

Lee & Associates | Year End 2017 Savannah Industrial Market Report



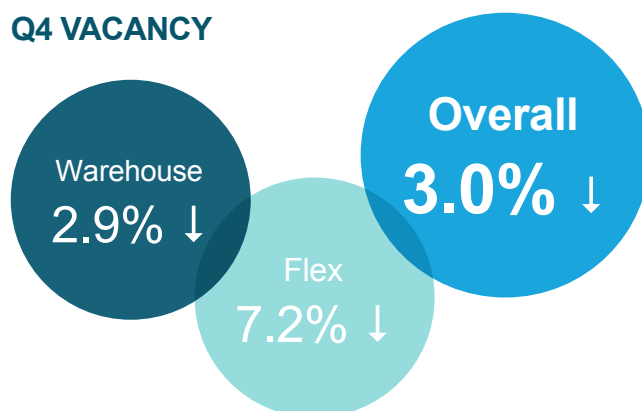
MARKET HIGHLIGHTS

In the second half of 2017, Savannah's industrial market remains strong, ending with 3,527,463 SF in Q3 and Q4 positive year to date net absorption, totaling 4.49M for the year net absorption, and a total vacancy rate of 3.0%.

Construction and development activities continue to push forward with 5,527,669 SF delivering since January 2017, with an additional 1,919,884 SF of projects under construction.

Overall rental rates increased, ending Q4 at \$4.62 PSF. With a growing demand for inventory, the Savannah Industrial sector can expect a push for more speculative development as 2018 begins.

Q4 VACANCY



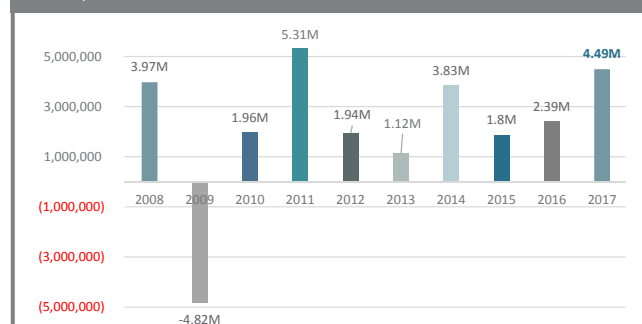
LARGEST PROJECTS UNDER CONSTRUCTION

as of Q4 2017

Project Location	Building SF	Tenant	Developer	Delivery
445 Northport Pky	Shaw Carpets	Spec	CRG	Q2-18
Northport Pky	752,000	Spec	WBA	Q4-18
100 International Trade Pky	391,040	Spec	Rooker	Q4 -17
Pooler Pky	356,800	Spec	PNK Group	Q3 -18

ABSORPTION

in SF, 2008 - 2017



2017 TOP LEASES

Property Name	Address	Submarket	Tenant Name	SF	Quarter
Northport Commerce Center I	590 Northport Pky	Port Wentworth	Shaw Carpets	1,000,000	Q3
Northport Commerce Center II	445 Northport Pky	Port Wentworth	Shaw Carpets	832,000	Q3
435 Jimmy Deloach	435 Jimmy Deloach Pky	N Savannah/Garden City	Noble House	630,598	Q3
100 Logistics	100 Logistics Way	N Savannah/Garden City	Withheld	388,500	Q4
Interstate 95 Logistics Center	455 Jimmy Deloach Pky	N Savannah/Garden City	ONL-RBW Logistics	305,067	Q2

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data sources: CoStar Group, Inc., Real Capital Analytics, Georgia State Economic Forecasting Center and the Georgia Ports Authority.

The Lee & Associates Savannah Industrial Market Report compiles market data by using a third-party database for the proprietary analysis of over 8 million Industrial properties in the Savannah area.

