Robert M. Stanton ‘61
Real Estate Teaching Award

Presented to, Stewart ‘Skip’ Sacks
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IMAGE BUSINESS INTERIORS
Economic Trends

Vinod Agarwal
Professor, Economics
Old Dominion University
2019 Hampton Roads Economy

Improving Prospects
Nominal and Real Gross Domestic Product (GDP)
Hampton Roads, 2003 – 2019*

Estimated Direct Department of Defense Spending
Hampton Roads, 2000 - 2019*

Military and Federal Civilian Employment
Hampton Roads, 2001 - 2017

Sources: U.S. Bureau of Economic Analysis and Dragas Center for Economic Analysis and Policy. Last updated by BEA on November 15, 2018
### Estimated Average Compensation

Hampton Roads, Selected Categories

<table>
<thead>
<tr>
<th>Category</th>
<th>2016</th>
<th>2017</th>
<th>Change in Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Military</td>
<td>$92,112</td>
<td>$94,067</td>
<td>2.12%</td>
</tr>
<tr>
<td>Federal Civilian Govt. Employees</td>
<td>$110,092</td>
<td>$113,961</td>
<td>3.51%</td>
</tr>
<tr>
<td>State and Local Govt. Employees</td>
<td>$62,224</td>
<td>$64,558</td>
<td>3.75%</td>
</tr>
<tr>
<td>Private Nonfarm</td>
<td>$41,628</td>
<td>$42,647</td>
<td>2.45%</td>
</tr>
</tbody>
</table>

Sources: Bureau of Economic Analysis and Old Dominion University Economic Forecasting Project. Compensation includes wages, salaries, and benefits. Last updated November 15, 2018.
Average Civilian Nonfarm Employment (Jobs):
Hampton Roads, 2000 – 2019*

Sources: U.S. Department of Labor CES data and the Old Dominion University Economic Forecasting Project. Annual averages based on non-seasonally adjusted data. *Data for 2019 represent our forecast. Data will be revised in March 2019.
Change in Employment: Selected Industries in Hampton Roads, 2017 Q1 to 2018 Q1

Administrative and Support - 3,583
Manufacturing - 3,356
Health Care and Social Assistance - 2,571
Accommodation and Food Services - 1,532
Management of Companies - 1,308
Finance and Insurance - 294
Construction - 286
Transportation and Warehousing -149
Professional, Scientific, and Technical Services -215
Educational Services -226
Information -326
Retail Trade -707
Wholesale Trade -726

Sources: Virginia Employment Commission: Covered Employment and Wages by all types of Ownership (VA part of MSA) and the Old Dominion University Economic Forecasting Project.
Unemployment Rate: Hampton Roads, 2006-2019*

Sources: Bureau of Labor Statistics and Old Dominion University Economic Forecasting Project. *Data for 2019 represent our forecast. Data will be revised in April 2019.
ABSORPTION AND VACANCY

Source: CoStar
US Air Force
300 Exploration Way, Hampton

97,488 Square Feet
Optima Health
824 N Military Highway, Norfolk
44,428 Square Feet
## 2018 TOP OFFICE SALES

<table>
<thead>
<tr>
<th>Building</th>
<th>SF</th>
<th>Sales Price</th>
<th>Sales Price / SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominion Tower</td>
<td>403,276</td>
<td>$79,000,000</td>
<td>$195.90</td>
</tr>
<tr>
<td>999 Waterside Dr, Norfolk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NetCenter</td>
<td>557,753</td>
<td>$19,750,000</td>
<td>$35.41</td>
</tr>
<tr>
<td>5200 Mercury Blvd, Hampton</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main Street Tower</td>
<td>199,621</td>
<td>$18,550,000</td>
<td>$92.93</td>
</tr>
<tr>
<td>300 E Main St, Norfolk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Town Point Center</td>
<td>131,259</td>
<td>$16,600,000</td>
<td>$126.47</td>
</tr>
<tr>
<td>300 E Boush St, Norfolk</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lakeview Technology Center 2</td>
<td>86,400</td>
<td>$16,349,966</td>
<td>$189.24</td>
</tr>
<tr>
<td>7511 Burbage Dr, Suffolk</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
$79 Million
Dominion Tower
999 Waterside Drive, Norfolk
403,276 Square Feet
$16.3 Million
Lakeview Technology Center 2
7511 Burbage Drive, Suffolk

