



JOHNSON | PERKINS | GRIFFIN
REAL ESTATE APPRAISERS & CONSULTANTS

APARTMENT SURVEY

4TH QUARTER 2022 DATA

RENO/SPARKS METRO AREA

PRESENTED BY

JOHNSON PERKINS GRIFFIN, LLC

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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 26,977 units reported. A total of 104 projects were surveyed. We believe the statistics presented here are representative of the overall conditions of the Reno-Sparks Survey Area.

Survey Modifications

One new project, Emory at RED, reached stabilization during the 4th Quarter of 2022 and agreed to become a survey participant. Additionally, we updated the total unit count for Lakeridge Living, which combined Lakeridge East and Lakeridge West. The total apartment projects participating in the survey increased from 103 projects to 104 projects, and the total units increased from 26,571 units to 26,977 units.

TOTAL NUMBER OF PROJECTS & UNITS-PRIOR TO CURRENT QUARTER			
	3 rd Quarter 2022	4 th Quarter 2022	Change
Total Projects	103	104	1 Additional Project
Total Units	26,571	26,977	406 Additional Units



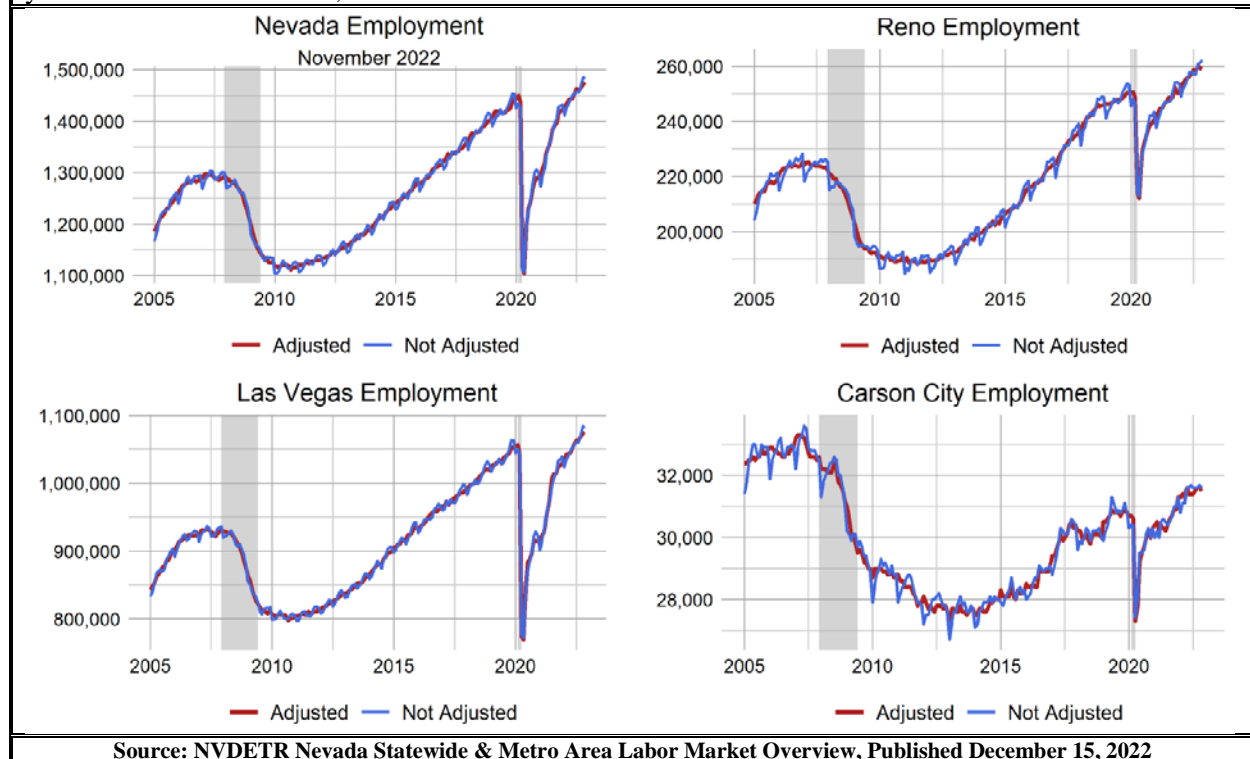
ECONOMIC OUTLOOK

According to the Nevada Department of Employment, Training and Rehabilitation's (DETR) November 2022 economic report, Nevada gained 5,300 jobs over the month. Employment increased by 57,200 since November 2021, an annual increase of 4.0%. The total employment level in the state is 1,476,100. The state's unemployment rate in November is 4.9%, increased by 0.3% from 4.6% in October and decreased by 0.4% when compared to November 2021.

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

- Las Vegas employment increased by 2,300 jobs (0.2%) since October, an increase of 50,000 jobs (4.9%) since November 2021.
- Reno employment had a decrease of 300 jobs (-0.1%) since October, an increase of 8,500 jobs (3.4%) since November 2021.
- Carson City employment had a decrease of 100 jobs (-0.3%) since October, an increase of 600 jobs (1.9%) since November 2021.

"This month's report shows ongoing growth in Nevada's labor market. Our gain of 5,300 jobs over the month is close to the average of 4,800 we have seen so far in 2022. Our unemployment rate increased to 4.9% from 4.6% and is up 0.5% in the last two months. While this is a significant increase, it has been caused by people entering the labor force – more people who were previously not actively looking for work began looking for work in November. The number of unemployed individuals rose and the share of the population either working or looking for work passed 61.0% for the first time this year." said David Schmidt, Chief Economist.





ECONOMIC INDICATORS

November 2022 Seasonally Adjusted Employment Summary (in thousands)

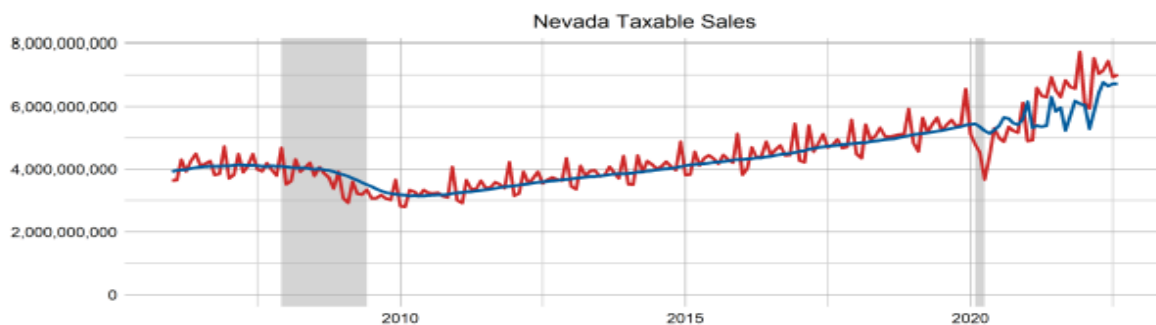
Area	Current Month	Previous Month	Monthly Change	M/M Growth	Previous Year	Annual Change	Y/Y Growth
U.S.	153,548.0	153,285.0	263.0	0.2%	148,652.0	4,896.0	3.3%
Nevada	1,476.1	1,470.8	5.3	0.4%	1,418.9	57.2	4.0%
Carson City MSA	31.5	31.6	-0.1	-0.3%	30.9	0.6	1.9%
Las Vegas - Paradise MSA	1,075.2	1,072.9	2.3	0.2%	1,025.2	50.0	4.9%
Reno - Sparks MSA	259.0	259.3	-0.3	-0.1%	250.5	8.5	3.4%

November 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.	154,990.0	154,416.0	574.0	0.4%	150,210.0	4,780.0	3.2%
Nevada	1,487.1	1,482.1	5.0	0.3%	1,430.0	57.1	4.0%
Carson City MSA	31.6	31.7	-0.1	-0.3%	31.0	0.6	1.9%
Las Vegas - Paradise MSA	1,084.7	1,081.9	2.8	0.3%	1,034.8	49.9	4.8%
Reno - Sparks MSA	262.4	261.2	1.2	0.5%	254.3	8.1	3.2%

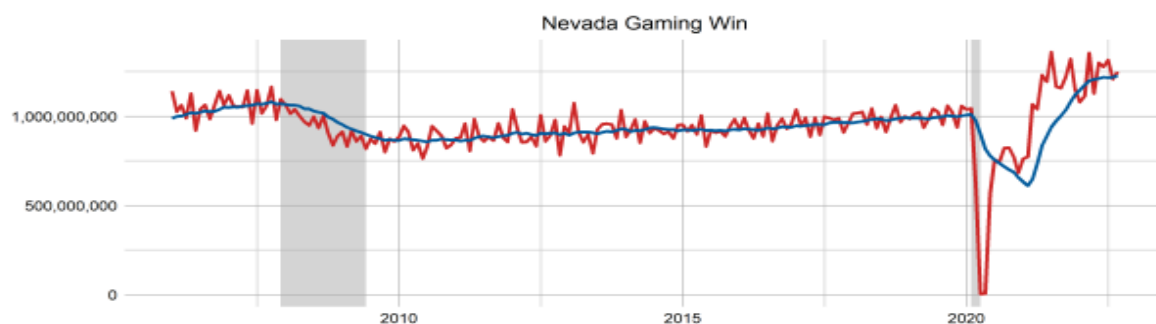
(Source: Nevada Department of Employment, Training and Rehabilitation Labor Market Summary September 15, 2022)

Taxable Sales



Taxable sales in Nevada were \$7,016,983,284 in August 2022. Taxable sales are provided by the Nevada Department of Taxation⁷.

Gaming Win



Gaming win in Nevada was \$1,248,849,025 in September 2022. Gaming win data is provided by the Nevada Gaming Control Board⁸.

Source: NVDETR Nevada Economy in Brief, Published October 21, 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	430 SF	727 SF	866 SF	1,068 SF	1,299 SF	1,256 SF	910 SF
Average Rent-By Unit Type	\$1,099	\$1,463	\$1,472	\$1,794	\$2,123	\$1,820	\$1,625
Average Rent/SF-By Unit Type	\$2.55	\$2.01	\$1.70	\$1.68	\$1.63	\$1.45	\$1.79
Indicated Vacancy Rate-By Unit Type	2.69%	2.78%	2.87%	3.17%	4.20%	3.24%	3.04%

OVERALL AVERAGE RENT & VACANCY-PRIOR & CURRENT QUARTER			
Category	3 rd Quarter 2022	4 th Quarter 2022	Change
Average Vacancy	3.44%	3.04%	-40 Basis Points
Average Rent	\$1,654	\$1,625	-\$29 or -1.75%

COMPARISON OF RENTAL RATES & VACANCY RATES TO PRIOR QUARTER						
UNIT TYPE	AVERAGE RENT			AVERAGE VACANCY		
	3 rd Qtr. 2022	4 th Qtr. 2022	Result	3 rd Qtr. 2022	4 th Qtr. 2022	Result
Studio	\$1,184	\$1,099	-\$86	1.96%	2.69%	+0.73%
1 Bedroom/1 Bath	\$1,473	\$1,463	-\$10	2.92%	2.78%	-0.14%
2 Bedroom/1 Bath	\$1,520	\$1,472	-\$48	2.84%	2.87%	+0.03%
2 Bedroom/2 Bath	\$1,809	\$1,794	-\$16	4.30%	3.17%	-1.14%
3 Bedroom/2 Bath	\$2,215	\$2,123	-\$92	3.38%	4.20%	+0.81%
Townhouse	\$1,816	\$1,820	+\$4	2.70%	3.24%	+0.54%
TOTALS	\$1,654	\$1,625	-\$29	3.44%	3.04%	-0.41%

RENTAL AND VACANCY RATES BY SUBMARKET AREA							
Area	Submarket	AVERAGE RENT			AVERAGE VACANCY		
		3 rd Qtr. 2022	4 th Qtr. 2022	Result	3 rd Qtr. 2022	4 th Qtr. 2022	Result
1	Northwest Reno	\$1,669	\$1,616	-\$54	2.99%	1.82%	-1.17%
2	Northeast Reno	\$1,460	\$1,412	-\$48	2.95%	1.21%	-1.74%
3	W. Sparks/N. Valley	\$1,519	\$1,494	-\$25	2.71%	3.39%	+0.67%
4	East Sparks	\$1,846	\$1,821	-\$25	3.77%	2.81%	-0.96%
5	West Reno	\$1,592	\$1,591	-\$1	1.78%	3.11%	+1.33%
6	Southwest Reno	\$1,465	\$1,452	-\$13	4.54%	5.02%	+0.48%
7	Brinkby/Grove	\$1,186	\$1,181	-\$5	5.70%	1.74%	-3.97%
8	Airport	\$1,470	\$1,481	+\$12	1.96%	1.79%	-0.18%
9	Lakeridge	\$1,719	\$1,716	-\$3	3.67%	3.56%	-0.11%
10	Southeast Reno	\$1,747	\$1,691	-\$56	3.16%	3.37%	+0.21%
11	Downtown Urban	\$1,677	\$1,806	+\$129	7.89%	7.75%	-0.14%
Overall Reno-Sparks		\$1,680	\$1,654	-\$29	3.44%	3.04%	-0.41%



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 %
Q1-2012	\$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%
Q2-2022	\$1,161	3.58%	\$1,488	2.60%	\$1,543	2.29%	\$1,851	2.82%	\$2,251	2.42%	\$1,889	2.16%	\$1,680	2.66%
Q3-2022	\$1,184	1.96%	\$1,473	2.92%	\$1,520	2.84%	\$1,809	4.30%	\$2,215	3.38%	\$1,816	2.70%	\$1,654	3.44%
Q4-2022	\$1,099	2.69%	\$1,463	2.78%	\$1,472	2.87%	\$1,794	3.17%	\$2,123	4.20%	\$1,820	3.24%	\$1,625	3.04%
AVERAGE	\$745	3.11%	\$1,033	2.84%	\$1,072	2.94%	\$1,302	3.31%	\$1,565	3.67%	\$1,380	3.88%	\$1,175	3.10%
MEDIAN	\$719	2.69%	\$1,061	2.76%	\$1,086	2.79%	\$1,328	3.02%	\$1,573	3.15%	\$1,379	3.24%	\$1,187	2.92%
LOW	\$472	1.04%	\$673	1.28%	\$752	0.95%	\$883	1.15%	\$1,070	0.89%	\$1,028	0.00%	\$822	1.17%
HIGH	\$1,184	8.86%	\$1,488	4.37%	\$1,543	6.35%	\$1,851	6.43%	\$2,251	9.30%	\$1,889	9.35%	\$1,680	5.60%



COMMENTARY

The overall average rental rate for all units surveyed decreased by 1.75%, with all unit types except townhomes experiencing a decrease in average rental rates. Additionally, nine of the eleven submarkets experienced a decrease in average rents, while the Airport and Downtown Urban submarkets all experienced slight increases in average rents.

