

MARKET FUNDAMENTALS

	YOY Chg	Outlook
<div>\$71,300</div> <div>Median HH Income</div>	▲	▲
<div>0.5%</div> <div>Population Growth</div>	▼	▲
<div>2.9%</div> <div>Unemployment Rate</div> <div>Source: BLS</div>	▼	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
<div>2.1%</div> <div>GDP Growth</div>	▼	▲
<div>2.7%</div> <div>Consumer Spending Growth</div>	▬	▲
<div>1.9%</div> <div>Retail Sales Growth</div> <div>Source: BEA, Census Bureau</div>	▼	▲

ECONOMY: POSITIVE OUTLOOK

Roanoke continues to demonstrate economic strength with an unemployment rate of 2.9%, which is significantly lower than the national rate of 4.2%. This economic stability is highlighted by Roanoke’s second place ranking as the “Best City in the South to Move to” according to USA Today, with Lynchburg earning recognition at #4 on the list. The region’s growth is fueled by major developments such as Virginia Tech Carilion School of Medicine’s plans to build a new 100,000 square foot (sf) facility with an estimated initial cost of \$184 million. In 2023, tourism impact reached \$1.3 billion in Virginia’s Blue Ridge region, with \$882 million spent by visitors.

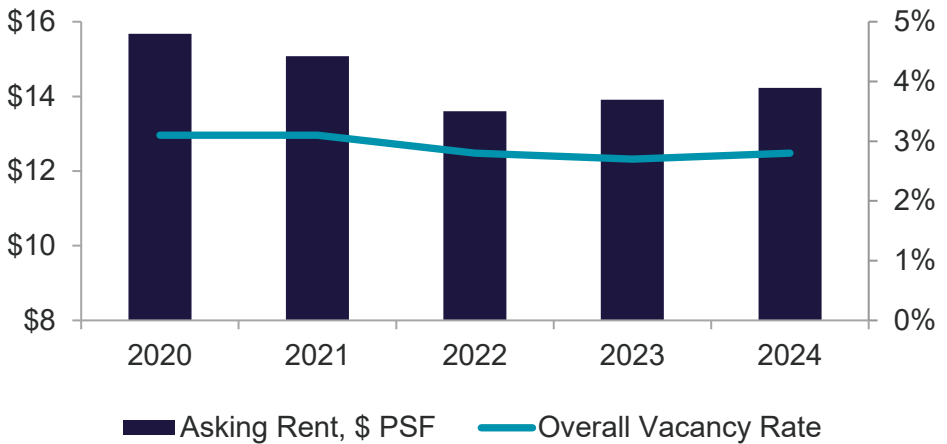
INVENTORY: SECOND GEN & NEW PRODUCT ANTICIPATED

American Freight relinquished their spaces along West Main Street in Salem and in the rear of Tanglewood Mall in Roanoke County due to its November 2024 bankruptcy filing. These spaces, along with the box spaces from closing Big Lots and Party City locations, are expected to present backfill opportunities throughout the Southwest Virginia region. New construction retail and mixed-use projects are accelerating and quality smaller sites under 1.5 acres are generally in high demand from fast casual restaurants and other users or from real estate investors with a tenant in hand.

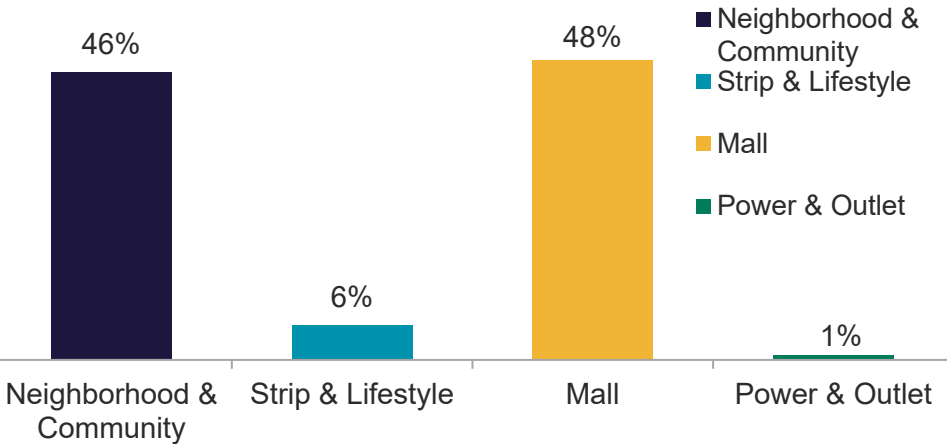
PRICING: RATES STEADY & NOTABLE TRANSACTIONS

