

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
9.0% Vacancy Rate	▲	▲
9.1M YTD Net Absorption, SF	▼	—
\$6.56 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
207.5K Savannah Employment	▲	▲
3.1% Savannah Unemployment Rate	▲	▲
4.1% U.S. Unemployment Rate	▲	▼

Source: BLS

ECONOMIC OVERVIEW: CONTINUED MOMENTUM & STABILITY

The Savannah regional economy continues to expand and record positive 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. The GPA continues to be a major regional economic generator handling 3.6 million twenty-foot equivalent container units (TEUs) year-to-date through end of Q3, up 13.7% compared to one year prior. 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 plans to open the assembly line in October.

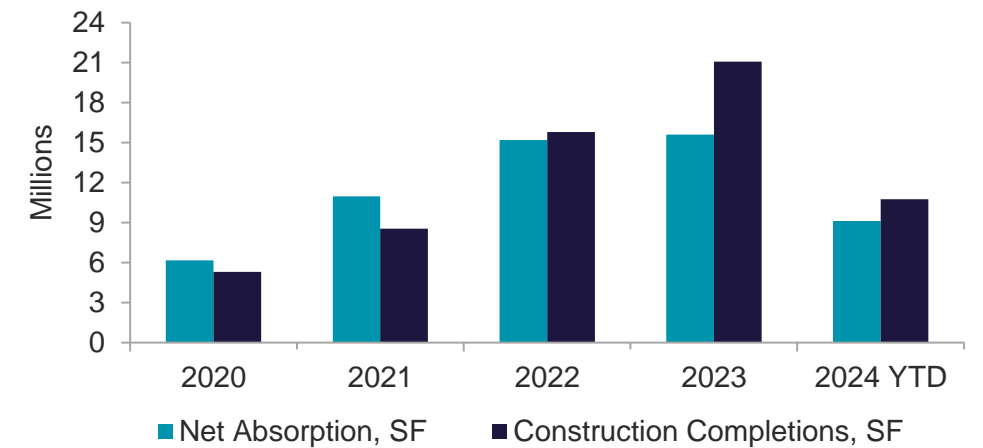
SUPPLY AND DEMAND: STEADY INCREASE IN VACANCY RATE

Savannah ended Q3 with an overall vacancy rate of 9.0% despite over 2.4 million square feet (msf) of new construction deliveries this quarter. The majority of the vacancy is within seven buildings greater than 700,000 square feet (sf) representing 65% of the total 11.5 msf of vacant space, consistent with the national trends and tempered demand for bulk space. Leasing activity outpaced 2023 with 8.3 msf Year-to-date (YTD) compared to 7.8 msf YTD one year ago. Currently, there is a total of 25.1 msf of developments underway with over 15 msf of that being the new Hyundai EV Plant or its suppliers and the remainder representing speculative distribution warehouse space of which 29% is pre-leased. Demand in this 100,000-300,000 sf range continues to remain strong and we expect this to continue as new 3PL and e-commerce occupiers move into the region.

OUTLOOK

The outlook for Savannah's industrial market remains favorable thanks to the continued growth at the Georgia Ports with conservative projections to eclipse 8.0 million TEUs of throughput by 2030. Market vacancy is expected to peak in 4Q before improving in 2025 as demand for the larger bulk warehouses, reaccelerates and absorbs the larger speculative built facilities that represent over 65% of the current vacancy.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	Q3 2024 CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Downtown/Eastside	3,302,474	10,750	0.3%	0	0	0	0	\$10.46	\$7.35
Port Corridor	27,358,959	1,905,577	7.0%	0	99,000	106,250	0	\$11.87	\$7.43
Crossroads / Dean Forest	38,356,042	357,814	0.9%	0	1,932,386	811,007	141,594	\$12.35	\$8.28
Southside / Highway 17	7,512,838	1,458,500	19.4%	0	1,408,315	324,222	1,456,000	\$12.25	\$6.00
Westside	21,350,313	1,070,972	5.0%	463,060	1,989,617	1,224,755	772,420	\$11.21	\$7.70
Highway 21	15,123,985	1,996,028	13.2%	720,233	2,066,733	3,242,600	0	N/A	\$6.52
I-16 West	12,617,945	3,630,018	28.8%	134,400	795,291	15,130,000	0	N/A	\$5.90
I-95 South	8,357,763	1,317,662	15.8%	0	291,067	3,244,123	0	N/A	\$6.04
Jasper County	2,618,103	520,944	19.9%	486,096	530,096	1,073,391	0	N/A	\$7.32
SAVANNAH TOTALS	136,598,422	12,268,265	9.0%	1,803,789	9,112,505	25,156,348	2,370,014	\$11.46	\$6.55

