

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
<div>\$70,700</div> <div>Median HH Income</div>	▲	▲
<div>0.5%</div> <div>Population Growth</div>	▼	▲
<div>2.8%</div> <div>Unemployment Rate</div>	▬	▲

Source: BLS

U.S. ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
<div>2.4%</div> <div>GDP Growth</div>	▼	▲
<div>7.0%</div> <div>Consumer Spending Growth</div>	▬	▲
<div>1.7%</div> <div>Retail Sales Growth</div>	▼	▲

Source: BEA, Census Bureau

ECONOMY: STABILITY INTO THE FINAL QUARTER OF 2024

The Roanoke and Southwest Virginia economic fundamentals remained steady through the third quarter as compared to the national averages. With the S&P 500 gaining for the fourth straight quarter, consumer confidence is buoyed heading into the November federal elections. Real estate decision-makers were relieved to see the 50-basis-point drop from the Federal Reserve, but that was tempered by mixed messaging on the future interest rate adjustments.

DEMAND: BOX OPPORTUNITIES EXPECTED

Small shop retail leasing remained strong in both second generation space and new construction footprints. The Big Lots bankruptcy filing is expected to create multiple opportunities of 25,000 square feet (sf) and up in multiple markets in Western Virginia. There are regional and national backfill tenants in most of these neighborhood-setting centers.

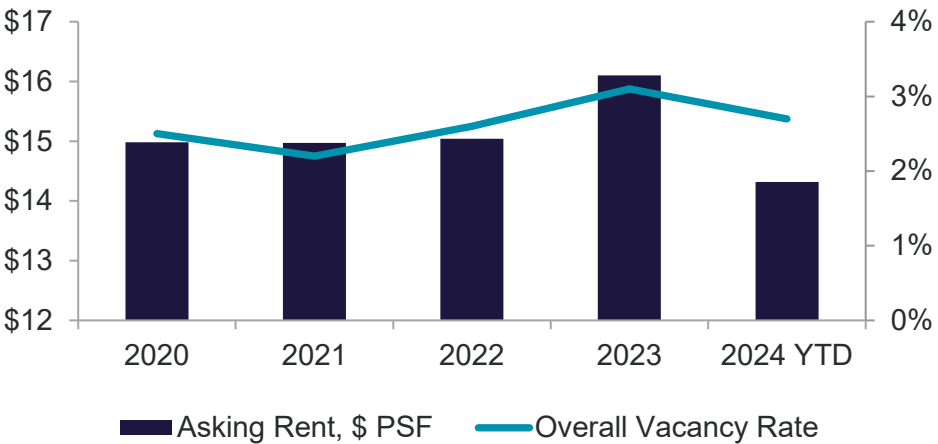
PRICING: DYNAMIC RETAIL LAND SALES

Area activity was headlined by Apricot Lane securing their first lease in Western Virginia with at 1,600 sf at University Crossroads in Blacksburg, Ivy Rehab continuing their expansion in Roanoke with 2,550 sf at Hunting Hills Shopping Center, and Qdoba inking a lease of 1,800 sf at 4012 Wards Rd in Lynchburg.

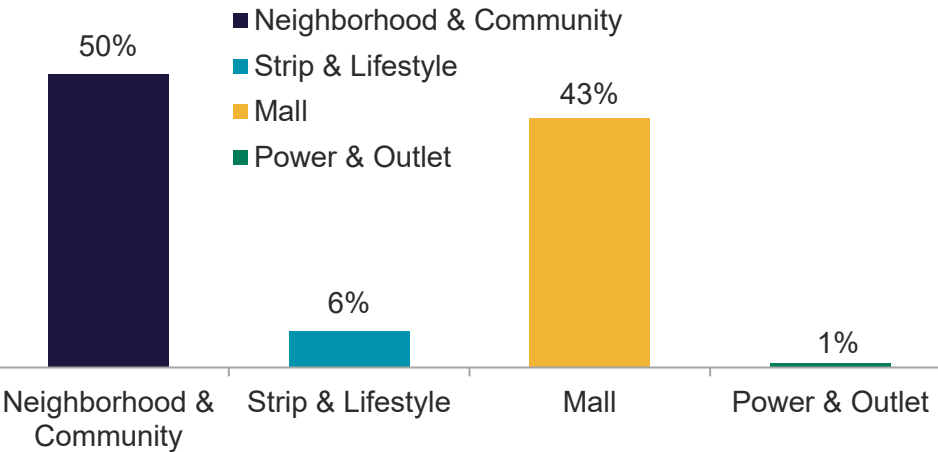
The Roanoke and Lynchburg markets fuel user competition surged further with the Royal Farms development at 8824 Wards Rd selling as an investment for \$2.9 million with twenty years of term remaining on the lease. Sheetz announced plans for a store in the east Roanoke area at Laymantown Road and Route 460, securing the 3.57-acre site for \$787,500 for ground-up development.

