

MARKET FUNDAMENTALS

	YOY Chg	Outlook
6.7% Vacancy Rate	▲	▼
-99.5K YTD Net Absorption, SF	▼	▲
\$19.68 Asking Rent, PSF (Overall, All Property Classes)	▼	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
169.6K Roanoke MSA Employment*	▲	▲
3.7% Roanoke MSA Unemployment Rate*	▲	▲
4.2% U.S. Unemployment Rate Source: BLS	▼	▲

ECONOMY: MARKET MOMENTUM CONTINUES

The Roanoke Region continued to build momentum, highlighted by several significant investments and economic development announcements. Rural King announced plans to invest \$40 million (M) in a new distribution center in Henry County, creating 150 new jobs, while construction is well underway on the region's first Publix in Roanoke County, a 50,000-square-foot store expected to bring 130 new jobs to the market. The healthcare sector also saw major expansion activity, as Carilion Clinic unveiled plans for a new \$112M inpatient rehabilitation hospital in Southeast Roanoke through a joint venture with Select Medical. Adding to the region's positive outlook, CNN recently named Roanoke one of America's Best Towns to Visit in 2026, further elevating its national profile. Meanwhile, the Conference Center at Hotel Roanoke has been acquired for \$14M by a subsidiary of the Virginia Tech Foundation, reinforcing the long-term investment and stewardship of one of the region's premier hospitality assets. Together, these developments underscore the Roanoke Region's continued growth, investment appeal, and strengthening economic foundation.

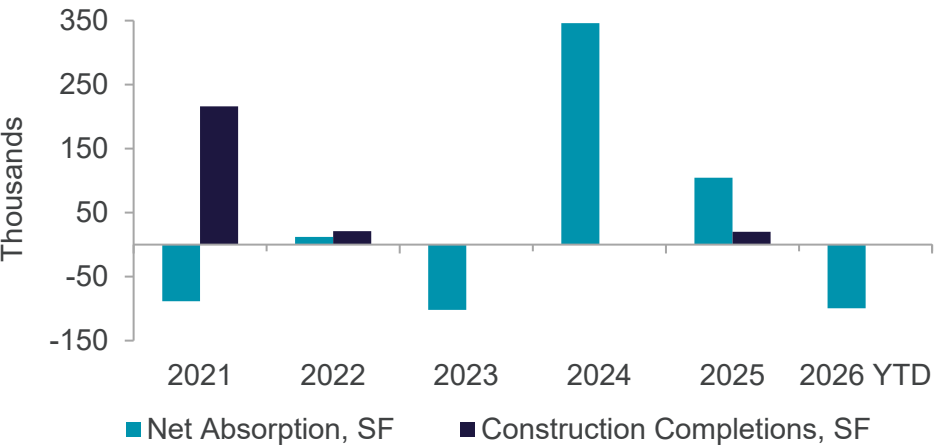
SUPPLY AND DEMAND: REMAINS STABLE

Vacancy decreased 10 basis points (bps) quarter-over-quarter (QOQ) and increased 130 bps year-over-year (YOY). Quarterly net absorption was positive at 21,299 sf, and leasing activity remained strong with 27,845 sf leased during the quarter, and 127,634 sf year-to-date (YTD). Since the start of 2025, over 349,234 sf of space has been leased throughout the region. Southwest Roanoke led the market in terms of activity, accounting for over 42.4% of leasing activity. With no new deliveries and no buildings currently under construction, the market is well positioned to maintain its balance for both tenants and landlords.