The overall vacancy rate for all units surveyed decreased to 3.04%, with seven of the eleven submarkets showing decreases in vacancies. One bedroom, one bathroom and two bedroom, two bathroom units experienced a decrease in average vacancies, while all other unit types experienced increases in average vacancies.

Just over 5,900± apartment units are currently under construction in the Reno-Sparks market, and just under 4,900± apartment units are currently in the planning stages.



GUIDELINES

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

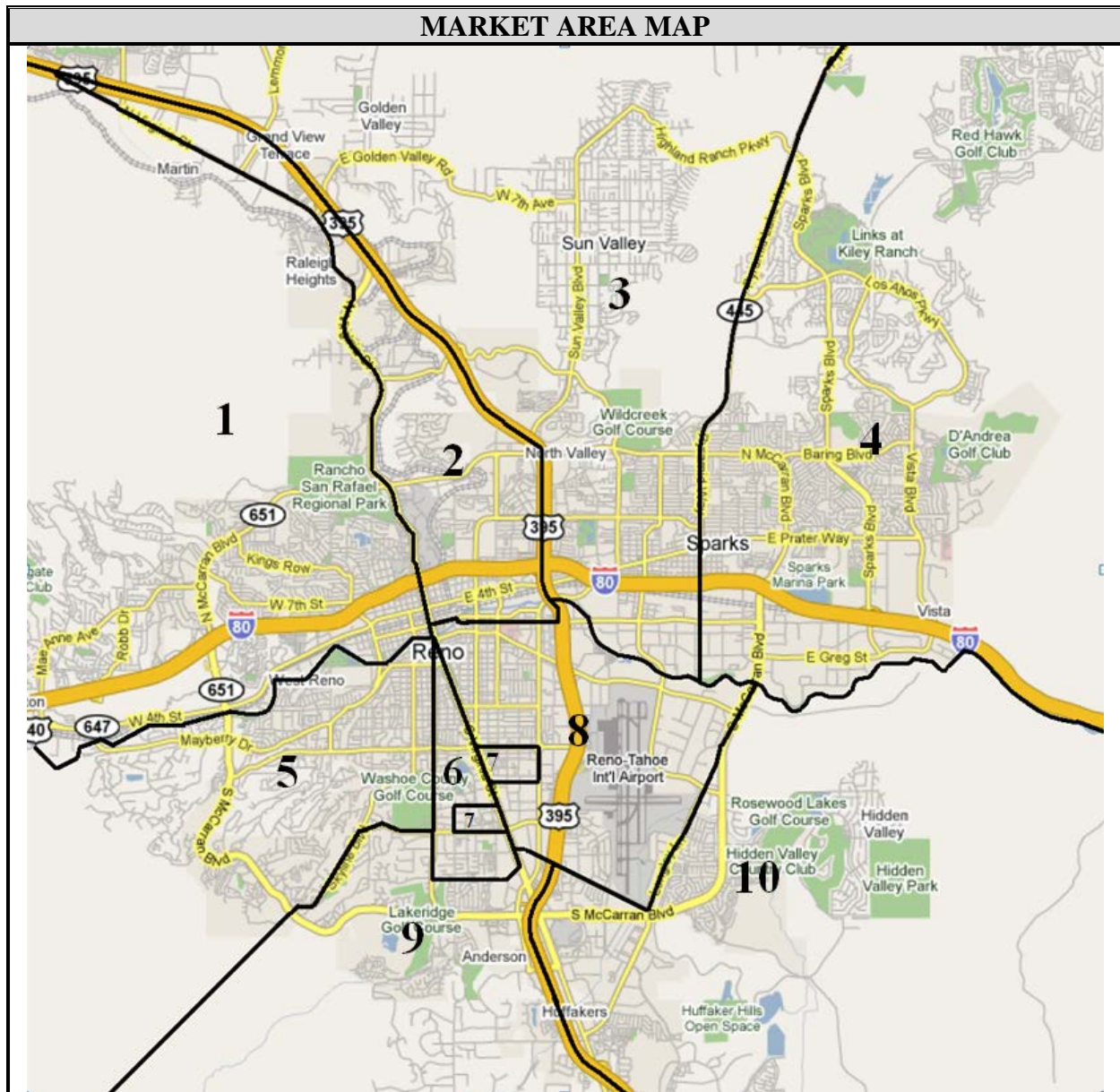
- Occupancy rates represent conditions as of the date of survey;
- Rents utilized in the report represent the base price of an unfurnished apartment;
- Units with more than one size per unit type were calculated on a weighted average for each unit type
- Weighted averages were used in all charts to give 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

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, 64% of the project had been leased and 63% 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 4th Quarter of 2022 construction on the project was complete, approximately 86% of the project was pre-leased and 82% 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. Basecamp is currently the only complex within RED under lease-up. Basecamp is a 317-unit luxury apartment project. At the end of the 4th Quarter of 2022 construction on the project was complete; approximately 44% of the project had been pre-leased and 42% of the project was occupied. Construction of Atwood @ RED, a 359-unit luxury apartment project, is also underway. According to the on-site representatives, the project will not begin preleasing until later this winter. Construction was completed on The Emory, a 282-unit luxury apartment project, in the 1st Quarter of 2022. At the end of the 4th Quarter of 2022, approximately 90% of the project was occupied. The Emory @ RED has now been added into the survey.

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 4th Quarter of 2022, construction on the project was complete, approximately 86% of the project was pre-leased and 84% of the project was occupied.

In the 1st Quarter of 2019, Silverwing Development broke ground on The Atrium, a mid-rise 132-unit apartment complex located at 1415 C Street in Victorian Square in Sparks. Certificate of Occupancy on the project was received in the 2nd Quarter of 2022. As of the date of this survey, 42% of the project had been pre-leased and 40% of the project was occupied.

In the 4th Quarter of 2020, Panther Residential Management and Mountain West Builders broke ground on Integra Peaks, a 300-unit apartment complex located at 875 Damonte Ranch Parkway in south Reno. At the end of the 4th Quarter of 2022, one building was complete, approximately 14% of the project was pre-leased and 10% of the project was occupied.

Lewis Apartment Communities and MBI Metcalf Builders, Inc. broke ground on Indigo in the 3rd Quarter of 2021. Indigo is a 260-unit apartment complex located on the west side of Veterans Parkway at the westerly terminus of Trieste Road. At the end of the 4th Quarter of 2022, three buildings were complete, approximately 24% of the project was pre-leased and 21% of the project was occupied.

LandCap broke ground on The Retreat, a 283-unit luxury apartment complex in 2020. The project is located on the north side of West 4th Street, just east of Summit Ridge Drive. At the end of the 4th Quarter of 2022, nine buildings were complete, approximately 33% of the project was pre-leased and 26% of the project was occupied.

Tanamera Construction broke ground on the Keystone Trailhead Village in 2021. Keystone Trailhead Village is a 115-unit apartment project located at the northwest corner of Leadership Parkway and Victory Lane in northwest Reno. At the end of the 4th Quarter of 2022, seven buildings were complete, approximately 57% of the project was pre-leased and 53% of the project was occupied.

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
Overlook at Keystone Canyon	342	Keystone Avenue & North McCarran Boulevard @ Terminus of Leadership Pkwy.	1	Under Construction
The Kallan	242	Southeast Corner of South Verdi Road & Cabela Drive	1	Under Construction
The Retreat	283	West 4th Street and Summit Ridge Drive	1	Under Construction
Keystone Trailhead Village	115	Keystone Avenue & North McCarran Boulevard	1	Under Construction
Edison	232	Southeast Corner of Valley Road and Enterprise Road	2	Under Construction
Lemmon Landing	342	Northeast Corner of Lemmon Drive & Memorial Drive	3	Under Construction
Northtowne Apartments	120	Northeast Corner of Northtowne Lane & Lund Lane	3	Under Construction
Homecoming at Kiley Ranch	306	Southeast Corner of Kiley Parkway & Windmill Farms Parkway	4	Under Construction
Stonebrook Apartments	396	SEC Pyramid Highway & Dakota Hills Drive	4	Under Construction
The APEX @ Vista	360	East Side of Vista Boulevard Between Los Altos Parkway & Wingfield Hills Road	4	Under Construction
Atwood @ RED	359	Previous Park Lane Mall Site	7	Under Construction
Elysium	270	Southwest Corner of South Virginia Street & South Hills Drive	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
The Halcyon	330	Northeast Corner of Longley Lane and South Virginia Street	10	Under Construction
Ballpark Apartments	368	Northeast Corner of Lake Street and East 2nd Street (Phase I)	11	Under Construction
Reno City Center (Former Harrah's)	530	Northeast Corner of North Virginia Street and East 2nd Street	11	Under Construction
Total Units:	5,483			

Projects Planned

Project Name	Units	Location	Area	Status
5th & Vine Apartments	302	Northeast Corner of Keystone Avenue & 5th Street	1	Planning Stages
Mae Anne Apartments	200	East of Mae Anne Avenue, Between Interstate 80 & Leroy Street	1	Planning Stages
Viewpoint Apartments	432	West Side of South McCarran Boulevard, Directly West of Montebello Apartments	1	Planning Stages
Stone Village 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
Aspire at North Hills	204	North Side of North Hills Boulevard, West of East Golden Valley Road	3	Planning Stages
Spectrum-Dandini Development	420	Northeast Corner of US Highway 395 & Dandini Boulevard	3	Planning Stages
The Lakes at Lemmon Valley Phase II	280	Sky Vista Parkway, West of Lemmon Valley Road	3	Planning Stages
The Standard	447	East of Sparks Marina-East Side of Marina Gateway Drive	4	Planning Stages
Kiley Ranch Apartments	450	Southeast Corner of Pyramid Way and Sparks Boulevard	4	Planning Stages
Gateway at Galena	361	Southeast Corner of Wedge Parkway & an Unnamed Public Access Road	10	Planning Stages
Center Street Apartments	154	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
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:	4,882			

In addition to the above projects, a number of apartment projects, including smaller market rate, tax credit and student 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 Esprit.

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
Esprit	126	Dec-20	Aug-22	6.00
Emory at RED	282	Dec-20	Nov-22	11.75



RENT CONCESSIONS

During the 4th Quarter of 2022 31.73% of the apartment projects in our Survey offered rent concessions, which increased from 22.33% in the 3rd Quarter of 2022. Concessions range from discounted move-in costs to reduced rent on a twelve-month lease. The most commonly found rent concessions consist of:

- Reduced rent with a 6- or 12-month lease
- One month free rent with a 6- or 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%
Q2-2022	5.88%	2.66%
Q3-2022	22.33%	3.44%
Q4-2022	31.73%	3.04%



SURVEY RESULTS

This section of the report covers survey findings pertaining to the total survey area for the 4th 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:

