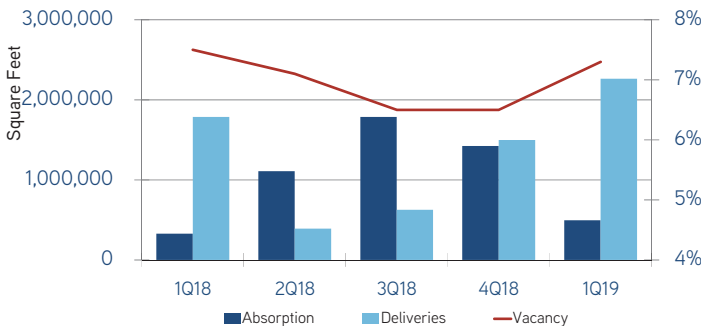


Key Takeaways

- › Northeast Atlanta absorbed the second highest amount of industrial space this quarter at 496,352 square feet. Although modest compared to previous couple of quarters, the amount is similar to the start of last year.
- › Warehouse vacancy in Northeast Atlanta increased by the most of any other submarket in First Quarter. This is a result of almost 2.3 million square feet of space delivering; the bulk of which is located in the Jackson County area of the submarket.
- › After a brief pause at the beginning of 2018, the average rent for industrial space in the submarket increased for a third consecutive quarter and reached a new record high this quarter.
- › Given the slowdown in new leasing activity, Northeast Atlanta's absorption will likely remain modest through the end of the year. This will most certainly result in a vacancy rate increase given the amount of new construction still expected to deliver in 2019.

Absorption, Deliveries and Vacancy



Market Indicators

Relative to prior period

Northeast Atlanta
Q1 2019

Northeast Atlanta
Q2 2019*

Market Indicator	Northeast Atlanta Q1 2019	Northeast Atlanta Q2 2019*
VACANCY	↑	↑
NET ABSORPTION	+	+
CONSTRUCTION	↓	↓
RENTAL RATE	↑	↑

*Projected

Summary Statistics

Northeast Atlanta Industrial Market

	All	Warehouse	Flex & Shallow-Bay
Total Inventory (Millions Square Feet)	202.2	160.9	41.3
Vacancy Rate	7.3%	7.7%	5.8%
Change From Q4 2018	0.8%	1.2%	-0.5%
Absorption YTD (Millions Square Feet)	0.5	0.3	0.2
Construction Deliveries YTD (Millions Square Feet)	2.3	2.3	-
Under Construction (Millions Square Feet)	4.9	4.9	-

Asking Rents

Per Square Foot Per Year

	All	Warehouse	SB Flex	Flex
Average Quoted	\$4.81	\$4.53	\$5.29	\$8.09
Change From Q4 2018	2.0%	4.1%	3.5%	-2.0%

UPDATE - Recent Transactions in the Market

Notable Leasing Activity

TENANT	PROPERTY	LANDLORD	SIZE (SF)	TYPE
Transouth Logistics	1001 Cherry Dr.	Novaya Real Estate	287,286	Warehouse Renewal
WEG Electronics	6655 Sugarloaf Pkwy.	Duke Realty	250,000	Warehouse Renewal
Anixter	6525 Best Friend Rd.	Majestic Realty Co.	153,572	Warehouse Renewal
Hanes Brand	1650 Indian Brook Way	Invesco Advisers, Inc.	121,392	Distribution Renewal

Notable Sales Activity

PROPERTY	SALES DATE	SALE PRICE	SIZE (SF)	PRICE / SF	BUYER
Valentine 85 Logistics Ctr.	3/4/2019	\$44,943,360	1,021,440	\$44.00	Hillwood
2500 Mill Center Pkwy.	2/12/2019	\$39,850,000	550,000	\$72.45	Invesco Advisers, Inc.
2500 W Park Dr.	11/16/2018	\$25,200,000	758,788	\$33.22	Farallon Capital Management
1125 Northbrook Pkwy.	3/1/2019	\$13,000,000	203,031	\$64.03	FCS Automotive International

Colliers International | Atlanta | Northeast Atlanta Industrial Listings



For Lease

#	PROPERTY	SF AVAILABLE	BROKER(S)
1	2560 Northlake Dr.	40,800	Price Weaver / Mike Spears
2	6325 McDonough Dr.	10,000	Max Ellis / Lee Cardwell
3	Northbelt Business Park	Availabilities	Brian Camp
4	6550 Best Friend Rd.	75,205	Scott Plomgren / Harrison Marsteller
5	1520 Broadmoor Blvd.	16,238	Brian Camp
6	Northeast 85 Logistics Ctr.	1,053,360	Darren Ross / Scott Plomgren
7	3101 McCall Dr.	68,640	Price Weaver / Hooper Wilkinson
8	2205 Northmont Pkwy.	32,000	Price Weaver / Hooper Wilkinson
9	Jefferson Mill Business Park	250,569-749,730	Price Weaver / Ben Logue
10	300 Best Friend Ct.	32,280	Turner Wisehart / Sam Campbell
11	Broadmoor Logistics Park 200	20,000-111,480	Harrison Marsteller / Darren Ross
12	Braselton Point Logistics Ctr.	462,000	Harrison Marsteller / Scott Plomgren

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	Turner Wisehart