

LAS VEGAS, NV

2023 MARKET AT A GLANCE

Occupancy Rate

93.7%



DOWN 50 BPS YOY

Effective Rent

\$1,535



UP 2.9% YOY

Rent Share of Wallet

27.0%



UNCHANGED YOY

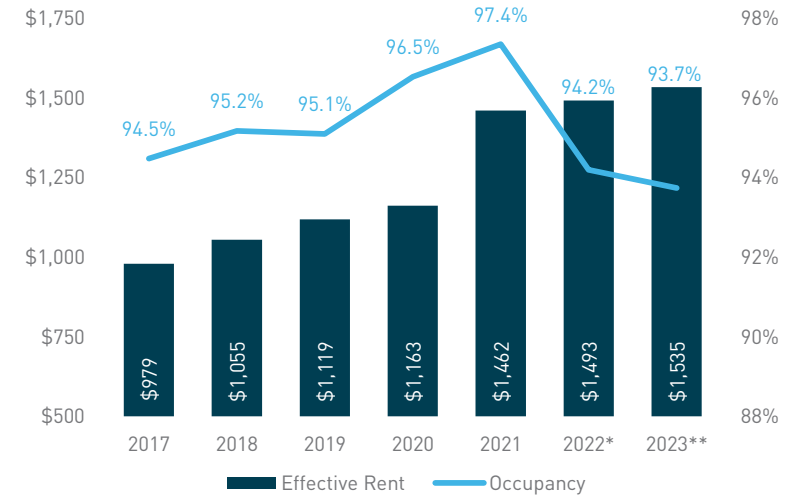
Healthy Demographic Trends and Employment Gains to Buoy Apartment Absorption in 2023

Apartment demand in the Las Vegas metro is forecast to turn positive in 2023. Leasing activity should be significantly above the pre-pandemic average of 2,569 units absorbed annually between 2010 and 2019. The market's economic recovery and relative affordability compared to nearby West Coast markets are expected to spur net migration of 38,000 people in 2023. Limited single-family construction will keep potential buyers in the renter pool. This rebound in absorption is also expected to be buoyed by a projected 1.7% expansion in employment, which will push payrolls above their pre-pandemic peak. The leisure and hospitality industry, which remains the market's economic driver, is expected to expand the most among all sectors in 2023. At the Venetian, construction is scheduled to complete this year on MSG Sphere. The 18-acre entertainment venue will create roughly 4,400 jobs and spur \$780 million in economic activity. However, even with strong apartment demand, supply side pressure will push down average occupancy. Nearly 6,000 units are forecast to come online in 2023, representing the highest annual total supply since 2008. The Henderson submarket, due to high rents and availability of land, is expected to see the most deliveries with nearly 1,300 units. As a result, average occupancy in the market should fall to 93.7%, though this would remain above the pre-pandemic average of 93.2%. Healthy occupancy, demographic trends, and employment gains should allow operators to raise rents, albeit at a more measured pace of 2.9% in 2023.

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 2022 are projected values. 2023 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.

