

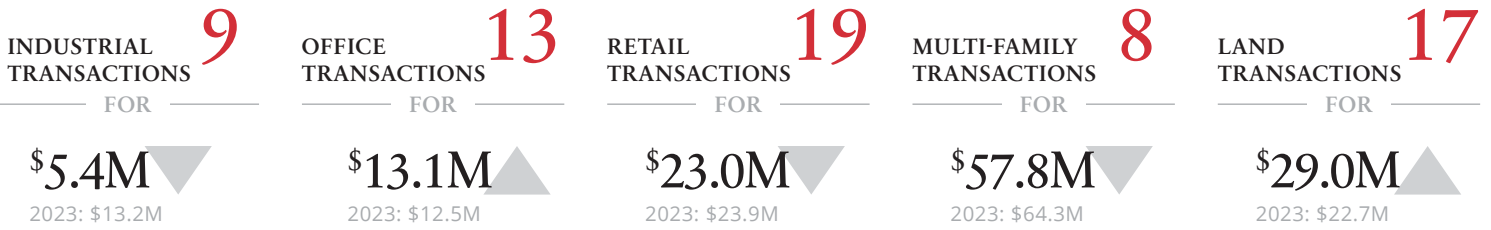
NAI Beverly-Hanks
Commercial Real Estate Services, Worldwide.

MARKET REPORT

QUARTER ONE **2024**



COMMERCIAL SALES ACTIVITY | QUARTER ONE 2024



COMMERCIAL INSIGHTS

With the new year underway, Asheville embraces change and growth with exciting developments that are transforming the city's landscape and enhancing its appeal for both residents and visitors.

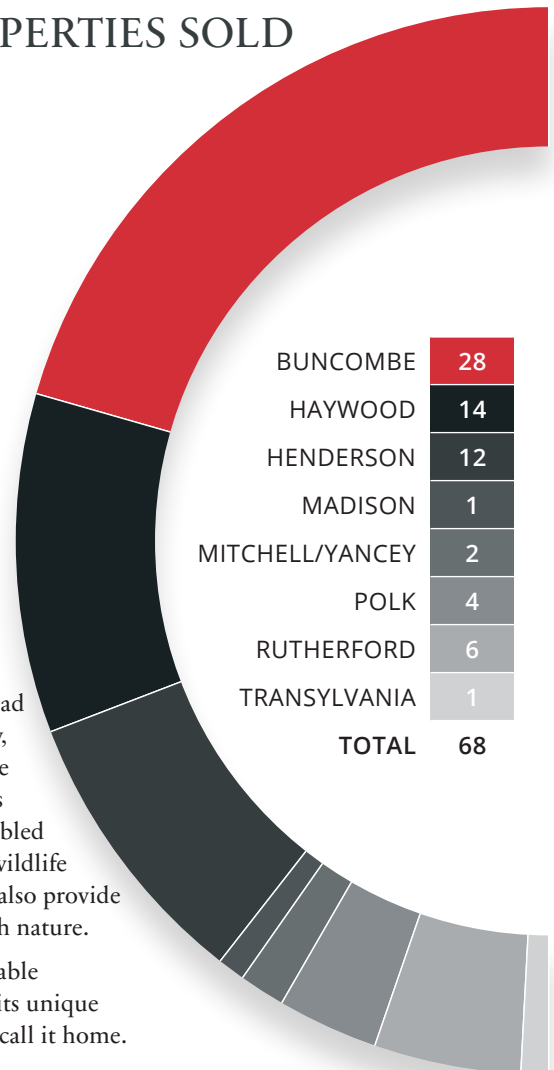
Three newly opened hotels in Asheville are breathing new life into the city's historic buildings, creating unique experiences that connect guests to the area's rich heritage. The Flat Iron, a 71-room Prohibition-themed hotel, pays homage to Asheville's creative and economic heyday in the 1920s, featuring a rooftop bar and hidden speakeasy. Zelda Dearest, an ode to the city's ties to author and artist Zelda Fitzgerald, connects three Victorian-style homes into a bespoke, romantic venue. These adaptive reuse projects not only preserve Asheville's architectural legacy but also offer visitors immersive experiences that celebrate the city's multifaceted past and present.

Addressing the city's affordable housing crisis, Buncombe County has made significant strides already in 2024. On Coxe Avenue, a \$59.1 million development will bring 200 affordable units to the area, with a focus on attracting private investment, increasing pedestrian traffic, and maximizing the number of affordable apartments. Meanwhile, the Pentland Hills development, just off New Leicester Highway, aims to be 75% affordable, with at least 52 of the 69 homes sold at accessible rates.

