



Q2 2024 | VOLUME 9

HYDE REAL ESTATE

Quarterly Newsletter

STATE OF THE MARKET: SOUTHERN NEVADA REAL ESTATE MARKET REPORT- Q2 2024

In Quarter 2 2024, the U.S. GDP grew by 2.8%, resulting in the addition of 1.3 million jobs during the first half of the year. Inflation is showing signs of receding, with the Consumer Price Index (CPI) growth slowing to 3.0% in June and the personal consumption expenditures price index increasing by 2.5%.

However, high interest rates continued to impact property sales and mortgage refinancing activities.

More Real Estate Inside

State of the Market

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Summary

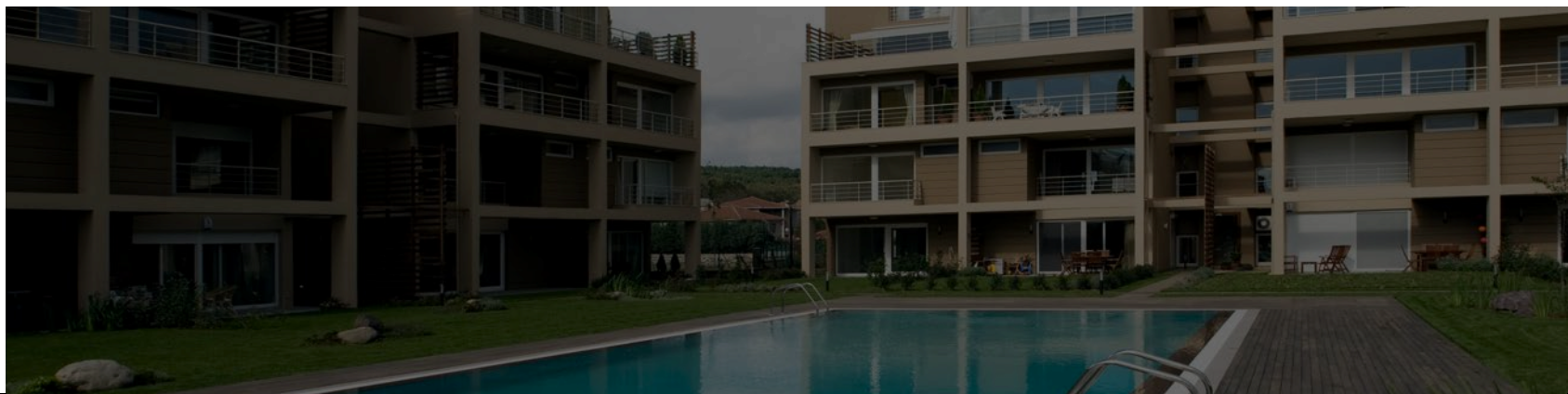


REAL ESTATE MARKET REPORT

As of May 2024, Southern Nevada's unemployment rate stood at 5.4%, with employment increasing by 39,900 jobs year-over-year, reaching a total of 1,165,700 jobs. In the housing sector, 4,940 new homes were sold in the first five months of 2024, marking a 14.6% increase from 2023, and the median price for new homes rose by 5.6% to \$491,665. Additionally, 10,197 existing homes were sold during the same period, a 5.3% increase, with median prices up 7.0% to \$473,000.

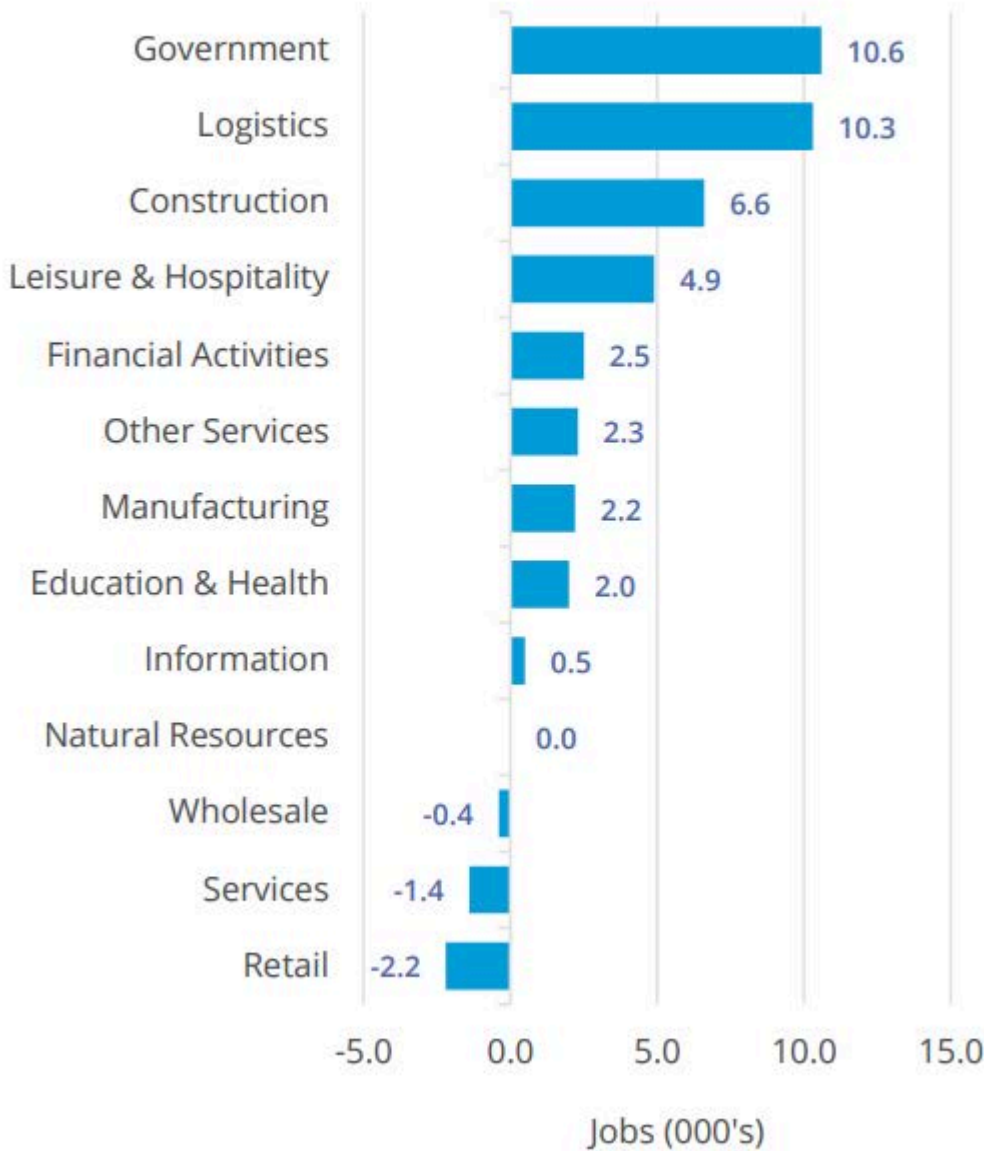
In commercial real estate, the industrial market saw an increase in vacancy rates to 6.4% due to new construction and lower pre-leasing rates, with a net absorption of 555,248 sq. ft. in Q2 2024 and a rise in the weighted average asking rental rate to \$1.17 psf NNN. Investment sales volume for commercial real estate reached \$452.9 million in the first half of 2024, with notable growth in sales for medical office and shopping centers.

