



Industrial Market Report

Atlanta - GA USA

PREPARED BY



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INDUSTRIAL MARKET REPORT

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12 Mo Deliveries in SF

28.9M

12 Mo Net Absorption in SF

5.4M

Vacancy Rate

7.1%

Market Asking Rent Growth

8.2%

Over the past year, the Atlanta industrial market has seen a noteworthy downshift from the flurry of activity in 2021 and 2022. While some have called this a “return to normal,” the area’s vacancy rate has now risen to nearly 7%, above its 10-year average of 5.8%, from a record low in 2022. At the end of 2023, the vacancy rate lifted above the national average for the first time in about three years. Quarterly demand has been muted, with new deliveries outpacing net absorption for the past seven quarters. The combination of subdued demand and a record wave of recently delivered big box spaces will likely cause the vacancy to continue to rise for the next year.

Demand for space has lessened, with some third-party logistics firms pulling back on space they had leased over the past several years, including EVO Transportation & Energy Services, GXO Logistics, and Saddle Creek. Some tenants with products related to home-buying are also vacating their spaces as higher interest rates limit new house purchases.

At the same time, the volume of speculative projects completing construction remains elevated. 2023 was a record year for new deliveries in the area, and nearly 20 projects delivered last year were 500,000 SF or larger. In 2022, 18 leases were signed for 500,000 SF or more; the average new lease deal was 22,350 SF. In the past 12 months, there have been just four leases of this size, and

the average deal was under 18,000 SF. Vacancy has risen dramatically in areas where recent big box deliveries have concentrated. The vacancy rate for this property size in the Kennesaw/Acworth Submarket is 15%; six big box facilities were delivered there in 2023 alone.

Annual industrial rent growth in Atlanta has diminished from record highs of over 10% in 2022 to 8.2%, which is on par with the 10-year average of 7.6%. While this is still relatively strong, recent quarter-to-quarter growth has shifted down significantly, from almost 3% in early 2023 to 1.9% most recently. Well-located assets, particularly those in the southern part of the region around the airport and along I-75 in Clayton and Henry County, still command large rent increases. Growth will likely decelerate further this year as vacancy remains at the highest levels recorded since 2015.

However, the same challenging financing environment that has slowed sales volume over the past several months could help strengthen market fundamentals after 2024. Construction starts have declined precipitously in Atlanta since mid-2022, even more so than in other major U.S. markets. That will result in fewer deliveries in the coming years. This likely positions Atlanta to return to tighter vacancies and reaccelerating rent growth in 2025-26.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	669,245,724	7.7%	\$0.71	10.7%	(598,502)	4,593,044	12,703,817
Specialized Industrial	101,658,743	4.0%	\$0.94	3.8%	(202,442)	0	3,402,345
Flex	71,540,206	5.1%	\$1.22	7.6%	(144,369)	74,112	496,506
Market	842,444,673	7.1%	\$0.78	9.6%	(945,313)	4,667,156	16,602,668

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy Change (YOY)	2.6%	8.9%	7.1%	14.1%	2011 Q2	3.3%	2022 Q2
Net Absorption SF	5.4M	12,535,367	11,201,351	37,283,808	2021 Q4	(10,233,012)	2009 Q2
Deliveries SF	28.9M	13,966,536	14,908,761	29,640,631	2023 Q4	688,045	2010 Q2
Market Asking Rent Growth	8.2%	3.0%	5.8%	12.6%	2022 Q2	-5.1%	1991 Q1
Sales Volume	\$3.3B	\$1.5B	N/A	\$7.2B	2022 Q2	\$0	1994 Q4

The Atlanta industrial market has experienced negative absorption in two of the last four quarters. Net absorption dropped by over 65% from 2022 to 2023; last year's net absorption was at a level the market hasn't seen since 2012. The average new lease size has gone from about 30,000 SF in 2021 and 2022 to under 18,000 over the past 12 months, a 40% decrease. These factors and an onslaught of new deliveries increased the vacancy rate after reaching a record low of around 3% in 22Q2. The current industrial vacancy rate of 7.1% is above the market's 10-year average of 5.8%. Sublease availabilities increased to 11.4 million SF marketwide from roughly 3.4 million SF in 2021.

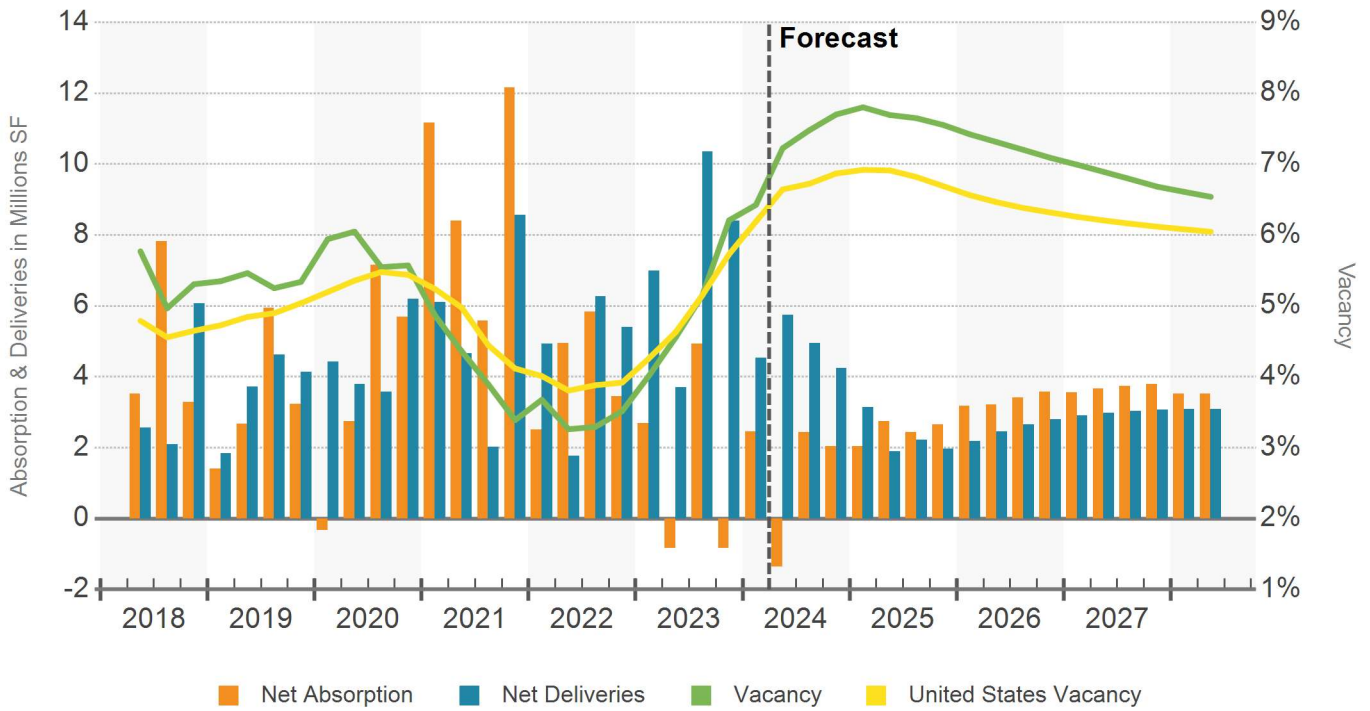
Elevated interest rates have significantly slowed home-buying, and inflationary pressures have consumers cutting back from an unprecedented pandemic home goods spending spree. These trends are impacting the Atlanta industrial market. Elite Comfort Solutions, a polyurethane foam technology company that makes bedding and furniture, is leaving 485,400 SF of space at the Innovation Logistics Center in the Fayette/Coweta County Submarket. Door manufacturer American Building Supply vacated a 635,000-SF warehouse in 2023, and bedding and home linens producer 1888 Mills recently closed their Spalding County facility, laying off 180 workers.

However, rug and home textile manufacturers have signed several large leases recently, possibly signaling improving demand. Devgiri signed a lease in February for 706,000 SF of distribution sublease space at the 2023-built Clayton 75 Logistics Center south of Atlanta, and carpet company The Dixie Group signed for 209,000 SF of space in the Kennesaw/Acworth Submarket in December 2023.

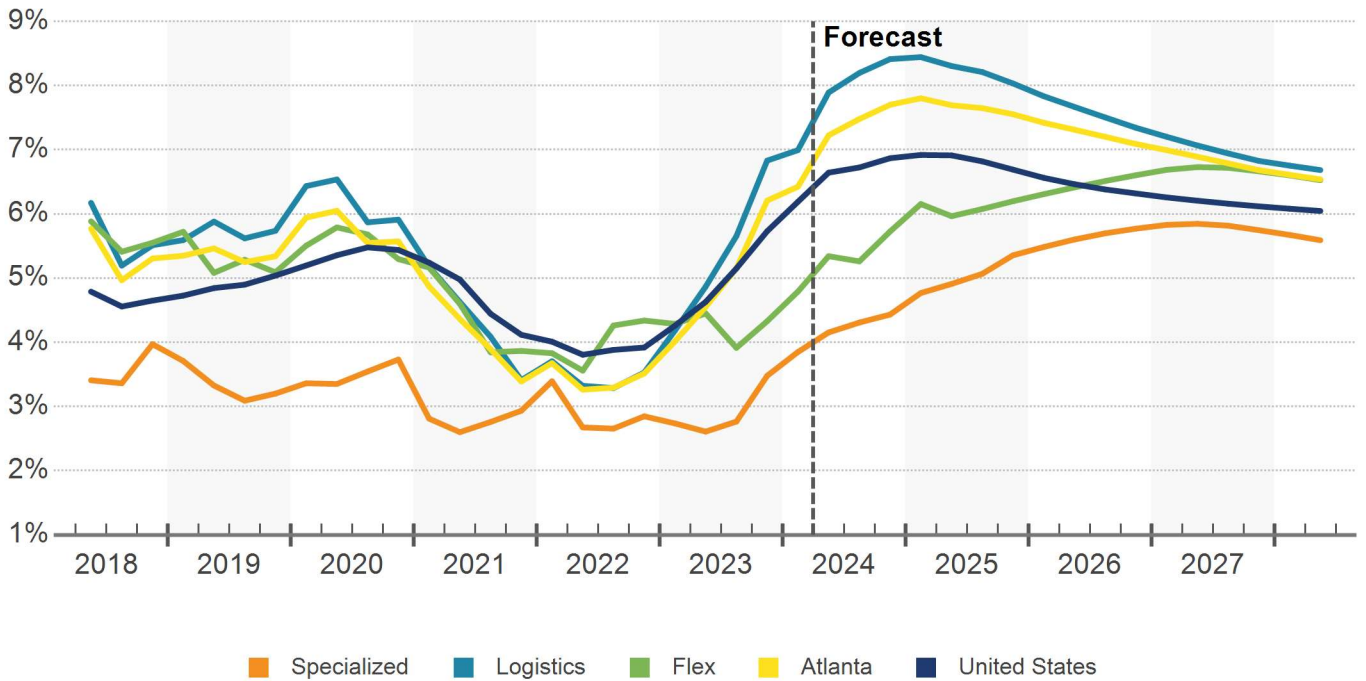
The large industrial tenant base is growing in spaces less affected by inflation, such as energy investment and medical supplies. In January 2024, Korean solar panel manufacturer Hanwha Q Cells signed a deal for 835,000 SF of distribution space at the newly constructed Busch Commerce Center in the Kennesaw/Acworth Submarket. In the nearby Busch Logistics Park, electric and conduit fittings company Atkore International moved into 530,000 SF of distribution space in December 2023. At a time when many third-party logistics firms are pulling back, Broadrange Logistics moved into 692,000 SF at the International Commerce Center in the Kennesaw/Acworth Submarket last year. They cited the area's diverse industrial economy, including electric vehicle suppliers and floor coverings. In November 2023, medical supply distributor McKesson Medical-Surgical signed a 350,000 SF deal in the Duluth/Suwanee/Buford Submarket. The deal was a pre-lease for space at the Prologis Distribution Center 810, to be completed in 2025. Regardless of demand, there is too much new space to compete with among big box properties.

Connections to the ports of Savannah, Charleston, and Jacksonville, combined with a geographic location along the growing Interstate 85 corridor, position Atlanta as a distribution hub for major Southern and lower Midwestern population centers. Population growth in the broader Southeast region has bolstered aggregate spending in the market. The Atlanta region recently surpassed Philadelphia and Washington DC to become the sixth largest metro area in the U.S. Still, industrial deliveries and weak absorption are likely to lift vacancies through the start of 2025; an additional 16.6 million SF is underway and slated to deliver over the next two years, with about half of that space available.

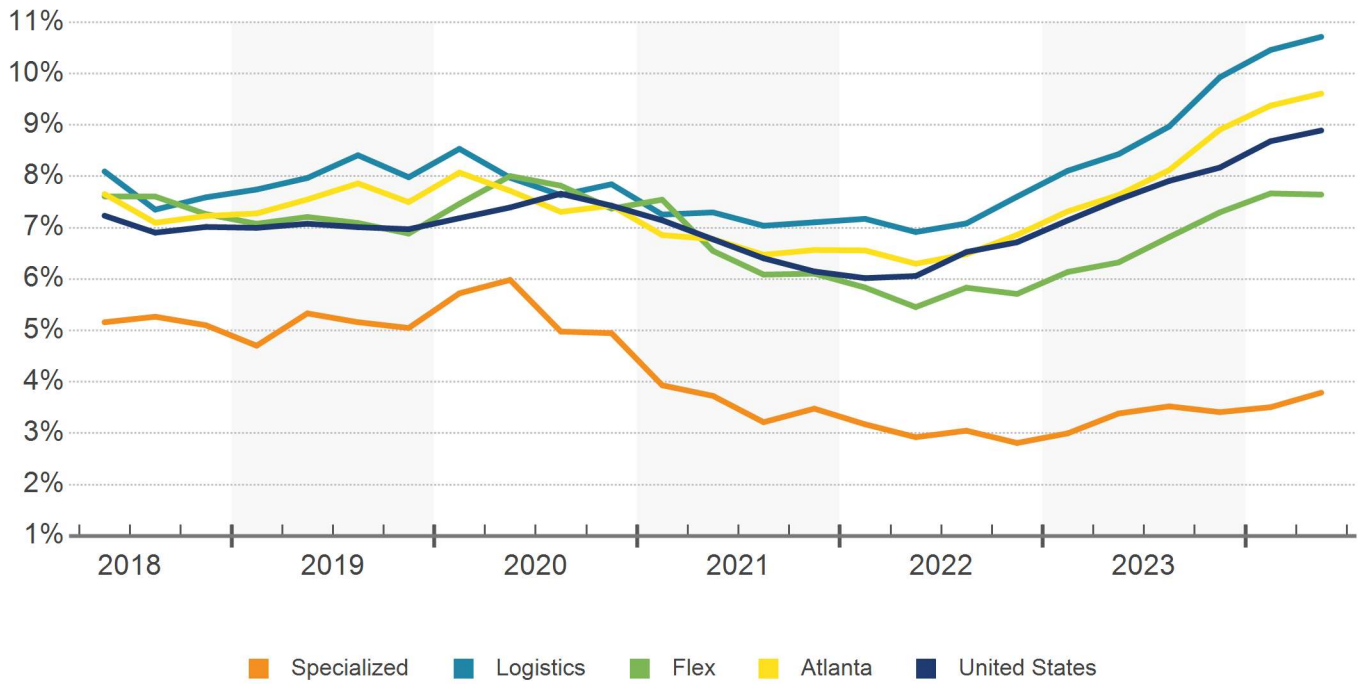
NET ABSORPTION, NET DELIVERIES & VACANCY



