

# Lee & Associates | Mid Year 2018 Savannah Industrial Market Report



## MARKET HIGHLIGHTS

In the first half of 2018, Savannah's industrial market remains extremely tight and strong, ending with 4.49 million SF in Q1 and Q2 positive year to date net absorption and a total vacancy rate of 1.3%.

Construction and development activities continue to push forward with 1,250,002 SF delivering since January 2018, with an additional 7,031,522 SF of projects under construction.

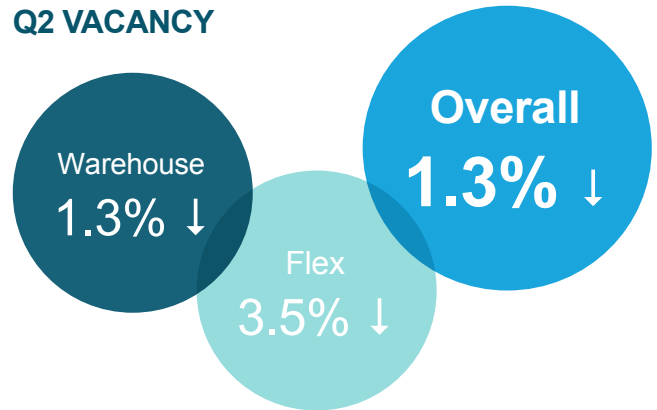
Overall rental rates increased, ending Q2 at \$4.90 PSF. With a growing demand for inventory and an extremely tight market, the Savannah Industrial sector can expect a push for more speculative development as 2018 progresses.

## LARGEST PROJECTS UNDER CONSTRUCTION

as of Q2 2018

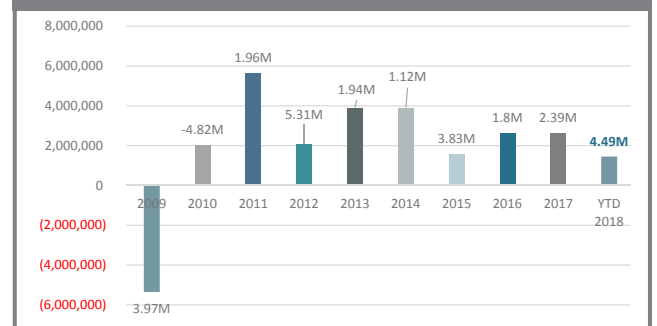
Project Location	Building SF	Tenant	% Leased	Delivery
202 Interational Trade Pky	1,000,000	Spec	0%	Q3-19
Morgan Lakes Industrial Blvd	1,000,000	Spec	0%	Q4-18
Northport Pky	752,000	Spec	0%	Q4-18
Morgan Lakes Industrial Blvd	728,500	Spec	55%	Q4-18

## Q2 VACANCY



## ABSORPTION

in SF, 2008 - 2018



## 2018 TOP LEASES

Property Name	Address	Submarket	Tenant Name	SF	Quarter
122 Norwest - Building 2	122 Norwest Ct	N Savannah/Garden City	Withheld	157,500	Q2
2 Alfred	2 Alfred St	Greater Savannah	US Port Services	70,000	Q2
88 Clyde	88 Clyde Alexander Ln	Bloomingdale/Pooler	American Packing + Crating	70,000	Q2
5250 Old Louisville	5250 Old Louisville Rd	Bloomingdale/Pooler	Withheld	50,000	Q2
8 Aviation	8 Aviation Ct	N Savannah/Garden City	East Coast Logistics	49,500	Q1

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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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Market report analysis by: Kate Hunt, Research and Database Coordinator

Market report created by: Brittany Sturdivant, Marketing Coordinator



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

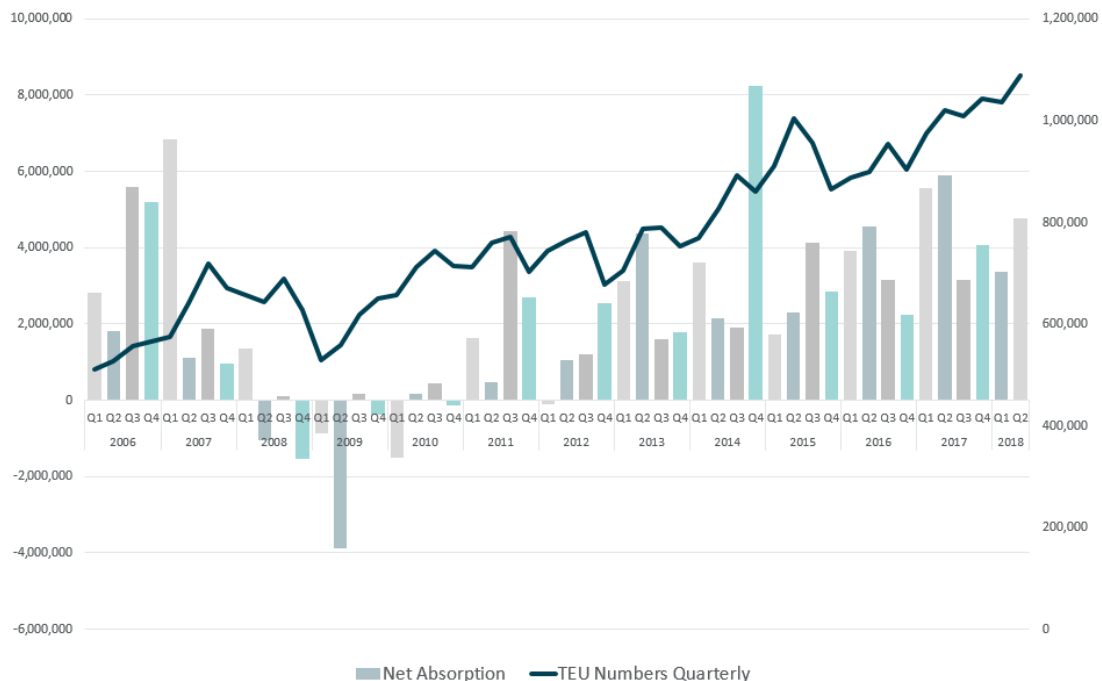
## THE PORT OF SAVANNAH

### 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.