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REAL ESTATE APPRAISERS & CONSULTANTS

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# APARTMENT SURVEY

3<sup>RD</sup> QUARTER 2021 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 25,957 units reported. A total of 101 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 participating in the survey remained the same at 101 projects; however, two projects did provide revisions to their unit counts, so the total units increased from 25,945 units to 25,957 units.

| <b>TOTAL NUMBER OF PROJECTS &amp; UNITS-PRIOR TO CURRENT QUARTER</b> |                                    |                                    |                              |
|--|------------------------------------|------------------------------------|------------------------------|
|  | <b>2<sup>nd</sup> Quarter 2021</b> | <b>3<sup>rd</sup> Quarter 2021</b> | <b>Change</b>                |
| <b>Total Projects</b>  | 101                                | 101                                | <b>0 Additional Projects</b> |
| <b>Total Units</b>   | 25,945                             | 25,957                             | <b>12 Additional Units</b>   |



### **COVID-19 IMPACT**

At the present time, the full impact of the Covid-19 Pandemic on the real estate market is still unknown. In an effort to control the spread of the virus, the Federal Government issued social distancing guidelines, and a majority of states issued stay at home directives as well as mandatory closures of non-essential businesses, schools and universities. This ultimately caused a significant decrease in business activity and a dramatic increase in the unemployment rate.

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 doing so, the Supreme Court's ruling invalidates the federal eviction moratorium. Currently, in the state of Nevada there are no holds on evictions or utility shutoffs due to Covid-19.

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

In order to assess how Covid-19 is impacted our survey participants, we included a question regarding delinquency in our 3<sup>rd</sup> Quarter 2021 survey. Approximately 45 survey participants provided us with delinquency information. Of those who participated, we had properties report a range of between 0.00% and 10.00% delinquency. Overall, the weighted average delinquency was 2.03% for the participating properties, which is up from 1.73% in the 2<sup>nd</sup> Quarter of 2021 (data based upon 70 survey participant responses).



### ECONOMIC OUTLOOK

According to the Nevada Department of Employment, Training and Rehabilitation's (DETR) August 2021 economic report, Nevada added 11,900 jobs over the month as the state continues to recover from the COVID recession. Employment remains below typical levels, but is up 103,300 since August 2020, an annual increase of 8.3%. 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 1,350,400. The state's unemployment rate in August is 7.7%, unchanged from July and down -6.8% when compared to August 2020.

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

- Las Vegas employment increased by 7,000 jobs (0.7%) since July, an increase of 78,700 jobs (8.9%) since August 2020.
- Reno employment had an increase of 900 jobs (0.4%) since July, an increase of 13,600 jobs (5.8%) since August 2020.
- Carson City employment had an increase of 300 jobs (1.0%) since July, an increase of 1,300 jobs (4.4%) since August 2020.

“Release of data for August provides us with a look at how Nevada’s economy responded to the emergence of the delta variant. Overall, employment continued to recover at a rapid pace. The nearly twelve thousand jobs added over the month is near the high end of the COVID recovery period, rebounding from a slower pace in July. The leisure and hospitality industry added the most jobs over the month, adding 3,900 jobs since July. The state’s unemployment rate was unchanged at 7.7% this month, likely to remain one of the highest rates in the nation and reflecting the long road left to a complete recovery in the state’s labor market,” said David Schmidt, Chief Economist.

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



**ECONOMIC INDICATORS**

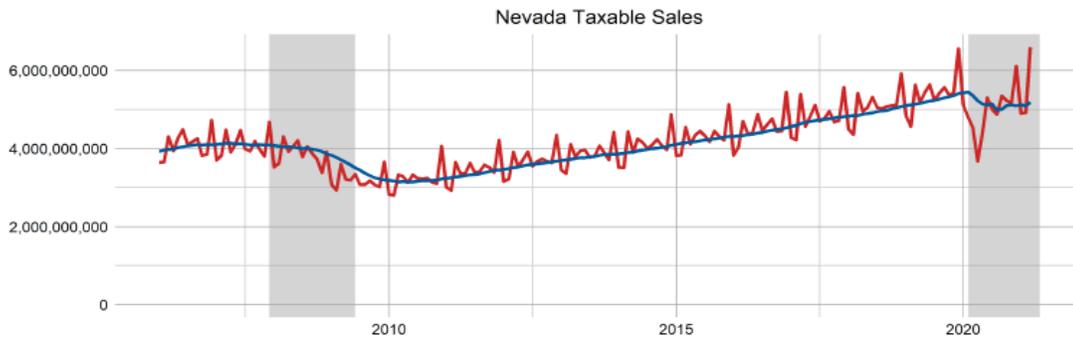
**Nevada Seasonally Adjusted LAUS Summary**

|                              | Labor Force | Unemployed Individuals | Employed Individuals | Unemployment Rate |
|------------------------------|-------------|------------------------|----------------------|-------------------|
| <b>Current</b>               | 1,559,925   | 125,086                | 1,434,839            | 8.0               |
| <b>Change Previous Month</b> | 7,530       | -814                   | 8,444                | -0.1              |
| <b>Change Previous Year</b>  | 62,273      | -317,131               | 379,404              | -21.5             |
| <b>Maximum</b>               | 1,599,451   | 442,217                | 1,539,656            | 29.5              |

**Nevada Non-Seasonally Adjusted LAUS Summary**

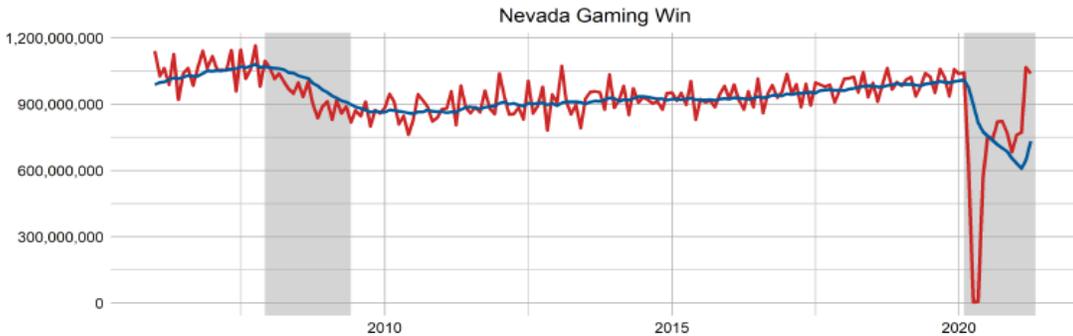
|                              | Labor Force | Unemployed Individuals | Employed Individuals | Unemployment Rate |
|------------------------------|-------------|------------------------|----------------------|-------------------|
| <b>Current</b>               | 1,553,171   | 122,685                | 1,430,486            | 7.9               |
| <b>Change Previous Month</b> | 4,121       | 4,062                  | 59                   | 0.2               |
| <b>Change Previous Year</b>  | 61,936      | -319,794               | 381,730              | -21.8             |
| <b>Maximum</b>               | 1,611,382   | 442,479                | 1,553,906            | 29.7              |

**Taxable Sales**



Taxable sales in Nevada were \$6,591,071,112 in March 2021. Taxable sales are provided by the Nevada Department of Taxation<sup>16</sup>.

**Gaming Win**



Gaming win in Nevada was \$1,039,444,911 in April 2021. Gaming win data is provided by the Nevada Gaming Control Board<sup>17</sup>.

(Source: Nevada Department of Employment, Training and Rehabilitation Economic Summary April 2021)



### 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  | 728 SF       | 862 SF       | 1,060 SF     | 1,294 SF     | 1,256 SF | 909 SF  |
| Average Rent-By Unit Type                      | \$1,102 | \$1,454      | \$1,465      | \$1,801      | \$2,189      | \$1,745  | \$1,632 |
| Average Rent/SF-By Unit Type                   | \$2.62  | \$2.00       | \$1.70       | \$1.70       | \$1.69       | \$1.39   | \$1.79  |
| Indicated Vacancy Rate-By Unit Type            | 3.23%   | 2.54%        | 1.68%        | 2.27%        | 2.82%        | 1.62%    | 2.35%   |

| OVERALL AVERAGE RENT & VACANCY-PRIOR & CURRENT QUARTER |                              |                              |                  |
|--|------------------------------|------------------------------|------------------|
| Category   | 2 <sup>nd</sup> Quarter 2021 | 3 <sup>rd</sup> Quarter 2021 | Change           |
| Average Vacancy  | 1.63%                        | 2.35%                        | +72 Basis Points |
| Average Rent   | \$1,607                      | \$1,632                      | +\$25 or +1.56%  |

| COMPARISON OF RENTAL RATES & VACANCY RATES TO PRIOR QUARTER |                           |                           |              |                           |                           |               |
|---|---------------------------|---------------------------|--------------|---------------------------|---------------------------|---------------|
| UNIT TYPE   | AVERAGE RENT              |                           |              | AVERAGE VACANCY           |                           |               |
|   | 2 <sup>nd</sup> Qtr. 2021 | 3 <sup>rd</sup> Qtr. 2021 | Result       | 2 <sup>nd</sup> Qtr. 2021 | 3 <sup>rd</sup> Qtr. 2021 | Result        |
| Studio  | \$1,007                   | \$1,102                   | +\$95        | 1.04%                     | 3.23%                     | +2.19%        |
| 1 Bedroom/1 Bath  | \$1,419                   | \$1,454                   | +\$36        | 1.83%                     | 2.54%                     | +0.72%        |
| 2 Bedroom/1 Bath  | \$1,430                   | \$1,465                   | +\$34        | 1.44%                     | 1.68%                     | +0.24%        |
| 2 Bedroom/2 Bath  | \$1,792                   | \$1,801                   | +\$9         | 1.61%                     | 2.27%                     | +0.66%        |
| 3 Bedroom/2 Bath  | \$2,174                   | \$2,189                   | +\$15        | 1.64%                     | 2.82%                     | +1.17%        |
| Townhouse   | \$1,764                   | \$1,745                   | -\$18        | 0.00%                     | 1.62%                     | +1.62%        |
| <b>TOTALS</b>   | <b>\$1,607</b>            | <b>\$1,632</b>            | <b>+\$25</b> | <b>1.63%</b>              | <b>2.35%</b>              | <b>+0.73%</b> |

| RENTAL AND VACANCY RATES BY SUB-MARKET AREA |                     |                           |                           |              |                           |                           |               |
|---|---------------------|---------------------------|---------------------------|--------------|---------------------------|---------------------------|---------------|
| Area  | Sub-Market          | AVERAGE RENT              |                           |              | AVERAGE VACANCY           |                           |               |
|   |                     | 2 <sup>nd</sup> Qtr. 2021 | 3 <sup>rd</sup> Qtr. 2021 | Result       | 2 <sup>nd</sup> Qtr. 2021 | 3 <sup>rd</sup> Qtr. 2021 | Result        |
| 1   | Northwest Reno      | \$1,630                   | \$1,653                   | +\$23        | 1.36%                     | 1.87%                     | +0.51%        |
| 2   | Northeast Reno      | \$1,371                   | \$1,439                   | +\$69        | 0.91%                     | 0.45%                     | -0.46%        |
| 3   | W. Sparks/N. Valley | \$1,409                   | \$1,435                   | +\$26        | 2.31%                     | 3.73%                     | +1.41%        |
| 4   | East Sparks         | \$1,940                   | \$1,864                   | -\$75        | 2.39%                     | 3.19%                     | +0.80%        |
| 5   | West Reno           | \$1,390                   | \$1,480                   | +\$90        | 0.00%                     | 1.33%                     | +1.33%        |
| 6   | Southwest Reno      | \$1,334                   | \$1,385                   | +\$51        | 0.56%                     | 0.56%                     | 0.00%         |
| 7   | Brinkby/Grove       | \$1,126                   | \$1,142                   | +\$15        | 1.24%                     | 1.57%                     | +0.33%        |
| 8   | Airport             | \$1,390                   | \$1,379                   | -\$11        | 1.43%                     | 4.11%                     | +2.68%        |
| 9   | Lakeridge           | \$1,789                   | \$1,796                   | +\$7         | 2.72%                     | 5.51%                     | +2.80%        |
| 10  | Southeast Reno      | \$1,627                   | \$1,723                   | +\$95        | 1.10%                     | 1.43%                     | +0.32%        |
| 11  | Downtown Urban      | \$1,620                   | \$1,642                   | +\$22        | 1.81%                     | 2.30%                     | +0.49%        |
| <b>Overall Reno-Sparks</b>                  |                     | <b>\$1,607</b>            | <b>\$1,632</b>            | <b>+\$25</b> | <b>1.63%</b>              | <b>2.35%</b>              | <b>+0.73%</b> |



