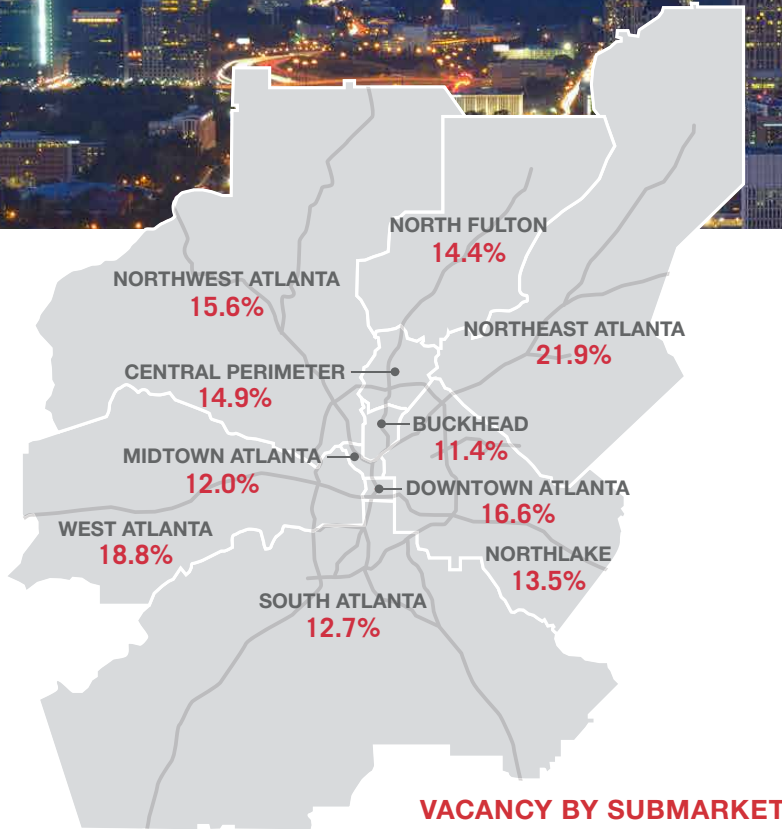


Q1'17

Atlanta Office Market Review



SIGNIFICANT LEASE DEALS

Building	Tenant	Size (SF)	Submarket
400 Northpark	WestRock Co.	194,718	Central Perimeter
Three Alliance Center	CBRE	104,817	Upper Buckhead
International Tower	Atlanta Regional Commission	41,381	Downtown Atlanta

SIGNIFICANT BUILDING SALES

Building(s)	Price	Size (SF)	Submarket
Crowne Pointe (2 Properties)	\$83.4 M	499,968	Central Perimeter
One and Two Premier Plaza (2 Properties)	\$54.7 M	316,600	Central Perimeter
Ashford Center	\$22.4 M	161,247	Central Perimeter

ALL CONSTRUCTION ACTIVITY

Market	# Bldgs	Total RBA	Preleased SF	Preleased %	Available SF
Midtown Atlanta	6	1,819,000	1,106,250	60.8%	712,750
Northwest Atlanta	8	1,115,906	951,060	85.2%	164,846
Buckhead	6	874,311	300,731	34.4%	573,580
North Fulton	14	684,983	251,431	36.7%	433,552
Central Perimeter	5	627,118	286,610	45.7%	340,508
Northlake	6	190,000	71,250	37.5%	118,750
Northeast Atlanta	5	111,553	72,285	64.8%	39,268
Downtown Atlanta	1	61,000	25,010	41.0%	35,990
South Atlanta	3	54,500	23,400	42.9.0%	31,100
West Atlanta	1	40,000	40,000	100.0%	0
Totals	55	5,578,371	3,128,027	56.1%	2,450,344

VACANCY



15.1%

31.6 Million square feet of vacant office space

to previous qtr
to previous year

NET ABSORPTION



(258,211)

Leasing activity was over 2.0 million square feet

from previous qtr
from previous year

AVERAGE RENTAL RATE



\$23.40 PSF

A 0.4% increase from the previous quarter (\$23.30)

from previous qtr
from previous year

AVERAGE SALE PRICE



\$178.72 PSF (Q4)

9 Million square feet sold in Q4 (50 buildings)

from previous qtr
from previous year

DELIVERIES



157,044 SF

7 Buildings completed

from previous qtr
from previous year

UNDER CONSTRUCTION



5,578,371 SF

55 Buildings in progress

from previous qtr
from previous year

LARGEST DELIVERIES

- 45 Peachtree Industrial Blvd: 50,000 SF**
Northeast Atlanta | 100% Occupied | Delivered Q1'17
- Locust Grove Physician Center: 40,000 SF**
South Atlanta | 92% Occupied | Delivered Q1'17

LARGEST UNDER CONSTRUCTION

- Coda: 760,000 SF**
Midtown Atlanta | 61% Pre-leased | Delivers Q1'19
- Three Alliance Center: 506,647 SF**
Buckhead | 48% Pre-leased | Delivers Q2'17

