



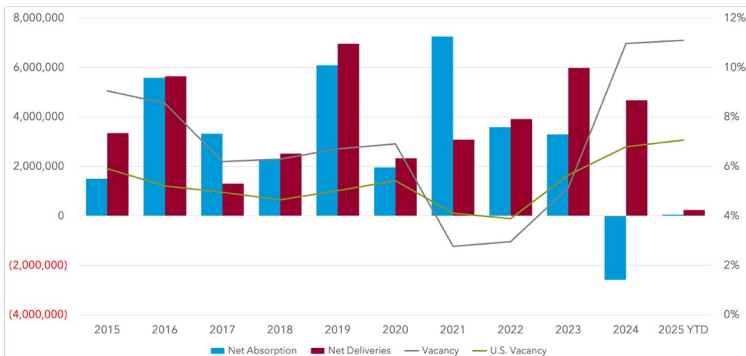
INDUSTRIAL MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

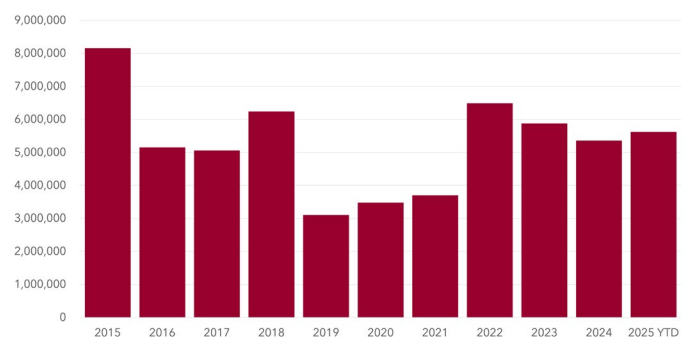
Reno's industrial market remains well-positioned to serve the West Coast, but a national pullback in e-commerce and third-party logistics over the past 18 months has driven a sharp increase in sublease space. Many of the top recent leases have come from this inventory, putting pressure on rental rates and delaying new construction. The challenge isn't demand, but timing—this slowdown coincided with a wave of speculative development, resulting in the highest vacancy rates the region has seen in years. For rental rates to recover and support new development, the sublease market must continue to stabilize through further absorption.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▲ 12 Mo. Net Absorption SF	(1,638,934)	(2,583,349)	(4,338,577)	(2,154,979)	240,151
▲ Vacancy Rate	11.2%	11.0%	11.8%	9.7%	7.1%
▼ Avg NNN Asking Rate PSF	\$9.06	\$9.13	\$9.10	\$9.12	\$9.06
▲ Sale Price PSF	\$132.61	\$132.34	\$129.85	\$128.58	\$127.54
◀▶ Cap Rate	6.3%	6.3%	6.3%	6.3%	6.2%
▼ Under Construction SF	5,218,095	5,358,428	4,736,928	5,811,447	6,570,002
▼ Inventory SF	120,505,914	120,266,221	120,235,721	118,986,602	116,990,430

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4745 Longley Lane Reno, NV	134,808 SF	\$25,424,776 \$188.60 PSF	Nuveen Link	Class A
4673-4681 Aircenter Circle Reno, NV	106,164 SF	\$19,231,192 \$181.15 PSF	Nuveen Link	Class B
4855 Longley Lane Reno, NV	54,848 SF	\$11,797,019 \$215.09 PSF	Nuveen Link	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1895 Duffy Road Fernley, NV	815,215 SF	Mark IV Capital	Undisclosed	Logistics
9595 N. Virginia Street Reno, NV	405,213 SF	Panattoni	American Paper Bag	Services
6125 Echo Avenue Reno, NV	286,487 SF	Becknell Industrial	Undisclosed	Logistics

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