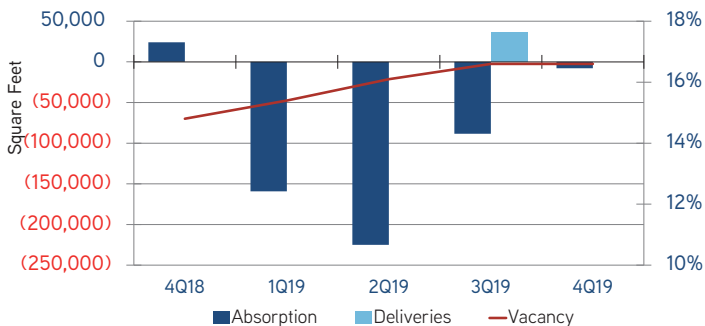


Key Takeaways

- Central Perimeter had a rough year, posting an occupancy loss of 488,000 square feet in 2019; the worst performing submarket in Atlanta. The negative results were the result of contractions, consolidations, relocations, and companies closing offices.
- Despite a relatively neutral quarter of net absorption, the submarket did see a handful of large occupancies in Q4. LeaseQuery and Zillow each moved into around 50,000 square feet in Ravinia Three, and Newell Brands relocated within the submarket.
- For the second time in 2019 the average rental rate across all property classes dropped in the submarket. This is mostly a factor of more space coming onto the market from offices vacated.
- Fortunes are expected to turn for Central Perimeter in 2020. State Farm will be moving into the second phase of their new headquarters in Q1; also Insight Global, Inspire Brands, and WeWork will be occupying significant spaces.

Absorption, Deliveries and Vacancy



Market Indicators

Relative to prior period

| Market Indicator | Central Perimeter Q4 2019 | Central Perimeter Q1 2020* |
|------------------|---------------------------|----------------------------|
| VACANCY | - | ↓ |
| NET ABSORPTION | + | + |
| CONSTRUCTION | - | ↓ |
| RENTAL RATE | ↓ | ↑ |

*Projected

Summary Statistics

Central Perimeter Office Market

| | All Classes | Class A | Class B |
|---|-------------|---------|---------|
| Total Inventory (Millions Square Feet) | 29.9 | 22.2 | 6.6 |
| Vacancy Rate | 16.6% | 17.2% | 16.0% |
| Change From Q3 2019 | - | 0.3% | -1.3% |
| Absorption YTD (Thousands Square Feet) | -488 | -639 | 144 |
| Construction Deliveries YTD (Thousands Square Feet) | 36 | - | 36 |
| Under Construction (Thousands Square Feet) | 1,434 | 1,434 | - |
| Asking Rents Per Square Foot Per Year | | | |
| Average Quoted | \$28.21 | \$29.99 | \$21.97 |
| Change From Q3 2019 | -1.8% | -1.1% | -2.5% |

UPDATE - Recent Transactions in the Market

Notable Leasing Activity

| TENANT | PROPERTY | LANDLORD | SIZE (SF) | TYPE |
|---------------------------------|----------------------|----------------------------|-----------|-----------------|
| T-Mobile | One Ravinia Drive | Franklin Street Properties | 148,118 | Class A Renewal |
| The Art Institutes | Embassy Row Bldg 100 | Bridge Investment Group | 112,367 | Class A Renewal |
| American InterContinental Univ. | Embassy Row Bldg 500 | Bridge Investment Group | 75,698 | Class A Renewal |
| Acoustic L.P. | South Terraces | Crocker Partners | 57,113 | Class A Lease |

