

**ECONOMIC DEVELOPMENT AUTHORITY
CITY OF CHESAPEAKE
FINAL AGENDA
February 17, 2022**

3:00 p.m.

CALL TO ORDER

SPECIAL PRESENTATION:

- Mark Woodward – Comprehensive Planning Administrator, City of Chesapeake

MINUTES of the January 20, 2022 meeting

TREASURER’S REPORT for the month of January 2022 – Steven Wright

OPENING OF PUBLIC HEARING ON IRB APPLICATIONS: None for the month February 2022

PRESENTATION OF FINAL BOND DOCUMENTS & OTHER RELATED IRB BUSINESS: None for the month of February 2022

INVOICES:

UNFINISHED BUSINESS:

- Economic Development Update: Ben White
- Three Oaks at Greenbrier Commerce Park – Steven Wright
- Oakbrooke Business & Technology Center Update: Tim Howlett
- Western Branch Update: Preston Wilhelm
- Committee Reports – Update

NEW BUSINESS:

EXECUTIVE SESSION:

FOR YOUR INFORMATION:

- Chesapeake Regional Health Foundation’s Gala
 - April 2, 2022, at Chesapeake Conference Center
- Chesapeake State of the City 2022
 - March 24, 2022: 11:30 am - 1:30 pm at the Chesapeake Conference Center

ADJOURNMENT

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF CHESAPEAKE
THURSDAY, January 20, 2022**

The regular meeting of the Economic Development Authority of the City of Chesapeake was held on Thursday, January 20, 2022, at 3:00 p.m. at Summit Pointe, 555 Belaire Avenue, Apex Room 2nd floor, Chesapeake, VA 23320.

MEMBERS PRESENT: Vonda W. Chappell, Chair
Kevin J. Cosgrove, Vice Chair
M. Bradley Brickhouse, Secretary
Dawn Matheson, Treasurer/Assistant Secretary
Patrick L. Reynolds, Member
John Maddux, Member
Michael Malone, Member
Tonya Gill, Member

ALSO PRESENT: Steven C. Wright, Executive Secretary

MEMBER(S) ABSENT: Luis Jimenez, Member

CED STAFF PRESENT: Ben White; Preston Wilhelm via Zoom; Lloyd Jackson via Zoom; Tim Howlett via Zoom; Curtis Cobert; Constantia Matthews; Kerstin Plarr via Zoom; Stephanie Glover via Zoom

GUESTS PRESENT: Jay Stroman, City Attorney; Susan Rowling, Deputy City Attorney; Jim Carroll, Executive Director, SBDC of Hampton Roads, Inc.

CALL TO ORDER:

Ms. Vonda Chappell, Chair, declared a quorum present, and called the meeting to order.

SPECIAL PRESENTATION:

Mr. Steven Wright introduced Mr. Jim Carroll, Executive Director, SBDC of Hampton Roads, to give a performance overview for 2021. Mr. Carroll reported the post pandemic economic recovery has not been as robust as was expected. Mr. Carroll advised small businesses are a serious economic driver that contribute directly to quality of life and need to be strongly supported. Mr. Carroll also advised the SBDC can be a force multiplier to CED in providing assistance to small businesses because of its access to resources, information, and other SBDC programs such as the CrimDell Small Business Network, and StartWheel.org. Mr. Carroll thanked the City and CED for the outstanding support the SBDC has received over the years.

MEETING MINUTES: After a review of the December 16, 2021 Meeting Minutes, Mr. Michael Malone made a motion; seconded by Mr. Brad Brickhouse, to accept the minutes from the December 16, 2021 meeting. The motion was approved unanimously.

TREASURER’S REPORT(S): Mr. Steven Wright, Chesapeake Economic Development, presented the treasurer’s report for December 2021. An adjustment was made and no other questions or concerns were expressed; therefore, Chair Vonda Chappell declared December 2021 Treasurer’s Report filed for audit.

INVOICES: All the invoices were approved budgeted invoices.

