

COMMERCIAL REAL ESTATE MARKET UPDATE

January 9, 2019

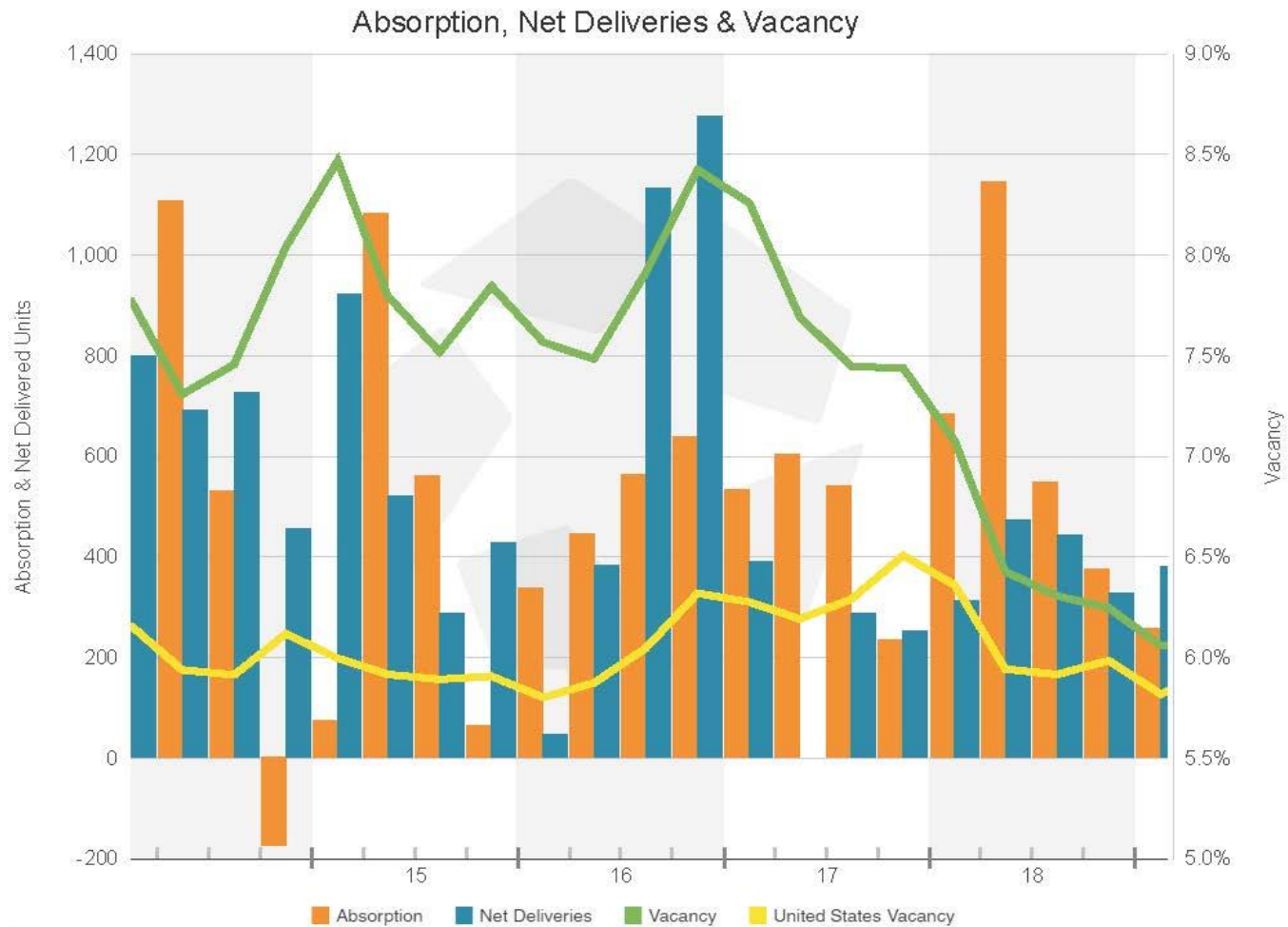
TOPICS:

