

FIGURES | LAS VEGAS INDUSTRIAL | Q1 2026

# Healthy demand drives absorption gains and vacancy improvement

▼ 8.8%

Vacancy Rate

▼ 1.7M

SF Net Absorption

▼ 527,245

SF Construction Delivered

▲ 6.8M

SF Under Construction

▼ \$1.02

NNN/MTH Direct Lease Rate

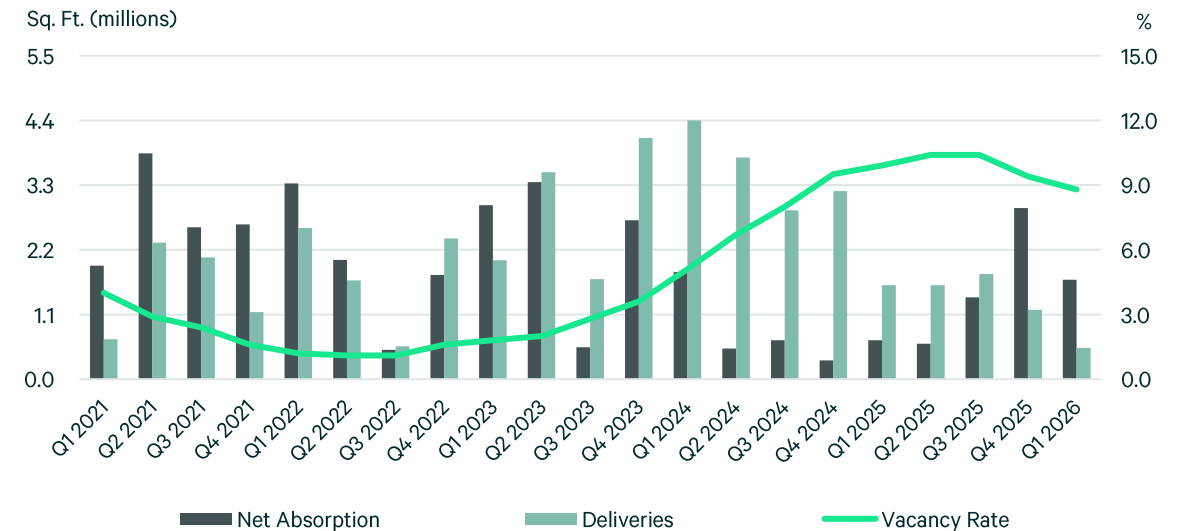
Note: Arrows indicate change from previous quarter.

## Market Overview

The industrial market recorded 1.7 million sq. ft. of positive net absorption in Q1 2026, with approximately two-thirds of occupancy gains concentrated in properties delivered to the market within the past two years. While activity slowed from the previous quarter's pace, underlying demand remained healthy. The overall vacancy rate declined to 8.8%, marking the second consecutive quarterly improvement and signaling that the market is gradually absorbing the elevated supply. Although vacancy remains above historical norms, the steady downward movement points to a more balanced environment emerging as tenant activity aligns with available inventory. These dynamics suggest that new supply is being absorbed steadily instead of creating further market softness.

Approximately 530,000 sq. ft. of new space was delivered during Q1 2026, with about 22% preleased by completion. Construction starts increased, bringing total under construction to 6.8 million sq. ft. While this represents a notable uptick from Q4 2025, development is more measured than recent years, suggesting developers are adjusting and focusing on projects with clearer demand visibility heading into mid-2026. This more selective approach to new starts reflects a closer alignment between development activity and current leasing conditions.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q1 2026

## Availability Rate

Total availability edged up slightly in Q1 2026 to 12.2% after ending 2025 at 12.1%, while direct availability increased to 10.8%. Despite these modest gains, tenant activity continued to absorb both newly delivered space and longer-standing vacancies, helping to moderate the elevated vacancy that accumulated during the 2023–2025 delivery cycle. Although conditions remained far looser than in 2021–2022, steady leasing of newer product and fewer large tenant move-outs kept quarterly changes within a manageable range.

