

LAS VEGAS NV

INSTITUTIONAL MULTIFAMILY REPORT

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LAS VEGAS, NV EMPLOYMENT

JOBS ADDED / LOST

LAST 12 MONTHS

162,900
↑ 21.0%

NEXT 12 MONTHS*

74,600
↑ 7.9%

UNEMPLOYMENT

MID-YEAR 2021

8.6%
↓ 1,970 BPS YOY

MID-YEAR 2022*

4.9%
↓ 370 BPS YOY

*PROJECTED

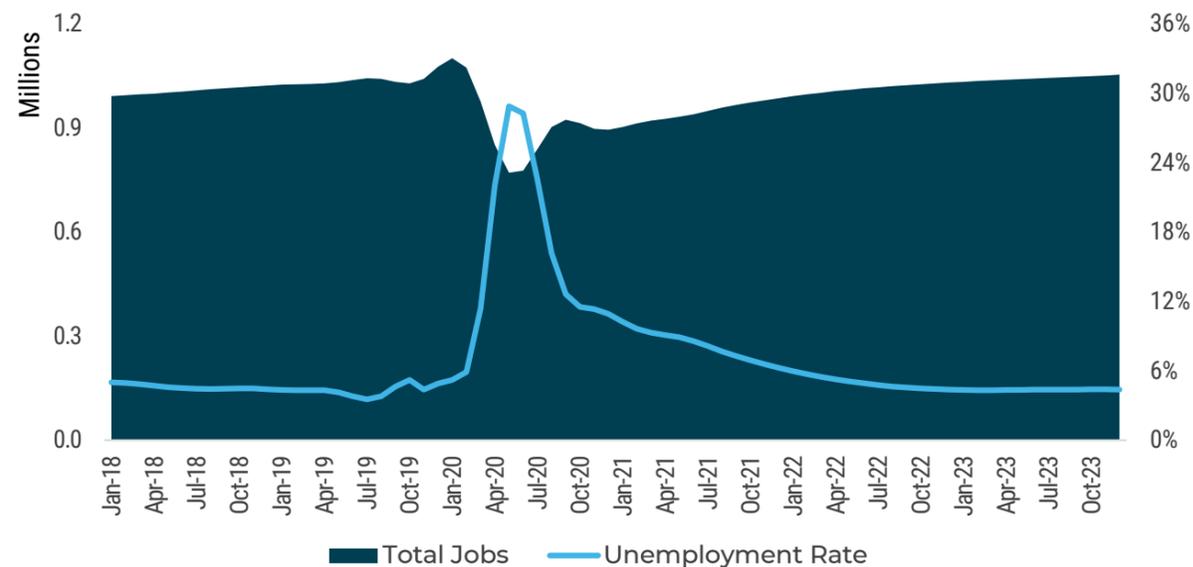
As local and national restrictions lifted, the heavily tourism-based economy of Las Vegas has benefited greatly. Businesses in the Las Vegas metro added 162,900 net jobs over the past year. At the same time, the unemployment rate dropped from 28.2% to 8.7% in June 2021. The recovery of payrolls is still ongoing as unemployment was still more than double the pre-pandemic average.

Representing the recovering economy was the metro-leading 85,400 positions created or restored in the leisure and hospitality sector over the last year. The industry is the foundation of the Las Vegas economy, making up 25% of all the jobs. These positions range from low-wage food service to high-paying entertainment

positions, underpinning apartment demand across all product types. Beyond the reopening of restaurants, hotels, and casinos, the leisure and hospitality industry benefitted from the new Resorts World, the first new hotel-casino built on the Las Vegas Strip in a decade.

As more people start traveling to Vegas, visiting casinos, and attending restaurants, the leisure and hospitality industry is predicted to employ 33,800 additional workers, increasing the industry's employee count to 251,000 personnel in the next year. Metrowide employment is forecast to reach over a million workers by the second quarter of 2022.

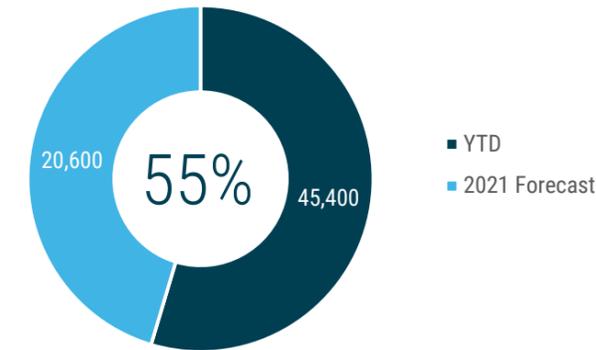
EMPLOYMENT TRENDS



SOURCE: MOODY'S ANALYTICS

WHO'S HIRING?

