

# Multifamily Market Report

## Omaha, Nebraska | 2022 Recap

### Record Sales Volume, Rising Prices and Construction, and a Ticking Up of Vacancy Rates

The Omaha multifamily market continued to be strong in 2022, despite rising interest rates to end the year. 2022 was a year of record sales volume, rising prices and construction. There was a tick up of vacancy rates due to an abundance of inventory coming online. However, year-over-year rent growth was strong due to new construction commanding higher prices.

**\$278M** Multifamily  
Sales 2022

**\$103K** Average Sales  
Price Per Unit

Rent  
Growth



**7.4%**

Vacancy  
Rate



**5.8%**

Multifamily  
Permits **3,566**

Increase  
from 2021 **49%**

## Market Performance

The average sale price per unit in Omaha increased from \$88,695 in 2021 to \$103,444 in 2022, with price per unit doubling since 2013. Total multifamily sales volume reached a record \$278,647,226, although transactions slowed by the end of the year, peaking in August.

### Noteworthy Sales (2nd Half of 2022):

- Oakwood Trail sold for \$15,000,000 in December, up from \$12,600,000 in 2019, with Burlington as the recent seller.
- Belmont & Brenton sold for \$10,750,000 in July, to a 1031 exchange buyer out of California.
- Securities Building, a historic Downtown Omaha property, sold for \$3,370,000 in August.

According to the Omaha Chamber of Commerce, the Omaha Metropolitan area saw 3,566 multifamily building permits in 2022, surpassing the previous record of 2,269 in 2021. However, it is important to note, most permits were issued prior to mid-2022 before interest rates began to rise. There is a lag between financing and permit issuance. There were 3,387 apartment units under construction in 26 projects across the metropolitan area.



Securities Building



Belmont/Brenton

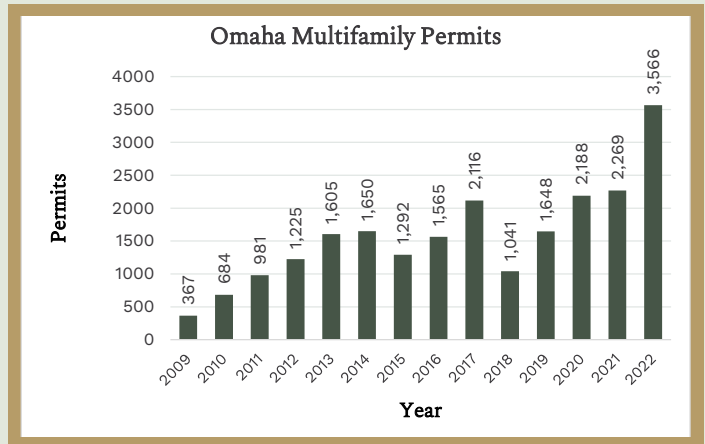
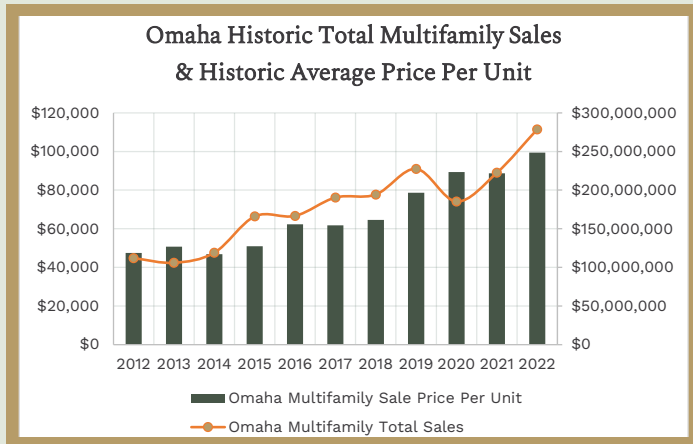


Oakwood Trail Apartments

## Vacancy Rates and Rental Rates

The Omaha vacancy increased to 5.8%, likely due to the abundance of inventory coming online, and is predicted to rise to 7.3% by the end of 2023, according to Costar Information. The increase in vacancy did not hurt rent growth, with the average asking rent at the end of 2022 climbing to \$1,090. This was a year-over-year rent growth of 7.4%, primarily due to new construction commanding higher prices. The national average asking rent was \$1,627.

