



Industrial Market Report Atlanta - GA (USA)

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INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

27.1M

12 Mo Net Absorption in SF

5.2M

Vacancy Rate

6.5%

Market Asking Rent Growth

8.4%

Momentum in Atlanta's industrial market has stalled significantly from record-low vacancy and record-high leasing just a few years ago. Net absorption was positive in 24Q1, but 35% below the first quarter average during the three years prior to the pandemic and less than half of the quarter's 4.4 million SF of net completions. With seven straight quarters of rising vacancy, the market's vacancy rate has risen above the 10-year average of about 6%. Recent distribution center layoffs and closures by third-party logistics firms, like EVO Transportation & Energy Services, GXO Logistics, and Saddle Creek, have muted absorption. At the same time, the volume of speculative projects completing construction remains elevated.

At the end of 2023, vacancy lifted above the national average for the first time in three years. But the increase has not been felt evenly across property size. In properties, smaller than 100,000 SF, vacancy increased by 140 basis points going from 3.3% to 4.7% over the last year. Meanwhile, the predominance of large-box speculative construction has created significantly higher availabilities in industrial properties larger than 250,000 SF, which now have a vacancy rate of 7.1%, up 280 basis points over the past 12 months.

A structural shortage of small-bay space will keep availabilities low in infill locations. Additional demand for adaptive reuse projects for multifamily and mixed-use

developments in close-in areas, especially BeltLine-adjacent neighborhoods will likely continue shrinking urban infill inventory as space is converted.

Conversely, big box spaces in some pockets of the market are proving harder to fill. While the overall vacancy for buildings 250,000 SF or larger in Atlanta is about 7%, it is over 20% in the Kennesaw/Acworth Submarket. The area has about 6 million SF of big box space to fill after developing 37 of these properties since 2020, seven of which are 1 million SF or larger.

Well-located assets, particularly those in the southern part of the region around the airport and along I-75 in Henry County, still command large rent increases. Marketwide rent growth has slowed from a peak of 13% recorded in mid-2022 to 8.8% as of 24Q1. Growth is likely to decelerate further this year as vacancy remains at the highest levels recorded since 2016.

However, the same challenging financing environment that has slowed sales volume over the past several months could help strengthen market fundamentals after 2024. Construction starts have declined precipitously in Atlanta since mid-2022, even more so than in other major U.S. markets. That will result in fewer deliveries in coming years, which likely positions Atlanta to return to tighter vacancies and reaccelerating rent growth in 2025-26.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	665,292,984	7.1%	\$0.70	10.4%	(937,987)	0	15,645,542
Specialized Industrial	101,219,634	4.0%	\$0.93	3.8%	(47,383)	0	1,446,780
Flex	71,296,512	4.8%	\$1.21	7.6%	(10,735)	0	314,924
Market	837,809,130	6.5%	\$0.77	9.3%	(996,105)	0	17,407,246

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	2.5%	8.9%	6.4%	14.1%	2011 Q2	3.2%	2022 Q2
Net Absorption SF	5.2M	12,496,414	11,838,097	37,180,203	2021 Q4	(10,345,458)	2009 Q2
Deliveries SF	27.1M	13,889,217	14,304,017	29,784,427	2023 Q4	642,699	2010 Q1
Market Asking Rent Growth	8.4%	2.8%	5.3%	13.0%	2022 Q2	-4.1%	1991 Q1
Sales Volume	\$3B	\$1.5B	N/A	\$7.3B	2022 Q2	\$0	1994 Q4

Atlanta's industrial vacancy rate has drifted consistently higher after reaching a record low of 3.2% in 22Q2. The current industrial vacancy rate of 6.5% is above the market's 10-year average of 5.8%. A combination of slower leasing activity and an onslaught of new deliveries is driving the increase. Leasing activity in 2023 fell by about 35% compared to 2022, coming in around 34.7 million, compared to 52.6 million in 2022 and 60.9 million in 2021.

Connections to the ports of Savannah, Charleston, and Jacksonville, combined with a geographic location along the growing Interstate 85 corridor, position Atlanta as a distribution hub for major Southern and lower Midwestern population centers. Recent large leases and move-ins from PetSmart in Fayette/Coweta County (877,500 SF), solar panel company Hanwha Q CELLS in Fayette/Coweta County (835,000 SF), rug and textile manufacturer Devgiri in S Clayton/Henry County (706,000 SF), Central Garden and Pet in Rockdale/Newton County (702,000 SF), and GXO Logistics in S Clayton/Henry County (498,300 SF) solidify that position. Population growth in the broader Southeast region has bolstered aggregate spending in the market. The Atlanta region recently surpassed Philadelphia and Washington DC to become the sixth largest metro area in the U.S.

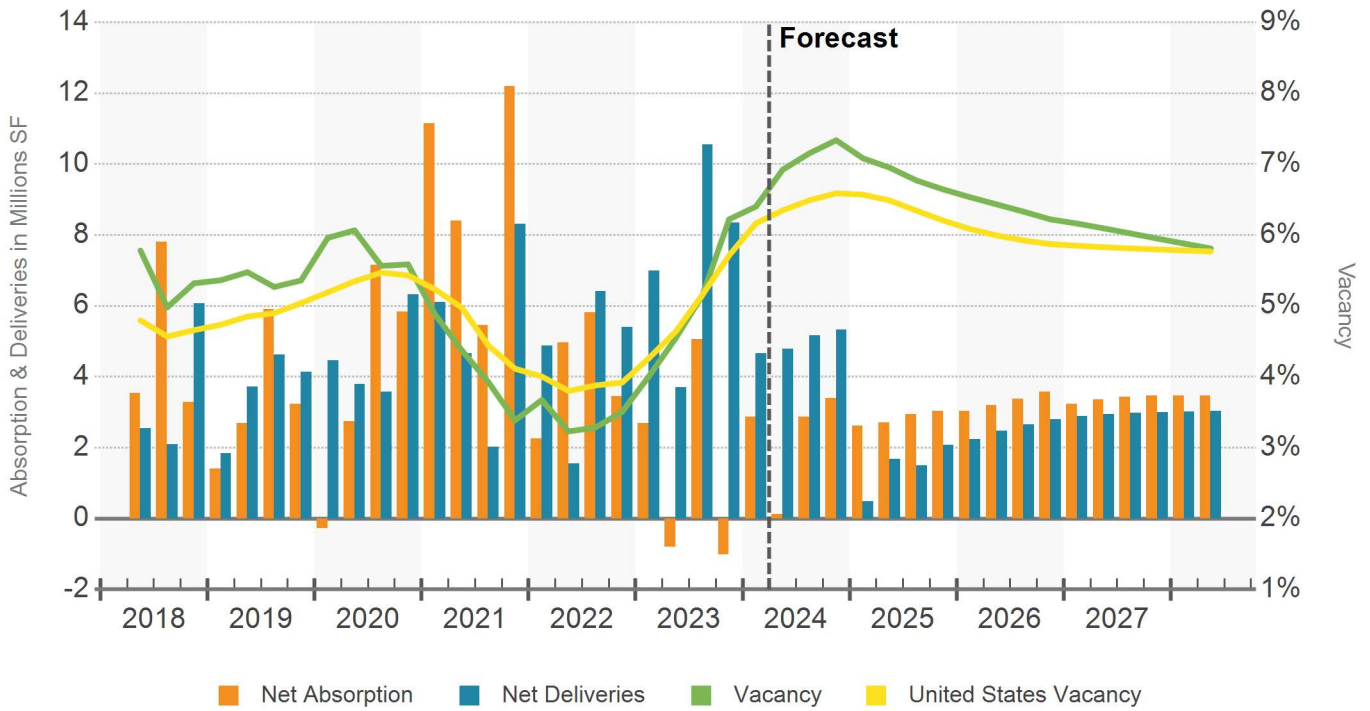
The tightening of credit markets, however, has put a dent in the home-building sector, and inflationary pressures have consumers cutting back from an unprecedented spending spree. These trends are impacting the Atlanta industrial market. American Building Supply vacated a

635,000-SF warehouse in 2023, textile manufacturer 1888 Mills recently closed their Spalding County facility laying off 180 workers, and Amazon has put several spaces it leased in 2021 and 2022 up for sublet. Sublease availabilities increased to 10.1 million SF marketwide.

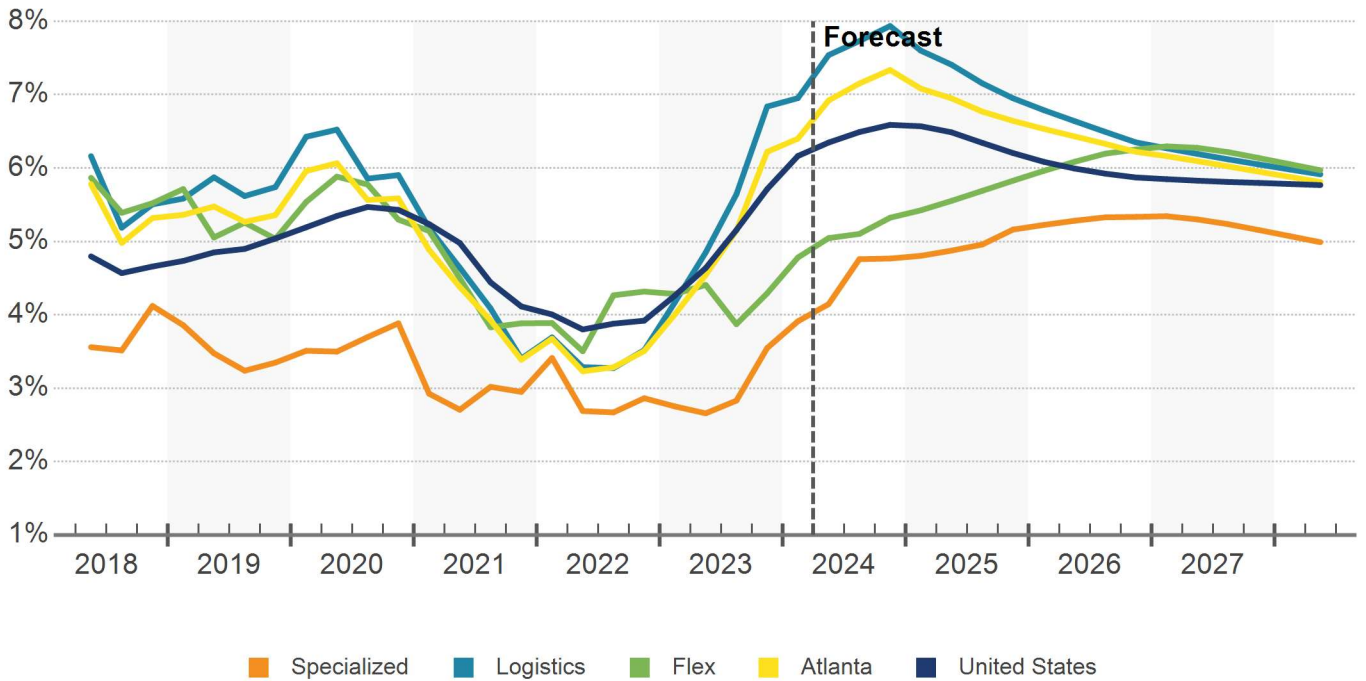
Industrial deliveries are likely to lift vacancies through the end of 2024; an additional 17.4 million SF is underway and slated to deliver over the next two years, with almost 70% of that available. Vacancy rose the most for the largest industrial properties, but they also accounted for the most absorption. Absorption was net negative in 2023 for buildings smaller 200,000 SF segment while it was positive for the region's big box developments.

In the long term, the growth of vehicle manufacturing in the Southeast, combined with federal investments in solar and semiconductor production, diversifies the sources of demand for industrial space in and around 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. One possible setback is that in March 2024, Rivian announced plans to pause construction on their \$5 billion facility along I-20 in southern Morgan and Walton counties with plans to manufacture the cars intended for the Georgia plant in Normal, Illinois, for the time being. Nationally, electric vehicle sales are higher than last year but not reaching the expected projections.

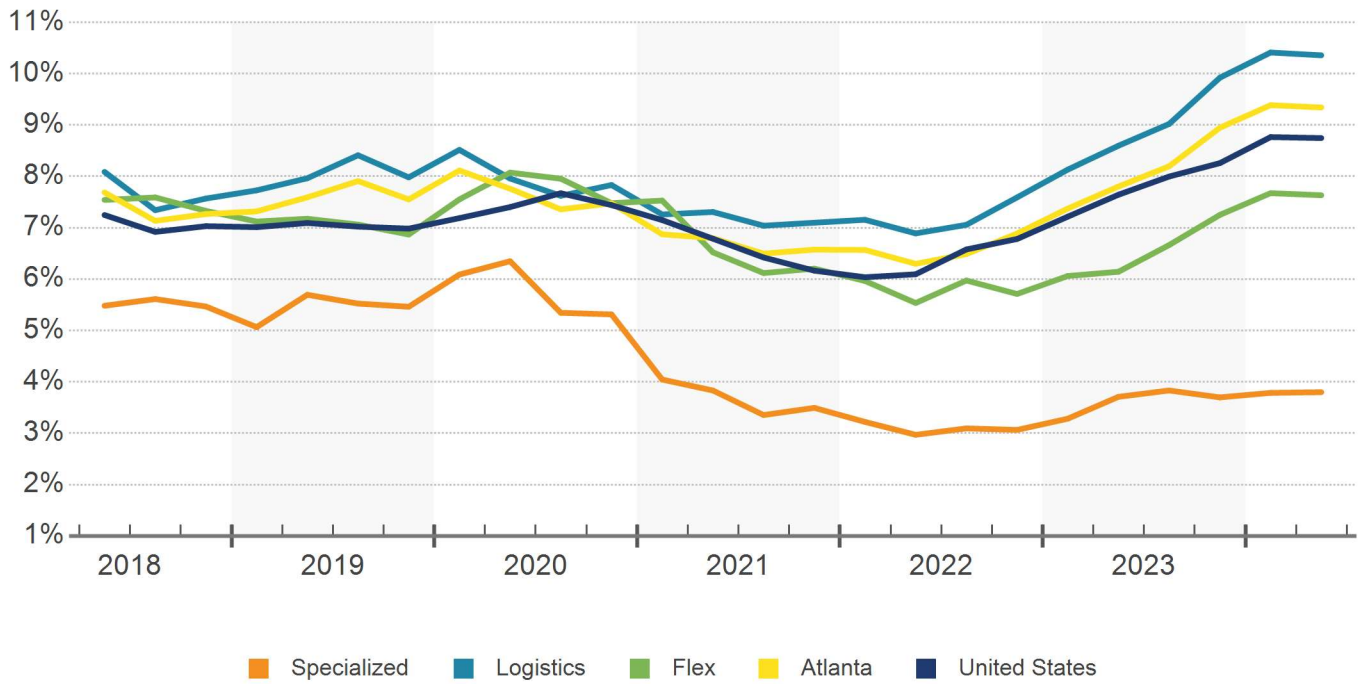
NET ABSORPTION, NET DELIVERIES & VACANCY



