



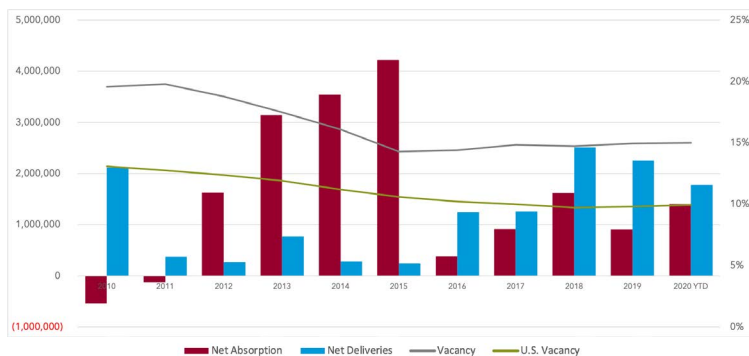
OFFICE MARKET OVERVIEW

JOHN DECOUTO, *Senior Managing Director*

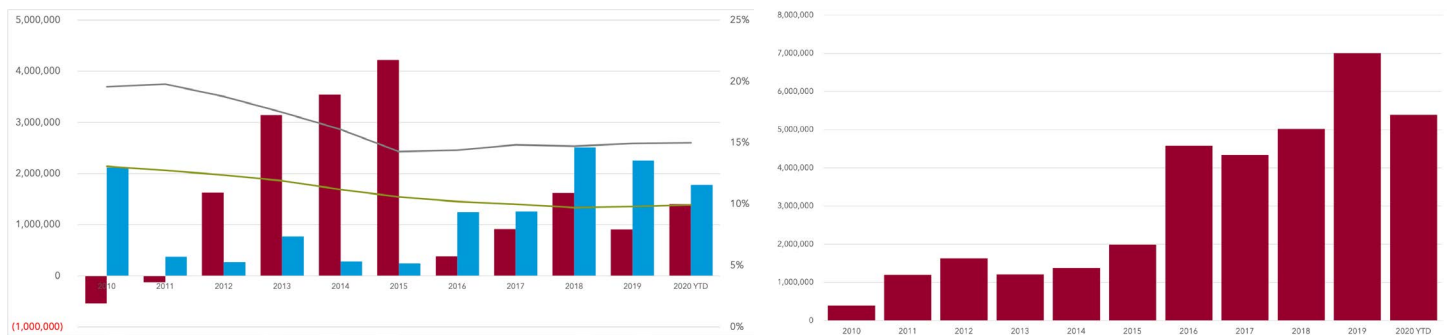
Due to a limited supply and a steady demand, Atlanta's office market continued to see overall growth in Q1 2020. Vacancy in Atlanta remained below the metro's historical average, ending at 15%. The metro's core submarkets continued to drive Atlanta growth, which has fueled a rapidly growing development pipeline. However, in the COVID-19 economy, the path of Atlanta's economic and office sectors will depend on how long containment policies will be in effect. It's likely that unemployment and post COVID work place policies will negatively affect leasing activity, rent growth and increase supply. Coworking and open concept spaces will be hardest hit during the re-start, yet the full scope of COVID's impact on the Atlanta office market may not be known until this time next year.

MARKET INDICATORS	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
▲ Net Absorption	1,402,011 SF	430,912 SF	(35,797) SF	323,295 SF	192,887 SF
▲ Vacancy Rate	15.00%	14.90%	15.00%	14.90%	14.90%
▲ Avg NNN Asking Rate	\$27.81/SF	\$27.42/SF	\$27.15/SF	\$26.83/SF	\$26.14/SF
▼ Under Construction	5,388,855 SF	7,007,667 SF	6,591,402 SF	6,677,655 SF	4,711,989 SF
▲ Inventory	224,746,361 SF	222,968,364 SF	222,673,807 SF	222,431,852 SF	221,945,205 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
55 Ivan Allen Blvd, NW Atlanta, GA	342,854 SF	\$80,000,000 \$233.00/SF	Lone Star Funds Teachers' Retirement of Illinois	Class A
244 Perimeter Center Atlanta, GA	262,340 SF	\$41,700,000 \$159.00/SF	RocaPoint Partners Crown Holdings Group	Class B
956 Brady Ave, NW Atlanta, GA	145,041 SF	\$61,207,302 \$422.00/SF	Clarion Partners Federal Capital Partners	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
383 17th St Atlanta, GA	107,712 SF	Hines	Macy's	Retailers/Wholesalers
11625 Rainwater Dr Alpharetta, GA	56,642 SF	The Brookside Group	Toyota Financial Services	Financial Institutions
1150 Sanctuary Pkwy Alpharetta, GA	53,917 SF	Rubenstein Partners	Merchant ESolutions	Business Services