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Thank you to the E.V. Williams Center for Real Estate for your contributions to the industry and our community.
Welcome to the 25th Anniversary Hampton Roads Real Estate Market Review and Forecast. We couldn’t have reached this milestone without the continued support of the real estate community, especially our Directors and Speakers/Authors. We appreciate their time, dedication and research contributions, which ensure a comprehensive examination of the market sectors.

In recognition of this year’s Silver Anniversary, our program will also highlight real estate projects that have improved the Hampton Roads landscape. We hope you’ll enjoy a brief trip down memory lane and recall just how far we’ve come together as a market. As we reflect on the past, we also turn our attention to the future. You’ll hear from our experts how the Hampton Roads real estate market is poised for continued success.

The future is also bright for real estate at ODU. As announced by President Broderick, the real estate program in the Strome College of Business will henceforth be known as the Harvey Lindsay School of Real Estate. This is thanks to a transformative gift from the Harvey Lindsay family. The E.V. Williams Center for Real Estate will be housed within the School, and together prepare students to be future leaders in the field.

The E.V. Williams Center for Real Estate and the Harvey Lindsay School of Real Estate rely on the contributions of its Executives, Advisors, and members. Our programs and events are designed to connect the academic and business communities. As partners, we strive to promote academic achievement, professional development, and personal growth by providing career information, mentoring, and networking opportunities to the students who comprise our future real estate workforce. Over the past year, students in the Harvey Lindsay School of Real Estate have had the opportunity to participate in industry events, guest lectures, site visits, internships, and licensing preparation programs. These opportunities provide them with the hands-on experiences necessary to support their academic work. Thank you to everyone who enriched our students as they continue their pursuits.

The Center is constantly looking for opportunities to offer additional educational programming and support the needs of the local industry. To learn more about the E.V. Williams Center or to participate in upcoming events, please contact Sara Russell Riggs or reach out to Chair Larry Colorito.

Thank you for attending the 2020 Market Review and Forecast. We appreciate your support of the E.V. Williams Center for Real Estate, and look forward to hosting you at future events.

Sara Russell Riggs
Finance Department, Strome College of Business
E.V. Williams Center for Real Estate
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30 agents
106 employees
$1.3B total transactions
25M SQ FT OF LEASED & MANAGED PROPERTIES
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Old Dominion University  
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ECONOMIC TRENDS

2020 HAMPTON ROADS ECONOMY

IMPROVEMENTS CONTINUE BUT CHALLENGES REMAIN

VINOD AGARWAL, Ph.D.
Deputy Director, Dragas Center for Economic Analysis and Policy
Strome College of Business, Old Dominion University

The national economy, as measured by Real Gross Domestic Product (GDP), grew at an annual rate of 2.3% in 2019. This is a moderation from the 3.0% growth in 2018, and it is forecasted to grow by 2.2% in 2020. Nonfarm payrolls (jobs) have grown nationally for a record 10 years. At the same time, the federal fiscal house is on fire. Expansionary fiscal policy implemented through the Tax Cuts and Jobs Act, along with increases in discretionary expenditures from the Bipartisan Budget Agreements and inexorable increases in mandatory (entitlement) programs, has led to substantial increases in budget deficits. The federal government will have an annual deficit exceeding $1 trillion in Fiscal Year 2020 and a continued deficit of $1 trillion or greater for the foreseeable future. At some point, bills will come due, and the federal government will have to increase taxes and reduce spending to bring its fiscal house into order.

The Hampton Roads economy, as measured by its GDP, is expected to grow at a slightly higher rate in 2020 (2.6%) than in 2019 (2.4%). From 2002 to 2005, real GDP in Hampton Roads grew annually on average by about 4.80%. While the inflation-adjusted U.S. GDP increased annually at a compounded rate of 1.56% from 2005 to 2016, Hampton Roads’ real GDP fell by 0.12%. Primary reasons for our regional economy’s poor performance during this period include the Great Recession, the deceleration of Department of Defense (DOD) spending since 2012, and lack of job growth in the private sector.
ECONOMIC TRENDS

Between 2000 and 2012, nominal DOD spending in the region increased annually at a compounded rate of 5.9%. DOD expenditures from 2012 through 2017, however, have declined or remained stagnant, although Budget Agreements have led to increases in discretionary spending since FY 2018. The Bipartisan Budget Agreement of 2019 increased military and non-military discretionary spending for FY 2020 and 2021. Under this agreement, defense spending increases 3% from $685 billion in FY 2019 to $706 billion in FY 2020. Non-defense discretionary spending increases by 4% in FY 2020 to $632 billion. For Hampton Roads, this is excellent news. Direct DOD spending in Hampton Roads during 2020 is anticipated to be 15% higher than 2017. Hampton Roads’ economy continues to be heavily dependent on DOD spending. From a peak of 45% in 2011, DOD spending now provides approximately 40% of Hampton Roads GDP. With a large military and federal presence, the increase in DOD spending is a significant factor in Hampton Roads’ economic growth in 2018, 2019, and 2020. Military and federal civilian workers in Hampton Roads continue to receive more than twice the compensation received by private nonfarm workers.

The Great Recession affected job markets throughout the United States. From January 2008 through February 2010, the U.S. economy lost 8.7 million jobs or about 6.3% of all employment. It took 76 months to recover this jobs loss. The Hampton Roads economy lost about 38,400 jobs from 2007 to 2010. However, it was not until 2017 that the regional economy recovered all jobs lost during the Great Recession. From June 2017 through December 2019, the region gained only 15,000 jobs. The region is expected to gain another 5,500 jobs in 2020.

Another indicator of labor market performance is labor force size and the number of employed individuals. Local Area Unemployment Statistics (LAUS) data show that from October 2009
through December 2019, the labor force increased by about 51,000 and the number of individuals employed increased by about 85,000.

A faster growth in employment of individuals compared to the growth in labor force has resulted in a lower unemployment rate. After reaching its peak at 7.6% in 2010, unemployment has steadily decreased to 3.1% in 2019 and is expected to further decrease in 2020.

Thirty-year fixed mortgage rates remain at historically low levels. Except for 2018, these rates have been at or below 4% since 2015 and are expected to be near 4% in 2020.

