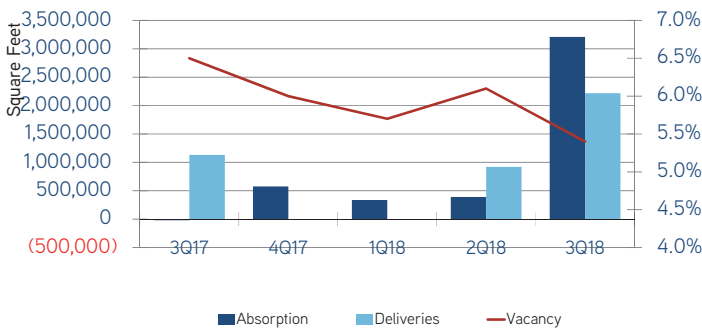


Accelerating success.

Key Takeaways

- I-20 West/Fulton Industrial saw the highest absorption gains in the Atlanta market in third quarter thanks to the deliveries of UPS' new distribution hub; and new build-to-suits for McLane and Southwire.
- Bulk vacancy has decreased the most this year in the submarket. The rate is down 270 basis points (2.7%) from year-end 2017.
- The highest rental rate increase in the third quarter occurred in the I-20 West/Fulton Industrial submarket. Warehouse averages are up 2.6% quarter-over-quarter; and 15.5% year-over-year. With a low vacancy rate and limited existing space options, rents here are anticipated to continue moving upwards as demand for space along this corridor remains elevated.
- The positive results in the year so far has pushed I-20 West/Fulton Industrial's vacancy rate to its lowest level ever. The submarket is expected to see occupancy gains continue through the remainder of the year, leading to annual absorption topping 4.5 million sq. ft.

Absorption, Deliveries and Vacancy



Market Indicators

Relative to prior period

I-20W/Fulton Ind
Q3 2018

I-20W/Fulton Ind
Q4 2018*

Indicator	I-20W/Fulton Ind Q3 2018	I-20W/Fulton Ind Q4 2018*
VACANCY	↓	↑
NET ABSORPTION	+	+
CONSTRUCTION	↓	↓
RENTAL RATE	↑	↑

*Projected

Summary Statistics

I-20W/Fulton Industrial Market

All

Warehouse

Flex &
Shallow-Bay

Metric	All	Warehouse	Flex & Shallow-Bay
Total Inventory (Millions Square Feet)	105.7	89.3	16.4
Vacancy Rate	5.4%	5.9%	2.5%
Change From Q2 2018	1.1%	1.3%	0.2%
Absorption YTD (Millions Square Feet)	3.9	3.8	0.1
Construction Deliveries YTD (Millions Square Feet)	3.1	3.1	-
Under Construction (Millions Square Feet)	3.8	3.8	-

Asking Rents

Per Square Foot Per Year

Metric	All	Warehouse	SB Flex	SB Flex
Average Quoted	\$4.29	\$4.32	\$3.50	\$8.60
Change From Q2 2018	1.4%	2.6%	-2.8%	0.6%

UPDATE - Recent Transactions in the Market

Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
Global Beauty Supply	425 Hartman Rd.	Morgan Stanley & Co.	354,620	Warehouse Lease
Comptree	850 Douglas Hill Rd.	Black Creek Industrial	198,764	Distribution Lease
Consolidated Container Corp.	6200 Duquesne Dr.	Taurus Inv. Holdings	180,000	Warehouse Renewal
Broadrange Logistics	6300 Boat Rock Blvd.	Global Logistics Properties	141,120	Warehouse Lease

Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
7395 Factory Shoals Rd.	3/29/2018	\$36,721,576	601,000	\$61.10	McLane
1255/1265 Terminus Dr.	6/8/2018	\$30,450,000	729,400	\$41.75	Exeter Property Group
7705 Staples Dr.	3/8/2018	\$23,750,000	617,969	\$38.43	LRC Properties
1451 N River Rd.	8/31/2018	\$14,010,100	215,540	\$65.00	KKR & Co. LP

Colliers International | Atlanta | I-20W/Fulton Industrial Listings



For Lease

#	PROPERTY	SF AVAILABLE	BROKER(S)
1	Lithia Springs Distr. Ctr.	617,969	Scott Plomgren / Sean Boswell
2	1403 Blairs Bridge Rd.	100,000	Scott Plomgren / Harrison Marsteller
3	I-20 West Distribuion Ctr.	499,320	Scott Plomgren / Darren Ross

FOR MORE INFORMATION

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

COLLIERS INTERNATIONAL ATLANTA INDUSTRIAL SPECIALISTS

- | | |
|-----------------|---------------------|
| Douglas Biggs | Harrison Marsteller |
| Sean Boswell | Scott Plomgren |
| Brian Camp | Darren Ross |
| Sam Campbell | Ryan Sawyer |
| Lee Cardwell | Mike Spears |
| Grant Cochran | Rick Vaughn |
| Chris Cummings | Price Weaver |
| Max Ellis | Hooper Wilkinson |
| Ben Logue | Matt Wirth |
| Dennis Mitchell | Turner Wisheart |