



NAI Beverly-Hanks
Commercial Real Estate Services, Worldwide.

MARKET REPORT

QUARTER TWO 2020

COMMERCIAL SALES ACTIVITY | YEAR END 2020

INDUSTRIAL
TRANSACTIONS **5**

FOR

\$3.7M

2019: \$12.1M

OFFICE
TRANSACTIONS **9**

FOR

\$9.6M

2019: \$72M

RETAIL
TRANSACTIONS **29**

FOR

\$32.1M

2019: \$35.8M

MULTI-FAMILY
TRANSACTIONS **5**

FOR

\$86.9M

2019: \$16.5M

LAND
TRANSACTIONS **29**

FOR

\$23.2M

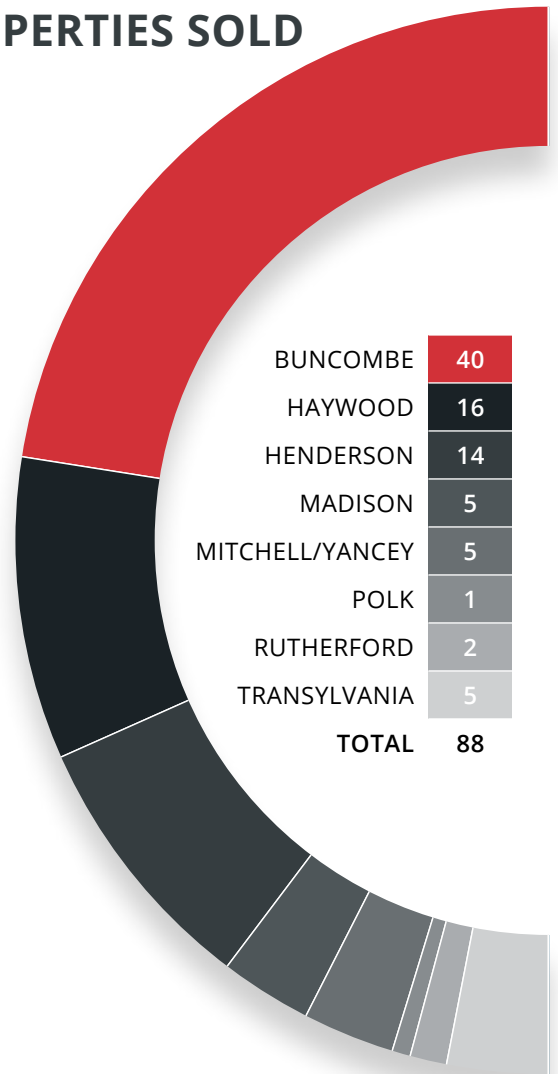
2019: \$52M

PROPERTIES SOLD

COMMERCIAL FORECAST

Predictions for the commercial real estate industry in the second quarter of 2020 were far from optimistic as the full economic impact of COVID-19 rolled through the market. With lockdown orders in place, the industry stalled abruptly and professional efforts turned towards assisting landlords and tenants navigate the storm of fiscal uncertainty and mass unemployment. Concern lingers for retail and hospitality sectors as financial institutions implement stricter safeguards around lending and the tourism industry continues to fluctuate.

There appears to be hope for the future, however, as job opportunities increase and the economy recovers. The Real Estate Roundtable 2020 Q2 Economic Sentiment Index, a survey-based research model, registered a 49-point disparity between current and future indices, the largest disparity ever registered in the 12-year history of the report, indicating a steep recovery for the commercial real estate industry. Commercial real estate professionals are pivoting and evolving, evaluating innovative capital solutions to enhance opportunities for investors. Locally, the revival of the tourism industry, which accounts for 15% of Buncombe's workforce, will be the key to recovery for the remainder of 2020



Featured Listing

337 McMurray Road

\$11,160,000

MLS: 3239366

Approximately 62 acres of prime I-26 frontage in Henderson County. Approximately 3,000-foot frontage on I-26. Level land with city water and sewer. Less than one-half mile from off ramp. Opportunity for mixed use development: industrial, hotel, retail, multi-family.



