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Las Vegas Industrial Survey

3rd Quarter 2015



WARM SPRINGS CROSSING



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November 11, 2015

Re: Industrial Real Estate Survey: 3rd Quarter, 2015

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,

John Restrepo
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LAS VEGAS INDUSTRIAL SURVEY

SUMMARY

The Las Vegas Valley's ("the Valley") industrial market¹ ended Q3, 2015 with an inventory of 110.2 million square feet ("sf"). Net absorption (net demand) during Q3 was 2.6 million sf. The quarter also ended with an industrial vacancy rate of 5.0%, 3.6 percentage-points less than the Q3, 2014 rate. At \$0.63 per square foot ("psf") NNN², the average industrial monthly asking rent was \$0.03 lower than Q2 (\$0.66 psf), but \$0.03 higher than in Q3, 2014 (\$0.60 psf). At the end of Q3, there were 8.4 million sf of industrial forward-supply³ (2.3 million sf under construction and 6.1 million sf in the planning stages). Most under-construction space (91%) was in Warehouse/Distribution buildings. Performance metrics for the Valley's Industrial market in the last four quarters indicate that the industrial market has now mostly recovered and is again beginning to grow, while still healing in some sub-types.

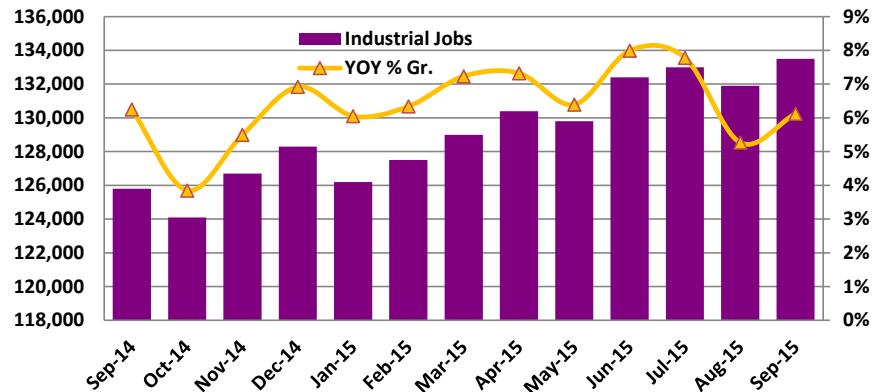
INDUSTRIAL-RELATED JOBS

Total nonfarm employment in the Las Vegas MSA rose by 21,900 jobs from September 2014 through September 2015, a 2.4% increase. During that time the "headline" unemployment rate declined 0.6 points to 6.8%.

Jobs in industrial space-using industries represented 16% (133,500 jobs) of all private jobs in Clark County at the end of Q3, 2015. This was 7,700 more (+6.1%) jobs than existed in September 2014.⁴ Since September 2012, industrial sector job growth has posted solid year-over-year (Y-O-Y) growth (>2%) every month, outpacing population growth and helping lower the unemployment rate.

The Construction sector (+6,200 jobs, +13.2%) and the Wholesale Trade sector (+700 jobs, +3.3%) have shown the greatest job gains since September 2014.

Clark County Total* Industrial Jobs and Annual Growth: Sep-14 to Sep-15



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

Industrial Employment

Industry Sector	Jul			Aug			Sep		
	2015	2014	% Ch.	2015	2014	% Ch.	2015	2014	% Ch.
Nat. Resources	400	400	0.0%	400	400	0.0%	400	400	0.0%
Construction	52,700	45,300	16.3%	51,700	46,900	10.2%	53,300	47,100	13.2%
Manufacturing	21,400	21,000	1.9%	21,200	21,100	0.5%	21,300	21,100	0.9%
Wholesale Trade	22,100	21,200	4.2%	22,100	21,200	4.2%	22,000	21,300	3.3%
Transp. & Warehousing	36,400	35,500	2.5%	36,500	35,700	2.2%	36,500	35,900	1.7%
Total	133,000	123,400	7.8%	131,900	125,300	5.3%	133,500	125,800	6.1%

