



NEWMARK

Las Vegas: Industrial Market Overview

4Q25

NMRK.COM

Access the Expanded 4Q25 Las Vegas Industrial Market Overview



The expanded version of this report includes:

- **Population Growth and Business Costs:** Insightful analysis on historical population gains in the metro, the housing market, and how Nevada compares to California.
- **Southern California's Ports, U.S. Retail Sales, and Tariffs:** All influence Las Vegas' industrial leasing market dynamics.
- **Sales Activity:** Includes notable industrial sales, top buyers, and how industrial compares to other property segments.
- **Industrial Submarket Statistics**

To access, please reach out
to your Newmark business contact.

*Extensive content across 36 slides—a detailed presentation packed with **useful office information and in-depth analysis.***

Las Vegas Industrial Market Observations



Economy

- Import traffic at Southern California's seaports was uneven this quarter due to ever-changing [U.S. tariffs](#) on foreign goods.
- Tariffs have a delayed impact, as businesses try to pass on costs to suppliers, stockpile goods before new duties go into effect, and/or utilize existing inventory first before higher prices work their way down the supply chain to consumers.
- For now, unemployment is low, retail sales are healthy, and wage growth is outpacing inflation.
- The Fed cut interest rates three times this year (25 bps each, bringing its benchmark rate to 3.50-3.75%. One rate cut is presently expected in 2026.
- Las Vegas' housing market has cooled, which is affecting industrial leasing.



Leasing Market Fundamentals

- This year, 3.9 MSF in net absorption gains were met with 7.0 MSF in construction deliveries, causing vacancy to rise to 12.9%. Total vacancy has been in the double-digits since the fourth quarter of 2024.
- Available sublease space (2.2 MSF) shot up this quarter after a few large-block offerings came to market. Sublease space as a percentage of inventory is low, at 1.2%.
- New construction is taking longer to lease, and most speculative developers have hit the pause button on groundbreakings.
- Large-block (250,000+ SF) leasing is slower due to the economy and declining rents in Southern California. Large-block vacancy is currently 17.9%.



Major Transactions

- Leasing activity was flat this quarter. On an annual basis, however, volume was up 14.2% compared to 2024.
- Daimler Truck North America signed one of the quarter's larger leases when it committed to 303,159 SF in a single-tenant, North Las Vegas facility built in 2024.
- The lion's share of leasing activity is occurring in the high-growth North Las Vegas submarket, which accounts for 65% of new supply built over the last five years.
- Blackstone appears to be scaling back its industrial holdings, based on sales this year to NorthPoint Development (587,254 SF) and MDH Partners (898,398 SF).

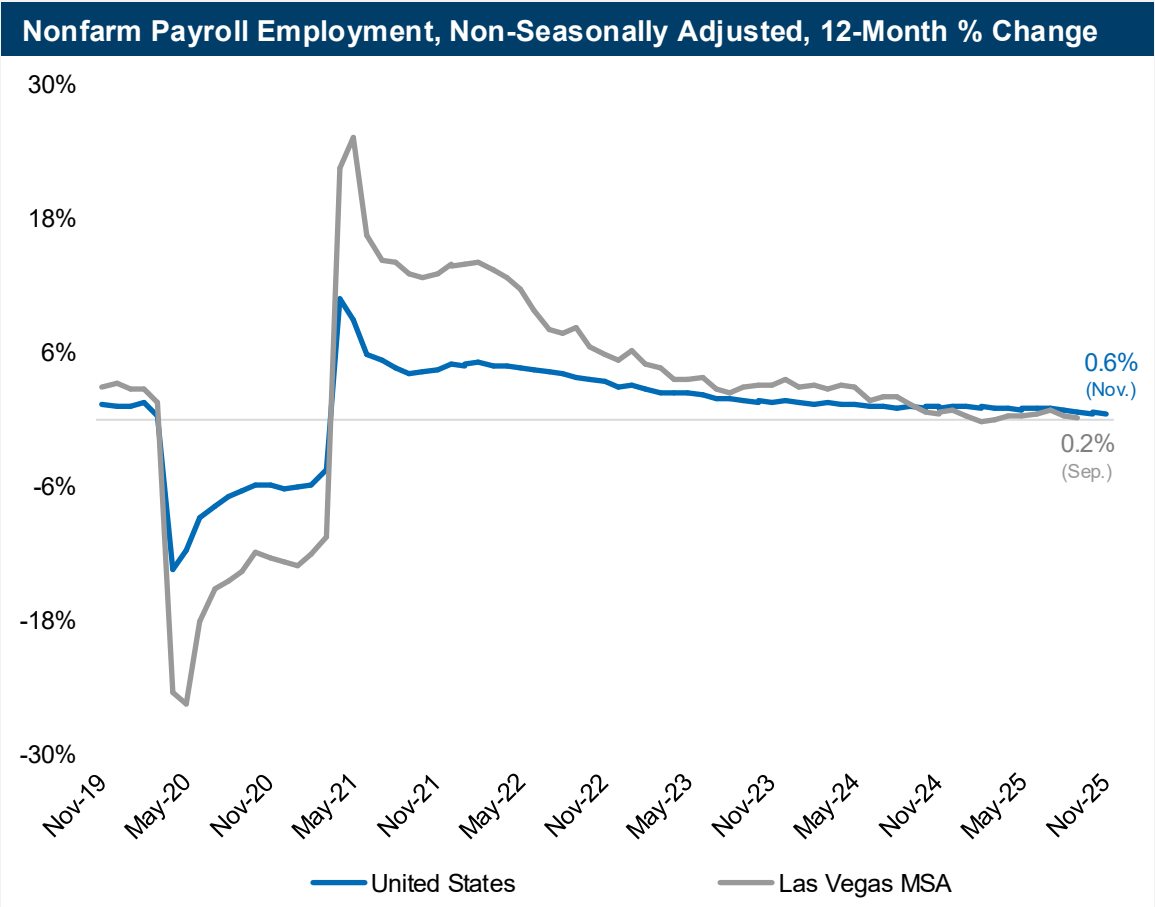
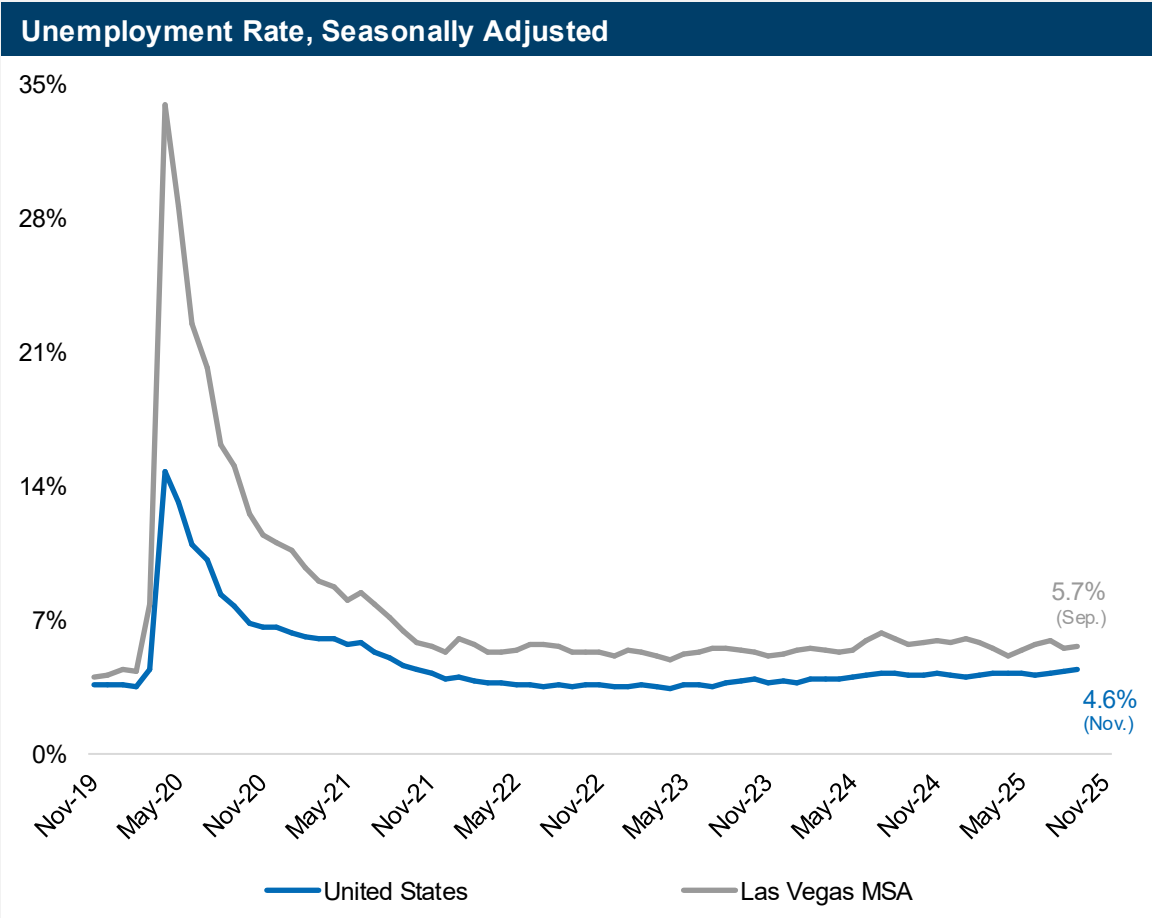


