Multi-Family Market Report

Reno Market

PREPARED BY

RE/MAX COMMERCIAL

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CoStar™

MULTI-FAMILY MARKET REPORT

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Overview

12 Mo. Delivered Units	12 Mo. Absorption Units	Vacancy Rate	12 Mo. Asking Rent Growth
1,197	859	4.7%	4.5%

Reno's evolving economy, strong in-migration, and tight unemployment rate have led to many years of outsized demand and some of the highest rent growth in the nation. Metro employment has traditionally been weighted towards two sectors—trade, and leisure and hospitality—but Reno has gained a number of tech giants, achieved prominence as a distribution hub, and won the presence of a significant corporation.

Supply growth was late to come this cycle, but more than 2,000 units have delivered since 2017. Consequently, vacancies have risen since descending to a sub-3% trough in 2017. Further inventory gains are on the horizon: About 3,200 units are under construction. Despite the supply-driven pressure, vacancies continue to fall well below the national average. Rent growth soared to double-digits in 2017, and has remained strong in most recent years.

Annual investment has topped $200 million each year since 2015. While rising prices have played a part in the escalated sales volume, inventory turnover has soared compared to earlier in the cycle. Investment activity in 2019 is off to a healthy start, primarily because of one outsized trade.

KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	9,261	7.1%	$1,526	$1,503	82	92	1,917
3 Star	13,186	4.1%	$1,206	$1,195	3	0	1,283
1 & 2 Star	12,417	3.6%	$926	$921	(2)	0	0
Market	**34,864**	**4.7%**	**$1,223**	**$1,210**	**83**	**92**	**3,200**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.8%	5.5%	5.6%	9.2%	2009 Q4	2.9%	2017 Q2
Absorption Units	859	408	1,084	1,131	2017 Q2	(337)	2009 Q2
Delivered Units	1,197	434	1,310	1,382	2002 Q1	0	2016 Q2
Demolished Units	0	13	19	238	2013 Q2	0	2019 Q1
Asking Rent Growth (YOY)	4.5%	2.9%	1.9%	12.0%	2017 Q2	-7.2%	2009 Q4
Effective Rent Growth (YOY)	4.6%	2.9%	1.9%	13.2%	2017 Q2	-7.3%	2009 Q4
Sales Volume	$211 M	$97.6M	N/A	$387.7M	2018 Q2	$0	2006 Q4

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Vacancy

Reno's vacancy rate has fallen under 4% in most recent years, and that trend continued for much of 2018. However, as of 19Q2, vacancies had increased by about 200 basis points from the 17Q2 all-time low, mainly a result of supply-driven pressures: Roughly 1,000 units came on line in both 2017 and 2018.

The recent vacancy increase notwithstanding, overall demand in recent years has been extraordinary. While new construction was a rare sight in the first half of the cycle, inventory has increased by approximately 9% since 2016. Such a substantial amount of building would typically lead to a significant increase in vacancies. But prior to 18Q4's vacancy surge, occupancy levels were similar to 2016's mark.

Population growth has been one of the primary demand drivers. Over the past 10 years, Reno's population has increased at nearly double the national rate. In-migration, or residents relocating from other metros, particularly those in Southern California and the Bay Area, as well as Sacramento, have accounted for many of the new inhabitants.

Impressively, the population gains have applied little pressure to the employment market. In fact, job growth was among the strongest in the U.S. as of 19Q2. Moreover, the number of jobs has increased at a rate of more than 4% annually since 2015. By comparison, national job growth since 2014 has averaged less than 2%. As a result, Reno's unemployment rate is sub-4% and virtually in line with the tight national level.

Perhaps the most notable jobs news is the addition of Tesla. The State of Nevada proved that it is willing to cut huge tax deals for large companies that do business here when it agreed to forgive 40% of Tesla's taxes for 20 years. In 2016, the company opened the first sections of its 2 million-SF Gigafactory battery manufacturing facility. Once the $5 billion project is complete, it is expected to employ about 10,000 workers. At that point, the Gigafactory will be nearly twice its current size and produce half the world's lithium-ion batteries.

Tesla is not the only tech company to expand in Reno. The metro has increasingly become a popular destination for investment by major tech firms. Apple added a 1.1 million-SF data center and is expanding the facility. Furthermore, in February 2019, the iPhone maker opened a shipping and receiving outpost in downtown Reno. Las Vegas-based Switch similarly opened a 1.3 million-SF data center, and Google recently acquired 1,200 acres of land.

Outside of tech, convenient access to Western states and minimal regulations (interstate trucking is not regulated in Nevada) make Reno an increasingly attractive local and regional distribution hub. With the presence of Union Pacific railroad and a number of trucking and airline carriers, it is possible to ship from Reno to around 80% of the 11 western states on a next-day basis. Retail companies such as Arrow Electronics and Panasonic, as well as fulfillment centers operated by Jet.com and Fosdick have dominated recent industrial leases.

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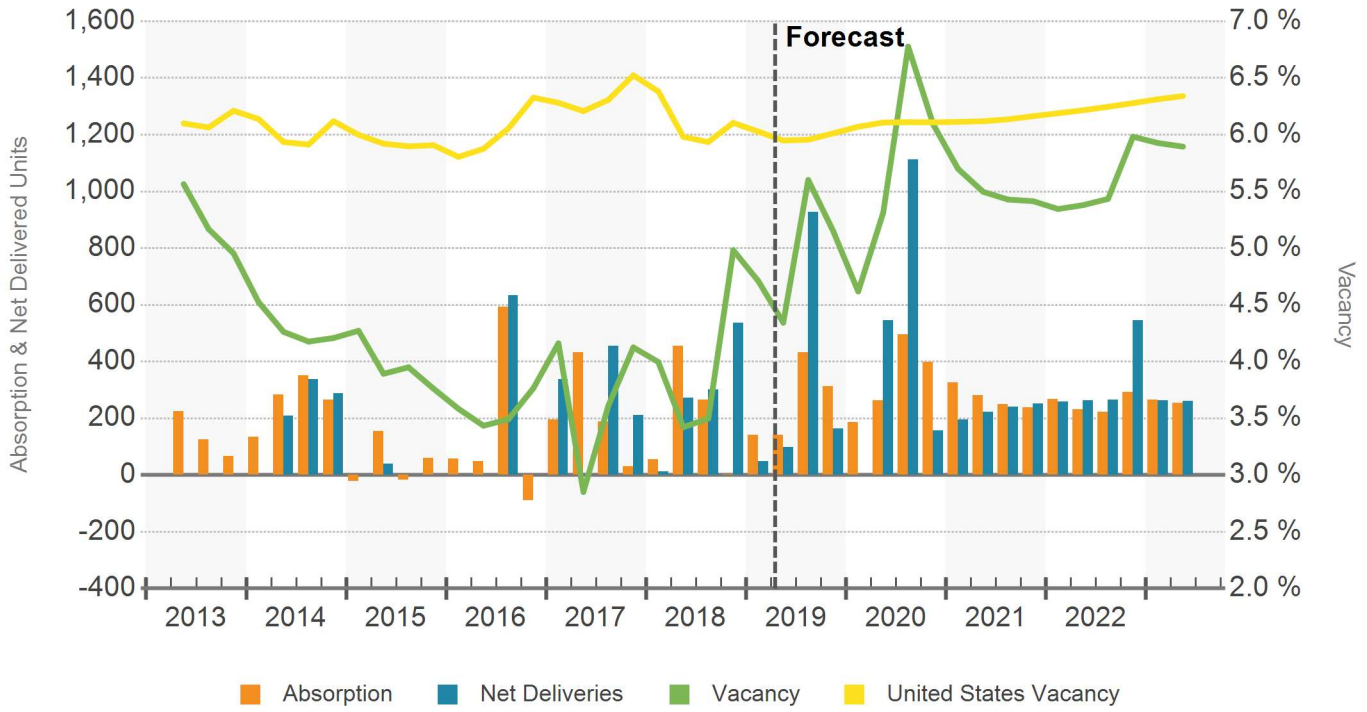
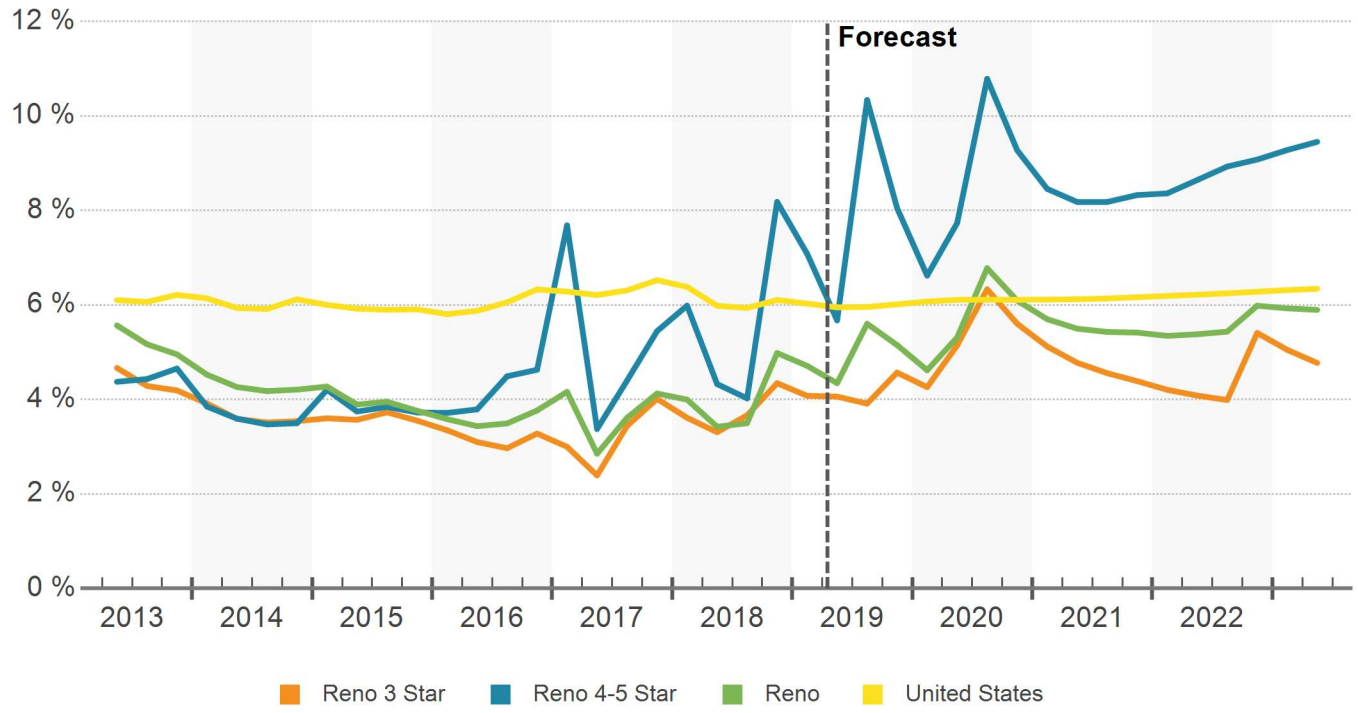
Vacancy