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

VACANCY & RENTS

The Valley's total Industrial vacancy rate (direct vacant space plus sublease vacant space) decreased to 5.0% in Q3, down from 6.2% in Q2 and plunging from 8.6% in Q3, 2014. With this drop, the industrial market is now well below the generally accepted 10% stabilized vacancy rate. Vacancy levels have shown notable improvement in all quarters since peaking in Q3, 2012 when the rate stood at 15.5%. The return of the Valley's industrial 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, the lowest vacancy rates in Q3 were in North Las Vegas and West Central, at 3.5% and 4.5%, respectively. The Airport submarket posted the highest vacancy among the Valley's seven submarkets at 8.0%. This was

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still a 1.4 percentage-point improvement over the previous quarter's 9.4%, though. For the largest industrial submarket (the Southwest), the vacancy rate declined by 0.7 percentage-points from 6.0% in Q2 to 5.3% in Q3.

On a Y-O-Y basis, the Northwest and Airport submarkets saw the biggest drops in vacancy. The Northwest submarket vacancy rate was the most improved at 7.1 percentage-points, followed by the Airport submarket at 4.9 points. The Southwest experienced a 3.9-point decline, as did the North Las Vegas and East Las Vegas submarkets. The West Central market improved 2.6 points, while the Henderson vacancy rate declined another 1.1 points.

On a product basis, all five types saw vacancy rate drops in Q3. The largest came in Light Distribution at 1.5 points. Warehouse/Distribution continued to fall, with another 1.3 percentage-points shaved off of its 5.1% vacancy rate in Q2 to 3.8% in Q3. R&D/Flex space showed the smallest improvement at 0.1 points, with a 13.4% vacancy rate.

On a year-over-year ("Y-O-Y") basis, every product's vacancy rate improved, as well. Light Distribution improved the most, again, posting a 5.8-point drop between Q3, 2014 and Q3, 2015. R&D/Flex followed slightly behind at 4.9 percentage-points. Warehouse/Distribution, Light Industrial and Incubator rounded out the group with improvements of 3.4, 2.9 and 1.4 percentage-points, respectively.

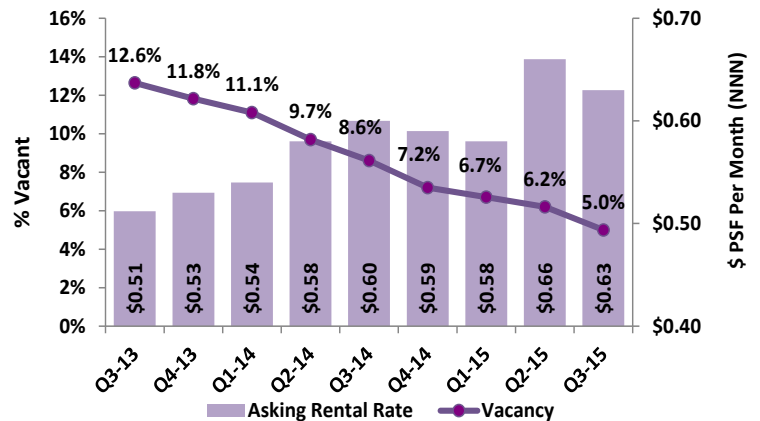
As noted above, the overall Industrial market has recovered from the Great Recession. Some submarkets and subtypes are doing better than others, such as Warehouse/Distribution on the strong end and R&D/Flex on the weaker end, but now the conversation has shifted away from which product types will recover faster to which ones are ready to expand and how the industry will deal with looming shortages. Fortunately, as we note in the Supply section below, some relief is on the way.

Monthly Industrial asking rents (calculated on a NNN basis (not accounting for any operating expenses) decreased \$0.03, to \$0.63 per sf in Q3, 2015. Rents are up the same \$0.03 since Q3, 2014. Remember, the rents herein are based on quoted asking rents, not negotiated rents between owners and tenants.