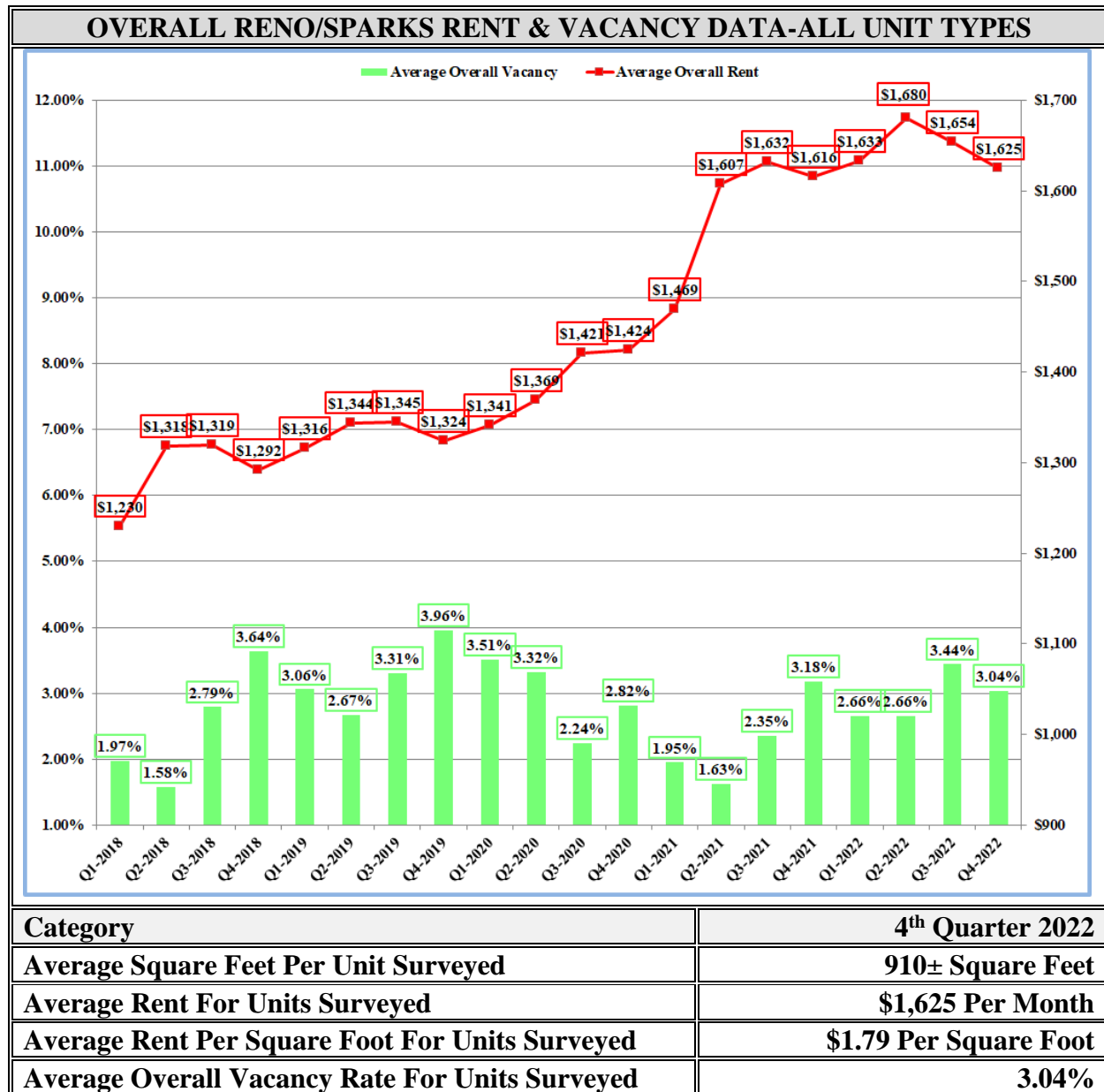
These graphs illustrate quarterly vacancy percentage and average monthly rent. The submarket categories are as follows:

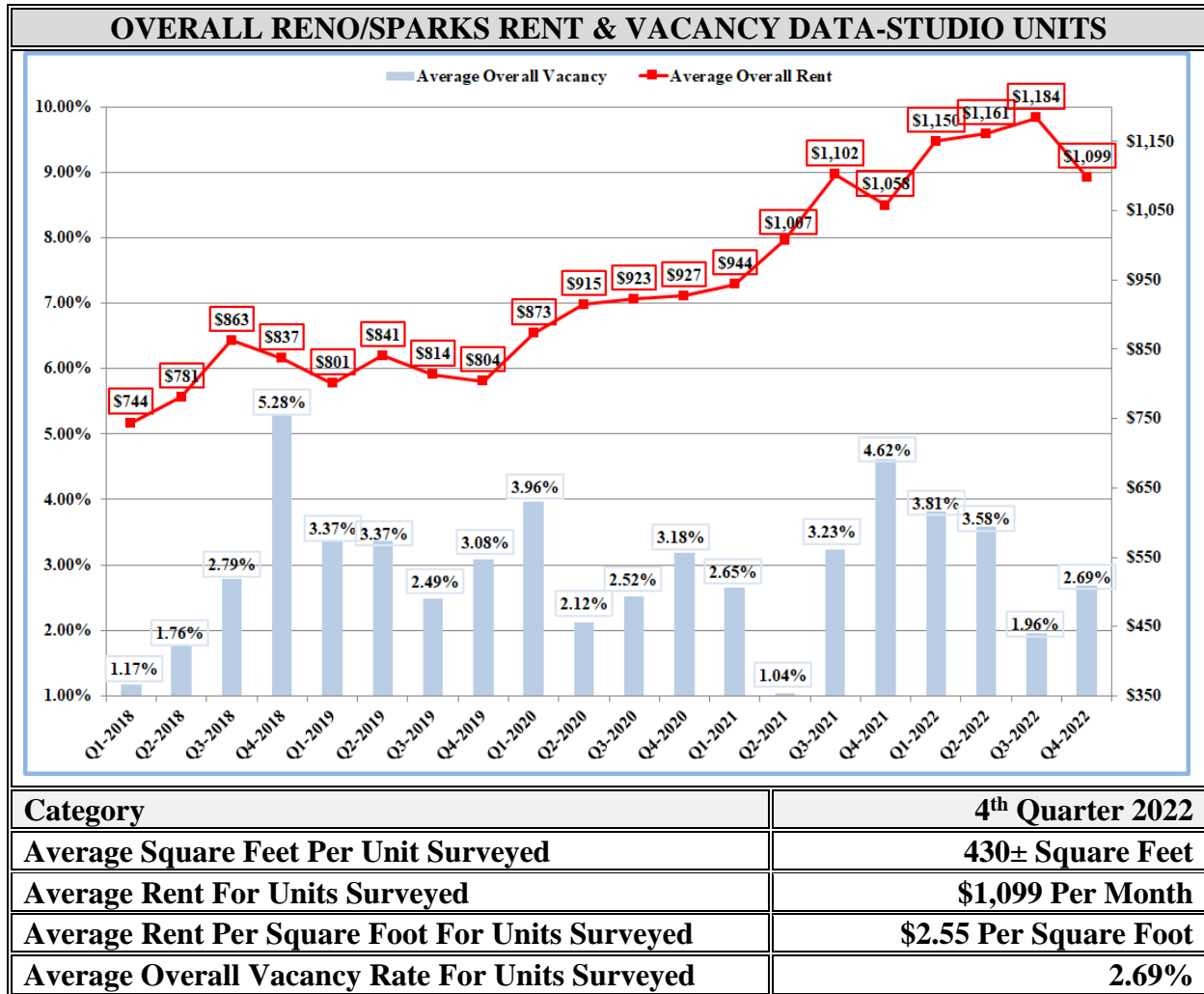
- Area 1-Northwest Reno
- Area 2-Northeast Reno
- Area 3-West Sparks/North Valleys
- Area 4-East Sparks
- Area 5-West Reno
- Area 6-Southwest Reno
- Area 7-Brinkby/Grove
- Area 8-Airport
- Area 9-Lakeridge
- Area 10-Southeast Reno
- Area 11-Downtown Urban

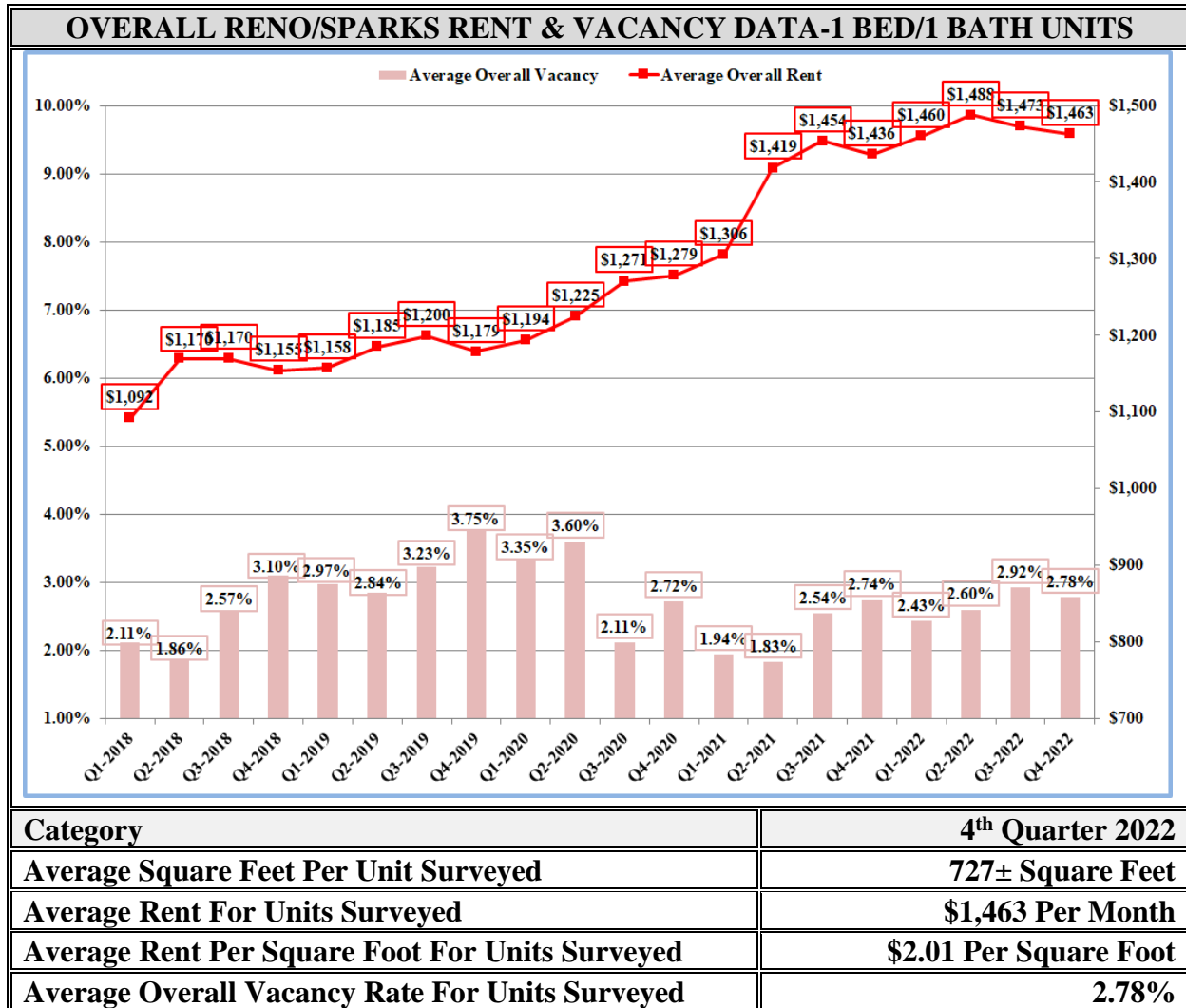
CURRENT SURVEY COMPARISONS:

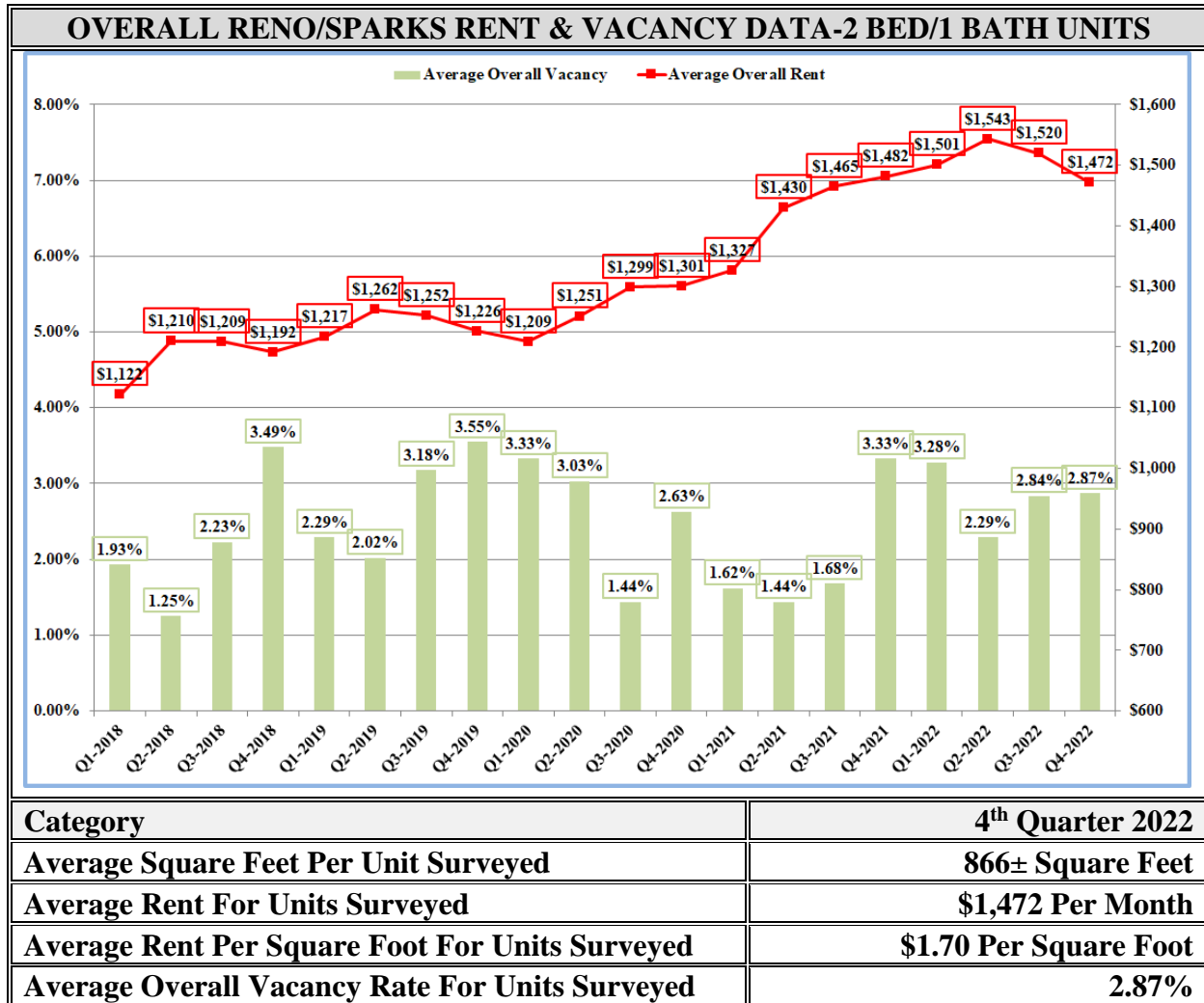
This section of graphs illustrates overall comparisons based on unit type and submarket categories. These graphs include:

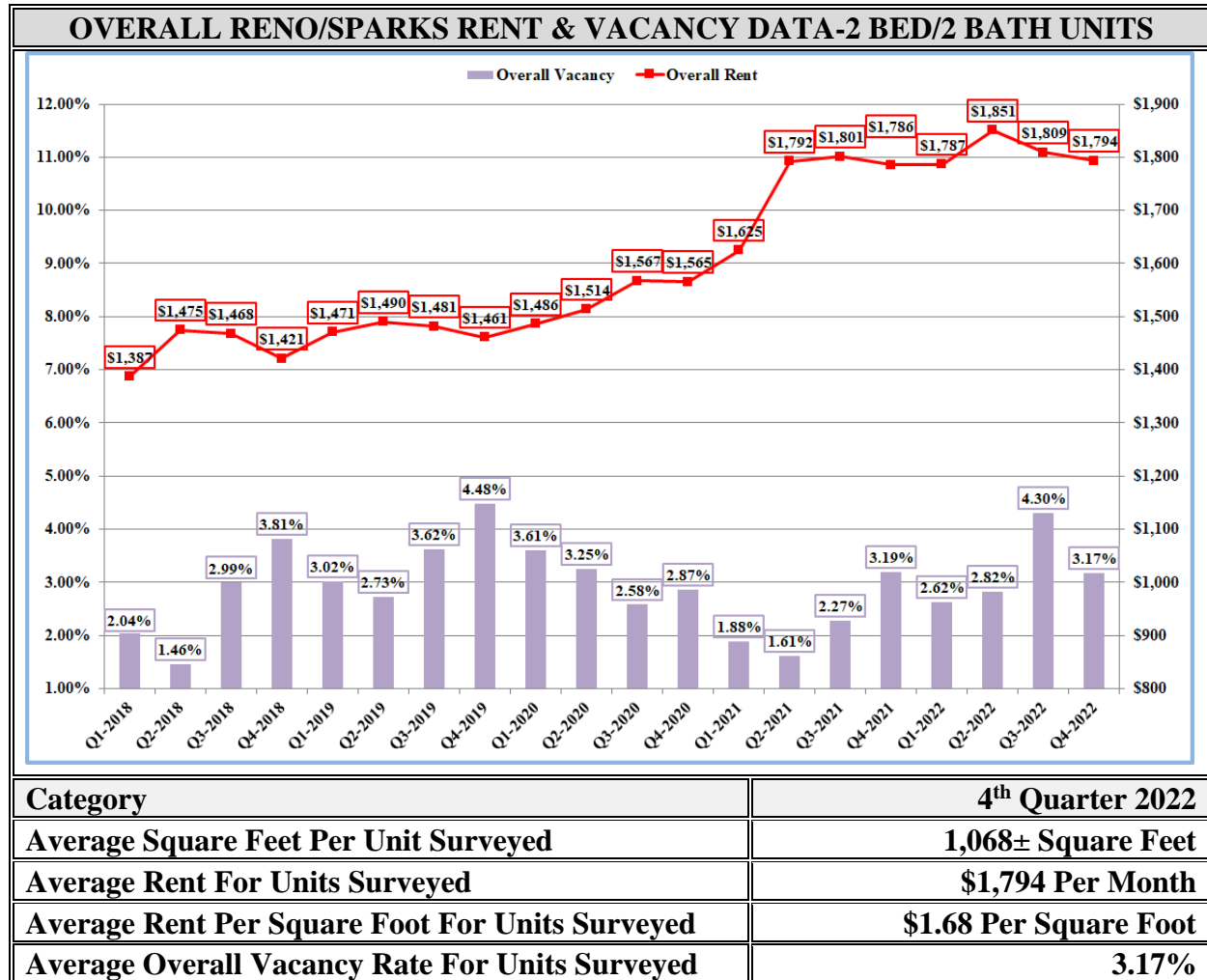
- Summary By Unit Type
- Summary By Area
- 15 Properties With The Highest Average Rents