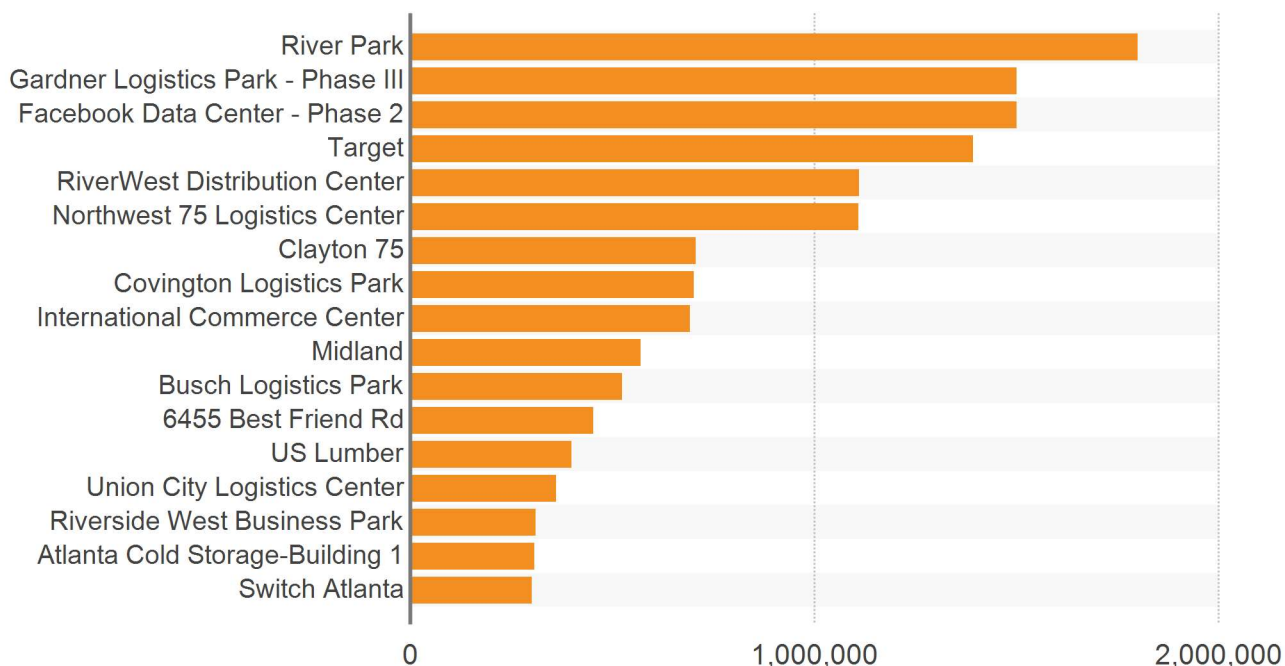
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
River Park	Butts County Ind	1,800,000	0	1,800,000	0	0	0	1,800,000
Gardner Logistics Park - Phase III	S Clayton/Henry Cnt...	1,500,000	0	0	0	0	0	1,500,000
Facebook Data Center - Phase 2	Rockdale/Newton Cn...	1,500,000	0	0	0	0	0	1,500,000
Target	S Clayton/Henry Cnt...	1,392,166	0	0	1,392,166	0	0	1,392,166
RiverWest Distribution Center	I-20 W/Douglasville Ind	1,110,960	0	0	0	0	0	1,110,960
Northwest 75 Logistics Center	Kennesaw/Acworth Ind	1,108,990	0	1,108,990	0	0	0	1,108,990
Clayton 75	S Clayton/Henry Cnt...	705,833	0	705,833	0	0	0	705,833
Covington Logistics Park	Rockdale/Newton Cn...	701,984	0	701,984	0	0	0	701,984
International Commerce Center	Kennesaw/Acworth Ind	691,667	0	0	0	0	0	691,667
Midland	S Clayton/Henry Cnt...	570,586	0	0	0	0	0	570,586
Busch Logistics Park	Kennesaw/Acworth Ind	523,541	0	0	0	0	0	523,541
6455 Best Friend Rd	Doraville Ind	453,600	0	0	453,600	0	0	453,600
US Lumber	S Barrow Ind	399,600	0	0	0	0	0	399,600
Union City Logistics Center	Airport/North Clayton...	360,180	0	187,920	172,260	0	0	360,180
Riverside West Business Park	I-20 W/Douglasville Ind	310,000	0	0	0	0	0	310,000
Atlanta Cold Storage-Building 1	Airport/North Clayton...	306,402	0	0	0	0	0	306,402
Switch Atlanta	I-20 W/Douglasville Ind	300,000	0	0	0	0	0	300,000
Subtotal Primary Competitors		13,735,509	0	4,504,727	2,018,026	0	0	13,735,509
Remaining Atlanta Market		828,749,668	59,429,238	(2,058,362)	(2,961,339)	0	0	(8,313,856)
Total Atlanta Market		842,485,177	59,429,238	2,446,365	(943,313)	0	0	5,421,653

TOP INDUSTRIAL LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
570 International Park *	Fayette/Coweta County	877,460	Q4 23	PetSmart	Cushman & Wakefield	-
130 Distribution Dr *	S Clayton/Henry Cnty	846,496	Q4 23	Wayfair	-	-
1380 Cassville White Rd NE	Kennesaw/Acworth	834,971	Q1 24	Hanwha Q Cells	-	NAI Brannen Goddard
2201 Thornton Rd	I-20 W/Douglasville	733,680	Q2 24	-	-	OnPace Partners;Prolo...
2464 Mt. Zion Rd	S Clayton/Henry Cnty	705,833	Q1 24	Devgiri	Newmark	Newmark
18019 NE Logistics Pky	Rockdale/Newton Cnty	701,984	Q4 23	Central Garden & Pet	-	Lavista Associates, Inc.
7545 Hartman Industrial Way *	I-20 W/Douglasville	569,674	Q4 23	Czarnowski	Cresa	-
1181 Cassville White Rd NE	Kennesaw/Acworth	523,541	Q3 23	Atkore International	Cushman & Wakefield	JLL
920 Highway 124 *	S Barrow	520,570	Q2 24	Mizuno USA, Inc	Cresa	-
3060 S Park Blvd *	S Clayton/Henry Cnty	498,258	Q4 23	GXO Logistics	-	Colliers
165 Greenwood Industrial Pky	S Clayton/Henry Cnty	485,091	Q3 23	Dollar General	-	JLL
200 Metcalf Rd	Airport/North Clayton	472,767	Q4 23	YITA	Strategic Real Estat...	Cushman & Wakefield
6455 Best Friend Rd	Doraville	453,600	Q3 23	Southeast Toyota Distribu...	-	NAI Brannen Goddard;...
4286 E Southmeadow Pky *	Airport/North Clayton	400,125	Q1 24	Trane	-	-
407 Bird Hammond Rd	S Barrow	399,600	Q3 23	US Lumber	Lavista Associates, I...	-
7225 Goodson Rd *	Airport/North Clayton	370,000	Q1 24	Interface	-	-
1970 Maple Ave	Fulton District	364,200	Q2 24	Fulfillment Strategies Inter...	Scotland Wright Ass...	Reliant Real Estate Par...
810 Thompson Mill	Duluth/Suwanee/Buford	349,440	Q4 23	McKesson Medical-Surgical	-	JLL;Prologis, Inc.
7310 Oakley Industrial Blvd	Airport/North Clayton	316,680	Q2 24	-	-	EQT Exeter
3495 Highway 92 *	Kennesaw/Acworth	312,500	Q1 24	Atlanta Bonded Warehous...	-	-
800 Weldon Rd	Fayette/Coweta County	300,000	Q2 24	-	-	NAI Brannen Goddard
200 Interstate South Dr *	S Clayton/Henry Cnty	296,218	Q3 23	Pepperidge Farm	Cushman & Wakefield	CBRE
400 Princeton Blvd	Kennesaw/Acworth	292,000	Q4 23	The Dixie Group	-	-
5400 Oakley Industrial Blvd	Airport/North Clayton	285,600	Q3 23	McKenney's Inc	Cushman & Wakefield	JLL
2823 Anvil Block Rd	S Clayton/Henry Cnty	269,890	Q4 23	Kane Warehousing	-	Cushman & Wakefield
3000 Shawnee Ridge Ct *	Duluth/Suwanee/Buford	260,000	Q1 24	KGP Logistics	-	-
105 King Mill Rd *	S Clayton/Henry Cnty	256,026	Q1 24	Lennox	-	Seefried Properties, Inc.
1990 Twin Creeks Pky	Rockdale/Newton Cnty	240,000	Q1 24	Pratt Industries	-	Lavista Associates, Inc.
1399 Fulton Industrial Blvd NW	Fulton District	237,515	Q2 24	-	-	Colliers
Hurricane Shoals Rd	GA-316/Lawrenceville	237,431	Q3 23	FieldCore Service Solutions	-	NAI Brannen Goddard
120 Colvin Dr	S Clayton/Henry Cnty	234,200	Q3 23	NVH Korea	-	-
6070 Fulton Industrial Blvd SW	Fulton District	227,600	Q3 23	Miller Zell	Cresa	CBRE
2323 Brown Rd	Duluth/Suwanee/Buford	225,609	Q1 24	FRM	-	Seefried Properties, Inc.
8440 Tatum Rd	Airport/North Clayton	201,624	Q3 23	Duracell	Cushman & Wakefield	CBRE
6550 Jimmy Carter Blvd	Doraville	199,972	Q3 23	-	-	Nash Commercial
850 Douglas Hills Rd	I-20 W/Douglasville	198,764	Q1 24	GigaCloud	Lee & Associates	NAI Brannen Goddard
6100 Emmanuel Dr SW	Fulton District	193,780	Q3 23	Phoenix Stamping Group...	-	-
4777 Derrick Rd	Airport/North Clayton	188,455	Q4 23	T. Marzetti Company	-	CBRE;Saxum Real Est...
4811 Flat Shoals Rd	Airport/North Clayton	187,220	Q1 24	-	-	Stream Realty Partners...
2084 Lake Industrial Ct	Rockdale/Newton Cnty	180,252	Q4 23	Pedro First, LLC	-	CBRE

*Renewal



At 8.2%, Atlanta's industrial annual rent growth has cooled to about the 10-year average of 7.6%. While growth has subdued from record highs, peaking at nearly 13% in early 2022, Atlanta's annual rent increase still outpaces the national rate. However, Atlanta's average industrial asking rent is still relatively affordable and well below the U.S. average of \$12.00/SF at around \$9.40/SF.

Industrial rent seems to be slowing more considerably when looking at recent quarter-to-quarter growth in Atlanta, which is significantly lower than early last year. Quarterly rent increases fell to around 1.9% from 2.7% in 23Q1. This slowdown comes as deliveries have outpaced absorption for the past year and a half.

With demand for big box spaces cooling, some distribution spaces are becoming available for sublet. XPO Logistics made their full 373,900 SF building lease available at Southfield Logistics Center. The 1980-built facility in the Airport/North Clayton area is advertised for \$5.15/SF NNN, making it the most affordable large property by SF for lease in the submarket.

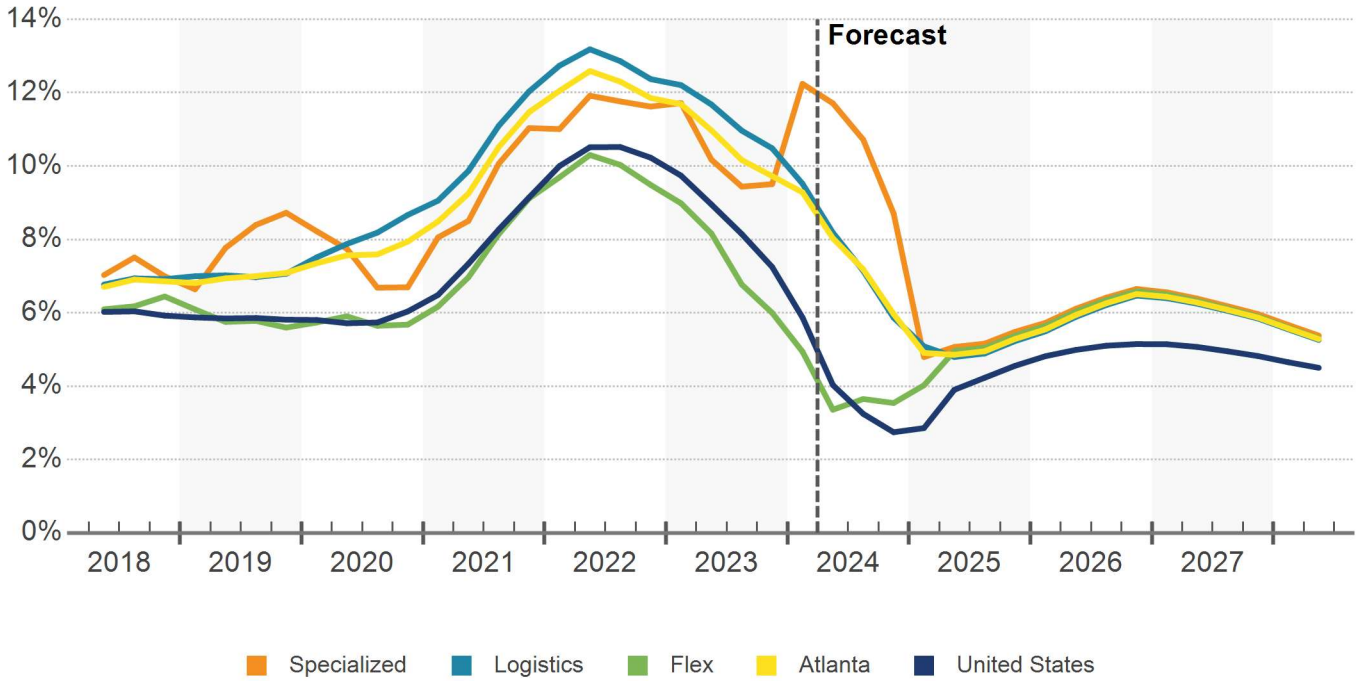
Sublet spaces can provide discounts even in the most in-demand areas. Packaging and logistics provider Nefab signed for nearly 72,000 SF of sublease space in the Airport/North Clayton Submarket. With a two-year, eight-month term, they secured \$6.50/SF NNN rent, starting at \$6/SF with a recorded discount of \$7.69%.

In submarkets like Kennesaw/Acworth, where new warehouse space is plentiful, and vacancy for these buildings is around 30%, big box facilities rent for less than other areas. Atkore International, a manufacturer of electrical conduit and fittings, signed a lease to occupy the entirety of 2022-built Building A at Busch Logistics Park in September 2023. The 524,000-SF lease started at \$5.15/SF NNN with a 10-year term. Yita LLC, a furniture and aftermarket auto parts distributor, expanded its Atlanta warehouse footprint with a 473,000-SF 5-year lease at the 2022-built Gillem Logistics Center in the Airport/North Clayton Submarket. The lease was signed in October 2023 and had an asking starting rent of \$7/SF NNN.

