

NAI Beverly-Hanks
Commercial Real Estate Services, Worldwide.

MARKET REPORT

QUARTER TWO **2023**



INDUSTRIAL
TRANSACTIONS **11**
FOR

\$44.5M ▲
2022: \$18.6M

OFFICE
TRANSACTIONS **14**
FOR

\$14.8M ▼
2022: \$34.6M

RETAIL
TRANSACTIONS **25**
FOR

\$38M ▼
2022: \$49.4M

MULTI-FAMILY
TRANSACTIONS **4**
FOR

\$81.1M ▼
2022: \$192M

LAND
TRANSACTIONS **21**
FOR

\$19M ▼
2022: \$64.9M

PROPERTIES SOLD

ENTREPRENEURIAL VISIONS COME TO LIFE

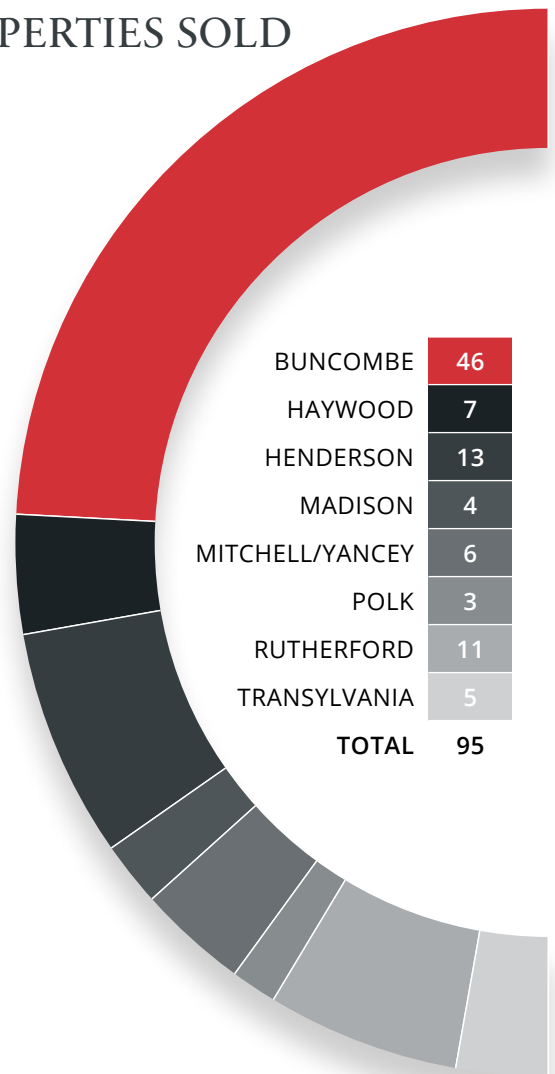
New commercial developments and revitalization projects are taking shape across the urban landscape. Downtown Asheville, in particular, has seen a surge in demand for office space, retail stores, and dining establishments. Quality of life in the Blue Ridge, coupled with a thriving tourism economy and supportive business climate, continue to create opportunities for local entrepreneurs and national businesses seeking to put down roots.

Creative business concepts and fresh spaces for community join the local landscape through re-invigorated and inspired commercial spaces. Highlights include The RAD Brew Co., The Hound, There There, The Restoration Hotel, and Regina’s restaurant, just to name a few.

Mixed-use development plans are also keenly on the radar for locals and would-be buyers in the residential sector. A commercial project taking shape to support the lack of local housing inventory is a 237-unit development in the River Arts District at 146 Roberts Street. The project will feature 16,800 square feet of retail space and a blend of affordable and mixed-income rentals.

The local business ecosystem remains deeply supportive of entrepreneurs. Supporting the rise of high-growth start-ups, commercial projects, and connectivity to an increasingly specialized workforce is Venture Asheville, an initiative of the Economic Development Coalition for Asheville-Buncombe County and the Asheville Chamber of Commerce. With the mission to create a “world-class start-up city” Venture has assisted more than 30 projects and raised over \$52 million in capital.

