



CORPORATE CENTER, Ph. 3

 **RCG**
economics

UNLV

LEE BUSINESS SCHOOL
LIED INSTITUTE FOR
REAL ESTATE STUDIES

Las Vegas Speculative Office Survey

3rd Quarter 2016



UNITED HEALTH CARE BUILDING



4505 South Maryland Parkway
BEH 530B
Las Vegas, Nevada 89154
www.liedinstitute.com



3900 Paradise Road, Suite 209
Las Vegas, Nevada 89169
www.rcg1.com

December 22, 2016

Re: *Speculative Office Real Estate Survey: 3rd Quarter, 2016*

Dear Reader,

RCG Economics and the UNLV Lied Institute for Real Estate Studies are excited to produce the Lied-RCG Commercial Real Estate Survey (“the Survey”) containing the most comprehensive, timely and accurate data and analysis on the Las Vegas Valley’s industrial, speculative office and anchored retail markets.

RCG Economics has partnered with the Lied Institute to produce objective and independent quarterly surveys on the health and state of the commercial real estate market. RCG is a leader in real estate market research and analysis, including commercial real estate and economic forecasting. The Lied Institute seeks to advance real estate knowledge through research, student scholarship, certificate programs and community outreach activities.

The Survey is born of our commitment to excellence in serving those organizations requiring superior up-to-date market analysis and data to make key decisions. Developing this Private-Public Partnership to collect, analyze and release unbiased information is further proof of this commitment. Equally important, the data herein are collected as close as possible to the end of each quarter.

This survey documents historical and current market conditions at the Valley and submarket levels. The data contained within are organized and tracked by our in-house research analysts and economists to provide the best analysis of Las Vegas’ commercial real estate markets. The survey contains a variety of meaningful market indicators, including:

- Total existing inventory
- New and planned construction activity
- Vacancy and occupancy levels
- Net Absorption
- “Coupon” or quoted monthly rents

Further, our three commercial (industrial, office and retail) databases contain benchmark building data, by submarket, dating back to 1996. This information allows us to develop “custom” studies for our readers and clients. It is through this survey and our other services and products, that we remain the “Source for Decision Makers.”

John Restrepo
RCG Economics

Edward Coulson, Ph.D
Lied Institute for Real Estate Studies-UNLV

Statement of Limiting Conditions

The quarterly commercial survey results presented herein depend on several factors. These factors include the period of data collection and the reliability of the third-party sources providing the data. These variances can lead to fluctuations in results from quarter-to-quarter in our own dataset and survey, and relative to those of other firms also monitoring the Las Vegas Valley's commercial markets. This is especially true for those metrics/indicators most prone to short-term fluctuations, such as demand (net absorption). Over time, our survey results reflect trends that are consistent with those reported by other firms tracking the Valley's commercial markets. Therefore, short-term market fluctuations are mitigated. Additionally, actual market conditions are better reflected in other more stable variables, such as vacancy rates and longer-term metrics like year-over-year trends.

LAS VEGAS SPECULATIVE OFFICE SURVEY

SUMMARY

The Las Vegas Valley's ("the Valley") multi-tenant, Speculative Office market¹ saw 8,028 sf of new space in one building come to market during the third quarter ("Q3") of 2016. The small number of completions this quarter keeps total inventory at approximately 43.1 million sf, though there are another 260,000 sf currently under construction and another 337,480 sf in the planning stages. Demand for space in Q3, 2016, albeit tepid, turned positive with total vacancy decreasing from 20.3% in Q2, 2016 to 20.0% in Q3, 2016. The modest decline in vacancy was accompanied by a slight increase in average monthly asking rents, which rose from \$2.00 per square foot in Q3 ("psf") FSG² to \$2.02 in Q3. Demand was positive with absorption of +144,456 sf, after the first two quarters of the year showed negative absorption.

OFFICE-RELATED JOBS

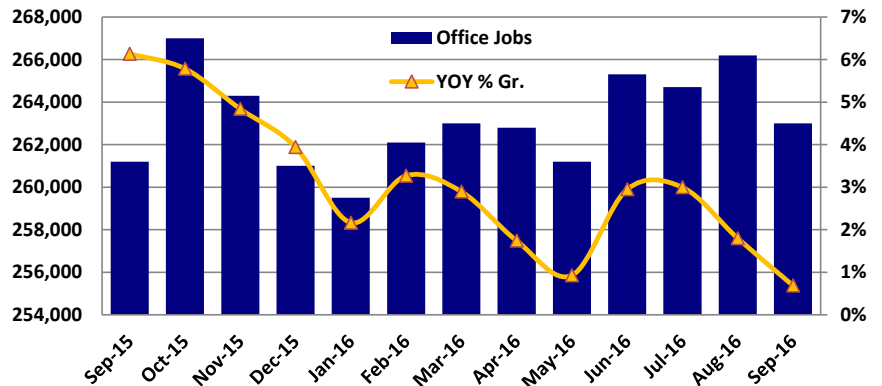
Total nonfarm employment in the Las Vegas MSA rose by 21,600 jobs from September 2015 through September 2016, a 2.3% increase. During that time the "headline" unemployment rate declined 1.1 points to 5.6%.