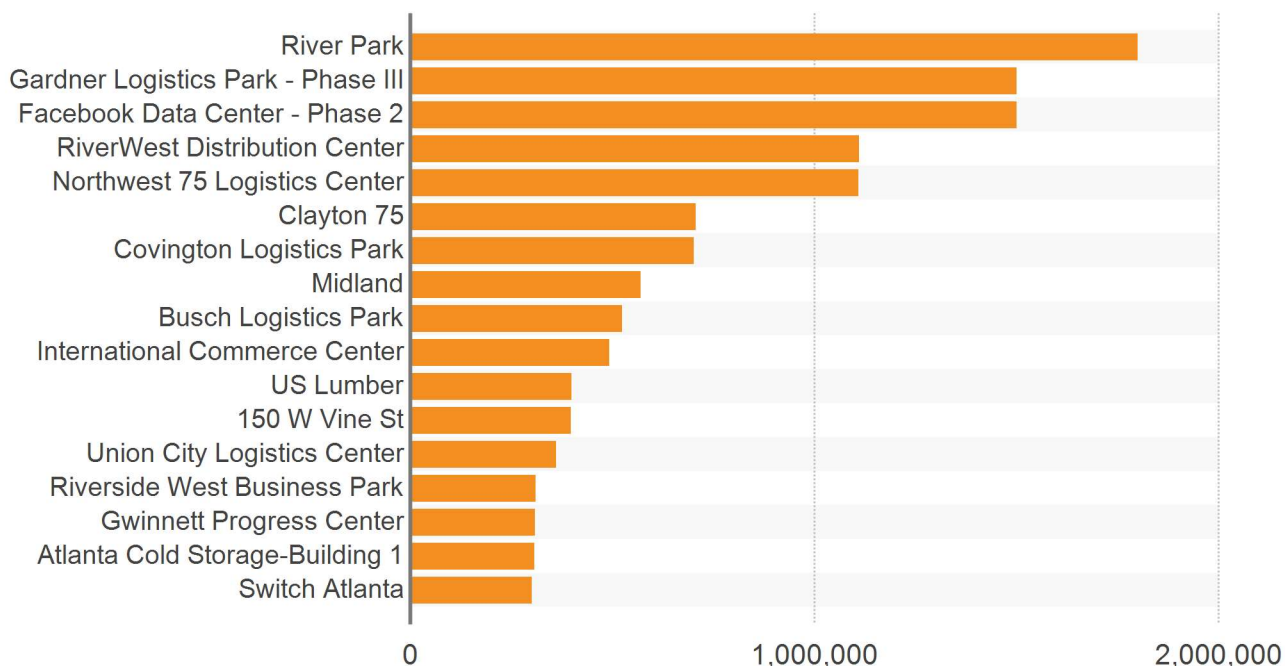
VACANCY RATE



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
River Park	Butts County Ind	1,800,000	0	1,800,000	0	0	0	1,800,000
Gardner Logistics Park - Phase III	S Clayton/Henry Cnt...	1,500,000	0	0	0	0	0	1,500,000
Facebook Data Center - Phase 2	Rockdale/Newton Cn...	1,500,000	0	0	0	0	0	1,500,000
RiverWest Distribution Center	I-20 W/Douglasville Ind	1,110,960	0	0	0	0	0	1,110,960
Northwest 75 Logistics Center	Kennesaw/Acworth Ind	1,108,990	0	1,108,990	0	0	0	1,108,990
Clayton 75	S Clayton/Henry Cnt...	705,833	0	705,833	0	0	0	705,833
Covington Logistics Park	Rockdale/Newton Cn...	701,984	0	701,984	0	0	0	701,984
Midland	S Clayton/Henry Cnt...	570,586	0	0	0	0	0	570,586
Busch Logistics Park	Kennesaw/Acworth Ind	523,541	0	0	0	0	0	523,541
International Commerce Center	Kennesaw/Acworth Ind	691,667	200,000	(200,000)	0	0	0	491,667
US Lumber	S Barrow Ind	399,600	0	0	0	0	0	399,600
150 W Vine St	South Walton County...	420,000	0	0	0	0	0	396,923
Union City Logistics Center	Airport/North Clayton...	360,180	0	187,920	172,260	0	0	360,180
Riverside West Business Park	I-20 W/Douglasville Ind	310,000	0	0	0	0	0	310,000
Gwinnett Progress Center	GA-316/Lawrencevill...	326,019	0	0	0	0	0	308,106
Atlanta Cold Storage-Building 1	Airport/North Clayton...	306,402	0	0	0	0	0	306,402
Switch Atlanta	I-20 W/Douglasville Ind	300,000	0	0	0	0	0	300,000
Subtotal Primary Competitors		12,635,762	200,000	4,304,727	172,260	0	0	12,394,771
Remaining Atlanta Market		825,203,642	54,424,885	(1,439,172)	(1,168,365)	0	0	(7,244,697)
Total Atlanta Market		837,839,404	54,624,885	2,865,555	(996,105)	0	0	5,150,074

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
570 International Park *	Fayette/Coweta County	877,460	Q4 23	PetSmart	Cushman & Wakefield	-
Cass White Rd	Kennesaw/Acworth	834,971	Q1 24	Hanwha Q Cells	-	NAI Brannen Goddard
2464 Mt. Zion Rd	S Clayton/Henry Cnty	705,833	Q1 24	Devgiri	-	Newmark
18019 NE Logistics Pky	Rockdale/Newton Cnty	701,984	Q4 23	Central Garden & Pet	-	Lavista Associates, Inc.
7634 Hwy 140	Kennesaw/Acworth	691,667	Q2 23	Broadrange Logistics	Strategic Real Estat...	Strategic Real Estate P...
7545 Hartman Industrial Way *	I-20 W/Douglasville	569,674	Q4 23	Czarnowski	Cresa	-
1181 Cassville White Rd NE	Kennesaw/Acworth	523,541	Q3 23	Atkore International	Cushman & Wakefield	JLL
3060 S Park Blvd *	S Clayton/Henry Cnty	498,258	Q4 23	GXO Logistics	-	Colliers
165 Greenwood Industrial Pky	S Clayton/Henry Cnty	485,091	Q3 23	Dollar General	-	JLL
200 Metcalf Rd	Airport/North Clayton	472,767	Q4 23	YITA	Strategic Real Estat...	Cushman & Wakefield
6455 Best Friend Rd	Doraville	453,600	Q3 23	Southeast Toyota Distribu...	-	NAI Brannen Goddard;...
407 Bird Hammond Rd	S Barrow	399,600	Q3 23	US Lumber	Lavista Associates, I...	-
810 Thompson Mill	Duluth/Suwanee/Buford	349,440	Q4 23	McKesson Medical-Surgical	-	JLL;Prologis, Inc.
601 Logistics Pky	Butts County	306,035	Q2 23	Yongsan	Avison Young	Cushman & Wakefield
200 Interstate South Dr *	S Clayton/Henry Cnty	296,218	Q3 23	Pepperidge Farm	Cushman & Wakefield	CBRE
400 Princeton Blvd	Kennesaw/Acworth	292,000	Q4 23	The Dixie Group	-	-
5400 Oakley Industrial Blvd	Airport/North Clayton	285,600	Q3 23	McKenney's Inc	Cushman & Wakefield	JLL
2823 Anvil Block Rd	S Clayton/Henry Cnty	269,890	Q4 23	Kane Warehousing	-	Cushman & Wakefield
2030 E Park Dr	I-20 East/Conyers	261,476	Q2 23	Cinelease Studios	-	-
105 King Mill Rd *	S Clayton/Henry Cnty	256,026	Q1 24	Lennox	-	Seefried Properties, Inc.
2961 Gravel Springs Rd	Duluth/Suwanee/Buford	251,629	Q2 23	Titanium Plus Autoparts	Strategic Real Estat...	Foundry Commercial
1990 Twin Creeks Pky	Rockdale/Newton Cnty	240,000	Q1 24	Pratt Industries	Cushman & Wakefield	Lavista Associates, Inc.
1399 Fulton Industrial Blvd NW	Fulton District	237,515	Q2 24	-	-	Colliers
Hurricane Shoals Rd	GA-316/Lawrenceville	237,431	Q3 23	FieldCore Service Solutions	-	NAI Brannen Goddard
120 Colvin Dr	S Clayton/Henry Cnty	234,200	Q3 23	NVH Korea	-	-
120 Colvin Dr	S Clayton/Henry Cnty	234,200	Q2 23	NVH Korea	Eun Kim	Cushman & Wakefield
6070 Fulton Industrial Blvd SW	Fulton District	227,600	Q3 23	Miller Zell	Cresa	CBRE
2323 Brown Rd	Duluth/Suwanee/Buford	225,609	Q1 24	FRM	-	Seefried Properties, Inc.
11350 Johns Creek Pky	N Fulton/Forsyth Cnty	206,686	Q2 23	Boston Scientific	CBRE	Colliers
8440 Tatum Rd	Airport/North Clayton	201,624	Q3 23	Duracell	Cushman & Wakefield	CBRE
2107 Eastview Pky	Rockdale/Newton Cnty	201,403	Q2 23	GPA Logistics	CBRE	Lincoln Property Comp...
6550 Jimmy Carter Blvd	Doraville	199,972	Q3 23	-	-	Nash Commercial
850 Douglas Hills Rd	I-20 W/Douglasville	198,764	Q1 24	GigaCloud	-	NAI Brannen Goddard
6100 Emmanuel Dr SW	Fulton District	193,780	Q3 23	Phoenix Stamping Group...	-	-
4777 Derrick Rd	Airport/North Clayton	188,455	Q4 23	T. Marzetti Company	-	CBRE;Saxum Real Est...
4811 Flat Shoals Rd	Airport/North Clayton	187,220	Q1 24	-	-	Stream Realty Partners...
2084 Lake Industrial Ct	Rockdale/Newton Cnty	180,252	Q4 23	Pedro First, LLC	-	CBRE
4470 Ballard Rd	Airport/North Clayton	179,850	Q1 24	Standard Fiber	-	CBRE
3700 Atlanta Industrial Pky N	Fulton District	177,335	Q1 24	Warner Brothers	-	CBRE
675 Old Peachtree Rd NW	Duluth/Suwanee/Buford	176,820	Q4 23	-	-	Seefried Properties, Inc.

*Renewal

After record-high rent growth over the past two years, Atlanta's industrial rent increases have slowed but remain on par with the 10-year average of 7.4%. Atlanta's average industrial asking rent continues to be relatively affordable and well below the national average of \$11.90/SF at around \$9.30/SF. However, it has grown by about 46% since early 2020.

At 8.4%, year-over-year industrial rent growth Atlanta is outpacing the United States. Still, it will likely reduce to national levels by the end of 2024, especially considering that recent quarter-to-quarter rent growth is significantly lower than early last year. Quarterly rent increases fell to around 1.6% from 2.8% in 23Q1 and are forecast to fall below 1% in the coming quarters. This slowdown comes as deliveries have outpaced absorption for the past year and a half.

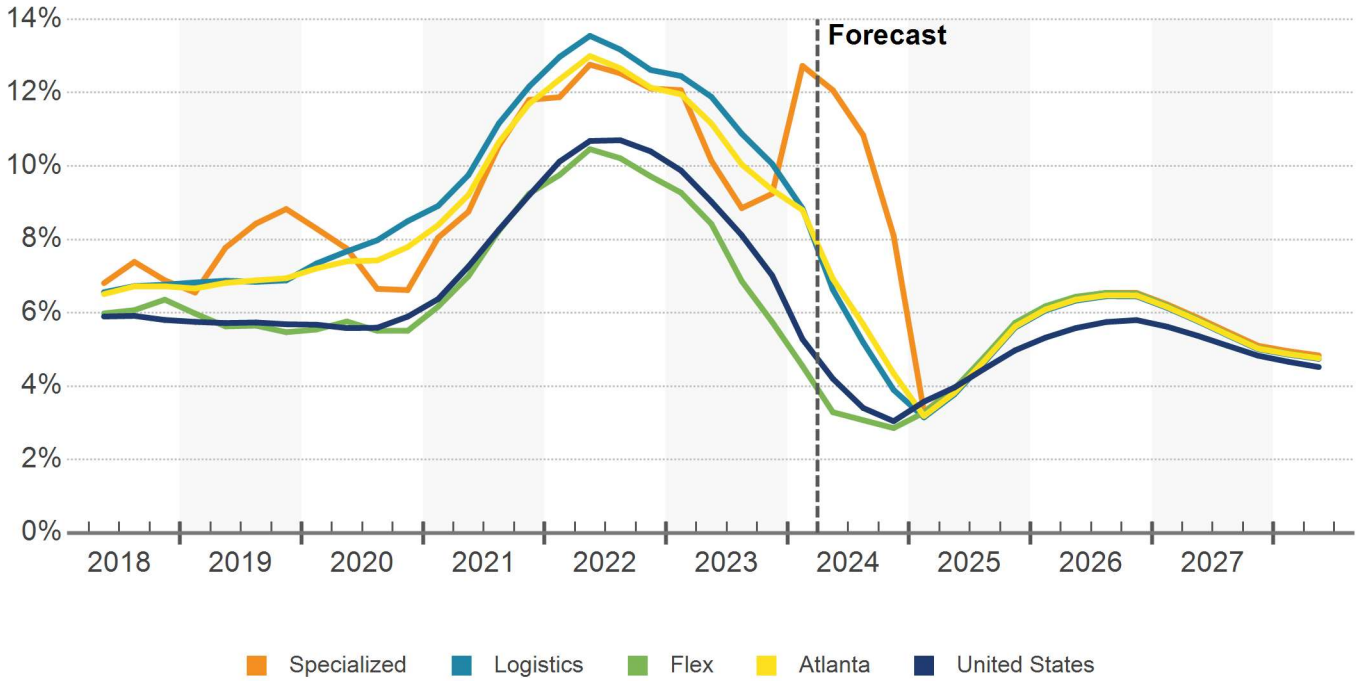
In 2023, big box distribution centers added over 19.5 million square feet of space to the Atlanta market. Demand for these newer buildings has kept absorption for this slice of industrial positive and rent growth outpacing the marketwide average at 8.3%. But in submarkets like Kennesaw/Acworth where new warehouse space is plentiful and vacancy for these buildings is around 30%, big box facilities rent for less than other areas. Atkore International, a manufacturer of electrical conduit and fittings, and other security products, signed a lease to occupy the entirety of 2022-built Building A at Busch Logistics Park in September

2023. The 524,000-SF lease started at \$5.15/SF NNN with a 10-year term. Yita LLC, a furniture and aftermarket auto parts distributor, expanded its Atlanta warehouse footprint with a 473,000-SF 5-year lease at the 2022-built Gillem Logistics Center in the Airport/North Clayton Submarket. The lease was signed in October 2023 and had an asking starting rent of \$7/SF NNN.

