

## SPRING ROAD CORRIDOR MARKET ANALYSIS

CITY OF SMYRNA  
FEBRUARY 2017

# EXECUTIVE SUMMARY



## CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS SUMMARY

### Executive Summary

#### Background

Noell Consulting Group was retained as part of the Sizemore Group consulting team to conduct a market analysis in support of redevelopment efforts along the Spring Road corridor from Highway 41 in the east to Atlanta Road in the west. Specifically, NCG was tasked with understanding market depth for residential (for-sale and rental), retail, office, and lodging uses in the area and the potential redevelopment opportunities available to Smyrna in the coming decade and beyond. NCG was further tasked with identifying potential redevelopment thresholds required to allow for redevelopment to become feasible in the corridor.

#### *Context*

The timing for improving and facilitating redevelopment along the Spring Road corridor is ideal, as the area's intown location, high level of convenience, and proximity to one of Atlanta's largest employment cores has greatly enhanced redevelopment potential. Benefitting Spring Road are:

- The relocation of the Atlanta Braves to Cumberland which has spurred significant public and private investment in the area, particularly north of I-285;
- Residential and demographic trends, which increasingly favor convenient intown locations more proximate to employment, local and regional retail and entertainment destinations and allowing for greater transportation alternatives;
- Higher gas prices, lack of state money and worsening traffic take toll on suburbs, furthering interest in intown living;
- Responding to this, rental apartment development and even the construction of luxury housing have all shifted to areas inside of and proximate to I-285 from Midtown to Buckhead to Dunwoody, Sandy Springs and Smyrna;
- Changes in the priorities of office tenants, who now seek more convenient, walkable mixed-use locations (preferably accessed by transit) over conventional suburban office parks;

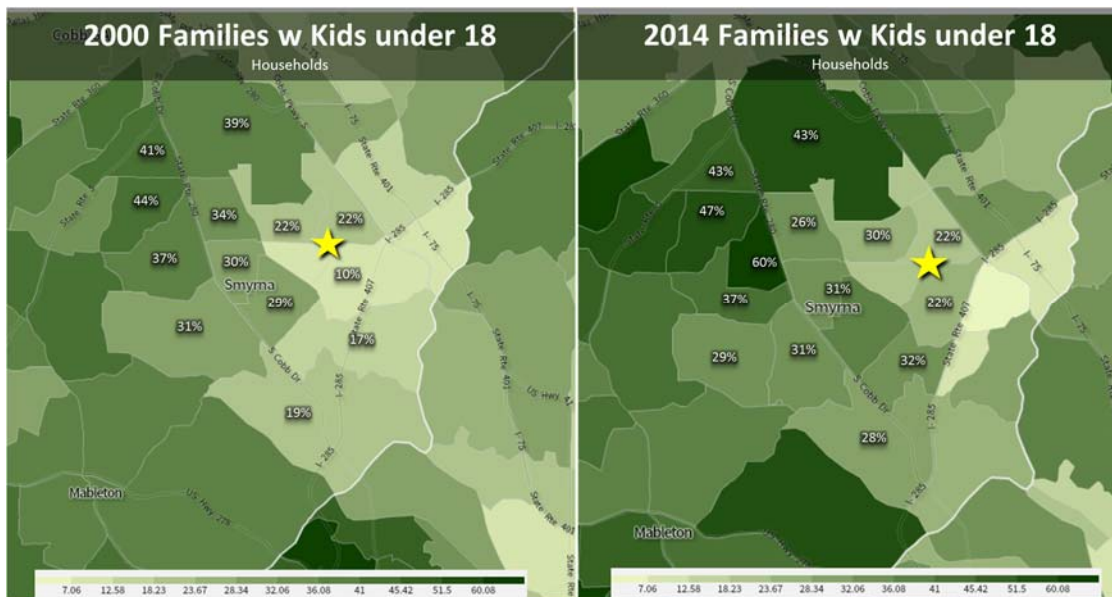


- To this, major intown cores (Midtown, Buckhead, C. Perimeter, Cumberland) regain market share and can push lease rates and values;
- MARTA and transit become a more significant factor--State Farm selection of Central Perimeter, NCR & Honeywell to Midtown;
- Nationally, investment in most real estate product types favors central, more walkable areas over those that are less walkable or more suburban in nature.

To this, the following summarizes our key conclusions relative to economic opportunities in the Spring Road corridor, with more detailed research, conclusions, and opportunities being provided in the larger accompanying package.

#### *Demographic Trends*

As noted, Smyrna, like other intown Atlanta communities, has seen a significant shift in demographics fueling demand over the last 15 years. Specific trends include:



- The study area and the western portion of Cobb County are seeing an increase in owner-occupied households overall.
- The study area is seeing a corresponding increase in highly educated (and more affluent) households but with more being childless couples (pre-families or empty nesters);
- Western Smyrna and Cobb County offer more affordable housing options for families and a still-reasonable commute to major job cores along I-20 or I-285.





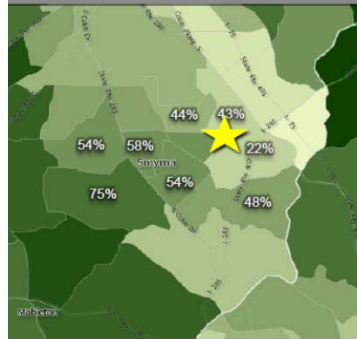
- Foreign-born households make up an increasing share of the population at the east end and to the north of the subject area;

- These households are more likely to rent and tend to live in older, affordable multifamily properties found in and around the Cumberland core;

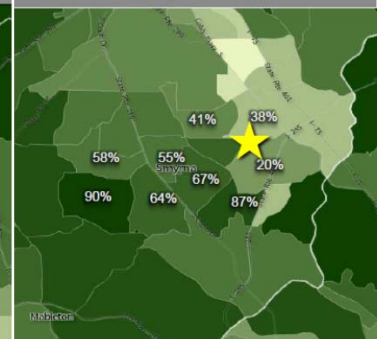
- The Cumberland core and its immediate surroundings are popular due to its centrality and accessibility. Older housing product is being adopted by immigrants, while newer housing product is attracting educated, childless households.

## Changes in Tenure

2000 Owner Occupied  
Occupied Housing



2014 Owner Occupied  
Occupied Housing



### For-Sale Housing Market Assessment

- The metro area, like the nation, is still recovering from the housing crash. New construction home sales (of any product type) are significantly lower than seen a decade ago, although sales volume is improving every year;
  - Market shifts, demographic shifts, the impacts of student loans, financing requirements, and reduced value seen in owning a home have all served to temper demand, even in the healthier economy;
  - Potential easing of lending requirements, however, may jump start the housing market for more non-luxury product;
- Home values continue to rise, with 2016 year-over-year changes in the Case Shiller index at 5.3%. We expect values to continue to rise at greater than inflation levels over the next five years, but with this growth slowing as new supply increases.
- Metro-level townhome and condo development declined as a share of new construction since the housing crash. We expect these product types to slowly return over the next five years, although we do not expect either to return to early 2000's levels.
- We expect new townhome development in the metro area to increase over the next five years due to increasing land prices as well as housing affordability pressure. Entry level single family homes are increasingly hard to construct in established areas with short commuting patterns, and the townhome product is also appealing to many non-traditional households.
- Cobb County has captured a steady share of all new construction, and has seen its share of new townhome construction increase steadily since 2006;



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## SPRING ROAD CORRIDOR MARKET ANALYSIS

- New single-family development is moving westward, although areas like Smyrna are seeing an increasing amount of infill development. Smyrna is ground-zero for new townhome construction, capturing more than 40% of all new Cobb townhome sales since 2013.

- Demand (shown at right) for new for-sale product in the Spring Road corridor could average more than 250 townhouses and 200 single-family homes every five years with for-sale townhouse development being a more viable and feasible opportunity in the corridor itself;

						Averages	Projected						Averages
	2011	2012	2013	2014	2015	'11-'15	2016	2017	2018	2019	2020	'16-'20	
PMA SF Sales	126	192	165	110	147	148	205	209	178	229	179	200	
PMA Attached Sales	116	115	163	164	220	156	153	288	340	439	368	318	
Study Area Capture													
SFD Capture Based on New SFD Home Sales 2006-2015													
						Projected						Averages	
PMA ZIP Codes	1,483						2016	2017	2018	2019	2020	'16-'20	
Spring Road Corridor 1/2 Mile	315						44	44	38	49	38	42	
Spring Road Corridor Capture Rate	21%												
Attached Capture Based on New Attached Home Sales 2006-2015													
PMA ZIP Codes	1,940						25	47	55	71	60	52	
Spring Road Corridor 1/2 Mile	315												
Spring Road Corridor Capture Rate	16%												
												5-year Total Sales	
												SFD	212
												Attached	258

### Rental Apartment Market Assessment

- Apartment development has been very strong in Metro Atlanta and in the Cumberland area overall, driven by Millennials delaying home ownership, interest in living in more urban locations (where home prices are more expensive) and, more recently, by Baby Boomers moving from home ownership to more convenient rental positions in the market;
- The metro Atlanta area is at the peak of the current apartment cycle with apartment construction at its highest level since 2007, and rent growth has starting to slow.



- Southeast Cobb County is capturing an increasing share of new absorption, although a large pipeline of under construction and proposed developments should satisfy demand in the coming five years;
- Southeast Cobb should see demand for around 500 to 600 units annually (2,500 to 3,000 every five years), with the Spring Road corridor (particularly closest to Highway 41) being able to support several new rental apartment communities over the next 10 to 15 years.

### Retail Market Assessment

- The Cumberland/Smyrna area has seen flat rental rates the last five years, but steadily declining vacancies and only limited new deliveries;
- The overwhelming majority of retail in Cumberland and along Highway 41 is largely older-model product, including Cumberland Mall, and conventional power and neighborhood strip centers;





- For local-serving, convenience-driven retail (most likely in central to western portions of the study area), demand potential in the study area is somewhat constrained by Dobbins AFB to the north and I-75 and I-285 to the east and south.
- Opportunities for local-serving retail will be greatest in western portions of the corridor and will largely be satisfied by the opening of Jonquil Village in the coming months;
- Retail opportunities in the mid-corridor area of the study area could focus on local-serving dining and smaller, local-serving retailers priced out of newer retail space at Jonquil and Belmont;
- For regional-serving retail (supportable only on sites at Highway 41) the study area draws on a regional trade area that includes most of southeast Cobb County.
  - Retail at The Battery will be heavily focused on dining and entertainment, along with highly unique retailers to the market;
  - We find large market gaps for major retailer categories, although many of these retailer types are in traditionally big-box friendly categories (i.e. regional-serving), such as home improvement, office supplies, some clothing, and even some grocery beyond the planned Publix at Jonquil Village
  - Opportunities may focus on ground floor retail or even stacked retail boxes as part of a larger mixed-use project, which can avoid direct competition with The Battery.



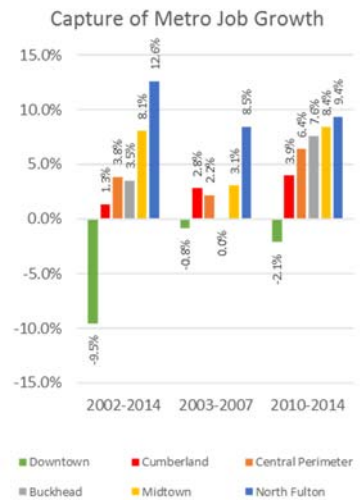
#### *Office Market Assessment*

- The Cumberland office market has lagged other major Atlanta job cores in job growth both since 2002 overall and since the beginning of this recover in 2010.
- Cumberland also currently lags Central Perimeter, Buckhead, and Midtown in average rental rates and vacancies through 3<sup>rd</sup> quarter 2016.
- The relocation of the Braves, creation of The Battery (Cumberland's first true walkable mixed-use district), and the significant public investment in area infrastructure, combined with the prolonged economic recovery have led to a surge in office absorption and development in Cumberland;
  - Cumberland has seen higher absorption in 2015 and 2016 (1.2M square feet of space combined) than it has seen since the early 2000s;
  - Responding to this, more than 1.2M square feet of space is now under construction in Cumberland and is slated to deliver in 2017 and 2018;
  - A significant share of this growth has been new build-to-suit office space for large corporate users.



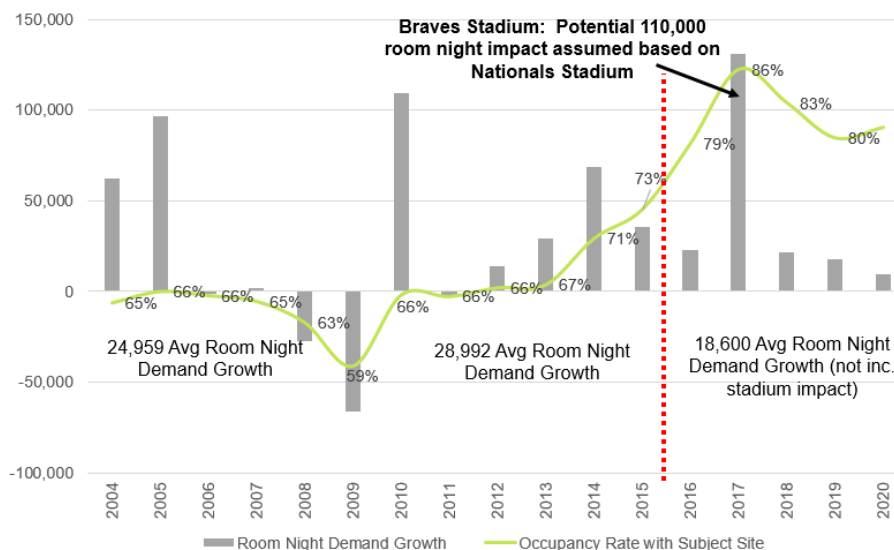


- While we expect the next five years to see healthy new office absorption, there is currently 400,000 more square feet of office space planned than we believe the submarket can absorb through 2020;
- Similar to retail, we see two development opportunities in the Spring Road corridor:
  - More local, neighborhood-serving office focused more toward Atlanta Road and perhaps around the Jonquil Road area
    - Net support exists for around 50,000 square feet of this small office space;
  - More regional-serving office beyond 2020, focused around Cobb Parkway in a high-rise format and could potentially support a new tower in that location over time.



#### Lodging Market Assessment

- The lodging market has improved significantly in the Cumberland area since the economic downturn in the late 2000s, with annual total occupancy now in the mid 70s, up from the mid 60s seen from 2004 through 2013;
- Continued office growth in Cumberland, combined with the impacts of the opening of SunTrust Park (literature suggests something like a 110,000 room night demand bump from the stadium) should allow for continued growth in the lodging market;
  - Demand from 2016 through 2020 should support around 200,000 net new room nights, with demand growing by around 18,600 room nights annually beyond the stadium opening;



- Two major hotels—The Omni at The Battery and up to 350 rooms at Overton Park or the Galleria—will likely land in the area in the next five years, accounting for a share of this net new demand;
- Even with these two new lodging establishments, we believe the area can support an additional 500 rooms by 2025 and



still maintain a healthy 70% occupancy rate;

- Given the high level of visibility and proximity to The Battery, we believe a hotel could be supported in the study area at Cobb Parkway and would like be a select service type of establishment (somewhat upgraded from a conventional limited service hotel).

#### *Development Opportunity Summary*

- Western Corridor: Largely developed today with the addition of Jonquil Village apartments and retail, but having opportunities for additional townhouse development as well as neighborhood office and retail development around the Spring Street/Jonquil Drive area, with the need there being the creation of a more formal node relative to the independent, non-related uses there today.
- Central Corridor: Townhouse development and redevelopment in the corridor is most appropriate, with the possibility of some neighborhood office as well. A lack of major intersections will temper potential for other commercial land uses and more intense rental apartments.
- Eastern Corridor: Around Cobb Parkway opportunities exists for a larger mixed-use project, including regional-serving office, retail, and rental apartments, as well as the potential for lodging (likely select service) onsite.

#### *Redevelopment Feasibility*

Redevelopment of key land uses in the corridor appears to be largely feasible, particularly for interior portions of the corridor. Along Cobb Parkway, however, redevelopment scenarios are somewhat more challenging and require higher-intensity redevelopment to support feasibility.

- The market currently supports redevelopment aging, low-intensity land uses such as small, functionally obsolete single family homes on 0.15 acre lots or disinvested strip retail.
- Aging garden-style apartments might be replaceable with modern luxury apartments, although only on sites with strong visibility and access. Apartments with recent re-investments or that are not centrally located may be more valuable to investors as cash-producing properties than as redevelopment opportunities.
- Larger retail properties along South Cobb Parkway could be replaced with mid- to high-rise residential or commercial development in 5 to 10 years.
- However, these retail sites tend to have very large acreages and therefore redevelopment could potentially yield a very large number of units or rentable commercial square feet. These redevelopments will likely need to involve a creative mix of uses and/or multi-phase development programs to absorb the amount of new space that these sites could support.
- Hospitality property, unless it is deteriorating and/or vacant, will likely be too expensive to redevelop.

Redevelopment feasibility scenarios are provided in the table on the following page.



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SPRING ROAD CORRIDOR MARKET ANALYSIS

Existing Land Use	Aging Single Family/Lot	Aging Neighborhood Retail	Aging Garden Apartments	Occupied Class B Retail Power Center	Occupied Class A Power Center
Rent/SF		\$10.00	\$0.95	\$16.00	\$19.00
Annual NOI per Unit or SF		\$8.10	\$5,669	\$12.96	\$15.39
Cap Rate		10.0%	7.0%	7.0%	7.0%
Sales Value Per Unit or SF	\$190,000	\$81.00	\$80,981	\$185.14	\$219.86
Units or SF	12	30,000	75	60,000	100,000
Typical Total Price	\$2,280,000	\$2,430,000	\$6,073,554	\$11,108,571	\$21,985,714
Units/Acre or FAR	6.00	0.30	16	0.20	0.20
Acres	2.00	2.30	4.69	6.89	11.48
\$/Acre	\$1,140,000	\$1,058,508	\$1,295,691	\$1,612,965	\$1,915,395
<b>Minimum Residential Redevelopment Required</b>	Wood Frame Townhome (Single Family Attached)	Wood Frame Townhome (Single Family Attached)	Deck Parked Podium/Wood Frame Rental Multifamily	Epicore Mid-Rise Rental Multifamily	Concrete High Rise For Sale Multifamily
Price Per Acre	\$1,180,000	\$1,180,000	\$1,340,280	\$1,647,470	\$2,200,000
Units/Acre or FAR	16	16	60	110	100
Unit or SF Yield	32	37	281	758	1,148
<b>Minimum Commercial Redevelopment Required</b>		Deck Parked Commercial Mid-Rise	Deck Parked Commercial Mid-Rise	Deck Parked Commercial Mid-Rise	Deck Parked Commercial Mid-Rise
Price Per Acre		\$1,356,225	\$1,356,225	\$1,695,282	\$2,034,338
Units/Acre or FAR		2.00	2.00	2.50	3.00
Unit or SF Yield		200,000	408,375	750,000	1,500,000
<b>Notes</b>	Very viable, but assemblage of existing structures required and is time consuming, risky.	Very viable redevelopment opportunity. Some sites may be too small to redevelop without some assemblage.	New construction rents to justify land costs are only viable at high-value sites.	Scale of new developments may be challenging - multi-year phasing or mixes of uses may be necessary to justify acreage.	Scale of new developments may be challenging - multi-year phasing or mixes of uses may be necessary to justify acreage.



*Development/Economic Development Opportunities*

As part of the planning effort, four sites were identified as having potential for redevelopment; sites that both represent opportunities in and of themselves, but also could also provide upside in terms of public investment and/or further private investment. The three sites are identified in the map below.





These sites include:

1. Lexus Site—this site includes the Lexus dealership along with a couple of adjacent properties and represents by far the most significant redevelopment opportunity in the corridor. The site sits across Cobb Parkway from the new Braves Stadium and The Battery, and represents a real opportunity for regional-serving office, lodging, rental apartments and local/area-serving retail uses. Redevelopment of the site is quite complex given long-term leases for the Lexus dealership (opportunity to reintroduce them into a redeveloped property?), the potential to develop large-scale structured parking below grade (including parking for Braves' overflow), and the inter-relationships of the component land uses.
  - Given the complexities of the project Smyrna would need to take a progressive approach to this potential redevelopment opportunity, for which there are several tools available for the City to utilize:
    - i. The City of Smyrna's development authority could create a Special Use District, for which Smyrna could invest in significant infrastructure for the site and adjacent roads in exchange for higher development intensities and greater development flexibility and/or other development incentives.
    - ii. Creation of a performance-based Tax Allocation District (TAD), similar to one the City has previously created, whereby infrastructure investments are repaid as property value creation occurs.
    - iii. Potential pursuit of infrastructure grants to help offset up-front development costs, particularly underground utilities and parking for all or a particular portion of the site;
    - iv. Use of green SPLOST (Special Purpose Local Option Sales Tax) to create funds for a more urban open space that could help both anchor the project and connect it to other nearby parks and trail systems (including at The Battery and Jonquil Park).
2. Emerson Center Site—This property is a collection of three office buildings on 7.1 acres just south of Spring Road at Cumberland Boulevard. The buildings, developed in 1974 and renovated eleven years ago, are generally underperforming in the market, with 48% of the developed space (130,000 SF) sitting vacant today. With its frontage on I-285 and potential connectivity to both Cobb Parkway and Cumberland Boulevard, a portion of the site could become home to a new CCT transit hub.
  - Redevelopment of the property today, even without the potential transit hub, appears feasible and, while the transit hub could take away two acres from the site (estimated), that still leaves more than enough acreage for a sizable rental apartment community. Some land costs, however, would likely need to be attributed to the transit hub to allow feasible development of the balance of the property;
  - An alternate strategy may be for Cobb County (or Smyrna) to develop a parking structure that can accommodate both commuter transit parking as well as rental apartment parking and, utilizing some type of long-term lease agreement, allow a parking reduction for apartments being developed on the balance of the site.



3. Galleria Courtyard Apartments Site—This property was developed originally in 1966 and is comprised of approximately 240 units on 13.8 acres (17.4/acre). Likely purchase costs to buy out this property are estimated to be somewhere in the vicinity of \$1.4M per acre. This land price is feasible for midrise rental apartment product, but may be cost-prohibitive for for-sale townhouse product (a likely potential use given the visibility, park adjacency, and other attributes of the site. Thus, Smyrna may wish to identify strategies to offset development costs and allow feasible townhouse development onsite, possibly including:
  - Utilizing the Performance-Based TAD strategy utilized with Belmont to help offset infrastructure costs and repay costs associated with sidewalks, street improvements, utilities, etc.;
  - A second opportunity is associated with the aforementioned Green SPLOST that could be utilized to expand Jonquil Park and connect it to other park areas to the east.
4. Spring/Spring Triangle/Arts District Site—This opportunity is smaller in scale, but important to creating a local, neighborhood-based location in the Spring Road corridor. This opportunity is based on the creation of a park space with road realignments to help create a small, neighborhood residential and commercial core at the Spring/Spring intersection.
  - The fireworks store and adjacent retail properties are likely going for between \$800,000 per acre and \$1.4M per acre. Use of the Green SPLOST funds as well as potential transportation funds to finance road realignment would be a need for the City;
  - With the creation of that park and the related road realignments, we believe redevelopment of adjacent properties for new office or retail, or for-sale townhouse development should be feasible without public assistance.



# COMMUNITY WORKSHOP PRESENTATION





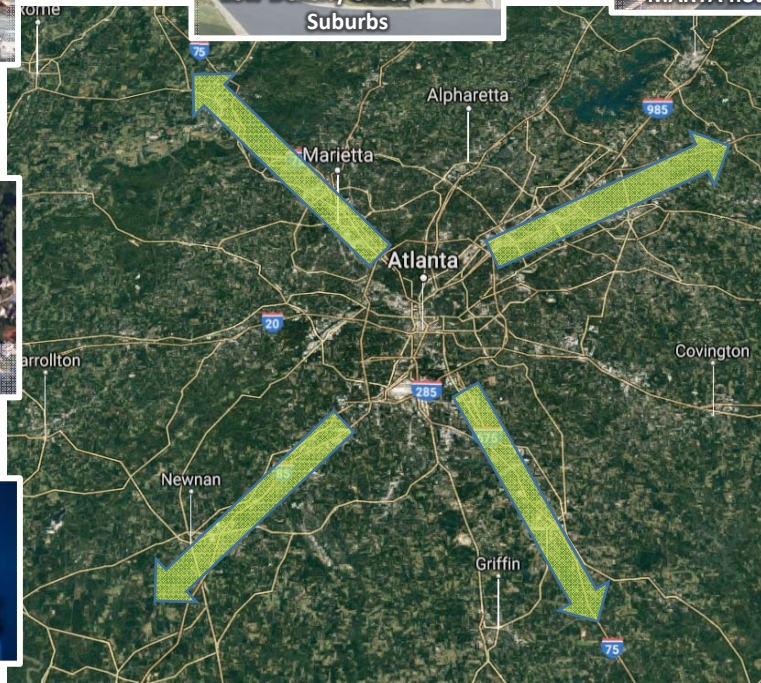
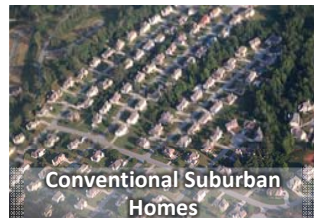
# Spring Road/ Stadium District Market Analysis Conclusions Summary

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# Traditional/Historic Growth Model Favoring Suburbs

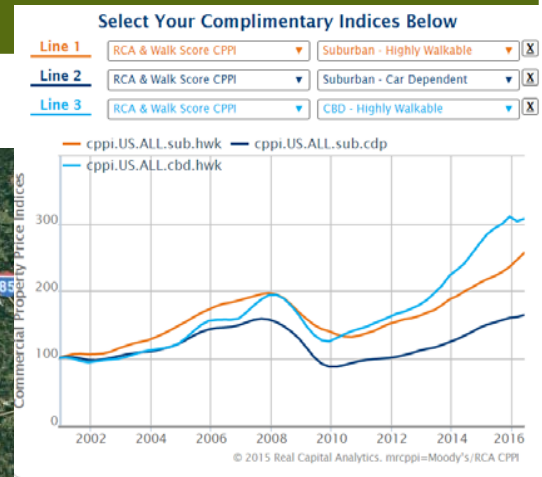
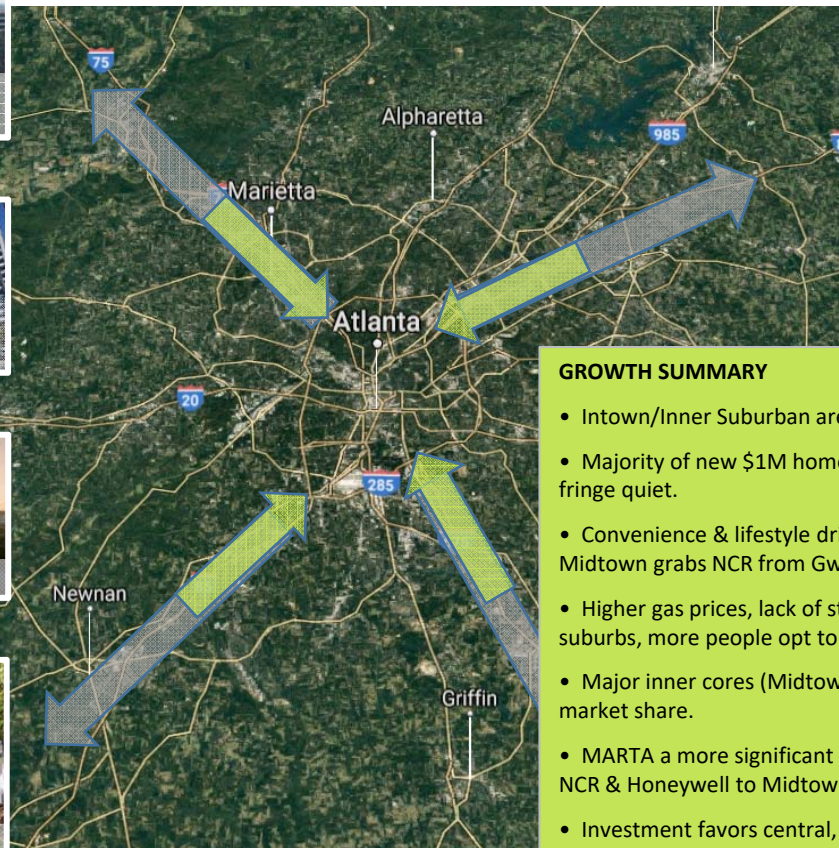


## GROWTH SUMMARY

- Growth pattern dominated by suburban greenfield development
- Executive housing in golf communities and master-planned communities to the north
- Office "follows" the bosses into the suburbs and Georgia 400 North cannibalizes Central Perimeter
- Middle-class buyers "drive for value" to afford new for-sale housing, with cheap gas and highway widenings offsetting long commutes
- Intown cores generally underperform and lose market share to newer suburban cores
- MARTA largely an afterthought and not a significant factor.
- Investment favors greenfield, simpler development models



# New Growth Model Favoring Walkable Urban Cores



## GROWTH SUMMARY

- Intown/Inner Suburban areas dominate growth patterns.
- Majority of new \$1M homes in intown Atlanta and inner suburbs--suburban fringe quiet.
- Convenience & lifestyle drive office decisions--recruiting best talent wins--Midtown grabs NCR from Gwinnett.
- Higher gas prices, lack of state money and worsening traffic take toll on suburbs, more people opt to rent intown.
- Major inner cores (Midtown, Buckhead, C. Perimeter, Cumberland) regain market share.
- MARTA a more significant factor--State Farm selection of Central Perimeter, NCR & Honeywell to Midtown.
- Investment favors central, more walkable areas





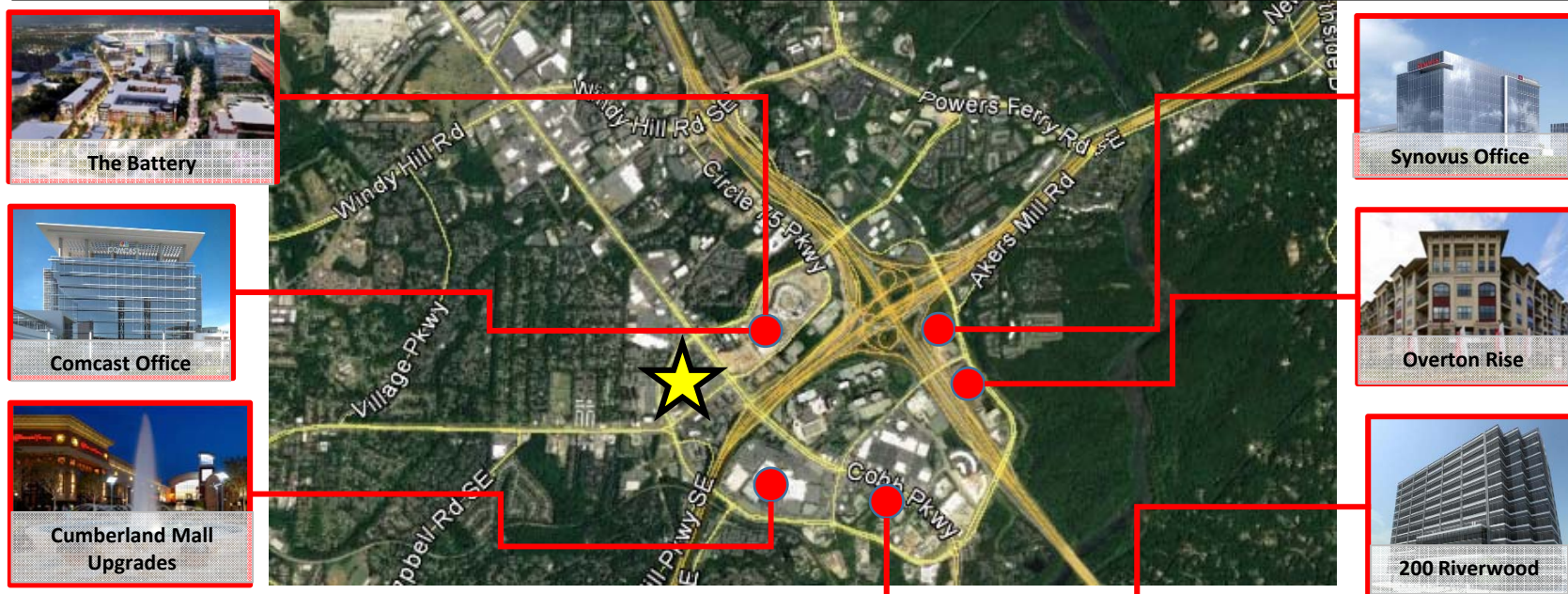
# Nearby Developments--East

The adjacent Cumberland area--the major driver for development along Spring Road--is enjoying a new phase of development, with the delivery of the Braves Stadium and adjacent mixed-use development, several new office buildings, numerous new rental apartment communities, and upgrades to Cumberland Mall and retail/entertainment at The Battery.

All of these investments will enhance the office market by:

- Creating more urban/modern dining/entertainment and shopping opportunities (Stadium Walk and Cumberland Mall upgrades);
- Creating new higher lease rate office benchmarks and potential rental upside (Riverwood 200 and Synovus/Comcast); and
- Creating a more residential (after 5:00) market in Cumberland (entertainment and apartment development).

Challenging to the health of the entire area is the freeway network, which can blunt impacts of developments in one quadrant relative to upside in another, and the limited walkability of the area overall.



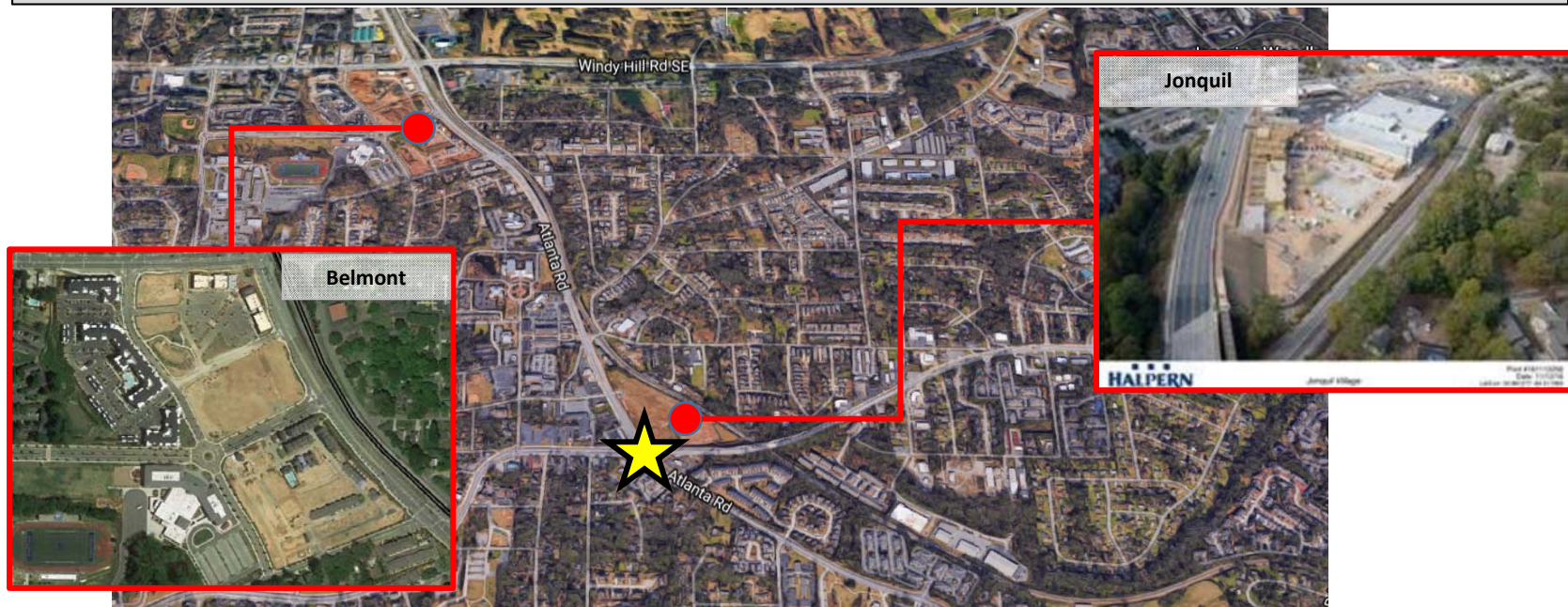
# Nearby Developments--West

The western portions of the Spring Road Corridor Study Area are much more neighborhood-serving in nature and feature more local retail rental apartments and for-sale residential product, as well as Smyrna's civic core. Land availability and more moderate lease rates/rent levels/home prices temper redevelopment potential in these areas.

The two most significant projects in the area include:

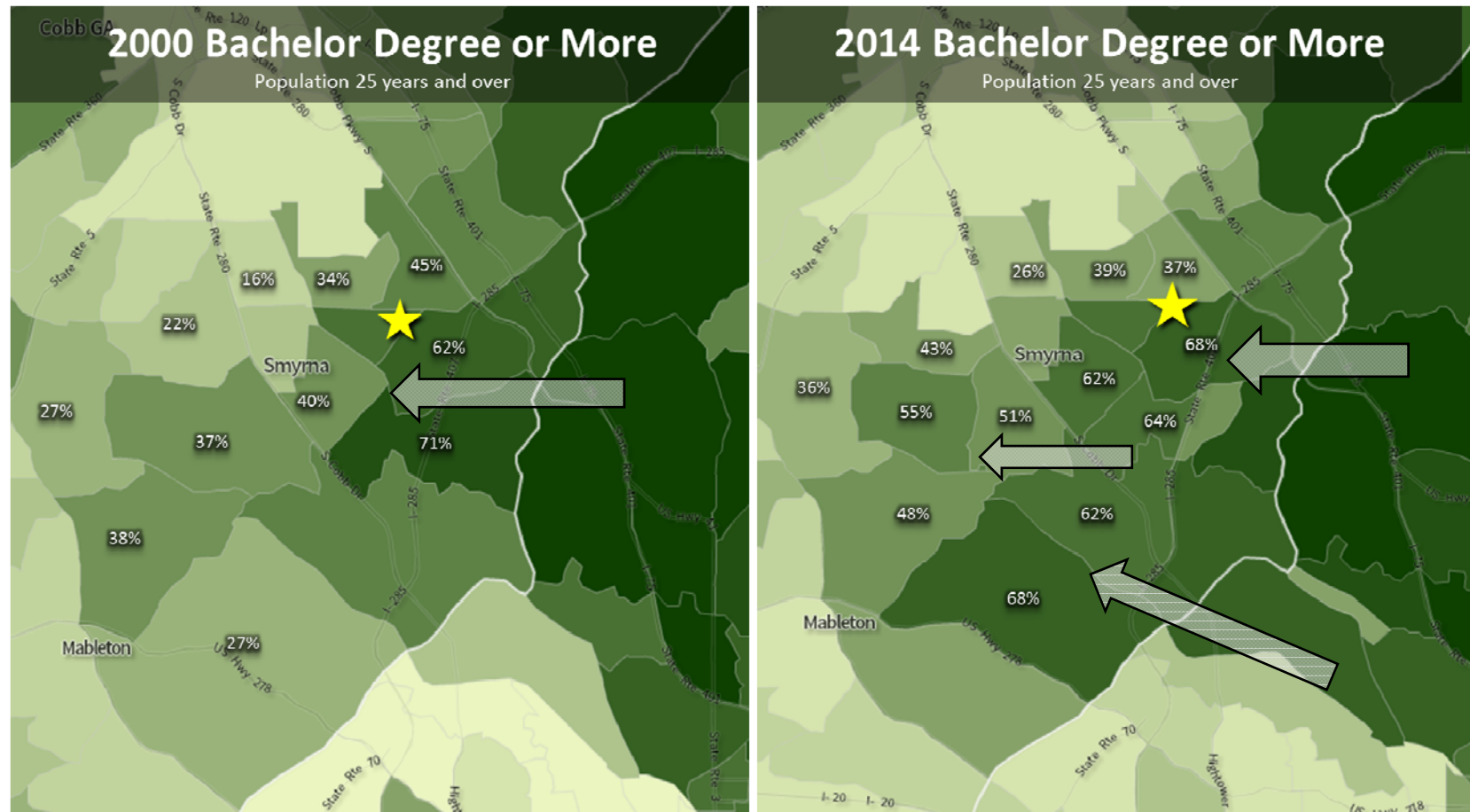
- Jonquil—a mixed-use commercial and residential project being developed by Halpern Enterprises including roughly 65,000 – 70,000 SF of retail space (anchored by Publix) as well as 266 rental apartments being developed by Wood Partners; and
- Belmont—a 48-acre mixed-use project featuring an elementary school (Smyrna Elementary), 48,000 SF of retail space, rental apartments (Alta Belmont) and 153 single-family homes (higher density) priced generally in the \$300s.

Retail and office markets are somewhat more competitive in the area, although performing relatively well overall.

