

**TUCKER/STONE MOUNTAIN INDUSTRIAL**

**MARKET HIGHLIGHTS**



**STATS**

The Tucker/Stone Mountain market ended the year with **(735,528)** SF of absorption, as the vacancy rate climbed to 12.8%. Rental rates continue to trend downward, as local businesses continue to struggle in this difficult economy. Tenants looking to lease space in the 50,000 + SF range can expect to pay \$3.00 PSF in today's climate. Buildings that fall in the 20,000 - 40,000 SF range tend to rent in the mid \$3.00s to the low \$4.00s. On a smaller scale, spaces that range from 5,000 - 10,000 SF will most likely be looking in the low \$4.00s to \$5.00 PSF on some of the spaces with higher office finish.



**ACTIVITY**

Deals in the Tucker/Stone Mountain market continue to develop slowly as businesses small and large are still weary of future positions. A few firms have found steady ground and decided to strike while the market potentially nears bottom. A good amount of supply remains on the market and landlords are still making aggressive offers. There are numerous opportunities for tenants to reduce occupancy costs and upgrade. Months of free rent and other concessions allow tenants to take advantage of current market conditions.



**NEW PROJECTS**

There has been **0 SF** of industrial space that has **delivered** in 2009 in the Tucker/Stone Mountain market. There are **no buildings under construction**. Construction will remain at a standstill until the current supply is absorbed or build to suit projects are announced.

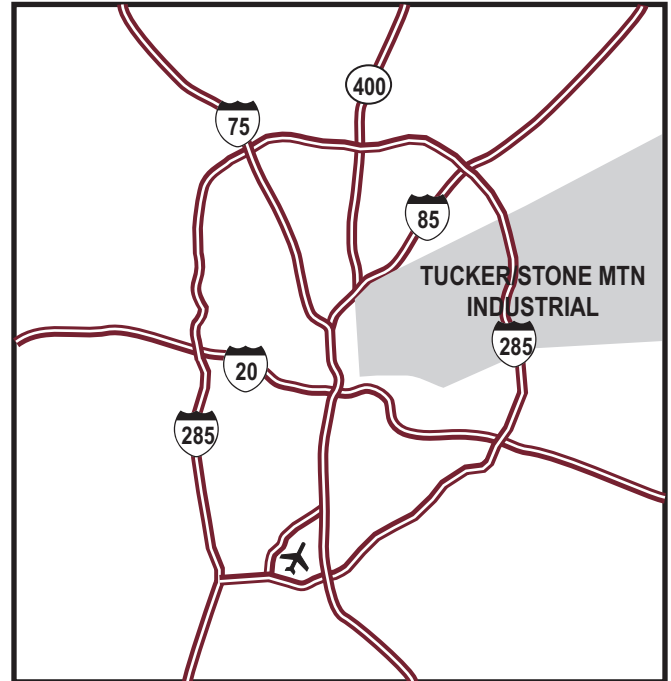


**SALES**

Sales continue to be few and far between. Investment activity is slow and user sales are rare due to lack of financing.

**NOTABLE SALES...**

- South Royal Center, a three building multi-tenant business park totaling 134,163 SF was sold by RREEF to Cabot for just under \$30/SF
- An automotive group purchased a 7,500 SF office/warehouse at 4139 Arcadia Industrial for \$455,000



**MARKET DESCRIPTION**

At almost 30 million SF spread out over 979 buildings, the Tucker/Stone Mountain corridor is a relatively small submarket when compared to surrounding markets. Although it lacks in size, the submarket produces advantages to its neighbor, the I-85/Northeast submarket. Tenants can occupy the same amount of space at discounted rates. The market is home to larger & local privately held "mom & pop" type distribution & manufacturing companies that do business in the metro Atlanta area. Located at the eastern edge of Atlanta near I-285 and spanning east to Snellville, the submarket offers a wonderful option for in-town distribution. Warehouses on the northern border of the submarket lie in Tucker where product tends to be more recently constructed and heavier office opposed to south of Hwy 78, where product is larger and generally caters to the utilitarian user and a manufacturing base.

**NOTABLE LEASES...**

- SecureWorks leased 12,800 SF at 4611 Greer Circle
- Don Morris leased 44,000 SF at 5080 North Royal Atlanta Drive