Alongside the city's urban transformation, Asheville has also prioritized preserving its natural assets. The Buncombe County Open Space Bond, approved by voters in 2023, has had the first two conservation easements approved as of February 2024. According to AVLToday, "The first Open Space Bond conservation easements have gotten the green light. Buncombe County Board of Commissioners approved a budget amendment that established two areas to be protected using funds from the bond." The Buncombe County Open Space Bond enabled the acquisition of several conservation easements, safeguarding valuable green spaces and wildlife habitats. These conservation efforts not only enhance the region's ecological resilience but also provide residents and visitors with ample opportunities for outdoor recreation and connection with nature.

As Asheville continues to evolve, these diverse initiatives—from innovative hotels to affordable housing and environmental conservation—showcase the city's commitment to preserving its unique character while embracing a future that is inclusive, sustainable, and enriching for all who call it home.

PROPERTIES SOLD



Featured Listing

160 & 164 Broadway Street, Asheville, NC
\$47,433.00/Month

An incredible opportunity to occupy the longtime location of the Moog Music headquarters. These historic structures went through a significant renovation project and offer a highly flexible interior suitable for a variety of uses along with high visibility from Broadway Street, Merrimon Avenue, and I-240. 160 Broadway offers +/-17,660GSF on two levels currently being utilized for a combination of modern office and manufacturing. 164 Broadway offers +/-12,000GSF on two levels, the first floor being utilized as a flex warehouse and the second floor as a modern office. These spaces can be leased independently or together.



COMMERCIAL LEASE ACTIVITY | QUARTER ONE 2024

INDUSTRIAL LEASES

9 ▼

2023: 23

VACANCY RATE

2023: 5.3%

5.3% ◀▶

OFFICE LEASES

42 ▼

2023: 51

VACANCY RATE

2023: 2.4%

2.4% ◀▶

RETAIL LEASES

36 ▼

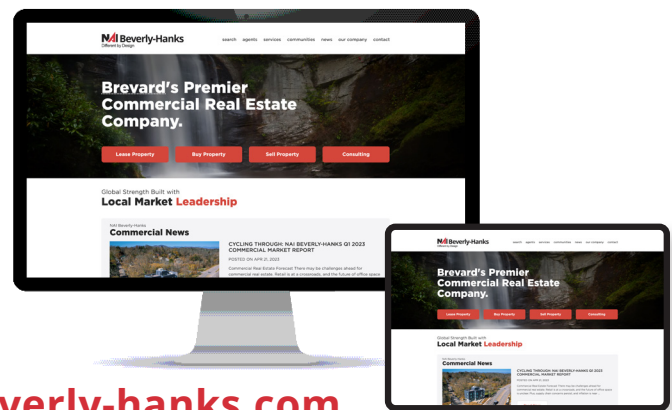
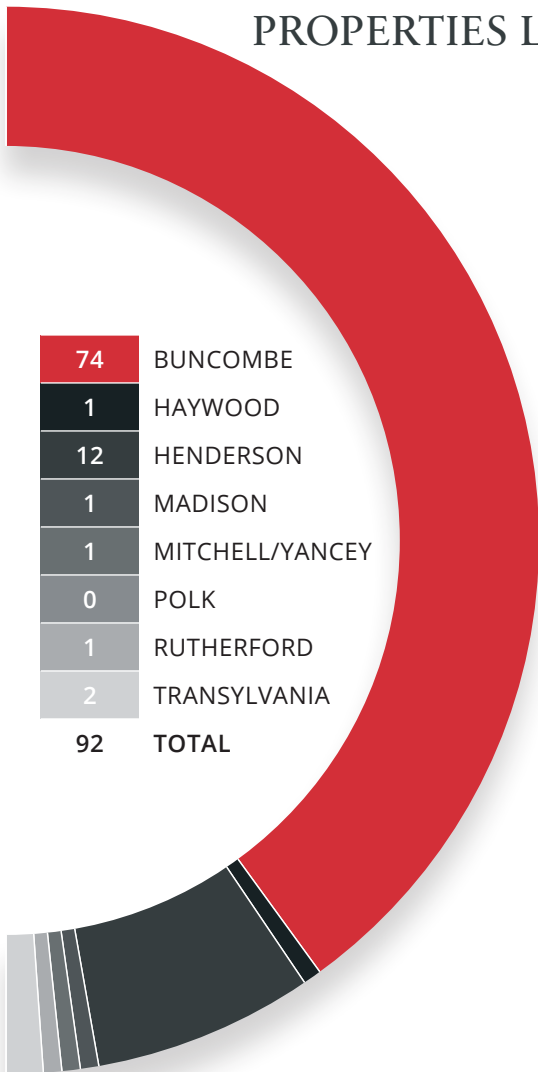
2023: 42

VACANCY RATE

2023: 1.4%

1.5% ▲

PROPERTIES LEASED



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

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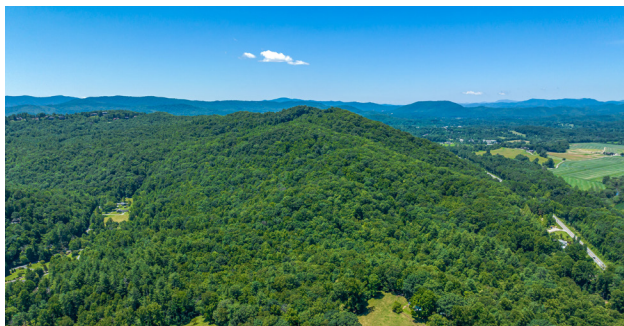
All chart information represents 2024 data as provided by CoStar for the 9-county region.

