



Submarket Report

OFFICE | SECOND QUARTER | 2009



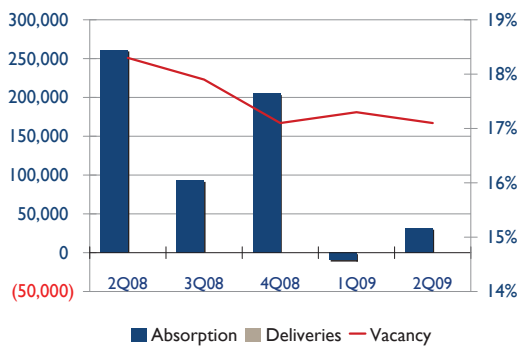
MARKET INDICATORS

	Q2 2009	NEXT QTR
VACANCY	↓	↓
NET ABSORPTION	↑	↔
CONSTRUCTION	↔	↔
RENTAL RATE	↓	↔

Downtown

Highlights

ABSORPTION, DELIVERIES AND VACANCY RATES



Downtown

Total SF	23,324,183
Vacancy Rate	17.1%
YTD Net Absorption	22,179
YTD Deliveries	0
Under Construction	0
Avg. Class A Rate	\$20.77

Source: CoStar Property

UPDATE

RECENT TRANSACTIONS IN THE SUBMARKET

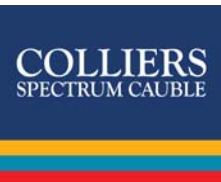
SALES ACTIVITY

PROPERTY	SALE PRICE	SIZE SQ. FT.	SALES PRICE/SQ. FT.	BUYER
180 Peachtree ('08)	\$17,000,000	185,000	\$91.89	180 Peachtree Retail, LLC
92 Piedmont Ave. ('08)	\$1,300,000	3,000	\$433.33	Georgia State University
60 Walton Street ('08)	\$1,000,000	19,300	\$51.81	American Friend Services

LEASING ACTIVITY

TENANT	PROPERTY	SIZE SQ. FT.	TYPE
SunTrust Bank	Peachtree Center	254,619	Class A Lease
Parker Hudson Rainer Dobbs	Peachtree Center	55,000	Class A Renewal
S.L. King & Associates	270 Peachtree	13,924	Class A Lease

- The largest move-ins for second quarter occurred in Downtown. The Nuclear Regulatory Commission moved into 102,436 SF at Peachtree Center's Marquis One tower and Deloitte & Touche expanded its presence in 191 Peachtree by 124,000 SF.
- Despite having the two largest office move-ins, Downtown finished second quarter with only modest net absorption. This is due to large space consolidations by Ogeltree Deakins and Georgia Pacific.
- Downtown is the only submarket in the Atlanta office market with both a higher average rental rate and less vacant space since this time last year. Though leasing activity has slowed down a bit, the outlook for Downtown remains positive.

