



206 UNITS

825 DELUCCHI LANE



THE ELEMENT  
APARTMENT HOMES

RENO, NEVADA 89502



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# Executive Summary

## THE OPPORTUNITY

The Element Apartments is a 206-unit garden style apartment rental community located in Reno, Nevada. The Element offers a rare and compelling stabilized opportunity for investors with strong upside from existing below market rents and continued interior renovations.

Featuring an excellent location in the heart of Reno's commercial epicenter, The Element is within walking distance of the 1M square-foot Meadowood Regional Mall, Whole Foods, Target, Trader Joe's, Truckee Meadows Community College, NV Energy HQ, Microsoft Licensing HQ, and Intuit Reno HQ, as well as various restaurants and shopping. The location is also home to all of the core employment for the Reno/Sparks area featuring 1.8M square feet of office space.

## INVESTMENT HIGHLIGHTS

- Exceptionally well-located and established asset
- Excellent unit mix and amenity package
- Strong value-add opportunity from existing below market rents
- Numerous recent exterior, interior, and amenity upgrades completed
- Located across from 1M square-foot Simon Mall and Fortune 500 employers
- One of the strongest multifamily markets on the West Coast
- Booming job and population growth from new employers and in-migrations to the region

## THE OFFERING

### ADDRESS:

825 Delucchi Lane  
Reno, Nevada 89502

### NO. OF UNITS:

206

### YEAR BUILT:

1975/77

### PRICE:

Market Derived

### AVG. IN-PLACE

### RENT:

\$1,076

### AVG. IN-PLACE

### RENT PSF:

\$1.48





## PROPERTY DETAILS



**LOCATION:**  
825 Delucchi Lane  
Reno, Nevada 89502



**COUNTY:**  
Washoe



**NUMBER OF UNITS:**  
206



**YEAR BUILT:**  
1975/77



**GROSS SF:**  
±152,358 SF



**AVERAGE UNIT SIZE:**  
754 SF



**LAND AREA:**  
±7.48 Acres



**ZONING:**  
MF 30



**FLOOD ZONE:**  
0.2% chance annual Flood  
Hazard Zone (X Shaded -  
FEMA Panel 32031C3232G  
effective 3/15/09)



**ASSESSOR'S  
PARCEL NUMBERS:**  
025-373-03 & 025-373-04



**2019/20 REAL ESTATE  
TAXES:**  
\$95,340.91

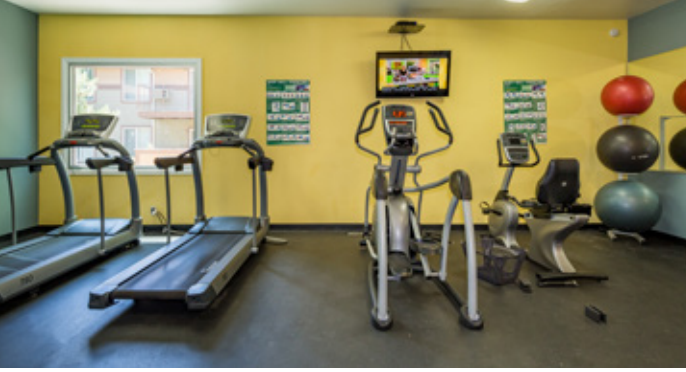


**# OF BUILDINGS:**  
23



**TOTAL PARKING SPACES:**  
260





## APARTMENT UNIT MIX

UNIT TYPE	NUMBER OF UNITS	SQ. FT.	AVERAGE RENT*	RENT PSF
1 Bed/1 Bath	128	648	\$894 - \$1,016	\$1.38 - \$1.57
2 Bed/1 Bath	78	860	\$1,059 - \$1,235	\$1.23 - \$1.44
<b>Total</b>	<b>206</b>			

\*Standard and remodeled. Information above based on Rent Roll dated 6/30/19.

