



Presents:

Atlanta Industrial Market Overview

First Quarter 2017

The Atlanta Distribution Market

KING Industrial
Realty, Inc.

**THE I-85 BRIDGE
COLLAPSED, BUT THE
ATLANTA INDUSTRIAL
MARKET REMAINS
STRONG!!**



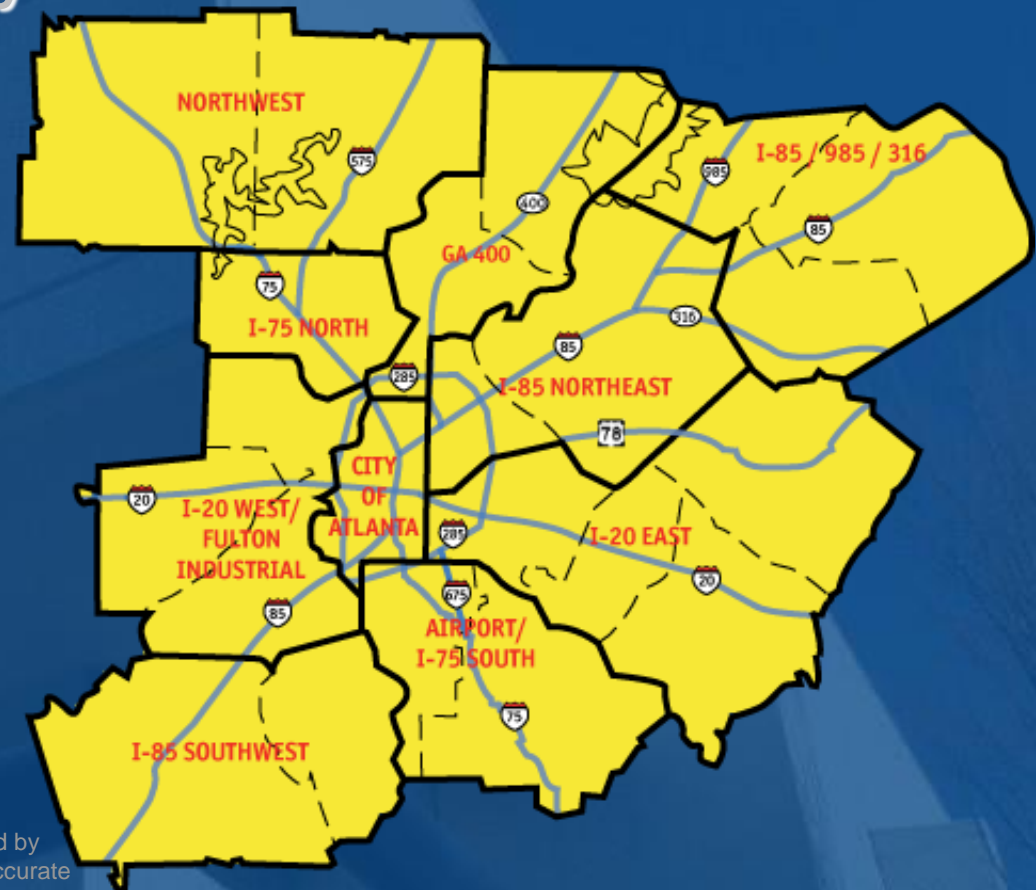
The Atlanta Industrial Market

➤ PinPointsm Technology

– 10 Regions

(distribution & service)

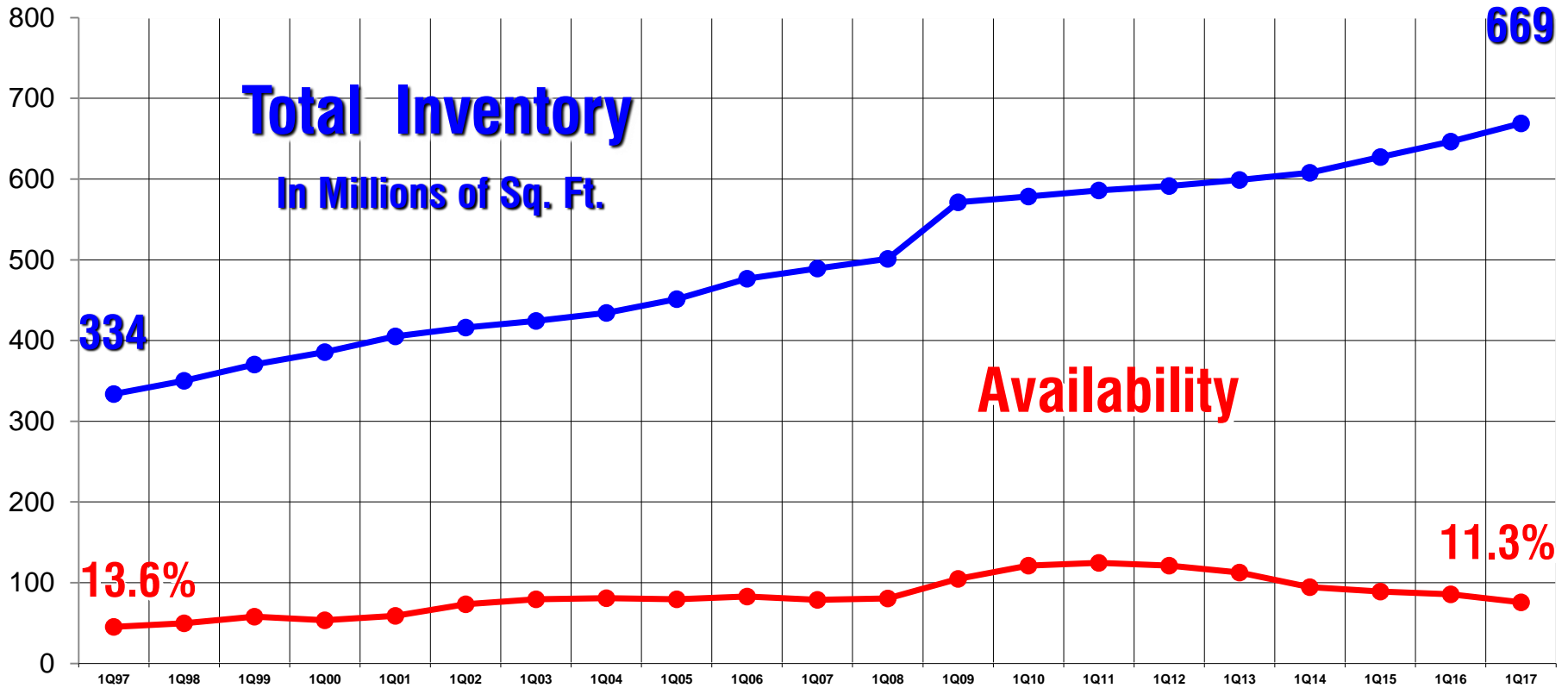
- 695 million sq. ft.
- 14,118 buildings
- 23,777 businesses



