

**INDUSTRIAL MARKET**

Savannah, GA

Year End 2007

**OVERVIEW**

Over 4.8 million square feet of new space was added to Savannah's industrial real estate market in 2007, and another 4.5 million square feet is currently under construction. The market now consists of 28.2 million square feet of space, an increase of 20% over year-end 2006 inventory. With a vacancy rate of 8.7% and over 4.8 million square feet of positive absorption in 2007 (including the two million square foot Target facility), the Savannah area continues to attract new development. Net absorption (positive-negative) for 2007 totaled 3.6 million square feet.

The market's success can be attributed primarily to the ongoing growth of the Georgia Ports Authority's Garden City terminal, which has become the 2nd largest container port on the East Coast and 4th largest in the nation. During fiscal year 2007, the GPA handled more than 2.3 million TEUs (Twenty-foot Equivalent Unit containers), a 14.5% increase. The Savannah Harbor Expansion Project, or SHEP, is the number one priority for the Georgia Ports Authority. SHEP would increase the depth of the Savannah River channel from 42' to 48', allowing it to accommodate the world's most modern ships and continue to fuel the growth of Savannah and the State of Georgia. When the project receives final approvals, it could be completed by 2012, two years ahead of the Panama Canal expansion project.

**Notable Transactions**

SOLD - Savannah, GA  
30.42 Acres  
May 2007  
Industrial Land

SOLD - Savannah, GA  
79,530 Square Feet  
September 2007  
Warehouse

SOLD - Pooler, GA  
250 Acres  
January 2007  
Industrial Land

LEASED - Garden City, GA  
200,000 Square Feet  
February 2007  
Industrial Space

LEASED - Pooler, GA  
110,125 Square Feet  
April 2007  
Industrial Space

LEASED - Pooler, GA  
112,890 Square Feet  
September 2007  
Industrial Space

LEASED - Garden City, GA  
180,000 Square Feet  
September 2007  
Industrial Space

For more information contact:  
David J. Sink, SIOR  
912.233.7111 Ext. 102  
david.sink@colliers.com

**Colliers Neely Dales Statistics  
2007-2008**

160 Million total transaction value

230 total transactions

Approximately 4,000,000 square feet  
sold & leasedApproximately 700 acres of  
land sold196,000 square feet under  
management

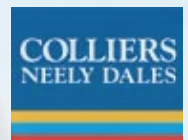
TOP FIVE IMPORTS TO SAVANNAH		TOP FIVE EXPORTS FROM SAVANNAH
1	Furniture	Wood Pulp
2	Retail Goods	Clay
3	Machinery, Appliances & Electrical	Paper Waste
4	Hardware/Houseware	Food (Poultry & Citrus)
5	Mineral (Tile & Stone)	Fabrics & Raw Cotton

**SUPPLY**

Additional construction in the future is imminent, as many national and regional developers have acquired major sites within close proximity of the port and in outlying areas, such as Bryan and Effingham County, as well as Liberty County where IDI is constructing a 502,000 SF spec cross-dock facility. Sites acquired thus far have been planned for over 25 million square feet of additional space to potentially be built, almost doubling the current size of the market. Such national and regional developers as AMB, Oakmont, IDI, CenterPoint, Northpoint Industrial, DP Partners, Solution Property Group, Johnson Development, McDonald Development and others have key sites ready for construction as the market demands. With 3.6 million square feet of speculative space currently under construction (excluding Effingham, Bryan and Liberty Counties), and more ready to start, vacancy rates will most likely edge higher in the near term.

**DEMAND**

Demand remained strong in 2007 with the following notable transactions: Target's 2,000,000 square foot new distribution center in the Savannah River International Trade Park (IKEA opened there in 2006), NYK and Intermatic leasing a 258,000 square foot new building in Tradeport on Jimmy Deloach Pkwy., Staplcofn buying 250,000 square feet on SCL Drive, Midwest Air taking 225,000 square feet in Crossroads Expansion, Lightning Transportations' lease of 279,000 square feet on Telfair Road, NRS buying a 138,000 SF/50 acre cross-dock and trailer yard on Hwy 307, and Mallory Paxton taking 200,000 square feet in Bourne Industrial Park. 2008 should see continued scarcity of prime sites and higher land prices for new industrial development, increasing inventories of high quality space, and new national tenants attracted to the port growth and new availabilities of space.


[www.colliersneelydales.com](http://www.colliersneelydales.com)

Disclaimer: This report is provided for discussion purposes only and may not be distributed or reproduced in whole or in part without written permission from Neely/Dales, LLC. The information contained herein was obtained from sources deemed to be reliable. All opinions expressed and data provided is subject to change without notice. Reader should verify all information independently.

