

Las Vegas Valley Executive Summary

Commercial Real Estate Markets - 1st Quarter 2016

INDUSTRIAL



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May 20, 2016

Re: Commercial Real Estate Survey: 1st 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."

Regards,

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Las Vegas Industrial Survey

1st Quarter 2016



WARM SPRINGS CROSSING

LAS VEGAS INDUSTRIAL SURVEY

SUMMARY

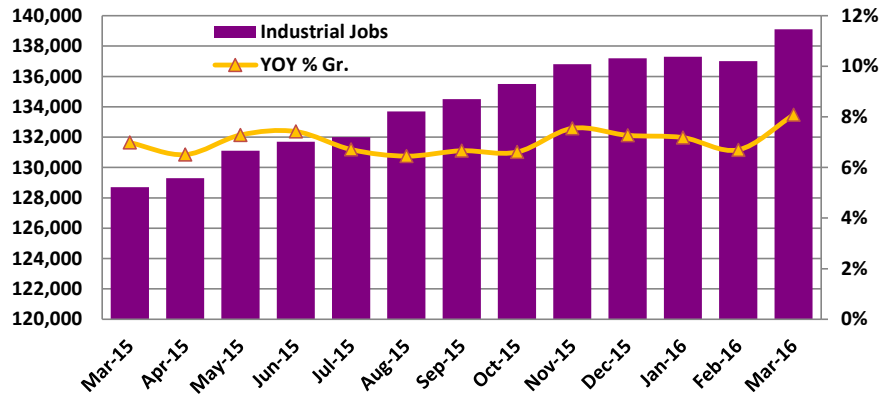
The Las Vegas Valley's ("the Valley") Industrial market¹ closed the first quarter ("Q1") of 2016 with an market-wide inventory of 111.3 million square feet ("sf"), including completions of 190,000 sf for the quarter. Net absorption (net demand) during Q1 was -182,609 sf, marking an increase in the Valley's Industrial vacancy rate of 0.3 points to 5.0% from 4.7% in Q4, 2015, but declining from 6.1% in Q1, 2015. At \$0.77 per square foot ("psf") NNN², the average monthly asking rent was \$0.07 psf higher than Q4 (\$0.70 psf), and \$0.19 above Q1, 2015 (\$0.58 psf). At the close of Q1, Industrial forward-supply³ saw 3.4 million sf under construction with another 5.1 million sf in the planning stages. All under-construction space (100%) was in Warehouse/Distribution buildings. Performance metrics for the Valley's Industrial market indicate that the Industrial market has now generally recovered and is again beginning to demonstrate consistent growth.

INDUSTRIAL-RELATED JOBS

Total nonfarm employment in the Las Vegas MSA rose by 23,400 jobs from March 2015 through March 2016, a 2.6% increase. During that time the "headline" unemployment rate declined 0.9 points to 6.0%.

Jobs in Industrial space-using sectors represented 17% (139,100 jobs) of all private jobs in Clark County at the end of Q1, 2016, representing a 8.1% increase in jobs over March 2015.⁴ Since September 2012, Industrial sector job growth has posted solid year-over-year (Y-O-Y) growth (>2%) every month, outpacing population growth and facilitating reduction of the unemployment rate. The Construction sector (+6,500 jobs) and the Transportation and Warehousing sector (+2,400 jobs) have shown the greatest gains since March 2015.

**Clark County Total* Industrial Jobs and Annual Growth:
Mar-15 to Mar-16**



*Natural resources, construction, manufacturing, and transportation & warehousing industries. Source: Nevada Department of Employment, Training and Rehabilitation; calculated by RCG Economics.

Industrial Employment

Industry Sector	Jan 2015			Feb 2015			Mar 2015		
	2016	2015	% Ch.	2016	2015	% Ch.	2016	2015	% Ch.
Nat. Resources	300	300	0.0%	300	300	0.0%	300	300	0.0%
Construction	53,300	48,200	10.6%	53,500	48,700	9.9%	55,000	48,500	13.4%
Manufacturing	21,900	21,300	2.8%	22,000	21,300	3.3%	22,000	21,500	2.3%
Wholesale Trade	21,800	21,200	2.8%	22,100	21,200	4.2%	22,200	21,200	4.7%
Transp. & Warehousing	40,000	37,100	7.8%	39,100	36,900	6.0%	39,600	37,200	6.5%
Total	137,300	128,100	7.2%	137,000	128,400	6.7%	139,100	128,700	8.1%

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

VACANCY & RENTS

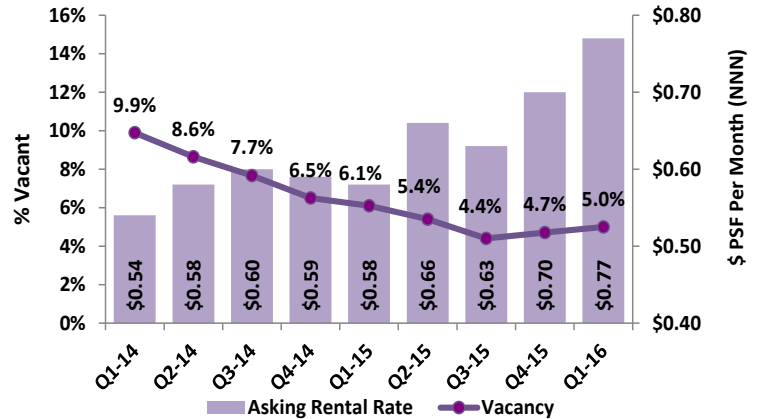
The Valley's total Industrial vacancy rate (direct vacant space plus sublease vacant space) rose slightly to 5.0% in Q1, up from 4.7% in Q4, 2015, but it was down from 6.1% in Q1, 2015. The Industrial market is still well below the generally accepted 10% stabilized vacancy rate. With the rate at such a low level, these fluctuations are not cause for concern. Vacancy levels have notably improved since Q3, 2012, when the rate peaked at 15.5%. The return of the market has been quite dramatic, to the point that supply shortages are common for certain types of space, especially large units (75,000+ sf). In response there are a number of new projects in the works.

On a submarket basis, three out of seven of the Valley's Industrial submarkets enjoyed vacancy rates under five percent

INDUSTRIAL MARKET

at the end of Q1, with six of seven submarkets under 10%. On a quarter-over-quarter basis, only two submarkets posted declines in their vacancy rates. The North Las Vegas submarket again led the pack at 2.4%, down from 3.2%, and had the lowest vacancy rate of all seven submarkets. The East Las Vegas submarket's vacancy rate also declined in Q1, dropping a percentage-point from 7.3% to 6.3%. Both the West Central and Henderson submarkets increased this quarter to 4.9%. The West Central increased 0.5 percentage-points to 4.9% in Q1, while Henderson's rate ticked up 0.2 percentage-points this quarter. The Northwest submarket rate increased significantly, jumping 6.2 percentage-points from 4.5% in Q4, 2015 to 10.7% in Q1, 2016 and posting the highest vacancy rate of all the submarkets. This is not a troubling change, however. The large percentage-point change is attributed to the fact that this submarket is very small and that a single new mid-sized availability can significantly alter the vacancy rate, which is exactly what happened in this case. The Airport submarket rate increased to 9.1% from 8.2%. The Southwest submarket also gained 1 point from 4.5% in Q4 to 5.5%.

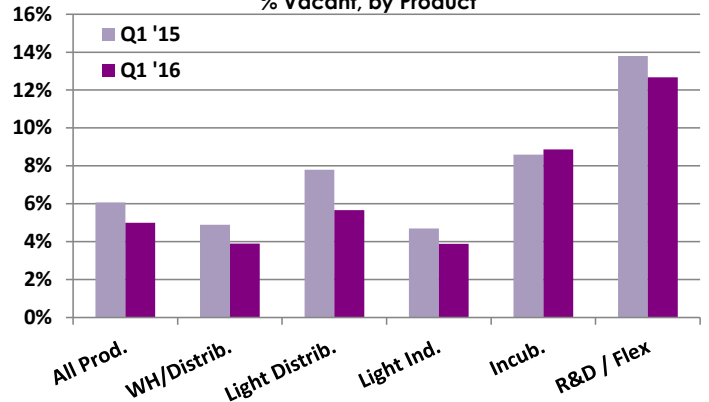
Las Vegas Valley Industrial Market
Historical Vacancy vs. Monthly Asking Rent:
Q1, 2014 - Q1, 2016



On a Y-O-Y basis, the East and North Las Vegas submarkets saw the biggest drops in vacancy. The East Las Vegas submarket vacancy rate was the most improved with a 4.5 percentage-point decline (10.8% in Q1, 2015), followed by the North Las Vegas submarket at 2.2 percentage-points. The Southwest submarket's vacancy dropped by 1.2 percentage-points from 6.7% in Q1, 2015, followed by West Central (-0.9% from 5.8% in Q1, 2015) and Airport (-0.4% from 9.5% in Q1, 2015). Two Industrial submarkets experienced increases in vacancies: Henderson increased 1.2 percentage-points from the Q1, 2015 vacancy rate of 3.7% and the Northwest submarket jumped 5.4 points.

On a product basis, all five types saw modest vacancy increases from Q4, 2015 to Q1, 2016. Light Distribution space vacancies increased the most, from 4.9% to 5.7%. Both Warehouse and Light Industrial vacancies increased to 3.9%, from 3.7% and 3.6%, respectively. Incubator ticked up slightly from 8.7% to 8.9% and R&D/Flex increased from 12.2% to 12.7%.

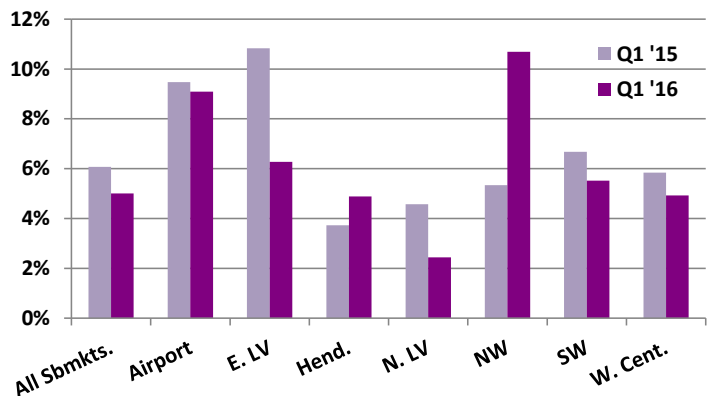
Las Vegas Valley Industrial Market
Vacancy Trends: Q1, 2015 v. Q1, 2016
% Vacant, by Product



On a Y-O-Y basis, every product's vacancy rate improved except for Incubator, which posted a 0.3% increase from Q1, 2015. Light Distribution improved the most posting a 2.1-point drop between Q1, 2015 and Q1, 2016. R&D/Flex and Warehouse/Distribution followed with decreases of 1.1 and 1 percentage-point, respectively. Light Industrial rounded out the group with 0.8 percentage-point improvement.

As noted above, the overall Industrial market has recovered from the Great Recession. Some submarkets and subtypes are doing better than others, such as Warehouse/Distribution on the strong end and R&D/Flex on the weaker end, but now the conversation has shifted away

% Vacant, by Submarket



INDUSTRIAL MARKET

from which product types will recover faster to which ones are ready to expand and how the industry will deal with looming shortages.

Average monthly Industrial asking rents for all product types (calculated on a NNN basis, not accounting for any operating expenses and based on quoted asking rents, not negotiated rents between owners and tenants) increased in Q1 by \$0.07 to \$0.77 per sf, up from \$0.70 in Q4, 2015. On average, Industrial rents are up \$0.19 since Q1, 2015.

DEMAND

Demand (defined as total net absorption) in the Valley's Industrial market was negative (-182,609 sf) after 13 straight quarters of positive absorption.

On a Y-O-Y basis, Q1 saw a notable decrease with 4.1 million sf of absorption compared to 4.8 million sf during the four quarters ending in Q1, 2015. This is to be expected, however, because there is less space available to absorb. Furthermore, in various segments of the market, shortages are occurring. New space will have to regularly come to market to keep absorption as high as it has been with so little unoccupied space remaining in the market. The shortage of space could be blunting economic growth.

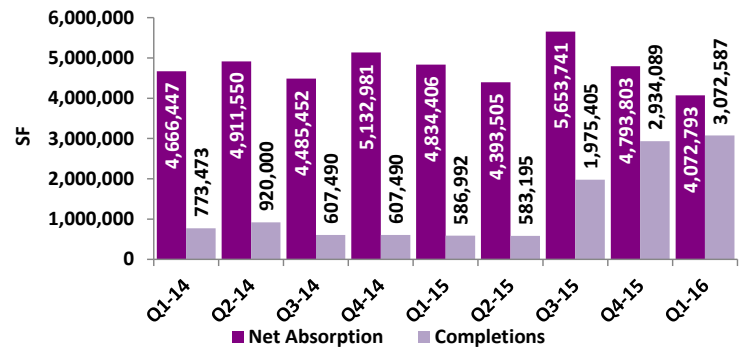
Five of seven submarkets had negative absorption in Q1, 2016. The North Las Vegas submarket saw the highest net absorption with +249,294 sf, with East Las Vegas absorbing +32,780 sf. Henderson had modest negative absorption of -23,992, with the Northwest and West Central submarkets showing negative absorption of -83,339 sf and -64,392 sf, respectively. The Airport (-133,991 sf) and Southwest (-158,969 sf) submarkets came in last with the highest negative absorption for Q1.