COMMERCIAL LEASE ACTIVITY | YEAR END 2020

**INDUSTRIAL
LEASES**

13 ▼

2019: 8

**OFFICE
LEASES**

23 ▼

2019: 31

**RETAIL
LEASES**

30 ▼

2019: 55

VACANCY RATE

2019: 3.1%

4.9% ▲

VACANCY RATE

2019: 2.6%

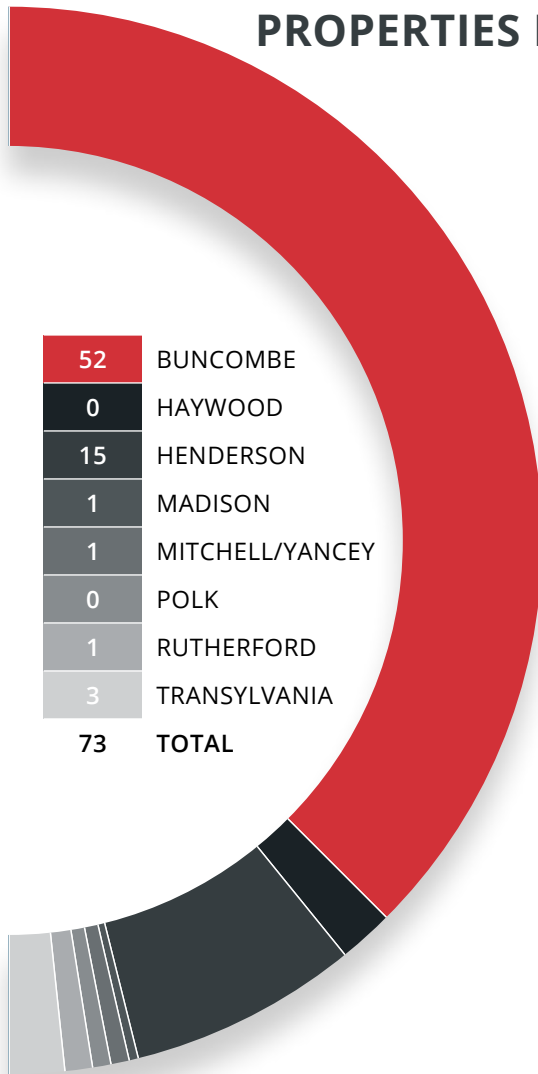
3.1% ▲

VACANCY RATE

2019: 2.0%

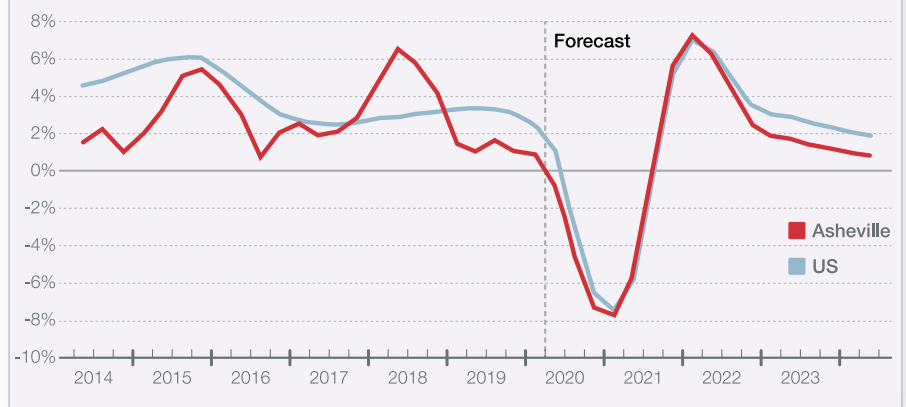
3.0% ▲

PROPERTIES LEASED



MARKET RENT GROWTH

Data provided by CoStar



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Notable Transactions

1944 U.S. Highway 70

\$1,350,000

8.81-acre parcel at the intersection of US 70 Highway and Warren Wilson Road. Zoned for Commercial Services including retail, hotel and multifamily. Formerly planned as a Hospital Facility site.



