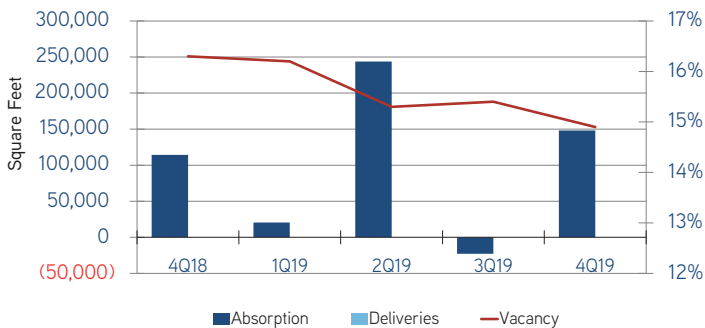


Key Takeaways

- Occupancy gains in Q4 capped off a solid year of activity in the Cumberland/Galleria submarket. 2019 marks the fifth consecutive year of positive absorption here.
- Floor & Decor's relocation and expansion within the submarket was the largest occupancy in the fourth quarter.
- The overall office vacancy rate here finished the year below 15% which is the lowest since 2016.
- Cumberland/Galleria's average Class A rent increased 5.7% year-over-year. This represents the submarket's highest annual increase in four years for this type of product, and is also the third highest percentage increase in Atlanta's office market in 2019.
- Office leasing was steady throughout the year. Expansions topped the list of the largest transactions completed.
- Given the amount of tenant demand taking place, Cumberland/Galleria should see another steady year of activity in 2020.

Absorption, Deliveries and Vacancy



Market Indicators

Relative to prior period

Cumberland/Galleria
Q4 2019Cumberland/Galleria
Q1 2020*

VACANCY	↓	↓
NET ABSORPTION	+	+
CONSTRUCTION	-	-
RENTAL RATE	↑	↑

*Projected

Summary Statistics

Cumberland/Galleria Office Market

All
Classes

Class A

Class B

Total Inventory (Millions Square Feet)	27.2	16.9	9.3
Vacancy Rate	14.9%	15.6%	14.5%
Change From Q3 2019	-0.5%	-1.3%	0.6%
Absorption YTD (Thousands Square Feet)	390	228	159
Construction Deliveries YTD (Thousands Square Feet)	-	-	-
Under Construction (Thousands Square Feet)	383	372	11
Asking Rents Per Square Foot Per Year			
Average Quoted	\$26.24	\$29.24	\$21.21
Change From Q3 2019	0.4%	0.4%	1.8%

UPDATE - Recent Transactions in the Market

Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
Stibo Systems	The Towers at Wildwood Plaza	Amercia's Capital Prtnrs.	43,888	Class A Lease
Builders Insurance Group	Paces Summit I	The Home Depot Inc.	41,336	Class A Lease
HUB Group	One Overton Park	Hines	20,762	Class A Lease
Juneau Construction	210 Interstate North Parkway	Rubenstein Partners	20,047	Class A Lease

Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
400 & 600 Galleria	8/26/2019	\$225,000,000	866,228	\$260	Piedmont Office Realty Trust
3225 Cumberland Pkwy.	11/7/2019	\$44,500,000	218,519	\$204	Garrison Investment Group
Paces Summit I	12/3/2019	\$24,368,724	120,508	\$202	The Home Depot
Overlook I	11/1/2019	\$22,000,000	138,068	\$159	Atlanta Property Group

