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Dear Readers

Colliers International is proud to present our mid-year review of Southern Nevada's real estate market. As the entire world works through challenging economic times, we at Colliers International are committed to providing timely, accurate information to Southern Nevada's decision makers.

With few exceptions, notably medical office space, the vacancy rate of Southern Nevada's commercial real estate has been on the rise since before the start of the current recession. In 2005, demand for commercial space spiked along with demand for land and homes. A combination of loose lending standards and a misplaced belief in the invulnerability of local economy sent construction levels through the roof. Unfortunately, as quickly as demand spiked, it receded. By 2006, developers in Southern Nevada were building more product than the market could absorb, and they have continued doing so even through the 19 months of the current recession, though fortunately new supply has tended to fall as demand fell. This building spree has left Southern Nevada facing two interconnected problems: Too much supply and too little demand.

In an economy that derives approximately one-third of its employment from the construction sector, the recovery of that economy is tied to the recovery of its home building industry. In this issue of Las Vegas Quarterly, we are excited to include a review of Southern Nevada's residential market by Kenneth S. Perlman of the Sullivan Group Real Estate Advisors, providers of in-depth analytical reports and strategic planning services to the nation's housing industry.

There are promising signs that the national economy's recovery may occur by the end of 2009, though how swift that recovery will be remains unknown. As the national economy recovers, visitors will return to Southern Nevada and new jobs will follow. When the employment picture in Southern Nevada improves, you can expect to see demand for all forms of commercial real estate increase anywhere from six to nine months afterward. Just as Colliers International has provided you with accurate information about Southern Nevada's commercial real estate market during the current recession and the years preceding it, we will be on the job tracking its recovery in the years ahead.

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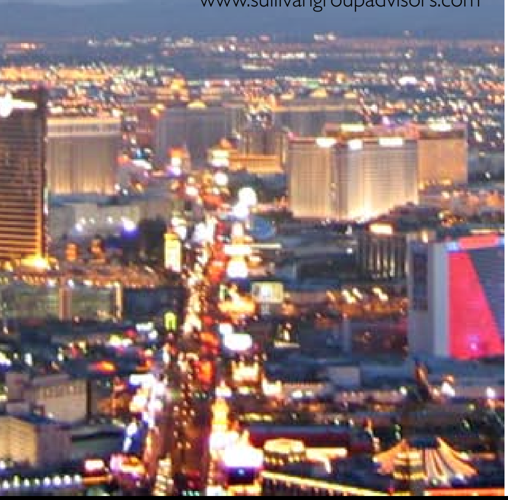

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Market Review

There is no doubt that the United States is currently in the midst of one of the most challenging economic times in its history. June 2009 would represent the 19th consecutive month of the current recession (which began in December 2007 according to NBER) making the current downturn the longest since the Great Depression. May marked the 17th consecutive month for job losses nationwide with the reduction of 345,000 workers bringing the national total to more than 6.0 million jobs lost since January 2008. As of May the national unemployment rate reached 9.1%, higher than the 28-year (1980 to 2008) historic average of 6.1%.

In fewer than two years, residential starts have fallen from their all time high (2.2 million in 2005) to well below their 28 year average (1.5 million) to an annualized rate of 498,000 starts as of April 2009. The decrease in starts actually represents a necessary step toward market recovery as homebuilders across the country work to reduce inventories, including those in Las Vegas. New home sales totals continue to fall nationwide. The U.S. Census reported approximately 485,000 new home sales in 2008, the lowest number since 1991 and a more

than 60% decline from the market's peak of 1.283 million in 2005.

But there are some positive indicators for the housing industry. Mortgage interest rates remain near all-time lows (30 year fixed mortgages hover around 5.3%) and housing starts and building permit activity (while lower than historic norms) have stabilized. Existing home sales volumes have stabilized (hovering around 4.5 million sales nationally for the past six months) and resale volumes remain strong in many markets across the country (including Las Vegas where 2008 existing sales marked a nearly 30% improvement over 2007). While these factors do not necessarily indicate an impending market recovery, they are representative of positive momentum for a market that may be close to its bottom.

At the beginning of the decade, Las Vegas was home to roughly 1.4 million residents. In fewer than 10 years, the metropolitan area grew by more than a half-million people – an annual rate of nearly 4.5% (compared to the national average of about 1.0% per year). As the region's population expanded, so did its need for additional housing units. The spike in residential construction began in 2003 when building permits increased by more than 25.0% and new home sales jumped more than 30.0% (from the previous year). Population growth, a strong employment base, a relatively low cost of living, and the rise of the investor buyer helped generate more than 40,000 new home sales in Las Vegas by 2005 – a new record for the market. New home prices appreciated rapidly during the period as well, increasing at an annual rate of anywhere from 10.0% to 45.0% each year between 2002 and 2005.

In contrast to the real estate "boom" of the mid-2000s, the Las Vegas housing market is now in a period of correction. Sales activity has slowed substantially and much of the price appreciation realized in 2005 and 2006 has eroded. New home sales volume in through the first four months of 2009 was down about 50% from the same period in 2008, and April 2009 prices were down nearly 14% from the same month last year. While a rising number of foreclosures (and their subsequent impact on both new and resale prices) remains a challenge, relatively low new home inventories and a substantial slow-down in building permit issuance has helped keep the new home market more stable and sets the stage for a market rebound.

One factor that we anticipate will help sustain the Las Vegas housing market in the coming months is that it continues to be relatively affordable when compared to both new and resale homes in surrounding "feeder" markets such as Southern California. In Orange, Ventura and Los Angeles Counties the median sales home price (new and existing) was still $300,000 or more as of April 2009 (DataQuick), higher than about 70% of all new home sales in Las Vegas.

As of April 2009 there were approximately 16,200 existing homes listed for sale in the Las Vegas MSA representing about a 5.5 month supply (SalesTraq). About six months of supply is traditionally considered "healthy" in most markets, and Las Vegas is on par with this benchmark. On a positive note, resale inventories in Las Vegas generally remain stable (or have even declined a bit from their high of 27,400 listings in August 2007), likely the result of some homeowners removing their homes from the market during the correction combined with an increase in

the number of foreclosure transactions that have spurred sales. Las Vegas averaged about 2,600 resales per month in 2008 and existing home volume during the first four months of 2009 has been strong representing a more than 75% increase from the same period the year before.

The median resale price in Las Vegas has declined at a rapid rate, largely the result of foreclosure inventory. Homebuilder's Research reported that the median resale closing price in Las Vegas was $130,000 as of April 2009, a more than 40.0% drop from the same month in 2008 ($230,000) and the lowest median since 2000. In a presentation in early March 2009, Lawrence Yun, chief economist of the National Association of Realtors expressed optimism that resale inventories could decline in the coming months with affordable prices and factors such as the government's newly approved $8,000 tax credit for first-time homebuyers paving the way.

Foreclosure activity continues to increase in Las Vegas. According to RealtyTrac, Las Vegas had the highest rate of foreclosure filings per household in the U.S. (8.9% of the households in Las Vegas had a foreclosure filing in 2008). Home foreclosure sales have steadily increased in Las Vegas since 2006. There were fewer than 2,000 foreclosure sales in Las Vegas in 2005 (defined as the process that begins with a notice of default). Comparatively there were more than 7,100 notice of default filed in Las Vegas in January 2009 alone.

And there is no doubt that housing market conditions are impacting the rental market. Vacancy rates for Las Vegas apartment projects are increasing. The overall vacancy rate for Class A apartment projects was 8.7% as of the first quarter 2009 (REIS), the highest of any quarter in the last decade. The increase in vacancy rates is likely due (at least in part) to the expanded shadow market and apartment market alternatives in the MSA.

So what will mark the bottom of the housing market?

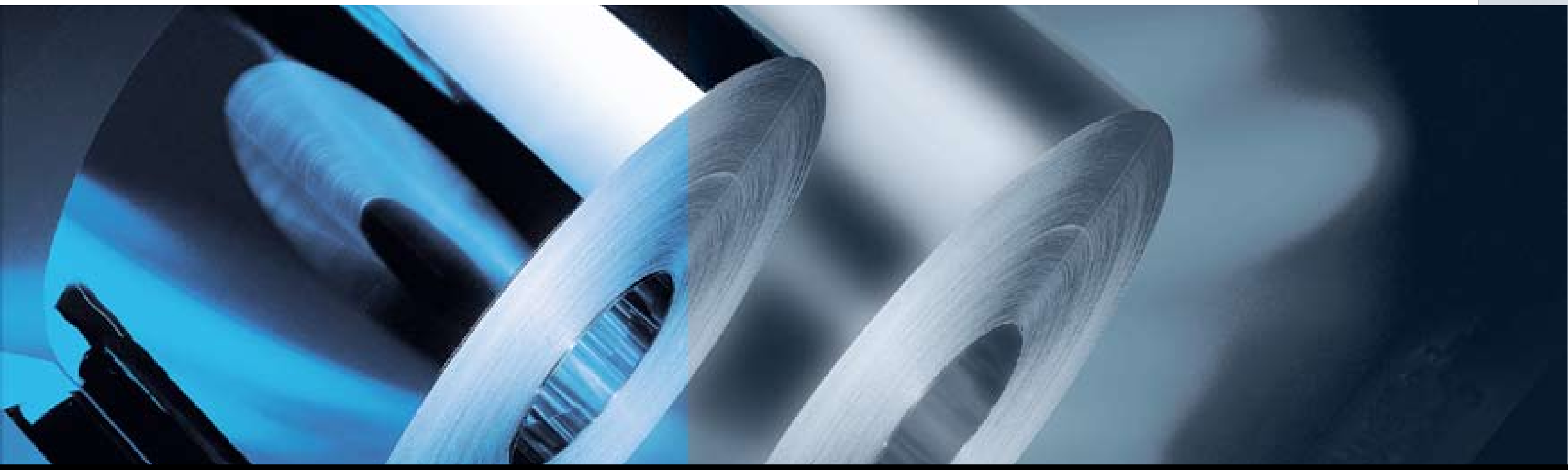
One key factor is a *reduction in housing inventory*. While months of new home supply are relatively high nationally (about 10.1 months) the good news is that actual new home supply numbers are decreasing. The 296,000 units of new home supply in April 2009 represents a nearly 50% drop from the market's high of 570,000 units in August of 2006. The supply numbers in Las Vegas are generally good with Hanley Wood reporting 3.9 months

of standing inventory (completed) and 5.3 months of under construction inventory (within 30 days of completion) in the metro area. Detached inventories in Las Vegas are extremely reasonable (less than 2.0 months of standing detached inventory and less than one month's worth of under construction inventory).

The number of new home sales needs to stabilize. Month to month new home sales nationally (and in Las Vegas) are generally declining. While there were some encouraging indicators that the rate of the decline was slowing during the first and second quarters of 2008 (on a national level), sales during the summer months, typically strong for new home sales, dropped. New home sales levels need to truly flatten before a housing market bottom can be declared. New home sales levels in Las Vegas are at or near all time lows and building permit activity has dropped substantially implying that the local new home market is at or near the bottom.

At the same time, new home prices need to stabilize. While the national median new home price in January 2009 did represent about a 15.0% drop from the same month last year, the good news is that the rate of price decline appears to be slowing in many key national housing markets and the April median represents an increase from the January, February and March figures. In Las Vegas, the median new home price has remained relatively stable since in recent months, hovering in the low $200,000's. Further, foreclosure rates need to subside which has not yet happened.

