



Las Vegas

Market Overview

Las Vegas-Henderson-Paradise, NV MSA is the 28th largest MSA in the country, with a population of 2,204,079 per 2017 census estimates. The Las Vegas MSA is co-extensive with Clark County, with the city of Las Vegas serving as the cultural and economic hub. As the “Entertainment Capital of the World”, “Sin City” is one of the largest international resort cities on the planet - known for gambling, shopping, major sporting events, entertainment, nightlife, and epic pool parties. According to the Las Vegas Visitor and Convention authority, Vegas’ popularity has allowed it to average over 42M visitors a year over the last decade.

Economy

Sin City is driven primarily by the gaming, tourism, hotel and entertainment industry. Over the last decade, gaming revenues averaged in excess of \$9.4 billion, with its last peak at \$10.87 billion in 2007 (and its low during the Great Recession at a quite respectable \$8.8 billion). With almost 8 million square feet of convention center space and meeting space, Las Vegas was ranked the third most attractive metropolitan area for business conventions in 2018 - behind only Orlando and Chicago. In no particular order, the four largest hotel and gaming operations in Vegas are the Las Vegas Sands, Caesars Entertainment, MGM Resorts International, and Wynn Resorts. Convention activity and vacation related tourism led to McCarran International Airport achieving an impressive ranking as the 8th busiest airport in the United States – despite the Las Vegas MSA’s population ranking 28th out of the top 50 MSAs.

Other major economic drivers in the Las Vegas MSA include Nellis Air Force Base and the iconic Hoover Dam. Nellis Air Force Base, the “Home of the Fighter Pilot” contains a key military school and acts as the operational base for more squadrons than any other Air Force Base in the country. The base has a combined Air and Space Operations Center, and geographically it is proximate to the Nevada Test and Training Range, which hosts air combat exercises and advanced combat training for composite strike forces along with the Army, Navy and Marine Corps.

The Hoover Dam is located 30 miles southeast of Las Vegas in the Black Canyon of the Colorado River, and is one of the most popular tourist destinations in the country - nearly 1 million people visit the dam every year. Aside from attracting economic activity from tourism, the dam provides hydroelectricity to the State of Nevada, Metropolitan Water District of Southern California, State of Arizona, Los Angeles and other smaller cities between Nevada and Southern California.

More recently, Clark County/the Las Vegas MSA has seen a surge in economic activity due to its legalization of recreational Marijuana. In its first full year alone, marijuana sales exceed \$425 million and generated \$7 million in new tax revenue.

Growth

According to Census Data, Clark County is the 2nd fastest growing county in America. For historical perspective, Clark County had a population of 741,459 per the 1990 Census. By 2000, the population nearly doubled to 1,375,765. By 2010, the population swelled further to 1,951,269. As of 2017, the population is estimated to be 2,204,079.

Since 2010, the growth exceeds expansion of 36,000 residents per year. Two-thirds of that growth has been the result of net in-migration while the other third is the result of a natural increase due to births exceeding deaths. Thirty-four percent (34%) of the net in-migration are transplanted Californians who are attracted to the comparative affordability of real estate, the growing Las Vegas tech sector, and Nevada’s reputation as a business and estate friendly tax jurisdiction. The population growth has directly led to the creation of 9,900 new local businesses since 2011.

Unique Aspects

Historically, Vegas’ popularity and glamor were directly tied to its popularity among American icons like Frank Sinatra, Elvis Presley, Howard Hughes, Evel Knievel, David Copperfield, Penn & Teller, Ray Charles, Quincy Jones, and noted mobsters such as Bennie Siegel. Sin City’s ability to cater to drinking, gambling, prostitution, low taxes, and quick marriage and divorce laws made it an international icon.

Las Vegas is a unique American original, as its desert-locked economy has largely relied on gaming, hospitality, and tourism with construction and retail feeding off of the growth related to the aforementioned industries. 6 out of the 10 largest employers in the county are gaming, hotel or entertainment related with those six each employing between 5,000-50,000+ employees. Of the remaining top 10 employers, three are government related. There are an additional seven hotel or gaming related employers which employ between 2,500 and 5,000 employees.

CREXi Scores

A Economy Score **B** Demographic Score **B** Livability Score **A** Activity Score

Market Demographics

Nickname:

Sin City

Population Total:

2,231,647

Owner Occupied Housing Units:

481,288

Population Growth:

14.37% since 2010

Owner Occupied Housing Rate:

52.70%

Population Density:

247.3 People/Square Mile

Median Housing Value (Owner Occ.):

\$212,300

Retail Sales Total:

\$27,971,660,000

Total Housing Units (2017):

913,260

Retail Sales Per Capita:

\$13,981

Median Gross Rent / Month (Residential):

\$1,048

Median HH Income:

\$54,882

Economic Metrics

Number Of Employees:

847,203

Payroll:

\$34,904,055,000

Change in Employment Rate:

3%

S&P Corelogic Case-Shiller Home Price Index:

190.00

Largest Industries

1. Accomodation & Food Service (212,730)
2. Retail Trade (122,480)
3. Healthcare & Social Assistance (92,200)

Largest Employers

1. MGM Resorts International (50,000+)
2. Caesars Entertainment (27,000)
3. Station Casinos (14,000)

Transportation

Rail

Las Vegas is served by a monorail that stops at the MGM Grand, Bally's/Paris, Flamingo/Caesars Palace, Harrah's/The LINQ, the Las Vegas Convention Center, Westgate and SLS Las Vegas. The rail system primarily transports tourists going from one hotel or entertainment venue to another. It is not designed for mass transit catered to workers that live in various parts of Clark County.

