ATLANTA OFFICE REPORT

Northwest Atlanta Submarket Q3 2021

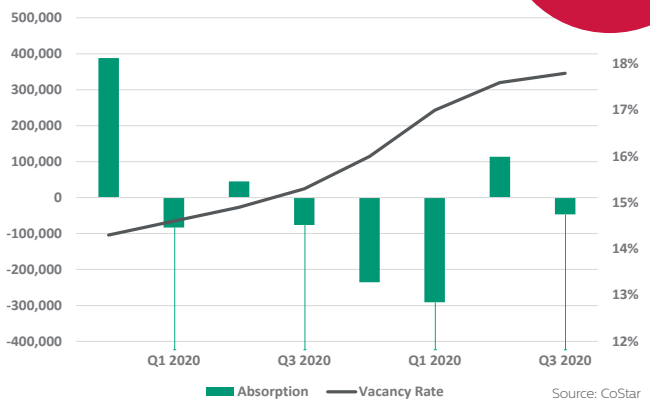
LINCOLN PROPERTY COMPANY

Northwest Sees Small Dip Due To Class B Losses

- Northwest Atlanta lost 46,329 square feet of absorption in Q3. This regression after a positive Q2 was thanks largely to losing 44,668 square feet of Class B space. The Class B product in Northwest Atlanta has represented all of the negative absorption year-to-date, while the Class A and Class C product are both slightly positive.
- The submarket still boasts the lowest vacancy rate amongst Atlanta's major submarkets at 17.8%. Northwest Atlanta has still seen a rise in vacancy, with a 250 basis point (2.5%) increase over the past year.
- The average Class A rental rate eclipsed the $30.00 mark for the first time in Q3, a 0.8% increase from Q2.

7 consecutive quarters of vacancy rate increase

ABSORPTION AND VACANCY RATE



Source: CoStar

NORTH WEST	Total Inventory SF	Direct Vacancy Rate	Sublease Vacancy Rate	Total Vacant SF	Vac Rate Current Qtr	Vac Rate Prior Qtr	Net Absorp Current	Net Absorp YTD	Deliveries	Under Constr	Avg Rent (FSG)
Class A	16,050,490	18.6%	1.5%	3,229,254	20.1%	20.1%	(3,112)	5,021	-	-	$30.01
Class B	12,178,070	15.8%	1.0%	2,044,195	16.8%	16.3%	(44,668)	(245,564)	11,994	-	$20.82
Class C	2,014,634	4.7%	0.0%	94,966	4.7%	4.8%	1,451	16,159	-	-	$14.13
Total	**30,243,194**	**16.5%**	**1.2%**	**5,368,415**	**17.8%**	**17.6%**	**(46,329)**	**(224,384)**	**11,994**	**-**	**$26.49**

TOP NORTHWEST ATLANTA LEASES Q3 2021

Tenant	Property	Landlord	SF	Lease Type
Papa John's	3 Ballpark Ave	Atlanta Braves	31,006	Expansion
LendSure Mortgage Company	245 TownPark Dr	America's Capital Partners	23,000	Sublease
LCG Associates	Galleria 400	Piedmont Office Realty Trust	21,448	Renewal

RECENT NORTHWEST ATLANTA INVESTMENT SALES

Property	Price	SF	$/SF	Date	Buyer
Riveredge Summit	$90,250,000	457,131	$197	4/22/2021	Opal Holdings
One Overton Park	$72,850,000	407,349	$178	5/27/2021	CP Group
Cumberland Center	$34,200,000	111,185	$309	8/16/2021	SilverCap Partners

NORTHWEST ATLANTA PROPOSED PROJECTS

Galleria 500
Proposed
Piedmont Office Realty Trust

200 City View
450,000 SF | Proposed
Pope & Land

Encore Center
350,000 SF | Proposed
Preferred Office Properties

Source: CoStar, LPC Research

lpcsoutheast.com

The information contained herein has been obtained from the owner of the property or from a source deemed reliable. While Lincoln Property Company has no reason to doubt its accuracy, we do not guarantee it.

IN THE MARKET

- **New Development Could Add Mixed-Use Project Near Truist Park:** RASS Associates, a Roswell-based development company, is looking to build an 8-acre project at 2800 Spring Road, just a stone's throw away from The Battery. The project is set to include a 350-unit apartment building, a 200-key hotel, and 30,000 square feet of retail. RASS Associates purchased the property in 2019, on which currently sits the vacant Emerson Center office complex.
- **Atlanta Braves Revenue Grows in Q2:** The Atlanta Braves ownership group Liberty Media reported $216 million of revenue in Q2. $204 million of that is thanks to baseball-related revenue streams, while the additional $12 million is via revenue from The Battery, the Braves-owned mixed-use development adjacent to the stadium. Despite large losses in revenue last year due to a shorted and fan-less season thanks to the COVID-19 pandemic, construction continued at Three Ballpark Center, which delivered in June of this year, with Papa John's and Thyssenkrupp moving in as major tenants.

Proposed Project at 2800 Spring Road

Three Ballpark Center

Lincoln Property Company Atlanta tracks Class A, B, and C office buildings that are 10,000 square feet or greater, and excludes owner occupied, medical, and government buildings.

Lincoln Northwest Atlanta Listings

Chastain Center

60 Chastain Center Blvd

3,000 SF - 23,300 SF

Michael Howell / Matt Fergus

Cobb Corporate Center

350, 375, 400, 425 & 450 Franklin Rd

4,000 SF - 7,700 SF

Matt Fergus / Hunter Henritze Seabie Hickson

Marietta Tech Center

2121 Newmarket Pky SE

5,400 SF - 5,800 SF

Matt Fergus / Robert deGolian

3400 Overton

3400 Overton Park Dr

3,000 SF

Michael Howell / Hunter Henritze / Caroline Fisher

The Gold Building

1945 The Exchange SE

4,200 SF - 17,000 SF

Matt Fergus / Hunter Henritze Robert deGolian

Need More Market Intel?

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LINCOLN PROPERTY COMPANY

About LPC SE: Lincoln Property Southeast is a commercial real estate firm offering a comprehensive suite of value-added services for our clients. With our substantial local presence and history in the Southeast region, we are ideally situated to provide a superior service, which comes from knowing the goals and challenges faced by our clientele: tenants, investors, lenders and owners of commercial real estate. Our people and our philosophy are the key ingredients for Lincoln's solid track record of success.

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