UNFINISHED BUSINESS:

ECONOMIC DEVELOPMENT UPDATE:

Mr. Steven Wright updated the Mitsubishi property has been acquired and will now be referred to as the Three Oaks at Greenbrier Commerce Park. Mr. Wright advised Mr. Curtis Cobert and Ms. Kerstin Plarr are working on an Offering Memorandum for the Mitsubishi property. Mr. Cobert presented slides of the draft highlighting features such as geographical location, available workforce, as well as state and local incentives. Mr. Cobert advised along with the printed Offering Memorandum, CED is also developing a website specifically dedicated to the Mitsubishi site that will include all the features in the Offering Memorandum with links to additional valuable due diligence information site selectors will find useful. Mr. Cobert explained the website will also feature incentives available from the State, Port and City.

Mr. Wright advised the sole point of access to the Mitsubishi site is via Yupo Court where on-street parking on both sides of Yupo Court is currently permitted. Mr. Wright reported there are ‘No Parking’ signs on Yupo Court but they are not being observed, so CED is working with the Department of Public Works to eliminate all parking on Yupo Court.

Mr. Ben White gave an update on the announcement of Celadon, a \$267 million dollar project that will create 219 new jobs and will be one of the largest exporters for the state. Mr. White noted that it was necessary to get the public announcement out to meet the Commonwealth Opportunity Fund requirements and begin the financing process with public bonds sometime in February or March.

Mr. Wright updated the Frank Williams Farm, also known as the Williams Tract, is a 4000+ acre parcel on Route 17 that the VEDP has rated as the #1 mega-site in the Commonwealth. Mr. Wright explained that CED is moving to develop this mega-site partly because Governor Northam’s last submitted budget included \$150 million for site preparation and Chesapeake is now in an excellent position to receive some of these funds. In addition, Mr. Wright reported the Williams Tract property owners are in the process of submitting a rezoning application for the southernmost 1400 acres of this property which is required to receive state funds. Mr. Wright advised there needs to be an extremely clear and accurate estimate for all the necessary infrastructure of that property to submit to the state for consideration.

ECONOMIC DEVELOPMENT UPDATE cont.:

Mr. Wright further advised CED is working with the Public Utilities Department in conjunction with Kimley-Horn, a local engineering firm, to generate an estimate for the cost of extending water and sewer from the Chesapeake Regional Airport to the Williams Tract. Mr. Wright presented the Williams Tract Economic Development Prospect Task Order for Technical Design Memorandum which features the scope of services required to extend water and sewer services and requested approval for the Task Order in the amount of \$23,420.00.

Mr. John Maddux made a motion; seconded by Ms. Dawn Matheson to approve the Williams Tract Task Order in the amount of \$23,420.00. The motion was approved unanimously.

OAKBROOKE BUSINESS & TECHNOLOGY CENTER UPDATE:

Mr. Steven Wright updated there should be some contract closings to report for the individuals that expressed interest in acquiring the property in the Southeastern Expressway within the next several weeks.

WESTERN BRANCH UPDATE:

Will take place in closed session.

NEW BUSINESS:

Mr. Wright updated the EDIP Program has been a successful program in Chesapeake and a valuable tool for bringing in new investment as well as expanding existing businesses in the City. Mr. Steven Wright presented a Resolution to amend the current EDIP Grant Program to allow CED to incentivize retail businesses in the South Norfolk and Great Bridge overlay districts. Mr. Wright advised the rationale to incentivize retail businesses in these two overlay districts is due to the enhanced design requirements that extend beyond normal code requirements at a significant cost.

Ms. Dawn Matheson made a motion; seconded by Ms. Tonya Gill to approve the Resolution By Chesapeake Economic Development Authority Endorsing The Concept of Amending The City of Chesapeake, Virginia Economic Development Investment Grant Program To Expand The List Of Eligible Business Enterprises To Include Retail Establishments In The South Norfolk Business Overlay District and Great Bridge Historic Gateway Overlay District. The motion was approved unanimously.

COMMITTEE REPORTS: NONE

EXECUTIVE SESSION:

Mr. Jay Stroman, City Attorney, acting EDA Counsel, stated the executive session will cover:

Clause 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the EDA.

