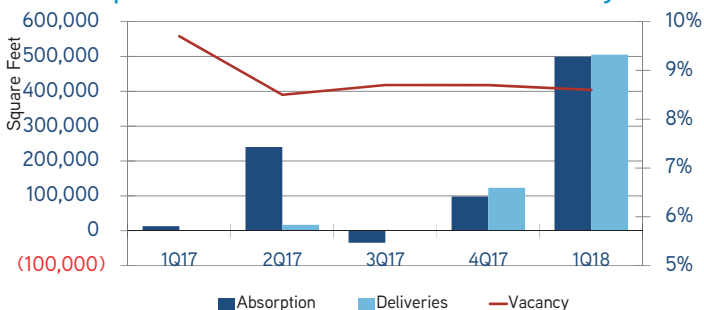


Key Takeaways

- Thanks to NCR's relocation to its new headquarters, Midtown led the Atlanta office market in office space absorption in the first quarter. Almost 500,000 square feet of space was occupied in Q1.
- Midtown rents continue to post strong growth. Quarter-over-quarter the average asking rate increased 5.1%. The submarket remains the priciest location to rent office space in Atlanta.
- Even with NCR's HQ delivery, the submarket continues to have the highest amount of office space under construction. Anthem's new technology center of 352,000 square feet broke ground in the first quarter.
- Looking ahead, a number of projects have been announced for Midtown. Only two are likely to begin as speculative projects though.
- Strong fundamentals continue to dominate the Midtown landscape. Office leasing remains steady in the submarket, and supply is in check. Absorption is expected to reach the +100,000 square foot market in Q2.

Absorption, Deliveries and Vacancy



Market Indicators

Relative to prior period

Midtown
Q1 2018Midtown
Q2 2018*

Indicator	Midtown Q1 2018	Midtown Q2 2018*
VACANCY	↓	↓
NET ABSORPTION	+	+
CONSTRUCTION	↓	↓
RENTAL RATE	↑	↑

*Projected

Summary Statistics

Midtown Office Market

All
Classes

Class A

Class B

Statistic	All Classes	Class A	Class B
Total Inventory (Millions Square Feet)	23.4	16.9	5.6
Vacancy Rate	8.6%	9.1%	7.4%
Change From Q4 2017	-0.1%	-0.3%	0.1%
Absorption YTD (Thousands Square Feet)	499	493	17
Construction Deliveries YTD (Thousands Square Feet)	505	485	20
Under Construction (Millions Square Feet)	2.1	2.0	0.1
Asking Rents Per Square Foot Per Year			
Average Quoted	\$34.65	\$36.66	\$26.93
Change From Q4 2017	5.1%	4.7%	4.9%

