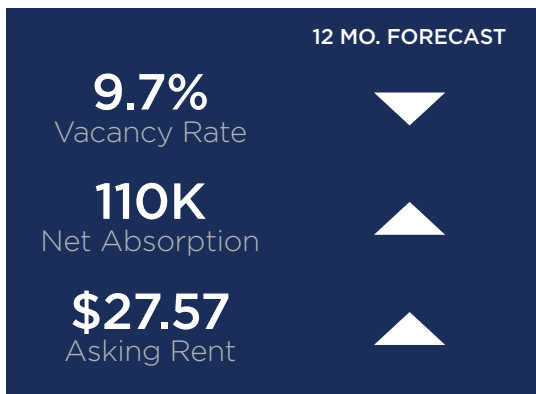


## Economy - 2022

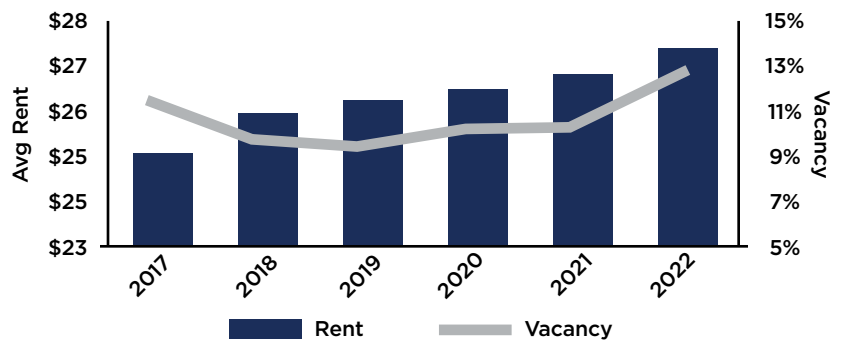
Atlanta’s healthcare industry remained resilient despite economic changes in 2022. Patients continued in-person care and healthcare spending continued to rise. Atlanta employment in healthcare continued to grow as the metro added 9,841 Ambulatory Healthcare Service jobs over the past year, including offices of physicians, dentists, and medical and diagnostic laboratories. The addition of the jobs drove the unemployment rate down to 2.8% and many groups are struggling to find sufficient talent across many healthcare roles.

## Metro Atlanta Medical

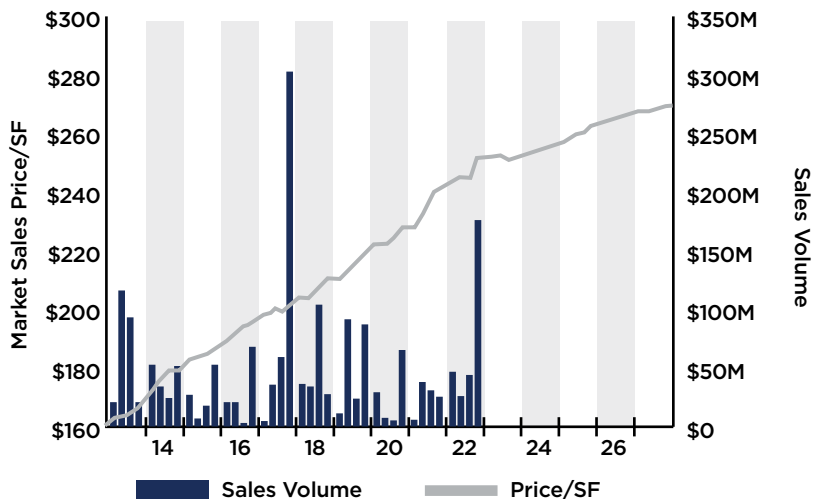
Leasing gained momentum throughout the year, totaling 420,538 square feet (sf) of new deals, a 5.0% increase over 2021. Atlanta recorded healthy net absorption of 111,779 sf in 2022 with South Atlanta contributing to 18.7% of total leasing and Northwest with 16.2%. Construction of five new medical office buildings is actively underway we would predict increases in occupancy again during 2023. The additional 352,764 sf of new development is already 55.1% pre-leased, indicating that demand continues to keep pace with supply.



