

**VACANCY**  
**7.2%**  
Up from the  
previous quarter



**MARKET RENT**  
**\$6.15 PSF**  
Up 6.54% YOY



**ABSORPTION**  
**547K SF**  
Demand in South &  
I-20 West corridors



**DELIVERIES**  
**4.9 MSF**  
16 Buildings



**CONSTRUCTION**  
**22.4 MSF**  
41% Released

# INDUSTRIAL

## CORONAVIRUS UPENDS REAL ESTATE MARKET, BUT INDUSTRIAL SECTOR MAY FARE BEST

### VACANCIES REMAIN BELOW HISTORICAL AVERAGE

The coronavirus outbreak is causing significant economic disruption in Atlanta. While the full impact of the pandemic is unknown, the industrial sector may fare better than other property types in the coming months due to sustained demand for goods and logistical capabilities. Nevertheless, any disruption in trade could affect Atlanta industrial.

National and institutional investors continue to flock to industrial assets in Atlanta, with the market setting a new record for sales volume in 2019. Pricing continues to appreciate, with average sales now coming in at roughly \$68/SF. Even if industrial demand slows, vacancies should remain below Atlanta's long-term historical average. Meanwhile, rent growth continues to outperform the national benchmark.

Due to the coronavirus, commercial real estate has had to adapt to new technologies like virtual tours and proptech. These changes may lead to a permanent shift, as tenants are more likely to tour spaces that offer virtual tours. However, the industrial sector will not be impervious to the pandemic's repercussions, but cities like Atlanta with solid e-commerce footholds and third-party logistics hubs will fare best at surviving an economic downturn.

### UNDER CONSTRUCTION

Submarket	# Bldgs	RBA (SF)	Released
South Atlanta	19	9,802,538	35%
Stone Mountain	1	2,800,000	100%
Jefferson	3	2,315,074	56%
I-20 W/Fulton	6	2,297,345	0%
Snapfinger/I-20E	4	1,734,240	56%
Northwest	8	1,650,009	19%
Northeast	8	736,372	8%
North Central	5	507,703	3%
Gainesville	2	338,000	0%
Chattahoochee	1	250,000	100%
<b>TOTAL</b>	<b>57</b>	<b>22,431,281</b>	<b>41%</b>

### FULL STEAM AHEAD

Though COVID-19 may lead to project delays, Q1 showed that Atlanta's supply wave continues full steam ahead. With 59% of under-construction space available and over 22 MSF being built, Atlanta ranks among the top five for industrial space underway nationally.

### NOTABLE TRANSACTIONS

LEASE	Submarket	Tenant	Size (SF)
5000 Lanier Islands Pky, Bldgs 1 & 2*	Gainesville	Amazon	1,117,509
280 Bridgeport Blvd, Bldg B	Fayette/Coweta	Amazon	1,002,150
2160 Anvil Block Rd, Bldg 900	Airport/N Clayton	XPO Logistics	673,818
SALE	Submarket	Price	Size (SF)
Greenwood Industrial Park	S Clayton/Henry Cnty	\$48.1M	800,000
King Mill Distribution Park, Phase II	S Clayton/Henry Cnty	\$45.7M	760,256
3755 Atlanta Industrial Pky N	Fulton District	\$35.8M	403,285

\*NAI Brannen Goddard Assignment

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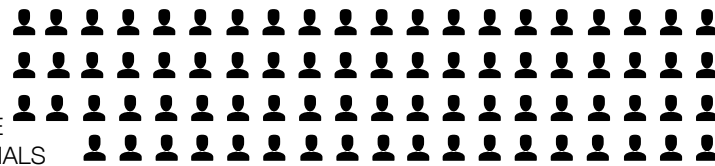
## INDUSTRIAL BY SUBMARKET

