

Las Vegas, NV

4th Quarter 2014

OFFICE

Market Trends

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COMMERCIAL REAL ESTATE INFORMATION

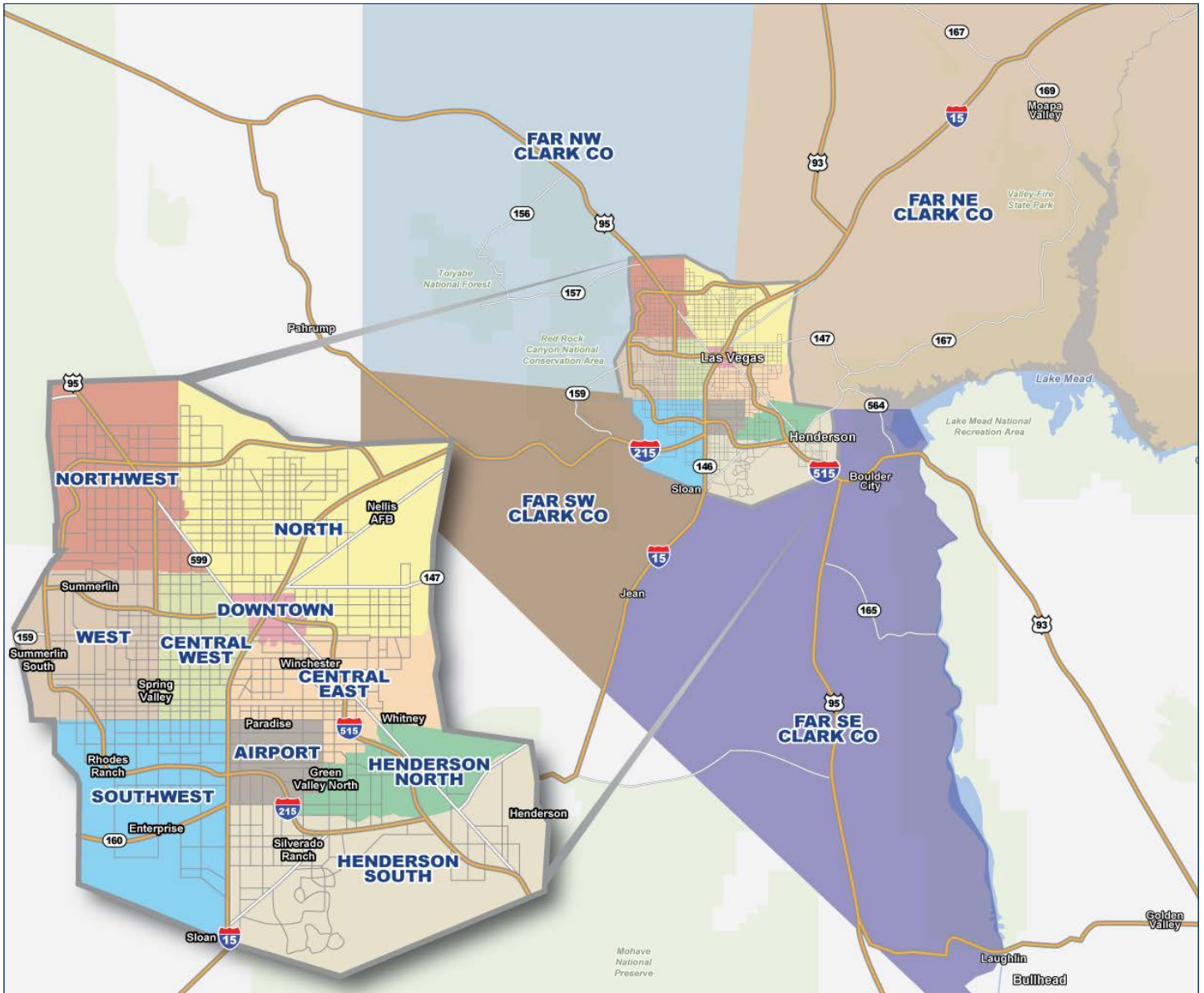
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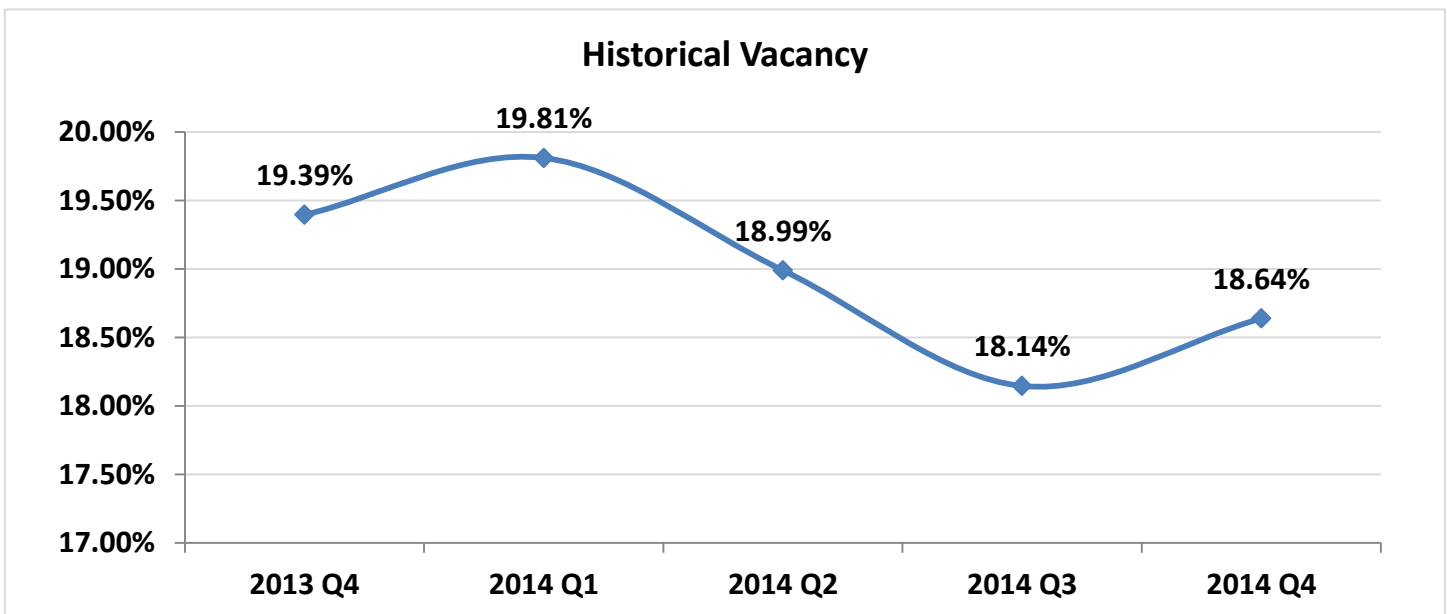
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The Las Vegas tracked set consists of an inventory of buildings considered to be competitive within the brokerage community. All buildings within the competitive tracked set have been reviewed and verified by members of the Advisory Boards for each market area.

