

**Q2**  
2022

# INVESTMENT REPORT



OFFICE  
RETAIL  
INDUSTRIAL



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## NORTHERN **NEVADA**



## MARKET RECAP

Washoe County Q2 investment sales volume totaled \$90,284,700. Most notably, Office investment volume was also the lowest we have seen in years, if not longer, with only one sale at \$4,448,000. Retail had the strongest quarter with just over \$60MM in sales volume. That being said, we expect Industrial to remain the strength of our market, with vacancy rates hovering around 1.00%.

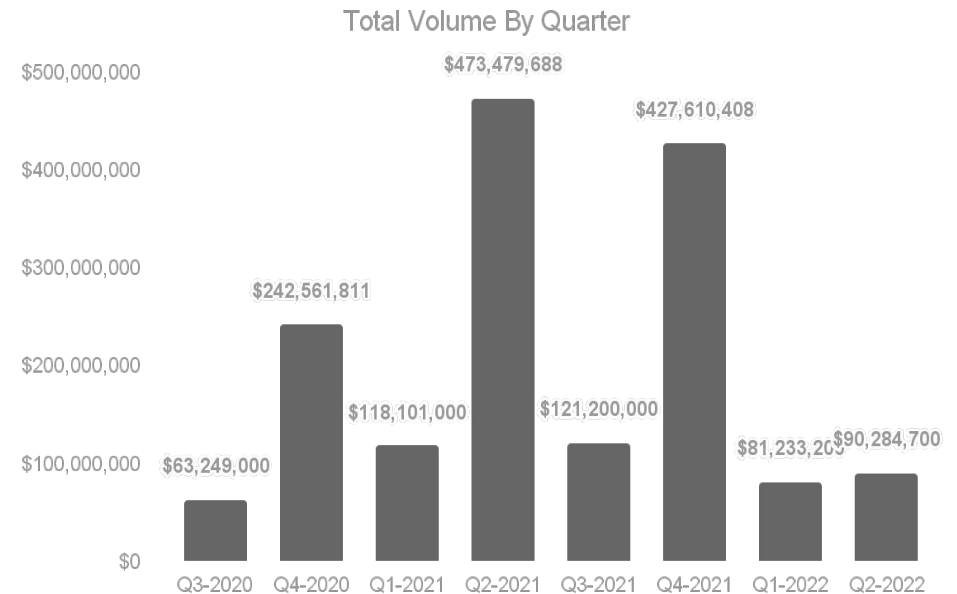
With high inflation, rising interest rates, and record low consumer sentiment ([link](#)), accurate underwriting will be essential when solving for risk-adjusted returns. Cash buyers are primarily on the sidelines right now, and most investment demand comes from 1031 buyers.

Inventory has risen, and the historic Seller's market is quickly turning into a Buyer's market. Active buyers should expect to see more opportunities in the coming months as competition continues to dry up. Cap rates were relatively flat across the board in Q2, but we anticipate seeing cap rates tick up slightly in the year's second half with the lack of demand and higher borrowing costs.

### FEDERAL RESERVE/INFLATION NEWS:

The latest CPI reading, July 2022, indicated a CPI at 8.5%, which is down from the June peak of 9.1%, according to the Labor Department. The Fed has been very hawkish with their last two rate hikes at 75 BPS and a high probability of 50 BPS in their next hike. We expect the FOMC to remain aggressive in its fight against inflation.

