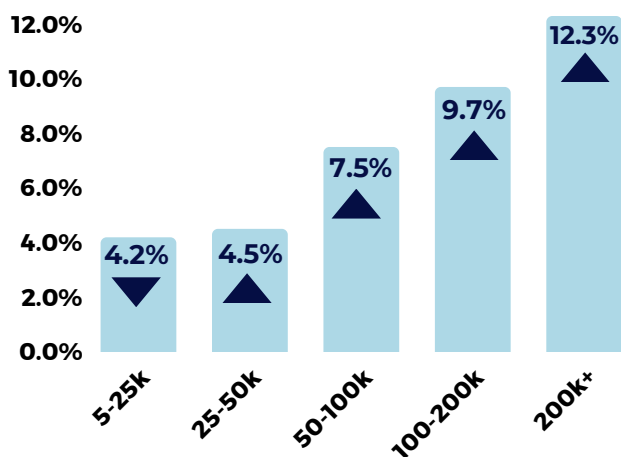


BIGGEST LITTLE INDUSTRIAL REPORT

Q2 2024

Square Ft	Monthly Rent PSF		Avg Sale PSF	
5-25k	\$1.21	▼	\$191	▼
25-50k	\$1.13	▲	\$175	▼
50-100k	\$0.99		\$170	▲
100-200k	\$1.02	▲	\$154	
200k+	\$0.79	▼	\$129	▲

VACANCY RATES



NOTABLE TRANSACTIONS

3200 USA Parkway

- Vacant Investment Sale
- Sold June 27th, 2024
- 707,010 SF
- \$115.27/SF

500 Denmark Dr

- Forward Sale
- Sold June 14th, 2024
- 322,400 SF
- \$129.22/SF

Advice for occupiers:

Q2 saw industrial vacancies up sharply to numbers that have not been seen since Q1 of 2016. This increase is due to three consecutive quarters of negative net absorption along with the new market deliveries of around 2M SF. With the higher vacancies, the market has seen a larger number of sublease opportunities present themselves. This has allowed occupiers that have been on the sidelines due to inflated rates the chance to take up excess square footage at a more favorable price. Leasing velocity has slowed, but overall activity with small, medium, and large companies remains high. Landlords are more likely to offer more considerations like lower rates, free rent, or higher tenant improvement allowances. Occupiers must remain diligent and be able to show a strong financial position and favorable leasing history in order to maintain their negotiating power.

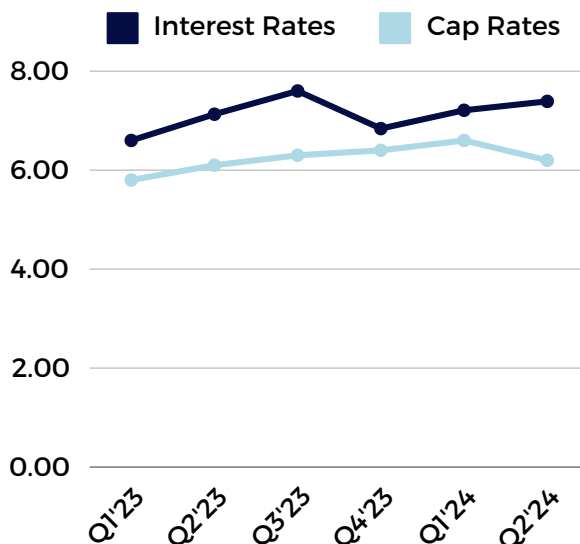
Are you an occupier that's considering a purchase in 2024? Competition from other owner/users and savvy investors in the market remains at an all-time high which puts more pressure on buyers being able to execute. When considering purchase opportunities, we recommend a clear, specific need and timeline outlined with your Broker and having your capital lined up and ready to deploy. When sourcing lending options we suggest that occupiers explore all lending opportunities across the market. This includes both community and large banking institutions, SBA Loans, and Private Money funding sources.

Nevada Currently Ranked #1 in the country for Job Growth

(USNews.com, 2024)

CHANGES SINCE LAST QUARTER

Big box vacancies saw a sharp increase when compared to last quarter, raising the overall market vacancy again this quarter. Although this marks the third consecutive quarter of negative net absorption for Northern Nevada, the market remains healthy as the demand for smaller, more flexible spaces continues to drive leasing activity. Moving forward, expect the vacancy rates and availability to peak as macroeconomic uncertainties unfold.



Advice for landlords:

As Northern Nevada experiences its third consecutive quarter of negative absorption, landlords should seek guidance from qualified professionals to navigate an increasingly competitive market. Although the era of 1% vacancy may be behind us, it is still possible to stabilize assets and enhance property value. Despite another negative absorption figure, landlords can discover opportunities for stability and growth by adopting proactive and strategic measures such as enhancing property appeal, offering flexible leasing options, exploring alternative uses, and employing creative marketing strategies. For owner-users, the sale-leaseback option is becoming an increasingly attractive business strategy to raise working capital amid market uncertainty within an election year. This strategy requires substantial market expertise, but when executed correctly, can provide significant benefits, including increased liquid capital for business growth and debt consolidation.

BIGGEST LITTLE INDUSTRIAL REPORT

Q2 2024

THIS BIGGEST LITTLE INDUSTRIAL REPORT IS BROUGHT TO YOU BY THE

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*For more information on the
current industrial market, visit
our website or contact us today!*