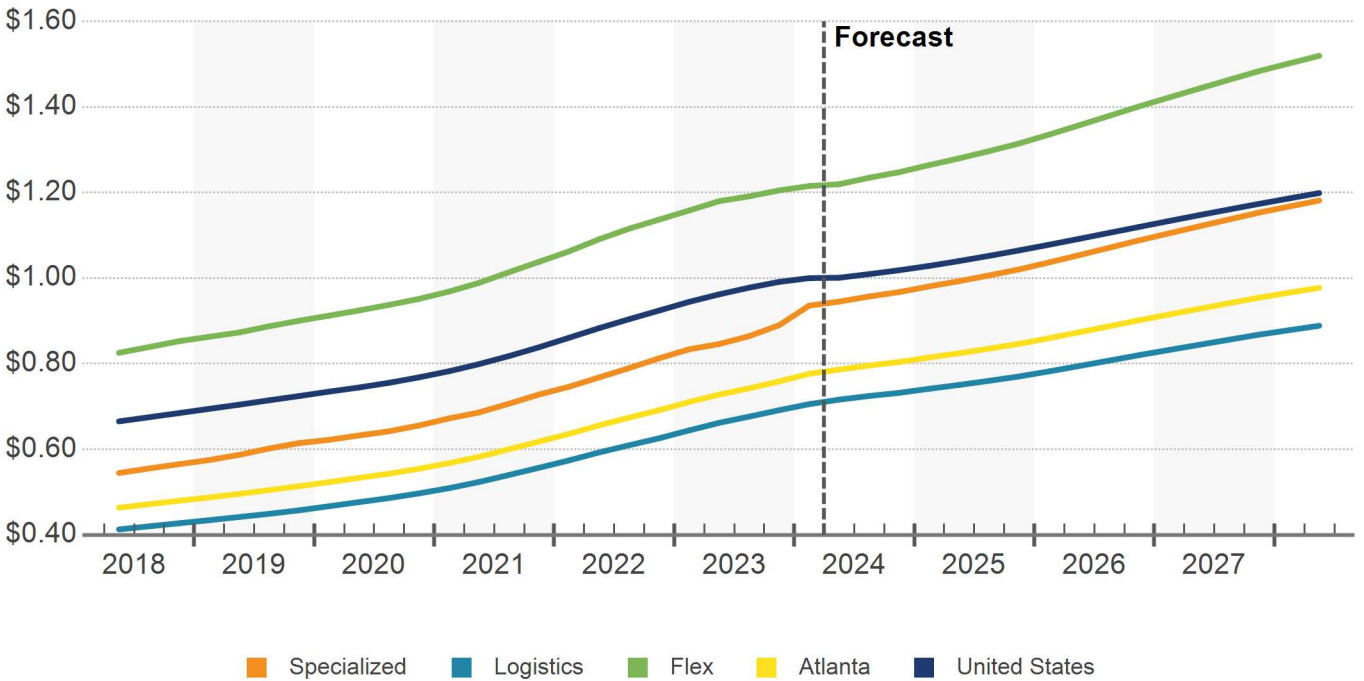
Smaller leases with quicker access to the urban core can rent for upwards of \$9/SF. In January 2024, home services firm Aquagaurd Foundation signed a lease for a 36,000 SF building in the Airport/North Clayton Submarket for \$12/SF NNN. Beauty supply CNC Nail signed for about 36,000 SF in a multi-tenant building in the Doraville Submarket for \$10/SF NNN in January 2024.

Increasing vacancy through early 2025 will likely cause Atlanta's industrial rent growth to continue to contract. The forecast shows 5.5% annual rent growth by the end of this year, the lowest rate since 2016. A subdued construction pipeline and recovering net absorption will likely tighten vacancies by the end of 2025, making higher rent growth possible in the next several years.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



The Atlanta industrial market has pushed past the peak of a record supply wave. The total square footage delivered this year will likely be over 30% lower than last year; in 2023, developers delivered a record amount of space for the area. While this supply wave is a national trend, Atlanta's surge in construction seems to be tapering off faster than other areas. Metro areas like Charlotte and Phoenix expect record years for industrial space delivery in 2024, and other Sun Belt metros like Dallas, Austin, and Charlotte all have a larger share of their inventory under construction.

Responding to higher interest rates and slower absorption, area developers pulled back on building speculative supply. Construction starts in Atlanta dropped precipitously in the last quarter of 2022, earlier than many other areas. Last year, groundbreakings in Atlanta totaled about 12 million SF, a 10-year low.

Still, with roughly 16.6 million SF under construction, Atlanta ranks in the top five for industrial supply underway nationally. About 55% of under-construction space is available.

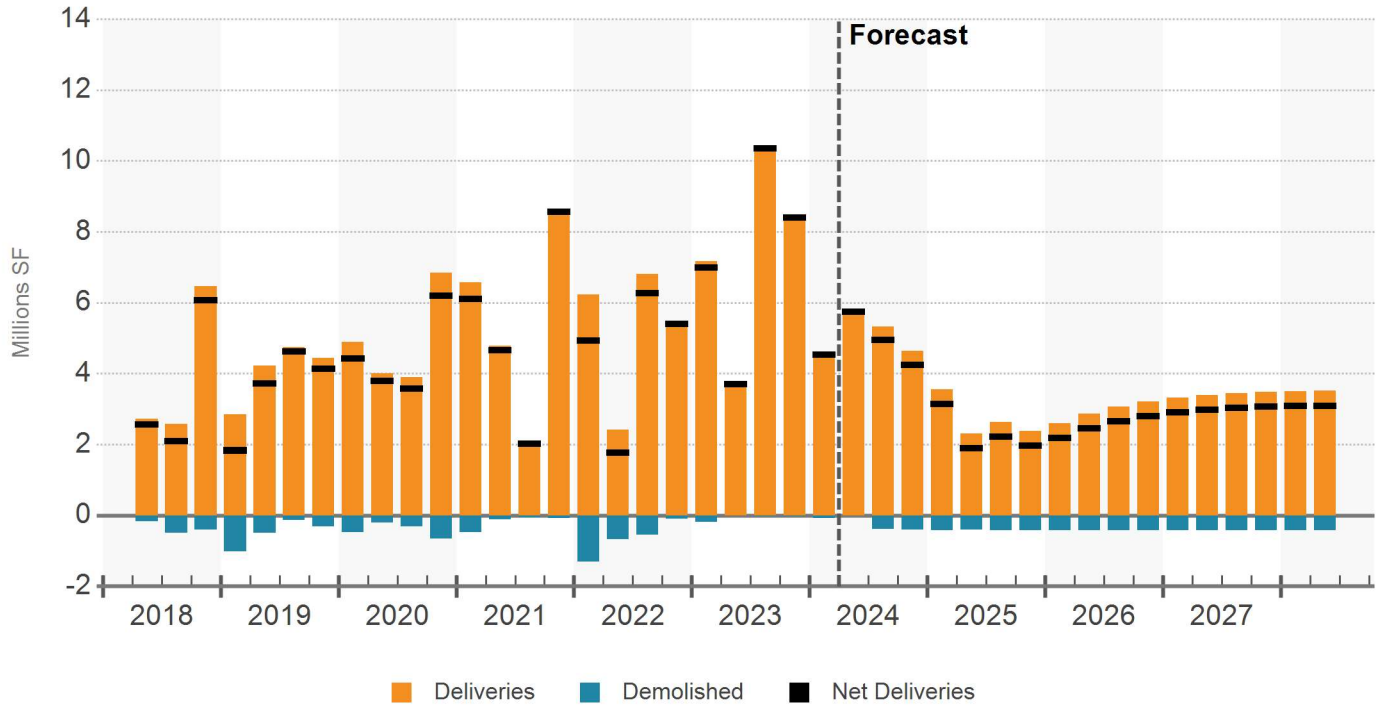
With growing space requirements from distributors, Atlanta developers have focused on building the largest spaces. Twelve properties of 500,000 SF or larger are currently underway, representing over 60% of all under-construction space in the market. The expansion also

comes at a time when average lease sizes are declining and could weigh on fundamentals in exurban submarkets, where these large properties represent a disproportionate share of inventory.

Kennesaw/Acworth, for example, boasts strong access to Atlanta and Midwestern markets via I-75, proximity to the Appalachian Regional Port in northwest Georgia, and more developable land than other north-side locales. However, the 2.6 million SF built since 2020 has a vacancy rate of 44% compared to 26% for new buildings marketwide. More recently, big box construction has slowed and shifted its concentration south. Of the 12 under-construction properties that are 500,000 SF or larger, nine of them are south of I-20. The 1.2 million SF Building A at PNK Park Southern Gateway in the South Clayton/Henry County Submarket started construction earlier this year with no signed tenants. Building D at The Cubes Bridgeport is bringing 1.2 million SF of speculative supply to the Fayette/Coweta County Submarket in the coming months.

With Atlanta industrial construction falling about 60% from 2022 to 2023, the supply surge should be short-lived. As fewer projects break ground today, fewer projects are likely to deliver in the coming years, which could lead to the vacancy rate beginning to tighten again in 2025 as the number of new projects delivering each quarter drops to 2015 levels.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	S Clayton/Henry Cnty	9	4,377	1,149	26.3%	8	85,062	486,319	4
2	I-20 W/Douglasville	12	2,166	822	38.0%	6	56,545	180,461	9
3	Fayette/Coweta County	8	1,701	135	7.9%	9	49,051	212,626	8
4	Rockdale/Newton Cnty	4	1,435	1,282	89.3%	3	43,826	358,758	5
5	Chattahoochee	2	1,371	1,371	100%	1	32,670	685,432	1
6	Butts County	2	1,325	500	37.7%	7	164,757	662,500	2
7	Airport/North Clayton	6	1,317	809	61.5%	5	81,693	219,455	6
8	Duluth/Suwanee/Buford	2	1,046	24	2.3%	10	68,485	523,212	3
9	N Fulton/Forsyth Cnty	9	683	547	80.2%	4	28,596	75,858	10
10	Kennesaw/Acworth	3	655	627	95.7%	2	65,113	218,435	7
	All Other	7	491	473	96.4%		38,471	70,168	
Totals		64	16,567	7,741	46.7%		49,652	258,854	

Under Construction Properties

Atlanta Industrial

Properties

Square Feet

Percent of Inventory

Released

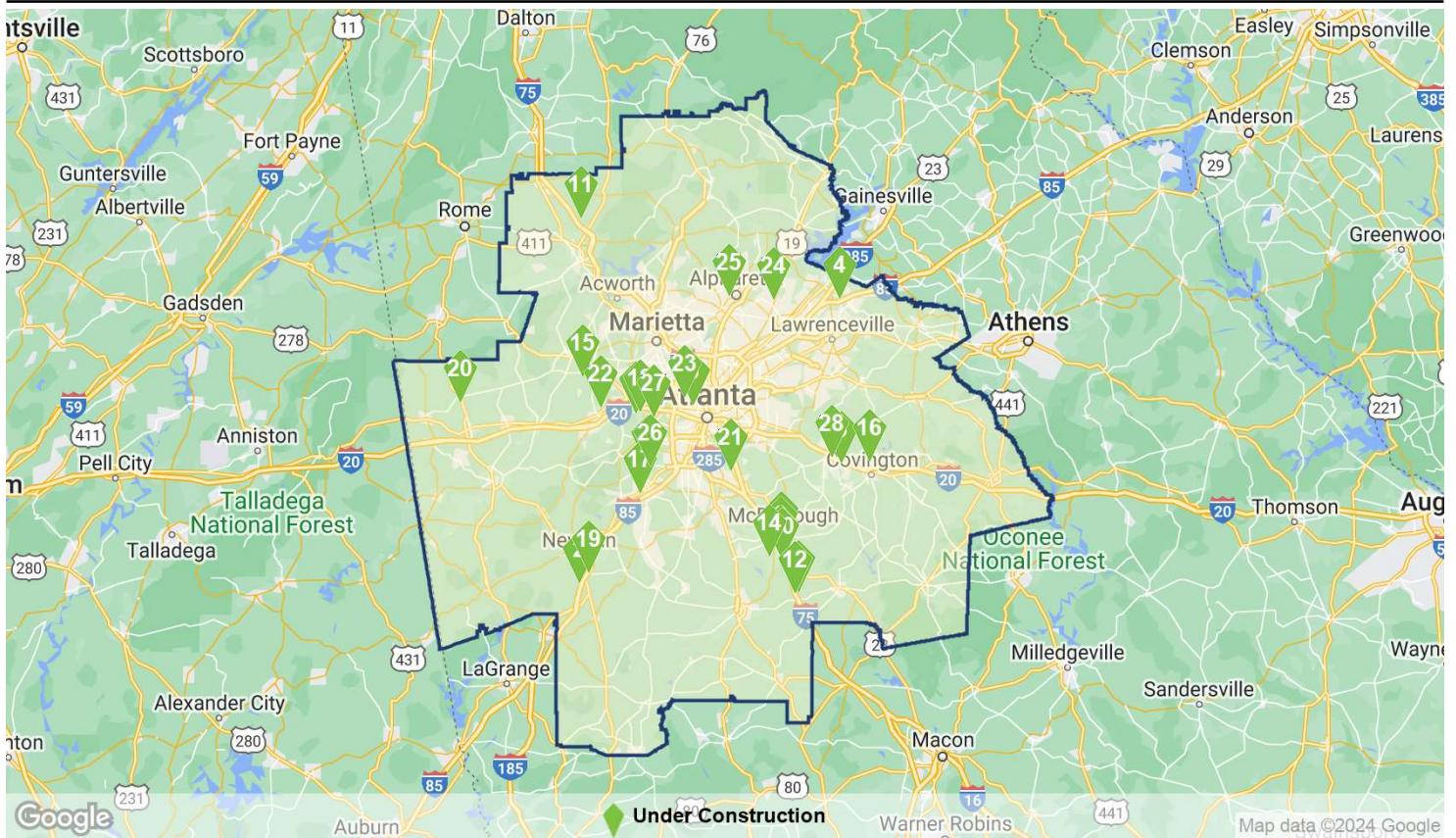
67

16,617,468

2.2%

46.7%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Lambert A 1325 Highway 42	★★★★★	1,579,200	1	Feb 2024	Dec 2024	PNK Holdings LLC PNK Holdings LLC
2 Building D Bridgeport Blvd	★★★★★	1,201,200	1	Sep 2023	Jul 2024	Clayco Inc Clayco, Inc.
3 Project Granite 1010 Marietta St NW	★★★★☆	1,150,000	1	Mar 2022	Oct 2024	- QTS Realty Trust, Inc.
4 Gravel Springs Logistics... 2630 Gravel Springs Rd	★★★★☆	1,001,424	1	Sep 2023	Aug 2024	IDI Logistics IDI Logistics
5 Lidl Regional Distributio... 3301 Iris Dr	★★★★★	925,000	1	Jul 2021	Aug 2024	- -
6 River Park Bldg 10 750 Logistics Pky	★★★★☆	825,000	1	Dec 2023	Nov 2024	ICM Asset Management ICM Asset Management
7 MAC V – Building 2 S Fulton Pkwy	★★★★★	800,000	1	Apr 2022	Jul 2024	- Microsoft Corporation