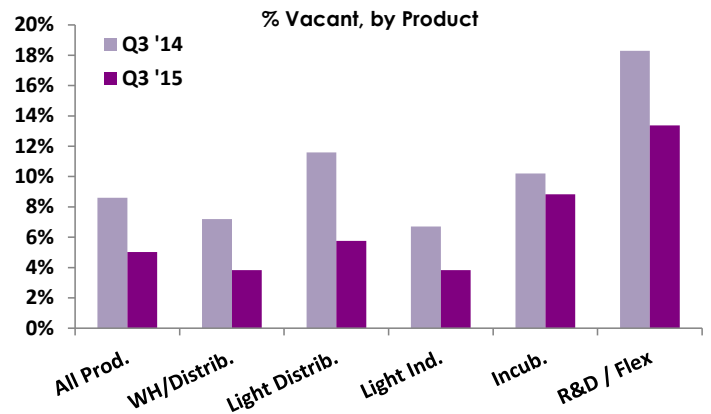
DEMAND

Demand (defined as total net absorption) in Q3 in the Valley's industrial market was positive for the 12th straight quarter with 2,634,800 sf of net space absorbed compared to 1,184,000 sf of absorption during Q3, 2014. On a Y-O-Y basis, Q3 saw 5.8 million sf of absorption compared to 4.6 million during the four quarters ending in Q3, 2014. This increase is largely due to over 2.0 million sf of pre-leased and built-to-suit new space that opened during the

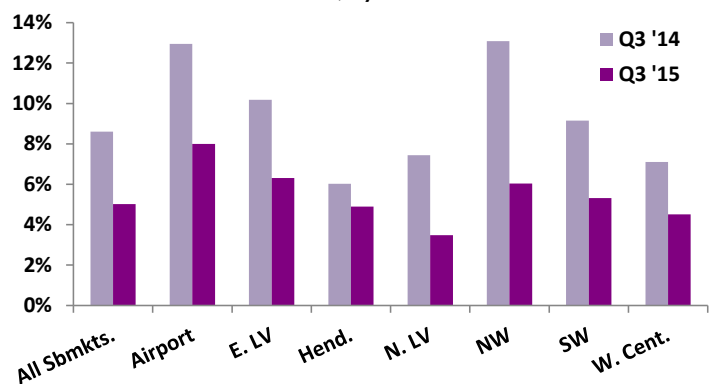
**Las Vegas Valley Industrial Market
Historical Vacancy vs. Monthly Asking Rent:
Q3, 2013 - Q3, 2015**



**Las Vegas Valley Industrial Market
Vacancy Trends: Q3, 2014 v. Q3, 2015**



% Vacant, by Submarket



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most recent quarter. New space will have to regularly come to market to keep up this level of absorption with so little unoccupied space remaining in the market.

All seven submarkets had positive absorption in Q3. The North Las Vegas saw the highest net absorption with 1.0 million sf. The Southwest (+872,100), Airport (+373,200 sf) and West Central (+197,500 sf) submarkets also posted increases in net absorption. The East Las Vegas (+63,100), Henderson (+55,800 sf) and Northwest (+29,700 sf) submarkets rounded out the group.

On a Y-O-Y basis, the top submarkets were North Las Vegas (2.2 million sf) and Southwest (2.0 million sf). The Airport submarket (875,900) has also had a good year.

The remaining submarkets all had positive absorption figures over the last year, as well. With all submarkets under the 10% stabilized rate and unoccupied space decreasing, we expect to start seeing negative economic development and growth impacts until new space is made available.

Demand in Q3 was positive in all five product types, too. Warehouse/Distribution led the way with 2.0 million sf absorbed, followed by Light Industrial with 333,200 sf of absorption. Light Distribution (+264,900 sf), Incubator (+35,700) and R&D/Flex (+5,200 sf) space also saw growth.

Strong demand for Warehouse/Distribution space has driven the Valley's Industrial market over the last year. About 5.8 million sf of Industrial space have been absorbed in that time, with 3.4 million sf absorbed in Warehouse/Distribution space alone. All other products were also positive Y-O-Y: Light Distribution (+1.0 million sf), Light Industrial (+949,200 sf), R&D/Flex (+291,900 sf) and Incubator (+107,800 sf).

