



BleaklyAdvisoryGroup

February 6, 2018

Marsha Anderson Bomar
Gateway 85 Gwinnett CID
1770 Indian Trail Lilburn Rd NW #150, Norcross, GA 30093

Re: Indian Trail Market Study Update

Dear Marsha:

In 2016, the Gwinnett Village CID (now the Gateway 85 CID) asked Bleakly Advisory Group to conduct a Market Analysis of the Indian Trail Corridor and the CID in support of the Indian Trail Livable Centers Initiative Study. You have asked us to prepare brief update of key statistics to support a potential project near the intersection of Indian Trail and Oakbrook Parkway. This memo will provide the most recent available key market data and statistics for the Market Area (defined here as a 2-mile radius from the Indian Trail-Oakbrook Parkway intersection.)

At the time we did the original study, the area was still struggling to emerge from the shadow of the 2008 recession. In the two years since, both the Indian Trail Market Area and Gwinnett County have shown significant improvement.

Office & Retail Real Estate

- Market Area office rents have been flat, with the average hovering in the \$12.00 - \$13.00 range since 2013. Market Area rents are well-below Gwinnett County office rents of \$17.24, up from \$15.64 in 2013. Market Area office vacancy rates are currently 21%, down from as high as 38% in 2008, but still higher than county-wide vacancy at 15%.
- Market Area retail rents have improved significantly, increasing to an average of \$13.67 from \$11.58 in 2013. Market Area retail rents, previously well below county-wide retail rents, are now equal to county-wide averages. Market Area retail vacancy rates are currently extremely low, at just 3%, down significantly from 11% as recently as 2013. Gwinnett County retail vacancy averages 6%.
- Market Area absorption is good, with 40,000 SF of retail and 97,000 absorbed in the last 12 months, well above the 5-year average (particularly for the office sector). This parallels a similar increase in county-wide absorption.

Employment

One of our main concerns in the 2016 Market Study was the area's relatively slow recovery of jobs lost due to the recession. We are pleased to see that the Market Area has now completely recovered all jobs lost due to the recession and is currently at an all-time high of 26,003 jobs, representing an average of over 1,400 jobs added each year since 2013.

County-wide, the employment story is even stronger:

- Gwinnett County has employment of 463,000 as of August 2017.
- Since the recession low of 2009, the county has added employment of 86,000, representing the county addition of 10,700 new working residents/ year.
- Gwinnett County has an estimated 350,000 jobs (jobs located within the County) as of 2016. The number of county jobs has grown steadily since late 2009.
- Between 2008 and 2010, the recession caused the loss of approximately 30,000 jobs in Gwinnett County, which did not recover until 2014.
- The Gwinnett Place/Sugarloaf area is the Atlanta metro area's fourth largest regional employment center, ahead of booming areas such as Midtown and Cumberland.

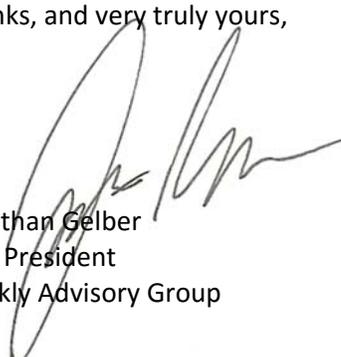
Area Development and Initiatives

- One of the most important local developments cited in the previous Market Study was the Atlanta Media Campus proposal, a major mixed-use and film studio infill development at the OFS site at I-85 and Jimmy Carter. Since that time, the Atlanta Media Campus proposal has fallen through, however it is our understanding that OFS is close to announcing a new redevelopment proposal with a new development partner in the next few months. The details of that proposal have not been announced, but it is likely to be a strong catalyst for economic activity in the surrounding area.
- Other interesting developments include the strong growth of film and television production in the area, with several major productions filming in the area and an increasingly strong presence of filming locations, production studios, production offices, and support services in the area. Both blockbuster films (The Fast and the Furious & Hunger Games franchises) and network series are being produced in the Gateway 85 area.
- It appears that Gwinnett County is close to closing a major public-private partnership in support of a major mixed-use redevelopment in the Pleasant Hill Road area.

