



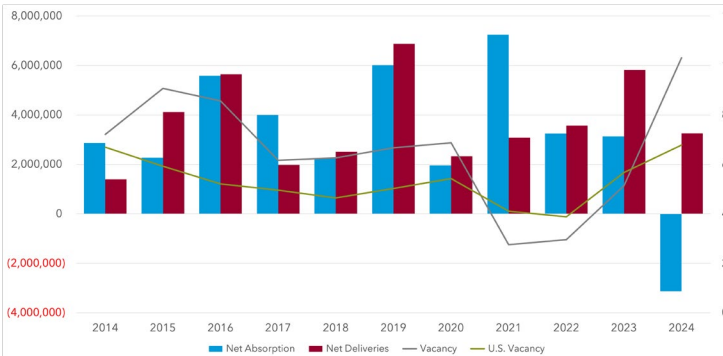
INDUSTRIAL MARKET OVERVIEW

LYLE CHAMBERLAIN, *President*

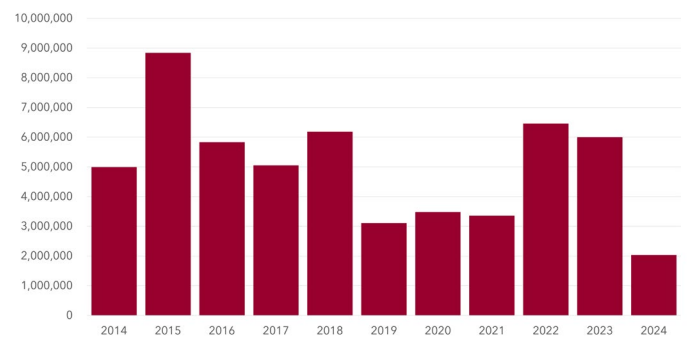
The Reno industrial market is uniquely located to serve the West Coast for distribution. However, with 4 quarters now of net negative absorption, and continuing substantial construction, the short term prognosis for the area is a bit dismal for owners of properties. The situation has affected both rates for new construction as well as rates for existing space renewals, not to mention the standard increases sought for those leases. This will continue until demand for existing and “soon to the market” space catches up with supply. Even though the region has a comparative advantage in location for this space, and demand continues, it will be some time before this happens. Power has shifted to users as opposed to owners.

MARKET INDICATORS	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
▲ 12 Mo. Net Absorption SF	(3,127,194)	(4,851,922)	(2,272,289)	240,151	3,295,020
▼ Vacancy Rate	10.3%	11.2%	9.5%	7.1%	5.1%
▼ Avg NNN Asking Rate PSF	\$9.13	\$9.16	\$9.23	\$9.18	\$9.16
▼ Sale Price PSF	\$127.93	\$128.10	\$127.09	\$126.58	\$127.07
◀▶ Cap Rate	6.4%	6.4%	6.4%	6.3%	6.2%
◀▶ Under Construction SF	4,460,604	4,460,604	4,269,368	4,791,024	5,688,601
◀▶ Inventory SF	119,462,195	119,462,195	119,325,831	117,603,451	116,204,367

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
350 Saddle Drive Sparks, NV	63,910 SF	\$3,000,000 \$46.94 PSF	Alejandro Oseguera Richard Barraza	Class B
3600 Peru Sparks, NV	62,964 SF	\$14,552,700 \$231.13 PSF	Switch, Inc. Fulcrum Bioenergies, Inc.	Class B
490 S. Rock Reno, NV	62,000 SF	\$6,000,000 \$96.77 PSF	Willow Tree Properties LLC McKenzie Properties	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1600 Peru Drive Sparks, NV	410,750 SF	Pure Development	Undisclosed	Inventory Storage
625 Pittsburg Avenue Sparks, NV	141,120 SF	Avenue 55	Undisclosed	Distribution
385 Cabela Drive Verdi, NV	104,000 SF	Ares	Intex Recreation Corporation	Distribution

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