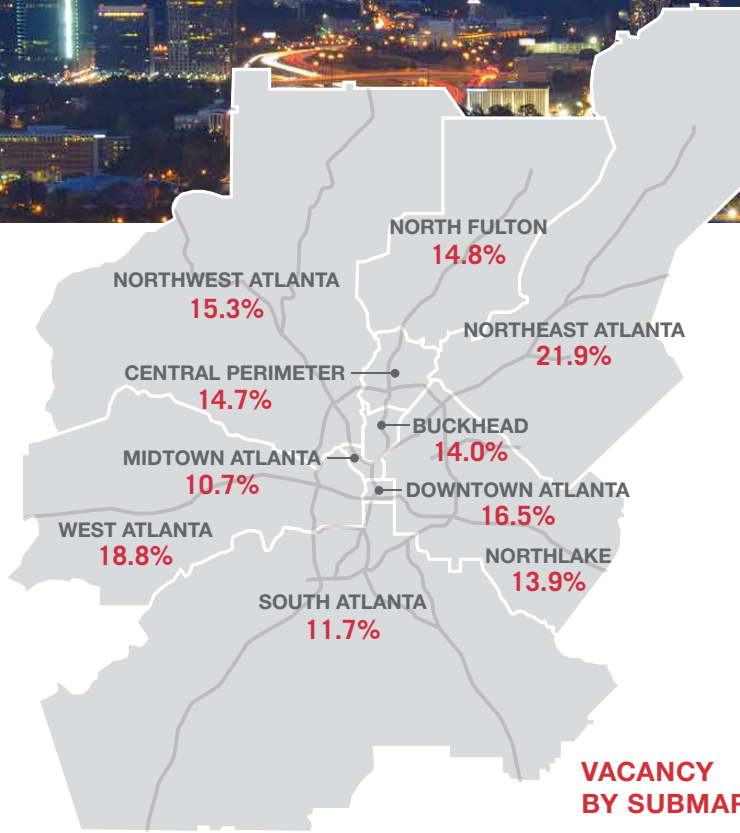


Q2'17

## Atlanta Office Market Review



### SIGNIFICANT LEASE DEALS

Building	Tenant	Submarket	Size (SF)
One Glenlake	Cotiviti	Central Perimeter	66,100
2300 Defoor Hills Rd	Reliance Worldwide Corp	Northside Dr/Ga Tech	60,760
Lakeside Office Park, Bldg E	Hodges-Mace	Central Perimeter	59,439

### SIGNIFICANT BUILDING SALES

Building(s)	Price	Submarket	Size (SF)
BB&T Tower	\$182 M	Midtown Atlanta	541,789
Regions Plaza	\$176 M	Midtown Atlanta	502,846
American Cancer Society Center	\$166 M	Downtown Atlanta	998,770

### ALL CONSTRUCTION ACTIVITY

Market	# Bldgs	Total RBA	Preleased SF	Preleased %	Available SF
Midtown Atlanta	6	1,822,149	1,146,840	62.90%	675,309
Central Perimeter	5	1,281,966	916,358	71.50%	365,608
Northwest Atlanta	9	762,139	636,331	83.50%	125,808
North Fulton	17	587,734	314,751	53.60%	272,983
Northlake	5	319,066	256,786	80.50%	62,280
Buckhead	2	147,617	52,423	35.50%	95,194
Northeast Atlanta	6	139,497	72,285	51.80%	67,212
Downtown Atlanta	4	131,300	48,190	36.70%	83,110
South Atlanta	2	60,000	9,200	15.30%	50,800
West Atlanta	2	22,200	5,270	23.70%	16,930
<b>Totals</b>	<b>58</b>	<b>5,273,668</b>	<b>3,458,434</b>	<b>65.6%</b>	<b>1,815,234</b>

#### VACANCY



**15.1%**

32.1 Million square feet of vacant office space

▲ from previous qtr  
▲ from previous year

#### NET ABSORPTION



**596,773**

Leasing activity was 2.5 million square feet

▲ from previous qtr  
▲ from previous year

#### AVERAGE RENTAL RATE



**\$23.86 PSF**

A 2% increase from the previous quarter (\$23.39)

