

YoY Chg 12-Mo. Forecast

0.9%
Vacancy Rate



12.5M
YTD Net Absorption, SF



\$6.14
Asking Rent, PSF



Overall, Net Asking Rent

ECONOMIC INDICATORS Q3 2022

YoY Chg 12-Mo. Forecast

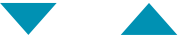
200.6K
Savannah Employment



2.7%
Savannah Unemployment Rate



3.5%
U.S. Unemployment Rate



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 Authority ("GPA") 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. The GPA continues to be a major regional economic generator handling 5.6 million twenty-foot equivalent ("TEU") units in 2021 with continued momentum through Q3 2022 with monthly throughputs exceeding 20% year-over-year growth and setting course to surpass the 6.0 million TEU mark before the end of 2022. The recent announcement of Hyundai Motor Group's \$5.5 billion ("B") Electric Vehicle Manufacturing Plant projected to generate 8,100 jobs will serve as a major economic generator with a planned opening in Q4 2025.

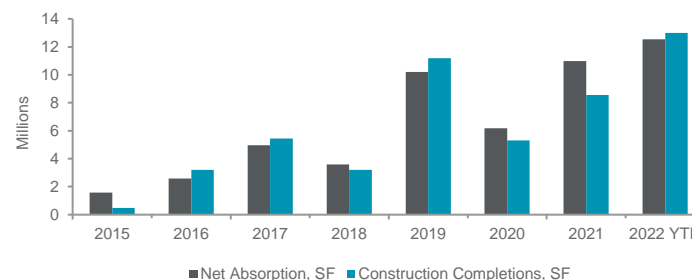
SUPPLY AND DEMAND: Another Quarter of Record-Low Vacancy

Savannah's industrial sector, once again, maintained a record-low vacancy rate of 0.9%, representing the seventh consecutive year with a vacancy below 4.0% despite an overall market inventory increase of 50.5 million square feet (msf) since 2015. Leasing activity remains brisk with 8.5 msf of new leases executed year-to-date and 12.5 msf of net absorption resulting from a number of significant build-to-suit deliveries in Q3 to include Amazon's 3.2 msf and 880,000 sf sort facilities. Currently, there is a total of 20.5 msf of new construction underway with over 40.0% of this inventory currently pre-leased. Notable lease transactions in Q3 2022 include 216,000 sf signed by Estes Trucking and 140,440 sf leased by Main Ocean at Pro-Logis' 200 Logistics Way. Based on the number of pending leases and tenants 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 2.0% through at least the first half of 2023.

OUTLOOK: Continued Momentum

The outlook for Savannah's industrial market is very favorable thanks to the continued growth at the GA Ports with conservative projections to eclipse 8.0M 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 Q4 2022 that will absorb in excess of 3.0 msf of speculative product and continuing the seven-year run with market demand outpacing delivery of speculative product.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS – Q3 2022

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF) 3Q 2022	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Downtown/Eastside	3,302,474	22,250	0.7%	0	0	\$10.16	\$6.06
Port Corridor	25,892,309	7,260	0.1%	0	0	\$10.87	\$6.15
Crossroads / Dean Forest	33,568,198	14,000	0.1%	3,694,906	4,268,350	\$12.20	\$6.22
Southside / Highway 17	3,718,598	5,001	0.2%	1,355,440	0	\$11.00	\$6.12
Westside	15,876,934	190,580	1.2%	2,794,509	880,000	\$11.21	\$6.15
Highway 21	7,810,182	716,210	9.2%	3,822,875	1,469,212	N/A	\$5.98
I-16 West	5,206,733	0	0.0%	5,992,912	1,157,333	N/A	\$5.25
I-95 South	5,558,784	0	0.0%	2,522,917	0	N/A	\$4.95
Jasper County	1,293,917	0	0.0%	402,491	206,546	N/A	\$6.00
SAVANNAH TOTALS	102,228,129	955,301	0.9%	20,586,050	7,981,441	\$10.86	\$6.02

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

KEY LEASE TRANSACTIONS Q3 2022

PROPERTY	SUBMARKET	TENANT	RSF	TYPE*
239 Jimmy Deloach Parkway	Crossroads/Dean Forest	Estes Trucking	216,000	Direct
200 Logistics Way	Crossroads/Dean Forest	Main Ocean Port Services	140,440	Direct
RiverPort Commerce Center – Building 4	Jasper County	Covenant Logistics	107,111	Direct
27-4 Artley Road	Westside	Hargray	37,500	Direct

