

» Q3-2021 Georgia Industrial Market Report

ATLANTA INDUSTRIAL MARKET

RENT GROWTH

Specialized industrial properties experienced the greatest rent growth for Q3-21 at 4.9%. Trailing were logistics industrial properties, which experienced 3.7% quarter over quarter growth. Lastly, flex properties experienced the least amount of quarterly growth at approximately 2.5%. Atlanta averaged a market rent of \$6.99 per square foot across all three industrial types.

SUPPLY & DEMAND

Since Q1-21, vacancy rates have decreased by 0.9%, ending Q3-21 at just under 4%. This decrease resulted from back-to-back quarters where net square feet absorbed exceeded square feet delivered. In Q3-21, approximately 2 million square feet of industrial space was delivered, and just over 5 million square feet was absorbed.

ATLANTA Q3-21 INDUSTRIAL MARKET FACTORS

INDUSTRIAL INVENTORY SF

764,329,793

RENT/SF

\$6.99

SALES VOLUME

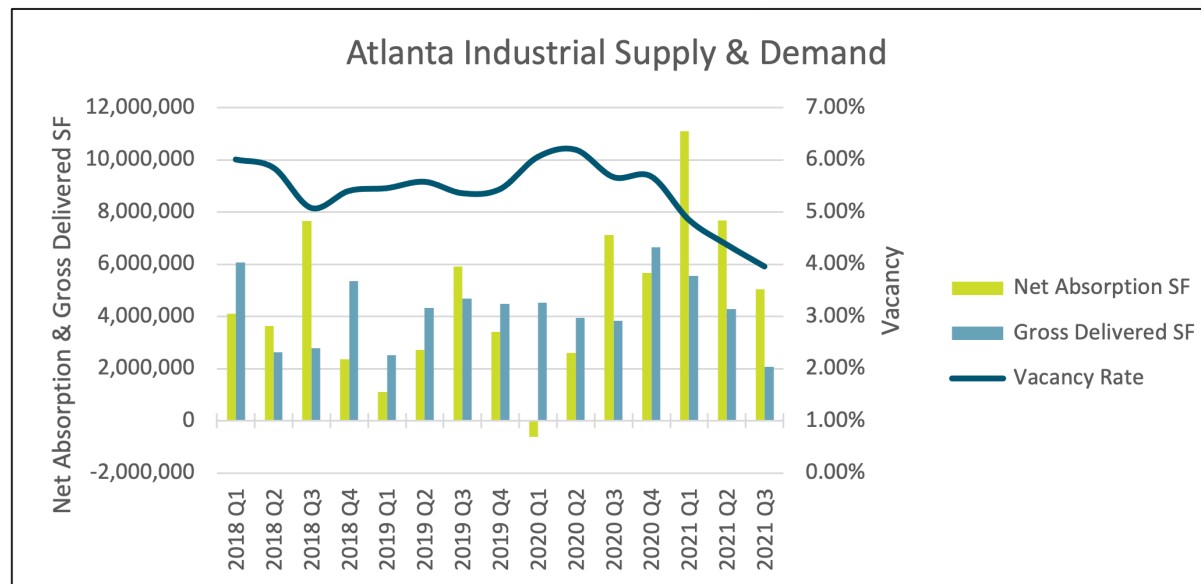
\$1,445,417,856

UNDER CONSTRUCTION SF

28,806,774



Source: CoStar



Source: CoStar

GAINESVILLE INDUSTRIAL MARKET

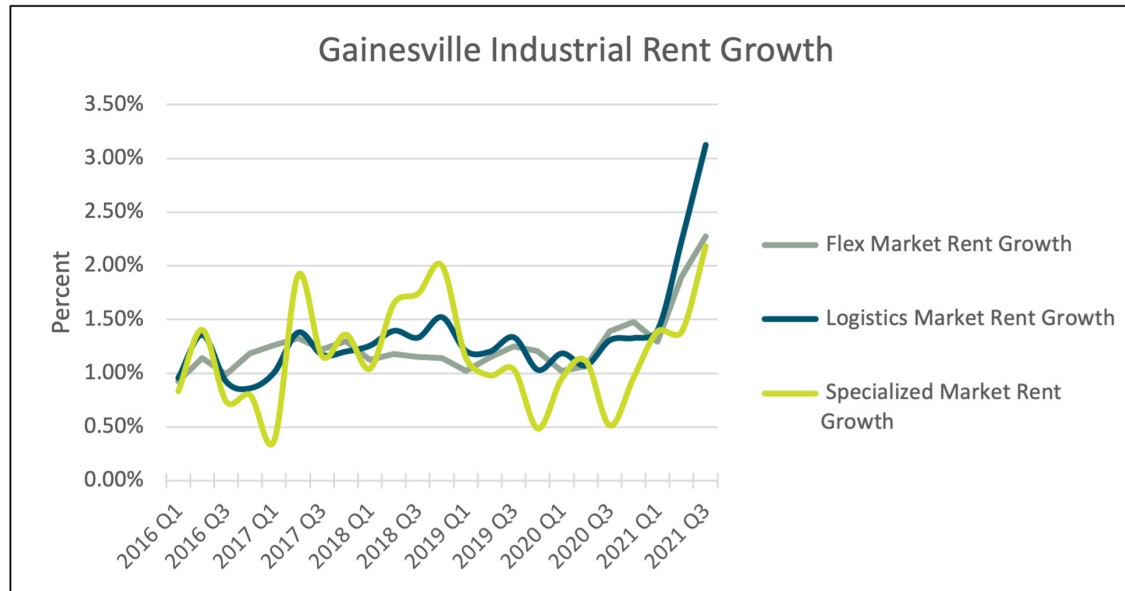
RENT GROWTH

Logistics industrial properties experienced the greatest rent growth for Q3-21 at a 3.3% increase from Q2-21. Trailing were flex and specialized industrial properties, which experienced quarter over quarter increases of 2.3% and 2.2%, respectively. Gainesville industrial rents averaged \$6.26 per square foot across all three industrial types.

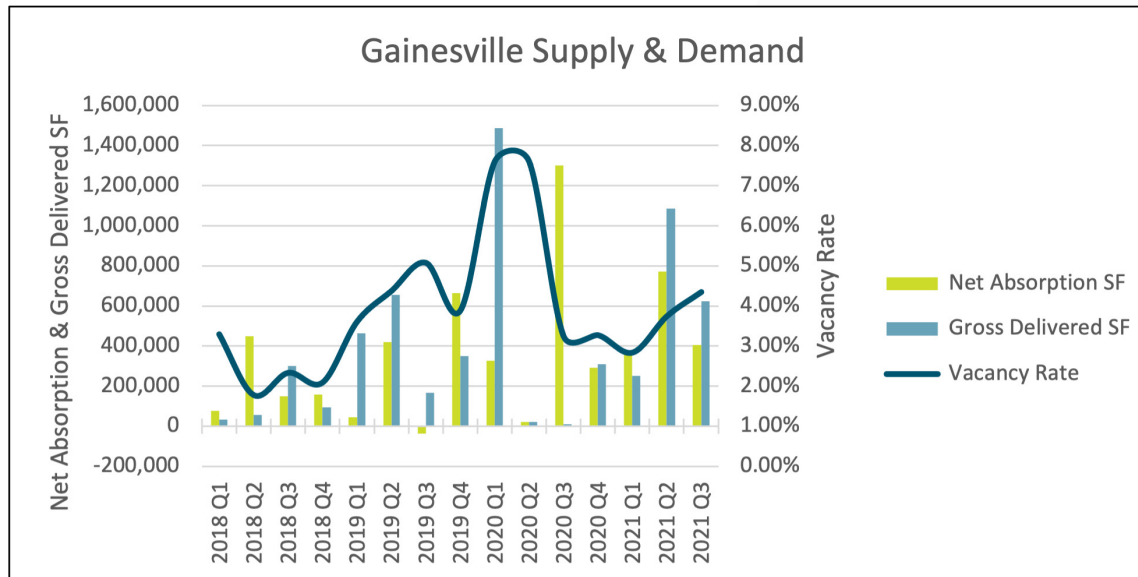
SUPPLY & DEMAND

Since Q1-21, vacancy rates have increased by 1.5%, ending Q3-21 at approximately 4.3%. This increase resulted from multiple quarters where deliveries exceeded absorption. In Q3-21, 622,380 square feet of space was delivered and 406,035 square feet was absorbed.

