

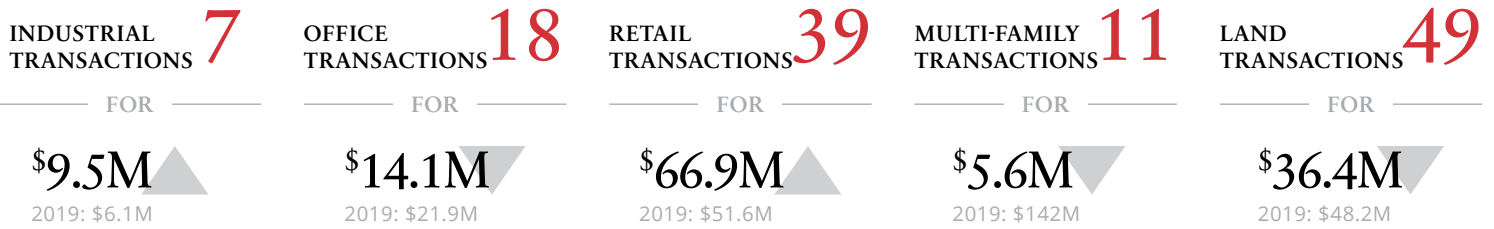


NAI Beverly-Hanks
Commercial Real Estate Services, Worldwide.

MARKET REPORT

QUARTER THREE **2020**

COMMERCIAL SALES ACTIVITY | QUARTER THREE 2020



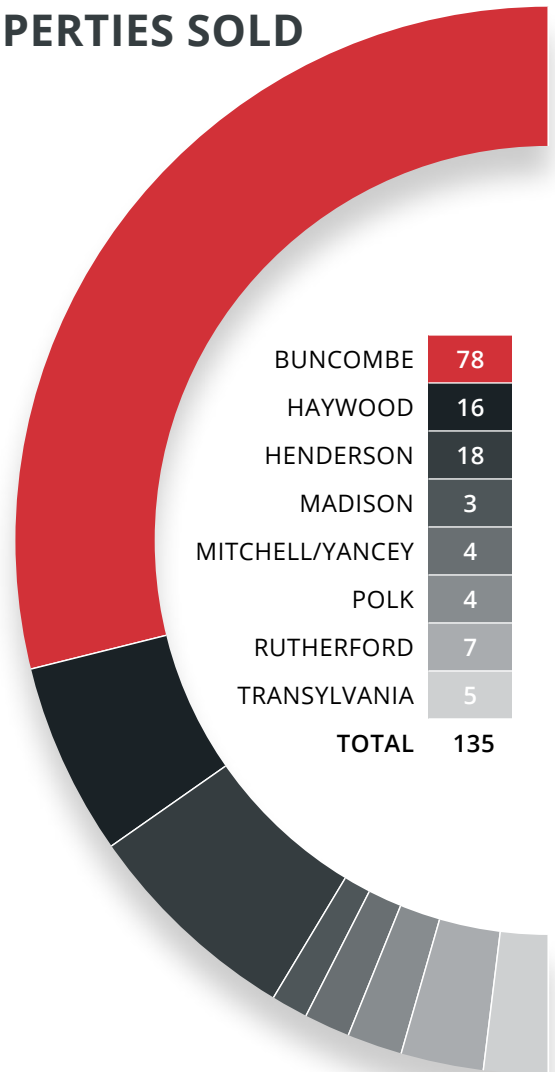
PROPERTIES SOLD

COMMERCIAL FORECAST

The commercial real estate market is diligently trying to recover, with all eyes on the pending stimulus package to provide renewed relief to consumers, tenants, and struggling real estate sectors. Many small businesses, restaurants, and local tenants are reaching the tipping point, as the fourth quarter currently marks the end of many financial relief aids.