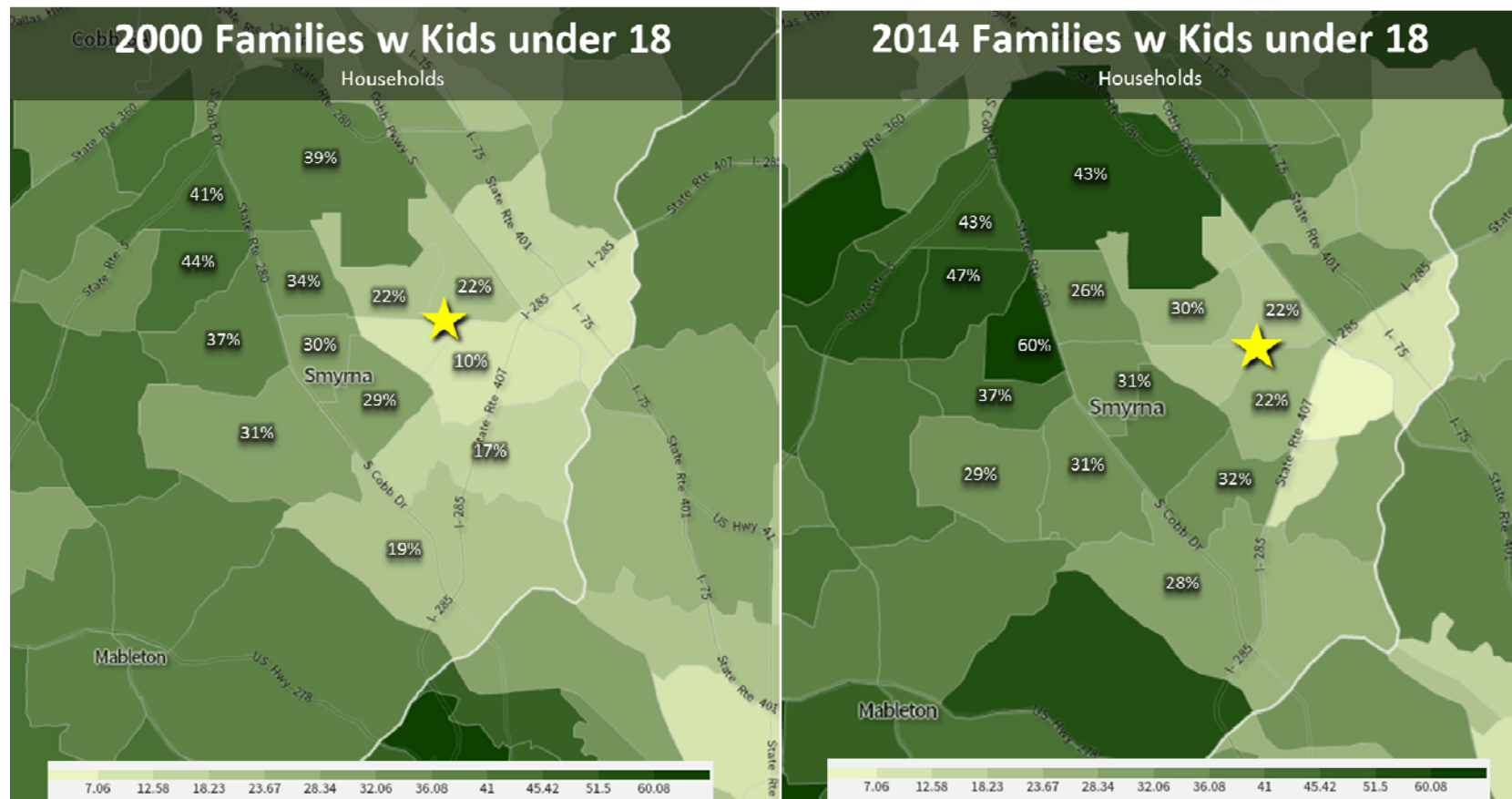




# Increase in Educated Population in Smyrna



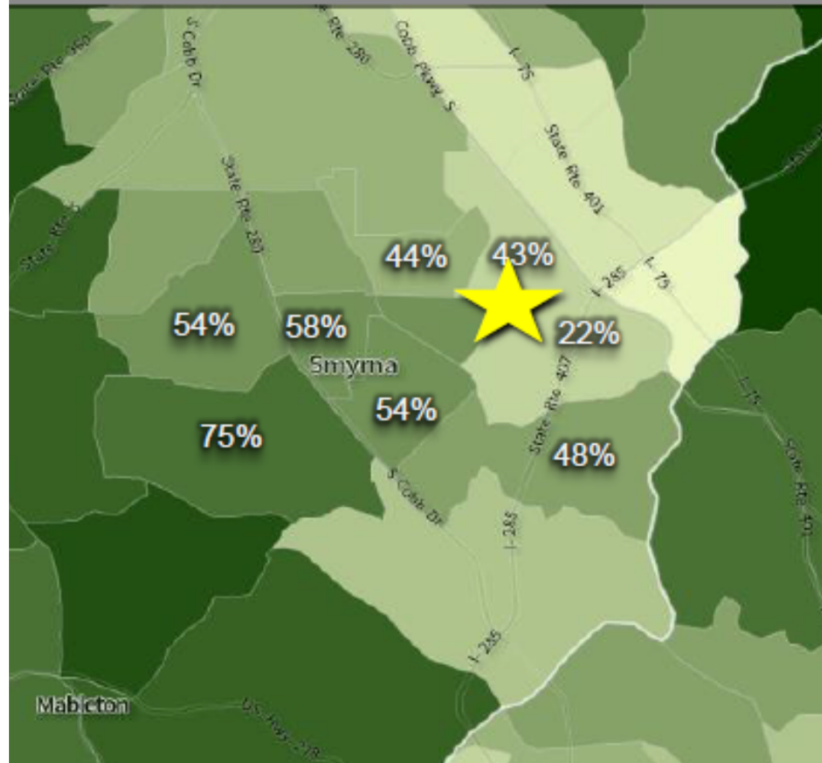
# Changes in Family Households



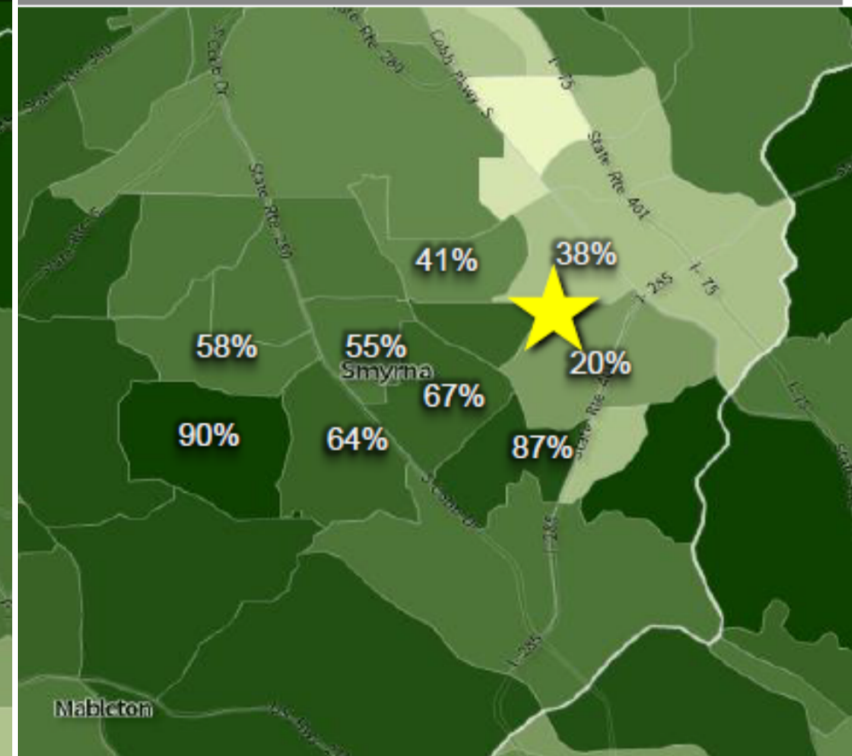


# Changes in Tenure

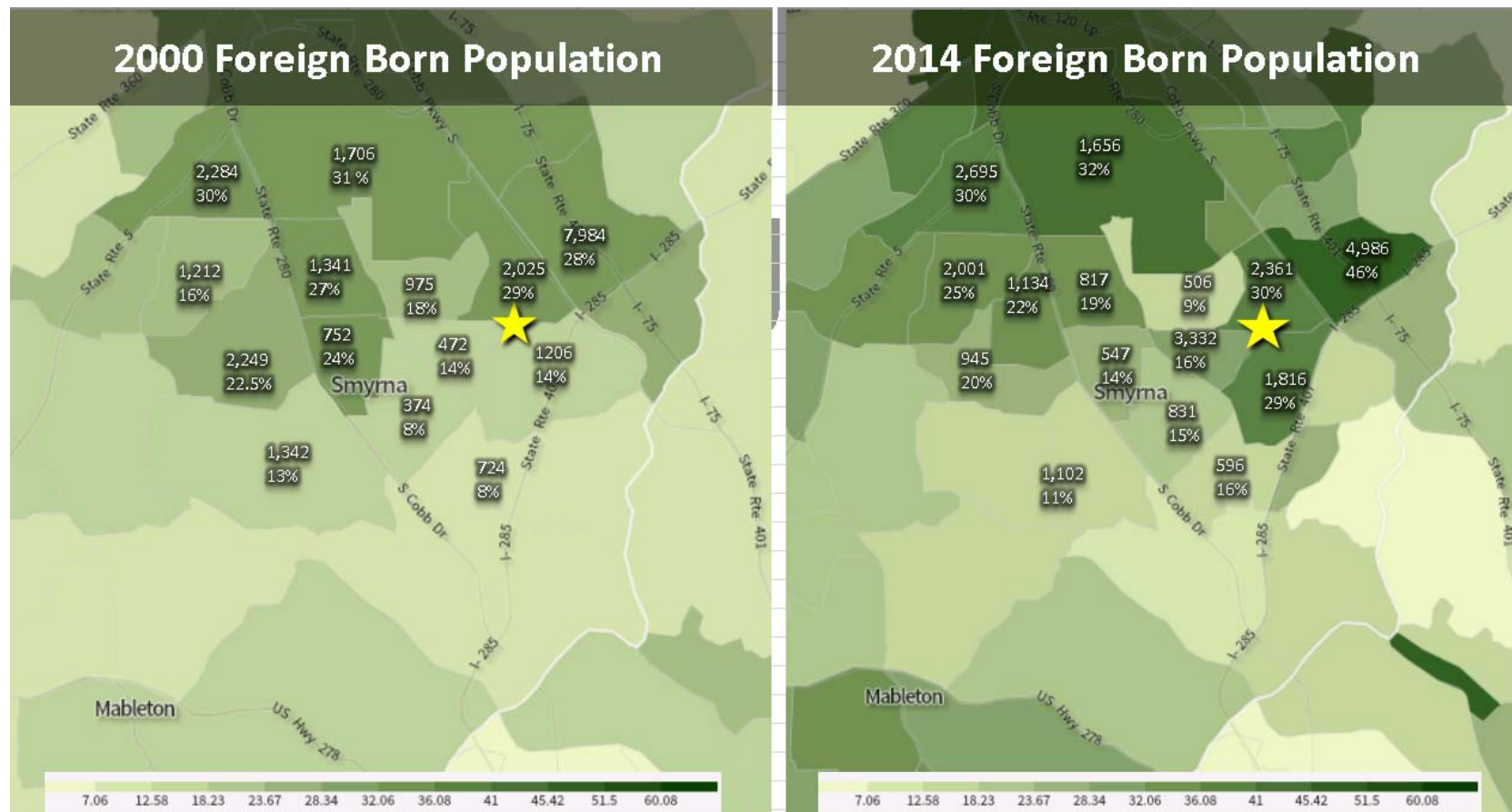
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# Changes in Tenure



# HOUSING

2/15/2017

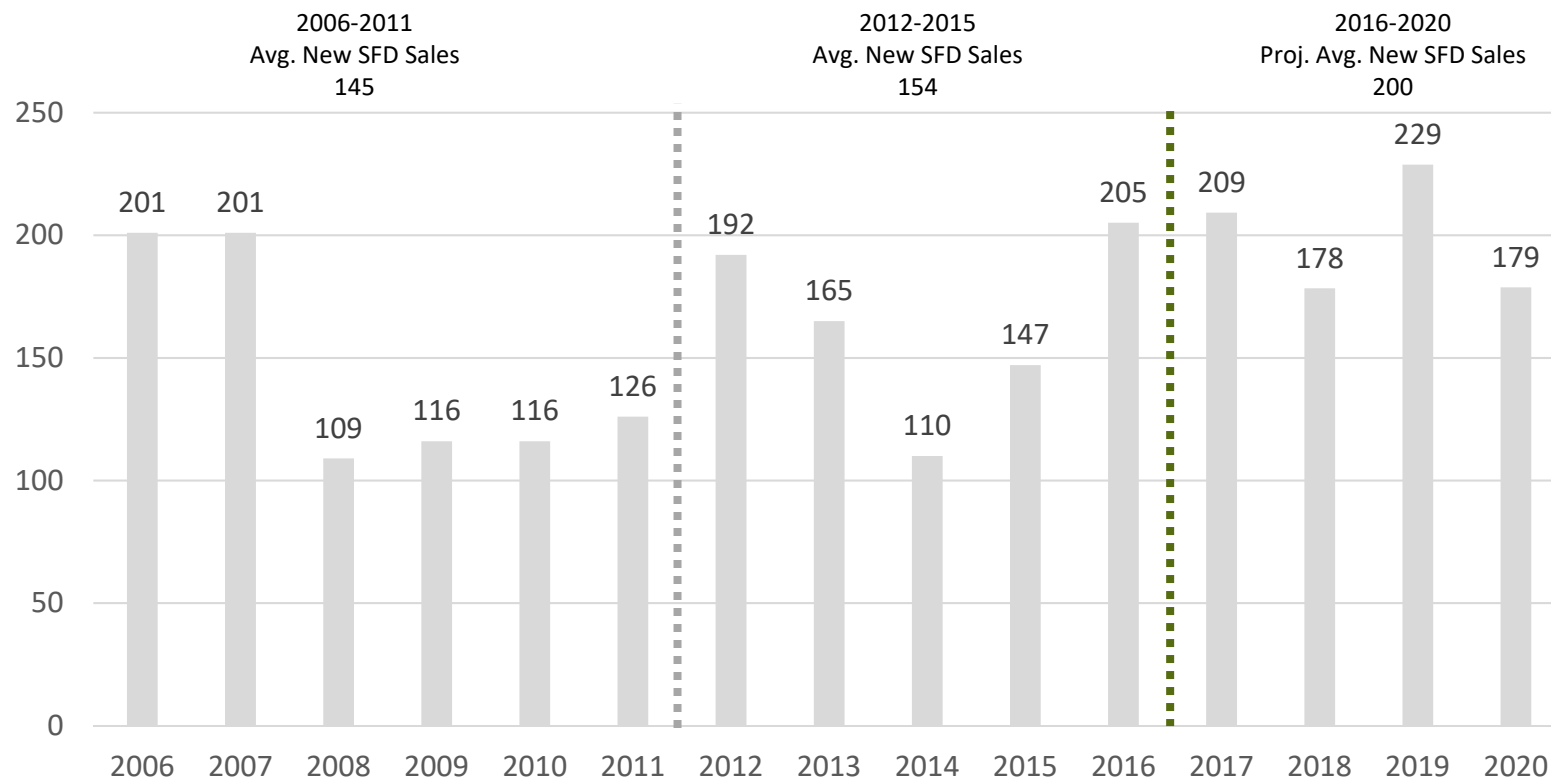
# For Sale Housing Overview

Housing Product	Market Overview	Potential Locations	Example
Single-Family Detached	Limited land available but strong demand for infill locations. Mostly move-up families, with prices varying by school district	Little directly on the corridor, mostly in surrounding areas.	
Attached Town-home	Increasing demand for varied product, for all markets – empty nester, entry level, and move-up buyers	In interior portions of the corridor, including around Jonquil Road.	 



# New Single Family Sales

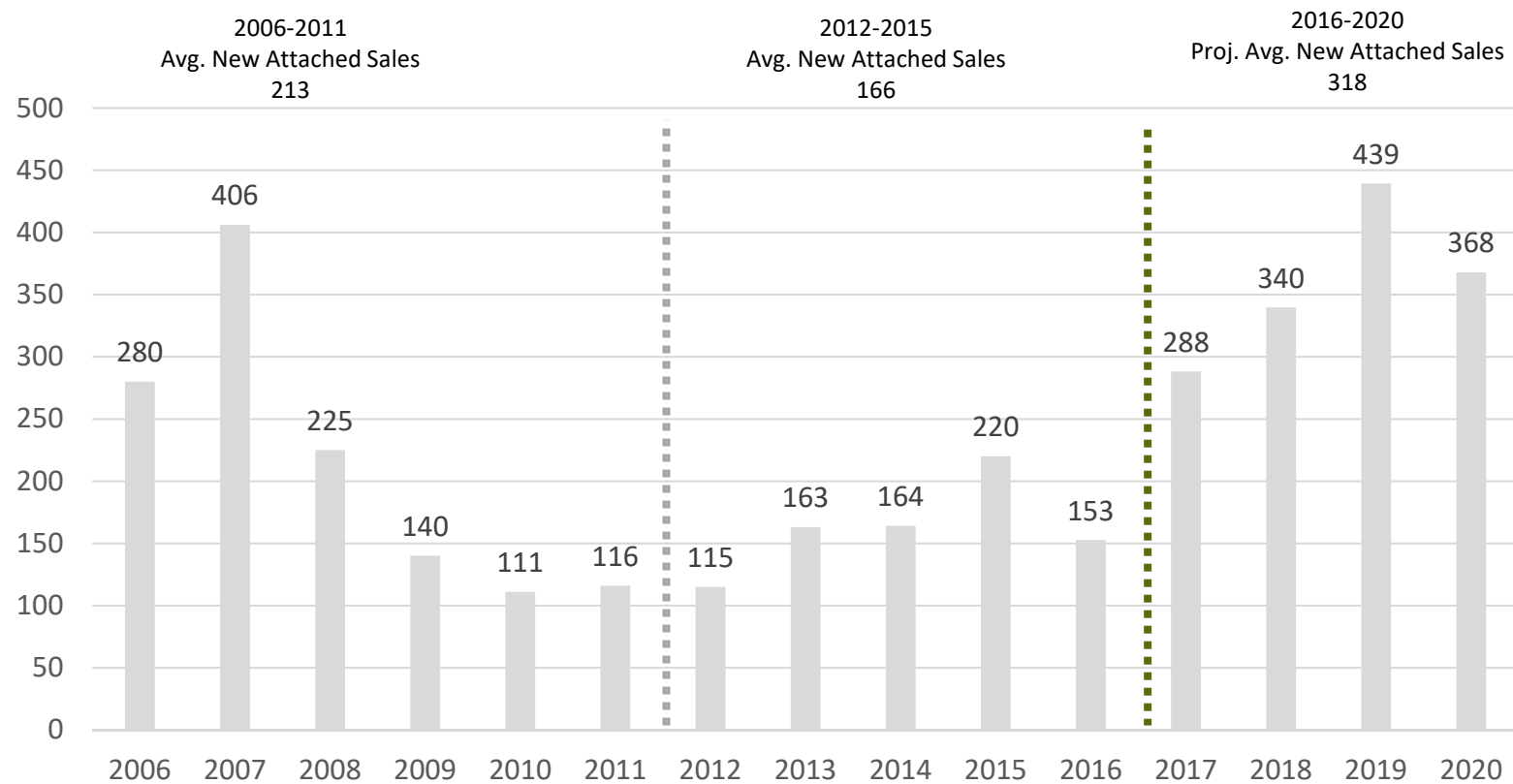
New Single Family Detached Home Sales in ZIP Codes 30080 & 30082





# New Townhome Sales

New Townhome Sales in ZIP Codes 30080 & 30082



# Summary of New Single Family and Townhome Sales

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## Study Area Capture

### SFD Capture Based on New SFD Home Sales 2006-2015

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Spring Road Corridor Capture Rate	21%



Projected					Averages
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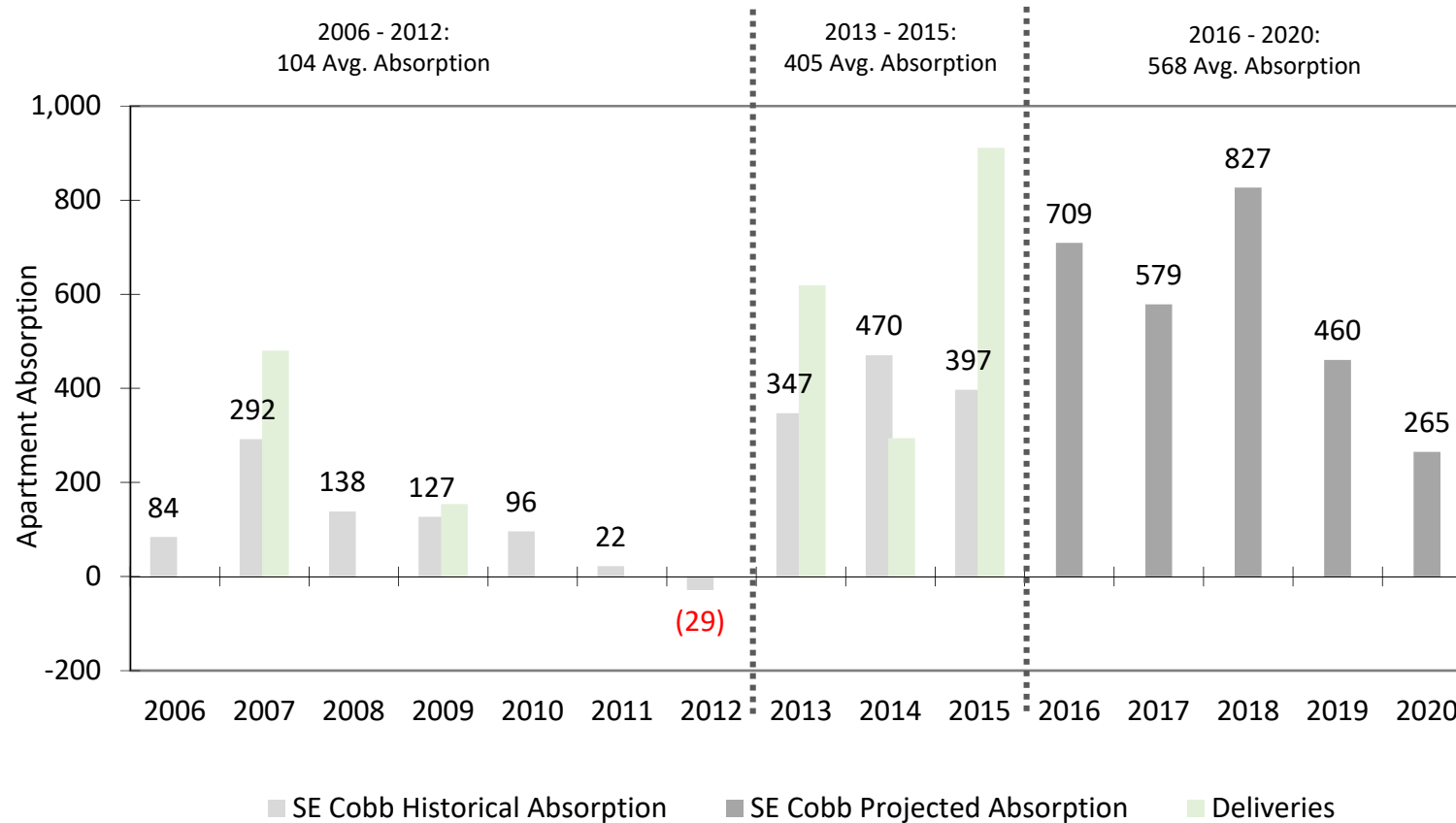
## 5-year Total Sales

SFD	212
Attached	258

2/15/2017



# Southeast Cobb Class A Apartment Absorption



# Class A Apartment Gap Analysis

	2016	2017	2018	2019	2020	Total
<b>SE Cobb New Apartment Absorption</b>	709	579	827	460	265	2,840
<b>5 Year Pipeline</b>						<b>Total</b>
Alta Belmont (Wood Partners)						Del 2015
Alexan Vinings (Trammell Crow)	232					232
Encore Ph I (Preferred)	339					339
Alta Jonquil (Wood Partners)		266				266
The Battery - Residential (Pollack Shores)		540				540
Broadstone at Windy Ridge (Alliance)			300			300
Stadium Walk Apartments (Brand Properties)			309			309
The District at Windy Hill Apartments (Kaplan)			284			284
Modera by Mill Creek - Vinings (Mill Creek)			269			269
Encore Center Apartment Tower B (Preferred)				350		350
Encore Center Apartments Tower C (Preferred)					250	250
Over the next five years the Cumberland area overall will remain largely in balance						
<b>Total, Projects Known</b>	<b>571</b>	<b>806</b>	<b>1,162</b>	<b>350</b>	<b>250</b>	<b>3,139</b>
<b>Net Balance--Supply &amp; Demand</b>	<b>138</b>	<b>-89</b>	<b>-425</b>	<b>-314</b>	<b>-299</b>	<b>-299</b>



# Rental Apartment Opportunities

- Alta Jonquil grabbing strongest location in the west;
- Best locations going forward are in east, around Cumberland Blvd and Cobb Parkway;
  - Will require high densities and mixing of uses to make apartments feasible in strongest locations;
  - Will likely need to remain midrise/wrapped product in the foreseeable future;
- Likely room for 2 to 3 deals in the area.



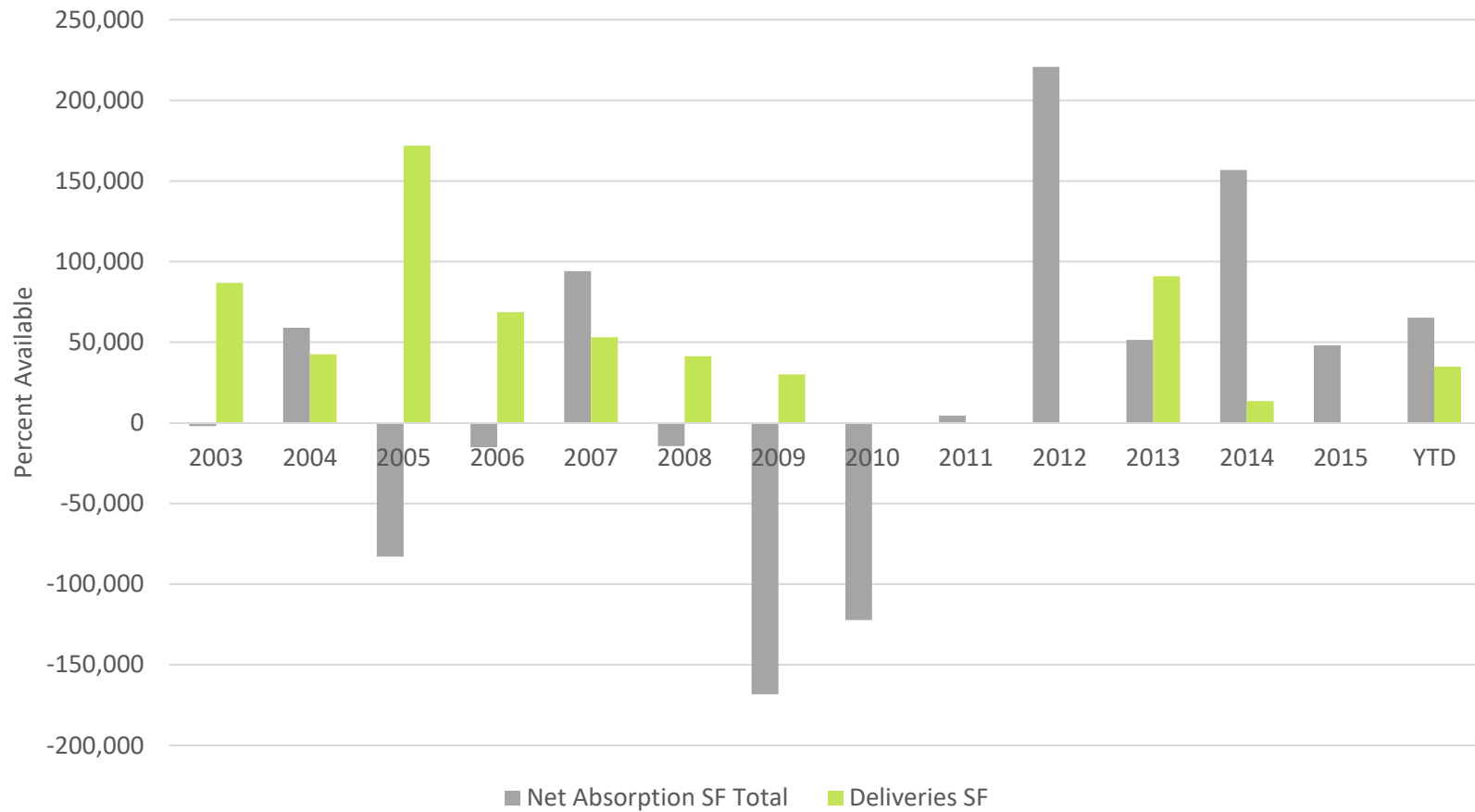


RETAIL

# Cumberland/Smyrna Retail Rents and Vacancy Rates

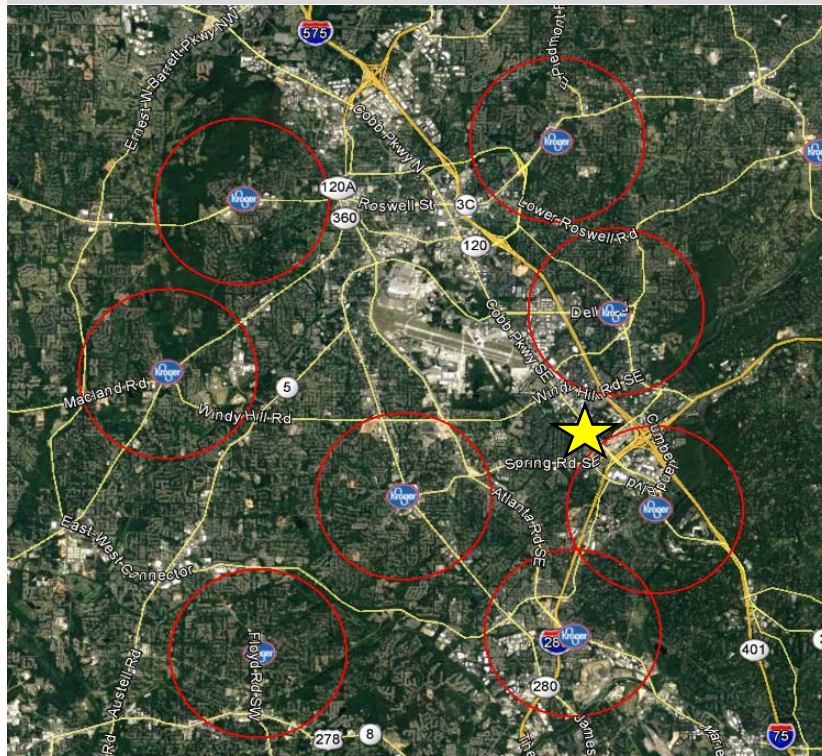


# Smyrna/Cumberland Retail and Absorption

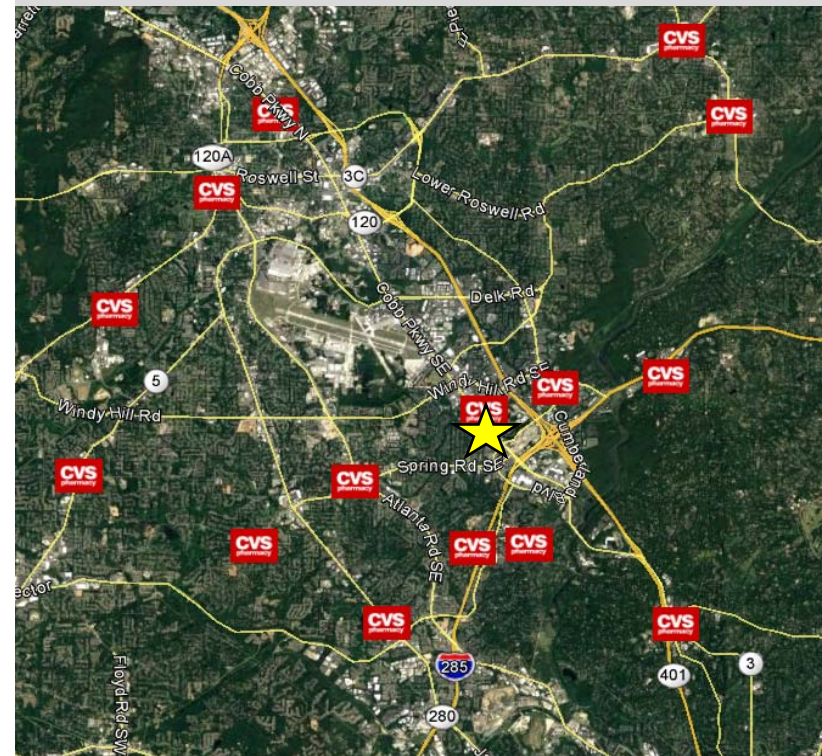


# Local Retail Trade Area

## NEARBY KROGER TRADE AREAS



## NEARBY CVS LOCATIONS



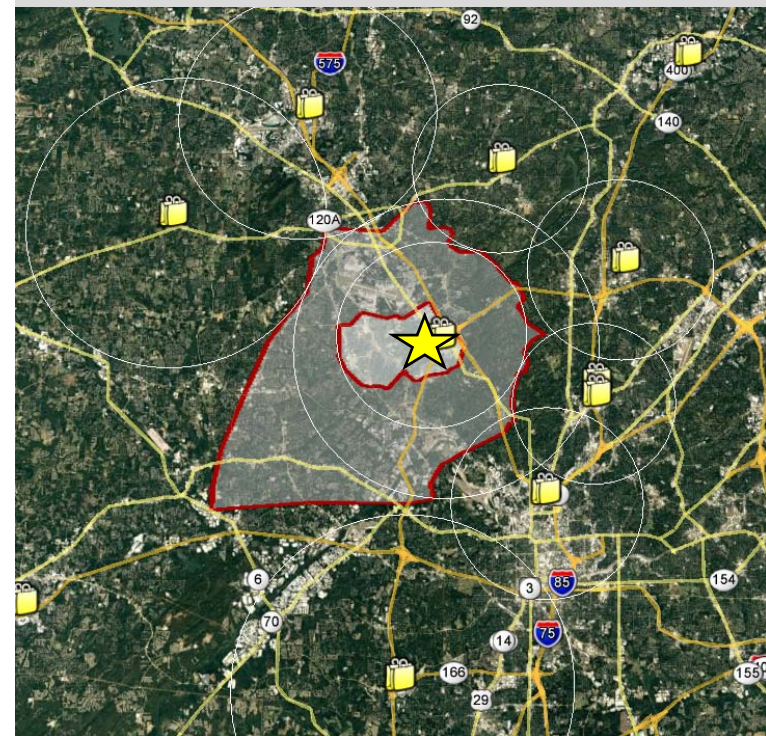


# Regional Retail Trade Area

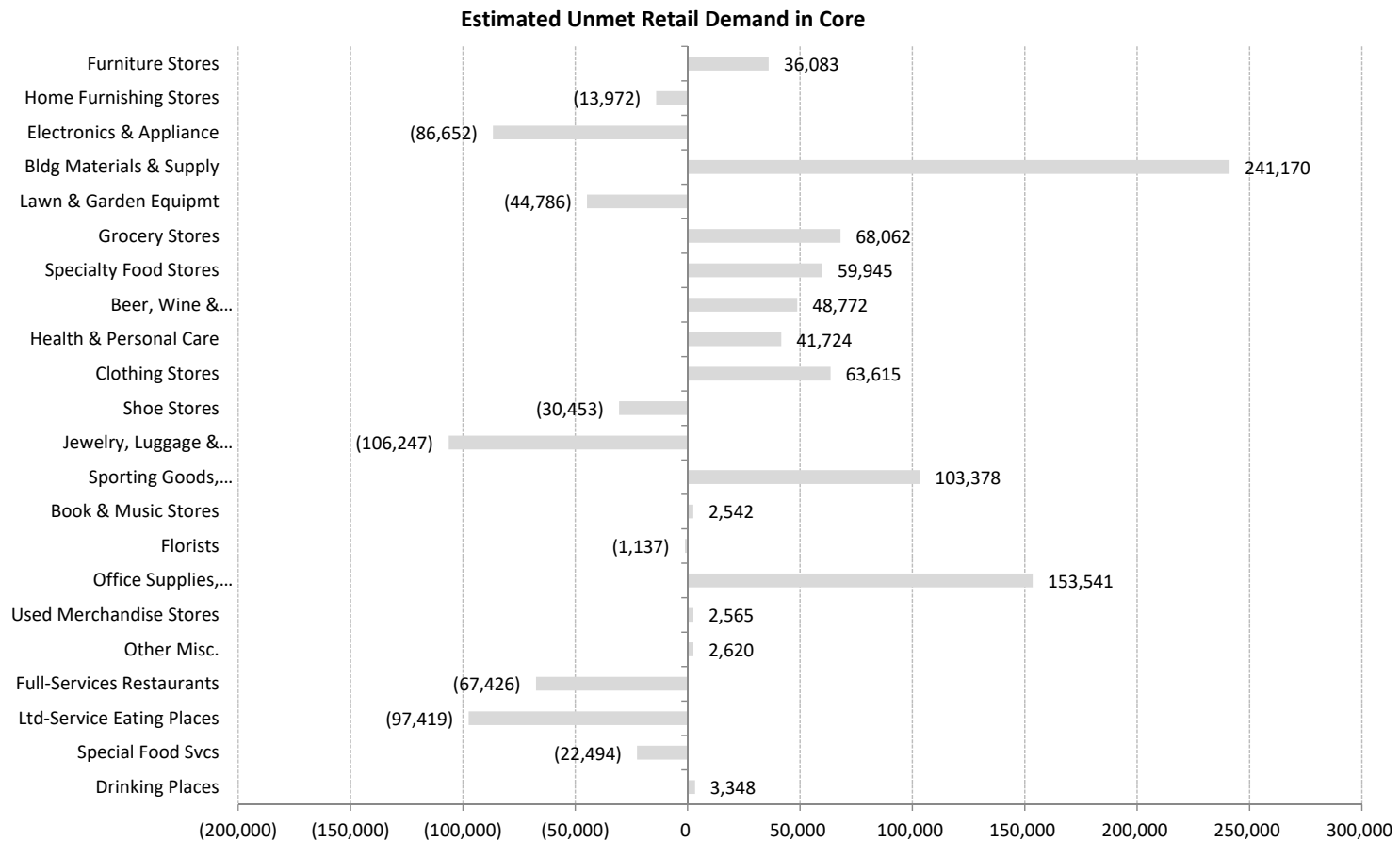
## BIG-BOX BUILDING MATERIAL STORES



## SHOPPING MALLS AND DRIVE TIMES



# Retail Gap Analysis



# Retail Opportunity

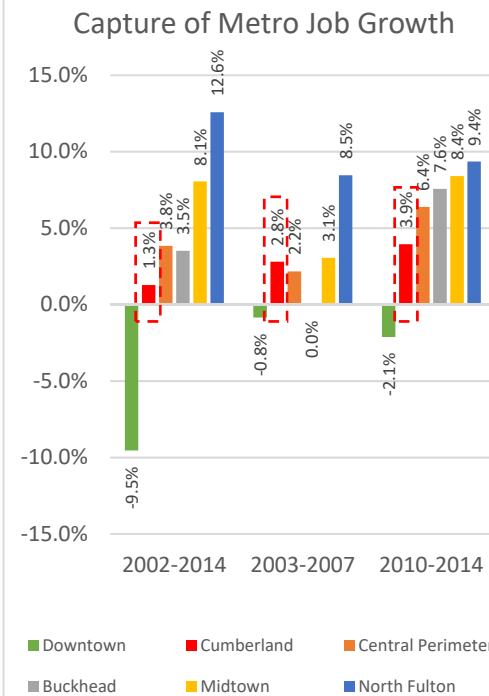
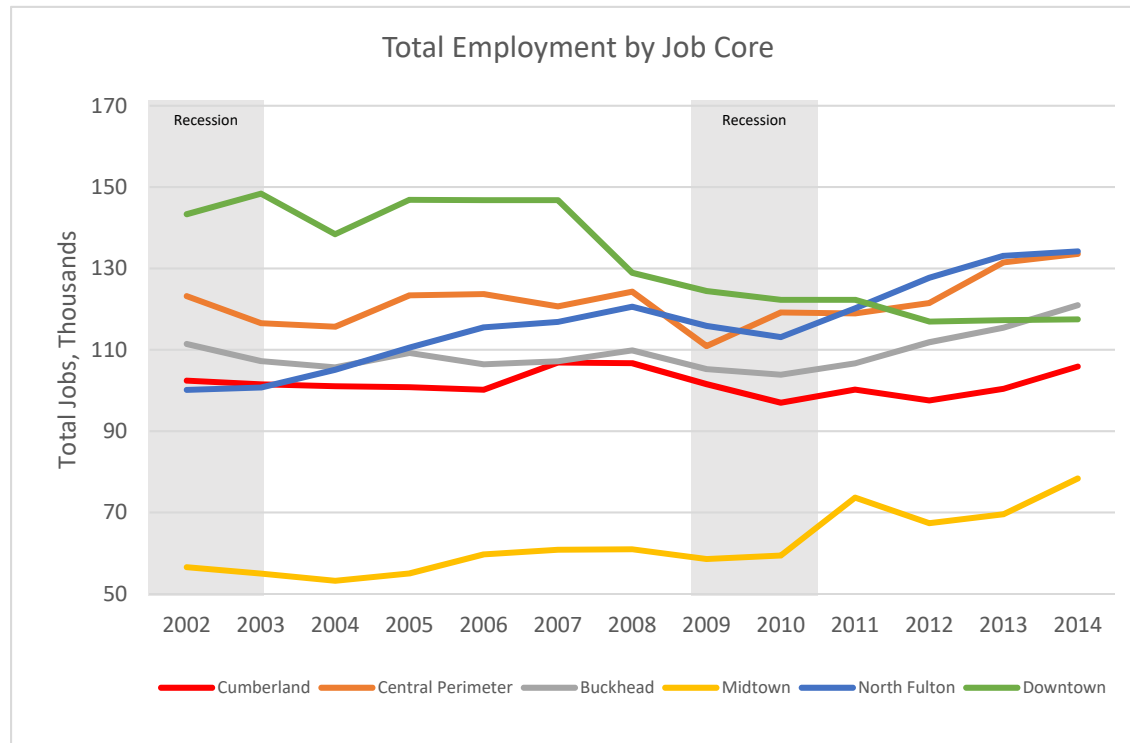
- Very little to the west—neighborhood-serving and Jonquil will satisfy that demand
- Central areas of the corridor lack major intersections and traffic volumes to draw from
- Opportunity for more dense, mixed-use retail at Cobb Parkway, perhaps in more dense big box format.
  - The Battery more focused on dining/ entertainment/ unique retail;
  - This should be a compliment.



# OFFICE

2/15/2017

# North Atlanta Employment Core Comparison

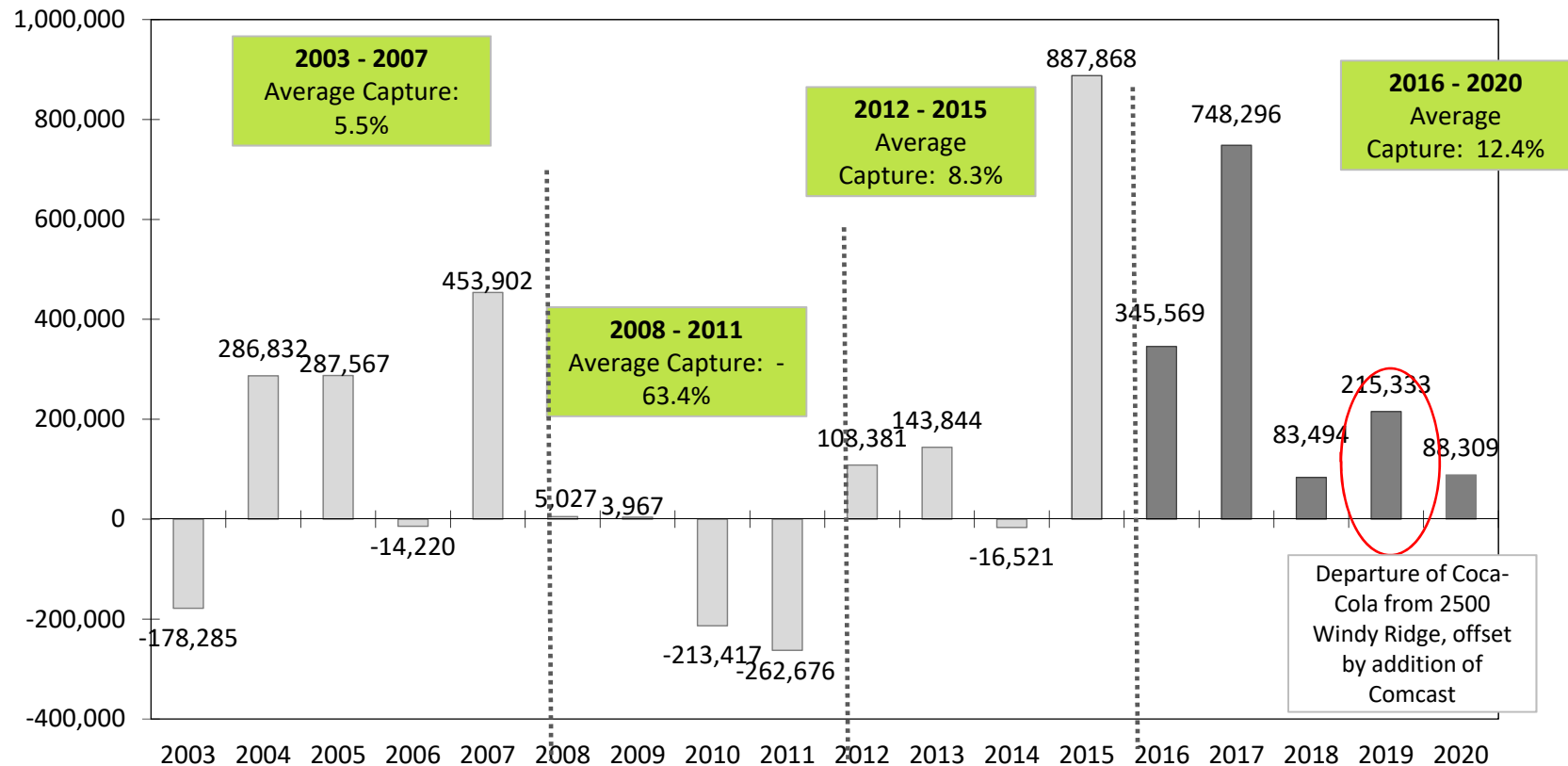


Job growth surrounding the Cumberland job core has lagged other metro cores since the end of the last recession. Cumberland outperformed Central Perimeter, Buckhead, and Midtown/Downtown during the last expansion, but the current recovery has seen job growth focus along the Peachtree Street/GA 400 corridor. Buckhead and Midtown have seen the biggest increases in capture rates, while North Fulton has remained the fastest-growing job core. Transit is increasingly a factor for employers when making location decisions





# Cumberland/I-75 Class A Office Absorption



# Class A Office Gap Analysis

PROJECT NAME	SF	2016	2017	2018	2019	2020
Battery at SunTrust Park	92,000		92,000			
3400 Overton	172,096		86,048	86,048		
Riverwood 200	308,000		154,000	154,000		
Encore Center	222,000		111,000	111,000		
Comcast Tower	260,000		260,000			
Genuine Parts	150,000	150,000				
1511 Concord Rd	20,000			20,000		
1050 Windy Hill	30,000			30,000		
500 Galleria Parkway	500,000					250,000
Encore Center 100	350,000				350,000	
Two Overton Park	390,000				130,000	130,000
Two City View	450,000					225,000
1100 Overton	154,000					154,000
Total Projects Leasing		1	5	5	2	4
Space Delivering & Leasing		150,000	703,048	401,048	480,000	759,000
Matriculation Factor		100%	100%	100%	50%	50%
Competitive Supply After Matriculation		150,000	703,048	401,048	240,000	379,500
PMA Forecasted Office Absorption		345,569	748,296	83,494	215,333	88,309
PMA Excess Cumulative Demand		195,569	240,817	-76,737	-101,404	-392,595

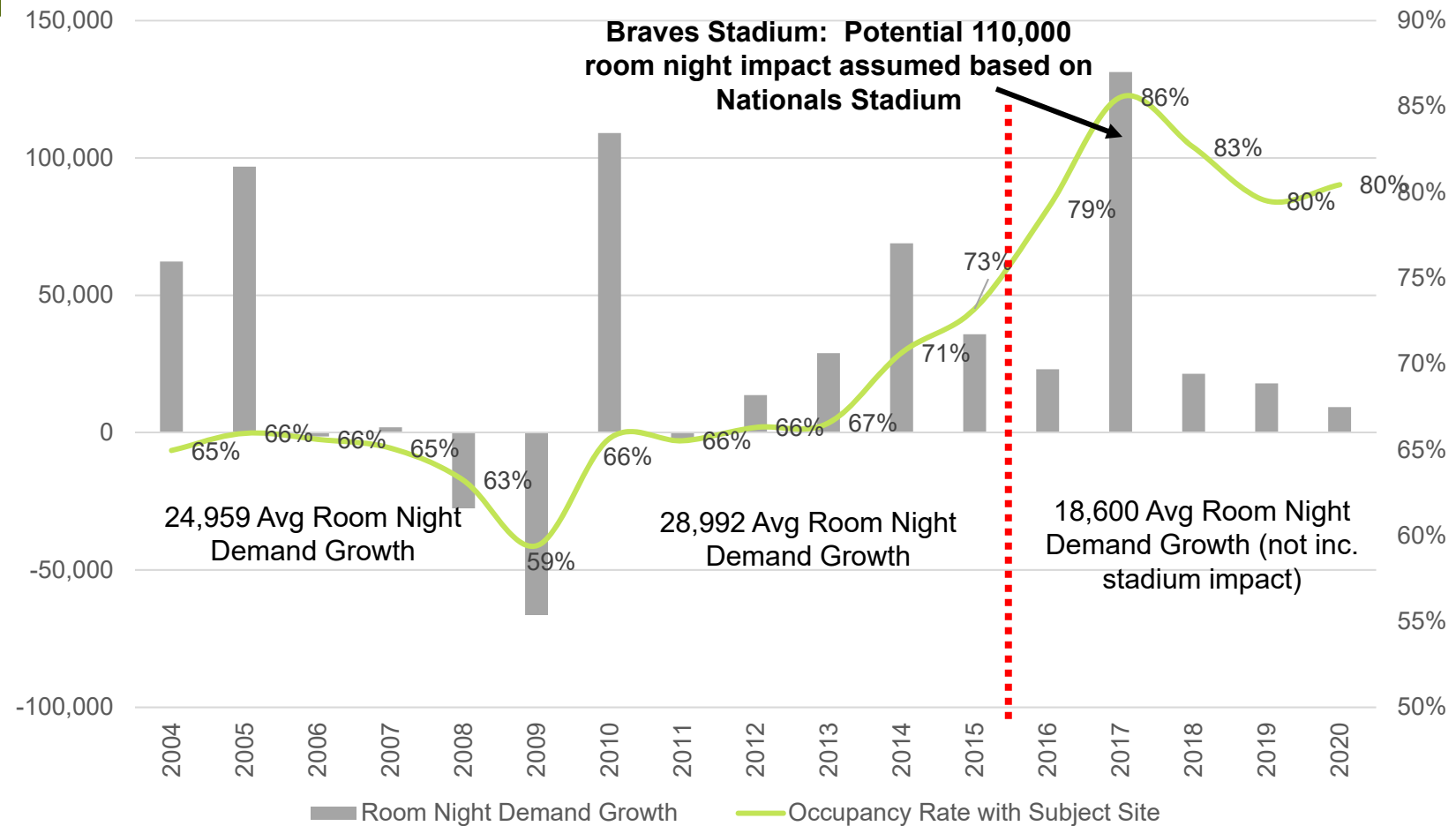


# Office Opportunity

- Two key types of demand in the area;
  - More local, neighborhood-serving office
    - Focus more toward Atlanta Road and perhaps around the Jonquil Road area
  - More regional-serving office
    - Focus more around Cobb Parkway in high-rise format
- Short-term regional demand satisfied
- N'hood office demand of around 50,000 SF in the area
- Longer-term, Battery/Braves creates potential market in NW quadrant of I-75/I-285 interchange, potential for office tower in study area.



# Lodging Demand Analysis




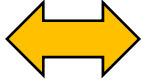
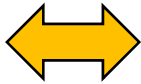

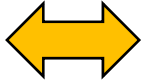

# Lodging Demand Analysis

- Room night growth should be solid with return of area office market;
- Assuming 70% occupancy rate, Cumberland should be able to support another 580 rooms by 2025
  - Mostly select service, with opportunities for one or two in study area.

