



CONSTRUCTION ACTIVITY



UNDER CONSTRUCTION **6,333**

UNITS DELIVERED (YTD) **2,032**

MARKET FUNDAMENTALS



VACANCY RATE **9.4%**

YEAR-OVER-YEAR CHANGE **+120bps**

ASKING RENTS **\$1,507**

YEAR-OVER-YEAR CHANGE **-2.2%**

TRANSACTION ACTIVITY (YTD)



MEDIAN PRICE PER UNIT **\$216,500**

LAS VEGAS MULTIFAMILY Q2 2026

MARKET INSIGHTS

Demand nearly matches first-half supply

HIGHLIGHTS

- Operating conditions across the Las Vegas multifamily market held largely steady in the second quarter, even as the supply cycle continued to weigh on fundamentals. Vacancy edged up only slightly and asking rents were little changed from the first quarter.
- Stabilized vacancy reached 9.4% at the end of the second quarter, up just 10 basis points from the prior quarter and 120 basis points from a year earlier.
- Asking rents averaged \$1,507 per month, down 2.2% from one year earlier. Class A rents were the only segment to post growth, increasing 0.8% year over year to roughly \$1,800 per month, the first annual gain in two years.
- Multifamily sales activity gained momentum through midyear, with roughly \$357 million trading across ten deals, only five of which were market-rate properties of 100 or more units. The median sale price reached \$216,500 per unit, holding near the 2025 level.

LAS VEGAS MULTIFAMILY MARKET OVERVIEW

Las Vegas multifamily demand gained momentum during the first half of 2026, with net absorption turning solidly positive after stalling late last year. Even so, a wave of new deliveries kept supply slightly ahead of demand. Roughly 1,800 units were absorbed across the metro through midyear, while about 2,000 units were delivered, causing vacancy to rise only modestly. The improvement in demand has been supported by a labor market adding higher-wage jobs across professional and business services and health care. At the same time, the development pipeline continues to shrink, with about 6,300 units under construction, down from roughly 7,200 a year earlier. Demand has been strongest for newer Class A product, where renters continue to absorb most new supply. That recovery, however, has been supported by concessions averaging about a month of free rent, making the market's rebound one of occupancy rather than pricing power.

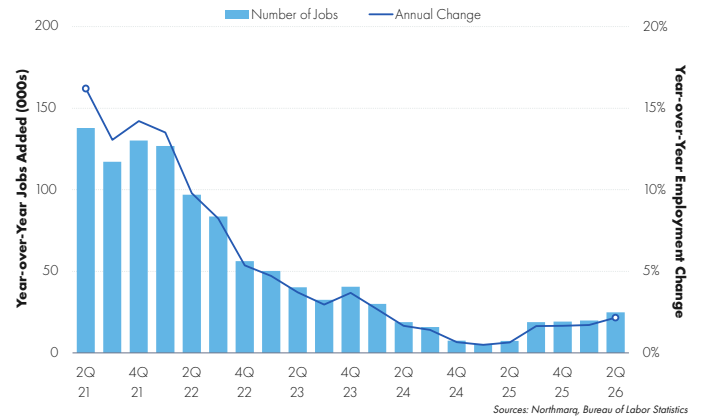
Investment activity steadied in the second quarter after a slow start to the year, with sales volume reaching roughly \$357 million during the first half of 2026. Volume remained well below the pace of the same period last year, though transaction activity picked up materially from the first quarter to the second quarter. Pricing softened modestly; as the median sale price eased about 5% from 2025 to \$216,500 per unit. The mix of assets that traded shifted toward the higher end, as several of the quarter's largest deals involved newer, recently stabilized Class A communities, while older, lower-tier assets continued to change hands at pricing consistent with their asset quality.