1. Statistical Analysis
2. Anecdotal Review of Notable Transactions in 2018
3. Conclusions

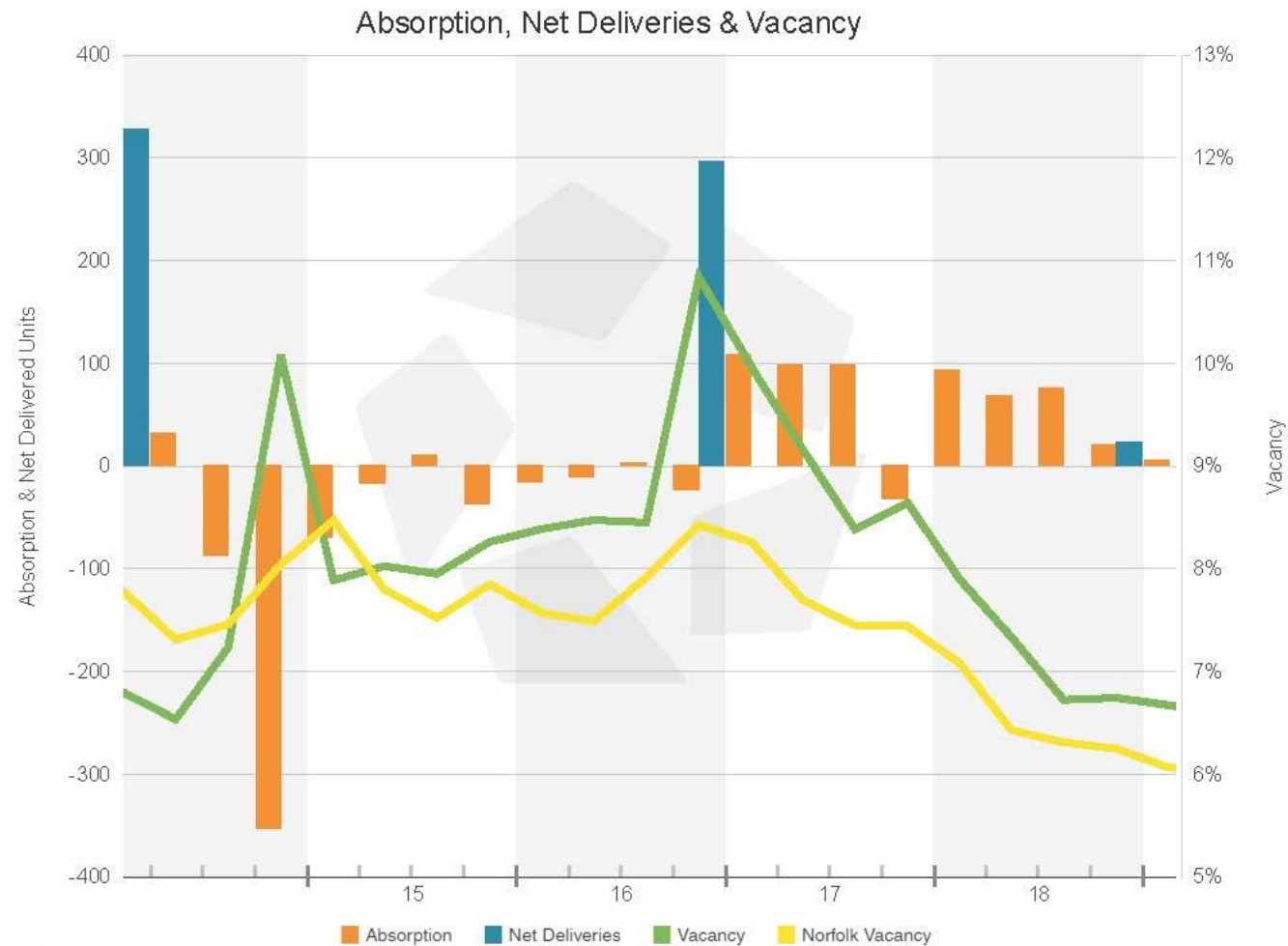
QUALIFIERS:

