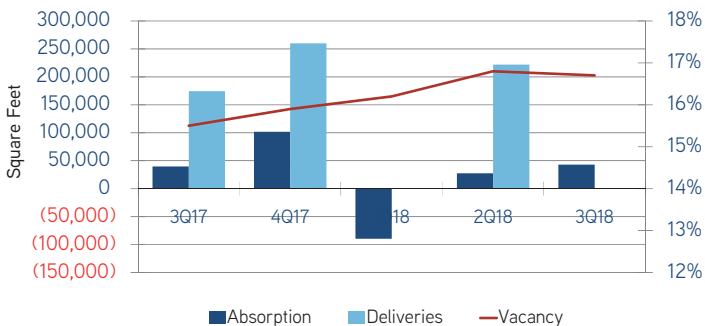


Key Takeaways

- Like most of the market, Cumberland/Galleria's office absorption was modest this quarter with the submarket seeing just under 43,000 square feet in occupancy gains.
- Cumberland/Galleria's Class A rental rate average increased the most this quarter of any other Atlanta office submarket this quarter.
- Even though absorption activity was reserved in Q3, the submarket's leasing activity received much attention. Headquarter announcements and expansions by Thyssenkrupp, Floor & Decor, and Home Depot were the largest transactions to occur in the Atlanta market this quarter.
- A recent study conducted by Georgia Tech confirms a strong fiscal impact from the Atlanta Braves' SunTrust Park and Battery development to the Cumberland/Galleria area. The amount of office demand that has occurred, and continues to occur here is also validation of the project's economic prosperity to the submarket.

Absorption, Deliveries and Vacancy



Market Indicators

Relative to prior period

Cumberland/Galleria
Q3 2018Cumberland/Galleria
Q4 2018*

VACANCY	↓	↓
NET ABSORPTION	+	+
CONSTRUCTION	↑	-
RENTAL RATE	↑	↑

*Projected

Summary Statistics

Cumberland/Galleria Office Market

All
Classes

Class A

Class B

Total Inventory (Millions Square Feet)	27.2	16.7	9.4
Vacancy Rate	16.7%	16.9%	17.5%
Change From Q2 2018	-0.1%	-0.4%	0.2%
Absorption YTD (Thousands Square Feet)	-19	-99	36
Construction Deliveries YTD (Thousands Square Feet)	222	222	-
Under Construction (Thousands Square Feet)	-	-	-

Asking Rents

Per Square Foot Per Year

Average Quoted	\$24.55	\$28.06	\$20.21
Change From Q2 2018	1.1%	3.0%	1.4%

UPDATE - Recent Transactions in the Market

Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
Thyssenkrupp	The Battery Office	Atlanta Braves	210,000	Class A Prelease
Home Depot	Pennant Park	Rubenstein Partners	200,000	Class A Lease
Floor & Decor	2500 Wildwood	Starwood Property Trust	200,000	Class A Lease
Thyssenkrupp	3100 Interstate North	Rubenstein Partners	67,002	Class A Lease

Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
3100 Cumberland Blvd.	6/6/2018	\$68,250,000	419,456	\$162.71	PCCP, LLC
7100 Highlands Pkwy.	7/30/2018	\$22,566,500	150,000	\$150.44	Exeter Property Group
3333 Riverwood Pkwy.	10/16/2018	\$15,840,000	106,863	\$148.23	SWH Wyatt 3333 LLC
1130 Powers Ferry Pl.	8/1/2018	\$14,650,000	73,000	\$200.68	S. Amos Smith

