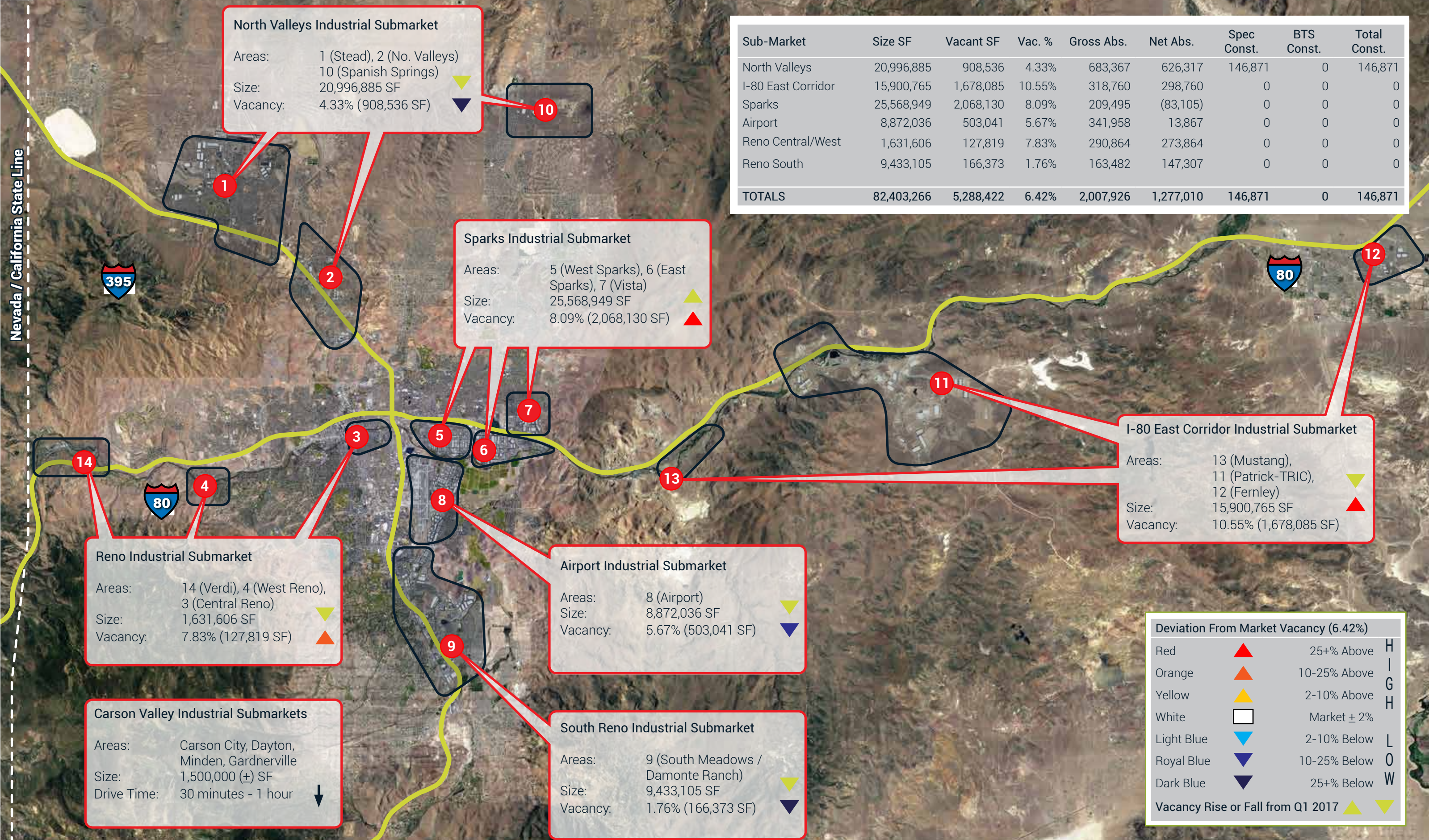


NO. NEVADA INDUSTRIAL SUBMARKETS (Q2 2017 INDUSTRIAL VACANCY: 6.42%)



North Valleys Industrial Submarket
 Areas: 1 (Stead), 2 (No. Valleys), 10 (Spanish Springs)
 Size: 20,996,885 SF
 Vacancy: 4.33% (908,536 SF)

Sparks Industrial Submarket
 Areas: 5 (West Sparks), 6 (East Sparks), 7 (Vista)
 Size: 25,568,949 SF
 Vacancy: 8.09% (2,068,130 SF)

I-80 East Corridor Industrial Submarket
 Areas: 13 (Mustang), 11 (Patrick-TRIC), 12 (Fernley)
 Size: 15,900,765 SF
 Vacancy: 10.55% (1,678,085 SF)

Sub-Market	Size SF	Vacant SF	Vac. %	Gross Abs.	Net Abs.	Spec Const.	BTS Const.	Total Const.
North Valleys	20,996,885	908,536	4.33%	683,367	626,317	146,871	0	146,871
I-80 East Corridor	15,900,765	1,678,085	10.55%	318,760	298,760	0	0	0
Sparks	25,568,949	2,068,130	8.09%	209,495	(83,105)	0	0	0
Airport	8,872,036	503,041	5.67%	341,958	13,867	0	0	0
Reno Central/West	1,631,606	127,819	7.83%	290,864	273,864	0	0	0
Reno South	9,433,105	166,373	1.76%	163,482	147,307	0	0	0
TOTALS	82,403,266	5,288,422	6.42%	2,007,926	1,277,010	146,871	0	146,871