ABSORPTION, NET DELIVERIES & VACANCY



VACANCY RATE



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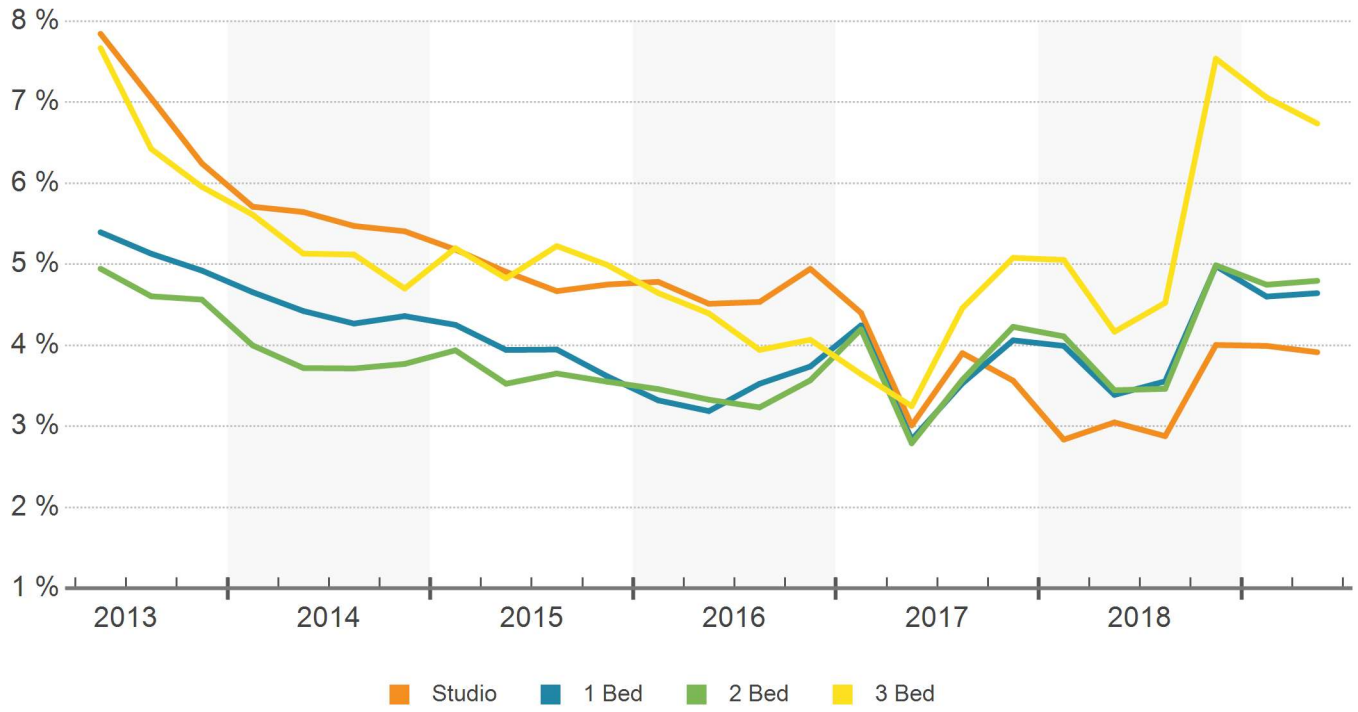
Vacancy

VACANCY BY BEDROOM



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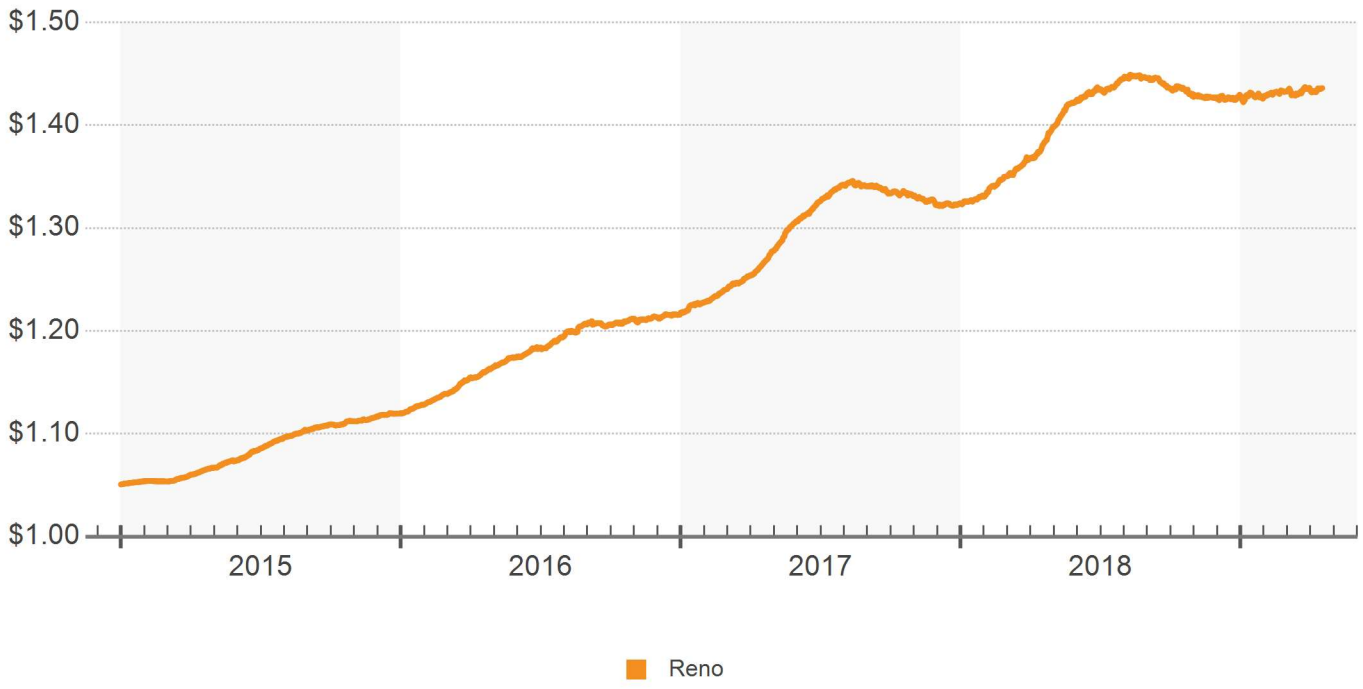
Trailing 12-month rent growth is strong, but gains have declined considerably compared to the pace of recent years. With vacancies at all-time lows, landlords had the ability to put through rent increases at a record pace. Rent growth reached an all-time peak of 12% in 2017, but was less than half those levels as of 19Q2. Still, recent gains were about double Reno's historical average. Annual rent growth is currently 4.5%.

The average asking rent in Reno is $1,220/month. Assuming a household wants to spend no more than 25% of its income on rent, the average rate here would require a median household income of about $58,000, or approximately 10% less than the metro average.

Homeownership, on the other hand, is an expensive proposition for scores of Reno residents. Home prices, while reasonable compared to many of California's major metros, have increased significantly in recent years because of the population trends. The monthly cost of a median priced home, assuming a 30-year amortization period and 20% down payment at a 4.75% interest rate, is roughly $1,700/month. That works out to approximately 40% higher than the average monthly apartment rent in the metro. Utilizing the same 25% threshold, homeownership would require a median household income of around $80,000.

Central/Airport has been one of the stronger performing submarkets, with year-over-year rent growth outpacing that of the metro. The submarket is one of the largest in Reno by number of units and vacancies are tight. Central/Airport is also one of the more affordable submarkets in the metro; asking rents are about 15% less than the Reno average.

DAILY ASKING RENT PER SF



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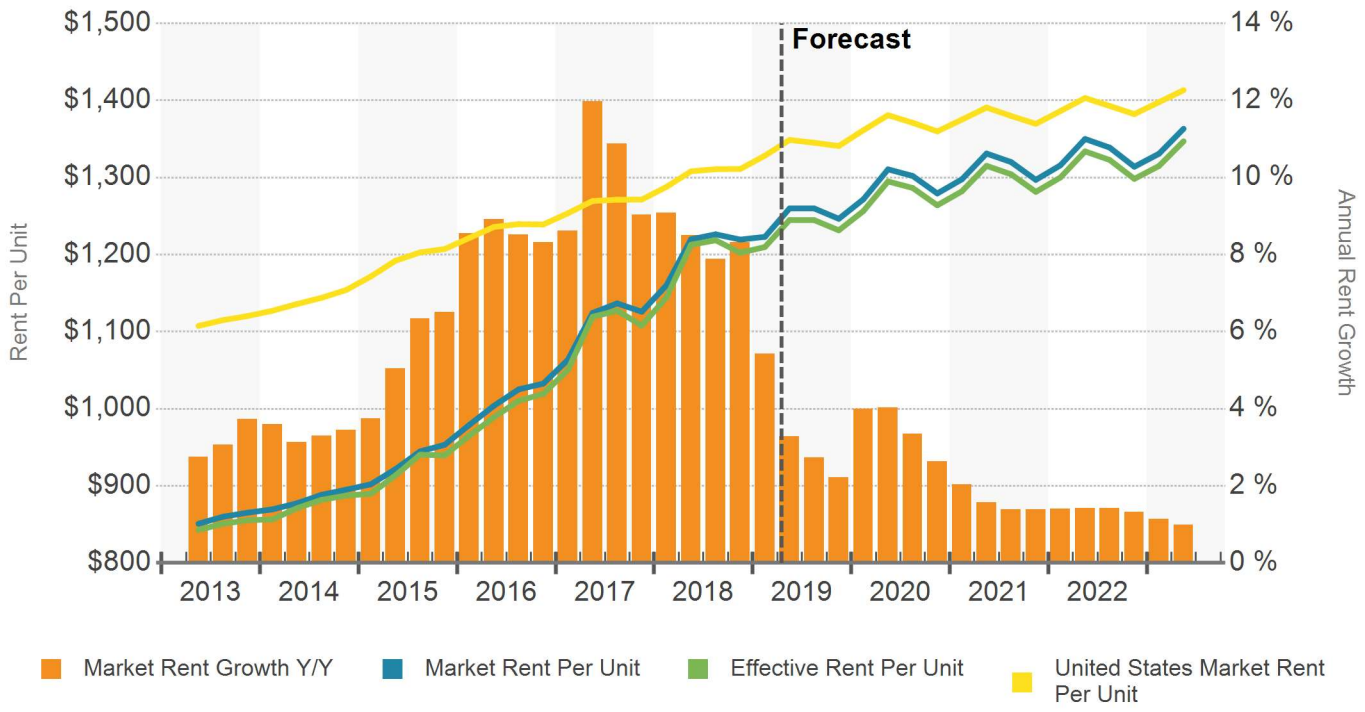
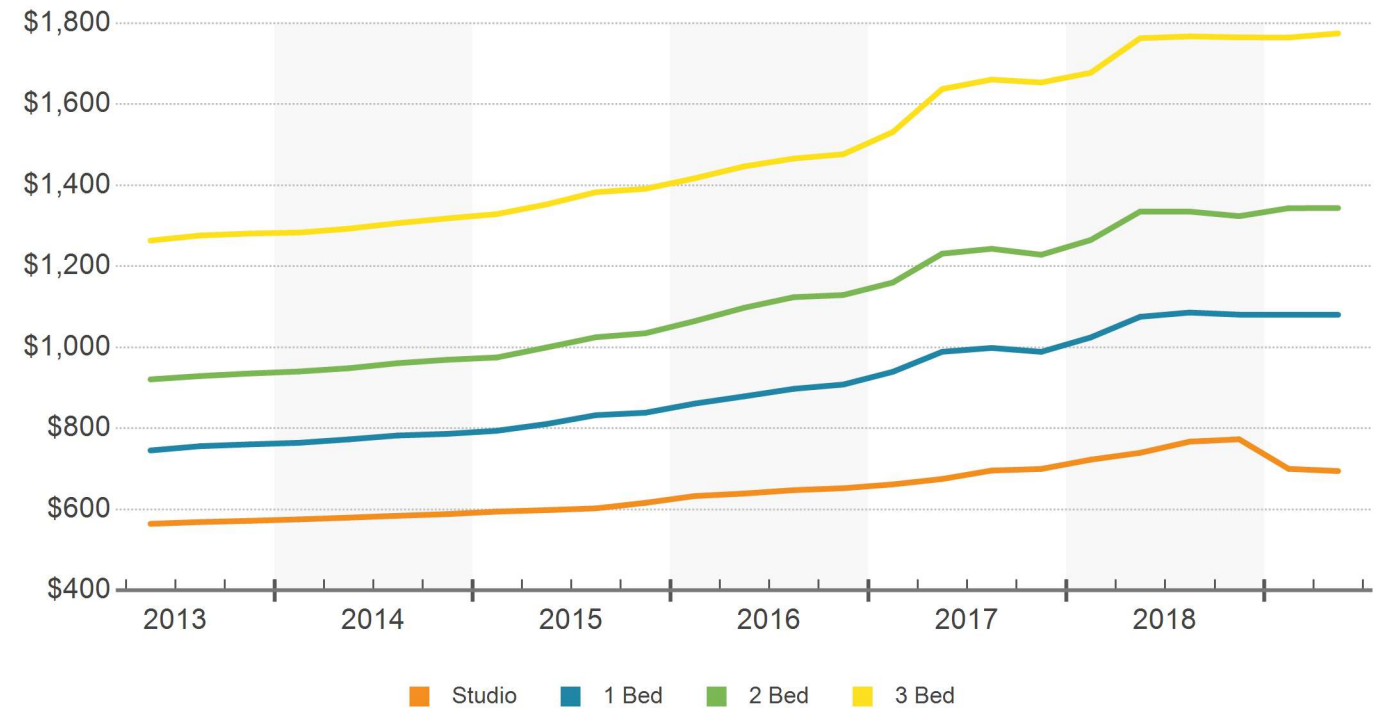
MARKET RENT PER UNIT & RENT GROWTH