86,400 Square Feet
500 Volvo Parkway
150,000 Square Feet
2019 OFFICE VACANCY RENT
24TH ANNUAL HAMPTON ROADS
MARKET REVIEW & FORECAST
Bill Throne, SIOR, CCIM
First Vice President
Co-lead
Ports and Intermodal Group
Cushman & Wakefield

INDUSTRIAL
I. CHURN! NO BURN…
VACANCY RATE: As a percentage of Total Inventory

1. Raleigh 2.90%
2. Savannah 3.60%
3. Richmond 3.90%
4. Hampton Roads 4.10%
5. Columbus 4.90%
6. Charleston 7.00%
## GROSS ABSORPTION: As a percentage of Total Inventory

<table>
<thead>
<tr>
<th>City</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charleston</td>
<td>9.71%</td>
</tr>
<tr>
<td>Savannah</td>
<td>8.45%</td>
</tr>
<tr>
<td>Columbus</td>
<td>5.30%</td>
</tr>
<tr>
<td>Richmond</td>
<td>4.44%</td>
</tr>
<tr>
<td>Raleigh</td>
<td>3.20%</td>
</tr>
<tr>
<td>Hampton Roads</td>
<td>2.72%</td>
</tr>
</tbody>
</table>

2,678,623 square feet
**NET ABSORPTION:** As a percentage of Total Inventory

<table>
<thead>
<tr>
<th>Location</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Charleston</td>
<td>9.00%</td>
</tr>
<tr>
<td>2. Savannah</td>
<td>4.37%</td>
</tr>
<tr>
<td>3. Richmond</td>
<td>1.87%</td>
</tr>
<tr>
<td>4. Columbus</td>
<td>1.78%</td>
</tr>
<tr>
<td>5. Raleigh</td>
<td>0.73%</td>
</tr>
<tr>
<td>6. Hampton Roads</td>
<td>0.20%</td>
</tr>
</tbody>
</table>

16,935 square feet
**VACANCY RATE:** As a percentage of Total Inventory

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Vacancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Raleigh</td>
<td>2.90%</td>
</tr>
<tr>
<td>2</td>
<td>Savannah</td>
<td>3.60%</td>
</tr>
<tr>
<td>3</td>
<td>Richmond</td>
<td>3.90%</td>
</tr>
<tr>
<td>4</td>
<td>Hampton Roads</td>
<td>4.10%</td>
</tr>
<tr>
<td>5</td>
<td>Columbus</td>
<td>4.90%</td>
</tr>
<tr>
<td>6</td>
<td>Charleston</td>
<td>7.00%</td>
</tr>
</tbody>
</table>
I. CHURN! NO BURN…

II. BEST OF CLASS!
Rents Will Reach New Highs

North American industrial asking rents are expected to rise 7.1% and reach a new nominal high of USD$6.68 by year-end 2020, up from USD$6.24 in 2018. Average annual rent growth—the average of year-end growth rates from 2018 through 2020—will be greatest in the Canadian cities of Toronto, Vancouver and Montreal. In 2018, rent growth among coastal cities was more than double that of the overall industrial market and infill-sited submarkets saw rent growth nearly three times the national rate. Among the top-performing U.S. markets in 2018 were San Francisco, New Jersey, Seattle, Central Valley California, Sacramento, Boston, Memphis, Oakland/East Bay, Hampton Roads (VA), Raleigh/Durham, Los Angeles, Orange County, Austin and Atlanta—all markets posting double-digit year-over-year rent growth. Because of the convergence of traditional import distribution and eCommerce fulfillment, port markets—like those fed by the ports of Long Beach-Los Angeles and New York-New Jersey—and infill-sited submarkets of populated inland distribution hubs—such as Dallas and Chicago—is where U.S. rent growth will be strongest.
I. CHURN! NO BURN...