The hospitality sector showed positive trends, with visitor volume increasing by 4.2% year-over-year, partly due to hosting the Super Bowl, and room occupancy averaging 83.9% YTD in 2024, up slightly from 83.7% in 2023.



Employment Growth

May 2024 | YOY



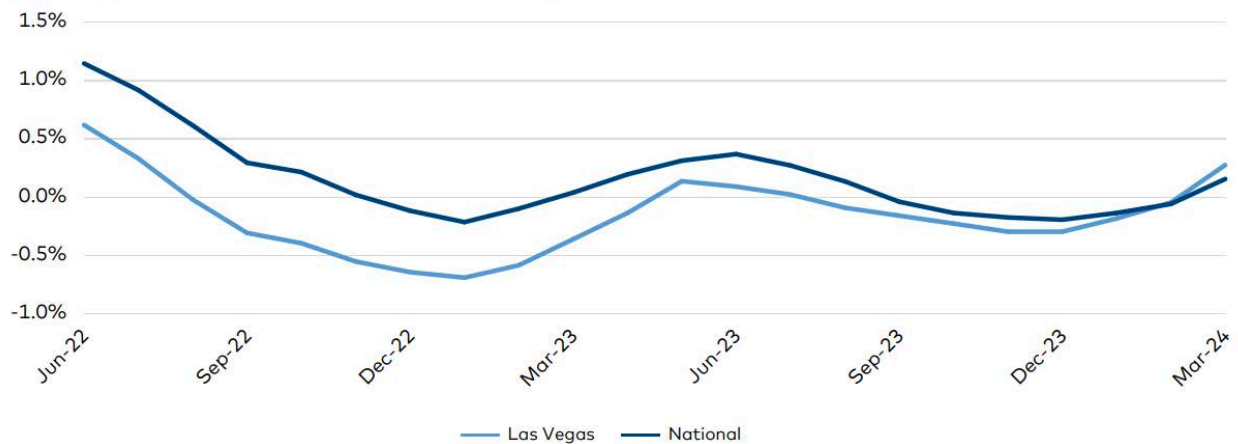
SOURCE: Colliers International

RENT & VACANCY TRENDS

LAS VEGAS MULTIFAMILY RENTS AND VACANCY TRENDS

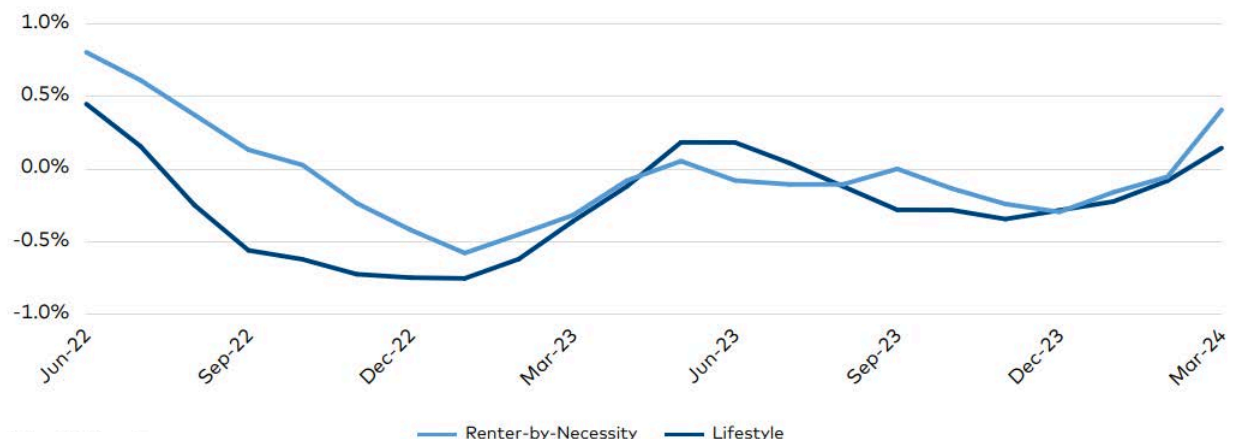
In the multifamily market, Las Vegas posted a year-over-year increase in occupancy rates, reaching 93.6% in June 2024, up 0.7% from the previous year, contrasting with the national trend of declining occupancy rates. Rent growth in Las Vegas was modest at 0.3% year-over-year as of July 2024, with forecasts suggesting a slight increase to 0.6% by the end of the year. The job market also showed robust growth, with a 3.6% year-over-year increase in May 2024, indicating strong economic foundations for the rental market.

Las Vegas vs. National Rent Growth (Trailing 3 Months)



SOURCE: Yardi Matrix

Las Vegas Rent Growth by Asset Class (Trailing 3 Months)



SOURCE: Yardi Matrix



LAS VEGAS JOB MARKET

The job market in Las Vegas demonstrated a robust growth rate of 3.6% year-over-year as of May 2024, highlighting strong economic foundations that support the rental market.