**2022 Q2 Sales: \$90,284,700**

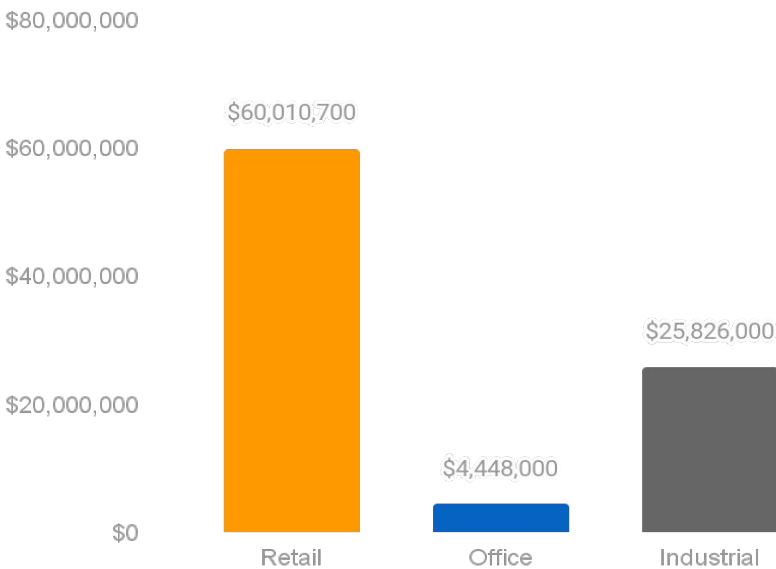


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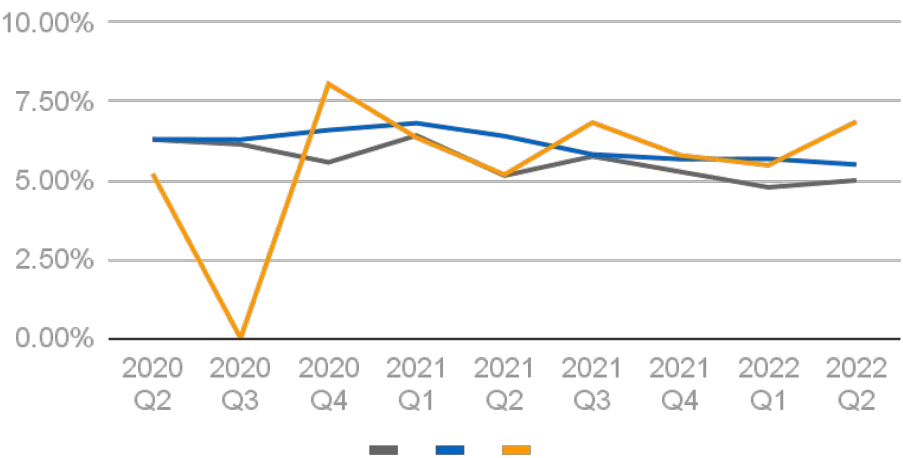
# INVESTMENT