Inventory	The total square feet of all existing single and multi tenant office buildings greater than 5,000 SF, excluding government buildings, medical buildings and office condo buildings. Only includes 100% office properties. Excludes offices in the Far SE, NE, SW, NW Clark County markets.
Total Available SF	All of the available leasable space within a building, whether it is occupied or vacant, for direct lease or sublease space.
Total Vacant SF	The total of all of the vacant square footage within a building, including both direct and sublease space.
Direct Vacant SF	The total of the vacant square footage in a building that is being marketed by an agent representing the landlord.
Sublease SF	Space that is offered for lease by a current tenant, or his agent, within a property. Whether the tenant is paying rent or not, the space is considered vacant only if it is unoccupied.
Net Absorption	The net change in physically occupied space from quarter to quarter, expressed in square feet.



- There is uneven demand for space in Las Vegas, as the "best" class A properties are receiving lots of activity while the rest of the market is lagging behind.
- As a result of this varied demand, large blocks of premium office space are difficult to come by.
- Demand for office space continued to remain strong, with almost 175,000 sf being absorbed during the quarter. As a result, the overall vacancy rate decreased by over 1% during the year.
- One Summerlin and The Gramercy delivered this quarter, increasing vacancy while giving us positive absorption.



Q4 2014 Market Overview by Building Type

	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Qtrly Net Absorption (SF)
A	57	6,507,457	1,581,081	1,583,113	24.33%	1,555,602	23.90%	66,452	168,924
B	1,588	31,706,728	6,265,553	5,494,691	17.33%	5,417,538	17.09%	426,571	(2,107)
C	255	4,127,335	1,025,592	813,715	19.72%	812,491	19.69%	1,224	7,090
Grand Total	1,900	42,341,520	8,872,226	7,891,519	18.64%	7,785,631	18.39%	494,247	173,907

