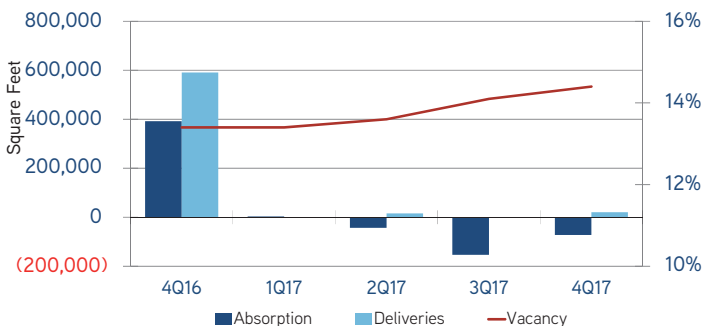


Key Takeaways

- With over 260,000 square feet of negative office absorption over the past twelve months, Central Perimeter had its worst performing year of annual absorption since 2011. The submarket was hit hardest by companies relocating and consolidating to other submarkets in 2017.
- The loss of occupied space in the year resulted in a 70 basis point (0.7%) increase in the submarket's overall vacancy rate. The largest vacancies in 2017 were State Farm out of North Terraces, Crawford & Co. out of 1001 Perimeter Summit, and Equifax out of Northpark Town Center.
- In spite of the rough year, the average asking rental rate for office in Central Perimeter is relatively the same as it was this time last year. Future increases will be determined by leasing activity.
- Although challenges remain, the submarket should see more positive activity in 2018 as office leasing has picked up a bit.

Absorption, Deliveries and Vacancy



UPDATE - Recent Transactions in the Market

Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
Insight Global	Twelve24	Trammell Crow	175,000	Class A Prelease
Newell Rubbermaid	Morgan Falls Office Park - 100	Backman, LC	65,293	Class B Lease
Zellis Healthcare	2 Concourse Pkwy.	Building & Land Tech.	48,051	Class A Renewal
Industrious	7000 Central Park	CBRE Global Investors	28,000	Class A Lease

Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
State Farm - 236 Perimeter Center	7/27/2017	\$275,400,000	590,926	\$466.06	Transwestern Inv. Group
Concourse I, II & IV	12/21/2017	\$156,000,000	736,822	\$211.72	CBRE Global Investors
Center Pointe I & II	11/10/2017	\$155,985,901	343,741	\$447.28	Physicians Realty Trust
400/500 Northridge Rd.	5/25/2017	\$46,150,000	428,089	\$107.80	The Dilweg Company

Market Indicators

Relative to prior period

	Central Perimeter Q4 2017	Central Perimeter Q1 2018*
VACANCY	↑	↑
NET ABSORPTION	↓	+
CONSTRUCTION	↓	↓
RENTAL RATE	↑	↑