SUPPLY

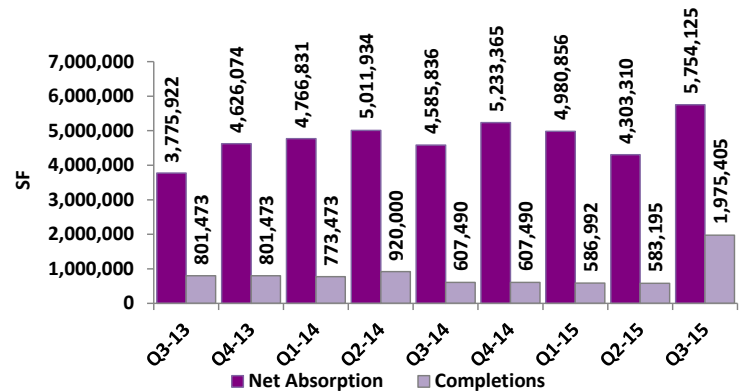
There were five completions during Q3, 2015 totaling 1.4 million sf of space, increasing inventory to 110.2 million sf. Over the last

three years: no new space was completed in 2012, 801,500 sf of industrial space was completed in 2013 and 609,400 sf of space opened in 2014. The drop-off post-recession is quite striking. However, three quarters into 2015, there have already been 2.0 million sf of new space brought to market. That figure should yet increase by the end of the year.

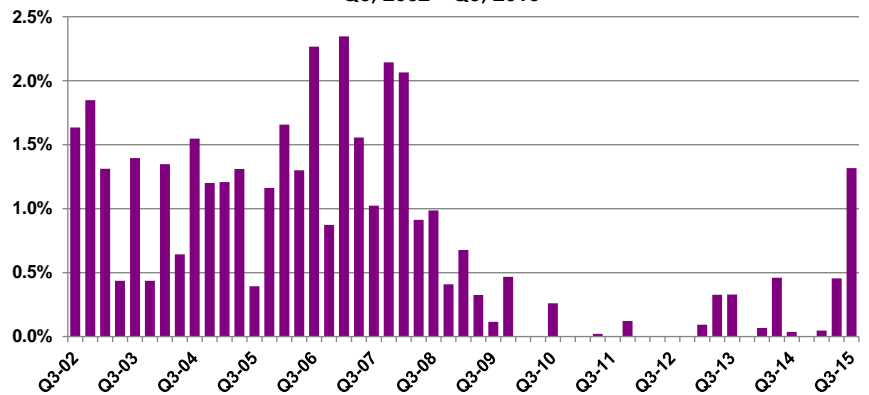
The Q3 completions were: the Konami Gaming Expansion, which added 193,000 sf of Warehouse/Distribution space to the existing facility in the Airport submarket; the new 110,000 sf Catamaran Warehouse/Distribution building in the Southwest; Switch's SuperNAP #9 server farm in the Southwest with 575,000 sf Warehouse/Distribution space; the Marmaxx Distribution Center's 400,000 sf expansion in North Las Vegas; and Las Vegas Corporate Center #20, a 153,700 sf Warehouse/Distribution product in North Las Vegas.

The first quarter of 2015 saw the completion of the MMC Contractors West 51,502 sf Light Industrial building in the Southwest submarket, while the second quarter saw completed the Las Vegas Corporate Center #19, a 464,203 sf Warehouse/Distribution center in North Las Vegas, in addition to the VSR Industries III building (28,000 sf of Light In-

**Las Vegas Valley Industrial Market
Historical YOY Net Absorption vs. Completions:
Q3, 2013 - Q3, 2015**



**Las Vegas Valley Industrial Market
Completions as a % of Inventory:
Q3, 2002 - Q3, 2015**



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dustrial in Henderson). By comparison, in 2014, four projects were completed: VadaTech's 72,000-square-foot Light Industrial facility (Q1), Nicholas & Brothers Food Distributors' 200,000-square-foot Warehouse/Distribution building (Q2), a 296,000-square-foot FedEx Ground distribution center (Q2) and the Tapia Brothers' 39,500-square-foot Warehouse expansion (Q3).

Industrial space still scheduled to open in 2015 should continue to dwarf the previous few years' completions. Openings of several large speculative Warehouse/Distribution centers, which are meant to meet the demand for large storage space in the Valley, should produce 938,700 sf more of new Industrial space this year. This new space is a welcome respite for a market that is has become severely supply-constrained and that is a critical player in Southern Nevada's continued economic growth and development.

