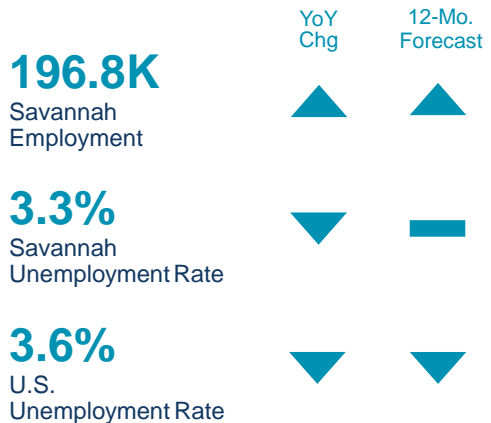


Overall, Net Asking Rent

ECONOMIC INDICATORS Q1 2022



Source: BLS

ECONOMIC OVERVIEW: Continued Stability

The Savannah regional economy continues to experience rapid expansion and strong absorption in the industrial sector. The continued expansion of Savannah's well-grounded market can be attributed to the region's economic diversity centered around the Georgia Ports and local Tourism. Savannah is home to the nation's third largest and fastest growing container port, a strong base of manufacturing and distribution employment, the military complexes at Fort Stewart and Hunter Army Airfield, two regional hospitals, and more than 40,000 local area college students along with a continued influx of retirees and pre-retirees. Upon the arrival of COVID-19 in the U.S., the economy entered a recession in March 2020, recording the worst decline in post-war history in Q2 2020. By the middle of Q3 2020 the local economy began to rebound led by significant rebound in the total twenty-foot equivalent unit ("TEU") throughput at the Georgia Ports Authority ("GPA") to pre-COVID-19 and record levels that continued Q1 2022 with monthly throughputs exceeding 20% year-over-year growth and setting course to surpass the 6 M TEU mark before the end of 2022.

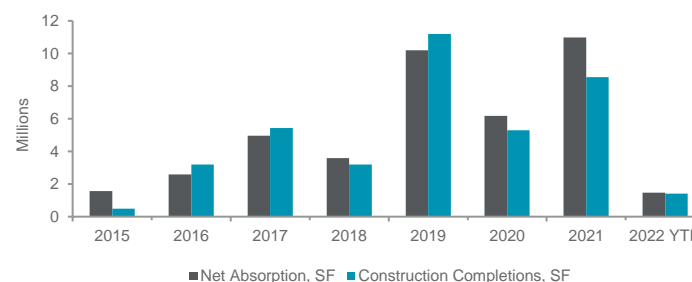
SUPPLY AND DEMAND: Another Year of Record-Low Vacancy

Savannah's industrial sector, once again, maintained a record-low vacancy rate of 0.5%, representing the seventh consecutive year with a vacancy below 4.0% despite an overall market inventory increase of 38.9 million square feet (msf) since 2015. Leasing activity in Q1 set a record with 4.8 msf of new leases executed, setting the pace for another record-breaking year of net absorption in 2022. Currently, there is a total of 22.9 msf of new construction underway with less than 42.0% of this inventory being built on a speculative basis. Notable lease transactions in Q1 2022 include 1.1 msf signed by UNIS, 880,000 sf by Amazon and 516,000 sf by DHL. Based on the number of pending leases and tenant in the market, it is likely that all speculative space under construction and delivering in the next 12 months will be leased prior to completion and the market will maintain a vacancy rate below 1%. Several pending sales also indicate continued compression of cap rates for at least the first two quarters of 2022.

OUTLOOK: Continued Momentum

The outlook for Savannah's industrial market is very favorable thanks to the continued growth at the GA Ports. 2021 was a record-year with 5.6 million twenty-foot equivalent units ("TEU's") of throughput with conservative projections to eclipse 8M TEU's of throughput by 2030. The operational efficiency offered by the GPA and shift in import cargo from the West Coast and NY/NJ are the key drivers in the growth of Savannah's industrial market. 2022 is on track to be another record-breaking year in terms of net absorption with several significant lease transactions expected to sign before end of Q2 2022 that will absorb in excess of 3.0 msf of speculative product and continuing the six-year trend with market demand outpacing delivery of speculative product.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS – Q1 2022

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF) YTD 2021	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Downtown/Eastside	3,302,474	22,250	0.7%	0	0	\$9.72	\$5.65
Port Corridor	25,892,309	7,260	0.1%	0	0	\$10.15	\$5.95
Crossroads / Dean Forest	28,793,946	89,000	0.3%	7,571,638	221,215	\$10.00	\$5.85
Southside / Highway 17	3,718,598	316,209	8.5%	1,355,440	0	\$10.50	\$5.56
Westside	14,812,854	37,220	0.2%	3,858,589	1,193,920	\$11.10	\$5.85
Highway 21	4,085,145	0	0.0%	6,433,912	0	N/A	\$5.50
I-16 West	4,049,400	0	0.0%	2,202,583	0	N/A	\$5.13
I-95 South	5,558,784	0	0.0%	647,530	0	N/A	\$4.52
Jasper County	479,000	0	0.0%	814,917	0	N/A	\$5.08
SAVANNAH TOTALS	90,692,510	471,943	0.5%	22,884,609	1,415,135	\$10.34	\$5.64

*Rental rates reflect weighted net asking \$psf/year OS = Office Service/Flex W/D = Warehouse/Distribution

