



Commercial Real Estate Services, Worldwide.

# Midyear Lexington-Fayette County, KY CRE Market Report

# 2019

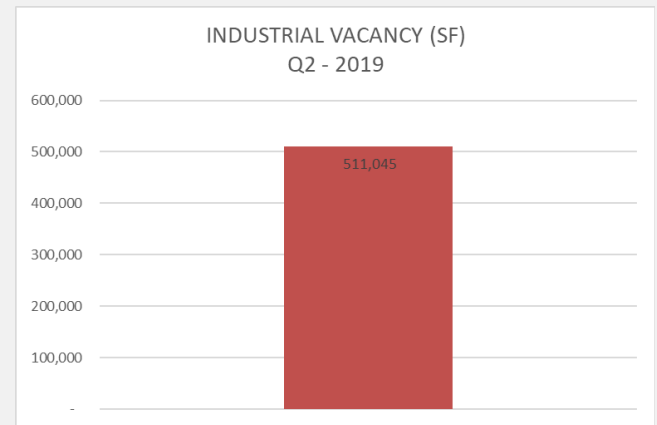
771 Corporate Drive  
Suite 500  
Lexington, KY 40503  
859-224-2000  
[www.naiisaac.com](http://www.naiisaac.com)

## Midyear 2019 Industrial Report



Lexington-Fayette County's Industrial property market continued to perform well during the first half of 2019. The vacancy rate in our sample trended down to 2.77 percent, ending Q2 at 511,045 SF of vacant space. NAI Isaac expects vacancy rates in this market to remain steady during the remainder of 2019.

This report filtered and sampled 414 properties from the Lexington-Fayette Industrial market, totaling 18,462,986 SF of Gross Leasable Area.



Source: CoStar Property®

INDUSTRIAL	# Buildings	GLA (SF)	Occupied (SF)	Occupancy Rate	Vacant (SF)	Vacancy Rate
TOTAL	414	18,462,986	17,951,941	97.23%	511,045	2.77%



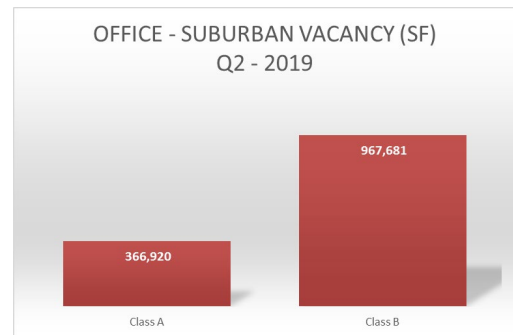
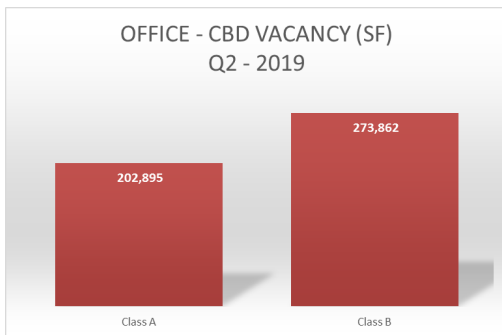
## Midyear 2019 Office Report

The Lexington-Fayette Office market ended the first half of 2019 on a positive note with overall vacancy rates remaining stable across Class A and B properties.



CBD Class A and B Office space from the 51 building sample totaled 3,631,665 SF with 3,154,908 SF occupied and 476,757 SF vacant, yielding a total vacancy of 13.13 percent in the CBD. Class A Office space totaled 1,728,099 SF with 1,525,204 SF occupied and 202,895 SF vacant, yielding a Class A vacancy of 11.74 percent across 9 buildings. Class B Office space totaled 1,903,566 SF with 1,629,704 SF occupied and 273,862 SF vacant, yielding a Class B vacancy of 14.39 percent across 42 buildings.

Suburban Class A and B Office space from the 244 building sample totaled 9,060,000 SF with 7,725,399 SF occupied and 1,334,601 SF vacant, yielding a total vacancy of 14.73 percent in the Suburban market. Class A Office space totaled 2,428,305 SF with 2,061,385 SF occupied and 366,920 SF vacant, yielding a Class A vacancy of 15.11 percent across 52 buildings. Class B Office space totals 6,631,695 SF with 5,664,014 SF occupied and 967,681 SF vacant, yielding a Class B vacancy of 14.59 percent across 192 buildings.



OFFICE - CBD	# Buildings	GLA (SF)	Occupied (SF)	Occupancy Rate	Vacant (SF)	Vacancy Rate
Class A	9	1,728,099	1,525,204	88.26%	202,895	11.74%
Class B	42	1,903,566	1,629,704	85.61%	273,862	14.39%
<b>Total</b>	<b>51</b>	<b>3,631,665</b>	<b>3,154,908</b>	<b>86.87%</b>	<b>476,757</b>	<b>13.13%</b>

OFFICE - SUBURBAN	# Buildings	GLA (SF)	Occupied (SF)	Occupancy Rate	Vacant (SF)	Vacancy Rate
Class A	52	2,428,305	2,061,385	84.89%	366,920	15.11%
Class B	192	6,631,695	5,664,014	85.41%	967,681	14.59%
<b>Total</b>	<b>244</b>	<b>9,060,000</b>	<b>7,725,399</b>	<b>85.27%</b>	<b>1,334,601</b>	<b>14.73%</b>