II. BEST OF CLASS!

III. MORE BEERS AT THE PIERS!
Fast Facts

- 50-foot channels and berths
- Zero air-draft restrictions
- Only US East Coast port with Congressional authorization for 55-foot depth channels
- Fully authorized and permitted for future marine terminal expansion

2.5 HOURS TO OPEN SEA
### TEUs

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan</td>
<td>Export Loads</td>
<td>76,360</td>
<td>89,767</td>
<td>76,294</td>
</tr>
<tr>
<td></td>
<td>Import Loads</td>
<td>84,186</td>
<td>101,302</td>
<td>104,150</td>
</tr>
<tr>
<td></td>
<td>Export Empty</td>
<td>26,786</td>
<td>31,466</td>
<td>37,883</td>
</tr>
<tr>
<td></td>
<td>Import Empty</td>
<td>5,513</td>
<td>5,983</td>
<td>2,208</td>
</tr>
<tr>
<td></td>
<td>Total TEUs</td>
<td>192,844</td>
<td>228,516</td>
<td>220,534</td>
</tr>
<tr>
<td>Feb</td>
<td>Export Loads</td>
<td>82,065</td>
<td>85,827</td>
<td>82,104</td>
</tr>
<tr>
<td></td>
<td>Import Loads</td>
<td>99,883</td>
<td>96,921</td>
<td>100,368</td>
</tr>
<tr>
<td></td>
<td>Export Empty</td>
<td>35,021</td>
<td>30,437</td>
<td>34,156</td>
</tr>
<tr>
<td></td>
<td>Import Empty</td>
<td>3,758</td>
<td>7,191</td>
<td>2,099</td>
</tr>
<tr>
<td></td>
<td>Total TEUs</td>
<td>220,726</td>
<td>220,376</td>
<td>218,727</td>
</tr>
</tbody>
</table>
1201 TERMINAL AVE, NEWPORT NEWS, VA 23607

Site Address: 1201 TERMINAL AVE NEWPORT NEWS, VA 23607
Parcel No. (APN): 321000301
Land Use Cat.: INDUSTRIAL
Land Use Desc.: MISCELLANEOUS INDUSTRIAL
Building Area: 99,999 SF
Lot Area: 3,709,134 SF (85.15 ACRES)
Building/Lot Ratio: 0.03
No. of Units:
Year Built:
Total Assd. Value: $16,463,000
Owner 1: RIVER PORT LLC A VIRGINIA LIMITED LIABL
Owner 2:
Owner Address: PO BOX 13687 CHEAPEAKE, VA 23325
Last Transfer:
Last Market Sale: 6/22/18 for $17,500,000
Add to List: Full Property Detail

Location

Site Address: 1201 TERMINAL AVE NEWPORT NEWS, VA 23607
Parcel No. (APN): 321000301
Legal Information: 85.15 AC (ICC V-212.1) PIER 14&15
Subdivision: ACREAGE PARCEL
Legal Lot:
Legal Block:
For sale
Bayshore Concrete Products
Cape Charles, VA

Sales Price $17,500,000

Over 90 Acres Waterfront | 650' of Bulkhead

For more information, contact:

William C. Throne, CSCMF, CCIM, SIOR
First Vice President
757 699 2802
bill.throne@thalheimer.com

Robert L. Phillips, Jr. SIOR
First Vice President
757 673 4124
bobby.phillips@thalheimer.com

The Town Center of Virginia Beach
222 Central Park Ave., Suite 1320
Virginia Beach, VA 23462
www.thalheimer.com

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Here’s to a great 2019!

Thank you
24TH ANNUAL HAMPTON ROADS MARKET REVIEW & FORECAST
MICHAEL P. ZARPAS
VICE PRESIDENT
S.L. NUSBAUM REALTY CO.

RETAIL
JUMP FOR JOY
RETAIL APOCALYPSE AVERTED
MIXED-USE DEVELOPMENT
INCREASING MARKET SHARE

Wells Fargo Center, Norfolk

Summit Pointe, Chesapeake
MIXED-USE DEVELOPMENT
INCREASING MARKET SHARE

Bridgeport, Suffolk

Tech Center, Newport News
MIXED-USE DEVELOPMENT
INCREASING MARKET SHARE

City Center at Oyster Point, Newport News

Towne Place at Greenbrier, Chesapeake
MIXED-USE DEVELOPMENT
INCREASING MARKET SHARE

Peninsula Town Center, Hampton

Virginia Beach Town Center, Virginia Beach
# KEY HAMPTON ROADS MARKET STATISTICS & ACTIVITY

