MARKETBEAT

SAVANNAH, GA

INDUSTRIAL Q3 2025

CUSHMAN & WAKEFIELD | GILBERT & EZELLE

MARKET FUNDAMENTALS

	YOY Chg	Outlook
10.6% Vacancy Rate	▲	–
-111K YTD Overall Absorption, SF	▼	–
$6.59 Asking Rent, PSF	▼	–

(Overall, Net Asking Rent)

ECONOMIC INDICATORS

	YOY Chg	Outlook
208K Savannah Employment	▼	▲
3.0% Savannah Unemployment Rate	–	▲
4.3% U.S. Unemployment Rate	▲	▲

Source: BLS

ECONOMIC OVERVIEW: CONTINUED STABILITY

The Savannah regional economy continues to expand and record solid leasing activity 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 3.9 million twenty-foot equivalent container units (TEUs) through August 2025. Annual throughput for 2025 and into 2026 is expected to remain flat, which is still better than total throughput for North America speaks to the overall strength of the GPA and continued increase in market share of import cargo into the U.S. 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.

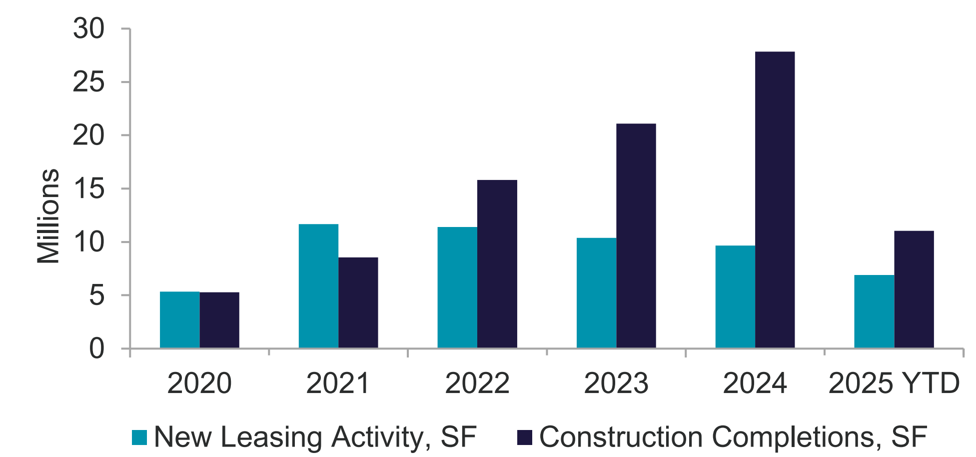
SUPPLY AND DEMAND: STEADY INCREASE IN VACANCY RATE

Savannah's industrial sector ended Q3 with an overall vacancy rate of 10.6% with over 8.3 million square feet (msf) of new speculative construction deliveries. The majority of the vacancy over the past 24 months has been within buildings greater than 500,000 square feet (sf) which currently represents 46% of the total 17.5 msf of vacant space, consistent with the national trends and tempered demand for bulk space. While leasing activity remains strong in the smaller spaces between 250,000 – 500,000 sf, the market has seen an increase in availability within this segment with 19 buildings representing 41% of the vacancy due to recent construction completions for building in this size range. Leasing activity in Q3 remained strong with 2.5 msf across nine leases. The year 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 the ongoing uncertainty related to tariffs and the potential impact on global trade.