Skyline Review

Space Available
■ Direct
■ Sublet

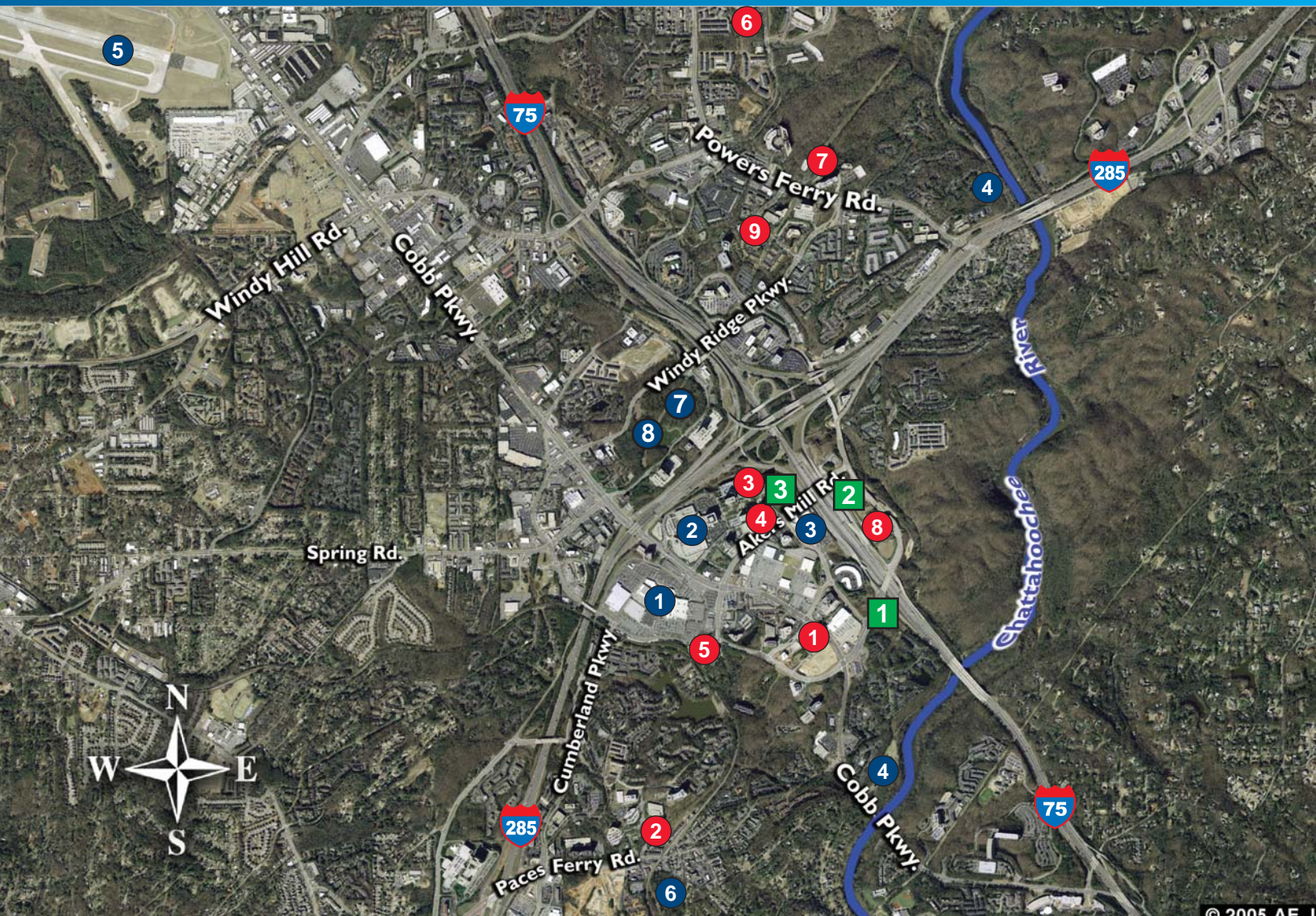
Source: CoStar Property



BUILDING	1	2	3	4	5
RBA	502,527 SF	514,746 SF	432,402 SF	432,177 SF	419,456 SF
TYPICAL FLOOR SIZE	21,889 SF	26,000 SF	23,952 SF	22,743 SF	24,308 SF
% LEASED	89.3%	58.7%	96.7%	81.0%	95.7%
LARGEST SPACE AVAIL.	48,017 SF	155,473 SF	15,781 SF	25,721 SF	116,207 SF
RENTAL RATE PER SF (Gross)	\$31.50	\$28.00-\$32.00	\$30.00-\$32.00	\$30.00-\$32.00	\$28.00-\$29.00



BUILDING	6	7	8	9
RBA	716,484 SF	329,984 SF	387,267 SF	210,919 SF
TYPICAL FLOOR SIZE	43,362 SF	21,999 SF	27,000 SF	23,435 SF
% LEASED	90.7%	16.6%	80.9%	88.5%
LARGEST SPACE AVAIL.	132,362 SF	275,605 SF	47,762 SF	169,810 SF
RENTAL RATE PER SF (Gross)	\$27.50	\$27.00-\$29.00	\$27.00-\$30.00	\$21.00-\$22.00