Due to its large military population, Hampton Roads typically has had a higher volume of distressed sales activity in the residential housing market. Historically, the Department of Veteran Affairs finances about 30% of existing homes and about 47% of newly constructed homes sold in Hampton Roads. VA Loans require little or no down payment. In addition, the Federal Housing Administration (FHA) insures another 18% of homes sold. During a downturn or with low housing market appreciation, such homes are more likely to end up in distressed sales. It appears, however, that distressed sales activity is almost at the same level as observed in January 2008.
The Hampton Roads office market saw moderate but steady performance in 2019. Total office inventory was 52,979,764 SF. The vacancy rate declined by 300 basis points from 2018 to 7.8%, but the availability rate rose by 500 basis points to 10.6%. Net absorption was positive at 373,050 SF, and the average direct full-service asking rent increased by 2.4% to $18.19 per SF. Leasing activity was 1,870,509 SF, about 236,000 SF below 2018.
KEY HAMPTON ROADS TRANSACTIONS

### 2019 TOP NEW OFFICE LEASES

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Building</th>
<th>Date</th>
<th>Square Footage</th>
<th>Lease Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Huntington Ingalls Industries</td>
<td>Net Center 5200 W Mercury Blvd., Hampton</td>
<td>Q3–Q4</td>
<td>189,049 (22,006 &amp; 157,043 SF)</td>
<td>New</td>
</tr>
<tr>
<td>Life Protect 24/7</td>
<td>Commander Corporate Center 6160 Commander Parkway, Norfolk</td>
<td>Q1</td>
<td>65,494</td>
<td>New</td>
</tr>
<tr>
<td>Peninsula Metropolitan YMCA</td>
<td>Care Plex West 4001 Coliseum Drive, Hampton</td>
<td>Q1</td>
<td>35,884</td>
<td>New</td>
</tr>
<tr>
<td>Gather Virginia Beach</td>
<td>249 Central Park Avenue, Virginia Beach</td>
<td>Q4</td>
<td>28,541</td>
<td>New</td>
</tr>
<tr>
<td>Burns &amp; McDonnell</td>
<td>1317 Executive Boulevard, Chesapeake</td>
<td>Q3</td>
<td>25,625</td>
<td>New</td>
</tr>
</tbody>
</table>

### 2019 TOP OFFICE SALES TRANSACTIONS

<table>
<thead>
<tr>
<th>Property</th>
<th>Square Footage</th>
<th>Date</th>
<th>Sale Price</th>
<th>Price Per SF</th>
<th>Buyer Type</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Acme Equities portfolio</strong></td>
<td>1,322,003</td>
<td>Q1</td>
<td>$183,000,000</td>
<td>$137.89</td>
<td>Investor</td>
</tr>
<tr>
<td>22 office and 2 flex buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chesapeake, Hampton, Virginia Beach</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>116 Lake View Parkway</strong></td>
<td>406,737</td>
<td>Q2</td>
<td>$79,200,000</td>
<td>$194.72</td>
<td>Investor</td>
</tr>
<tr>
<td>Suffolk</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Interstate Corporate Center</strong></td>
<td>342,508</td>
<td>Q4</td>
<td>$43,000,000</td>
<td>$126.00</td>
<td>Investor</td>
</tr>
<tr>
<td>14 office buildings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norfolk</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Twin Oaks I &amp; II</strong></td>
<td>171,564</td>
<td>Q1</td>
<td>$24,900,000</td>
<td>$145.14</td>
<td>Investor</td>
</tr>
<tr>
<td>5700 &amp; 5800 Lake Wright Drive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norfolk</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>240 Corporate Boulevard</strong></td>
<td>87,497</td>
<td>Q3</td>
<td>$12,970,000</td>
<td>$148.23</td>
<td>Owner-Occupier</td>
</tr>
<tr>
<td>Norfolk</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

HAMPTON ROADS MARKET OVERVIEW

2019 was a solid landlord market in South Hampton Roads, as the Peninsula remained a solid tenant market. Overall, total net absorption approached 400,000 SF, vacancy declined, and asking rents rose. Class B inventory atypically outperformed Class A. The Class B vacancy rate declined to 8.6% at the end of 2019 from 9.3% one year earlier, while Class A vacancy rose by 200 basis points to 8.7%. Class B net absorption equaled 1.1% of inventory, while Class A absorption was only 0.2% of stock. Class B fell behind only in direct asking rent, showing only a 0.9% gain, as Class A rents rose by 1.6%.

Owner-occupiers consumed two of the market’s largest blocks of available space: 240 Corporate Boulevard, purchased by Hampton Roads Connector Partners, and 555 S. Independence Boulevard, purchased by InMotion Hosting at $138 per SF. Other owner-occupiers included OVM Financial, which purchased the 36,700 SF 5040 Corporate Woods Drive for $113.22 per SF, and Novel Coworking, which bought 223 E. City Hall Avenue for $67.64 per SF.

This trend continued into 2020 with Bayport Credit Union’s purchase of the 50,000 SF spec building at 2 Bayport Way, one of two new buildings delivered in 2019. Brooks Crossing was the second, at 104,202 SF. Brooks Crossing Innovation and Opportunity Center occupies the first floor, and Huntington Ingalls has leased the remaining 80,000 SF. This lease, signed in 2018, the 17,425 SF at 11815 Fountain Way, and the two leases signed at NetCenter provide Huntington Ingalls a total of 286,425 SF for current or future occupancy and illustrate the impact of the two-carrier contract award to Newport News Shipyard.

Two mixed-use buildings with multitenant space are expected...
to deliver in 2020. Orthopedic and Spine Center will anchor 580 City Center Boulevard with the first and second floors of the 56,565 SF building for lease. The most significant development is the 555 Belaire Avenue speculative project with 172,800 SF of Class A space in the $300 million Summit Pointe mixed-use development. Projected for delivery in Q3 2020, developers will look to this property to assess future speculative development in the region. In addition, Ferguson Enterprises is constructing a 260,000 SF building, the first of three proposed in City Center at Oyster Point for their anticipated growth. New construction is also underway on several medical office buildings of approximately 100,000 SF, substantially preleased.

CURRENT TRENDS

- **Coworking.** Out-of-market operators rode the coworking wave into Hampton Roads. Gather opened locations in Downtown Norfolk and Oyster Point this year and signed a lease for another in Town Center of Virginia Beach, while Novel Coworking bought Downtown Norfolk’s City Center to use for its owner-operator coworking model. Coworking is an important component of a healthy and contemporary office market and appears to complement traditional office space in the region. Other executive suites/coworking companies in the market include CEO, Office Space Solutions, Percolator, Regus, and Workplace, representing approximately 400,000 SF of options.