HISTORICAL RENT VS VACANCY



SALES VOLUME & MARKET SALE PRICE / SF



In addition to CHOA’s construction at their main campus there are several medical office buildings under construction that span the Metro Atlanta area. Northside Hospital is leading the charge with approximately 250,000 SF of construction in Lawrenceville, Snellville and Smyrna. Additionally, Buckhead features The Darlington project 75,000 SF and McDonough the 48,000 SF Jodeco Medical project.

2022 showed an increase in sales activity throughout the year. As 2023 takes shape, the Atlanta medical office market can be expected to continue to draw substantial interest from the broader investment community as an asset type yielding table and consistent results.

## Market Statistics

Submarket	Inventory (SF)	Overall Vacancy Rate	Direct Vacancy Rate	YTD Leasing Activity (SF)	Under Const. (SF)	YTD Const. Complete (SF)	YTD Direct Net Absorption (SF)	YTD Overall Net Absorption (SF)	Overall Avg Asking Rent (All Classes)	Direct Avg Asking Rent (All Classes)
Buckhead	819,891	16.5%	16.5%	828	0	0	0	0	\$33.06	\$33.06
Central Perimeter	3,366,158	10.9%	10.7%	20,274	0	0	364	7,809	\$30.08	\$30.08
Downtown Atlanta	294,259	2.0%	2.0%	0	0	0	0	0	\$23.30	\$23.30
Midtown Atlanta	927,917	2.9%	1.1%	4,945	0	0	1,162	-10,680	\$24.74	\$25.50
North Fulton	2,329,372	9.9%	8.5%	7,473	0	0	70,116	54,223	\$28.71	\$28.73
Northeast Atlanta	1,577,526	20.3%	19.3%	15,151	0	0	-40,062	-40,062	\$25.38	\$25.38
Northlake	1,734,842	6.6%	6.6%	26,160	0	0	36,788	36,788	\$21.69	\$21.69
Northwest Atlanta	3,058,642	8.8%	8.1%	23,017	0	0	-15,978	-12,328	\$24.35	\$24.36
South Atlanta	2,652,960	11.8%	11.6%	29,735	0	0	27,307	32,548	\$22.15	\$22.00
West Atlanta	661,257	4.5%	4.0%	1,457	0	0	-10,404	-10,404	\$20.02	\$20.02
<b>TOTAL</b>	<b>17,422,824</b>	<b>10.5%</b>	<b>9.9%</b>	<b>129,040</b>	<b>0</b>	<b>0</b>	<b>69,293</b>	<b>57,894</b>	<b>\$26.80</b>	<b>\$26.80</b>

## Key Lease Transactions (2022 - YTD)

Property	SF	Tenant	Type	Submarket
371 E Paces Ferry	5,100	Pathways Fertility	New	Buckhead
2000 Village Professional Dr	5,700	Georgia Physical Therapy	New	Douglasville
Dacula Medical	2,000	Extremity Health	New	Gwinnett
5445 Meridian Mark	54,000	Northside	Renewal	Perimeter
2665 N Decatur Rd	11,000	Emory	New	Decatur

## Key Sales Transactions (2022 - YTD)

Property	SF	Seller/Buyer	Price/\$PSF	Submarket
1800 Northside Dr	99,000	Northside Hospital	\$46M/\$466	Forsyth
5780 Peachtree Dunwoody	119,000	Northside Hospital	\$55M/\$464	Central Perimeter
2550 Windy Hill Rd	90,000	Anchor Health	\$21.8M/\$242	West
1825 E Hwy 34	99,000	Kayne Anderson	\$28M/\$286	South

## YOUR HEALTHCARE REAL ESTATE PARTNER

Consider help from a professional to handle the sale, acquisition or leasing of your healthcare real estate and improve the financial outcome of your practice.



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