TOTAL ATLANTA OFFICE MARKET STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	116	20,976,269	2,253,491	138,069	2,391,560	11.4%	39,527	0	874,311	\$32.59
Central Perimeter	240	27,941,971	3,689,211	477,063	4,166,274	14.9%	(107,871)	0	391,118	\$26.28
Downtown Atlanta	157	26,367,652	4,300,510	86,995	4,387,505	16.6%	111,842	0	61,000	\$23.41
Midtown Atlanta	145	21,407,390	2,260,126	315,990	2,576,116	12.0%	30,587	0	1,815,000	\$28.23
North Fulton	349	25,152,334	3,527,070	92,035	3,619,105	14.4%	(144,192)	0	639,718	\$22.97
Northeast Atlanta	476	22,452,910	4,792,961	116,966	4,909,927	21.9%	53,082	70,000	105,553	\$17.79
Northlake	366	17,943,554	2,272,339	145,031	2,417,370	13.5%	(55,764)	0	152,500	\$18.08
Northwest Atlanta	482	31,932,972	4,707,826	261,375	4,969,201	15.6%	(193,852)	0	1,112,906	\$22.40
South Atlanta	308	12,912,029	1,547,982	87,456	1,635,438	12.7%	19,593	60,000	50,000	\$18.09
West Atlanta	72	2,805,547	528,506	0	528,506	18.8%	(11,163)	0	40,000	\$20.67
Totals	2,711	209,892,628	29,880,022	1,720,980	31,601,002	15.1%	(258,211)	130,000	5,242,106	\$23.40

CLASS "A" STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	55	16,608,382	1,909,663	110,753	2,020,416	12.2%	34,864	0	855,793	\$33.93
Central Perimeter	78	19,634,671	2,260,921	452,590	2,713,511	13.8%	(146,728)	0	375,716	\$27.89
Downtown Atlanta	26	13,960,214	2,508,694	86,995	2,595,689	18.6%	67,266	0	0	\$24.80
Midtown Atlanta	39	15,774,925	1,667,721	310,004	1,977,725	12.5%	34,388	0	1,798,000	\$29.99
North Fulton	104	14,559,970	2,030,918	75,612	2,106,530	14.5%	(158,100)	0	595,218	\$25.43
Northeast Atlanta	65	7,010,185	1,410,460	48,719	1,459,179	20.8%	(11,801)	0	84,000	\$21.48
Northlake	27	3,621,141	461,820	12,413	474,233	13.1%	(39,148)	0	107,500	\$21.14
Northwest Atlanta	74	15,306,526	2,204,019	223,197	2,427,216	15.9%	(364,027)	0	1,076,906	\$26.17
South Atlanta	25	1,696,208	200,602	17,172	217,774	12.8%	88,832	60,000	30,000	\$20.93
West Atlanta	1	71,500	7,524	0	7,524	10.5%	0	0	40,000	\$34.42
Totals	494	108,243,722	14,662,342	1,337,455	15,999,797	14.8%	(494,454)	60,000	4,963,133	\$27.15

CLASS "B" STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	44	3,978,046	328,767	27,316	356,083	9.0%	5,336	0	18,518	\$24.80
Central Perimeter	125	7,499,640	1,342,192	24,473	1,366,665	18.2%	26,944	0	15,402	\$23.73
Downtown Atlanta	70	8,849,274	1,108,834	0	1,108,834	12.5%	5,583	0	61,000	\$18.44
Midtown Atlanta	82	4,942,182	562,706	5,986	568,692	11.5%	13,555	0	17,000	\$23.57
North Fulton	222	10,029,519	1,451,336	16,423	1,467,759	14.6%	36,138	0	44,500	\$18.48
Northeast Atlanta	346	13,771,418	3,252,739	66,067	3,318,806	24.1%	68,801	70,000	21,553	\$16.03
Northlake	251	11,526,700	1,704,368	127,228	1,831,596	15.9%	(10,837)	0	45,000	\$17.64
Northwest Atlanta	340	14,706,759	2,302,047	38,178	2,340,225	15.9%	182,252	0	36,000	\$18.65
South Atlanta	205	9,030,397	1,043,058	70,284	1,113,342	12.3%	(6,486)	0	20,000	\$17.55
West Atlanta	47	2,061,215	490,719	0	490,719	23.8%	(17,633)	0	0	\$20.96
Totals	1,732	86,395,150	13,586,766	375,955	13,962,721	16.2%	303,653	70,000	278,973	\$18.92

CLASS "C" STATISTICS

Market	Existing Inventory		Vacancy				YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Sublease SF	Total SF	Vac%				
Buckhead	17	389,841	15,061	0	15,061	3.9%	(673)	0	0	\$20.89
Central Perimeter	37	807,660	86,098	0	86,098	10.7%	11,913	0	0	\$14.44
Downtown Atlanta	61	3,558,164	682,982	0	682,982	19.2%	38,993	0	0	\$16.45
Midtown Atlanta	24	690,283	29,699	0	29,699	4.3%	(17,356)	0	0	\$19.27
North Fulton	23	562,845	44,816	0	44,816	8.0%	(22,230)	0	0	\$16.00
Northeast Atlanta	65	1,671,307	129,762	2,180	131,942	7.9%	(3,918)	0	0	\$13.10
Northlake	88	2,795,713	106,151	5,390	111,541	4.0%	(5,779)	0	0	\$13.74
Northwest Atlanta	68	1,919,687	201,760	0	201,760	10.5%	(12,077)	0	0	\$13.61
South Atlanta	78	2,185,424	304,322	0	304,322	13.9%	(62,753)	0	0	\$18.26
West Atlanta	24	672,832	30,263	0	30,263	4.5%	6,470	0	0	\$17.30
Totals	485	15,253,756	1,630,914	7,570	1,638,484	10.7%	(67,410)	0	0	\$15.83