

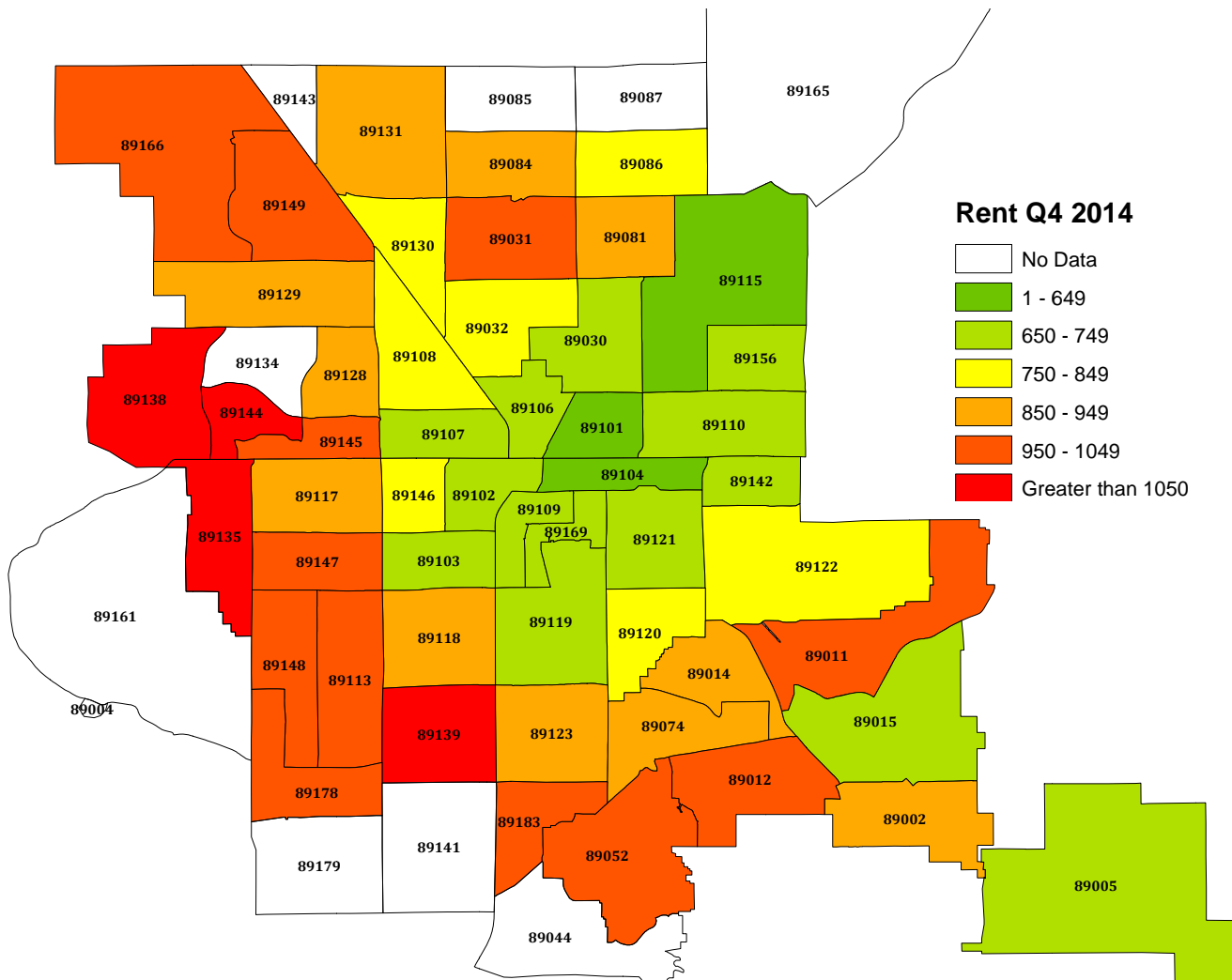
Lied Institute Report on Apartment Market Trends

featuring data from the Center for Business and Economic Research

Apartment Market Trends in 4th Quarter 2014

The Las Vegas apartment market saw a slight decrease in asking rents and a decrease in the vacancy rate this quarter, according to data from our apartment survey, collected by the Center for Business and Economic Research(CBER)**. Asking rents decreased by less than one percent this quarter and the average asking rent is now \$796. Asking rents are up 5 percent on a year over year basis. Still, average asking rents in Las Vegas still remain 9 percent lower than their peak in 2007(\$876). The vacancy rate decreased from 9.2 percent(2014Q3) to 8.3 percent(2014Q4). The average asking rent is 3 percent higher than it was at the start of 2014(\$768) and the vacancy rate is one and a half percentage points lower than it was at the start of 2014(9.7 percent).

