

## Demographics & Economics

### Population

Population		Unemployment Rate (March 2007)	
Atlanta MSA	5.2 million	Atlanta	3.9%
Atlanta Growth <sup>1</sup>	3.53%	Georgia	4.0%
National Growth <sup>1</sup>	1.30%	National	4.3%

### Household Income & Value

Per Capita Income	\$35,361	2006 Households	1.9 million
3-year Job Growth <sup>2</sup>	3.50%	Household Growth <sup>1</sup>	3.51%
Net Migration (2005)	71,200	Median Home Price	\$166,900

### Major Employers

Gwinnett County Public Schools

Emory University

Delta Airlines

Publix Supermarkets

Kroger Company

Sources: Bureau of Labor Statistics May 14, 2007 report, Atlanta Chamber of Commerce, NAR, STDB Online. "Home Price Analysis Report for Atlanta Region – July 2006" ©2006 NATIONAL ASSOCIATION OF REALTORS®. Used with permission. Reproduction, reprinting, or retransmission of this document in any form (electronic media included) is prohibited without written permission.

<sup>1</sup>Projected annual growth over 5 years (2006-2011).

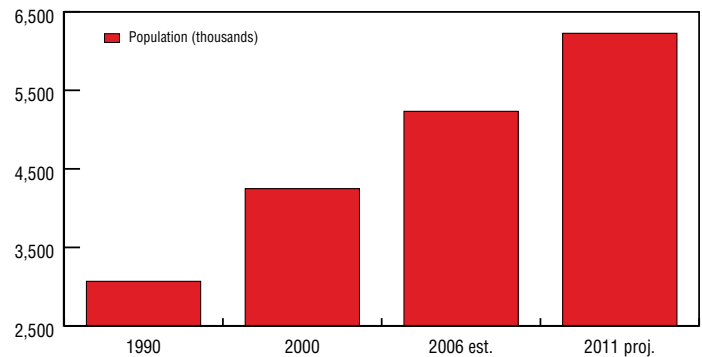
<sup>2</sup>Total cumulative job creation of last 3 years.

## Noteworthy Transactions

	Sale Date	Sale Price	SF/Units	\$ Per SF/Unit
<b>Office</b>				
Perimeter Center East	Feb. 07	\$156,637,951	930,411	\$168
One Alliance Center	Feb. 07	\$220,000,000	553,370	\$398
<b>Industrial</b>				
430 Pleasantdale Rd.	Mar. 07	\$19,617,000	301,800	\$65
5885 Fulton Industrial Blvd. SW	Mar. 07	\$12,250,000	254,236	\$48
<b>Retail</b>				
Embry Village	Feb. 07	\$47,000,000	213,054	\$221
Buckhead Station	Mar. 07	\$68,000,000	233,739	\$291
<b>Apartment</b>				
Lexington Glen	Jan. 07	\$63,000,000	480	\$131,250
Vinings at River Parkway	Feb. 07	\$47,000,000	427	\$110,070
<b>Hotel</b>				
Ramada Limited	Jan. 07	\$7,200,000	182	\$39,560

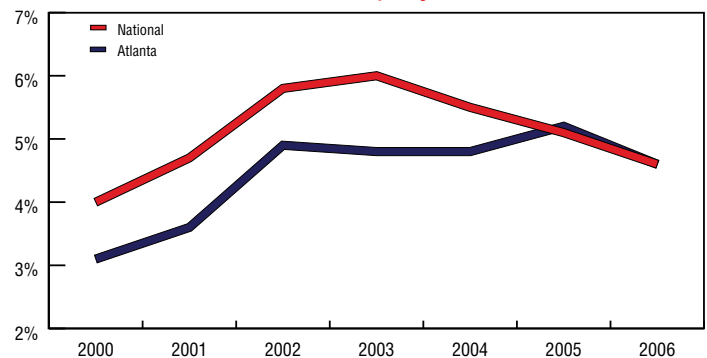
Compiled by RERC for the RERC/CCIM Investment Trends Quarterly report.

## Atlanta Population Growth



Source: STDB Online

## Atlanta Unemployment Rate



Source: Bureau of Labor Statistics

## Market Construction/Redevelopment Activity

	Property Type	New(N)/ Refurbished(R)	Total SF/Units	Estimated Delivery
3344 Peachtree	Office/Retail	N	480,000	2007
Viewpoint	Multifamily/Retail	N	385/50,000	2007

Sources: CBRE, RE Business

## Changes from Previous Quarter

	Office	Industrial
Vacancy	↑	↓
Inventory	↓	↑
Expected 1-Year Rents	↑	↓
Asking Rents	↑	=

Data compiled from various sources, including RERC, Torto Wheaton Research, Grubb & Ellis, CBRE, and Marcus & Millichap.

## Atlanta Transaction Breakdown (4/1/06 - 3/31/07)

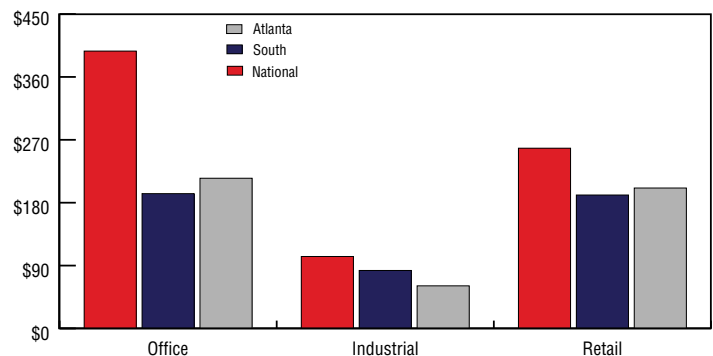
	Office	Industrial	Retail	Apartment	Hotel
<b>&lt; \$5 Million</b>					
Volume (Mil)	\$184	\$291	\$319	\$105	\$13
Size-Weighted Avg.	\$87	\$44	\$129	\$37,069	\$19,681
Price-Weighted Avg.	\$108	\$59	\$187	\$50,670	\$22,120
Median	\$99	\$53	\$139	\$42,813	\$19,375
<b>&gt; \$5 Million</b>					
Volume (Mil)	\$8,530	\$1,562	\$2,385	\$4,129	\$719
Size-Weighted Avg.	\$176	\$51	\$157	\$71,526	\$120,507
Price-Weighted Avg.	\$217	\$61	\$203	\$88,927	\$153,638
Median	\$156	\$51	\$149	\$68,047	\$68,211
<b>All Transactions</b>					
Volume (Mil)	\$8,714	\$1,853	\$2,704	\$4,234	\$732
Size-Weighted Avg.	\$172	\$50	\$153	\$69,914	\$110,490
Price-Weighted Avg.	\$215	\$61	\$201	\$87,978	\$151,311
Median	\$125	\$52	\$142	\$60,967	\$64,909
<b>Capitalization Rates % (All Transactions)</b>					
Weighted Average	7.0	7.2	6.5	6.5	7.8
Median	7.0	7.3	6.8	6.8	8.1

Source: RERC

## RERC's Take on the Market

- The Atlanta area economy is thriving, as job growth was greater than national rates and population growth is expected to surpass national growth over the next few years.
- Prices and capitalization rates for commercial property in the Atlanta area are mixed when compared to national and regional averages.
- Economic gains could further improve the Atlanta area commercial real estate market, offering more investment potential. The industrial and hotel sectors have some of the lowest prices when compared to national averages.

## RERC Price-Weighted Average Price Per SF/Unit - 1Q 2007



## RERC Weighted Average Cap Rates - 1Q 2007

