



Industrial Market Report

Atlanta - GA

PREPARED BY



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INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

24M

12 Mo Net Absorption in SF

10.9M

Vacancy Rate

4.7%

12 Mo Rent Growth

9.6%

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 4.7% vacancy.

While vacancies are likely to continue rising through 2023, supply concerns do not appear insurmountable. Even in the unlikely event that all 18 million SF currently unleased and under-construction space delivered tomorrow without a tenant, vacancies would still only rise to 2016 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	645,934,775	5.2%	\$0.67	8.8%	3,296,382	5,775,944	22,612,412
Specialized Industrial	100,096,453	2.7%	\$0.82	3.8%	178,400	0	708,455
Flex	70,230,073	3.9%	\$1.20	6.3%	220,765	0	2,075,318
Market	816,261,301	4.7%	\$0.74	8.0%	3,695,547	5,775,944	25,396,185

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	1.5%	9.0%	5.5%	14.2%	2010 Q4	3.2%	2022 Q2
Net Absorption SF	10.9M	12,576,028	10,238,612	39,310,887	2021 Q4	(12,039,369)	2009 Q2
Deliveries SF	24M	13,478,174	14,332,899	24,998,729	1999 Q4	728,138	2012 Q1
Rent Growth	9.6%	2.9%	5.2%	13.8%	2022 Q2	-5.1%	1991 Q1
Sales Volume	\$4.6B	\$1.4B	N/A	\$7.2B	2022 Q2	\$0	1994 Q4

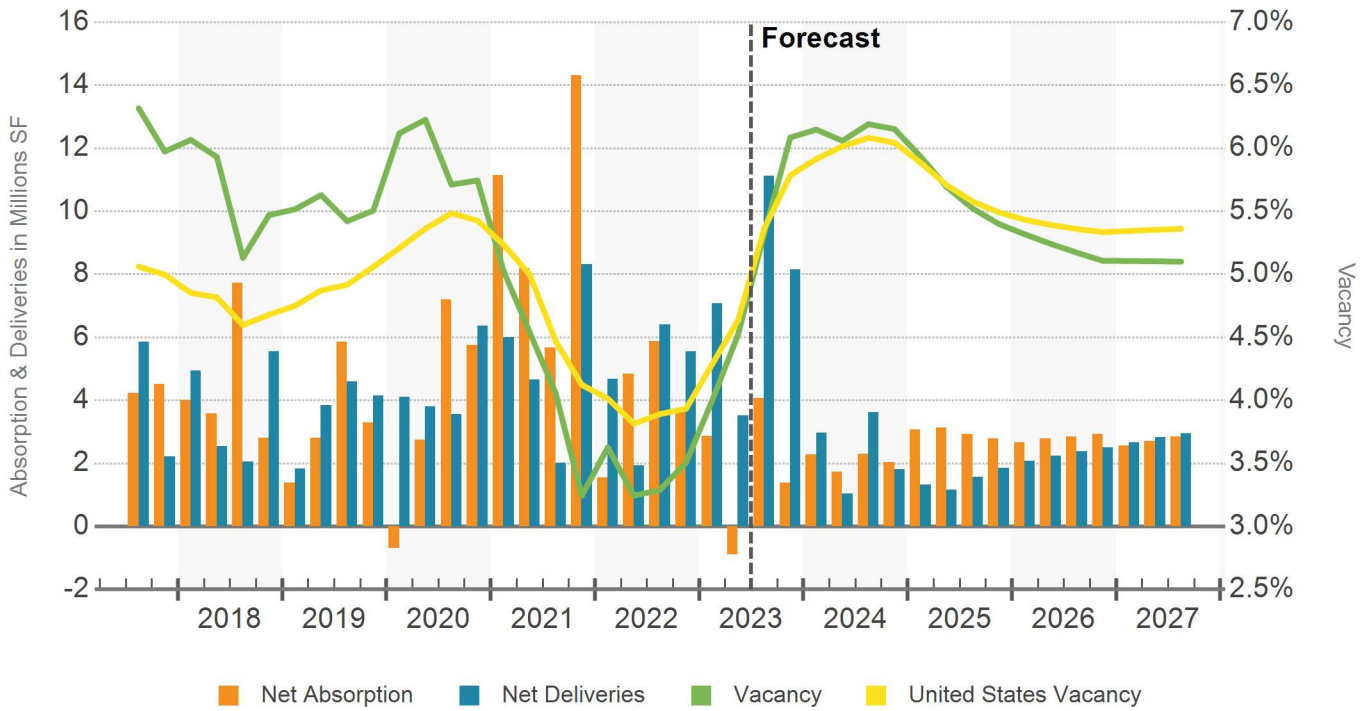
Atlanta's vacancy rate drifted higher through the eight months of 2023 after reaching record lows in 2022. However, at 4.7%, it remains far below the market's 10-year average of 6.2%. A combination of slower leasing activity and continued new deliveries drove the increase. The trailing four-quarter leasing total for Atlanta fell to 37.5 million SF as of 23Q2, from peaks above 60 million SF the in 2021. The slow first half pushed leasing volume below pre-pandemic trends. By comparison, annual leasing activity averaged 47.1 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 Broadrange Logistics, 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 consumer 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, GXO Logistics laid off 77 workers in Fairburn, and Amazon has put several spaces it leased in 2021 and 2022 up for sublet. Sublease availabilities increased to 8.9 million SF as publicly traded retailers such as Big Lots, which is subleasing its 485,000-SF McDonough distribution center, continue to report challenges with excess inventory.

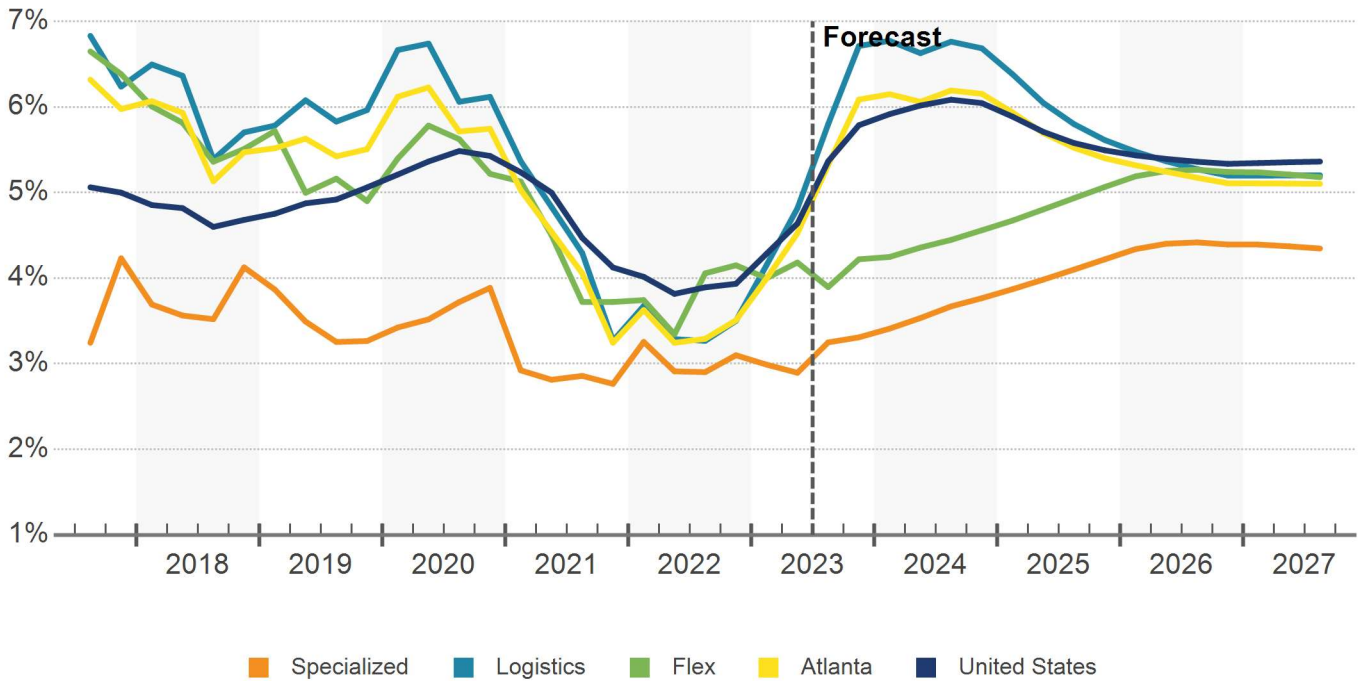
A coming supply expansion is likely to lift vacancies through 2023. An additional 25.4 million SF is underway and slated to deliver over the next two years, with around two-thirds of that unleased. However, supply impacts will not be felt equally across all properties. Medium-sized to large boxes are likely to see the largest surge in availabilities. About one-fourth 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 7.1%, in this midsize class, and the availability rate is more than 10%.

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 northwest 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.

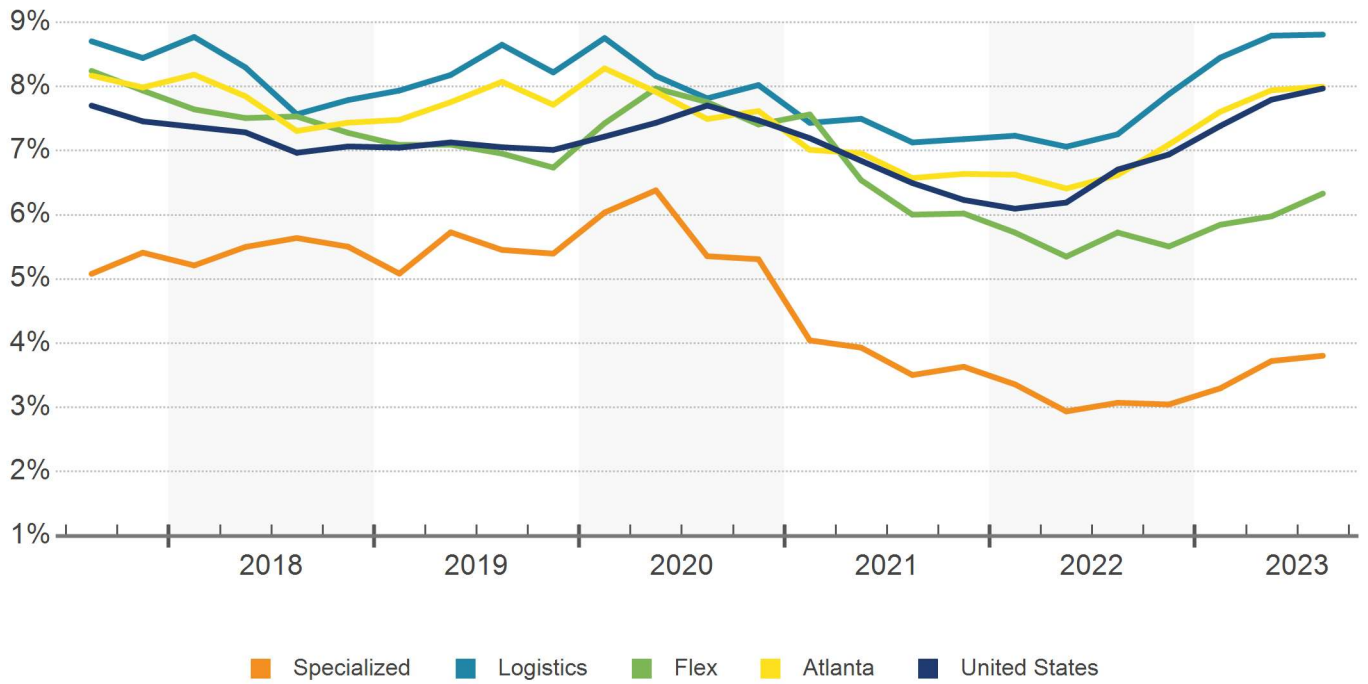
NET ABSORPTION, NET DELIVERIES & VACANCY



