

CoStar Industrial Statistics

Year - End 2017

Las Vegas Industrial Market



CoStarTM
The knowledge market

Table of Contents

| | |
|--|-----------|
| Table of Contents | A |
| Methodology | B |
| Terms & Definitions | C |
| Market Highlights & Overview | 1 |
| CoStar Markets | 4 |
| Inventory & Development Analysis | 5 |
| Inventory & Development Analysis | |
| Select Top Deliveries | |
| Select Top Under Construction Properties | |
| Figures at a Glance | 9 |
| Figures at a Glance by Building Type & Market | |
| Historical Figures at a Glance | |
| Leasing Activity Analysis | 11 |
| Select Top Lease Transactions | |
| Sales Activity Analysis | 13 |
| Sales Activity Analysis | |
| Select Top Sales Transactions | |
| Analysis of Individual CoStar Submarket Clusters | 15 |
| Airport/E Las Vegas Market | |
| Central Las Vegas Market | |
| North Las Vegas Market | |
| Northwest Las Vegas Market | |
| SE LV/Henderson Market | |
| Speedway Market | |
| SW Las Vegas Market | |
| West Las Vegas Market | |

Methodology

The CoStar Industrial Statistics calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex / research & development, distribution, manufacturing, industrial showroom, and service buildings, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 119 billion square feet of coverage in 5.4 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property.

For information on subscribing to CoStar's other products and services, please contact us at 1-877-7COSTAR, or visit our web site at www.costar.com

© Copyright 2018 CoStar Group, Inc. All Rights Reserved. Although CoStar makes efforts to ensure the accuracy and reliability of the information contained herein, CoStar makes no guarantee, representation or warranty regarding the quality, accuracy, timeliness or completeness of the information. The publication is provided 'as is' and CoStar expressly disclaims any guarantees, representations or warranties of any kind, including those of MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

CoStar Group, Inc.

1331 L ST NW • Washington, DC 20005 • (800) 204-5960 • www.costar.com • NASDAQ: CSGP

Terms & Definitions

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Build-to-Suit: A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

CBD: Abbreviation for Central Business District. (See also: Central Business District)

Central Business District: The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

Class A: A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

Class B: A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Class C: A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Contiguous Blocks of Space: Space within a building that is, or is able to be joined together into a single contiguous space.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certi-

cate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Flex Building: A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Gross Absorption: The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Industrial Building: A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Net Rental Rate: A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Office Building: A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Property Manager: The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Suburban: The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Time On Market: A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

Under Construction: Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

Las Vegas Industrial Market



Overview

Las Vegas's Vacancy Increases to 7.0% Net Absorption Positive 2,328,169 SF in the Quarter

The Las Vegas Industrial market ended the fourth quarter 2017 with a vacancy rate of 7.0%. The vacancy rate was up over the previous quarter, with net absorption totaling positive 2,328,169 square feet in the fourth quarter. Vacant sublease space decreased in the quarter, ending the quarter at 190,886 square feet. Rental rates ended the fourth quarter at \$7.05, a decrease over the previous quarter. A total of 10 buildings delivered to the market in the quarter totaling 2,434,086 square feet, with 3,554,430 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Las Vegas Industrial market was positive 2,328,169 square feet in the fourth quarter 2017. That compares to positive 692,211 square feet in the third quarter 2017, positive 789,210 square feet in the second quarter 2017, and positive 738,346 square feet in the first quarter 2017.

Tenants moving into large blocks of space in the fourth quarter 2017 include: VMInnovations moving into 300,805 square feet at ProLogis 1-15 Speedway Logistics – Bldg 2; Hand Air Express/World Pack moving into 271,616 square feet at Sunrise Industrial Park – Bldg 5; and Dr. Pepper Snapple moving into 100,633 square feet at ProLogis Corporate Center – Bldg 13.

The Flex building market recorded net absorption of positive 265,352 square feet in the fourth quarter 2017, compared to positive 69,105 square feet in the third quarter 2017, negative (120,299) in the second quarter 2017, and positive 89,424 in the first quarter 2017.

The Warehouse building market recorded net absorption

of positive 2,062,817 square feet in the fourth quarter 2017 compared to positive 623,106 square feet in the third quarter 2017, positive 909,509 in the second quarter 2017, and positive 648,922 in the first quarter 2017.

Vacancy

The Industrial vacancy rate in the Las Vegas market area increased to 7.0% at the end of the fourth quarter 2017. The vacancy rate was 6.7% at the end of the third quarter 2017, 6.4% at the end of the second quarter 2017, and 5.9% at the end of the first quarter 2017.

Flex projects reported a vacancy rate of 6.2% at the end of the fourth quarter 2017, 7.4% at the end of the third quarter 2017, 7.7% at the end of the second quarter 2017, and 5.9% at the end of the first quarter 2017.

Warehouse projects reported a vacancy rate of 7.1% at the end of the fourth quarter 2017, 6.6% at the end of third quarter 2017, 6.0% at the end of the second quarter 2017, and 5.9% at the end of the first quarter 2017.

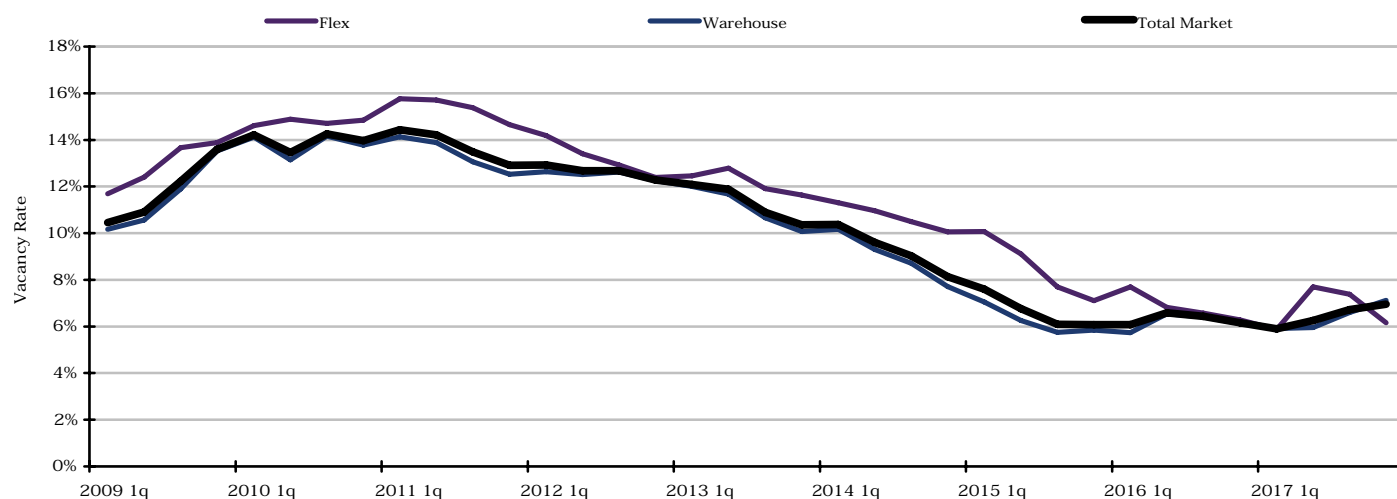
Largest Lease Signings

The largest lease signings occurring in 2017 included: the 338,520-square-foot lease signed by Lincoln Industrial Co. at 3910 Alto Ave in the North Las Vegas market; the 300,805-square-foot deal signed by Astound at ProLogis 1-15 Speedway Logistics - Bldg 2 in the North Las Vegas market; and the 300,805-square-foot lease signed by VMInnovations also at ProLogis 1-15 Speedway Logistics - Bldg 2 in the North Las Vegas market.

Sublease Vacancy

Vacancy Rates by Building Type

2005-2017



Source: CoStar Property®

The amount of vacant sublease space in the Las Vegas market decreased to 190,886 square feet by the end of the fourth quarter 2017, from 255,092 square feet at the end of the third quarter 2017. There was 139,642 square feet vacant at the end of the second quarter 2017 and 144,190 square feet at the end of the first quarter 2017.

Las Vegas's Flex projects reported vacant sublease space of 35,433 square feet at the end of fourth quarter 2017, up from the 22,228 square feet reported at the end of the third quarter 2017. There were 5,501 square feet of sublease space vacant at the end of the second quarter 2017, and 8,753 square feet at the end of the first quarter 2017.

Warehouse projects reported decreased vacant sublease space from the third quarter 2017 to the fourth quarter 2017. Sublease vacancy went from 232,864 square feet to 155,453 square feet during that time. There was 134,141 square feet at the end of the second quarter 2017, and 135,437 square feet at the end of the first quarter 2017.

Rental Rates

The average quoted asking rental rate for available Industrial space was \$7.05 per square foot per year at the end of the fourth quarter 2017 in the Las Vegas market area. This represented a 0.4% decrease in quoted rental rates from the end of the third quarter 2017, when rents were reported at \$7.08 per square foot.

The average quoted rate within the Flex sector was \$9.88 per square foot at the end of the fourth quarter 2017, while Warehouse rates stood at \$6.64. At the end of the third quarter 2017, Flex rates were \$10.17 per square foot, and Warehouse rates were \$6.68.

Deliveries and Construction

During the fourth quarter 2017, 10 buildings totaling 2,434,086 square feet were completed in the Las Vegas market area. This compares to six buildings totaling 1,371,580 square

feet that were completed in the third quarter 2017, nine buildings totaling 1,311,820 square feet completed in the second quarter 2017, and 453,438 square feet in two buildings completed in the first quarter 2017.

There were 3,554,430 square feet of Industrial space under construction at the end of the fourth quarter 2017.

Some of the notable 2017 deliveries include: ProLogis 1-15 Speedway Logistics - Bldg 1, a 1,000,180-square-foot facility that delivered in fourth quarter 2017 and is now 0% occupied, and ProLogis 1-15 Speedway Logistics - Bldg 2, a 601,610-square-foot building that delivered in second quarter 2017 and is now 100% occupied.

The largest projects underway at the end of fourth quarter 2017 were 5340 Donovan Way - Bldg. 9, a 731,561-square-foot building with 0% of its space pre-leased, and The Honest Co, a 570,810-square-foot facility that is 100% pre-leased.

Inventory

Total Industrial inventory in the Las Vegas market area amounted to 129,471,575 square feet in 4,184 buildings as of the end of the fourth quarter 2017. The Flex sector consisted of 21,889,247 square feet in 959 projects. The Warehouse sector consisted of 107,582,328 square feet in 3,225 buildings. Within the Industrial market there were 283 owner-occupied buildings accounting for 13,807,938 square feet of Industrial space.

Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Las Vegas industrial sales figures rose during the third quarter 2017 in terms of dollar volume compared to the second quarter of 2017.

In the third quarter, 13 industrial transactions closed with a total volume of \$151,665,715. The 13 buildings totaled 1,663,636 square feet and the average price per square foot equated to \$91.17 per square foot. That compares to 22 transactions totaling \$125,112,451 in the second quarter. The total square footage was 1,592,516 for an average price per square foot of \$78.56.

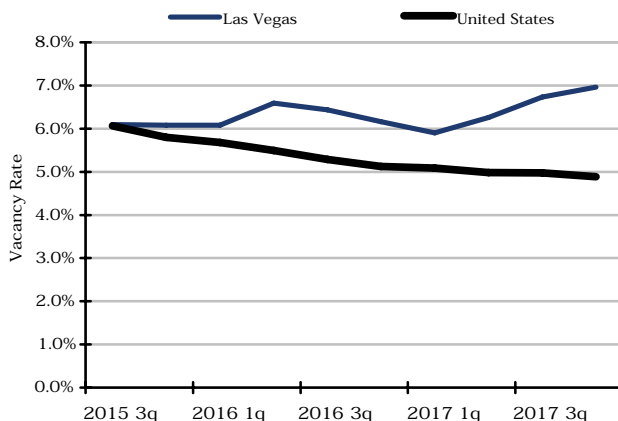
Total year-to-date industrial building sales activity in 2017 is up compared to the previous year. In the first nine months of 2017, the market saw 44 industrial sales transactions with a total volume of \$317,993,395. The price per square foot has averaged \$88.10 this year. In the first nine months of 2016, the market posted 36 transactions with a total volume of \$228,831,726. The price per square foot averaged \$85.42.

Cap rates have been higher in 2017, averaging 6.66%, compared to the first nine months of last year when they averaged 6.45%.

One of the largest transactions that has occurred within the last four quarters in the Las Vegas market is the sale of Prologis Park in North Las Vegas. This 833,787-square-foot industrial building sold for \$67,585,000, or \$81.06 per square foot. The property sold on 8/1/2017.

U.S. Vacancy Comparison

Past 10 Quarters



Source: CoStar Property®

Las Vegas Industrial Market

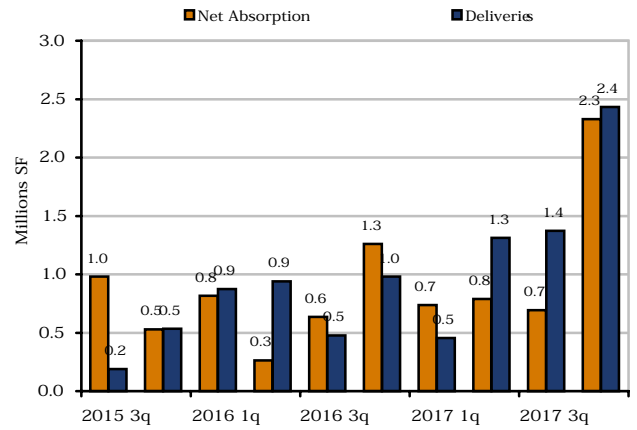


Overview

Reports compiled by: Brian Lasky, CoStar Research Manager

Absorption & Deliveries

Past 10 Quarters



Source: CoStar Property®

CoStar Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

| Submarket Clusters |
|-------------------------|
| Airport/E Las Vegas Ind |
| Central Las Vegas Ind |
| North Las Vegas Ind |
| Northwest Las Vegas Ind |
| SE LV/Henderson Ind |
| Speedway Ind |
| SW Las Vegas Ind |
| West Las Vegas Ind |

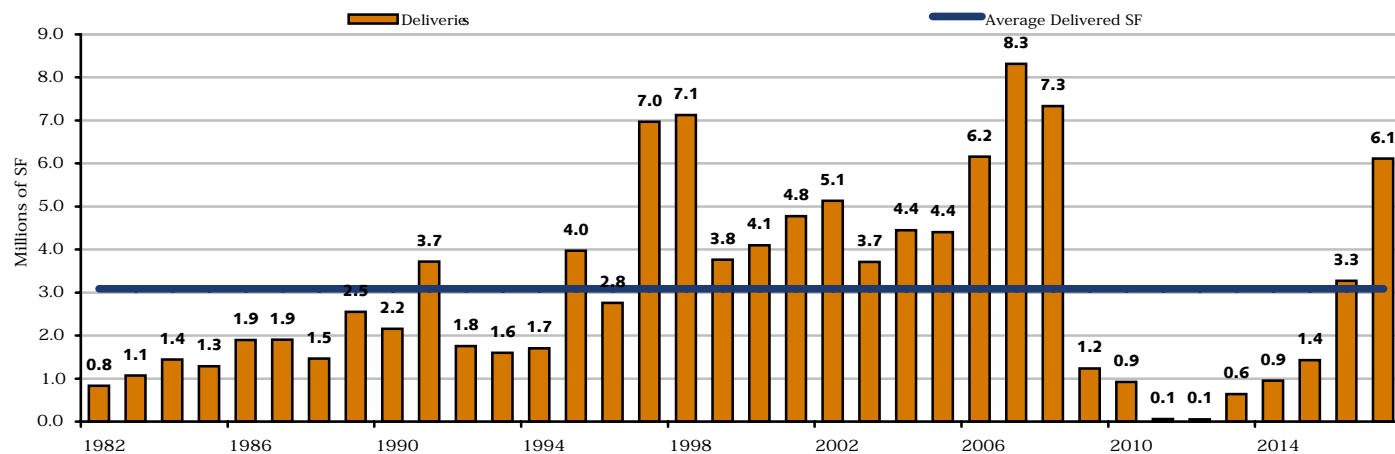
Las Vegas Industrial Market



Inventory & development

Historical Deliveries

1982 - 2017



Source: CoStar Property® * Future deliveries based on current under construction buildings.