In summary, we believe that the market area around Indian Trail-Oakbrook Parkway has improved significantly over the past two years, and we see the potential for continued growth in the coming years.

As always, I will be happy to talk you through this memo and provide any information you need.

Thanks, and very truly yours,

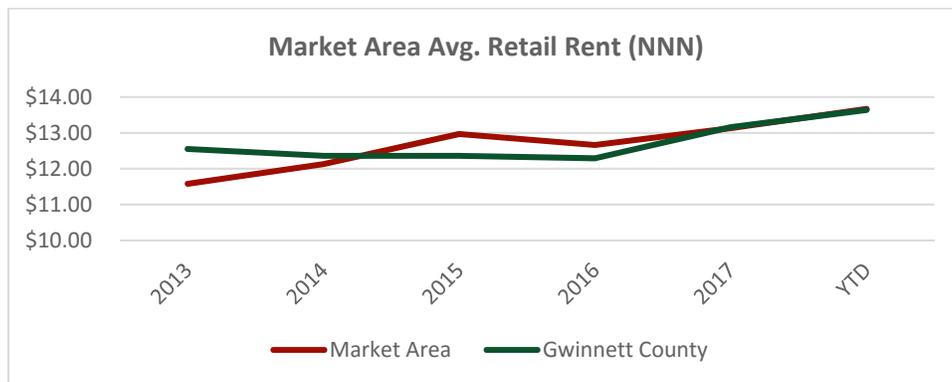
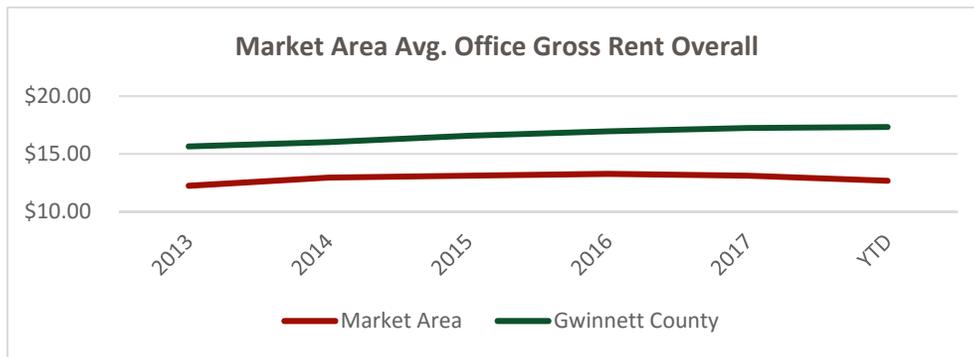


