

Las Vegas



Market Facts

743,184

Total SF of professional office space under construction.

23,721

Total amount of new delivery SF during the quarter

229

Total number of leases signed

51

Total number of office sales

Office Market Overview

Professional office vacancy increased to 11.2% in the second quarter. While there were approximately 23,721 square feet of deliveries during the quarter, there was approximately 743,184 square feet under construction.

There were approximately 229 office leases executed in the second quarter of 2020. While the largest lease was 22,213 square feet, there were only 8 leases completed over 10,000 square feet. By comparison, there were approximately 327 office leases executed in the second quarter of 2020. The largest lease was 91,057 square feet, with a majority being under 10,000 square feet.

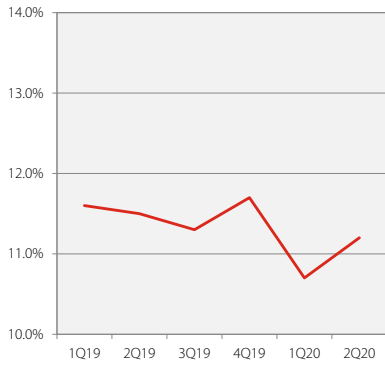
In the second quarter of 2020, there were approximately 51 office sales, with the biggest sale being a 63,959 square foot office building in the south submarket which sold for \$15.96M or \$249.51/SF. A majority of the sales that took place were under 50,000 square feet. By comparison, there were approximately 92 office sales

completed in the second quarter of 2020. The biggest sale was a 62,140 square foot office building in the south submarket which sold for \$26.6M or \$428.11/SF. A majority of sales that took place in the second quarter of 2020 were under 50,000 square feet.

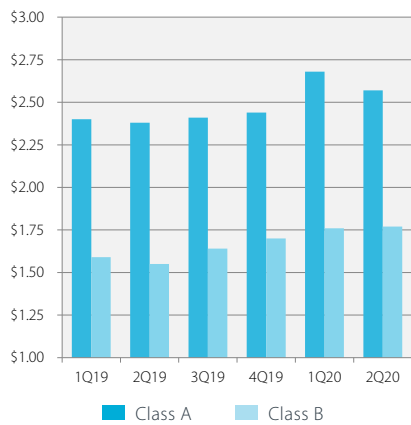
The medical office market performed well in the second quarter of 2020 with 13 sales and 9 leases. The 10,102 square foot medical office building located at 1912 Civic Center Drive in the central north submarket was the largest medical office sale of the quarter. The building sold for \$4.22M or \$417.81/SF. The largest medical office lease was located at 3131 La Canada Street in the central east submarket. The 3,909 square foot lease was signed for \$1.31/SF (NNN).

