



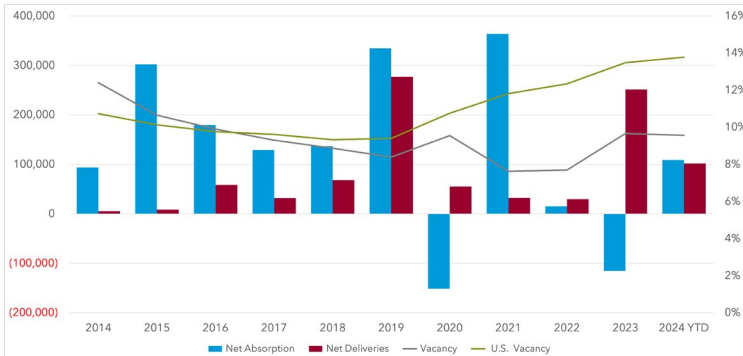
OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

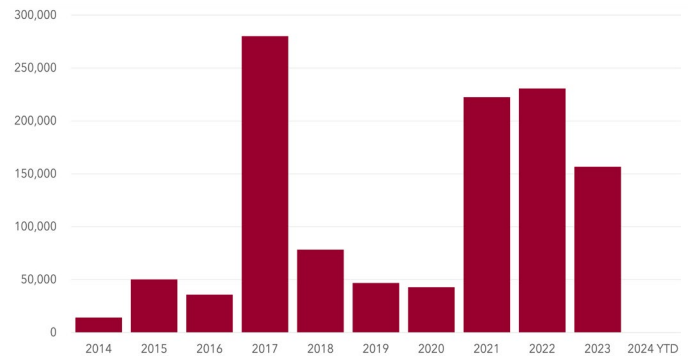
The office market is the only one here, and nationally, which has seen a downturn in demand which is seemingly a full “shift” or “drop” downward of the entire office demand curve. While the population, jobs and overall area’s fundamentals are doing great, the Pandemic hit th market just as new construction was underway. The predictable result is a market in which the competition for new tenants is great among owners, keeping rates down far below the national average for similar space. However, along with the lack of rise in occupancy rates, comes relatively low vacancy rates. This, along with the new construction, could actually attract larger office users to the area especially given the region’s reputation of “quality of life”.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▲ 12 Mo. Net Absorption SF	278,978	(115,073)	(167,390)	(279,964)	(255,570)
▼ Vacancy Rate	9.4%	9.7%	10.0%	10.3%	10.7%
▲ Avg NNN Asking Rate PSF	\$24.40	\$24.34	\$24.25	\$24.38	\$24.19
▲ SF Under Construction	175,967	277,786	257,786	268,021	166,202
▲ Inventory SF	17,775,099	17,673,280	17,673,280	17,663,045	17,708,045

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
300 E. 2nd Street Reno, NV	136,497 SF	\$28,416,000 \$208.18 PSF	Greater NV Field Basin Street	Class B
1055 S. Wells Reno, NV	20,103 SF	\$5,040,626 \$250.74 PSF	Community Health ECOL	Class C
6554 S. McCarran Reno, NV	5,952 SF	\$2,030,000 \$341.06 PSF	Michael Poleselli BHK Real Estate	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10375 Professional Circle Reno, NV	79,248 SF	Thomas Stucker	State of Nevada	Government
520 S. Rock* Reno, NV	52,800 SF	McKenzie Props	Sierra Air	Service
9290 Gateway Reno, NV	24,886 SF	Roter Inv of NV	Ridgeline, Inc.	Prof & Tech

*Sublease

