

# Lee & Associates Atlanta Savannah Industrial Market Report Spring 2020



## MARKET HIGHLIGHTS

While fundamentals are still healthy, vacancies ticked higher as well as a significant decrease in net absorption in the first quarter of 2020 in the Savannah Industrial market. Demand for space in the market is poised strong, however. The market absorbed roughly 7.4 million SF of space in 2019, and on a year-over-year basis, the Savannah market is in the top ten nationally for net absorption.

Though Savannah has seen accelerated leasing momentum in the past and record-setting Port of Savannah (Georgia) activity, the market could see a marked slowdown due to the Coronavirus pandemic. With the Savannah market relying heavily on this sector, slowing economic conditions could slow rent growth and demand.

## LARGEST PROJECTS UNDER CONSTRUCTION

as of Q1 2019

Project Location	Building SF	Tenant	% Leased	Delivery
Wilcat Dam Rd Bldg 2	1,135,680	Spec	0%	Q2-20
GA Int'l Trade Ctr Bldg 2B	1,067,040	Spec	27%	Q3-20
Trade Park One Bldg 2	1,000,000	Anatolia Tile & Stone	100%	Q4-20
Sav' Gateway Ind Hub 1D	1,000,000	Spec	61%	Q4-20

## 2020 TOP LEASES

Property Name	Address	Submarket	Tenant Name	SF	Quarter
1315 Dean Forest Bldg 1	1315 Dean Forest Rd	Outlying Chatham County	Port Logistics Group	355,237	Q1
Georgia Int'l Trade Ctr Bldg 1	1004 Trade Center Pkwy	Effingham County	Dukal Corporation	269,950	Q1
437 Telfair	437 Telfair Rd	Greater Savannah	JIT Warehousing	207,676	Q1
Cowan Logistics Park Bldg C	Morgan Lakes Ind Blvd	N Savannah/Garden City	Logipia	103,840	Q1
5240 Old Louisville Rd	5240 Old Louisville Rd	Bloomingdale/Pooler	Outsource Logistics	100,000	Q1

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party data sources: CoStar Group, Inc., Real Capital Analytics, Georgia State Economic Forecasting Center, SEDA, Georgia Ports Authority and Site Selection.

The Lee & Associates Savannah Industrial Market Report compiles market data by using a third-party database for the proprietary analysis of over 8 million Industrial and flex properties in the Savannah area.

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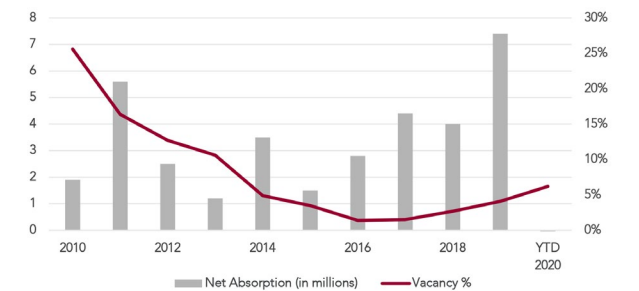
## Q1 2020 QUICK STATS

