



Las Vegas

Land 21Q2

Key Takeaways

- Developers are buying land for more industrial product
- Sales volume remained above \$300 million
- Land sales generally improved over the 21q1



Developers Seek Industrial Land

After a considerable decrease in sales in 2020, Southern Nevada has seen interest in land on the rise in 2021. In the second quarter of 2021 a total of 835.63 acres was sold with a sales volume of \$325.4 million at an average price of \$8.94 per square foot.

Market Indicators



Historic Comparison

	20Q2	21Q1	21Q2
Commercial Land Sales (Acres)	23.72	180.47	136.23
Commercial Land Price Per Square Foot	\$14.81	\$16.27	\$16.10
Industrial Land Sales (Acres)	268.55	215.34	444.26
Industrial Land Price Per Square Foot	\$1.33	\$2.70	\$4.60
Residential Land Sales (Acres)	570.18	312.18	255.13
Residential Land Price Per Square Foot	\$3.74	\$12.66	\$10.35

Market Graph



After peaking in the first quarter of 2020, land sales volume slowly climbed to a new peak in the first quarter of 2021. Sales remained strong in the second quarter of 2021.

Development



Industrial
CapRock Tropical
Logistics Park
73.8 acres | U/C



Industrial
ProLogis I-15
Speedway Logistics
56.9 acres | U/C



Retail
St Rose
Square
54.1 acres | U/C



Industrial
SunPoint
West
39.3 acres | U/C



Mixed-Use
Evora
Vegas
37.5 acres | U/C



Mixed-Use
UnCommons
30.9 acres | U/C

Land

21Q2

Commercial Land

Occupancy in commercial buildings increased to 90% in the second quarter of 2021. A total of 76,000 square feet of new commercial space was completed on 5.55 acres this quarter. An additional 1.4 million square feet of office and retail product on 149.83 acres over the next four quarters.

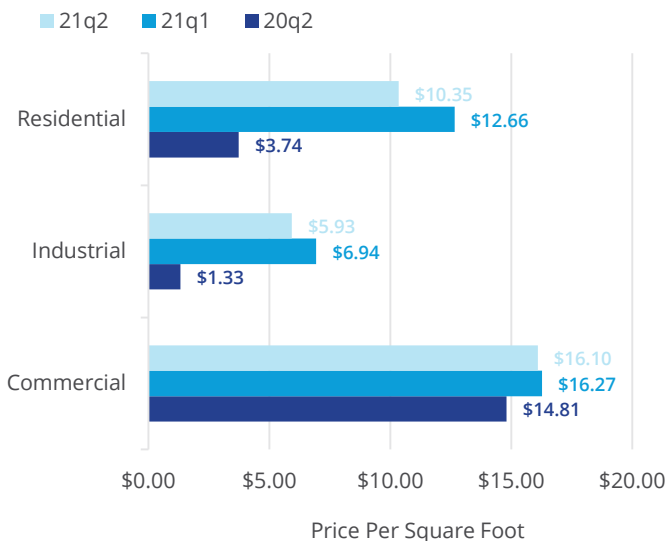
Hotel occupancy in the first five months of 2021 averaged 53.1% due to continued restrictions on hotel operations and a lack of convention business in the wake of the COVID-19 pandemic. May occupancy, though, was 70.9%, the highest occupancy the valley has seen since before the business closures, and a sign that the market is improving. The hospitality sector had 1,886 new rooms slated for development on a total of 13.7 acres.

In the second quarter of 2021, a total of 136.23 acres of commercial land was sold with total sales volume of \$95.5 million. The average sales price of commercial land was \$16.10 psf, an increase from \$14.81 psf in the second quarter of 2020.

Commercial land sales in the second quarter of 2021 suggest that investors and developers are betting big on Southern Nevada to recover quickly.

