Office Market Report

Atlanta - GA

PREPARED BY

COLDWELL BANKER COMMERCIAL METRO BROKERS

John Rose

Agent

CoStar™

OFFICE MARKET REPORT

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Overview

Atlanta Office

12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	12 Mo Rent Growth
2.1 M	(5 M)	13.7%	-0.2%

Thanks to a limited supply pipeline and steady demand, Atlanta's office market was in a healthy position heading into the coronavirus pandemic, but market conditions have softened over the past few quarters. While the market has continued to land big tenants such as Microsoft, Deluxe Corporation, Papa John's, and Airbnb, overall leasing activity has slowed since the onset of the pandemic. Furthermore, the metro is contending with the effects of a few large move-outs and a rising amount of sublet availability. Leasing and rent growth indicators will likely continue to feel the impact of the pandemic in the near term.

Construction activity has increased in recent years, but the amount of new supply underway is roughly equal to the national average on a percentage basis. Many new projects broke ground on a speculative basis, and roughly 50% of the current pipeline is unleased. Rent growth has cooled considerably in recent quarters, and rents have softened in every major submarket in Atlanta since the start of the pandemic.

Sales volume has slowed to a crawl since the onset of the pandemic, and the uncertainty caused by the outbreak could keep investment activity muted over the next few months. Above-average rent growth helped push pricing higher in recent years, but Atlanta assets still come at a significant bargain in terms of yields and pricing compared to core coastal office markets. However, the metro's steady price appreciation may come to a halt over the next few quarters due to the effects of the pandemic on the office sector.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	125,515,254	18.0%	$2.84	23.4%	(235,990)	0	6,907,908
3 Star	116,752,389	13.6%	$1.94	16.9%	(27,976)	0	301,139
1 & 2 Star	80,671,342	7.4%	$1.56	9.4%	(15,294)	0	59,610
Market	**322,938,985**	**13.7%**	**$2.21**	**17.7%**	**(279,260)**	**0**	**7,268,657**

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	2.1%	12.6%	13.3%	16.8%	2011 Q2	7.1%	1999 Q3
Net Absorption SF	(5 M)	4,328,099	2,506,148	14,804,462	1999 Q3	(4,848,048)	2021 Q1
Deliveries SF	2.1 M	5,268,995	3,655,844	14,019,541	1999 Q4	407,494	2011 Q1
Rent Growth	-0.2%	1.6%	1.7%	7.6%	1997 Q1	-5.7%	2010 Q1
Sales Volume	$1.6 B	$1.8B	N/A	$7B	2007 Q2	$0	1994 Q4

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Consistently strong demand and a relatively tame construction pipeline kept Atlanta's office vacancy rate relatively flat for years leading up to the coronavirus pandemic. However, vacancies have trended upwards over the past few quarters, as the metro continues to deal with the effects of the pandemic on its office sector. Furthermore, Atlanta's pipeline has ramped up in recent years, and a large portion of new construction is speculative, which should push vacancies higher over the next few quarters. The metro will also continue to feel the impact of major move-outs by AT&T, the American Cancer Society, SunTrust, and Blue Cross Blue Shield, as well as potential longer-term demand-side headwinds such as firms looking to reduce their physical office footprints due to financial difficulty or shifting towards a more permanent remote-work structure.

Despite these issues, Atlanta has scored a handful of large corporate leases from firms like Microsoft, Mailchimp, Deluxe Corporation, and Papa John's since the start of the pandemic. These moves, along with already signed deals by Norfolk Southern, Google, and Thyssenkrupp, will boost net absorption over the next few quarters and help keep the metro's vacancy rate below its Great Recession-era peak.

A growing concern for the market is the amount of sublet availability cropping up since the onset of the pandemic. Atlanta has roughly 5.9 million SF of sublet space available, representing about 1.8% of the metro's total inventory, which is up from about 3.2 million SF at the start of 2020. Atlanta now has more sublet space on the market than at any point since the Great Recession. While a few of the largest blocks of sublet space came on the market before the pandemic, some sizable availabilities have come on line in recent months. For example, Synchrony Bank put 203,000 SF up for sublet in North Fulton in late 2020 as the firm moves to a more permanent remote work model, IHG listed more than 200,000 SF of space for sublet at its headquarters in Central Perimeter in early 2021, and a few midsized firms are subletting space at Bank of America Plaza. As tenants look to reassess their physical office footprints in a post-pandemic environment, sublet availability may remain an issue for Atlanta's office market in the near term.

Large deals in Atlanta have varied by industry, but tech and IT leasing are driving absorption, particularly in Midtown. While overall leasing activity has slowed since the onset of the pandemic, the metro has scored a few major relocations and expansions in recent quarters. Microsoft inked a 523,000-SF lease at Atlantic Station in Midtown in May 2020, as the firm is establishing a major artificial intelligence and cloud computing hub. In September, Mailchimp announced it was roughly doubling its footprint to about 300,000 SF at a new BeltLine-adjacent tower when it completes in 2022. These deals come after NCR moved thousands of employees from Gwinnett County to its Midtown build-to-suit, and Kaiser Permanente hired 900 IT workers in Midtown. Other IT operations of Fortune 500 companies that have set up shop in Midtown include Honeywell, Anthem, Google, BlackRock, GE, and Facebook.

Atlanta's premier suburban submarkets have landed a number of national companies to major deals over the past several years, as well. In Cumberland/Galleria, Comcast inked a deal for 260,000 SF in The Battery development at Truist Park to consolidate some of its Atlanta-area offices and add an innovation center. HD Supply moved into a 222,000-SF build-to-suit just down the road that serves as its HQ in Cumberland/Galleria, German manufacturing giant Thyssenkrupp is building its new North American HQ at The Battery, and Papa John's agreed to take 60,000 SF at The Battery in a headquarters relocation. Nearby in Central Perimeter, FinTech firm Deluxe Corporation signed for 171,000 SF in 20Q3 in a major corporate expansion. State Farm, Mercedes-Benz, and Cox Communications have each moved into massive build-to-suits in Central Perimeter in recent years.

Atlanta benefits from its relative affordability, above-average education levels, and the presence of Hartsfield-Jackson International Airport. Atlanta office space comes at a significant discount to coastal metros, and corporations choosing to relocate to or expand in the metro often don't have to sacrifice quality of labor or accessibility. The general cost of living in Atlanta is also less than in coastal markets, which helps fuel in-migration and helps companies recruit highly educated talent.

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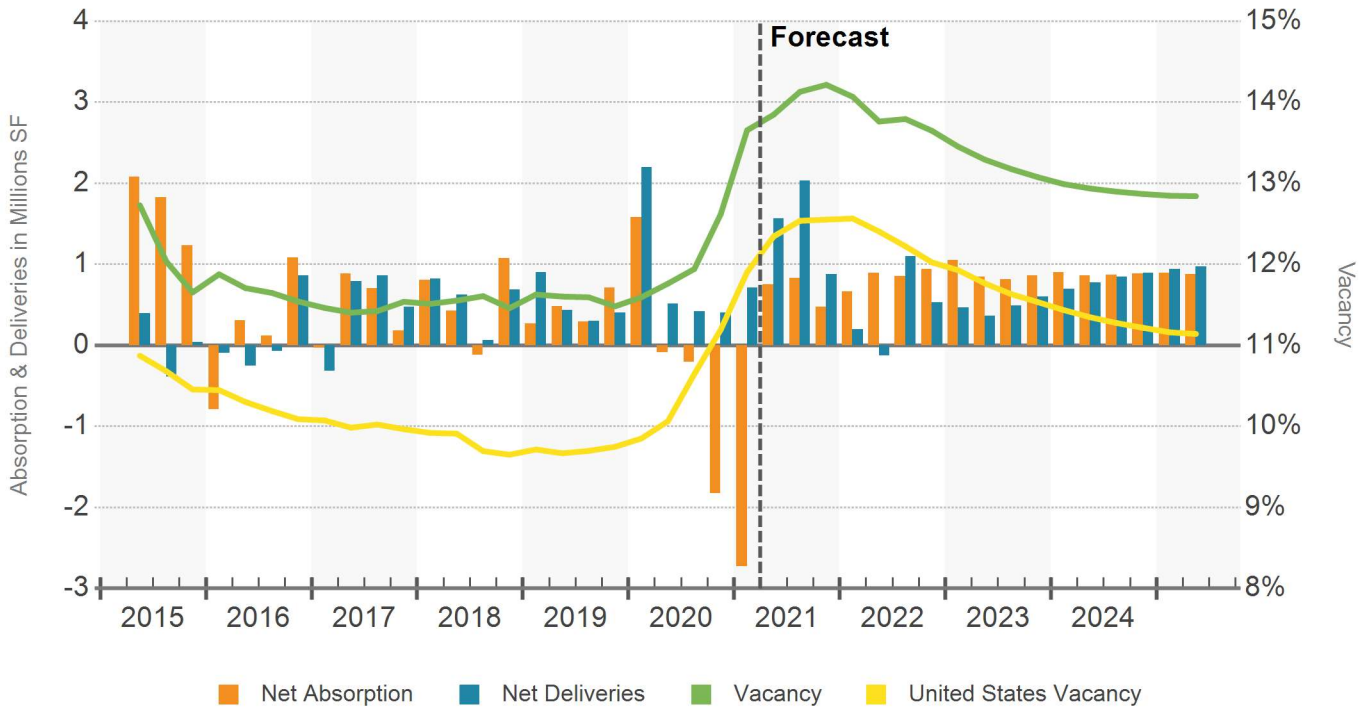
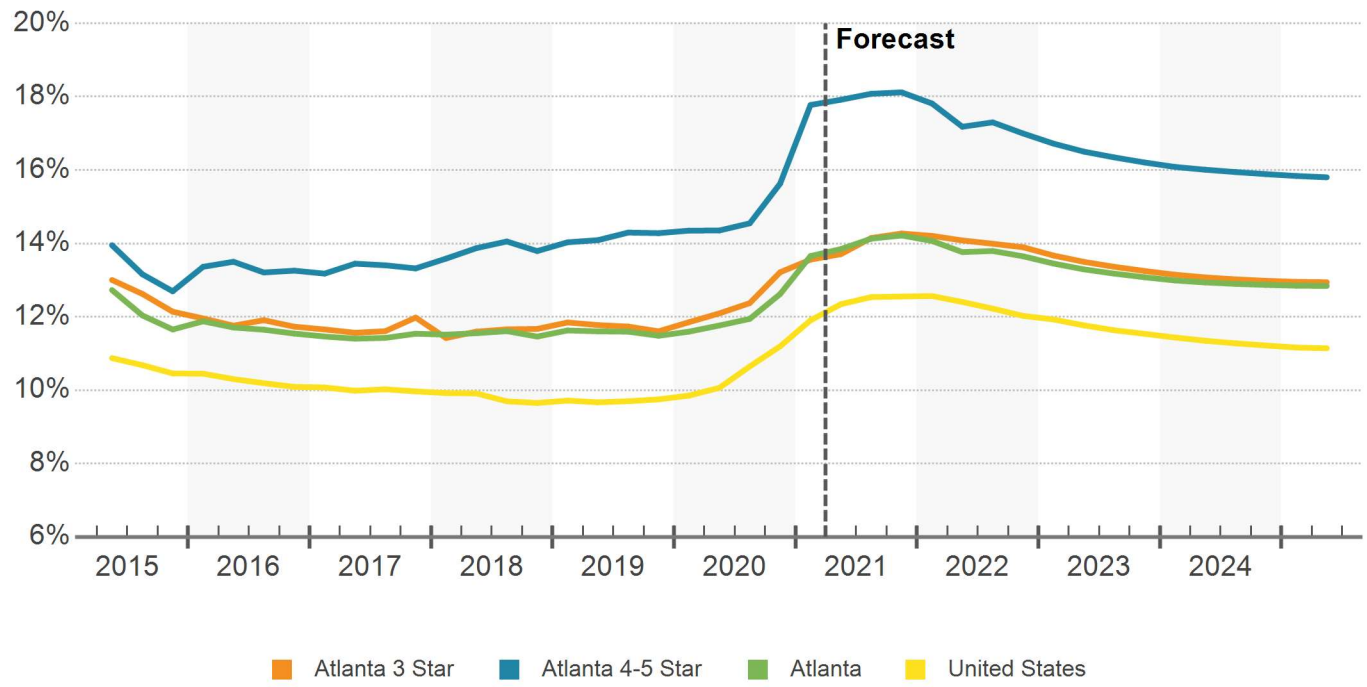
NET ABSORPTION, NET DELIVERIES & VACANCY



VACANCY RATE



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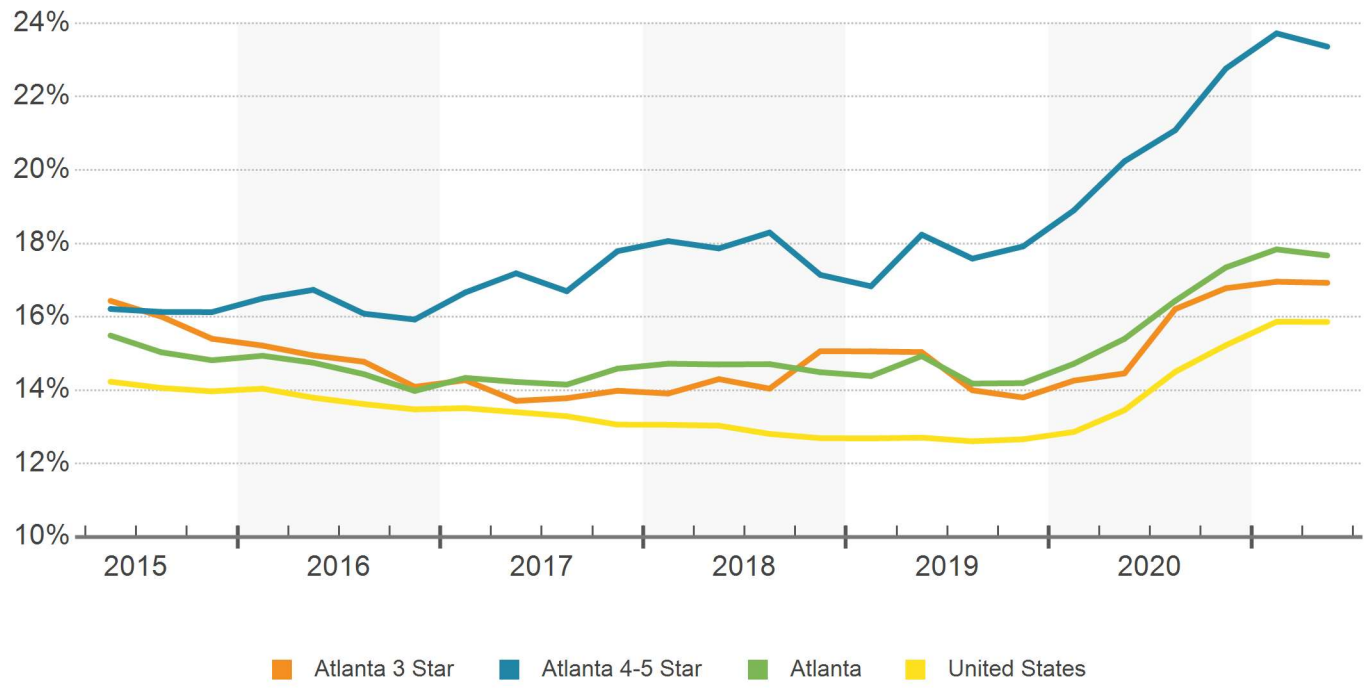
AVAILABILITY RATE



