

MARKET FUNDAMENTALS

	YOY Chg	Outlook
2.5% Vacancy Rate	▼	▲
2.0K Net Absorption, SF	▲	▲
\$25.00 Asking Rent, PSF <i>Overall, Net Asking Rent</i>	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
2.2% GDP Growth	▼	▲
2.2% Consumer Spending Growth	▼	▲
1.3% Retail Sales Growth	▼	▬

Source: BEA, Census Bureau

ECONOMY: REGIONAL ECONOMIC MOMENTUM

Long-term momentum in the region remains strong, with new projections from the Weldon Cooper Center for Public Service at University of Virginia (UVA) estimating population growth of 31.5% by 2050 across the Thomas Jefferson region, including Albemarle County, signaling significant residential expansion. Economic activity is also strengthening in the urban core, as Charlottesville’s Downtown Mall saw visitation rise 4% in 2025 to an estimated 2.8 million (M) visitors, reinforcing its role as a key regional destination. On the investment side, Amazon Web Services acquired more than 1,900 acres in central Louisa County for \$72.5M in one of the largest land transactions in county history, highlighting significant infrastructure and data center development potential in the broader region. UVA’s Weldon Cooper Center also estimates that defense and bioscience initiatives generate more than \$1 billion in regional economic impact, underscoring a diversified and expanding economic base anchored by education, technology, and life sciences.

SUPPLY & DEMAND: HISTORIC LOW VACANCY

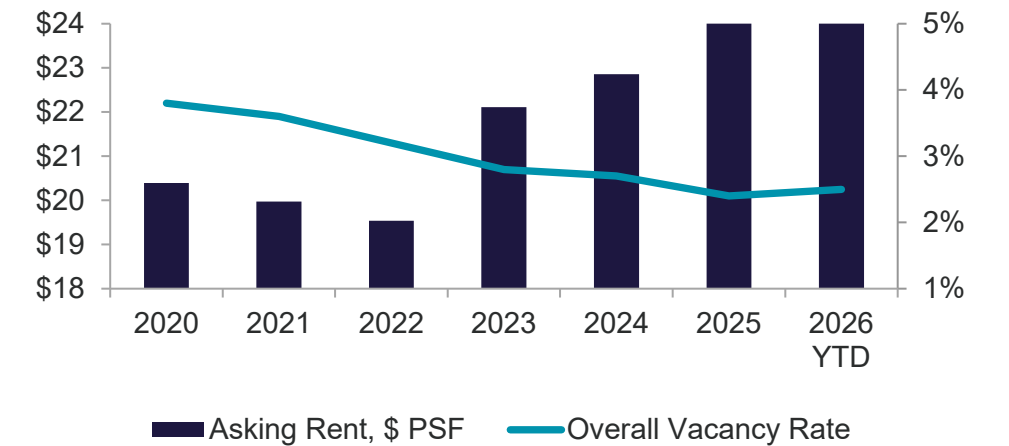
Overall vacancy increased 20 basis points (bps) quarter-over-quarter (QOQ) and remained flat year-over-year (YOY). This is the eighth consecutive quarter where vacancy has held at or below 3.0%. The Villages at Terrace Green is currently under construction and will help ease supply constraints in the market. The mixed-use development has the capacity to supply more than 240,000 square feet (sf) of retail and office space in Green County. Over 28,000-sf of retail space is currently underway.

Leasing activity topped over 19,000 sf for the quarter. The largest deal was located at Rivanna Ridge Shopping Center where Redline Athletics Charlottesville leased 4,200-sf of space. Close behind was a deal located at Preston Plaza where MADabolic renewed 4,196-sf of space.