**HISTORICAL RENTAL AND VACANCY RATES BY UNIT TYPE**

| Quarter/<br>Year | UNIT TYPE      |               |                |               |                |               |                |               |                |               |                |               |                |               |
|------------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|
|                  | Studio         |               | 1/1            |               | 2/1            |               | 2/2            |               | 3/2            |               | Townhouse      |               | TOTAL          |               |
|                  | Avg. Rent      | Vacancy %     |
| Q1-2008          | \$527          | 8.58%         | \$756          | 5.37%         | \$820          | 8.22%         | \$950          | 7.73%         | \$1,130        | 5.79%         | \$1,132        | 7.28%         | \$886          | 6.85%         |
| Q2-2008          | \$524          | 6.34%         | \$752          | 6.00%         | \$814          | 8.46%         | \$949          | 6.59%         | \$1,132        | 6.24%         | \$1,132        | 13.37%        | \$884          | 6.83%         |
| Q3-2008          | \$524          | 5.62%         | \$755          | 6.93%         | \$813          | 8.82%         | \$953          | 7.10%         | \$1,132        | 7.72%         | \$1,134        | 7.52%         | \$885          | 7.35%         |
| Q4-2008          | \$523          | 5.43%         | \$744          | 8.70%         | \$798          | 11.83%        | \$933          | 9.72%         | \$1,130        | 10.44%        | \$1,122        | 10.03%        | \$875          | 9.63%         |
| Q1-2009          | \$523          | 7.90%         | \$727          | 10.08%        | \$776          | 11.97%        | \$914          | 11.43%        | \$1,119        | 11.45%        | \$1,118        | 10.14%        | \$863          | 10.87%        |
| Q2-2009          | \$515          | 8.64%         | \$696          | 9.76%         | \$753          | 12.20%        | \$886          | 11.29%        | \$1,088        | 13.18%        | \$1,122        | 13.65%        | \$844          | 10.93%        |
| Q3-2009          | \$501          | 9.57%         | \$699          | 8.15%         | \$741          | 11.46%        | \$930          | 9.02%         | \$1,117        | 7.23%         | \$1,156        | 8.96%         | \$857          | 9.08%         |
| Q4-2009          | \$500          | 8.97%         | \$693          | 7.74%         | \$728          | 9.48%         | \$925          | 8.46%         | \$1,111        | 10.32%        | \$1,141        | 9.52%         | \$848          | 8.54%         |
| 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%         |
| <b>AVERAGE</b>   | <b>\$639</b>   | <b>4.47%</b>  | <b>\$899</b>   | <b>4.00%</b>  | <b>\$941</b>   | <b>4.55%</b>  | <b>\$1,144</b> | <b>4.65%</b>  | <b>\$1,376</b> | <b>5.10%</b>  | <b>\$1,257</b> | <b>5.38%</b>  | <b>\$1,038</b> | <b>4.43%</b>  |
| <b>MEDIAN</b>    | <b>\$555</b>   | <b>3.37%</b>  | <b>\$775</b>   | <b>3.35%</b>  | <b>\$814</b>   | <b>3.33%</b>  | <b>\$997</b>   | <b>3.69%</b>  | <b>\$1,189</b> | <b>4.23%</b>  | <b>\$1,137</b> | <b>4.53%</b>  | <b>\$887</b>   | <b>3.64%</b>  |
| <b>LOW</b>       | <b>\$463</b>   | <b>1.04%</b>  | <b>\$673</b>   | <b>1.28%</b>  | <b>\$711</b>   | <b>0.95%</b>  | <b>\$875</b>   | <b>1.15%</b>  | <b>\$1,070</b> | <b>0.89%</b>  | <b>\$1,009</b> | <b>0.00%</b>  | <b>\$821</b>   | <b>1.17%</b>  |
| <b>HIGH</b>      | <b>\$1,102</b> | <b>10.96%</b> | <b>\$1,454</b> | <b>10.08%</b> | <b>\$1,465</b> | <b>12.20%</b> | <b>\$1,801</b> | <b>11.43%</b> | <b>\$2,189</b> | <b>13.18%</b> | <b>\$1,764</b> | <b>13.65%</b> | <b>\$1,632</b> | <b>10.93%</b> |



### COMMENTARY

The overall average rental rate for all units surveyed increased by 1.56%, with all unit types, except townhomes, experiencing an increase in average rental rates. Additionally, all of the sub-markets, except East Sparks and the Airport, experienced an increase in average rental rates, as well.

The overall vacancy rate for all units surveyed increased by 72 basis points, with nine of the eleven submarkets showing increases in vacancies. All unit types experienced increases in average vacancies. Average vacancy for all unit types is now at 2.35%.

Just over 4,000 apartment units are currently under construction in the Reno-Sparks market, with just under 5,800 units in the planning stages. Due to the Covid-19 Pandemic, it is likely that development of planned units will be delayed in the short-term, until the ultimate impact of the Pandemic is known. It is likely that vacancy rates will begin to increase once all eviction moratoriums are lifted. Rental rates, which have continued to increase since the last recession, will likely begin to stabilize, and ultimately decrease over the next several quarters.



### **GUIDELINES**

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

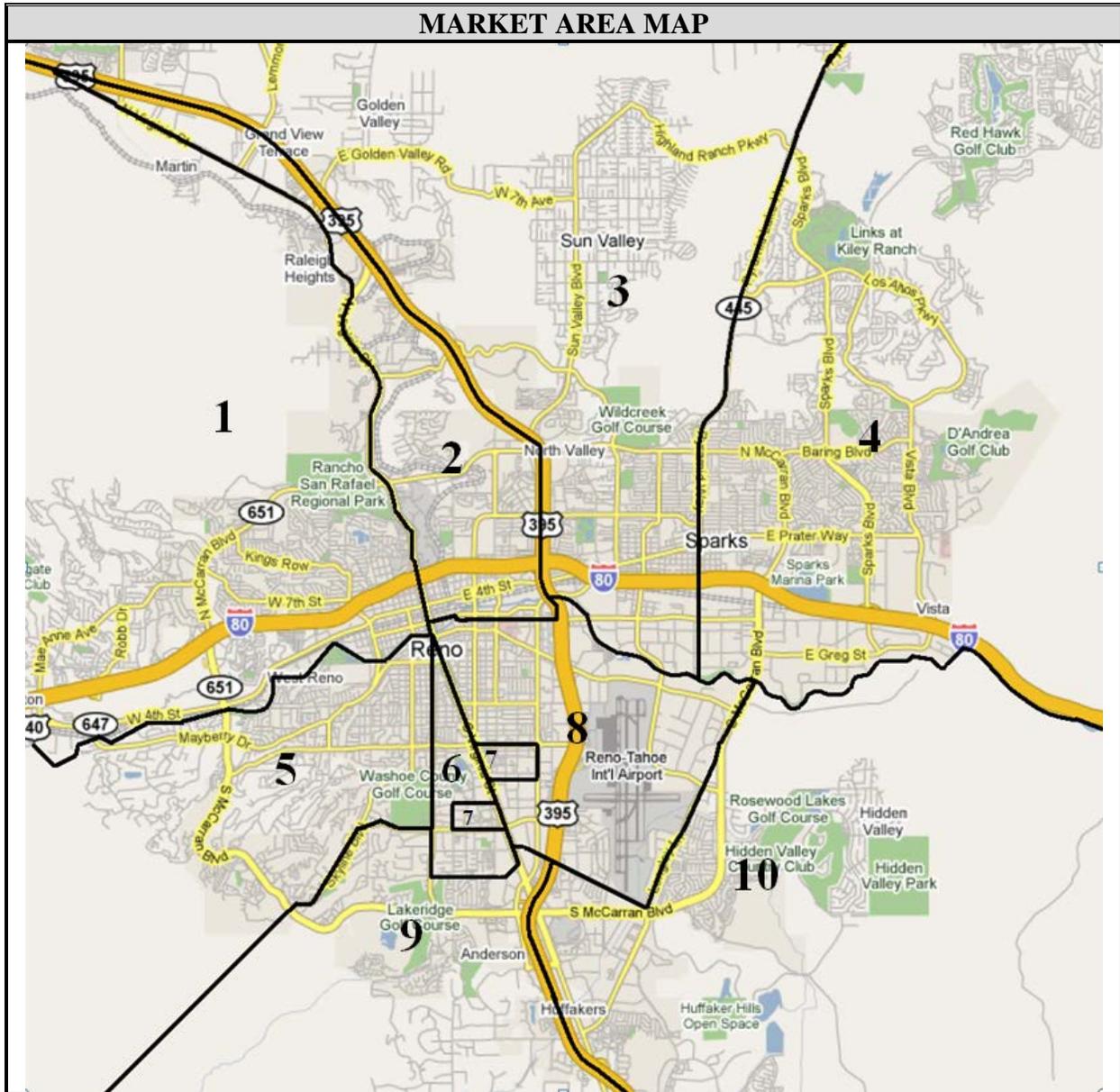
- Occupancy rates represent conditions as of the date of survey;
- Rents utilized in the report represent the base price of an unfurnished apartment;
- Units with more than one size per unit type were calculated on a weighted average for each unit type
- Weighted averages were used in all charts to give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

| <b>Apartment Type</b> | <b>Description</b>  |
|-----------------------|---|
| 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 <sup>rd</sup> Bath) |
| Townhouse             | Units Having 2 Or 3 Bedrooms, 2 Baths OR 2 Bedrooms, Den, 2 Baths               |



| <b>MARKET AREAS</b>   |                           |   |
|---|---------------------------|---|
| <b>Area</b>   | <b>Sub-Market</b>         | <b>Location</b>   |
| 1   | Northwest Reno            | North of Truckee River & West of N. Virginia St.  |
| 2   | Northeast Reno            | North of 2 <sup>nd</sup> 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 <sup>nd</sup> 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  |
| <b>*Sub-Market 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 Sub-Market Areas.</b> |                           |   |





### PROJECTS APPROVED AND/OR UNDER CONSTRUCTION

Bluth Development broke ground on The Lakes at Lemmon Valley in the 1<sup>st</sup> Quarter of 2019. The Lakes at Lemmon Valley is a 768-unit apartment project located along Sky Vista Parkway, west of Lemmon Valley Road. At the end of the 3<sup>rd</sup> Quarter of 2021, 61 buildings were complete and approximately 64% of the project had been pre-leased and was occupied.

Lewis Apartment Communities broke ground on Esprit Townhomes in the 2<sup>nd</sup> 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 3<sup>rd</sup> Quarter of 2021, four buildings were complete, approximately 43% of the project had been pre-leased and 35% of the project was occupied.

In the 3<sup>rd</sup> 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 1<sup>st</sup> Quarter of 2021. As of the date of this survey, 59% of the project had been leased and 54% of the project was occupied.

Mountain West Builders and Oakmont Properties broke ground on Double R Apartments in the 3<sup>rd</sup> 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 3<sup>rd</sup> Quarter of 2021, six buildings were complete, approximately 40% of the project was pre-leased and 26% of the project was occupied.

Lyon Living and Reno Land Inc. broke ground on the Reno Experience District (RED) at the beginning of the 3<sup>rd</sup> 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 3<sup>rd</sup> Quarter of 2021, approximately 42% of the project had been pre-leased and 38% of the project was occupied. Basecamp is a 317-unit luxury apartment project. At the end of the 3<sup>rd</sup> Quarter of 2021, no units were occupied, but approximately 2% of the project had been pre-leased.

S3 Development Company broke ground on Westlook in the 4<sup>th</sup> Quarter of 2019. Westlook is a 192 -unit apartment complex located at the northeast corner of West 4<sup>th</sup> Street and Twin Lakes Drive in northwest Reno. At the end of the 3<sup>rd</sup> Quarter of 2021, none of the buildings had been completed, but approximately 15% of the project was pre-leased.

Lewis Apartment Communities and MBI Metcalf Builders, Inc. broke ground on Indigo in the 3<sup>rd</sup> 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.

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



| <b>PROPOSED &amp; UNDER CONSTRUCTION<br/>(MAJOR APARTMENT PROJECTS OVER 80 UNITS)</b> |              |   |             |                    |
|---|--------------|---|-------------|--------------------|
| <b>Projects Under Construction</b>  |              |   |             |                    |
| <b>Project Name</b>   | <b>Units</b> | <b>Location</b>   | <b>Area</b> | <b>Status</b>      |
| The Retreat   | 283          | West 4th Street and Summit Ridge Drive  | 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 |
| The Lakes at Lemmon Valley  | 768          | Sky Vista Parkway, West of Lemmon Valley Road                                 | 3           | Under Construction |
| Reno Experience District  | 980          | 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 |
| SyRes   | 330          | Northeast Corner of Longley Lane and South Virginia Street                    | 10          | Under Construction |
| The Atrium  | 132          | Victorian Square  | 11          | Under Construction |
| <b>Total Units:</b>   | <b>3,926</b> |   |             |                    |
| <b>Projects Planned</b>   |              |   |             |                    |
| <b>Project Name</b>   | <b>Units</b> | <b>Location</b>   | <b>Area</b> | <b>Status</b>      |
| 5th & Vine Apartments   | 295          | Northeast Corner of Keystone Avenue & 5th Street                              | 1           | Planning Stages    |
| Verdi Village   | 242          | Southeast Corner of South Verdi Road & Cabela Drive                           | 1           | Planning Stages    |
| 550 North Virginia  | 261          | Northeast Corner of North Virginia Street & East 5th Street                   | 2           | Planning Stages    |
| Spectrum-Dandini Development  | 420          | Northeast Corner of US Highway 395 & Dandini Boulevard                        | 3           | Planning Stages    |
| Vista Rafael Apartments   | 416          | North Virginia Street & Vista Rafael Parkway                                  | 3           | Planning Stages    |
| Azure-Phase II  | 441          | 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    |
| Lumina-Phase II   | 232          | Pioneer Meadows   | 4           | Planning Stages    |
| Stonebrook Apartments   | 396          | SEC Pyramid Highway & Dakota Hills Drive                                      | 4           | Planning Stages    |
| theAPEX @ Vista   | 360          | East Side of Vista Boulevard Between Los Altos Parkway & Wingfield Hills Road | 4           | Planning Stages    |
| Reno Experience District  | 269          | Previous Park Lane Mall Site  | 7           | Planning Stages    |
| Palomino  | 328          | SEC Damonte Ranch Parkway & Steamboat Parkway                                 | 10          | Planning Stages    |
| 214 Lake Street   | 752          | Northeast Corner of Lake Street and East 2nd Street                           | 11          | Planning Stages    |
| CAI Investments (Former Harrah's)   | 530          | Northeast Corner of North Virginia Street and East 2nd Street                 | 11          | Planning Stages    |
| Promenade-Phase I & II  | 288          | Victorian Square  | 11          | Planning Stages    |
| PromWest  | 168          | East of Fountainhouse   | 11          | Planning Stages    |
| Ryland Apartments   | 90           | North Side of Ryland Street, Between Park Street & High Street                | 11          | Planning Stages    |
| <b>Total Units:</b>   | <b>5,794</b> |   |             |                    |

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 Parq Crossing, Azure and INOVA.