MARKET RENT PER UNIT BY BEDROOM



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4 & 5 STAR EXPENSES PER SF (ANNUAL)

	Operating Expenses								Capital Expenditures			
Market / Cluster	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	Total
Reno	$0.40	$0.94	$0.67	$0.54	$0.69	$0.65	$0.25	$0.67	$0.10	$0.46	$0.47	**$5.84**
North Valleys	$0.40	$0.94	$0.67	$0.54	$0.73	$0.67	$0.25	$0.63	$0.10	$0.51	$0.49	**$5.93**
South Reno	$0.44	$0.94	$0.67	$0.54	$0.56	$0.53	$0.22	$0.86	$0.10	$0.27	$0.37	**$5.50**
Sparks	$0.40	$0.94	$0.67	$0.54	$0.73	$0.67	$0.25	$0.63	$0.10	$0.51	$0.49	**$5.93**
University	$0.40	$0.94	$0.67	$0.54	$0.73	$0.67	$0.25	$0.63	$0.10	$0.51	$0.49	**$5.93**
West Reno	$0.40	$0.91	$0.67	$0.53	$0.71	$0.67	$0.25	$0.61	$0.10	$0.45	$0.49	**$5.79**

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

3 STAR EXPENSES PER SF (ANNUAL)

	Operating Expenses								Capital Expenditures			
Market / Cluster	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	Total
Reno	$0.37	$0.58	$0.67	$0.51	$0.68	$0.61	$0.22	$0.46	$0.09	$0.03	$0.46	**$4.68**
Central/Airport	$0.35	$0.23	$0.73	$0.59	$0.89	$0.51	$0.23	$0.39	$0.09	$0.03	$0.46	**$4.50**
Downtown Reno	$0.38	$0.62	$0.67	$0.50	$0.66	$0.61	$0.21	$0.47	$0.10	$0.03	$0.44	**$4.69**
North Valleys	$0.38	$0.72	$0.64	$0.48	$0.61	$0.66	$0.23	$0.48	$0.09	$0.03	$0.46	**$4.78**
Old Southwest Reno	$0.40	$0.72	$0.70	$0.48	$0.60	$0.58	$0.16	$0.48	$0.11	$0.03	$0.38	**$4.64**
South Reno	$0.38	$0.72	$0.64	$0.48	$0.61	$0.66	$0.23	$0.48	$0.09	$0.03	$0.46	**$4.78**
Sparks	$0.38	$0.72	$0.64	$0.48	$0.61	$0.66	$0.23	$0.48	$0.09	$0.03	$0.46	**$4.78**
University	$0.38	$0.72	$0.64	$0.48	$0.61	$0.66	$0.23	$0.48	$0.09	$0.03	$0.46	**$4.78**
West Reno	$0.38	$0.72	$0.64	$0.48	$0.61	$0.66	$0.23	$0.48	$0.09	$0.03	$0.46	**$4.78**

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

1 & 2 STAR EXPENSES PER SF (ANNUAL)

	Operating Expenses								Capital Expenditures			
Market / Cluster	Mgmt.	Admin.	Payroll	Water	Utilities	Maint.	Insurance	Taxes	Appliance	Structural	Other	Total
Reno	$0.35	$0.54	$0.64	$0.49	$0.65	$0.57	$0.21	$0.43	$0.09	$0.03	$0.43	**$4.43**
Central/Airport	$0.33	$0.22	$0.69	$0.57	$0.81	$0.48	$0.22	$0.37	$0.09	$0.03	$0.44	**$4.25**
Downtown Reno	$0.37	$0.60	$0.65	$0.48	$0.62	$0.57	$0.19	$0.44	$0.09	$0.03	$0.41	**$4.45**
North Valleys	$0.36	$0.68	$0.61	$0.45	$0.58	$0.62	$0.22	$0.46	$0.09	$0.03	$0.44	**$4.54**
Old Southwest Reno	$0.39	$0.68	$0.67	$0.45	$0.58	$0.56	$0.15	$0.46	$0.10	$0.03	$0.36	**$4.43**
South Reno	$0.36	$0.68	$0.61	$0.45	$0.58	$0.62	$0.22	$0.46	$0.09	$0.03	$0.44	**$4.54**
Sparks	$0.36	$0.68	$0.61	$0.46	$0.58	$0.62	$0.22	$0.46	$0.09	$0.03	$0.44	**$4.55**
University	$0.36	$0.68	$0.61	$0.45	$0.58	$0.62	$0.22	$0.46	$0.09	$0.03	$0.44	**$4.54**
West Reno	$0.36	$0.68	$0.61	$0.45	$0.58	$0.62	$0.22	$0.46	$0.09	$0.03	$0.44	**$4.54**

Expenses are estimated using NCREIF, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

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The metro's construction pipeline is massive—3,200 units are under way, which will increase Reno's inventory by about 10%. In fact, multifamily construction has been a frequent sight for several years. As noted, inventory increased by approximately 9% from 2016-18. However, this is in stark contrast to most of this cycle. Virtually no units delivered from 2010-13, and in the first half of the decade, supply increased by less than 3% cumulatively.

One of the most notable projects under way is Reno Land Development's Inova, a 584-unit community in the South Reno Submarket. The property is slated to offer one-, two-, and three-bedroom units plus a number of amenities, including a pet washing station, volleyball court, and walking/biking trails. Inova is located between Interstate 580 and lifestyle center The Summit. The project is expected to deliver in the second half of 2019.

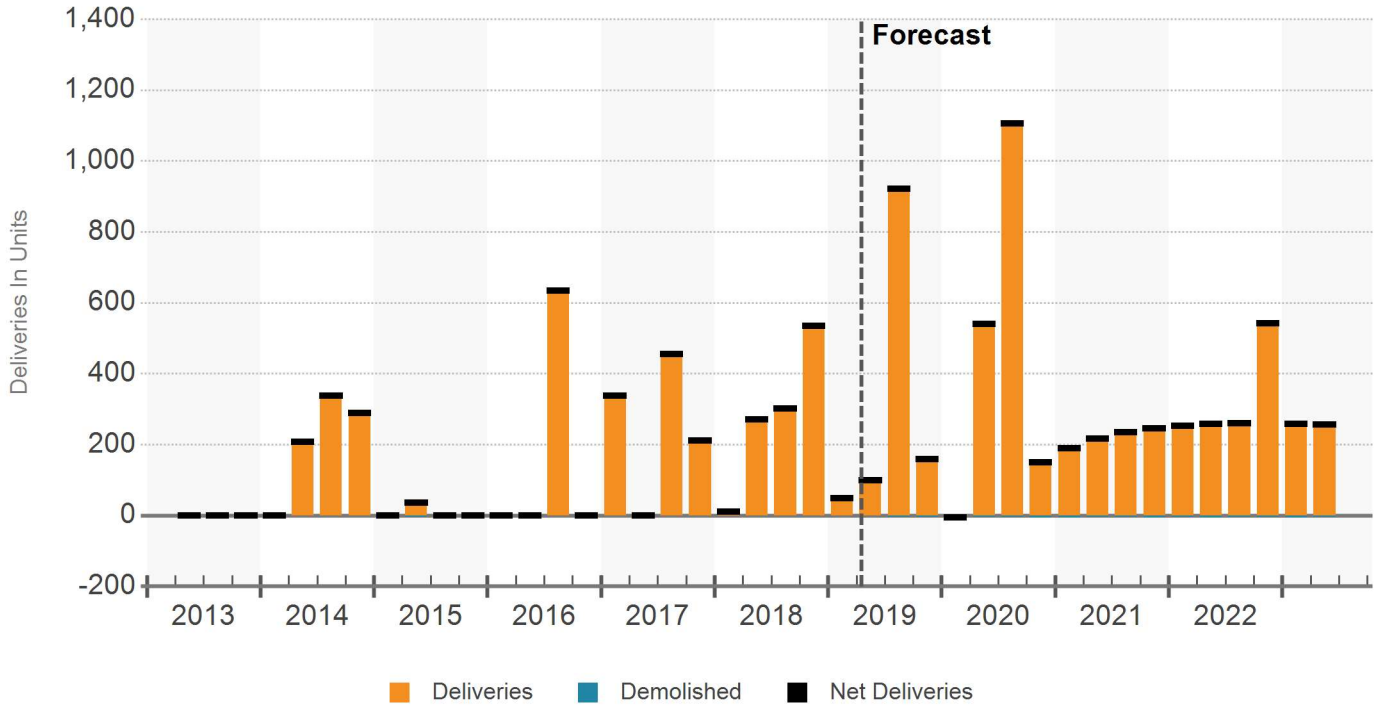
Reno Land may soon break ground on another large-scale project. Park Lane is a planned 1,600-unit community in the Central/Airport Submarket. The apartments are part of a mixed-use project on a site formerly occupied by the Park Lane Mall. The property had sat vacant for nearly a decade, after the mall was razed from 2007-09.

A number of other communities are under construction throughout the metro. For example, Azure, a 342-unit project, and Lumina at Spanish Springs, a 330-unit community, are going up in Sparks; and Phase II of Vida Luxury Apartments, a 318-unit complex, is under way in West Reno.

One of the most noteworthy deliveries of late was The Bridges at Victorian Square. Completed in October 2018, the Sparks-located project consists of 195-units, distributed equally between studios, one-bedrooms, and two-bedrooms. Amenities include stainless steel appliances, walk-in closets, in-unit washer/dryers, a business center, and pet washing station. The average asking rent at the time of delivery outpaced the metro average by about 25%.

