

# Submarket Report

OFFICE | SECOND QUARTER | 2008

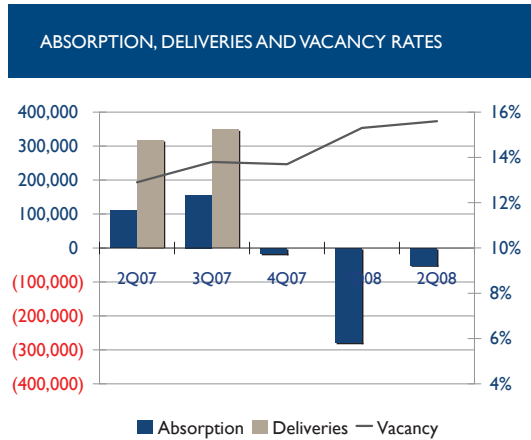


## MARKET INDICATORS

	Q2 2008	NEXT QTR
VACANCY	↑	↓
NET ABSORPTION	↑	↑
CONSTRUCTION	↔	↔
RENTAL RATE	↔	↑

# Midtown

## Highlights



## Midtown

Total SF	16,824,770
Vacancy Rate	15.65%
YTD Net Absorption	(329,819)
YTD Deliveries	0
Under Construction	1,569,274
Avg. Class A Rate	\$24.54

Source: CoStar Property

## UPDATE

### RECENT TRANSACTIONS IN THE SUBMARKET

#### SALES ACTIVITY

PROPERTY	SALE PRICE	SIZE SQ. FT.	SALES PRICE/SQ. FT.	BUYER
1280 W. Peachtree	\$5,500,000	38,723	\$142.03	Lynx Real Estate
Mayfair Royal	\$5,250,000	30,000	\$175	Jackson Oats Shaw
756 W. Peachtree	\$3,050,000	18,378	\$165.96	GA Tech Foundation

#### LEASING ACTIVITY

TENANT	PROPERTY	SIZE SQ. FT.	TYPE
IDI	1100 Peachtree	44,538	Class A Lease
Regus Group	201 17th Street	21,365	Class A Lease
Adorno & Yoss	Two Midtown Plaza	10,401	Class A Expansion

- Midtown still leads the Atlanta office market in negative absorption in 2008. Second quarter absorption was (50,926) SF mostly due to a lack of new leasing activity. Midtown's rough first quarter is the main reason why it remains the leading submarket with the most space lost year-to-date.
- The second highest amount of office space under construction is taking place in Midtown. 1075 Peachtree at 785,000 SF is the largest office building currently being built in Atlanta. It is expected to deliver 2010.
- Road construction projects occurring all over the submarket are causing headaches for area office tenants. Outside of the economic slowdown, this may be a reason why leasing has slowed in Midtown.