**HISTORICAL & CURRENT ABSORPTION RATES**

| Project Name                       | # of Units | Lease up Dates |            | Absorption<br>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 <sup>rd</sup> 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                   |



**RENT CONCESSIONS**

During the 3<sup>rd</sup> Quarter of 2021 8.91% of the apartment projects in our Survey offered rent concessions, which increased from 2.35% in the 2<sup>nd</sup> 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

The chart below summarizes the percentage of projects which have offered concessions, and the overall vacancy rate, between 2015 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**

| <b>Quarter/Year</b> | <b>% Offering Concessions</b> | <b>Overall Vacancy %</b> |
|---------------------|-------------------------------|--------------------------|
| Q1-2015             | 35.90%                        | 2.97%                    |
| Q2-2015             | 16.67%                        | 2.27%                    |
| Q3-2015             | 20.25%                        | 2.67%                    |
| Q4-2015             | 14.81%                        | 2.90%                    |
| 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%                    |



## SURVEY RESULTS

This section of the report covers survey findings pertaining to the total survey area for the 3<sup>rd</sup> Quarter of 2021.

### **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:**

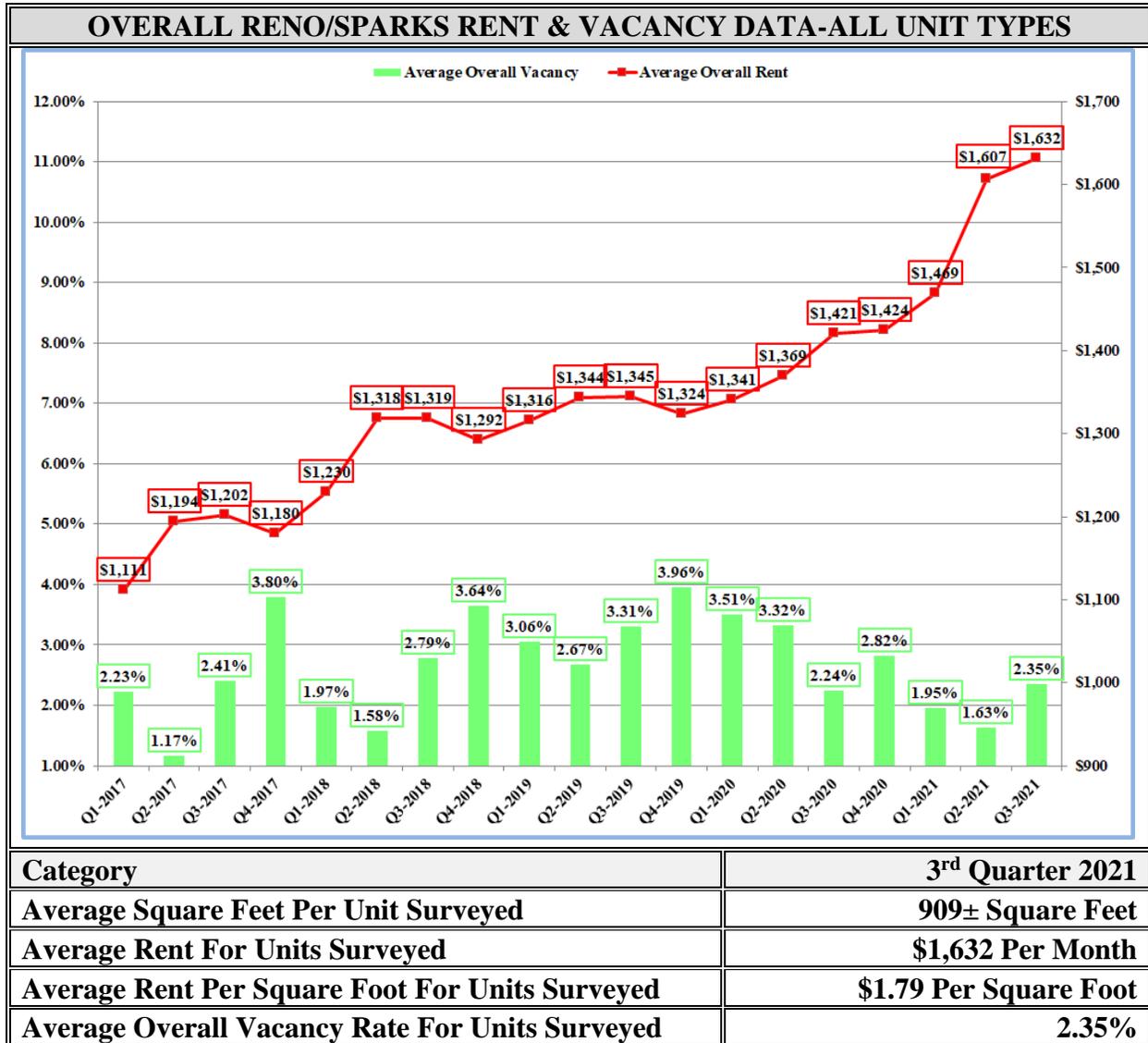
These graphs illustrate quarterly vacancy percentage and average monthly rent. The sub-market categories are as follows:

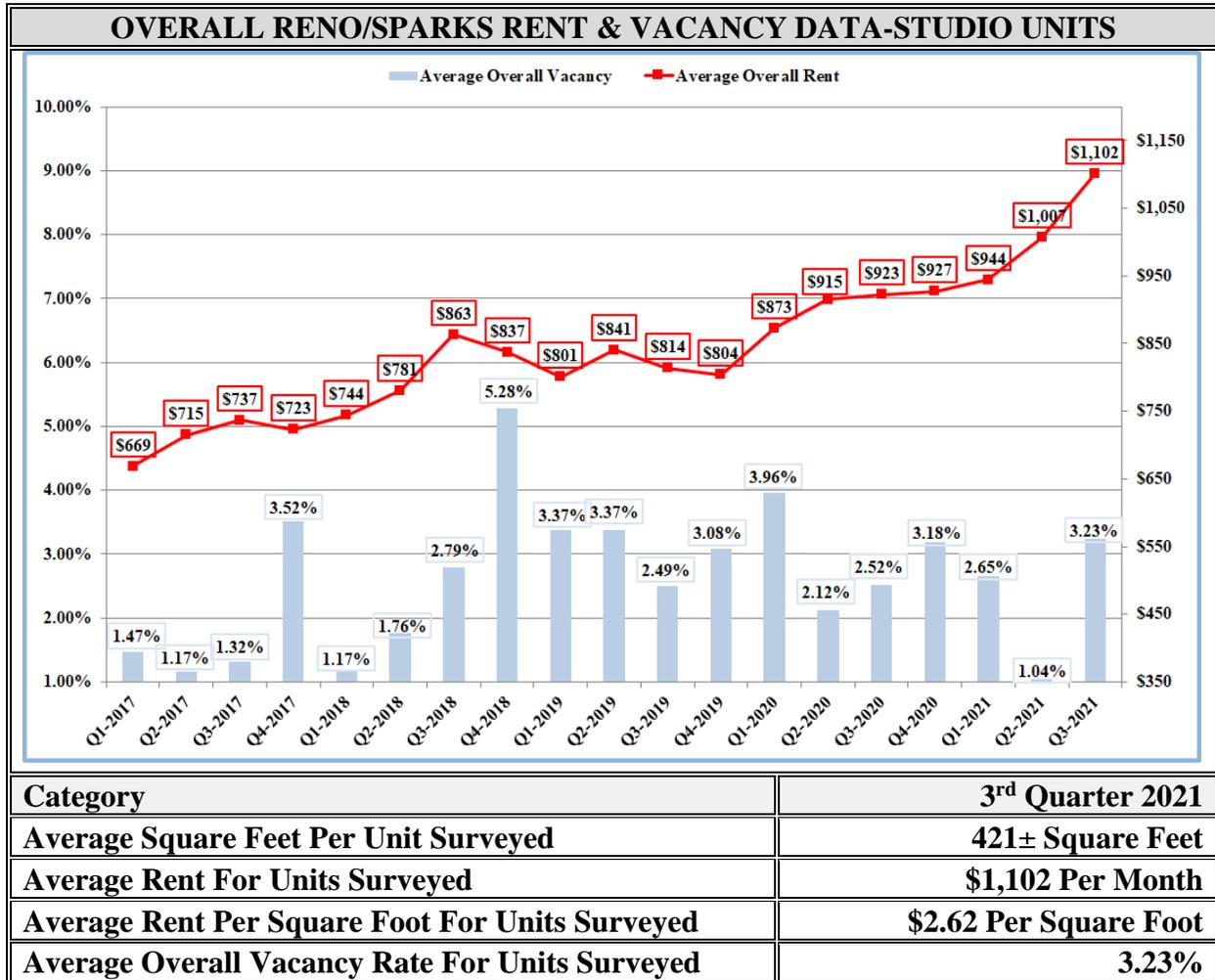
- Area 1-Northwest Reno
- Area 2-Northeast Reno
- Area 3-West Sparks/North Valleys
- Area 4-East Sparks
- Area 5-West Reno
- Area 6-Southwest Reno
- Area 7-Brinkby/Grove
- Area 8-Airport
- Area 9-Lakeridge
- Area 10-Southeast Reno
- Area 11-Downtown Urban

### **CURRENT SURVEY COMPARISONS:**

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

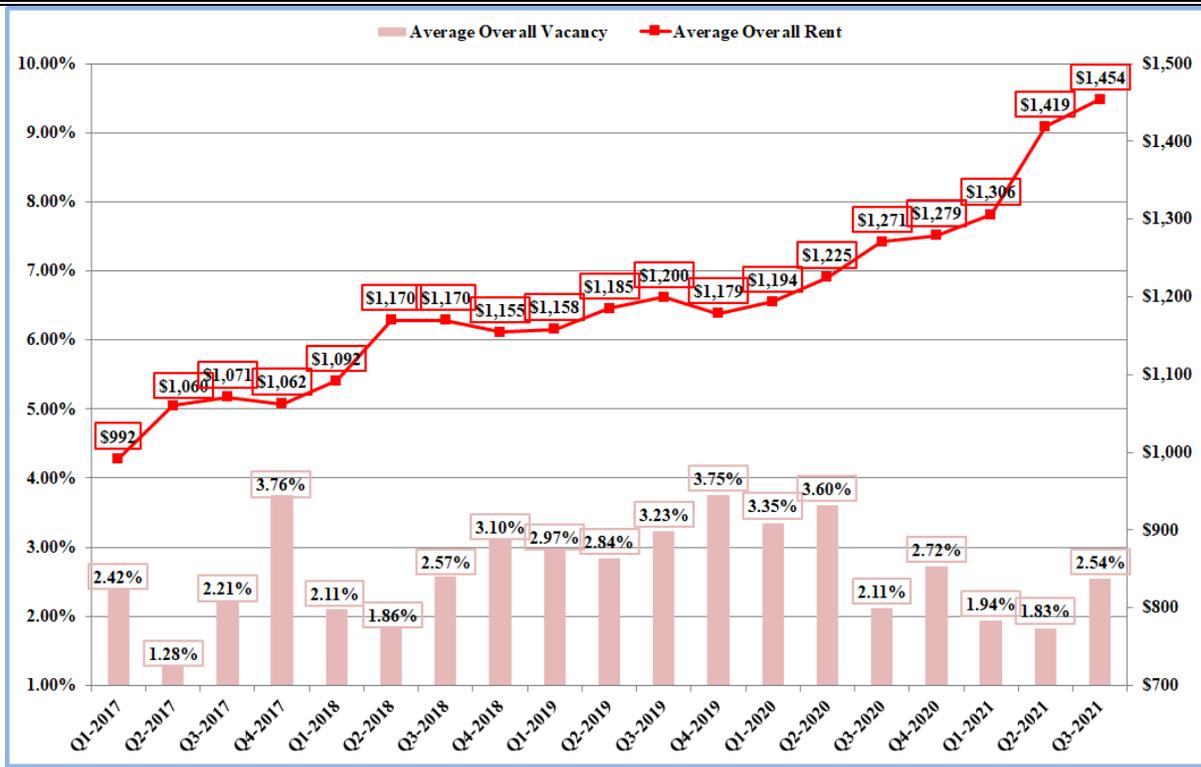
- Summary By Unit Type
- Summary By Area
- 15 Properties With The Highest Average Rents







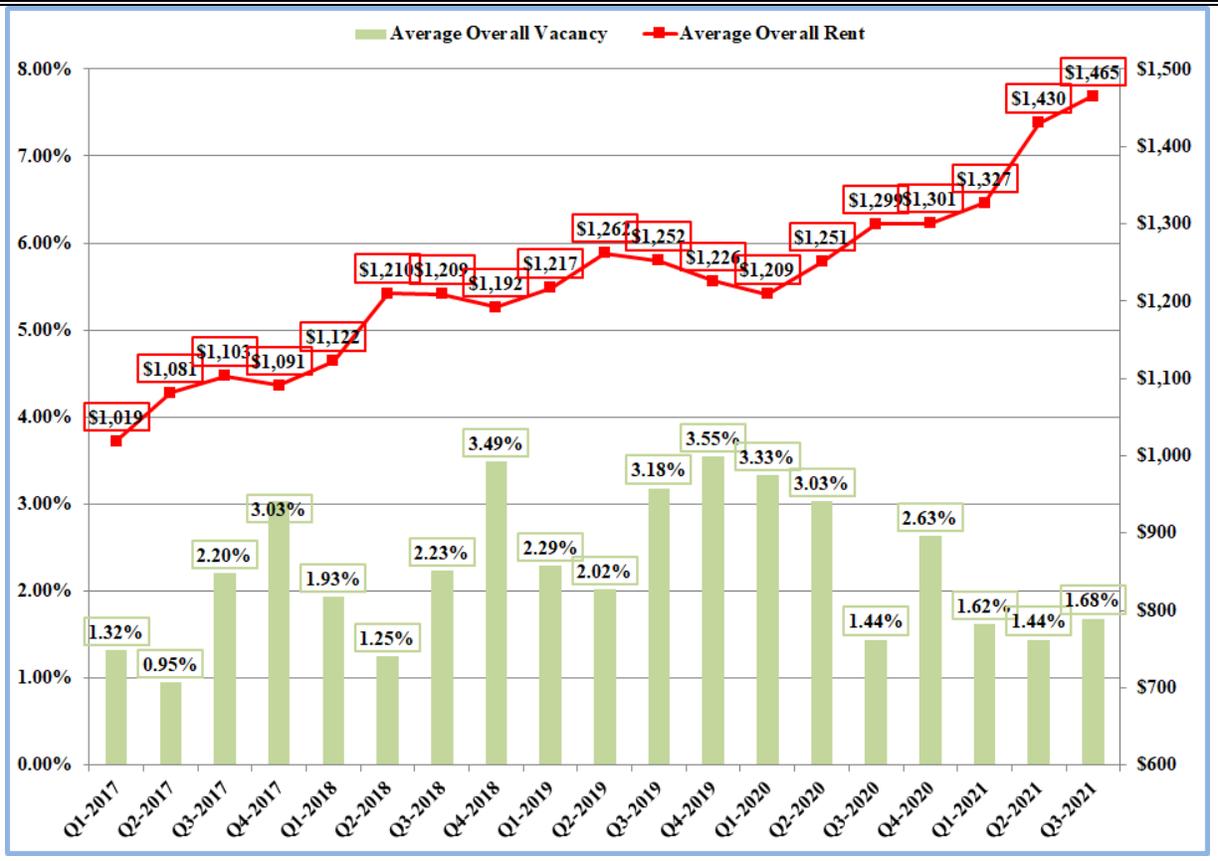
**OVERALL RENO/SPARKS RENT & VACANCY DATA-1 BED/1 BATH UNITS**



| Category  | 3 <sup>rd</sup> Quarter 2021 |
|---|------------------------------|
| Average Square Feet Per Unit Surveyed           | 728± Square Feet             |
| Average Rent For Units Surveyed                 | \$1,454 Per Month            |
| Average Rent Per Square Foot For Units Surveyed | \$2.00 Per Square Foot       |
| Average Overall Vacancy Rate For Units Surveyed | 2.54%                        |



