



Industrial Market Report

Atlanta - GA

PREPARED BY



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INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

21.5M

12 Mo Net Absorption in SF

9.7M

Vacancy Rate

4.6%

12 Mo Rent Growth

10.2%

After a record run of tightening vacancies and escalating leasing activity, Atlanta's industrial market slowed in the first half of 2023. A handful of move-outs and layoffs in the distribution sector have slowed absorption, and a record wave of supply has begun to deliver just as preleasing has begun to soften. Still, the change appears to be more normalization than downturn, and one landlord broker likened it to shifting from fifth to third gear. Despite four straight quarters of rising vacancies, and the first negative absorption reading in three years in 23Q2, the market here is still tighter than any time before 2021, with roughly 4.6% vacancy.

While vacancies are likely to continue rising through 2023, supply concerns do not appear insurmountable. Even in the unlikely event that all 20 million SF currently unleased and under-construction space delivered tomorrow without a tenant, vacancies would still only rise to 2015 levels. However, the predominance of large-box speculative construction is likely to create significantly higher availabilities in industrial spaces larger than 250,000 SF. This could be especially challenging in exurban areas along the Interstate 75 corridor in the northwest of the market.

On the other hand, a structural shortage of small-bay space will keep availabilities hard to come by in infill locations. And additional demand for adaptive reuse projects in close-in areas, as well as a burgeoning film industry seeking space for sound stages, is likely to continue shrinking infill inventory as older space is converted.

Well-located assets, particularly those around Hartsfield-Jackson International Airport and key interstate nodes, still command large rent increases here, and year-over-year rent growth is still outpacing the national average. The pace of that growth, though, is beginning to level off as landlords find themselves with more available space to fill. With slowing rent growth, Atlanta is likely to retain its place as one of the least-expensive major industrial markets.

Longer term, though, the same challenging financing environment that has slowed sales volume in 2023 could help strengthen market fundamentals in the years to come. Construction starts have declined precipitously since mid-2022. That will result in fewer deliveries in late 2024 and 2025, which could tighten vacancies and stabilize rent growth in 2025.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	641,594,467	4.9%	\$0.67	8.8%	568,922	1,121,545	26,413,369
Specialized Industrial	100,126,644	3.0%	\$0.83	3.8%	(25,411)	0	708,455
Flex	69,976,173	4.0%	\$1.20	6.2%	149,741	0	2,045,799
Market	811,697,284	4.6%	\$0.73	8.0%	693,252	1,121,545	29,167,623

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.3%	9.0%	5.7%	14.2%	2010 Q4	3.2%	2021 Q4
Net Absorption SF	9.7M	12,540,570	9,975,608	38,864,879	2021 Q4	(12,027,769)	2009 Q2
Deliveries SF	21.5M	13,445,043	14,101,429	24,933,796	1999 Q4	728,138	2012 Q1
Rent Growth	10.2%	2.9%	5.3%	14.0%	2022 Q2	-4.9%	1991 Q1
Sales Volume	\$5B	\$1.4B	N/A	\$7.2B	2022 Q2	\$0	1994 Q4

Atlanta's vacancy rate drifted higher through the first half of 2023 after reaching record lows in 2022. However, at 4.6%, it remains far below the market's 10-year average of 6.2%. A combination of slower leasing activity and a pickup in new deliveries drove the increase. The trailing 12-month leasing total for Atlanta fell to 34.6 million SF as of May 2023 from peaks above 50 million SF the year prior. Still, total leasing velocity remains above pre-pandemic trends. By comparison, annual leasing activity averaged 32.4 million SF between 2016 and 2019.

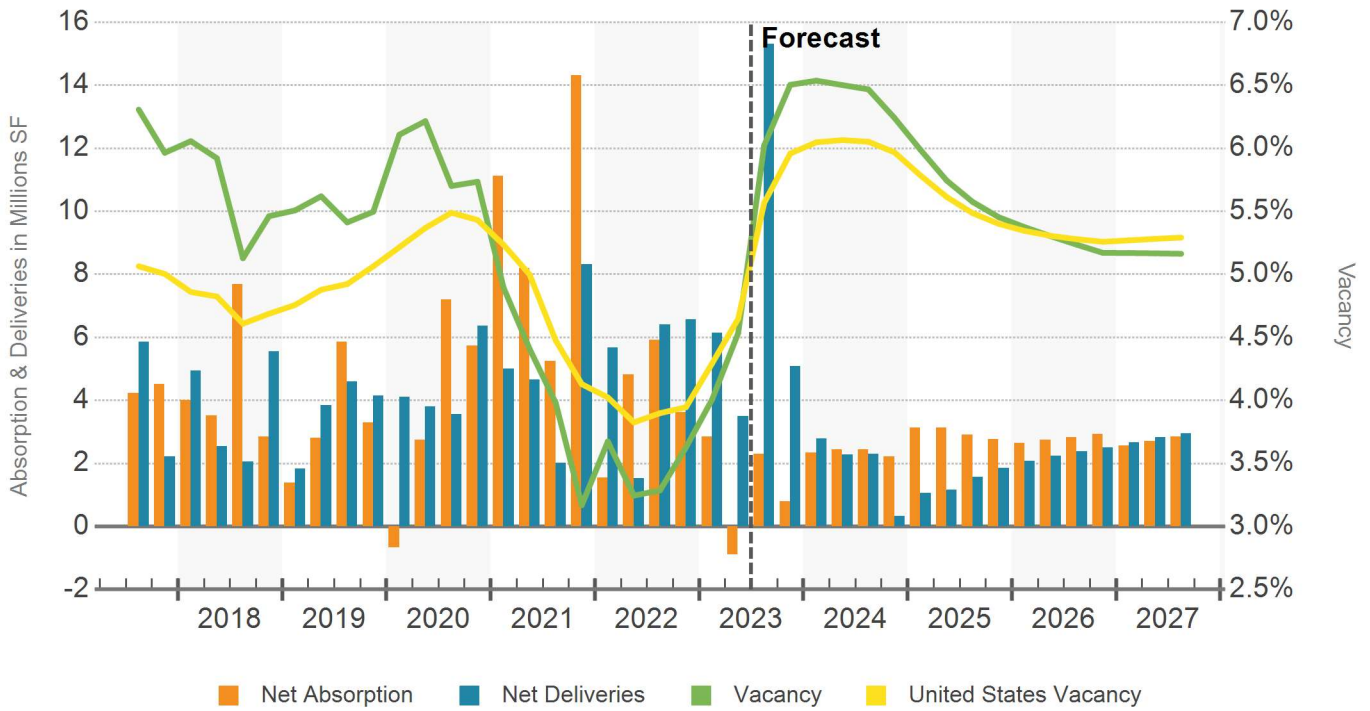
Connections to the growing ports of Savannah, Charleston, and Jacksonville, combined with a geographic location along the growing Interstate 85 corridor, position Atlanta as a distribution hub for both major Southern and lower Midwestern population centers. Recent major leases and move-ins from Sam's West, Home Depot, UPS, and Dollar General solidify that position. Population growth in the broader Southeast region has bolstered aggregate spending in the market, even as per capita spending has declined. Recent tightening of credit markets, however, has put a dent in the home building sector, and inflationary pressures have consumers cutting back from an unprecedented spending spree. These trends are beginning to impact the Atlanta industrial market. American Building Supply vacated a 635,000-SF warehouse in early 2023, and Amazon has put several spaces it leased in 2021 and 2022 up for sublet. Sublease availabilities increased to 9.5 million SF as publicly traded retailers continue to report challenges with excess inventory.

A coming supply expansion is likely to lift vacancies

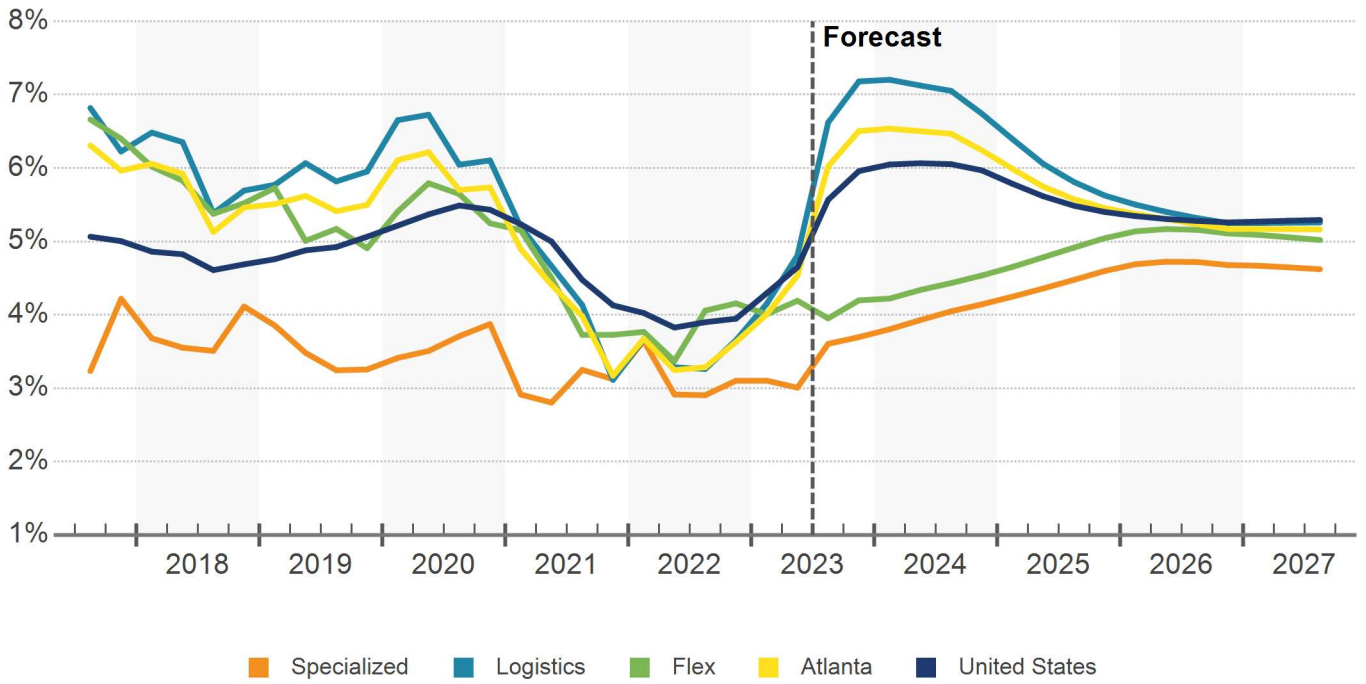
through 2023. An additional 29.2 million SF are underway and slated to deliver over the next two years, with more than 70% of that unleased. However, supply impacts will not be felt equally across all properties. Medium sized to large boxes are likely to see the largest surge in availabilities. About one-third of under-construction inventory is between 200,000 SF and 400,000 SF. More than 80% of under-construction properties in this size class remain unleased. Among existing properties, the vacancy rate is highest, at 6%, in this midsize class, and the availability rate is nearly 11%.

In the long term, though, the growth of vehicle manufacturing in the broader Southeast, combined with federal investments in solar and semiconductor production, diversifies the sources of demand for industrial space in and near Atlanta. SK Innovation's new facility in Commerce, just northeast of the Atlanta metro, will serve as one of the largest hubs of electric vehicle battery manufacturing in the world. In December 2022, Hyundai and SK announced plans for an additional EV battery facility in Bartow County along the I-75 corridor northeast of Atlanta. That came after Rivian's announcement it will build a new electric vehicle manufacturing plant on the eastern fringe of the metro along I-20 in southern Morgan and Walton counties. The \$5 billion investment is slated to employ 7,500 workers when fully staffed and could help augment industrial demand in nearby submarkets such as Rockdale/Newton and South Walton County over the next several years. More recently, European battery-maker Freyr announced plans to build a \$2.6 billion plant in Newnan, a suburb southwest of Atlanta.

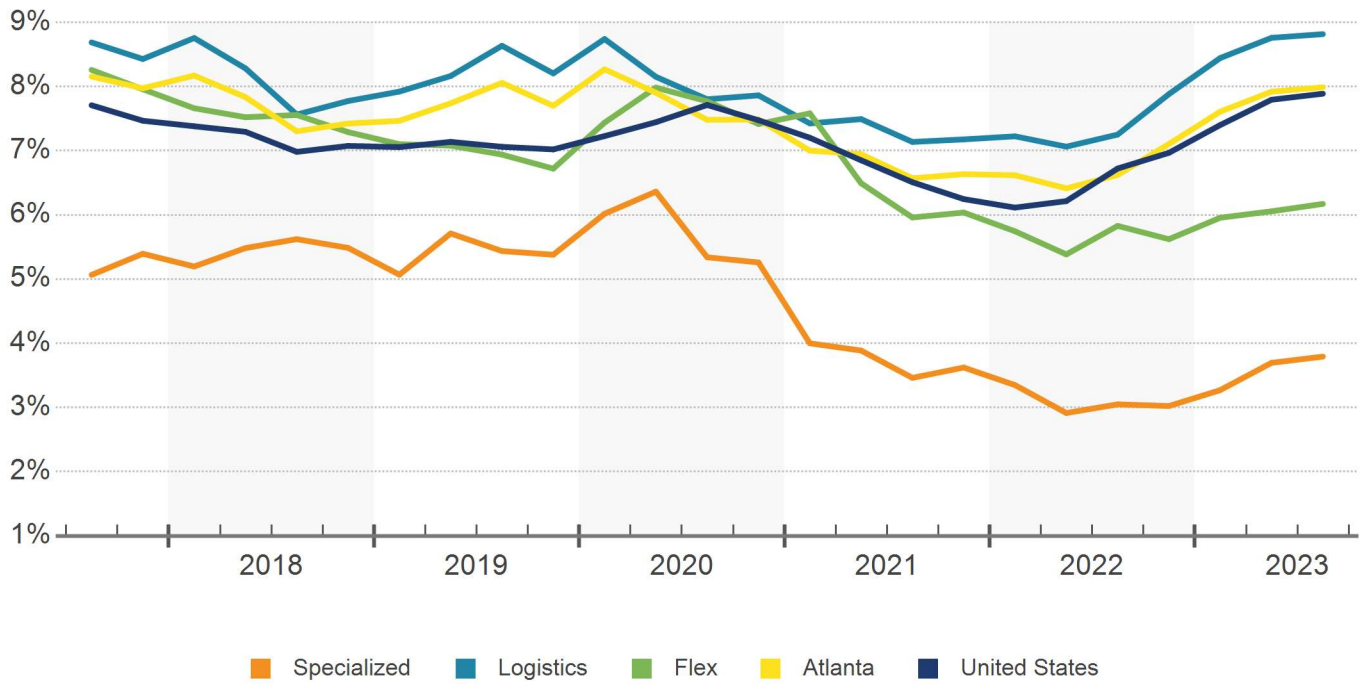
NET ABSORPTION, NET DELIVERIES & VACANCY