1. Covers multi-family, office, retail and industrial real estate
2. Does not cover residential or hospitality

Hampton Roads Multifamily Market



Hampton Multifamily Market



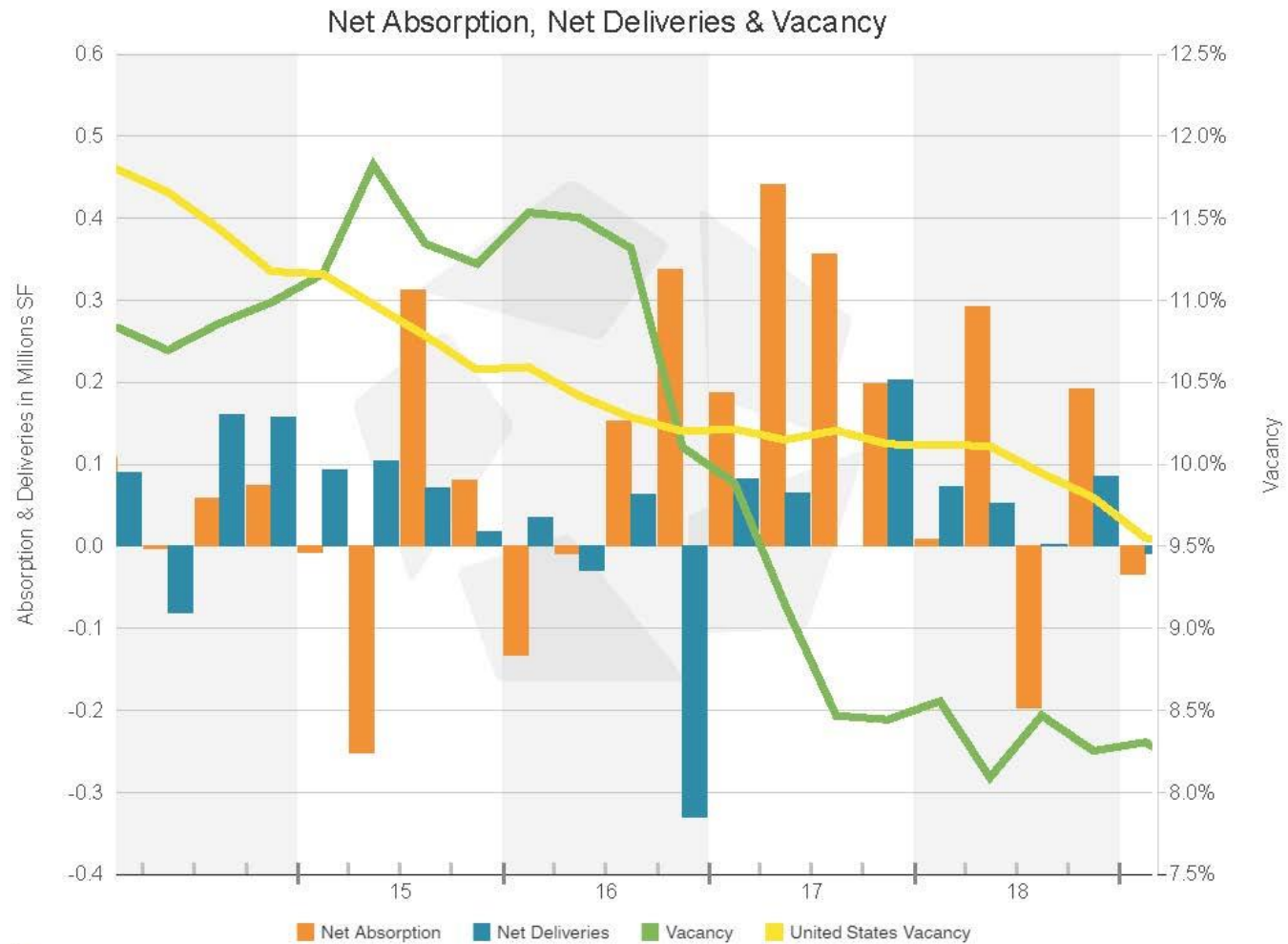
Trail Creek Apartments sells for \$44.25 million



300 units (\$147,500/unit)

