

MARKET FUNDAMENTALS

	YOY Chg	Outlook
<div>\$69,100</div> <div>Median HH Income</div>	<div>▲</div>	<div>▲</div>
<div>0.3%</div> <div>Population Growth</div>	<div>▬</div>	<div>▲</div>
<div>3.0%</div> <div>Unemployment Rate</div>	<div>▲</div>	<div>▲</div>

Source: BLS

ECONOMIC INDICATORS

	YOY Chg	Outlook
<div>2.4%</div> <div>GDP Growth</div>	<div>▼</div>	<div>▲</div>
<div>3.0%</div> <div>Consumer Spending Growth</div>	<div>▲</div>	<div>▲</div>
<div>3.2%</div> <div>Retail Sales Growth</div>	<div>▲</div>	<div>▬</div>

Source: BEA, Census Bureau

ECONOMY: RISING ECONOMY

In 2024, the Roanoke region saw impressive growth, with employment increasing by 2.2%, surpassing the averages for Northern Virginia, the state of Virginia, and the nation. At the end of the first quarter, the region’s unemployment rate stands at a low 3.0% compared to the national rate of 4.1%. Roanoke’s economic appeal has also been recognized nationally, as USA Today ranked it #2 among the best cities to move to in the South. Additionally, Munters Corporation plans to expand their HVAC manufacturing facility in Botetourt County by 200,000 square feet (sf), which will create 270 jobs.

INVENTORY: STABLE VACANCY

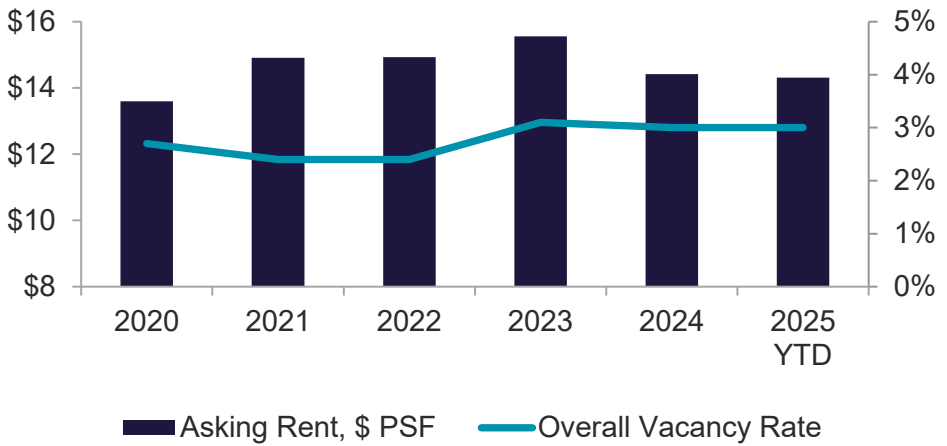
Overall vacancy ended the quarter at 3.0%, a decrease of 10 basis points (bps) quarter-over-quarter (QOQ) and 20 bps year-over-year (YOY). Leasing activity reached 22,875 square feet (sf) while net absorption reached 21,221 sf.

While there were no deliveries for the quarter, 7512 Williamson Road is in the pipeline. This 6,000 square foot building is scheduled to be delivered in the fourth quarter of 2025, and Sheetz will be occupying the property.

