



Presents:

Atlanta Industrial Market Overview

Third Quarter 2016

The Atlanta Distribution Market



**JEEPERS
CREEPERS
LOOK AT THESE
NUMBERS!!!**

JEEPERS CREEPERS!

**WHERE'D YOU GET
THOSE PEEPERS?**

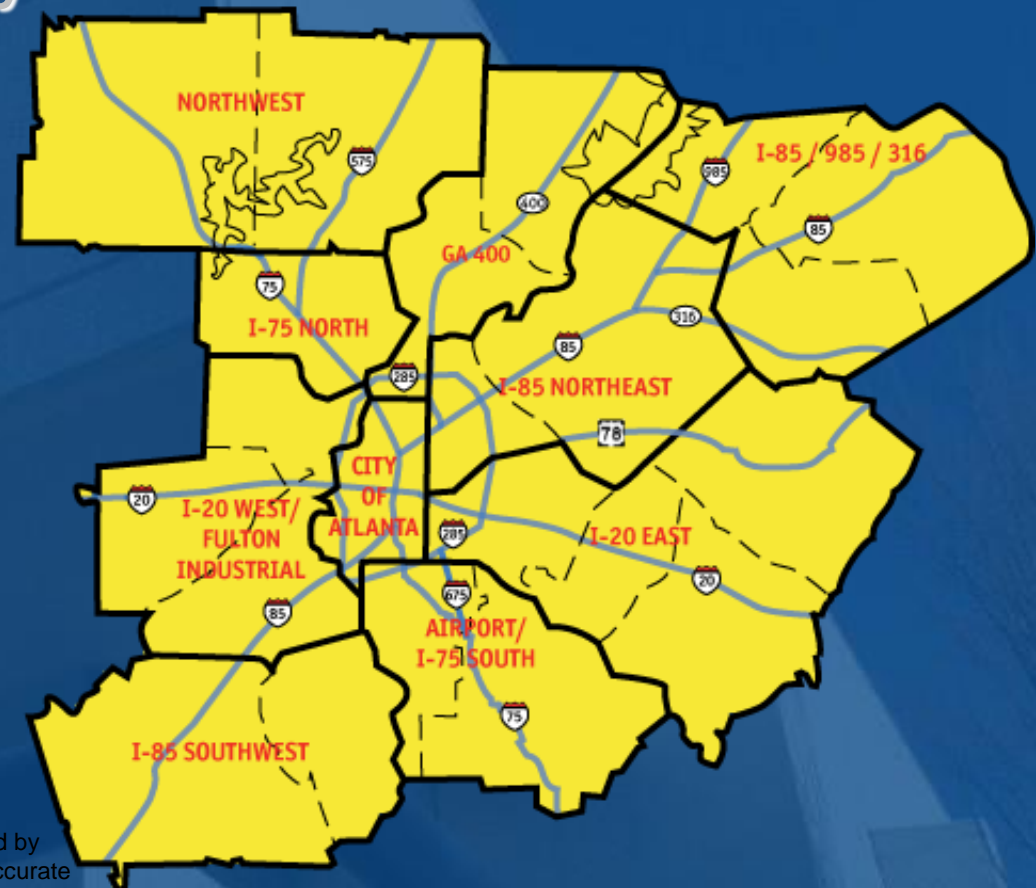
The Atlanta Industrial Market

➤ PinPointsm Technology

– 10 Regions

(distribution & service)

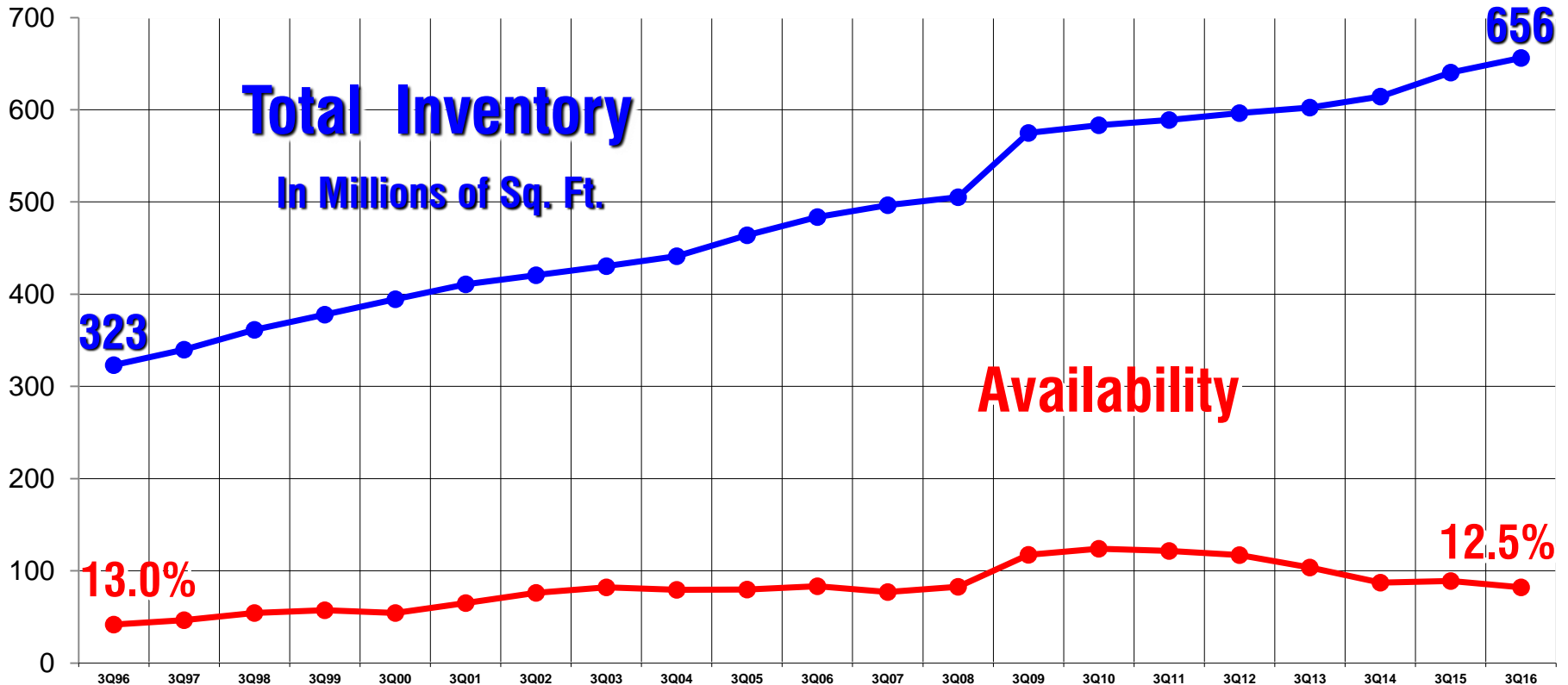
- 681 million sq. ft.
- 14,013 buildings
- 23,735 businesses