*Projected

Summary Statistics

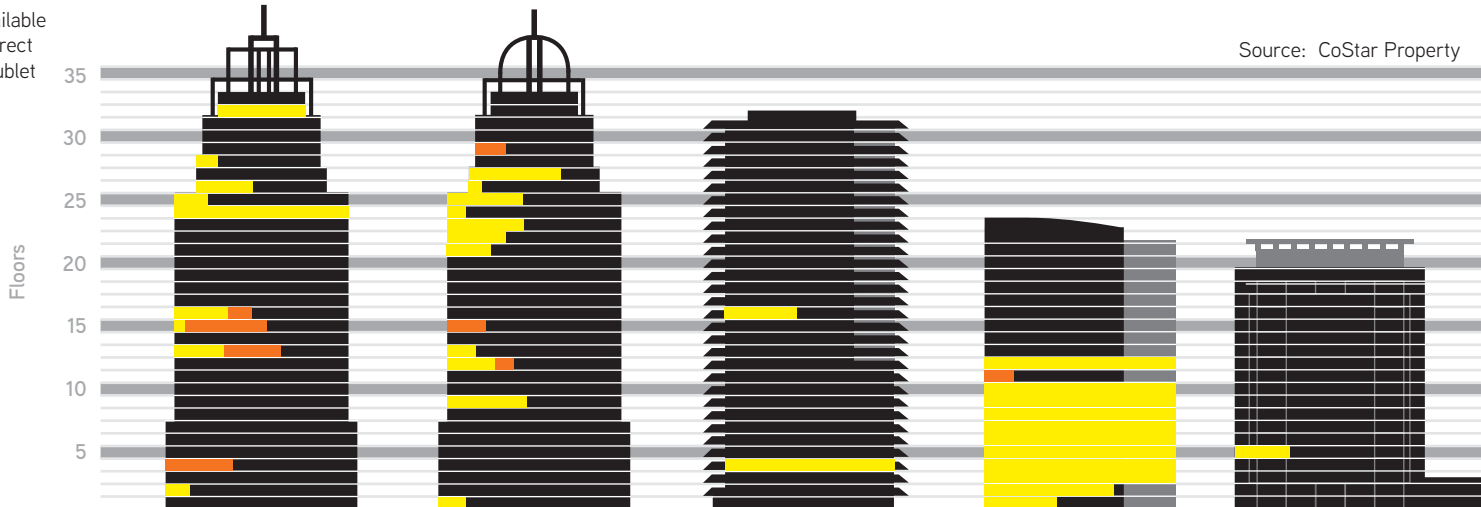
Central Perimeter Office Market

	All Classes	Class A	Class B
Total Inventory (Millions Square Feet)	28.7	21.1	6.6
Vacancy Rate	14.4%	13.1%	19.3%
Change From Q3 2017	0.3%	0.2%	0.7%
Absorption YTD (Thousands Square Feet)	-266	-214	-24
Construction Deliveries YTD (Thousands Square Feet)	36	-	36
Under Construction (Millions Square Feet)	1.3	1.3	-
Asking Rents Per Square Foot Per Year			
Average Quoted	\$27.03	\$29.40	\$21.20
Change From Q3 2017	0.6%	0.3%	1.4%

