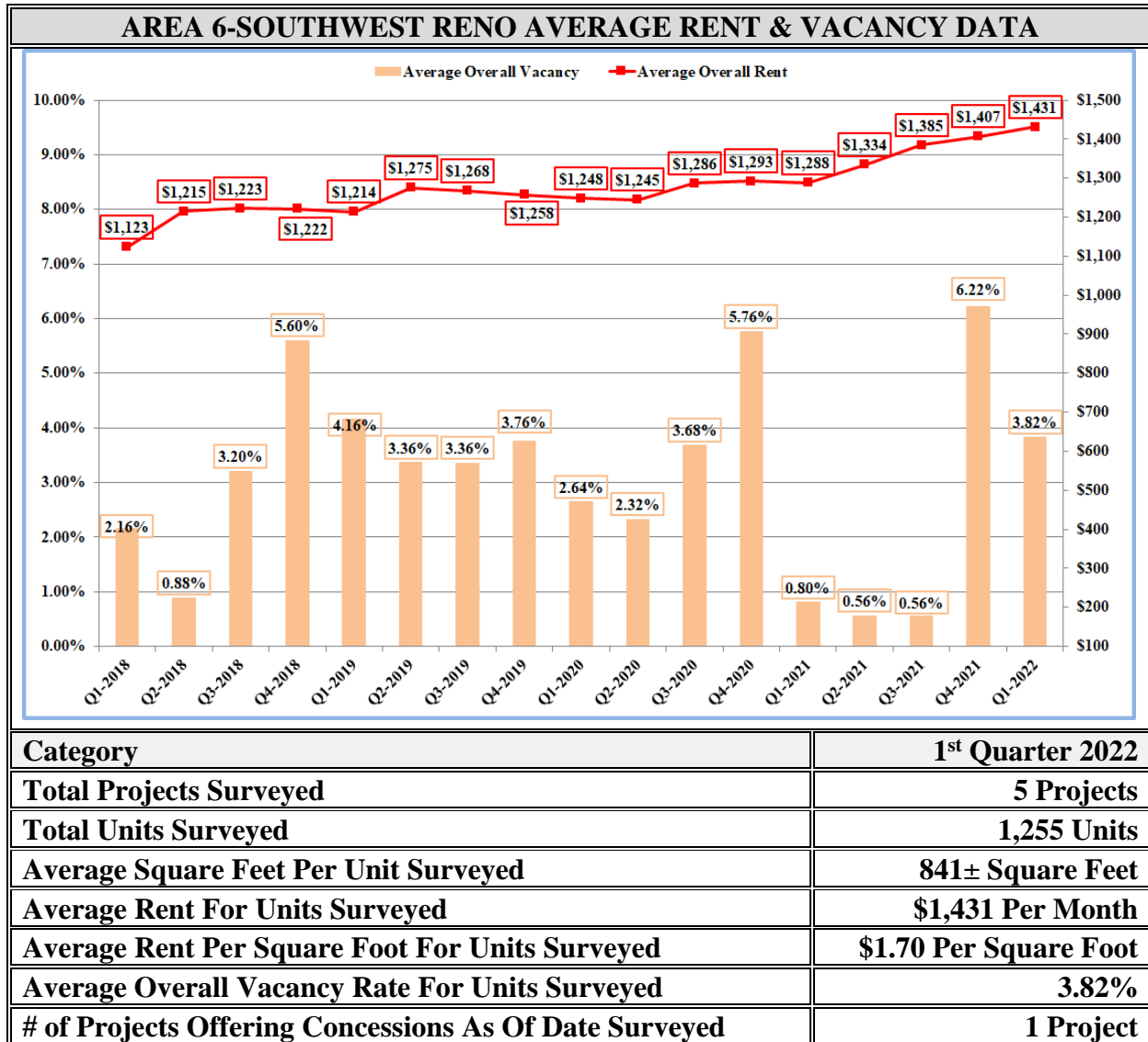
AREA 3-WEST SPARKS/NORTH VALLEYS AVERAGE RENT & VACANCY DATA

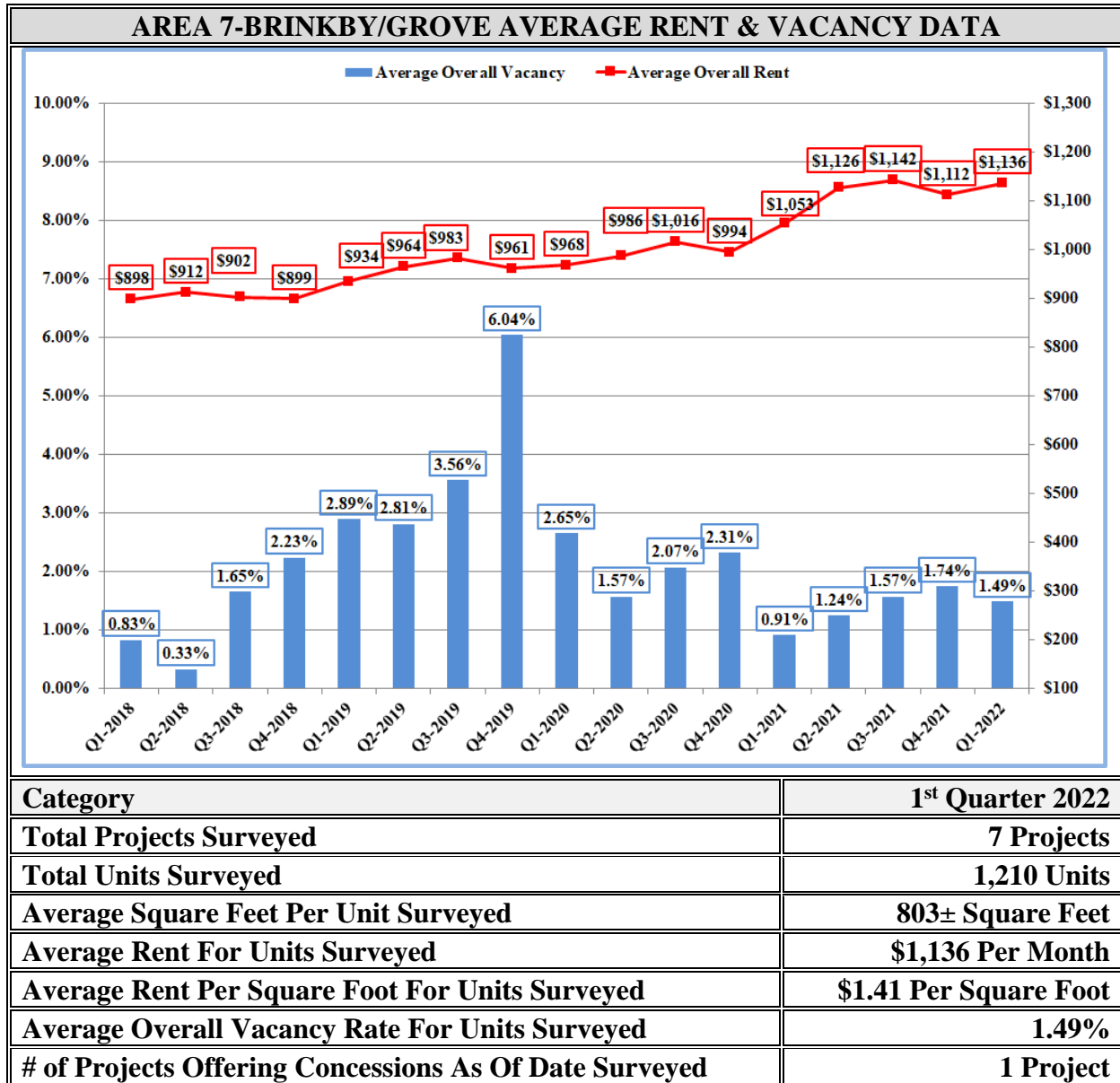


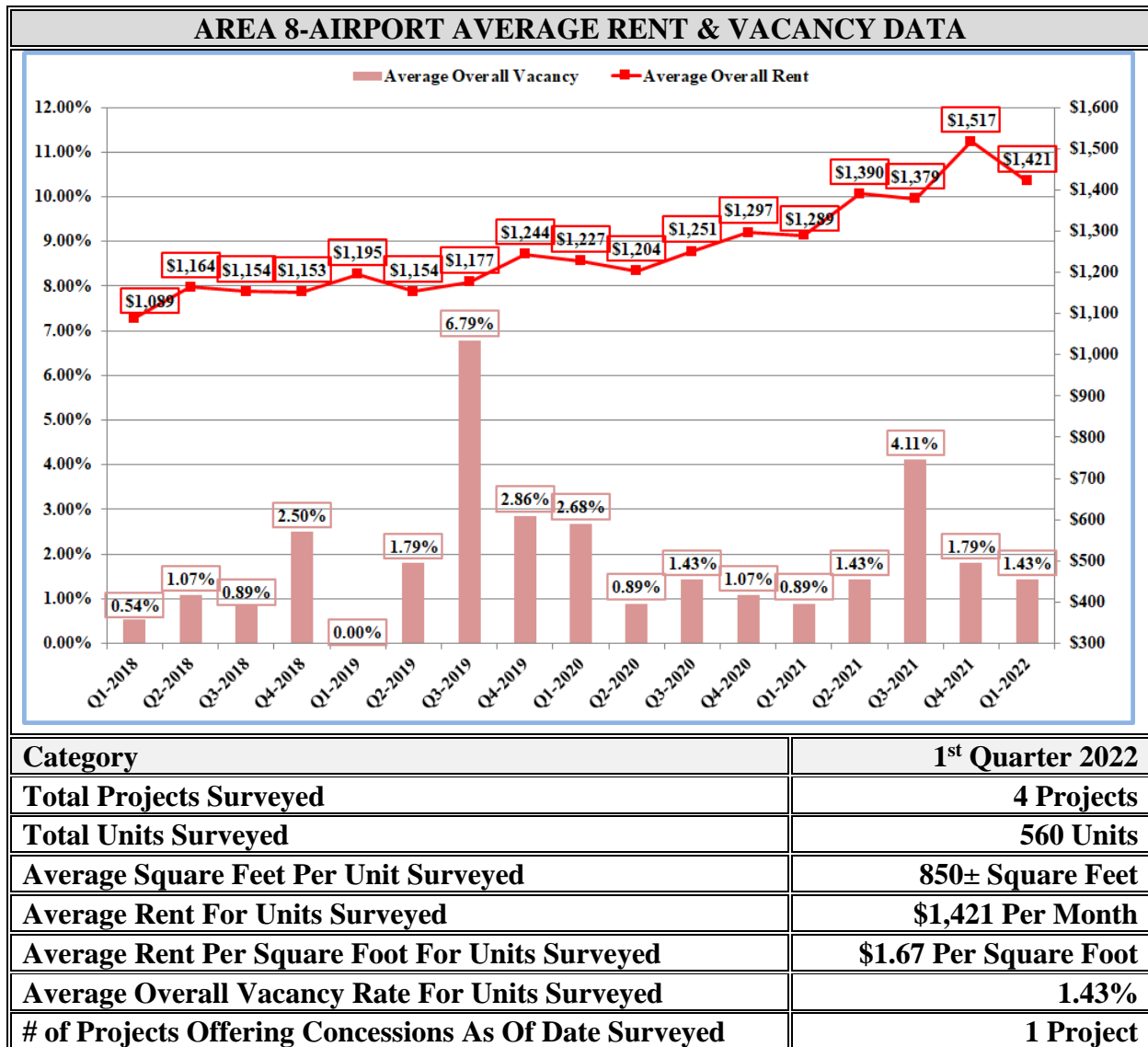
Category	1 st Quarter 2022
Total Projects Surveyed	16 Projects
Total Units Surveyed	4,164 Units
Average Square Feet Per Unit Surveyed	861± Square Feet
Average Rent For Units Surveyed	\$1,453 Per Month
Average Rent Per Square Foot For Units Surveyed	\$1.69 Per Square Foot
Average Overall Vacancy Rate For Units Surveyed	2.83%
