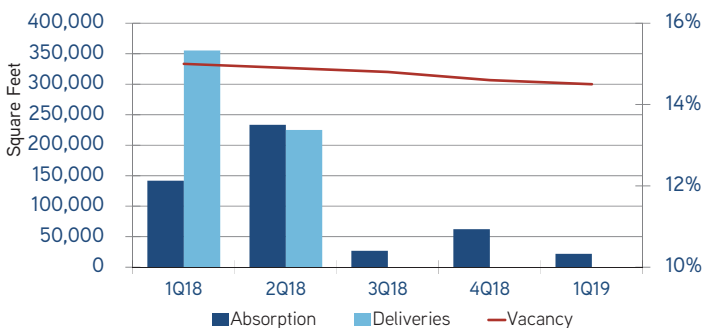


Key Takeaways

- Like most of Atlanta's other office submarkets, Central Perimeter began the year with only modest positive absorption. The submarket absorbed a net total of 21,926 SF.
- Central Perimeter's largest occupancies by Northside Hospital, OneTrust, and Carr, Riggs & Ingram this quarter were offset by consolidations and contractions within the submarket. AIG's vacancy at Northpark was the largest move-out to subdue the occupancy gains.
- The decline in Central Perimeter's Class A rental rate average is not expected to become a trend. The expectation is for rents to increase yet again next quarter.
- First quarter's leasing activity in the submarket was solid and expected to produce strong occupancy gains in the latter half of the year. In the meantime, the submarket still has a few consolidations yet to hit the market including State Farm and Xerox.

Absorption, Deliveries and Vacancy



UPDATE - Recent Transactions in the Market

Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
Tropical Smoothie Cafe	1117 Perimeter Center Pky.	1117 Sandy Springs LLC	50,660	Class A Lease
Levelor	Lakeside Office Park - Bldg. A	CSM Bakery (sublessor)	43,055	Class A Sublease
Serendipity Labs	121 Perimeter Center West	Brogdon Consulting	26,650	Class B Lease
Focus Brands	Glenridge Highlands Two	First Data (sublessor)	23,554	Class A Sublease

Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
One & Three Glenlake	4/15/2019	\$227,500,000	710,832	\$320.05	Starwood Capital Group
200 Ashford Center North	1/10/2019	\$24,620,000	159,154	\$154.69	TerraCap Management LLC
1400 Lake Hearn Dr.	11/21/2018	\$13,260,000	292,000	\$45.41	Pope & Land Real Estate
5009 Roswell Rd.	2/11/2019	\$10,500,000	36,000	\$291.67	Honan Property Management

Market Indicators

Relative to prior period

	Central Perimeter Q1 2019	Central Perimeter Q2 2019*
VACANCY	↓	↑
NET ABSORPTION	+	-
CONSTRUCTION	-	-
RENTAL RATE	↓	↑

