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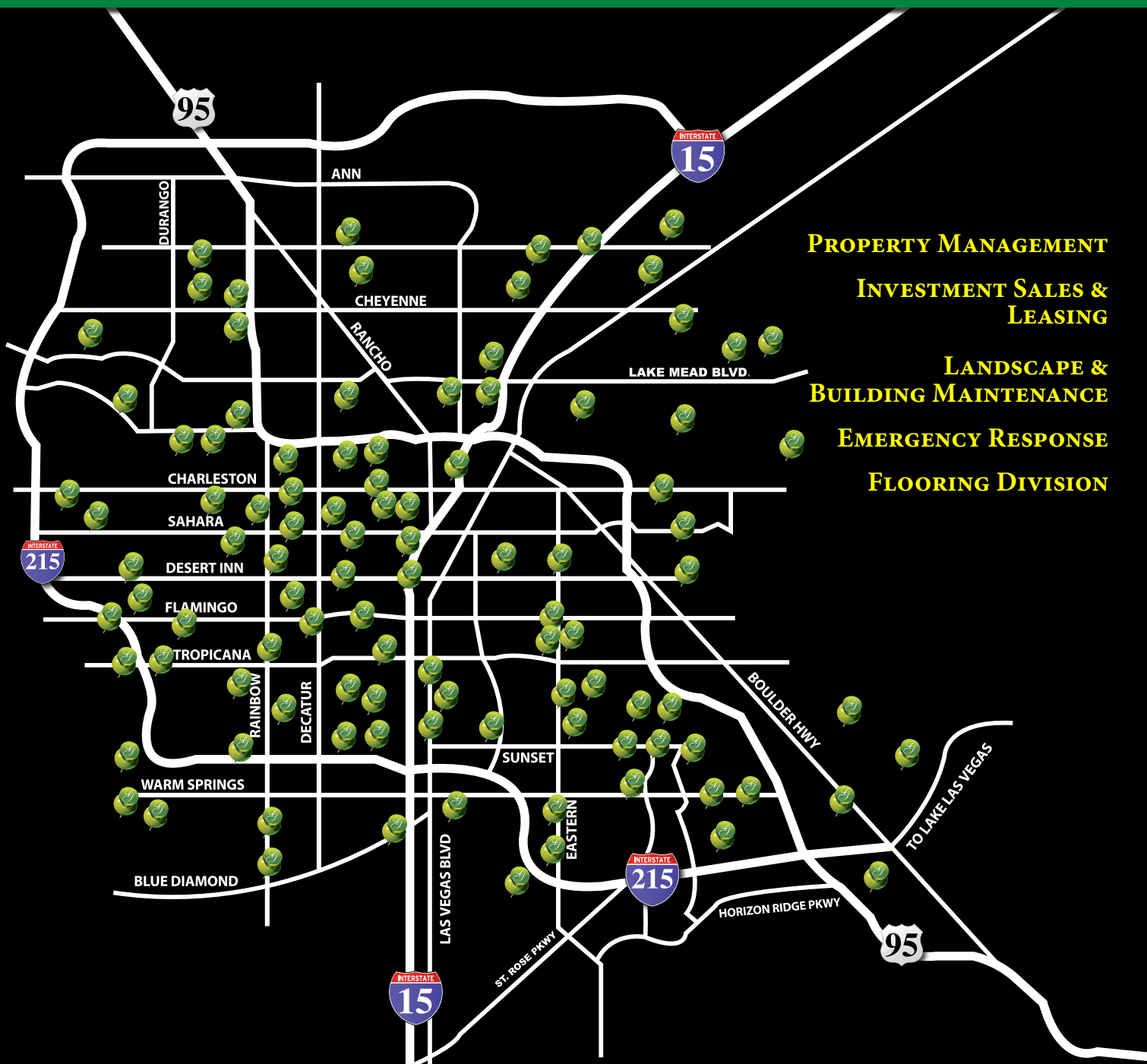

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Southern Nevada Commercial Real Estate Guide

From the editor ...

Dear readers,

It's no secret the market has taken its share of hits in the past year. However, many of the projects in Summerlin and southwest Las Vegas continue to plow ahead.

In this edition of *CRE*, our final one for 2008, we check in on a variety of these projects. You'll find stories on such things as the expansion of the Nevada Cancer Institute, The Arroyo, Metreon and Desert Canyon Business Park.

Additionally, we examine the booming medical office industry in southwest Las Vegas. Physicians are finding that having office space in such close proximity to three hospitals is proving to be quite beneficial.

Also, read about a new — but probably familiar — face at Gatski Commercial Real Estate Services. Plus, a story on the impact of solar energy on the valley is included.

In one of our popular "Realty Check" columns, John Restrepo examines the state of the industrial, retail, office and medical markets in the valley. Look, too, for a great piece from Randy Broadhead, "Guide to Ethics," for the Society of Office and Industrial Realtors, or SIOR. In addition, you'll find interesting guest columns from Matt Bear (Venture Development), Daniel Amster (Dakem & Associates) and Dave Kohlenberger (EcoWall).

Also inside this edition, you'll find the 2008 American Institute of Architects' Nevada Design and Service Awards. We teamed with the AIA Las Vegas chapter to provide a little insight into what the organization is all about. We have included photos of the honorees from their gala in Reno earlier this month. You'll also find lists of the local and state officers and board of directors.

We look forward to seeing you in 2009 with a newly designed and ramped-up version of *CRE*. Have a great rest of 2008.

Rob Langrell
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Inside

ON THE COVER: Nevada Cancer Institute, located in Summerlin, is undergoing an extensive expansion. See story, page 20.

A word from our sponsors ...

Dear *In Business Las Vegas* readers,

With the virtual collapse of the credit markets, vacancies at levels we never thought possible and prospective tenants keeping us in limbo, I am proud to say that Gatski Commercial is standing strong and holding our own. We have added staff and we continue to attract new clients. More than that — we are adding value for our clients.

Whether it's working with clients on enhancements to properties, as we are doing with some new programs we have in place through our property management division, or assisting in other ways, we are driven to work with each client and tenant on survival strategies.

I truly believe that now is the time that we all need to have the courage to take a hard look at our careers and our businesses to find new ways to reinvent and reinvest in ourselves to survive these unprecedented economic times.

I am excited to announce that we have reinvented a part of our own company and added our newest division of Investment Sales & Leasing, headed by Rob Moore, our new managing director.

Rob has more than 25 years experience in the commercial real estate business. With Rob on our team, I feel more confident than ever that no other company can provide the scope of services to the level that we can provide them in today's challenging economic times. Rob also adds a tremendous amount of depth to the brokerage side of our company. Rob is a third-generation Las Vegan, so having grown up here, as I did, he truly knows the nuances of the commercial real estate market here in Nevada. We have been friends for years, and we are truly excited about working together and finding new and better ways to serve our clients and to add value.

Keeping up on the very latest news and expert advice is one way we can all continue to retain our competitive position and strength in today's market.

I commend Greenspun Media Group for the outstanding news and insights featured in each *CRE* issue, which we as a company are particularly proud to sponsor.

Best Personal Regards and Happy Thanksgiving,

Frank Gatski, CPM, CCIM

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Dear *In Business Las Vegas* readers,

As a long-time resident and commercial builder, The Korte Company takes great pride in supporting Summerlin's growth. Our contributions to Southern Nevada's largest master-planned community can be seen in its parks, office buildings, churches, fire stations and our most recent work at the campus of the Nevada Cancer Institute. Since 1958, the company has grown from a neighborhood builder in Southern Illinois to a nationally recognized design-build contractor. And during our 50 years, we've come to understand the importance of a strong community, which is why we are a proud sponsor of the November 2008 edition of *In Business Las Vegas' Commercial Real Estate Guide*.

Community involvement has played an integral role in who we are today and has been a driving force in not only our local jobs but also our projects throughout the country. That same level of commitment is shared by our 300 employees, whether they are located in Las Vegas, St. Louis, Southern Illinois or any of our job sites in 39 states across the country.

The difference is our people. We work with the best, brightest, most creative design and construction professionals, which gives us the ability to make any project we pursue a success. We also instill in those individuals the importance of giving back to our communities through volunteerism, community involvement and financial contributions through our United Way campaign.

Today, The Korte Company prides itself on being one of the leading design-build firms in the country. In fact, design-build lies at the heart of our success. We find that owners are looking for someone to be responsible to get their project done, on time and on budget. Our design-build process provides the catalyst for us to work together and make it happen.

As we look forward to the next 50 years of growth, we will continue to deliver an exceptional level of service and quality. And above all, we will always give our customers more than they expect. Always.

Greg Korte

President, Las Vegas Division
The Korte Company

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Dear *In Business Las Vegas* readers,

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Need wireless for your off-site? You can trust Advanced Convention Services from Cox Business to provide secure, reliable high-speed wired and wireless broadband services. After all, we provide the same service to more than 125,000 hotel rooms in Southern Nevada, including public space, meeting and convention areas.

At Cox Business, we take a standards-based and easy-to-use approach to our wired and wireless broadband services, and that translates to overwhelming end-user satisfaction. In addition, dedicated sales support and around-the-clock field staff can be on-site when needed.

The Cox network is built for performance and reliability. In October, our company once again received the J.D. Power and Associates Award for high-speed Internet providers in the West region. We're also recipients of the J.D. Power Award in business customer satisfaction for small and/or midsize business data service providers in 2008 and 2006.

The robust Cox network means no hiccups or bottlenecks when users download large files, video conference colleagues or run presentations from an FTP site or Virtual Private Network in real time. Of course, sending email, surfing the Net or viewing webcasts are smooth-as-silk no-brainers.

Our fast interconnectivity, secure connections, reliable service and qualified support will add to your business success.

David Blau

V.P & General Manager
Cox Business Las Vegas

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DANIEL AMSTER

Principal & Manager — Dakem & Associates

As founder, principal and manager of Dakem & Associates, Daniel Amster's responsibilities include all facets of office operations, client development, estimating and project management. His engineering background in large construction projects makes Amster uniquely qualified to lead his company. With a reputation for applying large construction processes to smaller projects, Dakem and Amster have developed a reputation for completing projects under some of the most stringent time lines, while creating a "partnership" working environment for the owner-developer.

MATT BEAR

Partner — Venture Development Group

Matt Bear is co-founder and partner of Venture Development Group (VDG), a Las Vegas-based retail development firm focusing on projects in Nevada, Arizona, California, Texas, New Mexico, Oklahoma and Idaho. Bear has more than 18 years of real estate experience in the Las Vegas Valley and specializes in lease negotiation, property acquisitions and new development opportunities. He also manages the brokerage division of VDG. Prior to co-founding VDG, Bear gained experience serving at NewMarket Commercial Real Estate, The Equity Group, ROI Commercial and Colliers International.

RANDY BROADHEAD, SIOR

President — SIOR Nevada Chapter
Senior Vice President — CB Richard Ellis

Randy Broadhead, the 2008 SIOR Nevada Chapter president, has a professional background that includes more than 23 years of experience in commercial real estate. As one of the region's top office brokers, he, along with his partner Brad Peterson, have been responsible for some of the biggest deals in the Las Vegas Valley. His experience includes the representation of owners and tenants relating to office properties for sale, lease and land sales. Throughout his career, Broadhead has been responsible for the leasing of major properties in Las Vegas.

DAVE KOHLENBERGER

Chief Operating Officer — EcoWall

Dave Kohlenberger brings more than 25 years of experience in the construction industry to the EcoWall team. His background in business ownership has also given him the necessary experience to serve as the COO for EcoWall. Kohlenberger was previously president of Kohlenberger Cos. Inc. and Kohlenberger Construction Co. Inc, which designed and built freestanding retail centers, strip centers, warehouses and office buildings in Minnesota. He was also a partner at a leading design-build firm, just outside of Minneapolis, that focused on residential homes.

JOHN RESTREPO

Principal — Restrepo Consulting Group

John Restrepo has been providing economic consulting services in Nevada for 20 years. Restrepo Consulting Group is based in Las Vegas and is the oldest and most established economics and public policy research firm in Nevada. Restrepo has directed more than 400 real estate and economic studies in communities throughout the Southwest. His clients include many prominent private and public organizations concerned with land use and growth. Restrepo has also been preparing detailed quarterly market surveys that track the Las Vegas Valley's industrial, office and retail markets since 1990.

Code of Principles helps steer SIOR

Randy Broadhead
SIOR
CB Richard Ellis

At some point during their career, every businessperson witnesses unethical behavior. This experience shapes their business dealings for years to come and also impacts their own views on ethics. In business, we are faced nearly every day with questions of ethics, and ethical business practices are not always clear-cut.

As Southern Nevada faces tough economic times, the decisions we make regarding ethics become even more important. The Society of Office and Industrial Realtors (SIOR) Nevada Chapter is the top echelon of brokers in Las Vegas who, in order to receive their designation, are considered experts in their field and are held to the highest standards of ethics. These high standards are considered a requirement for entry, and members are expected to maintain them throughout their careers.

> SIOR declares its mission is "to establish, maintain and sustain a designation of the highest level for commercial real estate providers."

With the depth of experience in the Southern Nevada commercial real estate industry, SIOR members are acutely aware of the pitfalls a down economy presents to the brokerage community. As budgets and clients are stretched thinly, competition becomes greater for a smaller portion of the pie, and often, people become less likely to stick to safe business practices. However, times of hardship can also be times to learn and come together as an industry and revisit the integral components of doing ethical business in real estate.

A Standing National Professional Standards Committee is responsible for developing and monitoring the SIOR Code of Principles and Standards of Professional Practice. The Code of Principles is the guiding set of rules by which all SIOR members in good standing must practice to continue membership. The following are some key principles of the SIOR code – an ethical bar all of us in the commercial real estate industry can strive to reach. They are some of the basic guidelines to which all SIOR members adhere and are directives for maintaining goodwill and fair business practice in Southern Nevada real estate.