Land Values

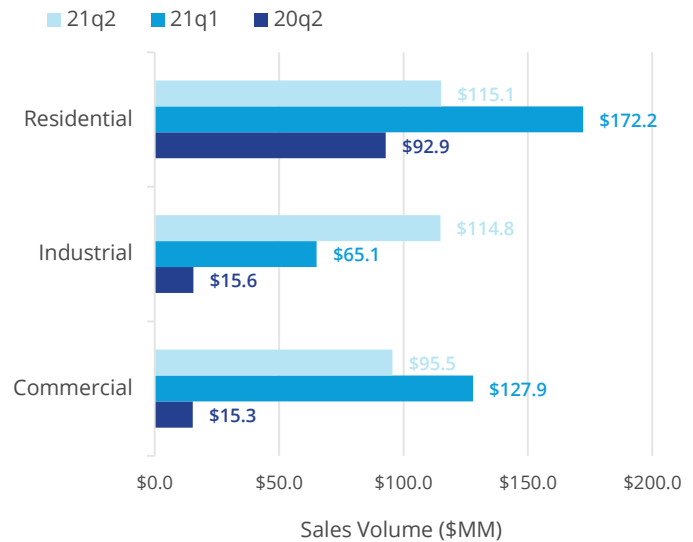
Year-over-year, quarter-over-quarter



Source: Colliers International

Sales Volume

Year-over-year, quarter-over-quarter



Source: Colliers International

Industrial Land

Occupancy in industrial buildings increased to 95.6% in the second quarter of 2021, 0.8-points higher than one year ago. A total of 1.44 million square feet of industrial space was completed this quarter on 95.94 acres. An additional 8.53 million square feet of industrial space on 515.8 acres of land should be delivered over the next four quarters.

In the second quarter of 2021, a total of 444.26 acres of industrial land was sold with a total sales volume of \$114.8 million. The average sales price of industrial land this quarter was \$5.93 psf, an increase from \$1.33 psf in the second quarter of 2020.

Since 2017, Southern Nevada has seen two major waves of development and now appears to be heading into the third wave. More importantly, developers appeared this quarter to be on the hunt for land for wave number four. Industrial land sales have not hit the heights they did in late 2017, 2018 or 2019, but future development needs and pent-up demand from the pandemic suggest that the next two quarters of 2021 could see strong sales activity.

Land

21Q2

Residential Land

New home sales in the first four months of 2021 totaled 3,676 units, an 18.7% increase from one year ago. Existing home sales bested that, with 15,848 homes selling in the first five months of 2021, up 41.7% from 2020.

Home builders pulled 7,160 residential permits in the first five months of 2021, up 62.3% from the same period last year. Multifamily developers had 8,159 units under construction in Southern Nevada.

Residential land sales in the second quarter of 2021 totaled 255.13 acres with sales volume of \$115.1 million. The average sales price of residential land was \$10.35 psf, a significant increase from the average price of \$3.74 psf in the second quarter of 2020.

Residential sales have generally been on the decline since the first quarter of 2020, both in terms of acreage sold and the total sales volume. The problem facing residential developers is a lack of large parcels permitting the construction of planned subdivisions. It is unclear if Las Vegas are ready to begin commuting into the Valley from outside the Valley, but as land stocks run low, they may have little choice to do so to avoid a housing price crunch.

Forecast

The development situation in Southern Nevada looks strong, with high levels of industrial, multifamily and single-family residential development continuing at midyear 2021, and stronger office development than we have seen for several years, including two large mixed-use projects.

Real estate development consumes land, so land sales now point to confidence in the Valley's future. Southern Nevada's economy is fully re-opened, and economic numbers are pointing up in a big way. That in turn points to new development in a big way. As the land stocks of developers are eaten away by current development, future development requires a renewal of those stocks. That renewal is what we have seen over the past two quarters.

While land sales are generally strongest within the Valley, waves of development coming further down the line may well stimulate interest in land just outside the Valley, in such areas as Apex, Boulder City, Jean and Nye County. Opportunities for redevelopment and infill should keep sales of smaller parcels brisk within the Valley.