Clause 5. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in Chesapeake.

A motion was made to go into Executive Session by Mr. Michael Malone; seconded by Mr. Patrick Reynolds. The motion was approved unanimously.

A motion was made by Mr. Michael Malone; seconded by Mr. Patrick Reynolds certifying that only public business matters lawfully exempted from open meeting requirements were identified in the motion convening the executive discussion were heard, discussed, or considered. The certification was approved unanimously via a roll call vote.

Mr. John Maddux made a motion; seconded by Mr. Patrick Reynolds to leave the Executive Session. The motion was approved unanimously via a roll call vote.

FOR YOUR INFORMATION:

Mr. Wright reported the Chesapeake Regional Health Foundation's Gala is currently scheduled for February 26, 2022, at Chesapeake Conference Center. Members of the Authority interested in attending were instructed to contact CED for tickets.

Mr. Wright also reported the Mayor's State of the City address will be on March 24, 2022, from 11:30 am to 1:30 pm at the Chesapeake Conference Center.

SPECIAL RECOGNITION:

Chairman Vonda Chappell recognized Ms. Susan Rowling, Deputy City Attorney, for all the work done on behalf of the EDA and presented Ms. Rowling with a commemorative plaque of appreciation.

ADJOURNMENT: There being no further business to discuss, it was the consensus to adjourn the meeting.



Steven C. Wright
Executive Secretary

Minutes provided by Jude Jackson

Chesapeake Economic Development Authority
Treasurer's Report
February 2022

Beginning Balance Forward 1/1/2022 \$ 3,863,988.71

Type	Date	Num	Description	Split	Amount	Balance
Townebank - Operating Account						
Balance Forward						\$ 200,000.00
Deposit	01/20/2022		YMCA Bond share fee		2,490.22	
Deposit	01/31/2022		Cash sweep in		243,761.22	
					<u>246,251.44</u>	
Bill Pmt -Check	09/16/2021	6517	Standard Calibrations, Inc.		-125,000.00	
Bill Pmt -Check	10/21/2021	6535	Gregory Poole		-50,000.00	
Bill Pmt -Check	11/18/2021	6555	Prism Maritime, LLC.		-60,000.00	
Bill Pmt -Check	12/16/2021	6569	CliftonLarsonAllen LLP		-5,000.00	
Bill Pmt -Check	01/20/2022	6592	Oakbrooke Business & Tech O		-3,372.00	
Bill Pmt -Check	01/20/2022	6588	John Maddux		-50.00	
Bill Pmt -Check	01/20/2022	6583	Bradley Brickhouse		-50.00	
Bill Pmt -Check	01/20/2022	6593	Patrick Reynolds		-50.00	
Bill Pmt -Check	01/20/2022	6585	Dawn Matheson		-50.00	
Bill Pmt -Check	01/20/2022	6589	Kevin Cosgrove		-50.00	
Bill Pmt -Check	01/20/2022	6595	Vonda Chappell		-50.00	
Bill Pmt -Check	01/20/2022	6591	Michael L Malone		-50.00	
Bill Pmt -Check	01/20/2022	6594	Tonya Gill		-50.00	
	01/19/2022		Bank Svc charge		-39.22	
Withdrawal	01/31/2022		Cash sweep out		-2,440.22	
					<u>-246,251.44</u>	
						\$ 200,000.00
	Outstanding Checks					
Bill Pmt -Check	09/16/2021	6507	Bradley Brickhouse		-50.00 void/reissue	
Bill Pmt -Check	11/19/2021	6562	GEMSA		-16,250.00	
Bill Pmt -Check	01/20/2022	6596	Kimley Horn		-23,420.00	
Bill Pmt -Check	01/20/2022	6587	James E. Rinehart		-12,415.00 2/8/22	
Bill Pmt -Check	01/20/2022	6586	Hassell and Folkes		-1,502.00 2/4/22	
Bill Pmt -Check	01/20/2022	6584	CliftonLarsonAllen LLP		-250.00 2/8/22	
Bill Pmt -Check	01/27/2022	6597	City of Chesapeake		-500.00 2/15/22	
					<u>-54,387.00</u>	
Ending Balance in Account 1/31/2022						\$ 145,613.00