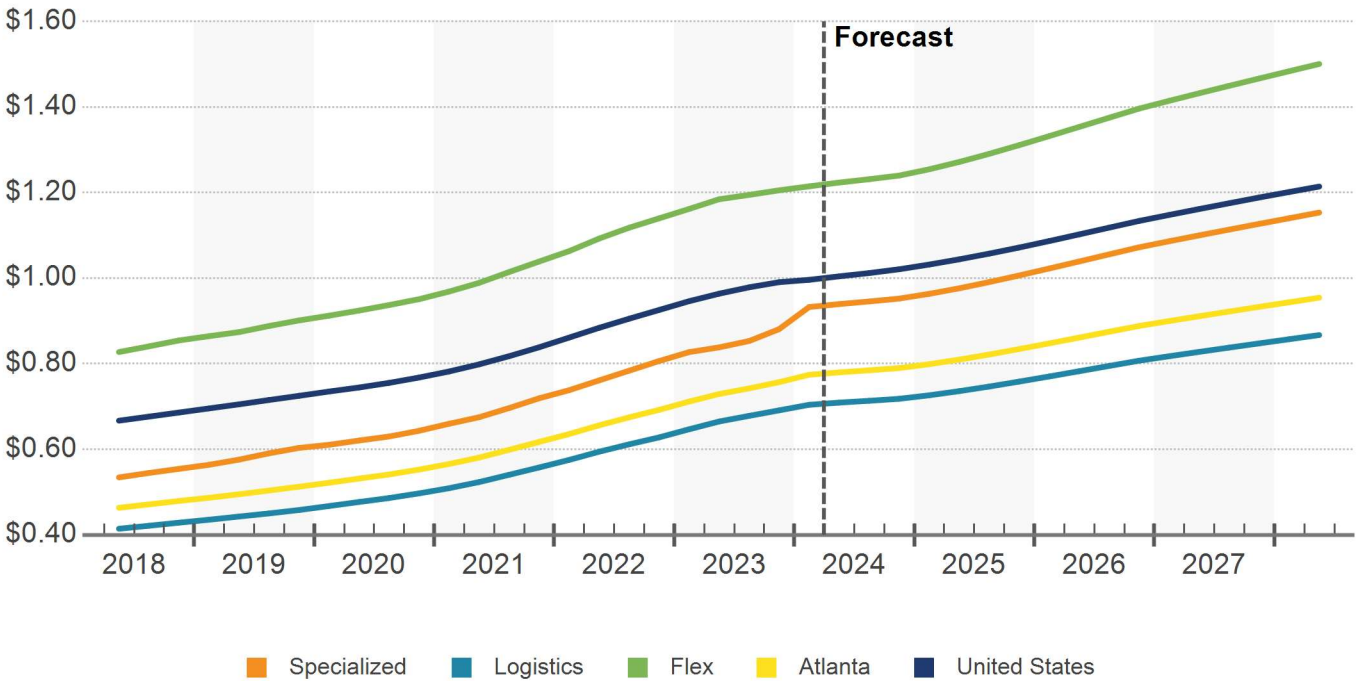
Rent growth has been the slowest among the smallest properties, under 50,000 SF. However, this group has the highest rent and the least construction. Smaller spaces, closer to the population centers and the airport, have much higher rents. DAP America, a sewing technology company, signed a lease in October 2023 for 23,300 SF in a 29,000-SF building at 5875 Peachtree Industrial. The starting rent for the 1985-built property was \$11.25/SF NNN for a five-year term in the suburban Norcross area. A 30,000-SF 1976-built warehouse at 2539 Sullivan Road in the Airport/North Clayton Submarket is asking \$11/SF NNN.

Slower leasing activity and continued new supply additions could reduce industrial owners' pricing power in coming quarters, bringing the year-over-year rent growth below the 10-year average. However, the decrease in construction starts will leave the market with less competition in the long term. As deliveries thin out in 2025, rent growth is forecast to increase.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



Atlanta's industrial under-construction pipeline reduced to pre-pandemic levels in 2023 after several record-high years for groundbreakings. Construction starts last year were the lowest for the area since 2014, indicating a major slowdown in deliveries starting in 2025. Elevated interest rates caused a pullback in groundbreakings nationally, but developers were especially cautious in Atlanta. Under-construction projects account for about 2.1% of the metro's current inventory, below other large Sun Belt markets like Phoenix, Dallas, Tampa, and Charlotte.

Still, with roughly 17.4 million SF under construction, Atlanta ranks in the top 10 for industrial supply underway nationally and there was more industrial space built in Atlanta last year than any other year on record. About 70% of under-construction space is speculative.

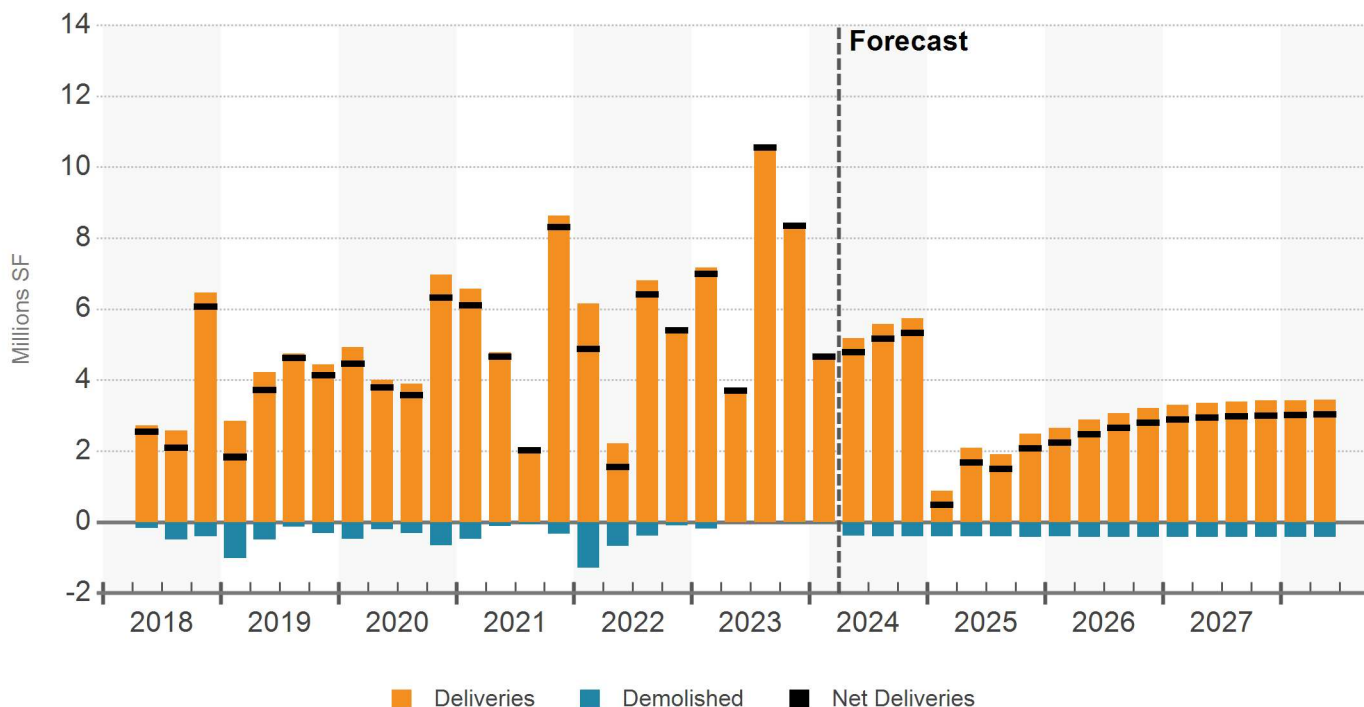
With growing space requirements from distributors, Atlanta developers have focused on building the largest spaces. About 10 properties of 500,000 SF or larger are currently underway, representing about 60% of all under-construction space in the market. The expansion also comes at a time when average 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. However, the 2.6 million SF built since 2020 has a vacancy rate of 44% compared to 25% for new buildings marketwide. Atlanta's largest industrial development, Hyundai SK Battery Plant, is underway in this submarket's exurban reaches. The 3.3 million SF project is emblematic of the state's investment in electric vehicle manufacturing, driving the largest supply additions across Georgia.

With Atlanta industrial construction falling about 60% from 2022 to 2023, the supply surge should be short-lived. As fewer projects break ground today, fewer projects are likely to deliver in the coming years, which could lead the vacancy rate to begin tightening again in 2025 as the number of new projects delivering each quarter drops to 2015 levels.

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	S Clayton/Henry Cnty	8	4,856	2,444	50.3%	5	82,789	607,041	1
2	Fayette/Coweta County	8	1,880	15	0.8%	8	48,737	235,039	7
3	Airport/North Clayton	5	1,858	0	0%	9	80,939	371,653	6
4	I-20 W/Douglasville	10	1,786	415	23.2%	6	56,532	178,575	8
5	Rockdale/Newton Cnty	3	1,638	925	56.5%	3	43,258	545,915	2
6	Duluth/Suwanee/Buford	4	1,615	24	1.5%	7	67,883	403,835	5
7	Butts County	2	1,075	0	0%	9	164,757	537,571	3
8	Kennesaw/Acworth	6	977	506	51.8%	4	64,984	162,846	9
9	Doraville	1	454	454	100%	1	55,149	453,600	4
10	N Fulton/Forsyth Cnty	9	447	394	88.2%	2	28,416	49,632	10
	All Other	9	785	574	73.1%		36,689	87,223	
Totals		65	17,371	5,750	33.1%		49,361	267,250	