KEY LEASE TRANSACTIONS Q1 2022

PROPERTY	SUBMARKET	TENANT	RSF	TYPE*
500 Seabrook Parkway	Westside	UNIS	1,193,920	Direct
50 Triple B Trail	Westside	Amazon	880,000	Direct
500 McCall Road	Highway 21	DHL	516,800	Direct
Main Gate Bldg 4	Crossroads/Dean Forest	UNIS	505,902	Direct
Interstate Centre Building E	I-16 Corridor	Rooms 2 Go	463,250	Direct
Coastal Commerce Building A	Crossroads/Dean Forest	Maersk	403,200	Direct
Coastal Commerce Building B	Crossroads/Dean Forest	IDC	364,250	Direct
232 Bourne Boulevard	Crossroads/Dean Forest	Cargoways	180,000	Direct
15 Aviation	Port Corridor	Newline	113,000	Direct

*Renewals not included in leasing statistics

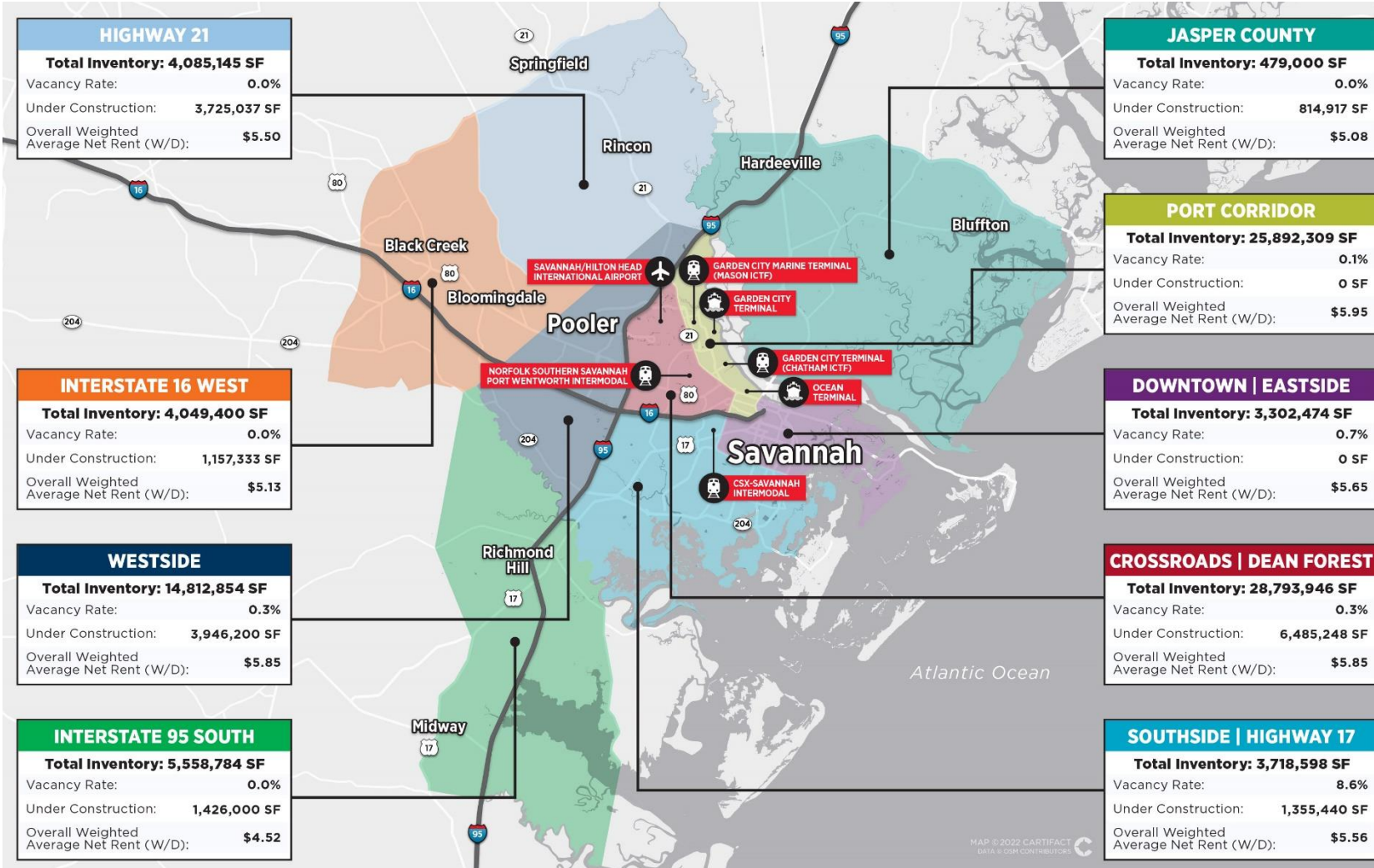
KEY SALES TRANSACTIONS Q1 2022

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
780 King George Boulevard	Southside/Highway 17	Kole Management/TRT International	79,700	\$6.7M/\$84

KEY CONSTRUCTION COMPLETIONS Q1 2022

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
500 Seabrook Parkway	Westside	UNIS	1,193,920	Capital Development
1501 Crossgate Road	Crossroads/Dean Forest	RUAG	221,215	McCraney Development

INDUSTRIAL SUBMARKETS – Q4 2021



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