LEISURE & HOSPITALITY INDUSTRY



24%
OF ALL JOBS IN THE METRO

\$27,700
AVERAGE ANNUAL SALARY

TOP LEISURE & HOSPITALITY EMPLOYERS

	10,000 JOBS
	3,000 JOBS
	300 JOBS

IN THE NEWS

- Amazon to hire 1,000 at new Henderson facility
- Clark Co. to hire hundreds of school crossing guards
- Venetian Las Vegas hiring for 300 position
- Resorts World hopes to hire 6,000 employees
- Caesars Las Vegas properties hiring for over 200 positions



LAS VEGAS, NV

DELIVERIES & ABSORPTION

2021 UNITS*

DELIVERED

3,923

ABSORBED

4,059

2022 UNITS*

DELIVERED

4,589

ABSORBED

1,412

*PROJECTED

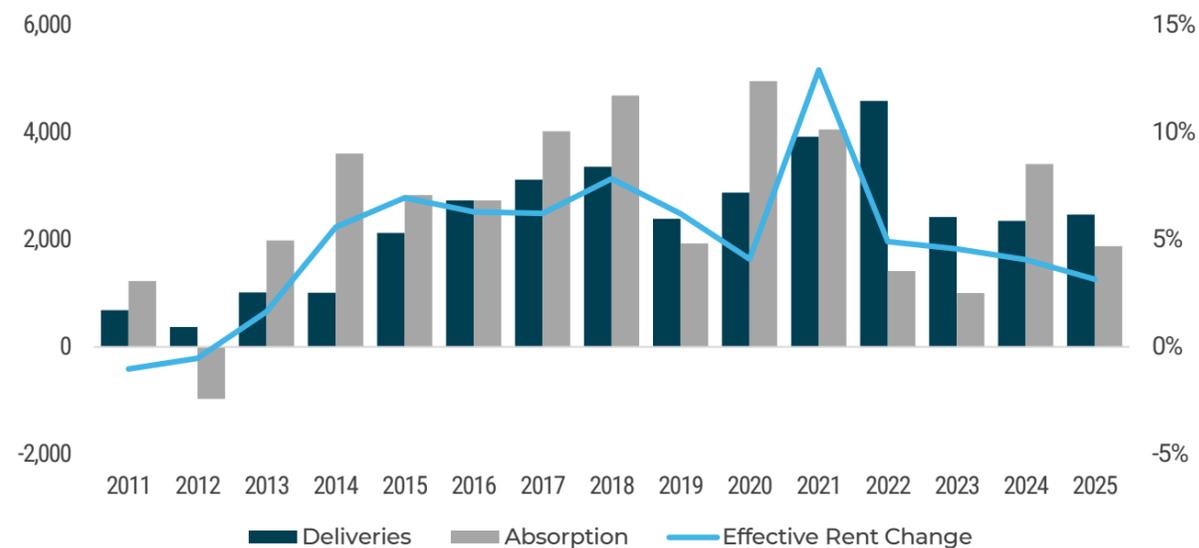
Mirroring the recovering economy, the Las Vegas multifamily market is on the mend. Apartment operators recorded positive absorption in three of the last four quarters and a reignited rate of apartment deliveries. In the first two quarters of 2021, approximately 2,500 net units were absorbed with leasing activity highest in the Southwest Las Vegas and the Henderson submarkets as renters sought product in the suburbs.

Even with the higher cost of renting, the lack of state income tax and white-collar job opportunities underpinned demand in these submarkets. Another factor facilitating leasing activity in these areas was the metro-leading additions. During the first half of 2021,

a combined 3,779 units came online in the Southwest Las Vegas and the Henderson submarkets, representing 34.0% of deliveries throughout the metro.

With the high absorption rate across Greater Las Vegas before the pandemic and since, developers have been starting to build more apartments. Approximately 7,300 units were under construction in the second quarter of 2021. The Southwest Las Vegas submarket contains 39.7% of those projects. Southwest Las Vegas offers residents a safe and family-friendly community not far from the Las Vegas Strip and scenic mountain trails.

