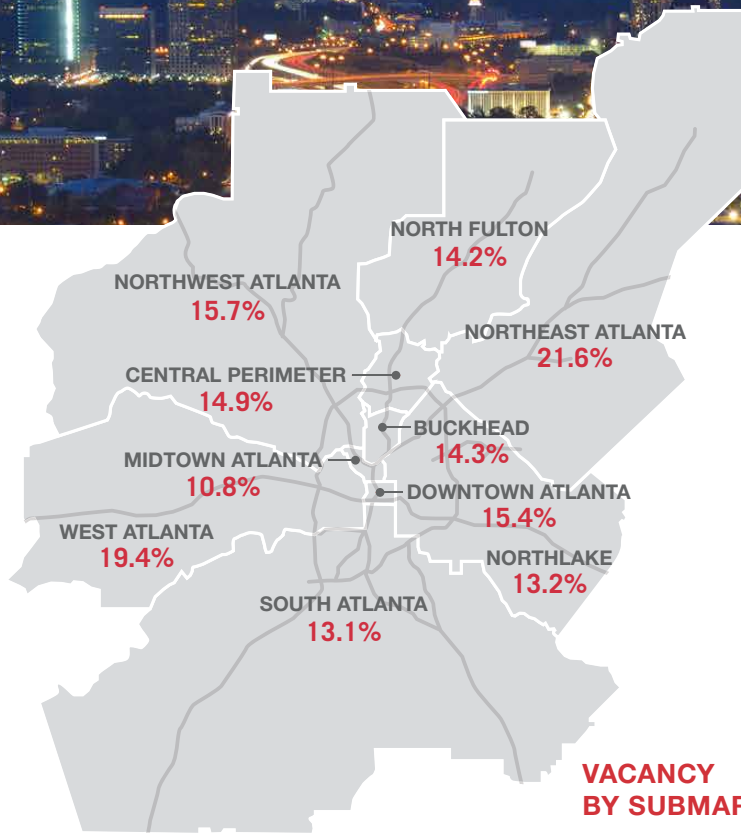


Q3'17

Atlanta Office Market Review



SIGNIFICANT LEASE DEALS

Building	Tenant	Submarket	Size (SF)
999 Peachtree St	Eversheds Sutherland	Midtown/Pershing Point	188,823
Three Alliance Center	Aon	Upper Buckhead	64,655
Platinum Tower	Aveanna Healthcare	Cumberland/Galleria	60,899

SIGNIFICANT BUILDING SALES

Building(s)	Price	Submarket	Size (SF)
Park Center 1 - State Farm	\$275.4 M	Central Perimeter	590,926
Piedmont Center (2 Properties)	\$144.0 M	Buckhead	849,000
Northside Cherokee Towne Lake	\$38.0 M	Northwest Atlanta	100,797

ALL CONSTRUCTION ACTIVITY

Market	# Bldgs	Total RBA	Preleased SF	Preleased %	Available SF
Midtown Atlanta	7	1,990,671	1,131,640	56.8%	859,031
Central Perimeter	4	1,270,966	905,358	71.2%	365,608
North Fulton	13	711,325	491,074	69.0%	220,251
Northwest Atlanta	4	520,500	500,000	96.1%	20,500
Buckhead	2	147,617	52,793	35.8%	94,824
Downtown Atlanta	4	131,300	30,500	23.2%	100,800
Northlake	3	123,000	67,470	54.9%	55,530
Northeast Atlanta	5	115,497	74,265	64.3%	41,232
South Atlanta	3	97,600	29,200	29.9%	68,400
West Atlanta	2	16,890	0	0.0%	16,890
Totals	47	5,125,366	3,282,300	64.0%	1,843,066

VACANCY



15.0%

32.2 Million square feet of vacant office space

▲ from previous qtr
▲ from previous year

NET ABSORPTION



160,134 SF

Leasing activity was 2.4 million square feet

▼ from previous qtr
▲ from previous year

AVERAGE RENTAL RATE



\$24.13 PSF

A 0.8% increase from the previous quarter (\$23.93)

▲ from previous qtr
▲ from previous year

AVERAGE SALE PRICE



\$153.53 (Q2)