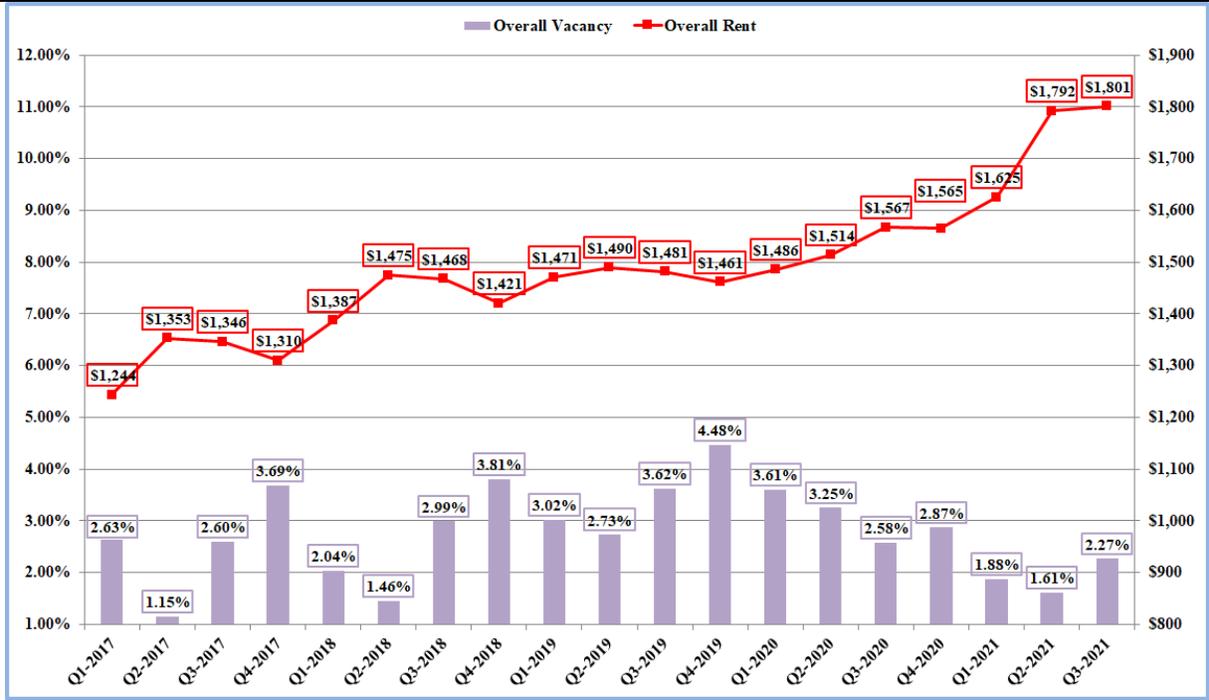
**OVERALL RENO/SPARKS RENT & VACANCY DATA-2 BED/1 BATH UNITS**



|  |                                    |
|--|------------------------------------|
| <b>Category</b>  | <b>3<sup>rd</sup> Quarter 2021</b> |
| <b>Average Square Feet Per Unit Surveyed</b>           | <b>862± Square Feet</b>            |
| <b>Average Rent For Units Surveyed</b>                 | <b>\$1,465 Per Month</b>           |
| <b>Average Rent Per Square Foot For Units Surveyed</b> | <b>\$1.70 Per Square Foot</b>      |
| <b>Average Overall Vacancy Rate For Units Surveyed</b> | <b>1.68%</b>                       |



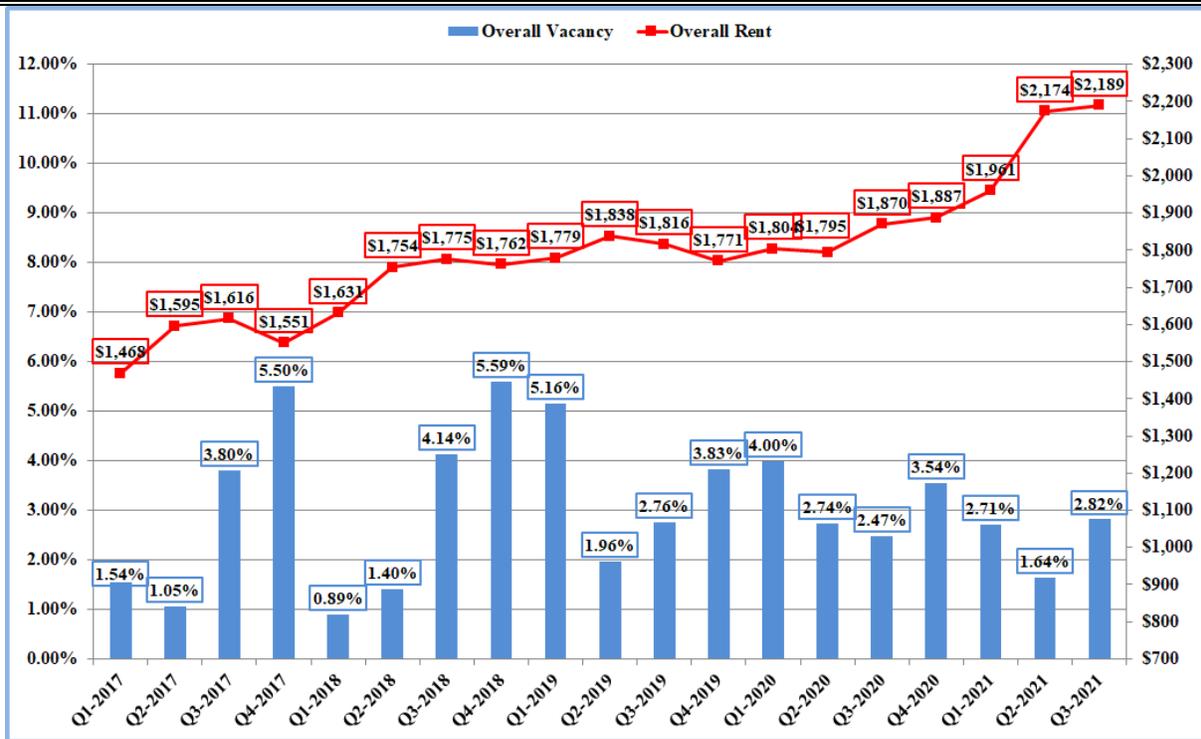
**OVERALL RENO/SPARKS RENT & VACANCY DATA-2 BED/2 BATH UNITS**



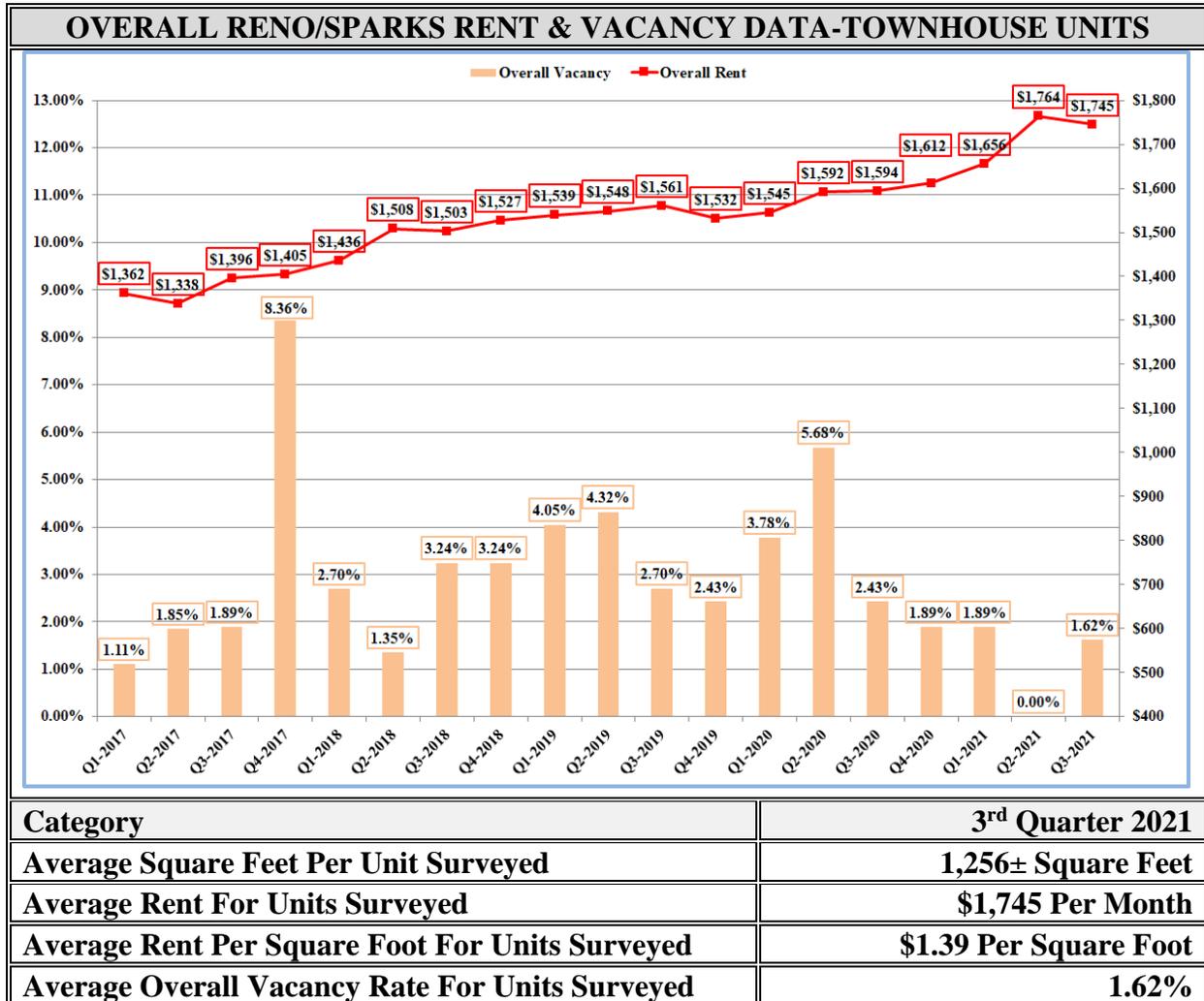
| Category  | 3 <sup>rd</sup> Quarter 2021 |
|---|------------------------------|
| Average Square Feet Per Unit Surveyed           | 1,060± Square Feet           |
| Average Rent For Units Surveyed                 | \$1,801 Per Month            |
| Average Rent Per Square Foot For Units Surveyed | \$1.70 Per Square Foot       |
| Average Overall Vacancy Rate For Units Surveyed | 2.27%                        |

