



Las Vegas office market report

Q1 2022

**AVISON
YOUNG**

Office market trends

01

Improving labor market driving office recovery

The unemployment rate in the Las Vegas MSA has continued to decline, reaching 5.9% in January 2022. Office-using employment is now just 0.27% below the pre-pandemic high.

Our take on this trend...

Improving labor conditions have resulted in the lowest level of available office space since Q1 2020. Additionally, Las Vegas recorded the second-highest quarterly increase in net absorption since the start of 2018. These trends are indicative of the improving conditions in the office market.

02

Positive net absorption in two consecutive quarters

The total amount of office space that tenants in Las Vegas moved to outpaced the amount of vacated space by 333,993 sf. In Q4 2021 there was also more than 300,000 sf in positive net absorption.

Our take on this trend...

This is another sign that the local office market has moved beyond the mixed market conditions experienced during the height of the COVID-19 pandemic. More people are finding work, and this has been a driving factor in the increased level of demand for office space.

03

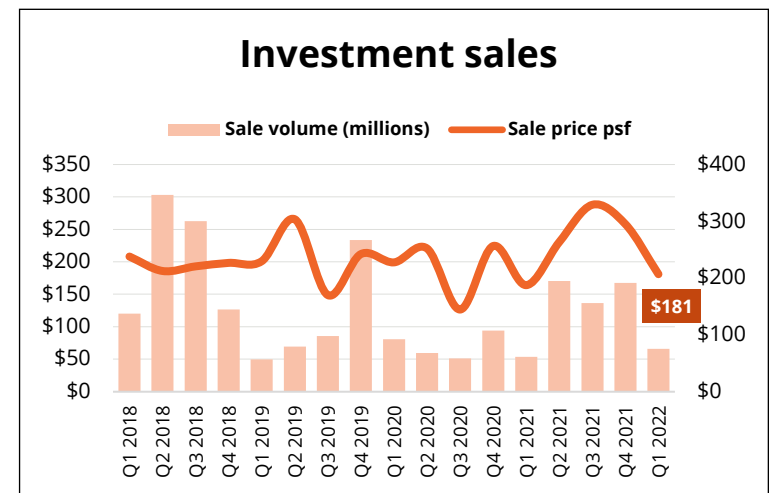
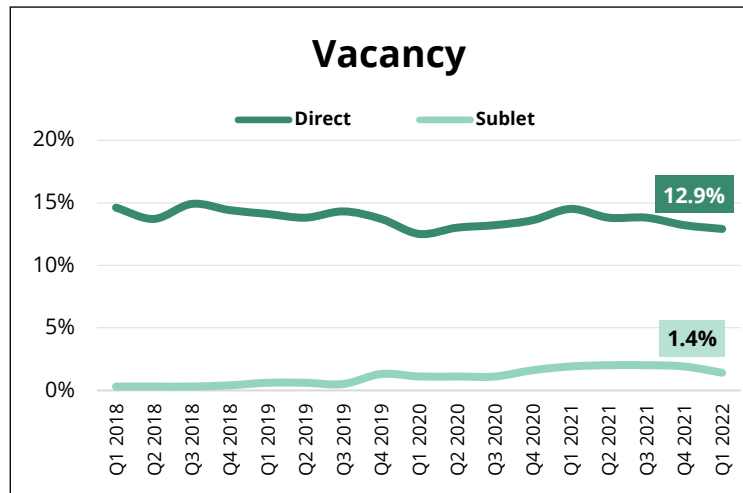
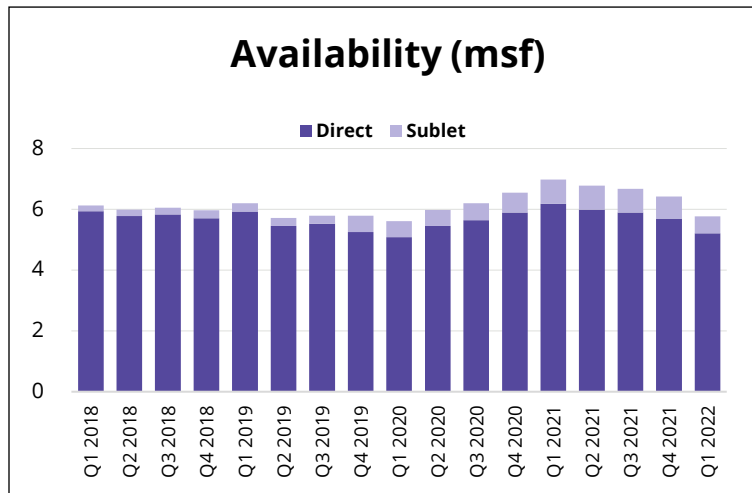
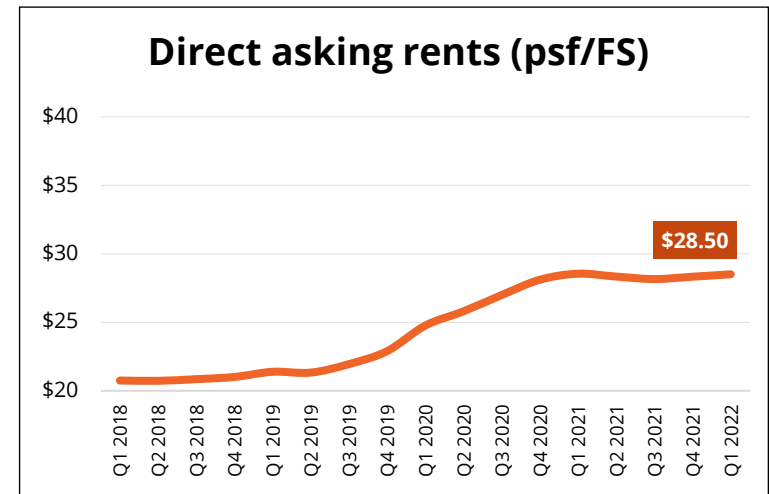
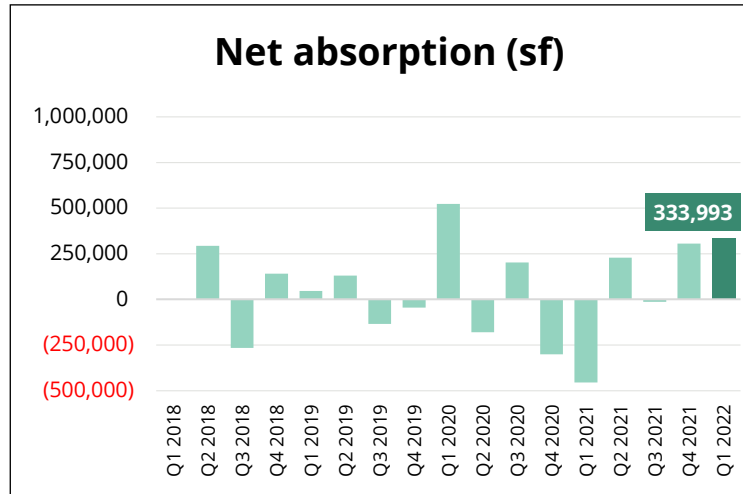
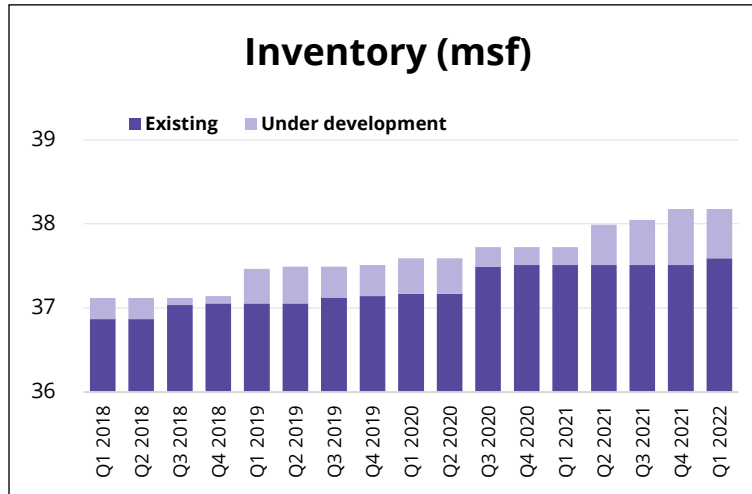
High demand for space in Southwest and West Las Vegas

The largest gains in net absorption occurred in the Southwest and West submarkets, respectively. Some of the only ongoing construction projects in Las Vegas are concentrated in these submarkets as well.

