



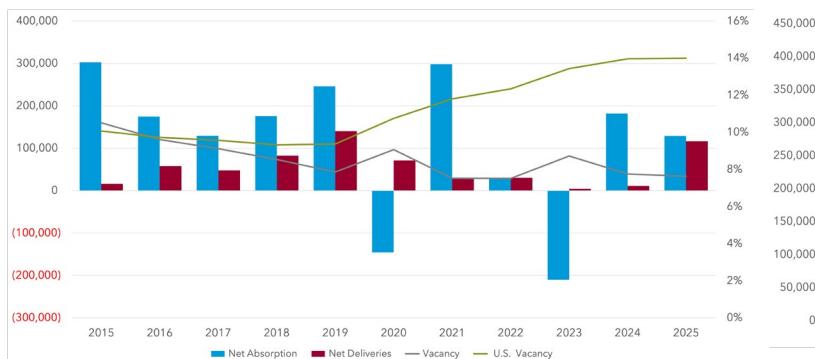
## OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, President

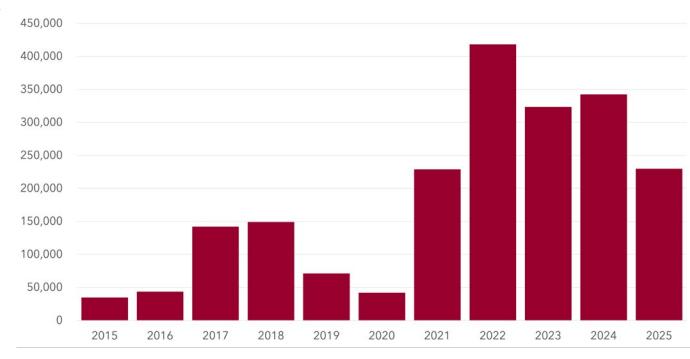
Looking at vacancy rates, you might think that Reno has something going here counter to the national demand for office space. However, the closer look tells you that it is just a market which was not overbuilt before the Pandemic, and has not built much since. The lack of supply, along with the increasing population in the area has balanced the available space to equate to a very stable office market. Rates are not increasing, but supply is not as well, and although there is an aptitude for new office space to be leased fairly quickly (even at higher than "market"), new construction projects are hard to get going. This market should remain stable and solid for the upcoming year as the supply should stay pretty much the same and our population here continues to grow, ensuring some demand increases.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	111,311	129,122	312,462	211,003	250,242
▲ Vacancy Rate	7.7%	7.6%	7.5%	8.0%	8.1%
◀ ▶ Avg NNN Asking Rate PSF	\$26.12	\$26.12	\$26.10	\$26.24	\$26.25
◀ ▶ Sale Price PSF	\$191.46	\$191.46	\$189.93	\$187.12	\$185.74
◀ ▶ Cap Rate	9.4%	9.4%	9.5%	9.5%	9.5%
◀ ▶ Under Construction SF	229,804	229,804	229,804	239,825	221,272
◀ ▶ Inventory SF	17,817,868	17,817,868	17,817,868	17,807,847	17,822,472

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
400 King Street Carson City, NV	36,544 SF	\$3,150,000 \$86.20 PSF	HaleyBogart et al Carson Properties	Class B
850 Mill Street Reno, NV	21,165 SF	\$4,200,000 \$198.44 PSF	USO 2 Holdings LLC Brian Bakhani	Class B
8790 Double Diamond Parkway Reno, NV	15,799 SF	\$6,100,000 \$386.10 PSF	John Kirkorian Bruce Robertson	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1301 Cordone Avenue Reno, NV	7,911 SF	1301 Cordone LLC	Koinonia Farm Services	Admin & Support
4824 Sparks Boulevard Sparks, NV	6,018 SF	VPC Investors	Undisclosed	Physical Therapy
6005 Plumas Street Reno, NV	4,555 SF	Mueller Investments	Edward Jones	Financial



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