



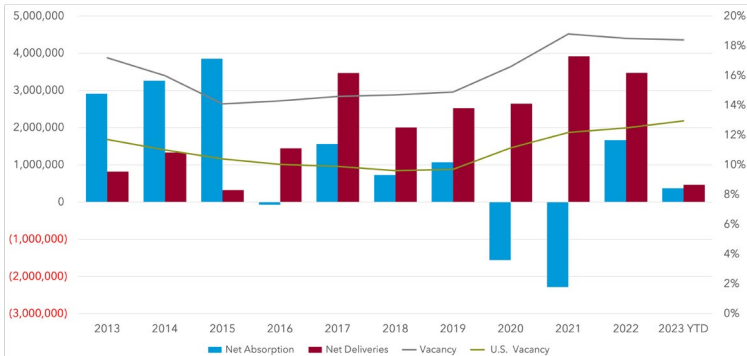
OFFICE MARKET OVERVIEW

DAN WAGNER, *Chief Data Officer*

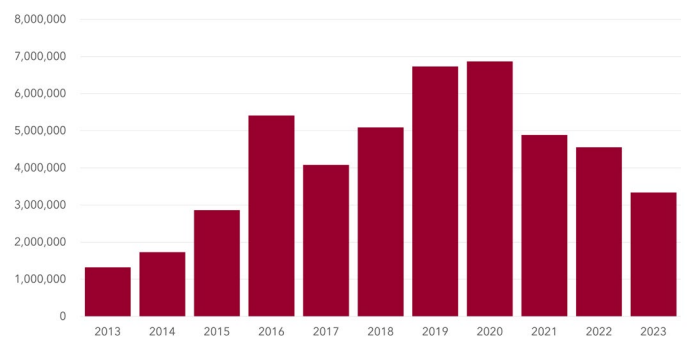
Despite an overall slowing of office fundamentals nationally, Atlanta's office market has posted positive overall activity for four consecutive quarters. Vacancy ended Q1 at 18.4%, a 10-basis point decrease from the previous quarter. Net absorption, while not as robust as quarters past, was in the positive thanks to major tenant move ins from Zaxby's (51,493 SF) and TSA (44,000 SF) in the Central Perimeter and South Atlanta submarkets. Increasing interest rates and macroeconomic concerns placed downward pressure on investment sales activity, as Atlanta's rolling 12-month sales volume fell by more than 14% quarter-over quarter.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	2,322,843	1,666,507	1,509,888	2,267,017	426,775
▼ Vacancy Rate	18.4%	18.5%	19.0%	18.4%	19.0%
▲ Avg NNN Asking Rate PSF	\$30.11	\$29.96	\$30.02	\$29.61	\$29.57
▼ SF Under Construction	3,337,360	4,556,235	3,741,227	5,669,681	4,607,880
▼ Inventory SF	241,740,668	241,820,765	238,305,308	236,231,808	236,233,261

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1957 Lakeside Parkway* Tucker, GA	94,942 SF	\$9,145,624 \$96.33 PSF	Greenleaf Investment Partners Onward Investors	Class B
1075 Big Shanty Road NW Atlanta, GA	70,140 SF	\$8,100,000 \$115.48 PSF	SilverCap Partners, LLC Angelo Gordon & Co LP	Class C
4555 N Shallowford Road Atlanta, GA	22,376 SF	\$7,780,000 \$347.69 PSF	SMP Sylva LLC Paul Leonhardt	Class B

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2002 Summit Boulevard Atlanta, GA	51,493 SF	Spear Street Capital	Zaxby's	Restaurants
1500 Centre Parkway Atlanta, GA	44,000 SF	High Knox Properties	TSA	Transportation Services
3625 Cumberland Boulevard Atlanta, GA	43,989 SF	CP Group	Procurement Advisors	Finance & Insurance

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