

KEY POINTS

- Radial, Inc. signed the quarter's largest lease, 301 KSF at 2510 Mill Center Pky.
- BentalGreenOak acquired 355 Horace Head Rd (1 MSF) for \$78.72M
- Construction has increased 40% from Q3 to Q4 in 2021 in the Northeast Submarket.

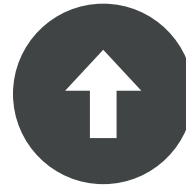
SUBMARKET SUMMARY

The Northeast Atlanta Industrial Submarket continues to be an absolute powerhouse that saw an increase in construction by 3.8 MSF from Q3 to Q4 of 2021. Although there was an increase in the vacancy rate, this is due to an increase in total inventory. Additionally, the quarterly net absorption doubled in Q4 as more projects delivered, and the rental rate has increased as demand remained near historic highs.

The top five leases signed in Q4 in the Northeast Submarket totaled 982 KSF, up from 587 KSF in Q3. Radial, Inc. signed a lease for 301 KSF at 2510 Mill Center Pky in Buford, and JD Logistics signed for 273 KSF at 4375 S Lee St in the Buford Business Centre.

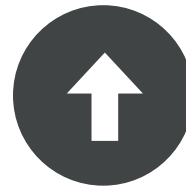
Under construction, numbers increased dramatically by nearly 4 MSF from Q3 to Q4 of 2021. The Northeast is one of the most sought-after submarkets for industrial tenants. Although South Atlanta surpassed the Northeast for total inventory, the Northeast will grow as demand stays high. Deliveries amounted to nearly 1 MSF for Q4 2021 as more and more tenants try to find space in the highly tight industrial submarket.

Some notable sales in the submarket during Q4 include 355 Horace Head Road, a 1 MSF facility which BentalGreenOak acquired for \$78.72M (\$77.50 PSF) and 650 Broadway Ave, a 613 KSF Amazon facility that J.W. Mitchell Company, LLC. purchased for \$59.6M (\$97.16)



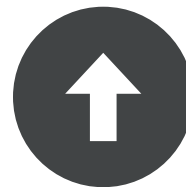
VACANCY RATE

Q4 21: 3.5%
Q3 21: 3.2%



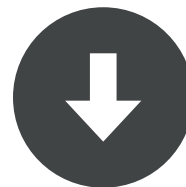
NET ABSORPTION

Q4 21: 2,927,725 SF
Q3 21: 1,212,607 SF



UNDER CONSTRUCTION

Q4 21: 13,515,412 SF
Q3 21: 9,642,194 SF

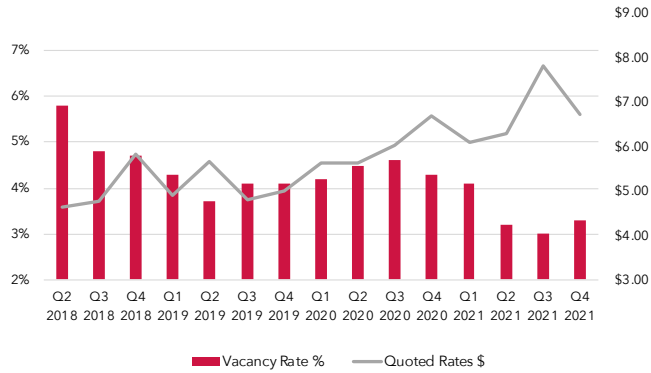


OVERALL ASKING LEASE RATES (NNN)

Q4 21: \$6.72
Q3 21: \$7.84

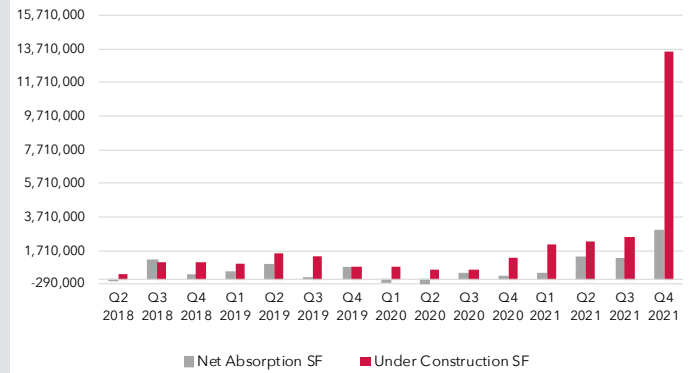
VACANCY & RENTAL RATE

Q2 2018 - Q4 2021



ABSORPTION & UNDER CONSTRUCTION

Q2 2018 - Q4 2021



NOTABLE SALES



2520 RIVERSIDE PARKWAY
367,060 SF
\$55.4 M | \$150.93 PSF
Buyer: Bentall Green Oak (US) LP
Seller: High Street Logistics Properties LLC



4375 SOUTH LEE STREET
273,190 SF
\$27.35 M | \$100.11 PSF
Buyer: Longpoint Realty Partners
Seller: Core5 Industrial Partners



2650 BUTTON GWINNETT DRIVE
212,000 SF
\$26.5 M | \$125.00 PSF
Buyer: Principal Financial Group, Inc.
Seller: Rooker

NOTABLE LEASES



2510 MILL CENTER PARKWAY
301,320 SF
Tenant: Radial, Inc.
Landlord: IDI Logistics



4375 SOUTH LEE STREET
153,600 SF
Tenant: JD Logistics
Landlord: Core5 Industrial Partners



4075 BLUE RIDGE IND. PARKWAY
152,036 SF
Tenant: Engineered Steel Solutions
Landlord: Stag Industrial, Inc.

The information and details contained herein have been obtained from third-party sources believed to be reliable; however, Lee & Associates Atlanta has not independently verified its accuracy. Lee & Associates Atlanta makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information. The information provided herein, including any sale or lease terms, is being provided subject to errors,

omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources CoStar Group, Inc. The Buckhead Office Submarket Report from Lee & Associates Atlanta compiles market data by using a third-party database for the proprietary analysis of office properties in the Atlanta Metropolitan Area. © Copyright 2022 Lee & Associates Atlanta. All rights reserved. Market report analysis by: Grayson Bluhm, Research Associates and Subham Nandy, Research Associate Market report created by: Bentley Logue, Graphic Designer