

Q3 2023 | MULTIFAMILY REPORT

SALES
LEASING
INVESTMENTS



CHRIS SHANKS, CCIM
cshanks@dicksoncg.com
775.762.7103 **CELL**
S.167217

MATT DERICCO
mdericco@dicksoncg.com
775.336.8412 **CELL**
S.187965

NORTHERN NEVADA

2023 SALES OUTLOOK

Multi family sales volume in Q3 2023 included 27 different sales and totaled \$82,438,399 in Washoe County. Over 50% of the volume came from Northland's \$46.2MM purchase of 2300 Harvard Way.

Higher rates and economic headwinds continue to put many investors on the sidelines, with the majority of transaction volume coming from buyers in a 1031 exchange. We expect investors to remain patient going into the beginning of 2024 as negative spreads between cap rates and debt, coupled with economic uncertainty begin to sort themselves out over the next 6-18 months.

Given the economic uncertainty, tighter lending standards and higher borrowing costs, accurate and detailed underwriting continues to be as important as ever when solving for risk-adjusted returns.

RENO MULTI FAMILY RENTAL TRENDS

Average rental rates decreased \$8 from Q2 2023 to Q3 2023 to \$1,653. Overall vacancy increased to 2.73%. Interest rate increases have impacted the demand of the rental market as rents have been relatively flat the last year. New renters continue to enter the market, but we are continuing to see rent concessions and slower absorption rates on larger new developments across Northern Nevada.

2023 Q3 Sales Volume: \$82,428,399

2022 Sales Volume: \$869,004,792

2021 Sales Volume: \$855,034,849

Q3 2023

SALES VOLUME
\$82,428,399

OF TRANSACTIONS
27

PRICE PER DOOR
\$258,536

Q2 2023

SALES VOLUME
\$289,086,472

OF TRANSACTIONS
10

PRICE PER DOOR
\$235,964



ADDRESS	TYPE	CAP RATE	# OF UNITS	PRICE/UNIT	SALES PRICE PRICE/SF	NOTES
2300 HARVARD WAY RENO, NV 89502	MULTI FAMILY	5.15%	220	\$210,000	\$46,200,000 \$226.51 PSF	220 UNIT COMPLEX IN CENTRAL RENO PURCHASED BY NORTHLAND.
475 GRAND CANYON BLVD. RENO, NV 89502	MULTI FAMILY	5.12%	24	\$187,500	\$4,500,000 \$377.07 OSF	24 UNIT COMPLEX IN MIDTOWN.
815-817 ORIOLE WAY INCLINE VILLAGE, NV 89451	MULTI FAMILY	N/A	8	\$486,875	\$3,895,000 \$542.78 PSF	8 UNIT COMPLEX IN INCLINE VILLAGE LAKE TAHOE.
64 PARK ST. RENO, NV 89502	MULTI FAMILY	5.00%	14	\$271,428.57	\$3,800,000 \$414.49 PSF	NEW CONSTRUCTION. 14 UNIT COMPLEX IN DOWNTOWN RENO.
645 S VIRGINIA ST. RENO, NV 89501	MULTI FAMILY	N/A	15	\$200,000	\$3,000,000 \$323.45 PSF	MIDTOWN MANOR COMPLEX IN MIDTOWN.
570 GRAND CANYON BLVD. RENO, NV 89502	MULTI FAMILY	4.43%	13	\$179,230.77	\$2,330,000 \$265.98 PSF	13 UNIT COMPLEX IN MIDTOWN.
1125-1175 BERRUM LN RENO, NV 89509	MULTI FAMILY	5.55%	8	\$250,000	\$2,000,000 \$241.84 PSF	8 UNIT COMPLEX IN CENTRAL RENO.
2555 G ST SPARKS, NV 89431	MULTI FAMILY	4.64%	10	\$175,500	\$1,755,000 \$247.04	10 UNIT COMPLEX IN SPARKS.
1785 KIRMAN AVE. RENO, NV 89502	MULTI FAMILY	N/A	8	\$145,000	\$1,160,000 \$224.81 PSF	8 UNIT COMPLEX EAST OF MIDTOWN.