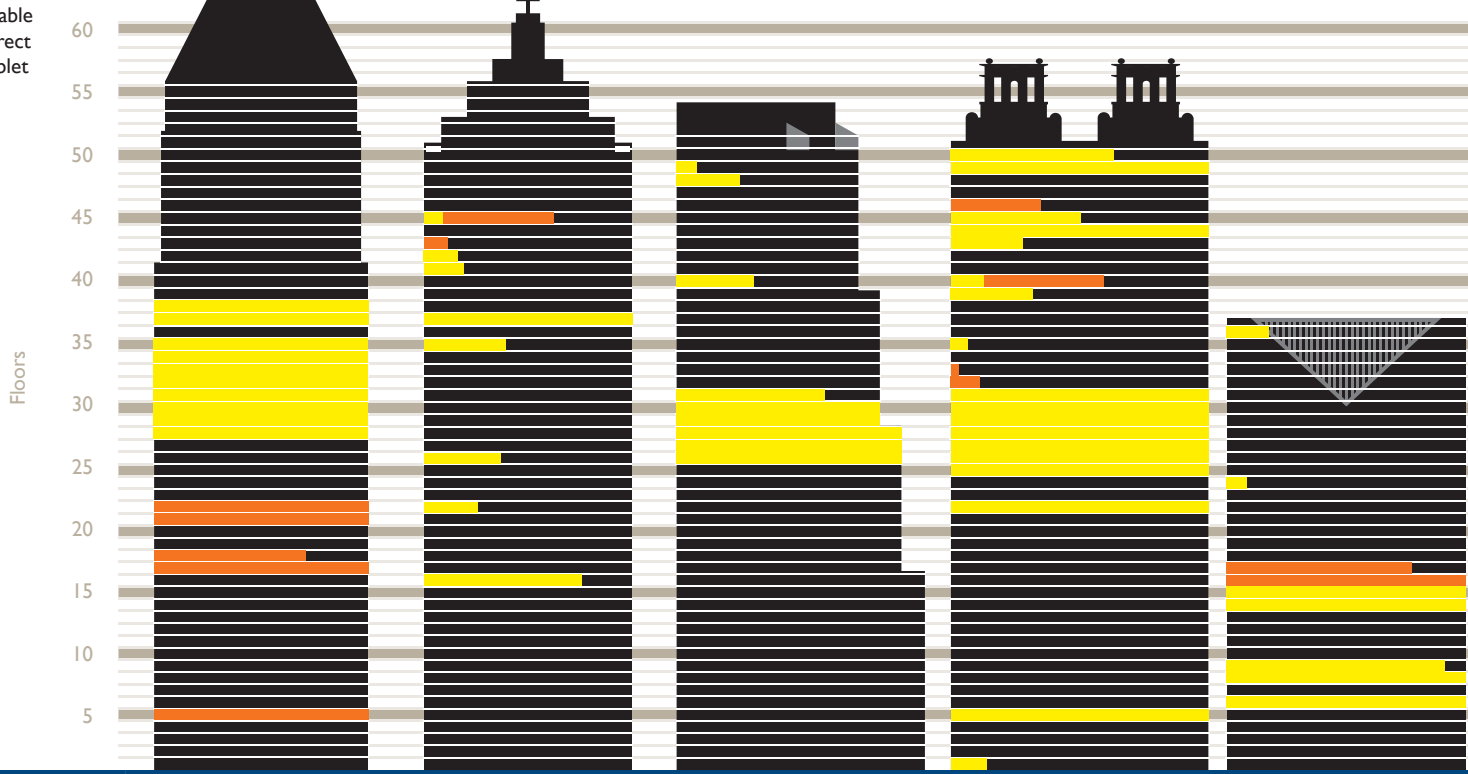


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DOWNTOWN SKYLINE REVIEW

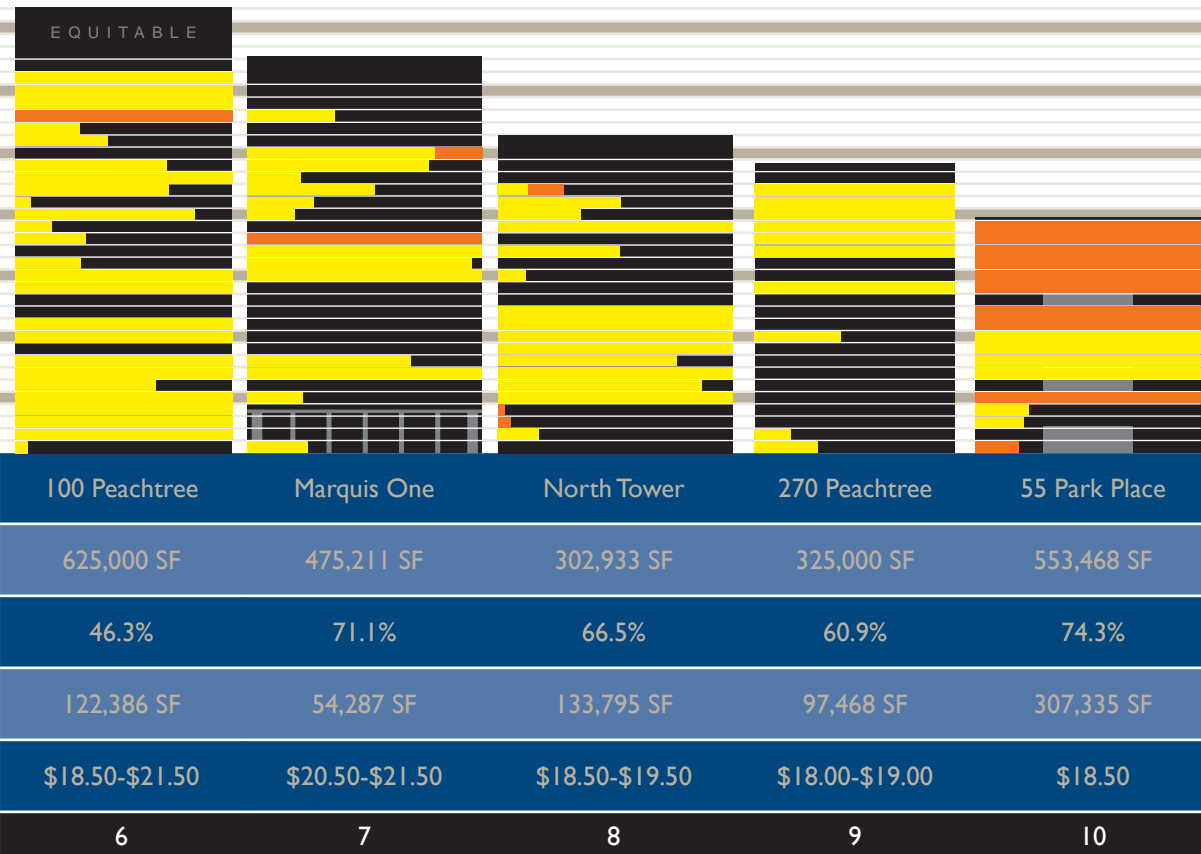
Space Available
 Direct
 Sublet



BUILDING	Bank of America Plaza	SunTrust Plaza	Georgia-Pacific Center	191 Peachtree	Centennial Tower
RBA	1,253,499 SF	1,249,022 SF	1,133,840 SF	1,214,450 SF	638,731 SF
% LEASED	83.8%	93.7%	88.4%	71.8%	88.1%
LARGEST SPACE AVAIL.	203,068 SF	23,545 SF	112,609 SF	178,425 SF	36,236 SF
RENTAL RATE PER SF (GROSS)	\$31.50-\$32.50	\$25.00-\$27.00	\$21.50-\$23.50	\$25.25-\$26.25	\$18.00-\$24.00



Source: CoStar Property



AERIAL LEGEND

-  Buildings by Number (see opposite page)
-  MARTA Rail Line
-  New Construction

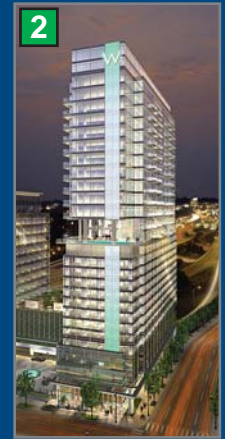
POINTS OF INTEREST

- 1** Georgia Dome
- 2** Philips Arena
- 3** Georgia World Congress Center
- 4** CNN Center
- 5** Centennial Olympic Park
- 6** Georgia Aquarium
- 7** World of Coke
- 8** The Fox Theater
- 9** The Varsity
- 10** Georgia Tech
- 11** Atlanta Civic Center
- 12** Sweet Auburn Curb Market
- 13** Georgia State University
- 14** Underground Atlanta
- 15** State Capital
- 16** Turner Field

NOTABLE PROJECTS



1
GSU SCIENCE CENTER
 350,000 SF
 Under Construction
 Delivering Spring 2010



2
W HOTEL
 237 Hotel Rooms
 76 Luxury Condos
 Delivered January 2009



3
TWELVE CENTENNIAL
 517 Condos
 102 Hotel Rooms
 Phase I Delivered Summer 2007
 Phase II Construction Pending

In the News:

- **SunTrust lease solidifies ties Downtown:** SunTrust Banks' recent announcement to lease 253,000 SF in Peachtree Center's Marquis II tower further proves the company's commitment to Downtown. SunTrust will be moving from its current building at 250 Piedmont Ave. to Peachtree Center which is adjacent to the company's presence in SunTrust Plaza. The move brings the company's business units closer together and allows its employees to be closer to MARTA. The relocation is a big win for Peachtree Center which has seen a lot of positive activity over the past year. This deal follows on the heels of the Nuclear Regulatory Commission moving to the office center and brings the overall office space leased in the 2.7 million sq. ft. complex to 75%. SunTrust will be moving into their space in early 2011.