# of Projects Offering Concessions As Of Date Surveyed	5 Projects





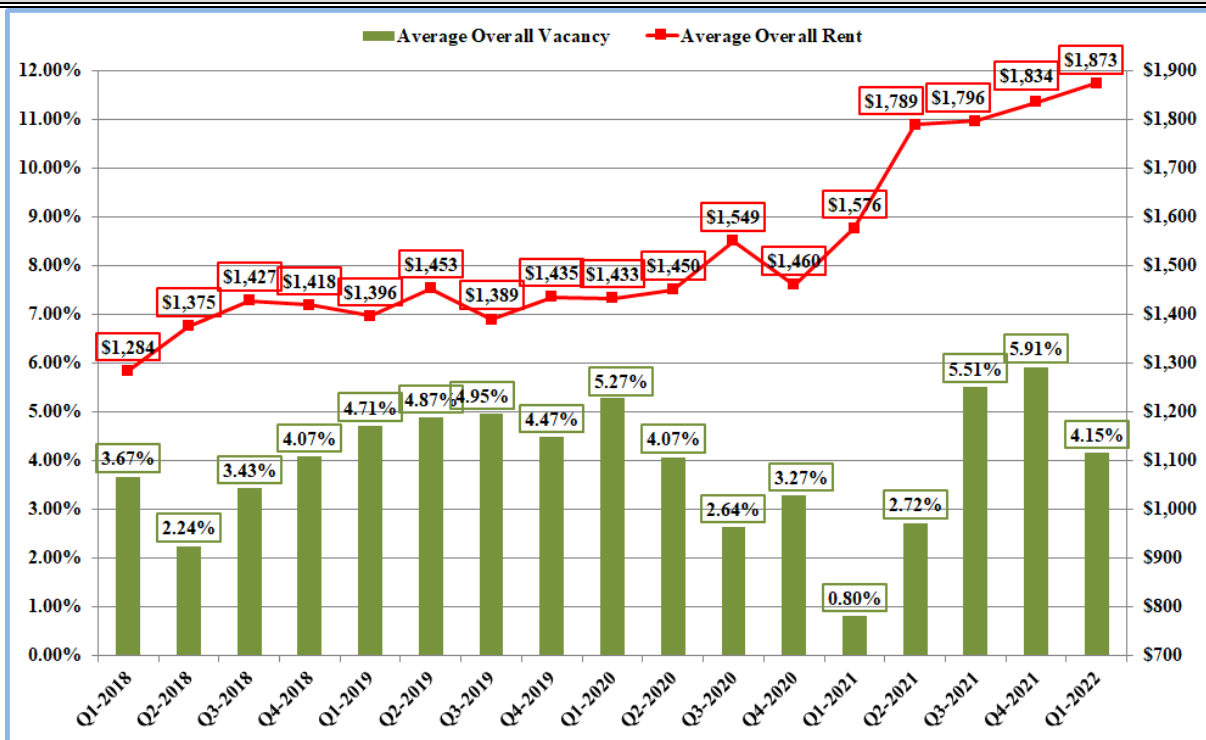




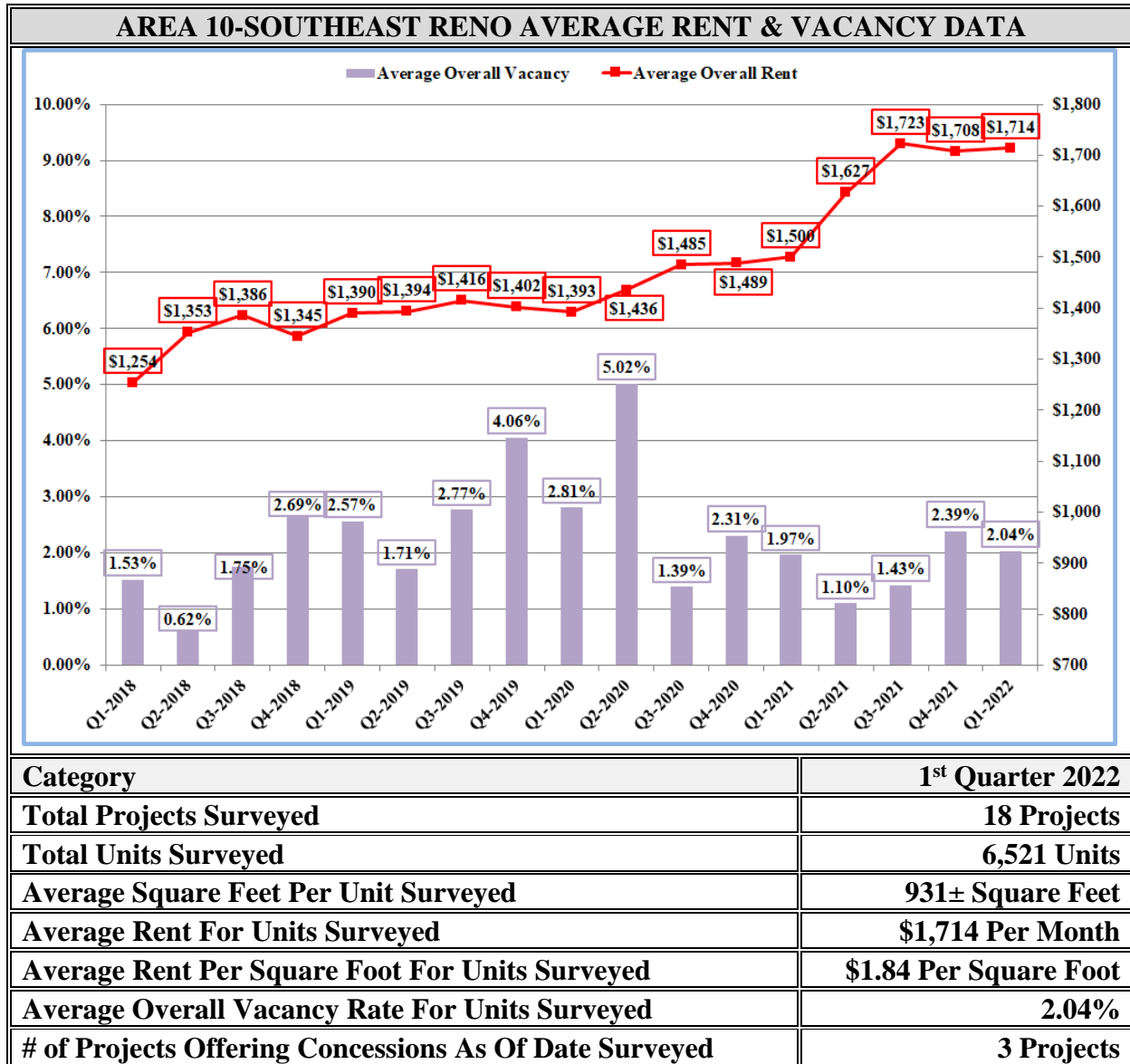


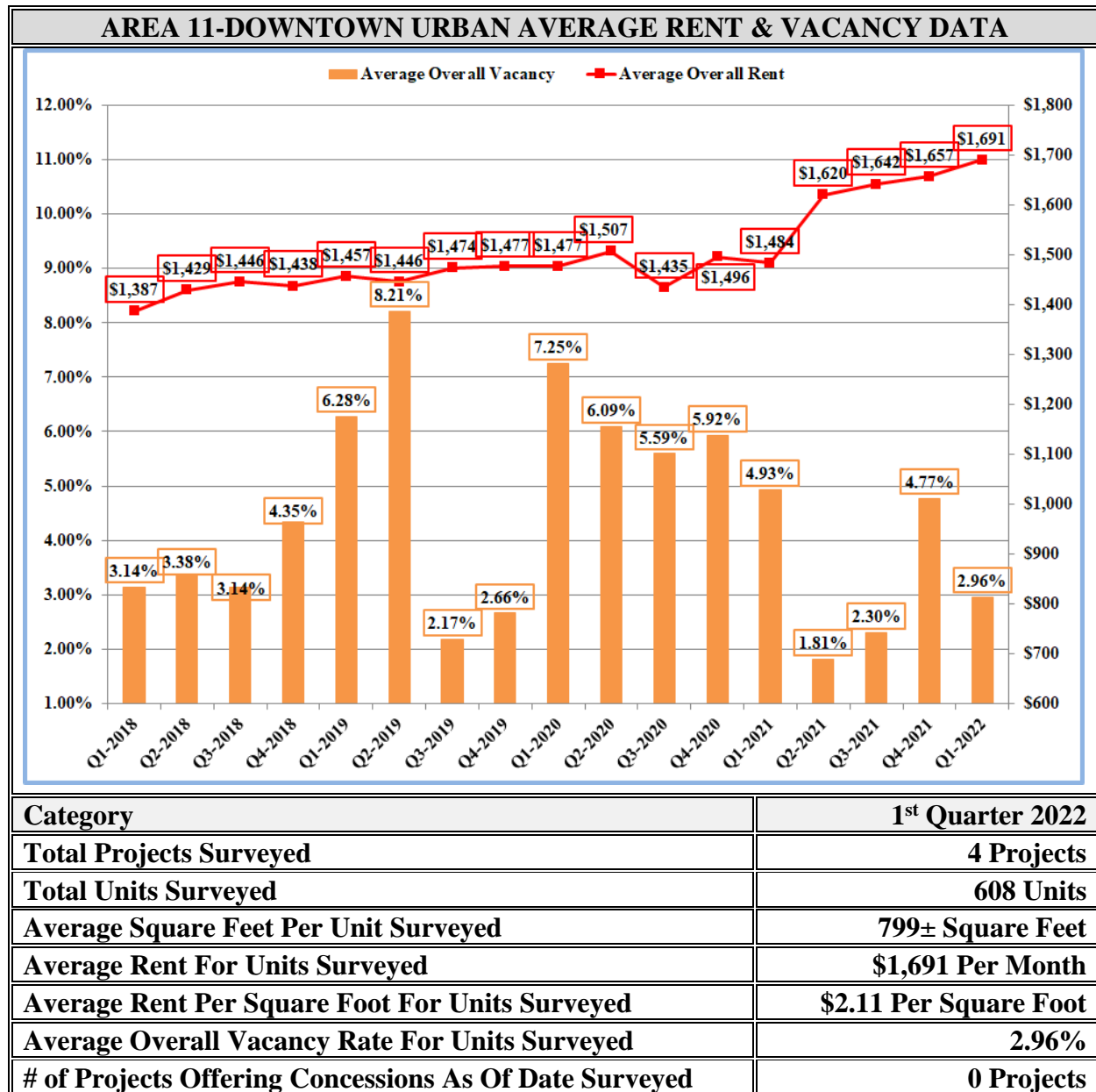


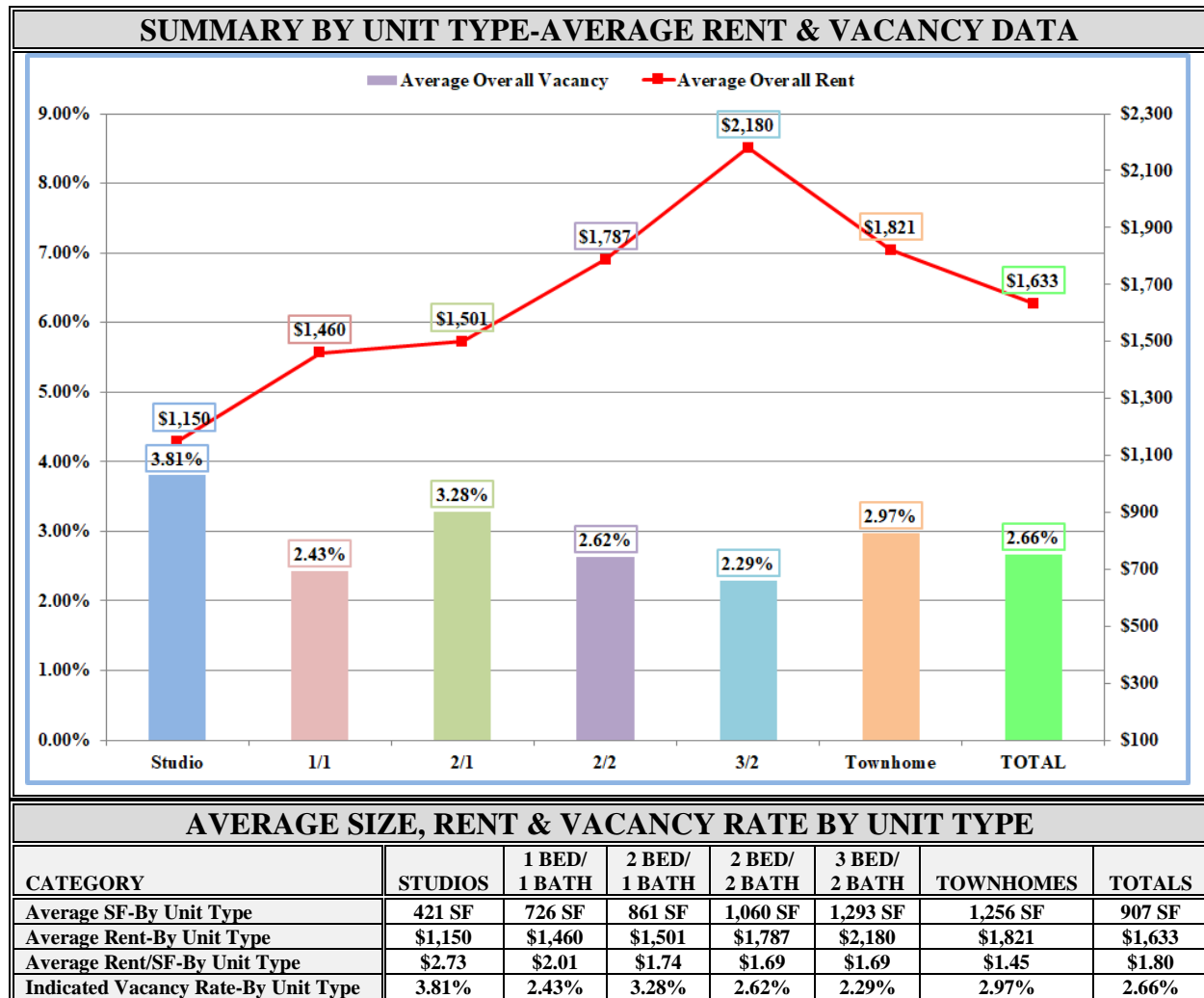
AREA 9-LAKERIDGE AVERAGE RENT & VACANCY DATA

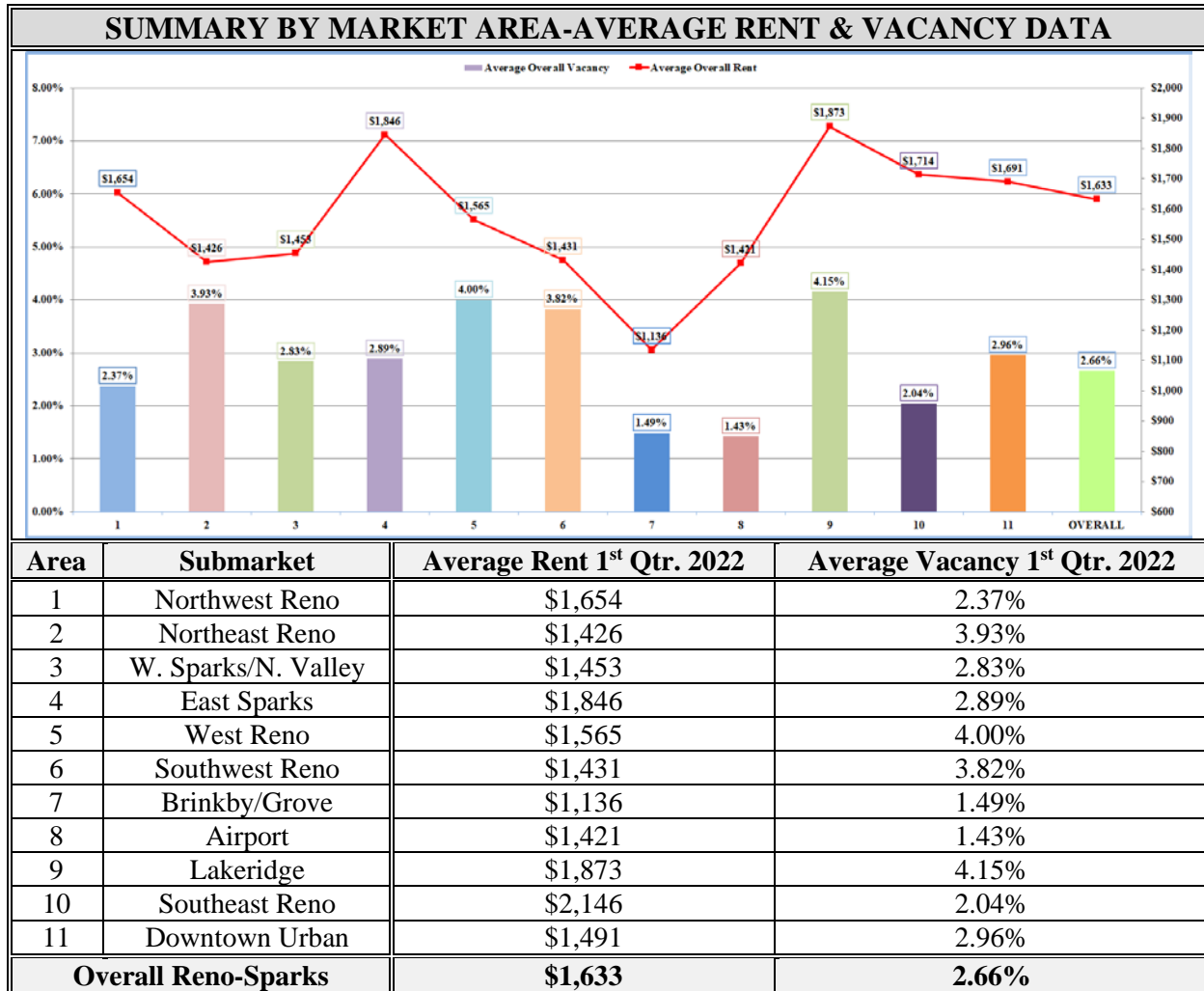


Category	1 st Quarter 2022
Total Projects Surveyed	5 Projects
Total Units Surveyed	1,252 Units
Average Square Feet Per Unit Surveyed	927± Square Feet