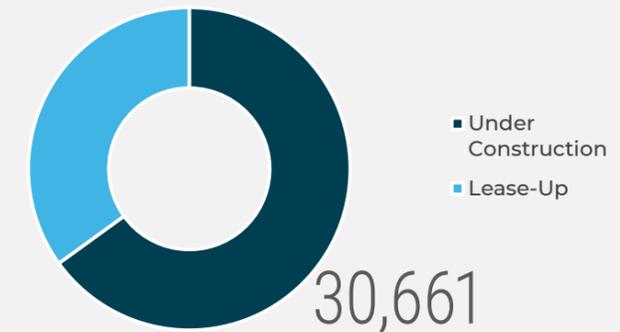
DELIVERIES, ABSORPTION, & EFFECTIVE RENT CHANGE



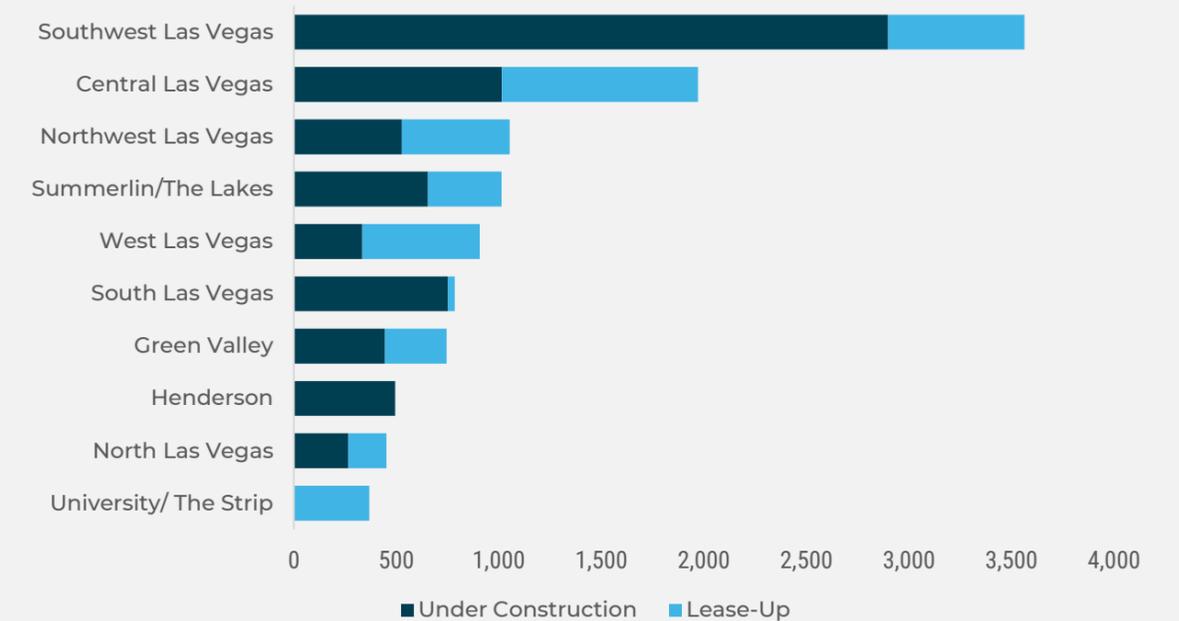
SOURCE: REALPAGE

MARKET PIPELINE

13,695



TOP 10 SUBMARKET PIPELINES



For a complete list of properties in the pipeline, [CLICK HERE](#)



