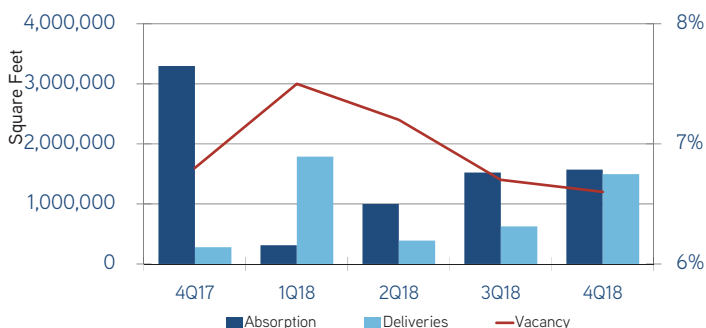


Key Takeaways

- For the second consecutive quarter, Northeast Atlanta's industrial absorption topped 1.5 million square feet. This brings the annual total of space absorbed to 4.4 million square feet which is the third highest amount in the Atlanta market for 2018.
- Overall vacancy in the submarket is down only 0.2% year-over-year despite strong occupancy gains this year. This is due to the amount of new supply added almost matching absorption levels.
- Bulk rents have increased the most in the I-985/Jackson Co. area of the submarket. The average has increased 10% from last year. Demand for space in this sub-section of Northeast Atlanta is resulting in newer, more modernized space being delivered to the submarket. This space is priced higher on the whole.
- Activity in the Northeast Atlanta industrial submarket has somewhat moderated as of late. Should this remain consistent, it will likely result in lower absorption levels in 2019.

Absorption, Deliveries and Vacancy



UPDATE - Recent Transactions in the Market

Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
Radial	2510 Mill Center Pkwy.	Heitman LLC	301,320	Distribution Lease
WEG Electronics	6655 Sugarloaf Pkwy.	Duke Realty	250,000	Warehouse Renewal
DH Pace Company	5105 Avalon Ridge Pkwy.	Exeter Property Group	166,688	Warehouse Lease
Anixter	6525 Best Friend Rd.	Majestic Realty Co.	153,572	Warehouse Renewal

Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
705 Braselton Industrial Pky.	10/3/2018	\$70,022,100	1,000,821	\$69.96	Uline
650 Braselton Pkwy.	9/6/2018	\$61,113,365	373,750	\$163.51	Monmouth Real Estate Inv.
2500 W Park Dr.	11/16/2018	\$25,200,000	758,788	\$33.22	Farallon Capital Management
Braselton 85 Business Center	7/12/2018	\$22,896,000	432,000	\$53.00	Cabot Properties, Inc.

Market Indicators

Relative to prior period

Northeast Atlanta
Q4 2018Northeast Atlanta
Q1 2019*

VACANCY

-



NET ABSORPTION

+



CONSTRUCTION

↓



RENTAL RATE

↑



*Projected

Summary Statistics

Northeast Atlanta Industrial Market

All

Warehouse

Flex &
Shallow-BayTotal Inventory
(Millions Square Feet)

199.5

158.4

41.1

Vacancy Rate

6.6%

6.7%

6.3%

Change From Q3 2018

-0.1%

-

-0.4%

Absorption YTD
(Millions Square Feet)

4.4

4.1

0.3

Construction Deliveries YTD
(Millions Square Feet)

4.3

4.3

-

Under Construction
(Millions Square Feet)

5.0

5.0

-

Asking Rents

Per Square Foot Per Year

Average Quoted

\$4.76

\$4.38

SB \$5.11
Flex \$8.83

Change From Q3 2018

1.1%

1.4%

SB 1.4%
Flex -0.5%



For Lease			
#	PROPERTY	SF AVAILABLE	BROKER(S)
1	2560 Northlake Dr.	40,800	Price Weaver / Mike Spears
2	6325 McDonough Dr.	15,000	Max Ellis / Lee Cardwell
3	Northbelt Business Park	Availabilities	Brian Camp
4	6550 Best Friend Rd.	75,205	Scott Plomgren / Harrison Marsteller
5	1520 Broadmoor Blvd.	16,238	Brian Camp
6	Northeast 85 Logistics Ctr.	1,053,360	Darren Ross / Scott Plomgren
7	3101 McCall Dr.	68,640	Price Weaver / Hooper Wilkinson
8	2205 Northmont Pkwy.	32,000	Price Weaver / Hooper Wilkinson
9	Jefferson Mill Business Park	250,569-749,730	Price Weaver / Ben Logue
10	1125 Northbrook Pkwy	203,031	Price Weaver / Scott Plomgren
11	Broadmoor Logistics Park 200	20,000-111,480	Harrison Marsteller / Darren Ross
12	Braselton Point Logistics Ctr.	462,000	Harrison Marsteller / Scott Plomgren

FOR MORE INFORMATION

Scott Amoson
VP, Director of Research | Atlanta
+1 404 877 9286
scott.amoson@colliers.com

COLLIERS INTERNATIONAL
ATLANTA INDUSTRIAL SPECIALISTS

- Douglas Biggs

Sean Boswell

Brian Camp

Sam Campbell

Lee Cardwell

Grant Cochran

Chris Cummings

Max Ellis

Ben Logue
- Harrison Marsteller

Scott Plomgren

Darren Ross

Ryan Sawyer

Mike Spears

Rick Vaughn

Price Weaver

Hooper Wilkinson

Turner Wisehart