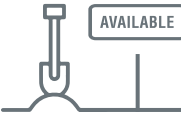


q3 2025 comments.

Las Vegas's tourism-driven economy faces mounting headwinds, with visitor volume down 11% year over year in June and the local unemployment rate climbing to about 6% in July, among the highest in the nation. Rising costs, fewer international visitors, and softer leisure travel have all contributed to what headlines call a slowdown. Yet despite the gloomy national narrative, local fundamentals tell a steadier story. While lower hotel occupancy rates have made news, gaming revenue remains resilient, and demand from trade shows and live event-

related industries continues to hold firm. In fact, pre-leasing has ticked up slightly, supported by a 30% reduction in available space under construction in both the North and Southwest submarkets. Pricing across all fronts remains stable, and though overall deal flow has cooled compared to last year, the past quarter has seen a modest rebound in inquiries and tours. If you're placing a bet on how the year will close out, it's best to look past the national headlines and defer to boots on the ground. You will learn that Vegas is doing just fine.

VACANCY RATE 11.4%

					
SUBMARKET	STANDING INVENTORY	UNDER CONSTRUCTION	UNDER CONSTRUCTION AVAILABLE	UNDER CONSTRUCTION PRE-LEASED	PLANNED
North	8,029,469	2,049,409	1,505,409	544,000	18,443,740
Southwest	1,070,373	910,112	696,612	213,500	1,933,392
Henderson	2,626,701	2,823,820	2,823,820	0	5,272,200
Airport	37,500	32,000	32,000	0	43,299
TOTAL	11,764,043	5,815,341	5,057,841	757,500	25,692,631

construction.

Industrial construction has completely cooled off in Las Vegas. According to CoStar, deliveries set an all-time high for a calendar year in 2024 with 15.9 million SF worth of new space, expanding inventory by about 8%. Weak demand and soaring vacancies precipitated a slowdown in construction starting last year, which was one-third of the 2022-23 average. Entering 2025, about 8 million SF was under construction, less than half of the 2023 peak, but enough to exacerbate the trend

of vacancy expansion. We're down to less than 6 million SF under construction. With standing inventory pushing 12 million SF, the 25+ million SF of planned industrial projects are unlikely to begin soon. That said, leasing activity over 250,000 SF has picked up pace to start the fourth quarter. A few significant leases could move the vacancy rate and give developers a reason to consider moving forward.

submarkets.

North Las Vegas

Rental Rates | $\pm 50,000$ SF - \$0.90-\$0.95 | $\pm 150,000$ SF - \$0.80-\$0.90

Sale Comps: September 22nd, 2025 — Jadian IOS pays \$5,500,000 for 2861 Losee Rd. a 3.4-acre M-2 site with small OFC/WH. | September 17th, 2025 — Rockefeller Group sells 3130 N Lamb Blvd. 104,440 SF to end-user for \$225 per SF.

Southwest

Rental Rates | $\pm 50,000$ SF - \$1.15-\$1.30 | $\pm 150,000$ SF - \$1.05-\$1.15

Sale Comps: September 23rd, 2025 — GF Properties buys two-building small-bay project at 3475-3515 W Post Rd. for \$13,900,000 or \$328 per SF. | September 12th, 2025 — Bodega Business Park, two-building 76,400 SF flex property at 6001 S Decatur, sells for \$300 per SF.

Airport

Rental Rates | $\pm 50,000$ SF - \$1.15-\$1.30 | $\pm 150,000$ SF - \$1.05-\$1.15

Sale Comps: July 11th, 2025 — Precision Engine Parts sold 22,400 SF to Cherokee Blind & Door for \$6,280,000 or \$280.45 per SF. | August 26th, 2025 — Thomas and Mack Sells NNN Leased Investment to GID for \$17,000,000. 7160 Amigo St. 100% occupied by Gaming Laboratories sold for \$210 per SF

Henderson

Rental Rates | $\pm 50,000$ SF - \$1.05-\$1.15 | $\pm 150,000$ SF - \$0.90 - \$1.05

Sale Comps: August 7th, 2025 — Schnitzer Properties acquires two-building small bay project at 12 Sunset Way for \$225 per SF | August, 2025 — Sport Squad Inc. acquires 85,531 SF at 30 Conestoga Way – newly built OMP distribution building – for \$215 per SF.



just leased | 188,950 SF

5402 E El Campo Grande Ave, Las Vegas, NV 89115



REPRESENTED TENANT



The Federal Reserve cut the Fed Funds rate by 25 basis points in both its September and October meetings, bringing the target range to 3.75%–4.00% and reducing the Prime Rate to 7.00%. While another 25bps cut had been widely expected in December, Chairman Powell's recent comments have reintroduced uncertainty about the timing and extent of future easing.

Complicating the outlook, the ongoing federal government shutdown and limited availability of reliable economic data have prompted the Fed to pause its balance sheet reduction program (quantitative tightening) in order to avert potential liquidity pressures in financial markets. Policymakers remain attentive to economic growth and labor market trends, which continue to drive the policy outlook heading into year-end. Meanwhile, long-term rates have eased, with the 10-year Treasury yield gradually trending lower to the 4.00%–4.10% range, reflecting shifting expectations for both inflation and future monetary policy.

As "current rates" fluctuate, spreads continue to hold relevance, aligning with specific deal characteristics. While rates are important, a well-structured, long-term debt strategy that matches your investment goals is critical. CommCap is here to support you in assessing your financing options and navigating this complex market, offering solutions like early rate locks, cash-out refinancing, and more.

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