Under Construction Properties

Atlanta Industrial

Properties

Square Feet

Percent of Inventory

Released

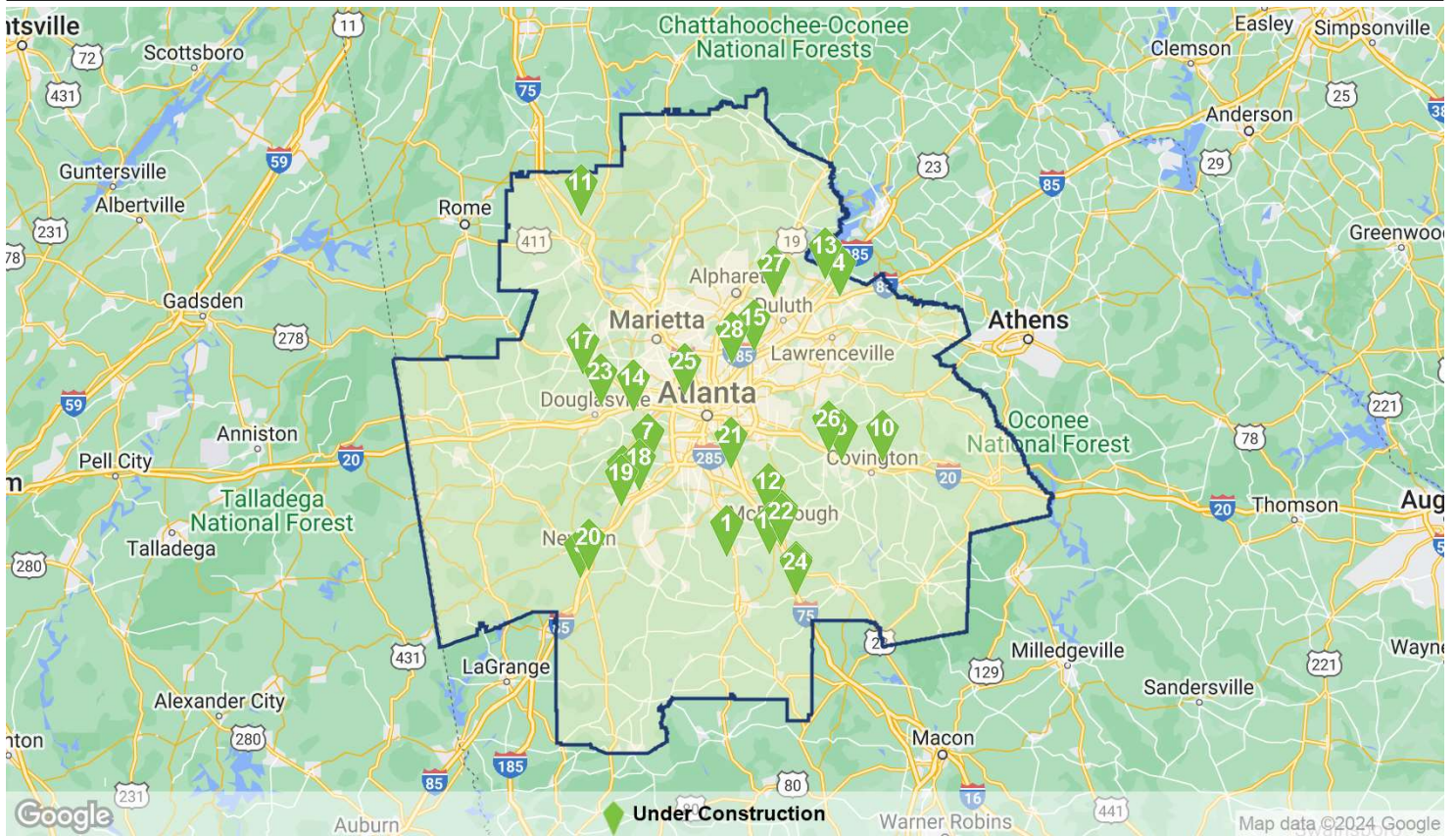
66

17,407,246

2.3%

33.0%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 1075 Lower Woolsey Rd	★★★★★	1,392,166	1	Mar 2023	Jun 2024	- CalSTRS
2 Building A 1325 Highway 42	★★★★★	1,219,826	1	Feb 2024	Oct 2024	PNK Holdings LLC PNK Holdings LLC
3 Building D Bridgeport Blvd	★★★★★	1,201,200	1	Sep 2023	May 2024	Clayco Inc Clayco, Inc.
4 Gravel Springs Logistics... 2630 Gravel Springs Rd	★★★★☆	1,001,424	1	Jun 2023	May 2024	IDI Logistics IDI Logistics
5 Lidl Regional Distributio... 3301 Iris Dr	★★★★★	925,000	1	Jul 2021	Aug 2024	- -
6 River Park Bldg 10 Logistics Pky	★★★★☆	825,000	1	Mar 2024	Nov 2024	- ICM Asset Management
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 Proposed NewCold Facility 0 Hwy 42 S	★ ★ ★ ★ ☆	790,000	1	Aug 2023	Aug 2024	- NewCold
9 Roosevelt Logistics Center 7995 Bowen Rd	★ ★ ★ ★ ★	563,193	1	Jul 2022	May 2024	IDI Logistics IDI Logistics
10 East Atlanta Logistics C... 10835 Hazelbrand Rd	★ ★ ★ ★ ☆	500,000	1	Dec 2022	May 2024	- -
11 Qcells - Cartersville Site 0 Highland 75	★ ★ ★ ★ ★	500,000	1	Mar 2023	Dec 2024	- -
12 Stockbridge Logistics C... 175 Candler Rd	★ ★ ★ ☆ ☆	498,160	1	Sep 2022	May 2024	- -
13 Downtown Buford Logist... 2105 Buford Hwy	★ ★ ★ ★ ★	494,804	1	Mar 2022	May 2024	IDI Logistics IDI Logistics
14 Building 100 1060 Douglas Hills Rd	★ ★ ★ ☆ ☆	489,416	1	Sep 2023	Aug 2024	- -
15 6455 Best Friend Rd	★ ★ ★ ★ ☆	453,600	1	Apr 2023	May 2024	- TPA Group LLC
16 McDonough 75 Logistics... 2475 Hwy 155	★ ★ ★ ★ ★	427,200	1	Jun 2023	Aug 2024	- -
17 Building A Laird Rd And Bill Carruth...	★ ★ ★ ★ ☆	367,360	1	Jun 2023	Jul 2024	Goldenrod Capital Partners, LP Goldenrod Capital Partners, LP
18 Oakmont 85 South 621 Bohannon Rd	★ ★ ★ ★ ☆	316,072	1	Dec 2023	May 2024	Oakmont Industrial Group LLC -
19 HQ Industrial 800 Weldon Rd	★ ★ ★ ★ ☆	300,000	1	Jan 2023	May 2024	- -
20 Coweta Commerce Center 765-775 E GA 16 Highway	★ ★ ★ ★ ★	271,111	1	Sep 2023	May 2024	- -
21 Clayton Technology Cen... 5490 Highway 42	★ ★ ★ ★ ☆	265,775	1	Jan 2024	Jul 2024	- Transwestern Real Estate Services
22 105 Distribution Dr	★ ★ ★ ☆ ☆	262,000	1	Feb 2023	May 2024	- Dolph Investments Inc
23 Access West Logistics C... 1 Industrial Access Rd	★ ★ ★ ★ ☆	257,920	1	Feb 2023	Feb 2025	- Rockefeller Group
24 RiverPark 2 350 Logistics Pky	★ ★ ★ ★ ☆	250,141	1	Nov 2023	Jul 2024	- -
25 Amazon Distribution Fac... 1442 Marietta Rd W	★ ★ ★ ☆ ☆	220,863	1	Oct 2023	Dec 2024	TPA Group LLC Stockbridge Capital Group, LLC
26 Rockdale 20 East Busine... Old Covington Hwy	★ ★ ★ ★ ★	212,745	1	Mar 2024	Nov 2024	Alliance Industrial Company Alliance Industrial Company
27 11350 Johns Creek Pky	★ ★ ★ ★ ☆	206,686	1	Feb 2024	Dec 2024	Pure Development Bain Capital, LP
28 3296 Burk Dr	★ ★ ★ ★ ☆	174,800	4	May 2023	Jul 2024	Warden Capital LLC Warden Capital LLC

While Atlanta is a top five U.S. market for total industrial investment, sales volume slowed significantly; investors closed on \$3.0 billion over the past 12 months, compared to \$5.9 billion in 2022. Investors are making smaller deals, which is evident by the decreasing average size of deals and the lower share of transactions of over \$10 million. In 2022, there were 145 deals larger than \$10 million compared to just 68 over the past year. The bid-to-ask spread has also widened, with industrial assets selling nearly 8% lower than asking prices over the past year while cap rates have risen to the high 6's from low 6's a year ago, suggesting declining valuations. At \$123/SF, the industrial sales price per square foot in Atlanta is down 6% from its peak in 23Q2 of \$131/SF and remains well below the national average of about \$150/SF.

Recent sales of unleased properties have indicated that price appreciation is stalling as the impact of higher interest rates and slowing absorption takes hold. Kohlberg Kravis Roberts & Co. acquired the vacant Cass White Logistics Park for \$116.2 million or \$96/SF in November 2023. The project developer Reliant Real Estate Partners sold their newly constructed, 4 Star logistics center spanning 1.2 million SF across three buildings. Reliant Real Estate Partners developed the project, which was delivered in October 2023 and sold in November without tenants in place. The logistics park includes two buildings around 200,000 SF and one 794,000 SF building. It is in the Kennesaw/Acworth Submarket which added the most industrial space over the last year and has the highest vacancy rate among larger Atlanta submarkets at about 15%.

Another unleased industrial property was sold in May 2023. Institutional investment manager The Carlyle

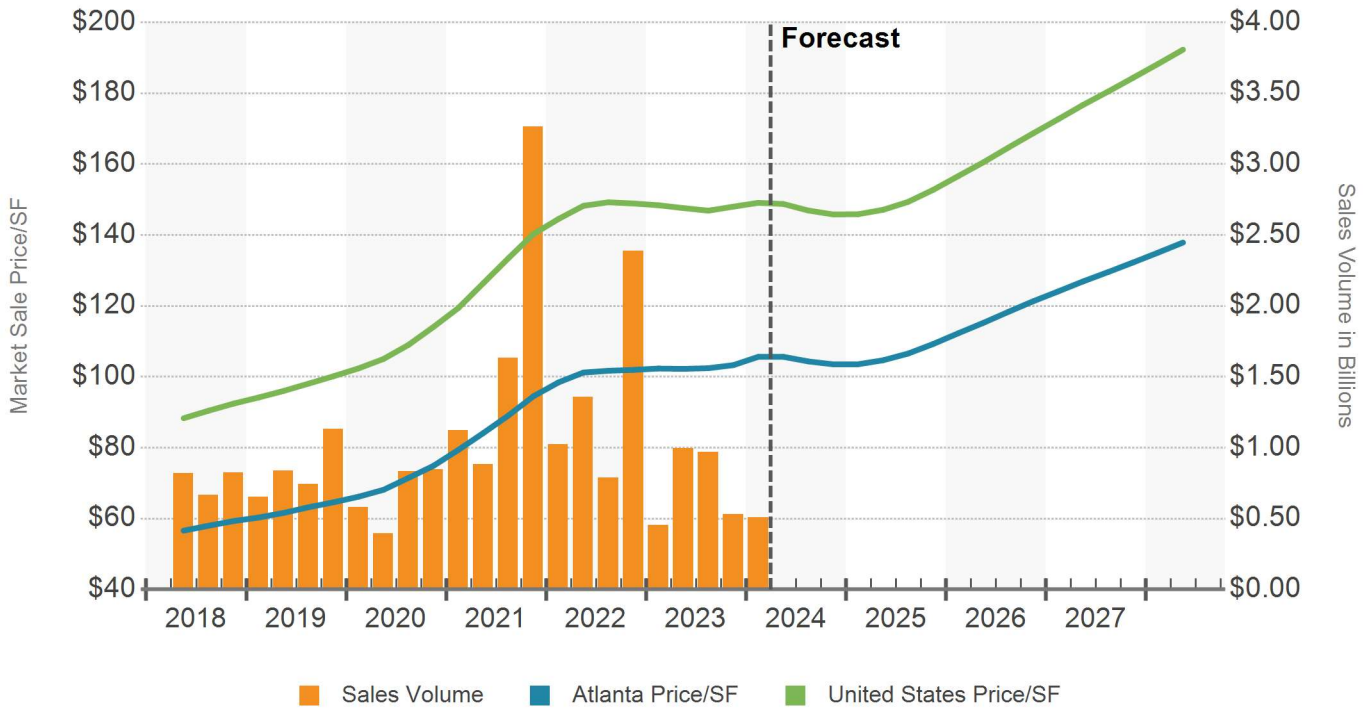
Group sold a 2022-built logistics center in the Douglasville Submarket to user Aligned Data Centers for \$64 million or \$229/SF. The new owner-user plans to redevelop it into a data center. The Douglasville area has been a growing hot spot for new data centers, with four 200,000 SF or larger data center buildings constructed since 2020. Owner-user deals have increased in Atlanta, accounting for a larger share of transactions in the past year compared to 2022.

In January 2024, New York-based REIT Clarion Partners sold two warehouses in the Airport/North Clayton Submarket to the tenant, Nestle Purina, which has occupied the spaces since 2012 and uses them to manufacture and distribute pet food. Purina purchased the adjacent buildings at 5025 Fayetteville Road and 5005 Terminus Drive in Fairburn, totaling 880,000 SF for \$108 million or \$123/SF. The properties have direct access to Interstate 85 and a freight railroad line.

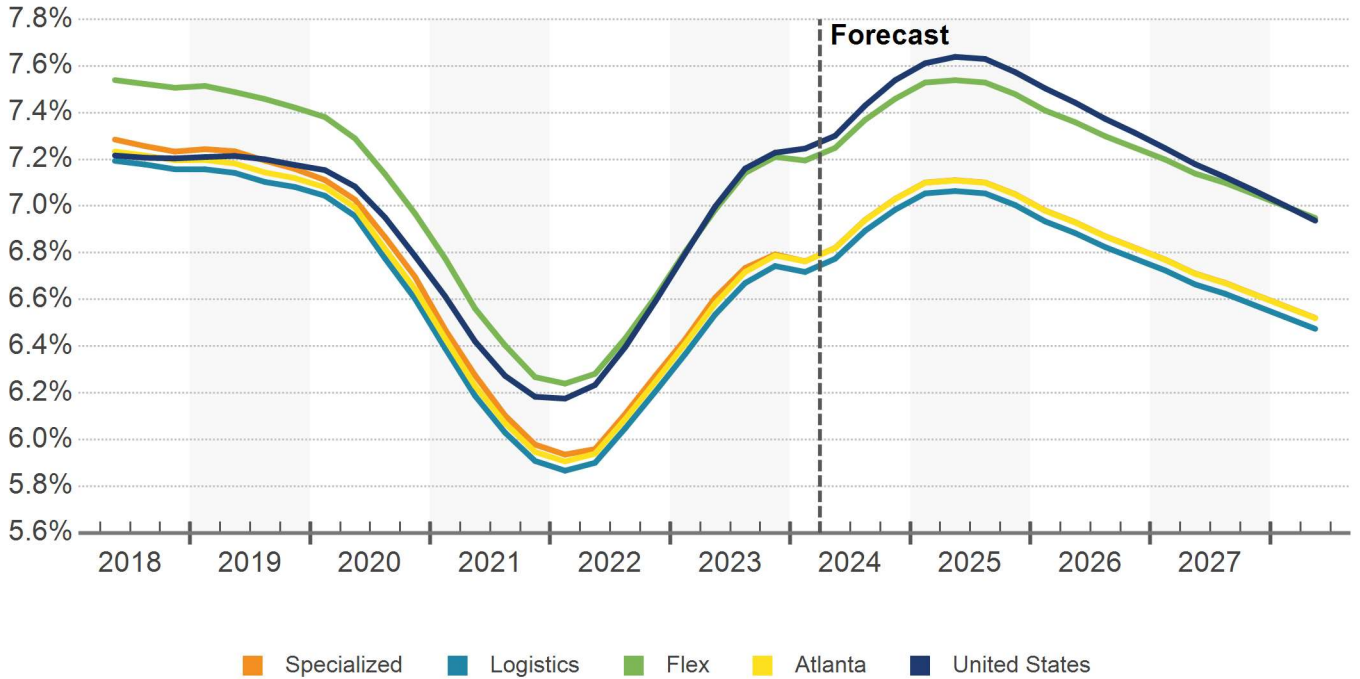
Tighter credit markets shrunk the active buyer pool, however, large pension funds, low-leverage institutional buyers, and international investors remain active here and are often willing to buy at higher prices. In August 2023, UK-based Lion Capital purchased the fully leased 169,000-SF multi-tenant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

Investment activity is likely to remain subdued as long as uncertainty persists. However, institutional investors with patient plans will likely 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

656

Avg. Cap Rate

7.6%

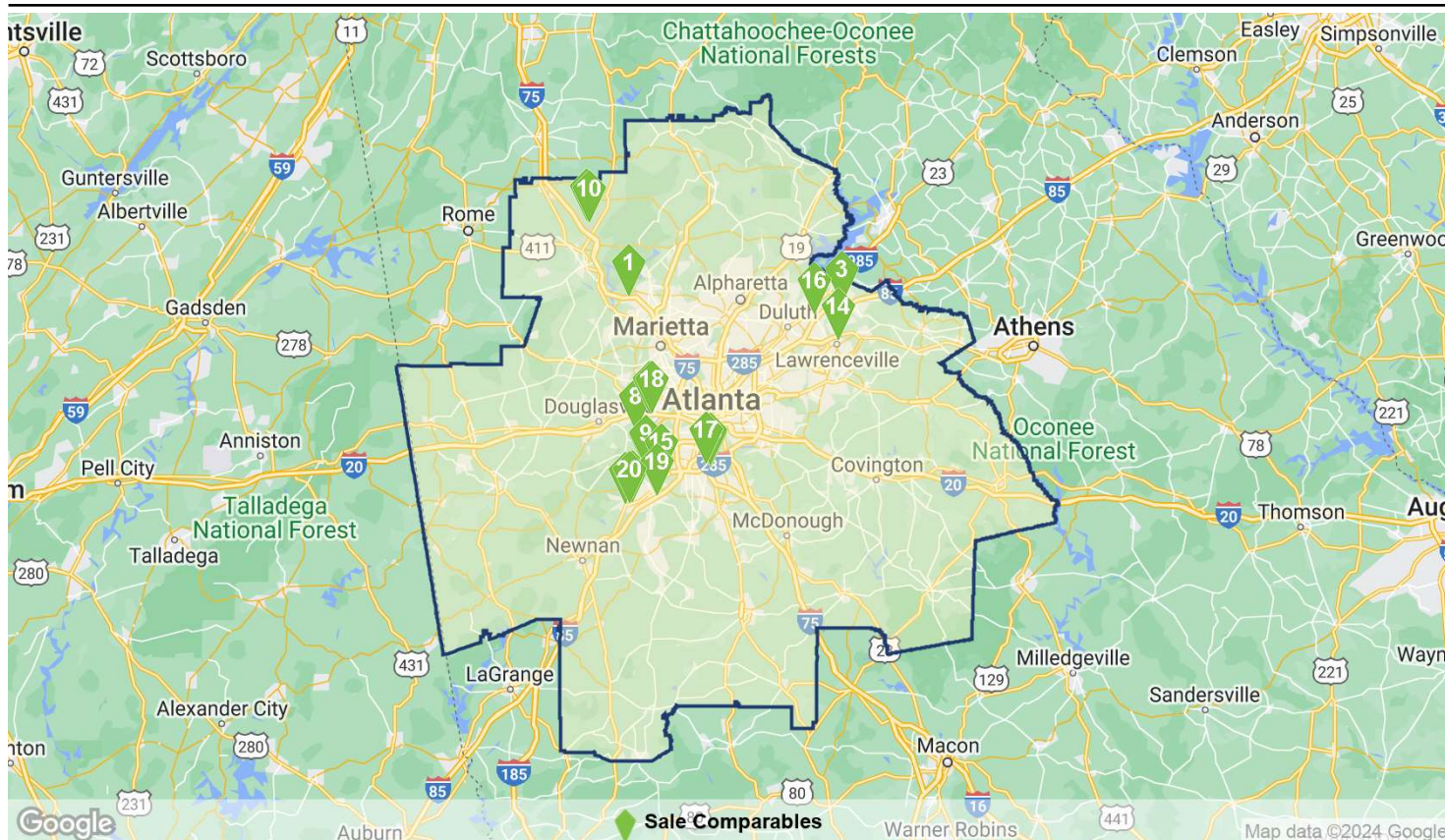
Avg. Price/SF

\$114

Avg. Vacancy At Sale

16.1%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$125,000	\$6,329,375	\$2,000,000	\$105,150,000
Price/SF	\$5.26	\$114	\$118	\$1,356
Cap Rate	5.0%	7.6%	6.9%	15.0%
Time Since Sale in Months	0.1	6.3	6.5	12.0
Property Attributes	Low	Average	Median	High
Building SF	1,236	49,646	15,313	1,044,288
Ceiling Height	7'	20'4"	18'	48'9"
Docks	0	8	2	161
Vacancy Rate At Sale	0%	16.1%	0%	100%
Year Built	1900	1988	1989	2024
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.4	★ ★ ★ ★ ★	★ ★ ★ ★ ★



