



Las Vegas multifamily report

Q2 2024

**AVISON
YOUNG**

Las Vegas multifamily: Market trends

9.0%

Vacancy slightly drops from prior few quarters (%)

The Las Vegas multifamily market is seeing a decrease in vacancy rates compared to previous quarters. From Q3 2023 to Q1 2024, vacancy rates in the Las Vegas retail real estate market remained above 9%, surpassing the historical average range of 5 to 7%. In 2020, vacancies notably decreased, influenced by various factors such as increased remote work options, changing housing preferences, and ongoing migration from coastal urban centers. However, rates rose again with around 2,400 new units delivered in Q1 2023, increasing vacancies until the space is absorbed.

2,330

Strong leasing activity creates positive absorption (units)

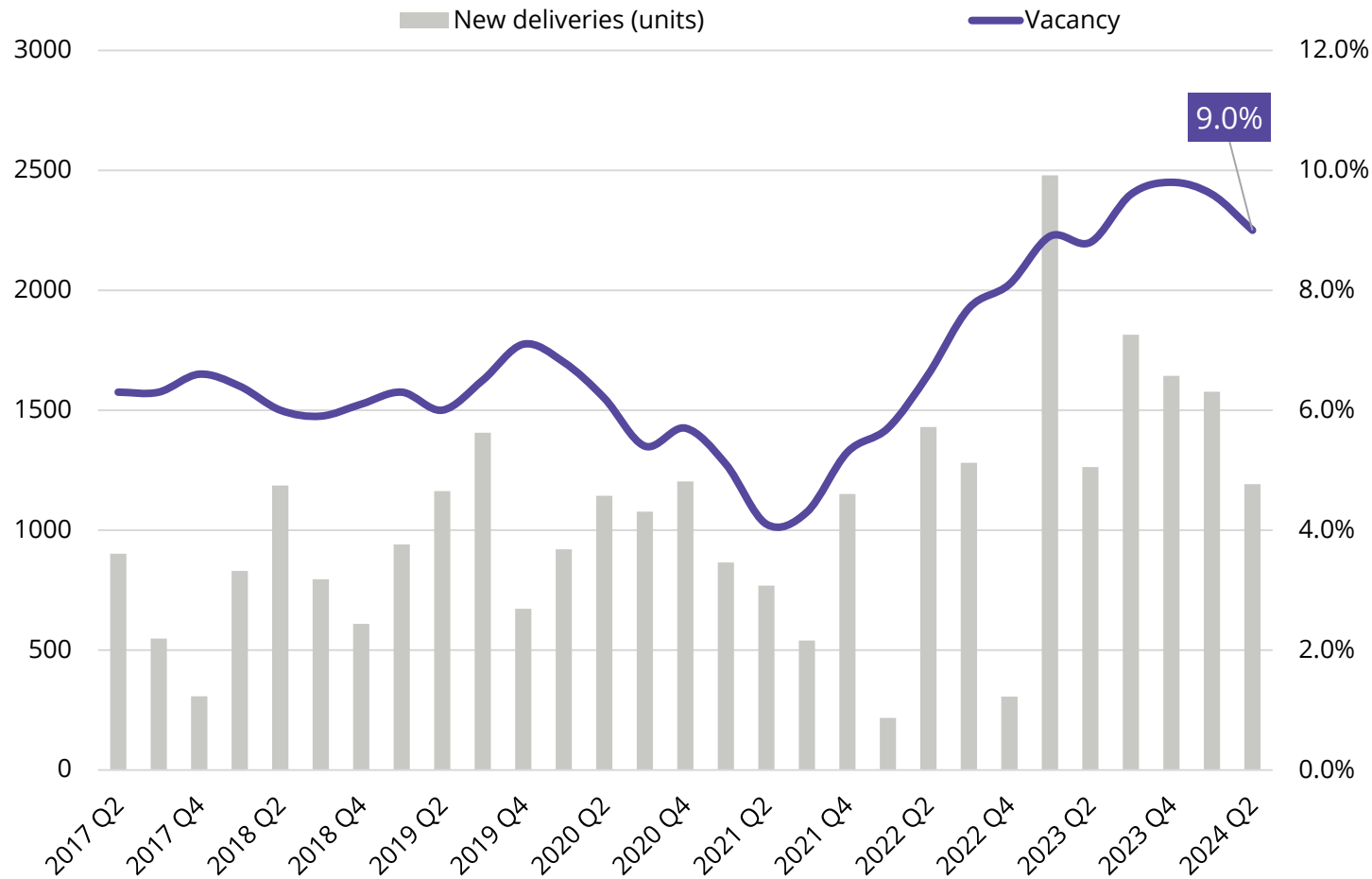
In 2023, new constructions significantly increased vacancy rates in the Las Vegas multifamily market. However, by Q2 2024, the market saw a notable turnaround with a strong positive absorption of 2,330 units, signaling increased stability and balance. Contrastingly, from Q4 2021 to Q4 2022, the market experienced consistently low or negative absorption, which resulted in an imbalance where supply outpaced demand. The recent quarters have been pivotal in addressing this disparity, with 2024 recording 4,268 units of positive absorption in just two quarters, surpassing the total for all four quarters of 2023 combined.