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

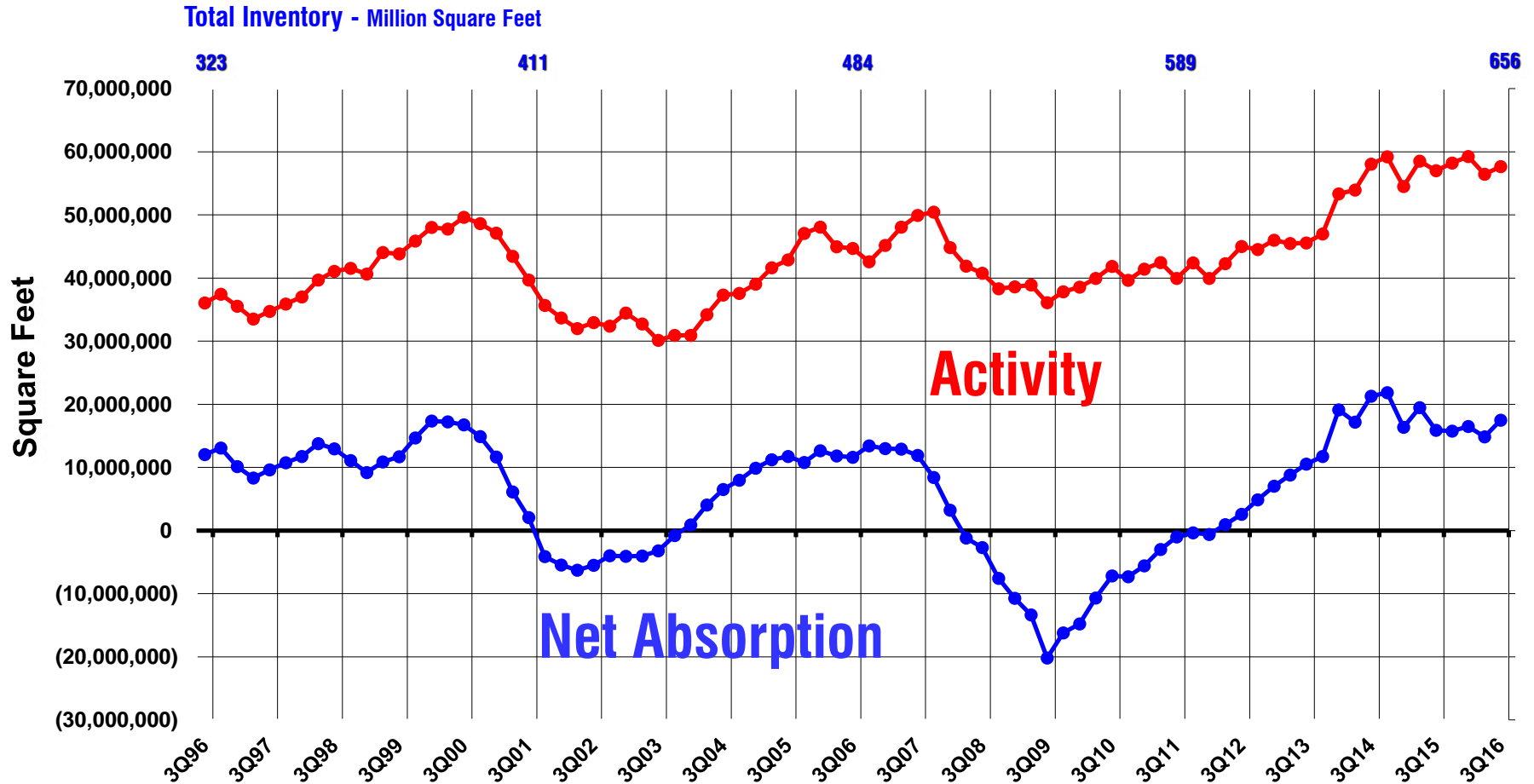
1996-2016



*

* Analysis expanded to include 8 additional counties.