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
1 102 Northpoint Pky	★★★★☆	2008	122,305	0%	6/29/2023	\$105,150,000	\$860	-
2 Palmetto Distribution Ce... 7965 Bowen Rd	★★★★★	2022	686,038	0%	5/30/2023	\$82,500,000	\$120	5.7%
3 Building 2-Ozark 2880 Gravel Springs Rd	★★★★★	2023	689,730	0%	8/15/2023	\$76,446,192	\$111	-
4 Atlanta Cold Storage-Bui... 4775 Derrick Rd	★★★★☆	2023	306,402	0%	11/30/2023	\$74,000,000	\$242	-
5 Owens Corning 8095 McLarin Rd	★★★★☆	1999	1,044,288	0%	7/28/2023	\$72,400,000	\$69	-
6 Phase 1 5005 Terminus Dr	★★★★☆	1996	599,914	0%	1/17/2024	\$70,936,728	\$118	-
7 Great Valley Commerce... 200 Logistics Pky NE	★★★★★	2022	973,218	0%	5/15/2023	\$68,400,000	\$70	-
8 Sweetwater Creek Logist... 1551 N River Rd	★★★★☆	2022	280,140	100%	5/15/2023	\$64,000,000	\$228	-
9 Atlanta Cold Storage-Bui... 4777 Derrick Rd	★★★★☆	2023	188,449	100%	1/10/2024	\$54,000,000	\$287	-
10 Building 100 1343 Cassville White Rd NE	★★★★☆	2023	793,563	100%	11/6/2023	\$52,978,075	\$67	-
11 Hartman I 675 Hartman Rd	★★★★★	2003	353,983	0%	6/29/2023	\$47,096,243	\$133	-
12 SouthPoint - Bldg F 4000 S Corporate Pky	★★★★☆	2001	355,859	0%	6/29/2023	\$42,100,000	\$118	-
13 2500 Southpoint Dr	★★★★☆	1996	298,720	0%	6/29/2023	\$40,100,000	\$134	-
14 BlueLinx 200 Hosea Rd	★★★★☆	1995	585,637	0%	9/29/2023	\$40,000,000	\$68	-
15 4525 Roosevelt Hwy	★★★★☆	2000	29,500	0%	7/20/2023	\$40,000,000	\$1,356	-
16 Suwanee Logistics Center 195 Sawmill Dr	★★★★☆	2024	327,825	0%	3/7/2024	\$39,339,000	\$120	-
17 4380 International Pky	★★★★☆	1997	288,000	0%	6/29/2023	\$38,600,000	\$134	-
18 Hartman II 555 Hartman Rd	★★★★☆	2006	261,799	0%	6/29/2023	\$37,653,756	\$144	-
19 Southpark Bldg 2 5025 Fayetteville Rd	★★★★☆	1999	279,776	0%	1/17/2024	\$37,399,257	\$134	-
20 Building A 8440 Tatum Rd	★★★★★	2023	201,624	0%	8/31/2023	\$37,153,880	\$184	-



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.

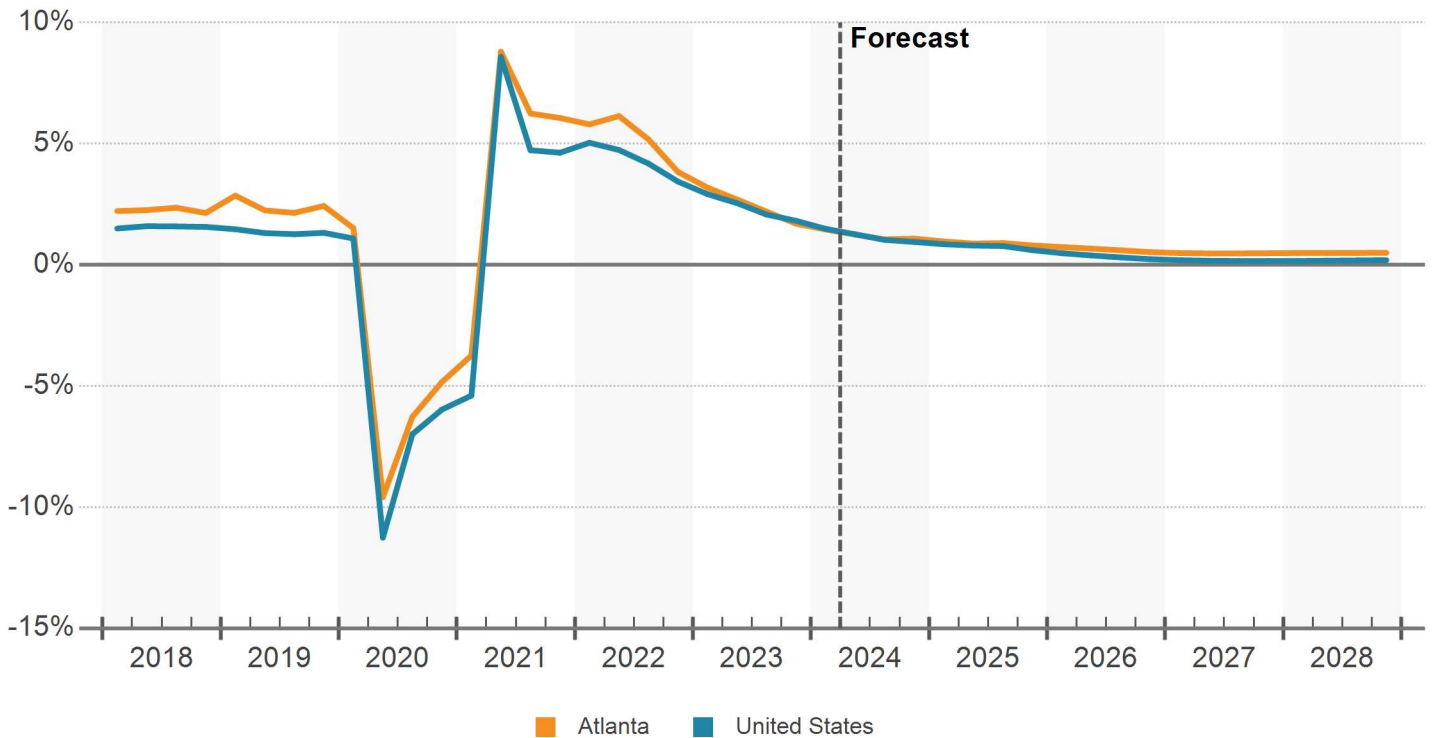
Atlanta boasts lower living and business costs than large East and West Coast metros, and this competitive advantage should continue to boost population and job growth in Atlanta. Atlanta has drawn some of the strongest in-migration in the country over the past few decades, and many employers have openly 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	176	0.7	-1.06%	0.04%	1.78%	0.71%	0.37%	0.14%
Trade, Transportation and Utilities	655	1.2	0.35%	0.08%	2.09%	1.04%	0.27%	0.14%
Retail Trade	299	1.0	-0.51%	-0.16%	1.01%	0.19%	0.23%	0.13%
Financial Activities	210	1.2	2.13%	0.60%	2.89%	1.45%	0.38%	0.18%
Government	349	0.8	3.28%	2.38%	1.15%	0.55%	0.61%	0.33%
Natural Resources, Mining and Construction	148	0.9	2.85%	2.20%	4.08%	2.38%	0.44%	0.25%
Education and Health Services	420	0.8	4.45%	3.43%	3.34%	1.98%	1.26%	0.64%
Professional and Business Services	586	1.3	-0.03%	0.74%	2.25%	1.98%	0.66%	0.48%
Information	115	1.9	-2.05%	-1.80%	2.75%	1.10%	0.70%	0.22%
Leisure and Hospitality	317	1.0	2.06%	2.55%	2.28%	1.52%	1.05%	0.70%
Other Services	110	0.9	2.12%	1.51%	1.47%	0.66%	0.17%	0.27%
Total Employment	3,086	1.0	1.45%	1.47%	2.31%	1.35%	0.63%	0.37%

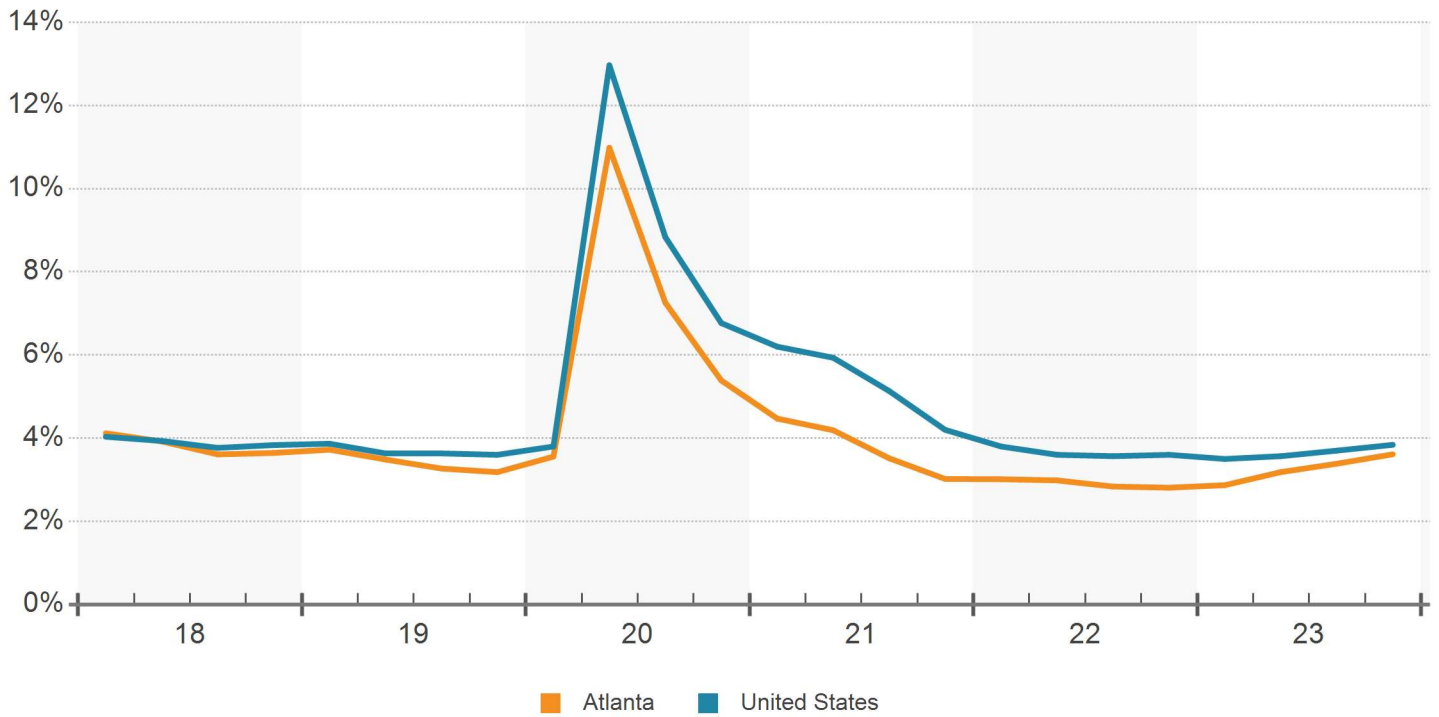
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