Source data compiled from PinPointsm, a proprietary database owned by King Industrial Realty, Inc. Every effort has been made to provide accurate information, but no liability is assumed for errors and omissions.

Distribution Inventory

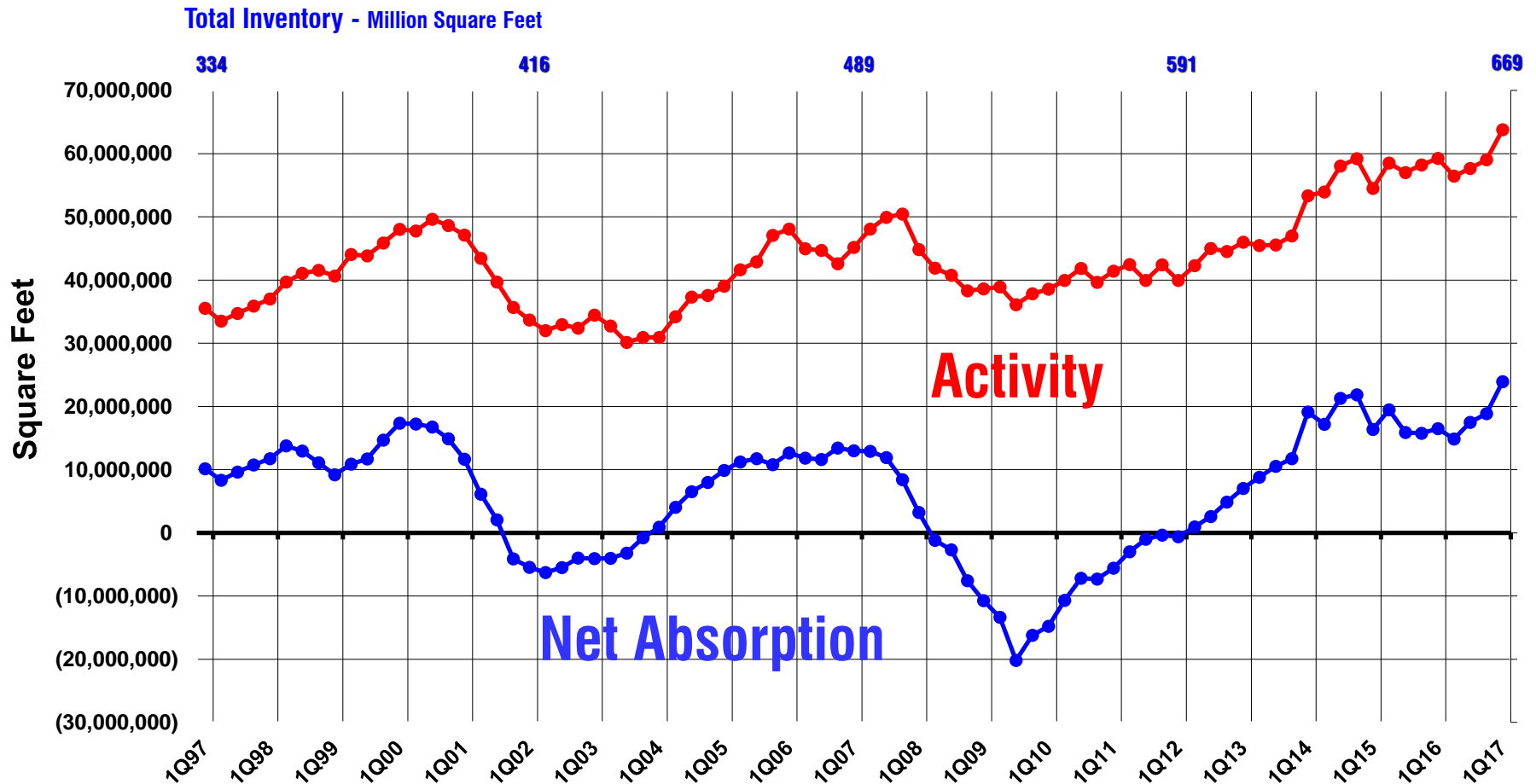
1997-2017



*

* Analysis expanded to include 8 additional counties.

