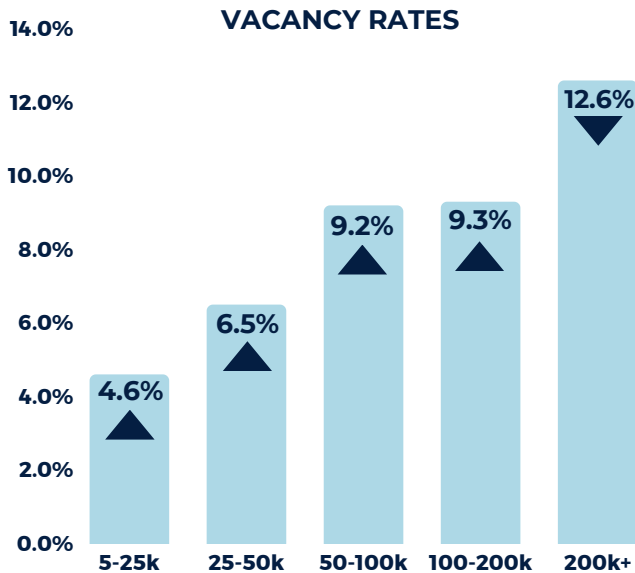


# BIGGEST LITTLE INDUSTRIAL REPORT

Q4 2024

Square Ft	Monthly Rent PSF	Avg Sale PSF
5-25k	\$1.22 ▲	\$233 ▲
25-50k	\$1.06 ▼	\$164 ▼
50-100k	\$0.92 ▼	\$170 ▲
100-200k	\$0.90 ▼	\$154 ▬
200k+	\$0.76 ▼	\$123 ▼



**NOTABLE TRANSACTIONS**

- 55 Vista Blvd**
  - Industrial Warehouse
  - 117,198 SF Sale
  - \$14,900,000 (\$126.71/SF)
  - Sparks
- 1760 Deming Way**
  - Industrial Warehouse
  - 19,220 SF Sale
  - \$4,500,000 (\$234.13/SF)
  - Sparks
- 4689 Aircenter Cir**
  - Industrial Warehouse
  - 70,200 SF Lease
  - \$1.05/SF
  - Airport
- 625 Pittsburgh Ave-Bldg B**
  - Industrial Warehouse
  - 141,120 SF Lease
  - \$/SF (\*Call for Details)
  - TRIC

**CHANGES SINCE LAST QUARTER**

The industrial real estate market in Northern Nevada experienced minimal changes in the fourth quarter of 2024. Overall vacancy increased from 9.77% in Q3 to 10.40% in Q4. However, direct vacancy decreased for the first time in two years, dropping by 5 basis points to 8.42%. Sublease space was the driving factor in the overall vacancy. Since 2020, over 22 million square feet of new industrial space has been delivered. With that being said, there is minimal new construction expected to be completed in the first part of the new year, which may help balance supply and demand and potentially reduce vacancy rates in the coming quarters. Overall asking rates have shown resilience in both flex and traditional industrial. These factors indicate a market in transition, with increasing vacancy rates and stable rental rates suggests a shift towards a more balanced industrial real estate environment in Northern Nevada.



**Advice for Tenants:**

Occupiers in small-bay spaces 5-50k SF have seen a slight uptick in vacancy over recent quarters, accompanied by sustained, flattened rent rates. While demand for these spaces remains high, market conditions are shifting. If you're approaching a lease renewal in early/mid 2025, it's a good time to explore your options. Newer landlords who acquired properties at higher prices and inflated interest rates need to charge a premium rent, whereas longtime landlords may be more flexible and willing to offer competitive rates. In the 50-200k SF segment, rents have decreased as vacancy climbs to 9%. Compared to the previous two quarters, rents have dropped significantly, from just over \$1.00/SF to approximately \$0.90/SF. This shift presents an opportunity for occupiers to renegotiate or secure better lease terms. For users in the 200k+ SF category, now is a rare opportunity to enter the Reno market. Historically, this segment has maintained higher vacancy rates, but the recent softening of the market creates an ideal window to explore space in the region. These market conditions offer unique opportunities to align your space needs with favorable terms.

**Advice for Investors:**

In an ever-evolving market, Industrial landlords have the unique opportunity to rise to the occasion by embracing adaptability and innovation. While challenges such as fluctuating demand and tenant turnover can feel daunting, they also pave the way for creative solutions that can strengthen long-term success. By focusing on building strong tenant relationships, exploring diverse revenue opportunities like varying lease term length and favorable renewal options, and staying attuned to market trends, landlords can position themselves for sustainable growth, even in uncertain times.

# BIGGEST LITTLE INDUSTRIAL REPORT

Q4 2024

## THE BIGGEST LITTLE INDUSTRIAL REPORT IS BROUGHT TO YOU BY THE STREET CRE INDUSTRIAL TEAM



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