Regardless, economic optimism is growing, despite the state of the economy, as reports indicate consumers are faulting the pandemic for the current market conditions rather than a distrust in the overall health of the market. Investors are favoring the industrial and multi-family sectors, while alternative sectors, such as cold storage facilities, warehouse space, and data centers, are also surging in demand to meet e-commerce needs. Commercial real estate brokers are reimagining available spaces as potential harbors for these newly popular sectors. Traditional office space, as expected, remains a low-priority, while large lease spaces are seeing a surge in demand.

Overall, however, commercial real estate sales are expected to stagger in the near term as sellers refuse to lower price points and buyers push for steeper price reductions. Further, experts looking at the service sector as an indicator of the industry express concern heading into the fourth quarter. COVID-19 restrictions are still hindering in-person transactions and impeding the future of many small businesses. Predictions for the industry's revival rest heavily on fiscal aid and the possibility of a viable vaccine.



Featured Listing

521 Amboy Road

\$1,750,000

MLS: 3661560

A rare opportunity to own two flat parcels on the French Broad River near Carrier Park with all utilities available. With flexible river zoning, this property boasts over 575 feet of river frontage, over 580 feet on Amboy Road, and frontage on the French Broad River Greenway. This is an ideal location for an outdoor venue, taproom, outdoor sports center, food truck park, RV park, etc.



INDUSTRIAL LEASES **25**▲
2019: 11

OFFICE LEASES **20**▼
2019: 29

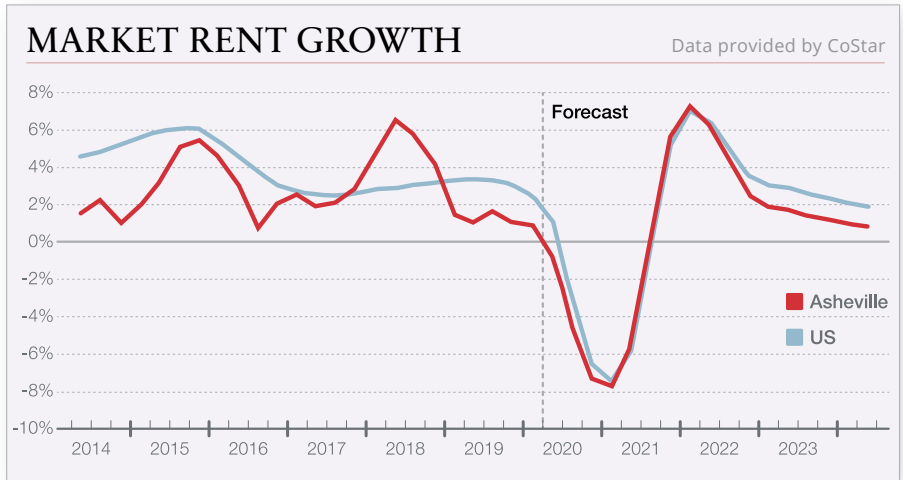
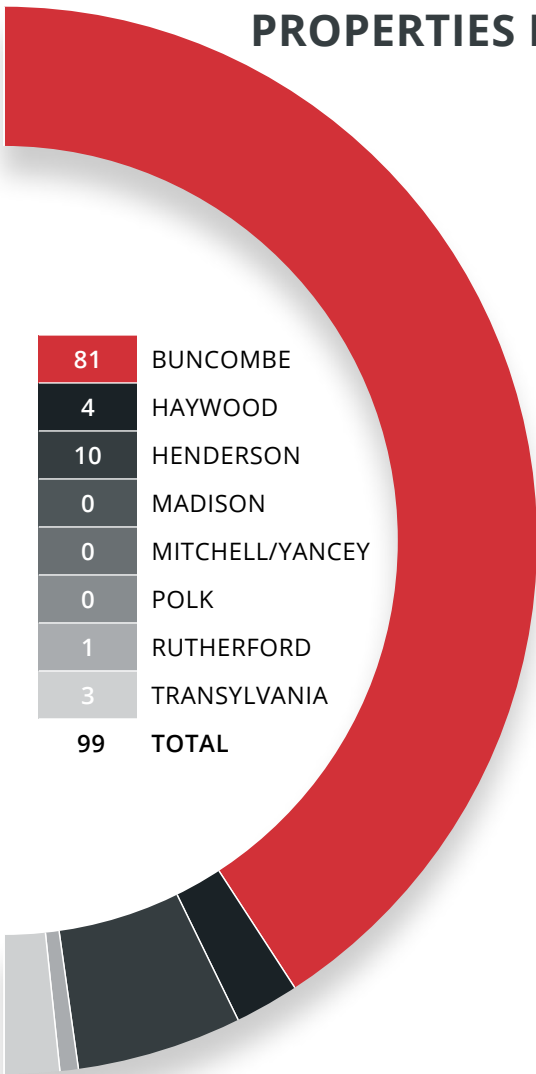
RETAIL LEASES **40**▼
2019: 48