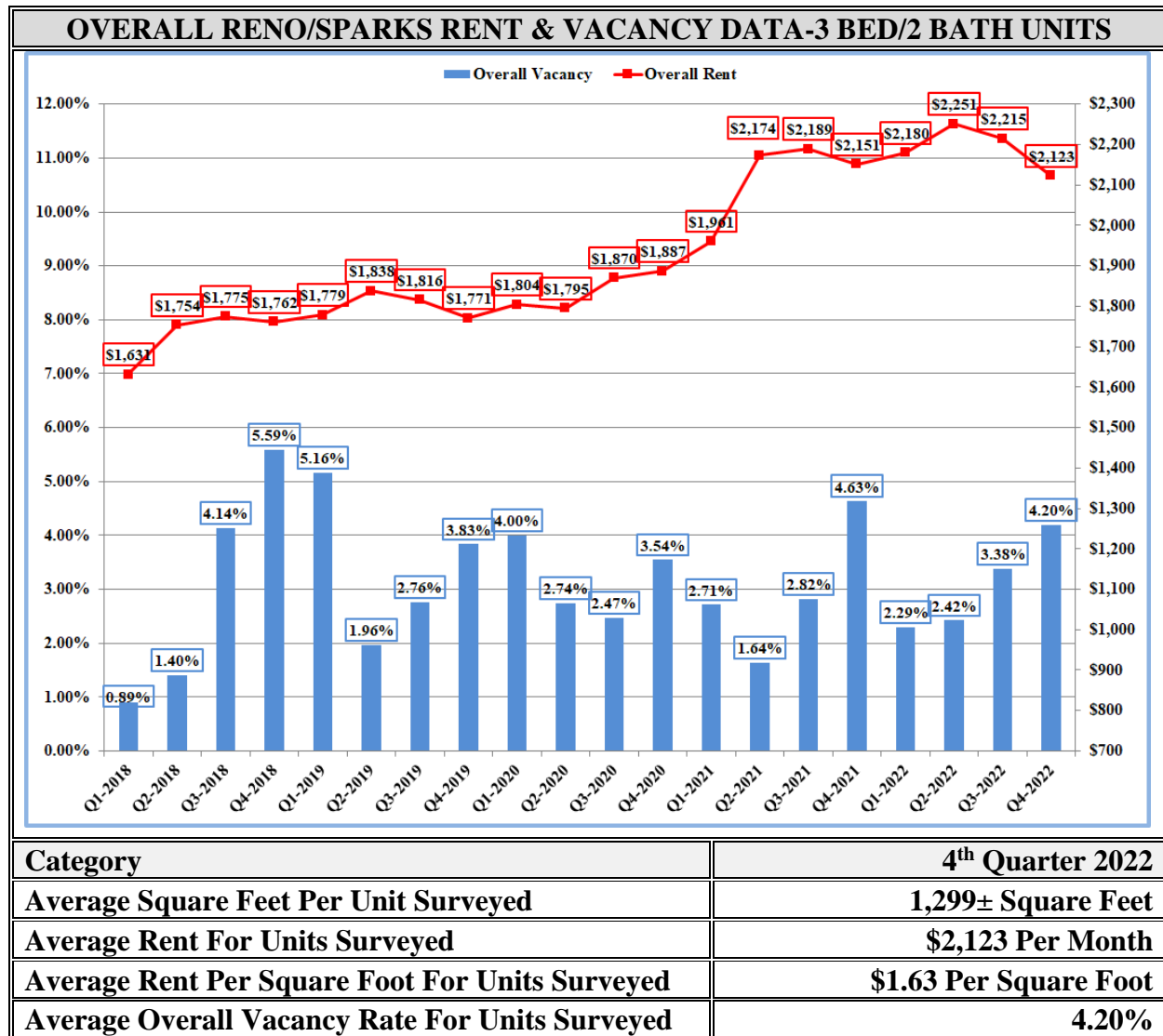


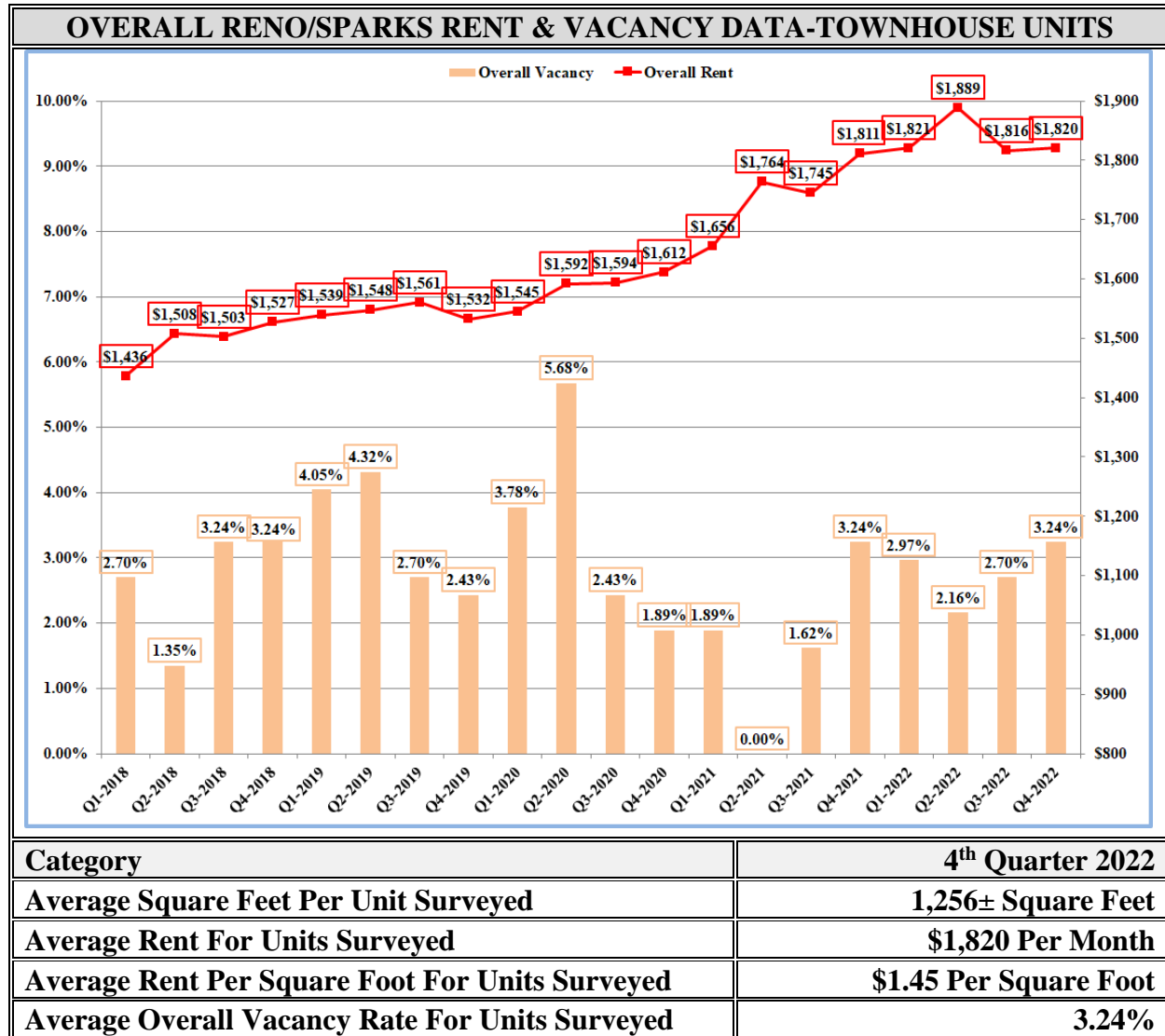


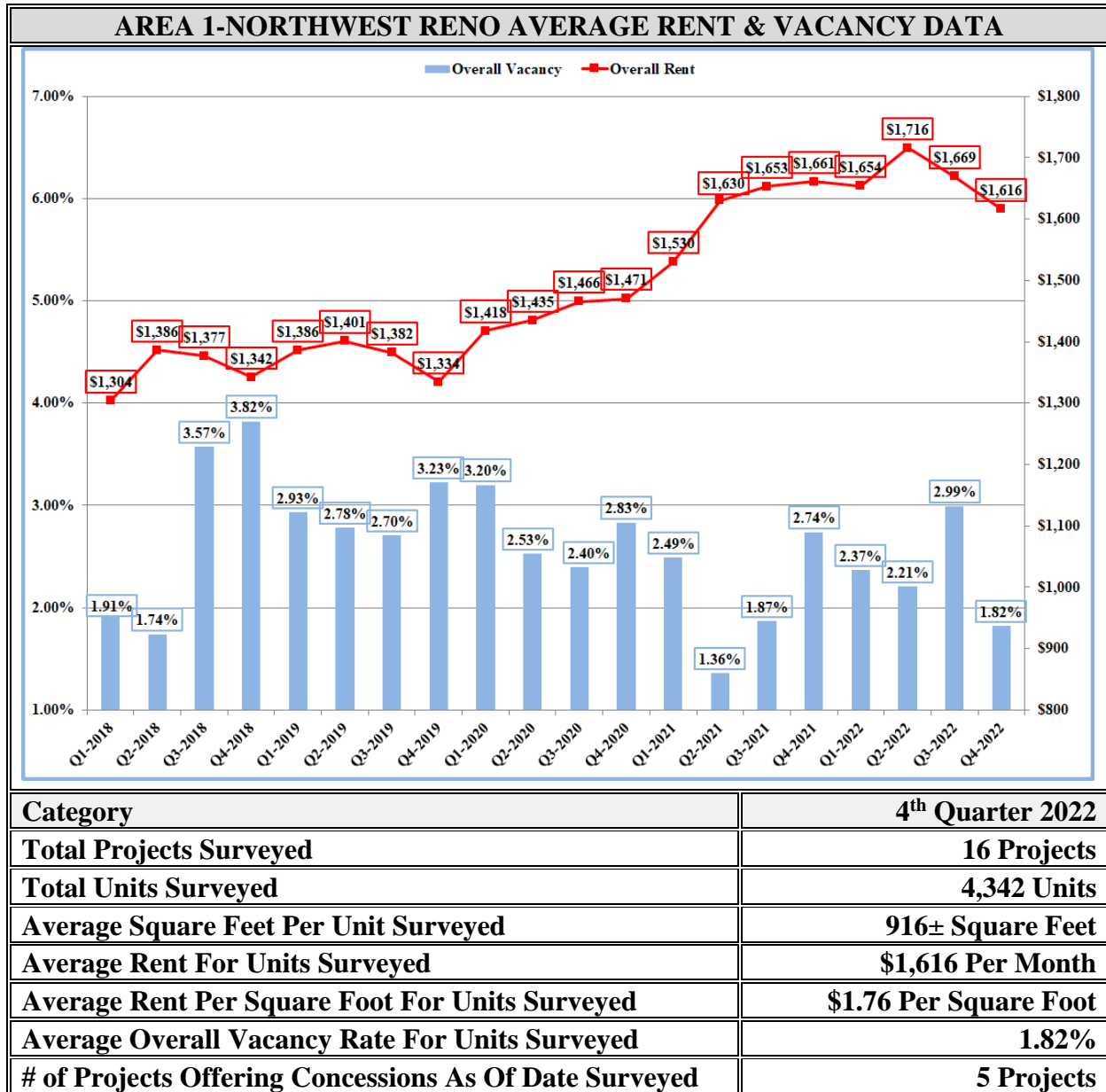


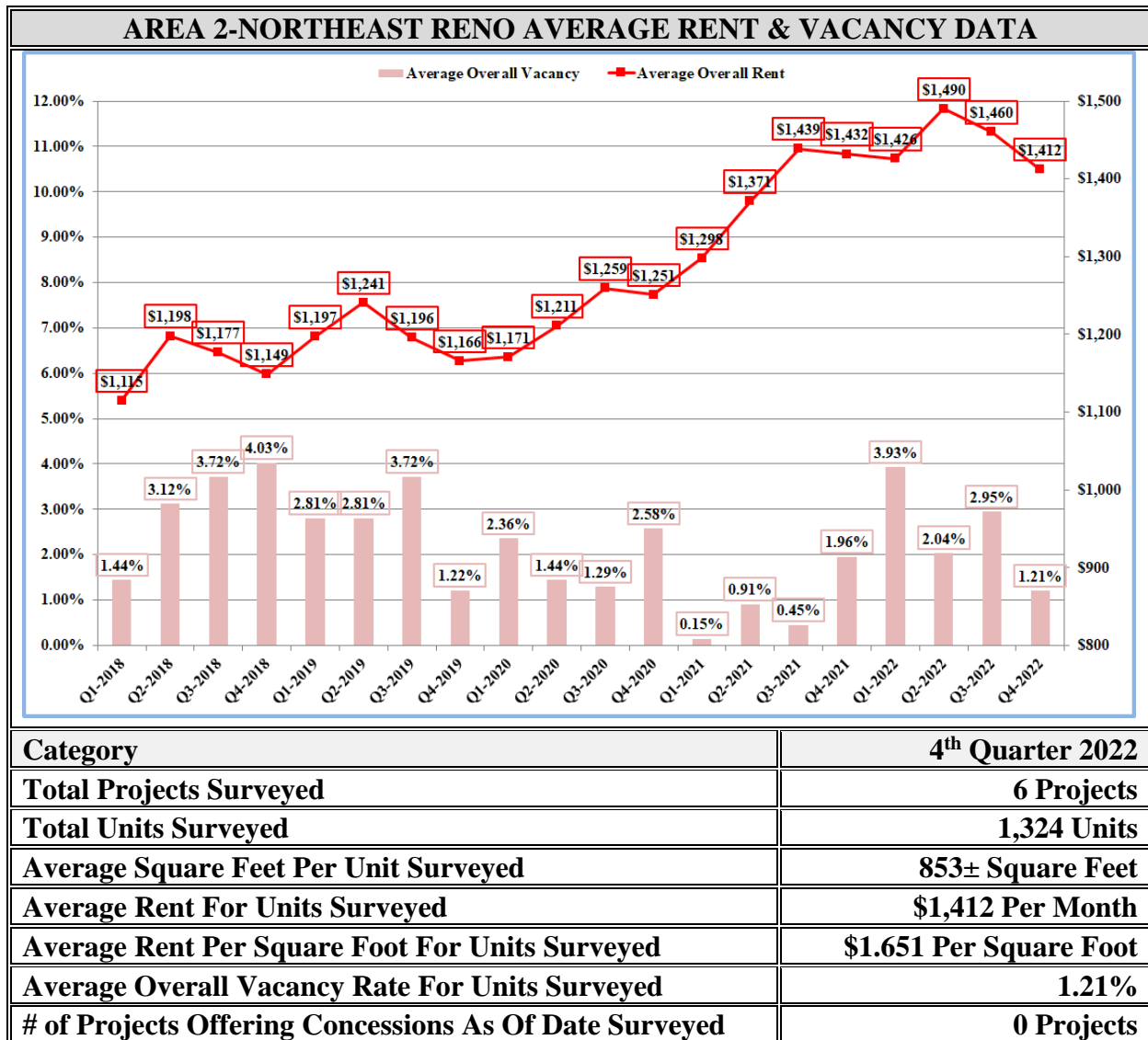






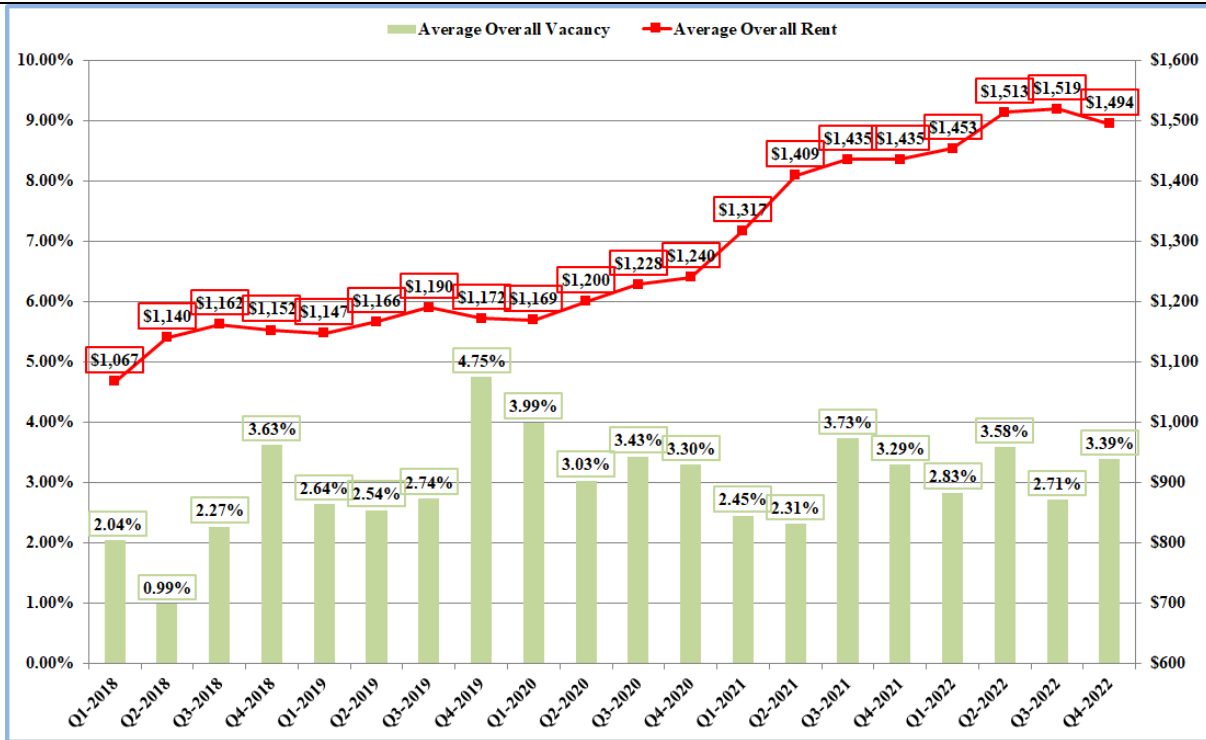




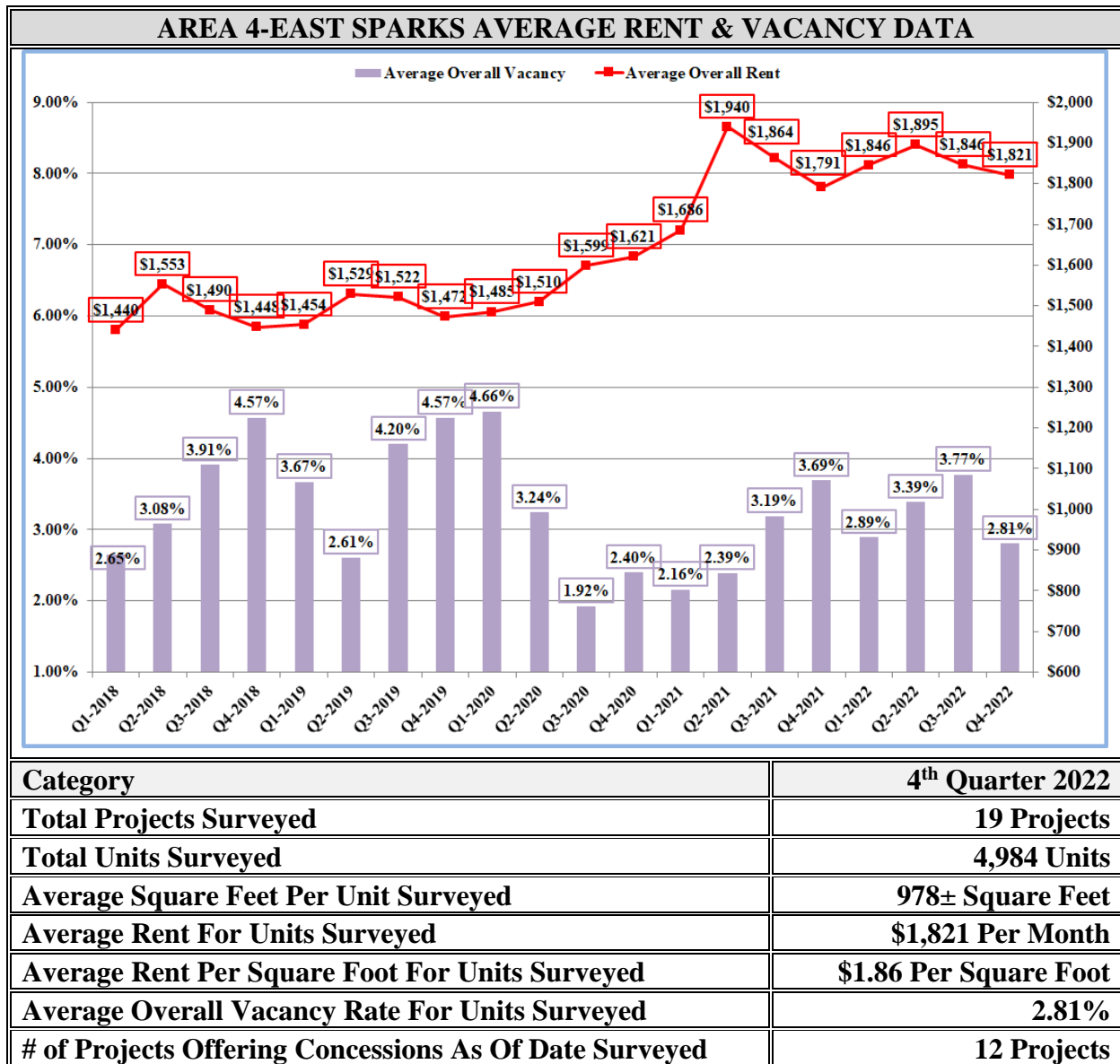




AREA 3-WEST SPARKS/NORTH VALLEYS AVERAGE RENT & VACANCY DATA

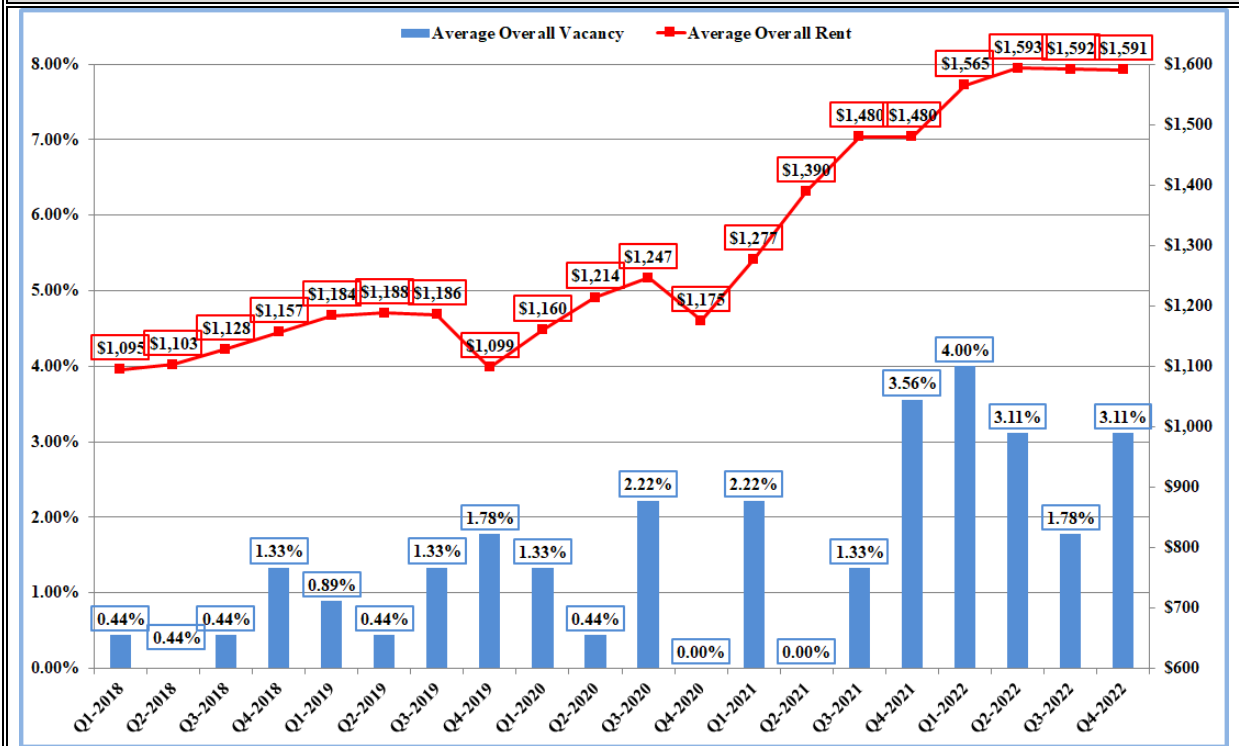


Category	4 th Quarter 2022
Total Projects Surveyed	16 Projects
Total Units Surveyed	4,164 Units
Average Square Feet Per Unit Surveyed	861± Square Feet
Average Rent For Units Surveyed	\$1,494 Per Month
Average Rent Per Square Foot For Units Surveyed	\$1.73 Per Square Foot
