



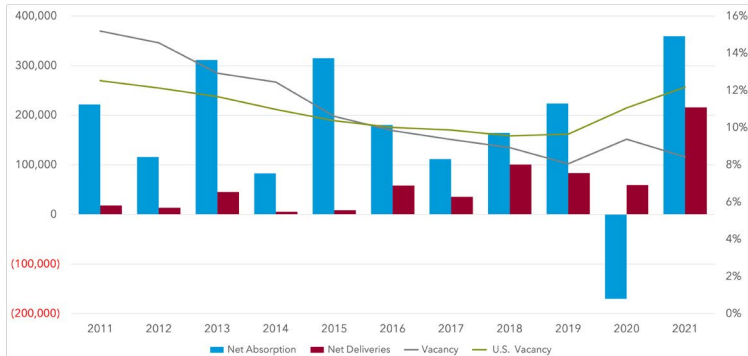
OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

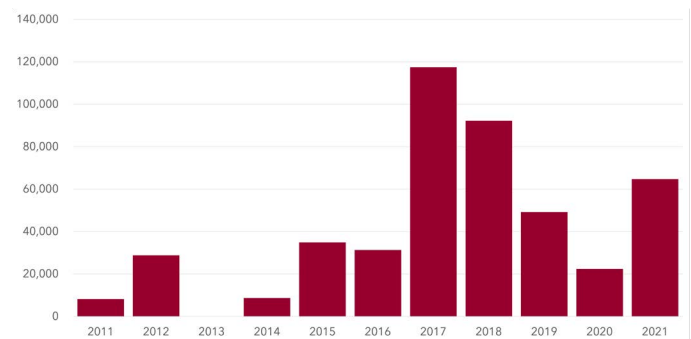
As projected, with the coming on line with new product, we saw an increase in vacancy. The strong local economy has kept a relatively strong demand, however, with the new product being put out, the lateral movement in the market will tend to "Rob Peter to pay Paul", so to speak, with the new product getting much attention at the expense of the older. This should spur motivation for the existing office owners to move product. This dovetails with the lack of Industrial product for the non institutional investor who wants to be in our marketplace. I see continued flat rents for existing product, with the natural rise in the newer product pricing pushing up our "avg" rents for the area.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
▲ 12 Mo. Net Absorption SF	359,408	292,568	(60,994)	(219,670)	(170,118)
▲ Vacancy Rate	8.4%	7.9%	9.3%	9.3%	9.4%
▲ Avg NNN Asking Rate PSF	\$23.48	\$23.35	\$22.98	\$22.63	\$22.47
▼ SF Under Construction	64,707	277,021	237,021	237,659	22,408
▲ Inventory SF	17,219,150	17,003,899	17,003,899	17,003,261	17,003,261

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
5441 Kietzke Lane Reno, NV	63,030 SF	Undisclosed	K McGraw, J Haner AL-MOR Platinum LLC	Class B
300-328 S Wells Avenue Reno, NV	40,852 SF	\$10,057,500 \$246.19 PSF	Undisclosed S3 Development Company	Class C
241 Ridge Street Reno, NV	33,485 SF	Undisclosed	Brush Family Trust TDC Reno Office 1-DE-SPE LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5440 Reno Corporate Drive Reno, NV	17,315 SF	Powell Fam Trust 2011	Donor Network West	Health Care/Soc Assist.
5250 S Virginia Street Reno, NV	15,057 SF	McKenzie Properties	Undisclosed	Undisclosed
170 S Virginia Street Reno, NV	7,308 SF	Washoe County	Washoe County	Governmental

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