

# Las Vegas, NV

U.S. Construction Market | Market Snapshot Q2 - 2022

Las Vegas is in the middle of a top-down effort to diversify its economy. Officials began offering generous tax incentives after the casinos relocated to just outside the city limits in the 1990s. Today, downtown Las Vegas is filled with flashy new office parks and convention centers. A few high-profile companies have relocated here, and officials hope that more will follow – especially as the Bay Area becomes more expensive.

The construction market in Las Vegas punches above its weight. Its casinos, resorts, and convention centers – still the key drivers

of the area’s economy – reinvent themselves regularly to cater to tourists. Coupled with renewed efforts to bring in new companies, the market here should see impressive growth in the coming years.

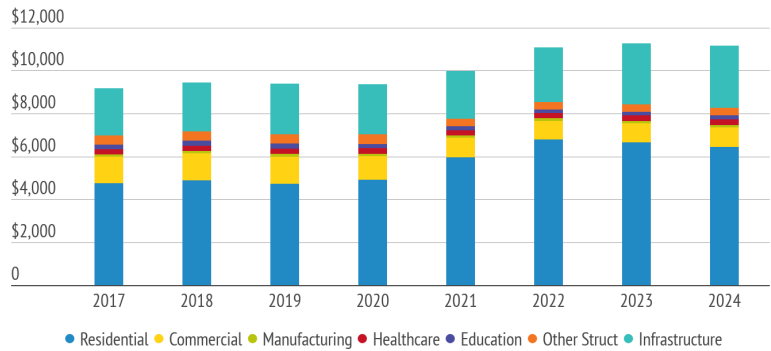
There are, however, a few clouds on the horizon. Climate change is making a region famous for its hot and dry climate hotter and drier. The city must find new sources of water for its residents and has recently banned all “nonfunctional” grass. Policies like this will only become stricter as the city’s population grows. Even so, there are many reasons to be optimistic.

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

Sector	HISTORIC  FORECAST							
	2017	2018	2019	2020	2021	2022	2023	2024
<b>Total Increase</b>	Y-O-Y %	2.9%	-0.7%	-0.2%	6.6%	11.0%	1.8%	-1.1%
Residential	Y-O-Y %	2.6%	-3.4%	4.4%	21.2%	14.0%	-2.2%	-3.1%
Commercial	Y-O-Y %	2.8%	1.6%	-14.7%	-17.5%	-5.2%	3.3%	2.5%
Manufacturing	Y-O-Y %	2.2%	9.7%	-14.2%	1.9%	0.6%	-0.3%	1.2%
Healthcare	Y-O-Y %	1.3%	1.4%	3.4%	-1.8%	2.9%	2.8%	1.7%
Education	Y-O-Y %	2.7%	-1.1%	-7.8%	-14.1%	-2.1%	1.6%	1.4%
Other Struct*	Y-O-Y %	3.4%	1.6%	-1.4%	-18.4%	-4.6%	2.6%	3.0%
Infrastructure	Y-O-Y %	4.0%	2.5%	-0.1%	-5.1%	14.4%	11.9%	1.6%

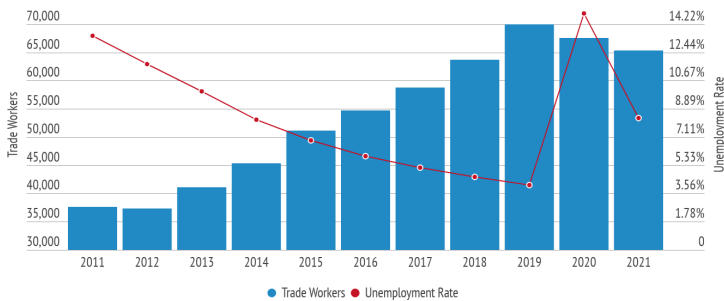
\* This includes religious buildings, amusement, government communications, and public recreation projects.

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



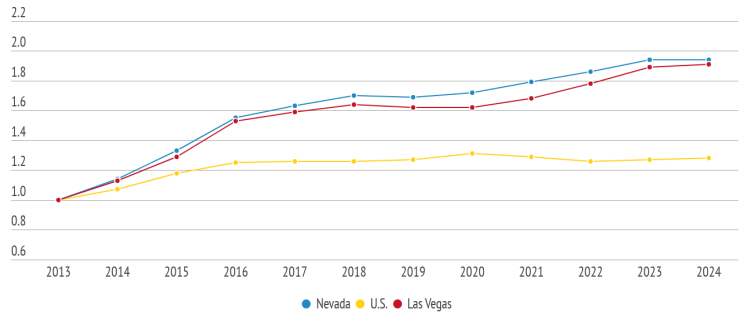
SOURCE: IHS-Markit

## Regional Construction Employment



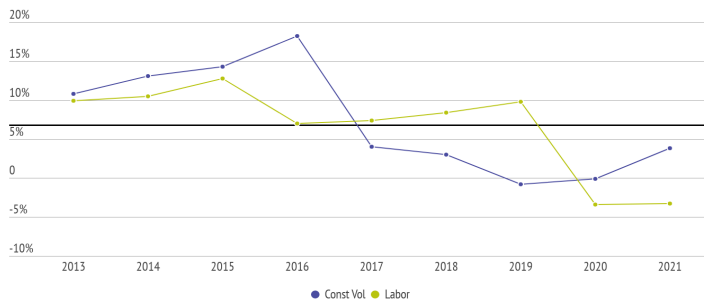
SOURCE: U.S. Bureau of Labor Statistics

## Construction Spending Index 2013-2023 (2013=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
North Pecos Road Medical Campus	Las Vegas	\$5.0B
Energos Reno	Fallon	\$3.0B
Las Vegas Retail and Entertainment District	North Las Vegas	\$3.0B
All Net Arena and Resort	Las Vegas	\$2.7B
New Raiders NFL Football Stadium - Procurement Package No.4B-2	Las Vegas	\$1.9B
Las Vegas Stadium Project - Package 5A	Las Vegas	\$1.9B
New Raiders NFL Football Stadium - Package 3C - Las Vegas Stadium	Las Vegas	\$1.9B

SOURCE: ReedConnect