Aerial Legend

- Buildings by Numbers (see opposite page)
- New Construction

Points of Interest

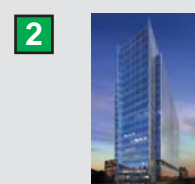
- | | |
|---|--|
| 1 Cumberland Mall | 5 Dobbins Air Base |
| 2 Galleria Mall | 6 Vinings Area |
| 3 Cobb Energy Arts Centre | 7 SunTrust Park |
| 4 Chattahoochee Recreation Center | 8 The Battery |

Active Projects



THYSSENKRUPP HQ
 235,000 SF
 Class A Build-To-Suit
 420-Foot Elevator Tower
 Under Construction
 Delivery Q1 2022
 Developer: Atlanta Braves

Proposed Projects



TWO OVERTON PARK
 390,000 SF Class A office
 Construction pending
 Developer: Hines
 Interests

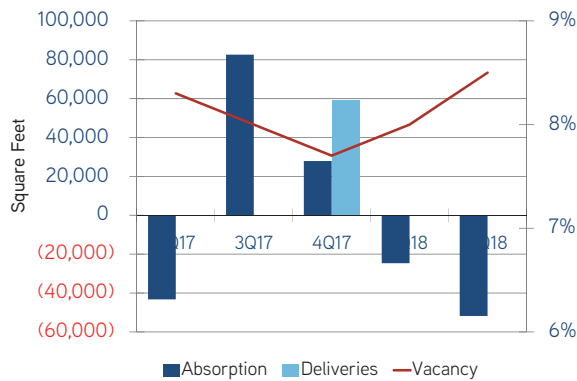


500 GALLERIA
 250,000-300,000 SF
 Class A build-to-suit
 Construction pending
 Developer: Childress Klein

In The News

- > Elevator giant Thyssenkrupp to build new U.S. Headquarters at the Battery at SunTrust Park:** Thyssenkrupp Elevator Americas will be developing a new facility at the Battery, bringing over 235,000 square feet of offices, as well as a 420-foot elevator testing tower. The three building development will bring 900 full-time employees to the land owned by the Atlanta Braves, a big win for Cobb County and the Braves alike. The project is expected to top \$200 million and is expected to deliver by 2022. The Cobb County Development Authority has approved a \$264 million bond and 10 years of property tax breaks as incentive for the company.
- > Cobb County lands Floor & Décor HQ, 500 new jobs:** Floor & Décor Holdings Inc., a discount home improvement chain, is relocating its headquarters to Cobb County, aiming to create 500 jobs (over a five year span). These jobs will include administrative and customer service positions for Floor & Décor, an 18 year old company formerly of Smyrna, which went public last year. This continues a trend of investment in Georgia from Floor & Décor, as they opened a state-of-the-art 1.4 million sf distribution center outside of Savannah earlier this year. The lease is expected to be upwards of 200,000 square feet, and be located at 2500 Windy Ridge.

Kennesaw | Marietta | Cherokee Co.



Summary Statistics

Office Market Stats	All Classes
Total Inventory (Millions Square Feet)	9.3
Vacancy Rate	8.2%
Absorption YTD (Thousands Square Feet)	-14
Construction Deliveries YTD (Thousands Square Feet)	-
Under Construction (Thousands Square Feet)	-
Average Quoted Rent	\$18.10

Colliers International | Atlanta Office | Northwest Atlanta Listings



CUMBERLAND CTR. II
83,467 SF Sublease
Jeff Kelley / Drew Levine



PARKWOOD POINT
13,000-25,353 SF Sublease
Jeff Kelley / Russ Jobson



3301 WINDY RIDGE
1,754-15,066
Deming Fish



3225 CUMBERLAND
9,843 SF Lease
Jessica Doyle / Lee Evans



RIVEREDGE SUMMIT
1,803-10,114 SF Lease
Will Tyler / Lee Evans
Deming Fish



OVERLOOK I
1,460-11,468 SF
Jessica Doyle

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