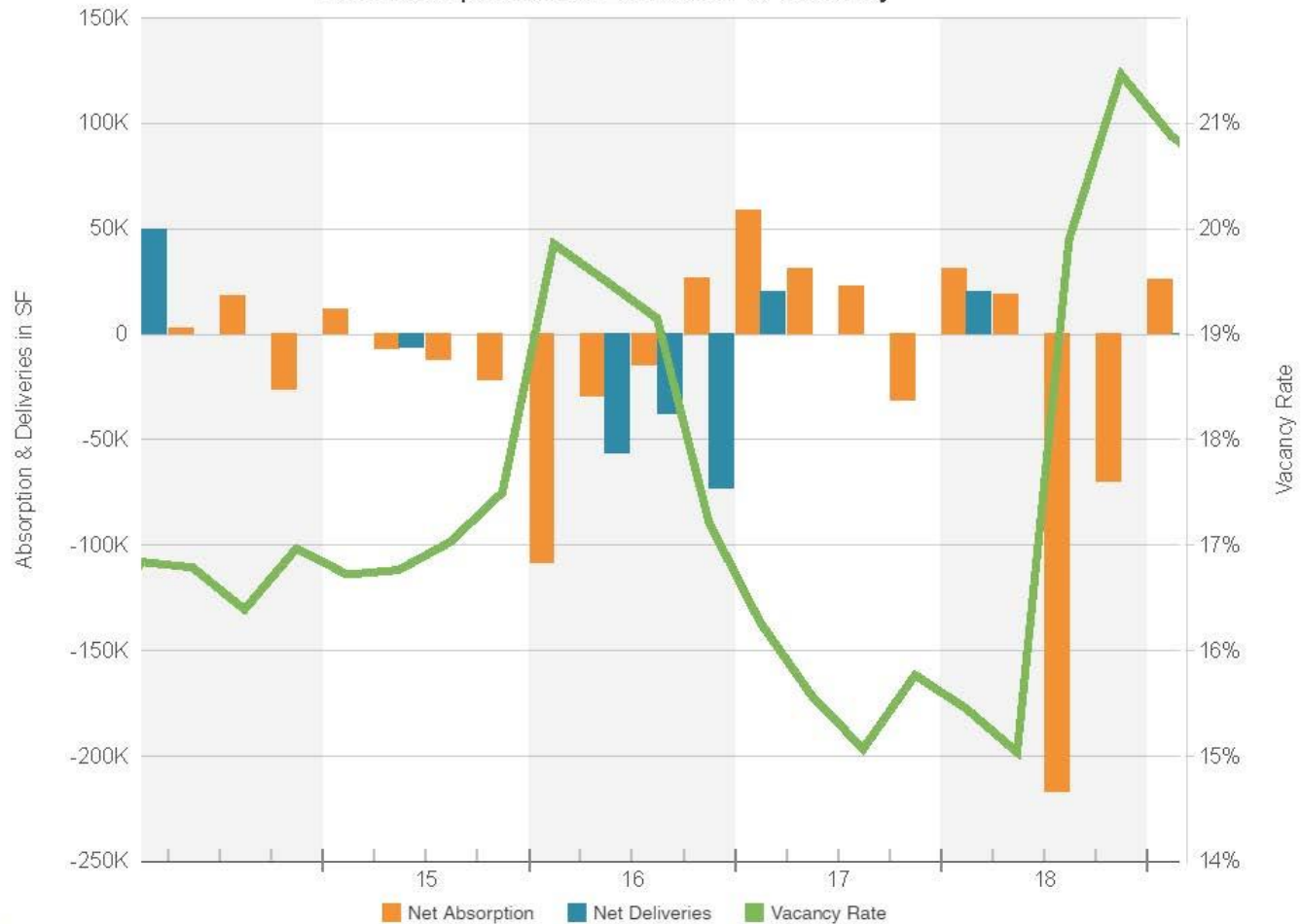
Note: Sold in 2016 for \$39 million (\$130,000/unit)

Hampton Roads Office Market



Hampton Office Market

Net Absorption, Net Deliveries & Vacancy



100 & 300 Exploration Way sells for \$9.9 million



156,613 SF (\$63/SF)

Note: Sold in 2006 for \$28.55 million (\$182/SF)

NetCenter sells for \$19.75 million



558,000 SF (\$35/SF)

Note: Sold in 2013 for \$17.91 million (\$32/SF)

