

MARKET TRENDS

RENO

MULTIFAMILY

↓ VACANCY

↑ NET
ABSORPTION

↑ RENTAL
RATES

↑ CONSTRUCTION
DELIVERIES

Year-Over-Year Change

Nationally, vacancy rates are projected to creep up in 2025 along with moderately positive rent growth.

Cap rates have flattened, while interest rates remain elevated and volatile, employing negative pressure on property values. As a result, the northern Nevada multifamily market is rebounding. To the point, only five properties traded in Q1 2025 versus seven trades in Q4, for a total sales volume of \$19.09M versus \$132.25M respectively. The largest sale of the quarter was the Roselake Apartments at 3050 Lakeside Drive (80 units), which sold for \$11.80M (\$147,500 per unit), with a 5.69% cap rate.

On the list side, 19 properties are currently on the market (5 to 129 units) with an average price per door of \$192,338 with cap rates averaging 6.08%. Apartment vacancies remain low; of the properties that Johnson Perkins-Griffin tracks, the overall vacancy rate decreased to 2.66% (-50 basis points) while average rents increased from \$1,656 in Q4 to \$1,681 in Q1. Other properties (20+ units) in Reno-Sparks would show the vacancies much higher, above 7 percent.

According to JPG, “although the overall vacancy rate for the entire market has remained low, it is recognized that there are currently several new projects that are taking a

prolonged amount of time to reach stabilization at 90% occupancy. For several of these projects, construction is complete, and occupancy is nearing or above 80%; as these projects are absorbed a shift in the overall market vacancy may be observed. Just over ±1,350 apartment units are currently under construction in the Reno-Sparks market, and just under ±4,450 apartment units are currently in the planning stages.

Mortgage rates will likely decline in 2025, though the extent of the decline is uncertain. Fannie Mae expects rates to end 2025 around 6.3%, and the Mortgage Bankers Association predicts a 6.5% average by year-end. However, these forecasts are subject to change based on economic factors and market conditions. The federal funds rate range currently sits at 4.25% to 4.50%, after the Fed opted to maintain the rate after its January 2025 meeting. Few experts are anticipating any rate cuts, most projections are pointing toward a total of two rate cuts – but later in the year – likely not until June. The good news is that Treasuries have been trending down since January, however current rates remain steady in the mid to high 6% range.

With solid fundamentals, multifamily remains the most preferred asset class in 2025. The Reno multifamily market remains strong with economic development, increased rents, sustained occupancy and buyer engagement.

