



MARKET AT A GLANCE



OCCUPANCY RATE **94.5%**
Up **20 bps** since 3Q16



ASKING RENT **\$945**
Up **4.4%** since 3Q16

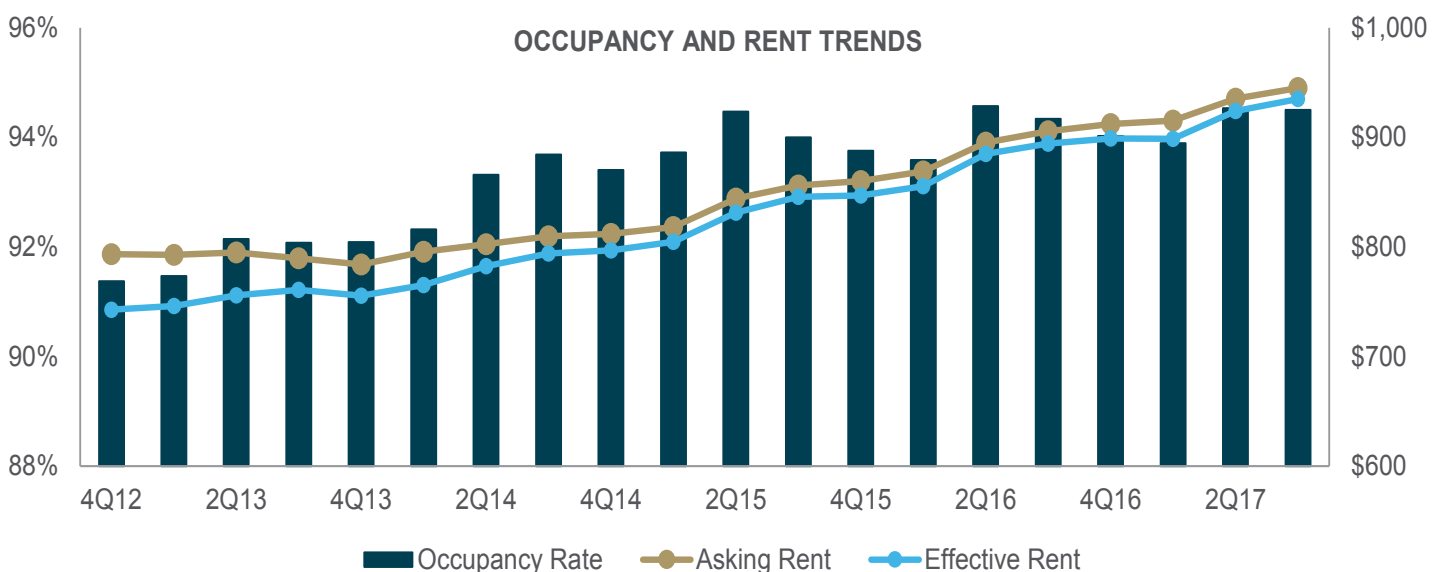


CONCESSIONS **1.1%**
Down **20 bps** since 3Q16

OCCUPANCY AND RENT TRENDS

CONCESSIONS LOWER AS APARTMENT OCCUPANCY RISES

With rising occupancy, multifamily developers ramped up construction activity in the Las Vegas metropolitan area. As a result, construction completed on 3,478 units during the last year, the most annual additions in seven years. The bulk of the recent deliveries were in the Clark County/Other and the Henderson/Southeast submarkets, accounting for 86% of the metrowide total. The Greater Las Vegas inventory growth trailed positive leasing activity as apartment occupancy ticked up 20 basis points year over year to 94.5% in September 2017. Builders were working to meet rental demand as construction was underway on 19 properties during the third quarter, which were on pace to add 2,818 units by year-end 2018. Operators capitalized on the demand by raising asking rent 4.4% year over year, resulting in average asking rent of \$945 per month in September. At the same time, operators trimmed average concessions 20 basis points to 1.1% of asking rent, a postrecession low. Average asking rent in the Clark County/Other submarket advanced a metro-leading 5.3% annually to \$1,112 per month by the end of the third quarter.