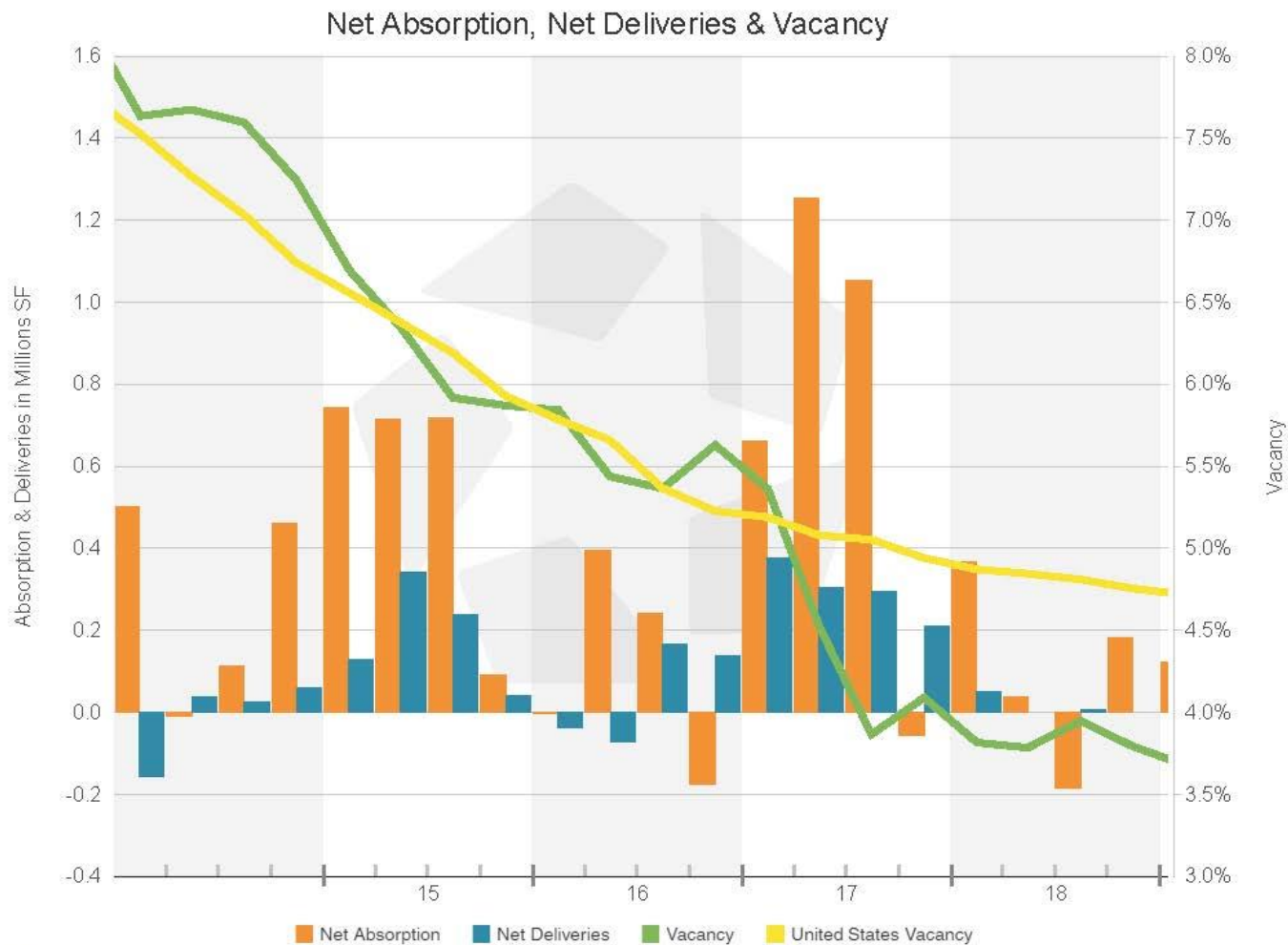
400 Butler Farm Road sells for \$10.375 million



100,632 SF (\$106/SF)