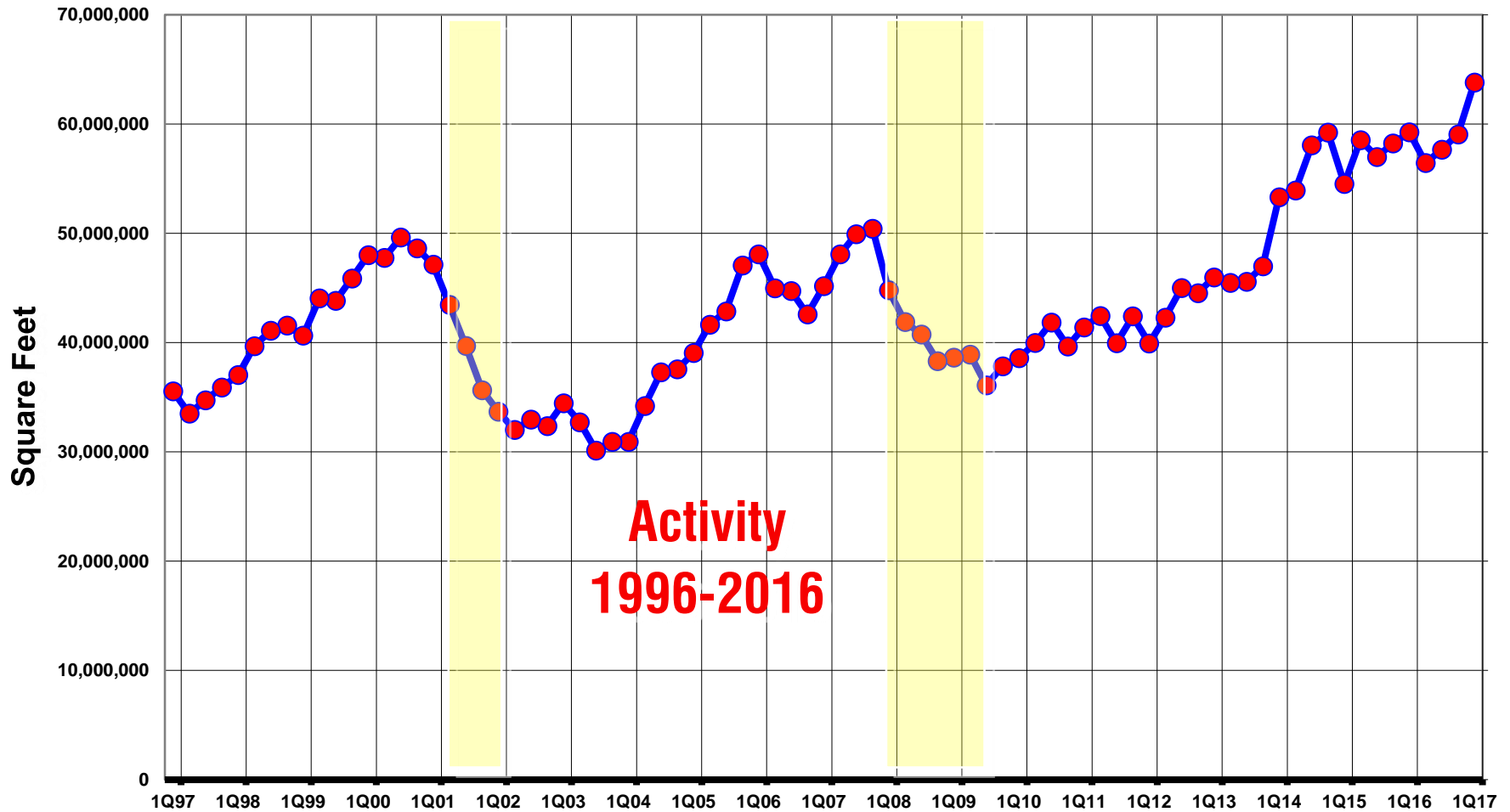
Absorption & Activity



Numbers represent four rolling quarters as of 1Q 2017.

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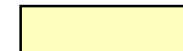
Activity