Continued demand and growing resources for the business community bode well for the commercial sector heading into the second half of the year.



Featured Listing

425 N Main Street
\$1,300,000

Currently housing the D9 Brewery, this is an exceptional investment property located on N. Main Street in Downtown Hendersonville. The property boasts a prime location on a bustling street, ensuring maximum exposure and foot traffic. Additionally, the investment comes with a long-term client with a secured lease with around a 7% CAP rate. Adding to its allure, the building has undergone a comprehensive upfitting in the past two years.



COMMERCIAL LEASE ACTIVITY | QUARTER TWO 2023

INDUSTRIAL LEASES

13▲

2022: 10

OFFICE LEASES

36▼

2022: 39

RETAIL LEASES

18▼

2022: 40

VACANCY RATE

2022: 2.4%

4.6%▲

VACANCY RATE

2022: 3.4%

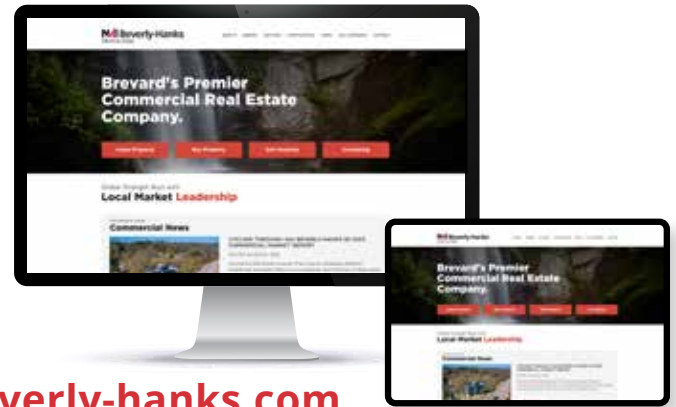
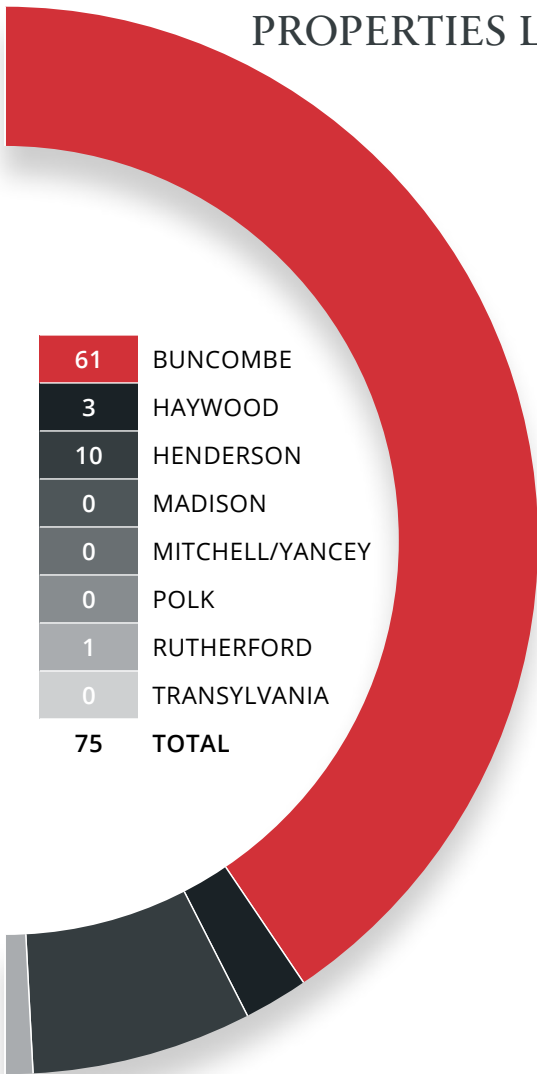
2.7%▼

VACANCY RATE

2022: 1.8%

1.4%▼

PROPERTIES LEASED



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Explore listings, market insights, and access to our experienced team of commercial agents.

