



# Northern Nevada Commercial Real Estate~ How did we get where we are?



Melissa J. Molyneaux, CCIM  
Associate, Office Properties Group  
Colliers International

# HOW DID 2009 FINISH?

## YEAR END VACANCY RATES:

|                    | <u>2008</u>   | <u>2009</u>  |
|--------------------|---------------|--------------|
| <b>OFFICE:</b>     | <b>19.2%</b>  | <b>21.0%</b> |
| <b>RETAIL:</b>     | <b>14.05%</b> | <b>16.4%</b> |
| <b>INDUSTRIAL:</b> | <b>11.5%</b>  | <b>15.4%</b> |



*ALL NEW YEAR END RECORDS!*

# OFFICE ABSORPTION LAST 10 YEARS

| <u>YEAR</u> | <u>ABSORPTION</u>  |
|-------------|--------------------|
| <b>2000</b> | <b>443,000 SF</b>  |
| <b>2001</b> | <b>113,000 SF</b>  |
| <b>2002</b> | <b>335,986 SF</b>  |
| <b>2003</b> | <b>365,000 SF</b>  |
| <b>2004</b> | <b>245,000 SF</b>  |
| <b>2005</b> | <b>510,000 SF</b>  |
| <b>2006</b> | <b>253,000 SF</b>  |
| <b>2007</b> | <b>-86,838 SF</b>  |
| <b>2008</b> | <b>-147,474 SF</b> |
| <b>2009</b> | <b>-115,187 SF</b> |

AVERAGE ABSORPTION

191,000 SF per yea



# OFFICE MARKET

|                                     |                   |
|-------------------------------------|-------------------|
| Total SF (Buildings over 10,000 SF) | 6,771,283 SF      |
| Total Vacancy                       | 1,418,421 SF      |
| Vacancy in Balanced Market          | <u>677,128 SF</u> |
| Absorption Required                 | 741,295 SF        |
| Average Annual Absorption           | 191,000 SF        |
| <u>Years to a Balanced Market</u>   | <u>3.88 Years</u> |

# INDUSTRIAL MARKET

## *NEW DEVELOPERS:*

Union Property Capital

500,000 SF

McShane

540,000 SF

Development Arts

633,000 SF

Terragon

500,000 SF

Market slowed as project came online

# RETAIL MARKET

NEW CONSTRUCTION

Spanish Springs

Summit Sierra

Damonte Ranch

Legends at Sparks Marina

Homes Not Occupied

Retailers Closed

**COLLIERS**  
INTERNATIONAL

