

ROANOKE OFFICE

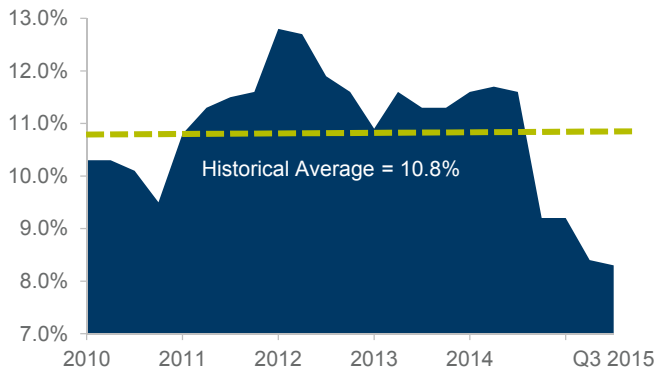
Economic Indicators

	Q3 14	Q3 15	12-Month Forecast
Roanoke Employment	160k	162k	▲
Roanoke Unemployment	5.1%	4.6%	▼
U.S. Unemployment	6.1%	5.1%	▼

Market Indicators

	Q3 14	Q3 15	12-Month Forecast
Overall Vacancy	11.6%	8.3%	■
Net Absorption	-88k	1,499k	▼
Under Construction	0k	0k	■
Overall Average Asking Rent	\$4.21	\$3.93	▲

Overall Vacancy



Economy & Market Overview

Roanoke is among the top growth economies in Virginia, second only to Richmond, according to the Roanoke Regional Partnership and Gross Metropolitan Product (GMP) numbers from the U.S. Bureau of Economic Analysis. From 2013-2014—the most recent numbers available—GMP grew by 3.3%. Additionally, Roanoke is growing faster than more than half of all U.S. metro areas.

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Market Overview

There were ten industrial project announcements made by The Virginia Economic Development Partnership during the quarter. New project announcements are all expansion of existing facilities with no new market entries. The most significant announcement is a \$38.2 million expansion of the Volvo Truck facility in Dublin (New River Valley) and will result in thirty two new jobs. Turkey processor Virginia Poultry Growers Cooperative in Rockingham County announced a \$61.9 expansion of their facility and Homestead Creamery in Franklin County broke ground on an expansion of their processing and retail facility essentially tripling its size. These three projects speak to the strength of advanced manufacturing and agribusiness in the region. New projects announced during the quarter represent an investment on the order of \$153,880 MM and 303 jobs.

Key Lease Transactions Q3 2015

PROPERTY	SF	TENANT	PROPERTY TYPE
105 14 th Street NW	37,000	Fuji Electric	Manufacturing
820 Tightsqueeze Industrial Rd., Chatham	20,000	Dadant & Sons, Inc.	Distribution
1627 Shenandoah Ave., Roanoke	10,000	King Screen Printing	Manufacturing

Key Sales Transactions Q3 2015

PROPERTY	SF	BUYER	PRICE
1410 Coulter, Roanoke	51,493	Roanoke Regional Airport Commission	\$2,307,000
2940 Perrowville Rd., Forest	30,000	BC & FE Investments, LLC	\$1,125,000
5205 Starkey Rd., Roanoke	24,375	Oizup Holdings	\$695,000
128 Albemarle Rd., Roanoke	8,680	Press Press Merchandising	\$450,000

Outlook

While the pace of new projects is off slightly from recent quarters, the pace of closings and layoffs is down as well with only two announcements. Neither of the closings or reductions are in the Roanoke, Lynchburg, or New River Valley markets. Looking at a bigger picture activity remains strong along the I-81 corridor from Harrisonburg north to the state line. Overall the outlook for the region remains positive.

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