Under Construction Properties

Atlanta Industrial

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 NewCold Facility 0 Hwy 42 S	★★★★☆	790,000	1	Aug 2023	Aug 2024	NewCold NewCold
9 Building F (BTS Opportu... 700 Price Rd	★★★★★	780,000	1	Jan 2024	Jul 2025	Clayco Inc CRG
10 Building C 600 Price Rd	★★★★★	500,220	1	Jan 2024	Dec 2024	CRG CRG
11 Qcells - Cartersville Site 0 Highland 75	★★★★★	500,000	1	Mar 2023	Dec 2024	- Qcells North America
12 73 Wilti Dr	★★★★★	500,000	1	Jan 2024	Jan 2025	- Pacific Group Inc
13 Building 100 1060 Douglas Hills Rd	★★★★☆	489,416	1	Sep 2023	Aug 2024	- Link Logistics Real Estate
14 McDonough 75 Logistics... 2475 Hwy 155	★★★★★	427,200	1	Jun 2023	Aug 2024	- Alliance Industrial Company
15 Building A Laird Rd And Bill Carruth...	★★★★☆	367,360	1	Jun 2023	Oct 2024	Goldenrod Capital Partners, LP Goldenrod Capital Partners, LP
16 Archer Aviation Phase 1 0 City Pond Rd	★★★★☆	350,000	1	May 2024	May 2025	Evans General Contractors Newton County Industrial Develo...
17 Oakmont 85 South 621 Bohannon Rd	★★★★☆	316,072	1	Dec 2023	Aug 2024	Oakmont Industrial Group LLC Oakmont Industrial Group LLC
18 Building 4 1 Switch Way	★★★★☆	300,000	1	Nov 2023	Nov 2024	- Switch, Inc.
19 Coweta Commerce Center 765-775 E GA 16 Highway	★★★★★	271,111	1	Sep 2023	Jul 2024	- Centris Industrial
20 13 Perry Ln	★★★★☆	270,000	1	Jan 2024	Apr 2025	- Infra-Metals
21 Clayton Technology Cen... 5490 Highway 42	★★★★☆	265,775	1	Jan 2024	Jul 2024	- Transwestern Real Estate Services
22 Access West Logistics C... 1 Industrial Access Rd	★★★★☆	257,920	1	Feb 2024	Apr 2025	- Rockefeller Group
23 Amazon Distribution Fac... 1442 Marietta Rd W	★★★★☆	220,863	1	Oct 2023	Jul 2024	TPA Group LLC Stockbridge Capital Group, LLC
24 11350 Johns Creek Pky	★★★★☆	206,686	1	Feb 2024	Dec 2024	- Bain Capital, LP
25 11940 Alpharetta Hwy	★★★★☆	198,286	1	Jun 2023	Jan 2025	- -
26 Stonewall Logistics Center 5050 Stonewall Tell Rd	★★★★☆	172,000	1	May 2022	Aug 2024	- Crow Holdings
27 200 Selig Dr SW	★★★★☆	156,780	1	May 2023	Oct 2025	- DataBank
28 20 East Salem Commerc... North Salem Rd	★★★★★	152,948	1	Apr 2024	Dec 2024	- Alliance Industrial Company



Quarterly industrial transaction volume in Atlanta has slowed to a pace on par with the 2014 to 2019 average after a record-breaking run in 2021 and 2022. Changing macroeconomic and market-level conditions are shifting what buyers are able to pay for industrial space. Though still above the national rate, annual rent growth in Atlanta has declined. Sitting at 8.2%, year-over-year rent change is right around the 10-year average but is forecast to fall to 5.8% by the end of 2024 for the first time in seven years. The combination of sluggish absorption and a record-setting wave of big box deliveries has elevated the area's vacancy rate, meaning some buyers have been unable to underwrite aggressive NOI growth.

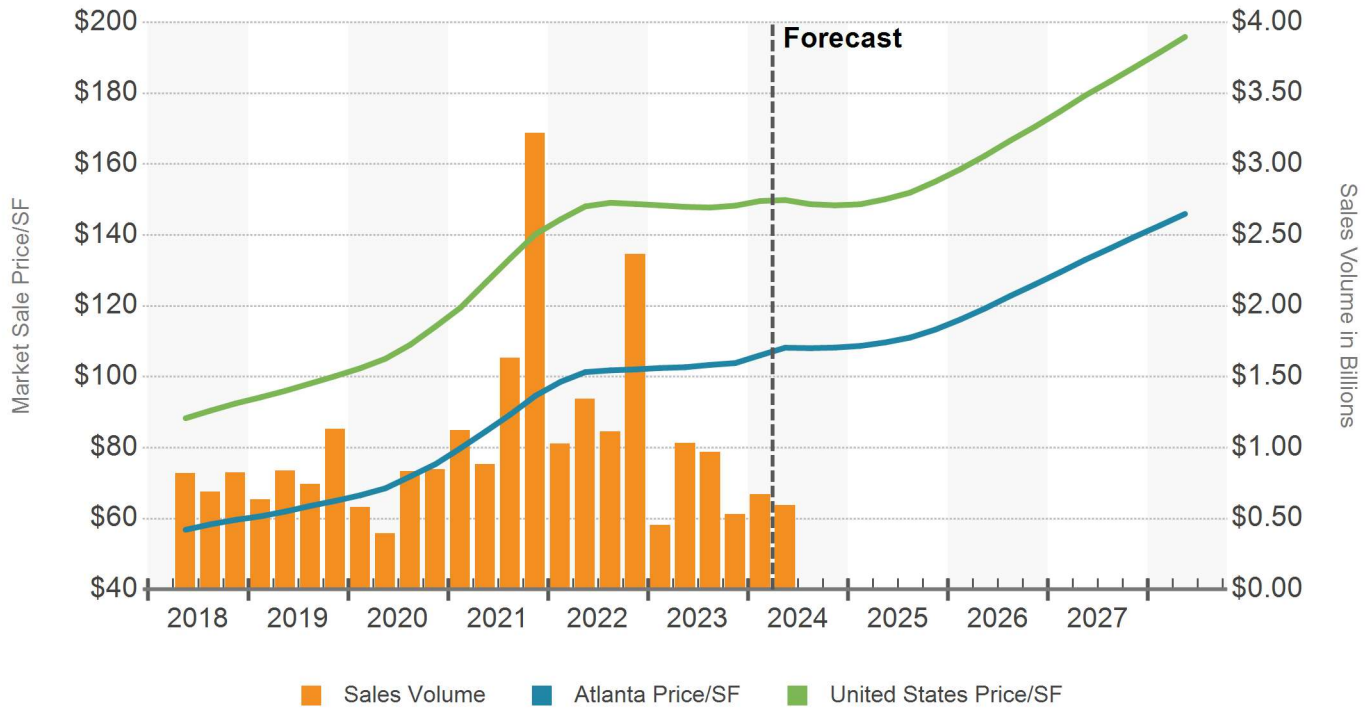
Tighter credit markets have shrunk the active buyer pool. However, REITs, equity funds, and institutional investment managers remain active here. San Francisco-based public REIT Prologis topped the list of buyers by volume over the past year, and they are now the top owner by square feet in the Atlanta industrial market. New York-based Sterling Investors purchased two buildings in August 2023 at Gwinnett 85 Logistics Center from Dallas-based developer Hillwood Investment Properties for \$109.3 million or \$113/SF. Developed by the sellers in 2022-2023, the portfolio consists of a single-tenant building occupied by Ozark Automotive and a multi-tenant building occupied by Core-Main and CTDI.

Over the past six months, owner-user deals have

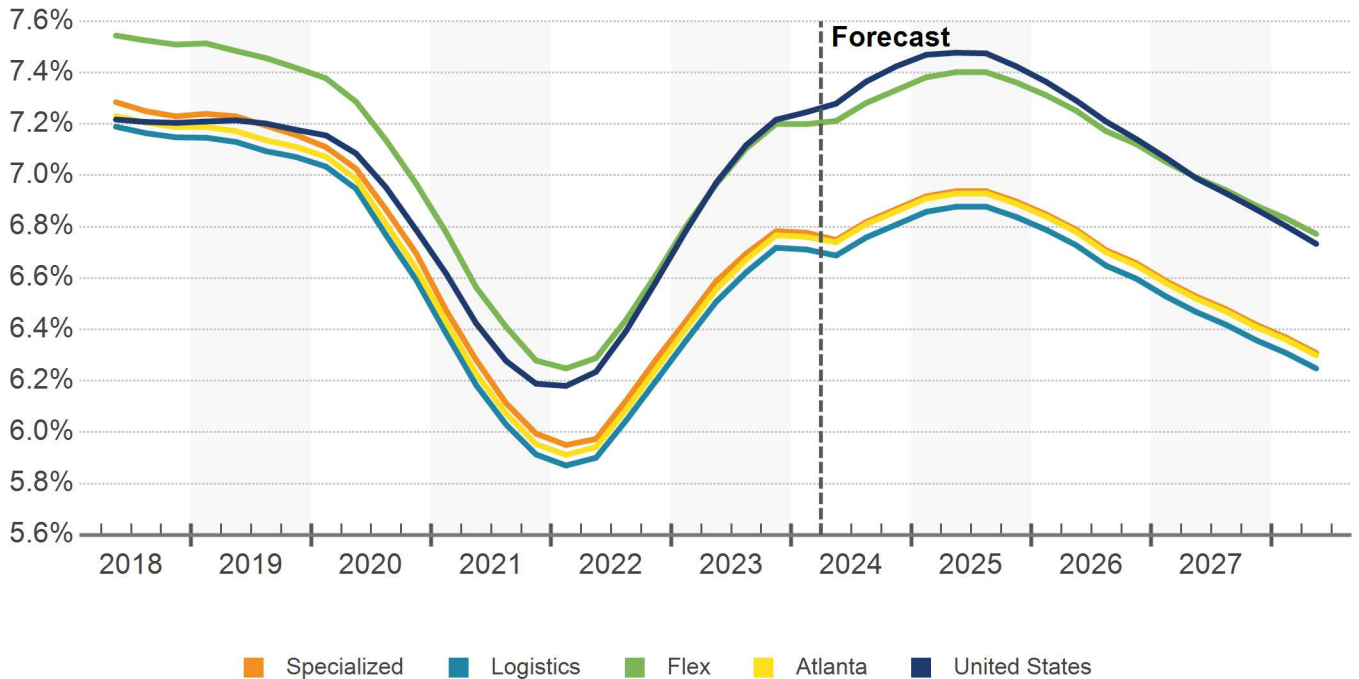
become more common among the higher-dollar transactions, especially in the active Airport/North Clayton Submarket. In March 2024, the tenant, Costco Wholesale Corporation, purchased a 907,000-SF distribution center at 5390 Hunter Road from Morgan Stanley for \$88 million or \$97/SF. After Kellogs moved out, Costco leased the 2001-built property in July 2022. Last year, Costco purchased industrial land adjacent to the Hunter Road property, which is believed to be slated for redevelopment into a logistics facility. In January 2024, New York-based REIT Clarion Partners sold two warehouses in the Airport/North Clayton Submarket to the tenant, Nestle Purina, which has occupied the spaces since 2012 and uses them to manufacture and distribute pet food. Purina purchased the adjacent buildings at 5025 Fayetteville Road and 5005 Terminus Drive in Fairburn, totaling 880,000 SF for \$108 million or \$123/SF. Also in the Airport/North Clayton area, Microsoft Corporation purchased a 136-acre site with 800,000 SF of warehouse space as a data center investment for \$52.5 million from California-based developer Majestic Realty Co.

Despite decreased sales, Atlanta is still a top-five U.S. market for industrial sales volume. The area has over 250 active loans maturing over the next two years, which could increase sales activity as the interest rate environment has changed significantly. Newly built properties have also been appealing to investors, and an estimated 20 million SF of industrial space should be delivered this year in Atlanta.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Atlanta Industrial

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

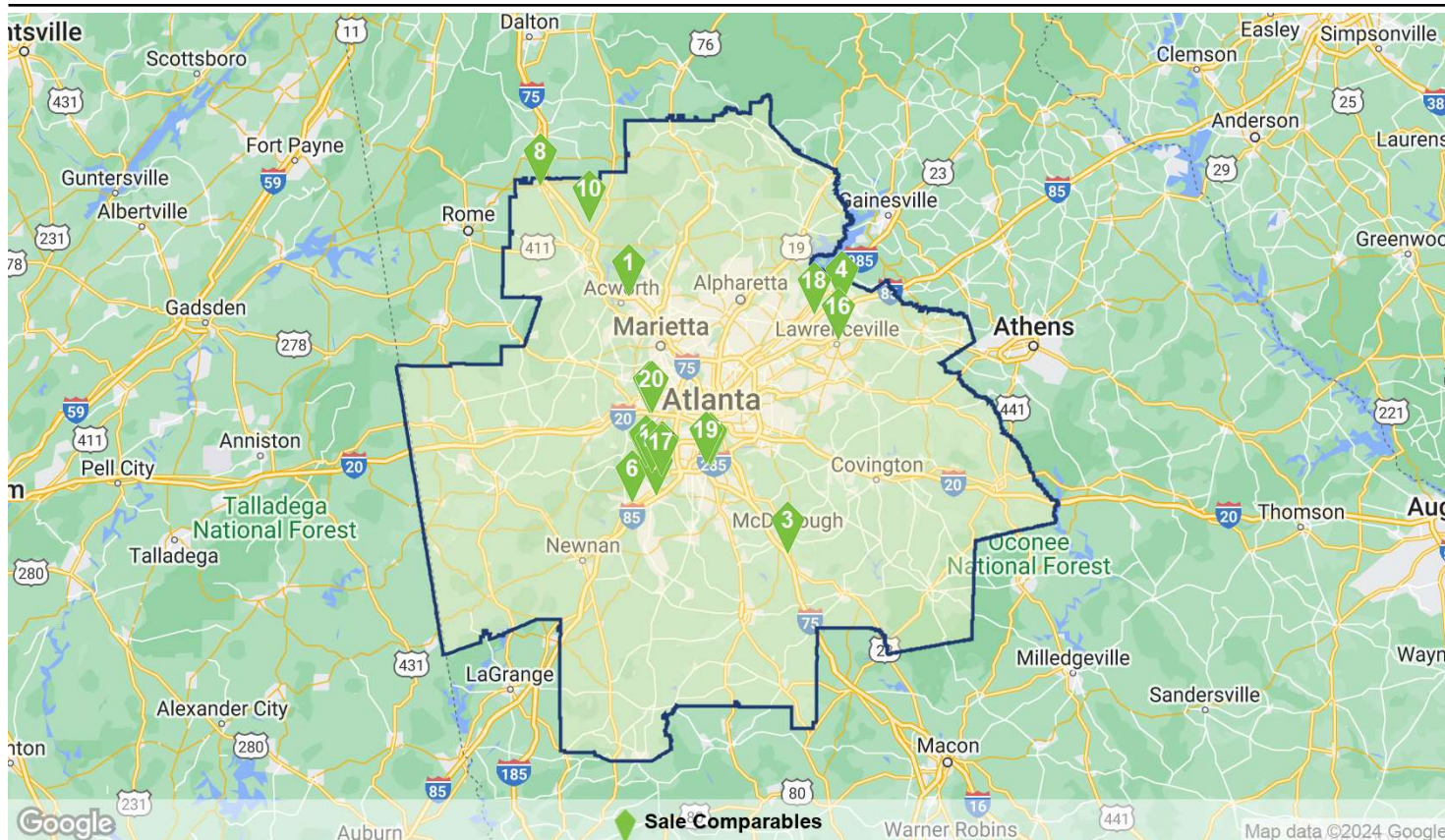
725

7.5%

\$112

16.2%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$130,000	\$6,414,759	\$2,000,000	\$105,150,000
Price/SF	\$5.26	\$112	\$121	\$1,356
Cap Rate	3.1%	7.5%	7.0%	15.0%
Time Since Sale in Months	0.1	6.1	6.2	12.0
Property Attributes	Low	Average	Median	High
Building SF	1,000	51,267	15,785	1,044,288
Ceiling Height	10'	20'4"	19'	48'9"
Docks	0	9	2	175
Vacancy Rate At Sale	0%	16.2%	0%	100%
Year Built	1900	1988	1989	2024
Star Rating	★★★★★	★★★★★ 2.4	★★★★★	★★★★★