Skyline Review

Space Available
■ Direct
■ Sublet

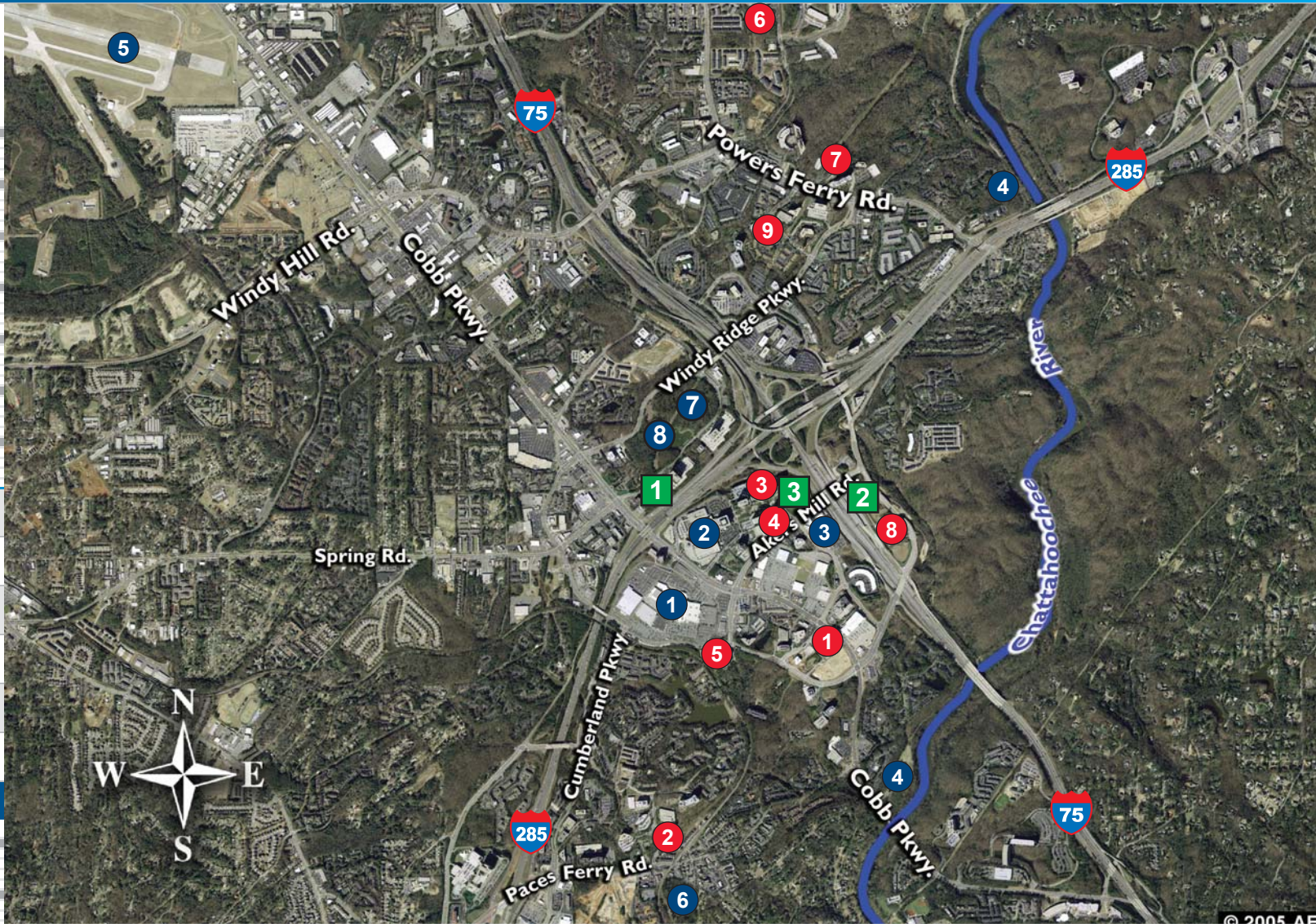
Source: CoStar Property



BUILDING	Riverwood 100	Overlook III	400 Galleria	600 Galleria	Cumberland Center II
RBA	502,527 SF	514,746 SF	432,402 SF	433,826 SF	419,456 SF
TYPICAL FLOOR SIZE	21,889 SF	26,000 SF	23,952 SF	22,833 SF	24,308 SF
% LEASED	93.5%	63.8%	90.3%	75.1%	95.7%
LARGEST SPACE AVAIL.	16,774 SF	94,231 SF	18,705 SF	77,163 SF	67,614 SF
RENTAL RATE PER SF (Gross)	\$34.50	\$32.00	\$34.00	\$34.00	\$34.00
	1	2	3	4	5



BUILDING	The Towers at Wildwood Plaza	2500 Windy Ridge	One Overton Park	1300 Parkwood
RBA	716,484 SF	329,984 SF	387,267 SF	210,919 SF
TYPICAL FLOOR SIZE	43,362 SF	21,999 SF	27,000 SF	23,435 SF
% LEASED	74.5%	74.4%	86.5%	17.5%
LARGEST SPACE AVAIL.	96,686 SF	84,555 SF	27,000 SF	189,862 SF
RENTAL RATE PER SF (Gross)	\$29.00	\$27.00-\$30.00	\$27.00-\$28.00	\$22.00
	6	7	8	9



Aerial Legend

- Buildings by Numbers (see opposite page)
- New Construction

Points of Interest

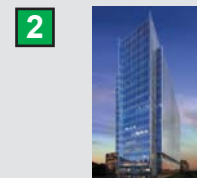
- | | |
|--|---|
| 1 Cumberland Mall | 5 Dobbins Air Base |
| 2 Galleria Mall | 6 Vinings Area |
| 3 Cobb Energy Arts Centre | 7 Truist Park |
| 4 Chattahoochee Recreation Center | 8 The Battery |