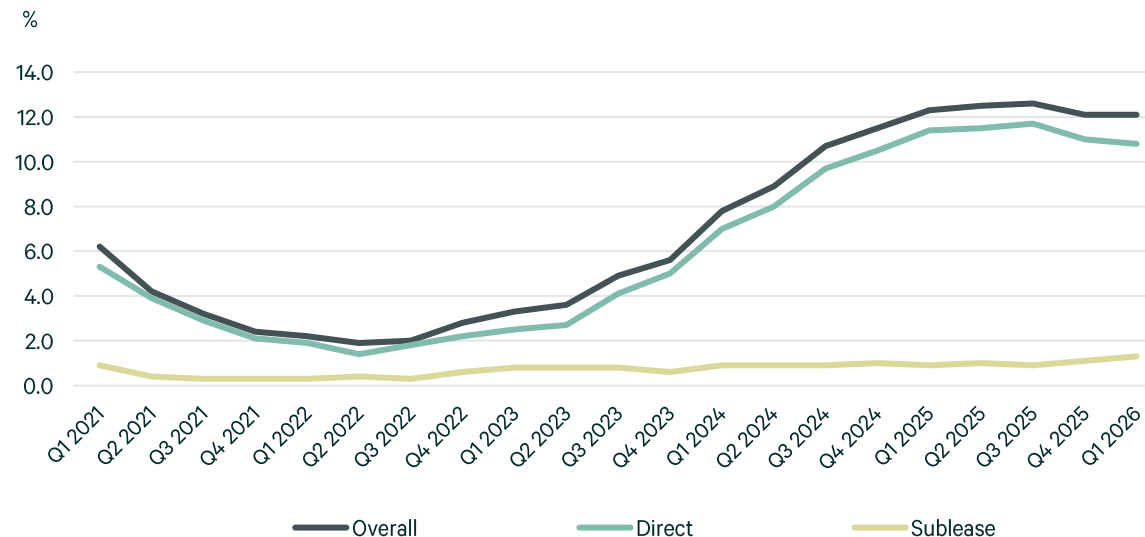
Availability declined from 6.2% in early 2021 to 1.9% in mid-2022 before rising steadily as new supply entered the market, ultimately exceeding 12% by mid-2025. The initial decline reflected strong demand and very limited deliverable space, while the subsequent increase was driven by a sizable wave of new deliveries. As that inventory continued to lease, availability stabilized in recent quarters, contrasting with the rapid supply-driven increases seen at the peak of the construction cycle. This pattern suggests the market may be transitioning out of its expansionary phase, with future availability changes increasingly dependent on absorption rather than new deliveries alone.

## Asking Rent

Industrial asking rates showed a tight but meaningful spread by product type in Q1 2026, with single-tenant and flex/incubator space leading the market as the highest-priced options, reflecting demand for specialized and adaptable facilities. Midbay and special-purpose assets sat modestly above the overall average, supported by steady user demand, while bulk and light distribution trailed due to their more standardized nature and recent supply additions. Overall rents remained balanced, consistent with a stabilizing industrial market driven largely by backfilling existing space rather than preleasing new inventory.

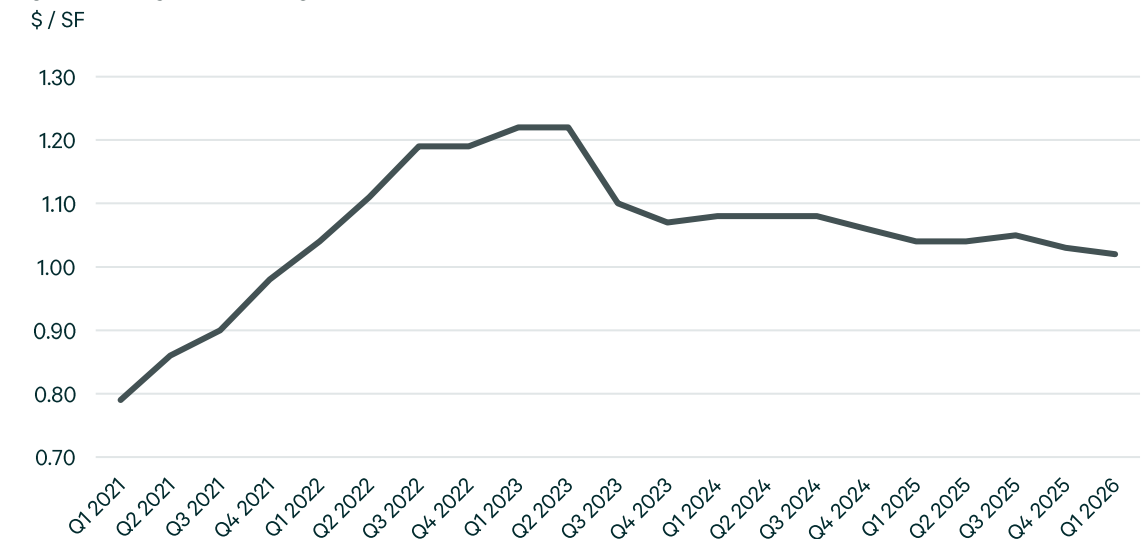
Submarket dynamics continued to show clear pricing stratification. The Airport and Southwest submarkets maintained the strongest rents, each trending well above the metro average and supported by limited supply and sustained user preference. The Central and Henderson submarkets aligned closely with overall market pricing, reflecting relatively balanced conditions. Both the North Las Vegas and Apex submarkets remained more cost-competitive, with below-average asking rates driven by higher availability and a greater concentration of newer supply.