In addition to Lumina at Spanish Springs and The Bridges at Victorian Square, Sparks has been the sight of a significant amount of construction in recent years. Roughly 1,500 units are under way in the submarket, and further, more than 1,000 units have delivered since 2015, which leads the metro in deliveries during this period. Sparks is the site of Tahoe-Reno Industrial Center, which is home to the aforementioned Tesla, Apple, Google, and Switch, in addition to numerous other employers.

DELIVERIES & DEMOLITIONS



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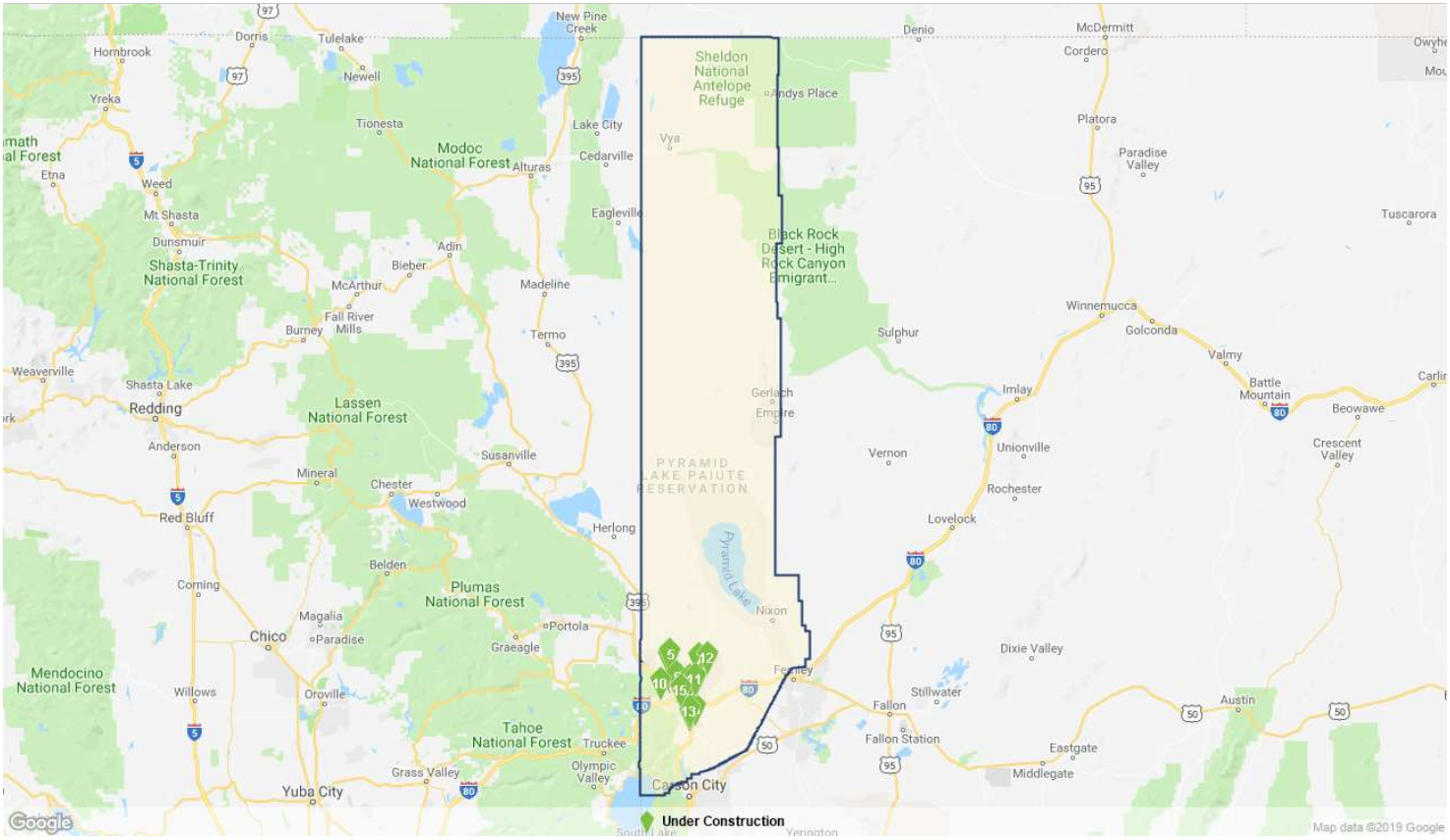
Under Construction Properties

Reno Multi-Family

Properties	Units	Percent of Inventory	Avg. No. Units
15	3,968	11.4%	265

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
1	**Lakes at Sky Vista** 7711 Sky Vista Pky	★★★★★	768	-	Apr-2019	Apr-2021	Bluth Construction Bluth Construction
2	**Inova** 14001 Summit Sierra Blvd	★★★★☆	584	-	Jul-2018	Jul-2019	Reno Land Development Compa… DWF V Summit Club Holdings LLC
3	**Harvest at Damonte Ran…** 1851 Steamboat Pky	★★★★☆	416	-	Jan-2016	May-2019	- Lewis Group of Companies
4	**Azure** 650 Marina Gateway Dr	★★★★☆	342	4	Feb-2018	Sep-2019	- Ashley 2012 Family Trust
5	**North Peak Apartments -…** 8001 Military Rd	★★★★☆	308	2	Nov-2017	Jun-2020	ERGS, Inc. ERGS, Inc.
6	**Azure Apartments** 550 Marina Gateway Dr	★★★☆☆	308	-	Aug-2018	Aug-2019	- Heidi Nelson
7	**Lumina at Spanish Sprin…** 6600 Rolling Meadows Dr	★★★☆☆	282	-	Sep-2017	May-2019	The Whiting-Turner Contracting… Lennar Homes

Under Construction Properties

UNDER CONSTRUCTION

	Property Name/Address	Rating	Units	Stories	Start	Complete	Developer/Owner
8	**Park Place** 1645 N Virginia St	★★★★★	267	5	Feb-2019	Sep-2020	Park7 Group -
9	**Deco Apartments** 955 C St	★★★☆☆	209	10	May-2018	May-2020	Silverwing Development Silverwing Development
10	**Vida Luxury Apartments…** 6900 Sharlands Ave	★★★☆☆	164	-	Apr-2017	May-2019	Geney Gassiot Inc. Guardian Capital Realty
11	**Waterfront at the Marina…** 375 Harbour Cove Dr	★★★☆☆	117	-	Feb-2017	Jul-2019	- Centre Trust Advisors
12	**Silverado Apartments** 7077 Vista Blvd	★★★☆☆	96	-	Aug-2017	Jul-2019	- Silverado Apartments Llc
13	**Sierra Vista Apartments…** 500 Arrowcreek Pky	★★★☆☆	89	-	Jan-2016	May-2019	Tanamera Kromer Investments Inc
14	**Gentry West Apartments** 140 Brinkby Ave	★★★☆☆	12	2	Mar-2019	Oct-2019	- SM Rafter LLC
15	**Gentry East Aparments** Gentry Way	★★★☆☆	6	3	Apr-2019	Aug-2019	- SM Rafter LLC

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Sales volume in 2019 has been similar to the robust pace of recent years. Deal flow is healthy, but one transaction is primarily responsible for the years' strong volume. In January, San Diego-based MG Properties Group acquired Sparks-located Caviata at Kiley Ranch for $51.7 million ($281,000/unit) at a reported cap rate of 4.9%. A 4 Star, 184-unit community, average asking rents at the time of sale were nearly $1,900/month, or approximately 40% greater than the submarket average. Occupancy was reportedly 95%. The seller, San Francisco-based Oakmont Properties, originally acquired the asset in 2015 for $33.8 million ($184,000/unit).

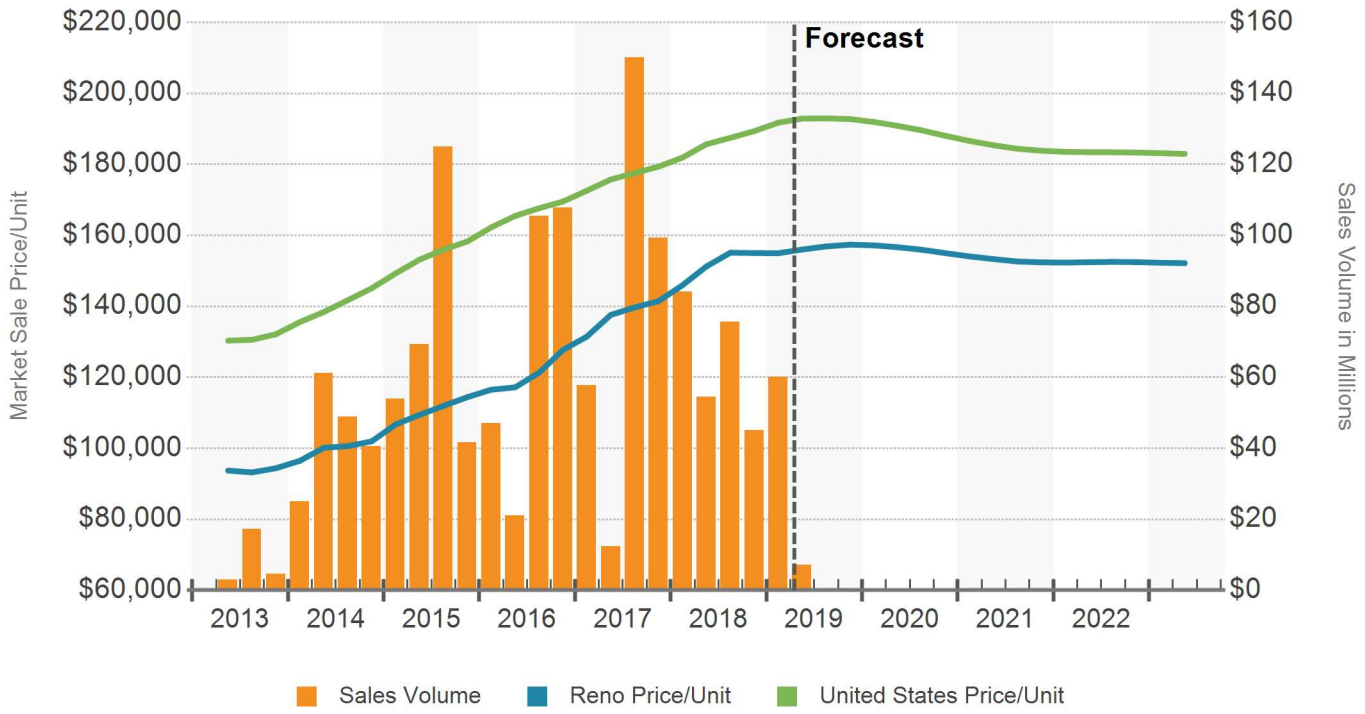
Reno's outsized rent growth has not gone unnoticed by investors: Annual investment nearly averaged $300 million from 2015-18, or about triple the long-term rate. In 2018, sales volume again topped $200 million, and more than doubled the historical average. Inventory turnover has also picked up. From 2015-18, inventory turnover averaged about 9%. By comparison, it averaged less than 4% from 2010-14.

Pricing has also contributed to the increased volume. The average price per unit was roughly $90,000 from 2014-16. By comparison, the average price per unit since 2017 has been for almost $130,000. Cap rates of late have been trending below 6%.

While the majority of buyers are typically Nevada-based, Californian's have also gotten in on the act—about 35% of all investment this cycle has come from the Golden State. Some of the most active buyers this decade includes Encinitas, California-based The Apartment Company, and Fountain Valley, California-based Discovery Realty and Financial.