Office Market Snapshot

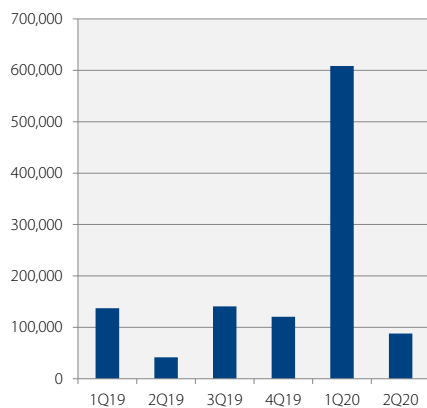
Vacancy Rates



Asking Rents

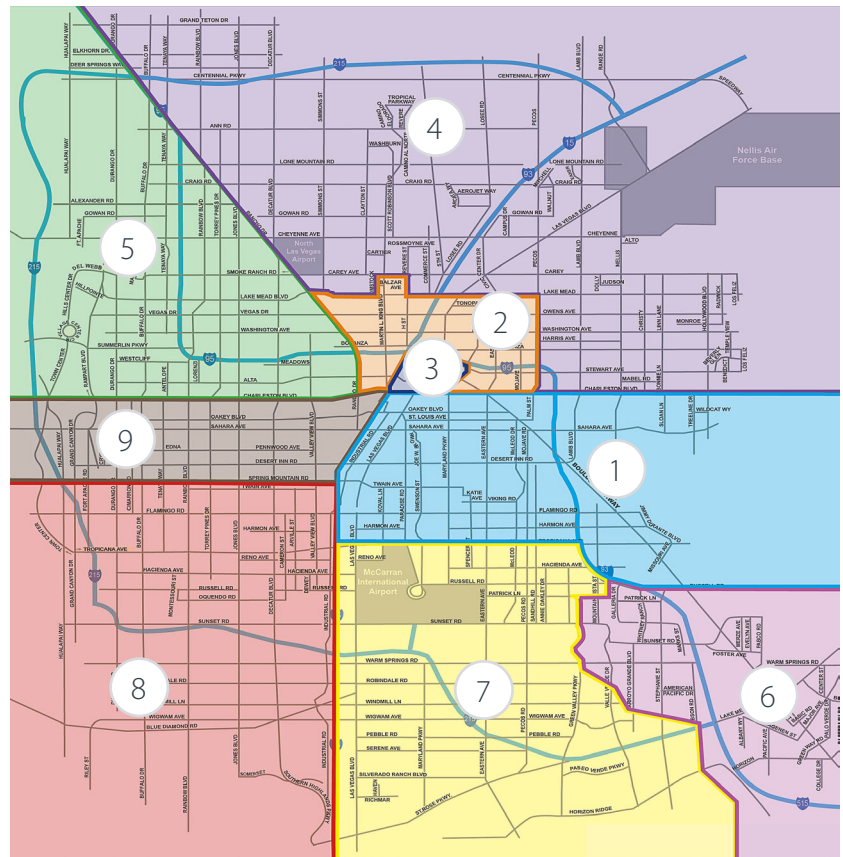


Absorption



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	12 Mo Net Absorption	Under Construction	Avg. Asking Rate Class A**	Avg. Asking Rate Class B**
Central East	5,573,420	1,099,075	19.7%	(129,772)	(142,000)	0	\$2.39	\$1.73
Central North	1,505,605	964	0.1%	0	22,800	0	n/a	\$1.85
Downtown	4,495,519	330,556	7.4%	(12,063)	82,200	0	\$2.75	\$2.30
North Las Vegas	1,354,656	134,042	9.9%	(20,307)	(64,300)	0	n/a	\$1.86
Northwest	6,304,689	806,358	12.8%	8,377	85,600	0	\$2.41	\$1.95
Southeast/Henderson	1,032,558	149,341	14.5%	1,288	(23,000)	0	n/a	\$1.33
South	8,327,266	700,340	8.4%	(41,354)	173,000	323,000	\$2.50	\$1.70
Southwest	7,671,608	599,361	7.8%	83,821	361,000	420,184	\$2.89	\$1.64
West	5,159,577	826,884	16.0%	197,994	(84,000)	0	\$3.31	\$1.72
Totals	41,424,898	4,646,921	11.2%	87,984	411,000	743,184	\$2.57	\$1.77

* 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	12 Mo Net Absorption	Under Construction	Avg. Asking Rate **
Central East	2,483,588	407,608	16.4%	31,327	42,300	0	\$1.25
Central North	794,858	78,435	9.9%	(4,656)	(3,300)	0	\$1.55
North Las Vegas	499,561	55,216	11.1%	16,450	33,200	0	\$1.40
Northwest	3,199,584	254,930	8.0%	(38,504)	69,000	0	\$1.35
Southeast/Henderson	630,530	81,606	12.9%	6,521	19,400	0	\$1.02
South	2,755,058	337,545	12.3%	(32,317)	69,200	300,000	\$1.50
Southwest	3,226,990	516,423	16.0%	18,288	26,400	167,252	\$2.00
West	1,367,184	102,112	7.5%	(3,758)	26,000	0	\$1.36
Totals	15,093,150	1,872,909	12.4%	(23,526)	265,000	467,252	\$1.54

* Includes buildings over 5,000 SF

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



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