Once that "bottom" is reached, we anticipate that the recovery will take a few years. There are several factors that imply a slower recovery including the time necessary for infused credit to work its way into the economy, continuing job loss, high consumer debt load, interest rates that may not be able to move much lower, and potentially another shift in the national economy. It is reasonable to think that, once reaching bottom, the national housing market and economy could remain relatively flat for a period until the aforementioned factors resolve themselves, the employment picture and consumer confidence stabilize and start to improve. Only then can a slow and logical return to the long term equilibrium take place. ❖



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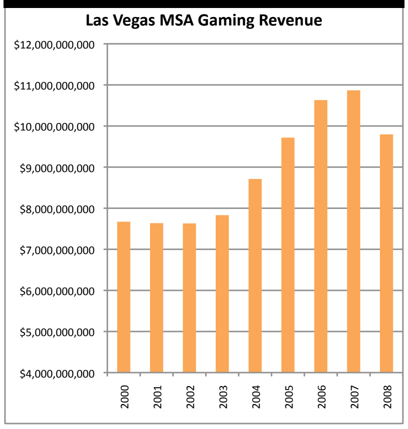
Economic Review

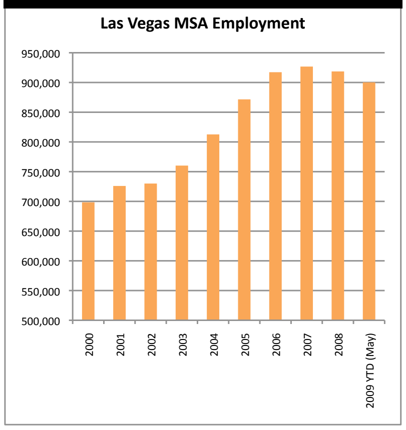
Since last quarter, the recession has deepened in Southern Nevada. The Las Vegas-Paradise MSA lost 58,600 jobs between May 2008 and May 2009, sending the unemployment rate to 11.1 percent. The largest loss of jobs occurred in construction (-17.3 percent), information (-10.9 percent) and professional & businesses services (-9.3 percent). Gaming revenues and visitor volume are down compared to April 2008, and only the deep discounts offered by local hotels have improved room occupancy. The Hooters Hotel is now in default and Riviera Holdings Corp is delisting its stock from the Amex by the end of June. Several projects, including the Fontainebleu Resort, Boyd Gaming Group's Echelon project, the Las Vegas Sands Corporation's condominium towers, Harrah Entertainment Inc.'s expansion of Caesar's Palace, General Growth's Shoppes at Summerlin and the Great Mall of Vegas have seen their construction plans shelved or have had their construction delayed. Condo projects in Southern Nevada have seen their prices fall approximately 30 percent from their peak. Vantage Lofts, only partially completed, is in bankruptcy, while the Allure Condo Tower is in the process of auctioning units after original purchase contracts were cancelled. Home foreclosures remain high throughout the Valley, and apartment occupancy is at its lowest level in 10 years.

There is reason to be optimistic, however, as the United States economy might be on the verge of recovery. The rate of job losses has decelerated since its peak in February 2009 and

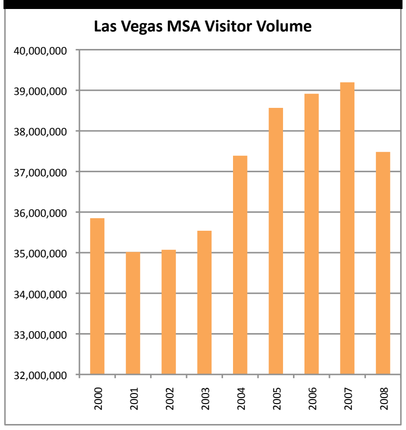
LAS VEGAS MSA GAMING REV



LAS VEGAS MSA EMPLOYMENT



LAS VEGAS MSA VISITOR VOLUME



might even level off sometime in the fourth quarter of this year. The New York Fed's Treasury Spread model, a prediction based on the slope of the yield curve, suggests that the recovery has already begun. The spread between 10-year and 3-month Treasury rates has been above 2 percent for the last 15 months, a pattern consistent with recoveries following the past six recessions. The Conference Board's consumer confidence index posted large gains in April and May, and is now up to September 2008 levels. The CBOE Volatility Index (also called the "Fear Index") has dropped to its lowest closing since September 2008. Finally, UNLV's Center for Business and Economic Research's Southern Nevada Index of Leading Economic Indicators trended up in May 2009 compared to April 2009, though it remains 3.19 percent below the value for May 2008.

Metrics for Recovery

The keys to Southern Nevada's economic recovery are the leisure/hospitality and construction industries. The openings of CityCenter, the Hard Rock Hotel and Cosmopolitan Hotel should add over 13,000 jobs to the leisure/hospitality sector of the economy. Unfortunately, those jobs could be short lived if those properties fail to turn a profit. Unless visitor volume rebounds, the new properties will simply spread tourists and their dollars more thinly among the existing "Strip" properties.

The construction industry needs new home inventory and commercial real estate inventory to drop before it can recover. Currently, there is a seven month supply of homes (new and resale) in Southern Nevada. Single-family home sales increased between May 2008 and May 2009 by 60.7 percent, and the median price dropped by 40.9% over the same period.

Looking Ahead

The United States might be standing at the threshold of economic recovery. While there are many signs that recovery is imminent, there is no clear evidence that recovery has started or is even guaranteed to start by the end of the year. Moreover, there are many potential pitfalls ahead, not the least of which is the potential for 30-year mortgage rates to increase as a result of massive borrowing by the federal government. Economic recovery in Southern Nevada will probably lag behind the rest of the country. We think employment and wages will have to rebound nationally before visitor volume and gaming revenue can rebound locally. Since commercial real estate occupancy tends to lag six to nine months behind employment gains, the local real estate market may not see sustained recovery begin until 2011. ❖

CLARK COUNTY ECONOMIC DATA

	APR-09	APR-08
UNEMPLOYMENT RATE***	11.1%	5.7%
VISITOR VOLUME*	3.55 M	3.86 M
GAMING REVENUE**	$786 M	$872 M
TAXABLE SALES**	$2,758 M	$3,226 M
NEW HOME PERMITS	410	760
NEW HOME SALES	325	149

** February 2009 / 2008*
*** March 2009 / 2008*
**** May 2009 / 2008*

INDUSTRIAL

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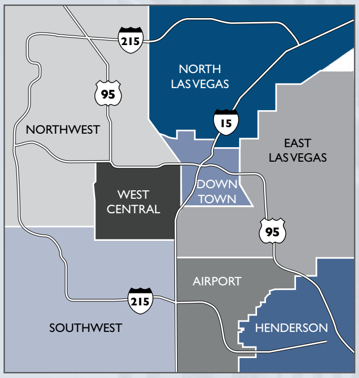

MARKET INDICATORS

	Q2-09	Q3-2009 Projected
VACANCY	↑	↑
NET ABSORPTION	↓	↑
CONSTRUCTION	↓	↓
RENTAL RATE	↓	↓

Industrial Review

The sixth quarter of the "Great Recession" saw the Las Vegas Valley industrial market post its weakest net absorption yet, much of it due to vacancies of Warehouse/Distribution space by companies involved in the construction industry. Vacancy increased to 12.4 percent on -1,012,957 square feet of net absorption. The weighted average asking lease rate, which increased slightly last quarter, dropped this quarter to $0.71 per square foot on a triple-net basis. Industrial development has virtually ceased, with only three projects actively under construction and another three having halted construction. The majority of signed leases continued to be small in size and short in term.

Between May 2008 and May 2009, employment in traditionally industrial sectors declined by 20,000 jobs. This shedding of jobs was led by the construction sector, which lost over 16,000 jobs. Over this same time period, only the education & health services sector has posted an increase in employment in the Las Vegas MSA. Even the usually expanding government sector began to shed jobs, dropping 3,600 between May 2008 and May 2009. Unemployment in the Las Vegas MSA stood at 11.1 percent as of May 2009, up from 5.7 percent in May 2008.

For the past decade, construction, especially residential construction, has been one of the two key employment sectors in the Las Vegas Valley, the other being leisure & hospitality. With both of those industries in recession, the Valley industrial market has reversed nine years of positive net absorption with five consecutive quarters of negative net absorption. Industrial employment levels are now approximately where they were in 2004. Since 2004, the inventory of

[1]Forward supply is a combination of space presently under construction in a quarter and space planned to begin construction within the next 4 quarters.

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industrial space in the Las Vegas Valley increased by over 21 million square feet. The 2.6 million square feet of negative net absorption experienced since the first quarter of 2008 represents only 12% of that new inventory.

Only 342,574 square feet of new industrial inventory was completed during the second quarter of 2009. This is the lowest level of new completions recorded since the second quarter of 2002, another period of recession. All of the 712,104 square feet of industrial space actively under construction is expected to be completed in the next quarter, leaving only 208,630 square feet of industrial space planned to begin construction over the next 12 months. This is good news for landlords. Easy credit and strong demand for industrial space in 2004 and 2005 led to record levels of industrial construction in 2006. Unfortunately, by the time this industrial space was completed, demand had already receded, perhaps a sign that the Las Vegas Valley preceded the nation into the current recession.

Newly completed projects include the PDM Steel build-to-suit at 4455 Alto Ave (95,000 square feet), Walnut Business Park (90,000 square feet), the P&S Metals build-to-suit at 5180 Rogers St (20,000 square feet) and the first phase of LoftWorks at Tenaya (137,000 square feet). Most of the newly completed space was in the Light Industrial category, with only 4455 Alto Ave being in the Warehouse/Distribution category. The space completed this quarter entered the market 34 percent occupied, due entirely to the build-to-suit projects.

Forward supply of industrial space in the Valley stood at 920,732 square feet in the second quarter of 2009. This was 1.3-million square feet lower than last quarter and the first time Colliers International has seen forward supply in the Las Vegas Valley dip below 1 million square feet. Most of this forward supply (64 percent) was in Warehouse/Distribution buildings, with the balance in Light Industrial, Incubator and Light Distribution. The Southwest submarket had the lion's share of this forward supply space (612,424 square feet). The formerly active North Las Vegas submarket had only 245,480 square feet of forward supply. The remainder was in the Airport submarket. Almost one-fifth of the Valley's forward supply should be completed next quarter.

Industrial vacancy increased to 12.4 percent this quarter, a 1.2-point increase from one quarter ago and a 4-point increase from one year ago. Industrial vacancy has increased for the past twelve quarters, from a low of 3.1 percent in the second quarter of 2006. The last time industrial vacancy was close to the present rate was in the fourth quarter of 2003, when it stood at 10 percent. The Las Vegas Valley's highest vacancy rate was in the Northwest submarket, at 24.3 percent. The Northwest submarket is the Valley's smallest, and most of its vacant space is in a single building. The lowest vacancy rate was in East Las Vegas, at 8.2 percent. Vacancy increased in the Henderson, North Las Vegas, Southwest and West Central submarkets, and decreased in the Airport, East Las Vegas and Northwest submarkets. The largest increase was experienced in the Southwest submarket, while the largest decrease was in the East Las Vegas submarket.