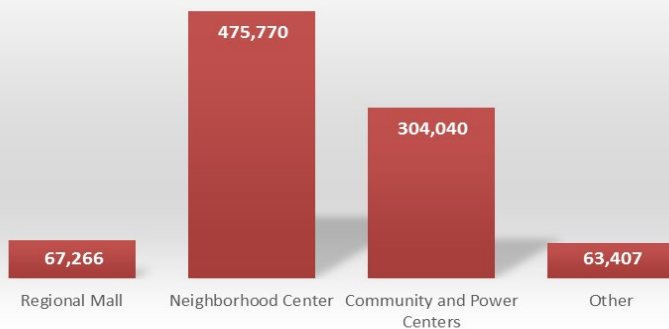
## Midyear 2019 Retail Report



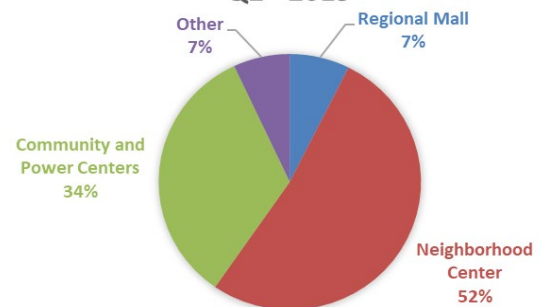
The Lexington-Fayette Retail property market remained steady during the first half of 2019. Overall vacancy in our Retail sample of 257 Retail buildings totaled 6.49 percent with 13,127,732 SF occupied and 910,483 SF vacant from a Gross Leasable Area of 14,038,215.

Drilling down, Regional Mall vacancy totaled 4.30 percent with 67,266 SF of space vacant within the market. Neighborhood Center vacancy totaled 8.31 percent with 475,770 SF vacant within the market. Community and Power Center vacancy totaled 9.05 percent with 304,040 SF of measured vacancy.

RETAIL VACANCY (SF)  
Q2 - 2019



SEGMENT SHARE OF TOTAL RETAIL  
VACANCY (%)  
Q2 - 2019



Source: CoStar Property®

RETAIL	# Buildings	GLA (SF)	Occupied (SF)	Occupancy Rate	Vacant (SF)	Vacancy Rate
Regional Mall	4	1,565,612	1,498,346	95.70%	67,266	4.30%
Neighborhood Center	131	5,725,056	5,249,286	91.69%	475,770	8.31%
Community & Power Center	34	3,360,390	3,056,350	90.95%	304,040	9.05%
Other	88	3,387,157	3,323,750	98.13%	63,407	1.87%
Total	257	14,038,215	13,127,732	93.51%	910,483	6.49%



# Midyear 2019

## Lexington, KY Market Demographics

Demographic	2019 Summary	2024 Projection
Population	325,520	342,744
Households	134,299	141,143
Average Household Income	\$83,225	\$96,616
Median Age	35.50	36.20

Source: STDB, 2019

## Lexington MSA Market Demographics

Demographic	2019 Summary	2024 Projection
Population	574,015	604,743
Households	230,554	242,407
Average Household Income	\$81,232	\$93,857
Median Age	37.20	37.90

Source: STDB, 2019





## About NAI Isaac

NAI Isaac is a Lexington, Kentucky-based firm providing a full range of commercial real estate services to clients throughout Central Kentucky and beyond. NAI Isaac professionals are relationship-oriented, performance-driven and service-focused. Our satisfied clients include developers, private investors, corporations, institutions, non-profits, and REITs. We maintain long-term client relationships through unequalled skill, knowledge and dedication.

NAI experts offer a range of expertise that allow us to successfully address any real estate opportunity or challenge. Our experienced brokerage team specializes in commercial leasing, acquisition or disposition of commercial properties (retail, office industrial, and mixed-use), and investment and development opportunities. NAI Isaac also offers comprehensive property management, operations management, asset improvement projects, maintenance and upkeep, rent collections, receivership, and REO dispositions.

NAI Isaac has been designated an Accredited Management Organization (AMO) through the Institute of Real Estate Management (IREM). The only commercial real estate firm to achieve this designation in Central Kentucky, the firm's management team currently manages over 2.90 million square feet of retail, office and industrial space throughout the Commonwealth.

NAI Isaac is the Central Kentucky affiliate for NAI Global, a leading international commercial real estate brokerage firm. Members of NAI Global are local firms who have chosen, and been chosen, to be a part of the global network of more than 375 offices strategically located throughout North America, Latin America, the Caribbean, Europe, Africa and Asia Pacific. Each affiliate is independently owned, and unwaveringly committed to excellence in the services they provide.



# Brokerage Team



Al Isaac  
President



Paul Ray Smith  
Executive Vice  
President



Bruce R. Isaac,  
SIOR, CCIM  
Senior Vice President



Jim Kemper  
Vice President



Chad Voelkert  
Vice President



John P. Miller  
Assistant Vice President



Jamie Adams, CCIM  
Assistant Vice President



Jim Holbrook  
Senior Associate



J.L. Cannady, CCIM  
Senior Associate



Joe Cornelius  
Associate



Jerry Martin  
Associate



Zach Smith  
Associate

Questions Regarding this Report or  
Commercial Real Estate?

## Contact:

Paul Ray Smith, Executive Vice President: 859-422-4401  
Bruce Isaac, SIOR, CCIM, Senior Vice President: 859-422-4403  
Jim Kemper, Vice President: 859-422-4407

# Midyear 2019

## Market Report

The world's largest commercial real estate network.

Over 6,000 professionals in more than 375 offices worldwide.

All actively managed to work wherever you do.

Around the world, around the corner!

The information contained in this report has been obtained from third-party sources that are deemed reliable. NAI Isaac has not independently verified the information's accuracy and makes no representations, guarantees, or express or implied warranties regarding the accuracy of the information. Data sources are continually revised and updated, causing both historical and forecast information, data and analysis to change as new information is added. Third-party data source: CoStar Group and Web Data.