There were nine projects under construction at the end of the third quarter, which support the ongoing trend of new Warehouse/Distribution development:

Under Construction

Project	SF	Subtype	Submarket	Exp. Comp.
Ainsworth Americas HQ	190,000	Light Industrial	Southwest	Q116
Black Mountain Distribution Center #3	232,826	Warehouse/Distribution	Henderson	Q216
Blue Diamond Business Center #3	167,280	Warehouse/Distribution	Southwest	Q116
Jones Corporate Park	416,000	Warehouse/Distribution	Southwest	Q116
LogistiCenter Cheyenne	381,804	Warehouse/Distribution	East Las Vegas	Q415
Lone Mountain Corporate Center-Phase 1	446,880	Warehouse/Distribution	North Las Vegas	Q415
Republic Services Recycling Expansion	110,000	Warehouse/Distribution	North Las Vegas	Q415
Southern Tire Mart expansion	20,000	Light Industrial	North Las Vegas	Q415
Sunpoint Business Center	311,246	Warehouse/Distribution	East Las Vegas	Q116

On top of all the ongoing construction, there are 15 additional projects in the planning stages. They are:

Planned

Project	SF	Subtype	Submarket	Exp. Comp.
Beltway Distribution Center	211,188	Warehouse/Distribution	Southwest	Q316
Blue Diamond Business Center #10	495,000	Warehouse/Distribution	Southwest	2016
Blue Diamond Business Center #6	430,000	Warehouse/Distribution	Southwest	Q316
Cheyenne Distribution Center #3	163,790	Warehouse/Distribution	North Las Vegas	Q216
Desert Inn Distribution Center	153,320	Warehouse/Distribution	West Central	Q416
Henderson Commerce Center IV	210,000	Warehouse/Distribution	Henderson	2016
Henderson Freeway Crossing	452,170	Warehouse/Distribution	Henderson	Q216
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
Northgate Distribution Center	806,040	Warehouse/Distribution	North Las Vegas	Q216
Parc Post	165,234	Warehouse/Distribution	Southwest	Q216
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	2016
Supernap 10 (SWITCH)	240,000	Warehouse/Distribution	Southwest	2016

These projects are helping to accommodate and/or power Southern Nevada's long-awaited economic recovery and its positioning as a 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; the new projects coming down the pipeline should help ease the existing shortage issues.

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INVESTMENT SALES

Based on the number of industrial investment sales to-date as reported by Colliers, we expect that there will be a drop-off in 2015 compared to 2014. Based on the number of sales to-date, we project that the market will potentially see an additional 10 sales by year end, statistically speaking, and not accounting for seasonality, quality or other market issues. The average price per sale so far in 2015 is \$5.6 million versus \$3.3 million in 2014. On the other hand, the average sales price per sf in 2014 was higher than 2015, to-date, with the average sale size in 2015 being higher. Finally, the average cap rate has dropped by nearly 7%. 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. 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. What does all point to is a supply-constrained industrial market experiencing quite a few cross winds.

Industrial Investment Sales

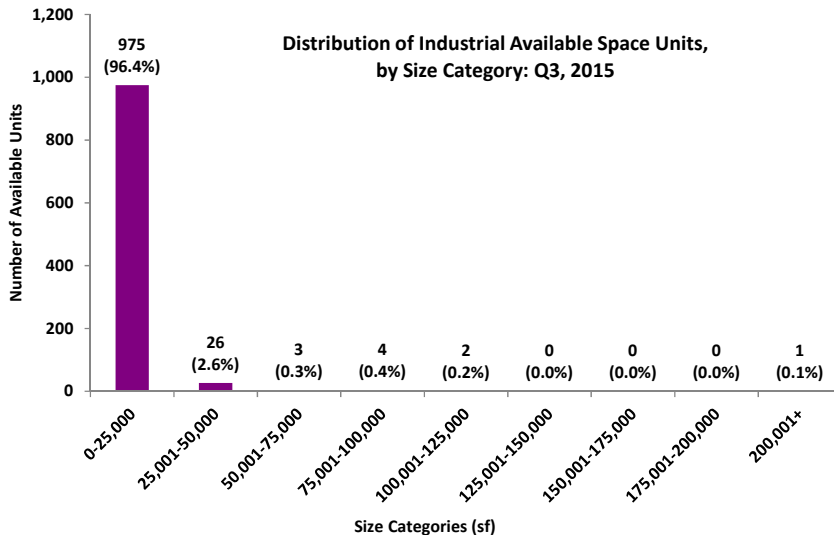
	2014	YTD 2015
No. Sales	82	32
Square Feet Sold	3,063,000	2,045,000
Sales Volume	272.7 MM	177.8 MM
Average Price/SF	\$89.03	\$86.95
Average Cap Rate*	7.3%	6.8%
Average Sale Size (SF)	37,000	64,000

Source: Colliers Las Vegas.