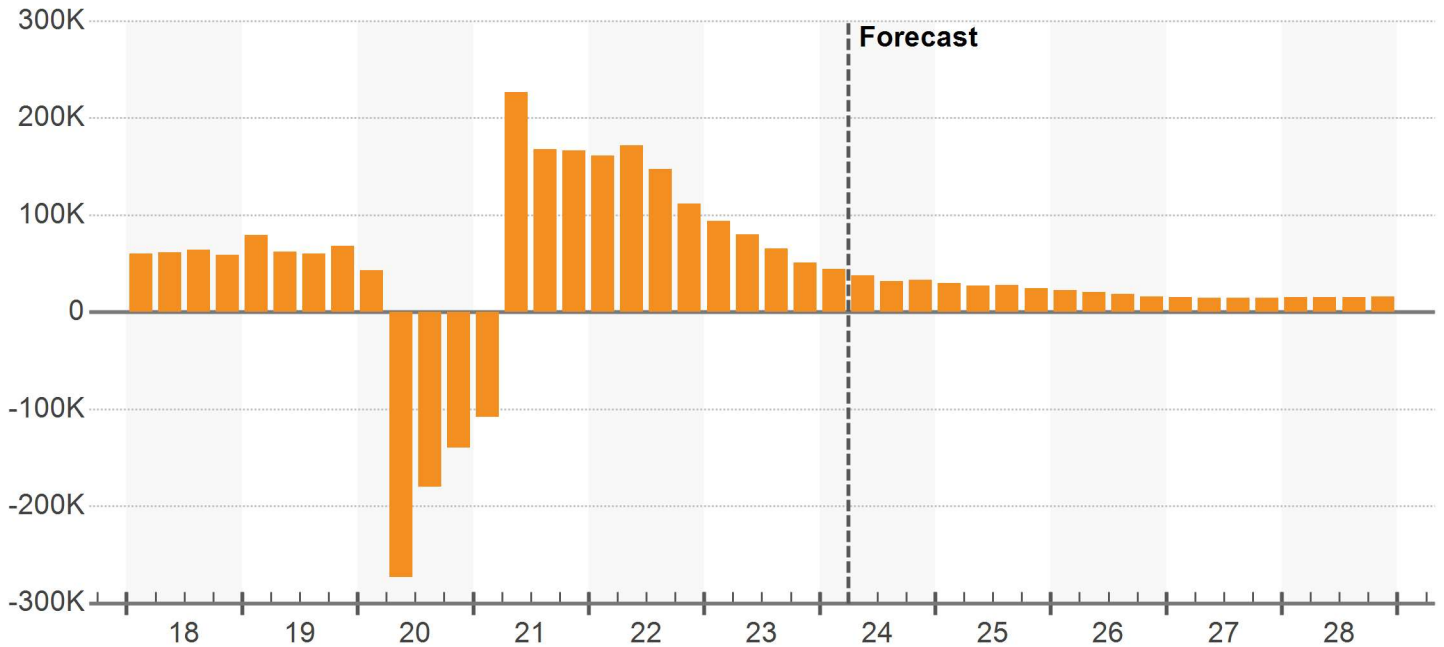


Source: Oxford Economics

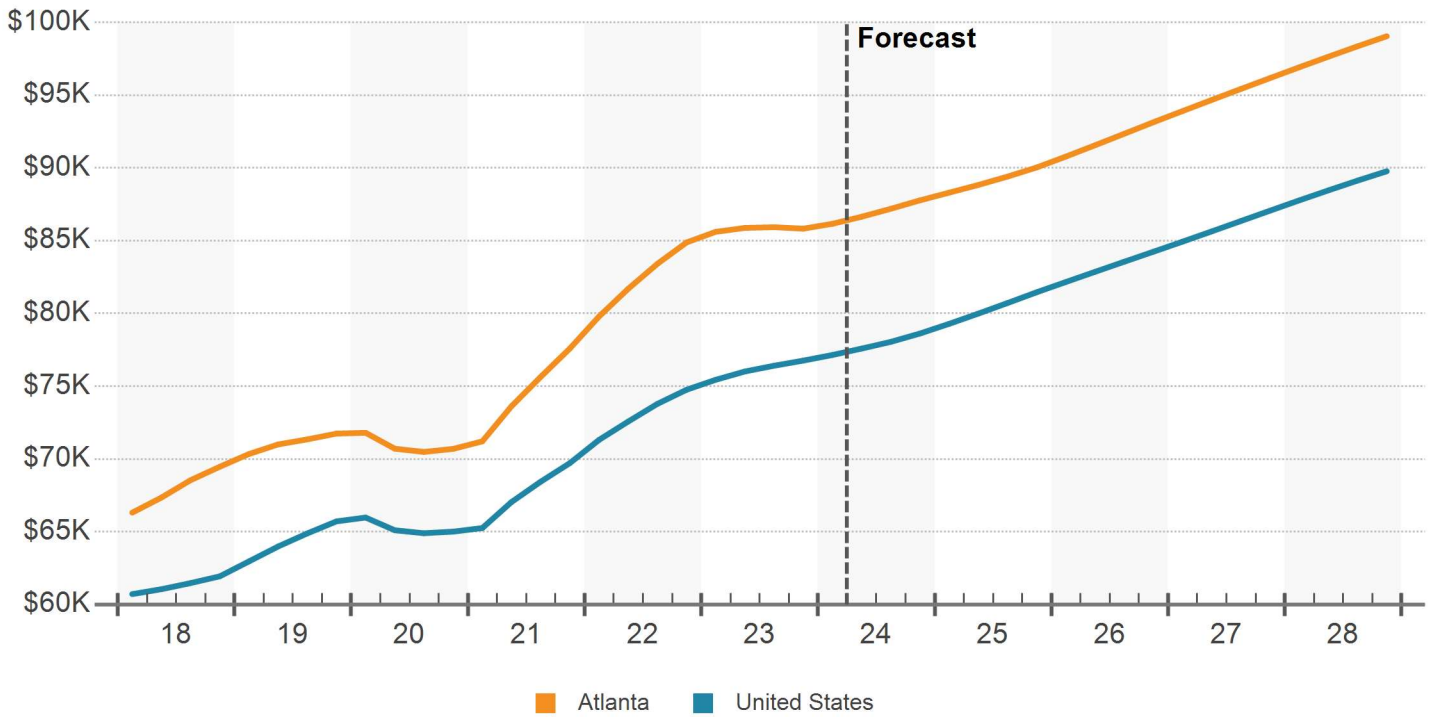
UNEMPLOYMENT RATE (%)



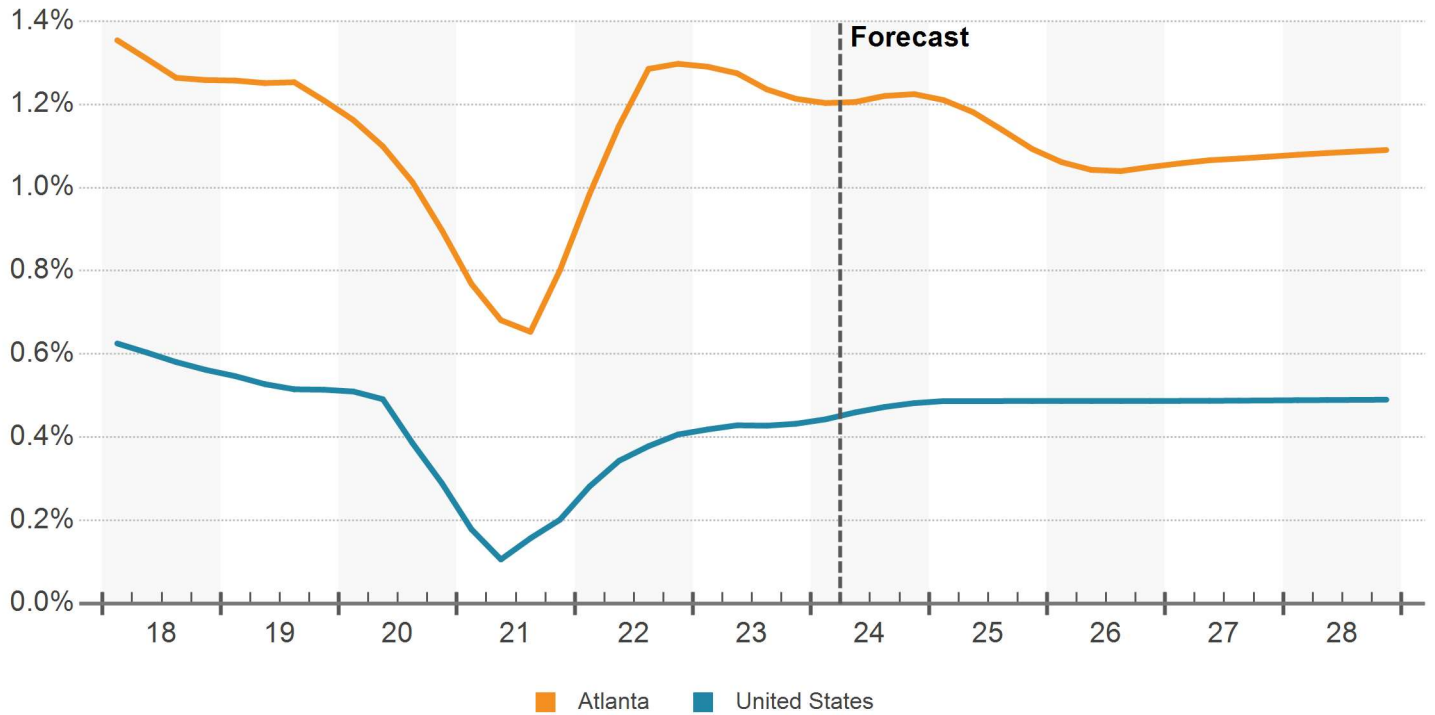
NET EMPLOYMENT CHANGE (YOY)



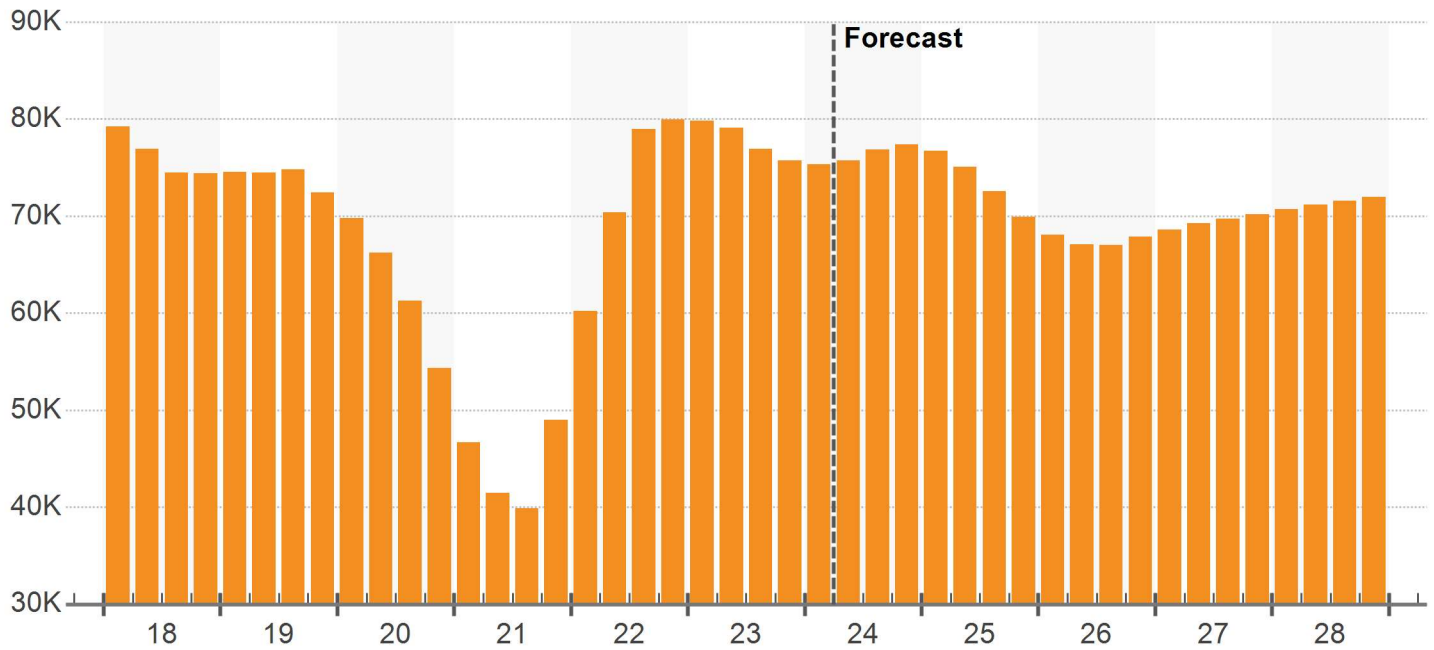
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

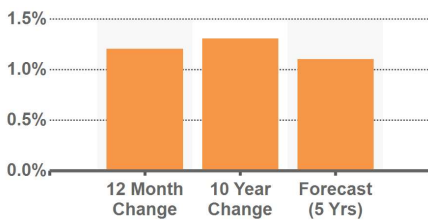


DEMOGRAPHIC TRENDS

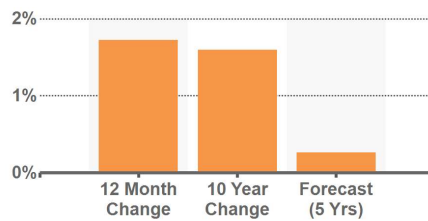
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	6,338,165	335,516,750	1.2%	0.4%	1.3%	0.5%	1.1%	0.5%
Households	2,360,452	131,041,672	1.4%	0.6%	1.6%	0.9%	1.2%	0.6%
Median Household Income	\$86,185	\$77,169	0.7%	2.2%	4.5%	3.9%	3.0%	3.2%
Labor Force	3,277,509	169,039,828	1.7%	1.6%	1.6%	0.8%	0.3%	0.1%
Unemployment	3.6%	3.8%	0.7%	0.3%	-0.3%	-0.3%	-	-