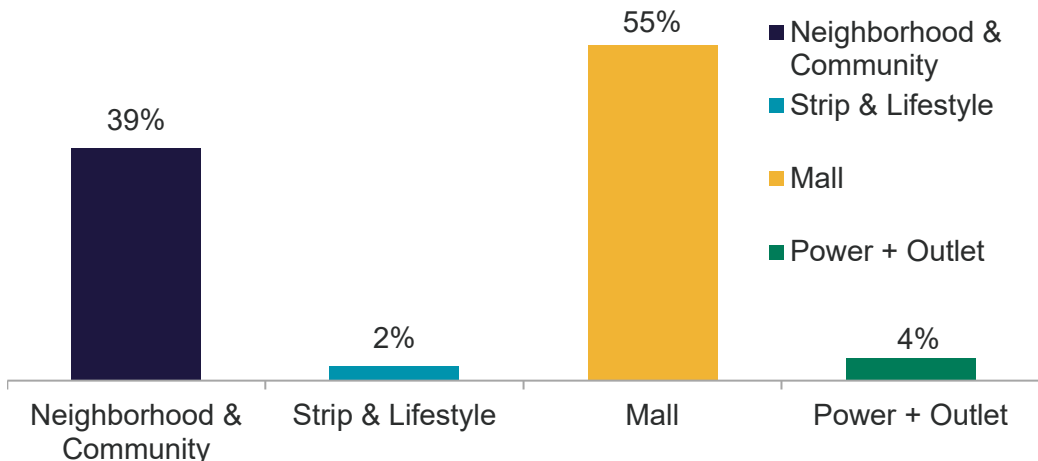
PRICING: RATES CONTINUE TO RISE

Rents continue increase YOY, increasing by almost 1.0% since the same time last year, and that trend is forecast to continue due to ongoing supply-side shortages. Sales volume for the quarter topped \$18.3M. Forest Lakes Shopping Center topped the transactions, transferring for over \$6.9M, or \$127.46 per square foot. Collett Capital sold this 54,078-sf neighborhood center to C.F. Smith Property Group with a cap rate of 6.47% as part of a portfolio consisting of 2 additional properties.

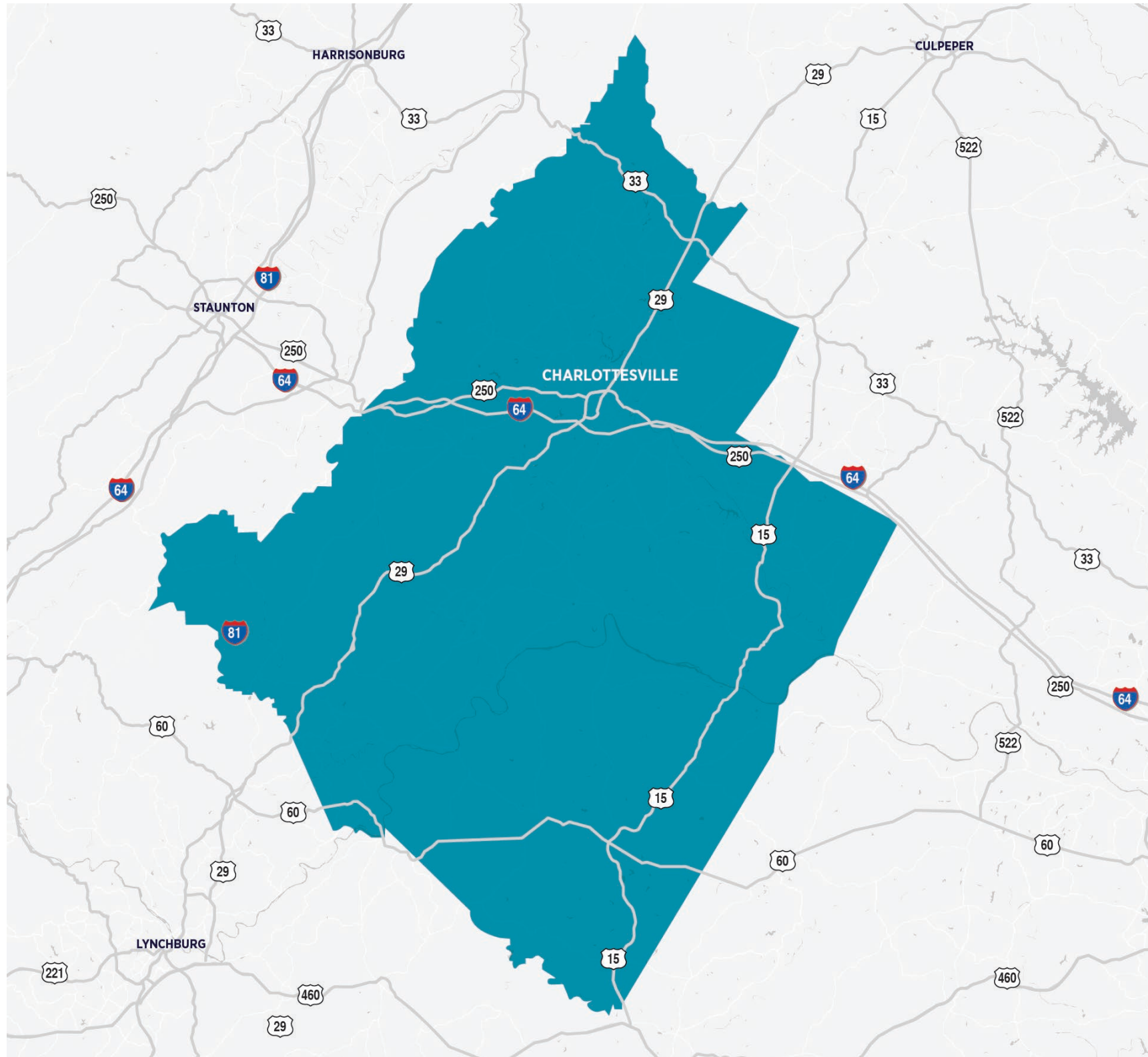
OVERALL VACANCY & ASKING RENT



AVAILABILITY BY PRODUCT TYPE



RETAIL SUBMARKETS



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