Submarket	Total RBA	Vacant SF	Vacancy %	Absorption YTD	Deliveries YTD	Constuction SF
Central Atlanta	12,691,493	877,322	6.9%	9,049	0	0
Chattahoochee	18,996,364	1,334,193	7.0%	(86,010)	0	250,000
Gainesville	23,716,623	1,820,985	7.7%	356,465	1,486,293	376,000
I-20 W/Fulton	108,129,163	4,945,651	4.6%	310,731	637,350	2,282,345
Jefferson	34,053,843	7,811,377	22.9%	136,149	0	2,315,074
North Central Atlanta	27,286,512	945,245	3.5%	(9,379)	0	487,703
Northeast Atlanta	148,434,165	6,526,003	4.4%	(33,449)	327,540	569,105
Northwest Atlanta	73,691,797	3,466,467	4.7%	(121,931)	114,380	1,327,045
Snapfinger/I-20 East	49,663,089	1,857,541	3.7%	186,565	188,225	1,734,240
South Atlanta	199,121,705	21,103,722	10.6%	(338,098)	2,640,227	9,782,538
Stone Mountain	25,791,520	1,307,525	5.1%	136,541	0	2,964,000
<b>TOTALS</b>	<b>721,576,274</b>	<b>51,996,031</b>	<b>7.2%</b>	<b>546,633</b>	<b>5,394,015</b>	<b>22,088,050</b>

## INDUSTRIAL BY PRODUCT TYPE

Product	Total RBA	Vacant SF	Vacancy %	Absorption YTD	Deliveries YTD	Constuction SF
Flex	48,329,611	3,171,978	6.6%	(73,517)	213,500	1,293,000
Shallow-Bay	110,562,644	2,872,081	2.6%	597,466	663,000	3,674,000
Warehouse	562,684,019	45,951,972	8.2%	22,684	4,517,515	17,121,050

## NAI BRANNEN GODDARD

**78** 

REAL ESTATE PROFESSIONALS



**TOP FIRM WINNER**

TOP LEASING FIRMS  
TOP SALES FIRMS

 **\$995**

MILLION IN TRANSACTIONAL VOLUME

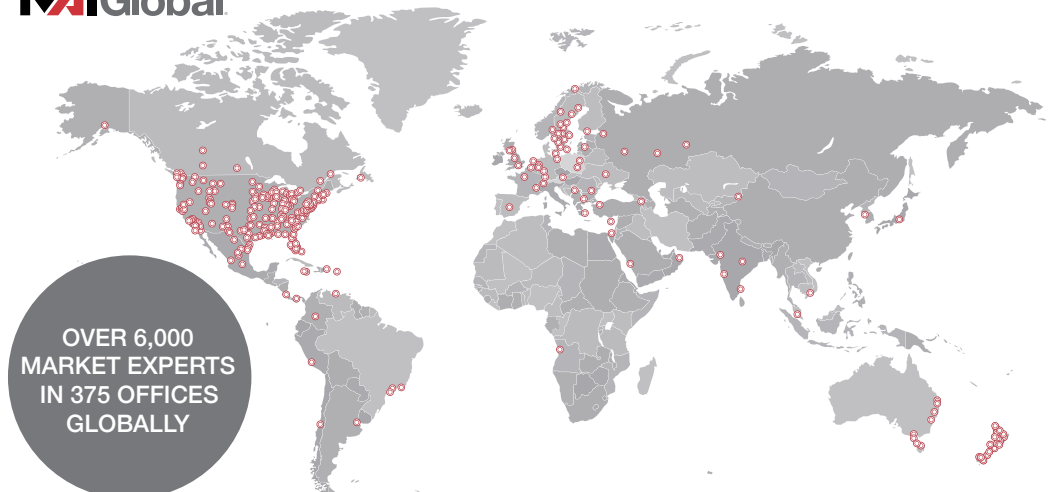
 **42M**

TOTAL SQUARE FEET IN LISTINGS

 **OVER 1.5M**

MONTHLY LEASING ACTIVITY

**NAI**Global



**OVER 6,000  
MARKET EXPERTS  
IN 375 OFFICES  
GLOBALLY**

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