Q3 2023 RENO MULTIFAMILY
AVERAGE CAP RATE

5.265%



Q3 2023 RENO MULTIFAMILY
AVERAGE P/DOOR

\$258,536



Q3 2023 RENO MULTIFAMILY
AVERAGE P/SF

\$345.45

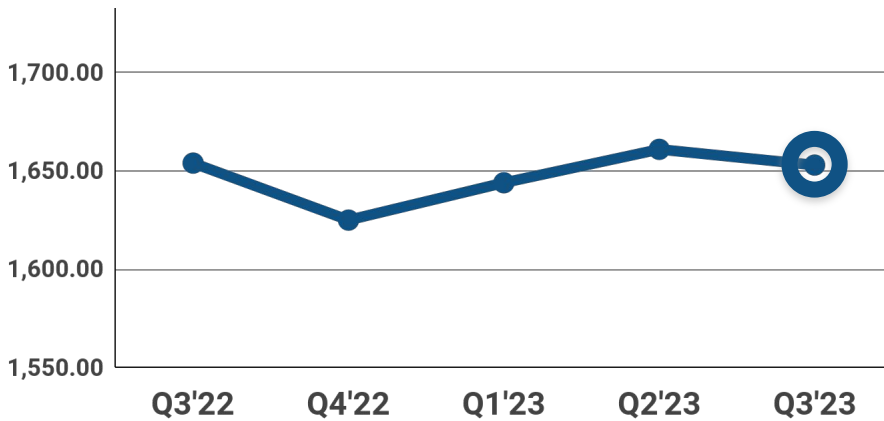


Q3 2023 RENO MULTIFAMILY
AVERAGE P/BED

\$165,157

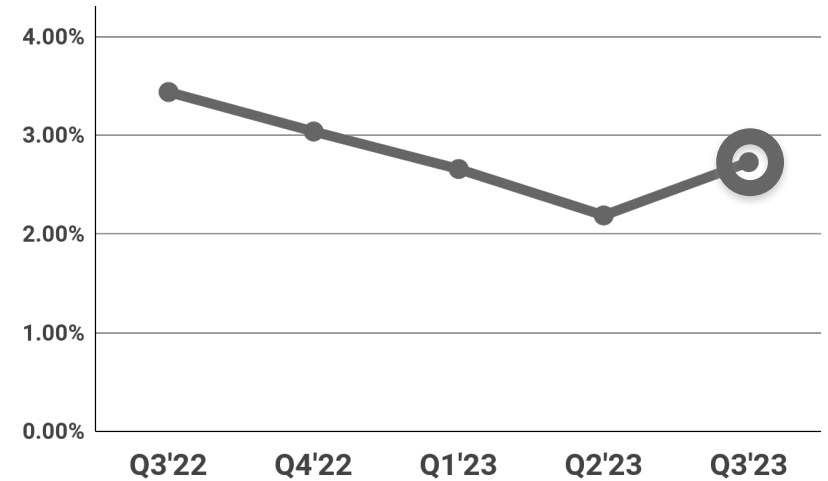
Q3 2023 Reno
Multifamily Average
Rental Rate

\$1,653



Q3 2023 Reno
Multifamily Average
Vacancy

2.73%

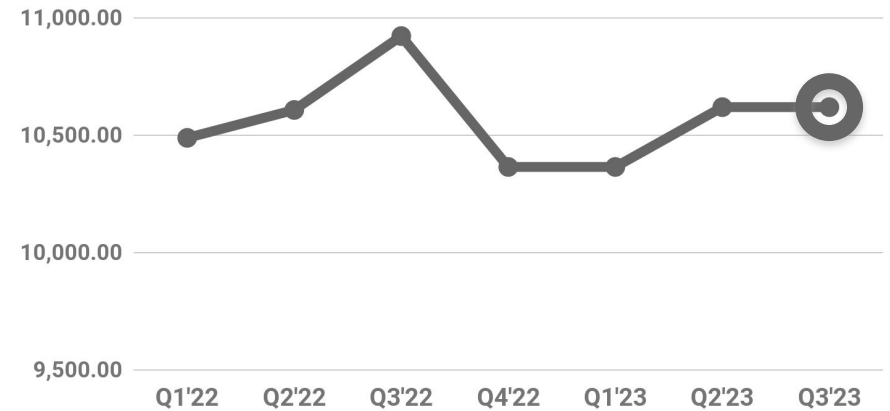


Reno Multifamily Construction Overview

Total units planned or under construction remained at 10,620 units last quarter. **Lack of developable land, rising cost of capital, and cost of construction continue to be the most influential factors hindering new multifamily supply.** On the demand side, job growth continues to increase as corporations expand or desire to move to the area. Nevada inbound moves have been some of the highest in the nation and affordability issues in Single Family housing push demand higher for multifamily inventory.

