



Brandon Spoerhase, CCIM

Broker

BSI COMMERCIAL REAL ESTATE, LLC

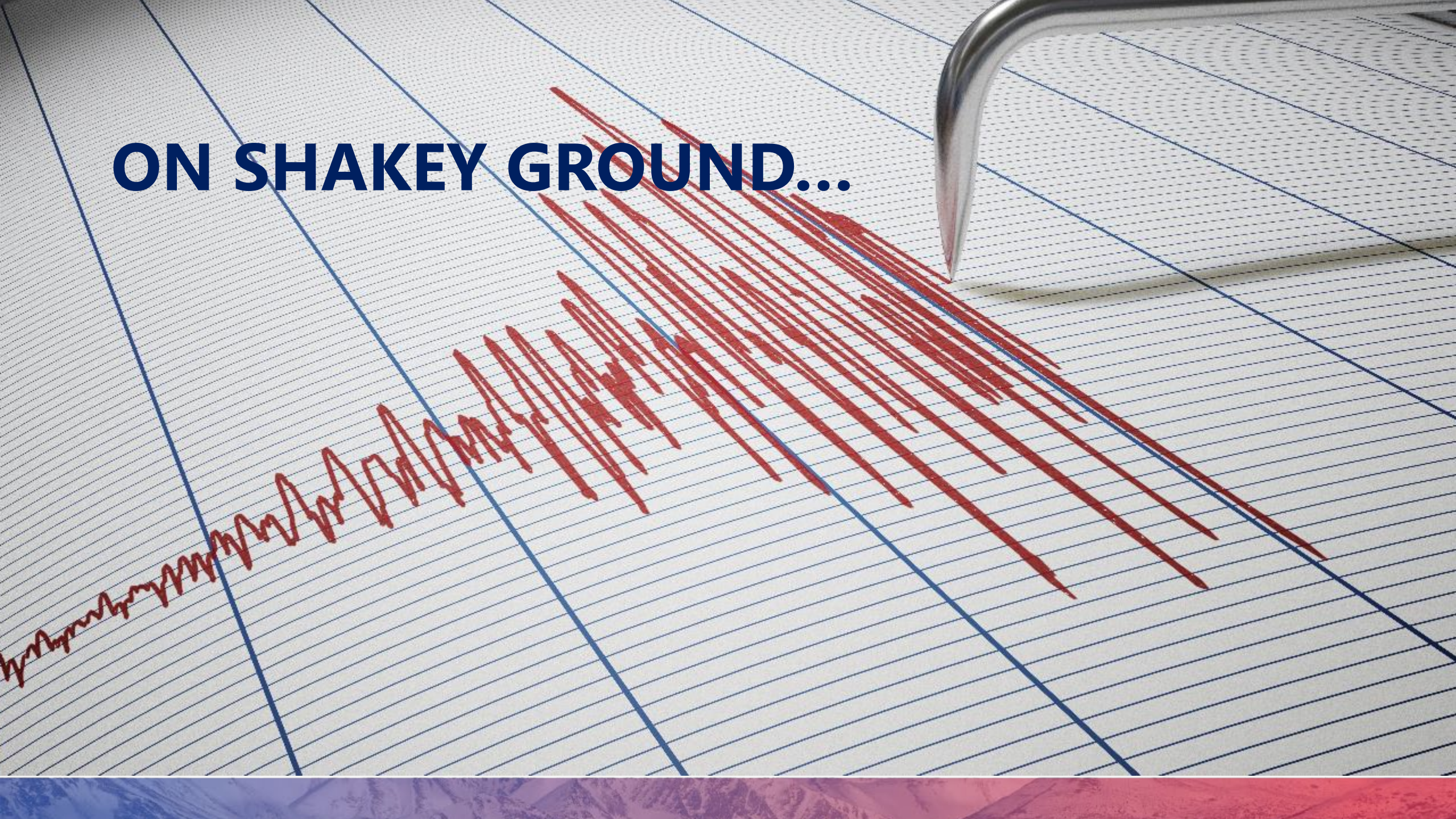
OFFICE/INDUSTRIAL MARKET





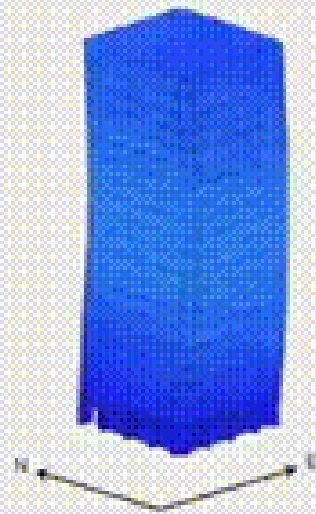
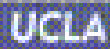
CLARITY
MARKET & VISUAL

ON SHAKEY GROUND...