Market Health

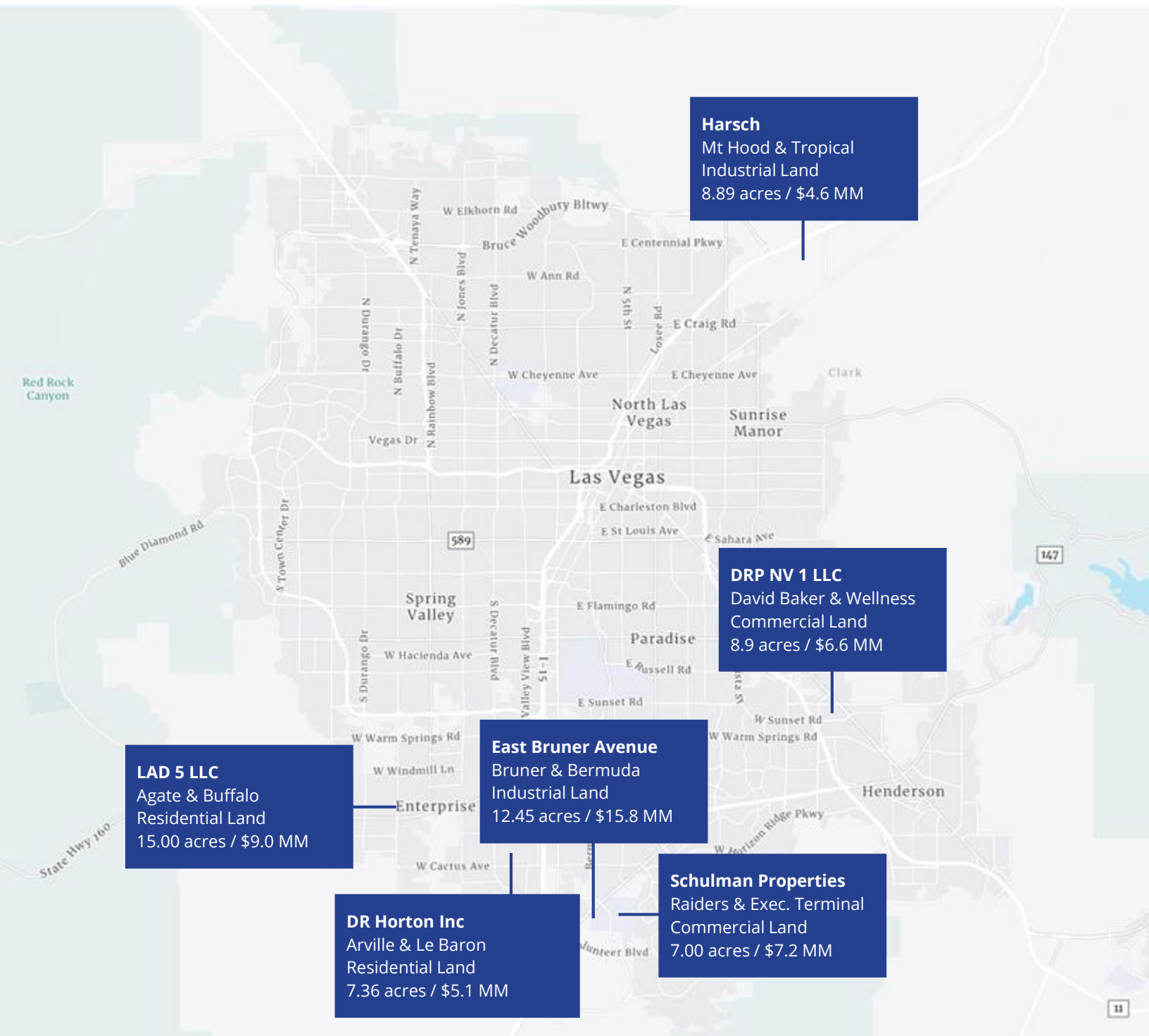
Data Point	17q2	18q2	19q2	20q2	21q2
Commercial Building Occupancy	87.7%	88.4%	89.9%	90.1%	90.0%
Commercial Future Development (Acres)	737.34	718.09	698.34	840.80	5.55
Hospitality Occupancy	90.8%	90.3%	91.2%	15.1%	68.3%
Hospitality Future Development (Acres)	234.16	302.83	262.25	271.09	13.70
Industrial Building Occupancy	94.5%	94.7%	96.4%	94.8%	95.6%
Industrial Future Development (Acres)	786.43	958.68	1,384.17	1,921.87	2,130.87
New Home Sales (Units)	2,752	2,552	2,384	2,732	n/a
Taxable Sales (\$ billions)	\$11.09	\$11.99	\$8.97	\$11.56	n/a
Employment (000's)	1,010,027	1,044,117	1,081,270	770,867	1,021,000