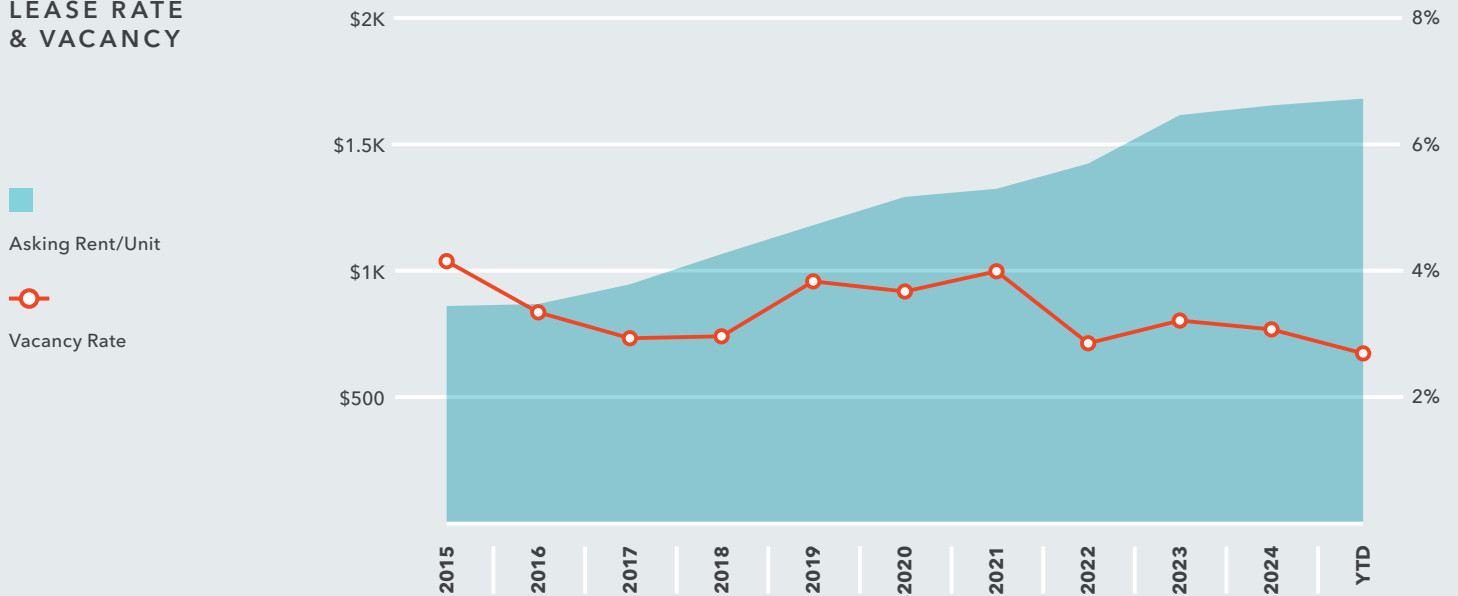
MARKET BREAKDOWN

	1Q25	4Q24	1Q24	Annual % Change
New Construction (Units)	1,007	290	360	179.72%
Under Construction (Units)	1,171	2,713	3,626	-67.71%
Vacancy Rate	2.66%	3.16%	2.95%	-9.83%
Average Asking Rents	\$1,681	\$1,656	\$1,639	2.56%
Average Sales Price (Unit)	\$218,639	\$196,427	\$214,643	1.86%
Cap Rates	5.2%	5.5%	6.2%	-16.13%
Net Absorption (Units)	474	695	234	102.56%

AVERAGE RENT

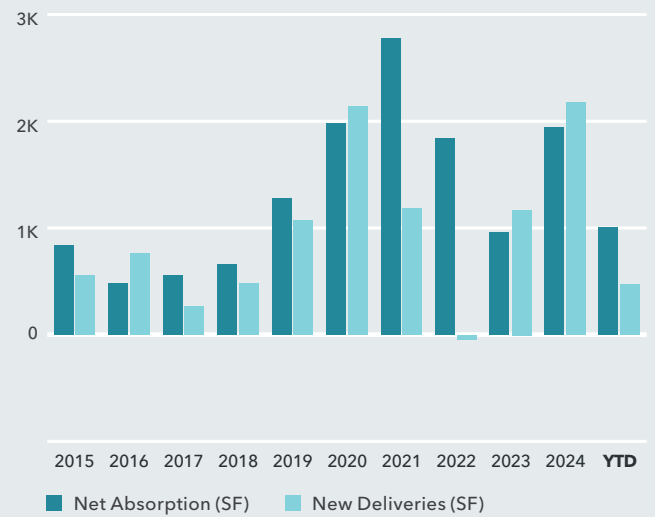
Unit Size	1Q25	4Q24	1Q24
Studio	\$1,218	\$1,197	\$1,234
1 Bedroom	\$1,467	\$1,473	\$1,456
2 Bedroom	\$1,673	\$1,680	\$1,642
3 Bedroom	\$2,262	\$2,240	\$2,204