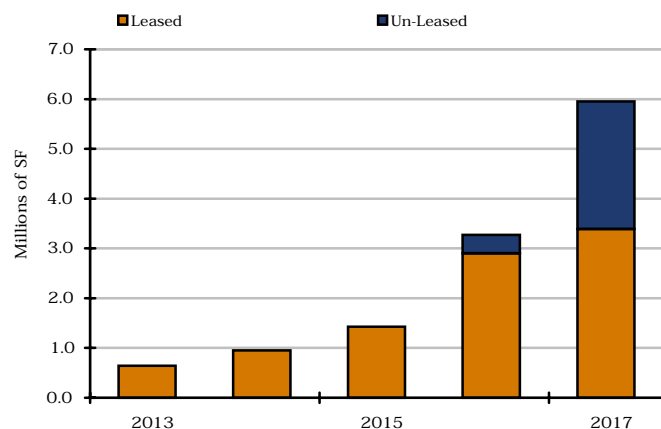
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

| Market | Under Construction Inventory | | | | Average Bldg Size | |
|-------------------------|------------------------------|------------------|------------------|--------------|-------------------|----------------|
| | # Bldgs | Total RBA | Preleased SF | Preleased % | All Existing | U/C |
| North Las Vegas Ind | 9 | 2,584,856 | 1,042,840 | 40.3% | 35,284 | 287,206 |
| SE LV/Henderson Ind | 7 | 947,770 | 161,530 | 17.0% | 31,847 | 135,396 |
| Central Las Vegas Ind | 1 | 21,804 | 0 | 0.0% | 27,598 | 21,804 |
| West Las Vegas Ind | 0 | 0 | 0 | 0.0% | 23,745 | 0 |
| Northwest Las Vegas Ind | 0 | 0 | 0 | 0.0% | 22,888 | 0 |
| Airport/E Las Vegas Ind | 0 | 0 | 0 | 0.0% | 30,446 | 0 |
| Speedway Ind | 0 | 0 | 0 | 0.0% | 58,853 | 0 |
| SW Las Vegas Ind | 0 | 0 | 0 | 0.0% | 29,590 | 0 |
| Totals | 17 | 3,554,430 | 1,204,370 | 33.9% | 30,944 | 209,084 |

Source: CoStar Property®

Recent Deliveries

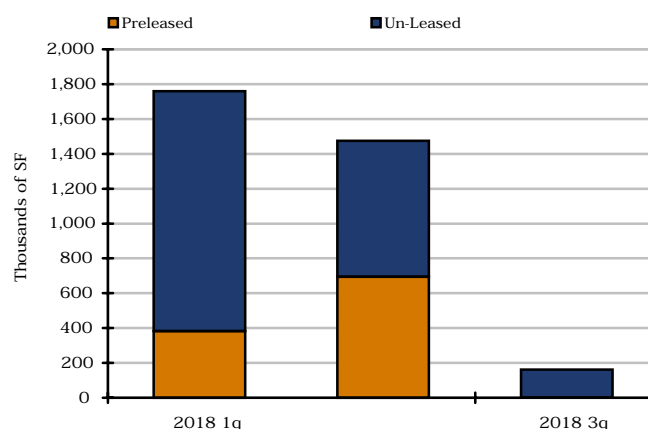
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

Future Deliveries

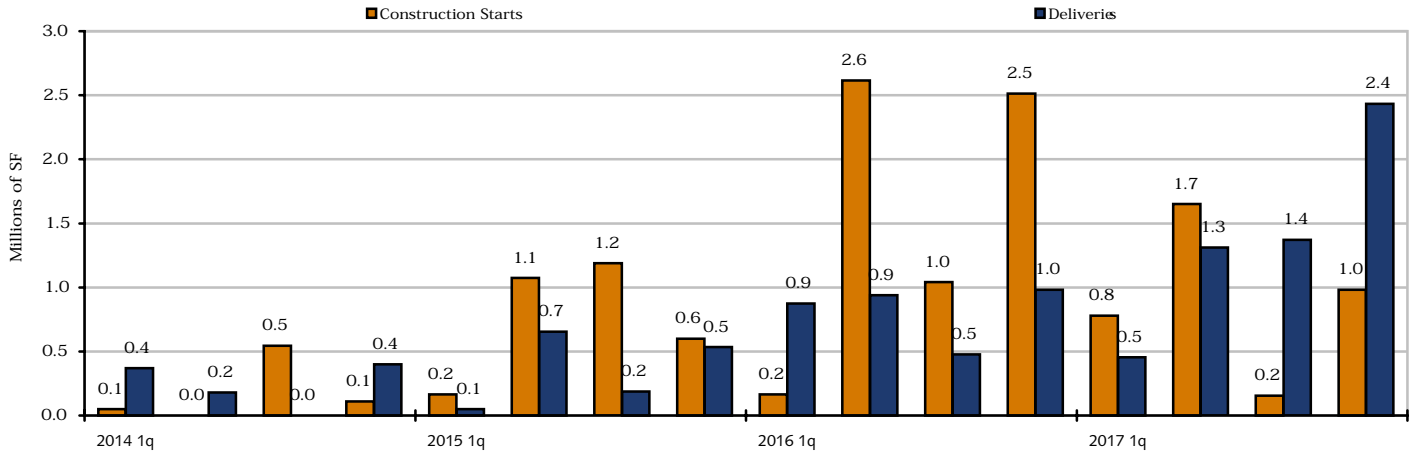
Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

| Building Size | # Bldgs | RBA | SF Leased | % Leased | Avg Rate | Single-Tenant | Multi-Tenant |
|-------------------------|---------|-----------|-----------|----------|----------|---------------|--------------|
| < 50,000 SF | 10 | 258,440 | 209,030 | 80.9% | \$7.89 | 146,760 | 111,680 |
| 50,000 SF - 99,999 SF | 3 | 224,277 | 180,631 | 80.5% | \$7.55 | 0 | 224,277 |
| 100,000 SF - 249,999 SF | 11 | 2,069,183 | 1,213,663 | 58.7% | \$6.57 | 0 | 2,069,183 |
| 250,000 SF - 499,999 SF | 2 | 695,500 | 168,435 | 24.2% | \$5.16 | 0 | 695,500 |
| >= 500,000 SF | 4 | 2,706,270 | 1,616,810 | 59.7% | \$4.92 | 0 | 2,706,270 |

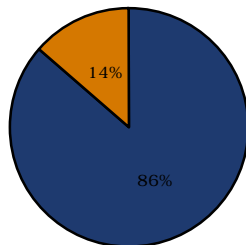
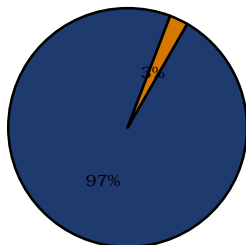
Source: CoStar Property®

Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2017 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

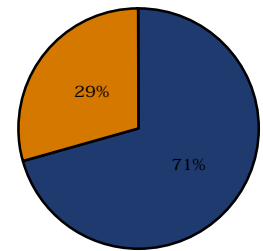
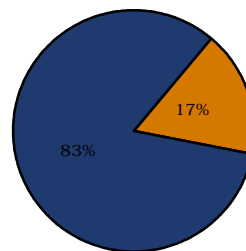
Source: CoStar Property®

Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

Las Vegas Industrial Market



Inventory & development

Select Year-to-Date Deliveries

Based on Project Square Footage

| | | |
|--|--|--|
| <p>1. ProLogis 1-15 Speedway Logistics - Bldg 1</p> <p>Submarket: North Las Vegas Industrial Market RBA: 1,000,180 Occupied: 0% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Fourth Quarter 2017 Leasing Co: CBRE Developer: Prologis</p> | <p>2. ProLogis 1-15 Speedway Logistics - Bldg 2</p> <p>Submarket: North Las Vegas Industrial Market RBA: 601,610 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: CBRE Developer: N/A</p> | <p>3. Northgate Distribution Center Bldg 2</p> <p>Submarket: North Las Vegas Industrial Market RBA: 558,000 Occupied: 84% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2016 Deliv Date: Third Quarter 2017 Leasing Co: CBRE Developer: VanTrust Real Estate, LLC</p> |
| <p>4. LogistiCenter at Las Vegas Boulevard</p> <p>Submarket: North Las Vegas Industrial Market RBA: 546,480 Occupied: 100% Quoted Rate: \$4.92 Grnd Brk Date: Second Quarter 2017 Deliv Date: Third Quarter 2017 Leasing Co: Colliers International Developer: United Construction Company</p> | <p>5. South 15 Airport Center</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 400,000 Occupied: 0% Quoted Rate: \$5.16 Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Fourth Quarter 2017 Leasing Co: Colliers International Developer: Panattoni Development Company, Inc.</p> | <p>6. Beltway Business Park - Bldg 9</p> <p>Submarket: SW Las Vegas Industrial Market RBA: 295,500 Occupied: 57% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: Majestic Realty Co. Developer: Majestic Realty Co.</p> |
| <p>7. Lone Mountain Corporate Center - Phase II</p> <p>Submarket: North Las Vegas Industrial Market RBA: 247,126 Occupied: 100% Quoted Rate: \$5.40 Grnd Brk Date: Second Quarter 2016 Deliv Date: Fourth Quarter 2017 Leasing Co: CBRE Developer: The Pauls Corporation</p> | <p>8. 751 W Warm Springs Rd</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 240,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: Colliers International Developer: Harsch Investment Properties</p> | <p>9. Prologis Beltway Distribution Center</p> <p>Submarket: SW Las Vegas Industrial Market RBA: 213,438 Occupied: 80% Quoted Rate: \$7.80 Grnd Brk Date: Second Quarter 2016 Deliv Date: First Quarter 2017 Leasing Co: CBRE Developer: Prologis</p> |
| <p>10. Henderson Freeways Crossing - Bldg B</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 200,450 Occupied: 33% Quoted Rate: \$6.84 Grnd Brk Date: Second Quarter 2016 Deliv Date: Second Quarter 2017 Leasing Co: Colliers International Developer: Crowne Development</p> | <p>11. 820 Wigwam Pky</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 197,200 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2017 Deliv Date: Fourth Quarter 2017 Leasing Co: Colliers International Developer: N/A</p> | <p>12. Henderson Interchange Center Bldg 1</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 197,120 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2017 Deliv Date: Third Quarter 2017 Leasing Co: Colliers International Developer: N/A</p> |
| <p>13. Henderson Interchange Center Bldg 2</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 197,120 Occupied: 27% Quoted Rate: \$6.44 Grnd Brk Date: First Quarter 2017 Deliv Date: Fourth Quarter 2017 Leasing Co: Colliers International Developer: Juliet Companies</p> | <p>14. Northgate Distribution Center Bldg 5</p> <p>Submarket: North Las Vegas Industrial Market RBA: 191,026 Occupied: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2016 Deliv Date: 2017 Leasing Co: CBRE Developer: VanTrust Real Estate, LLC</p> | <p>15. Prologis Desert Inn Distribution Center</p> <p>Submarket: West Las Vegas Industrial Market RBA: 153,320 Occupied: 0% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2017 Deliv Date: 2017 Leasing Co: CBRE Developer: N/A</p> |

Select Top Under Construction Properties

Based on Project Square Footage

| | | |
|--|--|---|
| <p>1. 5340 Donovan Way - Bldg. 9</p> <p>Submarket: North Las Vegas Industrial Market RBA: 731,561 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: N/A Deliv Date: First Quarter 2018 Leasing Co: CBRE Developer: N/A</p> | <p>2. The Honest Co</p> <p>Submarket: North Las Vegas Industrial Market RBA: 570,810 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2016 Deliv Date: Second Quarter 2018 Leasing Co: VanTrust Real Estate LLC Developer: VanTrust Real Estate, LLC</p> | <p>3. South15 Industrial Park - Bldg B</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 482,300 Preleased: 0% Quoted Rate: \$5.16 Grnd Brk Date: Fourth Quarter 2016 Deliv Date: First Quarter 2018 Leasing Co: Colliers International Developer: Panattoni Development Company, Inc.</p> |
| <p>4. 3910 Alto Ave</p> <p>Submarket: North Las Vegas Industrial Market RBA: 338,520 Preleased: 100% Quoted Rate: \$4.62 Grnd Brk Date: First Quarter 2017 Deliv Date: First Quarter 2018 Leasing Co: NAI Vegas Developer: Arco Construction</p> | <p>5. Northgate Distribution Center - Building # 4</p> <p>Submarket: North Las Vegas Industrial Market RBA: 220,189 Preleased: 2% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: CBRE Developer: N/A</p> | <p>6. Centra Craig Corporate Center</p> <p>Submarket: North Las Vegas Industrial Market RBA: 155,790 Preleased: 0% Quoted Rate: \$6.36 Grnd Brk Date: Third Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: Colliers International Developer: N/A</p> |
| <p>7. 4325 Corporate Center Dr</p> <p>Submarket: North Las Vegas Industrial Market RBA: 155,790 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Second Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: Colliers International Developer: N/A</p> | <p>8. Prologis Corporate Center-Bldg 9</p> <p>Submarket: North Las Vegas Industrial Market RBA: 130,515 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: CBRE Developer: N/A</p> | <p>9. Lamb Industrial Center</p> <p>Submarket: North Las Vegas Industrial Market RBA: 122,291 Preleased: 0% Quoted Rate: Negotiable Grnd Brk Date: Fourth Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: CBRE Developer: N/A</p> |
| <p>10. Turano Bakery</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 118,750 Preleased: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2017 Deliv Date: Second Quarter 2018 Leasing Co: Martin Harris Construction Developer: N/A</p> | <p>11. South15 Industrial Park- Bldg 1</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 86,880 Preleased: 0% Quoted Rate: \$6.18 Grnd Brk Date: Fourth Quarter 2017 Deliv Date: Third Quarter 2018 Leasing Co: Colliers International Developer: N/A</p> | <p>12. South15 Industrial Park- Bldg 2</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 73,840 Preleased: 0% Quoted Rate: \$6.18 Grnd Brk Date: Fourth Quarter 2017 Deliv Date: Third Quarter 2018 Leasing Co: Colliers International Developer: N/A</p> |
| <p>13. 7355 Commercial Way - Bldg U</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 62,000 Preleased: 35% Quoted Rate: \$9.17 Grnd Brk Date: Second Quarter 2017 Deliv Date: First Quarter 2018 Leasing Co: MDL Group Developer: N/A</p> | <p>14. 7375 Commercial Way - Bldg V</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 62,000 Preleased: 22% Quoted Rate: \$9.52 Grnd Brk Date: Second Quarter 2017 Deliv Date: First Quarter 2018 Leasing Co: MDL Group Developer: N/A</p> | <p>15. 7365 Commercial Way - Bldg W</p> <p>Submarket: SE LV/Henderson Industrial Market RBA: 62,000 Preleased: 12% Quoted Rate: \$8.92 Grnd Brk Date: Second Quarter 2017 Deliv Date: First Quarter 2018 Leasing Co: MDL Group Developer: N/A</p> |

