

# LAS VEGAS, NV

## 2022 MARKET AT A GLANCE

### Occupancy Rate

96.7%



DOWN 30 BPS YOY

### Effective Rent

\$1,511



UP 9.3% YOY

### Rent Share of Wallet

35.3%



UP 200 BPS YOY

## Rebounding Travel to Boost Employment and Apartment Market in 2022

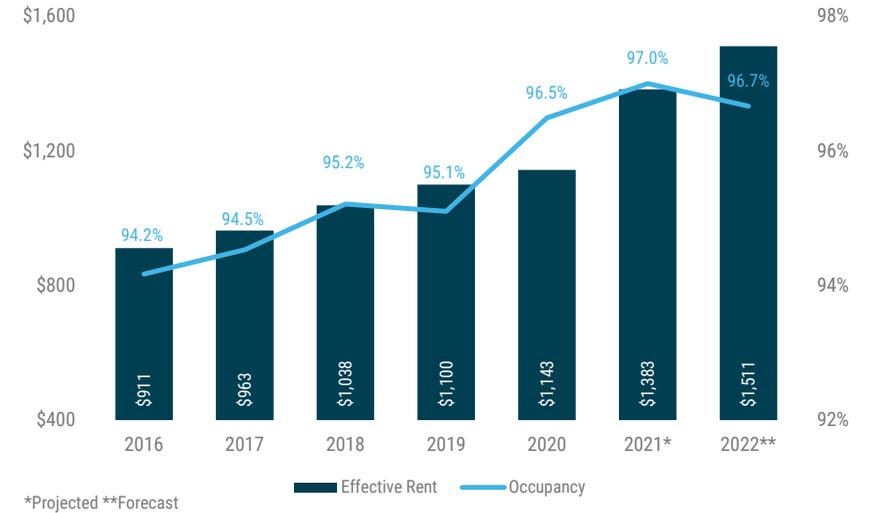
By year-end 2021, Las Vegas metro employment in the leisure and hospitality sector reached nearly 75% of peak, pre-pandemic staffing levels recorded in January 2020. During 2021, approximately 47,600 sector jobs were created or restored, fueled by a resurgence in tourism as COVID-19-related restrictions were eased. In the third quarter of 2021, gaming revenue on The Strip totaled \$2.1 billion, the highest quarterly figure in state history. Additionally, hotel occupancy in Las Vegas averaged 89% in the third quarter, up from 63% in the first quarter of 2021. The lifting of international travel restrictions to the U.S. in early November 2021 is anticipated to boost the local leisure and hospitality industry, since international guests historically account for about 13% of all visitors to the metro area. In 2022, leisure and hospitality sector employment is projected to reach nearly 80% of January 2020 staffing. Overall, employment is forecast to expand 4.8% in 2022, which will contribute to the formation of an estimated 29,000 households in the metro area during that time. Accordingly, apartment demand is expected to rise, with the estimated net absorption of 4,814 apartments. Builders are scheduled to complete several multifamily developments underway, accounting for a significant portion of the 5,751 apartment units delivered by year-end. The supply excess will result in a 30-basis-point, year-over-year reduction in occupancy to 96.7%. Meanwhile, average monthly effective rent, which surged 21.0% in 2021 with the brisk economic recovery, is forecast to subside to a healthy 9.3% annual increase to \$1,511 by year-end 2022.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