Las Vegas Employment Share by Sector

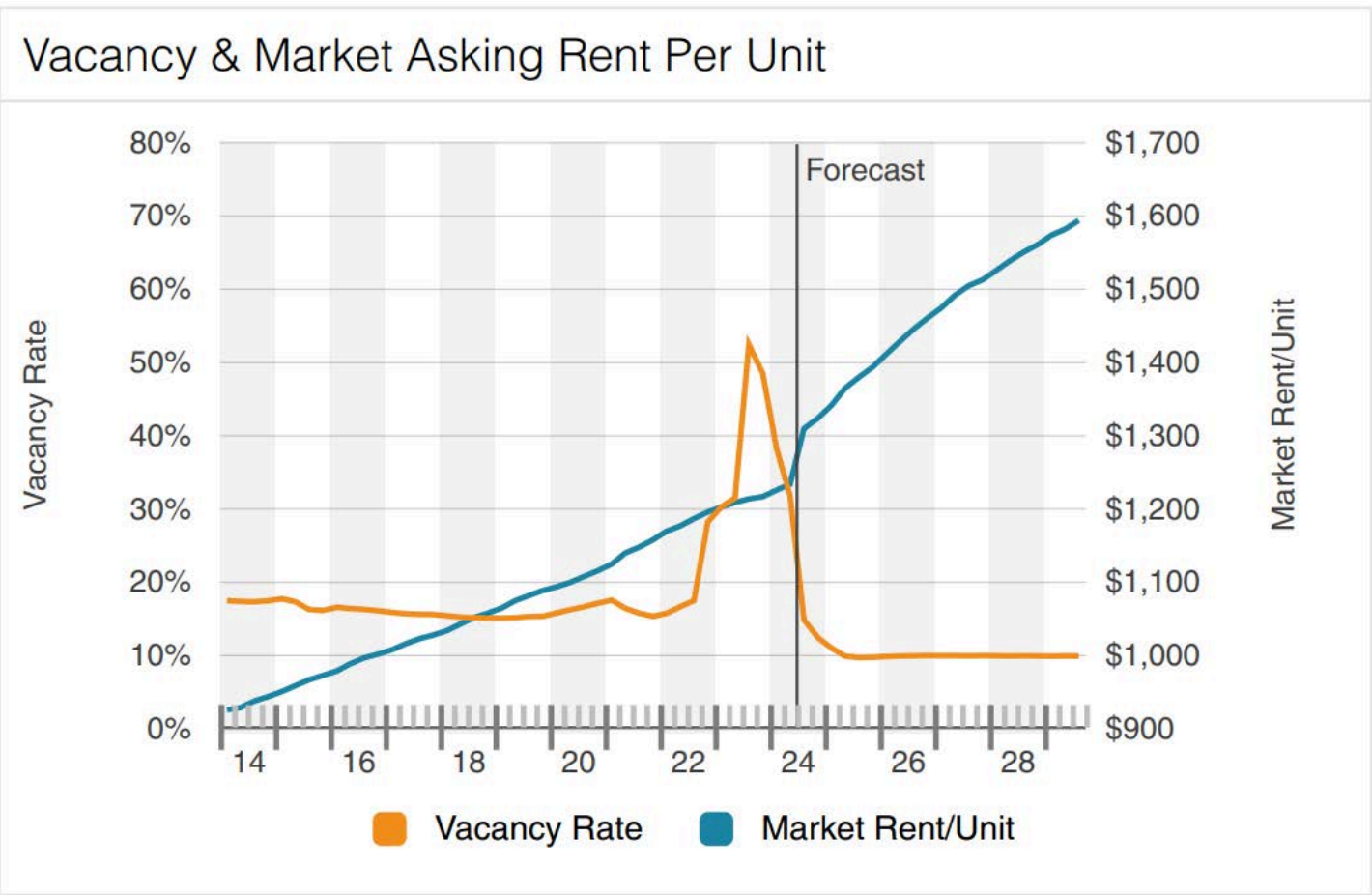
Code	Employment Sector	Current Employment	
		(000)	% Share
70	Leisure and Hospitality	303	26.1%
60	Professional and Business Services	177	15.2%
65	Education and Health Services	126	10.9%
90	Government	116	10.0%
30	Manufacturing	33	2.8%
40	Trade, Transportation and Utilities	217	18.7%
15	Mining, Logging and Construction	85	7.3%
55	Financial Activities	60	5.2%
80	Other Services	32	2.8%
50	Information	13	1.1%

SOURCE: Yardi Matrix, Bureau of Labor Statistics

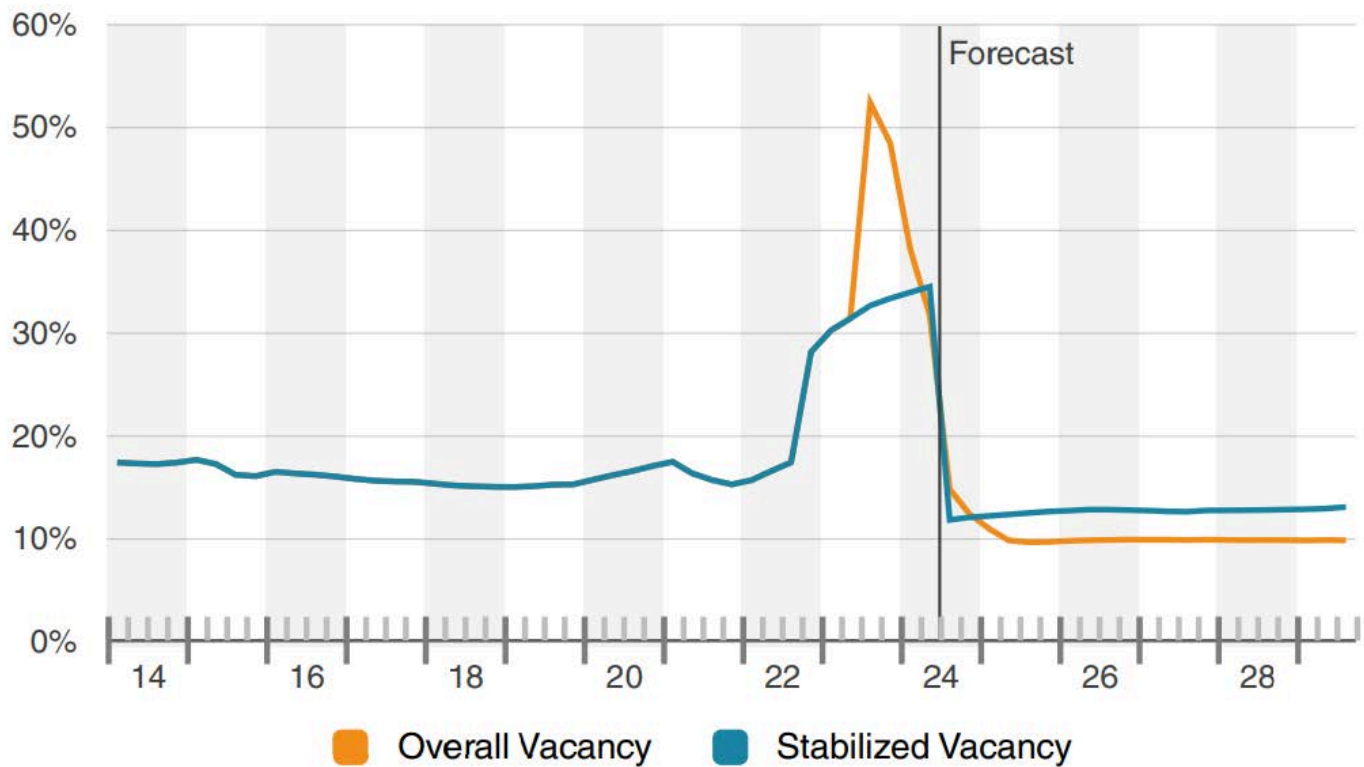


SUBMARKET TRENDS

In the second quarter of 2024, the Las Vegas multifamily market continued to show resilience and growth across various submarkets, despite broader economic challenges. Submarkets such as Henderson and Southwest Las Vegas have demonstrated strong demand, particularly due to their proximity to key employment centers and desirable amenities. Rental rates in these areas have remained stable or increased slightly, reflecting the ongoing demand for well-located multifamily properties.