Townebank - Interest Account						
Balance Forward						\$ 2,017,830.39
Deposit	01/31/2022		Cash sweep in		2,440.22	
Deposit	01/31/2022		Interest Income		286.33	
					<u>2,726.55</u>	
Withdrawal	01/31/2022		Cash sweep out		-240,439.22	
Ending Balance in Account 1/31/2022						\$ 1,780,117.72

LGIP - General Account						
Balance Forward						\$ 1,646,158.32
Deposit	01/31/2022		Interest Income		144.99	
Ending Balance in Account 1/31/2022						\$ 1,646,303.31

\$ 3,626,421.03

BUDGET - FY 2022
OPERATIONS
 Economic Development Authority
 February Fiscal 2022

	FY 21-22 Budget	YTD Expenses	Variance
Compensation:			
Board members	5,400	3,300.00	2,100.00
Travel/training	5,000	-	5,000.00
Total Member Compensation	10,400	3,300.00	7,100.00

Real Estate Holdings Maintenance:			
Oakbrooke Business & Technology	9,000	12,351.00	(3,351.00)
Basnigh Land & Lawn	13,000	18,164.00	(5,164.00)
Dominion Energy	-	356.81	(356.81)
City of Chesapeake*	9,100	4,070.43	5,029.57
Total Maintenance Services	31,100	22,591.24	(3,842.24)

Professional Services:			
Consulting Services	17,000	8,600.00	8,400.00
Madison & Main	5,000	-	5,000.00
Kellam Pickrell Cox & Anderson	12,000	11,141.56	858.44
Erie Insurance Group	7,000	2,712.00	4,288.00
Beskin Divers Insurance	700	635.61	64.39
Travelers Insurance	200	-	200.00
Chesapeake Insurance Svcs	3,600	3,768.83	(168.83)
Hassell & Folkes	50,000	10,152.00	39,848.00
Clifton Larson Allen	9,300	15,750.00	(6,450.00)
Cherry Beckaert	15,000	7,900.00	7,100.00
Total Professional Services	119,800	60,660.00	59,140.00

FY 21-22 YTD
 Budget Expenses Variance

Sponsorships:

Golf Classic	EDA event	5,000	-	5,000.00
Holiday Open House	EDA event	3,000	-	3,000.00
Broker events & Tours	EDA events	6,000	2,110.00	3,890.00
Wine Festival	chalet & catering	4,000	4,933.00	(933.00)
Chesapeake Regional Gala	table sponsorship	7,000	-	7,000.00
State of the City	table sponsorship	1,700	-	1,700.00
ODU market review	table sponsorship	850	-	850.00
Small Business Dev Ctr	sponsorship	8,000	8,000.00	-
Craft Beer festival	sponsorship	1,500	-	1,500.00
Total Sponsorships		37,050	15,043.00	22,007.00

Office Supplies:

Stationary	check stock	200	290.97	(90.97)
Software/equipment		300	-	300.00
Name Plates		80	-	80.00
Plaques		100	93.20	6.80
Total Office Supplies		680	384.17	295.83

Contingency:

Miscellaneous**		75,000	8,435.95	66,564.05
State Corporation Commission	SCC filing fee	25	-	25.00
Total Contingency		75,025	8,435.95	66,589.05

