

YoY  
Chg
 12-Mo.  
Forecast

**\$69,200**  
Median HH Income

**0.2%**  
Population Growth

**3.1%**  
Unemployment Rate


Source: BLS (Economic Indicators are representative of specific county or MSA.)

### U.S. ECONOMIC INDICATORS Q1 2024

 YoY  
Chg
 12-Mo.  
Forecast

**3.1%**  
GDP Growth

**6.4%**  
Consumer Spending  
Growth

**2.4%**  
Retail Sales Growth


Source: BEA, Census Bureau

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### ECONOMIC OVERVIEW: Solid Fundamentals

Economic metrics retreated quarter-over-quarter (QOQ) at the close of the first quarter. Despite the slowdown, market fundamentals are still solid in the Southwestern Virginia region, and search requirements for both national and regional users remain active in throughout. The growing pipeline for new residential projects, especially in Botetourt County, is a key indicator to outside investors eager to find commercial space.

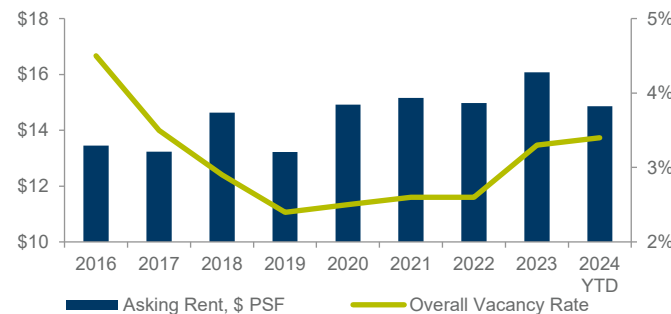
### SUPPLY AND DEMAND: Inventory Expanding

Preleasing has accelerated on new retail developments, as those projected delivery dates come into better focus. Contraction in the bargain dollar brand category is expected to leave inventory in rural markets with Dollar General's closure announcements and lack of growth from competitors Family Dollar and Dollar Tree. There will be opportunity for local buyers and businesses to secure these assets, but differences in real estate valuation may create larger market exposure periods for vacant buildings.

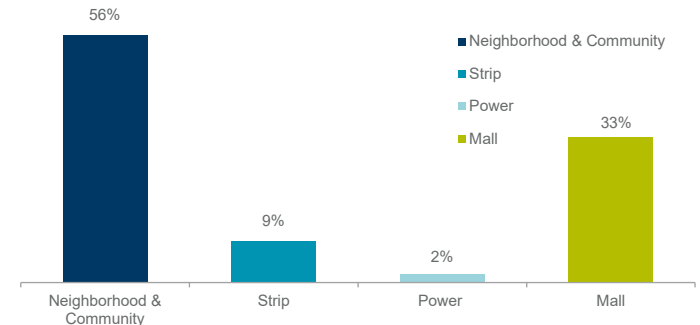
### RETAIL TRENDS: Leasing Front & Center

Vacancy rates remained flat QOQ at 3.3% and have increased 60 basis points (bps) year-over-year (YOY), which is a natural and positive development, as new inventory comes to market. Wawa announced its highly anticipated first location in Lynchburg at Rosedale (Old Graves Mill Rd), and Dollar Tree opened a 12,000-square-foot (sf) store in Roanoke County after an extensive site search. Our Daily Bread expanding along Jefferson St in Roanoke and Bruster's Real Ice Cream inking a lease with Freedom First Credit Union along Timberlake Rd in Lynchburg headlined some of the smaller Q1 deals. The 3,250-sf Burger King on Timberlake Rd in Lynchburg sold for \$1.3 million at a reported 5.5% capitalization rate. The Ivy Ridge retail center in Roanoke sold for \$4.8 million at a 7.74% capitalization rate, and the American National Bank at Westlake in Smith Mountain Lake sold for \$1.2 million in a consolidation resulting from the Atlantic Union Bank merger. The first quarter saw fewer sale transactions in comparison to recent quarters, as traditional leasing has been in the forefront.

### RENT / VACANCY RATE



### AVAILABILITY BY PRODUCT TYPE



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