Las Vegas Industrial Market



Figures at a Glance

Flex Market Statistics

Year-End 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|-------------------------|--------------------|-------------------|------------------|------------------|-------------|--------------------|----------------|----------------|---------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Airport/E Las Vegas Ind | 136 | 2,755,347 | 267,184 | 269,183 | 9.8% | 79,457 | 0 | 0 | \$11.10 |
| Central Las Vegas Ind | 122 | 6,454,429 | 56,096 | 69,679 | 1.1% | 15,193 | 0 | 0 | \$7.77 |
| North Las Vegas Ind | 164 | 2,143,090 | 92,662 | 95,080 | 4.4% | 41,750 | 0 | 0 | \$7.95 |
| Northwest Las Vegas Ind | 20 | 443,166 | 45,942 | 45,942 | 10.4% | 14,271 | 0 | 0 | \$9.94 |
| SE LV/Henderson Ind | 95 | 1,200,052 | 56,345 | 56,345 | 4.7% | 50,272 | 0 | 0 | \$8.48 |
| Speedway Ind | 13 | 349,949 | 30,334 | 30,334 | 8.7% | 1,494 | 0 | 0 | \$5.48 |
| SW Las Vegas Ind | 252 | 4,897,608 | 476,456 | 489,684 | 10.0% | 68,786 | 295,500 | 0 | \$10.66 |
| West Las Vegas Ind | 157 | 3,645,606 | 288,510 | 292,715 | 8.0% | 32,359 | 0 | 0 | \$10.10 |
| Totals | 959 | 21,889,247 | 1,313,529 | 1,348,962 | 6.2% | 303,582 | 295,500 | 0 | \$9.88 |

Source: CoStar Property®

Warehouse Market Statistics

Year-End 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|-------------------------|--------------------|--------------------|------------------|------------------|-------------|--------------------|------------------|------------------|---------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Airport/E Las Vegas Ind | 363 | 12,437,365 | 655,475 | 691,767 | 5.6% | 385,610 | 187,077 | 0 | \$8.63 |
| Central Las Vegas Ind | 366 | 7,013,585 | 375,858 | 375,858 | 5.4% | 144,824 | 0 | 21,804 | \$7.83 |
| North Las Vegas Ind | 903 | 35,504,602 | 3,523,186 | 3,574,436 | 10.1% | 1,690,227 | 3,276,979 | 2,584,856 | \$5.57 |
| Northwest Las Vegas Ind | 20 | 472,342 | 2,512 | 2,512 | 0.5% | 42,368 | 0 | 0 | \$10.74 |
| SE LV/Henderson Ind | 443 | 15,933,583 | 1,129,262 | 1,156,532 | 7.3% | 1,192,184 | 1,540,430 | 947,770 | \$6.38 |
| Speedway Ind | 51 | 3,416,664 | 251,706 | 251,706 | 7.4% | 36,511 | 0 | 0 | \$5.26 |
| SW Las Vegas Ind | 777 | 25,551,014 | 967,367 | 985,480 | 3.9% | 807,393 | 270,938 | 0 | \$8.08 |
| West Las Vegas Ind | 302 | 7,253,173 | 601,809 | 624,337 | 8.6% | (54,763) | 0 | 0 | \$7.74 |
| Totals | 3,225 | 107,582,328 | 7,507,175 | 7,662,628 | 7.1% | 4,244,354 | 5,275,424 | 3,554,430 | \$6.64 |

Source: CoStar Property®

Total Industrial Market Statistics

Year-End 2017

| Market | Existing Inventory | | Vacancy | | | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates |
|-------------------------|--------------------|--------------------|------------------|------------------|-------------|--------------------|------------------|------------------|---------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | | | |
| Airport/E Las Vegas Ind | 499 | 15,192,712 | 922,659 | 960,950 | 6.3% | 465,067 | 187,077 | 0 | \$9.33 |
| Central Las Vegas Ind | 488 | 13,468,014 | 431,954 | 445,537 | 3.3% | 160,017 | 0 | 21,804 | \$7.82 |
| North Las Vegas Ind | 1,067 | 37,647,692 | 3,615,848 | 3,669,516 | 9.7% | 1,731,977 | 3,276,979 | 2,584,856 | \$5.66 |
| Northwest Las Vegas Ind | 40 | 915,508 | 48,454 | 48,454 | 5.3% | 56,639 | 0 | 0 | \$10.12 |
| SE LV/Henderson Ind | 538 | 17,133,635 | 1,185,607 | 1,212,877 | 7.1% | 1,242,456 | 1,540,430 | 947,770 | \$6.47 |
| Speedway Ind | 64 | 3,766,613 | 282,040 | 282,040 | 7.5% | 38,005 | 0 | 0 | \$5.28 |
| SW Las Vegas Ind | 1,029 | 30,448,622 | 1,443,823 | 1,475,164 | 4.8% | 876,179 | 566,438 | 0 | \$8.58 |
| West Las Vegas Ind | 459 | 10,898,779 | 890,319 | 917,052 | 8.4% | (22,404) | 0 | 0 | \$8.47 |
| Totals | 4,184 | 129,471,575 | 8,820,704 | 9,011,590 | 7.0% | 4,547,936 | 5,570,924 | 3,554,430 | \$7.05 |

Source: CoStar Property®



Las Vegas Industrial Market

Figures at a Glance

Flex Market Statistics

Year-End 2017

| Period | Existing Inventory | | Vacancy | | | Net Absorption | Deliveries | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|-------|----------------|------------|-----------|--------------|-----------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | # Blds | Total RBA | # Blds | Total RBA | |
| 2017 4q | 959 | 21,889,247 | 1,313,529 | 1,348,962 | 6.2% | 265,352 | 0 | 0 | 0 | 0 | \$9.88 |
| 2017 3q | 959 | 21,889,247 | 1,592,086 | 1,614,314 | 7.4% | 69,105 | 0 | 0 | 0 | 0 | \$10.17 |
| 2017 2q | 959 | 21,889,247 | 1,677,918 | 1,683,419 | 7.7% | (120,299) | 1 | 295,500 | 0 | 0 | \$9.92 |
| 2017 1q | 958 | 21,593,747 | 1,258,867 | 1,267,620 | 5.9% | 89,424 | 0 | 0 | 1 | 295,500 | \$9.72 |
| 2016 4q | 958 | 21,593,747 | 1,348,483 | 1,357,044 | 6.3% | 62,221 | 0 | 0 | 1 | 295,500 | \$9.84 |
| 2016 3q | 958 | 21,593,747 | 1,407,144 | 1,419,265 | 6.6% | 53,487 | 0 | 0 | 0 | 0 | \$9.87 |
| 2016 2q | 958 | 21,593,747 | 1,445,587 | 1,472,752 | 6.8% | 188,324 | 0 | 0 | 0 | 0 | \$9.54 |
| 2016 1q | 958 | 21,593,747 | 1,638,712 | 1,661,076 | 7.7% | (125,267) | 0 | 0 | 0 | 0 | \$9.72 |
| 2015 | 958 | 21,593,747 | 1,535,809 | 1,535,809 | 7.1% | 636,245 | 0 | 0 | 0 | 0 | \$9.62 |
| 2014 | 958 | 21,593,747 | 2,168,275 | 2,172,054 | 10.1% | 339,886 | 0 | 0 | 0 | 0 | \$9.58 |
| 2013 | 958 | 21,593,747 | 2,506,870 | 2,511,940 | 11.6% | 277,949 | 1 | 130,000 | 0 | 0 | \$8.94 |
| 2012 | 957 | 21,463,747 | 2,639,428 | 2,659,889 | 12.4% | 485,164 | 0 | 0 | 0 | 0 | \$8.42 |
| 2011 | 957 | 21,463,747 | 3,096,155 | 3,145,053 | 14.7% | 39,822 | 0 | 0 | 0 | 0 | \$8.95 |
| 2010 | 957 | 21,463,747 | 3,154,784 | 3,184,875 | 14.8% | (198,745) | 1 | 8,349 | 0 | 0 | \$9.88 |
| 2009 | 956 | 21,455,398 | 2,957,504 | 2,977,781 | 13.9% | (607,520) | 2 | 32,868 | 1 | 8,349 | \$11.21 |
| 2008 | 954 | 21,422,530 | 2,308,183 | 2,337,393 | 10.9% | 1,803,877 | 35 | 2,711,106 | 1 | 19,968 | \$13.01 |

Source: CoStar Property®

Warehouse Market Statistics

Year-End 2017

| Period | Existing Inventory | | Vacancy | | | Net Absorption | Deliveries | | UC Inventory | | Quoted Rates |
|---------|--------------------|-------------|------------|------------|-------|----------------|------------|-----------|--------------|-----------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | # Blds | Total RBA | # Blds | Total RBA | |
| 2017 4q | 3,225 | 107,582,328 | 7,507,175 | 7,662,628 | 7.1% | 2,062,817 | 10 | 2,434,086 | 17 | 3,554,430 | \$6.64 |
| 2017 3q | 3,212 | 104,765,496 | 6,675,749 | 6,908,613 | 6.6% | 623,106 | 6 | 1,371,580 | 24 | 5,005,986 | \$6.68 |
| 2017 2q | 3,206 | 103,393,916 | 6,025,998 | 6,160,139 | 6.0% | 909,509 | 8 | 1,016,320 | 29 | 6,221,776 | \$6.52 |
| 2017 1q | 3,198 | 102,377,596 | 5,917,891 | 6,053,328 | 5.9% | 648,922 | 2 | 453,438 | 25 | 5,586,607 | \$6.90 |
| 2016 4q | 3,196 | 101,924,158 | 6,067,417 | 6,248,812 | 6.1% | 1,198,836 | 5 | 981,255 | 23 | 5,259,885 | \$6.83 |
| 2016 3q | 3,191 | 100,942,903 | 6,247,486 | 6,466,393 | 6.4% | 581,699 | 5 | 476,611 | 22 | 4,023,755 | \$6.62 |
| 2016 2q | 3,186 | 100,466,292 | 6,354,593 | 6,571,481 | 6.5% | 73,476 | 4 | 939,856 | 17 | 3,457,996 | \$6.43 |
| 2016 1q | 3,181 | 99,523,436 | 5,575,150 | 5,702,101 | 5.7% | 942,774 | 4 | 874,247 | 12 | 1,782,462 | \$6.39 |
| 2015 | 3,177 | 98,649,189 | 5,662,755 | 5,770,628 | 5.8% | 3,152,856 | 7 | 1,428,558 | 12 | 2,491,599 | \$6.29 |
| 2014 | 3,170 | 97,220,631 | 7,404,836 | 7,494,926 | 7.7% | 3,150,597 | 4 | 949,080 | 5 | 893,298 | \$5.79 |
| 2013 | 3,167 | 96,274,145 | 9,392,442 | 9,699,037 | 10.1% | 2,546,767 | 9 | 500,923 | 5 | 1,137,080 | \$5.62 |
| 2012 | 3,157 | 95,764,513 | 11,343,892 | 11,736,172 | 12.3% | 304,691 | 3 | 50,854 | 10 | 509,632 | \$5.44 |
| 2011 | 3,154 | 95,713,659 | 11,453,445 | 11,990,009 | 12.5% | 1,227,102 | 2 | 44,312 | 8 | 85,537 | \$5.66 |
| 2010 | 3,152 | 95,670,147 | 12,440,783 | 13,173,599 | 13.8% | 550,384 | 10 | 915,207 | 7 | 67,361 | \$5.82 |
| 2009 | 3,143 | 94,763,870 | 12,106,959 | 12,817,706 | 13.5% | (3,220,951) | 28 | 952,606 | 16 | 960,130 | \$6.61 |
| 2008 | 3,091 | 93,564,003 | 7,909,934 | 8,396,888 | 9.0% | 2,254,691 | 149 | 3,984,985 | 37 | 993,088 | \$8.40 |