A healthy portion of 2018's sales volume was from one transaction. Horizons at South Meadows, a 4 Star, 344-unit community, was acquired in January by Walnut Creek, California-based DiNapoli Capital Partners for $67.3 million ($196,000/unit) at a reported cap rate of 4.9%. Located in the South Reno Submarket, the property was 93% occupied at the time of sale. Built in 2005, DiNapoli reportedly plans to upgrade unit interiors, the pool area, and clubhouse, and to construct a dog park. The average asking rent at the time of sale fetched a nearly 30% premium to the metro average.

SALES VOLUME & MARKET SALE PRICE PER UNIT



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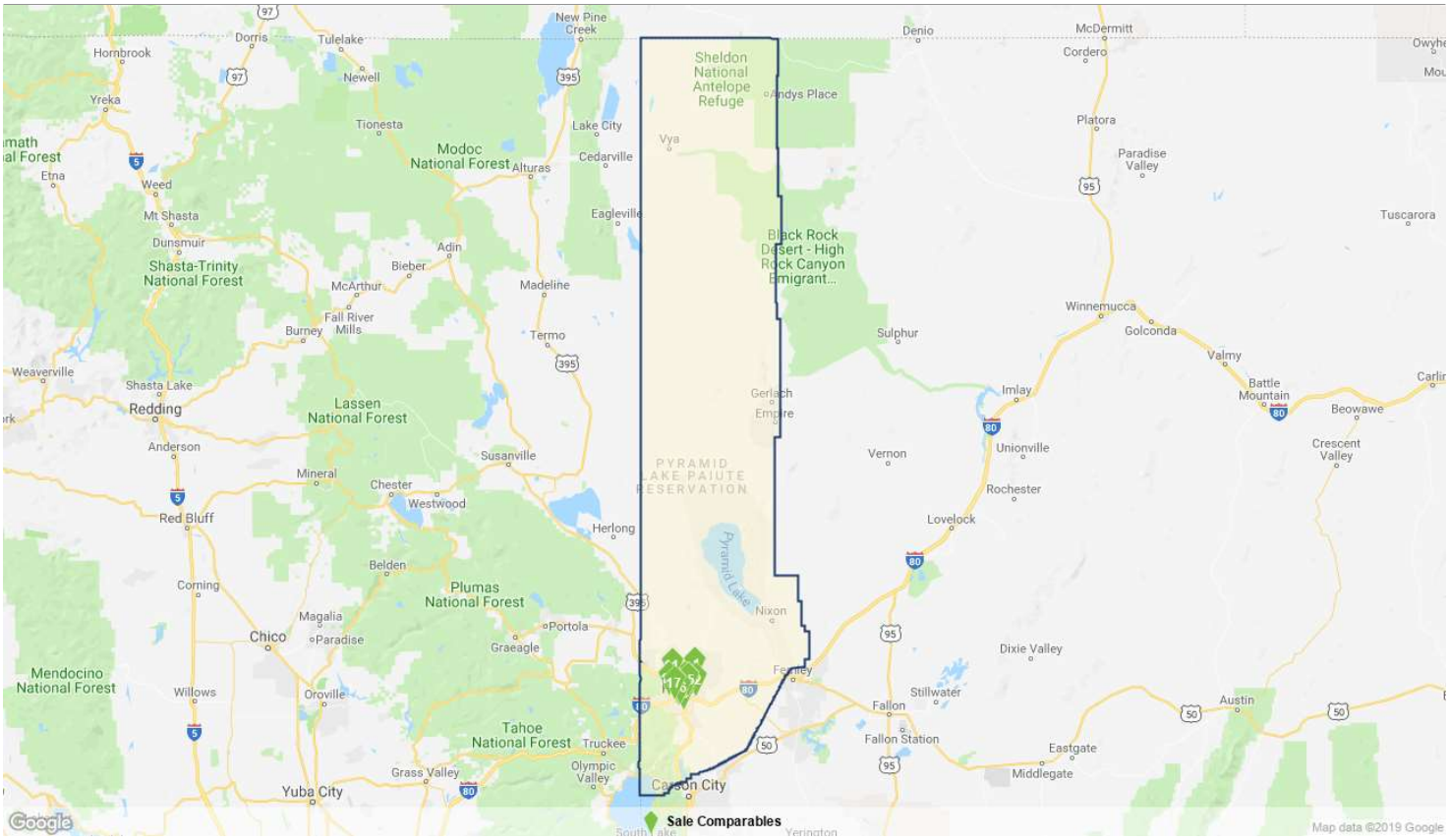
Sales Past 12 Months

Reno Multi-Family

Sale Comparables	Avg. Price/Unit (thous.)	Average Price (mil.)	Average Vacancy at Sale
61	$145	$4.3	3.2%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	$485,000	$4,253,553	$1,417,500	$51,700,000
Price Per Unit	$48,500	$145,018	$105,897	$458,333
Cap Rate	3.3%	5.6%	5.4%	8.4%
Vacancy Rate at Sale	0%	3.2%	0%	10.0%
Time Since Sale in Months	0.4	6.4	6.6	12.0
Property Attributes	**Low**	**Average**	**Median**	**High**
Property Size in Units	5	31	13	240
Number of Floors	1	1	2	3
Average Unit SF	0	631	626	1,601
Year Built	1904	1971	1978	2008
Star Rating	★☆☆☆☆	★★☆☆☆ 2.3	★★☆☆☆	★★★★☆

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Sales Past 12 Months

RECENT SIGNIFICANT SALES

		Property Information				Sale Information			
	Property Name/Address	Rating	Yr Built	Units	Vacancy	Sale Date	Price	Price/Unit	Price/SF
1	Caviata at Kiley Ranch 950 Henry Orr Pky	★★★★☆	2007	184	3.8%	1/31/2019	$51,700,000	$280,978	$176
2	Marina Village Apartments 350 Harbour Cove Dr	★★★★☆	2005	240	4.2%	9/28/2018	$51,120,000	$213,000	$215
3	Alder Creek Villas 950 Nutmeg Pl	★★☆☆☆	1979	213	4.7%	11/19/2018	$21,500,000	$100,938	$130
4	Hillcrest Apartments 207 Hillcrest Dr	★★☆☆☆	1963	58	5.2%	5/21/2018	$5,620,000	$96,896	$90
5	1669-1673 N Virginia St	★★☆☆☆	1977	12	2.8%	12/19/2018	$5,500,000	$458,333	$444
6	The Aurora 1080-1098 Rock Blvd	★★★☆☆	1988	48	4.2%	4/5/2019	$5,450,000	$113,541	$149
7	Deer Park Apartments 1800 Prater Way	★★☆☆☆	1978	39	5.1%	12/31/2018	$3,800,000	$97,435	$201
8	Reno Riviera 339 W 1st St	★★☆☆☆	1965	48	3.1%	9/10/2018	$3,750,000	$78,125	$151
5	1669-1673 N Virginia St	★★☆☆☆	1977	12	2.8%	11/7/2018	$3,725,500	$310,458	$301
9	467-499 Capitol Hill Ave	★★☆☆☆	1986	31	6.5%	2/22/2019	$3,450,000	$111,290	$206
10	2695 Carville Dr	★★☆☆☆	1986	43	2.3%	6/1/2018	$3,300,000	$76,744	$89
8	Reno Riviera 339 W 1st St	★★☆☆☆	1965	48	3.1%	9/10/2018	$3,041,950	$63,373	$123
11	Lancaster Townhouse Apart… 155-165 Lancaster Dr	★★★★☆	2008	14	0%	9/27/2018	$2,900,000	$207,142	$188
12	405 Grand Canyon Blvd	★★☆☆☆	1963	28	0%	10/1/2018	$2,800,000	$100,000	$88
13	Kings Row Apartments 3700-3730 Kings Row	★★☆☆☆	1978	24	4.2%	5/31/2018	$2,700,000	$112,500	$150
14	Kramer's Midtown 645 S Virginia St	★★★☆☆	1977	15	0%	10/5/2018	$2,550,000	$170,000	$228
9	467-499 Capitol Hill Ave	★★☆☆☆	1986	32	6.5%	5/30/2018	$2,427,000	$75,843	$145
15	436-456 Nash St	★★☆☆☆	1986	24	4.2%	9/28/2018	$2,224,000	$92,666	$182
16	Locust Apartments 1700 Locust St	★★☆☆☆	1986	17	5.9%	9/11/2018	$2,042,816	$120,165	$194
17	Stone Creek Apartments 1250 W 2nd St	★★☆☆☆	1940	33	3.0%	4/20/2018	$1,800,000	$54,545	$79

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Reno's job growth is among the strongest in the nation. Annual employment gains in 2018 were 4.1%, the fourth consecutive year job growth topped 4%. By comparison, national job growth was 1.7%. Likewise, this is not a new trend. Reno employment gains have topped the U.S. mark since 13Q1.

Bordering the California/Nevada state line, Reno is located more than 400 miles northwest of Las Vegas and about 130 miles east of Sacramento. The metro's vulnerable tourism and trade sectors experienced a harsh pullback from the Great Recession. However, increasing visitor counts and consistent job growth acceleration has led to out-performance since early 2013. In fact, total metro visitors in 2017, the most recent year in which data is available, reached 5 million; the last time visitor counts touched that mark was in 2007. While this is encouraging news for Leisure and Hospitality, the sector has yet to fully recover from its job losses, and employment gains in 2018 were tepid.

Office-using employment, on the other hand, has grown at a clip of almost 6% over the past 12 months, but Manufacturing has been the star performer of late. Manufacturing posted employment growth of more than 11% in 2018.

A business-friendly environment, proximity to Silicon Valley, and low cost of living has made Reno an attractive destination for businesses, and several major corporations have announced huge expansions in the city.

New Deantronics, a medical device company, plans to relocate its U.S. operations from Walnut Creek, CA to Spanish Springs. The 14-acre campus, which will include a 200,000 SF R&D and manufacturing facility, is expected to complete construction by 2020.

Tesla's Gigafactory, which at full build-out is expected to employ 10,000 people, an increase from the original projection of 6,500 workers, is the local economy's new crown jewel. However, the electric carmaker has had multiple rounds of layoffs and terminations since 2018. While Tesla's June dismissals did not extend to the Gigafactory, the company's January 2019 cuts did reportedly affect Gigafactory employees. Other major corporations to expand or move operations into the area include Walmart, eBay, Apple, and Google.

In January 2018, Apple held a ceremonial ground breaking to expand its presence here in the form of a new warehouse. The property is expected to measure roughly 27,000 SF and house equipment for the company's Reno Technology Park-located data center, which measures more than 1 million SF. And in 2017, Google acquired over 1,200 acres, where it plans to build a data center. Although Google has not released specific plans or completion dates, it is speculated that the site might double as an autonomous car testing track.

Despite headline-grabbing Silicon Valley expansions, the bread-and-butter of the local economy remains trade and transportation. Limited regulation and the ability to ship to nine Western states on a next-day basis are turning the city into a regional logistics hub. Recent companies to open fulfillment centers in the area include Jet.com, Arrowhead Electronics, Panasonic, and Fosdick, and these have helped push the Trade sector to about 12% above its prerecession peak, making it one of the better performing employment nodes in the metro.