Skyline Review

Space Available
■ Direct
■ Sublet

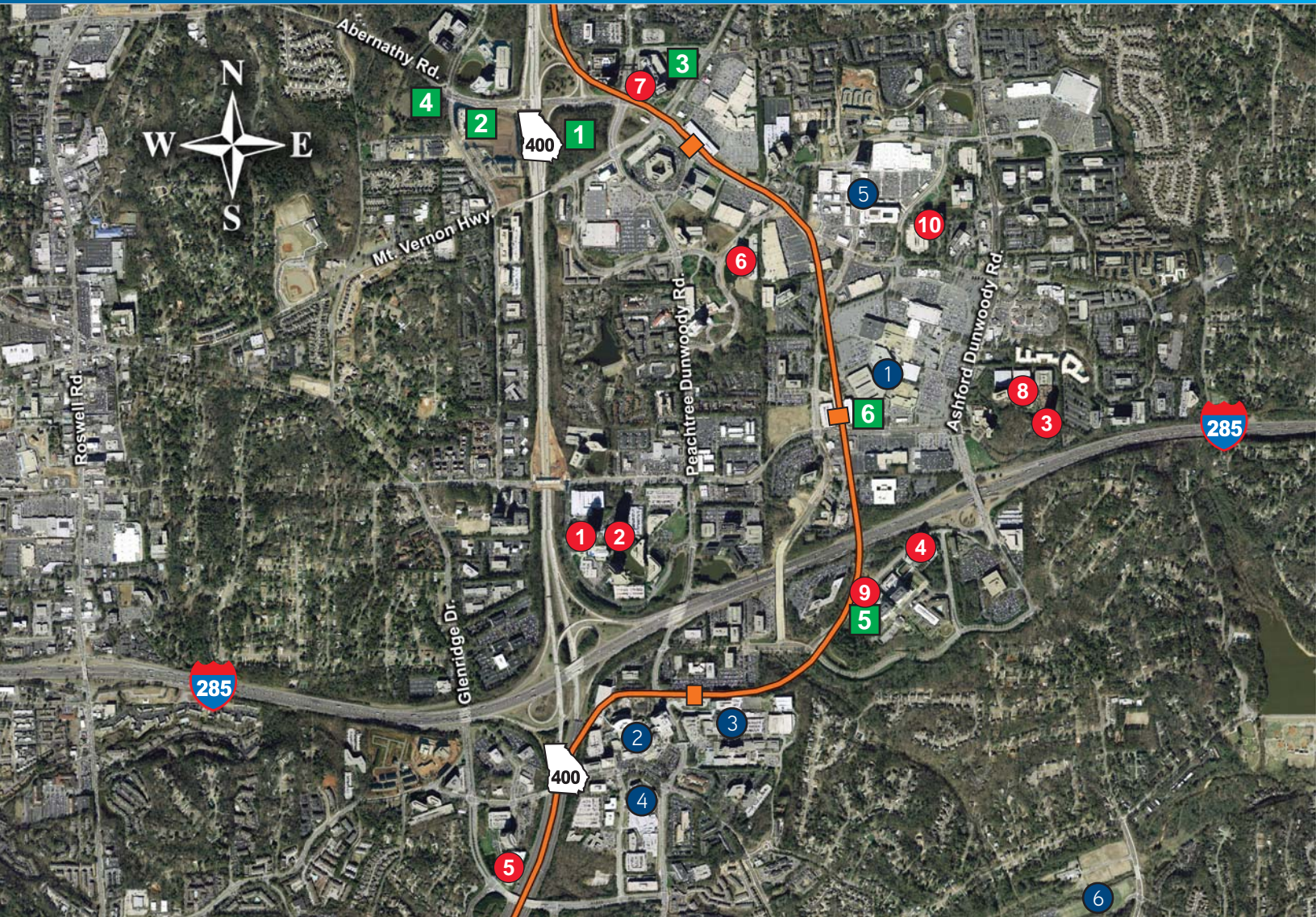
Source: CoStar Property




BUILDING	Concourse VI	Concourse V	Three Ravinia	1001 Summit Blvd.	Glenridge Highlands II
RBA	697,400 SF	687,107 SF	864,732 SF	572,643 SF	426,685 SF
TYPICAL FLOOR SIZE	27,000 SF	26,719 SF	26,250 SF	23,000 SF	21,334 SF
% LEASED	89.4%	88.2%	98.4%	68.7%	98.5%
LARGEST SPACE AVAIL.	25,234 SF	11,115 SF	77,232 SF	200,174 SF	6,569 SF
RENTAL RATE PER SF (Gross)	\$35.50	\$35.50	\$34.50	\$33.50-\$34.50	\$31.50
	1	2	3	4	5






BUILDING	7000 Central Park	500 Northpark	Two Ravinia	4004 Perimeter Summit	South Terraces
RBA	415,324 SF	515,735 SF	437,846 SF	355,250 SF	547,281 SF
TYPICAL FLOOR SIZE	29,000 SF	24,000 SF	25,756 SF	25,000 SF	48,000 SF
% LEASED	79.7%	77.3%	70.7%	0%	93.3%
LARGEST SPACE AVAIL.	27,934 SF	24,000 SF	34,838 SF	355,250 SF	285,685 SF
RENTAL RATE PER SF (Gross)	\$32.00-\$34.00	\$33.00-\$34.00	\$28.50	\$40.00-\$41.00	\$28.50-\$29.50
	6	7	8	9	10













Aerial Legend

-  Buildings by Number (see opposite page)
-  MARTA Rail Line
-  New Construction

Points of Interest

- | | |
|---|--|
|  Perimeter Mall |  Scottish Rite |
|  Northside Hospital |  Perimeter Place |
|  St. Joseph's Hospital |  Marist High School |

Planned Construction

- | | | |
|---|--|--|
| <p> 100 NORTHPARK
Mixed-Use Project
1.5 million SF office
150,000 SF retail
500 multi-family units
250-room hotel
Planning Stage
Developer: Hines</p> | <p> 
ABERNATHY 400
550,000 SF
Planning Stage
Delivering TBD
Developer: Ackerman</p> | <p> 
700 NORTHPARK
484,000 SF office
Planning Stage
Delivering TBD
Developer: Hines</p> |
| <p> MERCEDES-BENZ US HEADQUARTERS
225,000 SF
Under Construction
Delivering 2018
Architect: Gensler</p> | <p> 
4004 PERIMETER SUMMIT
355,000 SF U/C
Developer: Seven Oaks</p> | <p> 
TWELVE24
334,000 SF office
U/C Summer 2018
Developer: Trammell Crow</p> |

In The News

- › **Insight Global signs 175,000 SF lease to anchor new office building:** Staffing firm Insight Global just recently announced it would be leasing 175,000 square feet in a new office tower to be developed by Trammell Crow. The building called Twelve24 will be the first (and possibly only) building to break ground in the Central Perimeter submarket this year. Insight Global will anchor just over half of the 334,000 SF transit-oriented building. Ground floor retail will also be included in the project. Construction is expected to begin Summer 2017 with an anticipated delivery in 2020.
- › **Sale closes on Concourse Corporate Center-without 'King and Queen' towers:** Building and Land Technology sold part of its Concourse Corporate Center to CBRE Global Investors at the end of 2017 for \$156 million. The sale includes the low-rise buildings only: Concourse I, Concourse II, and Concourse IV. The notorious 'King and Queen' towers were absent from the transaction as BLT decided to hold onto these high-profile assets.
- › **Industrious expanding into the suburbs with new space at 7000 Central Park:** Co-working company Industrious recently signed a lease at 7000 Central Park for 28,000 SF. The 12-year lease is the fifth location for the company, and the first in Atlanta's suburbs.

AT A GLANCE | 4004 Perimeter Summit



- › Class A, LEED office tower totaling 355,000 square feet.
- › First speculative office project to go under construction in Central Perimeter in 15 years.
- › To be fourth tower in Perimeter Summit office development.
- › Building is currently under construction with a delivery date in Fourth Quarter 2017.
- › Seven Oaks Company is developing the building.

FOR MORE INFORMATION

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Dany Koe	Andrew Walker
Drew Levine	Bob Ward
Michael Lipton	Stewart Yates
Bryce Metcalf	

Colliers International | Atlanta Office | Central Perimeter Listings



900 ASHWOOD
986-11,038 SF Lease
Lee Evans /
Deming Fish



NORTH STATION
115,000 SF Lease
Deming Fish



NORTH TERRACES
20,307 SF Sublease
Michael Lipton /
Emily Richardson