<table>
<thead>
<tr>
<th>DELIVERIES</th>
<th>NET ABSORPTION</th>
<th>VACANCY RATE</th>
<th>RENT GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>352,000 SF</td>
<td>(259,000) SF</td>
<td>5.1%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TYPE</th>
<th>SQUARE FEET</th>
<th>RATE PER SF</th>
<th>VACANCY RATE</th>
<th>AVAILABILITY RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malls</td>
<td>8,582,223</td>
<td>$24.53</td>
<td>2.2%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Power Centers</td>
<td>7,956,125</td>
<td>$21.17</td>
<td>5.0%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Neighborhood Centers</td>
<td>36,404,198</td>
<td>$17.10</td>
<td>8.2%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Strip Centers</td>
<td>6,762,797</td>
<td>$16.07</td>
<td>6.8%</td>
<td>9.0%</td>
</tr>
<tr>
<td>General Retail</td>
<td>43,230,552</td>
<td>$15.37</td>
<td>2.8%</td>
<td>2.8%</td>
</tr>
<tr>
<td>SF</td>
<td>Store/Location</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>----------------------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>114,000</td>
<td>Floor &amp; Décor, Virginia Beach</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>58,000</td>
<td>New Realm Brewing Company, Virginia Beach</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>44,827</td>
<td>Conn’s Home Plus, Portsmouth</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37,500</td>
<td>Conn’s Home Plus, Virginia Beach</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26,051</td>
<td>Harbor Freight Tools, Hampton</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TOP 5 RETAIL SALES

$85,650,000  J.A.N.A.F. Shopping Yard, Norfolk

$19,900,000  Crossways Center II, Chesapeake

$12,900,000  Chesapeake Square Mall, Chesapeake

$ 8,969,007  Oyster Point Square, Newport News

$ 8,700,000  Hampton Plaza, Hampton
<table>
<thead>
<tr>
<th>Size</th>
<th>Retailer/Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>331,000 SF</td>
<td>IKEA, Norfolk</td>
</tr>
<tr>
<td>130,000 SF</td>
<td>Wegmans, Virginia Beach</td>
</tr>
<tr>
<td>92,158 SF</td>
<td>Hickman Place Phases I and II, Virginia Beach</td>
</tr>
<tr>
<td>70,000 SF</td>
<td>Bridgeport Phase I, Suffolk</td>
</tr>
<tr>
<td>44,685 SF</td>
<td>Rooms To Go, Newport News</td>
</tr>
</tbody>
</table>
LODGING

Edward Denton
President
Denton Realty Company
Virginia Beach is the regional leader in RevPAR.
Average Rate & Occupancy Comparison

Source: VRLTA / STR
More heads in beds.
## RevPAR Comparison

<table>
<thead>
<tr>
<th>Area</th>
<th>2014</th>
<th>2018</th>
<th>$ Change</th>
<th>4 Year % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Williamsburg, VA</td>
<td>$43.70</td>
<td>$60.03</td>
<td>$16.32</td>
<td>37%</td>
</tr>
<tr>
<td>Virginia Beach, VA</td>
<td>$67.71</td>
<td>$82.44</td>
<td>$14.72</td>
<td>22%</td>
</tr>
<tr>
<td>Newport News / Hampton, VA</td>
<td>$37.47</td>
<td>$49.85</td>
<td>$12.37</td>
<td>33%</td>
</tr>
<tr>
<td>Norfolk / Portsmouth, VA</td>
<td>$47.43</td>
<td>$64.34</td>
<td>$16.91</td>
<td>36%</td>
</tr>
<tr>
<td>Chesapeake / Suffolk, VA</td>
<td>$43.65</td>
<td>$56.95</td>
<td>$13.30</td>
<td>30%</td>
</tr>
</tbody>
</table>

Source: VRLTA / STR
Active Transaction Environment
Deal-of-the-Year
Oceanfront Hilton
and Hilton Garden Inn
$126.5 Million

20 Hotels Sold in 2018

Photo Courtesy of Shamin Hotels
Renovations

$19 Million Purchase … $25 Million Renovation / Rebranding

Source: Lingerfelt Commonwealth Partners
Hot Buttons

• Government demand / per diem.
• Labor challenges.
• Short Term Rentals (Airbnb, etc.)
Airbnb Revenue as Percentage of Total Hotel Revenue
Hampton Roads, October 2014 to July 2018

