



LEE &
ASSOCIATES



WHAT'S HAPPENING NORTH CENTRAL

The smallest submarket of Metro Atlanta, North Central Atlanta's industrial submarket is well positioned to serve as a last-mile distribution hub for businesses looking for direct access to Atlanta's fast-growing, affluent northern suburbs.

- Vacancy rose 40 basis points in Q2 2023 to 4.9%, however still below Metro Atlanta's average of 5.1%.
- Development activity remained flat quarter over quarter at 133,000 SF under construction, a speculative warehouse being developed by Hughes Commercial.
- Midsized deals have driven leasing volume and absorption in recent quarters. Net absorption increased to 58,616 SF from -92,492 SF in the second quarter.
- Leasing activity increased from Q1 to 258,684 SF in Q2. The largest lease transaction of the quarter was ABM's 57,637 SF lease at 2705 Ronald Reagan Blvd in Cumming, Georgia.
- Due to the market's location near core population centers in Atlanta's urban core, rents in the North Central submarket come at a premium. Average asking rents increased \$0.33 PSF from Q1 to Q2 to \$13.68 PSF.
- The largest sale of the quarter was Nine McFarland Industrial Park, a 10,685 distribution center in Alpharetta, Georgia that sold for \$187 PSF.



4.9%

Q2 VACANCY RATE

Q1: 4.5%



58,616 SF

Q2 NET ABSORPTION

Q1: -92,492 SF



133,000 SF

Q2 UNDER CONSTRUCTION

Q1: 133,000 SF



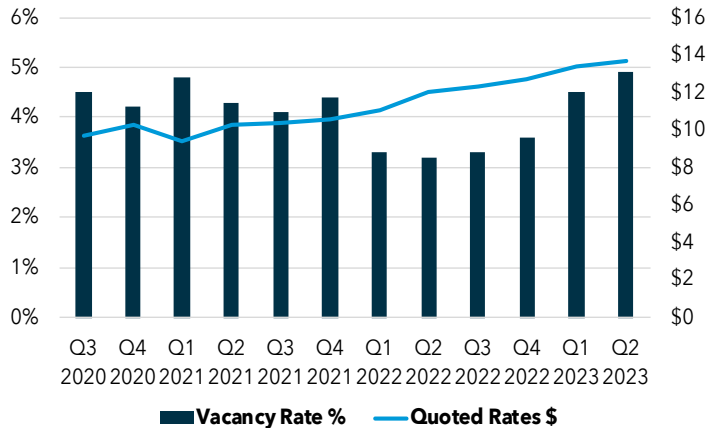
\$13.68 PSF

Q2 AVG. ASKING RENT | YEAR

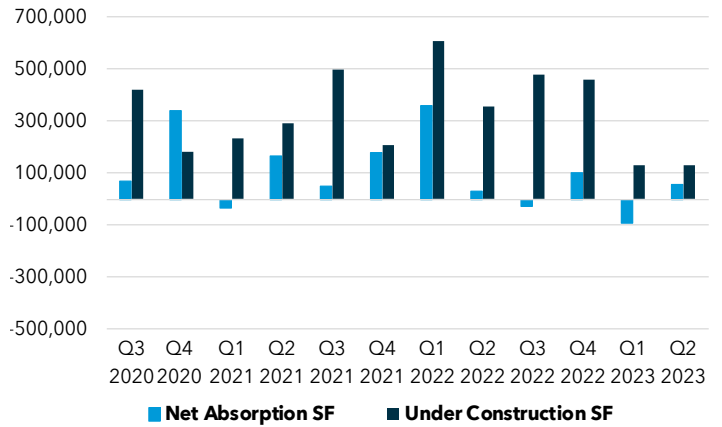
Q1: \$13.35 PSF



Q2 2023 | VACANCY & RENTAL RATE



Q2 2023 | NET ABSORPTION & U.C.



NOTABLE SALES



NINE MCFARLAND INDUSTRIAL PARK
ALPHARETTA, GA 30004

SIZE (SF) 10,685
PRICE \$2,000,000 (\$187.18 PSF)
BUYER Sheriff Containers, LLC
SELLER System Holdings, LLC



1360 UNION HILL ROAD | BLDG. 5 *
ALPHARETTA, GA 30004

SIZE (SF) 12,550
PRICE \$1,940,133 (\$154.59 PSF)
BUYER The Ackerberg Group
SELLER TD Farrell Construction

* Portfolio sale

NOTABLE LEASES



2705 RONALD REAGAN BOULEVARD | 100
CUMMING, GA 30041

SIZE (SF) 57,637
TENANT ABM
LEASE TYPE New
LANDLORD Lincoln Property Company



2705 RONALD REAGAN BOULEVARD | 200
CUMMING, GA 30041

SIZE (SF) 43,000
TENANT Gateway Classic Cars
LEASE TYPE New
LANDLORD Lincoln Property Company



2715 RONALD REAGAN BOULEVARD
FAIRBURN, GA 30213

SIZE (SF) 27,600
TENANT Bobst
LEASE TYPE Renewal
LANDLORD Lincoln Property Company

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Market report analysis by: Dan Wagner, Kate Hunt
Market report created by: Bentley Rysedorph, Hannah Johnson