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**THE LARGEST
SINGLE CONTAINER
TERMINAL IN
NORTH AMERICA**

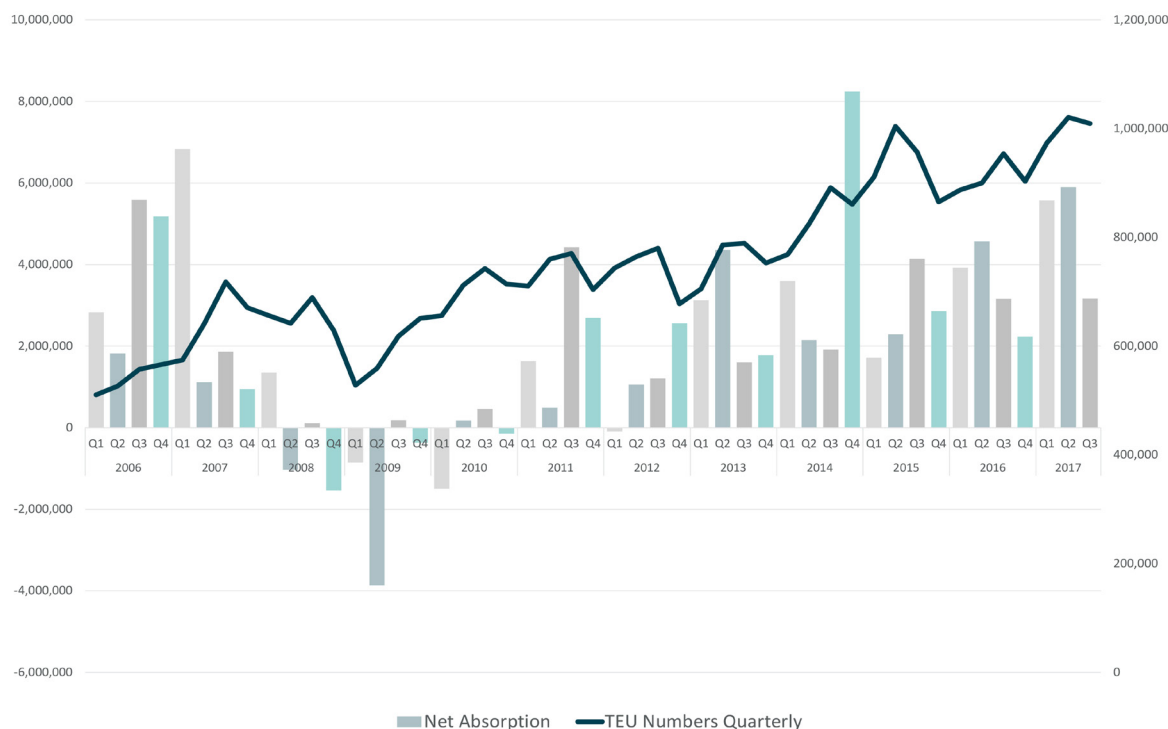
THE PORT OF SAVANNAH

LOCATION AND INFRASTRUCTURE

The Port of Savannah, located 250 miles from Metro Atlanta, is the nation's fastest-growing and fourth-largest container port. The Port of Savannah offers the complete logistics package and a location that is 100 miles closer to Atlanta than any other port. The Metro Atlanta area of more than 5.8 million residents establishes an important retail market and Atlanta remains an important logistics hub for reaching the Southeast and beyond, bringing exports to the coast.

THE PORT'S IMPACT ON THE METRO ATLANTA REGION

An economic engine, Georgia's ports stimulate growth statewide. Based on the amount of imports and exports from the Port of Savannah, the Metro Atlanta region makes up nearly 49% and 34% of TEU (twenty unit equivalent) and Short Ton total statewide volume. Lee & Associates - Atlanta continues to track South Atlanta's Industrial net absorption in relation to the Port of Savannah TEU totals. As TEUs have grown over the past 10 years, South Atlanta has experienced a growing positive net absorption. As the Georgia Port's Authority projects container capacity to double during in the coming decade, South Atlanta warehouse space will be in demand.



About Lee & Associates

In 2010, our Atlanta office joined Lee & Associates, the largest broker-owned commercial real estate sales organizations in the U.S. As a local office of this highly respected national firm, the Atlanta team capitalizes on Lee's stellar reputation to continue its paradigm of establishing long-term, client-driven relationships to develop customized solutions for every client's specific real estate requirement.