The weighted average asking lease rate for industrial space decreased this quarter to $0.71 per square foot (psf) on a triple-net basis (NNN) from last quarter's $0.76 psf NNN. If adjusted for inflation, the weighted average asking lease rate has decreased by $0.11 psf since it peaked in the first quarter

MARKET SNAPSHOT

	Q2-09	Q1-09	Q2-08	Q-O-Q Change	Y-O-Y Change
Vacancy Rate	12.4%	11.2%	8.4%	+1.2 (+10.7%)	+4 (+47.6%)
Asking Rent (psf NNN)	$0.71	$0.76	$0.80	-$0.05 (-6.6%)	-$0.09 (-11.3%)
Net Absorption (sf)	-1,012,957	-259,544	-778,507	-753,413 (+290.3%)	-234,450 (+30.1%)
New Completions (sf)	342,574	739,803	833,934	-397,229 (-53.7%)	-491,360 (-58.9%)

"Between May 2008 and May 2009, employment in traditionally industrial sectors declined by 20,000 jobs... Over this same time period, only the education & health services sector has posted an increase in employment in the Las Vegas MSA."

of 2007. All submarkets and product types except incubator experienced a decrease in their weighted average asking lease rate. The largest decrease among submarkets was in the Southwest submarket, where the weighted asking lease rate dropped by $0.08 psf. It was followed closely by the East Las Vegas and West Central submarkets, where the weighted average asking lease rate decreased by $0.07 psf NNN. The largest decrease among product types was in R&D/Flex space, where the weighted asking lease rate dropped by $0.08 psf. The 375 new direct lease availabilities that entered the industrial market this quarter had an average asking rental rate of $0.66 psf NNN.

The inventory of owner/user industrial properties available for sale decreased this quarter to 3,870,013 square feet, with some of the change attributable to lease or sale availabilities being pulled from the sale market. The average asking price for owner/user industrial sales increased to $156 per square foot. This is below the average asking price of $207 per square foot recorded twelve months ago. Prominent sale availabilities include the Berlin Industries Building in the Northwest (145,000 square feet), the Milgard Windows Facility in Henderson (130,000 square feet) and the Mikohn Facility in the Airport submarket (87,000 square feet).

The inventory of industrial buildings up for sale as investments increased from 551,165 square feet in the first quarter of 2008 to 1,148,697 square feet this quarter. The average asking price for investment sales declined by $2 psf over the past three months and by $29 psf over the past twelve months. The average cap rate for industrial properties was 7.3%.

INDUSTRIAL EMPLOYMENT	May 2009	May 2008	Change
Construction	78,900	95,400	-16,500
Manufacturing	23,800	25,900	-2,100
Transportation & Warehousing	34,000	34,600	-600
Wholesale	23,300	24,100	-800
TOTAL	160,000	180,000	-20,000

Source: Nevada Department of Employment, Training and Rehabilitation.

Warehouse/Distribution space, which was outperforming the rest of the industrial market as recently as last quarter in net absorption, suffered significant negative net absorption this quarter. Warehouse/Distribution occupancy fell by over 275,000 square feet since the first quarter of 2009. Although most of this decline was in the Southwest submarket, the North Las Vegas, East Las Vegas and Henderson submarkets also experienced high negative net absorption. Only the Airport submarket posted positive net absorption in Warehouse/Distribution space this quarter. New vacancies of Warehouse/Distribution space were predominantly by companies involved in the construction industry. Warehouse/Distribution still has a lower vacancy rate than the other

REGIONAL WAREHOUSE / DISTRIBUTION	
Market	Asking Rent (Q1-09)
Las Vegas, NV	$0.58 psf NNN
Phoenix, AZ	$0.47 psf NNN
Inland Empire, CA	$0.37 psf NNN
Reno, NV	$0.31 psf NNN

industrial product types, and is still well below the 11.5 percent vacancy recorded in the first quarter of 2004. The weighted average asking lease rate for Warehouse/Distribution decreased this quarter by $0.04 to $0.54 psf NNN. The weighted average asking lease rate for Warehouse/Distribution space in Las Vegas continued to exceed those in competing markets, though competitive tax rates kept this space attractive to tenants.

Light Distribution space posted -338,657 square feet of net absorption, sending vacancy to 19%. This represents a 6.9-point increase over the past twelve months and a 1.9-point increase since last quarter. Asking rents dropped by $0.05 to $0.67 psf NNN. Light Distribution should benefit from the eminent completion of new hotels along the Las Vegas "Strip", as much of the Valley's Light Distribution space serves the resort corridor.

Light Industrial space had the second lowest vacancy among product types at 12.9%. This represented a 1.7-point increase over last quarter and a 5.6-point increase over the second quarter of 2008. Net absorption of Light Industrial space was better this quarter than last, though it remained negative. Of the 3.8 million square feet of vacant Light Industrial space, 2 million square feet (or 53%) were vacant owner/user buildings for sale.

Incubator space can often predict recovery, as it is favored by small, start-up businesses. Since last quarter, Incubator space in the Valley has seen vacancy increase by 1.4-points and asking rents remained flat. Net absorption of Incubator space remained negative, but showed a marked improvement in the Southwest and West Central submarkets, where asking rents decreased by $0.09 psf and $0.05 psf respectively.

R&D/Flex space experienced the largest drop in asking rents and saw the best net absorption among product types, at -1,332 square feet. Net absorption of R&D/Flex space was positive in four of seven submarkets and stands at 114,625 square feet year-to-date. R&D/Flex vacancy stood at 26.1%, almost unchanged from last quarter.

Despite the Las Vegas Valley industrial market's poor performance this quarter, several economic indices indicate that the United States economy may be on the verge of recovery. Locally, gaming revenue and visitor volume continue to decline and unemployment continues to increase. Hotel expansions and completions promise to reverse the job losses that have been experienced in the leisure & hospitality sector over the past year, but the completion of these projects will result in fewer construction jobs for Southern Nevada (according to the Greater Las Vegas Association of Realtors, GLVAR). The inventory of homes for sale declined by 9.3 percent between May 2008 and May 2009, leaving only a 7 month supply. The sale of new homes decreased by 56.6 percent between April 2008 and April 2009. Given weak consumer spending and construction starts, Southern Nevada's industrial market will probably continue to see higher than normal vacancy rates for the remainder of 2009 and 2010, with the possibility of a recovery in 2011. ❖

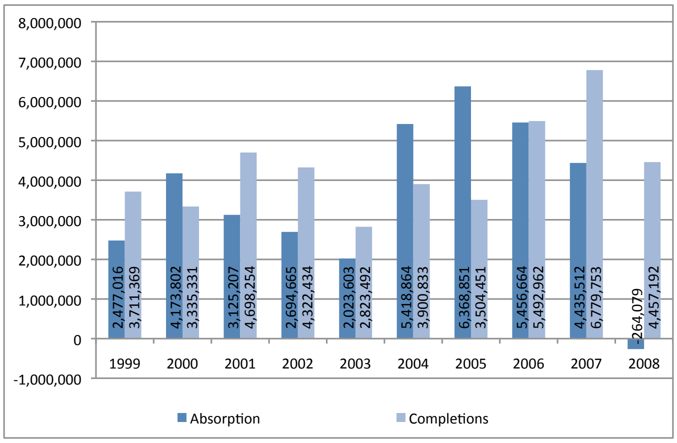
INDUSTRIAL CONSTRUCTION STOPPED

Project	Type	Submarket	Size
3255 Pepper Lane	Light Industrial	Airport	25,000 SF
2180 E Cheyenne Avenue	R&D/Flex	North Las Vegas	78,000 SF
SWC Clayton & Colton	Incubator	North Las Vegas	100,800 SF

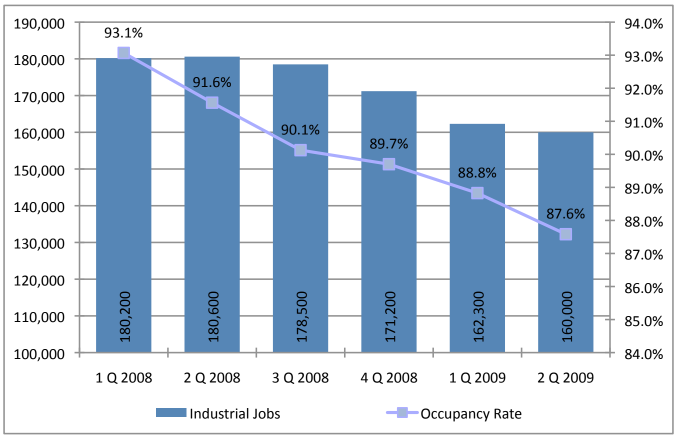
INDUSTRIAL DEVELOPMENT PIPELINE

Project	Type	Submarket	Size	Pre-Leasing	Completion
JDV Procyon @ Ponderosa	Warehouse/Distribution	Southwest	122,000 SF	0%	Q3-09
Freeman Decorating	Warehouse/Distribution	Southwest	420,000 SF	BTS	Q4-09/ Q1-10
Winner Industrial Building	Warehouse/Distribution	North Las Vegas	50,000 SF	0%	Q3-09

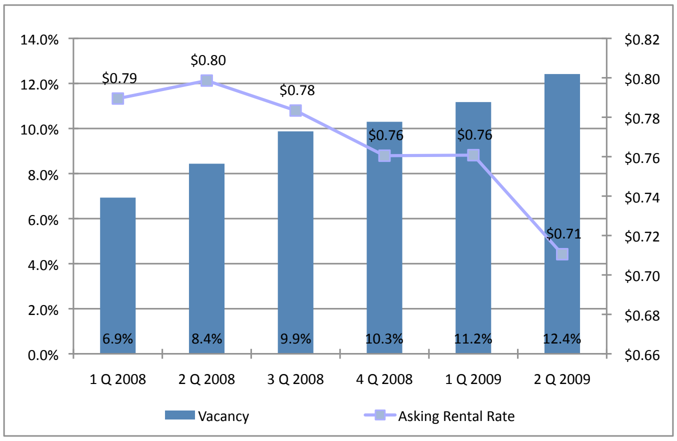
HISTORICAL NET ABSORPTION VS COMPLETIONS



OCCUPANCY VS INDUSTRIAL EMPLOYMENT



VACANCY VS RENTAL RATE



INDUSTRIAL SALES

	Q2-09	Q1-09	Q2-08
Owner/User Sales			
Space for Sale (sf)	3,870,013	4,065,448	2,238,602
Average Asking Price/SF	$156	$152	$207
Space Sold (sf)	172,910	112,560	313,858
Average Price/SF	$42	$80	$141
Investment Sales			
Investment Space for Sale (sf)	1,148,697	1,050,278	551,165
Average Asking Price/SF	$135	$137	$164
Average Cap Rate	7.3%	7.3%	7.4%
Investment Space Sold (sf)	272,460	149,358	98,724
Average Price/SF	$73	$83	$169
Average Cap Rate	8.0%	5.6%	6.1%

LEASE ACTIVITY

PROPERTY ADDRESS	LEASE DATE	LEASE TERM	SIZE	LEASE RATE	TYPE
5030 Sobb Ave	June 2009	60 months	40,176 sf	$0.68 NNN	Warehouse/Distribution
Diablo Industrial Center	June 2009	29 months	24,136 sf	$0.51 NNN	Light Distribution
Spring Mountain Retail Warehouse	May 2009	60 months	10,000 sf	$0.67 NNN	Light Industrial
Saddleback Park West	May 2009	39 months	7,551 sf	$0.53 NNN	R&D/Flex
Russell Commerce Center	May 2009	38 months	2,526 sf	$0.92 NNN	Incubator