Sources: Dr. Vinod Agarwal; STR Trend Reports and AirDNA data received in September 2018 excluding shared rooms. Selected data points are July of each year. July 2018 = $7.3mil.
Robust Development Pipeline
Outlook

• Budgeting 2-5% growth in 2019
• Actively Buying and Selectively Building
• Modest cap rate growth
• Investment sales demand is strong
• Enthusiasm about Virginia Beach Sports Center
The Virginia Beach Sports Center is the single biggest new demand generator on the horizon.
Old Dominion University
Strome College of Business
E.V. Williams Center for Real Estate

24th Annual Hampton Roads Market Review & Forecast
MULTIFAMILY

RICHARD COUNSELMAN
VICE PRESIDENT, PARTNER
S.L. NUSBAUM REALTY CO.

S.L. NUSBAUM Realty Co.
Since 1906.
2018 temp
Scorching!
Very Hot
Hot
Normal
Cold
Multifamily Vacancy – Hampton Roads and Peer Cities

TOTAL VACANCY (%)

Source: CoStar Group
Multifamily Rents – Hampton Roads and Peer Cities

Source: CoStar Group
Amenities
Absorption, Net Deliveries & Vacancy – Southside

Supply Change  Demand Change  Vacancy

Forecast
Market Rent Per Unit & Rent Growth - Southside

RENT PER UNIT

RENT GROWTH Y/Y  ASKING RENT PER UNIT  EFFECTIVE RENT PER UNIT

Source: CoStar Group
Absorption, Net Deliveries & Vacancy – Peninsula

Supply Change  Demand Change  Vacancy

Source: CoStar Group
Market Rent Per Unit & Rent Growth - Peninsula

- Rent per Unit:
  - $1,080
  - $1,060
  - $1,040
  - $1,020
  - $1,000
  - $980
  - $960
  - $940
  - $920
  - $900
  - $880
  - $860

- Rent Growth Y/Y:
  - 7%
  - 6%
  - 5%
  - 4%
  - 2%
  - 3%
  - 0%
  - 1%
  - -1%
  - -2%
  - -3%
  - -4%

- Forecast:
  - 10
  - 11
  - 12
  - 13
  - 14
  - 15
  - 16
  - 17
  - 18
  - 19
  - 20
  - 21
  - 22
  - 23

Source: CoStar Group
Huntington Ingalls' two-carrier contract: Breaking down the big numbers

By Hugh Lessig
Staff writer

February 14, 2019, 9:25 AM

About a year ago, Navy's acquisition chief James Geurts told Congress that a contract for two nuclear-powered aircraft carriers would save taxpayers at least $1 billion and as much as $2.5 billion.

As Navy leaders continued to sharpen their pencils, the projected savings grew. By December, Geurts, the assistant Navy secretary for research, development and acquisition, was telling Congress it could save $2.5 billion by purchasing two carriers at once rather than one at a time.

It sure did.

In January, the Navy cited taxpayer savings of $4 billion when it finally awarded the two-carrier contract to Huntington Ingalls Industries.
Recent Significant Sales - Southside

LATITUDE APARTMENTS
Virginia Beach, VA
Year Built: 1989
Units: 448
Sale Price: $66,595,000
CAP Rate: 5.63%

COTTAGE TRAILS AT CULPEPPER LANDING
Chesapeake, VA
Year Built: 2011
Units: 183
Sale Price: $30,100,000
CAP Rate: 6.2%
Recent Significant Sales - Peninsula

COMPASS AT CITY CENTER
Newport News, VA

Year Built: 1985
Units: 396
Sale Price: $46,650,000
CAP Rate: 5.74%

TRAIL CREEK
Hampton, VA

Year Built: 2006
Units: 301
Sale Price: $44,250,000
CAP Rate: 5.8%
New Construction

**MEZZO APARTMENT HOMES**
Virginia Beach, VA

Units: 282  
Scheduled Completion: March 2019  
Developer: S.L. Nusbaum Realty Co.

**PREMIER APARTMENTS**
Virginia Beach, VA

Units: 131  
Completion: October 2018  
Developer: Armada Hoffler Properties, Inc.