Employment in the Office-using sector, a critical indicator of the health of the local economy and the region's population growth, was still 31% (265,500 jobs) of all private payroll jobs in Clark County at the end of Q3 (September 2016).

Only 1,800 (+0.7%) new Office-using jobs were added in September.³

September's small bump in jobs was balanced

Clark County Total* Office Jobs and Annual Growth: Sep-15 to Sep-16



*Information, financial activities, professional & business and health care & social assistance. Source: Nevada Department of Employment, Training and Rehabilitation; calculated by RCG Economics.

Office Employment

Industry Sector	Jul			Aug			Sep		
	2016	2015	% Ch.	2016	2015	% Ch.	2016	2015	% Ch.
Information	10,100	10,200	-1.0%	9,700	10,400	-6.7%	9,100	10,200	-10.8%
Financial Activities	45,600	45,600	0.0%	45,300	45,600	-0.7%	45,700	45,600	0.2%
Prof. & Business	125,500	123,500	1.6%	127,800	127,100	0.6%	125,300	127,000	-1.3%
Health Care & Social Assist.	83,500	77,700	7.5%	83,400	78,400	6.4%	82,900	78,400	5.7%
Total	264,700	257,000	3.0%	266,200	261,500	1.8%	263,000	261,200	0.7%

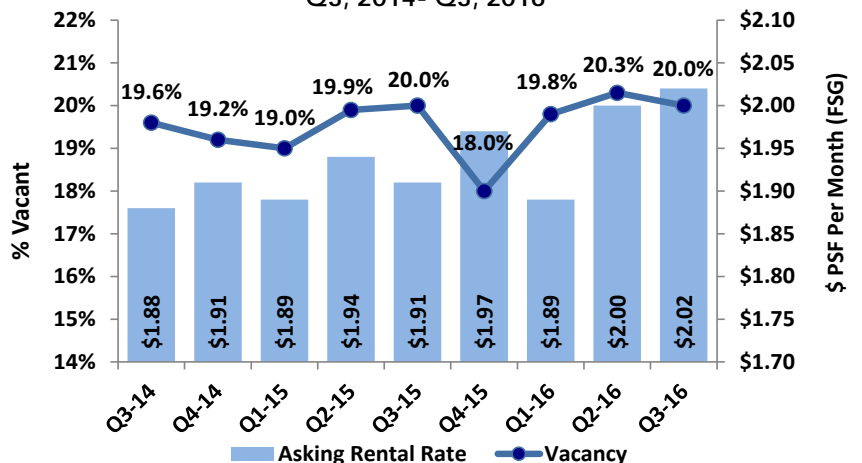
Source: Nevada Department of Employment, Training & Rehabilitation ("DETR").

by July's and August's growths of 3% and 1.8%, respectively, bringing the Q3, 2016 average to 1.8%, a slight decline from the Q2, 2016 average growth of 1.9%. A year-over-year ("Y-O-Y") growth of 1,800 Office jobs indicates small but positive growth for the year, with almost all of the total jobs supplied by the Health Care & Social Assistance sector (+4,500 jobs). The Financial Activities sector added a meager 100 jobs, while the Professional and Business and Information sectors lost -1,700 and -1,100 jobs, respectively.

VACANCY & RENTS

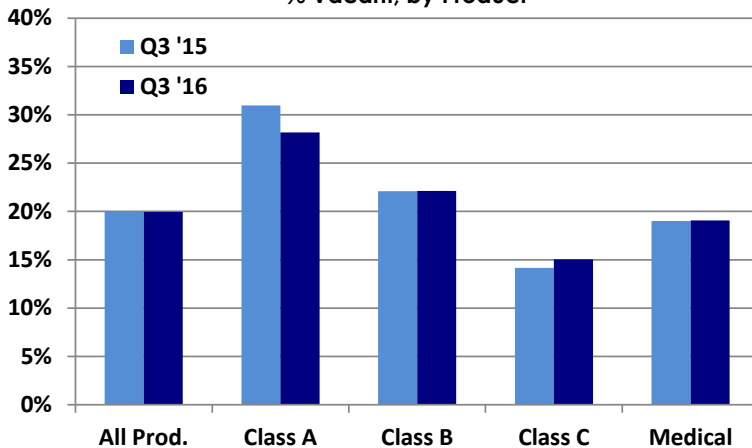
The Office market still has the highest vacancy rate of the three market types due to the overbuilding in Office construction during the boom

Las Vegas Valley Office Market Historical Vacancy vs. Monthly Asking Rent: Q3, 2014- Q3, 2016



