

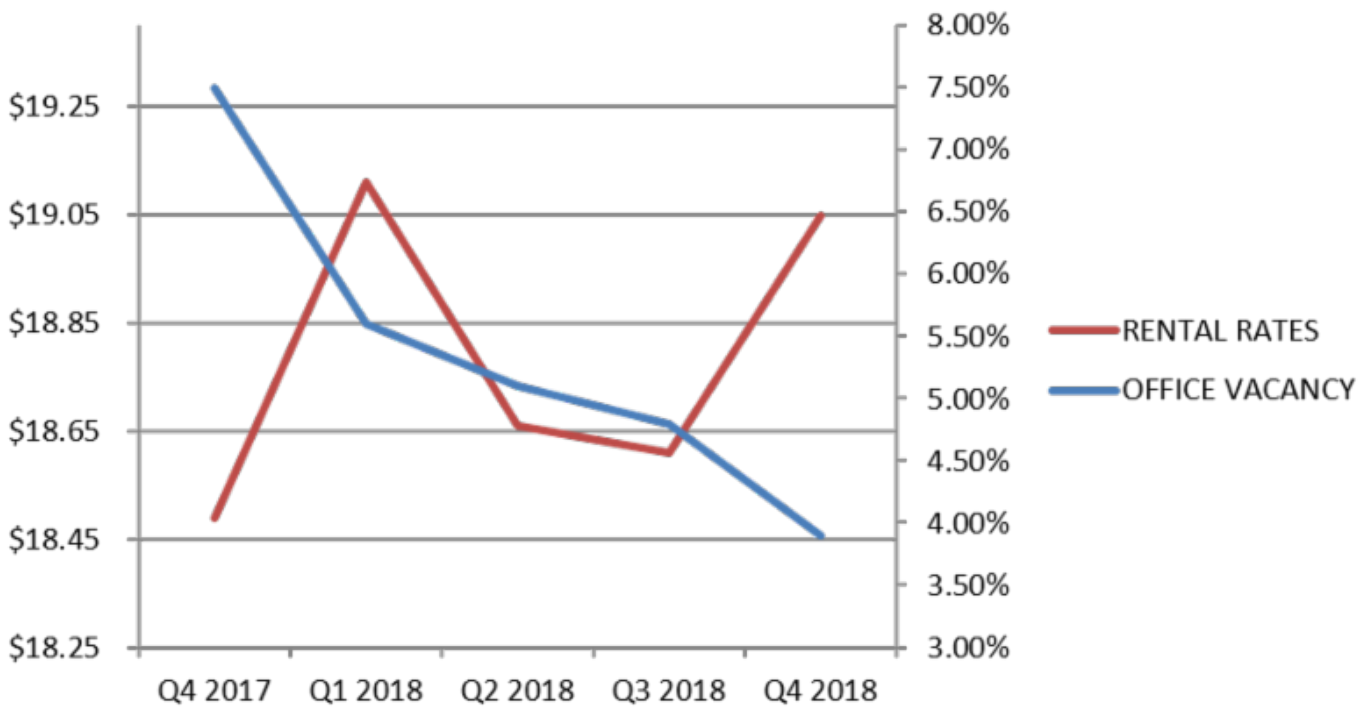
2018 Commercial Market Report: 4th Quarter



The Landing at Cannon Branch hotel project is moving forward. The City has approved architectural renderings for the Tru by Hilton franchise and site plans have been submitted. Groundbreaking is anticipated in the second quarter of 2019.

