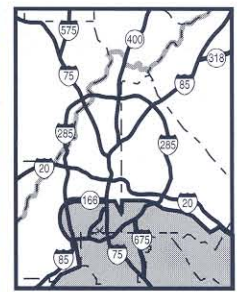
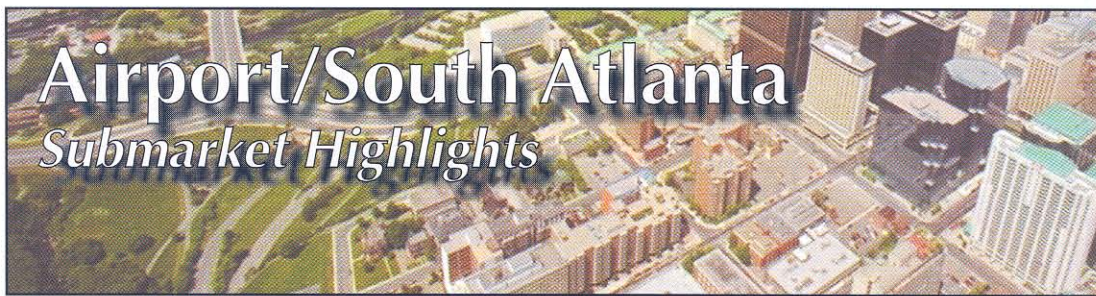


Airport/South Atlanta

Submarket Highlights



Absorption in the airport market is being pulled in opposite directions right now by two forces. On the one hand, the city of Atlanta has gained the necessary approvals to move ahead with the addition of the fifth runway, and has already started contacting owners in the area to acquire property for the project. This will have a positive impact in terms of absorption as tenants - mostly smaller users - seek new locations. On the other hand, companies in the freight forwarding industry (who are the major space users in the airport area) have been hit hard by the economic downturn and are generally not in an expansion mode. There have been several new projects announced in recent months, and there will be a significant amount of space delivered during the first three quarters of 2003. To the extent that these new projects address the location and configuration needs of companies in the freight forwarding industry, I expect they will lease up at a steady pace.

The most obvious strength of the airport submarket is Hartsfield, but this area also enjoys close proximity to downtown Atlanta, as well as access to excellent housing choices

and golf course communities in Clayton, Fayette, Coweta, and Henry County counties. Significant development and re-development in College Park will contribute further to the success of the area. One challenge in the near term may be the traffic disruptions associated with bridging I-285 to accommodate the addition of the fifth runway.

I expect rates for shallow-bay buildings geared to smaller users near the airport to remain flat in the near term with some concessions being required by landlords. It seems likely that rates will stratify somewhat, with some properties demanding premium rents because of better airport access, while owners of farther-out properties will be forced to offer lower rates for property with relatively inferior airport access. These farther-out properties will offer great value for some tenants who need a southside location because of employee proximity, but do not necessarily need immediate airport access.▲

Ed Riggins Cresa Partners

This submarket overview was provided by industry professionals in cooperation with The Commercial Information Exchange, Inc.

MARKET CONDITIONS PROFILE

NUMBER OF BUILDINGS	Existing:	302
	Renovated:	3
	Under Construction:	8
SQUARE FOOTAGE	Existing:	37,081,447
	Renovated:	249,508
	Under Construction:	2,049,520
AVAILABLE SPACE	Direct:	15,151,402
	Sublease:	0
	Total:	15,151,402
PERCENTAGE AVAIL. SPACE	Percentage Available:	40.86%
MAX CONTIG.	Average Amount:	94,470
QUOTED RENTAL RATES	Low Rent:	\$1.95
	High Rent:	\$5.75
	Low/High Average:	\$3.13

Research - Black's Guide: April 2002

Statistics for the Market Conditions information are based on the published data set of April 2002 by Black's Guide, Inc. All figures are calculated from non-owner occupied buildings, and all percentages in the profile have been rounded. Available space is the total square footage which is actively being marketed for lease or sublease. Under construction space is considered as part of this figure. Quoted rental rates are based upon a weighted average of quoted rental rates for available space.