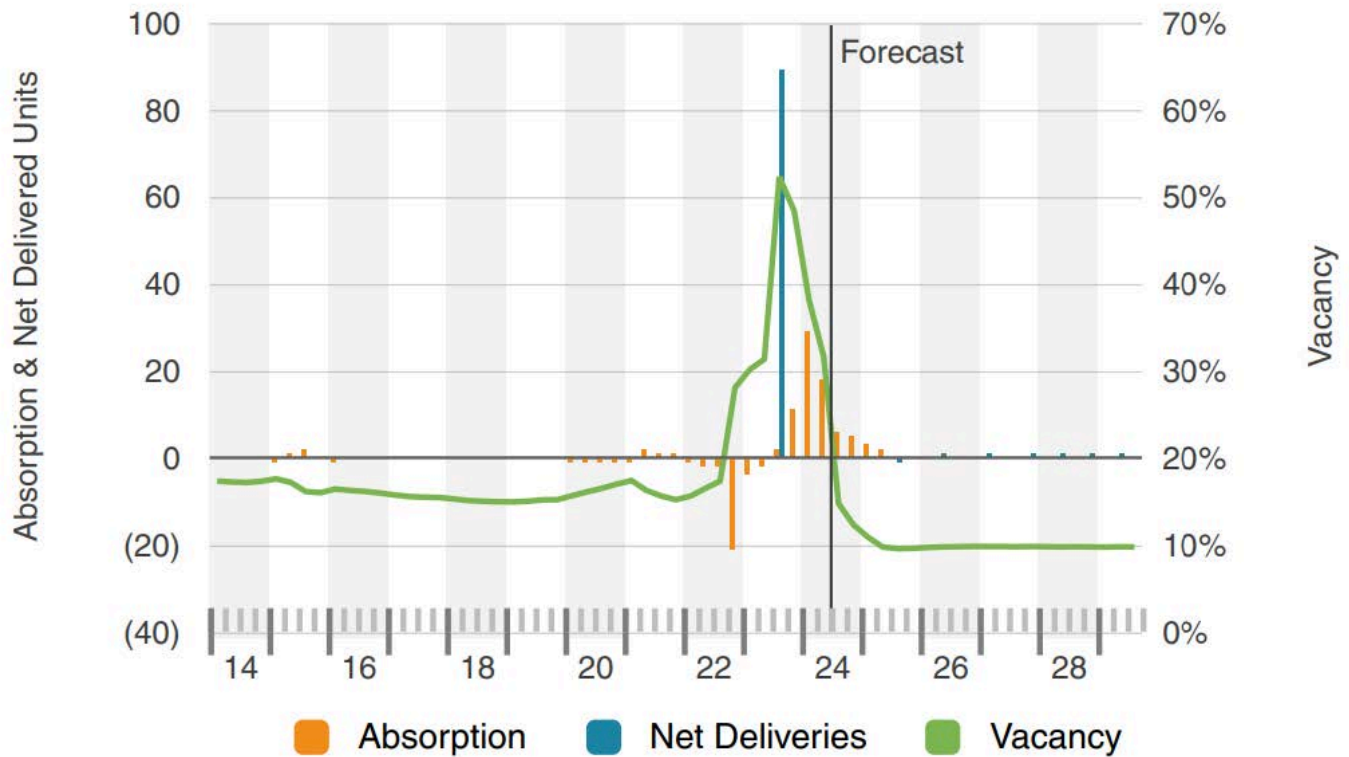
Overall & Stabilized Vacancy



Source: Costar

Conversely, submarkets like North Las Vegas and East Las Vegas have experienced more modest rent growth, primarily due to higher vacancy rates and a larger supply of new units coming online. These areas are seeing increased competition among landlords, which is leading to more aggressive leasing strategies to attract and retain tenants. Overall, while there are variations in performance across different submarkets, the Las Vegas multifamily market is poised for continued stability, supported by strong economic fundamentals and a growing population base.

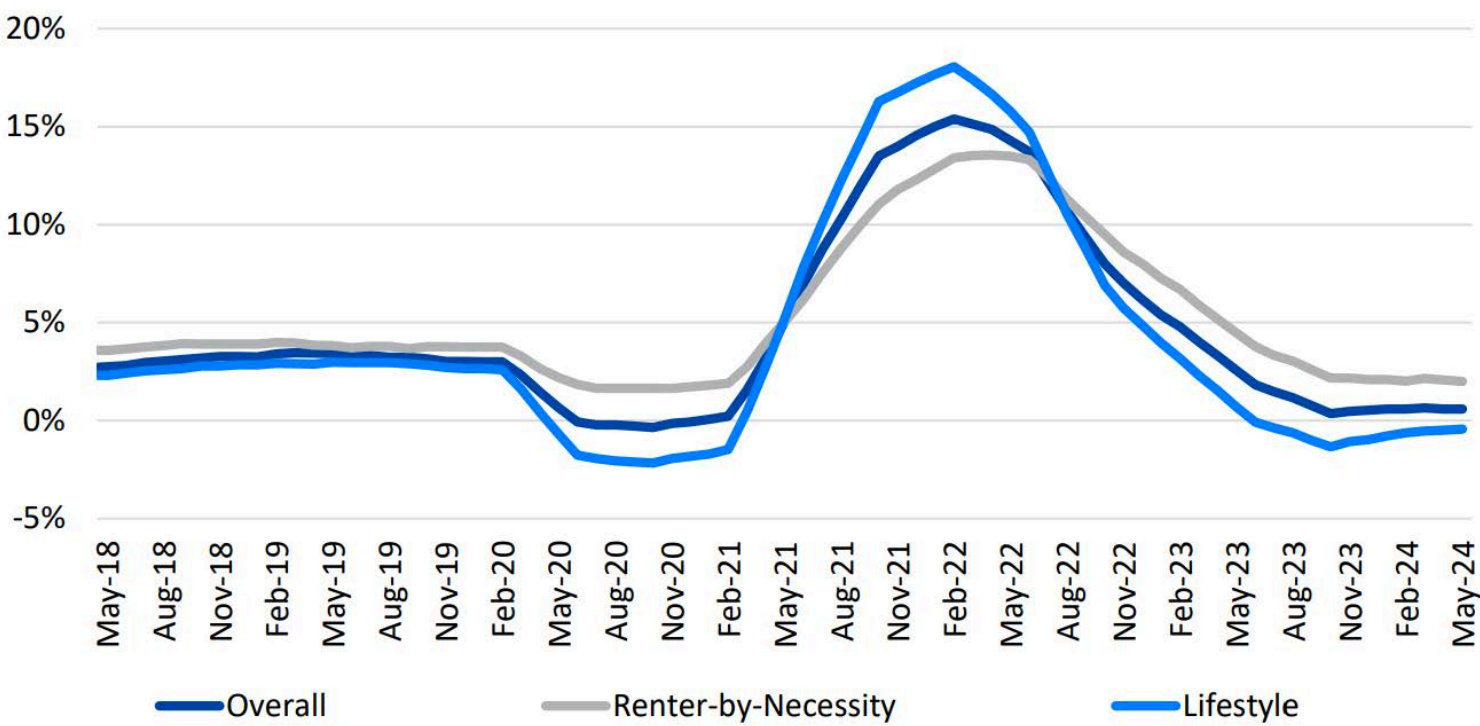
Absorption, Net Deliveries & Vacancy



Source: Costar

This summary highlights the key trends observed in the Las Vegas submarkets during Q2 2024, offering insight into the current state and future outlook of the region's multifamily sector.