Figure 2: Availability Rates



Source: CBRE Research, Q1 2026

Figure 3: Average Direct Asking Rate



Source: CBRE Research, Q1 2026

## Net Absorption

The market posted 1.7 million sq. ft. of positive net absorption in Q1 2026, a noticeable step down from the exceptionally strong 2.6 million sq. ft. recorded in Q4 2025. Despite the quarter-over-quarter pullback, activity remained far above year-ago levels, rising more than 14% from the 654,500 sq. ft. posted in Q1 2025, when demand was still subdued. The year-over-year improvement highlights a market continuing to regain momentum following the slower leasing period that accompanied the large delivery wave. Rather than pointing to weakening demand, the pattern reflects a more normalized pace of activity as tenants continue to absorb newly delivered product and maintain a positive overall trajectory.

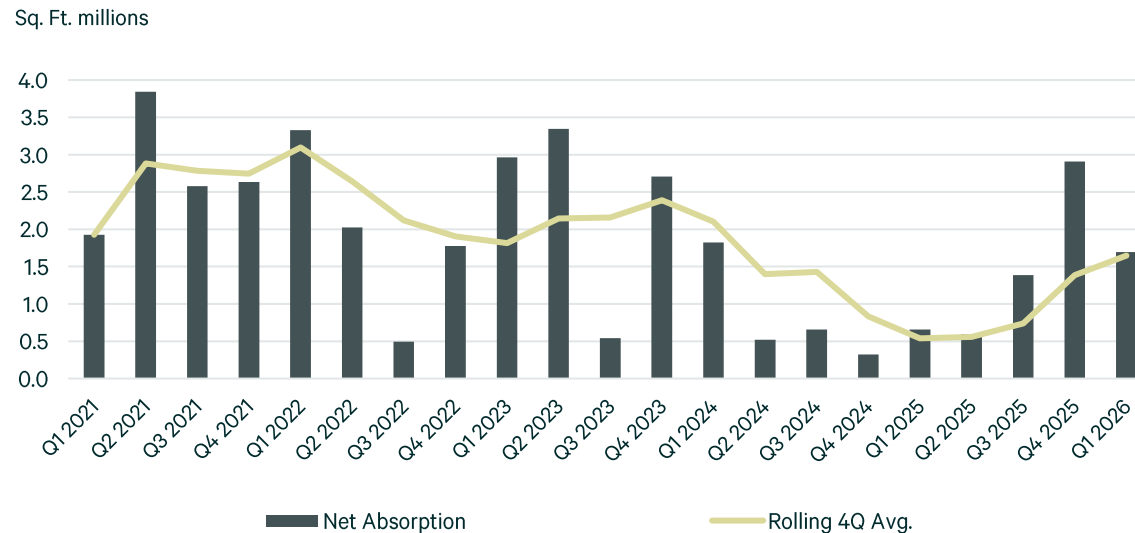
The Apex submarket accounted for nearly 60% of total net absorption, driven entirely by an approximately 1.0-million-sq.-ft. lease signed by an international beverage company at a 2024-delivered project. The Henderson submarket captured roughly 18% of absorption, while the North Las Vegas submarket represented 11%, with both benefiting from higher vacancy levels that support greater leasing flexibility. The Southwest submarket contributed about 13% of absorption, a notable result given its historically tight vacancy and limited inventory. The distribution of demand across submarkets suggests a healthier depth of leasing activity as tenants take advantage of expanded options created by recent supply.