LEASE RATE & VACANCY

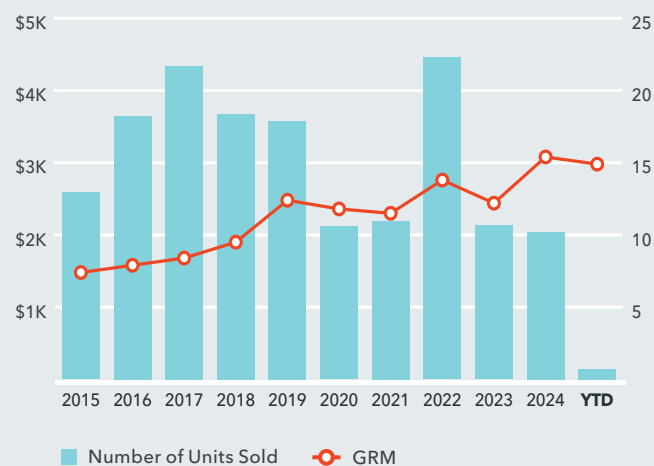


BIGGEST SALE OF THE QUARTER
Roselake Apartments

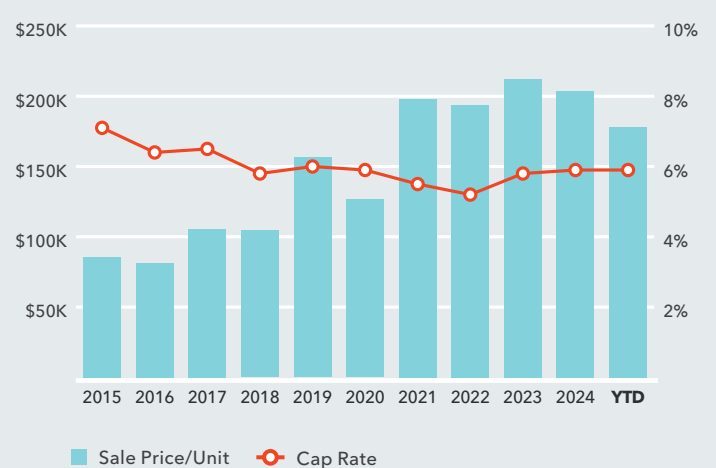
NET ABSORPTION & NEW DELIVERIES



NUMBER OF UNITS SOLD & GRM

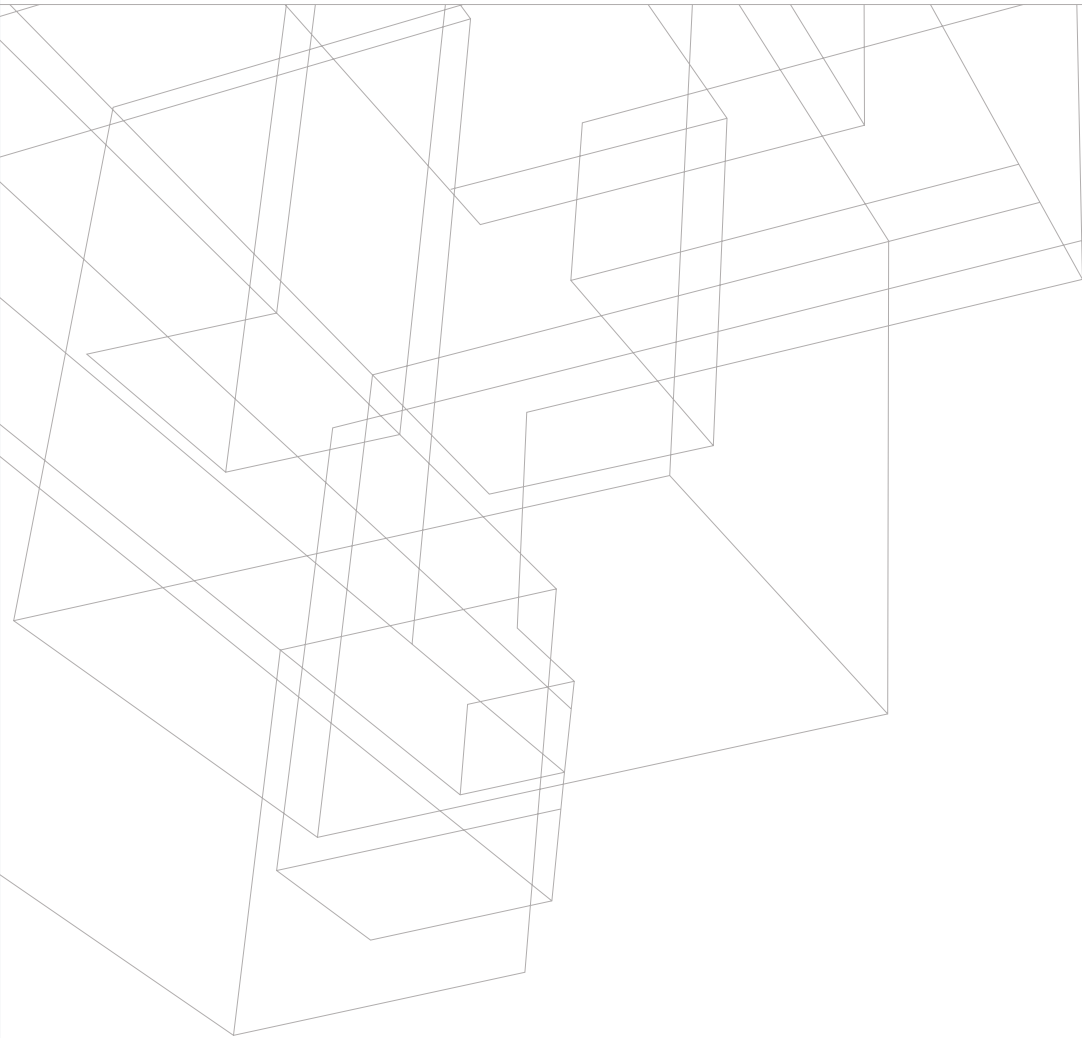


AVERAGE SALES PRICE/UNIT & CAP RATE



SUBMARKET STATISTICS

Submarket	Total Units	4Q24 Direct Vacancy Rates	3Q24 Direct Vacancy Rates	4Q24 Average Rates	3Q24 Average Rates
Downtown	4,234	4.46%	5.47%	\$1,664	\$1,620
Airport	8,717	2.68%	3.32%	\$1,566	\$1,592
Close-In Southwest	4,398	2.32%	2.82%	\$1,360	\$1,384
Southwest Reno	1,872	3.71%	3.47%	\$1,743	\$1,738
Northwest Reno	7,916	2.19%	3.05%	\$1,733	\$1,726
Northeast Reno	3,919	2.27%	2.79%	\$1,454	\$1,416
Southeast Reno	5,749	2.78%	3.04%	\$1,770	\$1,750
West Sparks/North Valley	9,764	2.64%	2.81%	\$1,508	\$1,484
East Sparks	7,317	2.17%	3.17%	\$1,823	\$1,762
Reno-Sparks Total Market	53,886	2.66%	3.16%	\$1,681	\$1,656



SIGNIFICANT SALE TRANSACTIONS

Property	Submarket	# of Units	Sale Price	Price/Unit	Buyer	Seller
Roselake Apartments	Virginia Lake	80	\$11,800,000	\$147,500	Ochoa Daniel C	Kaweah, LLC
840 S Arlington Ave	Midtown Reno	11	\$2,760,000	\$250,909	Gorelick Investment Group V LLC	Simons Mark G
6028 Plumas St	Outer South Reno	8	\$1,957,000	\$244,625	CLLV Management, LLC	Club Lakeridge

SIGNIFICANT UNDER CONSTRUCTION