Retail rents have ticked up slightly year-over-year (YOY). Real estate assessments have continued to soar with the additional tax burden generally passed onto the tenants. Valley Petroleum purchased two fuel sites in Roanoke, one on 10th Street as well as a closed Sheetz on Orange Avenue. Sheetz continues to expand in various markets and sitework has commenced along Franklin Road (US 220) in South Roanoke County. The Dunkin’ Donuts in Blacksburg, which recently opened in a former Wendy’s, sold for \$2 million (5.75% cap rate). The newly built Starbucks on Piney Forest in Danville fetched \$2.1 million (6.21% cap rate). Forest Hill Shopping Center in Lynchburg along Old Forest Road was sold to a self-storage developer for \$6 million. The fully occupied multi-tenant strip center at Spradlin Farm in Christiansburg was sold for \$5.4 million (7.24% cap rate). Substantial momentum remains entering 2025, and the region remains attractive for outside investment.

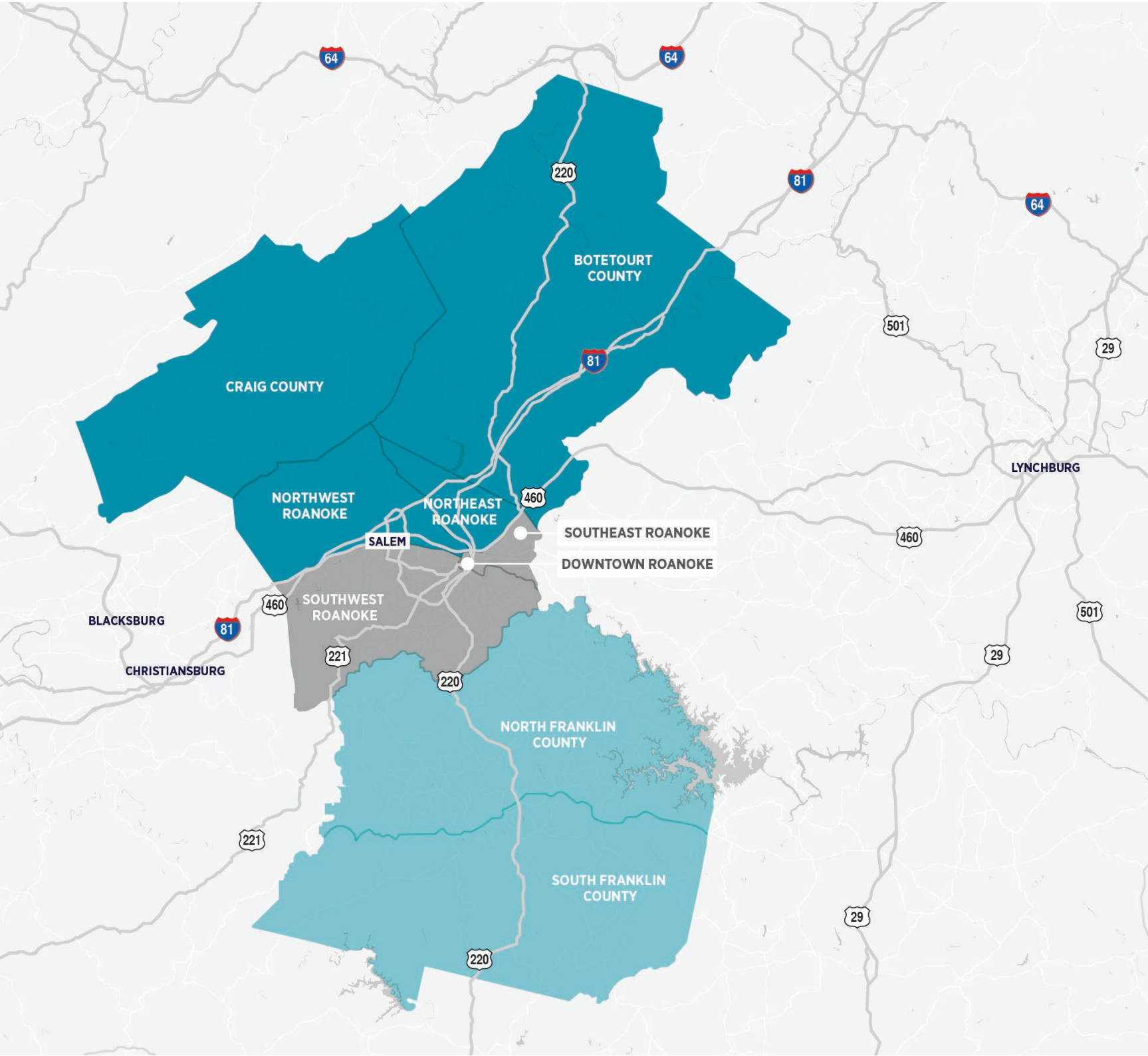
OVERALL VACANCY & ASKING RENT



AVAILABILITY BY PRODUCT TYPE



RETAIL SUBMARKETS



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