Sponsored by:

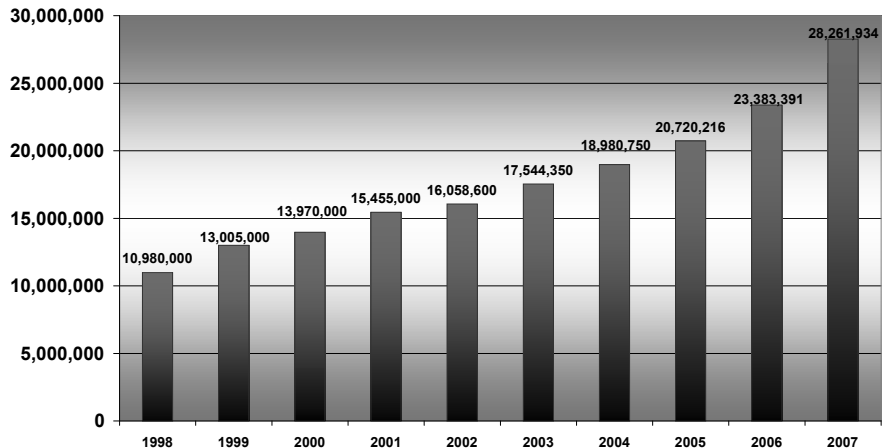


# INDUSTRIAL MARKET

Savannah, GA Year End 2007

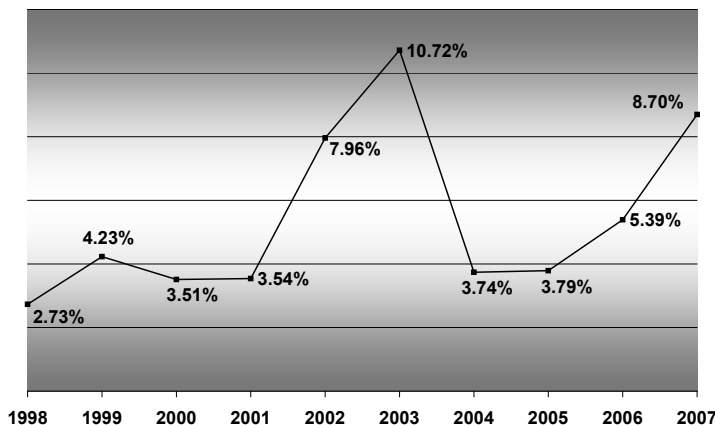
## TOTAL INVENTORY (SF)

The Savannah/Chatham County industrial market includes over 28,260,000 square feet of warehouse/distribution facilities, light manufacturing buildings, and flex/business service space. Heavy manufacturing or special purpose industrial plants are excluded. Properties may be single-user or multi-tenant and can be owner-occupied provided the real estate itself could compete on the open market if available. Properties located outside of Chatham County are excluded.



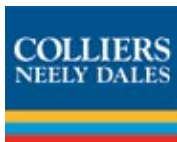
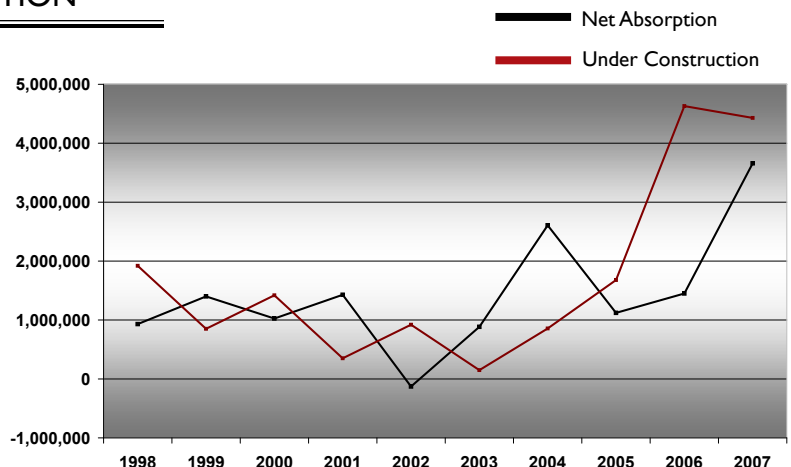
## VACANCY RATE

Savannah's industrial market vacancy rate as of Year End 2007 was 8.7% with approximately 2,458,000 SF of space available.



## NET ABSORPTION VS. UNDER CONSTRUCTION

4,548,000 SF is currently under construction, (of which 938,000 SF is pre-leased and 3,610,000 SF is speculative). Net absorption for the year totaled 3,658,000 SF.



For more information, contact:  
**David J. Sink, SIOR**  
 912.233.7111 Ext. 102  
 dsink@neelydales.com