Sales Past 12 Months

Atlanta Industrial

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 102 Northpoint Pky	★★★★★	2008	122,305	0%	6/29/2023	\$105,150,000	\$860	-
2 5390 Hunter Rd	★★★★★	2001	907,000	0%	3/27/2024	\$87,949,357	\$97	-
3 130 Distribution Dr	★★★★★	2016	846,496	0%	4/11/2024	\$77,500,000	\$92	-
4 Building 2-Ozark 2880 Gravel Springs Rd	★★★★★	2023	689,730	0%	8/15/2023	\$76,446,192	\$111	-
5 Atlanta Cold Storage-Bui... 4775 Derrick Rd	★★★★★	2023	306,402	0%	11/30/2023	\$74,000,000	\$242	-
6 Owens Corning 8095 McLarin Rd	★★★★★	1999	1,044,288	0%	7/28/2023	\$72,400,000	\$69	-
7 Phase 1 5005 Terminus Dr	★★★★★	1996	599,914	0%	1/17/2024	\$70,936,728	\$118	-
8 International Commerce... 7634 Hwy 140	★★★★★	2023	691,667	0%	4/23/2024	\$66,250,000	\$96	-
9 Atlanta Cold Storage-Bui... 4777 Derrick Rd	★★★★★	2023	188,449	100%	1/10/2024	\$54,000,000	\$287	-
10 Building 100 1343 Cassville White Rd NE	★★★★★	2023	793,563	100%	11/6/2023	\$52,978,075	\$67	-
11 Hartman I 675 Hartman Rd	★★★★★	2003	353,983	0%	6/29/2023	\$47,096,243	\$133	-
12 MAC V – Building 2 S Fulton Pkwy	★★★★★	2024	800,000	0%	3/28/2024	\$46,000,000	\$58	-
13 SouthPoint - Bldg F 4000 S Corporate Pky	★★★★★	2001	358,360	0%	6/29/2023	\$42,100,000	\$117	-
14 425 Hartman Rd	★★★★★	2006	354,620	0%	5/14/2024	\$41,850,000	\$118	3.1%
15 2500 Southpoint Dr	★★★★★	1996	298,720	0%	6/29/2023	\$40,100,000	\$134	-
16 BlueLinX 200 Hosea Rd	★★★★★	1995	585,637	0%	9/29/2023	\$40,000,000	\$68	-
17 4525 Roosevelt Hwy	★★★★★	2000	29,500	0%	7/20/2023	\$40,000,000	\$1,356	-
18 Suwanee Logistics Center 195 Sawmill Dr	★★★★★	2024	327,825	100%	3/7/2024	\$39,339,000	\$120	-
19 4380 International Pky	★★★★★	1997	288,000	0%	6/29/2023	\$38,600,000	\$134	-
20 Hartman II 555 Hartman Rd	★★★★★	2006	261,799	0%	6/29/2023	\$37,653,756	\$144	-



Atlanta's job market has more than recovered from job losses during the pandemic, though some evidence now points to potential challenges on the horizon. There are now 6% more total jobs in the Atlanta area than there were in February 2020. Strong job growth has come from office-using sectors such as finance, professional services, and tech. Atlanta's aggregate office-using job sector has grown at a rate of about 10% since 20Q1, according to Oxford Economics. However, layoffs announced by tech companies such as Google and Atlanta-based tech companies, along with Microsoft's 2023 postponement of plans for a 90-acre Westside campus have raised some questions about the continued velocity of job growth here.

In the long run, Atlanta remains an attractive market for corporate relocations. Microsoft is moving forward with its lease at Atlantic Station, and Google, Cisco, Invesco, Micron, and Norfolk Southern have all opened new offices in Midtown in recent years. However, elevated interest rates have made company relocations in general less appealing.

In the past several years, TK Elevator opened its North American headquarters, and Truist Securities announced that it would move to The Battery in Cumberland/Galleria; FinTech firm Deluxe Corporation added 700 new jobs at an innovation center in Central Perimeter, and Papa Johns relocated its headquarters to Cumberland/Galleria. Tech company Mailchimp expanded its local presence on the Eastside, while Airbnb and Nike are each established East Coast hubs in West Midtown. Most recently, PrizePicks chose to locate their headquarters in West Midtown.

Atlanta has a lower concentration of education and health services employment than the national average, but that sector has seen substantial job growth over the past few years. Multiple healthcare systems are constructing new facilities, and the sector is poised to grow to adequately serve the metro's growing population. Piedmont Hospital opened phase one of the \$450 million Piedmont Heart Institute tower in Buckhead early to treat coronavirus patients, Emory University Hospital Midtown is underway on its \$500 million Winship Cancer Institute tower, and Children's Healthcare of Atlanta is building a \$1.5 billion hospital and campus expansion in Brookhaven that will open in 2025.

Flat consumer spending and increasing automation have begun to put a dent in industrial-using sectors, though employment here remains well above pre-pandemic

levels. Hiring by firms like Amazon, Home Depot, HelloFresh, Freshly, Purple Mattress, and Goodyear, among others, has helped boost blue-collar job growth in recent years. Since late 2022, however, a few high-profile layoff announcements have highlighted weakness in the homebuilding sector as well as a broader move to automated technology in warehousing operations. American Building Supply closed a 600,000-SF distribution center, and Walmart announced it would slash 1,500 workers as it automated much of the work at its 1.2 million-SF fulfillment center near Hartsfield-Jackson Airport. Growth in the manufacturing sector may help to counterbalance losses in the logistics sector, though automation remains a factor for future employment needs in both sectors.

Federal investments have helped the greater Atlanta region emerge as a major electric vehicle manufacturing hub. SK Innovation's new facility in Commerce, just northeast of the Atlanta metro, will employ thousands at full build-out and could eventually serve as one of the world's largest hubs of electric vehicle battery manufacturing. However, Rivian recently paused its announced \$5 billion electric vehicle manufacturing plant, which was slated to employ 7,500 workers when fully staffed. In the long term, Atlanta will continue to benefit from its standing as a major regional and national distribution hub and its proximity to the fast-growing Port of Savannah.

The presence of the well-connected Hartsfield-Jackson Atlanta International Airport is a significant factor in helping Atlanta attract residents and corporations. Atlanta's transportation and logistics hub status helped attract Norfolk Southern, which moved its corporate headquarters to Midtown in 2021. The firm is adding roughly 850 new jobs with an average salary north of \$100,000. The airport, along with generous tax incentives, has also helped the region's growing film and entertainment industry, which is responsible for \$3 billion in annual direct spending in the state. One indicator of the growth in the film industry is that Georgia recently surpassed New York for the second-largest concentration of sound stages in the country.

Atlanta boasts lower living and business costs than large East and West Coast metros, and this competitive advantage should continue to boost population and job growth. Atlanta has drawn some of the strongest in-migration in the country over the past few decades, and many employers have openly stated that moving all or a portion of their operations to Atlanta saved them millions

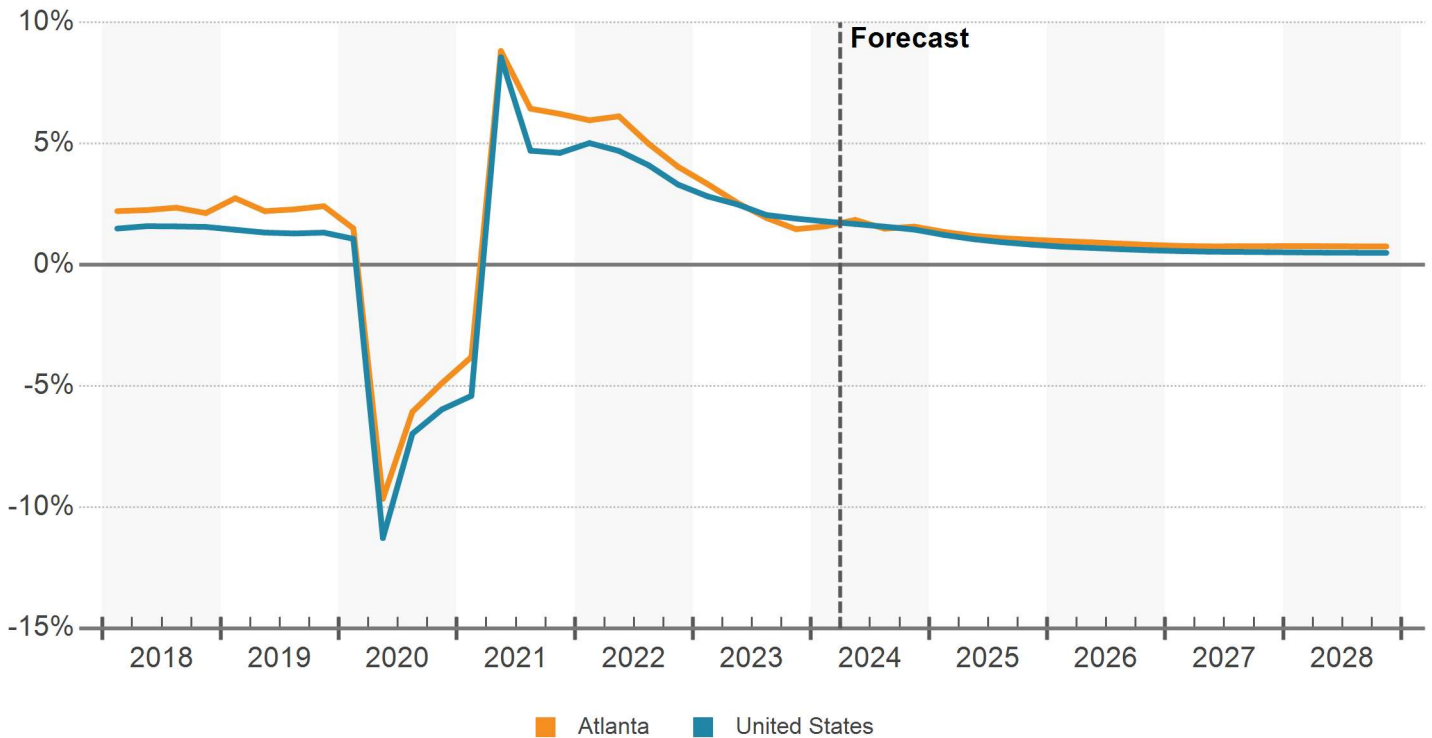
without sacrificing access to high-quality labor.

ATLANTA EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	184	0.7	1.73%	0.42%	2.16%	0.68%	0.83%	0.45%
Trade, Transportation and Utilities	659	1.2	-0.75%	0.32%	2.07%	1.02%	0.48%	0.38%
Retail Trade	302	1.0	0.21%	0.48%	1.07%	0.26%	0.35%	0.26%
Financial Activities	209	1.2	1.34%	0.67%	2.83%	1.52%	0.57%	0.37%
Government	352	0.8	3.77%	2.52%	1.20%	0.62%	0.90%	0.71%
Natural Resources, Mining and Construction	152	0.9	4.49%	2.54%	4.16%	2.39%	1.15%	0.87%
Education and Health Services	423	0.8	5.22%	3.84%	3.30%	2.04%	1.38%	0.82%
Professional and Business Services	595	1.3	0.44%	0.66%	2.31%	1.89%	0.83%	0.74%
Information	102	1.7	-7.46%	-0.76%	1.46%	1.07%	1.01%	0.65%
Leisure and Hospitality	322	1.0	5.69%	2.85%	2.30%	1.50%	1.34%	1.03%
Other Services	104	0.9	1.74%	1.60%	0.87%	0.59%	0.59%	0.56%
Total Employment	3,103	1.0	1.80%	1.71%	2.28%	1.35%	0.89%	0.67%

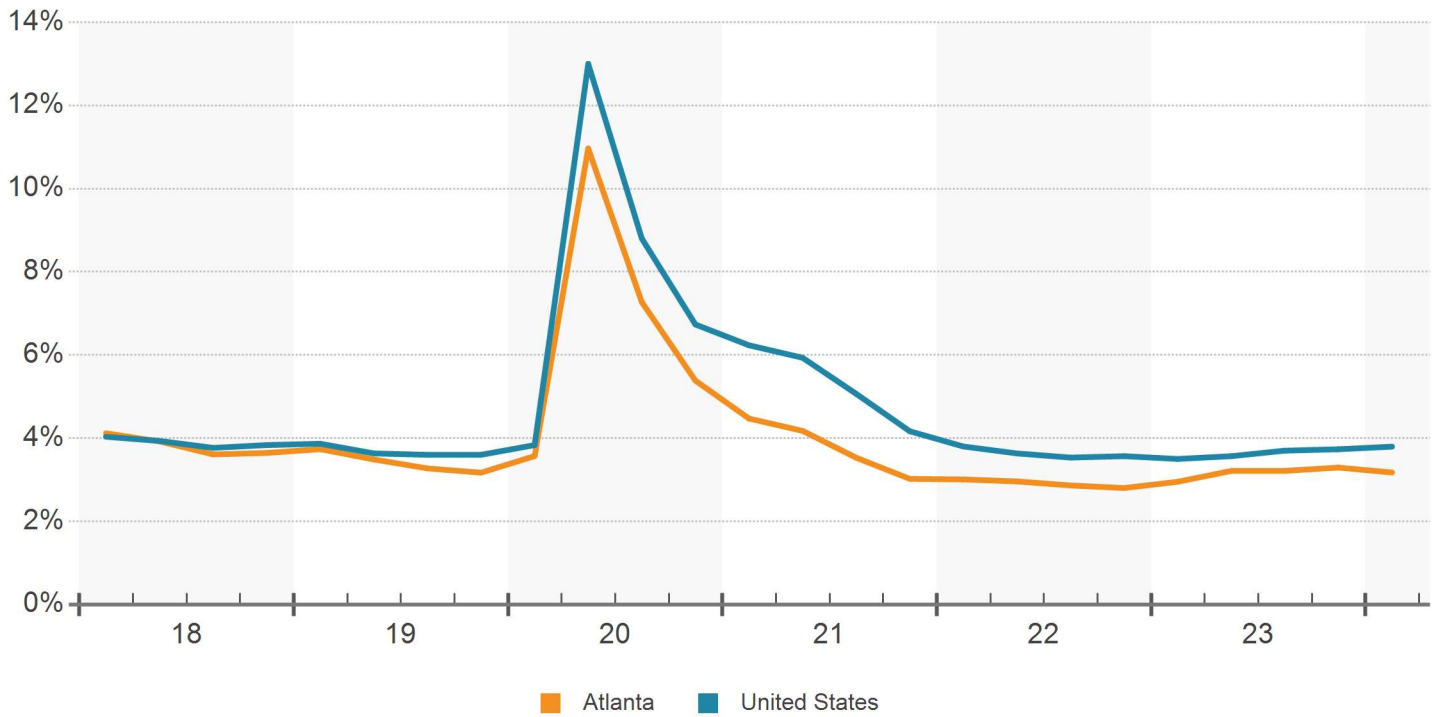
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

