ATLANTA OFFICE REPORT

North Fulton Submarket Q4 2021

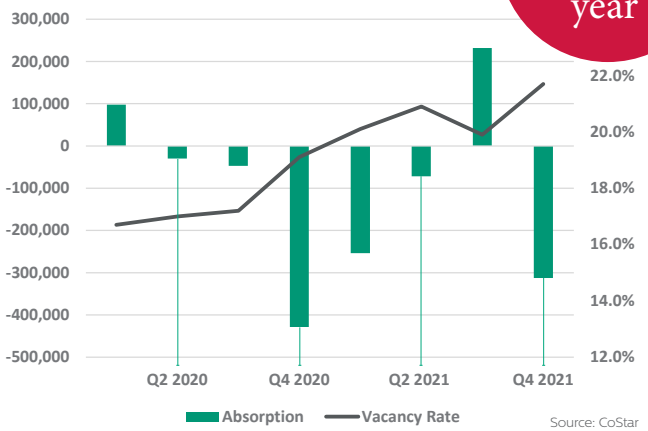
LINCOLN PROPERTY COMPANY

Room for Growth as North Fulton Finishes Year With High Vacancy Rate

- North Fulton saw 312,613 square feet of negative absorption in Q4, bringing the 2021 total to a loss of 406,307 square feet. This marks the 6th negative absorption quarter since Q1 of 2020 for the suburban submarket.
- Much of the negative absorption in Q4 was due to Colonial Pipeline Company vacating 100,804 square feet in Sanctuary Park. They are relocating within the submarket to a built-to-suit building, and should be moving into their new space in Q1 of 2022.
- The submarket's vacancy rate rose 180 basis points (1.8%) in Q4, finishing at 21.7%, the highest vacancy North Fulton has seen since 2003.

2.6% rise in vacancy over past year

ABSORPTION AND VACANCY RATE



Source: CoStar

NORTH FULTON	Total Inventory SF	Direct Vacancy Rate	Sublease Vacancy Rate	Total Vacant SF	Vac Rate Current Qtr	Vac Rate Prior Qtr	Net Absorp Q4	Net Absorp YTD	Deliveries	Under Constr	Avg Rent (FSG)
Class A	13,127,180	21.9%	2.9%	3,257,719	24.8%	23.0%	(186,310)	(173,352)	60,000	30,000	$27.85
Class B	10,190,624	16.9%	2.4%	1,964,987	19.3%	17.3%	(131,482)	(245,341)	87,000	67,500	$21.81
Class C	789,848	0.7%	0.0%	5,267	0.7%	1.3%	5,179	12,386	-	-	$13.82
Total	24,107,652	19.1%	2.6%	5,227,973	21.7%	19.9%	(312,613)	(406,307)	147,000	97,500	$25.44

TOP NORTH FULTON LEASES Q4 2021

Tenant	Property	Landlord	SF	Lease Type
Bakkt	10000 Avalon	Cousins Properties / Hines	50,756	New Lease
Westfield Insurance	3650 Mansell Rd	The Simpson Organization	26,730	New Lease
Marquee Insurance Group	1455 Old Alabama Rd	SF Partners	26,645	New Lease

RECENT NORTH FULTON INVESTMENT SALES

Property	Price	SF	$/SF	Date	Buyer
Mansell Overlook	$144,500,000	672,559	$214	3/8/2021	PPF Real Estate
5405 Windward Pky	$48,000,000	248,446	$193	10/29/2021	Rubenstein Partners
Brookside One & Two	$41,150,000	266,797	$154	5/27/2021	Bridge Commercial Real Estate

ACTIVE NORTH FULTON UNDER CONSTRUCTION PROJECTS

12655 Birmingham Hwy
67,500 SF | Jan 2022
Market District Development

100 N Main St
30,000 SF | Dec 2022
Avego

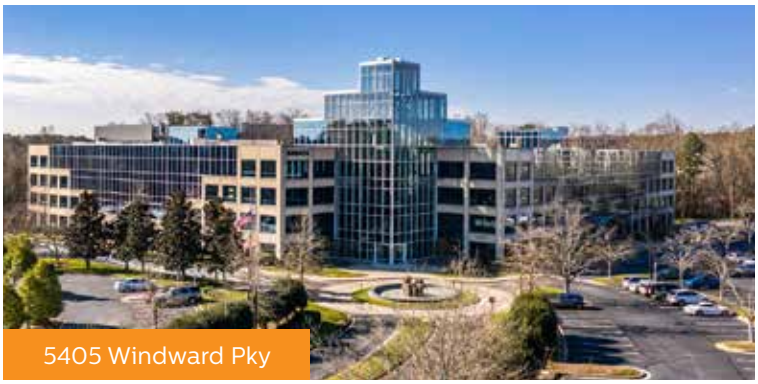
154 Kimball Bridge Rd
159,933 SF | Mar 2023
KB Venture Partners

Source: CoStar, LPC Research

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

- **5405 Windward Parkway Sells for $48 Million:** Rubenstein Partners purchased 5405 Windward Parkway on October 29, 2021 at a $194 per square foot rate. Highwoods Properties was the seller of the 247,000 square foot, four story office building. The property was 93% leased at the time of sale to two tenants, Avanos and Andritz Inc.
- **Continuum Alpharetta Proposed by Southwest Value Partners:** A California-based developer is looking to building a 52-acre mixed-use project at 5555 Windward Parkway in Alpharetta. Currently a Hewlett-Packard Enterprises office complex containing three buildings, Continuum Alpharetta would expand upon the existing office space with 1,028,500 square feet of new office, a renovation of the existing buildings, and over 75,000 square feet of retail.
- **Historic Alpharetta school to be turned into creative office space:** KB Venture Partners is transforming a historic black school that closed in 1968 into creative office space. Located at 154 Kimball Bridge Rd, KB Venture Partners is aiming to turn this 4-acre site into a timber frame office building.



5405 Windward Pky

154 Kimball Bridge

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 North Fulton Listings

Northwinds Office Park

2475, 2520, 2500, 2550 Northwinds Pky
11065 Haynes Bridge Rd
11625 & 11675 Rainwater Dr

1,000 SF - 25,000 SF

Hunter Henritze / Caroline Fisher
Michael Howell / Robert Degolian

Parc Point

800/900 North Point Parkway

1,000 SF - 23,000 SF

Hunter Henritze / Caroline Fisher
Robert Degolian

Park at Windward Concourse

1720 Windward Concourse &
1725 Windward Concourse

1,000 SF - 8,000 SF

Matt Fergus / Seabie Hickson
Michael Howell

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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