

Yardi® Matrix

# Las Vegas: Accelerated Success

Multifamily Report Summer 2017

**Demand Outstrips Supply**

**Developers Ramp Up Deliveries**

**Investors Face Rising Property Values**



# LAS VEGAS MULTIFAMILY

Yardi® Matrix

## Market Analysis

Summer 2017

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## Rising Demand Pushes Rents Higher

Las Vegas' recovery features above-average job and population growth. That has produced a modest but steady improvement in housing demand, as the market aims for long-term stability.

Employment gains were led by the mining, logging and construction segment, which kept its position as the state's fastest-growing sector during the past year, due to a spate of ongoing projects. MGM is working on a \$130 million expansion of the Grand Conference Center, while a 65,000-seat stadium is in the planning stages. Station Casinos will add a gaming and entertainment facility in Reno, and Eldorado Resorts will upgrade its Eldorado, Silver Legacy and Circus Circus properties in the area. The office market is recovering, with demand and rents on the upswing. Credit One Bank's new 152,000-square-foot headquarters is slated for delivery by the end of the year.

Las Vegas' apartment sector has heated up during the past few years, with rents rising 4.4% year-over-year and occupancy in stabilized properties reaching 95.6%. Development activity is increasing and property values are rising, contracting acquisition yields. Deliveries have been weak, but the pipeline looks promising with 5,200 units under construction, more than half of which are slated for completion by the end of the year. Considering the strong level of demand, we expect rent growth to top out at 4.5% in 2017.

### Recent Las Vegas Transactions

Mountain Gate/Trail



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

Sky Pointe Landing



City: Las Vegas  
Buyer: Shopoff Realty Investments  
Purchase Price: \$73 MM  
Price per Unit: \$116,346

Villas at Green Valley



City: Las Vegas  
Buyer: Investcorp  
Purchase Price: \$71 MM  
Price per Unit: \$116,174

Volare



City: Las Vegas  
Buyer: Green Leaf Partners  
Purchase Price: \$63 MM  
Price per Unit: \$175,000

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