

# Las Vegas

Industrial market snapshot | Q1 2025

Buildings 20k square feet and greater in size

The Las Vegas industrial market is navigating a transition period as supply pressures and softer demand contribute to a rising vacancy rate. While nearly 15 million square feet were delivered in 2024, a record high, the pace of new completions has slowed significantly. Vacancy has been trending upward since mid-2022. Despite near-term challenges, the market benefits from long-term fundamentals such as strong population growth, access to key logistics corridors, and competitive tax incentives. With construction activity tapering off and rents stabilizing, the market appears to be entering a recalibration phase, setting the stage for a more balanced landscape in the coming years.

## 2.7 msf

Las Vegas delivered 2.7 million square feet in Q1 2025, with new construction at its lowest in two years, allowing the market to absorb existing space and stabilize.

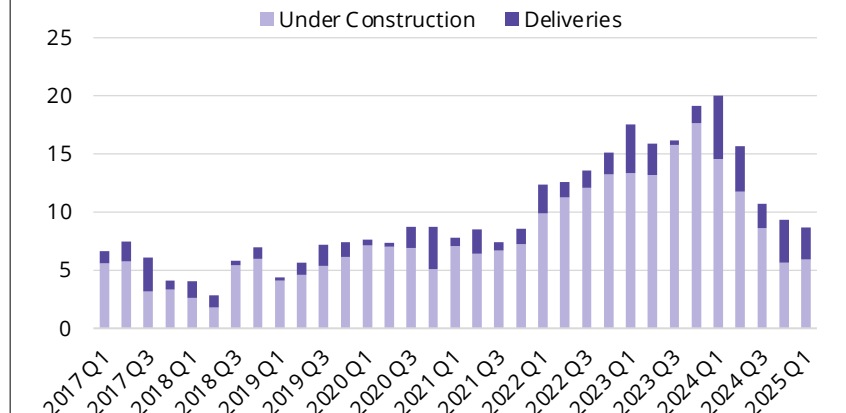
## 22 msf

The market has 22 million square feet available due to past construction surges, but slower development will help absorption, especially in North Las Vegas and key submarkets.

## \$1.11 psf

Monthly asking rents remain stable at \$1.11 per square foot, with strong pricing in Southwest Las Vegas, the Airport area, and Northwest Las Vegas.

Development activity (msf)



With nearly 15 million square feet delivered in 2024 and 33.8 million since 2022, supply surged, but new construction slowed to 2.7 million square feet in Q1 2025. Fewer speculative projects and 6 million square feet under construction, 80% of which is still available, indicate a cautious shift by developers to match tenant demand. While vacancies may remain high short term, this measured approach should help stabilize the market and support long-term balance.

Survey criteria: Industrial properties sized **20k square feet and larger**.  
Source: Avison Young Market Intelligence, Costar

Available space (msf)



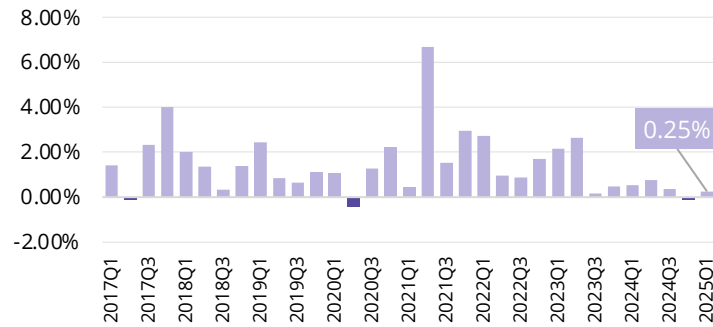
Industrial availability sits at 22 million square feet due to rapid expansion since 2022, pushing direct vacancy to 10.8% in early 2025. With construction slowing, the market has time to absorb excess inventory, with current construction in North Las Vegas, Southwest Las Vegas, Southeast/Henderson, and Speedway. Landlords may focus on occupancy over rent hikes, gradually stabilizing the market.