- **New life for downtown Macy's building:** The renovation of the former Macy's building began recently and is expected to be complete in early 2010. The 142,000 SF space, which consists of the three main shopping floors used by the department store, will no longer be used for retail but rather as an events and exhibit venue to include weddings, parties, trade shows and other special events. The 14-foot high teardrop chandeliers which made the Macy's space so memorable are reported as being included in the new plan for the building. Also included will be two restaurants which are scheduled to open as early as January 2010.

AT A GLANCE:

GEORGIA STATE UNIVERSITY PETIT SCIENCE CENTER



- Part of Georgia State University's science park at Decatur Street and Piedmont Avenue.
- \$150 million, 350,000 SF research and teaching facility for 6,000 GSU students majoring in science.
- Anticipated to generate over \$800 million in economic development, including new jobs and research.
- The university plans to partner with donors in the private sector to add a business incubator and a center for advanced collaboration.
- Scheduled opening is the spring of 2010.

COLLIERS SPECTRUM CAUBLE DOWNTOWN LISTINGS



MARQUIS II

18,413 SF Sublease
Russ Jobson /
Brett Kingman



135 ANDREW YOUNG INTL. BLVD.

11,000 SF Lease
Jodi Selvey /
Pete Shelton

294 OFFICES IN 61 COUNTRIES
ON 6 CONTINENTS

USA 94
Canada 22
Latin America 17
Asia Pacific 64
EMEA 97

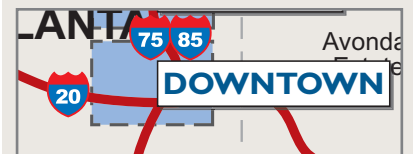
CONTACT INFORMATION

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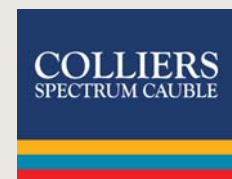
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DOWNTOWN OFFICE SUBMARKET



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