

ECONOMY

In Q3 2026, the Reno area recorded 287,200 jobs, with unemployment declining 20 basis points (bps) year-over-year (YOY) to 4.0%. The region continued to exhibit steady growth, with households increasing 170 bps YOY to 239,300. Wage growth remained a key driver of labor force expansion, as median household income reached \$95,300, up 390 bps YOY.

SUPPLY

Reno's industrial vacancy rate declined 60 bps quarter-over-quarter (QOQ) but increased 50 bps YOY to 11.8% in Q3 2026, reflecting healthy demand. Direct vacancy compressed 90 bps QOQ to 10.8%, while sublease vacancy rose from 0.70% to 1.0% as occupiers marketed additional space. The market recorded just 40,331 square feet (sf) of completions during the quarter, bringing the year-to-date (YTD) deliveries to just over 1.0 million square feet (msf). Large space availabilities added in Q3 included 223,323 sf at 1055 E Greg Street and 180,792 sf at 811 Sandhill Road. The moderation in development activity and active tenant demand is expected to support continued stabilization as the market works through existing available inventory.

DEMAND

Reno's industrial market posted 842,119 sf of positive net absorption in Q3 2026, bringing the YTD total to more than 2.2 msf. Leasing activity totaled nearly 1.5 msf during the quarter and 6.4 msf YTD, surpassing the five year quarterly average of 1.8 msf by 13.9%. Activity was concentrated in Sparks, which accounted for 672,104 sf, or 45.2% of quarterly leasing volume. The largest lease transaction was Tire Rack's 454,480 sf commitment at 3300 Waltham Way. Sparks and Storey County led absorption with gains of 393,720 sf and 389,473 sf, respectively, while South Reno returned the most space to the market at 195,957 sf. By size segment, buildings exceeding 250,000 sf continued to drive market performance and accounted for the majority of occupancy gains during the quarter. Supported by sustained occupier demand, strong leasing fundamentals, and continued activity in large warehouse and distribution facilities, Reno remains a strategic and cost competitive Western U.S. industrial hub.

PRICING

Reno's average monthly triple net (NNN) asking rent increased \$0.01 per square foot (psf) QOQ and \$0.02 psf YOY to \$0.84 psf in Q3 2026. Continued leasing momentum, declining vacancy, and a slowdown in new construction have helped support rent stability despite availability remaining above historical norms.

MARKET FUNDAMENTALS

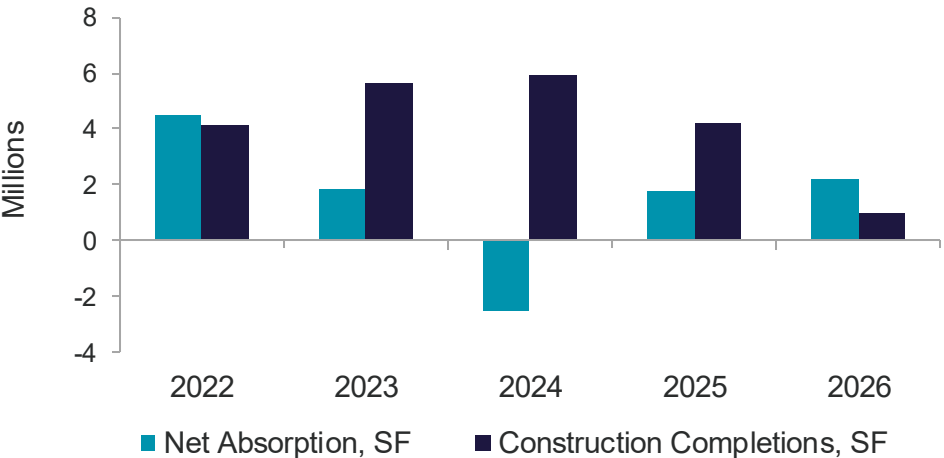
	YOY Chg	Outlook
11.8% Vacancy Rate	▲	▼
2.2 M YTD Net Absorption, SF	▼	▲
\$0.84 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▲	▬

