

# NAI Charter

COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

MARKET REPORT  
2019 YEAR END



<b>03</b>	Economic Development
<b>04</b>	2019 By The Numbers
<b>05</b>	Recent Transactions
<b>07</b>	Select New Listings
<b>08</b>	Chattanooga Report
<b>09</b>	Charter Management Company
<b>10</b>	Chattanooga Overview
<b>11</b>	Our Team

# CHATTANOOGA ECONOMIC DEVELOPMENT

- Nokian Tyres broke ground on the Dayton, Tennessee plant in early 2018, with production expected to begin in 2020. The company plans to invest \$360 million in this project, which will be Nokian Tyres' first North American plant. At least 400 new jobs will be generated once completed.
- The German automaker, Volkswagen's current Chattanooga plant is sized at 3,442,350 square feet and constructed on 1,400 acres. It currently employs 3,800 workers. In November 2019, Volkswagen began construction on its \$800 million expansion for MED-based EV Production. This addition is forecasted to bring approximately 1,000 new jobs to the plant that will begin producing the all-electric Atlas SUV. The first SUV is slated to come off the line in 2022.
- The 115-acre, Alstom site purchased by Urban Story Ventures in 2018 was rezoned to mixed-use in December 2019. With this zoning change, the redevelopment of the property could bring up to \$3 billion in investments and add more than 5,000 jobs over the next decade.
- 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.
- 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 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, multi-housing news.com.*





## 2019 BY THE NUMBERS

**76 Transactions**  
totaling **1,468,635 SF**  
valued at **\$50,232,740**



**52 Leases**  
totaling **1,055,263 SF**  
valued at **\$24,995,380**



**24 Sales**  
totaling **413,372 SF**  
valued at **\$25,237,360**

Over **\$392 million** in total transaction volume since 2010  
Approximately **9 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



**513 GEORGIA AVENUE**

Square Feet: 5,374  
Property Type: Office  
Agent: Chad Wamack



**7480 ZIEGLER ROAD**

Square Feet: 14,400  
Property Type: Medical Office  
Agent: J. Bryan Rudisill, SIOR



**6300 ENTERPRISE PARK**

Square Feet: 200,088  
Property Type: Warehouse  
Agent: David F. DeVaney, SIOR, CCIM



**5300 HOWARDSVILLE**

Acres: 165±  
Property Type: Land  
Agent: Chad Wamack



**5022 OLD GODSEY ROAD**

Square Feet: 6,000  
Property Type: Investment  
Agent: Jeff Jennings, CCIM



**2342 SHALLOWFORD VILLAGE DRIVE**

Square Feet: 4,136  
Property Type: Retail  
Agent: Chad Wamack

# Recent Transactions

## PROPERTIES LEASED



### 412 GEORGIA AVENUE

Square Feet: 3,572

Property Type: Office - Class A

Agent: Jeff Jennings, CCIM



### 164 W 31ST STREET

Square Feet: 37,402

Property Type: Warehouse

Agent: Chad Wamack



### 518 GEORGIA AVE

Square Feet: 3,375

Property Type: Office

Agent: David F. DeVaney, SIOR, CCIM



### 3915 VOLUNTEER DRIVE

Square Feet: 134,776

Property Type: Warehouse

Agent: David F. DeVaney, SIOR, CCIM



### 2030 HAMILTON PLACE BLVD

Square Feet: 5,170

Property Type: Office - Class A

Agent: David F. DeVaney, SIOR, CCIM



### 537 MARKET STREET

Square Feet: 3,584

Property Type: Office - Class A

Agent: David F. DeVaney, SIOR, CCIM

# Select New Listings

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



**702 Manufactures Road**  
TN River Frontage

**Acres:** 6.5  
**Property Type:** Land  
**Sale/Lease:** Sale  
**Agent:** David F. DeVaney, SIOR, CCIM



**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



**6236 Alabama Highway -**  
Ringgold, GA

**Acres:** 8  
**Property Type:** Land  
**Sale/Lease:** Sale  
**Agent:** Chad Wamack & Parker Wamack



**Urban Apartment Portfolio**

**5 Apartment Locations**  
**Property Type:** Multi-family  
**Sale/Lease:** Sale  
**Agent:** D. Frazier DeVaney, Jr.



**221 W 20th Street**  
Southside

**Square Feet:** 15,950  
**Property Type:** Warehouse/Flex  
**Sale/Lease:** Lease or Sale  
**Agent:** Chad Wamack



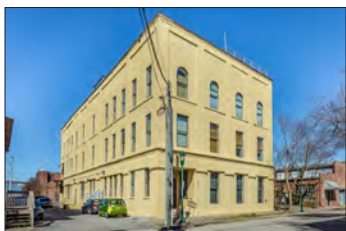
**2100 Hamilton Place Blvd**

**Square Feet:** 5,000-62,411 SF  
**Property Type:** Office  
**Sale/Lease:** Lease  
**Agent:** David F. DeVaney, SIOR, CCIM