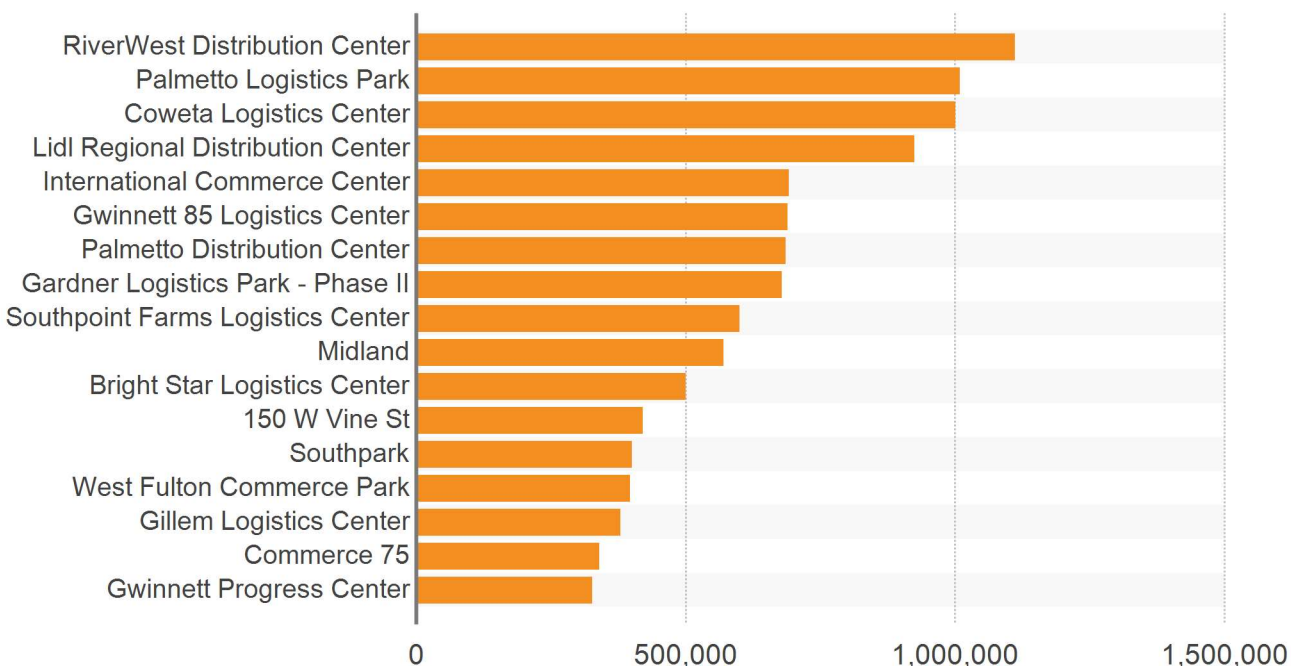
VACANCY RATE



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
Lidl Regional Distribution Center	Rockdale/Newton Cn...	925,000	0	0	0	925,000	0	925,000
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
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
Southpark	Airport/North Clayton...	400,255	0	0	0	400,255	0	400,255
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		10,723,376	0	2,364,494	746,019	3,698,468	0	10,723,376
Remaining Atlanta Market		805,552,679	38,748,930	504,327	(1,641,029)	(11,501)	0	178,230
Total Atlanta Market		816,276,055	38,748,930	2,868,821	(895,010)	3,686,967	0	10,901,606

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
7634 Hwy 140	Kennesaw/Acworth	691,667	Q2 23	Broadrange Logistics	Strategic Real Estat...	Strategic Real Estate P...
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
165 Greenwood Industrial Pky	S Clayton/Henry Cnty	485,091	Q3 23	-	-	JLL
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
4750 Southpark Blvd	S Clayton/Henry Cnty	297,188	Q1 23	ATL Freight	Lee & Associates	KBC Advisors
5400 Oakley Industrial Blvd	Airport/North Clayton	285,600	Q3 23	-	-	JLL
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.
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 WorldWid...	-	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	Kamstrup	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...
2251 Sylvan Rd	Airport/North Clayton	130,249	Q4 22	Netflix	Raulet Property Part...	JLL
1700 Belle Meade Ct	GA-316/Lawrenceville	125,500	Q1 23	Mitsubishi Electric Trane US	-	KBC Advisors
00 Gravel Springs Rd	Duluth/Suwanee/Buford	125,153	Q3 22	Core-Main	CBRE	Colliers;Hillwood Devel...

*Renewal

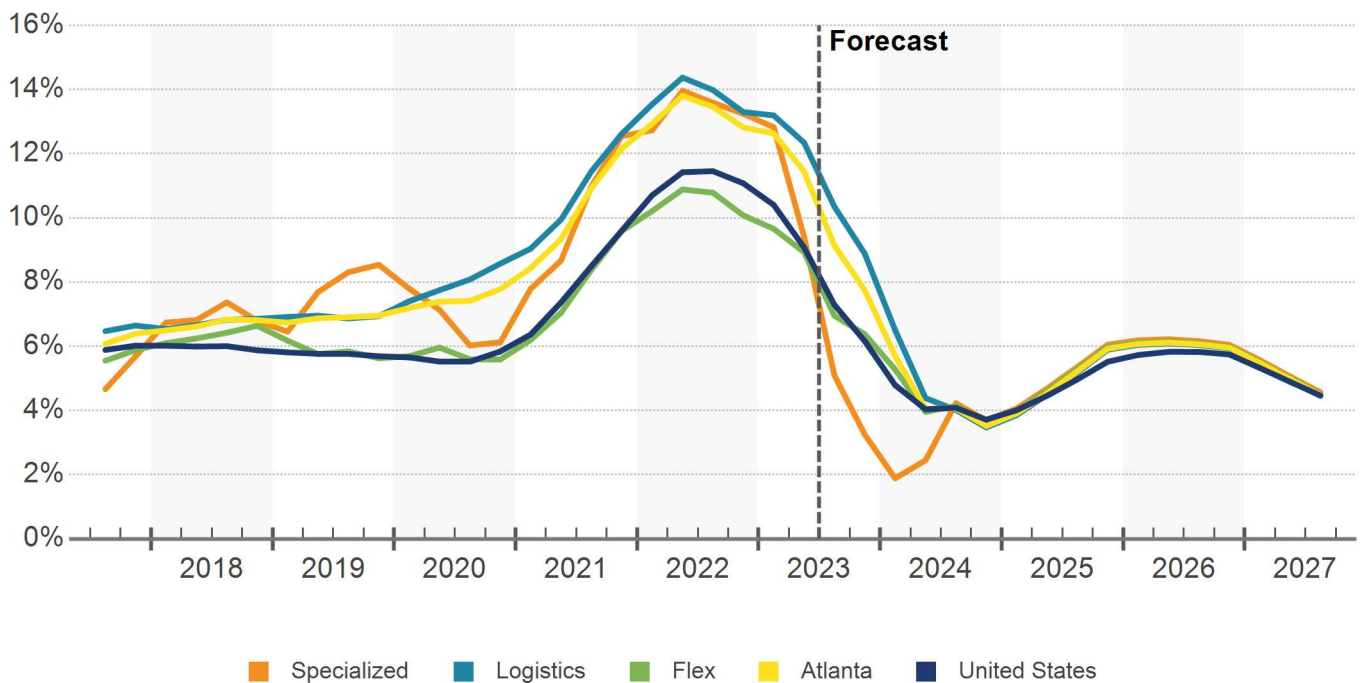


Rent growth in Atlanta has outperformed the metro's historical average for years, though a slight loosening of fundamentals through the first half of 2023 has brought year-over-year accelerations down from record levels. Trailing 12-month growth of 9.6% is outpacing the national benchmark but is down from peaks of nearly 16% reached in 22Q2. Quarterly rent increases fell to 2.3% in 23Q2 from a peak of around 3.5% 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 after 2025.

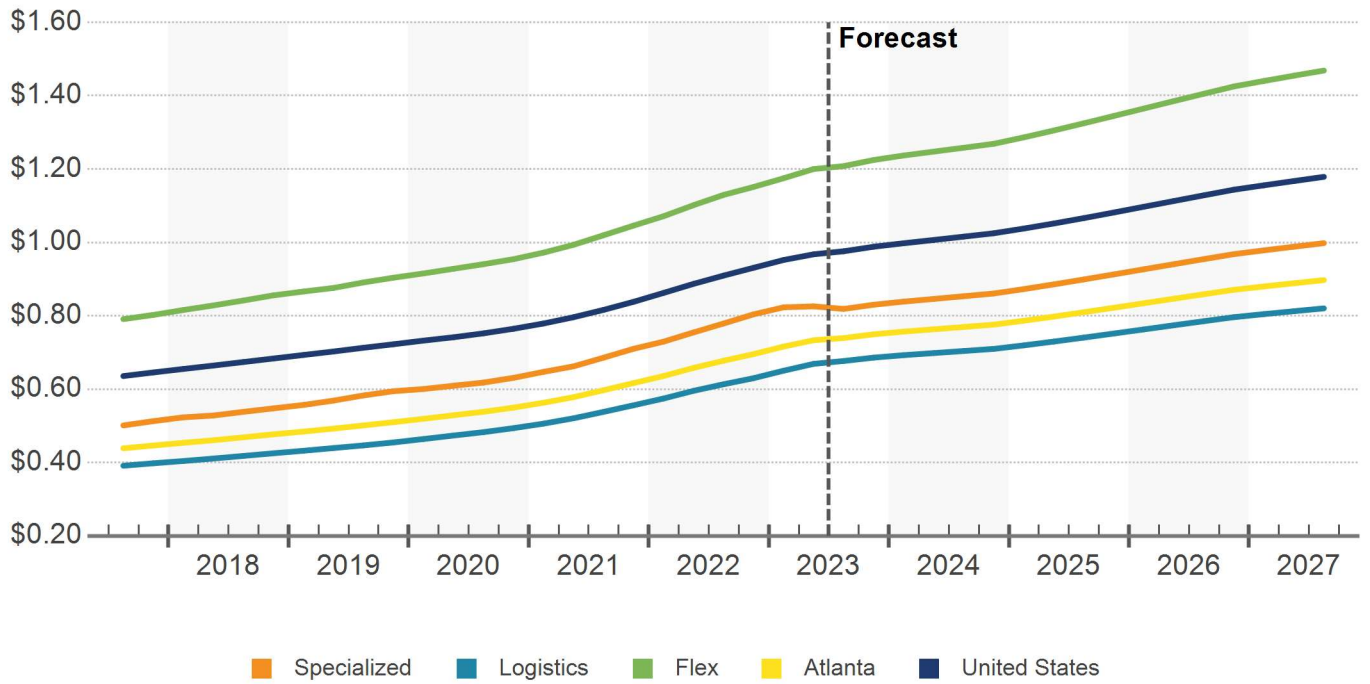
Atlanta rents come at a significant discount to major

West and East Coast distribution markets. Average asking rents of roughly \$8.80/SF are well below the national average of about \$11.70/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. 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 25.4 million SF under construction, Atlanta ranks in the top five for industrial supply underway nationally. Under-construction projects account for about 3.1% of the metro's current inventory, above the national benchmark of 3.0%. 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 median clear height for buildings that came to market since 2018 is around 32 feet, and some new or under-construction projects have clear heights of 40 feet or more. 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. About 16 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 to around 4%.

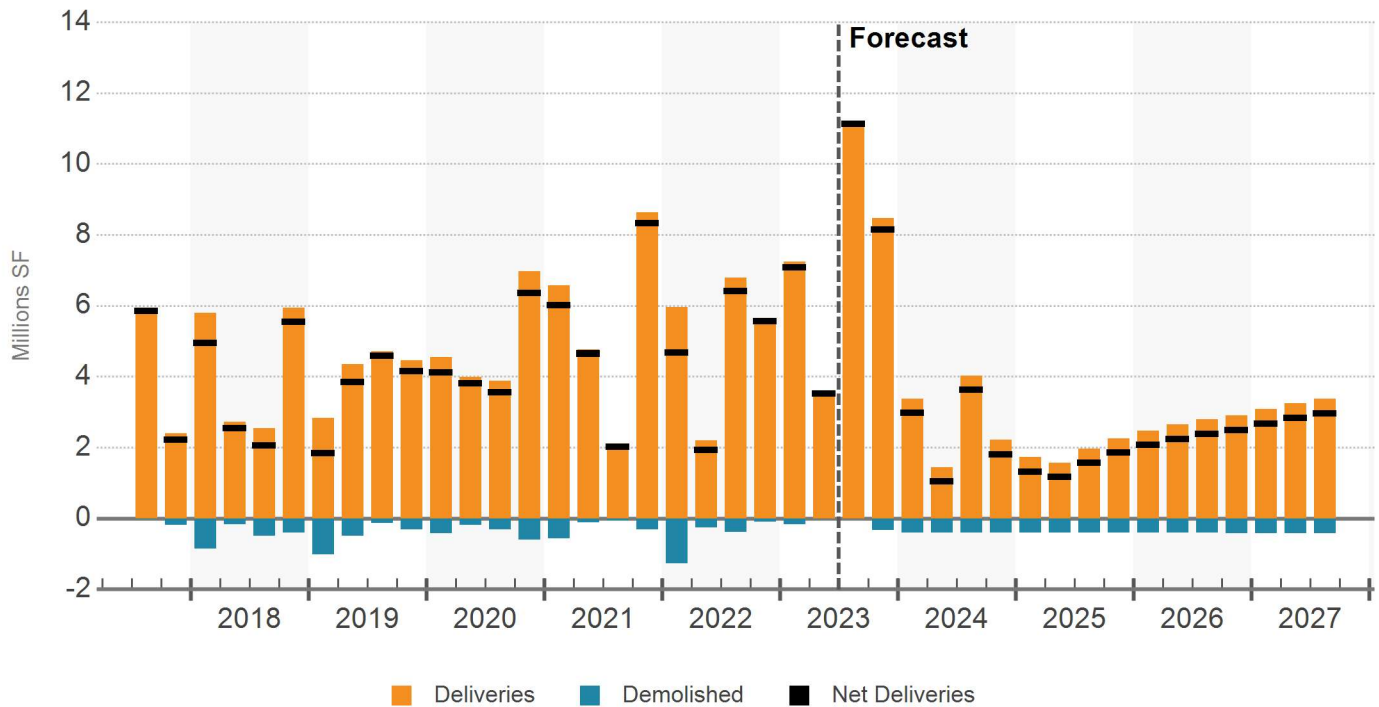
However, the expansion also comes at a time when average lease sizes are declining and could weigh on fundamentals in exurban submarkets, where these large properties represent a disproportionate share of inventory.

