

**MARKET FUNDAMENTALS**

	YOY Chg	Outlook
<b>9.3%</b> Vacancy Rate	▲	▲
<b>3.8M</b> YTD Direct Absorption, SF	▲	▼
<b>\$6.56</b> Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▼	▬

**ECONOMIC INDICATORS**

	YOY Chg	Outlook
<b>207.9K</b> Savannah Employment	▼	▲
<b>3.1%</b> Savannah Unemployment Rate	▲	▲
<b>4.1%</b> 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 1.4 million twenty-foot equivalent container units (TEUs) year-to-date. 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.

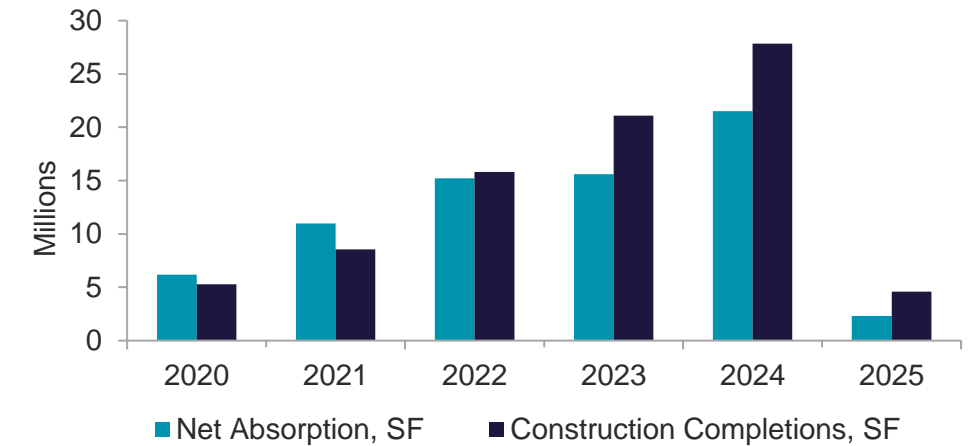
**SUPPLY AND DEMAND: STEADY INCREASE IN VACANCY RATE**

Savannah began 2025 with an overall vacancy rate of 9.3% with over 2.6 million square feet (msf) of new speculative construction deliveries in Q1. The majority of the vacancy is within eight buildings greater than 500,000 square feet (sf) representing 52% of the total 13.7 msf of vacant space, consistent with the national trends and tempered demand for bulk space. Leasing activity remained strong with 1.8 msf across eight leases. Direct absorption for Q1 2025 was on track with 3.8 msf compared to 3.5 msf in Q1 2024. Demand in the 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. The year also started off with a resurgence in demand for the 1 msf+ spaces from several notable U.S. based retailers, however many of these requirements have been postponed due to uncertainty related to tariffs and the potential impact on global trade.

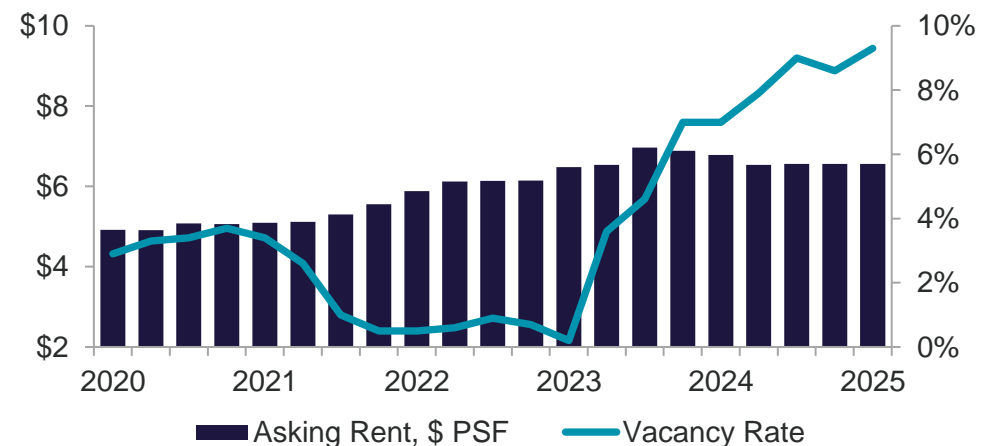
**OUTLOOK**

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, while elevated should remain relatively stable near-term with the speculative pipeline thinning out. Expect demand for bulk warehouses to reaccelerate, absorbing the larger speculative built facilities which represent 52% of the current vacant stock.

**SPACE DEMAND / DELIVERIES**



**OVERALL VACANCY & ASKING RENT**



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL DIRECT ABSORPTION (SF)	YTD OVERALL DIRECT ABSORPTION (SF)	UNDER CNSTR (SF)	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	\$7.45
Port Corridor	27,465,209	1,573,872	5.7%	160,146	160,146	0	0	\$11.87	\$7.26
Crossroads / Dean Forest	38,555,607	557,379	1.4%	28,000	28,000	611,442	199,565	\$12.35	\$8.04
Southside / Highway 17	7,536,838	1,470,500	19.5%	0	0	2,078,659	24,000	\$12.46	\$6.50
Westside	22,925,068	1,497,651	6.5%	0	0	1,066,820	0	\$11.21	\$7.60
Highway 21	17,151,385	2,924,689	17.1%	0	0	2,588,684	1,362,400	N/A	\$6.47
I-16 West	27,397,945	3,715,743	13.6%	2,641,555	2,641,555	0	2,000,000	N/A	\$5.86
I-95 South	10,357,315	2,151,366	20.8%	0	0	1,244,571	250,000	N/A	\$6.07
Jasper County	<u>3,573,144</u>	<u>767,112</u>	<u>21.5%</u>	<u>916,140</u>	<u>916,140</u>	<u>386,936</u>	<u>744,499</u>	<u>N/A</u>	<u>\$7.56</u>
<b>SAVANNAH TOTALS</b>	<b>158,264,985</b>	<b>14,669,062</b>	<b>9.3%</b>	<b>3,745,841</b>	<b>3,745,841</b>	<b>7,977,112</b>	<b>4,580,464</b>	<b>\$11.88</b>	<b>\$6.56</b>

