

# MARKETBEAT

## ROANOKE, VIRGINIA OFFICE REPORT

A CUSHMAN & WAKEFIELD ALLIANCE RESEARCH PUBLICATION

**Thalhimer**  
commercial real estate

3Q09

### AT A GLANCE

- Through August 2009, Roanoke has an unemployment rate of 7.4%. This is better than the national unemployment rate of 9.6%, but slightly worse than the Virginia unemployment rate of 6.5%. However, the trend is positive as this marks the second consecutive month of decline in the unemployment rate, bringing it back to the same level as February of this year.
- Lewis-Gale is moving forward with a 20,000 sf medical office building at Daleville Town Center. The new building will house an imaging center as well as physician's offices.
- The Virginia Tech Corporate Research Center has secured funding which will allow the CRC to proceed with new construction. The expansion is expected to provide construction jobs in the immediate future and high-paying research jobs for years to come.

### ECONOMIC INDICATORS

National	2008	2009F	2010F
GDP Growth	0.4%	-2.6%	1.8%
CPI Growth	3.8%	-0.5%	1.7%

#### Regional

Unemployment	4.1%	7.2%	7.0%
Employment Growth	-0.3%	-2.8%	1.0%

Source: Moody's | Economy.com

### BEAT ON THE STREET

"Over the past few months, tenants showed an increased interest in leasing new space. However, the economy continues to cause real estate decision makers to proceed with great caution before making commitments."



—Jake Copty  
Commercial Sales and Leasing

### MARKET HIGHLIGHTS

#### SIGNIFICANT 3Q09 NEW LEASE TRANSACTIONS

BUILDING	TENANT	SF	BUILDING CLASS
Crossroads Business Park	Advance Auto	90,000	B
Lee Hi Business Center	ITT Technical College	18,800	B

#### SIGNIFICANT 3Q09 SALE TRANSACTIONS

BUILDING	BUYER	SF	PURCHASE PRICE
25 Church Ave	Dalton Investment Properties, LLC	4,020	\$623,500

#### SIGNIFICANT 3Q09 CONSTRUCTION COMPLETIONS

BUILDING	MAJOR TENANT	SF	COMPLETION DATE
2670 Electric Rd	None	10,258	9/09
210 Commons Parkway	None	4,839	9/09

#### SIGNIFICANT PROJECTS UNDER CONSTRUCTION

BUILDING	MAJOR TENANT	SF	COMPLETION DATE
200 Summers Way	N/A	11,902	11/09

### MARKET STATISTICS

MARKET	INVENTORY	OVERALL VACANCY	YTD LEASING ACTIVITY	DIRECT WTD. AVG. CLASS A GROSS RENTAL RATE psf/yr
Botetourt	233,013	17.8%	1,200	N/A
Roanoke CBD	3,450,463	9.6%	18,681	\$19.61
East Roanoke City	993,883	8.7%	36,800	\$24.00
West Roanoke City	1,000,610	10.7%	5,774	N/A
East Roanoke County	2,151,841	10.3%	18,661	\$16.81
West Roanoke County	100,627	0.9%	0	N/A
Franklin County	92,433	34.0%	0	N/A
Salem City	968,578	15.1%	1,260	N/A
<b>Total</b>	<b>8,991,448</b>	<b>11.3%</b>	<b>82,376</b>	<b>\$17.48</b>

An independently owned and operated member of the



For further information, please contact one of our Brokerage Services Professionals:

Thalhimer  
310 First Street SW, Suite 450  
Roanoke, VA 24011  
(540) 767-3000  
www.thalhimer.com

Please consider your environmental responsibility before printing this report.

This report contains information available to the public and has been relied upon by Thalhimer on the basis that it is accurate and complete. Thalhimer accepts no responsibility if this should prove not to be the case. No warranty or representation, express or implied, is made to the accuracy or completeness of the information contained herein, and same is submitted subject to errors, omissions, change of price, rental or other conditions, withdrawal without notice, and to any special listing conditions imposed by our principals.

©2009 Thalhimer, Inc. All rights reserved.