Figure 1: Apartment Rental Rates in Las Vegas*

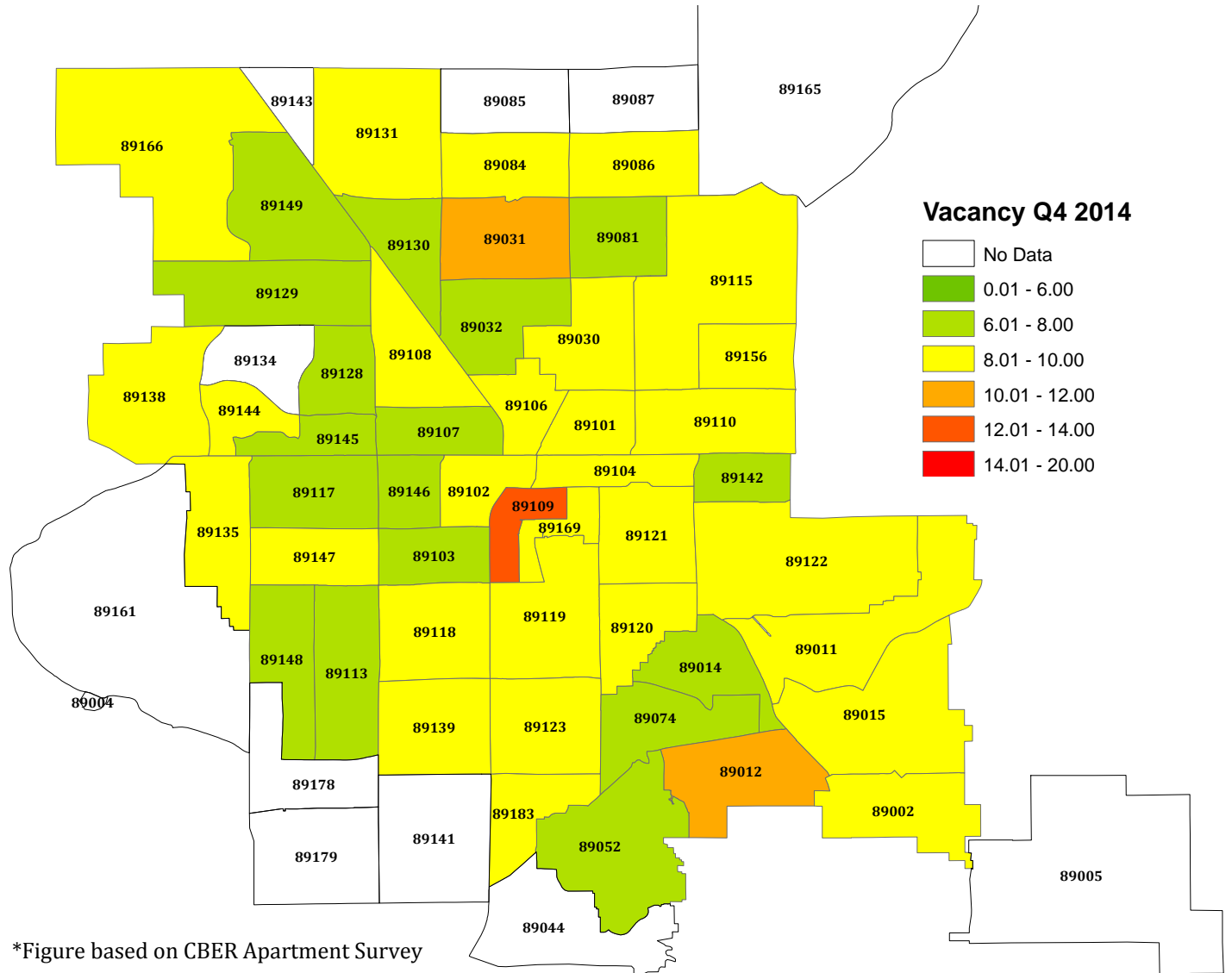


*Figure based on CBER Apartment Survey

**Data reflect revisions made to historical rental database as of Jan 28, 2015

There was very little change in the asking rent among all regions of the Las Vegas metropolitan area. The most considerable increase came in the 89113 zip code where the average asking rent increased \$57(6 percent). The western region continues to have the highest asking rents with the 89138 having the highest asking rent of \$1,360. However, the western region did experience some decreases in the asking with the 89166 and 89149 seeing a decrease of about 2 percent this quarter. The 89115 zip code had the most notable decrease in asking rent this quarter of \$45(7 percent). Nonetheless, nearly all zip codes have seen an increase in the asking rent on a year over year basis.

Figure 2: Apartment Vacancy Rates in Las Vegas*

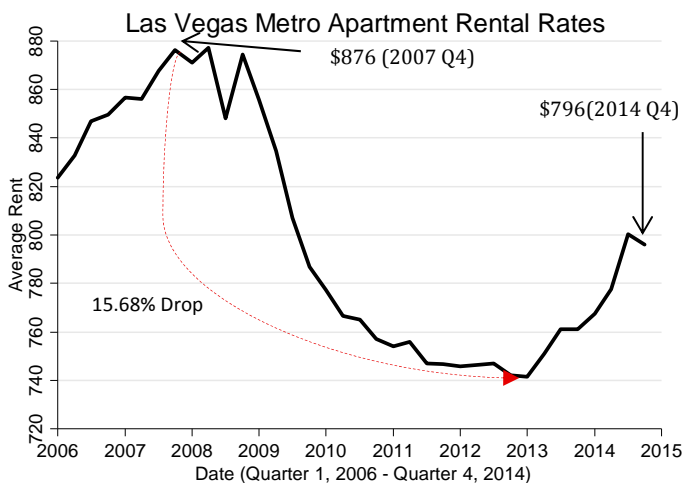


