



OFFICE MARKET OVERVIEW

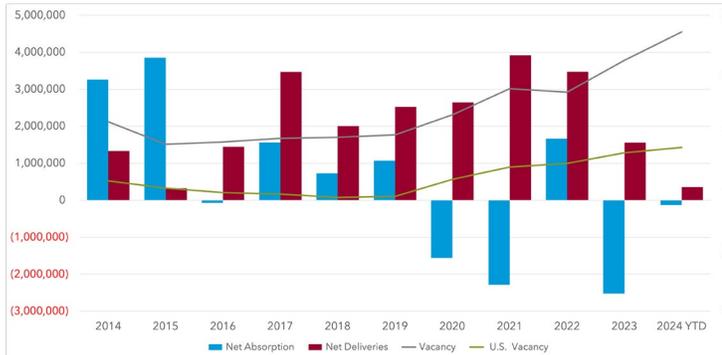
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While office vacancy rates remain on the rise due to tenants reassessing their space needs and shrinking lease sizes, Atlanta’s enduring appeal remains strong. The signing of several high-profile leases in Q1 2024 has infused optimism among market participants. Since 2020, developers have delivered 12 MSF of office space, but the current pipeline has significantly slowed, with only 2 MSF underway, marking the lowest level in a decade. This pause in new construction is welcomed by many property owners. While the amount of available sublet space remains high compared to the area’s 10-year average, there has been a decline for the third consecutive quarter in available sublet space, with 8.2 MSF feet available in Q1.

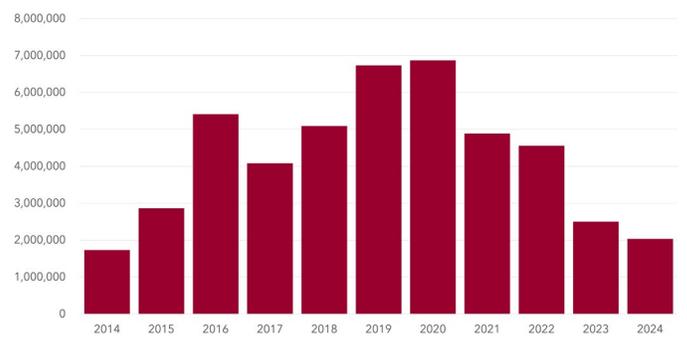
| MARKET INDICATORS | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ 12 Mo. Net Absorption SF | (3,029,047) | (2,524,369) | (1,751,575) | (648,383) | 2,322,843 |
| ▲ Vacancy Rate | 23.6% | 21.2% | 20.8% | 19.1% | 18.4% |
| ▼ Avg NNN Asking Rate PSF | \$29.90 | \$30.92 | \$30.54 | \$30.34 | \$30.11 |
| ▼ SF Under Construction | 2,034,913 | 2,501,859 | 2,633,281 | 3,135,831 | 3,337,360 |
| ▼ Inventory SF | 190,498,864 | 220,535,837 | 225,744,093 | 242,929,491 | 241,740,668 |

*Statistics may have changed due to annual audit

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| 3755 Mansell Road Alpharetta, GA | 123,982 SF | \$14,500,000 \$116.95 PSF | Free Chapel Ravi Zacharias International Ministries | Class A |
| 1990 Vaughn Road Kennesaw, GA | 80,250 SF | \$10,000,000 \$124.00 PSF | Ser Familia Lincoln Property Company | Class B |
| 2120 Powers Ferry Road SE* Atlanta, GA | 84,000 SF | \$6,419,867 \$76.43 PSF | Woodside Capital Partners Atlanta Property Group | Class B |

*Part of Portfolio Sale

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|--|------------|----------------------|---|-----------------------------------|
| 2300 Windy Ridge Parkway SE Atlanta, GA | 210,000 SF | Vision Properties | Manhattan Associates | Information |
| 3350 Peachtree Road Atlanta, GA | 112,899 SF | Cousins Properties | Workday, Inc. | Information |
| 2500 Century Parkway Atlanta, GA | 110,061 SF | Highwoods Properties | State Properties Commission (GA Department of Revenue) | Administrative & Support Services |

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