Totals

269,055 **110,414.36** **146,289.64**

FY 21-22 **YTD**
Budget **Expenses** **Variance**

****Miscellaneous Expenses FY22**

Virginia Maritime Assoc - dues \$310.00

Action Paving \$8,036.00

A Lasting Impression \$89.95

Misc. TOTAL \$8,435.95



Colliers

振华
ZPMC

THE Port OF VIRGINIA

SWL UNDER STEELWORK ONLY
SWL UNDER CARGO BEAM BOLT

ZPMC

THE Port OF VIRGINIA

SWL UNDER CARGO BEAM BOLT

Norfolk

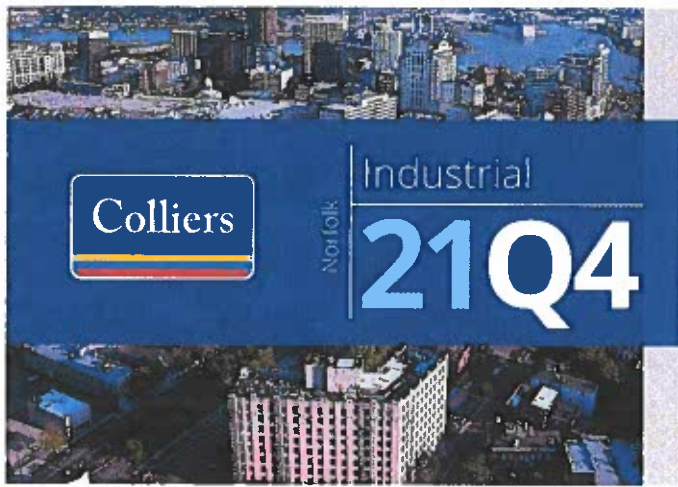
Industrial

21Q4

"After decades of tepid demand, the Hampton Roads industrial market continues to experience extreme pressure with regards to availability and rapidly escalating prices. While the large bay, institutional grade properties command the most attention, this trend affects all levels of the industrial market to include the small-building, owner-user market. Recent offerings have received multiple full-price offers and even in-excess of list price offers."

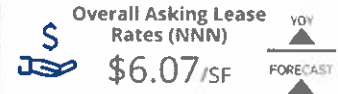
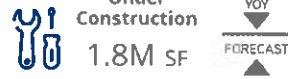
Ken Benassi | Senior Vice President

Accelerating success.



Key Takeaways

- Vacancy rates continue tightening to historic levels as space is occupied throughout the market at a rapid pace, evidenced by a 0.9% vacancy rate to end 2021. Quality warehouse space is becoming especially difficult for potential tenants to find, as the market is currently showing 0.6% vacancy. This lack of available space has created an extremely owner-favorable market, allowing landlords to hike up rents and provide less incentives to tenants, which will continue until more product is added to the market.
- The market has seen a large amount of tenant interest, as evidenced by over 180 users looking for almost 14 million square feet of space in the market, including approximately 40 tenants looking for large spaces of 100,000 square feet and up. An increase in demand from third-party logistics firms, retailers, and port users has been especially prevalent in recent quarters.
- There are currently ten properties under construction in the Norfolk market totaling almost 1.8 million square feet. Out of the product under construction, seven properties totaling almost 1.4 million square feet are speculative product, while three properties totaling over 400,000 square feet are build-to-suit (BTS) product.



Speculative Development Picks Up as the Norfolk Industrial Market Ends 2021

The Norfolk industrial market performed exceptionally well in 2021, highlighted by the delivery of over 5 million square feet of industrial space, including three Amazon buildings totaling over 4.5 million square feet. The delivery of these buildings helped lead to a historic high of almost 5.4 million square feet of positive net absorption during the year, with the previous decade-high being a little over two million square feet of positive annual net absorption, which occurred in 2017. The deliveries also helped to push the market vacancy below 1.0%, ending the year at 0.9%. Developers are beginning to realize the potential of the Norfolk market, as speculative developments are accelerating in order to meet current market demand.

