

HVS Las Vegas Casino & Hotel Market Outlook 2021 Mid-Year Update

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The Las Vegas market benefited from pent-up demand, government stimulus checks, limited international travel options, increased vaccination rates, and the easing of COVID-19 restrictions during the first half of 2021. However, major COVID-19 metrics notably surged during the summer, and indoor masking rules have been reimplemented in Clark County. Additional efforts are underway to increase state resident vaccination levels through education, encouragement, and mandates. The market's performance during the rest of 2021 will be an important indicator of the velocity of recovery that may be anticipated in the coming year.



Health officials are attributing the current high number of COVID-19 cases to the more infectious Delta variant, along with the number of unvaccinated individuals. Although studies have shown that the vast majority of people who are being hospitalized and are dying because of the COVID-19 virus at this time are unvaccinated, the health community is reporting that the Delta variant is now so widespread among the unvaccinated that there is spillover into the vaccinated population. According to **The Las Vegas Review Journal**, the SNHD's Director of Disease Surveillance and Control stated on August 27, 2021, that, since June 1, 2021, breakthrough cases (i.e., cases in fully inoculated people) had accounted for 12.0% of COVID-related hospitalizations. On August 31, 2021, Nevada reported that 1,158 people in the state were hospitalized with either confirmed or suspected COVID-19 cases, 31 people had died, and the state's COVID-19 14-day test positivity rate was 12.3%. Clark County's 14-day test positivity rate was 1.3 percentage points lower than that of the state's (11.0%) as of August 31, 2021.

As of August 31, 2021, only 51.8% of the state's twelve-and-over population had been fully vaccinated. Incentive programs to increase vaccinations, including government-sponsored raffles and free gifts, were instituted to encourage people to get vaccinated. Certain employers within Nevada will require workers to be vaccinated against COVID-19 or submit to regular weekly testing, similar to the policy covering all federal workers and contractors. Additionally, several entertainment venue operators and conventions have announced that patrons/attendees will need to show proof of COVID-19 vaccination or proof of a negative test in order to attend shows/events.

The Las Vegas market performed well during the second quarter of 2021, in part because of the easing of COVID-19-related restrictions; the requirement that people wear face masks when indoors was lifted mid-May 2021. However, to help stem the increase in the prevalence of the COVID-19 virus, face masks are again being required indoors in Nevada counties with high rates of transmission, including Clark County, as of July 30, 2021.

Summary

The Las Vegas market benefited from pent-up demand, government stimulus checks, limited international travel options, increased vaccination rates, and the easing of COVID-19 restrictions during the first half of 2021. However, major COVID-19 metrics notably surged during the summer, and indoor masking rules have been reimplemented in Clark County.

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State officials indicated that the mask policy is intended to help slow transmission of the COVID-19 virus; the COVID-19 metrics began improving about two weeks after the reimplementation of the masking rules. Under the current policy, if the county shows low or moderate transmission rates for at least two consecutive weeks, then vaccinated people will no longer be required to wear a mask in indoor public settings, while unvaccinated people will still be required to wear masks indoors or in crowded outdoor settings.

Indoor masking rules reimplemented at the end of July 2021 helped to curb the surge in the COVID-19 metrics. Other restrictive measures that were also eased in May 2021, including a return to social distancing and capacity restrictions, may be necessary if vaccination programs and masking requirements are not fully successful. Government officials and business leaders would like to avoid these measures given that they would further impact the overall guest experience and visitation levels. Moreover, high numbers of COVID-19 cases in Nevada have resulted in advisories being issued by other jurisdictions cautioning potential visitors about traveling to Las Vegas.

To learn more, click below to request a copy of the full report. This in-depth article examines trends and market developments affecting the Las Vegas hospitality market. If you encounter any issues requesting the report, please contact Lizzette Casarin at [\[email protected\]](#).



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