Q2

Volume By Type

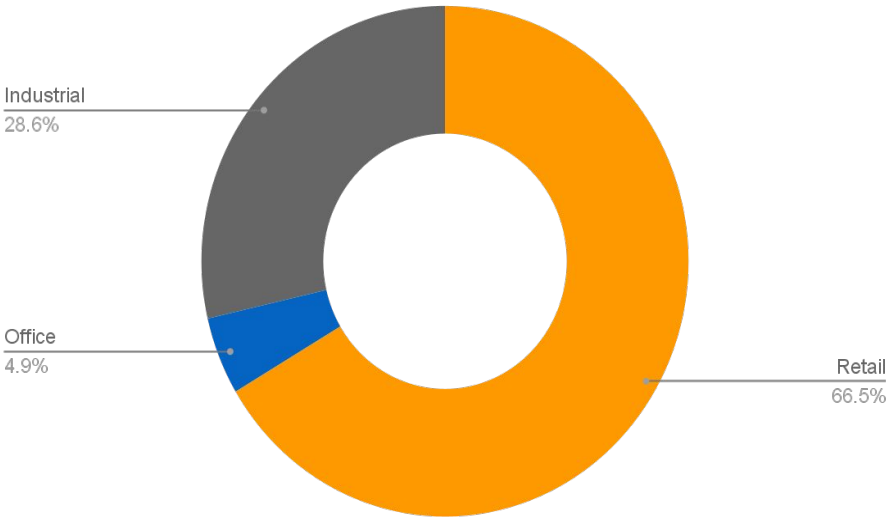


Cap Rate By Type

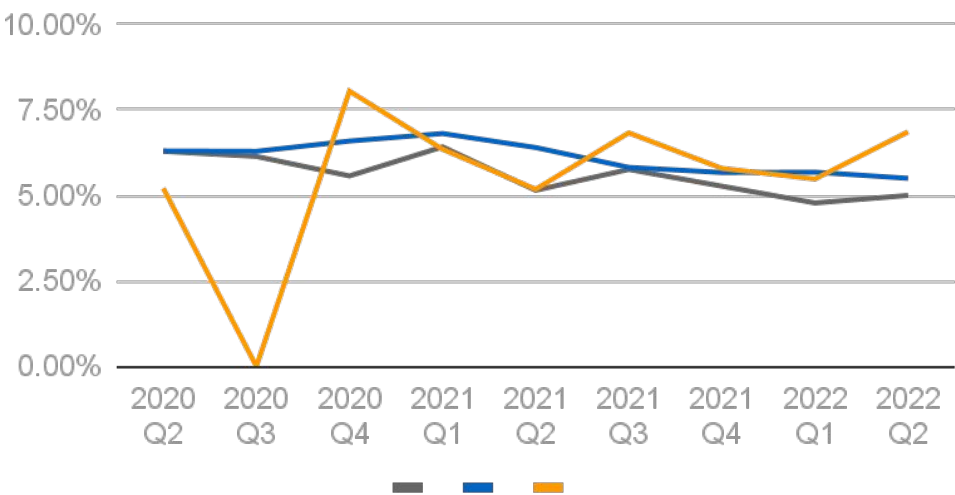


\*No reported cap rates in Q3 for Retail Properties

% of Total Volume By Type



Cap Rate By Type

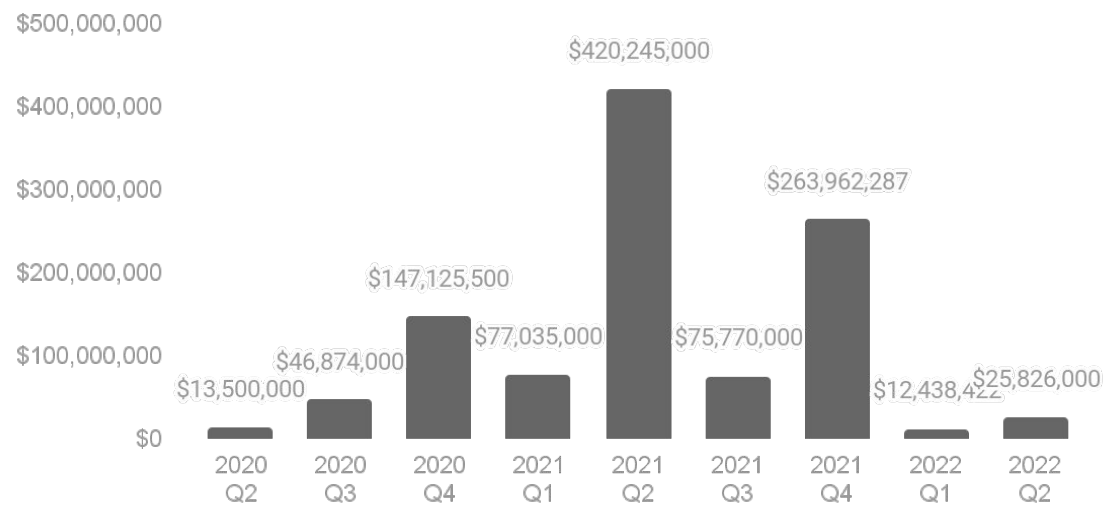


Q2 TOP SALES **INDUSTRIAL**

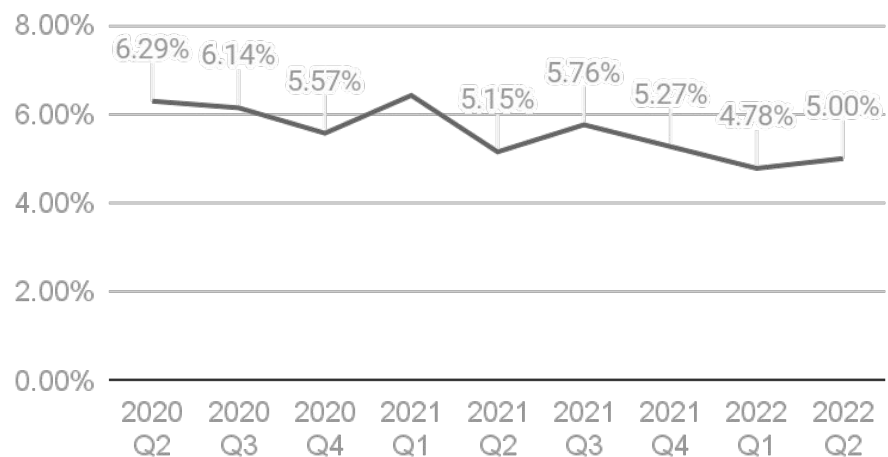
ADDRESS	BUILDING SQUARE FEET	CAP RATE	SALES PRICE PRICE/SF	NOTES
<b>8895 DOUBLE DIAMOND PKWY. RENO, NV 89521</b>	84,000	3.44%	<b>\$20,076,000</b> \$239.00 P/SF	TWO TENANT FLEX. 100% OCCUPIED AT TIME OF SALE BY HIGH MOUNTAIN DOOR AND ARIZONA TILE.
<b>2620 E 5TH ST. RENO, NV 89512</b>	12,480	5.55%	<b>\$2,650,000</b> \$212.34 P/SF	MULTI TENANT LAND AND INDUSTRIAL EAST OF DOWNTOWN RENO.
<b>335 KIETZKE LN. RENO, NV 89502</b>	13,234	6.00%	<b>\$3,100,000</b> \$234.25 P/SF	100% OCCUPIED BY INFINITY CAR AND SAND TO STREET OFF ROAD.

NOTE: ONLY 3 INDUSTRIAL INVESTMENT SALES IN Q2.