Market Indicators



Historic Comparison

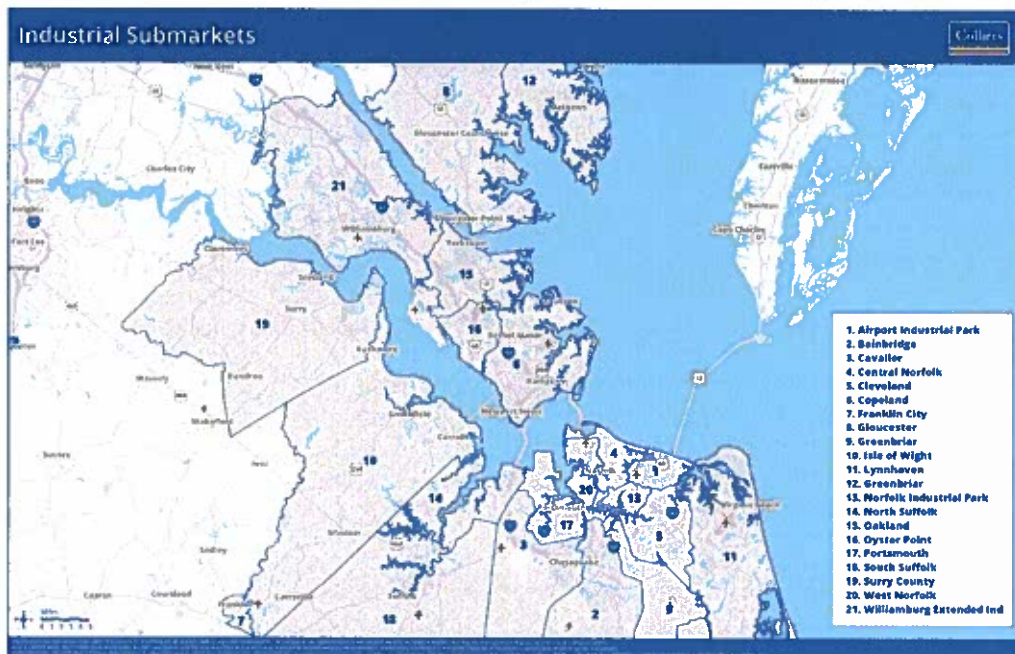
	20Q4	21Q3	21Q4
Total Inventory (in Millions of SF)	78.04	83.01	83.01
New Supply (in Thousands of SF)	20	4,946	0
Net Absorption (in Thousands of SF)	432	4,987	209
Overall Vacancy	1.31%	1.14%	0.89%
Under Construction (in Thousands of SF)	5,495	900	1,796
Overall Asking Lease Rates (NNN)	\$5.63	\$6.10	\$6.07

Market Graph



Recent Transactions





Market Overview

- Norfolk's vacancy rate ended 2021 at 0.9%, a decrease of 25 basis points (bps) quarter-over-quarter and 43 bps year-over-year. The market saw over 200,000 square feet of positive net absorption during the quarter and a total of almost 5.4 million square feet of positive net absorption during 2021. The positive net absorption during the quarter was largely due to Celadon DP LLC occupying building 9 of Commonwealth Commerce Center, leading to 123,600 square feet of positive absorption in the Suffolk submarket. Also, Crossfire Logistics occupied 5601 City Line Road within Copeland Industrial Park, leading to 68,472 square feet of positive absorption in the Copeland/Lower Peninsula submarket.
- Average asking rents (NNN) ended Q4 2021 at \$6.07 per square foot, staying flat quarter-over-quarter, but increasing \$0.44 during 2021. Rents have been accelerating since the end of 2019 and are far higher than the decade average of \$5.03 per square foot. Warehouse rents ended the quarter at \$5.91 per square foot and flex rents ended the quarter at \$7.52 per square foot. Rents will continue this rapid growth until new speculative product is added to the market to meet current demand.

Key Events

- In December, Virginia Governor Ralph Northam announced that his 2022-2023 proposed budget will include \$150 million to fund VEDP's Virginia Business Ready Sites Program. This program's goal is to identify, assess, and improve the readiness of potential industrial sites. Of the proposed \$150 million investment, \$100 million would be dedicated to project-ready industrial megasites (250+ acres), while \$50 million would be dedicated to midsize industrial sites (100+ acres). This funding, and this focus on site-readiness, could provide a boon for industrial development across the state, and especially in the Norfolk market, where there is an extreme lack of site-ready land for potential developers.
- Multiple deals were signed at Virginia Port Logistics Park in December, continuing the impressive activity that has occurred in the park over recent years. Two undisclosed tenants signed leases for upcoming developments on lots 4 and 6 of the park. Both developments are expected to break ground in 2022 and be delivered in 2023.
- There were multiple renewals signed throughout the market during the quarter. AGI renewed 141,962 square feet of space at 2655 International Parkway within the Lynnhaven submarket. Carparts.com renewed 115,926 square feet of space at Indian River Distribution Center within the Chesapeake Greenbrier submarket. Lastly, GSI Inc renewed 89,178 square feet of space at Chesapeake Industrial Center within the Cavalier submarket.