The top submarkets, on a Y-O-Y basis, were North Las Vegas (+2.2 million sf) and Southwest (+1.2 million sf). The East Las Vegas submarket also had a good year at +486,566 sf, with the Airport submarket trailing behind with less than half that at +229,543 sf. The West Central submarket remained positive at +110,133 sf, while the Northwest (-71,547 sf) and Henderson (-124,569 sf) submarkets both failed to show positive demand for the year.

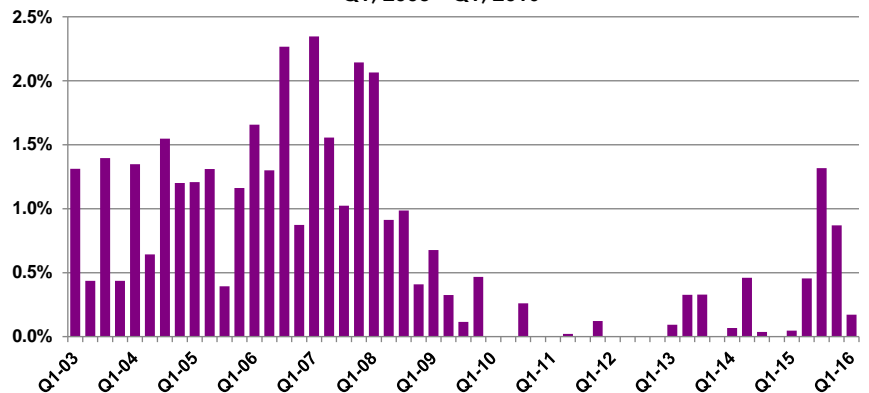
Demand in Q1 for the different product types was positive only in Light Industrial with +96,725 sf absorbed. Incubator (-13,463 sf), R&D/Flex (-27,397 sf), Warehouse/Distribution (-107,258 sf) and Light Distribution (-131,216 sf) all saw negative absorption this quarter.

Despite the negative absorption in the latest quarter, over the past year the Valley's Industrial market has seen strong demand. Warehouse/Distribution space has driven the market, accounting for 3.2 million of approximately 4.1 million sf of absorbed Industrial space in the last four quarters.

Las Vegas Valley Industrial Market
Historical YOY Net Absorption vs. Completions:
Q1, 2014 - Q1, 2016



Las Vegas Valley Industrial Market
Completions as a % of Inventory:
Q1, 2003 - Q1, 2016



INDUSTRIAL MARKET

SUPPLY

There was one completion in Q1, totaling 190,000 sf of space, increasing the total Industrial inventory to 111.3 million sf. The last three years have demonstrated hesitant optimism from a complete absence of Industrial space completions in 2012 to 801,500 sf of Industrial space completed in 2013, followed by a more conservative 609,400 sf of space debuting in 2014. In 2015, the market added 2.9 million sf of space. The new space – which plays such a critical role in Southern Nevada’s continued economic growth and development—offers a welcome respite for a market that is has become severely supply-constrained in certain market segments.

The Q1, 2016 completion was the Ainsworth Americas Headquarters, 190,000 sf of Light Industrial space in the Southwest submarket. Completions for 2016 are currently estimated to be 7.7 million square feet, which would be a large increase over 2015.

There are currently ten projects under construction at the end of Q1, which supports the ongoing trend of new Warehouse/Distribution development:

Under Construction

Project	SF	Subtype	Submarket	Exp. Comp.
Black Mountain Distribution Center #3	232,826	Warehouse/Distribution	Henderson	Q216
Blue Diamond Business Center #3	167,280	Warehouse/Distribution	Southwest	Q216
Cheyenne Distribution Center #3	163,790	Warehouse/Distribution	North Las Vegas	Q216
Henderson Commerce Center	240,000	Warehouse/Distribution	Henderson	Q416
Henderson Freeway Crossing	452,170	Warehouse/Distribution	Henderson	Q316
Jones Corporate Park	416,000	Warehouse/Distribution	Southwest	Q216
North 15 Freeway Distribution Center 1-2	410,640	Warehouse/Distribution	North Las Vegas	Q316
Northgate Distribution Center, Bdlg. 1-2	806,040	Warehouse/Distribution	North Las Vegas	Q316
Parc Post	165,234	Warehouse/Distribution	Southwest	Q216
Sunpoint Business Center	311,246	Warehouse/Distribution	East Las Vegas	Q216
Total	3,365,000			

On top of all the ongoing construction, there are 14 additional projects in the planning stages. They are:

Planned

Project	SF	Subtype	Submarket	Exp. Comp.
Beltway Distribution Center	211,188	Warehouse/Distribution	Southwest	Q416
Blue Diamond Business Center #10	495,000	Warehouse/Distribution	Southwest	2016
Blue Diamond Business Center #6	430,000	Warehouse/Distribution	Southwest	Q316
Desert Inn Distribution Center	153,320	Warehouse/Distribution	West Central	Q317
Lone Mountain Corporate Center-Phase 2	243,760	Warehouse/Distribution	North Las Vegas	2016
Northern Beltway Industrial Center	540,320	Warehouse/Distribution	North Las Vegas	2016
South 15 Airport Center	479,440	Warehouse/Distribution	Henderson	Q316
Speedway Commerce Center West	737,000	Warehouse/Distribution	North Las Vegas	2016
Sunrise Industrial Park #9-10	787,760	Warehouse/Distribution	East Las Vegas	Q416
Sunset Development Partners	54,000	Light Industrial	Airport	Q416
Supernap 10 (SWITCH)	343,436	Warehouse/Distribution	Southwest	2016
Supernap 11 (SWITCH)	343,436	Warehouse/Distribution	Southwest	2017
Supernap 12 (SWITCH)	168,040	Warehouse/Distribution	Southwest	2017
Torrey Park	73,000	Warehouse/Distribution	Southwest	2017
Total	5,060,000			

These projects continue to help power Southern Nevada’s economic recovery and its positioning as a mid-size distribution hub. Additionally, as the chart below demonstrates, the critical shortage of available Industrial space over 100,000 sf has affected the region’s rate of economic recovery and growth during the last few years. However, as we’ve noted several times, relief is on the way; with 10 projects currently under construction and 14 more in the planning stages,

INDUSTRIAL MARKET

Southern Nevada can expect to see significant additions in the Industrial market. These new projects should ease the existing shortage issues.

INVESTMENT SALES

Based on the YTD number of Industrial investment sales for 2016 as reported by Colliers, there has been a clear increase in 2016 compared to 2015. However, the average price per sale through Q1, 2016 was just \$1.9 million versus \$5.2 million in 2015. On the other hand, the average sales price per sf through Q1, 2016 was slightly higher than in 2015, but with the average sale size in 2015 notably higher. The average cap rate was not reported for Q1. In general, 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. These figures suggest an increase in speculation in the smaller end of the market. There could be consolidation going on to replace smaller spaces with larger ones.

FURTHER THOUGHTS & RECAP

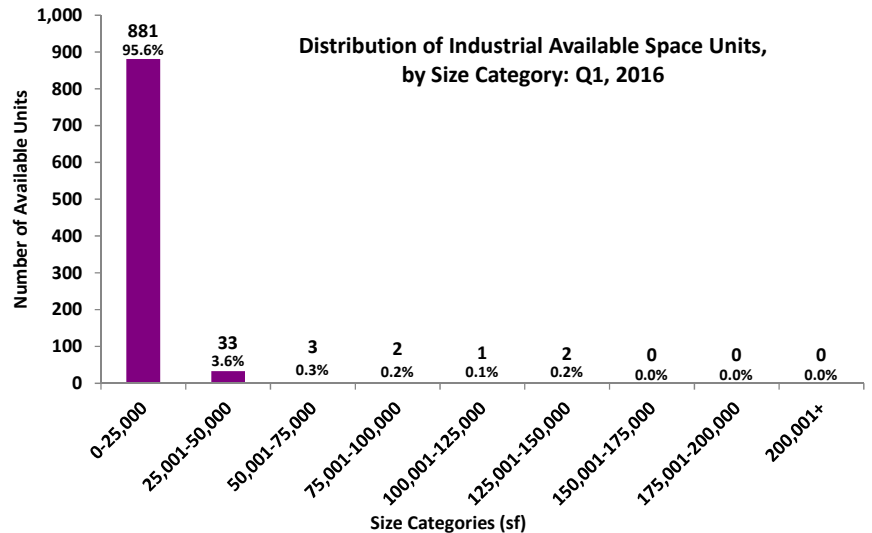
Slowing demand in the Industrial market at the start of 2016 lends support to last quarter's analysis that recovery in this market is essentially complete. This was only the second quarter in the past 15 quarters with negative net absorption. We also saw a slight uptick in the vacancy rate. These facts recall the issue of shortages that may have been partly responsible for decreased growth, and will certainly hamper the Southern Nevada's economic growth and development down the road if sufficient new space does not come to market in a timely manner. However, we expect this will not be a significant problem as there are currently 3.4 million sf of Industrial space under construction and another 5.1 million being planned.

Jobs in Industrial space-using sectors represented 17% (139,100 jobs) of all private jobs in Clark County at the end of Q1, 2016. This was 10,400 more (+8.1%) jobs than existed in March 2015. Since September 2012, Industrial sector job growth has posted solid Y-O-Y growth (>2%) every month, outpacing population growth and helping lower the unemployment rate.

The Construction sector (+6,500 jobs, +13.4%) and the Transportation and Warehousing sector (+2,400 jobs, +6.5%) have shown the greatest job gains since March 2015.

As mentioned above, the Valley's total Industrial vacancy rate (direct vacant space plus sublease vacant space) increased to 5.0% in Q1, up from 4.7% in Q4, but showed improvement from 6.1% in Q1, 2015. Though vacancy levels have risen slightly in several submarkets, total vacancy remains relatively low. The Valley's reinvigorated Industrial market has been mildly hobbled by supply shortages for certain types of space, especially large units (75,000+ sf). In response there are a number of new projects in the works.

On a submarket basis, the lowest vacancy rates in Q1 were in North Las Vegas (2.4%), West Central and Henderson (both at 4.9%) and the Southwest (5.5%) close behind. East Las Vegas (6.3%) came next, followed by the Airport (9.1%) submarket. The Northwest (10.7%) rounded out the group.



Industrial Investment Sales

	2015	YTD 2016
No. Sales	39	24
Square Feet Sold	2,306,000	496,000
Sales Volume (MM)	\$204.2	\$46.1
Average Price/SF	\$88.55	\$92.94
Average Cap Rate*	7.1%	-
Average Sale Size (SF)	59,000	21,000

Source: Colliers Las Vegas.

*Cap rate on properties available for sale as investments.

The growth of e-commerce along with multi-channel (Internet, mobile, bricks-and-mortar) selling by traditional and non-traditional retailers is unquestionably the long-term driver of the demand for Industrial space in Southern Nevada, as it has been in other parts of the U.S. Southern Nevada's location, adjacent to Southern California, will make it an important regional warehouse-distribution-fulfillment enclave. Southern Nevada appears to be on the verge of establishing an advanced manufacturing cluster with the December 2015 announcement of the Faraday Future electric car company establishing a plant in North Las Vegas.

¹ Includes all single and multi-tenant for-lease and owner-occupied industrial Warehouse/Distribution, Light Distribution, Light Industrial, Incubator and R&D Flex properties with roll-up doors in the Las Vegas Valley.

² All industrial rents in this report are quoted on a monthly triple net (NNN) per square foot basis and does not include additional expenses such as taxes, insurance, maintenance, janitorial and utilities. Rents are based on the direct vacant space in projects, not the average of leases in projects.

³ Forward-supply is a combination of space presently under construction in a quarter and space planned to begin construction within the next 4 quarters.

⁴ Includes the following industries: Natural Resources, Construction, Manufacturing, and Transportation & Warehousing and Wholesale Trade from the Nevada Department of Employment, Training and Rehabilitation's latest employment statistics.

INDUSTRIAL MARKET GLOSSARY

Properties tracked have loading dock-grade-level doors. Building characteristics were used to define the appropriate sub-type classification. These characteristics can include a building's primary use, size, type of loading doors, clear heights and parking ratios. A property must exhibit one or more of the typical building characteristics to be classified into subtypes.

Warehouse/Distribution

These buildings are the largest among the subtypes and are used for warehousing and distributing materials and merchandise. Warehouse facilities are primarily used for storage and distribution buildings are warehouse facilities designed to accommodate the freight and movement of products/goods.

- Multi- or single-tenant,
- Building/park size of at least 10,000 sf,
- Dock-high doors (or grade-level doors) and clear heights of at least 16 feet, and
- Parking ratios of: 1-2/1,000 sf - traditional warehouse/distribution
3-4/1,000 sf - high velocity warehouse/distribution.

Light Distribution

These buildings are primarily used as a distribution transfer center for the transshipment of products/goods (usually to change the mode of transport or for consolidation or deconsolidation of goods before shipment).

