



Industrial Market Report

Atlanta - GA

PREPARED BY



Megan Davenport
Administrator



INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

23.5M

12 Mo Net Absorption in SF

15.1M

Vacancy Rate

4.3%

12 Mo Rent Growth

11.2%

After a record run of tightening vacancies and escalating leasing activity, Atlanta's industrial market slowed heading into 23Q2. A handful of move-outs and layoffs in the distribution sector have slowed absorption, and a record wave of supply has begun to deliver just as preleasing has begun to soften. Still, the change appears to be more normalization than downturn, and one landlord broker likened it to shifting from fifth to third gear. Despite four straight quarters of rising vacancies, the market here is still tighter than any time before 2021, with roughly 4% vacancy, and Atlanta remains among the top six markets for net absorption.

While vacancies are likely to continue rising through 2023, supply concerns do not appear insurmountable. Even in the unlikely event that all 21 million SF currently unleased and under-construction space delivered tomorrow without a tenant, vacancies would still only rise to 2015 levels. However, the predominance of large-box speculative construction is likely to create significantly higher availabilities in industrial spaces larger than 250,000 SF. This could be especially challenging in exurban areas along the Interstate 75 corridor in the northwest of the market.

On the other hand, a structural shortage of small-bay space will keep availabilities hard to come by in infill locations. And additional demand for adaptive reuse projects in close-in area, as well as a burgeoning film industry seeking space for sound stages, is likely to continue shrinking infill inventory as older space is converted.

Well-located assets still command large rent increases here, and year-over-year rent growth is still outpacing the national average. The pace of that growth, though, is beginning to level off as landlords find themselves with more available space to fill. With slowing rent growth, Atlanta is likely to retain its place as one of the least-expensive major industrial markets.

Longer term, though, the same challenging financing environment that has slowed sales volume in 2023 could help strengthen market fundamentals in the years to come. Construction starts have declined precipitously since mid-2022. That will result in fewer deliveries in late 2024 and 2025, which could tighten vacancies and stabilize rent growth in 2025.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	638,590,312	4.6%	\$7.76	8.7%	(492,073)	1,934,530	26,798,299
Specialized Industrial	101,044,431	3.1%	\$9.85	3.2%	277,252	300,000	1,043,352
Flex	69,900,866	3.9%	\$14.20	6.0%	82,554	0	2,027,137
Market	809,535,609	4.3%	\$8.56	7.8%	(132,267)	2,234,530	29,868,788
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	0.8%	9.0%	5.8%	14.2%	2010 Q4	3.2%	2021 Q4
Net Absorption SF	15.1M	12,590,427	12,435,046	38,863,595	2021 Q4	(12,027,359)	2009 Q2
Deliveries SF	23.5M	13,418,959	18,687,589	24,915,892	1999 Q4	728,138	2012 Q1
Rent Growth	11.2%	2.8%	4.4%	14.2%	2022 Q2	-5.0%	1991 Q1
Sales Volume	\$5B	\$1.4B	N/A	\$7.2B	2022 Q2	\$0	1994 Q4

Atlanta's vacancy rate has drifted higher heading into 23Q2 after reaching record lows in 2022. However, at 4.3%, it remains far below the market's 10-year average of 6.4%. A combination of slower leasing activity and a pickup in new deliveries drove the increase. The trailing 12-month leasing total for Atlanta fell to 38.1 million SF as of March 2023 from peaks above 50 million SF the year prior. Still, total leasing velocity remains above pre-pandemic trends. By comparison, leasing activity in 2019 reached only 36.6 million SF.

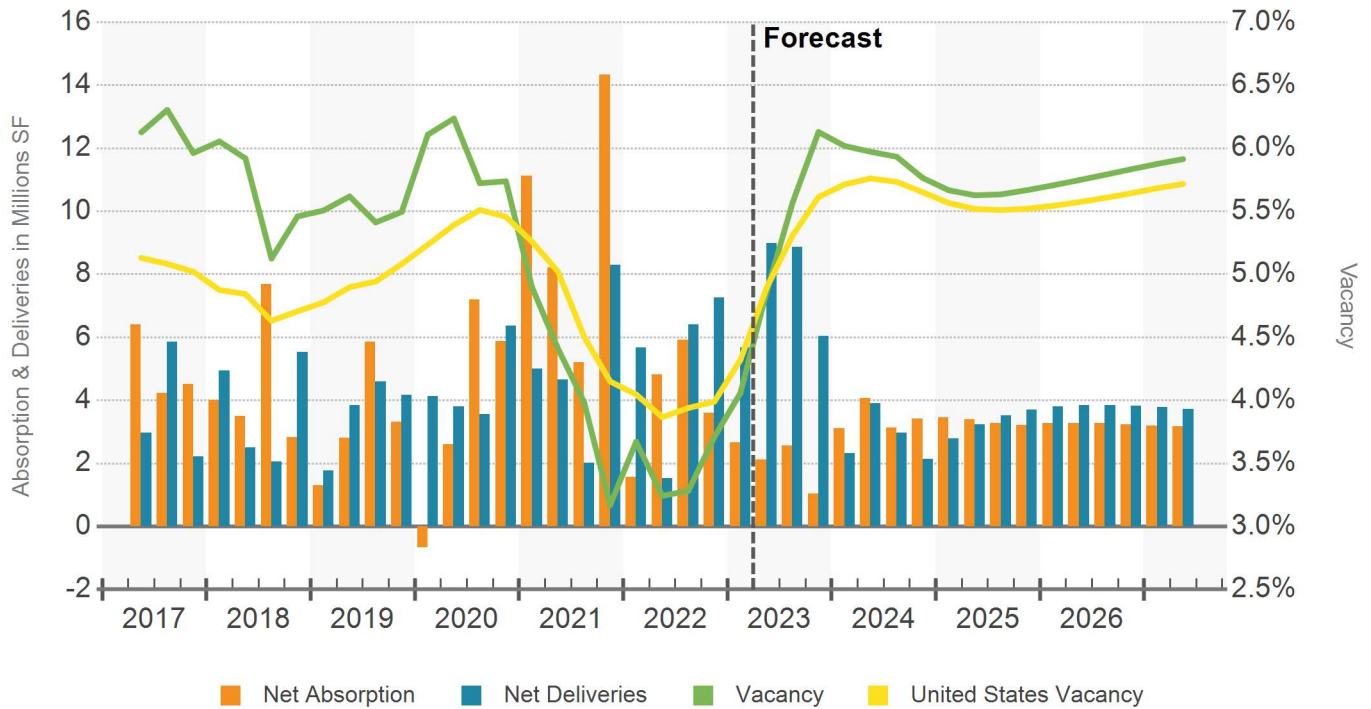
Connections to the growing ports of Savannah, Charleston, and Jacksonville, combined with a geographic location along the growing Interstate 85 corridor, position Atlanta as a distribution hub for both major Southern and lower Midwestern population centers. Recent major leases and move-ins from Sam's West, Home Depot, UPS, and Dollar General solidify that position. Population growth in the broader Southeast region has bolstered aggregate spending in the market, even as per capita spending has declined. Recent tightening of credit markets, however, has put a dent in the home building sector, and inflationary pressures have consumers cutting back from an unprecedented spending spree. These trends are beginning to impact the Atlanta industrial market. American Building Supply vacated a 635,000-SF warehouse in early 2023, and Amazon has put several spaces it leased in 2021 and 2022 up for sublet. Sublease availabilities increased to 8.1 million SF as publicly traded retailers continue to report challenges with excess inventory.

A coming supply expansion is likely to lift vacancies through 2023. An additional 29.9 million SF are

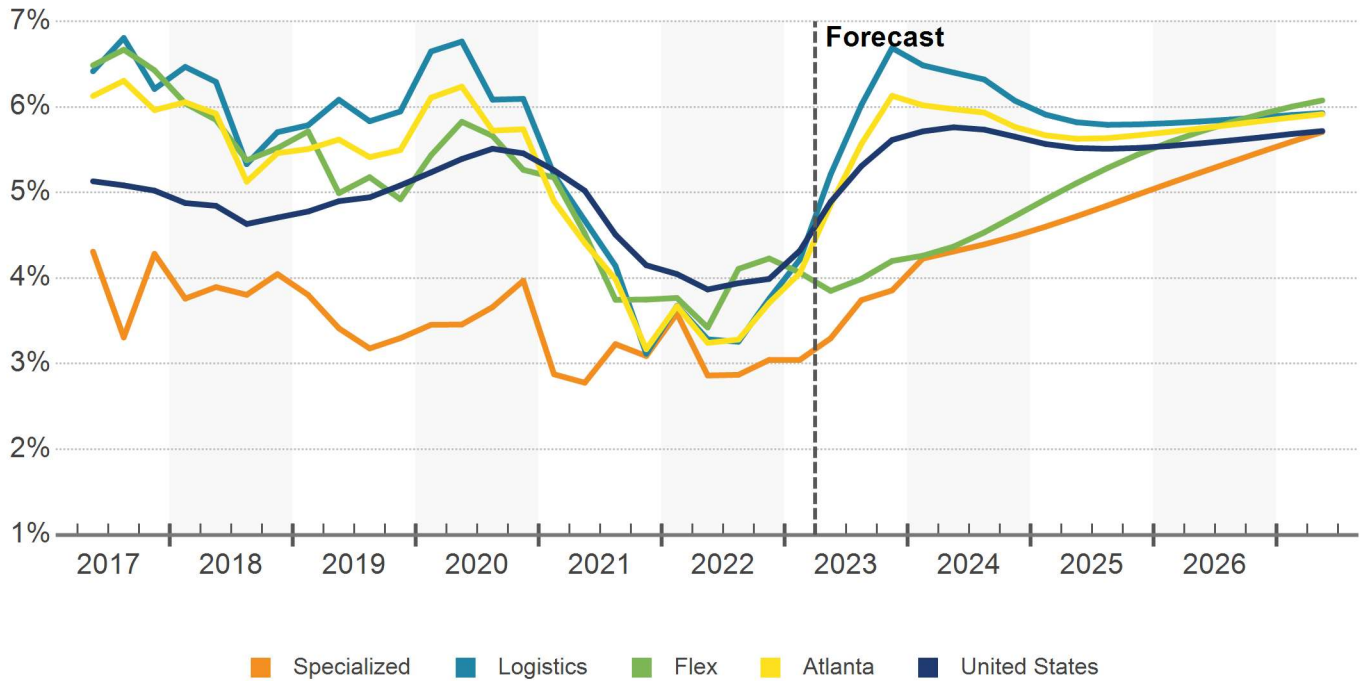
underway and slated to deliver over the next two years, with more than 70% of that unleased. However, supply impacts will not be felt equally across all properties. Medium sized to large boxes are likely to see the largest surge in availabilities. About one-third of under-construction inventory is between 200,000 SF and 400,000 SF. More than 80% of under-construction properties in this size class remain unleased. Among existing properties, the vacancy rate is highest, at 6.3%, in this midsize class, and the availability rate has surpassed 11%.

In the long term, though, the growth of vehicle manufacturing in the broader Southeast, combined with federal investments in solar and semiconductor production, diversifies the sources of demand for industrial space in and near Atlanta. SK Innovation's new facility in Commerce, just northeast of the Atlanta metro, will serve as one of the largest hubs of electric vehicle battery manufacturing in the world. In December 2022, Hyundai and SK announced plans for an additional EV battery facility in Bartow County along the I-75 corridor northeast of Atlanta. That came after Rivian's announcement it will build a new electric vehicle manufacturing plant on the eastern fringe of the metro along I-20 in southern Morgan and Walton counties. The \$5 billion investment is slated to employ 7,500 workers when fully staffed and could help augment industrial demand in nearby submarkets such as Rockdale/Newton and South Walton County over the next several years. More recently, European battery-maker Freyr announced plans to build a \$2.6 billion plant in Newnan, a suburb southwest of Atlanta.

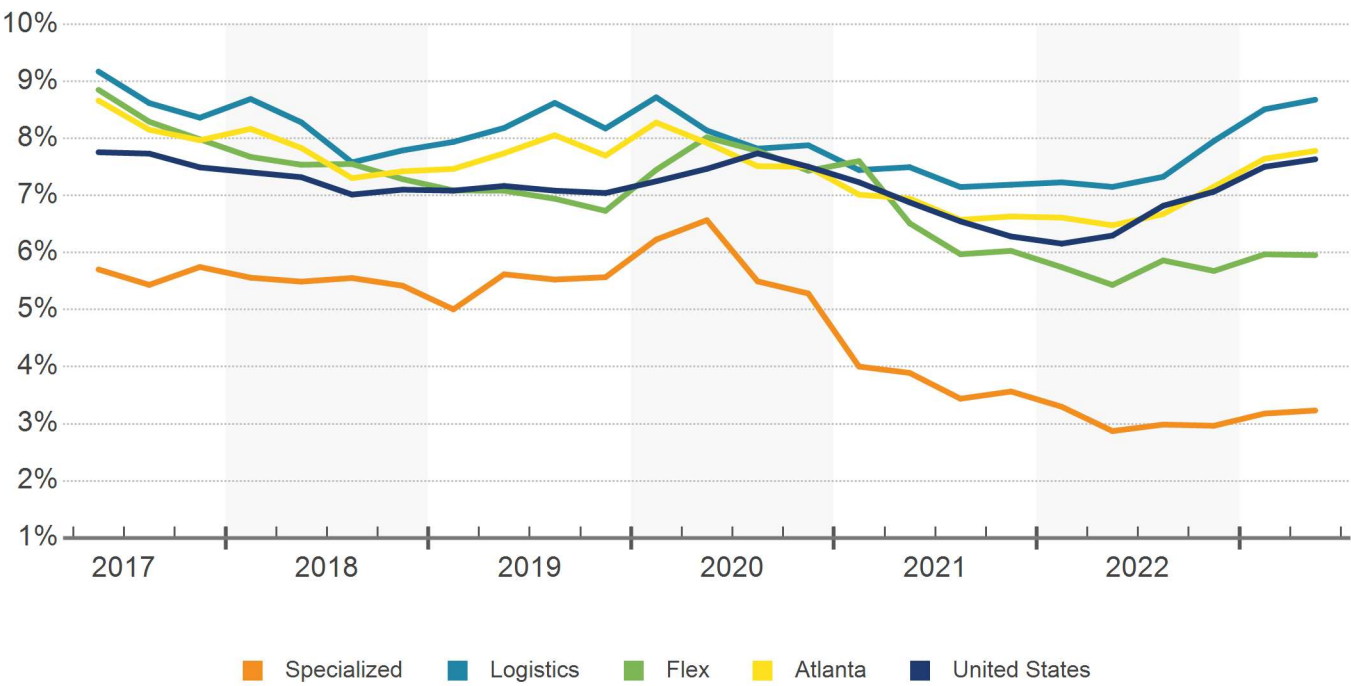
NET ABSORPTION, NET DELIVERIES & VACANCY