Notable Transaction

Horse Shoe Mountain, Hendersonville, NC

\$15,000,000

Karl Nelson, CCIM and Billy Harris closed a 644-acre property in Henderson County known as "Horse Shoe Mountain" for \$15M. One of the most challenging aspects of this sale was the property's sheer size and diversity—managing a property of this great size requires a nuanced understanding of its potential uses, zoning regulations, and the intricacies of large-scale transactions. Together, Karl and Billy conducted an in-depth analysis to segment the property, highlighting its best uses for different buyers. This quick sale exemplifies our firm's commitment to leveraging our extensive network, deep market knowledge, and innovative strategies to achieve optimal outcomes for our clients.



ASHEVILLE METROPOLITAN STATISTICS

(Buncombe, Haywood, Henderson, and Madison Counties)

EMPLOYMENT DISTRIBUTION BY INDUSTRY:

Population 476,072



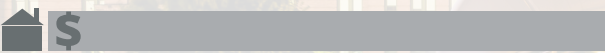
Labor Force 244,142



Average Commute 23.3 min



Average Household Income \$81,132



NC Individual Income Tax Rate 4.75%



Current Sales & Use Tax by County

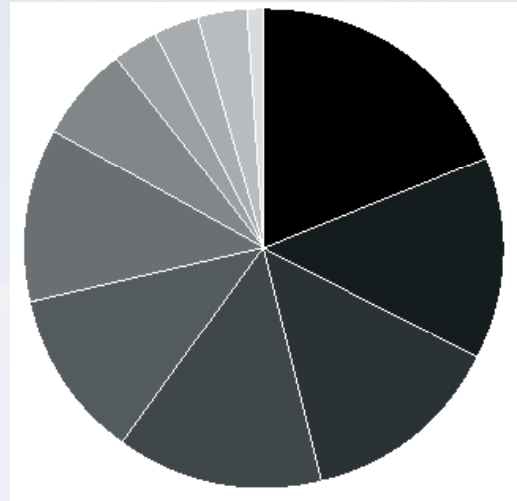
Buncombe 7.00% Haywood 7.00%
Henderson 6.75% Madison 7.00%

Cost of Living Index

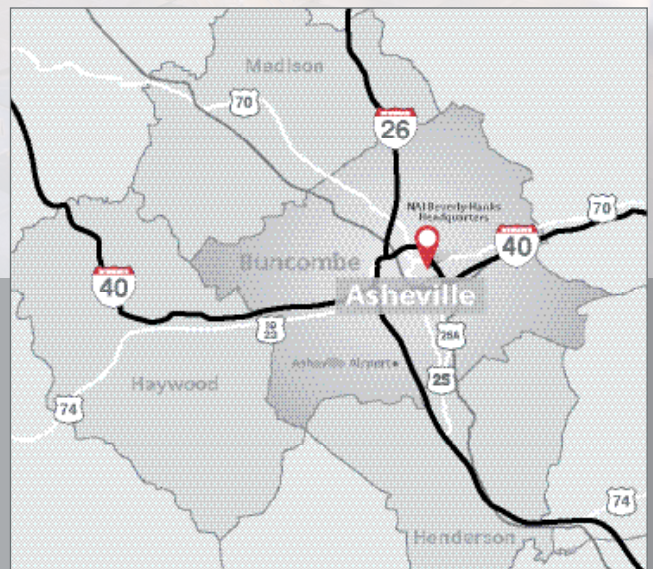
Buncombe, Haywood, Henderson,
and Madison Counties



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



Health Services and Education	18%
Government (federal, state, & local)	12%
Retail Trade	13%
Leisure and Hospitality	16%
Manufacturing	11%
Professional and Business Services	10%
Construction, Mining, and Logging	5%
Financial Activities	3%
Transportation and Utilities	3%
Wholesale Trade	3%
Information	1%



Rankings

Asheville ranked #3 on “The South’s Best Cities” — Southernliving.com, 2023

Asheville ranked #10 on the list of “Best Food Destinations in the U.S.” — Tripadvisor.com, 2023

Asheville named one of the Top 50 Small Cities to Start a Business — WalletHub.com, 2023