

MARKET FUNDAMENTALS

|   | YOY Chg | Outlook |
|---|---------|---------|
| 6.2%<br>Vacancy Rate  | ▲       | ▲       |
| -49.4K<br>YTD Net Absorption, SF  | ▼       | ▲       |
| \$20.80<br>Asking Rent, PSF<br><small>(Overall, All Property Classes)</small> | ▲       | ▬       |

ECONOMIC INDICATORS

|  | YOY Chg | Outlook |
|--|---------|---------|
| 167.9K<br>Roanoke MSA<br>Employment                            | ▲       | ▲       |
| 3.3%<br>Roanoke MSA<br>Unemployment Rate                       | ▲       | ▲       |
| 4.2%<br>U.S. Unemployment<br>Rate<br><small>Source:BLS</small> | ▲       | ▲       |

ECONOMY: CONTINUED REGIONAL INVESTMENT

At the end of the second quarter, the Roanoke region unemployment rate stands at 3.3%, which remains well below the national rate of 4.2% According to Old Dominion University, the Blacksburg, Christiansburg, & Radford metro area has experienced a 13.1% increase in GDP since 2019, closely aligning with the statewide growth rate of 13.2% over the same period. In a significant economic development move, Google has purchased land in Botetourt County zoned for industrial use and data centers. The company plans to cover all expenses required to extend utility services to the site. Once operational, the facility is expected to generate substantial tax revenue, which will help fund school facility upgrades, infrastructure improvements, first responder equipment, and other community needs.

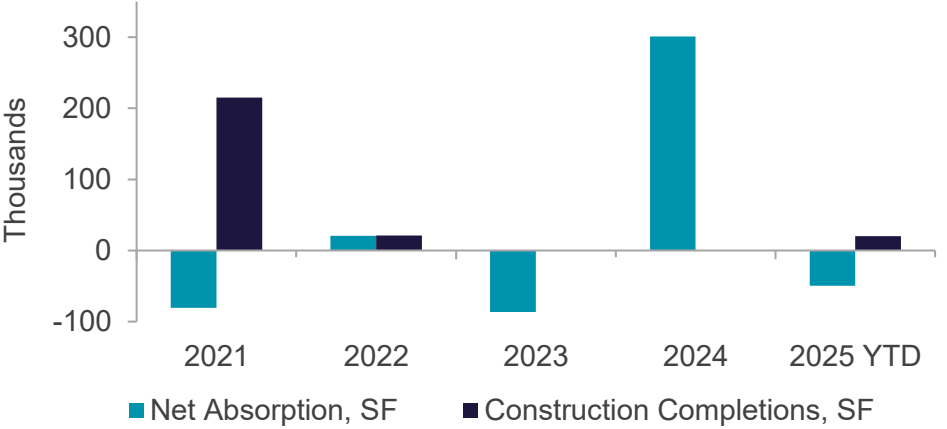
SUPPLY AND DEMAND: INVENTORY INCREASING

Roanoke’s office market has shown moderate movement throughout the second quarter. Overall absorption was negative, while the vacancy rate increased 20 basis points (bps) quarter-over-quarter (QOQ). New leasing activity remained steady, totaling over 18,700 square feet (sf) of space being leased throughout the quarter and surpassing 90,900 sf year-to-date (YTD). Southwest Roanoke led the market, accounting for over 7,338 sf of newly occupied space. In the construction pipeline, Centra Langhorne Medical Center remains underway. Located in Lynchburg, this 130,000 sf multi tenant medical office building is planned to be 5 stories tall and will be 100% occupied at opening.