The best place to begin when discussing the topic of ethics is to determine the people with whom we must be ethical. It is generally understood that we must behave ethically toward a client. It may also be understood that co-workers within the same company should be treated ethically at all times. It does not, however, end there. SIOR's code of ethics is written to purposely cover every individual who comes into contact with an SIOR practitioner. Even affiliated industry members who practice good ethical behavior recognize the need to do the same, whether we are working with clients, co-workers, vendors, competitors or peers.

Principle one states: "Act in the best interest of those who should benefit from your conduct." This simple, straightforward declaration is one that seems to be common sense. It states we must act in the best interest of anyone who should benefit from our conduct, which is a clear statement of the importance of acting in the best interest of any and all people with whom we deal in business. In order to do this, we must understand our ethical duties, honor commitments, avoid dishonest conduct and misuse of authority, and be sure to always secure informed consent.

Principal two says: "Be honest at all times and to all parties." This is another simple principle but can often be blurred when faced with gray areas. For an SIOR, this does not just include the avoidance of bold-faced lies. This principle also states we must avoid dishonesty in any form, including exaggeration, misrepresentation, withholding or concealment of pertinent facts. This is an important fact to note, as our profession has been accused of hiding the negatives of a property. We must remember that to dispel the mistrust felt by the general public, we are to act responsibly and be true to our word.

Principle three states: "Honor your fiduciary duties." As a businessperson, the most important part of selling anything is trust. We are all aware of the importance of relationships, particularly in a community as small as Southern Nevada. However, trust in that relationship is what will cause a person to change views, purchase products or refer friends. Thus, it is vital to a businessperson to honor our promises and contracts with clients and peers.

The last principle encompasses many aspects of what is considered to be fiduciary duty. It includes being loyal and obedient to those professionals with whom a broker has a legally recognized relationship. This means all actions taken on behalf of that relationship are in line with the interests, needs and objectives of the legal entity for which you are working. The principle also encompasses the yin and yang of disclosure and confidentiality. As mentioned above, disclosure is a key part of being ethical. Holding back the truth for fear of reputation is just as bad as not telling it correctly. Being honest and straightforward with all facts is a key part of a fair relationship.

On the other hand, it is also vital for businesspeople to maintain the confidentiality of their relationships. In the world of email, this becomes more and more apparent as written statements can be utilized in court proceedings. Loyalty and trust come from adhering to the previous principles. You must practice the dual duties of good faith and due care, and also, the ever-present duty of accounting. Good faith and care include acting in a manner that is consistent with what the person who is placing trust in you considers. Their view of what is ethical may be more stringent than another client's, so you must be sure you are fulfilling the expectations of that client in every way possible. This includes being open about billing and accounting practices. Not only should all billing practices be open and straightforward, but an ethical person will also make sure that all accounting is timely and accurate, so as not to damage the relationship with sloppy work.

SIOR declares its mission is "to establish, maintain and sustain a designation of the highest level for commercial real estate providers." In order to accomplish that mission, ethical principles are held in the highest regard by SIOR members, even when times are tough. Practicing good ethics can keep relationships alive that will help businesspeople through the rough patches and will help refer business. By positioning yourself now as a respectable, honest and hardworking industry member, you will guarantee yourself a place in the market. cre

"Years ago, we were looking at the old fabric we were throwing away and thinking, 'Somebody has to be using this. Where can we ship it?' (Now) We work directly with a lot of recyclers."

Alan Fox
Owner, New Life Office LLC

Firm brings 'New Life' to old office furniture

By Brian Sodoma
Special Publications writer

The economy may be unkind to most businesses these days, but for Alan Fox, tough times bring opportunity. The owner of New Life Office LLC, a $4 million a year office workstation refurbishing company, knows now more than ever that companies are looking at greening operations while watching their bottom lines. And his company has a solution for both of these issues.

Started in Salt Lake City in 1991, New Life Office was initially a home-based business for Fox and his wife Terry. The couple purchased office furniture from companies going out of business or downsizing then did some of the refurbishing work in the family's garage before reselling it. Within a few months, New Life moved into an office then eventually into a 15,000-square-foot facility, which still serves as the company's headquarters today. The Foxes opened a Las Vegas office in 2004 and also have a location in Boise, Idaho.

New Life was born from experiences Fox had when selling Steelcase brand workstations for another office furniture company during the 1980s. The popularization of modular workstations in the 1970s saw a lot of businesses looking to update colors or change out old furniture in the 1980s but with few options beyond buying costly new offerings.

"One of the biggest problems we had was that customers were always saying things were too expensive," Fox said.

The workstation refurbishing industry emerged in the late '80s, and Fox was there to take advantage of pent-up demand. By 2001, furniture recyclers and refurbishers represented a more than $1 billion industry.

"You really get a new look for a large cost savings," Fox added. He estimates a 40 to 60 percent cost savings for business owners when going with refurbished as opposed to new product. To look at New Life's offerings in its Las Vegas showroom, one would assume the equipment, most of which is about 10 years old, is brand new.

"A typical station is a mix of new and refurbished product," Fox added. "Many people who want used (furniture) want it to look new. But they don't know if that's really what they'll get. We encourage people to come to the showroom. When you see it, it leaves a different impression."

Business owners also benefit from Fox's 30 years of space-design experience. A free service for clients, he often saves business owners money by configuring works paces efficiently. Today, New Life Office has served clients such as Gatski Commercial Real Estate Services, Pink Jeep Tours, Harrah's Entertainment, General Electric and Grubb & Ellis Co.

In an industry where furniture can commonly take four to eight weeks to arrive on-site, New Life averages a two- to three-week turnaround for installations. Fox asserts that he keeps plenty of furniture in stock and can move it quickly once a customer makes a request.

"It eliminates about 80 percent of our competitors once we get that call from the customer," Fox said about expediting orders.

On some level, it can be seen as a green practice to replace old office furniture and workstations with refurbished equipment. The greening of businesses and new buildings has allowed New Life Office to boast its green niche in the industry. Every year, the company saves thousands of pounds of materials from landfills. The company recycles most of the unusable materials from the old workstations it purchases and only throws away about 5 percent of old materials.

"Years ago, we were looking at the old fabric we were throwing away and thinking, 'Somebody has to be using this. Where can we ship it?' (Now) we work directly with a lot of recyclers," Fox said.

New Life's laminate manufacturers are Greenguard certified; fabrics are made of 100 percent recyclable materials, and paints are low VOC water reducible enamel. Using green products to replace old materials was a product of the growing environmental consciousness of the industry itself.

"Now, more than ever, suppliers (of furniture building materials) recognize the environmental impacts of their products," Fox emphasized. cre

Rob Moore, Gatski Commercial Real Estate Services

Throughout his distinguished 27-year career, Las Vegas native Rob Moore has held real estate sales and leasing positions with Cushman & Wakefield, Realty Holdings Group and is the founder of R.L. Moore and Associates. Having recently signed on with Gatski Commercial Real Estate Services, Moore oversees the company's new investment, sales and leasing division, which provides property analysis and consultation to Gatski clients.

Describe the new investment sales and leasing division of Gatski Commercial.

A conversation owner Frank Gatski and I had quickly evolved into him asking me to help out with sales and leasing. … Simultaneously, I was thinking if the small-business owner was characteristic of what I had seen in the past, a lot of times, a commercial building they own, they're not really sure why they own it. If you ask them, they would tell you it's an investment. Maybe it's for retirement or college savings; they're long-term players without recognizing the illiquidity of the asset.

Sometimes, if you miss the window of disposition for a commercial building, the consequences can be devastating. So I told Frank let's make them aware of it and help them with a plan. … I've met with a lot of owners in the process of evaluating their investments and planning what's best for their properties, and quite possibly, it could be getting out and not owning it. … Many owners are ignorant of the true risks involved, and what we have to do is educate them on the risk. It's like a financial planner, but a conversation has to be had as far as their real estate investment and what they hope to accomplish with it.

What do you hope to accomplish with this new division?

This is really about further enhancing the relationships Gatski has created with the clients. Being onboard a short time, I've noticed he (Frank) still has the million square feet he started with. The confidence and trust he has from property owners is truly not just rhetoric. I think we just want to help them look at things they've never really questioned in the past.

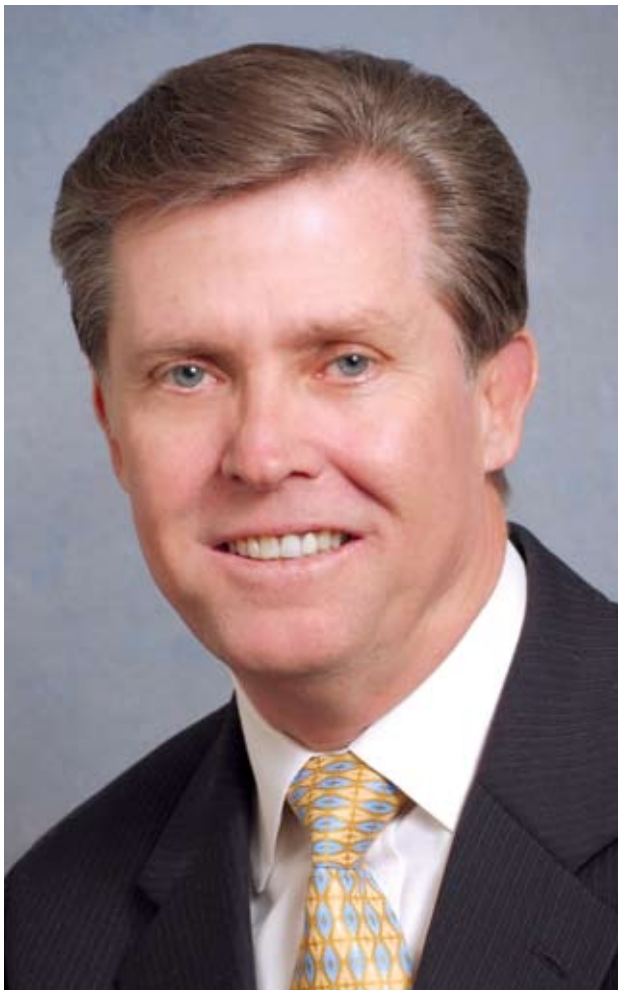
Why did you come to Gatski Commercial?

It was strictly the opportunity that presented itself. I was very happy where I was at Cushman & Wakefield. … It was very difficult to leave. It was a very emotional decision. I thought this was a very unique opportunity at this stage in my career and something I couldn't pass up.

I've been a transaction broker for 27 years, and now being in a captivated portfolio … there are a lot of pluses to that where I can really concentrate on doing some financial analysis, sitting down with others and chatting without having an agenda of a transaction.

Given the tough economy, what do your clients need today that perhaps they weren't in need of a few years ago? How can this division help them?

My interpretation of the market today is that clients need someone who will sit here and be honest with them without having an agenda, to interpret the situation on behalf of somebody else and show them the scenarios and help them make the decision rather than let emotion drive the deal.



That's the significant role we're playing.

Describe the mind-set of today's prospective tenant.

You have a market with more supply than demand pushing rents to levels that are scary. You add onto that a very savvy tenant market that will move for very few dollars, and they are absolutely aware of pitting two and three landlords against each other further driving the market beyond realms of supply and demand.

Who is your greatest influence and why?

It was Harley Harmon. He was a patriarch of the city and kind of my mentor. The last few years of his life, we went to lunch every other month. He has a long résumé; he's done a lot of things and is very loved by the city. But he would share his mistakes with you, and I never have forgotten that. It's easy to blow your own horn, but to admit to another man the decision you made when the testosterone was running high and it wasn't a good decision, shows (a lot) of character. cre

"The only limit to our realization of tomorrow will be our doubts of today."

Franklin D. Roosevelt

This too shall pass

Whenever one door closes, another one opens. Companies that can move through adversity are companies that can see through the maze of the marketplace to the next generation of their businesses.

Peter Drucker said that the purpose of a business is to create and keep a customer. Of course, he is right, but this is the result of an earlier intention, which was to create value.

Matt Bear
Venture Development

A business creates value by creating and keeping a customer. And the root of creating value in business is to make a dollar into two.