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 more than 5 million SF currently under construction here remains mostly unleased, and the availability rate here is more than 15%.

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	19	5,442	506	9.3%	7	60,542	286,397	5
2	I-20 W/Douglasville	15	4,159	2,069	49.8%	4	55,755	277,267	6
3	S Clayton/Henry Cnty	7	3,502	2,077	59.3%	2	81,558	500,351	2
4	Rockdale/Newton Cnty	7	3,364	1,500	44.6%	5	41,101	480,571	3
5	Airport/North Clayton	13	3,340	91	2.7%	8	80,364	256,894	7
6	Butts County	2	1,725	1,000	58.0%	3	116,143	862,500	1
7	Duluth/Suwanee/Buford	9	1,175	297	25.2%	6	67,887	130,575	10
8	Snapfinger	2	484	0	0%	9	40,443	241,953	8
9	Fayette/Coweta County	2	454	0	0%	9	48,897	227,068	9
10	Doraville	1	454	454	100%	1	55,314	453,600	4
	All Other	24	1,298	282	21.7%		35,187	54,073	
Totals		101	25,396	8,275	32.6%		48,571	251,447	

Under Construction Properties

Atlanta Industrial

Properties

Square Feet

Percent of Inventory

Released

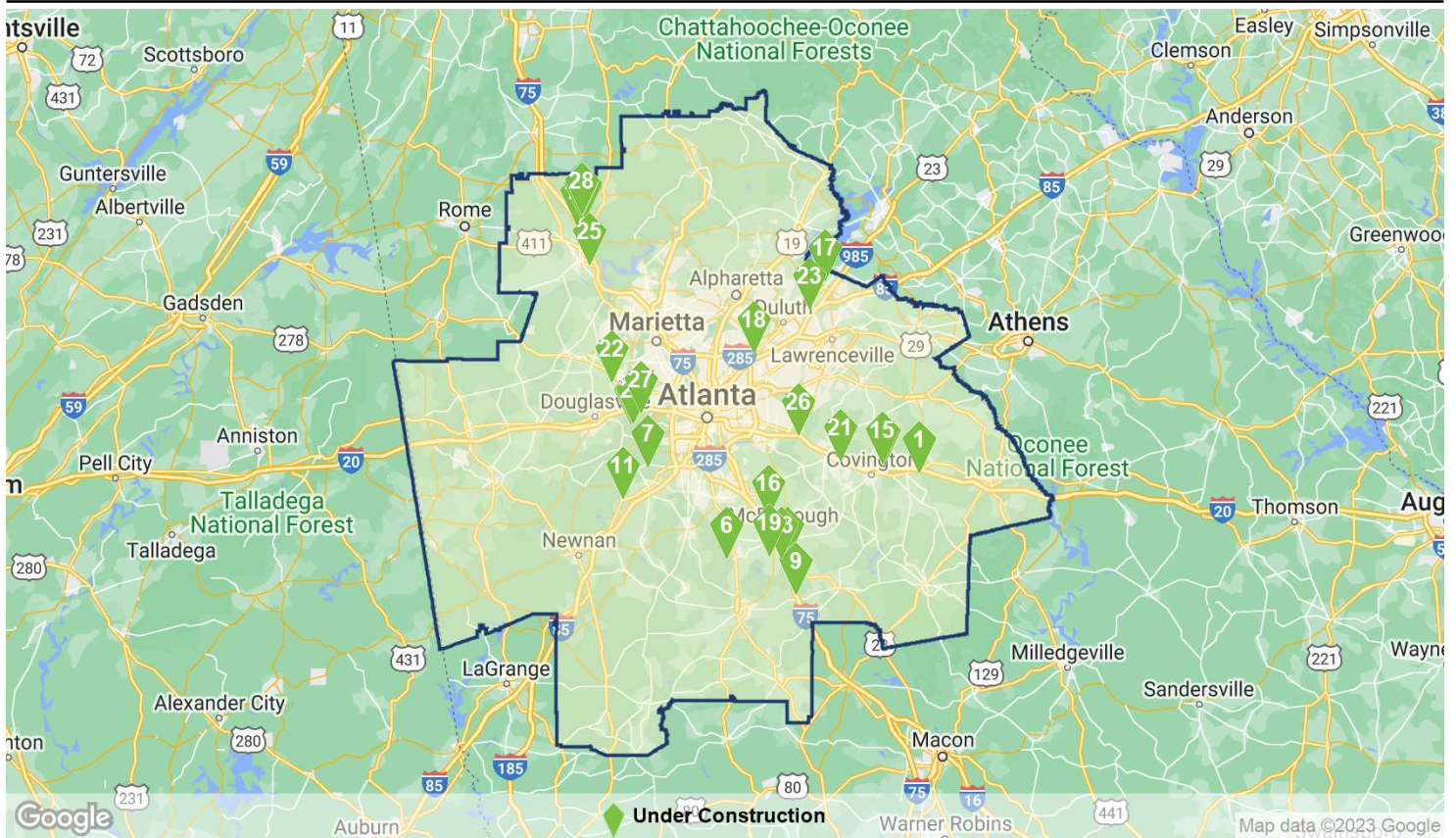
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25,386,422

3.4%

32.6%

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	Oct 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	Oct 2023	CF Real Estate Investments MDH Partners, LLC
4 Gardner Logistics Park -... 381 Davis Lake Rd	★★★★☆	1,003,954	1	Jan 2022	Oct 2023	Scannell Properties Scannell Properties
5 950 Logistics Pky	★★★★★	1,000,000	1	Jul 2022	Oct 2023	Havenwood Realty -
6 Lower Woolsey Rd	★★★★☆	800,000	1	Mar 2023	Oct 2023	- -
7 MAC V – Building 2 S Fulton Pkwy	★★★★★	800,000	1	Apr 2022	Jul 2024	- Majestic Realty Co.



Under Construction Properties

Atlanta Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 Building 100 1343 Cass-White Road	★★★★☆	793,187	1	May 2022	Oct 2023	Reliant Real Estate Partners, LLC Atlanta Commercial Realty Inc
9 River Park Bldg 6 Logistics Pky	★★★★☆	725,000	1	Oct 2022	Nov 2023	ICM Asset Management ICM Asset Management
10 Covington Logistics Par... 18019 NE Logistics Pky	★★★★☆	701,984	1	Dec 2022	Oct 2023	- Ashley Capital, LLC
11 Roosevelt Logistics Center 7995 Bowen Rd	★★★★☆	563,193	1	Jul 2022	Nov 2023	IDI Logistics -
12 Bartow Commerce Center 981 Old Grassdale Rd NE	★★★★★	526,400	1	Sep 2021	Oct 2023	Panattoni Development Company... Panattoni Development Company...
13 The Cubes at Locust Gro... 600 Price Rd	★★★★★	500,220	1	Aug 2023	Apr 2024	CRG CRG
14 Qcells - Cartersville Site 0 Highland 75	★★★★★	500,000	1	Mar 2023	Mar 2024	- -
15 Hazelbrand Rd	★★★★☆	500,000	1	Dec 2022	Mar 2024	- -
16 Stockbridge Logistics C... Candler Rd	★★★★☆	498,160	1	Sep 2022	May 2024	- -
17 Downtown Buford Logist... 2105 Buford Hwy	★★★★★	494,804	1	Mar 2022	Oct 2023	IDI Logistics IDI Logistics
18 6455 Best Friend Rd	★★★★☆	453,600	1	Apr 2023	Dec 2023	- TPA Group LLC
19 McDonough 75 Logistics... 2475 Hwy 155	★★★★★	427,200	1	Jun 2023	Aug 2024	- -
20 Building 4 Riverside Pky	★★★★★	422,500	1	Oct 2022	Oct 2023	Rooker Rooker
21 20 East Logistics Center 2932 Dogwood Dr SE	★★★★★	373,266	1	Aug 2022	Oct 2023	Native Development Group -
22 20 West Intermodal 4795 Innovative Way	★★★★☆	346,938	1	Jul 2022	Oct 2023	Native Development Group -
23 Suwanee Logistics Center Sawmill Dr	★★★★☆	327,825	1	Feb 2022	Oct 2023	TPA Group LLC Freeman Partners
24 Building 3 Riverside Pky	★★★★☆	310,000	1	Mar 2022	Oct 2023	Rooker Rooker
25 Joe Frank Harris Pkwy SE	★★★★☆	305,000	1	Sep 2022	Oct 2023	- -
26 20 East Stonecrest Build... 8361 Covington Hwy	★★★★★	300,502	1	Sep 2022	Oct 2023	Euphoric Development Euphoric Development
27 Building 3 970 Six Flags Rd	★★★★☆	300,000	1	Feb 2022	Oct 2023	- Switch, Inc.
28 Great Valley Commerce... 151 Logistics Pky NE	★★★★☆	290,140	1	Oct 2022	Nov 2023	Core5 Industrial Partners Core5 Industrial Partners



Atlanta continues to be among the top U.S. markets for total industrial investment. However, sales volume has slowed significantly so far in 2023. Investors have closed on \$4.6 billion over the past 12 months, and total sales volume in the first half of 2023 was about 30% lower than the year prior. Additionally, large portfolio deals, including two major purchases by Prologis of Duke Realty's assets in late 2022 and a large Blackstone portfolio in 23Q3 accounted for an outside share of total volume, masking the broader slowdown.

Institutional interest in fully leased properties has led to significant long-term price appreciation in the Atlanta market. Market prices have grown to \$108/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 of unleased properties, however, have indicated that price appreciation is stalling as the impact of higher interest rates and slowing absorption takes hold. Market cap rates have risen around 50 basis points to 6.4% since their low at 5.9% in early 2022, and transaction pricing on unleased speculative spaces has shown a clear decline. For example, local developer Ackerman & Co. purchased a 2022-built warehouse at East Point Distribution Center for \$21.6 million, or \$102/SF, in June 2023. The speculative property was unleased at the time of sale and traded for significantly less than the \$119/SF KKR paid for a similarly sized, half-leased warehouse in the same park in December 2021.

Tighter credit markets have shrunk the active buyer pool 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, low-leverage institutional buyers, and international investors remain active here, and are often willing to buy at higher prices. In August 2023, UK-based Lion Capital purchased the fully leased 169,000-SF multi-tenant warehouse at 2221 Northmont

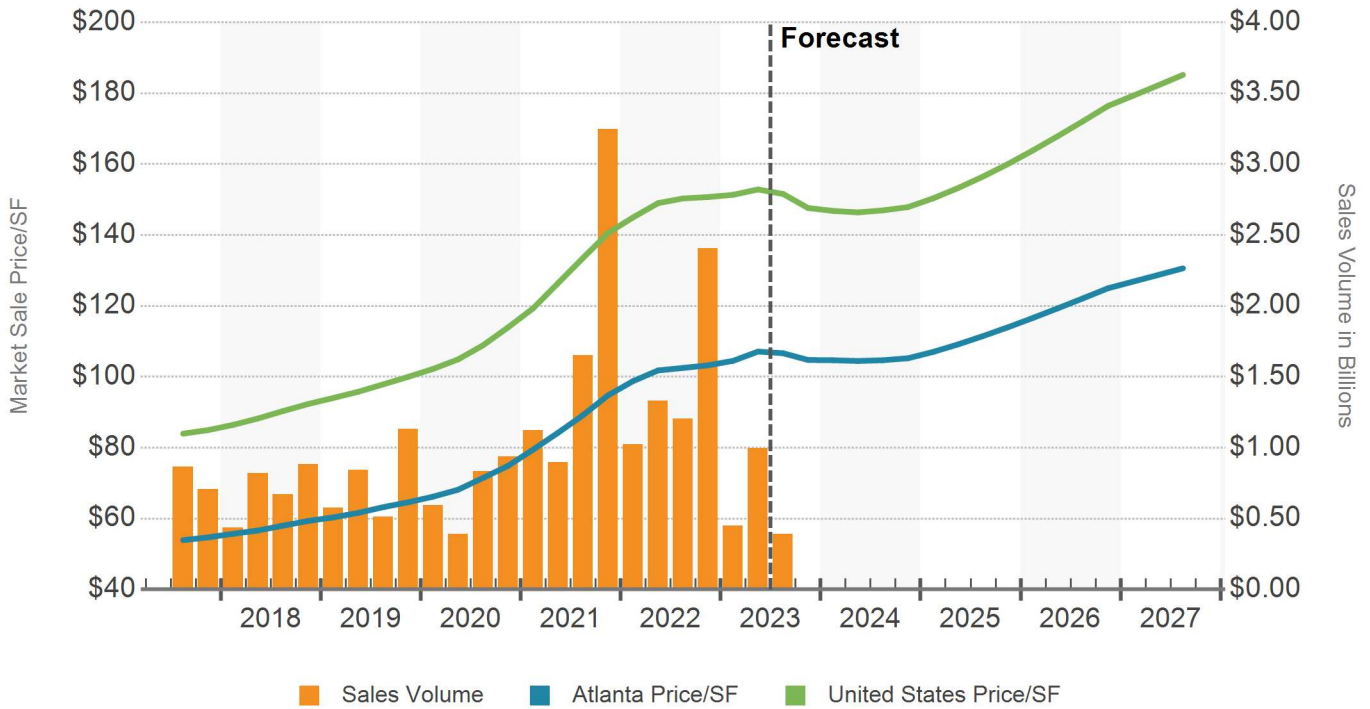
Parkway in Duluth from Cabot Properties for \$27.3 million, or \$162/SF. KKR had purchased a similar property in the park in June 2021 for \$157/SF, indicating continued price appreciation for fully leased, midsize properties in the area. Also in August, Faropoint sold its 126,000-SF warehouse at 4601 Welcome All Road for \$10.25 million, about one-third more than the Memphis-based developer paid for the 1980-built property in October 2021.

