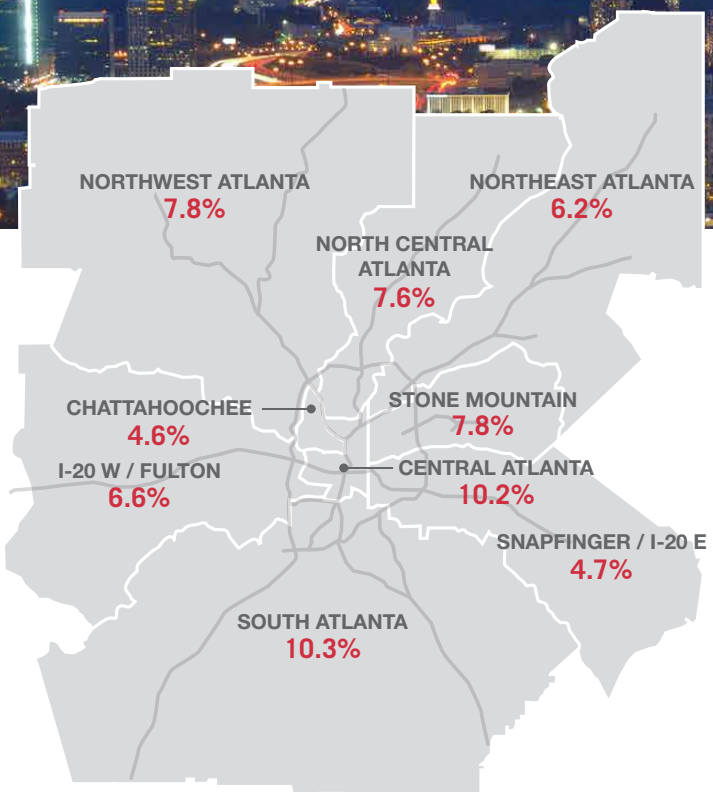
NAI Brannen Goddard

Q3'16

Atlanta Industrial
Market Review



VACANCY BY SUBMARKET

VACANCY
7.6%
Over 46.8 million square feet of vacant industrial space
= to previous qtr
▼ from previous year

NET ABSORPTION
2,267,816 SF
YTD net absorption reached 10.4 million square feet
▼ from previous qtr
▼ from previous year

LEASING ACTIVITY
7,131,822 SF
A 8.6% decrease from the previous quarter
▼ from previous qtr
▲ from previous year

AVERAGE RENTAL RATE
$4.52 PSF
A 3.9% increase from the previous quarter ($4.35/SF)
▲ from previous qtr
▲ from previous year

DELIVERIES
3,231,047 SF
14 Buildings completed
▼ from previous qtr
▲ from previous year

UNDER CONSTRUCTION
15,272,904 SF
62 Buildings in progress
▲ from previous qtr
▲ from previous year

SIGNIFICANT LEASE DEALS

Building	Tenant	Submarket	Size (SF)
Greenwood Industrial, Bldg 400*	The Home Depot	S Clayton/Henry Co	612,070
Majestic Airport Ctr 2, Bldg 3*	Kellogg Co.	Airport/N Clayton	547,550
Satellite Logistics Ctr, Bldg 200*	Amerisource Bergen	Duluth/Suwanee/Buford	340,580

*Renewal

SIGNIFICANT BUILDING SALES

Building(s)	Price	Size (SF)	Submarket
White Water/American Business Centers	$44.9 M	629,104	Northwest Atlanta
Atlanta Gateway Industrial	$26.8 M	1,118,083	I-20 W/Fulton
Northridge Business Park	$26.6 M	448,135	North Central Atlanta

ALL CONSTRUCTION ACTIVITY

Market	# Bldgs	Total RBA	Preleased SF	Preleased %	Available SF
South Atlanta	16	7,397,520	1,087,304	14.7%	6,310,216
Northeast Atlanta	19	3,267,108	1,015,554	31.1%	2,251,554
I-20 W/Fulton	6	2,734,498	1,326,355	48.5%	1,408,143
Snapfinger/I-20 East	1	1,000,000	1,000,000	100.0%	0
Northwest Atlanta	15	549,436	171,631	31.2%	377,805
North Central Atlanta	3	193,541	48,981	25.3%	144,560
Stone Mountain	1	75,000	75,000	100.0%	0
Chattahoochee	1	55,801	55,801	100.0%	0
Totals	**62**	**15,272,904**	**4,780,626**	**31.3%**	**10,492,278**

LARGEST DELIVERIES

Medline: 1,069,200 SF
South Atlanta | 61% Occupied | Delivered Q3'16

300 Interstate West Parkway (M): 538,686 SF
I-20 W/Fulton | 0% Occupied | Delivered Q3'16

LARGEST UNDER CONSTRUCTION

Majestic Airport Center IV (A): 1,042,000 SF
South Atlanta | 0% Pre-leased | Delivers Q4'16