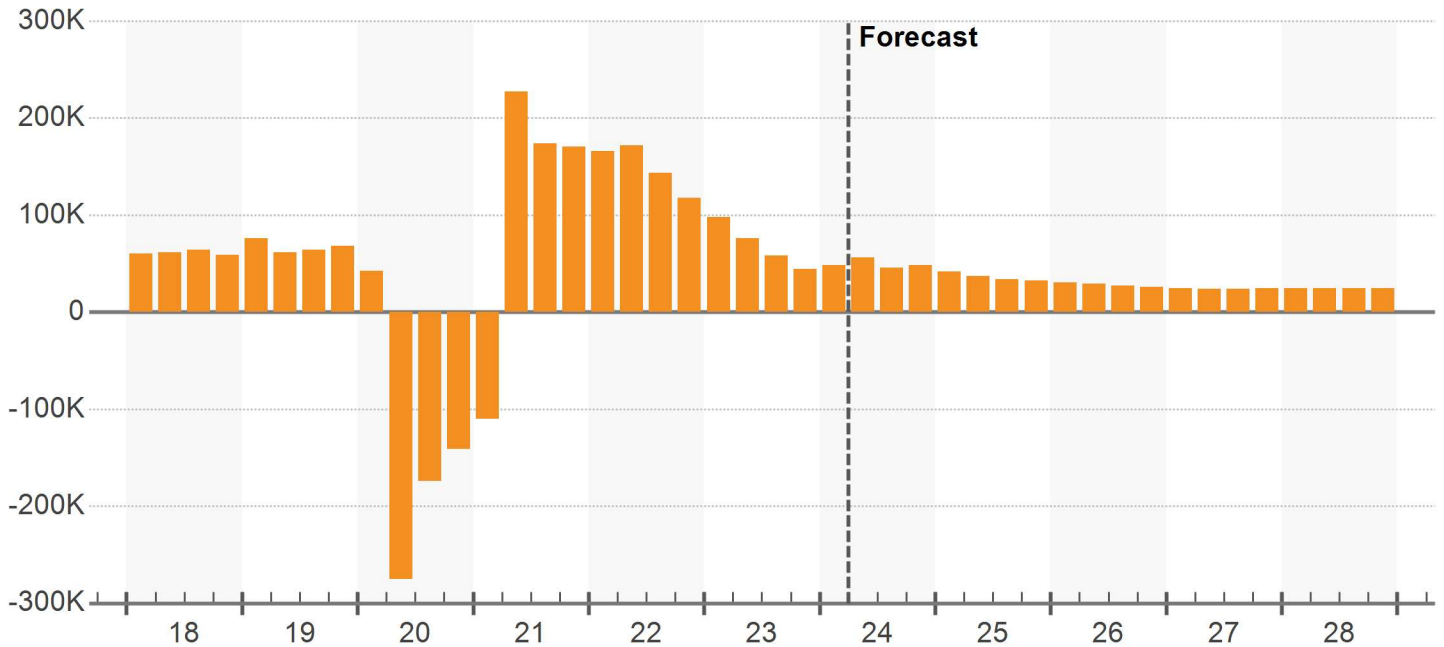


Source: Oxford Economics

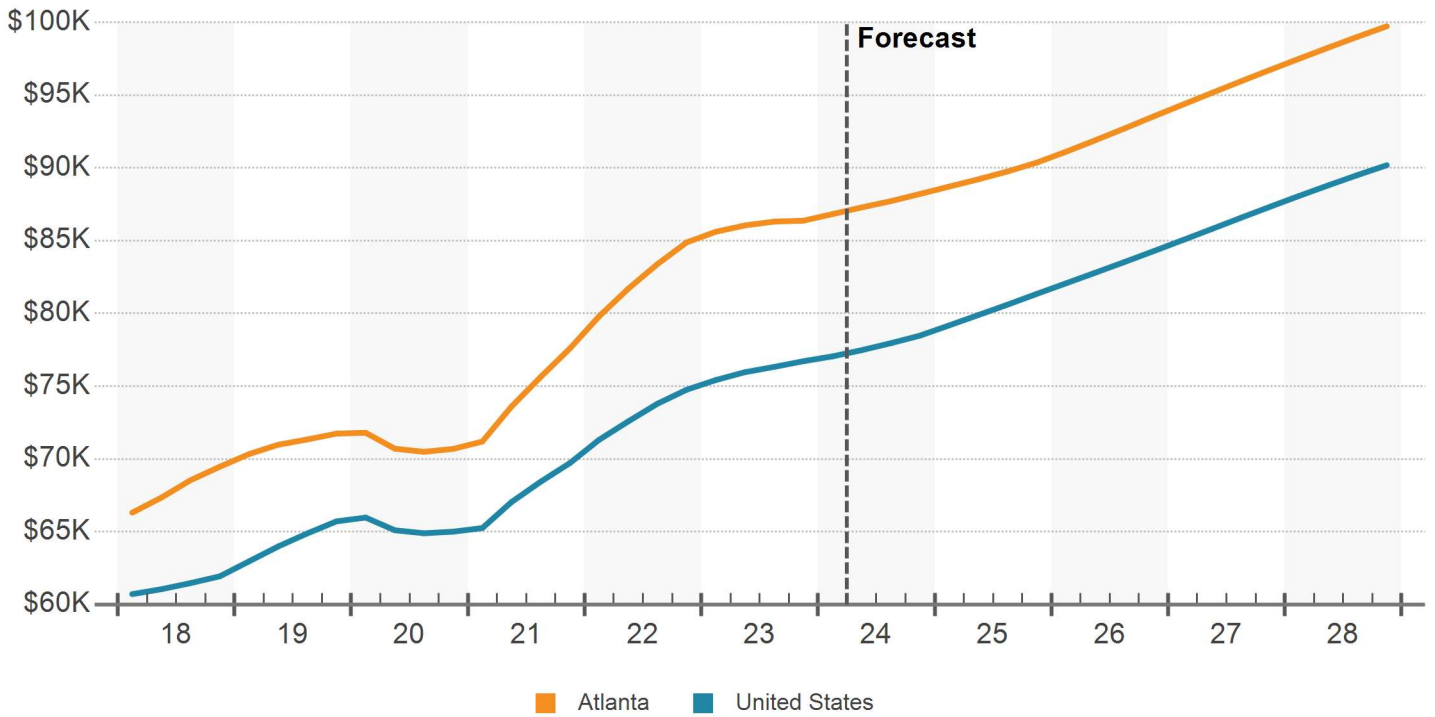
UNEMPLOYMENT RATE (%)



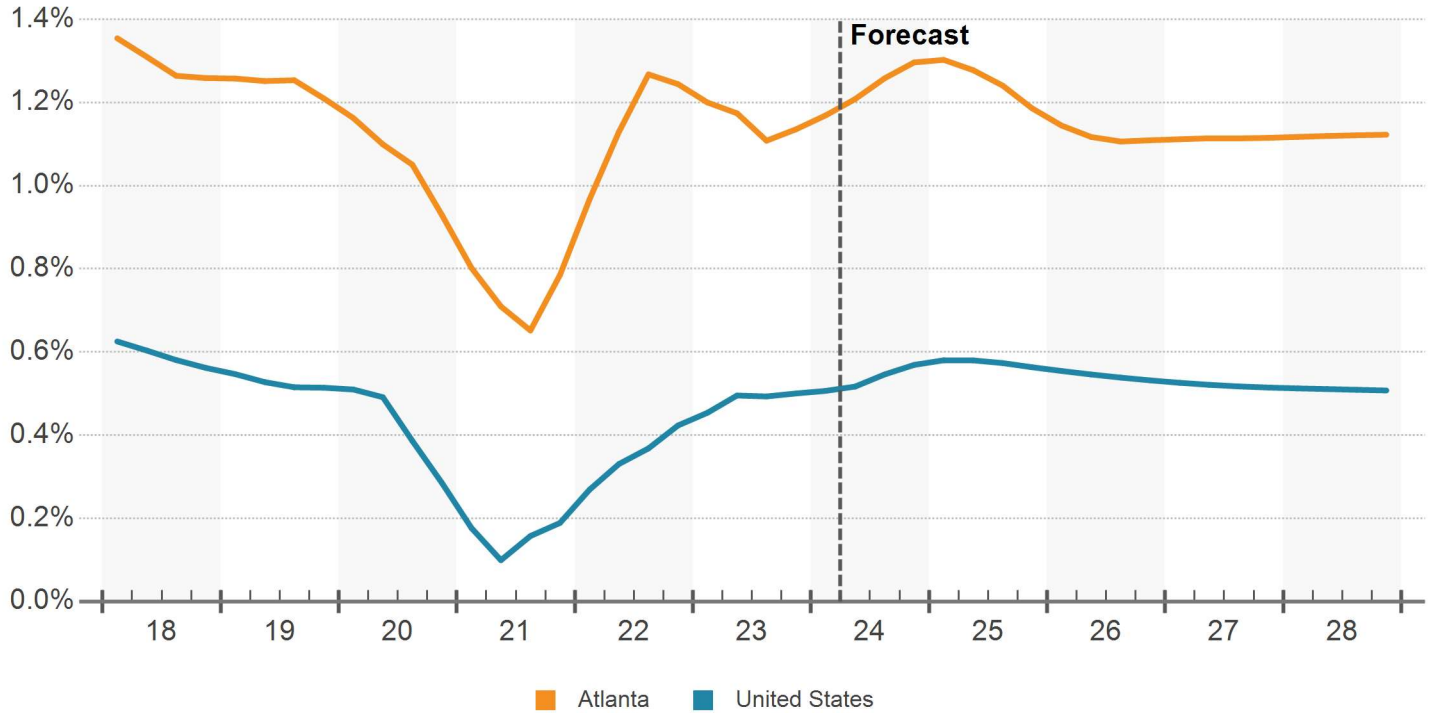
NET EMPLOYMENT CHANGE (YOY)



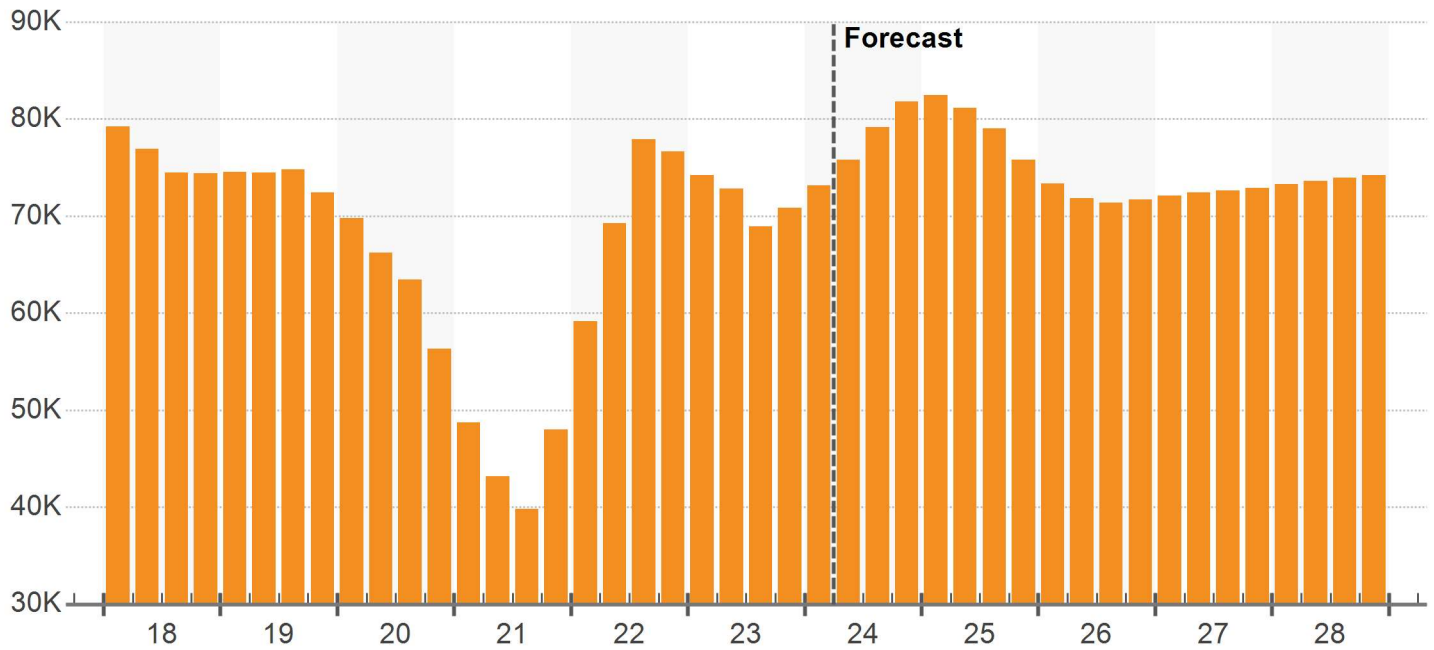
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

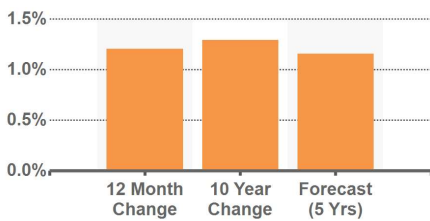


DEMOGRAPHIC TRENDS

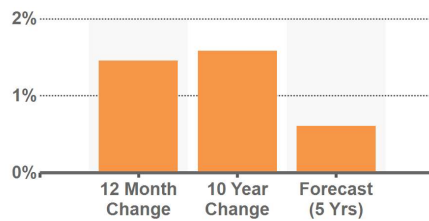
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	6,346,548	336,152,906	1.2%	0.5%	1.3%	0.5%	1.2%	0.5%
Households	2,364,015	131,324,797	1.4%	0.7%	1.6%	0.9%	1.3%	0.6%
Median Household Income	\$87,185	\$77,384	1.4%	2.0%	4.6%	3.9%	3.0%	3.4%
Labor Force	3,276,443	167,806,422	1.5%	0.7%	1.6%	0.8%	0.6%	0.5%
Unemployment	3.2%	3.8%	0%	0.2%	-0.4%	-0.3%	-	-

