

RENO, NV

2022 MARKET AT A GLANCE

Occupancy Rate

96.7%



DOWN 30 BPS YOY

Effective Rent

\$1,651



UP 7.0% YOY

Rent Share of Wallet

33.0%



UP 120 BPS YOY

Population and Employment Growth Create High Apartment Demand

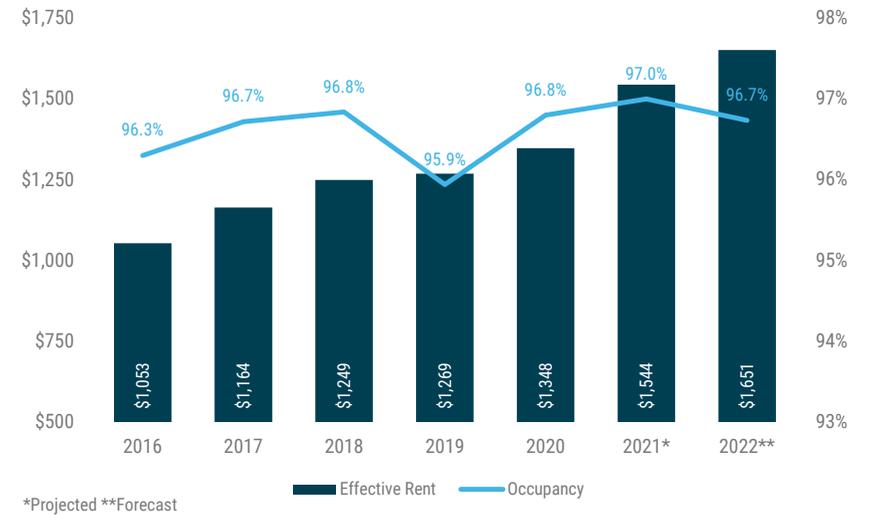
Heading into 2022, the Reno apartment market is projected to continue to experience heightened demand and deliveries. An estimated 2,900 units are forecast to be absorbed in 2022, increasing 24.9% year over year. Meanwhile, more than 3,100 new apartment units are set to go online in 2022, rising 35.8% annually. Over the past five years, Greater Reno had an average of approximately 1,400 units come online per year. The projected jump of high deliveries in 2022 is partially due to construction delays during the pandemic and an average of over 3,000 permits per month issued in 2019, which is relatively high for the metro. The Reno MSA's rising apartment demand is fueled by Reno's growing population. As pandemic restrictions have lifted, the metro's population growth has begun to recover back to pre-pandemic norms and is forecast to increase 1.5% by year-end 2022. Part of the population growth will involve approximately 6,600 people moving to the area than leaving over the next 12 months. The draw to Greater Reno is partially due to the metro's location near attractions such as Lake Tahoe and popular mountain resorts in the Sierra Nevada's as well as employment growth. After 2021 employment surpassed pre-pandemic levels, the workforce is predicted to reach 263,600 total nonfarm workers by year-end. Businesses in the trade, transportation, and utilities sector are expected to add the most net jobs compared to other sectors in the metro, with 2,300 jobs.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