Property	Address	Submarket	# of Units	Owner	Expected Delivery Date
Halcyon	825 East Patriot Blvd	South Reno	330	SyWest Development	2Q 2025
Stone Village	4060 Gardella Ave	North Reno	320	Kromer Investments	4Q 2025
Elysium	11201 South Virginia St	South Reno	260	Oakmont Properties	4Q 2026

RECENT COMPLETIONS

Property	Address	Submarket	# of Units	Owner	Delivery Date
Seasons at Stonebrook	7755 Tierra Del Sol Pkwy	East Sparks	396	Mountain States Property Management	January 2025
Ballpark	201 Evans Ave	Northeast Reno	369	Pacific Development	January 2025
The Kallan	350 Boomtown Garson Rd	Northwest Reno	242	Forum Real Estate Group	February 2025

Data Source: EDD, CoStar, Johnson Perkins- Griffin



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The information in this report was composed by the Kidder Mathews Research Group.

GARY BARAGONA
Vice President of Research
415.229.8925
gary.baragona@kidder.com

DAVID NELSON
Regional President, Brokerage
Northern California & Nevada
775.301.1300
david.nelson@kidder.com
LIC N° 01716942

COMMERCIAL
BROKERAGE

\$9B

AVERAGE ANNUAL
TRANSACTION VOLUME

26.2M

ANNUAL
SALES SF

36.7M

ANNUAL
LEASING SFASSET
SERVICES

58M SF

MANAGEMENT
PORTFOLIO SIZE

850+

ASSETS UNDER
MANAGEMENT

250+

CLIENTS
SERVEDVALUATION
ADVISORY

2,400+

AVERAGE ANNUAL
ASSIGNMENTS

39

TOTAL
APPRAISERS

24

WITH MAI
DESIGNATIONS

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