



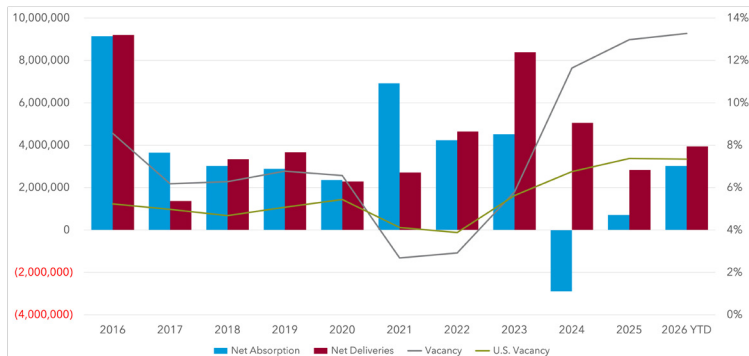
INDUSTRIAL MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

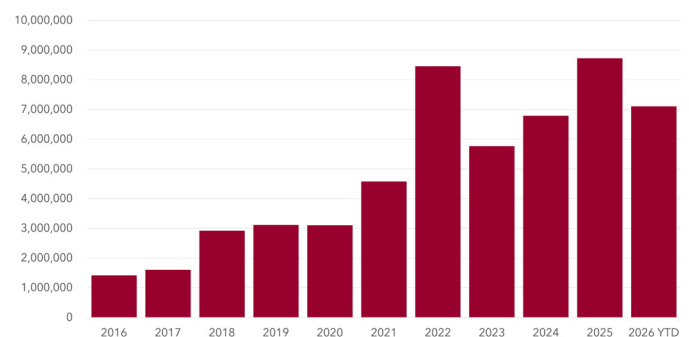
If you just looked at the "Under Construction" in our market for the last 4 years, you could not tell that we had a major interest change, slow down in the market both nationally and locally, and had a rise in vacancy over that period. The Construction is driven by our unique location of distribution for West Coast service. Sub Lease space has risen, Pre leased space has diminished, but Developers know this will be a "When" problem and likely not an "If". This has, though, put pressure on rates (which have stayed relatively flat) and concessions for the market. It has also put existing space in a poor position to keep tenants without offering rate or improvement concessions as well, and even then, they are often competing with new construction at similar rates to keep tenants. Again, our market will handle it, but the short-term consequences of over construction will keep things dicey.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▼ 12 Mo. Net Absorption SF	1,283,990	1,316,398	2,137,678	708,155	1,810,129
▼ Vacancy Rate	13.6%	13.7%	13.0%	13.0%	10.8%
▼ Avg NNN Asking Rate PSF	\$9.44	\$9.45	\$9.35	\$9.22	\$9.23
▲ Sale Price PSF	\$141.43	\$140.54	\$138.70	\$135.30	\$135.17
◀ ▶ Cap Rate	6.3%	6.3%	6.3%	6.4%	6.3%
▲ Under Construction SF	7,104,490	6,070,096	6,492,768	8,722,916	10,065,889
▲ Inventory SF	137,858,819	137,209,313	136,511,121	133,918,917	132,208,744

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
665 Maestro Dr. (&640 Maestro) Reno, NV	718,791 SF	\$118,040,522 \$164.22 PSF	Stonemont Financial Link	Class B
45 Vista Blvd Sparks, NV	324,000 SF	\$33,000,000 \$101.85 PSF	45 Vista NV LLC BT Property LLC	Class B
1150 Southern Way Sparks, NV	40,040 SF	\$9,250,000 \$231.02 PSF	Erg Aerospace Corp Hsing Hua Cheng	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
475 Lillard Dr. Sparks, NV	276,000 SF	Starwood Real Estate	ACCO	Warehousing
1900 Peru Sparks, NV	108,160 SF	Saxum RE BGO	Confidential	Cold Storage
475 Lillard Dr. Sparks, NV	106,000 SF	Starwood Real Estate	Reno Relo	Moving & Storage

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