Source: Colliers International

Land

21Q2

Sales Activity



Submarket	Sales	Square Footage Sold	Acreage Sold	Sales Volume	Average Price Per SF
Airport					
COM	1	217,800	5.0	\$2,400,000	\$11.02
IND	0	0	0.0	\$0	n/a
RES	1	108,900	2.5	\$600,000	\$5.51
Total	2	326,700	7.5	\$3,000,000	\$9.18
Apex					
COM	0	0	0.0	\$0	n/a
IND	1	15,313,082	351.5	\$44,750,000	\$2.92
RES	0	0	0.0	\$0	n/a
Total	1	15,313,082	351.5	\$44,750,000	\$2.92
Downtown					
COM	0	0	0.0	\$0	n/a
IND	1	43,996	1.0	\$4,135,000	\$93.99
RES	0	0	0.0	\$0	n/a
Total	1	43,996	1.0	\$4,135,000	\$93.99
East Las Vegas					
COM	0	0	0.0	\$0	n/a
IND	0	0	0.0	\$0	n/a
RES	0	0	0.0	\$0	n/a
Total	0	0	0.0	\$0	n/a
Henderson					
COM	4	801,940	18.4	\$16,032,817	\$19.99
IND	2	839,401	19.3	\$19,355,450	\$23.06
RES	12	3,833,717	88.0	\$41,566,793	\$10.84
Total	18	5,475,058	125.7	\$76,955,060	\$14.06
North Las Vegas					
COM	7	2,081,297	47.8	\$20,236,813	\$9.72
IND	10	1,933,191	44.4	\$20,780,355	\$10.75
RES	2	565,844	13.0	\$5,500,000	\$9.72
Total	19	4,580,332	105.1	\$46,517,168	\$10.16
Northeast					
COM	1	50,530	1.2	\$1,400,000	\$27.71
IND	3	320,602	7.4	\$3,395,000	\$10.59
RES	3	1,075,496	24.7	\$6,790,000	\$6.31
Total	7	1,446,628	33.2	\$11,585,000	\$8.01
Northwest					
COM	4	781,902	18.0	\$12,798,872	\$16.37
IND	0	0	0.0	\$0	n/a
RES	3	535,390	12.3	\$3,466,026	\$6.47
Total	7	1,317,292	30.2	\$16,264,898	\$12.35
Resort Corridor					
COM	1	57,064	1.3	\$2,079,000	\$36.43
IND	0	0	0.0	\$0	n/a
RES	0	0	0.0	\$0	n/a
Total	1	57,064	1.3	\$2,079,000	\$36.43
Southwest					
COM	5	1,865,239	42.8	\$28,086,568	\$15.06
IND	5	862,624	19.8	\$18,870,705	\$21.88
RES	13	4,341,627	99.7	\$34,542,435	\$7.96
Total	23	7,069,490	162.3	\$81,499,708	\$11.53
Summerlin					
COM	0	0	0.0	\$0	n/a
IND	0	0	0.0	\$0	n/a
RES	5	509,826	11.7	\$20,245,000	\$39.71
Total	5	509,826	11.7	\$20,245,000	\$39.71
West Las Vegas					
COM	1	78,408	1.8	\$12,500,000	\$159.42
IND	1	39,204	0.9	\$3,550,000	\$90.55
RES	2	142,876	3.3	\$2,340,000	\$16.38
Total	4	260,488	6.0	\$18,390,000	\$70.60
Grand Total					
COM	24	5,934,180	136.2	\$95,534,070	\$16.10
IND	23	19,352,100	444.3	\$114,836,510	\$5.93
RES	41	11,113,676	255.1	\$115,050,254	\$10.35
Total	88	36,399,956	835.6	\$325,420,834	\$8.94
Historical					
21q2	88	36,399,956	835.6	\$325,420,834	\$8.94
21q1	108	30,840,133	708.0	\$365,135,968	\$11.84
20q4	80	23,765,683	545.6	\$230,838,831	\$9.71
20q3	64	16,429,916	377.2	\$177,383,069	\$10.80
20q2	35	37,568,322	862.5	\$123,835,091	\$3.30

351 offices in 67 countries on 6 continents

United States: 115
Canada: 41
Latin America: 12
Asia Pacific: 33
EMEA: 78



\$3.3B
in revenue



2B
square feet under management



18,000 +
professionals and staff

About Colliers

Colliers (NASDAQ, TSX: CIGI) is a leading diversified professional services and investment management company. With operations in 67 countries, our more than 15,000 enterprising professionals work collaboratively to provide expert advice to real estate occupiers, owners and investors. For more than 25 years, our experienced leadership with significant insider ownership has delivered compound annual investment returns of almost 20% for shareholders. With annualized revenues of \$3.0 billion (\$3.3 billion including affiliates) and \$40 billion of assets under management, we maximize the potential of property and accelerate the success of our clients and our people. Learn more at corporate.colliers.com, Twitter @Colliers or LinkedIn.

Market Contacts:

John M Stater
Research Manager
Las Vegas
+1 702 836 3781

John.Stater@Colliers.com

Aaron West
Managing Director
Las Vegas
+1 702 735 5700
Aaron.West@Colliers.com



3960 Howard Hughes Pkwy, Suite 150
Las Vegas, NV 89169
+1 702 735 5700
colliers.com