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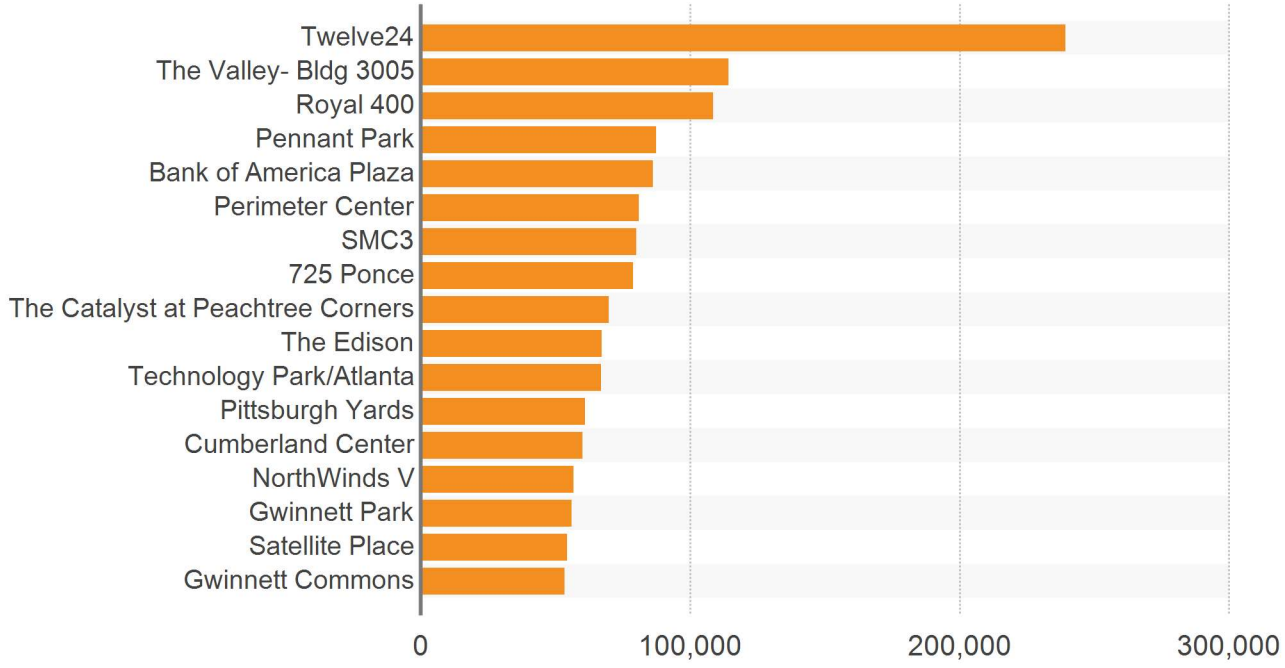
12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Twelve24	Central Perimeter	335,000	95,147	0	0	0	0	239,426
The Valley- Bldg 3005	Chamblee/Dville/N D···	114,366	0	0	0	0	0	114,365
Royal 400	N Fulton/Forsyth Co···	108,512	0	0	0	0	0	108,512
Pennant Park	Cumberland/Galleria	181,269	0	87,419	0	0	0	87,419
Bank of America Plaza	Downtown Atlanta	1,330,000	503,368	0	48,002	0	0	86,178
Perimeter Center	Central Perimeter	547,281	262,571	4,254	0	0	0	81,029
SMC3	Fayette/Coweta County	80,000	0	0	0	0	0	80,000
725 Ponce	Midtown/Pershing Po···	370,931	5,000	0	0	0	0	78,885
The Catalyst at Peachtree Corners	Norcross/Peachtree···	74,800	0	0	0	0	0	69,868
The Edison	N Fulton/Forsyth Co···	107,991	7,081	0	0	0	0	67,283
Technology Park/Atlanta	Norcross/Peachtree···	66,870	0	0	0	0	0	66,870
Pittsburgh Yards	North Clayton/Airport	61,000	0	0	0	0	0	61,000
Cumberland Center	Cumberland/Galleria	194,286	985	7,484	13,532	0	0	60,011
NorthWinds V	N Fulton/Forsyth Co···	149,235	1,011	0	0	0	0	56,642
Gwinnett Park	Duluth/Suwanee/Buf···	56,540	0	0	0	0	0	56,110
Satellite Place	Duluth/Suwanee/Buf···	135,096	76,416	0	0	0	0	54,250
Gwinnett Commons	Duluth/Suwanee/Buf···	57,085	0	0	0	0	0	53,321
Subtotal Primary Competitors		**3,970,262**	**951,579**	**99,157**	**61,534**	**0**	**0**	**1,421,169**
Remaining Atlanta Market		318,968,723	43,426,017	(2,824,831)	(340,794)	0	0	(6,542,773)
Total Atlanta Market		**322,938,985**	**44,377,596**	**(2,725,674)**	**(279,260)**	**0**	**0**	**(5,121,604)**

TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
1105 West Peachtree	Midtown/Pershing Point	404,608	Q2 20	Google	-	Selig Enterprises
Atlantic Station	Midtown/Pershing Point	366,970	Q2 20	Microsoft Corporation	T Dallas Smith & Co···	Hines
Lake Mirror Logistics Center *	Airport/North Clayton	322,268	Q1 21	U.S. Post Office	JLL	Lee & Associates Com···
760 Ralph McGill	Downtown Atlanta	300,000	Q3 20	Mailchimp	-	New City Properties
Windward	N Fulton/Forsyth County	206,542	Q1 21	Global Payments	MWM Group	Colliers International
Glenridge Highlands	Central Perimeter	171,269	Q3 20	Deluxe Corporation	Colliers International···	JLL
Atlantic Station	Midtown/Pershing Point	156,541	Q2 20	Microsoft Corporation	T Dallas Smith & Co···	Hines
Deerfield Park *	N Fulton/Forsyth County	128,850	Q2 20	Philips Electronics	JLL	Hines
Overton Park *	Cumberland/Galleria	108,209	Q4 20	Randstad	-	Transwestern Real Est···
12th & Midtown *	Midtown/Pershing Point	94,541	Q3 20	Seyfarth Shaw LLP	-	CBRE
Twelve24	Central Perimeter	91,647	Q4 20	Insight Global	Colliers International	CBRE
American Cancer Society Center *	Downtown Atlanta	80,838	Q2 20	Internap Corporation	-	-
Windward	N Fulton/Forsyth County	78,724	Q2 21	-	-	Colliers International
Windward	N Fulton/Forsyth County	76,291	Q2 21	-	-	Colliers International
Piazza at Paces *	Upper Buckhead	71,510	Q3 20	Preferred Apartment Com···	-	CBRE
250 East Ponce	Decatur	69,232	Q2 20	Emory Nursing Learning···	Scotland Wright Ass···	Avison Young
Battery at Truist Park	Cumberland/Galleria	61,187	Q4 20	Papa John's	Colliers International	JLL
Perimeter Summit	Central Perimeter	60,000	Q3 20	Rooms To Go	Savills	CBRE;Seven Oaks Co···
Glenlake Office Park	Central Perimeter	53,440	Q1 21	ServiceMaster	JLL	Cushman & Wakefield
Satellite Place	Duluth/Suwanee/Buford	53,010	Q3 20	AMI	-	JLL
100 Peachtree *	Downtown Atlanta	48,006	Q4 20	Office of The Public Defen···	-	JLL
Bank of America Plaza	Downtown Atlanta	48,002	Q2 20	Lewis Brisbois	Avison Young	CBRE
Camp Creek	North Clayton/Airport	47,643	Q4 20	-	-	Lincoln Property Comp···
One Atlantic Center *	Midtown/Pershing Point	46,195	Q2 20	DLA Piper LLP (US)	-	-
Perimeter Summit	Central Perimeter	45,708	Q4 20	Burns & McDonnell	CBRE	CBRE
Regions Plaza *	Midtown/Pershing Point	45,000	Q4 20	Holland & Knight	JLL	Stream Realty Partners···
Cumberland Center	Cumberland/Galleria	38,731	Q4 20	First Investors Financial S···	ICON Commercial In···	Pope & Land Real Estate
Concourse *	Central Perimeter	36,731	Q3 20	First Advantage	-	CBRE
Summit at Peachtree Parkway	Norcross/Peachtree Corn···	36,000	Q1 21	Soliant Health	-	JLL
Atlanta Technology Center *	Midtown/Pershing Point	33,492	Q4 20	Georgia Tech Research I···	-	Cushman & Wakefield
Paces West *	Cumberland/Galleria	32,467	Q2 20	Om Partners USA Inc	JLL	JLL
Atlanta Financial Center	Upper Buckhead	30,392	Q3 20	Venture X	Cushman & Wakefield	Transwestern Real Est···
Pennant Park	Cumberland/Galleria	30,202	Q1 21	New Benevis, Inc.	-	Cushman & Wakefield
2060 Baker Way	Kennesaw/Town Center	29,990	Q3 20	US Cabinet Depot	-	US Cabinet Depot
IntelliCenter - Atlanta	Duluth/Suwanee/Buford	28,417	Q2 20	-	-	CBRE
Piedmont Center *	Upper Buckhead	28,305	Q2 20	Nexidia	Savills	Cushman & Wakefield
Spectrum 2915	Duluth/Suwanee/Buford	27,906	Q3 20	Moneypenny	-	Lincoln Property Comp···
The Hurt Building	Downtown Atlanta	27,873	Q3 20	Morehouse School of Med···	-	JLL
Windward	N Fulton/Forsyth County	27,603	Q2 21	-	-	Colliers International
Fayette Prof. Center - Phase I	Fayette/Coweta County	26,500	Q2 20	Atlanta Gastroenterology	-	Remedy Medical Prope···

Renewal

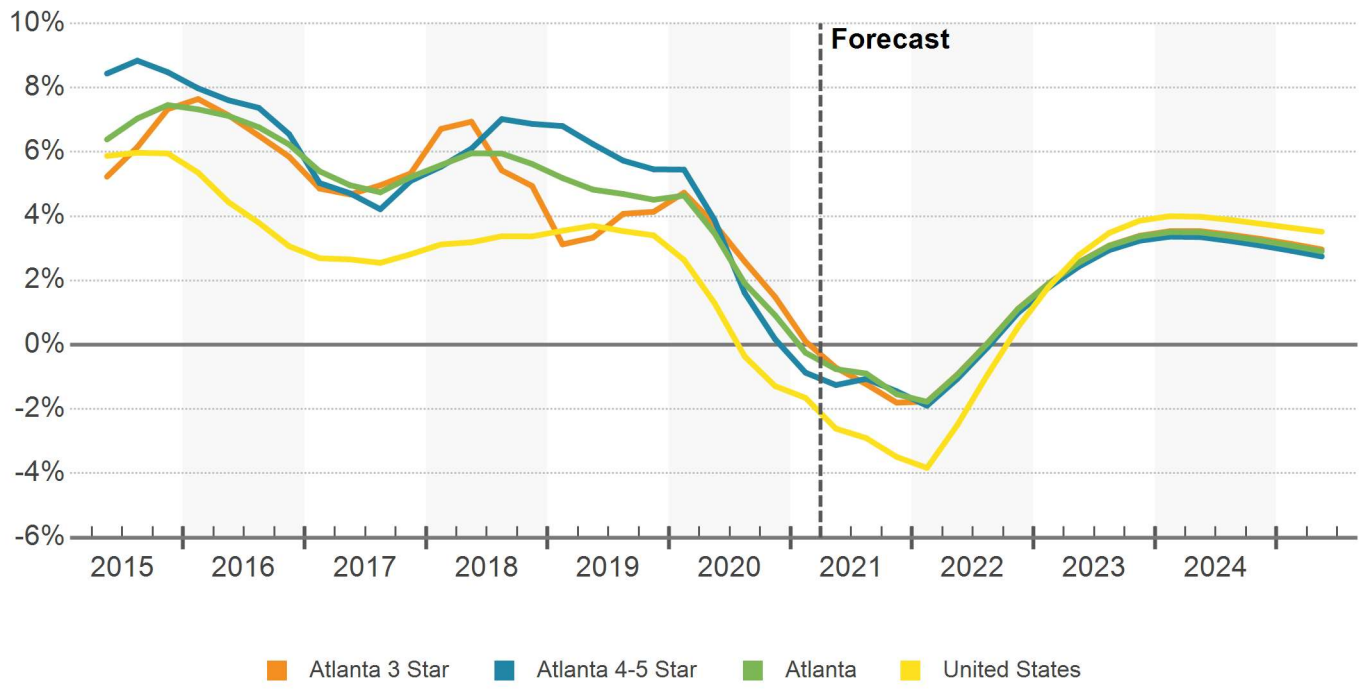
Atlanta rent growth has slowed considerably in recent quarters, as office landlords have generally frozen asking rents since the onset of the pandemic. Pricing power will likely continue to shift in the favor of tenants over the next few quarters due to Atlanta's sizable speculative pipeline, the increase in sublet availability and large blocks of backfill space, slower leasing environment, and economic uncertainty caused by the coronavirus pandemic.

Rent growth among 4 & 5 Star assets outpaced the metro average in the years preceding the pandemic, owing to a strong flight-to-quality effect along with a lack of large-scale speculative construction. However, the year-over-year figure of -0.9% for that slice is down considerably from the roughly 5.5% trailing 12-month growth the metro posted in 20Q1.

Among submarkets, Midtown rent growth has cooled significantly since the onset of the pandemic, as speculative supply and weaker leasing activity are weighing on the submarket's rents. Buckhead, which was a strong performer coming out of the Great Recession, has seen a notable slowdown in rent growth over the past few quarters as well. The submarket, which has long served as Atlanta's financial hub, has large blocks of backfill space to contend with, and has not seen the same type of leasing velocity as Midtown has in recent years.

The delta between 4 & 5 Star rents in Midtown and Buckhead and those in premier suburban submarkets could provide a boost for landlords in areas like Central Perimeter and Cumberland/Galleria. For example, the gap between 4 & 5 Star rents in Midtown and Central Perimeter was about $5/SF in 2008, while today the difference is roughly $12/SF. Secondary suburban nodes like Duluth/Suwanee/Buford, North Clayton/Airport, and Norcross/Peachtree Corners have generally underperformed the metro average in recent years, as tenants migrate to submarkets with transit accessibility and high-quality office stock.

MARKET RENT GROWTH (YOY)



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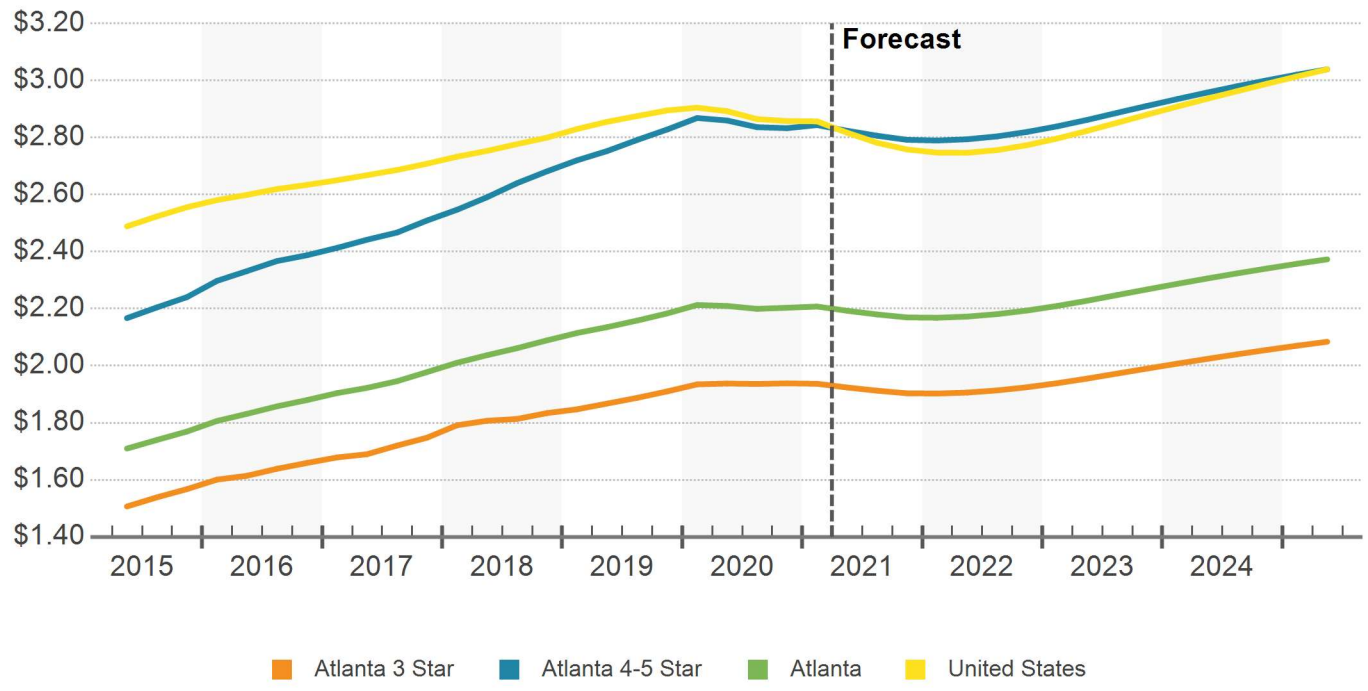
MARKET RENT PER SQUARE FEET