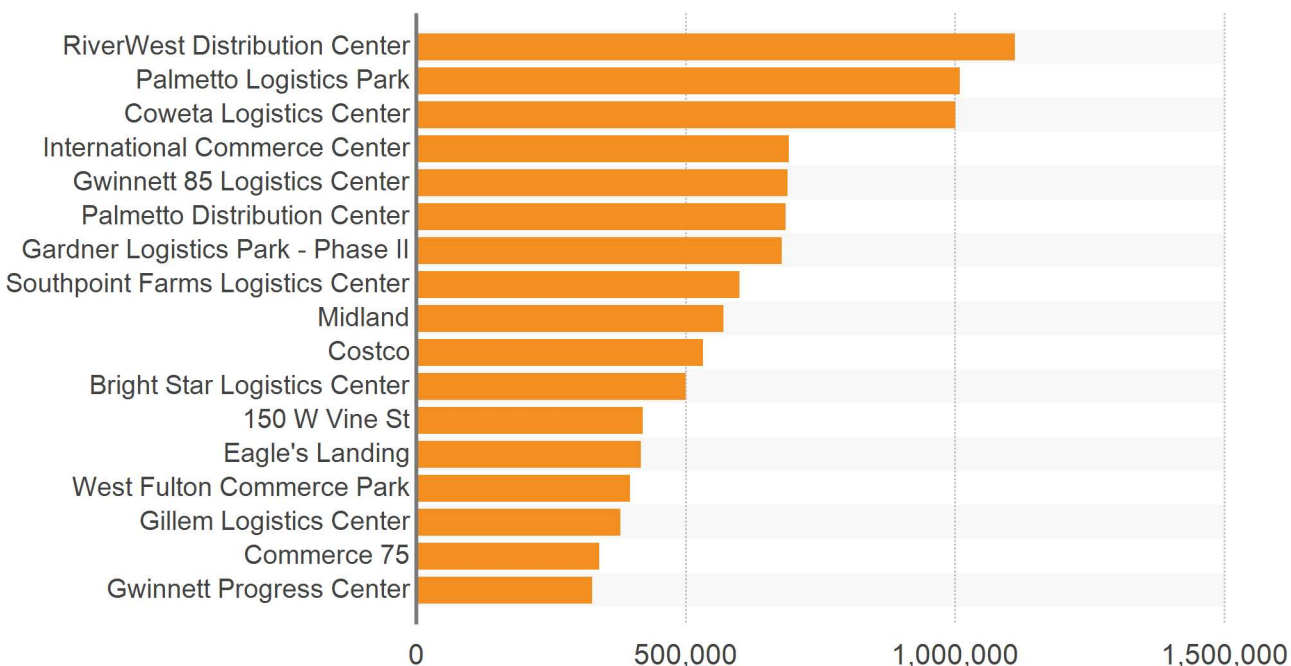
VACANCY RATE



AVAILABILITY RATE



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
RiverWest Distribution Center	I-20 W/Douglasville Ind	1,110,960	0	0	0	1,110,960	0	1,110,960
Palmetto Logistics Park	Airport/North Clayton...	1,008,474	0	0	0	0	0	1,008,474
Coweta Logistics Center	Fayette/Coweta Cou...	1,001,000	0	0	0	0	0	1,001,000
International Commerce Center	Kennesaw/Acworth Ind	691,667	0	0	0	691,667	0	691,667
Gwinnett 85 Logistics Center	Duluth/Suwanee/Buf...	689,730	0	689,730	0	0	0	689,730
Palmetto Distribution Center	Airport/North Clayton...	686,038	0	0	0	0	0	686,038
Gardner Logistics Park - Phase II	S Clayton/Henry Cnt...	678,500	0	678,500	0	0	0	678,500
Southpoint Farms Logistics Center	Airport/North Clayton...	600,000	0	600,000	0	0	0	600,000
Midland	S Clayton/Henry Cnt...	570,586	0	0	0	570,586	0	570,586
Costco	Airport/North Clayton...	907,000	0	0	0	0	0	532,369
Bright Star Logistics Center	I-20 W/Douglasville Ind	500,400	0	0	0	0	0	500,400
150 W Vine St	South Walton County...	420,000	0	0	420,000	0	0	420,000
Eagle's Landing	S Clayton/Henry Cnt...	710,541	0	0	0	0	0	417,056
West Fulton Commerce Park	Fulton District Ind	396,264	0	396,264	0	0	0	396,264
Gillem Logistics Center	Airport/North Clayton...	378,520	0	0	0	0	0	378,520
Commerce 75	Kennesaw/Acworth Ind	339,963	0	0	0	0	0	339,963
Gwinnett Progress Center	GA-316/Lawrencevill...	326,019	0	0	326,019	0	0	326,019
Subtotal Primary Competitors		11,015,662	0	2,364,494	746,019	2,373,213	0	10,347,546
Remaining Atlanta Market		800,696,376	37,176,871	483,235	(1,646,325)	(1,688,541)	0	(627,277)
Total Atlanta Market		811,712,038	37,176,871	2,847,729	(900,306)	684,672	0	9,720,269

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
980 Douglas Hill Rd	I-20 W/Douglasville	1,110,960	Q4 22	Sam's West	-	JLL;Prologis, Inc.
381 Davis Lake Rd	S Clayton/Henry Cnty	1,003,954	Q3 22	-	Real Estate Advisor...	Cushman & Wakefield
500 Business Center Dr	S Clayton/Henry Cnty	710,541	Q3 22	Dollar General	Food Properties Group	JLL
7634 Hwy 140	Kennesaw/Acworth	691,667	Q2 23	Broadrange Logistics	Strategic Real Estat...	Strategic Real Estate P...
7965 Bowen Rd	Airport/North Clayton	686,038	Q3 22	Syncreon Technology	CBRE	Lee & Associates
493 Westridge Pky *	S Clayton/Henry Cnty	676,000	Q1 23	Carlisle Tire & Wheel Co...	CBRE	JLL
201 King Mill Ct	S Clayton/Henry Cnty	570,586	Q1 23	Nexus Circular	JLL	JLL
190 Old Grassdale Rd NE	Kennesaw/Acworth	483,136	Q3 22	Trinity Rail	-	-
6455 Best Friend Rd	Doraville	453,600	Q3 23	-	-	NAI Brannen Goddard;...
3781 Southside Industrial Ct *	Airport/North Clayton	406,989	Q4 22	UPS Supply Chain Solutions	JLL	-
200 Metcalf Rd	Airport/North Clayton	401,242	Q4 22	Covenant	Lee & Associates	Cushman & Wakefield
201 Greenwood Ct	S Clayton/Henry Cnty	395,000	Q4 22	Caterpillar	Newmark	JLL
2055 Anvil Block Rd	Airport/North Clayton	378,520	Q4 22	HD Supply	Cushman & Wakefield	Cushman & Wakefield;...
4125 GA Hwy 316	GA-316/Lawrenceville	326,019	Q4 22	WESCO Distribution	Cresa	NAI Brannen Goddard
Riverside Pky	I-20 W/Douglasville	310,000	Q4 22	Flexential	-	Rooker;Wilson, Hull &...
601 Logistics Pky	Butts County	306,035	Q2 23	Yongsan	Avison Young	Cushman & Wakefield
0 Greenwood Industrial Pky	S Clayton/Henry Cnty	302,496	Q3 22	Oxbox	-	Colliers
4750 Southpark Blvd	S Clayton/Henry Cnty	297,188	Q1 23	ATL Freight	Lee & Associates	KBC Advisors
3200 Shawnee Industrial Way	Duluth/Suwanee/Buford	256,700	Q1 23	The Millennium Mat Comp...	-	-
1305 Whitewater Pl	Airport/North Clayton	252,726	Q1 23	Resia Pods	JLL	Seefried Properties, Inc.
2961 Gravel Springs Rd	Duluth/Suwanee/Buford	251,629	Q2 23	Titanium Plus Autoparts	Strategic Real Estat...	Foundry Commercial
381 Davis Lake Rd	S Clayton/Henry Cnty	234,200	Q2 23	NVH Korea	Eun Kim	Cushman & Wakefield
6831 Stonecrest Industrial Way	Snapfinger	215,328	Q4 22	Pepsi Bottling Ventures	-	Cresa
11350 Johns Creek Pky	N Fulton/Forsyth Cnty	206,686	Q2 23	Boston Scientific	CBRE	Colliers
2107 Eastview Pky	Rockdale/Newton Cnty	201,403	Q2 23	GPA Logistics	CBRE	Lincoln Property Comp...
14053 Industrial Park Blvd	Rockdale/Newton Cnty	200,880	Q4 22	80 Acres Farms	-	-
7776 Jonesboro Rd	Airport/North Clayton	200,439	Q4 22	Aeronet Worldwide	Cushman & Wakefield	Stream Realty Partners...
3760 Southside Industrial Pky *	Airport/North Clayton	187,134	Q4 22	Pratt Industries	Therese Industrial P...	Seefried Properties, Inc.
1412 Battle Creek Rd	Airport/North Clayton	176,086	Q3 22	Carter's	CBRE	CBRE
530 Horizon Dr	Duluth/Suwanee/Buford	168,564	Q2 23	McCollister's Global Servi...	Lee & Associates;N...	Taylor & Mathis, Inc.
18139 NE Logistics Pky	Rockdale/Newton Cnty	161,560	Q4 22	-	-	Lavista Associates, Inc.
1075 Highway 124	S Barrow	160,887	Q4 22	-	-	-
1005 Raco Ct	GA-316/Lawrenceville	156,800	Q1 23	Lipsey Logistics Worldwide	-	NAI Brannen Goddard
195 Bledsoe Rd	Fayette/Coweta County	155,320	Q1 23	ESDEC Solar Group	Colliers	Wilson, Hull & Neal
2855 Forsyth Commerce Way	N Fulton/Forsyth Cnty	151,926	Q4 22	-	JLL	McDonald Developmen...
200 Interstate South Dr *	S Clayton/Henry Cnty	141,120	Q3 22	KPower Logistics	Colliers	CBRE
5201 Phillip Lee Dr SW	Fulton District	136,608	Q1 23	Best Warehouse	Stream Realty Partn...	Lee & Associates
1485 Westlake Pky SW *	Fulton District	134,400	Q1 23	Averitt Express, Inc.	-	McDonald Developmen...
555 Hartman Rd *	I-20 W/Douglasville	131,505	Q4 22	Graham Packaging Comp...	-	CBRE
3625 Naturally Fresh Blvd	Airport/North Clayton	130,805	Q2 23	Dachser USA	Cushman & Wakefield	Lincoln Property Comp...

*Renewal

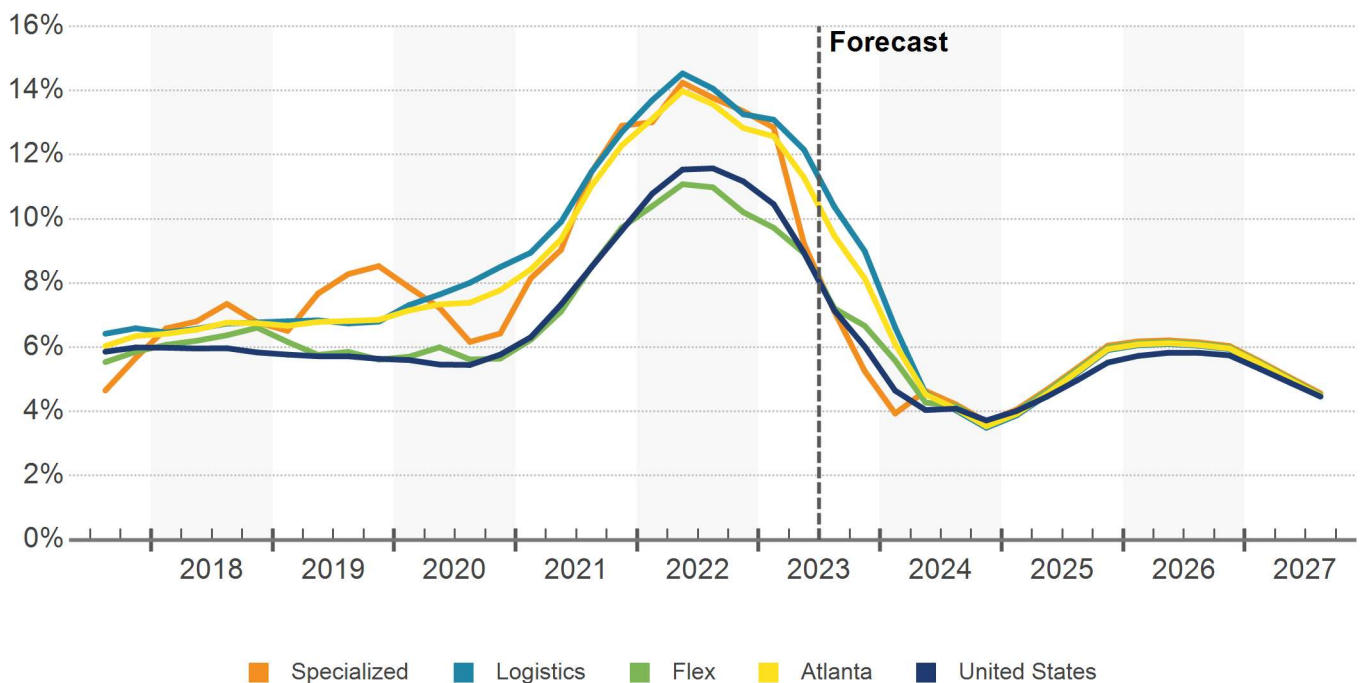


Rent growth in Atlanta has outperformed the metro's historical average for years, though a slight loosening of fundamentals in early 2023 has brought year-over-year accelerations down from record levels. Trailing 12-month growth of 10.2% is outpacing the national benchmark, but is down from peaks of nearly 16% reached in 22Q2. Quarterly rent increases fell to 2.3% in 23Q2 from a peak of nearly 4% in 22Q2. Slowing leasing velocity and the delivery of new supply could reduce landlords' pricing power in coming quarters, but long-term demand drivers in the region poise the best-positioned properties for continued growth. Additionally, the slowdown in new construction starts will leave the market with less new supply competition when this new, thinner pipeline begins to deliver. That raises prospects for a reacceleration in rent growth in the longer term.

