

Las Vegas



Market Facts

445,146

Total amount of professional office space under construction.

69,196 SF

Largest office building sold

238

Total number of leases signed

91

Total number of office sales

Office Market Overview

Professional office vacancy decreased slightly to 11.3% in the fourth quarter. There was only 15,656 square feet of deliveries during the quarter. Overall office vacancy is expected to trend downward throughout the year.

There were approximately 238 office leases executed in the fourth quarter of 2018. While the largest lease was only 24,000 square feet, there were only 8 leases completed over 10,000 square feet. By comparison, there were approximately 358 office leases executed in the fourth quarter of 2017. The largest lease was 50,000 square feet, with a majority being under 10,000 square feet.

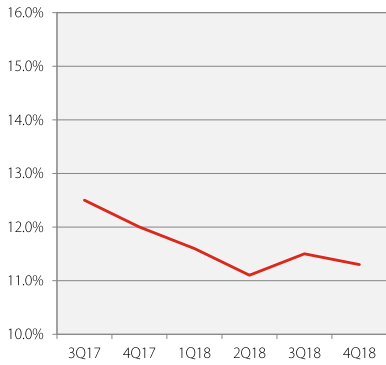
In the fourth quarter of 2018, there were approximately 91 office sales, with the largest sale being a 30,500 square foot office building in the southwest submarket which sold for \$19,163,453 or \$628.31/SF. A majority of the sales that took place were under 40,000 square feet. By comparison, there were approximately 118 office sales completed in the fourth quarter of 2017. The largest sale was a 75,249 square foot office building in the south submarket which sold for \$19,500,000

or \$259.14/SF. A majority of sales that took place in the fourth quarter of 2017 were under 100,000 square feet.

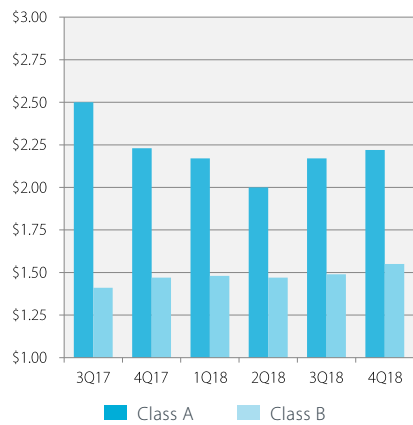
The medical office market performed well in the fourth quarter of 2018 with 23 sales and 22 leases. The 30,172 square foot Centennial Gateway Office located at 5785 Centennial Center Blvd in the northwest submarket was the largest medical office sale of the quarter. The building sold for \$9,050,000 or \$299.95/SF. The largest medical office lease was located at 2605 East Flamingo Road in the central east submarket. The 7,000 square foot lease was for signed for approximately \$1.00/SF (NNN).