Outlook

- Some economists expect U.S. business spending to remain resilient or even accelerate in 2026, driven by factors like AI adoption, easing labor constraints, and potential policy stimulus. Though, growth might moderate from peak 2025 levels, with some signs pointing to a slower start to the year before picking up.
- The trajectory of U.S. retail sales, coupled with local housing market dynamics, will ultimately shape demand for industrial space.
- Population growth and infrastructure enhancements favor the market long-term. Last year, a proposed intermodal terminal that will have connectivity to the Port of Oakland and Southern California was announced in Southern Nevada.

Las Vegas Nonfarm Employment is Flat

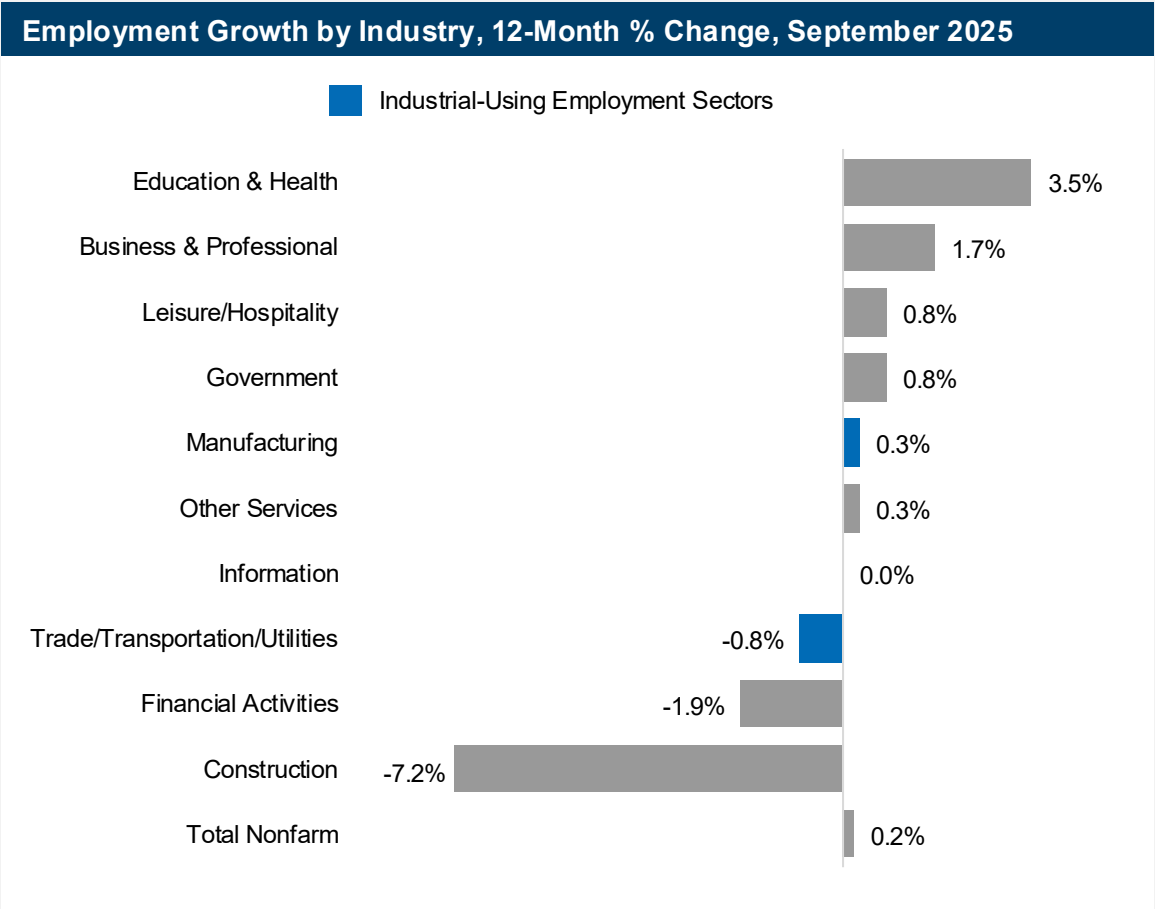
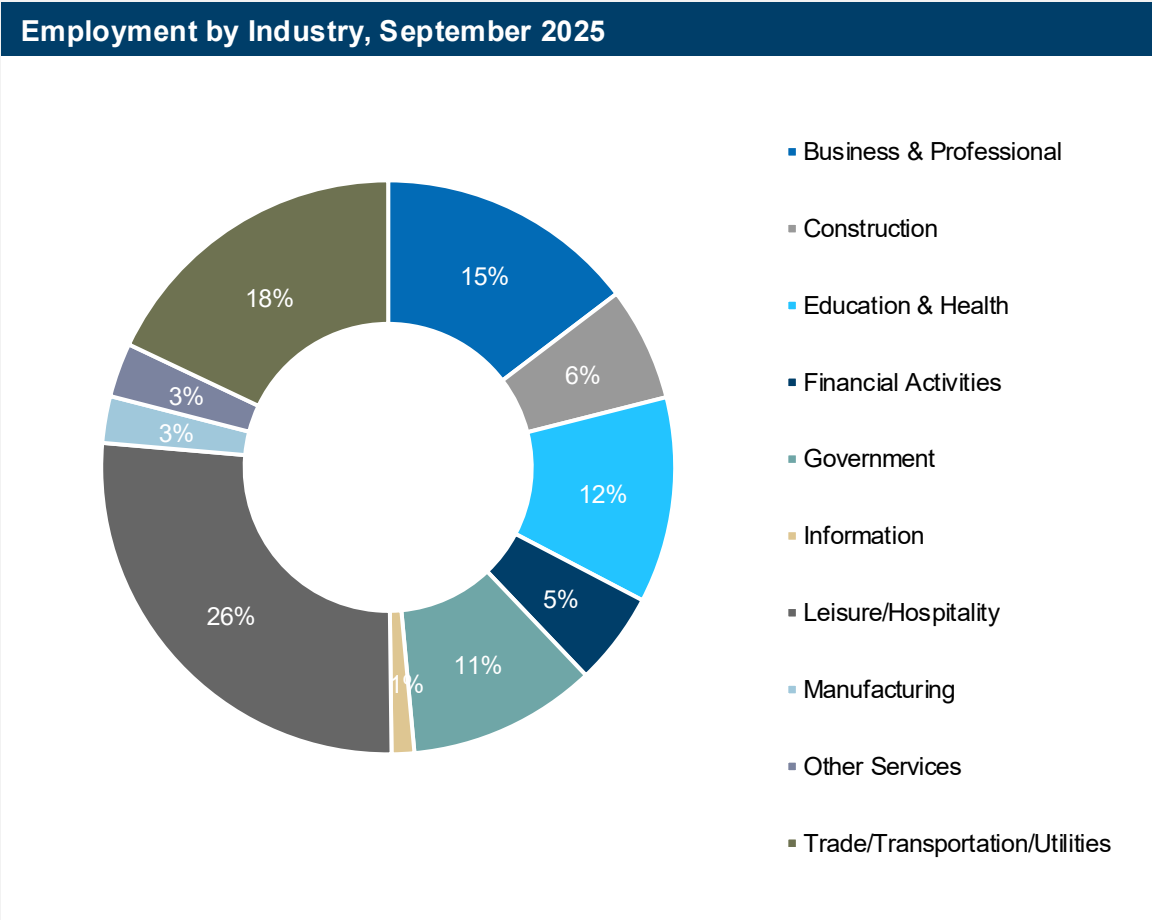
Las Vegas consistently outperformed national employment growth from 2021-2024, rebounding swiftly from pandemic-related losses. This strong performance was largely driven by population growth and Nevada’s low-cost, business-friendly environment, especially compared to coastal Southwest markets. However, recent job declines across several industries signal economic headwinds, with a slowing housing market and fewer tourists in the region among present challenges.



Source: U.S. Bureau of Labor Statistics, Las Vegas MSA
Note: Las Vegas' unemployment is historically higher than the U.S. average due to volatility in the tourism industry when the economy downcycles; hence, the 34.0% unemployment average at the start of the pandemic. Note: Local employment statistics for October were unavailable due to the federal government shutdown. November's figures are delayed.