▲ from previous qtr  
▲ from previous year

#### AVERAGE SALE PRICE



**\$127.42 (Q1)**

3 Million square feet sold in Q1 (33 buildings)

▼ from previous qtr  
▼ from previous year

#### DELIVERIES



**1,544,925 SF**

18 Buildings completed

▲ from previous qtr  
▲ from previous year

#### UNDER CONSTRUCTION



**5,273,668 SF**

58 Buildings in progress

▼ from previous qtr  
▲ from previous year

#### LARGEST DELIVERIES

**Three Alliance Center: 506,647 SF**

Buckhead | 52% Occupied | Delivered Q2'17

**Riverwood 200: 300,000 SF**

Northwest Atlanta | 82% Occupied | Delivered Q2'17

#### LARGEST UNDER CONSTRUCTION

**Coda: 760,000 SF**

Midtown Atlanta | 61% Pre-leased | Delivers Q1'19

**Park Center - State Farm Phase II: 670,000 SF**

Central Perimeter | 100% Pre-leased | Delivers Q2'20

**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	120	21,673,330	2,889,945	150,996	3,040,941	14.0%	104,160	731,579	147,617	\$32.95
Central Perimeter	243	28,519,321	3,822,632	361,946	4,184,578	14.7%	12,626	15,402	1,045,966	\$27.13
Downtown Atlanta	156	26,450,768	4,191,043	167,564	4,358,607	16.5%	99,749	0	124,000	\$23.95
Midtown Atlanta	146	21,366,411	1,978,811	312,505	2,291,316	10.7%	204,626	17,000	1,818,149	\$29.13
North Fulton	352	25,408,700	3,615,671	142,636	3,758,307	14.8%	(75,278)	266,075	518,584	\$23.00
Northeast Atlanta	480	22,753,330	4,850,651	127,070	4,977,721	21.9%	(30,054)	70,000	133,497	\$17.74
Northlake	368	18,109,542	2,371,623	138,328	2,509,951	13.9%	(241,886)	27,689	289,066	\$19.17
Northwest Atlanta	483	32,531,891	4,712,562	267,421	4,979,983	15.3%	209,105	392,000	742,639	\$22.86
South Atlanta	310	12,860,816	1,399,208	101,835	1,501,043	11.7%	208,896	90,000	60,000	\$18.34
West Atlanta	74	2,863,167	538,797	0	538,797	18.8%	21,323	0	17,000	\$20.82
<b>Totals</b>	<b>2,732</b>	<b>212,537,276</b>	<b>30,370,943</b>	<b>1,770,301</b>	<b>32,141,244</b>	<b>15.1%</b>	<b>513,267</b>	<b>1,609,745</b>	<b>4,896,518</b>	<b>\$23.86</b>

**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	59	17,305,443	2,492,714	133,319	2,626,033	15.2%	143,261	731,579	129,099	\$34.42
Central Perimeter	79	20,176,755	2,380,714	337,428	2,718,142	13.5%	7,957	0	1,045,966	\$29.00
Downtown Atlanta	26	14,254,894	2,587,205	167,564	2,754,769	19.3%	34,626	0	0	\$25.53
Midtown Atlanta	40	15,760,038	1,459,730	301,984	1,761,714	11.2%	161,367	0	1,798,000	\$31.53
North Fulton	106	14,800,877	2,223,563	135,194	2,358,757	15.9%	(184,337)	266,075	453,743	\$25.33
Northeast Atlanta	65	7,012,243	1,359,660	54,260	1,413,920	20.2%	(14,258)	0	111,944	\$21.17
Northlake	28	3,648,830	451,634	12,613	464,247	12.7%	(1,473)	27,689	244,066	\$22.67
Northwest Atlanta	76	15,770,653	2,402,818	226,770	2,629,588	16.7%	(45,537)	392,000	684,906	\$26.23
South Atlanta	26	1,726,208	190,496	17,172	207,668	12.0%	128,938	90,000	40,000	\$21.69
West Atlanta	1	71,500	7,524	0	7,524	10.5%	0	0	0	\$34.42
<b>Totals</b>	<b>506</b>	<b>110,527,441</b>	<b>15,556,058</b>	<b>1,386,304</b>	<b>16,942,362</b>	<b>15.3%</b>	<b>230,544</b>	<b>1,507,343</b>	<b>4,507,724</b>	<b>\$27.63</b>

**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	379,253	17,677	396,930	10.0%	(35,511)	0	18,518	\$24.88
Central Perimeter	126	7,517,792	1,352,654	24,518	1,377,172	18.3%	14,461	15,402	0	\$23.90
Downtown Atlanta	69	8,638,533	1,008,548	0	1,008,548	11.7%	(6,656)	0	124,000	\$19.39
Midtown Atlanta	83	4,933,090	484,588	10,521	495,109	10.0%	65,409	17,000	20,149	\$22.72
North Fulton	223	10,044,978	1,347,444	7,442	1,354,886	13.5%	131,137	0	64,841	\$18.65
Northeast Atlanta	350	14,069,080	3,337,384	70,630	3,408,014	24.2%	11,967	70,000	21,553	\$16.23
Northlake	251	11,648,729	1,814,473	120,325	1,934,798	16.6%	(235,269)	0	45,000	\$18.35
Northwest Atlanta	338	14,821,370	2,165,500	38,651	2,204,151	14.9%	267,983	0	57,733	\$19.44
South Atlanta	204	8,904,268	938,942	77,962	1,016,904	11.4%	95,326	0	20,000	\$17.55
West Atlanta	48	2,099,835	473,510	0	473,510	22.5%	10,953	0	17,000	\$20.93
<b>Totals</b>	<b>1,736</b>	<b>86,655,721</b>	<b>13,302,296</b>	<b>367,726</b>	<b>13,670,022</b>	<b>15.8%</b>	<b>319,800</b>	<b>102,402</b>	<b>388,794</b>	<b>\$19.27</b>

**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	17,978	0	17,978	4.6%	(3,590)	0	0	\$20.86
Central Perimeter	38	824,774	89,264	0	89,264	10.8%	(9,792)	0	0	\$14.42
Downtown Atlanta	61	3,557,341	595,290	0	595,290	16.7%	71,779	0	0	\$17.03
Midtown Atlanta	23	673,283	34,493	0	34,493	5.1%	(22,150)	0	0	\$21.22
North Fulton	23	562,845	44,664	0	44,664	7.9%	(22,078)	0	0	\$13.90
Northeast Atlanta	65	1,672,007	153,607	2,180	155,787	9.3%	(27,763)	0	0	\$11.83
Northlake	89	2,811,983	105,516	5,390	110,906	3.9%	(5,144)	0	0	\$14.70
Northwest Atlanta	69	1,939,868	144,244	2,000	146,244	7.5%	(13,341)	0	0	\$12.67
South Atlanta	80	2,230,340	269,770	6,701	276,471	12.4%	(15,368)	0	0	\$18.65
West Atlanta	25	691,832	57,763	0	57,763	8.3%	10,370	0	0	\$18.09
<b>Totals</b>	<b>490</b>	<b>15,354,114</b>	<b>1,512,589</b>	<b>16,271</b>	<b>1,528,860</b>	<b>10.0%</b>	<b>(37,077)</b>	<b>0</b>	<b>0</b>	<b>\$15.63</b>

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