EMPLOYMENT

- Area payrolls increased by 24,900 jobs year over year as of the second quarter of 2026, a gain of 2.2%. Hiring was in line with the metro's long-term trend and remained concentrated in a narrow group of higher-wage sectors.
- Professional and business services was the leading source of new jobs, adding 12,600 positions and expanding 7.4% year over year. Leisure and hospitality, still the largest local employment sector, recorded little net hiring.
- Healthcare has emerged as a structural growth engine for the metro. Campus expansions by HCA Healthcare, Intermountain Health, the Valley Health System, and the VA, plus the UNLV medical school, are set to add thousands of clinical roles by 2030, deepening a less cyclical renter base.
- **FORECAST:** Employers are forecast to add roughly 20,000 jobs in 2026, a 1.7% increase. Hiring is expected to slow modestly over the second half, leaving full-year growth in line with 2025.

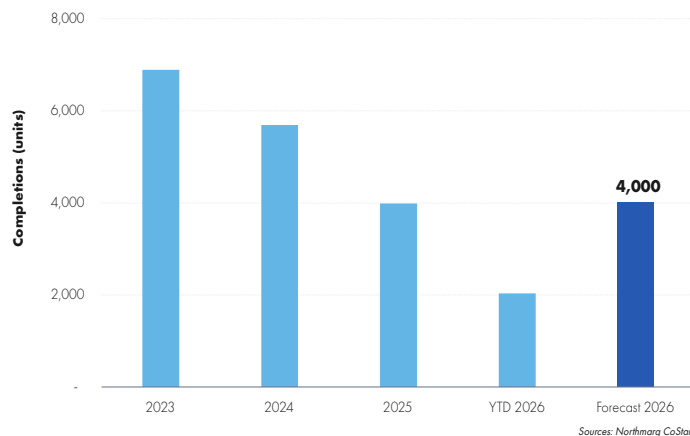
Hiring was in line with the metro's long-term average.

EMPLOYMENT OVERVIEW



Developers completed roughly 1,720 units in the second quarter.

DEVELOPMENT TRENDS

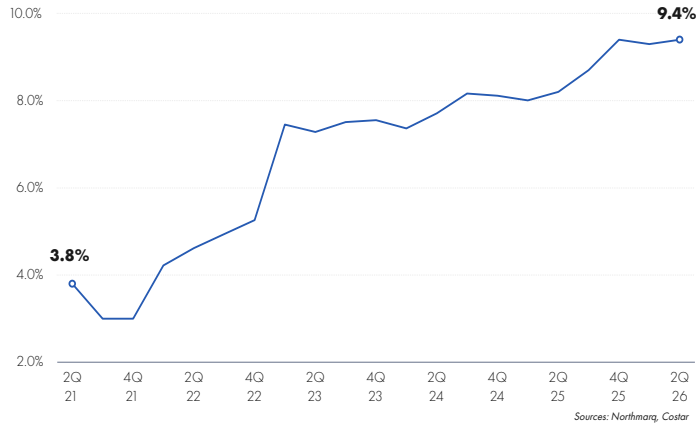


DEVELOPMENT & PERMITTING

- Developers completed roughly 1,720 units in the second quarter, a sharp increase from the first quarter. Year to date, deliveries total about 2,000 units, down 23% from the same period in 2025.
- More than 6,300 units were under construction across the metro at the end of the second quarter. With projects delivering and few new ones breaking ground, the pipeline continues to thin, which should ease the supply pressure that has weighed on operators.
- Nearly half the pipeline is concentrated in the western and southern submarkets, led by Summerlin/Spring Valley and Enterprise at about 2,940 units combined. Henderson and central Las Vegas make up most of the remainder, distributing lease-up competition across the metro.
- **FORECAST:** Developers are expected to complete roughly 4,000 units across Greater Las Vegas in 2026, near the 2025 total but well below the 2023 and 2024 peaks. With about half of that total delivered through midyear, completions are on track to reach that total by year-end.

