

Las Vegas



Market Facts

134,973

Total SF of professional office space under construction.

112,000

Total amount of new delivery SF during the quarter

249

Total number of leases signed

66

Total number of office sales

Office Market Overview

Professional office vacancy decreased slightly to 12% in the second quarter. There was only 112,000 square feet of deliveries during the quarter. Overall office vacancy is expected to trend downward throughout the year.

There were approximately 249 office leases executed in the second quarter of 2019. While the largest lease was 98,114 square feet, there were only 15 leases completed over 10,000 square feet. By comparison, there were approximately 332 office leases executed in the second quarter of 2018. The largest lease was 58,950 square feet, with a majority being under 10,000 square feet.

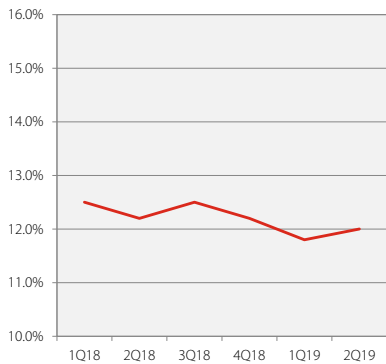
In the second quarter of 2019, there were approximately 66 office sales, with the largest sale being a 62,140 square foot office building in the south submarket which sold for \$27,314,618 or \$439.57/SF. A majority of the sales that took place were under 20,000 square feet. By comparison, there were approximately 100 office sales completed in the second quarter of 2018. The largest sale was a 160,692 square foot office building in the Downtown submarket which sold for

\$36,941,331 or \$229.89/SF. A majority of sales that took place in the second quarter of 2018 were under 50,000 square feet.

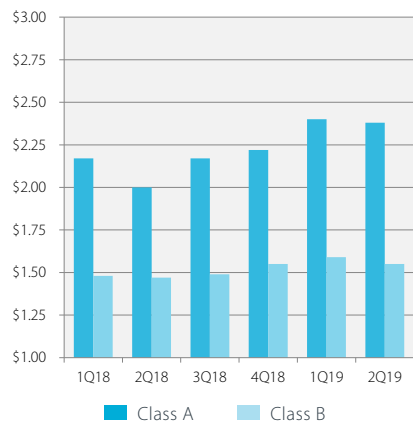
The medical office market performed well in the second quarter of 2019 with 15 sales and 29 leases. The 62,140 square foot Siena Medical Pavilion VI building located at 2865 Siena Heights Drive in the south submarket was the largest medical office sale of the quarter. The building sold for \$27,314,618 or \$439.57/SF. The largest medical office lease was located at 5175 South Durango Drive in the southwest submarket. The 6,077 square foot lease was for signed for approximately \$1.38/SF (MG).

