

NAI Charter

COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

MARKET REPORT
2020 YEAR END



02	Economic Development
03	2020 By The Numbers
04	Recent Transactions
07	Select New Listings
08	Chattanooga Report
09	Charter Management Company
10	Chattanooga Overview
11	Our Team

CHATTANOOGA ECONOMIC DEVELOPMENT

- McKee Foods Corporation, The Little Debbie snack maker, is expanding its snack cake production plant in Collegedale. Over a 15-year period McKee has agreed to invest more than \$500 million in capital projects, including the expansion of their Collegedale facilities. The initial 5-year outlay is approximately \$225 million, of this amount \$110 million is set to add a new production line at the Apison Plant and add 125 new jobs.
- Nippon Paint, one of the world's biggest paint and coatings companies, will use nearly 30 acres of the 45-acre Tubman site for its new 270,000 square foot factory. The plant is expected to create 150 jobs over the next five to seven years and should be in production by 2021 to supply the \$1.6 billion Toyota/Mazda auto plant being built 100 miles to the southwest in Huntsville, Alabama.
- Automotive supplier Gestamp continues to expand its operations in Chattanooga. The most recent expansion of nearly \$95 million, will include the addition of 260 new jobs to its current Chattanooga plant.
- Chattanooga based Southern Champion Tray plans to invest nearly \$85 million in a new manufacturing plant at Centre South Riverport where it will create more than 120 jobs.
- A Charleston, South Carolina developer, The Beach Company, announced in October it will soon start construction on River Rock, one of the biggest mixed-use projects for downtown Chattanooga. River Rock is a 3.5-acre site and will have 151 apartments, 12 townhomes with attached garages and 16,000 square feet of commercial space. River Rock will be located just a few blocks from the historic Walnut Street Pedestrian Bridge.

** Sourced from Greater Chattanooga Economic Partnership, Chattanooga Chamber of Commerce, Chattanooga Times Free Press, Volkswagen Group of America, multihousing news.com, mckeefoods.com*





2020 BY THE NUMBERS

76 Transactions
totaling **1,168,970 SF**
valued at **\$58,950,883**



55 Leases
totaling **814,765 SF**
valued at **\$31,688,883**



21 Sales
totaling **354,205 SF**
valued at **\$27,262,000**

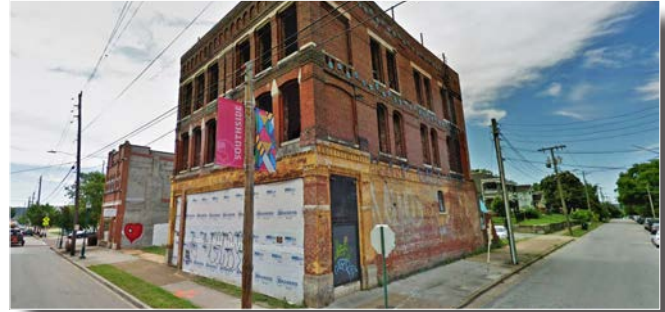
Over **\$440 million** in total transaction volume since 2010
Approximately **10 million** square feet sold or leased since 2010
Combined, NAI Charter's Team offers more than **100 years** of
experience in commercial real estate

Recent Sold Transactions



221 W 20TH STREET

Square Feet: 16,000
Property Type: Industrial
Agent: Chad Wamack



100 E. MAIN STREET

Square Feet: 7,500
Acres: 0.5
Property Type: Investment
Agent: J. Bryan Rudisill, SIOR



767 RIVER TERMINAL ROAD

Square Feet: 30,225
Acres: 4.86
Property Type: Warehouse
Agent: David F. DeVaney, SIOR, CCIM



1433 WILLIAMS STREET | SUITE 101 & 102

Square Feet: 5,000
Property Type: Office/Residential
Agent: Chad Wamack



222 SEQUOYAH ACCESS ROAD

Square Feet: 36,000
Property Type: Investment
Agent: Chad Wamack



1874 DECATUR PIKE

Square Feet: 4,180
Acres: 1.25
Property Type: Medical Office
Agent: David F. DeVaney, SIOR, CCIM & D. Frazier DeVaney, Jr.

Recent Sold Transactions



6236 ALABAMA HIGHWAY - RINGGOLD, GA

Acres: 8
Property Type: Land
Agent: Chad Wamack & Parker Wamack



2612 S ENGLISH STATION - LOUISVILLE, KY

Square Feet: 50,000
Acres: 24
Property Type: Retail
Agent: D. Frazier DeVaney, Jr.