Overview by Submarket/ Building Type

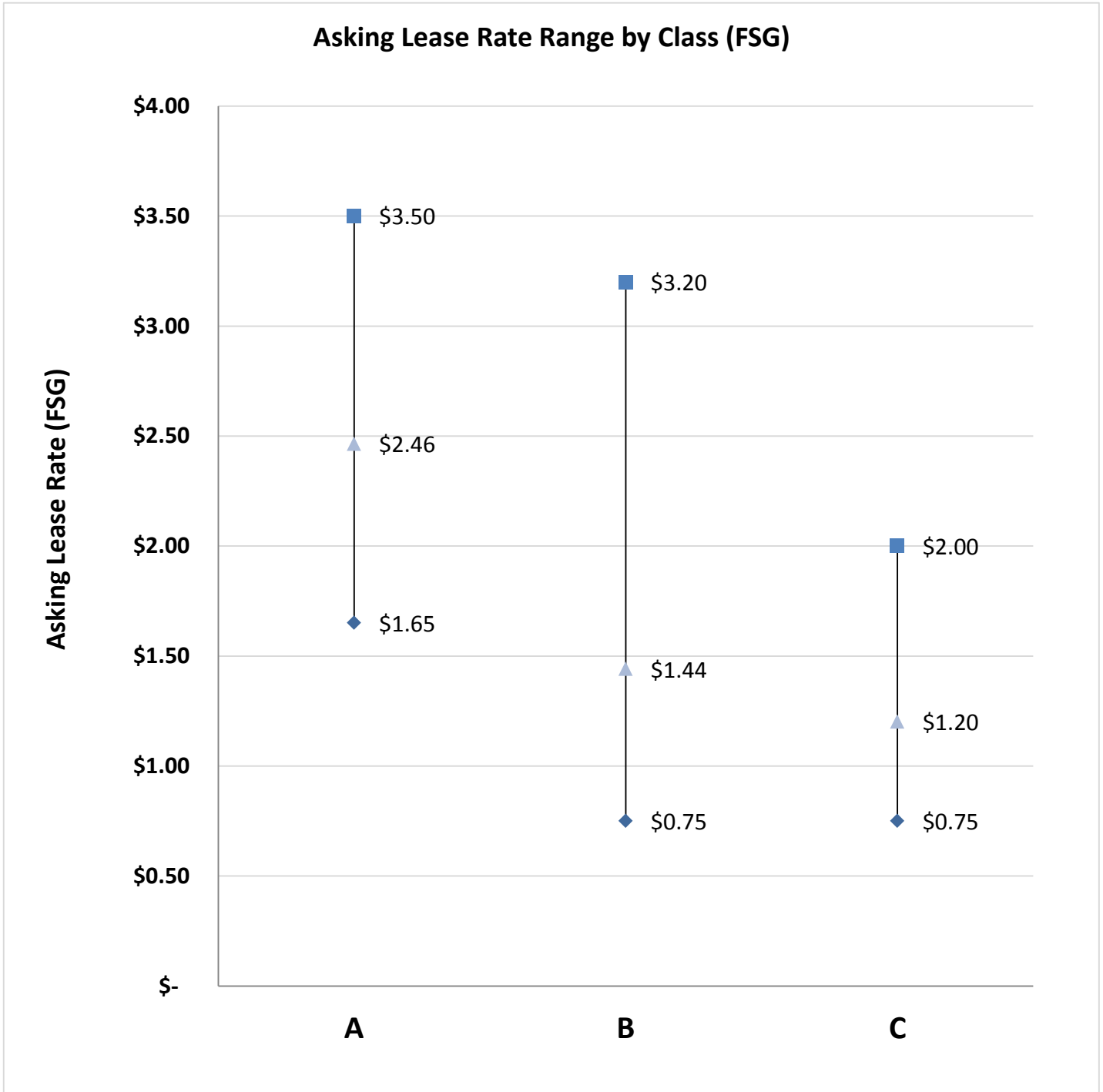


Market	# of Bldgs	Inventory (SF)	Total Available (SF)	Total Vacant (SF)	Total Vacancy Rate (%)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Available Sublease (SF)	Qtrly Net Absorption (SF)
Airport	192	5,074,121	815,981	758,284	14.94%	758,284	14.94%	0	15,982
A	9	765,051	150,070	124,163	16.23%	124,163	16.23%	0	(8,477)
B	165	4,063,010	644,236	612,446	15.07%	612,446	15.07%	0	16,744
C	18	246,060	21,675	21,675	8.81%	21,675	8.81%	0	7,715
Central East	237	6,366,996	1,619,266	1,499,609	23.55%	1,487,119	23.36%	43,705	(7,704)
A	10	1,397,977	397,536	348,350	24.92%	335,860	24.02%	43,705	(5,007)
B	144	3,014,750	797,716	751,739	24.94%	751,739	24.94%	0	(1,848)
C	83	1,954,269	424,014	399,520	20.44%	399,520	20.44%	0	(849)
Central West	284	5,546,411	1,197,620	1,139,050	20.54%	1,133,341	20.43%	5,709	(12,444)
A	1	157,624	16,232	16,232	10.30%	11,747	7.45%	4,485	0
B	238	4,746,047	954,709	896,139	18.88%	896,139	18.88%	0	(13,381)
C	45	642,740	226,679	226,679	35.27%	225,455	35.08%	1,224	937
Downtown	100	2,628,847	414,027	359,330	13.67%	348,794	13.27%	10,536	(5,040)
A	8	1,315,148	179,703	179,703	13.66%	169,167	12.86%	10,536	5,982
B	40	721,720	126,454	102,468	14.20%	102,468	14.20%	0	(3,833)
C	52	591,979	107,870	77,159	13.03%	77,159	13.03%	0	(7,189)
Henderson North	73	1,785,332	576,839	530,842	29.73%	530,842	29.73%	22,145	43,220
A	3	340,800	156,480	151,975	44.59%	151,975	44.59%	4,505	2,424
B	65	1,398,079	420,359	378,867	27.10%	378,867	27.10%	17,640	40,796