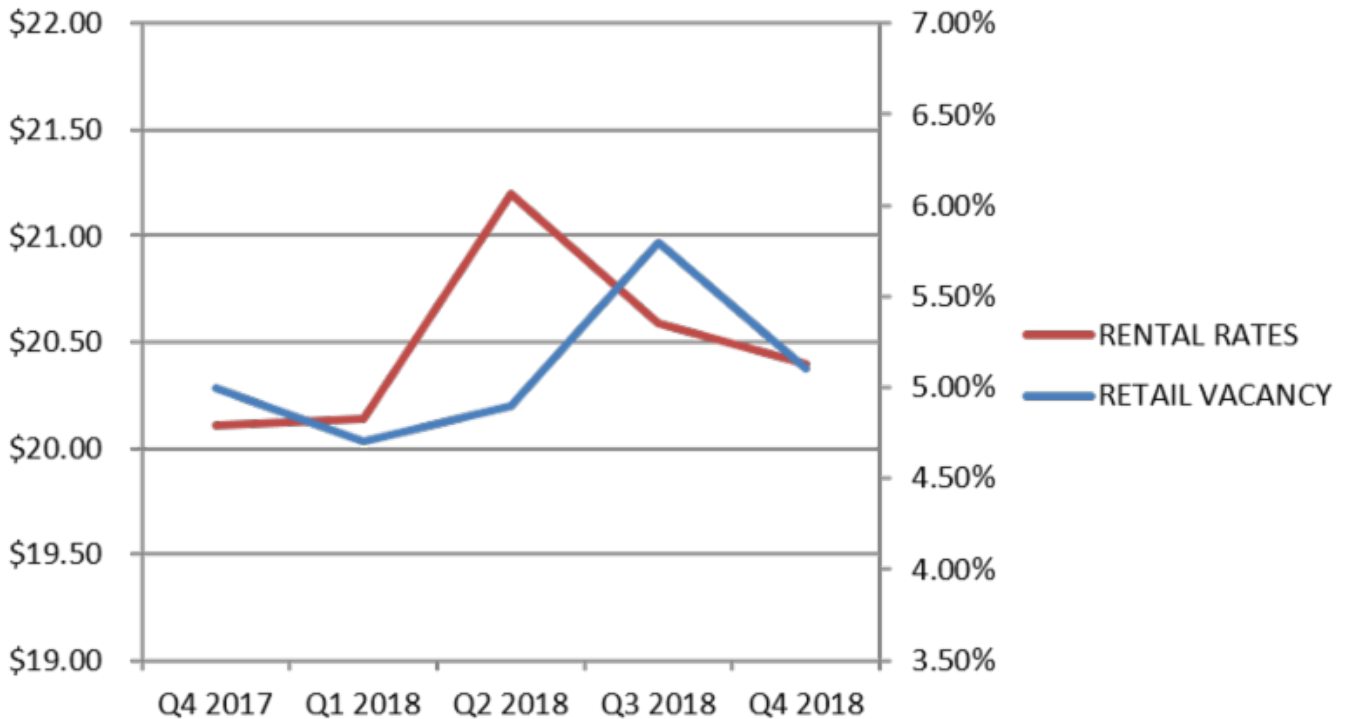
OFFICE MARKET

For the fourth consecutive quarter, office vacancy in the City continued to decline, falling to an unprecedented 3.9%. Such a tight market is nearly unheard of in our region, a result of the City's pro-business environment and affordable rental rates. The City's rental rates are 40% less than the regional average of \$31.70.



RETAIL MARKET

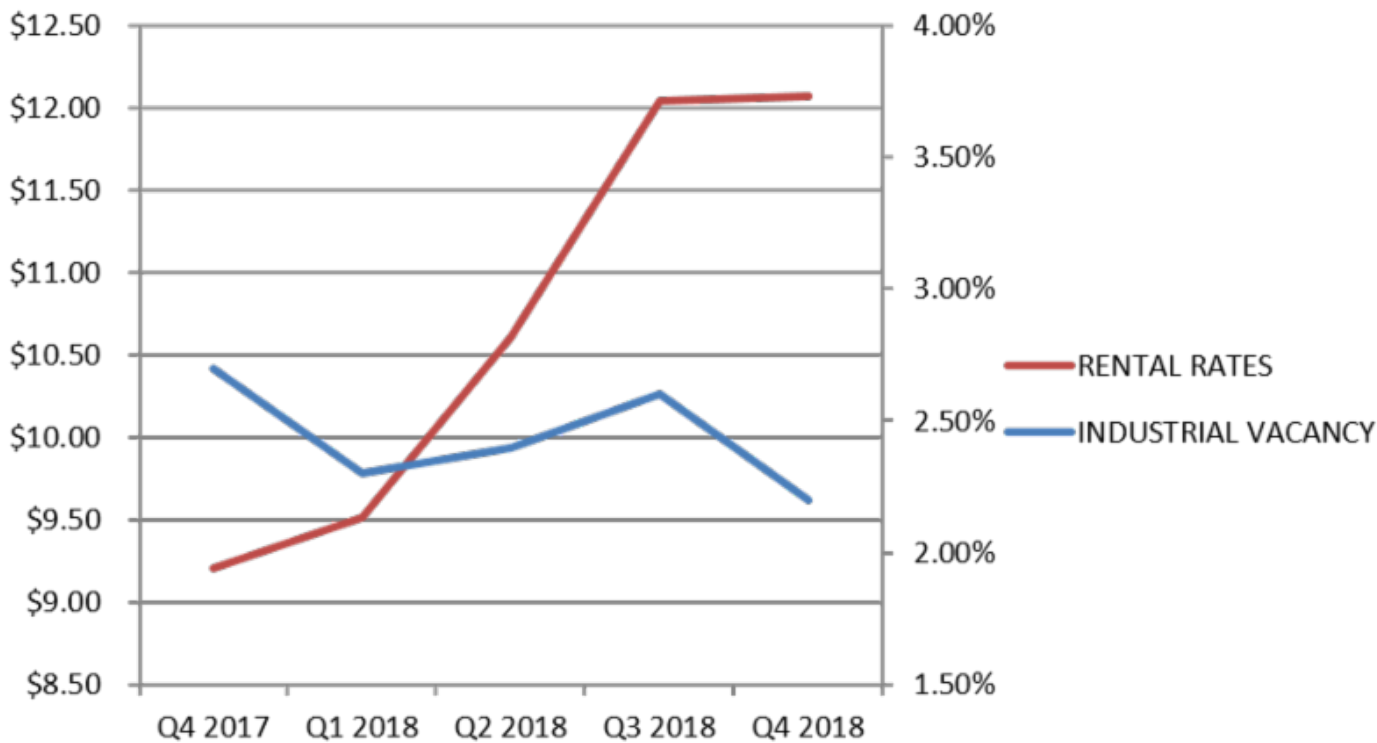
The retail market remains stable with vacancy falling just over one percent and rents tracking between \$20-\$22 per sf, well below the regional average of \$26.80. Historic Downtown specifically remains a highly sought after destination and key factor in the City's overall success.



INDUSTRIAL/FLEX MARKET

Manassas is outperforming the region in demand for quality flex and industrial space. At just over 2% vacancy, the City's flex and industrial product is nearly fully leased, which has put upward

pressure on rents. Rents have increased by 30% year-over-year surpassing the City's five-year average and is higher than the regional average of \$11.38 per sf. Space will remain in high demand as there is no new construction anticipated in the immediate future.



The Economic Development Office maintains an inventory of available commercial space which can be found on the City webpage at www.manassasva.gov/ED or call 703-257-8881.