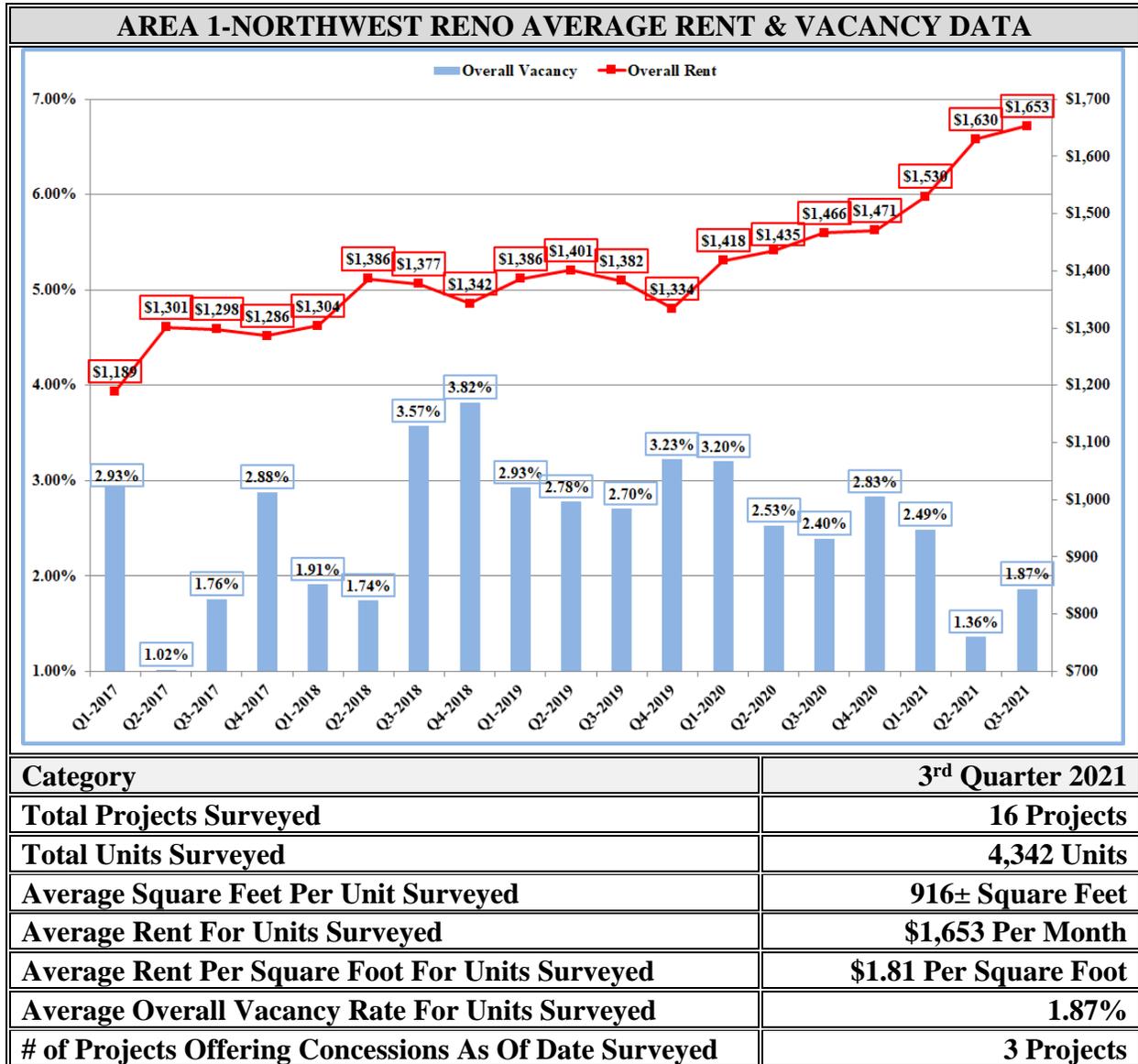


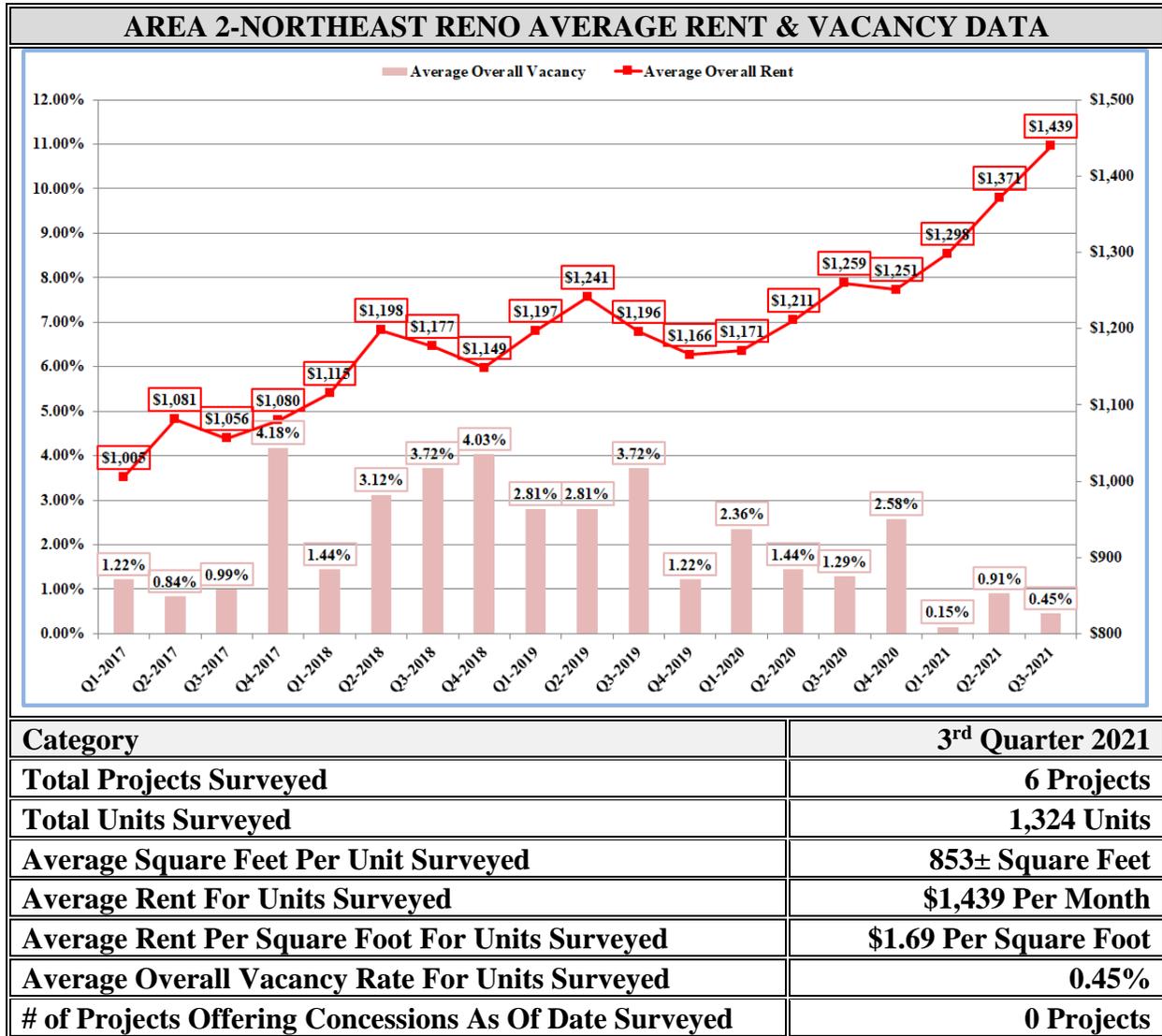
**OVERALL RENO/SPARKS RENT & VACANCY DATA-3 BED/2 BATH UNITS**



| Category  | 3 <sup>rd</sup> Quarter 2021 |
|---|------------------------------|
| Average Square Feet Per Unit Surveyed           | 1,294± Square Feet           |
| Average Rent For Units Surveyed                 | \$2,189 Per Month            |
| Average Rent Per Square Foot For Units Surveyed | \$1.69 Per Square Foot       |
| Average Overall Vacancy Rate For Units Surveyed | 2.82%                        |