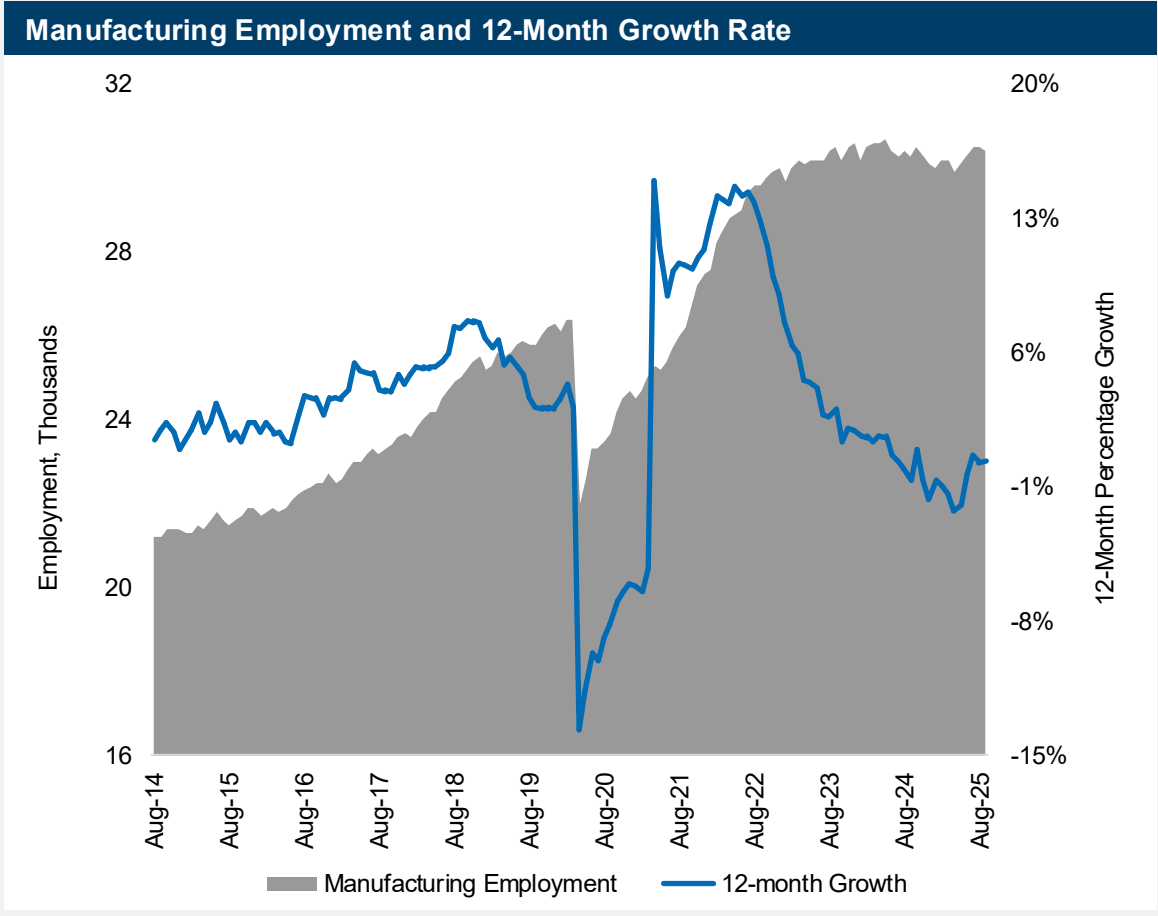
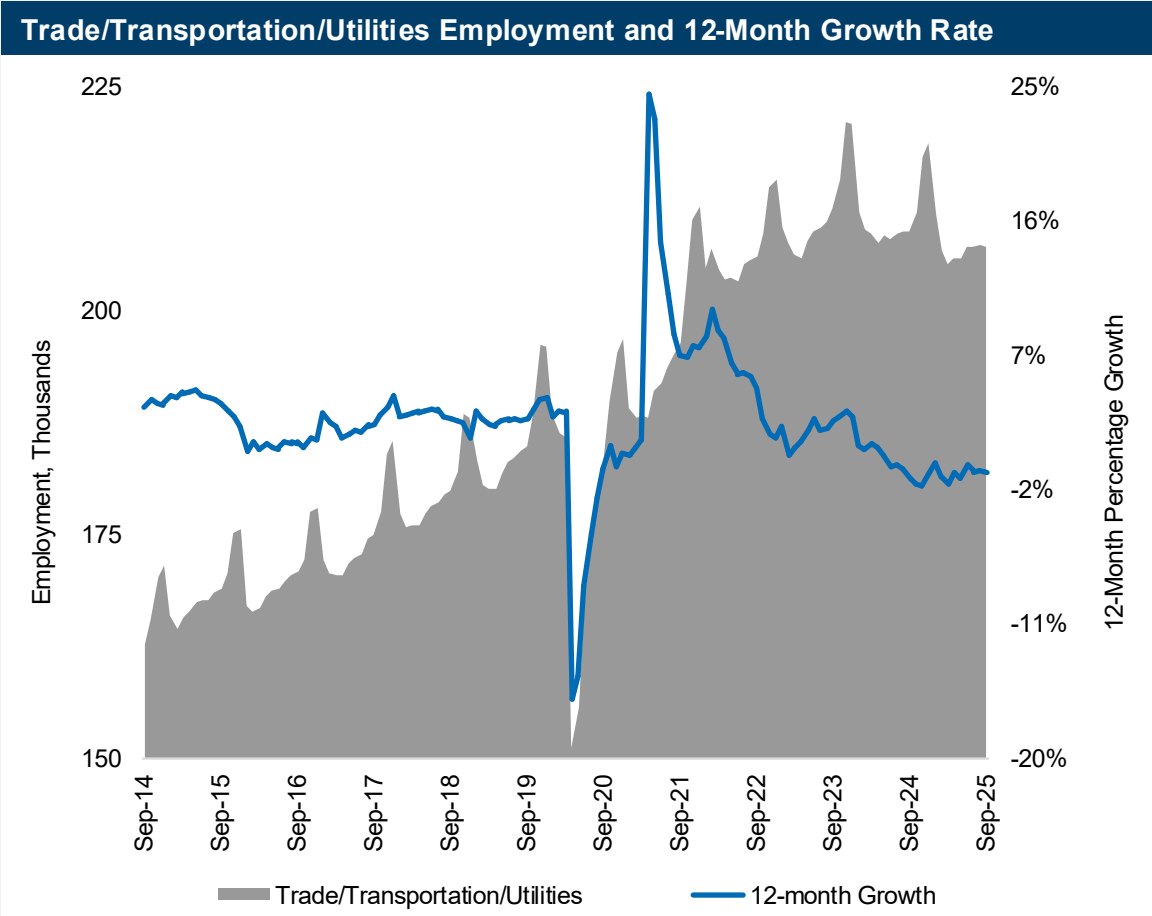
Shifting Toward a More Diverse Economy

Leisure/hospitality continues to be the dominant sector, comprising 26.5% of overall employment. Still dominant, but less so when considering the average was 32.7% in 2010, a gradual decrease that illustrates continued diversification within the local economy. Annual job fluctuations were mixed across the region’s industries: education and health and business and professional led in gains, while construction had the most losses. Construction’s drop is from a slowdown in homebuilding.