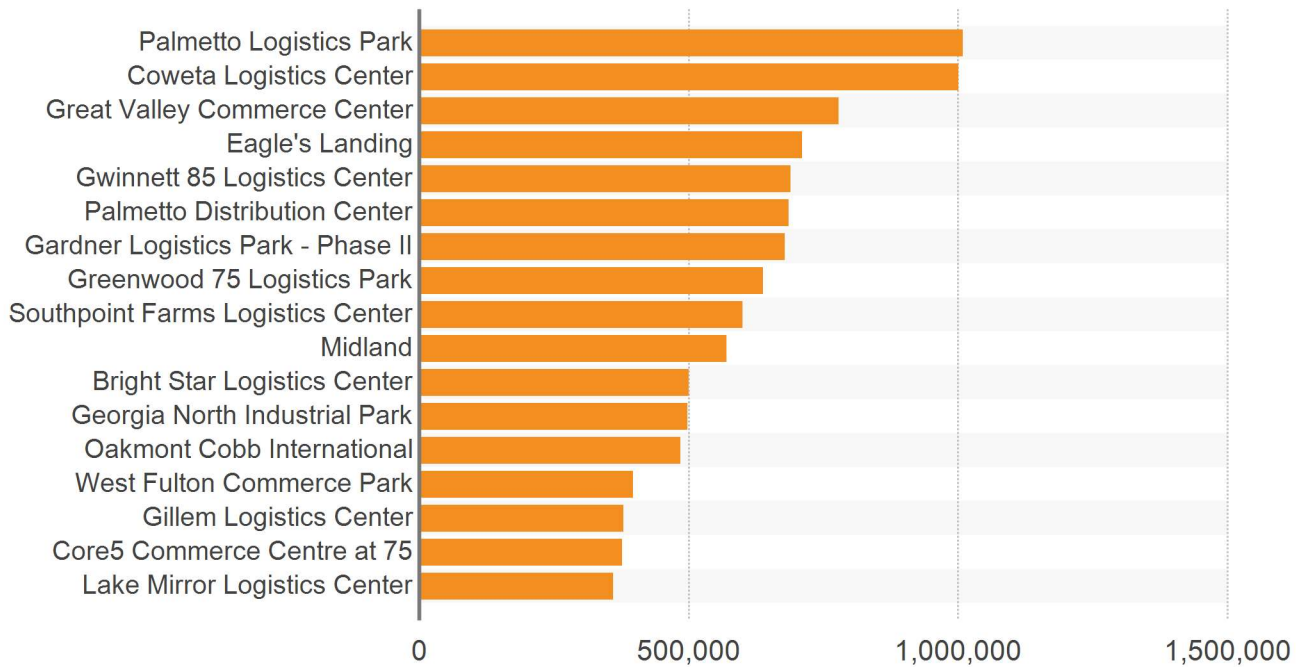
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Palmetto Logistics Park	Airport/North Clayton...	1,008,474	0	0	0	0	0	1,008,474
Coweta Logistics Center	Fayette/Coweta Cou...	1,001,000	0	0	0	0	0	1,001,000
Great Valley Commerce Center	Kennesaw/Acworth Ind	973,218	0	0	0	0	0	778,485
Eagle's Landing	S Clayton/Henry Cnt...	712,040	0	0	0	0	0	711,084
Gwinnett 85 Logistics Center	Duluth/Suwanee/Buf...	689,730	0	689,730	0	0	0	689,730
Palmetto Distribution Center	Airport/North Clayton...	686,038	0	0	0	0	0	686,038
Gardner Logistics Park - Phase II	S Clayton/Henry Cnt...	678,500	0	678,500	0	0	0	678,500
Greenwood 75 Logistics Park	S Clayton/Henry Cnt...	1,001,700	0	0	0	0	0	638,445
Southpoint Farms Logistics Center	Airport/North Clayton...	600,000	0	600,000	0	0	0	600,000
Midland	S Clayton/Henry Cnt...	570,586	0	0	570,586	0	0	570,586
Bright Star Logistics Center	I-20 W/Douglasville Ind	500,400	0	0	0	0	0	500,400
Georgia North Industrial Park	Kennesaw/Acworth Ind	498,144	0	0	0	0	0	498,144
Oakmont Cobb International	Kennesaw/Acworth Ind	484,323	0	0	0	0	0	484,323
West Fulton Commerce Park	Fulton District Ind	396,264	0	396,264	0	0	0	396,264
Gillem Logistics Center	Airport/North Clayton...	378,520	0	0	0	0	0	378,520
Core5 Commerce Centre at 75	Kennesaw/Acworth Ind	376,980	0	0	0	0	0	376,980
Lake Mirror Logistics Center	Airport/North Clayton...	424,596	0	0	0	0	0	359,376
Subtotal Primary Competitors		10,980,513	0	2,364,494	570,586	0	0	10,356,349
Remaining Atlanta Market		798,557,520	35,126,412	293,331	(702,853)	0	0	4,753,681
Total Atlanta Market		809,538,033	35,126,412	2,657,825	(132,267)	0	0	15,110,030

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
980 Douglas Hill Rd	I-20 W/Douglasville	1,110,960	Q4 22	Sam's West	-	JLL;Prologis, Inc.
700 Palmetto Logistics Pky	Airport/North Clayton	1,008,474	Q2 22	United States Postal Service	JLL	Colliers
381 Davis Lake Rd	S Clayton/Henry Cnty	1,003,954	Q3 22	-	Real Estate Advisor...	Cushman & Wakefield
500 Business Center Dr	S Clayton/Henry Cnty	712,040	Q3 22	Dollar General	Food Properties Group	JLL
2464 Mt. Zion Rd	S Clayton/Henry Cnty	705,833	Q3 22	Conn's HomePlus	Cushman & Wakefield	JLL
00 Gravel Springs Rd	Duluth/Suwanee/Buford	689,730	Q2 22	Ozark Automotive Distribu...	Strategic Real Estat...	Colliers;Hillwood Devel...
7965 Bowen Rd	Airport/North Clayton	686,038	Q3 22	Syncreon Technology	CBRE	Lee & Associates
493 Westridge Pky *	S Clayton/Henry Cnty	676,000	Q1 23	Carlisle Tire & Wheel Co...	CBRE	JLL
201 King Mill Ct	S Clayton/Henry Cnty	570,586	Q1 23	Nexus Circular	JLL	JLL
4950 Mason Rd	Airport/North Clayton	546,520	Q2 22	Quiet Platforms	Cushman & Wakefield	JLL
7550 Wood Rd	I-20 W/Douglasville	500,400	Q3 22	Unis	-	JLL
7575 Cobb International Blvd	Kennesaw/Acworth	484,323	Q2 22	Bergen Logistics	Cresa Atlanta	NAI Brannen Goddard
190 Old Grassdale Rd NE	Kennesaw/Acworth	483,136	Q3 22	Trinity Rail	-	-
545 Lake Careco Rd	I-20 W/Douglasville	468,827	Q2 22	ASOS	Cresa Atlanta	NAI Brannen Goddard
4575 Lake Mirror Pl	Airport/North Clayton	424,596	Q2 22	The Clorox Company	-	Lee & Associates
6021 Greensboro Dr SW *	Fulton District	408,127	Q2 22	Liberty Furniture	Colliers	Stream Realty Partners...
3781 Southside Industrial Ct *	Airport/North Clayton	406,989	Q4 22	UPS Supply Chain Solutions	JLL	-
200 Metcalf Rd	Airport/North Clayton	401,242	Q4 22	Covenant	Lee & Associates	Cushman & Wakefield
201 Greenwood Ct	S Clayton/Henry Cnty	395,000	Q4 22	Caterpillar	Newmark	JLL
2055 Anvil Block Rd	Airport/North Clayton	378,520	Q4 22	HD Supply	Cushman & Wakefield	Cushman & Wakefield;...
2750 Barrett Lakes Blvd *	Kennesaw/Acworth	368,931	Q3 22	Atlanta Bonded Warehouse	JLL	Prologis, Inc.
4785 Fulton Industrial Blvd SW	Fulton District	342,400	Q2 22	Waste Pro USA Inc	-	Stream Realty Partners...
86 Carson Loop NW	Kennesaw/Acworth	340,284	Q2 22	NPS	NAI Brannen Goddard	Hillwood Development...
81 Brown Loop NW	Kennesaw/Acworth	339,963	Q3 22	Buske Logistics	Colliers	Hillwood Development...
4125 GA Hwy 316	GA-316/Lawrenceville	326,019	Q4 22	WESCO Distribution	Cresa Atlanta	NAI Brannen Goddard
Riverside Pky	I-20 W/Douglasville	310,000	Q4 22	Flexential	-	Rooker;Wilson, Hull &...
0 Greenwood Industrial Pky	S Clayton/Henry Cnty	302,496	Q3 22	Oxbox	-	Colliers
4750 Southpark Blvd	S Clayton/Henry Cnty	297,188	Q1 23	ATL Freight	Lee & Associates	KBC Advisors
6280 Best Friend Rd *	Doraville	262,288	Q3 22	Zurn Industries	-	Colliers
3200 Shawnee Industrial Way	Duluth/Suwanee/Buford	256,700	Q1 23	The Millennium Mat Comp...	-	-
1305 Whitewater Pl	Airport/North Clayton	252,726	Q1 23	Resia Pods	JLL	Seefried Properties, Inc.
934 Peeples Valley Rd NE	Kennesaw/Acworth	250,874	Q3 22	Ceva Logistics	-	JLL
125 Southside Ct	S Clayton/Henry Cnty	245,760	Q3 22	Vantech	CBRE	Cushman & Wakefield
381 Davis Lake Rd	S Clayton/Henry Cnty	234,200	Q2 23	-	-	Cushman & Wakefield
6831 Stonecrest Industrial Way	Snapfinger	215,328	Q4 22	Pepsi Bottling Ventures	-	Cresa Atlanta
2107 Eastview Pky	Rockdale/Newton Cnty	201,403	Q2 23	-	-	Lincoln Property Comp...
14053 Industrial Park Blvd	Rockdale/Newton Cnty	200,880	Q4 22	80 Acres Farms	-	-
7776 Jonesboro Rd	Airport/North Clayton	200,439	Q4 22	Aeronet Worldwide	Cushman & Wakefield	Stream Realty Partners...
7980 Spence Rd	Airport/North Clayton	192,780	Q3 22	Kenco Logistics	JLL	NAI Brannen Goddard
3760 Southside Industrial Pky *	Airport/North Clayton	187,134	Q4 22	-	Therese Industrial P...	Seefried Properties, Inc.

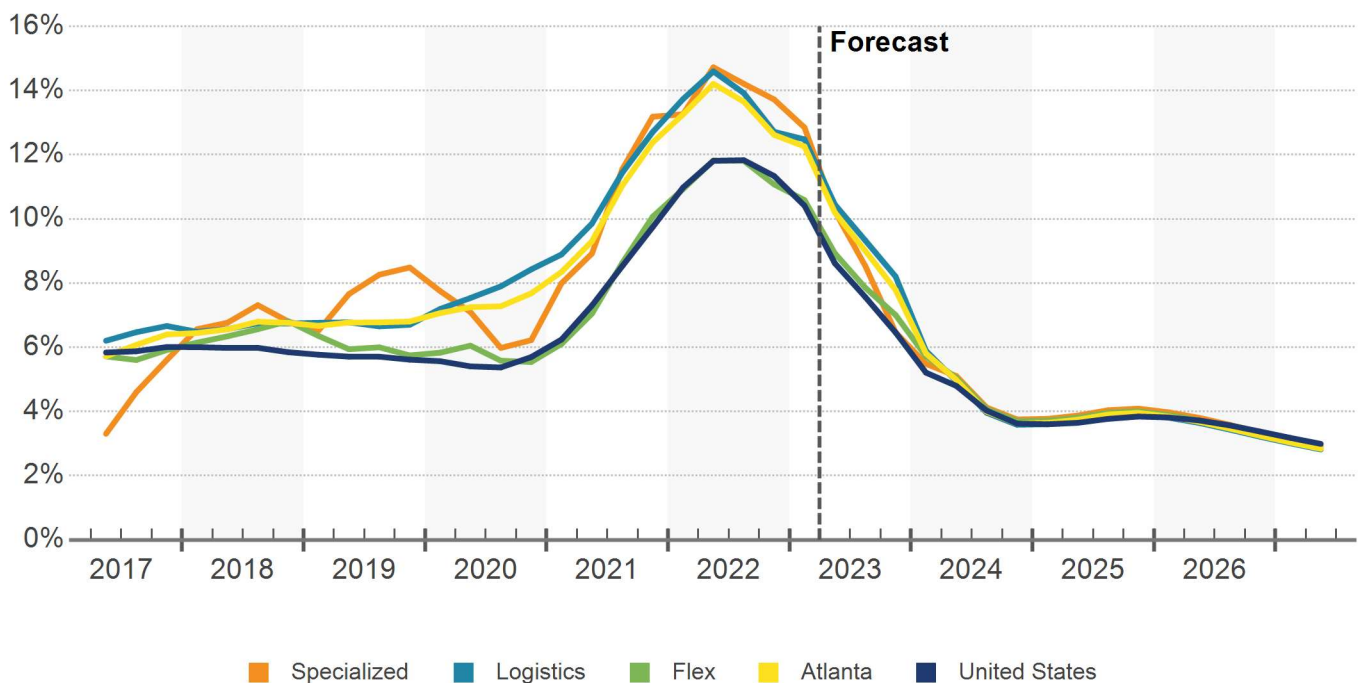
*Renewal

Rent growth in Atlanta has outperformed the metro's historical average for years, though a slight loosening of fundamentals in early 2023 has brought year-over-year accelerations down from record levels. Trailing 12-month growth of 11.2% is outpacing the national benchmark of 9.5%, but is down from peaks of nearly 16% reached in 22Q2. Quarterly rent increases fell to 2% in 23Q2 from a peak of nearly 4% in 22Q2. Slowing leasing velocity and the delivery of new supply could reduce landlords' pricing power in coming quarters, but long-term demand drivers in the region poise the best-positioned properties for continued growth.