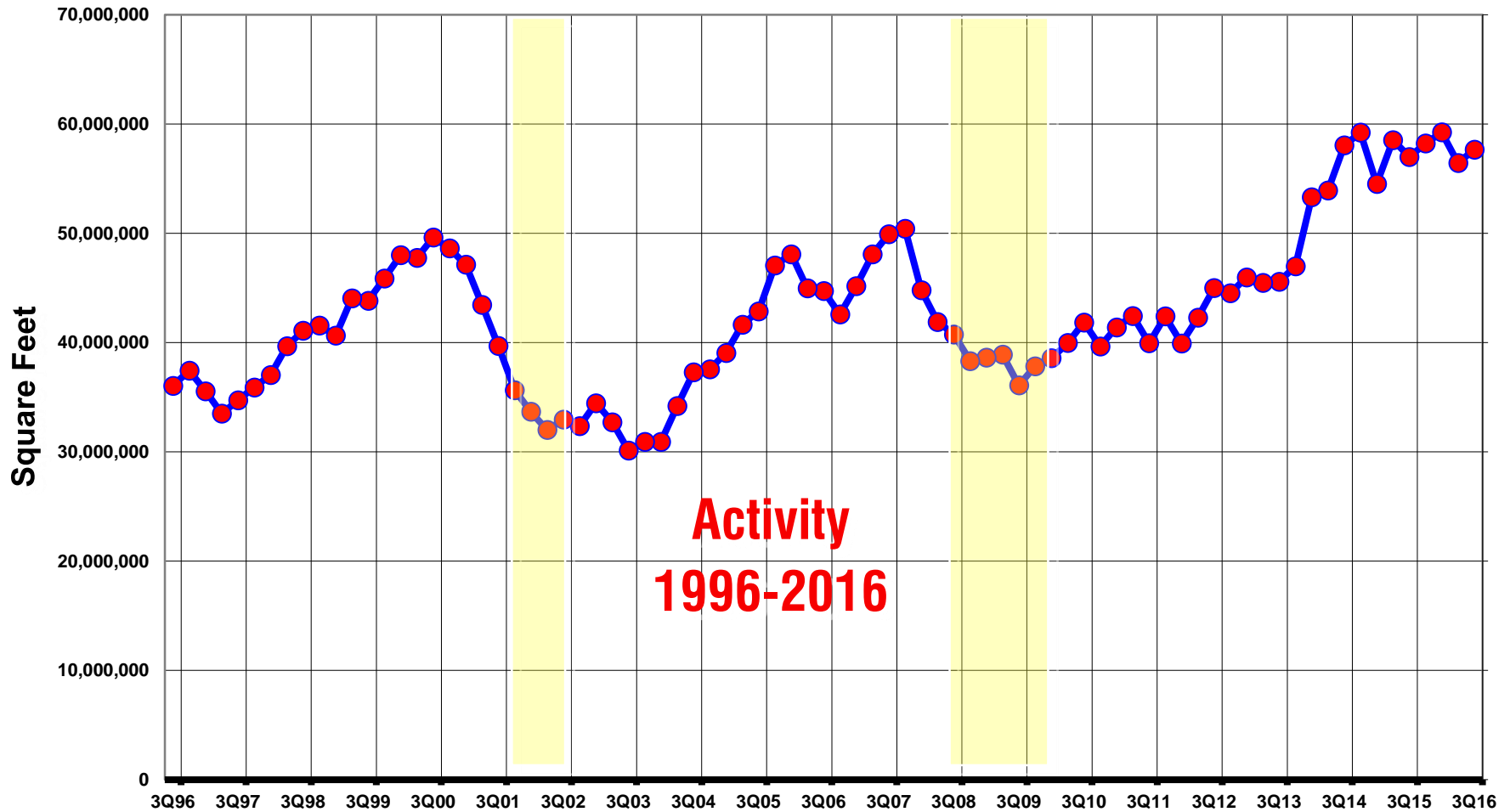
Absorption & Activity



Numbers represent four rolling quarters as of 3Q 2016.

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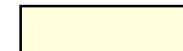
Activity