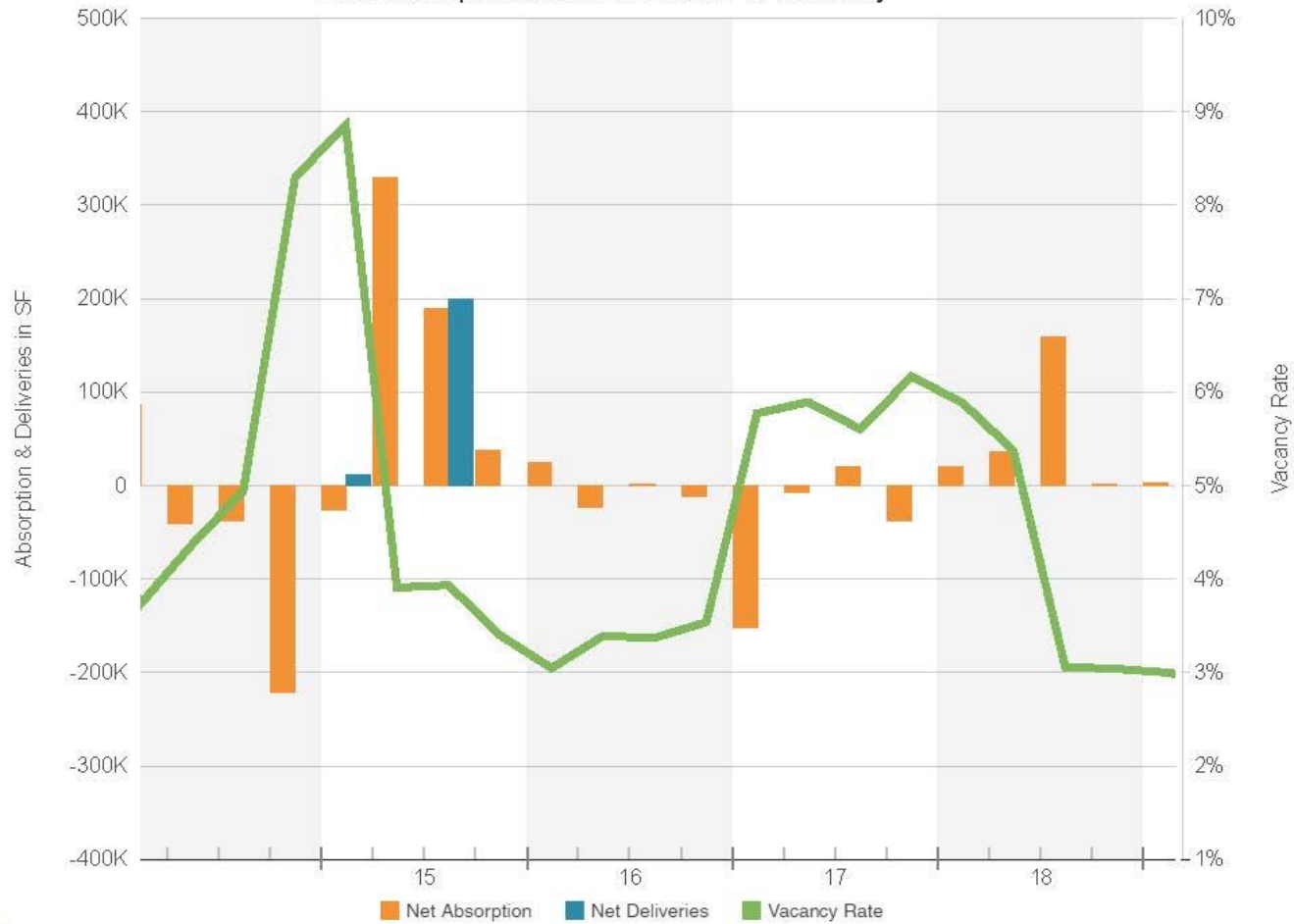
Note: Sold in 2000 for \$11.959 million (\$119/SF)

Hampton Roads Industrial Market



Hampton Industrial Market

Net Absorption, Net Deliveries & Vacancy



**FedEx Distribution Center (61 Floyd Thompson Blvd.)
sells for \$25.75 million**



198,839 SF (\$130/SF)

301 West Park Lane sells for \$15.2 million



180,000 SF (\$84/SF)

Note: Part of a \$952 million portfolio sale.