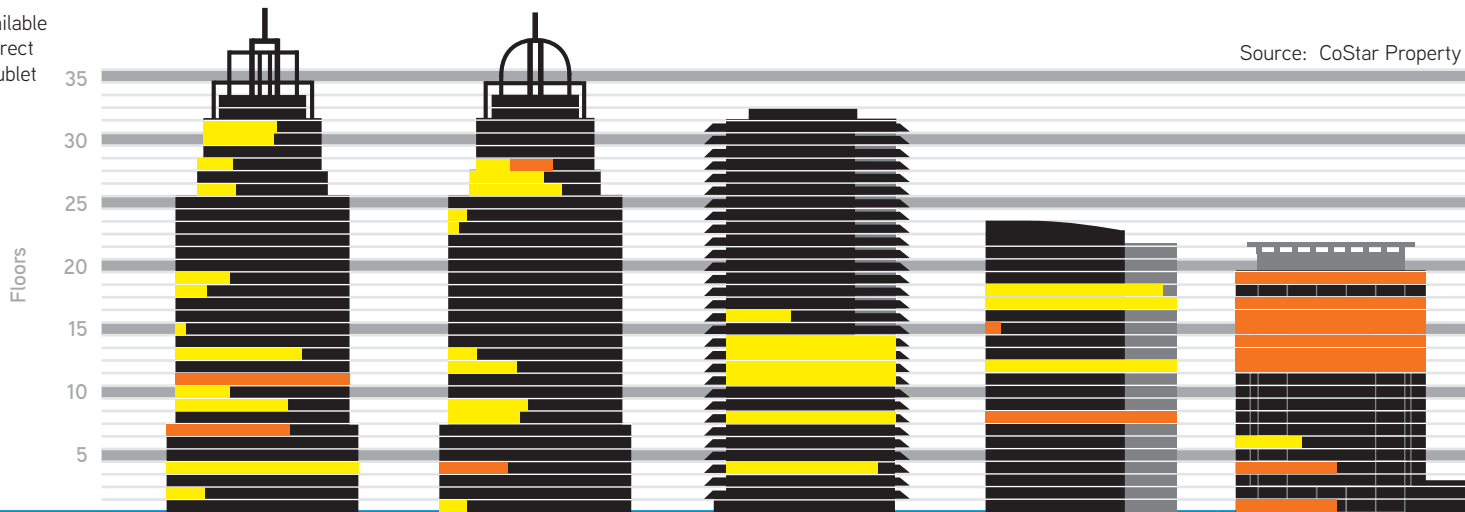
Notable Sales Activity

| PROPERTY | SALES DATE | SALE PRICE | SIZE (SF) | PRICE / SF | BUYER |
|----------------------|------------|---------------|-----------|------------|------------------------|
| One & Three Glenlake | 4/15/2019 | \$227,500,000 | 710,832 | \$320.05 | Starwood Capital Group |
| Northridge Commons | 11/20/2019 | \$51,500,000 | 448,135 | \$114.92 | The Dilweg Companies |
| Centrum at Glenridge | 6/5/2019 | \$40,000,000 | 186,826 | \$214.10 | Origin Investments |
| Plaza 400 | 1/22/2020 | \$19,250,000 | 173,361 | \$111.04 | Highgate Partners |