Source: Oxford Economics

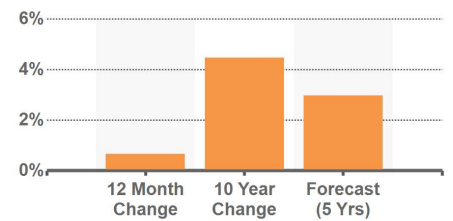
POPULATION GROWTH



LABOR FORCE GROWTH

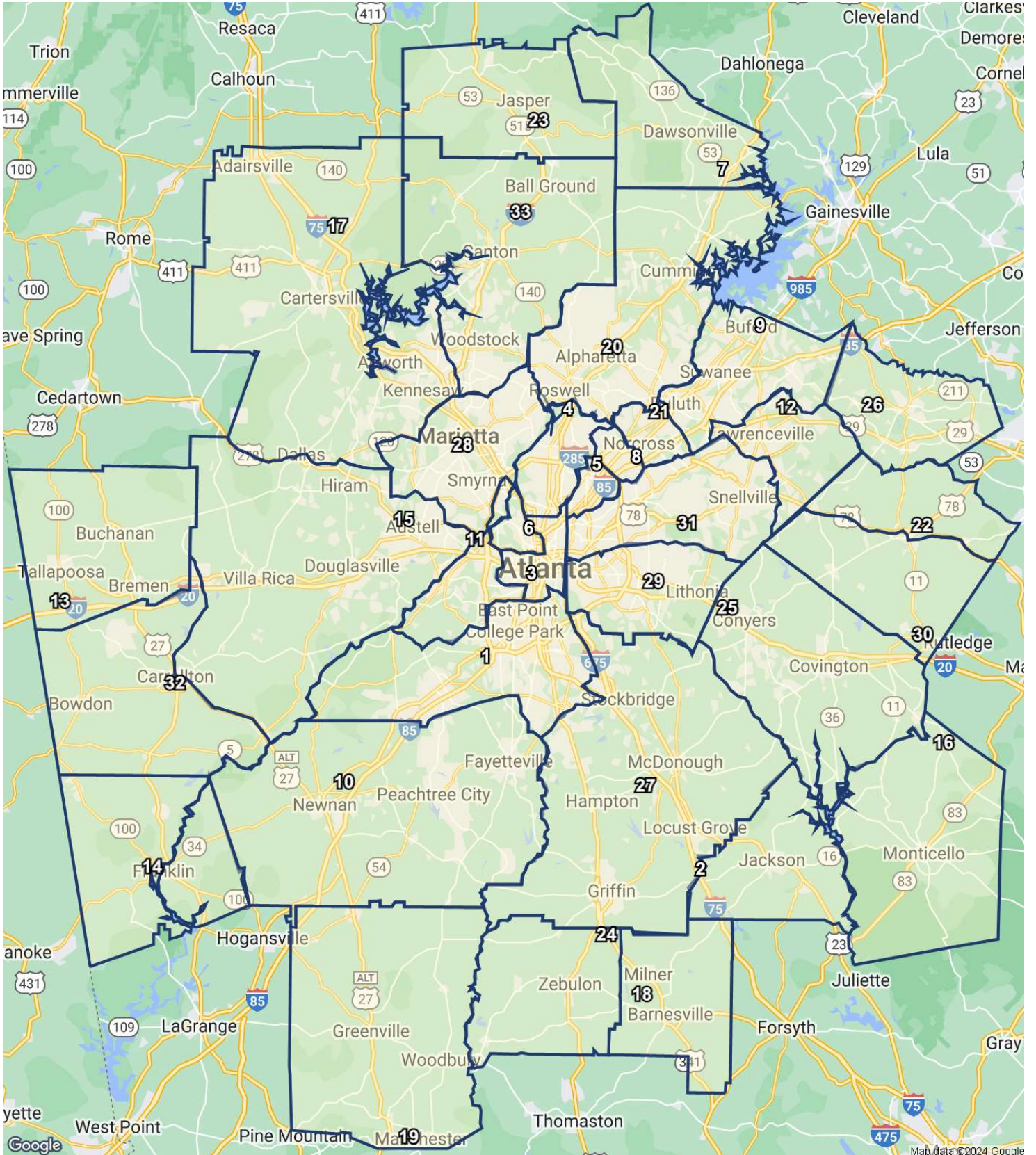


INCOME GROWTH



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	1,641	132,820	15.9%	1	17	3,680	2.8%	2	5	1,858	1.4%	3
2	Butts County	43	7,085	0.8%	23	2	2,525	35.6%	5	2	1,075	15.2%	7
3	Central Atlanta	599	13,903	1.7%	17	0	0	0%	-	1	5	0%	18
4	Central Perimeter	30	486	0.1%	31	0	0	0%	-	0	-	-	-
5	Chamblee	376	8,677	1.0%	21	4	238	2.7%	13	1	175	2.0%	12
6	Chattahoochee	628	20,464	2.4%	15	0	0	0%	-	1	221	1.1%	11
7	Dawson County	75	1,585	0.2%	28	0	0	0%	-	1	12	0.7%	17
8	Doraville	618	34,082	4.1%	9	0	0	0%	-	1	454	1.3%	9
9	Duluth/Suwanee/Buford	881	59,805	7.2%	5	5	1,014	1.7%	7	4	1,615	2.7%	6
10	Fayette/Coweta County	682	33,239	4.0%	11	4	570	1.7%	10	8	1,880	5.7%	2
11	Fulton District	645	55,559	6.6%	6	1	10	0%	19	1	157	0.3%	14
12	GA-316/Lawrenceville	534	22,590	2.7%	14	1	237	1.1%	14	2	169	0.7%	13
13	Haralson County	74	2,799	0.3%	24	1	5	0.2%	20	0	-	-	-
14	Heard County	9	403	0%	32	0	0	0%	-	0	-	-	-
15	I-20 W/Douglasville	1,210	68,404	8.2%	3	15	3,383	4.9%	3	10	1,786	2.6%	4
16	Jasper County	12	306	0%	33	0	0	0%	-	0	-	-	-
17	Kennesaw/Acworth	979	63,619	7.6%	4	20	7,238	11.4%	1	6	977	1.5%	8
18	Lamar County	33	2,054	0.2%	27	0	0	0%	-	0	-	-	-
19	Meriwether County	28	1,269	0.2%	29	0	0	0%	-	0	-	-	-
20	N Fulton/Forsyth Cnty	1,221	34,697	4.1%	8	5	585	1.7%	9	9	447	1.3%	10
21	Norcross	796	33,442	4.0%	10	2	179	0.5%	16	0	-	-	-
22	North Walton County	57	2,322	0.3%	25	0	0	0%	-	0	-	-	-
23	Pickens County	166	2,250	0.3%	26	0	0	0%	-	0	-	-	-
24	Pike County	15	493	0.1%	30	0	0	0%	-	0	-	-	-
25	Rockdale/Newton Cnty	805	34,823	4.2%	7	8	3,018	8.7%	4	3	1,638	4.7%	5
26	S Barrow	324	10,779	1.3%	19	1	400	3.7%	11	0	-	-	-
27	S Clayton/Henry Cnty	923	76,414	9.1%	2	5	2,469	3.2%	6	8	4,856	6.4%	1
28	SE Cobb Cnty/Marietta	1,060	32,812	3.9%	13	1	191	0.6%	15	1	17	0.1%	16
29	Snapfinger	435	18,419	2.2%	16	4	939	5.1%	8	0	-	-	-
30	South Walton County	155	9,192	1.1%	20	2	21	0.2%	18	0	-	-	-
31	Stone Mountain	1,026	32,851	3.9%	12	0	0	0%	-	0	-	-	-
32	W Carroll County	176	7,104	0.8%	22	1	284	4.0%	12	0	-	-	-
33	Woodstock/Canton	685	11,474	1.4%	18	3	95	0.8%	17	1	30	0.3%	15

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Airport/North Clayton	\$0.69	25	8.9%	12	-19.5%	13
2	Butts County	\$0.60	30	9.3%	8	-18.2%	10
3	Central Atlanta	\$1.11	3	7.2%	28	-9.8%	2
4	Central Perimeter	\$1.40	1	4.8%	32	-8.5%	1
5	Chamblee	\$1.05	5	6.6%	31	-14.4%	4
6	Chattahoochee	\$1.02	6	7.0%	30	-17.9%	9
7	Dawson County	\$1.06	4	9.2%	9	-36.8%	30
8	Doraville	\$0.86	12	8.4%	21	-19.2%	12
9	Duluth/Suwanee/Buford	\$0.83	14	8.5%	18	-16.7%	6
10	Fayette/Coweta County	\$0.70	24	8.8%	15	-22.3%	20
11	Fulton District	\$0.55	33	8.7%	17	-18.3%	11
12	GA-316/Lawrenceville	\$0.83	15	8.3%	22	-19.9%	15
13	Haralson County	\$0.59	32	9.8%	4	-35.4%	29
14	Heard County	\$0.87	11	10.4%	2	-46.4%	32
15	I-20 W/Douglasville	\$0.68	26	8.8%	16	-19.9%	16
16	Jasper County	\$0.82	16	8.8%	14	-35.3%	28
17	Kennesaw/Acworth	\$0.81	18	8.9%	13	-20.5%	17
18	Lamar County	\$0.71	22	10.4%	3	-43.9%	31
19	Meriwether County	\$0.59	31	3.6%	33	-23.0%	21
20	N Fulton/Forsyth Cnty	\$1.15	2	7.1%	29	-16.6%	5
21	Norcross	\$0.93	9	7.7%	24	-13.5%	3
22	North Walton County	\$0.86	13	9.3%	7	-31.4%	25
23	Pickens County	\$0.81	19	8.5%	19	-30.3%	24
24	Pike County	\$0.90	10	10.7%	1	-48.2%	33
25	Rockdale/Newton Cnty	\$0.74	20	8.3%	23	-22.0%	19
26	S Barrow	\$0.72	21	9.0%	11	-29.6%	23
27	S Clayton/Henry Cnty	\$0.60	29	9.1%	10	-19.6%	14
28	SE Cobb Cnty/Marietta	\$1	7	7.5%	26	-17.6%	7
29	Snapfinger	\$0.71	23	8.5%	20	-23.6%	22
30	South Walton County	\$0.62	28	9.5%	6	-31.6%	27
31	Stone Mountain	\$0.82	17	7.6%	25	-17.6%	8
32	W Carroll County	\$0.64	27	9.7%	5	-31.6%	26
33	Woodstock/Canton	\$0.94	8	7.3%	27	-20.5%	18

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Airport/North Clayton	9,336,025	7.0%	23	(237,799)	-0.2%	25	-
2	Butts County	1,830,500	25.8%	30	2,021,008	28.5%	3	1.2
3	Central Atlanta	1,105,882	8.0%	25	(490,888)	-3.5%	29	-
4	Central Perimeter	9,062	1.9%	8	4,362	0.9%	15	-
5	Chamblee	697,420	8.0%	26	(184,599)	-2.1%	24	-
6	Chattahoochee	1,307,800	6.4%	19	(448,837)	-2.2%	27	-
7	Dawson County	3,200	0.2%	1	41,288	2.6%	13	-
8	Doraville	1,351,979	4.0%	13	(481,054)	-1.4%	28	-
9	Duluth/Suwanee/Buford	3,175,081	5.3%	18	(678,537)	-1.1%	31	-
10	Fayette/Coweta County	1,200,453	3.6%	10	236,379	0.7%	10	2.0
11	Fulton District	3,844,630	6.9%	20	(965,467)	-1.7%	33	-
12	GA-316/Lawrenceville	370,599	1.6%	7	411,195	1.8%	7	0.6
13	Haralson County	60,690	2.2%	9	(19,440)	-0.7%	20	-
14	Heard County	-	-	-	0	0%	-	-
15	I-20 W/Douglasville	5,417,327	7.9%	24	490,458	0.7%	5	5.0
16	Jasper County	-	-	-	0	0%	-	-
17	Kennesaw/Acworth	9,277,159	14.6%	29	2,136,684	3.4%	2	3.0
18	Lamar County	222,631	10.8%	28	(68,000)	-3.3%	23	-
19	Meriwether County	400,745	31.6%	31	(11,022)	-0.9%	19	-
20	N Fulton/Forsyth Cnty	1,800,054	5.2%	16	(36,653)	-0.1%	22	-
21	Norcross	1,746,755	5.2%	17	(288,814)	-0.9%	26	-
22	North Walton County	6,200	0.3%	2	6,950	0.3%	14	-
23	Pickens County	83,068	3.7%	11	(33,149)	-1.5%	21	-
24	Pike County	1,800	0.4%	3	(1,196)	-0.2%	18	-
25	Rockdale/Newton Cnty	2,428,191	7.0%	21	2,380,196	6.8%	1	1.2
26	S Barrow	751,992	7.0%	22	263,002	2.4%	8	1.5
27	S Clayton/Henry Cnty	3,332,622	4.4%	14	1,472,976	1.9%	4	1.5
28	SE Cobb Cnty/Marietta	1,669,393	5.1%	15	(498,066)	-1.5%	30	-
29	Snapfinger	1,699,396	9.2%	27	48,432	0.3%	12	19.4
30	South Walton County	63,190	0.7%	4	424,168	4.6%	6	0.1
31	Stone Mountain	1,230,300	3.7%	12	(772,226)	-2.4%	32	-
32	W Carroll County	75,612	1.1%	6	238,867	3.4%	9	-
33	Woodstock/Canton	121,329	1.1%	5	160,009	1.4%	11	0.6

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	892,878,947	12,106,941	1.4%	13,831,500	1.5%	0.9
2027	880,772,006	11,786,975	1.4%	13,462,832	1.5%	0.9
2026	868,985,031	10,158,733	1.2%	13,180,229	1.5%	0.8
2025	858,826,298	5,727,265	0.7%	11,279,269	1.3%	0.5
2024	853,099,033	19,944,643	2.4%	9,236,606	1.1%	2.2
YTD	837,809,130	4,654,740	0.6%	1,869,450	0.2%	2.5
2023	833,154,390	29,584,014	3.7%	5,916,761	0.7%	5.0
2022	803,570,376	18,229,647	2.3%	16,478,097	2.1%	1.1
2021	785,340,729	21,083,394	2.8%	37,180,203	4.7%	0.6
2020	764,257,335	18,144,731	2.4%	15,438,319	2.0%	1.2
2019	746,112,604	14,300,615	2.0%	13,221,946	1.8%	1.1
2018	731,811,989	15,665,127	2.2%	19,667,716	2.7%	0.8
2017	716,146,862	16,160,951	2.3%	22,582,956	3.2%	0.7
2016	699,985,911	17,357,012	2.5%	14,860,235	2.1%	1.2
2015	682,628,899	4,134,310	0.6%	14,270,049	2.1%	0.3
2014	678,494,589	2,218,412	0.3%	20,568,900	3.0%	0.1
2013	676,276,177	2,506,319	0.4%	10,266,526	1.5%	0.2
2012	673,769,858	559,728	0.1%	4,676,677	0.7%	0.1

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	104,616,660	685,958	0.7%	998,732	1.0%	0.7
2027	103,930,702	666,305	0.6%	819,886	0.8%	0.8
2026	103,264,397	561,170	0.5%	355,886	0.3%	1.6
2025	102,703,227	349,853	0.3%	(69,977)	-0.1%	-
2024	102,353,374	1,469,055	1.5%	175,599	0.2%	8.4
YTD	101,219,634	335,315	0.3%	(92,655)	-0.1%	-
2023	100,884,319	940,830	0.9%	223,619	0.2%	4.2
2022	99,943,489	(145,856)	-0.1%	(54,938)	-0.1%	-
2021	100,089,345	358,836	0.4%	1,279,988	1.3%	0.3
2020	99,730,509	586,129	0.6%	72,372	0.1%	8.1
2019	99,144,380	16,559	0%	776,877	0.8%	0
2018	99,127,821	629,929	0.6%	716,633	0.7%	0.9
2017	98,497,892	1,466,113	1.5%	1,407,089	1.4%	1.0
2016	97,031,779	1,839,099	1.9%	2,497,485	2.6%	0.7
2015	95,192,680	(3,173,486)	-3.2%	(225,668)	-0.2%	-
2014	98,366,166	104,637	0.1%	3,239,494	3.3%	0
2013	98,261,529	276,178	0.3%	95,011	0.1%	2.9
2012	97,985,351	(388,640)	-0.4%	327,472	0.3%	-

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	716,029,107	11,177,395	1.6%	12,370,665	1.7%	0.9
2027	704,851,712	10,884,704	1.6%	12,330,382	1.7%	0.9
2026	693,967,008	9,404,726	1.4%	12,940,620	1.9%	0.7
2025	684,562,282	5,337,180	0.8%	11,665,633	1.7%	0.5
2024	679,225,102	18,166,628	2.7%	9,491,813	1.4%	1.9
YTD	665,292,984	4,234,510	0.6%	2,239,413	0.3%	1.9
2023	661,058,474	27,039,784	4.3%	4,142,012	0.6%	6.5
2022	634,018,690	18,181,003	3.0%	16,627,865	2.6%	1.1
2021	615,837,687	19,100,481	3.2%	33,391,447	5.4%	0.6
2020	596,737,206	17,596,872	3.0%	15,592,628	2.6%	1.1
2019	579,140,334	14,537,945	2.6%	12,374,843	2.1%	1.2
2018	564,602,389	15,076,679	2.7%	18,399,228	3.3%	0.8
2017	549,525,710	14,764,767	2.8%	21,019,919	3.8%	0.7
2016	534,760,943	15,628,803	3.0%	11,862,630	2.2%	1.3
2015	519,132,140	7,274,746	1.4%	12,322,850	2.4%	0.6
2014	511,857,394	2,172,799	0.4%	16,142,711	3.2%	0.1
2013	509,684,595	2,455,563	0.5%	9,141,678	1.8%	0.3
2012	507,229,032	971,016	0.2%	4,584,010	0.9%	0.2

