

# RENO, NV

## 2023 MARKET AT A GLANCE

Occupancy Rate

94.8%



DOWN 50 BPS YOY

Effective Rent

\$1,649



UP 2.7% YOY

Rent Share of Wallet

24.3%



UNCHANGED YOY

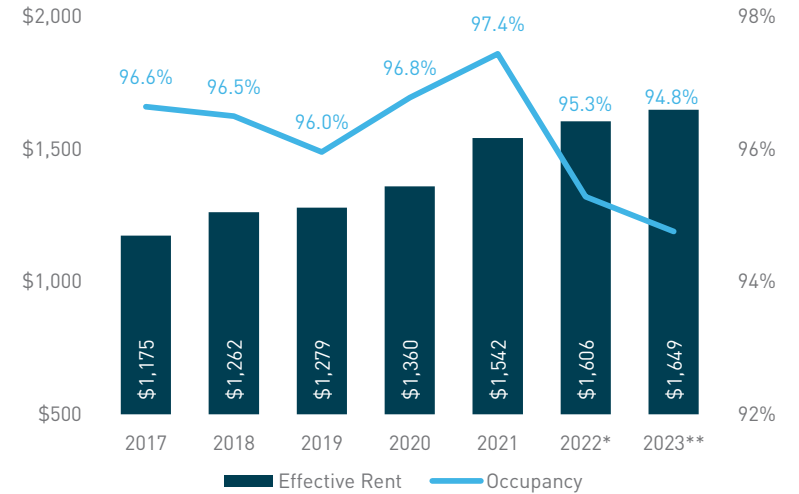
## Economic and Population Growth to Keep Reno Apartment Fundamentals Strong into 2023

Reno's diversifying economy has resulted in a trend of strong apartment demand and increased deliveries that is expected to continue into 2023. More than 2,100 units are scheduled to be delivered in 2023, which is 26.5% above the five-year average. The Reno apartment market continues to experience heightened demand and deliveries because of its relatively low cost of living and growing economy. The overall cost of living index for Reno is 23.9% lower than neighboring California. The continued flow of residents opting out of higher cost markets such as San Francisco has driven developers to add supply to this market. The North Reno submarket will see the most new supply with 511 units scheduled to come online in 2023. The North Reno submarket is attractive to prospective renters due to its proximity to ample employment opportunities. Employers in Greater Reno are predicted to add more than 4,000 jobs in 2023, in line with the five-year average. The trade, transportation, and utilities employers are expected to add the most jobs in the metro, with an increase of 1,000 jobs, many of which are slated for the North Reno submarket. With these strong fundamentals in place, apartment operators can expect the Reno market to perform well in 2023. Monthly effective rent is forecast to increase 2.7% year over year to \$1,649 by the fourth quarter of 2023. With leasing activity expected to stay consistent through 2023, the average occupancy is forecasted to end the year at 94.8%, in line with the annual five-year average.

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 2022 are projected values. 2023 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.