SALES ACTIVITY

PROPERTY ADDRESS	SALES DATE	SALE PRICE	SIZE	PRICE/SF	TYPE
ProLogis South Arville Center	May 2009	$11,050,000	142,430 sf	$77.58	Warehouse/Distribution
Cheyenne Industrial Center	April 2009	$8,750,000	130,000 sf	$67.31	Warehouse/Distribution
250 Conestoga	June 2009	$5,000,000	150,000 sf	$33.29	Warehouse/Distribution
WesTech Business Center III	April 2009	$1,190,000	10,046 sf	$118.46	Light Industrial

** Source: CoStar COMPS*

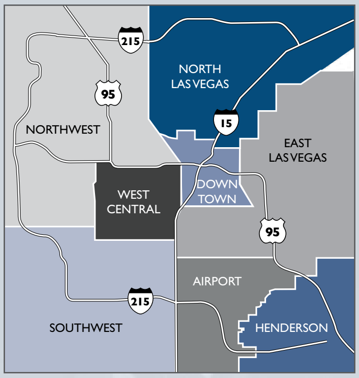
INDUSTRIAL MARKET STATISTICS

FIRST QUARTER 2009

EXISTING PROPERTIES			DIRECT VACANCY		SUBLEASE VACANCY		TOTAL VACANCY			NET ABSORPTION SF		U/C & PROPOSED SF			AVG RENTS
Type	Bldgs	Total Inventory Sq Ft	Sq Ft	Rate	Sq Ft	Rate	Sq Ft	Rate	Vacancy Rate Previous Q	Current Period	YTD	Completed This Qtr Sq Ft	Completed YTD	Under Constr	Rate
SUB MARKETS															
AIRPORT SUBMARKET															
WH	76	4,667,484	418,946	9.0%	44,200	0.9%	463,146	9.9%	10.8%	83,071	85,332	-	-	-	$0.61
LD	66	2,950,737	458,029	15.5%	25,749	0.9%	483,778	16.4%	15.0%	(24,796)	(148,654)	-	-	-	$0.70
LI	197	2,826,864	275,353	9.7%	22,478	0.8%	297,831	10.5%	10.9%	26,700	(12,499)	-	-	25,200	$0.72
INC	92	1,876,327	323,064	17.2%	3,408	0.2%	326,472	17.4%	14.0%	(63,620)	(81,378)	-	-	-	$0.81
FLX	66	1,308,181	413,829	31.6%	27,846	2.1%	441,675	33.8%	34.0%	8,264	40,129	-	102,694	-	$1.10
TOTAL	497	13,629,593	1,889,221	13.9%	123,681	0.9%	2,012,902	14.8%	14.4%	29,619	(117,070)	-	102,694	25,200	$0.79
EAST LAS VEGAS SUBMARKET															
WH	18	907,075	60,616	6.7%	20,798	2.3%	81,414	9.0%	2.3%	(60,616)	(60,616)	-	-	-	$0.32
LD	19	340,675	43,432	12.7%	0	0.0%	43,432	12.7%	12.5%	(928)	(17,132)	-	-	-	$0.51
LI	91	1,135,150	51,261	4.5%	6,400	0.6%	57,661	5.1%	11.2%	69,213	70,007	-	-	-	$0.41
INC	13	298,623	68,226	22.8%	0	0.0%	68,226	22.8%	23.2%	924	3,825	-	-	-	$0.71
FLX	8	142,294	9,262	6.5%	0	0.0%	9,262	6.5%	6.2%	(400)	4,419	-	-	-	$0.64
TOTAL	149	2,823,817	232,797	8.2%	27,198	1.0%	259,995	9.2%	9.5%	8,193	503	-	-	-	$0.50
HENDERSON SUBMARKET															
WH	75	6,281,201	722,033	11.5%	10,000	0.2%	732,033	11.7%	10.6%	(56,684)	(138,348)	-	-	-	$0.51
LD	36	1,696,226	443,918	26.2%	0	0.0%	443,918	26.2%	27.6%	(12,762)	(2,523)	-	-	-	$0.59
LI	318	3,011,592	543,746	18.1%	0	0.0%	543,746	18.1%	15.2%	(85,193)	(67,493)	-	105,055	-	$0.87
INC	29	456,906	42,357	9.3%	6,296	1.4%	48,653	10.6%	8.3%	(8,547)	(8,967)	-	-	-	$0.84
FLX	78	1,262,062	364,221	28.9%	11,280	0.9%	375,501	29.8%	28.3%	(18,417)	51,510	-	-	-	$1.04
TOTAL	536	12,707,987	2,116,275	16.7%	27,576	0.2%	2,143,851	16.9%	15.6%	(181,603)	(165,821)	-	105,055	-	$0.72
NORTH LAS VEGAS SUBMARKET															
WH	174	18,407,781	970,058	5.3%	328,988	1.8%	1,299,046	7.1%	5.5%	(94,342)	20,040	95,000	95,000	50,000	$0.44
LD	168	4,793,693	936,431	19.5%	169,284	3.5%	1,105,715	23.1%	18.4%	(107,247)	32,526	-	-	-	$0.53
LI	599	6,815,166	1,210,694	17.8%	14,500	0.2%	1,225,194	18.0%	16.7%	(10,091)	(50,308)	90,400	90,400	94,680	$0.62
INC	31	561,552	184,684	32.9%	0	0.0%	184,684	32.9%	33.5%	2,832	7,242	-	-	-	$0.87
FLX	46	781,151	129,488	16.6%	0	0.0%	129,488	16.6%	18.1%	6,717	16,273	-	-	-	$0.93
TOTAL	1,018	31,359,343	3,431,355	10.9%	512,772	1.6%	3,944,127	12.6%	10.7%	(202,131)	25,773	185,400	185,400	144,680	$0.57
NORTHWEST SUBMARKET															
WH	5	223,661	145,910	65.2%	0	0.0%	145,910	65.2%	65.2%	-	-	-	-	-	$0.49
LD	1	50,000	0	0.0%	0	0.0%	0	0.0%	0.0%	-	-	-	-	-	$-
LI	16	294,396	38,455	13.1%	0	0.0%	38,455	13.1%	13.4%	1,073	(2,486)	-	-	-	$1.11
INC	4	99,427	12,946	13.0%	0	0.0%	12,946	13.0%	5.9%	(7,056)	(7,056)	-	-	-	$1.30
FLX	55	672,202	128,554	19.1%	21,416	3.2%	149,970	22.3%	23.5%	7,698	(5,999)	-	-	-	$1.03
TOTAL	81	1,339,686	325,865	24.3%	21,416	1.6%	347,281	25.9%	26.1%	1,715	(15,541)	-	-	-	$0.81
SOUTHWEST SUBMARKET															
WH	131	11,930,677	679,280	5.7%	279,490	2.3%	958,770	8.0%	5.9%	(145,814)	(80,841)	-	-	542,224	$0.65
LD	182	6,917,721	1,382,073	20.0%	89,743	1.3%	1,471,816	21.3%	18.4%	(173,006)	(163,385)	-	429,458	-	$0.80
LI	739	9,114,362	1,198,223	13.1%	0	0.0%	1,198,223	13.1%	8.8%	(260,195)	(307,442)	157,174	259,770	-	$0.79
INC	120	2,496,381	322,346	12.9%	15,515	0.6%	337,861	13.5%	12.1%	(24,117)	(93,624)	-	-	-	$0.76
FLX	100	1,552,662	475,135	30.6%	16,054	1.0%	491,189	31.6%	31.2%	(6,585)	14,882	-	-	-	$1.04
TOTAL	1,272	32,011,803	4,057,057	12.7%	400,802	1.3%	4,457,859	13.9%	11.2%	(609,717)	(630,410)	157,174	689,228	542,224	$0.80
WEST CENTRAL SUBMARKET															
WH	52	1,939,836	140,395	7.2%	0	0.0%	140,395	7.2%	7.2%	(1,000)	(112,995)	-	-	-	$0.78
LD	41	751,242	68,529	9.1%	800	0.1%	69,329	9.2%	6.6%	(19,918)	(47,129)	-	-	-	$0.65
LI	490	6,636,635	521,132	7.9%	40,670	0.6%	561,802	8.5%	8.2%	(25,774)	(89,210)	-	-	-	$0.63
INC	62	2,458,615	337,759	13.7%	0	0.0%	337,759	13.7%	13.2%	(13,732)	(114,012)	-	-	-	$0.77
FLX	12	219,832	26,574	12.1%	0	0.0%	26,574	12.1%	12.7%	1,391	(6,589)	-	-	-	$1.11
TOTAL	657	12,006,160	1,094,389	9.1%	41,470	0.3%	1,135,859	9.5%	9.0%	(59,033)	(369,935)	-	-	-	$0.70
MARKET TOTAL															
WH	531	44,357,715	3,137,238	7.1%	683,476	1.5%	3,820,714	8.6%	7.2%	(275,385)	(287,428)	95,000	95,000	592,224	$0.54
LD	513	17,500,294	3,332,412	19.0%	285,576	1.6%	3,617,988	20.7%	18.1%	(338,657)	(346,297)	-	429,458	-	$0.67
LI	2,450	29,834,165	3,838,864	12.9%	84,048	0.3%	3,922,912	13.1%	11.5%	(284,267)	(459,431)	247,574	455,225	119,880	$0.72
INC	351	8,247,831	1,291,382	15.7%	25,219	0.3%	1,316,601	16.0%	14.4%	(113,316)	(293,970)	-	-	-	$0.80
FLX	365	5,938,384	1,547,063	26.1%	76,596	1.3%	1,623,659	27.3%	27.3%	(1,332)	114,625	-	102,694	-	$1.04
TOTAL	4,210	105,878,389	13,146,959	12.4%	1,154,915	1.1%	14,301,874	13.5%	11.9%	(1,012,957)	(1,272,501)	342,574	1,082,377	712,104	$0.71
QUARTERLY COMPARISON AND TOTALS															
Q2-09	4,210	105,878,389	13,146,959	12.4%	1,154,915	1.1%	14,301,874	13.5%	11.9%	(1,012,957)	(1,272,501)	342,574	1,082,377	712,104	$0.71
Q1-09	4,188	105,535,815	11,791,428	11.2%	744,605	0.7%	12,536,033	11.9%	11.0%	(259,544)	(259,544)	739,803	739,803	643,955	$0.76
Q4-08	4,168	104,796,012	10,792,081	10.3%	775,544	0.7%	11,567,625	11.0%	10.4%	1,470	(264,079)	495,411	4,457,192	1,109,988	$0.76
Q3-08	4,101	104,300,601	10,298,140	9.9%	573,898	0.6%	10,872,038	10.4%	9.0%	(566,453)	(265,549)	1,017,567	3,961,781	1,422,765	$0.78
Q2-08	3,987	103,283,034	8,714,120	8.4%	537,531	0.5%	9,251,651	9.0%	7.4%	(778,507)	300,904	833,934	2,944,214	2,149,951	$0.80

OFFICE

LAS VEGAS QUARTERLY



MARKET INDICATORS

	Q2-09	Q3-2009 Projected
VACANCY	↑	↑
NET ABSORPTION	↑	→
CONSTRUCTION	↓	↓
RENTAL RATE	↓	↓

Office Review

The Las Vegas office market experienced its sixth straight month of negative net absorption, with occupied square footage contracting to 31.9-million square feet from a high of 33.7-million square feet in the second quarter of 2007. The volume of lease and sale transactions improved over last quarter, but continues to be outpaced by the number of availabilities entering the market. The amount of space currently and actively under construction is now dwarfed by the amount of space for which construction has stopped. Commercial bankruptcies and foreclosures are beginning to have an impact on the Las Vegas office market. A number of "zombie" buildings (existing buildings with vacancies that cannot be leased while the building is in financial limbo) are now haunting the market.