## Construction Activity

Construction activity reached 6.8 million sq. ft. in Q1 2026, up about 18% from Q4 2025 and marking the first notable increase after more than a year of decline. Even so, the pipeline remained constrained, sitting roughly 16% below early-2025 levels and more than 50% under the 2022–2023 peak, reflecting a more disciplined, demand-aligned development environment. Activity was concentrated in the Southwest, which accounted for about 73% of construction, while Henderson captured roughly 27%, with selective projects moving forward, including the recent groundbreaking of the 1.4-million-sq.-ft. Apex Ridge Industrial Park.

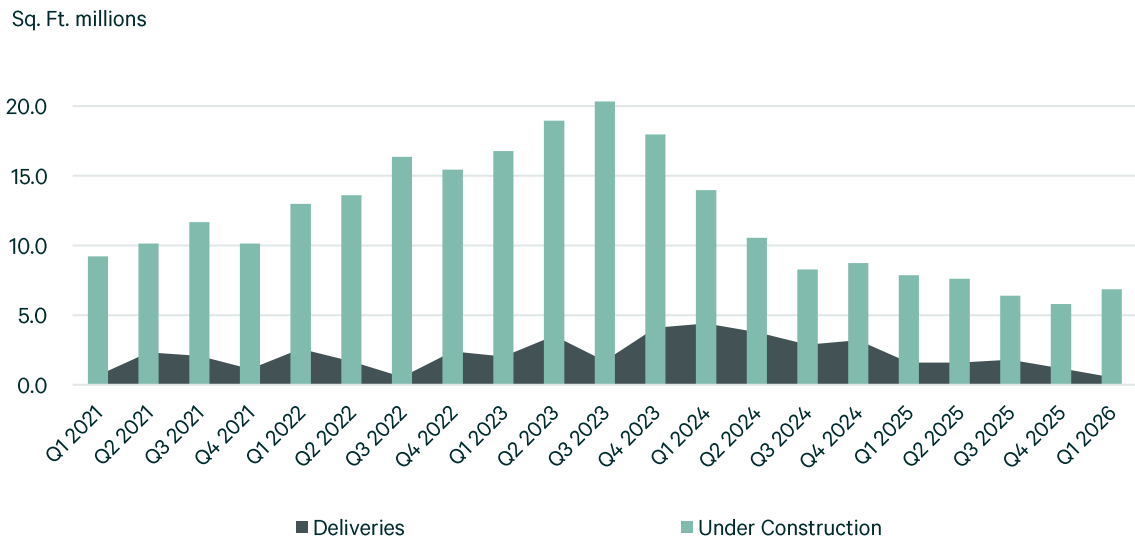
Deliveries continued to slow in Q1 2026, totaling nearly 530,000 sq. ft., a 55% decline quarter-over-quarter and well below the elevated levels seen from 2022. Recent deliveries had been driven largely by larger projects in the Henderson and Apex submarkets, though activity pulled back sharply this quarter. The largest completion this quarter was Dean Martin Commerce Center in the Southwest submarket, a six-building project totaling 154,900 sq. ft. Overall, developers remained cautious following the rapid build out from prior years, resulting in fewer speculative projects reaching completion and easing new supply pressure.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q1 2026

Figure 5: Construction Activity



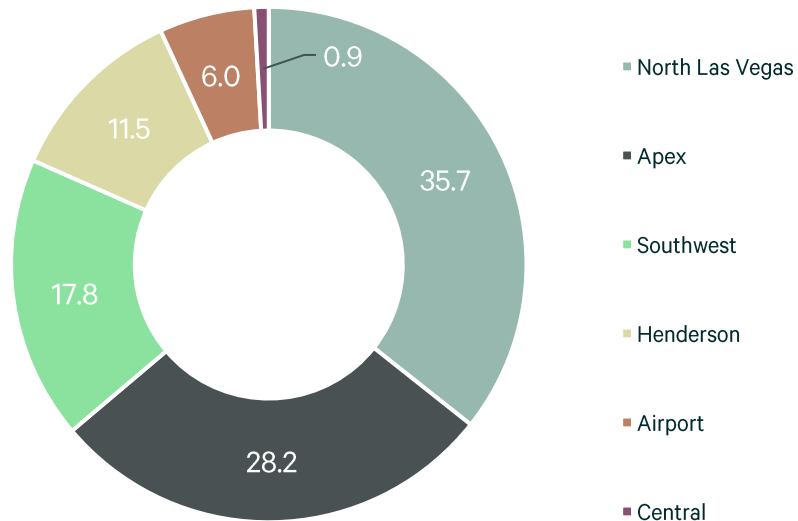
Source: CBRE Research, Q1 2026

## Leasing Activity

Overall leasing activity in Las Vegas held steady in Q1 2026, totaling roughly 3.6 million sq. ft., landing near the mid-range of the past year’s quarterly outcomes. This level reflects a market that has shifted away from the volatility seen between 2021 and 2024, when quarterly totals swung sharply as large blocks of space delivered and leased in quick succession. After peaking in early 2022, overall activity trended downward through 2024 before stabilizing over the past several quarters, with leasing patterns less influenced by short-term fluctuations and more reflective of underlying, sustained demand.