Baxter Plant: 1,000,000 SF
Snapfinger/I-20 East | 100% Pre-leased
Delivers Q1'18

NAI Brannen Goddard

THIRD QUARTER 2016

TOTAL ATLANTA INDUSTRIAL MARKET STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Leasing Activity
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Central Atlanta	269	13,368,127	1,361,519	0	1,361,519	10.2%	(392,686)	0	0	80,400
Chattahoochee	398	20,381,730	891,615	46,172	937,787	4.6%	(365,175)	0	55,801	337,067
I-20 W/Fulton	977	96,222,963	6,241,977	112,049	6,354,026	6.6%	1,718,790	1,075,175	1,953,060	2,449,969
North Central Atlanta	515	26,628,751	1,928,964	96,925	2,025,889	7.6%	449,489	342,891	193,541	575,550
Northeast Atlanta	2,126	154,963,909	9,005,443	658,181	9,663,624	6.2%	694,449	1,578,464	2,890,294	4,674,312
Northwest Atlanta	1,034	67,284,353	5,030,338	249,165	5,279,503	7.8%	2,150,704	3,246,435	472,550	2,167,253
Snapfinger/I-20 East	531	44,558,222	2,013,766	75,000	2,088,766	4.7%	655,504	175,000	1,000,000	1,431,190
South Atlanta	1,362	165,881,904	15,454,151	1,661,607	17,115,758	10.3%	5,153,755	6,969,154	7,390,020	7,070,141
Stone Mountain	468	25,331,870	1,959,364	12,355	1,971,719	7.8%	328,165	0	75,000	839,378
Totals	**7,680**	**614,621,829**	**43,887,137**	**2,911,454**	**46,798,591**	**7.6%**	**10,392,995**	**13,387,119**	**14,030,266**	**19,625,260**

FLEX MARKET STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Leasing Activity
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Central Atlanta	57	1,961,272	64,581	0	64,581	3.3%	(25,400)	0	0	13,650
Chattahoochee	75	3,490,111	73,581	0	73,581	2.1%	(10,202)	0	0	48,373
I-20 W/Fulton	62	3,248,193	227,139	0	227,139	7.0%	(74,726)	0	808,355	44,813
North Central Atlanta	154	7,358,426	657,750	5,021	662,771	9.0%	121,679	0	0	193,047
Northeast Atlanta	407	15,128,429	2,065,725	49,852	2,115,577	14.0%	185,205	0	0	627,472
Northwest Atlanta	188	7,958,449	760,264	24,905	785,169	9.9%	44,877	0	0	287,079
Snapfinger/I-20 East	66	1,967,022	257,392	0	257,392	13.1%	26,113	0	0	11,184
South Atlanta	137	4,221,569	437,048	4,200	441,248	10.5%	27,660	0	0	132,074
Stone Mountain	85	2,862,472	505,924	0	505,924	17.7%	46,839	0	0	56,504
Totals	**1,231**	**48,195,943**	**5,049,404**	**83,978**	**5,133,382**	**10.7%**	**342,045**	**0**	**808,355**	**1,414,196**

SHALLOW-BAY DISTRIBUTION MARKET STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Leasing Activity
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Central Atlanta	41	1,885,512	1,400	0	1,400	0.1%	13,300	0	0	16,000
Chattahoochee	32	1,246,917	17,000	0	17,000	1.4%	0	0	0	0
I-20 W/Fulton	252	16,813,875	934,413	0	934,413	5.6%	30,569	0	0	481,781
North Central Atlanta	101	5,133,582	331,735	11,200	342,935	6.7%	25,270	102,720	94,560	84,856
Northeast Atlanta	517	27,773,584	1,446,204	34,380	1,480,584	5.3%	363,607	87,000	614,947	1,033,045
Northwest Atlanta	208	11,429,632	596,269	22,785	619,054	5.4%	85,737	0	0	413,791
Snapfinger/I-20 East	112	6,662,661	254,688	75,000	329,688	4.9%	10,540	0	0	321,240
South Atlanta	258	25,424,090	3,177,904	553,840	3,731,744	14.7%	(192)	0	402,304	2,145,563
Stone Mountain	167	7,467,020	502,943	12,355	515,298	6.9%	(19,907)	0	75,000	303,415
Totals	**1,688**	**103,836,873**	**7,262,556**	**709,560**	**7,972,116**	**7.7%**	**508,924**	**189,720**	**1,186,811**	**4,799,691**

WAREHOUSE MARKET STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Leasing Activity
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Central Atlanta	171	9,521,343	1,295,538	0	1,295,538	13.6%	(380,586)	0	0	50,750
Chattahoochee	291	15,644,702	801,034	46,172	847,206	5.4%	(354,973)	0	55,801	288,694
I-20 W/Fulton	663	76,160,895	5,080,425	112,049	5,192,474	6.8%	1,762,947	1,075,175	1,144,705	1,923,375
North Central Atlanta	260	14,136,743	939,479	80,704	1,020,183	7.2%	302,540	240,171	98,981	297,647
Northeast Atlanta	1,202	112,061,896	5,493,514	573,949	6,067,463	5.4%	145,637	1,491,464	2,275,347	3,013,795
Northwest Atlanta	638	47,896,272	3,673,805	201,475	3,875,280	8.1%	2,020,090	3,246,435	472,550	1,466,383
Snapfinger/I-20 East	353	35,928,539	1,501,686	0	1,501,686	4.2%	618,851	175,000	1,000,000	1,098,766
South Atlanta	967	136,236,245	11,839,199	1,103,567	12,942,766	9.5%	5,126,287	6,969,154	6,987,716	4,792,504
Stone Mountain	216	15,002,378	950,497	0	950,497	6.3%	301,233	0	0	479,459
Totals	**4,761**	**462,589,013**	**31,575,177**	**2,117,916**	**33,693,093**	**7.3%**	**9,542,026**	**13,197,399**	**12,035,100**	**13,411,373**

©2016 NAI Brannen Goddard, LLC. All rights reserved. Data believed to be accurate but not warranted; subject to future revision. Data source: Costar Group, Inc.