Employment in sectors traditionally associated with office space contracted for the fourth straight quarter. Between May 2008 and May 2009, a total of 11,700 office jobs were lost, with the largest losses experienced by the professional & business services sector. The bright spot for office employment has been the health care and social assistance sector, which has posted quarterly gains in employment in every quarter since the second quarter of 2004. Increases in occupied office space usually follow 6 to 12 months behind employment increases in these sectors. The Valley now has 151 square feet of occupied office space per office employee. This is higher than in the pre-recession days of 2007, and might indicate that the lag between new employment and increased occupancy of office space will be longer rather than shorter as employers find ways to squeeze more people into their existing space. Unemployment in the Las Vegas MSA stood at 11.1 percent as of May 2009, up from 5.7 percent in May 2008.

Office inventory increased by 143,481 square feet in the second quarter of 2009. Two projects in the Southwest, totaling 271,000 square feet, were completed this quarter, while Turnberry Associates repurposed 128,000 square feet of their Town Square project into hotel space. This is the lowest level of new office completions we have recorded since we began tracking the Las Vegas office market in 1999. Vacancy in newly completed space stood at approximately 70 percent.

Forward supply of office space in the Valley stood at 543,214 square feet in the second quarter of 2009. This was less than half the forward supply recorded in the first quarter of 2009, when almost 1.4 million square feet of office space was either under construction or planned to begin construction by the end of 2009. Construction on several projects has been stopped and many proposed projects are unable to find financing. Almost half of the Valley's forward supply was in the Class A category, with Class C office space accounting for 32 percent of forward supply.

The Northwest and Henderson submarkets now have more forward supply space than the Southwest submarket, which had led in that category since 2007. Three office projects in the Southwest submarket have stopped construction in 2009. Over the past five years, the Southwest submarket's inventory of office space has increased by 5.2 million square feet (457% growth), while the amount of occupied office space has only increased by 3.6 million square feet (363% growth). Office vacancy in the Southwest submarket is the highest in the Valley at 29.2%.

Vacancy in the Las Vegas office market stood at 22% in the second quarter of 2009. This represented a 1-point increase from last quarter and a 6.2-point increase from four quarters ago. Office vacancy has been increasing steadily since the third quarter of 2006, when it stood at 8.6%. If one included sub-lease space, the Las Vegas Valley had a total of 9,672,368 square feet of office space in search of a tenant this quarter, an increase of approximately 438,000 square feet since last quarter and 2.8 million square feet since the second quarter of 2008. Companies vacating large spaces this quarter included home developers, mortgage companies, title companies and banks. Assuming a pre-housing bubble net absorption of 350,000 square feet per quarter, the Valley now has a seven year supply of office space.

Several existing office properties are now owned by banks or the FDIC. These properties, often referred to as "zombie buildings", contribute to the vacancy rate in the Valley but are not truly "on the market". Zombie buildings currently constitute 460,000 total square feet, of which 333,000 square feet are vacant. The impact of these buildings on the Valley's vacancy rate is small at the moment, but could become more pronounced as other buildings are foreclosed upon.

The Valley's highest vacancy rate this quarter was in the Southwest submarket, at 29.2 percent. The Airport, Henderson, North Las Vegas and Southwest submarkets all had total vacancy higher than the Valley average. The Downtown and West Central submarkets, which experienced very little new office construction since 2003, had the Valley's lowest vacancy rates at 9.6 percent and 13.3 percent respectively.

After a small bump last quarter, asking rents dipped this quarter to $2.36 per square foot (psf) on a full

MARKET SNAPSHOT

	Q2-09	Q1-09	Q2-08	Q-O-Q Change	Y-O-Y Change
Vacancy Rate	22.0%	21.0%	15.8%	+1.0 (+4.8%)	+6.2 (+39%)
Asking Rent (psf FSG)	$2.36	$2.41	$2.49	-$0.05 (-2.1%)	-$0.13 (-5.2%)
Net Absorption (sf)	-297,715	-352,749	-170,986	+55,034 (+15.6%)	-126,729 (-74.1%)
New Completions (sf)	143,481	631,690	468,484	-488,209 (-77.3%	-325,003 (-69.4%)

"The bright spot for office employment has been the health care and social assistance sector, which has posted quarterly gains in employment in every quarter since the second quarter of 2004."

OFFICE EMPLOYMENT	May 2009	May 2008	Change
Financial Activities	45,200	47,800	-2,600
Professional & Business Services	105,100	115,900	-10,800
Health Care & Social Assistance	62,100	60,700	+1,400
Total	212,400	224,400	-12,000

Source: Nevada Department of Employment, Training and Rehabilitation.

service gross (FSG) basis. This was a decrease of $0.05. Asking rents have generally been on the decline since the fourth quarter of 2007, which corresponds to the beginning of the current recession. Of those availabilities that were active last quarter, 22% had their asking rent reduced (by an average of $0.25) while 2% had their asking rent increased (by an average of $0.16). Availabilities that were new to the market this quarter had an average asking rent of $2.18 psf FSG.

Since the first quarter of 2008, the Valley has seen the amount of office space for sale on both an owner/user basis and investment basis nearly double. Asking prices for investment sales have dropped from $330 psf to $211 psf over the same period. The asking price for owner/user space has actually increased from $217 psf to $241 psf. Some of this increase can be explained by the fact that many office buildings constructed since 2005 that were intended for lease are now being marketed as owner/user sales. These smaller, newer office buildings and condos usually command higher prices.

Owner/user sales have remained anemic, with only 5,000 square feet selling in the second quarter of 2009. Investment sales were better than last quarter, but given that there were no investment sales last quarter, this is not entirely shocking. The average price of investment sales has only fallen by $2 psf over the past twelve months, but the average cap rate has increased from 6.2% to 7.8%.

Rainbow Sunset Pavilion B, which began construction in June 2007, was finally completed at 84 percent vacancy. This drove Class A vacancy in the Southwest submarket to 81.1%, the highest in the Valley. Vacant square feet in the Airport submarket declined by 163,000 square feet, mostly due to the repurposing of office space at Town Center. Centennial Corporate Center, one of the Valley's zombie buildings, contributed to the -111,000 square feet of net absorption in the Northwest submarket. Overall, Class A office space in the Las Vegas Valley has a vacancy rate of 30.6%. Asking rents dropped $0.06 this quarter to $2.97 psf FSG. This is the first time asking rents have dropped below $3.00 psf FSG since the beginning of the recession in the fourth quarter of 2007.

The amount of Class B space available for sub-lease decreased by over 100,000 square feet this quarter. Class B net absorption decreased, with only the Southwest and West Central submarkets posting positive net absorption year-to-date. Asking rents declined by $0.04 this quarter to $2.38 psf FSG.

Class C and Medical office space both posted positive net absorption this

[1]Forward supply is a combination of space presently under construction in a quarter and space planned to begin construction within the next 4 quarters.

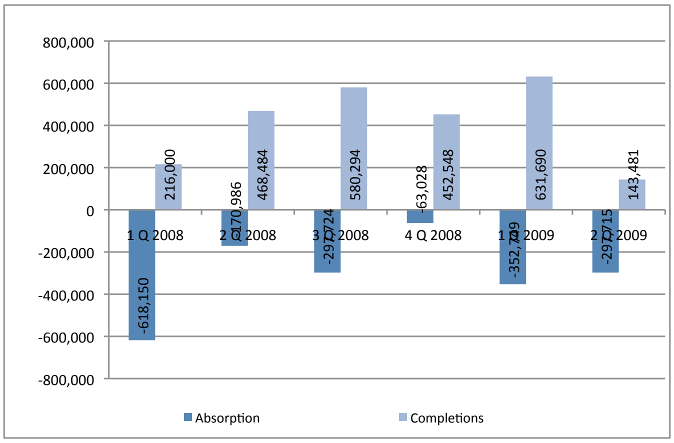
quarter. Positive net absorption in Medical space is not surprising, given that employment in the health care & social assistance sector has been on the rise since the second quarter of 2004. The positive net absorption for Class C could represent business owners leaving more expensive Class A and Class B space for more affordable Class C space.

Economies around the globe, including that of the United States, are showing some promising signs of imminent recovery. Many economists are predicting that recovery will begin in the fourth quarter of this year. Since many of the tenants that have vacated office space in the Las Vegas Valley were associated with the construction industry (developers, title companies, mortgage companies), recovery in the Las Vegas office market may lag behind the rest of the country by as much as a year. There are some positive signs in the local home market, but many problems remain and recovery will be hampered by lower immigration into the Valley and the higher interest rates expected for next year. We predict that absorption may improve in the second half of 2009, but will continue to be negative. Office vacancy could begin to level off and decline in late 2010 or early 2011. ❖

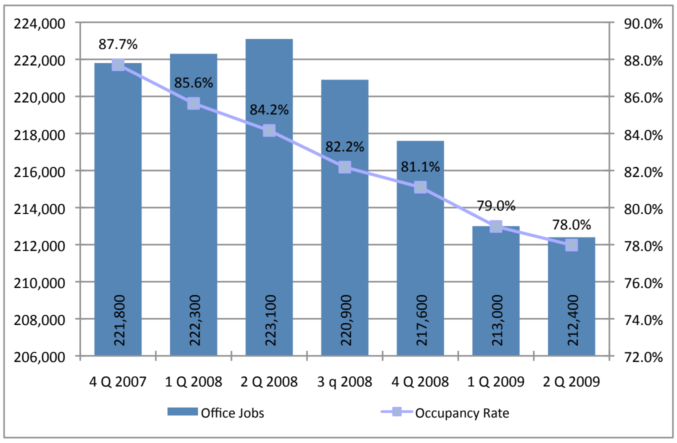
OFFICE DEVELOPMENT PIPELINE					
Project	Type	Submarket	Size	Pre-Leasing	Completion
IBEX Medical Building	Medical	Henderson	40,000 SF	34%	Unknown
Tivoli Village	Class A	Northwest	200,000 SF	31%	Unknown
Sansone St Rose Coronado	Class A	Henderson	62,000 SF	0%	2010

OFFICE CONSTRUCTION STOPPED					
Project	Type	Submarket	Size	Pre-Leasing	Completion
Summerlin Centre Office	Class A	Northwest	200,000 SF	34%	Unknown
ManhattanWest	Class A	Southwest	73,818 SF	31%	Unknown
Copper Pointe Business Park	Class B	Southwest	37,123 SF	0%	2010
The Park at Spanish Ridge-8876	Class B	Southwest	35,663 SF	31%	Unknown
Windmill Office Plaza	Class C	Airport	34,767 SF	0%	2010

