

Lee & Associates Atlanta

Savannah Industrial Market Report

Q4 2020

MARKET HIGHLIGHTS

The Port of Savannah continues to be the fastest-growing container terminal in America. In 2020, the port acquired an additional 145 acres, adding 1 million TEUs (twenty-foot equivalent unit) container capacity to the port. This is part of the port's larger expansion plan to increase the Georgia Ports Authority's capacity to more than 9 million TEUs by 2030. This growth has been led by an increase in demand as the top port for U.S. exports. To keep up with this growth, the Savannah industrial market added 9,419,044 SF of new distribution and warehouse product in 2019 and another 5,971,044 SF in 2020, causing the vacancy rate to rise to 7.7%. Despite the vacancies, construction continues to boom with roughly 8 million SF under construction. The market continues to grow with a positive absorption of 3.2 million SF of net absorption to finish the year of 2020.

The port is actively adding facilities that will allow containers to be moved from ship to off-site warehouses quicker than almost any other port in the U.S. In 2021, the port is looking to increase new hires to keep their system full steam ahead with no signs of impact by the pandemic.

LARGEST PROJECTS UNDER CONSTRUCTION

Project Location	Building SF	Tenant	% Leased	Delivery
2016 Trade Center Blvd	1,165,425	Spec	0%	Q1 - 22
300 Seabrook Pkwy	1,135,680	Spec	0%	Q2 - 21
202 Int'l Trade Pkwy	1,000,000	Spec	0%	Q1 - 21
Gateway Pkwy	874,000	—	9.5%	Q1 - 22

2020 TOP LEASES

Property Name	Address	Submarket	Tenant Name	SF	Quarter
Savannah Port Logistics Center	400 Seabrook Pkwy	Bloomingdale/Pooler	Plastic Express	1,075,200	Q1-2020
Tradeport East Business Center	1421 Sunbury Rd	Liberty County	Hooker Furniture	800,000	Q4-2020
Georgia Int'l Trade Center	2008 Trade Center Blvd	Effingham County	Dorel	774,313	Q3-2020
Savannah River Int'l Trade Park	307 Int'l Trade Pkwy	Port Wentworth	Shaw Industries	420,650	Q4-2020
Savannah Gateway Industrial Hub	4601 McCall Rd	Effingham County	BISSELL, Inc	388,440	Q4-2020

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party data sources: CoStar Group, Inc., Real Capital Analytics, Georgia State Economic Forecasting Center, SED, Georgia Ports Authority and Site Selection. 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 and flex properties in the Savannah area. © Copyright 2021 Lee & Associates Atlanta. All rights reserved. Market report analysis by: Willie Candler, Research Associate Market report created by: Bentley Logue, Graphic Designer

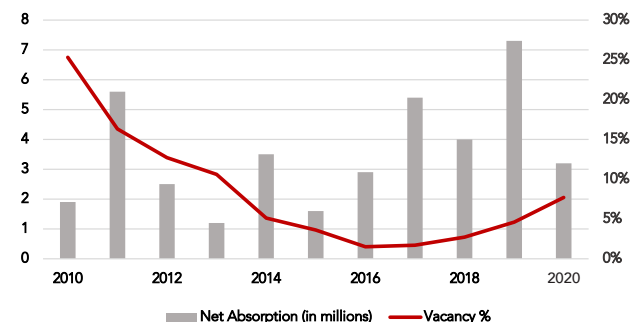
Q4 2020 QUICK STATS

↑ 3.2 SF Net Absorption

↑ 8 M SF Under Construction

↑ 7.7% Vacancy Rate

VACANCY & NET ABSORPTION 2010 - 2020





THE LARGEST SINGLE CONTAINER TERMINAL IN NORTH AMERICA

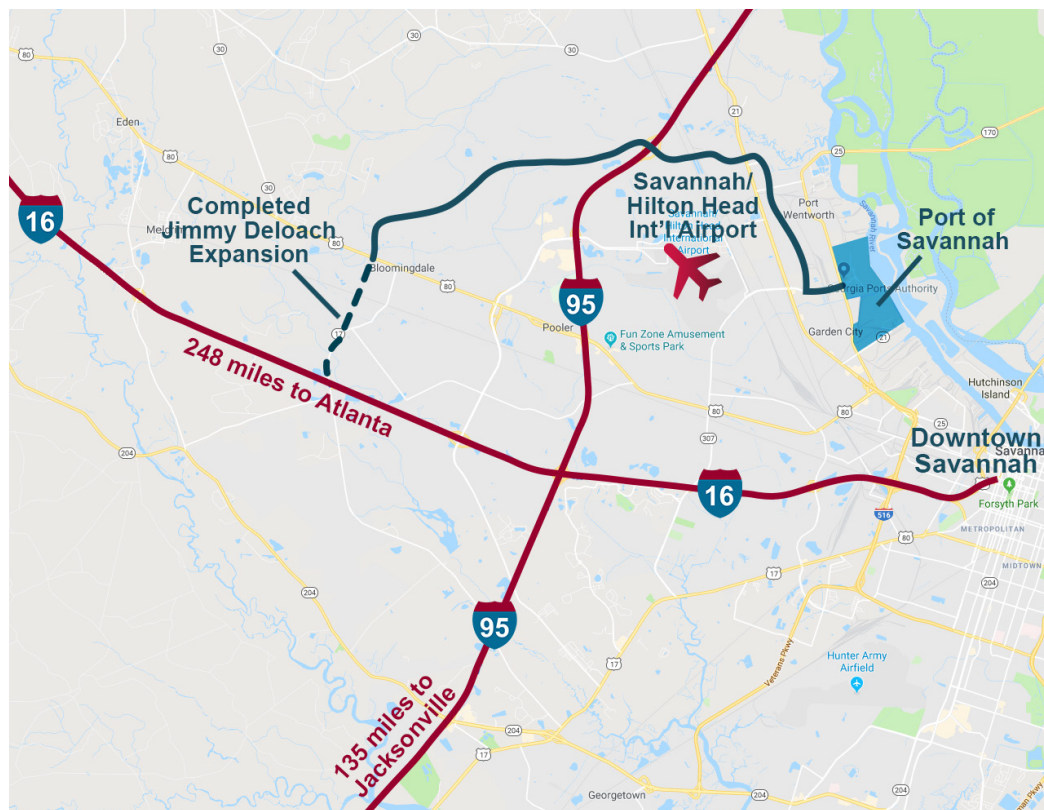
- Georgia Ports Authority

THE PORT OF SAVANNAH Location & Infrastructure

The port now handles 22% of the sea trade on the east coast, up 10% in the last two years. Despite drops in shipments during the beginning of COVID, the overall shipments rose 1.8% with increased activity in Q3 and Q4. Savannah moved 447,525 TEUs in December 2020, up 24% from December 2019. Overall 4.68 Million TEUs for 2020 compared to 4.59 million in 2019. Total cargo for 2020 was 38.4 tons.

SAVANNAH ECONOMY Business in Savannah

The Savannah area boasts a large workforce population of more than 157,000 and a flourishing economy due to increasing tourism, a thriving port, and a strong manufacturing and distribution sector. In 2020, the transportation and warehousing industry supported 16.14% of Savannah's workforce population. The port supports nearly 500,000 Georgia jobs, 25,362 jobs directly at the ports. Manufacturing employment has grown 24% over the past 10 years. 44% of the U.S. population can be reached within a 24 hour drive from Savannah and the Savannah/Hilton Head International Airport provides more than 32 daily direct flights.



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