U.S. Multifamily Rent Growth Levels Off



SOURCE: Yardi Matrix



SUBMARKET TRENDS

2024 Forecast Rent Growth by Metro

Metro	YoY Rent Forecast 2024	Average Rent as of May 2024
Atlanta	-2.2%	\$1,644
Austin	-4.1%	\$1,620
Baltimore	0.7%	\$1,704
Boston	2.0%	\$2,829
Charlotte	-0.9%	\$1,577
Chicago	2.2%	\$1,923
Columbus	3.1%	\$1,292
Dallas-Ft. Worth	-1.0%	\$1,540
Denver	0.8%	\$1,947
Detroit	1.8%	\$1,278
Houston	0.4%	\$1,355
Indianapolis	2.4%	\$1,255
Kansas City	2.5%	\$1,280
Las Vegas	0.4%	\$1,482
Los Angeles	-0.6%	\$2,590
Miami Metro	1.5%	\$2,439
Nashville	-1.1%	\$1,642
National	1.7%	\$1,733
New Jersey	2.7%	\$2,374
New York City	1.5%	\$4,507
Orlando	-1.2%	\$1,789
Philadelphia	2.1%	\$1,752
Phoenix	-1.3%	\$1,587
Portland	-0.8%	\$1,740
Raleigh-Durham	-1.7%	\$1,562
San Diego	0.1%	\$2,707
San Francisco	-0.1%	\$2,799
Seattle	1.2%	\$2,205
Tampa	-0.9%	\$1,794
Twin Cities	1.6%	\$1,506

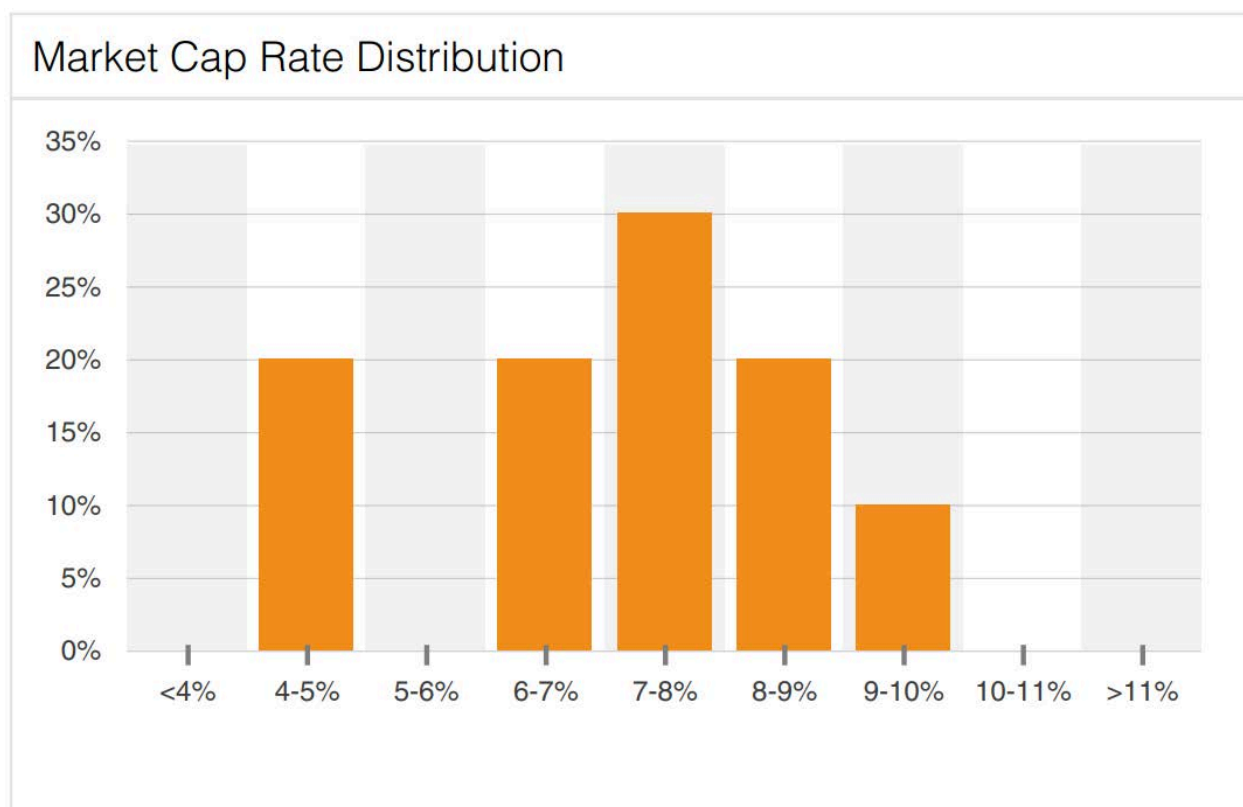
SOURCE: Yardi Matrix

MULTIFAMILY SALES

In Q2 2024, the Las Vegas market recorded a total of 65 small multifamily property sales, including duplexes, triplexes, and fourplexes. Sale prices varied significantly, with the highest at \$1,100,000 and the lowest at \$170,000. The median sale price for these properties was \$565,000, while the average sale price was approximately \$561,375.

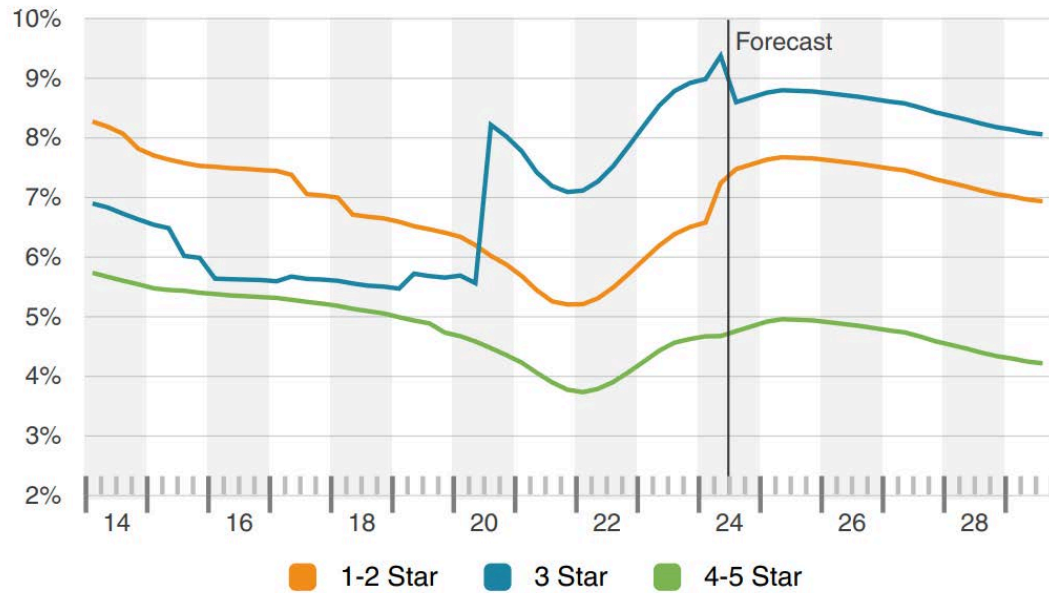
For fourplexes specifically, the average sale price per square foot ranged from \$173.37 to \$377.89, reflecting the diversity in property conditions and locations. The average property size was around 2,866 square feet, with a median size of 3,106 square feet. These transactions demonstrate strong demand for small multifamily properties in Las Vegas, with competitive pricing and solid investment potential.