ECONOMIC INDICATORS

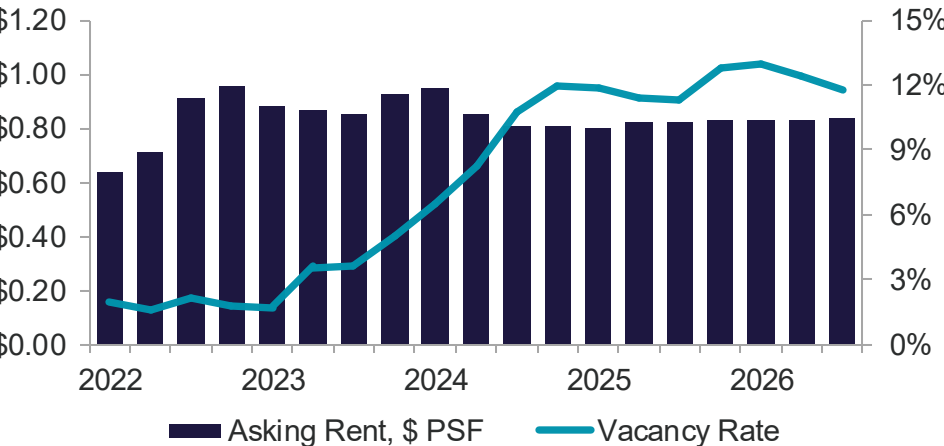
	YOY Chg	Outlook
287.2K Reno Employment	▲	▲
4.0% Reno Unemployment Rate	▼	▲
4.1% United States Unemployment Rate	▼	▲

Source: BLS

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	YTD CNSTR COMPLETIONS (SF)	OVERALL DIRECT NNN *ASKING RATE	OVERALL NNN *ASKING RATE
Airport	10,244,009	858,182	8.4%	269,432	503,862	853,441	0	0	\$0.90	\$0.88
Central	1,865,614	35,989	2.1%	-3,000	44,293	72,307	0	0	\$0.78	\$0.78
Fernley	6,875,221	1,236,433	18.0%	-145,932	-147,932	0	0	0	N/A	\$0.60
North Valleys	28,333,301	4,635,663	16.4%	-30,890	251,287	1,747,815	0	0	\$0.85	\$0.84
South Reno	11,606,697	1,049,161	9.0%	-195,957	111,918	330,074	0	0	\$1.05	\$1.03
Sparks	30,194,269	3,369,467	11.2%	393,720	241,777	1,387,170	115,000	20,331	\$0.94	\$0.93
Storey County	28,806,107	3,340,253	11.6%	389,473	1,100,722	1,860,663	0	1,004,040	\$0.75	\$0.75
West Reno	2,435,330	226,120	9.3%	0	4,150	4,150	0	0	\$0.80	\$0.80
Douglas County/Carson City	7,119,661	455,143	6.4%	49,542	-27,291	101,970	0	0	\$0.81	\$0.80
Hwy 50 Corridor	2,290,300	106,824	4.7%	115,731	20,800	35,350	0	0	\$0.75	\$0.75
RENO TOTALS	129,770,509	15,316,235	11.8%	842,119	2,219,317	6,392,940	115,000	1,024,371	\$0.85	\$0.84
W/D	108,347,814	14,503,979	13.4%	1,018,092	2,392,241	5,946,970	115,000	1,024,371	\$0.83	\$0.83
MFG	15,297,700	461,895	3.0%	-221,448	-194,144	124,199	0	0	\$0.78	\$0.73
FLEX	6,124,995	350,361	5.7%	45,475	21,220	321,771	0	0	\$1.19	\$1.18
RENO TOTALS	129,770,509	15,316,235	11.8%	842,119	2,219,317	6,392,940	115,000	1,024,371	\$0.85	\$0.84

Does not include renewals

*Rental rates reflect weighted net asking \$ psf/month

FLEX= High Technology/Office Services MFG=Manufacturing W/D= Warehouse/Distribution