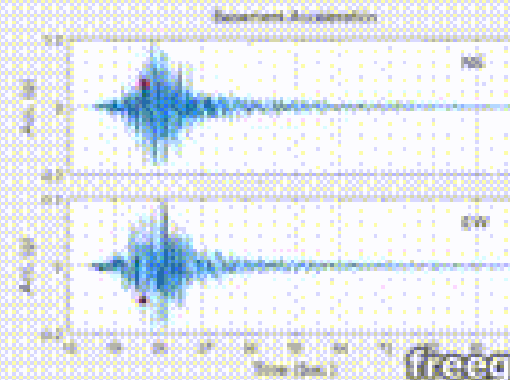
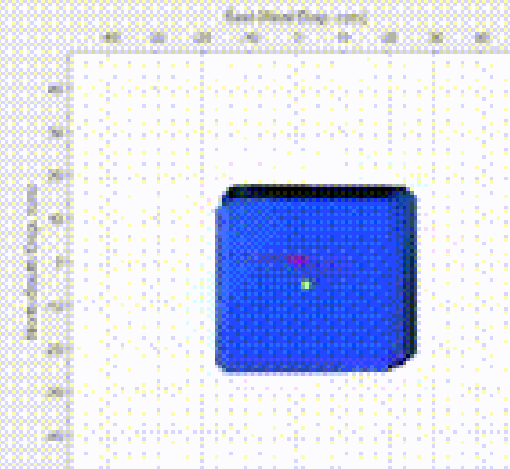


ATWOOD BUILDING, ANCHORAGE, AK

Mw 7.0 Anchorage, Alaska Earthquake, Nov. 30, 2018 (Mag 4.4 x100)



By: Mirella Corrali, S. Fard Ghazan, and Enriquez Tzucoglu



freemake.com



2018

INDUSTRIAL MARKET

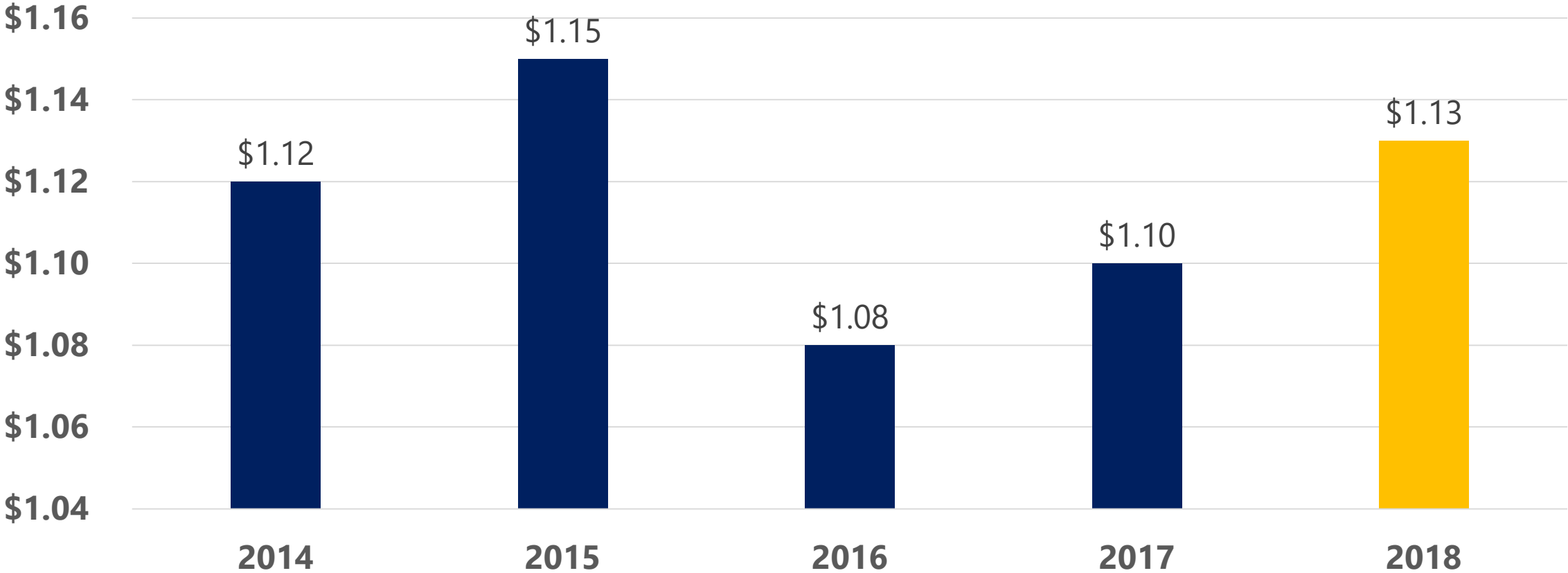
Industrial buildings suffered the most amount of damage within the commercial real estate market.