Tecnico Corp. leases 155,107 SF



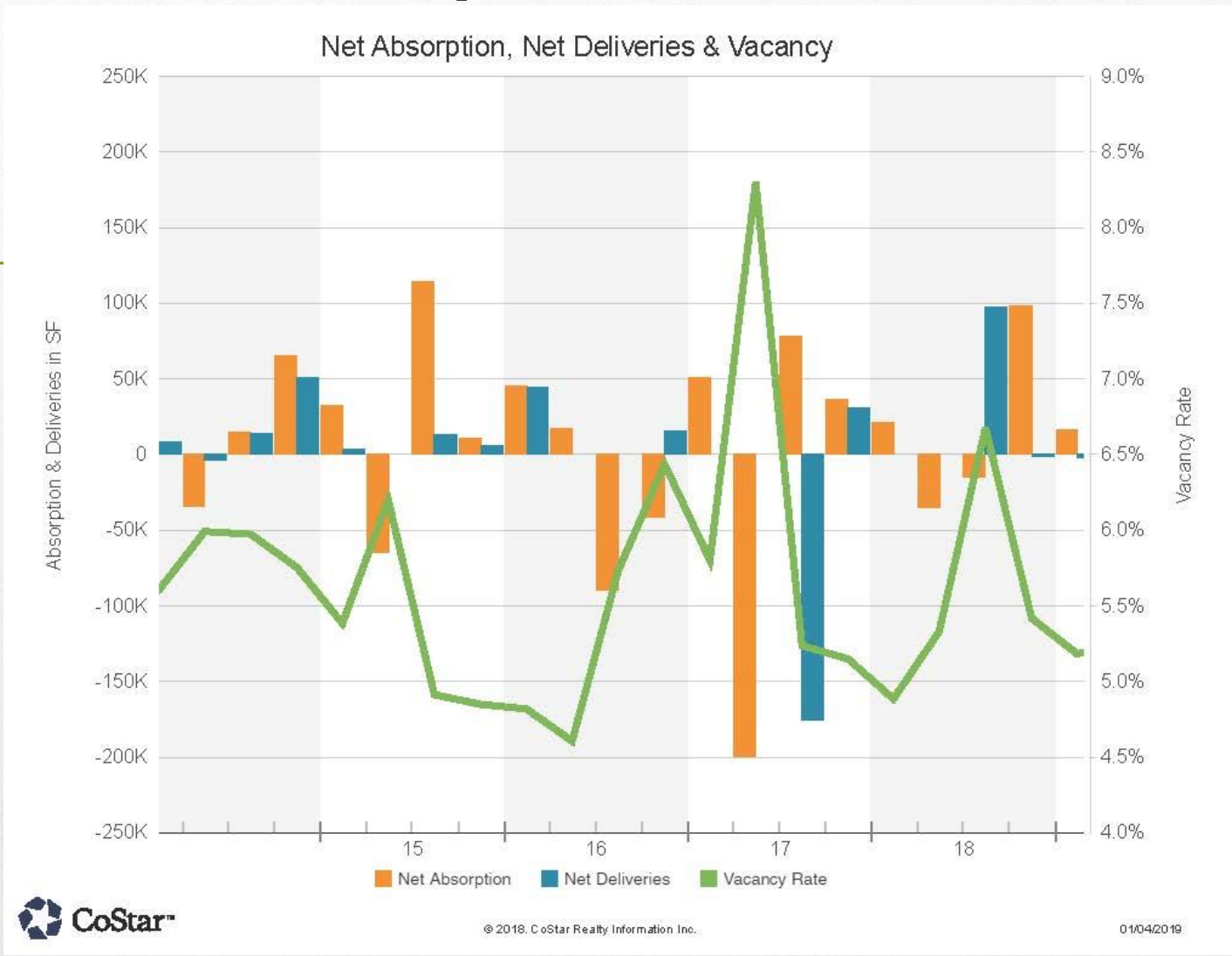
2000 Enterprise Parkway

Hampton Roads Retail Market

Net Absorption, Net Deliveries & Vacancy



Hampton Retail Market



**Hampton Plaza Shopping Center (4019 W. Mercury Blvd.)
sells for \$8.7 million**



173,199 SF (\$50/SF)

CVS Pharmacy (918 W. Mercury Blvd.) sells for \$8.5 million



13,605 SF (\$627/SF)

Wawa (301 E. Mercury Blvd.) sells for \$4.4 million



5,024 SF (\$884/SF)

Peninsula Town Center is for sale, in pieces.