Seasonal Volatility Aside, Industrial Employment Remains Strong

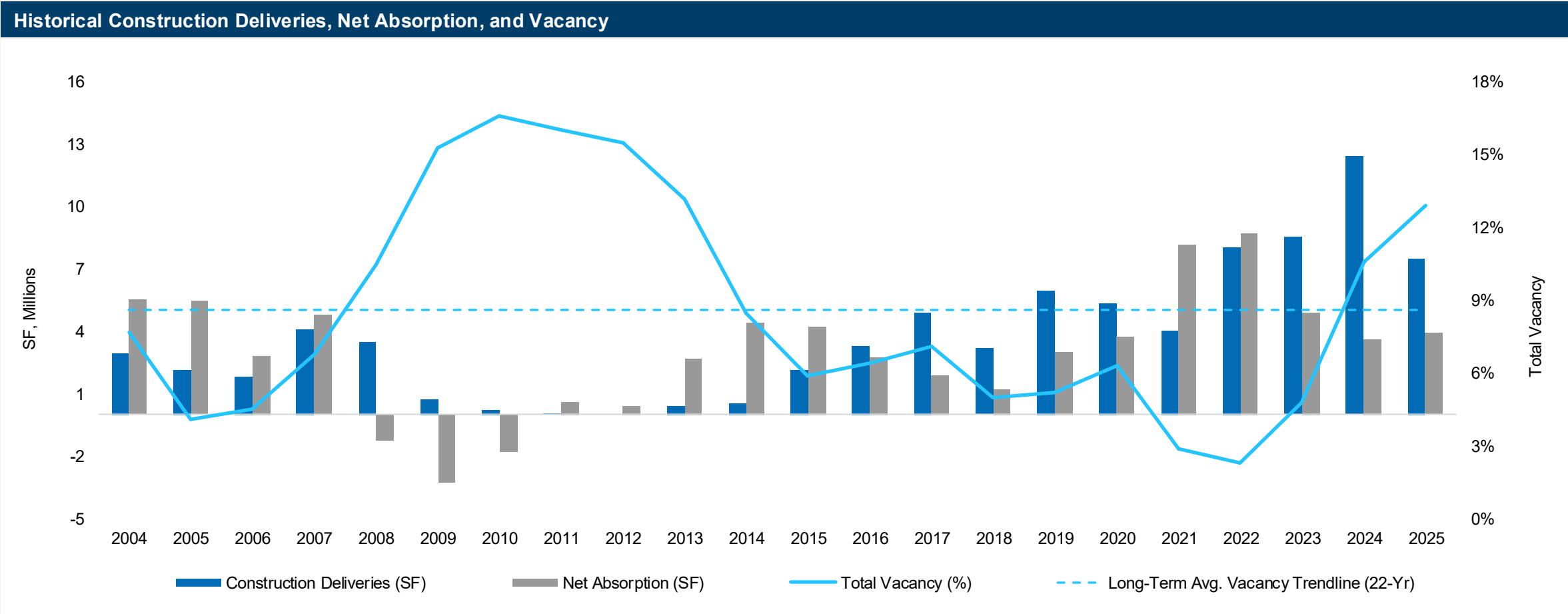
New to market entrants and prior expansions from existing companies account for trade/transportation/utilities’ (TPU’s) long-term employment growth. Though, gains have turned to losses in recent months amid higher operating costs and what is expected to be a slowing retail sales environment. Five-year job gains in manufacturing meanwhile are reflective of Nevada’s business-friendly environment (e.g., a Right-to-Work state that does not have any corporate and personal income taxes).



Source: U.S. Bureau of Labor Statistics, Las Vegas MSA
Note: Local employment statistics for October were unavailable due to the federal government shutdown. November's figures are delayed.

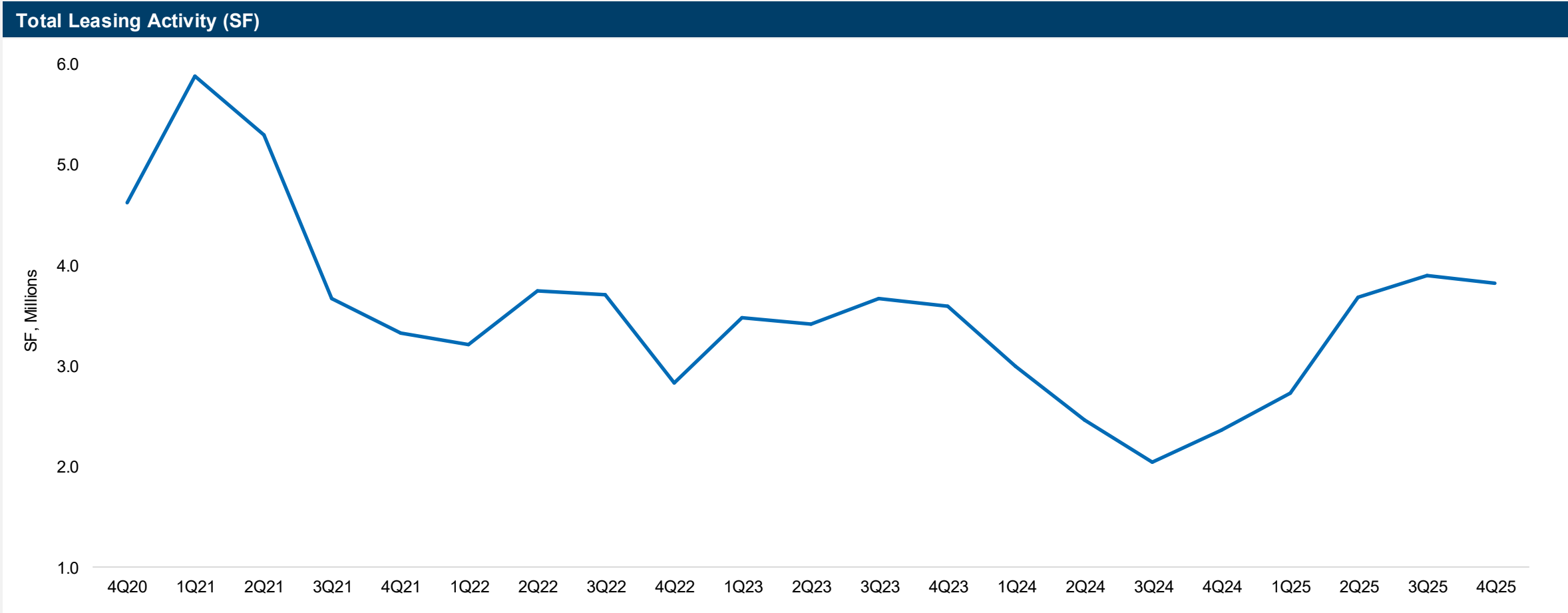
Vacancy's Rise in 2025 Was Slower Than Prior Years

3.9 MSF in net absorption gains were met with 7.9 MSF in construction deliveries in 2025, causing vacancy to rise to 12.9%. Vacancy was up 230 bps from 2024, less than the 580 bps jump from 2023 (4.8% vacancy) to 2024 (10.6%).