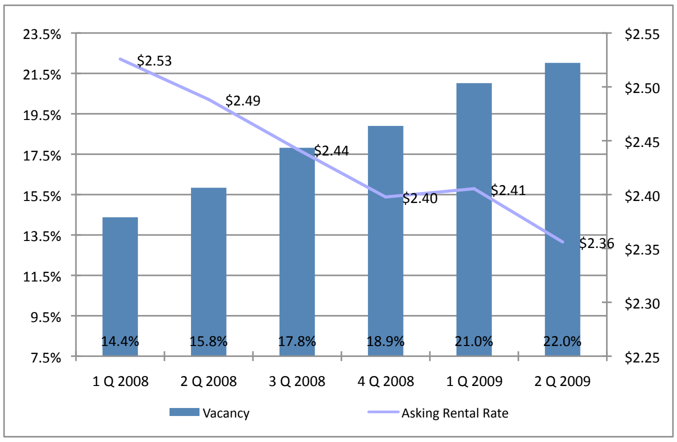
HISTORICAL NET ABSORPTION VS COMPLETIONS



OCCUPANCY VS OFFICE EMPLOYMENT



VACANCY VS RENTAL RATE



OFFICE SALES	Q1-09	Q4-08	Q1-08
Owner/User Sales			
Space for Sale (sf)	1,147,903	1,246,053	979,811
Average Asking Price/SF	$241	$226	$174
Space Sold (sf)	5,000	80,314	165,042
Average Price/SF	$235	$155	$170
Investment Sales			
Space for Sale (sf)	1,126,734	1,336,827	876,480
Average Asking Price/SF	$211	$246	$221
Average Cap Rate	7.6%	7.6%	7.1%
Space Sold (sf)	70,275	0	207,035
Average Price/SF	$295	n/a	$297
Average Cap Rate	7.8%	n/a	6.2%

LEASE ACTIVITY

PROPERTY ADDRESS	LEASE DATE	LEASE TERM	SIZE	LEASE RATE	TYPE
Beltway Corporate Center	June 2009	120 months	14,776 sf	$2.68 MG	Class B Professional Office
Desert Inn Office Center II	May 2009	120 months	10,175 sf	$1.65 FSG	Class C Professional Office
MCA Office Building	May 2009	65 months	7,752 sf	$1.98 NNN	Class C Professional Office
Centre at Spanish Trails II	May 2009	60 months	5,840 sf	$1.60 NNN	Class B Professional Office
2011 Pinto Lane	May 2009	84 months	4,738 sf	$2.38 MG	Medical Office

SALES ACTIVITY

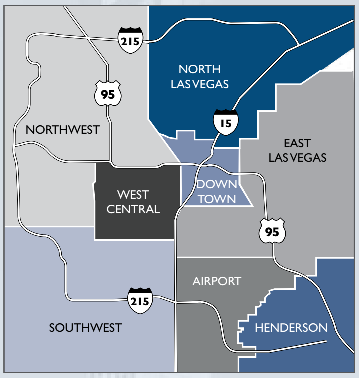
PROPERTY ADDRESS	SALES DATE	SALE PRICE	SIZE	PRICE/SF	TYPE
Pebble Place	April 2009	$15,000,000	51,878 sf	$289.14	Class B Professional Office
Cheyenne West Professional Center	May 2009	$1,175,000	5,000 sf	$235.00	Medical Office

OFFICE MARKET STATISTICS
SECOND QUARTER 2009

EXISTING PROPERTIES			DIRECT VACANCY		SUBLEASE VACANCY		TOTAL VACANCY			NET ABSORPTION SF		U/C & PROPOSED SF			AVG RENTS
Type	Bldgs	Total Inventory Sq Ft	Sq Ft	Rate	Sq Ft	Rate	Sq Ft	Rate	Vacancy Rate Previous Q	Current Period	YTD	Completed This Qtr Sq Ft	Completed YTD	Under Constr	Rate
SUB MARKETS															
AIRPORT SUBMARKET															
A	6	660,478	387,372	58.7%	58,414	8.8%	445,786	67.5%	77.3%	35,814	102,850	(127,659)	(127,659)	-	$3.26
B	37	1,833,602	290,777	15.9%	47,067	2.6%	337,844	18.4%	11.2%	(99,239)	(116,165)	-	-	-	$2.36
C	250	2,608,873	704,349	27.0%	24,855	1.0%	729,204	28.0%	29.6%	43,741	36,313	-	-	-	$2.02
MED	9	117,194	1,600	1.4%	0	0.0%	1,600	1.4%	11.7%	12,075	25,383	-	-	-	$1.70
TOTAL	302	5,220,147	1,384,098	26.5%	130,336	2.5%	1,514,434	29.0%	29.9%	(7,609)	48,381	(127,659)	(127,659)	-	$2.44
DOWNTOWN SUBMARKET															
A	4	700,065	45,006	6.4%	28,790	4.1%	73,796	10.5%	10.5%	-	-	-	-	-	$3.27
B	21	1,383,829	218,056	15.8%	6,465	0.5%	224,521	16.2%	14.1%	(29,401)	(129,224)	-	-	-	$2.52
C	55	744,537	34,003	4.6%	0	0.0%	34,003	4.6%	6.5%	14,300	31,796	-	-	-	$1.78
MED	29	527,631	26,631	5.0%	0	0.0%	26,631	5.0%	5.4%	1,919	1,915	-	-	-	$2.04
TOTAL	109	3,356,062	323,696	9.6%	35,255	1.1%	358,951	10.7%	10.3%	(13,182)	(95,513)	-	-	-	$2.51
EAST LAS VEGAS SUBMARKET															
A	9	1,351,642	154,462	11.4%	120,865	8.9%	275,327	20.4%	14.1%	(14,894)	(87,250)	-	-	-	$3.43
B	17	1,038,569	308,070	29.7%	10,184	1.0%	318,254	30.6%	27.2%	(34,258)	(45,883)	-	-	-	$1.62
C	99	1,962,076	388,060	19.8%	1,711	0.1%	389,771	19.9%	18.6%	(28,255)	(30,743)	-	-	-	$1.60
MED	58	1,589,188	351,109	22.1%	1,104	0.1%	352,213	22.2%	22.3%	2,954	(57,047)	-	-	-	$1.98
TOTAL	183	5,941,475	1,201,701	20.2%	133,864	2.3%	1,335,565	22.5%	20.1%	(74,453)	(220,923)	-	-	-	$1.95
HENDERSON SUBMARKET															
A	11	787,274	275,666	35.0%	6,730	0.9%	282,396	35.9%	35.3%	(50)	(4,566)	-	-	62,364	$3.01
B	64	2,131,542	532,426	25.0%	45,855	2.2%	578,281	27.1%	20.6%	(141,250)	(187,119)	-	-	-	$2.45
C	144	1,526,219	437,127	28.6%	35,138	2.3%	472,265	30.9%	28.3%	(27,317)	(87,493)	-	-	-	$2.15
MED	96	1,226,594	248,355	20.2%	1,521	0.0%	249,876	20.4%	19.9%	(7,910)	(52,238)	-	-	40,000	$2.49
TOTAL	315	5,671,629	1,493,574	26.3%	89,244	1.6%	1,582,818	27.9%	24.5%	(176,527)	(331,416)	-	-	102,364	$2.47
NORTH LAS VEGAS SUBMARKET															
A	-	0	0	N/A	0	N/A	0	N/A	N/A	-	-	-	-	-	$-
B	8	200,796	73,798	36.8%	0	0.0%	73,798	36.8%	37.1%	600	(11,500)	-	-	-	$2.47
C	72	448,624	119,336	26.6%	3,000	0.7%	122,336	27.3%	21.1%	(27,652)	(26,536)	-	-	22,000	$2.05
MED	13	125,385	13,418	10.7%	0	0.0%	13,418	10.7%	11.4%	886	3,317	-	-	-	$2.02
TOTAL	93	774,805	206,552	26.7%	3,000	0.4%	209,552	27.0%	23.7%	(26,166)	(34,719)	-	-	22,000	$2.20
NORTHWEST SUBMARKET															
A	19	1,471,232	478,760	32.5%	38,504	2.6%	517,264	35.2%	27.4%	(110,654)	(131,381)	-	187,410	200,000	$2.50
B	70	2,464,950	508,873	20.6%	70,148	2.8%	579,021	23.5%	25.2%	(15,282)	(72,775)	-	-	-	$2.46
C	210	2,155,633	483,016	22.4%	19,792	0.9%	502,808	23.3%	24.2%	14,719	10,459	-	-	-	$2.19
MED	95	2,305,341	373,850	16.2%	7,447	0.3%	381,297	16.5%	17.3%	17,341	68,621	-	178,694	-	$2.52
TOTAL	394	8,397,156	1,844,499	22.0%	135,891	1.6%	1,980,390	23.6%	23.2%	(93,876)	(125,076)	-	366,104	200,000	$2.41
SOUTHWEST SUBMARKET															
A	3	397,112	322,180	81.1%	1,488	0.4%	323,668	81.5%	77.7%	35,309	10,309	226,140	226,140	-	$3.10
B	54	2,190,900	527,457	24.1%	26,232	1.2%	553,689	25.3%	25.6%	(3,749)	38,190	45,000	146,000	-	$2.68
C	248	2,733,405	757,622	27.7%	53,593	2.0%	811,215	29.7%	30.4%	30,536	65,871	-	164,586	-	$2.30
MED	83	1,104,047	270,331	24.5%	10,662	1.0%	280,993	25.5%	26.5%	22,249	19,601	-	-	-	$2.14
TOTAL	388	6,425,464	1,877,590	29.2%	91,975	1.4%	1,969,565	30.7%	29.3%	84,345	133,971	271,140	536,726	-	$2.52
WEST CENTRAL SUBMARKET															
A	2	227,624	47,606	20.9%	0	0.0%	47,606	20.9%	20.5%	(861)	(861)	-	-	-	$2.30
B	44	1,462,137	120,546	8.2%	0	0.0%	120,546	8.2%	8.7%	6,090	9,268	-	-	-	$2.12
C	166	2,714,158	435,647	16.1%	31,309	1.2%	466,956	17.2%	16.8%	(977)	(11,028)	-	-	-	$1.96
MED	58	775,745	85,985	11.1%	0	0.0%	85,985	11.1%	11.8%	5,501	(22,548)	-	-	-	$2.03
TOTAL	270	5,179,664	689,784	13.3%	31,309	0.6%	721,093	13.9%	13.9%	9,753	(25,169)	-	-	-	$2.02
MARKET TOTAL															
A	54	5,595,427	1,711,052	30.6%	254,791	4.6%	1,965,843	35.1%	31.6%	(55,336)	(110,899)	98,481	285,891	262,364	$2.97
B	315	12,706,325	2,580,003	20.3%	205,951	1.6%	2,785,954	21.9%	19.7%	(316,489)	(515,208)	45,000	146,000	-	$2.38
C	1,244	14,893,525	3,359,160	22.6%	169,398	1.1%	3,528,558	23.7%	23.6%	19,095	(11,361)	-	164,586	22,000	$2.07
MED	441	7,771,125	1,371,279	17.6%	20,734	0.3%	1,392,013	17.9%	18.5%	55,015	(12,996)	-	178,694	40,000	$2.26
TOTAL	2,054	40,966,402	9,021,494	22.0%	650,874	1.6%	9,672,368	23.6%	22.5%	(297,715)	(650,464)	143,481	775,171	324,364	$2.36
QUARTERLY COMPARISON AND TOTALS															
Q2-09	2,054	40,966,402	9,021,494	22.0%	650,874	1.6%	9,672,368	23.6%	22.5%	(297,715)	(650,464)	143,481	775,171	324,364	$2.36
Q1-09	2,031	40,822,921	8,580,298	21.0%	607,106	1.5%	9,187,404	22.5%	21.0%	(352,749)	(352,749)	631,690	631,690	610,750	$2.41
Q4-08	1,995	40,191,231	7,595,859	18.9%	845,496	2.1%	8,441,355	21.0%	19.8%	(63,028)	(1,149,888)	452,548	1,717,326	1,449,840	$2.40
Q3-08	1,979	39,738,683	7,080,283	17.8%	802,454	2.0%	7,882,737	19.8%	17.4%	(297,724)	(1,086,860)	580,294	1,264,778	1,627,030	$2.44
Q2-08	1,939	39,158,389	6,202,265	15.8%	620,177	1.6%	6,822,442	17.4%	15.0%	(170,986)	(789,136)	468,484	684,484	1,322,921	$2.49