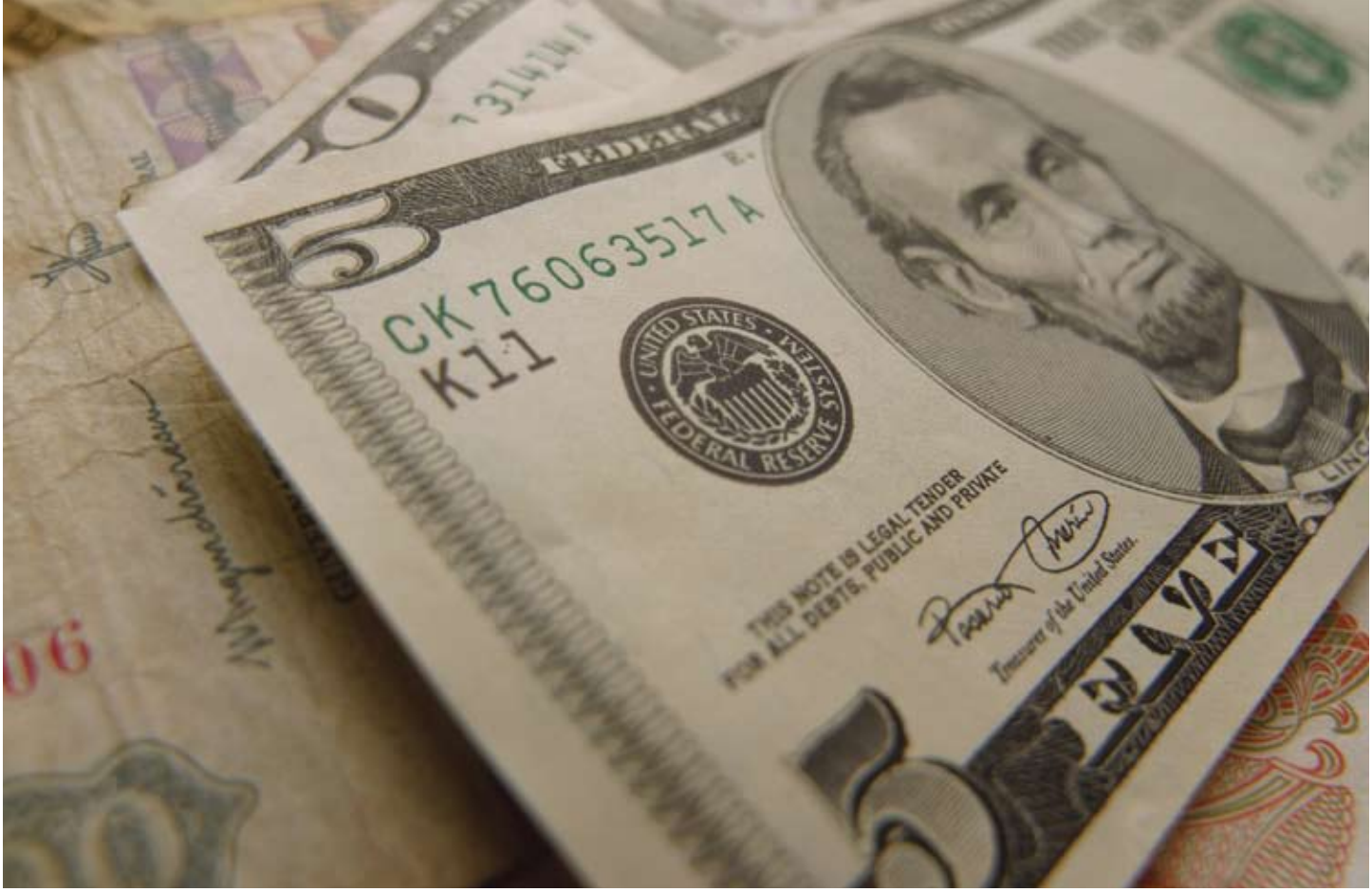
As real estate professionals, we are charged with the stewardship of capital. We need to care for it, give it structure and find a future for it, so we can raise it right and have it grow into something we can be proud of.

For the past seven years, the quickest system of growing capital was the speculative investment in land and development. That method is not working now, and the actual demand for the real estate and/or development has outpaced the need. There is no reason to recount the subprime fiasco or to discuss who's to blame. The right thought is that money and wealth are not ever truly lost, they just move into the hands of those companies that can direct it where it can be used most.

We are at the launching point of a new cycle. Intellectually, it is an exciting moment filled with uncertainty. I did not say it was fun, but I am sure it wasn't fun for the buggy-whip manufacturers when cars came along, either.

Banks have always been such an integral part of the real estate business. We have relied on the finance industry to supply the bulk of the capital to purchase and develop projects. With the banking industry in flux, and at best either requiring significantly more equity or not lending at all, real estate professionals are now forced to come up with new methods of financing property.

Equity means cash, and it isn't just king, it's the emperor. But, it needs people and ideas. The question is, what do we do



to entice the capital flowing out of the stock and commodity markets and into real estate-related investments or initiatives? The answer: cultivate relationships, act like a bank, and go with the flow. Now is the time to remind the market that real estate is still one of the best investments.

Cultivate relationships

The only thing more valuable in business than capital is relationships. The deployment of social capital yields tangible results. We all have goals and objectives to accomplish, and the fact is, we need each other to get there. We need to reconnect with the group of businesses and friends we have done business with in the past. Even if we do not know what to discuss, the simple question of "How can I help you?" leads to discussions that leads to answers, and answers lead to projects that lead to success. Mine our databases for the pivotal relationships with people and companies focused on moving through this market and becoming better, stronger businesses on the other side.

Act like a bank

Just because many banks are not interested in new real estate development loans does not mean that companies are not growing. All businesses must ask themselves where the best place is to put their capital. The classic answer is to put the money back into the businesses so they continue to grow, which means they need developers to invest in real estate and development to facilitate their growth.

Using this as one of our strategic platforms, we have been promoting our single-tenant development business. We acquire the land and build the building, and the company leases it from us. While financing for even these low-risk developments is difficult, there is capital for these types of projects. A variation of this is called a sale/lease back in which the company already owns the building and real estate. The developer and owner agree on a rent, and the purchase price is determined based on it. The developer receives a lease and cash flow, and the owner receives the profit from the sale and reinvests it in the business.

Go with the flow

"A rising tide raises all ships," so goes the popular quote. Today's market is uncovering opportunities that did not exist before, including bank-note sales or purchasing real estate at prices that will allow for significant value growth and other gap-type possibilities.

There is no point in focusing on a business model that is trying to serve a market that does not exist. For example, high-rise residential in the suburbs is not going to be successful for a long time, regardless of how many Urban Land Institute symposiums you attend. So drop it, look at the market as it is and make decisions based on today's market. The tide of this market is rising, albeit slowly, but it is rising, and we all want to take advantage of the new rules of the game.

Of course, the conspicuous flaw in this argument is that when the market floods from the rising tide, everyone will get wiped out again, and we will be back in the position we are in now. Yes, that is true, which is why we have to remember the signs that led us to this situation and be able to reposition ourselves and move forward. Just like a river never stands still, a company must always be on the move.

Is real estate still a good investment? The answer is yes. The right project at the right location with the right terms still needs to be built. The stock market is not only volatile, it is irrational, and regardless of what Wall Street says, stock performance is not directly related to company performance. In real estate, the value is derived directly from the income from the project or its future use. I would rather bet on the Detroit Lions to win the Super Bowl then buy stock in most companies. Is it rational that, at this time, the stock of GM is around $5 per share? Give me a break.

Someone once said that markets are made in the minds of men. We collectively need to put our energy into what can be done, refocus on the fundamentals of good business and move on. Real estate that is truly valuable has cash flow from healthy tenants, professional management and a vision for the future. cre

Making light work

Commercial developments eye solar installations, but price still an issue

By Brian Sodoma
Special Publications writer

Seth Maurer has an addiction. He's addicted to green. As a vice president with CORE Construction, a contractor who recently completed its 12,000-square-foot LEED (Leadership in Energy and Environmental Design) Gold-certified headquarters in Las Vegas, Maurer has spent a good amount of time lately talking up denim jean insulation and furniture and building components made from recycled materials that have made his work home green.

Maurer and CORE president, Gary Siroky, currently are mulling adding 74 photovoltaic (PV) panels to the roof of their new company headquarters. The potential move comes after shelling out a hefty $150,000 for 99 PV panels installed on top of its parking carports. The 15-kilowatt system is expected to bring a roughly 15 percent power savings to the company. Industry predictions vary on how long it will take to recoup costs on solar, and sticker shock is still clearly an issue when it comes to pricing out solar installations. So why is the company considering adding even more PV panels?

"Personally, our company thinks going green is just the right thing to do. But what you find is, as you start doing it, it becomes addictive," Maurer said.

In the valley, there are several prominent examples of developments that have jumped onboard with solar installations. The Molasky Corporate Center, Nellis Air Force Base and Springs Preserve are just a few examples. On the national level, PV installations grew 45 percent in 2007, helping to push total solar output in the United States to 3.4 megawatts, according to the Solar Electric Industries Association. This figure also includes residential, solar plants, utility projects, water heating systems and other applications.

William Ramsdell, owner of American Solar Electric, a valley-based installer of solar systems, has felt firsthand the impacts of the growing industry. While most of his work is residential installations and a new solar gas lamp replacement technology he has perfected through the years, he was also the contractor on CORE's system.

"In my first year, I bid out $2 million worth of solar and installed $40,000. I'll probably break a million (dollars in sales) this year," he said. "I'm not a rich kid. Everything came from hard work. Solar is a hard go."

The price for solar has come down from about $20 dollars a watt for materials

and installation to about $8 to $10 a watt today, according to Chris Brooks, who runs Bombard Electric's Renewable Energy Division. The group is responsible for some of the largest and high-profile solar installations in the valley, including Nellis Air Force Base, UNLV, Molasky Corporate Center and others. But the price could come down considerably if developers do a little homework before proceeding with an installation.

Incentives, rebates

Credits toward LEED accreditation are one motivator for solar installations. But most developers tend to first look to low-cost additions when trying to pick up extra LEED credits for a higher accreditation. This pushes solar far down on the priority list.

But solar industry experts are particu-

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Seth Maurer
Vice president
CORE Construction

larly optimistic about the extension of a 30-percent investment tax credit through 2016, pushed through by federal legislators earlier this year.

"With the investment tax credit, rebates and today's rising power prices, I think that now we can get our return on investment down under 10 years," added Brooks.

The rebates Brooks is referring to is NV Energy's Solar Generations program, which was started in 2004 and has awarded more than $7 million in rebates on valley solar installations since it started. John Hargrove, project manager for Solar Generations, said as far as the number of installations, residential jobs still rule the day. But interest from small-business owners is on the rise.

"Some have short, and others have very long planning horizons. … Solar is a very long payback. No question," said Hargrove. "Some look at marketing, therefore, overall cost is not as critical. Others have a corporate or personal edict, a personal statement that the business makes that 'we're going to do this even if it's not the most cost-effective, it's the right thing to do.'"

With an annual cap of 3,760 kilowatts, far above the 500 kilowatts in its first year, the program has no shortage of applicants seeking out its $2.30 per watt rebate for solar installations. Hargrove said he regularly sees applications far exceed program limits, but he has also gotten in the habit of taking on extra applications because he's found that, through the years, those wanting to do installations have become gun-shy once it comes time to actually write a check.

"We have a lot of attrition every year. It's very expensive, and people decide they don't want to participate," Hargrove said.

Hargrove, Brooks and Ramsdell encourage those looking at installing a solar system today to think of it as locking in today's power costs for the next 20 to 25 years or for the life of the system.

"Right now, you're looking at about a 20-year payback (without incentives and rebates)," Ramsdell added. "But when the price of power doubles in five years, you're looking at a 10-year payback. … You have to think outside the box."

"Every time utility costs climb, solar becomes more cost-effective," added Hargrove. "With the rebates at $2.30 a watt and a tax credit of $3 (for a $10 a watt installation, for example), you could be looking at more than 50 percent off the price of installation. Now we're talking some big numbers." cre

Concrete cements the construction industry

Dave Kohlengberger
EcoWall

Concrete has long played a vital role in construction, undergoing a gradual evolution that has not only changed architecture but has advanced with it. Its history dates back to the early Egyptians and Romans during periods of great progress in building. These ancient civilizations employed practical ready mixes of sand, gravel and cement to build roadways and aqueducts, leading to the horizontal infrastructure systems that created cities as they are known today.

As history progressed, and cities full of solid infrastructure spread out, the need to build upward grew as space became more limited. This necessitated a strong, solid material to create freestanding structures that would also endure the test of time. Just as concrete worked well for long-lasting horizontal systems, the material could also be poured into molds and then stacked or tilted upward to create walls. These horizontal walls made of concrete became the answer to the problem of building tall, steadfast structures.

Centuries later, construction became more complicated as buildings not only had to be solid and long-lasting, they also had to be completed quickly. Construction time lines for builders had become a key aspect of securing business and making budgetary goals.

Concrete had, until that time, required site-specific, unique moldings to be cured on-site, which added time and construction waste to projects. To combat this, precast wall panels were born. The technology utilized reusable forms not specific to the building sites that could be cured on-site or in factories. Time and money were saved by reusing forms for concrete, and the wall panel quickly became commonplace.

In the Southwest, we typically see site-specific, curing on-site methods used. These cast-in-place walls are used for many office and industrial buildings across the valley. Known as tilt-up construction, the walls are poured into reusable forms on the base of the building site. The poured concrete must then cure for a period of time before being lifted into place. The problem with this operation, however, is that it takes up valuable building site space and also takes time away from the project while it is curing. Additionally, pouring concrete on-site leaves time-consuming and expensive removal of construction waste that can add unnecessary components to a time line.

Working with shorter construction time lines due to seasonal constraints has forced builders in the Midwest to research different methods for building than the tilt-up structures used here. They utilize precast concrete and prefabricated wall systems instead, which cut the curing time and weather-dependent pitfalls of longtime lines forced by cast-in-place concrete.

While using these technologies, additional benefits of prefabricated building methods have been discovered, and those of us in the Southwest can benefit from knowing and using these products in future projects. My 25 years of construction experience in the Midwest and multiple years in the Southwest allow me to understand the benefits of this type of product in both warm and cool climates.

With these added benefits, prefabricated wall systems are gaining popularity in the Southwest. Products such as Ecolite, a "green," waterproof, fire resistant, insulating and sound-attenuating wall system are becoming increasingly available for commercial projects. Ecolite combines two proven technologies for an innovative twist: load-bearing, lightweight concrete, prefabricated wall systems. These systems make for an environmentally friendly and cost-effective solution by using recycled materials and building off-site.

Like Ecolite, prefabricated products are advantageous to the builder. Precast concrete wall systems reduce labor needs on projects, reducing costs for contractors. The custom-built wall panels result in less waste, less environmental impact made by a project's construction and helps to reduce building time. Another cost-saver to consider is the lowered risk of theft due to a fast building enclosure.

Southern Nevada's commercial real estate industry can profit from the many advantages of prefabricated systems to get quality buildings up and complete, ahead of schedule and within budget. The benefits of these systems stretch to include better quality buildings and greater environmental responsibility, moving the industry further along into the future. cre

Change it up!

