

HADDOW'S REAL NEWS

QUARTERLY MARKET INSIGHTS

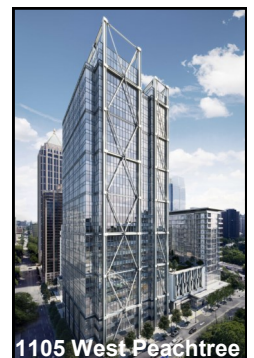
SECOND QUARTER 2020

ATLANTA'S SILVER LINING

With all the negative news since March, it is easy to overlook the positive momentum Atlanta has recently experienced. The five largest public companies in the world in terms of market capitalization are Apple, Microsoft, Alphabet (Google), Facebook, and Amazon. Four of the five companies have made significant commitments to metro Atlanta in recent years. Having these high-growth companies establish a firm foothold in Atlanta bodes well for the city's future growth prospects. In addition, other large corporations have made major announcements in the last 12 months.

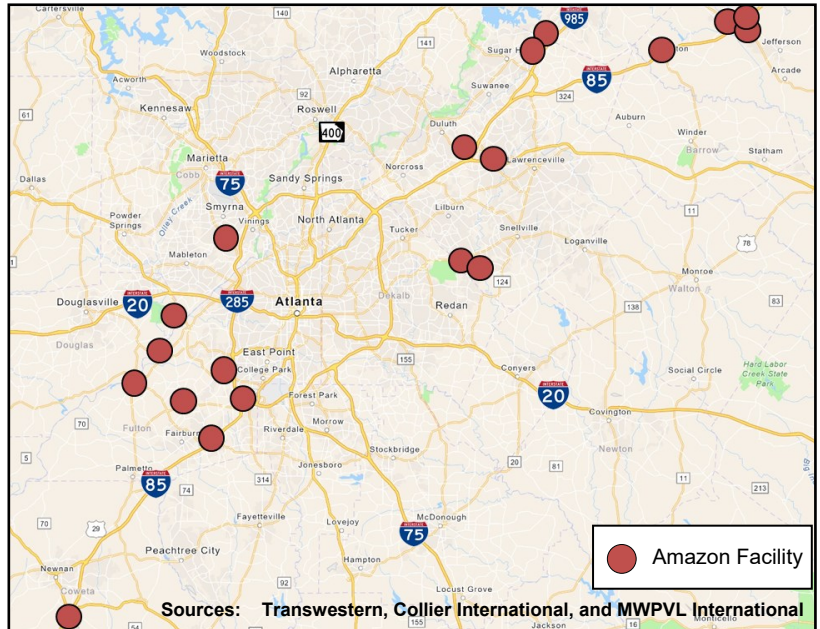
- ❖ **Microsoft** will lease the entire Atlantic Yards development (523,000 square feet) where it will create 1,500 jobs. The new technology unit will focus on cloud computing and artificial intelligence.
- ❖ **Facebook** recently signed a lease at T3 West Midtown (35,900 square feet) and opened the first phase of its massive data center (970,000 square feet) in Newton County.
- ❖ **Google** has executed a 135,000-square-foot lease at 1105 West Peachtree, but the company is reportedly looking to expand into 475,000 square feet.
- ❖ Although **Amazon** passed over Atlanta for its big HQ2 announcement, the e-commerce giant now has 19 distribution centers in Georgia, totaling nearly 13 million square feet of space, either existing or under construction. Amazon has signed over 5 million square feet of new leases this year in the metro area.
- ❖ **Norfolk Southern** announced it would move its corporate headquarters to Atlanta into a new 750,000-square-foot building in Midtown, which is now under construction. The move will add 850 jobs with an average salary of \$105,000.
- ❖ **BlackRock** leased 132,000 square feet at 725 Ponce and is opening a technology-focused iHub, which could eventually employ 1,000 people. This will be one of only three iHub locations worldwide for BlackRock.
- ❖ **Invesco** leased 303,000 square feet at the Midtown Union development where it will bring 500 new jobs to Atlanta.

Many cities and states struggle to retain existing employers and attract new business. Atlanta enjoys an enviable position.



THE ROBOTS ARE COMING

The coronavirus pandemic is accelerating the shift to online shopping, a trend that bodes well for Atlanta's industrial market. Amazon was rapidly expanding its distribution network in Georgia prior to Covid-19, and the company is likely to become even more aggressive to meet the growing demand. Amazon will soon move into its first multi-story facility in Atlanta, a 2.5-million-square-foot, four-story building in Stone Mountain. It is also the company's first robotic fulfillment center in the state.

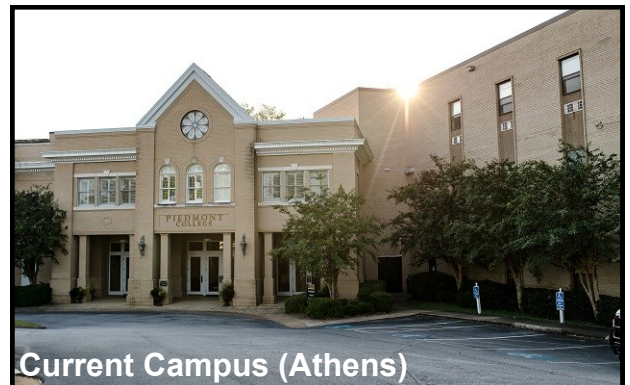


Note: There are 19 Amazon facilities in the metro Atlanta area, totaling almost 13 million square feet. Data as of July 9, 2020.

CLIENT'S CORNER

Piedmont College, a liberal arts institution founded in 1897 and based in Demorest, Georgia, has had a satellite campus in Athens since 1996. The College purchased its current campus, a former church property, in 2006. The changing landscape in higher education led the College to hire our firm in September 2019. Our charge was to sell the current campus and identify a suitable new location to lease. This would allow the College to reinvest capital from the sale and create a better learning environment for the students and faculty in Athens. Working in concert with architecture firm ASD|SKY, we concluded that the College had three times more space than it needed moving forward. Our firm studied the local market to determine the potential interest level in the current campus, as well as its probable value. We also evaluated relocation candidates for leased space.

The College recently entered into a lease-purchase agreement on its current campus with the Clarke County School District, which will relocate its administrative offices there. Piedmont College is moving six blocks down Prince Avenue, where it leased a new 32,700-square-foot building.



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