**Activity
1996-2016**

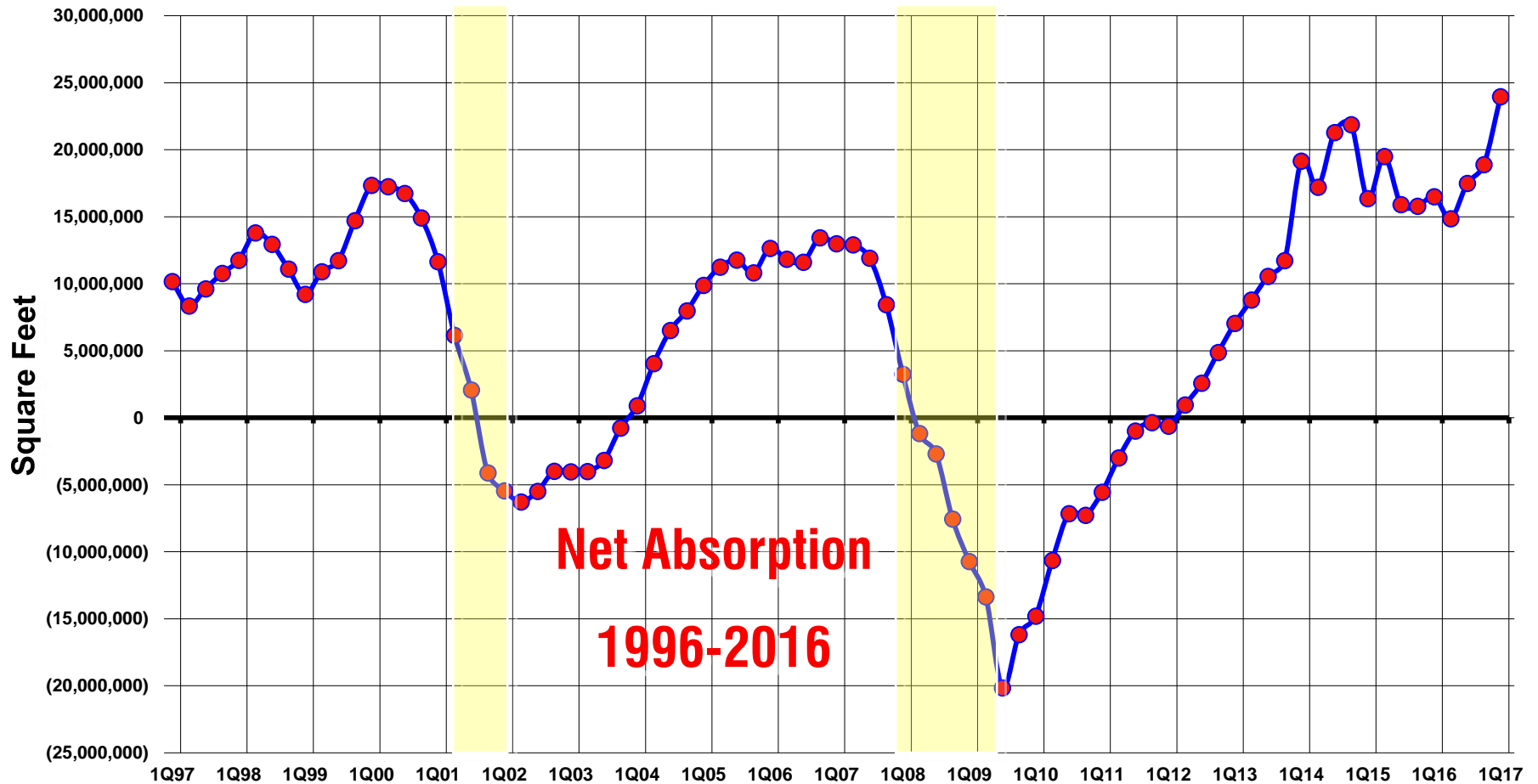
Numbers represent four rolling quarters as of 1Q 2017.

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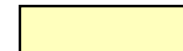
= US Recessions

Absorption



Numbers represent four rolling quarters as of 4Q 2016.

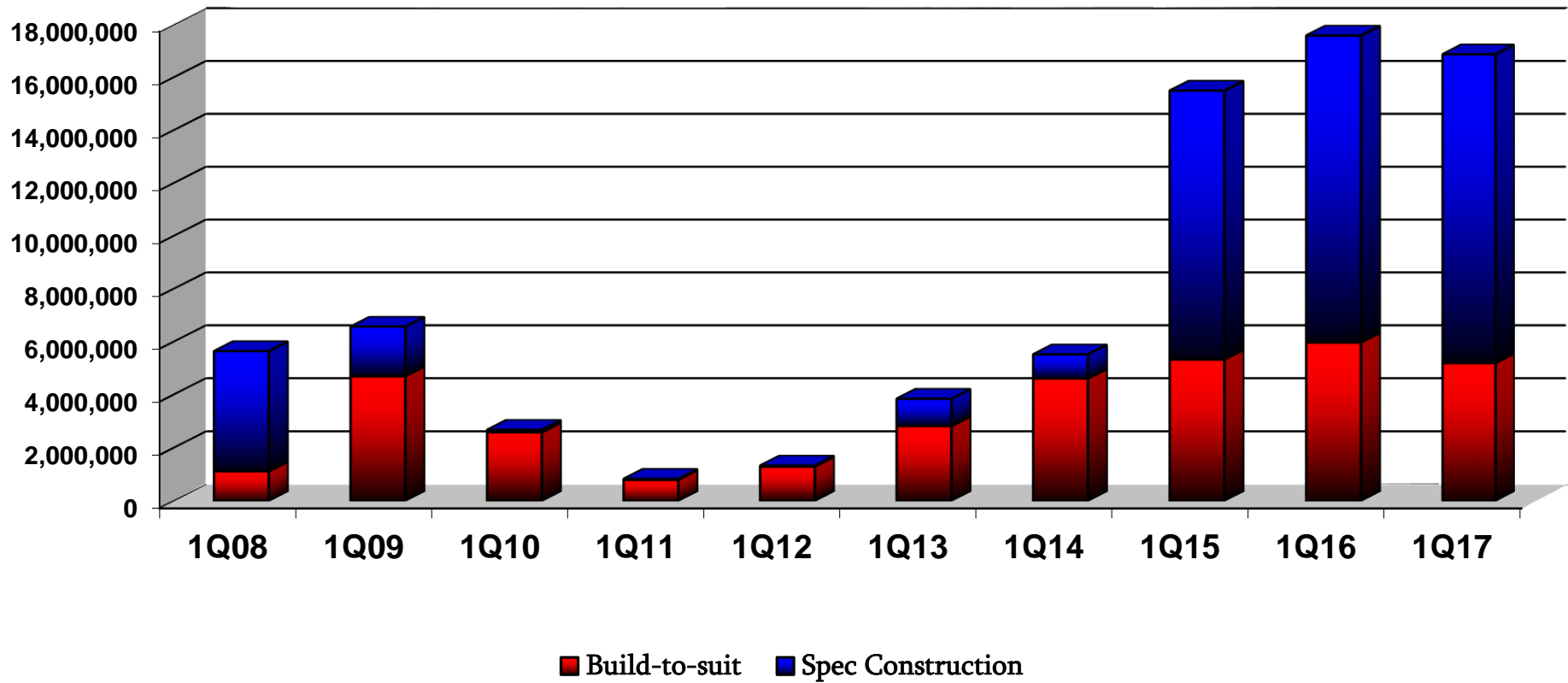
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= US Recessions