2018

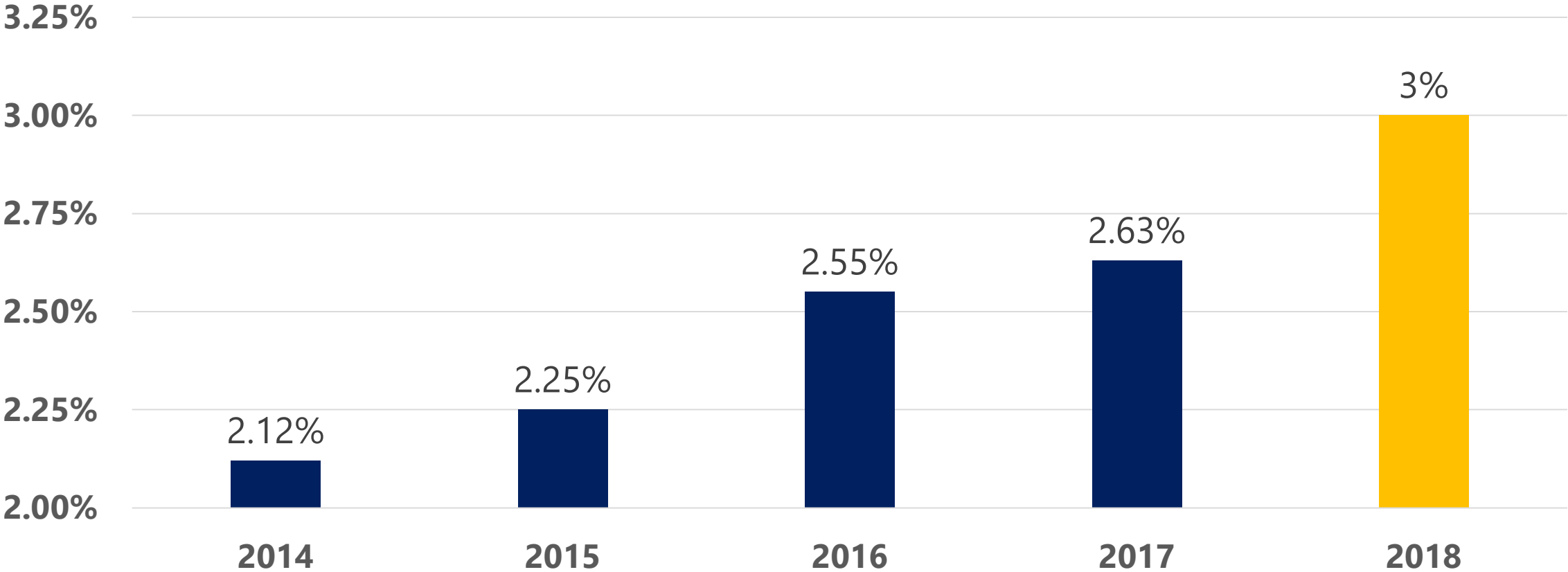
INDUSTRIAL MARKET

- Upwards of \$175 - \$200 per square foot
- Industrial land can cost \$12 - \$20 per square foot
- New construction lease rate: \$1.25+ per square foot