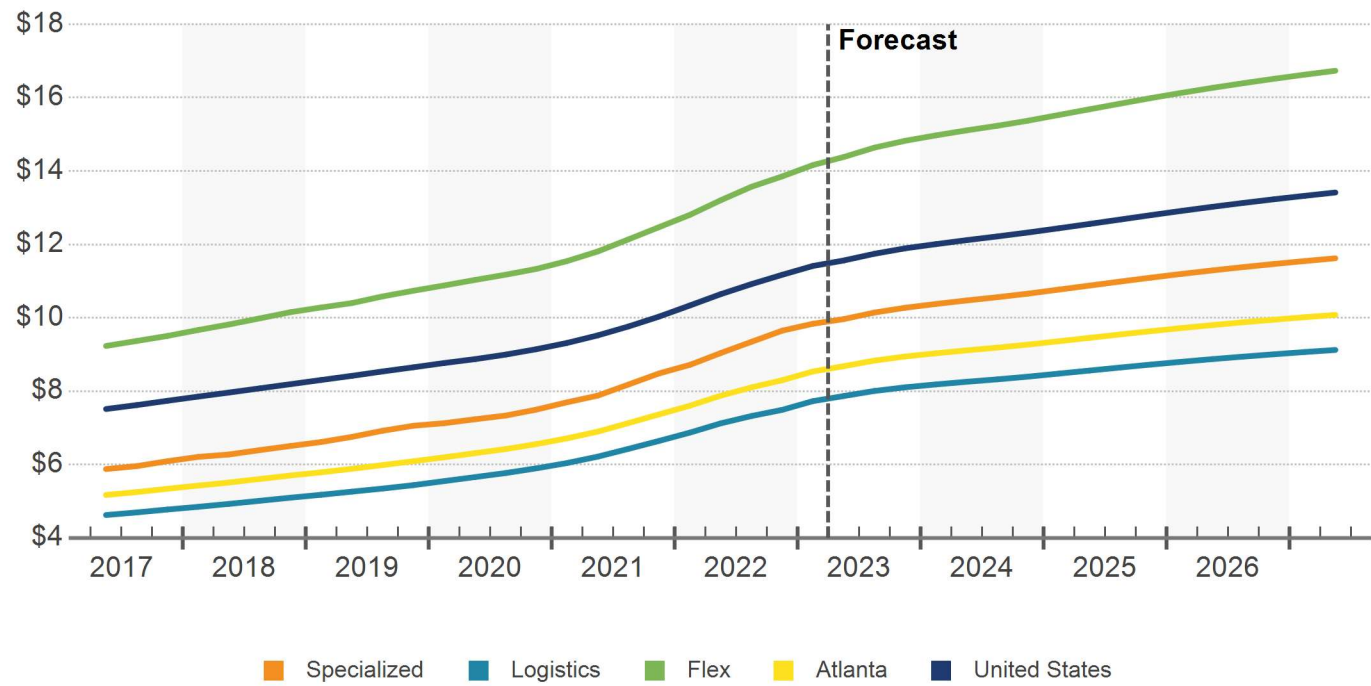
Atlanta rents come at a significant discount to major West and East Coast distribution markets. Average asking rents of roughly \$8.60/SF are well below the national average of about \$11.40/SF. Big-box

distribution facilities often rent for around \$5-\$5.50/SF, but the newest and highest-end properties can often command higher rates. WESCO Distribution's 327,000-SF lease in Dacula came with an asking rent of \$5.50/SF in November 2022, while Sam's West signed a 10-year lease starting in March 2023 at Prologis' 1.1 million-SF RiverWest III for an effective rate of \$6.48/NNN. Relatively inexpensive land and labor costs help give Atlanta a competitive pricing advantage compared to most large markets nationwide. Furthermore, due to the metro's robust infrastructure network and strong demographic growth, industrial users make fewer tradeoffs between transportation access and quality of labor, underlining Atlanta's increasing appeal to manufacturers and distributors looking to expand in the region.

MARKET RENT GROWTH (YOY)



MARKET RENT PER SQUARE FEET



Atlanta's industrial supply wave persists, and a large portion of the space underway is speculative. With roughly 29.9 million SF under construction, Atlanta ranks in the top five for industrial supply underway nationally. Under-construction projects account for about 3.7% of the metro's current inventory, above the national benchmark of 3.4%. Roughly 70% of under construction space remains unleased.

New developments in Atlanta are growing in both total footprint and height. The average clear height for buildings that came to market over the past few years is nearly 36 feet, and some new or under-construction projects have clear heights of 40 feet. By comparison, facilities built before 2010 rarely have clear heights that exceed 32 feet. The average industrial property built since 2010 is larger than 200,000 SF, while the average asset built in the 2000s is around 50,000 SF.

With growing space requirements from distributors, Atlanta developers have focused on building the largest of boxes. More than 20 properties of 500,000 SF or larger are currently underway representing more than half of all under construction space in the market. This construction surge will help ease a structural shortage of large buildings, which has pushed the vacancy rate in buildings of 500,000-SF or larger around 4%. However, the expansion also comes at a time when average lease sizes are declining and could weigh on fundamentals in exurban submarkets where these large properties

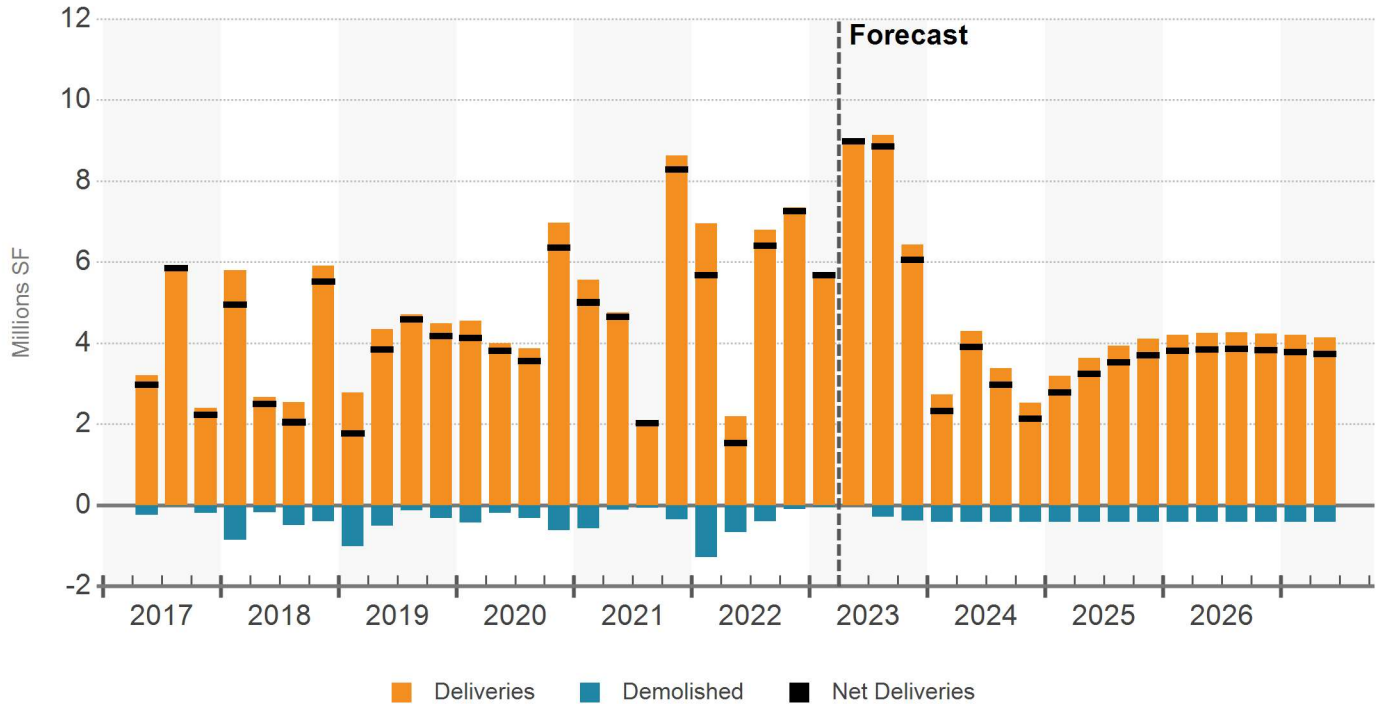
represent a disproportionate share of inventory.

Kennesaw/Acworth, for example, boasts strong access to Atlanta and Midwestern markets via I-75, proximity to the Appalachian Regional Port in northwest Georgia, and more developable land than other north side locales. But the 9 million SF currently under construction here remain mostly unleased, and the availability rate here is approaching 20%.

Supply-heavy submarkets in the southern portion of the metro, such as Airport/North Clayton, I-20 W/Douglasville, Fayette/Coweta County, Rockdale/Newton County, and South Clayton/Henry County, may benefit from continued demand for smaller leases in infill buildings closer to population centers.

Nearby markets such as Jackson County and Gainesville are two other important logistics nodes for the region. Jackson County provides tenants direct access to I-85, allowing operators to distribute to other fast-growing Southeastern metros while bypassing metro Atlanta traffic. The area also has few land constraints and is able to draw labor from Atlanta's eastern exurbs as well as rural northeast Georgia. Jackson County has more than doubled its industrial stock since 2010, and the presence of the new SK Innovation plant in Commerce will likely lead to spillover demand for parts suppliers and other manufacturers in the area in the coming years.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Kennesaw/Acworth	24	7,488	506	6.8%	6	58,953	312,000	6
2	Airport/North Clayton	18	4,759	344	7.2%	5	80,230	264,406	7
3	Rockdale/Newton Cnty	10	4,538	2,780	61.3%	1	39,926	453,829	3
4	I-20 W/Douglasville	12	4,322	2,022	46.8%	3	55,406	360,172	5
5	S Clayton/Henry Cnty	8	3,997	2,082	52.1%	2	81,304	499,646	2
6	Duluth/Suwanee/Buford	10	1,431	0	0%	7	67,919	143,130	10
7	Butts County	1	725	0	0%	7	115,835	725,000	1
8	Fayette/Coweta County	3	548	44	8.0%	4	49,084	182,753	9
9	Snapfinger	2	484	0	0%	7	40,480	241,953	8
10	Doraville	1	454	0	0%	7	55,335	453,600	4
	All Other	24	1,122	217	19.3%		35,278	46,747	
Totals		113	29,869	7,994	26.8%		48,378	264,326	

Under Construction Properties

Atlanta Industrial

Properties

Square Feet

Percent of Inventory

Released

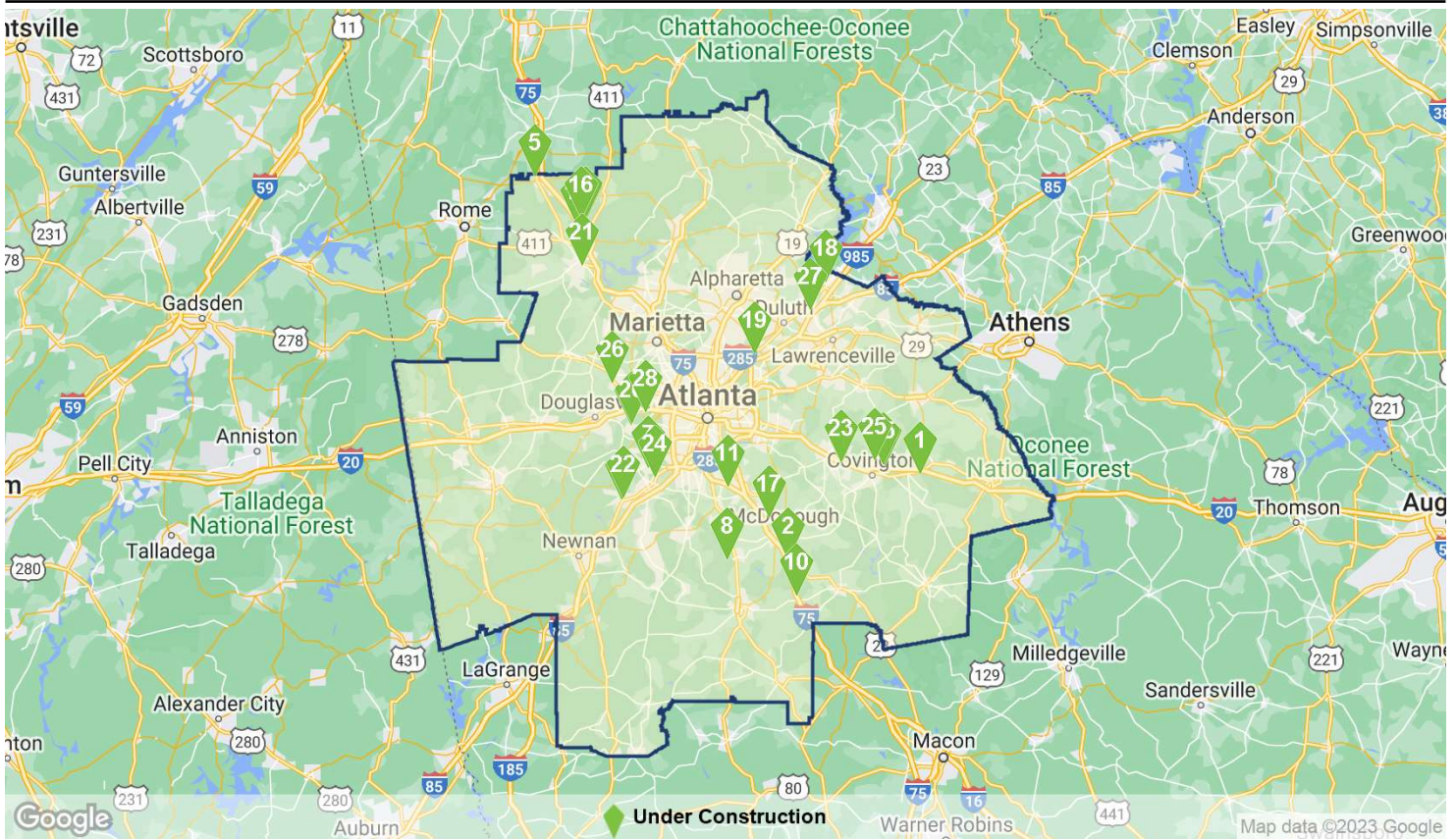
113

29,868,788

4.0%

26.8%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1	Facebook Data Center -... 503 Shire Pky	★★★★★	1,500,000	1	Sep 2020	Jun 2023	- Meta Platforms, Inc.
2	Gardner Logistics Park -... 381 Davis Lake Rd	★★★★★	1,438,962	1	Jan 2022	Jul 2023	- Scannell Properties
3	Building A 1490 Riverside Pky	★★★★★	1,314,599	1	Jul 2022	Jul 2023	- -
4	Busch Commerce Center Cass White Rd	★★★★★	1,218,620	1	May 2022	Jun 2023	CF Real Estate Investments MDH Partners, LLC
5	Building 3 300 International Pky	★★★★★	1,010,100	1	Dec 2021	Jun 2023	Ashley Capital, LLC Ashley Capital, LLC
6	Lidl Regional Distributio... 3301 Iris Dr	★★★★★	925,000	1	Jul 2021	Aug 2023	- Lidl
7	MAC V – Building 2 S Fulton Pkwy	★★★★★	800,000	1	Apr 2022	Oct 2023	- Majestic Realty Co.

Under Construction Properties

Atlanta Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 Lower Woolsey Rd	★ ★ ★ ★ ★	800,000	1	Mar 2023	Sep 2023	-
9 Building 100 1343 Cass-White Road	★ ★ ★ ★ ★	793,792	1	May 2022	Jul 2023	Reliant Real Estate Partners, LLC Atlanta Commercial Realty Inc
10 River Park Bldg 6 Logistics Pky	★ ★ ★ ★ ★	725,000	1	Oct 2022	Jun 2023	ICM Asset Management ICM Asset Management
11 Clayton 75 2464 Mt. Zion Rd	★ ★ ★ ★ ★	705,833	1	May 2022	Jul 2023	Hillwood Development Corporation Hillwood Development Corporation
12 Covington Logistics Par... 18019 NE Logistics Pky	★ ★ ★ ★ ★	701,984	1	Dec 2022	Jun 2023	- Ashley Capital, LLC
13 Roosevelt Logistics Center 7995 Bowen Rd	★ ★ ★ ★ ★	563,193	1	Jul 2022	Jul 2023	-
14 Bartow Commerce Center 981 Old Grassdale Rd NE	★ ★ ★ ★ ★	526,400	1	Sep 2021	Jul 2023	Panattoni Development Company... MDH Partners, LLC
15 Hazelbrand Rd	★ ★ ★ ★ ★	500,000	1	Dec 2022	Oct 2023	-
16 Qcells - Cartersville Site 0 Highland 75	★ ★ ★ ★ ★	500,000	1	Mar 2023	Mar 2024	-
17 Stockbridge Logistics C... Candler Rd	★ ★ ★ ★ ★	498,160	1	Sep 2022	Dec 2023	-
18 Downtown Buford Logist... 2105 Buford Hwy	★ ★ ★ ★ ★	495,442	1	Mar 2022	Jun 2023	IDI Logistics IDI Logistics
19 6455 Best Friend Rd	★ ★ ★ ★ ★	453,600	1	Apr 2023	Dec 2023	- TPA Group LLC
20 Building 4 Riverside Pky	★ ★ ★ ★ ★	422,500	1	Oct 2022	Aug 2023	Rooker -
21 Northwest Logistics Cen... 205 GA-293	★ ★ ★ ★ ★	379,855	1	May 2022	Jun 2023	-
22 Wilkerson Mill Logistics... 00 Wilkerson Mill Rd	★ ★ ★ ★ ★	374,881	1	Dec 2021	Jun 2023	- Ares Management Corporation
23 20 East Logistics Center 2932 Dogwood Dr SE	★ ★ ★ ★ ★	373,266	1	Aug 2022	Aug 2023	Native Development Group -
24 Union City Logistics Cen... 4811 Flat Shoals Rd	★ ★ ★ ★ ★	360,180	1	May 2022	Jul 2023	-
25 Archer Aviation Phase 1 0 City Pond Rd	★ ★ ★ ★ ★	350,000	1	Mar 2023	Mar 2024	-
26 20 West Intermodal 4795 Innovative Way	★ ★ ★ ★ ★	346,938	1	Jul 2022	Jul 2023	Native Development Group -
27 Suwanee Logistics Center Sawmill Dr	★ ★ ★ ★ ★	327,250	1	Feb 2022	Jul 2023	TPA Group LLC Freeman Partners
28 Building 1 7915 White Rd	★ ★ ★ ★ ★	318,600	1	Dec 2021	Jun 2023	-

Atlanta continues to be among the top U.S. markets for total industrial investment. However, sales volume slowed further in 23Q1 for the second consecutive quarter. Additionally, 22Q4 sales volume was largely due to large portfolio deals with Prologis' purchase of Duke Realty assets accounting for 40% of total activity.