The overall vacancy rate in the Las Vegas metropolitan area decreased by 0.9 percentage points this quarter. The vacancy rate declined in most zip codes with the western region seeing the most notable decrease in the vacancy rate. There is also much less variance in the vacancy rate between zip codes this quarter. Most zip codes now have a vacancy rate between 6 to 10 percent. The only zip code to have an unusually high vacancy rate is the 89109 zip code with a vacancy rate of 13.7 percent. No reported zip code had a vacancy rate greater than 14 percent or less than 6 percent this quarter.

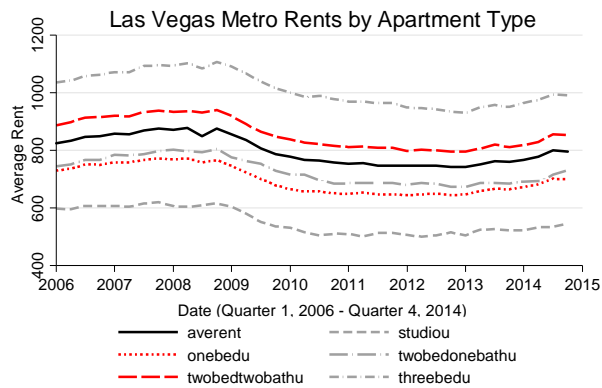
There was very little change in the average asking rent for all apartment types this quarter. Furnished studios saw the largest increase in asking rent as they increased by \$16(3 percent). Unfurnished two bedroom and one bathroom apartments was the only other apartment type to see any significant increase this quarter with a \$15 increase(2 percent). Furnished two bedroom and two bathroom apartments saw the largest decrease this quarter at \$10(1 percent). All apartment types have seen at least a small increase in asking rent on a year over year basis.

