

LEE & ASSOCIATES ATLANTA

SAVANNAH INDUSTRIAL MARKET REPORT

Q2 2022



MARKET HIGHLIGHTS

Demand for warehousing and distribution space to accommodate growing freight volumes is at an all-time high in Savannah. The market is extremely tight, with vacancy at 2.0% and few available space options for new and expanding tenants. Consequently, developers remain active, delivering more than 4 million SF of space in Q2 while maintaining a construction level topping 23 million SF for the second consecutive quarter. The catalyst for this growth is the Port of Savannah, which regularly surpasses monthly TEU processing volumes and continues to invest in expanding capacity. In May, the Georgia Ports Authority moved an all-time high 519,390 twenty-foot equivalent container units, breaking the previous record of 504,350 TEUs set in October 2021. The elevated demand for space has placed upward pressure on asking rents, which have increased 14% in the last year. Through the first half of 2022, Savannah's strong performance is already on pace to exceed its record activity of 2021.

LARGEST PROJECTS UNDER CONSTRUCTION

Project Name	Location	Bldg. SF	Delivery
800 Pine Meadow	800 Pine Meadow Dr.	2,400,000	Q3 2022
GA Intl. Trade Ctr. Bldg. 3B	2024 Trade Center Blvd.	1,500,815	Q2 2023
Central Port Logistics Ctr. Bldg. 1	Veteran Pky.	1,456,000	Q2 2023
GA Intl. Trade Ctr. Bldg. 3A	2024 Trade Center Blvd.	1,265,600	Q2 2023

Q2 2022 TOP 3 LEASES & SALES

LEASES	Property Name	Address	City	SF	Tenant	Lease Type
	Interstate West	54 Logistics Dr.	Black Creek	1,157,333	Webstraunt	New
	Old Augusta Commerce Ctr.	1200 Logistics Pky.	Rincon	1,026,606	Undisclosed	New
	Coastal Commerce Ctr.	*1516 Old Dean Forest Rd. Bldg. A	Garden City	462,000	Performance Team	New

SALES	Address	City	SF	Sale Price	Price PSF	Buyer	Seller
	2016 Trade Center Blvd.	Rincon	1,165,425	\$94,250,000	\$80.87	Invesco Real Estate	Stonemont Financial
	25 Artley Rd. (part of portfolio)	Savannah	110,000	\$9,723,415	\$88.39	Thor Equities	Saxum Real Estate
	27 Artley Rd. (part of portfolio)	Savannah	75,000	\$7,284,448	\$97.13	Thor Equities	Saxum Real Estate

* indicates Lee Deal

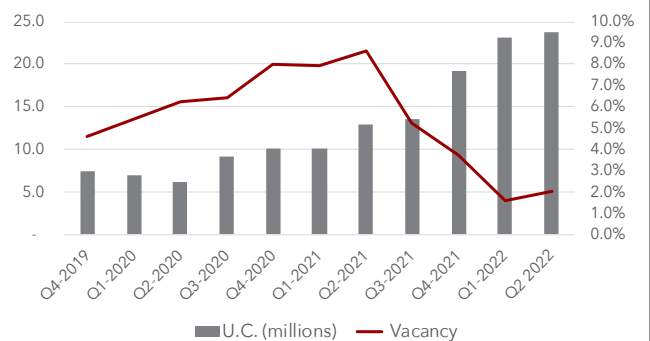
Q2 2022 QUICK STATS

↑ **3.2 MSF** Net Absorption

↑ **23.8 MSF** Under Construction

↑ **2.0%** Vacancy Rate

VACANCY & UNDER CONSTRUCTION 2019 - 2022



THE LARGEST SINGLE CONTAINER TERMINAL IN NORTH AMERICA

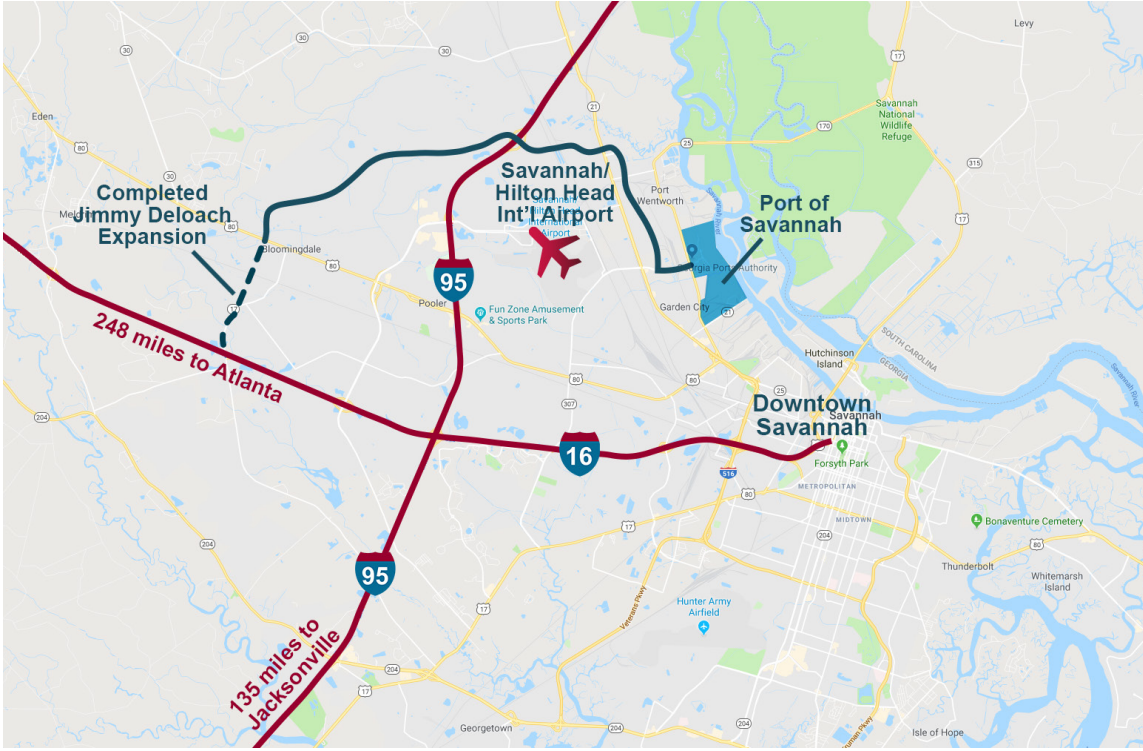
- Georgia Ports Authority



MARKET INDICATORS

	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
12 Mo. Net Absorption (SF)	11,425,464	9,944,999	9,593,824	7,935,859	4,499,756
Vacancy Rate (%)	2.0%	1.6%	3.7%	5.2%	8.6%
Avg NNN Asking Rate PSF (Annual)	\$6.02	\$5.83	\$5.95	\$5.27	\$4.42
Under Construction (SF)	23,829,810	23,133,206	19,220,506	13,577,756	12,885,858
Inventory (SF)	97,690,069	85,508,762	84,903,762	83,155,502	82,430,570

SAVANNAH LOCATION MAP



STAY CONNECTED



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., Real Capital Analytics, Georgia State Economic Forecasting Center, SEDA, 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 2022 Lee & Associates Atlanta. All rights reserved. Market report analysis by: Grayson Bluhm Research Associate. Market report created by: Bentley Ryседорф, Graphic Designer