Institutional interest in new and fully leased properties has led to significant long-term price appreciation in the Atlanta market. Market prices have grown to \$112/SF, nearly a 60% increase since 2019. But that's still well below the national average and comparable with other national distribution markets, such as Dallas-Fort Worth and Chicago. Recent sales, however, have indicated that price appreciation is stalling as the impact of higher interest rates and general economic uncertainty takes hold. The November 2022 sale of the unleased Jefferson Mill Logistics Center, for example, traded to Brookfield Property Group for \$17.7 million, or \$92/SF. By contrast, similar unleased properties such as the Riverside Business Park Building D in Douglasville sold in September 2021 for \$103/SF.

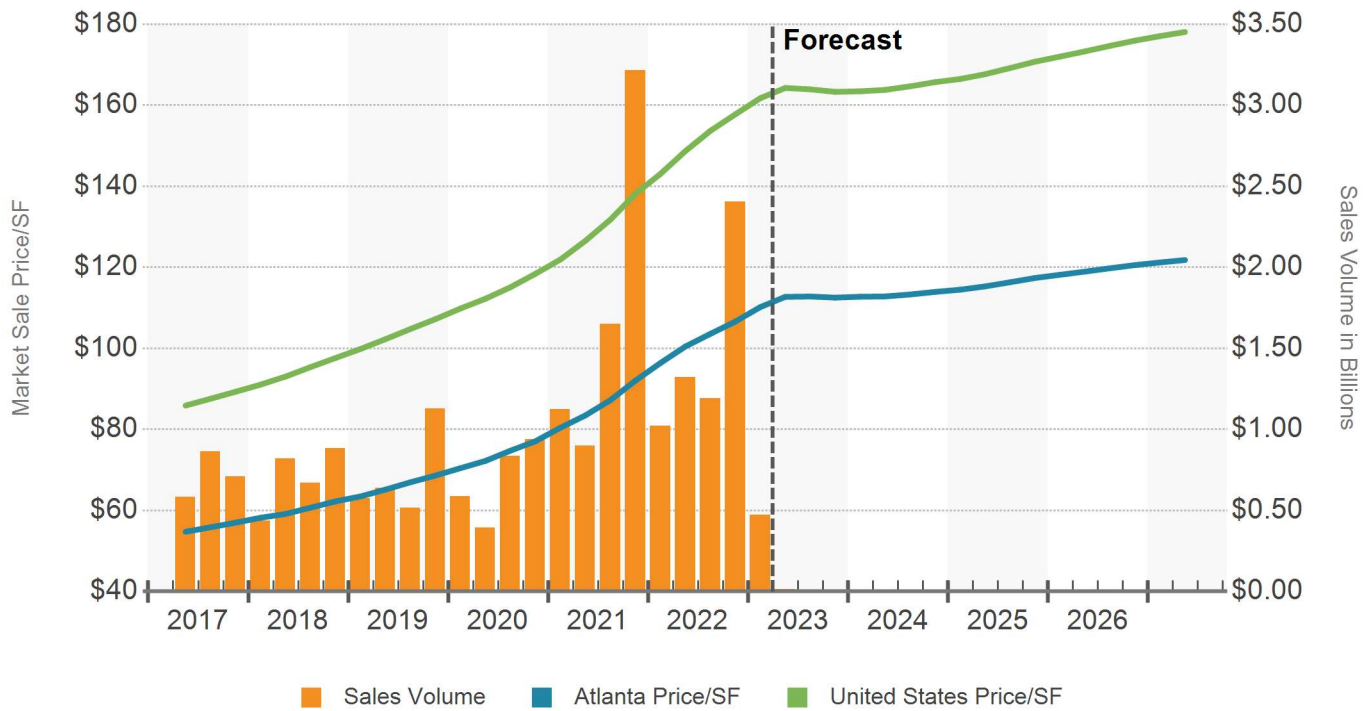
Tighter credit markets have shrunk the buyer pool active in the market in 2023, and market participants note a disconnect between buyers and sellers on cap rates, which have begun to tick upward after years of compression. However, large pension funds and other low-leverage institutional buyers remain active here, and are often willing to buy at higher prices or lower cap rates than most buyers. In February 2023, for example,

FHR Capital and UK-based Grosvenor purchased the McDonough Commerce Center for \$68.5 million or \$96/SF. The all-cash purchase came at a 4% cap rate, much lower than typical market cap rates. The property is fully leased to Scott's Miracle Grow through September 2024. A more typical transaction was Best Warehousing and Transportation Center's purchase of a three-property portfolio of older warehouse properties in Social Circle for \$11.5 million at a 6.6% cap rate.

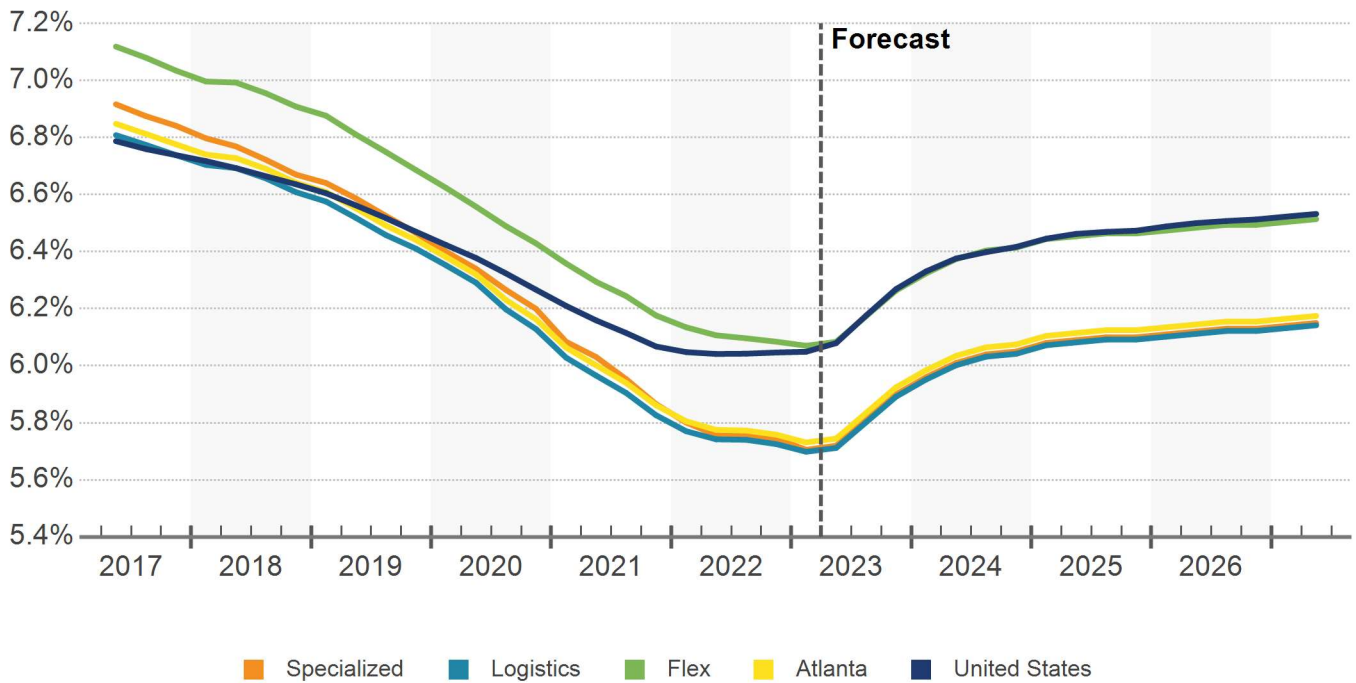
Older assets located in Atlanta's urban core often change hands as redevelopment plays. In particular, investors have targeted older warehouses in submarkets such as Chattahoochee and Central Atlanta for adaptive reuse projects. In all, roughly 9 million SF of industrial space has been sold and then demolished since 2010, a large portion of which was sold for the land value. Most recently, the Allen Company and Alaska Permanent Fund pension purchased a 1.4-acre tract of land at 11th St.NW, near the new Star Metals mixed-use project in West Midtown. It was the second large purchase in West Midtown in the past few months. Atlantic Companies purchased a 2.7-acre tract with a 32,500-SF, 1978-built warehouse on Northside Drive for \$11.2 million, or \$4.2 million/acre.

Investment activity is likely to remain subdued as long as uncertainty persists. However, institutional investors with patient plans are likely to keep Atlanta's newest assets as part of their plans.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Atlanta Industrial

Sale Comparables

962

Avg. Cap Rate

6.2%

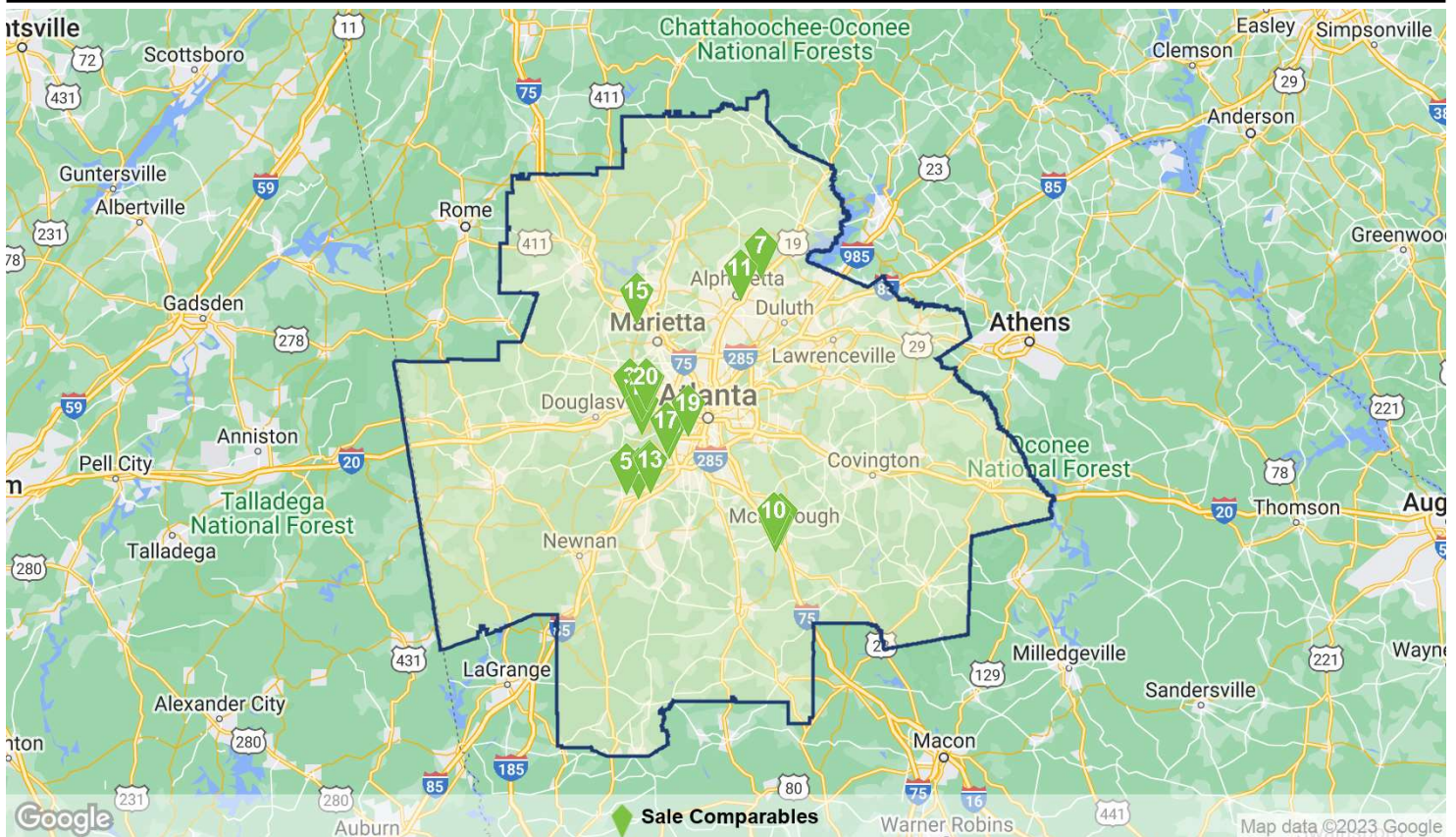
Avg. Price/SF

\$97

Avg. Vacancy At Sale

13.1%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$23,800	\$6,403,454	\$2,092,500	\$134,500,000
Price/SF	\$0.98	\$97	\$103	\$2,758
Cap Rate	3.8%	6.2%	6.0%	11.3%
Time Since Sale in Months	0.0	7.2	7.3	12.0
Property Attributes	Low	Average	Median	High
Building SF	746	59,053	15,000	1,505,690
Ceiling Height	8'	20'10"	20'	50'
Docks	0	9	2	206
Vacancy Rate At Sale	0%	13.1%	0%	100%
Year Built	1890	1987	1988	2023
Star Rating	★★★★★	★★★★★ 2.5	★★★★★	★★★★★