Figure 3

Figure 4



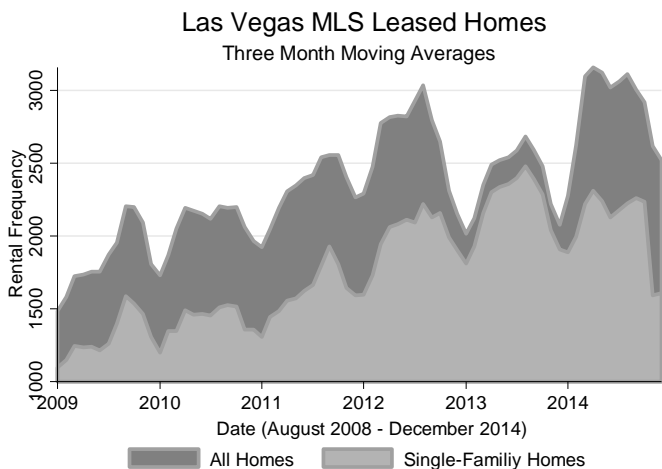
Source: CBER Apartment Survey
The data used to construct this figure reflect revisions to the historical rental database as of Jan 28, 2015



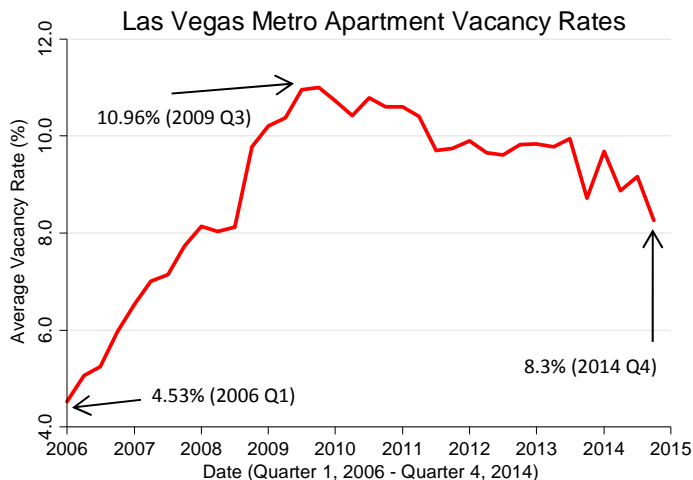
Source: CBER Apartment Survey
The data used to construct this figure reflect revisions to the historical rental database as of Jan 28, 2015

Figure 5

Figure 6



Source: Greater Las Vegas Association of Realtors MLS



Source: CBER Apartment Survey
The data used to construct this figure reflect revisions to the historical rental database as of Jan 28, 2015

Apartment complexes, to a certain extent, compete with individually owned units, which mostly consist of single family homes, townhomes, and condominiums. MLS rental leases, a proxy for this competition, began to slow down towards the end of this quarter reaching a three month moving average of 2,517 leases in December 2014. MLS leases are highly seasonal and December typically has the lowest number of MLS leases. Nonetheless, MLS leases are still up 450 leases(16 percent) from this time last year.

