



MULTIFAMILY REPORT

Las Vegas: Reshuffling

Spring 2021

Rent Growth Remains Among Nation's Best
First-Quarter Investment on a par With 2020 Levels
Venues Increase Occupancy, Sustain Economic Recovery

LAS VEGAS MULTIFAMILY



Strong In-Migration Keeps Demand Elevated

Las Vegas' economy took a shattering blow from the pandemic, but its multifamily market bucked expectations—its proximity to high-density California metros and relative affordable status appealed to residents looking to stay put or relocate. In-migration increased demand and pushed up the occupancy rate in stabilized properties by 150 basis points in the 12 months ending in February, to 95.8%. Rents continued to rise, up 0.5% on a trailing three-month basis through March, to \$1,187.

Las Vegas unemployment dropped to 9.8% in January, while the 9.3% preliminary February figure pointed to continued recovery. The employment market posted a 11.0% contraction in 2020, nearly twice the -6.8% U.S. rate. The metro's outlook is promising, however, fueled by the steady reopening of casinos and venues hosting trade shows and related activities, with increased capacity for up to 50% or 250 people. The planned opening of Resorts World Las Vegas this summer, is anticipated to help the leisure and hospitality sector recover after the massive 21.4% contraction recorded in 2020.

Developers delivered 588 units in the first quarter of 2021 and had another 6,410 units underway. Meanwhile, transactions totaled just \$84 million in multifamily assets, for a price per unit that dropped a substantial 38.8%, to \$113,052, when compared to the first quarter of 2020.

Market Analysis | Spring 2021

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

The Well



City: Henderson, Nev.
Buyer: Amboise Properties
Purchase Price: \$84 MM
Price per Unit: \$210,859

The Villas at 6300



City: Las Vegas
Buyer: Benedict Canyon Equities
Purchase Price: \$48 MM
Price per Unit: \$171,429

Spanish Oaks



City: Las Vegas
Buyer: Next Wave Investors
Purchase Price: \$29 MM
Price per Unit: \$131,944

Pinehurst



City: Las Vegas
Buyer: Pacifica Cos.
Purchase Price: \$27 MM
Price per Unit: \$138,462