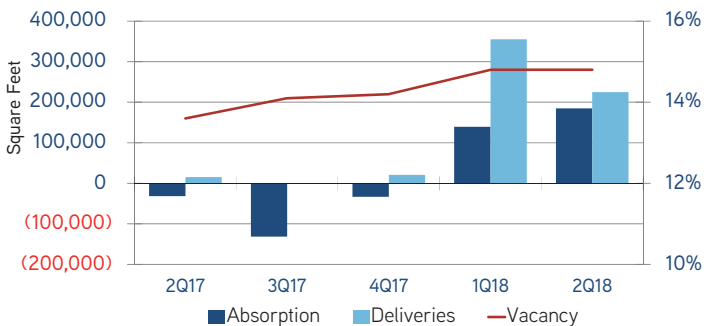


Key Takeaways

- The highlight of the second quarter for Central Perimeter was the delivery and occupancy of Mercedes-Benz new headquarters off of Abernathy Road. The 225,000 square foot move-in helped propel the submarket to the top of the list in terms of most office space absorbed in Atlanta this quarter.
- With absorption and deliveries practically equaling themselves, Central Perimeter's overall office vacancy rate showed no change from the first quarter.
- Leasing activity in the submarket remained strong in Q2 with a number of new leases and expansions taking place.
- For the first time in its history, Central Perimeter's average Class A rental rate hit the \$30 per square foot amount.
- Given the pipeline of expected occupancies through the end of the year, Central Perimeter is likely to be Atlanta's strongest office submarket in 2018.

Absorption, Deliveries and Vacancy



Market Indicators

Relative to prior period

	Central Perimeter Q2 2018	Central Perimeter Q3 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)	29.6	22.0	6.5
Vacancy Rate	14.8%	13.9%	19.2%
Change From Q1 2018	-	-0.1%	0.6%
Absorption YTD (Thousands Square Feet)	324	264	42
Construction Deliveries YTD (Thousands Square Feet)	580	580	-
Under Construction (Millions Square Feet)	670	670	-
Asking Rents Per Square Foot Per Year			
Average Quoted	\$27.80	\$30.00	\$21.56
Change From Q1 2018	0.3%	-	0.4%

UPDATE - Recent Transactions in the Market

Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
T-Mobile	One Ravinia	Franklin Street Properties	151,792	Class A Renewal
Oldcastle	900 Ashwood	Starwood Capital Group	80,746	Class A Renewal & Contraction
Edible Arrangements	980 Hammond Dr.	Intercontinental RE Corp.	43,921	Class A Lease
US Bank	2 Concourse Pkwy.	CBRE Global Investors	40,896	Class A Expansion

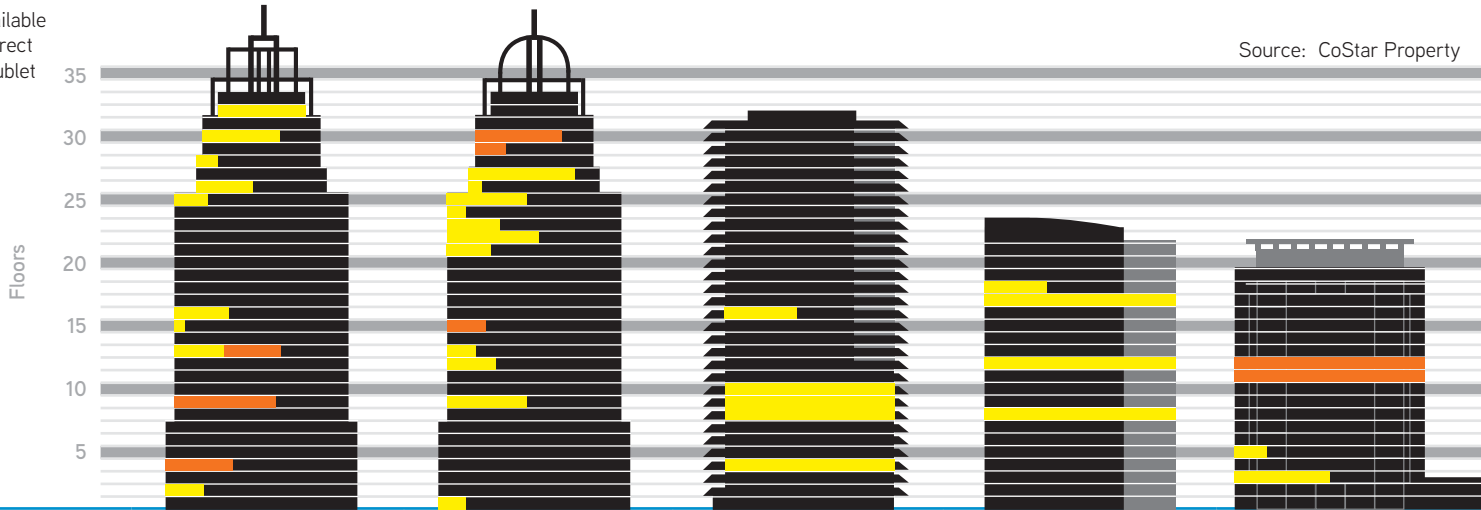
Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
7000 Central Park	6/2/2018	\$104,800,000	415,324	\$252.33	Starwood Capital Group
100 & 200 Glenridge Point	5/24/2018	\$44,000,000	185,402	\$237.32	Richmond Honan Dev.
5620 Glenridge Dr.	3/14/2018	\$18,300,000	63,049	\$290.25	Crossgate Partners, LLC
7840 Roswell Rd.	6/28/2018	\$7,910,000	65,293	\$121.15	Highgate Partners