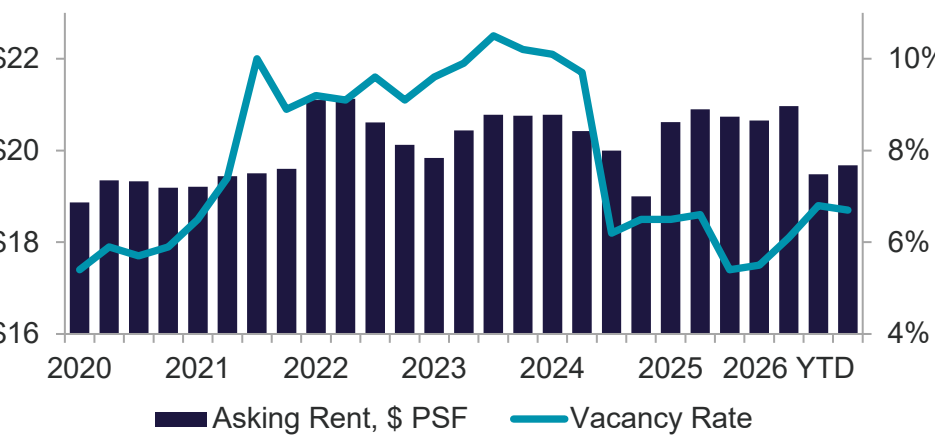
PRICING: STEADY ACTIVITY

Overall quoted asking rents saw a slight increase of 1.0% QOQ and remained essentially flat YOY. Significant lease transactions include an undisclosed tenant leasing 15,635 sf of space at 442 Rutherford Dr in Southeast Roanoke. While sales activity remained limited for the quarter, sales volume has topped \$12.8 million (M) YTD. The largest transaction was the sale of 3783-3785 Peters Creek Rd in Southwest Roanoke. This 14,600-sf property was purchased by Fit Studio for \$1.2M, or \$83.9 per-square-foot (psf). The building was 100.0% leased at the time of sale and reflected a cap rate of 7.6%.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Botetourt County	388,125	20,825	0	5.4%	-236	336	572	0	\$28.00	-
Downtown Roanoke	3,210,891	267,968	0	8.3%	2,913	-15,834	37,119	0	\$21.24	\$25.93
North Franklin County	117,384	0	0	0.0%	2,377	0	2,377	0	-	-
Northeast Roanoke	1,235,200	119,329	0	9.7%	4,755	-84,646	8,255	0	\$20.57	-
Northwest Roanoke	279,563	31,925	0	11.4%	-1,100	-8,125	9,560	0	\$20.48	-
South Franklin County	33,003	0	0	0.0%	0	0	0	0	-	-
Southeast Roanoke	176,085	0	0	0.0%	15,635	15,635	15,635	0	\$19.84	-
Southwest Roanoke	3,390,532	142,717	5,700	4.4%	-3,045	-6,869	54,116	0	\$16.24	\$16.50
ROANOKE TOTALS	8,830,783	582,764	5,700	6.7%	21,299	-99,503	127,634	0	\$19.68	\$25.71

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
442 Rutherford Ave NE	Southeast Roanoke	Undisclosed	15,635	New
6740-6744 Thirlane Rd	Northwest Roanoke	Witt Enterprises Inc	4,500	New
400 Scruggs Rd	North Franklin County	Undisclosed	2,377	New
3130 Chaparral Dr	Southwest Roanoke	Cardinal Hospice LLL d/b/a ACG Hospice	1,612	New
2727 Electric Rd	Southwest Roanoke	Pullen Homes, Inc.	1,290	New
109 Norfolk Ave SW	Downtown Roanoke	Undisclosed	1,073	New

KEY SALE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
3783-3785 Peters Creek Rd	Southwest Roanoke	Undisclosed / Fit Studio	14,600	\$1.2M / \$83.9