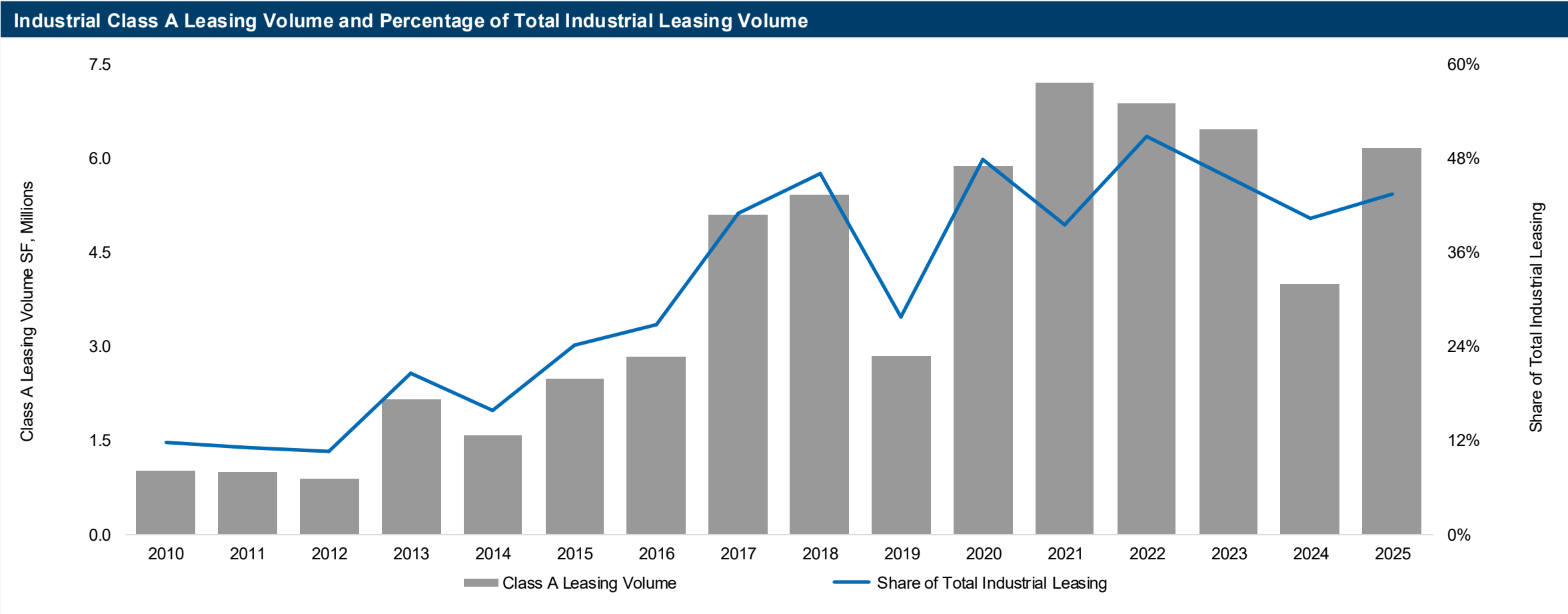
Leasing Activity Trends Down This Quarter

Volume was up in the first half of 2025 and was somewhat flat in the second. Sowing population gains to the region due to elevated housing costs, high borrowing costs, and a sleepier labor market are among current headwinds.



Class A Warehouse Leasing Above Long-Term Average

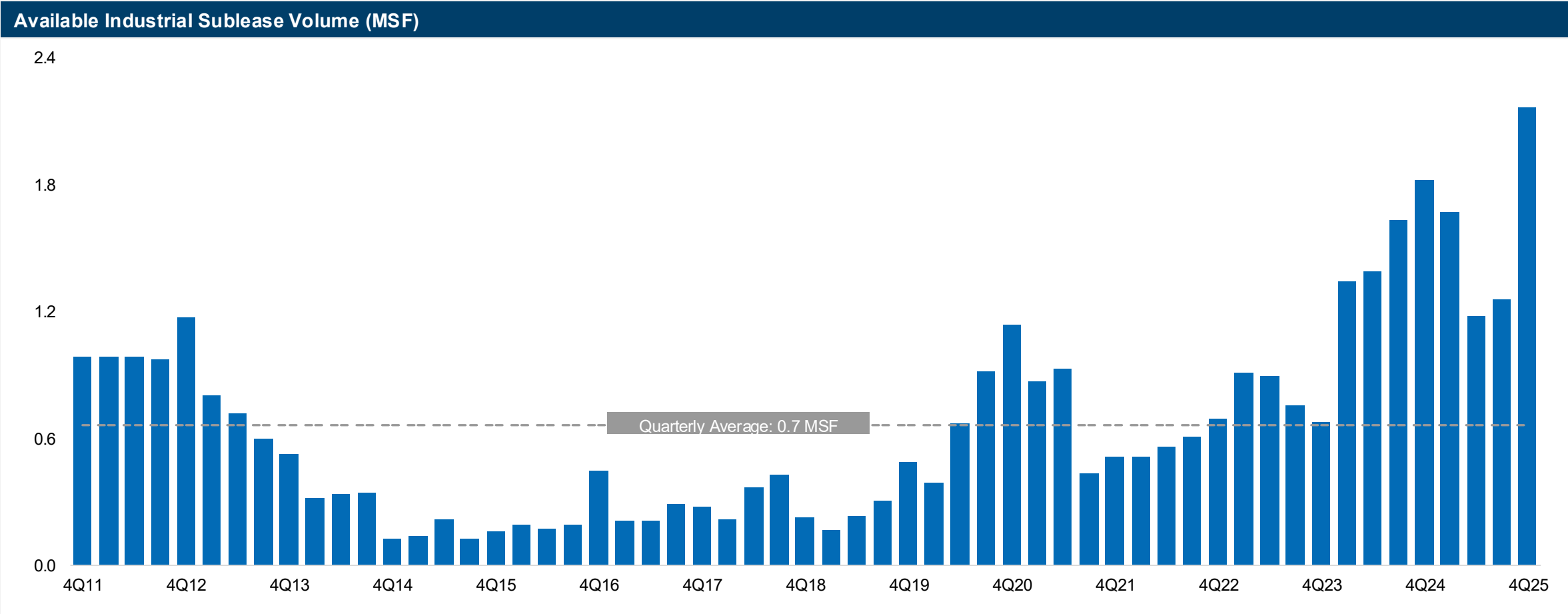
Las Vegas is a growth market and Class A leasing activity has shaped overall leasing dynamics in recent years. The only exception to the rule was 2019, a year when there was a dearth in available product. “Flight-to-quality” is also a perennial trend during all points of a real estate cycle.



Source: Newmark Research, CoStar
Note: Class A is defined as 100,000+ SF, 30'+ minimum interior ceiling height and constructed since 2000.