	2001	Avg. 2001-2010	Avg 2010-2015	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cumberland Higher-End Emp. Growth <sup>1</sup>	-	619	1,956	1,682	1,466	1,353	1,362	1,140	592	353	563	692	615	625
New Room Nights Supported Per New Job	0.00	17.29	3.77	21.31	15.73	15.73	15.73	15.73	15.73	15.73	15.73	15.73	15.73	15.73
Growth in Room Night Demand from Empl.	-	19,449	42,341	35,840	23,058	21,271	21,415	17,927	9,316	5,554	8,855	10,879	9,665	9,837
Total Room Nights Demanded	1,030,980	1,070,201	1,196,452	1,290,874	1,313,932	1,445,204	1,466,618	1,484,545	1,493,862	1,499,415	1,508,271	1,519,149	1,528,814	1,538,651
Existing Room Night Supply	1,637,755	1,684,302	1,759,461	1,763,295	Additional Room Nights from Planned Deliveries									
The Omni at The Battery	260	rooms			0	94,900	94,900	94,900	94,900	94,900	94,900	94,900	94,900	94,900
Overton Hotel or Cobb Galleria Hotel	350	rooms				0	63,875	127,750	127,750	127,750	127,750	127,750	127,750	127,750
	0	-	rooms					0	0	0	0	0	0	0
Expected Room Night Supply				1,763,295	1,858,195	1,922,070	1,985,945	1,985,945	1,985,945	1,985,945	1,985,945	1,985,945	1,985,945	1,985,945
Estimated Occupancy Rate	63%	64%	68%	73%	75%	78%	76%	75%	75%	76%	76%	76%	77%	77%
Rooms Supportable to Maintain 70% Occupancy						565	474	369	406	428	462	505	543	581



# Development Potential by Land Use

Land Use	Local Market Indicators	Short Term Outlook	Stadium District Positioning, 2016	Notes/Comments
For-Sale Attached Townhomes	Improving regional market and strong capture rates in Cobb and Smyrna		High-intensity area that should support townhome product well. Local schools may affect which buyers are drawn to the area	Capture may depend on meeting multiple buyers markets - singles, couples, and empty nesters, who want/need different product types. Stadium traffic may also be a deterrent, so creating a residential feel and self-serving retail core will be key.
For Sale Detached Single Family	Recovering metro market, and both Cobb and Smyrna returning to a more equalized relationship to the broader market		Land availability may be challenging, and local school districts are also not ideal for many SFD buyers.	Seeing new products with smaller yards/setbacks do well, but most SFD buyers are still traditional families who will likely be turned off by the traffic and density of the Stadium District.
Rental Apartments	Major metro markets reaching saturation over next two years, including SE Cobb.		Well positioned for local workers, historically undersupplied, and potential for a differentiated product	Potential for some niche products (targeting empty nesters, for example) but short term supply will be a challenge. Long term trends could be good if Stadium District can feel different than the rest of the multifamily core.
Retail	Cumberland improving, with some major merchandise segments undersupplied.		Local competition is challenging - combination of Cumberland Mall, Akers Mill, and Battery will capture lots of traffic. Unmet demand but need to differentiate	Large-scale projects under construction at Jonquil and the Battery will meet some of this demand. Stadium core is more regional in context than Jonquil but could also serve an evolving neighborhood market.
Office	Metro trends very strong, Cumberland rebounding well but short term supply generally met		Broad strengths but may be tough to compete with established cores and Braves/Battery access	Longer term trends are more positive, especially with an opportunity to create a sense of place. Will likely perform best by focusing on local demographic audiences and workforce - long term competition from transit-rich cores is a looming challenge.
Lodging	Strong metro market and local trends, with upward occupancy and rates		Very well - good access to Braves and highway	Good target for early phases of redevelopment.

# MARKET ANALYSIS PACKAGE

# CITY OF SMYRNA

## SPRING ROAD CORRIDOR MARKET ANALYSIS

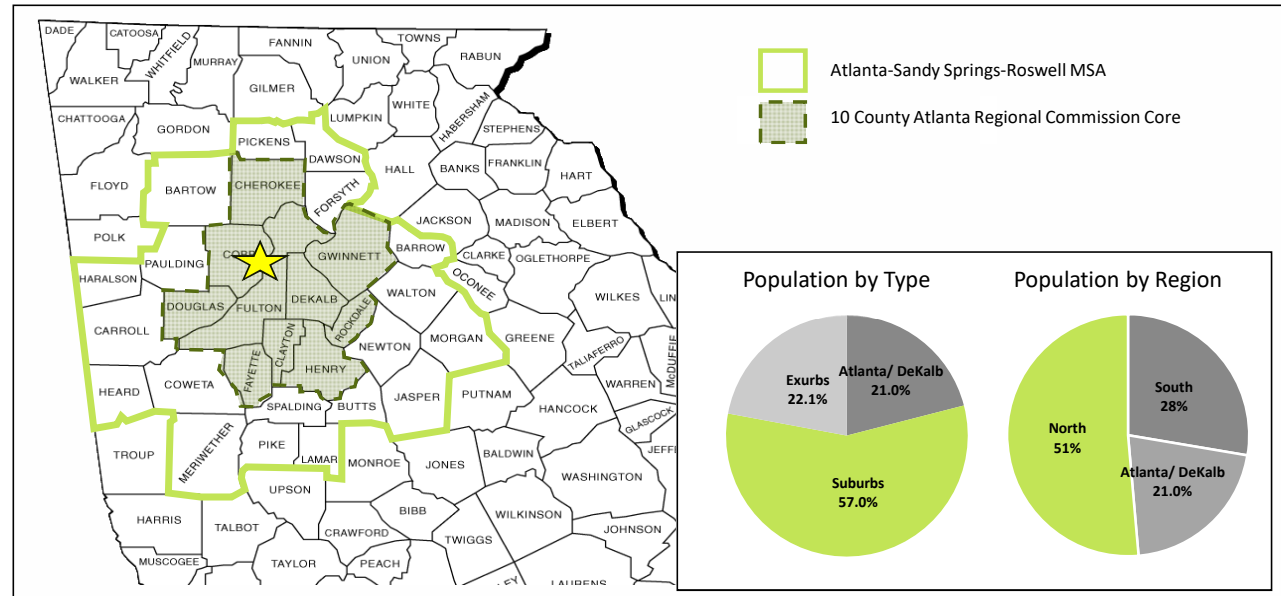
### Exhibit 1

#### Overview of Atlanta Metro Area Population Trends

The subject site is in Cobb County, part of the Atlanta-Sandy Springs-Roswell Metropolitan Statistical Area. The Atlanta MSA includes 29 counties, although ten central counties are members of the Atlanta Regional Commission and form the core of the MSA. Almost 80% of the population in the Atlanta MSA lives within this ten-county core.

Atlanta's core counties have seen stronger growth in the last four years than in the decade prior, capturing 82% of all MSA population growth since 2010 (compared to just 66% from 2000-2010).

In terms of population, Cobb County has grown 1.5% on average annually since 2010, capturing 13.1% of Metro Atlanta's growth.



COUNTY/PLACE	LAND AREA		POPULATION			ANNUAL GROWTH		ANNUAL % GROWTH		CAPTURE OF MSA GROWTH	
	SQ MILES	% MSA	2014	% MSA	Pop./Sq Mi	2000-10	2010-14	2000-10	2010-14	2000-10	2010-14
Cherokee County	422	4.8%	230,985	4.1%	548	7,244	4,160	4.2%	1.9%	7.1%	5.1%
Clayton County	142	1.6%	267,542	4.8%	1,890	2,291	2,030	0.9%	0.8%	2.2%	2.5%
<b>Cobb County</b>	<b>339</b>	<b>3.9%</b>	<b>730,981</b>	<b>13.0%</b>	<b>2,154</b>	<b>8,033</b>	<b>10,726</b>	<b>1.2%</b>	<b>1.5%</b>	<b>7.8%</b>	<b>13.1%</b>
DeKalb County	268	3.1%	722,161	12.9%	2,699	2,603	7,567	0.4%	1.1%	2.5%	9.2%
Douglas County	200	2.3%	138,776	2.5%	694	4,023	1,593	3.7%	1.2%	3.9%	1.9%
Fayette County	194	2.2%	109,664	2.0%	564	1,530	774	1.6%	0.7%	1.5%	0.9%
Fulton County (excl. Atlanta)	395	4.5%	540,317	9.6%	1,368	10,105	9,935	2.3%	1.9%	9.9%	12.1%
City of Atlanta	132	1.5%	456,002	8.1%	3,461	353	9,000	0.1%	2.1%	0.3%	11.0%
Gwinnett County	430	4.9%	877,922	15.6%	2,040	21,687	18,150	3.2%	2.2%	21.2%	22.2%
Henry County	322	3.7%	213,869	3.8%	664	8,458	2,487	5.5%	1.2%	8.3%	3.0%
Rockdale County	130	1.5%	87,754	1.6%	676	1,510	635	2.0%	0.7%	1.5%	0.8%
<b>10-COUNTY ARC CORE</b>	<b>2,974</b>	<b>34%</b>	<b>4,375,973</b>	<b>78%</b>	<b>1,472</b>	<b>67,837</b>	<b>67,056</b>	<b>1.8%</b>	<b>1.6%</b>	<b>66%</b>	<b>82%</b>
<b>EXURBAN COUNTIES</b>	<b>5,740</b>	<b>66%</b>	<b>1,238,350</b>	<b>22.1%</b>	<b>216</b>	<b>34,492</b>	<b>14,843</b>	<b>3.5%</b>	<b>1.2%</b>	<b>34%</b>	<b>18%</b>
<b>MSA TOTAL</b>	<b>8,714</b>	<b>100%</b>	<b>5,614,323</b>	<b>100%</b>	<b>644</b>	<b>102,329</b>	<b>81,899</b>	<b>2.2%</b>	<b>1.5%</b>	<b>100%</b>	<b>100%</b>

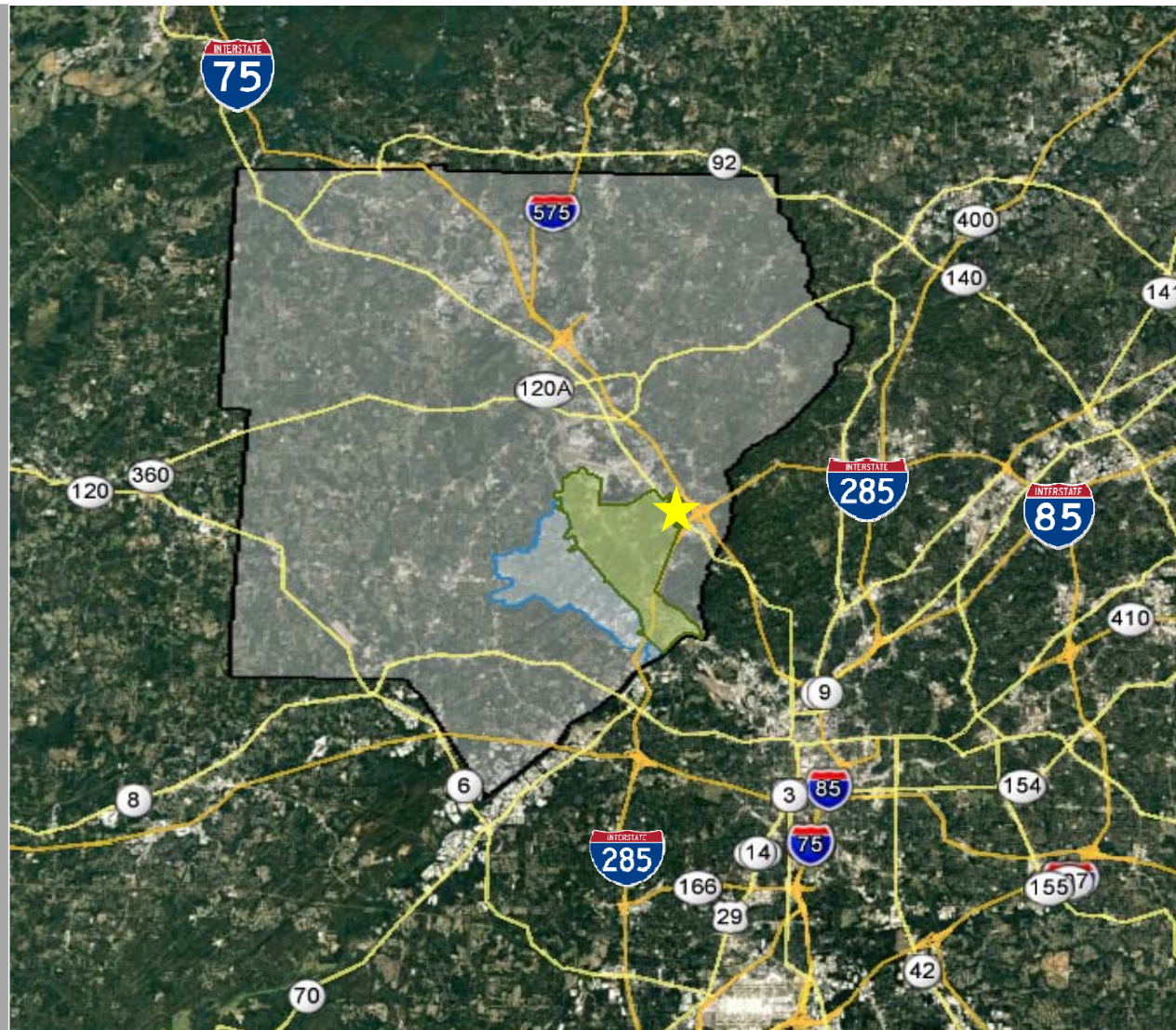
SOURCE: Noell Consulting Group, U.S. Census Bureau

## CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 2  
Regional Context Map

The Spring Road corridor is located in the southeast portion of Cobb County which is shaded in grey. The corridor is immediately adjacent to the Cumberland core, which is among the region's largest employment and retail centers, and is the new home to the Atlanta Braves.

For demographic and analytic purposes, NCG utilized a smaller market area, shown in green and blue, which includes the two ZIP codes in which Smyrna is located.



SOURCE: Noell Consulting Group, Google



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 3  
Regional Situation Map

The Spring Road corridor is located in Smyrna, an infill suburb of Atlanta. The site's regional location allows for quick access to major highways such as I-285 and I-75 allowing future residents to access key employment cores within 20 minutes. The highlighted job cores shaded in green are all reachable within 20 minutes of the corridor.

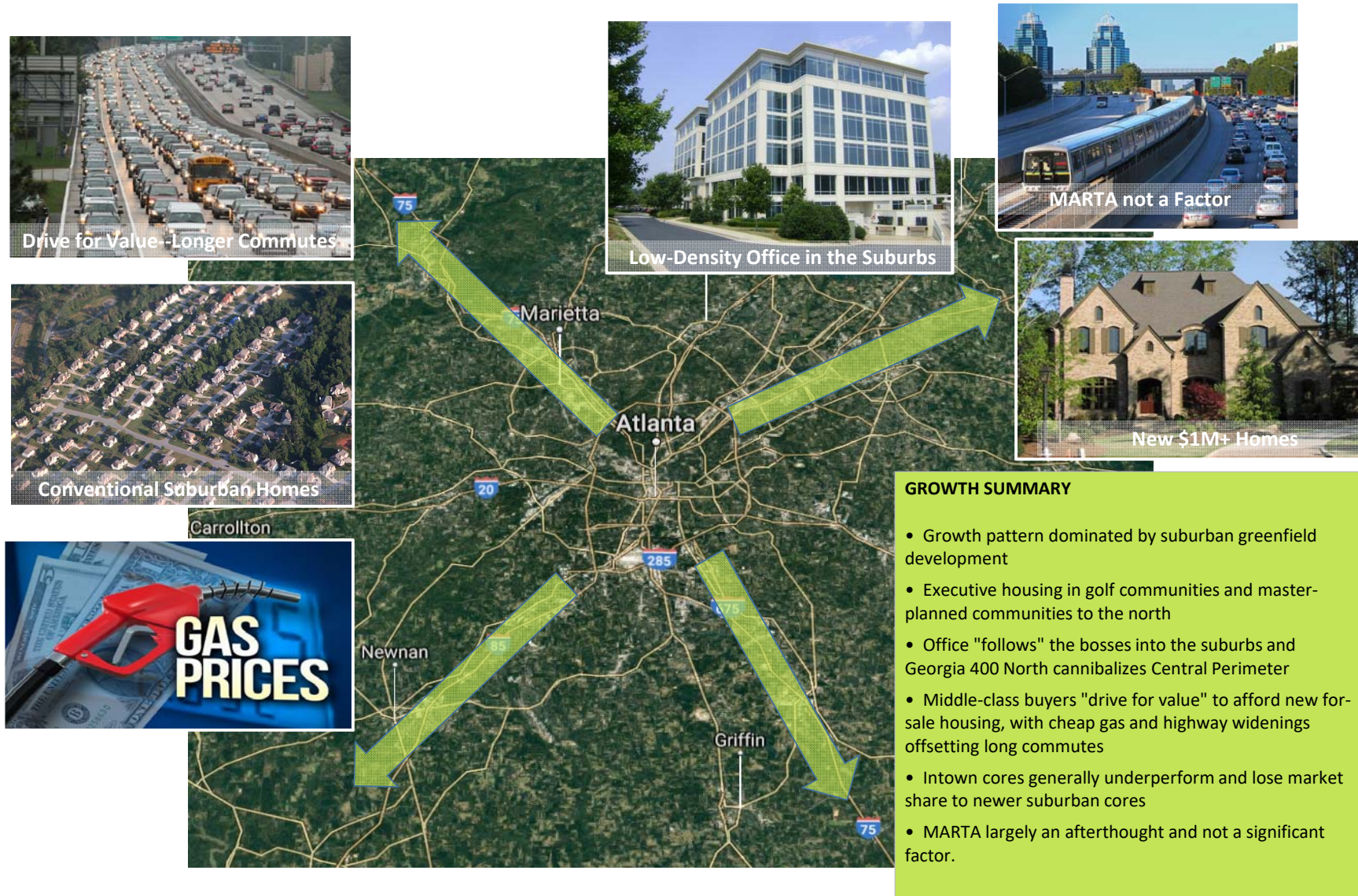


SOURCE: Noell Consulting Group, Google



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 4  
Traditional/Historic Growth Model

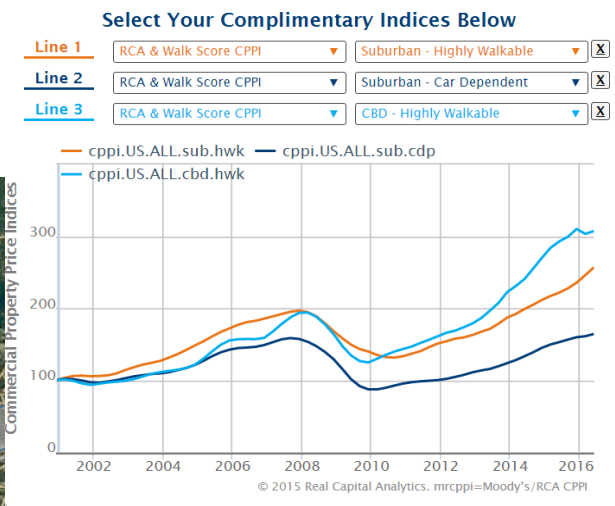
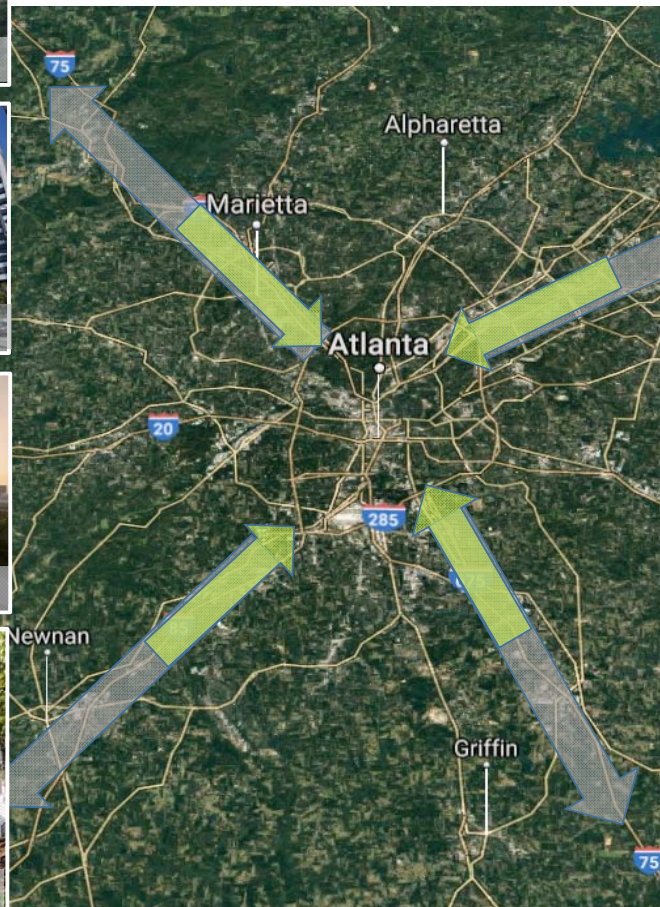


SOURCE: Noell Consulting Group



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 5 Newer Growth Model Favoring Intown/Walkable Areas



### GROWTH SUMMARY

- Intown/Inner Suburban areas dominate growth patterns.
- Majority of new \$1M homes in intown Atlanta and inner suburbs--suburban fringe quiet.
- Convenience & lifestyle drive office decisions--recruiting best talent wins--Midtown grabs NCR from Gwinnett.
- Higher gas prices, lack of state money and worsening traffic take toll on suburbs, more people opt to rent intown.
- Major inner cores (Midtown, Buckhead, Central Perimeter, Cumberland) regain market share.
- MARTA a more significant factor--State Farm selection of Central Perimeter.

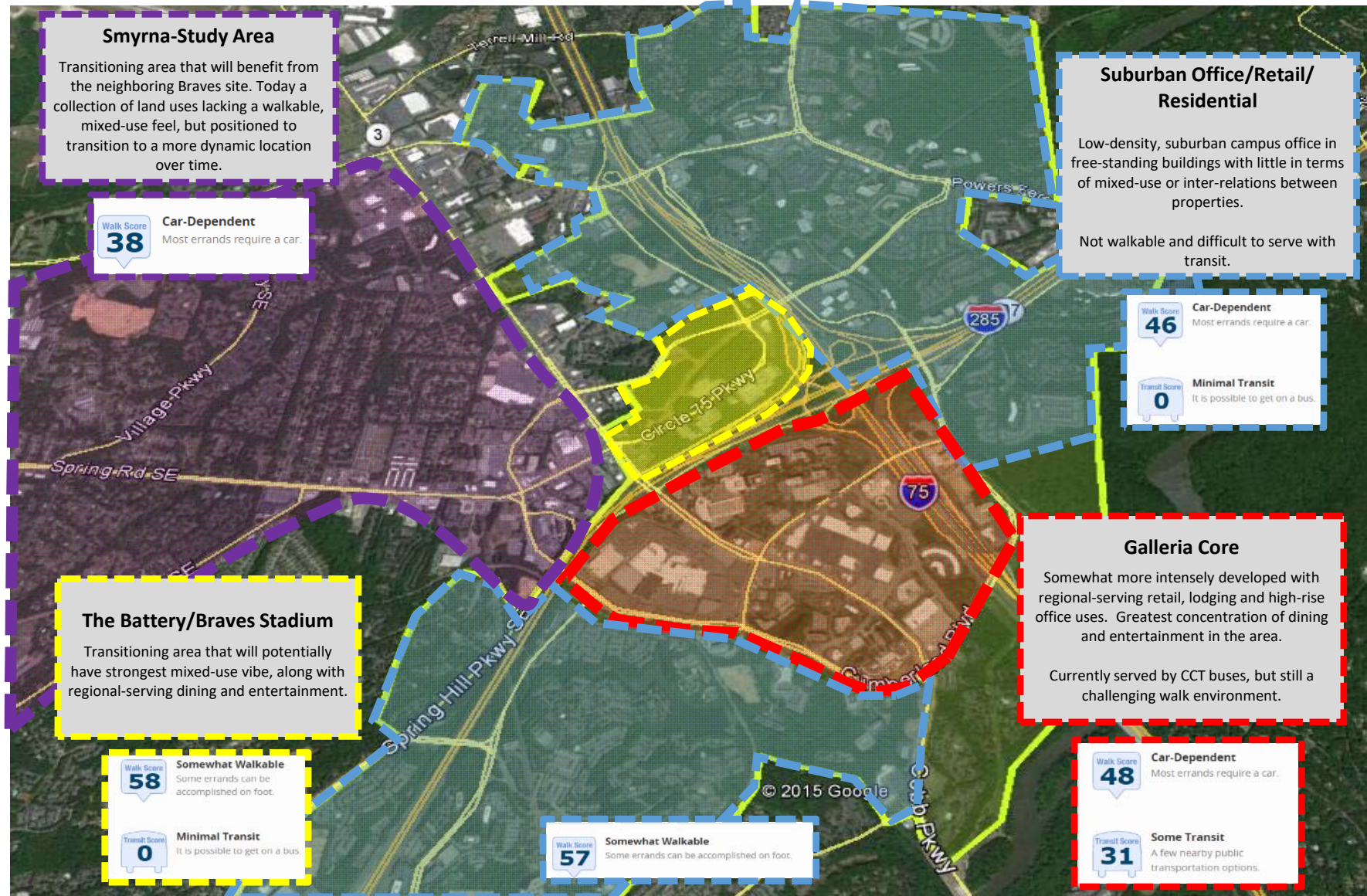
SOURCE: Noell Consulting Group



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 6

Overview of the Cumberland and Spring Road Areas--Four Different Settings with Different Value Propositions



SOURCE: Noell Consulting Group and Walk Score (NOTE: WalkScores are current--2016 scores)



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 7 Overview of Cumberland--New Development

The adjacent Cumberland area--the major driver for development along Spring Road--is enjoying a new phase of development, with the delivery of the Braves Stadium and adjacent mixed-use development, several new office buildings, numerous new rental apartment communities, and upgrades to Cumberland Mall and retail/entertainment at The Battery.

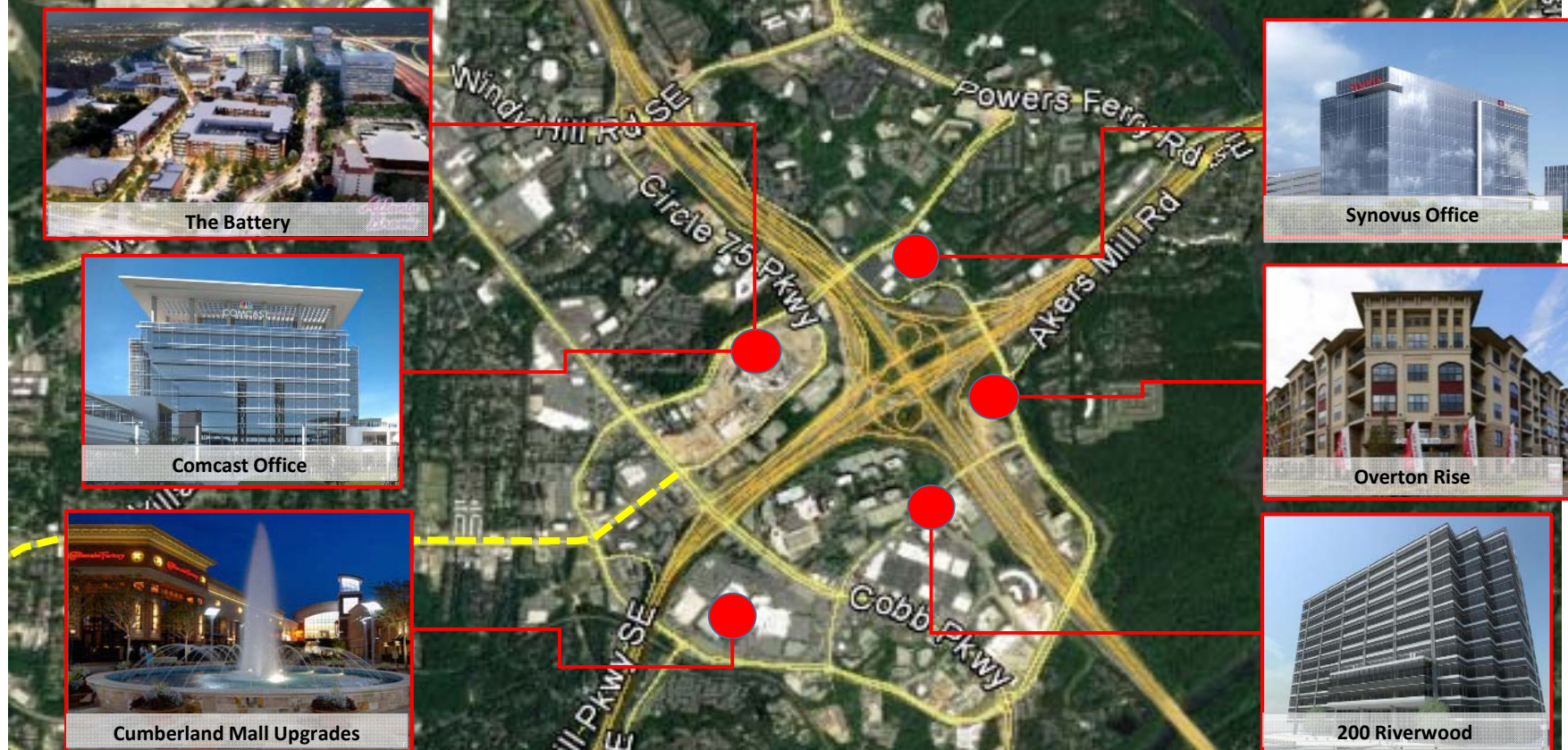
All of these investments will enhance the office market by:

- Creating more urban/modern dining/entertainment and shopping opportunities (Stadium Walk and Cumberland Mall upgrades);
- Creating new higher lease rate office benchmarks and potential rental upside (Riverwood 200 and Synovus/Comcast); and
- Creating a more residential (after 5:00) market in Cumberland (entertainment and apartment development).

Challenging to the health of the entire area is the freeway network, which can blunt impacts of developments in one quadrant relative to upside in another, and the

Number of Development Projects (all land uses) in Cumberland by Year

2012:	2
2013:	3
2014:	9
2015:	12
2016:	20



SOURCE: Noell Consulting Group.



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

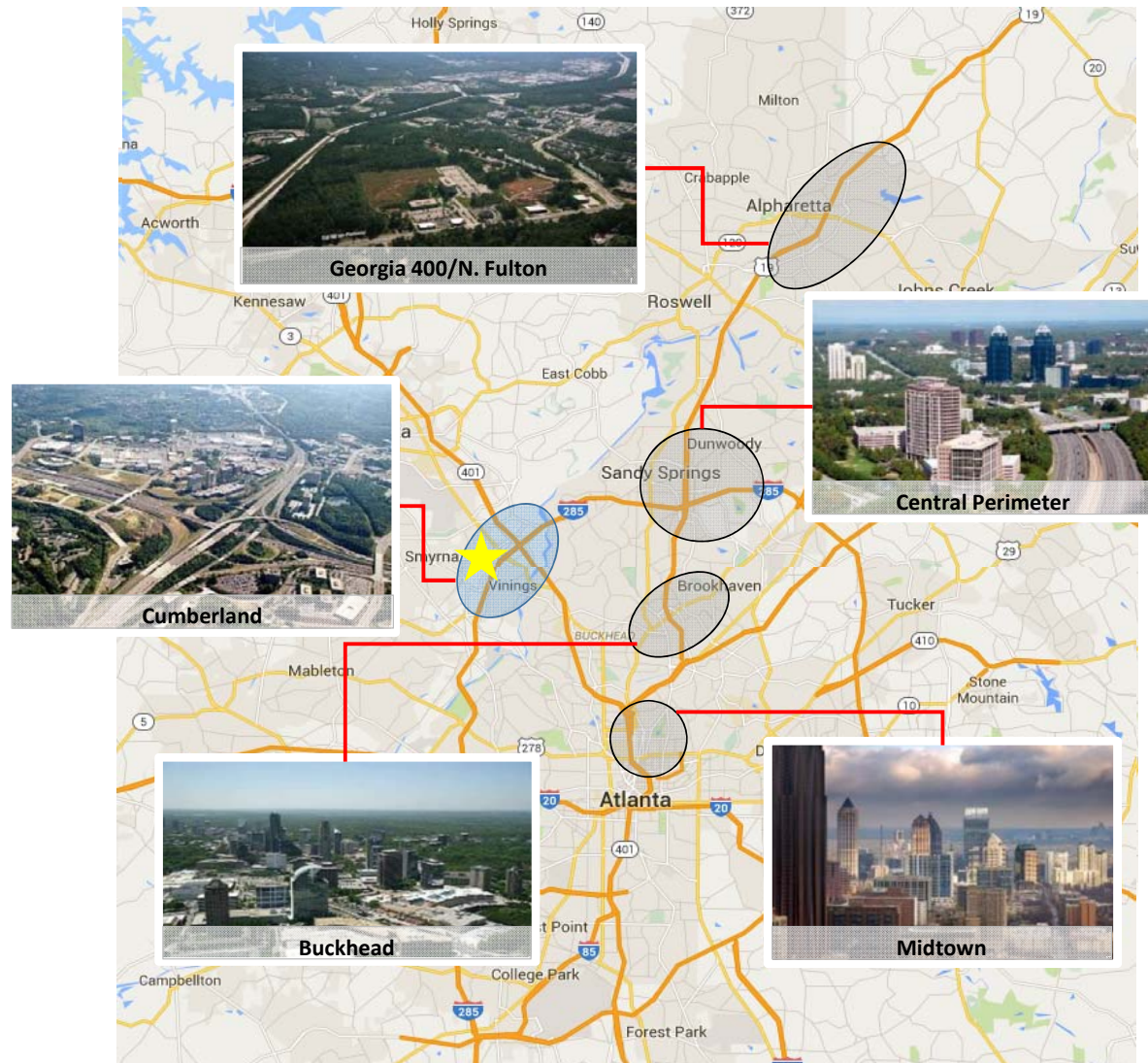
## Exhibit 8

### Overview of Four Key Cores Which Compete with Cumberland

The Cumberland area market competes most heavily with four other Atlanta submarkets, shown in the map and images at right. The following summarizes these four competitive cores:

- **Georgia 400/N. Fulton:** The most suburban of the four competitive submarkets, Georgia 400/N. Fulton is largely comprised of conventional office buildings and retail centers. Georgia 400 North boomed in the 90s and early to mid-2000s, picking up corporate relocations from outside of the market and firms moving out of Perimeter Center for greener pastures and greater proximity to the boss. Growth in this core has moderated more recently, impacted by a combination of being too suburban in a market increasingly favoring urban locations, and intense traffic congestion.
- **Central Perimeter:** Most similar to Cumberland, Central Perimeter enjoys an urbanizing location, but still has suburban characteristics. While brutal traffic allowed this core to be pilfered by North Fulton in the 1990s and early 2000s, it has bounced back significantly, with a greater focus on walkability and traffic control, and with MARTA rail access, an increasingly important factor for major corporate relocations such as State Farm and Mercedes Benz.
- **Buckhead:** Increasingly more urban, Buckhead offers the greatest luxury position of the four areas, with high-end professional services and financial firms, top-of-the-market shopping, and the region's greatest concentration of luxury urban housing. While traffic-choked, the area has focused on quality of life initiatives in recent years, walkability, and connections to MARTA, of which two lines traverse the submarket.
- **Midtown:** Easily the most urban of the four competitive areas, Midtown has emerged as a major favorite among Gen Y's (Millennials) as a preferred place to work and boasts the region's strongest technology sector, with its immediate adjacency to Georgia Tech. The area is by far the most walkable and is experiencing a massive housing boom, as well as being home to numerous restaurants and entertainment venues, as well as the region's cultural core. Finally Midtown is served by three MARTA stations.

SOURCE: Noell Consulting Group.



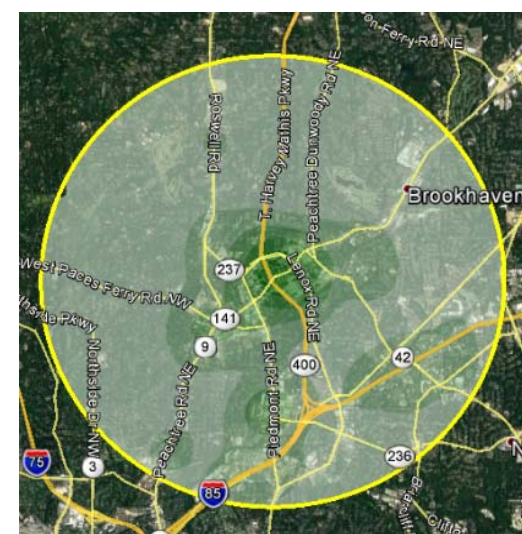
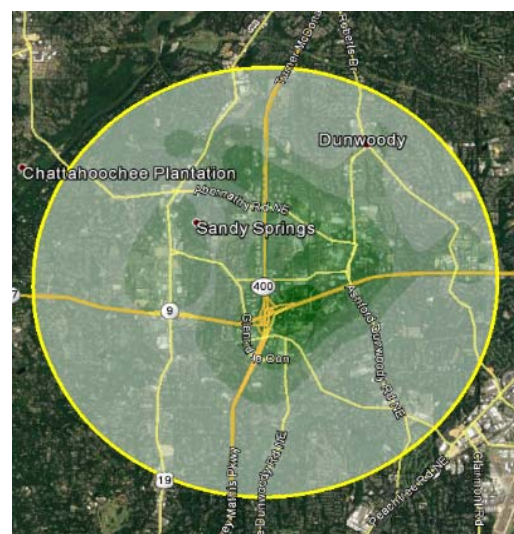
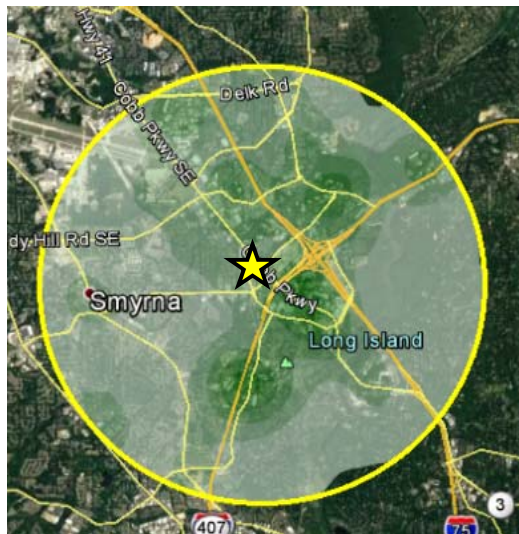


# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 9

### Comparison of Cumberland Core with Sandy Springs and Buckhead

The maps below compare the Cumberland/Smyrna job cores to two nearby job cores, the Sandy Springs core and the Buckhead core. Both of these comparable areas support a high level of new Class A apartment absorption. Cumberland has a similar level of total employment with slightly less people making over \$40k/year. The Cumberland core also possesses a lower Bachelors and higher degree percent. These two combinations further back the story of lower rents than the two comparable cores.



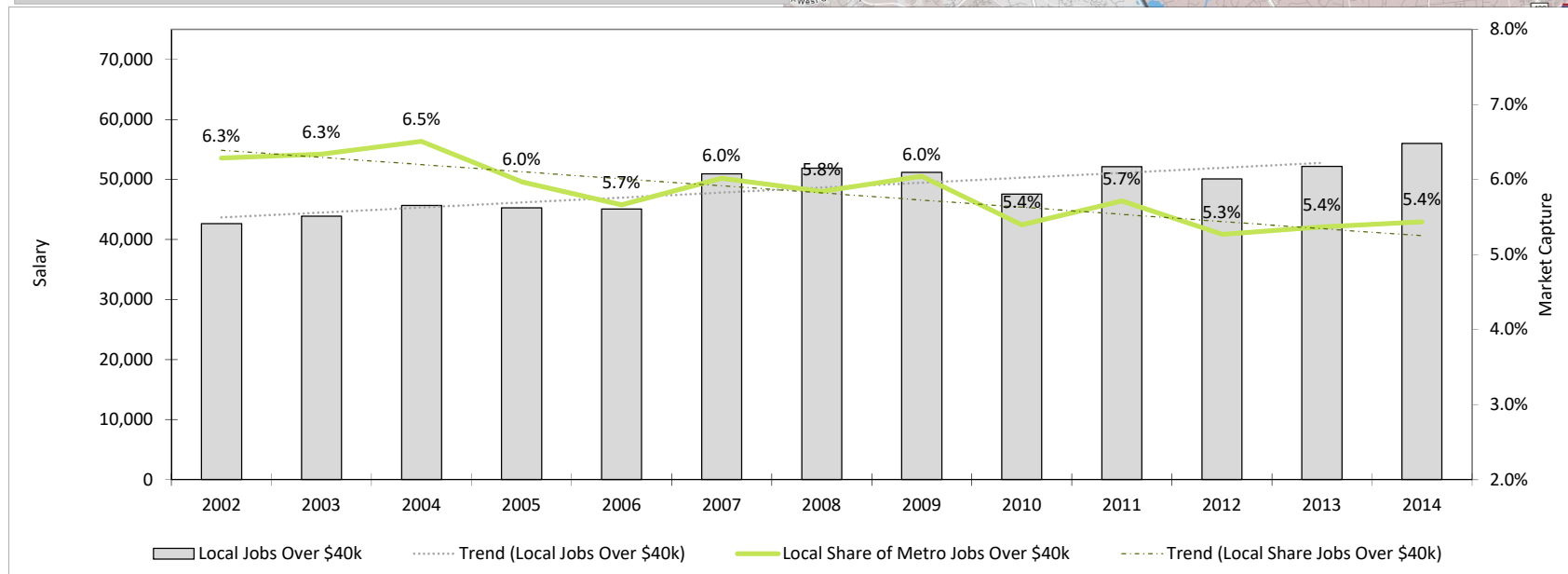
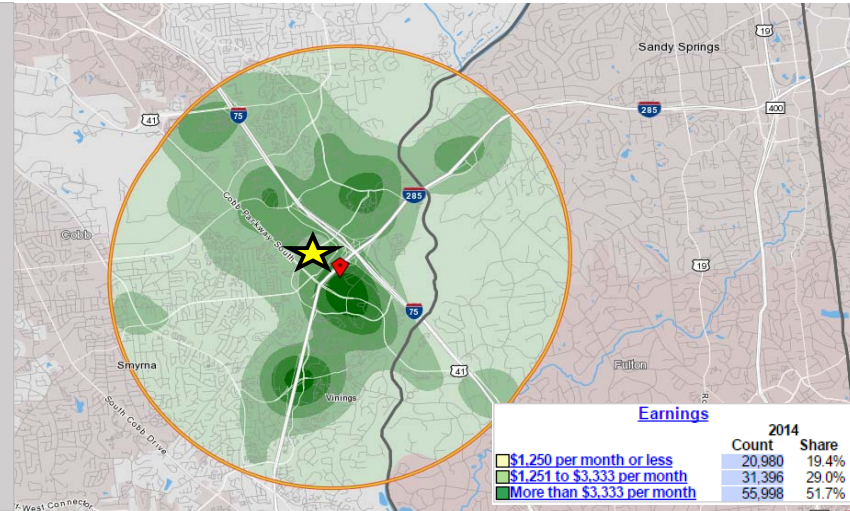
Cumberland/Smyrna		Sandy Springs		Buckhead/Lindbergh Center	
Total Employment	103,552	Total Employment	125,200	Total Employment	108,628
Employment Over \$40k	56,291	Employment Over \$40k	73,626	Employment Over \$40k	60,124
Employment Over \$40k (Share)	54%	Employment Over \$40k (Share)	59%	Employment Over \$40k (Share)	55%
Bachelors and Higher	28%	Bachelors and Higher	33%	Bachelors and Higher	30%
<u>Top 3 Industries</u>	40%	<u>Top 3 Industries</u>	45%	<u>Top 3 Industries</u>	40%
Professional Services	16,957	Health Care and Social Assistance	22,697	Professional Services	17,428
Administration & Support	13,461	Professional Services	19,536	Accommodation and Food Services	13,274
Management of Companies and Enterprise	11,114	Administration & Support	14,681	Retail Trade	12,481

SOURCE: Noell Consulting Group, Google Maps, US Census, OntheMap

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 10  
Jobs Within 3 Miles of Subject Site

The subject site is located in the heart of a major job core of Atlanta. Within a 3 mile radius of the subject site, the Cumberland/Galleria core has more than 100,000 jobs and is situated with great access to I-75 and I-285. Almost 50,000 jobs earn more than \$40,000 which bodes well for an area like Smyrna. Jobs making over \$40,000 have increased from about 40,000 jobs in 2002 to 50,000 jobs in 2013. This shows a steady increase of about 1,000 jobs a year within 3 miles of the subject site. The Cumberland/ Galleria core is capturing on average 6% of the metro jobs in Atlanta that earn over \$40,000. NCG believes that the Cumberland area will continue to see historical absorption rates even with all the new construction coming on board in 2016 and 2017. Cumberland's Core will see a slight increase in Metro capture rate as the area starts to grow with the newly developed "Battery" drawing interest from people.