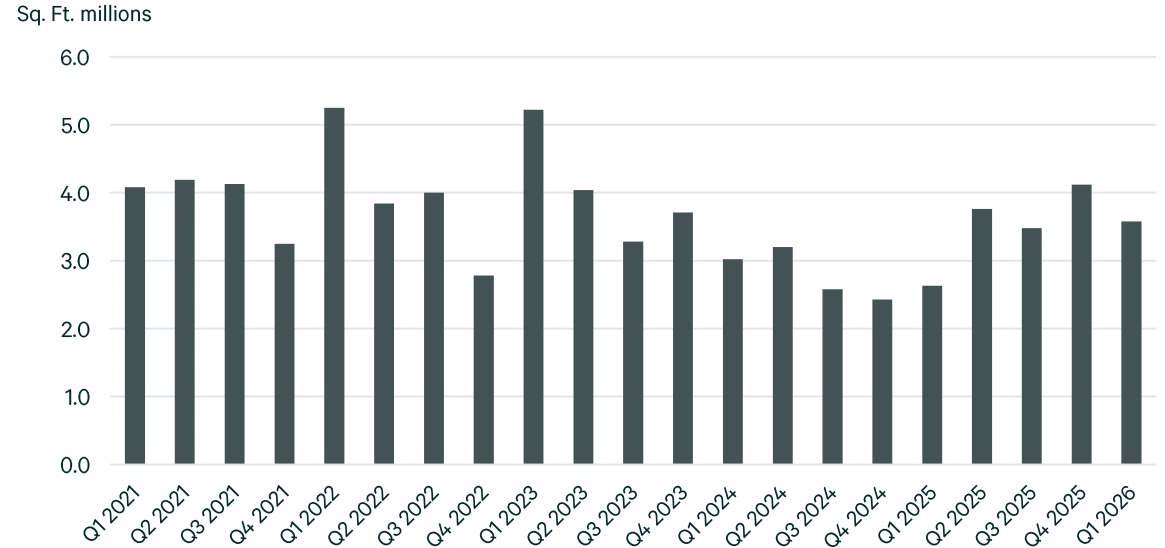
Leasing activity was concentrated in the valley’s growth corridors, led by the North Las Vegas submarkets, where a wave of newly delivered and recently completed supply has expanded options for large users and supported elevated leasing volume. The Southwest Henderson submarkets also recorded solid activity, reflecting steady demand for well-located, functional space despite more limited new development. By contrast, the Airport submarket experienced comparatively subdued leasing, consistent with its largely built-out conditions and tighter supply environment. As a result, future leasing totals are likely to remain steadier, shaped more by tenant expansion and relocation decisions than by major shifts in available inventory.

Figure 7: Leasing Activity by Submarket (% of Total Activity)



Source: CBRE Research, Q1 2026

Figure 6: Leasing Activity Trend



Source: CBRE Research, Q1 2026

Figure 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
PepsiCo	1,008,000	New Lease	11545 Donald Lee Adams Pkwy	Apex
Alliance North America	188,000	New Lease	1775 Raiders Way	Henderson
Nellis Auction	94,831	New Lease	6520 Westwind Rd	Southwest
Udike Distribution Logistics	80181	Renewal	3000 Lincoln Rd	North Las Vegas