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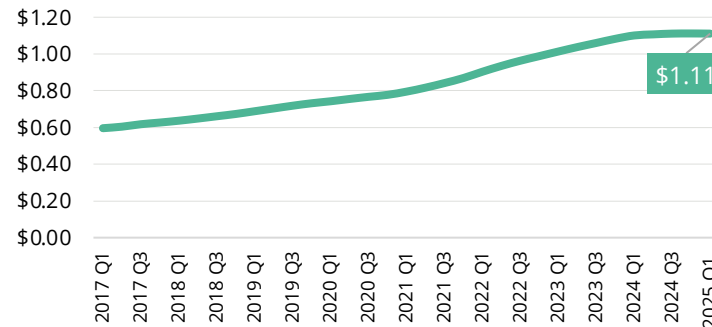
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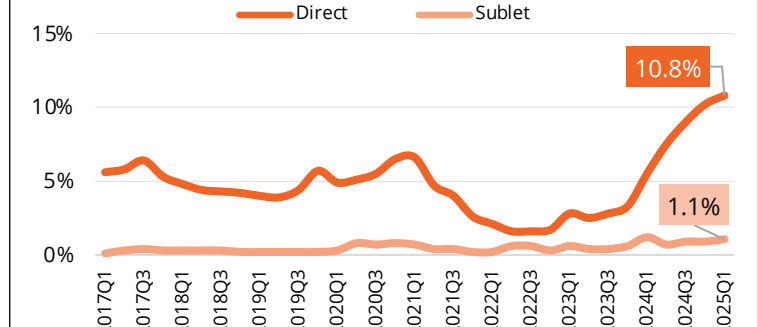
Net absorption as a % of inventory



Direct asking rents (psf/NNN)



Vacancy



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Findlay Machine & Tool	N Commerce St	235,148	New Lease	Direct
LCI Industries	5450 N Sloan Rd	171,083	New Lease	Sublease
Two Eighteen	3101 N Marion Dr	89,728	New Lease	Direct
Frooogs	9590 S Rainbow Blvd	83,153	New Lease	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
MDH Partners	3101 N Marion Dr – Bldg 2	\$50.14M	\$184.60	Link Logistics Real Estate
MDH Partners	4601 E Cheyenne Ave – Bldg 1	\$43.86M	\$184.60	Link Logistics Real Estate
Nevada Department of Agriculture	7095 Placid St	\$10.57M	\$378.51	Edward Manley
Intersection	5325 S Valley View Blvd	\$8.75M	\$181.16	Michael Colasuonno



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## Industrial Development Pipeline

