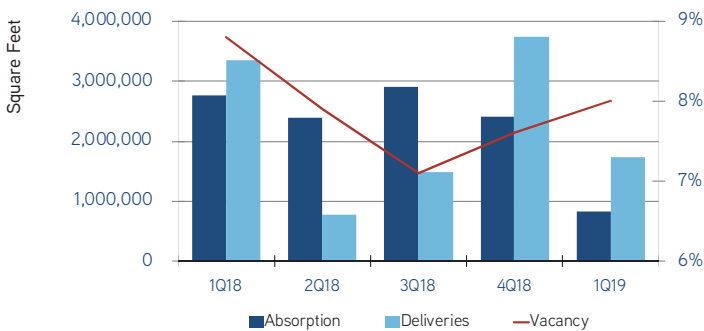


Key Takeaways

- Once again, South Atlanta was the most positive industrial submarket of the quarter accounting for just under 90% of the net total market absorption. Additionally, most of the new leasing activity in Q1 took place here.
- The I-85 South/Airport area of the submarket had the largest occupancies this quarter with Blue Buffalo, Trane US, and Kuehne + Nagel each moving into spaces over 300,000 square feet.
- Despite the positive quarter, warehouse vacancy increased by 40 basis points (0.4%). Like the market as a whole, this is due to the amount of newly delivered space outpacing absorption in the quarter.
- Construction activity remains highest in the South Atlanta submarket. Although 1.7 million sq. ft. of deliveries occurred in Q1, the submarket saw another 2.2 million sq. ft. break ground this quarter.
- The submarket is expected to lead the Atlanta market yet again this year given sustained demand for space here.

Absorption, Deliveries and Vacancy



Market Indicators

Relative to prior period

South Atlanta
Q1 2019

South Atlanta
Q2 2019*

Indicator	South Atlanta Q1 2019	South Atlanta Q2 2019*
VACANCY	↑	↑
NET ABSORPTION	+	+
CONSTRUCTION	↓	↑
RENTAL RATE	↑	-

*Projected

Summary Statistics

South Atlanta Industrial Market

	All	Warehouse	Flex & Shallow-Bay
Total Inventory (Millions Square Feet)	189.4	173.7	15.7
Vacancy Rate	8.0%	8.2%	6.2%
Change From Q4 2018	0.4%	0.4%	0.2%
Absorption YTD (Millions Square Feet)	0.8	0.8	-
Construction Deliveries YTD (Millions Square Feet)	1.7	1.7	-
Under Construction (Millions Square Feet)	9.9	9.9	-

Asking Rents

Per Square Foot Per Year

	All	Warehouse	SB	Flex
Average Quoted	\$3.80	\$3.70	\$5.65	\$8.11
Change From Q4 2018	3.5%	3.6%	21.5%	2.0%

UPDATE - Recent Transactions in the Market

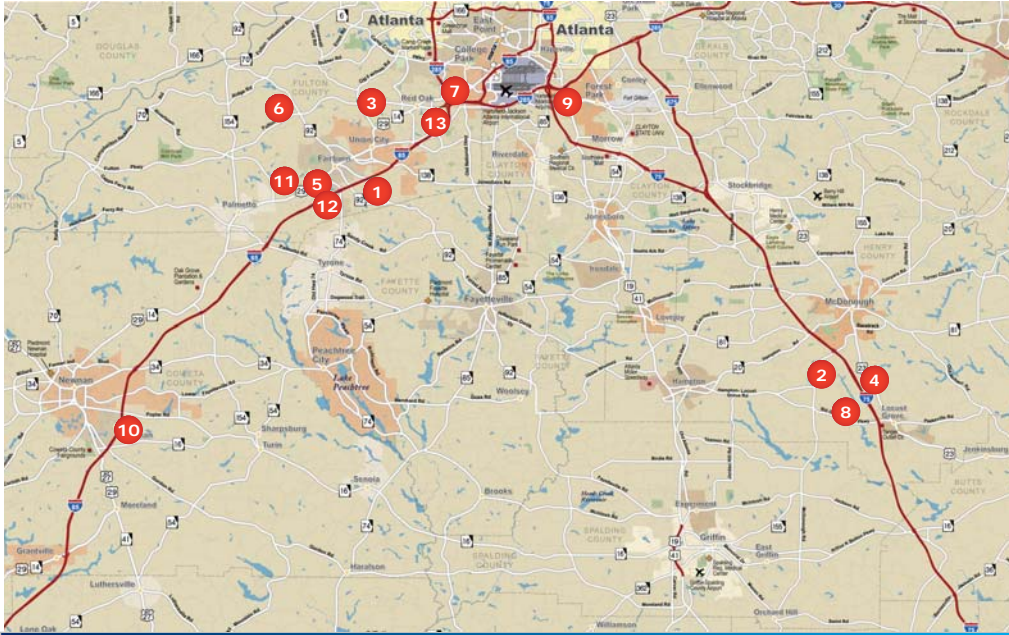
Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
PVH Corp.	8500 Tatum Rd.	Red Rock	982,777	Distribution Lease
Trane USA	4286 E. Southmeadow Pky.	Blackcreek	400,125	Distribution Lease
CEVA Logistics	140 Greenwood Industrial Pky.	MPLD Greenwood I LLC	400,000	Warehouse Lease
XPO Logistics	5345 Old Dixie Hwy.	STAG Industrial	373,900	Distribution Renewal

Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
Southwest 85 Logistics Center	1/10/2019	\$79,350,000	1,208,301	\$65.67	GLL Real Estate Partners
Gillem Logistics Ctr. - Bldg. 200	1/25/2019	\$57,000,000	848,421	\$67.18	TA Realty
Palmetto Logistics Center	2/14/2019	\$50,750,000	1,000,200	\$50.74	MCB Real Estate, LLC
Gillem Logistics Ctr. - Bldg. 300	11/16/2018	\$15,900,000	188,500	\$84.35	TA Realty

Colliers International | Atlanta | South Atlanta Industrial Listings



For Lease

#	PROPERTY	SF AVAILABLE	BROKER(S)
1	4955 Oakley Industrial	1,299,520	Sean Boswell
2	Greenwood 600 & 700	134,383	Sean Boswell / Darren Ross / Scott Plomgren
3	5155 Welcome All Rd.	273,064	Turner Wisehart / Sam Campbell
4	McDonough Logistics Ctr.	728,000	Price Weaver / Ben Logue
5	7801 Creekwood Rd.	60,654	Mike Spears / Ryan Sawyer
6	Parkway West Commerce	570,988	Scott Plomgren / Harrison Marsteller
7	2750 Sullivan Road	68,648-136,893	Price Weaver / Scott Plomgren
8	Locust Grove Distr. Ctr.	500K-1M	Mike Spears / Ryan Sawyer
9	4575 Lake Mirror Pl.	290,000	Max Ellis / Brian Camp
10	Prologis Orchard Hills	900K-1.9M	Scott Plomgren / Harrison Marsteller
11	Palmetto Logistics Park	1,041,600	Price Weaver / Ben Logue
12	1200 Oakley Industrial Blvd.	301,153	Scott Plomgren / Harrison Marsteller
13	South Fulton Logistics Ctr.	78,095	Scott Plomgren / Harrison Marsteller



FOR MORE INFORMATION

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