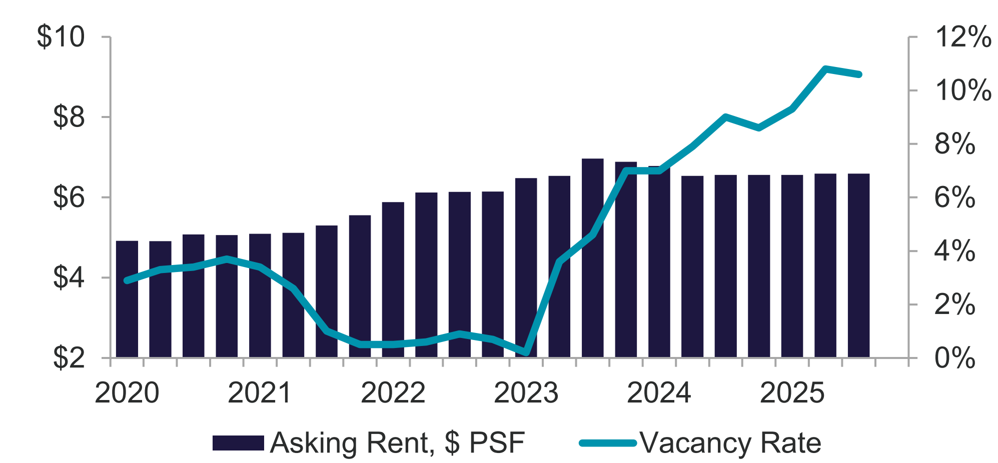
OUTLOOK

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 in mid to late 2026, absorbing the larger speculative built facilities which represents 46% 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 ABSORPTION (SF)	YTD OVERALL ABSORPTION (SF)	UNDER CONSTRUCTION (SF)	CONSTRUCTION COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)
Downtown/Eastside	3,302,474	20,250	0.6%	0	0	0	0	$10.46	$7.45
Port Corridor	27,465,209	1,049,915	3.8%	194,293	479,400	0	0	$11.87	$6.68
Crossroads / Dean Forest	39,414,858	2,055,659	5.2%	-291,251	-93,573	0	0	$10.31	$7.68
Southside / Highway 17	8,687,053	2,988,242	34.4%	-577,635	-577,635	928,444	565,635	$12.46	$6.61
Westside	23,437,068	1,787,101	7.6%	-425,660	-63,950	1,520,291	162,000	$11.20	$7.64
Highway 21	19,740,069	4,529,190	22.9%	-650,752	-839,484	0	1,373,484	N/A	$6.33
I-16 West	27,397,945	1,079,333	3.9%	120,567	727,467	1,215,460	0	N/A	$5.79
I-95 South	11,601,886	2,846,385	24.5%	78,056	549,552	0	0	N/A	$5.99
Jasper County	4,145,979	1,178,768	28.4%	-166,137	-292,856	0	352,464	N/A	$7.62
SAVANNAH TOTALS	**165,192,541**	**17,534,843**	**10.6%**	**-1,718,519**	**-111,079**	**3,664,195**	**2,453,583**	**$11.80**	**$6.87**

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

KEY LEASE TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
VanTrust B - 333 Logistics Drive	I-16 West	Glovis	727,467	Direct
Dorchester Commerce Park - Bldg 2	I-95 South	Hasbro	549,552	Direct
250 Grange Road	Port Corridor	Savannah Logistics Group	284,400	Direct
Savannah Gateway - Building 2E	Highway 21	Aertssen Logistics	248,000	Direct
1560 Pine Barren Road	Westside	Ferguson Expansion	243,100	Direct

KEY CONSTRUCTION COMPLETIONS Q3 2025

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
Effingham Business Center - Bldg 1	Highway 21	TBD	401,760	Core5
Effingham Business Center - Bldg 2	Highway 21	TBD	362,880	Core5
Savannah Gateway - Bldg G	Highway 21	TBD	322,844	Broe / OmniTrax
Medlog Cold Storage BTS	Highway 21	Medlog	286,000	Northpoint Development
Rockingham Farms - Bldg 7B	Southside/Hwy 17	TBD	284,580	Scannell / Indus

