

**Yardi® Matrix**

# Las Vegas Remains Hot

Multifamily Report Spring 2018

**High Rent Growth Persists**

**Construction Leads Job Gains**

**Affordability Issues Intensify**



# LAS VEGAS MULTIFAMILY

Yardi® Matrix

## Market Analysis

Spring 2018

### Contacts

#### Paul Fiorilla

Associate Director of Research  
Paul.Fiorilla@Yardi.com  
(800) 866-1124 x5764

#### Jack Kern

Director of Research and Publications  
Jack.Kern@Yardi.com  
(800) 866-1124 x2444

### Author

#### Anca Gagiuc

Associate Editor

## Increased Demand Pushes Up Rents

Despite having tourism and leisure and hospitality as its main economic drivers, Las Vegas has been a late bloomer in this real estate cycle. But the city's full recovery is a safe bet, given that it ranks among the top 10 metros for population growth and had the second-largest employment gain in the country, at 2.9% in 2017. These factors have pushed rents up 5.3% year over year through March, to \$980, still trailing the \$1,372 U.S. average.

Up by 18.4%, construction led the metro's employment expansion in 2017, adding 11,000 new positions. In-progress deliveries exceed 5,200 rental units, 4,300 of which are slated for completion by year-end. Moreover, several projects are likely to maintain this trend in the coming years: The \$1.9 billion Las Vegas Riders NFL stadium broke ground in January and needs about 3,000 workers, while the \$1.4 billion expansion of the Las Vegas Convention Center calls for more than 7,900 employees.

Transaction activity has softened in 2018, with some \$317 million in apartments trading through March, following two consecutive years that each saw sale volumes above \$2.4 billion. Per-unit prices remained virtually flat across the metro, continuing to mirror investors' focus on Renter-by-Necessity properties. Yardi Matrix forecasts rents will rise 4.8% in 2018.

## Recent Las Vegas Transactions

Elysian West



City: Las Vegas  
Buyer: LivCor  
Purchase Price: \$107 MM  
Price per Unit: \$228,541

SW



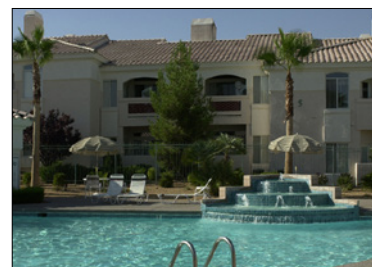
City: Las Vegas  
Buyer: LivCor  
Purchase Price: \$55 MM  
Price per Unit: \$178,345

Broadstone Flamingo West



City: Las Vegas  
Buyer: LivCor  
Purchase Price: \$52 MM  
Price per Unit: \$161,265

Monaco Park



City: Las Vegas  
Buyer: Kennedy Wilson  
Purchase Price: \$44 MM  
Price per Unit: \$153,169