- **Walkable/amenity-rich environments.** The trend has changed from the suburban office park site to urban/city center locations offering walkable environments with abundant amenities, including housing options. From the traditional urban model of Downtown Norfolk, to Town Center of Virginia Beach, City Center at Oyster Point, and Summit Pointe, new construction has been concentrated in these mixed-use environments. Competition from urban centers is providing strong competition to suburban office parks.

- **New construction.** As noted above, the 100% spec building at 555 Belaire Avenue is a key barometer of more construction in 2020. At least five projects representing over 450,000 SF are on deck, with most developers seeking an anchor of at least 25% prior to breaking ground.

- **Owner-occupant purchasers.** Low interest rates and available financing encouraged several large and growing tenants in the market to take advantage of the climate and purchase buildings for future growth.

- **New Investors.** Acme, Axonic, Boyd Watterson, DCS, Hertz, Easterly Government Properties, Fallstaff, and Riverstone represent some of the new investors to the Hampton Roads market. This is an important sign of a healthy market and a strong affirmation of the appeal of secondary markets for investors.

- **Workplace Strategy.** A tight labor market has accelerated contemporary office design, featuring more light, open spaces, adjustable height desks, gender neutral bathrooms, open ceilings and a focus on sustainable polices and practices.

**2020-2021 OFFICE Outlook**

The office market for the 757 is strong. With vacancy at 7.8% overall, the market is at full occupancy. Tenants looking for 10,000 or more SF will likely encounter competition for any quality block of space. Rents will continue to rise, concessions will diminish, and lease terms will extend to cover the cost of renovation/construction costs.

The Norfolk Southern Tower is under contract to TowneBank. Market intel indicates it will be 100% occupied by Towne and other firms in the market. Naysayers predicting doom and gloom following Norfolk Southern’s relocation will be proved wrong.

Capital markets transactions and local investment demand will remain high. The rising tide of increasing rents provide ample room for increasing asset value. Low interest rates and a favorable environment for bank financing will fuel demand from investors and occupiers.
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Twenty-five years ago, the 25 acres bounded by Virginia Beach Boulevard, Constitution Drive, the Norfolk Southern right-of-way and Independence Boulevard contained a single high-rise office building built in 1983, a couple of small office buildings, the Victoria Station Steakhouse boxcar, The Virginian-Pilot’s local office, a lot of trees, and a Taco Bell. The vision to transform this site into an urban center was in place. Gerald Divaris had promoted it, heralding the maturation of Virginia Beach and its need for a more substantial business district since his arrival in the city. The only visible evidence, however, was that it had been zoned “CBD”.

After a quarter-century and a $600 million investment by Armada Hoffler and the city, this is Town Center of Virginia Beach. It now encompasses over 800,000 SF of office space, along with 256,000 SF of retail, almost 128,000 SF of dining, 935 multifamily residential units, and 412 hotel rooms. The Sandler Center for the Performing Arts, Zeiders American Dream Theater, and various open spaces provide venues for community events and gatherings.

The intersection of Virginia Beach and Independence Boulevards was compelling for traditional development in the 1990s. It was close to Interstate 264, had a regional mall at its northwest corner and several shopping centers nearby. A large suburban population was within a small radius, traffic counts on both streets were high, and it was outside of NAS Oceana flight paths. Office developers had already recognized the location’s appeal. Pembroke Office Park had about 305,000 SF of space right at the intersection’s northeast corner, and Corporate Center had another 325,000 SF just northeast of Pembroke Mall.

The intersection was known outside the region as well. Andres Duany and Elizabeth Plater-Zyberk, New Urbanism evangelists whose architectural firm created the master plan for Norfolk’s East Beach, used pictures of this intersection and surrounding development to illustrate what was wrong with the car-dependent suburban sprawl of the 1990s. This view of the inefficiencies of the past half-century’s commercial development has become widely accepted.

Virginia Beach itself had changed, though. The 1990 Census confirmed it was the state’s most populous city. As the region grew, movers and shakers were moving out to Virginia Beach and finding their clients there as well. But while there had been suburban office buildings for decades, nothing built in Lynnhaven or Greenbrier during the 1980s and 1990s carried the prestige of Downtown Norfolk.
By 2000, it was time to realize Divaris’s vision. The initial list of tenants announced for the future 222 Central Park Avenue defied the suburban stigma. Town Center became the first viable option for businesses wanting a highly visible and prestigious alternative to Downtown Norfolk.

Along with prestige, Town Center offered its office tenants an environment full of accessible amenities. Before its construction, suburban office buildings would offer walking trails through their parks, a convenience store or café on the first floor, and maybe an on-site gym. Town Center changed this in Virginia Beach. The rich assortment of retailers, restaurants, hotels and housing opportunities within walking distance made for a more attractive and more efficient environment for workers. They could eat, bank and shop without getting in a car. And in a tight hiring market, such an environment can be a great recruitment tool.

Town Center’s impact didn’t stop at the 25 acres. Pembroke Mall found a new life in Town Center’s orbit, replacing departed anchors with retailers such as Kohl’s, Target and Fresh Market. The elderly shopping centers on its periphery have been revitalized, expanded or replaced. Walmart replaced a flea market at Virginia Beach Boulevard and Kellam Road, and Wegmans opened its first Hampton Roads location on the site of the failed local home improvement retailer HQ. The first office building at Convergence Center was delivered in 2000, its proximity to Town Center adding additional appeal. Constitution Drive was eventually extended to Bonney Road right at Convergence Center to ease Town Center congestion, and hotel and apartment construction followed.

Today, Town Center is an established success with a current office vacancy rate of about 4.0%. Most of the development planned for the 25 acres is complete. Only one site remains undeveloped: the location of The Virginian-Pilot’s former office, which is a parking lot awaiting construction of a proposed 325,000 SF project.

Oh, and at that intersection — there’s still the Taco Bell. But you can’t expect to transform everything in only 25 years.