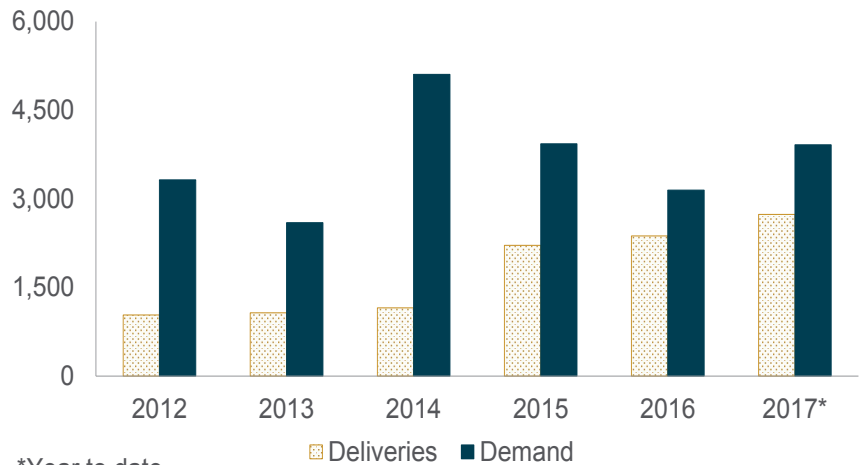
DELIVERIES AND DEMAND



DELIVERIES 2,735
Units YTD



NET ABSORPTION 3,914
Units YTD



*Year to date

ECONOMIC TRENDS

2016 5.6% **UNEMPLOYMENT*** 2017 5.1%
-50 BPS CHANGE

2016 953.8k **EMPLOYMENT*** 2017 982.2k
3.0% CHANGE

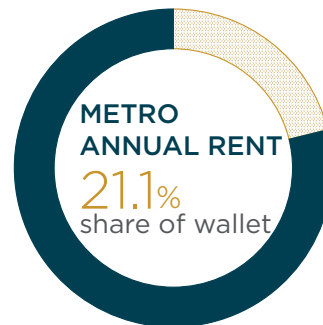
2016 54.2k **EXISTING SFH SALES**** 2017 67.0k
23.6% CHANGE

2016 \$242.6k **MEDIAN SFH PRICE**** 2017 \$250.1k
3.1% CHANGE

2016 1.63% **10-YEAR TREASURY**** 2017 2.20%
60 BPS CHANGE

*August; **September

Steadily rising payrolls underpinned sustained demand for rentals in the Las Vegas metropolitan area. Total nonfarm employment expanded 3.0% annually through August 2017, more than double the national average increase of 1.4% at the same time. From escalating multifamily builds to large-scale developments, the construction industry provided a significant boost to the metrowide economy. The construction sector expanded 19.2% year over year, to lead all employment growth in Greater Las Vegas. Part of the 10,600 construction jobs created since August 2016 were needed at the Project Neon site. The \$1.5 billion widening of 3.7 miles of Interstate 15 will require more than 500 workers and is scheduled to be completed in 2019. Job creation was also elevated in the professional and business services segment with 7,400 personnel recruited, for 5.5% annual growth. The leisure and hospitality industry, the largest employment sector in the metro, expanded moderately by 0.7% with 2,100 new jobs.



LAS VEGAS

MULTIFAMILY REPORT

SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY		AVG RENT INCREASE		AVG RENT		NET ABSORPTION		DELIVERED UNITS	
	3Q16	3Q17	3Q16	3Q17	3Q16	3Q17	3Q17	ANNUAL	3Q17	ANNUAL
Clark County/Other	96.5%	95.5%	7.0%	5.3%	\$1,057	\$1,112	321	1,511	295	1,775
East	95.2%	95.4%	3.7%	5.1%	\$749	\$787	13	46	0	0
Henderson/Southeast	94.8%	94.8%	4.3%	4.2%	\$1,083	\$1,128	256	1,149	277	1,222
North	94.9%	95.2%	6.9%	3.9%	\$897	\$932	192	271	72	197
North Central	94.3%	94.0%	-0.4%	2.0%	\$768	\$783	235	-98	0	0
Northeast	90.8%	91.9%	3.4%	2.9%	\$729	\$751	74	145	0	0
Spring Valley	94.8%	95.6%	-1.0%	3.8%	\$858	\$891	-176	213	0	0
University	93.0%	93.4%	13.8%	2.5%	\$765	\$784	8	148	0	0
West	95.4%	95.6%	9.3%	3.7%	\$1,047	\$1,086	92	331	119	284
TOTALS	94.3%	94.5%	5.8%	4.4%	\$906	\$945	866	3,568	763	3,478



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