

# Q2 2023

# THE PORTER REPORT

## INDUSTRIAL MARKET REVIEW | RICHMOND, VA

Ending the second quarter the combined (Class A, B & C) overall industrial market occupancy has remained steady at **96% for Q2** (Q1 96%). Class A occupancy is 96%, slightly down from 97% in Q1. Class B occupancy remains steady at 98%. Class C occupancy is 95%, up from 94% in Q1. Going into Q3, the Metro Richmond area currently has 2,159,918 SF (8 buildings) of new product "under construction" (see map on back page).

Richmond's industrial sector maintains its stability as Q2 concludes. Demonstrating strong demand from industrial tenants, the area boasts one of the lowest rates of vacant and available properties compared to other major markets. This is particularly noteworthy considering the rapid growth of construction projects in the metro area. As a result of this heightened industrial interest, Richmond has achieved the prestigious ranking of #2 in CNBC's Top States for Business Rankings. 🇺🇸

## SUBMARKET BREAKDOWN | Q2 2023\*

Quadrant	Number of Buildings	Inventory SF	Vacant SF	Vacancy Rate %
40K - 75K	16	894,373	127,003	14.20%
75K - 150K	25	2,796,208	0	0.00%
150K +	32	10,721,474	282,603	2.64%
<b>Northeast</b>	<b>73</b>	<b>14,412,055</b>	<b>409,606</b>	<b>2.84%</b>
40K - 75K	19	995,003	0	0.00%
75K - 150K	15	1,563,022	80,597	5.16%
150K +	17	5,136,691	186,900	3.64%
<b>Northwest</b>	<b>51</b>	<b>7,694,716</b>	<b>267,497</b>	<b>3.48%</b>
40K - 75K	7	348,080	0	0.00%
75K - 150K	10	1,168,856	0	0.00%
150K +	27	10,569,462	498,087	4.71%
<b>Southeast</b>	<b>44</b>	<b>12,086,398</b>	<b>498,087</b>	<b>4.12%</b>
40K - 75K	11	594,917	104,918	17.64%
75K - 150K	22	2,398,872	180,110	7.51%
150K +	16	5,486,421	137,282	2.50%
<b>Southwest</b>	<b>49</b>	<b>8,480,210</b>	<b>422,310</b>	<b>4.98%</b>
<b>Overall Total</b>	<b>217</b>	<b>42,673,379</b>	<b>1,597,500</b>	<b>3.74%</b>

## TOP SALES | Q2 2023

Building SF	Sale Type	Sale Price/SF	Address	County
155,893	Owner/User	Price Not Disclosed	3133 E. Parham Road (Buyer: Uhaul)	Henrico
48,713	Investment	\$7,250,000 (\$148.83/SF)	Wistar Center - 8101-8157 Staples Mill Rd. 3 Building Portfolio (Buyer: Prudent Growth Partners, LLC)	Henrico
23,760	Investment	\$2,050,000 (\$86.28/SF)	2419 Grenoble Rd. (Buyer: Mark Franko Custom Bldg.)	Richmond
20,998	Investment	\$3,061,487 (\$145.80/SF)	3121 W. Leigh St. (Buyer: Dodson Commercial)	Richmond

## LEASE TRANSACTIONS | Q2 2023

Building SF	Tenant	Address	County
90,000	Riverside Logistics (Sublease/New)	4337-4379 Carolina Avenue	Henrico
54,000	Rexell USA, Inc.	1801 Willis Road	Chesterfield
48,000	Bermuda Distribution & Trucking (Sublease)	1801 Willis Road	Chesterfield
42,428	GIT The Commercial Trucking Tires	3405 Commerce Road	Chesterfield
34,358	Cavalier Cargo Group	7425 Ranco Road	Henrico
48,000	Professional Moving & Storage	2208-2220 Station Road	Chesterfield

3.74%



Overall Vacancy Q2  
1,597,500 SF

-.66%



Overall Net Absorption Q2  
-280,753 SF

**531,900 SF**

Delivered Q2  
4 Buildings Delivered  
186,000 - Cardinal Commerce Center West  
345,000 Northlake II (3 buildings)

**2.15M SF**

Currently Under Construction  
8 Buildings  
(See map on back page)

\* Porter tracks minimum 40,000 SF and greater Class A, B & limited C Industrial space in the Richmond MSA. All data excludes owner occupied buildings.

## FEATURED PROPERTY

### Sauer Industrial Center

[click here for webpage](#)

Building 2 | 943 S. Airport Drive | Henrico VA



- 279,319 SF distribution facility
- 130,289 SF READY FOR OCCUPANCY!
- 32' clear ceilings, ESFR sprinklers, BTS office
- 14 dock doors, 1 drive-in doors, 127 car parking spaces
- 54'x 50' column spacing, LED lighting, Zoned M-1C
- 80 miles from Port of VA, 10 miles to Port of Richmond & 2 days' drive to 55% of nation's consumers
- 1/2 mile from Richmond International Airport
- Exceptional accessibility to I-64, I-295 and Route 895

Exclusive Agent:

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# 8 Industrial Buildings Currently Under Construction

All data excludes owner occupied buildings.

## 2.16 MILLION SF

### NW QUADRANT - UNDER CONSTRUCTION

1	552,587 SF	Lewistown 95 Logistics Center
2	325,000 SF	Cardinal Commerce Center West, Bldg. 2.
3	200,250 SF	Washington Highway Distribution Center (1)
4	200,250 SF	Washington Highway Distribution Center (2)
<b>1,278,087 TOTAL SF</b>		

### NE QUADRANT - UNDER CONSTRUCTION

0 TOTAL SF

### SE QUADRANT - UNDER CONSTRUCTION

5	437,657 SF	Ashton Logistics Park (2)
6	187,980 SF	I701 Bermuda Hundred
7	171,923	Ashton Park Distribution Center
8	84,271 SF	Ashton Logistics Park (1)
<b>881,831 TOTAL SF</b>		

### SW QUADRANT - UNDER CONSTRUCTION

0 TOTAL SF



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