### 4815 VIRGINIA BEACH BOULEVARD (WALMART)

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Total</th>
<th>Land</th>
<th>Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013–2014</td>
<td>$8,955,800</td>
<td>$8,955,800</td>
<td>$0</td>
</tr>
<tr>
<td>2014–2015</td>
<td>$21,014,300</td>
<td>$8,403,400</td>
<td>$12,610,900</td>
</tr>
<tr>
<td>2019–2020</td>
<td>$23,947,500</td>
<td>$10,230,200</td>
<td>$13,617,300</td>
</tr>
</tbody>
</table>

### 4721 VIRGINIA BEACH BOULEVARD (CENTER UPGRADES IN 2012; WEGMANS IN 2019)

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Total</th>
<th>Land</th>
<th>Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011–2012</td>
<td>$12,688,100</td>
<td>$11,838,100</td>
<td>$850,000</td>
</tr>
<tr>
<td>2012–2013</td>
<td>$14,016,500</td>
<td>$11,838,100</td>
<td>$2,178,400</td>
</tr>
<tr>
<td>2019–2020</td>
<td>$40,214,100</td>
<td>$12,445,000</td>
<td>$27,769,100</td>
</tr>
</tbody>
</table>
2019 was one of the most exciting years in memory for the Industrial Market in the 757. Every major driver of industrial demand produced a positive influence on the market.

1. Supply chain warehouse demand
2. Port of Virginia growth
3. Increasing Military budgets
4. Record ship building and repair contracts
5. Funded and active road and infrastructure projects
6. Cold storage
7. Offshore wind
8. Subsea cables
9. Development Sales

In 2018, we predicted that there would be several major announcements for new supply chain/warehouse construction. Current projects total over 5.3 million SF for Amazon alone. Multistory warehousing is expected to make its debut in Suffolk, creating a lower land footprint than traditional warehouse development.

In 2020 the Port of Virginia expects to continue its record growth in container volumes as it handled just under 3 million TEU’s in 2019. Last year saw the completion of construction improvements to the Virginia International Gateway Terminal, now able to accommodate up to three Ultra Large Container Vessels simultaneously. Work began in 2019 on the harbor channel deepening project, with the issuance of a $78 million dredging project.

The FY 2020 defense budget is slated to total $738 billion, a $22 billion increase over 2019. Hampton Roads is home to some of the largest military bases in the world, and every service is strongly represented.

Newport News Shipbuilding landed a $15.2 billion contract to build two carriers, CVN 80 and CVN 81, followed by another shared award of $22 billion to construct nine Virginia-class submarines.

The 757 is continuing to add new contracts to existing record infrastructure construction projects. In 2019 the Commonwealth of Virginia announced the award of a $3.3 billion contract to expand the Hampton Roads Bridge Tunnel. This is the largest construction project awarded by the Virginia Department of Transportation.

2019 saw the Port of Virginia complete the USDA in-transit cold treatment pilot program, allowing the import of more refrigerated fruit imports.

Preferred Freezer announced the development of a new 200,000 SF freezer project slated for land purchased just outside the Virginia International Gateway Terminal.

Dominion Energy began construction of two offshore wind towers and followed by announcing plans to construct the largest offshore wind project in the U.S. off the Virginia shoreline, with a total of 220 turbines.

Two major subsea cables, MAREA and BRUSA, landed in Virginia Beach and reach to Richmond. They have connected the super-region of Hampton Roads and Richmond with Latin American, South American and European markets. New data center construction is underway from Virginia Beach to Richmond.

Equus Development purchased the former CenterPoint portfolio of almost 900 acres and 1.75 million SF of industrial product. Demand for industrial property in the region has driven finished lot prices to $250,000 per acre/$5.74 per SF.

2019 was a year like no other, and the statistics bear it out. Net absorption for the year was a respectable 593,585 SF. Average rents for warehouse space finished the year at $5.38 NNN per SF compared to the national average of $5.88 NNN per SF.

The big indicator to watch is the end-of-year vacancy rate of 2.5%. This is more than likely a historic low for the region. It is the seventh lowest industrial vacancy rate in the country according to CoStar.
Equus Capital Partners spent $119 million on the purchase of the former CenterPoint holdings.

"East Coast port activity has been, and should continue to be, on the rise," commented Dan DiLella Jr, Senior Vice President of Equus Capital Partners. "Equus believes that the Port of Virginia will see increased container traffic over the next few years. The presence of the port and its anticipated growth was the driving force behind our investment in the region."

Ashley Capital invested $21,720,000 in the region with the purchase of the former Ace Hardware Distribution Center. This represents an 798,786 SF bet on the distribution market serving the Port of Virginia and its anticipated growth. This represents an investment in the region.

Bobby Phillips, First Vice President with Cushman & Wakefield/Thalhimter represented Ashley Capital. His thoughts on the purchase: "There is no question that Ashley Capital saw great value in a building located in direct proximity to the Port of Virginia and midway between Hampton Roads and the Richmond MSA. It was a great buy."

Bayshore Concrete Cape Charles and 700 Rosemont Avenue in Chesapeake.

Totaling almost $20 million in total consideration, look for these two waterfront properties to contribute to offshore wind and construction projects underway in the region.

Bayshore Concrete: 90 acres — $10.75 million
700 Rosemont Avenue: 56 acres — $8.15 million

RTA Taylor Farms purchased 1337–1345 Taylor Farm Road as a fully-leased investment: 185,400 SF for $13,700,000 or $73.89 per SF. This is an excellent price for metal-over-block construction and reflects the strength of the local investment market.

On the other end of the spectrum, 124,677 SF of older, rehab-ready industrial warehouse located at 4554 Progress Road was purchased for $29.68 per SF, or $3,700,000.

More typical of the market are buildings averaging between 25,000 and 50,000 SF. These general industrial properties are used for a wide variety of operations from manufacturing to warehousing. Prices are beginning to show modest appreciation over the two-year average of $52.72 per SF and a median price at $52.66 per SF (according to data provided by CoStar).
With an overall vacancy rate of less than 3%, functional industrial space is in high demand. Coming off a slow 2018 with limited absorption, 2019 showed only modest increases in rental rates. Rents should increase in 2020, with modern operational properties commanding the greatest increases.

For warehouse space, occupiers are looking for clear heights in excess of 24’, ESFR sprinkler systems, and truck courts exceeding 125’.

• 6950 Harbour View Boulevard, Suffolk
  Windspeed Logistics
  50,000 SF • $5.78 NNN psf/year

For general industrial companies, in-demand buildings offer quality finishes, dock and grade level loading, 3 phase power and parking.

• 709 City Center Boulevard, Newport News
  Ferguson Enterprises
  24,000 SF • $6.25 NNN psf/year

The Hampton Roads industrial market is more commonly defined by older buildings that may require some compromise on the part of tenants. These are fully functional properties, but may not offer ideal loading, power or parking. Demand will remain high in 2020 for these properties, with slightly discounted rental rates reflecting these compromises.

