

YoY Chg      12-Mo. Forecast

**5.7%**

Vacancy Rate



**534**

Net Absorption, units



**\$1,130**

Effective Rent / Unit



(Overall, All Property Classes for Q3 2023)  
Source: CoStar Data

### ECONOMIC INDICATORS Q3 2023

YoY Chg      12-Mo. Forecast

**509.4k**

Omaha Employment



**2.2%**

Omaha Unemployment Rate



**0.9%**

Omaha Household Growth Rate



Source: BLS, BOC, Moody's Analytics, CoStar

### ECONOMIC OVERVIEW:

The Omaha MSA (metropolitan statistical area) continues to experience positive economic growth, despite the many challenges the U.S. economy is facing. Though job creation was expected to decline in the third quarter of 2023, the local market experienced positive-growth, adding 7,300 positions year-over-year (YOY). During the same timeframe, Omaha's unemployment rate decreased by 60 basis points (bps). Local employment growth increased by 1.5% YOY, while U.S. employment growth increased by 1.9%. The U.S. also saw a slight uptick in the average unemployment rate and was recorded at 3.7% in the third quarter of 2023. The Omaha market tied with the Madison MSA (Wisconsin) for the lowest unemployment rate in the Midwest, and was recorded at 2.2%, at quarter-close. The local median household income was recorded at \$76,000 per year at the end of Q3, an increase of 2.2%, YOY. As a comparison, Omaha's median household income average is approximately \$2,500 higher than the U.S. average at \$73,500.

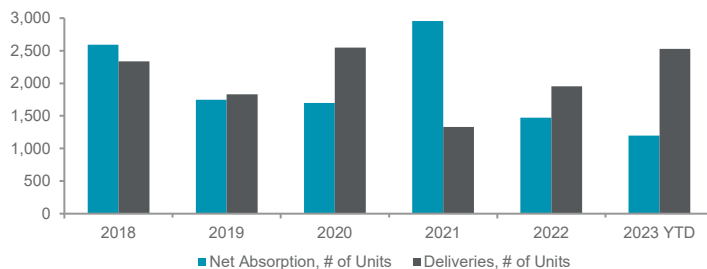
### MARKET OVERVIEW:

The Omaha multifamily market absorbed 534-units in the third quarter of 2023, for a total of 1,668-units absorbed year-to-date (YTD). There were 595 new units delivered in Q3, for a total of 2,529 apartment deliveries YTD. Twenty-three apartment properties have been delivered throughout 2023. The most notable deliveries YTD are The Brickline at the Mercantile with 379-units and The Trails at Northstreams with 300-units. Another 2,624 rentals are currently in the construction pipeline. Approximately 21.0% of these are in the West Omaha submarket, with the Elkhorn submarket coming in second place at 15.1%. Apartment construction is slowing down across the U.S, though the Omaha market continues to fair better than most. Local demand remains high. However, supply delays, high interest-rates and labor issues have slowed construction. The overall vacancy increased by 70 basis points (bps), ending the quarter at 5.7%.

### PRICING:

Effective rents in Omaha's multifamily sector increased by 4.6% YOY, reaching \$1,130 per unit at the close of Q3. The Elkhorn submarket continues to fetch the highest asking rents in the market, averaging \$1,401 per unit. Though the Ralston submarket has some of the lowest rents in the metro, it also recorded the greatest amount of rent growth. Average effective rents in the Ralston submarket increased by 5.9% YOY, closing the quarter at \$978.00 per unit.

### SPACE DEMAND / DELIVERIES



### OVERALL VACANCY & EFFECTIVE RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	DELIVERIES (UNITS)	YOY % INVENTORY GROWTH	UNDER CONSTR (UNITS)	YTD NET ABSORPTION (UNITS)	VACANCY RATE	YOY VACANCY RATE CHANGE	AVG EFFECTIVE RENT/UNIT	AVG EFFECTIVE RENT PSF	YOY % EFFECTIVE RENT GROWTH
Bellevue	8,166	0	1.4%	294	106	4.3%	-10.7%	\$1,094	\$1.19	1.9%
Central Omaha	8,349	0	0.0%	0	-43	4.0%	19.0%	\$1,081	\$1.21	5.4%
Council Bluffs	5,045	0	0.0%	0	-27	5.7%	18.8%	\$1,013	\$1.17	5.6%
Downtown Omaha	7,362	0	8.4%	178	377	6.9%	24.7%	\$1,237	\$1.44	3.2%
Elkhorn	5,660	0	9.7%	397	391	8.0%	16.6%	\$1,401	\$1.44	0.8%
Gretna	2,735	0	2.8%	182	159	7.7%	-68.9%	\$1,222	\$1.35	3.3%
Midtown	12,492	0	1.9%	162	149	4.8%	19.0%	\$1,085	\$1.37	4.1%
Millard	3,233	0	0.0%	300	-17	3.2%	-19.0%	\$1,241	\$1.29	4.7%
North Omaha	9,313	108	1.2%	50	21	6.0%	8.6%	\$936	\$1.05	2.0%
Northwest Omaha	7,541	305	11.8%	200	391	10.3%	55.5%	\$1,338	\$1.29	3.6%
Papillion/La Vista	7,628	182	5.8%	289	42	8.3%	48.8%	\$1,248	\$1.31	4.5%
Ralston	5,753	0	0.0%	0	-29	3.8%	10.5%	\$978	\$1.10	5.9%
South Omaha	1,817	0	0.0%	0	-9	1.6%	31.0%	\$687	\$0.91	2.1%
West Omaha	7,816	0	0.0%	572	157	3.3%	-97.7%	\$1,251	\$1.38	5.6%
<b>Omaha</b>	<b>92,910</b>	<b>595</b>	<b>3.1%</b>	<b>2,624</b>	<b>1,668</b>	<b>5.7%</b>	<b>14.8%</b>	<b>\$1,130</b>	<b>\$1.25</b>	<b>4.6%</b>

Source: Cushman & Wakefield Research, CoStar

KEY SALES TRANSACTIONS Q3 2023

PROPERTY	SUBMARKET	SELLER / BUYER	UNITS	PRICE / \$ UNIT
5002 S 202 <sup>nd</sup> Ave	Millard	Woodsonia Real Estate, Inc/North Streams, LLC	300	\$2,347,000/\$8k
317 North Ave	Council Bluffs	MRES Deer Park Holdings, LLC/PW MP Deer Park Owner, LLC	76	\$9,000,000/\$118k

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