LAS VEGAS, NV

RENT & OCCUPANCY

EFFECTIVE RENT

2Q 2021

\$1,219

↑ 13.8% YOY

OCCUPANCY

2Q 2021

96.5%

↑ 140 BPS YOY

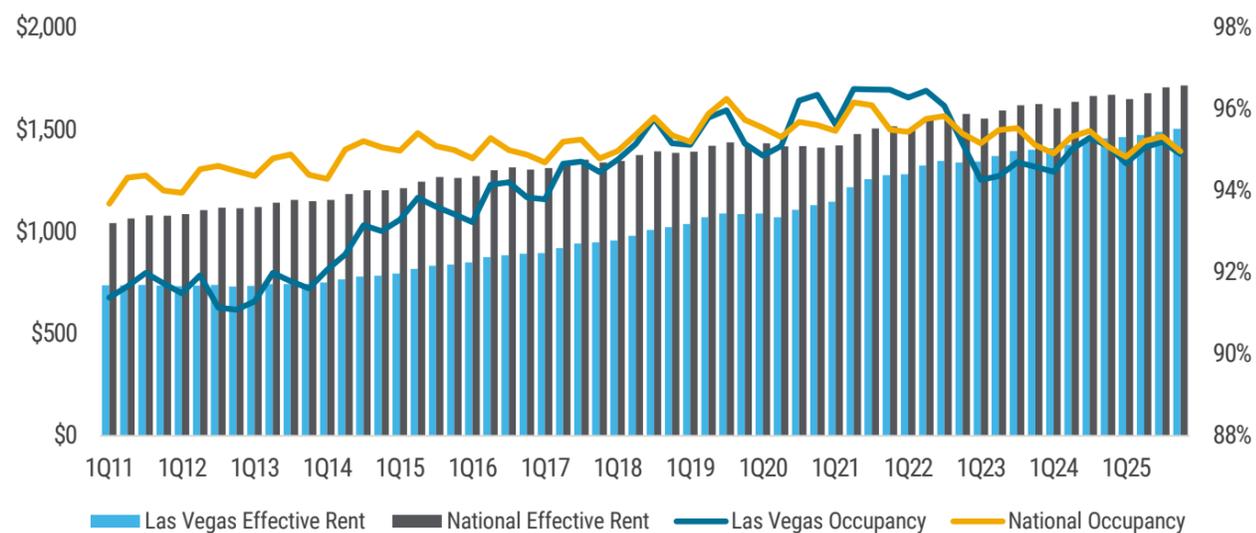
With apartment demand outpacing elevated inventory growth in the last year, Las Vegas's effective rent and occupancy rate returned to pre-pandemic levels by mid-2021. Effective rent increased 13.8% increase from the second quarter of 2020 to an average of \$1,219 per month in the second quarter of 2021. While many jobs transitioned to remote working across the country, several renters flocked to lower-cost cities like Las Vegas and Henderson to create more rental demand and supporting a spike in rent.

Henderson's business friendly and job opportunistic qualities have been attracting local residents and out-of-towners over the past few years. The submarket had the biggest

annual effective rent growth in the metro with a 20.4% increase as more residents moved away from urban centers during the pandemic.

With residents drawn to Las Vegas's affordability compared to bigger cities in the U.S., the metro's occupancy rose 140 basis points annually to 96.5% in the second quarter of 2021, which is 30 basis points above the national average. The Green Valley submarket had the highest year-over-year occupancy increase, rising 290 basis points. The submarket borders the Henderson submarket and is slightly more affordable while still offering residents access to the white-collar job atmosphere and closeness to the Las Vegas Strip.

LAS VEGAS VS. NATIONAL EFFECTIVE RENT & OCCUPANCY



SOURCE: REALPAGE

SUBMARKET PERFORMANCE

SUBMARKET NAME	2Q21 OCCUPANCY	YOY (BPS)	2Q21 EFFECTIVE RENT	YOY
Central Las Vegas	96.4%	-20	\$953	7.8%
East Las Vegas	97.1%	110	\$1,118	12.9%
Green Valley	97.2%	290	\$1,408	19.9%
Henderson	97.4%	280	\$1,468	20.4%
North Las Vegas	97.1%	120	\$1,270	13.8%
Northwest Las Vegas	97.1%	270	\$1,343	17.0%
South Las Vegas	95.1%	-10	\$1,401	13.9%
Southwest Las Vegas	97.2%	280	\$1,457	13.2%
Summerlin/The Lakes	97.1%	240	\$1,508	18.3%
Sunrise Manor/Northeast Las Vegas	95.2%	-60	\$1,029	10.7%
University/The Strip	95.1%	30	\$979	7.3%
West Las Vegas	96.8%	180	\$1,088	11.8%