Port of Virginia

The Port of Virginia (POVA) is the sixth-largest container port in the United States, a regional gateway to world markets, and a catalyst for industrial demand. Cargo flow accelerated rapidly in 2021, after TEU (twenty-foot equivalent units) volume dipped in 2020. The Port of Virginia handled 934,768 TEUs during Q4 2021, a 14.8% increase from the same period last year. A new all-time monthly record was set in December, when the port handled more than 325,000 TEUs. The port saw a record level of activity during 2021, as it processed more than 3.5 million TEUs, a 25.2% increase from 2020 and 34.5% higher than the decade average.

The port continues to invest in its infrastructure with both long- and short-term projects. An \$80 million project at NIT (Norfolk International Terminals) Central Rail Yard was approved in November, with work beginning this winter. Upon completion, NIT will be able to accommodate almost twice its current lift capacity. Two new ship-to-shore cranes are scheduled to arrive at NIT during Q1 2022 and be fully operational by Q2 2022. Lastly, the Port of Virginia is undergoing dredging for a harbor deepening project and will become the deepest port on the U.S. East Coast, at 55 feet deep, once the project is complete in late 2024.

Capital Markets and Economy

In October, Panattoni Development Company Inc sold the newly construction Amazon Fulfillment Center to Inland Private Capital Corporation. The 650,000 square-foot distribution center, located at 5045 Portsmouth Boulevard within the Cavalier submarket, sold for \$156,987,294, or \$241.52 per square foot. VCS, LLC, and Freezepop LLC sold the Suffolk Cold Storage Portfolio to NLLC LLC in December. This three-property portfolio, totaling 251,707 square feet, sold for \$17 million, or approximately \$67.53 per square foot.

The regional unemployment rate ended November 2021 at 3.3%, a decrease of 290 bps from the same period last year after a large spike of unemployment due to COVID-19 related shutdowns. There is continued optimism as the unemployment rate has tightened by 910 bps after reaching a peak of 12.4% in April 2020.

Development

Although there were no deliveries during Q4 2021, there are ten properties totaling almost 1.8 million square feet currently under construction in the Norfolk market, with five developments on the Southside and five developments on the Peninsula. The five developments on the Southside total almost 1.4 million square

feet, while the five developments on the Peninsula total over 400,000 square feet.

On the Southside, Equus is working on three developments within Virginia Port Logistics Park in Suffolk. The first property, located at 1401 Enterprise Drive, will be a 348,500 square-foot speculative (spec) distribution warehouse fully leased out to an undisclosed tenant, with an expected delivery of January 2022. The second property, located at 1080 Centerpoint Drive, is a 307,200 square-foot spec building leased to an undisclosed tenant. It has an expected delivery of June 2022. The third property, located at 2150 Enterprise Drive, is a 270,000 square-foot build-to-suit, with an expected delivery of August 2022. Another development in Suffolk is 6601 Park Drive. This 338,000 square-foot highbay distribution warehouse is leased out to RoadOne Intermodal Logistics, with an estimated delivery of June 2022. Greenbrier North Commerce Park is the final property under construction on the Southside, located in the Chesapeake Greenbrier submarket. Once fully developed, this commerce park will bring 94,000 square feet of space to the market, with anticipated completion in June of 2022.