There were 9 sales of medium-sized multifamily properties in Las Vegas during Q2 2024, defined as those with 5 to 99 units. The average sale price for these properties was approximately \$5,128,714. On average, these properties had about 31 units and a building size (RBA) of 26,276 square feet. This data highlights the active market and investment potential in the medium-sized multifamily segment of the Las Vegas market.



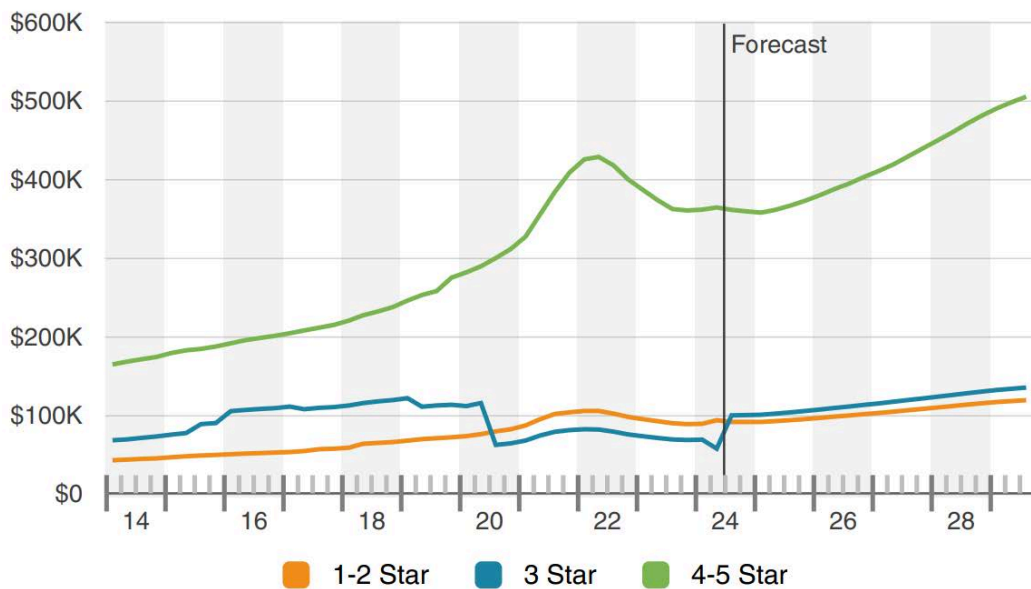
Source: Costar

Market Cap Rate By Star Rating



Source: Costar

Market Sale Price Per Unit By Star Rating



Source: Costar

FORECAST &TRENDS

The economic forecast for the Las Vegas multifamily market is bolstered by several positive indicators that suggest continued strength and resilience. Despite a general slowdown, the job market remains strong, offering a stable foundation for economic growth. Notably, significant wage growth, particularly at the lower end of the income spectrum, is benefiting workers and helping to reduce income inequality. This upward trend in wages, combined with falling core inflation, is easing pressure on price levels and enhancing consumer purchasing power.

Additionally, the tight single-family housing market, characterized by limited availability, is sustaining demand for multifamily properties. This, coupled with higher-than-expected GDP growth, reflects optimism about managing inflation without tipping the economy into a recession. Together, these factors contribute to a positive outlook for the multifamily market, reinforcing the sector's role in maintaining overall economic resilience.





FAIR MARKET RENTS

IMPORTANT UPDATES ON FY 2024 FAIR MARKET RENTS (FMRS) FOR LAS VEGAS MSA

The U.S. Department of Housing and Urban Development (HUD) released the Fair Market Rents (FMRs) for Fiscal Year ("FY") 2024. These FMRs will take effect on October 1st and are designed to provide crucial information for housing markets.

Final FY 2024 & Final FY 2023 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2024 FMR	\$1,214	\$1,377	\$1,643	\$2,315	\$2,731
FY 2023 FMR	\$1,046	\$1,212	\$1,457	\$2,071	\$2,464

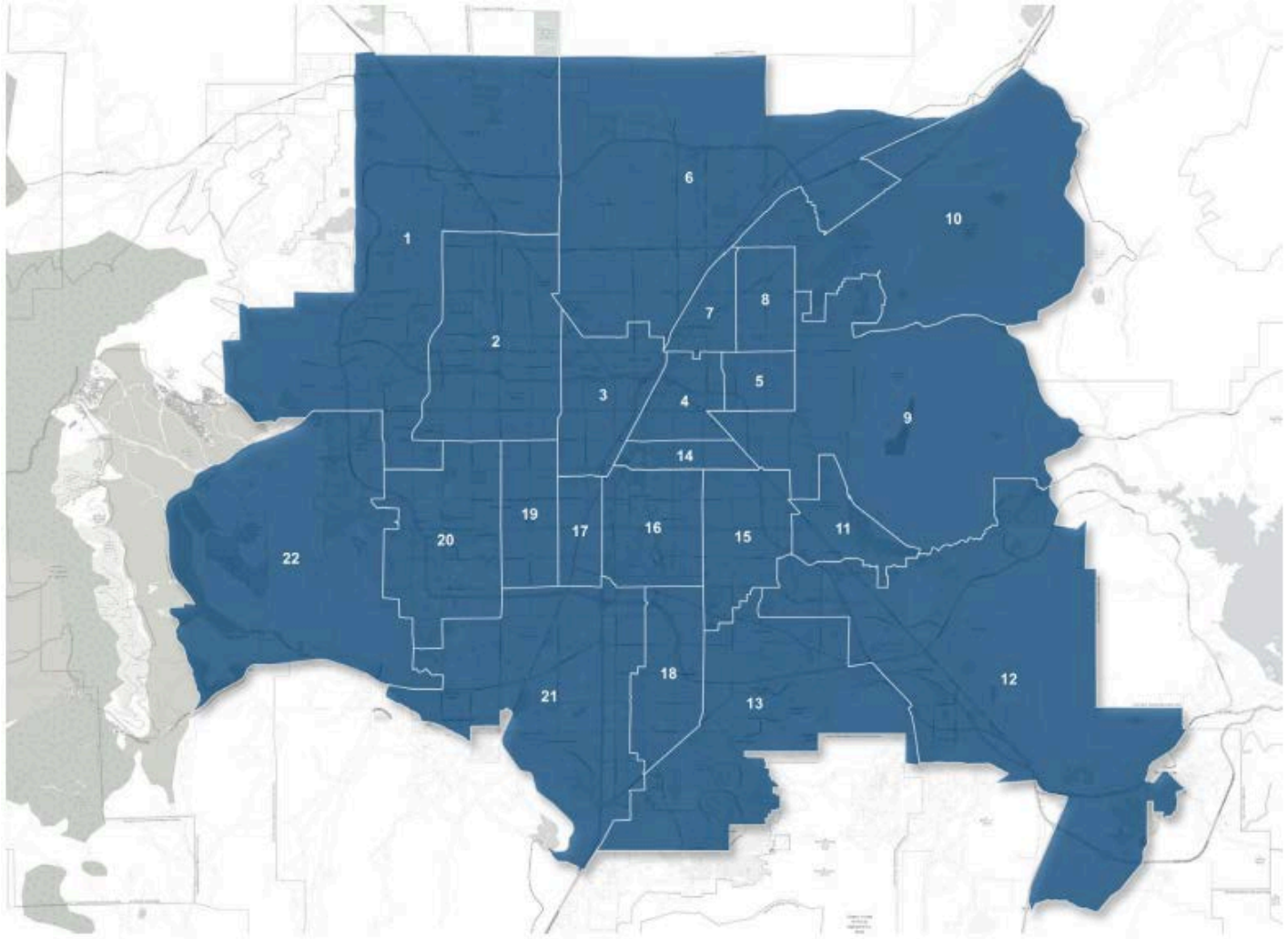
SOURCE HUD.gov

Understanding Fair Market Rent:

Fair Market Rents (FMRs) are essential benchmarks calculated by HUD to estimate the monetary amount necessary to cover gross rents, which include both rent and utility expenses, for 40 percent of the rental housing units in a specific area. FMRs play a pivotal role in numerous HUD programs, including determining the maximum amount a Housing Choice Voucher will cover.