- Multi- or single-tenant,
- Building/park size of at least 5,000 sf, usually characterized by long narrow buildings,
- Cross-dock doors (or several dock high doors) with 12-16 feet clear height to accommodate transfer to/from multiple trucks, and
- Parking ratios of: 1-2/1,000 sf - traditional warehouse/distribution
3-4/1,000 sf - high velocity warehouse/distribution.

Light Industrial

These buildings are primarily used for light industrial manufacturing (rather than heavy industrial manufacturing that uses large amounts of raw materials, power and space) to produce and/or assemble products/goods for consumers as end-users.

- Multi- or single-tenant,
- Building/park size of at least 7,000 sf,
- Grade-level doors (or dock-high doors) and clear heights usually between 13 feet and 18 feet, and
- Parking ratio of 4+/1,000 sf.

Incubator

Buildings or portions of buildings that accommodate companies in the early phase of growth. The typical user generally needs 1,000 to 3,000 sf of warehouse space plus 5% to 20% earmarked for office space with the remaining being the warehouse space. Because of its lower space needs, an incubator tenant is usually a low-volume business needing more less frequent packing and unpacking activity and smaller shipment sizes.

- Multi-tenant,
- Building/park size of at least 5,000 sf,
- Grade-level doors with clear heights less than 15 feet, and
- Parking ratio: Less than 3/1,000 sf.

R&D/Flex

These buildings are the smallest among the subtypes and are designed to allow its occupants to easily alternate uses as industrial space or office space. This may include:

- Industrial space generally as light industrial or incubator; and
- Office space generally as research and development (R&D) parks.
- Multi- or single-tenant,
- Building/park size of at least 2,000 sf,
- Grade-level doors with clear heights less than 15 feet, and
- Parking ratio of 3-4/1,000 sf.

Industrial Market Matrix

Las Vegas, Nevada
First Quarter, 2016

SUBMARKETS

TOTAL INDUSTRIAL MARKET	Airport	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	501	150	534	1,017	81	1,281	648	4,212
Total Rentable SF	14,320,625	3,205,621	13,096,916	33,286,302	1,336,299	34,063,535	12,016,433	111,325,731
Total Vacant SF	1,301,281	201,050	639,215	813,554	142,852	1,878,842	591,253	5,568,047
Total Occupied SF	13,019,344	3,004,571	12,457,701	32,472,748	1,193,447	32,184,693	11,425,180	105,757,684
Total Vacant (%)	9.1%	6.3%	4.9%	2.4%	10.7%	5.5%	4.9%	5.0%
Completions QTD	0	0	0	0	0	190,000	0	190,000
Completions YOY	193,000	381,804	28,000	1,594,783	0	875,000	0	3,072,587
Total Net Absorption QTD	-133,991	32,780	-23,992	249,294	-83,339	-158,969	-64,392	-182,609
Total Net Absorption YOY	229,543	486,566	-124,569	2,230,543	-71,547	1,212,124	110,133	4,072,793
Asking Rents (\$ PSF)	\$0.79	\$0.43	\$0.69	\$0.68	\$0.83	\$0.75	\$0.85	\$0.77
Under Construction SF	0	311,246	924,996	1,380,470	0	748,514	0	3,365,226
Planned SF	54,000	787,760	479,440	1,521,080	0	2,064,100	153,320	5,059,700

WAREHOUSE/DISTRIBUTION	Airport	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	78	19	78	179	5	140	52	551
Total Rentable SF	5,037,394	1,288,879	6,757,019	20,340,732	223,661	13,751,312	1,939,836	49,338,833
Total Vacant SF	401,873	115,274	199,257	315,259	0	870,746	23,738	1,926,147
Total Occupied SF	4,635,521	1,173,605	6,557,762	20,025,473	223,661	12,880,566	1,916,098	47,412,686
Total Vacant (%)	8.0%	8.9%	2.9%	1.5%	0.0%	6.3%	1.2%	3.9%
Completions QTD	0	0	0	0	0	0	0	0
Completions YOY	193,000	381,804	0	1,574,783	0	685,000	0	2,834,587
Total Net Absorption QTD	-124,376	0	-44,967	380,297	0	-294,474	-23,738	-107,258
Total Net Absorption YOY	64,471	423,384	-125,857	2,036,590	0	732,548	49,544	3,180,680
Asking Rents (\$ PSF)	\$0.51	\$0.18	\$0.57	\$0.41	\$0.00	\$0.60	\$0.67	\$0.55
Under Construction SF	0	311,246	924,996	1,380,470	0	748,514	0	3,365,226
Planned SF	0	787,760	479,440	1,521,080	0	2,064,100	153,320	5,005,700

LIGHT DISTRIBUTION	Airport	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	68	19	37	167	1	181	40	513
Total Rentable SF	3,169,129	340,675	1,571,703	4,848,934	51,000	6,930,636	775,747	17,687,824
Total Vacant SF	267,322	0	198,487	147,932	12,159	360,456	15,420	1,001,776
Total Occupied SF	2,901,807	340,675	1,373,216	4,701,002	38,841	6,570,180	760,327	16,686,048
Total Vacant (%)	8.4%	0.0%	12.6%	3.1%	23.8%	5.2%	2.0%	5.7%
Completions QTD	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	0	0
Total Net Absorption QTD	-43,339	0	-34,794	-36,705	-8,359	-15,619	7,600	-131,216
Total Net Absorption YOY	-4,520	0	-7,207	115,257	-8,359	176,748	108,179	380,098
Asking Rents (\$ PSF)	\$0.76	\$0.00	\$0.57	\$0.49	\$0.69	\$0.74	\$0.41	\$0.71
Under Construction SF	0	0	0	0	0	0	0	0
Planned SF	0	0	0	0	0	0	0	0

Industrial Market Matrix

Las Vegas, Nevada
First Quarter, 2016

SUBMARKETS

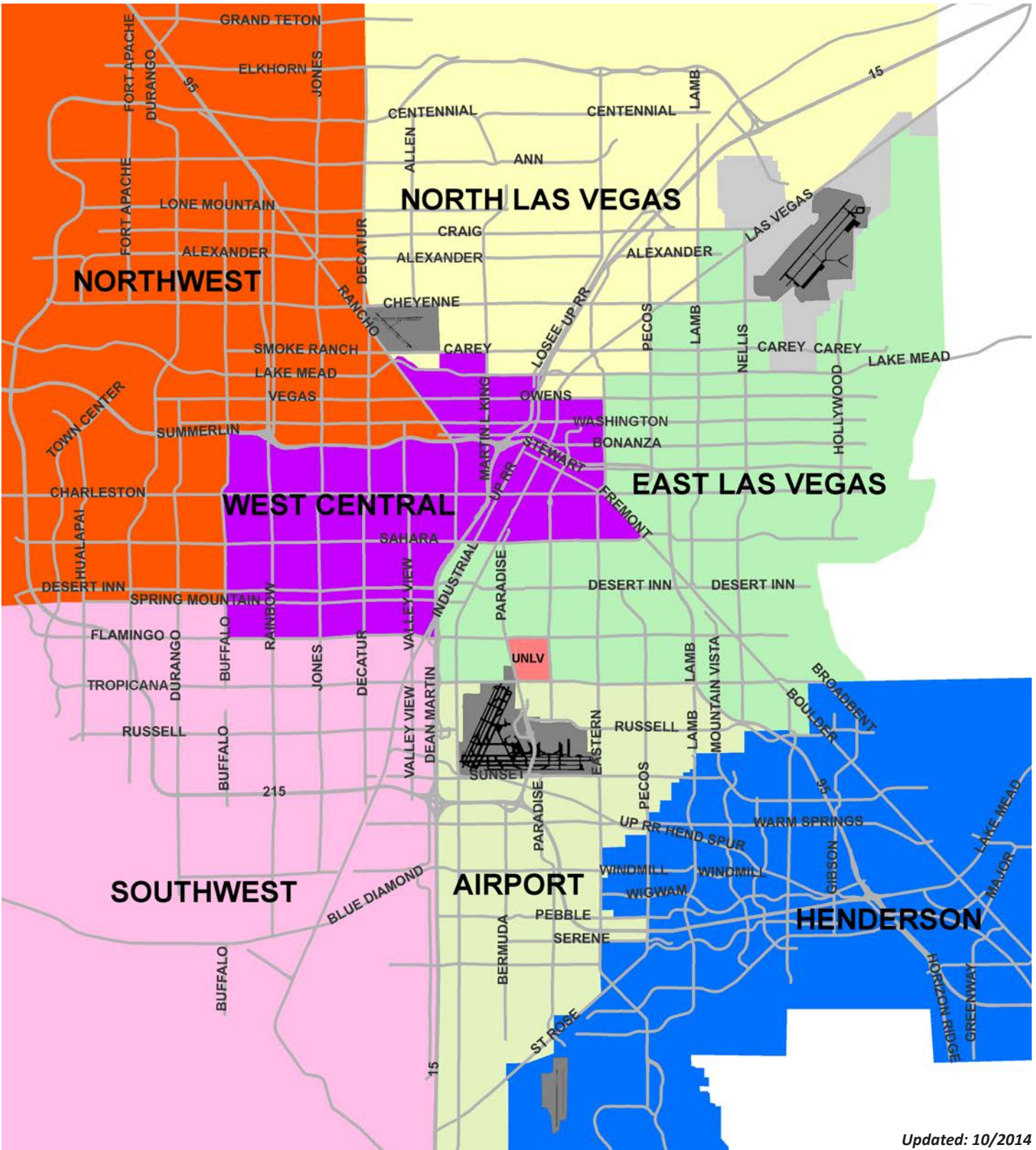
LIGHT INDUSTRIAL	Airport	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	199	91	313	594	16	742	482	2,437
Total Rentable SF	3,076,809	1,135,150	3,085,009	6,755,260	290,111	9,362,544	6,622,403	30,327,286
Total Vacant SF	238,630	34,850	51,715	200,109	23,700	390,545	237,682	1,177,231
Total Occupied SF	2,838,179	1,100,300	3,033,294	6,555,151	266,411	8,971,999	6,384,721	29,150,055
Total Vacant (%)	7.8%	3.1%	1.7%	3.0%	8.2%	4.2%	3.6%	3.9%
Completions QTD	0	0	0	0	0	190,000	0	190,000
Completions YOY	0	0	28,000	20,000	0	190,000	0	238,000
Total Net Absorption QTD	21,177	9,750	51,641	-90,955	-23,700	108,757	20,055	96,725
Total Net Absorption YOY	67,031	61,042	63,514	79,023	-23,700	151,796	63,239	461,945
Asking Rents (\$ PSF)	\$0.90	\$0.71	\$0.67	\$0.59	\$1.10	\$0.67	\$0.82	\$0.74
Under Constuction SF	0	0	0	0	0	0	0	0
Planned SF	54,000	0	0	0	0	0	0	54,000

INCUBATOR	Airport	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	89	13	29	31	4	120	62	348
Total Rentable SF	1,714,621	298,623	456,906	561,552	99,325	2,496,381	2,458,615	8,086,023
Total Vacant SF	167,826	35,512	31,248	49,288	5,693	138,678	288,611	716,856
Total Occupied SF	1,546,795	263,111	425,658	512,264	93,632	2,357,703	2,170,004	7,369,167
Total Vacant (%)	9.8%	11.9%	6.8%	8.8%	5.7%	5.6%	11.7%	8.9%
Completions QTD	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	0	0
Total Net Absorption QTD	1,035	23,030	5,045	7,675	-2,229	6,898	-54,917	-13,463
Total Net Absorption YOY	42,155	2,140	-4,592	7,380	1,398	47,458	-114,890	-18,951
Asking Rents (\$ PSF)	\$0.86	\$0.54	\$0.65	\$0.57	\$0.94	\$0.85	\$0.86	\$0.81
Under Constuction SF	0	0	0	0	0	0	0	0
Planned SF	0	0	0	0	0	0	0	0

R&D / FLEX	Airport	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	67	8	77	46	55	98	12	363
Total Rentable SF	1,322,672	142,294	1,226,279	779,824	672,202	1,522,662	219,832	5,885,765
Total Vacant SF	225,630	15,414	158,508	100,966	101,300	118,417	25,802	746,037
Total Occupied SF	1,097,042	126,880	1,067,771	678,858	570,902	1,404,245	194,030	5,139,728
Total Vacant (%)	17.1%	10.8%	12.9%	12.9%	15.1%	7.8%	11.7%	12.7%
Completions QTD	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	0	0
Total Net Absorption QTD	11,512	0	-917	-11,018	-49,051	35,469	-13,392	-27,397
Total Net Absorption YOY	60,406	0	-50,427	-7,707	-40,886	103,574	4,061	69,021
Asking Rents (\$ PSF)	\$1.07	\$0.61	\$1.01	\$0.80	\$0.74	\$0.88	\$0.93	\$0.91
Under Constuction SF	0	0	0	0	0	0	0	0
Planned SF	0	0	0	0	0	0	0	0

LAS VEGAS VALLEY

INDUSTRIAL SUBMARKET MAP



Updated: 10/2014



CORPORATE CENTER, Ph. 3

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Las Vegas Speculative Office Survey

1st Quarter 2016



UNITED HEALTH CARE BUILDING

LAS VEGAS SPECULATIVE OFFICE SURVEY

SUMMARY

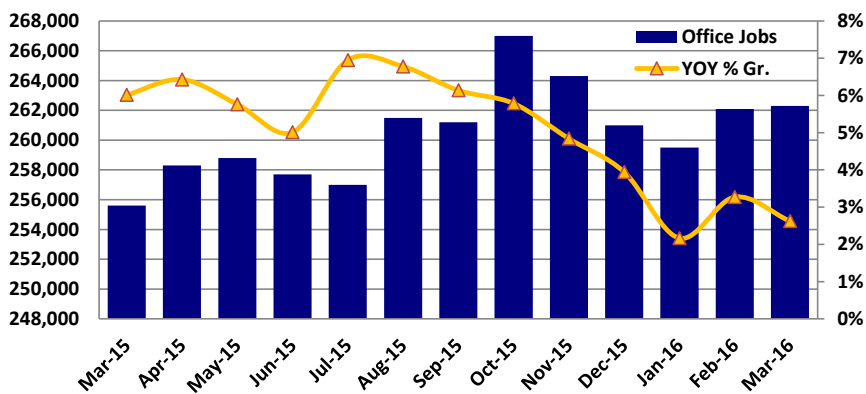
The Las Vegas Valley's ("the Valley") multi-tenant, Speculative Office market¹ saw 15,788 square feet ("sf") of new space come to market during the first quarter ("Q1") of 2016, raising the total inventory to 43.1 million sf. Falling demand for new space in the first quarter 2016 was substantiated with both an increase in vacancy, from 18.4% in Q4, 2015 to 18.7% in Q1, 2016 and a slight decrease in average monthly asking rents, which fell to \$1.89 per square foot ("psf") FSG², from \$1.97 psf in Q4, 2015. There was also net negative absorption (-130,802 sf) in Q1 serving to corroborate a decrease in demand after positive absorption and sustained demand in 10 out of the 11 previous quarters.