Source: CoStar Group
New Construction

THE CHOICES
Virginia Beach, VA

Units: 252
Completion: July 2018
Developer: Jaffe Caplan Fleder

THE MARQ
Virginia Beach, VA

Units: 264
Completion: June 2018
Developer: The Breeden Company

Source: CoStar Group
Construction Interest Rates

MARKET YEILD ON U.S. TREASURY SECURITIES AT 10-YEAR CONSTANT MATURITY AND FHA CONSTRUCTION INTEREST RATES

Source: AGM Financial
Construction Costs

U.S. TOTAL RESIDENTIAL CONSTRUCTION STARTS

SOUTHSIDE DEVELOPMENT PIPELINE

SELECT PROPERTIES: PROPOSED
PENINSULA DEVELOPMENT PIPELINE

SELECT PROPERTIES: PROPOSED & UNDER CONSTRUCTION

Source: Colliers International
In conclusion....
THANKS!

Thanks to all those who made this report possible.
Residential
So how did we do with our 2018 predictions from last year’s Market Review?
We speculated that inventory would continue to be a problem.
And inventory remains critically low

# Homes on the Market on February 1, 2019

February 2019 starts the month with 739 less homes on the market than February 2018 and represents 40.1% less inventory than the peak in February, 2011.

Source: For All Graphs and Charts: REIN MLS
We pondered...were the experts right? Was a Housing Bubble coming?
Median Prices Rose Through 2018

Median Price Changes 2017 vs. 2018

- Hampton Roads: $310,831, +6.4%
- Southside: $330,875, +13.3%
- Peninsula: $308,388, -2.7%
The Peninsula New Construction Market – The Shift!!


Change:
- ATT: +26.8%
- DET: -20.9%
We predicted rates would rise...but only incrementally.
Rates spiked briefly above 5%, but then retreated.

Source: Freddie Mac
2018 for the residential for-sale sector performance

(Hint: it was a pretty good year!)
2018 Resale Closings
Resale Homes Closed 2017-2018

+4.5%

2017: 22947
2018: 23987
2018 New Construction Closings
New Construction Homes Closed 2017-2018

2017: 3247
2018: 3071
Approx. 40% Sold in Less than 30 Days!
<table>
<thead>
<tr>
<th>Builder</th>
<th>Closings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ryan Homes</td>
<td>586</td>
</tr>
<tr>
<td>Chesapeake Homes</td>
<td>194</td>
</tr>
<tr>
<td>Dragas Cos.</td>
<td>154</td>
</tr>
<tr>
<td>HHHunt Homes</td>
<td>97</td>
</tr>
<tr>
<td>Terry Peterson Cos.</td>
<td>76</td>
</tr>
<tr>
<td>Corinth Residential</td>
<td>75</td>
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<tr>
<td>Wetherington Homes</td>
<td>75</td>
</tr>
<tr>
<td>Hearndon Const.</td>
<td>69</td>
</tr>
<tr>
<td>Franciscus Homes</td>
<td>63</td>
</tr>
<tr>
<td>Napolitano Homes</td>
<td>62</td>
</tr>
</tbody>
</table>
Top 10 Subdivisions by Closings - Hampton Roads

<table>
<thead>
<tr>
<th>Subdivision</th>
<th>Closings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spence Crossing</td>
<td>119</td>
</tr>
<tr>
<td>Whittaker's Mill</td>
<td>62</td>
</tr>
<tr>
<td>Promenade@5</td>
<td>62</td>
</tr>
<tr>
<td>Fieldstones</td>
<td>58</td>
</tr>
<tr>
<td>The Homestead</td>
<td>57</td>
</tr>
<tr>
<td>Culpepper Landing</td>
<td>56</td>
</tr>
<tr>
<td>The Reserve at Williamsburg</td>
<td>56</td>
</tr>
<tr>
<td>Reunion</td>
<td>54</td>
</tr>
<tr>
<td>Dominion Meadows</td>
<td>53</td>
</tr>
<tr>
<td>The Villages at Candlestation</td>
<td>45</td>
</tr>
</tbody>
</table>
So what do we see for 2019?
✓ Residential Demand Excellent
✓ Low Inventory, Price Appreciation
✓ Abundance of Demographic Diversity-
  Millennials & Baby Boomers in Record Numbers
✓ Improving Local Economy
  Especially DOD & Medical
✓ Low/Stable Interest Rates
✓ Emerging Affordable Growth Corridor
Blue Skies & A Few Clouds
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