Source: Oxford Economics

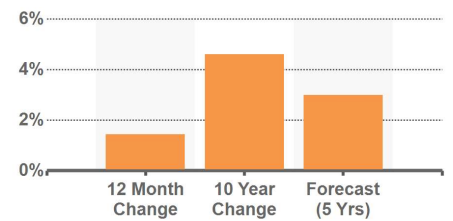
POPULATION GROWTH



LABOR FORCE GROWTH

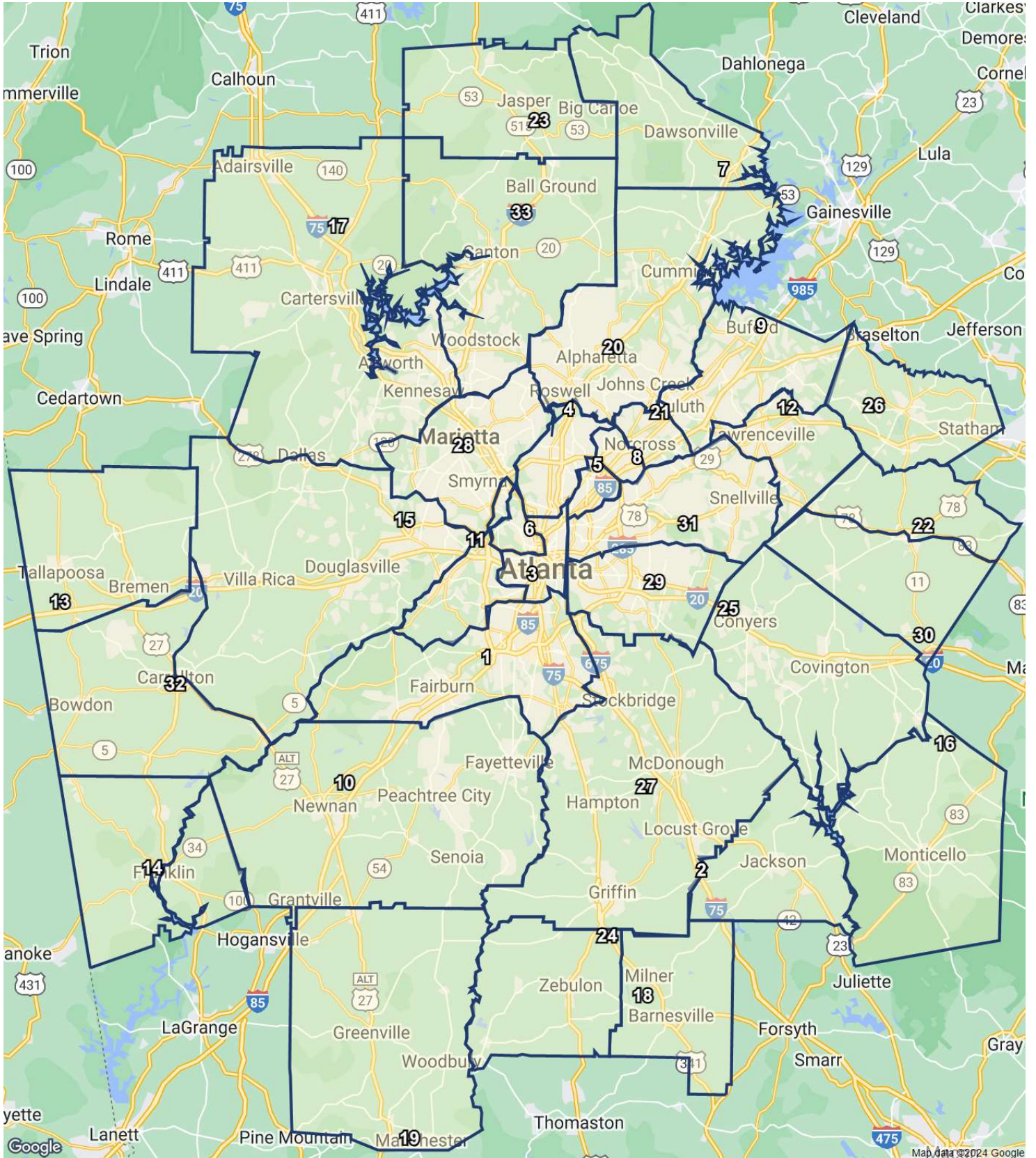


INCOME GROWTH



Source: Oxford Economics

ATLANTA SUBMARKETS



SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Airport/North Clayton	1,634	133,487	15.9%	1	17	3,644	2.7%	3	6	1,317	1.0%	7
2	Butts County	43	7,085	0.8%	23	2	2,525	35.6%	6	2	1,325	18.7%	6
3	Central Atlanta	597	13,596	1.6%	17	0	0	0%	-	1	5	0%	17
4	Central Perimeter	29	478	0.1%	31	0	0	0%	-	0	-	-	-
5	Chamblee	376	8,553	1.0%	21	4	238	2.8%	13	0	-	-	-
6	Chattahoochee	625	20,419	2.4%	15	0	0	0%	-	2	1,371	6.7%	5
7	Dawson County	75	1,585	0.2%	28	0	0	0%	-	1	12	0.7%	15
8	Doraville	619	34,563	4.1%	9	1	454	1.3%	10	0	-	-	-
9	Duluth/Suwanee/Buford	881	60,335	7.2%	5	7	1,481	2.5%	7	2	1,046	1.7%	8
10	Fayette/Coweta County	685	33,600	4.0%	10	5	802	2.4%	9	8	1,701	5.1%	3
11	Fulton District	643	55,553	6.6%	6	1	10	0%	21	1	157	0.3%	12
12	GA-316/Lawrenceville	533	22,563	2.7%	14	1	237	1.1%	14	1	6	0%	16
13	Haralson County	74	2,802	0.3%	24	1	5	0.2%	23	1	270	9.6%	11
14	Heard County	9	403	0%	32	0	0	0%	-	0	-	-	-
15	I-20 W/Douglasville	1,208	68,307	8.1%	3	12	2,571	3.8%	5	12	2,166	3.2%	2
16	Jasper County	12	306	0%	33	0	0	0%	-	0	-	-	-
17	Kennesaw/Acworth	981	63,876	7.6%	4	22	6,937	10.9%	1	3	655	1.0%	10
18	Lamar County	33	2,054	0.2%	27	0	0	0%	-	0	-	-	-
19	Meriwether County	28	1,269	0.2%	29	0	0	0%	-	0	-	-	-
20	N Fulton/Forsyth Cnty	1,220	34,888	4.1%	8	5	368	1.1%	12	9	683	2.0%	9
21	Norcross	796	33,416	4.0%	11	2	179	0.5%	16	0	-	-	-
22	North Walton County	58	2,314	0.3%	25	1	23	1.0%	20	1	25	1.1%	13
23	Pickens County	167	2,237	0.3%	26	1	8	0.4%	22	0	-	-	-
24	Pike County	16	506	0.1%	30	0	0	0%	-	0	-	-	-
25	Rockdale/Newton Cnty	806	35,323	4.2%	7	8	3,392	9.6%	4	4	1,435	4.1%	4
26	S Barrow	324	10,780	1.3%	19	1	400	3.7%	11	0	-	-	-
27	S Clayton/Henry Cnty	923	78,512	9.3%	2	6	4,165	5.3%	2	9	4,377	5.6%	1
28	SE Cobb Cnty/Marietta	1,062	33,009	3.9%	12	1	191	0.6%	15	1	17	0.1%	14
29	Snapfinger	433	18,410	2.2%	16	4	939	5.1%	8	0	-	-	-
30	South Walton County	157	9,287	1.1%	20	3	109	1.2%	17	0	-	-	-
31	Stone Mountain	1,025	32,729	3.9%	13	0	0	0%	-	0	-	-	-
32	W Carroll County	178	7,143	0.8%	22	1	66	0.9%	19	0	-	-	-
33	Woodstock/Canton	685	11,479	1.4%	18	3	95	0.8%	18	0	-	-	-

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Airport/North Clayton	\$0.70	25	9.1%	9	5.3%	1
2	Butts County	\$0.62	29	9.6%	4	5.2%	4
3	Central Atlanta	\$1.12	3	6.8%	27	3.4%	25
4	Central Perimeter	\$1.41	1	4.2%	32	1.9%	33
5	Chamblee	\$1.06	4	5.8%	31	2.6%	32
6	Chattahoochee	\$1.04	6	6.8%	28	3.3%	27
7	Dawson County	\$1.06	5	8.6%	16	3.4%	26
8	Doraville	\$0.87	12	8.1%	21	4.5%	13
9	Duluth/Suwanee/Buford	\$0.85	14	8.4%	17	5.3%	2
10	Fayette/Coweta County	\$0.71	23	8.6%	15	4.7%	9
11	Fulton District	\$0.56	33	8.7%	14	5.1%	6
12	GA-316/Lawrenceville	\$0.85	15	8.2%	18	4.8%	8
13	Haralson County	\$0.59	32	9.5%	5	4.2%	17
14	Heard County	\$0.86	13	10.0%	3	3.2%	29
15	I-20 W/Douglasville	\$0.69	26	8.7%	12	5.0%	7
16	Jasper County	\$0.83	16	8.2%	20	3.1%	31
17	Kennesaw/Acworth	\$0.82	18	8.7%	11	4.7%	10
18	Lamar County	\$0.73	21	10.4%	1	5.2%	5
19	Meriwether County	\$0.60	31	3.4%	33	3.7%	22
20	N Fulton/Forsyth Cnty	\$1.16	2	6.7%	29	3.6%	23
21	Norcross	\$0.94	9	7.3%	25	3.7%	21
22	North Walton County	\$0.87	11	9.1%	8	4.5%	12
23	Pickens County	\$0.81	19	8.0%	23	3.5%	24
24	Pike County	\$0.93	10	10.2%	2	3.3%	28
25	Rockdale/Newton Cnty	\$0.76	20	8.2%	19	4.2%	18
26	S Barrow	\$0.73	22	8.7%	13	4.2%	15
27	S Clayton/Henry Cnty	\$0.61	30	9.0%	10	5.2%	3
28	SE Cobb Cnty/Marietta	\$1.01	7	7.1%	26	4.1%	19
29	Snapfinger	\$0.71	24	8.1%	22	4.2%	16
30	South Walton County	\$0.63	27	9.4%	6	4.3%	14
31	Stone Mountain	\$0.83	17	7.3%	24	4.0%	20
32	W Carroll County	\$0.62	28	9.3%	7	4.5%	11
33	Woodstock/Canton	\$0.94	8	6.7%	30	3.2%	30

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Airport/North Clayton	10,167,982	7.6%	21	(614,402)	-0.5%	30	-
2	Butts County	1,830,500	25.8%	29	2,022,793	28.6%	4	1.2
3	Central Atlanta	1,198,471	8.8%	24	(541,867)	-4.0%	29	-
4	Central Perimeter	9,062	1.9%	6	2,545	0.5%	15	-
5	Chamblee	692,959	8.1%	23	(151,552)	-1.8%	22	-
6	Chattahoochee	1,307,086	6.4%	18	(383,575)	-1.9%	27	-
7	Dawson County	3,700	0.2%	1	29,669	1.9%	11	-
8	Doraville	1,580,914	4.6%	12	(261,391)	-0.8%	25	-
9	Duluth/Suwanee/Buford	3,672,950	6.1%	16	(642,207)	-1.1%	31	-
10	Fayette/Coweta County	2,216,400	6.6%	19	(671,478)	-2.0%	32	-
11	Fulton District	3,547,281	6.4%	17	(301,031)	-0.5%	26	-
12	GA-316/Lawrenceville	645,280	2.9%	9	(228,292)	-1.0%	23	-
13	Haralson County	60,690	2.2%	8	(19,440)	-0.7%	19	-
14	Heard County	-	-	-	0	0%	-	-
15	I-20 W/Douglasville	6,192,766	9.1%	25	(239,481)	-0.4%	24	-
16	Jasper County	-	-	-	0	0%	-	-
17	Kennesaw/Acworth	9,091,703	14.2%	28	2,654,101	4.2%	1	2.5
18	Lamar County	222,631	10.8%	27	(68,000)	-3.3%	20	-
19	Meriwether County	400,745	31.6%	30	(17,912)	-1.4%	18	-
20	N Fulton/Forsyth Cnty	1,773,654	5.1%	13	104,074	0.3%	9	2.8
21	Norcross	1,895,322	5.7%	15	(390,390)	-1.2%	28	-
22	North Walton County	7,700	0.3%	2	18,429	0.8%	12	1.3
23	Pickens County	44,468	2.0%	7	6,198	0.3%	14	1.3
24	Pike County	-	-	-	8,582	1.7%	13	-
25	Rockdale/Newton Cnty	2,827,011	8.0%	22	2,600,047	7.4%	2	1.3
26	S Barrow	763,992	7.1%	20	247,786	2.3%	5	1.6
27	S Clayton/Henry Cnty	4,449,422	5.7%	14	2,437,058	3.1%	3	1.7
28	SE Cobb Cnty/Marietta	1,481,120	4.5%	11	(131,050)	-0.4%	21	-
29	Snapfinger	1,681,668	9.1%	26	206,296	1.1%	6	4.6
30	South Walton County	65,295	0.7%	3	203,928	2.2%	7	0.5
31	Stone Mountain	1,386,470	4.2%	10	(684,612)	-2.1%	33	-
32	W Carroll County	58,100	0.8%	4	70,645	1.0%	10	-
33	Woodstock/Canton	144,096	1.3%	5	118,874	1.0%	8	0.8

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	896,323,153	12,358,606	1.4%	14,050,040	1.6%	0.9
2027	883,964,547	11,957,899	1.4%	14,742,864	1.7%	0.8
2026	872,006,648	10,077,045	1.2%	13,378,026	1.5%	0.8
2025	861,929,603	9,225,083	1.1%	9,876,696	1.1%	0.9
2024	852,704,520	19,462,566	2.3%	5,549,447	0.7%	3.5
YTD	842,444,673	9,202,719	1.1%	1,503,052	0.2%	6.1
2023	833,241,954	29,426,916	3.7%	5,947,303	0.7%	4.9
2022	803,815,038	18,330,825	2.3%	16,726,581	2.1%	1.1
2021	785,484,213	21,336,348	2.8%	37,283,808	4.7%	0.6
2020	764,147,865	17,981,883	2.4%	15,263,747	2.0%	1.2
2019	746,165,982	14,295,615	2.0%	13,260,956	1.8%	1.1
2018	731,870,367	15,916,996	2.2%	19,936,697	2.7%	0.8
2017	715,953,371	16,229,520	2.3%	22,645,168	3.2%	0.7
2016	699,723,851	17,361,941	2.5%	15,087,854	2.2%	1.2
2015	682,361,910	4,134,310	0.6%	14,237,220	2.1%	0.3
2014	678,227,600	2,230,443	0.3%	20,538,100	3.0%	0.1
2013	675,997,157	2,514,919	0.4%	10,225,107	1.5%	0.2
2012	673,482,238	559,728	0.1%	4,677,269	0.7%	0.1

SPECIALIZED INDUSTRIAL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	107,667,151	914,240	0.9%	1,211,305	1.1%	0.8
2027	106,752,911	882,915	0.8%	860,946	0.8%	1.0
2026	105,869,996	731,543	0.7%	256,216	0.2%	2.9
2025	105,138,453	1,118,899	1.1%	101,295	0.1%	11.0
2024	104,019,554	2,600,391	2.6%	1,518,883	1.5%	1.7
YTD	101,658,743	239,580	0.2%	(348,250)	-0.3%	-
2023	101,419,163	938,868	0.9%	272,872	0.3%	3.4
2022	100,480,295	(145,856)	-0.1%	(54,938)	-0.1%	-
2021	100,626,151	609,554	0.6%	1,390,015	1.4%	0.4
2020	100,016,597	586,129	0.6%	75,972	0.1%	7.7
2019	99,430,468	16,559	0%	776,877	0.8%	0
2018	99,413,909	877,473	0.9%	963,777	1.0%	0.9
2017	98,536,436	1,466,113	1.5%	1,403,889	1.4%	1.0
2016	97,070,323	1,840,143	1.9%	2,639,220	2.7%	0.7
2015	95,230,180	(3,173,486)	-3.2%	(225,168)	-0.2%	-
2014	98,403,666	104,637	0.1%	3,186,794	3.2%	0
2013	98,299,029	276,178	0.3%	142,111	0.1%	1.9
2012	98,022,851	(388,640)	-0.4%	379,272	0.4%	-

LOGISTICS SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	715,715,235	11,105,328	1.6%	12,298,887	1.7%	0.9
2027	704,609,907	10,748,372	1.5%	13,613,138	1.9%	0.8
2026	693,861,535	9,081,317	1.3%	13,159,329	1.9%	0.7
2025	684,780,218	7,779,949	1.1%	9,800,367	1.4%	0.8
2024	677,000,269	16,544,801	2.5%	4,722,727	0.7%	3.5
YTD	669,245,724	8,790,256	1.3%	2,230,806	0.3%	3.9
2023	660,455,468	26,889,538	4.2%	4,137,921	0.6%	6.5
2022	633,565,930	18,288,714	3.0%	16,911,312	2.7%	1.1
2021	615,277,216	19,102,717	3.2%	33,370,777	5.4%	0.6
2020	596,174,499	17,434,024	3.0%	15,376,486	2.6%	1.1
2019	578,740,475	14,532,945	2.6%	12,430,710	2.1%	1.2
2018	564,207,530	15,081,004	2.7%	18,406,067	3.3%	0.8
2017	549,126,526	14,819,336	2.8%	21,084,907	3.8%	0.7
2016	534,307,190	15,632,688	3.0%	11,852,971	2.2%	1.3
2015	518,674,502	7,274,746	1.4%	12,266,512	2.4%	0.6
2014	511,399,756	2,193,430	0.4%	16,157,938	3.2%	0.1
2013	509,206,326	2,455,563	0.5%	9,133,276	1.8%	0.3
2012	506,750,763	971,016	0.2%	4,512,558	0.9%	0.2