\$1,444

Per unit asking rents level out, showing stabilization (\$)

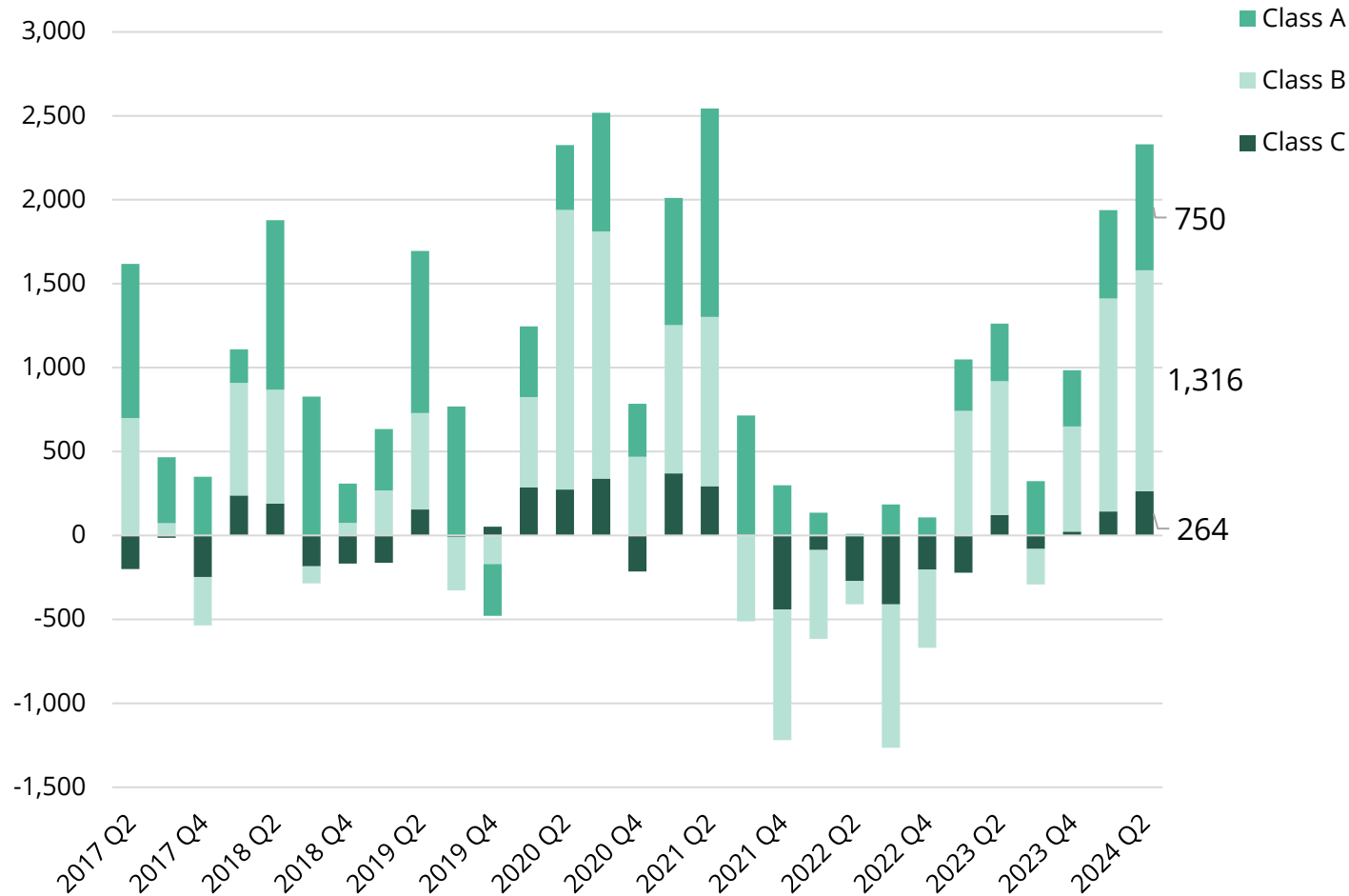
Las Vegas multifamily rents have maintained historical highs with minimal growth since 2022. Over the past two years, rental rates have remained stable, in the \$1400 area and there is no expectation of a decrease as long as construction costs remain steady. However, the recent surge in positive absorption could intensify competition if that trend continues, potentially influencing asking rents as the year progresses. Additionally, The migration of higher-income families and individuals to the affordable and conveniently located Sunbelt markets from the coasts is expected to fluctuate housing costs and increase demand for flexible multifamily housing options.