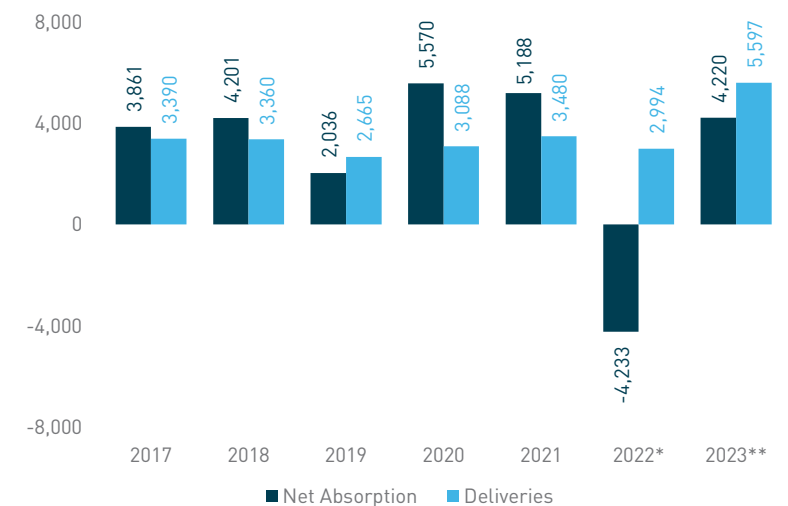
Apartment Trends

Effective Rent & Occupancy



*Projected **Forecast

Absorption & Deliveries

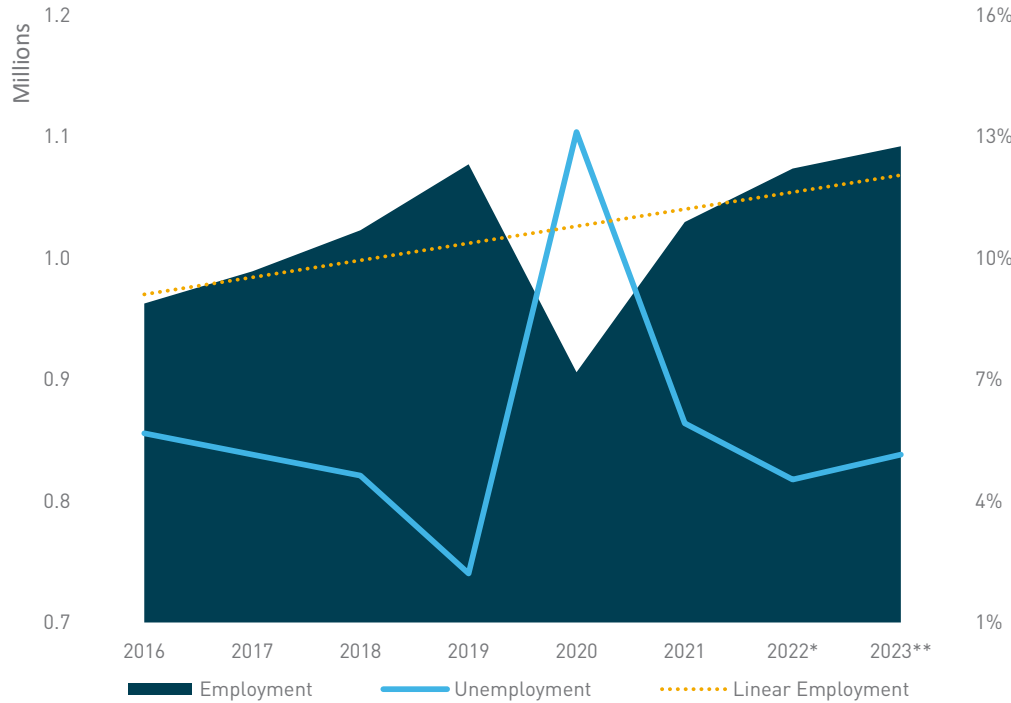


*Projected **Forecast

LAS VEGAS, NV

Employment Trends

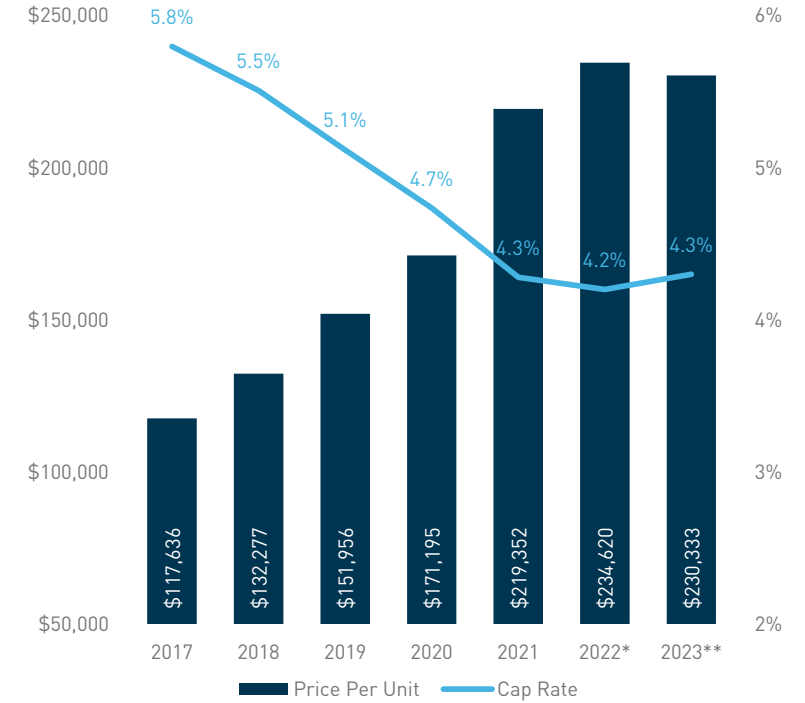
Market Employment Trends



*Projected **Forecast

Sales Trends

Price Per Unit & Cap Rate



*Projected **Forecast

<p>Employment</p> <p>1,092,200</p> <p>↑</p> <p>UP 1.7% YOY</p>	<p>Unemployment</p> <p>5.1%</p> <p>↑</p> <p>UP 60 BPS YOY</p>	<p>Median Household Income</p> <p>\$68,119</p> <p>↑</p> <p>UP 2.9% YOY</p>
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<p>Price Per Unit</p> <p>\$230,333</p> <p>↓</p> <p>DOWN 1.8% YOY</p>	<p>Cap Rate</p> <p>4.3%</p> <p>↑</p> <p>UP 10 BPS YOY</p>
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