• 1135 Lance Road, Norfolk
  Y & S Cabinetry
  6,178 SF • 6,178 SF • $6.00 NNN p sf/year

2020-2021 INDUSTRIAL OUTLOOK

Perhaps one of the first indicators of full recovery is the resurgence of land sales. Almost 250 acres traded hands in 2019. Property was purchased by both developers and owner-users. Finished lots commanded prices as high as $260,000 per acre. Waterfront property sold for up to $365,000 per acre. Developers were willing to pay up to $175,000 for land on speculation.

It would appear there is plenty of runway ahead for the Hampton Roads industrial market. Each of the demand drivers addressed in the introductory comments will continue to press owners and landlords to meet their needs for industrial space in 2020 and beyond.
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THE 757

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Retail in Hampton Roads had an influx of notable chain stores in 2019, but also saw the demise of several weak brands. The vacancy rate has remained constant from 2018 at 5.1%, however, the availability rate has crept up slightly to 7.6%. This points to the fact that our area realized its share of the more than 9,000 store closures announced nationally. Of greater note is that the region had 892,000 SF of new product brought online in 2019 and had a net absorption of 582,643 SF. The data and trends show that more retail users are opening than closing in the region. This is the case from smaller specialty establishments to mega superstores such as Wegmans and IKEA. Due to the lack of speculative construction and increased demand average rents have grown to $16.90 PSF in the region.

### Retail Market Year End 2019

<table>
<thead>
<tr>
<th>Current Quarter</th>
<th>RBA</th>
<th>Vacancy Rate</th>
<th>Market Rate</th>
<th>Availability Rate</th>
<th>Net Absorption SF</th>
<th>Deliveries SF</th>
<th>Under Construction</th>
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<td>Malls</td>
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<td>2.1%</td>
<td>$24.01</td>
<td>4.1%</td>
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<td>0</td>
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<td>Neighborhood Centers</td>
<td>35,323,100</td>
<td>8.9%</td>
<td>$16.80</td>
<td>12.0%</td>
<td>17,857</td>
<td>106,253</td>
<td>84,480</td>
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<tr>
<td>Strip Centers</td>
<td>6,821,222</td>
<td>5.8%</td>
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<td>7.5%</td>
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<td>17,600</td>
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<td>General Retail</td>
<td>44,707,768</td>
<td>2.5%</td>
<td>$15.26</td>
<td>5.1%</td>
<td>9,724</td>
<td>18,635</td>
<td>85,160</td>
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<tr>
<td>Other</td>
<td>1,165,887</td>
<td>0%</td>
<td>$16.81</td>
<td>0%</td>
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<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Market</td>
<td>104,651,739</td>
<td>5.1%</td>
<td>$16.95</td>
<td>7.6%</td>
<td>24,662</td>
<td>124,888</td>
<td>261,502</td>
</tr>
</tbody>
</table>

Source: CoStar Group
The only constant is change. Retail is on an endless quest to find the best ways to cater to the ever-evolving consumer. Tastes and styles shift, and so do retail environments. The market continues to grow in many ways. We are pushing further out geographically, which creates new hotbeds for retail. As the region continues to evolve, Main and Main locations continue to gain more value. This increase in value creates increase in density, thus we see the advent of mixed-use environments in the downtown corridors and suburban cores.

Twenty-five years ago, the biggest retail news in the region was the market entrance of Hills Department Stores in Chesapeake and Newport News, Target’s announcement of plans to enter the market at yet-to-be-built Yoder Plaza, the addition of Hecht’s and more small shops in the Patrick Henry Mall expansion, and the announcement of MacArthur Center’s construction in downtown Norfolk. Now, 25 years later, Hills and Hecht’s are long gone, but retail, entertainment, restaurant, and service tenants are filling up spaces left behind by others and inking leases in new spaces built to handle current demand. The new tenants have learned to cater to regional tastes. Those tenants consistent in continued enhancements and excellent customer care will yield great results and stand the test of time.

### Top 5 Retail Leases in 2019

1) 84,000 SF – Apex Entertainment, Virginia Beach
2) 41,262 SF – Surge Adventure Park, Virginia Beach
3) 39,000 SF – Rosie’s Gaming Emporium, Hampton
4) 30,098 SF – Gordmans, Norfolk
5) 27,000 SF – SK8 House Family Entertainment Center, Virginia Beach

### Top 5 Retail Sales in 2019

1) $87,000,000 – Landstown Commons, Virginia Beach
2) $79,815,000 – Red Mill Commons and Red Mill Walk, Virginia Beach
3) $30,275,000 – Lightfoot Marketplace, Williamsburg
4) $29,507,000 – Hilltop Marketplace, Virginia Beach
5) $29,250,000 – Fairfield Shopping Center, Virginia Beach

### Top 5 Retail Developments in 2019

1) 55,906 SF – Midtown Row, Williamsburg
2) 44,685 SF – Rooms To Go, Virginia Beach
3) 40,000 SF – Summit Pointe, Chesapeake
4) 36,828 SF – Harbourview Shops, Suffolk
5) 29,004 SF – Lidl, Virginia Beach
2019 will go down as a year of major store closings. Some longstanding staple shopping center tenants have disappeared from the retail landscape. Others have filed for bankruptcy protection to shed stores and rightsize their offerings going forward after emerging from bankruptcy. Too many retail chains have been purchased in leveraged buyouts only to be pieced out by greedy investors and insiders. Smart retailers have embraced enhanced store designs, employee retention programs, computer-enhanced logistics, joint venture betterments, inclusive retail formats, massive data analytics, pop culture icon tie-ins, and planet-saving measures to draw in new customers, retain current ones, and greatly enhance their bottom lines. Experiential retail formats have grown by huge margins, anticipating that consumers are seeking memorable interaction over mere merchandise. The lines between property categories continue to blur as office, retail, residential, dining, and enhanced human interaction are coming together in mixed-use environments.