LAS VEGAS, NV

POPULATION & MIGRATION

2021 RESIDENTS*

2,375,100

↑ 1.9% YOY

2022 RESIDENTS*

2,423,500

↑ 2.0% YOY

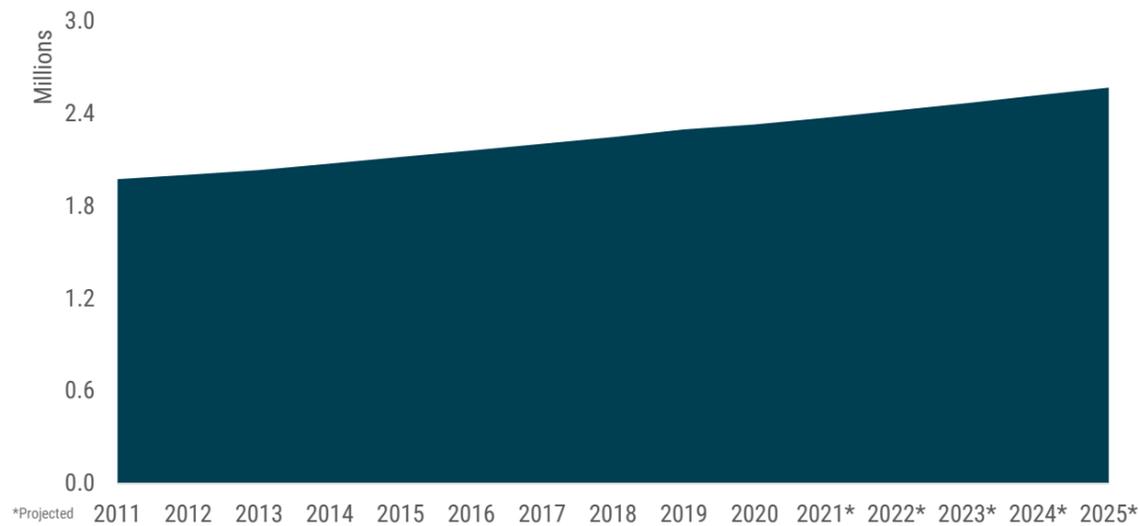
*PROJECTED

Due in part to the migration shifts caused by the onset of the pandemic, the Las Vegas metropolitan area's population growth rate slowed to 1.4% in 2020 after averaging 2.0% in the preceding five years. For residents in the urban core, most chose to stay rather than leave the metro. From the second quarter of 2020 through the first quarter of 2021, 44,120 urban residents moved to the suburbs, while 26,900 residents chose to leave the Las Vegas metropolitan area. This was reflected in four suburban submarkets eaching having a more than a 230-basis-point annual increase in occupancy.

With travel and leisure jobs shut down due to the pandemic, the suburban submarkets offered more economic and job stability. Companies

such as Amazon.com Inc., Google Inc., and Haas Automation Inc. have established business in Henderson and support the blooming white-color job market that has been attracting new residents to the suburbs. As such, occupancy in the Henderson and the Southwest Las Vegas submarkets advance 280 basis points year over year through the second quarter of 2021. Though these submarkets were popular before the pandemic, the results of pandemic migration has heightened their attractiveness to residents and new businesses. As the Las Vegas economy recovers with the reopening of businesses and addition of jobs, population growth is estimated to accelerate to 1.9% in 2021 and 2.0% in 2022.