KEY LEASE TRANSACTIONS Q3 2026

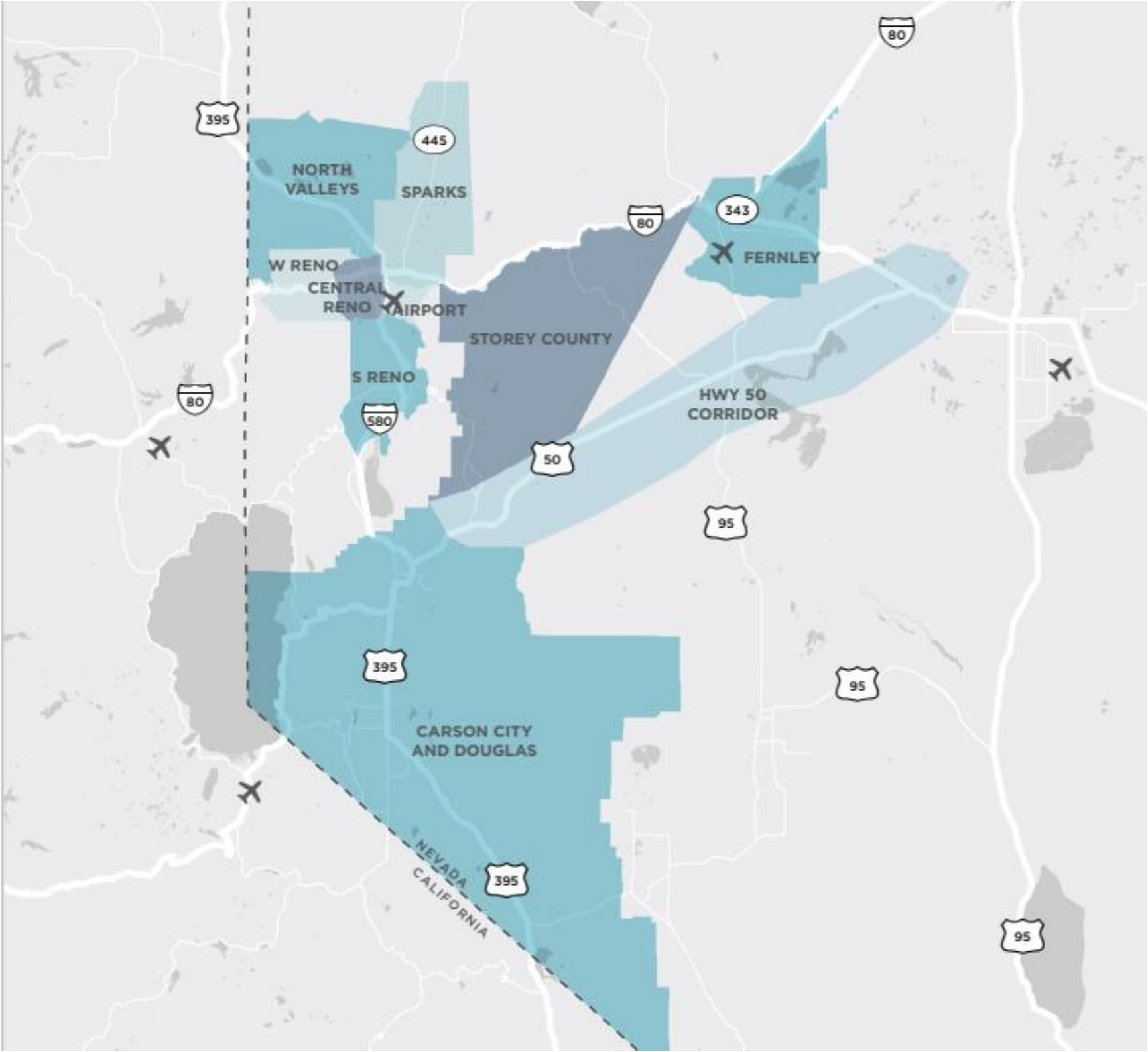
PROPERTY	SUBMARKET	TENANT	SF	TYPE
3300 Waltham Way	Storey County	Tire Rack	454,480	Renewal*
475 Lillard Drive Ste. 101	Sparks	ACCO Engineered Systems	276,660	Direct
14100 Lear Blvd	North Valleys	Greif	183,100	Direct
475 Lillard Drive	Sparks	OneRelo Worldwide	106,720	Direct
775 Waltham Way	Storey County	Lawson Drayage	90,000	Direct

*Renewals not included in leasing statistics

KEY SALE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
101 Evans Avenue	Hwy 50 Corridor	GPR Ventures / LJK Lambertson 2, LLC	144,761	\$9.5M / \$65.84
1150 Southern Way	Sparks	Southern Way, LLC / ERG Aerospace Corporation	40,040	\$9.3M / \$231.02
375 Industrial Drive	Fernley	575 Mill Street, LLC / Feldmeier Equipment, Inc.	54,228	\$8.9M / \$164.12
2392 Precision Drive	Douglas County	Precision Street Holdings, LLC / Arista Networks, Inc.	38,600	\$6.9M / \$178.76
5303 Louie Lane	South Reno	S3 Louie Lane, LLC / COIS Family Partners, LLC	23,636	\$6.4M / \$270.77

INDUSTRIAL SUBMARKETS



JULIA MORRISON
Data Specialist
Tel: +1 775 851 7598
julia.morrison@cushwake.com

JEFF COOLEDGE
Senior Research Manager, Mountain States
Tel: +1 602 224 448
jeffrey.cooledge@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION
Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of \$10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.