UPDATE - Recent Transactions in the Market

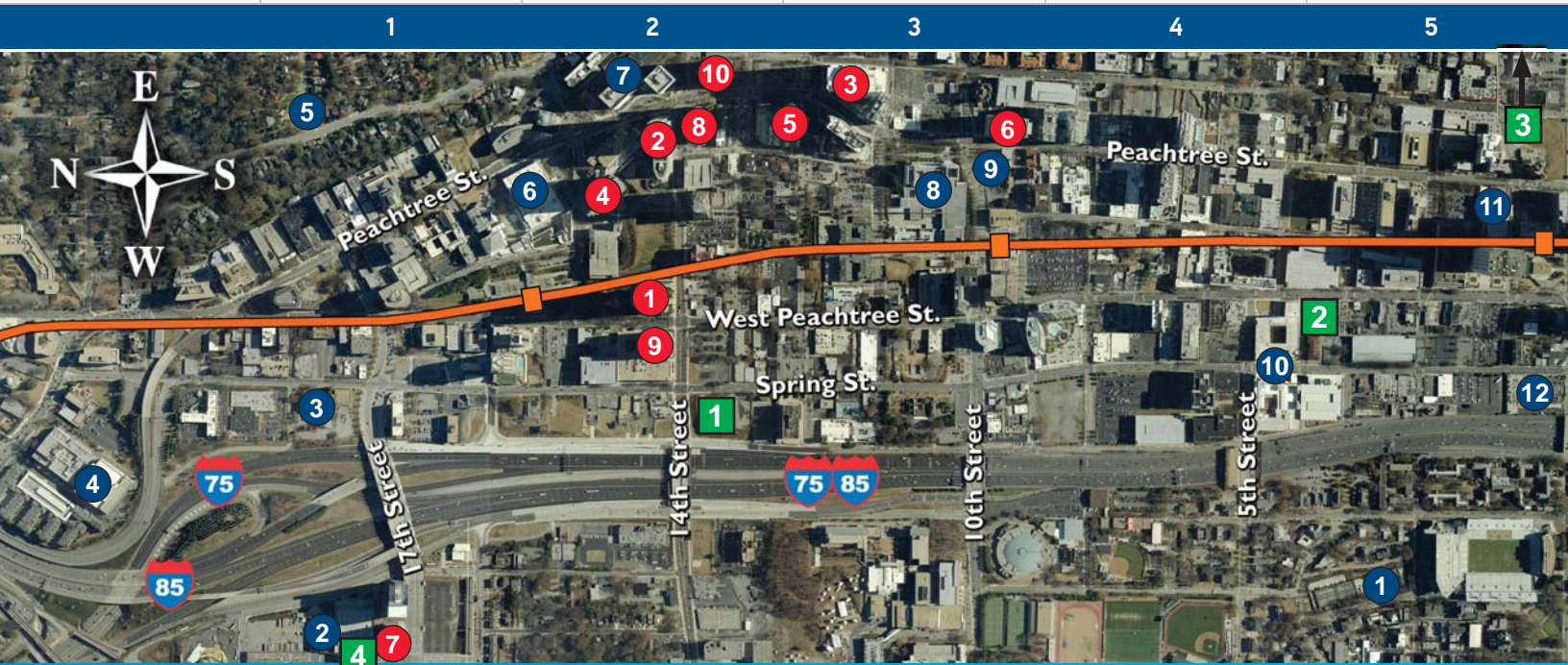
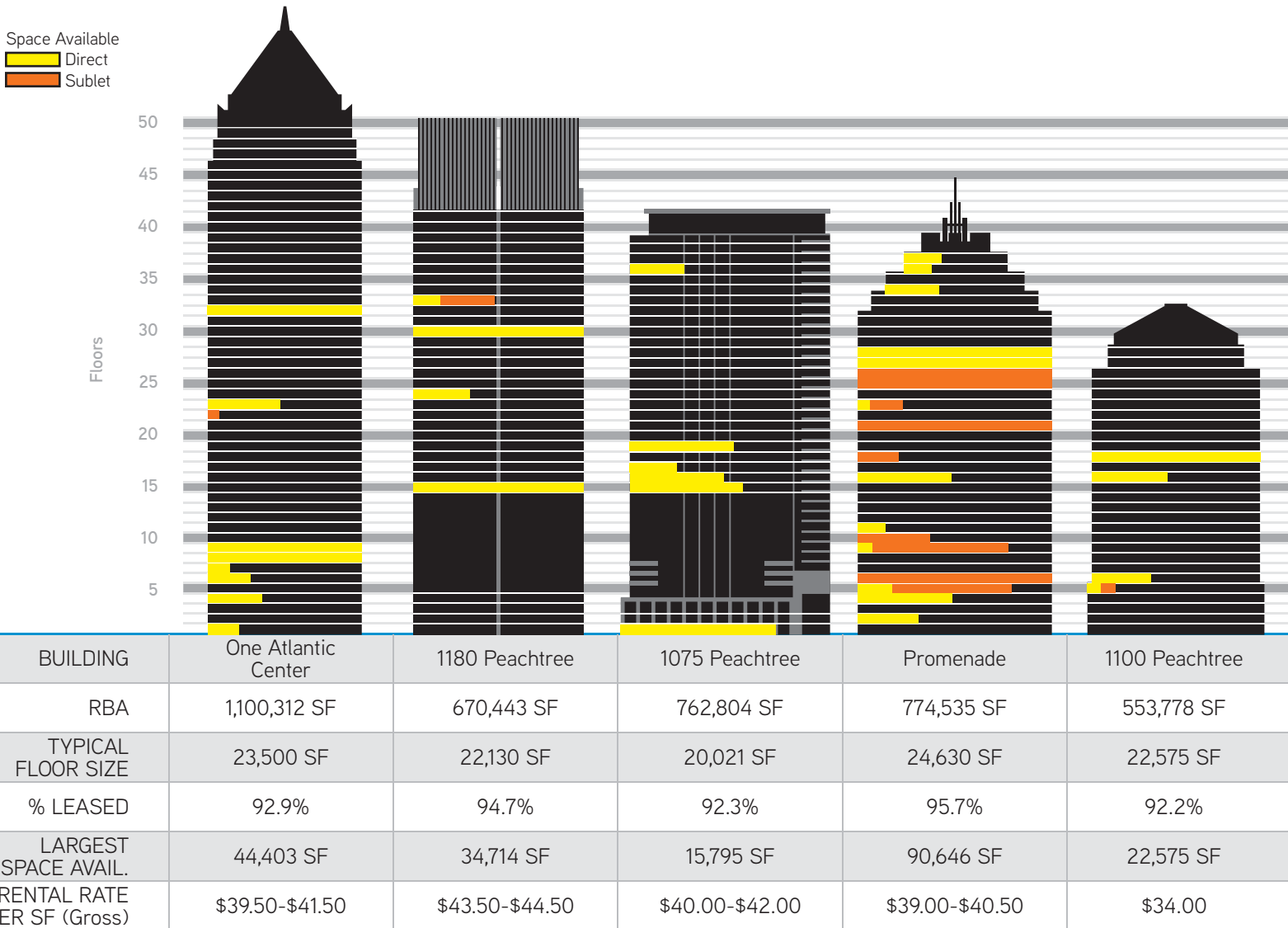
Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
WeWork	Coda	Portman Holdings	51,719	Class A Lease
Bain & Co.	1180 Peachtree	Hines	26,002	Class A Lease
Protiviti	Regions Plaza	PGIM, Inc.	21,570	Class A Lease
Square, Inc.	271 17th Street	Lionstone Investments	16,060	Class A Lease