Look for technology firms to team up with developers and tenants to bring forward quality goods and experiences to the masses on an individual level. Major advancements in technology have enabled retailers and developers to use AI, machine learning, and data analytics to quickly cater to the individual needs of today’s consumer. The days of the cookie-cutter environment are gone. Look for more joint ventures between developers, online companies, technology companies, retailers, and restaurants to collaborate for mutual gain and customer satisfaction. 5G technologies are going to spawn new advancements in mobile POS systems, pop-up advertising, and 3D virtual visualizations. There will be more emphasis on profits, people and the planet.
Sustainability will become paramount to the retail environment of tomorrow. Retailers and developers will use solar power, digital initiatives, LED, and other technology enhancements to decrease operating costs. 2020 retail sales will see some pullback due to fears associated with the upcoming election, continued spread of the coronavirus, trade wars, climate change, and the threat of war. Resale tenants will gain in popularity. Inclusive environments, blending of use categories, entertainment, pop-up stores, and rolling exhibits will draw shoppers to retail and mixed-use developments. A greater emphasis will be placed on global and environmental issues. Retailers aligning with human causes and perpetuating holistic environments will win over consumers. Customers will also begin to expect the unexpected and will seek environments that ‘wow’ multiple senses to trigger emotional stimulation. Tomorrow’s world will be exciting, and we should all be glad to be a part of the continued movement.

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The Hampton Roads multifamily market is holding steady right now, despite some downward pressure. Highlights for 2019 included several record-breaking sales in Virginia Beach and the other in Norfolk.

The market continues to simultaneously grow and tighten even as population and employment trends lag behind national averages. So far, significant job losses in the metro, including Norfolk Southern’s departure, have had little impact. Absorption routinely outpaced supply over the past 12 months. As a result, vacancy was near an all-time low entering the final quarter of 2019. The stabilizing effect of the area’s large military presence, along with a generally younger renter cohort, accounted for the continued strong demand within the Hampton Roads market.

**RICHARD COUNSELMAN**  
Vice President, Partner, S.L. Nusbaum Realty Co.
The amount of product absorbed over the past few years resulted in rents rising, running contrary to the area’s reputation for affordability. In fact, year-over-year rents continue to climb and are sitting near all-time highs. The market’s low vacancies, increasing rents and stable population base have piqued the interest of out-of-market investors looking to capitalize on the area’s potentially higher yields.

Throughout 2019, shifting development patterns in the Hampton Roads region became more pronounced. Construction has increased in less developed submarkets such as Hampton City, York County and Suffolk City. Conversely, construction has slowed in the more heavily developed submarkets. While economic growth has been lackluster, the aforementioned stable demand unique to this market has allowed development to continue.
MARKET TRENDS TO WATCH

Absorption has outpaced supply continuously for the past three years, leading to low vacancies. At the lower end, military and blue-collar employment from the shipping industry maintain the demand in more affordable 1-, 2- and 3-star apartments.

On the higher end, private employers such as ADP and Optima Health continue adding jobs, bolstering the demand for 4- and 5-star apartments.

As construction continues at nearly full steam, new supply skews to the higher end, offering tenants better location and amenities. This trend has been ongoing for several years with the market responding positively so far. Vacancy for higher-end apartments is holding steady near the national average of 6%. In the City of Norfolk submarket, for example, millennials have been drawn to the “new urbanism” live/work/play aesthetic, featuring more amenities and higher rents. Changing demographics, however, could cause absorption to slow and vacancies to rise as deliveries continue. Should demand begin to fall short of supply, look for some interesting pricing strategies to fill these luxury apartments.

Average rents in Hampton Roads have nearly reached $1,100 per month after sustained rent bumps — now on par with metros such as Richmond and Raleigh, NC. Properties in Downtown Norfolk have seen significantly higher rent levels as the area gentrifies. The addition of new restaurants, retail and transportation inflated demand, and rent levels have reached an average of $1,400 per month. Rents are continuing to grow significantly, with gains of almost 4.1% approaching all-time highs.

Virginia Beach had another record-breaking sale in January 2019. The Maple Bay Townhomes in the Northeast Virginia Beach submarket sold for $68.7 million to Hamilton Zanze & Company out of San Francisco. The seller, Apartment Investment and Management Company of Denver, sold the property as it was generating an actual cap rate of 5.25%.

Bookending this strong start for 2019 was an even stronger finish, with the record-breaking deal of the year in the fourth quarter. East Beach Marina Apartments, 137 units in Norfolk’s East Beach neighborhood, traded for $255,000 per unit, representing a 4.8% cap rate on the trailing 12 months.

Blockbuster sales like these illustrate a trend. As of Q4 2019, higher-quality assets were trading at about $200,000 per unit, almost double the average apartment. Out-of-market buyers are a major driver of these sales.

But pricing has also been climbing over several years due to high-impact asset trading. The average market sale price per unit has increased roughly $17,000 per unit since 2015. Some of the highest-priced deals have included assets with connectivity to the Hampton Roads Beltway near the James River and Elizabeth River or at the Virginia Beach Oceanfront. Apartment assets in submarkets with less supply-side risk, such as Hampton City and Newport News, have also been in demand for value-add plays.

**MARKET TRENDS TO WATCH**

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2020-2021 OUTLOOK

The streak of heavy construction didn’t slow down in 2019, adding about 1,500 new units to the market. The pipeline was still full moving into 2020 with about 3,500 units under construction.

One of the largest developments currently in the pipeline is 27 Atlantic at the Virginia Beach Oceanfront. Developers Bruce Smith and Armada Hoffler say 27 Atlantic will be unlike anything the area has ever seen. The community will boast 17 stories of unobstructed views of the Atlantic Ocean. A unique rooftop lounge will feature a fully operational restaurant and bar, grilling and fire pit areas, and a pool. Other amenities will include a resort-level fitness center overlooking the ocean, onsite storage, a resident clubroom, valet and concierge services and more. Armada Hoffler plans to deliver the first units to the market in April of 2021, and leasing and management will be handled by S.L. Nusbaum Realty Co.

MULTIFAMILY

UNDER CONSTRUCTION

<table>
<thead>
<tr>
<th>Property Name/Address</th>
<th>Rating</th>
<th>Units</th>
<th>Stories</th>
<th>Start</th>
<th>Complete</th>
<th>Developer</th>
<th>Owner</th>
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<td>4 Stars</td>
<td>301</td>
<td>0</td>
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<td>June-2020</td>
<td>Hoy Construction</td>
<td>Craig Davis Properties Inc</td>
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<td>Arua at Arbordale 401 Bulifants Blvd., Williamsburg</td>
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<td>The Retreat at Harbor Point 350 Campostella Rd., Norfolk</td>
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<td>210</td>
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<td>Apr-2020</td>
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<td>Signature Management</td>
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<td>The Pearl at Marina Shores 2110 Marina Shores Dr., Virginia Beach</td>
<td>5 Stars</td>
<td>199</td>
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<td>July-2018</td>
<td>Feb-2020</td>
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<td>Monroe Gates Apartments 200 S Mallory St., Hampton</td>
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<td>162</td>
<td>8</td>
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<td>Apr-2021</td>
<td>Drucker + Falk</td>
<td>The Breeden Company</td>
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<td>Feb -2020</td>
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Sources: CoStar Group

As Hampton Roads continues striving to fully recover from the recession, flat employment growth numbers aren’t helping. Job levels still have not reached their prerecession peak more than four years after the National Index achieved that milestone.