SOURCE: Noell Consulting Group, US Census, OntheMap Atlanta Business Chronicle



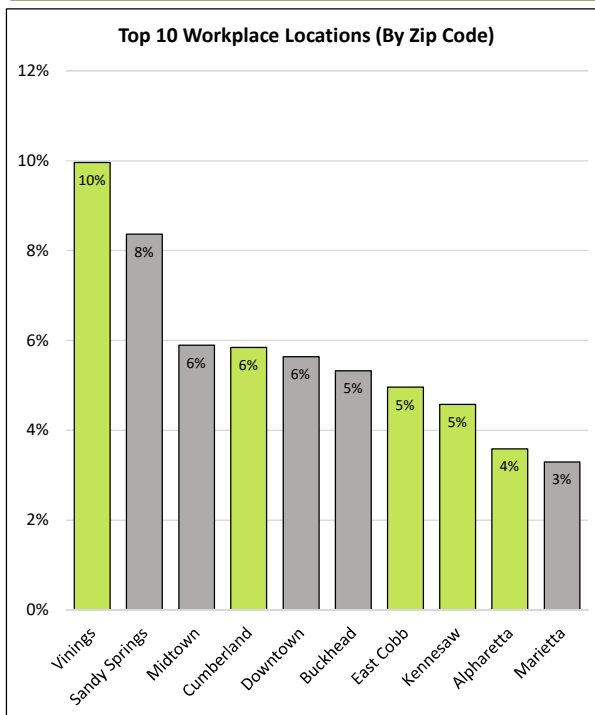
Noell Consulting Group

## Exhibit 11

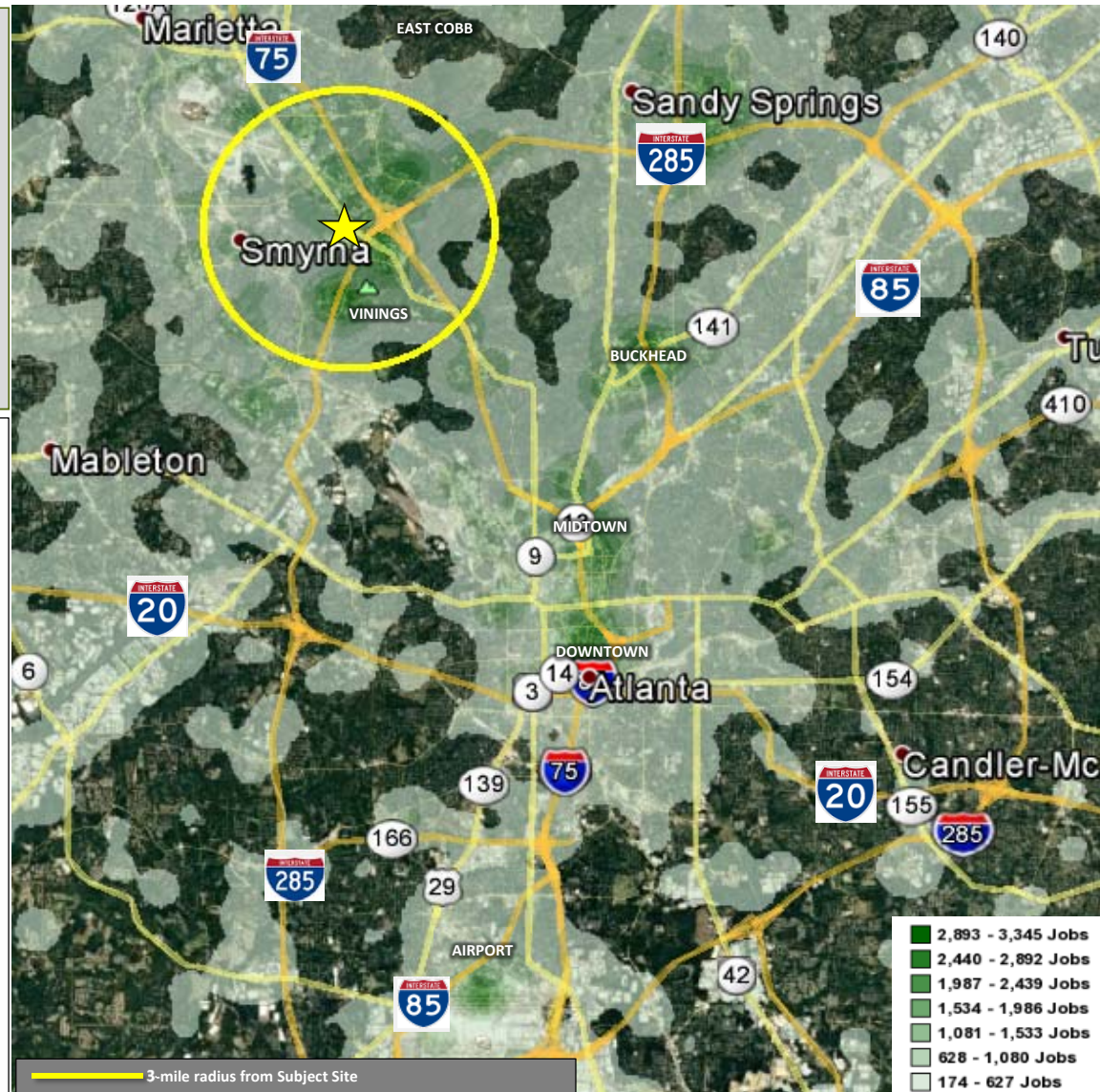
### Work Commuting Patterns

Commuting patterns of residents near the corridor can help identify target audiences for residential development. While residents within a 3-mile radius work all over the metro Atlanta area, at least 60% work north of I-20.

Only 25% of residents work in traditional central business districts (Downtown, Midtown, Buckhead, Sandy Springs, Cumberland), with most of those workers commuting to Marietta, East Cobb and Vinings.



SOURCE: Noell Consulting Group, Google Maps, US Census



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

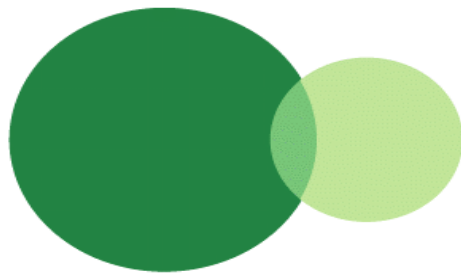
## Exhibit 12

### Inflow Outflow Of Workers and Residents

Inflow and Outflow maps show how many people live and work in the area and how many people work outside of the area. 6,500 people that live in the selected 3 mile radius also work in the 3 mile radius. This equates to about 15% of the population that lives and works in the selection area. Roughly 35,000 people that live in the selected area work outside of it.

Inflow and Outflow maps are also a great identifier of housing needs. Assuming people want to live close to work, NCG believes there is ample opportunity for housing the increasing number of people that live and work in the area.

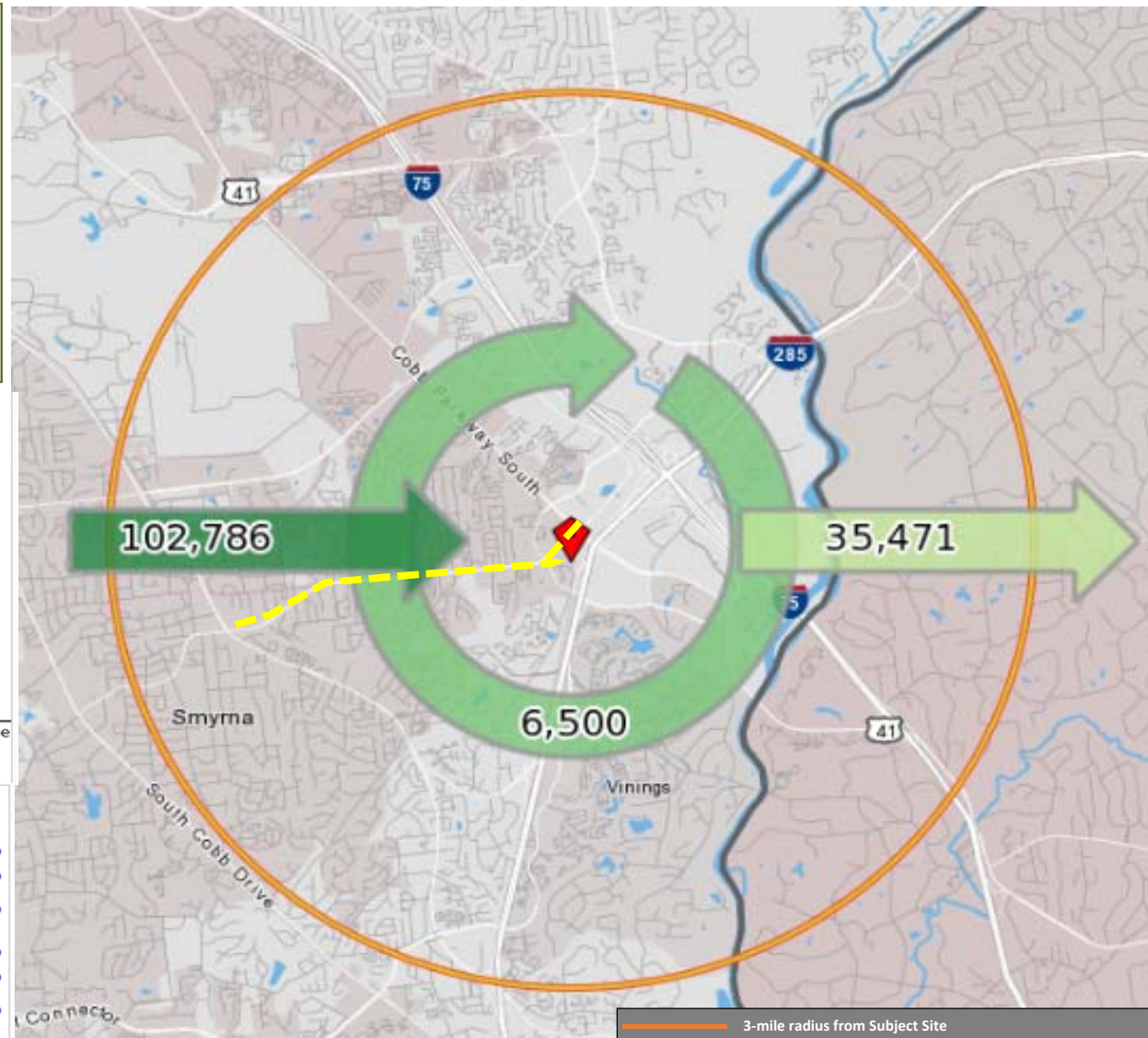
Inflow/Outflow Job Counts in 2014



- 102,786 - Employed in Selection Area, Live Outside
- 35,471 - Live in Selection Area, Employed Outside
- 6,500 - Employed and Live in Selection Area

Inflow/Outflow Job Counts (All Jobs)

	Count	Share
Employed in the Selection Area	109,286	100.0%
Employed in the Selection Area but Living Outside	102,786	94.1%
Employed and Living in the Selection Area	6,500	5.9%
Living in the Selection Area	41,971	100.0%
Living in the Selection Area but Employed Outside	35,471	84.5%
Living and Employed in the Selection Area	6,500	15.5%



SOURCE: Noell Consulting Group, Google Maps, US Census



## CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

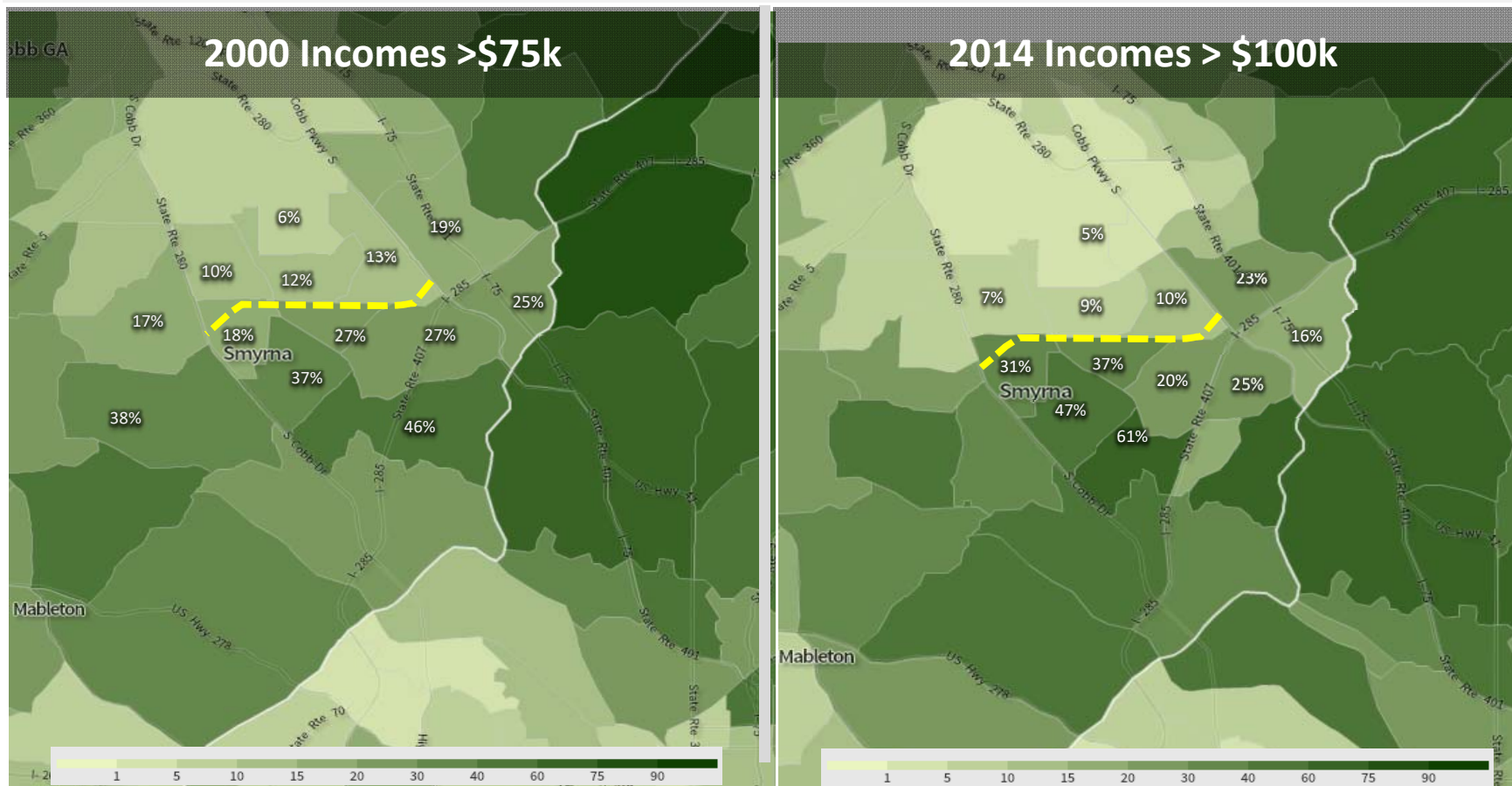
### Exhibit 13

#### Changes in Household Income, 2000 - 2014

Smyrna and competitive areas nearby have seen solid income growth over the last 14 years (2000 -2014), even when factoring an inflation adjustment in 2014 to better relate the charts. The Spring Road corridor has not seen this income growth, with a smaller share of households being higher-income households.

This is very different than other areas of Smyrna (Atlanta Road corridor) and areas inside of I-285, including the Vinings area.

This should not be the case, given the resurgence of inner suburban areas and points to potential upside, with proper value creation in the corridor.



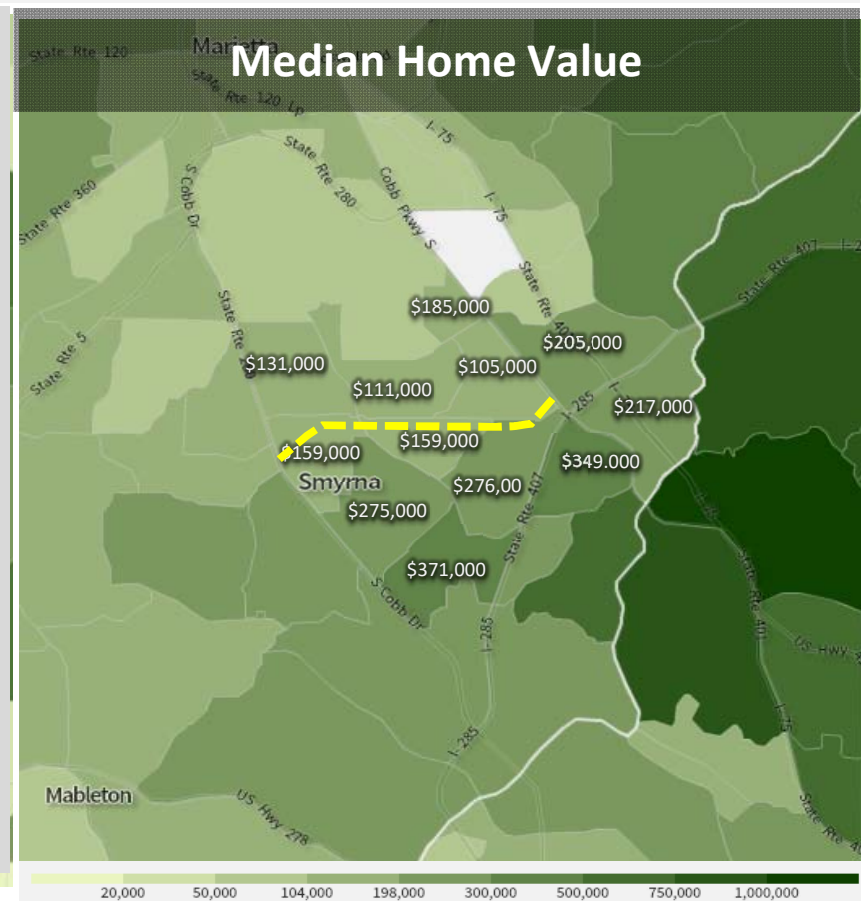
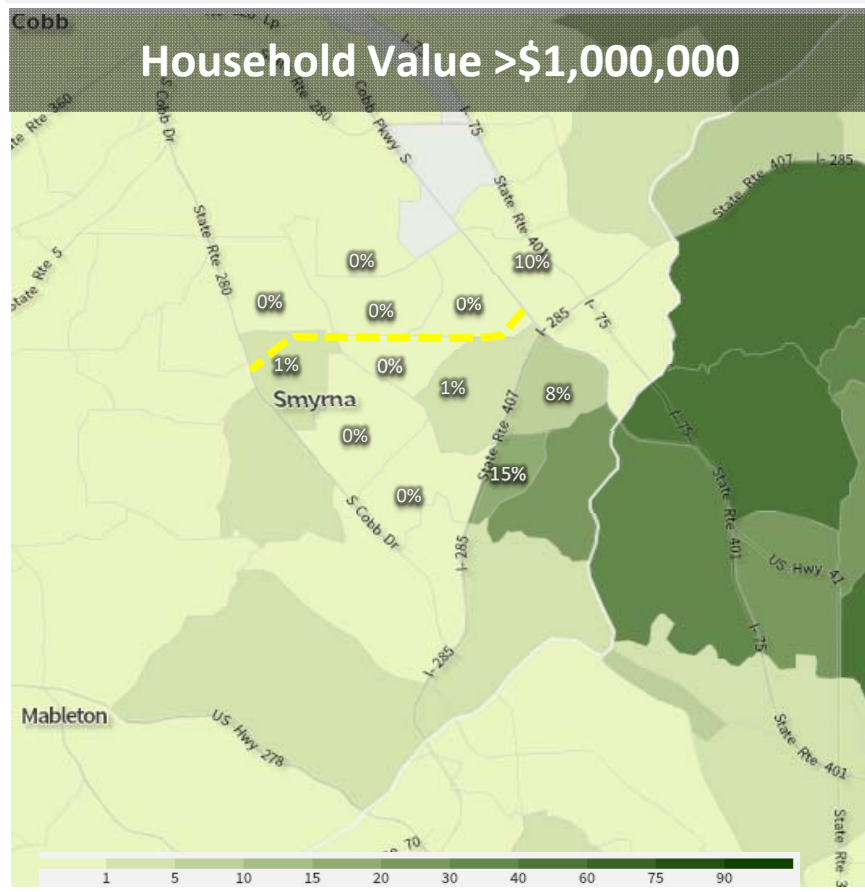
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 14 Household Values

The Subject Site and Smyrna have seen minimal home values greater than \$1,000,000. Some surrounding areas such as Vinings and Cumberland have seen a healthy amount of home values greater than \$1,000,000. Median home values around the subject site are relatively low. As you get closer to I-285 and Vinings, median home values rise.



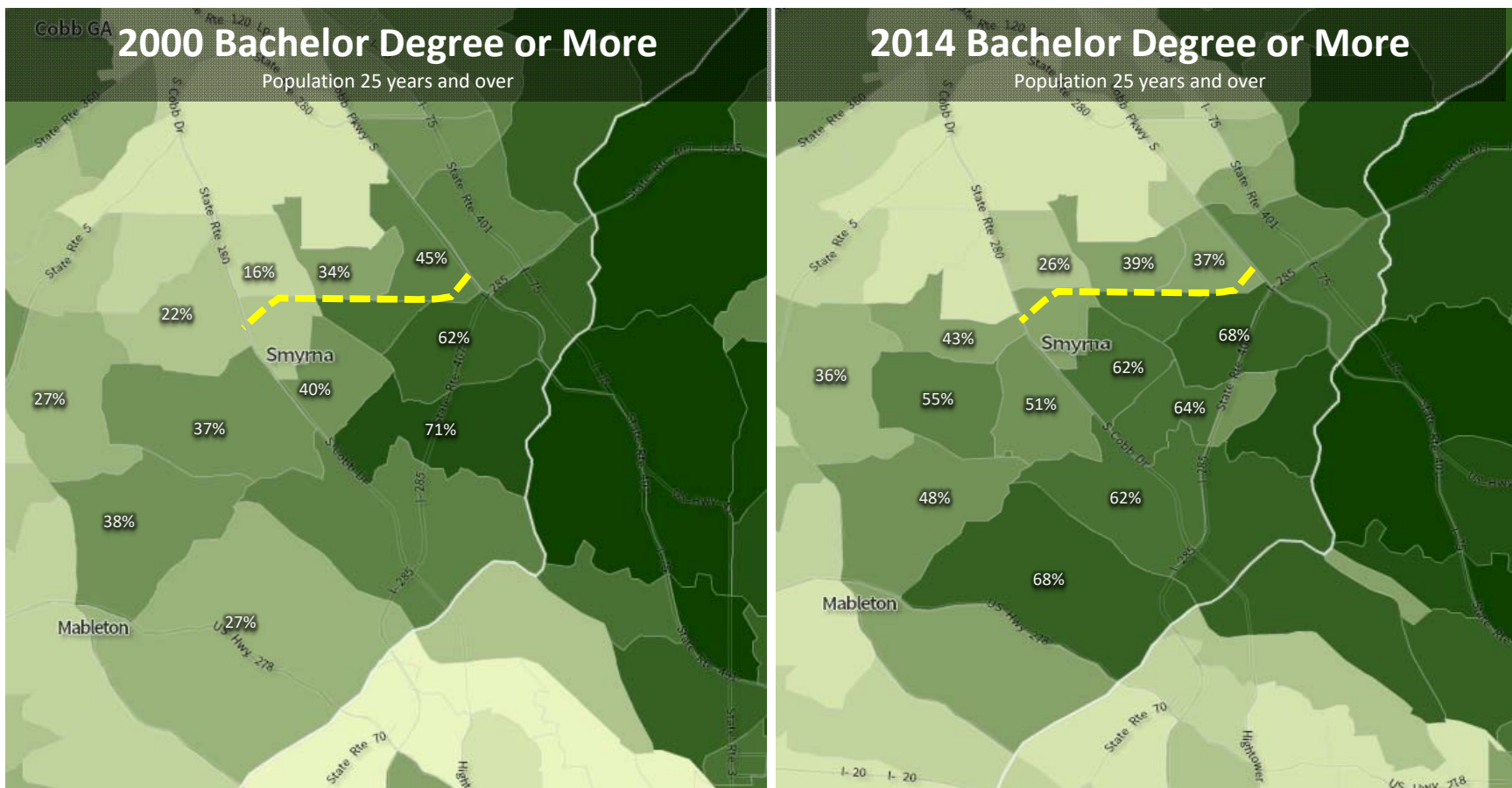
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer

## CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

### Exhibit 15

#### Changes in Educational Attainment, 2000 - 2014

Corresponding with home value growth, much of the Smyrna area has seen growth in highly-educated households, with some tracts now seeing 60% to 70% of adults in the area having a Bachelor's degree or higher. As one heads northwest from Smyrna education levels moderate somewhat, in part due to Dobbins AFB and an increase of foreign-born households. Educational attainment keeps pushing west towards Smyrna as people start to move from higher valued neighborhoods such as Vinings into relatively moderate-priced neighborhoods.



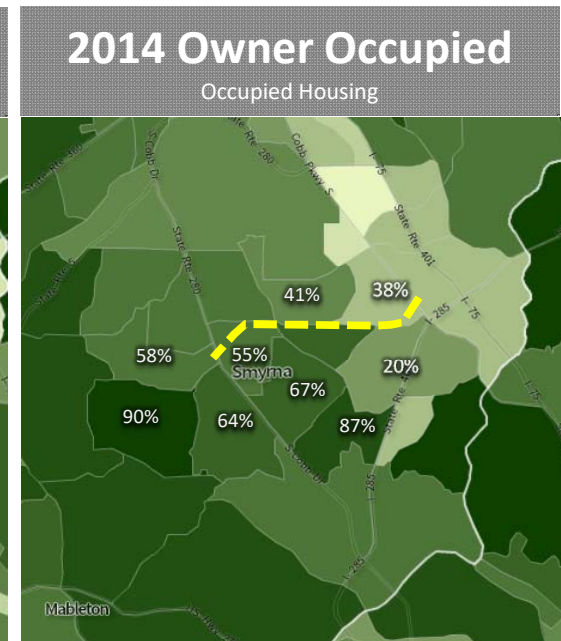
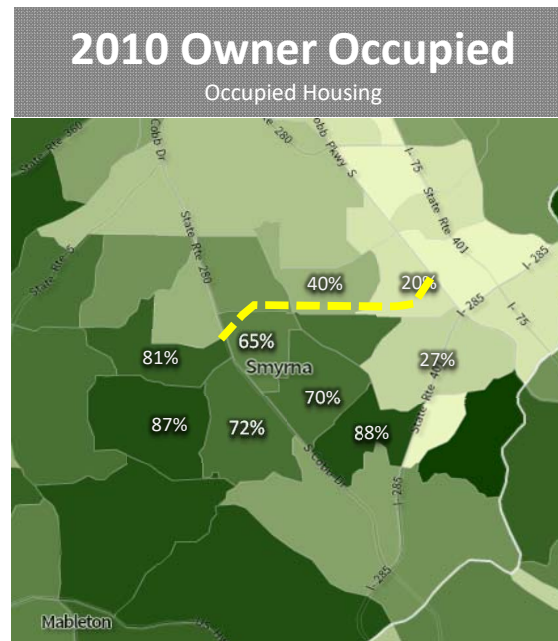
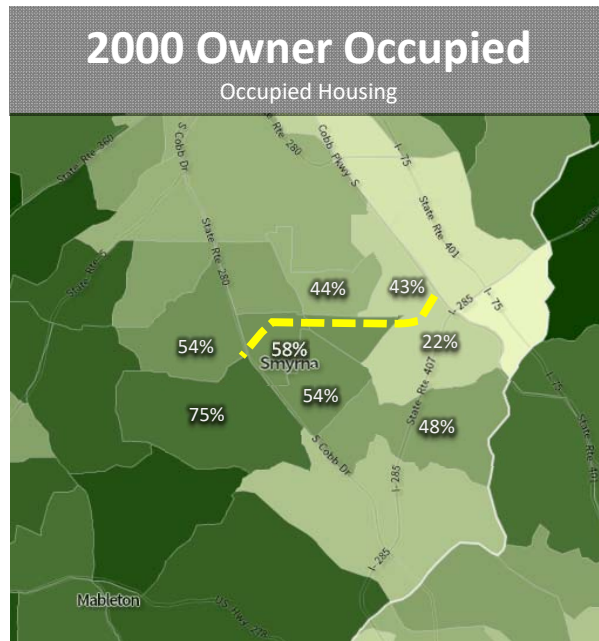
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 16  
Owner Occupied Housing



Since 2000, owner-occupied housing has steadily increased in Smyrna and surrounding areas as homeowners have increasingly appreciated the convenience and lifestyle Smyrna offers. The presence of large office cores, freeway network, quality schools, and Smyrna's new downtown have been draws for this infill development. The Spring Road corridor is indeed within eight miles of Buckhead and Midtown/Downtown, and 1 mile to the Cumberland core. Being so close to Atlanta's premier business cores makes Smyrna a hot commodity in the Atlanta market.



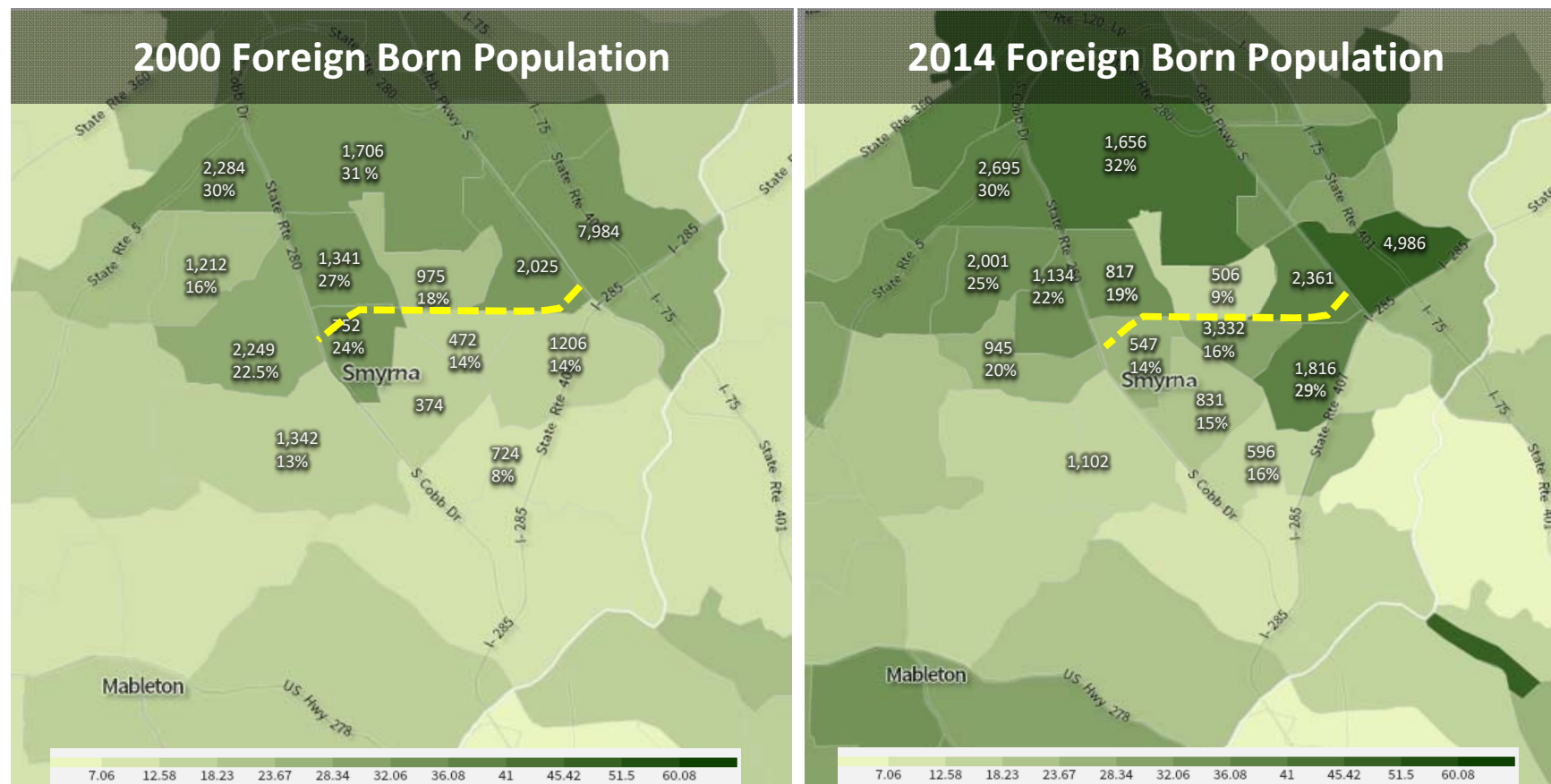
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 17 Foreign-Born Population

Foreign-born populations near the subject site have also increased since 2000. Smyrna and the Cumberland core have an abundance of larger, affordable rental apartments as well as older detached housing that is attractive to these relocatee households.

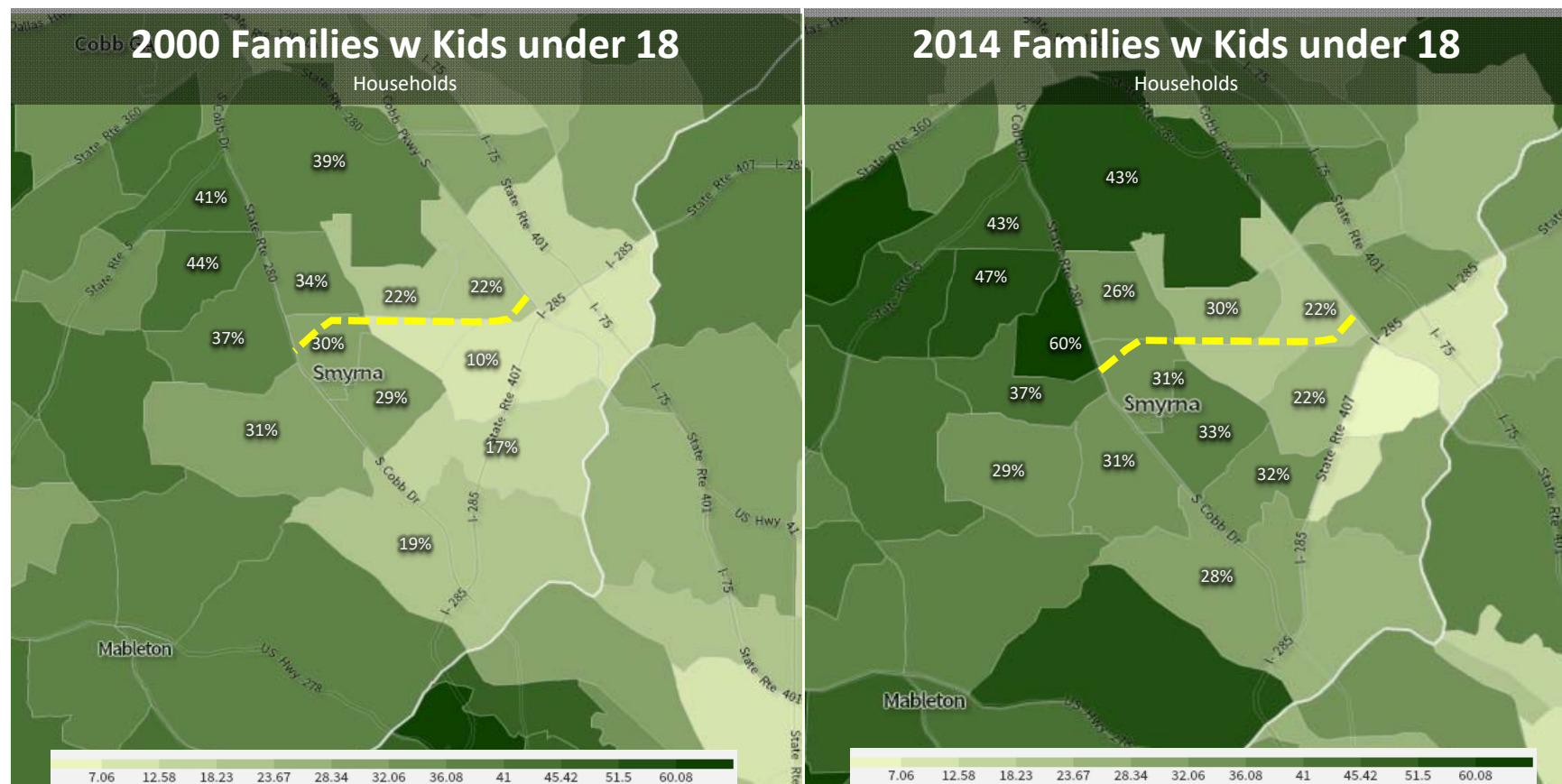


SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer

## CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

### Exhibit 18 Families with Children

Corresponding with people owning homes, much of the area around Smyrna has seen strong growth in families with kids. Smyrna is one of the suburbs where young families are moving and boast some strong schools as well. This said, close to 70% to 80% of households in portions of Smyrna and Cumberland do not have kids, reflecting a trend of both younger households delaying child-rearing years as well as more mature households moving closer into town from further out suburbs.



SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

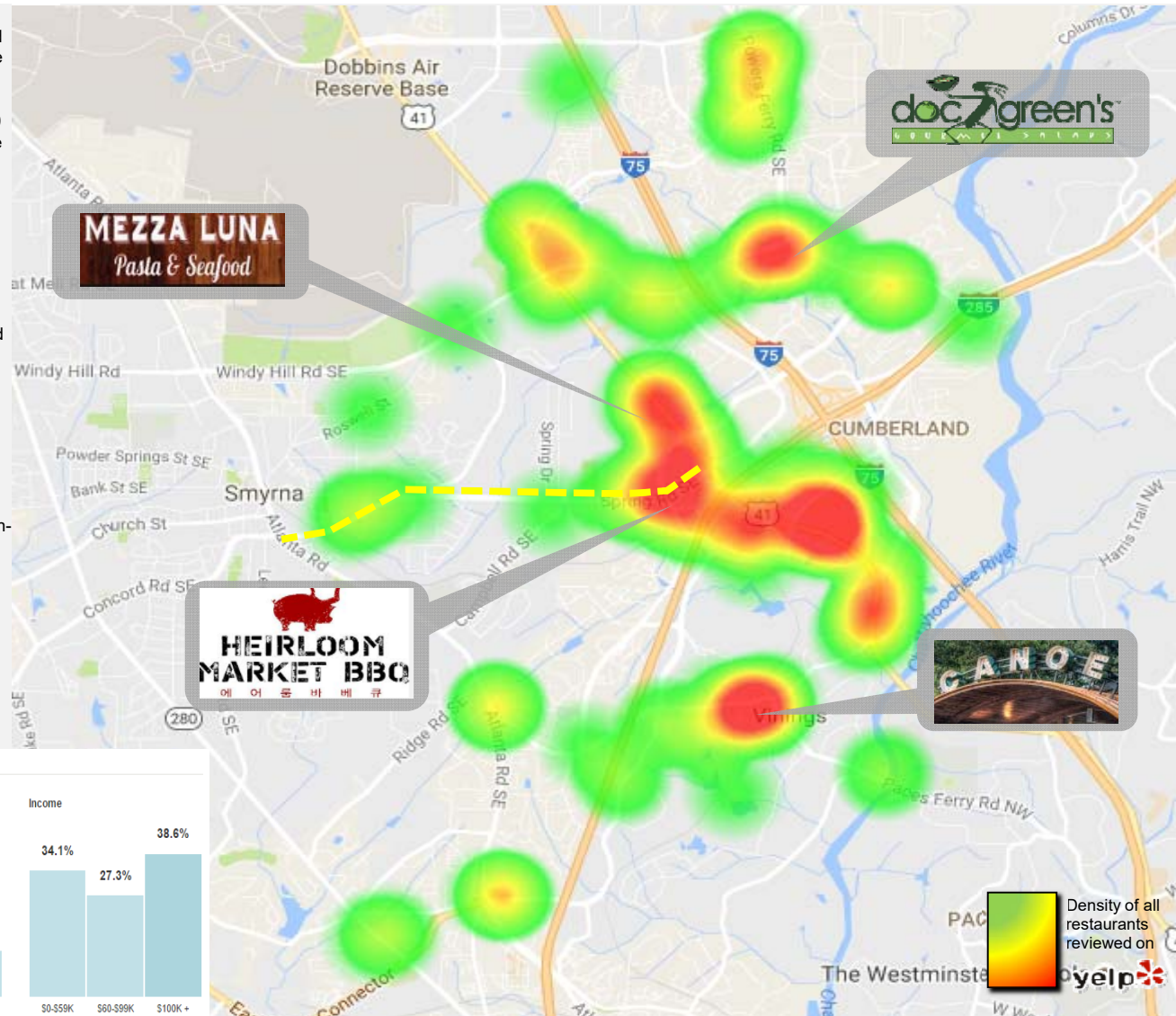
## Exhibit 19 Access to Restaurants

Powered by **yelp**

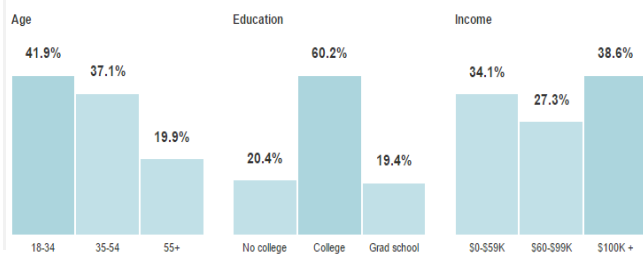
In order to help quantify the relative strength and quality of different dining cores in the area, these next few exhibits utilize geocoded user data provided by Yelp.com. Yelp is the world leader among customer review services, with a over 90 million organic business reviews and an average of 142 million unique site visitors each month. The biggest share of Yelp's users are between the ages of 18-54 (79%), have a Bachelor's degree or greater (79.6%), and an annual household income of \$60,000 or more (65.9%) - highly representative of target demographics in the area.

The heat map to the right shows the location and relative density of hundreds of "dinner" restaurants reviewed by Yelp users with a close proximity of the subject site, weighted by the average customer review score. The colors represent the density or total number of dining establishments in each area, with higher concentrations highlighted in red.

As shown, the Spring Road corridor is largely non-commercial and downtown Smyrna itself is a smaller dining core relative to some other surrounding areas. The subject site is located within a 3 mile radius of more significant dining establishments in Cumberland and Vinings. Moderate dining choices in Cumberland create opportunities for the corridor to function as a somewhat more neighborhood-based core.



### US Demographics of Yelp Users



SOURCE: Noell Consulting Group, Yelp

## CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

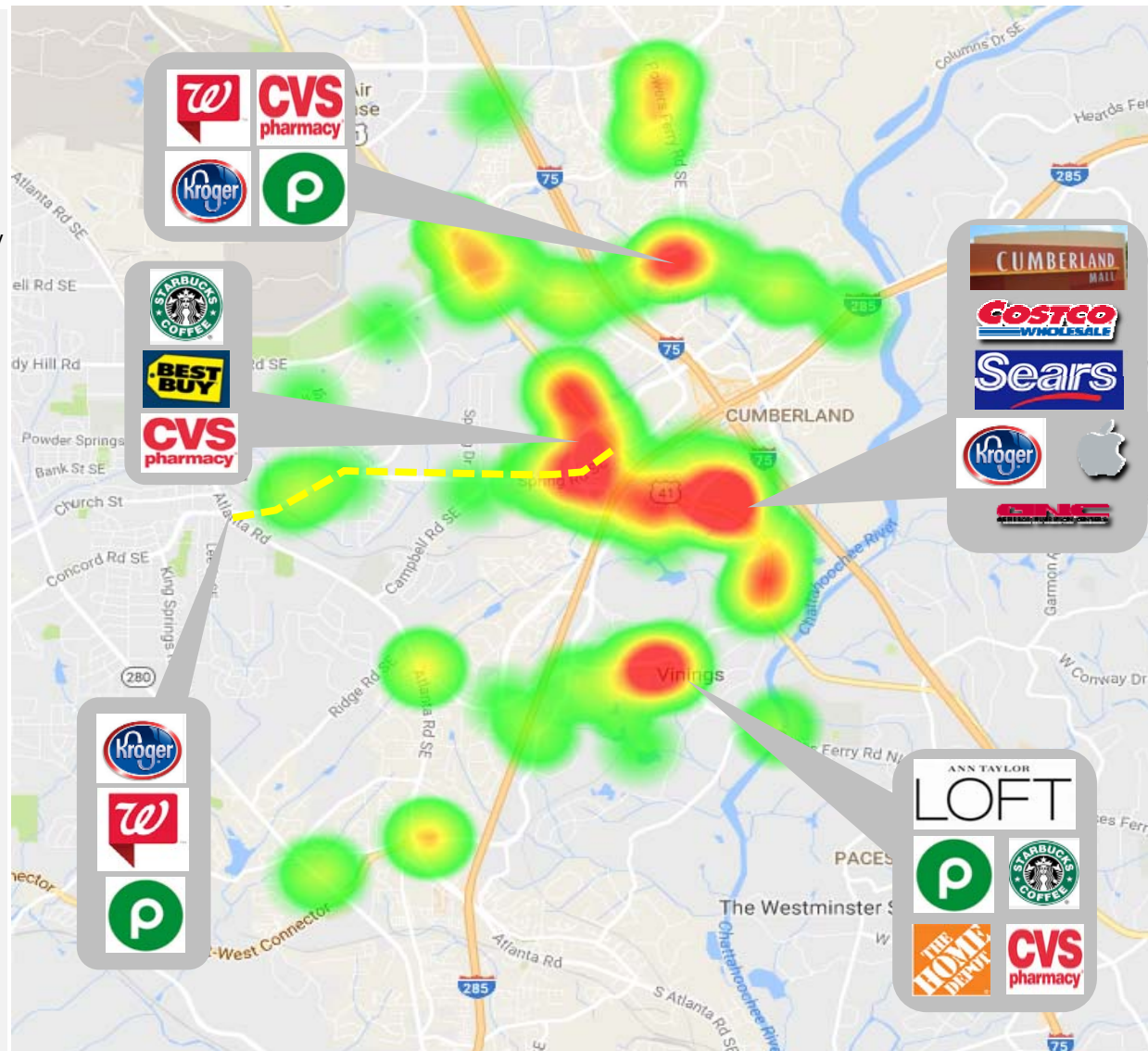
### Exhibit 20

#### Access to Area Retail Cores

Powered by yelp

Similarly, access to quality shopping is a key factor for many renters in the market. Smyrna, while lacking true shopping destinations, is located proximate to a number of established cores, including Cumberland Mall area, and Vinings. While lacking a major grocery store in the neighborhood itself, Smyrna is well-served by nearby grocery stores, including Kroger and a new Publix.

The subject site benefits from proximity to neighborhood-based retailers and retail cores, yet is not walkable to grocery or drugs stores. The map to the right shows a 3 mile radius around the subject site. This indicates it may represent a more solid play for maturing, convenience-driven singles and couples, as opposed to younger Millennials and those that seek lifestyle locations.



SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 21

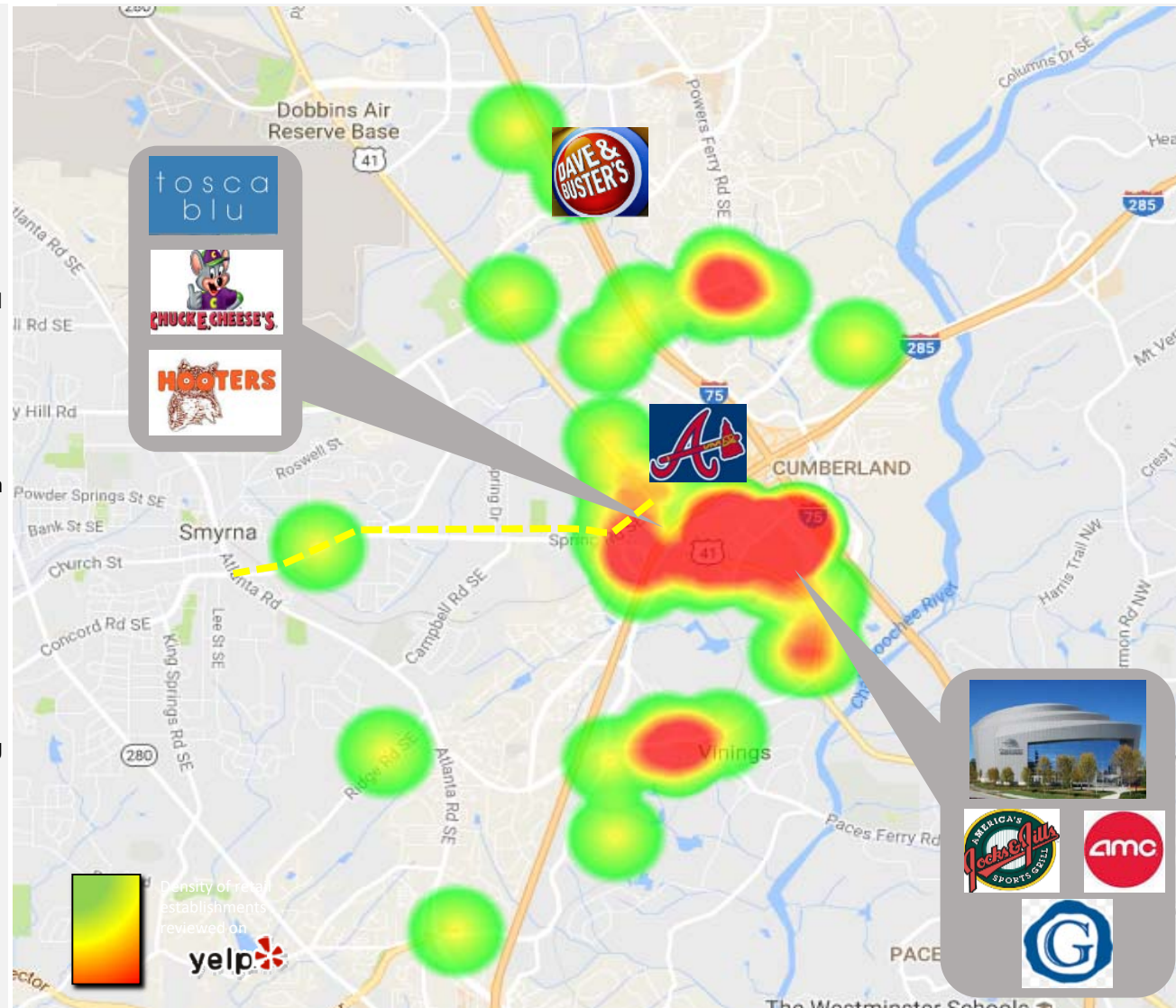
### Access to Entertainment Establishments

Powered by **yelp**

The heat map at right shows the concentration of entertainment establishments within 3 miles of the Subject Site including bars, clubs, theaters and event spaces. Highlighted regions represent the total number of businesses, with higher densities highlighted in dark red.