GAINESVILLE Q3-21 INDUSTRIAL MARKET FACTORS	
INDUSTRIAL INVENTORY SF	31,871,781
RENT/SF	\$6.26
SALES VOLUME	\$11,934,105
UNDER CONSTRUCTION SF	2,511,701



Source: CoStar



Source: CoStar

SAVANNAH INDUSTRIAL MARKET

RENT GROWTH

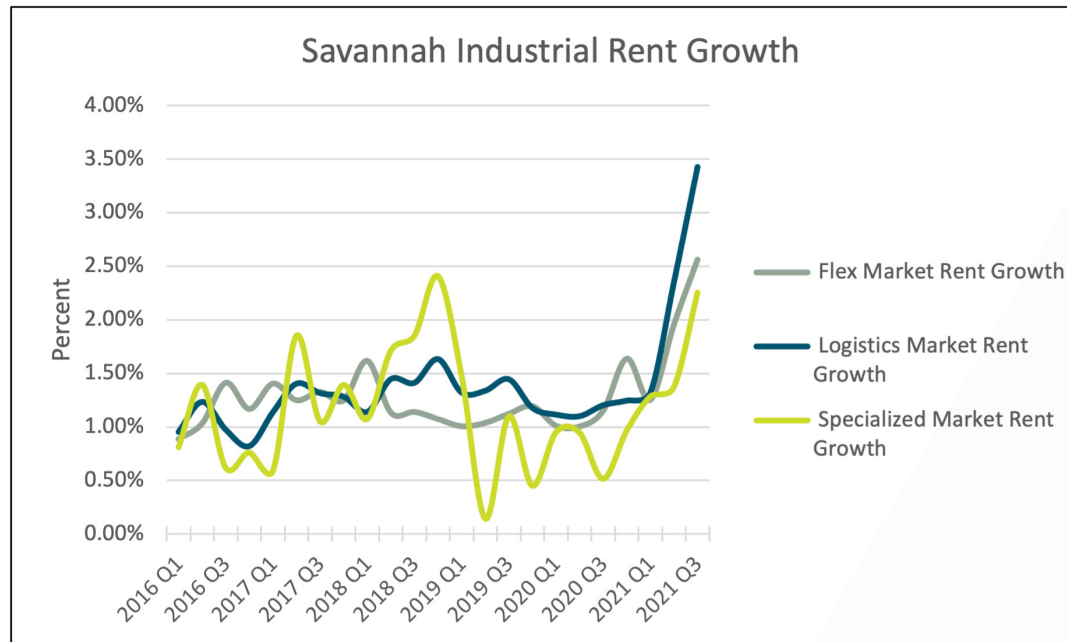
Logistics industrial properties experienced the greatest rent growth for Q3-21 at 3.4%. Flex properties followed with 2.6% quarter over quarter growth. Lastly, specialized industrial properties experienced the least amount of quarter over quarter growth at approximately 2.3%. Savannah industrial rents averaged \$6.48 per square foot across all three industrial types.

