



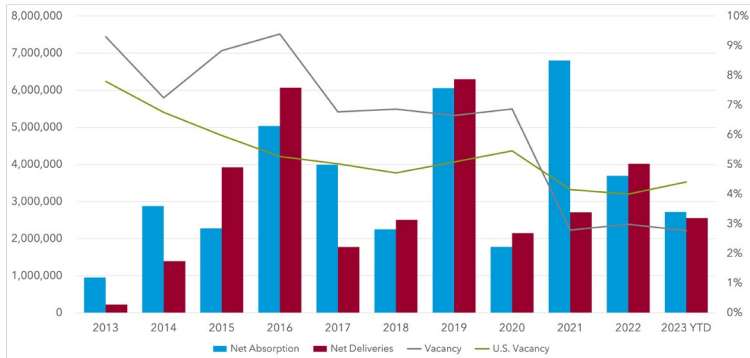
### OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

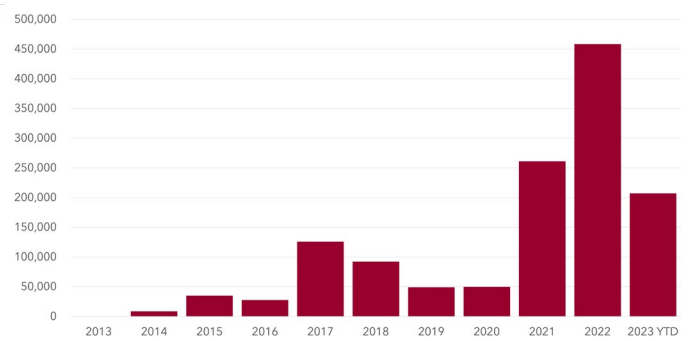
The Reno area has been very stagnant in both pricing and absolute SF of occupied space for some time. When new product comes on the market and the market occupies it, both an increase in overall pricing and higher vacancy can happen at the same time. We expect this trend to continue as new construction gets leased at the higher rates it demands. This will cause the “trickle down” effect of the former Class A space having to decrease pricing to gain tenancy which will again affect the next level down. The good news is the area’s population growth continues, bringing new demand which should steady the market somewhat, although it will take some time. Look for average pricing to increase, with competitive rates on the secondary classes of product.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▼ 12 Mo. Net Absorption SF	(141,784)	(65,312)	37,559	253,912	299,394
▲ Vacancy Rate	10.3%	8.3%	7.9%	7.9%	7.9%
▲ Avg NNN Asking Rate PSF	\$24.71	\$24.63	\$24.44	\$24.24	\$24.16
▼ SF Under Construction	207,137	458,538	463,666	342,549	334,549
▲ Inventory SF	17,483,781	17,197,530	17,185,701	17,185,701	17,185,701

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1055 Moana Lane Reno, NV	12,604 SF	\$1,550,000 \$122.98 PSF	DLP Family Trust Beck, LLC	Class C
979 Pyramid Way Sparks, NV	5,774 SF	\$1,850,000 \$320.40 PSF	Tamara E. Barengo Benjamin Garol	Class B
458 Court Street Reno, NV	4,407 SF	\$857,000 \$171.40 PSF	Bristlecone Branch LLC AZ, NV Development Corporation	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
13870 Stead Boulevard Reno, NV	16,300 SF	Desi Moreno 2001 Trust	ABC Daycare	Daycare
200 S. Virginia Street, 5th Fl Reno, NV	5,500 SF	Nelson 200 South Virginia LLC	Department of Tourism	Government
6800 S. McCarran Reno, NV	5,429 SF	Greer Enterprises Inc	Undisclosed	Family Therapy

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