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Atlanta	$0.41	$1.08	$0.19	$2.80	$6.39	**$10.87**
Buckhead	$0.41	$1.28	$0.21	$4.10	$7.98	**$13.98**
Central Perimeter	$0.44	$1.24	$0.17	$3.46	$7.26	**$12.57**
Downtown Atlanta	$0.54	$0.78	$0.26	$2.42	$5.63	**$9.63**
Midtown Atlanta	$0.52	$1.01	$0.19	$4.03	$6.07	**$11.82**
North Fulton	$0.35	$0.99	$0.13	$1.97	$6.64	**$10.08**
Northeast Atlanta	$0.37	$1.06	$0.18	$2.01	$4.40	**$8.02**
Northlake	$0.40	$0.94	$0.20	$2.22	$4.92	**$8.68**
Northwest Atlanta	$0.39	$1.15	$0.23	$2.84	$6.19	**$10.80**
South Atlanta	$0.43	$1.10	$0.24	$1.53	$6.56	**$9.86**
West Atlanta	$0.42	$1.08	$0.23	$2.66	$6.56	**$10.95**

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

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3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Atlanta	$0.35	$0.84	$0.16	$1.89	$3.59	**$6.83**
Buckhead	$0.39	$0.86	$0.16	$2.71	$4.60	**$8.72**
Central Perimeter	$0.40	$0.79	$0.16	$2.43	$4.91	**$8.69**
Downtown Atlanta	$0.46	$0.67	$0.19	$1.89	$4.14	**$7.35**
Midtown Atlanta	$0.42	$0.84	$0.13	$2.14	$4.63	**$8.16**
North Fulton	$0.32	$0.76	$0.12	$1.83	$3.71	**$6.74**
Northeast Atlanta	$0.34	$0.78	$0.14	$1.91	$2.79	**$5.96**
Northlake	$0.34	$0.85	$0.15	$2.28	$3.81	**$7.43**
Northwest Atlanta	$0.34	$0.91	$0.20	$1.58	$3.71	**$6.74**
South Atlanta	$0.38	$0.91	$0.15	$1.83	$3.41	**$6.68**
West Atlanta	$0.39	$0.93	$0.16	$1.72	$3.72	**$6.92**

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Atlanta	$0.32	$0.76	$0.15	$1.81	$2.76	**$5.80**
Buckhead	$0.35	$0.72	$0.15	$3.66	$3.16	**$8.04**
Central Perimeter	$0.39	$0.76	$0.15	$2.63	$3.35	**$7.28**
Downtown Atlanta	$0.27	$0.55	$0.18	$1.84	$4.52	**$7.36**
Midtown Atlanta	$0.25	$0.59	$0.13	$2.52	$5.03	**$8.52**
North Fulton	$0.29	$0.68	$0.11	$1.87	$2.26	**$5.21**
Northeast Atlanta	$0.30	$0.71	$0.13	$1.80	$2.35	**$5.29**
Northlake	$0.31	$0.68	$0.13	$2.24	$2.89	**$6.25**
Northwest Atlanta	$0.31	$0.85	$0.19	$1.26	$2.41	**$5.02**
South Atlanta	$0.36	$0.86	$0.15	$1.60	$2.88	**$5.85**
West Atlanta	$0.36	$0.87	$0.15	$1.42	$3	**$5.80**

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

New office supply was slow to return to Atlanta coming out of the Great Recession, but developers responded to the metro's consistently low vacancies, strong rent growth, and impressive leasing velocity by breaking ground on a number of major projects in recent years. While projects such as the 2017-built Three Alliance and the 2019-built 725 Ponce were quick to lease at top-of-the-market rents, Atlanta's recently delivered and under construction developments are facing a significantly more challenging leasing environment due to the effects of the coronavirus pandemic. Furthermore, developers have continued to break ground on large speculative projects over the past few quarters, despite the impact of the pandemic. Echo Street West (255,000 SF), Westside Paper (224,000 SF), the Offices at Northlake Mall (530,000 SF), and 14th and Spring (313,000 SF) all started construction after the pandemic hit, and they all have sizable spec components.

With 7.3 million SF under construction, the metro ranks as one of the most active construction markets in the country on a nominal basis. Many of those deals are at least partially speculative, and there is even more spec supply in the planning stages. Roughly 50% of office space under construction is available for lease, while spec construction was virtually nonexistent for years after the Great Recession. However, even with the increase in construction activity, Atlanta is building at a similar pace to the National Index on a percentage basis.

A large portion of the recently delivered or under-construction spec is concentrated in Midtown. Projects like 1105 West Peachtree (679,000 SF), T3 West Midtown at Atlantic Station (232,000 SF), and Atlantic Yards North and South (523,000 SF) all started construction with major spec components. But 1105 West Peachtree broke ground in early 2019 after landing Google and law firm Smith Gambrell & Russell, T3 West Midtown scored Facebook a few months after wrapping up construction in late 2019, and Microsoft leased the entire Atlantic Yards project in May 2020, while it was still under construction. In Buckhead, the 340,000-SF One Phipps Plaza broke ground in early 2019 on a purely speculative basis and is still completely available for lease.

Speculative construction has returned in recent years, but there are still a handful of large single-tenant projects in the pipeline. One of the biggest Atlanta build-to-suits is State Farm's campus in Central Perimeter. The first 585,000-SF building delivered at the end of 2016, the second 670,000-SF phase opened in early 2020, and the third and final building should deliver in early 2021. Other major build-to-suits include those for NCR, Cox Communications, Anthem, and Mercedes-Benz. Norfolk Southern's new headquarters is underway in Midtown, as are Thyssenkrupp's North American headquarters in Cumberland/Galleria and Mailchimp's new tower along the BeltLine in the Downtown Submarket.

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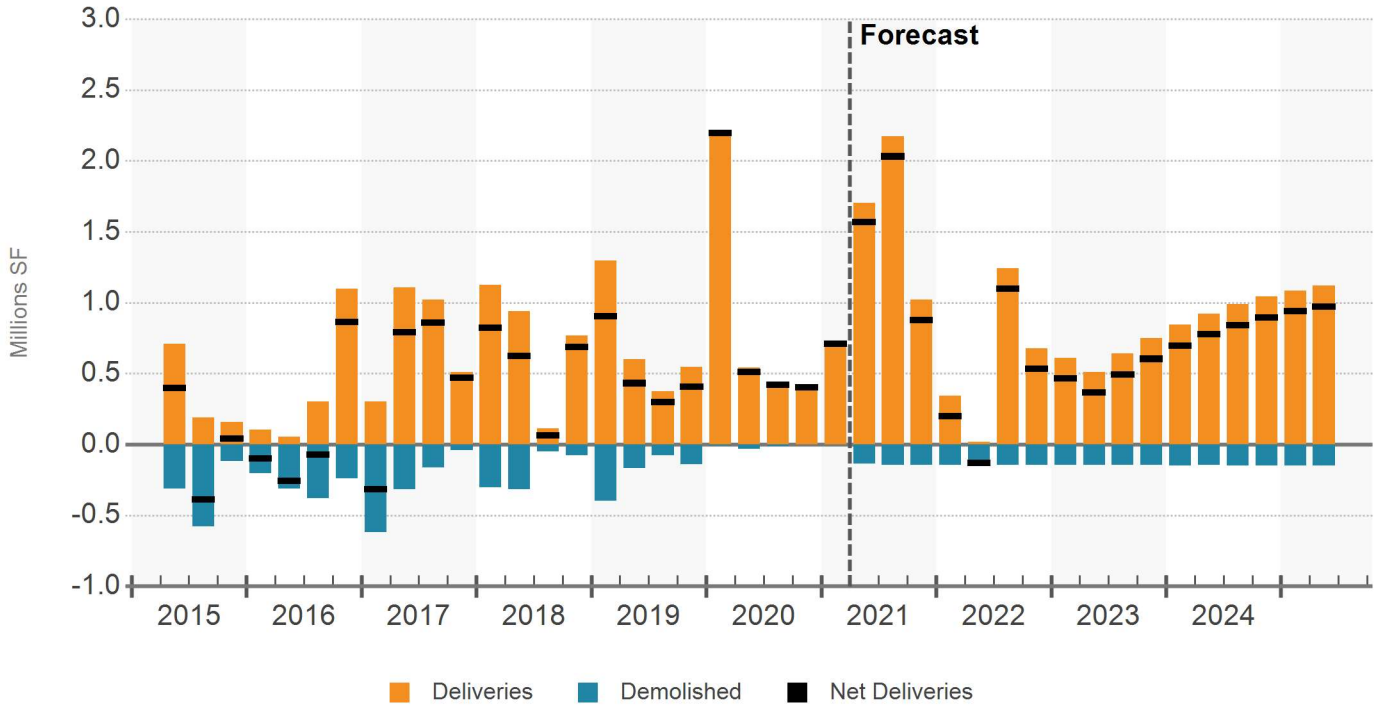
Construction

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

		Under Construction Inventory					Average Building Size		
No.	Submarket	Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Midtown/Pershing Point	6	2,804	2,119	75.6%	2	87,114	467,332	2
2	Northside Dr/Georgia Tech	5	976	174	17.8%	7	20,281	195,153	6
3	Downtown Atlanta	4	650	486	74.7%	3	91,335	162,486	7
4	N Fulton/Forsyth County	12	622	145	23.3%	6	20,170	51,844	10
5	Northlake/Lavista	1	530	234	44.1%	5	15,671	530,000	1
6	Central Perimeter	1	429	429	100%	1	52,719	429,200	3
7	Cumberland/Galleria	2	396	278	70.3%	4	40,730	197,781	5
8	Upper Buckhead	1	340	19	5.6%	9	59,728	340,000	4
9	West Atlanta	2	261	34	12.8%	8	9,886	130,731	8
10	Lower Buckhead	1	58	0	0%	10	47,560	58,000	9
	All Other	16	203	168	82.7%		10,550	12,663	
Totals		**51**	**7,269**	**4,085**	**56.2%**		**19,629**	**142,523**	

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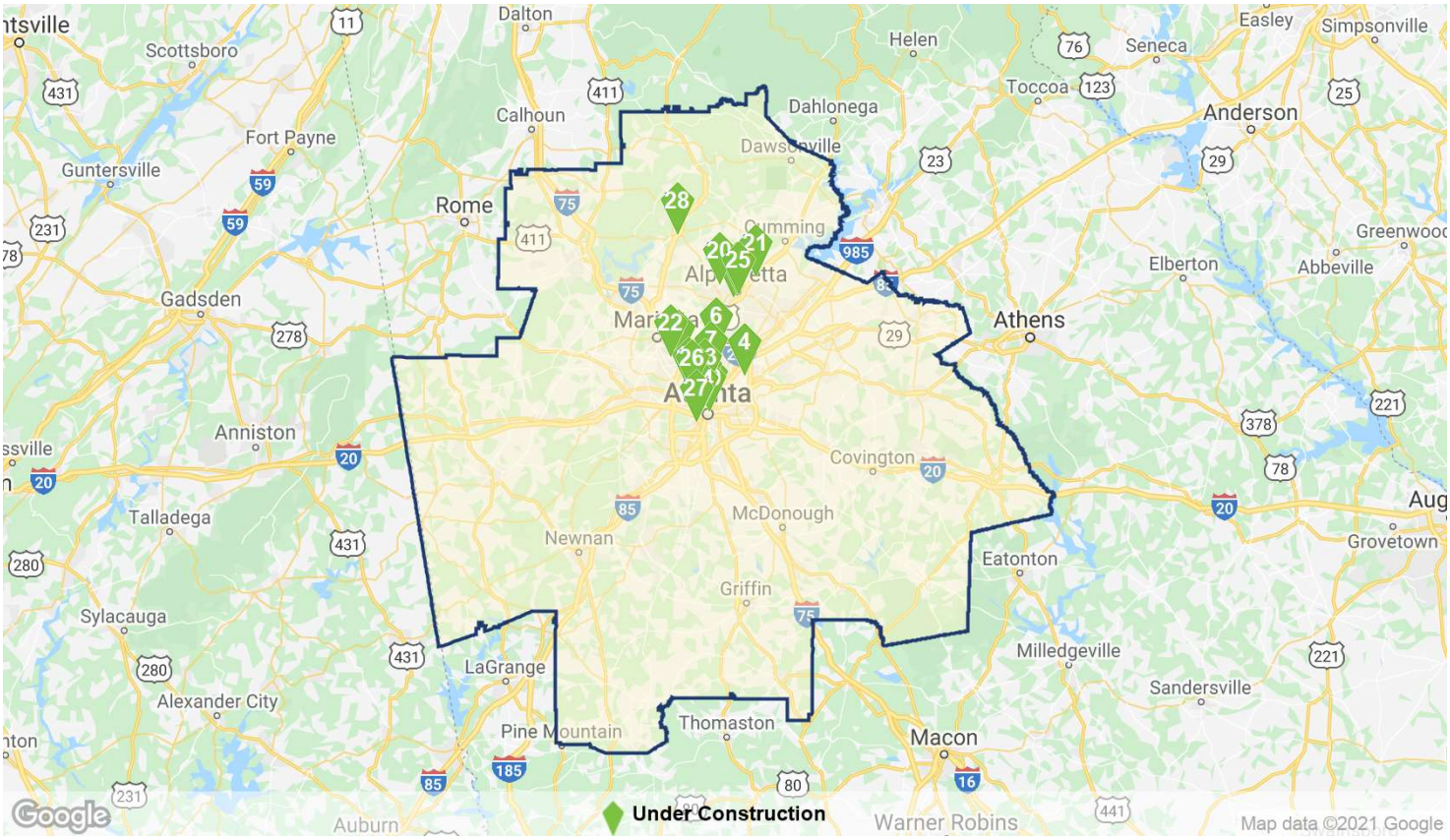
Under Construction Properties

Atlanta Office

Properties	Square Feet	Percent of Inventory	Preleased
49	7,242,457	2.2%	56.0%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1	**Norfolk Southern HQ** 650 W Peachtree St NW	★★★★★	750,000	22	May 2019	Aug 2021	Cousins Properties Norfolk Southern Corporation
2	**1105 WP** 1105 W Peachtree St NW	★★★★★	679,153	31	Apr 2019	Aug 2021	Selig Enterprises Selig Enterprises
3	**Midtown Union** 1331 Spring St NW	★★★★★	612,947	26	Dec 2019	Aug 2022	Granite Properties, Inc. MetLife, Inc.
4	**The Offices at Northlake…** 4800 Briarcliff Rd NE	★★★★☆	530,000	2	Nov 2020	Nov 2021	ATR Corinth Partners ATR Corinth Partners
5	**760 Ralph McGill** 760 Ralph McGill Blvd NE	★★★★★	475,000	12	Dec 2020	Oct 2022	New City Properties New City Properties
6	**Phase II - Building 3** 240 Perimeter Center Pky	★★★★★	429,200	10	Jul 2017	May 2021	KDC Real Estate Development &… KDC Real Estate Development &…
7	**One Phipps Plaza** 1 Phipps Plaza	★★★★★	340,000	13	Apr 2019	Dec 2021	Simon Property Group, Inc. Simon Property Group, Inc.