By examining this data, we are able to more accurately gauge the relative strength of the entrainment presence in many neighborhoods that would likely directly compete with the Subject Site for potential renters. In general, the strongest entertainment cores in the area can be found in more well-established urban settings like Cumberland and Vinings.

Smyrna, while a relatively small entertainment core, is certainly growing in appeal due to its proximity to local entertainment and the new Atlanta Braves Sun Trust Park.

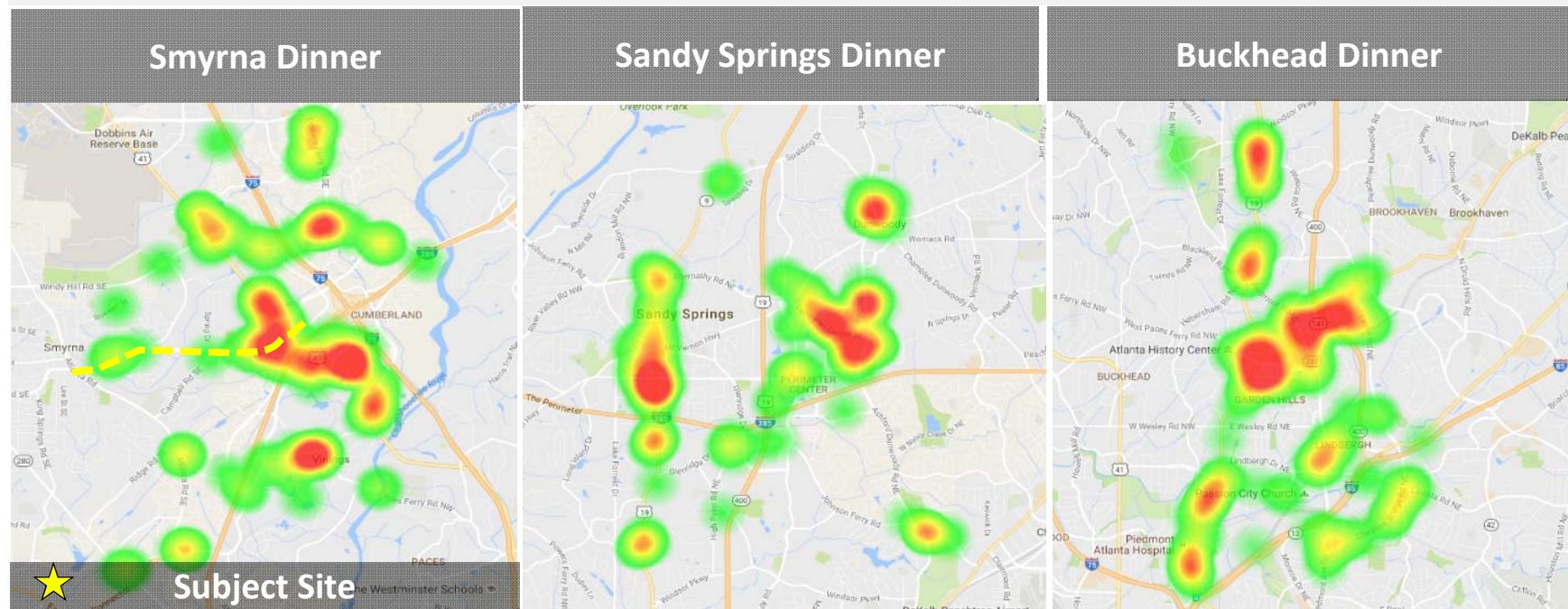


SOURCE: Noell Consulting Group, Yelp

## CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

### Exhibit 22 Dinner Core Comparisons

Somewhat surprisingly, the Cumberland core and Smyrna area provides ample dining options in comparison to other nodes of Atlanta. While Cumberland and Smyrna may not have as many dense areas as Buckhead or Sandy Springs, it still displays ample opportunities for dining. The subject site is on the edge of dining options near Cumberland and The Battery. All of these maps have a selected location with a 3-mile radius.



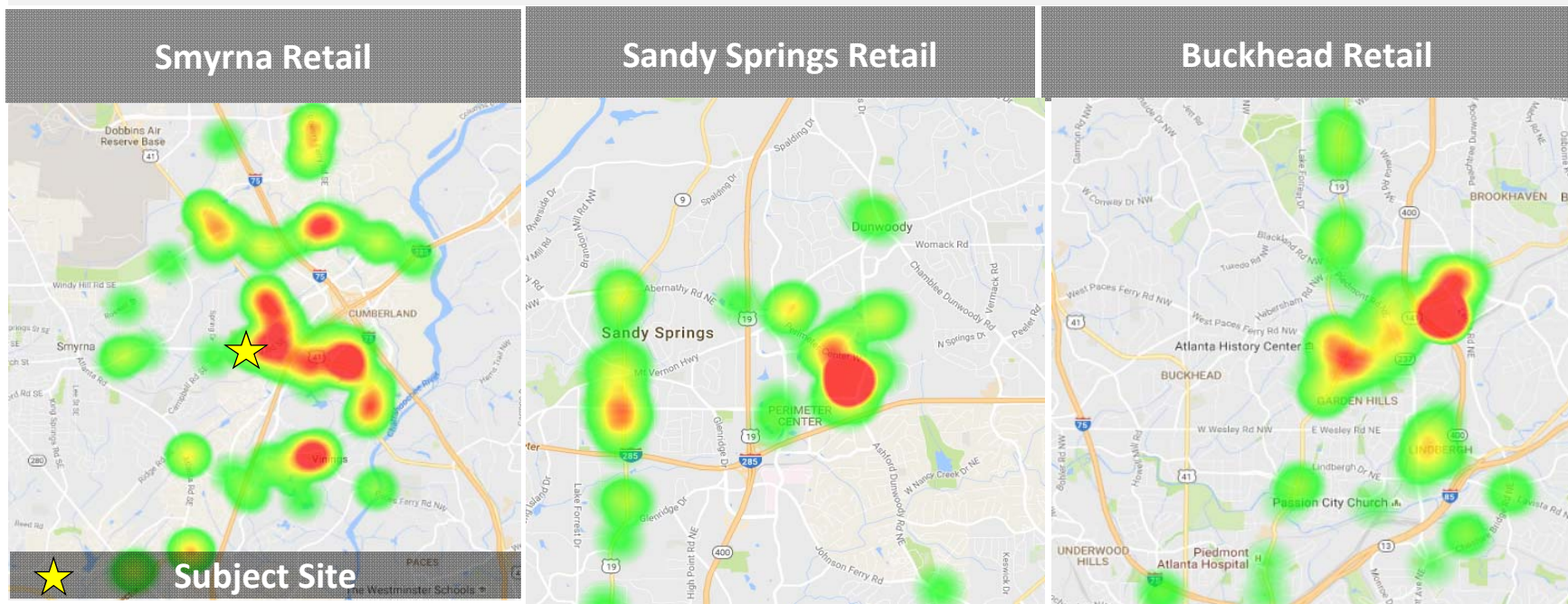
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 23 Retail Core Comparisons

The Spring Road corridor is well placed in the retail market in comparison to other cores around Atlanta. The Cumberland area functions as a regional core and, while lacking in more independent stores, offers a significant variety of retail at Cumberland Mall and other regional-serving shopping centers. Great regional access to I-75 and I-285 make Cumberland and the Galleria area a shopping destination. The addition of the Braves Stadium will bring more retail to the area as well and will further the area's entertainment and dining opportunities.



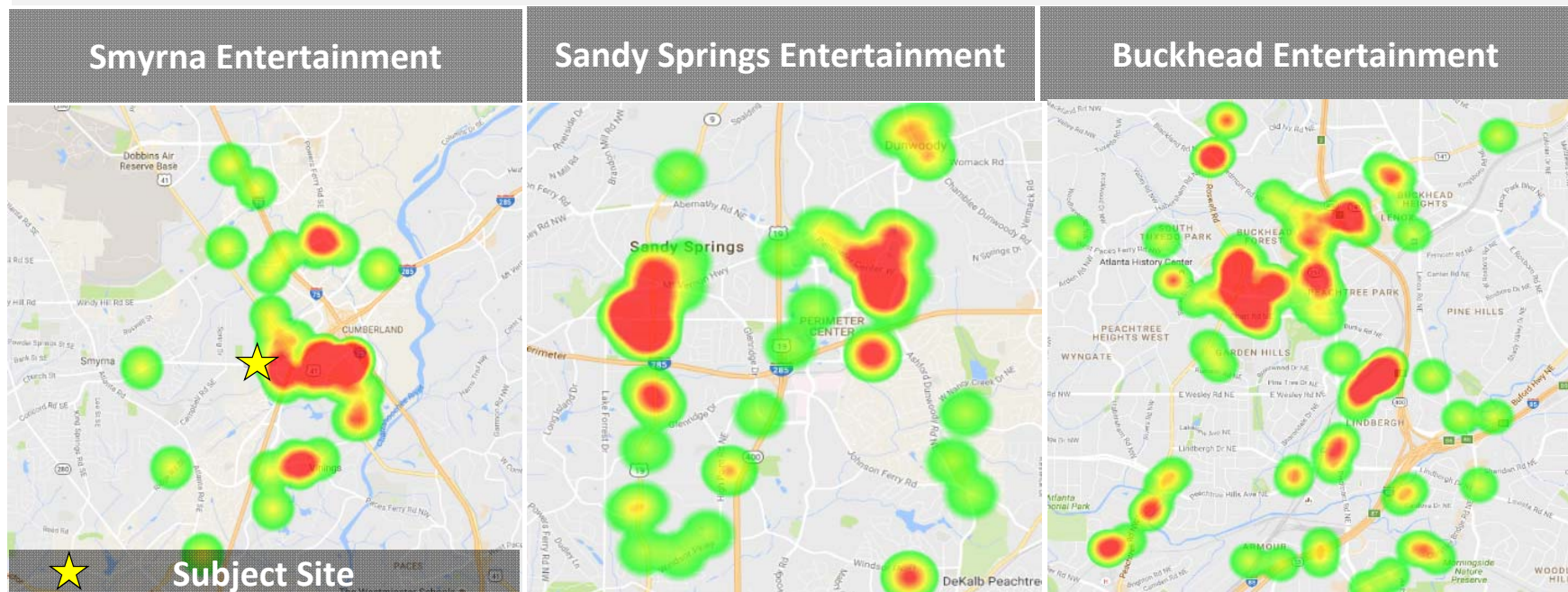
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 24 Entertainment Core Comparisons

Smyrna lags behind other cores of Atlanta in terms of entertainment. The addition of the Atlanta Braves Stadium will help this area grow and provide an entertainment boost. Restaurants and other entertainment venues will come to fruition after the Stadium has been built.



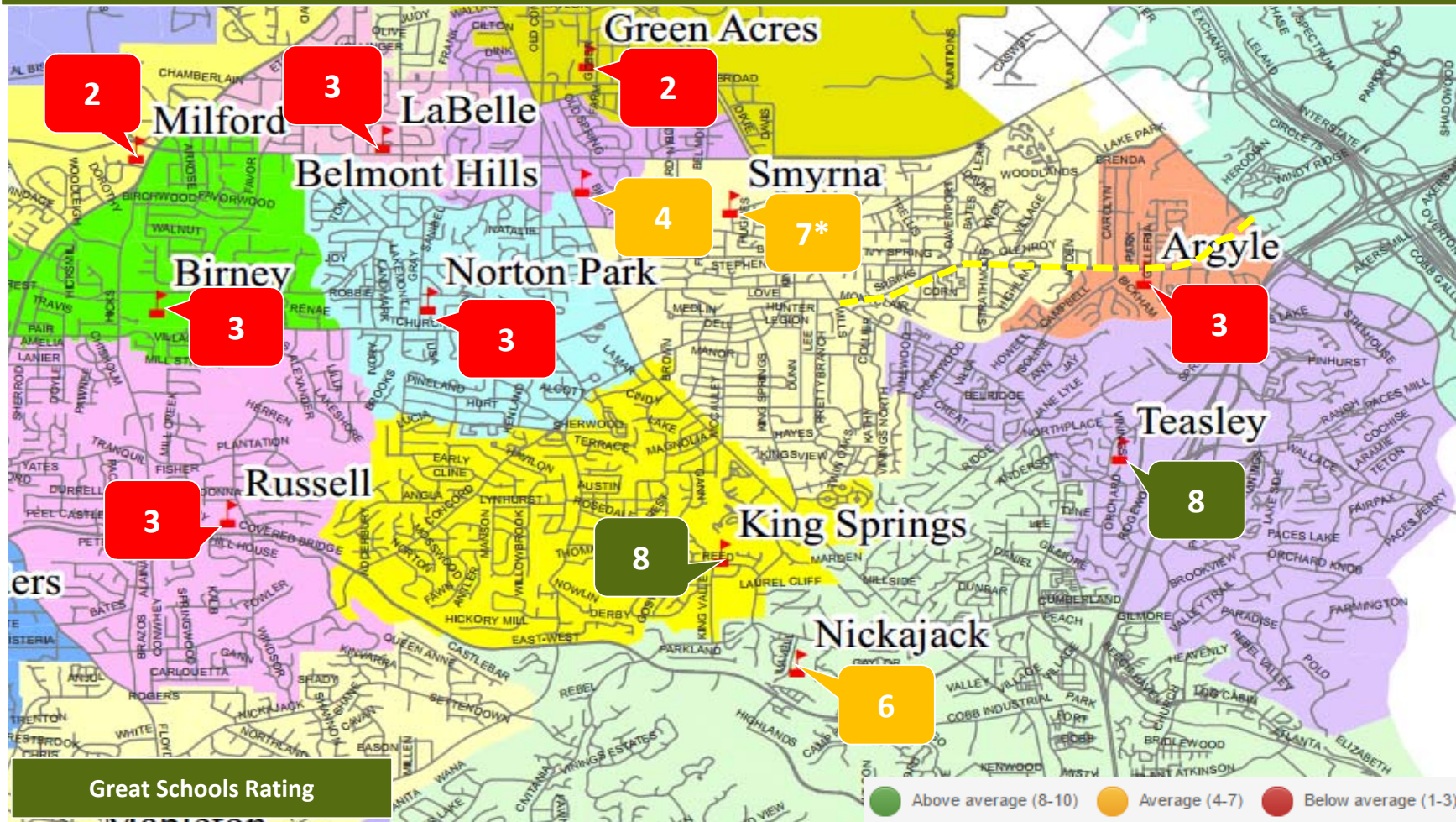
SOURCE: Noell Consulting Group, US Census Bureau, Social Explorer



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 25  
Elementary School Zone Map

The map below shows a number of elementary school zones located near the subject site. The subject site is currently in a school zone that is less desirable than many of its competitors, with Argyle only having a Great Schools rating of a 3. The five closest elementary schools to the subject site have average scores of 6, indicating they are significantly stronger schools. Schools in western parts of Smyrna are generally more limited in terms of quality as well. This school quality will likely temper attractiveness of the study area to families and instead will appeal more to singles and couples, including move-down empty nesters.



SOURCE: Noell Consulting Group, Cobb County Schools, and Great Schools. \*Note Smyrna ES does not yet have a Great Schools rating, but based on recent scores it will be at least a 7.



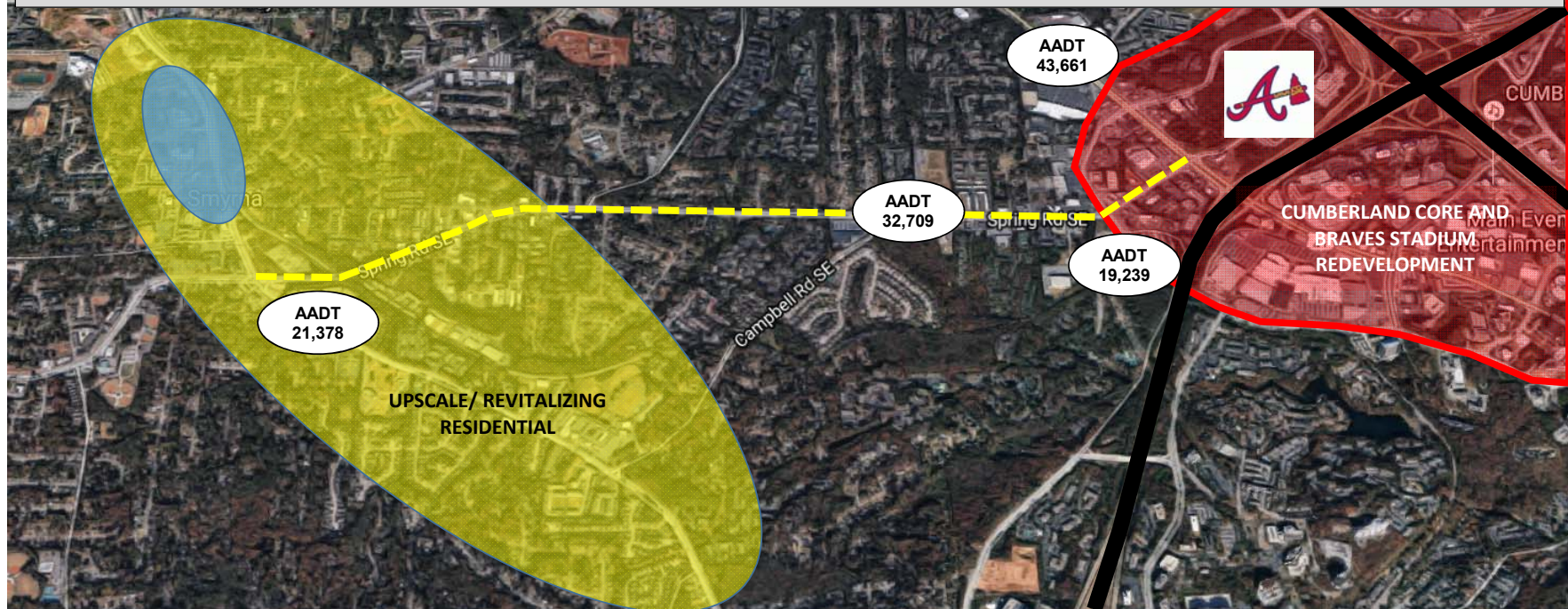
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 26 Spring Road Corridor Key Strengths, Challenges and Opportunities

**Strengths** | The Spring Road corridor is well-positioned for revitalization and potential redevelopment, with a very strong regional location adjacent to one of Atlanta's largest employment cores and strong access to two major freeways. The development of the new Braves stadium, The Battery and massive infrastructure investment create lift already positively impacting the Cumberland core. Smyrna has emerged as a strong inner suburb and is a solid case for the return of residential and commercial growth in intown areas. The easternmost and westernmost portions of the study area feature the most significant redevelopment potential, with higher visibility, traffic counts and adjacency to already redeveloping areas (particularly around The Battery and Braves Stadium). The Atlanta Road corridor to the west connects the study area to Smyrna's downtown and significant residential redevelopment and higher home prices.

**Challenges** | The corridor's more interior portions lack the character, visibility and major intersections needed to spur significant reinvestment and revitalization and will likely be somewhat slower to revitalize. They're characterized today by aging residential product and lack a sense of location or a major anchor that could spur their revitalization. As noted earlier, schools are also underperforming relative to others in Smyrna and Cobb County, a factor that will significantly temper interest from families with children.

**Opportunities** | Focus mixed-use development at both ends of the corridor, with the easternmost area along Cobb Parkway being a more intense redevelopment scenario positioned to potentially compete regionally and the western area being a more local-serving mixed-use core that is more residential in character. Identify means to create value within interior portions of the corridor via new parks, sidewalks, trails, etc.; value that can more significantly influence residential redevelopment in the area.



SOURCE: Noell Consulting Group.



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 27  
The Battery

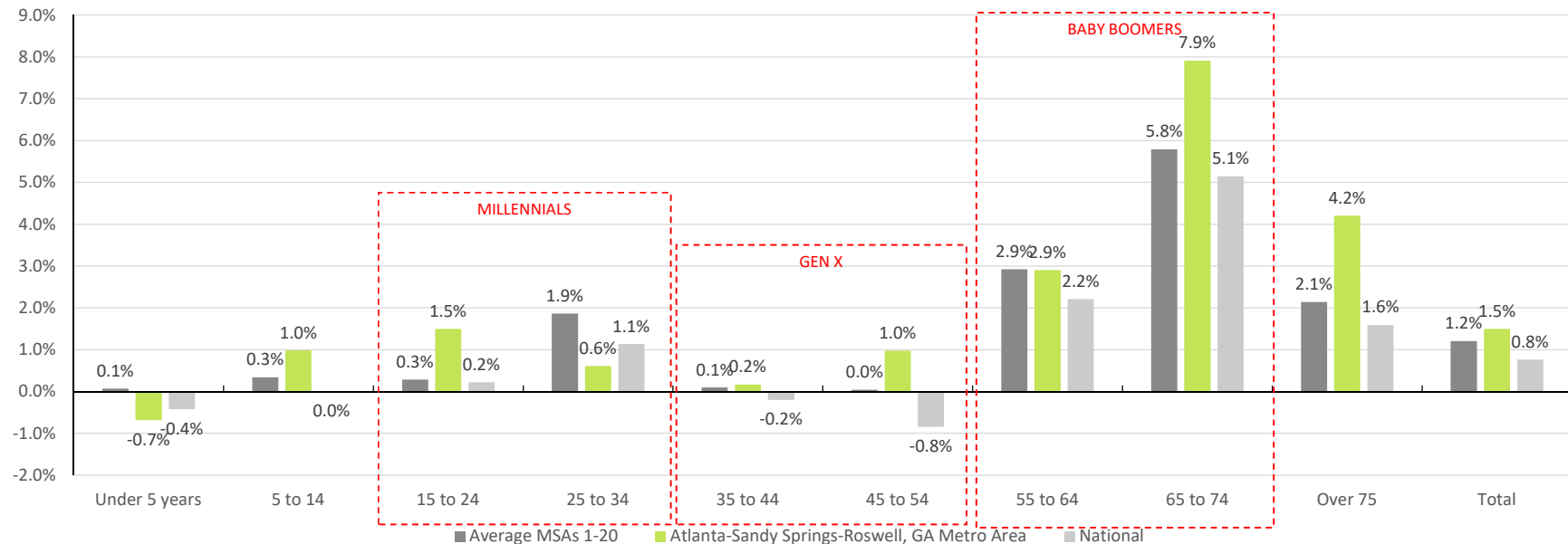


SOURCE: Noell Consulting Group, Google Maps

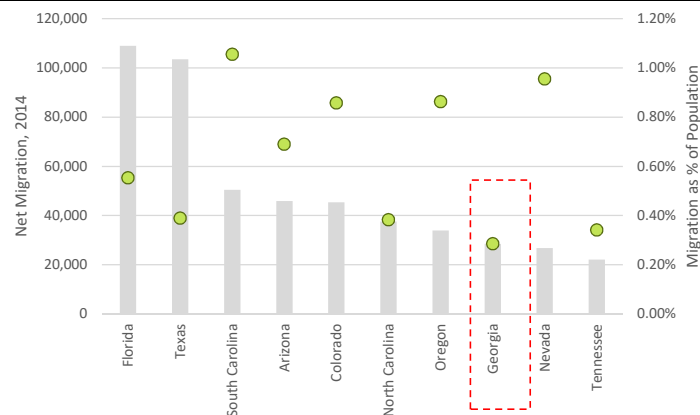
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 28 Historical Atlanta Metro Population Growth Comparison

### ANNUAL POPULATION GROWTH BY AGE, 2010-2014



### NET MIGRATION BY STATE, 2014



The graph above compares population growth by age for the Atlanta MSA with national trends and with the top 20 MSAs in the US. There are two large generational shifts are driving residential development in the United States at the moment. First, the Baby Boomer generation is entering retirement age; second, the Millennial generation is entering prime renting years. These two trends can be seen above, with 55 to 74 year olds growing a rapid pace and with 25 to 34 year olds growing at a slower but still positive rate.

The Atlanta MSA has grown faster over the last four years among 65 to 74 year olds, as well as among older Gen X'ers from 45 to 54. It has also exceeded young Millennials (aged 15 to 24), although many of this age cohort are not yet forming households. Atlanta is also exceeding the national growth rate among seniors aged 75 and older.

Georgia is also a popular location for relocating Americans, ranking 8th in net migration in 2014 (the most recent year Census migration data is available). Because Georgia is already a very populous state, this net migration is only 19th nationally as a percentage of total residents.

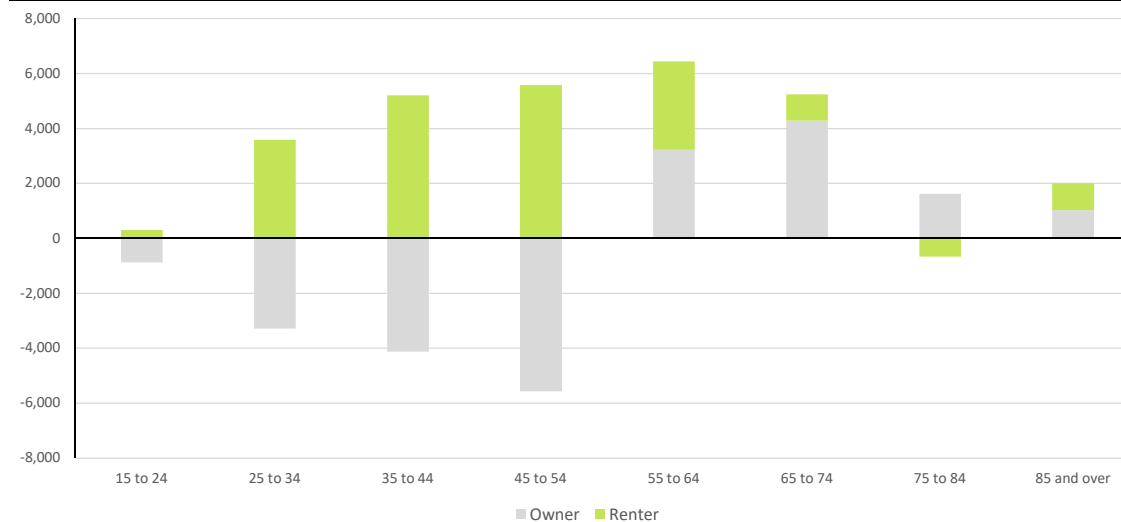
SOURCE: Noell Consulting Group and US Census

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 29

### Change in Household by Age 2010-2014, Cobb County

#### CHANGE IN HOUSEHOLD BY AGE AND TENURE

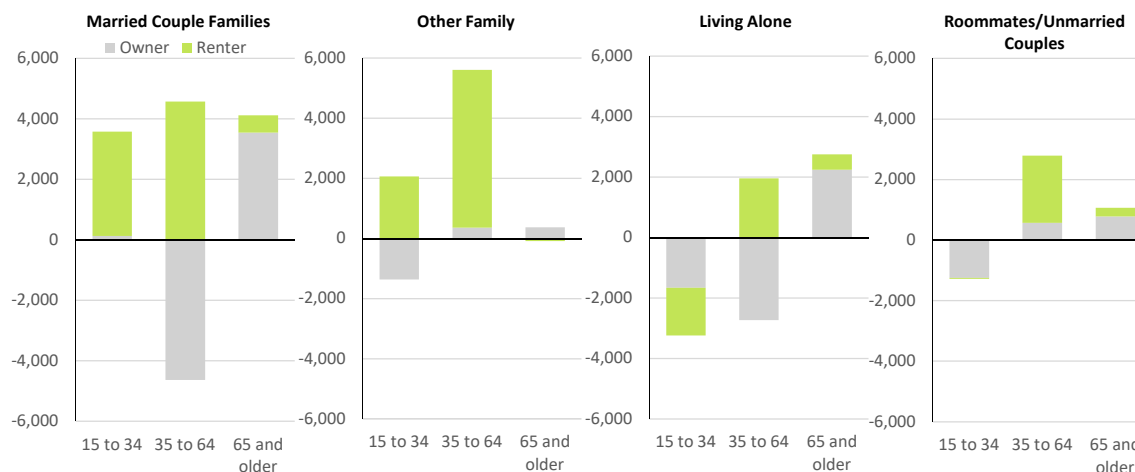


The graphs at left show how households within the Cobb County have changed since 2010. The county has seen strong growth among those aged 55 and above. Among younger households, growth has been much more modest, with the county seeing little overall growth and a net loss of owner households under 55. While housing affordability in parts of the county may be an issue, it's overall lack of walkability, mixed-use environments, and transit may be tempering its attraction among younger buyers relative to other intown areas of Atlanta.

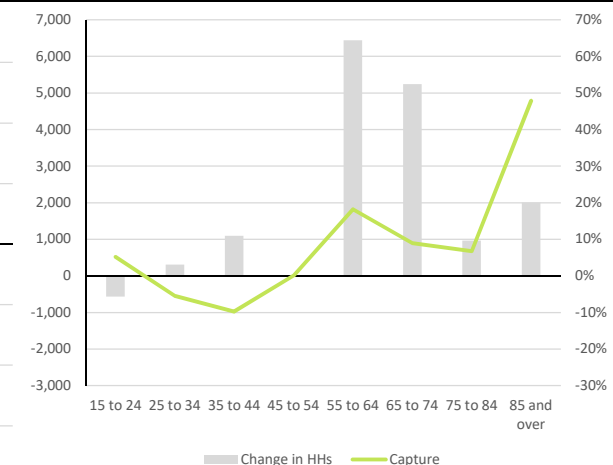
Cobb is attracting a large number of married couples renting from all age groups 15 to 64, and is also seeing a growth in "other families," a category which includes single parents but also multi-generational households.

Cobb is outpacing capturing its fair share of Baby Boomer household growth as seen in the graph at the bottom right, but is also outpacing the metro region among 25 to 44 year old's - while the Metro has seen a slight decline in these households, Cobb has added households. While these age cohorts have been adding population, household formation has lagged population growth since 2010.

#### CHANGE IN HOUSEHOLD BY TENURE, TYPE AND AGE



#### COBB CO. CAPTURE RATE OF METRO BY AGE



SOURCE: Noell Consulting Group and US Census



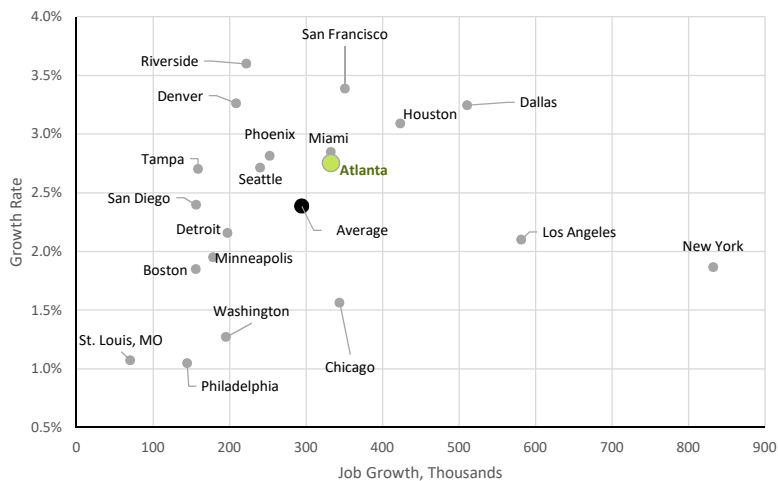
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 30  
Atlanta Metro Historical Job Growth vs. Top 20 MSAs

## JOB GROWTH, ATLANTA METRO vs. TOP 20 MSAs



## TOP 20 MSA JOB GROWTH, 2010-2015



Job growth is historically a major driver for new residential development. This exhibit shows Atlanta metro job growth compared to the top 20 MSAs in the US. Atlanta has regularly outpaced its peers in growth rate during non-recessions going back to the late 90's, and outperformed its peers significantly in 2013 and 2014. It has added the 7th most total jobs since 2010, and has grown at the 8th fastest rate.

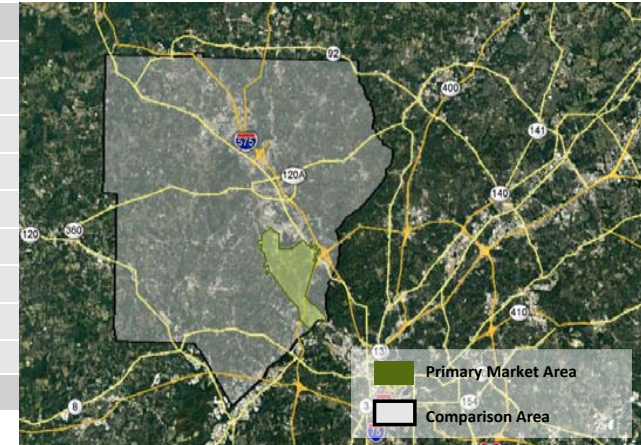
Job growth through mid-year has been similar, with the 6th fastest growth rate and the 7th most jobs added. The metro area is on pace for year-end figures that are similar to 2015. 2016 will be the 7th consecutive year of positive job growth. These employment trends are strong, but Atlanta is not growing as fast as markets such as San Francisco, Dallas, or Denver.

SOURCE: Noell Consulting Group and Costar

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 31  
Age and Income Analysis of the 30080 ZIP Code and Comparison to Cobb County  
2000 - 2016 (estimates)

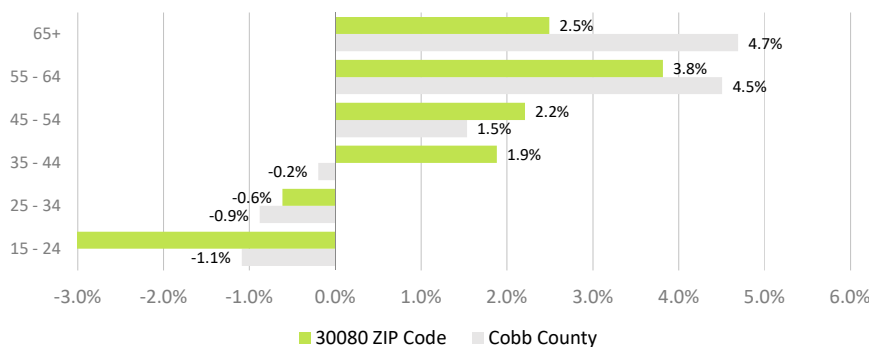
PMA Total Household Growth							
2000 - 2016	15 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65+	Total
\$0 - \$25,000	-272	122	339	62	276	-115	412
\$25,000 - \$35,000	-31	-288	139	72	183	297	372
\$35,000 - \$50,000	-86	-512	-50	0	161	40	-447
\$50,000 - \$75,000	-163	-175	135	30	89	103	19
\$75,000 - \$100,000	-69	-220	75	230	142	159	317
\$100,000 - \$150,000	-71	200	427	276	206	260	1,298
\$150,000 - \$200,000	18	141	268	194	120	58	799
\$200,000 +	1	114	157	381	172	156	981
<b>Total</b>	<b>-673</b>	<b>-618</b>	<b>1,490</b>	<b>1,245</b>	<b>1,349</b>	<b>958</b>	<b>3,751</b>



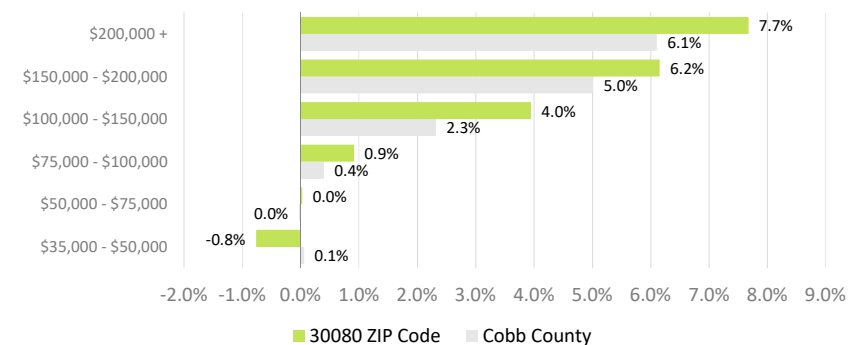
The PMA has added 3,751 household since 2000, or 234 HH/yr.

Since 2000, the eastern Smyrna ZIP Code (30080, shown in green above on the map) has seen a dramatic change in household composition - it has lost households under 35 and making less than \$75,000, while it has added older and affluent households at very high rates. It has added affluent households at rates faster than the rest of Cobb County, and is adding younger Gen X households at a 1.9% rate while the county is losing these households. It is also outperforming among older Gen X households and underperforming among Baby Boomers.

Household Growth By Age



Household Growth by Income



Source: NCG, Nielsen, US Census Data

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

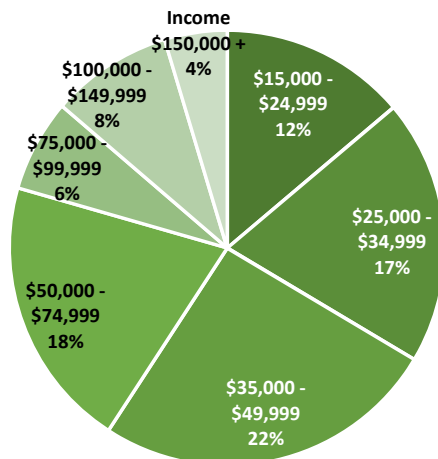
## Exhibit 32

Summary of Renter Households in the 30080 ZIP Code, 2016

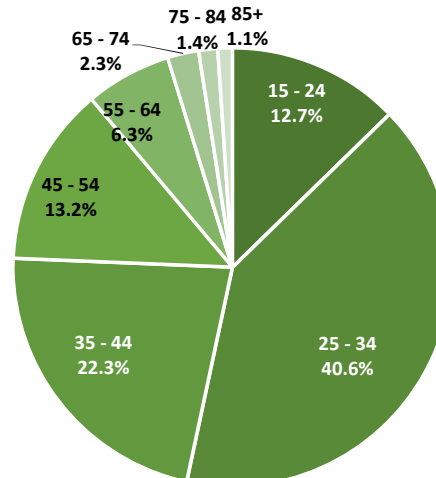
Income/Age	15 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 - 84	85+	Total
Less than \$15,000	421	588	253	191	113	41	37	38	1,684
\$15,000 - \$24,999	269	624	323	180	105	38	37	32	1,608
\$25,000 - \$34,999	391	897	439	267	138	71	46	39	2,290
\$35,000 - \$49,999	353	1,328	685	350	169	51	28	15	2,978
\$50,000 - \$74,999	191	1,100	606	268	122	42	17	8	2,354
\$75,000 - \$99,999	36	315	179	167	66	22	8	3	796
\$100,000 - \$149,999	10	417	326	188	72	26	8	5	1,051
Income \$150,000 +	19	137	156	149	56	16	4	2	540
<b>Total</b>	<b>1,690</b>	<b>5,406</b>	<b>2,967</b>	<b>1,760</b>	<b>841</b>	<b>308</b>	<b>185</b>	<b>143</b>	<b>13,300</b>
<b>Target Audience</b>	<b>1,690</b>	<b>5,406</b>	<b>2,967</b>	<b>1,760</b>	<b>841</b>	<b>308</b>	<b>185</b>	<b>143</b>	<b>13,300</b>

Eastern Smyrna renter households are quite diverse. More than 42% make less than \$35,000/year, while 36% make more than \$50,000 per year and can afford to live in new construction apartments (typical target market audiences for new rental apartments shown in the box above). Most (75%) renters are under 45, and almost 40% live alone. A high percentage (24%) are non-traditional households, including single-parent families and multi-generational households. Younger, single-member, and non-traditional families are all more likely to live in denser housing types than are married couples. Overall, there are 3,725 more renter households than there are owner households in the 30080 ZIP code.

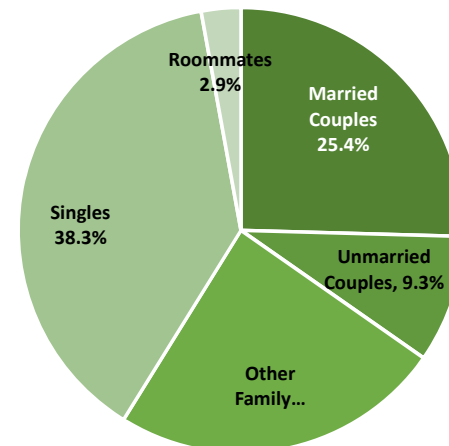
Target Market Income Distribution



Target Market Age Distribution



Target Market HH Type Distribution



SOURCE: Noell Consulting projections based on data obtained from the US Census and Claritas, Inc.



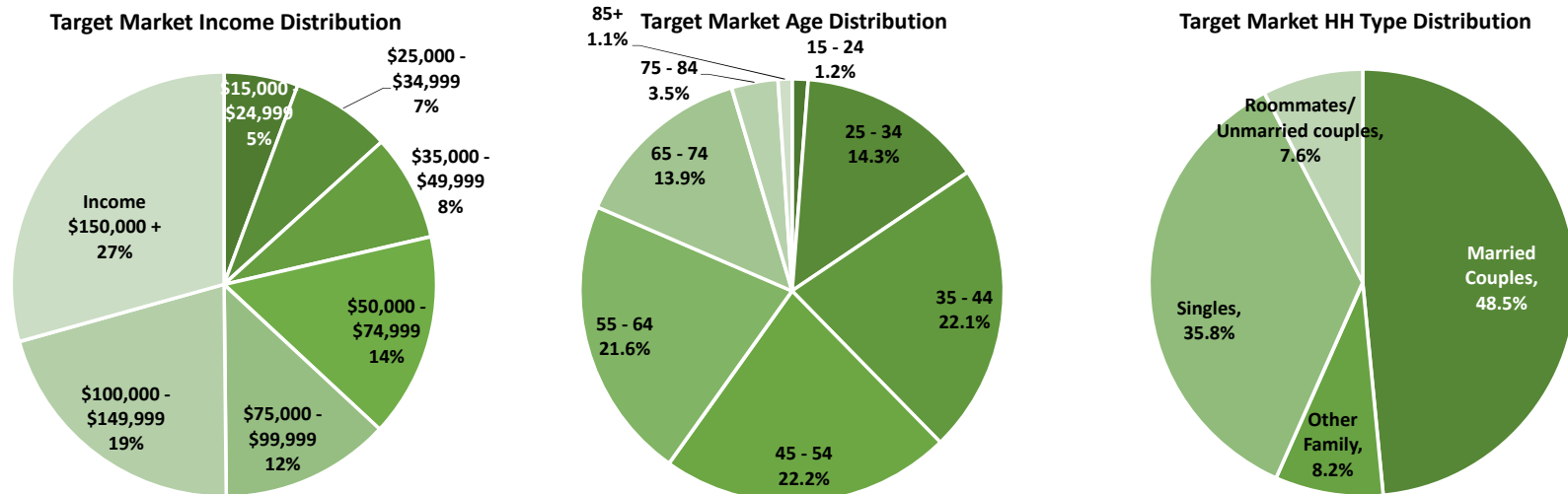
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 33

### Summary of Owner Households in the 30080 ZIP Code PMA, 2016

Income/Age	15 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 - 84	85+	Total
Less than \$15,000	27	96	95	104	142	99	52	23	638
\$15,000 - \$24,999	14	81	97	78	105	73	41	16	504
\$25,000 - \$34,999	19	109	123	109	130	128	48	18	684
\$35,000 - \$49,999	15	146	174	129	144	83	26	6	724
\$50,000 - \$74,999	20	292	372	238	252	166	38	8	1,387
\$75,000 - \$99,999	7	163	215	289	265	173	33	6	1,152
\$100,000 - \$149,999	3	275	496	416	366	252	43	14	1,863
Income \$150,000 +	11	209	548	762	665	358	58	12	2,622
<b>Total</b>	<b>116</b>	<b>1,371</b>	<b>2,120</b>	<b>2,124</b>	<b>2,070</b>	<b>1,333</b>	<b>339</b>	<b>103</b>	<b>9,575</b>
<b>Target Audience</b>	<b>116</b>	<b>1,371</b>	<b>2,120</b>	<b>2,124</b>	<b>2,070</b>	<b>1,333</b>	<b>339</b>	<b>103</b>	<b>9,575</b>

Owner households are more affluent than renter households in 30080 -73% make over \$50,000/year, and 47% earn more than \$100,000 annually. These households tend to be older, with 62% being over 45 years of age, and are more likely to be married (almost half of all owner households are married couples). However, a large share (36%) of owner households live alone. In addition, many of these married couples do not have children as 40% are over 55 and will likely be looking to downsize in the near future if they have not done so already. The presence of more mature households and those who are single indicate a significant opportunity to develop a more broad spectrum of for-sale housing beyond larger lot single-family, including attached products (townhouses, condos, etc.) and smaller-lot single-family product.