Office Market Snapshot

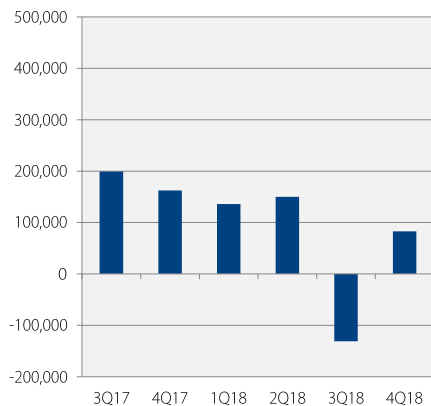
Vacancy Rates



Asking Rents

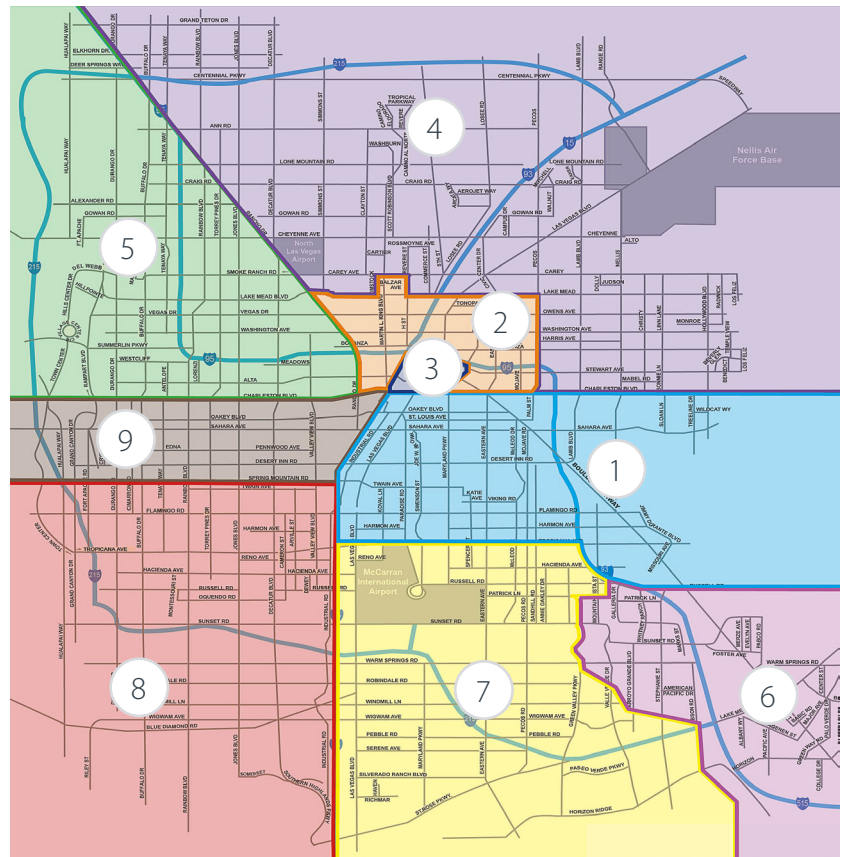


Absorption



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 SF	Vacancy	Current Net Absorption	YTD Net Absorption	Under Construction	Avg. Asking Rate Class A**	Avg. Asking Rate Class B**
Central East	5,720,418	1,094,190	19.1%	142,296	(23,336)	61,146	\$1.98	\$1.51
Central North	1,485,189	4,883	0.3%	0	0	0	n/a	\$0.85
Downtown	4,331,974	420,767	9.7%	(31,896)	7,764	0	\$2.89	\$2.12
North Las Vegas	1,343,325	98,667	7.3%	(15,638)	(3,413)	0	n/a	\$1.50
Northwest	5,907,502	950,608	16.1%	60,320	4,447	4,500	\$2.33	\$1.74
Southeast/Henderson	1,007,244	138,305	13.7%	8,015	0	0	n/a	\$0.95
South	8,115,186	928,095	11.4%	1,891	(10,419)	0	\$2.38	\$1.56
Southwest	7,403,807	702,228	9.5%	(40,338)	(4,538)	379,500	\$1.91	\$1.71
West	5,285,517	794,317	15.0%	81,788	19,952	0	\$2.00	\$1.26
Totals	31,789,303	3,580,378	11.3%	82,729	18,307	445,146	\$2.22	\$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 SF	Vacancy	Current Net Absorption	YTD Net Absorption	Under Construction	Avg. Asking Rate **
Central East	2,297,351	460,975	20.1%	(39,895)	2,515	0	\$1.31
Central North	795,423	92,219	11.6%	2,052	2,695	0	\$1.55
North Las Vegas	492,563	79,933	16.2%	20,641	0	0	\$1.31
Northwest	3,445,622	337,901	9.8%	(12,377)	(21,484)	0	\$1.57
Southeast/Henderson	585,143	154,278	26.4%	3,163	1,000	0	\$1.34
South	2,729,479	384,726	14.1%	3,482	2,444	0	\$1.48
Southwest	2,985,097	493,063	16.5%	6,288	(3,513)	10,000	\$1.60
West	1,284,319	190,032	14.8%	(25,943)	(8,283)	0	\$1.22
Totals	14,728,482	2,193,127	14.9%	(42,589)	(24,656)	10,000	\$1.45

* Includes buildings over 5,000 SF

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



avisonyoung.com

10845 Griffith Peak Drive, Suite 100, Las Vegas, NV 89135
702.472.7979

Prepared by:

Dave A. Dworkin
702.475.7544
dave.dworkin@avisonyoung.com

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