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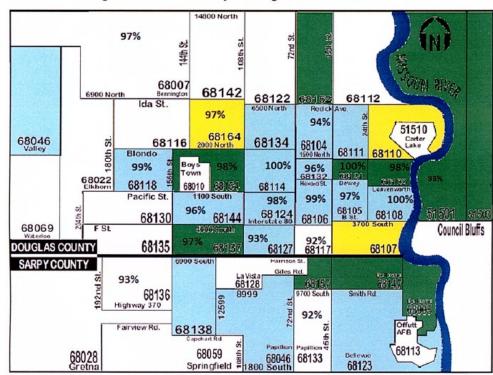
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## **Omaha Apartment Market Overview**

IREM recently released their Apartment Survey indicating occupancy at an eight year high at 96%. This is up from 94% in 2012

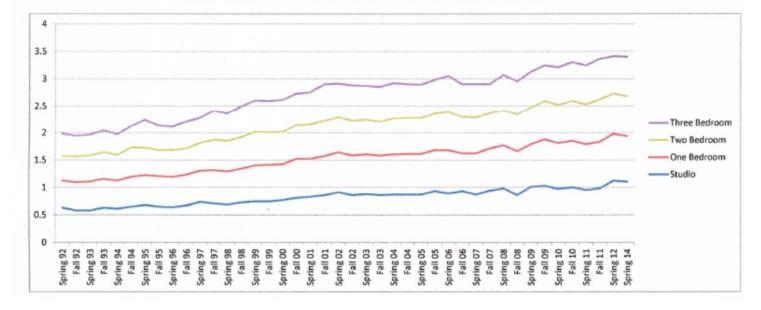
## City Wide Occupancy All Unit Sizes



with rental rates remaining stable—but slightly down from 2012. The average efficiency unit leased for \$1.12/SF in 2012 now leases on average for \$1.10. A one bed unit leased for \$0.86/SF in 2012 now leases on average for \$0.84/SF. A two bed: \$0.75/SF in 2012, now leasing for \$0.74/SF. Lastly, a three bedroom unit leased for \$0.68/SF in 2012, but has risen now to \$0.72/SF.

A twenty year look shows increases in rental rates well ahead of inflation. Demand for apartments combined with an increase luxury units has pushed the overall \$/SF metric significantly higher. The trend towards luxury and high dollar units is only expected to increase as apartment living becomes the choice of the Baby Boomers that snowbird during the winter.

	RENTS & SQUARE FEET BY TYPE											
	Efficiency/Studio			One Bedroom			Two Bedroom			Three Bedroom		
	2012	2014	Square	2012	2014	Square	2012	2014	Square	2012	2014	Square
Area	Rent	Rent	Feet	Rent	Rent	Feet	Rent	Rent	Feet	Rent	Rent	Feet
NW Omaha	563	429	406	631	695	824	779	808	1160	939	1103	1410
SW Omaha	541	555	538	688	691	770	851	840	1164	1280	1051	1480
NE Omaha	713	675	545	523	645	692	664	825	1020	762	750	1167
SE Omaha	616	900	723	737	644	745	952	836	1024	1053	1854	1770
Sarpy County	572	528	439	657	665	757	774	784	992	861	1001	1193
Council Bluffs	619	495	598	658	553	722	739	650	978	731	800	1200
Average	604	597	542	649		752	793		1056	938		1370
Rent per Sq. Foot	\$1.12	\$1.10		\$0.86	\$0.84		\$0.75	\$0.74		\$0.68	\$0.72	



We project a stability in both occupancy and rental rates as a relatively high numbers of units are scheduled to come online in the coming years. Competition will keep rental rates in check but demand for units will only continue to grow. Time will tell if the demand will outpace production.

According to the Omaha World Herald, Census statistics suggest that "Nearly 16,000 people in 6,200 households in the coming years—the bulk of them in rental properties—are projected to be living within (a one-mile radius of downtown) by 2016."

Below are some of the projects that are being proposed or are already in progress in downtown. Recent estimates agree that the number of units that will become available is 1400+ from new projects. It should be noted however, that once they are finished, these units can instead be sold as downtown condominiums as well.

<b>Future Apartment Developments</b>	Units
Shamrock development in 10th and Capitol	250
Flat Iron Renovation	30
Midtown Crossing	149
9th and Jones Butternut building	125
NuStyle-Powerplant Development	135
1501 Jackson	75
Limelight Renovation	42
Nustyle-The Wire	300
Bluestone Spaces	149
Midtown Triangle Apartments	<u>178</u>
	1,433

The focus remains on Downtown Omaha as the higher profile projects tend to locate in this submarket. There are several reasons Downtown is the preferred location including availability of TIF, less resistance from residential neighborhoods, and an occupancy in existing complexes at 98%. The addition of 1,433 units in the coming years will likely put some pressure on occupancy numbers and keep projected future rents level as existing complexes are forced to compete with newer "hipper" projects on the horizon.

Omaha.com (Limelight)