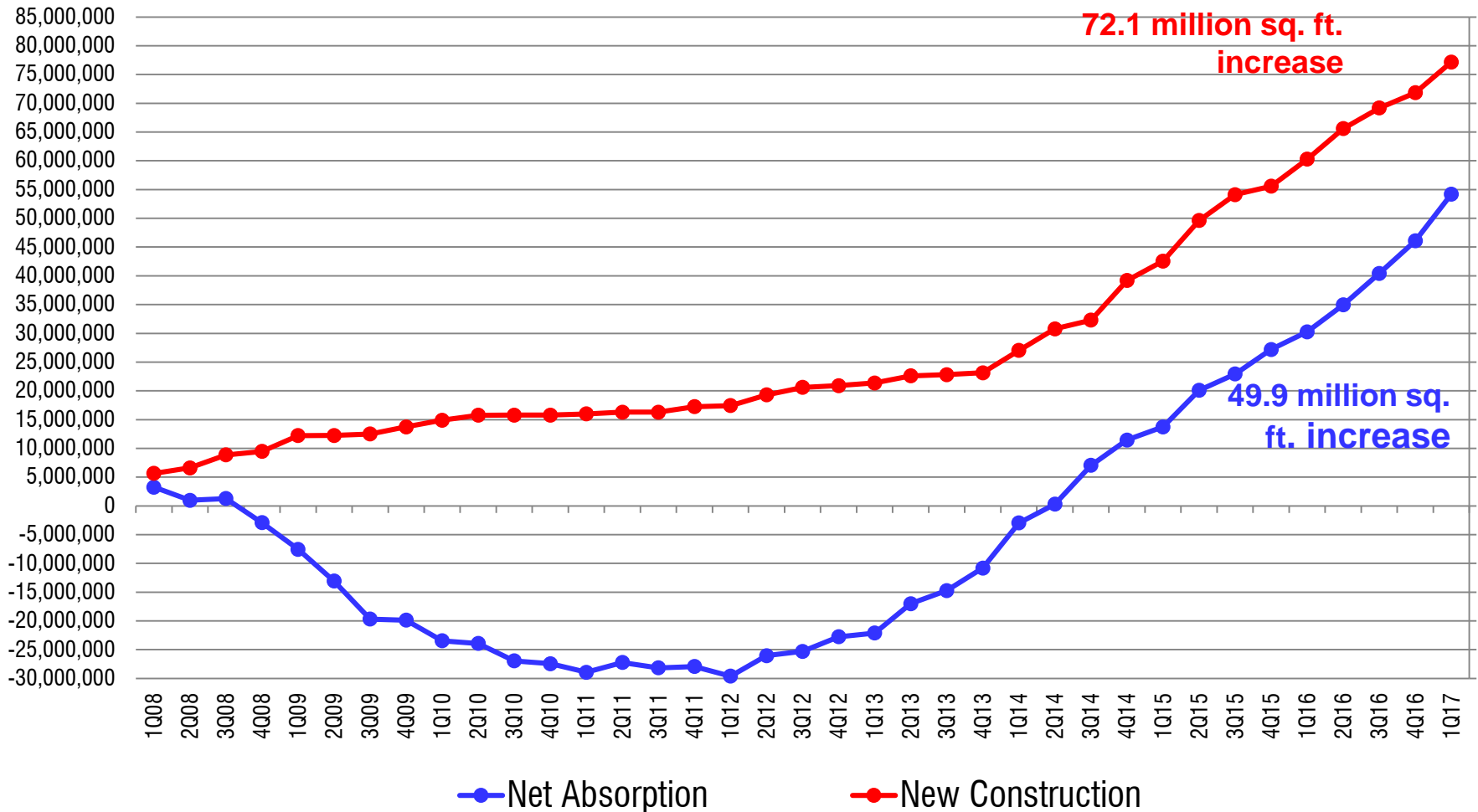
New Construction: 2008-2017

Square Feet

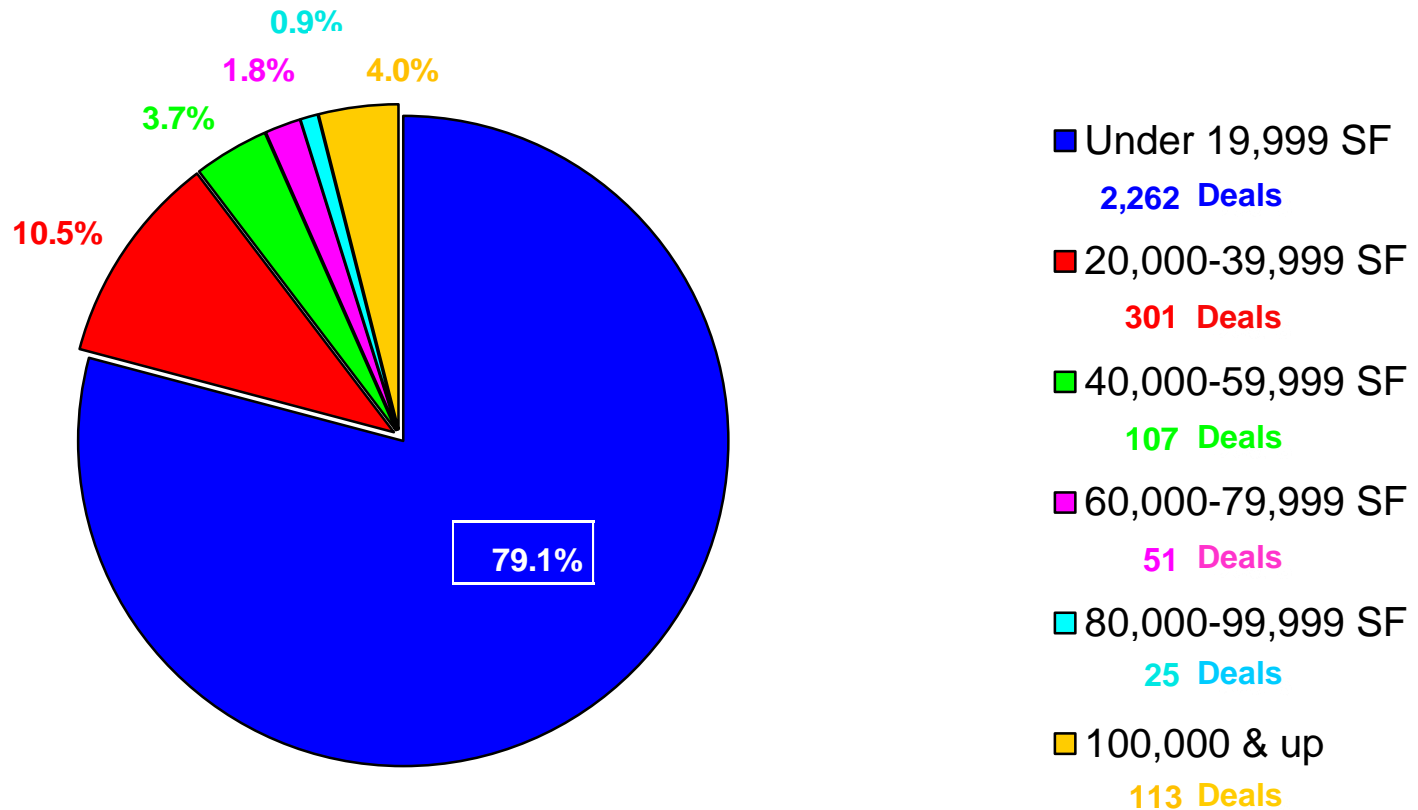


Numbers represent four rolling quarters as of 1Q 2017.

