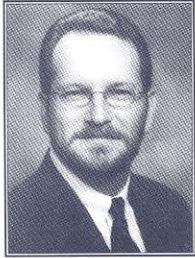
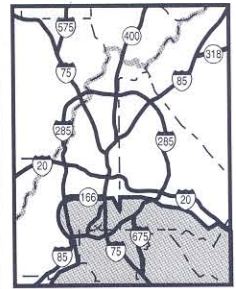


Airport/South Atlanta

Submarket Highlights



Ed Riggins
CRESA Partners of
Georgia

The long awaited tenant displacement associated with the expansion of Hartsfield has finally taken place. Most tenants whose leases had expired and who were therefore free to move have already relocated. A few tenants with remaining lease liability are negotiating their relocation packages with the City of Atlanta and will be moving in short order. Since many of the relocating tenants have tended to avoid first generation space because higher rental rates the time required for built-out, much of the available ready-to-go second-generation space was absorbed during spring and summer. Tenants have shied away from projects that are likely to be affected by construction-related congestion that may be experienced between early 2003 when Sullivan Road is expected to close at I-285 and late 2005

when the fifth runway is projected to open. Absorption in first-generation buildings near Hartsfield has been spotty, and there are a number of large blocks of first-generation space. This is significant in a market where most tenants only occupy only 10,000 to 20,000 square feet.

Companies in the expedited cargo industry dominate the airport sub-market, and this sector is in the midst of a difficult period. According to Airports Council International worldwide air cargo traffic was down 8% worldwide for 2001 from the previous year, and North America was particularly hard hit with a 12% decrease. According to the same source Atlanta cargo traffic was down 10% through March 2002 vs. 2001. Even in the face of these discouraging statistics, several blocks of space that were vacant in late 2001 and early 2002 have leased, and at least two developers have announced plans for new speculative development.▲

Ed Riggins, Cresa Partners

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

AIRPORT/SOUTH ATLANTA

2003

Number of Buildings 359

Square Feet 41,397,481

Available Space 13,336,324

Percentage of Available Space 32.22%

Quoted Rental Rates

Low Rent	\$1.95
High Rent	\$4.95
Low/High Average	\$2.67

Research - Black's Guide™: January 2003

Statistics for the Market Conditions information are based on the published data set of January 2003 by Black's Guide™. 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.