**Activity
1996-2016**

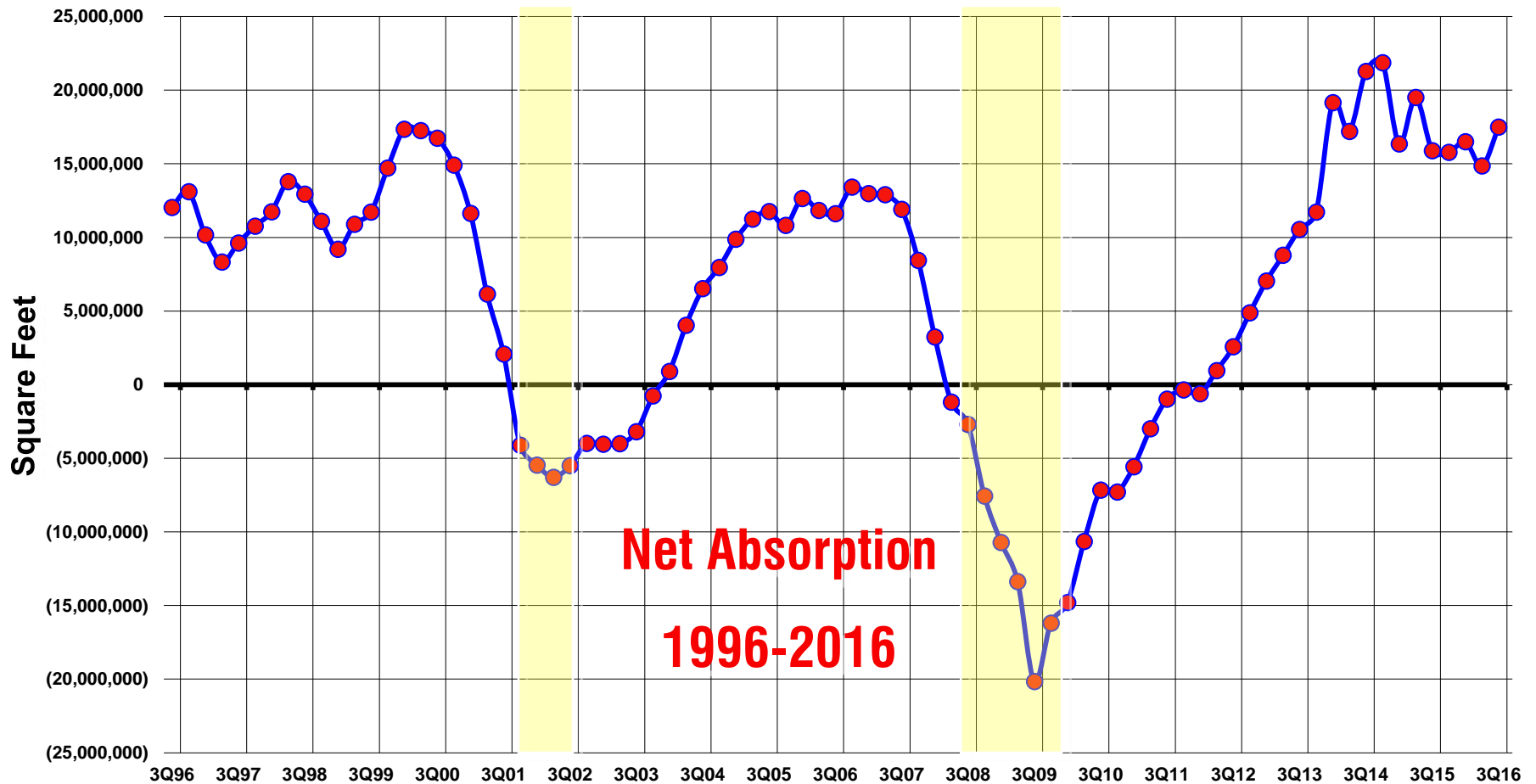
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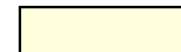
= US Recessions

Absorption



Numbers represent four rolling quarters as of 3Q 2016.

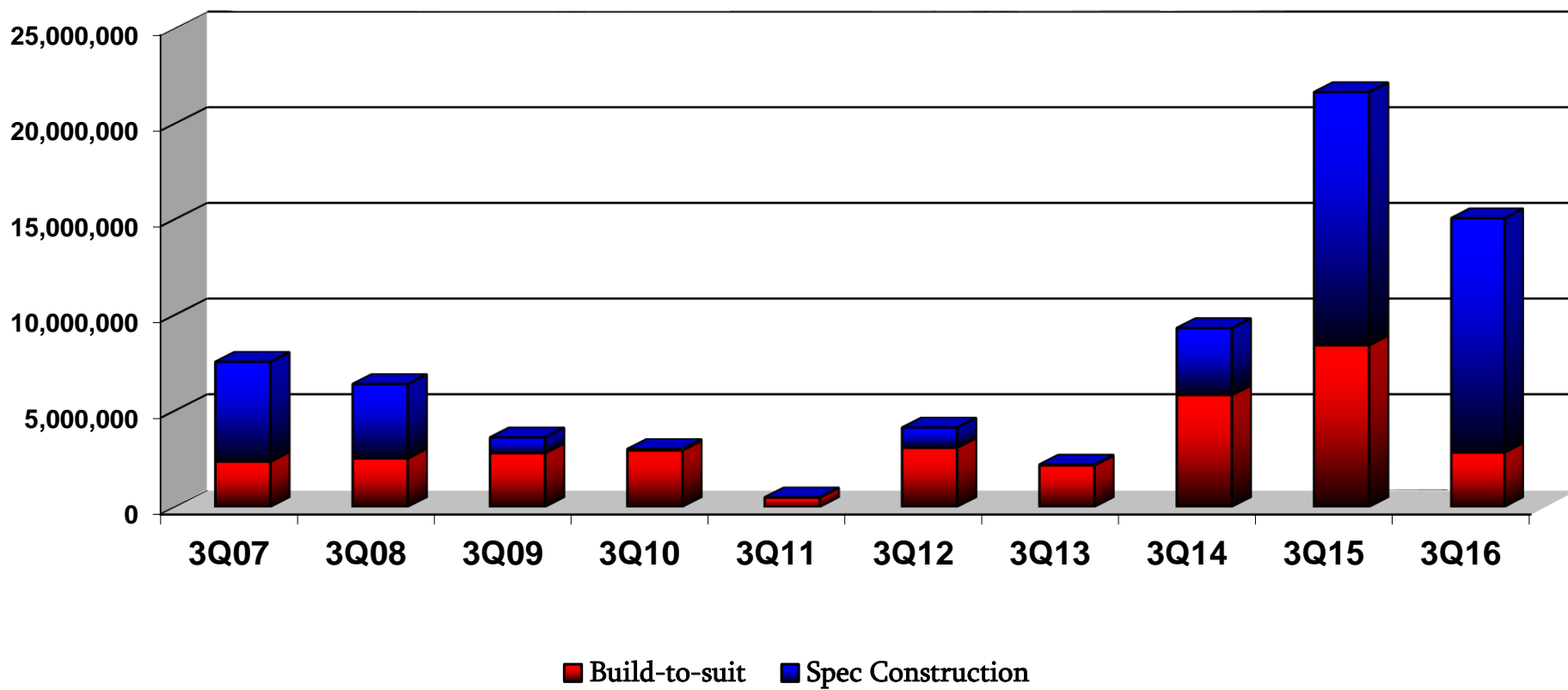
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= US Recessions