OFFICE-RELATED JOBS

Total nonfarm employment in the Las Vegas MSA rose by 23,400 jobs from March 2015 through March 2016, a 2.6% increase. During that time the "headline" unemployment rate declined 0.9 points to 6.0%.

Employment in the Office-using sector, a critical indicator of the health of the local economy and the region's population growth, comprised 32% (262,300 jobs) of all private payroll jobs in Clark County at the end of Q1 (March 2016). This was 6,700 jobs more (+2.6%) than existed in March 2015.³

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



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

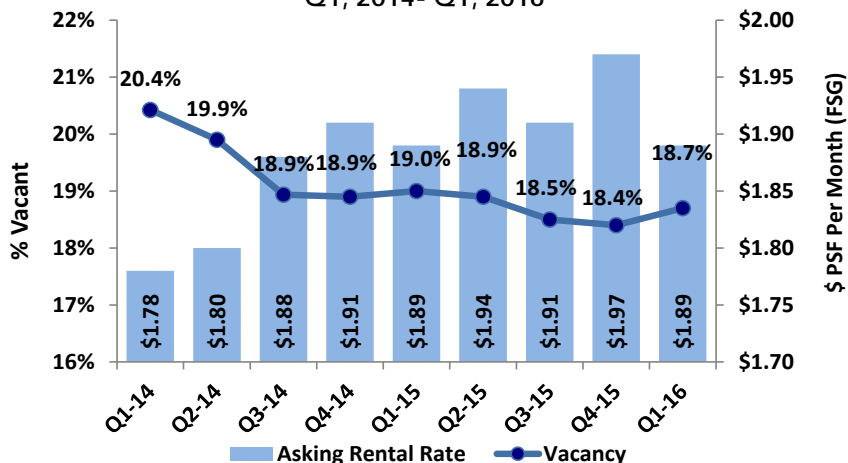
Office Employment

Industry Sector	Jan			Feb			Mar		
	2016	2015	% Ch.	2016	2015	% Ch.	2016	2015	% Ch.
Information	10,100	10,300	-1.9%	10,300	10,700	-3.7%	10,200	10,600	-3.8%
Financial Activities	43,600	44,300	-1.6%	44,200	44,800	-1.3%	45,300	45,000	0.7%
Prof. & Business	125,700	124,700	0.8%	125,600	123,100	2.0%	125,000	124,300	0.6%
Health Care & Social Assist.	80,100	74,700	7.2%	82,000	75,200	9.0%	81,800	75,700	8.1%
Total	259,500	254,000	2.2%	262,100	253,800	3.3%	262,300	255,600	2.6%

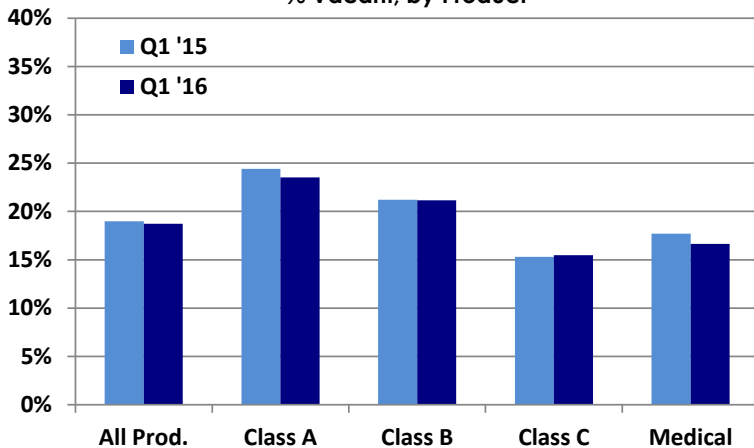
Source: Nevada Department of Employment, Training & Rehabilitation ("DETR").

A February bump in Office employment of 3.3%, balanced by January and March growth of 2.2% and 2.6%, respectively, brings the Q1, 2016 average to 2.7%, a decline from the Q4, 2015 growth of 4.9%. A year-over-year ("Y-O-Y") increase of 6,700 Office jobs indicates positive growth for the year, with most of the total jobs supplied by the the Health Care and Social Assistance sector (6,100). The Professional & Business and the Financial Activities sectors netted much smaller gains of 700 and 300 jobs, with the Information sector seeing a reduction of -400 jobs for the year.

Las Vegas Valley Office Market Historical Vacancy vs. Monthly Asking Rent: Q1, 2014- Q1, 2016



**Las Vegas Valley Office Market
Vacancy Trends: Q1, 2015 v. Q1, 2016
% Vacant, by Product**



VACANCY & RENTS

Total Spec Office vacancy in the Valley in Q1 (directly vacant space plus vacant sublease space) increased 0.3 percentage-points to 18.7%. This is still lower than the 19% seen in the first quarter of 2015.

The North Las Vegas and Airport submarkets continued to enjoy the lowest vacancy rates at the start of 2016, with North Las Vegas at 11.4% and Airport at 12.2%, followed by the Southwest at 13.1% and Downtown at 14.2%. North Las Vegas was the most improved submarket, with a 0.8 percentage-point decline. On the flip side, West Central showed a 1.6-point increase in vacancy.

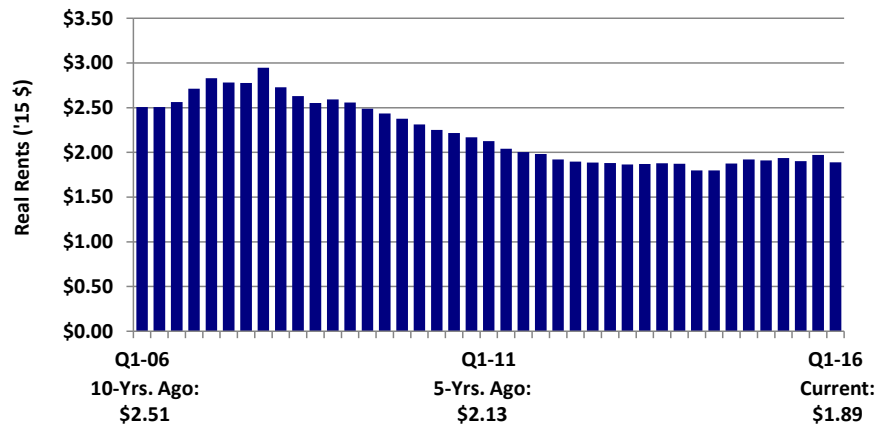
Compared to Q1, 2015, the Airport submarket

vacancy rate declined by 2.4 percentage-points, showing the greatest improvement, followed by West Central with a decrease of 1.6%, Henderson with a decrease of 1.0% and the Southwest with a decrease of 0.5%. All the remaining submarkets posted vacancy rate increases from the same quarter last year with the Northwest submarket rising by 0.5%, the North Las Vegas submarket increasing by 1.2%, the East Las Vegas submarket increasing by 1.4% and the Downtown submarket vacancy rate showing the largest increase at 1.5 points over Q1, 2015.

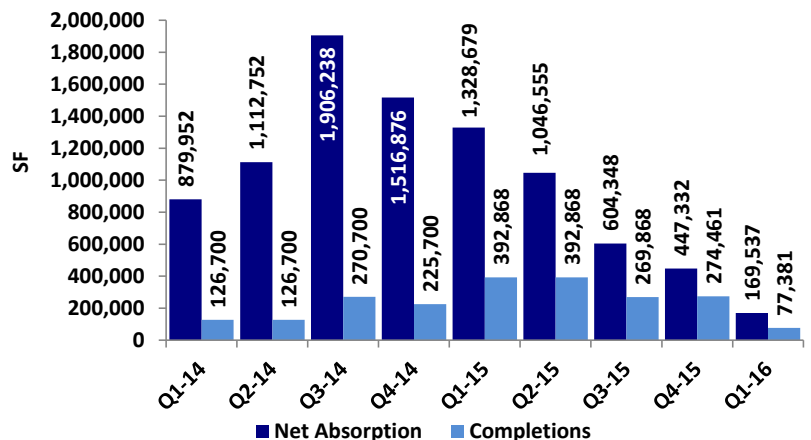
Class A space improved in Q1, posting a 3.6-point decline in vacancy, down to 23.5%. Medical Office vacancy also improved, dropping 1.6 percentage-points from 18.2% to 16.6%. Vacancy in Class B space worsened with an increase of 1.1%, from 20.1% to 21.2%. Class C vacancy also jumped from 13.3% to 15.5%.

On a Y-O-Y basis, the Valley-wide Spec Office vacancy rate is down 0.3 percentage-points. Class C was the only product to see Y-O-Y vacancy increase, gaining 0.2 percentage-points to 15.5% in Q1, 2016. The data suggest that the overall market is slowly recovering, but still continues to struggle, despite healthy office-using job growth. Simply put, way too much Office space was built during the pre-Great Recession boom. It will take several years of natural population and job growth to move the Spec Office vacancy rate back toward a natural 10% equilibrium level.

**Las Vegas Valley Office Market
Inflation-Adjusted Monthly Rent: Q1, 2006 - Q1, 2016 (Baseline)**



**Las Vegas Valley Office Market
Historical YOY Net Absorption vs. Completions:
Q1, 2014 - Q1, 2016**



SPECULATIVE OFFICE MARKET

The overall average monthly Spec Office rent (calculated on a full-service gross basis—accounting for all operating expenses) was \$1.89 per square foot (“psf”) in Q1, \$0.08 less than the \$1.97 psf asking rent in the previous quarter. Remember, the rents herein are based on quoted asking rents, not negotiated rents between owners and tenants.

DEMAND

Valley-wide Spec Office net absorption in Q1 was negative at -130,802 sf. On a Y-O-Y basis, net absorption totaled +169,537 sf – a sizable decline from the 1.3 million recorded for the same period in 2015. Y-O-Y absorption has now been trending down for six quarters after peaking in Q3, 2014. There is reason to believe that this is at least partially due to the quality of the remaining available space in the market. However, taken in conjunction with other data points, we may be seeing an overall decline in market demand.

Only three of the eight submarkets in the Valley saw improvement in Q1, and the gains were small. The Henderson (+44,312 sf) submarket led in growth for Q1. Two other submarkets also remained in positive territory: Airport (+13,178 sf) and North Las Vegas (+5,655). Negative absorption this quarter was more substantial: the Southwest (-2,081 sf), Northwest (-17,526 sf), Downtown (-22,235 sf), East Las Vegas (-65,874 sf) and West Central (-86,231 sf) submarkets all saw decreasing demand.

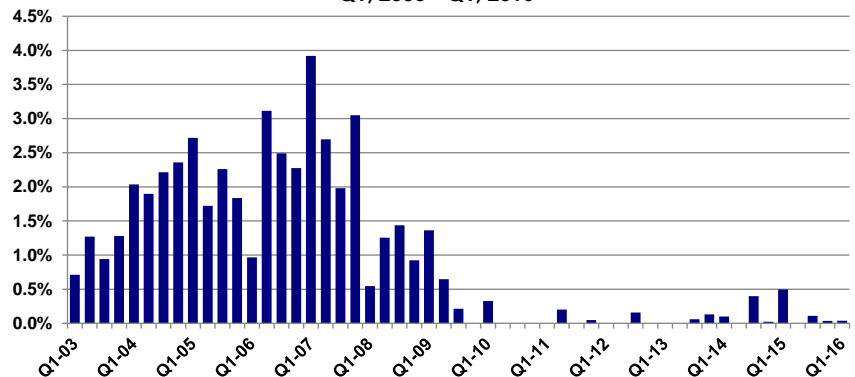
On a product-basis for the quarter the roles were reversed from Q4 with Class A (+228,299 sf) and Medical (+112,976 sf) showing substantial gains. Class B and Class C were hit this time around (-142,641 sf and -329,436 sf respectively), bringing total net absorption below zero for the first quarter of 2016.