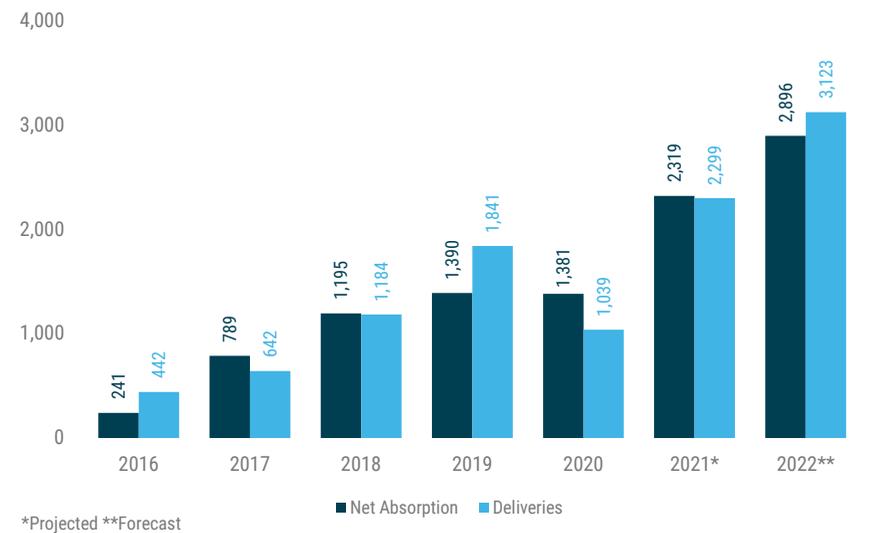
2022 FORECAST

APARTMENT TRENDS

Effective Rent & Occupancy

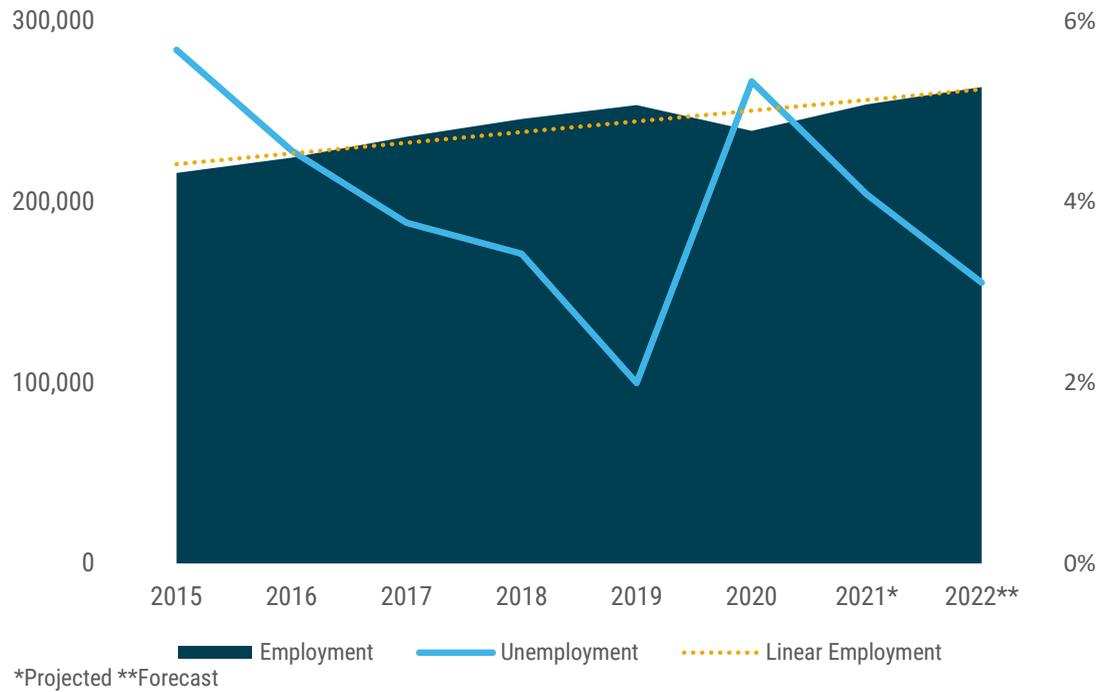


Absorption & Deliveries



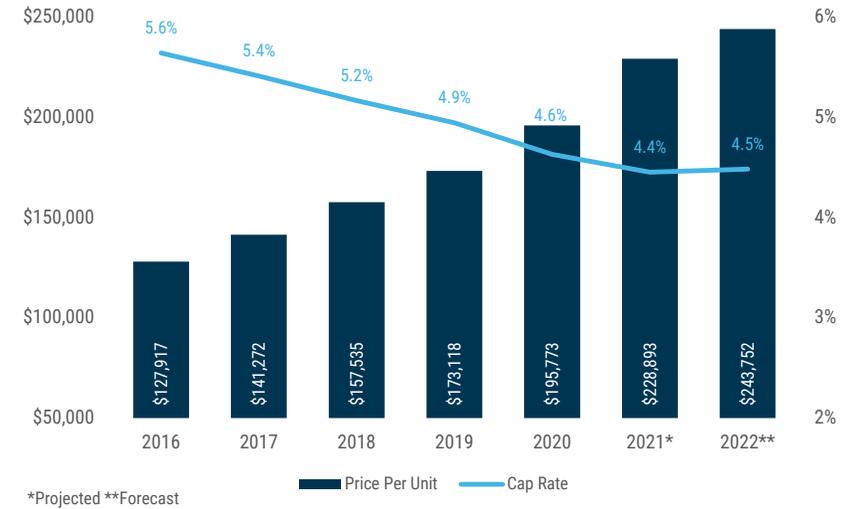
EMPLOYMENT TRENDS

Market Employment Trends



SALES TRENDS

Price Per Unit & Cap Rate



Employment

263,600



UP 3.8% YOY

Unemployment

3.1%



DOWN 100 BPS YOY

Median Household Income

\$60,032



UP 2.9% YOY

Price Per Unit

\$243,752



UP 6.5% YOY

Cap Rate

4.5%



UP 10 BPS YOY