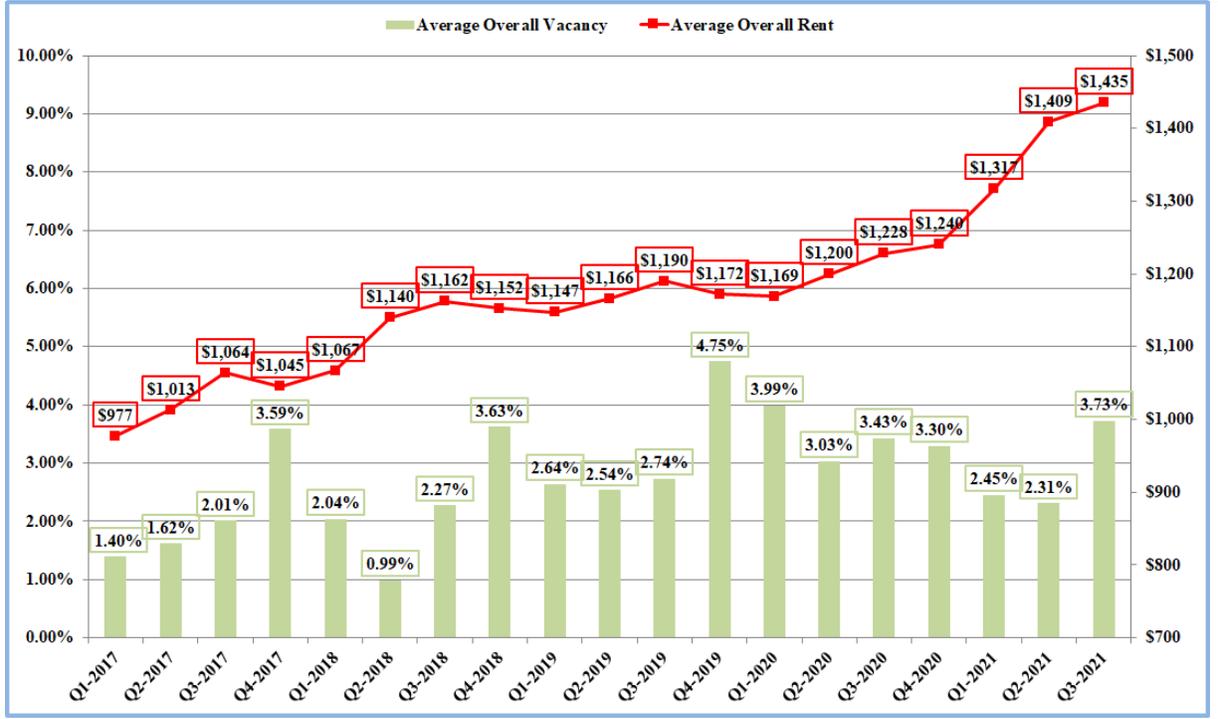








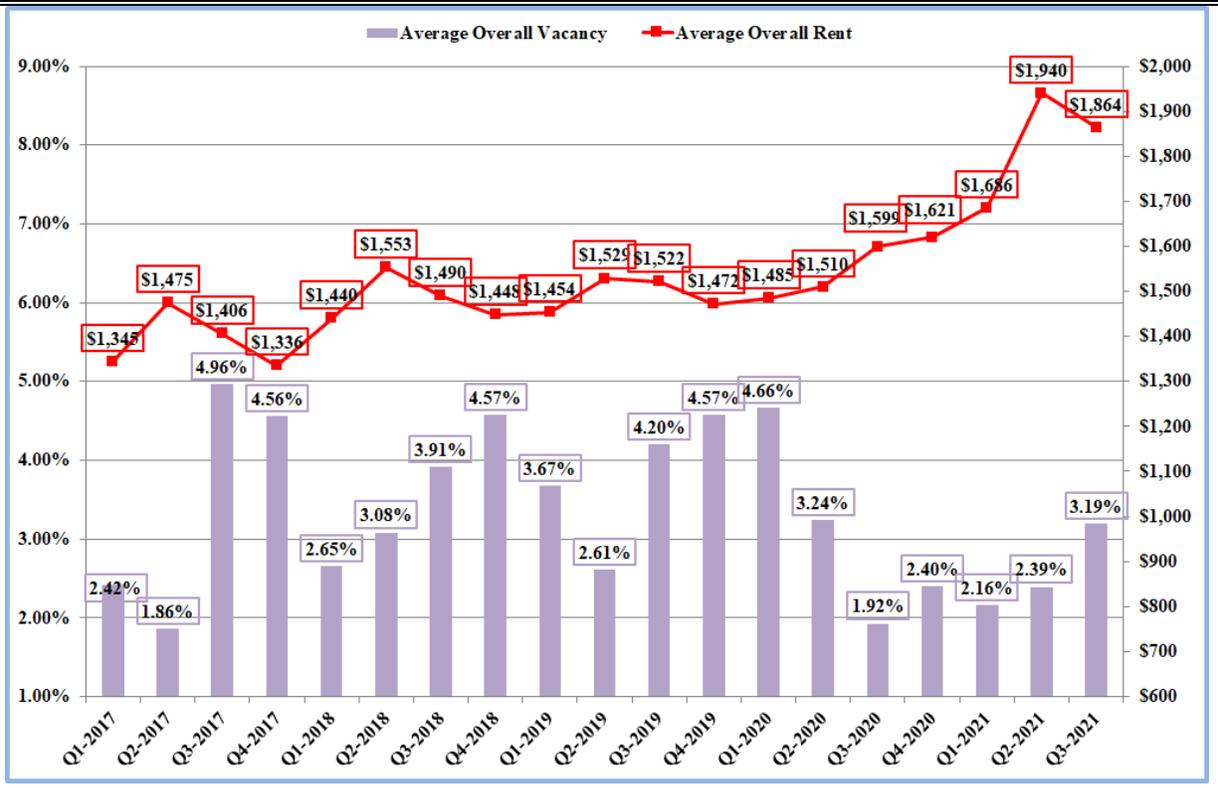
**AREA 3-WEST SPARKS/NORTH VALLEYS AVERAGE RENT & VACANCY DATA**



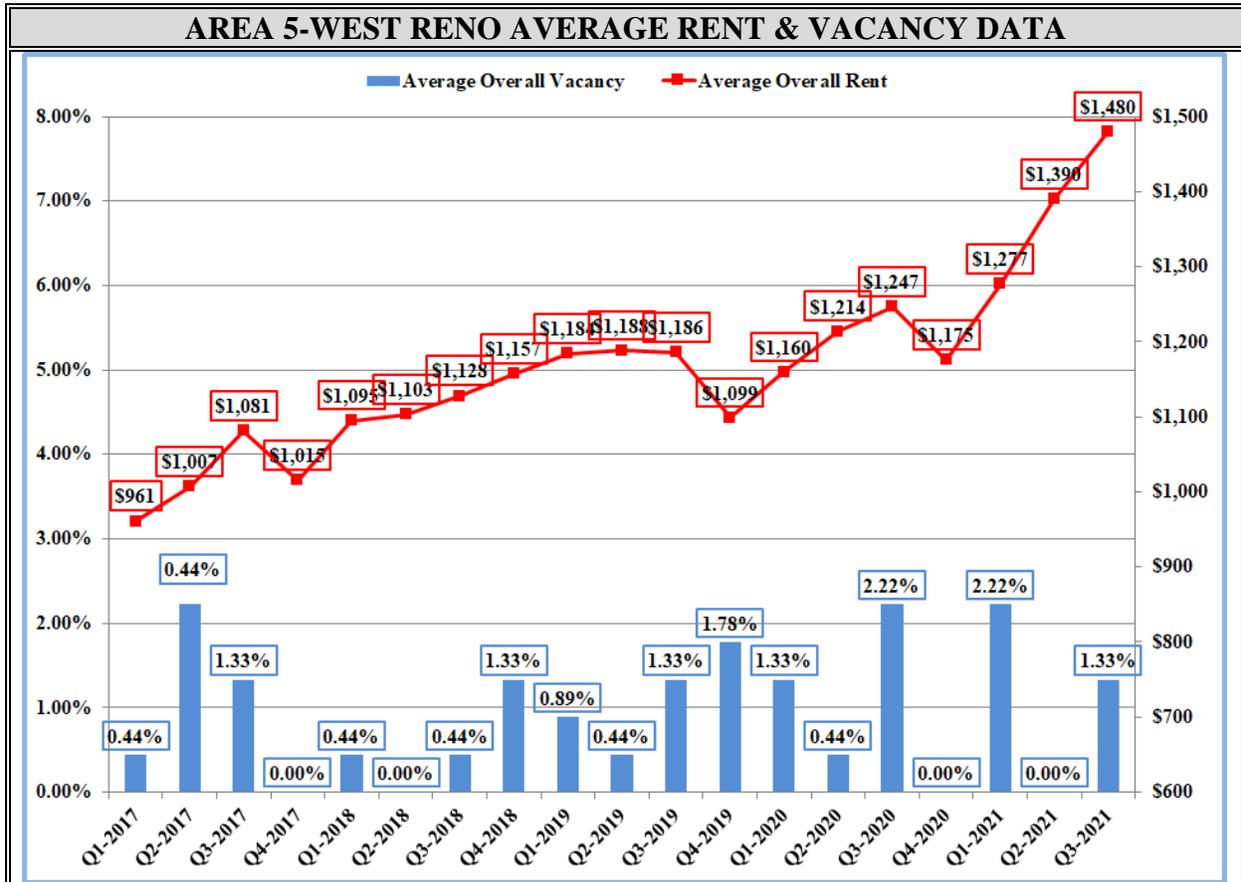
| Category   | 3 <sup>rd</sup> Quarter 2021 |
|--|------------------------------|
| Total Projects Surveyed                                | 15 Projects                  |
| Total Units Surveyed                                   | 3,676 Units                  |
| Average Square Feet Per Unit Surveyed                  | 872± Square Feet             |
| Average Rent For Units Surveyed                        | \$1,435 Per Month            |
| Average Rent Per Square Foot For Units Surveyed        | \$1.65 Per Square Foot       |
| Average Overall Vacancy Rate For Units Surveyed        | 3.73%                        |
| # of Projects Offering Concessions As Of Date Surveyed | 2 Projects                   |



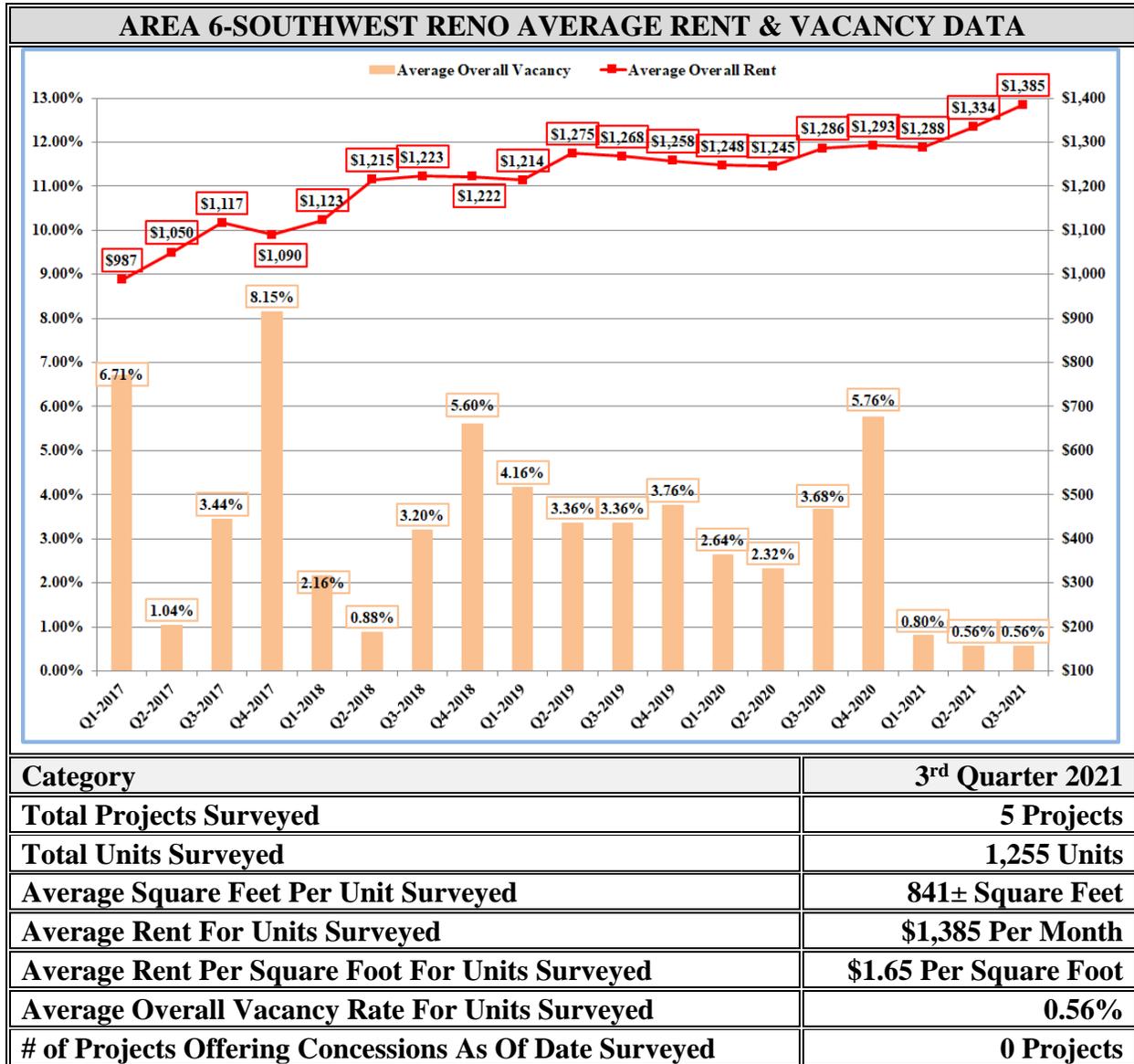
**AREA 4-EAST SPARKS AVERAGE RENT & VACANCY DATA**

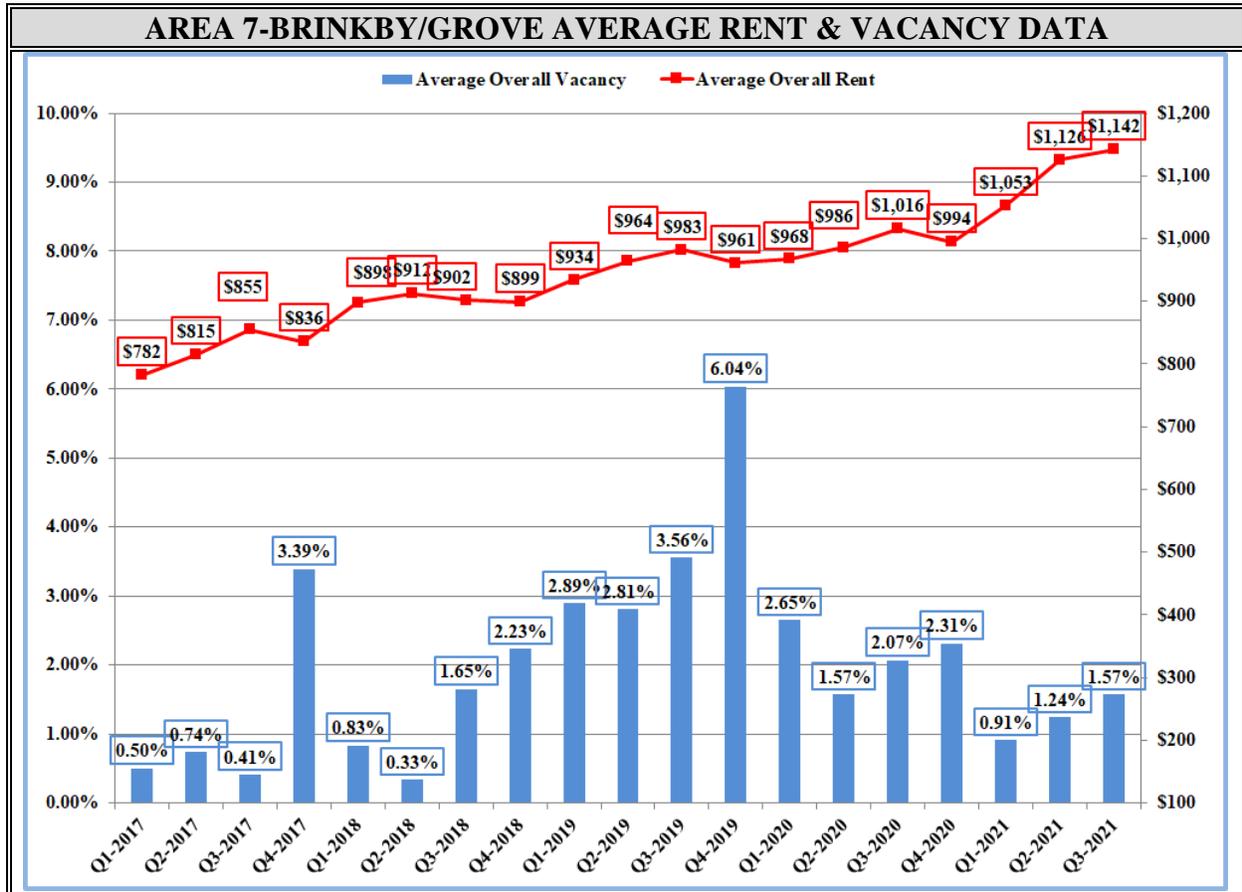


| Category   | 3 <sup>rd</sup> Quarter 2021 |
|--|------------------------------|
| Total Projects Surveyed                                | 19 Projects                  |
| Total Units Surveyed                                   | 4,984 Units                  |
| Average Square Feet Per Unit Surveyed                  | 978± Square Feet             |
| Average Rent For Units Surveyed                        | \$1,864 Per Month            |
| Average Rent Per Square Foot For Units Surveyed        | \$1.91 Per Square Foot       |
| Average Overall Vacancy Rate For Units Surveyed        | 3.19%                        |
| # of Projects Offering Concessions As Of Date Surveyed | 0 Projects                   |



|   |                                    |
|---|------------------------------------|
| <b>Category</b>   | <b>3<sup>rd</sup> Quarter 2021</b> |
| <b>Total Projects Surveyed</b>                                | <b>2 Projects</b>                  |
| <b>Total Units Surveyed</b>                                   | <b>225 Units</b>                   |
| <b>Average Square Feet Per Unit Surveyed</b>                  | <b>870± Square Feet</b>            |
| <b>Average Rent For Units Surveyed</b>                        | <b>\$1,480 Per Month</b>           |
| <b>Average Rent Per Square Foot For Units Surveyed</b>        | <b>\$1.70 Per Square Foot</b>      |
| <b>Average Overall Vacancy Rate For Units Surveyed</b>        | <b>1.33%</b>                       |
| <b># of Projects Offering Concessions As Of Date Surveyed</b> | <b>0 Projects</b>                  |

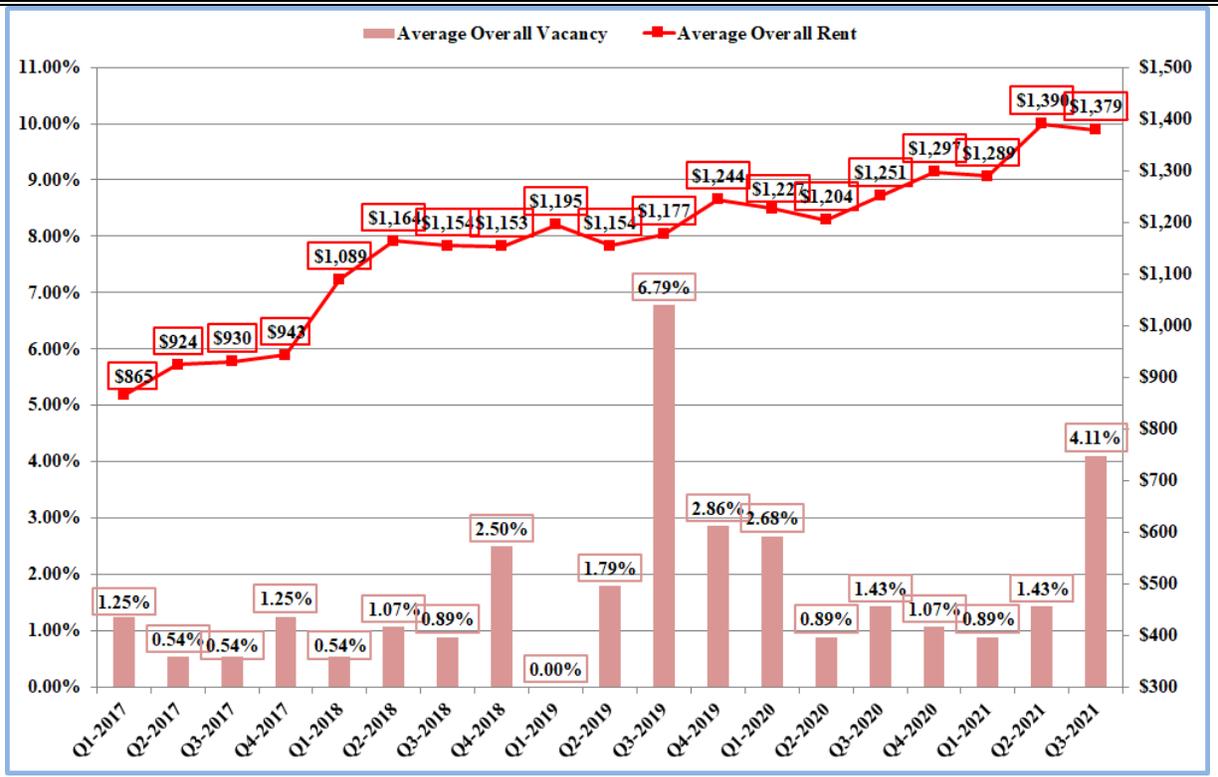




| Category   | 3 <sup>rd</sup> Quarter 2021 |
|--|------------------------------|
| Total Projects Surveyed                                | 7 Projects                   |
| Total Units Surveyed                                   | 1,210 Units                  |
| Average Square Feet Per Unit Surveyed                  | 804± Square Feet             |
| Average Rent For Units Surveyed                        | \$1,142 Per Month            |
| Average Rent Per Square Foot For Units Surveyed        | \$1.42 Per Square Foot       |
| Average Overall Vacancy Rate For Units Surveyed        | 1.57%                        |
| # of Projects Offering Concessions As Of Date Surveyed | 0 Projects                   |