Older assets located in Atlanta's urban core often change hands as redevelopment plays. Investors have targeted older warehouses in submarkets such as Chattahoochee and Central Atlanta for adaptive reuse projects. Over the past 10 years, more than 8 million SF of industrial space has been sold as part of redevelopment projects, a large portion of which was sold for the land value. In June, apartment developer Mill Creek purchased an Atlanta Gas and Light Company showroom and its accompanying 2.39 acres at 576 Northside Dr. for \$10 million, or \$4.2 million/acre. The deal was one of several large redevelopment transactions involving formerly industrial land in West Midtown over the past several months. Others included the Allen Company and Alaska Permanent Fund pension's purchase of 1.4 acres at 11 St. NW near Star Metals and Atlantic Companies' \$11.2 million purchase of 2.7 acres and a 1978-built warehouse on Northside Drive.

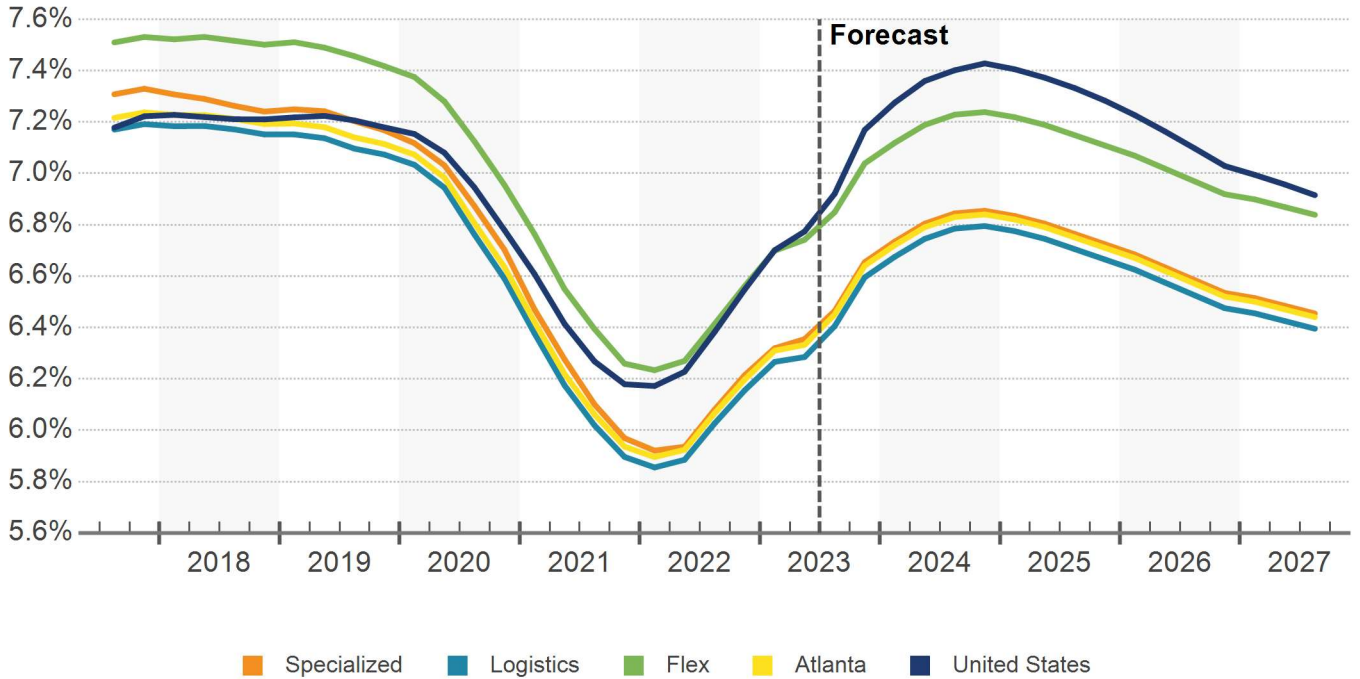
The largest land purchase of the year came in July 2023, when Costco purchased 32 acres and a truck terminal adjacent to its current distribution center off Roosevelt Highway near Hartsfield-Jackson Airport. The retailer paid \$40 million, or \$1.25 million/acre, for the land, which is rumored to be slated for an additional corporate logistics property.

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

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

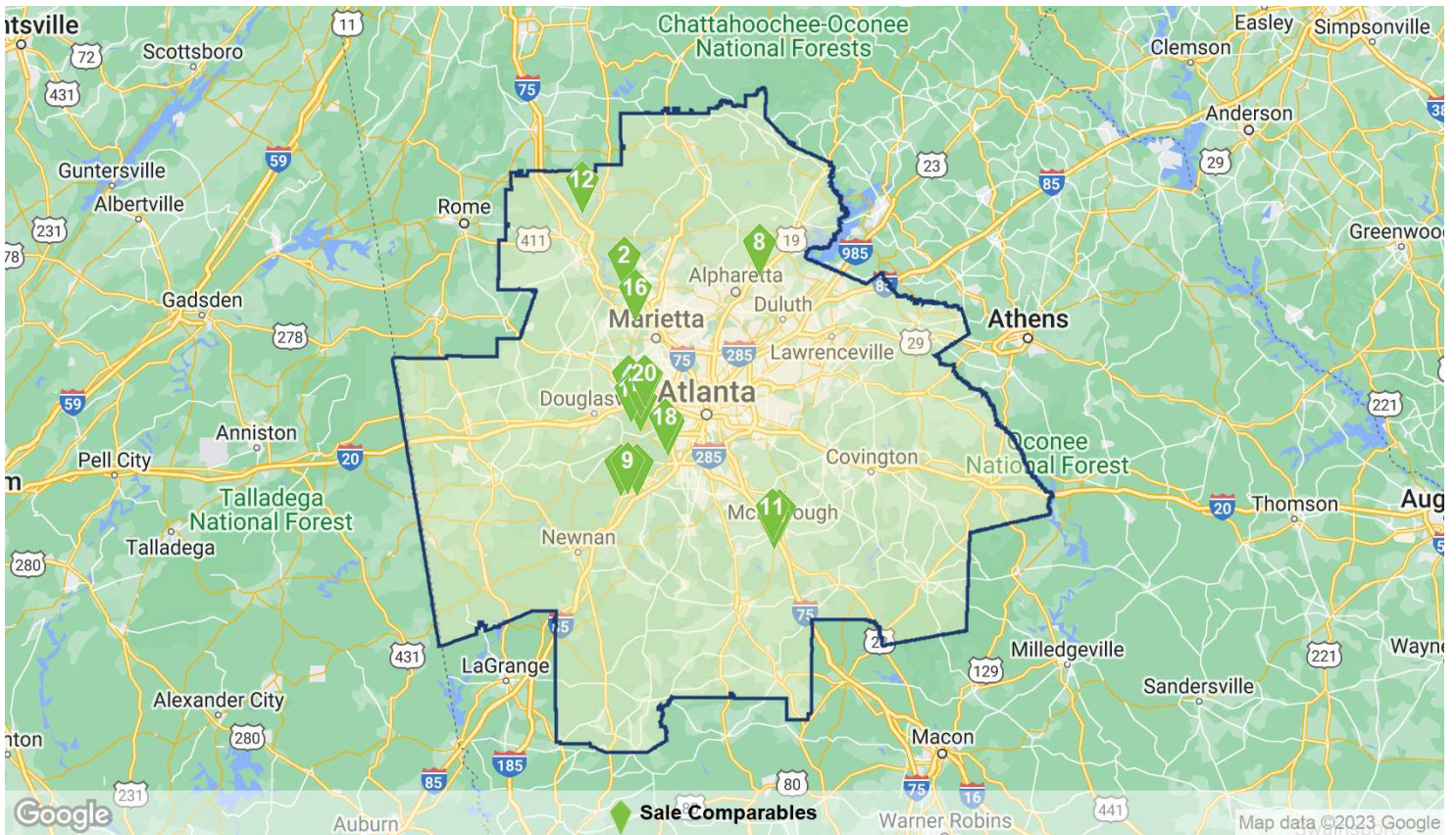
780

6.4%

\$102

11.7%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$124,000	\$7,705,165	\$2,162,500	\$134,500,000
Price/SF	\$0.98	\$102	\$110	\$2,758
Cap Rate	3.8%	6.4%	6.5%	11.3%
Time Since Sale in Months	0.0	6.9	7.3	12.0
Property Attributes	Low	Average	Median	High
Building SF	1,000	66,534	15,309	1,505,690
Ceiling Height	7'	21'3"	20'	50'
Docks	0	11	2	161
Vacancy Rate At Sale	0%	11.7%	0%	100%
Year Built	1890	1989	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 4 1950 Oak Lawn Ave	★★★★☆	2022	633,269	100%	12/28/2022	\$80,321,926	\$127	-
8 6020 Shiloh Rd	★★★★☆	2021	194,725	0%	9/19/2022	\$78,400,000	\$403	-
9 Owens Corning 8095 McLarin Rd	★★★★☆	1999	1,044,288	0%	7/26/2023	\$72,400,000	\$69	-
10 Greenwood Industrial Bl... 150 Greenwood Industrial...	★★★★★	2006	867,140	0%	10/12/2022	\$68,719,333	\$79	-
11 McDonough Commerce... 2085 Avalon Pky	★★★★★	2016	714,560	0%	2/2/2023	\$68,500,000	\$96	4.0%
12 Great Valley Commerce... 200 Logistics Pky NE	★★★★★	2022	973,218	0%	5/15/2023	\$68,400,000	\$70	-
13 Sweetwater Creek Logist... 1551 N River Rd	★★★★☆	2022	280,140	100%	5/15/2023	\$64,000,000	\$228	-
14 Riverside Business Cent... 600 Riverside Pky	★★★★★	2013	653,484	0%	10/28/2022	\$63,400,000	\$97	-
15 Home Depot 1000 Logistics Way	★★★★☆	2021	663,520	0%	10/3/2022	\$59,788,210	\$90	-
16 Oakmont Cobb Internati... 7575 Cobb International Blvd	★★★★★	2022	484,323	0%	10/28/2022	\$56,898,928	\$117	-
17 Camp Creek 4909 4909 N Commerce Dr	★★★★★	2016	614,880	0%	10/3/2022	\$55,405,375	\$90	-
18 Camp Creek 3201 3201 Centre Pky	★★★★★	2004	607,650	0%	10/3/2022	\$54,753,897	\$90	-
19 Oakmont 20 West 545 Lake Careco Rd	★★★★★	2022	468,827	0%	10/28/2022	\$54,152,404	\$116	-
20 7545 Hartman Industrial...	★★★★★	2008	569,674	0%	10/3/2022	\$50,410,290	\$88	-



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.