C	5	46,453	0	0	0.00%	0	0.00%	0	0
Henderson South	59	1,644,346	250,493	229,435	13.95%	229,435	13.95%	0	1,013
A	2	141,789	20,326	12,493	8.81%	12,493	8.81%	0	900
B	57	1,502,557	230,167	216,942	14.44%	216,942	14.44%	0	113
North	88	1,295,401	416,844	267,822	20.67%	259,065	20.00%	8,757	(13,545)
A	1	45,376	12,053	11,101	24.46%	11,101	24.46%	0	0
B	79	1,055,933	243,452	243,452	23.06%	234,695	22.23%	8,757	(13,545)
C	8	194,092	161,339	13,269	6.84%	13,269	6.84%	0	0
Northwest	229	6,244,036	1,327,146	1,220,208	19.54%	1,215,208	19.46%	6,462	40,887
A	10	975,262	213,620	211,248	21.66%	211,248	21.66%	0	88,663
B	212	5,158,531	1,086,293	990,329	19.20%	985,329	19.10%	6,462	(45,534)
C	7	110,243	27,233	18,631	16.90%	18,631	16.90%	0	(2,242)
Southeast	188	2,510,963	122,987	103,119	4.11%	92,417	3.68%	30,570	0
B	177	2,410,983	106,919	87,051	3.61%	76,349	3.17%	30,570	0
C	11	99,980	16,068	16,068	16.07%	16,068	16.07%	0	0
Southwest	236	5,237,424	1,163,505	1,071,424	20.46%	1,022,364	19.52%	49,060	72,755
A	10	929,797	262,143	286,096	30.77%	286,096	30.77%	0	81,218
B	213	4,168,590	867,408	751,374	18.02%	702,314	16.85%	49,060	(8,463)
C	13	139,037	33,954	33,954	24.42%	33,954	24.42%	0	0
West	214	4,007,643	967,518	712,396	17.78%	708,762	17.69%	317,303	38,783
A	3	438,633	172,918	241,752	55.11%	241,752	55.11%	3,221	3,221
B	198	3,466,528	787,840	463,884	13.38%	460,250	13.28%	314,082	26,844
C	13	102,482	6,760	6,760	6.60%	6,760	6.60%	0	8,718
Grand Total	1,900	42,341,520	8,872,226	7,891,519	18.64%	7,785,631	18.39%	494,247	173,907