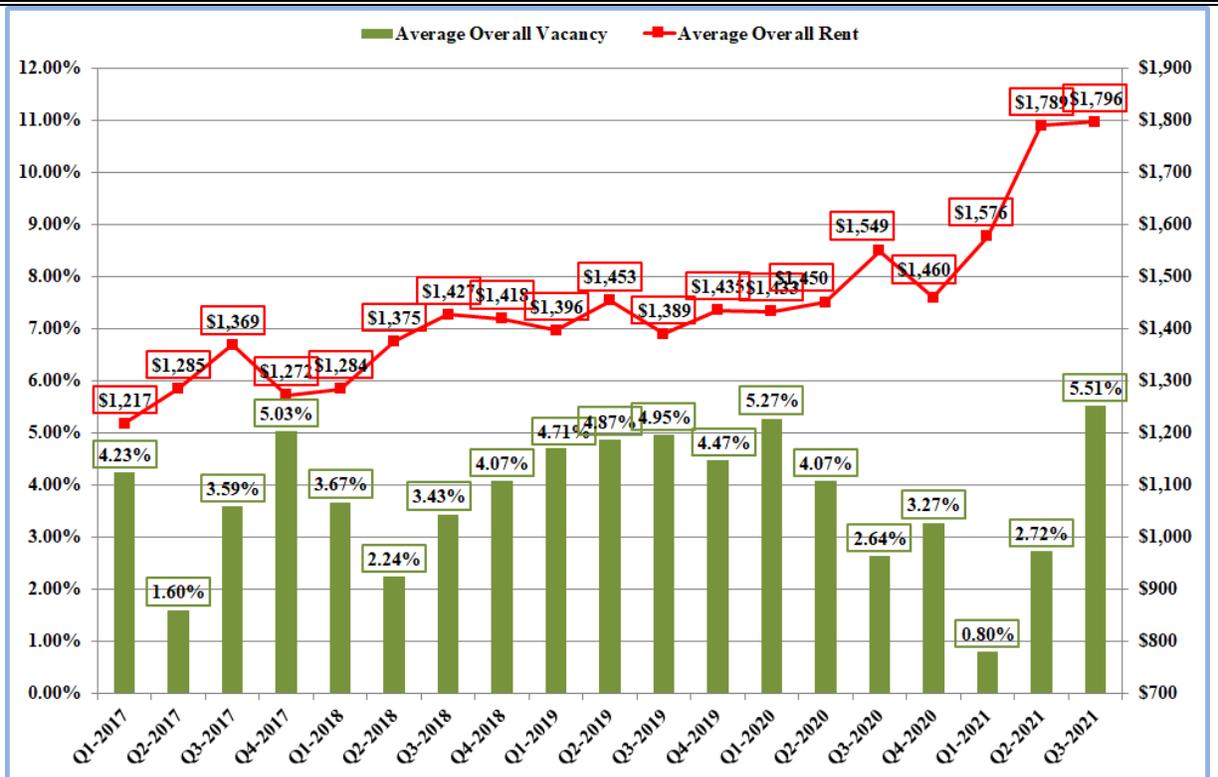
**AREA 8-AIRPORT AVERAGE RENT & VACANCY DATA**



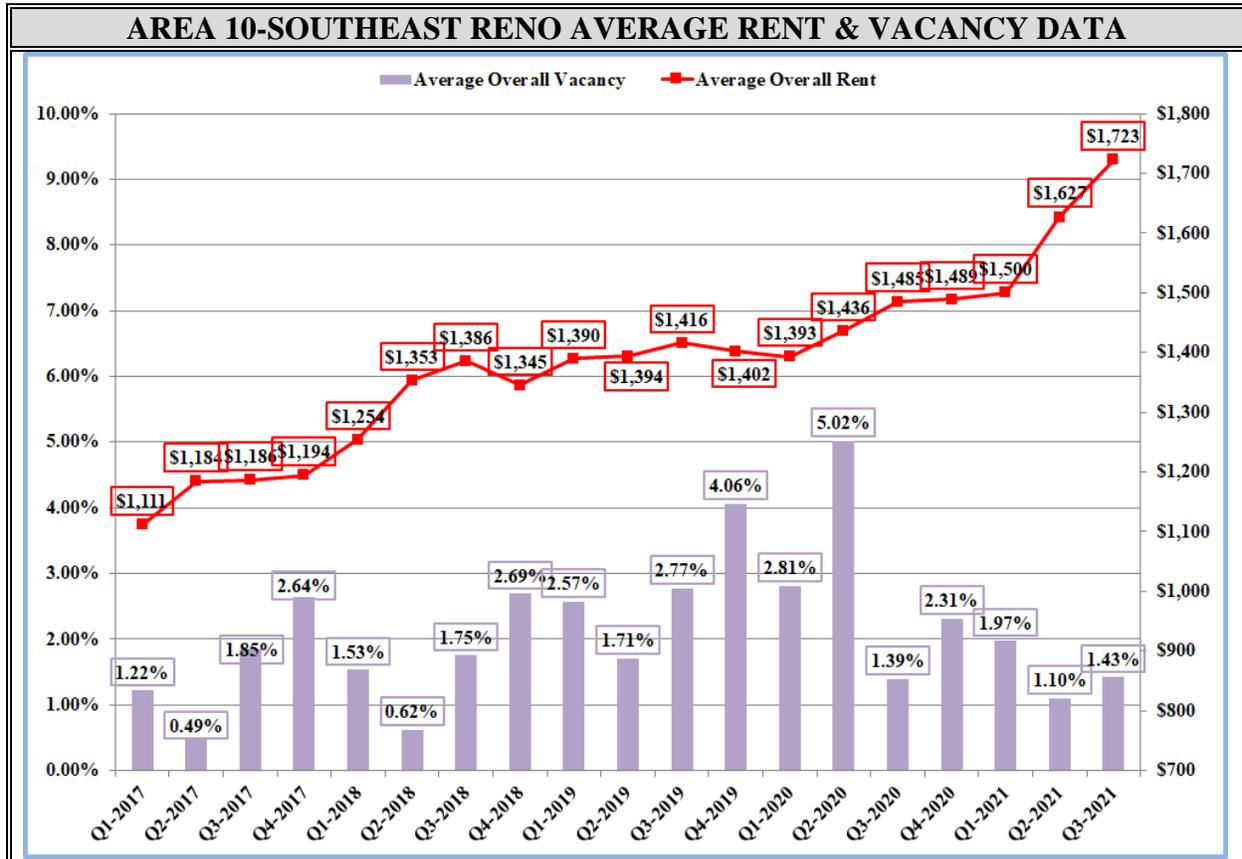
| Category   | 3 <sup>rd</sup> Quarter 2021 |
|--|------------------------------|
| Total Projects Surveyed                                | 4 Projects                   |
| Total Units Surveyed                                   | 560 Units                    |
| Average Square Feet Per Unit Surveyed                  | 850± Square Feet             |
| Average Rent For Units Surveyed                        | \$1,379 Per Month            |
| Average Rent Per Square Foot For Units Surveyed        | \$1.62 Per Square Foot       |
| Average Overall Vacancy Rate For Units Surveyed        | 4.11%                        |
| # of Projects Offering Concessions As Of Date Surveyed | 1 Project                    |



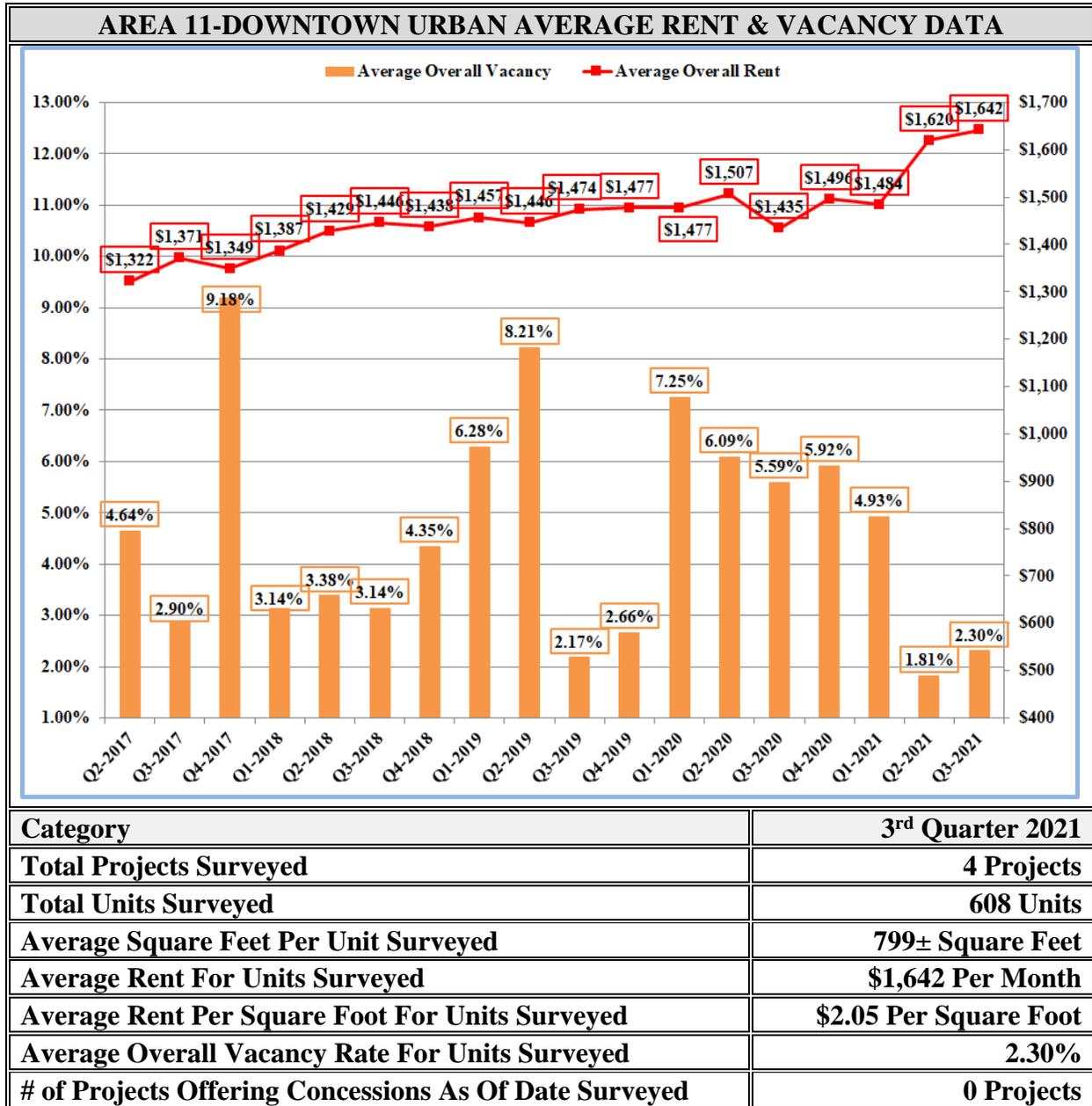
**AREA 9-LAKERIDGE AVERAGE RENT & VACANCY DATA**