Remodeling may offer alternative to purchasing new space

By Danielle Birkin
Contributing writer

In light of the nationwide economic downturn, a dynamic shift has recently occurred when it comes to corporate office space. Many business owners are now opting to remodel and refresh their existing workplace rather than take on the additional expense typically associated with relocating to new digs, according to Leslie Parraguirre, president of Colours Inc., a valley-based boutique design firm.

"Colours used to do about 2 percent remodeling, and now we do 60 percent or more across the board both commercially and residentially," said Parraguirre, who holds a license with the Nevada State Fire Marshall and recently acquired her general building license with the Nevada State Contractors Board. "People are looking at how much they can put back into the business or home they already own or lease, and remodeling has become a less expensive alternative to starting from scratch. The commercial market is very tender right now, and they don't want to spend money, but it's amazing what you can do simply by changing paint colors and fabrics and carpeting. You can get a whole new look."

Robyn MacAdams, director of interior design at Carpenter Sellers Architects, said there are three primary regions to consider when remodeling: the reception area, the conference room and the back office.

"There are a lot of very simple treatments you can do to dress up the back wall in the entry behind your front desk to make it look very contemporary and up-to-date," MacAdams said, adding that new lighting fixtures and furniture can also go a long way toward transforming the vestibule.

"Place No. 2 is your conference room, where you show off your company," she said. "That is where you want to develop your image and get your punch. The first thing to do is bring it up to date as far as upgraded technology, then you can add a new top to your existing conference table and get new chairs. We're also seeing a lot of conference rooms with glass walls in the center of the office space that allow for a lot of light."

In the back of the office, MacAdams suggests eliminating interior walls and cubicle partitions to create open spaces — "instead of having everybody in their own little cell," she said — and bring in as much natural light as possible. New carpeting and paint can make a noticeable difference, and the creative use of boldly colored accent walls can add depth and drama. Many businesses are also setting up cool, casual seating areas where coworkers can meet, talk and eat lunch.

And the days of ugly plastic office furniture are happily in the past.

"There have been a lot of improvements in the design of modular office furniture," said Ramona Burns, a project coordinator with Carpenter Sellers. "It can be mixed and matched and moved around, and it doesn't have to be gray. There are a lot of great, bright colors that can look really contemporary."

In addition to the front lobby, conference room and back office, MacAdams said there is one other area to take into consideration when remodeling.

"If you are so lucky as to have your own restrooms, that is another place to invest in," she said. "You can make them look cool and fresh, and architecturally, you can be really creative in there. Try to do something that people remember, so they walk away and remember the flavor that the company has."

Depending upon the complexity of the remodeling project, Parraguirre said, many businesses are able to keep their doors open during the process, especially if they work with a general contractor that specializes in remodeling and understands how to avoid costly delays and pitfalls.

"They have a whole different vision and mind-set and know how to do their homework up-front," said Parraguirre. "You also have to be prepared for any contingency. Once you decide to go forward, you should have all of your materials onsite or ordered before you begin work. And always check your lead times."

In order to have a successful business, Parraguirre said it is imperative to have a memorable brand and look.

"It is important to stay current and contemporary," she said. "People should not be intimidated and need to realize that you can create a new look within a budget."

Another option in office space?

Roy Burson, principle architect at JVC Architects, said some Southern Nevada business owners are looking at less conventional locations, such as buildings that are considered industrial.

"There is a lot of brand new office space that is not leaseable now because the economy has slowed down tremendously, but there is a lot of warehouse space that lends itself to opportunities for lower lease rates," Burson said. "If you take over a bay in an area that has already been developed and renovate the space, you can cut back on your rent." cre

Co-development helps physicians start their own practices

Daniel Amster
Dakem & Associates

The American dream is to own a home; a doctor's dream is to run a successful practice.

Owning a beautiful office with the latest equipment and a crackerjack staff is something to be proud of. Rather than paying a lease with no return, the physician pays off a loan, gaining equity with each payment, while at the same time taking advantage of depreciation, which reduces taxable income. All of this as the property value rises over time.

Achieving the dream can be a daunting endeavor. While physicians are experts in their chosen fields of medicine, they typically know little about land acquisition, construction costs and other important issues involved in the development and building of a new office. This fact alone keeps many of our best doctors from striking out on their own and gaining the freedom of managing their practices as they see fit. Fortunately, this hurdle can be reduced significantly with a new business model called co-development.

> Most doctors are able to buy-out their construction partners once their practices are sufficiently profitable.

Co-development involves bringing in a second party with a vested interest in the success of the development. Quite often, the second party is a general contractor, bringing construction expertise to the table including land acquisition, financing, design, permitting and many of the other important needs with which a doctor has no experience.

The cornerstone of co-development is the general contractor's investment in the new building. As a minority partner, the general contractor benefits from making sound decisions regarding design, financing and other key factors. They keep the project moving forward, using qualified craftsmen to ensure the new office opens as soon as possible. After all, the investment doesn't mature until the office is open for business.

In addition to having the contractor's full attention, the doctor is free to concentrate on staffing, equipment, insurance and other areas.

The process is similar to hiring an interior designer to decorate a new home. The designer may begin with a conversation about what the homeowner sees as the perfect living space, before moving forward with swatches of material and paint chips. Finally, the curtains are hung, and walls are painted.

In the case of the physician, office location is very important as well as meeting the specific needs of the office and its individual spaces. The doctor is provided with regular updates and is involved in all important decisions.

Selecting the right co-developer is important. Qualified candidates need the financial strength to see the project through to completion. In addition, it's extremely beneficial to partner with a company that has constructed similar buildings and has the know-how and proven track record of performing other tasks such as purchasing property, working with engineers to develop the ideal office and the ability to expedite government and utility permitting.

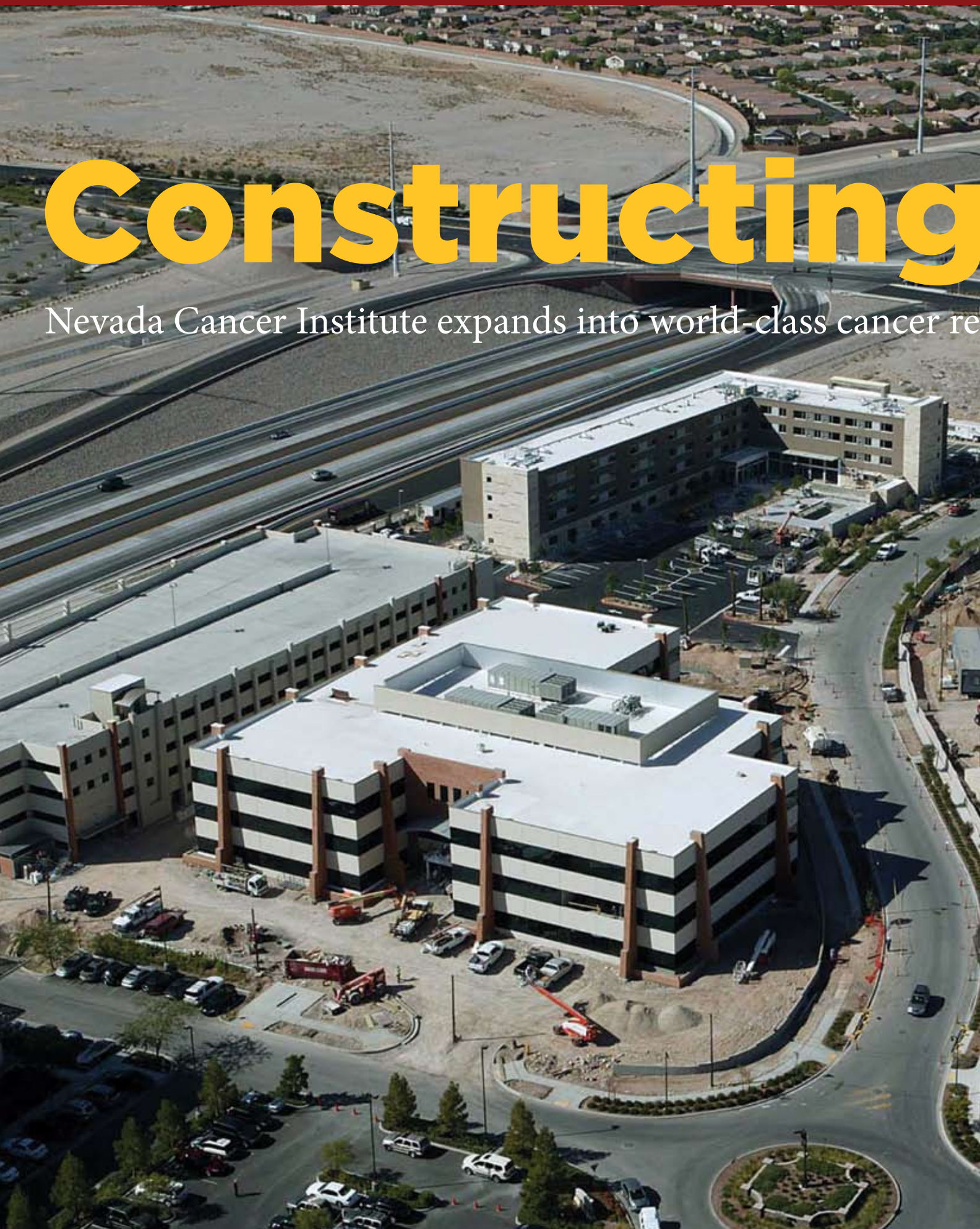
While most co-developers view the process as an investment, few consider these arrangements as long-term deals. Most doctors are able to buy-out their construction partners once their practices are sufficiently profitable.

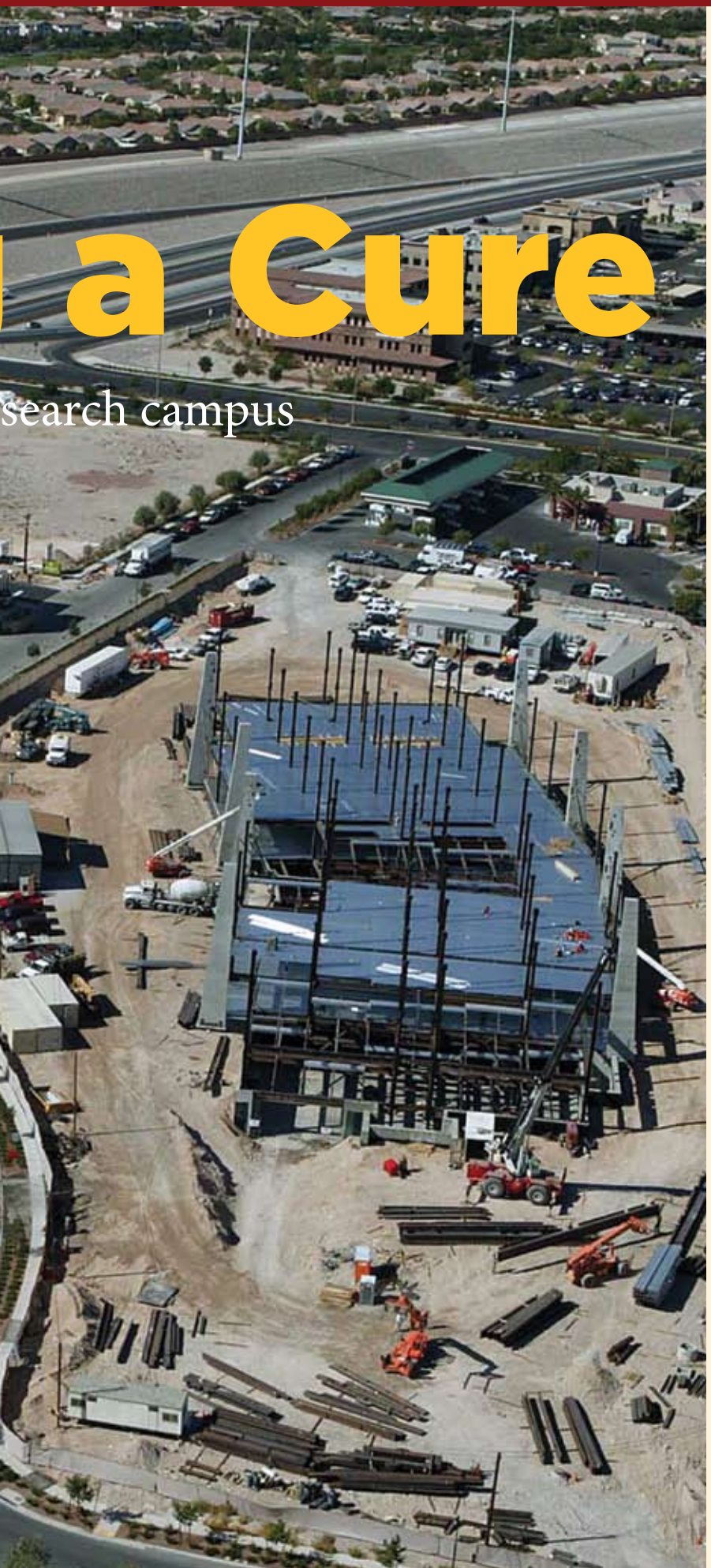
An increasing number of medical offices are springing up across the valley using this or similar models. Physicians are moving into expertly built offices, often in less time and at a lower cost than if the projects were attempted without the co-developer. Also, there are none of the stresses of dealing with architects, engineers, and municipalities endemic to the development and construction processes.

As co-development spreads across the valley, doctors' offices will find their way into the areas where we live and work. Our family practitioners and eye doctors will be only minutes away, and our dentists could be just down the street. Getting that six-month checkup will never be easier. cre

Constructing

Nevada Cancer Institute expands into world-class cancer re





a Cure

search campus

By Brian Sodoma
Special Publications writer

If there's any city in the world that knows how to wine and dine to land the business deal, it's Las Vegas. The Nevada Cancer Institute is doing its share of courting these days, but not simply for dollars. Its pursuits are for intellectual capital in the form of top-notch cancer researchers. And having an expanded research campus could be the linchpin in those efforts.