*Rental rates reflect weighted net asking \$psf/year

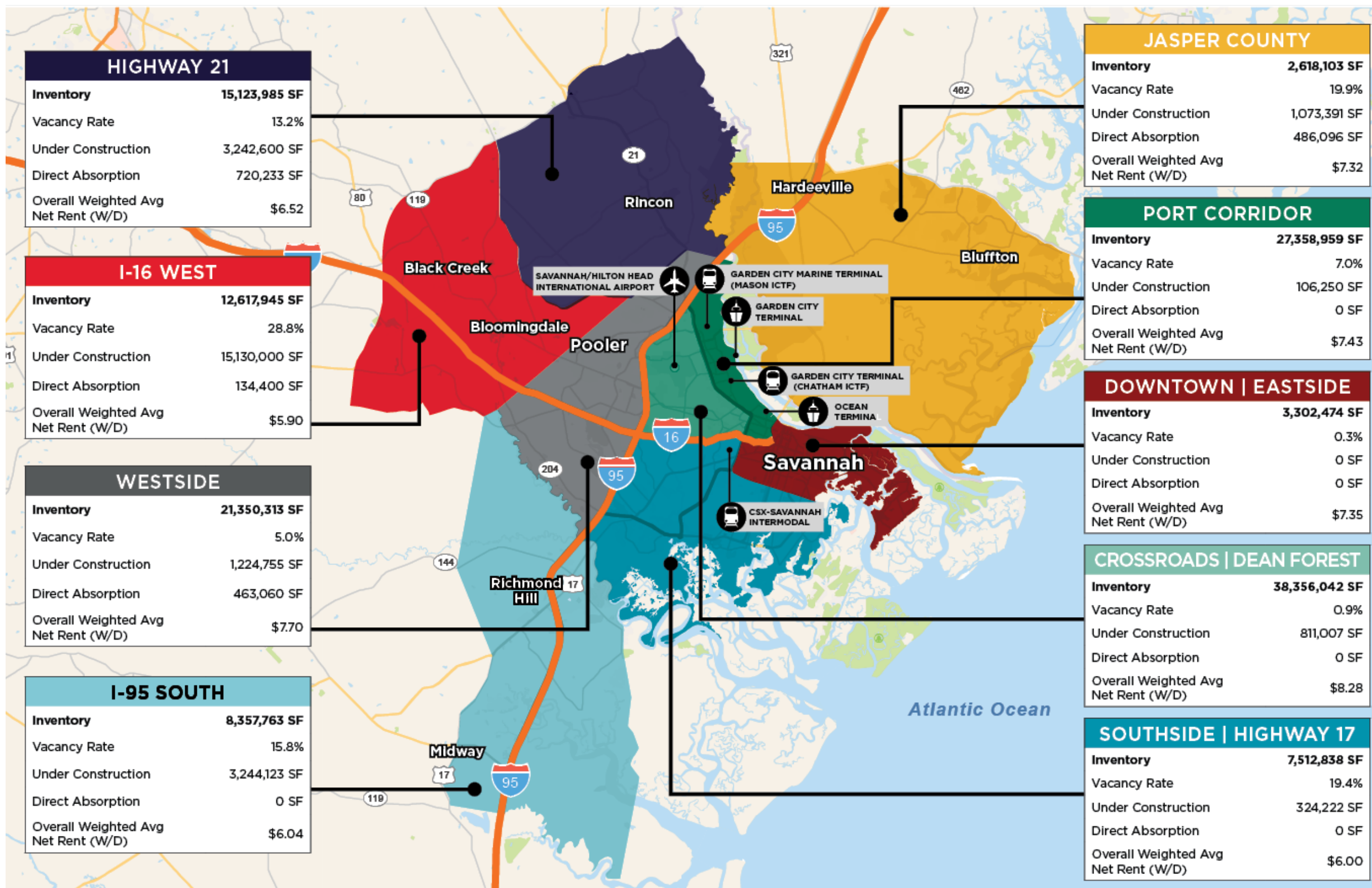
KEY LEASE TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
700 RiverPort Parkway	Jasper County	Lecangs	486,096	Direct
1004 Gateway Parkway - 1D	Highway 21	E-Logistics	387,983	Direct
1701 Old Augusta Road	Highway 21	Supply Chain Management	332,250	Direct
Ottawa Farms - Bldg 100	Westside	Homylink/Kemon	309,890	Direct
400 Expansion Boulevard	Crossroads / Dean Forest	Judge Logistics	184,800	Renewal*

KEY CONSTRUCTION COMPLETIONS Q3 2024

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
Central Port Logistics - Bldg 1	Southside/Highway 17	N/A	1,456,000	Stockbridge / Capital Development
Logistics 16 @ Ottawa Farms - Bldg 100	I-16 West	Homylink/Kemon	466,180	McCraney
Logistics 16 @ Ottawa Farms - Bldg 250	I-16 West	BFG Supply	306,240	McCraney
Westside Commerce	Westside	N/A	141,594	Crow Holdings

INDUSTRIAL SUBMARKETS



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