



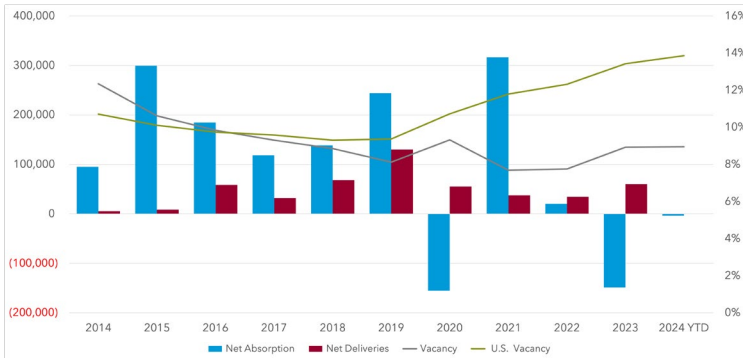
OFFICE MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

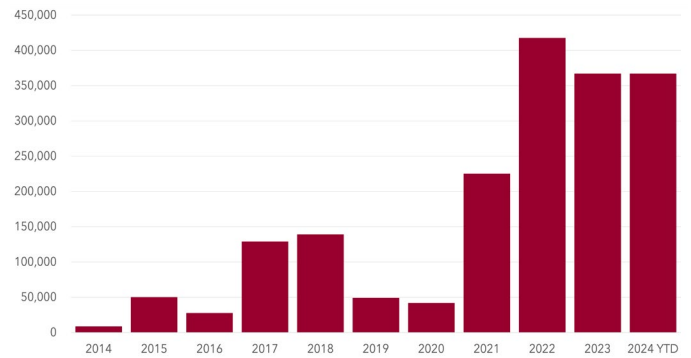
The office market has not taken the “hit” that much of the rest of the country has due in large part to the mix of the tenants being primarily local and the fact that there has only been moderate growth in construction in this sector in the last 20 years. Add to this, the population and job growth in the area has really taken off. We have had flat pricing and relatively flat vacancy rates for some time, and I expect that the market will be able to handle the new construction. The new construction will demand, and receive, higher pricing while the rest of the market will have to get very aggressive with pricing to retain/acquire the tenants they need. I see our relative inexpensive pricing to continue to attract and acquire tenants from the population moving to the area for “quality of life” attributes.

MARKET INDICATORS	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
▲ 12 Mo. Net Absorption SF	116,722	31,208	(148,824)	(254,541)	(293,715)
▼ Vacancy Rate	8.8%	9.1%	8.9%	9.3%	9.4%
▲ Avg NNN Asking Rate PSF	\$24.57	\$24.53	\$24.37	\$24.20	\$24.32
◀ ▶ SF Under Construction	367,218	367,218	367,218	347,218	357,453
◀ ▶ Inventory SF	17,362,559	17,362,559	17,362,559	17,362,559	17,352,324

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1595 Robb Drive Reno, NV	7,585 SF	\$1,404,190 \$185.13 PSF	Dornin Invest Group Ribeiro Company	Class B
6120 Mae Ann Avenue Reno, NV	7,500 SF	\$1,563,141 \$208.42 PSF	Dornin Invest Group Ribeiro Company	Class B
1575 Robb Avenue Reno, NV	6,011 SF	\$1,486,050 \$247.22 PSF	Dornin Invest Group Ribeiro Company	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9850 Double R Boulevard Reno, NV	28,856 SF	Incline Capital Group	Nevada Dept of Health & Human Services	Public Administration
1885 S. Arlington Street Reno, NV	15,721 SF	Gary Mollath	Adopt-a-Vet Dental	Health Care
100 W. Liberty Street Reno, NV	5,134 SF	CM Capital	Address Income LLC	Services

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 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com