

Las Vegas



Market Facts

715,625

Total SF of professional office space under construction.

44,274

Total amount of new delivery SF during the quarter

261

Total number of leases signed

120

Total number of office sales

Office Market Overview

Professional office vacancy decreased slightly to 10.7% in the first quarter. While there approximately 45,000 square feet of deliveries during the quarter, there was approximately 715,625 square feet under construction.

There were approximately 261 office leases executed in the first quarter of 2020. While the largest lease was 85,943 square feet, there were only 4 leases completed over 15,000 square feet. By comparison, there were approximately 353 office leases executed in the first quarter of 2019. The largest lease was 64,000 square feet, with a majority being under 10,000 square feet.

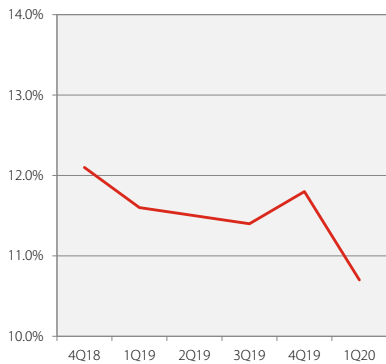
In the first quarter of 2020, there were approximately 120 office sales, with the biggest sale being a 100,000 square foot medical office building in the central east submarket which sold for \$22M or \$220/SF. A majority of the sales that took place were under 50,000 square feet. By comparison, there were approximately

89 office sales completed in the first quarter of 2019. The biggest sale was a 58,950 square foot office building in the northwest submarket which sold for \$19.9M or \$337.57/SF. A majority of sales that took place in the first quarter of 2019 were under 50,000 square feet.

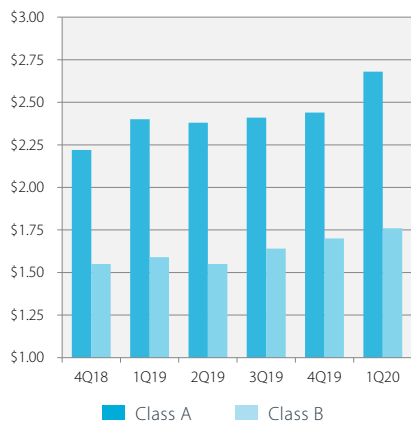
The medical office market performed well in the first quarter of 2020 with 28 sales and 17 leases. The 100,000 square foot medical office building located at 3131 La Canada Street in the central east submarket was the largest medical office sale of the quarter. The building sold for \$22M or \$220/SF. The largest medical office lease was located at 2635 St. Rose Parkway in the south submarket. The 11,580 square foot lease was signed for \$2.00/SF (NNN).