Average Overall Vacancy Rate For Units Surveyed	3.39%
# of Projects Offering Concessions As Of Date Surveyed	4 Projects

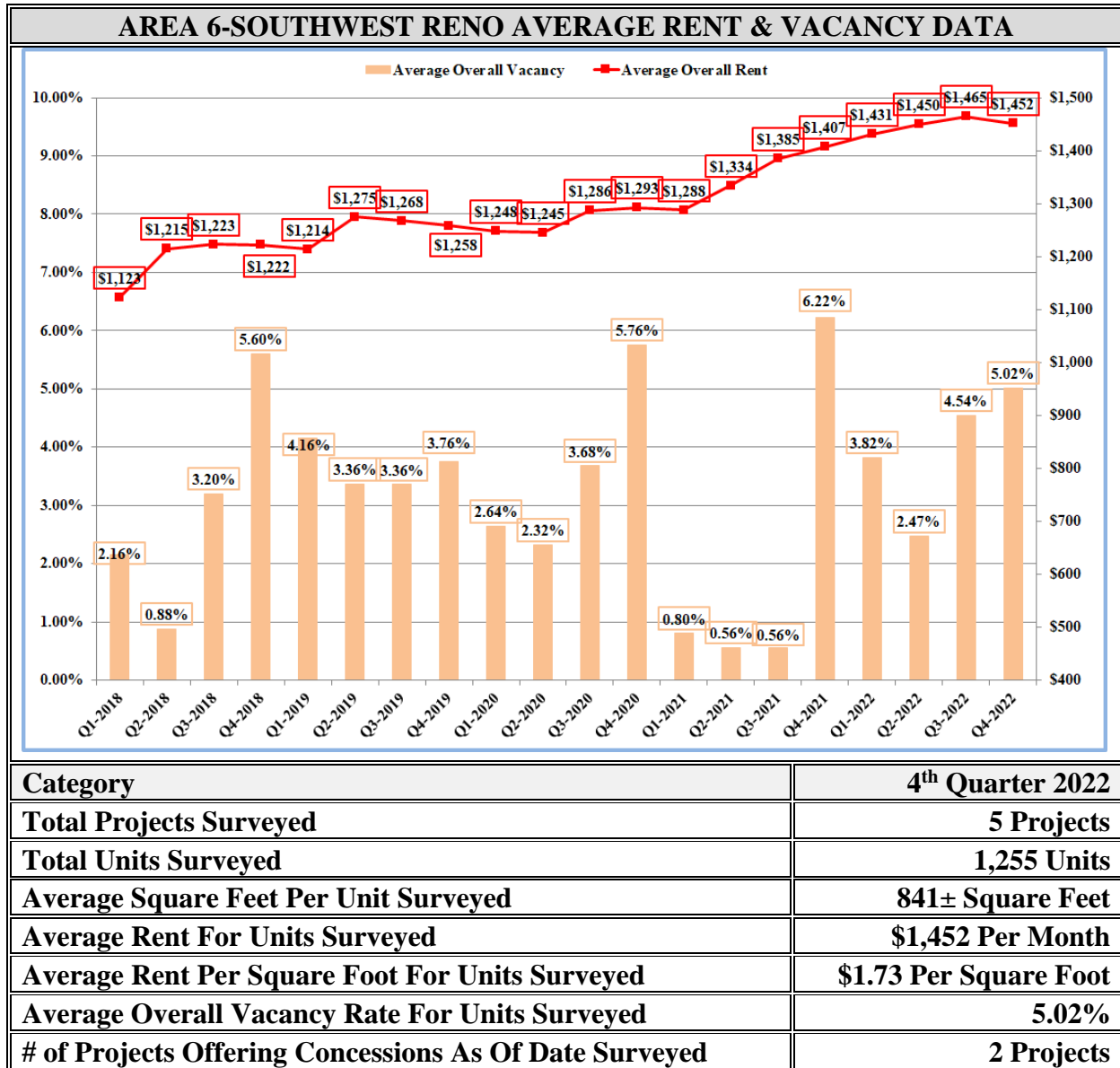


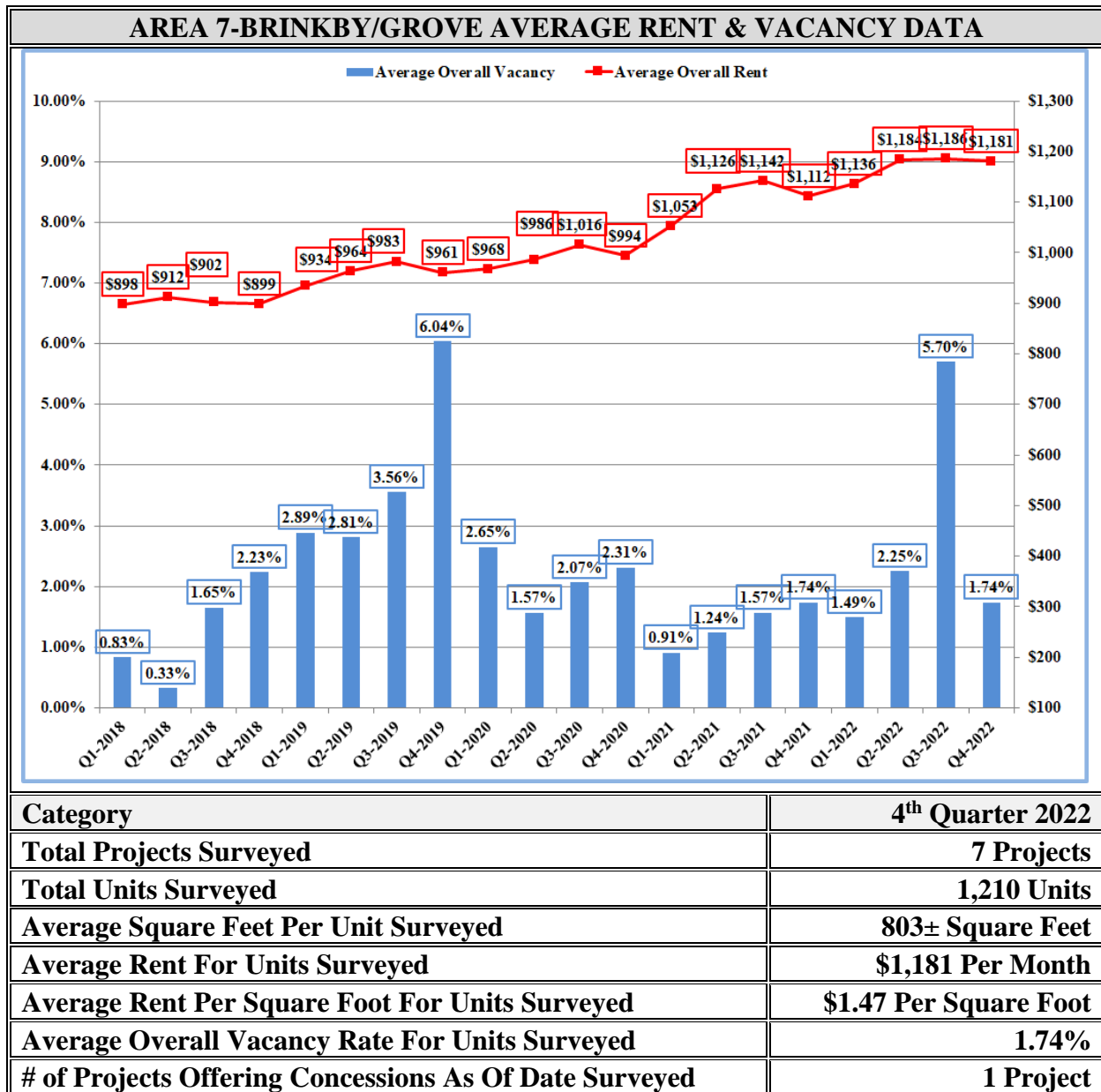


AREA 5-WEST RENO AVERAGE RENT & VACANCY DATA



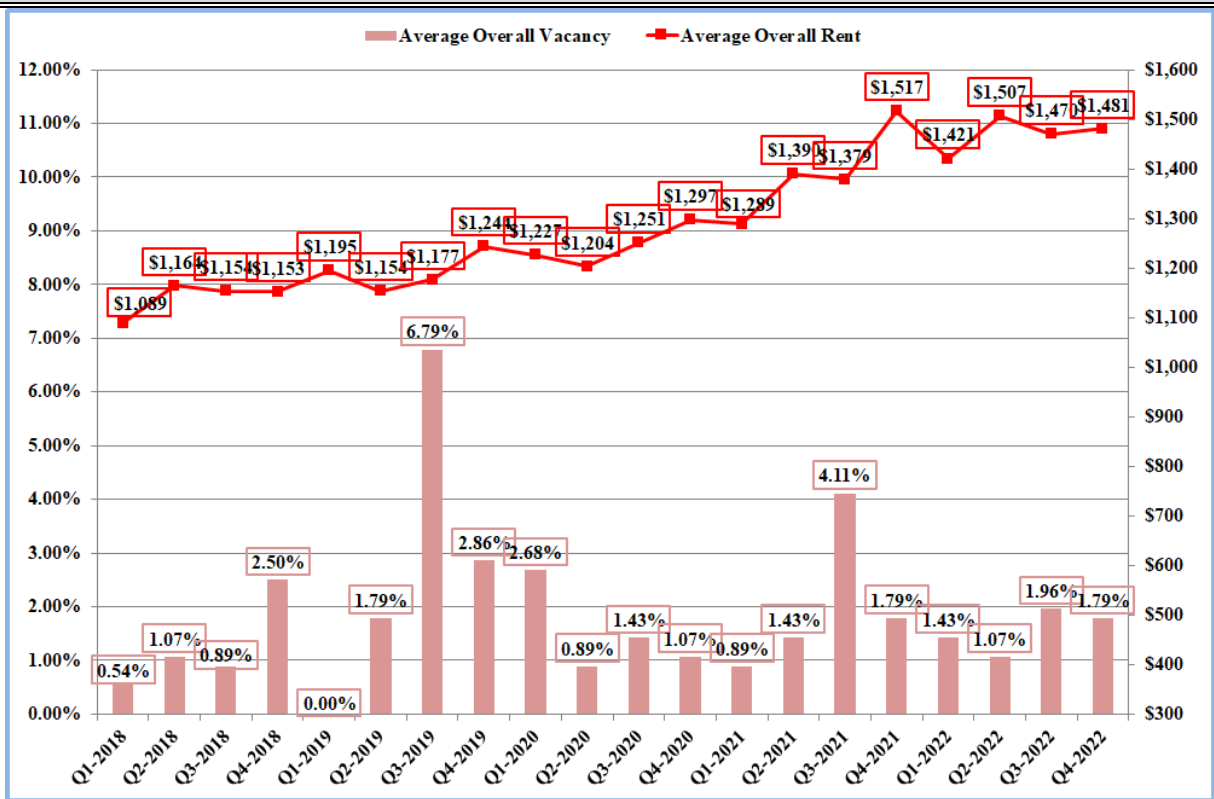
Category	4 th Quarter 2022
Total Projects Surveyed	2 Projects
Total Units Surveyed	225 Units
Average Square Feet Per Unit Surveyed	870± Square Feet
Average Rent For Units Surveyed	\$1,591 Per Month
Average Rent Per Square Foot For Units Surveyed	\$1.83 Per Square Foot
Average Overall Vacancy Rate For Units Surveyed	3.11%
# of Projects Offering Concessions As Of Date Surveyed	1 Project