In an effort to capitalize on the number of tourists who travel to Vegas from California, Richard Branson's Virgin Trains announced it will begin construction on a high-speed rail that connects Vegas to Southern California with a targeted completion date of 2022. The Vegas-SoCal rail connection is slated to cost \$3.6B. Amtrak provides separate service to Vegas from Bakersfield and Los Angeles after a connecting stop in Barstow.

Subway

Las Vegas does not have a subway system.

Car

Car travel is the heaviest form of transportation in the county. 77% of working Vegas residents drive by themselves. That is a considerable amount of drivers given the state has 1.9M licensed drivers out of a population of 2.9M and Clark County represents 2.2M of that overall population. As a result, the average travel time to work across the major metros in the county is 24.5 minutes, ranking it 3rd in the U.S. for the fastest commute time out of the top 50 MSAs.

Counties

Clark County, NV

Clark County is coterminous with the Las Vegas MSA. It is made up primarily of the City of Las Vegas, North Las Vegas, Henderson, Summerlin, and Unincorporated Clark County. Unincorporated Clark County is geographically the largest and most populous portion of the MSA, followed by the city of Las Vegas, the City of Henderson, and finally the City of North Las Vegas.

The primary north-south interstate connection in Clark County is Interstate 15. There are two primary east-west connecting interstates (I-215 and I-515) that originate as a split in the city of Henderson on the southeastern corner of the county and bisect the city as a southern east-west connector (I-215) and northern east-west connector (I-515). Within the Las Vegas Metro area surface streets run primarily on a grid system with defined major east-west corridors (e.g. Sahara Ave, Flamingo Rd, Tropicana Avenue, Russell Road, and Sunset Road) and north-south corridors (Fort Apache Rd, Durango Dr, Rainbow Blvd, Decatur Blvd, and Nellis Blvd).

The city of Las Vegas is an L-Shaped boundary which encompasses the arts district to the east, historic downtown in the center, North Summerlin as the western boundary and sprinkled pockets of suburban neighborhoods in the northwest part of Clark County which immediately borders state highway 95. Unincorporated Clark County is largest and most populous part of the Las Vegas MSA. More than one million residents live in the area with a workforce population of roughly five hundred thousand. Geographically it is located on the south side of downtown and extends until reaching the border city of Henderson on its southwest edge. The area encompasses UNLV's main campus and will house the new Las Vegas Raiders NFL Stadium.

Outside of the city, North Las Vegas geographically is comprised of the area north and east of downtown, and Henderson is an affluent suburb located in the southeastern corner of the Las Vegas Metro.

Economy

The largest economic driver in the Las Vegas MSA/Clark County is the Strip and McCarran International Airport. Unincorporated Clark County includes the upper middle-class suburb of Summerlin and the growing suburb of Spring Valley. Although the median value of homes in the area is \$251k, that number is greatly supported by the cost of new homes which is \$393k and mostly being built in the Summerlin area. With over 22,500 acres Summerlin is largely controlled and being developed by the Howard Hughes Corporation. According to the American FactFinder produced by the U.S. Census Bureau, the average household income in Summerlin is \$140k.

The largest economic draw in proximity to North Las Vegas is Nellis Airforce Base (which is the Unincorporated County), the VA Southern Nevada Healthcare System and the North Las Vegas airport. The remainder of North Las Vegas is primarily residential or industrial in nature. The city of North Las Vegas has the smallest population of the three incorporated areas which make up the bulk of Clark County at a population of 249,000. The median household income in the city is \$52,000 and home prices are the lowest in the county, with existing homes selling at \$138k and new homes selling at \$335k (an almost \$120k-\$150k spread to more affluent areas).

Money Magazine rated the principal city of Henderson as one of the top 40 places to live in the country. Henderson received this ranking because although it has a population of 300,000, there are several attractive attributes. For example, the median household incomes are the highest in the MSA exceeding \$62k/yr, median family income exceeding \$80k/yr, home occupancy and foreclosure is the lowest in the MSA with housing vacancy below 3%, and school rankings that are the highest in the MSA with a school index of 71. Although Raiders Stadium will be south of the Strip in Unincorporated Las Vegas, practice facilities and headquarters for the organization will be in Henderson.

Since the downturn, Clark County's economy has rebounded but at a delayed pace in comparison to other major population centers. In an effort to avoid a repeat of the great recession significant investment has been made to diversify the economy including the development of a medical complex anchored by the University of Las Vegas School of Medicine. Another effort of diversification is related to the redevelopment of downtown Las Vegas with Zappos as one of the anchors of the Freemont St Experience redevelopment. Retail and hospitality in the county should further benefit from the relocation of the National Football League franchise the Raiders from Oakland to Las Vegas.

Total Housing Units:

913,260

Major Submarkets:

City of Las Vegas, Unincorporated Clark County, City of North Las Vegas, Henderson

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