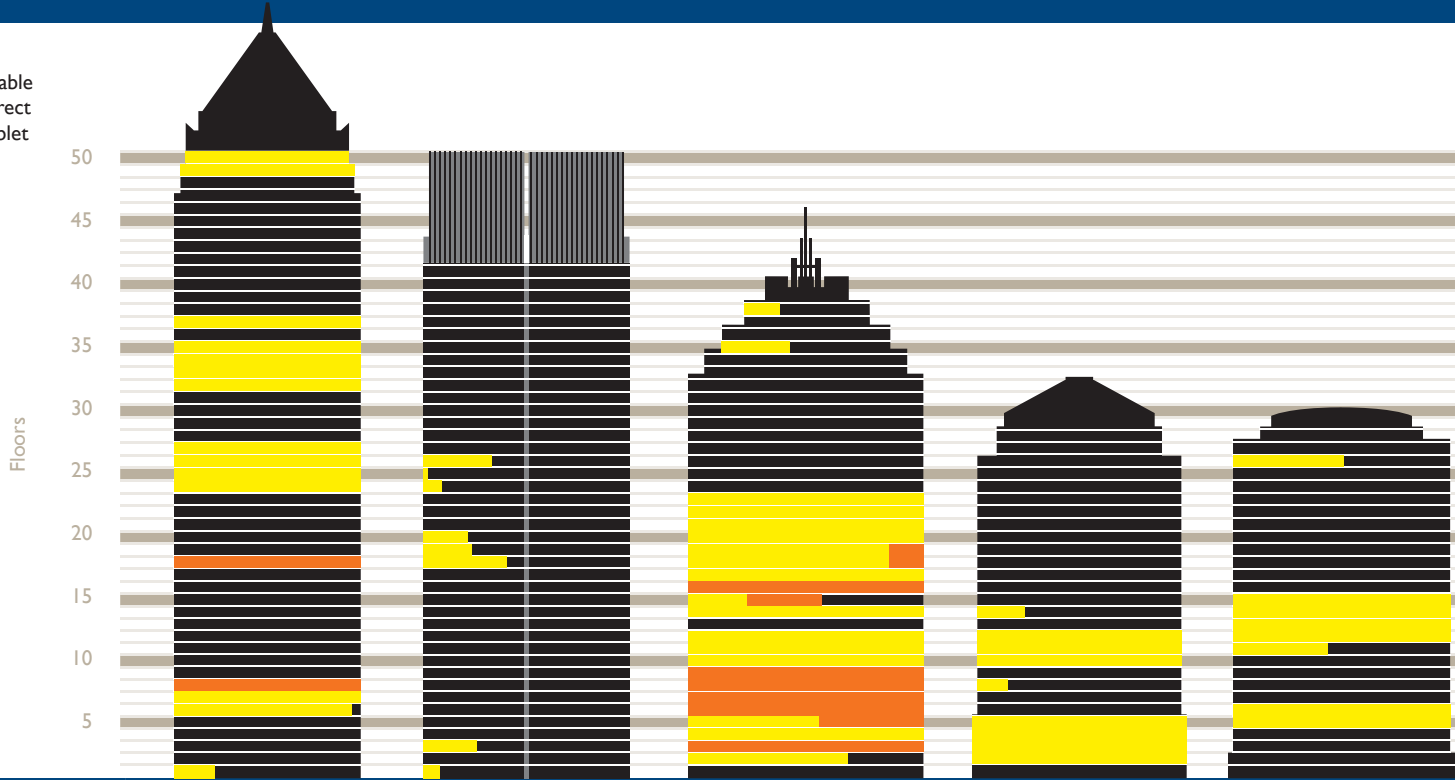
COLLIERS  
SPECTRUM CAUBLE

www.colliers.com

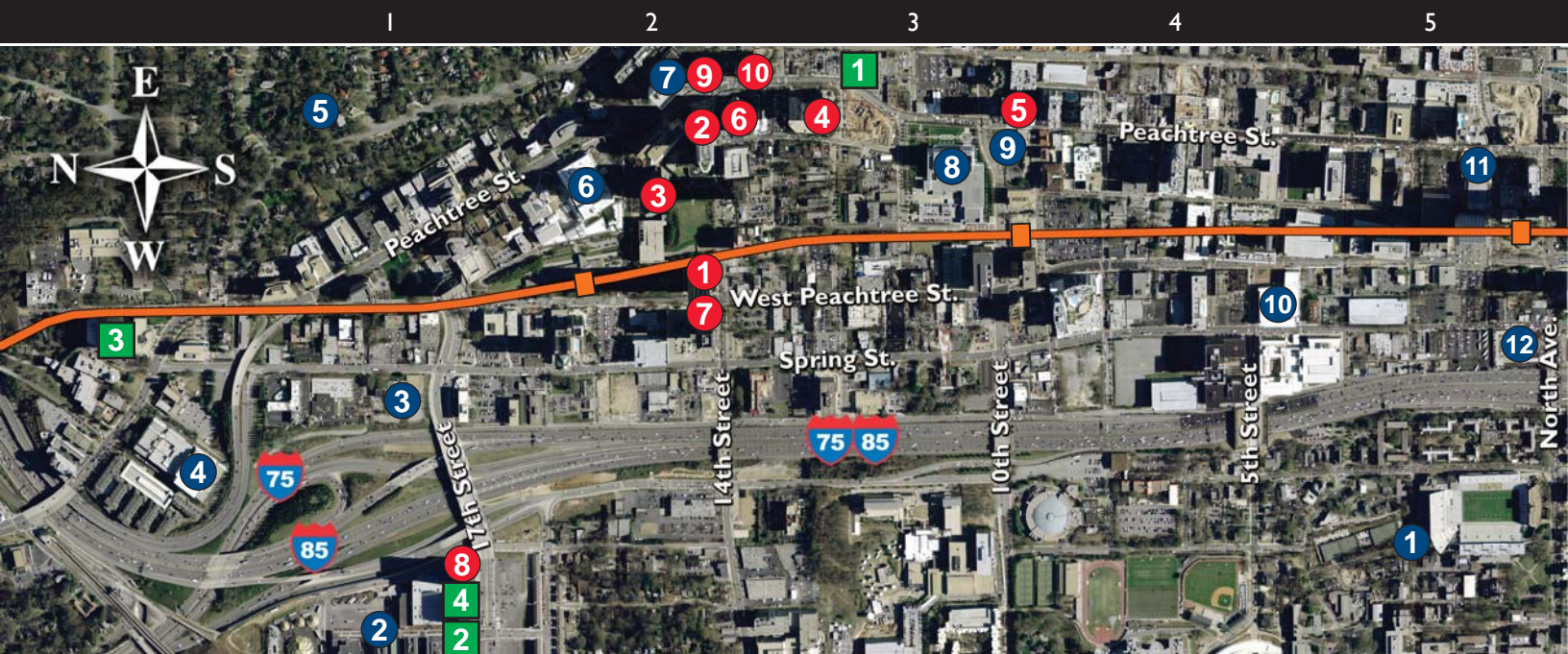
Colliers Spectrum Cauble  
Two Midtown Plaza, Ste 1100  
1349 W Peachtree Street  
Atlanta, GA 30309  
Tel: 404.888.9000  
Fax: 404.870.2845