Source: CBRE Research, Q1 2026

## Market Statistics by Size

Figure 9

Size Range	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF/Mo NNN)	Current Quarter Net Absorption (MSF)	YTD Net Absorption (MSF)	Under Construction (MSF)	Deliveries (SF)
Under 100,000 sq. ft.	78.74	5.6	8.5	7.7	0.8	1.21	0.44	0.44	0.90	527,000
100,000-199,999 sq. ft.	30.08	9.0	13.5	10.9	2.6	1.05	0.26	0.26	0.35	-
200,000-299,999 sq. ft.	23.05	9.8	16.5	14.1	2.4	0.88	(0.30)	(0.30)	0.69	-
300,000-499,999 sq. ft.	23.69	15.1	17.1	16.7	0.4	0.94	0.28	0.28	1.14	-
500,000-749,999 sq. ft.	15.33	14.1	16.0	14.1	1.9	0.96	-	-	0.60	-
750,000 sq. ft.	10.69	8.6	8.6	8.6	-	0.87	1.01	1.01	3.16	-
<b>Total</b>	<b>181.57</b>	<b>8.8</b>	<b>12.1</b>	<b>10.8</b>	<b>1.3</b>	<b>1.02</b>	<b>1.69</b>	<b>1.69</b>	<b>6.84</b>	<b>527,000</b>

Source: CBRE Research, Q1 2026

## Market Statistics by Product Type

Figure 10

Product Type	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF/Mo NNN)	Current Quarter Net Absorption (MSF)	YTD Net Absorption (MSF)	Under Construction (MSF)	Deliveries (SF)
Bulk Distribution	44.88	14.8	16.8	15.3	1.5	0.95	1.19	1.19	2.50	-
Flex/Incubator	22.14	6.1	8.4	7.9	0.5	1.24	0.03	0.03	0.15	169,000
Light Distribution	41.11	11.3	16.8	14.6	2.2	0.92	0.19	0.19	0.66	-
Midbay	27.49	7.7	12.5	11.1	1.4	1.15	0.25	0.25	0.35	231,000
Special Purpose	13.62	1.3	2.2	1.3	0.8	1.15	(0.05)	(0.05)	2.83	-
Midbay	32.33	3.4	5.9	5.5	0.4	1.25	0.08	0.08	0.35	127,000
<b>Total</b>	<b>181.57</b>	<b>8.8</b>	<b>12.1</b>	<b>10.8</b>	<b>1.3</b>	<b>1.02</b>	<b>1.69</b>	<b>1.69</b>	<b>6.84</b>	<b>527,000</b>

Source: CBRE Research, Q1 2026

## Market Statistics by Class

Figure 11

Property Class	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF/Mo NNN)	Current Quarter Net Absorption (MSF)	YTD Net Absorption (MSF)	Under Construction (MSF)	Deliveries (SF)
Class A	67.72	12.1	16.4	14.2	2.2	0.97	1.17	1.17	1.87	210,000
Institutional	51.03	13.8	18.0	15.5	2.5	0.94	1.00	1.00	-	-
Other Class A	16.70	7.1	11.7	10.2	1.5	1.15	0.17	0.17	1.87	210,000
All Other Industrial	113.85	6.9	9.5	8.8	0.7	1.07	0.52	0.52	4.97	317,000
<b>Total</b>	<b>181.57</b>	<b>8.8</b>	<b>12.1</b>	<b>10.8</b>	<b>1.3</b>	<b>1.02</b>	<b>1.69</b>	<b>1.69</b>	<b>6.84</b>	<b>527,000</b>

