

HAMPTON ROADS, VA

YEAR-END

market

SNAPSHOT

RETAIL | OFFICE | INDUSTRIAL



CUSHMAN &
WAKEFIELD

THALHIMER



RETAIL

Hampton Road's retail vacancy remains below **5.0%** however the limited availabilities are not translating to an increase in rents. Overall rents **DECREASED BY 0.8%**. A positive **1,010,436 SF** of retail space was absorbed in 2017 and **731,071 SF** was delivered.



RENTAL

RATES

Q4 2017

\$13.89 SF NNN
TOTAL RETAIL

0.8% DECREASE

Q4 2016

\$14.00 SF NNN
TOTAL RETAIL



vacancy

RATES

Q4 2017

4.6%

TOTAL RETAIL

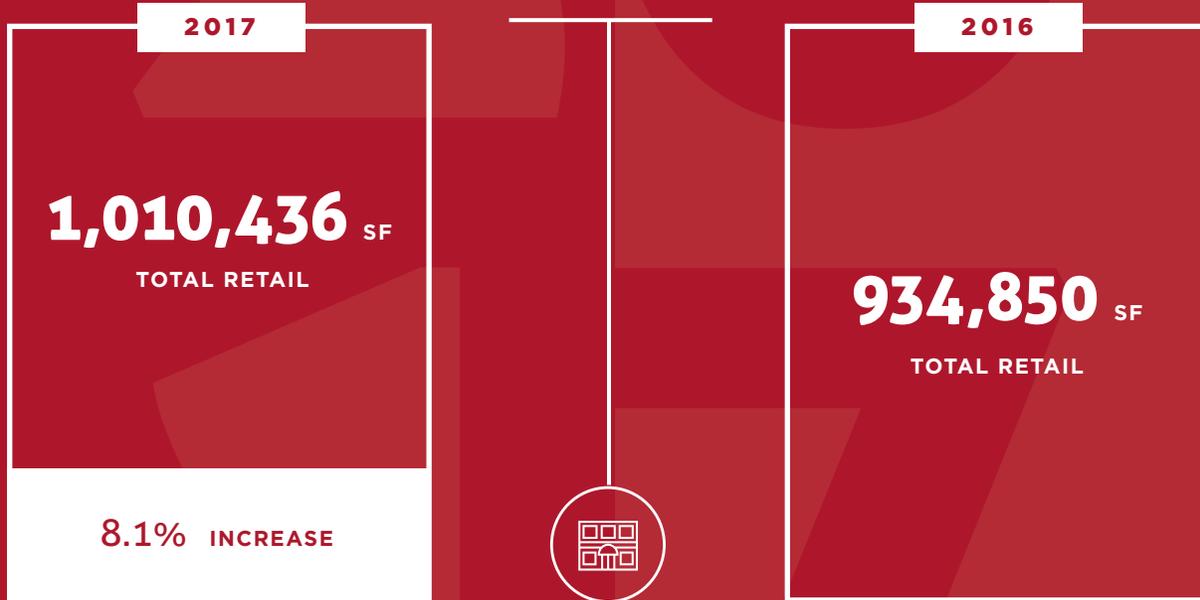
Q4 2016

6.1%

TOTAL RETAIL



ABSORPTION



Development

RATES



730,871 SF

2017 CONSTRUCTION
COMPLETIONS

2017



400,745 SF

CURRENT SF
UNDER CONSTRUCTION

**UNDER
CONSTRUCTION**



3,295,913 SF

PROPOSED
CONSTRUCTION STARTS

PROPOSED



OFFICE

Hampton Roads unemployment rate remains at **4.2%** as of December 2017 and office fundamentals continue to show positive indicators. The overall rental rate increased by **2.7%** over a year ago while vacancy declined by **100 BASIS POINTS**. CBD asking rents **INCREASED BY 14.5%**.

RENTAL RATES

Q4 2017

\$ 22.57 SF

HAMPTON ROADS CBD DIRECT

14.5% INCREASE

\$ 17.74 SF

HAMPTON ROADS DIRECT

2.7% INCREASE

Q4 2016

\$ 19.71 SF

HAMPTON ROADS CBD DIRECT

\$ 17.28 SF

HAMPTON ROADS DIRECT



OFFICE

vacancy

RATES

Q4 2017

9.0%

HAMPTON ROADS CBD

9.8%

HAMPTON ROADS OVERALL



Q4 2016

9.2%

HAMPTON ROADS CBD

10.8%

HAMPTON ROADS OVERALL

ABSORPTION

2017

100,691 SF

HAMPTON ROADS CBD

161.8% INCREASE

536,538 SF

HAMPTON ROADS OVERALL

307.4% INCREASE

2016

38,455 SF

HAMPTON ROADS CBD

131,689 SF

HAMPTON ROADS OVERALL



DEVELOPMENT

RATES



291,923 SF

2017 CONSTRUCTION
COMPLETIONS

2017



316,880 SF

CURRENT SF
UNDER CONSTRUCTION

**UNDER
CONSTRUCTION**



316,880 SF

ESTIMATED CONSTRUCTION
COMPLETIONS 2018

PROPOSED



INDUSTRIAL

Hampton Road's industrial market tightened significantly over the past year. Industrial vacancy declined by **220 BASIS POINTS** while rents decreased by 2.6%. Asking rents for warehouse/distribution space decreased 4.9%. **A POSITIVE 2.2 MILLION SF** of industrial absorption occurred in 2017.