10 Year Cumulative Net Absorption vs. Construction



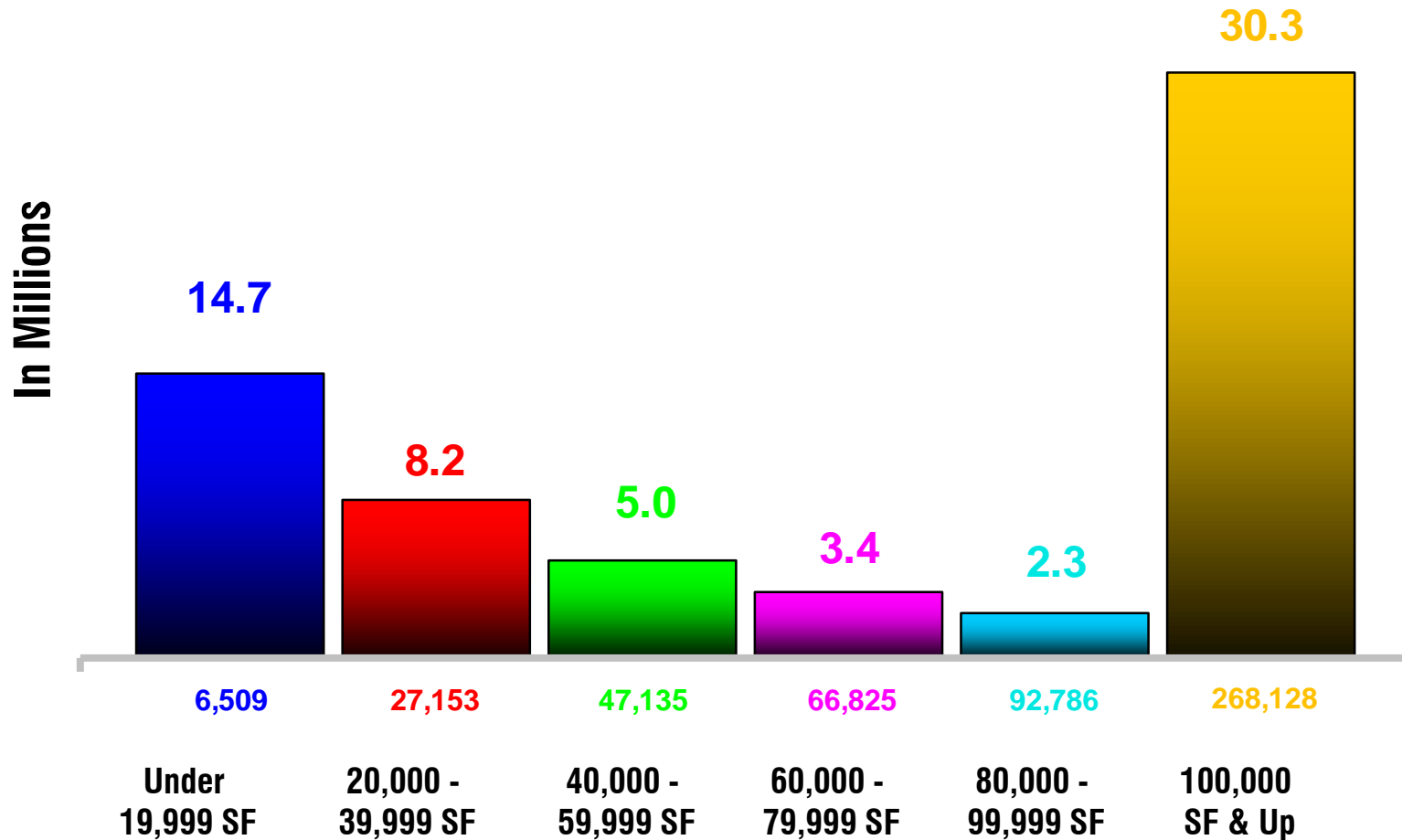
Deals Completed



Numbers represent four rolling quarters as of 1Q 2017.