Average Rent For Units Surveyed	\$1,873Per Month
Average Rent Per Square Foot For Units Surveyed	\$2.02 Per Square Foot
Average Overall Vacancy Rate For Units Surveyed	4.15%
# of Projects Offering Concessions As Of Date Surveyed	2 Projects



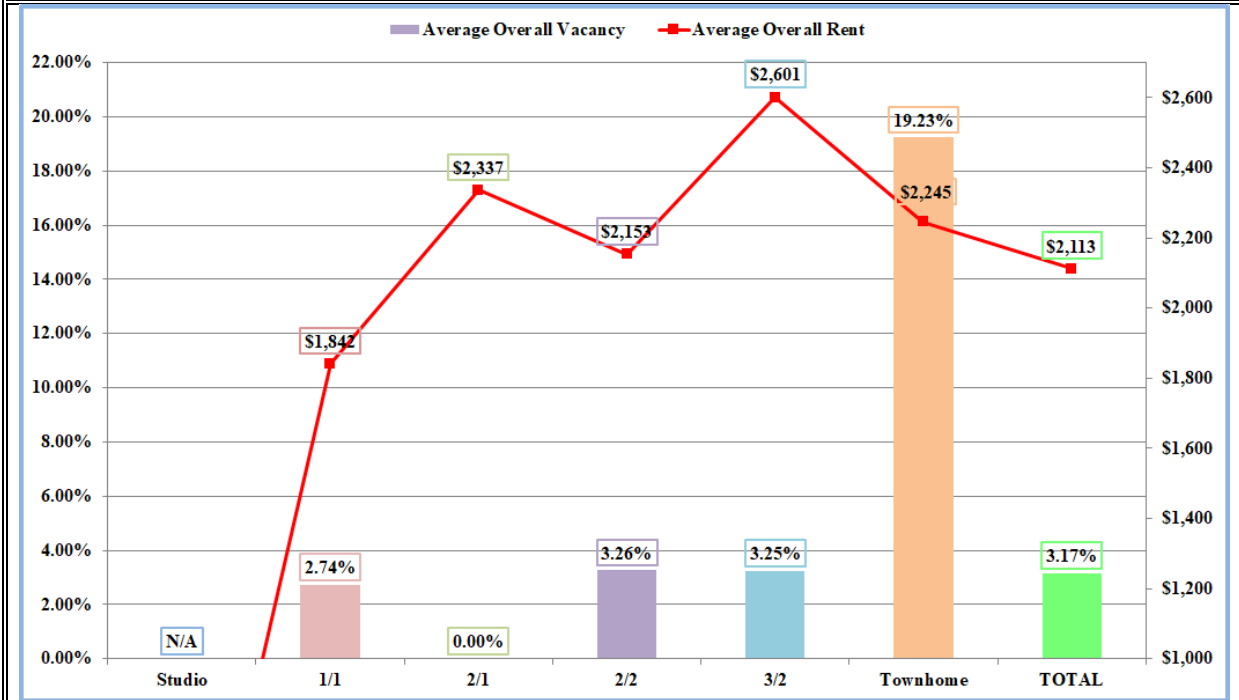








15 PROPERTIES WITH HIGHEST AVERAGE RENTS AVERAGE RENT & VACANCY DATA



CATEGORY	STUDIOS	1 BED/ 1 BATH	2 BED/ 1 BATH	2 BED/ 2 BATH	3 BED/ 2 BATH	TOWNHOME	TOTALS