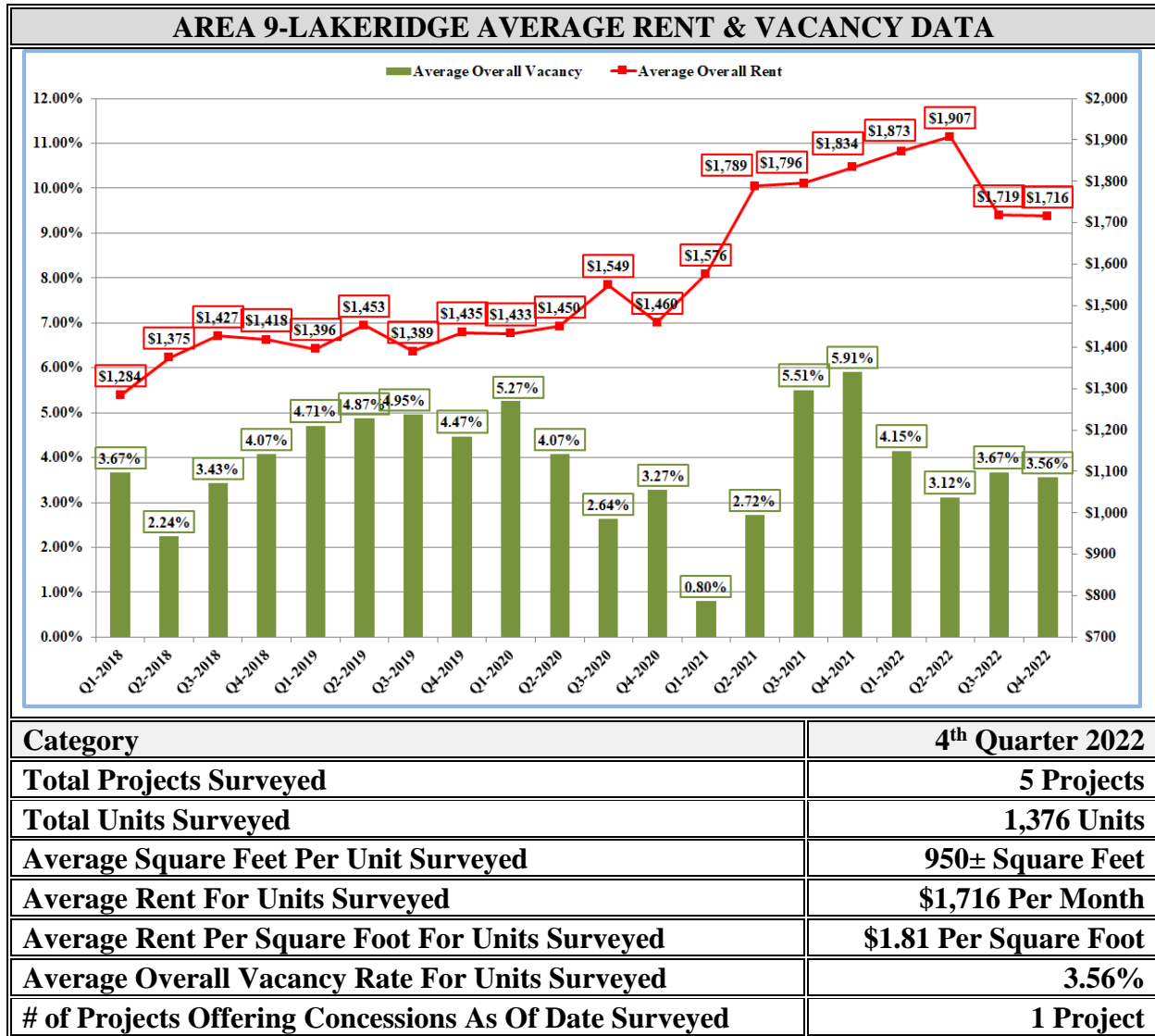


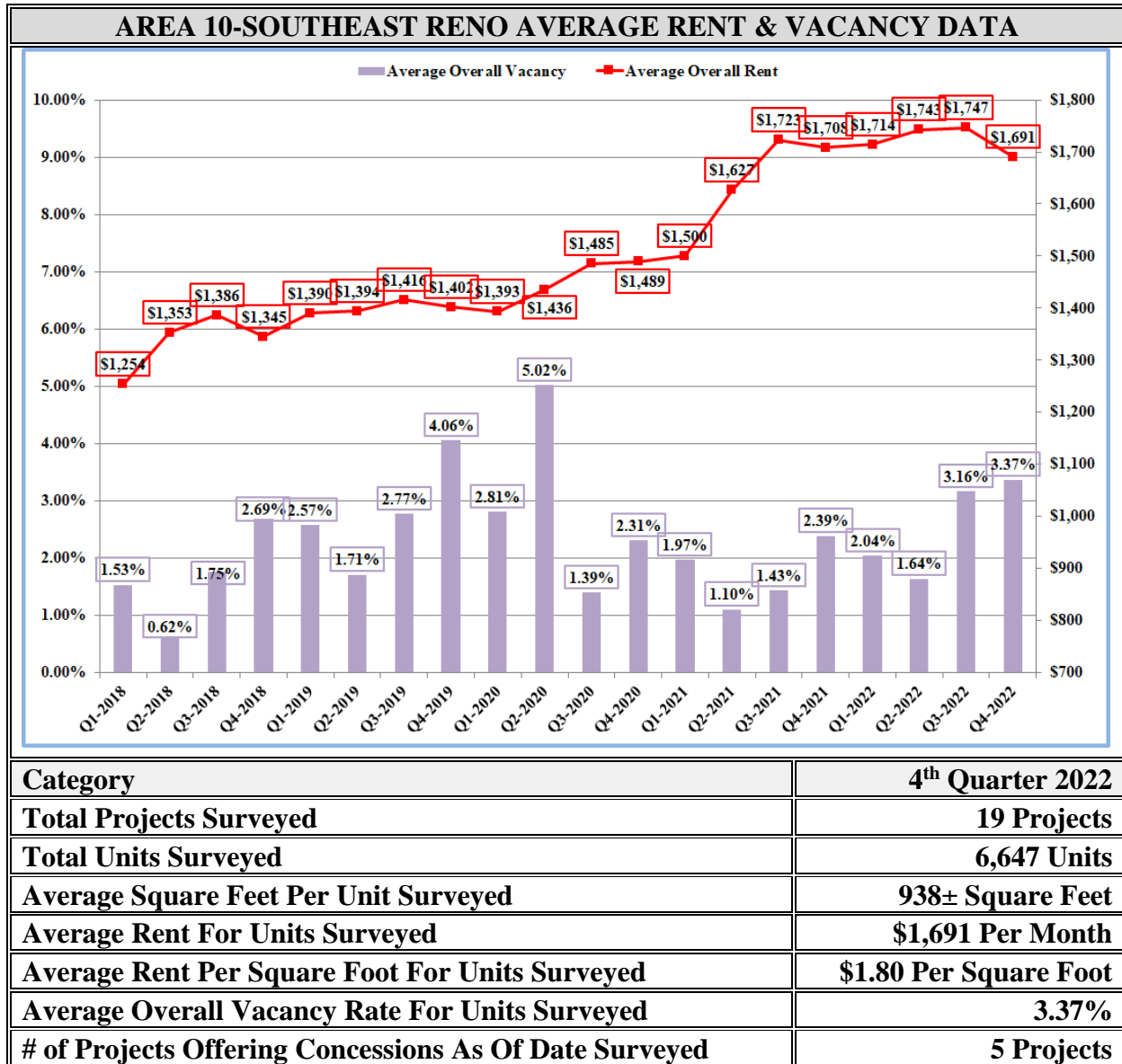


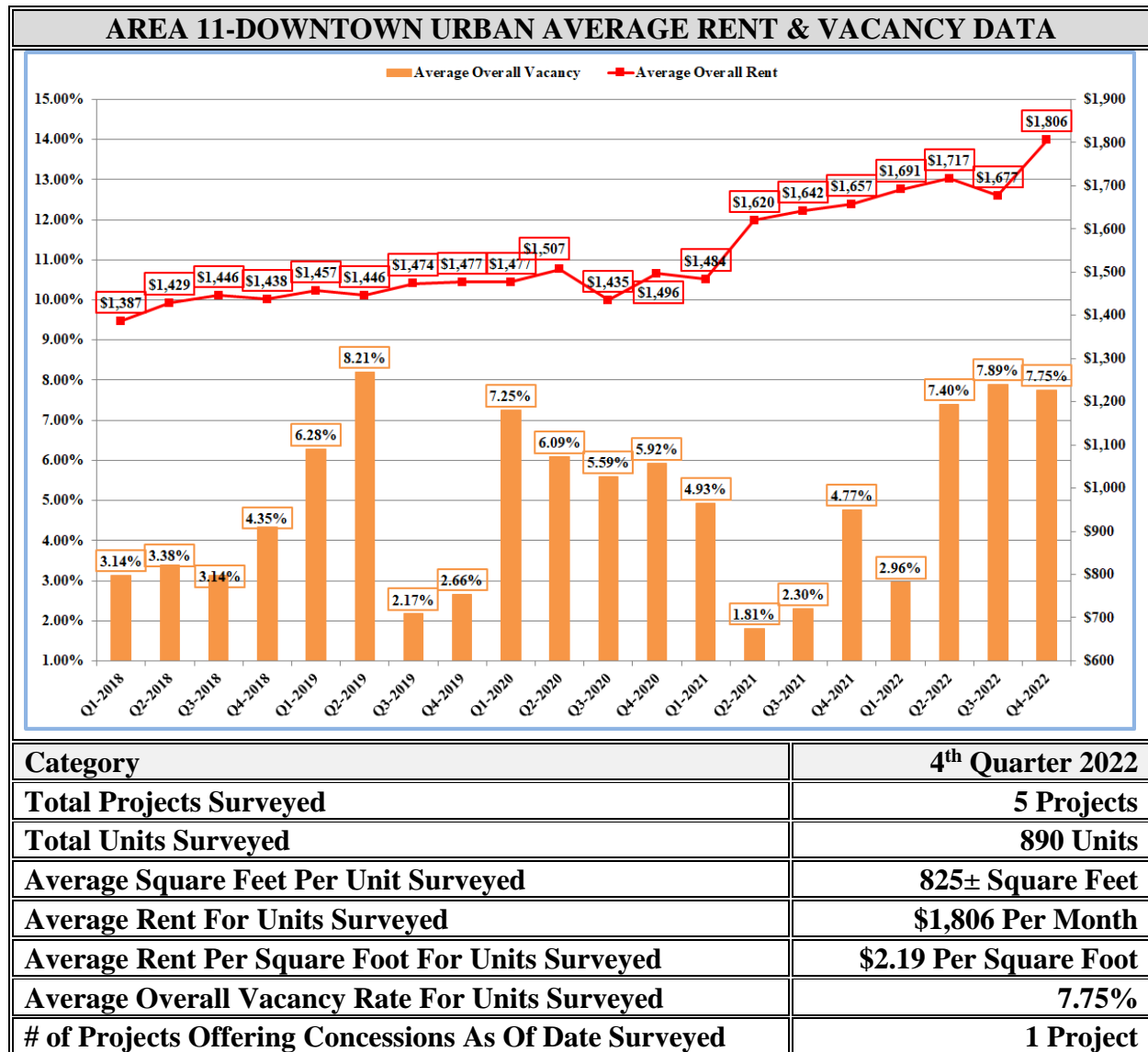
AREA 8-AIRPORT AVERAGE RENT & VACANCY DATA