Source: CoStar Property®

Total Industrial Market Statistics

Year-End 2017

| Period | Existing Inventory | | Vacancy | | | Net Absorption | Deliveries | | UC Inventory | | Quoted Rates |
|---------|--------------------|-------------|------------|------------|-------|----------------|------------|-----------|--------------|-----------|--------------|
| | # Blds | Total RBA | Direct SF | Total SF | Vac % | | # Blds | Total RBA | # Blds | Total RBA | |
| 2017 4q | 4,184 | 129,471,575 | 8,820,704 | 9,011,590 | 7.0% | 2,328,169 | 10 | 2,434,086 | 17 | 3,554,430 | \$7.05 |
| 2017 3q | 4,171 | 126,654,743 | 8,267,835 | 8,522,927 | 6.7% | 692,211 | 6 | 1,371,580 | 24 | 5,005,986 | \$7.08 |
| 2017 2q | 4,165 | 125,283,163 | 7,703,916 | 7,843,558 | 6.3% | 789,210 | 9 | 1,311,820 | 29 | 6,221,776 | \$6.93 |
| 2017 1q | 4,156 | 123,971,343 | 7,176,758 | 7,320,948 | 5.9% | 738,346 | 2 | 453,438 | 26 | 5,882,107 | \$7.28 |
| 2016 4q | 4,154 | 123,517,905 | 7,415,900 | 7,605,856 | 6.2% | 1,261,057 | 5 | 981,255 | 24 | 5,555,385 | \$7.26 |
| 2016 3q | 4,149 | 122,536,650 | 7,654,630 | 7,885,658 | 6.4% | 635,186 | 5 | 476,611 | 22 | 4,023,755 | \$7.04 |
| 2016 2q | 4,144 | 122,060,039 | 7,800,180 | 8,044,233 | 6.6% | 261,800 | 4 | 939,856 | 17 | 3,457,996 | \$6.81 |
| 2016 1q | 4,139 | 121,117,183 | 7,213,862 | 7,363,177 | 6.1% | 817,507 | 4 | 874,247 | 12 | 1,782,462 | \$6.86 |
| 2015 | 4,135 | 120,242,936 | 7,198,564 | 7,306,437 | 6.1% | 3,789,101 | 7 | 1,428,558 | 12 | 2,491,599 | \$6.76 |
| 2014 | 4,128 | 118,814,378 | 9,573,111 | 9,666,980 | 8.1% | 3,490,483 | 4 | 949,080 | 5 | 893,298 | \$6.29 |
| 2013 | 4,125 | 117,867,892 | 11,899,312 | 12,210,977 | 10.4% | 2,824,716 | 10 | 630,923 | 5 | 1,137,080 | \$6.08 |
| 2012 | 4,114 | 117,228,260 | 13,983,320 | 14,396,061 | 12.3% | 789,855 | 3 | 50,854 | 10 | 509,632 | \$5.82 |
| 2011 | 4,111 | 117,177,406 | 14,549,600 | 15,135,062 | 12.9% | 1,266,924 | 2 | 44,312 | 8 | 85,537 | \$6.09 |
| 2010 | 4,109 | 117,133,894 | 15,595,567 | 16,358,474 | 14.0% | 351,639 | 11 | 923,556 | 7 | 67,361 | \$6.30 |
| 2009 | 4,099 | 116,219,268 | 15,064,463 | 15,795,487 | 13.6% | (3,828,471) | 30 | 985,474 | 17 | 968,479 | \$7.16 |
| 2008 | 4,045 | 114,986,533 | 10,218,117 | 10,734,281 | 9.3% | 4,058,568 | 184 | 6,696,091 | 38 | 1,013,056 | \$9.05 |

Source: CoStar Property®

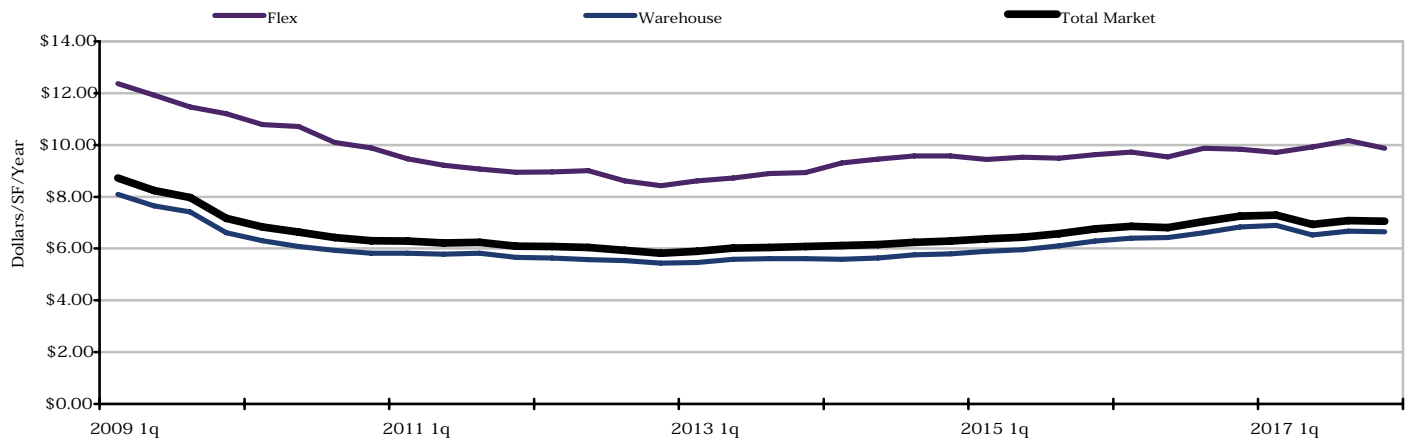
Las Vegas Industrial Market



Leasing Activity

Historical Rental Rates

Based on Quoted Rental Rates



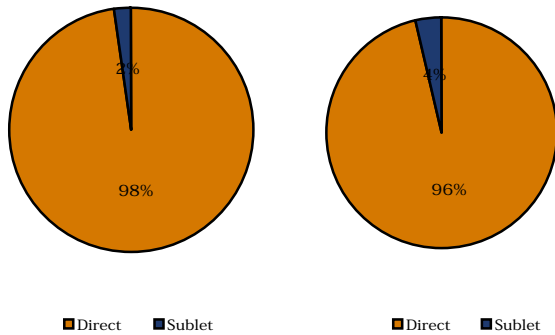
Source: CoStar Property®

Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

Las Vegas

United States



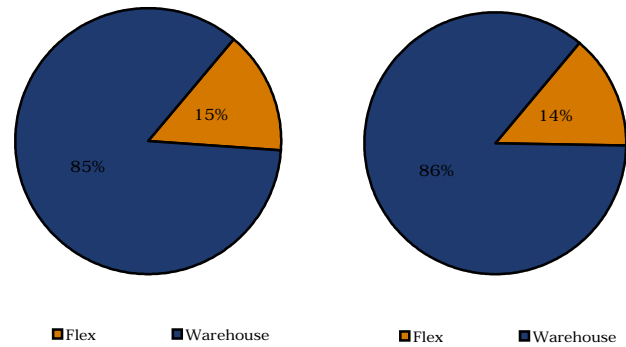
Source: CoStar Property®

Vacancy by Building Type

Percent of All Vacant Space by Building Type

Las Vegas

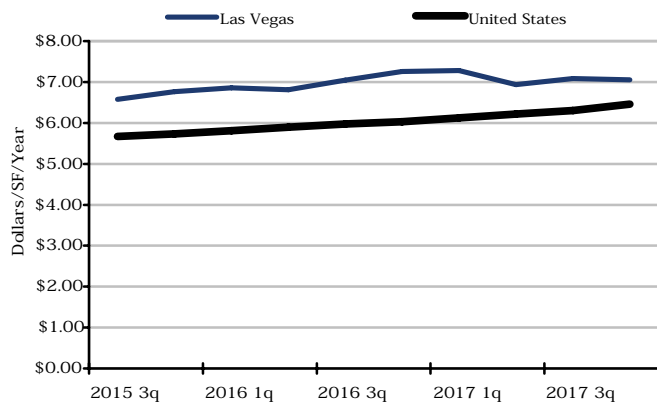
United States



Source: CoStar Property®

U.S. Rental Rate Comparison

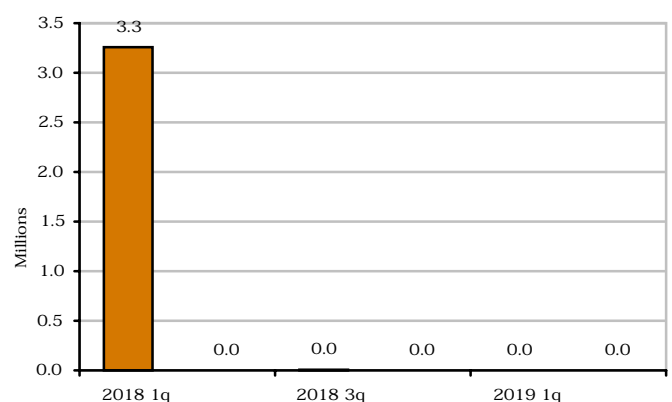
Based on Average Quoted Rental Rates



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*



Source: CoStar Property®

* Includes Under Construction Space

Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2017

| Building | Submarket | SF | Qtr | Tenant Name | Tenant Rep Company | Landlord Rep Company | |
|----------|---------------------------------------|-------------------------|---------|-------------|--------------------------------------|-----------------------------------|------------------------------|
| 1 | LogistiCenter at Las Vegas Boulevard | North Las Vegas Ind | 546,480 | 4th | LogistiCenter at Las Vegas Boulevard | N/A | Colliers International |
| 2 | 3910 Alto Ave | North Las Vegas Ind | 338,520 | 4th | Lincoln Industrial Co. | N/A | NAI Vegas |
| 3 | ProLogis1-15SpeedwayLogistics - Bldg2 | North Las Vegas Ind | 300,805 | 4th | Astound | N/A | CBRE |
| 4 | ProLogis1-15SpeedwayLogistics - Bldg2 | North Las Vegas Ind | 300,805 | 3rd | VMInnovations | N/A | CBRE |
| 5 | Sunrise Industrial Park - Building 5 | North Las Vegas Ind | 271,616 | 4th | Hand Air Express/World Pack | N/A | Colliers International |
| 6 | Henderson Interchange Center Bldg 1 | SE LV/Henderson Ind | 197,120 | 2nd | N/A | Direct Deal | Colliers International |
| 7 | LaneMountainCorporateCenter - PhaseII | North Las Vegas Ind | 189,233 | 3rd | The Pauls Corporation | N/A | CBRE |
| 8 | Northgate Distribution Center Bldg 2 | North Las Vegas Ind | 158,090 | 4th | N/A | N/A | CBRE |
| 9 | 7600 Eastgate Rd | SE LV/Henderson Ind | 141,815 | 2nd | Sunshine Minting, Inc. | Colliers International | Colliers International |
| 10 | Prologis Corporate Center - Bldg 14 | North Las Vegas Ind | 131,750 | 4th | N/A | N/A | CBRE |
| 11 | Turano Bakery | SE LV/Henderson Ind | 118,149 | 4th | Turano Bakery | N/A | N/A |
| 12 | LaneMountainCorporateCenter - PhaseI | North Las Vegas Ind | 106,231 | 3rd | N/A | N/A | CBRE |
| 13 | Prologis Corporate Center - Bldg 13 | North Las Vegas Ind | 100,633 | 2nd | Dr. Pepper Snapple | N/A | CBRE |
| 14 | 3950 W Harmon Ave | West Las Vegas Ind | 100,000 | 2nd | Core Mark International | Colliers International | Avison Young |
| 15 | Beltway Business Park - Bldg 9 | SW Las Vegas Ind | 98,500 | 4th | Advantage Warehouse and Logistics | Direct Deal | Majestic Realty Co. |
| 16 | 4060 W Frehner Rd - Bldg 1 | North Las Vegas Ind | 86,418 | 4th | N/A | N/A | CBRE |
| 17 | 751 W Warm Springs Rd | SE LV/Henderson Ind | 85,000 | 2nd | N/A | N/A | Colliers International |
| 18 | Prologis Corporate Center - Bldg 12 | North Las Vegas Ind | 83,451 | 2nd | NEXgistics | N/A | CBRE |
| 19 | International Game Technology | SW Las Vegas Ind | 81,000 | 1st | Blueprint Studios Trends | N/A | Colliers International |
| 20 | International Game Technology | SW Las Vegas Ind | 79,234 | 4th | Eye-Fi | N/A | Colliers International |
| 21 | 4390 Flossmoor St | North Las Vegas Ind | 75,250 | 2nd | N/A | N/A | Colliers International |
| 22 | MarnellAirportCenterBldg3 - DockHigh | Airport/E Las Vegas Ind | 74,882 | 4th | H & H Enterprises (Time's Up) | Gatski Commercial | N/A |
| 23 | 3120 Sunrise Ave | Central Las Vegas Ind | 74,100 | 3rd | N/A | N/A | Harsch Investment Properties |
| 24 | SunPoint Business Center | North Las Vegas Ind | 70,795 | 2nd | Exel | N/A | CBRE |
| 25 | SunPoint Business Center | North Las Vegas Ind | 70,369 | 4th | American Barbell, LLC | Kennedy Wilson; Gatski Commercial | CBRE |
| 26 | Northgate Distribution Center Bldg 2 | North Las Vegas Ind | 70,183 | 3rd | Southern Nevada Teamsters Local 631 | NAI Vegas | CBRE |
| 27 | Beltway Business Park - Bldg 9 | SW Las Vegas Ind | 68,950 | 4th | Pilot Air Freight, LLC | Colliers International | Majestic Realty Co. |
| 28 | Prologis Beltway Distribution Center | SW Las Vegas Ind | 63,911 | 4th | N/A | N/A | CBRE |
| 29 | 751 W Warm Springs Rd | SE LV/Henderson Ind | 60,000 | 2nd | Global Nutrition | N/A | Colliers International |
| 30 | 4390 Flossmoor St | North Las Vegas Ind | 60,000 | 1st | Premium Waters | NAI Vegas | Colliers International |
| 31 | 3108 Losee Rd | North Las Vegas Ind | 58,400 | 3rd | N/A | Metroplex Group | Colliers International |
| 32 | LaneMountainCorporateCenter - PhaseII | North Las Vegas Ind | 57,893 | 4th | The Pauls Corporation | N/A | CBRE |
| 33 | Prologis Beltway Distribution Center | SW Las Vegas Ind | 56,776 | 3rd | N/A | N/A | CBRE |
| 34 | Prologis Cameron Distribution Center | SW Las Vegas Ind | 54,000 | 4th | N/A | Cushman & Wakefield | JLL |
| 35 | 820 Wigwam Pky | SE LV/Henderson Ind | 53,840 | 4th | N/A | N/A | Colliers International |
| 36 | Henderson Interchange Center Bldg 2 | SE LV/Henderson Ind | 53,760 | 3rd | High Impact Signs | NAI Vegas | Colliers International |
| 37 | 770 Pilot Rd | Airport/E Las Vegas Ind | 53,178 | 4th | N/A | N/A | CBRE |
| 38 | Copper Sage Commerce Center | North Las Vegas Ind | 52,080 | 1st | Jones Fiber | Direct Deal | CBRE |
| 39 | Jones Corporate Park - Bldg B | SW Las Vegas Ind | 52,000 | 3rd | N/A | N/A | CBRE |
| 40 | Prologis Beltway Distribution Center | SW Las Vegas Ind | 49,943 | 2nd | Mutual Trading Company | N/A | Prologis; CBRE |