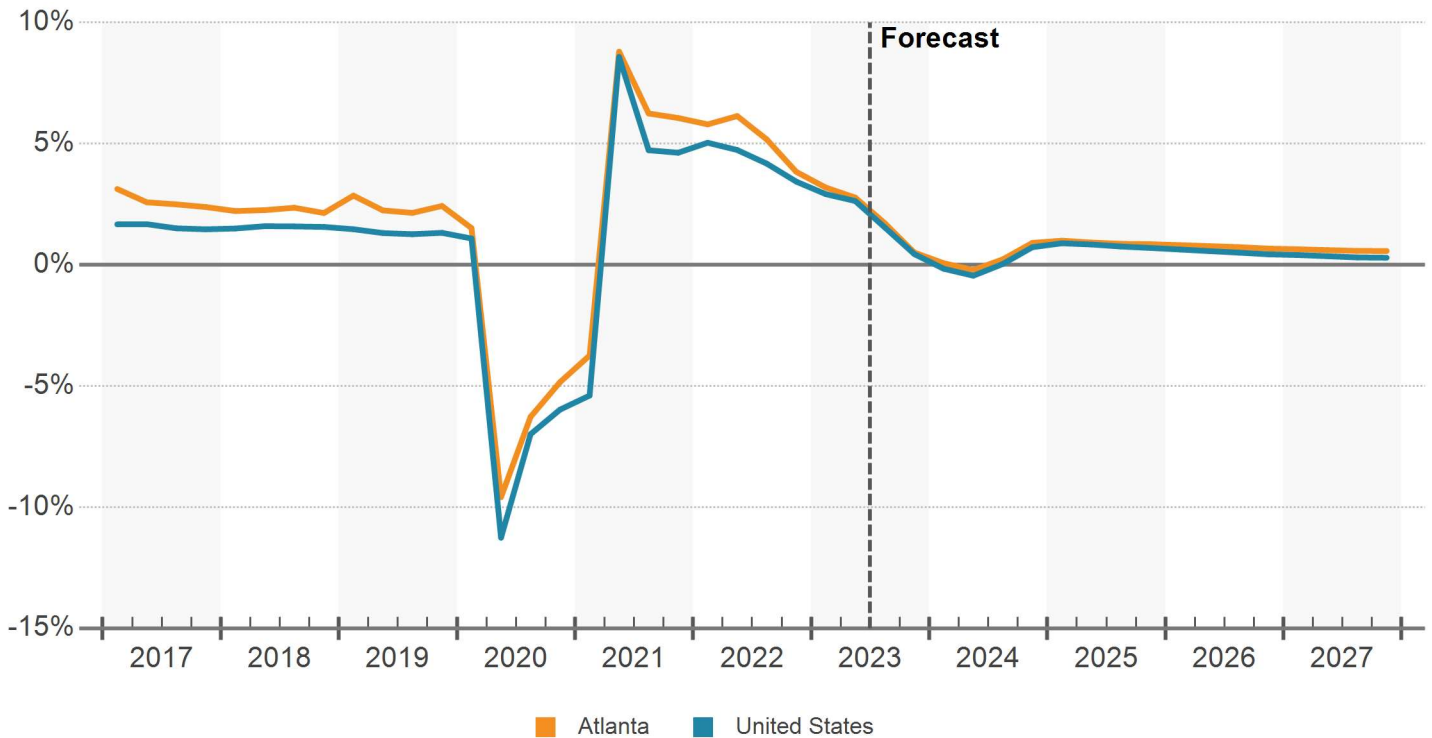
Atlanta boasts lower living and business costs than large East and West Coast metros, and this competitive advantage should continue to boost population and job growth in Atlanta. Atlanta has drawn some of the strongest in-migration in the country over the past few decades, and many employers have openly 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	-0.05%	0.66%	1.88%	0.76%	0.33%	0.04%
Trade, Transportation and Utilities	652	1.2	-0.80%	0.49%	2.17%	1.15%	0.23%	0.09%
Retail Trade	300	1.0	-0.50%	0.28%	1.19%	0.32%	0.19%	0.09%
Financial Activities	206	1.2	2.53%	0.63%	2.76%	1.44%	0.20%	0.11%
Government	339	0.8	2.08%	1.64%	0.82%	0.33%	0.60%	0.39%
Natural Resources, Mining and Construction	144	0.9	3.73%	2.04%	4.41%	2.42%	0.24%	0.21%
Education and Health Services	406	0.8	4.10%	3.20%	3.15%	1.79%	1.27%	0.66%
Professional and Business Services	591	1.3	-0.04%	1.54%	2.68%	2.11%	0.54%	0.35%
Information	116	1.9	3.04%	-0.94%	3.28%	1.26%	0.46%	0.25%
Leisure and Hospitality	316	1.0	7.95%	4.64%	2.50%	1.53%	1.18%	0.90%
Other Services	108	0.9	5.00%	2.17%	1.32%	0.63%	0.11%	0.28%
Total Employment	3,055	1.0	1.98%	1.82%	2.39%	1.33%	0.58%	0.37%

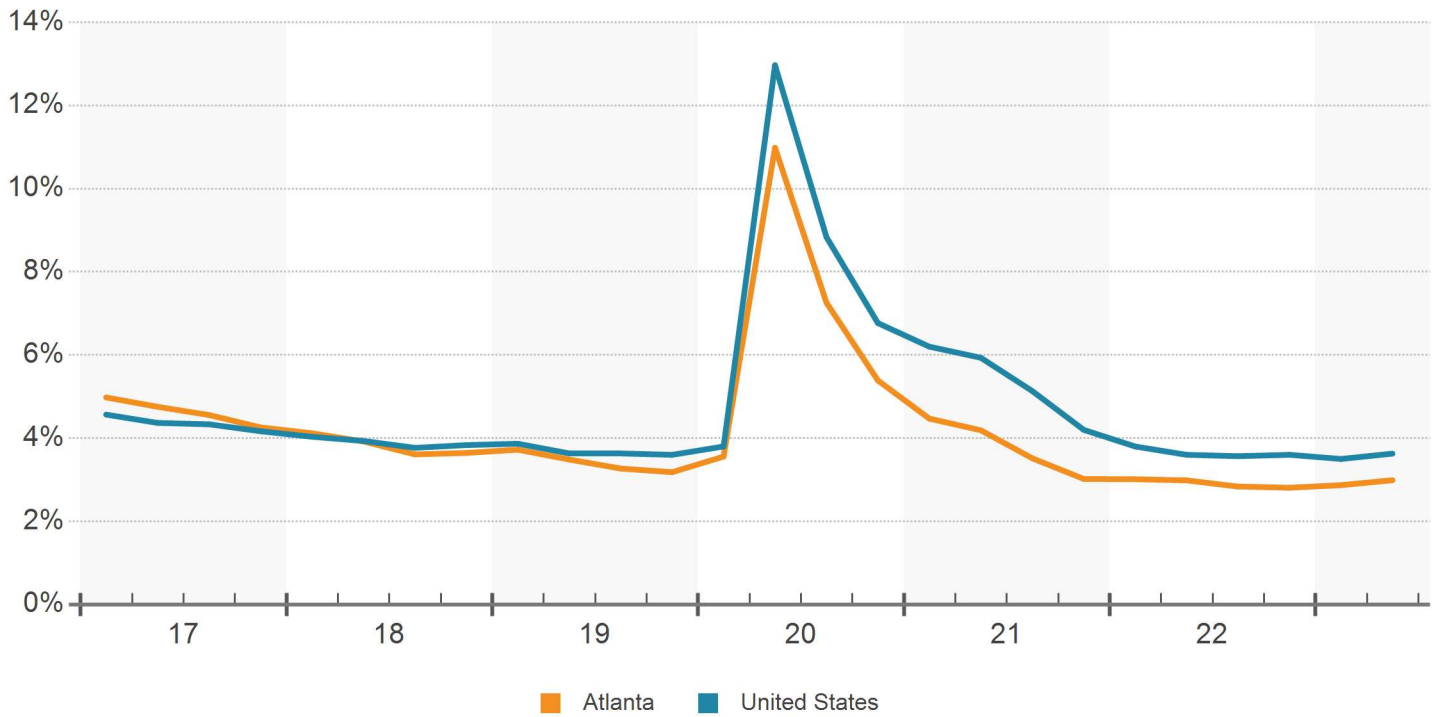
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

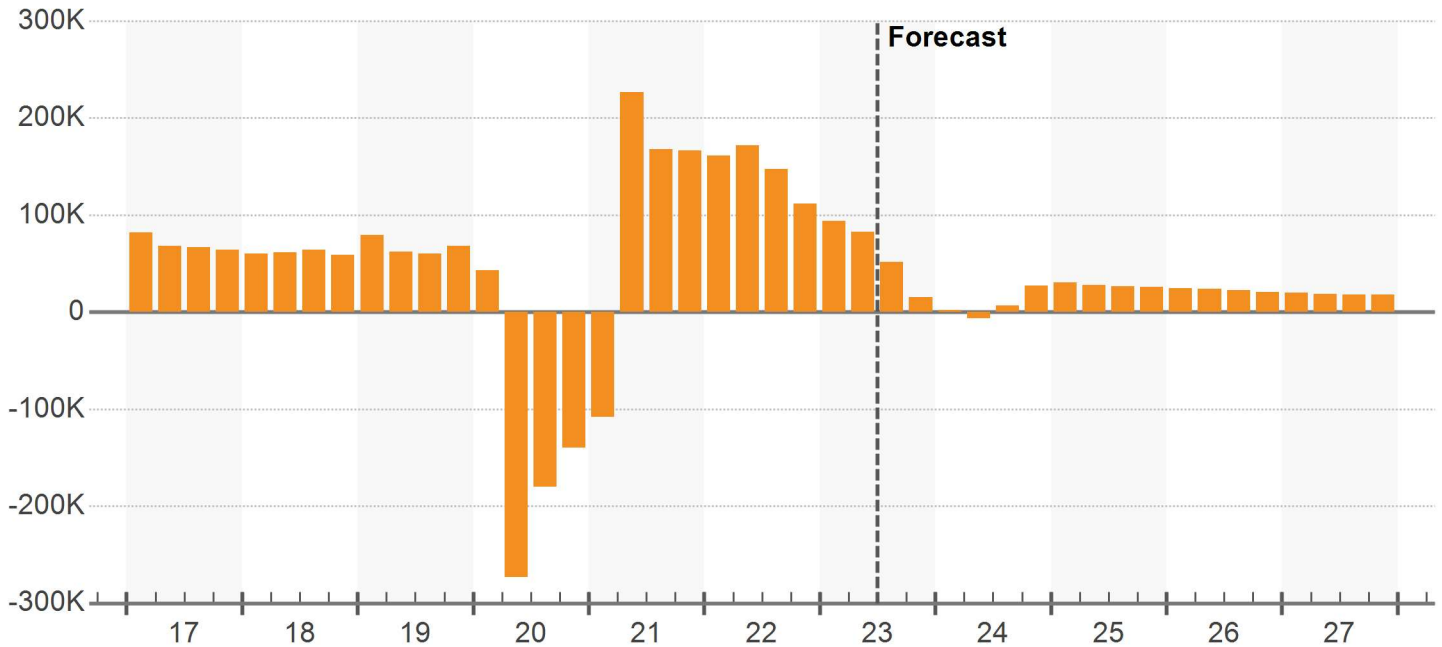


Source: Oxford Economics

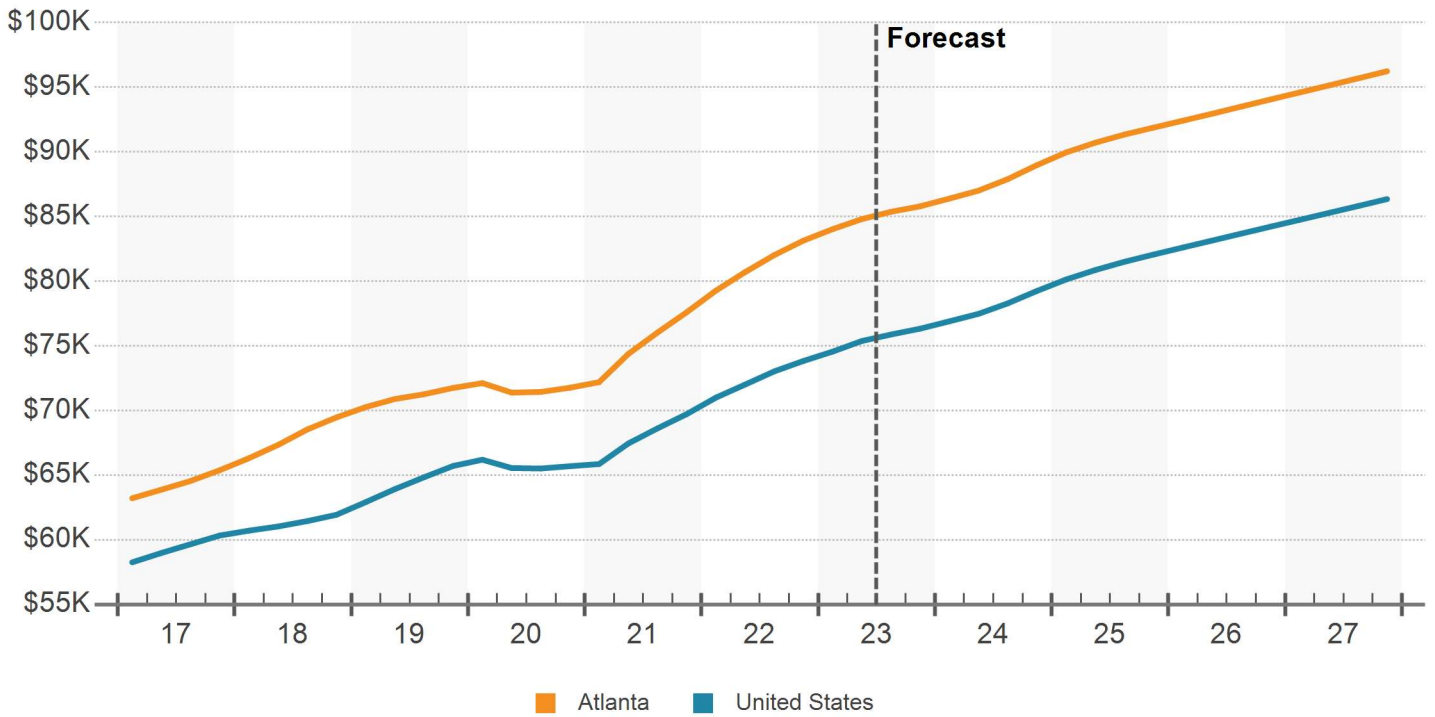
UNEMPLOYMENT RATE (%)