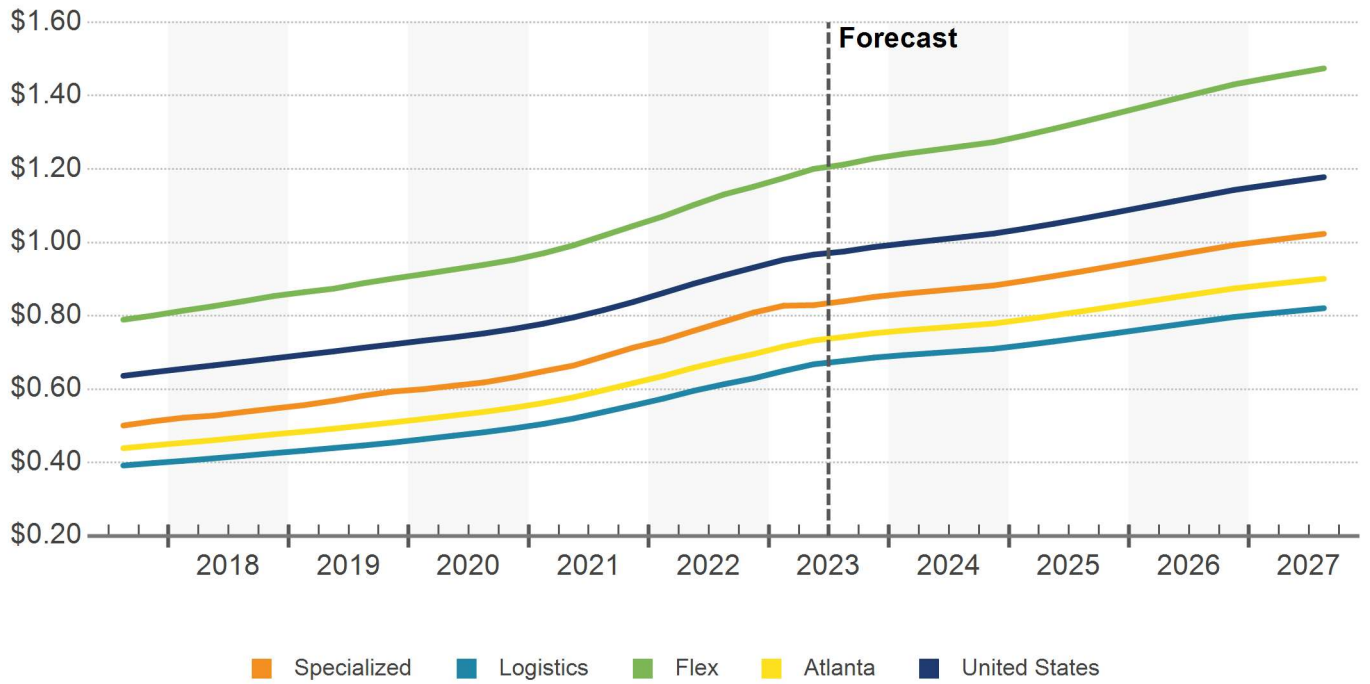
Atlanta rents come at a significant discount to major West and East Coast distribution markets. Average

asking rents of roughly \$8.80/SF are well below the national average of about \$11.60/SF. Big-box distribution facilities often rent for around \$5-\$5.50/SF, but the newest and highest-end properties can often command higher rates. WESCO Distribution's 327,000-SF lease in Dacula came with an asking rent of \$5.50/SF in November 2022, while Sam's West signed a 10-year lease starting in March 2023 at Prologis' 1.1 million-SF RiverWest III for an effective rate of \$6.48/NNN. Relatively inexpensive land and labor costs help give Atlanta a competitive pricing advantage compared to most large markets nationwide. Furthermore, due to the metro's robust infrastructure network and strong demographic growth, industrial users make fewer tradeoffs between transportation access and quality of labor, underlining Atlanta's increasing appeal to manufacturers and distributors looking to expand in the region.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



Atlanta's industrial supply wave persists, and a large portion of the space underway is speculative. With roughly 29.2 million SF under construction, Atlanta ranks in the top five for industrial supply underway nationally. Under-construction projects account for about 3.6% of the metro's current inventory, above the national benchmark of 3.1%. More than two-thirds of under construction space remains unleased. New construction starts, on the other hand, fell by more than 50% in the first half of 2023 compared to the same period a year prior. That indicates that the supply surge could be short-lived. As fewer projects break ground today, fewer projects are likely to deliver in the coming years, which could lead to supply-constrained conditions once again in 2025.

New developments in Atlanta are growing in both total footprint and height. The average clear height for buildings that came to market over the past few years is nearly 36 feet, and some new or under-construction projects have clear heights of 40 feet. By comparison, facilities built before 2010 rarely have clear heights that exceed 32 feet. The average industrial property built since 2010 is larger than 200,000 SF, while the average asset built in the 2000s is around 50,000 SF.

With growing space requirements from distributors, Atlanta developers have focused on building the largest of boxes. More than 20 properties of 500,000 SF or larger are currently underway representing more than half of all under construction space in the market. This construction surge will help ease a structural shortage of large buildings, which has pushed the vacancy rate in

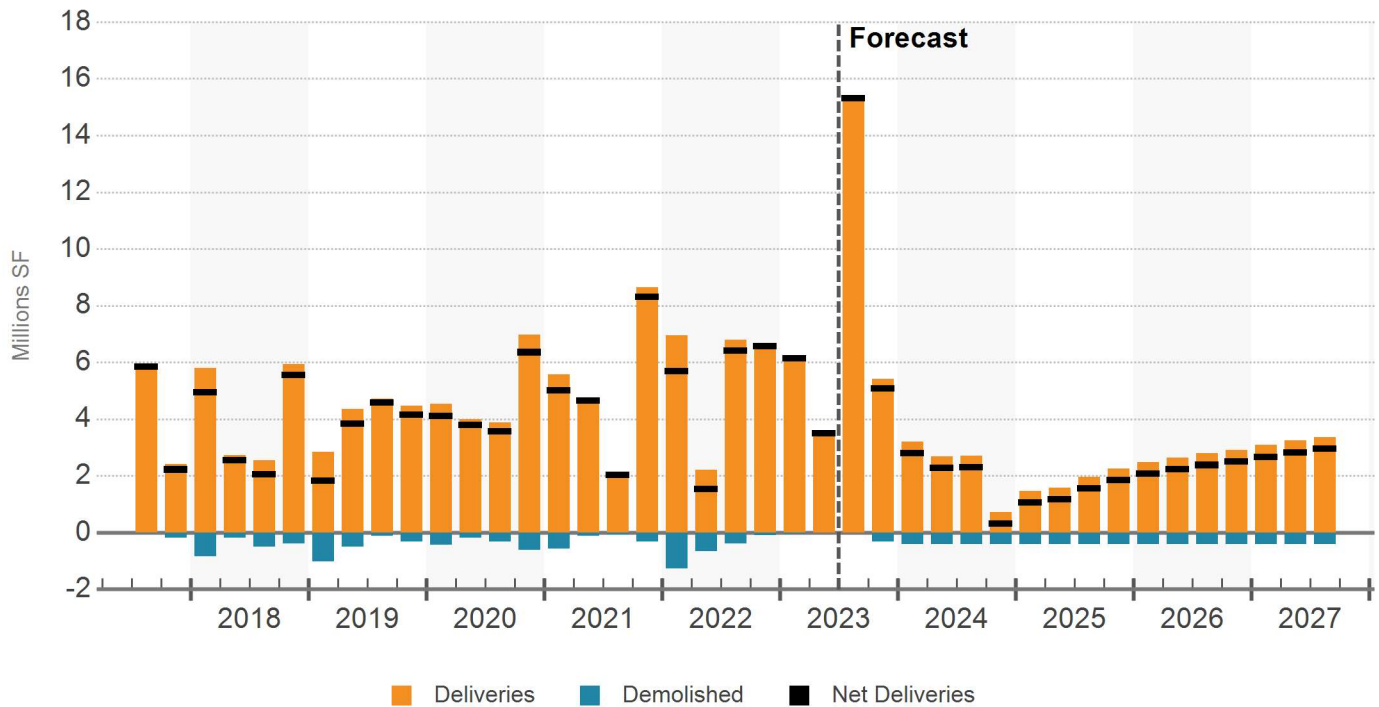
buildings of 500,000-SF or larger around 4%. However, the expansion also comes at a time when average lease sizes are declining and could weigh on fundamentals in exurban submarkets where these large properties represent a disproportionate share of inventory.

Kennesaw/Acworth, for example, boasts strong access to Atlanta and Midwestern markets via I-75, proximity to the Appalachian Regional Port in northwest Georgia, and more developable land than other north side locales. But the 9 million SF currently under construction here remain mostly unleased, and the availability rate here is approaching 20%.

Supply-heavy submarkets in the southern portion of the metro, such as Airport/North Clayton, I-20 W/Douglasville, Fayette/Coweta County, Rockdale/Newton County, and South Clayton/Henry County, may benefit from continued demand for smaller leases in infill buildings closer to population centers.

Nearby markets such as Jackson County and Gainesville are two other important logistics nodes for the region. Jackson County provides tenants direct access to I-85, allowing operators to distribute to other fast-growing Southeastern metros while bypassing metro Atlanta traffic. The area also has few land constraints and is able to draw labor from Atlanta's eastern exurbs as well as rural northeast Georgia. Jackson County has more than doubled its industrial stock since 2010, and the presence of the new SK Innovation plant in Commerce will likely lead to spillover demand for parts suppliers and other manufacturers in the area in the coming years.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Kennesaw/Acworth	21	6,725	506	7.5%	8	59,367	320,249	5
2	I-20 W/Douglasville	16	4,718	2,022	42.9%	5	55,264	294,905	6
3	Airport/North Clayton	17	4,320	344	8.0%	7	80,095	254,113	7
4	Rockdale/Newton Cnty	8	4,289	2,425	56.5%	3	39,996	536,125	2
5	S Clayton/Henry Cnty	8	3,718	2,082	56.0%	4	81,140	464,758	3
6	Butts County	2	1,725	1,000	58.0%	2	116,143	862,500	1
7	Duluth/Suwanee/Buford	9	1,175	252	21.4%	6	67,889	130,582	10
8	Snapfinger	2	484	0	0%	9	40,442	241,953	8
9	Fayette/Coweta County	2	454	0	0%	9	49,030	227,068	9
10	Doraville	1	454	454	100%	1	55,306	453,600	4
	All Other	28	1,105	277	25.0%		35,252	39,466	
Totals		114	29,168	9,360	32.1%		48,383	255,856	

Under Construction Properties

Atlanta Industrial

Properties

Square Feet

Percent of Inventory

Released

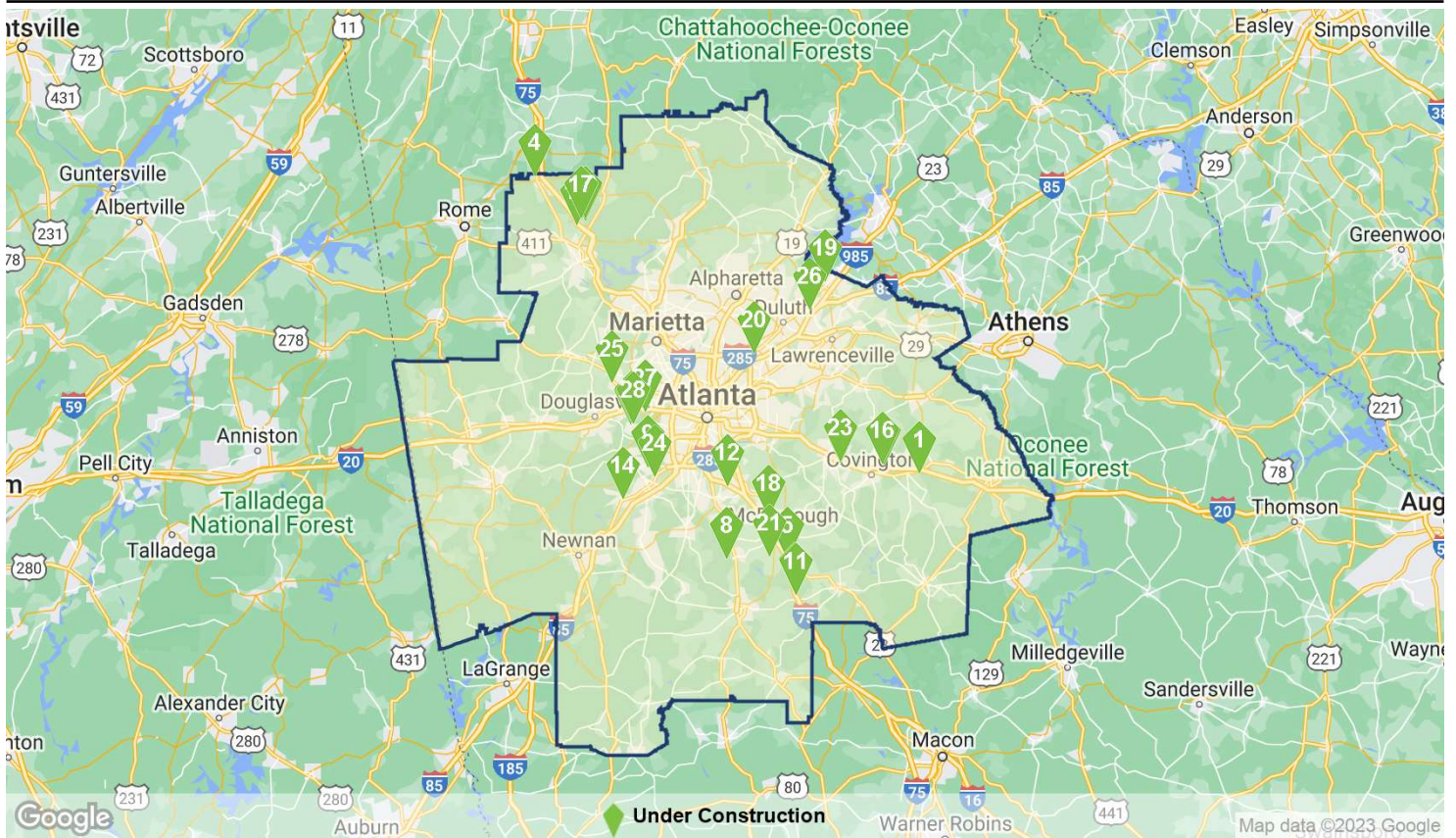
114

29,167,623

3.9%

32.1%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Facebook Data Center -... 503 Shire Pky	★★★★★	1,500,000	1	Sep 2020	Sep 2023	- Meta Platforms, Inc.
2 Building A 1490 Riverside Pky	★★★★★	1,314,599	1	Sep 2022	Dec 2023	Rooker Rooker
3 Busch Commerce Center Cass White Rd	★★★★☆	1,218,620	1	May 2022	Sep 2023	CF Real Estate Investments MDH Partners, LLC
4 Building 3 300 International Pky	★★★★★	1,010,100	1	Dec 2021	Sep 2023	Ashley Capital, LLC Ashley Capital, LLC
5 Gardner Logistics Park -... 381 Davis Lake Rd	★★★★☆	1,003,954	1	Jan 2022	Sep 2023	Scannell Properties Scannell Properties
6 950 Logistics Pky	★★★★★	1,000,000	1	Jul 2022	Oct 2023	Havenwood Realty -
7 Lidl Regional Distributio... 3301 Iris Dr	★★★★★	925,000	1	Jul 2021	Sep 2023	- Lidl



Under Construction Properties

Atlanta Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 Lower Woolsey Rd	★ ★ ★ ★ ★	800,000	1	Mar 2023	Sep 2023	-
9 MAC V – Building 2 S Fulton Pkwy	★ ★ ★ ★ ★	800,000	1	Apr 2022	Jul 2024	- Majestic Realty Co.
10 Building 100 1343 Cass-White Road	★ ★ ★ ★ ★	793,187	1	May 2022	Sep 2023	Reliant Real Estate Partners, LLC Atlanta Commercial Realty Inc
11 River Park Bldg 6 Logistics Pky	★ ★ ★ ★ ★	725,000	1	Oct 2022	Sep 2023	ICM Asset Management ICM Asset Management
12 Clayton 75 2464 Mt. Zion Rd	★ ★ ★ ★ ★	705,833	1	May 2022	Sep 2023	Hillwood Development Corporation Hillwood Development Corporation
13 Covington Logistics Par... 18019 NE Logistics Pky	★ ★ ★ ★ ★	701,984	1	Dec 2022	Sep 2023	- Ashley Capital, LLC
14 Roosevelt Logistics Center 7995 Bowen Rd	★ ★ ★ ★ ★	563,193	1	Jul 2022	Sep 2023	-
15 Bartow Commerce Center 981 Old Grassdale Rd NE	★ ★ ★ ★ ★	526,400	1	Sep 2021	Sep 2023	Panattoni Development Company... Panattoni Development Company...
16 Hazelbrand Rd	★ ★ ★ ★ ★	500,000	1	Dec 2022	Oct 2023	-
17 Qcells - Cartersville Site 0 Highland 75	★ ★ ★ ★ ★	500,000	1	Mar 2023	Mar 2024	-
18 Stockbridge Logistics C... Candler Rd	★ ★ ★ ★ ★	498,160	1	Sep 2022	May 2024	-
19 Downtown Buford Logist... 2105 Buford Hwy	★ ★ ★ ★ ★	495,442	1	Mar 2022	Sep 2023	IDI Logistics IDI Logistics
20 6455 Best Friend Rd	★ ★ ★ ★ ★	453,600	1	Apr 2023	Dec 2023	- TPA Group LLC
21 McDonough 75 Logistics... 2475 Hwy 155	★ ★ ★ ★ ★	427,200	1	Jun 2023	Aug 2024	-
22 Building 4 Riverside Pky	★ ★ ★ ★ ★	422,500	1	Oct 2022	Oct 2023	Rooker Rooker
23 20 East Logistics Center 2932 Dogwood Dr SE	★ ★ ★ ★ ★	373,266	1	Aug 2022	Sep 2023	Native Development Group -
24 Union City Logistics Cen... 4811 Flat Shoals Rd	★ ★ ★ ★ ★	360,180	1	May 2022	Sep 2023	-
25 20 West Intermodal 4795 Innovative Way	★ ★ ★ ★ ★	346,938	1	Jul 2022	Sep 2023	Native Development Group -
26 Suwanee Logistics Center Sawmill Dr	★ ★ ★ ★ ★	327,250	1	Feb 2022	Sep 2023	TPA Group LLC Freeman Partners
27 Building 1 7915 White Rd	★ ★ ★ ★ ★	318,060	1	Dec 2021	Sep 2023	-
28 Building 3 Riverside Pky	★ ★ ★ ★ ★	310,000	1	Mar 2022	Oct 2023	Rooker Rooker



Atlanta continues to be among the top U.S. markets for total industrial investment. However, sales volume slowed significantly in the first half of 2023. Additionally, 22Q4 sales volume was largely due to large portfolio deals with Prologis' purchase of Duke Realty assets accounting for 40% of total activity.