SPECULATIVE OFFICE MARKET

**Las Vegas Valley Office Market
Vacancy Trends: Q3, 2015 v. Q3, 2016**
% Vacant, by Product



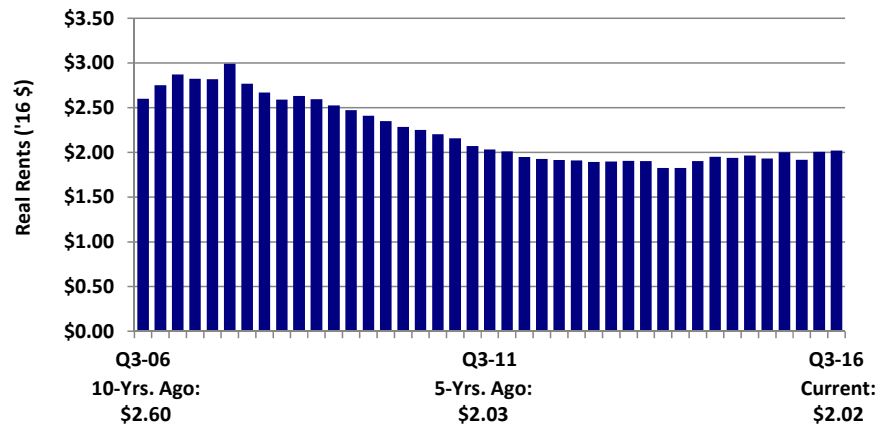
era; however, the rate did decline by 0.3 points in Q3. Total Spec Office vacancy in the Valley (directly vacant space plus vacant sublease space) in Q3 was 20%, down from 20.3% in Q2.

In Q3, 2016, the North Las Vegas and Downtown submarkets again had the lowest vacancy rates with North Las Vegas at 14.2% and Downtown at 14.7%. The Southwest was at 16.6% followed by Airport with 18.2%. Four submarkets were over 20% with East Las Vegas being the highest at 27.8% vacant. The Henderson, West Central and Northwest submarkets were neck and neck at 20.9%, 20.3% and 20.1%, respectively. The West Central submarket saw the biggest decline in vacancy with a 2.5-point drop. The Southwest declined by 1.6 percentage-points, followed by Airport with a decline of 0.7 points. All other submarkets saw vacancy rates rise. Vacancy increased in North Las Vegas by 2.4

points, in Downtown by 1.3 points, in Henderson by 1.1 points and in the Northwest by just 0.1 points.

On a Y-O-Y basis, half the submarkets saw vacancies rise, while the other half saw vacancies decrease. The Southwest submarket saw the greatest improvement in vacancy from Q3, 2015, dropping 1.9 percentage-points. It was followed closely by Henderson with a 1.8-point drop and the Northwest with a decline of 1.2 points. Rounding out the group was the West Central submarket with a 0.9 percentage-point decline. North Las Vegas had the greatest increase with vacancies rising by 4.7 points from Q3, 2015. Close behind was the Airport submarket with an increase in vacancy rate of 4.5 points. Downtown and East Las Vegas saw their vacancy rates increase by 1.8 and 0.5 points, respectively.

**Las Vegas Valley Office Market
Inflation-Adjusted Monthly Rent: Q3, 2006 - Q3, 2016 (Baseline)**



In terms of product types, two of four experienced improvement in vacancy from Q2, 2016. Medical space improved the most in Q3, posting a 0.8-point decline in vacancy, down to 19.1% from 19.9%. Class C vacancy dropped 0.6 percentage-points from 15.6% to an even 15%. Class B vacancy was unchanged at 22.1%, while vacancy in Class A increased by 0.2 points from 28% to 28.2%.

On a Y-O-Y basis, the Valley-wide Spec Office vacancy rate was the same as it was in Q3, 2015, at 20%. Two of four product types saw Y-O-Y vacancy grow, with Class C experiencing an increase of 0.8 points. Medical Office barely changed with a 0.1 percentage-point gain. Class B was again unchanged, remaining at 22.1% over the year. Class A was the only product type to see its vacancy rate decrease with a 2.8-point drop from 31% to 28.2%.

The data suggest that office-using job growth is not paying off for the Office market as much as hoped. More substantial gains in job growth are required to improve vacancy and put a dent in the excess of building space that was erected during the pre-Great Recession boom, of which there is a considerable amount available across the board. These spaces will continue to languish until natural population and job growth, or a more robust recovery, take hold.

The Valley's overall average monthly Spec Office rent (calculated on a full-service gross basis—accounting for all operating expenses) was \$2.02 per square foot ("psf") in Q3, \$0.02 more than the \$2.00 psf asking rent in the previous quarter. Remem-

SPECULATIVE OFFICE MARKET

ber, the rents herein are based on quoted asking rents, not negotiated rents between owners and tenants.

DEMAND

The Valley-wide Spec Office market saw improved absorption in Q3 of +144,456 sf, much better than the -175,519 sf of absorption seen in Q2, 2016. On a Y-O-Y basis, net absorption was +92,221 sf—a substantial decline from the +887,812 recorded for the same period in 2015. However, it is an improvement from the previous quarter when Y-O-Y absorption was -62,488 sf.