*Cap rate on properties available for sale as investments.

FURTHER THOUGHTS & RECAP

An increasingly healthier Southern Nevada economy in 2015 is illustrating that the recovery of the industrial market is essentially complete. Southern Nevada has not seen net absorption levels like these since 2007, the year the Great Recession officially started. Industrial net absorption has only been negative in two of the last 19 quarters. Now, the market is entering a period of shortages that we hope won't be long-lived because of the potential impact on economic growth and development.



Jobs in industrial space-using industries represented 16% (133,500 jobs) of all private jobs in Clark County at the end of Q3, 2015. This was 7,700 more (+6.1%) jobs than existed in September 2014. 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 (+6,200 jobs, +13.2%) and the Wholesale Trade sector (+700 jobs, +3.3%) have shown the greatest job gains since September 2014.

The Valley's total Industrial vacancy rate (direct vacant space plus sublease vacant space)

decreased to 5.0% in Q3, down from 6.2% in Q2 and plunging from 8.6% in Q3, 2014. Vacancy levels have shown notable improvement in all quarters since peaking in Q3, 2012 when the rate stood at 15.5%. The return of the Valley's industrial 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, the lowest vacancy rates in Q3 were in North Las Vegas and West Central, at 3.5% and 4.5%, respectively. The Airport submarket posted the highest vacancy among the Valley's seven submarkets at 8.0%. This was still a 1.4 percentage-point improvement over the previous quarter's 9.4%, though. For the largest industrial submarket (the Southwest), the vacancy rate declined by 0.7 percentage-points from 6.0% in Q2 to 5.3% in Q3.

The growth of e-commerce along with multi-channel (Internet, mobile, bricks-and-mortar) selling by traditional and non-traditional retailers IS the long-term driver of the demand for industrial space in Southern Nevada, as it has 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. And, now we have the possibility that Southern Nevada may be on the verge of establishing an advanced manufacturing cluster with the potential entrance of the Faraday Future electric car company that is considering Southern Nevada along with two other regions.

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
Third Quarter, 2015

SUBMARKETS

TOTAL INDUSTRIAL MARKET	Airport	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	501	149	534	1,016	81	1,280	648	4,209
Total Rentable SF	14,320,625	2,823,817	13,096,916	32,709,422	1,336,299	33,873,535	12,016,433	110,177,047
Total Vacant SF	1,145,733	178,334	641,353	1,137,484	80,680	1,799,200	542,468	5,525,252
Total Occupied SF	13,174,892	2,645,483	12,455,563	31,571,938	1,255,619	32,074,335	11,473,965	104,651,795
Total Vacant (%)	8.0%	6.3%	4.9%	3.5%	6.0%	5.3%	4.5%	5.0%
Completions QTD	193,000	0	0	553,700	0	685,000	0	1,431,700
Completions YOY	193,000	0	28,000	1,017,903	0	736,502	0	1,975,405
Total Net Absorption QTD	373,176	63,132	55,782	1,043,419	29,721	872,081	197,535	2,634,846
Total Net Absorption YOY	875,947	109,020	156,761	2,236,289	94,185	1,970,583	311,340	5,754,125
Asking Rents (\$ PSF)	\$0.76	\$0.32	\$0.62	\$0.44	\$0.69	\$0.70	\$0.79	\$0.63
Under Construction SF	0	693,050	232,826	576,880	0	773,280	0	2,276,036
Planned SF	0	787,760	1,141,610	2,490,910	0	1,541,422	153,320	6,115,022