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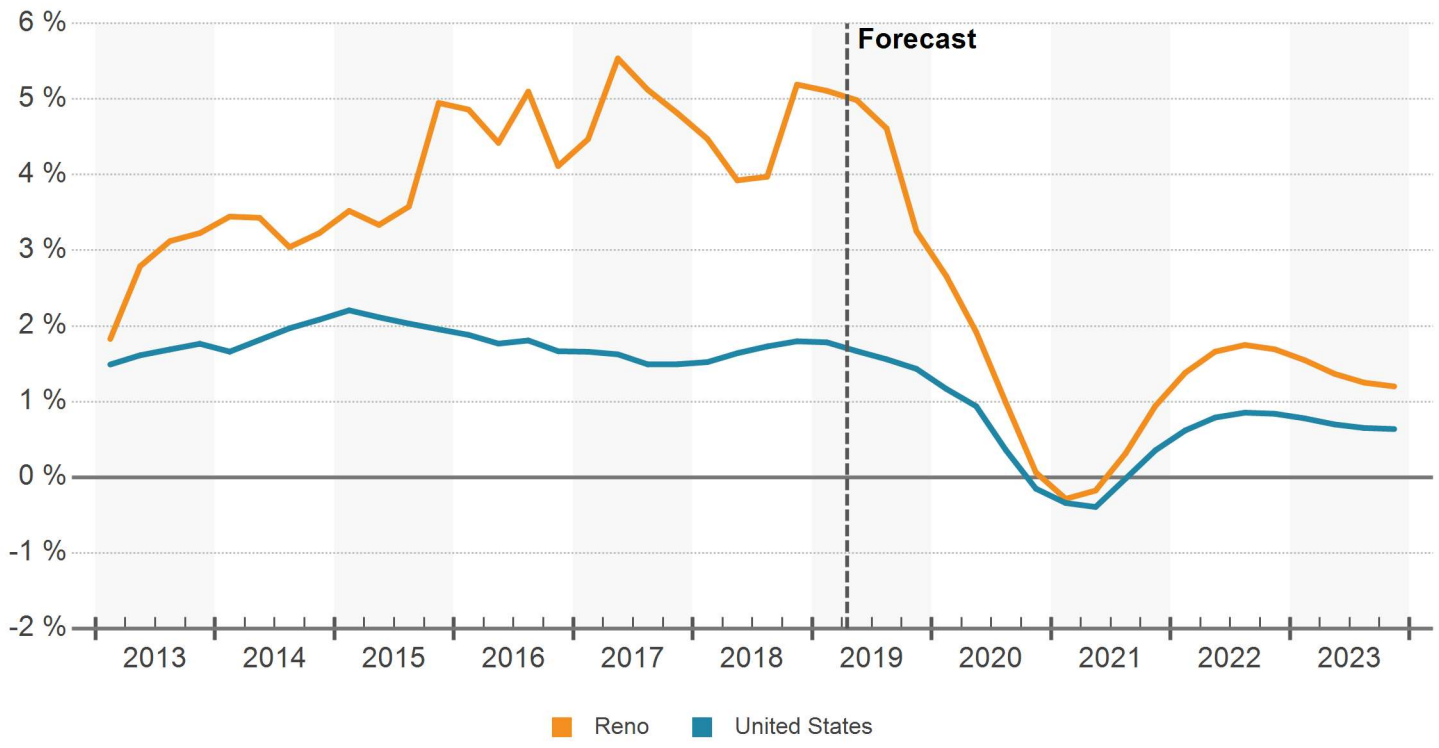
RENO EMPLOYMENT BY INDUSTRY IN THOUSANDS

	Current Jobs		Current Growth		10 Yr Historical		5 Yr Forecast	
NAICS Industry	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	21	1008.0	8.69%	1.63%	5.60%	0.42%	0.01%	-1.46%
Trade, Transportation and Utilities	56	1212.4	5.56%	1.10%	2.29%	1.00%	1.15%	0.15%
Retail Trade	25	953.3	7.11%	0.23%	1.14%	0.78%	1.05%	0.18%
Financial Activities	11	753.8	1.25%	1.39%	1.66%	0.85%	1.41%	0.64%
Government	31	835.5	-0.12%	0.51%	0.39%	-0.03%	0.53%	0.55%
Natural Resources, Mining and Construction	19	1417.9	9.80%	4.29%	4.17%	1.36%	2.23%	1.03%
Education and Health Services	27	679.3	2.43%	2.17%	2.31%	2.10%	1.94%	0.96%
Professional and Business Services	36	1031.5	13.59%	2.71%	3.82%	2.38%	1.80%	1.20%
Information	2	483.3	2.99%	0.29%	-1.31%	-0.13%	0.68%	0.00%
Leisure and Hospitality	39	1414.3	1.13%	2.42%	1.17%	2.37%	1.26%	1.01%
Other Services	7	677.3	1.87%	1.31%	-0.52%	0.87%	1.08%	0.20%
Total Employment	**249**	**1.0**	**5.08%**	**1.76%**	**2.26%**	**1.27%**	**1.26%**	**0.56%**

Source: Moody's Analytics
LQ = Location Quotient

YEAR OVER YEAR JOB GROWTH



Source: Moody's Analytics

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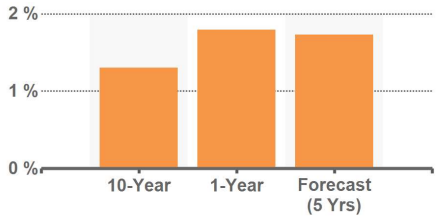
DEMOGRAPHIC TRENDS

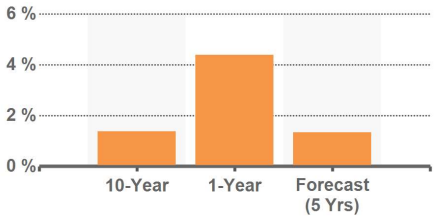
	Current Level		Current Change		10-Year Change		Forecast Change (5 Yrs)	
Demographic Category	**Metro**	**U.S.**	**Metro**	**U.S.**	**Metro**	**U.S.**	**Metro**	**U.S.**
Population	479,369	328,762,563	1.8%	0.6%	1.3%	0.7%	1.7%	0.6%
Households	189,751	126,775,695	2.2%	1.1%	1.4%	0.8%	1.9%	1.0%
Median Household Income	$66,299	$64,356	5.9%	3.7%	2.0%	2.4%	2.9%	2.8%
Labor Force	256,697	163,323	4.4%	1.1%	1.4%	0.6%	1.3%	0.8%
Unemployment	3.6%	3.8%	-0.2%	-0.2%	-0.7%	-0.5%	-	-

Source: Moody's Analytics

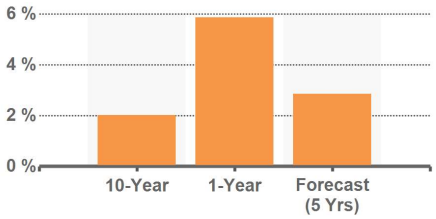
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Moody's Analytics

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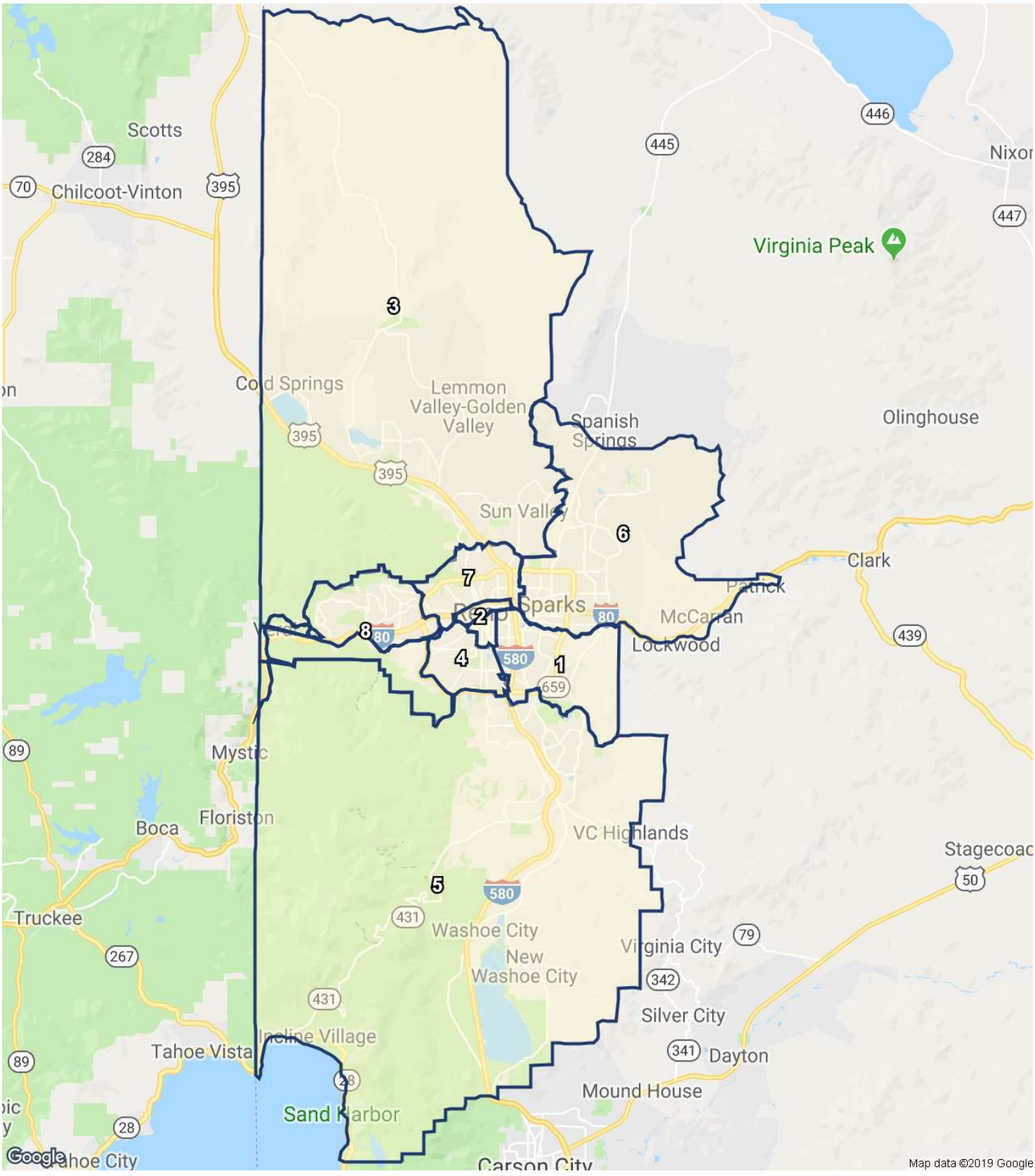
Submarkets

RENO SUBMARKETS



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Submarkets

SUBMARKET INVENTORY

		Inventory				12 Month Deliveries				Under Construction			
No.	Submarket	Bldgs	Units	% Market	Rank	Bldgs	Units	Percent	Rank	Bldgs	Units	Percent	Rank
1	Central/Airport	115	5,533	15.9%	2	0	0	0%	-	1	6	0.1%	7
2	Downtown Reno	218	3,901	11.2%	4	2	90	2.3%	4	0	0	0%	-
3	North Valleys	14	1,720	4.9%	8	1	27	1.6%	5	1	308	17.9%	3
4	Old Southwest Reno	55	3,740	10.7%	6	0	0	0%	-	1	12	0.3%	6
5	South Reno	19	4,434	12.7%	3	2	314	7.1%	2	3	1,089	24.6%	2
6	Sparks	94	8,256	23.7%	1	4	615	7.4%	1	6	1,354	16.4%	1
7	University	108	3,870	11.1%	5	0	0	0%	-	1	267	6.9%	4
8	West Reno	17	3,405	9.8%	7	1	154	4.5%	3	1	164	4.8%	5