*Projected

Summary Statistics

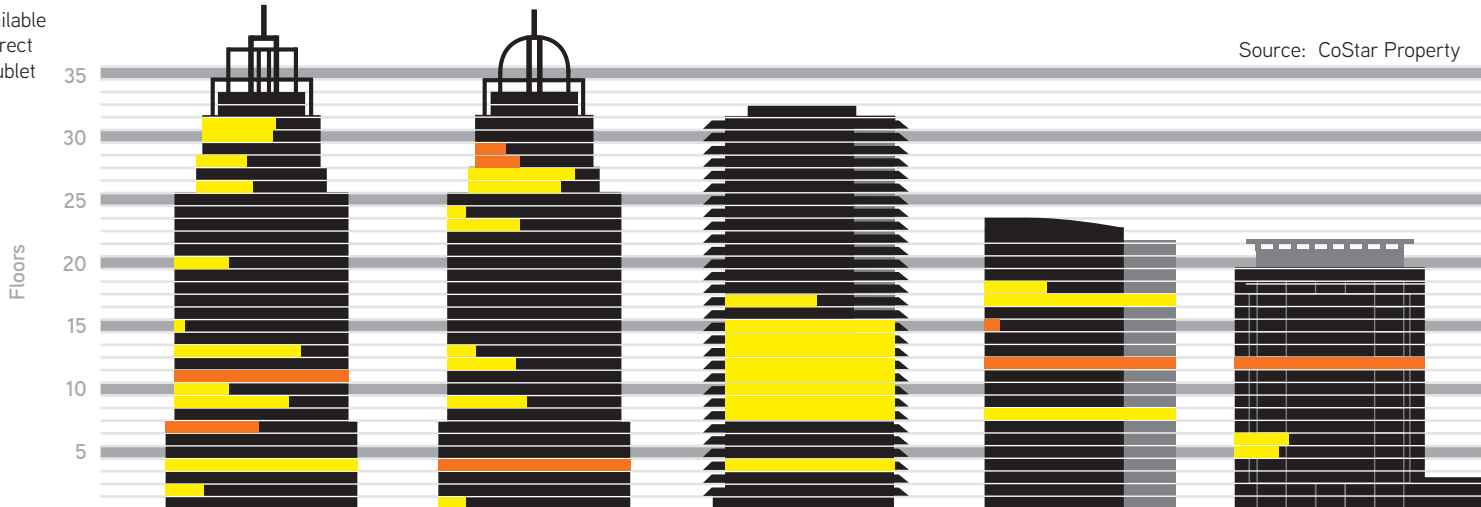
Central Perimeter Office Market

	All Classes	Class A	Class B
Total Inventory (Millions Square Feet)	30.2	22.3	6.6
Vacancy Rate	14.5%	14.1%	17.4%
Change From Q4 2018	-0.1%	-	-0.5%
Absorption YTD (Thousands Square Feet)	22	-6	34
Construction Deliveries YTD (Thousands Square Feet)	-	-	-
Under Construction (Thousands Square Feet)	1,434	1,434	-
Asking Rents Per Square Foot Per Year			
Average Quoted	\$27.43	\$30.14	\$20.72
Change From Q4 2018	-0.7%	-0.7%	2.7%