Y-O-Y net absorption was positive for all products: Medical (+73,800 sf) led the way, followed by Class A (+57,688 sf) and Class B (+38,039). Class C (+10 sf) remained essentially unchanged.

SUPPLY

The first quarter of 2016 saw two Spec Office completions, combining for 15,788 sf at the Pecos Springs Business Park expansion in the Airport submarket. During the past 26 quarters (since Q4, 2009), there have been only 12 quarters where new space has entered the market. However, of those 12 quarters with new supply brought to market, nine have been during the last 11 quarters, indicating that rising demand is encouraging developers and lenders to begin providing new product. Between Q1, 2015 and Q1, 2016, Y-O-Y completions were 77,381 sf. Still, post-Great Recession completions pale compared 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”. Q1 ended at less than 0.1%. We do not anticipate any significant changes in completions per quarter for the foreseeable future.

Las Vegas Valley Office Market
Completions as a % of Inventory:
Q1, 2003 - Q1, 2016



We have recorded 12 Spec Office projects in the forward-supply⁴ pipeline that should be completed within the next eight quarters. Four are under construction. The other eight projects are for planned space (see next page).

The Grid, a newer planned project, looks like a fairly ambitious project and it is moving forward despite the 27.0% Class A vacancy rate in that submarket, so it would seem that the developers think that a unique high quality development could do well when it is set to open in 2017. Hopefully, they’re right.

SPECULATIVE OFFICE MARKET

Under Construction

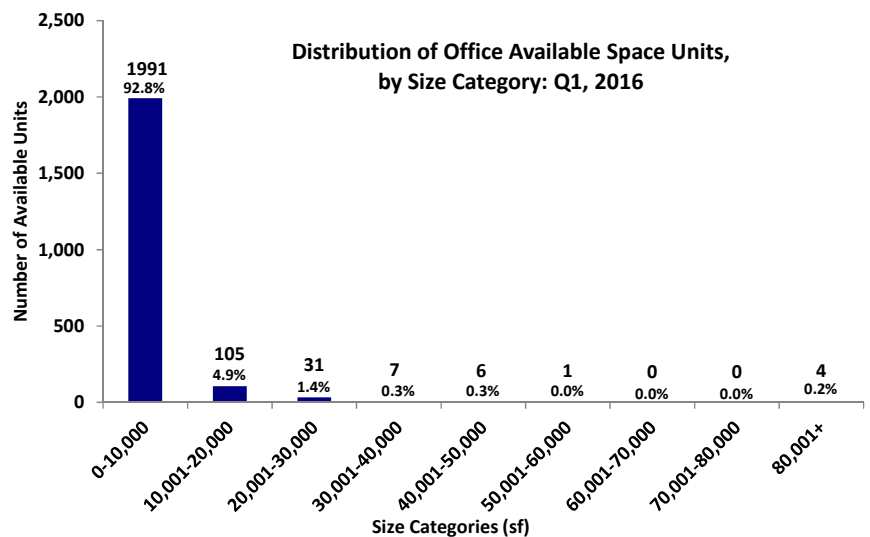
Project	SF	Subtype	Submarket	Exp. Comp.
Union Village	150,000	Medical	Henderson	Q416
Tivoli Village-Phase 2	68,000	A	Northwest	Q216
Pecos Springs Business Park expansion-7365	8,028	C	Airport	Q316
The Park at Spanish Ridge	35,000	B	Southwest	Q216
Total	261,000			

Planned

Project	SF	Subtype	Submarket	Exp. Comp.
Centennial Hills Center Ph. 1	52,000	Medical	Northwest	2017
Cimarron/Rafael Rivera	19,000	B	Southwest	2016
Seven Hills Plaza D	42,000	B	Henderson	Q416
Stone Creek Professional Plaza	20,000	C	Southwest	2017
The Grid	125,000	A	Downtown	2017
The Square	80,000	C	Southwest	2017
University Gateway	45,000	C	East Las Vegas	2016
Chronicle at Cadence (4 buildings-10,10,15,5)	40,000	A	Henderson	2016
Total	423,000			

An important measure of the near-term health of the commercial markets is the potential number of years of available supply. Given the high vacancy rate (18.7%) and the average quarterly absorption in the last 10 years (104,880 sf), we estimate that there still remains about 9.6 years of supply of Speculative Office space in the Valley that must be absorbed to reach a 10% "normalized" vacancy rate.

Right is a chart detailing the distribution of available Office space in the Valley by unit size. It shows that there are only 18 units larger than 30,000 sf. In fact, 92.8% 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 YTD 2016 are 86,000 sf. The average sales price per sf at the start of 2016 fell \$11.47, or by 6.6%. The average cap rate has increased, while the average sale size in terms of sf has fallen considerably. In essence, the higher the cap rate, the lower the price. This indicates 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. While it is still early in the year, if the amount of square feet sold continues to grow at the same pace, the total for 2016 will be well short of the total for the previous year.

Office Investment Sales

	2015	YTD 2016
No. Sales	61	5
Square Feet Sold	1,750,000	86,000
Sales Volume (MM)	\$303.1	\$13.9
Average Price/SF	\$173.18	\$161.71
Average Cap Rate*	7.5%	9.2%
Average Sale Size (SF)	29,000	17,000

Source: Colliers Las Vegas.

*Cap rate on properties available for sale as investments.

FURTHER THOUGHTS & RECAP

The Southern Nevada Office market's recovery continues to lag behind that of the Industrial and Retail markets, and it appears the trend will continue as we kick off 2016 with negative net demand. Valley-wide Spec Office net absorption in Q1 was a discouraging -130,802 sf.

On a Y-O-Y basis, net absorption totaled +169,537 sf, much less than the 1.3 million sf recorded for the same period in 2015. Y-O-Y absorption has now been trending down for six quarters, after peaking in Q3, 2014. The quality of the remaining available space has likely contributed to the persistent decline.

Employment in the Office-using sector, a critical indicator of the health of the local economy, comprised 32% (262,300 jobs) of all private payroll jobs in Clark County at the end of Q1 (March 2016). This was 6,700 more (+2.6%) than existed in March 2015. Health Care and Social Assistance contributed the most new jobs, adding 6,100 for the year.

Total Spec Office vacancy in the Valley in Q1 (directly vacant space plus vacant sublease space) increased 0.3 percentage-points to 18.7%, back up after having reached the lowest vacancy in the Spec Office market since Q3, 2009.

The North Las Vegas submarket enjoys the lowest Spec Office market vacancy rate at 11.4%, down from 12.2% in Q4. Airport follows at 12.2%, remaining unchanged from the previous quarter. North Las Vegas has considerably less rentable sf with 783,529 sf (compared to a high of 9.0 million sf in the Northwest and an average of 6.2 million across the seven submarkets). Also, the North Las Vegas Market does not contain any Professional Class A Office space, which was the hardest hit in vacancies across all sub-types. Except for the East Las Vegas and West Central submarkets at 29.8% and 23.4% vacancy, respectively, the other six submarkets enjoyed vacancy rates below 20%.

Completions as a share of inventory peaked at 3.9% in Q1, 2007, at the height of Southern Nevada's age of "irrational exuberance." There were two completions in the Airport submarket in the first quarter of 2016 totaling 15,788 sf. There are also 261,028 sf currently under-construction and another 423,000 sf in the planning stages.

Southern Nevada's Spec Office market has a long road to recovery ahead of it. Q1 saw net negative demand and a slight uptick in vacancy from Q4, but the Y-O-Y trend is one of steady, albeit meager improvement. Some submarkets and some Office products are doing better than others, however every single one is above the generally accepted 10% stabilized vacancy rate. The Spec Office job market continues to improve, but still has quite a ways to go.

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 4 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
First Quarter, 2016

SUBMARKETS

TOTAL OFFICE MARKET	Airport	Downtown	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	319	119	183	331	94	389	388	275	2,098
Total Rentable SF	5,155,394	3,835,861	6,134,382	6,027,268	783,529	8,968,593	6,810,103	5,406,541	43,121,671
Total Vacant SF	629,362	545,630	1,827,840	1,072,971	89,586	1,750,762	890,398	1,264,963	8,071,512
Total Occupied SF	4,526,032	3,290,231	4,306,542	4,954,297	693,943	7,217,831	5,919,705	4,141,578	35,050,159
Total Vacant (%)	12.2%	14.2%	29.8%	17.8%	11.4%	19.5%	13.1%	23.4%	18.7%
Completions QTD	15,788	0	0	0	0	0	0	0	15,788
Completions YOY	30,381	0	0	0	0	0	47,000	0	77,381
Total Net Absorption QTD	13,178	-22,235	-65,874	44,312	5,655	-17,526	-2,081	-86,231	-130,802
Total Net Absorption YOY	150,438	-59,098	-87,122	61,997	-9,797	-50,598	75,627	88,090	169,537
Asking Rents (\$ PSF)	\$1.88	\$1.81	\$1.45	\$2.05	\$1.72	\$2.08	\$2.21	\$1.65	\$1.89
Under Construction SF	8,028	0	0	150,000	0	68,000	35,000	0	261,028
Planned SF	0	125,000	45,000	82,000	0	52,000	119,000	0	423,000

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	22	4	2	62
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	25,629	214,723	328,393	283,693	0	481,055	68,529	99,039	1,501,061
Total Occupied SF	640,275	580,393	1,144,073	554,375	0	1,332,257	498,583	128,585	4,878,541
Total Vacant (%)	3.8%	27.0%	22.3%	33.9%	0.0%	26.5%	12.1%	43.5%	23.5%
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	110,326	18,653	48,856	36,242	0	12,041	-3,572	5,753	228,299
Total Net Absorption YOY	67,075	-16,561	27,136	71,902	0	-103,809	15,653	-3,708	57,688
Asking Rents (\$ PSF)	\$2.59	\$2.34	\$3.04	\$2.24	\$0.00	\$2.32	\$2.59	\$1.90	\$2.27
Under Construction SF	0	0	0	0	0	68,000	0	0	68,000
Planned SF	0	125,000	0	40,000	0	0	0	0	165,000

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	2,773,145	2,452,132	1,666,046	14,059,547
Total Vacant SF	271,740	176,311	724,132	307,138	43,244	550,421	403,632	497,911	2,974,529
Total Occupied SF	1,664,281	1,598,785	342,425	1,882,616	157,552	2,222,724	2,048,500	1,168,135	11,085,018
Total Vacant (%)	14.0%	9.9%	67.9%	14.0%	21.5%	19.8%	16.5%	29.9%	21.2%
Completions QTD	0	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	47,000	0	47,000
Total Net Absorption QTD	-24,692	-57,197	-32,979	20,569	0	-47,659	17,665	-18,348	-142,641
Total Net Absorption YOY	27,334	-48,166	-63,141	-19,165	17,491	49,371	69,292	5,023	38,039
Asking Rents (\$ PSF)	\$1.91	\$1.76	\$1.36	\$1.90	\$1.67	\$1.94	\$2.31	\$1.61	\$1.81
Under Construction SF	0	0	0	0	0	0	35,000	0	35,000
Planned SF	0	0	0	42,000	0	0	19,000	0	61,000