Sales Past 12 Months

Atlanta Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 1595 Oakley Industrial Bl... 1595 Oakley Industrial Blvd	★★★★★	2011	1,505,690	0%	9/8/2022	\$134,500,000	\$89	-
2 Whirlpool Atlanta 195 King Mill Rd	★★★★★	2008	1,504,800	0%	10/12/2022	\$93,000,000	\$62	-
3 Lithia Springs Distributi... 7705 Staples Dr	★★★★★	2007	644,040	0%	3/20/2023	\$87,500,000	\$136	-
4 Camp Creek 3909 3909 N Commerce Dr	★★★★★	2006	913,700	0%	10/3/2022	\$82,331,335	\$90	-
5 Building 3 700 Palmetto Logistics Pky	★★★★★	2022	1,008,474	100%	8/31/2022	\$81,648,000	\$81	-
6 Building 4 1950 Oak Lawn Ave	★★★★★	2022	633,269	100%	12/28/2022	\$80,321,926	\$127	-
7 6020 Shiloh Rd	★★★★★	2021	194,725	0%	9/19/2022	\$78,400,000	\$403	-
8 7780 Spence Rd	★★★★★	2006	798,296	0%	8/22/2022	\$71,691,685	\$90	-
9 Greenwood Industrial Bl... 150 Greenwood Industrial...	★★★★★	2006	867,140	0%	10/12/2022	\$68,719,333	\$79	-
10 McDonough Commerce... 2085 Avalon Pky	★★★★★	2016	714,560	0%	2/2/2023	\$68,500,000	\$96	4.0%
11 Ascent Data Center 4905 North Point Pky	★★★★★	2010	185,000	18.4%	8/4/2022	\$63,600,000	\$344	-
12 Riverside Business Cent... 600 Riverside Pky	★★★★★	2013	653,484	0%	10/28/2022	\$63,400,000	\$97	-
13 130 Whitewater Pl	★★★★★	2004	498,050	0%	8/22/2022	\$59,791,478	\$120	-
14 Home Depot 1000 Logistics Way	★★★★★	2021	663,520	0%	10/3/2022	\$59,788,210	\$90	-
15 Oakmont Cobb Internati... 7575 Cobb International Blvd	★★★★★	2022	484,323	0%	10/28/2022	\$56,898,928	\$117	-
16 Camp Creek 4909 4909 N Commerce Dr	★★★★★	2016	614,880	0%	10/3/2022	\$55,405,375	\$90	-
17 Camp Creek 3201 3201 Centre Pky	★★★★★	2004	607,650	0%	10/3/2022	\$54,753,897	\$90	-
18 Oakmont 20 West 545 Lake Careco Rd	★★★★★	2022	468,827	0%	10/28/2022	\$54,152,404	\$116	-
19 Creekside Distribution C... 2110-2135 Lawrence Ave	★★★★★	2016	538,500	0%	6/1/2022	\$51,500,000	\$96	-
20 7545 Hartman Industrial...	★★★★★	2008	569,674	0%	10/3/2022	\$50,410,290	\$88	-



Atlanta's job market has more than recovered from job losses during the pandemic, though some evidence now points to potential challenges on the horizon. There are now 5% more total jobs in the Atlanta area than there were in February 2020. The strongest job growth has come from office-using sectors such as finance, professional services, and tech. Atlanta's aggregate office-using job sector has grown at a rate of more than 10% since 20Q1, according to Oxford Economics. However, recent layoffs announced by tech companies such as Google and Microsoft's recent postponement of plans for a 90-acre Westside campus have raised some questions about the continued velocity of job growth here.

Still, in the long run, Atlanta remains an attractive market for corporate relocations. Microsoft is moving forward with its lease at Atlantic Station, and Google, Cisco, Invesco, Micron, and Norfolk Southern have all opened new offices in Midtown in recent years. In other sizable recent moves, TK Elevator opened its North American headquarters, and Truist Securities announced that it would move to The Battery in Cumberland/Galleria; FinTech firm Deluxe Corporation added 700 new jobs at an innovation center in Central Perimeter, and Papa Johns relocated its headquarters to Cumberland/Galleria. Tech company Mailchimp is expanding its local presence on the Eastside, while Airbnb and Nike are each establishing East Coast hubs in West Midtown. These expansions follow several Fortune 500 firms setting up technology-related operations locally, including BlackRock, Meta (Facebook), Anthem, and Honeywell.

Atlanta has a lower concentration of education and health services employment than the national average, but that sector has seen substantial job growth over the past few years. Multiple healthcare systems are constructing new facilities, and the sector is poised to grow to adequately serve the metro's growing population. Piedmont Hospital opened phase one of the \$450 million Piedmont Heart Institute tower in Buckhead early to treat coronavirus patients, Emory University Hospital Midtown is underway on its \$500 million Winship Cancer Institute tower, and Children's Healthcare of Atlanta is building a \$1.5 billion hospital and campus expansion in Brookhaven that will open in 2025.

Slower consumer spending and increasing automation has begun to put a dent in industrial-using sectors, though employment here remains well above pre-pandemic levels. Hiring by firms like Amazon, Home Depot, HelloFresh, Freshly, Purple Mattress, and

Goodyear, among others, has helped boost blue-collar job growth in recent years. Since late 2022, however, a few high-profile layoff announcements have highlighted weakness in the homebuilding sector as well as a broader move to automated technology in warehousing operations. American Building Supply closed a 600,000-SF distribution center, and Walmart announced it would slash 1,500 workers as it automated much of the work at its 1.2 million-SF fulfillment center near Hartsfield-Jackson Airport. Growth in the manufacturing sector may help to counterbalance losses in the logistics sector, though automation remains a factor for future employment needs in both sectors.

Federal investments have helped the greater Atlanta region emerge as a major electric vehicle manufacturing hub. SK Innovation's new facility in Commerce, just northeast of the Atlanta metro, will employ thousands at full build-out and could eventually serve as one of the world's largest hubs of electric vehicle battery manufacturing. And on the eastern fringe of the metro along I-20, Rivian announced it will build a new \$5 billion electric vehicle manufacturing plant, slated to employ 7,500 workers when fully staffed. Long term, Atlanta will continue to benefit from its standing as a major regional and national distribution hub and its proximity to the fast-growing Port of Savannah.

The presence of the well-connected Hartsfield-Jackson Atlanta International Airport is a significant factor in helping Atlanta attract residents and corporations. Atlanta's transportation and logistics hub status helped attract Norfolk Southern, which moved its corporate headquarters to Midtown in 2021. The firm is adding roughly 850 new jobs with an average salary north of \$100,000. The airport, along with generous tax incentives, has also helped the region's growing film and entertainment industry, which is responsible for \$3 billion in annual direct spending in the state. One indicator of the growth in the film industry is that Georgia recently surpassed New York for the second-largest concentration of sound stages in the country.

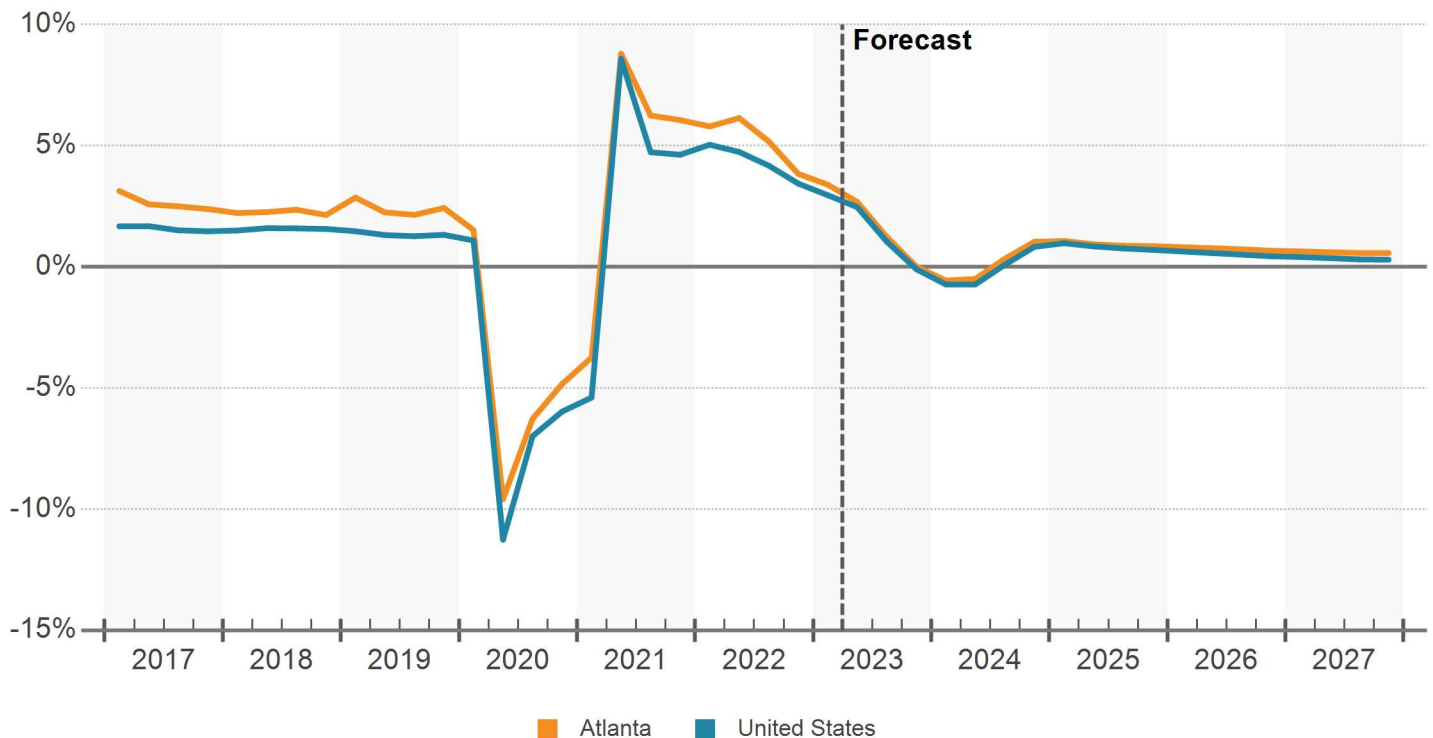
Atlanta boasts lower living and business costs than large East and West Coast metros, and this competitive advantage should continue to boost population and job growth in Atlanta. Atlanta has drawn some of the strongest in-migration in the country over the past few decades, and many employers have openly stated that moving all or a portion of their operations to Atlanta saved them millions without sacrificing access to high-quality labor.

ATLANTA EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	178	0.7	1.29%	2.22%	1.94%	0.80%	0.11%	-0.10%
Trade, Transportation and Utilities	653	1.2	0.29%	1.18%	2.29%	1.22%	0.09%	0.00%
Retail Trade	299	1.0	-0.89%	0.45%	1.31%	0.42%	0.08%	0.01%
Financial Activities	205	1.1	3.67%	1.33%	2.79%	1.50%	0.10%	0.00%
Government	341	0.8	3.49%	1.84%	0.84%	0.28%	0.62%	0.44%
Natural Resources, Mining and Construction	145	0.9	5.43%	3.50%	4.80%	2.55%	0.19%	0.12%
Education and Health Services	401	0.8	5.29%	4.08%	3.14%	1.77%	1.17%	0.56%
Professional and Business Services	593	1.3	1.33%	2.53%	2.86%	2.19%	0.41%	0.24%
Information	115	1.9	1.71%	1.18%	3.36%	1.28%	0.24%	-0.03%
Leisure and Hospitality	312	1.0	9.35%	6.38%	2.53%	1.61%	1.31%	0.92%
Other Services	107	0.9	5.50%	3.26%	1.21%	0.67%	-0.02%	0.22%
Total Employment	3,050	1.0	3.13%	2.77%	2.47%	1.37%	0.49%	0.29%

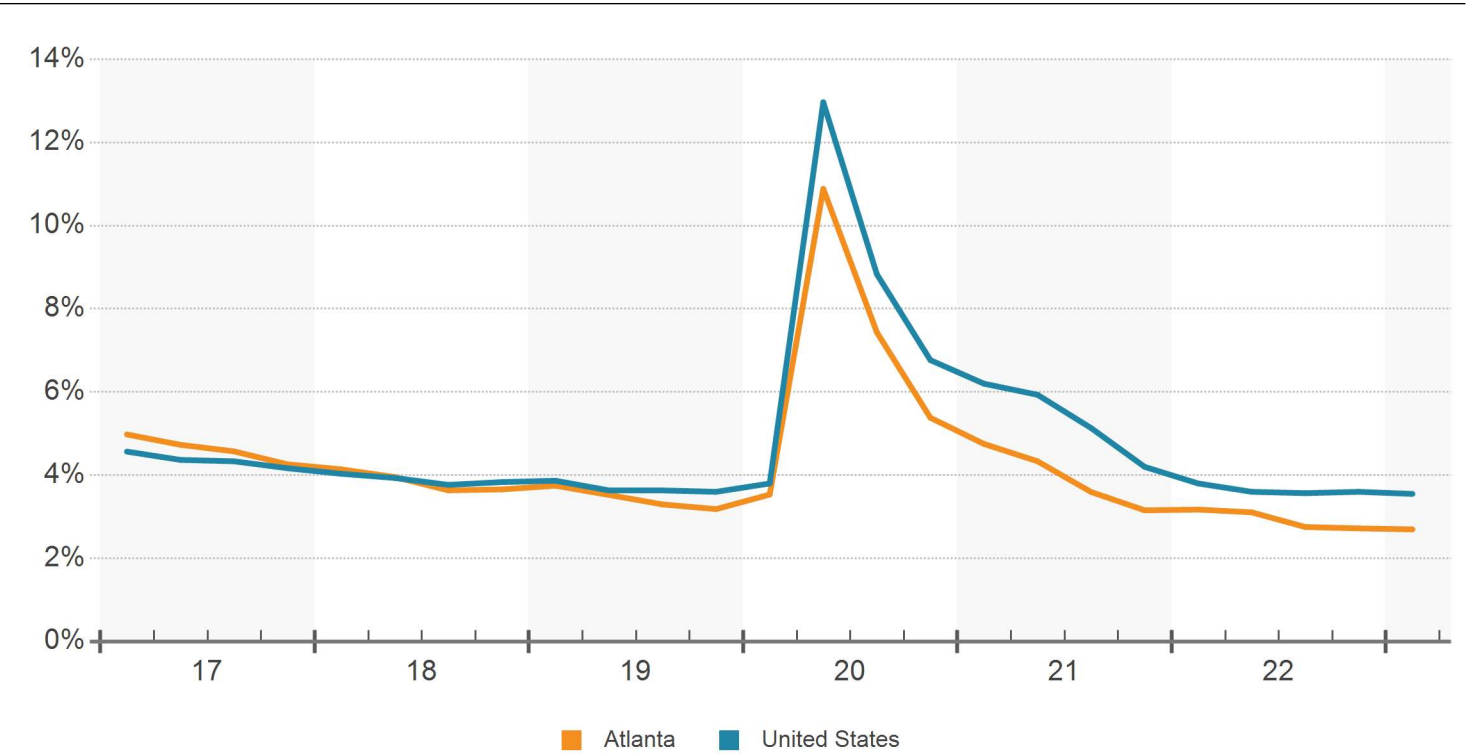
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

