



ATLANTA **INDUSTRIAL** MARKET REPORT

Moderate Demand in the first quarter is met with a slowing development pipeline.



WHAT'S HAPPENING

Although there is a sustained demand for industrial space in Atlanta, the market activity during Q1 2023 has shown a deceleration. Vacancies have risen slightly off of record lows, ending Q1 with a 50-basis point jump to 4.5%. Overall net absorption fell, with just under 2 million SF newly occupied. While activity cooled in Q1, the rise in sublease space during the

Fall of 2022 has subsided and overall availability levels have stabilized. Despite Atlanta's development pipeline remaining high at 35.6 MSF under construction, only three new projects were initiated during the quarter. First quarter deliveries totaled 8.8 MSF, with more than 43% of the space leased at time of delivery.

1.97 MSF
Q1 NET ABSORPTION
Q4: 4.8 MSF

4.5%
Q1 VACANCY RATE
Q4: 4%

35.6 MSF
Q1 UNDER CONSTRUCTION
Q4: 42.9 MSF

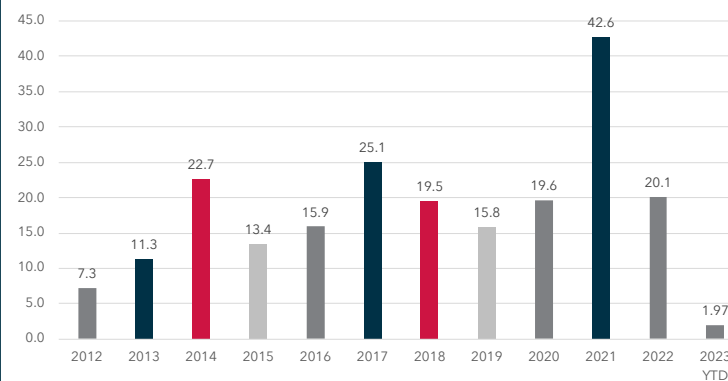
8.8 MSF
Q1 NEW SUPPLY DELIVERED
Q4: 9.7 MSF

\$8.24
Q1 AVG. ASKING RENT | YEAR
Q4: \$7.90

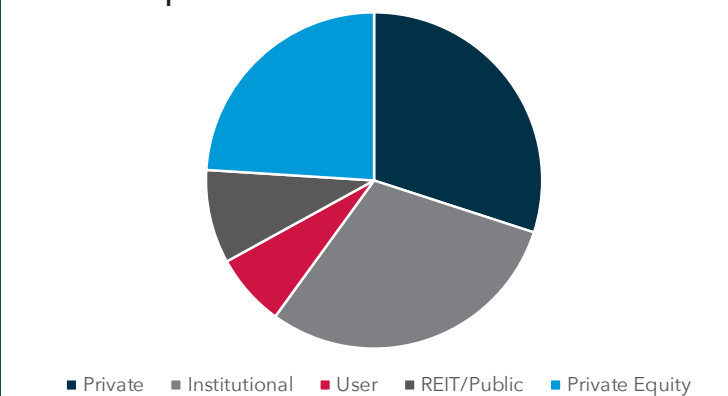
\$121 PSF
Q1 AVG. SALES PRICE
Q4: \$114 PSF

\$4.2 Billion
ROLLING 12-MO VOLUME
Q4: \$4.8 Billion

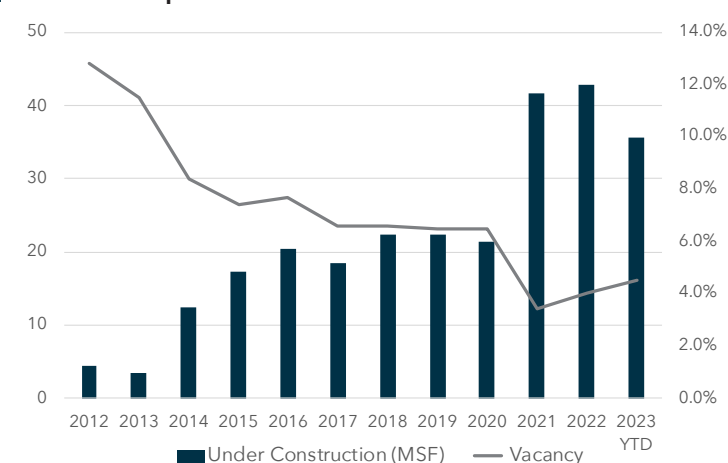
Q1 2023 | ABSORPTION



Q1 2023 | BUYER TYPE



Q1 2023 | VACANCY & UNDER CONSTRUCTION



2023 STATS

TOP SALES



LITHIA SPRINGS DISTR. CENTER
LITHIA SPRINGS, GA 30122
SUBMARKET: I-20 W/Fulton Ind
BUYER: Zoetis LLC
SELLER: Bang Energy
SIZE (SF): 644,040
SALE PRICE: \$87,500,000 (\$135.86 PSF)