Source: CoStar Property®

* Renewal

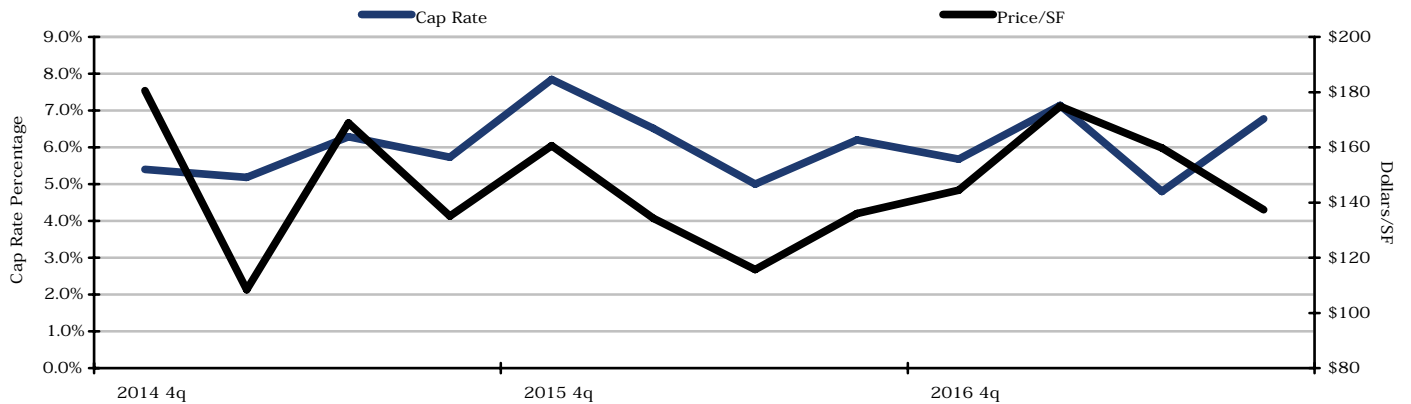
Las Vegas Industrial Market



Sales Activity

The Optimist Sales Index

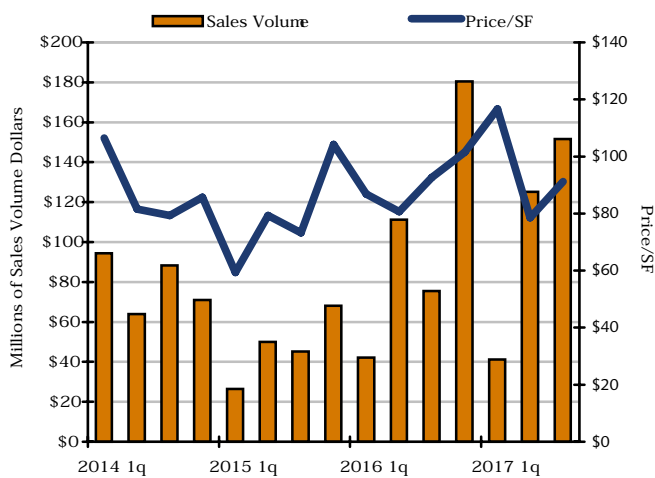
Average of Two Highest Price/SF's and Two Lowest Cap Rates Per Quarter



Source: CoStar COMPS®

Sales Volume & Price

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Sales Analysis by Building Size

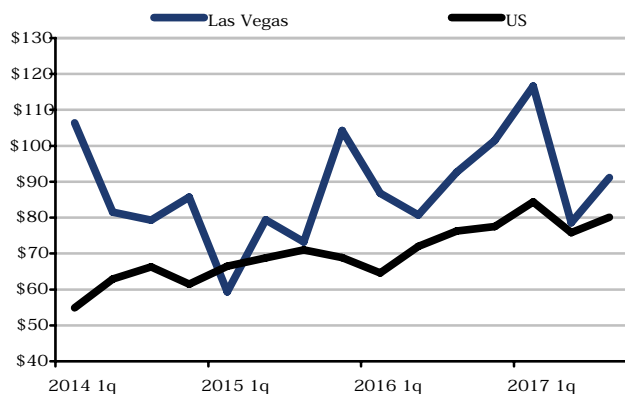
Based on Industrial Bldg Sales From Oct. 2016 - Sept. 2017

| Bldg Size | # | RBA | \$ Volume | Price/SF | Cap Rate |
|--------------|----|-----------|---------------|----------|----------|
| < 25,000 SF | 85 | 942,577 | \$116,257,657 | \$123.34 | 7.30% |
| 25K-99K SF | 28 | 1,272,662 | \$132,155,310 | \$103.84 | 6.44% |
| 100K-249K SF | 10 | 1,768,966 | \$153,771,469 | \$86.93 | 5.90% |
| >250K SF | 4 | 1,982,381 | \$170,510,000 | \$86.01 | 4.60% |

Source: CoStar COMPS®

U.S. Price/SF Comparison

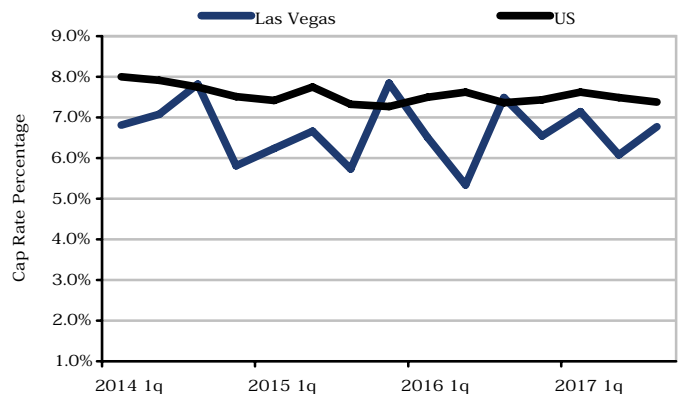
Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

U.S. Cap Rate Comparison

Based on Industrial Building Sales of 15,000 SF and Larger



Source: CoStar COMPS®

Select Top Sales

Based on Sales from October 2016 Through December 2017

1. Prologis Park



North Las Vegas

Price: **\$67,585,000**
 Price/SF: **\$81.06**
 Cap Rate: **N/A**
 RBA: **833,787**
 Date: **8/1/2017**
 Year Built: **1996**
 Buyer: **Prologis**
 Seller: **Stockbridge Capital Group LLC**

2. 6420 Karms Park Ct



Las Vegas

Price: **\$41,800,000**
 Price/SF: **\$100.48**
 Cap Rate: **N/A**
 RBA: **416,000**
 Date: **11/15/2016**
 Year Built: **2016**
 Buyer: **EastGroup Properties, Inc.**
 Seller: **Panattoni Development Company, Inc.**

3. Northpoint Business Center



Las Vegas

Price: **\$36,025,000**
 Price/SF: **\$85.55**
 Cap Rate: **N/A**
 RBA: **421,093**
 Date: **12/21/2016**
 Year Built: **2006**
 Buyer: **Barings Real Estate Advisers LLC**
 Seller: **I&G Direct Real Estate**

4. Prologis Black Mountain Distributio



Henderson

Price: **\$25,300,000**
 Price/SF: **\$108.65**
 Cap Rate: **5.3%**
 RBA: **232,856**
 Date: **10/6/2016**
 Year Built: **2016**
 Buyer: **Gramercy Property Trust, Inc.**
 Seller: **Prologis**

5. SunPoint Business Center



Las Vegas

Price: **\$25,100,000**
 Price/SF: **\$80.58**
 Cap Rate: **4.6%**
 RBA: **311,501**
 Date: **6/2/2017**
 Year Built: **2016**
 Buyer: **Colony Northstar, Inc.**
 Seller: **SunCap Property Group**

6. Northgate Distribution Center - Bld



Las Vegas

Price: **\$24,500,000**
 Price/SF: **\$98.74**
 Cap Rate: **N/A**
 RBA: **248,126**
 Date: **7/27/2017**
 Year Built: **2016**
 Buyer: **Black Creek Group**
 Seller: **VanTrust Real Estate, LLC**

7. Patrick Commerce Center



Las Vegas

Price: **\$22,637,849**
 Price/SF: **\$101.36**
 Cap Rate: **6.5%**
 RBA: **223,340**
 Date: **11/8/2016**
 Year Built: **1998**
 Buyer: **Harsch Investment Properties**
 Seller: **BKM Capital Partners**

8. Chef's Warehouse & Culinary Center



Las Vegas

Price: **\$16,240,000**
 Price/SF: **\$203.01**
 Cap Rate: **N/A**
 RBA: **79,998**
 Date: **12/11/2017**
 Year Built: **2015**
 Buyer: **Broadstone Real Estate, LLC**
 Seller: **SunTrust Robinson Humphrey, Inc.**

9. 7608 W Teco Ave



Las Vegas

Price: **\$15,253,620**
 Price/SF: **\$115.56**
 Cap Rate: **N/A**
 RBA: **132,000**
 Date: **12/2/2016**
 Year Built: **2010**
 Buyer: **James Nelson**
 Seller: **James A Kegley**

Las Vegas Industrial Market

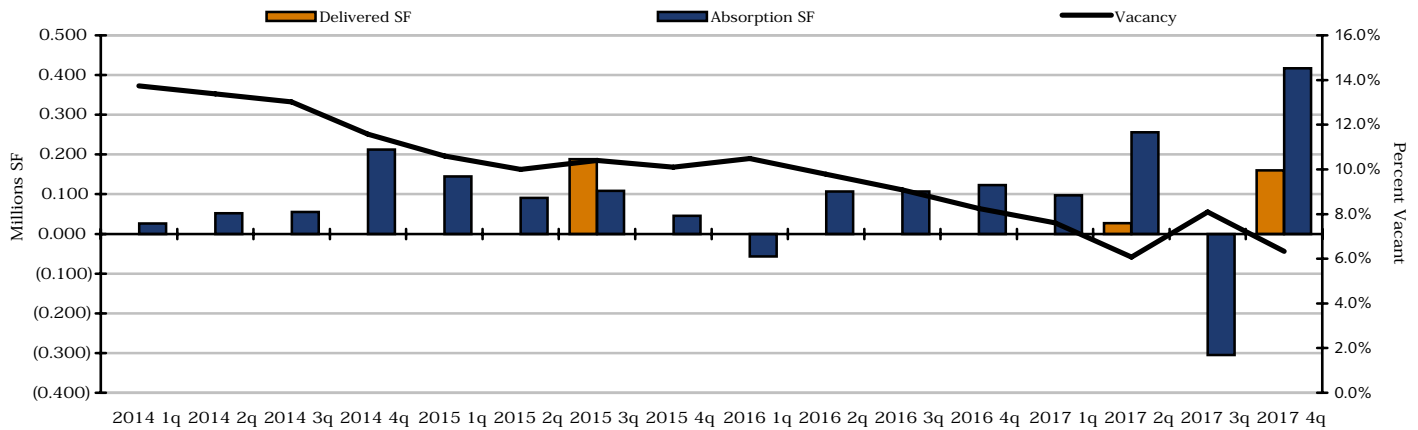


Airport/E Las Vegas Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

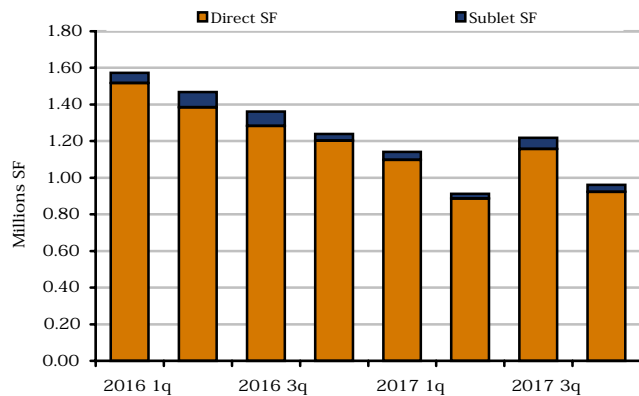
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

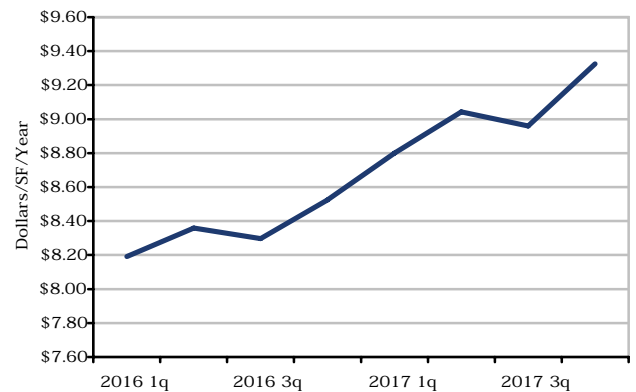
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 4q | 499 | 15,192,712 | 960,950 | 6.3% | 416,808 | 3 | 160,077 | 0 | 0 | \$9.33 |
| 2017 3q | 496 | 15,032,635 | 1,217,681 | 8.1% | (305,208) | 0 | 0 | 3 | 160,077 | \$8.96 |
| 2017 2q | 496 | 15,032,635 | 912,473 | 6.1% | 256,010 | 1 | 27,000 | 3 | 160,077 | \$9.04 |
| 2017 1q | 495 | 15,005,635 | 1,141,483 | 7.6% | 97,457 | 0 | 0 | 3 | 128,882 | \$8.80 |
| 2016 4q | 495 | 15,005,635 | 1,238,940 | 8.3% | 122,914 | 0 | 0 | 3 | 128,882 | \$8.53 |
| 2016 3q | 495 | 15,005,635 | 1,361,854 | 9.1% | 106,827 | 0 | 0 | 2 | 54,000 | \$8.30 |
| 2016 2q | 495 | 15,005,635 | 1,468,681 | 9.8% | 106,454 | 0 | 0 | 0 | 0 | \$8.36 |
| 2016 1q | 494 | 15,002,635 | 1,572,135 | 10.5% | (57,091) | 0 | 0 | 1 | 3,000 | \$8.19 |
| 2015 4q | 494 | 15,002,635 | 1,515,044 | 10.1% | 45,277 | 0 | 0 | 1 | 3,000 | \$8.00 |
| 2015 3q | 494 | 15,002,635 | 1,560,321 | 10.4% | 108,397 | 1 | 188,000 | 0 | 0 | \$8.09 |
| 2015 2q | 493 | 14,814,635 | 1,480,718 | 10.0% | 90,382 | 0 | 0 | 1 | 188,000 | \$8.19 |
| 2015 1q | 493 | 14,814,635 | 1,571,100 | 10.6% | 144,507 | 0 | 0 | 1 | 188,000 | \$8.00 |
| 2014 4q | 493 | 14,814,635 | 1,715,607 | 11.6% | 212,368 | 0 | 0 | 1 | 188,000 | \$8.09 |
| 2014 3q | 493 | 14,814,635 | 1,927,975 | 13.0% | 54,970 | 0 | 0 | 1 | 188,000 | \$7.87 |
| 2014 2q | 493 | 14,814,635 | 1,982,945 | 13.4% | 51,775 | 0 | 0 | 1 | 188,000 | \$7.75 |
| 2014 1q | 493 | 14,814,635 | 2,034,720 | 13.7% | 26,049 | 0 | 0 | 1 | 188,000 | \$7.59 |