Reno Multifamily Average Total Units

10,620



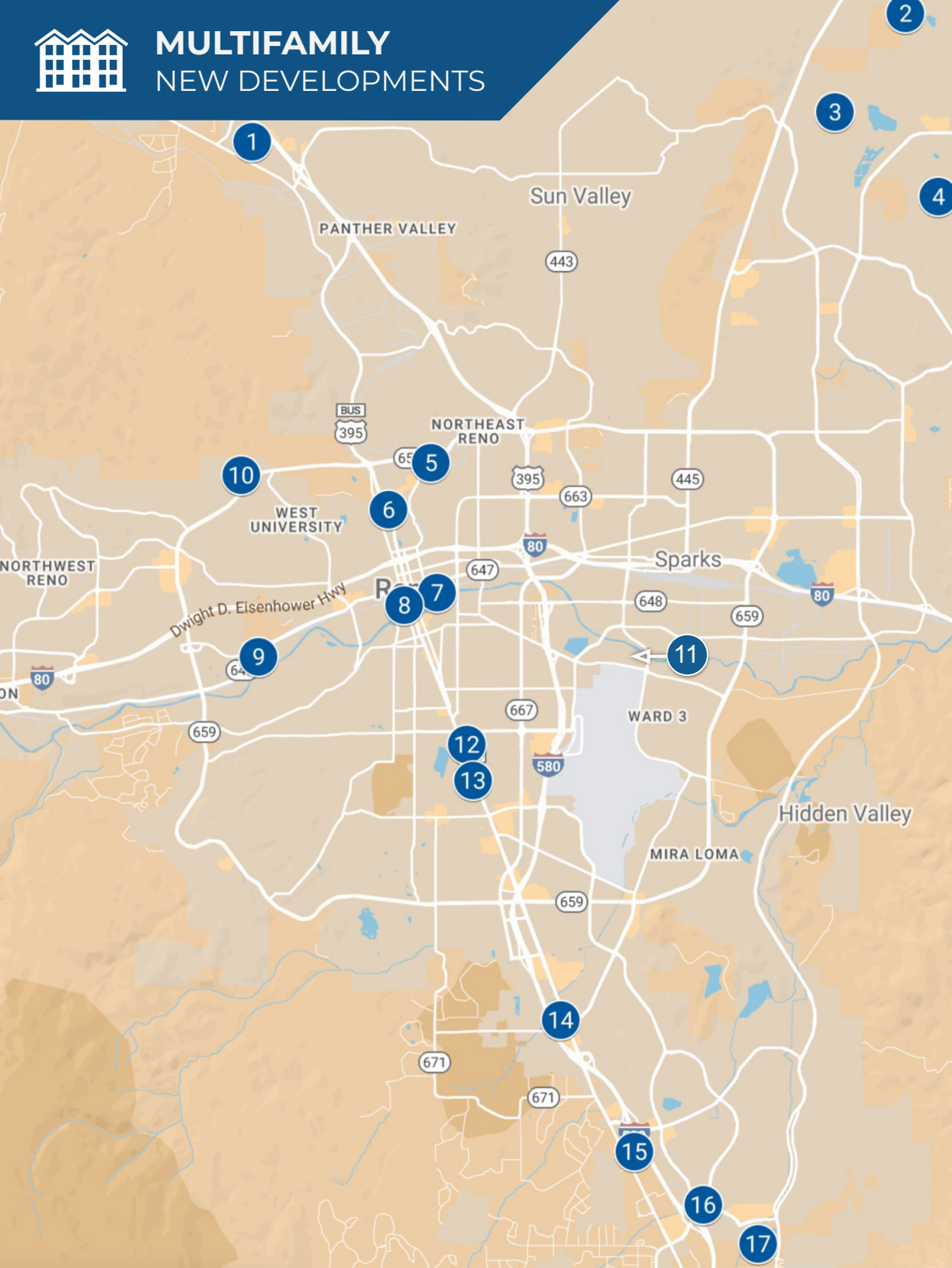
PLANNED MF CONSTRUCTION - 4,993



MF UNDER CONSTRUCTION - 5,627



MULTIFAMILY NEW DEVELOPMENTS



- 1 **Lemon Landing** - 342-units
- 2 **Stonebrook Apartments**- 396 units
- 3 **Homecoming at Kiley Ranch**- 306 units
- 4 **Rowan Apartments**- 360 units
- 5 **The Edison** - 232 units (Student Housing)
- 6 **The Dean**- 196 units (Student Housing)
- 7 **Ballpark Apartments**- 369 units
- 8 **Reno City Center**- 530 units
- 9 **The Retreat**- 283 units
- 10 **The Overlook @ Keystone Canyon** - 342 units
- 11 **The Kallan**- 242 units
- 12 **Atwood @ RED**- 359 units
- 13 **The Halcyon** - 330 units
- 14 **Elysium** - 270 units
- 15 **Integra Peaks** - 300 units
- 16 **Palomino** - 328 units
- 17 **Indigo** - 260 units

DOWNTOWN MULTIFAMILY DEVELOPMENTS

VESTA APARTMENTS

40-Unit Located in Midtown



EL CENTRO

26 studios for homeless subsidized by the HUD RAD program



CAL AVE STUDIOS

36 luxury units with modern design



RIVERSIDE APARTMENTS

34 units with ground level parking and retail space



PINE STREET TOWNHOMES

49 three-story unit tentative map with garage



HIGH STREET TOWNHOMES

16 modern spacious units



EDEN TOWERS

4-stories with 34-units



64 PARK ST

14 units



307 PINE

12 luxury units with modern design



602 KUENZLI STREET

9 units with commercial space



MAJOR DOWNTOWN RENO DEVELOPMENTS

RENO ENTERTAINMENT DISTRICT

1,300 Luxury units, 70,000+ sf of retail, 170-room Hotel, and a 2-Acre Park



245 NORTH ARLINGTON

65 units within Jacobs Entertainments' Reno Neon Line District



301 STATE

88 units



RYLAND APARTMENTS

118 units



5TH AND VINE APARTMENTS

302 units



MOD 2

69 units, five-stories