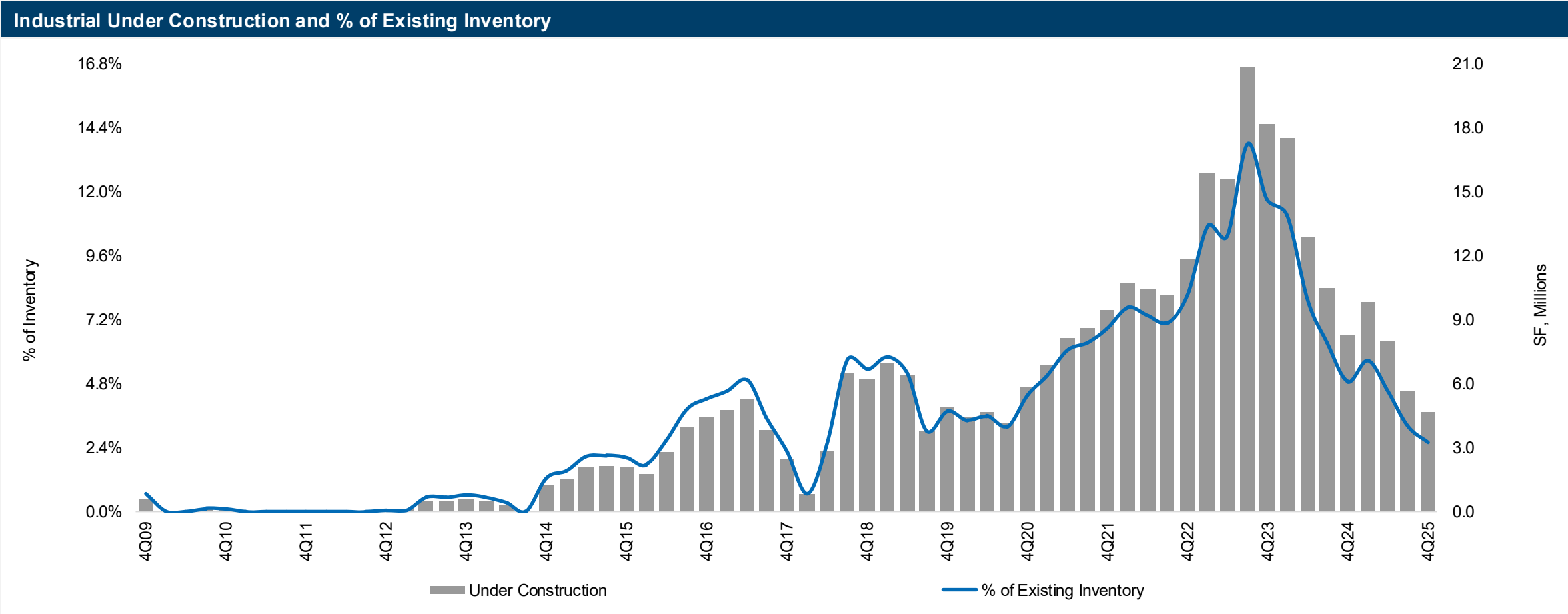
Sublease Space Up 73% from Last Quarter

2.2 MSF of available sublease space is presently on the market, partly shaped by large-block offerings that include 4230 N 5th St (208,658 SF), 5430 Donovan Way (203,884 SF), and 5450 Beesley Dr (201,500 SF). Going forward, the