RENTAL RATES

Q4 2017

\$5.28 SF NNN

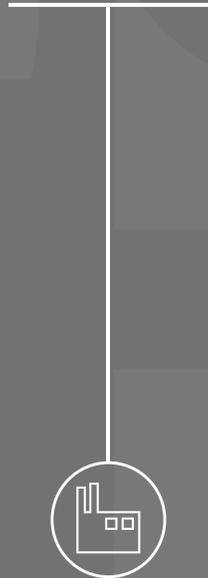
TOTAL INDUSTRIAL
(FLEX INCLUDED)

2.6% DECREASE

\$5.02 SF NNN

WAREHOUSE/
DISTRIBUTION

4.9% DECREASE



Q4 2016

\$5.42 SF NNN

TOTAL INDUSTRIAL
(FLEX INCLUDED)

\$5.28 SF NNN

WAREHOUSE/
DISTRIBUTION

vacancy

RATES

Q4 2017

4.4 %

TOTAL INDUSTRIAL
(FLEX INCLUDED)

5.6 %

WAREHOUSE/
DISTRIBUTION

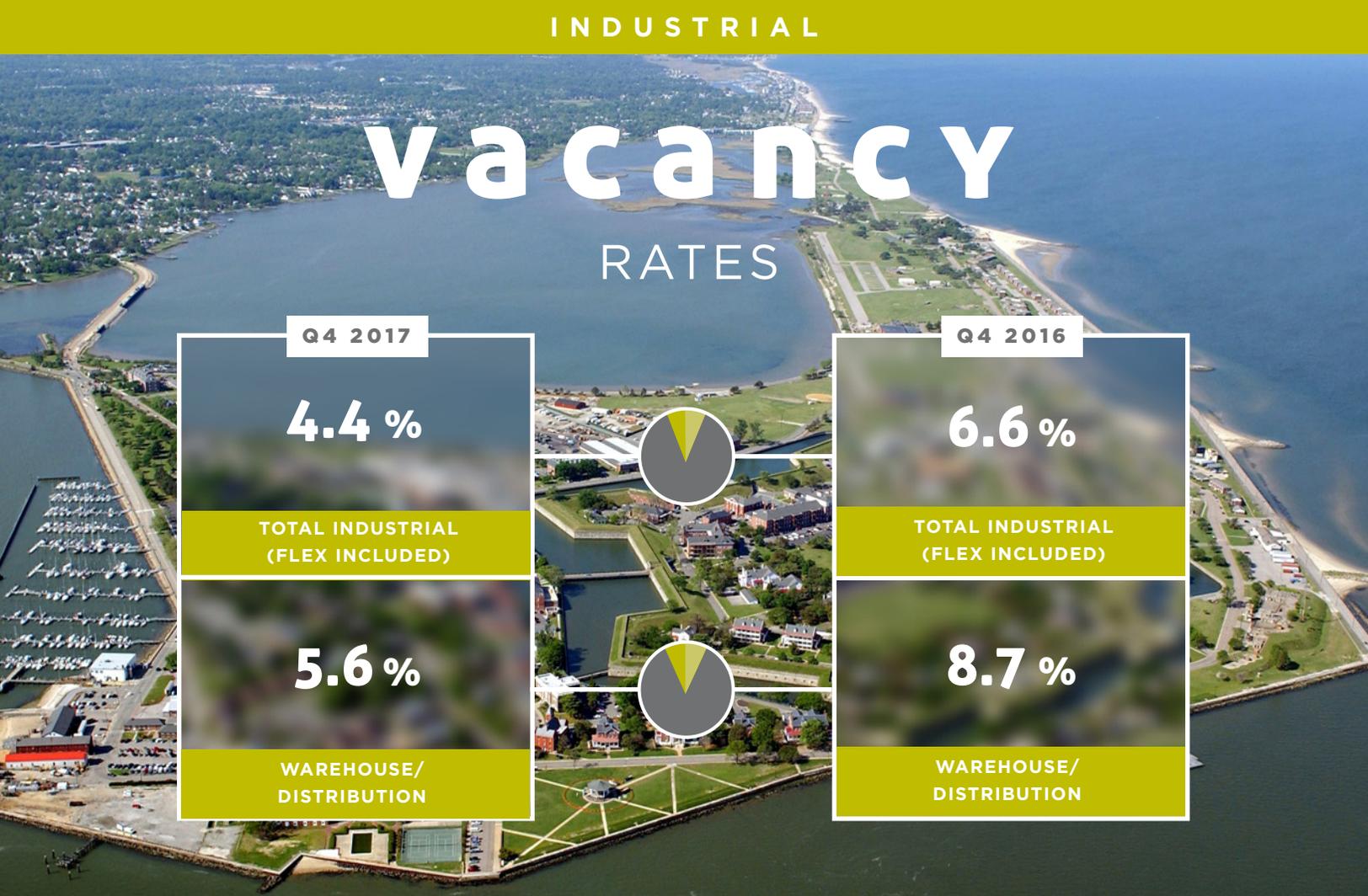
Q4 2016

6.6 %

TOTAL INDUSTRIAL
(FLEX INCLUDED)

8.7 %

WAREHOUSE/
DISTRIBUTION



ABSORPTION

2017

2,199,127 SF

TOTAL INDUSTRIAL
(FLEX INCLUDED)

1139.0 % INCREASE

1,989,002 SF

WAREHOUSE/
DISTRIBUTION

490.5 % INCREASE

2016

-177,491 SF

TOTAL INDUSTRIAL
(FLEX INCLUDED)

-336,856 SF

WAREHOUSE/
DISTRIBUTION



Development

RATES



1,160,051 SF

2017 CONSTRUCTION
COMPLETIONS

2017



245,000 SF

CURRENT SF
UNDER CONSTRUCTION

UNDER
CONSTRUCTION



1,040,000 SF

PROPOSED CONSTRUCTION
STARTS

PROPOSED

2017

FULL REPORT
TO COME



CUSHMAN &
WAKEFIELD

THALHIMER

HAMPTON ROADS, VA