The process of building a three-story, 102,000-square-foot support services building and a $60 million, 184,000-square-foot research facility started to take shape two years ago. With the help of developer American Nevada Company (a division of the Greenspun Corp., which owns *In Business Las Vegas*), contractor The Korte Co. and a $20 million grant from the Engelstad Family Foundation, big ideas about creating a world-class cancer research campus in Southern Nevada are now being realized.

Nevada Cancer Institute's outreach, human resources, payroll, communications and other administrative offices will soon be housed in the second-floor, 33,000-square-foot section of the currently under-construction support services building. Employees will start moving into the building by mid-January, and researchers will be moving into labs in the research building by late 2009. The site also has a 524-space parking structure under construction.

Construction of the Nevada Cancer Institute's extensive expansion project is well under way in Summerlin.

"The new people (researchers) will be coming between July and September of next year. The move (into their labs) should occur around the last couple of weeks of October," said Dr. Guiseppe Pizzorno, vice president of operations for the Nevada Cancer Institute. "(The research building) is going to help to continue to attract new brains and improve new programs for us."

Bringing it together

At its outset, the Nevada Cancer Institute had to lease office space in various locations around the valley. After completing its flagship 142,000-square-foot building in 2005, some of the operations were then able to consolidate into one facility. The building recently won the 2008 TOBY (The Office Building of the Year) Award in the medical category from the Building Owners and Managers Association (BOMA). The facility has served as a one-stop resource for cancer information and care. Today, one other off-site office is still utilized.

But with the new $30 million support services building coming on line in early 2009, the group will be able to fully consolidate all administrative staff into one site. The moves will only help the group with its mission of using genetics research to help with drug development, eventually allowing the center to become a comprehensive resource for medical treatment and information on specific types of illnesses like melanoma, lung, gastrointestinal and prostate cancers. Currently, the Nevada Cancer Institute has several phase-one and phase-two clinical drug trials underway.

> "The research building is going to help to continue to attract new brains and improve new programs for us."
>
> **Dr. Guiseppe Pizzorno**
> Vice President of Operations
> Nevada Cancer Institute

"We're finally ready to create a culture here that is uniform throughout the organization," Pizzorno added about bringing all elements of the operation together.

Both the support services and research building are designed to complement the existing flagship facility, including having parts of the buildings clad in the same Italian stone as is found on Nevada Cancer Institute's first building. Both facilities will be LEED certified and conform to Summerlin residential design criteria, said David Cousley, architect and design team leader for The Korte Co.

"LEED certified buildings are clearly becoming the norm rather than the exception today," the architect added.

The research center will include 36 labs on its three above-ground floors and will house 40 to 45 principal investigators. Overall, about 250 to 300 people will work in the building, which will also have a basement floor.

"A building like that has a lot of good uses for a basement," added Greg Korte, president of The Korte Co. "Certain equipment and materials can be stored there without needing to bury them in the middle of the building."

Design-build success

Having broken ground in March, the two buildings have moved along at a relatively brisk pace, largely due to the design-build process employed by the developer and contractor. According to the Design-Build Institute of America (DBIA), of which The Korte Co. was a founding member in 1993, on average, a project can be delivered about 20 percent quicker than when the standard design-bid-build method is employed. Design-build allows the contractor to interact with the design process, which can help with accurate budgeting for materials and labor, as well as time lines and scheduling. In some cases, a project can even break ground before design is completed.

"We all work under the same roof and talk every day," Cousley said of the process. "It (design-build) creates single-source responsibility instead of having the client caught in the middle."

"You can hone in on the overall objective of every project, which is budget," added Korte. "Then you can design it to that. ... It also eliminates the age-old problem of having someone design a building then realizing when it's put out for bid that the owner can't afford it. Then it has to go back and be redesigned and rebid." cre

Global financial crisis has negative impact on local, state economies

By John Restrepo
Principal
and **Elena Shampaner-Ghiassi**
Project Manager
Restrepo Consulting Group LLC

This is the first time since Restrepo Consulting Group (RCG) started writing its column for the *CRE* that we report so many of the Las Vegas Valley's economic and commercial real estate indicators heading south and at rates that don't seem to be abating. The major question we keep hearing: "Where is the bottom?"

That remains extremely difficult to answer, because of the unprecedented nature of the downturn. Hopefully, this column can shed some light on what is likely to happen during the next 12 months. That said, I'm reminded of former Secretary of Defense Donald Rumsfeld's quote at the beginning of the Iraq war: "I would not say that the future is necessarily less predictable than the past. I think the past was not predictable when it started."

John Restrepo
Restrepo Consulting Group

Our current economy

The health of our economy, as reflected in the job market, continues to be adversely impacted by the global financial crisis and the uncertainties regarding the $700 billion-plus bail out-rescue plan. Restrictive lending policies continue to stifle investment, acting as a major drag on the local and state economies. We continue to wait anxiously to see to what extent the benefits of the bail out plan "trickle down" to the Las Vegas economy. Our discussions with

local bankers indicate that the trickling is just a very slow drip at this time.

The Nevada Department of Employment, Training and Rehabilitation reported a rise of 700 establishment-based jobs in Clark County in September 2008, up slightly compared to September 2007, growing slightly to 924,100 jobs versus September 2007's 923,400. Compared to last month, employment growth between August and September was 3,900 jobs or .4 percent.

The latest reported unemployment rate for Clark County reached 7.4 percent, 2.3 percentage points higher than September 2007. This is an increase of 45 percent, the highest rate seen in Southern Nevada in many years. Most of the leading indicators do not show signs of improvement for the local or national economies.

Job change by industry

The DETR reported the loss of 13,000 jobs this September in five of Clark County's 11 major industries compared to September 2007. Most of these losses were in the construction, professional and business services, and financial activity sectors. There was a gain of 13,700 jobs in four of the 11 sectors, with the largest in the government (primarily in local education jobs), trade, transportation and utility, and education and health sectors. As mentioned, the net result was a .1 percent gain of 700 jobs relative to September 2007, which is essentially zero growth on a year-over-year basis.

In assessing trends in Clark County's industrial, office and retail-related employment, we look at growth trends during the previous two years. The 153,900 industrial-related jobs recorded in September 2008 were 5.5 percent lower, or less 8,900 jobs, than September 2007. Much of this decline can be attributed to the 8,900 job losses in the construction sector. The 400 jobs lost in manufacturing were offset by the 400 jobs gained in transportation and warehousing. Compared to the 169,800 industrial-related employment recorded in September 2006, jobs this past September declined by 9.4 percent with 15,900 jobs lost. Again, much of this drop was due to the construction sector shedding 16,700 jobs. Manufacturing decreased by 1,400 jobs, while transportation and warehousing added 2,200 jobs.

Office-related employment in September 2008 (222,900 jobs) saw a -0.5 percent fall with a loss of 1,000 jobs compared to September 2007. During this 12-month period, the health care and social assistance sector added 2,500 new jobs. However, the professional and business services and financial activities sectors lost 1,500 and 1,700 jobs, respectively. Compared to 24 months ago, office-related employment only fell by -0.6 percent, or a loss of 1,300 jobs. Health care and social assistance increased by 5,100 jobs between this period, while losses of 3,900 jobs were recorded in professional and business services, and 2,500 jobs were lost in financial activities. However, we expect the rate of these losses to increase as we move through 2009.

Retail trade-related jobs were up 2.2 percent from September 2007, a gain largely driven by continued population growth in the valley. During this 12-month period, contributions came from the general merchandise, clothing and accessories sector with 2,200 new jobs added, followed by food and beverage stores with 200 jobs. Health and personal care stores remained unchanged from September 2007. In the 24-month period since September 2006, retail trade employment grew 4.3 percent. General merchandise, clothing and accessories saw the largest gain with 4,100 jobs, followed by food and beverage stores with 800 jobs, and health and personal care stores added 200 jobs.

Unemployment claim filings

The state of Nevada recorded 72,270 unemployment claim filings in Clark County during the 12-month period ending September 2008. This was 44 percent higher than the change recorded between September 2006 and September 2007 (50,178 filings). The September number is 10 percent above the 40 percent increase noted this past August when compared to August 2007.

On a year-to-date basis, the 56,057 unemployment claims filed in Clark County in 2008 is 50 percent higher than the 37,434 filings during the same period in 2007. This was 5 percentage points higher than what was recorded this August relative to August 2007. Filings also rose by a little over 9 percent when comparing this September to this August.

Clearly, this indicator is continuing to spiral downward and is a very worrisome trend considering it continues to rise at an increasing rate. Until this indicator shows a sustained declining trend for at least two quarters, we will continue to see recessionary Clark County and Nevada economies. This can only occur if capital is able to flow into the economy, and liquidity in the business community and the governmental sector improves.

Similar to other parts of the country, Southern Nevada is experiencing a slowdown in commercial leasing and sales activity with rising vacancies and a number of projects being delayed. With third-quarter data showing a considerable deceleration in economic and market activity, Southern Nevada's commercial markets are expected to post modest results for the remainder of the year.

"SUMMERLIN/WEST VALLEY AREA" COMMERCIAL MARKETS

Industrial market

Industrial activity in the Summerlin/West Valley area (the RCG and Colliers' Northwest and Southwest submarkets) is located at the western edge of the valley. These industrial areas accounted for 32.4 million square feet in 1,895 projects, or 31 percent of the valley's total industrial inventory of 104.1 million square feet in 4,101 projects at the end of third quarter 2008. Of this amount, 3.1 million square feet were vacant in the Summerlin/West Valley area, resulting in a direct vacancy rate of 9.6 percent in third quarter. The valley's reported industrial vacancy rose to its highest level seen in the past five years, reaching 9.7 percent at the end of third quarter. These rates are reaching the 10-percent mark, the long-term stabilized rate, and is a significant increase above the 5.0-percent vacancy reported just four quarters ago (third quarter 2007).

Our concern is how quickly we reached this number and if it will continue to rise at the same rate it did in the last year. Naturally, the declining absorption numbers recorded in the past several quarters relative to completion rates translated into rising vacancy rates. The 842,600 square feet of net absorption in the valley over the past four quarters lagged behind the 6 million square feet of new space additions during the same period. Much of this trend stems from the significant loss of jobs in industries that traditionally occupy industrial space and the downturn of the local economy.

Moving into the remainder of 2008 and early 2009, more than 1.4 million square feet of under-construction industrial space is projected to enter the valley's market. The area is projected to capture 606,500 square feet, or 43 percent, will be in the area. This includes 379,500 square feet of R&D flex space, 117,800 square feet of light distribution space and 109,200 sf of light industrial space. There was an additional 2.9 million sf in the planning stages, with the area capturing 450,000 square feet (16 percent) of this space.

Adding the valley's 10.1 million square feet of vacant space in existing industrial projects and the 1.4 million square feet of under-construction space, then dividing this total by the past eight quarters' average absorption rate of 576,500 square feet results in a five-year supply of space. Although it is unlikely that all of the 2.9 million square feet of planned space will be built, taking this space into account increases the potential absorption period to 6.3 years.

Average monthly industrial rents for in the area have generally been higher

than the valley average. In third quarter, the average rent of $.89 per square foot in the area was $.11 higher than the valley overall at $0.78 per square foot. R&D/flex space commanded the highest rent at $1.06 per square foot for the valley, and $1.17 for the area because these buildings are generally more research-oriented (with more jobs per 1,000 square feet) and also tend to include a higher proportion of office space. Larger warehouse and/or distribution space offered more affordable rents at $0.60 per square foot valleywide and $0.72 per square foot for the area.

Speculative office market

The area's office market has grown to become a key component of the valley's for-lease office inventory. There were more than 13.8 million square feet of speculative office space in 734 buildings at end of third quarter 2008, accounting for nearly a 35-percent share of office space in the valley.

More than half of the vacant space recorded in third quarter throughout the valley was in projects completed after 2002, with much of it built in the very active area. Given its large share of the valley's office market, vacancy in the area influences the valley's vacancy level. Both rates have risen dramatically over the past eight quarters. Vacancy in the area was 18.8 percent at the end of third quarter, 1.3 percentage points higher than the valley average of 17.5 percent.

Valley net office absorption in third quarter was a -162,850 square feet, marking the third consecutive quarter of negative absorption, while completions totaled 579,600 square feet. This results in an absorption-to-completion ratio of -.28:1. To put this number into perspective, for every square foot of new office space added, 0.28 square feet were vacated. The ratio for the area was relatively better at .35:1 but is still indicative of the weak office demand brought on by the valley's economic recession.

Though office rents in the area have generally been above the valley average in recent years, the gap between the two areas has narrowed during the past four quarters. As a reference point, the average reported rent in the area was $0.22 above the valley average just two years ago (fourth quarter 2006). Compared to third quarter, average asking office rents in the area were $2.51 per square foot — $.08 above the valley average of $2.43.

Forward-supply in the valley totaled nearly 2.2 million square feet, a significant drop from third quarter 2007's recorded 6.5 million square feet, as many projects planned to begin construction during the next four quarters were either cancelled or pushed back. Of this amount, more than 1.6 million square feet (or 75 percent) was under construction, representing approximately 4.1 percent of the existing inventory. Forward-supply was concentrated in the area (80 percent with more than 1.3 million square feet under construction and the remainder in the planning stages. Of this amount under construction, 413,550 square feet was in Class A, 510,500 square feet in Class B, 239,900 square feet in Class C and 167,700 square feet was in medical space.

If the 6.9 million square feet of vacant space in existing office projects plus the 1.6 million square feet of space that were under-construction were divided by the past eight quarters' average quarterly absorption of 285,701 square feet, the result would be a 7.5-year supply of spec office space in the valley.