Vacancy ended the second quarter at 9.4%

VACANCY TRENDS



VACANCY

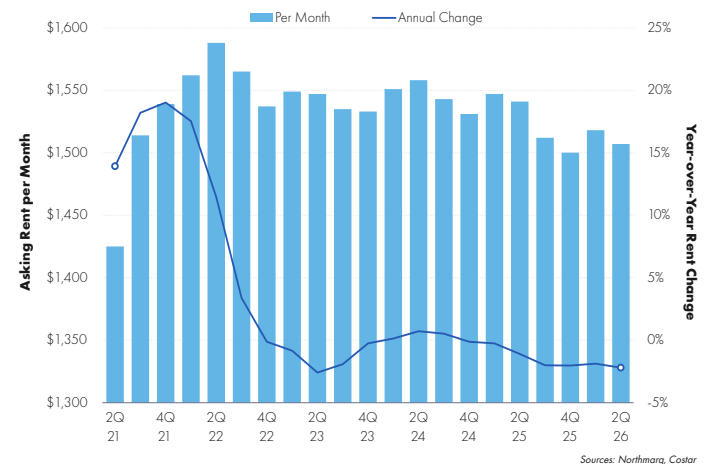
- Stabilized vacancy ended the second quarter at 9.4%, up 10 basis points from the prior quarter and 120 basis points higher than a year ago. Positive absorption in the first half shows renter demand has improved, but deliveries continue to limit vacancy compression as recently completed projects move through lease-up.
- The metrowide vacancy masks a widening divide by quality. Class A continued to outperform, with vacancy ending the quarter at 8.4%, up 70 basis points year over year. Older Class B and Class C properties absorbed more of the pressure, with vacancy rising to 9.6% and 9.7% respectively.
- Vacancy in newer suburban submarkets sits near 7.5%, while the older central core, including North Las Vegas and the Strip, runs between 11% and 12%. Summerlin/Spring Valley holds the largest construction pipeline and inventory base yet remains among the tightest submarkets, with vacancy at 7.7%.
- FORECAST:** Vacancy is forecast to edge up to 9.5% by year-end, a modest increase as second-half deliveries slightly outpace demand. The shrinking pipeline is expected to begin to relieve supply pressure in 2027.

RENTS

- Asking rents averaged \$1,507 per month in the second quarter, down 2.2% year over year but little changed over the past three quarters. The annual decline largely reflects softness from mid-2025, while more recent rent trends suggest the market is stabilizing.
- Performance varied widely by submarket. Enterprise/South Paradise commanded the highest rents at \$1,730 per month and was among the strongest performers, with rents down less than 1% year over year. Summerlin and Spring Valley held near \$1,660 per month, while the lower-priced urban core lagged, led by the Las Vegas Strip, where rents fell 4.3% to \$1,167 per month.
- The divide runs by quality as well. Class A rents increased 0.8% year over year to roughly \$1,800 per month, the only tier to post a gain. Older Class B and Class C properties recorded declines of 2.1% and 3.0%, respectively.
- FORECAST:** Asking rents are forecast to average about \$1,500 per month for the year, a 0.8% gain over 2025. After stabilizing over the past several quarters, rents are expected to remain largely flat through the second half.

Class A rents increased 0.8% year over year.