Office Market Snapshot

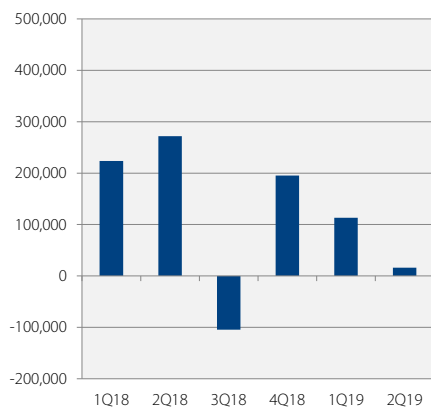
Vacancy Rates



Asking Rents

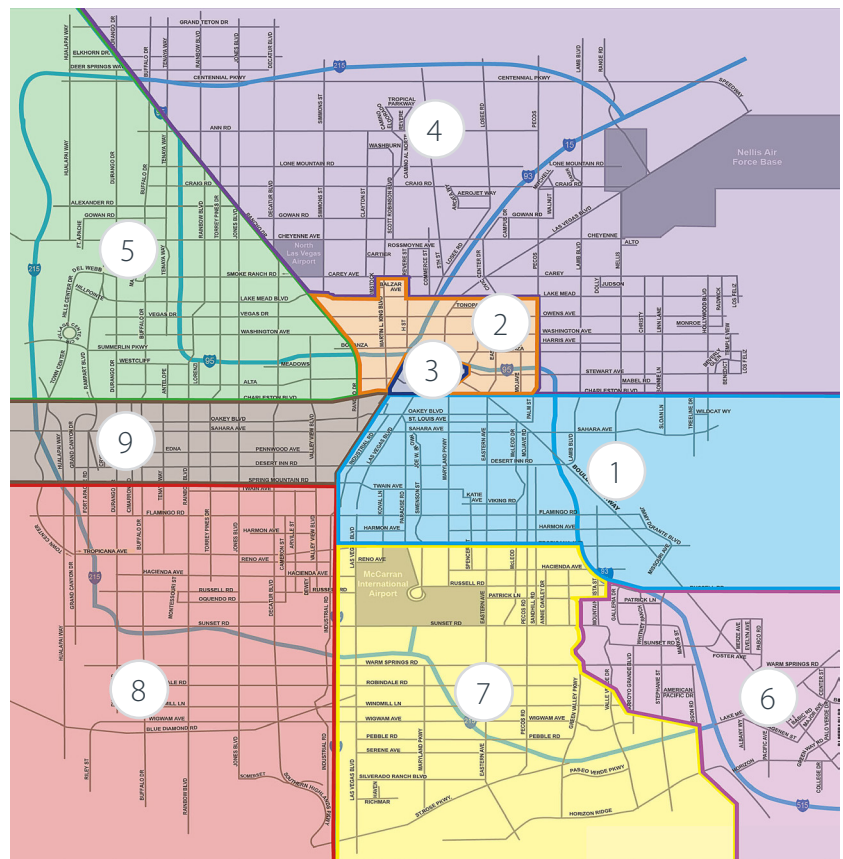


Absorption



Las Vegas Office Submarkets

1. Central East
2. Central North
3. Downtown
4. North Las Vegas
5. Northwest
6. Southeast
7. South
8. Southwest
9. West



Professional Office Market Indicators

Submarket	Total SF *	Vacant Available SF	Vacant Available %	Current Net Absorption	YTD Net Absorption	Under Construction	Avg. Asking Rate Class A**	Avg. Asking Rate Class B**
Central East	5,575,126	941,665	16.9%	138,540	142,643	61,146	\$2.62	\$1.59
Central North	1,485,189	24,010	1.6%	(16,505)	(19,127)	0	n/a	\$0.97
Downtown	4,514,205	346,106	7.7%	36,180	28,364	0	\$2.84	\$2.11
North Las Vegas	1,407,862	91,604	6.5%	13,125	27,249	0	\$1.25	\$1.17
Northwest	6,072,940	901,505	14.8%	(12,458)	14,707	0	\$2.09	\$1.43
Southeast/Henderson	1,008,674	125,055	12.4%	12,878	13,250	0	\$2.19	\$1.07
South	8,220,928	988,254	12.0%	(97,808)	(129,771)	0	\$2.33	\$1.61
Southwest	7,599,060	793,025	10.4%	(58,331)	36,814	49,995	\$2.21	\$1.78
West	5,289,158	701,304	13.3%	525	(14,207)	0	\$2.16	\$1.35
Totals	41,173,142	4,912,528	12.0%	16,146	99,922	134,973	\$2.38	\$1.55

* Includes buildings over 10,000 SF

** Average asking rates have been converted to FSG including CAM, janitorial and electric.

Medical Office Market Indicators

Submarket	Total SF *	Vacant Available SF	Vacant Available %	Current Net Absorption	YTD Net Absorption	Under Construction	Avg. Asking Rate **
Central East	2,354,878	512,205	21.8%	(60,044)	(98,438)	0	\$1.34
Central North	795,423	77,830	9.8%	(1,995)	11,324	0	\$1.57
North Las Vegas	490,715	70,806	14.4%	1,981	12,840	0	\$1.45
Northwest	3,365,006	290,054	8.6%	11,189	8,986	0	\$1.46
Southeast/Henderson	600,044	106,453	17.7%	4,922	39,525	0	\$1.29
South	2,791,719	371,424	13.3%	668	(17,338)	23,832	\$1.50
Southwest	3,028,912	443,619	14.6%	35,284	62,658	57,000	\$1.74
West	1,284,905	151,716	11.8%	9,397	37,827	0	\$1.19
Totals	14,846,494	2,046,274	13.8%	1,402	57,384	80,832	\$1.47

* Includes buildings over 5,000 SF

** Average asking rates have been converted to FSG including CAM, janitorial and electric.



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