

## MARKETBEAT

# Industrial Snapshot Q3 2015

Fredericksburg, VA



### FREDERICKSBURG OFFICE

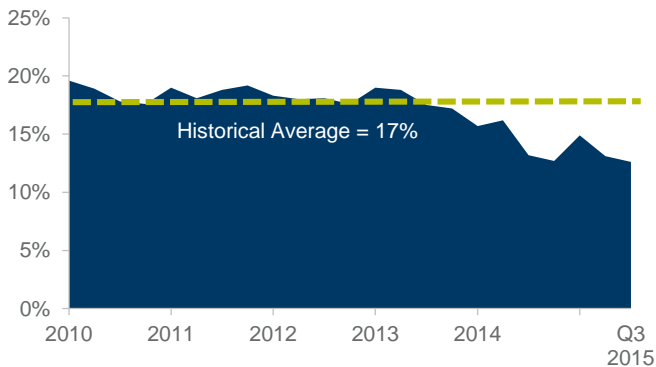
#### Economic Indicators

	Q3 14	Q3 15	12-Month Forecast
Washington DC MSA Employment	3,114k	3,180k	▲
Washington DC MSA Unemployment	4.9%	4.5%	▼
U.S. Unemployment	6.1%	5.1%	▼

#### Market Indicators

	Q3 14	Q3 15	12-Month Forecast
Overall Vacancy	13.2%	12.6%	▼
Net Absorption	69k	54k	▼
Under Construction	0	0	■
Overall Average Asking Rent	\$5.84	\$5.47	▼

#### Overall Vacancy



### Economy & Market Overview

Employment numbers rose in the U.S. and Fredericksburg markets for Q3 as employers seek out employees to fill seasonal positions.

The industrial market in the third quarter continues to report declining vacancy rates especially in newer high-quality buildings. With no new product coming on line this also is now translating into a higher demand for older properties with traditionally higher vacancy rates.

We continue to see strong demand for recreational and sports usage in the warehouse market. Of note this quarter, Stealth Sports, Inc. leased 20,500 square feet for volleyball in Stafford County. As the area population continues to grow, we expect even more interest in transitioning traditional industrial buildings into sports facilities.

### Key Lease Transactions Q3 2015

PROPERTY	SF	TENANT	PROPERTY TYPE
1127 International Pkwy., 109	20,500	Stealth Sports, Inc.	Class A
20 Commerce Pkwy.	4,200	Undisclosed	Class B

### Outlook

Overall, we expect demand to continue to improve as the economy improves and vacancy declines. Expectations are that 2016 should finally see new projects developed to meet the increasing demand.

### About Cushman & Wakefield

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