Five of the eight Valley submarkets saw demand improve in Q3. The West Central submarket led in growth for the quarter with +135,092 sf of absorption, a big turnaround from the previous quarter when absorption was -12,133. The Airport submarket reversed as well, from -65,822 sf in Q2 to +44,783 in Q3. East Las Vegas also went from negative to positive demand in Q3, from -56,886 in Q2 to +8,025. The four remaining submarkets had negative absorption with the Northwest at -15,157 sf, North Las Vegas at -18,663 sf, Downtown at -52,327 and Henderson at -68,369 sf in Q3.

On a product-basis, Class C and Medical both had positive absorption this quarter, with Class C at +97,266 sf of absorption and Medical at +59,601 sf. Class A and Class B both had negative absorption, but it was relatively minor, with Class B at -4,604 sf and Class A with -7,807 sf.

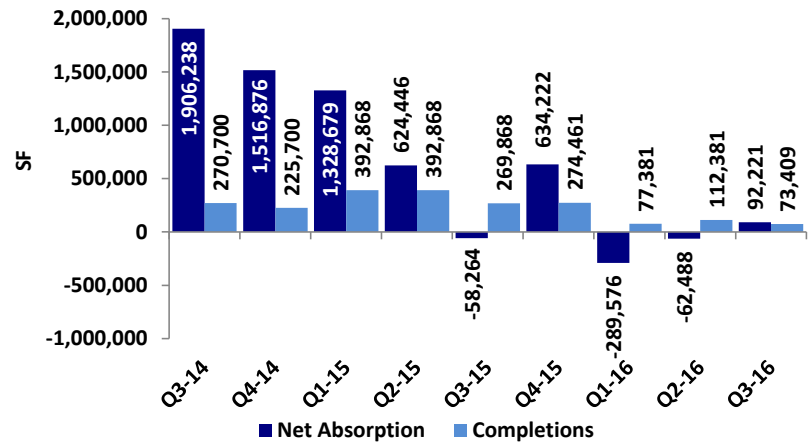
For Y-O-Y net absorption the product type's roles were reversed, with Class A (+179,784) and Class B (+21,593 sf) both positive. Medical (-5,182 sf) and Class C (-103,974 sf) were both negative in the year since Q3, 2015.

SUPPLY

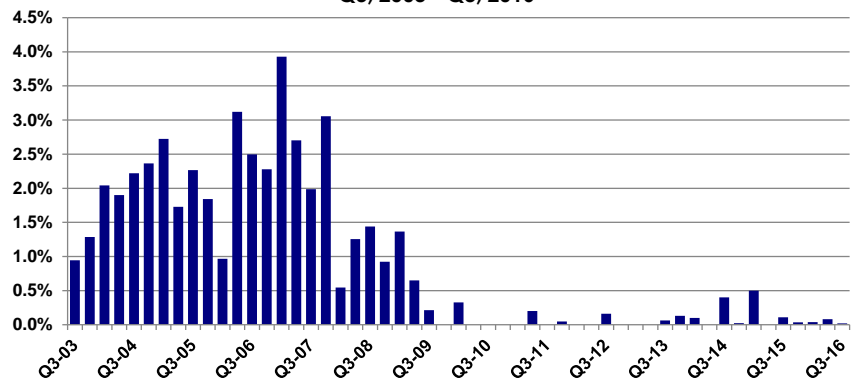
There was one new completion in the third quarter of 2016: The Pecos Springs Business Park Expansion (8,028 sf of Class C space in the Airport submarket). During the past 28 quarters (since Q4, 2009), there have been only 15 quarters where new space has entered the market. However, of those 15 quarters with new supply brought to market, 11 have been during the last 13 quarters, indicating that rising demand could start encouraging developers and lenders to begin providing new product if rents rise as well.

Between Q3, 2015 and Q3, 2016, annual completions were 73,409 sf. Still, post-Great Recession completions pale in comparison to the boom years, when annual Office completions ranged between 1.1 million (Q4, 2003) sf and 4.3 million sf (Q4, 2007). Completions as a share of inventory peaked at 4% in Q1, 2007, at the peak of Southern Nevada's age of "irrational exuberance". We do not anticipate any significant changes in completions per quarter for the foreseeable future.

Las Vegas Valley Office Market
Historical YOY Net Absorption vs. Completions:
Q3, 2014 - Q3, 2016



Las Vegas Valley Office Market
Completions as a % of Inventory:
Q3, 2003 - Q3, 2016



SPECULATIVE OFFICE MARKET

We have recorded 11 Spec Office projects in the forward-supply pipeline. Three are under construction:

Under Construction

Project	SF	Subtype	Submarket	Exp. Comp.
Union Village	150,000	Medical	Henderson	Q416
Tivoli Village-Phase 2	68,000	A	Northwest	Q416
Pace Plaza	42,000	B	Southwest	Q117
Total	260,000			

The other eight projects are for planned space:

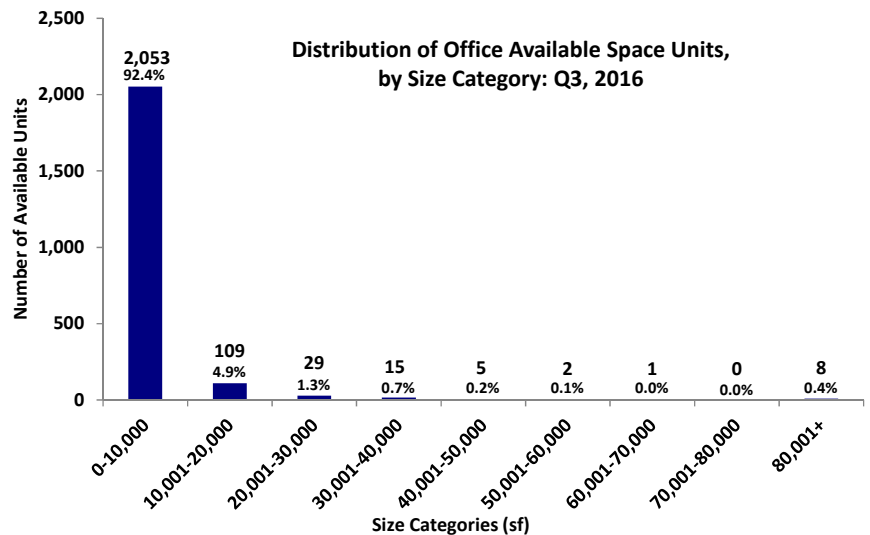
Planned

Project	SF	Subtype	Submarket	Exp. Comp.
Centennial Hills Center Ph. 1	124,000	Medical	Northwest	2017
Seven Hills Plaza D	42,000	B	Henderson	2017
The Square	80,000	C	Southwest	2017
University Gateway	45,000	C	East Las Vegas	2016
Cadence Marketing Center 1	10,000	C	Henderson	2017
Cadence Marketing Center 3	15,000	C	Henderson	2017
Cadence Marketing Center 4	5,000	C	Henderson	Q317
Jones Beltway Business Park	16,480	B	Southwest	Q117
Total	337,000			

Union Village, a 150,000 sf Medical space in Henderson, is the biggest Spec Office space on the horizon. The next largest at 124,000 sf, and on the very opposite side of the city, is the Centennial Hills Center, though this is still in the planning stages. There still remains a considerable quantity of space available, so developers may yet be reluctant to commit to new projects.

An important measure of the near-term health of the Valley's commercial markets is the potential number of years of available supply. Given the high vacancy rate (20%) and the average quarterly absorption in the last 10 years (108,300 sf), we estimate that there still remain about 10.5 years of supply of Spec Office space in the Valley that must be absorbed to reach a 10% "normalized" vacancy rate.

Below is a chart detailing the distribution of available Office space in the Valley by unit size. It shows that there are only 31 units larger than 30,000 sf. In fact, 92% of all space that is currently on the market is in units of 10,000 sf or less.



INVESTMENT SALES

As reported by Colliers, Office investment sales for 2016 have grown considerably from the first quarter, reaching 1,009,000 sf YTD. However, it appears the sales total for 2016 will be well below 2015. The average sales price per sf in 2016 is \$127.96, approximately \$60 less than what it was in 2015. The average cap rate has increased by 0.3 percentage-points, while the average sale size has fallen by 2,000 sf. In essence, the higher the cap rate, the lower the asking or sales price of income producing property. This indicates

Office Investment Sales

	2015	YTD 2016
No. Sales	68	36
Square Feet Sold	2,044,000	1,009,000
Sales Volume (MM)	\$384.1	\$129.1
Average Price/SF	\$187.88	\$127.96
Average Cap Rate*	7.5%	7.8%
Average Sale Size (SF)	30,000	28,000

Source: Colliers Las Vegas.

*Cap rate on properties available for sale as investments.

SPECULATIVE OFFICE MARKET

a better return on investment, assuming other criteria are not included in the decision. Generally, in an improving market, owners typically demand lower cap rates resulting in higher prices, regardless of quality and location. The reverse is true in a down-market.

FURTHER THOUGHTS & RECAP

Unsurprisingly, the Southern Nevada Spec Office market still remains well behind the Industrial and Retail markets in the recovery cycle. The Office is more dependent on regional job growth, especially in white collar occupations. While there were some signs of improvement in the third quarter of 2016, they were not sufficient to drastically alter the narrative. Valley-wide Spec Office demand in Q3 was among the brighter spots with absorption at +144,456 sf, significantly better than the previous quarter.

On a Y-O-Y basis, net absorption totaled +92,221 sf, worse than this same period last year when absorption totaled +877,812 sf, but better than last quarter when it was -62,488 sf.

Employment in the Office-using sector, a critical indicator of the health of the local economy, comprised 31% (263,000 jobs) of all private payroll jobs in Clark County at the end of Q3 (September 2016). This was 1,800 jobs more (+0.7%) than existed in September 2015. Health Care & Social Assistance contributed the most new jobs, adding 4,500 for the year.