Source: CBRE Research, Q1 2026

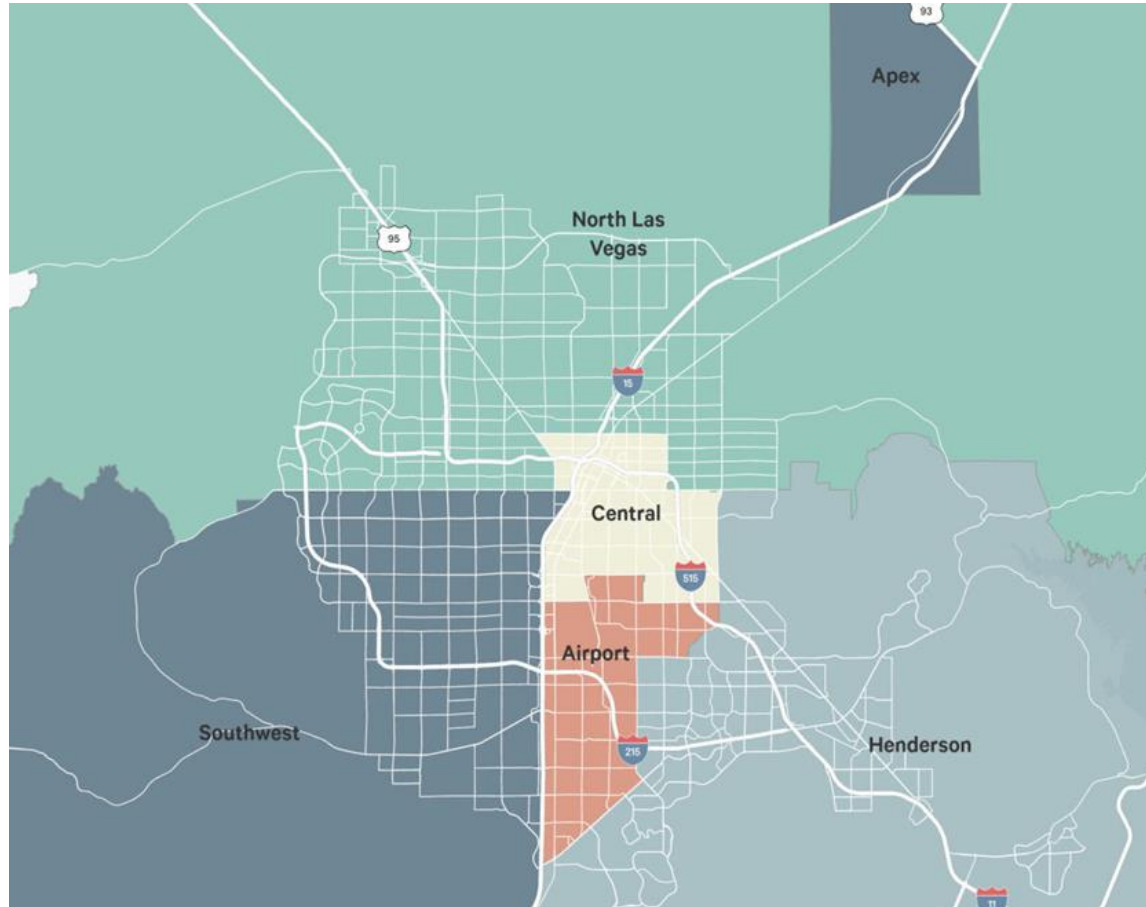
## Market Statistics by Submarket

Figure 12

Submarket	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF/Mo NNN)	Current Quarter Net Absorption (MSF)	YTD Net Absorption (MSF)	Under Construction (MSF)	Deliveries (SF)
Apex	6.42	24.7	24.7	24.7	-	0.87	1.01	1.01	2.15	-
Airport	15.00	4.4	8.6	7.4	1.1	1.28	0.01	0.01	-	14,000
Central	7.40	3.4	6.6	5.4	1.2	1.13	(0.04)	(0.04)	-	-
Henderson	25.38	10.3	12.5	11.8	0.8	1.08	0.30	0.30	3.37	139,000
North Las Vegas	78.09	10.2	13.9	12.6	1.3	0.91	0.19	0.19	0.36	-
Southwest	49.27	6.1	9.2	7.5	1.7	1.24	0.22	0.22	0.96	374,000
<b>Total</b>	<b>181.57</b>	<b>8.8</b>	<b>12.1</b>	<b>10.8</b>	<b>1.3</b>	<b>1.02</b>	<b>1.69</b>	<b>1.69</b>	<b>6.84</b>	<b>527,000</b>

Source: CBRE Research, Q1 2026

## Market Area Overview



### Definitions

**Available Sq. Ft.:** Space in a building, ready for occupancy within six months; can be occupied or vacant. **Availability Rate:** Total Available Sq. Ft. divided by the total building Area. **Average Asking Lease Rate:** A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. **Building Area:** The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. **Gross Activity:** All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. **Gross Lease Rate:** Rent typically includes real property taxes, building insurance, and major maintenance. **Net Absorption:** The change in Occupied Sq. Ft. from one period to the next. **Net Lease Rate:** Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. **Occupied Sq. Ft.:** Building Area not considered vacant. **Vacancy Rate:** Total Vacant Sq. Ft. divided by the total Building Area. **Vacant Sq. Ft.:** Space that can be occupied within 30 days. **Class A industrial** are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

### Survey Criteria

The Las Vegas industrial dataset includes all industrial and flex buildings in the Las Vegas metro area, excluding data centers. Buildings that have begun construction are evidenced by site excavation or foundation work.

Recent adjustments and property reclassification efforts in our database may have resulted in changes to historical report numbers. We continuously update our data to reflect these changes. Please refer to the most recent publications for the most up-to-date market information.

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