5337 RINGGOLD ROAD

Square Feet: 19,250
Acres: 1.38
Property Type: Investment
Agent: Chad Wamack



5958 & 5960 SHALLOWFORD ROAD

Square Feet: 4,424
Acres: 2.18
Property Type: Retail
Agent: Parker Wamack



501 CUMBERLAND STREET

Square Feet: 59,180
Property Type: Warehouse
Agent: David F. DeVaney, SIOR, CCIM



5121 GA STATE HWY 136

Square Feet: 20,000
Acres: 4.1
Property Type: Investment
Agent: J. Bryan Rudisill, SIOR

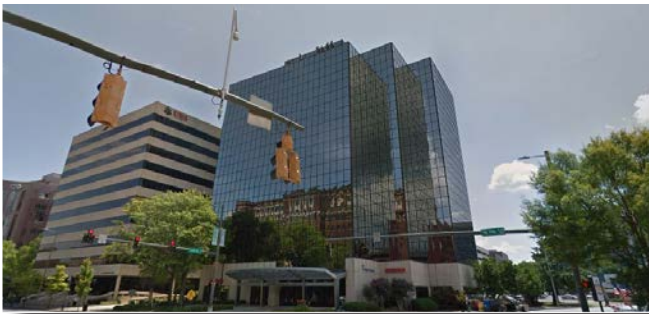
Recent Leased Transactions



4411 JERSEY PIKE
Square Feet: 42,000
Property Type: Industrial
Agent: Jeff Jennings, CCIM



4130 HOLIDAY INN EXPRESS
Square Feet: 7,600
Property Type: Medical Office
Agent: J. Bryan Rudisill, SIOR



200 W MLK BLVD
Square Feet: 12,559
Property Type: Office
Agent: David F. DeVaney, SIOR, CCIM



6300 ENTERPRISE PARK DRIVE
Square Feet: 69,075
Property Type: Warehouse
Agent: David F. DeVaney, SIOR, CCIM



3701 AMNICOLA HIGHWAY
Square Feet: 40,870
Property Type: Warehouse
Agent: Chad Wamack



2850 BARNEY LANE
Square Feet: 100,000
Property Type: Industrial
Agent: David F. DeVaney, SIOR, CCIM

Select New Listings

AVAILABLE PROPERTIES **FOR SALE AND/OR LEASE**



16705 Coulterville Road
McDonald Farms

Acres: 2,170.2
Property Type: Land
Sale/Lease: Sale
Agent: J. Bryan Rudisill, SIOR



HWY 153 @ Wilder Road

Acres: 2.1
Property Type: Land
Sale/Lease: Sale
Agent: D. Frazier DeVaney, Jr.



Industrial Blvd - Trenton GA

Acres: 13.21
Property Type: Land
Sale/Lease: Sale
Agent: J. Bryan Rudisill, SIOR



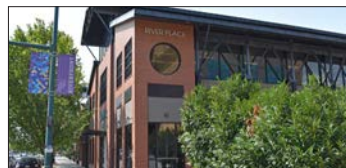
9227 Frontage Rd NW - Charleston, TN

Acres: 4.58
Property Type: Land
Sale/Lease: Sale
Agent: David F. DeVaney SIOR, CCIM



2580 Ingleside Ave. - Athens

Square Feet: 16,000
Property Type: Office/Retail
Sale/Lease: Sale
Agent: D. Frazier DeVaney, Jr.



2 W Aquarium Way
Riverfront

Square Feet: 3,883
Property Type: Class A Office
Sale/Lease: Lease
Agent: Chad Wamack



CBL Center I & II

Square Feet: 2,069-16,957
Property Type: Office
Sale/Lease: Lease
Agent: David F. DeVaney, SIOR, CCIM



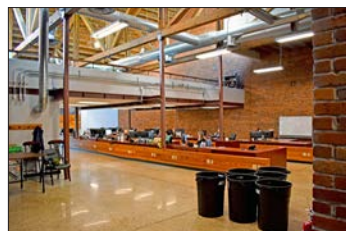
555 Walnut Street

Square Feet: 2,890-42,550 SF
Property Type: Office
Sale/Lease: Lease
Agent: David F. DeVaney, SIOR, CCIM



307 Cherry Street
River Rock

Square Feet: 1,253-8,067 SF
Property Type: Retail/Office
Sale/Lease: Lease
Agent: David F. DeVaney, SIOR, CCIM



1500 Chestnut Street
Southside

Square Feet: 7,070
Property Type: Office
Sale/Lease: Sublease
Agent: Robert Maclellan



301 Manufacturer Road
Northshore

Square Feet: 695-4,590
Property Type: Retail
Sale/Lease: Lease
Agent: Jeff Jennings, CCIM



6011 Century Oaks Drive

Square Feet: 18,572 | **Acres:** 2.61
Property Type: Office/Warehouse
Sale/Lease: Sale
Agent: Jeff Jennings, CCIM

2020 Chattanooga Report

Vacancy Rate

Net Absorption

Construction

Asking Rents

OFFICE

Availability Report

Existing RBA*: 23,539,783 SF
 Leased: 22,377,831 SF
 Leased Percentage: 95%
 Available: 1,161,952 SF
 Available Percentage: 4.9%