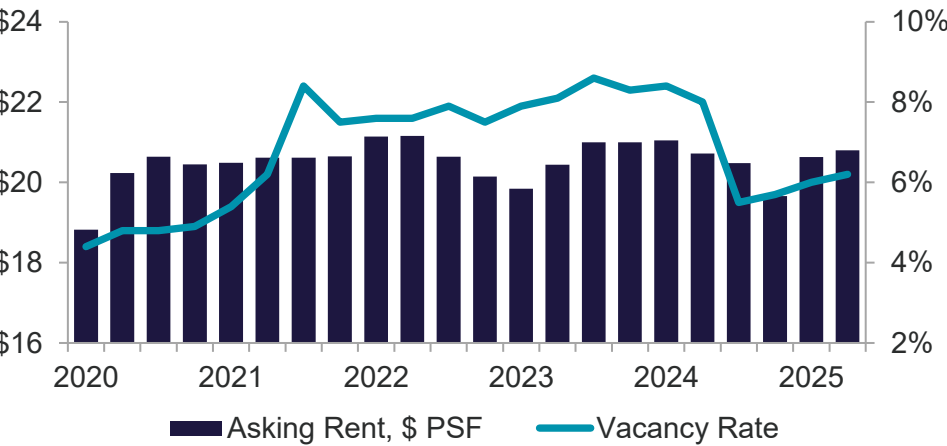
PRICING: RATES STABILIZED

Overall asking rents remained essentially flat, with just a 1.0% increase compared to the previous quarter. Significant lease transactions include 301 S Main St, where Twenty20 Management leased 7,489 sf of space in Blacksburg. Notable sale transactions include 210 S Jefferson St, a 18,444 sf building located in Downtown Roanoke. Edward Walker purchased this building from the Roanoke Regional Chamber of Commerce for \$1.0 Million (M), or \$54.22 per-square-foot (psf).

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



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) | YTD LEASING ACTIVITY (SF) | UNDER CNSTR (SF) | OVERALL AVG ASKING RENT (ALL CLASSES)* | OVERALL AVG ASKING RENT (CLASS A)* |
|-----------------------|----------------|--------------------|--------------------|----------------------|---|---------------------------------|---------------------------|------------------|--|------------------------------------|
| Botetourt County      | 410,685        | 24,061             | 0                  | 5.9%                 | -6,358                                  | 8,964                           | 5,807                     | 0                | \$28.00                                | -                                  |
| Downtown Roanoke      | 3,590,595      | 313,974            | 0                  | 8.7%                 | 3,855                                   | -13,407                         | 12,639                    | 0                | \$21.82                                | \$26.34                            |
| North Franklin County | 156,569        | 0                  | 0                  | 0%                   | 0                                       | 0                               | 0                         | 0                | -                                      | -                                  |
| Northeast Roanoke     | 2,319,734      | 109,872            | 0                  | 4.7%                 | -7,349                                  | -15,611                         | 12,679                    | 0                | \$18.16                                | -                                  |
| Northwest Roanoke     | 351,563        | 34,160             | 0                  | 9.7%                 | 2,747                                   | 0                               | 2,747                     | 0                | \$22.00                                | \$22.00                            |
| South Franklin County | 33,003         | 0                  | 0                  | 0%                   | 0                                       | 0                               | 0                         | 0                | -                                      | -                                  |
| Southeast Roanoke     | 176,085        | 15,635             | 0                  | 8.9%                 | 15,000                                  | 15,000                          | 15,000                    | 0                | \$21.52                                | \$21.52                            |
| Southwest Roanoke     | 3,416,530      | 152,630            | 0                  | 4.5%                 | -8,483                                  | -44,302                         | 42,109                    | 0                | \$18.00                                | \$16.94                            |
| ROANOKE TOTALS        | 10,454,764     | 650,332            | 0                  | 6.2%                 | -588                                    | -49,356                         | 90,981                    | 0                | \$20.80                                | \$24.09                            |