SUBMARKET RENT

		Asking Rents				Effective Rents					
No.	Submarket	Per Unit	Per SF	Rank	Yr. Growth	Per Unit	Per SF	Rank	Yr. Growth	Concession	Rank
1	Central/Airport	$1,036	$1.33	7	7.9%	$1,026	$1.32	7	7.2%	1.0%	4
2	Downtown Reno	$848	$1.72	1	-3.4%	$842	$1.71	1	-3.5%	0.8%	5
3	North Valleys	$1,202	$1.25	8	7.2%	$1,198	$1.25	8	7.2%	0.3%	8
4	Old Southwest Reno	$1,107	$1.35	6	7.9%	$1,095	$1.34	6	8.2%	1.1%	3
5	South Reno	$1,561	$1.58	2	5.5%	$1,551	$1.57	2	6.4%	0.7%	6
6	Sparks	$1,296	$1.42	4	2.2%	$1,271	$1.39	4	2.3%	1.9%	1
7	University	$1,007	$1.38	5	7.1%	$995	$1.36	5	6.7%	1.2%	2
8	West Reno	$1,398	$1.48	3	2.3%	$1,391	$1.47	3	2.4%	0.5%	7

SUBMARKET VACANCY & ABSORPTION

		Vacancy			12 Month Absorption			
No.	Submarket	Units	Percent	Rank	Units	% of Inv	Rank	Construct. Ratio
1	Central/Airport	176	3.2%	3	(47)	-0.9%	8	-
2	Downtown Reno	143	3.7%	4	75	1.9%	3	0.8
3	North Valleys	43	2.5%	2	31	1.8%	5	-
4	Old Southwest Reno	174	4.6%	5	(32)	-0.8%	7	-
5	South Reno	228	5.1%	6	359	8.1%	2	0.4
6	Sparks	577	7.0%	8	419	5.1%	1	1.5
7	University	94	2.4%	1	10	0.3%	6	-
8	West Reno	213	6.2%	7	48	1.4%	4	3.2

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OVERALL SUPPLY & DEMAND

	Inventory			Absorption		
Year	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2023	40,950	1,016	2.5%	1,053	2.6%	1.0
2022	39,934	1,309	3.4%	1,012	2.5%	1.3
2021	38,625	888	2.4%	1,093	2.8%	0.8
2020	37,737	1,788	5.0%	1,342	3.6%	1.3
2019	35,949	1,225	3.5%	1,021	2.8%	1.2
YTD	34,864	140	0.4%	222	0.6%	0.6
2018	34,724	1,119	3.3%	776	2.2%	1.4
2017	33,605	1,001	3.1%	844	2.5%	1.2
2016	32,604	633	2.0%	608	1.9%	1.0
2015	31,971	35	0.1%	178	0.6%	0.2
2014	31,936	834	2.7%	1,034	3.2%	0.8
2013	31,102	0	0%	469	1.5%	0
2012	31,102	(233)	-0.7%	(104)	-0.3%	2.2
2011	31,335	0	0%	230	0.7%	0
2010	31,335	12	0%	518	1.7%	0
2009	31,323	315	1.0%	9	0%	35.0
2008	31,008	674	2.2%	14	0%	48.1
2007	30,334	382	1.3%	(76)	-0.3%	-

4 & 5 STAR SUPPLY & DEMAND

	Inventory			Absorption		
Year	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2023	14,346	1,002	7.5%	862	6.0%	1.2
2022	13,344	1,013	8.2%	829	6.2%	1.2
2021	12,331	877	7.7%	912	7.4%	1.0
2020	11,454	1,267	12.4%	1,025	8.9%	1.2
2019	10,187	1,066	11.7%	915	9.0%	1.2
YTD	9,261	140	1.5%	226	2.4%	0.6
2018	9,121	1,059	13.1%	753	8.3%	1.4
2017	8,062	876	12.2%	770	9.6%	1.1
2016	7,186	608	9.2%	521	7.3%	1.2
2015	6,578	0	0%	(14)	-0.2%	0
2014	6,578	546	9.1%	600	9.1%	0.9
2013	6,032	0	0%	70	1.2%	0
2012	6,032	0	0%	55	0.9%	0
2011	6,032	0	0%	105	1.7%	0
2010	6,032	0	0%	259	4.3%	0
2009	6,032	315	5.5%	277	4.6%	1.1
2008	5,717	664	13.1%	398	7.0%	1.7
2007	5,053	387	8.3%	167	3.3%	2.3

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3 STAR SUPPLY & DEMAND

	Inventory			Absorption		
Year	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2023	14,280	36	0.3%	189	1.3%	0.2
2022	14,244	318	2.3%	159	1.1%	2.0
2021	13,926	32	0.2%	198	1.4%	0.2
2020	13,894	544	4.1%	376	2.7%	1.4
2019	13,350	164	1.2%	127	1.0%	1.3
YTD	13,186	0	0%	38	0.3%	0
2018	13,186	60	0.5%	14	0.1%	4.3
2017	13,126	125	1.0%	25	0.2%	5.0
2016	13,001	25	0.2%	59	0.5%	0.4
2015	12,976	40	0.3%	37	0.3%	1.1
2014	12,936	288	2.3%	360	2.8%	0.8
2013	12,648	0	0%	187	1.5%	0
2012	12,648	0	0%	111	0.9%	0
2011	12,648	0	0%	108	0.9%	0
2010	12,648	12	0.1%	101	0.8%	0.1
2009	12,636	0	0%	(99)	-0.8%	0
2008	12,636	10	0.1%	(201)	-1.6%	0
2007	12,626	(5)	0%	(147)	-1.2%	0

1 & 2 STAR SUPPLY & DEMAND

	Inventory			Absorption		
Year	Units	Growth	% Growth	Units	% of Inv	Construction Ratio
2023	12,324	(22)	-0.2%	2	0%	-
2022	12,346	(22)	-0.2%	24	0.2%	-
2021	12,368	(21)	-0.2%	(17)	-0.1%	1.2
2020	12,389	(23)	-0.2%	(59)	-0.5%	0.4
2019	12,412	(5)	0%	(21)	-0.2%	0.2
YTD	12,417	0	0%	(42)	-0.3%	0
2018	12,417	0	0%	9	0.1%	0
2017	12,417	0	0%	49	0.4%	0
2016	12,417	0	0%	28	0.2%	0
2015	12,417	(5)	0%	155	1.2%	0
2014	12,422	0	0%	74	0.6%	0
2013	12,422	0	0%	212	1.7%	0
2012	12,422	(233)	-1.8%	(270)	-2.2%	0.9
2011	12,655	0	0%	17	0.1%	0
2010	12,655	0	0%	158	1.2%	0
2009	12,655	0	0%	(169)	-1.3%	0
2008	12,655	0	0%	(183)	-1.4%	0
2007	12,655	0	0%	(96)	-0.8%	0

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OVERALL VACANCY & RENT

	Vacancy			Market Rent				Effective Rent	
Year	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2023	2,352	5.7%	(0.2)	$1,324	$1.55	0.7%	(0.6)	$1,308	$1.53
2022	2,389	6.0%	0.6	$1,314	$1.54	1.3%	(0.1)	$1,298	$1.52
2021	2,091	5.4%	(0.7)	$1,297	$1.52	1.4%	(1.3)	$1,281	$1.50
2020	2,299	6.1%	0.9	$1,279	$1.50	2.6%	0.4	$1,264	$1.48
2019	1,851	5.2%	0.2	$1,246	$1.46	2.2%	(6.1)	$1,231	$1.44
YTD	1,647	4.7%	(0.3)	$1,223	$1.44	0.3%	(8.0)	$1,210	$1.42
2018	1,730	5.0%	0.9	$1,219	$1.43	8.3%	(0.7)	$1,202	$1.41
2017	1,386	4.1%	0.4	$1,126	$1.32	9.0%	0.7	$1,108	$1.30
2016	1,228	3.8%	0	$1,033	$1.21	8.3%	1.8	$1,019	$1.20
2015	1,203	3.8%	(0.4)	$953	$1.12	6.5%	3.1	$940	$1.10
2014	1,344	4.2%	(0.7)	$895	$1.05	3.4%	(0.3)	$887	$1.04
2013	1,541	5.0%	(1.5)	$865	$1.02	3.7%	1.5	$856	$1.00
2012	2,010	6.5%	(0.4)	$834	$0.98	2.3%	0.9	$816	$0.96
2011	2,139	6.8%	(0.7)	$816	$0.96	1.3%	1.7	$810	$0.95
2010	2,366	7.6%	(1.6)	$805	$0.94	-0.4%	6.8	$799	$0.94
2009	2,872	9.2%	0.9	$808	$0.95	-7.2%	(7.3)	$801	$0.94
2008	2,564	8.3%	2.0	$871	$1.02	0.1%	(3.5)	$863	$1.01
2007	1,905	6.3%	1.5	$870	$1.02	3.6%	-	$864	$1.01

4 & 5 STAR VACANCY & RENT

	Vacancy			Market Rent				Effective Rent	
Year	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2023	1,352	9.4%	0.3	$1,620	$1.62	0.3%	(0.6)	$1,591	$1.59
2022	1,211	9.1%	0.8	$1,616	$1.61	0.8%	(0.1)	$1,587	$1.58
2021	1,026	8.3%	(0.9)	$1,602	$1.60	0.9%	(1.2)	$1,573	$1.57
2020	1,062	9.3%	1.2	$1,588	$1.58	2.1%	(1.0)	$1,559	$1.56
2019	820	8.0%	(0.1)	$1,555	$1.55	3.0%	(3.3)	$1,527	$1.52
YTD	659	7.1%	(1.1)	$1,526	$1.53	1.1%	(5.3)	$1,503	$1.51
2018	746	8.2%	2.7	$1,509	$1.51	6.3%	(0.7)	$1,480	$1.48
2017	439	5.4%	0.8	$1,419	$1.42	7.1%	(0.8)	$1,383	$1.39
2016	333	4.6%	0.9	$1,325	$1.33	7.9%	1.2	$1,304	$1.31
2015	245	3.7%	0.2	$1,228	$1.23	6.7%	4.6	$1,203	$1.21
2014	230	3.5%	(1.2)	$1,152	$1.15	2.1%	(1.1)	$1,138	$1.14
2013	281	4.7%	(1.2)	$1,128	$1.13	3.2%	0.4	$1,106	$1.11
2012	351	5.8%	(0.9)	$1,093	$1.10	2.8%	1.7	$1,065	$1.07
2011	406	6.7%	(1.7)	$1,063	$1.07	1.1%	1.0	$1,056	$1.06
2010	510	8.4%	(4.3)	$1,052	$1.05	0.1%	7.5	$1,043	$1.05
2009	768	12.7%	0	$1,051	$1.05	-7.4%	(7.6)	$1,038	$1.04
2008	730	12.8%	3.6	$1,135	$1.14	0.2%	(3.7)	$1,122	$1.12
2007	464	9.2%	3.9	$1,133	$1.14	3.9%	-	$1,123	$1.13