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	72,233,180	243,588	0.3%	462,103	0.6%	0.5
2027	71,989,592	235,966	0.3%	312,564	0.4%	0.8
2026	71,753,626	192,837	0.3%	(116,277)	-0.2%	-
2025	71,560,789	40,232	0.1%	(316,387)	-0.4%	-
2024	71,520,557	308,960	0.4%	(430,806)	-0.6%	-
YTD	71,296,512	84,915	0.1%	(277,308)	-0.4%	-
2023	71,211,597	1,603,400	2.3%	1,551,130	2.2%	1.0
2022	69,608,197	194,500	0.3%	(94,830)	-0.1%	-
2021	69,413,697	1,624,077	2.4%	2,508,768	3.6%	0.6
2020	67,789,620	(38,270)	-0.1%	(226,681)	-0.3%	-
2019	67,827,890	(253,889)	-0.4%	70,226	0.1%	-
2018	68,081,779	(41,481)	-0.1%	551,855	0.8%	-
2017	68,123,260	(69,929)	-0.1%	155,948	0.2%	-
2016	68,193,189	(110,890)	-0.2%	500,120	0.7%	-
2015	68,304,079	33,050	0%	2,172,867	3.2%	0
2014	68,271,029	(59,024)	-0.1%	1,186,695	1.7%	-
2013	68,330,053	(225,422)	-0.3%	1,029,837	1.5%	-
2012	68,555,475	(22,648)	0%	(234,805)	-0.3%	-

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$0.98	253	4.6%	28.9%	50,713,171	5.7%	-0.3%
2027	\$0.93	242	5.0%	23.2%	52,408,777	6.0%	-0.3%
2026	\$0.89	230	6.5%	17.4%	54,058,878	6.2%	-0.4%
2025	\$0.83	216	5.6%	10.2%	57,053,063	6.6%	-0.7%
2024	\$0.79	205	4.3%	4.3%	62,585,245	7.3%	1.1%
YTD	\$0.77	200	8.4%	2.0%	54,624,885	6.5%	0.3%
2023	\$0.76	196	9.4%	0%	51,835,235	6.2%	2.7%
2022	\$0.69	179	12.1%	-8.6%	28,167,982	3.5%	0.1%
2021	\$0.62	160	11.7%	-18.5%	26,601,032	3.4%	-2.2%
2020	\$0.55	143	7.8%	-27.0%	42,692,947	5.6%	0.2%
2019	\$0.51	133	6.9%	-32.3%	39,980,992	5.4%	0%
2018	\$0.48	124	6.7%	-36.7%	38,926,722	5.3%	-0.6%
2017	\$0.45	116	6.3%	-40.7%	42,697,311	6.0%	-1.1%
2016	\$0.42	110	5.4%	-44.2%	49,172,046	7.0%	0.2%
2015	\$0.40	104	5.9%	-47.0%	46,698,485	6.8%	-1.5%
2014	\$0.38	98	3.8%	-49.9%	56,834,724	8.4%	-2.7%
2013	\$0.37	95	2.6%	-51.7%	75,185,212	11.1%	-1.2%
2012	\$0.36	92	0%	-53.0%	82,945,419	12.3%	-0.6%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$1.18	257	4.7%	33.9%	5,046,816	4.8%	-0.3%
2027	\$1.13	246	5.1%	27.9%	5,357,318	5.2%	-0.2%
2026	\$1.07	234	6.5%	21.7%	5,508,585	5.3%	0.2%
2025	\$1.01	220	5.7%	14.2%	5,300,938	5.2%	0.4%
2024	\$0.95	208	8.1%	8.1%	4,879,059	4.8%	1.2%
YTD	\$0.93	202	11.8%	5.1%	4,006,353	4.0%	0.4%
2023	\$0.88	192	9.2%	0%	3,578,383	3.5%	0.7%
2022	\$0.81	176	12.1%	-8.5%	2,861,172	2.9%	-0.1%
2021	\$0.72	157	11.8%	-18.4%	2,952,090	2.9%	-0.9%
2020	\$0.64	140	6.6%	-27.0%	3,873,242	3.9%	0.5%
2019	\$0.60	132	8.8%	-31.5%	3,319,470	3.3%	-0.8%
2018	\$0.55	121	6.9%	-37.1%	4,084,703	4.1%	-0.1%
2017	\$0.52	113	5.6%	-41.1%	4,171,407	4.2%	0%
2016	\$0.49	107	3.4%	-44.2%	4,112,383	4.2%	-0.8%
2015	\$0.47	104	6.1%	-46.1%	4,770,769	5.0%	-2.8%
2014	\$0.45	98	4.2%	-49.2%	7,719,087	7.8%	-3.2%
2013	\$0.43	94	3.0%	-51.2%	10,853,944	11.0%	0.2%
2012	\$0.42	91	-0.5%	-52.6%	10,672,777	10.9%	-0.7%

LOGISTICS RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$0.89	260	4.6%	28.2%	41,458,800	5.8%	-0.3%
2027	\$0.85	249	5.0%	22.6%	42,633,733	6.0%	-0.3%
2026	\$0.81	237	6.4%	16.8%	44,063,748	6.3%	-0.6%
2025	\$0.76	222	5.6%	9.7%	47,582,038	7.0%	-1.0%
2024	\$0.72	211	3.9%	3.9%	53,899,181	7.9%	1.1%
YTD	\$0.70	206	8.5%	1.7%	47,195,098	7.1%	0.3%
2023	\$0.69	203	10.1%	0%	45,200,001	6.8%	3.3%
2022	\$0.63	184	12.6%	-9.1%	22,302,229	3.5%	0.1%
2021	\$0.56	164	12.2%	-19.3%	20,953,291	3.4%	-2.5%
2020	\$0.50	146	8.5%	-28.1%	35,228,763	5.9%	0.2%
2019	\$0.46	134	6.9%	-33.7%	33,246,598	5.7%	0.2%
2018	\$0.43	126	6.8%	-38.0%	31,083,496	5.5%	-0.7%
2017	\$0.40	118	6.5%	-41.9%	34,182,045	6.2%	-1.3%
2016	\$0.38	111	5.8%	-45.5%	40,457,677	7.6%	0.5%
2015	\$0.36	105	6.1%	-48.4%	36,714,720	7.1%	-1.1%
2014	\$0.34	98	3.9%	-51.4%	41,762,824	8.2%	-2.8%
2013	\$0.32	95	2.7%	-53.2%	55,732,736	10.9%	-1.4%
2012	\$0.31	92	0.2%	-54.5%	62,418,851	12.3%	-0.7%

FLEX RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$1.53	216	4.6%	27.3%	4,207,555	5.8%	-0.3%
2027	\$1.47	206	5.0%	21.7%	4,417,726	6.1%	-0.1%
2026	\$1.40	197	6.5%	15.8%	4,486,545	6.3%	0.4%
2025	\$1.31	185	5.7%	8.7%	4,170,087	5.8%	0.5%
2024	\$1.24	175	2.9%	2.9%	3,807,005	5.3%	1.0%
YTD	\$1.21	171	4.3%	0.7%	3,423,434	4.8%	0.5%
2023	\$1.21	170	5.8%	0%	3,056,851	4.3%	0%
2022	\$1.14	160	9.7%	-5.4%	3,004,581	4.3%	0.4%
2021	\$1.04	146	9.2%	-13.8%	2,695,651	3.9%	-1.4%
2020	\$0.95	134	5.5%	-21.1%	3,590,942	5.3%	0.3%
2019	\$0.90	127	5.5%	-25.2%	3,414,924	5.0%	-0.5%
2018	\$0.85	120	6.4%	-29.1%	3,758,523	5.5%	-0.9%
2017	\$0.80	113	5.8%	-33.3%	4,343,859	6.4%	-0.4%
2016	\$0.76	107	5.2%	-37.0%	4,601,986	6.7%	-0.9%
2015	\$0.72	102	4.5%	-40.1%	5,212,996	7.6%	-3.1%
2014	\$0.69	97	2.7%	-42.7%	7,352,813	10.8%	-1.8%
2013	\$0.67	95	2.0%	-44.2%	8,598,532	12.6%	-1.8%
2012	\$0.66	93	-0.3%	-45.3%	9,853,791	14.4%	0.3%

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
2028	-	-	-	-	-	-	\$142.97	365	6.4%
2027	-	-	-	-	-	-	\$132.24	338	6.6%
2026	-	-	-	-	-	-	\$121.30	310	6.8%
2025	-	-	-	-	-	-	\$109.25	279	7.0%
2024	-	-	-	-	-	-	\$103.53	264	7.0%
YTD	139	\$508.7M	0.8%	\$5,529,126	\$99.57	9.3%	\$105.64	270	6.8%
2023	680	\$2.9B	3.9%	\$5,980,352	\$114.33	6.8%	\$103.29	264	6.8%
2022	1,075	\$5.6B	8.0%	\$6,126,450	\$98.58	6.6%	\$101.96	260	6.2%
2021	1,387	\$6.9B	11.4%	\$6,263,241	\$95.96	6.7%	\$94.51	241	5.9%
2020	1,046	\$2.7B	6.9%	\$3,599,616	\$74.40	7.5%	\$74.90	191	6.6%
2019	1,217	\$3.4B	9.7%	\$4,070,467	\$64.94	7.8%	\$64.61	165	7.1%
2018	1,141	\$2.7B	9.4%	\$3,377,065	\$59.03	7.6%	\$59.32	152	7.2%
2017	985	\$2.8B	8.4%	\$3,762,896	\$50.64	7.9%	\$54.65	140	7.2%
2016	884	\$2B	6.3%	\$2,674,220	\$46.60	8.1%	\$53.39	136	6.9%
2015	1,033	\$2.3B	10.0%	\$2,511,246	\$42.48	8.3%	\$50.48	129	7.0%
2014	930	\$1.8B	7.9%	\$2,363,763	\$40.87	8.4%	\$45.05	115	7.4%
2013	778	\$1.2B	5.9%	\$1,777,664	\$35.18	8.9%	\$41.34	106	7.6%

(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
2028	-	-	-	-	-	-	\$140.26	387	6.4%
2027	-	-	-	-	-	-	\$129.61	358	6.6%
2026	-	-	-	-	-	-	\$118.77	328	6.8%
2025	-	-	-	-	-	-	\$106.88	295	7.1%
2024	-	-	-	-	-	-	\$101.25	279	7.0%
YTD	13	\$113.9M	1.1%	\$14,242,048	\$106.19	-	\$102.81	284	6.8%
2023	82	\$458.7M	3.7%	\$7,280,357	\$137.55	7.3%	\$100.04	276	6.8%
2022	111	\$433.3M	5.6%	\$4,659,453	\$107.05	9.6%	\$97.96	270	6.3%
2021	125	\$652.6M	8.1%	\$6,215,478	\$88.74	6.4%	\$90.48	250	6.0%
2020	104	\$221.8M	3.6%	\$3,124,100	\$71.34	7.7%	\$71.15	196	6.7%
2019	100	\$191.6M	4.0%	\$2,555,239	\$61.84	7.3%	\$61.55	170	7.2%
2018	102	\$195.6M	5.1%	\$2,643,630	\$50.15	7.2%	\$56.43	156	7.2%
2017	78	\$188.2M	4.8%	\$3,035,404	\$42.71	9.1%	\$51.29	142	7.3%
2016	87	\$171.4M	5.4%	\$2,169,883	\$33.37	8.0%	\$49.99	138	7.0%
2015	77	\$118.1M	3.7%	\$1,845,046	\$37.06	10.5%	\$47.51	131	7.0%
2014	69	\$111.1M	4.9%	\$1,791,683	\$23.62	9.0%	\$42.19	116	7.5%
2013	66	\$156.9M	4.6%	\$2,802,099	\$35.37	8.9%	\$38.60	107	7.7%

(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
2028	-	-	-	-	-	-	\$137.62	365	6.4%
2027	-	-	-	-	-	-	\$127.29	338	6.6%
2026	-	-	-	-	-	-	\$116.75	310	6.8%
2025	-	-	-	-	-	-	\$105.16	279	7.0%
2024	-	-	-	-	-	-	\$99.67	264	7.0%
YTD	93	\$366.2M	0.7%	\$5,385,289	\$95.92	7.2%	\$101.78	270	6.7%
2023	448	\$2.3B	4.0%	\$7,101,537	\$109.52	6.9%	\$99.54	264	6.7%
2022	726	\$4.5B	8.5%	\$7,330,278	\$94.29	6.2%	\$98.32	261	6.2%
2021	914	\$5.6B	11.7%	\$7,571,724	\$94.88	6.7%	\$91.11	242	5.9%
2020	721	\$2B	7.6%	\$4,060,224	\$70.24	7.5%	\$72.20	192	6.6%
2019	869	\$2.8B	10.9%	\$4,802,206	\$64.14	7.8%	\$62.15	165	7.1%
2018	777	\$2.1B	10.1%	\$3,829,990	\$56.56	7.8%	\$57.08	151	7.2%
2017	707	\$2.4B	9.3%	\$4,387,823	\$50.32	7.6%	\$52.67	140	7.2%
2016	579	\$1.6B	6.4%	\$3,150,456	\$46.78	7.9%	\$51.51	137	6.9%
2015	723	\$1.9B	11.2%	\$2,978,525	\$42.25	7.6%	\$48.69	129	6.9%
2014	635	\$1.5B	8.6%	\$2,820,603	\$40.76	7.9%	\$43.47	115	7.3%
2013	514	\$875.7M	6.3%	\$2,008,522	\$34.44	8.6%	\$39.86	106	7.6%

(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
2028	-	-	-	-	-	-	\$197.79	347	6.9%
2027	-	-	-	-	-	-	\$183.14	321	7.0%
2026	-	-	-	-	-	-	\$168.17	295	7.2%
2025	-	-	-	-	-	-	\$151.60	266	7.5%
2024	-	-	-	-	-	-	\$143.51	252	7.5%
YTD	33	\$28.5M	0.6%	\$1,783,977	\$131.01	11.3%	\$146.31	256	7.2%
2023	150	\$181.7M	2.5%	\$1,730,015	\$131.72	6.6%	\$143.50	252	7.2%
2022	238	\$622.6M	7.1%	\$3,112,853	\$135.78	7.1%	\$142.36	250	6.6%
2021	348	\$685.6M	13.6%	\$2,616,632	\$115.59	7.3%	\$132.62	232	6.3%
2020	221	\$384.8M	6.0%	\$2,375,021	\$112.64	7.9%	\$105.91	186	7.0%
2019	248	\$332.5M	8.4%	\$2,077,870	\$75.20	8.1%	\$92.30	162	7.4%
2018	262	\$470.2M	9.7%	\$2,399,187	\$80.52	7.1%	\$84.73	149	7.5%
2017	200	\$223.3M	5.9%	\$1,618,424	\$65.39	8.2%	\$78.32	137	7.5%
2016	218	\$262.2M	7.0%	\$1,524,224	\$61.06	8.5%	\$76.10	133	7.2%
2015	233	\$275M	8.9%	\$1,315,647	\$47.19	9.6%	\$71.77	126	7.3%
2014	226	\$238M	6.4%	\$1,279,724	\$63.72	9.9%	\$64.14	112	7.7%
2013	198	\$121.1M	4.9%	\$771,152	\$41.32	10.5%	\$59.29	104	7.9%

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