\*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q2 2025

| PROPERTY               | SUBMARKET         | TENANT                            | SF    | TYPE |
|------------------------|-------------------|-----------------------------------|-------|------|
| 310 First St           | Downtown Roanoke  | RRMM Architects                   | 5,667 | New  |
| 3959 Electric Rd       | Southwest Roanoke | Undisclosed                       | 4,877 | New  |
| 65 Shenandoah Ave      | Botetourt County  | Undisclosed                       | 3,665 | New  |
| 5251 Concourse Dr      | Northeast Roanoke | Undisclosed                       | 2,099 | New  |
| 4419 Pheasant Ridge Rd | Southwest Roanoke | James River Home Healthcare, Inc. | 1,865 | New  |

\*Renewals not included in leasing statistics

KEY SALE TRANSACTIONS Q2 2025

| PROPERTY           | SUBMARKET        | SELLER/BUYER   | SF     | PRICE / \$ PSF   |
|--------------------|------------------|--|--------|------------------|
| 210 S Jefferson St | Downtown Roanoke | Roanoke Regional Chamber-Cmmrc / 210 South Jefferson Street, LLC | 18,444 | \$1.0M / \$54.22 |

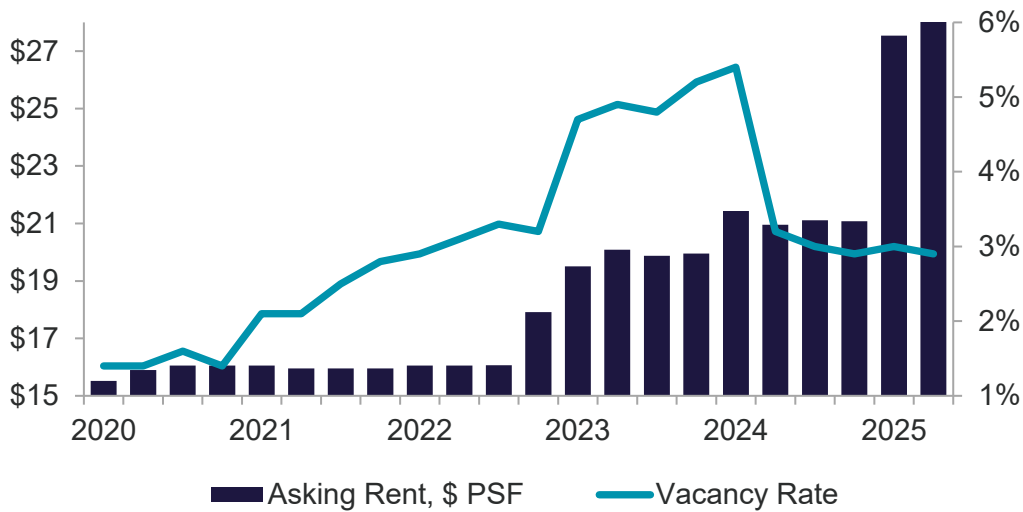
The statistics provided below are for the **Blacksburg** and **Lynchburg** areas, located immediately adjacent to the Roanoke market. These market areas are **not** included in the Roanoke market statistics included on the prior pages of this report but are presented separately due to notable market activity.