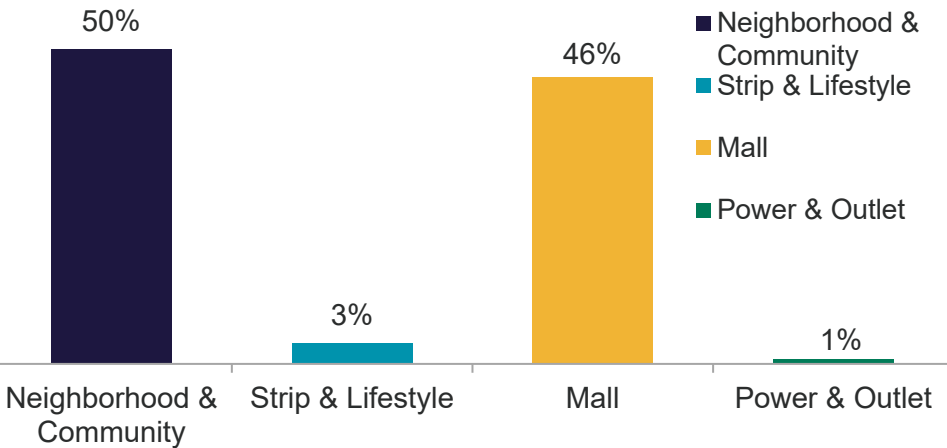
PRICING: NOTABLE TRANSACTIONS

Retail rents have remained essentially flat QOQ and have decreased nearly 6.0% YOY. Sales volume totaled \$8.4 million for the quarter, with the largest transaction being located at 1379 Towne Square Blvd. PN Restaurants purchased this 3,203 sf freestanding building operating as Popeyes Louisiana Kitchen for \$1.4 million or \$437 per-square-foot (psf). Another top transaction was 830 W Main Street. This 1,764 sf newly opened Take 5 oil change location in Salem sold for \$1.3 million or \$771 psf. Farther south in Danville, Virginia, a 76,000 sf vacant neighborhood center sold for \$6.0 million to an investment group with an end user committed to a portion of the space.

OVERALL VACANCY & ASKING RENT



AVAILABILITY BY PRODUCT TYPE



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (NNN)*
Botetourt County	1,424,925	26,612	0	1.9%	10,013	10,013	0	\$19.46
Craig County	63,992	0	0	0.0%	0	0	0	-
Downtown Roanoke	1,406,252	42,992	0	3.1%	-1,554	-1,554	0	\$15.13
North Franklin County	874,784	31,647	0	3.6%	-2,724	-2,724	0	\$18.51
Northeast Roanoke	5,305,352	208,576	0	3.7%	15,852	-2,724	0	\$15.15
Northwest Roanoke	2,576,158	75,188	0	2.9%	-17,638	-17,638	0	\$15.33
South Franklin County	678,863	4,200	14,550	2.8%	0	0	0	\$25.00
Southeast Roanoke	1,316,555	12,515	0	1.0%	-1,000	-1,000	0	\$9.50
Southwest Roanoke	6,508,683	212,838	2,216	3.3%	4,172	4,172	0	\$18.57
ROANOKE TOTALS	20,155,564	614,595	16,766	3.0%	7,121	7,121	0	\$15.64

\*Rental rates reflect weighted net asking \$psf/year

KEY LEASE TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
4335 Starkey Rd	Southwest Roanoke	Undisclosed	6,000	New
1919 Valley View Blvd NW	Northeast Roanoke	Undisclosed	3,680	New
2331 Franklin Rd SW	Southwest Roanoke	Taziki’s	3,500	New
3133 Franklin Rd SW	Southwest Roanoke	Undisclosed	2,592	New
12970-13030 Booker T Washington Hwy	North Franklin County	Elite Transport of VA	1,695	New