# MIDTOWN SKYLINE REVIEW

Space Available  
 Direct  
 Sublet

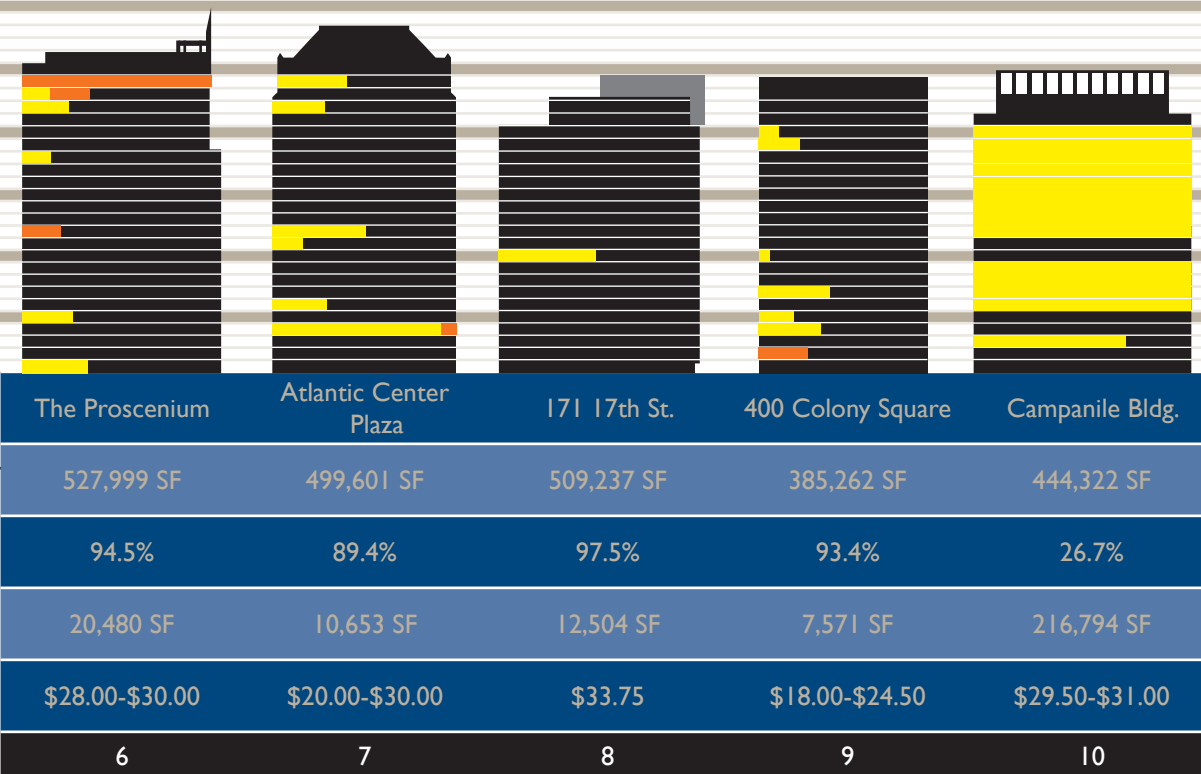


BUILDING	One Atlantic Center	1180 Peachtree	Promenade II	1100 Peachtree	999 Peachtree
RBA	1,100,312 SF	669,711 SF	774,344 SF	581,833 SF	623,440 SF
% LEASED	78.3%	94.5%	98.1%	72.4%	77%
LARGEST SPACE AVAIL.	93,427 SF	19,976 SF	449,000 SF	84,996 SF	87,053 SF
RENTAL RATE PER SF (Gross)	\$29.50-\$35.00	\$39.25-\$39.75	\$13.50-\$27.50	\$27.75-\$28.75	\$28.00-\$29.00



## NEW CONSTRUCTION

Source: CoStar Property



**1075 PEACHTREE ST.**  
725,000 SF  
Under Construction  
Delivering 1st Qtr. 2010  
Developer: Selig/Daniel JV



**271 17<sup>TH</sup> STREET**  
534,120 SF  
Under Construction  
Delivering April 2009  
Developer: AIG Global/Carter

## NEWLY DELIVERED



**TWO PEACHTREE PTE.**  
294,139 SF  
Delivered 2007  
Developer: Dewberry Capital



**201 17<sup>TH</sup> STREET**  
349,402 SF  
Delivered 2007  
Developer: AIG Global/Carter

## AERIAL LEGEND

- Buildings by Number (see opposite page)
- MARTA Rail Line
- New Construction

## POINTS OF INTEREST

- 1** Georgia Tech
- 2** Atlantic Station
- 3** Center for Puppetry Arts
- 4** Savannah College of Art & Design
- 5** Ansley Park
- 6** Woodruff Arts Center
- 7** Colony Square
- 8** Federal Reserve
- 9** Margaret Mitchell House & Museum
- 10** Technology Square
- 11** The Fox Theater
- 12** The Varsity

