

# Green Line Market Data and Potential

## Existing Office and Retail

- Existing Office and Retail Space is largely antiquated (Class B and C)
  - Retail Space (360,000 SF) is currently reported 93% occupied
    - Underground Atlanta is most significant (220,000 SF)
    - Underground Retail, especially restaurants have historically struggled
  - Office Space (2,790,000 SF) is currently 96% occupied
    - High percentage (64%) single tenant buildings
    - Heavy proportion of market is government based
      - Largest tenants are GSA, State of Georgia and AJC
  - Relatively high occupancy rates and rents suggest underlying market strength for both retail and office beyond current recession
- Studies suggest existing retail only captures 25% of potential sales however the depth is yet to be fully defined without significant new office and residential

## Summary of Market Potential Analysis

- Over time, this investment will support an additional 4 million square feet of office space.
  - Short term projections show demand for up to 1.25 million square feet of office space by 2012
  - MARTA Headquarters, and other transportation agencies would have a demand of ±500-650,000 SF of relative immediate demand
  - GSA has shown a strong interest in consolidating more Federal offices in the area; particularly when the multiple modal transit visions become reality.
- Current retail mix is out of sync with the increasing per capita spending expected from rising household income as well as office and tourist spending
- Per RCLCO the downtown area and especially with the Green Line plan will unlock demand for up to 1.29 million square feet of retail space (±820,000 in the current plan). We believe this estimate is aggressive, but with the appropriate investment, the 94 acre study area could reach these numbers over time.
- Georgia State's growth will drive the Student Housing Demand as they have indicated 500 housing beds per year in their stated projections. Capturing this growth along the Green Line is vital.
- The re-development of Underground into a regional casino would have a significant impact on the type of retail and hospitality within the plan.

Following are data sources including CoStar, RCLCO, Cousins internal and other sources.

# Downtown Office Market

Tenants over 15,000 SF

# Green Line Area Building Summaries

# Downtown Office Market

## Trend Analysis