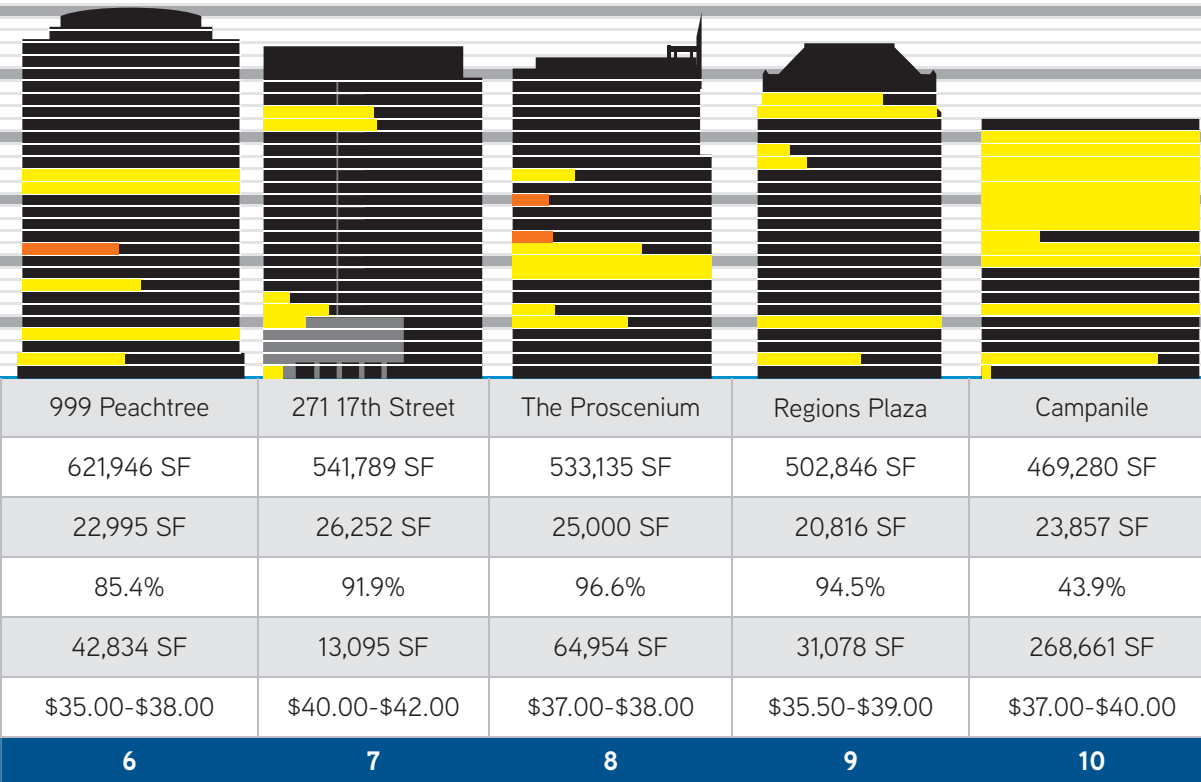
Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
1375 Peachtree	3/2/2018	\$75,000,000	409,579	\$183.11	The Dilweg Co.
Ellsworth Lofts	12/20/2017	\$22,900,000	90,207	\$253.86	Origin Investments
1389-1409 Peachtree St.	12/21/2017	\$18,900,000	153,203	\$122.06	Parkside Partners
712 W Peachtree St.	11/20/2017	\$9,050,000	14,738	\$614.06	Portman Holdings

