Old Dominion University
Hampton Roads Real Estate
Market Review and Forecast
2006

Industrial Review – Clay Culbreth

Presented by:
E.V. Williams Center
for Real Estate
and Economic Development

Industrial Market Review

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Senior Director, Industrial Properties
Advantis Real Estate Services Company
Since 1989 has concentrated exclusively on marketing, selling and leasing industrial properties.
1991 Co-founded Virginia Commercial Real Estate Services in Virginia Beach.
1995 formed Old Dominion Commercial Real Estate Services.
Since 1992 to present has been a Tidewater Associates of Realtors’ Million Dollar Producer.

Ron Biesecker
Chip Worley
Pat Mumey
Worth Remick
Charles Dickinson
Ken Benassi
Bobby Beasley
Abe Ellis
Bill Throne
Billy King
Trip Ferguson
Stephanie Sanker
Charles Dickinson

Hampton Roads Industrial Market
Vacancy Rate

Gross Square Feet 1997 - 2005

Submarket 2004 Vacancy Rate 2005 Vacancy Rate

<table>
<thead>
<tr>
<th>Submarket</th>
<th>2004 Vacancy Rate</th>
<th>2005 Vacancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenslade</td>
<td>2.27%</td>
<td>1.13%</td>
</tr>
<tr>
<td>Seaboard &amp; Elizabeth River</td>
<td>8.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Central Industrial Park</td>
<td>8.14%</td>
<td>9.25%</td>
</tr>
<tr>
<td>Nautic Commerce Park</td>
<td>2.95%</td>
<td>2.82%</td>
</tr>
<tr>
<td>Northern Industrial Park</td>
<td>4.00%</td>
<td>2.47%</td>
</tr>
<tr>
<td>Northside/Portsmouth Norfolk</td>
<td>6.42%</td>
<td>6.32%</td>
</tr>
<tr>
<td>Lynnhaven Area</td>
<td>3.11%</td>
<td>3.45%</td>
</tr>
<tr>
<td>Crewe/Chesapeake Street</td>
<td>2.45%</td>
<td>1.35%</td>
</tr>
<tr>
<td>Atlantic Industrial Park</td>
<td>3.30%</td>
<td>2.15%</td>
</tr>
<tr>
<td>Portsmouth</td>
<td>9.13%</td>
<td>9.03%</td>
</tr>
<tr>
<td>Suffolk</td>
<td>6.12%</td>
<td>4.72%</td>
</tr>
<tr>
<td>Hill of Wright</td>
<td>0.80%</td>
<td>0.60%</td>
</tr>
<tr>
<td>Copeland/Lower Peninsula</td>
<td>17.43%</td>
<td>8.80%</td>
</tr>
<tr>
<td>Oyster Point/Middle Point</td>
<td>5.13%</td>
<td>4.08%</td>
</tr>
<tr>
<td>Oakland Upper Peninsula</td>
<td>7.19%</td>
<td>4.12%</td>
</tr>
<tr>
<td>Williamsburg Extended Area</td>
<td>5.90%</td>
<td>5.66%</td>
</tr>
<tr>
<td>Total</td>
<td>6.25%</td>
<td>5.24%</td>
</tr>
</tbody>
</table>
TOTAL ABSORPTION FROM 2000-2005

[Graph showing absorption numbers for years 2000 to 2005]

Gateway Building
($14.1 Million/ $33.44 per square foot)

Bay Warehouse
($13.2 million/ $44.00 per square foot)

1920 Campostella Road

Ashley Capital Acquisition - 2005
GE Facility

Some Leases Worth Noting

Bridgeway Commerce Center

Gateway Distribution Facility

If You Build It, They Will Come!

C. Jones Hooks, CEcD
President & CEO
Hampton Roads Economic Development Authority
The increase in port activity will generate a need for “… between 20 and 60 million square feet of additional distribution center space in the region…”

Moffatt & Nichol Report dated June 2005
Ashley Capital’s
2601 Indian River Road