

# MARKETBEAT

## ROANOKE INDUSTRIAL REPORT

A CUSHMAN & WAKEFIELD ALLIANCE RESEARCH PUBLICATION

4Q10

### AT A GLANCE

- Furniture Brands International, Appomattox County's second largest employer, is closing their Thomasville Furniture manufacturing plant. However, this is offset by Dove Vinyl Windows plans to move into 75,000 square feet (sf) in Pulaski and Solution Matrix taking 25,000 sf in Franklin County.
- The City of Roanoke closed on 1255 Williamson Road, which most recent use was industrial. The tenant was Blue Ridge Truck Tire. This transfer is Phase III of the Carilon project.
- Vacancy rates have held steady in the 13.0% range for a few quarters with little leasing activity and no new construction. There has been approximately 5.0 million square feet (msf) for sale in the market since the first quarter of 2009. This is significantly higher than the 1.4 msf listed for sale in the first quarter of 2008.

### MARKET HIGHLIGHTS

#### SIGNIFICANT 2010 NEW LEASE TRANSACTIONS

BUILDING	TENANT	SF	PROPERTY TYPE
7670 Enon Drive	ITT Gallium Arsenide	22,733	FLEX
1342 Roanoke Blvd.	Mid, Inc.	9,030	WHS
1214 Loudon Ave	Campbell Parts	9,000	WHS

#### SIGNIFICANT 2010 SALE TRANSACTIONS

BUILDING	BUYER	SF	PURCHASE PRICE
4754 Old Rocky Mount Road	Roselawn Realty Investment LLC	3.8 acres	\$4,709,200
1255 Williamson Rd	City of Roanoke Redevelopment and Housing Authority	165,310	\$2,900,000
160 Industrial Drive	Trinity Packaging Corporation	177,190	\$1,600,000

#### SIGNIFICANT 2010 CONSTRUCTION COMPLETIONS

BUILDING	MAJOR TENANT	SF	COMPLETION DATE
N/A			

### ECONOMIC INDICATORS

National	2009	2010	2011F
GDP Growth	-2.6%	2.8%	2.8%
CPI Growth	-0.3%	1.6%	1.5%
Regional			
Unemployment	7.2%	7.5%	7.2%
Employment Growth	-4.2%	-0.8%	0.9%

Source: Moody's | Economy.com

### MARKET STATISTICS

SUBMARKET	OVERALL INVENTORY	OVERALL VACANCY RATE	DIRECT WEIGHTED AVERAGE NET RENTAL RATE
Botetourt	3,391,903	10.9%	\$2.76
Roanoke CBD	934,987	2.5%	\$5.04
East Roanoke City	8,687,036	19.5%	\$3.93
West Roanoke City	3,011,111	19.3%	\$6.15
East Roanoke County	3,726,451	4.6%	\$7.50
West Roanoke County	557,787	2.1%	\$6.25
Franklin County	1,549,381	14.1%	\$3.25
Salem City	6,952,720	10.7%	\$3.95
<b>TOTAL</b>	<b>28,811,376</b>	<b>13.2%</b>	<b>\$5.01</b>

### BEAT ON THE STREET



"In spite of a slow economy activity seems to be picking up. The availability of a strong workforce and the markets proximity to transportation are attracting interest and investment from outside the market."

—Kent Roberts, Sales and Leasing