Total Number of Units-By Unit Type	N/A	1,423 Units	24 Units	2,271 Units	584 Units	26 Units	4,328 Units
Average SF-By Unit Type	N/A	817 SF	993 SF	1,173 SF	1,395 SF	1,154 SF	1,084 SF
Average Rent-By Unit Type	N/A	\$1,842	\$2,337	\$2,153	\$2,601	\$2,245	\$2,113
Average Rent/SF-By Unit Type	N/A	\$2.25	\$2.35	\$1.84	\$1.86	\$1.95	\$1.95
Indicated Vacancy Rate-By Unit Type	N/A	2.74%	0.00%	3.26%	3.25%	19.23%	3.17%



SURVEY PARTICIPANTS	
Special thanks to the following apartment complexes for their continued and reliable support:	
Aviana at Tuscany	The Trails at Pioneer Meadows
Club Ambassador	The Villas at D'Andrea
Manzanita Gate	Vineyards at Galleria
Montebello at Summit Ridge	Waterfront at the Marina
Northwind Apartments	Waterstone at Kiley Ranch
Sharlands Terrace	Willow Creek Villas
Shoreline Plaza	The Park at Idlewild
Silver Ridge Apartments	Waters Edge Apartments
The Boulders	Edge Water at Virginia Lake
The Villas at Keystone Canyon	Lakeview Apartments
Truckee River Terrace	Plumas Gardens
Vida	Sundance West
