

HADDOW'S REAL NEWS

QUARTERLY MARKET INSIGHTS

SECOND QUARTER 2014

Silver Anniversary

Our company celebrated its 25th anniversary on July 1! As the date approached, the significance of this milestone became more apparent. We celebrated the occasion by inviting six former associates to a luncheon on July 2 (see photo below). The following are a few highlights and measures of our work since 1989.

Greatest Distance Traveled for an Assignment

A tie involving two properties owned by the same technology company in Grass Valley, California, and Portland, Oregon.

Biggest Community Impact

Convinced the Georgia State University School of Music to relocate to the vacant Rialto Theater in 1992, which spurred renewal of the historic Fairlie-Poplar area.

Most Challenging Assignment

Downtown revitalization strategy for East Saint Louis, Illinois, a city plagued by poverty, neglect, and political corruption.

Best Market Timing

Assisting a family to optimize the value of an inherited property at the peak of the market just before it turned south in 2007.

Most Unique Property

48,000-acre land assemblage located 30 miles west of Phoenix, Arizona, which had been foreclosed upon by a British merchant bank.

Favorite Bookend Assignment

Advised a client on the purchase (1992) and sale (2006) of The Prado in Sandy Springs, which proved a very wise investment.

Client Composition (Since 2002)

Corporate (9%); Investor (14%); Developer (39%); Family (12%); Other (26%).



By the Numbers

Number of Assignments **915**

Number of Transactions **52**

Business Peak **2006**

Business Valley **2009**

Most Assignments in One Year **63**

Entrepreneurship Centers

Atlanta has long been home to technology startup companies, but there has been a significant spike in activity since early 2013. David Cummings was the first to dive into privately-led entrepreneurship centers in Atlanta when he purchased a Buckhead office building in late 2012 and converted it to the Atlanta Tech Village. Since then, there have been a number of announcements springing up regarding new entrepreneurship center concepts around the Atlanta area.

Private companies, such as AT&T, Panasonic, and Deloitte, have taken notice as well, creating in-house space for new devices and ideas to hatch.

The recent tech boom has also brought "code schools" to the area. These schools provide full-time instruction and supply the industry with the talent needed to grow organically.

As the startup culture continues to spread throughout Atlanta, the potential ripple effect for the Atlanta economy and real estate market is immense.

Notable Entrepreneurship Centers

Name	Location	Total Space (Sq. Ft.)	Opening Date
Atlanta Tech Village	Buckhead	103,000	January 2013
Tech Square Labs	Midtown	20,000	April 2014
Industrious	Midtown	11,000	Coming Soon
Switchyards	Downtown	20,000	Planned
Maverick House	Brookhaven	80,000	Planned
Total Space		234,000 Sq. Ft.	

Condominium Rebound

Condominium development in intown Atlanta came to a screeching halt in 2009 as the economy sputtered. Town-home development has recovered, but conventional condominium construction is still dormant. Atlanta's peer cities (Dallas, Nashville, Raleigh, and Charlotte) are also experiencing a drought, although Nashville and Dallas are seeing some activity. Two active projects in these markets may provide a glimpse of what the next wave of condominium development could look like in Atlanta. The accompanying table shows key facts for both developments:

	Museum Tower	Twelve Twelve **
City	Dallas	Nashville
Initial Occupancy Date	January 2013	September 2014
No. of Stories	40	23
No. of Units	113	286
Units Sold	34	0
Units Under Contract	2	65
Unit Size Range (Sq. Ft.)	1,650 - 5,000*	659 - 3,800
Average Unit Size (Sq. Ft.)	3,000	1,120
Unit Price Range	\$1,350,000 - \$4,300,000*	\$268,000 - \$2,575,000
Average Price Per Sq. Ft.	\$800	\$530

* Does not include penthouse units (9,000 square feet).

** Twelve Twelve was financed as a rental project but converted to condominiums during construction.

To monitor key economic and housing indicators, please visit our website. As always, your thoughts and feedback are encouraged.

www.haddowandcompany.com



Haddow & Company
Real Estate Consultants

If you have questions or would like more information, please contact us.

Phone - (404) 577-7222

Email - info@haddowandcompany.com