



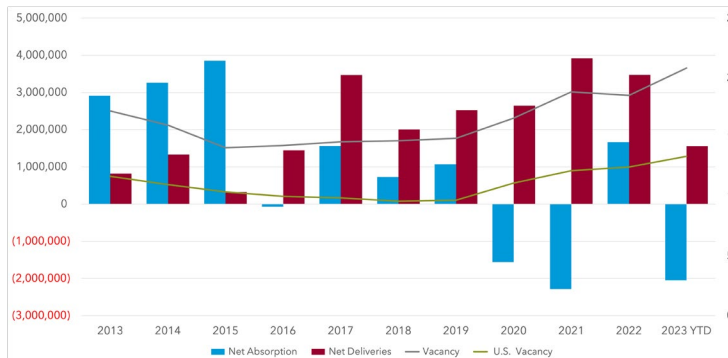
OFFICE MARKET OVERVIEW

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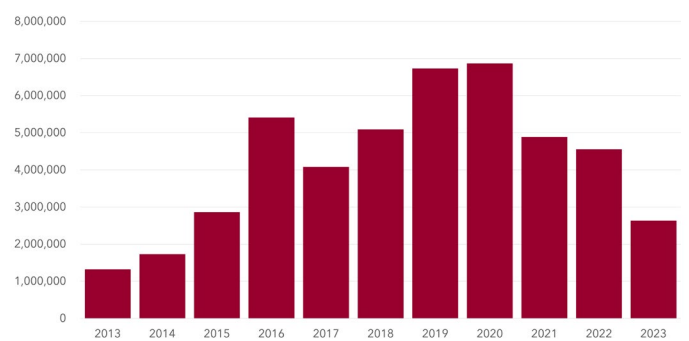
While Atlanta's vacancy and sublease availability inventory have continued to trend upward in recent quarters, leasing activity in the third quarter was at a year-to-date high at 2.1 million SF leased, with suburban submarket Northwest leading the way in tenant demand. Average lease sizes are shrinking as corporations reevaluate footprints and are often acquiring fewer square feet, but that comes with a price. Average asking rents increased \$0.20 per square foot from last quarter. Atlanta's development pipeline has slowed substantially in 2023, ending Q3 at 2.6 million SF under construction, the lowest since 2015, alleviating supply pressures.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(1,751,575)	(648,383)	2,322,843	1,666,507	1,509,888
▲ Vacancy Rate	20.8%	19.1%	18.4%	18.5%	19.0%
▲ Avg NNN Asking Rate PSF	\$30.54	\$30.34	\$30.11	\$29.96	\$30.02
▼ SF Under Construction	2,633,281	3,135,831	3,337,360	4,556,235	3,741,227
▼ Inventory SF	225,744,093	242,929,491	241,740,668	241,820,765	238,305,308

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3 Ravinia Drive Atlanta, GA	816,748 SF	\$175,000,000 \$214.26 PSF	Estein USA Blackstone Real Estate Income Trust	Class A
30 Technology Parkway South* Norcross, GA	126,398 SF	\$9,975,000 \$78.92 PSF	SF Partners TerraCap Management	Class B
35 Technology Parkway South* Norcross, GA	39,530 SF	\$6,750,000 \$170.76 PSF	SF Partners TerraCap Management	Class B

* Part of portfolio sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1200 Bluegrass Lakes Parkway Alpharetta, GA	93,963 SF	Realty Income Corporation	Lonza America, Inc	Pharmaceutical Prep
600 Galleria Parkway, SE Atlanta, GA	51,442 SF	Piedmont Office Realty Trust	FirstKey Homes	Real Estate
2325 Lakeview Parkway Alpharetta, GA	42,921 SF	TPA Group	Century Communities	Real Estate