Skyline Review



Source: CoStar Property



Aerial Legend

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

Points of Interest

- 1** Georgia Tech
- 2** Atlantic Station
- 3** Center for Puppetry Arts
- 4** Savannah College of Art & Design
- 5** Ansley Park
- 6** Woodruff Arts Center
- 7** Colony Square
- 8** Federal Reserve
- 9** Margaret Mitchell House & Museum
- 10** Technology Square
- 11** The Fox Theater
- 12** The Varsity

Active Projects



14TH & SPRING
250,000 SF Office
Construction Pending
Developer: Greenstone Properties



CODA-771 SPRING
760,000 SF Office Space
80,000 SF Data Center
40,000 SF Retail
Under Construction
Developers: Portman Holdings



725 PONCE
360,000 SF Loft-Office
Under Construction
Developers: New City



T3 ATLANTIC STATION
220,000 SF Creative Office
Construction Pending
Developer: Hines

In The News

- AT&T to vacate iconic 46-story Midtown tower in Atlanta office consolidation:** AT&T is scaling back its Atlanta footprint with plans to move its operations hub to Dallas, and its entertainment division to Los Angeles. As part of the company's consolidation, AT&T will be vacating its iconic office tower located at 675 West Peachtree. The move will put 1.2 million square feet of vacant office space in Midtown, and an additional 430,000 square feet of support center space. Although this creates a significant hole in the submarket, the site is well situated with direct access to the MARTA North Avenue station, and just blocks from the talent rich Georgia Tech campus. This provides an opportunity to land a large, significant office user such as Amazon. AT&T will begin moving its employees by 2021.
- WeWork's Atlanta land-grab continues with expansion at Midtown's Coda tower:** WeWork has agreed to lease 50,000 square feet of office space at the Coda office building currently under construction. The co-working giant is making moves to shore up prime office space in Atlanta's most ideal submarket locations. The robust ecosystem of startups and Fortune 100 companies, in addition to its proximity to Georgia Tech, make Coda an attractive option for shared-space providers such as WeWork according to the Atlanta Business Chronicle.

AT A GLANCE | CODA



- Second phase of Technology Square to be named "Coda" and include a new 21-story office/high performance computer center.
- To contain 760,000 sq. ft. of office, anchored by Georgia Tech; 80,000 sq. ft. of high performance computing space; 40,000 sq. ft. of street level retail; and 20,000 sq. ft. of outdoor living space.
- Portman Holdings will develop the complex located at Spring and W. Peachtree Streets.
- Under Construction Fourth Quarter 2016, with an anticipated delivery in January 2019.

FOR MORE INFORMATION

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Huston Green	Pete Shelton
Josh Gregory	Hayes Swann
Russ Jobson	Will Tyler
Jeff Kelley	Andrew Waguespack
Dany Koe	Andrew Walker
Drew Levine	Bob Ward
Michael Lipton	Stewart Yates

Colliers International | Atlanta Office | Midtown Listings



1447 PEACHTREE
 1,077-6,254 SF Lease
 Will Tyler /
 Scott DeMyer



999 PEACHTREE
 9,343 SF Sublease
 Michael Lipton /
 Andrew Walker



COLONY SQUARE
 14,697 SF Sublease
 Paul Reese



1230 PEACHTREE
 24,732 SF Sublease
 Pete Shelton /
 Bob Ward