Skyline Review

Space Available
■ Direct
■ Sublet

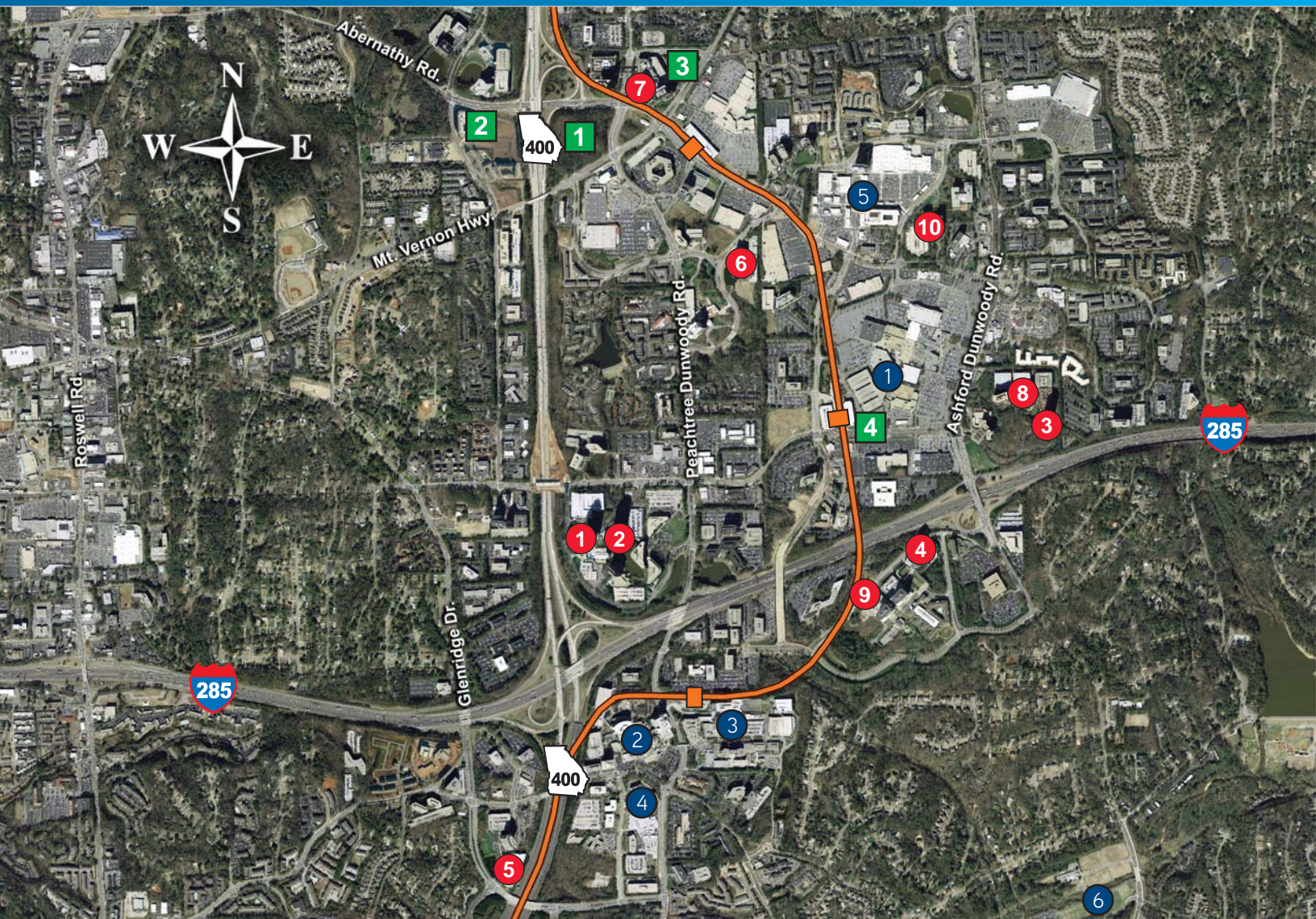
Source: CoStar Property




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	91.4%	88.3%	98.4%	96.0%	99.2%
LARGEST SPACE AVAIL.	14,830 SF	12,282 SF	78,016 SF	37,739 SF	47,088 SF
RENTAL RATE PER SF (Gross)	\$35.50	\$35.50	\$34.50	\$35.00-\$36.00	\$34.50
	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	82.3%	76.9%	71.9%	0%	84.8%
LARGEST SPACE AVAIL.	14,599 SF	90,430 SF	34,838 SF	355,250 SF	241,606 SF
RENTAL RATE PER SF (Gross)	\$32.00-\$34.00	\$33.00-\$34.00	\$28.50	\$38.00-\$42.00	\$29.00
	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

 **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

 
ABERNATHY 400
550,000 SF
Planning Stage
Delivering TBD
Developer: Ackerman

 
700 NORTHPARK
484,000 SF office
Planning Stage
Delivering TBD
Developer: Hines

 
TWELVE24
334,000 SF office
U/C Summer 2018
Developer: Trammell Crow

In The News

- › **Co-working company leases Central Perimeter space for 2nd Atlanta location:** Denver co-working company Office Evolution has chosen the Central Perimeter submarket for its second Atlanta office lease. The company signed a lease for 6,900 square feet at 56 Perimeter Center East. The space is located on the ground-floor and is expected to open in the fall of 2018. The lease is for seven years. Office Evolution chose this particular building due to its easy access to Interstate 285.