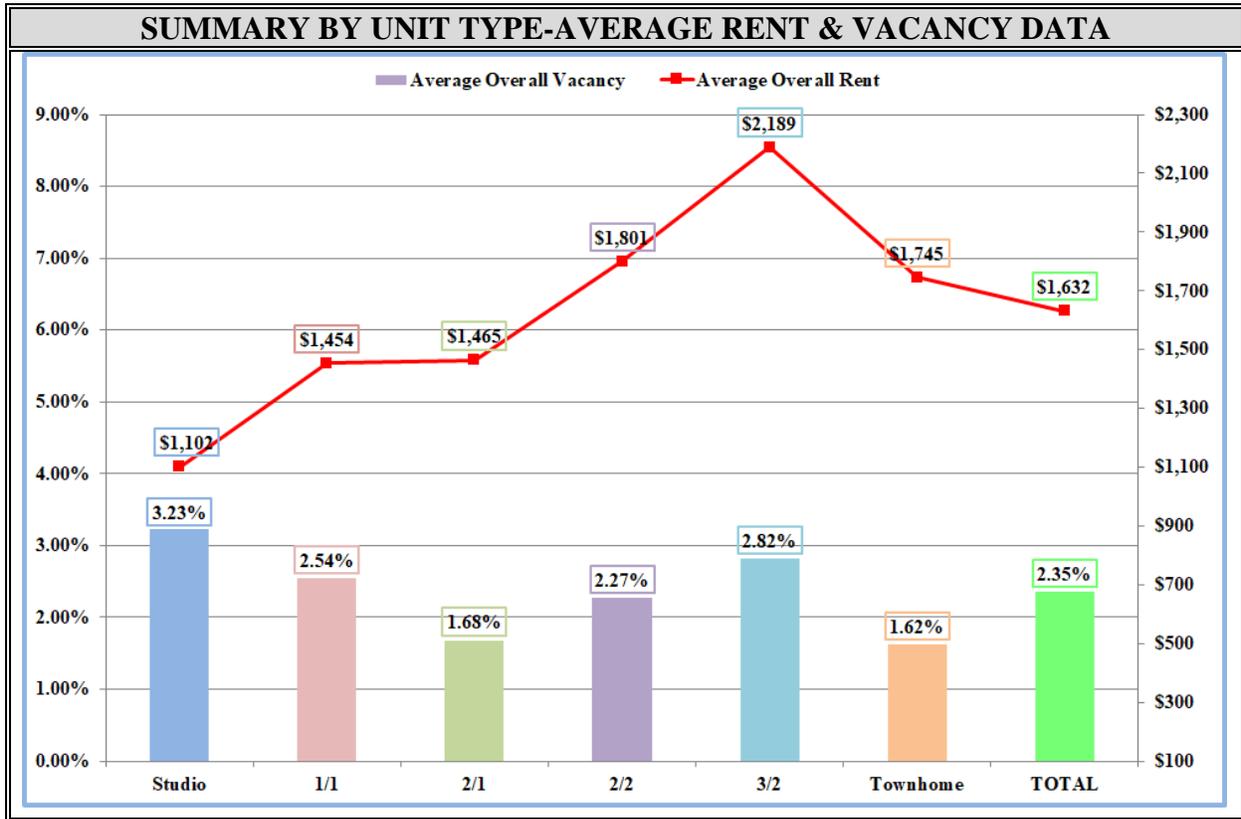


| Category   | 3 <sup>rd</sup> Quarter 2021 |
|--|------------------------------|
| Total Projects Surveyed                                | 5 Projects                   |
| Total Units Surveyed                                   | 1,252 Units                  |
| Average Square Feet Per Unit Surveyed                  | 927± Square Feet             |
| Average Rent For Units Surveyed                        | \$1,796 Per Month            |
| Average Rent Per Square Foot For Units Surveyed        | \$1.94 Per Square Foot       |
| Average Overall Vacancy Rate For Units Surveyed        | 5.51%                        |
| # of Projects Offering Concessions As Of Date Surveyed | 1 Project                    |



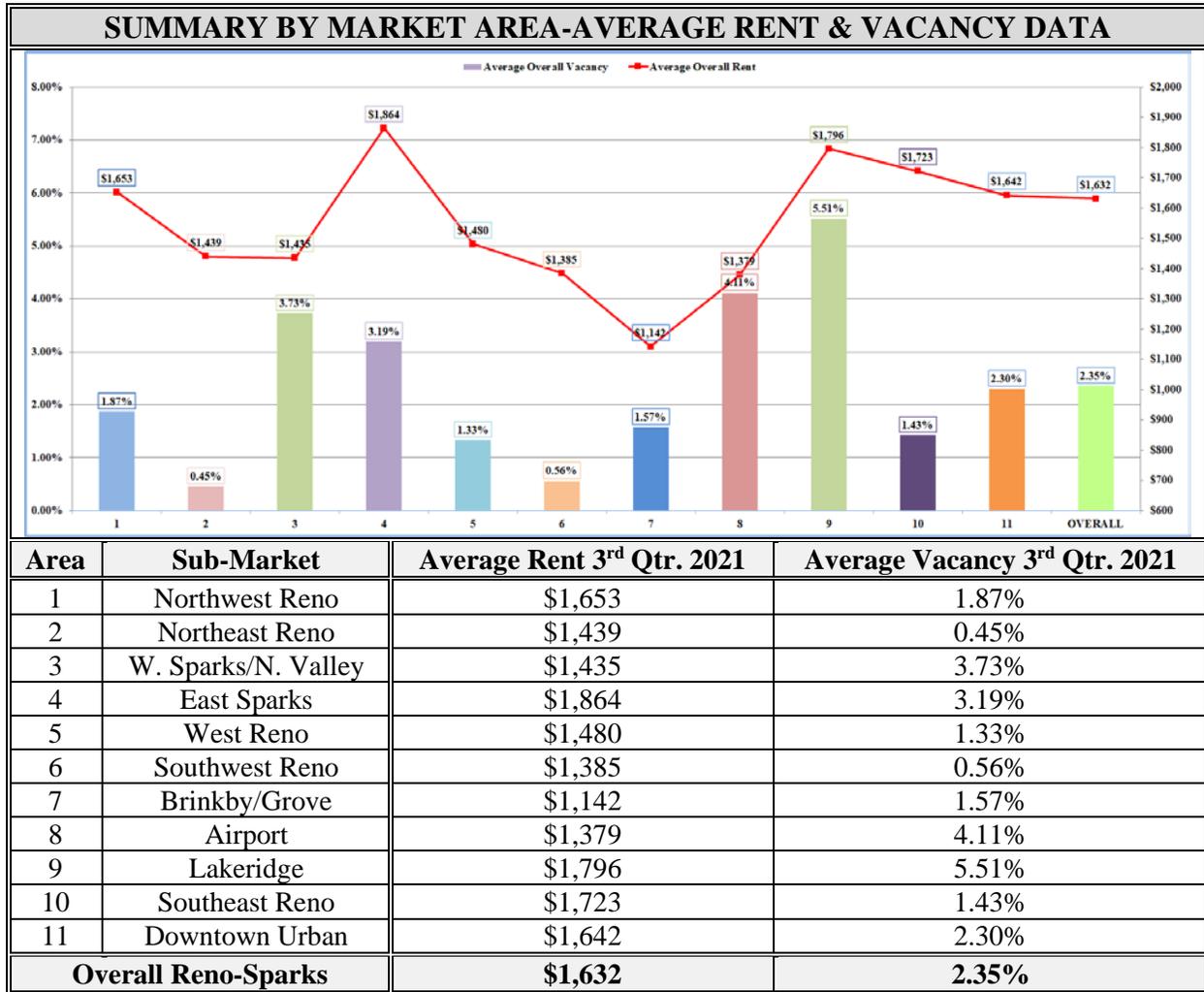
| Category  | 3 <sup>rd</sup> Quarter 2021  |
|---|-------------------------------|
| <b>Total Projects Surveyed</b>                                | <b>18 Projects</b>            |
| <b>Total Units Surveyed</b>                                   | <b>6,521 Units</b>            |
| <b>Average Square Feet Per Unit Surveyed</b>                  | <b>931± Square Feet</b>       |
| <b>Average Rent For Units Surveyed</b>                        | <b>\$1,723 Per Month</b>      |
| <b>Average Rent Per Square Foot For Units Surveyed</b>        | <b>\$1.85 Per Square Foot</b> |
| <b>Average Overall Vacancy Rate For Units Surveyed</b>        | <b>1.43%</b>                  |
| <b># of Projects Offering Concessions As Of Date Surveyed</b> | <b>2 Projects</b>             |





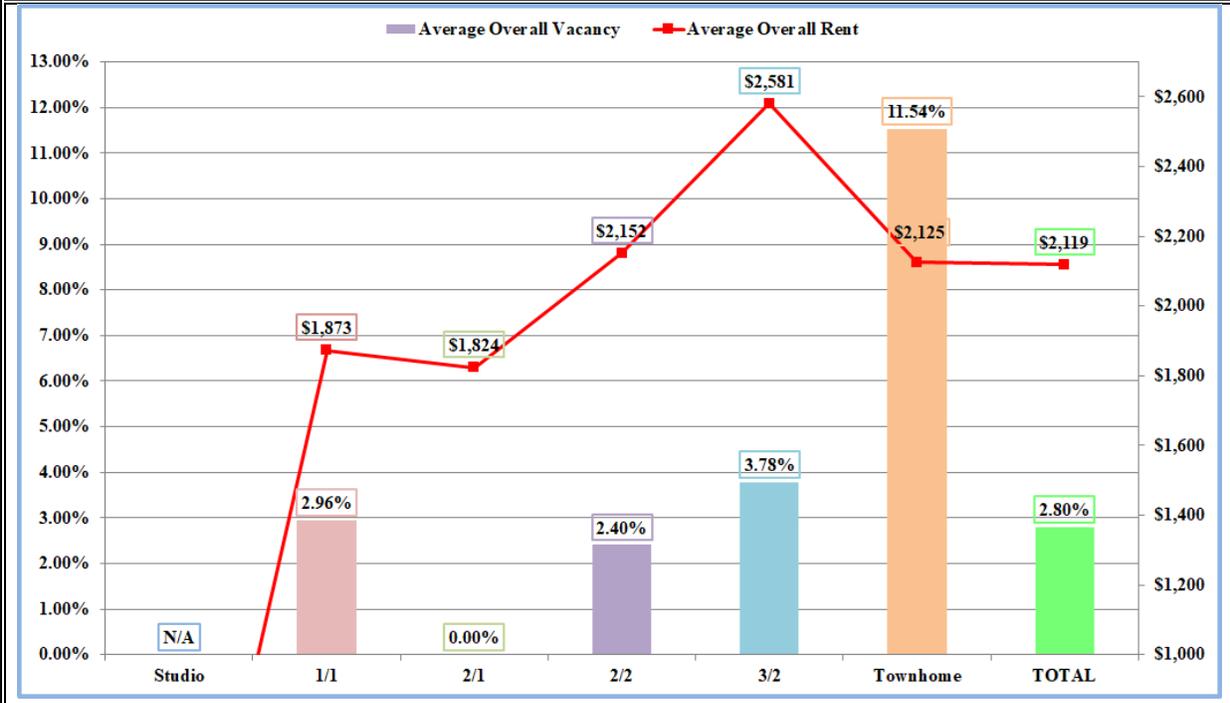
**AVERAGE SIZE, RENT & VACANCY RATE BY UNIT TYPE**

| CATEGORY                            | STUDIOS | 1 BED/<br>1 BATH | 2 BED/<br>1 BATH | 2 BED/<br>2 BATH | 3 BED/<br>2 BATH | TOWNHOMES | TOTALS  |
|-------------------------------------|---------|------------------|------------------|------------------|------------------|-----------|---------|
| Average SF-By Unit Type             | 421 SF  | 728 SF           | 862 SF           | 1,060 SF         | 1,294 SF         | 1,256 SF  | 909 SF  |
| Average Rent-By Unit Type           | \$1,102 | \$1,454          | \$1,465          | \$1,801          | \$2,189          | \$1,745   | \$1,632 |
| Average Rent/SF-By Unit Type        | \$2.62  | \$2.00           | \$1.70           | \$1.70           | \$1.69           | \$1.39    | \$1.79  |
| Indicated Vacancy Rate-By Unit Type | 3.23%   | 2.54%            | 1.68%            | 2.27%            | 2.82%            | 1.62%     | 2.35%   |





**15 PROPERTIES WITH HIGHEST AVERAGE RENTS  
 AVERAGE RENT & VACANCY DATA**



| CATEGORY                            | STUDIOS | 1 BED/<br>1 BATH | 2 BED/<br>1 BATH | 2 BED/<br>2 BATH | 3 BED/<br>2 BATH | TOWNHOME | TOTALS      |
|-------------------------------------|---------|------------------|------------------|------------------|------------------|----------|-------------|
| Total Number of Units-By Unit Type  | N/A     | 1,556 Units      | 24 Units         | 2,621 Units      | 661 Units        | 26 Units | 4,888 Units |
| Average SF-By Unit Type             | N/A     | 795 SF           | 993 SF           | 1,150 SF         | 1,388 SF         | 1,154 SF | 1,069 SF    |
| Average Rent-By Unit Type           | N/A     | \$1,873          | \$1,824          | \$2,152          | \$2,581          | \$2,125  | \$2,119     |
| Average Rent/SF-By Unit Type        | N/A     | \$2.36           | \$1.84           | \$1.87           | \$1.86           | \$1.84   | \$1.98      |
| Indicated Vacancy Rate-By Unit Type | N/A     | 2.96%            | 0.00%            | 2.40%            | 3.78%            | 11.54%   | 2.80%       |



| <b>SURVEY PARTICIPANTS</b>   |                                 |
|--|---------------------------------|
| <b>Special thanks to the following apartment complexes for their continued and reliable support:</b> |                                 |
| 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          |
| Silver Ridge Apartments  | Edge Water at Virginia Lake     |
| The Boulders   | Lakeview Apartments             |
| The Villas at Keystone Canyon  | Plumas Gardens                  |
| Truckee River Terrace  | Sundance West                   |
| Vida   | Willowbrook Apartments          |
| Vista Ridge Apartments   | Ala Moana Apartments            |
| Vizcaya Hilltop Apartments   | Century Park Apartments         |
| Westcreek Apartments   | Palace Apartments               |
| Westridge Apartments   | Regency Park Apartments         |
| El Chaparral   | Roselake Apartments             |
| Green Pines  | Sherwood Forest                 |
| Northtowne Summit  | Southwest Village               |
| Reno Vista Apartments  | 2300 West                       |
| Riverwood Apartments   | Brooktree Apartments            |
| The View Apartments  | Kirman Gardens                  |
| Keyway Apartments  | The Meadows II                  |
| Lansdowne House  | Aspen Ridge                     |
| North Peak Apartments  | Lakeridge East Apartments       |
| Parq Crossing  | Redfield Ridge                  |
| Sandpebble   | Ascent on Steamboat             |
| Sierra Point Apartments  | The Lodge at McCarran Ranch     |
| Sierra Sage Apartments   | Bristle Pointe                  |
| Sierra View Apartments   | Creekside Apartments            |
| Sierra Woods   | Harvest at Damonte Ranch        |
| Silver Lake Apartments   | Horizons at South Meadows       |
| Sky Vista Commons  | INOVA                           |
| Spanish Oaks   | Latitude 39                     |
| Stonegate Apartments   | Meadowood Apartments            |
| The Bungalows at Sky Vista   | 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                      |
| The Trails at Pioneer Meadows  |                                 |