-Peter Counts, Data Analyst

Table 1: Apartment Rental and Vacancy Rates by Zip Code Area

ZIP CODE	UNIT RATES									AVERAGE RATES		UNITS		
	Studio		1 Bed		2 Bed/1 Bath		2 Bed/2 Bath		3 Bed		Rent	Vacancy	Total Units	Vacant Units
	F	U	F	U	F	U	F	U	F	U				
89002	.	.	.	718	.	760	.	933	.	1060	863	8.4%	785	66
89005	.	.	.	650	.	.	.	750	.	.	700	.	34	.
89011	.	.	.	846	.	930	.	945	.	1097	965	8.2%	546	45
89012	.	.	.	818	.	0	.	965	.	1172	952	10.1%	2215	224
89014	.	675	.	739	.	832	.	879	.	1041	862	7.8%	5964	465
89015	.	.	.	603	.	704	.	734	.	870	731	8.4%	2014	168
89031	874	.	1022	953	11.8%	970	114
89032	.	660	.	707	.	.	.	847	.	950	832	7.9%	2256	177
89052	.	.	.	898	.	1141	.	1072	.	1316	1036	7.8%	2046	159
89074	.	.	.	822	.	.	.	938	.	1117	936	7.9%	2809	222
89081	.	.	.	728	.	840	.	875	.	1004	858	7.7%	1675	130
89084	.	.	.	780	.	903	.	978	.	1061	928	8.3%	1008	84
89086	.	522	495	593	.	655	.	731	.	823	848	8.4%	835	70
89103	.	636	.	654	.	711	.	793	.	963	733	7.5%	7408	553
89104	395	439	450	526	.	635	.	660	.	766	592	8.5%	3671	312
89106	.	425	.	566	.	587	.	688	.	759	651	8.2%	1895	155
89107	.	544	.	614	.	633	.	724	.	843	674	6.9%	2032	139
89108	.	561	.	646	.	680	.	790	.	941	752	8.2%	6079	501
89109	525	548	.	696	.	568	.	853	.	750	729	13.7%	725	99
89110	.	.	.	568	.	668	.	686	.	785	677	9.3%	2830	263
89113	.	.	.	854	.	.	.	1061	.	1203	999	7.4%	839	62
89115	518	441	709	536	.	649	.	622	.	734	606	8.7%	3874	339
89117	.	.	.	795	.	965	.	954	.	1106	927	7.6%	7616	581
89118	.	628	.	755	.	803	.	934	.	1069	869	8.8%	2193	192
89119	602	523	626	670	725	642	.	803	.	969	738	8.1%	9800	794
89120	.	594	.	688	.	701	.	818	.	1009	802	8.1%	2033	165
89121	.	549	868	608	.	671	.	730	.	811	696	9.0%	6805	612
89122	636	499	676	711	956	958	.	851	.	962	800	8.4%	3660	306
89123	.	644	.	813	.	1086	.	972	.	1079	941	8.0%	2331	187
89128	.	.	.	727	.	.	.	841	.	981	854	7.6%	2374	179
89129	.	525	.	750	.	1140	899	887	.	1064	856	7.7%	2169	168
89130	.	.	.	652	.	.	.	744	.	892	772	7.6%	501	38
89131	.	.	.	785	.	.	.	980	.	1185	943	8.5%	272	23
89135	.	.	.	968	.	.	.	1146	.	1334	1133	8.2%	849	70
89138	.	.	.	1210	.	1265	.	1492	.	1474	1360	8.3%	272	23
89139	.	.	.	882	.	1005	.	1106	.	1277	1073	8.3%	1385	115
89142	.	.	.	622	.	595	.	718	.	831	686	7.5%	1352	102
89144	.	.	.	903	.	.	.	1089	.	1250	1165	8.7%	507	44
89145	.	.	.	870	.	825	.	1074	.	1199	1042	7.9%	686	54
89146	.	385	.	671	.	623	.	829	.	969	794	7.5%	2918	220
89147	.	.	.	851	.	880	.	1001	.	1118	992	8.1%	2814	227
89148	.	.	.	895	.	1067	.	993	.	1092	976	7.4%	2469	183
89149	.	765	.	860	.	999	.	1063	.	1263	958	7.9%	1206	95
89156	.	.	.	621	.	.	.	746	.	972	722	8.2%	728	60
89166	.	.	.	859	.	932	.	1057	.	1165	986	8.3%	1484	123
89169	675	515	756	560	.	645	.	728	.	883	677	8.7%	5768	502
89178	.	.	.	953	.	985	.	1053	.	.	959	.	539	.
89183	.	.	.	867	.	905	.	989	.	1135	951	8.4%	2815	236
METRO LV	607	545	684	699	867	730	836	851	991	796	8.3%	118056	9746	

"." Number of observations insufficient for statistical purposes. "F" stands for Furnished and "U" stands for Unfurnished. Cumulative sum of vacant units might not equal the reported Metro LV vacant units because of rounding issues. Source: CBER Apartment Survey

About the Institute

The Lied Institute for Real Estate Studies was established in 1989 by the Lee Business School at the University of Nevada, Las Vegas to foster excellence in real estate education and research. Through partnerships with business and community leaders, the Lied Institute strives to improve real estate business and effective public-policy practices in Southern Nevada. The institute produces relevant and timely real estate research, supports educational programs in real estate economics and finance for students and professionals, and provides community outreach and continuing education.



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