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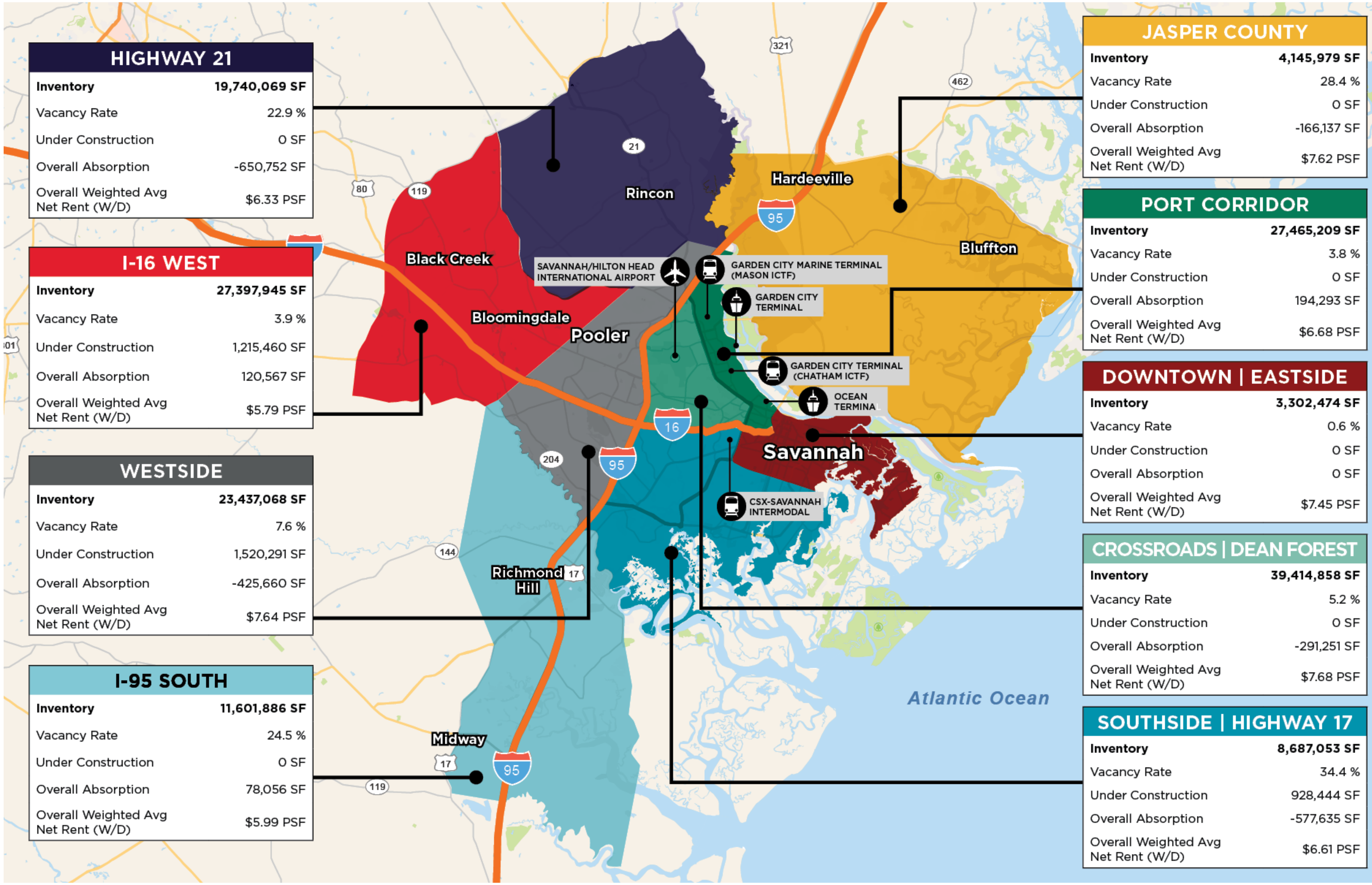
INDUSTRIAL SUBMARKETS Q3 2025



HIGHWAY 21	
Inventory	19,740,069 SF
Vacancy Rate	22.9 %
Under Construction	0 SF
Overall Absorption	-650,752 SF
Overall Weighted Avg Net Rent (W/D)	$6.33 PSF

I-16 WEST	
Inventory	27,397,945 SF
Vacancy Rate	3.9 %
Under Construction	1,215,460 SF
Overall Absorption	120,567 SF
Overall Weighted Avg Net Rent (W/D)	$5.79 PSF

WESTSIDE	
Inventory	23,437,068 SF
Vacancy Rate	7.6 %
Under Construction	1,520,291 SF
Overall Absorption	-425,660 SF
Overall Weighted Avg Net Rent (W/D)	$7.64 PSF

I-95 SOUTH	
Inventory	11,601,886 SF
Vacancy Rate	24.5 %
Under Construction	0 SF
Overall Absorption	78,056 SF
Overall Weighted Avg Net Rent (W/D)	$5.99 PSF

JASPER COUNTY	
Inventory	4,145,979 SF
Vacancy Rate	28.4 %
Under Construction	0 SF
Overall Absorption	-166,137 SF
Overall Weighted Avg Net Rent (W/D)	$7.62 PSF

PORT CORRIDOR	
Inventory	27,465,209 SF
Vacancy Rate	3.8 %
Under Construction	0 SF
Overall Absorption	194,293 SF
Overall Weighted Avg Net Rent (W/D)	$6.68 PSF

DOWNTOWN | EASTSIDE	
Inventory	3,302,474 SF
Vacancy Rate	0.6 %
Under Construction	0 SF
Overall Absorption	0 SF
Overall Weighted Avg Net Rent (W/D)	$7.45 PSF

CROSSROADS | DEAN FOREST	
Inventory	39,414,858 SF
Vacancy Rate	5.2 %
Under Construction	0 SF
Overall Absorption	-291,251 SF
Overall Weighted Avg Net Rent (W/D)	$7.68 PSF

SOUTHSIDE | HIGHWAY 17	
Inventory	8,687,053 SF
Vacancy Rate	34.4 %
Under Construction	928,444 SF
Overall Absorption	-577,635 SF
Overall Weighted Avg Net Rent (W/D)	$6.61 PSF

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