BLACKSBURG & LYNCHBURG MARKET STATISTICS

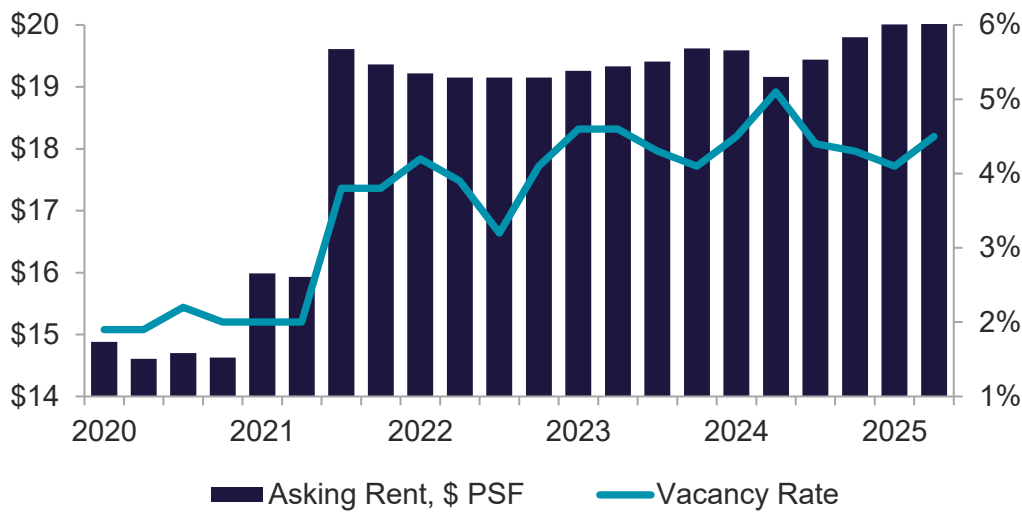
| SUBMARKET                     | INVENTORY (SF) | DIRECT VACANT (SF) | SUBLET VACANT (SF) | OVERALL VACANCY RATE | CURRENT QTR OVERALL NET ABSORPTION (SF) | YTD OVERALL NET ABSORPTION (SF) | YTD LEASING ACTIVITY (SF) | UNDER CNSTR (SF) | OVERALL AVG ASKING RENT (ALL CLASSES)* | OVERALL AVG ASKING RENT (CLASS A)* |
|-------------------------------|----------------|--------------------|--------------------|----------------------|---|---------------------------------|---------------------------|------------------|--|------------------------------------|
| Blacksburg                    | 3,010,341      | 86,499             | 0                  | 2.9%                 | 4,767                                   | 9,130                           | 16,643                    | -                | \$28.34                                | -                                  |
| Lynchburg                     | 4,012,129      | 179,808            | 1,400              | 4.5%                 | -15,629                                 | -6,700                          | 14,470                    | 130,000          | \$20.09                                | -                                  |
| BLACKSBURG & LYNCHBURG TOTALS | 7,022,470      | 266,307            | 1,400              | 3.7%                 | -10,862                                 | 2,430                           | 31,113                    | 130,000          | \$24.22                                | -                                  |