**5.9 msf | 4%**

Under Construction Inventory | % of Projected Total Inventory

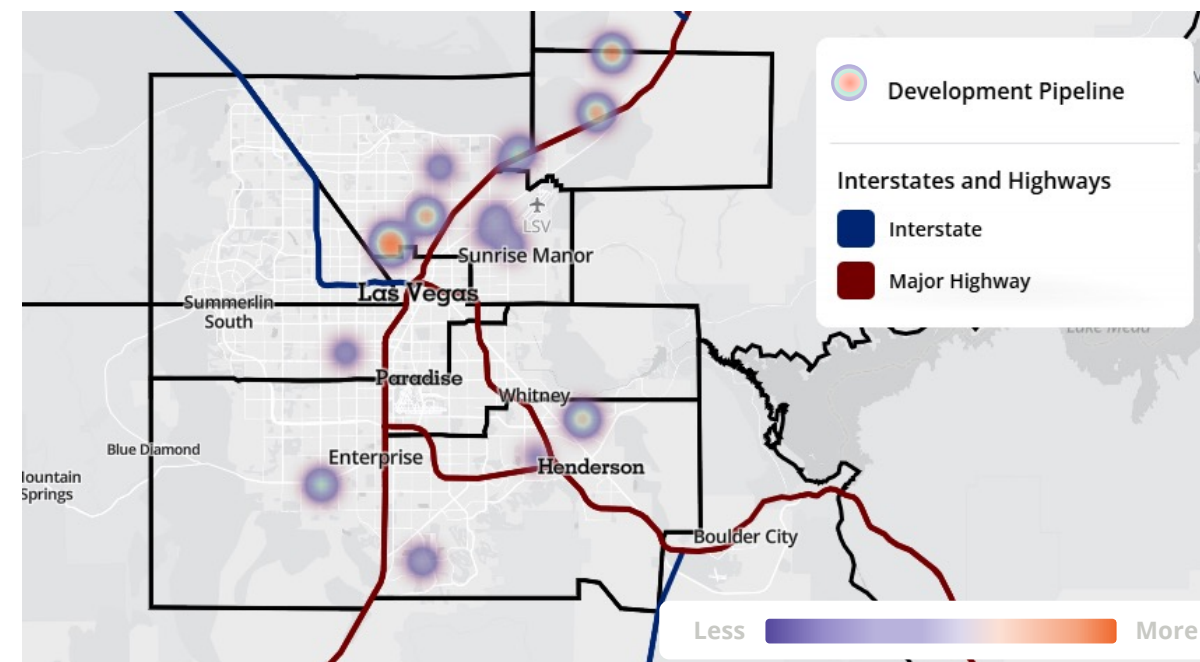
**22 msf | 26.8%**

Total Available Space | % from Under Construction Inventory

**1.7 msf | 2.15%**

Q1 Total Leased Space | % from Under Construction Inventory

## Development Activity



Survey criteria: Industrial properties sized **20k square feet and larger**.

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## Industrial market snapshot | Q1 2025

### Buildings 20k square feet and greater in size

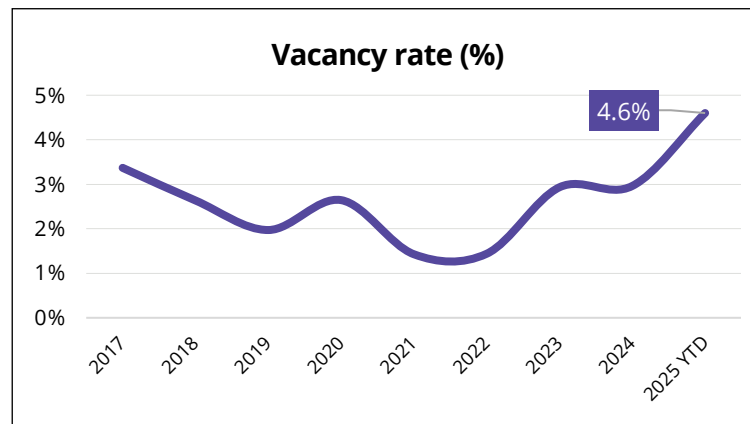
Avison Young submarkets (map on page 7)	Existing inventory sf	Deliveries sf (Q1)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Net absorption (Q1)	Monthly direct asking rent psf NNN
North Las Vegas	48,844,488	0	3,033,372	9.6%	1.0%	10.6%	-50,975	\$0.94
Southwest Las Vegas	27,380,718	0	1,543,258	3.9%	.3%	4.2%	52,966	\$1.32
SE Las Vegas / Henderson	20,086,584	0	1,178,719	9.6%	1.1%	10.7%	47,501	\$1.21
Airport	11,530,712	0	0	5.0%	1.0%	6.0%	7,136	\$1.28
East Las Vegas	588,216	0	0	.4%	.0%	.4%	3,502	\$0.94
Central Las Vegas	4,835,298	0	0	3.7%	.0%	3.7%	8,957	\$1.06
Northwest Las Vegas	382,874	0	0	.8%	.0%	.8%	1,777	\$1.22
Speedway	22,692,181	0	1,110,467	23.5%	1.9%	25.4%	301,432	\$1.00
West Las Vegas	6,082,460	0	262,722	4.6%	.0%	4.6%	-59,164	\$1.08
<b>Market total</b>	<b>142,633,126</b>	<b>0</b>	<b>7,128,538</b>	<b>9.9%</b>	<b>0.9%</b>	<b>10.8%</b>	<b>362,332</b>	<b>\$1.11</b>

Survey criteria: Industrial properties sized **20k square feet and larger**.  
Source: Avison Young Market Intelligence, Costar