The area is also losing working-age labor. As of 2017, the last year of available data, the population growth was negative following two years of falling positive growth. Hampering population growth may be the lack of employment growth, with mediocre news coming from both the private and public sectors. Government employment, which represents 20% of all jobs in the region, has not seen increases since 2011.

The private sector is a mixed bag. In December 2018, Norfolk Southern announced it would be leaving its headquarters in Norfolk. This move, which began in mid-2019, represents the loss of not only hundreds of jobs but also one of Hampton Roads’ few Fortune 500 companies. On the other hand, the move of Dollar Tree and its subsidiary Family Dollar is excellent news. While it originally planned to move significant portions of its staff from Matthews, North Carolina, Dollar Tree was unable to keep many of its workers and will be hiring more than 500 employees in the Hampton Roads region.

Overall, the multifamily market in Hampton Roads is as robust as ever. Even with the additional units coming online each year, occupancy levels are holding strong. Impressive sales figures for 2019 confirmed that Hampton Roads continues to be a highly sought-after market for private and institutional investors of multifamily real estate.
After surviving a difficult fourth quarter in 2018, the market rebounded nicely in 2019, producing year-over-year gains with overall residential closings in Hampton Roads up +7.4% over 2018. The resale sector carried much of the water, but even new construction bounced back, up 5.6% YoY. The Northeast North Carolina market, which includes Camden, Currituck and Pasquotank Counties, had another banner year, up 17.3% over 2018. So despite much chatter about headwinds, low rates, rising wages, low unemployment and a tight supply of active listings, Hampton Roads produced a very good market in 2019. In fact, according to REIN MLS, 2019 came within just 101 closings of matching 2005, one of the biggest years in Hampton Roads housing. That’s a pretty notable recovery from the depths of housing’s 2008 meltdown.

One of the major themes throughout 2019 was the continued decline of active listings. Inventory hit ten year+ lows. To illustrate the severity of this problem, in South Hampton Roads the number of months required to absorb attached (townhome, etc.) inventory dropped to only 1.53 months. This lack of supply most likely constrained builders from having an even bigger year than they did.

“Affordable” housing continues to be redefined as prices continue their upward trend, albeit on a slower trajectory. While pricing was relatively flat YoY across the board, overall median pricing in Hampton Roads still rose to $328,532. The delta between median attached and median detached pricing dropped to $77,718.
THE RESALE MARKET

The resale market was responsible for 83.9% of all closed transactions in Hampton Roads in 2019, adding just a few decimal points from last year’s share. Affordability is likely driving these gains as the difference in average pricing between resale and new homes climbed to $104,797. While Active Listings dropped (down to 8,268 units versus 10,056 in 2018), many other key metrics that improved included Average Sold Market Time at 54 days (down from 64) and the Percentage of Homes Sold in the First 30 Days of Listing which increased to 49%.

The Table below illustrates some of the contrasts between the resale and new homes sectors.

<table>
<thead>
<tr>
<th>Metric</th>
<th>2015</th>
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<td>Closings</td>
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Sources: REIN MLS, Navica MLS and WAAR MLS

THE NEW CONSTRUCTION MARKET

While closings were up, pricing remained relatively flat (+.9% YoY). Some shifting occurred from the detached to the attached sector, with the attached sector grabbing a 32.9% share of all closings, up from its historic share of closer to 25%. The growth in closings, even with some shifting to attached product, was sufficient to boost overall revenues to $1,134,637,026. The Top 15 builders accounted for 55.8% of all revenue, up from 2018.

Ryan Homes held firmly on to their #1 spot as Hampton Roads’ largest builder, closing 686 homes (and another 76 in Northeast North Carolina), giving them their biggest closing year since entering the market. Spence Crossing, a Dragas Companies community in Virginia Beach, occupied the #1 spot for Top Communities in Hampton Roads for the third consecutive year, boosting the Dragas Companies into the #2 position among the area’s Top Builders. Southside Hampton Roads grabbed a 74.5% share of all closings, matching historical trends. Price increases over the years enabled builders to generate $32,288,692 more in revenue than in 2017, even though they closed 123 fewer homes. Median pricing for a detached new construction home in Virginia Beach reached $508,000! The growth in the Northeast North Carolina market is still driven by lower property taxes ($.49/$100) and the fact that the median price for a detached new construction home in this submarket is $112,997 less than in Chesapeake and $197,793 less than in Virginia Beach. For the same reasons, growth is continuing to push west into Suffolk and Isle of Wight, as well as the Upper Peninsula. Buyers will chase value and still seem willing to trade off longer commutes.

<table>
<thead>
<tr>
<th>Metric</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closings</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Construction</td>
<td>3072</td>
<td>3214</td>
<td>3247</td>
<td>3071</td>
<td>3124</td>
</tr>
<tr>
<td>YoY Change</td>
<td>N/A</td>
<td>4.6%</td>
<td>1.03%</td>
<td>-5.40%</td>
<td>1.73%</td>
</tr>
<tr>
<td>Avg. SP</td>
<td>$333,262</td>
<td>$342,159</td>
<td>$343,105</td>
<td>$359,941</td>
<td>$363,200</td>
</tr>
</tbody>
</table>

Sources: REIN MLS, Navica MLS and WAAR MLS
**HAMPTON ROADS — TOP SUBDIVISIONS**

Spence Crossing in Virginia Beach held the #1 position by closings and total revenue again in 2019. Bryan’s Cove, a Ryan Homes community, didn’t even make the list in 2018, grabbed the #2 spot with 114 closings. Hickory Manor, another Dragas Companies community, finished #3, which helped Dragas secure the #2 Top Builder spot. This is quite an accomplishment as they only build on the Southside while Ryan Homes, Chesapeake Homes and Corinth Residential also maintain a Peninsula footprint.