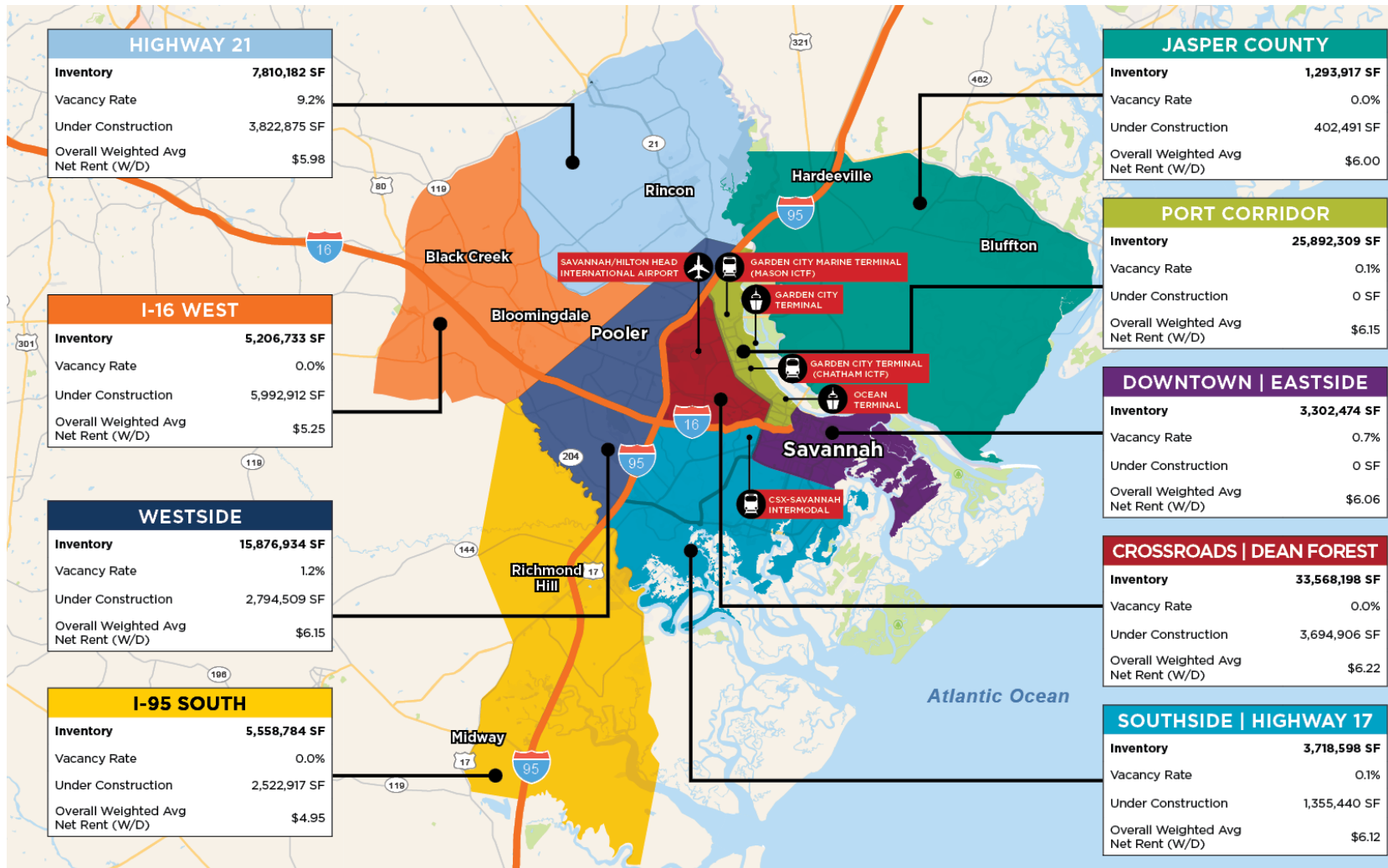
KEY SALES TRANSACTIONS Q3 2022

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
Savannah Gateway Portfolio	Highway 21	Broe / Terra Cap	1,090,000	\$116M / \$106
Coleman Boulevard Portfolio	Westside	Kole Management / Denholtz	358,884	\$33M / \$92
8 Aviation Court	Port Industrial	Griner Warehouse LLC / 8 Aviation LLC	49,500	\$4.75M / \$96

KEY CONSTRUCTION COMPLETIONS Q3 2022

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
250 Pine Meadow	Crossroads/Dean Forest	Amazon	3,200,000	USAA/Seefried
Interstate West – Building C	I-16 Corridor	Webstaurant Store	1,157,333	VanTrust
Old Augusta Commerce Center – Bldg 2	Highway 21	NFI	1,026,606	Becknell
80 Triple B Trail Road	Westside	Amazon	880,000	Pro-Logis
Old Augusta Commerce Center – Bldg 1	Highway 21	Vacant	442,606	Becknell
Coastal Commerce Center #1	Crossroads/Dean Forest	Maersk/Performance Team	403,200	Strategic Real Estate Partners
Coastal Commerce Center #2	Crossroads/Dean Forest	IDC	364,250	Strategic Real Estate Partners

INDUSTRIAL SUBMARKETS – Q3 2022



Stephen Ezelle, SIOR

Partner

Tel: +1 912 441 3083

sezelle@gilbertezelle.com

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