Vacancy & Lease Rates



	Direct Vacancy Rate %					Asking Direct Lease Rate (FSG)				
	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4
Airport	18.12%	18.07%	16.72%	15.26%	14.94%	\$1.56	\$1.59	\$1.51	\$1.53	\$1.52
A	18.09%	18.09%	16.59%	15.12%	16.23%	\$2.33	\$2.31	\$2.38	\$2.47	\$2.39
B	18.15%	17.95%	16.97%	15.49%	15.07%	\$1.47	\$1.47	\$1.41	\$1.43	\$1.41
C	17.70%	20.11%	12.71%	11.94%	8.81%	\$1.06	\$1.06	\$1.40	\$1.10	\$1.10
Central East	20.80%	23.26%	22.87%	23.24%	23.36%	\$1.65	\$1.64	\$1.57	\$1.47	\$1.42
A	22.71%	24.49%	22.69%	23.67%	24.02%	\$2.84	\$2.84	\$2.89	\$2.91	\$2.97
B	22.95%	23.31%	23.51%	24.87%	24.94%	\$1.19	\$1.19	\$1.22	\$1.18	\$1.16
C	16.12%	22.31%	22.00%	20.40%	20.44%	\$1.12	\$1.12	\$1.12	\$1.09	\$1.06
Central West	20.24%	20.30%	20.95%	20.23%	20.43%	\$1.34	\$1.34	\$1.32	\$1.31	\$1.32
A	7.45%	7.45%	7.45%	7.45%	7.45%	\$2.55	\$2.55	\$2.55	\$2.55	\$2.55
B	18.56%	18.62%	19.23%	18.60%	18.88%	\$1.33	\$1.33	\$1.32	\$1.30	\$1.31
C	35.92%	35.99%	36.96%	35.41%	35.08%	\$1.22	\$1.22	\$1.23	\$1.23	\$1.24
Downtown	12.38%	14.71%	14.00%	13.13%	13.27%	\$1.77	\$1.86	\$1.91	\$1.78	\$1.98
A	12.94%	16.07%	14.78%	13.43%	12.86%	\$2.36	\$2.36	\$2.36	\$2.14	\$2.47
B	10.73%	14.06%	14.06%	13.67%	14.20%	\$1.62	\$1.98	\$1.98	\$1.90	\$1.82
C	13.22%	12.70%	12.34%	11.82%	13.03%	\$1.29	\$1.29	\$1.27	\$1.34	\$1.49
Henderson North	30.34%	30.68%	31.57%	32.15%	29.73%	\$1.53	\$1.53	\$1.62	\$1.61	\$1.65
A	41.45%	42.52%	45.30%	45.30%	44.59%	\$2.23	\$2.23	\$2.20	\$2.20	\$2.24
B	27.95%	28.14%	29.27%	30.02%	27.10%	\$1.44	\$1.45	\$1.58	\$1.59	\$1.59
C	20.51%	20.51%	0.00%	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Henderson South	16.21%	15.92%	14.25%	14.01%	13.95%	\$1.62	\$1.63	\$1.59	\$1.55	\$1.60
A	9.37%	12.92%	9.45%	9.45%	8.81%	\$2.03	\$2.04	\$2.08	\$2.08	\$1.98
B	16.90%	16.22%	14.70%	14.45%	14.44%	\$1.53	\$1.53	\$1.46	\$1.41	\$1.51
C	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
North	23.31%	22.20%	19.86%	19.63%	20.00%	\$1.13	\$1.18	\$1.33	\$1.30	\$1.36
A	33.54%	33.54%	33.54%	24.46%	24.46%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	25.90%	24.54%	21.66%	21.77%	22.23%	\$1.12	\$1.18	\$1.34	\$1.31	\$1.36
C	6.84%	6.84%	6.84%	6.84%	6.84%	\$1.20	\$1.20	\$1.20	\$1.20	\$0.00
Northwest	21.37%	20.92%	20.46%	19.15%	19.46%	\$1.64	\$1.65	\$1.65	\$1.69	\$1.71
A	33.90%	33.90%	32.70%	30.75%	21.66%	\$2.19	\$2.19	\$2.19	\$2.18	\$2.15
B	19.17%	18.62%	18.30%	17.01%	19.10%	\$1.55	\$1.56	\$1.60	\$1.66	\$1.66
C	11.87%	11.87%	11.87%	14.87%	16.90%	\$0.99	\$0.99	\$0.99	\$1.47	\$1.47
Southeast	2.43%	3.78%	3.75%	3.68%	3.68%	\$1.29	\$1.29	\$1.43	\$1.49	\$1.54
A	0.00%	0.00%	0.00%	0.00%	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B	1.85%	3.26%	3.24%	3.17%	3.17%	\$1.14	\$1.14	\$1.37	\$1.44	\$1.50
C	16.07%	16.07%	16.07%	16.07%	16.07%	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
Southwest	20.92%	20.36%	20.61%	17.84%	19.52%	\$2.12	\$2.07	\$1.95	\$1.73	\$1.79
A	32.48%	32.48%	32.48%	23.40%	30.77%	\$2.35	\$2.35	\$2.25	\$2.30	\$2.31
B	19.05%	18.37%	18.56%	16.64%	16.85%	\$2.09	\$2.02	\$1.90	\$1.73	\$1.76
C	15.96%	15.96%	19.38%	24.42%	24.42%	\$1.20	\$1.20	\$1.28	\$1.16	\$1.18
West	18.63%	18.26%	14.28%	14.36%	17.69%	\$1.28	\$1.27	\$1.27	\$1.30	\$1.40
A	54.83%	54.83%	17.19%	18.49%	55.11%	\$2.53	\$2.53	\$2.53	\$2.53	\$2.72
B	14.10%	13.68%	13.96%	14.05%	13.28%	\$1.20	\$1.19	\$1.20	\$1.25	\$1.32
C	16.80%	16.80%	18.02%	15.10%	6.60%	\$1.14	\$1.14	\$1.21	\$1.13	\$1.11
Grand Total	19.01%	19.41%	18.71%	17.91%	18.39%	\$1.54	\$1.55	\$1.51	\$1.50	\$1.53