**HAMPTON ROADS — TOP SUBDIVISIONS**

<table>
<thead>
<tr>
<th>Subdivision</th>
<th>Total Revenue</th>
<th># Bldrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 SPENCE CROSSING, VB</td>
<td>$43,385,309</td>
<td>1</td>
</tr>
<tr>
<td>2 BRYAN’S COVE, C</td>
<td>$36,743,257</td>
<td>1</td>
</tr>
<tr>
<td>3 HICKORY MANOR, C</td>
<td>$30,427,646</td>
<td>4</td>
</tr>
<tr>
<td>4 WHITTAKER’S MILL, YC</td>
<td>$29,431,153</td>
<td>12</td>
</tr>
<tr>
<td>5 NORTH END VIRGINIA BEACH</td>
<td>$27,242,070</td>
<td>12</td>
</tr>
<tr>
<td>6 KINGSTON ESTATES, VB</td>
<td>$23,623,489</td>
<td>14</td>
</tr>
<tr>
<td>7 OCEAN VIEW, NO</td>
<td>$19,288,499</td>
<td>24</td>
</tr>
<tr>
<td>8 BEACH BOROUGH, VB</td>
<td>$17,891,513</td>
<td>10</td>
</tr>
<tr>
<td>9 BENNS GRANT, IOW</td>
<td>$17,071,779</td>
<td>14</td>
</tr>
<tr>
<td>10 Lakeview Cove, IOW</td>
<td>$16,822,078</td>
<td>15</td>
</tr>
<tr>
<td>11 SUMMERWOOD AT GRASSFIELD, C</td>
<td>$16,345,800</td>
<td>14</td>
</tr>
<tr>
<td>12 HERTZLER MEADOWS, NN</td>
<td>$16,084,509</td>
<td>12</td>
</tr>
<tr>
<td>13 ARBORDALE, YC</td>
<td>$16,032,539</td>
<td>13</td>
</tr>
<tr>
<td>14 DOMINION MEADOWS, C</td>
<td>$16,345,800</td>
<td>14</td>
</tr>
<tr>
<td>15 KINGSTON ESTATES, VB</td>
<td>$16,222,078</td>
<td>15</td>
</tr>
</tbody>
</table>

Sources: REIN MLS, Navica MLS and WAAR MLS
HAMPTON ROADS TOP BUILDERS

Ryan Homes continued their dominance of the Hampton Roads market by finishing #1 again, a streak that runs back to 2011. This was their best year in Hampton Roads, even before including their North Carolina closings. The remainder of the Top Ten were the usual suspects on this list, with Wetherington Homes grabbing the #7 spot as an infill/spot lot builder. This cohort, in aggregate, again accounted for almost one out of every three homes closed in Hampton Roads.

While the new construction cycle is clearly in late innings, enjoying the longest upcycle in modern history, there is reason for optimism that 2020 will be flat to slightly up. The economy is normally pretty stable in an election year. Rates are forecasted to remain low, and rising wages, low unemployment, low supply and shifting demographics are all fueling a positive outlook.

<table>
<thead>
<tr>
<th>Builder</th>
<th>Closings Recorded</th>
<th>Average Price</th>
<th># Sites</th>
<th>Builder</th>
<th>Total Revenue</th>
<th># Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ryan Homes</td>
<td>686</td>
<td>$333,664</td>
<td>25</td>
<td>Ryan Homes</td>
<td>$228,893,657</td>
<td>25</td>
</tr>
<tr>
<td>Dragas Cos.</td>
<td>251</td>
<td>$311,911</td>
<td>3</td>
<td>Dragas Cos.</td>
<td>$78,289,775</td>
<td>3</td>
</tr>
<tr>
<td>Chesapeake Homes</td>
<td>154</td>
<td>$408,814</td>
<td>13</td>
<td>Chesapeake Homes</td>
<td>$62,957,377</td>
<td>13</td>
</tr>
<tr>
<td>Corinth Residential</td>
<td>87</td>
<td>$309,519</td>
<td>4</td>
<td>Platinum Homes</td>
<td>$36,513,812</td>
<td>8</td>
</tr>
<tr>
<td>Platinum Homes</td>
<td>79</td>
<td>$462,200</td>
<td>8</td>
<td>Corinth Residential</td>
<td>$26,928,139</td>
<td>4</td>
</tr>
<tr>
<td>Terry Peterson Residential</td>
<td>68</td>
<td>$291,989</td>
<td>4</td>
<td>Bishard Homes</td>
<td>$23,526,939</td>
<td>15</td>
</tr>
<tr>
<td>Wetherington Homes</td>
<td>67</td>
<td>$296,202</td>
<td>26</td>
<td>Eagle Construction of VA</td>
<td>$22,938,103</td>
<td>8</td>
</tr>
<tr>
<td>Franciscus Homes</td>
<td>60</td>
<td>$245,661</td>
<td>2</td>
<td>Weldenfield &amp; Rowe</td>
<td>$22,808,699</td>
<td>3</td>
</tr>
<tr>
<td>Weldenfield &amp; Rowe</td>
<td>57</td>
<td>$400,153</td>
<td>3</td>
<td>Hav</td>
<td>$20,652,982</td>
<td>5</td>
</tr>
<tr>
<td>Bishard Homes</td>
<td>47</td>
<td>$500,573</td>
<td>15</td>
<td>Kibor Homes</td>
<td>$20,240,087</td>
<td>10</td>
</tr>
<tr>
<td>Eagle Construction of VA</td>
<td>47</td>
<td>$488,045</td>
<td>8</td>
<td>Hearndon Construction</td>
<td>$19,931,688</td>
<td>2</td>
</tr>
<tr>
<td>Hav</td>
<td>43</td>
<td>$424,078</td>
<td>2</td>
<td>Terry Peterson Residential</td>
<td>$19,855,241</td>
<td>4</td>
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<tr>
<td>Hadden Construction</td>
<td>47</td>
<td>$480,302</td>
<td>5</td>
<td>Wetherington Homes</td>
<td>$19,845,552</td>
<td>26</td>
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<tr>
<td>Hadden Construction</td>
<td>43</td>
<td>$325,409</td>
<td>6</td>
<td>EDC Homes</td>
<td>$14,865,353</td>
<td>24</td>
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<tr>
<td>HHunt Homes</td>
<td>40</td>
<td>$506,002</td>
<td>10</td>
<td>Franciscaus Homes</td>
<td>$14,739,638</td>
<td>2</td>
</tr>
</tbody>
</table>

Sources: REIN MLS, Navica MLS and WAAR MLS

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