sublet pool will likely fluctuate as cost-cutting measures from some occupiers are counterbalanced with the progressive leasing of desirable sublet offerings.



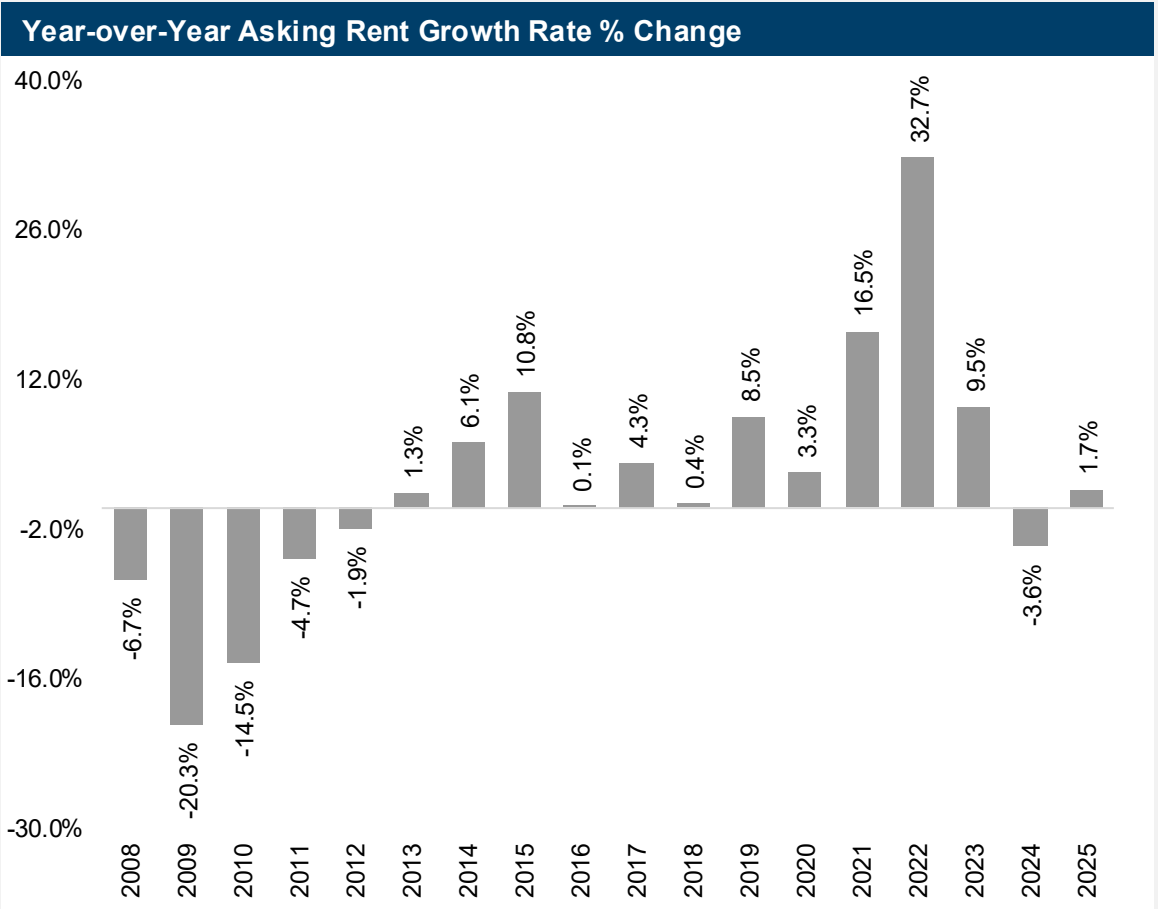
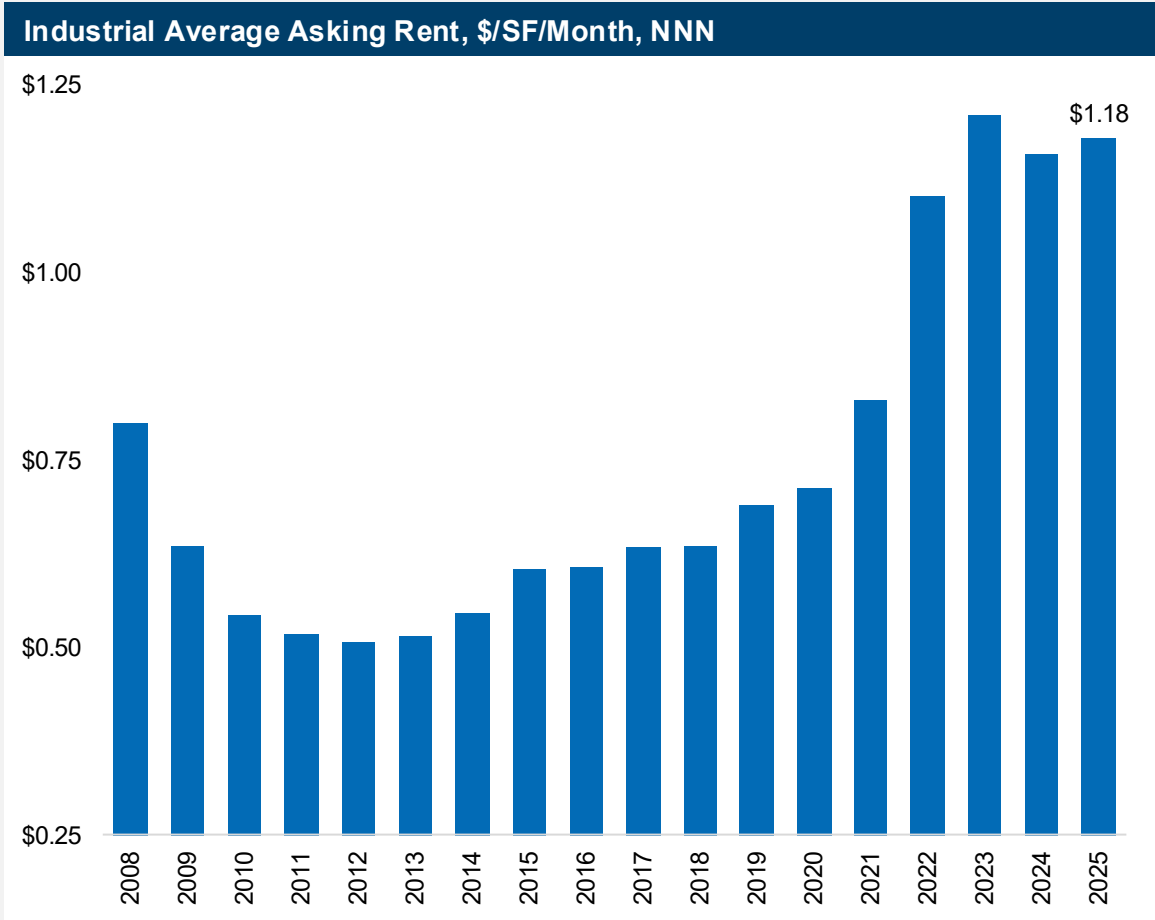
Industrial Supply Pipeline Cools as Construction Starts Decrease