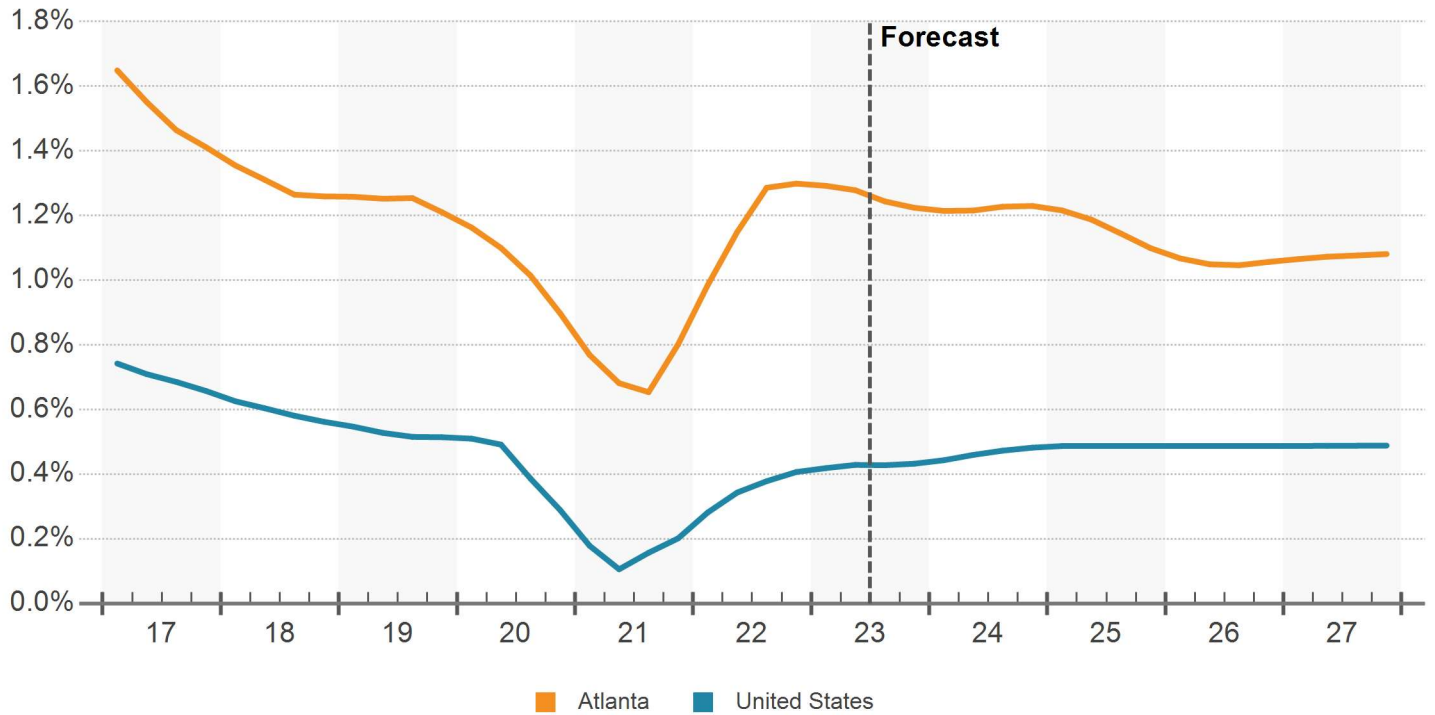
NET EMPLOYMENT CHANGE (YOY)



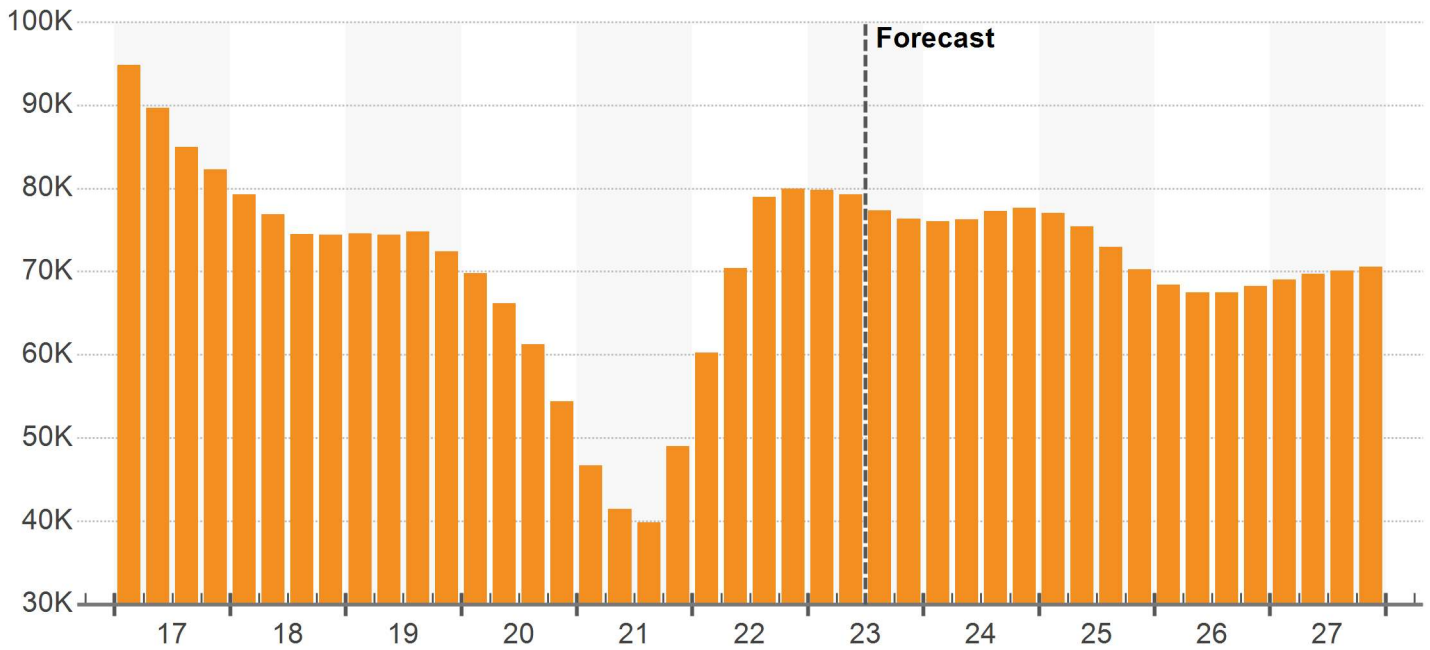
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

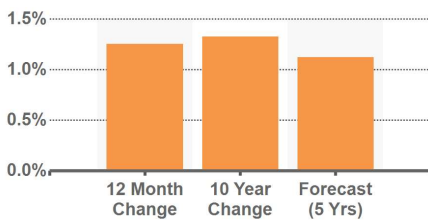


DEMOGRAPHIC TRENDS

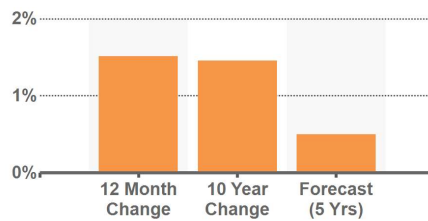
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	6,294,946	334,635,375	1.3%	0.4%	1.3%	0.6%	1.1%	0.5%
Households	2,358,189	129,943,828	1.5%	0.6%	1.7%	0.9%	1.2%	0.6%
Median Household Income	\$85,209	\$75,739	4.3%	4.1%	4.3%	3.8%	2.8%	3.0%
Labor Force	3,220,114	165,921,656	1.5%	1.0%	1.5%	0.6%	0.5%	0.4%
Unemployment	3.0%	3.6%	0.1%	0.1%	-0.5%	-0.4%	-	-