New Construction: 2007-2016

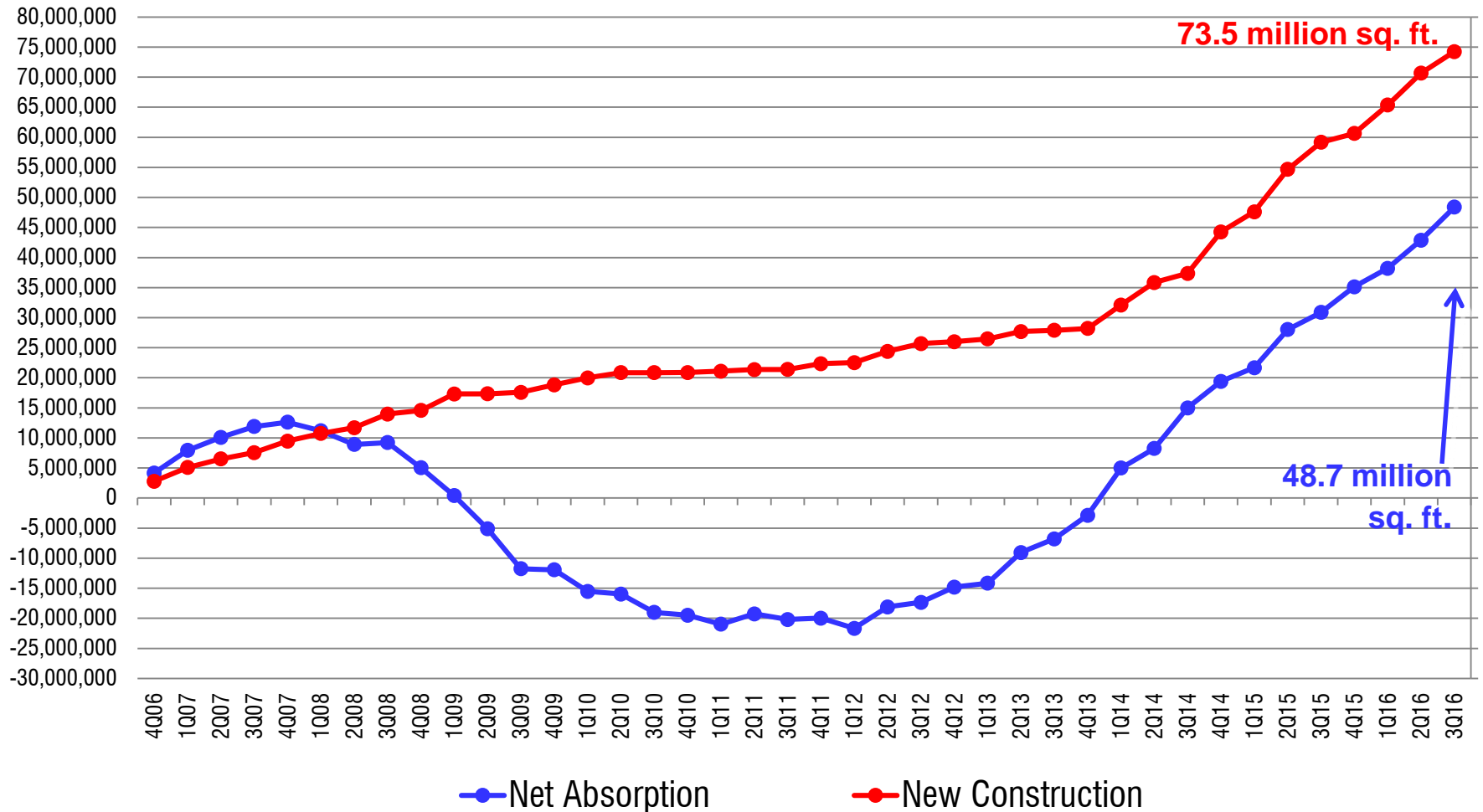
Square Feet



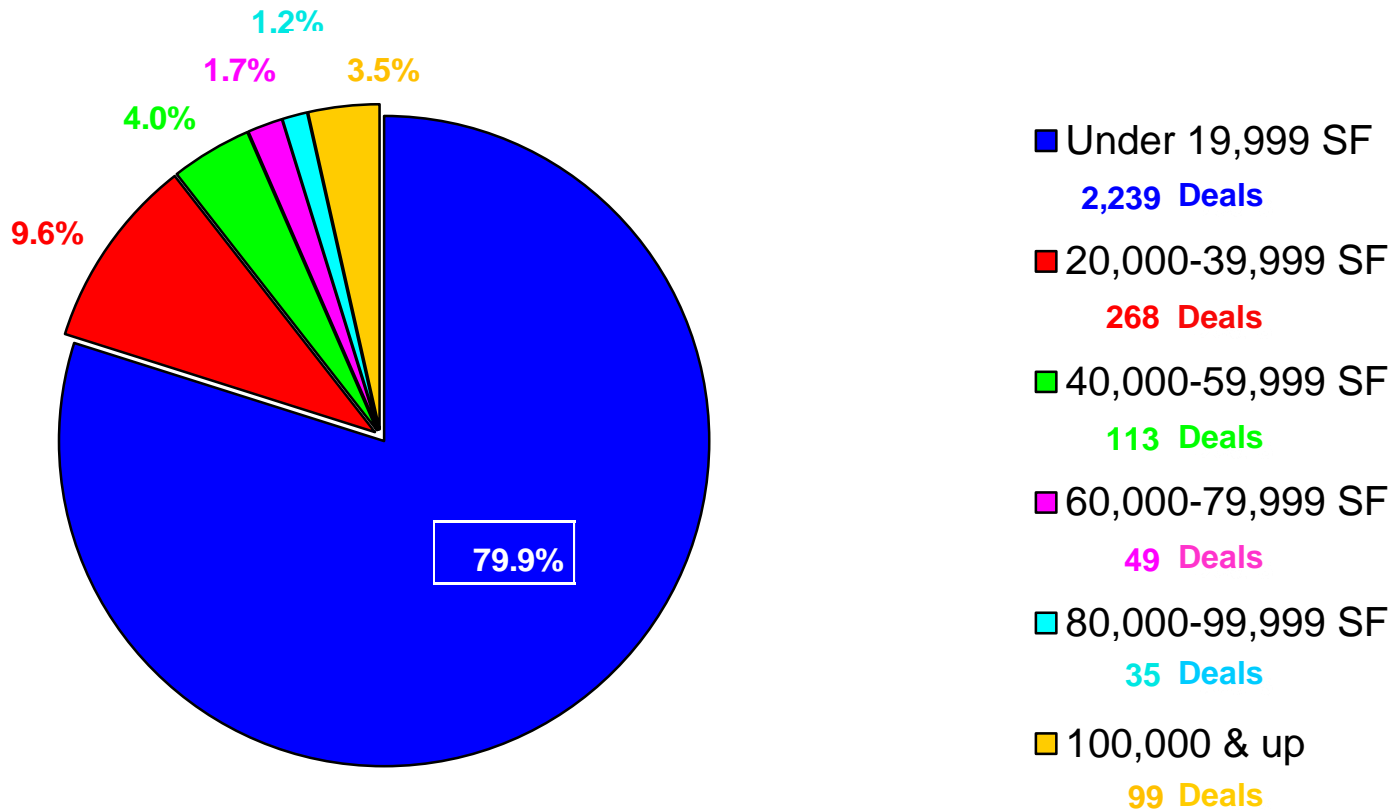
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10 Year Cumulative Net Absorption vs. Construction