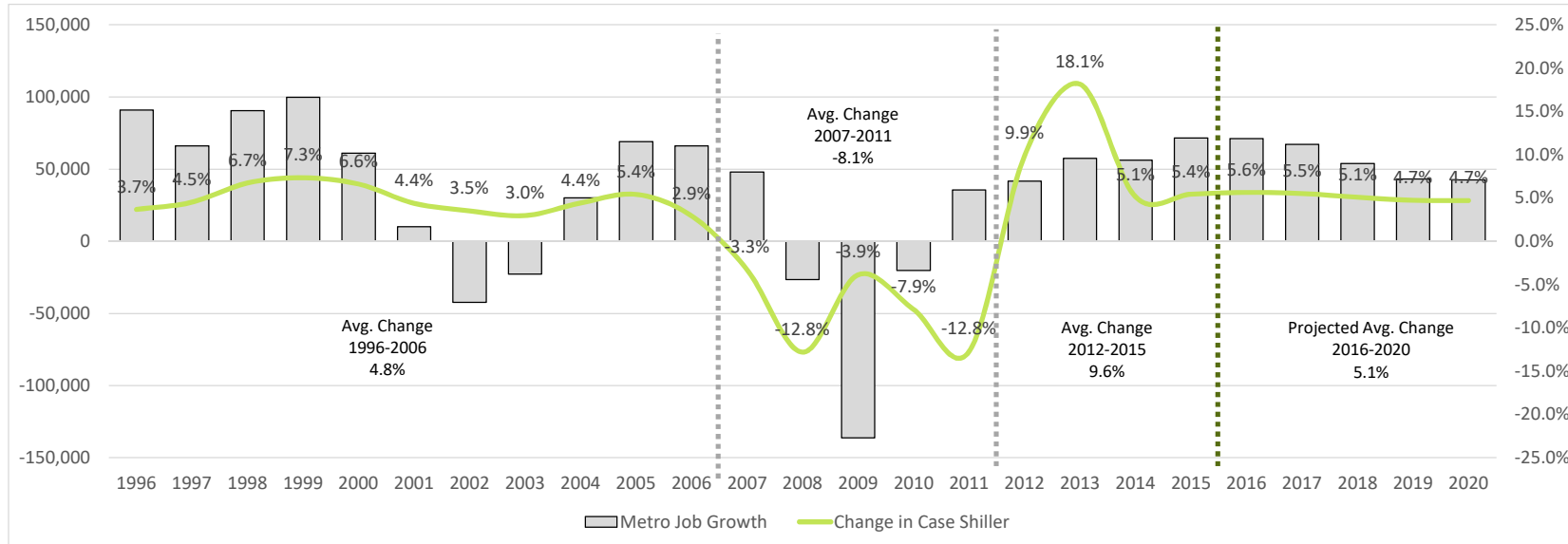


Source: NCG, Nielsen, US Census Data

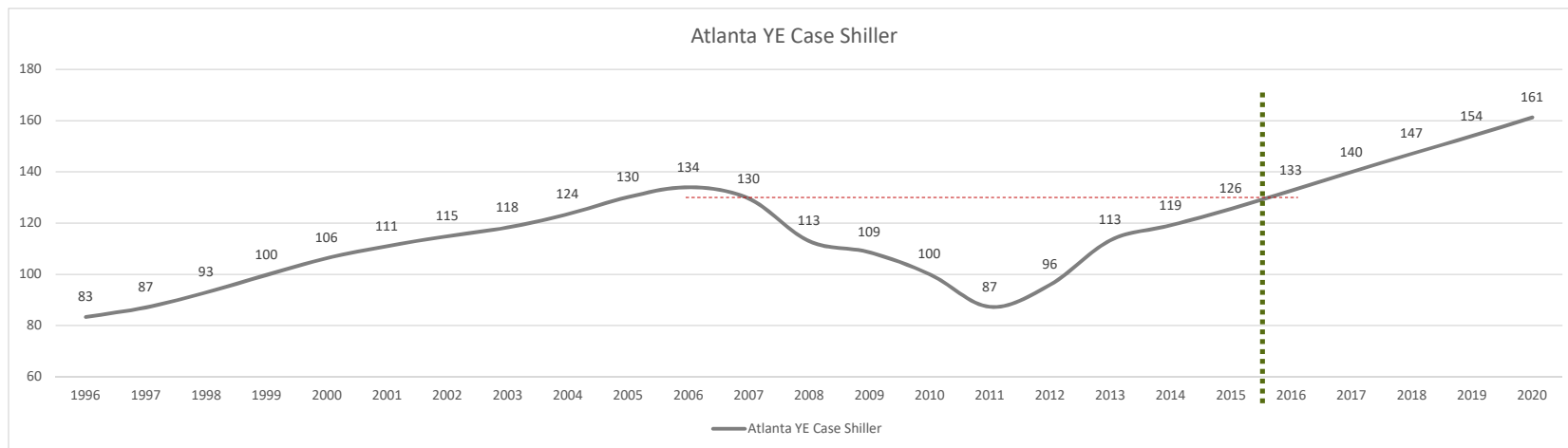
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 34

## Atlanta Metro Historical Home Price Trends - Case Shiller



Metro Atlanta home values dropped by 35% from 2006 to 2011, but since then have increased by more than 51%. The Atlanta Case Shiller index is close to its previous peak, and we project that year-over-year growth will continue to be strong through the next several years. Strong job growth and a slowly recovering home market should keep demand up and supply somewhat limited, leading to 5% average home value growth through 2020.

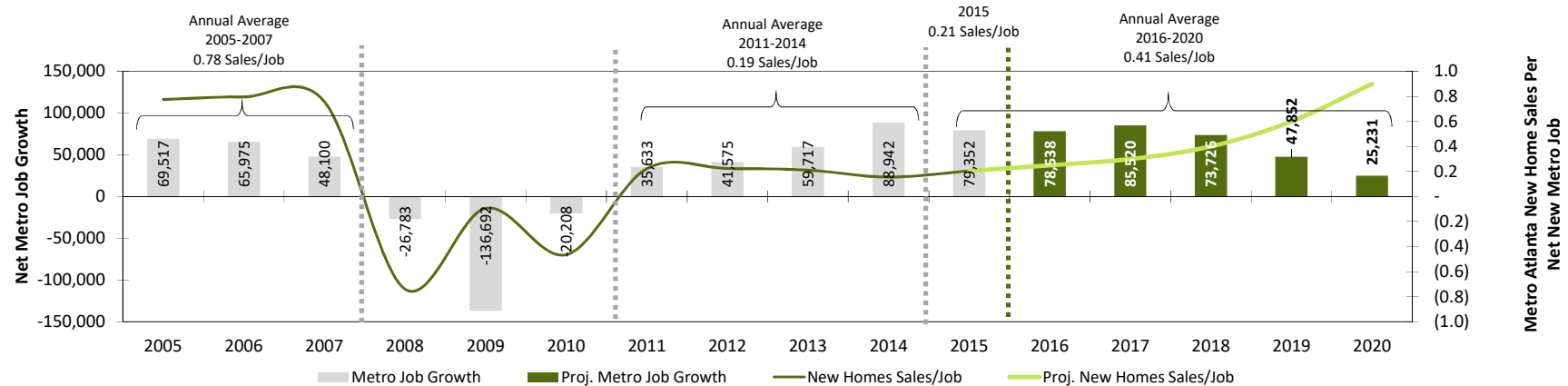


SOURCE: Noell Consulting Group, US Census Building Permits Survey, Moody's/Economy.com

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

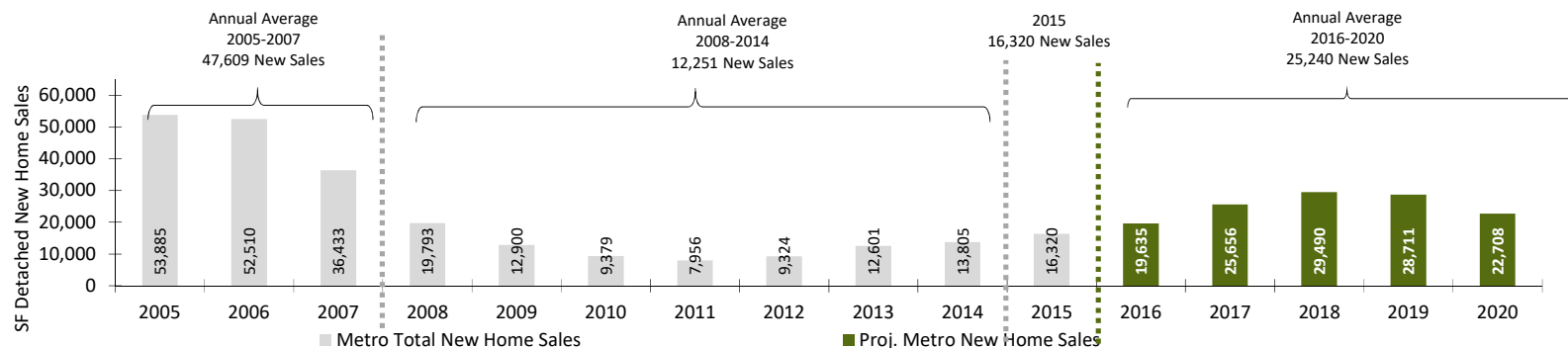
Exhibit 35  
Historical and Projected Metro Atlanta Job Growth to Single Family New Home Sales

## METRO ATLANTA JOB GROWTH AND NEW HOME SALES/NET NEW JOB



Like much of the country, the metro Atlanta new homes market is slowly recovering from the housing crash. Metro new home sales volume (including single-family detached, townhomes, and condominium sales) in 2015 was up 22% from 2014 and have averaged 27% yearly increases in volume since bottoming out in 2011. Based on employment projections from Moody's Analytics, we expect this trend to continue over the next five years.

## METRO ATLANTA NEW HOME SALES, SFD AND ATTACHED



We project an average of more than 25,000 new homes sold over the next five years, including both single family and attached product. This is a higher volume than Atlanta has seen since 2007, although we do not think that sales will reach pre-recession levels. Increasing home values overall should help construction margins on lower-priced homes, which by 2017 and 2018 will help overall sales volume.

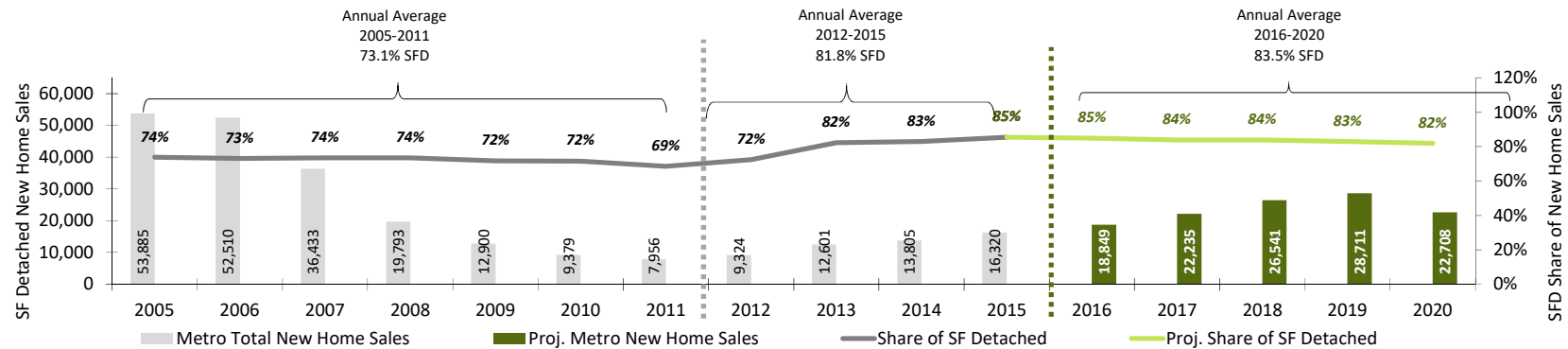
SOURCE: Noell Consulting Group, SmartNumbers, Moody's/Economy.com



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

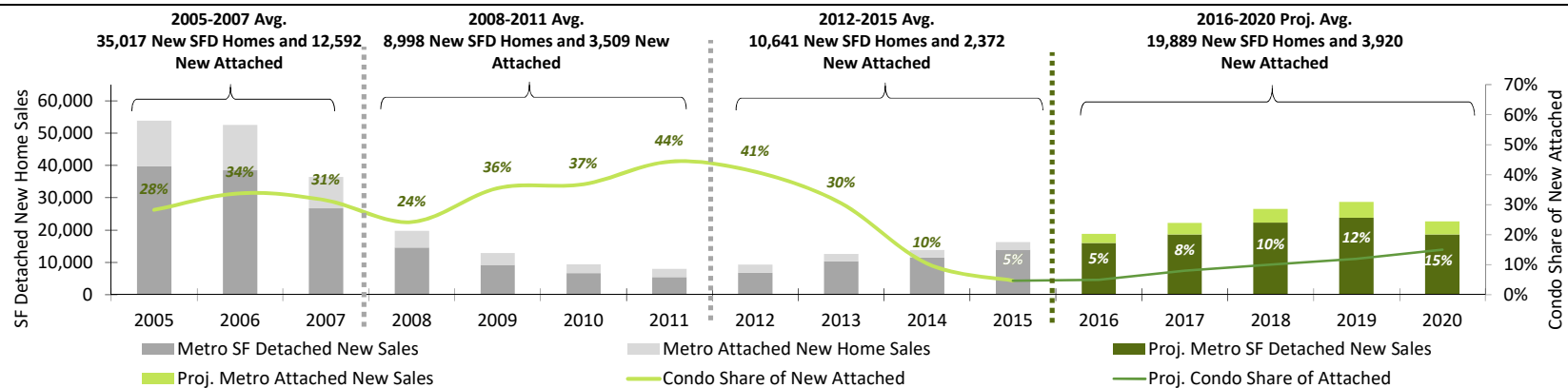
Exhibit 36  
Historical and Projected Metro Atlanta Job Growth to Single Family New Home Sales

## METRO ATLANTA NEW HOME SALES



The metro Atlanta for-sale residential market is slowly recovering from the Great Recession, with single-family home sales in 2015 approaching 2008 levels. Home prices have recovered from the recession, but have not kept pace with construction pricing and so new home sales have lagged. We expect single family sales to continue to improve over the next few years as job growth remains high and home prices continue to increase. Moody's Analytics projects an economic slowdown in 2019-2020, although we believe single-family demand will remain strong through these years due to pent up demand.

## METRO ATLANTA SFD AND ATTACHED SALES



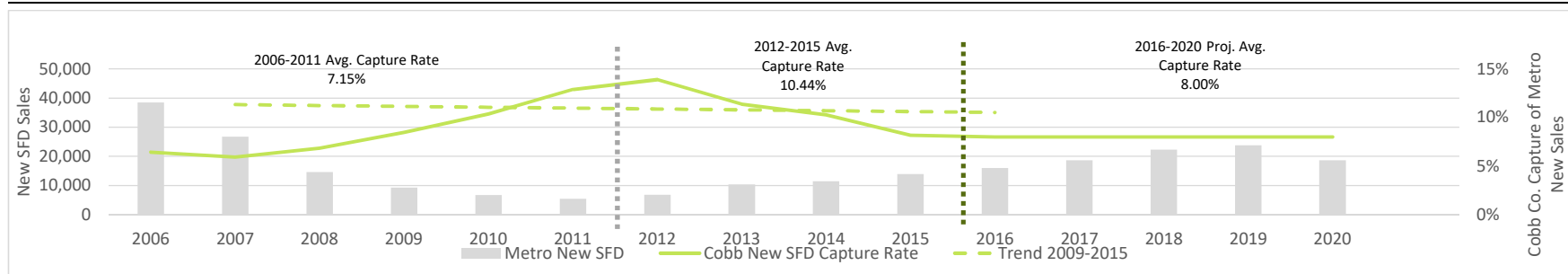
We project an average of more than 20,000 new single family homes sold over the next five years. This is a higher volume than Atlanta has seen since 2007, although we do not think that sales will reach pre-recession levels. We expect condo development to slowly return as prices appreciate and multifamily properties begin to be converted, but attached sales will remain well below 2005-2007 levels.

SOURCE: Noell Consulting Group, SmartNumbers, Moody's/Economy.com

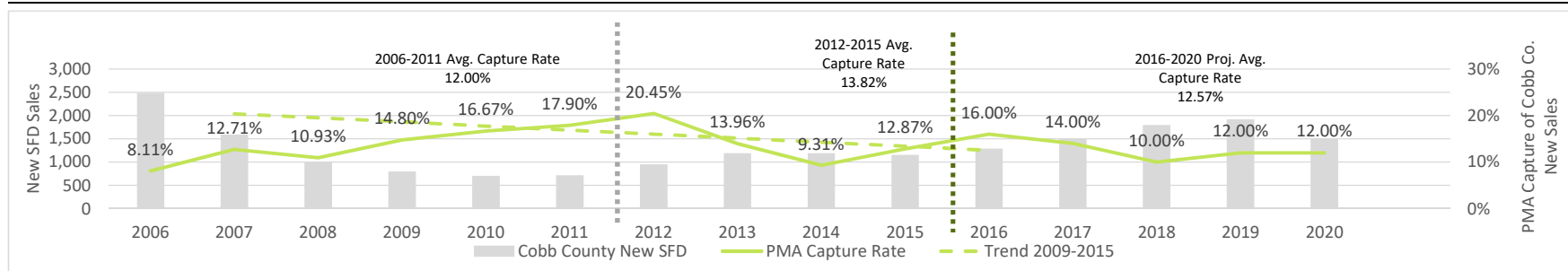
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 37  
PMA New SFD Capture Rate and Sales

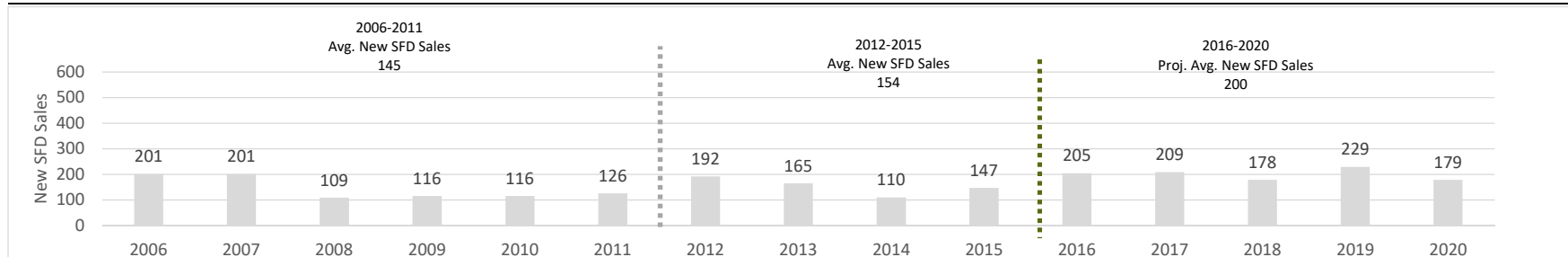
## METRO ATLANTA NEW SFD AND COBB CAPTURE



## COBB COUNTY NEW SFD AND PMA CAPTURE



## PMA NEW SFD HOME SALES



Cobb County saw its capture of metro Atlanta sales peak through the recession as the market moved through excess inventory, and its capture rate has declined since to level more in line with 2006-2007 levels. We believe that Cobb has a stabilized capture ratio of around 8%, in line with its historic capture rate from 2006 to 2015. The two ZIP Codes that cover Smyrna (30080 and 30082) likewise have seen capture rates of Cobb County sales fluctuate, but we similarly believe that a stabilized rate of around 12% is appropriate moving forward. With an improving metro new home market, this capture rate translates into an average of 200 new homes sold in these ZIP Codes from 2016-2020.

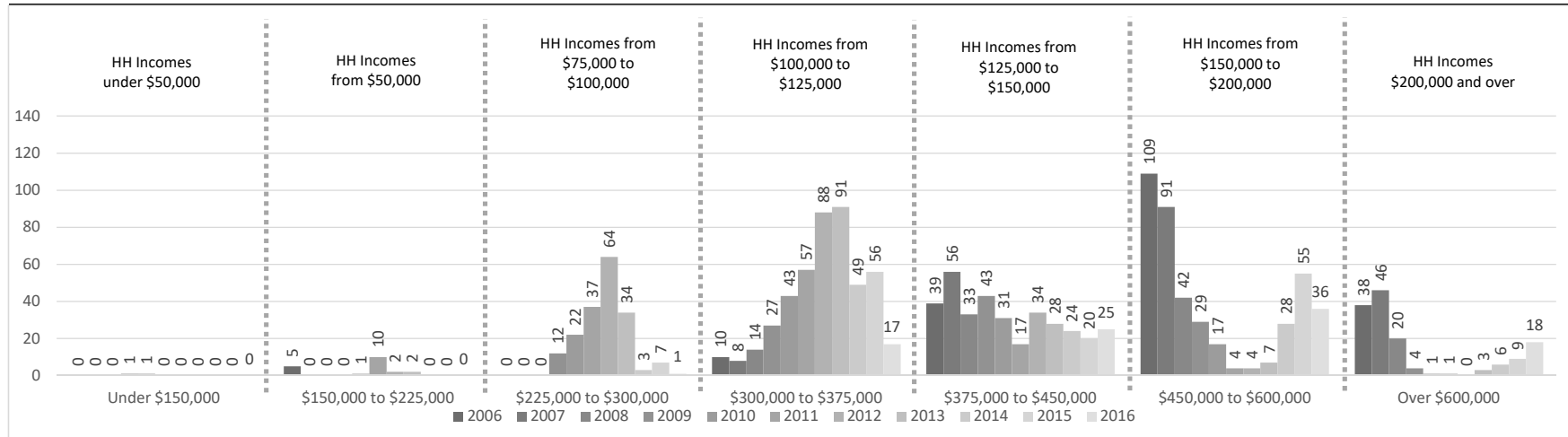
SOURCE: Noell Consulting Group, SmartNumbers for Zip codes 30080, 30082



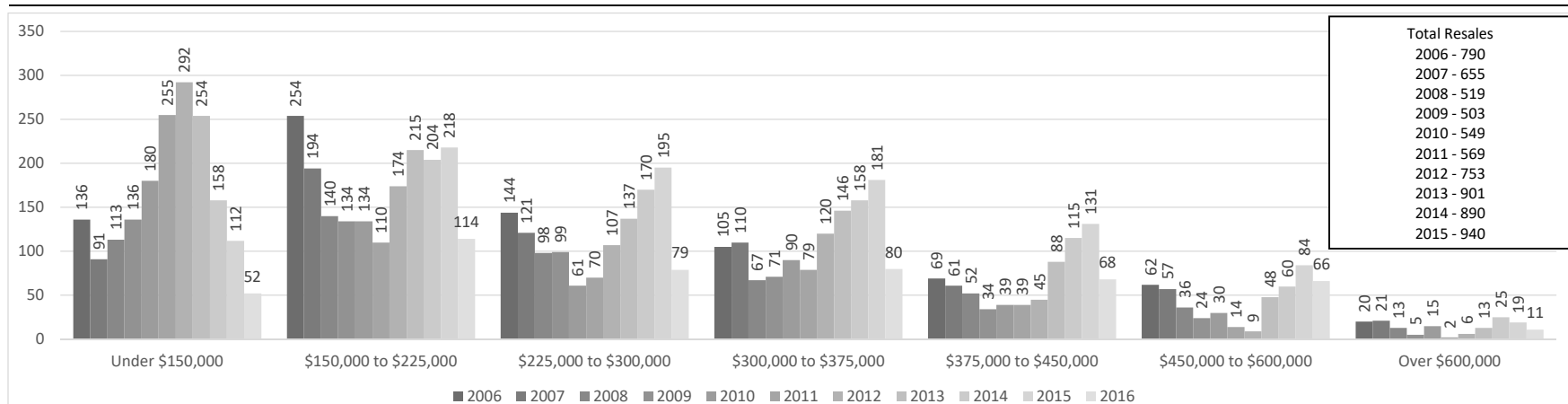
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 38  
PMA Single-Family Sales by Price Point

## PMA SFD NEW SALES BY PRICE



## PMA SFD RESALES BY PRICE



New single-family home sales in Smyrna are strongest between \$300,000 and \$600,000, although sales between \$450,000 and \$600,000 only recently began to regain volume. Demand is spread somewhat evenly between these price bands for new home sales. Resale volume, however, has exceeded 2006-2007 levels for all home prices above \$225,000, indicating that there is some supply constraints on the new home sales volumes.

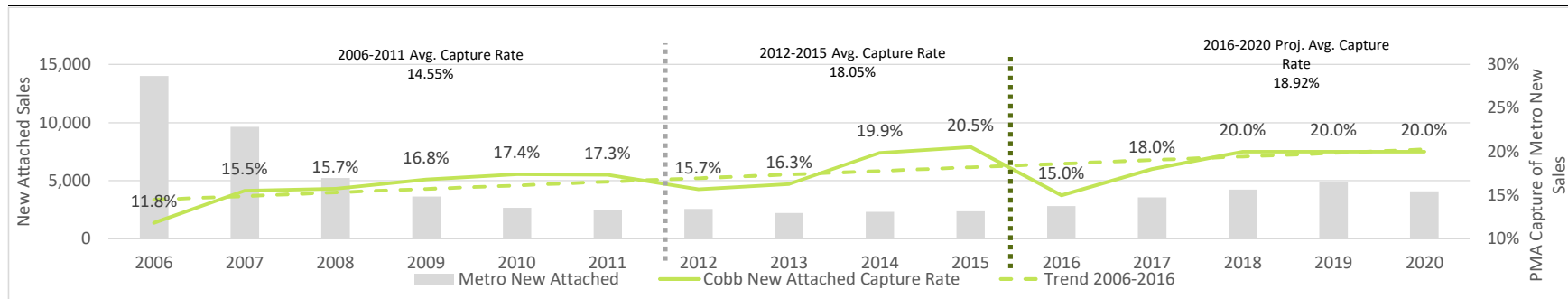
SOURCE: Noell Consulting Group, SmartNumbers, Moody's/Economy.com



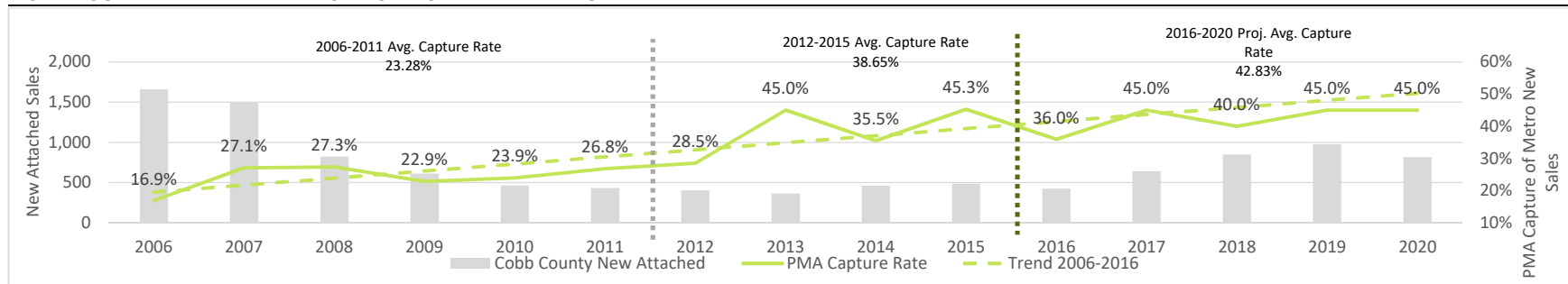
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 39  
PMA New Attached Capture Rate and Sales

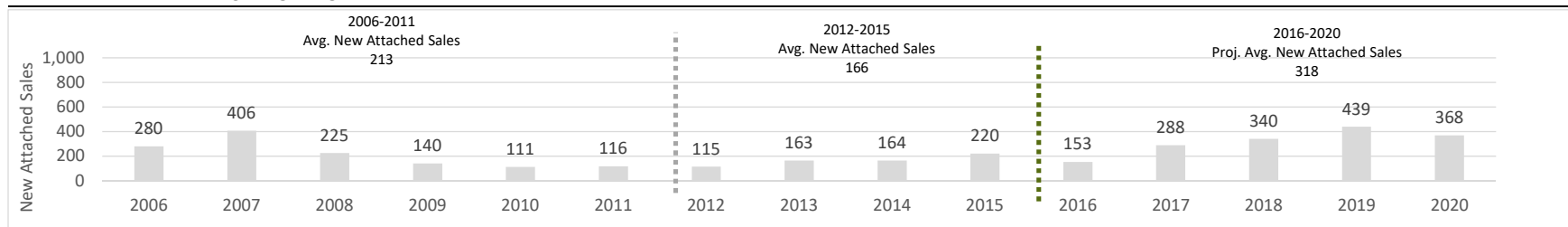
## METRO ATLANTA NEW ATTACHED HOME SALES AND COBB CAPTURE



## COBB COUNTY NEW ATTACHED HOME SALES AND PMA CAPTURE



## PMA NEW ATTACHED HOME SALES



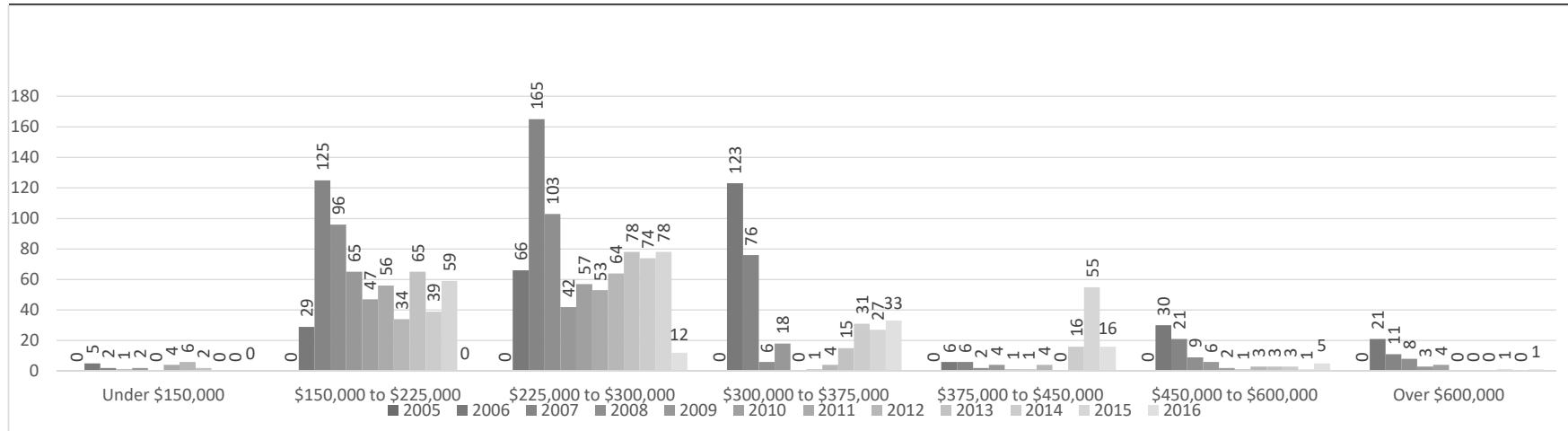
Cobb County has steadily increased its capture rate of new attached product since 2006. While sales are still well below 2006-2007 levels, Cobb's increasingly dense development patterns mean that it now represents 1/5th of all new attached sales in metro Atlanta, up from only 12% in 2006. We expect this trend to continue, as SE Cobb continues to see infill development, and as Marietta begins to add denser product as well. The two ZIP codes covering Smyrna and nearby areas in SE Cobb have accounted for a large share of this new growth in Cobb, as prices in the City of Atlanta continue to push middle-income buyers to the area. We expect this growth to plateau at close to 50% of Cobb attached new home sales.

SOURCE: Noell Consulting Group, SmartNumbers for Zip codes 30080, 30082

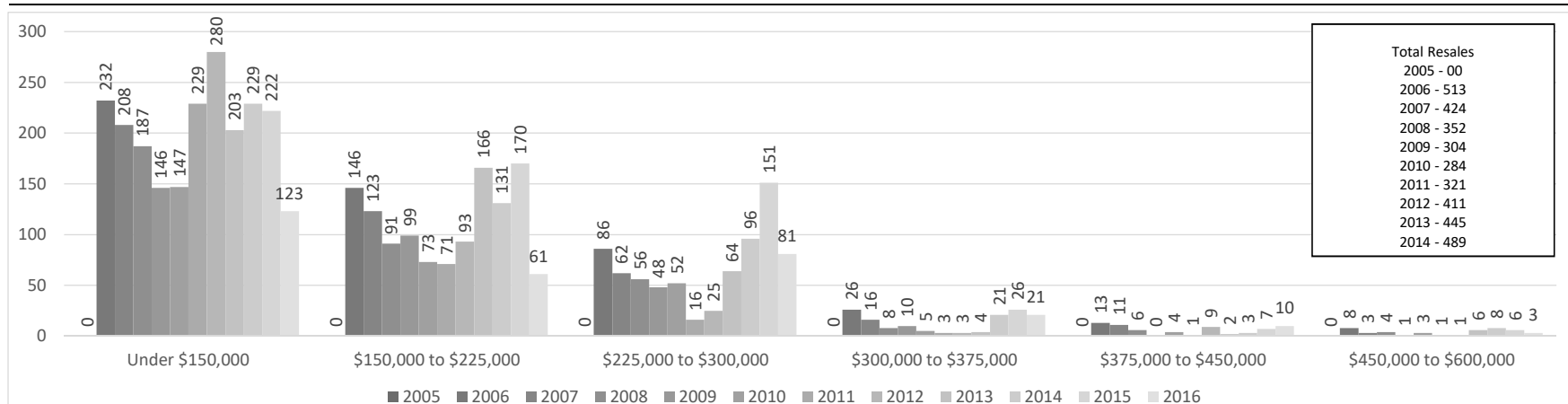
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 40  
PMA Attached Sales by Price Point

## PMA ATTACHED NEW SALES BY PRICE



## PMA ATTACHED RESALES BY PRICE



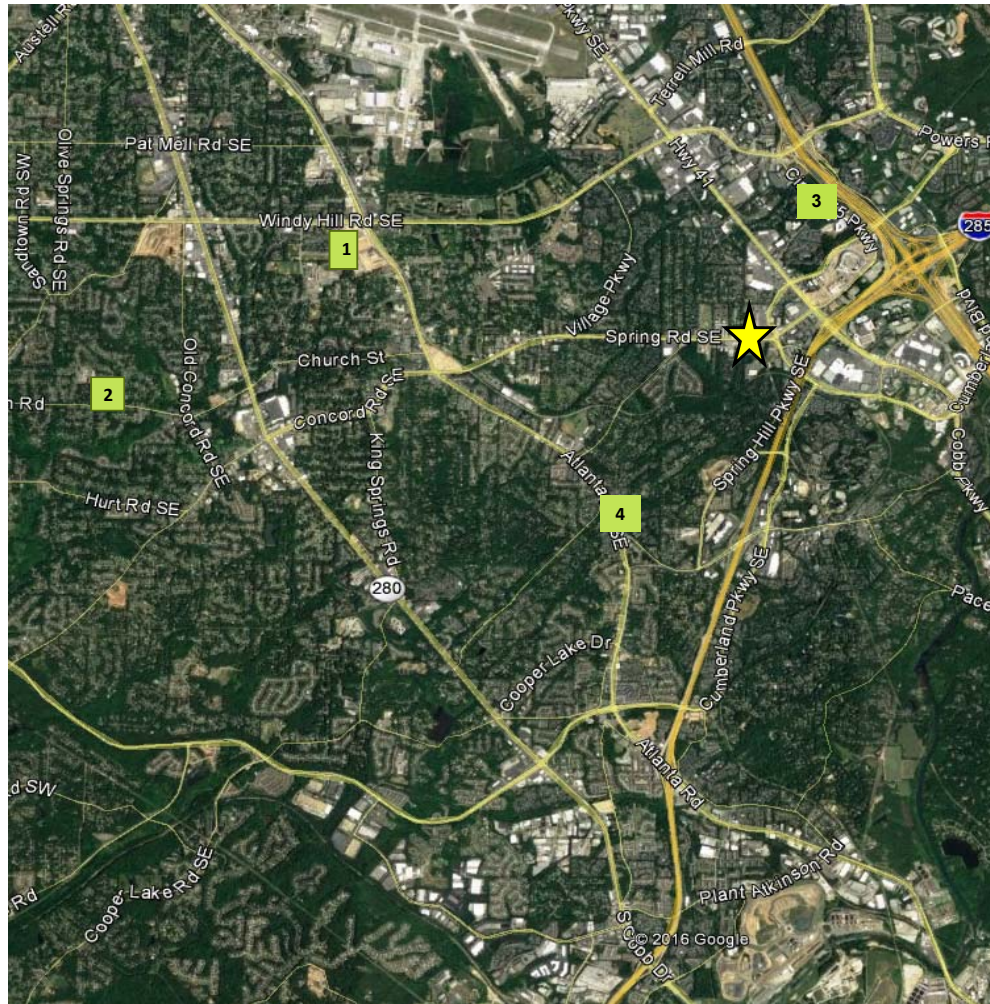
Most new attached sales in Smyrna have historically been between \$150,000 and \$300,000, although the area has recently started to support higher prices and homes sales between \$375,000 and \$450,000. The bulk of the market, however, is still below \$300,000. This is typical as people buy attached for-sale products for two reasons: as a price-alternative to single-family homes and for lifestyle. Creating that lifestyle in the corridor will be important to encourage more townhouse and attached product development.

SOURCE: Noell Consulting Group, SmartNumbers, Moody's/Economy.com



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 41  
Competitive Townhome Community Map



	Competitive Community	Price	psf
1	Village at Belmont	\$336,890	\$175
2	Park on Church	\$262,650	\$129
3	Benton Ridge	\$423,411	\$146
4	Lylebrooke	\$448,900	\$187

Average All	\$367,963	\$159
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SOURCE: Noell Consulting Group, Google Earth, Google Maps





# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 42 Area Townhouse Community Profiles

Community Name	Year Deliv.	Unit Type	Unit Width	Upgrade Average	Price Range		Avg. Price	Unit Size Range		Avg. Size	\$/SF Range		Avg. \$/SF	Avg. \$/SF Upgrade	
Village Belmont															
	2015	2B/2.5b	25	\$15,000	\$290,990	\$293,990	\$292,490	1,510	1,510	1,510	\$193	\$195	\$194	\$204	
		3B/2.5b	25	\$15,000	\$323,990	\$447,990	\$385,990	1,764	2,665	2,215	\$184	\$168	\$174	\$181	
		3B/3b	25	\$15,000	\$303,990	\$306,990	\$305,490	1,643	1,643	1,643	\$185	\$187	\$186	\$195	
		3B/3.5b	25	\$15,000	\$317,990	\$319,990	\$318,990	1,793	1,793	1,793	\$177	\$178	\$178	\$186	
		4B/3.5b	25	\$15,000	\$378,990	\$383,990	\$381,490	2,471	2,471	2,471	\$153	\$155	\$154	\$160	
Finish and Amenities				Granite countertops, Stainless steel, laminate HW, large windows, K island, Pool, Clubhouse, Garages, dog park.											
Summary Sales:			25	\$15,000	\$290,990	\$447,990	\$336,890	1,510	2,665	1,926	\$153	\$195	\$175	\$185	
Park on Church															
	2016	3B/2.5b	25	\$10,000	\$243,900	\$268,900	\$256,400	1,746	2,036	1,891	\$140	\$132	\$136	\$141	
		3B/2.5b/B	25	\$10,000	\$268,900	\$268,900	\$268,900	1,858	2,530	2,194	\$145	\$106	\$123	\$127	
	Finish and Amenities				Granite countertops, HW downstairs, carpet upstairs, K island, Garage, backyards, large patios.										
Summary Sales:			25	\$10,000	\$243,900	\$268,900	\$262,650	1,746	2,194	2,043	\$140	\$136	\$129	\$134	
Breton Ridge															
	2016	3B/3.5b	26	\$20,000	\$384,000	\$462,821	\$423,411	2,552	3,267	2,910	\$150	\$142	\$146	\$152	
		Finish and Amenities				Granite Countertops, Stainless steel appliances, HW, sensor faucet, Built in shelving, Basement options, large patios.									
Summary Sales:			26	\$20,000	\$384,000	\$462,821	\$423,411	2,552	3,267	2,910	\$142	\$150	\$146	\$152	
Lylebrooke															
	2016	3B/2.5b	24	\$20,000	\$399,000	\$445,800	\$422,400	1,854	2,523	2,189	\$215	\$177	\$193	\$202	
		3B/3.5b	24	\$20,000	\$461,900	\$488,900	\$475,400	2,624	2,624	2,624	\$176	\$186	\$181	\$189	
Finish and Amenities				Granite countertops, Stainless steel appliances, island in K, HW in living area, Carpet in BR, garages											
Summary Sales:			Total	24	\$20,000	\$399,000	\$488,900	\$448,900	1,854	2,624	2,406	\$176	\$215	\$187	\$195

SOURCE: Noell Consulting Group, Redfin

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 43

Estimated Demand Potential for New For-Sale Residential Products in the Subject Site PMA  
2016-2020

	2011	2012	2013	2014	2015	Averages '11-'15	2016	2017	Estimated 2018	2019	2020	Averages '16-'20
Metro Employment Growth /1	35,633	41,575	59,717	88,942	79,352	61,044	78,538	85,520	73,726	47,852	25,231	62,173
Ratio, Sales/Job	0.22	0.22	0.21	0.16	0.21	0.20	0.25	0.30	0.40	0.60	0.90	0.41
<b>Metro New Home Sales /2</b>	<b>7,956</b>	<b>9,324</b>	<b>12,601</b>	<b>13,805</b>	<b>16,320</b>	<b>12,001</b>	<b>19,635</b>	<b>25,656</b>	<b>29,490</b>	<b>28,711</b>	<b>22,708</b>	<b>25,240</b>
Metro SFD Sales	5,457	6,755	10,377	11,478	13,952	9,604	16,022	18,677	22,295	23,830	18,621	19,889
Metro SFD Share	69%	72%	82%	83%	85%	80%	82%	73%	76%	83%	82%	79%
Metro Attached Sales	2,499	2,569	2,224	2,327	2,368	2,397	2,827	3,558	4,247	4,881	4,087	3,920
Metro Attached Share	31.4%	27.6%	17.6%	16.9%	14.5%	20.0%	14%	14%	14%	17%	18%	16%
Cobb SFD Sales	704	939	1,182	1,181	1,142	1,030	1,282	1,494	1,784	1,906	1,490	1,591
Cobb SFD Share	12.9%	13.9%	11.4%	10.3%	8.2%	10.7%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Cobb Attached Sales	433	403	362	462	486	429	424	640	849	976	817	741
Cobb Attached Share	17.3%	15.7%	16.3%	19.9%	20.5%	17.9%	15.0%	18.0%	20.0%	20.0%	20.0%	18.9%
PMA SFD Capture of Cobb	17.9%	20.4%	14.0%	9.3%	12.9%	14.4%	16.0%	14.0%	10.0%	12.0%	12.0%	12.6%
<b>PMA SF Sales /2</b>	<b>126</b>	<b>192</b>	<b>165</b>	<b>110</b>	<b>147</b>	<b>148</b>	<b>205</b>	<b>209</b>	<b>178</b>	<b>229</b>	<b>179</b>	<b>200</b>
PMA Attached Capture of Cobb	26.8%	28.5%	45.0%	35.5%	45.3%	36.3%	36.0%	45.0%	40.0%	45.0%	45.0%	42.8%
<b>PMA Attached Sales /2</b>	<b>116</b>	<b>115</b>	<b>163</b>	<b>164</b>	<b>220</b>	<b>156</b>	<b>153</b>	<b>288</b>	<b>340</b>	<b>439</b>	<b>368</b>	<b>318</b>

### Study Area Capture

#### SFD Capture Based on New SFD Home Sales 2006-2015

PMA ZIP Codes	1,483
Spring Road Corridor 1/2 Mile	315
Spring Road Corridor Capture Rate	21%

#### Attached Capture Based on New Attached Home Sales 2006-2015

PMA ZIP Codes	1,940
Spring Road Corridor 1/2 Mile	315
Spring Road Corridor Capture Rate	16%

	2016	2017	Estimated 2018	2019	2020	Averages '16-'20
	44	44	38	49	38	42
	25	47	55	71	60	52

#### 5-year Total Sales

SFD	212
Attached	258

Based on our analysis of residential growth trends in the Atlanta Metro Area, Cobb County and the Smyrna study area (PMA ZIP Codes), we believe the area can support around 42 new single-family homes and 52 new for-sale townhouses annually over the next five years. The area's high level of convenience in inner suburban location will continue to make it attractive to not only maturing singles and couples, but to some move-down, move-in empty nesters as well.

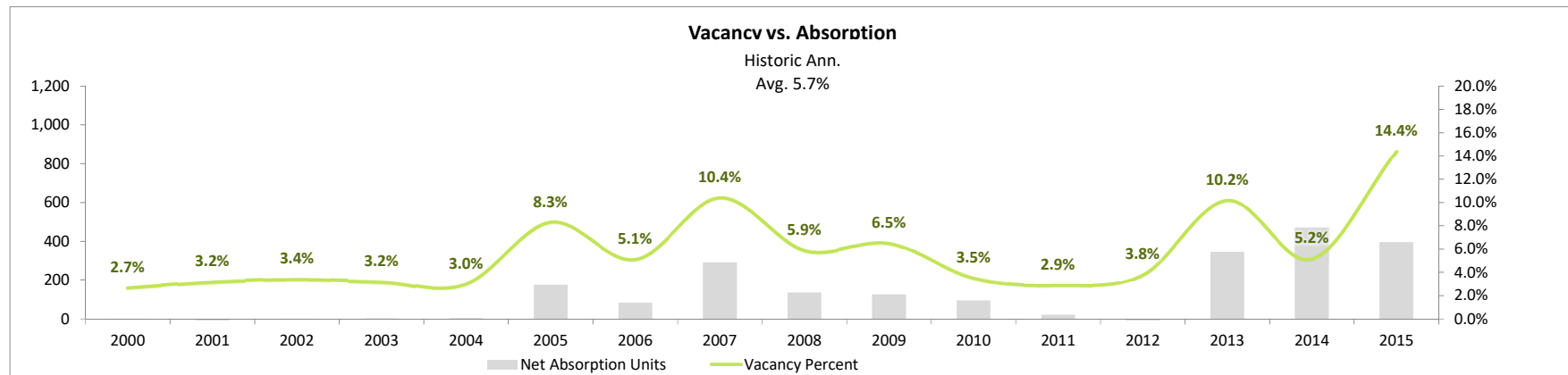
SOURCE: Noell Consulting Group



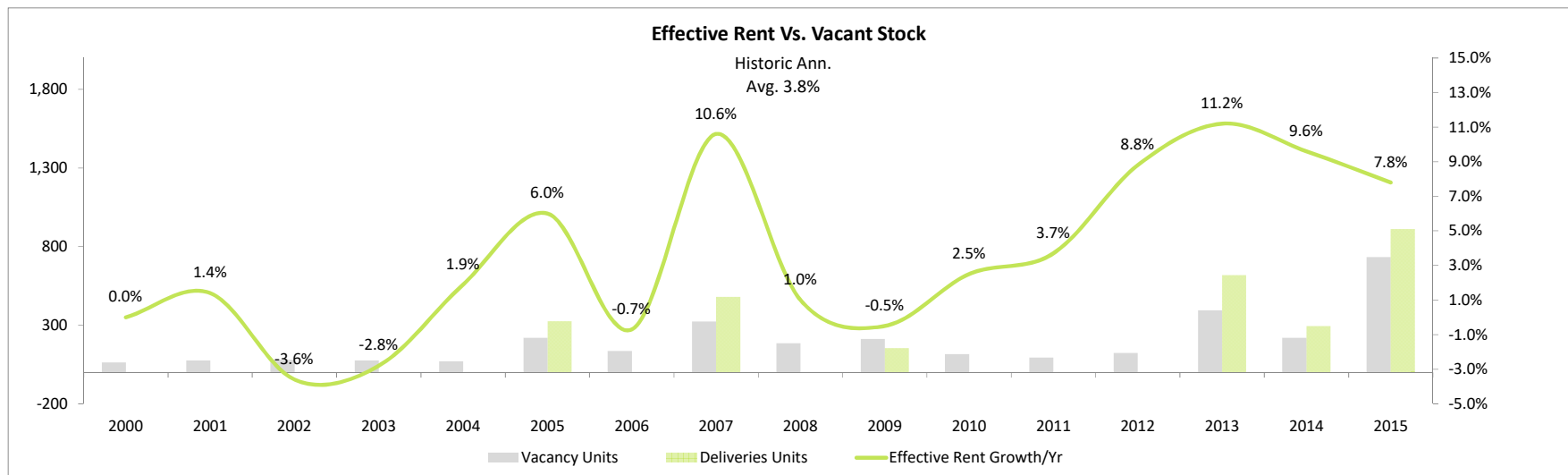
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 44

### Historic and Projected Vacancy and Rent Growth of Class A Properties in the SE Cobb Submarket



Vacancy rates have remained low in the area, bolstered by entitlement constraints on the market, which limited new supply. Over the last few years new supply has opened up and the market has become more competitive with other intown/inner suburban cores. Vacancy rates have jumped as new inventory has been introduced. As noted, these vacancy rates are likely to subside as the area absorbs this new product.

