LEE & ASSOCIATES
COMMERCIAL REAL ESTATE SERVICES

Q2 ATLANTA

SIGNIFICANT LEASE DEALS

Address	Submarket/City	Square Feet	Tenant
17th & West Peachtree	Midtown	300,000	Invesco
712 W. Peachtree St	Midtown	275,000	Anthem Blue Cross/Shield
1220 Peachtree St	Midtown	115,896	Jones Day

SIGNIFICANT BUILDING SALES

Address City	Sale Value Type of Sale	PPSF Cap Rate	SF Class	Buyer Seller
3 Glenlake Pkwy NE Central Perimeter/Atlanta	$122,926,452 Investment	$342.00 6.86%	359,473 Class A	Starwood Capital Group Columbia Property Trust
2727 Paces Ferry Rd SE Northwest/Atlanta	$119,500,000 Investment	$184.85 -	646,471 Class A	Farallon Capital Mgmt Investcorp International
1 Glenlake Pkwy NE Central Perimeter/Atlanta	$104,573,548 Investment	$297.00 6.86%	351,359 Class A	Starwood Capital Group Columbia Property Trust

LARGEST DELIVERIES

Address	Submarket/City	SF	Developer
771 Spring St	Atlanta	760,000	Portman Holdings
725 Ponce de Leon Ave NE	Atlanta	370,931	New City, LLC
3900 Motors Industrial Way	Doraville	210,000	Integral Group

LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
650 W. Peachtree St	Atlanta	750,000	Q3 2021
240 Perimeter Ctr Pkwy	Atlanta	670,000	Q4 2019
1105 W. Peachtree St	Atlanta	664,184	Q4 2020

378,127 NET ABSORPTION SF

14.5% VACANCY 32,181,753 SF

$26.77 AVG. ASKING RATE PSF GROSS

471,647 DELIVERIES 3 Buildings

7,226,801 UNDER CONSTRUCTION 43 Buildings

JOHN DECOUTO, Sr. Managing Director

Overall vacancy in the Atlanta office market remained the same in the second quarter of 2019 at 14.5% with a positive net absorption of 378,127 SF due to larger tenants occupying new space. Average asking rents for classes A, B, and C rose to $26.77 PSF. There was 7,226,801 SF under construction at mid year 2019, a 35% increase over last quarter. Midtown currently holds 50% of all office development and in the years 2020 & 2021, there is a projected 3.5M SF to deliver and an additional 1.5M SF of proposed office developments in the pipeline.

TOTAL OFFICE MARKET STATISTICS

	Vacancy Rate	Avg. SF Rental Rates GRS	Net SF Absorption	SF Inventory	SF Under Construction
Q2 2019	14.50%	$26.77	378,127	221,465,558	7,226,801
Q1 2019	14.50%	$25.98	378,242	220,993,911	4,725,923
Q4 2018	14.40%	$25.92	632,567	220,308,882	5,022,900
Q3 2018	14.40%	$25.61	(75,399)	219,582,211	4,914,301
Q2 2018	14.40%	$24.98	(246,286)	219,497,825	4,083,917