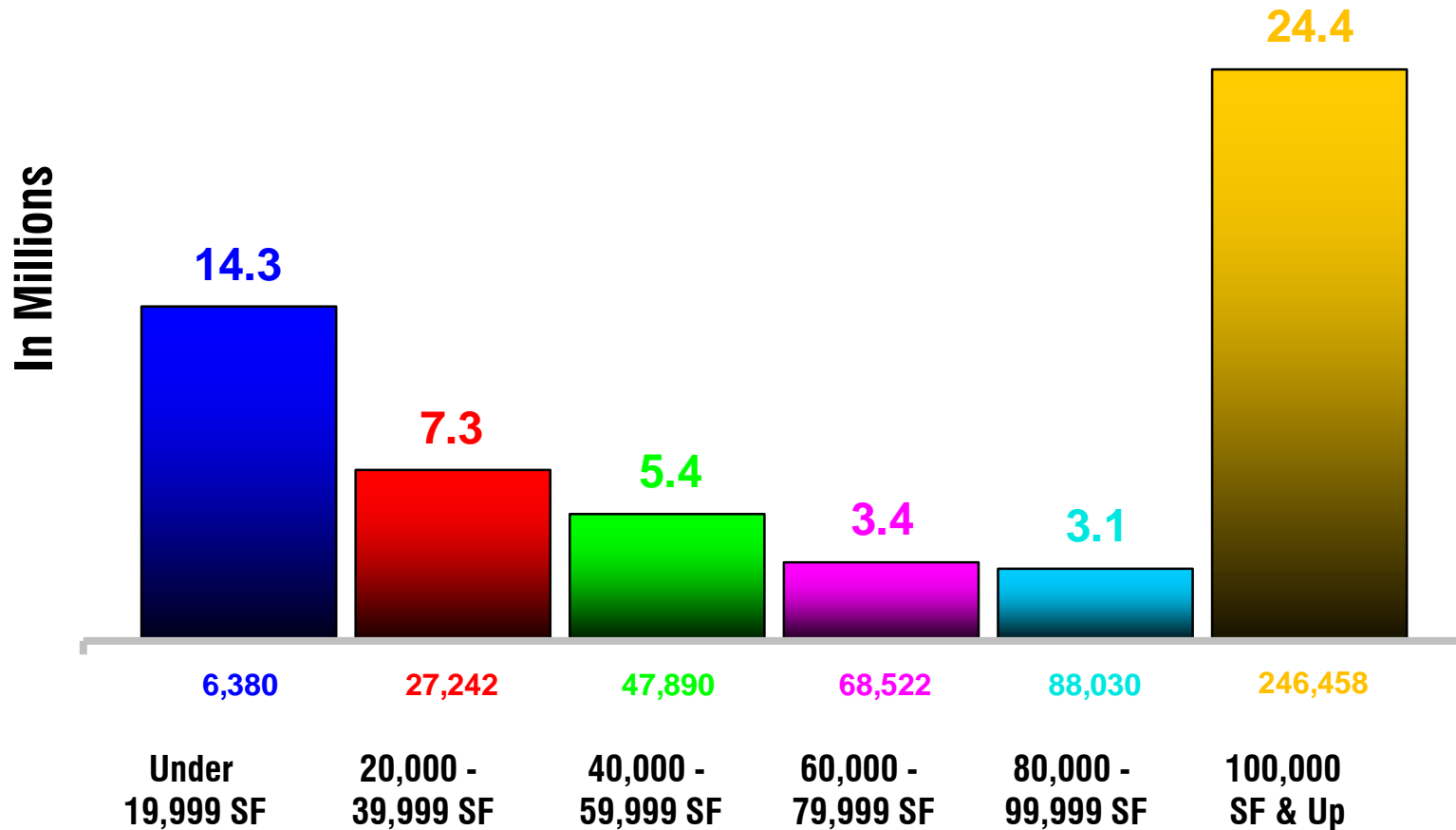
Deals Completed



Numbers represent four rolling quarters as of 3Q 2016.

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Square Feet Leased