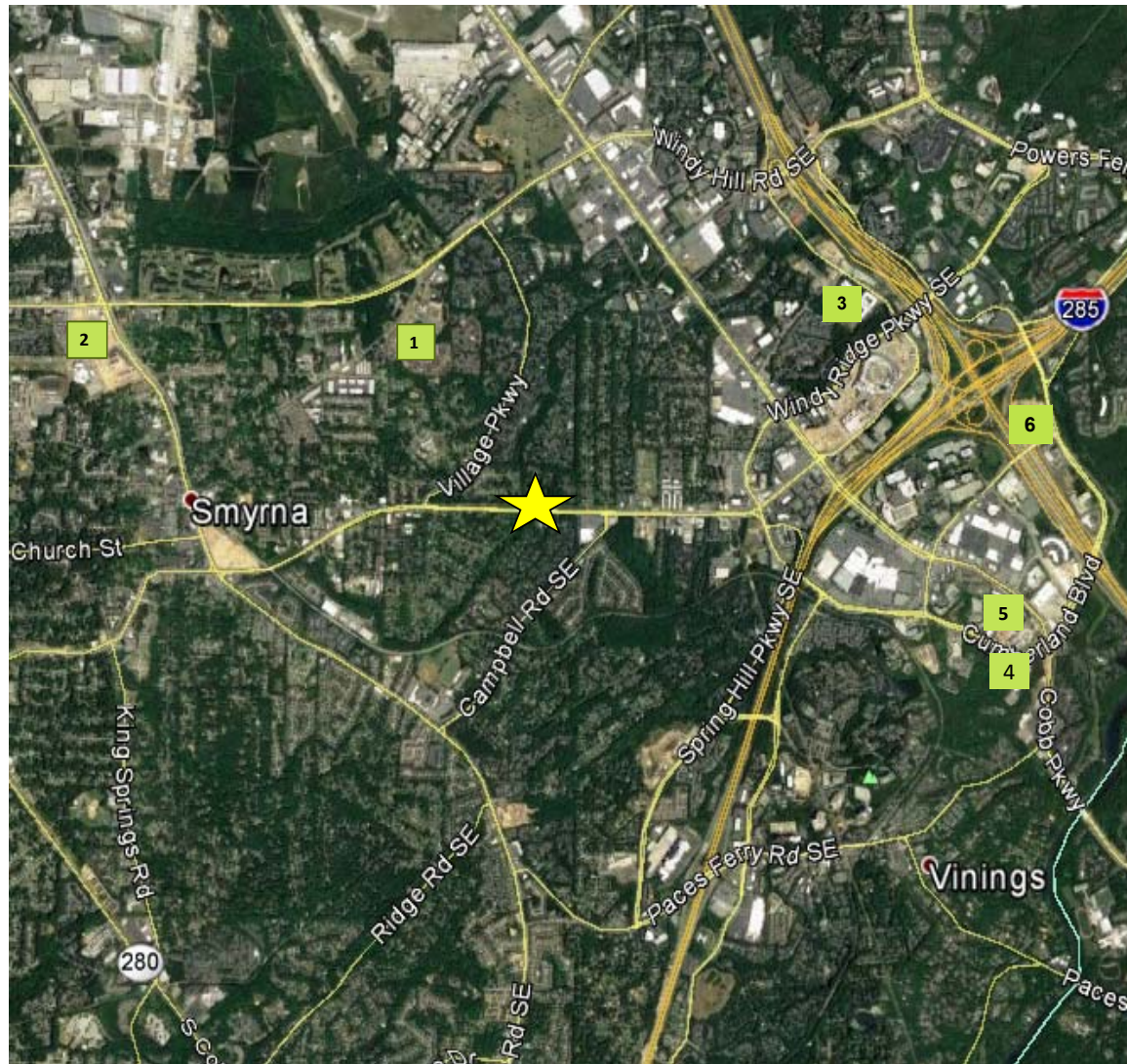


SOURCE: Noell Consulting Group and REIS



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 45  
Competitive Apartment Community Map



	Competitive Community	Units	psf
1	Avonlea Square	318	\$1.21
2	Alta Belmont	274	\$1.62
3	Reserve at the Ballpark	321	\$1.74
4	Alexan Vinings	232	\$1.75
5	Walton Riverwood	315	\$1.65
6	Overton Rise	294	\$1.60





<b>Average All</b>	<b>292</b>	<b>\$1.60</b>
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SOURCE: Noell Consulting Group, Google Earth, Google Maps

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 46 (Page 1 of 2)

Summary of Area Rental Apartment Communities



Community Name	Year Deliv.	Unit Type	No. of Units	Unit Mix	Rent Range	Average Rent	Unit Size Range	Avg. Size	\$/SF Range	Avg. \$/SF			
<div>Avonlea Square</div> 	2015	1B/1b	118	37%	\$1,110 \$1,180	\$1,145	740 847	794	\$1.50 \$1.39	\$1.44			
		2B/2b	158	50%	\$1,350 \$1,575	\$1,463	1,225 1,500	1,363	\$1.10 \$1.05	\$1.07			
		3B/3b	42	13%	\$1,575 \$1,575	\$1,575	1,508 1,508	1,508	\$1.04 \$1.04	\$1.04			
		Finish and Amenities Carpet in Living Area, Laminate in K and bath. Formica Countertops. Pool, dog park, clubhouse, breakfast room.											
	Summary		Total	318	100%	\$1,110	\$1,575	\$1,360	740	1,508	1,171	\$1.04	\$1.39
<div>Alta Belmont</div> 	2015	Studio	22	8%	\$1,093 \$1,093	\$1,093	600 600	600	\$1.82 \$1.82	\$1.82			
		1B/1b	125	46%	\$1,263 \$1,429	\$1,346	717 904	811	\$1.76 \$1.58	\$1.66			
		2B/2b	108	39%	\$1,660 \$1,977	\$1,819	1,079 1,225	1,152	\$1.54 \$1.61	\$1.58			
		3B/2b	19	7%	\$2,002 \$2,002	\$2,002	1,417 1,417	1,417	\$1.41 \$1.41	\$1.41			
	Finish and Amenities		Stainless steel, granite, K island, laminate HW. Pool, clubhouse, courtyard, business center, fitness center.										
Summary			274	100%	\$1,093	\$2,002	\$1,557	600	1,417	970	\$1.41	\$1.82	\$1.62
<div>Reserve at the Ballpark</div> 	2015	Studio	26	8%	\$1,180 \$1,180	\$1,180	620 620	620	\$1.90 \$1.90	\$1.90			
		1B/1b	134	42%	\$1,335 \$1,640	\$1,488	693 956	825	\$1.93 \$1.72	\$1.80			
		2B/2b	141	44%	\$1,760 \$1,980	\$1,870	1,066 1,182	1,124	\$1.65 \$1.68	\$1.66			
		3B/2b	18	6%	\$2,180 \$2,305	\$2,243	1,363 1,439	1,401	\$1.60 \$1.60	\$1.60			
		3B/2b/PH	2	0.6%	\$3,375 \$3,870	\$3,623	1,609 1,609	1,609	\$2.10 \$2.41	\$2.25			
	Finish and Amenities		Stainless steel, K island, Laminate HW, granite countertop, carpet in BR. Saltwater pool, grills, Coffee room, lounge.										
Summary			321	100%	\$1,180	\$3,870	\$1,686	620	1,609	977	\$1.60	\$2.41	\$1.74
<div>Alexan Vinings</div> 	2016	1B/1b	162	70%	\$1,345 \$1,500	\$1,423	779 884	832	\$1.73	\$1.70	\$1.71		
		2B/2b	70	30%	\$1,825 \$2,405	\$2,115	1,032 1,278	1,155	\$1.77	\$1.88	\$1.83		
	Finish and Amenities		Granite countertops, vinyl hardwoods, SS appliances, pool, lounge, rooftop lounge, skydeck, fitness center.										
	Summary			232	100%	\$1,345	\$2,405	\$1,631	779	1,278	929	\$1.70	\$1.88

SOURCE: Noell Consulting Group, Redfin

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 46 (Page 2 of 2)

## Summary of Area Rental Apartment Communities

Community Name	Year Deliv.	Unit Type	No. of Units	Unit Mix	Rent Range	Average Rent	Unit Size Range	Avg. Size	\$/SF Range	Avg. \$/SF	
Walton Riverwood	2013	1B/1b	185	59%	\$1,210 \$1,625	\$1,418	700 910	805	\$1.73	\$1.79	\$1.76
		2B/2b	116	37%	\$1,595 \$1,912	\$1,754	1,089 1,282	1,186	\$1.46	\$1.49	\$1.48
		3B/2b	14	4%	\$2,200 \$2,475	\$2,338	1,428 1,428	1,428	\$1.54	\$1.73	\$1.64
		Finish and Amenities Granite countertops, vinyl HW in K. carpet in living, SS appliances, pool, fitness center, dog spa.									
Summary		Total	315	100%	\$1,210 \$2,475	\$1,582	700 1,428	973	\$1.46	\$1.79	\$1.65
Overton Rise	2014	Jr. 1B/1b	2	1%	\$1,254 \$1,254	\$1,254	810 810	810	\$1.55	\$1.55	\$1.55
		1B/1b	164	56%	\$1,394 \$1,700	\$1,547	805 1,040	923	\$1.73	\$1.63	\$1.68
		2B/2b	93	32%	\$1,645 \$2,015	\$1,830	1,126 1,354	1,240	\$1.46	\$1.49	\$1.48
		2B/2b/D	27	9%	\$2,096 \$2,096	\$2,096	1,354 1,354	1,354	\$1.55	\$1.55	\$1.55
		3B/2b	8	3%	\$2,525 \$2,525	\$2,525	1,570 1,570	1,570	\$1.61	\$1.61	\$1.61
	Finish and Amenities Granite countertops, SSS appliances, Vinyl HW in K, carpet in living, pool, fitness center.										
Summary		Total	294	100%	\$1,254 \$2,525	\$1,450	805 1,570	1,079	\$1.46	\$1.63	\$1.60
			No. of Units	Unit Mix	Rent Range	Average Rent	Unit Size Range	Avg. Size	\$/SF Range	Avg. \$/SF	
Total Averages			292	100%	\$1,199 \$2,475	\$1,545	600 1,609	1016	\$1.04	\$2.41	\$1.60

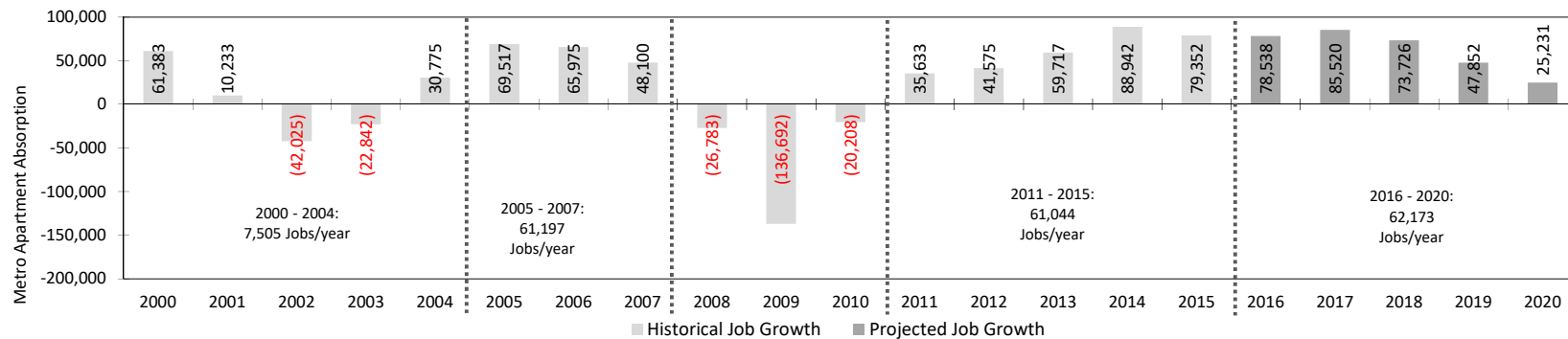
SOURCE: Noell Consulting Group, Redfin

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 47

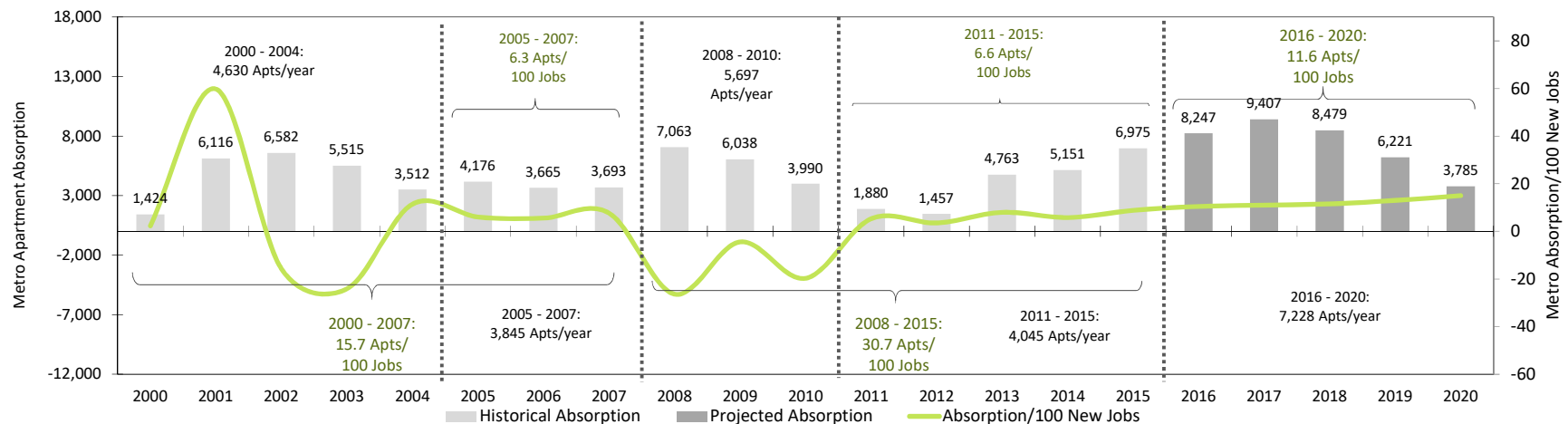
### Historical and Projected Job Growth to Apartment Absorption Relationship in Metro Atlanta

#### METRO JOB GROWTH



The Atlanta metro area has seen very strong job growth the last five years, with equally strong job growth projected by Economy.com the next four years. This job growth has pushed demand for Class A rental units, seen on the graph below. The metro area has absorbed an average of 5,600 units/year since 2013, although with rent growth over that same span averaging 8.3%/year the market is likely capable of supporting more supply than it has seen. The green line in the graph below tracks the relationship between Class A apartment absorption. Since 2000, the metro area has supported 2.11 units of absorption per 100 new jobs. Since 2011 the metro has been able to absorb 6.6 units/100 new jobs. We expect the next five years to support apartment absorption increasing to 10-12 units/100 new jobs. The metro area has absorbed 1,999 units year to date in 2016, putting it on an annual pace of more than 8,247

#### METRO CLASS A APARTMENT ABSORPTION



SOURCE: Noell Consulting Group, Costar and Economy.com | Moody's Analytics

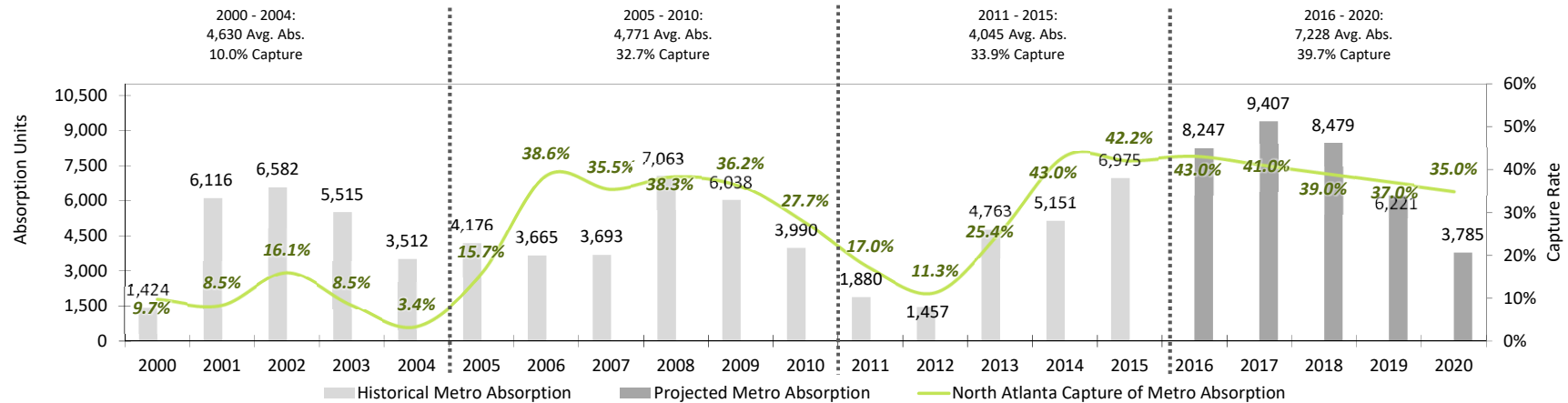




# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

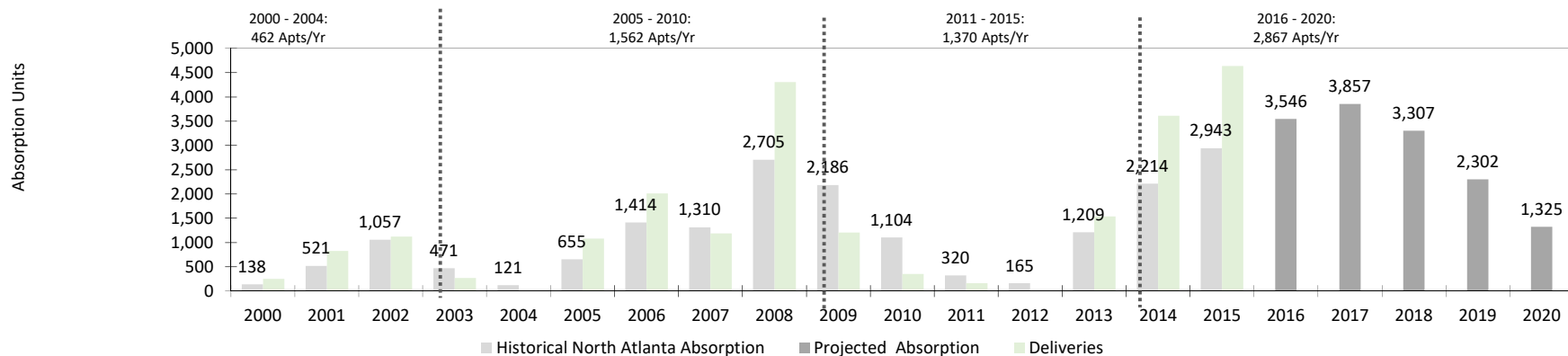
## Exhibit 48 North Atlanta Capture of Metro Class A Apartment Absorption

### METRO CLASS A APARTMENT ABSORPTION AND NORTH ATLANTA CAPTURE



This exhibit shows metro Atlanta apartment absorption (top) along with absorption for Atlanta's core multifamily markets, including the Downtown, Midtown, Buckhead, and Sandy Springs submarkets (below, categorized as "Intown" submarkets). This data indicates that metro Atlanta renters are moving closer to employment, with this Intown area increasing its capture rate of metro absorption over the last fifteen years. A trend line of Intown Capture from the end of the 2002-2003 recession (from 2004 to 2015) shows an increase from 20 to 47% of metro absorption. We project this trend to flatten off into 2020. While the actual capture rate should vary year-to-year, we believe this trend line is a reasonable estimate of what the Intown area could support on average given historical performance.

### NORTH ATLANTA CLASS A APARTMENT ABSORPTION



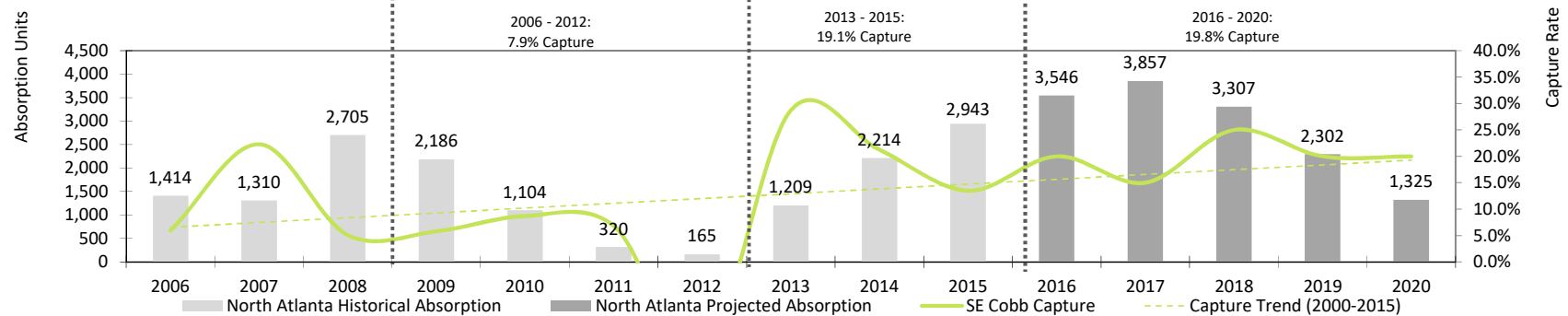
SOURCE: Noell Consulting Group and Costar



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

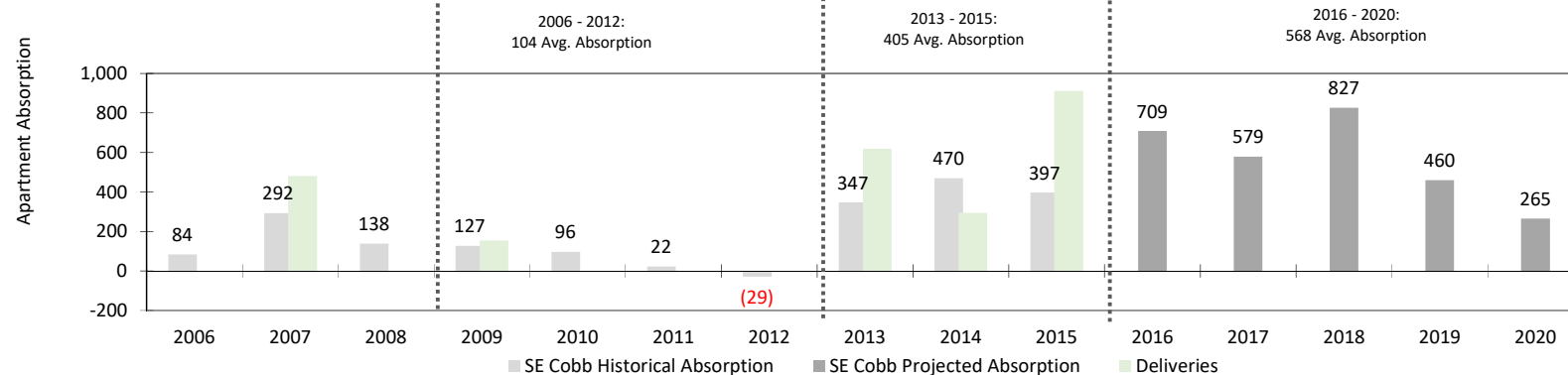
Exhibit 49  
SE Cobb Submarket Capture of the North Atlanta Apartment Core

## NORTH ATLANTA HISTORICAL ABSORPTION AND SE COBB CAPTURE RATE



The Smyrna and SE Cobb submarket is historically very supply-driven - in years where the market has delivered units, it has largely absorbed them. We expect the Smyrna/SE Cobb area to increase to an average of 20% over the next 5 years. With this capture rate, we expect the submarket to average 568 units/year through 2020. While new development near the subject site and spots of Smyrna will make the submarket more attractive to renters, we also believe that heavy pipeline in core submarkets (e.g. Midtown and Buckhead) will keep the submarket from increasing its capture rate too much.

## SE COBB ABSORPTION



SOURCE: Noell Consulting Group and Costar

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 50 (Page 1 of 2)

Metro Atlanta, Cobb County and Smyrna Area Apartment Supply and Demand Analysis

	'00-'15 Average	11-'15 Average	2015	2016	2017	FORECAST			2016- 2020 Average
Employment Growth in the Metro	21,416	61,044	79,352	78,538	85,520	73,726	47,852	25,231	62,173
Projected Jobs to New Apt. Absorption In Metro	21.0	6.6	8.8	10.5	11.0	11.5	13.0	15.0	11.6
<b>Est. Supportable New Apt Absorption in Metro</b>	<b>4,500</b>	<b>4,045</b>	<b>6,975</b>	<b>8,247</b>	<b>9,407</b>	<b>8,479</b>	<b>6,221</b>	<b>3,785</b>	<b>7,228</b>
<b>North Atlanta Capture of Metro</b>	<b>26%</b>	<b>34%</b>	<b>42%</b>	<b>43.0%</b>	<b>41.0%</b>	<b>39.0%</b>	<b>37.0%</b>	<b>35.0%</b>	<b>39.7%</b>
<b>Est. Supportable New Apt Absorption North Atlanta</b>	<b>1,158</b>	<b>1,370</b>	<b>2,943</b>	<b>3,546</b>	<b>3,857</b>	<b>3,307</b>	<b>2,302</b>	<b>1,325</b>	<b>2,867</b>
<b>SE Cobb Capture of New Apartment Abs. w/in North Atlanta</b>	<b>11.4%</b>	<b>17.6%</b>	<b>13.5%</b>	<b>20.0%</b>	<b>15.0%</b>	<b>25.0%</b>	<b>20.0%</b>	<b>20.0%</b>	<b>19.8%</b>
<b>SE Cobb New Apartment Absorption</b>	<b>132</b>	<b>241</b>	<b>397</b>	<b>709</b>	<b>579</b>	<b>827</b>	<b>460</b>	<b>265</b>	<b>568</b>

Income Range:	Under \$50,000	\$50,000 - \$75,000	\$75,000 - \$100,000	\$100,000 - \$150,000	\$150,000 - \$200,000	Above \$200,000
---------------	----------------	---------------------	----------------------	-----------------------	-----------------------	-----------------

Rent Range (Avg. 18-26% of Gross Income) <sup>4</sup> :	Under \$1,250	\$1,250 - \$1,500	\$1,500 - \$1,833	\$1,833 - \$2,500	\$2,500 - \$3,000	Above \$3,000
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Annual Demand Dist. By Rent Range <sup>5</sup> :	0%	56.7%	19.8%	17.6%	4.7%	1.2%	Total:	Total w/in Rent Range
2016 Demand By Rent Range	0	402	140	125	33	8	709	709
2017 Demand By Rent Range	0	328	115	102	27	7	579	579
2018 Demand By Rent Range	0	468	164	146	39	10	827	827
2019 Demand By Rent Range	0	261	91	81	22	5	460	460
2020 Demand By Rent Range	0	150	52	47	12	3	265	265
% Available for New Product Delivery	0%	100%	100%	100%	100%	100%		

1/ Employment growth from Economy.com

2/ Noell Consulting Group analysis based on larger analysis and trends of the market.

3/ The SE Cobb submarket is shown above

4/ Noell Consulting Group based on US Census data for renter HH growth.

5/ Based on data from Clarita's, Inc. and the Census for renter HHs within the submarket. Redistributed for HHs above \$50k.

SOURCE: Noell Consulting Group, Reis, US Census, and Clarita's

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 50 (Page 2 of 2)  
Metro Atlanta, Cobb County and Smyrna Area Apartment Supply and Demand Analysis

## SE Cobb New Apartment Absorption

## SE Cobb New Apartment Absorption

### NOTES:

1. The numbers indicate the percentage of the year that the projects are expected to be in lease-up. Unit counts are market rate only (where # of affordable units are known).
2. Projects that are currently under construction are designated in **GREEN**.
3. There are currently 1,677 units under construction in the SE Cobb submarket.
4. There are an additional 1,462 units planned in the SE Cobb submarket, bringing the total pipeline to 3,139 units.

	2016	2017	2018	2019	2020	Total
SE Cobb New Apartment Absorption	709	579	827	460	265	2,840
<b>5 Year Pipeline</b>						<b>Total</b>
Alta Belmont (Wood Partners)						Del 2015
Alexan Vinings (Trammell Crow)	232					232
Encore Ph I (Preferred)	339					339
Alta Jonquil (Wood Partners)		266				266
The Battery - Residential (Pollack Shores)		540				540
Broadstone at Windy Ridge (Alliance)			300			300
Stadium Walk Apartments (Brand Properties)			309			309
The District at Windy Hill Apartments (Kaplan)			284			284
Modera by Mill Creek - Vinings (Mill Creek)			269			269
Encore Center Apartment Tower B (Preferred)				350		350
Encore Center Apartments Tower C (Preferred)					250	250
<b>Total, Projects Known</b>	<b>571</b>	<b>806</b>	<b>1,162</b>	<b>350</b>	<b>250</b>	<b>3,139</b>
<b>Net Balance--Supply &amp; Demand</b>	<b>138</b>	<b>-89</b>	<b>-425</b>	<b>-314</b>	<b>-299</b>	<b>-989</b>

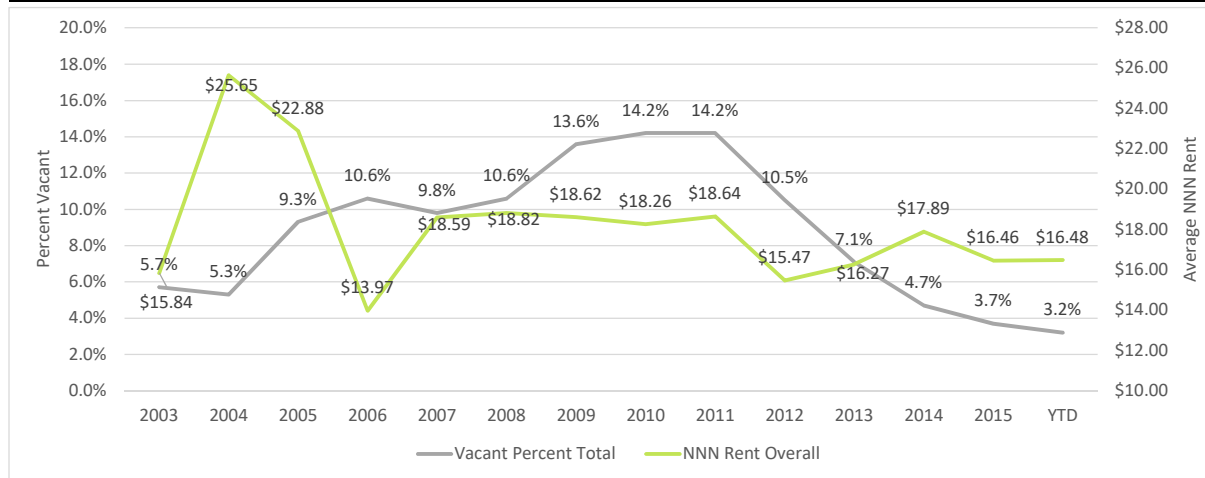
Overall, the SE Cobb/Smyrna/Cumberland rental apartment market is expected to be in balance over the next five years or so, with additional opportunities existing beyond that timeframe. Going forward, we believe the area can continue to absorb around 500 or more units annually, with the study area, particularly the area at Cobb Parkway, being able to capture a solid share of that demand.



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 51  
Retail Market Trends in the Greater Cumberland/Smyrna Area

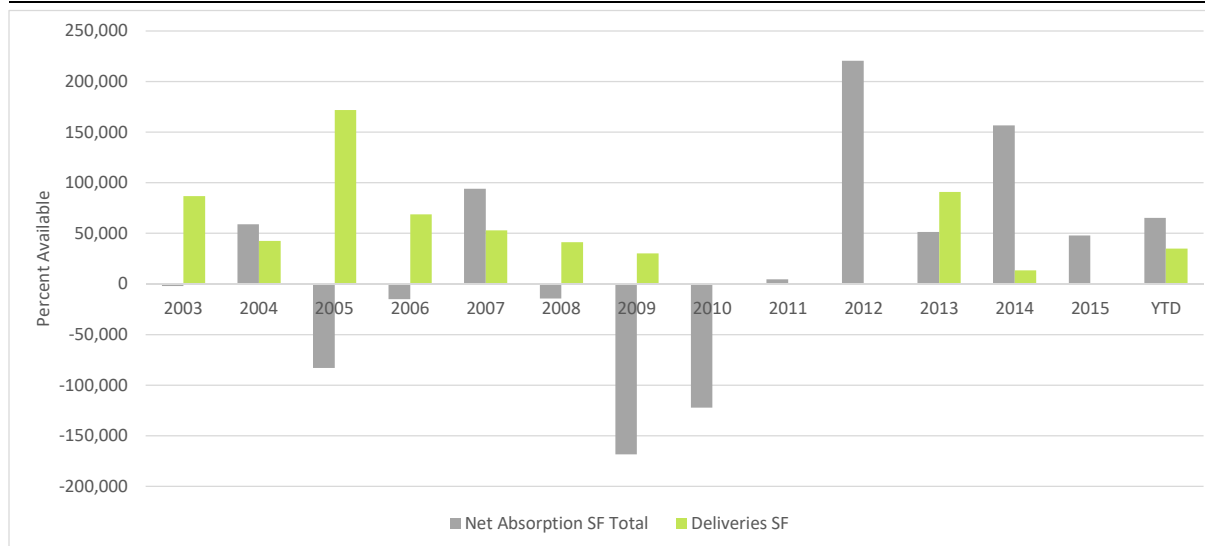
## RETAIL VACANCY AND RENTAL RATE TRENDS



## CUMBERLAND/SE COBB SUBMARKET

The Cumberland Core retail area has seen a significant improvement since 2010. Vacancy rates have lowered every year and currently sit at 3.2% all while rents have stayed at a steady average around \$17. As the Cumberland Area continues to bolster its pipeline NCG predicts rental rates to most likely increase as the new retail comes on board at the Braves new Stadium along with the revamping of the Cumberland Mall.

## ABSORPTION AND CONSTRUCTION



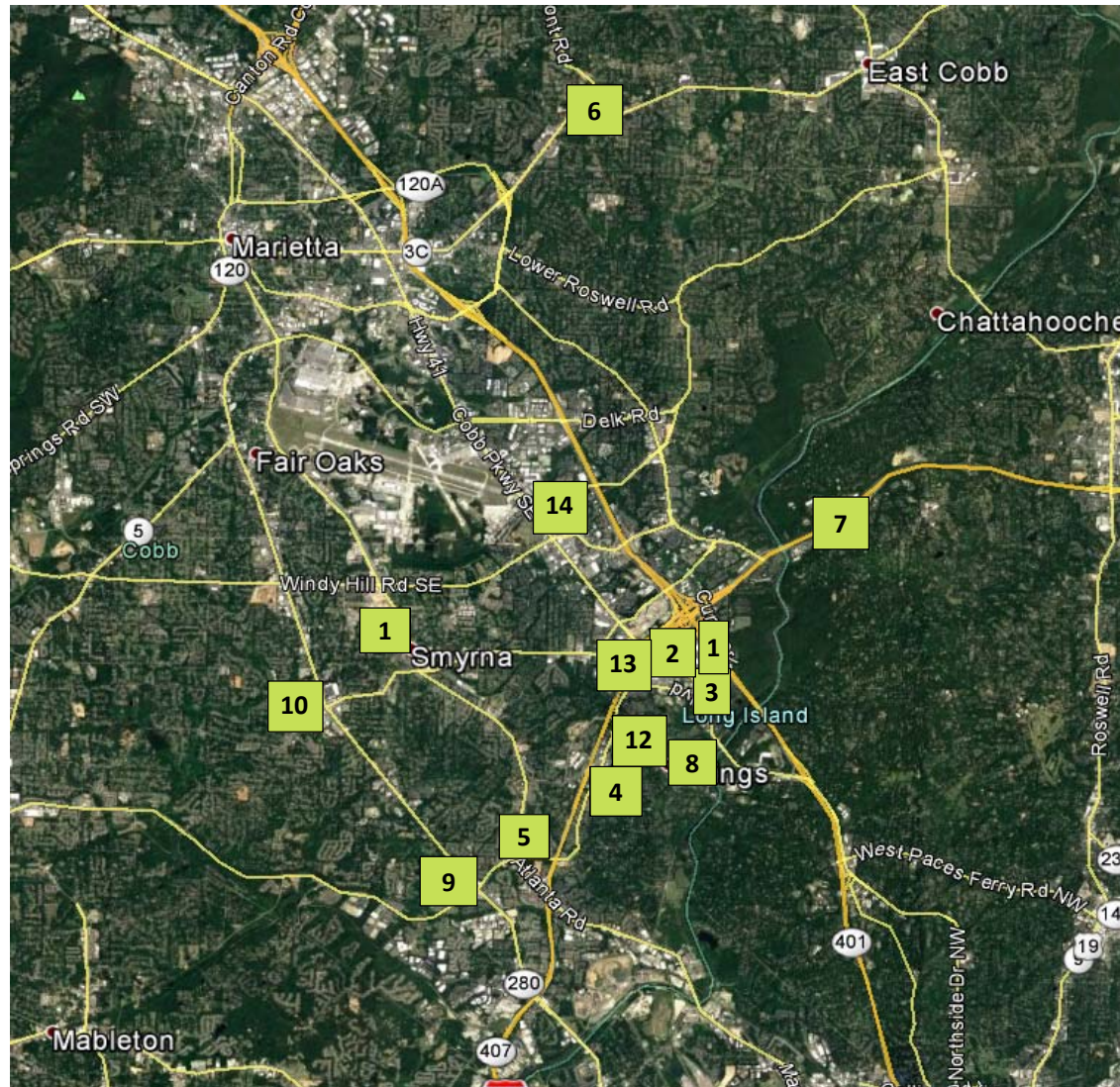
The Cumberland Area has been a hot area since 2010. A lot of new development has come on board since 2010 around the improving job core in Cumberland contributing to the success of absorption in the area. The recent trend is that the new deliveries are getting absorbed quickly. Most of this absorption is due to the news of the new Braves ballpark and the projects going in around "The Battery"

SOURCE: Costar



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 52  
Map of Select Retail Projects



Subject Site	Sqft	\$/SF
1 Market Village	88,550	\$17.50
2 Cobb Galleria Center	132,726	\$20.00
3 Parkway Pointe	181,099	\$11.00
4 Station at Vinings	13,266	\$27.50
5 Ivy Walk	60,000	\$29.00
6 Piedmont Commons	91,491	\$19.00
7 Powers Ferry Village	26,917	\$24.00
8 Vinings Village	61,573	\$27.00
9 Highland Station	95,257	\$23.50
10 Crossing at Four Corners	152,578	\$27.00
11 Akers Mill Square	290,000	\$26.50
12 Vinings Jubilee	116,200	\$30.00
13 Cumberland Mall	903,400	\$30.00
14 Cumberland Square North	84,339	\$17.50
<b>Average, All Comps</b>	<b>164,100</b>	<b>\$23.54</b>








SOURCE: Noell Consulting Group

# CITY OF SMYRNA

## SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 53 (Page 1 of 2)

Summary of Comparable Retail Centers


Photo	Center Name	Built	Total Square Feet	Avail. Square feet	% Leased	Current Lease Rates (NNN)	Current Tenants / Typical Tenants	Comments
	Market Village	2002	88,550	0	100%	\$15.00 - \$20.00	Atkins Park, Corner Taqueria, Moe's, Shane's, Zucca Pizzeria	Mixed-use center with small boutique shops and restaurants with residential above.
	Cobb Galleria Center	1982	132,726	40,597	69%	\$20.00 \$20.00	Jock n Jills, Subway, Buckhead Pizza	Boutiques to specialty shops connected to Cumberland Mall by a sky bridge.
	Parkway Pointe	1998, Reno 2014	181,099	18,136	90%	\$11.00 - \$11.00	AMC, Pier 1, Old Navy, Tuesday Morning	Shopping center with Movie Theatre anchor next to Cumberland Mall.
	Station at Vinings	1985	13,266	1,160	91%	\$20.00 \$35.00	Fifth Third, Stacy's Kitchen, local shops.	Older 2 story small strip center with restaurants and small shops.
	Ivy Walk	2005	60,000	1,324	98%	\$27.00 - \$31.00	Fitness Together, HealthCare, Paramount, Local shops	Well executed mixed-use center incorporating apartments above a walkable shopping experience.
	Piedmont Commons	1993	91,491	4,225	95%	\$19.00 - \$19.00	Publix, H&R Block, Edward Jones	Anchored by Publix, Piedmont Commons offers a variety of shops with great ingress and egress.
	Powers Ferry Village	2009	26,917	3,690	86%	\$24.00 \$24.00	CVS, Lifelong Fitness, Brueggers Bagels	Shopping center anchored by Publix in between major cores (Cumberland and Sandy Springs)



# CITY OF SMYRNA

## SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 53 (Page 2 of 2)  
Summary of Comparable Retail Centers

Photo	Center Name	Built	Total Square Feet	Avail. Square feet	% Leased	Current Lease Rates (NNN)	Current Tenants / Typical Tenants	Comments
	Vinings Village	2003	61,573	1,320	98%	\$22.00 - \$32.00	Kroger, Jersey Mikes, H&R Block, Goodwill	Neighborhood shopping center anchored by Kroger. 2 story retail near Vinings.
	Highland Station	2000	95,257	1,200	99%	\$22.00 - \$25.00	Publix, Anytime Fitness, Cato, RadioShack	Grocery-anchored neighborhood center on South Cobb just outside of I-285
	Crossing @ Four Corners	2012	152,578	51,139	66%	\$22.00 - \$32.00	Kroger, Pet Supply, Fifth-Third, Starbucks	New Kroger anchored redevelopment shopping center with restaurants and shops in Smyrna.
	Akers Mill Square	2009	290,000	6,500	98%	\$25.00 - \$28.00	Toys R Us, Bed Bath and Beyond, Sam Ash Guitar	Power center in the Cumberland Core with a lot of big box retailers and outparcel chain restaurants.
	Vinings Jubilee	1986	116,200	18,000	85%	\$22.00 - \$38.00	Purre Barre, Banana Republic, boutique shopping.	Mixed-use center that encourages walkability. Small boutique retail stores and restaurants.
	Cumberland Mall	1973 Reno 2012	903,400	0	100%	\$30.00 - \$30.00	Sears, Macy's, Apple, Finish Line, H&M, Forever 21	Regional Mall in Cumberland Core. Great access to I-75 and I-285. Big box retailers and different ranges of specialty shops.
	Cumberland Square	1978	84,339	3,150	96%	\$15.00 - \$20.00	Office Depot, Goodwill, Cycle Gear	Older strip center anchored by Office Depot. Good regional access to major roadways.
<b>Average:</b>			<b>109,138</b>	<b>12,274</b>	<b>90%</b>	<b>\$ 20.75 - \$ 26.25</b>		

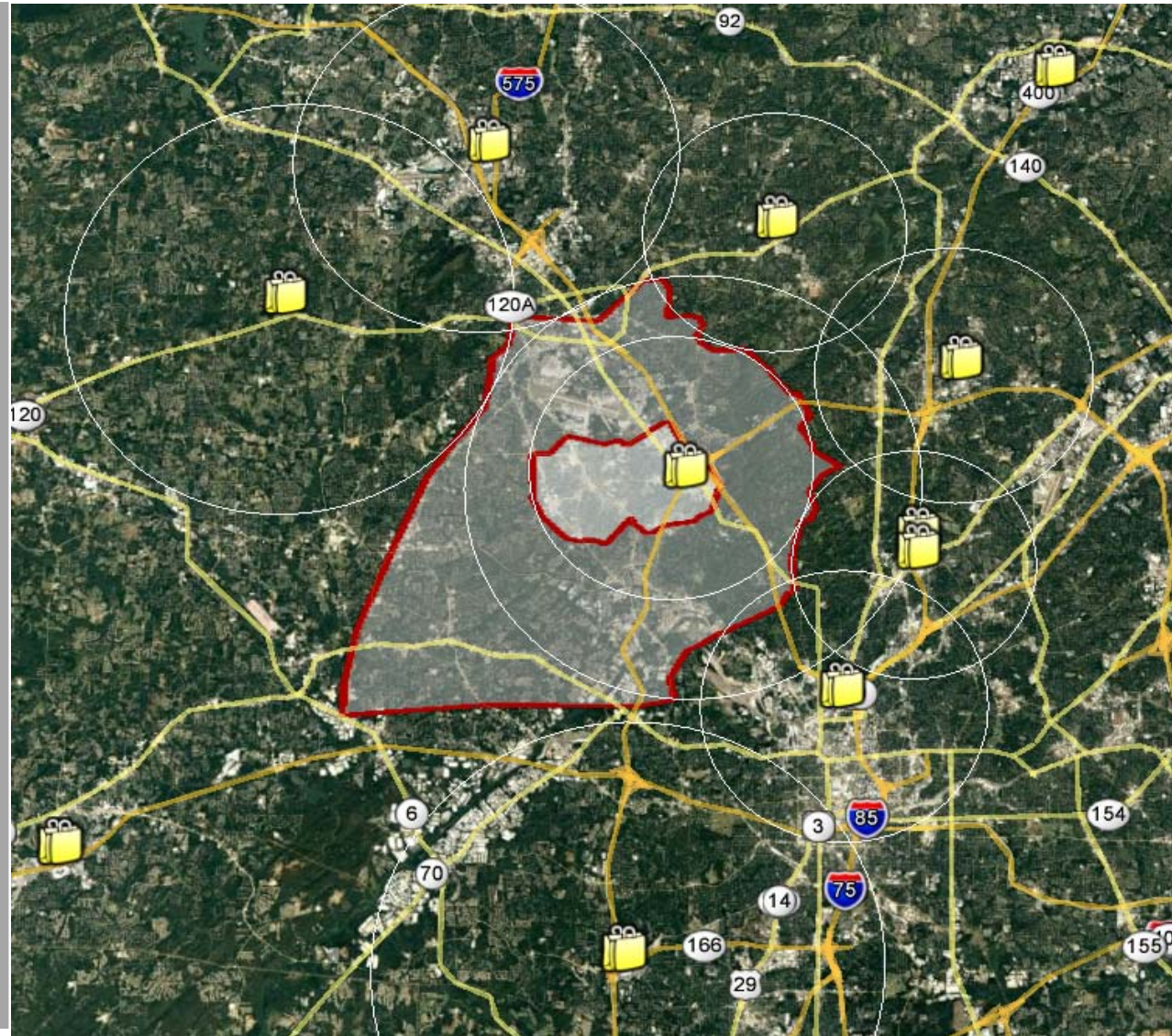
SOURCE: Noell Consulting Group, The Costar Group



## CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 54  
Identification of the Retail PMA

As shown at right, there are a number of shopping destinations surrounding the Spring Road corridor. To identify the retail trade area for convenience-based goods, NCG plotted the locations of key grocery-anchored retail centers, which are shown at right, and then identified the area from which convenience-based retail will draw from.