Under Construction Properties

UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8	**Three Ballpark Center** 3 Ballpark Ave	★★★★★	335,561	11	May 2019	May 2021	Braves Development Company Atlanta Braves
9	**14th & Spring** 14th and Spring St NW	★★★★★	312,705	12	Jan 2020	Jun 2022	Greenstone Properties, Inc. Greenstone Properties, Inc.
10	**712 West Peachtree** 712 W Peachtree St	★★★★★	310,000	21	Jun 2019	May 2021	Portman Holdings, LLC Portman Holdings, LLC
11	**The Interlock** 1115 Howell Mill Rd NW	★★★★★	290,000	5	Mar 2019	May 2021	SJ Collins Enterprises SJ Collins Enterprises
12	**Star Metals Offices** 1055 Howell Mill Rd	★★★★★	267,000	14	Apr 2019	Jun 2021	The Allen Morris Company The Allen Morris Company
13	**Echo Street West** 765 Echo St NW	★★★★☆	255,338	4	Jan 2021	Jul 2022	Lincoln Property Company Lincoln Property Company
14	**360 Tech Village Office** 2355 Lakeview Pky	★★★★☆	250,997	5	Mar 2021	Dec 2022	TPA Group, LLC TPA Group, LLC
15	**Westside Paper** 950 W Marietta St NW	★★★★☆	223,851	6	Oct 2020	Oct 2021	Third & Urban Third & Urban
16	**500 Colony Square** 1220 Peachtree St	★★★★☆	139,185	6	Jan 2020	May 2021	North American Properties North American Properties
17	**Kimball Place** 100 Kimball Pl	★★★★☆	128,031	6	May 2020	Jun 2021	Greenstone Properties, Inc. FCP Atlanta
18	**Allied Studios** 1435 Hills Pl NW	★★★★☆	120,000	1	Apr 2020	Aug 2021	Jamestown, L.P. Jamestown, L.P.
19	**560 Edgewood Ave SE**	★★★★☆	108,400	4	Aug 2020	Aug 2021	Asana Partners Asana Partners
20	**Bldg 4/5** 12655 Birmingham Hwy	★★★★☆	67,500	3	Dec 2019	May 2021	- Adair Park East LLC
21	**Halcyon - Building 1100** 6365 Halcyon Way	★★★★☆	60,000	4	Jan 2021	Oct 2021	RocaPoint Partners RocaPoint Partners
22	**UCB Expansion** 2100 Windy Hill Rd	★★★★☆	60,000	2	Aug 2020	Aug 2022	- UCB Inc.
23	**The Elliot** 159 Armour Dr NE	★★★★☆	58,000	2	Dec 2020	Oct 2021	Cross-Town Realty Cross-Town Realty
24	**South Downtown Hotel...** 227-235A Mitchell St	★★★★☆	50,350	5	Aug 2020	Sep 2021	NEWPORT RE LP NEWPORT RE LP
25	**3050 Northwinds Pky**	★★★☆☆	46,000	2	Sep 2020	Sep 2021	- -
26	**1874 Defoor Ave NW**	★★★☆☆	43,425	1	Jan 2021	Aug 2021	- Crisp Video Group
27	**711 Catherine St**	★★☆☆☆	37,610	3	May 2018	May 2021	Stryant Investments Guardian Brokerage
28	**1521 Hickory Flat Hwy**	★★★☆☆	36,000	2	Mar 2020	May 2021	- -

The coronavirus pandemic has led to a sharp slowdown in transaction activity in Atlanta. Deal volume came in at around $225 million in 20Q2, $300 million in 20Q3, and $550 million in 20Q4, marking three of the weakest quarters for transaction volume since 2012. And transaction volume remained unusually slow through the first few months of 2021, with less than $300 million worth of deals changing hands through February. Sales activity may remain tepid over the next few quarters, as investors continue to reassess the economic impact of the pandemic on the office sector.

However, deal volume will likely receive a boost from the first mega-deal since the pandemic, which is expected to close in May 2021. The three-building portfolio sale includes the 387,000-SF One Ravinia and 442,000-SF Two Ravinia, both in Central Perimeter, as well as the 387,000-SF One Overton Park in Cumberland/Galleria. Massachusetts-based Franklin Street Properties is selling the portfolio to Florida-based Crocker Partners. The reported value for the deal is $219.5 million ($180/SF), and all three assets were originally acquired by Franklin Street Partners in separate deals. The three properties were collectively about 80% leased as of 21Q1, and are all asking around $28/SF gross on current availabilities.

Atlanta office assets sell for a discount compared to core coastal office markets. Average pricing for office properties in Atlanta comes in at roughly $197/SF, which is well below the national average of around $320/SF. Average cap rates in Atlanta are significantly higher than those found in gateway office markets. Cap rates have flattened in recent years, and the metro's average cap rate stands at 7.5%. Slowing rent growth and rising vacancies may negatively impact pricing, though the direct impact of the outbreak on office values is still unclear at this time due to the lack of recent trades.

While trends in office values are still murky, properties with credit tenants secured to long-term leases have traded for above-average pricing since the start of the pandemic. One of the few major deals in recent quarters involved three buildings totaling 461,000 SF at Sanctuary Park in North Fulton, which sold in February 2021. The properties sold for $134.8 million ($292/SF), which is well above submarket average pricing in North Fulton. Starwood Capital acquired the mid-2000s-built assets from Rubenstein Partners while the assets were collectively more than 90% leased. The properties are anchored by Delta Dental Insurance and McKesson, both of which are on long-term leases. In another large-scale trade since the start of the pandemic, the 281,000-SF 30 Allen Plaza changed hands in November 2020 for roughly $90 million ($320/SF). While pricing on that deal was well above the Downtown Atlanta average, the nearly fully leased downtown asset sold for the same price it went for in 2006, shortly after it delivered. Bay Area firms were on both sides of the deal, as FIT Investment Corporation sold the building to Menlo Equities.

Well-leased core assets garnered strong price appreciation in the years leading up to the pandemic. For example, in Buckhead, the 631,000-SF Salesforce Tower sold in mid-2019 for $205 million ($325/SF). The asset previously traded in 2016 for $137.5 million ($218/SF) at a 4.6% cap rate. In another major deal, 715 Peachtree sold in June 2019 for $123 million ($386/SF), or nearly three times what Carter and PCCP paid for the asset in 2015. In the time between the two sales, the asset was renovated and was brought from essentially 100% vacancy to 100% leased after landing Honeywell, Spaces, and others to major deals. The recent sale came at a 6% cap rate.

The office component of adaptive-reuse projects and loft office concepts cropping up throughout the region sold for premiums that even rivaled Atlanta's trophy assets. The former meat packing plant, Stockyards, sold in early January 2020 to New York-based Clarion Partners. The 166,000-SF facility is almost fully occupied and fetched a price close to $70 million, or $420/SF. Along the Eastside BeltLine Trail, the 61,000-SF Willoughby office building sold to San Francisco-based Stockbridge Capital Group for $23.8 million ($407/SF) in August 2019. The property delivered 100% preleased to tech companies Blue Sombrero, Dragon Army, and Dagger.

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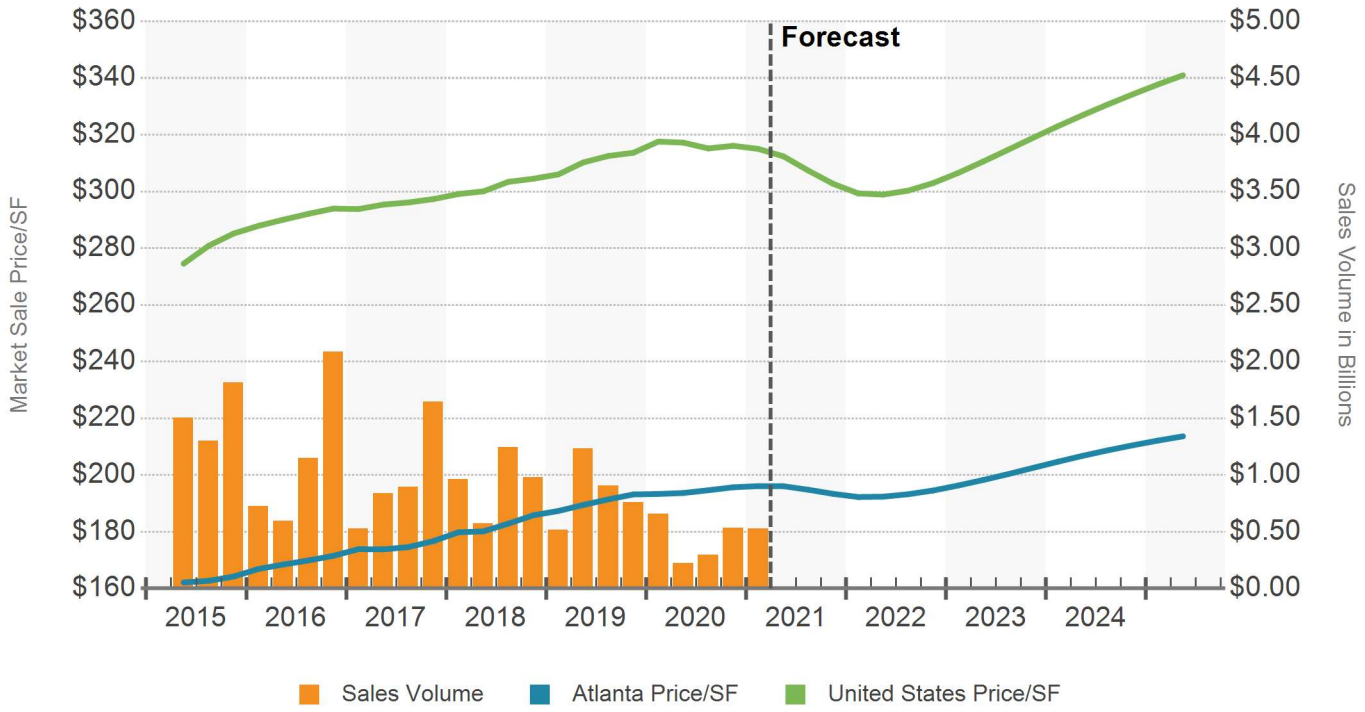
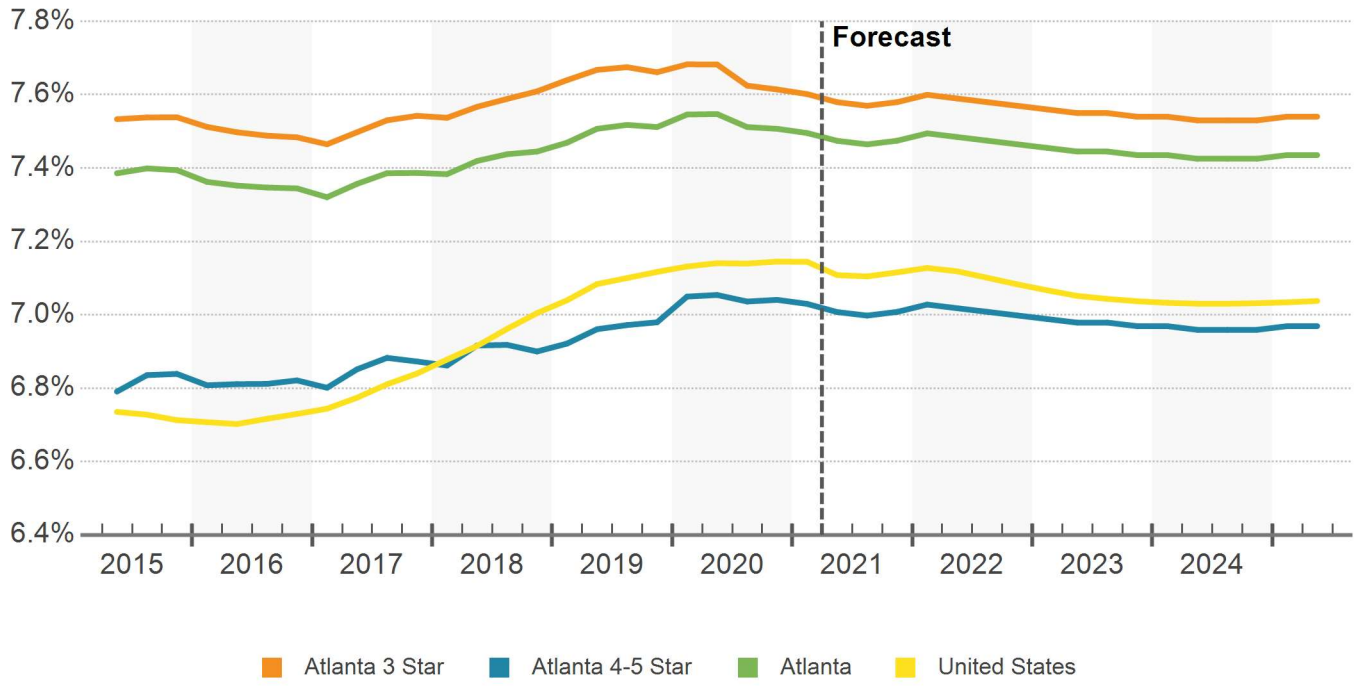
SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



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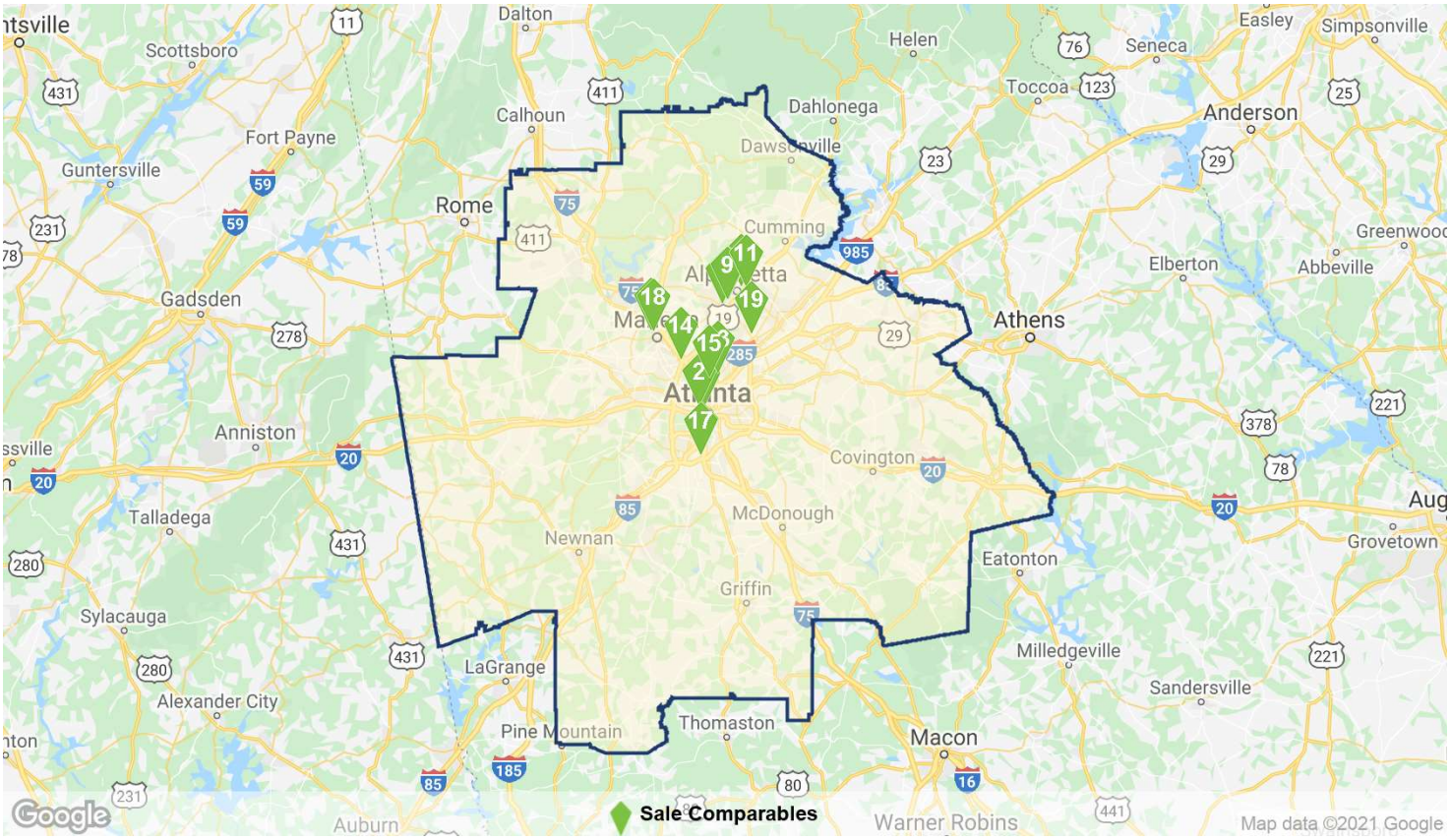
Sales Past 12 Months

Atlanta Office

Sale Comparables	Avg. Cap Rate	Avg. Price/SF	Avg. Vacancy At Sale
1,042	8.1%	$170	10.8%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	$8,153	$2,631,082	$550,000	$89,940,000
Price/SF	$1.32	$170	$125	$667
Cap Rate	5.1%	8.1%	7.8%	13.9%
Time Since Sale in Months	0.0	5.9	5.9	12.0
Property Attributes	**Low**	**Average**	**Median**	**High**
Building SF	484	12,480	3,984	507,000
Stories	1	2	1	30
Typical Floor SF	484	7,021	3,024	169,000
Vacancy Rate At Sale	0%	10.8%	0%	100%
Year Built	1828	1973	1981	2020
Star Rating	★☆☆☆☆	★★☆☆☆ 2.2	★★☆☆☆	★★★★☆