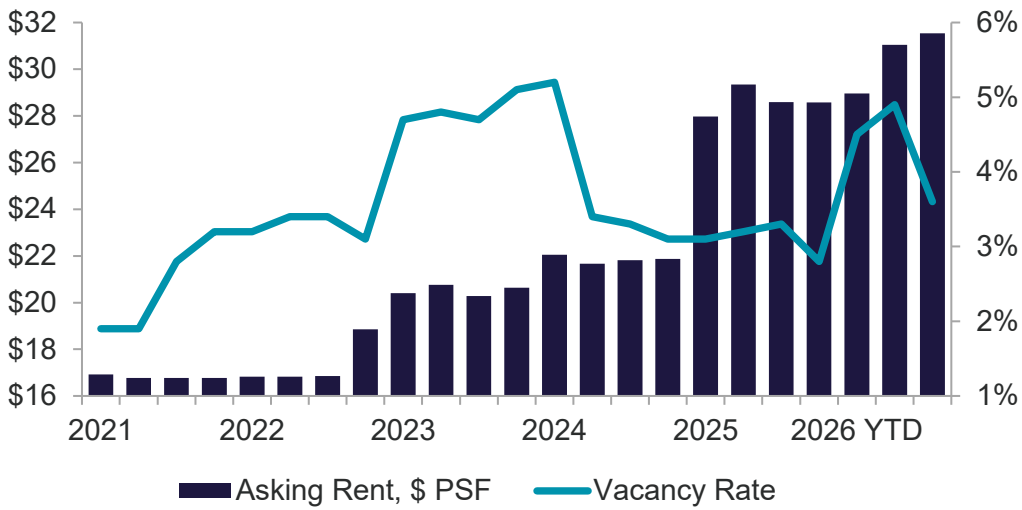
The statistics provided below are for the **Blacksburg** and **Lynchburg** areas, located immediately adjacent to the Roanoke market. These market areas are **not** included in the Roanoke market statistics included on the prior pages of this report but are presented separately due to notable market activity.

BLACKSBURG & LYNCHBURG MARKET STATISTICS

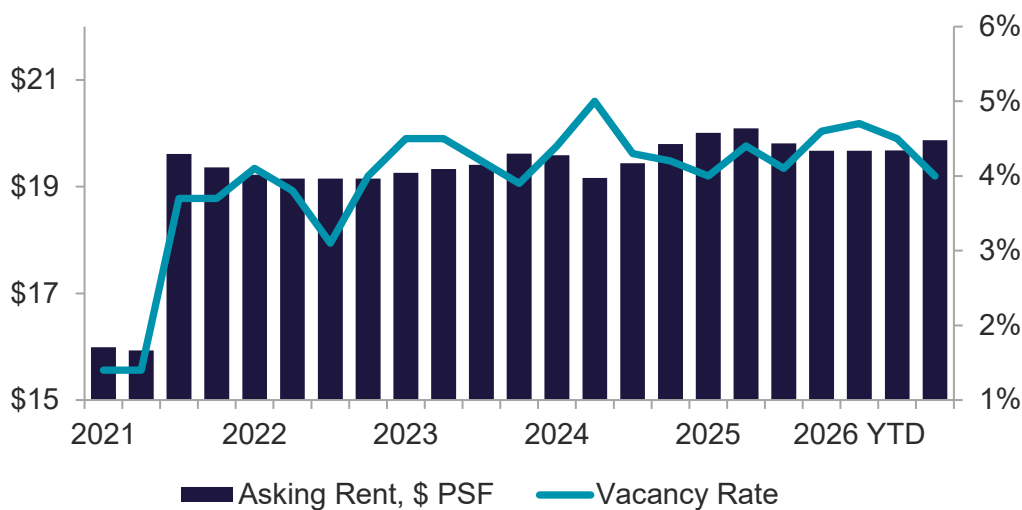
SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Blacksburg	3,202,664	115,752	0	3.6%	41,278	-27,018	7,927	176,752	\$31.54	-
Lynchburg	4,253,961	169,414	1,400	4.0%	18,971	25,418	28,302	0	\$19.87	-
BLACKSBURG & LYNCHBURG TOTALS	7,456,625	285,166	1,400	3.8	60,249	-1,600	36,229	176,752	\$25.71	-