- › **Developers building more parking for their office buildings:** Two Central Perimeter office owners are adding more parking to their buildings in order to accommodate tenant needs, and also attract potential prospects. Preferred Office Properties is building a deck to include 500 more parking spaces to its Three Ravinia building. The additional spots will raise the buildings parking ratio to 4 spaces per 1,000 square feet leased and provide Preferred with a marketing advantage to prospects in the submarket. Seven Oaks Co. is also constructing a 5-story parking deck to its Perimeter Summit buildings. The new deck will push parking ratios to some of the highest levels in Central Perimeter at 6 spaces per 1,000 SF leased. More parking at the complex was key to Seven Oaks winning the Northside Hospital lease of 180,000 square feet.

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

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

COLLIERS INTERNATIONAL ATLANTA OFFICE SPECIALISTS

Scott DeMyer	Paul Reese
Jessica Doyle	Emily Richardson
Lee Evans	Jodi Selvey
Deming Fish	Fred Sheats
Huston Green	Pete Shelton
Josh Gregory	Hayes Swann
Russ Jobson	Will Tyler
Jeff Kelley	Andrew Waguespack
Dany Koe	Andrew Walker
Drew Levine	Bob Ward
Michael Lipton	Tiffany Wein
Bryce Metcalf	Stewart Yates

Colliers International | Atlanta Office | Central Perimeter Listings



EMBASSY ROW 400
25,981 SF Sublease
Andrew Waguespack



1117 PERIMETER CENTER
2,821 SF Sublease
Pete Shelton