Sales Past 12 Months

RECENT SIGNIFICANT SALES

		Property				Sale			
	Property Name - Address	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1	**30 Allen Plaza** 30 Ivan Allen Blvd NE	★★★★☆	2005	280,670	0.8%	11/17/2020	$89,940,000	$320	-
2	**Bldg 100** 387 Technology Cir	★★★★☆	2007	126,760	0%	12/30/2020	$60,000,000	$473	5.8%
3	**5555 Windward Pky W**	★★★☆☆	1989	507,000	0%	1/22/2021	$56,000,000	$110	-
4	**Mansell Overlook 500** 500 Colonial Center Pky	★★★★☆	2001	170,012	8.2%	3/8/2021	$49,499,428	$291	-
5	**Stonebridge III** 1130 Sanctuary Pky	★★★★☆	2008	167,379	0%	2/23/2021	$48,903,556	$292	-
6	**Mansell Overlook 300** 300 Colonial Center Pky	★★★★☆	2000	163,923	16.4%	3/8/2021	$46,434,306	$283	-
7	**Mansell Overlook 100** 100 Mansell Ct E	★★★★☆	1996	163,000	7.1%	3/8/2021	$46,316,266	$284	-
8	**Stonebridge II** 1120 Sanctuary Pky	★★★★☆	2006	147,000	17.0%	2/23/2021	$42,949,371	$292	-
9	**Stonebridge I** 1110 Sanctuary Pky	★★★★☆	2007	146,821	12.8%	2/23/2021	$42,897,072	$292	-
10	**1 Edison** 1 Edison Dr	★★★★☆	2020	107,991	68.9%	4/28/2020	$38,875,720	$360	-
11	**3 Edison** 3 Edison Dr	★★★★☆	2018	107,991	0%	4/28/2020	$35,324,280	$327	-
12	**Federal Aviation Admini…** 107 Charles W. Grant Pky	★★★★☆	2009	99,992	0%	1/15/2021	$30,700,000	$307	7.8%
13	**Brookhaven Medical Cen…** 3929 Peachtree Rd	★★★★☆	2020	51,429	33.3%	7/15/2020	$29,877,803	$581	5.1%
14	**Pennant Rise** 300 Interstate N Pky SE	★★★☆☆	1968	181,269	48.2%	12/16/2020	$28,000,000	$154	-
15	**Realm - Office Portion** 3328 Peachtree Rd NE	★★★☆☆	2006	33,574	0%	12/24/2020	$21,150,000	$630	-
16	**400 Tower Rd**	★★★★☆	2008	48,048	12.7%	7/31/2020	$20,451,789	$426	6.5%
17	**Highwoods Center at Tra…** 4221 International Pky	★★★☆☆	1999	60,005	0%	7/14/2020	$20,250,000	$337	-
18	**660 Cherokee St NE**	★★★★☆	2020	35,450	0%	10/29/2020	$20,000,000	$564	-
19	**The Catalyst at Peachtre…** 3617 Parkway Ln	★★★☆☆	1986	74,800	0%	9/29/2020	$15,911,717	$213	6.3%
19	**The Catalyst at Peachtre…** 3617 Parkway Ln	★★★☆☆	1986	74,800	0%	6/8/2020	$15,844,204	$212	-

Atlanta continues to show signs of a steady economic recovery from the effects of the coronavirus pandemic. Atlanta employment fell by about 380,000 jobs from February to April 2020, causing the unemployment rate to rise to nearly 13%. However, the metro added roughly 220,000 jobs back from May 2020 through February 2021, and total employment is now about 5.5% below Atlanta's pre-pandemic peak. While the rebound in employment is a positive sign for the metro, the pandemic should serve as an obstacle for the local economic recovery until the coronavirus vaccine is widely distributed.

Atlanta benefited from strong white-collar job growth in the years preceding the pandemic, especially the professional and business services sector. Though office-using sectors took a hit due to the coronavirus pandemic, a handful of large corporations are set to add thousands of high-paying office jobs over the next few years. For example, Microsoft, Google, and Norfolk Southern are opening major offices in Midtown, and Thyssenkrupp is moving its North American headquarters to The Battery in Cumberland/Galleria. In other sizable moves, FinTech firm Deluxe Corporation is adding 700 new jobs at an innovation center in Central Perimeter, Papa John's is bringing 200 corporate positions to Cumberland/Galleria in a headquarters relocation, Boston Consulting Group is hiring more than 300 new employees as it expands its footprint downtown, Mailchimp is expanding its local presence on the Eastside, and Airbnb is establishing an East Coast hub in Atlanta. These moves follow a number of Fortune 500 firms setting up technology-related operations locally, including BlackRock, Facebook, Anthem, and Honeywell.

While white-collar employment will receive a boost from corporate relocations and expansions over the next few quarters, the metro was not immune to office-using job losses in the months following the onset of the pandemic. Cox Automotive, which has a major office presence in Central Perimeter, furloughed a substantial portion of its U.S. workforce, including nearly 1,000 of its Atlanta-based employees. After agreeing to open a 600-employee technology hub in Midtown in early 2020, Macy's backed out of that investment due to the effects of the coronavirus pandemic on its business. And Coca-Cola cut 500 Atlanta-based jobs as part of its global restructuring in 2020, though the beverage giant's decision to move its Minute Maid operation from Houston to Atlanta will help offset some of those losses.

Atlanta has a lower concentration of education and health services employment than the national average, but that sector has seen substantial job growth over the past few years. Multiple healthcare systems are constructing new facilities, and the sector is poised to grow in order to adequately service the metro's growing population. Emory University Hospital Midtown is underway on its $500-million Winship Cancer Institute tower, while Piedmont Hospital opened phase one of the $450 million Piedmont Heart Institute tower in Buckhead early in order to treat coronavirus patients.

Growth in the warehouse and distribution industry could help serve as a partial counterbalance to lingering weakness in the leisure and hospitality sector caused by the pandemic. Hiring by firms like Amazon, Home Depot, HelloFresh, Purple Mattress, and Goodyear, among others, will augment blue-collar job growth over the next few years. Long term, Atlanta will continue to benefit from its standing as a major regional and national distribution hub and its proximity to the fast-growing Port of Savannah.

The presence of the well-connected Hartsfield-Jackson Atlanta International Airport helps seal the deal for potential residents and companies, including Mercedes-Benz and State Farm, which have relocated major operations to the metro. Atlanta's status as a transportation and logistics hub also helped attract Norfolk Southern, which is moving its corporate headquarters to Midtown when its build-to-suit facility completes in 2021. The firm will add roughly 850 new jobs with an average salary north of $100,000. The airport, along with generous tax incentives, has also helped the region's growing film and entertainment industry, which is responsible for $3 billion in annual direct spending in the state.

However, the coronavirus pandemic is strongly affecting travel-related industries, and airlines in particular, and will likely continue to put a strain on economic activity directly related to Hartsfield-Jackson over the next few months. Delta, which is headquartered at Hartsfield-Jackson, announced that 20% of its workforce, or roughly 17,000 employees, agreed to voluntarily retire amid the pandemic. While not all of those workers are Atlanta-based, the sluggish recovery in air traffic will continue to affect Delta as well as other airport-related operations such as concessionaires and other airlines.

Comparatively low living and business costs should continue to boost population and job growth in Atlanta. Atlanta has drawn some of the strongest in-migration in

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the country over the past few decades, and many employers have openly stated that moving all or a portion of their operations to Atlanta saved them millions without having to sacrifice access to high-quality labor.

While not unique to Atlanta, highway and commuter rail infrastructure could be a limiting factor for Atlanta's growth prospects in the mid to long term. Even with MARTA rail as an effective mode of transit, it is limited in its scope, lessening its potential impact. However, the future expansion of MARTA is on the horizon, and pedestrian infrastructure improvements throughout the metro could help provide those in Atlanta with alternative modes of transportation.

ATLANTA EMPLOYMENT BY INDUSTRY IN THOUSANDS

	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
NAICS Industry	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	166	0.7	-3.29%	-3.03%	1.51%	0.60%	0.66%	0.42%
Trade, Transportation and Utilities	607	1.2	-0.02%	-2.18%	1.81%	0.86%	0.15%	0.56%
Retail Trade	299	1.0	1.63%	-2.28%	1.69%	0.40%	-0.15%	0.69%
Financial Activities	179	1.1	-1.57%	-0.87%	1.70%	1.30%	1.25%	0.74%
Government	319	0.8	-3.71%	-5.14%	-0.02%	-0.34%	0.81%	1.00%
Natural Resources, Mining and Construction	131	0.8	-0.72%	-2.63%	3.73%	2.64%	0.59%	1.06%
Education and Health Services	379	0.8	-1.25%	-2.85%	3.51%	1.61%	2.04%	1.76%
Professional and Business Services	535	1.3	-2.79%	-3.31%	2.59%	1.87%	1.72%	1.56%
Information	96	1.8	-5.02%	-4.76%	2.01%	0.22%	2.15%	1.92%
Leisure and Hospitality	275	1.0	-8.91%	-14.56%	2.11%	0.45%	3.08%	4.13%
Other Services	101	0.9	-4.71%	-5.36%	0.53%	0.35%	1.04%	1.34%
Total Employment	**2,789**	**1.0**	**-2.75%**	**-4.41%**	**1.98%**	**0.95%**	**1.31%**	**1.41%**

Source: Oxford Economics

LQ = Location Quotient

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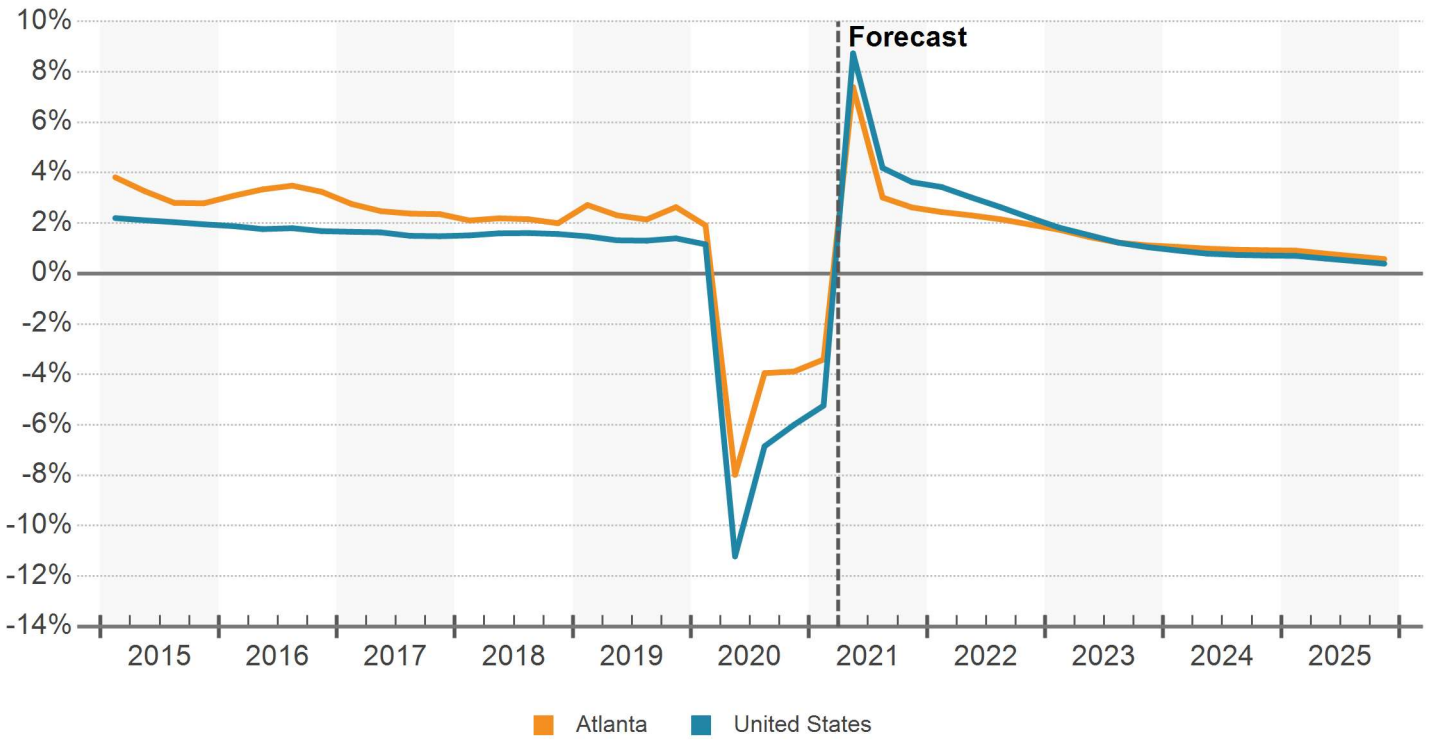
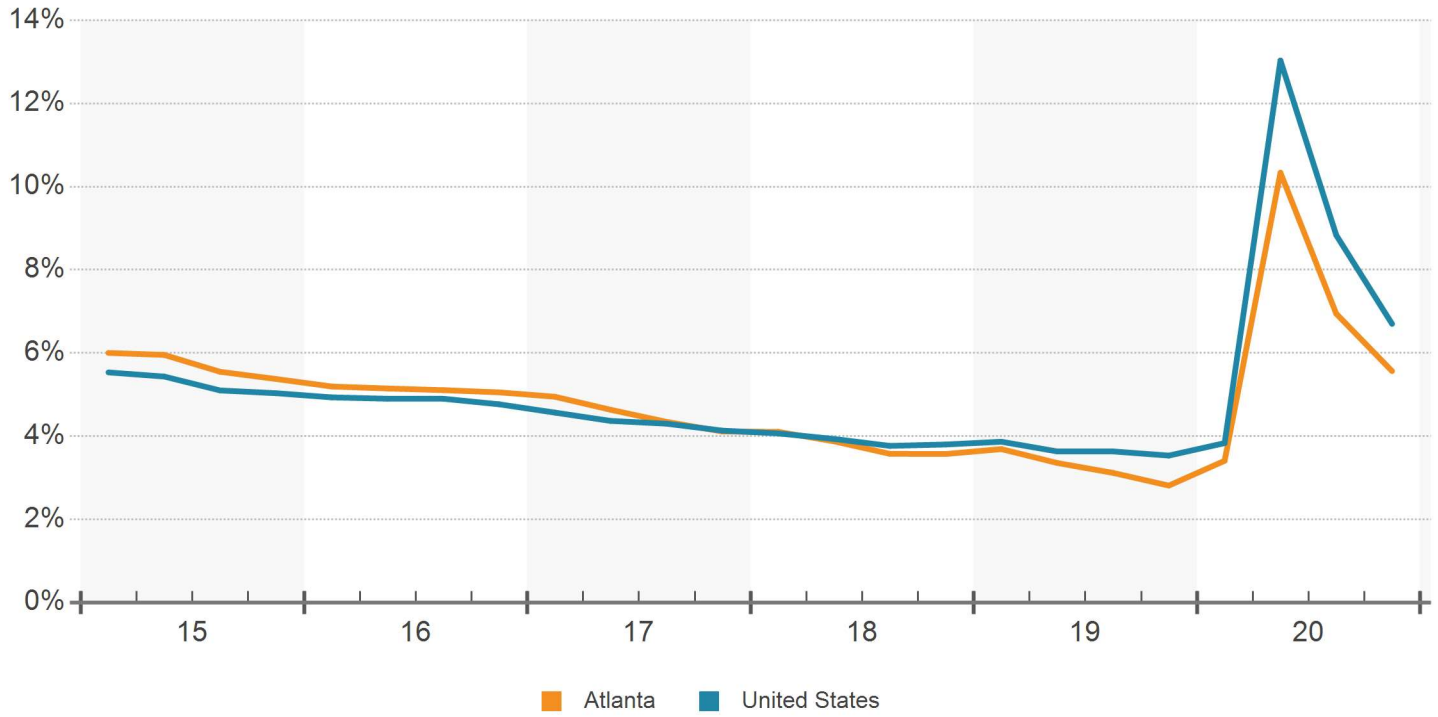
YEAR OVER YEAR JOB GROWTH



Source: Oxford Economics

UNEMPLOYMENT RATE (%)