WAREHOUSE/DISTRIBUTION	Airport	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	78	18	78	178	5	140	52	549
Total Rentable SF	5,037,394	907,075	6,757,019	19,763,852	223,661	13,751,312	1,939,836	48,380,149
Total Vacant SF	274,359	128,774	151,039	665,551	0	632,253	0	1,851,976
Total Occupied SF	4,763,035	778,301	6,605,980	19,098,301	223,661	13,119,059	1,939,836	46,528,173
Total Vacant (%)	5.4%	14.2%	2.2%	3.4%	0.0%	4.6%	0.0%	3.8%
Completions QTD	193,000	0	0	553,700	0	685,000	0	1,431,700
Completions YOY	193,000	0	0	1,017,903	0	685,000	0	1,895,903
Total Net Absorption QTD	170,204	-3,900	26,751	905,819	0	839,917	57,000	1,995,791
Total Net Absorption YOY	316,975	22,100	-26,589	1,713,485	13,367	1,259,205	73,282	3,371,825
Asking Rents (\$ PSF)	\$0.60	\$0.27	\$0.49	\$0.27	\$0.00	\$0.58	\$0.00	\$0.44
Under Construction SF	0	693,050	232,826	556,880	0	583,280	0	2,066,036
Planned SF	0	787,760	1,141,610	2,490,910	0	1,541,422	153,320	6,115,022

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	188,582	6,274	179,563	131,197	3,800	447,505	61,015	1,017,936
Total Occupied SF	2,980,547	334,401	1,392,140	4,717,737	47,200	6,483,131	714,732	16,669,888
Total Vacant (%)	6.0%	1.8%	11.4%	2.7%	7.5%	6.5%	7.9%	5.8%
Completions QTD	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	0	0
Total Net Absorption QTD	80,596	126	12,203	92,661	0	8,038	71,316	264,940
Total Net Absorption YOY	212,622	-6,274	104,759	293,901	0	369,597	58,769	1,033,374
Asking Rents (\$ PSF)	\$0.61	\$0.47	\$0.51	\$0.50	\$0.65	\$0.64	\$0.41	\$0.58
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
Third Quarter, 2015