*Rental rates reflect full service asking

BLACKSBURG OVERALL VACANCY & ASKING RENT



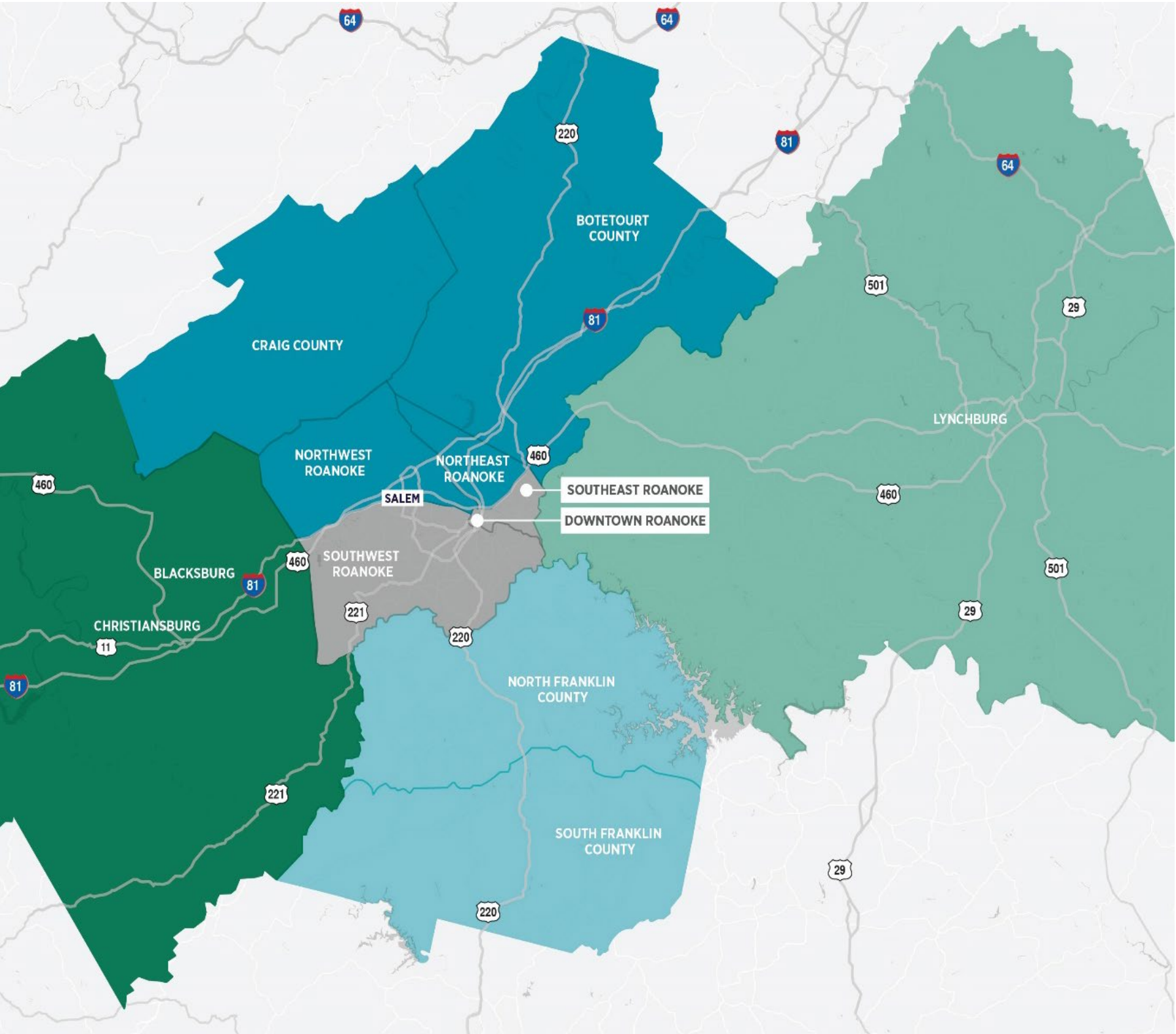
LYNCHBURG OVERALL VACANCY & ASKING RENT



KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
2020 Kraft Dr	Blacksburg	Undisclosed	1,488	New
2020 Kraft Dr	Blacksburg	Undisclosed	189	New
2020 Kraft Dr	Blacksburg	Undisclosed	172	New

OFFICE SUBMARKETS



PRICE GUTSHALL, SIOR
Vice President
Tel: +1 540 767 3011
price.gutshall@thalhimer.com

Independently Owned and Operated / A Member of the Cushman & Wakefield Alliance

ABOUT CUSHMAN & WAKEFIELD
Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of \$10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.