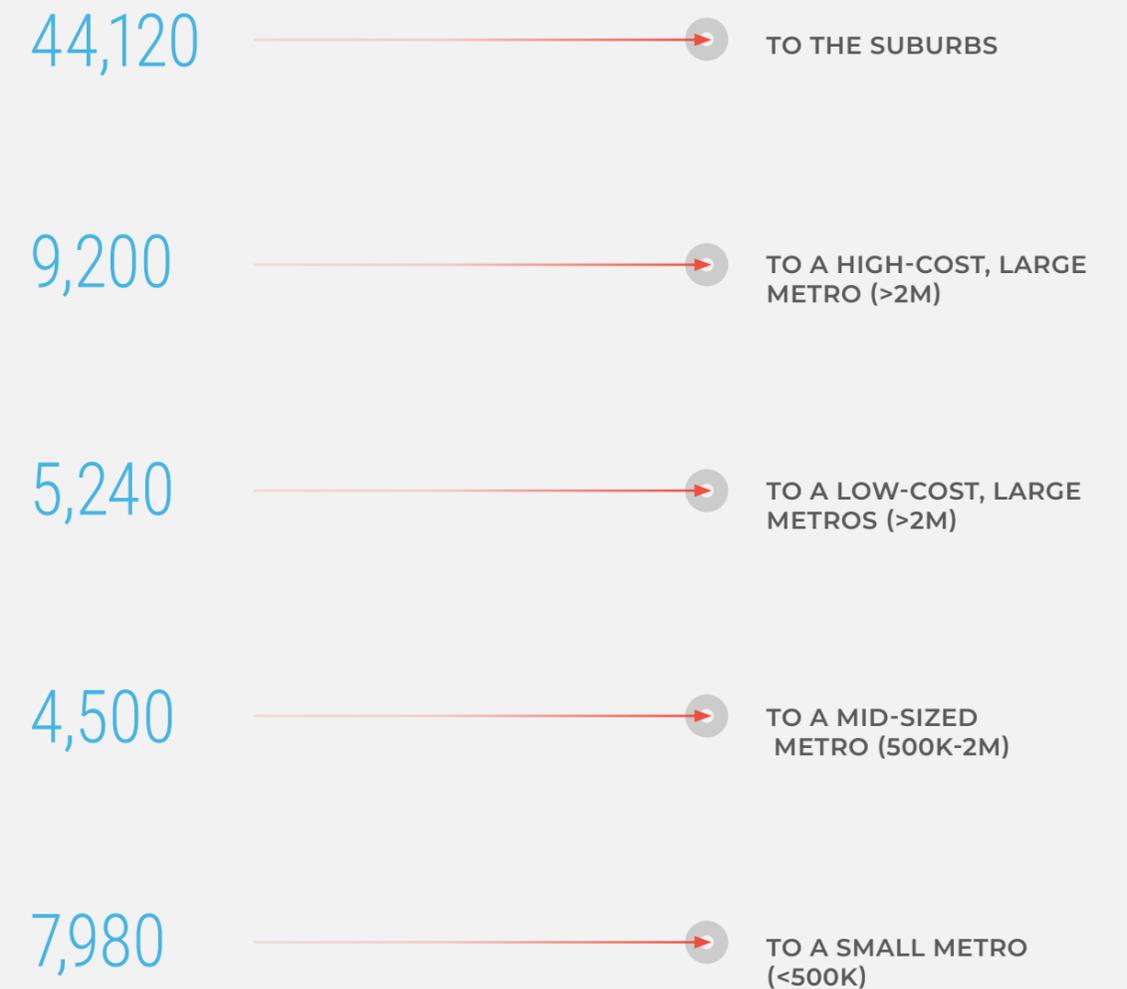
LAS VEGAS POPULATION



SOURCE: MOODY'S ANALYTICS

URBAN MIGRATION DURING THE PANDEMIC

2Q 2020 - 1Q 2021



SOURCE: FEDERAL RESERVE BANK OF CLEVELAND



LAS VEGAS, NV SALES

2021 YEAR TO DATE*



VOLUME
\$420.1



PRICE PER AVERAGE (AVG)
\$234,663



TRANSACTIONS
5



CAP RATE (AVG)
N/A

WHAT'S TRADING?*



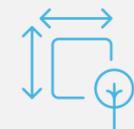
UNITS (AVG)
376



YEAR BUILT (AVG)
2000's



BUILDINGS (AVG)
14



ACRES (AVG)
18.14

TOP BUYERS**

BUYER	LOCATION
Nextpoint Res Trust	Dallas, TX
Keller Investments	Centerville, UT
BREIT	New York, NY
Interwest Capital	San Diego, CA
Fundrise	Washington D.C.

TOP SELLERS**

SELLER	LOCATION
Bascom Group	Irvine, CA
Oaktree	Los Angeles, CA
PCCP (Pacific Coast)	Los Angeles, CA
Sunraod Enterprises	San Diegp, CA
Watt Cos	Santa Monica, CA

**Past 24 Months

*\$50M+
SOURCE: REAL CAPITAL ANALYTICS



LAS VEGAS, NV

SALES

\$50+ MILLION TRANSACTIONS



TUSCAN HIGHLANDS

Las Vegas, NV

UNITS	YEAR BUILT
304	2020
PRICE / UNIT	SALES PRICE
\$378,289	\$115,000,000



ACCENT ON RAINBOW*

Las Vegas, NV

UNITS	YEAR BUILT
540	1984
PRICE / UNIT	SALES PRICE
\$167,111	\$90,240,000



NORTERRA CANYON

North Las Vegas, NV

UNITS	YEAR BUILT
426	2007
PRICE / UNIT	SALES PRICE
\$203,052	\$86,500,000



VILLA SERENA

Henderson, NV

UNITS	YEAR BUILT
288	1996
PRICE / UNIT	SALES PRICE
\$236,111	\$68,000,000



PRELUDE AT PARK

Henderson, NV

UNITS	YEAR BUILT
320	1997
PRICE / UNIT	SALES PRICE
\$188,750	\$60,400,000

*BERKADIA TRANSACTION

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Sources: RealPage; Moody's Analytics; Real Capital Analytics; Federal Reserve Bank of Cleveland

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