**2030 Hamilton Place Blvd**

**Square Feet:** 4,275  
**Property Type:** Office  
**Sale/Lease:** Lease  
**Agent:** David F. DeVaney, SIOR, CCIM



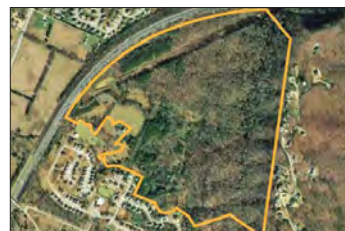
**1433 Williams Street**  
Southside

**Square Feet:** 4,567  
**Property Type:** Office/Residential  
**Sale/Lease:** Sale  
**Agent:** Chad Wamack



**4922 La Collina Way**  
Ooltewah

**Square Feet:** 14,000 | **Acres:** 2.6±  
**Property Type:** Office & Land  
**Sale/Lease:** Sale  
**Agent:** J. Bryan Rudisill, SIOR



**Sylar Road-White Oak Mountain**  
Ooltewah

**Acres:** 196.86±  
**Property Type:** Land  
**Sale/Lease:** Sale  
**Agent:** J. Bryan Rudisill, SIOR



**1463 Market Street**  
Southside

**Square Feet:** 1,978  
**Property Type:** Office  
**Sale/Lease:** Lease or Sale  
**Agent:** Jeff Jennings, CCIM

**PENDING**

# 2019 Chattanooga Report

Vacancy Rate

Net Absorption

Construction

Asking Rents

## OFFICE

**Availability Report**

Existing RBA\*: 20,775,665 SF  
 Leased: 20,148,952 SF  
 Leased Percentage: %  
 Available: 626,713 SF  
 Available Percentage: 3.0%

**Rental Rate Report**

Office Average: \$15.04/YR

## INDUSTRIAL

Vacancy Rate

Net Absorption

Construction

Asking Rents

**Availability Report**

Existing RBA\*: 50,250,769 SF  
 Leased: 48,576,273 SF  
 Leased Percentage: 96.7%  
 Available: 1,674,496 SF  
 Available Percentage: 3.3%

**Direct Net Rental Rate Report**

Industrial Average: \$4.86/YR

Vacancy Rate

Net Absorption

Construction

Asking Rents

## RETAIL

**Availability Report**

Existing RBA\*: 36,854,730 SF  
 Leased: 35,431,331 SF  
 Leased Percentage: 96.1%  
 Available: 1,423,399 SF  
 Available Percentage: 3.9%

**Direct Net Rental Rate Report**

Retail Average: \$12.64/YR

\* RBA: Rentable Building Area  
 Source: CoStar Group



# Property Management



## OUR TEAM



DAVID F. DEVANEY  
President



D. FRAZIER DEVANEY  
Property Manager



MARY BRANNON  
Marketing &  
Accounting



AMIE THOMAS  
Accounting

36 Properties  
Managed

Over 20  
Years Serving  
Chattanooga

Office • Retail  
Industrial

850,000+ SF  
Under Management

155+ Tenants

423.267.6550

[www.chartermgmtco.com](http://www.chartermgmtco.com)

## Chattanooga Overview

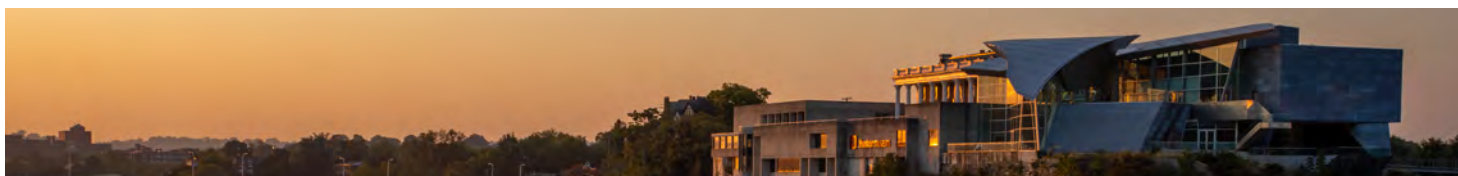
With all of the recent accolades Chattanooga has received for its growth, improvements, availability of quality entertainment and abundant natural resources, the community is by no means resting on its laurels. "Even with over \$1 billion in new projects coming on line in downtown Chattanooga alone, 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 just to name a few 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 including Bluebird Row (238 units) at the Choo Choo to smaller, 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 still fluid, but to be sure, this is a landmark redevelopment.

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 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

45+ Years Experience

\$50 million+ in sales

850,000+ 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



Jeff Jennings, CCIM  
Broker



Chad Wamack  
Broker



Robert Maclellan  
Affiliate Broker



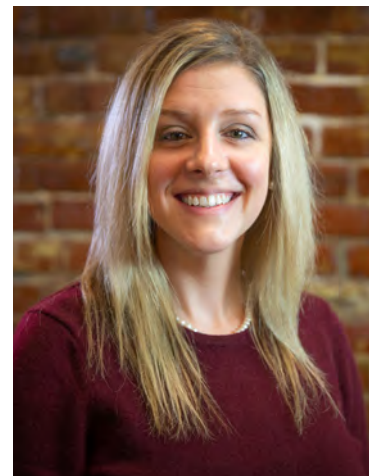
Parker Wamack  
Broker



Amie R. Thomas  
Controller



Mary T. Brannon  
Property Management |  
Accounting | Marketing



April Linnemann  
Marketing | Public  
Relations

# NAI Charter

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[www.naicharter.com](http://www.naicharter.com)