



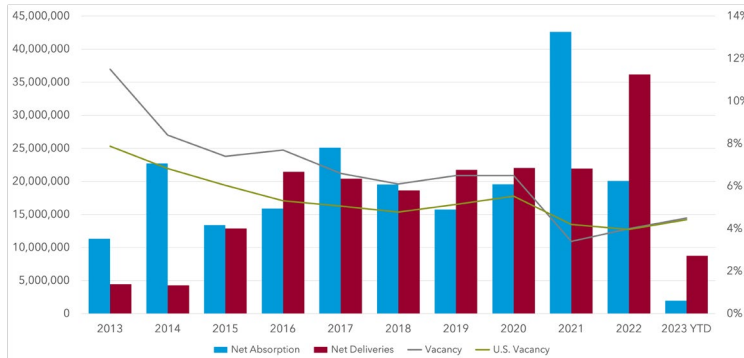
INDUSTRIAL MARKET OVERVIEW

DAN WAGNER, *Chief Data Officer*

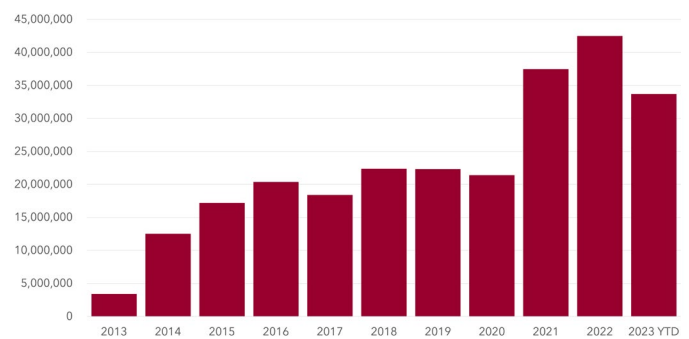
While demand for industrial space continues throughout Atlanta, activity slowed in Q1 2023. Vacancies have risen slightly off of record lows, ending Q1 2023 with a 50-basis point jump to 4.5%. Overall net absorption fell, with just under 2 million SF newly occupied. While activity cooled in Q1, the rise in sublease space during the Fall of 2022 has subsided and overall availability levels have stabilized. Atlanta's development pipeline remains elevated, ending the quarter at 33,690,764 SF under construction, however, only three new projects broke ground. First quarter deliveries totaled 8.7 MSF, with more than 43% of the space leased at time of delivery.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▼ 12 Mo. Net Absorption SF	18,392,426	20,074,856	30,719,093	30,468,619	34,740,123
▲ Vacancy Rate	4.50%	4.00%	3.70%	3.60%	4.00%
▲ Avg NNN Asking Rate PSF	\$8.24	\$7.90	\$7.05	\$6.18	\$5.98
▼ SF Under Construction	33,690,764	42,488,685	44,038,314	45,435,187	46,105,904
▲ Inventory SF	803,675,642	794,460,904	785,752,196	777,874,004	774,811,199

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7705 Staples Drive Lithia Springs, GA	644,040 SF	\$87,500,000 \$135.86 PSF	Zoetis, Inc. Bang Energy	Class A
2085 Avalon Parkway McDonough, GA	714,560 SF	\$68,500,000 \$95.86 PSF	FHR Capital, LLC American Realty	Class A
950 New Salem Church Road Jefferson, GA	636,060 SF	\$50,000,000 \$78.61 PSF	Stoltz Real Estate Partners ARES Management, LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
201 King Mill Court McDonough, GA	570,586 SF	Realty Income Corporation	Nexus Circular	Recycling
355 Horace Head Road* Jefferson, GA	492,480 SF	BentallGreenOak	Kubota Tractor Corporation	Tractors
4755 Thurmon Tanner Flowery Branch, GA	447,120 SF	Hines	Mars, Inc	Food Manufacturing

*Lee & Associates Transaction

