

HADDOW'S REAL NEWS

QUARTERLY MARKET INSIGHTS

FOURTH QUARTER 2019

ECONOMIC AND REAL ESTATE INDICATORS ATLANTA MSA

	2000 - 2007	2011 - 2018
Economic		
Population Increase	785,270	576,393
Employment Increase	160,700	474,100
Ratio of Population to Employment Growth	4.9	1.2
Change in Per Capita Income	20.5%	28.5%
Office		
Average Annual Office Absorption (Sq. Ft.)	1,189,105	1,652,194
Annual Increase in Office Rent	0.2%	5.1%
Industrial		
Average Annual Industrial Absorption (Sq. Ft.)	4,438,467	14,691,028
Annual Increase in Industrial Rent	(1.4%)	4.8%
Hotel		
Change in Hotel Occupancy Rate (Percentage Points)	(1.6%)	11.1%
Annual Increase in Hotel Room Rate	2.0%	4.1%
Residential		
Single-Family Housing Permits	360,790	135,549
Multifamily Housing Permits	<u>100,739</u>	<u>69,783</u>
Total Housing Permits	461,529	205,332



Sources

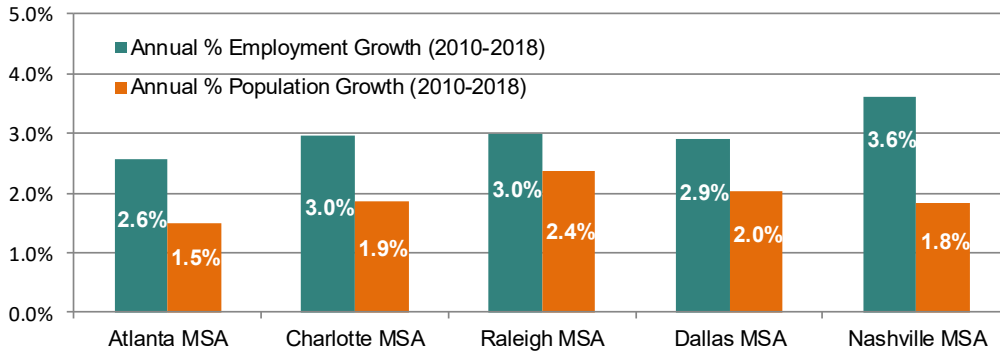
Population Data - U.S. Census Bureau
Employment Data - U.S. Bureau of Labor Statistics
Office Data - Jones Lang LaSalle (JLL)

Industrial Data - King Industrial Realty (JLL for Rent)
Hotel Data - CBRE Hotels/PKF
Housing Permits - U.S. Census Bureau

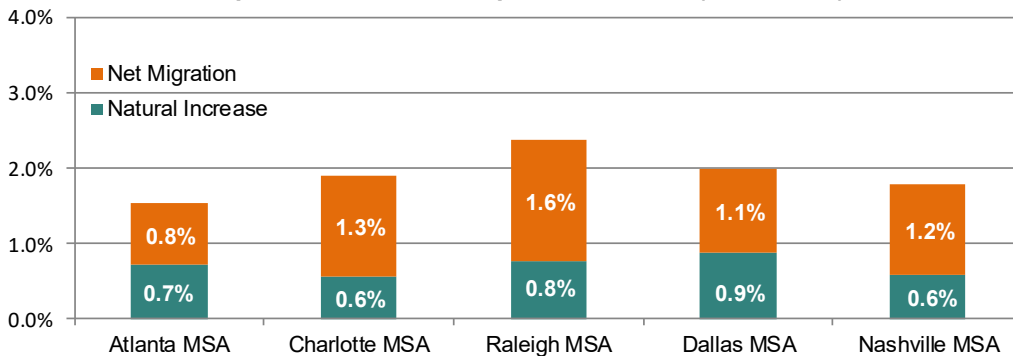
Note: The years 2000 and 2011 are the base years for the two cycles, so housing permit and absorption data do not include these years. A consistent and reliable source for retail data was not available.

ATLANTA VS. PEER CITIES

Employment Growth vs. Population Growth



Composition of Annual Population Growth (2010 - 2018)



Sources: U.S. Census Bureau and U.S. Bureau of Labor Statistics

Top Markets for Tech Talent

1. San Francisco Bay Area, CA
2. Seattle, WA
3. Toronto, ON
4. Washington, D.C.
5. New York, NY
6. Austin, TX
7. Boston, MA
8. Denver, CO
9. **Atlanta, GA**
10. **Raleigh-Durham, NC**
11. **Dallas/Ft. Worth, TX**
12. Vancouver, BC
13. Montreal, QC
14. Baltimore, MD
15. Salt Lake City, UT
16. Portland, OR
17. Minneapolis, MN
18. San Diego, CA
19. Ottawa, ON
20. Phoenix, AZ
30. **Charlotte, NC**
45. **Nashville, TN**

Note: Data are based on a report produced by CBRE that ranked the top-50 markets according to their competitive advantages and appeal to both employers and tech talent.

CLIENT'S CORNER



Signet Real Estate Group had a purchase contract on six acres in Cleveland, Ohio. Our firm was asked to analyze the property and the market in order to determine the land's highest and best use and optimal investment strategy. The property is on Euclid Avenue in the emerging MidTown district, located between downtown and University Circle. Euclid Avenue has a rich

history: once known as Millionaires' Row, the street was home to some of the nation's most powerful and influential industrialists, including John D. Rockefeller. Our client's property contained one of the neighborhood's last remaining historic homes.

Unlike Atlanta, Cleveland is experiencing population loss and modest job growth. However, the City has a vibrant medical sector, anchored by Cleveland Clinic, and a burgeoning technology ecosystem fueled by Case Western Reserve University. Fortunately, the property is well positioned to capitalize on these economic drivers. Multiple uses were evaluated, including medical office, conventional office, apartments, and retail. Our study methodology consisted of extensive interviews with local real estate professionals, as well as officials with Cleveland Clinic, the City, and economic development organizations. The Euclid Avenue corridor is undergoing positive change, but development of the site may be premature. Interim holding strategies were considered that would allow Signet to control the property while the neighborhood continues to improve.



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

www.haddowandcompany.com



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