There were several sales of Dollar General stores in the region, inclusive of a small portfolio of the bargain store chain. Locations included the greater Martinsville area on Route 58, selling at \$2.1 million and a 6.7% cap rate, Moneta at Smith Mountain Lake at \$1.4 million, and the Rustburg area of Wards Road at \$1.2 million.

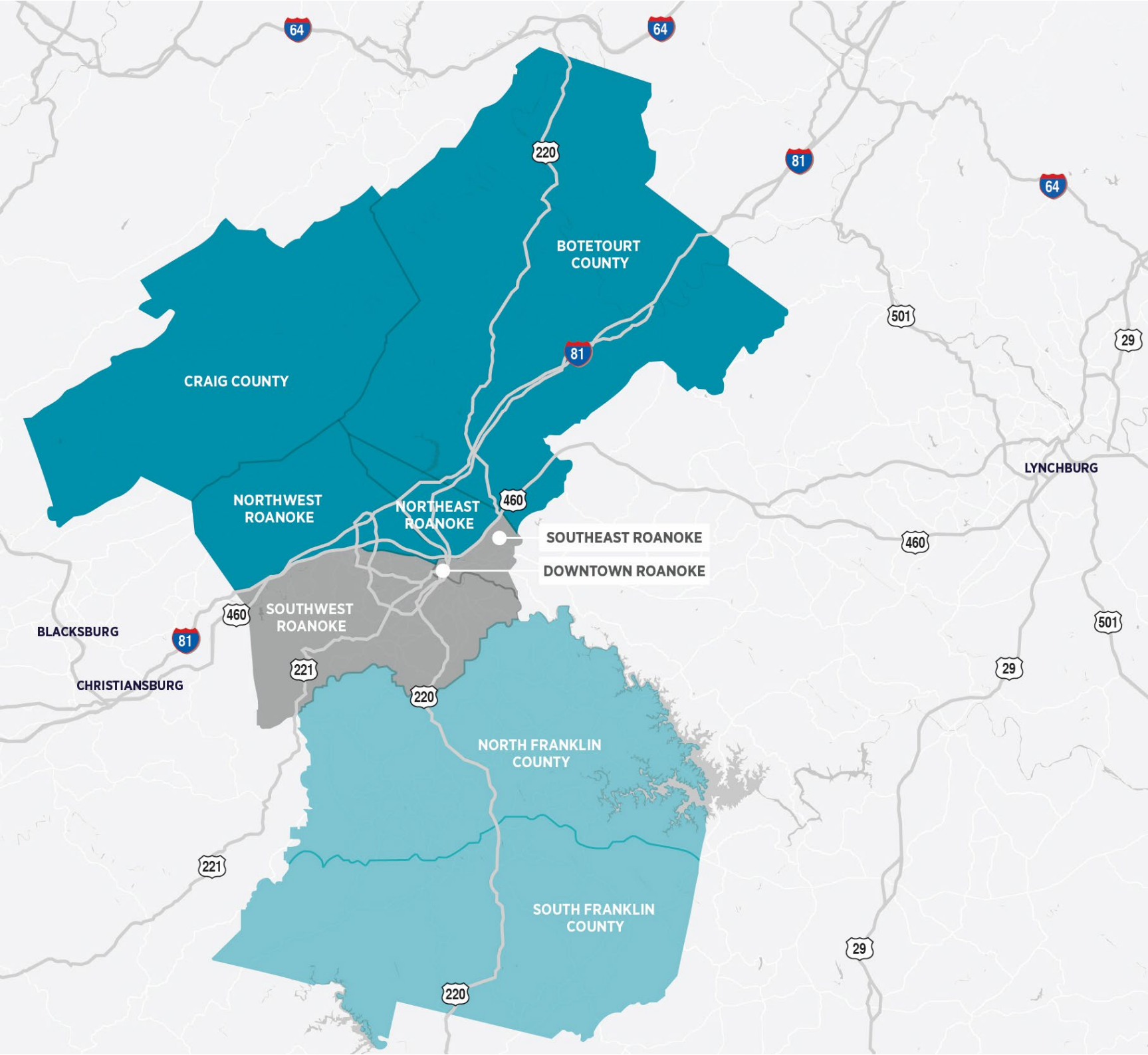
OVERALL VACANCY & ASKING RENT



AVAILABILITY BY PRODUCT TYPE



RETAIL SUBMARKETS



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