6130 Asheville Highway

\$915,000

12.85 acres with a 3,750 SF retail showroom and office space, 5,000 SF warehouse that is equipped with 6 rollup doors large enough to accommodate a semi to pull through.



35 Suyeta Park Drive

\$1,400,000

20 unit completely renovated studio apartment community only 2 blocks from award winning Main St Waynesville, NC.



All chart information represents 2020 data as provided by CoStar for the 9-county region.

ASHEVILLE METROPOLITAN STATISTICS

(Buncombe, Haywood, Henderson, and Madison Counties)

EMPLOYMENT DISTRIBUTION BY INDUSTRY:

Population

463,122



Labor Force

222,400



Average Commute

23.3min



Average Household Income

\$65,633



NC Individual Income Tax Rate

5.25%



Current Sales & Use Tax by County

Buncombe 7% Haywood 7%
Henderson 6.75% Madison 6.75%

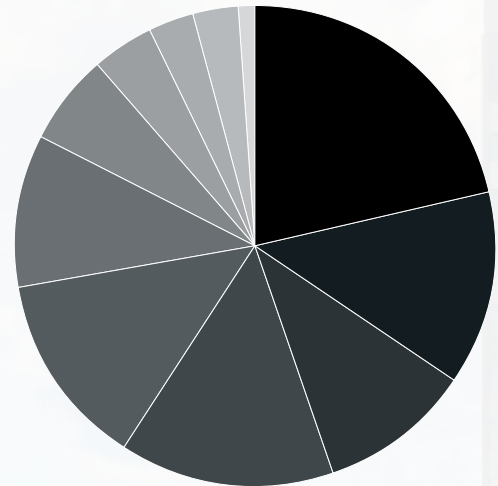
Cost of Living Index

Buncombe, Haywood, Henderson, and Madison Counties

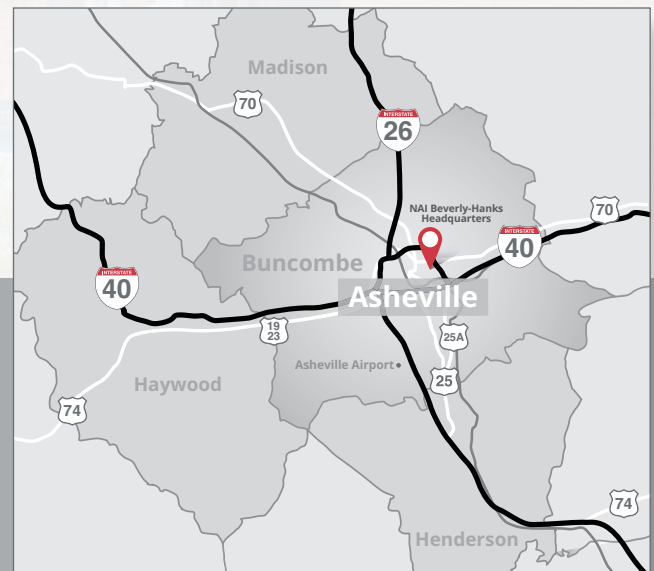
100.4



Data Provided by NC Commerce, US Bureau of Labor Statistics, and The Asheville Chamber Of Commerce



Health Services & Private Education	21%
Leisure & Hospitality	13%
Government (federal, state & local)	16%
Retail Trade	15%
Manufacturing	13%
Professional & Business Services	10%
Construction, Mining & Logging	6%
Financial Activities	4%
Wholesale Trade	3%
Transportation & Utilities	3%
Information	1%



Rankings

Asheville ranked as one of the top 15 “Best Places For Business and Careers” — Forbes.com, 2019

Asheville named in the “Top 25 Best Cities for Manufacturing Jobs” — Kempler Industries, 2019

Asheville ranked 14th among the “Top 100 Best Places to Live” in the United States — Livability.com, 2019