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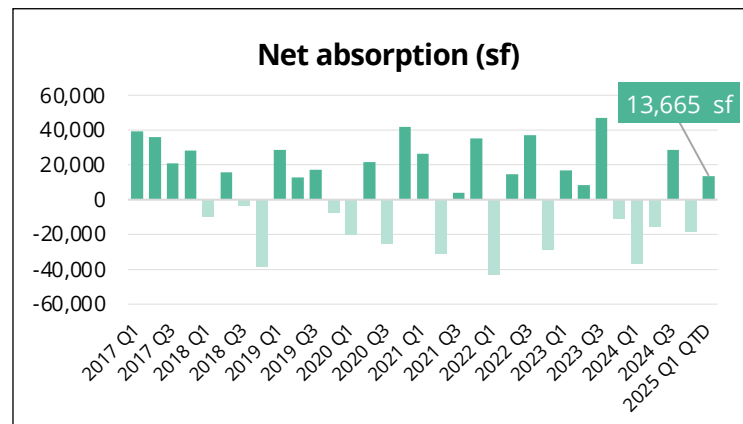
Smaller industrial market snapshot | Q1 2025

Buildings up to 20k square feet in size



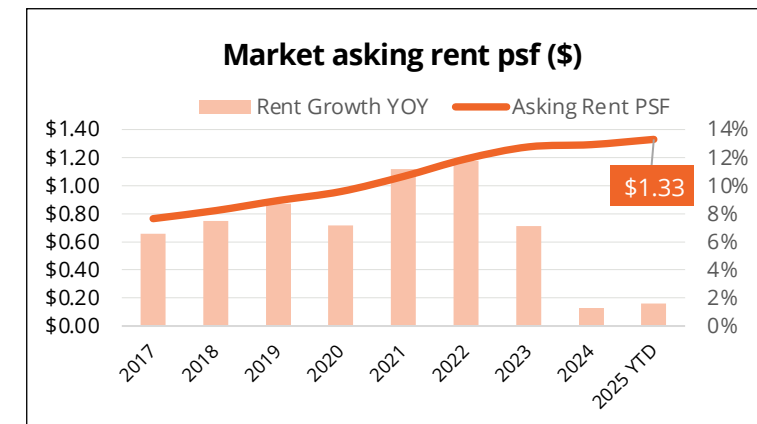
## A quick note on vacancy rate

Vacancy in the smaller industrial Las Vegas market (sub-20K SF buildings) has risen to 4.6%, the highest in five years, after hitting a low in 2021. This trend reflects a shift in market demand as Las Vegas continues to develop larger industrial spaces, attracting bigger manufacturing and distribution users.



## A quick note on net absorption

Absorption in the sub-20K SF industrial market has remained dynamic but with small amounts of movement since 2017. In Q1 2025, net absorption reached 13,655 SF, a slight increase from a baseline of minimal activity and an improvement from the negative absorption seen in the previous quarter.



## A quick note on monthly asking rents

Monthly asking rents for smaller industrial spaces have stabilized with slow growth, reaching \$1.33 per SF in Q1 2025. Year-over-year rent growth has slowed from a peak of 11.8% in 2022 to 1.3% in 2024. Since 2022, rents have increased by \$0.14 per SF per month, or \$1.68 per SF annually.

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Smaller industrial market snapshot | Q1 2025