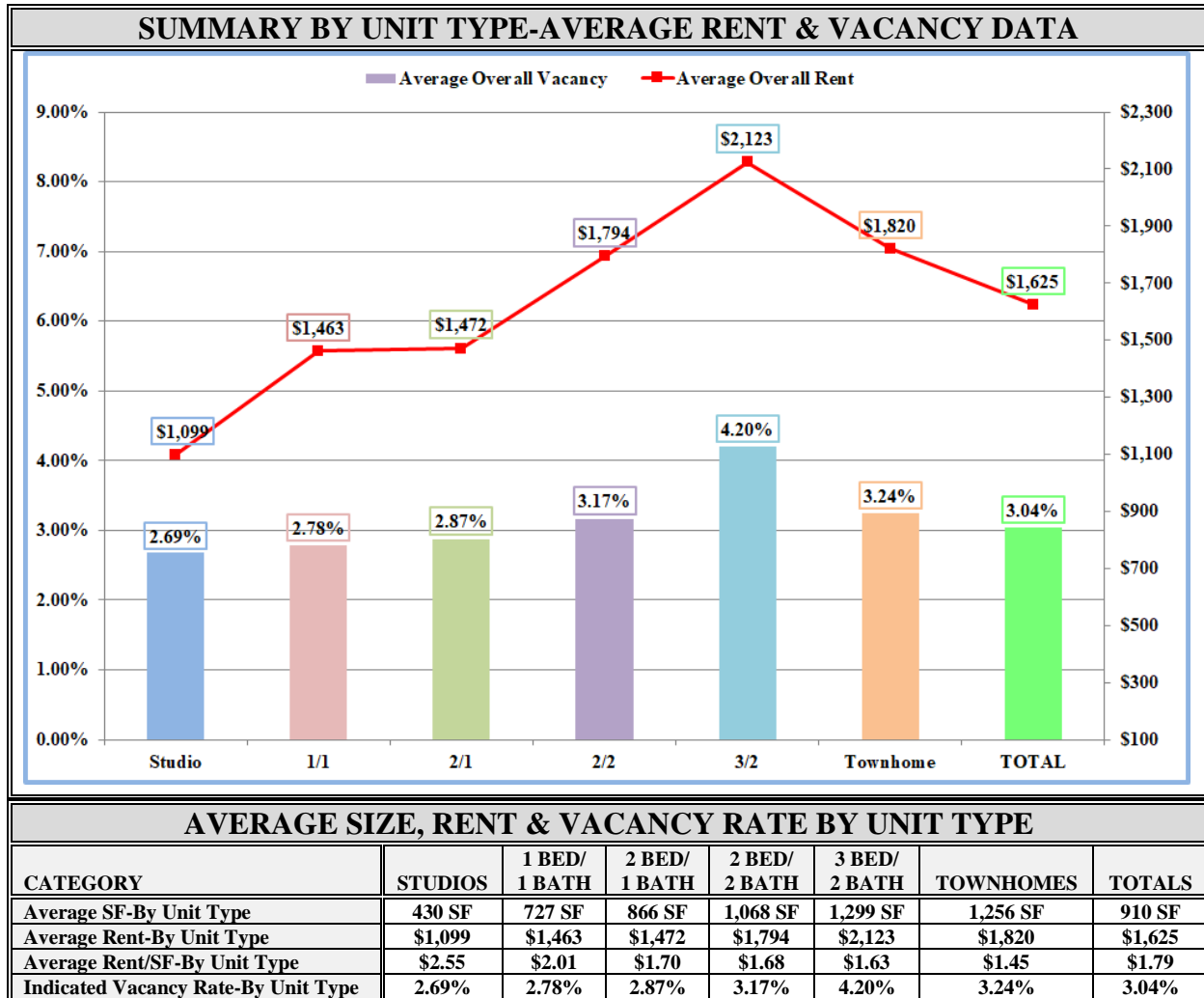


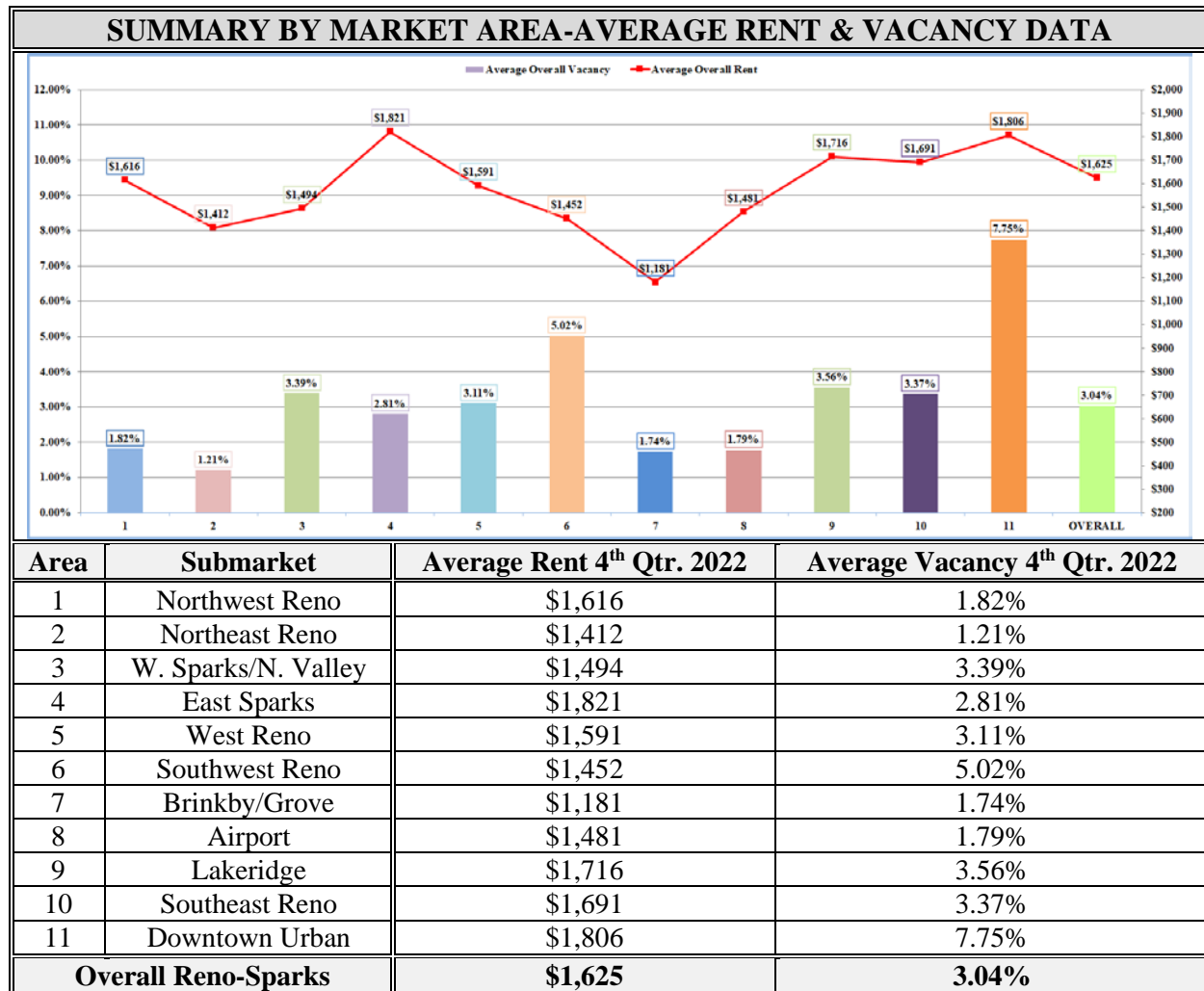
Category	4 th Quarter 2022
Total Projects Surveyed	4 Projects
Total Units Surveyed	560 Units
Average Square Feet Per Unit Surveyed	850± Square Feet
Average Rent For Units Surveyed	\$1,481 Per Month
Average Rent Per Square Foot For Units Surveyed	\$1.74 Per Square Foot
Average Overall Vacancy Rate For Units Surveyed	1.79%
# of Projects Offering Concessions As Of Date Surveyed	1 Project





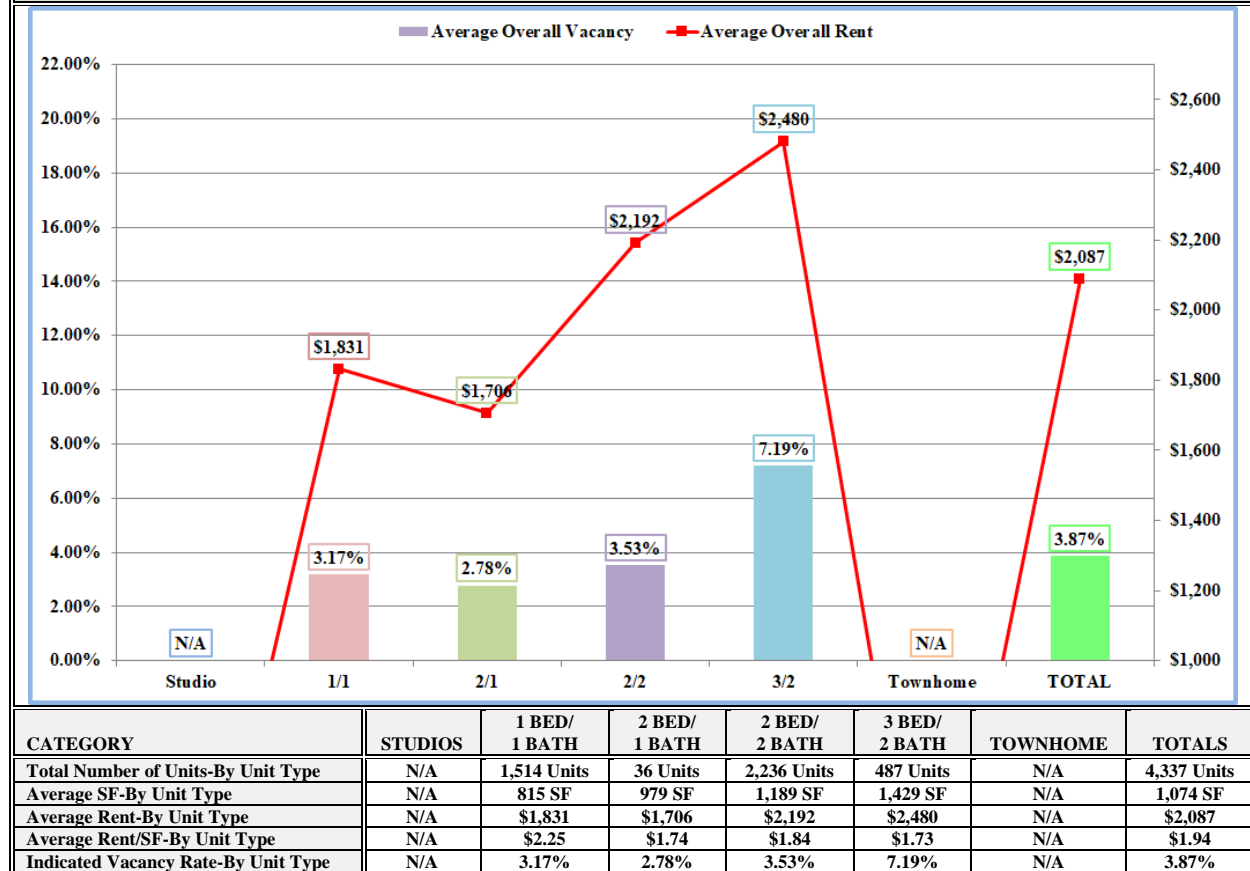








15 PROPERTIES WITH HIGHEST AVERAGE RENTS AVERAGE RENT & VACANCY DATA





SUMMARY OF MAJOR APARTMENT SALES IN 2022					
2022 Sales of Market Rate Projects Over 80 Units					
Project Name	Submarket	Recording Date	Sale Price	# of Units	Sale Price Per Unit
North Peak*	Area 3 (North Valleys)	2/23/2022	\$117,200,000	352	\$332,955
Silver Lake*	Area 3 (North Valleys)	2/23/2022	\$96,200,000	352	\$273,295
Sierra Sage*	Area 3 (North Valleys)	2/23/2022	\$58,900,000	232	\$253,879
Apex at Sky Valley	Area 1 (Northwest Reno)	7/1/2022	\$101,250,000	300	\$337,500
Peaks at the Park	Area 8 (Airport)	7/29/2022	\$47,000,000	213	\$220,657
Integra Peaks	Area 10 (Southeast Reno)	9/02/2022	\$118,500,000	300	\$395,000
High Rock 5300	Area 4 (East Sparks)	9/29/2022	\$88,000,000	264	\$333,333
* Properties were part of the ERGS Portfolio sale which included North Peak, Silver Lake, Sierra Sage, Vale Apartments, Vale Townhomes, Peavine Peak, Oak Manor and Angel Street, for a total of 1,077± units. The transaction closed on February 23, 2022 for a total purchase price of \$302,500,000, or \$280,873 per unit. The sale prices reflected above are the allocated values for each of the properties listed.					



SURVEY PARTICIPANTS	
Special thanks to the following apartment complexes for their continued and reliable support:	
Aviana at Tuscany	The Villas at D'Andrea
Club Ambassador	Vineyards at Galleria
Manzanita Gate	Waterfront at the Marina
Montebello at Summit Ridge	Waterstone at Kiley Ranch
Northwind Apartments	Willow Creek Villas
Sharlands Terrace	The Park at Idlewild
Shoreline Plaza	Waters Edge Apartments
The Apex at Sky Valley	Edge Water at Virginia Lake
The Boulders	Lakeview Apartments
The Villas at Keystone Canyon	Plumas Gardens
Truckee River Terrace	The Glen at Hidden Valley
Vida	Willowbrook Apartments
Vista Ridge Apartments	Ala Moana Apartments
Vizcaya Hilltop Apartments	Century Park Apartments
Westcreek Apartments	Palace Apartments
Westridge Apartments	Park on Virginia
El Chaparral	Regency Park Apartments
Green Pines	Roselake Apartments
Northtowne Summit	Sherwood Forest
Reno Vista Apartments	2300 West
Riverwood Apartments	Brooktree Apartments
The View Apartments	Kirman Gardens
Elevate at 4400	The Meadows II
Keyway Apartments	Aspen Ridge
Lansdowne House	Lakeridge Living Apartments
North Peak Apartments	Redfield Ridge
Parq Crossing	Ascent on Steamboat
Sandpebble	The Lodge at McCarran Ranch
Sierra Sage Apartments	Bristle Pointe
Sierra View Apartments	Creekside Apartments
Sierra Woods	Esprit
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	Emory at RED
Spring Villas Townhomes	Fountainhouse
The Trails at Pioneer Meadows	Square One