Institutional interest in new and fully leased properties has led to significant long-term price appreciation in the Atlanta market. Market prices have grown to \$106/SF, nearly a 60% increase since 2019. But that's still well below the national average and comparable with other national distribution markets, such as Dallas-Fort Worth and Chicago. Recent sales, however, have indicated that price appreciation is stalling as the impact of higher interest rates and general economic uncertainty takes hold. The November 2022 sale of the unleased Jefferson Mill Logistics Center, for example, traded to Brookfield Property Group for \$17.7 million, or \$92/SF. By contrast, similar unleased properties such as the Riverside Business Park Building D in Douglasville sold in September 2021 for \$103/SF.

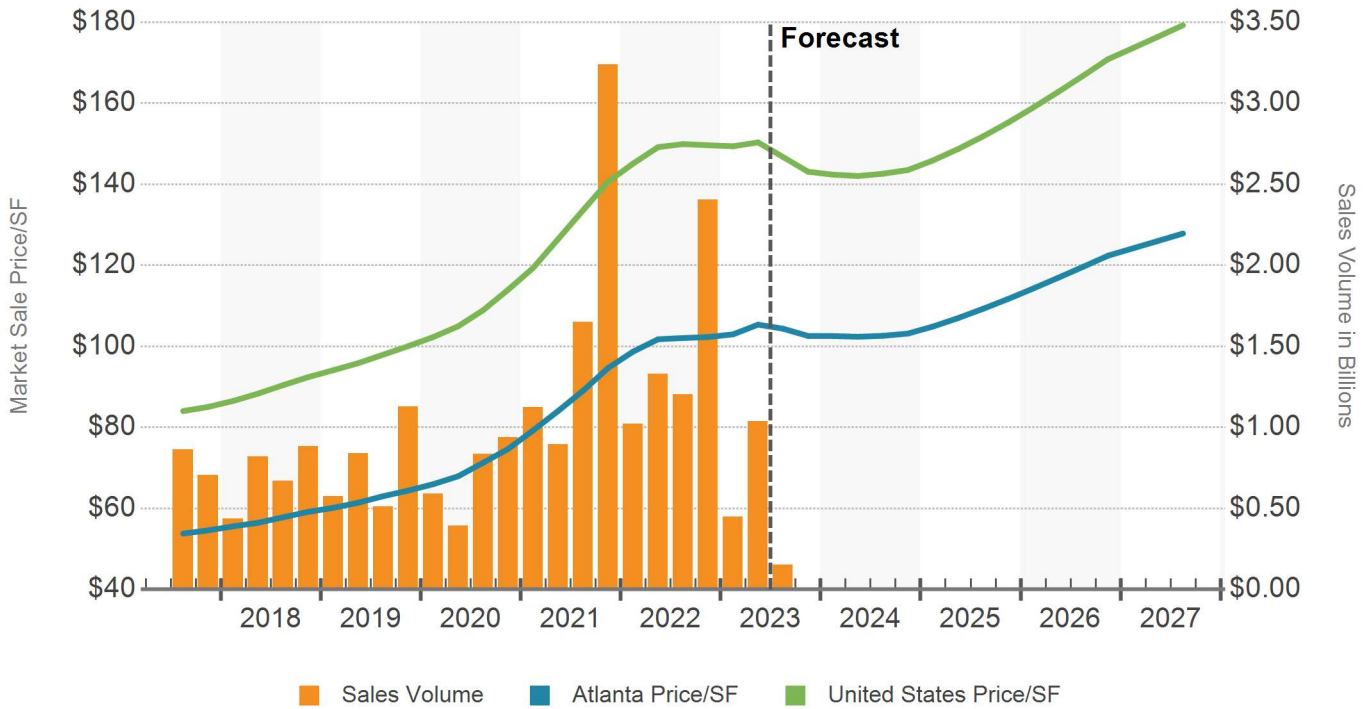
Tighter credit markets have shrunk the buyer pool active in the market in 2023, and market participants note a disconnect between buyers and sellers on cap rates, which have begun to tick upward after years of compression. However, large pension funds and other low-leverage institutional buyers remain active here, and are often willing to buy at higher prices or lower cap rates than most buyers. In February 2023, for example,

FHR Capital and UK-based Grosvenor purchased the McDonough Commerce Center for \$68.5 million or \$96/SF. The all-cash purchase came at a 4% cap rate, much lower than typical market cap rates. The property is fully leased to Scott's Miracle Grow through September 2024. A more typical transaction was Best Warehousing and Transportation Center's purchase of a three-property portfolio of older warehouse properties in Social Circle for \$11.5 million at a 6.6% cap rate.

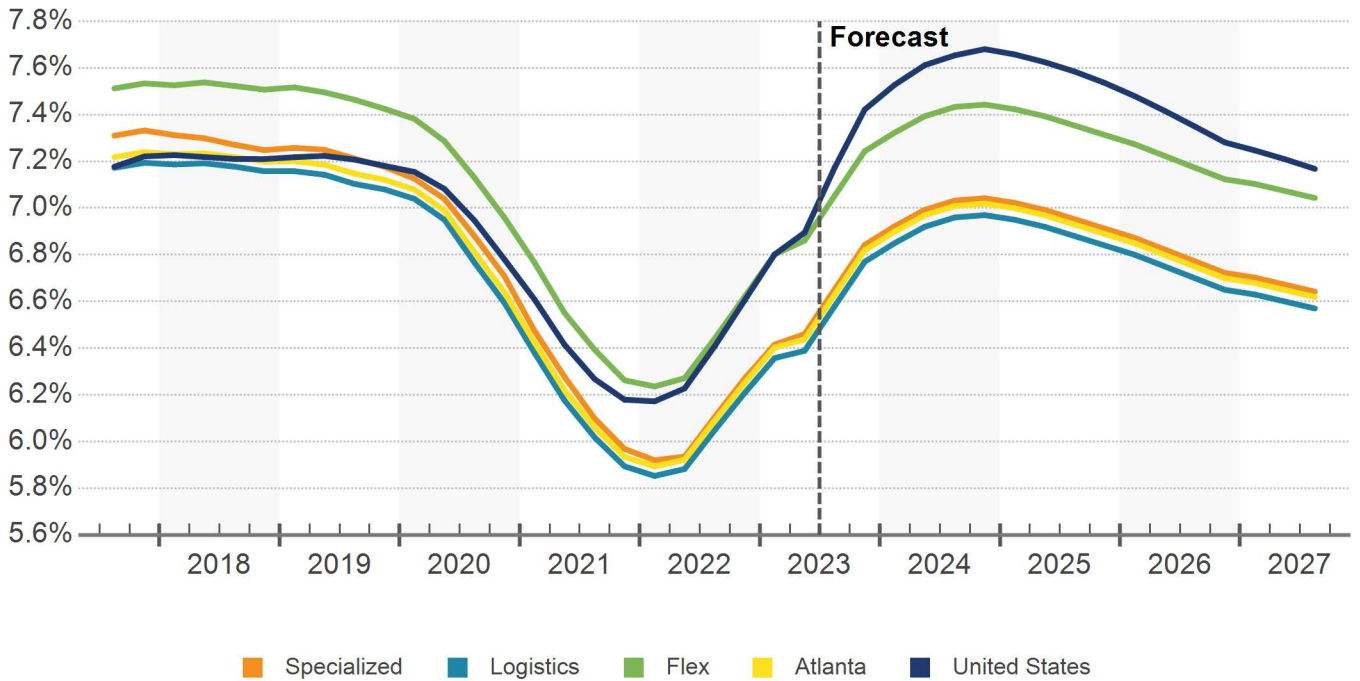
Older assets located in Atlanta's urban core often change hands as redevelopment plays. In particular, investors have targeted older warehouses in submarkets such as Chattahoochee and Central Atlanta for adaptive reuse projects. In all, roughly 9 million SF of industrial space has been sold and then demolished since 2010, a large portion of which was sold for the land value. Most recently, the Allen Company and Alaska Permanent Fund pension purchased a 1.4-acre tract of land at 11th St.NW, near the new Star Metals mixed-use project in West Midtown. It was the second large purchase in West Midtown in the past few months. Atlantic Companies purchased a 2.7-acre tract with a 32,500-SF, 1978-built warehouse on Northside Drive for \$11.2 million, or \$4.2 million/acre.

Investment activity is likely to remain subdued as long as uncertainty persists. However, institutional investors with patient plans are likely to keep Atlanta's newest assets as part of their plans.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Atlanta Industrial

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

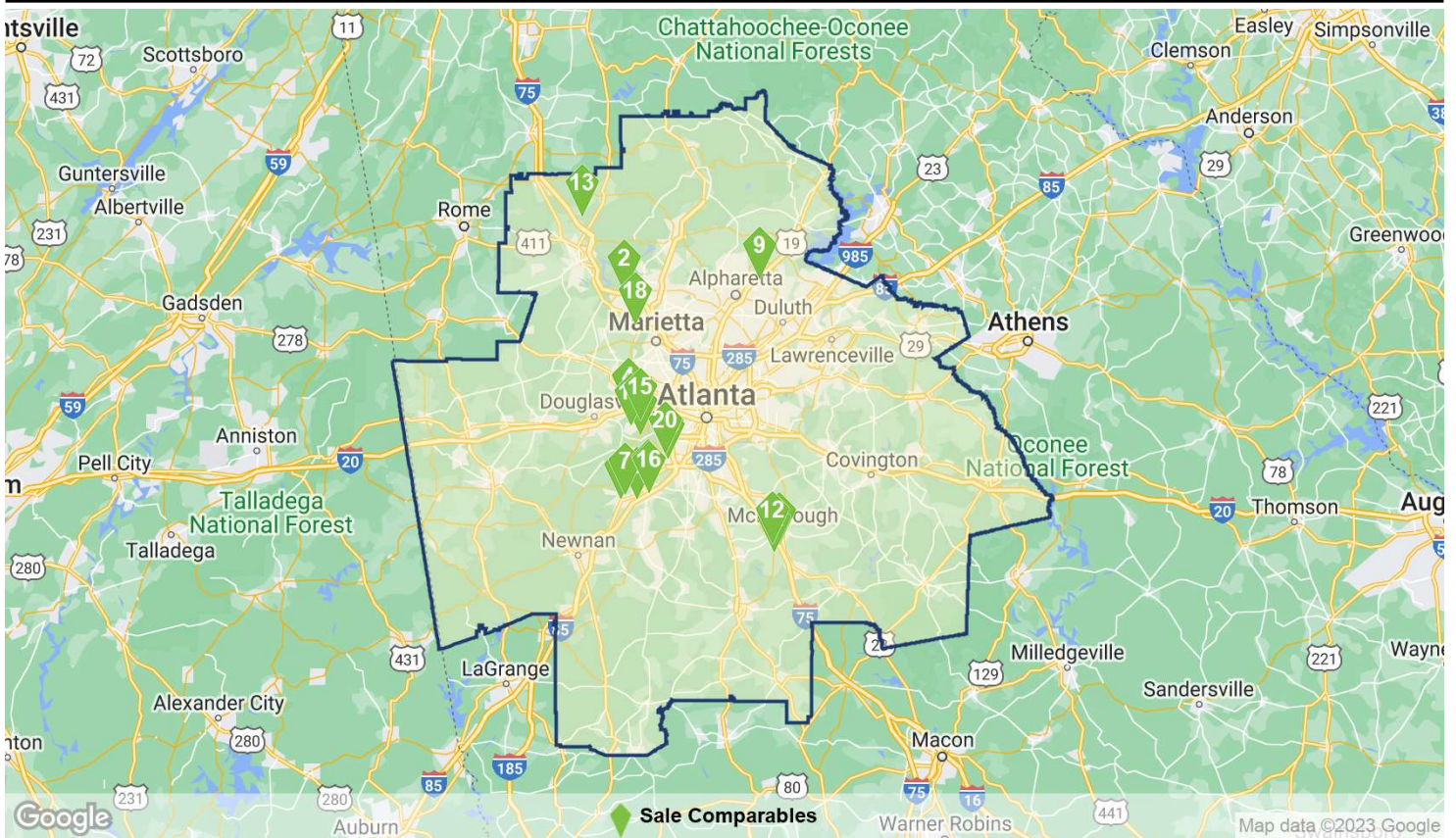
814

6.3%

\$103

14.0%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$124,000	\$7,674,712	\$2,145,547	\$134,500,000
Price/SF	\$0.98	\$103	\$107	\$2,758
Cap Rate	3.8%	6.3%	6.2%	11.3%
Time Since Sale in Months	0.1	7.1	7.7	12.0
Property Attributes	Low	Average	Median	High
Building SF	1,000	66,518	15,238	1,505,690
Ceiling Height	8'	21'4"	20'	50'
Docks	0	11	2	206
Vacancy Rate At Sale	0%	14.0%	0%	100%
Year Built	1890	1988	1990	2023
Star Rating	★★★★★	★★★★★ 2.5	★★★★★	★★★★★