Buildings up to 20k square feet in size

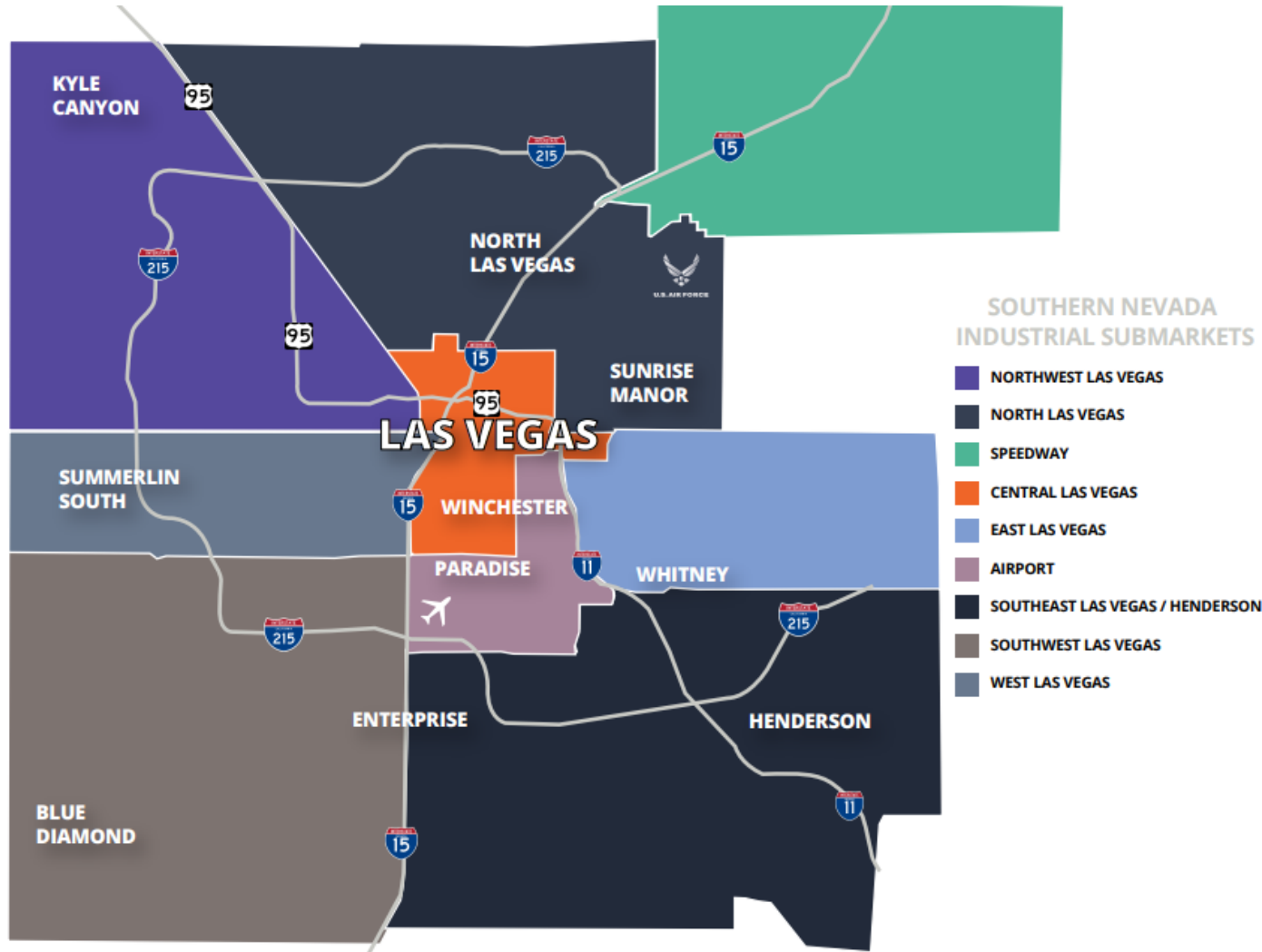
Costar submarkets	Existing inventory sf	Deliveries sf (Q1)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Net absorption (Q1)	Monthly direct asking rent psf NNN
North Las Vegas	5,110,935	17,140	0	2.2%	0.3%	2.5%	13,676	\$1.27
Southwest Las Vegas	4,521,220	0	202,113	3.7%	0.6%	4.3%	(36,384)	\$1.41
SE Las Vegas / Henderson	2,727,396	60,699	37,713	2.1%	0%	2.1%	51,155	\$1.29
Airport/E Las Vegas	1,864,826	7,928	11,162	3.6%	1%	4.6%	13,665	\$1.33
Central Las Vegas	1,864,826	7,928	11,162	3.4%	1%	4.5%	13,665	\$1.19
Northwest Las Vegas	121,120	0	0	0%	2.2%	2.2%	(2,665)	\$1.46
Speedway	84,687	0	0	0%	0%	0%	0	\$1.15
West Las Vegas	1,713,598	0	0	3.5%	0%	3.5%	2,543	\$1.45
<b>Market total</b>	<b>18,323,276</b>	<b>85,767</b>	<b>250,988</b>	<b>2.8%</b>	<b>0.3%</b>	<b>3.1%</b>	<b>52,784</b>	<b>\$1.32</b>

Survey criteria: Industrial properties sized **under 20k square feet**.

Source: Avison Young Market Intelligence, Costar

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Source: Avison Young Market Intelligence, Costar

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