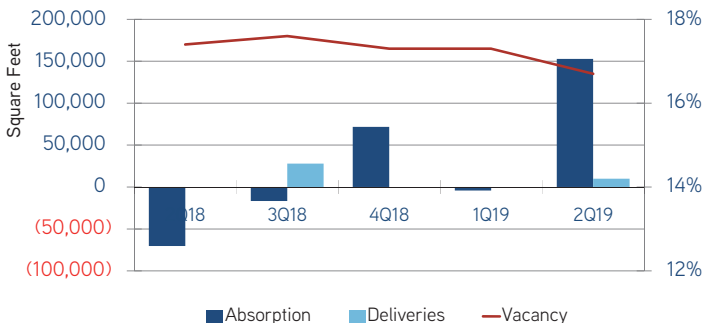


Key Takeaways

- › Northeast Atlanta posted a strong quarter of occupancy gains in Q2, absorbing the fourth highest amount of office space in Atlanta over the period.
- › Expansions by Primerica and CarMax were the largest occupancies to take place in the submarket. Each company added another 38,000 square feet to their office footprint.
- › The submarket's vacancy rate is down to its lowest level in a year and a half thanks to the positive activity. Despite this, it still remains the highest in the Atlanta office market.
- › Leasing activity remained steady this quarter. Class B properties saw the largest transactions occur. Tenant demand appears to be continuing at an average pace.
- › Given anticipated move-ins through the remainder of 2019, Northeast Atlanta will more than likely have its first year of positive absorption in two years.

Absorption, Deliveries and Vacancy



Market Indicators

Relative to prior period

Northeast Atlanta
Q2 2019Northeast Atlanta
Q3 2019*

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

*Projected

Summary Statistics

Northeast Atlanta Office Market

All
Classes

Class A

Class B

Total Inventory (Millions Square Feet)	23.7	8.2	13.5
Vacancy Rate	16.7%	16.9%	17.8%
Change From Q1 2019	-0.6%	-1.2%	-0.4%
Absorption YTD (Thousands Square Feet)	149	43	70
New Construction Delivered (Thousands Square Feet)	10	-	10
Under Construction (Thousands Square Feet)	70	-	70
Asking Rents Per Square Foot Per Year			
Average Quoted	\$18.66	\$22.15	\$16.43
Change From Q1 2019	1.4%	2.1%	1.2%

UPDATE - Recent Transactions in the Market

Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
Itron	5390 Triangle Pkwy.	The Ardent Companies	35,607	Class B Renewal & Contraction
Zodiac Data Systems	3005 Business Park Dr.	Bowes Properties LLC	20,622	Class B Lease
Century Communities	Governors Lakes 100	Cone Commercial RE	20,000	Class A Lease
Puntier Law Firm	Oakbrook Plaza	Olymbec USA LLC	17,493	Class B Lease

Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
2825-3355 Breckinridge Blvd.	5/2/2019	\$44,500,000	558,398	\$81.48	RealOp Investments
Sugarloaf Corporate Center	6/20/2019	\$44,000,000	255,985	\$171.89	Velocis
Governors Lake	1/22/2019	\$14,994,000	293,416	\$73.71	Cone Commercial Real Estate
500-504 Thrasher Street	1/18/2019	\$11,050,000	206,172	\$53.60	Alliance Residential Co.

In The News

- > North American Properties gets the go ahead on monster development “Revel”:** The same equity partner North American Properties worked with on its Avalon development, Ohio Public Employees Retirement System, has agreed to fund the new “Revel” development. The project was just approved by Gwinnett County officials and will be home to a 290,000 square-foot convention center, 14,500 venue seats, 50,000 square-foot arts center, 813,000 square-foot of office space, 75,000 square-foot of restaurant space, 325,000 square-foot of retail, 325 hotel rooms, 890 multifamily units and 50 townhomes. The mixed-use development will surround the Infinite Energy Center and will reap benefits from the million visitors the center brings to the area annually.
- > Growing title and escrow provider firm to expand its Gwinnett County HQ:** OS National LLC has announced plans for a \$15 Million expansion at its current Satellite Place headquarters and the addition of 1,000 jobs. The firm has been quickly growing and already employs over 500 associates in Texas, Arizona, and Nevada. OSN is excited to continue growth in the county and recently celebrated its six year anniversary.

AT A GLANCE | “Revel” is new name for Gwinnett project



- > Entertainment and retail district** located at Gwinnett’s Infinite Energy Center.
- > Will include retail, restaurant and office space;** in addition to luxury residences, a hotel and movie theater.
- > Future transit options** included as part of overall plan for project.
- > Broke ground Spring 2019,** with first phases delivering in 2020.

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	Fred Sheats
Deming Fish	Pete Shelton
Josh Gregory	Hayes Swann
Russ Jobson	Will Tyler
Jeff Kelley	Andrew Waguespack
Dany Koe	Andrew Walker
Eric Kulbacki	Bob Ward
Drew Levine	Tiffany Wein
Michael Lipton	Stewart Yates

Colliers International | Atlanta Office | Northeast Atlanta Listings



680 ENGINEERING
 13,339-20,540 SF Lease
 Lee Evans / Will Tyler



SUGARLOAF I - V
 2,380-9,229 SF Lease
 Emily Richardson



230 SCIENTIFIC DR
 10,597-27,523 SF Lease
 Lee Evans / Will Tyler



250 SCIENTIFIC DR
 3,749-9,926 SF Lease
 Lee Evans / Will Tyler