Total Spec Office vacancy in the Valley in Q3 (directly vacant space plus vacant sublease space) dropped by 0.3 percentage-points to an even 20%. It is difficult to feel very good about this drop in vacancy as past drops have not been sustained. In Q3, 2015, the vacancy rate was the same 20%, so the decline from Q2 only made up for what was lost over the year.

The North Las Vegas submarket continued to enjoy the lowest Spec Office market vacancy rate at 14.2%, though it was also the submarket to see the largest vacancy rate increase from Q2 when it stood at 11.8%. Downtown followed at 14.7%, also increased from Q2 when Downtown vacancy was 13.4%. The Southwest and Airport submarkets were at 16.6% and 18.2%, respectively. All other submarkets were above 20% vacancy. The Northwest (20.1%), West Central (20.3%) and Henderson (20.9%) submarkets were just slightly above 20%, with East Las Vegas well above at 27.8%.

Completions, as a share of inventory, peaked at 4% in Q1, 2007, at the height of Southern Nevada's age of "irrational exuberance." There was only one completion in Q3, 2016, but there were a total of 11 projects in the works, with 260,000 sf of Office space already under construction and another 337,480 sf in the planning stages.

Southern Nevada's Spec Office market has a long road to recovery ahead of it. Some submarkets and some Office products are doing better than others; however, every single one is still above the generally accepted 10% stabilized vacancy rate. The Spec Office job market saw some encouraging signs this third quarter of 2016.

¹ Includes all for-lease (speculative only) professional office Class A, Class B, Class C and Medical office properties greater than or equal to 10,000 sf of gross leasable area. Does not include government buildings.

² All office rents in this report are quoted on a monthly full-service gross (FSG) psf basis inclusive of taxes, insurance, maintenance, janitorial and utilities.

³ Includes the following industries: Information, Financial Activities, Professional & Business and Health Care & Social Assistance from the Nevada Department of Employment, Training and Rehabilitation's latest employment statistics.

⁴ Forward-supply is a combination of space presently under construction in a quarter and space planned to begin construction within the next four quarters.

SPECULATIVE OFFICE MARKET GLOSSARY

Office property buildings or building parks tracked include speculative, multi-tenant properties with at least 10,000 sf of usable office space. Building characteristics were used to define the appropriate subtype classification (i.e., professional or medical). These characteristics can include rents, location, quality of building systems (e.g., mechanical, elevator and utility systems), finishes (e.g., lobby and hallway design/ materials), and amenities. A property must exhibit one or more of the typical building characteristics to be considered a specific classification.

Class A

Class A properties are the highest quality buildings in the market with steel frame construction, typically mid-rise (3 - 4 stories) or high-rise (5 stories or more).

- High asking gross rent (FSG) with a typical premium of 20-30% of office rents in the local market,
- Location within a central business area,
- Capacity to meet current tenant requirements and anticipated future tenant needs,
- Building finishes that are of high quality and competitive with new construction, and
- Maintenance, management and upkeep amenities above average.

Class B

Class B properties have buildings with steel frame, reinforced concrete or concrete tilt-up construction - usually low-rise (1 - 2 stories) or mid-rise (3 - 4 stories).

- Asking gross rent (FSG) typically in a specified range between asking gross rents for Class A and Class C buildings,
- Average to good location,
- Adequate capacity to deliver services currently required by tenants,
- Building finishes with average to good design and materials, and
- Maintenance, management and upkeep amenities that are considered average.

Class C

Class C properties have buildings with wood construction and are usually low-rise (1 - 2 stories).

- Asking gross rent (FSG) typically in the bottom 10-20% of office rents in the marketplace,
- Depends primarily on lower prices rather than desirable locations to attract occupants,
- Capacities that may not meet current tenant needs,
- Building finishes that show a dated appearance, and
- Maintenance, management and upkeep amenities that are below average.

Medical

An office building in which 50% or more of its available space under the various building classifications above consists of medical office use.

Speculative Office Market Matrix

Las Vegas, Nevada
Third Quarter, 2016

SUBMARKETS

TOTAL OFFICE MARKET	Airport	Downtown	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	321	119	183	331	94	388	388	275	2,099
Total Rentable SF	5,163,422	3,835,861	6,134,382	6,027,268	783,529	8,932,999	6,810,103	5,406,541	43,094,105
Total Vacant SF	937,949	565,234	1,706,932	1,259,381	111,260	1,798,602	1,129,900	1,095,458	8,604,716
Total Occupied SF	4,225,473	3,270,627	4,427,450	4,767,887	672,269	7,134,397	5,680,203	4,311,083	34,489,389
Total Vacant (%)	18.2%	14.7%	27.8%	20.9%	14.2%	20.1%	16.6%	20.3%	20.0%
Completions QTD	8,028	0	0	0	0	0	0	0	8,028
Completions YOY	38,409	0	0	0	0	0	35,000	0	73,409
Total Net Absorption QTD	44,783	-52,327	8,025	-68,369	-18,663	-15,157	111,072	135,092	144,456
Total Net Absorption YOY	-195,237	-68,895	-30,303	109,486	-36,870	106,277	158,827	48,936	92,221
Asking Rents (\$ PSF)	\$1.99	\$2.01	\$1.80	\$2.06	\$2.09	\$2.07	\$2.18	\$1.66	\$2.02
Under Construction SF	0	0	0	150,000	0	68,000	42,000	0	260,000
Planned SF	0	0	45,000	72,000	0	124,000	96,480	0	337,480