HISTORICAL MONTHLY AVERAGE LEASE RATE



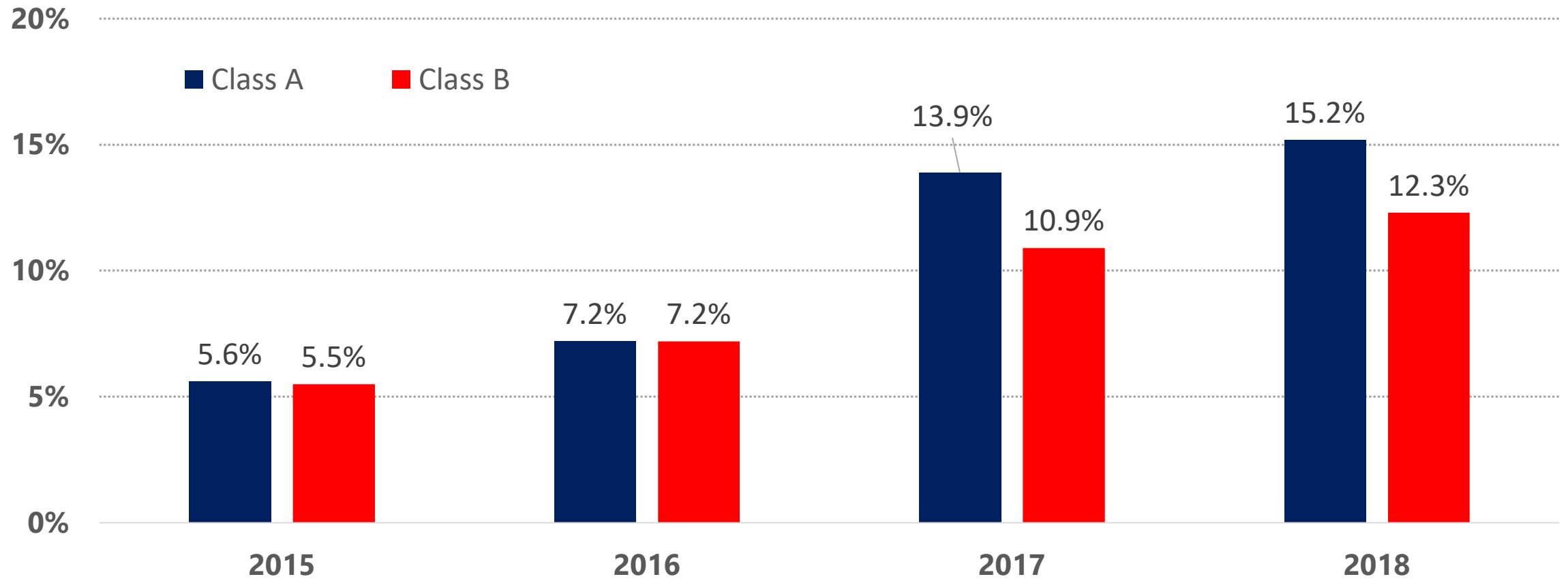
HISTORICAL YEARLY AVERAGE VACANCY RATE



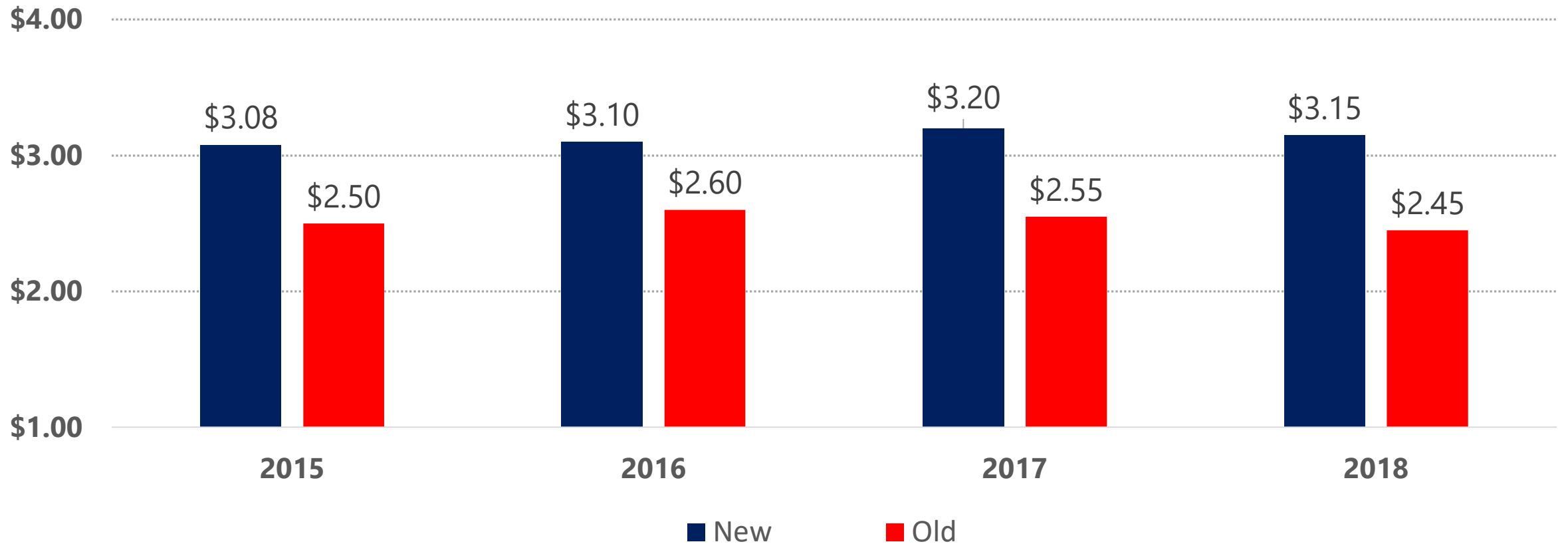


2018
OFFICE MARKET

CLASS A & B OFFICE VACANCY RATES

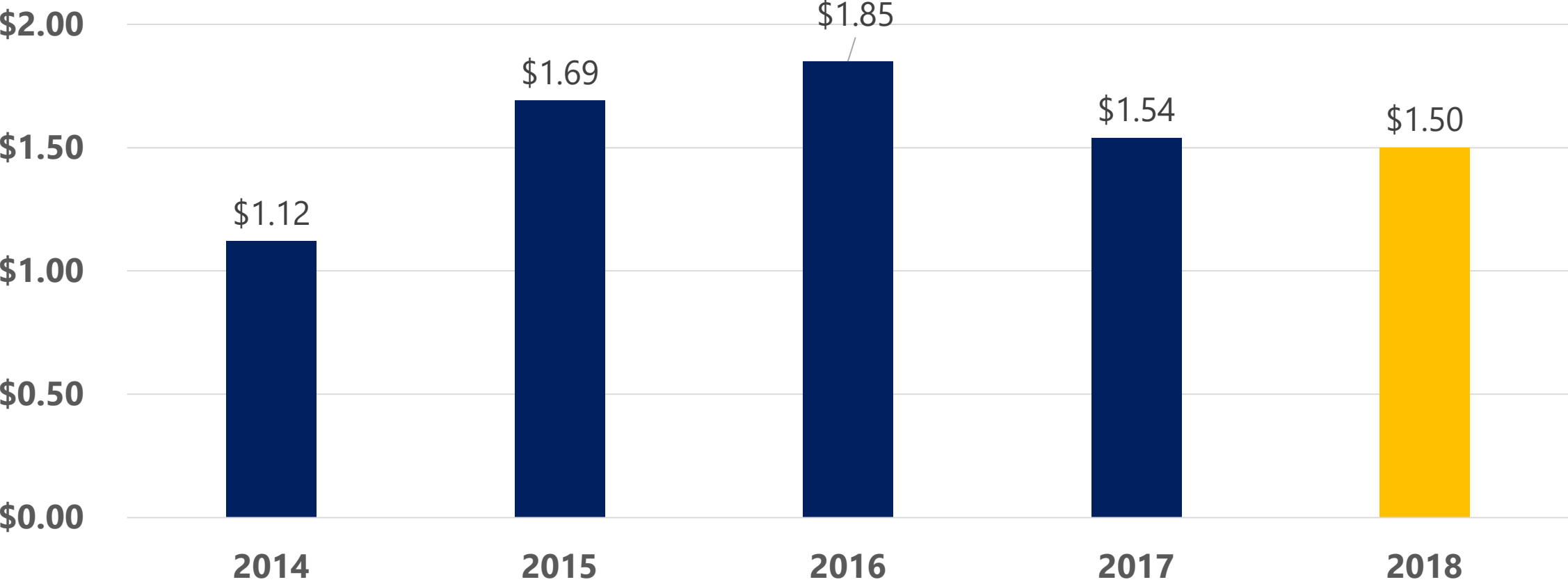


CLASS A – NEW VS. OLD LEASE RATES



CLASS B/C

MONTHLY LEASE RATES



WHAT IT TAKES TO SECURE TENANTS

OFFICE MARKET

- Landlords are motivated
 - Offering an average of \$35 per square foot for tenant improvements on existing space
 - Free rent

2019

INDUSTRY FORECAST

- Natural resource industries:
 - **Slight boom** to the market over the next 12 months
- Projected stimulus to the economy in 2020:
 - **On track** to be better than this year
- 2021:
 - **Will outdo** the previous two years

"There is natural resource potential for ConocoPhillips to invest billions over the next several years in Alaska. "

- **Scott Jepsen**
Vice President, External Affairs
ConocoPhillips



AS GOVERNOR MIKE DUNLEAVY SAYS:

“ALASKA IS OPEN FOR BUSINESS.”