



**Q2  
2009**

**NORTHERN NEVADA  
INDUSTRIAL MARKET STATUS & FORECAST  
RENO SPARKS  
I-80E CORRIDOR**

**MILLER INDUSTRIAL  
P . R . O . P . E . R . T . I . E . S  
WWW.MILLERINDUSTRIALPROPERTIES.COM**

**LEASE RATES SOFTENING**

Asking rates are maintaining, however effective rates are significantly lower.

**CONSTRUCTION NONE**

Now that all of our in-progress new inventory is completed, adding in current high vacancies, no-one is starting new speculative space. No build to suit activity is underway, as well.

**15%** Overall vacancy rate across all sub-markets. Up from 13% in Q4, 2008.

**VACANCY ALL TIME HIGH**

While specific vacancy factors vary through the sub-markets, overall vacancy is high, in fact it has never been higher.

**OUTLOOK HOPE IS RISING**

Newspapers are full of hopeful news of strengthening stock pricing, home sales improving, unemployment is not increasing, thawing credit markets and banks making profits.

**35%**  
**ONE THIRD**

Net absorption is only one third of the previous 5 years.

**what's HOT**

Largest Transaction of Q1 2009. Miller Industrial Properties brokered the largest deal of the quarter.

Open Warehouses When the economy picks up, our availability will help us recover quickly.

Agent Incentives The market is bursting with incentives of increased commissions, bonus cash, huge HDTV's, Hawaiian vacations, and even new Porsches!



**what's NOT**

Low Q1 Volume.

Activity was the lowest Q1 in a decade.

Open Warehouses The open space we have is pulling our vacancy to record levels.

Somebody say "HIKE". . . . .Please! Tenants looking at the market aren't pulling the trigger and all these great perks are going largely unclaimed.

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