Sales Past 12 Months

Atlanta Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 1595 Oakley Industrial Bl... 1595 Oakley Industrial Blvd	★★★★★	2011	1,505,690	0%	9/8/2022	\$134,500,000	\$89	-
2 102 Northpoint Pky	★★★★☆	2009	122,205	0%	6/29/2023	\$105,150,000	\$860	-
3 Whirlpool Atlanta 195 King Mill Rd	★★★★☆	2008	1,504,800	0%	10/12/2022	\$93,000,000	\$62	-
4 Lithia Springs Distributi... 7705 Staples Dr	★★★★★	2007	644,040	0%	3/20/2023	\$87,500,000	\$136	-
5 Palmetto Distribution Ce... 7965 Bowen Rd	★★★★★	2022	686,038	0%	5/30/2023	\$85,000,000	\$124	-
6 Camp Creek 3909 3909 N Commerce Dr	★★★★★	2006	913,700	0%	10/3/2022	\$82,331,335	\$90	-
7 Building 3 700 Palmetto Logistics Pky	★★★★★	2022	1,008,474	100%	8/31/2022	\$81,648,000	\$81	-
8 Building 4 1950 Oak Lawn Ave	★★★★☆	2022	633,269	100%	12/28/2022	\$80,321,926	\$127	-
9 6020 Shiloh Rd	★★★★☆	2021	194,725	0%	9/19/2022	\$78,400,000	\$403	-
10 7780 Spence Rd	★★★★★	2006	798,296	0%	8/22/2022	\$78,384,914	\$98	-
11 Greenwood Industrial Bl... 150 Greenwood Industrial...	★★★★★	2006	867,140	0%	10/12/2022	\$68,719,333	\$79	-
12 McDonough Commerce... 2085 Avalon Pky	★★★★★	2016	714,560	0%	2/2/2023	\$68,500,000	\$96	4.0%
13 Great Valley Commerce... 200 Logistics Pky NE	★★★★★	2022	973,218	0%	5/15/2023	\$68,400,000	\$70	-
14 Sweetwater Creek Logist... 1551 N River Rd	★★★★☆	2022	280,140	100%	5/15/2023	\$64,000,000	\$228	-
15 Riverside Business Cent... 600 Riverside Pky	★★★★★	2013	653,484	0%	10/28/2022	\$63,400,000	\$97	-
16 130 Whitewater Pl	★★★★★	2004	498,050	0%	8/22/2022	\$63,111,345	\$127	-
17 Home Depot 1000 Logistics Way	★★★★☆	2021	663,520	0%	10/3/2022	\$59,788,210	\$90	-
18 Oakmont Cobb Internati... 7575 Cobb International Blvd	★★★★★	2022	484,323	0%	10/28/2022	\$56,898,928	\$117	-
19 Camp Creek 4909 4909 N Commerce Dr	★★★★★	2016	614,880	0%	10/3/2022	\$55,405,375	\$90	-
20 Camp Creek 3201 3201 Centre Pky	★★★★★	2004	607,650	0%	10/3/2022	\$54,753,897	\$90	-



Atlanta's job market has more than recovered from job losses during the pandemic, though some evidence now points to potential challenges on the horizon. There are now 5% more total jobs in the Atlanta area than there were in February 2020. The strongest job growth has come from office-using sectors such as finance, professional services, and tech. Atlanta's aggregate office-using job sector has grown at a rate of more than 10% since 20Q1, according to Oxford Economics. However, recent layoffs announced by tech companies such as Google and Microsoft's recent postponement of plans for a 90-acre Westside campus have raised some questions about the continued velocity of job growth here.

Still, in the long run, Atlanta remains an attractive market for corporate relocations. Microsoft is moving forward with its lease at Atlantic Station, and Google, Cisco, Invesco, Micron, and Norfolk Southern have all opened new offices in Midtown in recent years. In other sizable recent moves, TK Elevator opened its North American headquarters, and Truist Securities announced that it would move to The Battery in Cumberland/Galleria; FinTech firm Deluxe Corporation added 700 new jobs at an innovation center in Central Perimeter, and Papa Johns relocated its headquarters to Cumberland/Galleria. Tech company Mailchimp is expanding its local presence on the Eastside, while Airbnb and Nike are each establishing East Coast hubs in West Midtown. These expansions follow several Fortune 500 firms setting up technology-related operations locally, including BlackRock, Meta (Facebook), Anthem, and Honeywell.

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 to adequately serve the metro's growing population. Piedmont Hospital opened phase one of the \$450 million Piedmont Heart Institute tower in Buckhead early to treat coronavirus patients, Emory University Hospital Midtown is underway on its \$500 million Winship Cancer Institute tower, and Children's Healthcare of Atlanta is building a \$1.5 billion hospital and campus expansion in Brookhaven that will open in 2025.

Slower consumer spending and increasing automation has begun to put a dent in industrial-using sectors, though employment here remains well above pre-pandemic levels. Hiring by firms like Amazon, Home Depot, HelloFresh, Freshly, Purple Mattress, and

Goodyear, among others, has helped boost blue-collar job growth in recent years. Since late 2022, however, a few high-profile layoff announcements have highlighted weakness in the homebuilding sector as well as a broader move to automated technology in warehousing operations. American Building Supply closed a 600,000-SF distribution center, and Walmart announced it would slash 1,500 workers as it automated much of the work at its 1.2 million-SF fulfillment center near Hartsfield-Jackson Airport. Growth in the manufacturing sector may help to counterbalance losses in the logistics sector, though automation remains a factor for future employment needs in both sectors.

Federal investments have helped the greater Atlanta region emerge as a major electric vehicle manufacturing hub. SK Innovation's new facility in Commerce, just northeast of the Atlanta metro, will employ thousands at full build-out and could eventually serve as one of the world's largest hubs of electric vehicle battery manufacturing. And on the eastern fringe of the metro along I-20, Rivian announced it will build a new \$5 billion electric vehicle manufacturing plant, slated to employ 7,500 workers when fully staffed. 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 is a significant factor in helping Atlanta attract residents and corporations. Atlanta's transportation and logistics hub status helped attract Norfolk Southern, which moved its corporate headquarters to Midtown in 2021. The firm is adding 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. One indicator of the growth in the film industry is that Georgia recently surpassed New York for the second-largest concentration of sound stages in the country.

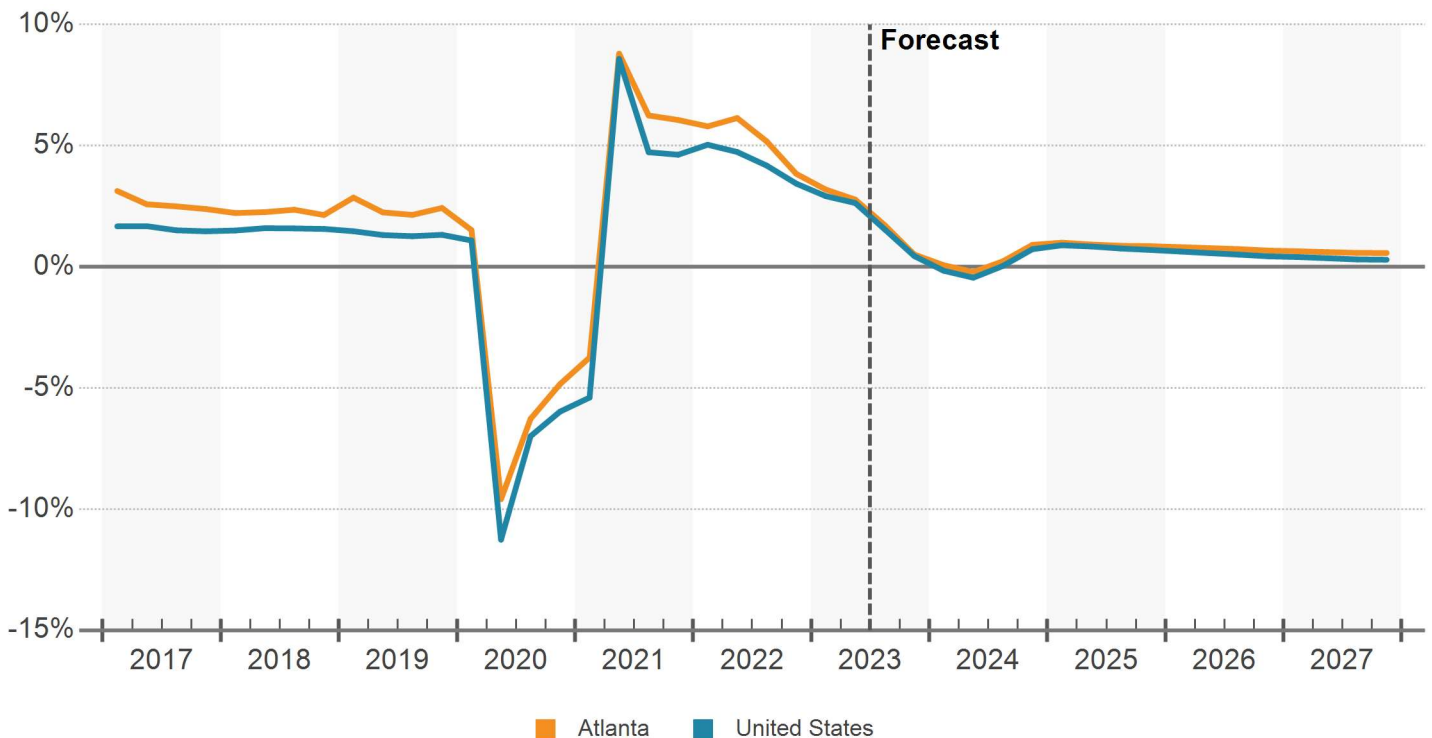
Atlanta boasts lower living and business costs than large East and West Coast metros, and this competitive advantage should continue to boost population and job growth in Atlanta. Atlanta has drawn some of the strongest in-migration in the country over the past few decades, and many employers have openly stated that moving all or a portion of their operations to Atlanta saved them millions without sacrificing access to high-quality labor.

ATLANTA EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	177	0.7	0.19%	1.02%	1.90%	0.77%	0.29%	0.02%
Trade, Transportation and Utilities	652	1.2	-0.55%	0.68%	2.22%	1.18%	0.21%	0.08%
Retail Trade	300	1.0	-0.38%	0.36%	1.26%	0.35%	0.16%	0.08%
Financial Activities	206	1.2	2.92%	0.78%	2.78%	1.46%	0.18%	0.10%
Government	339	0.8	2.53%	1.99%	0.82%	0.34%	0.56%	0.35%
Natural Resources, Mining and Construction	144	0.9	3.95%	2.39%	4.52%	2.46%	0.21%	0.19%
Education and Health Services	406	0.8	4.69%	3.70%	3.17%	1.80%	1.25%	0.64%
Professional and Business Services	591	1.3	0.21%	1.91%	2.71%	2.14%	0.52%	0.33%
Information	117	1.9	2.98%	-0.25%	3.34%	1.29%	0.42%	0.20%
Leisure and Hospitality	316	1.0	8.52%	5.09%	2.54%	1.55%	1.20%	0.92%
Other Services	108	0.9	5.30%	2.51%	1.32%	0.65%	0.12%	0.27%
Total Employment	3,056	1.0	2.32%	2.17%	2.42%	1.35%	0.56%	0.35%

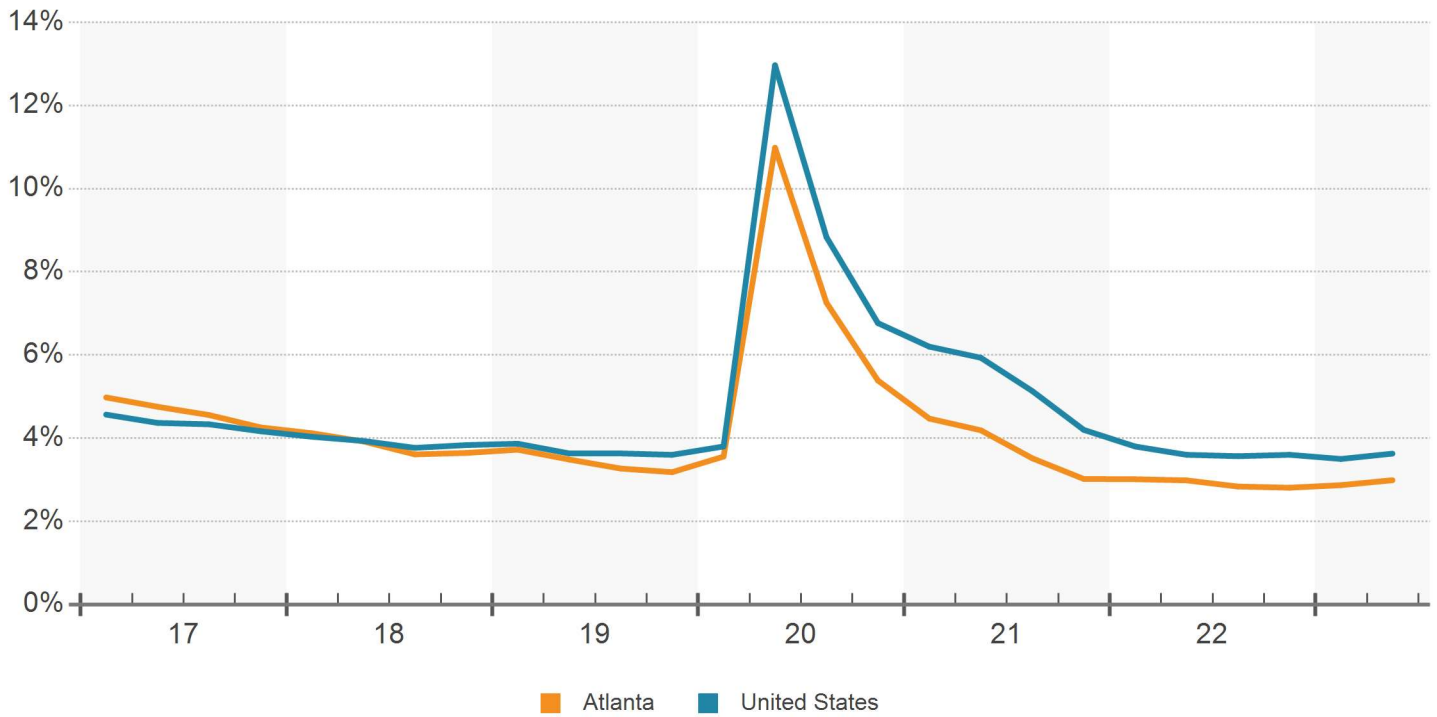
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