RENTS TRENDS

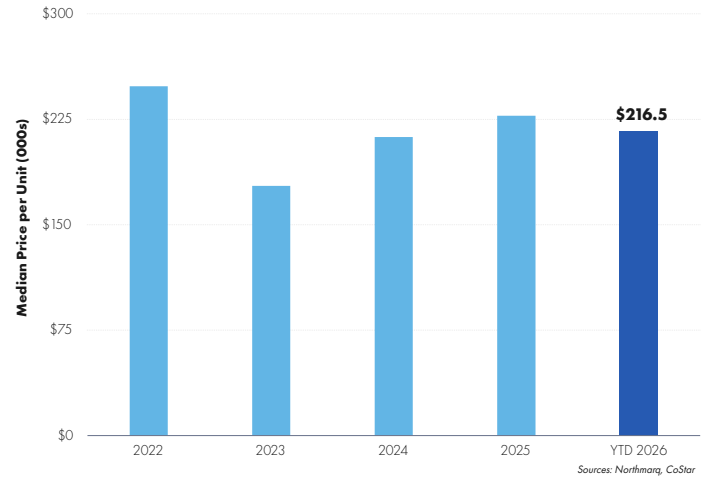


MULTIFAMILY SALES

- Apartment sales volume reached about \$357 million across 10 deals in the first half of 2026, down 40% from a year earlier. Only five involved market-rate properties of 100 or more units, leaving institutional-scale activity thin. The average trade shrank to \$36 million from \$66 million, while second-quarter volume of \$259 million nearly tripled the first quarters total.
- The 2026 median sale price eased to about \$216,500 per unit, down roughly 5% from last year. Elevated pricing for new Class A assets helped limit the decline, keeping market pricing relatively close to last year's level. Class A properties cleared \$300,000 to \$350,000 per unit, while older Class C assets traded from \$80,000 to \$165,000 per unit.
- Cap rates ranged from 4.1% for the strongest new product to 5.4% for older value-add assets. Institutional buyers competed for recently built Class A properties, compressing yields on those trades, while private and regional capital pursued higher-yielding Class C at steep per-unit discounts.
- Steady in-migration, a diversifying economy, and the metro's continued wage gains continue to draw households to Las Vegas, underpinning long-run rental demand even as near-term fundamentals remain under pressure.

The median price eased to about \$216,500 per unit.

INVESTMENT TRENDS



RECENT TRANSACTIONS MULTIFAMILY SALES ACTIVITY

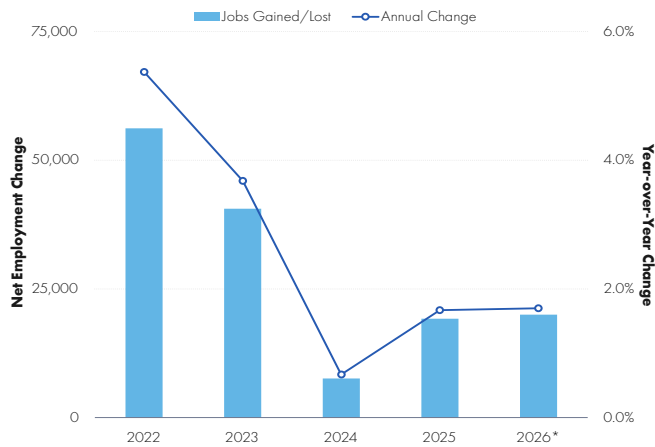
PROPERTY NAME	STREET ADDRESS	YEAR BUILT	UNITS	SALES PRICE	PRICE/UNIT
Ellison	9235 West Russell Road, Las Vegas	2024	294	\$103,000,000	\$350,340
Gramercy	9215 West Russell Road, Las Vegas	2008	160	\$48,700,000	\$304,375
Ely at Fort Apache	5055 South Fort Apache Road, Las Vegas	2022	206	\$57,500,000	\$279,126
Watermark	215 South Water St., Henderson	2025	151	\$30,000,000	\$198,675