## APARTMENT FEATURES

- **Recently renovated units** also now include vinyl plank in living room and kitchen; carpet in bedrooms; full size washers and dryers in select two-bedroom units; white appliances, range, stove, fridge, dishwasher; baseboards; nickel hardware and electrical fixtures; laminate countertops; grey and white interior paint; and bi-fold/ bypass doors
- Dishwasher, Frost-free Refrigerator, & Range, Ceiling Fans
- Washers and Dryers in Select Units
- Patio/Balcony
- Views in Select Units

## COMMUNITY AMENITIES

- BBQ Areas
- Carports/Covered Parking
- Swimming Pool
- Fitness Center
- Assigned Covered Parking
- Newly Renovated Laundry Facilities with brand new washers and dryers
- Newly constructed off-leash Pet Park
- On-Site Maintenance, Management



## RENO A TOP MARKET IN RENT GROWTH

The Reno/Sparks MSA is beginning to make waves in national headlines for apartment market fundamentals:

- **RANKED 1ST NATIONALLY** for year-over-year rent growth by Yardi in 2019.
- **THE RENO/SPARKS METRO HIT A RECORD RENTAL RATE OF \$1,344 IN Q2 2019**, representing 59.2% growth over the past decade.
- **JOBS GREW BY AN ANNUAL RATE OF 6.2% IN RENO/SPARKS** compared to the national growth rate of 1.6% per June 2019 Nevada Department of Employment.

## RENO MULTIFAMILY OVERVIEW

The Reno-Sparks market continued its trend of positive rental growth in Q2 2019. The average rental rate increased from \$1,316 in Q1 of 2019 to \$1,344 in Q2 of 2019. Average vacancy rate decreased from 3.06% in Q1 of 2019 to 2.67% in Q2 of 2019, as demand continued to remain exceptionally strong with new companies relocating and expanding in the market.

The Reno economy is performing extremely well with “job growth currently at three times the national average and high tech and manufacturing employment expected to grow faster than in the West and the US overall; and as a result driving outsized gains in personal income and spending,” according to Moody’s. At a 3.0% unemployment rate, the Reno market has reached its lowest unemployment rate in 19 years.



<TO LAKE TAHOE



**UNDER CONSTRUCTION:**  
Park Lane Development, a ±46 acre mixed use development to include multifamily, office and retail

**DOWNTOWN RENO**

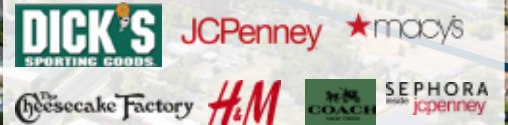
**UNDER CONSTRUCTION:**  
A 141-acre, legendary property that is being transformed into a prestigious, new, mixed-use development



**MCCARRAN BLVD.**



**MEADOWWOOD MALL**



# Market Overview

The Reno/Sparks market continues to receive accolades as an attractive place for investment due to strong job growth and appealing lifestyle. According to the 2019 Milken Institute report “Best-Performing Cities 2018: Where America’s Jobs are Created and Sustained,” Reno moved up 26 spots in 2018 to become the #11 ranked city in the country. Milken Institute’s Best-Performing Cities index uses outcomes-based set of metrics—such as job creation, wage gains, and technological developments—to evaluate the relative growth of the metropolitan areas. Year-over-year job growth in Reno exceeded that of every metro in the ranking.

In a similar report supporting Reno’s position as a top location for job growth, Spectrum Location Solutions published data in a December 2018 report indicating that over 1,800 companies left California in 2016 (the most recent data available) with Reno named as the second most popular destination.

In 2018, Area Development ranked the Reno market among its “Top 10 Leading Metro Locations.” Specifically, the Reno market ranked first among mid-size metros for “Economic Strength” and fourth overall. This business-friendly tax environment has created many possibilities for out-of-state companies to locate facilities to the area including Apple, Amazon, Google, Switch and Tesla/Panasonic. In fact, over 100 companies have relocated to the Reno-Sparks region within the last three years.

**Reno Ranked #6 on CNBC’s “15 cities where business is booming and salaries are rising”**

CNBC - April 2019

**Reno ranked #1 for job growth, and #11 city overall** in Milken Institute’s Best-Performing Cities of 2018 list

**Nevada ranked a “#6 Most Business-Friendly State”** in Chief Executive Magazine’s 2019 “Best and Worst States for Business” survey

**Nevada ranked “#1 for Inbound Movers Nationally”** by Atlas Van Lines, March 2019

**Nevada ranked “#1 in Private-Sector Job Growth”** by Business Facilities Magazine, 2018

**Nevada ranked “#3 for Year-Over-Year Personal Income Growth in the U.S.”** by Nevada Department of Employment, Training and Rehabilitation, 2018





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## EXCLUSIVE MARKETING ADVISOR

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