VACANCY RATE **5.2%**▲
2019: 4.4%

VACANCY RATE **3.4%**▲
2019: 2.8%

VACANCY RATE **2.8%**▲
2019: 2.2%

PROPERTIES LEASED



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

Notable Transactions

6 Park Place

\$425,000

Freestanding medical office building located in the office park section of the Straus Park community. Conveniently located within walking distance to the community's vast array of residences.



24 Sterling Place

\$142,600

Prime flex/industrial space featuring 16.5-18.5 ft ceilings, one dock high-loading door, one 12 x 12 roll up door, and 3-phase power. Located in the burgeoning commercial community of Mills River.



84 W Walnut Street, Unit A

\$24,000

Street-level retail/office/showroom condo unit on a one-year term lease. The space is just steps from the Rankin/Civic Center, ideally located in downtown Asheville.



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%

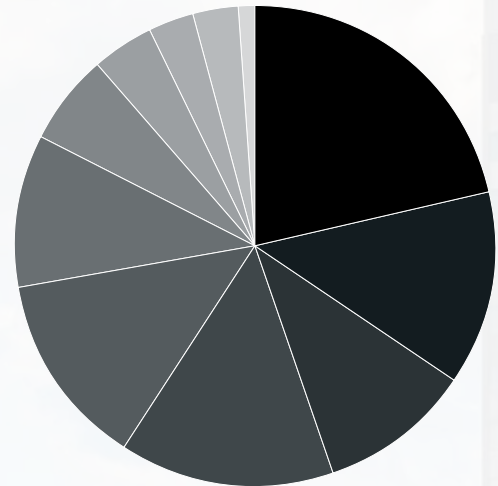
Cost of Living Index

Buncombe, Haywood, Henderson, and Madison Counties

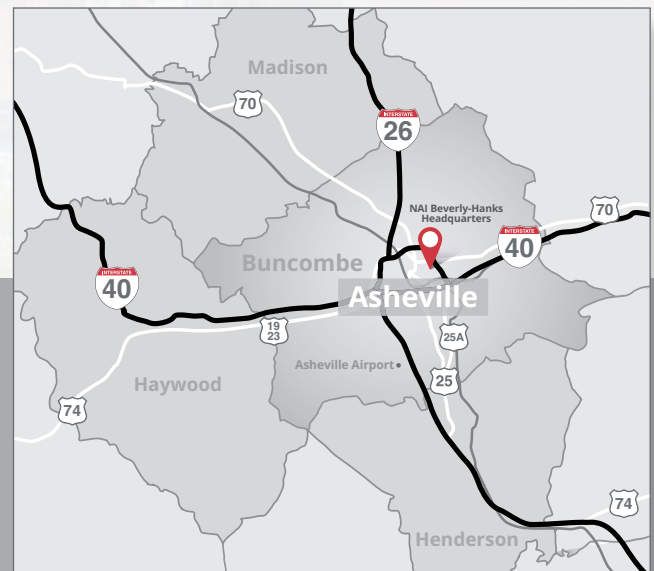
100.4



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