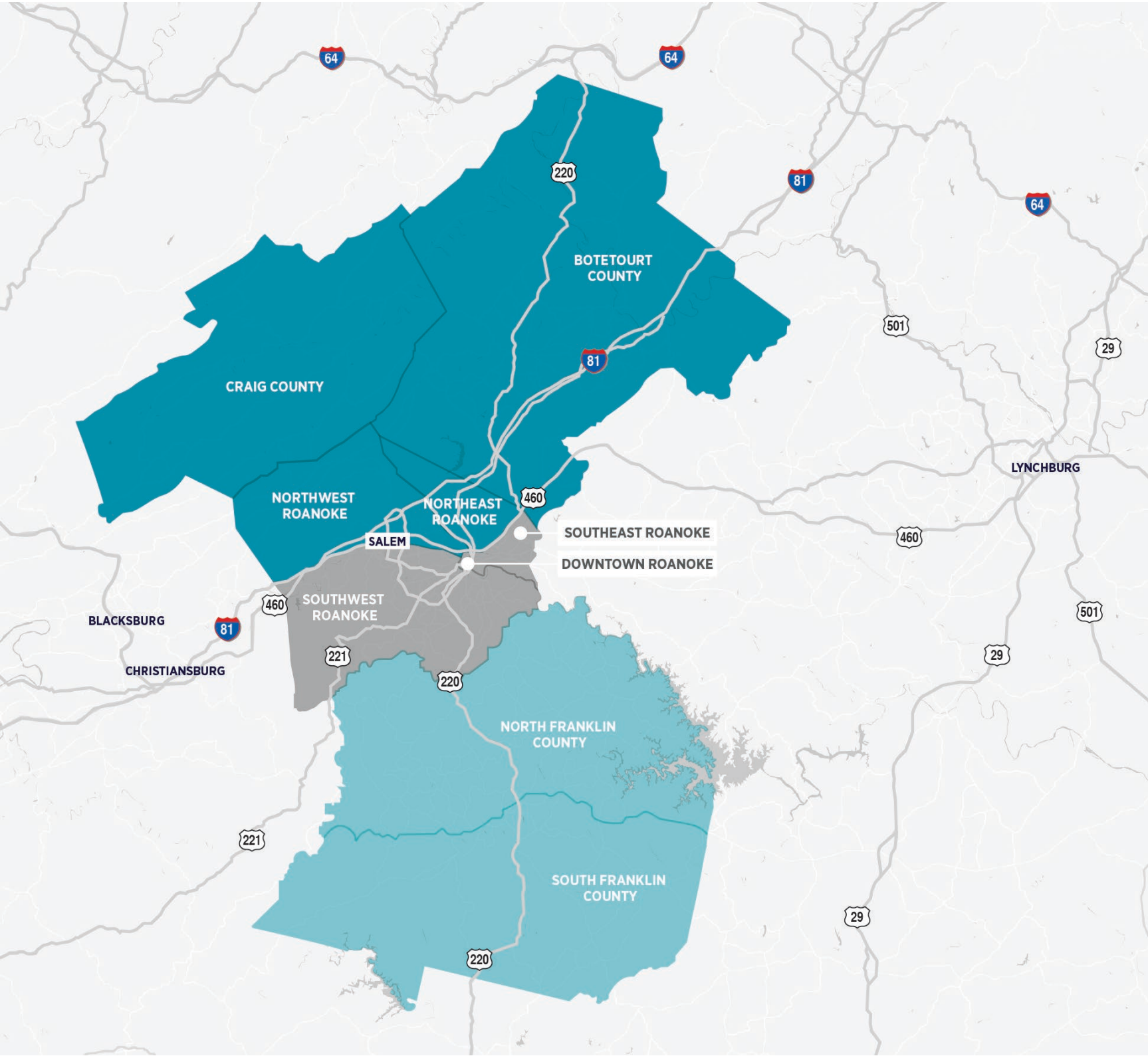
KEY SALE TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
1379 Towne Square Blvd	Northeast Roanoke	Khaliq Zahir / PN Restaurants	3,203	\$1.4M / \$437
830 W Main St	Southwest Roanoke	The Woodberry Group / Montague, Miller & Company	1,764	\$1.36M / \$771
1620 Hershberger Rd	Northeast Roanoke	Remedio Gonzalez / Beacon Credit Union	2,622	\$895K / \$341

KEY UNDER CONSTRUCTION 2025

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
7512 Williamson Rd	Northeast Roanoke	Sheetz	6,000	Visconsi Companies. Ltd.
1229 W Main St	Northwest Roanoke	7 Brew Coffee	510	7 Hills Investment Properties

RETAIL SUBMARKETS



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