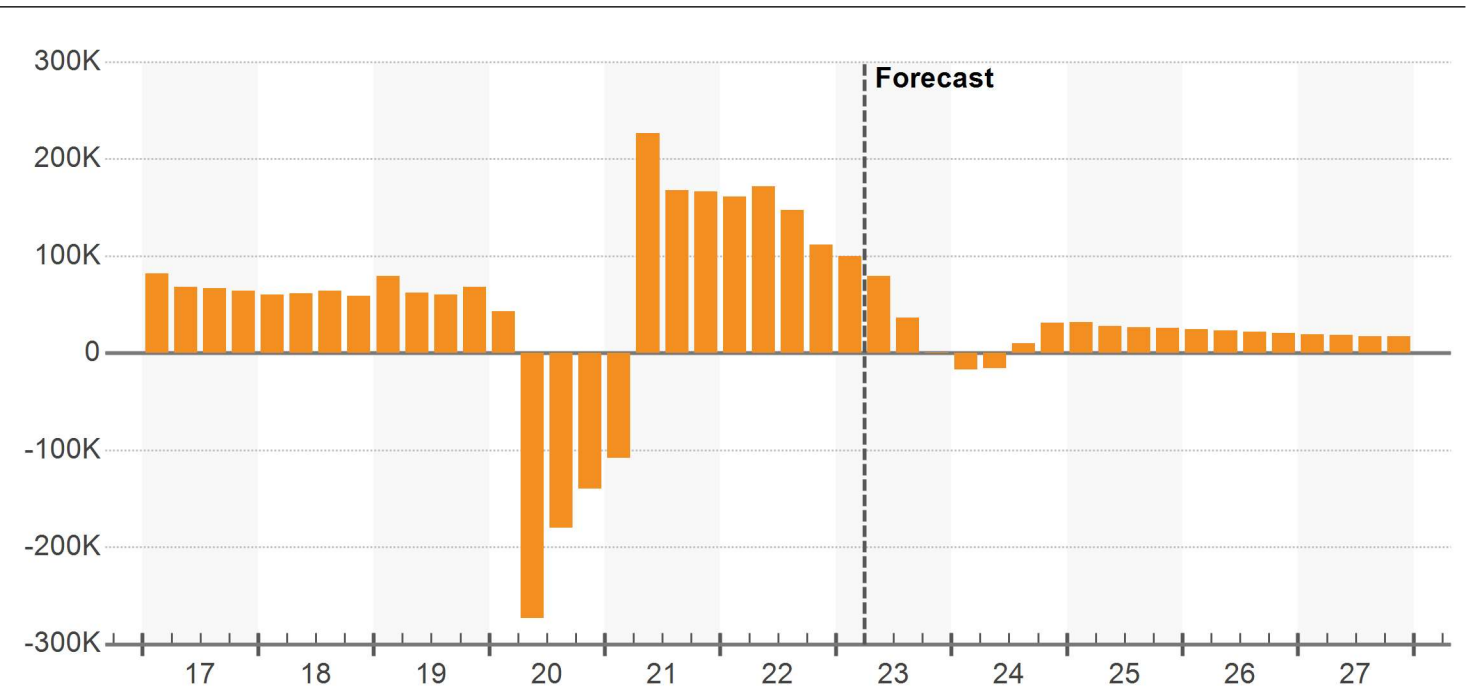


Source: Oxford Economics

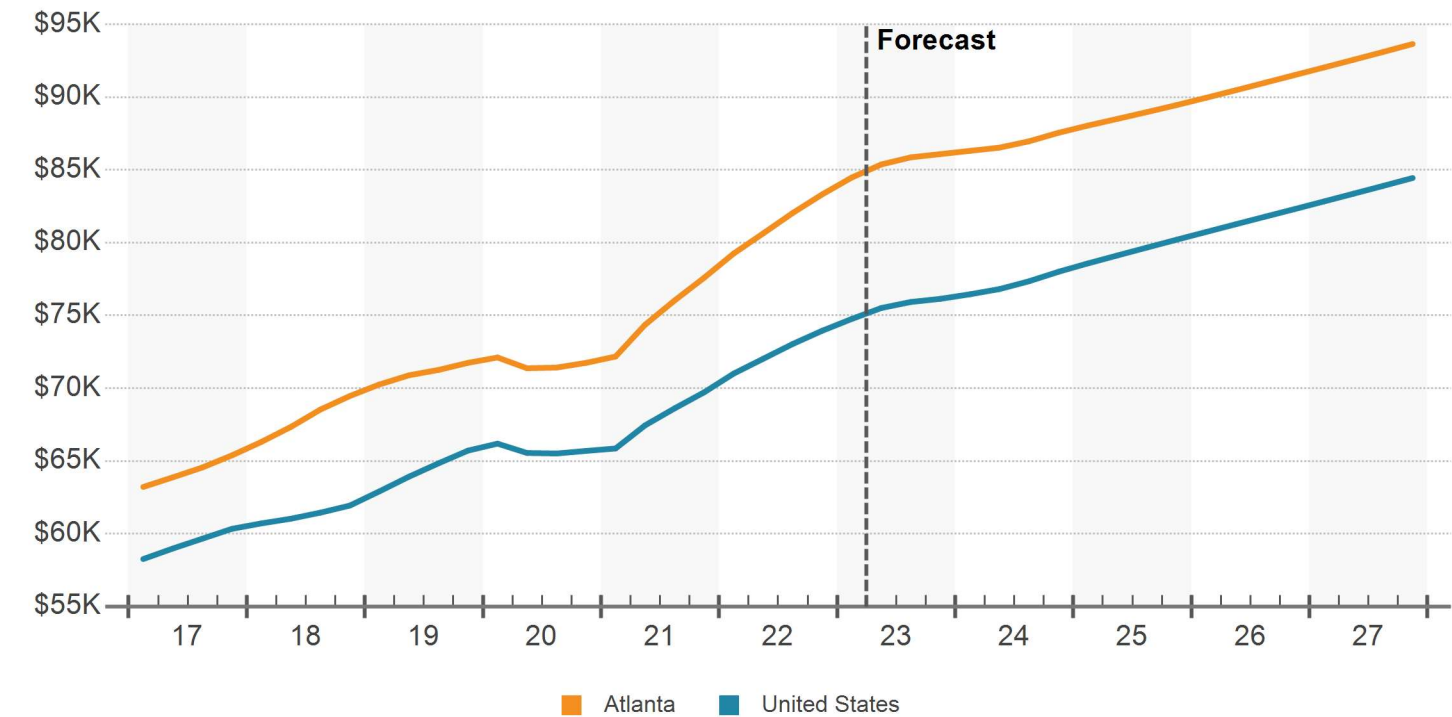
UNEMPLOYMENT RATE (%)



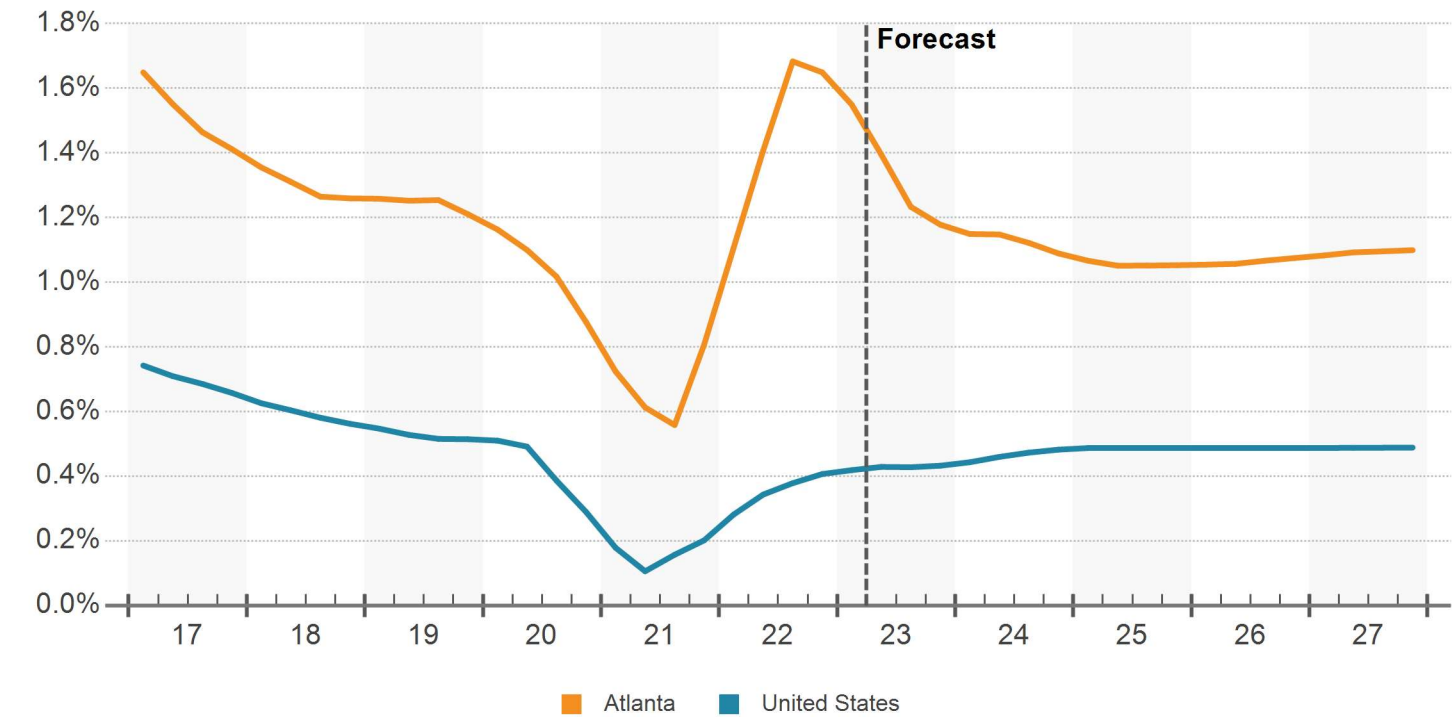
NET EMPLOYMENT CHANGE (YOY)



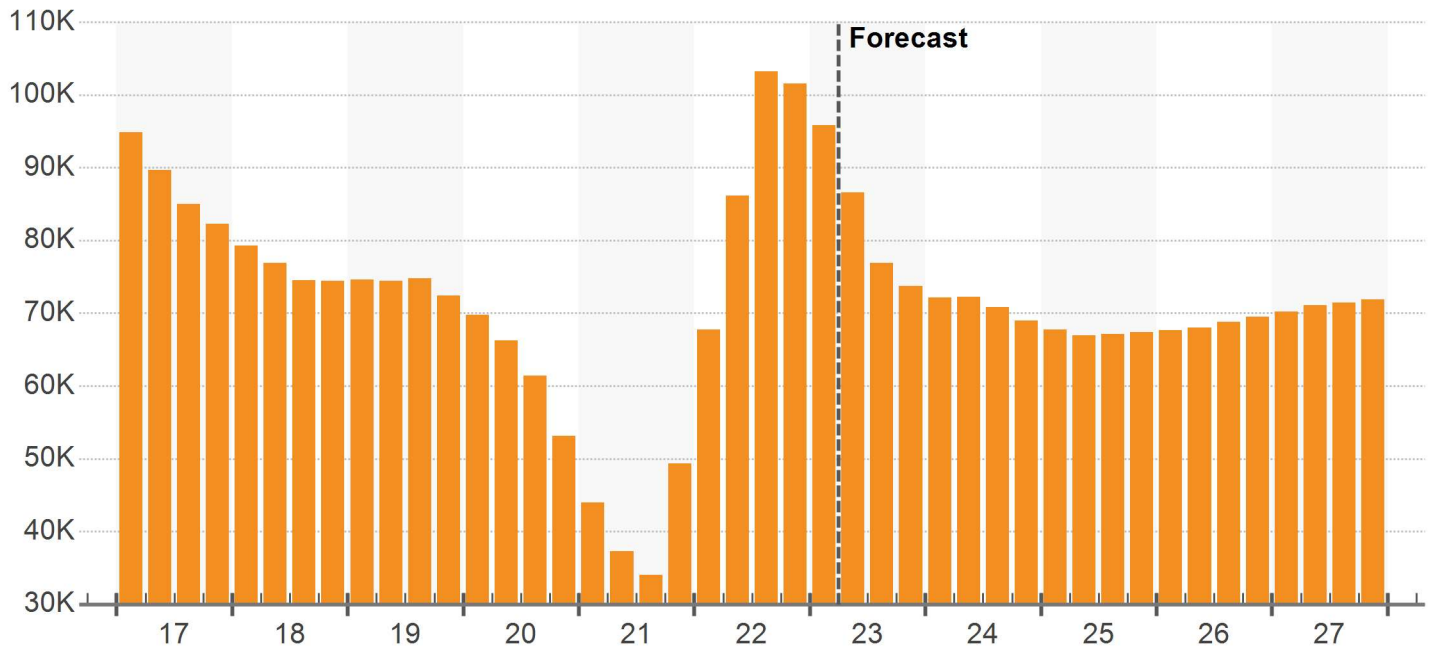
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

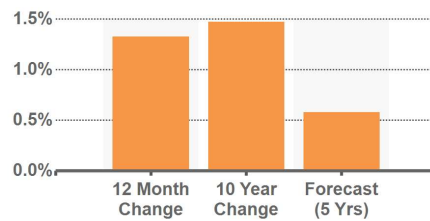
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	6,288,840	334,143,188	1.5%	0.4%	1.4%	0.6%	1.1%	0.5%
Households	2,354,545	129,681,547	2.0%	0.9%	1.7%	0.9%	1.2%	0.6%
Median Household Income	\$84,801	\$75,031	6.3%	5.1%	4.4%	3.8%	2.2%	2.6%
Labor Force	3,222,825	165,230,063	1.3%	0.8%	1.5%	0.6%	0.6%	0.4%
Unemployment	2.7%	3.5%	-0.5%	-0.2%	-0.5%	-0.4%	-	-