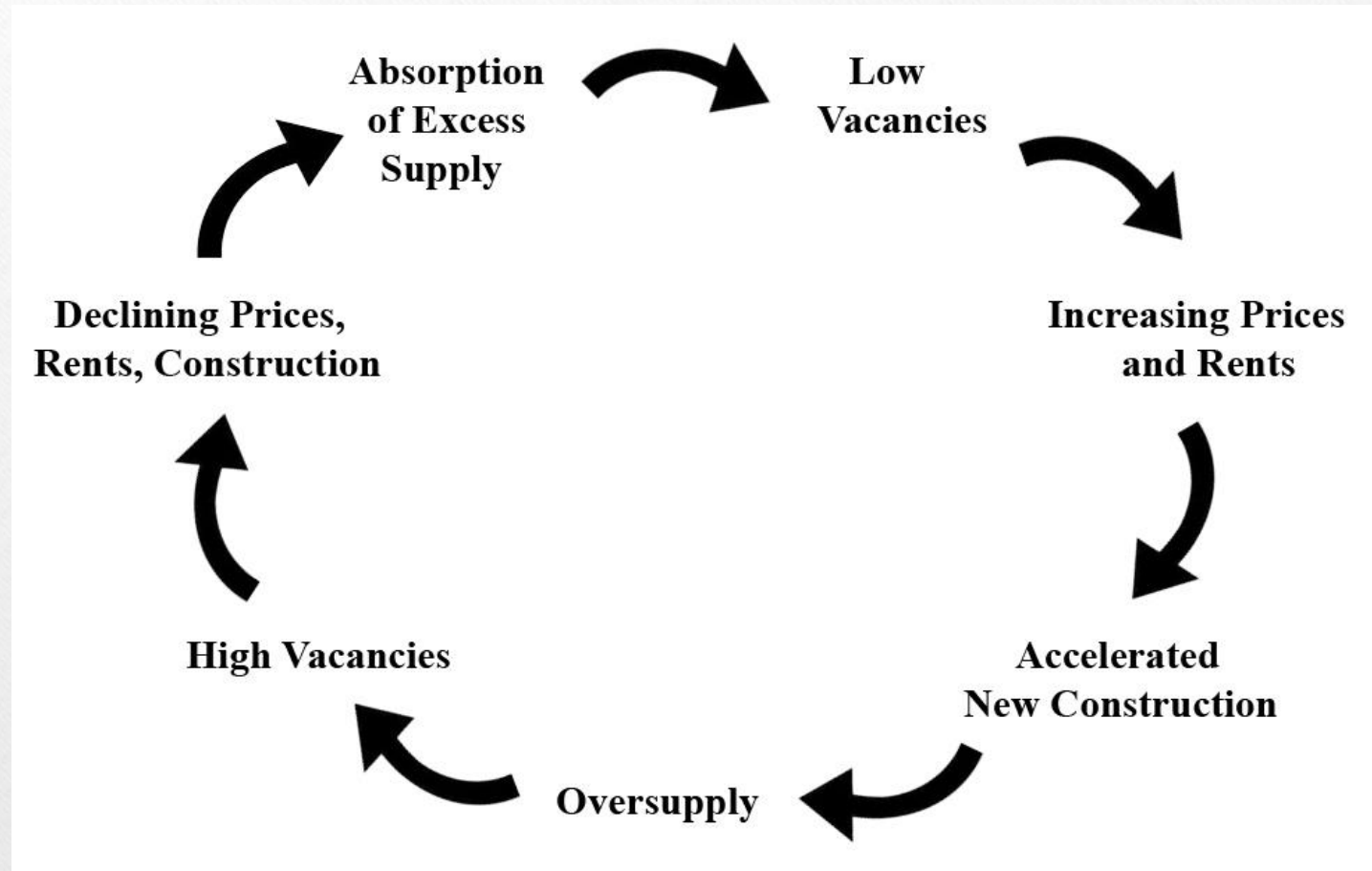
**1812 W. Mercury Blvd.
(Verizon Bldg.)
Asking \$924/SF**



**2031 Coliseum Drive
(Panda Express Bldg.)
Asking \$928/SF**

Also: Floor & Décor, Sky Zone; Mission BBQ, Navy Federal, etc.

Market Cycle Graphic



CONCLUSIONS:

1. The Hampton apartment market is stable and healthy.
2. The Hampton office market continues to stagnate with no sign of recovery.
3. The Hampton industrial market is stable, but quite constrained by the lack of new supply.
4. The Hampton retail market is stable and noisy with continued creative destruction.