Source: Oxford Economics

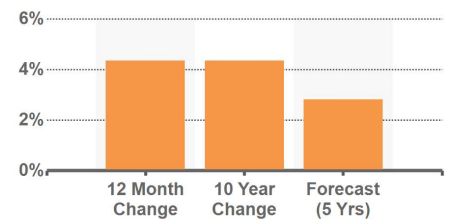
POPULATION GROWTH



LABOR FORCE GROWTH

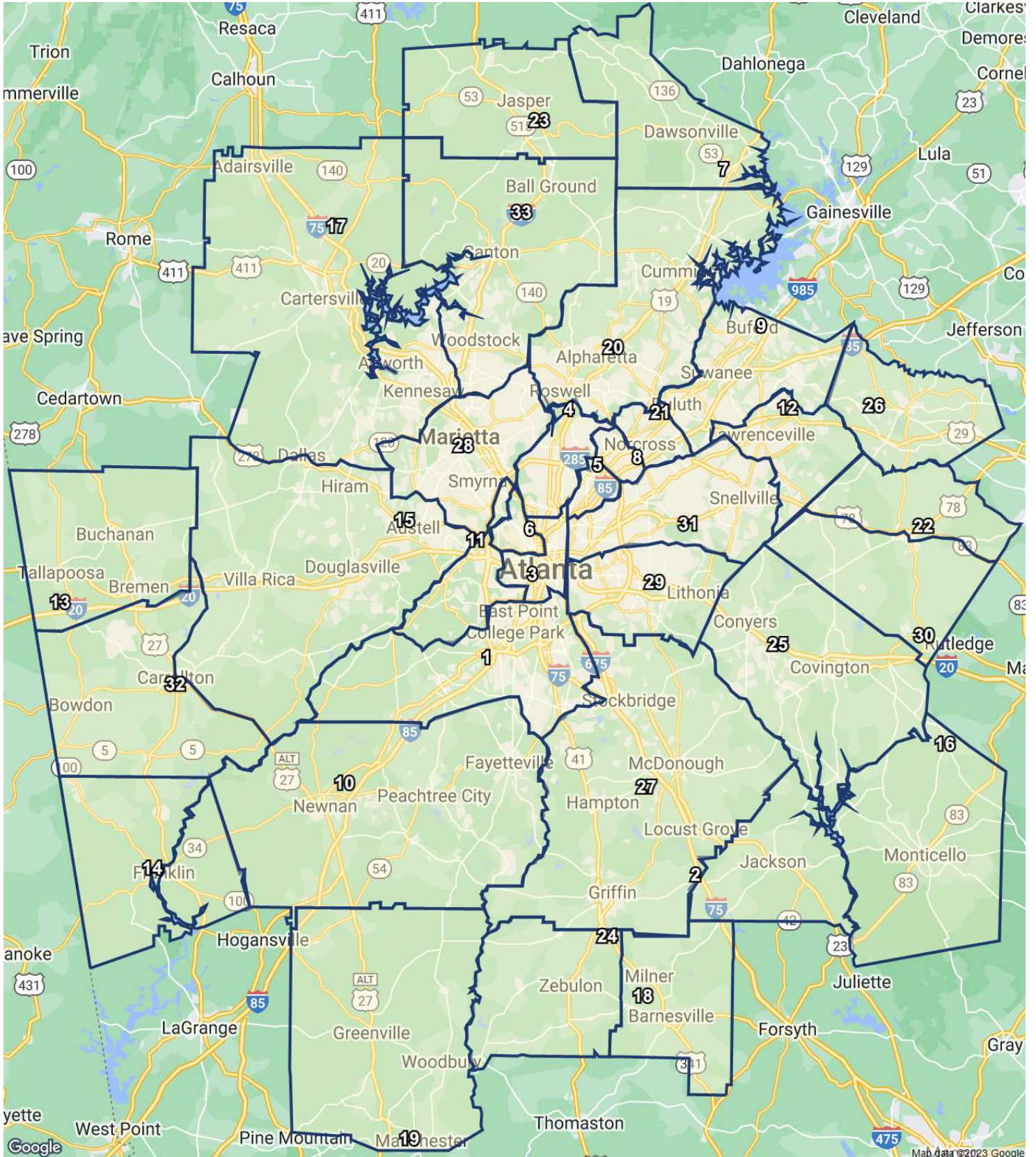


INCOME GROWTH



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	1,620	130,189	16.0%	1	17	3,961	3.0%	2	13	3,340	2.6%	5
2	Butts County	39	4,530	0.6%	23	2	1,313	29.0%	8	2	1,725	38.1%	6
3	Central Atlanta	602	13,536	1.7%	17	2	64	0.5%	16	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%	13
6	Chattahoochee	628	20,455	2.5%	15	1	98	0.5%	15	0	-	-	-
7	Dawson County	75	1,585	0.2%	28	1	4	0.2%	20	1	10	0.6%	17
8	Doraville	612	33,852	4.2%	8	0	0	0%	-	1	454	1.3%	10
9	Duluth/Suwanee/Buford	871	59,130	7.3%	4	7	1,998	3.4%	6	9	1,175	2.0%	7
10	Fayette/Coweta County	667	32,615	4.0%	13	8	518	1.6%	10	2	454	1.4%	9
11	Fulton District	641	55,475	6.8%	6	5	1,320	2.4%	7	2	14	0%	16
12	GA-316/Lawrenceville	529	22,331	2.7%	14	0	0	0%	-	2	401	1.8%	11
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	1,185	66,070	8.1%	3	14	3,882	5.9%	3	15	4,159	6.3%	2
16	Jasper County	12	306	0%	33	0	0	0%	-	0	-	-	-
17	Kennesaw/Acworth	959	58,060	7.1%	5	11	4,064	7.0%	1	19	5,442	9.4%	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	1,214	34,295	4.2%	7	4	611	1.8%	9	9	398	1.2%	12
21	Norcross	788	33,430	4.1%	9	2	140	0.4%	14	2	179	0.5%	14
22	North Walton County	57	2,314	0.3%	25	0	0	0%	-	0	-	-	-
23	Pickens County	162	2,214	0.3%	26	2	10	0.4%	19	1	8	0.3%	18
24	Pike County	14	489	0.1%	32	0	0	0%	-	0	-	-	-
25	Rockdale/Newton Cnty	798	32,799	4.0%	11	8	2,039	6.2%	5	7	3,364	10.3%	4
26	S Barrow	320	10,366	1.3%	19	3	422	4.1%	11	0	-	-	-
27	S Clayton/Henry Cnty	918	74,870	9.2%	2	11	3,041	4.1%	4	7	3,502	4.7%	3
28	SE Cobb Cnty/Marietta	1,056	32,617	4.0%	12	1	191	0.6%	13	0	-	-	-
29	Snapfinger	431	17,431	2.1%	16	0	0	0%	-	2	484	2.8%	8
30	South Walton County	151	9,153	1.1%	20	0	0	0%	-	0	-	-	-
31	Stone Mountain	1,032	32,820	4.0%	10	1	26	0.1%	18	0	-	-	-
32	W Carroll County	168	7,081	0.9%	22	1	300	4.2%	12	0	-	-	-
33	Woodstock/Canton	682	11,370	1.4%	18	2	27	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	10.2%	4	3.1%	6
2	Butts County	\$0.56	31	10.9%	1	3.4%	5
3	Central Atlanta	\$1.07	3	8.2%	24	5.2%	1
4	Central Perimeter	\$1.38	1	7.9%	27	1.9%	14
5	Chamblee	\$1	4	8.4%	23	1.0%	21
6	Chattahoochee	\$0.99	5	8.4%	21	1.2%	20
7	Dawson County	\$0.98	6	7.2%	29	-2.0%	30
8	Doraville	\$0.81	11	9.5%	11	2.2%	12
9	Duluth/Suwanee/Buford	\$0.81	12	10.5%	3	3.6%	4
10	Fayette/Coweta County	\$0.67	23	9.6%	9	1.9%	15
11	Fulton District	\$0.52	33	10.7%	2	3.9%	3
12	GA-316/Lawrenceville	\$0.80	15	9.7%	7	2.2%	11
13	Haralson County	\$0.55	32	8.2%	25	-0.6%	27
14	Heard County	\$0.87	10	6.9%	31	-1.8%	28
15	I-20 W/Douglasville	\$0.65	25	10.0%	6	2.7%	7
16	Jasper County	\$0.75	19	7.1%	30	-2.0%	31
17	Kennesaw/Acworth	\$0.77	17	9.6%	8	1.8%	16
18	Lamar County	\$0.64	26	8.4%	22	-2.0%	29
19	Meriwether County	\$0.58	29	0.8%	33	4.6%	2
20	N Fulton/Forsyth Cnty	\$1.11	2	8.6%	20	1.6%	18
21	Norcross	\$0.89	9	9.6%	10	2.6%	9
22	North Walton County	\$0.80	14	8.9%	16	0.8%	23
23	Pickens County	\$0.76	18	7.9%	26	-0.5%	26
24	Pike County	\$0.80	13	6.6%	32	-3.6%	33
25	Rockdale/Newton Cnty	\$0.70	20	9.1%	15	1.6%	17
26	S Barrow	\$0.67	21	8.6%	18	0.4%	25
27	S Clayton/Henry Cnty	\$0.56	30	10.2%	5	2.7%	8
28	SE Cobb Cnty/Marietta	\$0.96	7	9.2%	13	2.0%	13
29	Snapfinger	\$0.67	22	9.2%	14	1.4%	19
30	South Walton County	\$0.58	28	8.8%	17	0.7%	24
31	Stone Mountain	\$0.78	16	9.3%	12	2.3%	10
32	W Carroll County	\$0.61	27	7.4%	28	-2.4%	32
33	Woodstock/Canton	\$0.90	8	8.6%	19	1.0%	22

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Airport/North Clayton	7,005,917	5.4%	21	2,968,725	2.3%	1	1.1
2	Butts County	1,320,773	29.2%	29	1,762	0%	17	744.9
3	Central Atlanta	753,327	5.6%	24	(330,924)	-2.4%	31	-
4	Central Perimeter	14,398	2.9%	13	(2,409)	-0.5%	23	-
5	Chamblee	415,062	5.0%	19	(193,020)	-2.3%	29	-
6	Chattahoochee	1,080,669	5.3%	20	132,763	0.6%	12	-
7	Dawson County	30,000	1.9%	7	463	0%	19	-
8	Doraville	826,615	2.4%	10	6,046	0%	16	-
9	Duluth/Suwanee/Buford	1,934,529	3.3%	14	632,871	1.1%	6	3.2
10	Fayette/Coweta County	666,357	2.0%	8	1,582,927	4.9%	5	0.3
11	Fulton District	3,280,162	5.9%	25	(602,535)	-1.1%	33	-
12	GA-316/Lawrenceville	99,180	0.4%	2	623,360	2.8%	7	-
13	Haralson County	36,250	1.3%	6	0	0%	-	-
14	Heard County	-	-	-	13,929	2.6%	15	-
15	I-20 W/Douglasville	3,596,419	5.4%	22	2,005,854	3.0%	3	1.8
16	Jasper County	-	-	-	0	0%	-	-
17	Kennesaw/Acworth	4,923,907	8.5%	28	1,596,401	2.7%	4	2.4
18	Lamar County	-	-	-	0	0%	-	-
19	Meriwether County	380,745	30.2%	30	29,708	2.4%	14	-
20	N Fulton/Forsyth Cnty	1,666,571	4.9%	18	(28,028)	-0.1%	26	-
21	Norcross	1,265,810	3.8%	15	(121,057)	-0.4%	28	-
22	North Walton County	3,000	0.1%	1	1,616	0.1%	18	-
23	Pickens County	54,751	2.5%	11	(7,886)	-0.4%	24	-
24	Pike County	11,000	2.2%	9	(11,000)	-2.2%	25	-
25	Rockdale/Newton Cnty	2,338,878	7.1%	26	347,962	1.1%	9	5.6
26	S Barrow	774,888	7.5%	27	174,756	1.7%	11	1.7
27	S Clayton/Henry Cnty	2,872,454	3.8%	16	2,092,684	2.8%	2	1.4
28	SE Cobb Cnty/Marietta	1,294,747	4.0%	17	(329,090)	-1.0%	30	-
29	Snapfinger	957,915	5.5%	23	(63,587)	-0.4%	27	-
30	South Walton County	62,090	0.7%	4	425,409	4.6%	8	-
31	Stone Mountain	871,612	2.7%	12	(373,638)	-1.1%	32	-
32	W Carroll County	38,562	0.5%	3	266,812	3.8%	10	1.1
33	Woodstock/Canton	134,292	1.2%	5	79,042	0.7%	13	0.3

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	865,761,831	11,511,879	1.3%	11,055,474	1.3%	1.0
2026	854,249,952	9,179,194	1.1%	11,215,034	1.3%	0.8
2025	845,070,758	5,885,200	0.7%	11,903,294	1.4%	0.5
2024	839,185,558	9,427,820	1.1%	8,325,903	1.0%	1.1
2023	829,757,738	29,853,546	3.7%	7,419,953	0.9%	4.0
YTD	816,261,301	16,357,109	2.0%	5,669,358	0.7%	2.9
2022	799,904,192	18,575,530	2.4%	15,892,234	2.0%	1.2
2021	781,328,662	20,988,978	2.8%	39,310,887	5.0%	0.5
2020	760,339,684	17,833,884	2.4%	15,014,246	2.0%	1.2
2019	742,505,800	14,411,199	2.0%	13,331,464	1.8%	1.1
2018	728,094,601	15,081,605	2.1%	18,089,654	2.5%	0.8
2017	713,012,996	16,380,717	2.4%	22,501,706	3.2%	0.7
2016	696,632,279	17,204,329	2.5%	15,043,546	2.2%	1.1
2015	679,427,950	4,121,214	0.6%	14,319,458	2.1%	0.3
2014	675,306,736	2,117,992	0.3%	20,473,109	3.0%	0.1
2013	673,188,744	2,374,291	0.4%	10,100,711	1.5%	0.2
2012	670,814,453	558,075	0.1%	4,732,008	0.7%	0.1
2011	670,256,378	(924,979)	-0.1%	7,278,863	1.1%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	100,919,239	201,840	0.2%	269,316	0.3%	0.7
2026	100,717,399	132,463	0.1%	(44,615)	0%	-
2025	100,584,936	10,244	0%	(443,882)	-0.4%	-
2024	100,574,692	328,958	0.3%	(138,794)	-0.1%	-
2023	100,245,734	412,740	0.4%	190,357	0.2%	2.2
YTD	100,096,453	263,459	0.3%	638,356	0.6%	0.4
2022	99,832,994	249,144	0.3%	(91,780)	-0.1%	-
2021	99,583,850	318,236	0.3%	1,423,051	1.4%	0.2
2020	99,265,614	470,949	0.5%	(160,916)	-0.2%	-
2019	98,794,665	23,208	0%	867,570	0.9%	0
2018	98,771,457	620,128	0.6%	698,081	0.7%	0.9
2017	98,151,329	1,455,913	1.5%	1,395,339	1.4%	1.0
2016	96,695,416	1,850,824	2.0%	2,511,960	2.6%	0.7
2015	94,844,592	(3,205,242)	-3.3%	(259,024)	-0.3%	-
2014	98,049,834	104,637	0.1%	3,237,819	3.3%	0
2013	97,945,197	300,178	0.3%	130,286	0.1%	2.3
2012	97,645,019	(388,640)	-0.4%	326,672	0.3%	-
2011	98,033,659	(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	692,117,903	11,033,296	1.6%	10,448,052	1.5%	1.1
2026	681,084,607	8,840,992	1.3%	11,183,679	1.6%	0.8
2025	672,243,615	5,695,735	0.9%	12,535,222	1.9%	0.5
2024	666,547,880	8,915,115	1.4%	8,523,965	1.3%	1.0
2023	657,632,765	27,723,840	4.4%	5,633,632	0.9%	4.9
YTD	645,934,775	16,025,850	2.5%	4,768,027	0.7%	3.4
2022	629,908,925	18,127,186	3.0%	16,073,182	2.6%	1.1
2021	611,781,739	19,046,665	3.2%	35,312,221	5.8%	0.5
2020	592,735,074	17,230,005	3.0%	15,278,358	2.6%	1.1
2019	575,505,069	14,633,073	2.6%	12,300,167	2.1%	1.2
2018	560,871,996	14,557,589	2.7%	16,875,024	3.0%	0.9
2017	546,314,407	15,000,049	2.8%	20,939,668	3.8%	0.7
2016	531,314,358	15,464,395	3.0%	11,893,950	2.2%	1.3
2015	515,849,963	7,160,114	1.4%	12,199,752	2.4%	0.6
2014	508,689,849	2,072,379	0.4%	16,128,198	3.2%	0.1
2013	506,617,470	2,299,535	0.5%	8,965,243	1.8%	0.3
2012	504,317,935	969,363	0.2%	4,755,265	0.9%	0.2
2011	503,348,572	157,627	0%	8,813,984	1.8%	0