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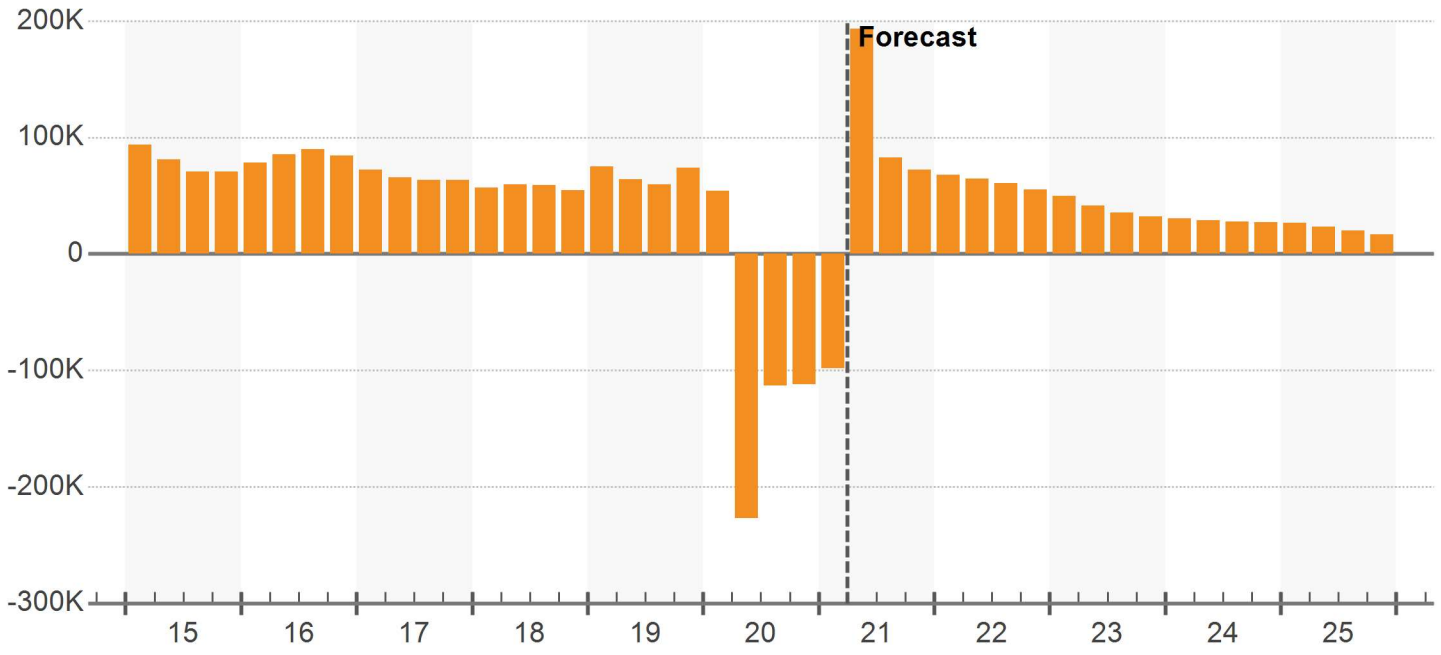
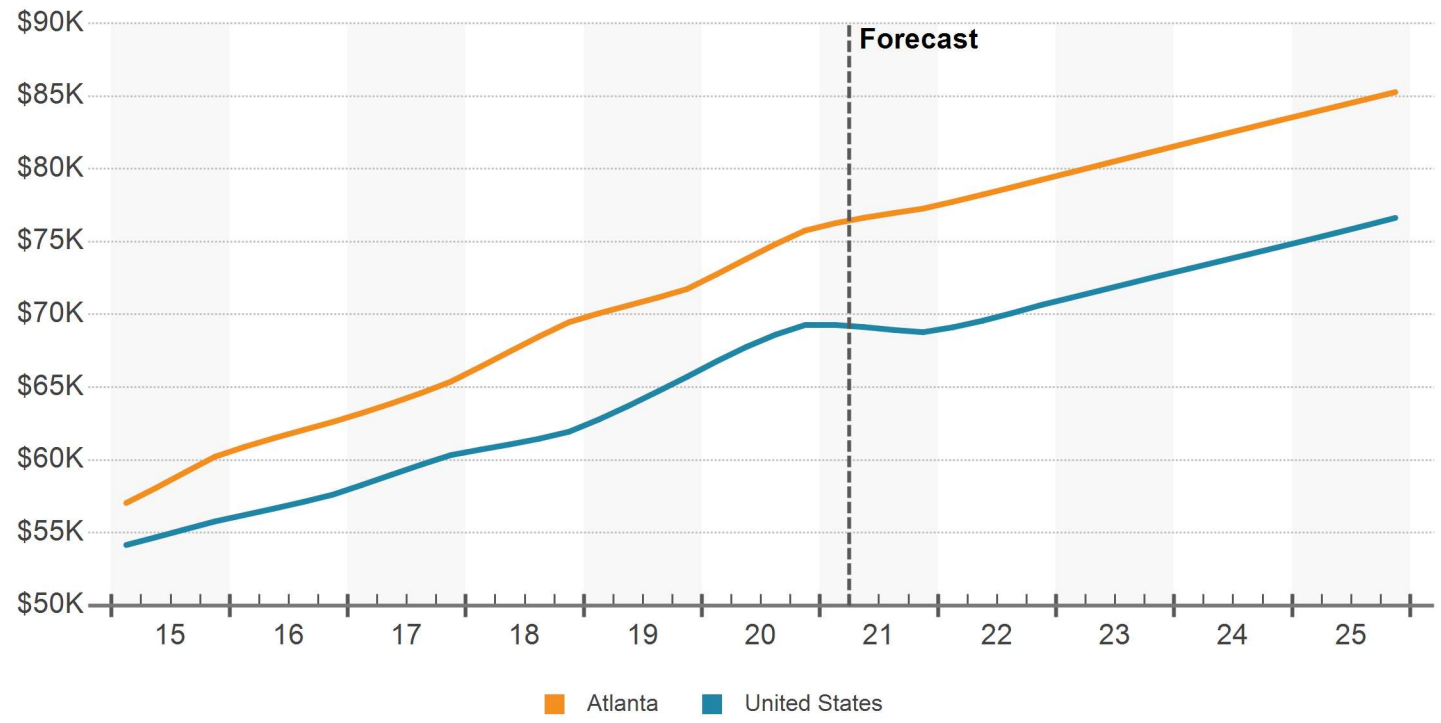
NET EMPLOYMENT CHANGE (YOY)



MEDIAN HOUSEHOLD INCOME



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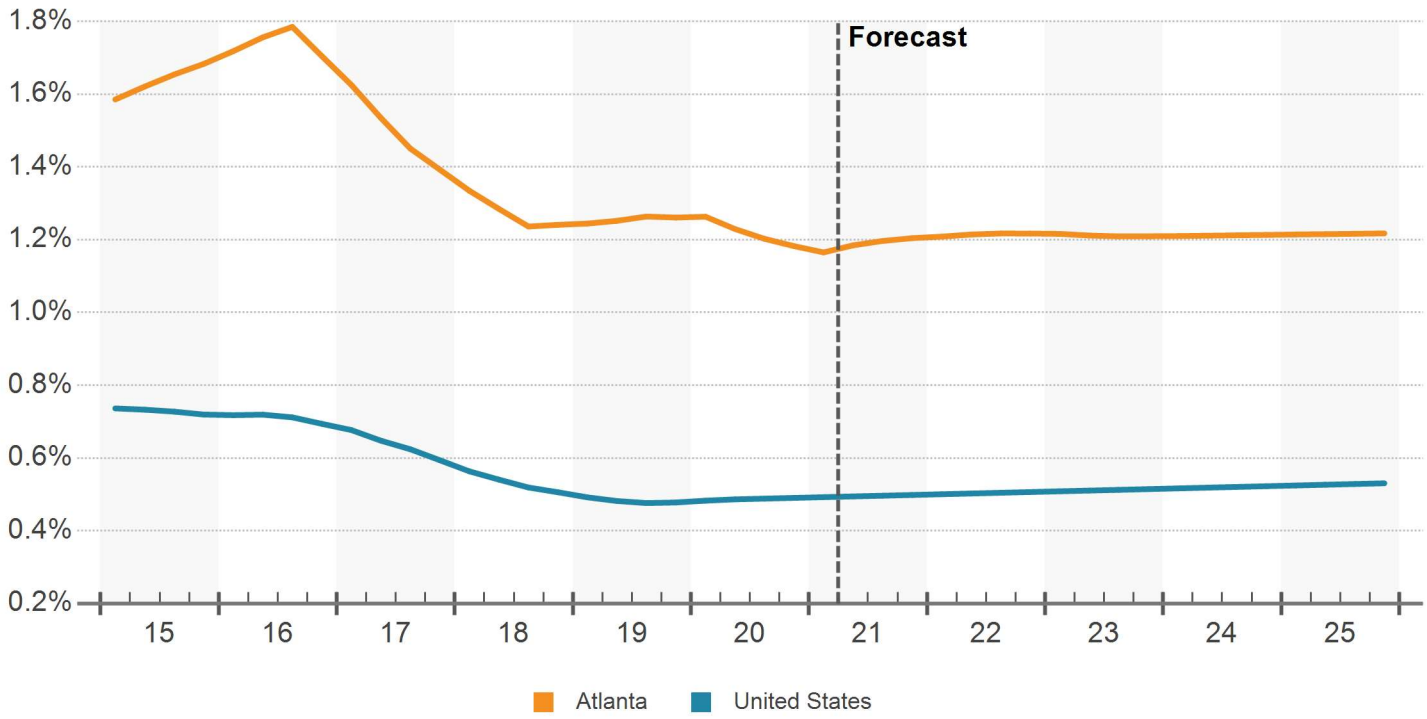
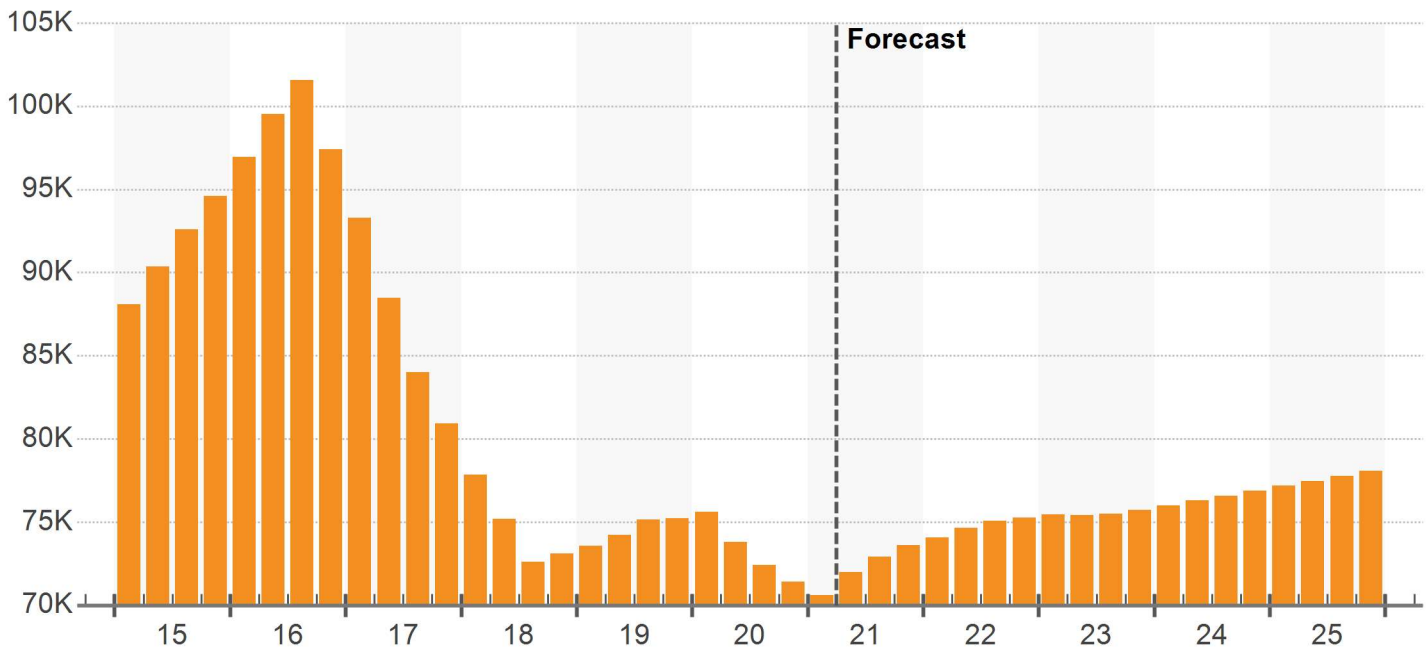
POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



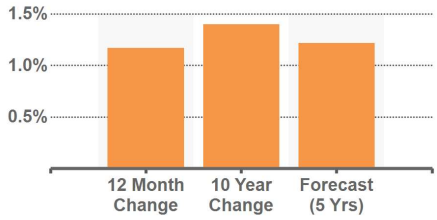
Economy

DEMOGRAPHIC TRENDS

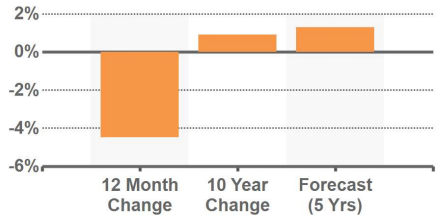
	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
Demographic Category	**Metro**	**US**	**Metro**	**US**	**Metro**	**US**	**Metro**	**US**
Population	6,133,328	330,860,375	1.2%	0.5%	1.4%	0.6%	1.2%	0.5%
Households	2,209,506	123,655,523	1.1%	0.4%	1.4%	0.7%	1.2%	0.5%
Median Household Income	$76,280	$69,267	4.8%	3.6%	3.7%	3.3%	2.4%	2.2%
Labor Force	2,972,402	160,988,266	-4.5%	-1.6%	0.9%	0.5%	1.3%	0.8%
Unemployment	5.6%	6.7%	1.7%	2.3%	-0.5%	-0.2%	-	-

Source: Oxford Economics

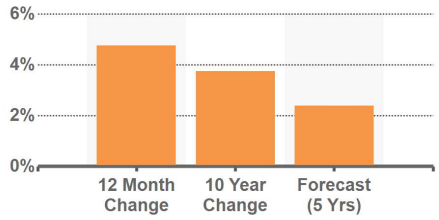
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

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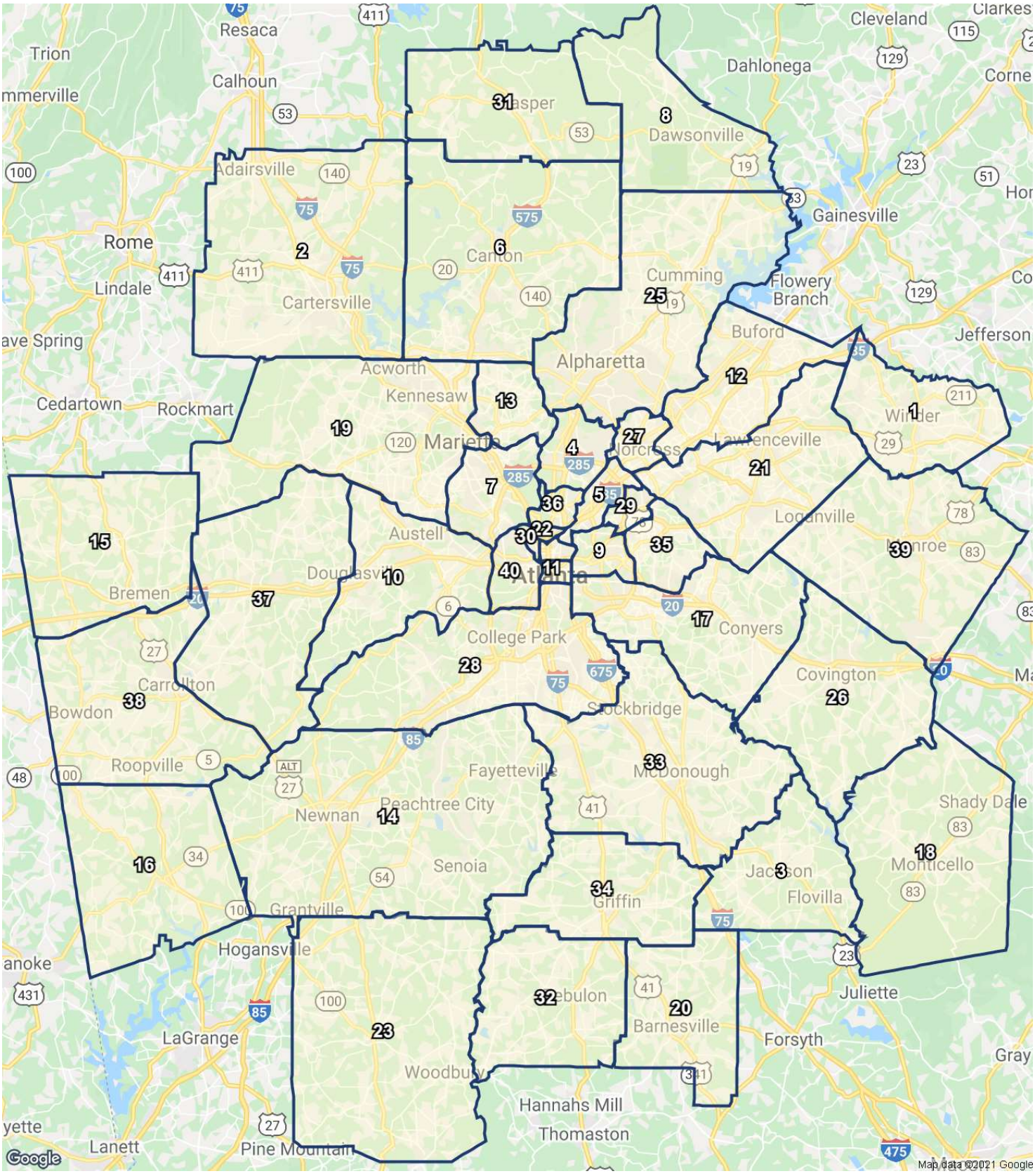
Submarkets