FLEX SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	72,940,767	339,038	0.5%	539,848	0.7%	0.6
2027	72,601,729	326,612	0.5%	268,780	0.4%	1.2
2026	72,275,117	264,185	0.4%	(37,519)	-0.1%	-
2025	72,010,932	326,235	0.5%	(24,966)	0%	-
2024	71,684,697	317,374	0.4%	(692,163)	-1.0%	-
YTD	71,540,206	172,883	0.2%	(379,504)	-0.5%	-
2023	71,367,323	1,598,510	2.3%	1,536,510	2.2%	1.0
2022	69,768,813	187,967	0.3%	(129,793)	-0.2%	-
2021	69,580,846	1,624,077	2.4%	2,523,016	3.6%	0.6
2020	67,956,769	(38,270)	-0.1%	(188,711)	-0.3%	-
2019	67,995,039	(253,889)	-0.4%	53,369	0.1%	-
2018	68,248,928	(41,481)	-0.1%	566,853	0.8%	-
2017	68,290,409	(55,929)	-0.1%	156,372	0.2%	-
2016	68,346,338	(110,890)	-0.2%	595,663	0.9%	-
2015	68,457,228	33,050	0%	2,195,876	3.2%	0
2014	68,424,178	(67,624)	-0.1%	1,193,368	1.7%	-
2013	68,491,802	(216,822)	-0.3%	949,720	1.4%	-
2012	68,708,624	(22,648)	0%	(214,561)	-0.3%	-

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$1	261	4.7%	31.8%	57,399,950	6.4%	-0.3%
2027	\$0.95	249	5.9%	25.8%	59,062,643	6.7%	-0.4%
2026	\$0.90	235	6.5%	18.8%	61,818,631	7.1%	-0.5%
2025	\$0.85	221	5.3%	11.6%	65,091,879	7.6%	-0.1%
2024	\$0.80	210	6.0%	6.0%	65,656,327	7.7%	1.5%
YTD	\$0.78	205	8.2%	3.2%	59,429,238	7.1%	0.8%
2023	\$0.76	198	9.7%	0%	51,726,669	6.2%	2.7%
2022	\$0.69	181	11.9%	-8.9%	28,247,056	3.5%	0.1%
2021	\$0.62	161	11.5%	-18.5%	26,623,212	3.4%	-2.2%
2020	\$0.55	145	7.9%	-26.9%	42,565,778	5.6%	0.2%
2019	\$0.51	134	7.1%	-32.3%	39,842,099	5.3%	0%
2018	\$0.48	125	6.9%	-36.8%	38,831,839	5.3%	-0.6%
2017	\$0.45	117	6.5%	-40.8%	42,619,540	6.0%	-1.1%
2016	\$0.42	110	5.5%	-44.4%	49,048,238	7.0%	0.2%
2015	\$0.40	104	6.0%	-47.3%	46,760,895	6.9%	-1.5%
2014	\$0.38	98	3.9%	-50.3%	56,863,805	8.4%	-2.7%
2013	\$0.36	95	2.7%	-52.2%	75,171,462	11.1%	-1.2%
2012	\$0.35	92	0.1%	-53.5%	82,881,650	12.3%	-0.6%

SPECIALIZED INDUSTRIAL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$1.21	261	4.8%	35.8%	5,840,418	5.4%	-0.3%
2027	\$1.15	249	6.0%	29.6%	6,134,331	5.7%	0%
2026	\$1.09	235	6.6%	22.3%	6,109,147	5.8%	0.4%
2025	\$1.02	220	5.5%	14.7%	5,630,572	5.4%	0.9%
2024	\$0.97	209	8.7%	8.7%	4,610,073	4.4%	1.0%
YTD	\$0.94	203	11.7%	5.9%	4,114,998	4.0%	0.6%
2023	\$0.89	192	9.5%	0%	3,527,168	3.5%	0.6%
2022	\$0.81	175	11.6%	-8.7%	2,861,172	2.8%	-0.1%
2021	\$0.73	157	11.0%	-18.2%	2,952,090	2.9%	-0.8%
2020	\$0.66	142	6.7%	-26.3%	3,732,551	3.7%	0.5%
2019	\$0.61	133	8.7%	-30.9%	3,182,379	3.2%	-0.8%
2018	\$0.57	122	7.0%	-36.5%	3,947,612	4.0%	-0.1%
2017	\$0.53	114	5.8%	-40.6%	4,033,916	4.1%	0%
2016	\$0.50	108	3.6%	-43.9%	3,971,692	4.1%	-0.9%
2015	\$0.48	104	6.2%	-45.9%	4,770,769	5.0%	-2.8%
2014	\$0.45	98	4.3%	-49.0%	7,719,087	7.8%	-3.1%
2013	\$0.44	94	2.9%	-51.1%	10,801,244	11.0%	0.1%
2012	\$0.42	91	-0.4%	-52.5%	10,667,177	10.9%	-0.7%

LOGISTICS RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$0.91	270	4.7%	31.4%	46,915,047	6.6%	-0.3%
2027	\$0.87	258	5.8%	25.5%	48,090,844	6.8%	-0.5%
2026	\$0.82	244	6.5%	18.6%	50,937,506	7.3%	-0.7%
2025	\$0.77	229	5.2%	11.4%	54,998,610	8.0%	-0.4%
2024	\$0.73	218	5.9%	5.9%	56,941,486	8.4%	1.6%
YTD	\$0.71	212	8.4%	3.1%	51,669,936	7.7%	0.9%
2023	\$0.69	206	10.5%	0%	45,110,486	6.8%	3.3%
2022	\$0.63	186	12.4%	-9.5%	22,358,869	3.5%	0.1%
2021	\$0.56	166	12.0%	-19.5%	20,981,467	3.4%	-2.5%
2020	\$0.50	148	8.7%	-28.1%	35,234,033	5.9%	0.2%
2019	\$0.46	136	7.1%	-33.8%	33,198,574	5.7%	0.2%
2018	\$0.43	127	6.9%	-38.2%	31,096,339	5.5%	-0.7%
2017	\$0.40	119	6.7%	-42.2%	34,197,402	6.2%	-1.3%
2016	\$0.37	111	6.0%	-45.8%	40,443,773	7.6%	0.5%
2015	\$0.35	105	6.3%	-48.9%	36,650,800	7.1%	-1.1%
2014	\$0.33	99	4.1%	-51.9%	41,642,566	8.1%	-2.8%
2013	\$0.32	95	2.8%	-53.8%	55,607,074	10.9%	-1.4%
2012	\$0.31	92	0.3%	-55.1%	62,284,787	12.3%	-0.7%

FLEX RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$1.55	220	4.7%	29.0%	4,644,485	6.4%	-0.3%
2027	\$1.48	210	5.9%	23.2%	4,837,468	6.7%	0.1%
2026	\$1.40	198	6.6%	16.3%	4,771,978	6.6%	0.4%
2025	\$1.31	186	5.4%	9.1%	4,462,697	6.2%	0.5%
2024	\$1.25	177	3.5%	3.5%	4,104,768	5.7%	1.4%
YTD	\$1.22	172	3.6%	1.0%	3,644,304	5.1%	0.8%
2023	\$1.20	170	6.0%	0%	3,089,015	4.3%	0%
2022	\$1.14	161	9.5%	-5.7%	3,027,015	4.3%	0.5%
2021	\$1.04	147	9.1%	-13.8%	2,689,655	3.9%	-1.4%
2020	\$0.95	135	5.7%	-21.0%	3,599,194	5.3%	0.2%
2019	\$0.90	127	5.6%	-25.3%	3,461,146	5.1%	-0.5%
2018	\$0.85	121	6.4%	-29.2%	3,787,888	5.6%	-0.9%
2017	\$0.80	113	5.9%	-33.5%	4,388,222	6.4%	-0.4%
2016	\$0.76	107	5.2%	-37.2%	4,632,773	6.8%	-1.0%
2015	\$0.72	102	4.5%	-40.3%	5,339,326	7.8%	-3.2%
2014	\$0.69	97	2.6%	-42.9%	7,502,152	11.0%	-1.8%
2013	\$0.67	95	2.1%	-44.3%	8,763,144	12.8%	-1.7%
2012	\$0.66	93	-0.2%	-45.5%	9,929,686	14.5%	0.3%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$151.57	388	6.2%
2027	-	-	-	-	-	-	\$139.54	358	6.4%
2026	-	-	-	-	-	-	\$126.08	323	6.6%
2025	-	-	-	-	-	-	\$113.29	290	6.9%
2024	-	-	-	-	-	-	\$108.25	277	6.9%
YTD	310	\$1.3B	1.8%	\$5,666,160	\$103.28	7.6%	\$108.24	277	6.7%
2023	682	\$3B	3.9%	\$6,033,921	\$114.29	6.8%	\$103.87	266	6.8%
2022	1,070	\$5.8B	8.0%	\$6,441,278	\$98.50	6.6%	\$102.08	262	6.2%
2021	1,385	\$6.8B	11.4%	\$6,239,626	\$95.82	6.7%	\$94.64	243	6.0%
2020	1,046	\$2.7B	6.9%	\$3,599,758	\$74.31	7.5%	\$75.37	193	6.6%
2019	1,211	\$3.3B	9.7%	\$4,071,195	\$64.94	7.8%	\$65.02	167	7.1%
2018	1,141	\$2.8B	9.4%	\$3,401,108	\$59.35	7.6%	\$59.65	153	7.2%
2017	985	\$2.8B	8.4%	\$3,767,586	\$50.72	7.9%	\$54.89	141	7.2%
2016	883	\$2B	6.3%	\$2,614,360	\$45.79	8.1%	\$53.55	137	7.0%
2015	1,033	\$2.3B	9.9%	\$2,508,754	\$42.67	8.3%	\$50.62	130	7.0%
2014	930	\$1.8B	7.9%	\$2,364,371	\$40.87	8.4%	\$45.15	116	7.4%
2013	777	\$1.2B	5.9%	\$1,800,319	\$35.50	8.9%	\$41.37	106	7.7%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

SPECIALIZED INDUSTRIAL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$149.01	411	6.2%
2027	-	-	-	-	-	-	\$137.05	378	6.4%
2026	-	-	-	-	-	-	\$123.69	341	6.7%
2025	-	-	-	-	-	-	\$110.99	306	6.9%
2024	-	-	-	-	-	-	\$105.88	292	6.9%
YTD	27	\$153.8M	1.5%	\$7,688,789	\$107.17	-	\$105.87	292	6.7%
2023	83	\$458.6M	3.7%	\$7,279,601	\$137.36	7.3%	\$101	278	6.8%
2022	112	\$507M	5.7%	\$5,226,765	\$105.25	9.6%	\$98.29	271	6.3%
2021	123	\$627.1M	7.8%	\$6,088,625	\$87.84	6.4%	\$90.87	250	6.0%
2020	105	\$223.5M	3.6%	\$3,104,776	\$71.83	7.7%	\$71.93	198	6.7%
2019	101	\$194.3M	3.8%	\$2,523,609	\$62.05	7.3%	\$62.24	171	7.2%
2018	101	\$192.6M	5.0%	\$2,638,063	\$49.79	7.2%	\$57.07	157	7.2%
2017	78	\$188.2M	4.9%	\$3,035,920	\$42.28	9.1%	\$51.94	143	7.3%
2016	87	\$171.4M	5.4%	\$2,169,883	\$33.36	8.0%	\$50.59	139	7.0%
2015	76	\$113.3M	3.5%	\$1,798,142	\$38.59	10.5%	\$48.09	132	7.0%
2014	69	\$111.1M	4.9%	\$1,792,184	\$23.61	9.0%	\$42.66	118	7.5%
2013	67	\$157M	4.6%	\$2,803,678	\$35.39	8.9%	\$38.82	107	7.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.



LOGISTICS SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$146.10	389	6.2%
2027	-	-	-	-	-	-	\$134.51	358	6.4%
2026	-	-	-	-	-	-	\$121.52	324	6.6%
2025	-	-	-	-	-	-	\$109.21	291	6.8%
2024	-	-	-	-	-	-	\$104.39	278	6.8%
YTD	199	\$1B	1.8%	\$6,765,274	\$100.50	6.6%	\$104.37	278	6.7%
2023	449	\$2.3B	4.1%	\$7,179,419	\$109.57	6.8%	\$100.10	267	6.7%
2022	723	\$4.7B	8.5%	\$7,692,717	\$94.41	6.2%	\$98.43	262	6.2%
2021	916	\$5.5B	11.7%	\$7,546,720	\$94.82	6.7%	\$91.24	243	5.9%
2020	722	\$2B	7.6%	\$4,062,316	\$70.19	7.5%	\$72.65	193	6.6%
2019	859	\$2.8B	10.8%	\$4,818,541	\$64.28	7.8%	\$62.54	167	7.1%
2018	780	\$2.1B	10.1%	\$3,859,154	\$57	7.8%	\$57.40	153	7.1%
2017	706	\$2.4B	9.3%	\$4,395,371	\$50.40	7.6%	\$52.87	141	7.2%
2016	573	\$1.5B	6.3%	\$3,050,159	\$45.60	7.9%	\$51.63	137	6.9%
2015	719	\$1.9B	11.2%	\$2,987,416	\$42.32	7.6%	\$48.79	130	6.9%
2014	636	\$1.5B	8.7%	\$2,818,870	\$40.76	7.9%	\$43.54	116	7.3%
2013	509	\$881.8M	6.2%	\$2,036,561	\$34.88	8.6%	\$39.87	106	7.6%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

FLEX SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$207.02	364	6.7%
2027	-	-	-	-	-	-	\$190.82	336	6.9%
2026	-	-	-	-	-	-	\$172.65	304	7.1%
2025	-	-	-	-	-	-	\$155.28	273	7.4%
2024	-	-	-	-	-	-	\$148.20	261	7.3%
YTD	84	\$88.2M	1.5%	\$1,696,566	\$139.01	9.7%	\$148.28	261	7.2%
2023	150	\$181.7M	2.5%	\$1,730,015	\$131.49	6.6%	\$143.76	253	7.2%
2022	235	\$626M	7.0%	\$3,161,862	\$135.86	7.1%	\$142.13	250	6.6%
2021	346	\$681.4M	13.5%	\$2,620,918	\$115.26	7.3%	\$132.29	233	6.3%
2020	219	\$382.1M	6.0%	\$2,373,108	\$111.70	7.9%	\$106.07	187	7.0%
2019	251	\$314.8M	8.8%	\$2,018,147	\$73.87	8.1%	\$92.51	163	7.4%
2018	260	\$469.3M	9.6%	\$2,406,583	\$80.54	7.1%	\$84.73	149	7.5%
2017	201	\$227.1M	5.9%	\$1,633,627	\$66.27	8.2%	\$78.25	138	7.5%
2016	223	\$283M	7.5%	\$1,598,907	\$60.85	8.5%	\$76.02	134	7.2%
2015	238	\$283.9M	9.2%	\$1,326,703	\$47.19	9.6%	\$71.69	126	7.3%
2014	225	\$236.5M	6.3%	\$1,278,621	\$63.97	9.9%	\$64.09	113	7.7%
2013	201	\$131.4M	5.3%	\$815,968	\$40.54	10.5%	\$59.23	104	7.9%

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