Our take on this trend...

Declining vacancy rates should not slow the level of leasing activity in these submarkets, at least for now. Construction deliveries may not be able to keep up with the level of demand in Southwest Vegas in the coming years, but there is still sufficient supply for office-seeking tenants in the West.

Office market indicators



Office market activity

Recent leasing activity

Tenant name	Address	Sign date	Size sf	Transaction type	Lease type	Term
Bet Fred	4530 S Decatur Blvd	Mar 2022	12,149	New	Direct	5 years
Colvin Construction	7674 W Lake Mead Blvd	Feb 2022	11,860	New	Direct	3 years 11 months
Board of Regents	1701 W Charleston Blvd	Mar 2022	9,166	New	Direct	6 years
Daneville Services	4343 N Rancho Dr	Mar 2022	5,187	New	Direct	1 year 10 months
Infusion Management	7730 W Cheyenne Ave	Mar 2022	3,627	New	Direct	7 years 3 months

Recent sales activity

Buyer	Address	Sale date	Sale price	Size sf	Sale price psf	Seller
La Farfalla LLC	9580 W Sahara Ave	Feb 2022	\$7,000,000	26,680	\$262	Beverly House Myers
Legacy Property Management	2881 Business Park Ct	Jan 2022	\$6,536,600	22,224	\$294	Fairway View Group
2617 Lamb LLC	6628 Sky Pointe Dr	Mar 2022	\$5,800,000	31,010	\$187	Cimarron Hamrick LLC
Meadows Land LLC	3838 Meadows Ln	Mar 2022	\$5,800,000	24,439	\$237	Morimoto Earl M Trust
Premier Educational Facilities	4201 East Bonanza Rd	Jan 2022	\$5,525,000	23,840	\$232	International Hodcarriers Building

Large contiguous space availabilities

Owner	Address	Date available	Block size	Floors	Asking rent	Landlord Broker
Elardi Family	8725 W Sahara Ave	Vacant	117,000	1	\$16.80 NNN	CBRE
Industrial Commercial Properties	170 N Stephanie St	Vacant	50,948	1-2	\$22.80 MG	Colliers
GWP Real Estate	101 Convention Center Dr	Vacant	19,315	2	\$19.20 FS	Avison Young
University of Health Sciences	3755 Breakthrough Way	Vacant	12,111	1	\$33.00 FS	Avison Young

Office market stats by submarket

By Submarket	Inventory (sf)	Vacancy	Net Absorption	SF Under	Average Asking Rent	
		Total %	1Q22	Construction	Annual	Monthly
Central E Las Vegas	5,928,779	22.9%	77,406	-	\$26.56	\$2.21
Central N Las Vegas	1,441,170	4.1%	-662	-	\$24.00	\$2.00
Downtown	3,411,010	11.8%	17,598	-	\$28.82	\$2.40
N Las Vegas	770,526	6.2%	-1,575	-	\$31.05	\$2.59
NW Las Vegas	6,845,591	14.7%	-113,191	71,400	\$30.99	\$2.58
SE Las Vegas/Henderson	894,171	10.3%	-3,746	-	\$25.32	\$2.11
S Las Vegas	7,346,764	14.8%	-21,116	-	\$29.19	\$2.43
SW Las Vegas	6,752,709	10.4%	108,050	210,000	\$33.54	\$2.80
W Las Vegas	4,200,774	14.8%	271,229	267,000	\$29.39	\$2.45
Market Total	37,591,494	14.3%	333,993	548,400	\$28.50	\$2.38

Office market stats by class

By Class	Inventory (sf)	Vacancy	1Q Absorption	Under Construction (sf)	Available Sublease (sf)
Class A	10,489,925	16.3%	-15,153	210,000	209,575
Class B	24,942,236	14.0%	250,260	338,400	344,302
Class C	2,159,333	8.3%	98,886	-	-
Market Total	37,591,494	14.3%	333,993	548,400	553,877

For more market insights
and information visit
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