↓ **-0.4 M SF** Net Absorption

↓ **5.7 M SF** Under Construction

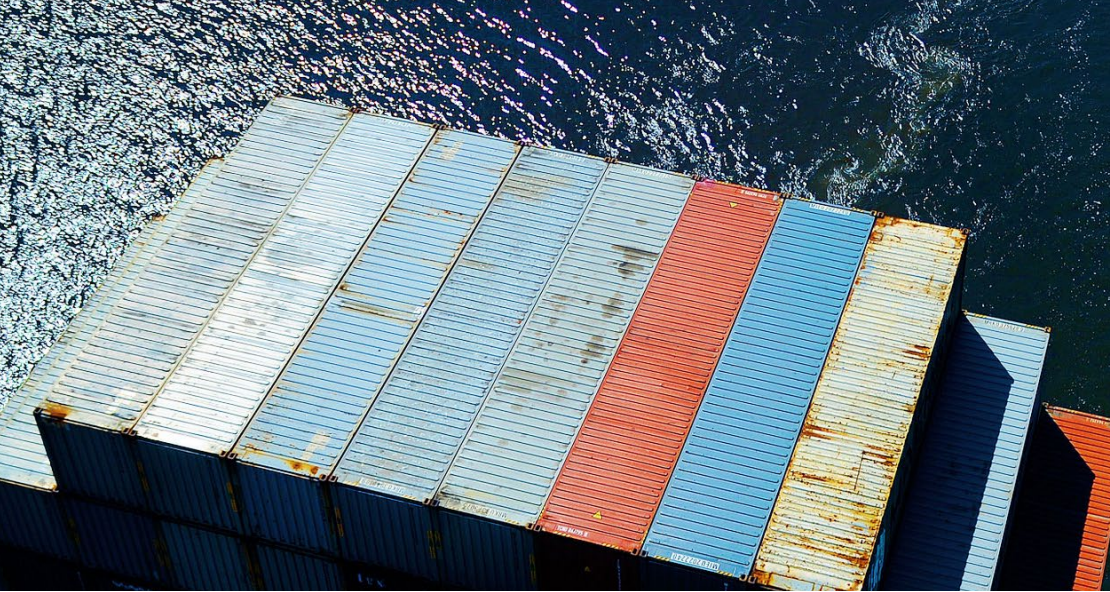
↑ **6.5%** Vacancy Rate

## VACANCY & NET ABSORPTION 2010 - 2020



# THE LARGEST SINGLE CONTAINER TERMINAL IN NORTH AMERICA

- Georgia Ports Authority

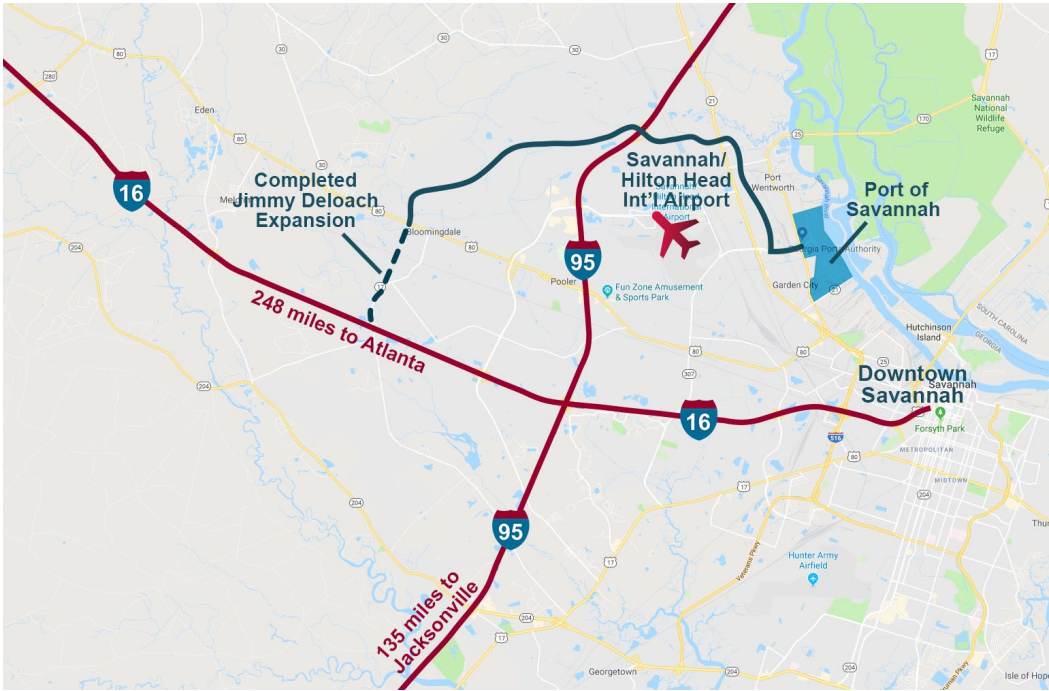


## THE PORT OF SAVANNAH Location & Infrastructure

The Port of Savannah, a four hour drive to the major markets of Atlanta, Orlando and Charlotte, is the nation's fastest-growing and fourth-largest container port. The Port of Savannah offers the complete logistics package and a location that is 100 miles closer to Atlanta than any other port. Supported by a 1,200 acre container yard, the Port of Savannah provides a gateway to the eastern United States. The Garden City terminal is just six miles from interstates 16 and 95. With two class one railroads (CSX & NS) located on terminal with on dock rail and line haul services, this combination of rail and interstate access makes moving goods fast and reliable.

## SAVANNAH ECONOMY Business in Savannah

The Savannah area boasts a large workforce population of more than 902,000 and a flourishing economy thanks to increasing tourism, a thriving port and a strong manufacturing and distribution sector. Forty four (44%) percent of the U.S. population can be reached within a 24 hour drive from Savannah and the Savannah/Hilton Head International Airport provides more than 38 daily direct flights. According to *Site Selection*, Georgia was named the number one (#1) state for doing business for the sixth year in a row in 2019, and nowhere is that more evident than in Savannah where businesses are thriving on a global scale.



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### About Lee & Associates

In 2010, our Atlanta office joined Lee & Associates, the largest broker-owned commercial real estate sales organizations in the U.S. As a local office of this highly respected national firm, the Atlanta team capitalizes on Lee's stellar reputation to continue its paradigm of establishing long-term, client-driven relationships to develop customized solutions for every client's specific real estate requirement.