



## MULTIFAMILY REPORT

# Las Vegas Rates Decline

May 2023

**Job Gains Outperform US**

**YoY Rent Movement Down**

**Investment Activity Stalls**

# LAS VEGAS MULTIFAMILY



## Rates, Occupancy Register Descent

The Las Vegas multifamily market is facing challenges, with rent and occupancy declines following an interval of solid growth. However, fundamentals are still relatively sound, as employment and demographic trends remain positive. At the end of the first quarter of 2023, average rents were down 0.2% on a trailing three-month basis, to \$1,472. Through that time, the national average remained flat, at \$1,706.

Employment growth was 5.1% in 2022, while the jobless figure stood at 6.0% in February, above the state average and the highest rate the metro has seen in 18 months. Only two sectors posted losses, with other services and information down a combined 500 jobs in 2022. Leisure and hospitality added 16,000 jobs, as the metro's economic cornerstone continued to regain positions. Although still short of pre-pandemic levels, tourism is rebounding, with sports-focused efforts such as new athletic franchises and the upcoming Las Vegas Grand Prix set to galvanize the comeback.

Investment slowed down considerably in 2023, at \$81 million through the first quarter, on the back of a single confirmed up-scale transaction. Investment has been progressively dwindling since 2022, when \$3.1 billion in assets traded. The metro had 8,900 rental units under construction and another 21,000 in the planning and permitting stages, but inventory additions have consistently underperformed during the cycle.

## Market Analysis | May 2023

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### Recent Las Vegas Transactions

#### Tribeca North



City: North Las Vegas, Nev.  
Buyer: MG Properties  
Purchase Price: \$81 MM  
Price per Unit: \$259,615

#### Summit on Nellis



City: Las Vegas  
Buyer: DB Capital Management  
Purchase Price: \$64 MM  
Price per Unit: \$216,216

#### Desert Ridge



City: Las Vegas  
Buyer: Turner Impact Capital  
Purchase Price: \$63 MM  
Price per Unit: \$207,237

#### Orchard Club



City: Las Vegas  
Buyer: 3D Investments  
Purchase Price: \$61 MM  
Price per Unit: \$277,273