

GLOBAL SPOTLIGHT

Reno, Nevada



Perfect Location and Retail Boom Boost Reno Economy

- Known for years as “The Biggest Little City in the World” for its gambling and nightlife, Reno began to diversify its economy in the early 1980s and is now recognized as the premier distribution hub of the 11 western states. With overnight delivery to more than 80% of the major western population centers, Sherwin-Williams, Michelin, Barnes & Noble, JC Penney, Pfizer, Clorox, Amazon.com, UPS, FedEx and many other Fortune 500 companies have established regional distribution centers here, resulting in an industrial base of more than 70 million square feet.
- Reno's CBD is experiencing a renaissance, with new luxury condominiums and lofts, restaurants, retail shopping, a white-water kayak park and a new Triple A baseball park due to be completed in 2009.
- Dramatic population growth has led to a number of new retailers entering the market, notably Whole Foods, Dillard's, RC Willey, Cabela's and a 295,000 SF Scheel's, to name a few. Recent turmoil with national retailers has freed up a number of high quality retail spaces, which will allow for new retailers to quickly expand into the market at very reasonable rates.
- Opportunities for office users abound, as quality spaces vacated by mortgage companies, escrow companies, home builders, contractors and others tied to the housing market have either contracted or left the market completely. With diminished demand, no new office space is under construction or contemplated in the near future and asking rates have softened considerably.
- Although less impacted by the general economic malaise, the industrial sector nonetheless is experiencing a slackening of activity. This follows a flurry of construction activity by developers new to the market that added almost 10% to the industrial base during the last 18 months. The resulting glut in new, high-cube distribution space has developers competing aggressively for tenants with lower asking rates and other incentives.

Reno At A Glance

Population	418,061
Location	Western Nevada
Unemployment	6.5%

Property	Rent/SF/Year		Vacancy Rate
	Low	High	
Downtown Office Class A	\$17.00	\$25.80	14.6%
Overall Office Class A	\$12.00	\$28.80	18.4%
Industrial Bulk Warehouse	\$ 3.36	\$ 4.50	11.3%
Retail (Multi-Tenant)	\$15.00	\$36.00	9.8%

NAI Alliance is the largest commercial real estate company in Northern Nevada, with specialty practices that include industrial, office, retail, land, investments and multi-family as well as commercial property management.

About NAI Global

NAI Global is one of the world's leading providers of commercial real estate services. We bring together people and resources wherever needed to deliver outstanding results for our clients.

At A Glance

325	Offices
55	Countries
5,000	Professionals
\$45 billion	Annual Transaction Volume
200	MSF of Property Management

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