\*Rental rates reflect full service asking

BLACKSBURG OVERALL VACANCY & ASKING RENT



LYNCHBURG OVERALL VACANCY & ASKING RENT



KEY SALE TRANSACTIONS Q2 2025

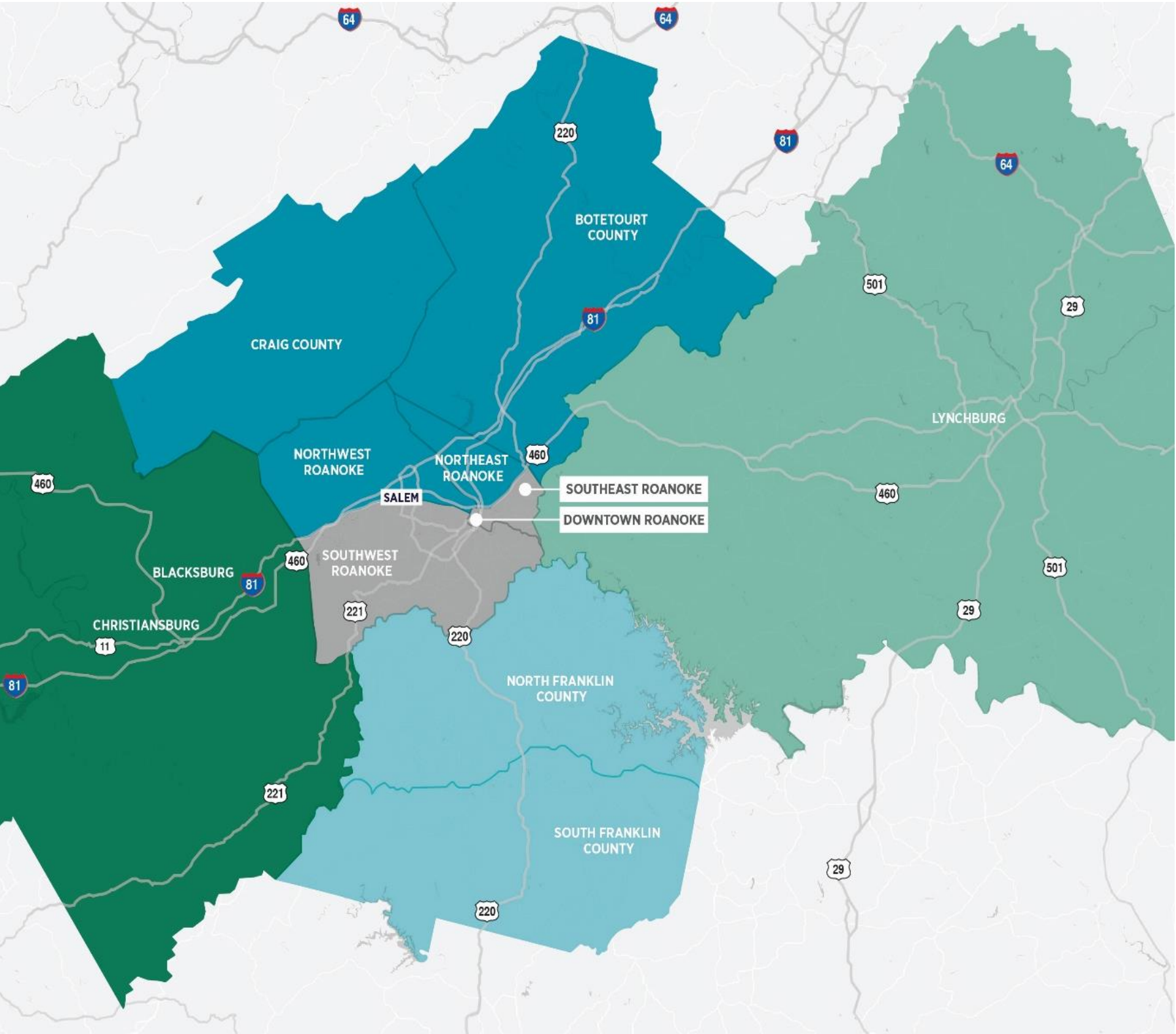
| PROPERTY                    | SUBMARKET  | SELLER/BUYER  | SF     | PRICE / \$ PSF   |
|-----------------------------|------------|---|--------|------------------|
| 200 Professional Park Dr SE | Blacksburg | Frances T Wilson Revocable Trust / 200ProfParks4, LLC | 33,000 | \$372K / \$11.29 |
| 2001 S Main St Suite 103    | Blacksburg | Cip Properties, LLC / Jjdl, LLC                       | 16,890 | \$300K / \$17.76 |
| 2250 Murrell Rd             | Lynchburg  | Rock Tree Investments, LLC / Favored Services, LLC    | 12,000 | \$235K / \$19.58 |

KEY CONSTRUCTION PROJECTS Q2 2025

| PROPERTY          | SUBMARKET | MAJOR TENANT              | SF      | OWNER/DEVELOPER                                 |
|-------------------|-----------|---------------------------|---------|---|
| 2125 Langhorne Rd | Lynchburg | Centra Medical Group, LLC | 130,000 | Centra Health, Inc. / Remedy Medical Properties |



OFFICE SUBMARKETS



**PRICE GUTSHALL**  
Vice President  
Tel: +1 540 767 3011  
[price.gutshall@thalhimer.com](mailto:price.gutshall@thalhimer.com)

*Independently Owned and Operated / A Member of the Cushman & Wakefield Alliance*

**A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION**  
Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of \$9.4 billion across its core services lines of Services, Leasing, Capital Markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com).

©2025 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.