

KEY POINTS

- Goodman Manufacturing signed the largest lease of the quarter 743KSF at Jefferson Mill Business Park - Building G
- Core5 Industrial Partners has the largest project under construction in the Northeast, Northeast 85 Logistics Center - Bldg. 2, a 1.1 MSF facility at 421 Toy Wright Rd.
- Asking rent grew by over 24% in the last 90 days, climbing from \$ 6.29 (SF/year) to \$7.84 (SF/year).
- The submarket had 38 sales transactions totaling \$503 M in Q3, with an average sale price of \$98/SF
- Vacancy rates continues to drop again this quarter indicating strong demand in this submarket, despite increase in rental rates.

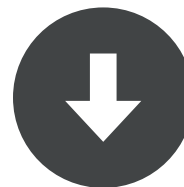
SUBMARKET SUMMARY

This submarket grew by 3 MSF year to date; however, vacancies continued to decline going down 50 basis points over the last 90 days to 5.7% by the end of Q3 from 6.2%. This has been fueling rent growth which has gone up 30% year to date. South Atlanta took over the Northeast as the largest submarket this quarter edging out Northeast Atlanta's total inventory of 212 MSF by a 1MSF

The top five leases signed in Q3 in the Northeast Submarket amounted to 587 KSF, down from 863 KSF signed at the end of Q2. Some notable leases this quarter consist of Sargent & Greenleaf leasing 655 Peachtree Industrial Blvd (165 KSF) and Tool Source Warehouse leasing 735 Raco Place (153 KSF), and Empire Today leasing (111 KSF) also at 655 Peachtree Industrial Blvd.

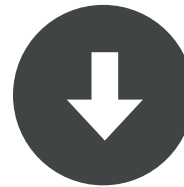
Under construction numbers continue to hold steady from last quarter, with over 9.6 MSF under construction at the end of Q3 with deliveries increasing total inventory by 876 KSF for the end of this quarter.

Some of the notable sales this quarter include 6256 Atlantic Boulevard, a 315 KSF facility which was acquired by KKR for \$95.5 M (\$303/SF) and 6455 Old Peachtree Road, a 256 KSF facility sold to TA Realty for \$49.9 MSF (\$194/SF).



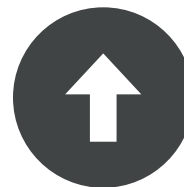
VACANCY RATE

Q3 21: 3.2%
Q2 21: 3.4%



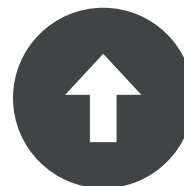
NET ABSORPTION

Q3 21: 1,212,607 SF
Q2 21: 1,310,412 SF



UNDER CONSTRUCTION

Q3 21: 9,642,194 SF
Q2 21: 8,585,021 SF

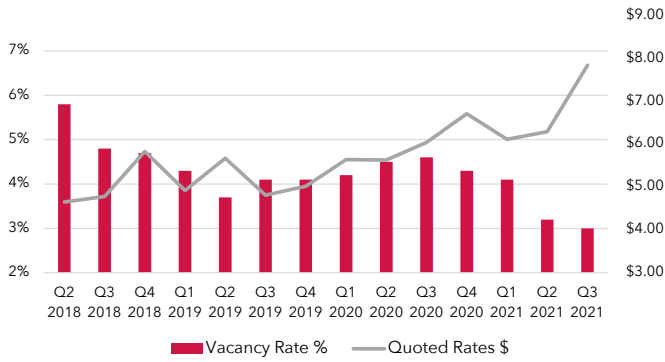


OVERALL ASKING LEASE RATES (NNN)

Q3 21: \$7.84
Q2 21: \$6.29

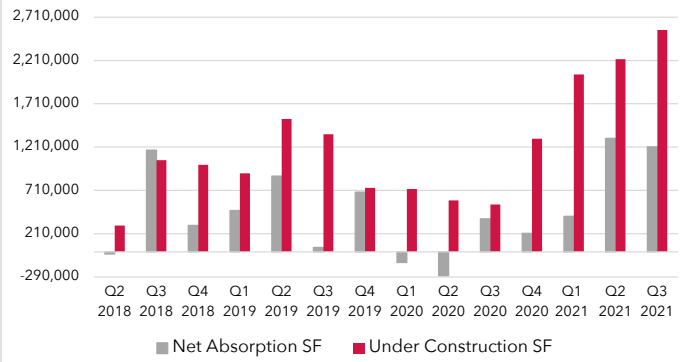
VACANCY & RENTAL RATE

Q2 2018 - Q3 2021



ABSORPTION & UNDER CONSTRUCTION

Q2 2018 - Q3 2021



NOTABLE SALES



880 AIRPORT ROAD
421,053 SF
\$4.6M | \$11.13 PSF
Buyer: Metal Benders



6265 ATLANTIC BOULEVARD
315,176 SF
\$95M | \$303.01 PSF
Buyer: Kohlberg Kravis Roberts & Co



6455 OLD PEACHTREE ROAD
256,469 SF
\$49.9M | \$194.93 PSF
Buyer: TA Realty

NOTABLE LEASES



655 PEACHTREE INDUSTRIAL BLVD.
165,438 SF
Tenant: Sargent & Greenleaf



3735 RACO PLACE
153,600 SF
Tenant: Tool Source Warehouse



655 PEACHTREE INDUSTRIAL BLVD.
111,651 SF
Tenant: Empire Today

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