



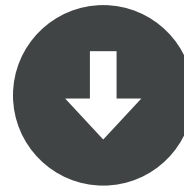
KEY POINTS

- The largest lease signed in Q4 was GXO Logistics, which will occupy 907,000 SF at 5390 Hunter Road.
- Kellogg's built to suit 139 Orchard Business Pkwy, Bldg 100 is currently the largest building under construction, and it's set to deliver Q1-22.
- A total of 36 properties traded hands in Q4, representing \$786 M in transaction volume and an average sales price of \$21.8 M.
- South Atlanta had the highest net absorption across all submarkets at 8,487,529 SF.

SUBMARKET SUMMARY

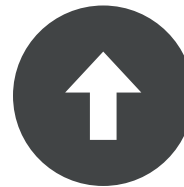
Proximity to the world's busiest airport and excellent highway connectivity to ports on the Atlantic coasts helped drive demand in this submarket. In addition, Atlanta solidified its stronghold as a regional hub for goods flowing across the Southeast, experiencing unprecedented economic growth. This has pushed vacancy in this submarket down by over 300 basis points to 3.3% from 6.4% in Q3-21. These macro trends have forced developers to continue the hot streak of construction, pushing under construction numbers to 13.6 million SF, representing the largest under-construction pipeline in Atlanta. A total of 7 buildings (2.5 MSF) were delivered this quarter, which pushed up total inventory to 215 million SF. As a result, South Atlanta regained the top spot from the Northeast submarket, which briefly eclipsed last quarter, as the most significant and dynamic submarket in the Metro Area.

The largest lease signed in this submarket was a 907,000 SF lease at 5390 Hunter Road to GXO Logistics. The following four largest leases were 120 Midway Road (336 KSF), 5350 Hunter Road (320 KSF), and two leases at 150 Greenwood Industrial at 612 KSF and 255 KSF. This represents 2 million SF, or about 25% of total absorption in the quarter. Institutional investors primarily drove investment activity in this submarket, and the most significant sales were portfolio sales of assets in this submarket.



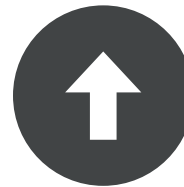
VACANCY RATE

Q4 21: 3.3%
Q3 21: 6.4%



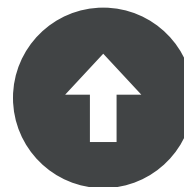
NET ABSORPTION

Q4 21: 8,487,529 SF
Q3 21: 1,936,069 SF



UNDER CONSTRUCTION

Q4 21: 13,602,572 SF
Q3 21: 12,648,486 SF

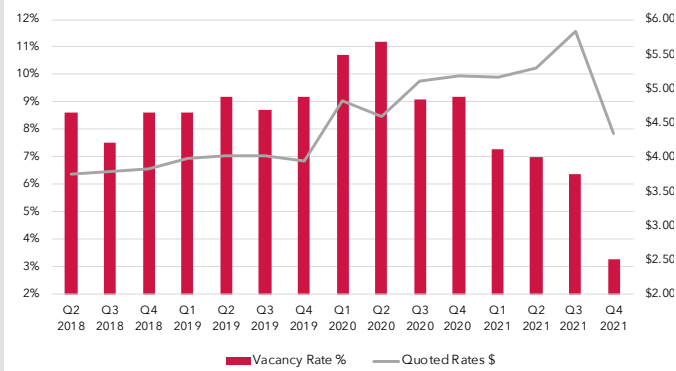


OVERALL ASKING LEASE RATES (NNN)

Q4 21: \$4.35
Q3 21: \$5.83

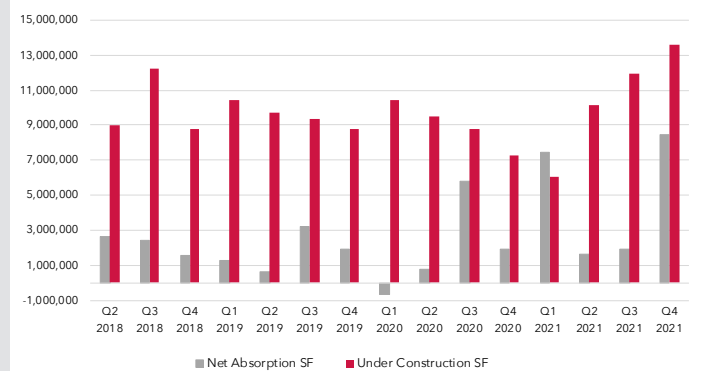
VACANCY & RENTAL RATE

Q2 2018 - Q4 2021



ABSORPTION & UNDER CONSTRUCTION

Q2 2018 - Q4 2021



NOTABLE SALES *portfolio sale



5500 S Expressway *
2,342,900 SF | \$128M | \$54.73 PSF
Buyer: LBA Realty
Seller: Copper Property Trust



201 Greenwood Court
800,000 SF | \$106M | \$132.83 PSF
Buyer: Blackstone REIT
Seller: WPT REIT



150 Distribution Drive
760,256 SF | \$134M | \$132.83 PSF
Buyer: Blackstone REIT
Seller: WPT Industrial REIT

NOTABLE LEASES



5390 Hunter Road
907,000 SF
Tenant: GXO Logistics
Landlord: Morgan Stanley



120 Midway Road
336,016 SF
Tenant: VanTec
Landlord: Blackstone REIT



150 Greenwood Industrial Pkwy
612,070 SF
Tenant: GFA Total Logistics
Landlord: Blackstone REIT

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