Jonathan Gelber
Vice President
Bleakly Advisory Group

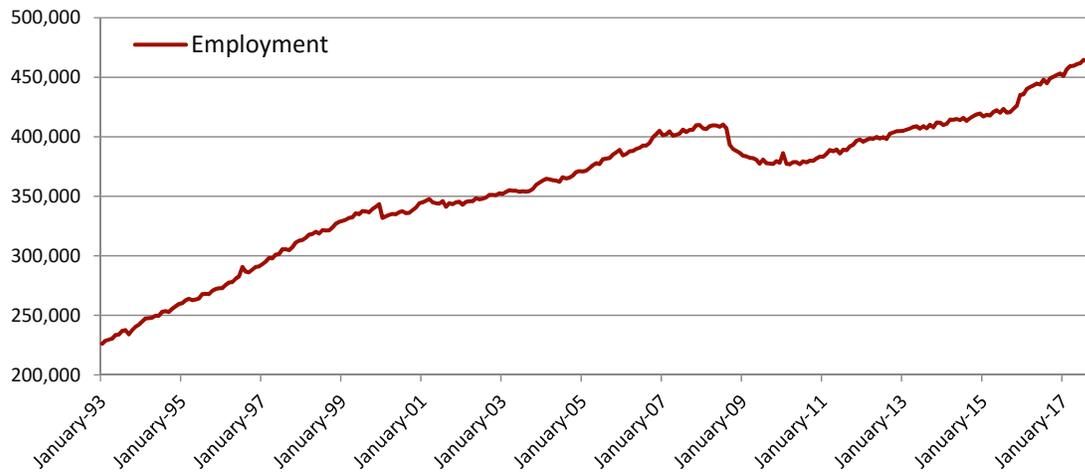
Data and Charts

Indian Trail Market Area (2-mile radius from Indian Trail Oakbrook Pkwy.)					
	Retail	Office	Industrial	Flex	Total Commercial
Inventory (SF)	1,688,285	1,364,938	9,329,098	2,356,528	14,738,849
Vacant (SF)	50,896	290,267	662,715	483,107	1,486,985
Vacant %	3.0%	21.3%	7.1%	20.5%	10.1%
12 Mo. Absorption SF	39,870	97,019	(129,628)	27,763	35,024
12 Mo. Absorption SF (5 year avg.)	28,086	31,620	133,224	33,377	226,307
Avg. Rent	\$13.67	\$12.66	\$5.67	\$9.00	\$7.77

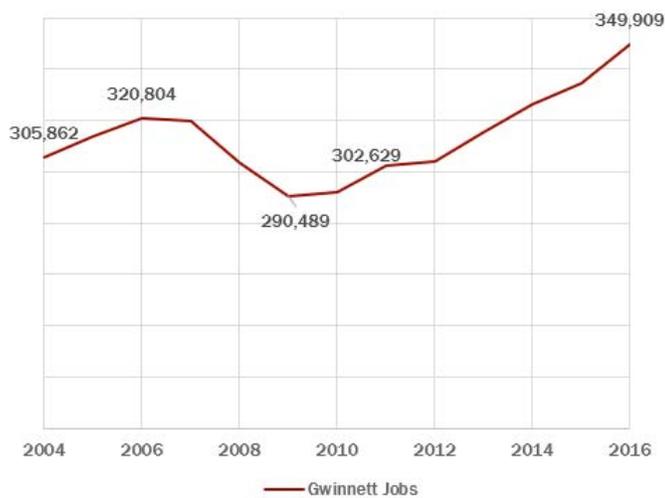
Gwinnett					
	Retail	Office	Industrial	Flex	Total Commercial
Inventory (SF)	59,944,505	34,522,321	117,566,202	16,814,260	228,847,288
Vacant (SF)	3,333,094	5,228,041	6,786,327	1,693,570	17,041,032
Vacant %	5.6%	15.1%	5.8%	10.1%	7.4%
12 Mo. Absorption SF	713,571	419,294	1,327,931	321,933	2,782,729
12 Mo. Absorption SF (5 year avg.)	645,425	255,694	2,264,271	289,539	3,454,929
Avg. Rent	\$13.64	\$17.32	\$5.22	\$8.69	\$9.51



Gwinnett County Workforce 1993-2017



Gwinnett County Jobs 2004-2017



Year	Gwinnett Jobs
2004	305,862
2005	313,913
2006	320,804
2007	319,598
2008	303,232
2009	290,489
2010	291,865
2011	302,629
2012	303,763
2013	315,701
2014	326,330
2015	334,278
2016	349,909

Source: BLS

Atlanta Metro Employment Centers, Ranked (Source ESRI, ARC)

Rank	Regional Center	Jobs 2017	Acres	Density
1	Atlanta City Center	121,939	1,456	83.7
2	Perimeter	63,380	2,320	27.3
3	Buckhead	60,411	1,114	54.2
4	Gwinnett Place/Sugarloaf	52,845	8,410	6.3
5	Midtown	50,226	854	58.8
6	Cumberland	45,388	2,199	20.6
7	Peachtree Corners	25,170	2,873	8.8
8	Town Center	18,014	3,364	5.4
9	Fulton Industrial	17,574	5,163	3.4
10	Windward	16,282	1,647	9.9