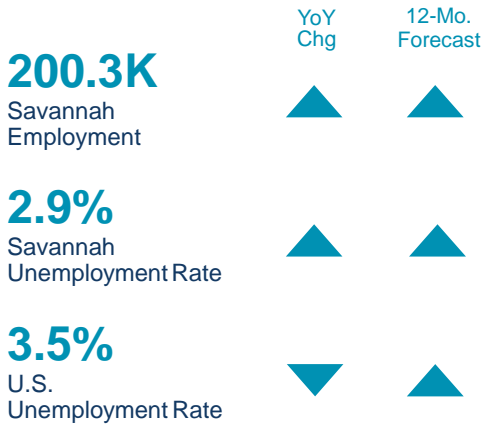


ECONOMIC INDICATORS Q1 2023



Source: BLS

ECONOMIC OVERVIEW: Continued Stability

The Savannah regional economy continues to experience expansion and strong absorption in the industrial sector despite a slowing economy across the U.S. Markets. 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 5.9 million twenty-foot equivalent (“TEU”) units in 2022 while increasing its share and handling 11.1% of the nations imports. Savannah is also beginning to see the positive effects of growth generated by Hyundai Motor Group’s \$5.5 billion Electric Vehicle Manufacturing Plant which is projected to generate 8,100 jobs and will serve as a major economic generator with a planned opening in Q4 2025.

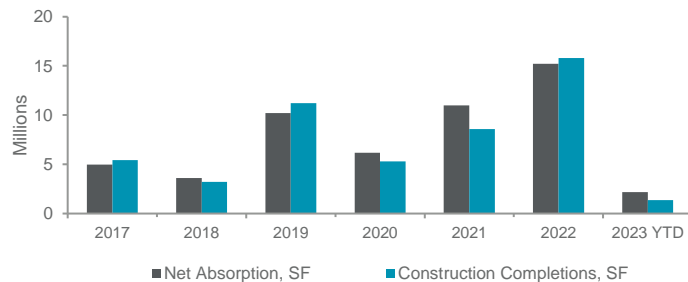
SUPPLY AND DEMAND: Another Year of Record-Low Vacancy

Savannah’s industrial sector, once again, maintained a record-low vacancy rate of 0.2%, representing the eighth consecutive year with a vacancy rate below 4.0% despite an overall market inventory increase of 54.6 million square feet (msf) since 2015. Leasing activity throughout the first quarter 2023 outpaced Q1 2022 with 2.2 msf of net abortion. Currently, there is a total of 22.1 msf of new construction underway with over 40.0% of this inventory within build-to-suit or pre-leased speculative product. Notable lease transactions in Q1 2023 included 1.2 msf signed by Bradshaw Home at Savannah Portside and 647,496 sf leased by Towne & Country at Tradeport East in the I-95 South submarket.

OUTLOOK: Continued Momentum

The outlook for Savannah’s industrial market is still favorable thanks to the continued growth at the Georgia Ports with conservative projections to eclipse 8.0 million TEUs 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. This past year was another record-breaking year in terms of net absorption, continuing the seven-year run with market demand keeping up with delivery of speculative product. Despite the moderation of container trade nationally, Savannah is expected to continue a balanced expansion as the result of the Hyundai’s announcement and continued shift in container trade from the west coast to the east coast with Savannah increasing its market share.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS – Q1 2023

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF) Q1 2023	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Downtown/Eastside	3,302,474	22,250	0.7%	0	0	\$10.23	\$7.00
Port Corridor	26,111,709	153,404	0.6%	914,800	219,400	\$11.87	\$7.53
Crossroads / Dean Forest	34,118,198	61,500	0.2%	3,371,490	0	\$12.20	\$6.87
Southside / Highway 17	3,718,598	5,001	0.1%	1,355,440	0	\$12.00	\$6.20
Westside	17,565,134	6,505	0.0%	1,106,309	550,000	\$11.21	\$6.53
Highway 21	7,810,182	0	0.0%	4,589,375	0	N/A	\$6.35
I-16 West	6,251,983	0	0.0%	7,518,832	582,000	N/A	\$5.85
I-95 South	6,206,314	0	0.0%	1,875,387	0	N/A	\$5.75
Jasper County	1,293,917	0	0.0%	1,324,186	0	N/A	\$6.25
SAVANNAH TOTALS	106,378,509	248,660	0.2%	22,055,819	1,351,400	\$11.25	\$7.32

