



MULTIFAMILY REPORT

Las Vegas' Improving Odds

Fall 2020

Employment Market Still Reeling

Rent Growth Among Top 3 in the U.S.

Construction Maintains Steady Pace

LAS VEGAS MULTIFAMILY



Hospitality Powered Economy Still Ailing

Even though Las Vegas was one of the metros most severely affected by the current downturn, its multifamily market has shown resilience. Rent development ranked third highest in the country's Top 30 markets, rising 1.1%, on a trailing three-month basis through October, to \$1,163, while the U.S. figure remained flat at \$1,464. Its proximity to large gateways made Las Vegas one of the go-to cities for residents searching for more affordable metros.

Heavily dependent on tourism, the current health crisis placed Las Vegas' economy on the first position in the Top 10 worst performing metros. Still, the unemployment rate appreciated from the all-time high of 34% registered in April to 15.6% in August, while preliminary data for September pointed to sustained recovery to 14.8%. Employment growth in the metro marked a 15.8% decline in the year ending in September, faring much worse than the -9.3% national average. Yet, despite the persisting uncertainty, several developments were completed—including Circa Resort & Casino and Allegiant Stadium—and shows resumed activity. However, Gov. Steve Sisolak's new order that rolls back occupancy limits in casinos and bars from 50% to 25% will likely reverse the trend.

Developers delivered 1,836 units in 2020 through October and had another 5,205 underway. Meanwhile, transaction activity plummeted, with investors spending only \$832 million on multifamily assets.

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Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Jack Kern

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

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Author

Anca Gagiuc

Senior Associate Editor

Recent Las Vegas Transactions

Colton



City: Henderson, Nev.
Buyer: Sunroad Enterprises
Purchase Price: \$45 MM
Price per Unit: \$208,920

Citron



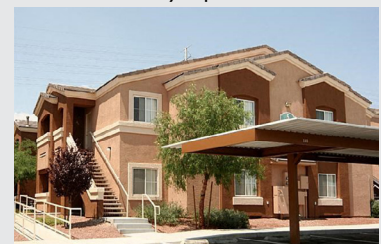
City: Las Vegas
Buyer: TruAmerica Multifamily
Purchase Price: \$25 MM
Price per Unit: \$149,702

The Point on Flamingo



City: Las Vegas
Buyer: Laguna Point Properties
Purchase Price: \$22 MM
Price per Unit: \$114,211

Harlow Luxury Apartment Homes



City: Las Vegas
Buyer: Benedict Canyon Equities
Purchase Price: \$22 MM
Price per Unit: \$219,388