Vista Ridge Apartments	Willowbrook Apartments
Vizcaya Hilltop Apartments	Ala Moana Apartments
Westcreek Apartments	Century Park Apartments
Westridge Apartments	Palace Apartments
El Chaparral	Regency Park Apartments
Green Pines	Roselake Apartments
Northtowne Summit	Sherwood Forest
Reno Vista Apartments	Southwest Village
Riverwood Apartments	2300 West
The View Apartments	Brooktree Apartments
Keyway Apartments	Kirman Gardens
Lansdowne House	The Meadows II
North Peak Apartments	Aspen Ridge
Parq Crossing	Lakeridge East Apartments
Sandpebble	Redfield Ridge
Sierra Point Apartments	Ascent on Steamboat
Sierra Sage Apartments	The Lodge at McCarran Ranch
Sierra View Apartments	Bristle Pointe
Sierra Woods	Creekside Apartments
Silver Lake Apartments	Harvest at Damonte Ranch
Sky Vista Commons	Horizons at South Meadows
Spanish Oaks	INOVA
Stonegate Apartments	Latitude 39
The Bungalows at Sky Vista	Meadowood Apartments
The Lakes at Lemmon Valley	Rosewood Park
The Village at Wildcreek	Sierra Vista
Azure	The Alexander at South Virginia
Canyon Vista Apartments	The Element
Caviata at Kiley Ranch	The Enclave
Eastland Hills	The Phoenix Reno
High Rock 5300	The Village at Arrowcreek
Lumina	The Village at Iron Blossom
Lyfe at the Marina	The Village South
Marina Garden Apartments	Village of the Pines
Marina Village	Vintage at South Meadows
Park Vista	3rd Street Flats
Reflections at the Marina	Bridges at Victorian Square
Silverado	Fountainhouse
Spring Villas Townhomes	Square One