Skyline Review

Space Available
■ Direct
■ Sublet

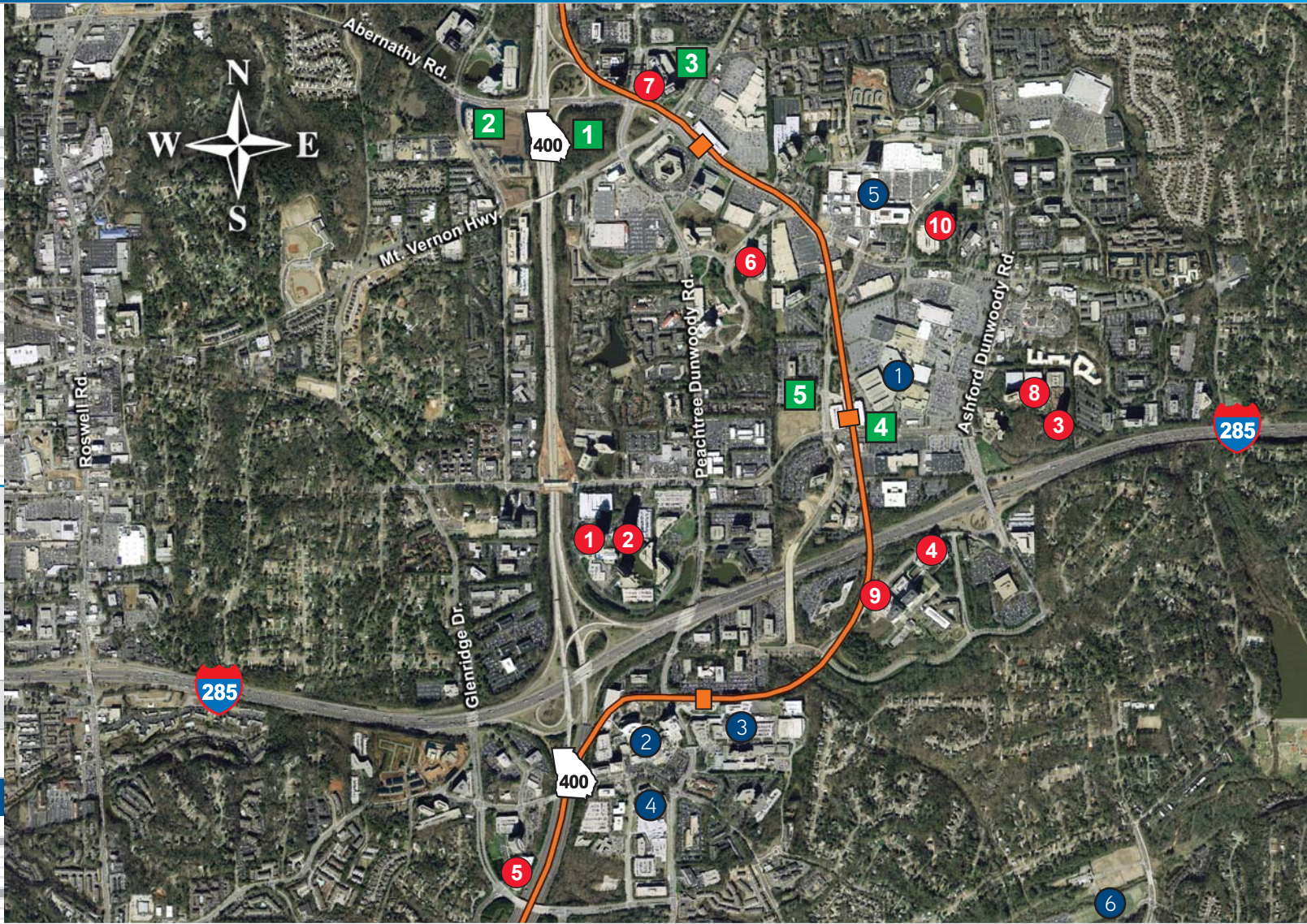
Source: CoStar Property



| BUILDING | Concourse VI | Concourse V | Three Ravinia | 1001 Summit Blvd. | Glenridge Highlands II |
|----------------------------|-----------------|-----------------|---------------|-------------------|------------------------|
| RBA | 697,400 SF | 687,107 SF | 864,732 SF | 572,643 SF | 425,674 SF |
| TYPICAL FLOOR SIZE | 27,000 SF | 26,719 SF | 26,250 SF | 23,000 SF | 21,334 SF |
| % LEASED | 84.4% | 91% | 98.9% | 90.6% | 98.3% |
| LARGEST SPACE AVAIL. | 23,228 SF | 12,180 SF | 101,814 SF | 46,057 SF | 141,264 SF |
| RENTAL RATE PER SF (Gross) | \$36.00-\$36.50 | \$36.00-\$36.50 | \$35.50 | \$36.50 | \$35.50 |
| | 1 | 2 | 3 | 4 | 5 |