While unlikely, if all of the nearly 550,000-600,000 square feet of planned space at the end of third quarter were to be built, the period potentially grows to eight years — the highest of the three commercial markets. Even more startling is that this number does not include the "shadow" vacancy in the sublease market.

Anchored retail market

Over 37 percent of the valley's anchored retail projects are located in the area with over 15.3 million square feet of rentable space in 74 community, neighborhood and power centers in third quarter. Of this amount, nearly 3.8 million square feet were in power centers, 6.4 million square feet in community

centers and the remaining 5.2 million square feet was in neighborhood centers.

Approximately 720,000 square feet of this space was vacant in the area at the end of third quarter. At 4.7 percent, the area vacancy rate was below the valley retail vacancy of 5.4 percent. In third quarter, the area's average monthly asking rents were $2.55 per square feet, $0.46 higher than $2.09 recorded for the valley. A trend of lower vacancies and higher asking rents reflect the desire to locate in the high growth area with strong household growth and subsequent demand for retail products.

The valley's reported completions of anchored retail space in the last two quarters (102,600 square feet, second quarter; 159,300 square feet, third quarter) were completed in the area. Absorption in the area totaled -276,900 square feet and -416,900 square feet for the valley.

Given its large and relatively affluent residential-base and transportation linkages, including several major freeways that transect the area, the area has become one of the most prominent power center markets in the valley. The area's nearly 9 million square feet of power center space now accounts for over 42 percent of all power center space in the valley.

Anchored retail forward-supply at the end of third quarter totaled just over 5.9 million square feet, a significant increase from the 2.6 million square feet recorded for second quarter. Much of this rise was due to the recorded rise of planned space expected to break ground within the next four quarters, representing 3.5 million square feet (59 percent) of forward-supply in third quarter. What is very unclear is how much of this space will actually get built much less financed considering our anemic economy. The other 2.4 million square feet was under construction. There was 903,200 square feet of retail space under construction in the area at the end of third quarter, with another 489,000 square feet in the planning stages.

There were just over 2.2 million square feet of vacant space in existing anchored centers plus the 2.4 million square feet of under-construction space the end of third quarter. Comparing these estimates to the past eight quarters' average absorption rate of 531,544 square feet, indicates there is about 2.2 years of anchored retail supply to absorb. Factoring in the prospect of another 3.5 million sf of planned space, the absorption period potentially grows to just under four years. However, there is a good probability that a notable portion of this planned space will be cancelled or at least shelved until consumer confidence and spending improve.

Commercial sublease space

Sublease space in the valley represents a small but growing part of our three commercial markets. With the emergence of negative net absorption in these markets, we are paying increased attention to the health of the sublease sector. The challenge for the local development industry is that sublease space is often seen as a very attractive alternative by start-up business, new market entrants and businesses experiencing rapid expansion or contraction. The reduced term commitment and often lower rents, as well as completed space requiring no or very limited TIs, make sublease space an attractive short-term solution for businesses dealing with uncertainty, and never more so than today.

In the valley's industrial sector, sublease space more than doubled from 368,060 square feet in third quarter 2007 to 677,100 square feet (257,800 square feet in the area) in third quarter 2008. Sublessees still occupy 12.8 percent of this space. However, when vacant sublease space is added to the direct vacant space in existing projects, the valley's total industrial vacancy rate rises to 10.4 percent from the reported 9.7 percent at the end of third quarter. This trend is very concerning considering the potential length of the valley's economic downturn, which is likely to be with at least 18 months.

Speculative office sublease space has also risen dramatically from 158,662 square feet in third quarter 2007 to 897,544 square feet (241,700 square feet in the area) in third quarter 2008, nearly six times more space. This is an astounding amount over a one-year period. Of this amount, 9.9 percent is still occupied by sublessees. If vacant sublease space is added to the direct vacant inventory, the valley's overall office vacancy in third quarter rises to 19.5 percent from the 17.5 percent noted previously.

For the valley's anchored retail market, sublease space rose from 51,850 square feet in third quarter 2007 to 166,587 square feet (89,800 in the area) in third quarter 2008, a large change for one year, but a relatively small amount considering the size of the valley's anchored inventory. More than 15 percent is still occupied by sublessees. Adding vacant sublease space to the directly vacant inventory raises the valley's anchored retail vacancy slightly from 5.4 to 5.8 percent in third quarter.

Concluding remarks

It appears that everyday we hear a litany of bad news from Wall Street and increasingly from Main Street, as the global financial crisis worsens before it gets better. Make no mistake, it will get better. That is the nature of all economic and real estate cycles. That said, the current crisis will be more protracted than what we have seen in our lifetimes, because of its global nature. Here in Southern Nevada, most measures and indices of economic and development activity continue to fall, some more precipitously than others. Clearly, the malaise that we are seeing today is not going away any time soon even if some of it is due to unwarranted fears.

There is very little doubt that there is unreasonable fear about our future and that this fear has the potential to exacerbate the recession in Southern Nevada. But to say, as I'm hearing more frequently, that our current economic real estate market problems are "all the media's fault" shows a complete lack of understanding of today's economic and financial facts. The media can be accused of publishing attention grabbing headlines at times. But to accuse the media of causing recessions is as wrong-headed as crediting it for the economic recoveries that inevitably follow. We are in an unprecedented recession and no amount of blaming the media will make it any less so. So what have we learned? The days of "business as usual" are gone, not only for Southern Nevada, but for the U.S. and global economies.

At the end of the day, what will be necessary is a bold plan that not only helps Wall Street but also that directly benefits local and state economies. There is general agreement by a growing number of economists that such a plan could include direct assistance to all home owners via interest rate reductions combined with replacement 30-year mortgages, based on the lower housing prices. This assistance could be combined with a massive public investment program to help fix the nation's ailing (also know as economic) infrastructure networks (roads, ports, bridges, rail, electric grid, air travel, hospitals, etc). Such a plan would "put America back to work" by providing jobs, generating capital for businesses and replenishing state and local government treasuries. A recent report co-published by the Urban Land Institute and Ernst & Young estimates that the U.S. has at least a $170 billion annual infrastructure-funding gap.

Such investment is not without challenges and detractors; it would not be a magic bullet and would be costly. It could not be implement overnight and would require a major reallocation of resources. But, it could be part of an integrated solution that could help mitigate the length and intensity of the recession by restoring confidence and improving America's competitiveness in the long term. I'd like to close with another notable quote. This one by Albert Einstein: "We can't solve problems by using the same kind of thinking we used when we created them." cre

Project enjoys area traffic boost

Metreon locking up commercial tenants before selling residential units

By Brian Sodoma
Special Publications writer

You don't want to hang your developments hopes on the future of a Las Vegas Athletic Club opening nearby. But Mike Kennedy is unabashed about telling others that the nearby gym's early 2008 opening has made leasing commercial space at his southwest valley Metreon Las Vegas project a bit easier.

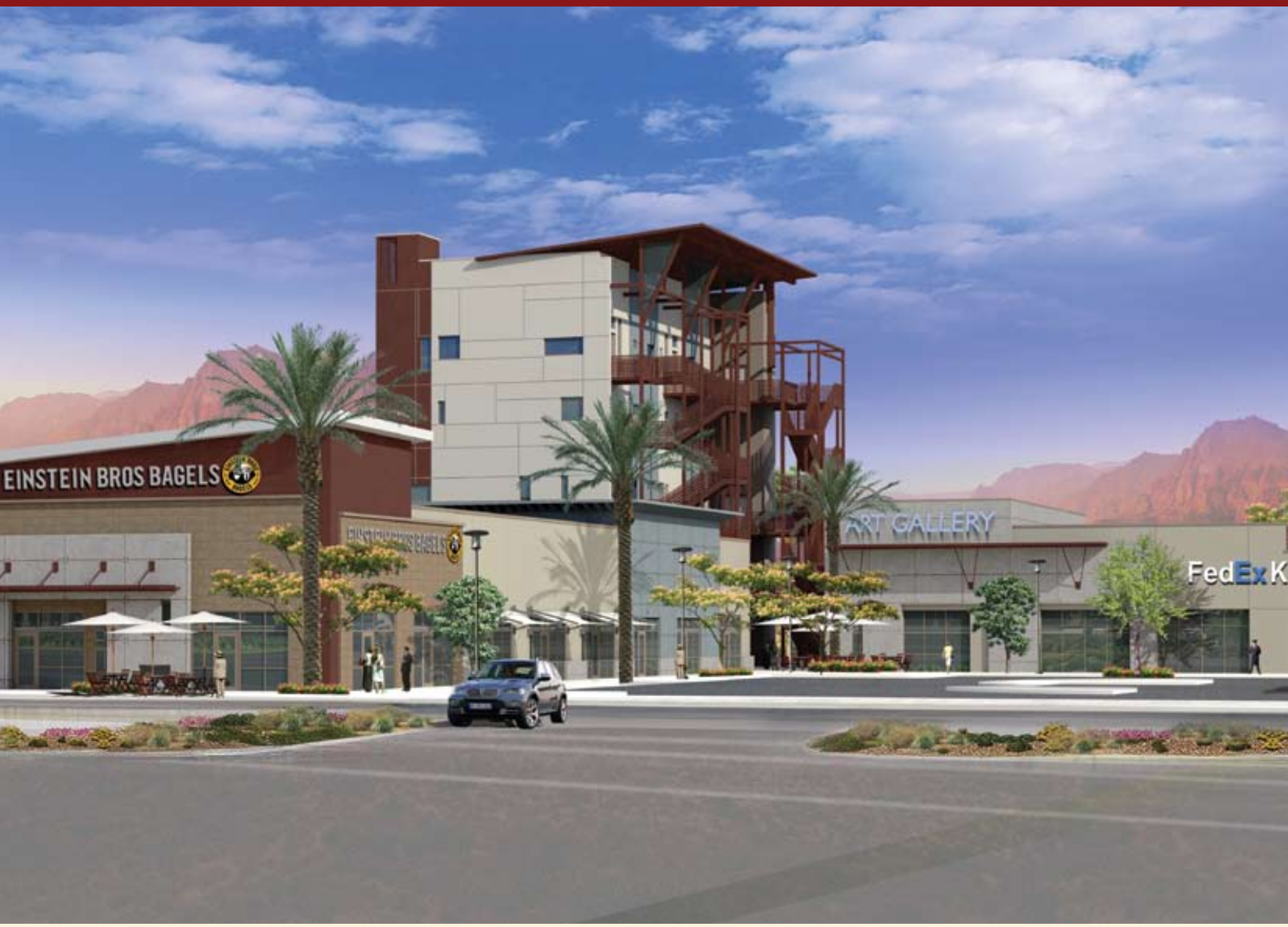
"Traffic counts year over year for most intersections remain pretty flat. But this year, because of the opening of the gym (at the southwest corner of the 215 beltway and West Flamingo Road), we've seen a large increase in traffic counts. Few places can point to that," said the president of Kennedy Commercial, developer of the $33 million Metreon mixed-use center near Fort Apache and Flamingo roads. "It would've been more difficult without the gym opening. It sort of balanced out the (difficult) economy factor out there."

Located at 9500 W. Flamingo Road, the 110,000-square-foot endeavor completed construction in September. Now seeing tenants gradually file into retail, office and live-work spaces, it is shaping into a promising mixed-use concept in a sea of failed or stalled valley commercial developments.

With the 6,000 to 7,000 people per day frequenting the nearby gym, bringing traffic counts at the Fort Apache and Flamingo

intersection near Metreon to more than 60,000 cars daily, filling the remaining 30,000 of an approximately 90,000 square feet of commercial space on the site should get a boost, according to Kennedy.

Einstein Bros. Bagels, FedEx Kinko's, My Gym and a few other tenants are open for business, while others like Sam-



my's Woodfired Pizza, a nutrition store and an upscale Italian restaurant are coming onboard in early 2009. An architecture firm, dentist and The Ferraro Group public relations and public affairs company are also occupying office space, while others are in line for early 2009 openings. Office lease rates are roughly $2.25 per square foot, and retail is averaging about $3.75 a square foot, added Kennedy.

There will also be 14 residential units comprising the remaining 20,000 square feet of the six-building project. Six units will be second-floor live-work spaces, and of the remaining eight residential condo units, two will be top-floor penthouses. Kennedy will shoot for $400 to $500 per square foot on the units, which will range from 1,700 to 2,600 square feet.

"We're trying to get all the commercial substantially complete before final improvements on the residential begins," the developer added.

For Kennedy, developing the site was as much about being architecturally unique as it was making sure that the tenant mix both served office and residential components of the project. The 10-acre site also has 50,000 square feet of fully leased office space behind Metreon. Kennedy made sure the site allowed for easy access between the office space in the back and the new retail amenities up-front.

"We tried to keep amenities in tune with the lifestyle of all the tenants. We also wanted to try to integrate the front and back tenants with amenities they would all use," he said.

Metreon borrows architecturally from DC Ranch, a mixed-use project in Scottsdale, Ariz., which successfully employed natural local resources in its design. Thus, Metreon's design includes exposed wood beams and aggregate, raw steel and naturally treated metal finishings.

"We really didn't want a lot of yellow stucco out there. We wanted something more organic to the environment," Kennedy said.

Solid visibility from Flamingo Road has also helped bring tenants to Metreon. Some traditionally ground-floor retailers have even opted for second-floor office space.

Originally, Metreon was zoned for 200 residential units. But the developer made plan changes as a result of the weakening housing market. The project broke ground in late 2007 and went vertical in February of 2008.

"That (200 residential units) would not have been the smartest idea. We wanted to build something more intimate from both a commercial and live-work perspective," Kennedy concluded.

Brian Gordon, a principal with Applied Analysis, a Southern Nevada economic research firm, agreed that the shift away from a residential-dominated project was well-timed.

"The limited number of units makes it more of a commercial center than a residential community," Gordon said. "They're looking for a premium (residential per-square-foot price) for the market, which is difficult in this environment and will remain difficult for the next several quarters." cre

"The aesthetics of the park are nice, parking is more than adequate and the location is fantastic."