Source: CoStar Property®



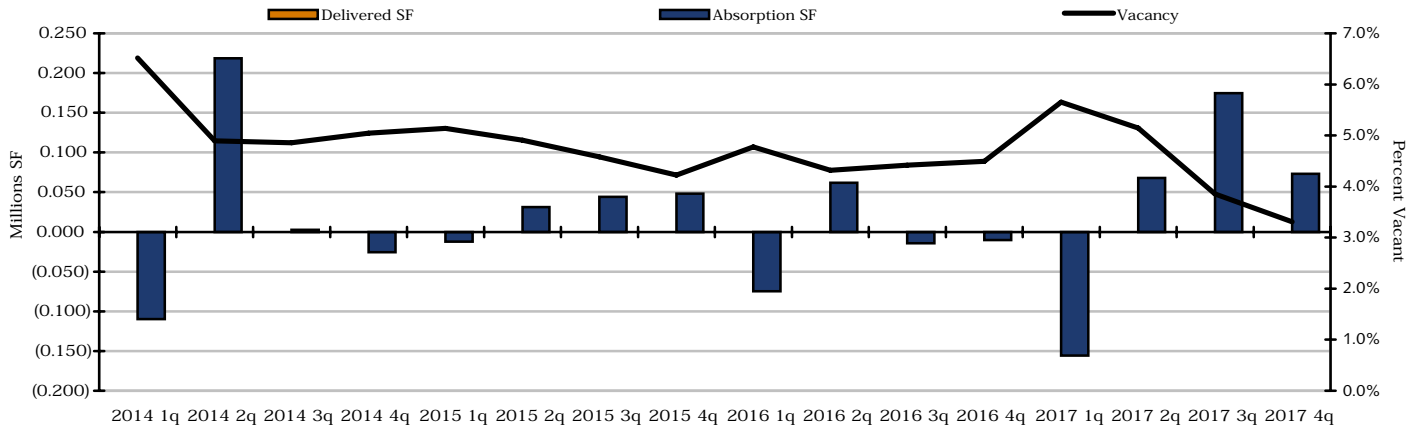
Las Vegas Industrial Market

Central Las Vegas Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

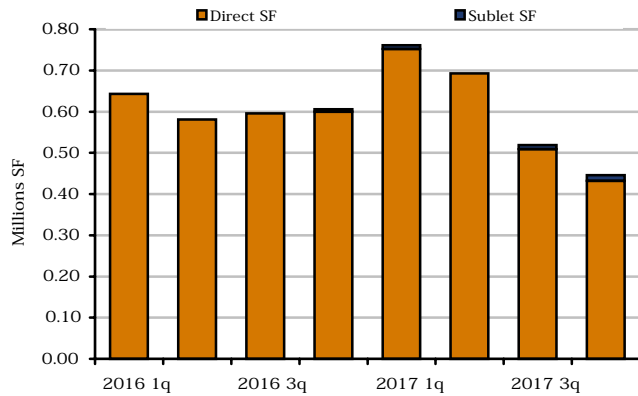
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

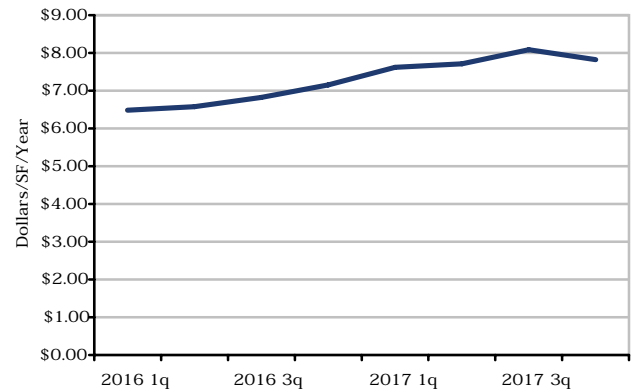
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 4q | 488 | 13,468,014 | 445,537 | 3.3% | 73,127 | 0 | 0 | 1 | 21,804 | \$7.82 |
| 2017 3q | 488 | 13,468,014 | 518,664 | 3.9% | 174,530 | 0 | 0 | 1 | 21,804 | \$8.08 |
| 2017 2q | 488 | 13,468,014 | 693,194 | 5.1% | 68,040 | 0 | 0 | 1 | 21,804 | \$7.71 |
| 2017 1q | 488 | 13,468,014 | 761,234 | 5.7% | (155,680) | 0 | 0 | 0 | 0 | \$7.62 |
| 2016 4q | 488 | 13,468,014 | 605,554 | 4.5% | (10,105) | 0 | 0 | 0 | 0 | \$7.15 |
| 2016 3q | 488 | 13,468,014 | 595,449 | 4.4% | (14,094) | 0 | 0 | 0 | 0 | \$6.82 |
| 2016 2q | 488 | 13,468,014 | 581,355 | 4.3% | 61,973 | 0 | 0 | 0 | 0 | \$6.58 |
| 2016 1q | 488 | 13,468,014 | 643,328 | 4.8% | (74,560) | 0 | 0 | 0 | 0 | \$6.48 |
| 2015 4q | 488 | 13,468,014 | 568,768 | 4.2% | 48,296 | 0 | 0 | 0 | 0 | \$6.55 |
| 2015 3q | 488 | 13,468,014 | 617,064 | 4.6% | 44,112 | 0 | 0 | 0 | 0 | \$6.48 |
| 2015 2q | 488 | 13,468,014 | 661,176 | 4.9% | 31,085 | 0 | 0 | 0 | 0 | \$6.63 |
| 2015 1q | 488 | 13,468,014 | 692,261 | 5.1% | (12,420) | 0 | 0 | 0 | 0 | \$6.50 |
| 2014 4q | 488 | 13,468,014 | 679,841 | 5.0% | (25,455) | 0 | 0 | 0 | 0 | \$6.23 |
| 2014 3q | 488 | 13,468,014 | 654,386 | 4.9% | 2,603 | 0 | 0 | 0 | 0 | \$6.33 |
| 2014 2q | 489 | 13,470,608 | 659,583 | 4.9% | 218,771 | 0 | 0 | 0 | 0 | \$6.53 |
| 2014 1q | 489 | 13,470,608 | 878,354 | 6.5% | (109,931) | 0 | 0 | 0 | 0 | \$6.24 |

Source: CoStar Property®

Las Vegas Industrial Market

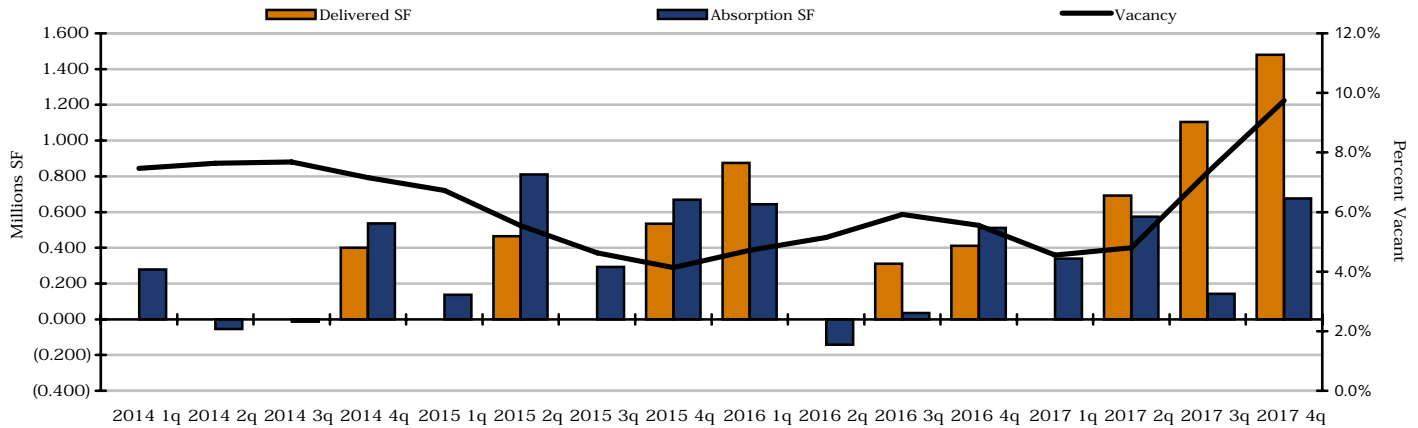


North Las Vegas Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

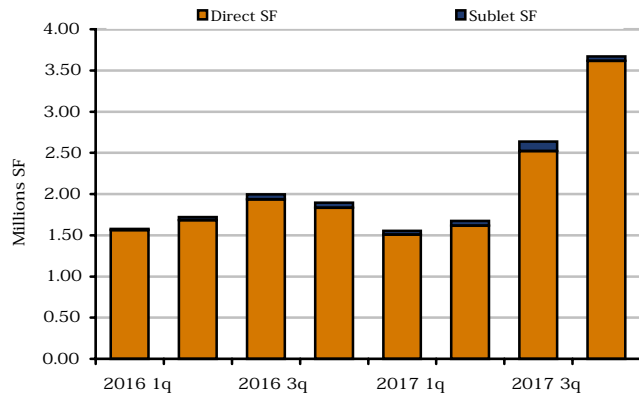
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

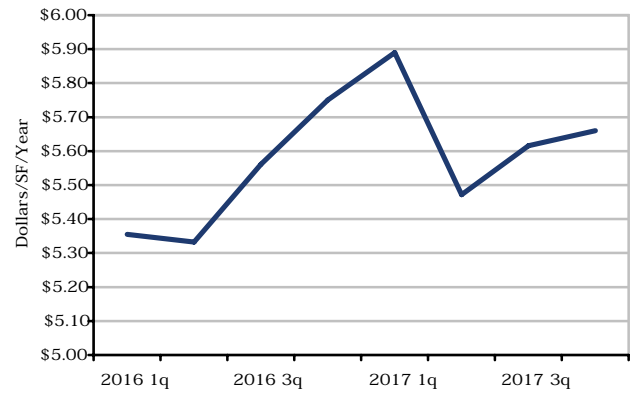
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 4q | 1,067 | 37,647,692 | 3,669,516 | 9.7% | 676,016 | 4 | 1,479,689 | 9 | 2,584,856 | \$5.66 |
| 2017 3q | 1,061 | 35,938,577 | 2,636,417 | 7.3% | 141,941 | 2 | 1,104,480 | 11 | 3,089,415 | \$5.62 |
| 2017 2q | 1,059 | 34,834,097 | 1,673,878 | 4.8% | 574,135 | 2 | 692,810 | 12 | 4,038,105 | \$5.47 |
| 2017 1q | 1,057 | 34,141,287 | 1,555,203 | 4.6% | 339,885 | 0 | 0 | 10 | 3,858,495 | \$5.89 |
| 2016 4q | 1,057 | 34,141,287 | 1,895,088 | 5.6% | 511,714 | 2 | 410,975 | 8 | 3,428,775 | \$5.75 |
| 2016 3q | 1,055 | 33,730,312 | 1,995,827 | 5.9% | 34,798 | 1 | 311,501 | 7 | 2,579,547 | \$5.56 |
| 2016 2q | 1,054 | 33,418,811 | 1,719,124 | 5.1% | (142,881) | 0 | 0 | 7 | 2,289,438 | \$5.33 |
| 2016 1q | 1,054 | 33,418,811 | 1,576,243 | 4.7% | 644,727 | 4 | 874,247 | 2 | 507,216 | \$5.35 |
| 2015 4q | 1,050 | 32,544,564 | 1,346,723 | 4.1% | 669,489 | 2 | 535,260 | 6 | 1,381,463 | \$5.11 |
| 2015 3q | 1,048 | 32,009,304 | 1,480,952 | 4.6% | 293,373 | 0 | 0 | 7 | 1,721,008 | \$4.88 |
| 2015 2q | 1,048 | 32,009,304 | 1,774,325 | 5.5% | 809,904 | 1 | 464,203 | 4 | 947,176 | \$4.76 |
| 2015 1q | 1,047 | 31,545,101 | 2,120,026 | 6.7% | 136,282 | 0 | 0 | 2 | 627,993 | \$4.75 |
| 2014 4q | 1,047 | 31,545,101 | 2,256,308 | 7.2% | 536,255 | 1 | 400,000 | 1 | 464,203 | \$4.67 |
| 2014 3q | 1,046 | 31,145,101 | 2,392,563 | 7.7% | (13,142) | 0 | 0 | 2 | 864,203 | \$4.64 |
| 2014 2q | 1,046 | 31,145,101 | 2,379,421 | 7.6% | (54,677) | 0 | 0 | 1 | 400,000 | \$4.52 |
| 2014 1q | 1,046 | 31,145,101 | 2,324,744 | 7.5% | 278,184 | 0 | 0 | 1 | 400,000 | \$4.53 |

Source: CoStar Property®



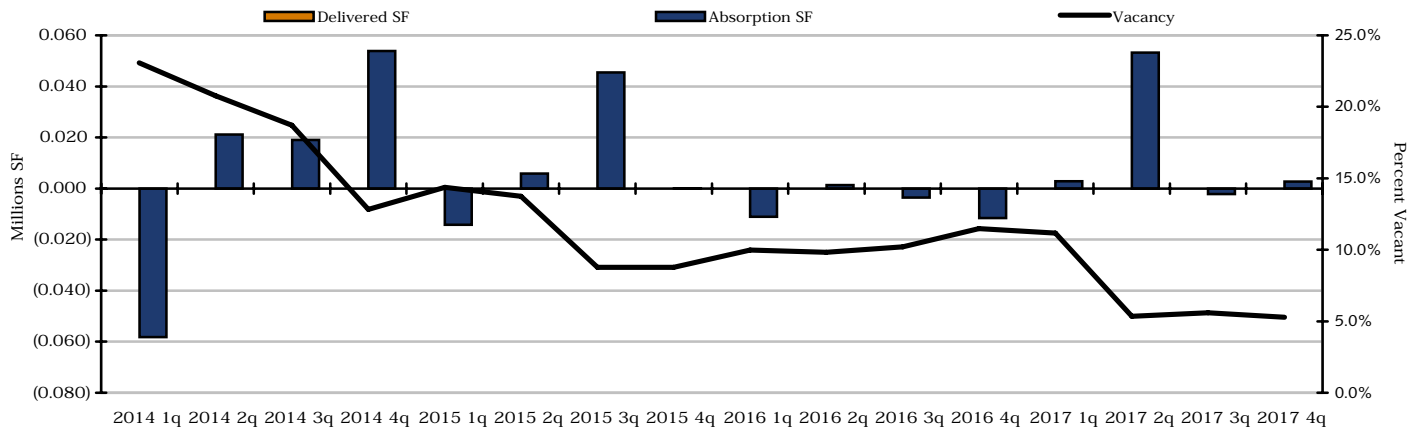
Las Vegas Industrial Market

Northwest Las Vegas Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

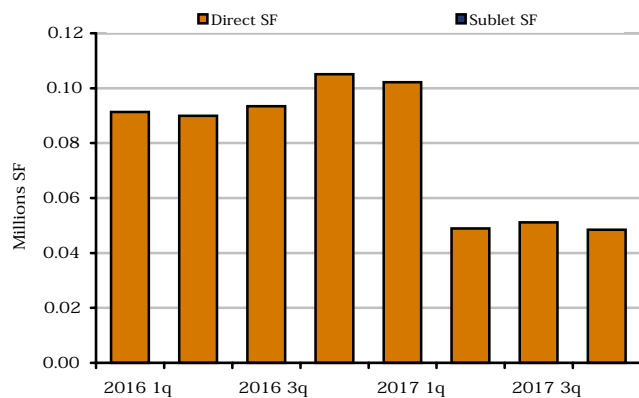
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