RIVERBOAT HOTEL APARTMENTS

105 studio units, one and two-bedroom units



RENO CITY CENTER

530 units, 78,500 sf of retail & 150,000 sf of office space



CANYON FLATS

158 units accommodating up to 508 students



661 LAKE STREET

475 unit student housing, 13-stories, including 5-story parking garage & 4,000 sf retail space



PARK PLACE

Five-story building with 762 beds within 267 units





CHRIS SHANKS, CCIM
cshanks@dicksoncg.com
775.762.7103 **CELL**

Chris has been in the commercial real estate industry since 2006 and has participated in brokering over \$650 million dollars in real estate transactions with an average transaction volume over \$6.0 million. Additionally, Chris has completed over 400 Broker Opinion of Values totaling over \$1 billion in commercial real estate valuations. His responsibilities include providing advice, execution, and investment management services to clients engaged in buying, selling, investing in, financing, or building real estate.



MATT DERICCO
mdericco@dicksoncg.com
775.336.8412 **CELL**

Matt graduated from the University of Nevada, Reno in 2019 with a Bachelor of Science in Finance and minor in Economics. Shortly after graduation, Matt joined DCG's Investment Team, specializing in the purchase and sale of Investment Properties. His efforts include, but are not limited to, investment sales and purchase, sale-leasebacks, 1031 exchanges, joint ventures, private placements, and property underwriting. Since joining DCG, Matt has been involved in over \$150 million in transactions with an average transaction volume over \$5.0 million.

INVESTMENT SERVICES

- INVESTMENT SALES & PURCHASES
- JOINT VENTURES
- SALE-LEASEBACKS
- PRIVATE PLACEMENTS
- PROPERTY UNDERWRITING
- 1031 EXCHANGES