SUPPLY & DEMAND

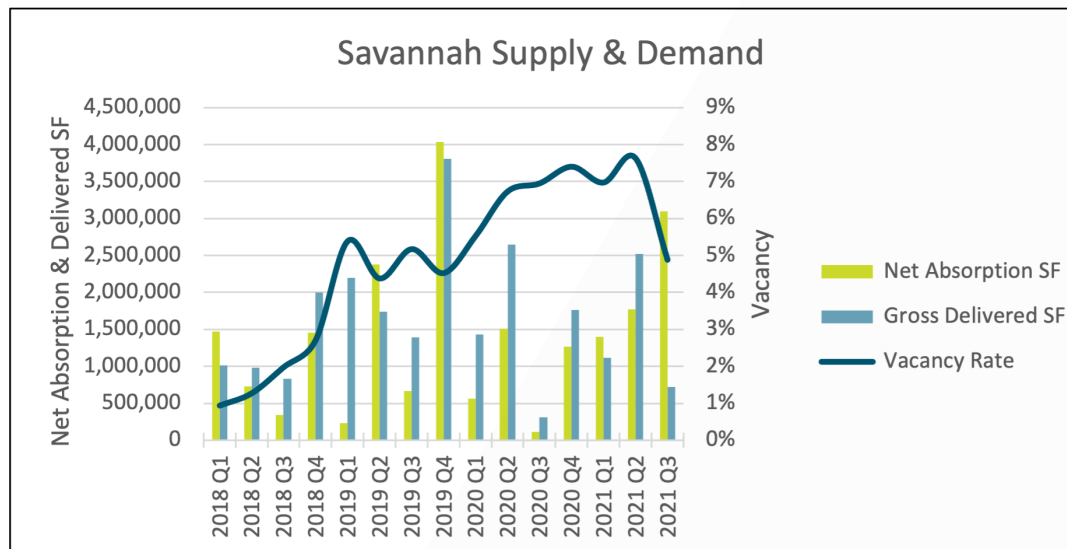
Since Q1-21, vacancy rates have decreased by 2.1%, ending Q3-21 at approximately 4.9%. Leading to the decrease in vacancies was 6.2 million square feet absorbed since the start of Q1-21. Additionally, since Q1-21 approximately 4.3 million square feet has been delivered.

SAVANNAH Q3-21 INDUSTRIAL MARKET FACTORS

INVENTORY SF
88,437,739
RENT/SF
\$6.48
SALES VOLUME
\$153,890,768
UNDER CONSTRUCTION SF
15,446,899



Source: CoStar



Source: CoStar

AUGUSTA INDUSTRIAL MARKET

RENT GROWTH

Logistics industrial properties experienced the greatest rent growth for Q3-21 at 3.2%. Trailing was flex industrial properties, which experienced a 2.4% increase quarter over quarter. Lastly, specialized industrial properties experienced the least amount of quarterly growth at approximately 2.1%. Industrial properties in Augusta averaged \$4.75 across all three industrial types.

SUPPLY & DEMAND

Since Q1-21, vacancy rates have decreased by 1.2%, ending Q3-21 at approximately 5.2%. Leading to the decrease in vacancy rates was 869,711 square feet absorbed since the start of Q1-21. Additionally, since Q1-21 approximately 49,000 square feet has been delivered.