SUBMARKETS

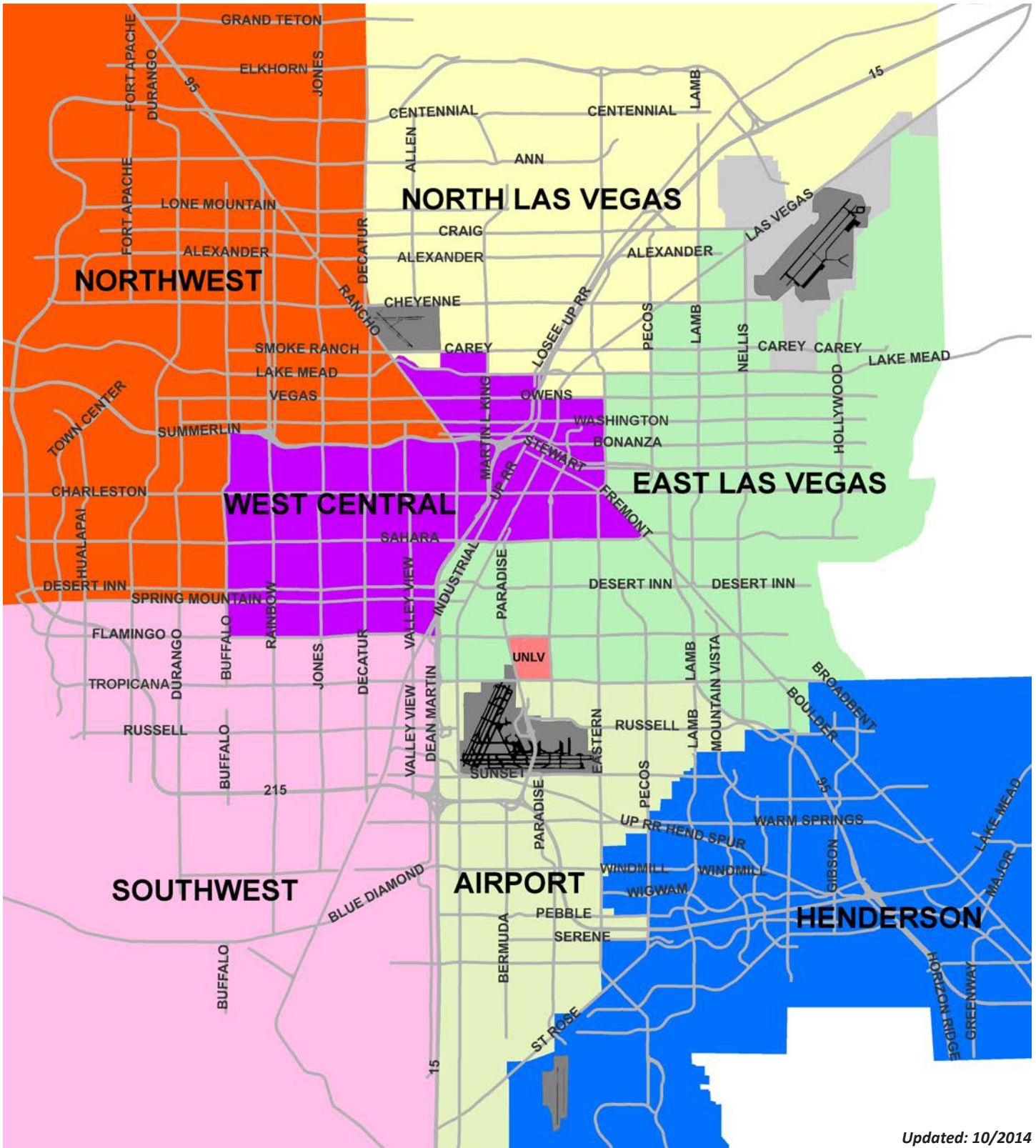
LIGHT INDUSTRIAL	Airport	East Las Vegas	Henderson	North Las Vegas	Northwest	Southwest	West Central	Totals
Number of Properties	199	91	313	594	16	741	482	2,436
Total Rentable SF	3,076,809	1,135,150	3,085,009	6,755,260	290,111	9,172,544	6,622,403	30,137,286
Total Vacant SF	296,057	0	136,817	160,966	2,792	319,622	237,731	1,153,985
Total Occupied SF	2,780,752	1,135,150	2,948,192	6,594,294	287,319	8,852,922	6,384,672	28,983,301
Total Vacant (%)	9.6%	0.0%	4.4%	2.4%	1.0%	3.5%	3.6%	3.8%
Completions QTD	0	0	0	0	0	0	0	0
Completions YOY	0	0	28,000	0	0	51,502	0	79,502
Total Net Absorption QTD	82,461	58,150	18,976	56,122	16	36,232	81,248	333,205
Total Net Absorption YOY	82,759	65,383	97,663	219,847	2,128	302,254	179,190	949,224
Asking Rents (\$ PSF)	\$0.77	\$0.00	\$0.69	\$0.49	\$1.36	\$0.67	\$0.84	\$0.69
Under Constuction SF	0	0	0	20,000	0	190,000	0	210,000
Planned SF	0	0	0	0	0	0	0	0

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	133,317	27,872	33,154	73,644	2,040	226,126	217,736	713,889
Total Occupied SF	1,581,304	270,751	423,752	487,908	97,285	2,270,255	2,240,879	7,372,134
Total Vacant (%)	7.8%	9.3%	7.3%	13.1%	2.1%	9.1%	8.9%	8.8%
Completions QTD	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	0	0
Total Net Absorption QTD	59,902	8,756	-8,847	-10,825	1,540	-9,485	-5,345	35,696
Total Net Absorption YOY	161,071	23,826	-8,448	-1,237	-118	-56,007	-11,329	107,758
Asking Rents (\$ PSF)	\$0.78	\$0.45	\$0.55	\$0.50	\$0.70	\$1.00	\$0.82	\$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	253,418	15,414	140,780	106,126	72,048	173,694	25,986	787,466
Total Occupied SF	1,069,254	126,880	1,085,499	673,698	600,154	1,348,968	193,846	5,098,299
Total Vacant (%)	19.2%	10.8%	11.5%	13.6%	10.7%	11.4%	11.8%	13.4%
Completions QTD	0	0	0	0	0	0	0	0
Completions YOY	0	0	0	0	0	0	0	0
Total Net Absorption QTD	-19,987	0	6,699	-358	28,165	-2,621	-6,684	5,214
Total Net Absorption YOY	102,520	3,985	-10,624	10,293	78,808	95,534	11,428	291,944
Asking Rents (\$ PSF)	\$1.00	\$0.53	\$0.83	\$0.81	\$0.66	\$0.95	\$1.02	\$0.89
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