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

KEY LEASE TRANSACTIONS Q1 2025

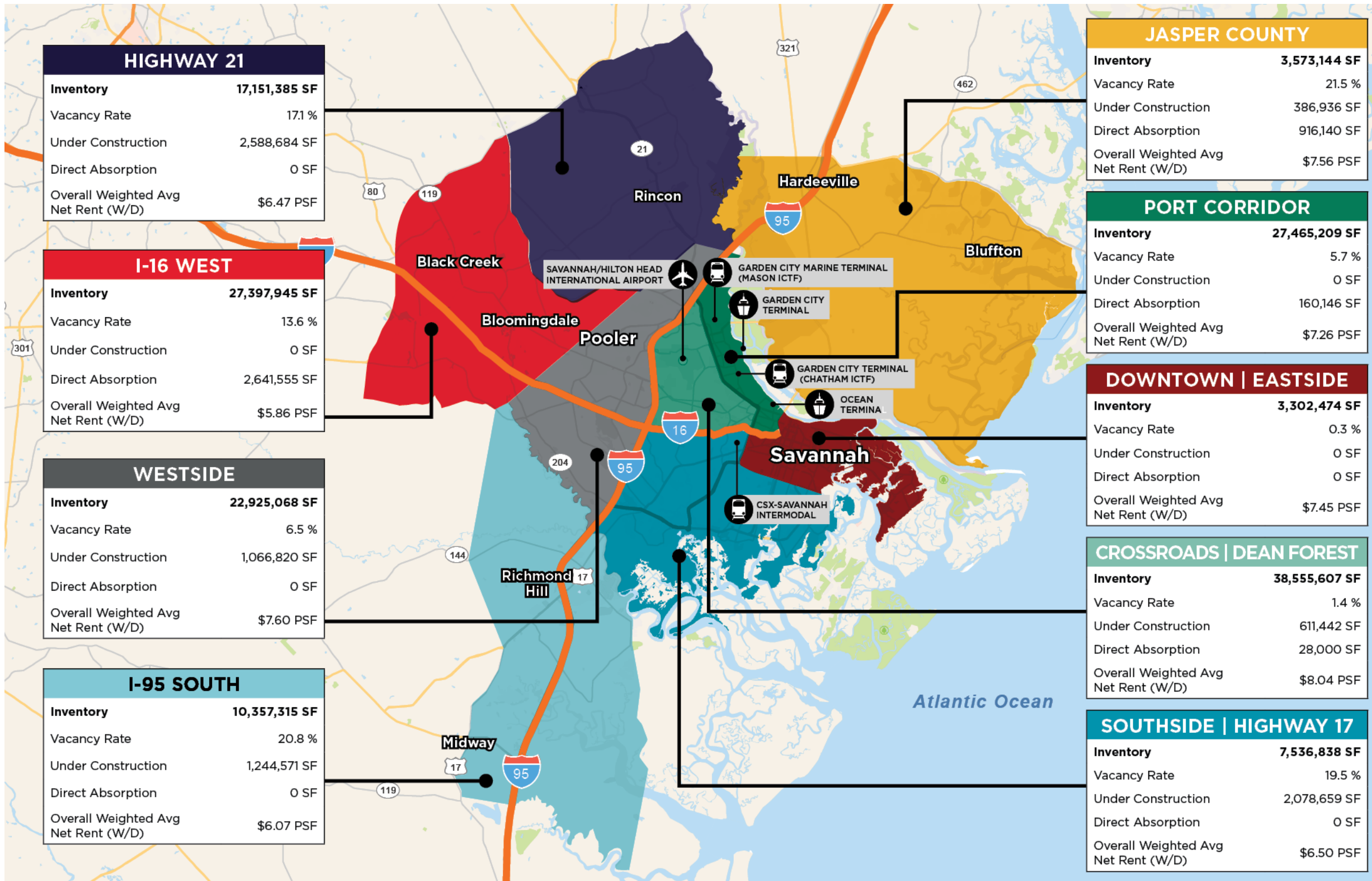
PROPERTY	SUBMARKET	TENANT	SF	TYPE
110 Commerce Parkway	I-16 West	Sino/Worldwide Banyan	505,440	Direct
1240 SH Morgan Parkway	Westside	White Horse Logistics	348,022	Direct
RiverPort - Bldg 7	Jasper County	ADI	305,163	Direct
Clarius Park Hardeeville - Bldg C	Jasper County	TS Conductor	301,725	Direct
11900 US Highway 280 - Suite C	I-16 West	EcoPlastic	136,115	Direct

\*Renewals not included in leasing statistics

KEY CONSTRUCTION COMPLETIONS Q1 2025

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
Burlington Distribution Build-to-Suit	I-16 West	Burlington	2,000,000	VanTrust
Coastal Trade Center - Bldg 4	Highway 21	TBD	640,640	Trammel Crow
Coastal Trade Center - Bldg 5	Highway 21	TBD	473,760	Trammel Crow
Gateway Commerce - Building 1	Jasper County	TBD	330,480	Provident
Clarius Park Hardeeville - Bldg C	Jasper County	TS Conductor	301,725	Clarius

INDUSTRIAL SUBMARKETS



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