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\*Permit Data Provided by The Omaha Chamber of Commerce

## Outlook for 2023

Overall, the Omaha multifamily market continued to perform well in 2022, as noted with the record sales volume, rising prices and construction. However, as the interest rates continue to rise the sales transactions continue to slow. We saw this trend in Q4 of 2022 and this has continued in Q1 of 2023. With this said, the demand for housing is still strong. Omaha Metro Area, already in a housing shortage, continues to grow at approximately 1% a year. There is still an influx of multifamily buyers in the market. These investors and developers are keeping a close eye on the impact of rising interest rates and the continued influx of inventory on the market. Most seem to be waiting on the sidelines to see which way the market will turn.

## Q3/Q4 2022 Transactions

Complex	Address	Price	Sale Date	Year Built	SF	Units	Price per Unit	Price PSF
Belmont/Brenton	536, 542, 1016 & 1026 Park Avenue	\$10,750,000	7/8/22	1972/1980 - 2019	77,040	92	\$116,848	\$139.54
Benson Gardens	2333-2339 Benson Gardens Blvd	\$3,920,000	7/14/22	1971	42,786	48	\$81,667	\$91.62
Flatwater	9828 Centennial	\$11,100,000	7/15/22	2000	85,428	84	\$132,143	\$129.93
Northridge	20256 Glenmore Drive	\$16,400,000	7/18/22	2003	121,665	108	\$151,852	\$134.80
3801 Jones Street Portfolio	3801 Jones Street	\$4,578,000	7/22/22	-	38,491	40	\$114,450	\$118.94
Storybrook	1008 S 29th Street	\$962,000	8/16/22	1964	8,316	11	\$87,455	\$115.68
Hamilton Gardens	210 S 24th Street	\$1,785,000	8/20/22	1904	23,106	30	\$59,500	\$77.25
Chateau	401 Chateau Drive	\$10,800,000	8/22/22	1971	131,549	114	\$94,737	\$82.10
Securities Building	305 S 16th Street	\$3,370,000	8/25/22	1915/1997	47,577	35	\$96,286	\$70.83
Nottingham	3304 Burt Street	\$2,900,000	8/27/22	1925/2014	25,556	31	\$93,548	\$113.48
Lone Tree	1003 Avenue K	\$2,400,000	8/27/22	2003	22,520	20	\$120,000	\$106.57
1015 N 47th Avenue	1015 N 47th Avenue	\$600,000	8/28/22	1963	6,804	12	\$50,000	\$88.18
Sierra Place	2706 N 75th Street	\$1,700,000	8/29/22	1973	21,000	24	\$70,833	\$80.95
4713 Davenport Street	4713 Davenport Street	\$1,135,000	9/2/22	1965	11,814	12	\$94,583	\$96.07
120 N 6th Street CB	120 N 6th Street CB	\$1,087,000	10/6/22	1920	21,304	30	\$36,233	\$51.02
510 Bluff Street CB	510 Bluff Street CB	\$1,060,000	11/4/22	1929/2013	23,763	20	\$53,000	\$44.61
Sawyer Building	125 Broadway Street	\$3,670,000	11/4/22	2015	27,969	36	\$101,944	\$131.22
9216 Ohio Street	9216 Ohio Street	\$750,000	11/8/22	1965	15,615	16	\$46,875	\$48.03
2449-2459 2nd Avenue CB	2449-2459 2nd Avenue CB	\$930,460	11/14/22	1959	10,764	16	\$58,154	\$86.44
Elwood	49th and Dodge	\$1,960,000	11/18/22	1919	17,568	20	\$98,000	\$111.57
Ponderosa Pointe	6320 S 72nd Street	\$4,000,000	12/5/22	1987	42,448	48	\$83,333	\$94.23
Oakwood Trail Apartments	5312 N 117th Court	\$15,000,000	12/7/22	1983	136,288	128	\$117,188	\$110.06
<b>Total 2nd Half</b>		<b>\$100,857,460</b>			<b>959,371</b>	<b>975</b>	<b>\$103,444</b>	<b>\$105.13</b>

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