RETAIL

LAS VEGAS QUARTERLY



MARKET INDICATORS

	Q2-09	Q3-2009 Projected
VACANCY	↑	↑
NET ABSORPTION	↓	→
CONSTRUCTION	↓	↑
RENTAL RATE	↓	↓

Retail Review

The Las Vegas Valley retail market saw a marked improvement in net absorption due to the completion of Deer Springs Town Center. Despite higher net absorption, the vacancy rate increased by almost one point. Asking rents dropped for the second quarter in a row as landlords competed for tenants. In general, the Las Vegas Valley retail market is showing signs of leveling, increasing the prospects for recovery in 2010.

Retail employment leveled off in 2008 after four years (2004-2007) of sustained growth. Over the past two quarters, retail employment has plunged to 94,500, a decrease of 4,700 jobs between May 2008 and May 2009. Several retailers closed locations in the Las Vegas Valley this quarter, including Ashley Furniture, Circuit City, Gold's Gym and Vons. Both Vons and Smiths have backed off from opening stores in two planned projects. The remainder of 2009 may see retail employment trends begin to reverse, as several retailers, including Target, Tesco Fresh & Easy, Glazier's, El Super and Cardena's open new locations.

Taxable sales for Clark County in the first quarter of 2009 stood at $7.29 billion, an 11 percent decline from the fourth quarter of 2008. Aside from an increase in the second quarter of 2008 , Clark County's taxable sales have been in decline since the fourth quarter of 2007, the beginning of the current recession. The first quarter's taxable sales represented a 21.7 percent decline from the fourth quarter of 2007. Clark County's sales & use tax rate is set to increase to 8.1 percent on July 1, 2009. This represents a 0.35 percent increase.

One new retail center was completed this quarter. Deer Springs Town Center is a 532,000 square foot

Power Center anchored by Target, Home Depot, Babies 'R' Us/Toys 'R' Us, PetSmart, Ross Dress For Less, Staples and Party City. Located in the North Las Vegas submarket, it came online 81 percent occupied.

Two retail projects remain under construction in the Valley: Green Valley Crossing (284,000 square feet) and the Target-anchored center at 6097 N. Decatur Blvd (390,000 square feet). Construction has stopped on several other projects. Forward supply of retail space in the Valley stood at 1,450,344 square feet, a decrease of 1,170,020 square feet from last quarter. All of the projects currently planned or under construction are Community Centers. They are spread evenly between the Henderson, North Las Vegas, Northwest and Southwest submarkets. Vacancy in Community Centers this quarter was 9.6 percent, a 1.3-point increase from the first quarter of 2009.

Vacancy in retail centers has risen for the past six quarters, and was 4.4-points higher this quarter than in the second quarter of 2008. Retail vacancy began rising four quarters before the official start of the current recession. The Valley's highest vacancy was in the West Central submarket at 13.4 percent. The lowest vacancy was in East Las Vegas at 7.7 percent, though both the Henderson and Northwest submarkets had 7.8 percent vacancy. Every submarket but Downtown and the Northeast experienced an increase in vacancy, with the largest increase occuring in the West Central submarket. While all product types had an increase in vacancy in this quarter over last, Neighborhood Centers had the smallest increase.

The weighted average asking rental rates for retail space fell to $1.88 per square foot (psf) on a triple-net basis (NNN) between the first and second quarters of 2009. This was a decrease of $0.07 psf. The largest decreases were in the North Las Vegas and University East submarkets. The average asking rate increased in the West Central submarket by $0.01. Downtown had the lowest average asking lease rate, at $1.20 psf NNN, while the highest average asking lease rates were in the Northwest and Southwest submarkets, at $2.20 psf NNN and $2.22 psf NNN respectively. On the whole, asking rents decreased in 16 percent of availabilities between the first and second quarters of 2009, and increased in 13 percent. The 194 new retail availabilties added to our database had an average asking rate of $1.74 psf NNN.

Sales of retail space rebounded slightly in the second quarter of 2009. The price commanded by retail space dropped significantly between the first and second quarters of 2009. Owner/user sales saw a 50 percent decrease in their average price, while the average price of investment sales dropped by 61 percent. The average cap rate for investment sales increased to 9% .

There are now 57 retail units available that are 10,000 square feet in size or larger. This was a slight increase over last quarter, and almost twice as many anchor and junior anchor spaces that were available one year ago. No additional large spaces are scheduled to come available over the next year, although it is reasonable to expect that some might.

Despite shedding over 11,000 jobs since the onset of the recession, the Las Vegas retail market has remained fairly resilient. Even though retail vacancy has more than doubled, the amount of occupied

MARKET SNAPSHOT

	Q2-09	Q1-09	Q2-08	Q-O-Q Change	Y-O-Y Change
Vacancy Rate	8.5%	7.5%	4.1%	+1.0 (+13.3%)	+4.4 (+107.3%)
Asking Rent (psf NNN)	$1.88	$1.95	$2.15	-$0.07 (-3.6%)	-$0.27 (-12.6%)
Net Absorption (sf)	91,797	-268,166	-150,315	+359,963 (-134.2%	+242,112 (-161.1%)
New Completions (sf)	532,000	477,250	102,600	+54,750 (+11.5%)	+429,400 (+418.5%)

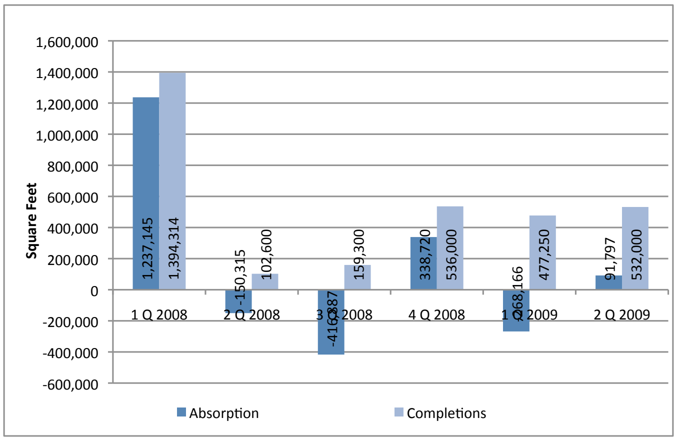
"Every submarket but Downtown and the Northeast experienced an increase in vacancy, with the largest increase occuring in the West Central submarket."

retail space has increased by over 1 million square feet since the fourth quarter of 2007. At the moment, it seems as though the Las Vegas retail market might be reaching bottom. While there are still several retailers in questionable shape, including traditional grocers and chain restaurants, low prices and asking rents are attracting the attention of new retailers. Glazier's, a grocery chain, is opening two new locations in the Valley and two grocers that serve the hispanic community, El Super and Cardena's, have occupied space vacated by Luckys and Food 4 Less. That being said, we think demand for retail space will continue to be weak through the remainder of the year. Should the national economy begin to recover in late 2009, the health of the Las Vegas retail market will probably improve in mid- to late 2010. The recent experience many consumers have had with debt, their new propensity for saving money, and the threat of higher interest rates in 2010 will likely make for a slow recovery. ❖

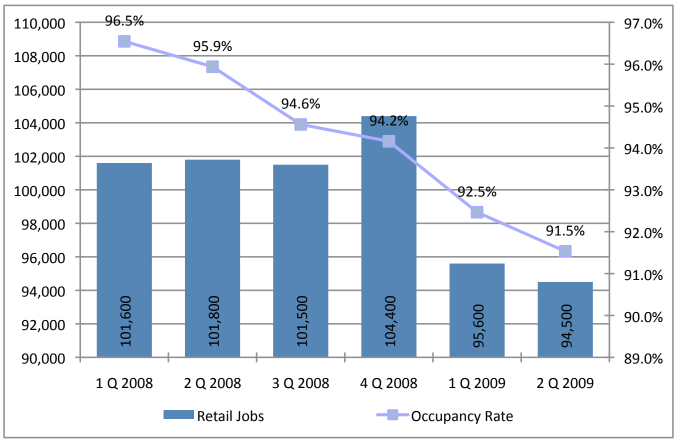
RETAIL DEMOGRAPHICS

	Population (2008 estimate)	Projected Annual Population Growth (2008-2013)	Occupied Retail Space (Q2-09)	Occupied Retail Growth (Q2-08 to Q2-09)
Downtown	87,368	1.2%	1,057,672	-1.0%
Henderson	235,628	3.3%	7,785,309	5.0%
North Las Vegas	253,306	5.9%	4,073,851	8.9%
Northeast	278,308	1.6%	2,418,155	-1.0%
Northwest	442,093	3.4%	9,342,520	-5.1%
Southwest	152,592	6.2%	5,313,064	7.9%
University East	190,098	1.8%	5,466,413	-5.3%
West Central	104,071	0.4%	3,794,190	-11.8%

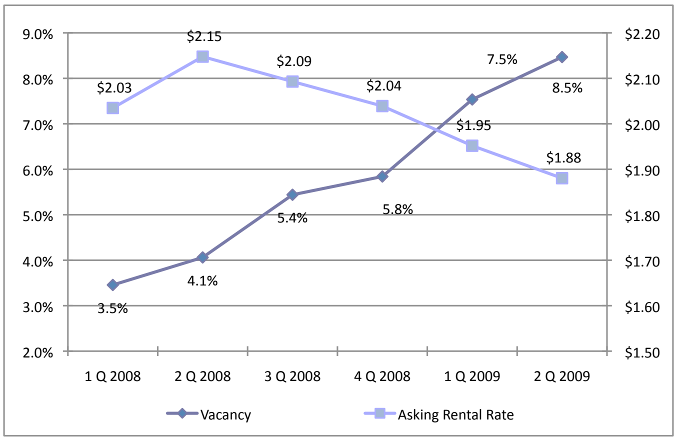
HISTORICAL NET ABSORPTION VS COMPLETIONS