MCDONOUGH COMMERCE CENTER
MCDONOUGH, GA 30253
SUBMARKET: South Atlanta
BUYER: FHRG Capital, LLC
SELLER: American Realty Advisors
SIZE (SF): 714,560
SALE PRICE: \$68,500,000 (\$95.86 PSF)



NEW SALEM 85 LOGISTICS CENTER
JEFFERSON, GA 30549
SUBMARKET: Northeast
BUYER: Soltz Real Estate Partners
SELLER: ARES Management LLC
SIZE (SF): 636,060
SALE PRICE: \$50,000,000 (\$78.61 PSF)



690 UNISIA DRIVE
MONROE, GA 30655
SUBMARKET: Northeast
BUYER: New Mountain Capital
SELLER: Novolex
SIZE (SF): 160,000
SALE PRICE: \$16,092,500 (\$100.58 PSF)

* Sale leaseback

TOP LEASES



493 WESTRIDGE PARKWAY
MCDONOUGH, GA 30253
SUBMARKET: South Atlanta
TENANT: Carlisle Tire & Wheel Company
SIZE (SF): 676,000
LEASE TYPE: Renewal



201 KING MILL COURT
MCDONOUGH, GA 30253
SUBMARKET: South Atlanta
TENANT: Nexus Circular
SIZE (SF): 570,586
LEASE TYPE: New



JEFFERSON LOGISTICS CENTER
JEFFERSON, GA 30549
SUBMARKET: Northeast
TENANT: Kubota Tractor Corporation
SIZE (SF): 492,480
LEASE TYPE: New