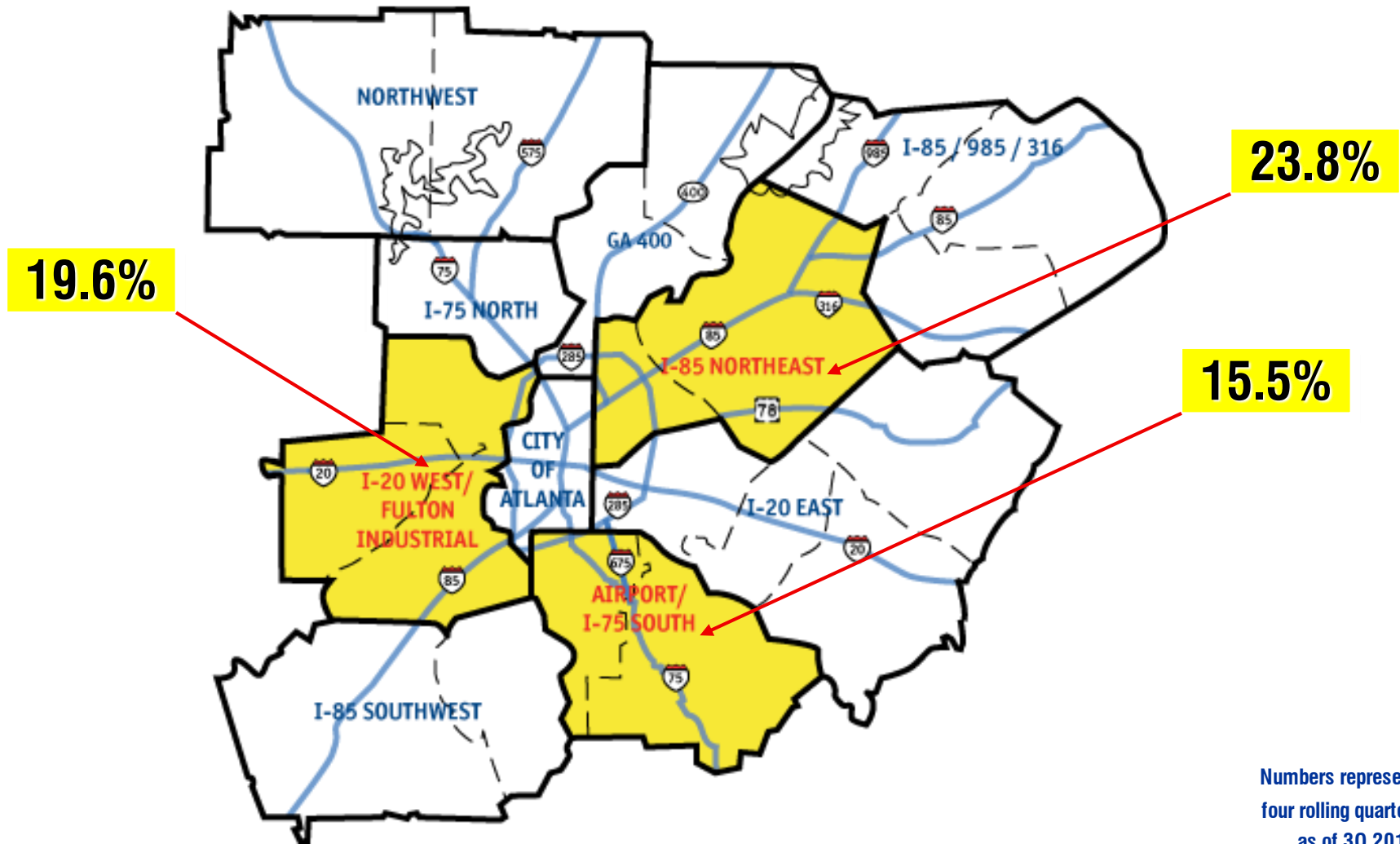


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Distribution Hot Markets

2016 Activity



Numbers represent four rolling quarters as of 3Q 2016.