OCCUPANCY VS RETAIL EMPLOYMENT



VACANCY VS RENTAL RATE



OFFICE SALES			
	Q1-09	Q4-08	Q1-08
Owner/User Sales			
Space for Sale (sf)	140,921	342,014	282,076
Average Asking Price/SF	$123	$173	$269
Space Sold (sf)	201,093	175,542	90,395
Average Price/SF	$59	$120	$315
Investment Sales			
Space for Sale (sf)	17,900	163,256	147,441
Average Asking Price/SF	$516	$276	$310
Average Cap Rate	n/a	n/a	7.2%
Space Sold (sf)	217,490	16,200	193,850
Average Price/SF	$77	$199	$180
Average Cap Rate	9.0%	7.8%	7.5%

LEASE ACTIVITY

PROPERTY ADDRESS	LEASE DATE	LEASE TERM	SIZE	LEASE RATE	TYPE
Trails Village Center	June 2009	60 months	1,488 sf	$2.23 NNN	Neighborhood Center
Horizon Marketplace	April 2009	60 months	1,430 sf	$1.77 NNN	Neighborhood Center

SALES ACTIVITY

PROPERTY ADDRESS	SALES DATE	SALE PRICE	SIZE	PRICE/SF	TYPE
4-G Plaza	April 2009	$2,540,000	42,604 sf	$59.62	Community Center
Summerlin Gateway Plaza	April 2009	$2,225,000	2,348 sf	$947.61	Neighborhood Center
Stephanie Promenade	May 2009	$2,100,000	4,500 sf	$466.67	Community Center
Eastgate Power Center	May 2009	$2,100,000	2,300 sf	$913.04	Power Center

** Source: CoStar COMPS*

RETAIL MARKET STATISTICS

SECOND QUARTER 2009

EXISTING PROPERTIES			DIRECT VACANCY		SUBLEASE VACANCY		TOTAL VACANCY			NET ABSORPTION SF		U/C & PROPOSED SF			AVG RENTS
Type	Bldgs	Total Inventory Sq Ft	Sq Ft	Rate	Sq Ft	Rate	Sq Ft	Rate	Vacancy Rate Previous Q	Current Period	YTD	Completed This Qtr Sq Ft	Completed YTD	Under Constr	Rate
SUB MARKETS															
DOWNTOWN SUBMARKET															
PC	-	0	0	N/A	0	N/A	0	N/A	N/A	-	-	-	-	-	$-
CC	5	684,340	139,238	20.3%	13,312	1.9%	152,550	22.3%	22.3%	(120)	(120)	-	-	-	$1.13
NC	5	518,070	5,500	1.1%	0	0.0%	5,500	1.1%	1.1%	-	-	-	-	-	$3.00
TOTAL	10	1,202,410	144,738	12.0%	13,312	1.1%	158,050	13.1%	13.1%	(120)	(120)	-	-	-	$1.20
HENDERSON SUBMARKET															
PC	8	2,962,288	228,849	7.7%	0	0.0%	228,849	7.7%	5.7%	(59,011)	(71,338)	-	-	-	$1.76
CC	19	2,688,350	162,969	6.1%	6,113	0.2%	169,082	6.3%	5.8%	(15,591)	(30,519)	-	-	283,744	$1.92
NC	25	2,797,088	270,599	9.7%	27,156	1.0%	297,755	10.6%	10.2%	3,867	19,341	-	-	-	$1.99
TOTAL	52	8,447,726	662,417	7.8%	33,269	0.4%	695,686	8.2%	7.2%	(70,735)	(82,516)	-	-	283,744	$1.89
NORTH LAS VEGAS SUBMARKET															
PC	2	832,000	106,617	12.8%	0	0.0%	106,617	12.8%	2.5%	432,863	432,863	532,000	532,000	-	$2.08
CC	10	1,755,463	197,059	11.2%	0	0.0%	197,059	11.2%	11.3%	(15,675)	(54,542)	-	-	-	$1.78
NC	16	1,895,468	105,404	5.6%	0	0.0%	105,404	5.6%	5.8%	3,832	(12,896)	-	-	-	$2.36
TOTAL	28	4,482,931	409,080	9.1%	0	0.0%	409,080	9.1%	8.0%	421,020	365,425	532,000	532,000	-	$2.01
NORTHEAST SUBMARKET															
PC	-	0	0	N/A	0	N/A	0	N/A	N/A	0	-	-	-	-	$-
CC	8	1,398,026	44,456	3.2%	18,614	1.3%	63,070	4.5%	6.9%	33,769	30,788	-	-	-	$1.65
NC	13	1,134,765	70,180	6.2%	0	0.0%	70,180	6.2%	5.6%	(6,450)	(45,341)	-	-	-	$1.65
TOTAL	21	2,532,791	114,636	4.5%	18,614	0.7%	133,250	5.3%	6.3%	27,319	(14,553)	-	-	-	$1.65
NORTHWEST SUBMARKET															
PC	7	2,840,846	141,849	N/A	1,266	N/A	143,115	N/A	3.6%	(40,553)	(74,806)	-	-	-	$1.91
CC	16	3,585,512	367,835	10.3%	0	0.0%	367,835	10.3%	10.1%	(15,915)	(200,029)	-	-	390,000	$2.70
NC	31	3,705,508	279,662	7.5%	100,738	2.7%	380,400	10.3%	9.6%	(24,941)	(53,366)	-	50,000	-	$1.68
TOTAL	54	10,131,866	789,346	7.8%	102,004	1.0%	891,350	8.8%	8.1%	(81,409)	(328,201)	-	50,000	390,000	$2.20
SOUTHWEST SUBMARKET															
PC	1	944,314	45,665	4.8%	5,300	0.6%	50,965	5.4%	5.4%	-	-	-	-	-	$3.17
CC	9	3,216,421	199,978	6.2%	0	0.0%	199,978	6.2%	4.8%	(47,112)	328,737	-	427,250	-	$2.26
NC	13	1,623,100	225,128	13.9%	0	0.0%	225,128	13.9%	12.4%	(24,955)	(25,524)	-	-	-	$1.98
TOTAL	23	5,783,835	470,771	8.1%	5,300	0.1%	476,071	8.2%	7.0%	(72,067)	303,213	-	427,250	-	$2.22
UNIVERSITY EAST SUBMARKET															
PC	3	1,210,223	15,354	1.3%	25,129	2.1%	40,483	3.3%	4.4%	12,500	1,199	-	-	-	$2.36
CC	19	2,761,018	224,377	8.1%	0	0.0%	224,377	8.1%	6.0%	(59,341)	(72,107)	-	-	-	$1.58
NC	17	1,950,703	215,800	11.1%	22,164	1.1%	237,964	12.2%	12.2%	90	(112,958)	-	-	-	$1.78
TOTAL	39	5,921,944	455,531	7.7%	47,293	0.8%	502,824	8.5%	7.7%	(46,751)	(183,866)	-	-	-	$1.70
WEST CENTRAL SUBMARKET															
PC	3	1,138,224	90,764	8.0%	0	0.0%	90,764	8.0%	8.6%	7,006	(27,701)	-	-	-	$1.59
CC	15	1,649,146	359,447	21.8%	0	0.0%	359,447	21.8%	15.8%	(99,231)	(177,715)	-	-	-	$1.37
NC	16	1,591,685	134,654	8.5%	0	0.0%	134,654	8.5%	8.9%	6,765	(30,335)	-	-	-	$1.48
TOTAL	34	4,379,055	584,865	13.4%	0	0.0%	584,865	13.4%	11.4%	(85,460)	(235,751)	-	-	-	$1.43
MARKET TOTAL															
PC	24	9,927,895	629,098	6.3%	31,695	0.3%	660,793	6.7%	5.1%	352,805	260,217	532,000	532,000	-	$1.94
CC	101	17,738,276	1,695,359	9.6%	38,039	0.2%	1,733,398	9.8%	8.7%	(219,216)	(175,507)	-	427,250	673,744	$1.88
NC	136	15,216,387	1,306,927	8.6%	150,058	1.0%	1,456,985	9.6%	9.2%	(41,792)	(261,079)	-	50,000	-	$1.85
TOTAL	261	42,882,558	3,631,384	8.5%	219,792	0.5%	3,851,176	9.0%	8.1%	91,797	(176,369)	532,000	1,009,250	673,744	$1.88
QUARTERLY COMPARISON AND TOTALS															
Q2-09	261	42,882,558	3,631,384	8.5%	219,792	0.5%	3,851,176	9.0%	8.1%	91,797	(176,369)	532,000	1,009,250	666,080	$1.88
Q1-09	259	42,350,558	3,191,181	7.5%	233,635	0.6%	3,424,816	8.1%	6.3%	(268,166)	(268,166)	477,250	477,250	1,961,892	$1.95
Q4-08	257	41,873,308	2,445,765	5.8%	197,456	0.5%	2,643,221	6.3%	5.8%	338,720	1,008,663	536,000	2,192,214	2,389,142	$2.04
Q3-08	253	41,337,308	2,248,485	5.4%	141,018	0.3%	2,389,503	5.8%	4.5%	(416,887)	669,943	159,300	1,656,214	2,443,762	$2.09
Q2-08	253	41,178,008	1,672,298	4.1%	195,283	0.5%	1,867,581	4.5%	3.7%	(150,315)	1,086,830	102,600	1,496,914	1,041,399	$2.15

Glossary

Industrial Definitions

Incubator: Multi-tenant buildings without dock-high loading doors that have a parking ratio lower than 3.5/1,000 square feet and bay sizes lower than 3,500 square feet.

Light Distribution: Multi- or single-tenant buildings that include dock-high loading doors and have bay sizes of less than 15,000 square feet.

Light Industrial: Multi- or single-tenant buildings without dock-high loading doors that have a parking ratio lower than 3.5/1,000 square feet and, in the case of multi-tenant buildings, bay sizes of at least 3,500 square feet.

R&D/Flex: Multi- or single-tenant buildings without dock-high loading doors with parking ratios in excess of 3.5/1,000 square feet.

Warehouse/Distribution: Multi- or single-tenant buildings that include dock-high loading doors and have bay sizes of at least 15,000 square feet.

Office Definitions

Class A Office: Buildings with steel frame construction, high end exterior finish, distinctive lobbies featuring upgraded finishes, amenities including on-site security, state-of-the-art communications and data infrastructure and covered parking. Class A buildings are usually multi-story.

Class B Office: Buildings osteel frame, reinforced concrete or concrete tilt-up construction. Class B buildings contain common bathrooms and hallways, and their lobbies may have granite and hardwood detailing. Class B buildings are often multi-story.

Class C Office: Buildings of wood frame construction. Class C buildings are often garden-style and are built around courtyards.

Medical Office: Buildings that are more than 50% occupied by medical tenants.

Retail Definitions

Community Center: Retail centers anchored by supermarkets, drug stores and discount department stores. Tenants include off-price retailers selling apparel, home improvements/furnishings, toys, electronics or sporting goods.

Neighborhood Center: Retail centers anchored by supermarkets and drug stores. Neighborhood centers are intended for convenience shopping for day-to-day needs of consumers.

Power Center: Retail centers dominated by several large anchors including discount department stores, off-price stores, warehouse clubs or "category killers". Power centers generally inline space.

General Definitions

Vacant SF: Space in a building that is unoccupied and offered for lease by the owner of the company.

Sublease SF: Space in a building that offered for sub-lease by the primary tenant. This space may or may not be unoccupied.

Net Absorption: The difference in occupied square footage from one period to another. ❖

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