On the Peninsula, Buildings A and B within the new Harbor Commerce Center development in the Copeland/Lower Peninsula submarket broke ground in Q4 2021. These will be 115,500 square-foot speculative distribution buildings. Building A is fully leased to General Dynamics Information Technology with an estimated delivery of October 2022. Building B is 100% available with an estimated delivery of November 2022. Also, in the Copeland/Lower Peninsula submarket, Huntington Ingalls is constructing the second phase of its Unmanned Systems Center of Excellence, which will bring 135,000 square feet of manufacturing space to the market, with delivery expected in Q4 2021. The first phase was completed in Q1 2021 and added a 22,000 square-foot manufacturing building to the market. Yorktown Commerce Center Phase II is under construction in the Oakland/Upper Peninsula submarket, which will bring 43,500 square feet of warehouse condos to the market with expected completion during Q3 2022. Finally, BTS flex space is available at Perry Junction, within the Williamsburg submarket. Once delivered, this property will bring 20,000 square feet of space to the market, with expected delivery of October 2022.

Norfolk | Q4 2021 | Industrial | Market Statistics

Submarket/ Subtype	Total Inventory SF	Vacant SF	Vacancy Rate (%)	Availability Rate (%)	Avg Direct Asking Rate (NNN)	Quarterly Net Absorption	12-Month Net Absorption	Under Construction
Southside								
Warehouse	54,864,954	309,740	0.6	3.0	\$5.95	95,860	5,202,774	1,272,370
Flex	4,726,229	165,218	3.5	8.0	\$7.46	39,216	46,652	94,000
TOTAL	59,591,183	474,958	0.8	3.4	\$6.09	135,076	5,249,426	1,366,370
Peninsula								
Warehouse	22,268,195	187,454	0.8	2.3	\$5.82	77,851	4,603	366,000
Flex	1,148,918	74,964	6.5	6.9	\$7.73	(3,850)	22,876	63,500
TOTAL	23,417,113	262,418	1.1	2.5	\$5.99	74,001	27,479	429,500
Total								
Warehouse	77,133,149	497,194	0.6	2.8	\$5.91	173,711	5,207,377	1,638,370
Flex	5,875,147	240,182	4.1	7.8	\$7.52	35,366	69,528	157,500
TOTAL	83,008,296	737,376	0.9	3.2	\$6.07	209,077	5,276,905	1,795,870

Submarkets

Southside								
Airport Industrial Park	3,141,723	16,300	0.5	4.0	\$6.40	3,665	56,977	0
Bainbridge	2,838,148	46,000	1.6	1.6	\$8.00	0	0	0
Cavalier	6,304,673	33,000	0.5	2.7	\$5.57	0	666,368	0
Central Norfolk	3,312,940	0	0.0	0.4	\$4.95	0	13,840	0
Chesapeake Greenbrier	6,171,433	126,035	2.0	6.0	\$7.47	13,451	(1,452)	94,000
Cleveland/Greenwich	1,337,577	0	0.0	6.0	\$5.98	0	6,000	0
Isle Of Wight	2,832,909	54,200	1.9	1.9	\$5.00	0	(54,200)	0
Lynnhaven	5,908,232	17,641	0.3	1.9	\$7.44	18,100	30,059	0
Norfolk Industrial Park	6,839,211	49,827	0.7	8.5	\$6.28	0	82,873	0
Portsmouth	2,954,024	16,000	0.5	8.1	\$4.65	(4,000)	163,264	0
Suffolk	16,247,419	0	0.0	0.5	\$2.55	128,860	4,334,245	1,272,370
West Norfolk	1,702,894	115,955	6.8	9.7	\$6.73	(25,000)	(48,548)	0
Peninsula								
Hampton	7,142,902	136,869	1.9	3.9	\$5.55	68,502	(32,321)	366,000
Newport News-Other	4,455,923	72,584	1.6	1.9	\$8.08	0	11,015	43,500
Oyster Point	3,373,064	19,755	0.6	1.4	\$6.77	7,250	17,936	0
Williamsburg	8,445,224	33,210	0.4	2.1	\$6.14	(1,751)	30,849	20,000

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351 offices in 67 countries on 6 continents

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\$3.6B
in revenue



2B
square feet under management



18,000 +
professionals and staff

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