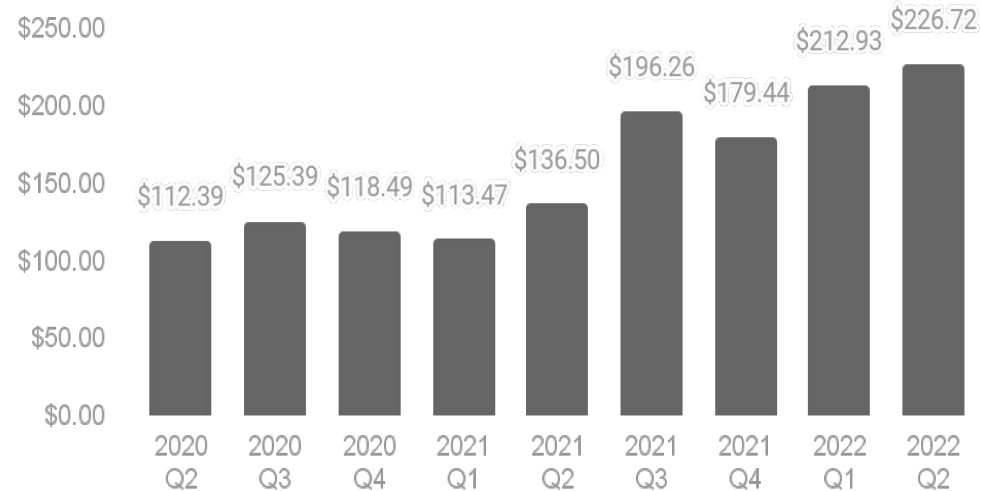
Industrial Volume By Quarter



Industrial Cap Rate By Quarter



Industrial P/SF By Quarter



Q2 TOP SALES **OFFICE**

Q2

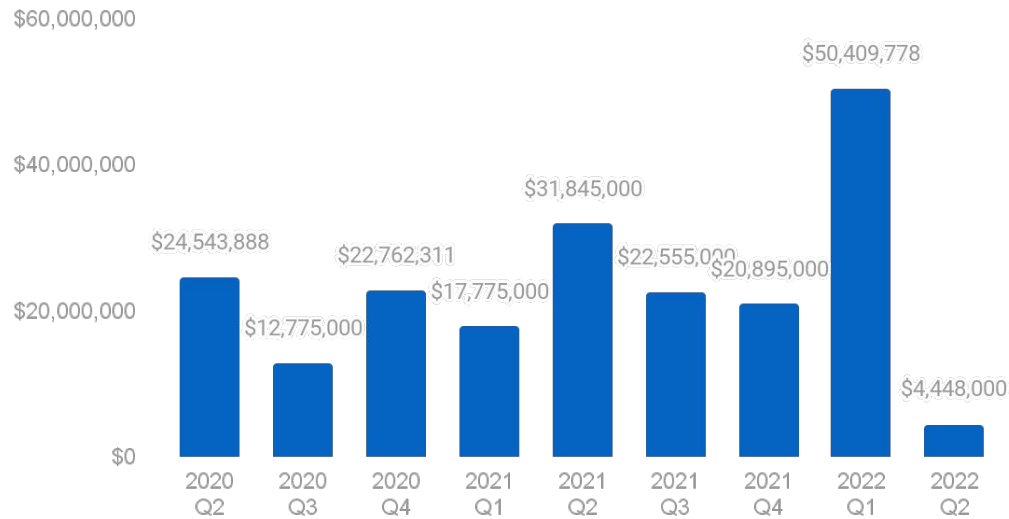
ADDRESS	BUILDING SQUARE FEET	CAP RATE	SALES PRICE PRICE/SF	NOTES
6144 MAE ANNE AVE. RENO, NV 89523	8,951	5.50%	<b>\$4,448,000</b> \$496.93 P/SF	MEDICAL OFFICE IN NORTHWEST RENO 100% OCCUPIED BY LIBERTY DIALYSIS.

NOTE: ONLY 1 OFFICE INVESTMENT SALE IN Q2.