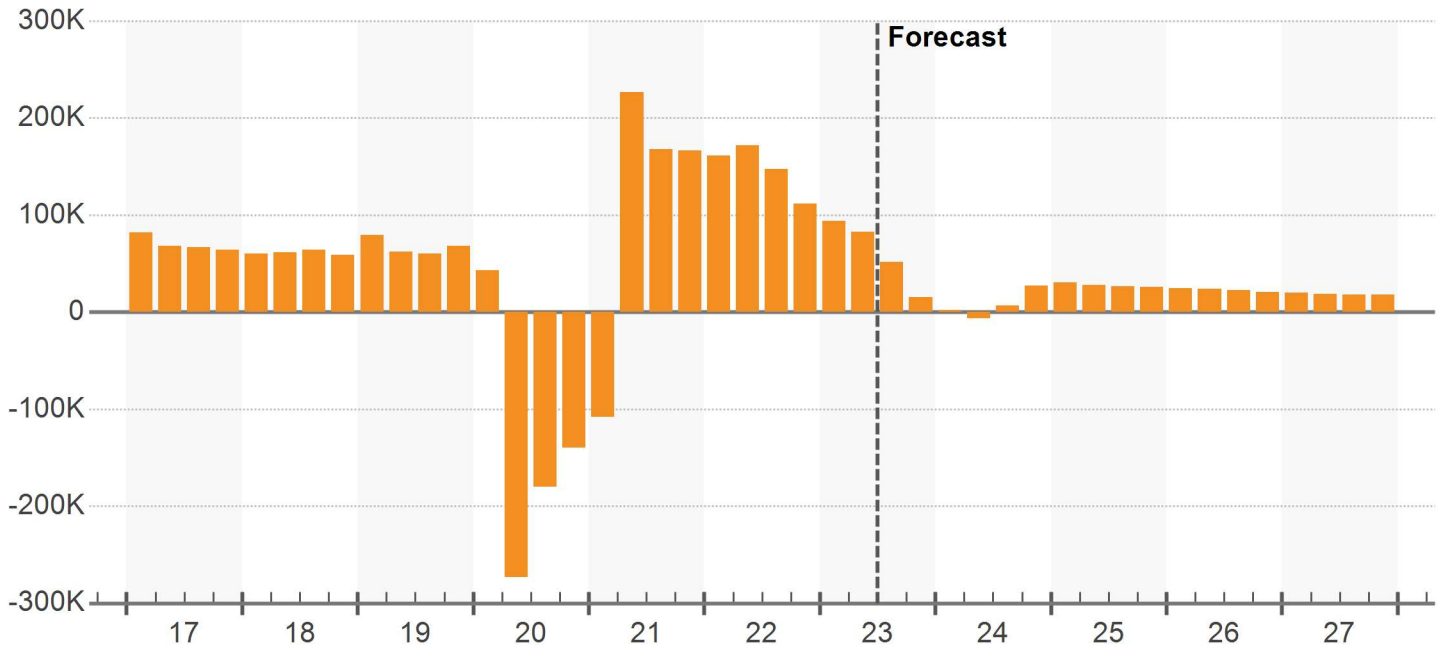


Source: Oxford Economics

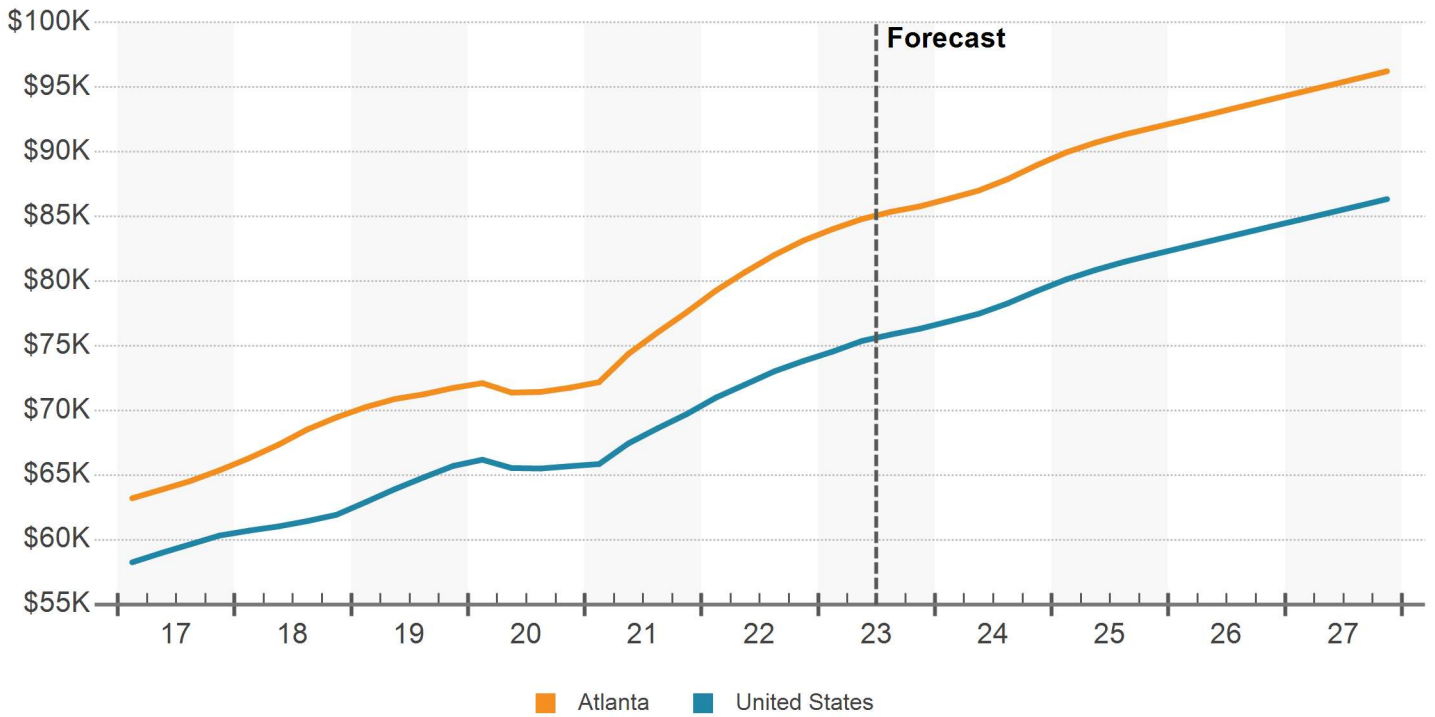
UNEMPLOYMENT RATE (%)



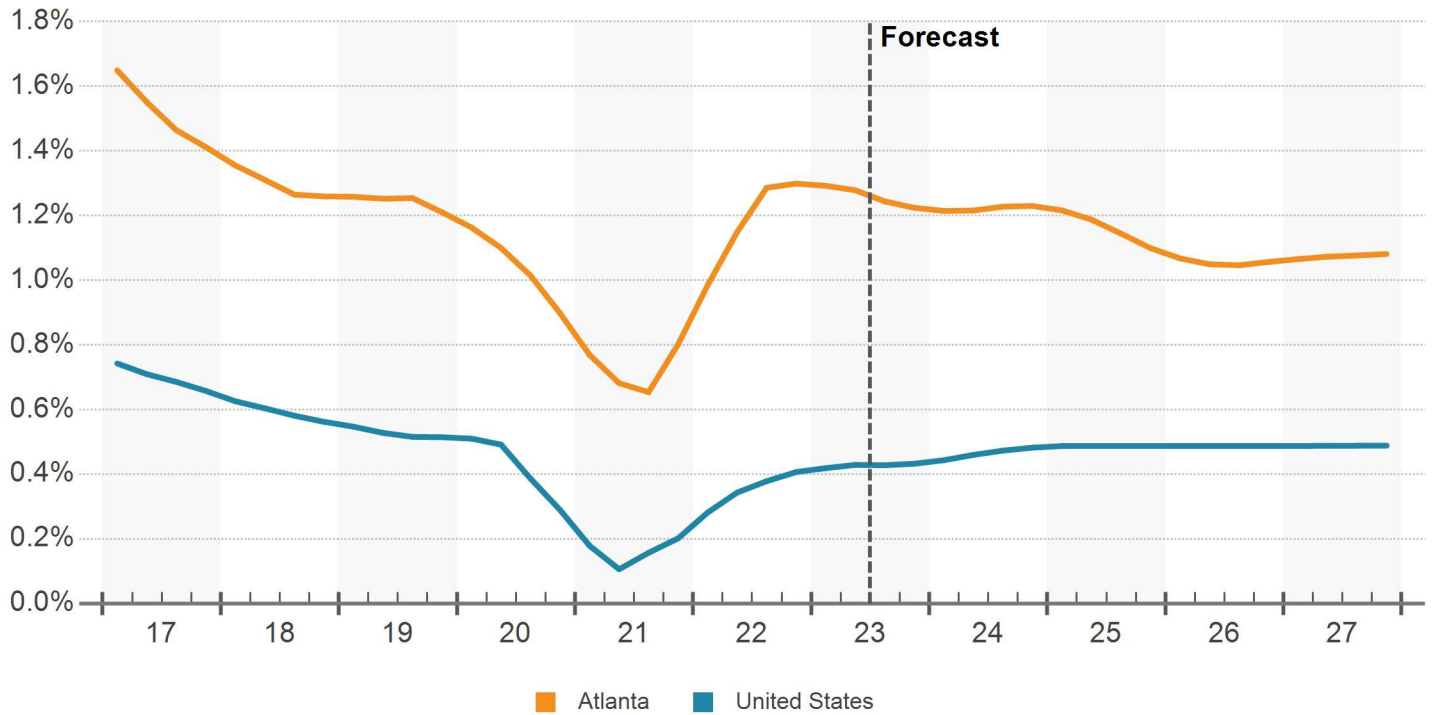
NET EMPLOYMENT CHANGE (YOY)



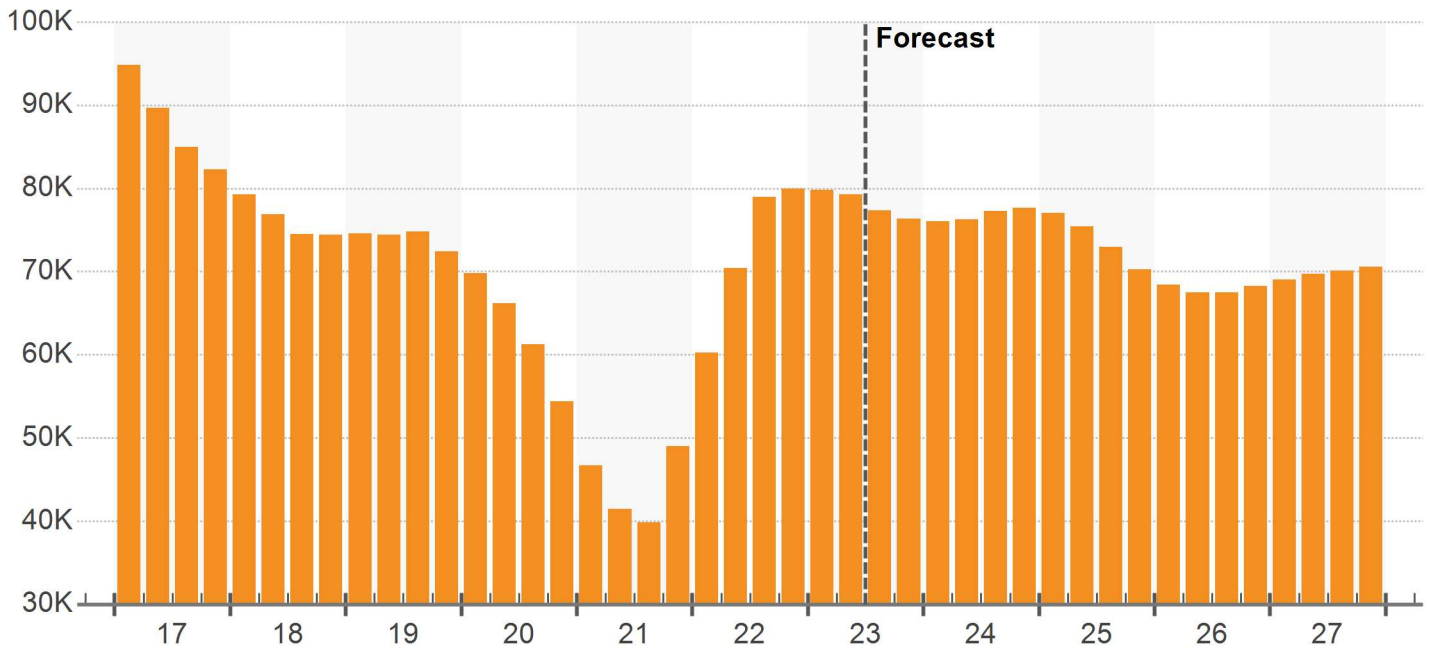
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

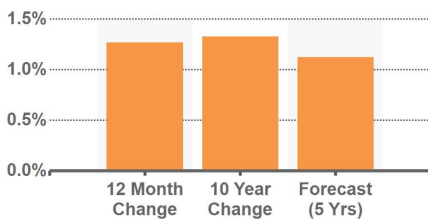


DEMOGRAPHIC TRENDS

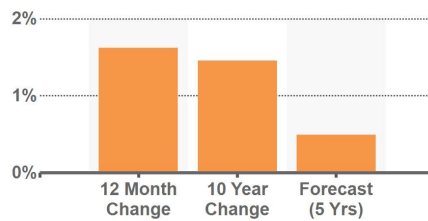
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	6,288,889	334,518,500	1.3%	0.4%	1.3%	0.6%	1.1%	0.5%
Households	2,355,600	129,881,703	1.5%	0.7%	1.7%	0.9%	1.2%	0.6%
Median Household Income	\$85,027	\$75,578	4.7%	4.3%	4.3%	3.8%	2.8%	3.0%
Labor Force	3,220,117	165,936,859	1.6%	1.0%	1.5%	0.6%	0.5%	0.4%
Unemployment	3.0%	3.6%	0.1%	0%	-0.5%	-0.4%	-	-