Reno Industrial Submarket
 Areas: 14 (Verdi), 4 (West Reno), 3 (Central Reno)
 Size: 1,631,606 SF
 Vacancy: 7.83% (127,819 SF)

Airport Industrial Submarket
 Areas: 8 (Airport)
 Size: 8,872,036 SF
 Vacancy: 5.67% (503,041 SF)

Carson Valley Industrial Submarkets
 Areas: Carson City, Dayton, Minden, Gardnerville
 Size: 1,500,000 (±) SF
 Drive Time: 30 minutes - 1 hour

South Reno Industrial Submarket
 Areas: 9 (South Meadows / Damonte Ranch)
 Size: 9,433,105 SF
 Vacancy: 1.76% (166,373 SF)

Deviation From Market Vacancy (6.42%)

Red	▲	25+% Above	HIGH
Orange	▲	10-25% Above	
Yellow	▲	2-10% Above	
White	□	Market ± 2%	
Light Blue	▼	2-10% Below	
Royal Blue	▼	10-25% Below	LOW
Dark Blue	▼	25+% Below	

Vacancy Rise or Fall from Q1 2017 ▲ ▼

NO. NEVADA INDUSTRIAL SUBMARKETS - AREA DESCRIPTIONS

- 1. Stead**
15-minutes north of Interstate 80 / Interstate 580 (US 395) interchange. Mostly class "A" locations. Excellent nearby labor availability. Generally big-box sized. Many Fortune 500 firms. Few sites to develop. Some isolated rail service.
- 2. North Valleys**
5 to 10-minutes north of Interstate 80 / Interstate 580 (US 395) interchange. Excellent nearby labor availability. Locations available. Mostly big-box sized. Few sites to develop.
 - A. Security Circle - Smaller class "B" and "C" properties.
 - B. Golden Valley - Excellent highway access. Larger class "A" locations.
 - C. Panther Valley - Small, older area. Poor access. Mostly class "C" locations.
 - D. Parr Area - Larger, class "B" locations. Some rail served.
- 3. Reno - Central**
All areas generally not suited for modern logistics operations.
- 4. Reno - West**
Older area, with exception of the modern Patagonia location and some new infills. Dated infrastructure, rail use delays, class "B" and "C" locations. Few development sites. Adjacent to the river, presenting flood exposure.
- 5. Sparks - West**
Generally, a decent supply of vacancy in class "B" locations. Good overall locations. Occasional rail service. Dated infrastructure. Some low lying, flood prone areas. Varied sizes available.
- 6. Sparks - East**
Similar to west Sparks plus some newer class "A" locations. Excellent location. Some rail service. Better infrastructure than west Sparks. Some low lying, flood prone areas. Varied sizes available.
- 7. Vista**
Newer area with mostly class "A" locations. Excellent locations and infrastructure. Two overnight freight hubs. Minimum flex space with emphasis on big-box size.
- 8. Airport**
Mixed-use area ranging from big box, flex, R&D, light assembly, class "A" to class "B-". Excellent locations. Infrastructure based on area. Low vacancy. Various sizes available.
- 9. Reno - South (South Meadows / Damonte Ranch)**
Newer area. Mixed-use from class "A" big box to flex, retail, general commercial, office and residential. Sized generally for big-box locations.
- 10. Spanish Springs**
New area, big box class "A" location. Congested and poor access to highway system. Excellent access to labor. Land available for development.
- 11. Patrick / Tahoe-Reno Industrial Center (TRIC)**
20 minutes east of Reno/Sparks on Interstate 80. Massive industrial park. New big-box, class "A" occupants. Rail served. Ample land for development. No local labor.
- 12. Fernley**
35 minutes east of Reno/Sparks on Interstate 80. Mixed-use industrial area from class "A" big-box to general commercial use. Rail served area. Excellent access to local labor. Land available for development.
- 13. Verdi**
Older area, with exception of the modern Patagonia location and some new infills. Dated infrastructure, rail use delays, class "B" and "C" locations. Few development sites. Adjacent to the river, presenting flood exposure.
- 14. Sparks - West**
Generally, a decent supply of vacancy in class "B" locations. Good overall locations. Occasional rail service. Dated infrastructure. Some low lying, flood prone areas. Varied sizes available.

Carson Valley

Carson City	Highly mixed industrial area from older manufacturing use sites to older flex property to mixed, general commercial use. 30 minutes off east-west interstate traffic system. Many areas have no CC&R's, yielding highly mixed and varied uses.
Dayton	Moderate sized industrial park with CC&R's. Adjacent to a runway and golf course. Single tenant properties. Generally owner-user with limited property availability.
Minden/Gardnerville	Mixed-use area. Generally populated with owner-user, light assembly and manufacturing type facilities. In a placid, picturesque setting.