For FY24, HUD continues to enhance the accuracy of FMRs by incorporating private sector data from reputable sources such as Zillow and Apartment List. These added insights are invaluable, especially in the context of recent rapid rent increases.

LAS VEGAS SUBMARKETS



Area No.	Submarket
1	Las Vegas Northwest
2	Las Vegas Central
3	South Las Vegas
4	Downtown Las Vegas
5	Las Vegas East
6	North Las Vegas West
7	North Las Vegas East
8	Sunrise Manor Northwest
9	Sunrise Manor
10	Nellis AFB
11	Whitney

Area No.	Submarket
12	Henderson East
13	Henderson West
14	Winchester
15	Paradise Valley East
16	Las Vegas Strip
17	Bracken
18	Paradise Valley South
19	Spring Valley East
20	Spring Valley West
21	Enterprise
22	Summerlin/Blue Diamond

SOURCE: Yardi Matrix



SUMMARY

Thank you for entrusting HYDE Real Estate Group with your real estate needs. Our unwavering dedication continues to reinforce our standing as the premier specialists in Las Vegas multifamily investment sales. As the #1 multifamily sales group in Clark County, we remain committed to delivering unparalleled results for our clients.

As we review the Southern Nevada Multifamily Market Report for Q2 2024, we are optimistic about the ongoing growth and resilience of our local market. Despite challenges such as fluctuating mortgage rates and economic uncertainties, our region continues to exhibit strong economic indicators. With steady rental prices and decreasing vacancy rates, the multifamily sector remains a vital pillar of stability in our community.

Moving forward, we are committed to providing you with exceptional service and expertise. Whether you're a first-time investor or a seasoned professional, our team is dedicated to supporting you at every stage of your real estate journey. With access to exclusive off-market opportunities and deep insights into the local market, we are confident in our ability to help you achieve your real estate objectives.

This report provides a concise overview of the key trends and developments in the Southern Nevada multifamily market during the second quarter of 2024. If you need further analysis or specific details, feel free to reach out.



WHO WE ARE/WHAT WE DO



HYDE Real Estate is and has been one of the top real estate groups in Las Vegas over the last 30 years. Our goal is to provide an outstanding customer experience to first-time home buyers and investors alike. HYDE Real Estate brings the skills and competence that are fundamental for success in the competitive Las Vegas market.

Our team focuses on buying and selling investments, and we have sold over \$27 million worth of properties this year. We have achieved record-breaking sales in various properties throughout the valley. HYDE Real Estate Group is proud to share that we are currently the top-performing real estate group in multifamily sales across the valley, according to the latest data from LVR Las Vegas REALTORS®.

\$100M +

Value of Real Estate Sold

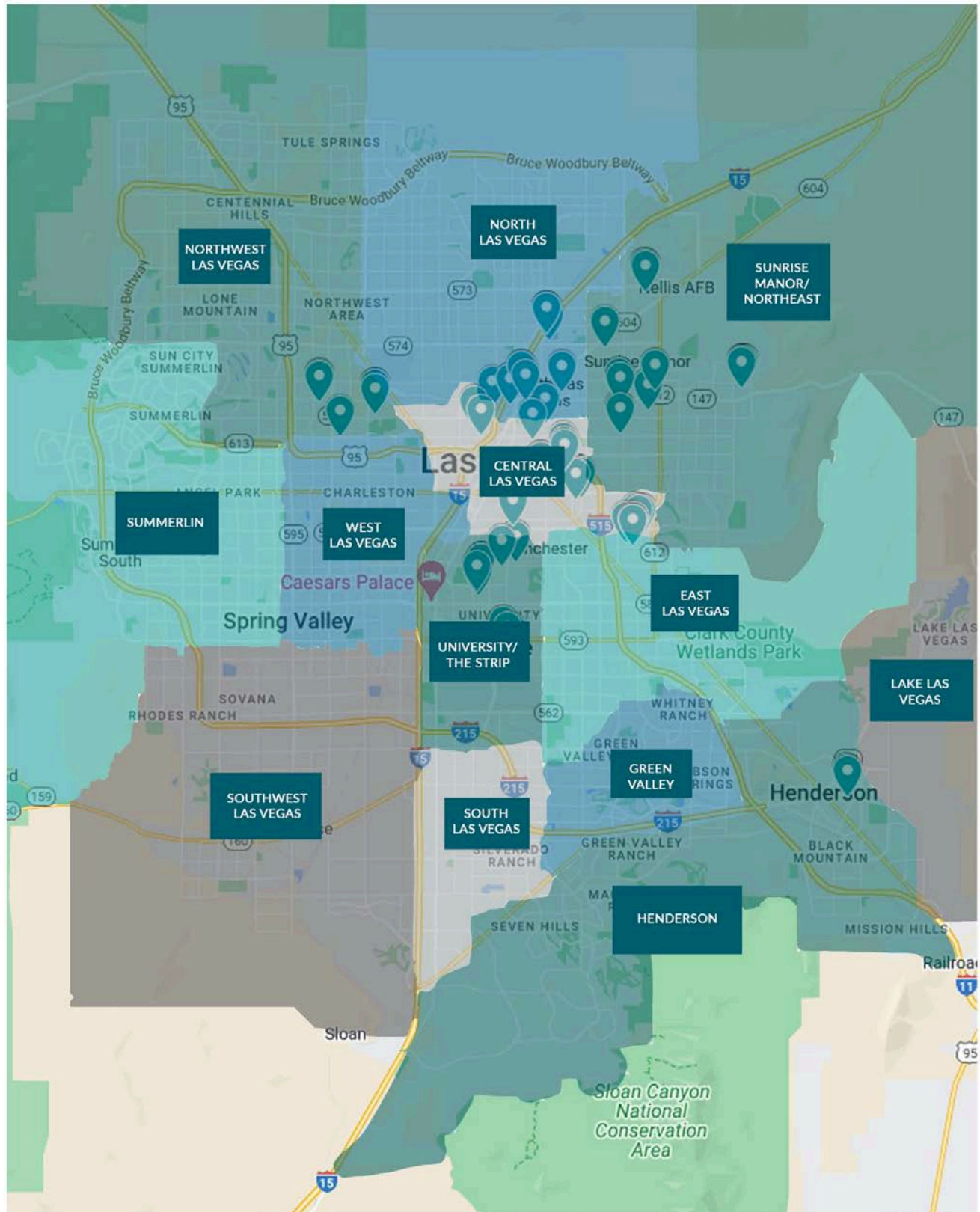
Top 1 %

Agent Ranking

207+

Five Star Reviews

SUBMARKET MAP





WANT TO WORK WITH US

At HYDE Real Estate, we pride ourselves on being the most reputable real estate group in Las Vegas for the past 30 years. We are dedicated to excellence, as evidenced by our premier ranking as the #1 leading multifamily sales group in Clark County, with record-setting sales across the valley, based on Las Vegas MLS data.