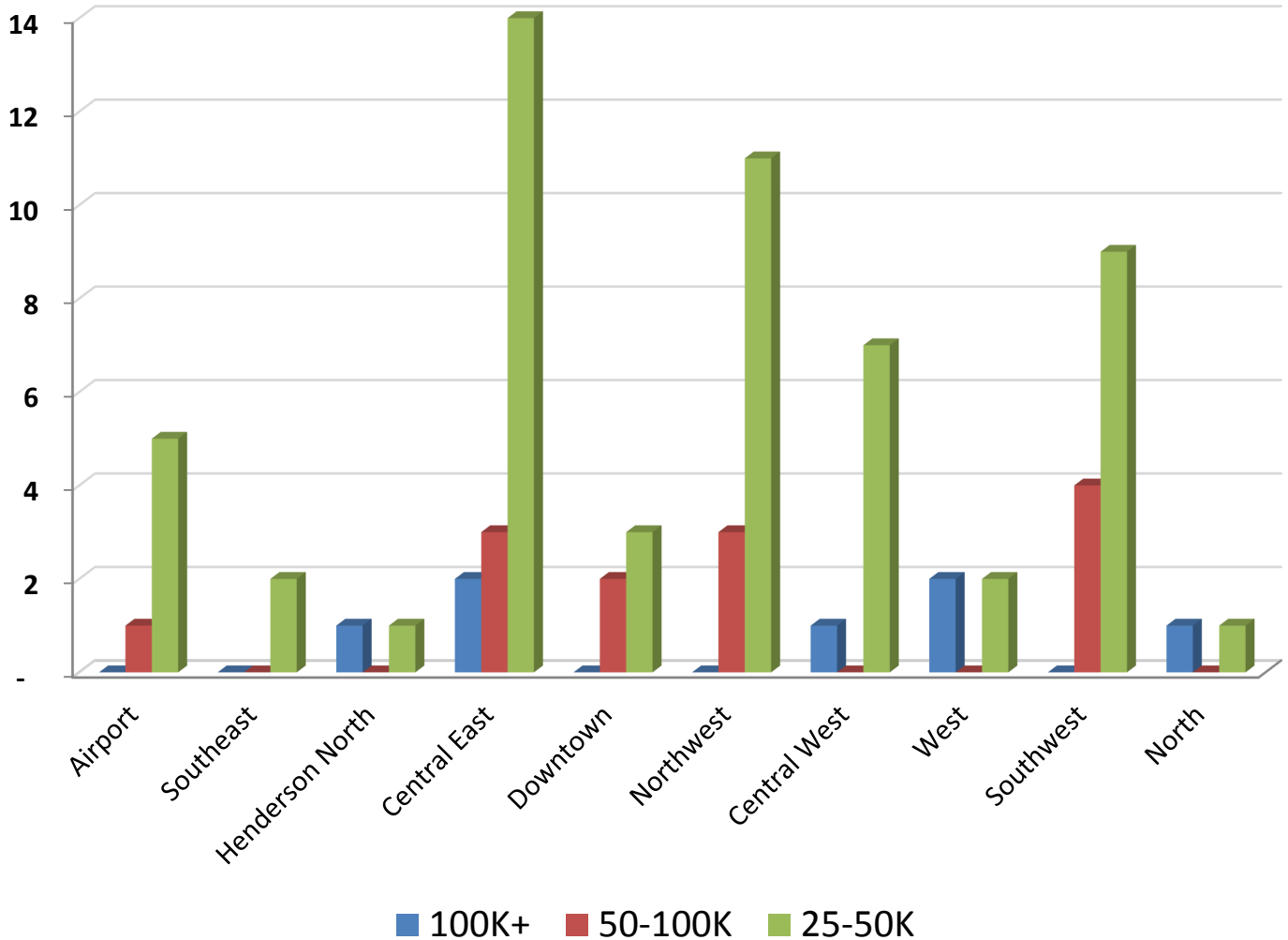


Biggest Absorption Changes



Property Name	SF Occupied or Vacated	Company Name	Submarket	Building Class
Montecito Point	88,427	Asurion	Northwest	A
The Gramercy	72,153	HMS Holdings	Southwest	A
McCarran Center	27,260	Allstate	Airport	B
Rainbow Sunset Pavilion	10,185	LBBS	Southwest	A
4580 W Post Rd	8,400	BSWC PROPERTIES LLC	Southwest	B
Canyon Plaza	6,997	Steven Guinn	West	C
2780 S Las Vegas Blvd	-14,000	SLS Hotel & Casino	Central East	B
10100 W Charleston Blvd	-14,574	WFG National Title Company, Well Health Quality Care	Northwest	B
Sahara Rancho Corporate Center	-23,782	Anthem Institute	Central West	B
The HC Hughes Center	-23,803	Andre Agassi and Co	Central East	A
Cimarron Commons	-28,959	University of Phoenix	Northwest	B

