

# Las Vegas, NV

U.S. Construction Market | Market Snapshot Q1 - 2022

Las Vegas is looking to capitalize on the rising costs in Silicon Valley. Drawing in tech companies and startups (and their well-compensated workers) would add some much-needed diversity to the city's economy, as well as bring a lot of money to the area. City officials have begun a top-down effort to attract healthcare and technology companies, passing friendly tax laws and building flashy office parks. This has had mixed success so far, although it is still early. However, the gaming industry is still large here, and new casinos will continue to be a sizable chunk of construction spending.

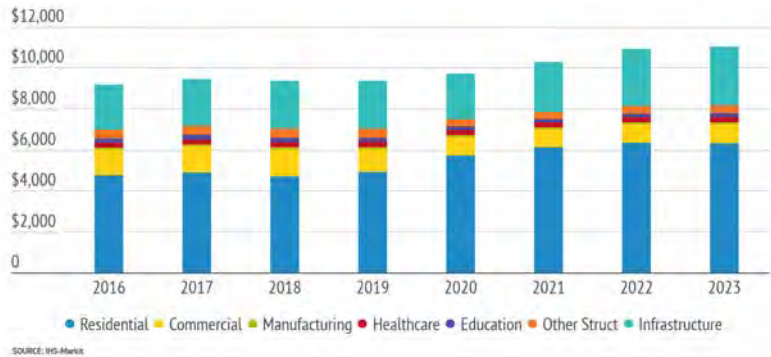
The gaming industry was hit hard by the pandemic. Unemployment in Las Vegas was briefly almost 35% – higher than even during the Great Depression. It has since improved, but a shock of that magnitude will need time to heal. Las Vegas has lost trade workers over the last year. Together with the expected growth in construction volume over the next few years, this means that developers must do more with less. This will push labor costs up in the short term.

## Total Construction Market Volume by Sector (x \$1m, Nominalized 2012\$)

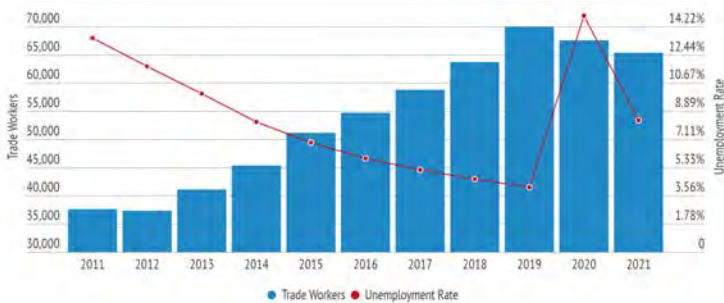
Sector	HISTORIC FORECAST							
	2016	2017	2018	2019	2020	2021	2022	2023
<b>Total Increase</b>	Y-O-Y %	3.0%	-0.8%	-0.1%	3.8%	5.7%	6.2%	1.1%
Residential	Y-O-Y %	2.7%	-3.5%	4.6%	16.0%	7.3%	3.2%	-0.3%
Commercial	Y-O-Y %	2.8%	1.6%	-14.7%	-17.8%	-6.8%	5.1%	2.7%
Manufacturing	Y-O-Y %	2.2%	9.7%	-14.2%	-2.3%	-1.3%	2.8%	2.6%
Healthcare	Y-O-Y %	1.3%	1.5%	3.4%	-3.2%	1.0%	6.1%	2.5%
Education	Y-O-Y %	2.7%	-1.1%	-7.8%	-14.0%	-1.9%	3.3%	1.7%
Other Struct*	Y-O-Y %	3.4%	1.6%	-1.4%	-18.3%	-3.2%	4.3%	3.4%
Infrastructure	Y-O-Y %	4.0%	2.5%	-0.2%	-5.0%	9.5%	14.6%	3.4%

\* This includes religious buildings, amusement, government communications, and public recreation projects.

## Annual Volume (x\$1M, 2012\$)

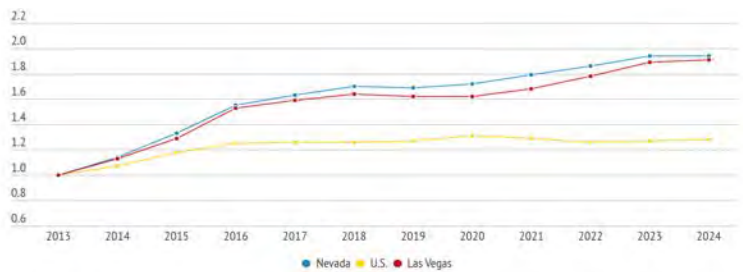


## Regional Construction Employment



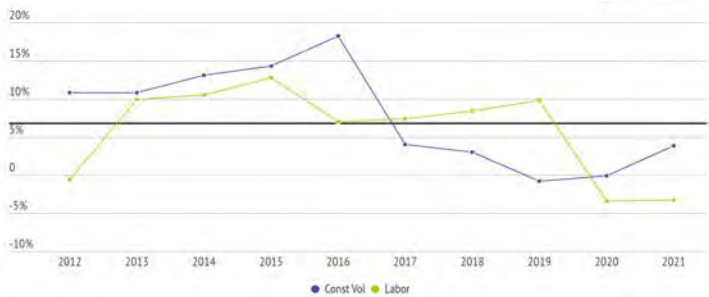
SOURCE: U.S. Bureau of Labor Statistics

## Construction Spending Index 2010-2021 (2010=1.0)



SOURCE: IHS-Markit

## Construction Volume vs Labor - Annual Increase/Decrease



SOURCE: ReedConnect

## Top Regional Projects Sorted by Construction Value

Project	Location	Value
DesertXpress High Speed Passenger Rail System	Las Vegas	8.0B
Bleutech Park Las Vegas	Las Vegas	7.5B
Fontainebleau Project / Las Vegas	Las Vegas	6.0B
Forbidden City	Las Vegas	6.0B
Energos Reno	Fallon	3.0B
Charleston Boulevard Transit System	Las Vegas	3.0B
All Net Arena and Resort	Las Vegas	2.7B
MSG Sphere Las Vegas	Las Vegas	1,900M
Sahara Avenue Mixed-Use Development	Las Vegas	1,160M
The Gemini Solar Array	Las Vegas	1,000M

SOURCE: ReedConnect