Las Vegas multifamily vacancy (%)



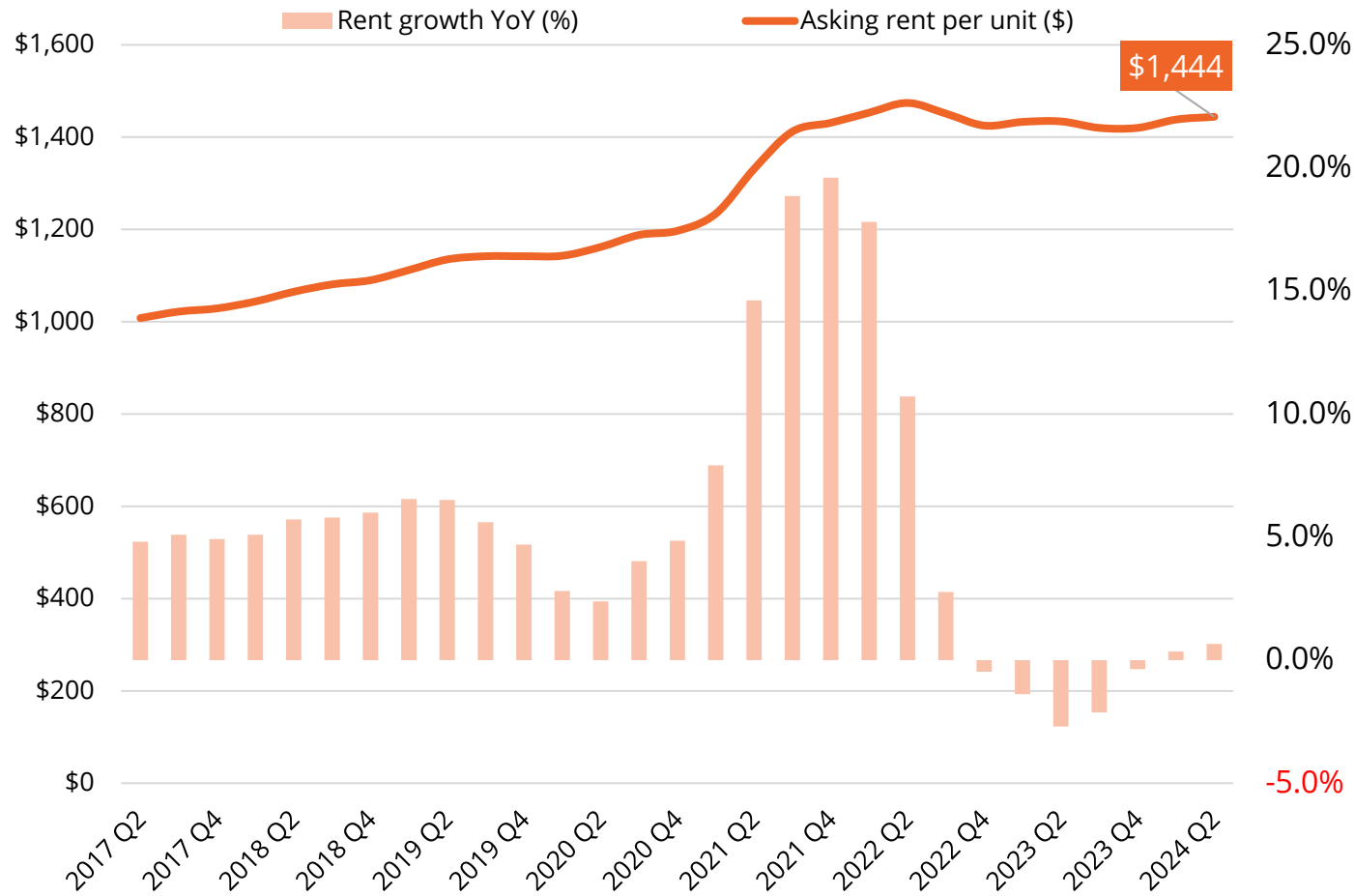
New deliveries have slowed down since the influx of new space into the market in 2023, although construction continues. While vacancy rates remain elevated, they are expected to decrease or stabilize as new deliveries decrease and construction activity slows. In Q2 2024, just over 6,000 new units were under construction, significantly fewer than in previous years, indicating a slowdown in new project starts.