ATLANTA SUBMARKETS



Submarkets

SUBMARKET INVENTORY

		Inventory				12 Month Deliveries				Under Construction			
No.	Submarket	Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Barrow County	168	765	0.2%	31	1	8	1.0%	20	0	-	-	-
2	Bartow County	235	1,456	0.5%	24	1	11	0.8%	17	0	-	-	-
3	Butts County	57	308	0.1%	34	0	0	0%	-	0	-	-	-
4	Central Perimeter	686	36,165	11.2%	3	0	0	0%	-	1	429	1.2%	6
5	Chamblee/Dville/N D Hills	585	12,144	3.8%	10	4	85	0.7%	7	0	-	-	-
6	Cherokee County	593	4,515	1.4%	17	3	50	1.1%	10	2	53	1.2%	11
7	Cumberland/Galleria	752	30,629	9.5%	4	1	38	0.1%	13	2	396	1.3%	7
8	Dawson County	66	488	0.2%	32	0	0	0%	-	0	-	-	-
9	Decatur	405	7,565	2.3%	12	1	49	0.6%	11	0	-	-	-
10	Douglasville/Lithia Springs	430	3,047	0.9%	20	0	0	0%	-	0	-	-	-
11	Downtown Atlanta	402	36,717	11.4%	2	5	117	0.3%	6	4	650	1.8%	3
12	Duluth/Suwanee/Buford	1,036	17,576	5.4%	7	6	43	0.2%	12	3	34	0.2%	13
13	East Cobb	385	3,549	1.1%	19	1	10	0.3%	18	1	18	0.5%	15
14	Fayette/Coweta County	787	6,748	2.1%	14	8	236	3.5%	2	3	17	0.2%	16
15	Haralson County	37	203	0.1%	36	0	0	0%	-	0	-	-	-
16	Heard County	1	12	0%	40	0	0	0%	-	0	-	-	-
17	I-20 East/Conyers	619	4,396	1.4%	18	0	0	0%	-	1	12	0.3%	17
18	Jasper County	10	41	0%	39	0	0	0%	-	0	-	-	-
19	Kennesaw/Town Center	1,342	12,334	3.8%	9	4	188	1.5%	4	4	39	0.3%	12
20	Lamar County	33	216	0.1%	35	0	0	0%	-	0	-	-	-
21	Lawrenceville/Lilburn	1,103	7,525	2.3%	13	3	31	0.4%	15	0	-	-	-
22	Lower Buckhead	54	2,568	0.8%	21	1	34	1.3%	14	1	58	2.3%	10
23	Meriwether County	31	92	0%	38	0	0	0%	-	0	-	-	-
24	Midtown/Pershing Point	318	27,702	8.6%	5	3	605	2.2%	1	6	2,804	10.1%	1
25	N Fulton/Forsyth County	1,915	38,625	12.0%	1	9	170	0.4%	5	12	622	1.6%	4
26	Newton County	197	1,057	0.3%	28	0	0	0%	-	0	-	-	-
27	Norcross/Peachtree Corn…	468	10,556	3.3%	11	0	0	0%	-	0	-	-	-
28	North Clayton/Airport	1,056	13,929	4.3%	8	2	83	0.6%	8	1	20	0.1%	14
29	Northlake/Lavista	334	5,234	1.6%	15	0	0	0%	-	1	530	10.1%	5
30	Northside Dr/Georgia Tech	117	2,373	0.7%	22	1	190	8.0%	3	5	976	41.1%	2
31	Pickens County	72	398	0.1%	33	0	0	0%	-	0	-	-	-
32	Pike County	11	116	0%	37	0	0	0%	-	0	-	-	-
33	South Clayton/Henry Cnty	617	4,712	1.5%	16	1	10	0.2%	19	0	-	-	-
34	Spalding County	186	1,027	0.3%	29	0	0	0%	-	0	-	-	-
35	Stone Mountain	247	1,356	0.4%	26	0	0	0%	-	0	-	-	-
36	Upper Buckhead	359	21,442	6.6%	6	2	64	0.3%	9	1	340	1.6%	8
37	Villa Rica/West Outlying	222	1,391	0.4%	25	1	3	0.2%	21	0	-	-	-
38	W Carroll County	148	1,006	0.3%	30	0	0	0%	-	0	-	-	-
39	Walton County	202	1,196	0.4%	27	0	0	0%	-	1	11	0.9%	18
40	West Atlanta	154	1,522	0.5%	23	1	27	1.8%	16	2	261	17.2%	9

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Submarkets

SUBMARKET RENT

		Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
No.	Submarket	Per SF	Rank	Growth	Rank	Growth	Rank
1	Barrow County	$1.60	31	1.9%	1	-0.5%	33
2	Bartow County	$1.48	38	-0.1%	28	1.0%	8
3	Butts County	$1.41	39	0.9%	10	0.4%	16
4	Central Perimeter	$2.44	5	-0.4%	33	-5.0%	40
5	Chamblee/Dville/N D Hills	$1.97	9	-0.3%	32	0.2%	24
6	Cherokee County	$1.63	26	-0.1%	24	-1.2%	39
7	Cumberland/Galleria	$2.17	7	-0.3%	31	0.8%	10
8	Dawson County	$1.38	40	-0.7%	37	1.1%	6
9	Decatur	$2.12	8	-0.5%	35	-0.3%	30
10	Douglasville/Lithia Springs	$1.61	28	-1.1%	40	1.8%	3
11	Downtown Atlanta	$2.36	6	-0.1%	29	1.0%	7
12	Duluth/Suwanee/Buford	$1.86	11	0.5%	15	-0.9%	37
13	East Cobb	$1.60	30	0.2%	18	0.4%	15
14	Fayette/Coweta County	$1.72	19	0.7%	14	0%	27
15	Haralson County	$1.57	34	0.8%	12	0%	26
16	Heard County	$1.85	13	0%	22	1.2%	5
17	I-20 East/Conyers	$1.72	17	-0.2%	30	0.8%	11
18	Jasper County	$1.57	33	1.0%	6	0.6%	13
19	Kennesaw/Town Center	$1.68	22	0.1%	19	-0.2%	29
20	Lamar County	$1.56	35	1.0%	5	0.7%	12
21	Lawrenceville/Lilburn	$1.68	21	1.5%	3	-0.5%	34
22	Lower Buckhead	$2.46	4	-0.1%	25	1.7%	4
23	Meriwether County	$1.61	27	0.7%	13	0.3%	20
24	Midtown/Pershing Point	$3.31	1	-0.9%	39	0.8%	9
25	N Fulton/Forsyth County	$1.95	10	-0.4%	34	-0.3%	31
26	Newton County	$1.72	18	-0.1%	26	0%	25
27	Norcross/Peachtree Corn…	$1.67	24	0.9%	7	-0.6%	35
28	North Clayton/Airport	$1.59	32	0.9%	8	-0.8%	36
29	Northlake/Lavista	$1.76	14	-0.1%	27	3.7%	2
30	Northside Dr/Georgia Tech	$2.96	3	-0.5%	36	0.3%	18
31	Pickens County	$1.53	36	-0.1%	23	0.5%	14
32	Pike County	$1.49	37	0.9%	9	0.4%	17
33	South Clayton/Henry Cnty	$1.63	25	1.0%	4	-1.1%	38
34	Spalding County	$1.61	29	0.8%	11	0.3%	21
35	Stone Mountain	$1.75	15	0.1%	21	0.2%	23
36	Upper Buckhead	$3.08	2	-0.8%	38	0.3%	19
37	Villa Rica/West Outlying	$1.69	20	0.3%	17	-0.4%	32
38	W Carroll County	$1.73	16	0.5%	16	-0.2%	28
39	Walton County	$1.67	23	1.6%	2	0.2%	22
40	West Atlanta	$1.86	12	0.1%	20	8.1%	1

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SUBMARKET VACANCY & NET ABSORPTION

		Vacancy			12 Month Absorption			
No.	Submarket	SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Barrow County	16,259	2.1%	4	20,324	2.7%	7	0.4
2	Bartow County	81,603	5.6%	11	(48,211)	-3.3%	27	-
3	Butts County	2,400	0.8%	1	(771)	-0.2%	20	-
4	Central Perimeter	7,076,912	19.6%	32	(1,153,031)	-3.2%	38	-
5	Chamblee/Dville/N D Hills	1,074,188	8.8%	22	32,948	0.3%	5	1.3
6	Cherokee County	254,650	5.6%	13	643	0%	15	77.9
7	Cumberland/Galleria	4,573,529	14.9%	29	(374,796)	-1.2%	35	-
8	Dawson County	30,386	6.2%	15	551	0.1%	16	3.0
9	Decatur	375,120	5.0%	10	(13,914)	-0.2%	26	-
10	Douglasville/Lithia Springs	222,399	7.3%	19	(48,824)	-1.6%	28	-
11	Downtown Atlanta	4,482,072	12.2%	26	(533,516)	-1.5%	36	-
12	Duluth/Suwanee/Buford	2,200,804	12.5%	27	(4,345)	0%	24	-
13	East Cobb	210,229	5.9%	14	16,997	0.5%	9	0.6
14	Fayette/Coweta County	482,337	7.1%	18	245,036	3.6%	1	0.7
15	Haralson County	13,166	6.5%	16	(2,891)	-1.4%	23	-
16	Heard County	-	-	-	0	0%	-	-
17	I-20 East/Conyers	355,383	8.1%	21	26,301	0.6%	6	-
18	Jasper County	-	-	-	0	0%	-	-
19	Kennesaw/Town Center	1,239,982	10.1%	23	(112,663)	-0.9%	34	-
20	Lamar County	-	-	-	1,800	0.8%	14	-
21	Lawrenceville/Lilburn	554,937	7.4%	20	(50,336)	-0.7%	30	-
22	Lower Buckhead	311,805	12.1%	25	(7,759)	-0.3%	25	-
23	Meriwether County	1,032	1.1%	3	2,481	2.7%	13	-
24	Midtown/Pershing Point	4,761,239	17.2%	30	(1,208,393)	-4.4%	39	-
25	N Fulton/Forsyth County	5,443,652	14.1%	28	(686,606)	-1.8%	37	-
26	Newton County	74,083	7.0%	17	(49,438)	-4.7%	29	-
27	Norcross/Peachtree Corn…	2,147,692	20.3%	34	(58,257)	-0.6%	31	-
28	North Clayton/Airport	1,462,662	10.5%	24	129,594	0.9%	2	0.6
29	Northlake/Lavista	1,282,071	24.5%	35	(81,178)	-1.6%	33	-
30	Northside Dr/Georgia Tech	411,615	17.3%	31	(66,474)	-2.8%	32	-
31	Pickens County	17,801	4.5%	8	(213)	-0.1%	19	-
32	Pike County	1,300	1.1%	2	(1,300)	-1.1%	21	-
33	South Clayton/Henry Cnty	230,283	4.9%	9	14,134	0.3%	10	0.7
34	Spalding County	22,332	2.2%	5	6,864	0.7%	12	-
35	Stone Mountain	49,246	3.6%	7	(1,985)	-0.1%	22	-
36	Upper Buckhead	4,327,443	20.2%	33	(1,228,534)	-5.7%	40	-
37	Villa Rica/West Outlying	78,341	5.6%	12	39,880	2.9%	4	0.1
38	W Carroll County	-	-	-	41,141	4.1%	3	-
39	Walton County	37,106	3.1%	6	11,703	1.0%	11	-
40	West Atlanta	463,929	30.5%	36	18,338	1.2%	8	1.5

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Supply & Demand Trends

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OVERALL SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	338,177,388	3,934,383	1.2%	3,495,481	1.0%	1.1
2024	334,243,005	3,210,063	1.0%	3,508,490	1.0%	0.9
2023	331,032,942	1,924,159	0.6%	3,572,192	1.1%	0.5
2022	329,108,783	1,697,959	0.5%	3,342,058	1.0%	0.5
2021	327,410,824	5,194,486	1.6%	(669,154)	-0.2%	-
YTD	322,938,985	722,647	0.2%	(3,004,934)	-0.9%	-
2020	322,216,338	3,531,741	1.1%	(540,612)	-0.2%	-
2019	318,684,597	2,101,085	0.7%	1,754,055	0.6%	1.2
2018	316,583,512	2,286,048	0.7%	2,187,160	0.7%	1.0
2017	314,297,464	1,807,297	0.6%	1,734,336	0.6%	1.0
2016	312,490,167	495,761	0.2%	715,429	0.2%	0.7
2015	311,994,406	117,401	0%	6,069,077	1.9%	0
2014	311,877,005	946,533	0.3%	4,763,776	1.5%	0.2
2013	310,930,472	223,256	0.1%	3,095,957	1.0%	0.1
2012	310,707,216	(162,998)	-0.1%	2,819,816	0.9%	-
2011	310,870,214	48,614	0%	(227,362)	-0.1%	-
2010	310,821,600	1,986,291	0.6%	(647,598)	-0.2%	-
2009	308,835,309	3,294,745	1.1%	(3,640,187)	-1.2%	-

4 & 5 STAR SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	142,889,364	4,400,184	3.2%	3,911,299	2.7%	1.1
2024	138,489,180	3,691,926	2.7%	3,532,679	2.6%	1.0
2023	134,797,254	2,447,224	1.8%	3,095,341	2.3%	0.8
2022	132,350,030	2,233,855	1.7%	3,312,827	2.5%	0.7
2021	130,116,175	5,136,932	4.1%	1,096,949	0.8%	4.7
YTD	125,515,254	536,011	0.4%	(2,472,923)	-2.0%	-
2020	124,979,243	3,062,191	2.5%	937,081	0.7%	3.3
2019	121,917,052	2,179,188	1.8%	1,248,945	1.0%	1.7
2018	119,737,864	2,409,843	2.1%	1,501,721	1.3%	1.6
2017	117,328,021	2,104,011	1.8%	1,762,142	1.5%	1.2
2016	115,224,010	935,912	0.8%	102,223	0.1%	9.2
2015	114,288,098	987,175	0.9%	3,747,301	3.3%	0.3
2014	113,300,923	1,592,686	1.4%	2,508,038	2.2%	0.6
2013	111,708,237	361,777	0.3%	1,792,999	1.6%	0.2
2012	111,346,460	806,337	0.7%	2,003,654	1.8%	0.4
2011	110,540,123	311,000	0.3%	(80,605)	-0.1%	-
2010	110,229,123	1,801,430	1.7%	421,638	0.4%	4.3
2009	108,427,693	2,223,594	2.1%	(460,107)	-0.4%	-