4.8 Million square feet sold in Q2 (30 buildings)

▲ from previous qtr
▲ from previous year

DELIVERIES



557,132 SF

11 Buildings completed

▼ from previous qtr
▲ from previous year

UNDER CONSTRUCTION



5,125,366 SF

47 Buildings in progress

▼ from previous qtr
▲ from previous year

LARGEST DELIVERIES

3400 Overton: 172,906 SF

Northwest Atlanta | 64% Occupied | Delivered Q3'17

Flowers Rd S: 151,066 SF

Northlake | 100% Occupied | Delivered Q3'17

LARGEST UNDER CONSTRUCTION

Coda: 760,000 SF

Midtown Atlanta | 59% 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	123	22,091,848	2,986,288	175,956	3,162,244	14.3%	(5,144)	737,087	147,617	\$32.93
Central Perimeter	242	28,488,803	3,897,089	347,444	4,244,533	14.9%	(93,196)	15,402	1,045,966	\$26.80
Downtown Atlanta	154	26,283,665	3,902,310	140,257	4,042,567	15.4%	184,061	0	124,000	\$24.77
Midtown Atlanta	147	21,412,333	1,880,484	424,684	2,305,168	10.8%	148,864	17,000	1,986,671	\$30.94
North Fulton	354	25,597,384	3,435,791	205,245	3,641,036	14.2%	133,285	357,575	418,025	\$22.95
Northeast Atlanta	483	22,864,969	4,810,372	122,552	4,932,924	21.6%	(44,214)	94,000	109,497	\$17.81
Northlake	372	18,426,216	2,288,833	142,856	2,431,689	13.2%	125,093	223,755	93,000	\$19.49
Northwest Atlanta	487	33,000,302	4,909,823	259,896	5,169,719	15.7%	252,094	597,606	518,000	\$22.71
South Atlanta	315	13,030,516	1,594,140	108,920	1,703,060	13.1%	60,459	90,000	97,600	\$18.41
West Atlanta	74	2,759,926	536,289	0	536,289	19.4%	23,831	0	0	\$20.71
Totals	2,751	213,955,962	30,241,419	1,927,810	32,169,229	15.0%	785,133	2,132,425	4,540,376	\$24.13

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	63	17,928,923	2,697,624	160,598	2,858,222	15.9%	4,211	737,087	129,099	\$34.04
Central Perimeter	79	20,171,081	2,430,591	329,089	2,759,680	13.7%	(21,720)	0	1,045,966	\$28.76
Downtown Atlanta	26	14,242,031	2,441,592	138,689	2,580,281	18.1%	132,188	0	0	\$25.99
Midtown Atlanta	40	15,716,540	1,449,759	408,088	1,857,847	11.8%	91,911	0	1,966,522	\$32.84
North Fulton	108	14,945,986	2,097,207	136,375	2,233,582	14.9%	30,763	357,575	353,184	\$25.30
Northeast Atlanta	66	7,041,026	1,371,019	42,646	1,413,665	20.1%	(8,600)	24,000	87,944	\$21.24
Northlake	29	3,799,896	392,674	14,885	407,559	10.7%	200,840	178,755	93,000	\$21.21
Northwest Atlanta	79	15,948,962	2,502,971	213,415	2,716,386	17.0%	93,425	597,606	482,000	\$26.34
South Atlanta	26	1,725,102	199,312	16,572	215,884	12.5%	120,722	90,000	77,600	\$21.43
West Atlanta	1	71,500	3,358	0	3,358	4.7%	4,166	0	0	\$34.42
Totals	517	111,591,047	15,586,107	1,460,357	17,046,464	15.3%	647,906	1,985,023	4,235,315	\$27.88

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	43	3,773,084	274,882	15,358	290,240	7.7%	(9,961)	0	18,518	\$23.85
Central Perimeter	126	7,522,323	1,349,002	18,355	1,367,357	18.2%	(33,452)	15,402	0	\$21.85
Downtown Atlanta	69	8,638,533	920,198	0	920,198	10.7%	(2,408)	0	124,000	\$20.30
Midtown Atlanta	84	5,022,510	405,998	16,596	422,594	8.4%	80,296	17,000	20,149	\$23.27
North Fulton	222	10,063,641	1,315,985	68,870	1,384,855	13.8%	98,449	0	64,841	\$19.43
Northeast Atlanta	350	14,082,076	3,277,157	77,726	3,354,883	23.8%	14,770	70,000	21,553	\$16.02
Northlake	253	11,798,057	1,816,761	122,581	1,939,342	16.4%	(79,381)	45,000	0	\$18.95
Northwest Atlanta	339	15,107,602	2,253,941	42,881	2,296,822	15.2%	182,277	0	36,000	\$19.44
South Atlanta	206	8,961,298	982,679	82,962	1,065,641	11.9%	38,551	0	20,000	\$17.83
West Atlanta	48	2,099,835	473,968	0	473,968	22.6%	10,495	0	0	\$20.93
Totals	1,740	87,068,959	13,070,571	445,329	13,515,900	15.5%	299,636	147,402	305,061	\$19.09

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	13,782	0	13,782	3.5%	606	0	0	\$20.93
Central Perimeter	37	795,399	117,496	0	117,496	14.8%	(38,024)	0	0	\$15.18
Downtown Atlanta	59	3,403,101	540,520	1,568	542,088	15.9%	54,281	0	0	\$17.78
Midtown Atlanta	23	673,283	24,727	0	24,727	3.7%	(23,343)	0	0	\$21.58
North Fulton	24	587,757	22,599	0	22,599	3.8%	4,073	0	0	\$14.59
Northeast Atlanta	67	1,741,867	162,196	2,180	164,376	9.4%	(50,384)	0	0	\$14.16
Northlake	90	2,828,263	79,398	5,390	84,788	3.0%	3,634	0	0	\$15.65
Northwest Atlanta	69	1,943,738	152,911	3,600	156,511	8.1%	(23,608)	0	0	\$12.47
South Atlanta	83	2,344,116	412,149	9,386	421,535	18.0%	(98,814)	0	0	\$18.34
West Atlanta	25	588,591	58,963	0	58,963	10.0%	9,170	0	0	\$18.03
Totals	494	15,295,956	1,584,741	22,124	1,606,865	10.5%	(162,409)	0	0	\$16.14

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