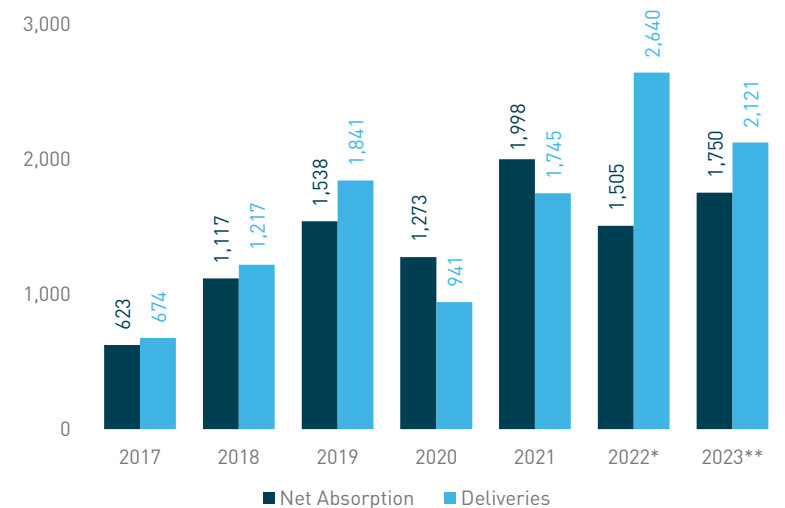
## Apartment Trends

### Effective Rent & Occupancy



\*Projected \*\*Forecast

### Absorption & Deliveries

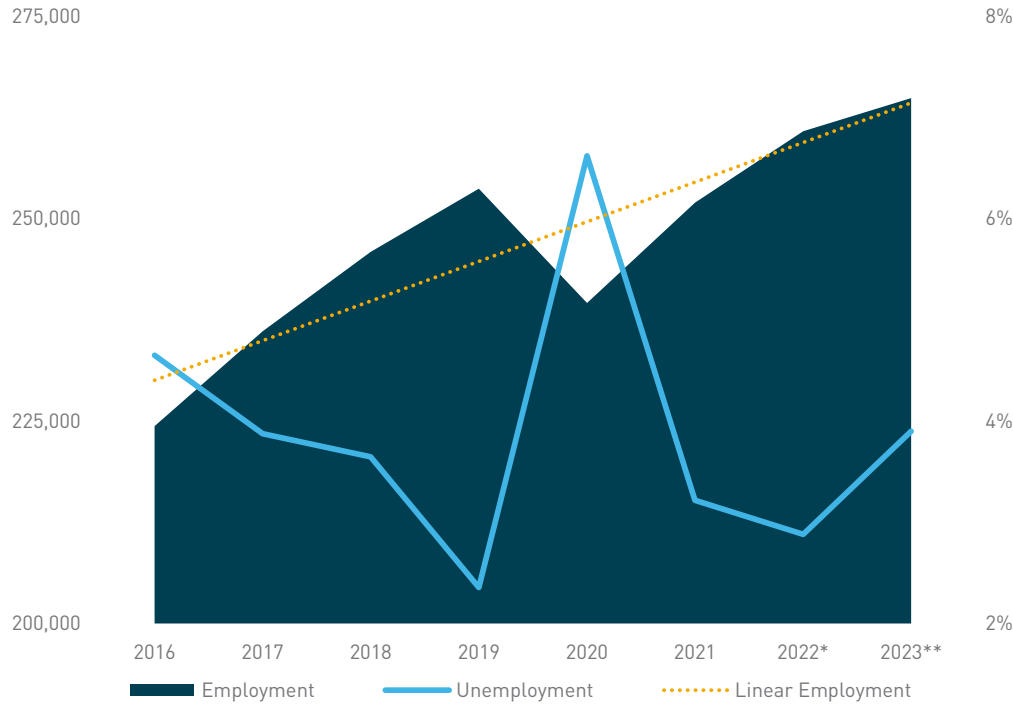


\*Projected \*\*Forecast

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## Employment Trends

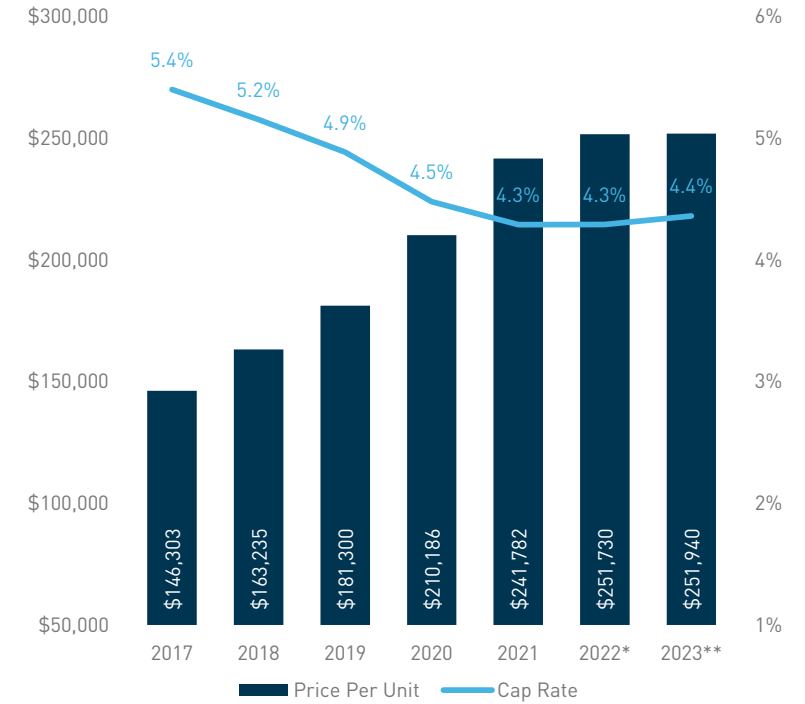
Market Employment Trends



\*Projected \*\*Forecast

## Sales Trends

Price Per Unit & Cap Rate



\*Projected \*\*Forecast

Employment

264,900



UP 1.6% YOY

Unemployment

3.9%



UP 100 BPS YOY

Median Household Income

\$81,538



UP 2.9% YOY

Price Per Unit

\$251,940



UP 0.1% YOY

Cap Rate

4.4%



UP 10 BPS YOY