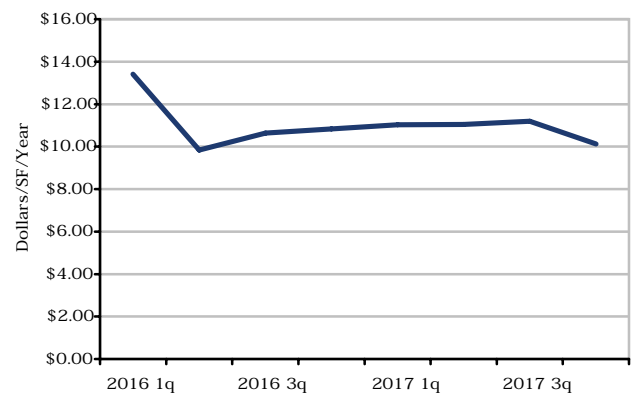
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|-----------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 4q | 40 | 915,508 | 48,454 | 5.3% | 2,705 | 0 | 0 | 0 | 0 | \$10.12 |
| 2017 3q | 40 | 915,508 | 51,159 | 5.6% | (2,199) | 0 | 0 | 0 | 0 | \$11.20 |
| 2017 2q | 40 | 915,508 | 48,960 | 5.3% | 53,225 | 0 | 0 | 0 | 0 | \$11.04 |
| 2017 1q | 40 | 915,508 | 102,185 | 11.2% | 2,908 | 0 | 0 | 0 | 0 | \$11.03 |
| 2016 4q | 40 | 915,508 | 105,093 | 11.5% | (11,604) | 0 | 0 | 0 | 0 | \$10.84 |
| 2016 3q | 40 | 915,508 | 93,489 | 10.2% | (3,524) | 0 | 0 | 0 | 0 | \$10.64 |
| 2016 2q | 40 | 915,508 | 89,965 | 9.8% | 1,372 | 0 | 0 | 0 | 0 | \$9.83 |
| 2016 1q | 40 | 915,508 | 91,337 | 10.0% | (11,060) | 0 | 0 | 0 | 0 | \$13.41 |
| 2015 4q | 40 | 915,508 | 80,277 | 8.8% | 27 | 0 | 0 | 0 | 0 | \$13.04 |
| 2015 3q | 40 | 915,508 | 80,304 | 8.8% | 45,410 | 0 | 0 | 0 | 0 | \$12.21 |
| 2015 2q | 40 | 915,508 | 125,714 | 13.7% | 5,914 | 0 | 0 | 0 | 0 | \$11.49 |
| 2015 1q | 40 | 915,508 | 131,628 | 14.4% | (14,239) | 0 | 0 | 0 | 0 | \$11.46 |
| 2014 4q | 40 | 915,508 | 117,389 | 12.8% | 53,835 | 0 | 0 | 0 | 0 | \$11.61 |
| 2014 3q | 40 | 915,508 | 171,224 | 18.7% | 19,017 | 0 | 0 | 0 | 0 | \$11.09 |
| 2014 2q | 40 | 915,508 | 190,241 | 20.8% | 21,114 | 0 | 0 | 0 | 0 | \$10.93 |
| 2014 1q | 40 | 915,508 | 211,355 | 23.1% | (58,214) | 0 | 0 | 0 | 0 | \$9.77 |

Source: CoStar Property®

Las Vegas Industrial Market

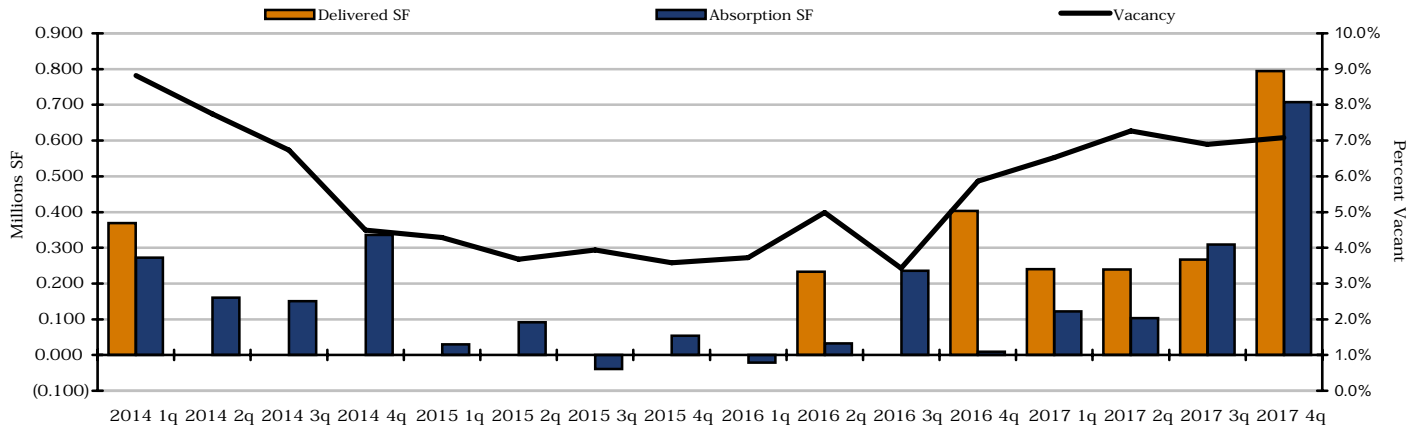


SE LV/Henderson Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

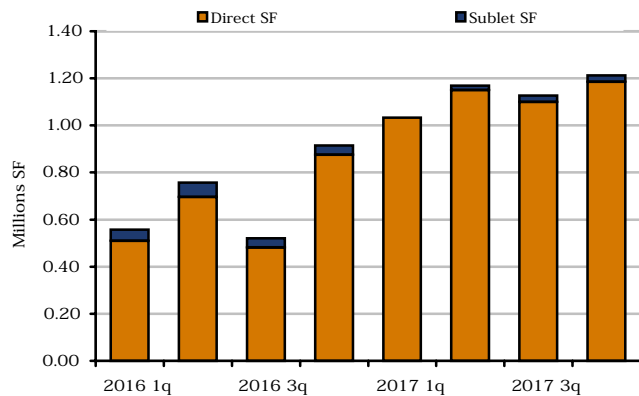
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

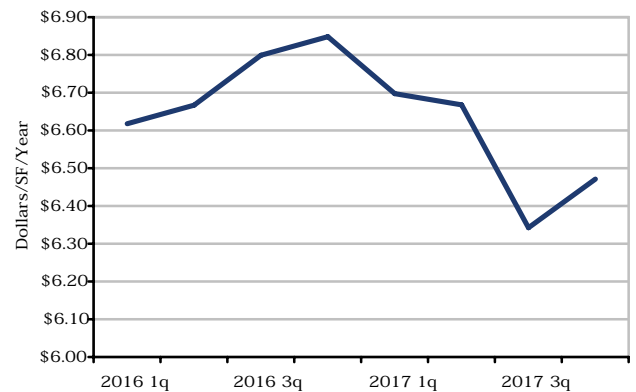
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 4q | 538 | 17,133,635 | 1,212,877 | 7.1% | 707,705 | 3 | 794,320 | 7 | 947,770 | \$6.47 |
| 2017 3q | 535 | 16,339,315 | 1,126,262 | 6.9% | 309,518 | 4 | 267,100 | 8 | 1,581,370 | \$6.34 |
| 2017 2q | 531 | 16,072,215 | 1,168,680 | 7.3% | 103,613 | 3 | 239,010 | 12 | 1,848,470 | \$6.67 |
| 2017 1q | 528 | 15,833,205 | 1,033,283 | 6.5% | 121,620 | 1 | 240,000 | 9 | 1,388,410 | \$6.70 |
| 2016 4q | 527 | 15,593,205 | 914,903 | 5.9% | 9,019 | 2 | 403,000 | 9 | 1,431,290 | \$6.85 |
| 2016 3q | 525 | 15,190,205 | 520,922 | 3.4% | 236,162 | 0 | 0 | 9 | 951,990 | \$6.80 |
| 2016 2q | 525 | 15,190,205 | 757,084 | 5.0% | 32,533 | 1 | 232,856 | 4 | 622,730 | \$6.67 |
| 2016 1q | 524 | 14,957,349 | 556,761 | 3.7% | (21,353) | 0 | 0 | 1 | 232,856 | \$6.62 |
| 2015 4q | 524 | 14,957,349 | 535,408 | 3.6% | 53,603 | 0 | 0 | 1 | 232,856 | \$6.56 |
| 2015 3q | 524 | 14,957,349 | 589,011 | 3.9% | (39,141) | 0 | 0 | 0 | 0 | \$6.38 |
| 2015 2q | 524 | 14,957,349 | 549,870 | 3.7% | 91,579 | 0 | 0 | 0 | 0 | \$6.31 |
| 2015 1q | 524 | 14,957,349 | 641,449 | 4.3% | 30,176 | 0 | 0 | 0 | 0 | \$6.26 |
| 2014 4q | 524 | 14,957,349 | 671,625 | 4.5% | 335,857 | 0 | 0 | 0 | 0 | \$6.13 |
| 2014 3q | 524 | 14,957,349 | 1,007,482 | 6.7% | 150,858 | 0 | 0 | 0 | 0 | \$6.06 |
| 2014 2q | 524 | 14,957,349 | 1,158,340 | 7.7% | 160,440 | 0 | 0 | 0 | 0 | \$5.83 |
| 2014 1q | 524 | 14,957,349 | 1,318,780 | 8.8% | 272,150 | 2 | 368,845 | 0 | 0 | \$5.80 |

Source: CoStar Property®

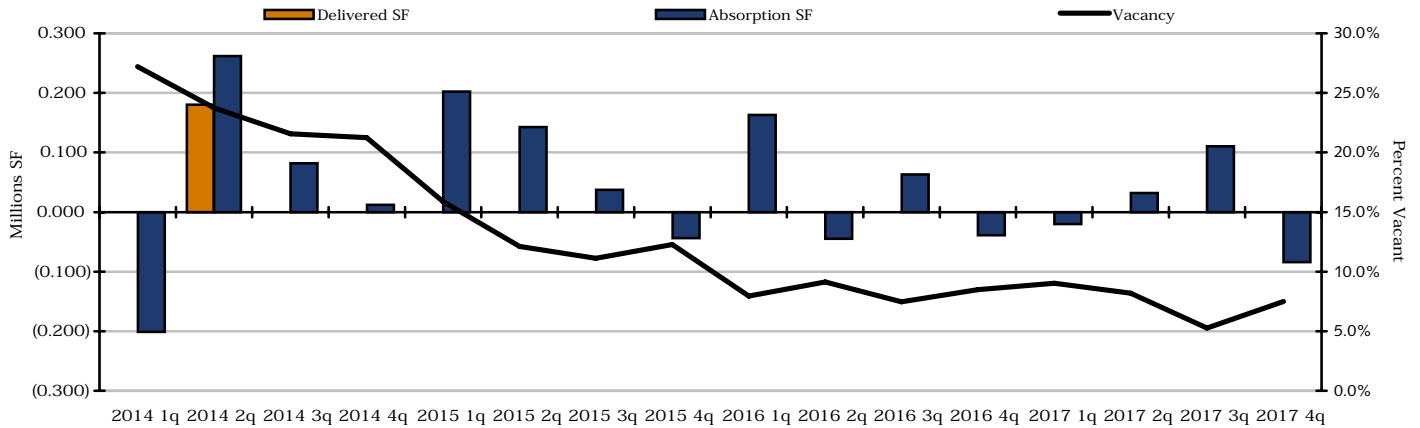


Las Vegas Industrial Market

Speedway Market MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

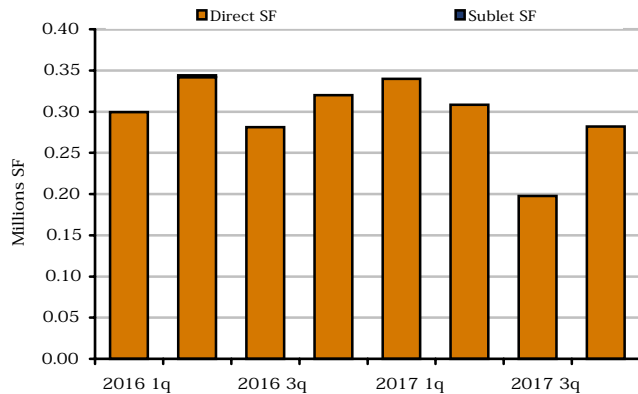
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