Las Vegas multifamily absorption (sf)



Recent quarters have shown strong positive absorption, with Class B spaces leading the market. While negative absorption dominated by Class B spaces characterized the trend in 2021, the market rebounded in 2023 and beyond. Q2 2024 witnessed 2,330 units of positive absorption across all class types, with Class B spaces notably contributing over 1,300 units to this trend.

Las Vegas multifamily rent per unit (\$)



Las Vegas multifamily asking rents experienced rapid growth from 2020 to 2022, with quarterly increases ranging between 10% to 19%. However, this trend abruptly slowed in Q3 2022, where rents only grew by 2.8%, followed by negative growth from Q4 2022 to Q4 2023. The first two quarters of 2024 have shown a shift from this decline, with rent growth averaging around 0.5% per quarter, indicating stabilization in asking rents.

Appendix



Las Vegas multifamily market sales & development activity

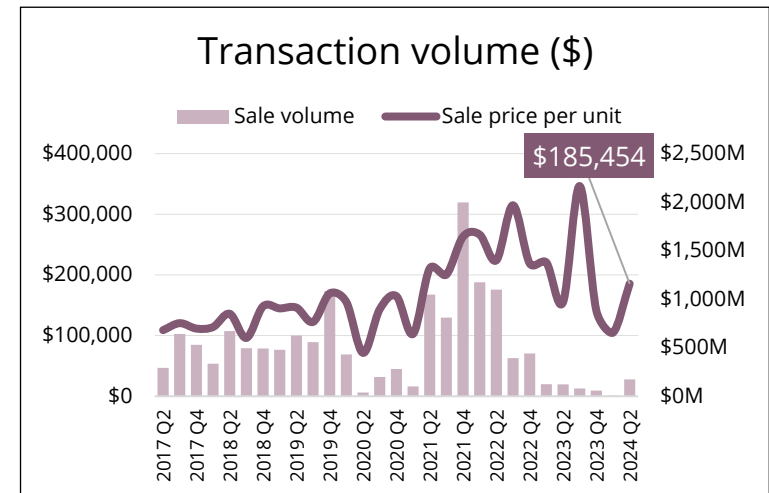
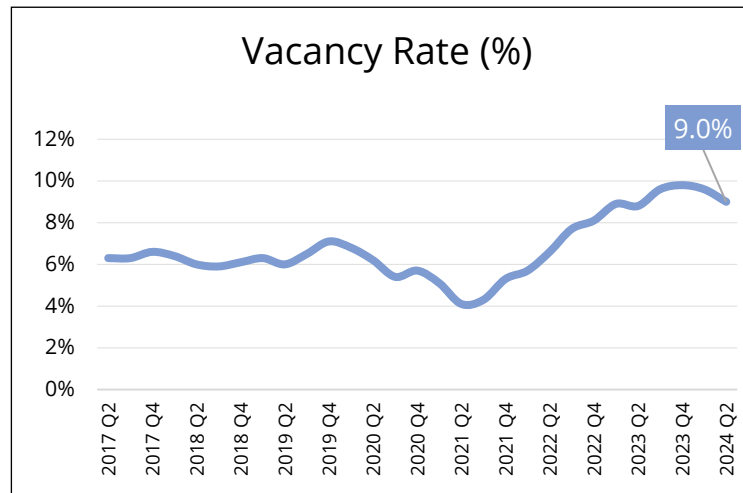
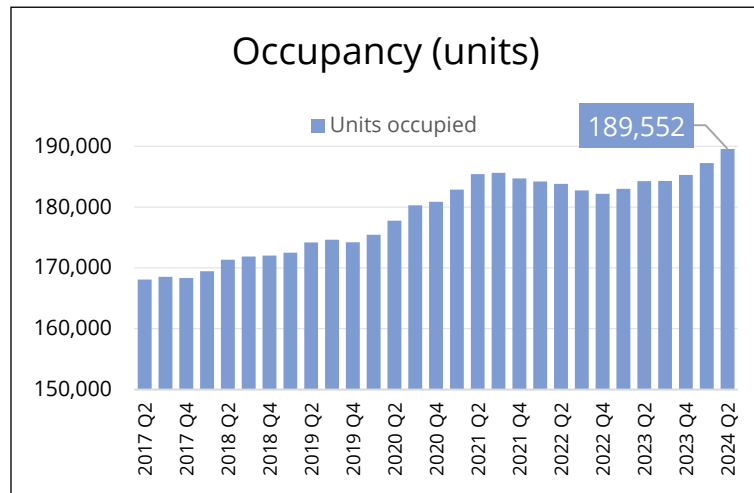
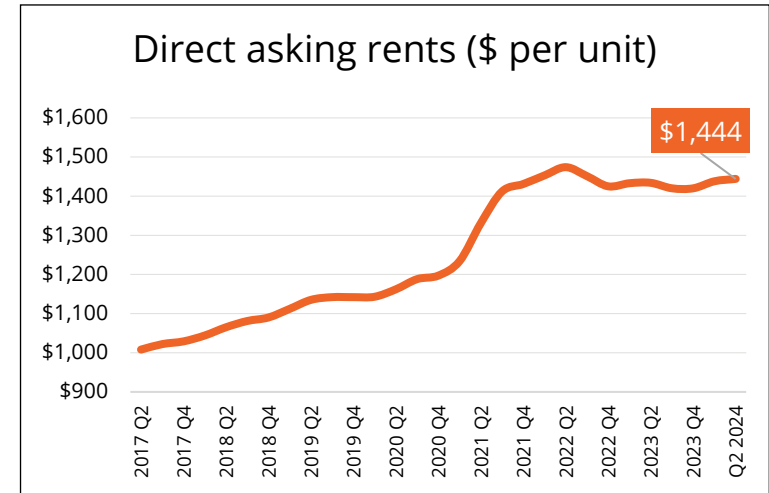
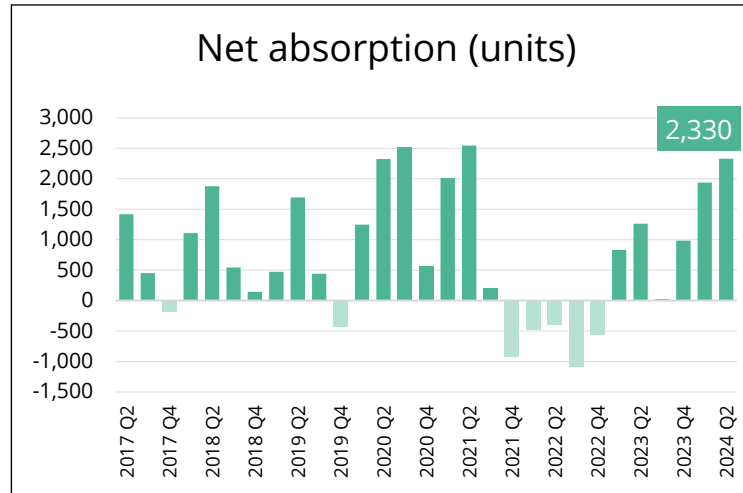
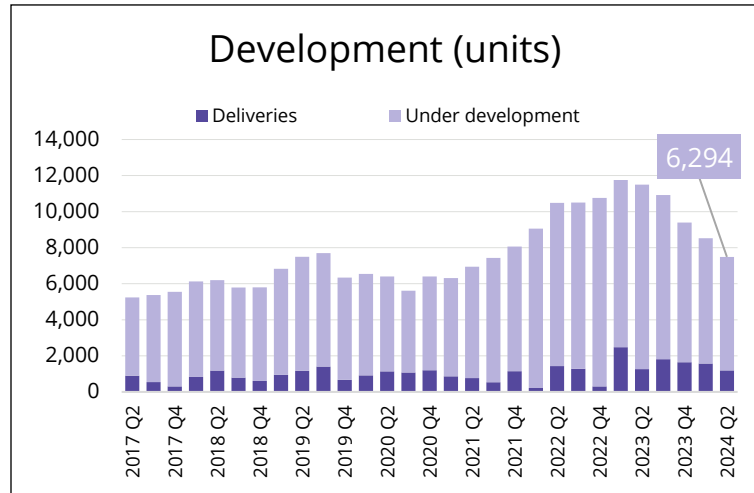
Q2 2024 - Notable transactions