Source: Oxford Economics

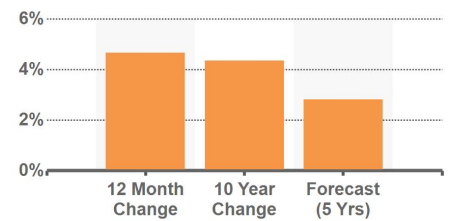
POPULATION GROWTH



LABOR FORCE GROWTH

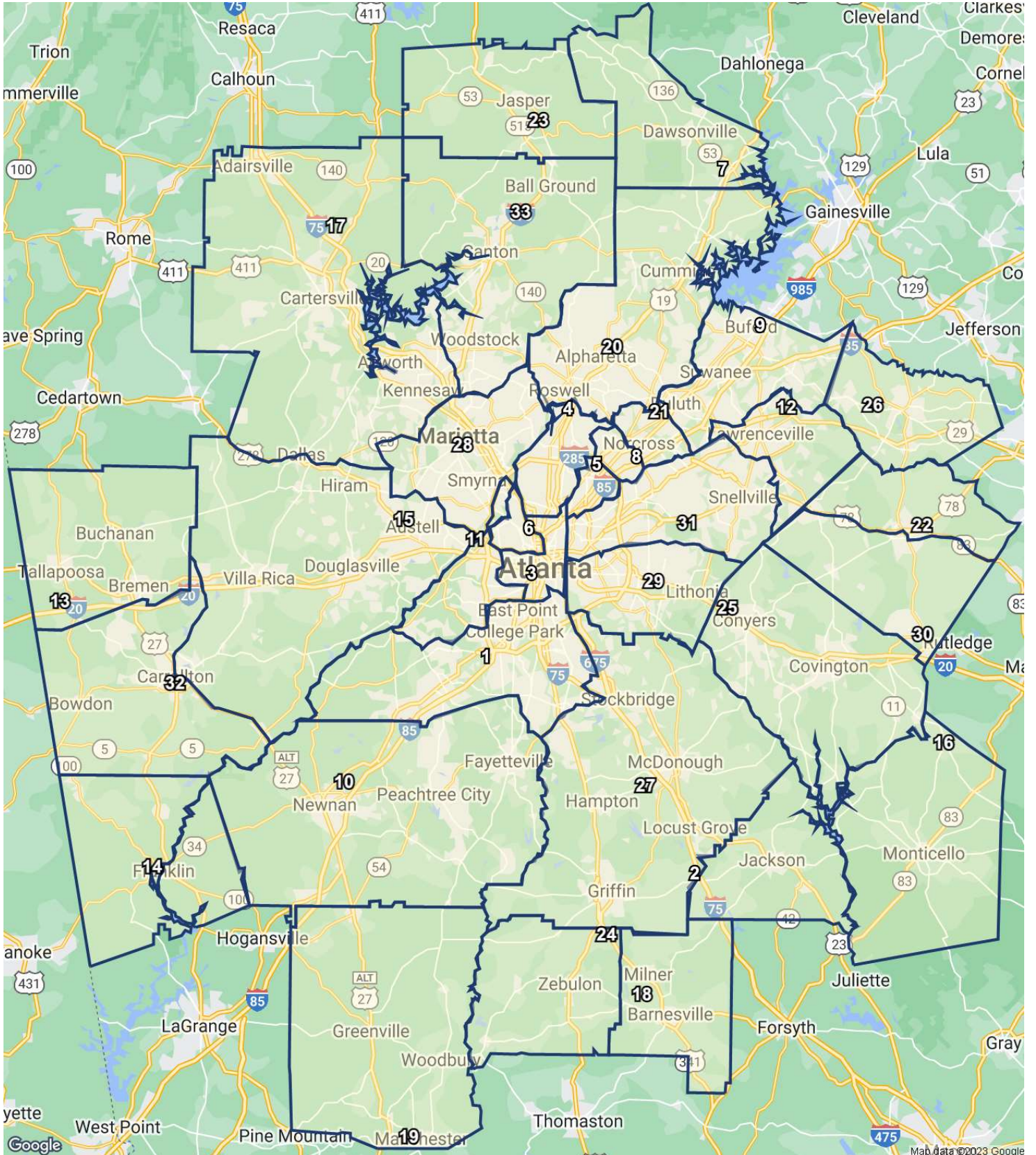


INCOME GROWTH



Source: Oxford Economics

ATLANTA SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Airport/North Clayton	1,611	129,034	15.9%	1	14	3,921	3.0%	1	17	4,320	3.3%	3
2	Butts County	39	4,530	0.6%	23	2	1,313	29.0%	7	2	1,725	38.1%	6
3	Central Atlanta	600	13,429	1.7%	17	1	20	0.1%	18	0	-	-	-
4	Central Perimeter	31	493	0.1%	31	0	0	0%	-	0	-	-	-
5	Chamblee	372	8,366	1.0%	21	0	0	0%	-	4	238	2.8%	12
6	Chattahoochee	626	20,367	2.5%	15	2	211	1.0%	13	0	-	-	-
7	Dawson County	75	1,585	0.2%	28	1	8	0.5%	20	1	10	0.6%	17
8	Doraville	612	33,847	4.2%	9	0	0	0%	-	1	454	1.3%	10
9	Duluth/Suwanee/Buford	871	59,131	7.3%	4	7	1,998	3.4%	5	9	1,175	2.0%	7
10	Fayette/Coweta County	667	32,703	4.0%	11	9	542	1.7%	11	2	454	1.4%	9
11	Fulton District	642	55,585	6.9%	6	5	1,323	2.4%	6	2	14	0%	16
12	GA-316/Lawrenceville	529	22,327	2.8%	14	0	0	0%	-	1	237	1.1%	13
13	Haralson County	72	2,745	0.3%	24	0	0	0%	-	1	5	0.2%	19
14	Heard County	10	542	0.1%	30	0	0	0%	-	0	-	-	-
15	I-20 W/Douglasville	1,182	65,322	8.1%	3	13	3,460	5.3%	2	16	4,718	7.2%	2
16	Jasper County	12	306	0%	33	0	0	0%	-	0	-	-	-
17	Kennesaw/Acworth	956	56,755	7.0%	5	10	2,971	5.2%	3	21	6,725	11.8%	1
18	Lamar County	33	2,040	0.3%	27	0	0	0%	-	0	-	-	-
19	Meriwether County	27	1,262	0.2%	29	0	0	0%	-	0	-	-	-
20	N Fulton/Forsyth Cnty	1,215	34,375	4.2%	7	4	611	1.8%	9	14	369	1.1%	11
21	Norcross	787	33,934	4.2%	8	2	140	0.4%	15	2	179	0.5%	14
22	North Walton County	57	2,314	0.3%	25	0	0	0%	-	0	-	-	-
23	Pickens County	161	2,206	0.3%	26	2	12	0.5%	19	1	8	0.3%	18
24	Pike County	14	489	0.1%	32	0	0	0%	-	0	-	-	-
25	Rockdale/Newton Cnty	797	31,877	3.9%	13	8	1,225	3.8%	8	8	4,289	13.5%	4
26	S Barrow	319	10,333	1.3%	19	4	562	5.4%	10	0	-	-	-
27	S Clayton/Henry Cnty	913	74,081	9.1%	2	10	2,572	3.5%	4	8	3,718	5.0%	5
28	SE Cobb Cnty/Marietta	1,055	32,464	4.0%	12	1	191	0.6%	14	0	-	-	-
29	Snapfinger	431	17,431	2.2%	16	0	0	0%	-	2	484	2.8%	8
30	South Walton County	150	9,145	1.1%	20	0	0	0%	-	0	-	-	-
31	Stone Mountain	1,033	32,811	4.0%	10	1	56	0.2%	16	0	-	-	-
32	W Carroll County	168	7,081	0.9%	22	1	300	4.2%	12	0	-	-	-
33	Woodstock/Canton	680	11,364	1.4%	18	1	23	0.2%	17	2	45	0.4%	15

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Airport/North Clayton	\$0.65	24	10.9%	4	3.9%	3
2	Butts County	\$0.55	31	11.7%	1	4.7%	1
3	Central Atlanta	\$1.05	3	8.1%	32	2.7%	7
4	Central Perimeter	\$1.38	1	8.3%	27	0.2%	28
5	Chamblee	\$1	4	9.0%	24	-0.2%	30
6	Chattahoochee	\$0.98	6	9.1%	23	0.4%	27
7	Dawson County	\$0.99	5	8.3%	28	-0.5%	32
8	Doraville	\$0.81	12	10.1%	10	2.1%	14
9	Duluth/Suwanee/Buford	\$0.80	14	11.0%	3	3.6%	4
10	Fayette/Coweta County	\$0.67	23	10.3%	9	2.4%	10
11	Fulton District	\$0.52	33	11.2%	2	4.1%	2
12	GA-316/Lawrenceville	\$0.80	15	10.4%	7	2.3%	12
13	Haralson County	\$0.55	32	9.4%	20	1.9%	17
14	Heard County	\$0.87	10	8.2%	30	0.9%	24
15	I-20 W/Douglasville	\$0.65	26	10.8%	6	3.2%	5
16	Jasper County	\$0.75	18	8.2%	31	-1.1%	33
17	Kennesaw/Acworth	\$0.77	17	10.4%	8	2.7%	8
18	Lamar County	\$0.65	25	9.8%	17	1.7%	19
19	Meriwether County	\$0.58	29	1.1%	33	0.8%	25
20	N Fulton/Forsyth Cnty	\$1.11	2	9.2%	21	1.2%	22
21	Norcross	\$0.89	9	10.1%	11	2.0%	15
22	North Walton County	\$0.80	13	9.9%	14	2.4%	9
23	Pickens County	\$0.75	19	8.8%	26	0.2%	29
24	Pike County	\$0.81	11	8.2%	29	0.7%	26
25	Rockdale/Newton Cnty	\$0.70	20	9.9%	13	2.2%	13
26	S Barrow	\$0.68	21	9.4%	19	1.3%	21
27	S Clayton/Henry Cnty	\$0.56	30	10.9%	5	3.1%	6
28	SE Cobb Cnty/Marietta	\$0.96	7	9.7%	18	1.1%	23
29	Snapfinger	\$0.67	22	9.9%	12	1.8%	18
30	South Walton County	\$0.58	28	9.8%	16	2.4%	11
31	Stone Mountain	\$0.78	16	9.9%	15	1.6%	20
32	W Carroll County	\$0.62	27	9.0%	25	2.0%	16
33	Woodstock/Canton	\$0.90	8	9.1%	22	-0.4%	31

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Airport/North Clayton	6,844,957	5.3%	20	2,489,412	1.9%	1	0.9
2	Butts County	1,320,773	29.2%	29	1,762	0%	19	744.9
3	Central Atlanta	835,129	6.2%	24	(444,786)	-3.3%	31	-
4	Central Perimeter	11,056	2.2%	8	2,641	0.5%	18	-
5	Chamblee	388,033	4.6%	18	(164,993)	-2.0%	28	-
6	Chattahoochee	1,090,080	5.4%	21	194,551	1.0%	11	-
7	Dawson County	30,000	1.9%	6	8,505	0.5%	15	-
8	Doraville	949,556	2.8%	12	(102,229)	-0.3%	26	-
9	Duluth/Suwanee/Buford	2,030,274	3.4%	14	584,410	1.0%	7	3.4
10	Fayette/Coweta County	805,834	2.5%	10	1,488,608	4.6%	5	0.3
11	Fulton District	3,436,645	6.2%	23	(670,305)	-1.2%	33	-
12	GA-316/Lawrenceville	80,692	0.4%	1	586,228	2.6%	6	-
13	Haralson County	36,250	1.3%	4	0	0%	-	-
14	Heard County	-	-	-	13,929	2.6%	14	-
15	I-20 W/Douglasville	2,875,417	4.4%	17	2,067,719	3.2%	3	1.4
16	Jasper County	-	-	-	0	0%	-	-
17	Kennesaw/Acworth	3,592,472	6.3%	25	2,340,923	4.1%	2	1.1
18	Lamar County	154,631	7.6%	28	(154,631)	-7.6%	27	-
19	Meriwether County	380,745	30.2%	30	36,910	2.9%	12	-
20	N Fulton/Forsyth Cnty	1,675,295	4.9%	19	(24,958)	-0.1%	25	-
21	Norcross	1,084,909	3.2%	13	8,249	0%	16	17.0
22	North Walton County	-	-	-	5,215	0.2%	17	-
23	Pickens County	46,751	2.1%	7	(3,196)	-0.1%	22	-
24	Pike County	11,000	2.2%	9	(11,000)	-2.2%	24	-
25	Rockdale/Newton Cnty	2,342,947	7.4%	27	(490,540)	-1.5%	32	-
26	S Barrow	756,357	7.3%	26	284,863	2.8%	9	1.1
27	S Clayton/Henry Cnty	2,982,983	4.0%	15	1,668,818	2.3%	4	1.3
28	SE Cobb Cnty/Marietta	1,307,364	4.0%	16	(373,720)	-1.2%	30	-
29	Snapfinger	948,718	5.4%	22	(6,392)	0%	23	-
30	South Walton County	63,020	0.7%	2	427,447	4.7%	8	-
31	Stone Mountain	836,880	2.6%	11	(296,306)	-0.9%	29	-
32	W Carroll County	50,462	0.7%	3	256,228	3.6%	10	1.2
33	Woodstock/Canton	174,591	1.5%	5	18,098	0.2%	13	1.3

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	864,978,244	11,511,093	1.3%	11,057,079	1.3%	1.0
2026	853,467,151	9,179,051	1.1%	11,123,652	1.3%	0.8
2025	844,288,100	5,625,671	0.7%	11,941,401	1.4%	0.5
2024	838,662,429	7,687,207	0.9%	9,428,573	1.1%	0.8
2023	830,975,222	30,032,389	3.7%	5,048,493	0.6%	5.9
YTD	811,697,284	10,754,451	1.3%	2,640,675	0.3%	4.1
2022	800,942,833	20,183,730	2.6%	15,892,234	2.0%	1.3
2021	780,759,103	19,987,278	2.6%	38,864,879	5.0%	0.5
2020	760,771,825	17,833,884	2.4%	15,020,446	2.0%	1.2
2019	742,937,941	14,411,199	2.0%	13,338,464	1.8%	1.1
2018	728,526,742	15,081,605	2.1%	18,027,001	2.5%	0.8
2017	713,445,137	16,380,717	2.3%	22,491,294	3.2%	0.7
2016	697,064,420	17,193,584	2.5%	15,303,405	2.2%	1.1
2015	679,870,836	4,121,214	0.6%	14,310,058	2.1%	0.3
2014	675,749,622	2,117,992	0.3%	20,470,804	3.0%	0.1
2013	673,631,630	2,374,291	0.4%	10,087,583	1.5%	0.2
2012	671,257,339	558,075	0.1%	4,709,308	0.7%	0.1
2011	670,699,264	(924,979)	-0.1%	7,279,163	1.1%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	100,892,548	178,042	0.2%	254,563	0.3%	0.7
2026	100,714,506	112,852	0.1%	29,680	0%	3.8
2025	100,601,654	(2,237)	0%	(456,747)	-0.5%	-
2024	100,603,891	308,055	0.3%	(149,469)	-0.1%	-
2023	100,295,836	546,488	0.5%	(66,110)	-0.1%	-
YTD	100,126,644	377,296	0.4%	434,545	0.4%	0.9
2022	99,749,348	(150,856)	-0.2%	(125,027)	-0.1%	-
2021	99,900,204	318,236	0.3%	1,056,298	1.1%	0.3
2020	99,581,968	470,949	0.5%	(160,916)	-0.2%	-
2019	99,111,019	23,208	0%	867,570	0.9%	0
2018	99,087,811	620,128	0.6%	698,081	0.7%	0.9
2017	98,467,683	1,455,913	1.5%	1,395,339	1.4%	1.0
2016	97,011,770	1,839,099	1.9%	2,500,235	2.6%	0.7
2015	95,172,671	(3,205,242)	-3.3%	(259,024)	-0.3%	-
2014	98,377,913	104,637	0.1%	3,237,819	3.3%	0
2013	98,273,276	300,178	0.3%	130,286	0.1%	2.3
2012	97,973,098	(388,640)	-0.4%	326,672	0.3%	-
2011	98,361,738	(785,161)	-0.8%	(410,955)	-0.4%	-

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	691,676,682	11,070,357	1.6%	10,454,497	1.5%	1.1
2026	680,606,325	8,871,966	1.3%	10,947,925	1.6%	0.8
2025	671,734,359	5,455,698	0.8%	12,592,992	1.9%	0.4
2024	666,278,661	7,200,188	1.1%	9,641,271	1.4%	0.7
2023	659,078,473	27,837,761	4.4%	3,563,604	0.5%	7.8
YTD	641,594,467	10,353,755	1.6%	2,058,471	0.3%	5.0
2022	631,240,712	20,135,386	3.3%	16,106,429	2.6%	1.3
2021	611,105,326	18,044,965	3.0%	35,219,374	5.8%	0.5
2020	593,060,361	17,230,005	3.0%	15,299,058	2.6%	1.1
2019	575,830,356	14,633,073	2.6%	12,304,867	2.1%	1.2
2018	561,197,283	14,557,589	2.7%	16,811,559	3.0%	0.9
2017	546,639,694	15,000,049	2.8%	20,931,668	3.8%	0.7
2016	531,639,645	15,465,375	3.0%	12,172,498	2.3%	1.3
2015	516,174,270	7,160,114	1.4%	12,194,252	2.4%	0.6
2014	509,014,156	2,072,379	0.4%	16,109,915	3.2%	0.1
2013	506,941,777	2,299,535	0.5%	8,959,626	1.8%	0.3
2012	504,642,242	969,363	0.2%	4,751,465	0.9%	0.2
2011	503,672,879	157,627	0%	8,809,684	1.7%	0