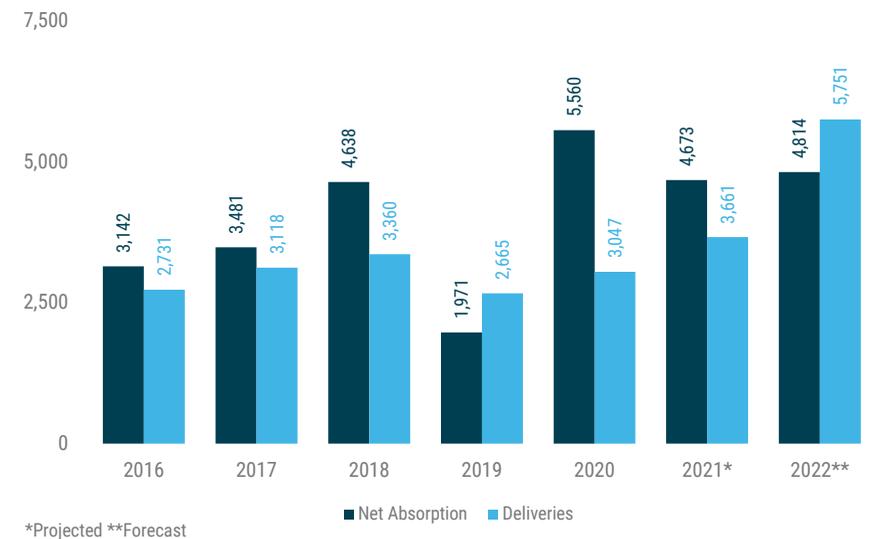
2022 FORECAST

## APARTMENT TRENDS

### Effective Rent & Occupancy

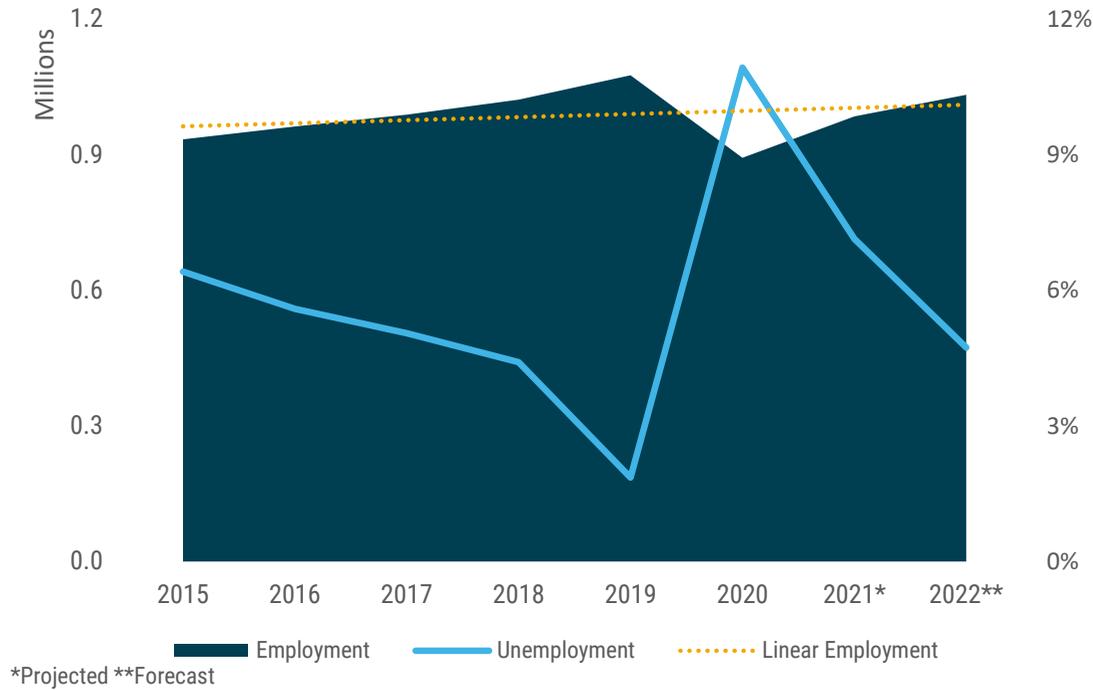


### Absorption & Deliveries



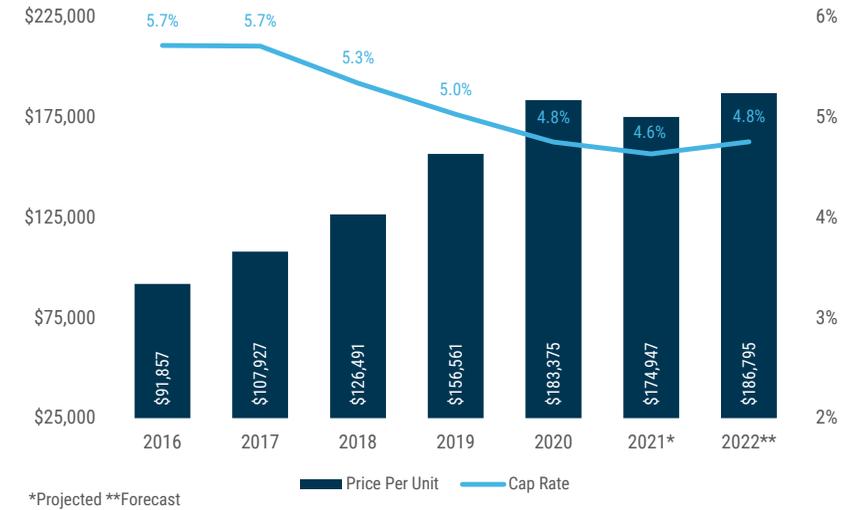
## EMPLOYMENT TRENDS

### Market Employment Trends



## SALES TRENDS

### Price Per Unit & Cap Rate



<p><b>Employment</b></p> <p>1,033,000</p> <p>↑</p> <p>UP 4.8% YOY</p>	<p><b>Unemployment</b></p> <p>4.7%</p> <p>↓</p> <p>DOWN 240 BPS YOY</p>	<p><b>Median Household Income</b></p> <p>\$51,387</p> <p>↑</p> <p>UP 3.1% YOY</p>
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<p><b>Price Per Unit</b></p> <p>\$186,795</p> <p>↑</p> <p>UP 6.8% YOY</p>	<p><b>Cap Rate</b></p> <p>4.8%</p> <p>↑</p> <p>UP 20 BPS YOY</p>
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