PROFESSIONAL CLASS A	Airport	Downtown	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	6	5	10	13	0	21	4	2	61
Total Rentable SF	665,904	795,116	1,472,466	838,068	0	1,813,312	567,112	227,624	6,379,602
Total Vacant SF	273,698	231,830	396,680	267,703	0	523,455	50,449	53,021	1,796,836
Total Occupied SF	392,206	563,286	1,075,786	570,365	0	1,289,857	516,663	174,603	4,582,766
Total Vacant (%)	41.1%	29.2%	26.9%	31.9%	0.0%	28.9%	8.9%	23.3%	28.2%
Completions QTD	0	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	0	0	0
Total Net Absorption QTD	12,574	-44,120	-70,225	17,032	0	-47,653	78,567	46,018	-7,807
Total Net Absorption YOY	-131,871	-1,818	-18,618	58,820	0	169,026	54,483	49,762	179,784
Asking Rents (\$ PSF)	\$2.72	\$2.53	\$2.93	\$2.31	\$0.00	\$2.28	\$2.32	\$1.88	\$2.45
Under Construction SF	0	0	0	0	0	68,000	0	0	68,000
Planned SF	0	0	0	0	0	0	0	0	0

PROFESSIONAL CLASS B	Airport	Downtown	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	42	27	18	68	8	73	71	46	353
Total Rentable SF	1,936,021	1,775,096	1,066,557	2,189,754	200,796	2,737,551	2,452,132	1,666,046	14,023,953
Total Vacant SF	318,930	173,742	638,423	393,993	52,531	580,845	461,902	483,687	3,104,053
Total Occupied SF	1,617,091	1,601,354	428,134	1,795,761	148,265	2,156,706	1,990,230	1,182,359	10,919,900
Total Vacant (%)	16.5%	9.8%	59.9%	18.0%	26.2%	21.2%	18.8%	29.0%	22.1%
Completions QTD	0	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	35,000	0	35,000
Total Net Absorption QTD	23,004	-5,907	16,960	-64,268	-20,848	-6,046	36,560	15,941	-4,604
Total Net Absorption YOY	-49,672	-37,968	8,177	23,956	-9,287	-122,637	189,275	19,749	21,593
Asking Rents (\$ PSF)	\$1.93	\$1.49	\$1.50	\$2.03	\$2.11	\$1.92	\$2.35	\$1.74	\$1.98
Under Construction SF	0	0	0	0	0	0	42,000	0	42,000
Planned SF	0	0	0	42,000	0	0	16,480	0	58,480