Distribution Hot Markets

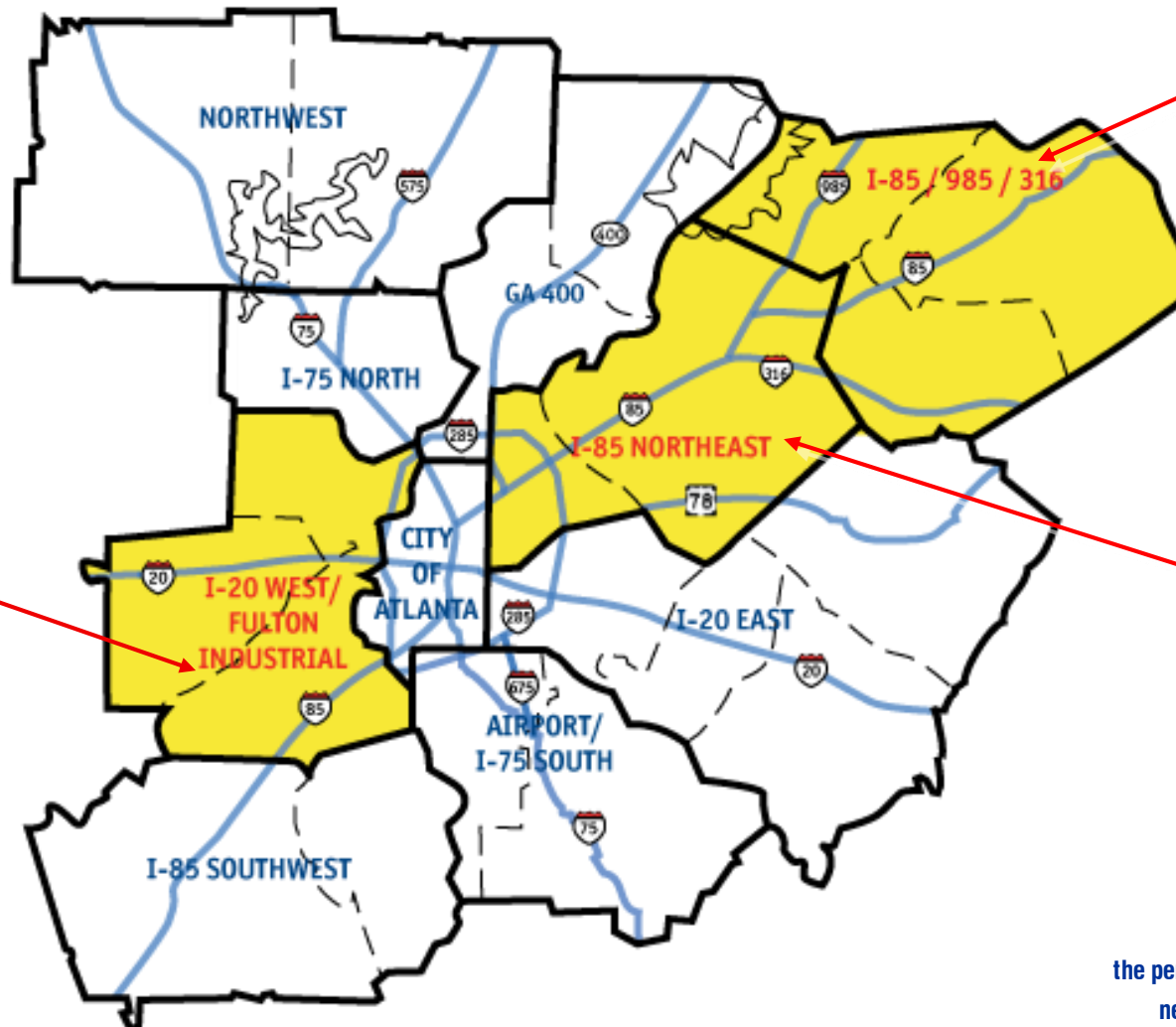
2016 Net Absorption

The only region to report negative absorption for the 4 rolling quarters was I-75 North.

23.6%

13.6%

12.1%



Numbers represent the percentage of the market's negative net absorption for four rolling quarters as of 3Q 2016.

Conclusion

Jeepers Creepers!

- 57.7 million sf of activity, 11 consecutive quarters above 53 million sf
- 17.5 million sf of positive net absorption, 18 consecutive quarters of positive net absorption with 11 consecutive quarters above 15 million sf
- 15.1 million sf of construction – **81% Spec, 19% BTS**
- Availability rate lowest in 21 years (since 4Q95) at 12.5%
- 2+ years of record breaking numbers in activity, absorption & construction
- Sublease spaces rose slightly to 7% (up 1%) of all available space
- Lending environment is business friendly
- Declining unemployment rates – Atlanta **↑**5.0%, Georgia **↓**4.9%, US **↔**4.9%
(August 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, November election, issues with the Euro-Zone, the Middle East & China)

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