Skyline Review

Space Available
■ Direct
■ Sublet

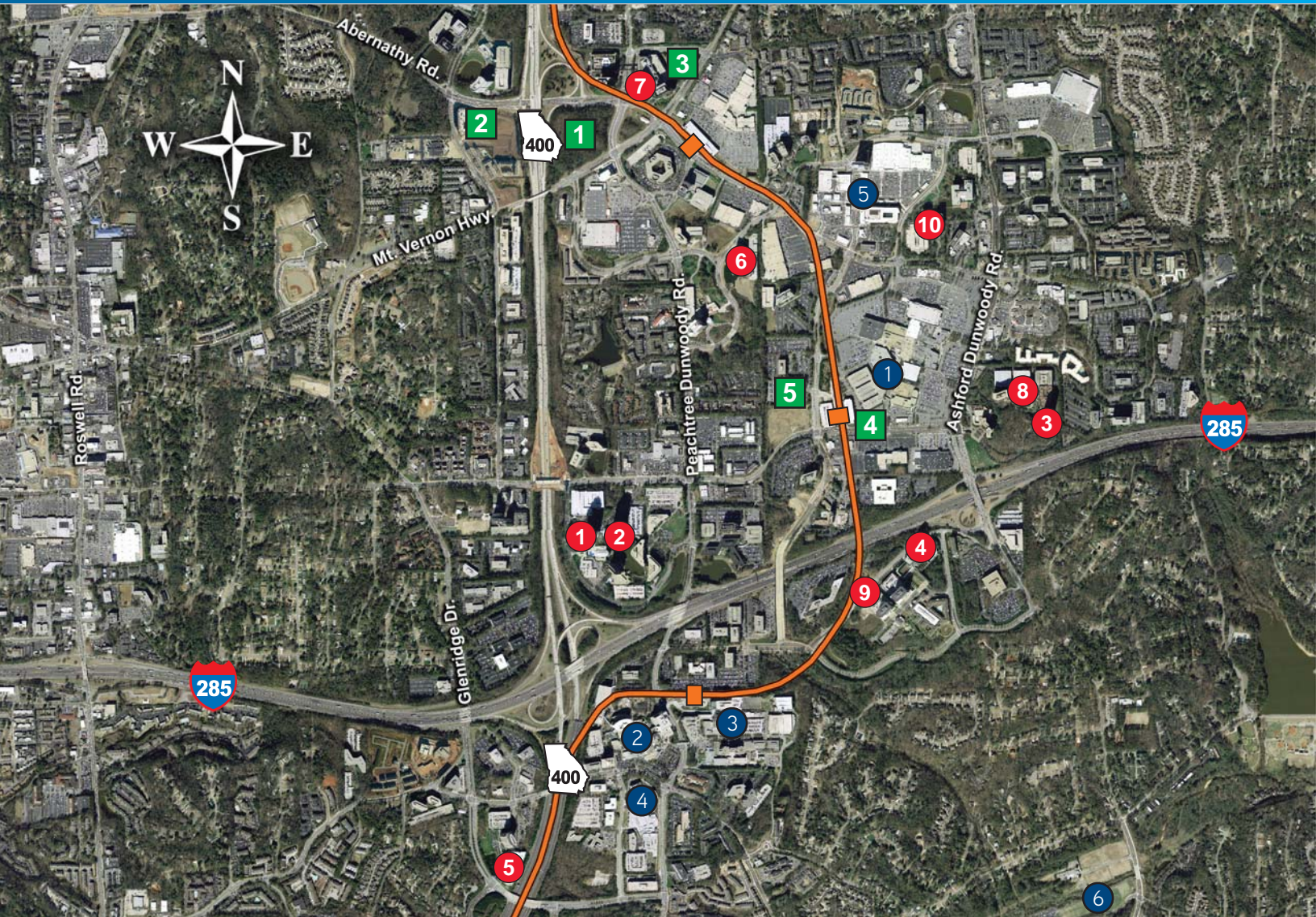
Source: CoStar Property




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	87.2%	90.9%	92.3%	90.6%	97.2%
LARGEST SPACE AVAIL.	25,841 SF	25,428 SF	207,391 SF	37,739 SF	47,088 SF
RENTAL RATE PER SF (Gross)	\$36.00	\$36.00	\$35.50	\$35.00-\$37.00	\$35.50
	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	92.1%	96.6%	67.5%	14%	39.4%
LARGEST SPACE AVAIL.	27,933 SF	53,796 SF	34,838 SF	305,706 SF	184,493 SF
RENTAL RATE PER SF (Gross)	\$33.00-\$35.50	\$33.00-\$34.00	\$28.50	\$38.00-\$42.00	\$32.00-\$34.00
	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> 
TWELVE24
335,000 SF office
Under Construction
Developer: Trammell Crow</p> | <p> 
HIGH STREET ATLANTA
400,000 SF office
Planning Stage
Developer: GID/North American</p> | |

In The News

- › **Transit a priority in Central Perimeter:** Transportation is a top priority for the Central Perimeter business district. 123,000 employees arrive daily to the area, which boasts 29 million square feet of office space and over 5,000 companies. The Perimeter CID (Community Improvement Districts), alongside the cities of Dunwoody, Sandy Springs, and Brookhaven, have created a list of 37 projects to fund within the next five to ten years. Projects will include a new east-west bus transit line along I-285, an upgrade of traffic signal technology and equipment, and a rebuilt I-285 and GA 400 interchange. More pedestrian/biking trails for commuters from MARTA to their offices are being built as well. These changes are being made with the goal of promoting economic development in the area, like State Farm's new MARTA-adjacent headquarters.
- › **Dunwoody alive with office development growth:** Three major projects are currently, or soon to be, underway in Dunwoody: Park Center (the State Farm regional hub), Twelve24 (InSight Global's new HQ), and High Street. These three alone are expected to add 2.5 million square feet of office space, 500,000 square feet of retail, and over 3,000 residential units to the area. One key component to all of these developments are their proximity to the Dunwoody MARTA station. Adding density around MARTA stations in the submarket is a top priority for the area to continue to grow – the stations will be seen as “hubs” from which more development will radiate from.

AT A GLANCE | TWELVE24



- › Class A, LEED office tower totaling 334,000 square feet.
- › Transit-oriented 16-story office tower on 3.94-acres directly connected to Dunwoody MARTA station.
- › Insight Global to anchor the building with 200,500 square feet.
- › Building is expected to begin construction Summer 2018, with an anticipated delivery date in Fourth Quarter 2020.
- › Trammell Crow is developing the building.

FOR MORE INFORMATION

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Drew Levine	Bob Ward
Michael Lipton	Tiffany Wein
Paul Reese	Stewart Yates

Colliers International | Atlanta Office | Central Perimeter Listings



EMBASSY ROW 400
25,981 SF Sublease
Andrew Waguespack



8737 DUNWOODY PL
8,114 SF Sale
Tiffany Wein