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	72,409,014	262,694	0.4%	348,019	0.5%	0.8
2026	72,146,320	194,233	0.3%	146,047	0.2%	1.3
2025	71,952,087	172,210	0.2%	(194,844)	-0.3%	-
2024	71,779,877	178,964	0.2%	(63,229)	-0.1%	-
2023	71,600,913	1,648,140	2.4%	1,550,999	2.2%	1.1
YTD	69,976,173	23,400	0%	147,659	0.2%	0.2
2022	69,952,773	199,200	0.3%	(89,168)	-0.1%	-
2021	69,753,573	1,624,077	2.4%	2,589,207	3.7%	0.6
2020	68,129,496	132,930	0.2%	(117,696)	-0.2%	-
2019	67,996,566	(245,082)	-0.4%	166,027	0.2%	-
2018	68,241,648	(96,112)	-0.1%	517,361	0.8%	-
2017	68,337,760	(75,245)	-0.1%	164,287	0.2%	-
2016	68,413,005	(110,890)	-0.2%	630,672	0.9%	-
2015	68,523,895	166,342	0.2%	2,374,830	3.5%	0.1
2014	68,357,553	(59,024)	-0.1%	1,123,070	1.6%	-
2013	68,416,577	(225,422)	-0.3%	997,671	1.5%	-
2012	68,641,999	(22,648)	0%	(368,829)	-0.5%	-
2011	68,664,647	(297,445)	-0.4%	(1,119,566)	-1.6%	-

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$0.91	237	4.0%	30.7%	44,606,654	5.2%	0%
2026	\$0.87	228	6.0%	25.7%	44,123,731	5.2%	-0.3%
2025	\$0.83	215	5.9%	18.6%	46,039,601	5.5%	-0.8%
2024	\$0.78	203	3.5%	12.0%	52,334,225	6.2%	-0.3%
2023	\$0.75	196	8.1%	8.1%	54,037,775	6.5%	2.9%
YTD	\$0.73	192	10.2%	5.6%	37,168,291	4.6%	1.0%
2022	\$0.70	182	12.8%	0%	29,054,707	3.6%	0.5%
2021	\$0.62	161	12.3%	-11.4%	24,743,611	3.2%	-2.6%
2020	\$0.55	143	7.8%	-21.1%	43,631,812	5.7%	0.2%
2019	\$0.51	133	6.9%	-26.8%	40,837,352	5.5%	0%
2018	\$0.48	124	6.8%	-31.5%	39,789,016	5.5%	-0.5%
2017	\$0.45	117	6.4%	-35.8%	42,557,477	6.0%	-1.0%
2016	\$0.42	110	5.5%	-39.6%	48,681,104	7.0%	0.1%
2015	\$0.40	104	6.0%	-42.8%	46,508,221	6.8%	-1.5%
2014	\$0.38	98	3.9%	-46.0%	56,697,015	8.4%	-2.8%
2013	\$0.36	94	2.7%	-48.0%	75,049,827	11.1%	-1.2%
2012	\$0.35	92	0%	-49.4%	82,763,119	12.3%	-0.6%
2011	\$0.35	92	-1.6%	-49.4%	86,914,352	13.0%	-1.2%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$1.03	229	4.1%	27.7%	4,637,862	4.6%	-0.1%
2026	\$0.99	220	6.0%	22.7%	4,711,171	4.7%	0.1%
2025	\$0.94	208	6.1%	15.7%	4,624,856	4.6%	0.5%
2024	\$0.88	196	3.7%	9.1%	4,167,616	4.1%	0.4%
2023	\$0.85	189	5.3%	5.3%	3,706,404	3.7%	0.6%
YTD	\$0.83	184	8.0%	2.8%	3,036,302	3.0%	-0.1%
2022	\$0.81	179	13.4%	0%	3,093,551	3.1%	0%
2021	\$0.71	158	12.9%	-11.8%	3,119,380	3.1%	-0.8%
2020	\$0.63	140	6.4%	-21.9%	3,857,442	3.9%	0.6%
2019	\$0.59	132	8.5%	-26.6%	3,225,577	3.3%	-0.9%
2018	\$0.55	121	6.8%	-32.4%	4,074,854	4.1%	-0.1%
2017	\$0.51	114	5.7%	-36.6%	4,152,807	4.2%	0%
2016	\$0.48	108	3.5%	-40.0%	4,092,233	4.2%	-0.8%
2015	\$0.47	104	6.3%	-42.1%	4,753,369	5.0%	-2.8%
2014	\$0.44	98	4.3%	-45.5%	7,699,537	7.8%	-3.2%
2013	\$0.42	94	3.2%	-47.8%	10,832,719	11.0%	0.1%
2012	\$0.41	91	-0.5%	-49.4%	10,662,827	10.9%	-0.7%
2011	\$0.41	91	-2.0%	-49.2%	11,378,139	11.6%	-0.3%

LOGISTICS RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$0.83	245	4.0%	31.6%	36,361,057	5.3%	0%
2026	\$0.80	236	5.9%	26.6%	35,727,072	5.2%	-0.4%
2025	\$0.75	223	5.9%	19.5%	37,785,021	5.6%	-1.1%
2024	\$0.71	210	3.5%	12.8%	44,910,803	6.7%	-0.4%
2023	\$0.69	203	9.0%	9.0%	47,326,401	7.2%	3.5%
YTD	\$0.67	198	11.1%	6.4%	31,349,159	4.9%	1.2%
2022	\$0.63	186	13.3%	0%	23,054,067	3.7%	0.5%
2021	\$0.56	165	12.7%	-11.7%	19,025,110	3.1%	-3.0%
2020	\$0.49	146	8.5%	-21.7%	36,199,519	6.1%	0.2%
2019	\$0.45	135	6.8%	-27.8%	34,275,157	6.0%	0.3%
2018	\$0.43	126	6.8%	-32.4%	31,946,951	5.7%	-0.5%
2017	\$0.40	118	6.6%	-36.7%	34,031,986	6.2%	-1.3%
2016	\$0.37	111	5.9%	-40.6%	39,944,405	7.5%	0.5%
2015	\$0.35	105	6.1%	-43.9%	36,368,824	7.0%	-1.1%
2014	\$0.33	99	4.0%	-47.1%	41,402,962	8.1%	-2.8%
2013	\$0.32	95	2.8%	-49.2%	55,440,498	10.9%	-1.4%
2012	\$0.31	92	0.2%	-50.6%	62,100,589	12.3%	-0.8%
2011	\$0.31	92	-1.6%	-50.7%	65,882,691	13.1%	-1.7%

FLEX RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$1.49	210	4.0%	29.2%	3,607,735	5.0%	-0.1%
2026	\$1.43	202	6.0%	24.2%	3,685,488	5.1%	0.1%
2025	\$1.35	191	6.0%	17.2%	3,629,724	5.0%	0.5%
2024	\$1.27	180	3.6%	10.5%	3,255,806	4.5%	0.3%
2023	\$1.23	174	6.7%	6.7%	3,004,970	4.2%	0%
YTD	\$1.20	170	7.9%	4.3%	2,782,830	4.0%	-0.2%
2022	\$1.15	163	10.2%	0%	2,907,089	4.2%	0.4%
2021	\$1.05	148	9.7%	-9.3%	2,599,121	3.7%	-1.5%
2020	\$0.95	135	5.6%	-17.3%	3,574,851	5.2%	0.3%
2019	\$0.90	127	5.6%	-21.7%	3,336,618	4.9%	-0.6%
2018	\$0.85	121	6.6%	-25.9%	3,767,211	5.5%	-0.9%
2017	\$0.80	113	5.9%	-30.5%	4,372,684	6.4%	-0.4%
2016	\$0.76	107	5.5%	-34.3%	4,644,466	6.8%	-1.1%
2015	\$0.72	101	5.0%	-37.7%	5,386,028	7.9%	-3.2%
2014	\$0.68	97	2.8%	-40.7%	7,594,516	11.1%	-1.7%
2013	\$0.66	94	2.1%	-42.3%	8,776,610	12.8%	-1.7%
2012	\$0.65	92	-0.4%	-43.5%	9,999,703	14.6%	0.5%
2011	\$0.65	92	-1.6%	-43.3%	9,653,522	14.1%	1.3%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$129.71	330	6.6%
2026	-	-	-	-	-	-	\$122.39	311	6.7%
2025	-	-	-	-	-	-	\$111.70	284	6.9%
2024	-	-	-	-	-	-	\$103.18	263	7.0%
2023	-	-	-	-	-	-	\$102.59	261	6.8%
YTD	356	\$1.6B	2.0%	\$6,173,432	\$124.51	6.1%	\$105.71	269	6.5%
2022	1,097	\$6B	8.0%	\$6,305,509	\$98.65	6.6%	\$102.31	260	6.3%
2021	1,390	\$6.9B	11.5%	\$6,226,800	\$95.60	6.7%	\$94.67	241	5.9%
2020	1,053	\$2.8B	7.1%	\$3,675,241	\$73.49	7.5%	\$74.69	190	6.6%
2019	1,207	\$3.1B	9.5%	\$3,811,944	\$67.06	7.8%	\$64.41	164	7.1%
2018	1,146	\$2.8B	9.5%	\$3,433,526	\$59.68	7.6%	\$59.17	151	7.2%
2017	980	\$2.8B	8.4%	\$3,781,421	\$50.71	7.9%	\$54.60	139	7.2%
2016	882	\$2B	6.4%	\$2,615,987	\$45.67	8.1%	\$53.31	136	6.9%
2015	1,031	\$2.3B	10.0%	\$2,511,300	\$42.41	8.3%	\$50.42	128	6.9%
2014	932	\$1.8B	8.0%	\$2,356,282	\$40.57	8.4%	\$44.98	114	7.4%
2013	777	\$1.2B	5.9%	\$1,775,894	\$35.17	8.9%	\$41.27	105	7.6%
2012	614	\$1.2B	5.8%	\$2,420,982	\$35.15	8.7%	\$39.21	100	7.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$122.40	345	6.6%
2026	-	-	-	-	-	-	\$115.43	326	6.7%
2025	-	-	-	-	-	-	\$105.30	297	6.9%
2024	-	-	-	-	-	-	\$97.20	274	7.0%
2023	-	-	-	-	-	-	\$96.55	272	6.8%
YTD	40	\$264M	1.8%	\$7,135,433	\$146.75	-	\$99.48	281	6.5%
2022	110	\$493.5M	5.5%	\$5,250,218	\$108.13	9.6%	\$96.40	272	6.3%
2021	124	\$658.7M	8.2%	\$6,333,634	\$87.72	6.4%	\$88.66	250	6.0%
2020	105	\$216.7M	3.6%	\$3,096,203	\$71.49	7.7%	\$69.13	195	6.7%
2019	96	\$189.6M	3.8%	\$2,597,053	\$64.39	7.3%	\$59.83	169	7.2%
2018	103	\$194.7M	5.1%	\$2,631,733	\$49.55	7.2%	\$54.89	155	7.2%
2017	80	\$194.1M	4.9%	\$3,033,341	\$43.61	9.1%	\$49.94	141	7.3%
2016	88	\$174.7M	5.4%	\$2,183,697	\$33.78	8.0%	\$48.61	137	7.0%
2015	77	\$117.9M	3.7%	\$1,841,969	\$37.12	10.5%	\$46.23	130	7.0%
2014	69	\$110.8M	4.9%	\$1,786,786	\$23.61	9.0%	\$41.02	116	7.5%
2013	67	\$157.4M	4.6%	\$2,761,139	\$35.28	8.9%	\$37.52	106	7.8%
2012	60	\$57.1M	2.4%	\$1,391,646	\$31.33	9.3%	\$35.34	100	7.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$125.36	331	6.5%
2026	-	-	-	-	-	-	\$118.28	312	6.6%
2025	-	-	-	-	-	-	\$107.95	285	6.8%
2024	-	-	-	-	-	-	\$99.71	263	7.0%
2023	-	-	-	-	-	-	\$99.19	262	6.8%
YTD	234	\$1.3B	2.2%	\$7,490,426	\$120.69	6.2%	\$102.23	270	6.4%
2022	722	\$4.8B	8.5%	\$7,698,878	\$94.32	6.3%	\$98.77	260	6.2%
2021	914	\$5.6B	11.8%	\$7,512,979	\$94.74	6.7%	\$91.41	241	5.9%
2020	733	\$2.2B	7.9%	\$4,132,908	\$69.36	7.4%	\$72.12	190	6.6%
2019	869	\$2.6B	10.7%	\$4,455,393	\$66.25	7.7%	\$62.07	164	7.1%
2018	753	\$2.1B	10.1%	\$3,970,913	\$56.57	7.7%	\$57.02	150	7.2%
2017	704	\$2.4B	9.4%	\$4,401,824	\$50.29	7.6%	\$52.70	139	7.2%
2016	573	\$1.5B	6.4%	\$3,077,498	\$45.61	7.9%	\$51.52	136	6.9%
2015	704	\$1.9B	11.2%	\$3,053,269	\$42.43	7.6%	\$48.72	128	6.9%
2014	632	\$1.5B	8.7%	\$2,824,974	\$40.35	7.9%	\$43.49	115	7.3%
2013	514	\$877.1M	6.3%	\$2,011,671	\$34.45	8.6%	\$39.88	105	7.6%
2012	435	\$1B	6.7%	\$2,791,977	\$33.69	8.6%	\$37.93	100	7.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$180.37	314	7.0%
2026	-	-	-	-	-	-	\$170.25	296	7.1%
2025	-	-	-	-	-	-	\$155.52	271	7.3%
2024	-	-	-	-	-	-	\$143.69	250	7.4%
2023	-	-	-	-	-	-	\$142.58	248	7.2%
YTD	82	\$83.6M	1.3%	\$1,492,773	\$125.72	5.9%	\$146.70	255	6.9%
2022	265	\$653.4M	7.5%	\$2,891,090	\$135.46	6.8%	\$143.41	249	6.6%
2021	352	\$679.7M	13.6%	\$2,574,641	\$113.99	7.3%	\$133.30	232	6.3%
2020	215	\$374.1M	5.7%	\$2,397,774	\$114.95	7.9%	\$106.32	185	7.0%
2019	242	\$314.7M	7.8%	\$2,017,012	\$76.64	8.3%	\$92.53	161	7.4%
2018	290	\$549M	10.8%	\$2,450,900	\$82.80	7.1%	\$85.08	148	7.5%
2017	196	\$221.7M	5.6%	\$1,642,221	\$66.07	8.2%	\$78.72	137	7.5%
2016	221	\$263.5M	7.1%	\$1,505,550	\$60.23	8.5%	\$76.50	133	7.2%
2015	250	\$283.9M	9.6%	\$1,250,778	\$44.92	9.6%	\$72.06	125	7.2%
2014	231	\$243.5M	6.5%	\$1,274,939	\$63.47	9.9%	\$64.28	112	7.7%
2013	196	\$116.3M	4.7%	\$750,363	\$41.50	10.8%	\$59.44	103	7.9%
2012	119	\$129.7M	3.8%	\$1,394,784	\$58.48	9.3%	\$56.55	98	8.1%

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