Largest Blocks of Available Space



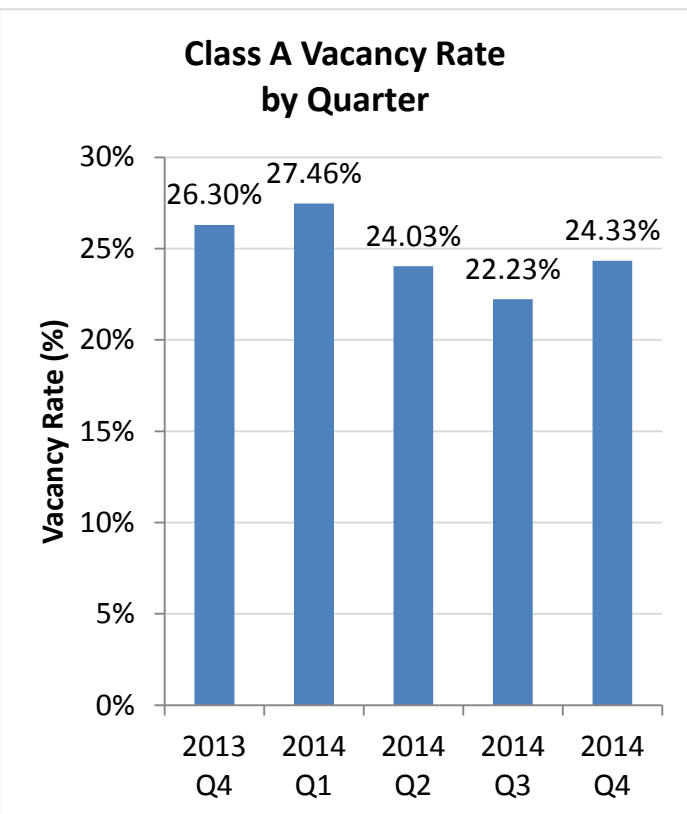
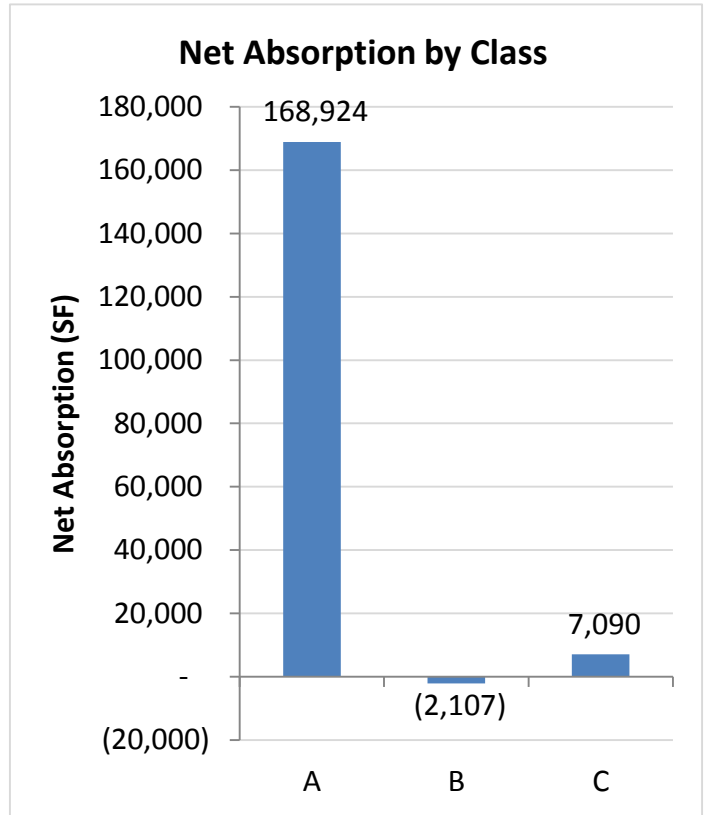
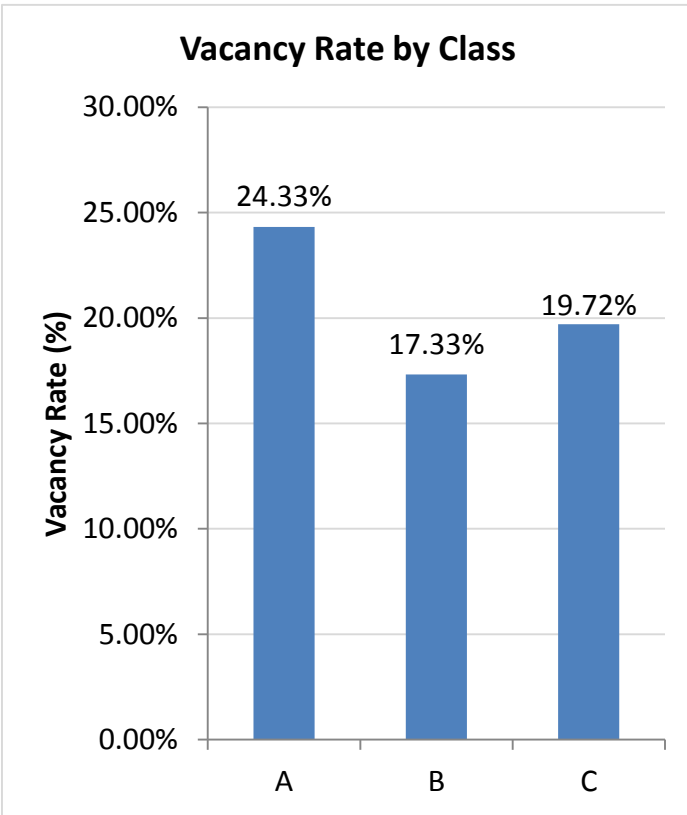
Historical Blocks of Space

Quarter	100K+	50-100K	25-50K
2014 Q4	7	13	55
2014 Q3	6	13	57
2014 Q2	7	11	57
2014 Q1	7	9	70
2013 Q4	6	10	72