Speculative Office Market Matrix

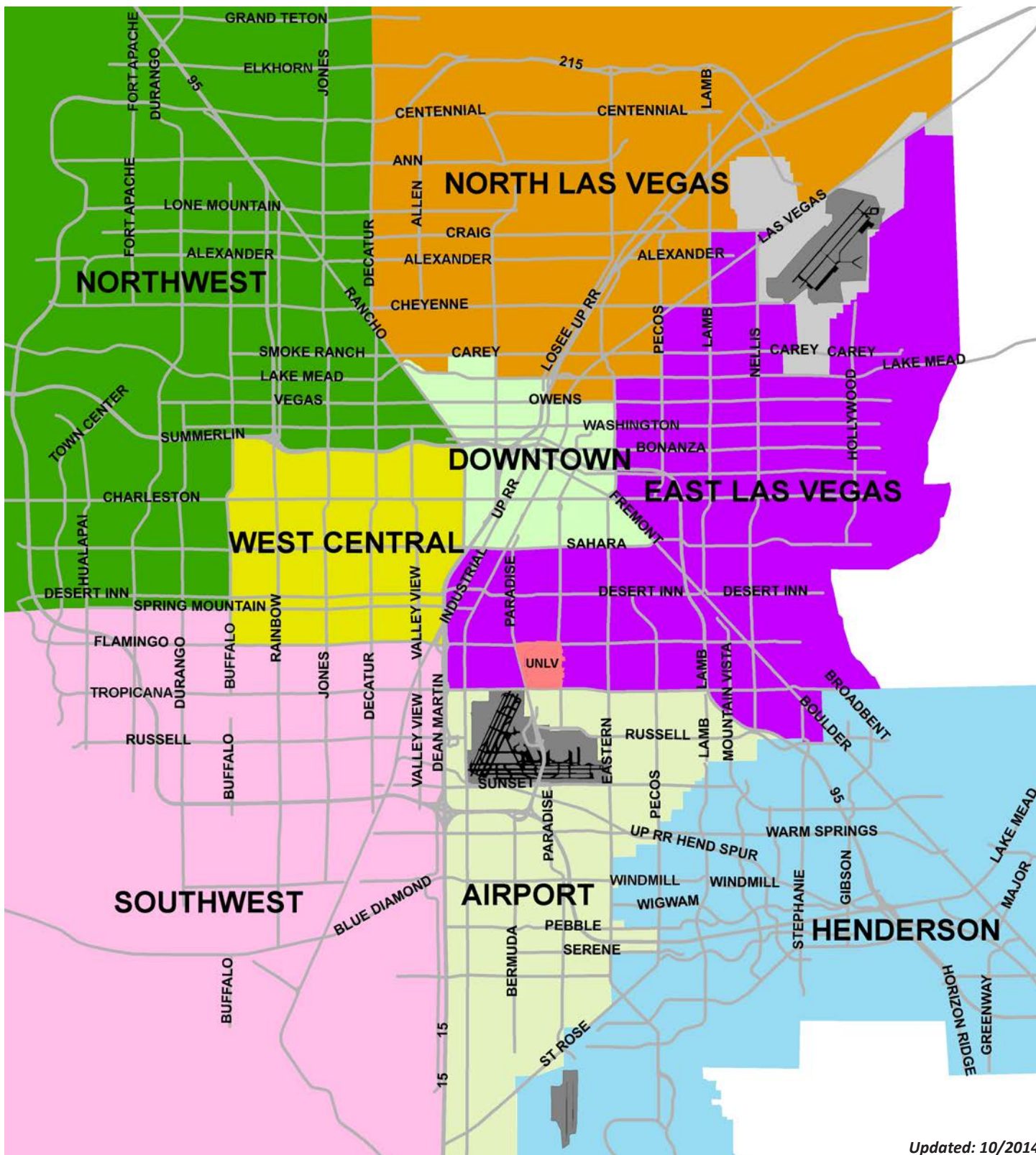
Las Vegas, Nevada
First Quarter, 2016

SUBMARKETS									
PROFESSIONAL CLASS C	Airport	Downtown	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	265	66	110	144	76	210	272	187	1,330
Total Rentable SF	2,424,939	877,606	2,051,408	1,618,430	482,290	2,234,002	3,058,831	2,761,393	15,508,899
Total Vacant SF	300,755	97,369	404,077	262,237	38,768	428,526	373,499	496,620	2,401,851
Total Occupied SF	2,124,184	780,237	1,647,331	1,356,193	443,522	1,805,476	2,685,332	2,264,773	13,107,048
Total Vacant (%)	12.4%	11.1%	19.7%	16.2%	8.0%	19.2%	12.2%	18.0%	15.5%
Completions QTD	15,788	0	0	0	0	0	0	0	15,788
Completions YOY	30,381	0	0	0	0	0	0	0	30,381
Total Net Absorption QTD	-44,273	2,455	-69,022	-40,669	-2,706	-58,709	-25,690	-90,822	-329,436
Total Net Absorption YOY	74,635	11,534	-22,922	-25,487	-28,406	-73,804	-13,802	78,262	10
Asking Rents (\$ PSF)	\$1.68	\$1.38	\$1.46	\$1.77	\$1.82	\$1.71	\$1.97	\$1.63	\$1.69
Under Constuction SF	8,028	0	0	0	0	0	0	0	8,028
Planned SF	0	0	45,000	0	0	0	100,000	0	145,000

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	31,238	57,227	371,238	219,903	7,574	290,760	44,738	171,393	1,194,071
Total Occupied SF	97,292	330,816	1,172,713	1,161,113	92,869	1,857,374	687,290	580,085	5,979,552
Total Vacant (%)	24.3%	14.7%	24.0%	15.9%	7.5%	13.5%	6.1%	22.8%	16.6%
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	-28,183	13,854	-12,729	28,170	8,361	76,801	9,516	17,186	112,976
Total Net Absorption YOY	-18,606	-5,905	-28,195	34,747	1,118	77,644	4,484	8,513	73,800
Asking Rents (\$ PSF)	\$1.83	\$2.08	\$1.63	\$2.28	\$2.39	\$2.27	\$2.28	\$1.71	\$2.02
Under Constuction SF	0	0	0	150,000	0	0	0	0	150,000
Planned SF	0	0	0	0	0	52,000	0	0	52,000

LAS VEGAS VALLEY

SPECULATIVE OFFICE SUBMARKET MAP



Updated: 10/2014



ARROYO MARKET SQUARE

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Las Vegas Anchored Retail Survey

1st Quarter 2016



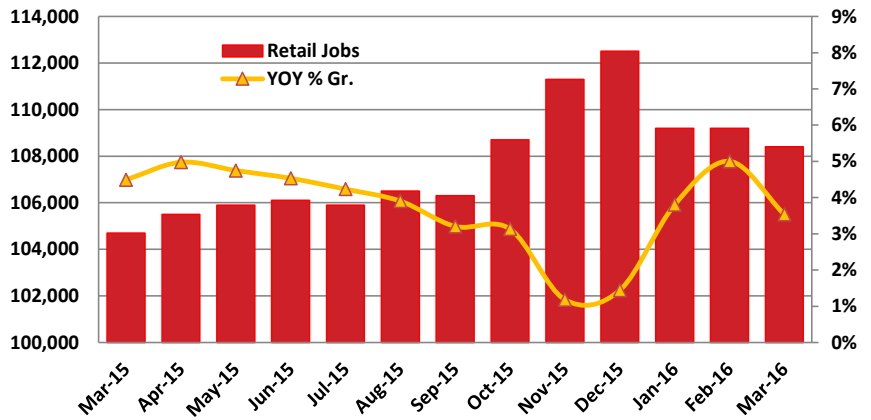
THE DISTRICT AT GREEN VALLEY RANCH

LAS VEGAS ANCHORED RETAIL SURVEY

SUMMARY

The Las Vegas Valley's ("the Valley") Anchored Retail market¹ inventory remained at 44.3 million square feet ("sf") at the close of the first quarter ("Q1"), 2016, marking the fifth consecutive quarter without completions. The Valley saw positive net absorption in Q1, 2016 (+82,321). The overall anchored center vacancy rate decreased to 10.1% in Q1 from 10.3% in Q4, 2015 and it declined from the 10.6% recorded in Q1, 2015. Average monthly asking rents dropped to \$0.94 per square foot ("psf") NNN² in Q1, \$0.06 lower than the previous quarter, and down \$0.08 compared to Q1, 2015. At the end of Q1, there were 282,000 sf of forward-supply³ under construction and another 658,000 sf of planned space.

Clark County Total* Retail Jobs and Annual Growth: Mar-15 to Mar-16



Source: Nevada Department of Employment, Training and Rehabilitation; calculated by RCG Economics.

RETAIL JOBS

Total nonfarm employment in the Las Vegas MSA rose by 23,400 jobs from March 2015 through March 2016, a 2.6% increase. During this period the "headline" unemployment rate declined 0.9 points to 6%.

There were 108,400 Las Vegas Retail sector jobs in the Las Vegas MSA in March 2016, accounting for 13% of total private payroll jobs. This represents 3,700 (+3.5%) more jobs than recorded in March 2015.

Retail Employment

Industry Sector	Jan			Feb			Mar		
	2016	2015	% Ch.	2016	2015	% Ch.	2016	2015	% Ch.
Gen. Merch. & Cloth./Accessories	41,200	39,300	4.8%	39,700	37,900	4.7%	39,400	38,000	3.7%
Food & Bev. Stores	17,600	16,700	5.4%	17,600	16,900	4.1%	17,700	17,100	3.5%
Health & Personal Care Stores	7,700	7,200	6.9%	7,800	7,200	8.3%	7,800	7,300	6.8%
Other Stores	42,700	42,000	1.7%	44,100	42,000	5.0%	43,500	42,300	2.8%
Total	109,200	105,200	3.8%	109,200	104,000	5.0%	108,400	104,700	3.5%

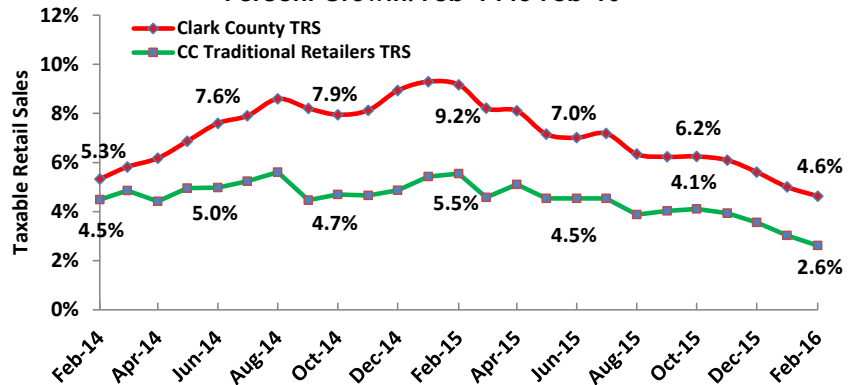
Source: Nevada Department of Employment, Training & Rehabilitation ("DETR").

Over the past year, all Retail industry sectors saw growth with General Merchandise and Clothing/Accessories Stores adding 1,400 jobs, Food & Beverage Stores adding 600 jobs, Health & Personal Care Stores adding 500 jobs and "Other Stores"⁴ adding 1,200 jobs.

TAXABLE RETAIL SALES

Overall Clark County taxable sales continue to steadily climb, on a 12-month moving average basis. However, while the average Y-O-Y rate of growth during the last 51 months (4.25 years) is 6.9%, it has been on a downward trend for the last 13 months. On a 12-month moving total basis, total sales reached \$38.7 billion in February 2016, a 4.6% increase compared to February 2015.

Clark County Total Taxable Retail Sales ("TRS") vs. Traditional Retailers TRS, Percent Growth: Feb-14 to Feb-16



Source: Nevada Department of Taxation; calculated by RCG Economics.

ANCHORED RETAIL MARKET

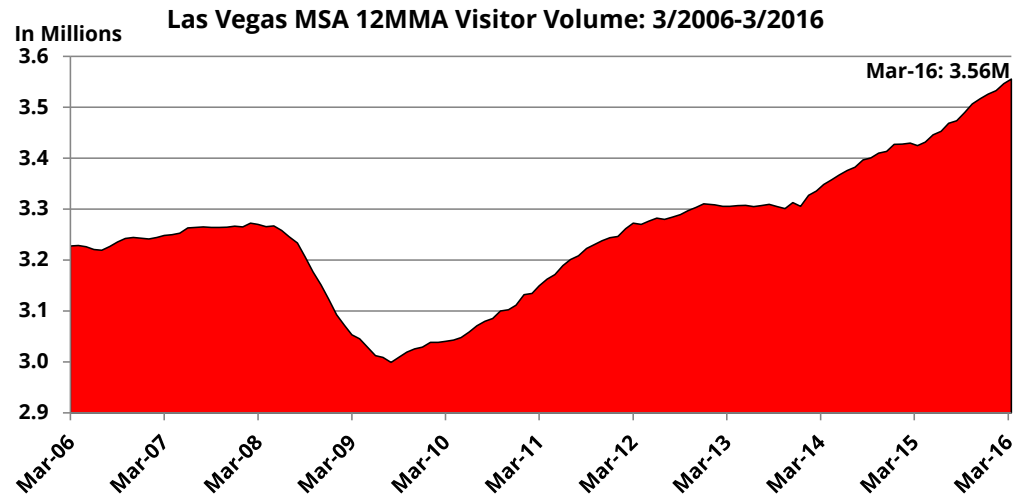
Top 5 Traditional Retailers: Feb-16	Taxable Retail Sales	YoY Change	YoY % Change
Food Services and Drinking Places	\$790,976,278	\$44,671,781	6.0%
Building Material and Garden Equipment and Supplies	\$108,368,156	\$9,109,334	9.2%
Gasoline Stations	\$26,825,970	\$3,980,609	17.4%
Furniture and Home Furnishings Stores	\$57,997,858	\$3,422,058	6.3%
Food and Beverage Stores	\$95,854,831	\$2,361,458	2.5%
Top 5 Total	\$1,080,023,093	\$63,545,240	6.3%

Source: Nevada Department of Taxation. Note: The reason the DETR and Taxation retail categories do not match exactly is that DETR only reports three types of traditional retailer categories.

Even with slower sales growth, this brings the region's taxable sales to a new all-time high and well-above the December 2007 peak of \$36.3 billion.

The table below shows the top five (Y-O-Y change) performing traditional retail sectors in Clark County Y-O-Y. There are 11 traditional retail sectors.

In Southern Nevada, visitation is a crucial variable regarding its impact on taxable retail sales. Tourism has always been the lifeblood of the Valley and that has not substantially changed post-Great Recession. On a 12-month moving average, visitation to Las Vegas rose 3.8%, resulting in a total of 3.6 million visitors for the month of March, 2016. As tourism continues to grow, retail sales, especially point-of-sale spending, should grow along with it.