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Square Feet Leased

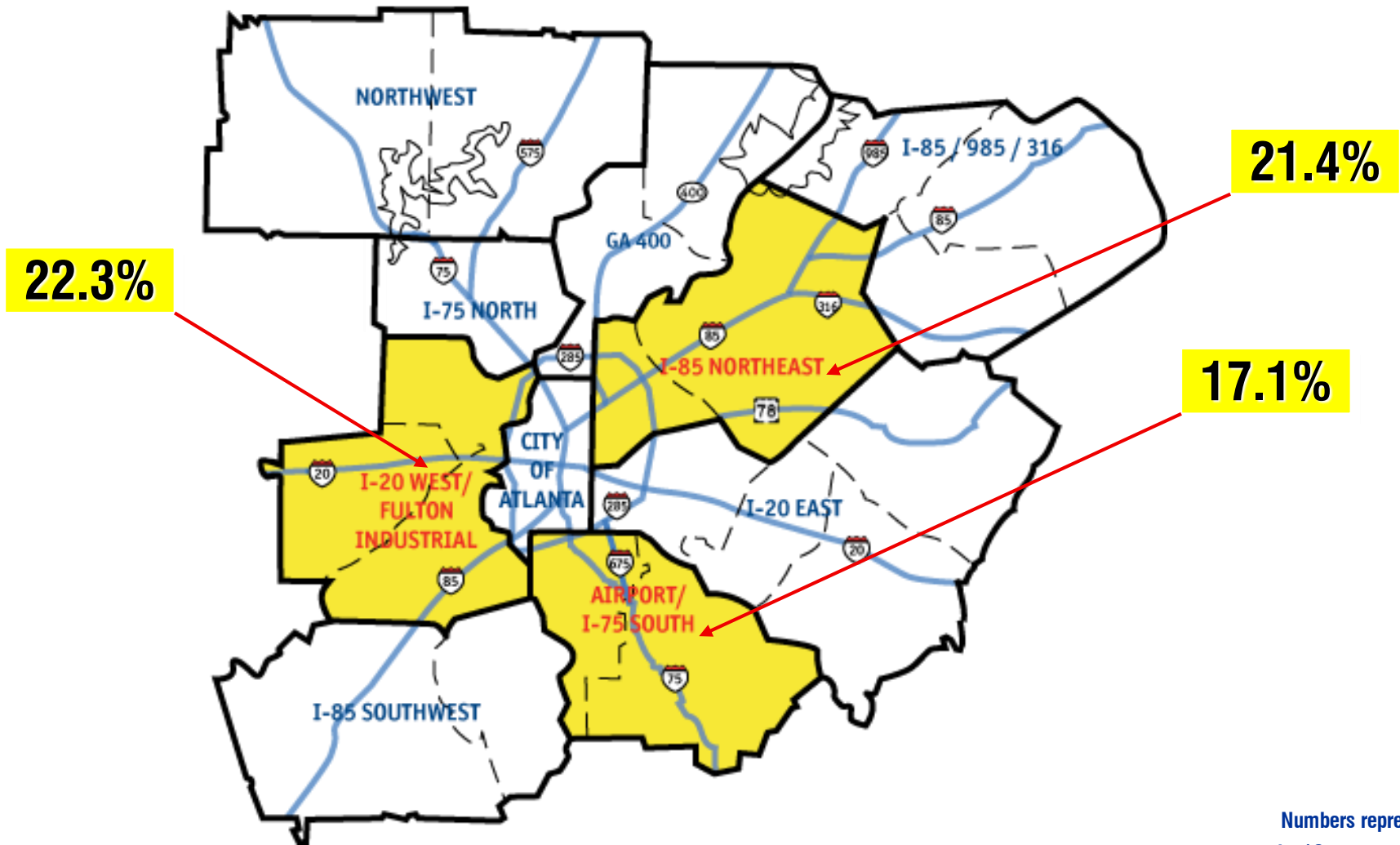


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Distribution Hot Markets

2016 Activity

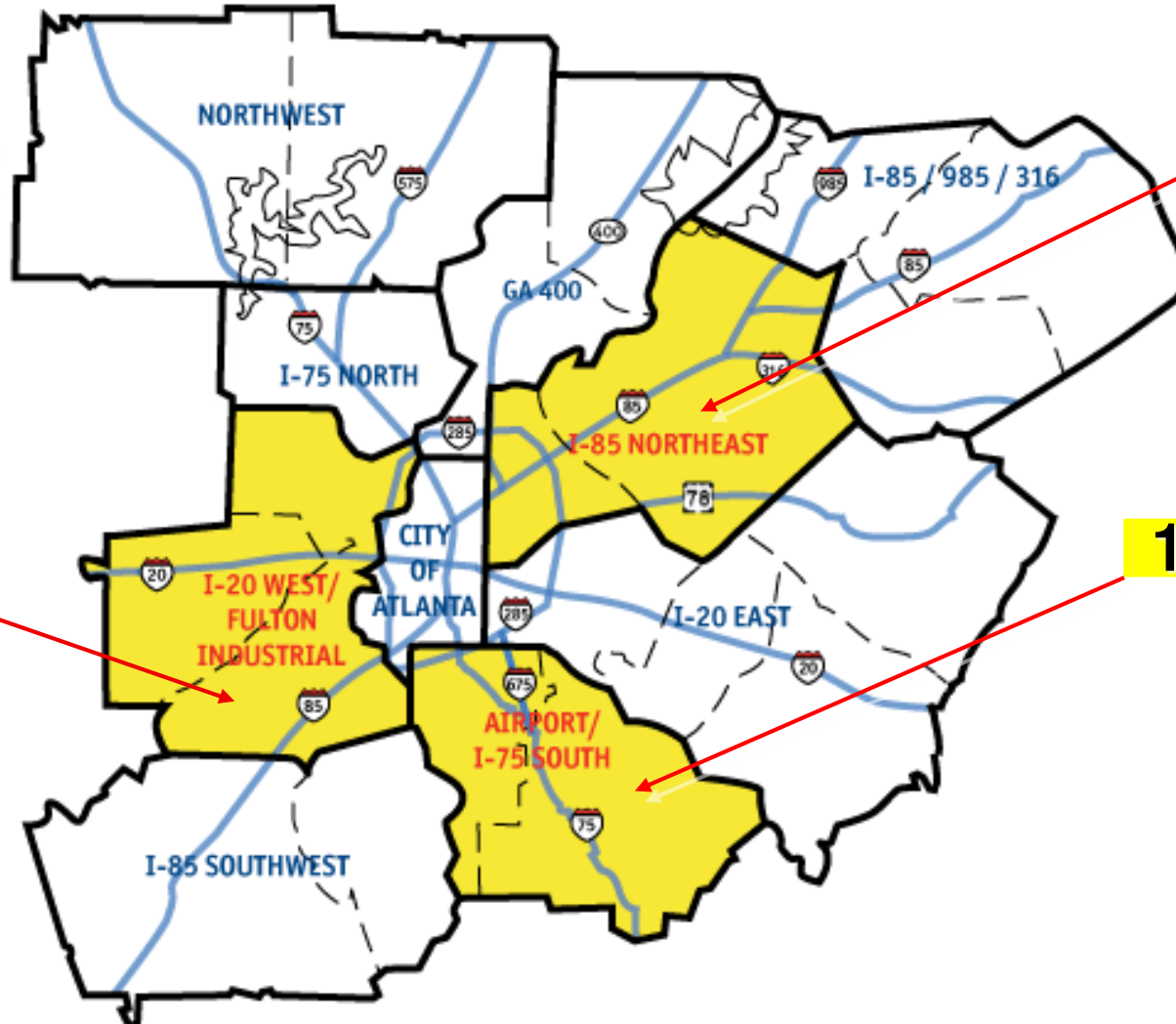


Distribution Hot Markets

2016 Net Absorption

All regions reported positive absorption for the 4 rolling quarters.

29.9%



11.3%

15.5%

Conclusion

No Collapse Here!

- 63.8 million sf of activity, a new record exceeding 1Q16's record by 4.5 million sf!
- 23.9 million sf of positive net absorption – another new record, exceeding 4Q14's record by 2.1 million sf!
- 6.9 million sf of construction – **69% Spec, 31% BTS**
- Availability rate set a record breaking low of 11.3% (since King has been reporting numbers)
- 2+ years of record breaking numbers in activity, absorption & construction
- Sublease spaces rose to 7% (back up 1%) of all available space
- Lending environment is business friendly
- Declining unemployment rates – *Atlanta 5.3%, Georgia 5.3%, US 4.7% (January* / February reports - US Bureau of Labor Statistics)
- Housing market continues to improve, still room for improvement
- National and international uncertainty still persists (taxes, health care, border crisis, issues with the Euro-Zone, the Middle East & China)

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