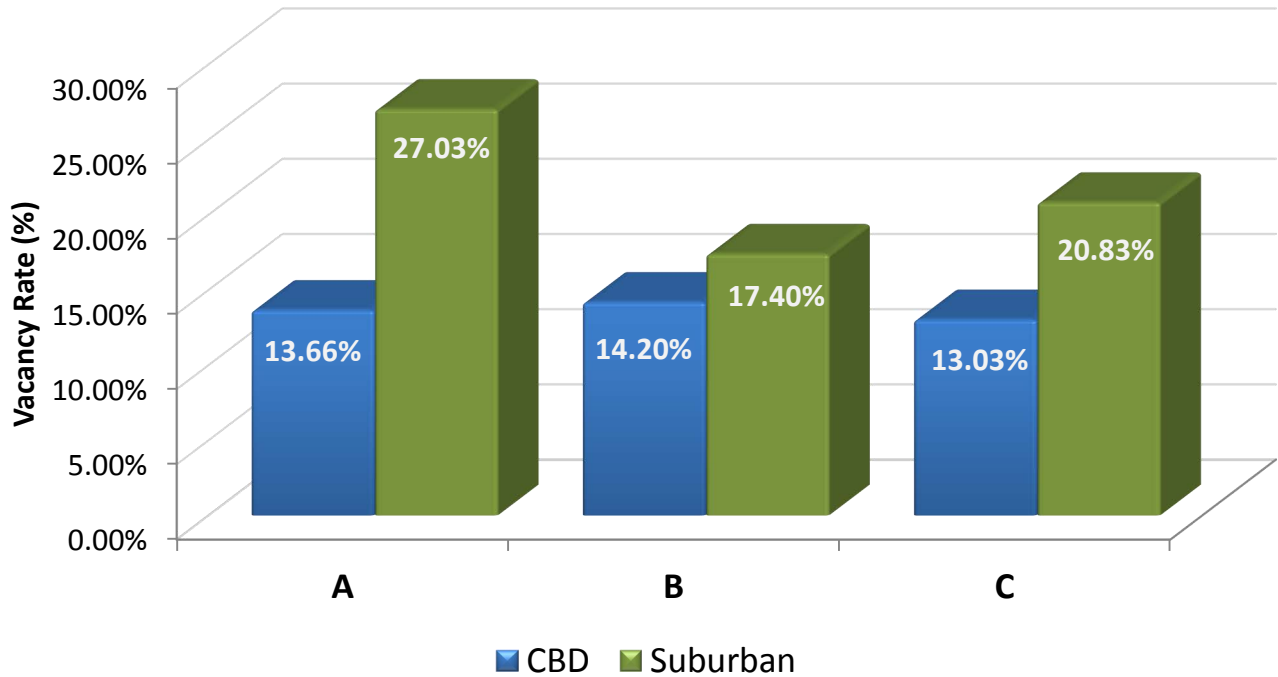
Notable Transactions



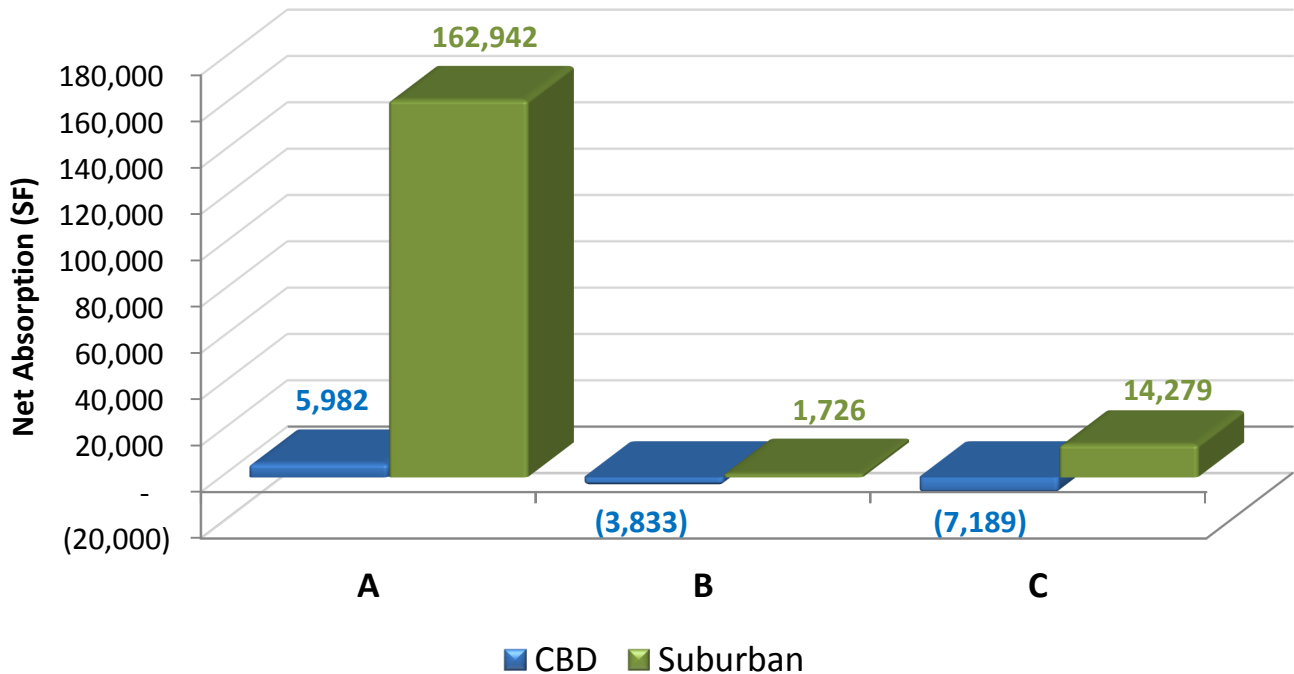
Property Name	SF Leased or Sold	Company Name	Submarket	Building Class	Type
Wells Fargo Financial Center	223,225	Omninet Capital	Central West	B	Sale
The Parkway	132,000	Stable Development	Northwest	B	Sale
Montecito Point	88,427	Asurion	Northwest	A	Lease
McCarran Center	54,368	Call Center	Airport	B	Lease
Century Executive Suites	53,466	Roland Sansone & Dennis Troesh	Henderson South	B	Sale
2975 S Rainbow Blvd	37,667	Store Capital Acquisitions LLC	West	B	Sale
900 W Owens Ave	30,220	JLC Nevada Operations Inc	Downtown	C	Sale
Green Valley Corporate Center	26,851	Barclays	Henderson North	B	Lease
Centra Point Bldg 1	17,809	The Brodtkin Realty Group	Southwest	B	Lease
The Crossing Business Center	10,490	Chamberlain College of Nursing	Northwest	B	Lease



Vacancy Rate by Class



Net Absorption by Class



Special thanks to the advisory board members for their time reviewing and certifying the numbers.

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