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

KEY LEASE TRANSACTIONS Q1 2023

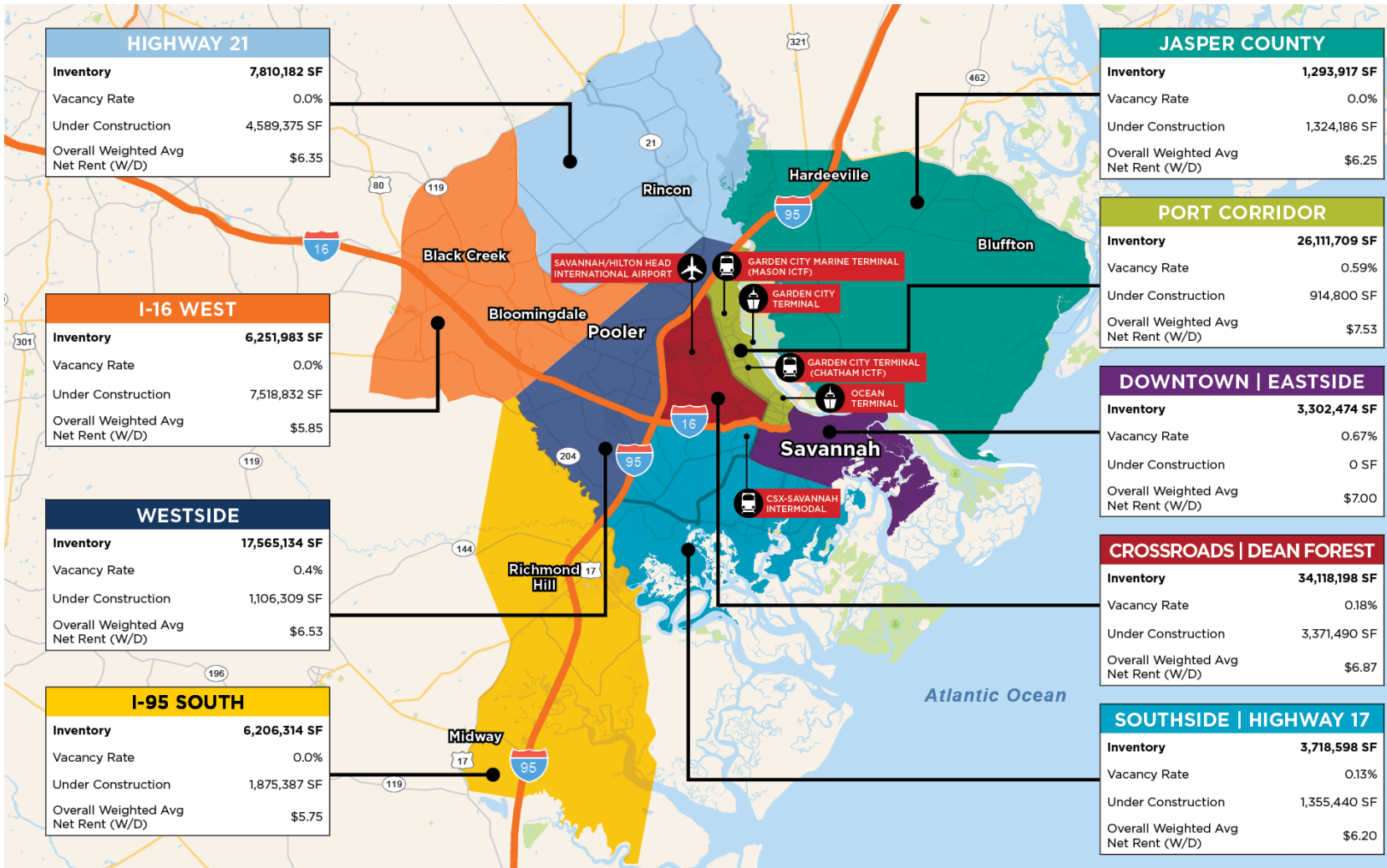
PROPERTY	SUBMARKET	TENANT	RSF	TYPE*
Savannah Portside - Bldg 2	I-16 West	Bradshaw Home	1,231,693	Direct
Tradeport East - Bldg D	I-95 South	Towne & Country	647,496	Direct
I-16 Port Logistics - Bldg 1	Westside	Ferguson	468,000	Direct
GITC 4A	Highway 21	Lowe's Renewal @ 4A	416,450	Direct
RiverPort - Bldg 6	Jasper County	ArchPoint	185,000	Direct
27-3 Artley	Crossroads / Dean Forest	US Ports	50,000	Direct

*Renewals not included in leasing statistics

KEY CONSTRUCTION COMPLETIONS Q1 2023

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
Savannah Portside	I-16 West	Merchsource Expansion	582,000	Panattoni
SunPort 95	Westside	FedEx	550,000	Suncap
Hendley Road	Port Corridor	Lineage Logistics	219,400	Lineage Logistics

INDUSTRIAL SUBMARKETS – Q1 2023



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