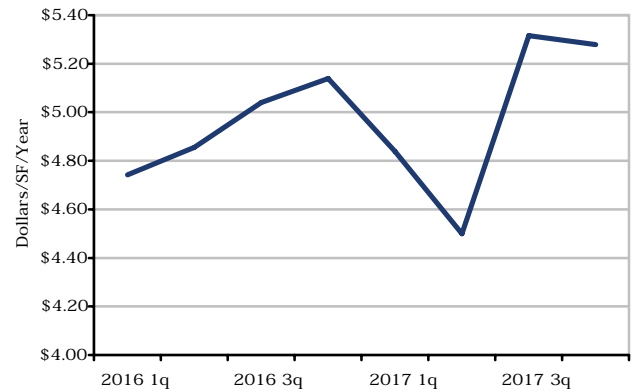
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|-----------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 4q | 64 | 3,766,613 | 282,040 | 7.5% | (84,216) | 0 | 0 | 0 | 0 | \$5.28 |
| 2017 3q | 64 | 3,766,613 | 197,824 | 5.3% | 110,361 | 0 | 0 | 0 | 0 | \$5.32 |
| 2017 2q | 64 | 3,766,613 | 308,185 | 8.2% | 31,774 | 0 | 0 | 0 | 0 | \$4.50 |
| 2017 1q | 64 | 3,766,613 | 339,959 | 9.0% | (19,914) | 0 | 0 | 0 | 0 | \$4.84 |
| 2016 4q | 64 | 3,766,613 | 320,045 | 8.5% | (38,806) | 0 | 0 | 0 | 0 | \$5.14 |
| 2016 3q | 64 | 3,766,613 | 281,239 | 7.5% | 63,031 | 0 | 0 | 0 | 0 | \$5.04 |
| 2016 2q | 64 | 3,766,613 | 344,270 | 9.1% | (44,787) | 0 | 0 | 0 | 0 | \$4.86 |
| 2016 1q | 64 | 3,766,613 | 299,483 | 8.0% | 162,929 | 0 | 0 | 0 | 0 | \$4.74 |
| 2015 4q | 64 | 3,766,613 | 462,412 | 12.3% | (43,705) | 0 | 0 | 0 | 0 | \$4.73 |
| 2015 3q | 64 | 3,766,613 | 418,707 | 11.1% | 37,103 | 0 | 0 | 0 | 0 | \$4.49 |
| 2015 2q | 64 | 3,766,613 | 455,810 | 12.1% | 142,426 | 0 | 0 | 0 | 0 | \$4.47 |
| 2015 1q | 64 | 3,766,613 | 598,236 | 15.9% | 202,225 | 0 | 0 | 0 | 0 | \$4.27 |
| 2014 4q | 64 | 3,766,613 | 800,461 | 21.3% | 12,133 | 0 | 0 | 0 | 0 | \$4.06 |
| 2014 3q | 64 | 3,766,613 | 812,594 | 21.6% | 81,937 | 0 | 0 | 0 | 0 | \$3.99 |
| 2014 2q | 64 | 3,766,613 | 894,531 | 23.7% | 261,652 | 1 | 180,235 | 0 | 0 | \$3.90 |
| 2014 1q | 63 | 3,586,378 | 975,948 | 27.2% | (201,395) | 0 | 0 | 1 | 180,235 | \$3.85 |

Source: CoStar Property®

Las Vegas Industrial Market

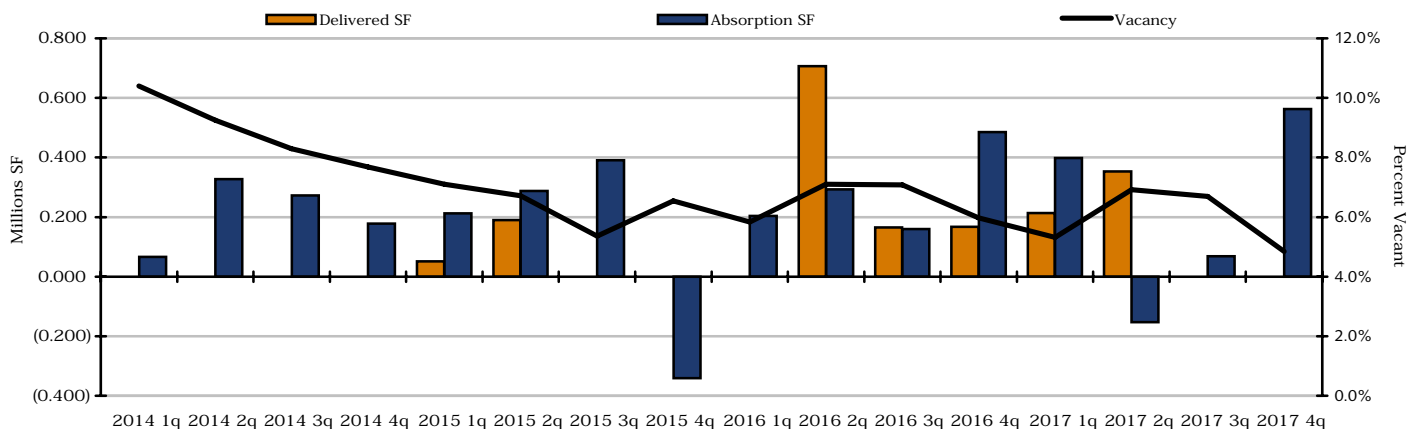


SW Las Vegas Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

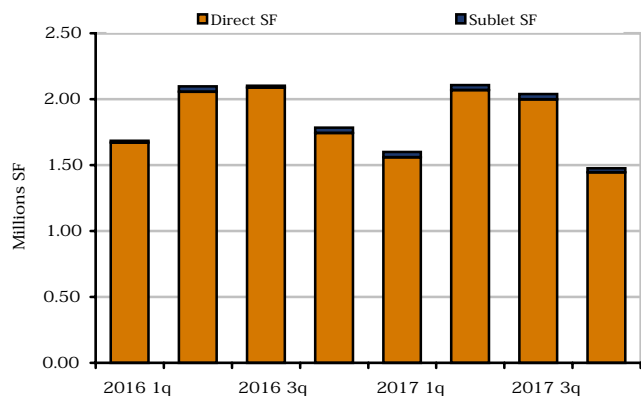
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

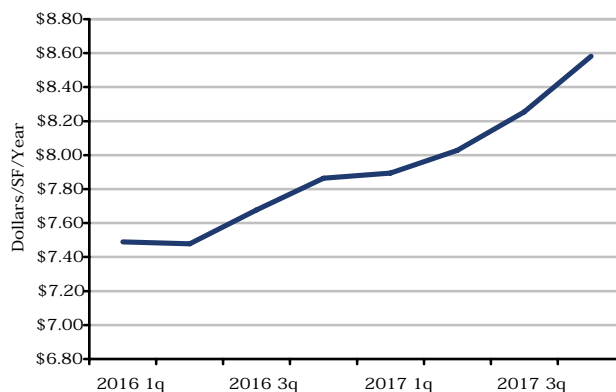
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 4q | 1,029 | 30,448,622 | 1,475,164 | 4.8% | 562,548 | 0 | 0 | 0 | 0 | \$8.58 |
| 2017 3q | 1,029 | 30,448,622 | 2,037,712 | 6.7% | 68,203 | 0 | 0 | 0 | 0 | \$8.25 |
| 2017 2q | 1,029 | 30,448,622 | 2,105,915 | 6.9% | (153,165) | 3 | 353,000 | 0 | 0 | \$8.03 |
| 2017 1q | 1,026 | 30,095,622 | 1,599,750 | 5.3% | 398,593 | 1 | 213,438 | 3 | 353,000 | \$7.89 |
| 2016 4q | 1,025 | 29,882,184 | 1,784,905 | 6.0% | 485,234 | 1 | 167,280 | 4 | 566,438 | \$7.86 |
| 2016 3q | 1,024 | 29,714,904 | 2,102,859 | 7.1% | 160,147 | 4 | 165,110 | 4 | 438,218 | \$7.68 |
| 2016 2q | 1,020 | 29,549,794 | 2,097,896 | 7.1% | 293,126 | 3 | 707,000 | 6 | 545,828 | \$7.48 |
| 2016 1q | 1,017 | 28,842,794 | 1,684,022 | 5.8% | 203,491 | 0 | 0 | 8 | 1,039,390 | \$7.49 |
| 2015 4q | 1,017 | 28,842,794 | 1,887,513 | 6.5% | (341,383) | 0 | 0 | 4 | 874,280 | \$7.29 |
| 2015 3q | 1,017 | 28,842,794 | 1,546,130 | 5.4% | 390,940 | 0 | 0 | 3 | 707,000 | \$7.34 |
| 2015 2q | 1,017 | 28,842,794 | 1,937,070 | 6.7% | 287,607 | 2 | 189,998 | 1 | 291,000 | \$7.25 |
| 2015 1q | 1,015 | 28,652,796 | 2,034,679 | 7.1% | 212,137 | 1 | 51,097 | 2 | 189,998 | \$7.11 |
| 2014 4q | 1,014 | 28,601,699 | 2,195,719 | 7.7% | 177,929 | 0 | 0 | 3 | 241,095 | \$6.93 |
| 2014 3q | 1,014 | 28,601,699 | 2,373,648 | 8.3% | 272,398 | 0 | 0 | 2 | 131,095 | \$6.87 |
| 2014 2q | 1,014 | 28,601,699 | 2,646,046 | 9.3% | 327,718 | 0 | 0 | 1 | 51,097 | \$6.68 |
| 2014 1q | 1,014 | 28,601,699 | 2,973,764 | 10.4% | 66,047 | 0 | 0 | 1 | 51,097 | \$6.70 |

Source: CoStar Property®



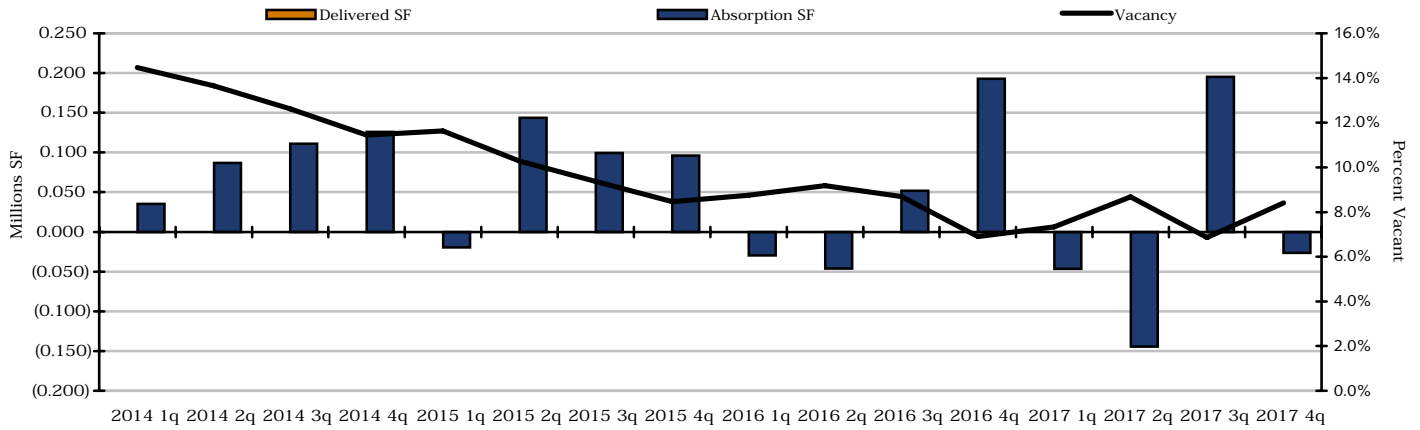
Las Vegas Industrial Market

West Las Vegas Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

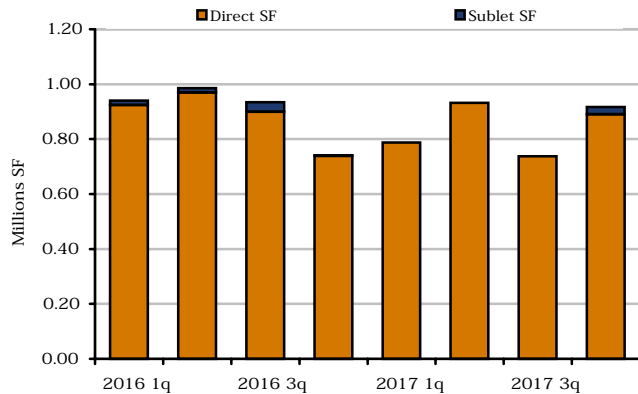
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

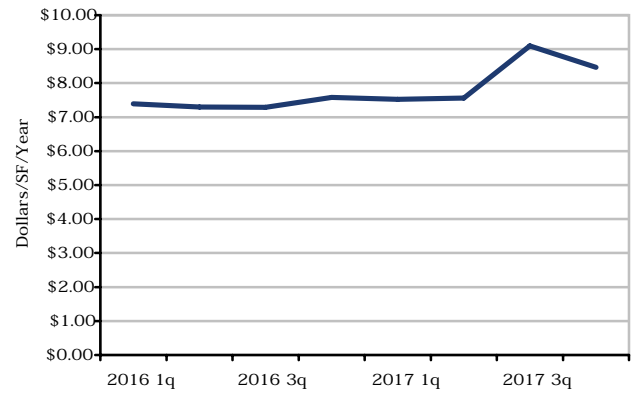
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

| Period | Existing Inventory | | Vacancy | | Net Absorption | Delivered Inventory | | UC Inventory | | Quoted Rates |
|---------|--------------------|------------|-----------|-----------|----------------|---------------------|-----------|--------------|-----------|--------------|
| | # Bldgs | Total RBA | Vacant SF | Vacancy % | | # Bldgs | Total RBA | # Bldgs | Total RBA | |
| 2017 4q | 459 | 10,898,779 | 917,052 | 8.4% | (26,524) | 0 | 0 | 0 | 0 | \$8.47 |
| 2017 3q | 458 | 10,745,459 | 737,208 | 6.9% | 195,065 | 0 | 0 | 1 | 153,320 | \$9.10 |
| 2017 2q | 458 | 10,745,459 | 932,273 | 8.7% | (144,422) | 0 | 0 | 1 | 153,320 | \$7.56 |
| 2017 1q | 458 | 10,745,459 | 787,851 | 7.3% | (46,523) | 0 | 0 | 1 | 153,320 | \$7.53 |
| 2016 4q | 458 | 10,745,459 | 741,328 | 6.9% | 192,691 | 0 | 0 | 0 | 0 | \$7.58 |
| 2016 3q | 458 | 10,745,459 | 934,019 | 8.7% | 51,839 | 0 | 0 | 0 | 0 | \$7.29 |
| 2016 2q | 458 | 10,745,459 | 985,858 | 9.2% | (45,990) | 0 | 0 | 0 | 0 | \$7.30 |
| 2016 1q | 458 | 10,745,459 | 939,868 | 8.7% | (29,576) | 0 | 0 | 0 | 0 | \$7.39 |
| 2015 4q | 458 | 10,745,459 | 910,292 | 8.5% | 96,134 | 0 | 0 | 0 | 0 | \$7.18 |
| 2015 3q | 458 | 10,745,459 | 1,006,426 | 9.4% | 99,319 | 0 | 0 | 0 | 0 | \$7.14 |
| 2015 2q | 458 | 10,745,459 | 1,105,745 | 10.3% | 143,636 | 0 | 0 | 0 | 0 | \$6.90 |
| 2015 1q | 458 | 10,745,459 | 1,249,381 | 11.6% | (19,351) | 0 | 0 | 0 | 0 | \$6.60 |
| 2014 4q | 458 | 10,745,459 | 1,230,030 | 11.4% | 125,792 | 0 | 0 | 0 | 0 | \$6.53 |
| 2014 3q | 458 | 10,745,459 | 1,355,822 | 12.6% | 111,075 | 0 | 0 | 0 | 0 | \$6.58 |
| 2014 2q | 458 | 10,745,459 | 1,466,897 | 13.7% | 86,937 | 0 | 0 | 0 | 0 | \$6.61 |
| 2014 1q | 458 | 10,745,459 | 1,553,834 | 14.5% | 35,433 | 0 | 0 | 0 | 0 | \$6.65 |

Source: CoStar Property®