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Supply & Demand Trends

Atlanta Office

3 STAR SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	117,326,986	126,023	0.1%	122,013	0.1%	1.0
2024	117,200,963	105,733	0.1%	405,996	0.3%	0.3
2023	117,095,230	62,875	0.1%	811,232	0.7%	0.1
2022	117,032,355	46,735	0%	477,084	0.4%	0.1
2021	116,985,620	419,867	0.4%	(878,897)	-0.8%	-
YTD	116,752,389	186,636	0.2%	(282,346)	-0.2%	-
2020	116,565,753	427,371	0.4%	(1,499,780)	-1.3%	-
2019	116,138,382	398,346	0.3%	428,306	0.4%	0.9
2018	115,740,036	432,805	0.4%	671,075	0.6%	0.6
2017	115,307,231	417,515	0.4%	204,344	0.2%	2.0
2016	114,889,716	264,412	0.2%	691,937	0.6%	0.4
2015	114,625,304	600	0%	1,329,456	1.2%	0
2014	114,624,704	(146,391)	-0.1%	1,249,637	1.1%	-
2013	114,771,095	422,051	0.4%	987,301	0.9%	0.4
2012	114,349,044	322,859	0.3%	1,189,046	1.0%	0.3
2011	114,026,185	(638)	0%	159,656	0.1%	-
2010	114,026,823	327,695	0.3%	(482,777)	-0.4%	-
2009	113,699,128	977,586	0.9%	(1,328,478)	-1.2%	-

1 & 2 STAR SUPPLY & DEMAND

	Inventory			Net Absorption		
Year	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2025	77,961,038	(591,824)	-0.8%	(537,831)	-0.7%	-
2024	78,552,862	(587,596)	-0.7%	(430,185)	-0.5%	-
2023	79,140,458	(585,940)	-0.7%	(334,381)	-0.4%	-
2022	79,726,398	(582,631)	-0.7%	(447,853)	-0.6%	-
2021	80,309,029	(362,313)	-0.4%	(887,206)	-1.1%	-
YTD	80,671,342	0	0%	(249,665)	-0.3%	-
2020	80,671,342	42,179	0.1%	22,087	0%	1.9
2019	80,629,163	(476,449)	-0.6%	76,804	0.1%	-
2018	81,105,612	(556,600)	-0.7%	14,364	0%	-
2017	81,662,212	(714,229)	-0.9%	(232,150)	-0.3%	-
2016	82,376,441	(704,563)	-0.8%	(78,731)	-0.1%	-
2015	83,081,004	(870,374)	-1.0%	992,320	1.2%	-
2014	83,951,378	(499,762)	-0.6%	1,006,101	1.2%	-
2013	84,451,140	(560,572)	-0.7%	315,657	0.4%	-
2012	85,011,712	(1,292,194)	-1.5%	(372,884)	-0.4%	-
2011	86,303,906	(261,748)	-0.3%	(306,413)	-0.4%	-
2010	86,565,654	(142,834)	-0.2%	(586,459)	-0.7%	-
2009	86,708,488	93,565	0.1%	(1,851,602)	-2.1%	-

Rent & Vacancy

Atlanta Office

OVERALL RENT & VACANCY

	Market Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	$2.40	140	2.5%	8.9%	43,470,924	12.9%	0%
2024	$2.34	136	3.2%	6.3%	43,011,619	12.9%	-0.2%
2023	$2.27	132	3.4%	2.9%	43,289,207	13.1%	-0.6%
2022	$2.19	128	1.1%	-0.4%	44,918,370	13.6%	-0.6%
2021	$2.17	126	-1.5%	-1.5%	46,544,662	14.2%	1.6%
YTD	$2.21	128	0.2%	0.2%	44,377,596	13.7%	1.1%
2020	$2.20	128	0.9%	0%	40,663,460	12.6%	1.1%
2019	$2.18	127	4.5%	-0.9%	36,592,770	11.5%	0%
2018	$2.09	122	5.6%	-5.2%	36,279,925	11.5%	-0.1%
2017	$1.98	115	5.2%	-10.2%	36,265,041	11.5%	0%
2016	$1.88	109	6.2%	-14.7%	36,066,568	11.5%	-0.1%
2015	$1.77	103	7.5%	-19.7%	36,360,951	11.7%	-1.9%
2014	$1.65	96	4.4%	-25.3%	42,191,332	13.5%	-1.3%
2013	$1.58	92	2.2%	-28.4%	46,005,773	14.8%	-0.9%
2012	$1.54	90	0.4%	-30.0%	48,877,718	15.7%	-1.0%
2011	$1.54	89	-1.7%	-30.2%	51,860,532	16.7%	0.1%
2010	$1.56	91	-3.8%	-29.0%	51,553,409	16.6%	0.8%
2009	$1.62	95	-5.4%	-26.2%	48,907,339	15.8%	2.1%

4 & 5 STAR RENT & VACANCY

	Market Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	$3.07	152	2.3%	8.4%	22,491,417	15.7%	-0.1%
2024	$3	149	3.1%	5.9%	22,003,726	15.9%	-0.3%
2023	$2.91	144	3.2%	2.8%	21,845,679	16.2%	-0.8%
2022	$2.82	140	1.0%	-0.5%	22,495,028	17.0%	-1.1%
2021	$2.79	138	-1.4%	-1.4%	23,574,280	18.1%	2.5%
YTD	$2.84	141	0.4%	0.4%	22,543,240	18.0%	2.3%
2020	$2.83	140	0.2%	0%	19,534,306	15.6%	1.4%
2019	$2.83	140	5.5%	-0.2%	17,409,196	14.3%	0.5%
2018	$2.68	133	6.9%	-5.3%	16,513,379	13.8%	0.5%
2017	$2.51	124	5.1%	-11.4%	15,626,520	13.3%	0.1%
2016	$2.39	118	6.5%	-15.7%	15,275,544	13.3%	0.6%
2015	$2.24	111	8.5%	-20.9%	14,508,611	12.7%	-2.5%
2014	$2.07	102	6.1%	-27.1%	17,162,947	15.1%	-1.0%
2013	$1.95	96	3.3%	-31.2%	18,046,097	16.2%	-1.3%
2012	$1.89	93	0.9%	-33.4%	19,477,319	17.5%	-1.2%
2011	$1.87	93	-0.6%	-34.0%	20,674,636	18.7%	0.3%
2010	$1.88	93	-2.4%	-33.6%	20,241,939	18.4%	1.0%
2009	$1.93	95	-4.6%	-32.0%	18,852,166	17.4%	2.2%

Rent & Vacancy

3 STAR RENT & VACANCY

	Market Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	$2.11	134	2.6%	8.8%	15,217,277	13.0%	0%
2024	$2.06	130	3.3%	6.0%	15,213,479	13.0%	-0.3%
2023	$1.99	126	3.4%	2.7%	15,513,939	13.2%	-0.6%
2022	$1.92	122	1.1%	-0.7%	16,262,475	13.9%	-0.4%
2021	$1.90	121	-1.8%	-1.8%	16,692,868	14.3%	1.1%
YTD	$1.94	123	-0.1%	-0.1%	15,857,827	13.6%	0.4%
2020	$1.94	123	1.5%	0%	15,402,290	13.2%	1.6%
2019	$1.91	121	4.1%	-1.5%	13,476,802	11.6%	-0.1%
2018	$1.83	116	4.9%	-5.4%	13,506,521	11.7%	-0.3%
2017	$1.75	111	5.3%	-9.8%	13,811,632	12.0%	0.2%
2016	$1.66	105	5.8%	-14.4%	13,477,297	11.7%	-0.4%
2015	$1.57	99	7.3%	-19.1%	13,912,781	12.1%	-1.1%
2014	$1.46	93	3.2%	-24.6%	15,226,132	13.3%	-1.2%
2013	$1.42	90	1.0%	-27.0%	16,651,560	14.5%	-0.5%
2012	$1.40	89	0%	-27.7%	17,216,054	15.1%	-0.8%
2011	$1.40	89	-2.3%	-27.7%	18,082,241	15.9%	-0.1%
2010	$1.43	91	-4.3%	-26.0%	18,252,319	16.0%	0.7%
2009	$1.50	95	-5.0%	-22.7%	17,441,847	15.3%	1.9%

1 & 2 STAR RENT & VACANCY

	Market Rent				Vacancy		
Year	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2025	$1.72	120	2.9%	10.7%	5,762,230	7.4%	0%
2024	$1.67	117	3.6%	7.6%	5,794,414	7.4%	-0.1%
2023	$1.61	113	3.7%	3.9%	5,929,589	7.5%	-0.2%
2022	$1.56	109	1.5%	0.1%	6,160,867	7.7%	-0.1%
2021	$1.53	107	-1.3%	-1.3%	6,277,514	7.8%	0.7%
YTD	$1.56	109	0.1%	0.1%	5,976,529	7.4%	0.3%
2020	$1.55	109	2.2%	0%	5,726,864	7.1%	0%
2019	$1.52	106	2.4%	-2.1%	5,706,772	7.1%	-0.6%
2018	$1.49	104	3.3%	-4.4%	6,260,025	7.7%	-0.6%
2017	$1.44	101	5.4%	-7.4%	6,826,889	8.4%	-0.5%
2016	$1.37	96	6.0%	-12.1%	7,313,727	8.9%	-0.7%
2015	$1.29	90	4.9%	-17.1%	7,939,559	9.6%	-2.1%
2014	$1.23	86	2.3%	-20.9%	9,802,253	11.7%	-1.7%
2013	$1.20	84	1.2%	-22.7%	11,308,116	13.4%	-0.9%
2012	$1.19	83	-0.5%	-23.6%	12,184,345	14.3%	-0.9%
2011	$1.19	83	-3.2%	-23.2%	13,103,655	15.2%	0.1%
2010	$1.23	86	-6.2%	-20.7%	13,059,151	15.1%	0.5%
2009	$1.31	92	-8.1%	-15.5%	12,613,326	14.5%	2.2%

Sale Trends

Atlanta Office

OVERALL SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	$216.23	170	7.4%
2024	-	-	-	-	-	-	$210.53	166	7.4%
2023	-	-	-	-	-	-	$202.55	159	7.4%
2022	-	-	-	-	-	-	$194.56	153	7.5%
2021	-	-	-	-	-	-	$193.37	152	7.5%
YTD	204	$531.4M	1.0%	$4,046,072	$177.27	8.6%	$196.75	155	7.5%
2020	1,194	$1.7B	3.7%	$2,607,807	$164.64	8.1%	$195.70	154	7.5%
2019	1,259	$3.4B	7.6%	$4,809,031	$167.43	7.9%	$193.18	152	7.5%
2018	1,245	$3.8B	7.8%	$5,264,000	$175.92	7.9%	$185.84	146	7.4%
2017	1,101	$3.9B	8.3%	$5,883,496	$163.68	7.8%	$176.73	139	7.4%
2016	1,244	$4.6B	10.8%	$5,936,625	$154.03	8.1%	$171.55	135	7.3%
2015	1,086	$5.2B	11.0%	$7,048,432	$165	8.4%	$164.23	129	7.4%
2014	985	$2.8B	7.4%	$4,603,667	$132.17	8.8%	$157.26	124	7.4%
2013	993	$3.4B	8.8%	$6,010,942	$135.02	8.6%	$147.85	116	7.7%
2012	763	$1.8B	5.4%	$3,700,529	$117.17	8.4%	$139.75	110	7.9%
2011	658	$1.6B	5.9%	$4,218,565	$91.40	9.6%	$138.13	109	8.0%
2010	512	$411.9M	1.9%	$1,315,558	$74.94	8.8%	$125.96	99	8.6%

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4 & 5 STAR SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	$273.65	165	7.0%
2024	-	-	-	-	-	-	$266.90	161	7.0%
2023	-	-	-	-	-	-	$257.16	155	7.0%
2022	-	-	-	-	-	-	$247.33	149	7.0%
2021	-	-	-	-	-	-	$246.11	149	7.0%
YTD	7	$307.7M	0.8%	$43,957,143	$290.80	7.8%	$250.39	151	7.0%
2020	28	$606.9M	1.6%	$25,249,253	$303.85	6.6%	$249.01	150	7.0%
2019	65	$1.8B	8.6%	$35,335,753	$212.38	6.9%	$249.70	151	7.0%
2018	52	$2.1B	8.0%	$45,316,588	$243.02	6.5%	$241.39	146	6.9%
2017	53	$2.1B	9.0%	$42,810,902	$219.81	5.7%	$228.79	138	6.9%
2016	86	$3B	15.2%	$50,797,940	$200.02	6.6%	$223.29	135	6.8%
2015	81	$3.9B	16.6%	$48,651,670	$205.38	6.6%	$215.66	130	6.8%
2014	61	$1.8B	9.8%	$34,589,699	$169.19	8.3%	$208.18	126	6.8%
2013	61	$2.4B	12.9%	$45,790,364	$174.56	7.8%	$195.90	118	7.0%
2012	25	$1.1B	6.5%	$45,694,427	$151.87	7.3%	$184.71	112	7.3%
2011	32	$794.6M	5.6%	$26,434,587	$131.61	7.6%	$182.27	110	7.4%
2010	7	$117M	1.7%	$16,709,854	$63.36	-	$165.70	100	7.9%

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Sale Trends

3 STAR SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	$191.04	173	7.6%
2024	-	-	-	-	-	-	$185.85	168	7.5%
2023	-	-	-	-	-	-	$178.69	162	7.5%
2022	-	-	-	-	-	-	$171.60	155	7.6%
2021	-	-	-	-	-	-	$170.54	154	7.6%
YTD	61	$153.7M	1.2%	$3,828,039	$116.41	8.8%	$173.37	157	7.6%
2020	325	$710.6M	4.9%	$3,816,722	$136.72	8.0%	$172.39	156	7.6%
2019	403	$1.1B	7.5%	$5,004,040	$141.78	7.5%	$167.38	151	7.7%
2018	416	$1.1B	7.7%	$4,677,836	$145.55	7.8%	$160.01	145	7.6%
2017	350	$1.3B	9.2%	$5,759,434	$132.12	7.7%	$152.41	138	7.5%
2016	429	$1.2B	9.5%	$4,742,656	$115.20	8.2%	$147.89	134	7.5%
2015	332	$947.4M	9.4%	$4,355,196	$107.28	8.4%	$140.67	127	7.5%
2014	325	$672.8M	6.6%	$4,082,933	$101.94	8.6%	$134.38	121	7.6%
2013	325	$778.4M	8.0%	$4,697,304	$90.47	8.6%	$126.42	114	7.8%
2012	251	$510.2M	5.3%	$2,950,874	$97.15	8.8%	$119.96	108	8.0%
2011	232	$526.1M	5.3%	$4,807,746	$93.42	10.7%	$119.28	108	8.1%
2010	180	$182.4M	1.8%	$2,015,744	$98.70	9.6%	$109.49	99	8.7%

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1 & 2 STAR SALES

	Completed Transactions (1)						Market Pricing Trends (2)		
Year	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2025	-	-	-	-	-	-	$158.27	180	8.1%
2024	-	-	-	-	-	-	$153.55	175	8.0%
2023	-	-	-	-	-	-	$147.26	168	8.1%
2022	-	-	-	-	-	-	$141.03	161	8.1%
2021	-	-	-	-	-	-	$139.70	159	8.1%
YTD	136	$70M	1.1%	$782,528	$113.07	8.7%	$142.37	162	8.1%
2020	841	$394.5M	5.3%	$863,942	$123.13	8.4%	$141.78	162	8.1%
2019	791	$467.4M	6.3%	$1,043,962	$121.83	8.5%	$137.58	157	8.2%
2018	777	$521.1M	7.4%	$1,184,495	$106.89	8.6%	$131.89	150	8.1%
2017	698	$416.2M	5.9%	$1,048,165	$105.63	8.3%	$126.32	144	8.0%
2016	729	$399.3M	6.5%	$822,658	$87.65	8.4%	$120.72	138	8.0%
2015	673	$387.4M	5.4%	$817,850	$99.09	8.9%	$113.77	130	8.1%
2014	599	$295.8M	5.3%	$722,373	$78.45	9.4%	$106.66	122	8.2%
2013	607	$204.6M	4.4%	$552,192	$74.10	9.5%	$99.87	114	8.5%
2012	487	$189.5M	4.1%	$628,796	$68.41	9.2%	$94.46	108	8.7%
2011	394	$255.1M	7.1%	$1,046,725	$45.78	9.4%	$92.85	106	8.9%
2010	325	$112.5M	2.2%	$497,858	$62.43	7.9%	$84.47	96	9.5%

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