Address	Sale date	Sale price	Units	Avg unit size (sf)	Price/unit	Buyer	Seller	Notes
Parkway Townhomes 2675 Windmill Pky	June 2024	\$73,600,000	234	1,187	\$314,530	TruAmerica Multifamily, Inc.	Oaktree Capital Management, L.P.	On June 28, 2024, TruAmerican Multifamily, Inc. acquired the Parkway Townhomes in the Green Valley South submarket from Oaktree Capital Management, L.P. for \$73.6M (\$314,540 per unit).
Millennium East Luxury Apartments 3580 E Alexander Rd	June 2024	\$52,750,000	236	956	\$223,517	NNC Apartment Ventures	Aspen Square Management	On June 7, 2024, NNC Apartment Ventures acquired the Millennium East Luxury Apartments in the Sunrise Manor submarket from Aspen Square Management for \$52.75M (\$223,517 per unit).
Sun Garden Apartments 3649 Cecile Ave	April 2024	\$21,000,000	200	788	\$105,000	Golden Management	BU Companies, LLC	On April 9, 2024, Golden Management acquired the Sun Garden Apartments in the Sunrise Manor submarket from BU Companies, LLC for \$21M (\$105,000 per unit).
MCR Apartments 226 W Saint Louis Ave	June 2024	\$13,478,842	111	553	\$121,431	Monik A. Seelinger	MCR Apartments	On June 3, 2024, Monik A. Seelinger acquired the MCR Apartments in the Meadows Village submarket for \$13.48M (\$121,431).
Pine Vista 1536 N 22 nd St	June 2024	\$9,150,000	80	870	\$114,375	Michael Brown	Pine Vista Apartments	On June 4, 2024, Michael Brown acquired the Pine Vista apartments in the Downtown submarket from Pine Vista Apartments for \$9.15M (\$114,375 per unit).

Notable under construction projects

Project name	Address	City	Units	Size (sf)	Est. Delivery
Symphony Park II & III (4 Star Hi-Rise Apartments)	255-277 Promenade Pl	Las Vegas	545	730,000	January 2025
Core Apartments (4 Star Mid-Rise Apartments)	8341 W Warm Springs Rd	Las Vegas	320	400,000	August 2024
Marlowe (4 Star Apartments)	30 E Starr Ave	Las Vegas	325	390,000	November 2024
The Apex @ Galleria (4 Star Garden Apartments)	55 E Galleria Dr	Henderson	336	336,000	January 2025

Las Vegas multifamily market indicators



Las Vegas multifamily submarket stats

Submarket	Existing inventory (units)	Avg. unit size (sf)	Deliveries (units)	Under construction (units)	Vacant units	Vacancy rate (%)	Net absorption (units)	Asking rent (\$/unit)
Central Las Vegas	35,512	779	0	1,605	3,024	9.0%	161	\$1,194
Enterprise / South Paradise	20,070	994	0	325	1,893	9.6%	274	\$1,697
Henderson	34,765	938	440	1,312	2,807	8.2%	249	\$1,610
Las Vegas Strip	28,864	740	176	1,190	2,560	9.4%	333	\$1,174
North Las Vegas / Sunrise Manor	32,692	926	0	675	2,990	9.6%	413	\$1,311
Northwest Las Vegas	9,712	960	282	257	1,077	11.1%	149	\$1,546
Outlying Clark County	2,583	961	0	0	196	7.6%	70	\$1,235
Paradise Valley East	6,881	845	0	0	423	6.7%	20	\$1,347
Summerlin / Spring Valley	43,303	980	294	930	3,890	9.0%	540	\$1,646
Market total	214,382	896	1,192	6,294	18,860	9.1%	2,210	\$1,444

For more market insights and information visit **avisonyoung.com**

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