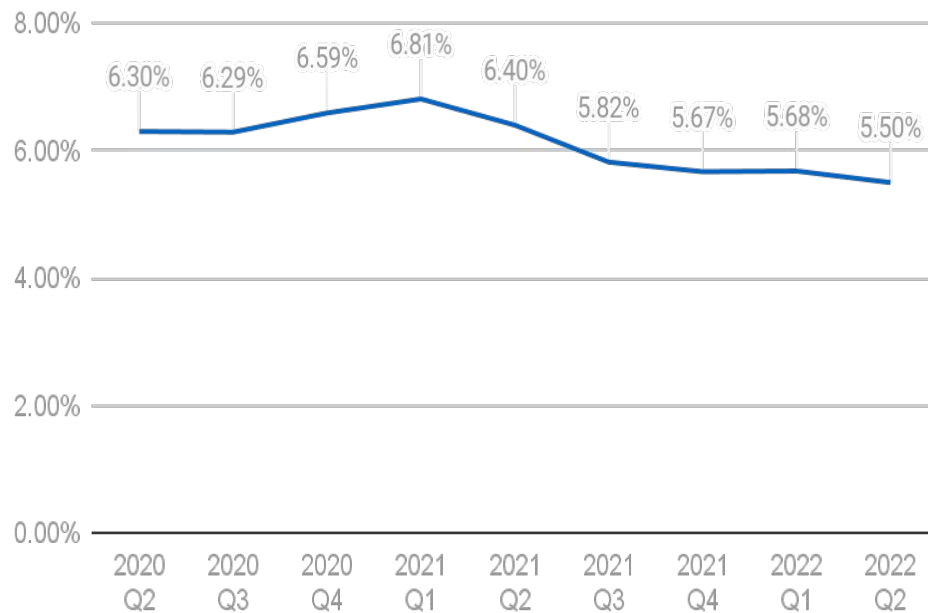
# OFFICE

Q2

### Office Volume By Quarter




### Office Cap Rate By Quarter



### Office P/SF By Quarter

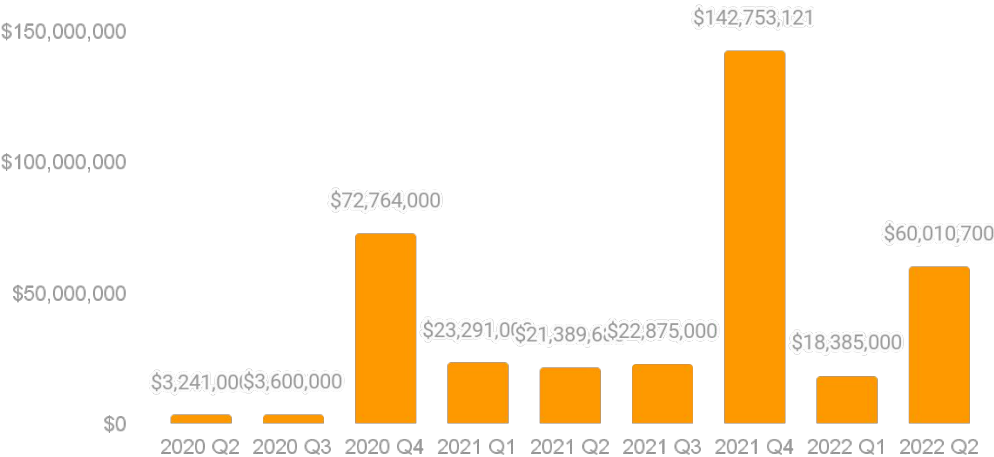


Q2 TOP SALES **RETAIL**

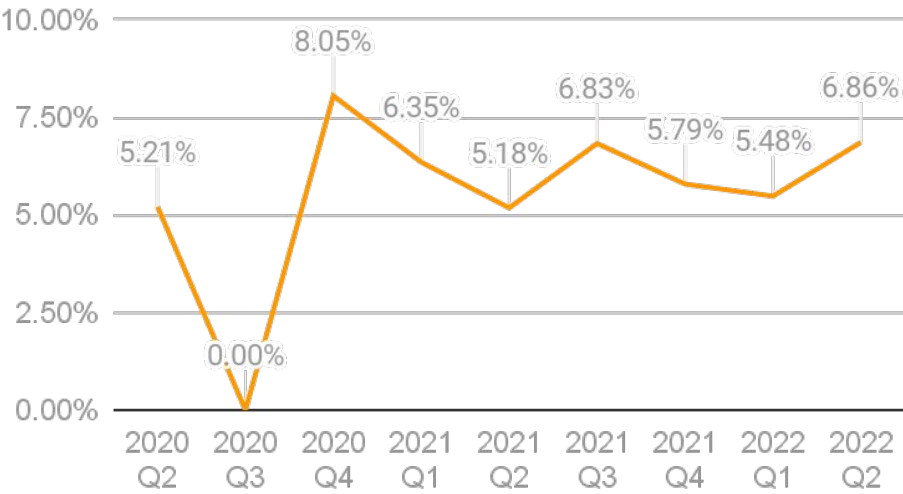
ADDRESS	BUILDING SQUARE FEET	CAP RATE	SALES PRICE PRICE/SF	NOTES
<b>IRON HORSE SHOPPING CENTER 589-593 E PRATER WAY SPARKS, NV 89431</b>	187,343	7.50%	<b>\$18,000,000</b> \$96.08 P/SF	NEVADA BASED INVESTMENT GROUP PURCHASED IRONHORSE SHOPPING CENTER IN SPARKS. THE CENTER WAS 75% OCCUPIED AT COE.
<b>SIERRA MEADOWS PLAZA 7111 S VIRGINIA ST. RENO, NV 89511</b>	51,000	7.83%	<b>\$10,500,000</b> \$205.88 P/SF	NEIGHBORHOOD OFFICE/RETAIL CENTER IN SOUTH RENO.
<b>800 S VIRGINIA ST. RENO, NV 89502</b>	21,194	5.75%	<b>\$9,800,000</b> \$462.40 P/SF	MULTI TENANT MIXED USE PROPERTY IN MIDTOWN RENO.
<b>MARINA MARKETPLACE 1495 E PRATER WAY RENO, NV 89502</b>	15,740	5.70%	<b>\$6,725,100</b> \$427.26 P/SF	STABILIZED MULTI TENANT RETAIL IN SPARKS. TENANTS INCLUDE PEGS, SUBWAY, GREAT CLIPS, ETC.
 <b>100 CALIFORNIA AVE. RENO, NV 89509</b>	15,004	6.00%	<b>\$5,350,000</b> \$356.57 P/SF	DCG REPRESENTED BOTH SIDES. MULTI-TENANT MIXED USE BUILDING IN DOWNTOWN RENO. 100% OCCUPIED.