Source: Las Vegas Convention and Visitors Authority

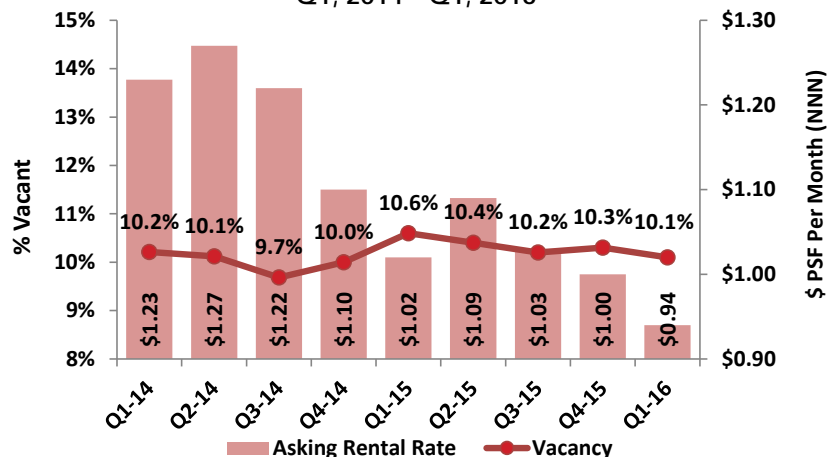
VACANCY & RENTS

The average Valley-wide Anchored Retail vacancy rate decreased by 0.2 percentage-points to 10.1% in Q1, based on currently vacant space on the active market, and is on par with the generally accepted 10% stabilized vacancy rate. The Valley-wide vacancy rate was also less than in Q1, 2015 (10.6%) and a comfortable 5.2 percentage-points lower than the record high of 15.3% recorded in Q2, 2011.

The highest submarket vacancies at the end of Q1 were in Downtown (20.0%), University East (15.1%), West Central (12.9%) and Henderson (11.8%). North Las Vegas (9.3%) joined the ranks of submarkets under 10%, making it four this quarter, with the Northwest (7.6%), Southwest (5.9%) and Northeast (5.0%) maintaining their places.

Relative to Q4, 2015, the vacancy rate rose

**Las Vegas Valley Retail Market
Historical Vacancy vs. Monthly Asking Rent:
Q1, 2014 - Q1, 2016**



ANCHORED RETAIL MARKET

in only two submarkets, decreased in five and remained the same for the Downtown submarket, holding at 20.0%. Henderson saw the largest increase in vacancy, gaining 1.6 percentage-points and reaching 11.8%. The Northeast saw a 0.2 percentage-point rise from 4.8% to 5.0% in Q1, 2016. Submarkets showing improved Retail vacancy rates were: North Las Vegas, which dropped from 11.4% to 9.3%; West Central, declining from 13.6% to 12.9%; University East and the Northwest submarkets, which both decreased by 0.5 percentage-points to 15.1% and 7.6%, respectively; and the Southwest, which declined 0.2 points to 5.9%.

On a Y-O-Y basis, four of the eight submarkets saw improved vacancy rates. The Downtown submarket did not change at all Y-O-Y, maintaining 20% vacancy. West Central saw the largest increase with a 2.3 percentage-point gain. Henderson was close behind with a 1.8-point increase to 11.8%. The biggest improvement from Q1, 2015 was in the North Las Vegas submarket, improving 2.9 percentage-points to 9.3% in Q1, 2016.

Across the product spectrum, Community and Neighborhood Centers both showed Y-O-Y improvement (by 1 and 0.5 percentage-points, respectively), while Power Centers noted a 0.4-point increase in vacancy.

The Valley's overall Anchored Retail monthly rent declined \$0.06 to \$0.94 psf in Q1 (calculated on a NNN basis; not accounting for any operating expenses and noted as asking rents).

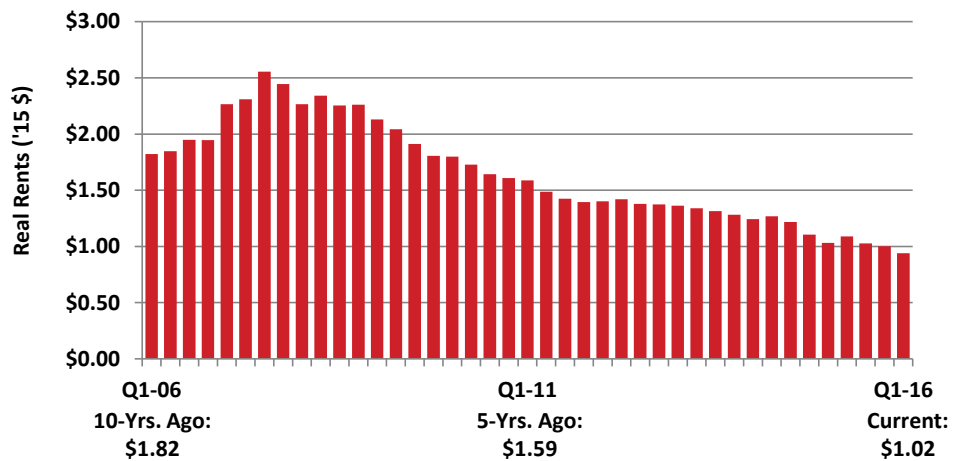
The Anchored Retail market continues to do well in certain submarkets, while struggling in others. We don't expect vacancy rates in the market to change dramatically in the foreseeable future. Anchored Retail persistently hovers around 10% vacancy, because of the success of the Industrial Warehouse/Distribution market. The rise of Warehouse/Distribution is in large part due to the success of online retailers, such as Amazon, that are stifling the growth of bricks and mortar stores. Fulfillment centers are replacing large swathes of the Retail market, especially middle-income retail facilities.

DEMAND

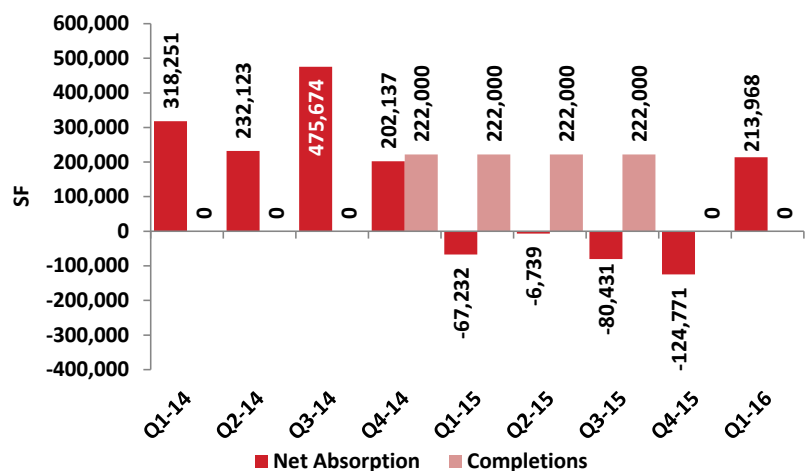
Total net Anchored Retail absorption in Q1, 2016 reflected positive growth at +82,321 sf, compared to -35,432 sf during Q4, 2015. On a Y-O-Y basis, Valley-wide net absorption was 213,968 sf.

For the quarter, net absorption was positive in five of eight submarkets: North Las Vegas (+103,125 sf), Northwest (+54,993 sf), West Central (+30,858 sf), University East (+28,599 sf) and Southwest (+11,406 sf). Two submarkets showed negative growth: Henderson at -141,567 sf and Northeast at -5,093 sf. Downtown has zero net absorption for the quarter.

Las Vegas Valley Retail Market
Inflation-Adjusted Asking Rent: Q1, 2006 - Q1, 2016 (Baseline)



Las Vegas Valley Retail Market
Historical YOY Net Absorption vs. Completions
Q1, 2014 - Q1, 2016



ANCHORED RETAIL MARKET

Year-over-year, six Anchored Retail submarkets showed improvement: North Las Vegas (+141,504 sf), University East (+134,989 sf), Southwest (+43,446 sf), Northwest (+38,379 sf) and West Central (+12,609 sf). The Henderson submarket again demonstrated the largest negative absorption at -154,844 sf. The Northeast at -1,825 sf and Downtown at -290 sf had much smaller negative absorption.

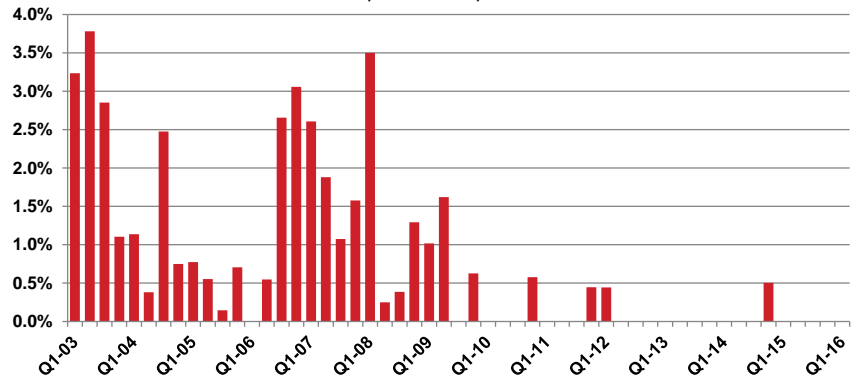
For the year, net absorption was positive in Community Centers (+184,473 sf) and Neighborhood Centers (+67,547 sf) and negative in Power Centers (-38,052 sf).

SUPPLY

No new Anchored Retail space was completed during Q1, 2016. In the last 15 quarters, only Q4, 2014 saw any completions. In the last 27 quarters (since Q1, 2010), just four quarters had new space come to market. The Valley's total Anchored Retail inventory is currently 44.3 million sf in 267 centers.

There are two projects currently under construction:

Las Vegas Valley Retail Market
Completions as a % of Inventory:
Q1, 2003 - Q1, 2016



Under Construction

Project	SF	Subtype	Submarket	Exp. Comp.
Decatur 215	152,000	Community Center	Northwest	Q316
Silverado Promenade	130,000	Neighborhood Center	University East	Q416
Total	282,000			

Three more projects are currently in the planning phase:

Planned

Project	SF	Subtype	Submarket	Exp. Comp.
DCs Plaza	73,000	Neighborhood Center	Northwest	2016
Caroline's Court	119,000	Community Center	Northwest	2017
St. Rose Square	466,000	Neighborhood Center	Henderson	2017
Total	658,000			

From what we know today, we do not see too much more new Anchored Retail development taking place in 2016.

INVESTMENT SALES

Year-to-date Retail investment sales in 2016, as reported by Colliers, are currently at 960,000 sf, compared to 3.2 million sf for all of 2015. That puts 2015 slightly ahead of pace compared to 2015. In general, 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. Here we have lower prices and lower cap rates, with average price per square foot falling 3.0%, from \$191.18 to \$185.43, and average reported cap rates down 0.6 percentage-points, from 7.7% to 7.1%. Total sales volume in 2016 through Q1 was \$178.1 million, also slightly ahead of last year's pace.

Shopping Center Retail Investment Sales

	2015	YTD 2016
No. Sales	49	11
Square Feet Sold	3,181,000	960,000
Sales Volume (MM)	\$608.2	\$178.1
Average Price/SF	\$191.18	\$185.43
Average Cap Rate*	7.7%	7.1%
Average Sale Size (SF)	65,000	87,000

Source: Colliers Las Vegas.

*Cap rate on properties available for sale as investments.

FURTHER THOUGHTS & RECAP

There were 108,400 jobs in the Las Vegas Retail sector at the end of March 2016, accounting for 13% of total private payroll jobs. This represents 3,700 (3.5%) more jobs than were recorded in March 2015.

In the last four quarters, all Retail employment industry sectors grew: General Merchandise and Clothing/Accessories gained 1,400 jobs; "Other Stores" gained 1,200 jobs; Food and Beverage Stores gained 600 jobs; and Health & Personal Care Stores gained 500 jobs. On a Y-O-Y basis employment in the Retail sector has been growing since May of 2010.

Clark County taxable sales continue to steadily climb. On a 12-month moving total basis, these sales reached \$38.7 billion in February, a 4.6% jump compared to February 2015. This brings the region's sales to a new all-time high, well-above the December 2007 peak of \$36.3 billion. Also, the average Y-O-Y growth during the last 51 months is a healthy 6.9%.

The average Valley-wide Anchored Retail vacancy rate decreased to 10.1% in Q1, 2016. This is down from 10.3% in Q4 and a 0.5 percentage-point decrease from Q1, 2015 (10.6%).

The highest submarket vacancies at the end of Q1 were Downtown (20.0%), University East (15.1%), West Central (12.9%) and Henderson (11.8%). Four submarkets had vacancy rates below 10%: North Las Vegas (9.3%), Northwest (7.6%), Southwest (5.9%) and Northeast (5.0%).

Vacancy rates improved in all three product types with Power Centers (7.2%) showing a 0.3% decline, Neighborhood Centers (10.9%) with a 0.3% decline and Community Centers (11.0%) with a 0.1% decline.

There was a total of +82,321 sf of total net absorption in Q1, 2016, a considerable improvement when compared to net negative absorption of -256,418 sf during Q1, 2015. On a Y-O-Y basis, Valley net Anchored Retail absorption was positive at +213,968 sf.