LOOKING AHEAD

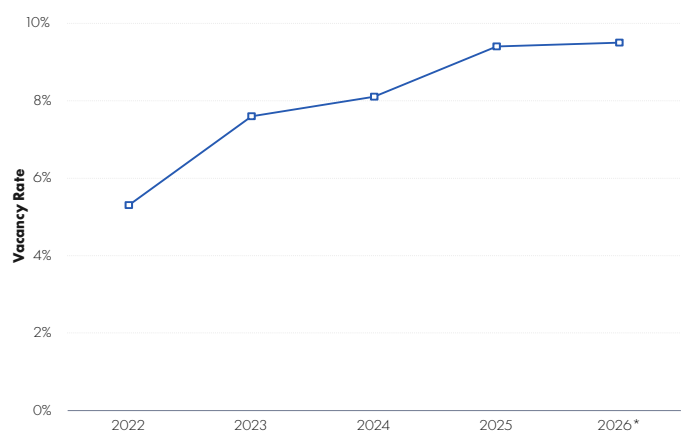
The Las Vegas multifamily market is positioned to hold near current levels throughout the remainder of 2026 before conditions improve in 2027. With renter demand showing signs of strengthening, supply remains the primary challenge. Roughly 4,000 units are forecast to deliver this year, with about half still to come in the second half, sustaining competitive pressure in the most active western and southern submarkets. Because new inventory is almost entirely Class A properties, the top tier will absorb the most direct impact, though higher-wage hiring should continue to support leasing demand in that segment. Beyond 2026, the construction pipeline thins sharply, and performance should increasingly diverge by submarket, asset quality, and proximity to employment growth rather than move uniformly across the metro.

Capital markets are expected to build on the second quarter's momentum in the coming quarters. As the gap between buyer and seller expectations narrows and confidence builds, transaction activity should continue recovering from the lows of the past two years. The metro's underlying appeal remains intact: pricing well below comparable coastal markets, steady in-migration, and a broadening, higher-wage employment base all reinforce the long-term demand case, while a for-sale market that remains out of reach for many households keeps them in the renter pool. As the current supply wave is absorbed and operating fundamentals firm into 2027, that combination of durable demand and relative value should keep buyers engaged and support a gradual recovery in both pricing and transaction volume.

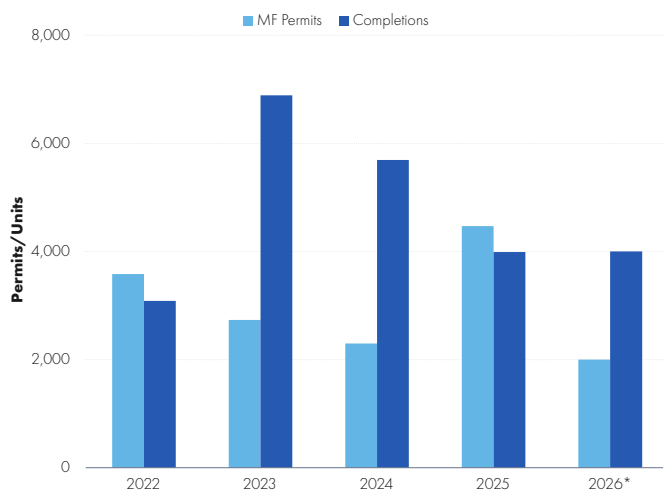
EMPLOYMENT FORECAST



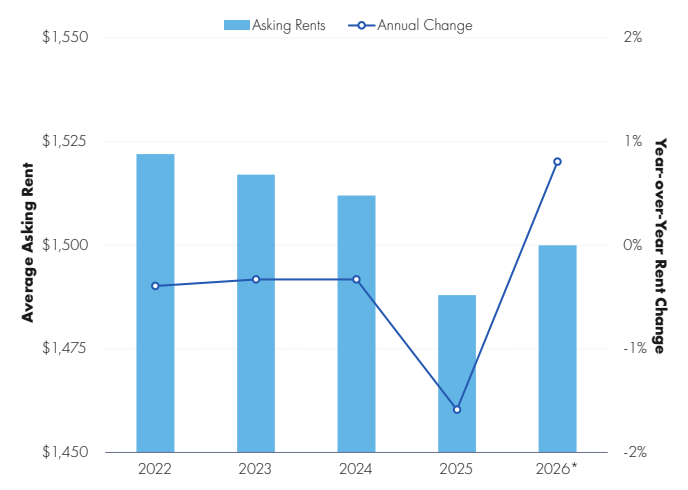
VACANCY FORECAST



CONSTRUCTION & PERMITTING FORECAST



RENTS FORECAST





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