Rental Rate Report

Office Average: \$19.92/YR

Quarter	Rental Rate (\$/SF)
3Q 2018	\$15.00
3Q 2019	\$15.00
3Q 2020	\$18.50

INDUSTRIAL

Vacancy Rate

Net Absorption

Construction

Asking Rents

Quarter	Rental Rate (\$/SF)
3Q 2018	\$3.20
3Q 2019	\$3.50
3Q 2020	\$4.80

Availability Report

Existing RBA*: 56,517,799 SF
 Leased: 53,951,384 SF
 Leased Percentage: 95%
 Available: 2,566,415 SF
 Available Percentage: 4.5%

Direct Net Rental Rate Report

Industrial Average: \$4.96/YR

Vacancy Rate

Net Absorption

Construction

Asking Rents

RETAIL

Availability Report

Existing RBA*: 39,806,917 SF
 Leased: 38,502,242 SF
 Leased Percentage: 96.7%
 Available: 1,304,675 SF
 Available Percentage: 3.3%

Direct Net Rental Rate Report

Retail Average: \$12.94/YR

Quarter	Rental Rate (\$/SF)
3Q 2018	\$11.00
3Q 2019	\$12.50
3Q 2020	\$13.00

* RBA: Rentable Building Area
 Source: CoStar Group

Property Management



OUR TEAM



DAVID F. DEVANEY
President



D. FRAZIER DEVANEY, JR.
Property Manager



MARY BRANNON
Assistant Property Manager



AMIE THOMAS
Controller

31 Properties
Managed

Over 20
Years Serving
Chattanooga

Office • Retail
Industrial

745,000+ SF
Under Management

135+ Tenants

423.267.6550

www.chartermgmtco.com

Chattanooga Overview

With all of the recent accolades Chattanooga has received for its growth, improvements, availability of quality entertainment and abundant natural resources, the community is by no means resting on its laurels. "Even with over \$1 billion in new projects coming on line in downtown Chattanooga alone, you are still in the early stages" says Bruce Katy of the Brookings Institute. He goes on to say, "Chattanooga may be at 15 percent of what is possible here."

Chattanooga has one of the fastest internet connections in the country. With 10 gigs available, a host of young tech companies have begun to emerge, and a vibrant tech hub has helped develop such start ups like Skuid, Ambition, VaynerMedia, BellHops, Stream Logistics, Workhound, Coyote, VisuWell, and Pylon who are all trying to harness the power of our fiber connection.

Development of the core of downtown continues at a historic pace. Some 1,200 new residential units have been delivered or are coming on line in the very near future such as more boutique offerings along East Main Street and MLK. Of note, The Beach Company of Charleston, SC announced their \$48 million project on a portion of Unum surface parking lots on 4th Street. Plans include 151 apartment units and some 16,000 SF of office and retail space.

The Southside and the Northshore districts continue to exhibit the highest level of activity. Of particular interest, W2T Two, LLC and its Tennessee partners purchased the former YMCA off Main Street which is a 36,000 SF historic facility. Plans are to open The Common House a modern comfortable escape for social and business pursuits, in Spring of 2021.

Volkswagen announced that it will make electric vehicles at its Chattanooga facility. This \$800 million project will add 1,000 employees to the plant. Volkswagen expects to produce 150,000 electric vehicles per year by 2020.



About Us

Operating as Chattanooga, Tennessee's most experienced locally owned commercial real estate company, NAI Charter has been combining the industry's best real estate practices with our relationship-oriented philosophy to meet client business goals. Our mission is to provide the highest quality of service by adding value to our client's assets and real estate needs through expert analysis, in-depth market knowledge and personalized service.

Serving Chattanooga and surrounding areas since 1972. Local market experts... global reach.

NAI Charter

By The Numbers

10 Professionals

46+ Years Experience

\$50 million+ in sales & leases

745,000+ SF of managed properties

1 team focused on your real estate needs

The Leader In Commercial Real Estate Since 1972

NAI Charter

COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE



David F. DeVaney, SIOR, CCIM
President



J. Bryan Rudisill, SIOR
Vice President



D. Frazier DeVaney, Jr.
Affiliate Broker | Property
Manager



Jeff Jennings, CCIM
Broker



Chad Wamack
Broker



Robert Maclellan
Affiliate Broker



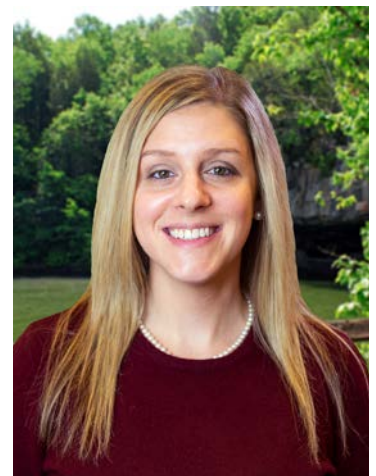
Parker Wamack
Broker



Amie Thomas
Controller



Mary Brannon
Assistant Property
Manager



April Linnemann
Marketing | Public
Relations