No new Anchored Retail space was completed during Q1, 2016. In the last 15 quarters, only Q4, 2014 had any completions, which was 222,000 sf in the Northwest submarket, bringing its total to 10.8 million square feet, representing 24.4% of the total Valley rentable anchored inventory. Prior to that, there were only three quarters in 21 (since Q1, 2010) that saw new Anchored Retail space brought to market. The Valley's total inventory is currently 44.3 million sf in 267 shopping centers.

According to AAA, the price of gasoline in March 2016, compared to the month prior when regular unleaded was at the shockingly low price of \$1.95, increased by \$0.50. However, gas prices were still down relative to last year, from \$2.80 to \$2.45. Low gasoline prices have essentially given Southern Nevadans a "raise" and a subsequent increase in spending power. We expect gas prices to stay relatively stable and less expensive compared to one year prior for the remainder of the year, which will give energy to Nevada's convalescing economy.

Increasing taxable sales are helping the Valley recover, as well. Increased visitation is a driving factor in increased taxable retail sales. Tourism has always been the lifeblood of the Valley and that remains true even after the Great Recession. As visitation has climbed, so have retail sales. On a 12-month moving average, visitation to Las Vegas rose 3.8% in March with the Valley receiving 3.6 million visitors. As long as tourism continues to grow there will be more people spending money and retail sales should grow in concordance.

Wages and incomes continue to see modest improvement when adjusted for inflation. Clark County's 12-month moving average ("12-MMA") weekly earnings were up 3.2% in March 2016 compared to March 2015, reaching \$644 in 2007 dollars after 21 months of Y-O-Y improvement.

Average number of hours worked per week in Clark County, on a 12-MMA basis, was 33.2 hours in March for the 10th straight month and was even with the 33.2 hours recorded in March 2015. As we've noted, stagnant, and even dropping average hours worked, have accompanied a dropping headline unemployment-

ment rate. Implication: companies continue to depend heavily on part-time workers. For this reason, the U-6 unemployment rate (includes discouraged and part-time workers) in Nevada remains the nation's highest at 13.4% (Q1, 2016).

¹ *Includes all anchored retail Power Center, Community Center and Neighborhood Center properties with 40,000 or more of gross leasable area in the Las Vegas Valley.*

² *All retail rents in this report are quoted on a monthly triple net (NNN) per square foot basis and does not include additional expenses such as taxes, insurance, maintenance, janitorial and utilities.*

³ *Forward-supply is a combination of space presently under construction in a quarter and space planned to begin construction within the next 4 quarters.*

⁴ *"Other stores" is made up of total retail less general merchandise/clothing, food & beverage stores and health & personal care stores.*

RETAIL MARKET GLOSSARY

Retail properties tracked include shopping centers with at least 10,000 sf of usable space. These centers have several different stores or tenants and are anchored by one or more large, national tenant (i.e., Best Buy, Target, and Smith's). Characteristics of buildings were used to define the appropriate classification of properties into subtypes, such as tenant mix, size and trade area. A property must exhibit one or more of the typical building characteristics to be considered a specific classification.

Power Center

Centers with a minimum of three, but usually five or more, anchor tenants that dominant in their categories

- Size typically more than 250,000 sf, but can be as small as 125,000 sf; almost all units designed for large tenants
- Customer-base is typically drawn from within a 15-mile trade area

Community Center

Centers with stores that sell consumer goods, in addition to convenience goods and personal services.

- Typical anchor tenants include junior department stores and off-price/discount stores, and store that sell goods requiring comparison such as apparel and appliances; other tenants include drug stores and home improvement centers
- Size typically between 100,000 and 300,000 sf, but can be over 500,000 sf
- Customer-base is primarily within a five-mile trade area

Neighborhood Center

Center with stores that sell convenience goods (e.g., food, sundries and takeout food) and provide personal services (e.g., dry cleaning and hair/nail care) that meet the day-to-day living needs to the immediate area.

- Typical anchor tenant is a supermarket
- Size tends to be smaller than 100,000 sf, but can range from 30,000 to 150,000 sf
- Customer-base is within a two- to three-mile trade area

Anchored Retail Market Matrix

Las Vegas, Nevada
First Quarter, 2016

SUBMARKETS

TOTAL RETAIL MARKET	Downtown	Henderson	North Las Vegas	Northeast	Northwest	Southwest	University East	West Central	Totals
Number of Properties	9	54	27	21	59	23	40	34	267
Total Rentable SF	1,105,851	8,680,068	4,910,743	2,542,317	10,810,588	5,783,835	6,050,227	4,379,055	44,262,684
Total Vacant SF	221,285	1,024,415	458,378	126,190	820,166	340,390	912,872	565,406	4,469,102
Total Occupied SF	884,566	7,655,653	4,452,365	2,416,127	9,990,422	5,443,445	5,137,355	3,813,649	39,793,582
Total Vacant (%)	20.0%	11.8%	9.3%	5.0%	7.6%	5.9%	15.1%	12.9%	10.1%
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	0	-141,567	103,125	-5,093	54,993	11,406	28,599	30,858	82,321
Total Net Absorption YOY	-290	-154,844	141,504	-1,825	38,379	43,446	134,989	12,609	213,968
Asking Rents (\$ PSF)	\$0.90	\$1.16	\$0.98	\$1.25	\$1.22	\$1.50	\$0.51	\$0.92	\$0.94
Under Constuction SF	0	0	0	0	152,000	0	130,000	0	282,000
Planned SF	0	466,000	0	0	192,000	0	0	0	658,000

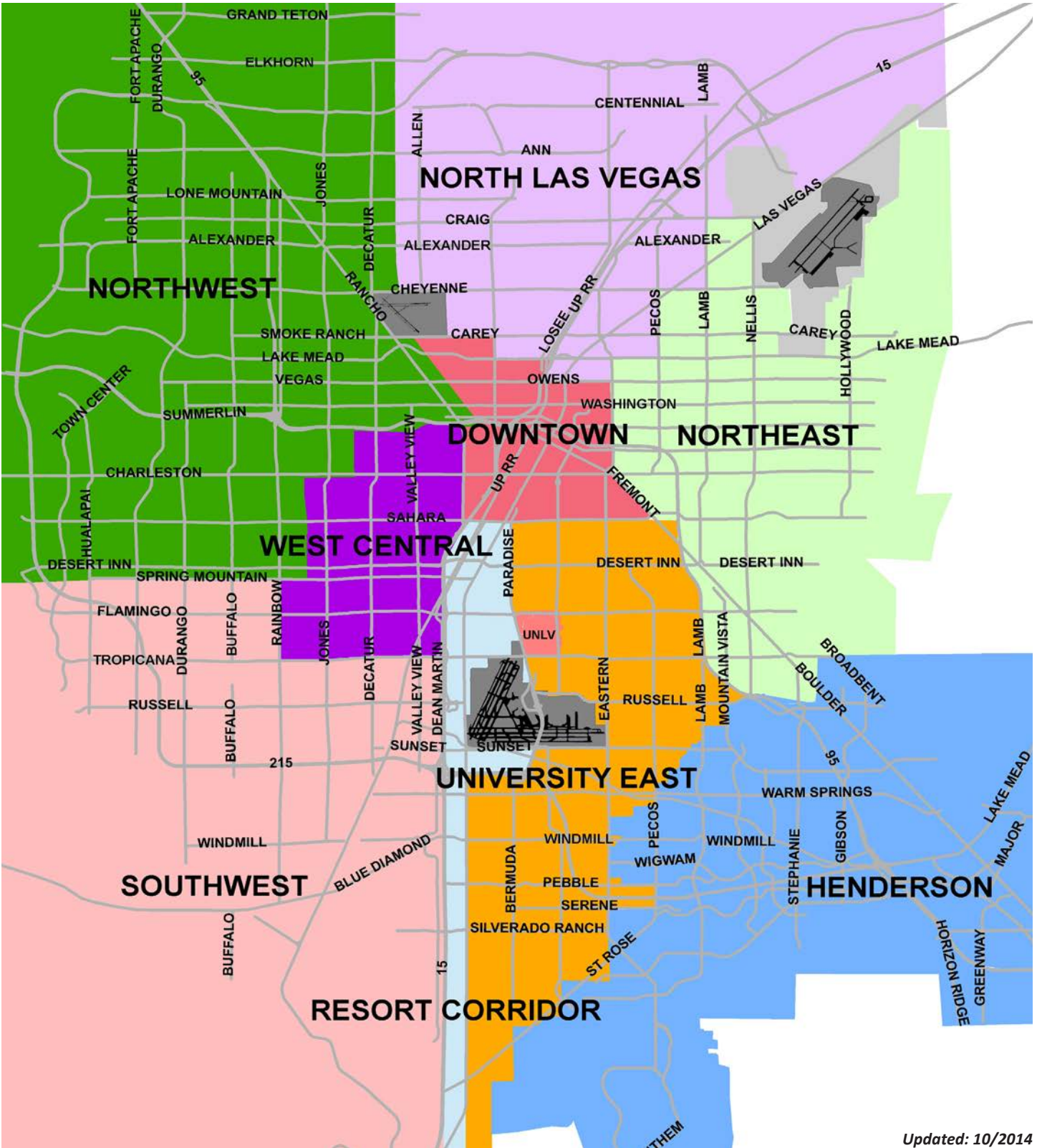
POWER CENTERS	Downtown	Henderson	North Las Vegas	Northeast	Northwest	Southwest	University East	West Central	Totals
Number of Properties	0	8	2	0	7	1	3	3	24
Total Rentable SF	0	2,962,288	987,713	0	2,840,846	944,314	1,210,223	1,138,224	10,083,608
Total Vacant SF	0	293,720	0	0	119,666	7,200	144,473	161,579	726,638
Total Occupied SF	0	2,668,568	987,713	0	2,721,180	937,114	1,065,750	976,645	9,356,970
Total Vacant (%)	0.0%	9.9%	0.0%	0.0%	4.2%	0.8%	11.9%	14.2%	7.2%
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	0	5,070	0	0	9,417	0	-7,350	18,046	25,183
Total Net Absorption YOY	0	48,346	0	0	-57,671	0	-5,303	-23,424	-38,052
Asking Rents (\$ PSF)	\$0.00	\$1.69	\$0.00	\$0.00	\$1.57	\$1.50	\$1.23	\$1.15	\$1.53
Under Constuction SF	0	0	0	0	0	0	0	0	0
Planned SF	0	0	0	0	0	0	0	0	0

COMMUNITY CENTERS	Downtown	Henderson	North Las Vegas	Northeast	Northwest	Southwest	University East	West Central	Totals
Number of Properties	5	21	10	8	20	9	19	15	107
Total Rentable SF	678,690	2,920,692	1,755,463	1,407,552	4,314,234	3,216,421	2,761,028	1,649,146	18,703,226
Total Vacant SF	196,985	290,797	145,772	61,417	186,378	238,620	587,591	345,179	2,052,739
Total Occupied SF	481,705	2,629,895	1,609,691	1,346,135	4,127,856	2,977,801	2,173,437	1,303,967	16,650,487
Total Vacant (%)	29.0%	10.0%	8.3%	4.4%	4.3%	7.4%	21.3%	20.9%	11.0%
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	0	-26,953	40,574	-5,093	13,163	5,013	24,862	-35,512	16,054
Total Net Absorption YOY	-12,101	-107,582	78,704	-41,221	90,895	71,748	152,948	-48,918	184,473
Asking Rents (\$ PSF)	\$0.65	\$1.44	\$1.52	\$1.51	\$1.58	\$1.42	\$0.23	\$0.86	\$0.81
Under Constuction SF	0	0	0	0	152,000	0	0	0	152,000
Planned SF	0	0	0	0	119,000	0	0	0	119,000

NEIGHBORHOOD CENTERS	Downtown	Henderson	North Las Vegas	Northeast	Northwest	Southwest	University East	West Central	Totals
Number of Properties	4	25	15	13	32	13	18	16	136
Total Rentable SF	427,161	2,797,088	2,167,567	1,134,765	3,655,508	1,623,100	2,078,976	1,591,685	15,475,850
Total Vacant SF	24,300	439,898	312,606	64,773	514,122	94,570	180,808	58,648	1,689,725
Total Occupied SF	402,861	2,357,190	1,854,961	1,069,992	3,141,386	1,528,530	1,898,168	1,533,037	13,786,125
Total Vacant (%)	5.7%	15.7%	14.4%	5.7%	14.1%	5.8%	8.7%	3.7%	10.9%
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	0	-119,684	62,551	0	32,413	6,393	11,087	48,324	41,084
Total Net Absorption YOY	11,811	-95,608	62,800	39,396	5,155	-28,302	-12,656	84,951	67,547
Asking Rents (\$ PSF)	\$1.08	\$0.91	\$0.80	\$1.01	\$0.93	\$1.71	\$1.16	\$0.99	\$1.00
Under Constuction SF	0	0	0	0	0	0	130,000	0	130,000
Planned SF	0	466,000	0	0	73,000	0	0	0	539,000

LAS VEGAS VALLEY

ANCHORED RETAIL SUBMARKET MAP



Updated: 10/2014