Speculative Office Market Matrix

Las Vegas, Nevada
Third Quarter, 2016

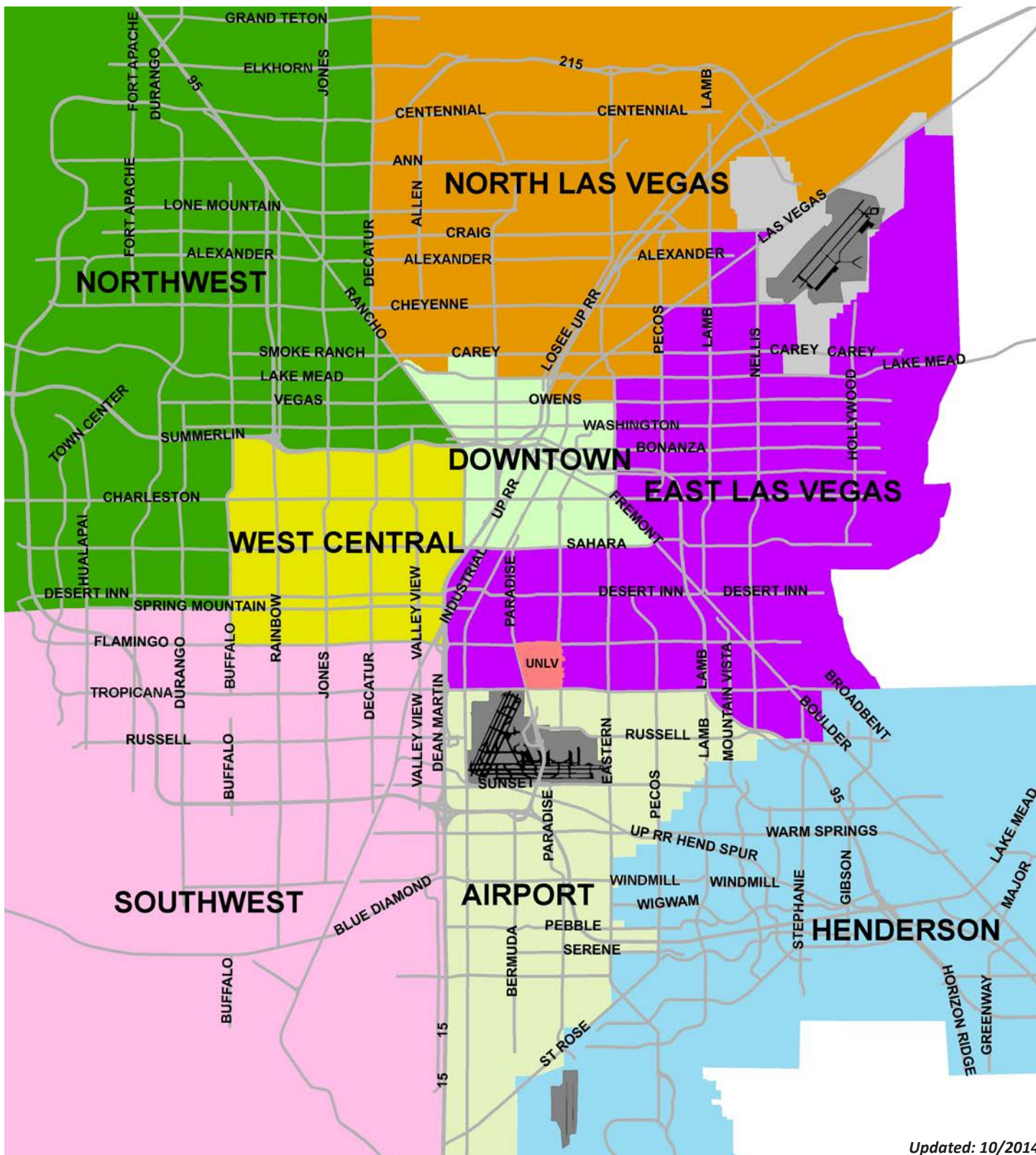
SUBMARKETS

PROFESSIONAL CLASS C	Airport	Downtown	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	267	66	110	144	76	210	272	187	1,332
Total Rentable SF	2,432,967	877,606	2,051,408	1,618,430	482,290	2,234,002	3,058,831	2,761,393	15,516,927
Total Vacant SF	320,512	100,218	381,119	283,380	44,465	370,213	416,770	418,260	2,334,937
Total Occupied SF	2,112,455	777,388	1,670,289	1,335,050	437,825	1,863,789	2,642,061	2,343,133	13,181,990
Total Vacant (%)	13.2%	11.4%	18.6%	17.5%	9.2%	16.6%	13.6%	15.1%	15.0%
Completions QTD	8,028	0	0	0	0	0	0	0	8,028
Completions YOY	38,409	0	0	0	0	0	0	0	38,409
Total Net Absorption QTD	801	1,422	1,875	20,026	-4,151	21,726	10,674	44,893	97,266
Total Net Absorption YOY	8,060	-28,989	-105,161	73,375	-19,017	19,561	-40,286	-11,517	-103,974
Asking Rents (\$ PSF)	\$1.68	\$1.43	\$1.64	\$1.82	\$1.77	\$1.97	\$2.05	\$1.69	\$1.75
Under Constuction SF	0	0	0	0	0	0	0	0	0
Planned SF	0	0	45,000	30,000	0	0	80,000	0	155,000

MEDICAL OFFICE	Airport	Downtown	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	6	21	45	106	10	84	41	40	353
Total Rentable SF	128,530	388,043	1,543,951	1,381,016	100,443	2,148,134	732,028	751,478	7,173,623
Total Vacant SF	24,809	59,444	290,710	314,305	14,264	324,089	200,779	140,490	1,368,890
Total Occupied SF	103,721	328,599	1,253,241	1,066,711	86,179	1,824,045	531,249	610,988	5,804,733
Total Vacant (%)	19.3%	15.3%	18.8%	22.8%	14.2%	15.1%	27.4%	18.7%	19.1%
Completions QTD	0	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	0	0	0
Total Net Absorption QTD	8,404	-3,722	59,415	-41,159	6,336	16,816	-14,729	28,240	59,601
Total Net Absorption YOY	-21,754	-120	85,299	-46,665	-8,566	40,327	-44,645	-9,058	-5,182
Asking Rents (\$ PSF)	\$1.89	\$2.17	\$1.77	\$2.24	\$2.23	\$2.37	\$2.39	\$1.84	\$2.06
Under Constuction SF	0	0	0	150,000	0	0	0	0	150,000
Planned SF	0	0	0	0	0	124,000	0	0	124,000

LAS VEGAS VALLEY

SPECULATIVE OFFICE SUBMARKET MAP



Updated: 10/2014