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3 STAR VACANCY & RENT

	Vacancy			Market Rent				Effective Rent	
Year	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2023	617	4.3%	(1.1)	$1,294	$1.53	1.0%	(0.6)	$1,282	$1.51
2022	770	5.4%	1.0	$1,282	$1.51	1.5%	0.1	$1,270	$1.50
2021	611	4.4%	(1.2)	$1,263	$1.49	1.5%	(1.1)	$1,251	$1.48
2020	778	5.6%	1.0	$1,244	$1.47	2.5%	2.6	$1,233	$1.46
2019	610	4.6%	0.2	$1,214	$1.43	-0.1%	(9.0)	$1,202	$1.42
YTD	535	4.1%	(0.3)	$1,206	$1.42	-0.7%	(9.6)	$1,195	$1.41
2018	573	4.3%	0.3	$1,214	$1.43	8.9%	(1.9)	$1,197	$1.41
2017	527	4.0%	0.7	$1,115	$1.32	10.8%	2.4	$1,104	$1.30
2016	426	3.3%	(0.3)	$1,006	$1.19	8.4%	1.2	$995	$1.17
2015	461	3.6%	0	$928	$1.10	7.2%	2.3	$920	$1.09
2014	458	3.5%	(0.6)	$866	$1.02	4.9%	0.5	$860	$1.02
2013	530	4.2%	(1.5)	$825	$0.97	4.4%	2.2	$822	$0.97
2012	717	5.7%	(0.9)	$790	$0.93	2.2%	0.8	$775	$0.92
2011	828	6.5%	(0.8)	$773	$0.91	1.5%	1.8	$768	$0.91
2010	935	7.4%	(0.7)	$762	$0.90	-0.3%	7.1	$756	$0.89
2009	1,023	8.1%	0.8	$765	$0.90	-7.5%	(7.6)	$759	$0.90
2008	923	7.3%	1.7	$827	$0.98	0.2%	(3.0)	$820	$0.97
2007	713	5.6%	1.1	$825	$0.97	3.1%	-	$820	$0.97

1 & 2 STAR VACANCY & RENT

	Vacancy			Market Rent				Effective Rent	
Year	Units	Percent	Ppts Chg	Per Unit	Per SF	% Growth	Ppts Chg	Per Unit	Per SF
2023	383	3.1%	(0.2)	$1,050	$1.50	1.1%	(0.6)	$1,044	$1.49
2022	408	3.3%	(0.4)	$1,039	$1.48	1.7%	(0.2)	$1,032	$1.47
2021	454	3.7%	0	$1,021	$1.45	2.0%	(1.7)	$1,014	$1.44
2020	459	3.7%	0.3	$1,001	$1.43	3.7%	(1.1)	$994	$1.42
2019	422	3.4%	0.1	$965	$1.37	4.9%	(5.9)	$959	$1.36
YTD	453	3.6%	0.3	$926	$1.32	0.7%	(10.0)	$921	$1.31
2018	411	3.3%	(0.1)	$920	$1.31	10.7%	1.2	$916	$1.30
2017	421	3.4%	(0.4)	$831	$1.18	9.5%	0.6	$822	$1.17
2016	469	3.8%	(0.2)	$758	$1.08	8.9%	3.9	$750	$1.06
2015	497	4.0%	(1.3)	$696	$0.99	5.0%	1.5	$686	$0.97
2014	656	5.3%	(0.6)	$663	$0.94	3.5%	(0.1)	$658	$0.93
2013	730	5.9%	(1.7)	$640	$0.91	3.6%	2.2	$635	$0.90
2012	943	7.6%	0.4	$618	$0.87	1.3%	(0.2)	$607	$0.86
2011	905	7.2%	(0.1)	$610	$0.86	1.6%	3.0	$605	$0.86
2010	921	7.3%	(1.3)	$600	$0.85	-1.4%	5.0	$596	$0.84
2009	1,080	8.5%	1.3	$609	$0.86	-6.4%	(6.3)	$604	$0.85
2008	911	7.2%	1.4	$650	$0.92	-0.1%	(3.8)	$645	$0.91
2007	728	5.7%	0.8	$651	$0.92	3.7%	-	$647	$0.92

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OVERALL SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2023	-	-	-	-	-	-	$152,041	215	5.9%
2022	-	-	-	-	-	-	$152,442	216	5.8%
2021	-	-	-	-	-	-	$152,388	216	5.8%
2020	-	-	-	-	-	-	$154,975	219	5.6%
2019	-	-	-	-	-	-	$157,367	223	5.4%
YTD	12	$67.1 M	1.0%	$6,712,000	$213,758	5.1%	$155,521	220	5.3%
2018	69	$259.3 M	6.8%	$4,714,796	$131,365	5.6%	$155,004	220	5.3%
2017	59	$319.3 M	8.4%	$6,024,252	$123,850	6.3%	$141,470	200	5.4%
2016	65	$281.1 M	10.2%	$5,622,735	$94,405	6.3%	$127,711	181	5.7%
2015	54	$289.7 M	10.1%	$5,794,317	$91,020	7.0%	$114,412	162	5.9%
2014	54	$175.6 M	6.5%	$3,658,871	$87,945	7.6%	$101,946	144	6.2%
2013	28	$77.0 M	3.4%	$3,078,060	$74,493	7.7%	$94,395	134	6.4%
2012	26	$110.4 M	5.2%	$4,245,232	$67,632	7.9%	$92,751	131	6.4%
2011	28	$55.0 M	3.3%	$2,290,479	$60,541	8.3%	$90,199	128	6.4%
2010	12	$5.9 M	0.5%	$487,858	$36,589	7.8%	$82,678	117	6.6%
2009	4	$4.7 M	0.3%	$1,177,500	$52,921	6.8%	$62,963	89	7.4%
2008	12	$93.9 M	3.8%	$10,435,556	$101,207	6.2%	$70,604	100	7.1%

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4 & 5 STAR SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2023	-	-	-	-	-	-	$208,611	208	5.5%
2022	-	-	-	-	-	-	$209,875	210	5.4%
2021	-	-	-	-	-	-	$210,530	210	5.4%
2020	-	-	-	-	-	-	$215,064	215	5.2%
2019	-	-	-	-	-	-	$219,906	220	5.0%
YTD	1	$51.7 M	2.0%	$51,700,000	$280,978	5.0%	$217,502	217	4.9%
2018	3	$121.3 M	6.6%	$40,440,000	$202,876	5.0%	$218,215	218	4.9%
2017	4	$112.5 M	7.6%	$28,132,800	$182,681	5.8%	$199,770	199	5.0%
2016	2	$70.5 M	7.0%	$35,250,000	$139,881	5.0%	$182,708	182	5.1%
2015	3	$109.6 M	11.2%	$36,530,000	$148,095	5.2%	$165,398	165	5.3%
2014	2	$87.3 M	9.2%	$43,650,000	$144,059	5.5%	$147,029	147	5.6%
2013	1	$24.5 M	3.1%	$24,475,000	$133,016	-	$135,622	135	5.8%
2012	1	$35.0 M	5.1%	$35,000,000	$113,636	6.0%	$132,517	132	5.8%
2011	2	$22.4 M	3.5%	$11,193,000	$106,600	8.1%	$128,186	128	5.8%
2010	-	-	-	-	-	-	$117,736	118	6.0%
2009	-	-	-	-	-	-	$89,906	90	6.7%
2008	1	$56.0 M	7.9%	$56,000,000	$124,444	5.5%	$100,165	100	6.4%

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3 STAR SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2023	-	-	-	-	-	-	$146,892	216	5.9%
2022	-	-	-	-	-	-	$146,971	216	5.8%
2021	-	-	-	-	-	-	$146,629	216	5.7%
2020	-	-	-	-	-	-	$148,830	219	5.6%
2019	-	-	-	-	-	-	$150,737	222	5.4%
YTD	2	$6.4 M	0.4%	$3,207,500	$114,554	5.2%	$148,005	218	5.2%
2018	14	$12.1 M	2.4%	$1,344,944	$103,457	5.6%	$147,268	216	5.2%
2017	14	$148.5 M	9.4%	$11,421,965	$131,520	5.3%	$134,987	198	5.3%
2016	15	$117.6 M	10.2%	$11,755,562	$104,587	6.4%	$120,456	177	5.6%
2015	17	$133.3 M	13.8%	$8,330,085	$74,751	6.2%	$108,280	159	5.8%
2014	5	$52.2 M	5.3%	$10,433,000	$76,153	6.4%	$96,258	142	6.1%
2013	8	$28.0 M	2.8%	$3,993,786	$82,957	7.5%	$89,171	131	6.3%
2012	9	$62.4 M	8.1%	$6,933,278	$60,818	8.3%	$88,291	130	6.3%
2011	4	$18.2 M	2.7%	$4,561,250	$53,348	7.2%	$86,685	127	6.3%
2010	1	$0.4 M	0.1%	$446,000	$63,714	-	$79,424	117	6.5%
2009	-	-	-	-	-	-	$60,413	89	7.2%
2008	5	$23.9 M	3.9%	$11,947,500	$101,250	6.1%	$68,023	100	6.9%

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1 & 2 STAR SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/Unit	Avg Cap Rate	Price/Unit	Price Index	Cap Rate
2023	-	-	-	-	-	-	$101,486	230	6.4%
2022	-	-	-	-	-	-	$101,398	230	6.3%
2021	-	-	-	-	-	-	$100,972	229	6.3%
2020	-	-	-	-	-	-	$102,060	232	6.1%
2019	-	-	-	-	-	-	$102,568	233	5.9%
YTD	9	$9.0 M	0.8%	$1,286,429	$121,689	5.1%	$102,318	232	5.8%
2018	52	$125.9 M	11.8%	$2,927,657	$99,991	5.7%	$100,828	229	5.8%
2017	41	$58.3 M	8.0%	$1,618,572	$69,950	6.8%	$90,742	206	6.0%
2016	48	$93.1 M	12.1%	$2,449,503	$68,949	6.4%	$81,184	184	6.2%
2015	34	$46.8 M	5.6%	$1,511,112	$70,976	7.5%	$70,589	160	6.6%
2014	47	$36.2 M	6.2%	$881,971	$51,219	8.0%	$63,504	144	6.9%
2013	19	$24.5 M	4.3%	$1,442,353	$47,891	7.8%	$59,269	135	7.1%
2012	16	$13.0 M	2.4%	$811,034	$43,545	7.7%	$58,193	132	7.1%
2011	22	$14.3 M	3.9%	$796,694	$40,282	8.7%	$56,318	128	7.1%
2010	11	$5.4 M	1.2%	$491,663	$35,348	7.8%	$51,422	117	7.4%
2009	4	$4.7 M	0.7%	$1,177,500	$52,921	6.8%	$39,000	89	8.2%
2008	6	$14.0 M	1.9%	$2,337,500	$57,955	6.5%	$44,061	100	7.8%

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DELIVERIES & UNDER CONSTRUCTION

	Inventory			Deliveries		Net Deliveries		Under Construction	
Year	Bldgs	Units	Vacancy	Bldgs	Units	Bldgs	Units	Bldgs	Units
2023	-	40,953	5.7%	-	1,038	-	1,016	-	-
2022	-	39,937	6.0%	-	1,331	-	1,310	-	-
2021	-	38,627	5.4%	-	909	-	887	-	-
2020	-	37,740	6.1%	-	1,812	-	1,790	-	-
2019	-	35,950	5.2%	-	1,236	-	1,226	-	-
YTD	641	34,864	4.7%	2	140	2	140	14	3,200
2018	639	34,724	5.0%	9	1,119	9	1,119	13	3,055
2017	630	33,605	4.1%	6	1,001	6	1,001	17	2,315
2016	624	32,604	3.8%	4	633	4	633	9	1,363
2015	620	31,971	3.8%	1	40	0	35	4	507
2014	620	31,936	4.2%	3	834	3	834	1	40
2013	617	31,102	5.0%	0	0	0	0	3	834
2012	617	31,102	6.5%	1	5	0	(233)	0	0
2011	617	31,335	6.8%	0	0	0	0	1	5
2010	617	31,335	7.6%	1	12	1	12	0	0
2009	616	31,323	9.2%	2	315	2	315	1	12
2008	614	31,008	8.3%	4	674	4	674	2	315
2007	610	30,334	6.3%	2	387	1	382	6	989

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