Office Market Snapshot

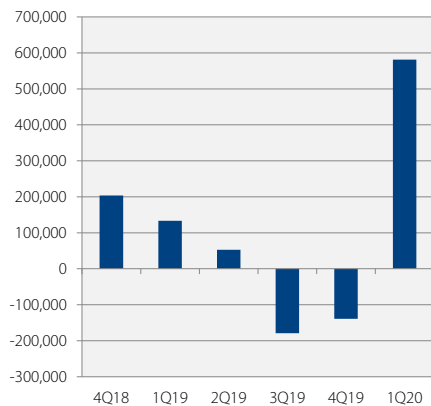
Vacancy Rates



Asking Rents

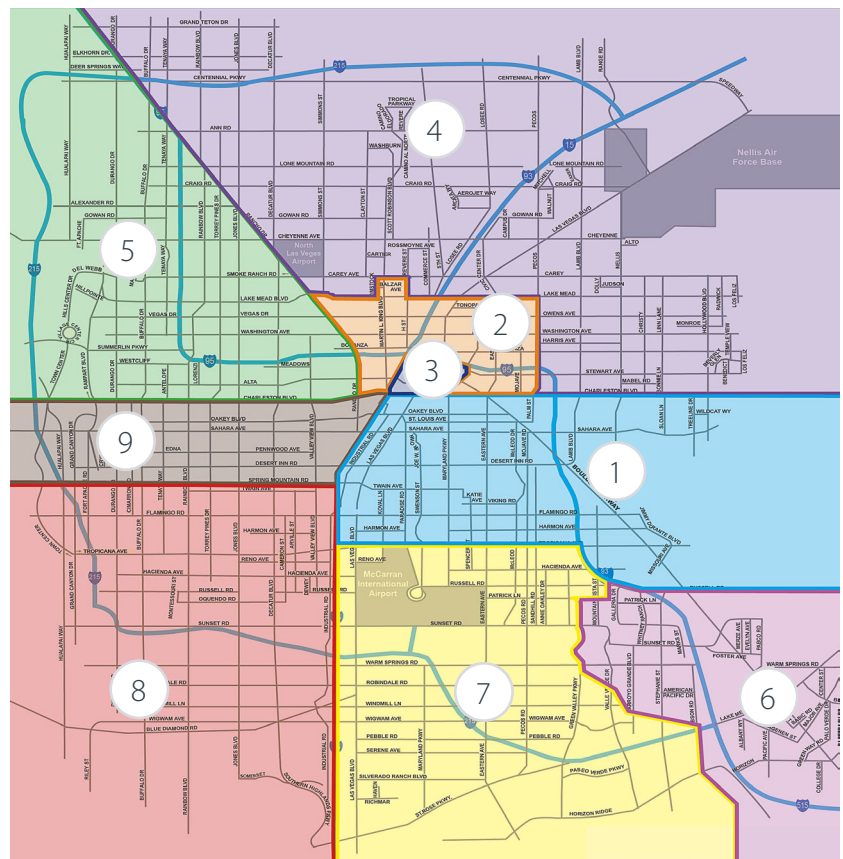


Absorption



Las Vegas Office Submarkets

1. Central East
2. Central North
3. Downtown
4. North Las Vegas
5. Northwest
6. Southeast
7. South
8. Southwest
9. West



Professional Office Market Indicators

Submarket	Total SF *	Vacant Available SF	Vacant Available %	Current Net Absorption	YTD Net Absorption	Under Construction	Avg. Asking Rate Class A**	Avg. Asking Rate Class B**
Central East	5,459,191	808,431	16.1%	113,977	113,977	0	\$2.92	\$1.65
Central North	1,505,605	964	0.1%	2,010	2,010	0	n/a	\$1.85
Downtown	4,495,519	297,681	6.6%	(7,876)	(7,876)	0	\$2.75	\$2.18
North Las Vegas	1,138,218	122,571	8.9%	(9,886)	(9,886)	0	n/a	\$1.20
Northwest	6,294,934	823,929	13.1%	136,375	136,375	0	\$2.40	\$1.99
Southeast/Henderson	1,015,936	150,629	14.8%	(38,348)	(38,348)	0	n/a	\$1.33
South	8,248,080	719,162	8.7%	140,649	140,649	362,720	\$2.42	\$1.64
Southwest	7,561,425	637,016	8.4%	224,198	224,198	352,905	\$2.78	\$1.87
West	5,193,032	765,622	14.7%	20,073	20,073	0	\$3.23	\$1.54
Totals	41,155,908	4,398,005	10.7%	581,172	581,172	715,625	\$2.68	\$1.76

* Includes buildings over 10,000 SF

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

Medical Office Market Indicators

Submarket	Total SF *	Vacant Available SF	Vacant Available %	Current Net Absorption	YTD Net Absorption	Under Construction	Avg. Asking Rate **
Central East	2,402,793	432,383	18.0%	(46,386)	(46,386)	0	\$1.34
Central North	794,858	75,926	9.6%	6,758	6,758	0	\$1.55
North Las Vegas	487,271	53,523	11.0%	(7,107)	(7,107)	20,000	\$1.41
Northwest	3,183,421	202,642	6.4%	(19,977)	(19,977)	0	\$1.47
Southeast/Henderson	594,273	89,627	15.1%	31,757	31,757	0	\$1.06
South	2,797,759	271,445	9.7%	98,572	98,572	300,000	\$1.46
Southwest	3,136,722	505,895	16.1%	(50,049)	(50,049)	149,752	\$2.01
West	1,357,415	127,620	9.4%	30,055	30,055	0	\$1.37
Totals	14,890,309	1,781,228	12.0%	43,623	43,623	469,752	\$1.55

* Includes buildings over 5,000 SF

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



avisonyoung.com

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

Prepared by:

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

E. & O.E.: The information contained herein was obtained from sources which we deem reliable and, while thought to be correct, is not guaranteed by Avison Young.

2020 Avison Young - Nevada, LLC. All rights reserved.