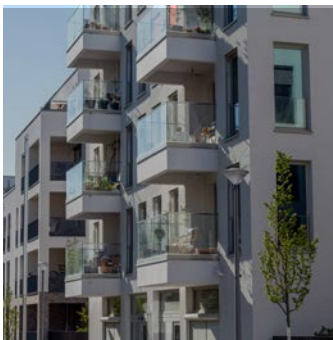
But our market dominance doesn't stop there. We offer our clients an edge by providing access to exclusive off-market deals. Our extensive knowledge and expertise in investment sales and acquisitions enable us to deliver exceptional customer service to both first-time home buyers and seasoned investors alike.

With HYDE Real Estate, clients can trust that they are working with a team that possesses the essential skills and knowledge to achieve unparalleled results in the highly competitive Las Vegas market. We are committed to providing personalized guidance tailored to each client's unique needs and goals.

For personalized guidance tailored to your unique needs and goals, reach out to HYDE Real Estate Group today. With access to exclusive off-market deals and a proven track record of success, our team of experts is dedicated to helping you achieve your real estate goals.

OUR AREAS OF SERVICE

MULTI FAMILY



HIGH RISES



LAND



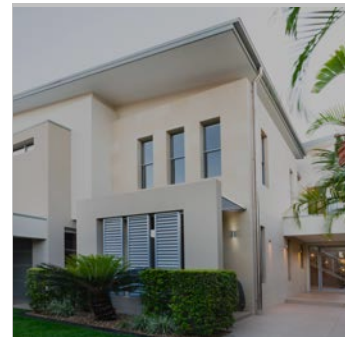
VACATION HOMES



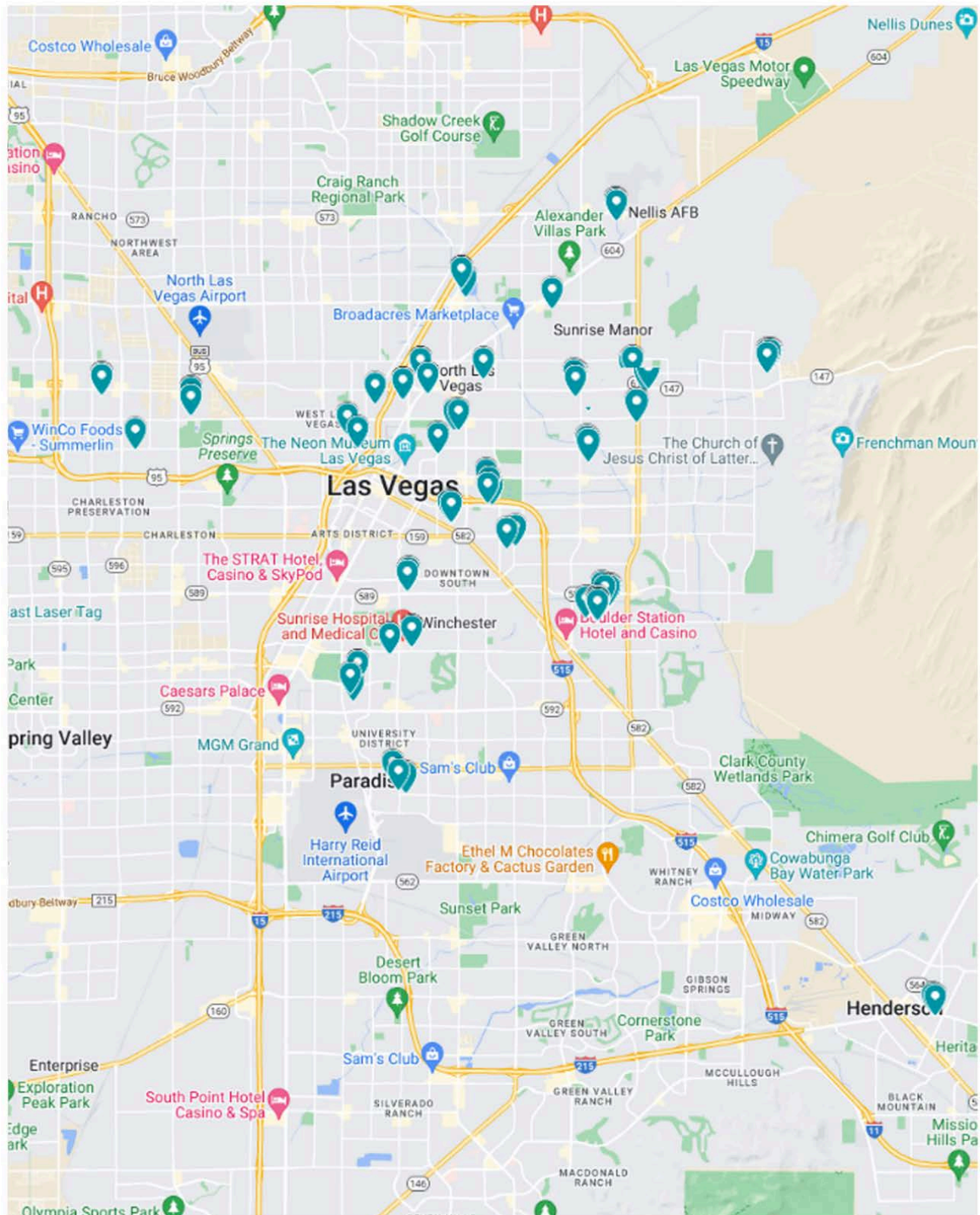
COMMERCIAL



RESIDENTIAL



MULTIFAMILY SALES MAP



LENDER
SPOTLIGHT

CREATIVE SOLUTIONS

Bank Statement Loans

Investment Property
Loans

Conventional Loans

Non-Conforming Loans

FHA Loans

VA Loans

USDA Loans

Jumbo Loans



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LEATHER'S TEAM LENDING

As a mortgage lender, we understand business is always going to be unique; especially in Las Vegas. We work with over a dozen different loan programs to ensure we're finding the perfect loan program for you. We specialize in creative lending solutions for investors including our DSCR program which requires no personal income documentation! If you've been turned down with a traditional bank in the past, please reach out to us!

Before making offers we'll ensure you have a clear idea of what rates, cash to close, and monthly payments to expect so you can ensure you're offering on the most suitable properties. Although the financial aspect of purchasing property can be stressful, especially if you're new to investing in real estate, it doesn't have to be with the right lending team in your corner. And remember, we offer these programs in nearly 30 different states so contact us today to find out how to get started!



HYDE real estate

GROUP AT



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