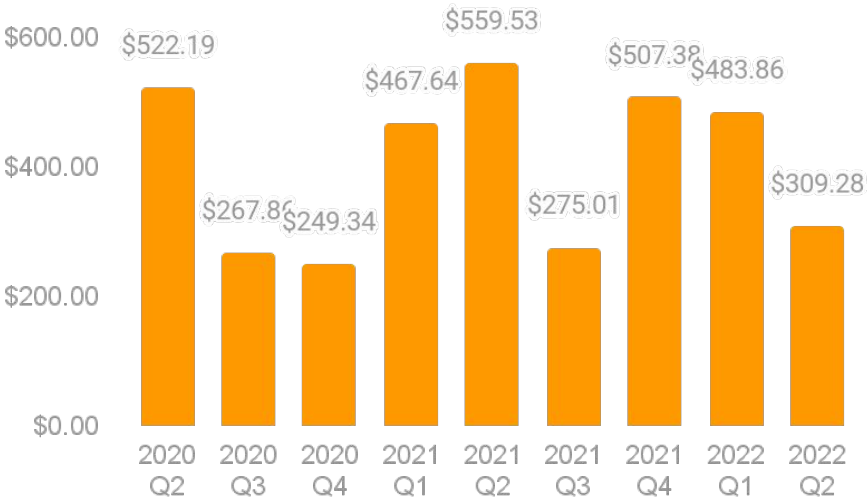
Retail Volume By Quarter



Retail Cap Rate By Quarter



Retail P/SF By Quarter





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Chris has been in the commercial real estate industry since 2006 and has participated in brokering over \$600 million dollars in real estate transactions with an average transaction volume over \$6.0 million. Additionally, Chris has completed over 400 Broker Opinion of Values totaling over \$1 billion in commercial real estate valuations. His responsibilities include providing advice, execution, and investment management services to clients engaged in buying, selling, investing in, financing, or building real estate.



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Matt graduated from the University of Nevada, Reno in 2019 with a Bachelor of Science in Finance and minor in Economics. Shortly after graduation, Matt joined DCG's Investment Team, specializing in the purchase and sale of Investment Properties. His efforts include, but are not limited to, investment sales and purchase, sale-leasebacks, 1031 exchanges, joint ventures, private placements, and property underwriting. Since joining DCG, Matt has been involved in over \$160 million in transactions with an average transaction volume over \$5.0 million.

## INVESTMENT TEAM

DCG's investment team has an industry-wide reputation for helping clients create maximum returns from their real estate and achieve their long-term business goals. We work hard to build strong partnerships with clients and to develop tailored investment strategies for them.

Our investment services include providing advice, execution, and investment management services to clients engaged in buying, selling, investing in, financing, or building real estate. These services typically are provided to private and institutional owners and investors, as well as to corporate owners and occupiers. Our objective is to advise clients on how to maximize the value of their real estate. Our efforts include but are not limited to investment sales and purchases, joint ventures, sale-leasebacks, private placements, and property underwriting. We assist investors in a variety of disciplines, including but not limited to, office, retail, industrial, multi-family, hospitality, senior housing, and healthcare. In addition to our investment experience, we draw on our related capabilities in leasing, asset management, operations and valuation to create a full-service experience for all our clients.