Rising vacancy, new supply set to come online, slower leasing activity, and difficulty in sourcing construction debt are acting as barriers to new construction starts.



Direct Asking Rents Were Marginally Up in 2025

After unprecedented annual growth in 2021 (+16.5%) and 2022 (+32.7%), rent growth decelerated in 2023 (+9.5%), turned negative in 2024 (-3.6%) and had a modest gain (+1.7%) this year. Rent growth largely hinges on leasing activity.



Notable 4Q25 Lease Transactions

Leasing activity continues to be concentrated in newer buildings.

Select Lease Transactions				
Tenant	Building	Submarket	Type	Square Feet
DHL	Vantage North, Bldgs. 1 and 3	North Las Vegas	Direct	1,209,826
The global logistics company leased two buildings that were built in 2024.				
Daimler Truck North America	Prologis I-15 Speedway, Bldg. 11	North Las Vegas	Direct	303,159
The commercial automotive manufacturer signed as the sole occupant of the building. The facility was constructed in 2024.				
Alo	Northgate Distribution Center, Bldg. 9	North Las Vegas	Sublease	203,384
The premium athletic apparel retailer will occupy a portion of the multi-tenant building that was constructed in 2018.				
(An E-Commerce Company)	Windsor Commerce Park, Bldg. F	North Las Vegas	Direct	191,360
The undisclosed tenant will occupy the entirety of the building, which delivered in early 2025.				
LG Express	Tropical Speedway Distribution Center, Bldg. B	North Las Vegas	Pre-lease	105,624
The freight forwarder will occupy a portion of the multi-tenant building when it delivers in early 2026.				

Dain Fedora*Head of Research**Southwest*

dain.fedora@nmrk.com

Las Vegas Office

8488 Rozita Lee Ave., Suite 125

Las Vegas, NV 89113

t 702-733-7500

New York Headquarters

125 Park Ave.

New York, NY 10017

t 212-372-2000

Newmark has implemented a proprietary database and our tracking methodology has been revised. With this expansion and refinement in our data, there may be adjustments in historical statistics including availability, asking rents, absorption and effective rents. Newmark Research Reports are available at nmrk.com/insights.

All information contained in this publication (other than that published by Newmark) is derived from third party sources. Newmark (i) has not independently verified the accuracy or completeness of any such information, (ii) does not make any warranties or representations, express or implied, concerning the same and (iii) does not assume any liability or responsibility for errors, mistakes or inaccuracies of any such information. Further, the information set forth in this publication (i) may include certain forward-looking statements, and there can be no guarantee that they will come to pass, (ii) is not intended to, nor does it contain sufficient information, to make any recommendations or decisions in relation to the information set forth therein and (iii) does not constitute or form part of, and should not be construed as, an offer to sell, or a solicitation of any offer to buy, or any recommendation with respect to, any securities. Any decisions made by recipient should be based on recipient's own independent verification of any information set forth in this publication and in consultation with recipient's own professional advisors. Any recipient of this publication may not, without the prior written approval of Newmark, distribute, disseminate, publish, transmit, copy, broadcast, upload, download, or in any other way reproduce this publication or any of the information it contains with any third party. This publication is for informational purposes only and none of the content is intended to advise or otherwise recommend a specific strategy. It is not to be relied upon in any way to predict market movement, investment in securities, transactions, investment strategies or any other matter. If you received this publication by mistake, please reply to this message and follow with its deletion, so that Newmark can ensure such a mistake does not occur in the future.