Todd Nigro
President
Nigro Development

Growing the southwest

Master-planned office park attracts new business and residents

By Danielle Birkin
Contributing writer

As southwest Las Vegas continues to grow and attract both new commerce and residents, a large-scale office park project is poised to eventually provide hundreds of thousands of square feet in prime Class A commercial space. Companies will be looking to take advantage of its strategic location in one of the valley's fastest-growing regions.

Nigro Development and its partner company Nigro Construction are acting jointly as the project developer and general contractor for Desert Canyon Business Park, which is situated on a 50-acre site at the 215 beltway and West Russell Road intersection. Construction began in 2006 on the master-planned office park, which will feature in excess of 400,000 square feet of commercial office space at build-out, according to Todd Nigro, president of Nigro Development.

The first phase of the project includes 180,000 square feet of space in eight buildings located on 16 acres. Of those eight buildings, five have been sold; only 30,000 square feet remains in phase one that has not been leased or sold. Nigro said leasing rates are competitive and run about $2.25 per square foot.

"We target all different types of professionals and have representatives from home-building, insurance, health care, gaming, medical, banking, and development and construction," Nigro said, adding that the project has been well-received. "We have a very broad base of tenants and of owners, which has created a very successful and complimentary business park. The aesthetics of the park are nice, parking is more than adequate and the location is fantastic."

Tenants in phase one include Bank of George; home-builder Beazer Homes; condominium developer ManhattanWest; insurance company Lovitt & Touche; and Cannery Casino Resorts.

Diane Fearon, president and CEO of Bank of George, a community bank with a business banking emphasis, said Desert Canyon Business Park has proven to be the ideal site for the company's corporate headquarters.

"Desert Canyon's location at West Russell Road and 215 is an outstanding position to service a customer base that spreads across the Las Vegas Valley," Fearon said, adding that Bank of George opened in September 2007 and leases approximately 7,800 square feet of space. "The opportunity to be in a development that presents the same type of image that Bank of George represents — businesses that are solid and aware that your facility reflects the tone of your company — has assisted the bank in being favorably recognized."

Nigro said the remaining undeveloped 35 acres on the site are in the planning stages, although there is no time line for commencement of construction. Nonetheless, Nigro said that ideally, the second phase of Desert Canyon is being designed to attract major corporations planning to headquarter or consolidate operations there.

"We hope to kick off the next phase with somebody looking to do something on a larger scale — a company who wants the desirable visibility, access and location that Desert Canyon has to offer," Nigro said. "Desert Canyon is convenient and accessible for both employees and customers, and we feel we are offering a solid package in a newer area of town that has quite a bit of activity both residentially and commercially and lends itself to being more attractive."

Nigro said Desert Canyon will likely unfold during the next several years with a total of three or possibly four phases, depending upon the rate of office space absorption in the southwest.

"There has been a fair amount of office space developed in the area other than ours, and a weakening of demand because of macroeconomic issues, so we are just being methodical and will not rush to build something that will sit vacant," Nigro said. "We will continue to build as demand dictates and could be under construction as early late 2009, with move-in in 2010." cre

Supply and demand

The Arroyo helps bring services to southwest valley

By Brian Sodoma
Special Publications writer

Because of rapid growth, southwest valley residents have grappled with a lack of access to needed services since the 2004-05 housing boom. The boom, which brought feverishly built homes out to the valley's fringe, also resulted in commercial development having a tough time keeping pace with the growing number of subdivisions. Today, with an economic slump and credit crunch taking their toll on future commercial development in the area, there is still plenty of demand for services.

The Arroyo, a 450-acre mixed-use project with a northern border of Sunset Road, a southern boundary of Warm Springs Road and Buffalo Drive, and Rainbow Boulevard serving as western and eastern borders, has brought some much-needed retail amenities to the area in the past year. Currently, the $1 billion project is roughly 50 percent complete and is slowly adding more to its eventual 5-million-square-foot build-out. Despite optimism, EJM Development officials admit the massive project will be fully built out when an economic rebound most are wary of predicting finally occurs.

In the short term, residents from nearby communities such as Rhodes Ranch, Mountain's Edge and Nevada Trails now have access to nearly 1 million square feet of retail space, with large tenants like Sam's Club, Office Depot, Babies"R"Us, and a host of other retailers and restaurants dotting the current build-out. The retail component was started a few years ago and was completed in the first quarter of 2008. The bulk of it borders the south side of the 215 beltway and stretches roughly from Rainbow Boulevard to Buffalo Drive.

"Before we built this project, there was nowhere for these people to go," said Kirk Boylston, regional director for EJM Development, which has a ground lease with Clark County on the 450-acre site. "For the past few years, I was always running into people asking, 'When are you going to open that thing?'"

While the 1 million square feet of retail and restaurant offerings is almost completely leased out, there is plenty more on deck for The Arroyo, which will have roughly 1.5 million square feet each of office, retail and industrial space when completed. Future retail expansions are in various phases of permitting right now.

"We're really moving at a slow pace on that right now. There's no hurry," Boylston added. "The type of retailers we have in the existing center right now are well-suited to make it through this economy."

The office bet

It's arguably the worst office market in the valley; the Southwest Region recently came in topping 21 percent vacancy for office space in third quarter 2008, according to figures supplied by Applied Analysis, a Southern Nevada economic research firm. But The Arroyo currently has almost 150,000 square feet of single-story office space under construction. The three 46,000-square-foot buildings are set for completion in March. It also has two completed two-story buildings totaling 125,000 square feet; about 50,000 square feet is leased.

Boylston said having the retail and restaurant amenities in place has helped generate interest for new and existing office product. Four additional 46,000 square-foot single-story office buildings are also in the permit process but may take about a year to 18 months to be completed.

"The economy has clearly slowed our leasing, but it hasn't stopped our leasing. We are absorbing the product, and we are getting more than our share of deals in the market," he said.

EJM has been offering tenant improvement incentives but has been able to hold firm on its rent prices. Rents have been roughly $2.40 per square foot modified gross for The Arroyo's Class-A product, while the single-story offerings should attract about $1.65 per square foot triple net, Boylston added.

"We've seen a really good decrease in the cost of our tenant improvements. For tenants that don't have an extensive build-out, they're basically able to do a turnkey tenant improvement package, which we couldn't have done a year ago," the executive added.

Brian Gordon, principal with Applied Analysis, said it's tough to gauge with such a weak overall market if amenity-rich properties will truly outperform those buildings not in close proximity to abundant retail and restaurants. But, he also added that amenities don't hurt a building's tenant prospects.

"Given the fact that vacancies are at an all-time high, it's difficult to get deals done. And having limited amenities certainly won't help you," Gordon said.

Boylston also said EJM took care of median and landscaping improvements early on to help with the overall marketability of the project. Although that move was questioned at times when the money was being spent, the developer now sees the decision as a wise one due to the sudden and apparently protracted economic slowdown.

"Those things are really paying off. We're kind of designed to retain right now. And when we get back to a normal market, we'll absorb that much more rapidly," Boylston added.

Industrial

Currently, The Arroyo has 600,000 square feet of industrial space completed. The first 300,000-square-foot building is completely leased, while the second 300,000-square-foot offering is about 80 percent leased. Another 450,000 square feet is under construction and is scheduled to come on line in February. Some of the existing industrial space tenants include Consolidated Electrical Distributors (CED), Kort Furniture, Dish Network, Toshiba and Stantech Engineers. cre

Southwest's health care gets a boost

By Danielle Birkin
Contributing writer

As residential growth continues to boom in the southwest valley, hospital construction has ramped up. Three large-scale medical facilities are now located in the area: St. Rose Dominican Hospitals' 147-bed San Martin campus, the 139-bed Southern Hills Hospital & Medical Center and the 210-bed Spring Valley Hospital.

By the same token, southwest Las Vegas has also seen an explosion of medical office construction as an increasing number of physicians and other health care professionals set up practice in close proximity to the hospitals. In fact, Bruce Follmer, senior associate at CB Richard Ellis, predicts the southwest will eventually emerge as the next major medical corridor in the Las Vegas Valley.

Follmer said the southwest submarket currently has approximately 1.56 million square feet of rentable medical office space — about 13.7 percent of the valley's total 8.43 million square feet. Much of the new medical space in the southwest came on line recently, according to Follmer, accounting for the area's 38 percent vacancy rate.

"It's not because physicians are moving out of the area or going out of business," Follmer said. "Rather, all of that space came on line at the same time."

Follmer anticipates that medical office construction will continue in the long-term in the southwest as the recent influx of new square footage is absorbed, and the marketplace rebounds.

"Once we get through the economic crunch, the next natural growth pattern is out in the southwest," Follmer said. "... Geographically, it is the easiest place for physicians to practice with the three hospitals in the area and easy access to the freeways. .... Medicine is about ease of access, because when people are sick, and they want to see their doctor, they want easy access in and out."

As if to further emphasize this point, CB Richard Ellis' third quarter 2008 "MarketView: Las Vegas Medical Office" states: "This quarter, there is approximately 784,000 square feet of medical space under construction, with another 576,000 square feet planned. The bulk of the planned space is in the southwest submarket."

Chris Jensvold, a senior associate at Colliers International, agreed that the southwest submarket is bound to emerge as a primary health care hub in the valley.

"It will be a major medical corridor, and there are projects in the planning stages for additional square footage when the existing space gets absorbed," said Jensvold, who represents the San Martin Medical Campus, a 375,000-square-foot medical office complex located across the street from the San Martin hospital campus. "Buyers and tenants are finally starting to surface and (the San Martin Campus) has had time to establish itself in that residential area, and there is opportunity for more development."

This includes the MacFarlane Medical Center, a 42,000-square-foot Class A facility that was completed for a cost of $6.3 million in April.

Located adjacent to the San Martin Campus, the three-story, steel-frame structure was designed to have the flexibility to accommodate both large and small medical practices. Capovilla Management developed the MacFarlane building, while Moser Architectural Studio was the architect of record on the project, and SR Construction provided general contracting services.

Rob Silecchia, vice president of SR Construction, said the firm was selected because of its combined experience in both design-build and the health care marketplace. cre

THE AMERICAN INSTITUTE OF ARCHITECTS

STRUCTURES

The mission of the Las Vegas Chapter of the American Institute of Architects is to advance design and the built environment through education, public awareness and by empowering its members. AIA is the local and national association for architects and design professionals and therefore is the voice of the architectural profession and is the resource for its member in service to society.

When you see the designation AIA following the name of an architect, it means that he or she is a fully licensed and registered architect who upholds the highest standards of ethics and professional practice. It means that he or she is a member of the American Institute of Architects, and they are first and foremost dedicated to providing quality design, safeguarding the public and improving our built environment.

AIA was created in 1857. For more than 150 years, the organization has provided education, government advocacy, community development, public outreach activities and has endeavored to create an environment that is responsive to the people it serves. As members of the AIA, more than 85,000 licensed architects and associated professionals express their commitment to quality design and livability in our communities throughout the country.

The Las Vegas Chapter of the American Institute of Architects was founded Jan. 5, 1956. Membership in AIA Las Vegas includes more than 650 architects, associates, and allied members from Southern Nevada. Nationwide, we are an organization of more than 85,000 members strong. Executive Director Randy Lavigne, Hon. AIA, who serves at the direction of the Board of Directors, administers the local chapter. The board is comprised of 12 elected positions. Each board member also serves as a chair or director of a committee, event or program. The president serves for one year as president-elect before taking office. The installation of officers takes place at the December meeting, which is the annual holiday celebration for the membership.

Committees are established each year. Service on them is voluntary, and all committee members must be AIA members in good standing.

Annual membership dues for AIA Las Vegas are structured for architects, associates and allied members, and cover the year from Jan. 1-Dec. 31. Membership in AIA Las Vegas includes regional memberships in the AIA Nevada, AIA Western Mountain Region, and AIA National. Other membership benefits include monthly membership meetings, subscription to the monthly newsletter "Forum," listing in the annual AIA Las Vegas Directory, access to continuing education programs, lectures, exhibits and events, as well as legislative advocacy.

For more than 150 years, members of the AIA have worked with each other and their communities to create more valuable, healthy, secure and sustainable buildings and cityscapes. "Good Design Makes A Difference".

For more information or to become a member, contact the AIA Las Vegas office at (702) 895-0936 or visit our Web site at www.aialasvegas.com or the AIA national Web site at www.aia.org.