Active Projects



1
THYSSENKRUPP HQ
 332,486 SF
 Class A Build-To-Suit
 420-Foot Elevator Tower
 Under Construction
 Delivery Q4 2020
 Developer: Atlanta Braves

Proposed Projects



2
TWO OVERTON PARK
 390,000 SF Class A office
 Construction pending
 Developer: Hines
 Interests

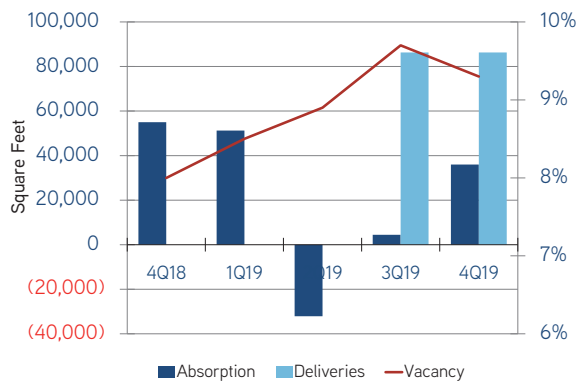


3
500 GALLERIA
 250,000-300,000 SF
 Class A build-to-suit
 Construction pending
 Developer: Childress
 Klein

In The News

- Data management firm to relocate HQ to Wildwood:** Stibo Systems recently completed a transaction to move its North American headquarters to the Cumberland/Galleria area, leasing 43,888 square feet at The Towers at Wildwood. The new office represents an expansion of the company's current space in Kennesaw. Relocating to Wildwood is expected to energize employees and give the company the ability to recruit top-tier talent according to Stibo's president. Build-out of the space will feature exposed ceilings and skyline views of Atlanta. The company plans to relocate its 140 employees to the new office by March 2020.
- Home Depot purchases neighboring office building for expansion:** Continuing its expansion in the Cumberland/Galleria submarket, The Home Depot recently purchased Paces Summit I, a 120,508 square-foot office building directly across from its headquarters. The company paid \$27.7 million in the transaction. Short-term plans for the building are unclear as the seller of the property, Builders Insurance Group, is still the main anchor tenant. Home Depot has also not decided what it wants to do with the mid-rise office tower; however, it does provide the company with future expansion space close to the global headquarters should the need arise.

Kennesaw | Marietta | Cherokee Co.



Summary Statistics	All Classes
Total Inventory (Millions Square Feet)	9.2
Vacancy Rate	9.3%
Absorption YTD (Thousands Square Feet)	-43
Construction Deliveries YTD (Thousands Square Feet)	86
Under Construction (Thousands Square Feet)	164
Average Quoted Rent	\$21.78

Colliers International | Atlanta Office | Northwest Atlanta Listings



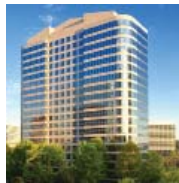
THE DUPREE BLDG.
13,819 SF Sublease
Jodi Selvey



PARKWOOD POINT
6,280-25,353 SF Sublease
Jeff Kelley / Russ Jobson



1700 WATER PLACE
1,053-2,606 SF
Lee Evans



300 GALLERIA
21,646 SF Lease
Jeff Kelley /
Drew Levine



RIVEREDGE SUMMIT
1,803-10,114 SF Lease
Lee Evans
Deming Fish

FOR MORE INFORMATION

Scott Amoson
VP, Director of Research | Atlanta
+1 404 877 9286
scott.amoson@colliers.com

COLLIERS INTERNATIONAL ATLANTA OFFICE SPECIALISTS

Allison Bittel	Paul Reese
Frank Cannon	Morgan Reynolds
Scott DeMyer	Emily Richardson
Jessica Doyle	Jodi Selvey
Lee Evans	Meredith Selvey
Deming Fish	Fred Sheats
Josh Gregory	Pete Shelton
Russ Jobson	Hayes Swann
Jeff Kelley	Andrew Waguespack
Dany Koe	Andrew Walker
Eric Kulbacki	Bob Ward
Drew Levine	Stewart Yates
Michael Lipton	

Colliers International | Atlanta
Promenade | Suite 800
1230 Peachtree Street, NE
Atlanta, Georgia, 30309
+1 404 888 9000
colliers.com/atlanta



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