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Notable Transaction

291 Sweeten Creek
\$7,000,000

Experience the epitome of versatility with over 40,000 square feet of impeccably adaptable space in Asheville, conveniently situated near I-40, Biltmore Village, and Downtown Asheville. This building is clear-span construction, allowing for the highest level of flexibility on an interior buildout. This property caters to an array of possibilities, including office spaces, medical facilities, retail establishments, dynamic flex spaces, automotive sales, and even the potential to divide into multiple tenant spaces.



All chart information represents 2023 data as provided by CoStar for the 9-county region.

ASHEVILLE METROPOLITAN STATISTICS

(Buncombe, Haywood, Henderson, and Madison Counties)

EMPLOYMENT DISTRIBUTION BY INDUSTRY:

Population 472,341



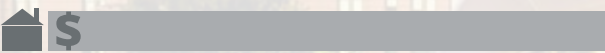
Labor Force 235,197



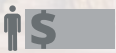
Average Commute 23.3 min



Average Household Income \$75,787



NC Individual Income Tax Rate 4.75%

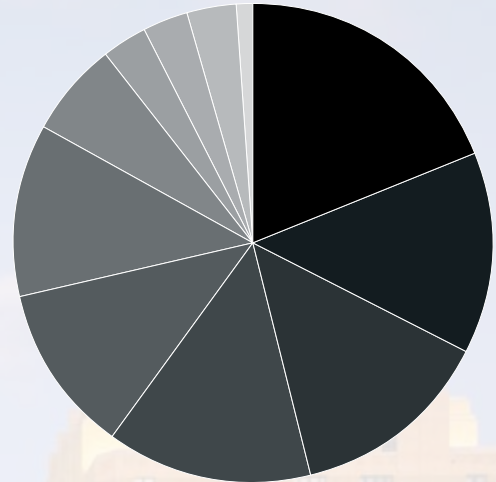


Current Sales & Use Tax by County

Buncombe 7.00% Haywood 7.00%
Henderson 6.75% Madison 7.00%

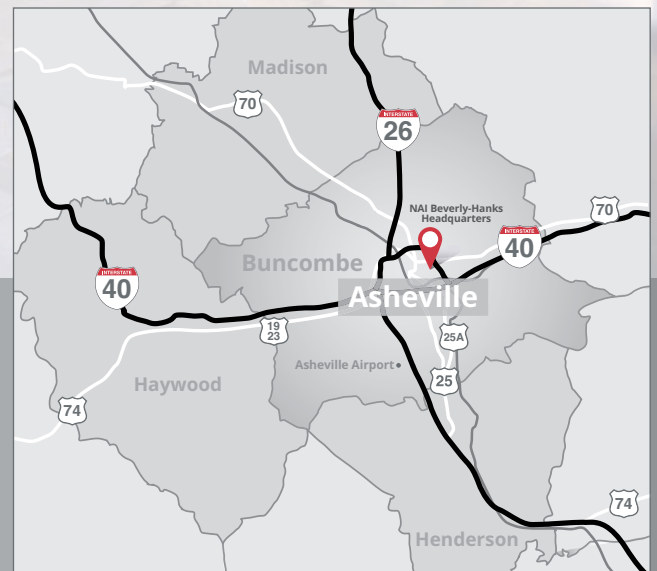
Cost of Living Index

Buncombe, Haywood, Henderson,
and Madison Counties



Health Services and Education	18%
Government (federal, state, & local)	13%
Retail Trade	13%
Leisure and Hospitality	13%
Manufacturing	11%
Professional and Business Services	11%
Construction, Mining, and Logging	6%
Financial Activities	3%
Transportation and Utilities	3%
Wholesale Trade	3%
Information	1%

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



Rankings

North Carolina was named Business Facilities' "2022 State of the Year" — Businessfacilities.com, 2023

Asheville is one of the "10 Best Cities to Visit for Art Lovers" — bestlifeonline.com, 2022

Asheville ranked as 7th fastest growing tech hub in the nation — LinkedIn.com, 2022