AUGUSTA Q3-21 INDUSTRIAL MARKET FACTORS

INVENTORY SF

49,758,887

RENT/SF

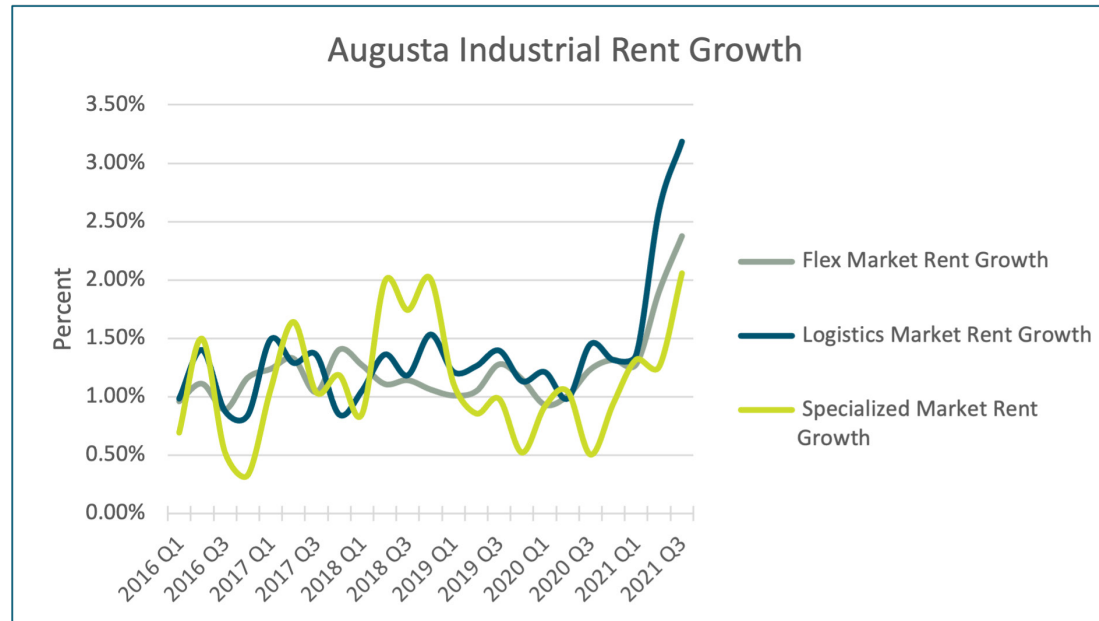
\$4.75

SALES VOLUME

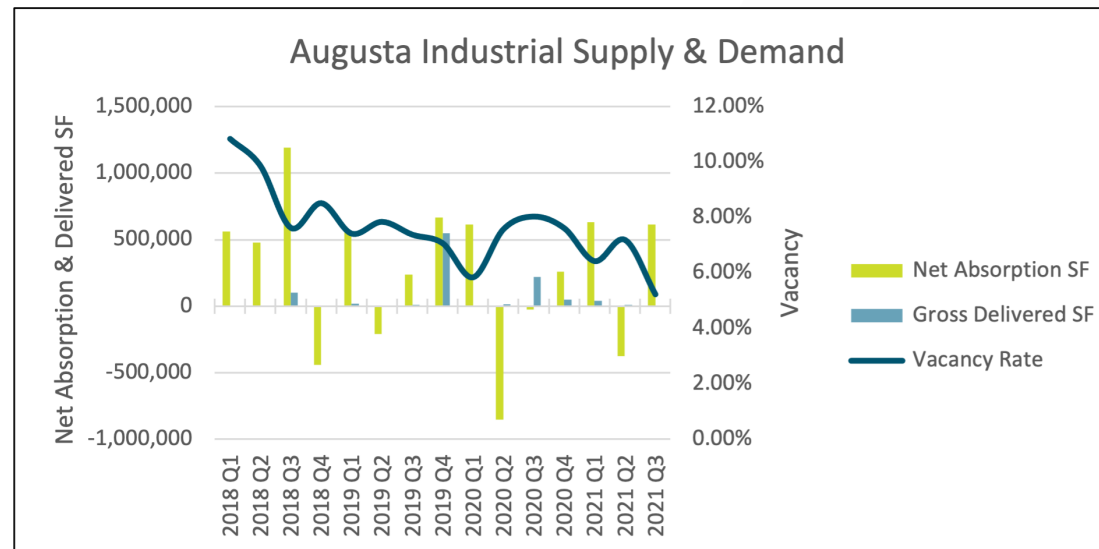
\$20,320,000

UNDER CONSTRUCTION SF

2,700,00



Source: CoStar



Source: CoStar

RENTAL SUMMARY

Rents for Georgia industrial real estate varied amongst industrial type and location. Flex properties in Georgia, Savannah, Atlanta, and Dalton all had the highest per square foot cost of any other category, at over \$10. From a market rent growth outlook, Macon experienced the greatest increase at 2.8%, followed by Savannah at 2.6%. For Georgia logistics properties, Atlanta, Savannah, and Gainesville posted the highest market rent per square foot. From a market rent growth perspective, Atlanta, Dalton, and Macon all experienced the greatest increases. For Georgia specialized industrial properties, Savannah, Atlanta, and Gainesville posted the highest rents, all above \$6 per square foot. Savannah, Atlanta, and Gainesville also all experienced the greatest growth in rent.