| BUILDING | 7000 Central Park | 500 Northpark | Two Ravinia | 4004 Perimeter Summit | South Terraces |
|----------------------------|-------------------|-----------------|-------------|-----------------------|-----------------|
| RBA | 415,324 SF | 515,735 SF | 442,130 SF | 355,250 SF | 547,281 SF |
| TYPICAL FLOOR SIZE | 29,000 SF | 24,000 SF | 24,170 SF | 25,000 SF | 48,000 SF |
| % LEASED | 91.9% | 87.2% | 66.2% | 17.4% | 41.7% |
| LARGEST SPACE AVAIL. | 14,309 SF | 64,158 SF | 34,838 SF | 293,428 SF | 287,093 SF |
| RENTAL RATE PER SF (Gross) | \$33.00-\$35.50 | \$33.00-\$34.00 | \$28.50 | \$36.50-\$39.50 | \$33.00-\$34.00 |
| | 6 | 7 | 8 | 9 | 10 |



Aerial Legend

-  Buildings by Number (see opposite page)
-  MARTA Rail Line
-  New Construction

Points of Interest

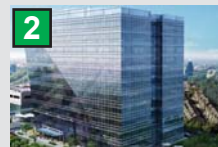
- | | |
|--|--|
|  Perimeter Mall |  Scottish Rite |
|  Northside Hospital |  Perimeter Place |
|  St. Joseph's Hospital |  Marist High School |

New Development

1

100 NORTHPARK
Mixed-Use Project
1.5 million SF office
150,000 SF retail
500 multi-family units
250-room hotel
Planning Stage
Developer: Hines

2



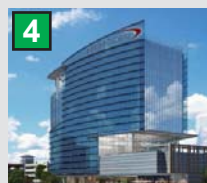
ABERNATHY 400
550,000 SF
Planning Stage
Delivering TBD
Developer: Ackerman

3



700 NORTHPARK
484,000 SF office
Planning Stage
Delivering TBD
Developer: Hines

4



TWELVE24
335,000 SF office
Under Construction
Developer: Trammell Crow

5



HIGH STREET ATLANTA
400,000 SF office
Planning Stage
Developer: GID/North American

In The News

- Transit and new development a happy pairing in Central Perimeter:** MARTA has become a focal point for development across Dunwoody and Central Perimeter. Transit-oriented developments (TOD) have become increasingly popular in the submarket, whether its businesses locating their offices near transit stations, or developers bringing mixed-use developments near MARTA. The best example of this is the new State Farm campus, which has a direct connection to the platform of the Dunwoody MARTA station. This new campus will employ 7,000 people. Twelve24 is another great example of a TOD in Dunwoody: the platform-adjacent building will contain 334,000 square feet of office space, with Insight Global taking about 70% of the building. The suburban Central Perimeter is getting denser: the pipeline includes developments like High Street Atlanta, which could boast up to 8 million square feet of mixed-use space.
- North American Properties out as GID's High Street project moves on to permit stage:** GID Developer Group's \$2 billion mixed-use project in Dunwoody has parted ways with North American Properties (developer of Alpharetta's Avalon and Midtown's Colony Square refresh) in a decision that they say was mutual. The High Street project is continuing forward, as they have submitted land permits to the city of Dunwoody.

AT A GLANCE | TWELVE24



- > Class A, LEED office tower totaling 335,000 square feet.
- > Transit-oriented 16-story office tower on 3.94-acres directly connected to Dunwoody MARTA station.
- > Insight Global to anchor the building with 241,000 square feet.
- > Building began construction Summer 2018, and is anticipated to deliver in the First Quarter of 2020.
- > Trammell Crow is developing the building.

FOR MORE INFORMATION

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| Jeff Kelley | Andrew Waguespack |
| Dany Koe | Andrew Walker |
| Eric Kulbacki | Bob Ward |
| Drew Levine | Stewart Yates |
| Michael Lipton | |

Colliers International | Atlanta Office | Central Perimeter Listings



ASHFORD GREEN
 10,125-85,562 SF Sublease
 Jodi Selvey



PALISADES-B
 15,264 SF Sublease
 Andrew Waguespack /
 Kay Hocutt



200 ASHFORD CTR N
 1,472 SF Sublease
 Michael Lipton



270 CARPENTER
 1,976 SF Sublease
 Frank Cannon

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