Mark F. Hobaica, AIA
President | AIA Las Vegas

Interior environments: Nalani | assemblageSTUDIO

About the Nevada Design Awards Program

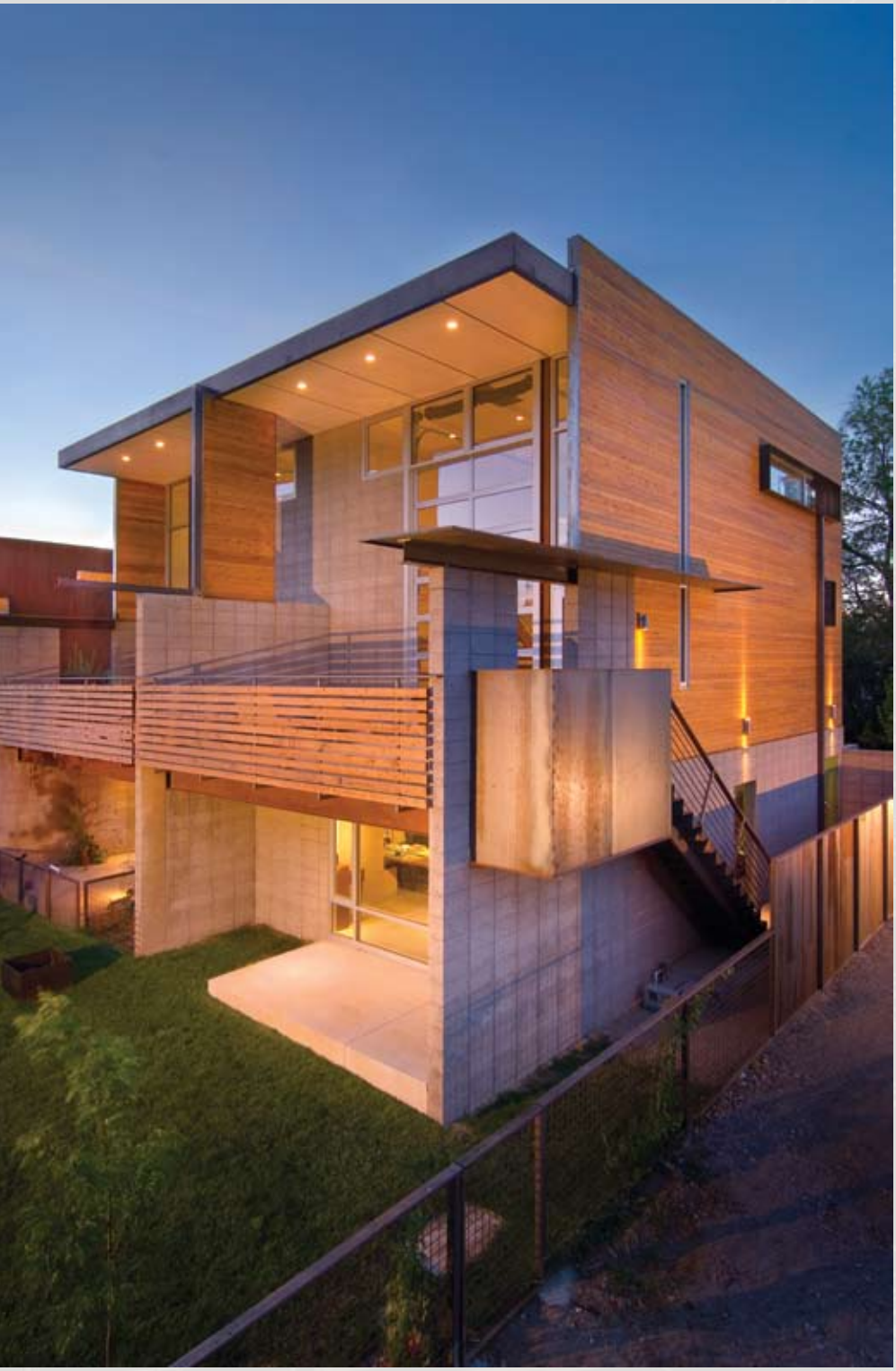
AIA Nevada has applauded the exceptional design accomplishments of some of the state's top architects through the Nevada Design Awards Program. The annual statewide program recognizes achievement of the highest standards of design excellence and quality in several categories.

Projects ranged from private residences to public buildings and businesses. Several projects grappled with the task of adding to an existing building or buildings, reflecting nationwide trends to redensify a city as an alternative to sprawl and to define a sense of place in urban centers. All awards were presented in early November at the AIA Nevada Design Awards Banquet in Squaw Creek.

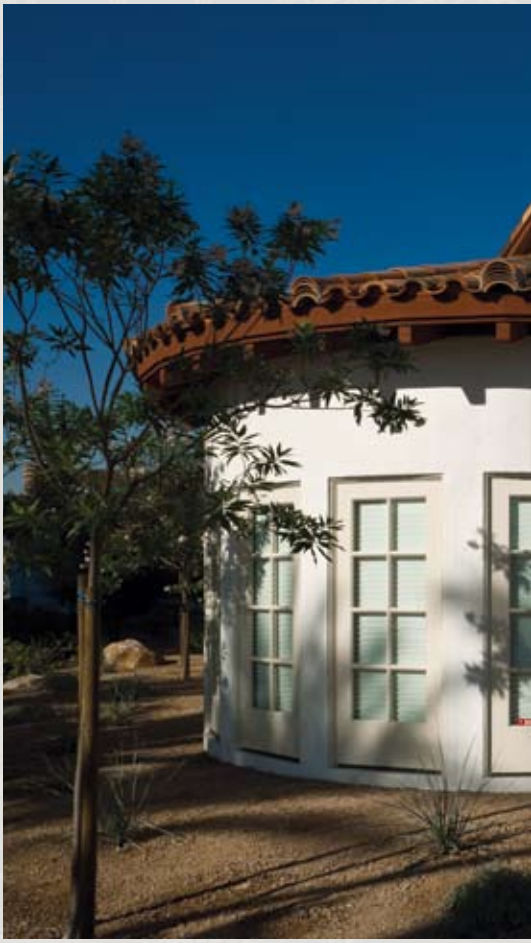
In 2008, 59 project submittals were accepted for judging by three jurors: Edward M. Jones, AIA of Jones Studio Inc., Phoenix; Wendy Pautz, AIA of LMN Architects, Seattle; and Thomas Bitnar, AIA of Bitnar Architects, Bozeman, Mont.

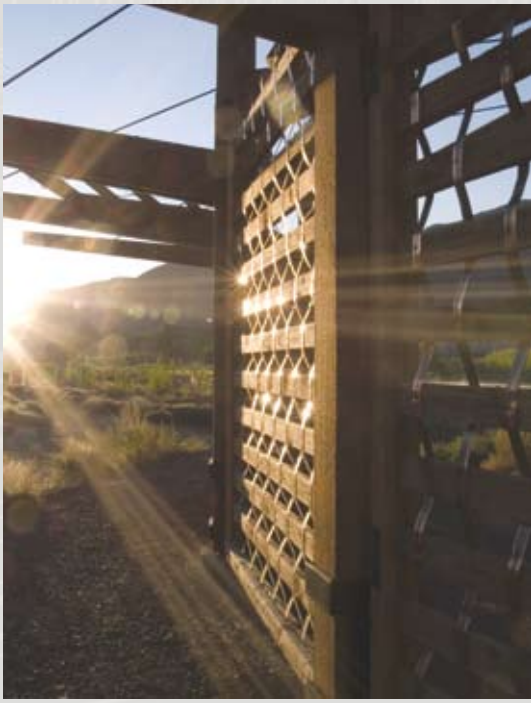
The jurors awarded six awards in the categories of Architecture, Interior Architecture, Regional & Urban Design and Collaborative Achievement.

Regional & Urban Design
Andre Agassi College Preparatory Academy
Carpenter Sellers Associates

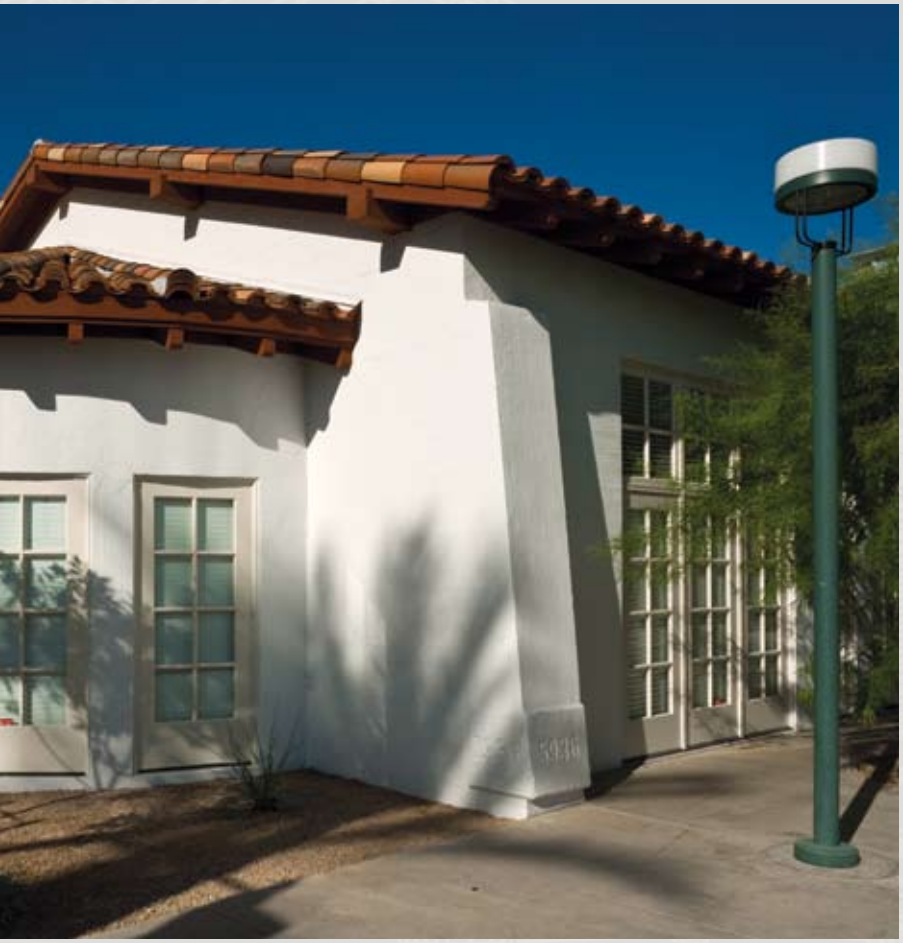


Architecture: **Block Party 4** | Hawkins and Associates

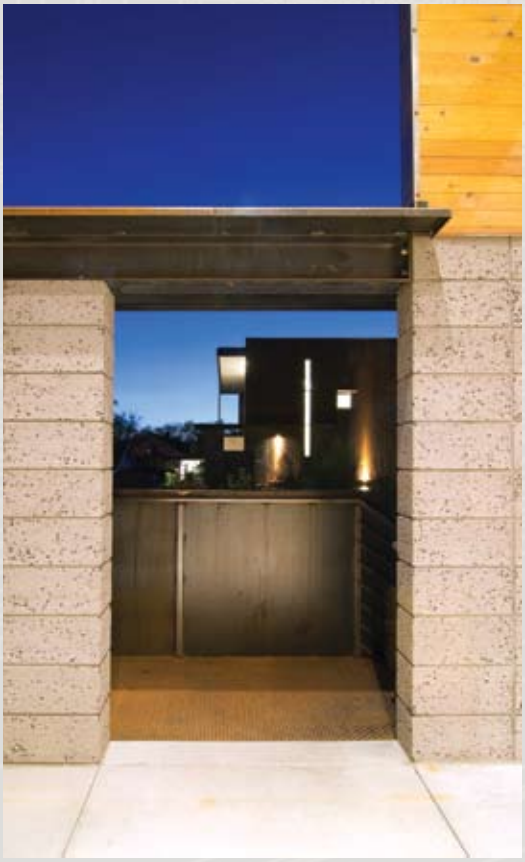




Collaborative Achievement
McCarran Ranch Shade Structure
Cathexes, LLC



Architecture: **Historic 5th Street School Renovation** | KGA Architecture



Collaborative Achievement
Urban Infill - Block Party
Hawkins and Associates

2008 Distinguished Service Awards

AIA Nevada Architecture Firm Award

Tate Snyder Kimsey Architects | Henderson

The AIA Nevada Architecture Firm Award is the highest honor that the Nevada Chapter of the American Institute of Architects can bestow on an architecture firm. It is awarded to recognize a firm that has consistently produced distinguished architecture for a period of at least 10 years and has shown a commitment to the AIA and the profession of architecture and has been of service to the community in which they are located. It is conferred by the AIA Nevada Executive Committee on behalf of all AIA Nevada members. This is not a Firm of the Year award. It is, instead, an honor that is reserved for those firms who have established a distinguished record of quality design and service to the profession and to their community for a period of at least 10 years.

Young Architect Citation

Ken Bartlett, AIA | Reno

Deepika Padam, AIA | Henderson

The AIA Nevada Young Architect Citation is given to individuals, who at an early stage of their architectural careers, have shown exceptional leadership in design, education, and/or service to the profession.

Allied Member Award

Patricia Hegge | Reno

Awarded to the individual AIA Allied member who has contributed significantly to the profession of architecture through their membership and participation in their local chapter of the AIA.

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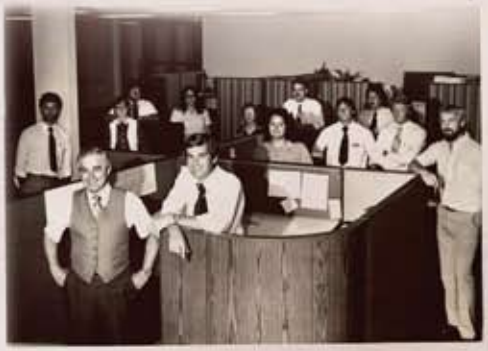
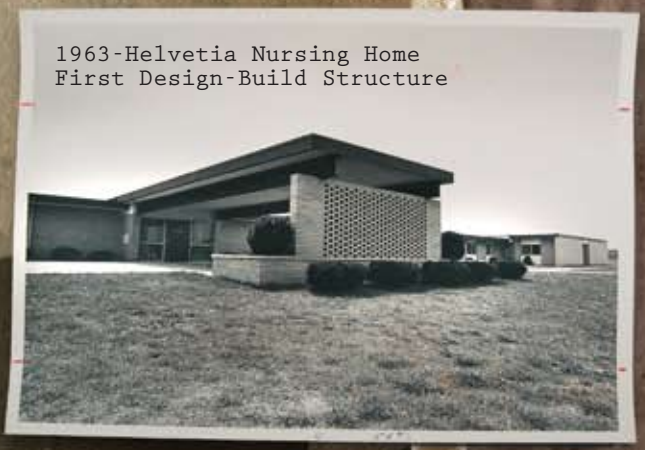


Ralph Korte Architectural Services
Highland, IL - 1980

513,420 sq. feet
Design-Build Dis



1963-Helvetia Nursing Home
First Design-Build Structure

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