



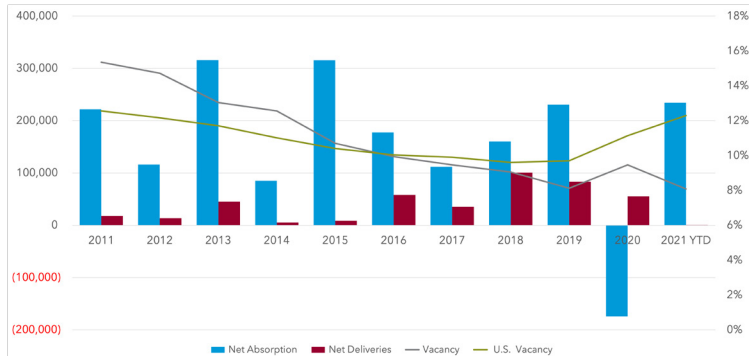
OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

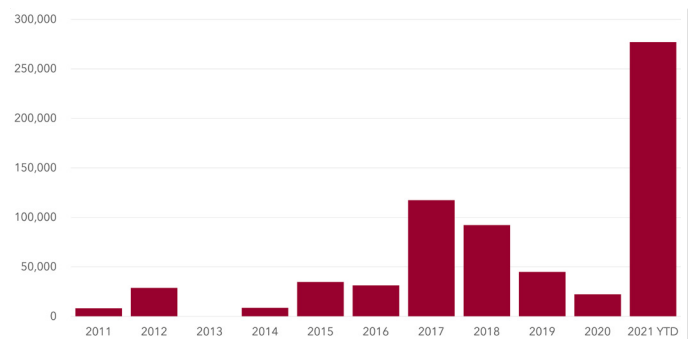
We are seeing a reduction in the vacancy rate in this area due to the strength of our Market in general. The Covid resultant while leaving many confused, has not impacted the gross numbers as many expected just due to a heated area economy. However, most of the "under construction" space has yet to be delivered. We will have to wait, but I expect the gravitation to new space as it becomes available will have a reasonable negative impact on the existing Office space, both in terms of rental rates and demand for the space in general. The strength of the Sales market is a reflection of the availability of product combined with the overall demand for investment product in general.

MARKET INDICATORS	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
▲ 12 Mo. Net Absorption SF	292,243	(60,994)	(219,670)	(174,240)	(226,836)
▼ Vacancy Rate	8.0%	9.3%	9.4%	9.5%	9.7%
▲ Avg NNN Asking Rate PSF	\$23.10	\$22.85	\$22.62	\$22.51	\$22.02
▲ SF Under Construction	277,021	237,021	237,659	22,408	13,370
◀▶ Inventory SF	16,886,699	16,886,699	16,886,061	16,886,061	16,873,329

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6100 Neil Road Reno, NV	347,449 SF	Undisclosed	Paulo Cirling Basso Family Trust	Class B
1140-1170 Financial, 5580 Mill St. & 5595 Equity, Reno, NV	129,821 SF	\$26,400,000 \$203.36 PSF	Hillcrest Management Bain Street Properties	Class B
300-328 S Wells Avenue Reno, NV	40,852 SF	\$11,000,000 \$269.27 PSF	Undisclosed S3-300 S Wells LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5250 S Virginia Reno, NV	13,345 SF	McKenzie	Undisclosed	Undisclosed
2450 Oddie Boulevard Sparks, NV	12,066 SF	Foothills Partners Inc	Inovation Collective	
5310 - 5370 Kietzke Reno, NV	9,055 SF	Nev Dex Properties	Undisclosed	Undisclosed

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2021 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com