INVENTORY SUMMARY

Atlanta holds the most amount of inventory across flex, logistics, and specialized industrial real estate. Atlanta also experienced the greatest net square feet absorbed for flex and logistics industrial properties. For specialized industrial properties, Gainesville had the most square feet absorbed. Across all industrial markets shown, Dalton represented the lowest vacancy rates amongst all three asset classes, but also represents a market that is much smaller relative to other markets shown.

2021 Q3 INDUSTRIAL STATISTICS

MARKET	INVENTORY SF	NET ABSORP SF	VACANCY RATE	MKT RENT/SF	MKT RENT GROWTH	DELIVERED SF	UNDER CONSTRUCTION SF	MKT SALE PRICE/SF	MKT CAP RATE
Atlanta	764,329,793	5,039,391	4.0%	\$6.99	3.7%	2,066,304	28,806,774	\$84.20	6.2%
Flex	69,172,350	430,925	3.8%	\$11.84	2.5%	-	1,898,105	\$120.42	-
Logistics	593,616,439	5,143,290	4.1%	\$6.26	3.7%	2,066,304	26,132,956	\$80.98	-
Specialized	101,541,004	-534,824	3.3%	\$7.99	4.9%	-	775,712	\$78.45	-
Augusta	49,758,887	612,695	5.2%	\$4.75	2.6%	-	2,700,000	\$47.80	7.5%
Flex	3,794,544	29,470	6.2%	\$8.95	2.4%	-	-	\$78.28	-
Logistics	22,596,442	444,488	5.4%	\$4.53	3.2%	-	2,700,000	\$47.47	-
Specialized	23,367,901	138,737	4.9%	\$4.30	2.1%	-	-	\$43.20	-
Columbus	24,765,588	102,732	5.1%	\$5.05	2.5%	-	-	\$38.92	8.4%
Flex	3,865,882	-1,827	3.0%	\$9.25	2.4%	-	-	\$61.13	-
Logistics	12,604,410	68,809	5.1%	\$4.39	2.9%	-	-	\$34.19	-
Specialized	8,295,296	35,750	6.0%	\$4.10	2.0%	-	-	\$35.76	-
Dalton	21,540,428	-254,697	1.6%	\$3.60	3.1%	-	180,000	\$31.04	7.7%
Flex	377,860	10,000	0.8%	\$10.20	2.5%	-	-	\$45.01	-
Logistics	15,201,434	-264,697	2.2%	\$3.50	3.6%	-	-	\$28.56	-
Specialized	5,961,134		0.1%	\$3.42	2.1%	-	180,000	\$36.35	-
Gainesville	31,871,781	406,535	4.3%	\$6.26	2.8%	622,380	2,511,701	\$70.90	7.5%
Flex	2,010,217	-6,528	3.8%	\$9.94	2.3%	-	38,000	\$96.98	-
Logistics	21,357,294	174,828	6.0%	\$5.94	3.1%	472,380	1,973,701	\$72.76	-
Specialized	8,504,270	238,235	0.4%	\$6.29	2.2%	150,000	500,000	\$60.00	-
Macon	25,307,381	162,476	11.1%	\$4.33	2.9%	-	5,000	\$47.67	7.5%
Flex	928,251	-31,966	7.0%	\$8.15	2.8%	-	-	\$57.83	-
Logistics	15,895,852	186,749	5.5%	\$4.12	3.5%	-	5,000	\$46.46	-
Specialized	8,483,278	7,693	22.0%	\$4.30	1.8%	-	-	\$48.82	-
Savannah	88,437,739	3,097,009	4.9%	\$6.48	3.2%	724,932	15,446,899	\$94.96	6.3%
Flex	1,909,313	-6,270	1.5%	\$13.32	2.6%	-	-	\$139.87	-
Logistics	73,793,450	3,056,507	5.7%	\$6.11	3.4%	724,932	15,446,899	\$93.57	-
Specialized	12,734,976	46,772	0.6%	\$8.21	2.3%	-	-	\$98.26	-

Source: CoStar

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