Source: Oxford Economics

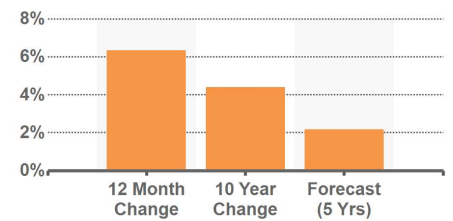
POPULATION GROWTH



LABOR FORCE GROWTH

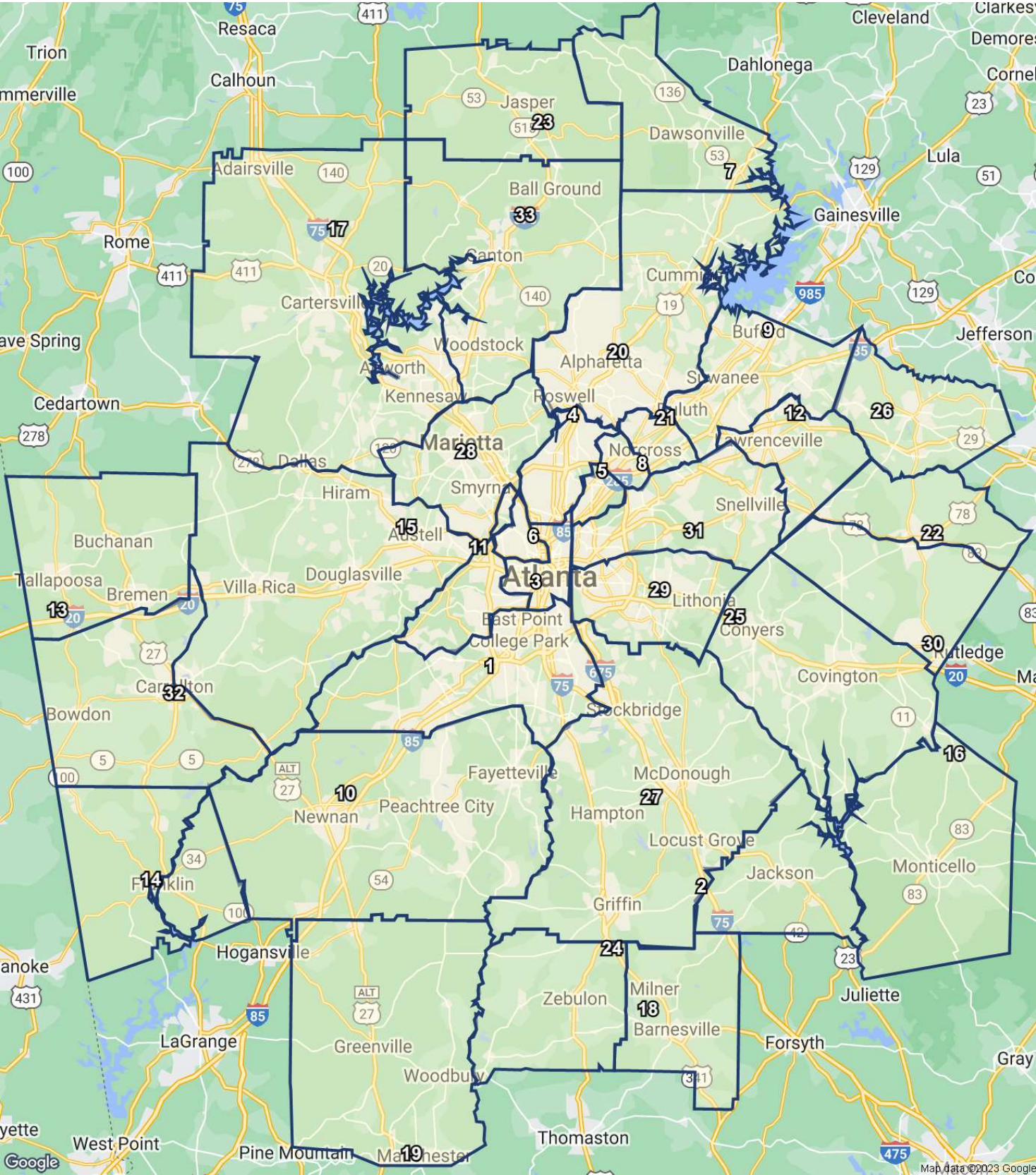


INCOME GROWTH



Source: Oxford Economics

ATLANTA SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Airport/North Clayton	1,603	128,608	15.9%	1	17	4,768	3.7%	1	18	4,759	3.7%	2
2	Butts County	39	4,518	0.6%	23	2	1,313	29.1%	7	1	725	16.0%	7
3	Central Atlanta	601	13,466	1.7%	17	1	20	0.1%	18	1	5	0%	19
4	Central Perimeter	31	493	0.1%	31	0	0	0%	-	0	-	-	-
5	Chamblee	372	8,316	1.0%	21	0	0	0%	-	4	238	2.9%	12
6	Chattahoochee	627	20,444	2.5%	15	2	360	1.8%	12	0	-	-	-
7	Dawson County	75	1,585	0.2%	28	1	13	0.8%	20	0	-	-	-
8	Doraville	612	33,865	4.2%	9	0	0	0%	-	1	454	1.3%	10
9	Duluth/Suwanee/Buford	866	58,818	7.3%	4	7	1,819	3.1%	5	10	1,431	2.4%	6
10	Fayette/Coweta County	663	32,543	4.0%	11	9	483	1.5%	11	3	548	1.7%	8
11	Fulton District	641	55,474	6.9%	6	4	1,318	2.4%	6	2	14	0%	17
12	GA-316/Lawrenceville	529	22,316	2.8%	14	1	98	0.4%	15	1	237	1.1%	13
13	Haralson County	72	2,745	0.3%	24	0	0	0%	-	0	-	-	-
14	Heard County	10	542	0.1%	30	0	0	0%	-	0	-	-	-
15	I-20 W/Douglasville	1,176	65,157	8.1%	3	16	4,122	6.3%	2	12	4,322	6.6%	4
16	Jasper County	12	306	0%	33	0	0	0%	-	0	-	-	-
17	Kennesaw/Acworth	951	56,064	6.9%	5	11	3,416	6.1%	3	24	7,488	13.4%	1
18	Lamar County	33	2,040	0.3%	27	0	0	0%	-	0	-	-	-
19	Meriwether County	27	1,262	0.2%	29	0	0	0%	-	0	-	-	-
20	N Fulton/Forsyth Cnty	1,213	34,737	4.3%	7	4	611	1.8%	10	12	324	0.9%	11
21	Norcross	788	33,952	4.2%	8	2	140	0.4%	14	1	89	0.3%	15
22	North Walton County	57	2,314	0.3%	25	0	0	0%	-	0	-	-	-
23	Pickens County	160	2,200	0.3%	26	3	19	0.9%	19	1	8	0.3%	18
24	Pike County	14	489	0.1%	32	0	0	0%	-	0	-	-	-
25	Rockdale/Newton Cnty	797	31,821	3.9%	13	7	1,204	3.8%	8	10	4,538	14.3%	3
26	S Barrow	319	10,334	1.3%	19	5	747	7.2%	9	0	-	-	-
27	S Clayton/Henry Cnty	908	73,824	9.1%	2	9	2,628	3.6%	4	8	3,997	5.4%	5
28	SE Cobb Cnty/Marietta	1,052	32,219	4.0%	12	1	3	0%	22	1	191	0.6%	14
29	Snapfinger	431	17,447	2.2%	16	1	6	0%	21	2	484	2.8%	9
30	South Walton County	148	9,148	1.1%	20	0	0	0%	-	0	-	-	-
31	Stone Mountain	1,031	32,633	4.0%	10	1	96	0.3%	16	0	-	-	-
32	W Carroll County	167	7,058	0.9%	22	2	302	4.3%	13	0	-	-	-
33	Woodstock/Canton	679	11,361	1.4%	18	2	33	0.3%	17	1	15	0.1%	16

SUBMARKET RENT

No.	Submarket	Market Rent		12 Month Market Rent		QTD Annualized Market Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Airport/North Clayton	\$7.51	26	11.5%	5	3.9%	6
2	Butts County	\$6.37	32	11.8%	2	4.3%	1
3	Central Atlanta	\$11.89	3	9.4%	32	-0.7%	33
4	Central Perimeter	\$16.39	1	10.0%	31	2.6%	26
5	Chamblee	\$11.86	4	10.6%	29	3.1%	21
6	Chattahoochee	\$11.57	6	10.5%	30	3.4%	18
7	Dawson County	\$11.67	5	10.9%	23	2.2%	29
8	Doraville	\$9.45	13	11.2%	16	3.7%	8
9	Duluth/Suwanee/Buford	\$9.26	15	11.4%	7	4.1%	4
10	Fayette/Coweta County	\$7.82	23	11.3%	12	3.4%	14
11	Fulton District	\$6.03	33	11.6%	4	4.2%	2
12	GA-316/Lawrenceville	\$9.27	14	11.2%	14	3.6%	11
13	Haralson County	\$6.46	31	11.4%	9	3.0%	23
14	Heard County	\$10.38	10	10.8%	26	2.0%	31
15	I-20 W/Douglasville	\$7.52	25	11.4%	6	4.0%	5
16	Jasper County	\$8.88	18	10.7%	27	2.4%	28
17	Kennesaw/Acworth	\$9.02	17	11.3%	10	3.7%	9
18	Lamar County	\$7.63	24	12.2%	1	2.2%	30
19	Meriwether County	\$6.75	29	2.7%	33	2.8%	25
20	N Fulton/Forsyth Cnty	\$12.96	2	10.6%	28	3.4%	16
21	Norcross	\$10.40	9	11.0%	21	3.8%	7
22	North Walton County	\$9.45	12	11.4%	8	3.2%	20
23	Pickens County	\$8.82	19	10.9%	22	2.9%	24
24	Pike County	\$9.57	11	11.3%	13	1.5%	32
25	Rockdale/Newton Cnty	\$8.18	20	11.1%	19	3.4%	15
26	S Barrow	\$8.03	21	11.1%	18	3.1%	22
27	S Clayton/Henry Cnty	\$6.57	30	11.6%	3	4.1%	3
28	SE Cobb Cnty/Marietta	\$11.24	7	10.9%	24	3.6%	12
29	Snapfinger	\$7.90	22	11.2%	15	3.6%	10
30	South Walton County	\$6.87	28	11.3%	11	3.4%	17
31	Stone Mountain	\$9.14	16	11.0%	20	3.5%	13
32	W Carroll County	\$7.11	27	11.2%	17	2.5%	27
33	Woodstock/Canton	\$10.62	8	10.8%	25	3.3%	19

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Airport/North Clayton	5,791,692	4.5%	19	3,799,694	3.0%	1	1.2
2	Butts County	1,320,773	29.2%	29	(4,612)	-0.1%	24	-
3	Central Atlanta	610,584	4.5%	20	(159,584)	-1.2%	30	-
4	Central Perimeter	16,316	3.3%	13	1,669	0.3%	21	-
5	Chamblee	282,873	3.4%	14	(59,798)	-0.7%	28	-
6	Chattahoochee	962,001	4.7%	21	386,242	1.9%	8	0.9
7	Dawson County	30,000	1.9%	5	10,244	0.6%	17	1.3
8	Doraville	874,424	2.6%	8	28,261	0.1%	16	-
9	Duluth/Suwanee/Buford	1,734,892	2.9%	10	1,169,773	2.0%	6	1.5
10	Fayette/Coweta County	990,406	3.0%	12	1,298,322	4.0%	5	0.4
11	Fulton District	3,056,011	5.5%	24	(599,734)	-1.1%	33	-
12	GA-316/Lawrenceville	620,800	2.8%	9	155,450	0.7%	11	-
13	Haralson County	36,250	1.3%	3	0	0%	-	-
14	Heard County	-	-	-	5,051	0.9%	19	-
15	I-20 W/Douglasville	3,275,003	5.0%	22	2,069,108	3.2%	4	1.8
16	Jasper County	-	-	-	33,872	11.1%	15	-
17	Kennesaw/Acworth	4,145,052	7.4%	27	2,974,991	5.3%	3	0.9
18	Lamar County	154,631	7.6%	28	(154,631)	-7.6%	29	-
19	Meriwether County	390,245	30.9%	30	104,407	8.3%	12	-
20	N Fulton/Forsyth Cnty	1,542,933	4.4%	18	158,385	0.5%	10	3.9
21	Norcross	1,221,478	3.6%	16	(195,006)	-0.6%	31	-
22	North Walton County	13,915	0.6%	1	(7,915)	-0.3%	26	-
23	Pickens County	50,468	2.3%	7	(6,151)	-0.3%	25	-
24	Pike County	-	-	-	0	0%	-	-
25	Rockdale/Newton Cnty	1,858,068	5.8%	25	9,192	0%	18	130.8
26	S Barrow	609,238	5.9%	26	541,771	5.2%	7	1.4
27	S Clayton/Henry Cnty	2,232,713	3.0%	11	3,583,669	4.9%	2	0.7
28	SE Cobb Cnty/Marietta	1,109,561	3.4%	15	(384,054)	-1.2%	32	-
29	Snapfinger	764,252	4.4%	17	61,258	0.4%	14	-
30	South Walton County	486,561	5.3%	23	2,538	0%	20	-
31	Stone Mountain	702,809	2.2%	6	68,580	0.2%	13	1.4
32	W Carroll County	46,650	0.7%	2	263,676	3.7%	9	1.2
33	Woodstock/Canton	185,527	1.6%	4	(35,884)	-0.3%	27	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	885,839,352	14,783,775	1.7%	12,684,620	1.4%	1.2
2026	871,055,577	15,324,796	1.8%	13,038,940	1.5%	1.2
2025	855,730,781	13,247,257	1.6%	13,340,311	1.6%	1.0
2024	842,483,524	11,322,253	1.4%	13,726,281	1.6%	0.8
2023	831,161,271	29,559,753	3.7%	8,358,704	1.0%	3.5
YTD	809,535,609	7,934,091	1.0%	2,525,558	0.3%	3.1
2022	801,601,518	20,870,816	2.7%	15,898,621	2.0%	1.3
2021	780,730,702	19,961,278	2.6%	38,863,595	5.0%	0.5
2020	760,769,424	17,841,884	2.4%	14,992,870	2.0%	1.2
2019	742,927,540	14,372,804	2.0%	13,294,295	1.8%	1.1
2018	728,554,736	15,005,638	2.1%	18,008,552	2.5%	0.8
2017	713,549,098	16,359,123	2.3%	22,453,759	3.1%	0.7
2016	697,189,975	17,469,935	2.6%	15,333,230	2.2%	1.1
2015	679,720,040	4,082,289	0.6%	14,243,438	2.1%	0.3
2014	675,637,751	2,107,992	0.3%	20,470,258	3.0%	0.1
2013	673,529,759	2,374,291	0.4%	10,076,923	1.5%	0.2
2012	671,155,468	558,075	0.1%	4,722,758	0.7%	0.1
2011	670,597,393	(924,979)	-0.1%	7,353,843	1.1%	-

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	102,957,685	343,078	0.3%	(74,589)	-0.1%	-
2026	102,614,607	363,923	0.4%	(161,368)	-0.2%	-
2025	102,250,684	296,685	0.3%	(210,683)	-0.2%	-
2024	101,953,999	797,625	0.8%	122,546	0.1%	6.5
2023	101,156,374	366,159	0.4%	(465,148)	-0.5%	-
YTD	101,044,431	254,216	0.3%	224,834	0.2%	1.1
2022	100,790,215	(150,856)	-0.1%	(100,502)	-0.1%	-
2021	100,941,071	318,236	0.3%	1,194,741	1.2%	0.3
2020	100,622,835	470,949	0.5%	(220,280)	-0.2%	-
2019	100,151,886	23,208	0%	766,729	0.8%	0
2018	100,128,678	932,628	0.9%	1,129,175	1.1%	0.8
2017	99,196,050	1,455,913	1.5%	1,388,926	1.4%	1.0
2016	97,740,137	1,831,119	1.9%	2,436,189	2.5%	0.8
2015	95,909,018	(3,205,242)	-3.2%	(275,558)	-0.3%	-
2014	99,114,260	104,637	0.1%	3,264,610	3.3%	0
2013	99,009,623	300,178	0.3%	99,486	0.1%	3.0
2012	98,709,445	(388,640)	-0.4%	455,052	0.5%	-
2011	99,098,085	(785,161)	-0.8%	(336,202)	-0.3%	-

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	709,097,449	13,814,900	2.0%	12,345,122	1.7%	1.1
2026	695,282,549	14,309,224	2.1%	12,922,489	1.9%	1.1
2025	680,973,325	12,393,827	1.9%	13,534,424	2.0%	0.9
2024	668,579,498	9,993,096	1.5%	13,465,333	2.0%	0.7
2023	658,586,402	27,652,565	4.4%	7,323,941	1.1%	3.8
YTD	638,590,312	7,656,475	1.2%	2,080,011	0.3%	3.7
2022	630,933,837	20,822,472	3.4%	16,123,214	2.6%	1.3
2021	610,111,365	18,018,965	3.0%	35,084,801	5.8%	0.5
2020	592,092,400	17,238,005	3.0%	15,333,133	2.6%	1.1
2019	574,854,395	14,594,678	2.6%	12,372,867	2.2%	1.2
2018	560,259,717	14,169,122	2.6%	16,341,563	2.9%	0.9
2017	546,090,595	14,978,455	2.8%	20,913,805	3.8%	0.7
2016	531,112,140	15,749,706	3.1%	12,276,909	2.3%	1.3
2015	515,362,434	7,125,134	1.4%	12,197,153	2.4%	0.6
2014	508,237,300	2,062,379	0.4%	16,067,445	3.2%	0.1
2013	506,174,921	2,299,535	0.5%	8,979,397	1.8%	0.3
2012	503,875,386	969,363	0.2%	4,627,885	0.9%	0.2
2011	502,906,023	157,627	0%	8,807,513	1.8%	0