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	72,724,689	276,743	0.4%	338,106	0.5%	0.8
2026	72,447,946	205,739	0.3%	75,970	0.1%	2.7
2025	72,242,207	179,221	0.2%	(188,046)	-0.3%	-
2024	72,062,986	183,747	0.3%	(59,268)	-0.1%	-
2023	71,879,239	1,716,966	2.4%	1,595,964	2.2%	1.1
YTD	70,230,073	67,800	0.1%	262,975	0.4%	0.3
2022	70,162,273	199,200	0.3%	(89,168)	-0.1%	-
2021	69,963,073	1,624,077	2.4%	2,575,615	3.7%	0.6
2020	68,338,996	132,930	0.2%	(103,196)	-0.2%	-
2019	68,206,066	(245,082)	-0.4%	163,727	0.2%	-
2018	68,451,148	(96,112)	-0.1%	516,549	0.8%	-
2017	68,547,260	(75,245)	-0.1%	166,699	0.2%	-
2016	68,622,505	(110,890)	-0.2%	637,636	0.9%	-
2015	68,733,395	166,342	0.2%	2,378,730	3.5%	0.1
2014	68,567,053	(59,024)	-0.1%	1,107,092	1.6%	-
2013	68,626,077	(225,422)	-0.3%	1,005,182	1.5%	-
2012	68,851,499	(22,648)	0%	(349,929)	-0.5%	-
2011	68,874,147	(297,445)	-0.4%	(1,124,166)	-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%	30.2%	44,107,766	5.1%	0%
2026	\$0.87	228	6.0%	25.2%	43,622,696	5.1%	-0.3%
2025	\$0.82	215	5.9%	18.2%	45,629,187	5.4%	-0.8%
2024	\$0.78	203	3.5%	11.5%	51,626,476	6.2%	0.1%
2023	\$0.75	196	7.7%	7.7%	50,487,318	6.1%	2.6%
YTD	\$0.74	193	9.6%	5.9%	38,740,350	4.7%	1.2%
2022	\$0.70	182	12.8%	0%	28,052,599	3.5%	0.3%
2021	\$0.62	161	12.2%	-11.4%	25,349,703	3.2%	-2.5%
2020	\$0.55	144	7.8%	-21.0%	43,682,212	5.7%	0.2%
2019	\$0.51	134	7.0%	-26.7%	40,881,552	5.5%	0%
2018	\$0.48	125	6.8%	-31.4%	39,826,216	5.5%	-0.5%
2017	\$0.45	117	6.4%	-35.8%	42,602,265	6.0%	-1.0%
2016	\$0.42	110	5.5%	-39.7%	48,736,304	7.0%	0.1%
2015	\$0.40	104	6.0%	-42.8%	46,561,285	6.9%	-1.6%
2014	\$0.38	98	4.0%	-46.1%	56,759,479	8.4%	-2.8%
2013	\$0.36	94	2.8%	-48.1%	75,114,596	11.2%	-1.2%
2012	\$0.35	92	0%	-49.5%	82,841,016	12.3%	-0.6%
2011	\$0.35	92	-1.6%	-49.5%	87,014,949	13.0%	-1.2%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$1.01	223	4.1%	25.3%	4,359,240	4.3%	-0.1%
2026	\$0.97	215	6.0%	20.4%	4,423,848	4.4%	0.2%
2025	\$0.91	202	6.1%	13.5%	4,243,860	4.2%	0.5%
2024	\$0.86	191	3.7%	7.1%	3,787,278	3.8%	0.5%
2023	\$0.83	184	3.3%	3.3%	3,316,142	3.3%	0.2%
YTD	\$0.82	182	6.0%	1.9%	2,718,654	2.7%	-0.4%
2022	\$0.80	178	13.2%	0%	3,093,551	3.1%	0.3%
2021	\$0.71	157	12.5%	-11.7%	2,752,627	2.8%	-1.1%
2020	\$0.63	140	6.1%	-21.5%	3,857,442	3.9%	0.6%
2019	\$0.59	132	8.5%	-26.1%	3,225,577	3.3%	-0.9%
2018	\$0.55	121	6.8%	-31.9%	4,074,854	4.1%	-0.1%
2017	\$0.51	114	5.7%	-36.2%	4,152,807	4.2%	0%
2016	\$0.49	108	3.5%	-39.6%	4,092,233	4.2%	-0.8%
2015	\$0.47	104	6.4%	-41.7%	4,753,369	5.0%	-2.8%
2014	\$0.44	98	4.4%	-45.2%	7,699,537	7.9%	-3.2%
2013	\$0.42	94	3.2%	-47.5%	10,832,719	11.1%	0.1%
2012	\$0.41	91	-0.5%	-49.1%	10,662,827	10.9%	-0.7%
2011	\$0.41	91	-2.0%	-48.9%	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	246	4.0%	31.4%	36,006,304	5.2%	0%
2026	\$0.80	237	5.9%	26.4%	35,402,782	5.2%	-0.4%
2025	\$0.75	223	5.9%	19.3%	37,726,590	5.6%	-1.1%
2024	\$0.71	211	3.5%	12.7%	44,554,322	6.7%	0%
2023	\$0.69	204	8.9%	8.9%	44,137,982	6.7%	3.2%
YTD	\$0.67	200	10.7%	6.9%	33,305,390	5.2%	1.7%
2022	\$0.63	187	13.3%	0%	22,047,567	3.5%	0.2%
2021	\$0.56	165	12.6%	-11.7%	19,993,563	3.3%	-2.8%
2020	\$0.49	147	8.6%	-21.6%	36,259,119	6.1%	0.2%
2019	\$0.45	135	6.9%	-27.8%	34,314,057	6.0%	0.3%
2018	\$0.43	126	6.9%	-32.5%	31,981,151	5.7%	-0.5%
2017	\$0.40	118	6.6%	-36.8%	34,074,586	6.2%	-1.3%
2016	\$0.37	111	5.9%	-40.8%	39,995,005	7.5%	0.5%
2015	\$0.35	105	6.2%	-44.1%	36,410,324	7.1%	-1.1%
2014	\$0.33	99	4.1%	-47.3%	41,449,962	8.1%	-2.8%
2013	\$0.32	95	2.8%	-49.4%	55,505,781	11.0%	-1.4%
2012	\$0.31	92	0.2%	-50.8%	62,171,489	12.3%	-0.8%
2011	\$0.31	92	-1.6%	-50.9%	65,957,391	13.1%	-1.7%

FLEX RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$1.48	209	4.0%	28.7%	3,742,222	5.1%	-0.1%
2026	\$1.43	201	6.0%	23.8%	3,796,066	5.2%	0.2%
2025	\$1.34	190	6.0%	16.8%	3,658,737	5.1%	0.5%
2024	\$1.27	179	3.6%	10.2%	3,284,876	4.6%	0.3%
2023	\$1.22	173	6.4%	6.4%	3,033,194	4.2%	0.1%
YTD	\$1.20	170	7.3%	4.6%	2,716,306	3.9%	-0.3%
2022	\$1.15	163	10.1%	0%	2,911,481	4.1%	0.4%
2021	\$1.05	148	9.6%	-9.2%	2,603,513	3.7%	-1.5%
2020	\$0.95	135	5.6%	-17.1%	3,565,651	5.2%	0.3%
2019	\$0.90	128	5.6%	-21.5%	3,341,918	4.9%	-0.6%
2018	\$0.86	121	6.6%	-25.7%	3,770,211	5.5%	-0.9%
2017	\$0.80	113	5.9%	-30.3%	4,374,872	6.4%	-0.4%
2016	\$0.76	107	5.5%	-34.2%	4,649,066	6.8%	-1.1%
2015	\$0.72	101	5.1%	-37.6%	5,397,592	7.9%	-3.2%
2014	\$0.68	97	2.9%	-40.6%	7,609,980	11.1%	-1.7%
2013	\$0.66	94	2.1%	-42.3%	8,776,096	12.8%	-1.7%
2012	\$0.65	92	-0.4%	-43.5%	10,006,700	14.5%	0.5%
2011	\$0.65	92	-1.6%	-43.2%	9,679,419	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	-	-	-	-	-	-	\$132.51	337	6.4%
2026	-	-	-	-	-	-	\$124.97	318	6.5%
2025	-	-	-	-	-	-	\$113.98	290	6.7%
2024	-	-	-	-	-	-	\$105.24	268	6.8%
2023	-	-	-	-	-	-	\$104.74	266	6.6%
YTD	420	\$1.8B	2.5%	\$6,022,580	\$117.31	6.4%	\$107.52	273	6.4%
2022	1,097	\$6B	8.0%	\$6,306,938	\$98.75	6.6%	\$103.24	263	6.2%
2021	1,388	\$6.9B	11.5%	\$6,235,354	\$95.67	6.7%	\$94.78	241	5.9%
2020	1,053	\$2.8B	7.1%	\$3,674,127	\$73.46	7.5%	\$74.89	190	6.6%
2019	1,208	\$3.1B	9.5%	\$3,808,638	\$67.05	7.8%	\$64.62	164	7.1%
2018	1,146	\$2.8B	9.5%	\$3,432,948	\$59.68	7.6%	\$59.35	151	7.2%
2017	979	\$2.8B	8.4%	\$3,781,362	\$50.71	7.9%	\$54.71	139	7.2%
2016	881	\$2B	6.3%	\$2,613,987	\$45.69	8.1%	\$53.42	136	6.9%
2015	1,031	\$2.3B	10.0%	\$2,512,474	\$42.42	8.3%	\$50.53	128	6.9%
2014	932	\$1.8B	8.0%	\$2,358,303	\$40.62	8.4%	\$45.08	115	7.4%
2013	777	\$1.2B	5.9%	\$1,775,867	\$35.18	8.9%	\$41.35	105	7.6%
2012	614	\$1.2B	5.8%	\$2,420,982	\$35.15	8.7%	\$39.28	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	-	-	-	-	-	-	\$124.70	352	6.4%
2026	-	-	-	-	-	-	\$117.53	332	6.5%
2025	-	-	-	-	-	-	\$107.13	302	6.7%
2024	-	-	-	-	-	-	\$98.82	279	6.9%
2023	-	-	-	-	-	-	\$98.23	277	6.7%
YTD	48	\$268.1M	1.9%	\$6,873,359	\$145.53	8.5%	\$101.29	286	6.4%
2022	110	\$493.4M	5.5%	\$5,249,199	\$108.11	9.6%	\$97.29	275	6.2%
2021	125	\$665.8M	8.3%	\$6,340,932	\$88.27	6.4%	\$88.74	251	6.0%
2020	105	\$216.8M	3.6%	\$3,097,366	\$71.52	7.7%	\$69.28	196	6.7%
2019	96	\$189.6M	3.8%	\$2,597,053	\$64.39	7.3%	\$60.01	169	7.2%
2018	103	\$194.7M	5.1%	\$2,631,733	\$49.55	7.2%	\$55.04	155	7.2%
2017	80	\$194.1M	4.9%	\$3,033,458	\$43.61	9.1%	\$50.02	141	7.3%
2016	88	\$174.7M	5.4%	\$2,183,697	\$33.78	8.0%	\$48.67	137	7.0%
2015	77	\$117.8M	3.7%	\$1,840,627	\$37.09	10.5%	\$46.33	131	7.0%
2014	69	\$110.8M	4.9%	\$1,787,272	\$23.61	9.0%	\$41.10	116	7.5%
2013	67	\$157.4M	4.6%	\$2,761,139	\$35.28	8.9%	\$37.58	106	7.8%
2012	60	\$57.1M	2.4%	\$1,391,646	\$31.33	9.3%	\$35.39	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	-	-	-	-	-	-	\$128.01	337	6.4%
2026	-	-	-	-	-	-	\$120.74	318	6.5%
2025	-	-	-	-	-	-	\$110.11	290	6.7%
2024	-	-	-	-	-	-	\$101.67	268	6.8%
2023	-	-	-	-	-	-	\$101.24	267	6.6%
YTD	280	\$1.5B	2.6%	\$7,180,470	\$112.17	6.4%	\$103.88	274	6.3%
2022	722	\$4.8B	8.5%	\$7,701,249	\$94.44	6.3%	\$99.67	263	6.2%
2021	913	\$5.6B	11.8%	\$7,500,590	\$94.59	6.7%	\$91.52	241	5.9%
2020	733	\$2.2B	7.9%	\$4,133,351	\$69.37	7.4%	\$72.33	191	6.6%
2019	869	\$2.6B	10.7%	\$4,453,427	\$66.23	7.7%	\$62.28	164	7.1%
2018	753	\$2.1B	10.1%	\$3,971,119	\$56.58	7.7%	\$57.21	151	7.2%
2017	704	\$2.4B	9.4%	\$4,401,564	\$50.29	7.6%	\$52.83	139	7.2%
2016	572	\$1.5B	6.4%	\$3,075,401	\$45.63	7.9%	\$51.64	136	6.9%
2015	704	\$1.9B	11.2%	\$3,055,362	\$42.45	7.6%	\$48.84	129	6.9%
2014	632	\$1.5B	8.7%	\$2,825,852	\$40.36	7.9%	\$43.60	115	7.3%
2013	514	\$877.1M	6.3%	\$2,011,630	\$34.47	8.6%	\$39.96	105	7.6%
2012	435	\$1B	6.7%	\$2,791,977	\$33.69	8.6%	\$38	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	-	-	-	-	-	-	\$184.94	322	6.8%
2026	-	-	-	-	-	-	\$174.52	304	6.9%
2025	-	-	-	-	-	-	\$159.33	278	7.1%
2024	-	-	-	-	-	-	\$147.16	256	7.2%
2023	-	-	-	-	-	-	\$146.20	255	7.0%
YTD	92	\$104M	1.5%	\$1,677,579	\$137.21	5.9%	\$149.90	261	6.8%
2022	265	\$653.4M	7.5%	\$2,890,935	\$135.46	6.8%	\$144.56	252	6.6%
2021	350	\$685M	13.5%	\$2,614,645	\$115.73	7.3%	\$133.38	232	6.3%
2020	215	\$372.9M	5.7%	\$2,390,409	\$114.59	7.9%	\$106.38	185	7.0%
2019	243	\$316.9M	7.9%	\$2,018,710	\$76.61	8.3%	\$92.63	161	7.4%
2018	290	\$548.4M	10.8%	\$2,448,310	\$82.71	7.1%	\$85.13	148	7.5%
2017	195	\$221.8M	5.6%	\$1,642,896	\$66.10	8.2%	\$78.71	137	7.5%
2016	221	\$263.5M	7.1%	\$1,505,550	\$60.22	8.5%	\$76.51	133	7.2%
2015	250	\$283.8M	9.6%	\$1,250,205	\$44.90	9.6%	\$72.06	126	7.2%
2014	231	\$244.6M	6.5%	\$1,280,549	\$63.98	9.9%	\$64.29	112	7.7%
2013	196	\$116.3M	4.7%	\$750,363	\$41.50	10.8%	\$59.43	104	7.9%
2012	119	\$129.7M	3.8%	\$1,394,784	\$58.48	9.3%	\$56.52	98	8.1%

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(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.