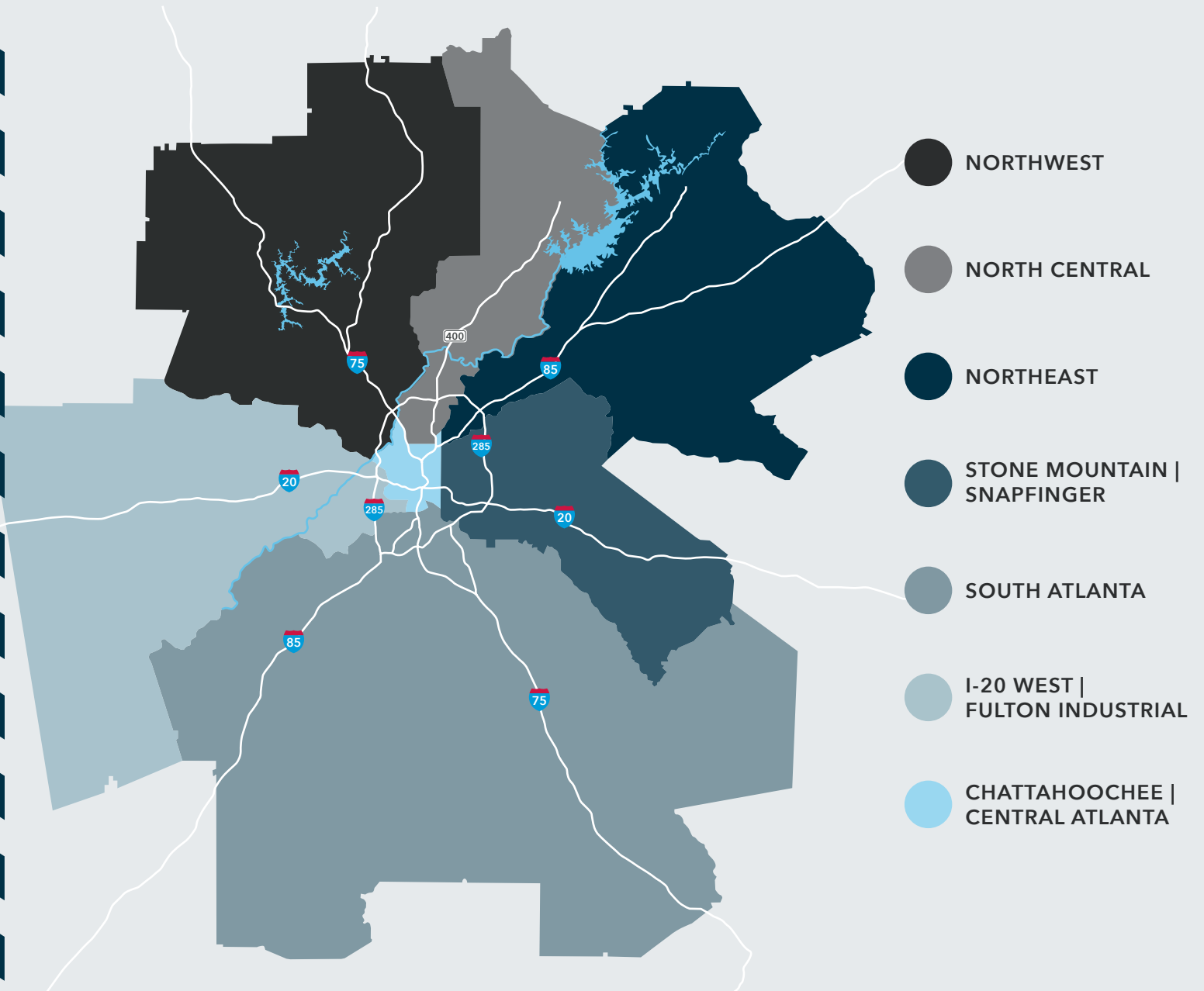


4755 THURMON TANNER
FLOWERY BRANCH, GA 30542
SUBMARKET: Northeast
TENANT: Mars, Inc
SIZE (SF): 447,120
LEASE TYPE: New

TOP UNDER CONSTRUCTION

PROJECT NAME	LOCATION	BUILDING SIZE	SUBMARKET	DELIVERY
Project Archer	Richard Petty Blvd	2,200,000	South Atlanta	Q1 - 2024
Busch Commerce Center	1136 Cassville White Road	1,218,620	Northwest Atlanta	Q3 - 2023
Jackson 85 North Business Park - Bldg 2	352 Raco Pkwy	1,017,900	Northeast Atlanta	Q4 - 2023
Georgia North Industrial Park	300 International Parkway	1,010,100	Northwest Atlanta	Q3 - 2023
Gardner Logistics Park - Phase III	381 Davis Lake Road	1,003,954	South Atlanta	Q2 - 2023
Commerce Logistics Center - Bldg 1	159 Commerce Logistics Dr	937,440	Northeast Atlanta	Q2 - 2023
Lidl Regional Distribution Center	3301 Iris Dr	925,000	Snapfinger / I-20 East	Q3 - 2023
Great Valley Commerce Center - Bldg 2	100 Logistics Pkwy NE	824,840	Northwest Atlanta	Q2 - 2023

INDUSTRIAL SUBMARKETS	TOTAL INVENTORY (SF)	TOTAL VACANT (SF)	VACANCY RATE	12 MONTH NET ABSORPTION (SF)	UNDER CONSTRUCTION (SF)	YTD DELIVERIES (SF)	AVG. ASKING RENT / YEAR (PSF)
1 Northwest	86,831,185	3,418,601	3.9%	3,952,606	9,358,569	1,283,867	\$9.51
2 North Central	29,909,813	1,341,823	4.5%	12,828	133,000	207,276	\$13.35
3 Northeast	227,113,258	11,188,066	4.9%	5,561,036	9,293,211	1,724,453	\$8.07
4 Stn. Mountain Snapfinger	81,069,422	3,177,338	3.9%	486,985	3,452,536	210,645	\$7.35
5 South Atlanta	228,916,525	10,578,595	4.6%	7,245,015	10,887,913	2,029,906	\$6.55
6 I-20 West Fulton Ind.	120,710,401	5,358,348	4.4%	968,957	2,500,820	3,330,741	\$6.72
7 Chattahoochee Central Atl.	29,125,038	1,365,066	4.7%	164,999	-	-	\$16.25
TOTAL	803,675,642	36,427,837	4.5%	18,392,426	35,626,049	8,786,888	\$8.24



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