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2027	73,784,218	625,797	0.9%	414,087	0.6%	1.5
2026	73,158,421	651,649	0.9%	277,819	0.4%	2.3
2025	72,506,772	556,745	0.8%	16,570	0%	33.6
2024	71,950,027	531,532	0.7%	138,402	0.2%	3.8
2023	71,418,495	1,541,029	2.2%	1,499,911	2.1%	1.0
YTD	69,900,866	23,400	0%	220,713	0.3%	0.1
2022	69,877,466	199,200	0.3%	(124,091)	-0.2%	-
2021	69,678,266	1,624,077	2.4%	2,584,053	3.7%	0.6
2020	68,054,189	132,930	0.2%	(119,983)	-0.2%	-
2019	67,921,259	(245,082)	-0.4%	154,699	0.2%	-
2018	68,166,341	(96,112)	-0.1%	537,814	0.8%	-
2017	68,262,453	(75,245)	-0.1%	151,028	0.2%	-
2016	68,337,698	(110,890)	-0.2%	620,132	0.9%	-
2015	68,448,588	162,397	0.2%	2,321,843	3.4%	0.1
2014	68,286,191	(59,024)	-0.1%	1,138,203	1.7%	-
2013	68,345,215	(225,422)	-0.3%	998,040	1.5%	-
2012	68,570,637	(22,648)	0%	(360,179)	-0.5%	-
2011	68,593,285	(297,445)	-0.4%	(1,117,468)	-1.6%	-

OVERALL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$10.20	223	2.5%	22.9%	52,944,914	6.0%	0.1%
2026	\$9.95	217	3.2%	19.9%	50,818,116	5.8%	0.2%
2025	\$9.64	210	4.0%	16.1%	48,504,972	5.7%	-0.1%
2024	\$9.27	202	3.6%	11.7%	48,569,876	5.8%	-0.4%
2023	\$8.94	195	7.8%	7.8%	50,946,467	6.1%	2.4%
YTD	\$8.56	187	11.2%	3.2%	35,126,412	4.3%	0.6%
2022	\$8.30	181	12.6%	0%	29,737,379	3.7%	0.5%
2021	\$7.37	161	12.4%	-11.2%	24,746,584	3.2%	-2.6%
2020	\$6.56	143	7.7%	-21.0%	43,659,501	5.7%	0.2%
2019	\$6.09	133	6.8%	-26.6%	40,829,465	5.5%	0%
2018	\$5.70	125	6.8%	-31.3%	39,775,355	5.5%	-0.5%
2017	\$5.34	117	6.4%	-35.6%	42,546,269	6.0%	-1.0%
2016	\$5.02	110	5.5%	-39.5%	48,653,955	7.0%	0.1%
2015	\$4.76	104	6.0%	-42.7%	46,503,994	6.8%	-1.5%
2014	\$4.49	98	3.9%	-45.9%	56,665,093	8.4%	-2.8%
2013	\$4.32	94	2.7%	-48.0%	75,027,359	11.1%	-1.2%
2012	\$4.20	92	0%	-49.4%	82,729,991	12.3%	-0.6%
2011	\$4.20	92	-1.7%	-49.4%	86,894,674	13.0%	-1.2%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$11.76	219	2.6%	21.9%	6,038,413	5.9%	0.4%
2026	\$11.47	213	3.4%	18.8%	5,617,641	5.5%	0.5%
2025	\$11.09	207	4.1%	15.0%	5,089,238	5.0%	0.5%
2024	\$10.66	198	3.8%	10.5%	4,578,648	4.5%	0.6%
2023	\$10.27	191	6.5%	6.5%	3,900,469	3.9%	0.8%
YTD	\$9.85	183	11.5%	2.0%	3,089,851	3.1%	0%
2022	\$9.65	180	13.7%	0%	3,068,069	3.0%	0%
2021	\$8.49	158	13.2%	-12.1%	3,118,423	3.1%	-0.9%
2020	\$7.50	140	6.2%	-22.3%	3,994,928	4.0%	0.7%
2019	\$7.06	131	8.5%	-26.9%	3,303,699	3.3%	-0.7%
2018	\$6.51	121	6.8%	-32.6%	4,052,135	4.0%	-0.2%
2017	\$6.09	113	5.6%	-36.9%	4,248,682	4.3%	0%
2016	\$5.77	107	3.4%	-40.2%	4,181,695	4.3%	-0.7%
2015	\$5.58	104	6.4%	-42.2%	4,786,765	5.0%	-2.8%
2014	\$5.24	98	4.3%	-45.6%	7,716,399	7.8%	-3.2%
2013	\$5.03	94	3.2%	-47.9%	10,876,372	11.0%	0.2%
2012	\$4.87	91	-0.5%	-49.5%	10,675,680	10.8%	-0.8%
2011	\$4.90	91	-2.0%	-49.3%	11,519,372	11.6%	-0.4%

LOGISTICS RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$9.23	228	2.5%	23.2%	42,360,138	6.0%	0.1%
2026	\$9.01	222	3.2%	20.2%	40,872,412	5.9%	0.1%
2025	\$8.73	216	3.9%	16.5%	39,468,312	5.8%	-0.3%
2024	\$8.40	207	3.6%	12.1%	40,591,335	6.1%	-0.6%
2023	\$8.11	200	8.2%	8.2%	44,046,595	6.7%	2.9%
YTD	\$7.76	192	11.4%	3.6%	29,278,689	4.6%	0.8%
2022	\$7.49	185	12.7%	0%	23,714,125	3.8%	0.6%
2021	\$6.65	164	12.7%	-11.3%	19,015,867	3.1%	-3.0%
2020	\$5.90	146	8.4%	-21.3%	36,081,703	6.1%	0.1%
2019	\$5.44	134	6.7%	-27.4%	34,183,416	5.9%	0.2%
2018	\$5.10	126	6.7%	-32.0%	31,961,605	5.7%	-0.5%
2017	\$4.77	118	6.7%	-36.3%	33,910,046	6.2%	-1.3%
2016	\$4.48	111	5.9%	-40.2%	39,826,196	7.5%	0.4%
2015	\$4.23	104	6.1%	-43.6%	36,340,143	7.1%	-1.1%
2014	\$3.98	98	4.1%	-46.8%	41,412,162	8.1%	-2.8%
2013	\$3.83	95	2.8%	-48.9%	55,417,228	10.9%	-1.4%
2012	\$3.72	92	0.2%	-50.3%	62,097,090	12.3%	-0.8%
2011	\$3.72	92	-1.6%	-50.4%	65,755,612	13.1%	-1.7%

FLEX RENT & VACANCY

Year	Market Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2027	\$16.93	202	2.5%	22.2%	4,546,363	6.2%	0.2%
2026	\$16.51	197	3.3%	19.2%	4,328,063	5.9%	0.5%
2025	\$15.99	191	4.0%	15.4%	3,947,422	5.4%	0.7%
2024	\$15.37	184	3.7%	11.0%	3,399,893	4.7%	0.5%
2023	\$14.82	177	7.0%	7.0%	2,999,403	4.2%	0%
YTD	\$14.20	170	9.6%	2.5%	2,757,872	3.9%	-0.3%
2022	\$13.85	166	11.1%	0%	2,955,185	4.2%	0.5%
2021	\$12.47	149	10.1%	-10.0%	2,612,294	3.7%	-1.5%
2020	\$11.33	135	5.5%	-18.2%	3,582,870	5.3%	0.3%
2019	\$10.74	128	5.7%	-22.5%	3,342,350	4.9%	-0.6%
2018	\$10.15	121	6.8%	-26.7%	3,761,615	5.5%	-0.9%
2017	\$9.51	114	5.9%	-31.4%	4,387,541	6.4%	-0.4%
2016	\$8.97	107	5.6%	-35.2%	4,646,064	6.8%	-1.1%
2015	\$8.50	102	5.2%	-38.7%	5,377,086	7.9%	-3.2%
2014	\$8.08	97	2.8%	-41.7%	7,536,532	11.0%	-1.7%
2013	\$7.86	94	2.1%	-43.3%	8,733,759	12.8%	-1.7%
2012	\$7.69	92	-0.3%	-44.5%	9,957,221	14.5%	0.5%
2011	\$7.72	92	-1.6%	-44.3%	9,619,690	14.0%	1.3%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$122.94	316	6.2%
2026	-	-	-	-	-	-	\$120.57	310	6.2%
2025	-	-	-	-	-	-	\$117.39	301	6.1%
2024	-	-	-	-	-	-	\$113.95	293	6.1%
2023	-	-	-	-	-	-	\$112.53	289	5.9%
YTD	168	\$485.6M	0.9%	\$4,496,340	\$102.03	6.0%	\$111.51	286	5.7%
2022	1,098	\$5.9B	8.0%	\$6,288,880	\$98.33	6.6%	\$106.62	274	5.8%
2021	1,391	\$6.9B	11.5%	\$6,186,034	\$95.41	6.6%	\$92.03	236	5.9%
2020	1,054	\$2.7B	7.1%	\$3,660,979	\$73.42	7.5%	\$77.09	198	6.2%
2019	1,208	\$2.9B	9.5%	\$3,556,771	\$62.72	7.8%	\$68.63	176	6.4%
2018	1,147	\$2.8B	9.5%	\$3,427,894	\$59.63	7.6%	\$62.25	160	6.6%
2017	979	\$2.8B	8.4%	\$3,791,168	\$50.73	7.9%	\$57	146	6.8%
2016	883	\$2B	6.4%	\$2,610,791	\$45.64	8.1%	\$52.82	136	6.9%
2015	1,030	\$2.3B	10.0%	\$2,515,269	\$42.41	8.3%	\$48.86	125	7.1%
2014	932	\$1.8B	7.9%	\$2,356,303	\$40.75	8.4%	\$44.23	114	7.4%
2013	777	\$1.2B	5.9%	\$1,775,223	\$35.20	8.9%	\$40.68	104	7.7%
2012	613	\$1.2B	5.8%	\$2,425,091	\$35.13	8.7%	\$38.69	99	7.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$117.38	331	6.2%
2026	-	-	-	-	-	-	\$115.09	324	6.1%
2025	-	-	-	-	-	-	\$111.97	315	6.1%
2024	-	-	-	-	-	-	\$108.61	306	6.0%
2023	-	-	-	-	-	-	\$107.19	302	5.9%
YTD	22	\$169.7M	1.6%	\$8,483,319	\$108.99	-	\$106.39	300	5.7%
2022	111	\$488.6M	5.4%	\$5,197,595	\$107.30	9.6%	\$101.46	286	5.7%
2021	125	\$654.5M	8.6%	\$6,233,111	\$87.63	6.4%	\$86.98	245	5.9%
2020	104	\$215.6M	3.5%	\$3,080,540	\$71.13	7.7%	\$71.91	203	6.2%
2019	98	\$190.1M	4.3%	\$2,604,519	\$64.34	7.3%	\$64.25	181	6.5%
2018	103	\$211.6M	5.3%	\$2,859,702	\$50.52	7.2%	\$58.12	164	6.7%
2017	80	\$194M	4.8%	\$3,031,981	\$43.67	9.1%	\$52.52	148	6.8%
2016	88	\$174.7M	5.4%	\$2,183,697	\$33.77	8.0%	\$48.58	137	7.0%
2015	75	\$127.9M	3.9%	\$1,998,980	\$38.27	10.5%	\$45.18	127	7.1%
2014	71	\$138.8M	5.3%	\$2,169,147	\$26.84	9.0%	\$40.70	115	7.5%
2013	67	\$157.1M	4.5%	\$2,755,763	\$35.21	8.9%	\$37.32	105	7.8%
2012	60	\$57.1M	2.4%	\$1,391,646	\$31.33	9.3%	\$35.23	99	7.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$118.21	315	6.2%
2026	-	-	-	-	-	-	\$115.93	309	6.1%
2025	-	-	-	-	-	-	\$112.90	301	6.1%
2024	-	-	-	-	-	-	\$109.62	292	6.0%
2023	-	-	-	-	-	-	\$108.30	288	5.9%
YTD	113	\$288.8M	0.8%	\$4,247,175	\$96.30	6.3%	\$107.30	286	5.7%
2022	722	\$4.8B	8.5%	\$7,671,496	\$93.98	6.3%	\$102.58	273	5.7%
2021	916	\$5.6B	11.7%	\$7,497,372	\$94.85	6.5%	\$88.64	236	5.8%
2020	730	\$2.2B	7.9%	\$4,139,850	\$69.41	7.4%	\$74.20	198	6.1%
2019	868	\$2.4B	10.7%	\$4,094,932	\$61.12	7.8%	\$65.95	176	6.4%
2018	754	\$2B	10.1%	\$3,916,479	\$56.27	7.7%	\$59.87	159	6.6%
2017	699	\$2.4B	9.4%	\$4,430,760	\$50.28	7.6%	\$54.91	146	6.7%
2016	556	\$1.5B	6.4%	\$3,076,950	\$45.56	7.9%	\$50.98	136	6.9%
2015	706	\$1.8B	11.2%	\$3,037,949	\$42.38	7.6%	\$47.16	126	7.0%
2014	629	\$1.4B	8.6%	\$2,781,712	\$40.32	7.9%	\$42.73	114	7.4%
2013	514	\$876.8M	6.3%	\$2,010,987	\$34.45	8.6%	\$39.27	105	7.6%
2012	434	\$1B	6.7%	\$2,798,577	\$33.67	8.6%	\$37.39	100	7.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$174.64	308	6.5%
2026	-	-	-	-	-	-	\$171.19	302	6.5%
2025	-	-	-	-	-	-	\$166.58	293	6.5%
2024	-	-	-	-	-	-	\$161.58	285	6.4%
2023	-	-	-	-	-	-	\$159.34	281	6.3%
YTD	33	\$27.1M	0.5%	\$1,356,524	\$133.25	5.3%	\$157.78	278	6.1%
2022	265	\$659.7M	7.6%	\$2,919,171	\$135.45	6.8%	\$151.26	266	6.1%
2021	350	\$652.5M	13.4%	\$2,471,723	\$110.91	7.3%	\$130.64	230	6.2%
2020	220	\$368.6M	5.7%	\$2,333,009	\$114.42	7.9%	\$111.16	196	6.4%
2019	242	\$314.9M	7.9%	\$2,018,769	\$76.61	7.9%	\$99.66	176	6.7%
2018	290	\$555.3M	10.8%	\$2,479,202	\$83.78	7.1%	\$90.11	159	6.9%
2017	200	\$223.8M	5.7%	\$1,621,966	\$66.32	8.2%	\$82.68	146	7.0%
2016	239	\$262.5M	7.2%	\$1,491,204	\$60.41	8.5%	\$75.85	134	7.2%
2015	249	\$281.7M	9.6%	\$1,252,049	\$44.83	9.6%	\$69.73	123	7.4%
2014	232	\$243.4M	6.5%	\$1,274,197	\$63.55	9.9%	\$63.13	111	7.8%
2013	196	\$116.5M	4.7%	\$751,454	\$42.03	10.8%	\$58.45	103	8.0%
2012	119	\$129.7M	3.8%	\$1,394,784	\$58.48	9.3%	\$55.67	98	8.2%

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