

Yardi® Matrix

Gambling On Growth In Las Vegas

Multifamily Report Winter 2018

Completions Continue at Strong Rate

Employment Gains Spur South Nevada

Rent Growth Exceeds Expectations

LAS VEGAS MULTIFAMILY

Yardi® Matrix

Market Analysis

Winter 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

Alex Girda

Senior Editor

Cranes Keep the Strip in Growth Mode

With rents rising at the second-fastest rate in the nation by the end of October, the Las Vegas multifamily market is enjoying a strong spell across the board. Employment growth is driving significant population gains, resulting in more development. The city's much-maligned housing market is nearing a full rebound to pre-downturn levels, on the back of household creation in rentals. A relatively low average rent of \$974 has helped strengthen Sin City's newfound appeal.

Following a silent spell for significant real estate development in the Las Vegas Valley, the market is now flooded with major projects that the construction sector is struggling to deliver. As it prepares for the relocation of the National Football League's Raiders franchise to a \$1.9 billion stadium in Paradise, Nev., the metro is also gearing up for several other large-scale ventures, including the Las Vegas Convention Center, Resorts World Las Vegas and the expansion of the MGM Convention Center. To the northeast, Reno—still hot off its Tesla GigaFactory deal—is enjoying a strong run in attracting tech giants Apple and Google, with both companies aiming to expand or develop data center projects in the area.

Going forward, Las Vegas is poised to add new inventory at a stronger rate, as 4,700 units were underway as of October while another 11,000 units were in the planning and permitting stages. As a result, it is unlikely that rent growth will continue at such a strong rate, although it is expected to top 5.0% in 2017.

Recent Las Vegas Transactions

Elysian West



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

Mountain Gate/Trails



City: Las Vegas
Buyer: LivCor
Purchase Price: \$83 MM
Price per Unit: \$153,989

Veritas



City: Henderson, Nev.
Buyer: Charles B. Duff
Purchase Price: \$77 MM
Price per Unit: \$177,906

Villas at Green Valley



City: Henderson, Nev.
Buyer: Investcorp
Purchase Price: \$71 MM
Price per Unit: \$116,174

To Subscribe

Hollie Zepke

Audience Development Specialist
Hollie.Zepke@Yardi.com
(800) 866-1124 x5389