SOURCE: Noell Consulting Group, Google

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 55  
Estimated Retail Demand from the Local Trade Area Today

Store Type (Excl. General Merch. & Gas)	Demand Potential <sup>1</sup>	Per Capita	% in Non-Regional Ctrs <sup>2</sup>	Sales in Non-Reg Ctrs	% Local Sales <sup>2</sup>	Local Sales in Non-Reg Ctrs	Est. Sales/ SF	Capture Rate of Subject Core <sup>3</sup>	Subject Core Capture in SF	Mix By Store Categories
	2016 Population	42,140		Median HH Income		\$52,305				
<b>Furniture and Home Furnishings</b>	<b>\$15,992,559</b>	<b>\$380</b>	<b>35%</b>	<b>\$5,496,602</b>	<b>78%</b>	<b>\$4,262,219</b>			<b>16,908</b>	<b>3%</b>
Furniture Stores	\$9,004,211	\$214	30%	\$2,701,263	75%	\$2,025,947	\$156	75%	9,740	
Home Furnishing Stores	\$6,988,348	\$166	40%	\$2,795,339	80%	\$2,236,271	\$234	75%	7,168	
<b>Electronics &amp; Appliance Stores</b>	<b>\$15,451,844</b>	<b>\$367</b>	<b>20%</b>	<b>\$3,090,369</b>	<b>20%</b>	<b>\$618,074</b>	<b>\$370</b>	<b>75%</b>	<b>1,253</b>	<b>0%</b>
<b>Bldg Mats., Garden Equip &amp; Supply</b>	<b>\$78,722,190</b>	<b>\$1,868</b>	<b>30%</b>	<b>\$23,616,657</b>	<b>83%</b>	<b>\$19,645,578</b>			<b>42,681</b>	<b>9%</b>
Bldg Materials & Supply Stores	\$66,184,652	\$1,571	30%	\$19,855,396	80%	\$15,884,317	\$389	75%	30,625	
Lawn & Garden Equipment	\$12,537,538	\$298	30%	\$3,761,261	100%	\$3,761,261	\$234	75%	12,055	
<b>Food &amp; Beverage Stores</b>	<b>\$97,314,178</b>	<b>\$2,309</b>	<b>88%</b>	<b>\$90,919,036</b>	<b>83%</b>	<b>\$75,357,349</b>			<b>166,196</b>	<b>34%</b>
Grocery Stores	\$62,065,741	\$1,473	95%	\$58,962,454	80%	\$47,169,963	\$455	100%	103,670	
Specialty Food Stores	\$7,647,166	\$181	75%	\$5,735,375	80%	\$4,588,300	\$193	75%	17,830	
Beer, Wine & Liquor Stores	\$27,601,271	\$655	95%	\$26,221,207	90%	\$23,599,086	\$396	75%	44,695	
<b>Health &amp; Personal Care</b>	<b>\$42,137,769</b>	<b>\$1,000</b>	<b>90%</b>	<b>\$37,923,992</b>	<b>80%</b>	<b>\$30,339,193</b>	<b>\$458</b>	<b>75%</b>	<b>49,682</b>	<b>10%</b>
<b>Clothing &amp; Clothing Accessories</b>	<b>\$37,649,692</b>	<b>\$893</b>	<b>20%</b>	<b>\$7,529,938</b>	<b>60%</b>	<b>\$4,517,963</b>			<b>10,524</b>	<b>2%</b>
Clothing Stores	\$19,859,514	\$471	20%	\$3,971,903	60%	\$2,383,142	\$287	75%	6,228	
Shoe Stores	\$3,117,559	\$74	20%	\$623,512	60%	\$374,107	\$205	75%	1,369	
Jewelry, Luggage & Leather Goods	\$14,672,619	\$348	20%	\$2,934,524	60%	\$1,760,714	\$451	75%	2,928	
<b>Sporting Gds, Hobby, Book &amp; Music</b>	<b>\$15,139,277</b>	<b>\$359</b>	<b>25%</b>	<b>\$3,253,176</b>	<b>60%</b>	<b>\$1,951,905</b>			<b>7,468</b>	<b>2%</b>
Sporting Goods, Hobby, Musical Inst	\$12,886,075	\$306	20%	\$2,577,215	60%	\$1,546,329	\$195	75%	5,947	
Book & Music Stores	\$2,253,203	\$53	30%	\$675,961	60%	\$405,576	\$200	75%	1,521	
<b>General Merchandise Stores</b>	<b>\$86,197,305</b>	<b>\$2,045</b>	<b>0%</b>	<b>\$0</b>	<b>95%</b>	<b>\$0</b>	<b>\$300</b>	<b>75%</b>	<b>0</b>	
<b>Miscellaneous Store Retailers</b>	<b>\$21,573,951</b>	<b>\$512</b>	<b>70%</b>	<b>\$9,884,614</b>	<b>87%</b>	<b>\$8,578,205</b>			<b>35,655</b>	<b>7%</b>
Florists	\$750,120	\$18	100%	\$750,120	100%	\$750,120	\$226	75%	2,489	
Office Supplies, Stationery & Gifts	\$10,629,875	\$252	30%	\$3,188,962	95%	\$3,029,514	\$202	75%	11,248	
Used Merchandise Stores	\$1,697,108	\$40	100%	\$1,697,108	95%	\$1,612,253	\$202	75%	5,986	
Other Miscellaneous Store Retailers	\$8,496,848	\$202	50%	\$4,248,424	75%	\$3,186,318	\$150	75%	15,932	
<b>Food Service &amp; Drinking Places</b>	<b>\$99,018,374</b>	<b>\$2,350</b>	<b>95%</b>	<b>\$90,590,423</b>	<b>57%</b>	<b>\$51,356,586</b>			<b>161,727</b>	<b>33%</b>
Full-Service Restaurants	\$45,268,881	\$1,074	90%	\$40,741,993	50%	\$20,370,997	\$308	75%	49,605	
Limited-Service Eating Places	\$39,010,633	\$926	90%	\$35,109,570	60%	\$21,065,742	\$199	75%	79,393	
Special Food Services	\$10,765,316	\$255	100%	\$10,765,316	70%	\$7,535,721	\$200	75%	28,259	
Drinking Places	\$3,973,544	\$94	100%	\$3,973,544	60%	\$2,384,126	\$400	75%	4,470	
<b>TOTAL</b>	<b>\$509,197,138</b>	<b>\$12,083</b>	<b>53%</b>	<b>\$272,304,807</b>	<b>72%</b>	<b>\$196,627,072</b>			<b>492,094</b>	

1 Based on data obtained from Claritas.

2 Estimates via NCG based on ICSC data. Excludes shopping at local establishments outside the area while on destination trips/vacations/near workplace.

3 Based on a fair share capture analysis of competing cores within local trade area.

SOURCE: Noell Consulting Group, Claritas, Inc.

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 56

### Estimated Retail Demand from the New Population Growth in the Trade Area 2016-2021

Store Type (Excl. General Merch. & Gas)	Demand Potential <sup>1</sup>	Per Capita	% in Non-Regional Ctrs <sup>2</sup>	Sales in Non-Reg Ctrs	% Local Sales <sup>2</sup>	Local Sales in Non-Reg Ctrs	Est. Sales/SF	Capture Rate of Subject Core <sup>3</sup>	Subject Core Capture in SF	Mix By Store Categories
2016-2021 Population Growth:		2,319		Median HH Income		\$55,279				
<b>Furniture and Home Furnishings</b>	<b>\$930,295</b>	<b>\$401</b>	<b>35%</b>	<b>\$319,740</b>	<b>78%</b>	<b>\$247,935</b>			<b>984</b>	<b>3%</b>
Furniture Stores	\$523,779	\$226	30%	\$157,134	75%	\$117,850	\$156	75%	567	
Home Furnishing Stores	\$406,515	\$175	40%	\$162,606	80%	\$130,085	\$234	75%	417	
<b>Electronics &amp; Appliance Stores</b>	<b>\$898,841</b>	<b>\$388</b>	<b>20%</b>	<b>\$179,768</b>	<b>20%</b>	<b>\$35,954</b>	<b>\$370</b>	<b>75%</b>	<b>73</b>	<b>0%</b>
<b>Bldg Mats., Garden Equip &amp; Supply</b>	<b>\$4,579,306</b>	<b>\$1,974</b>	<b>30%</b>	<b>\$1,373,792</b>	<b>83%</b>	<b>\$1,142,792</b>			<b>2,483</b>	<b>9%</b>
Bldg Materials & Supply Stores	\$3,849,992	\$1,660	30%	\$1,154,998	80%	\$923,998	\$389	75%	1,781	
Lawn & Garden Equipment	\$729,314	\$314	30%	\$218,794	100%	\$218,794	\$234	75%	701	
<b>Food &amp; Beverage Stores</b>	<b>\$5,660,811</b>	<b>\$2,441</b>	<b>88%</b>	<b>\$5,288,803</b>	<b>83%</b>	<b>\$4,383,572</b>			<b>9,668</b>	<b>34%</b>
Grocery Stores	\$3,610,393	\$1,557	95%	\$3,429,873	80%	\$2,743,899	\$455	100%	6,031	
Specialty Food Stores	\$444,839	\$192	75%	\$333,629	80%	\$266,904	\$193	75%	1,037	
Beer, Wine & Liquor Stores	\$1,605,579	\$692	95%	\$1,525,300	90%	\$1,372,770	\$396	75%	2,600	
<b>Health &amp; Personal Care</b>	<b>\$2,451,174</b>	<b>\$1,057</b>	<b>90%</b>	<b>\$2,206,056</b>	<b>80%</b>	<b>\$1,764,845</b>	<b>\$458</b>	<b>75%</b>	<b>2,890</b>	<b>10%</b>
<b>Clothing &amp; Clothing Accessories</b>	<b>\$2,190,100</b>	<b>\$944</b>	<b>20%</b>	<b>\$438,020</b>	<b>60%</b>	<b>\$262,812</b>			<b>612</b>	<b>2%</b>
Clothing Stores	\$1,155,237	\$498	20%	\$231,047	60%	\$138,628	\$287	75%	362	
Shoe Stores	\$181,350	\$78	20%	\$36,270	60%	\$21,762	\$205	75%	80	
Jewelry, Luggage & Leather Goods	\$853,513	\$368	20%	\$170,703	60%	\$102,422	\$451	75%	170	
<b>Sporting Gds, Hobby, Book &amp; Music</b>	<b>\$880,659</b>	<b>\$380</b>	<b>25%</b>	<b>\$189,239</b>	<b>60%</b>	<b>\$113,543</b>			<b>434</b>	<b>2%</b>
Sporting Goods, Hobby, Musical Inst	\$749,589	\$323	20%	\$149,918	60%	\$89,951	\$195	75%	346	
Book & Music Stores	\$131,070	\$57	30%	\$39,321	60%	\$23,593	\$200	75%	88	
<b>General Merchandise Stores</b>	<b>\$5,014,137</b>	<b>\$2,162</b>	<b>0%</b>	<b>\$0</b>	<b>95%</b>	<b>\$0</b>	<b>\$300</b>	<b>75%</b>	<b>0</b>	
<b>Miscellaneous Store Retailers</b>	<b>\$1,254,967</b>	<b>\$541</b>	<b>70%</b>	<b>\$574,993</b>	<b>87%</b>	<b>\$498,998</b>			<b>2,074</b>	<b>7%</b>
Florists	\$43,635	\$19	100%	\$43,635	100%	\$43,635	\$226	75%	145	
Office Supplies, Stationery & Gifts	\$618,345	\$267	30%	\$185,503	95%	\$176,228	\$202	75%	654	
Used Merchandise Stores	\$98,722	\$43	100%	\$98,722	95%	\$93,786	\$202	75%	348	
Other Miscellaneous Store Retailers	\$494,266	\$213	50%	\$247,133	75%	\$185,350	\$150	75%	927	
<b>Food Service &amp; Drinking Places</b>	<b>\$5,759,945</b>	<b>\$2,483</b>	<b>95%</b>	<b>\$5,269,687</b>	<b>57%</b>	<b>\$2,987,436</b>			<b>9,408</b>	<b>33%</b>
Full-Service Restaurants	\$2,633,312	\$1,135	90%	\$2,369,981	50%	\$1,184,990	\$308	75%	2,886	
Limited-Service Eating Places	\$2,269,267	\$978	90%	\$2,042,340	60%	\$1,225,404	\$199	75%	4,618	
Special Food Services	\$626,223	\$270	100%	\$626,223	70%	\$438,356	\$200	75%	1,644	
Drinking Places	\$231,143	\$100	100%	\$231,143	60%	\$138,686	\$400	75%	260	
<b>TOTAL</b>	<b>\$29,620,234</b>	<b>\$12,771</b>	<b>53%</b>	<b>\$15,840,097</b>	<b>72%</b>	<b>\$11,437,888</b>			<b>28,625</b>	

1 Based on data obtained from Claritas.

2 Estimates via NCG based on ICSC data. Excludes shopping at local establishments outside the area while on destination trips/vacations/near workplace.

3 Based on a fair share capture analysis of competing cores within local trade area.

SOURCE: Noell Consulting Group, Claritas, Inc.





# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 57

### Estimated Retail Demand from the Regional Trade Area Today

Store Type (Excl. General Merch. & Gas)	Demand Potential <sup>1</sup>	Per Capita	% in Regional Ctrs <sup>2</sup>	Sales in Reg Ctrs	% Regional Sales <sup>2</sup>	Regional Sales in Reg Ctrs	Est. Sales/ SF	Capture Rate of Subject Core <sup>3</sup>	Subject Core Capture in SF	Mix By Store Categories
	2016 Population	260,774	Median HH Income	\$56,104						
<b>Furniture and Home Furnishings</b>	<b>\$95,972,736</b>	<b>\$368</b>	<b>65%</b>	<b>\$62,957,103</b>	<b>78%</b>	<b>\$48,484,971</b>			<b>200,610</b>	<b>10%</b>
Furniture Stores	\$53,734,609	\$206	70%	\$37,614,226	75%	\$28,210,670	\$156	75%	135,628	
Home Furnishing Stores	\$42,238,128	\$162	60%	\$25,342,877	80%	\$20,274,301	\$234	75%	64,982	
<b>Electronics &amp; Appliance Stores</b>	<b>\$90,316,453</b>	<b>\$346</b>	<b>80%</b>	<b>\$72,253,162</b>	<b>20%</b>	<b>\$14,450,632</b>	<b>\$370</b>	<b>75%</b>	<b>29,292</b>	<b>1%</b>
<b>Bldg Mats., Garden Equip &amp; Supply</b>	<b>\$477,660,576</b>	<b>\$1,832</b>	<b>70%</b>	<b>\$334,362,403</b>	<b>83%</b>	<b>\$277,758,792</b>			<b>601,097</b>	<b>30%</b>
Bldg Materials & Supply Stores	\$404,311,511	\$1,550	70%	\$283,018,058	80%	\$226,414,446	\$389	75%	436,532	
Lawn & Garden Equipment	\$73,349,065	\$281	70%	\$51,344,346	100%	\$51,344,346	\$234	75%	164,565	
<b>Food &amp; Beverage Stores</b>	<b>\$580,082,918</b>	<b>\$2,224</b>	<b>12%</b>	<b>\$38,243,054</b>	<b>83%</b>	<b>\$31,396,023</b>			<b>74,197</b>	<b>4%</b>
Grocery Stores	\$373,572,556	\$1,433	5%	\$18,678,628	80%	\$14,942,902	\$455	75%	24,631	
Specialty Food Stores	\$46,194,543	\$177	25%	\$11,548,636	80%	\$9,238,909	\$193	75%	35,902	
Beer, Wine & Liquor Stores	\$160,315,819	\$615	5%	\$8,015,791	90%	\$7,214,212	\$396	75%	13,663	
<b>Health &amp; Personal Care</b>	<b>\$257,757,380</b>	<b>\$988</b>	<b>10%</b>	<b>\$25,775,738</b>	<b>80%</b>	<b>\$20,620,590</b>	<b>\$458</b>	<b>75%</b>	<b>33,767</b>	<b>2%</b>
<b>Clothing &amp; Clothing Accessories</b>	<b>\$225,135,020</b>	<b>\$863</b>	<b>80%</b>	<b>\$180,108,016</b>	<b>60%</b>	<b>\$108,064,809</b>			<b>252,616</b>	<b>13%</b>
Clothing Stores	\$120,496,071	\$462	80%	\$96,396,857	60%	\$57,838,114	\$287	75%	151,145	
Shoe Stores	\$18,735,072	\$72	80%	\$14,988,058	60%	\$8,992,835	\$205	75%	32,901	
Jewelry, Luggage & Leather Goods	\$85,903,877	\$329	80%	\$68,723,101	60%	\$41,233,861	\$451	75%	68,571	
<b>Sporting Gds, Hobby, Book &amp; Music</b>	<b>\$89,938,354</b>	<b>\$345</b>	<b>75%</b>	<b>\$70,609,730</b>	<b>60%</b>	<b>\$42,365,838</b>			<b>162,404</b>	<b>8%</b>
Sporting Goods, Hobby, Musical Instr	\$76,528,820	\$293	80%	\$61,223,056	60%	\$36,733,833	\$195	75%	141,284	
Book & Music Stores	\$13,409,534	\$51	70%	\$9,386,674	60%	\$5,632,004	\$200	75%	21,120	
<b>General Merchandise Stores</b>	<b>\$522,243,588</b>	<b>\$2,003</b>	<b>100%</b>	<b>\$522,243,588</b>	<b>95%</b>	<b>\$496,131,409</b>	<b>\$300</b>	<b>20%</b>	<b>330,754</b>	
<b>Miscellaneous Store Retailers</b>	<b>\$125,889,424</b>	<b>\$483</b>	<b>30%</b>	<b>\$67,953,593</b>	<b>87%</b>	<b>\$59,669,757</b>			<b>245,130</b>	<b>12%</b>
Florists	\$4,634,663	\$18	0%	\$0	100%	\$0	\$226	75%	0	
Office Supplies, Stationery & Gifts	\$62,175,442	\$238	70%	\$43,522,809	95%	\$41,346,669	\$202	75%	153,515	
Used Merchandise Stores	\$10,217,753	\$39	0%	\$0	95%	\$0	\$202	75%	0	
Other Miscellaneous Store Retailers	\$48,861,567	\$187	50%	\$24,430,784	75%	\$18,323,088	\$150	75%	91,615	
<b>Food Service &amp; Drinking Places</b>	<b>\$562,112,989</b>	<b>\$2,156</b>	<b>5%</b>	<b>\$47,832,514</b>	<b>57%</b>	<b>\$26,136,009</b>			<b>81,407</b>	<b>4%</b>
Full-Service Restaurants	\$256,349,926	\$983	10%	\$25,634,993	50%	\$12,817,496	\$308	75%	31,211	
Limited-Service Eating Places	\$221,975,209	\$851	10%	\$22,197,521	60%	\$13,318,513	\$199	75%	50,195	
Special Food Services	\$61,310,892	\$235	0%	\$0	70%	\$0	\$200	75%	0	
Drinking Places	\$22,476,961	\$86	0%	\$0	60%	\$0	\$400	75%	0	
<b>TOTAL</b>	<b>\$3,027,109,439</b>	<b>\$11,608</b>	<b>47%</b>	<b>\$1,422,338,901</b>	<b>79%</b>	<b>\$1,125,078,830</b>			<b>2,011,275</b>	

1 Based on data obtained from Claritas.

2 Estimates via NCG based on ICSC data. Excludes shopping at local establishments outside the area while on destination trips/vacations/near workplace.

3 Based on a fair share capture analysis of competing cores within local trade area.

SOURCE: Noell Consulting Group, Claritas, Inc.



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 58

### Estimated Retail Demand from New Population Growth in Regional Trade Area 2016-2021

Store Type (Excl. General Merch. & Gas)	Demand Potential <sup>1</sup>	Per Capita	% in Regional Ctrs <sup>2</sup>	Sales in Reg Ctrs	% Regional Sales <sup>2</sup>	Regional Sales in Reg Ctrs	Est. Sales/ SF	Capture Rate of Subject Core <sup>3</sup>	Subject Core Capture in SF	Mix By Store Categories
2016 - 2021 Population Growth:				17,600	Median HH Income	\$59,738				
<b>Furniture and Home Furnishings</b>	<b>\$6,896,824</b>	<b>\$392</b>	<b>65%</b>	<b>\$4,524,244</b>	<b>78%</b>	<b>\$3,484,243</b>			<b>14,416</b>	<b>10%</b>
Furniture Stores	\$3,861,494	\$219	70%	\$2,703,046	75%	\$2,027,284	\$156	75%	9,747	
Home Furnishing Stores	\$3,035,330	\$172	60%	\$1,821,198	80%	\$1,456,958	\$234	75%	4,670	
<b>Electronics &amp; Appliance Stores</b>	<b>\$6,490,351</b>	<b>\$369</b>	<b>80%</b>	<b>\$5,192,280</b>	<b>20%</b>	<b>\$1,038,456</b>	<b>\$370</b>	<b>75%</b>	<b>2,105</b>	<b>1%</b>
<b>Bldg Mats., Garden Equip &amp; Supply</b>	<b>\$34,325,801</b>	<b>\$1,950</b>	<b>70%</b>	<b>\$24,028,061</b>	<b>83%</b>	<b>\$19,960,393</b>			<b>43,196</b>	<b>30%</b>
Bldg Materials & Supply Stores	\$29,054,766	\$1,651	70%	\$20,338,336	80%	\$16,270,669	\$389	75%	31,370	
Lawn & Garden Equipment	\$5,271,035	\$299	70%	\$3,689,724	100%	\$3,689,724	\$234	75%	11,826	
<b>Food &amp; Beverage Stores</b>	<b>\$41,686,109</b>	<b>\$2,369</b>	<b>12%</b>	<b>\$2,748,235</b>	<b>83%</b>	<b>\$2,256,191</b>			<b>5,332</b>	<b>4%</b>
Grocery Stores	\$26,845,794	\$1,525	5%	\$1,342,290	80%	\$1,073,832	\$455	75%	1,770	
Specialty Food Stores	\$3,319,647	\$189	25%	\$829,912	80%	\$663,929	\$193	75%	2,580	
Beer, Wine & Liquor Stores	\$11,520,668	\$655	5%	\$576,033	90%	\$518,430	\$396	75%	982	
<b>Health &amp; Personal Care</b>	<b>\$18,523,045</b>	<b>\$1,052</b>	<b>10%</b>	<b>\$1,852,305</b>	<b>80%</b>	<b>\$1,481,844</b>	<b>\$458</b>	<b>75%</b>	<b>2,427</b>	<b>2%</b>
<b>Clothing &amp; Clothing Accessories</b>	<b>\$16,178,727</b>	<b>\$919</b>	<b>80%</b>	<b>\$12,942,981</b>	<b>60%</b>	<b>\$7,765,789</b>			<b>18,154</b>	<b>13%</b>
Clothing Stores	\$8,659,128	\$492	80%	\$6,927,303	60%	\$4,156,382	\$287	75%	10,862	
Shoe Stores	\$1,346,346	\$76	80%	\$1,077,077	60%	\$646,246	\$205	75%	2,364	
Jewelry, Luggage & Leather Goods	\$6,173,253	\$351	80%	\$4,938,602	60%	\$2,963,161	\$451	75%	4,928	
<b>Sporting Gds, Hobby, Book &amp; Music</b>	<b>\$6,463,180</b>	<b>\$367</b>	<b>75%</b>	<b>\$5,074,180</b>	<b>60%</b>	<b>\$3,044,508</b>			<b>11,671</b>	<b>8%</b>
Sporting Goods, Hobby, Musical Instr	\$5,499,539	\$312	80%	\$4,399,631	60%	\$2,639,779	\$195	75%	10,153	
Book & Music Stores	\$963,640	\$55	70%	\$674,548	60%	\$404,729	\$200	75%	1,518	
<b>General Merchandise Stores</b>	<b>\$37,529,640</b>	<b>\$2,132</b>	<b>100%</b>	<b>\$37,529,640</b>	<b>95%</b>	<b>\$35,653,158</b>	<b>\$300</b>	<b>20%</b>	<b>23,769</b>	
<b>Miscellaneous Store Retailers</b>	<b>\$9,046,707</b>	<b>\$514</b>	<b>30%</b>	<b>\$4,883,303</b>	<b>87%</b>	<b>\$4,288,008</b>			<b>17,616</b>	<b>12%</b>
Florists	\$333,058	\$19	0%	\$0	100%	\$0	\$226	75%	0	
Office Supplies, Stationery & Gifts	\$4,468,072	\$254	70%	\$3,127,650	95%	\$2,971,268	\$202	75%	11,032	
Used Merchandise Stores	\$734,271	\$42	0%	\$0	95%	\$0	\$202	75%	0	
Other Miscellaneous Store Retailers	\$3,511,306	\$200	50%	\$1,755,653	75%	\$1,316,740	\$150	75%	6,584	
<b>Food Service &amp; Drinking Places</b>	<b>\$40,394,748</b>	<b>\$2,295</b>	<b>5%</b>	<b>\$3,437,356</b>	<b>57%</b>	<b>\$1,878,194</b>			<b>5,850</b>	<b>4%</b>
Full-Service Restaurants	\$18,421,902	\$1,047	10%	\$1,842,190	50%	\$921,095	\$308	75%	2,243	
Limited-Service Eating Places	\$15,951,655	\$906	10%	\$1,595,166	60%	\$957,099	\$199	75%	3,607	
Special Food Services	\$4,405,943	\$250	0%	\$0	70%	\$0	\$200	75%	0	
Drinking Places	\$1,615,247	\$92	0%	\$0	60%	\$0	\$400	75%	0	
<b>TOTAL</b>	<b>\$217,535,132</b>	<b>\$12,360</b>	<b>47%</b>	<b>\$102,212,585</b>	<b>79%</b>	<b>\$80,850,784</b>			<b>144,535</b>	

1 Based on data obtained from Claritas.

2 Estimates via NCG based on ICSC data. Excludes shopping at local establishments outside the area while on destination trips/vacations/near workplace.

3 Based on a fair share capture analysis of competing cores within local trade area.

SOURCE: Noell Consulting Group, Claritas, Inc.

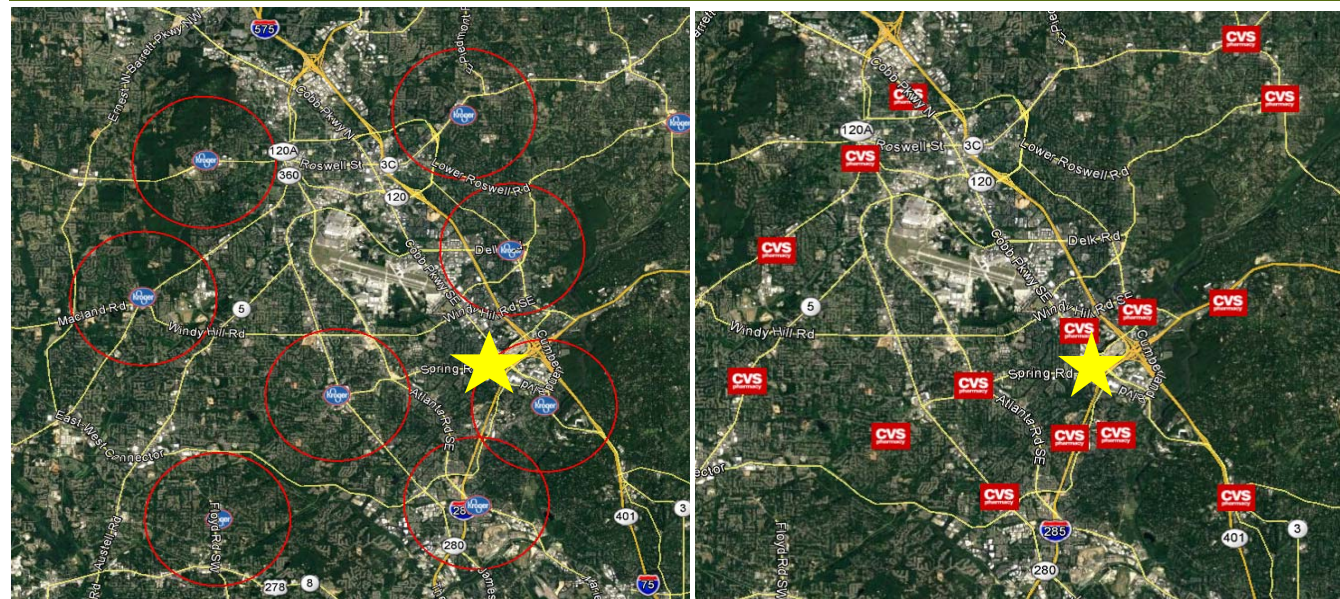
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 59

### Estimated Retail Demand from Additional Non-Local Sources

#### Employees within Local Trade Area

Store Type (Excl. General Merch. & Gas)	Demand Potential <sup>1</sup>	Per Capita	% Sales To/From or While at Work <sup>2</sup>	Est. Sales Near Work	Est. Sales/ SF	Capture Rate of Core <sup>4</sup>	Local Capture
		60,080	*Local Employees, working in within local trade area, assumes avg. salary \$70k				
Grocery Stores	\$107,584,724	\$1,791	11%	\$11,834,320	\$455	95%	24,709
Specialty Food Stores	\$13,303,513	\$221	5%	\$665,176	\$193	95%	3,274
Health & Personal Care	\$74,231,247	\$1,236	13%	\$9,650,062	\$458	95%	20,017
Florists	\$1,334,731	\$22	5%	\$66,737	\$226	95%	281
Office Supplies, Stationery & Gifts	\$17,905,833	\$298	5%	\$895,292	\$202	95%	4,211
Full-Service Restaurants	\$73,825,916	\$1,229	13%	\$9,597,369	\$308	95%	29,602
Limited-Service Eating Places	\$63,926,382	\$1,064	15%	\$9,588,957	\$199	95%	45,776
Drinking Places	\$6,473,114	\$108	5%	\$323,656	\$200	95%	1,537
<b>TOTAL</b>	<b>\$358,585,460</b>	<b>\$5,968</b>		<b>\$42,621,568</b>	<b>\$2,241</b>		<b>129,407</b>



1. Based on data obtained from Claritas.
2. Estimates via NCG based on ICSC data.
3. Assumes the subject site can capture 50% of venue-related dining due to its proximity to the venue.
4. Assumes Subject Site is one of five retail cores for shopping/dining/drinking among local employees within local trade area.

SOURCE: Noell Consulting Group, ICSC, Claritas

The site is on the fringe from a Kroger Grocery Store but you would have to cross over I-285 which can be congested at times. The need for a Grocer near the Spring Rd corridor is very high.

Health and Personal Care stores are scattered throughout the Subject Site area. From the subject site you can reach a CVS in any direction under 5 minutes drive time.



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 60

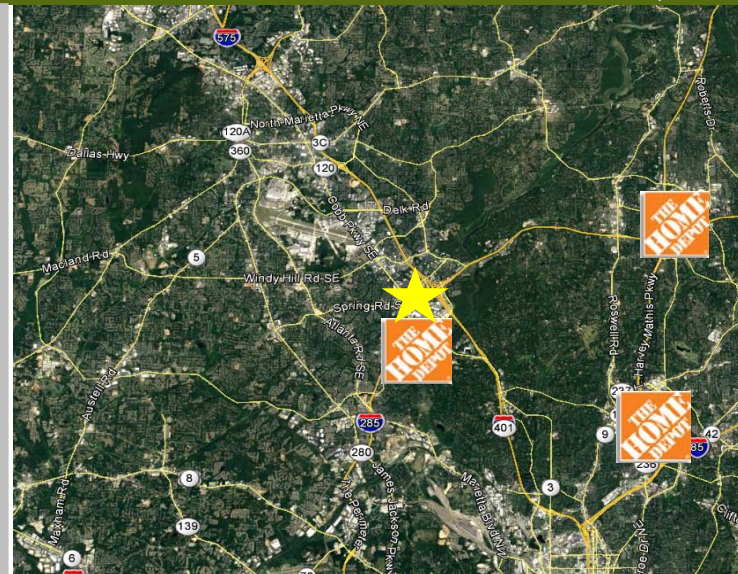
### Estimated Retail Demand from Additional Non-Local Sources

#### Evening & Weekend Destination Demand

Store Type (Excl. General Merch. & Gas)	Demand Potential <sup>1</sup>	Per Capita	% in Non-Regional Ctrs <sup>2</sup>	Sales in Non-Reg Ctrs	% Dest. Sales <sup>2</sup>	Dest. Sales in Non-Reg Ctrs	Est. Sales/ SF	Capture Rate of Core <sup>3</sup>	Spring Road Capture
		157,750	*Population in 2021 aged 25 - 65 w/ HH Incomes \$50k+, living in regional trade area. From Claritas, Inc.						
Home Furnishing Stores	\$25,551,045	\$162	40%	\$10,220,418	20%	\$2,044,084	\$234	10%	874
Specialty Food Stores	\$27,944,393	\$177	75%	\$20,958,295	20%	\$4,191,659	\$193	10%	2,172
Clothing Stores	\$72,891,500	\$462	20%	\$14,578,300	40%	\$5,831,320	\$287	10%	2,032
Shoe Stores	\$11,333,378	\$72	20%	\$2,266,676	40%	\$906,670	\$205	10%	442
Office Supplies, Stationery & Gifts	\$37,611,693	\$238	30%	\$11,283,508	5%	\$564,175	\$202	10%	279
Used Merchandise Stores	\$6,181,009	\$39	100%	\$6,181,009	5%	\$309,050	\$202	10%	153
Other Miscellaneous Store Retailers	\$29,557,752	\$187	50%	\$14,778,876	25%	\$3,694,719	\$150	10%	2,463
Full-Service Restaurants	\$155,073,362	\$983	90%	\$139,566,026	50%	\$69,783,013	\$308	10%	22,657
Limited-Service Restaurants	\$134,279,118	\$851	90%	\$120,851,206	40%	\$48,340,482	\$199	10%	24,292
Drinking Places	\$13,596,953	\$86	100%	\$13,596,953	40%	\$5,438,781	\$400	10%	1,360
<b>TOTAL</b>									<b>56,723</b>



The Subject Site is well situated for Home Furnishing Stores. Even though there is no Lowes around the area, a Home Depot is just south near Vinings off of I-285.



1. Based on data obtained from BLS for business travelers.
2. Estimates via NCG based on ICSC data.

SOURCE: Noell Consulting Group, ICSC, Claritas

# CITY OF SMYRNA

## SPRING ROAD CORRIDOR MARKET ANALYSIS

### Exhibit 61

### Summary of Estimated Retail Demand (By Source) and Supply By Store Type

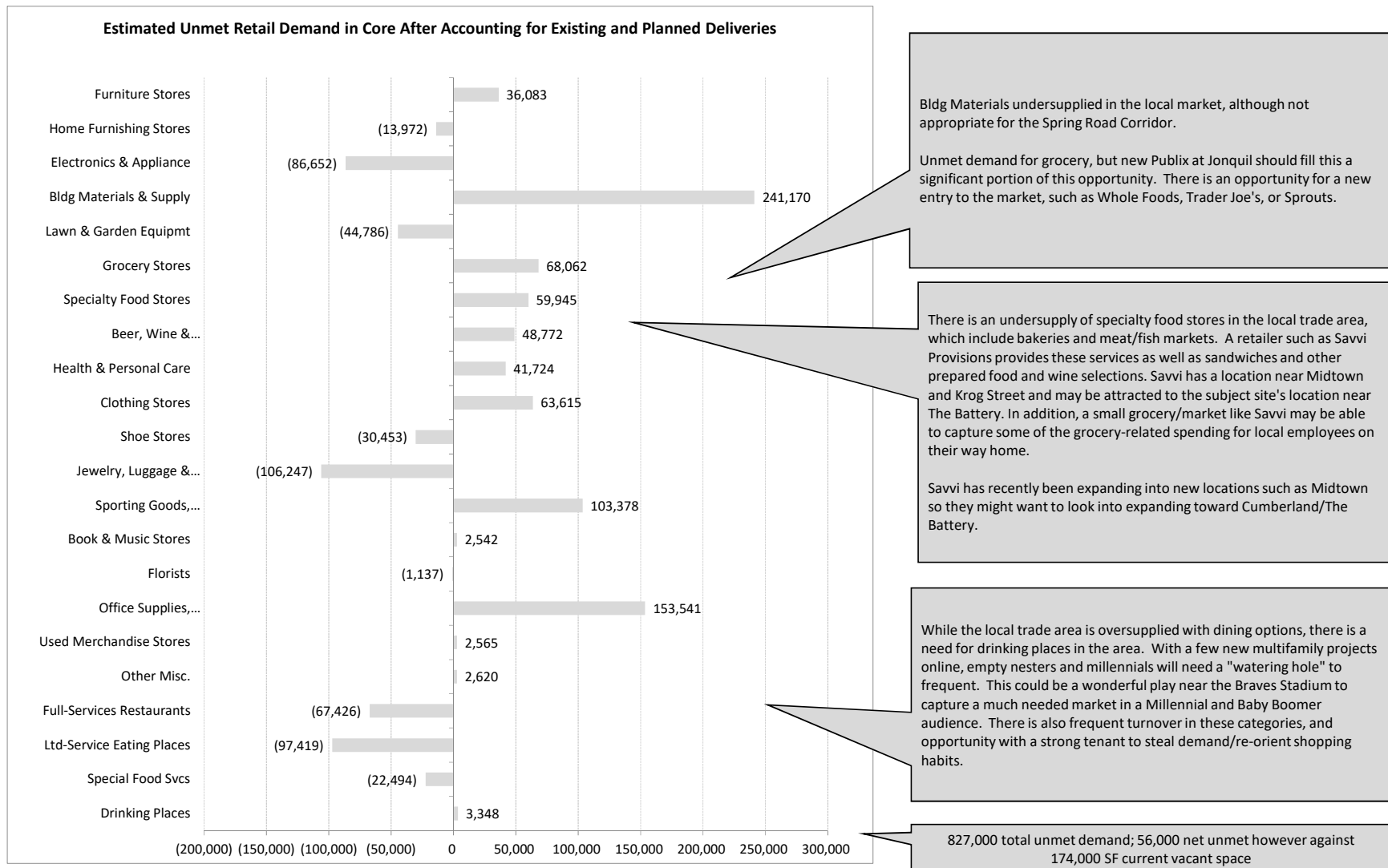
Store Type (Excl. General Merch. & Gas)	Existing Pop. In Regional Trade Area (RTA)	New Pop. Growth in RTA	Existing Pop. in Local Trade Area	New Pop. Growth in LTA (2020)	Weekend Shopping and Dining	Employees in 5 Min Drive	Combined Demand From All Sources	Estimated Existing and Planned Supply	Net Excess Demand
<b>Furniture and Home Furnishings</b>	200,610	14,416	16,908	984	0	0	232,917	211,681	21,237
Furniture Stores	135,628	9,747	9,740	567	0	-	155,681	119,599	36,083
Home Furnishing Stores	64,982	4,670	7,168	417	874	0	78,109	92,082	-13,972
<b>Electronics &amp; Appliance Stores</b>	29,292	2,105	1,253	73	0	0	32,723	119,374	-86,652
<b>Bldg Mats., Garden Equip &amp; Supply</b>	601,097	43,196	42,681	2,483	0	0	689,457	493,073	196,383
Bldg Materials & Supply Stores	436,532	31,370	30,625	1,781	0	-	500,309	259,139	241,170
Lawn & Garden Equipment	164,565	11,826	12,055	701	0	-	189,148	233,934	-44,786
<b>Food &amp; Beverage Stores</b>	74,197	5,332	166,196	9,668	2,172	27,983	285,547	108,768	176,779
Grocery Stores	24,631	1,770	103,670	6,031	0	24,709	160,811	92,749	68,062
Specialty Food Stores	35,902	2,580	17,830	1,037	2,172	3,274	62,796	2,851	59,945
Beer, Wine & Liquor Stores	13,663	982	44,695	2,600	0	-	61,940	13,169	48,772
<b>Health &amp; Personal Care</b>	33,767	2,427	49,682	2,890	0	20,017	108,783	67,058	41,724
<b>Clothing &amp; Clothing Accessories</b>	252,616	18,154	10,524	612	2,474		284,381	357,465	-73,084
Clothing Stores	151,145	10,862	6,228	362	2,032	0	170,628	107,013	63,615
Shoe Stores	32,901	2,364	1,369	80	442	0	37,156	67,608	-30,453
Jewelry, Luggage & Leather Goods	68,571	4,928	2,928	170	0	-	76,597	182,843	-106,247
<b>Sporting Gds, Hobby, Book &amp; Music</b>	162,404	11,671	7,468	434	0	0	181,977	76,057	105,920
Sporting Goods, Hobby, Musical Inst	141,284	10,153	5,947	346	0	-	157,730	54,352	103,378
Book & Music Stores	21,120	1,518	1,521	88	0	-	24,247	21,705	2,542
<b>General Merchandise Stores</b>	330,754	23,769	0	0	0	0	354,523	653,552	-299,029
<b>Miscellaneous Store Retailers</b>	245,130	17,616	35,655	2,074	2,895	4,491	307,862	150,273	157,589
Florists	0	0	2,489	145	0	281	2,915	4,052	-1,137
Office Supplies, Stationery & Gifts	153,515	11,032	11,248	654	279	4,211	180,939	27,398	153,541
Used Merchandise Stores	0	0	5,986	348	153		6,487	3,922	2,565
Other Miscellaneous Store Retailers	91,615	6,584	15,932	927	2,463		117,521	114,901	2,620
<b>Food Service &amp; Drinking Places</b>	81,407	5,850	161,727	9,408	24,017	76,916	359,325	543,315	-183,991
Full-Service Restaurants	31,211	2,243	49,605	2,886	22,657	29,602	138,204	205,630	-67,426
Limited-Service Eating Places	50,195	3,607	79,393	4,618	0	45,776	183,591	281,010	-97,419
Special Food Services	0	0	28,259	1,644	0	-	29,903	52,396	-22,494
Drinking Places	0	0	4,470	260	1,360	1,537	7,627	4,279	3,348
<b>TOTAL</b>	<b>2,011,275</b>	<b>144,535</b>	<b>492,094</b>	<b>28,625</b>	<b>31,558</b>	<b>129,407</b>	<b>2,837,494</b>	<b>2,780,617</b>	<b>56,877</b>

SOURCE: Noell Consulting Group, Claritas, Inc.



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 62 Summary of Retail Demand



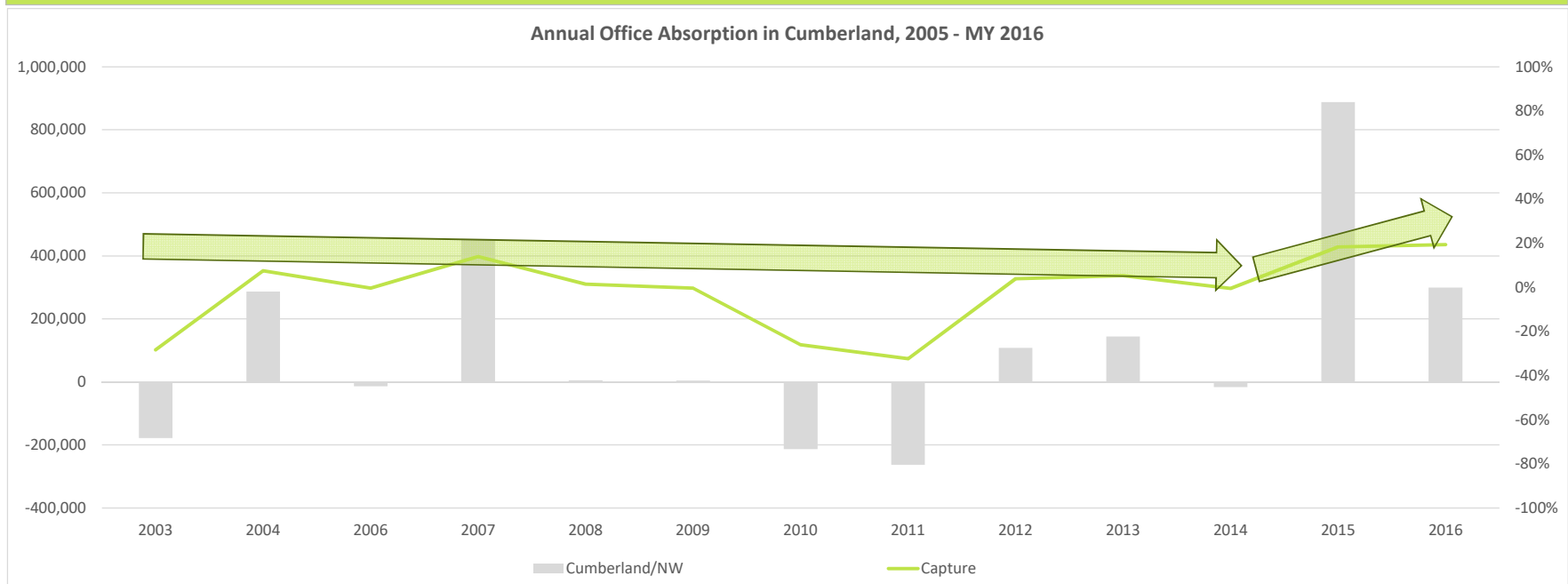
SOURCE: Claritas, Inc.

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 63  
Historic Office Absorption by Submarket--All Classes

Core	2006	2007	2008	2009	Annual Absorption		2012	2013	2014	2015	2016	Average			Total '03 - '16
					2010	2011						'03 - '07	'08 - '11	'12- '16	
Cumberland/NW	-14,220	453,902	5,027	3,967	-213,417	-262,676	108,381	143,844	-16,521	887,868	299,398	167,159	-116,775	284,594	1,791,667
Buckhead / Lenox	559,720	416,921	-187,387	-46,622	324,683	706,930	448,683	745,335	531,901	570,586	124,892	266,436	199,401	484,279	4,551,183
Midtown	835,816	232,328	-81,308	146,400	180,930	-144,941	752,769	62,893	493,695	822,506	622,759	635,720	25,270	550,924	6,034,305
Central Perimeter	878,930	766,116	-109,576	-780,046	17,801	-232,636	1,820,396	890,136	922,641	888,264	145,874	461,829	-276,114	933,462	5,871,999
North Fulton	1,175,952	368,967	73,859	-289,616	9,750	369,319	-256,068	181,383	421,295	886,596	-5,475	664,839	40,828	245,546	4,715,237
<b>Total, Five Cores</b>	<b>3,436,198</b>	<b>2,238,234</b>	<b>-299,385</b>	<b>-965,917</b>	<b>319,747</b>	<b>435,996</b>	<b>2,874,161</b>	<b>2,023,591</b>	<b>2,353,011</b>	<b>4,055,820</b>	<b>1,187,448</b>	<b>2,195,984</b>	<b>-127,390</b>	<b>2,498,806</b>	<b>22,964,391</b>
<b>Atlanta Metro</b>	<b>3,794,202</b>	<b>3,243,255</b>	<b>343,226</b>	<b>-1,238,862</b>	<b>821,275</b>	<b>811,388</b>	<b>2,767,061</b>	<b>2,691,066</b>	<b>3,327,820</b>	<b>4,828,378</b>	<b>1,546,254</b>	<b>3,048,562</b>	<b>184,257</b>	<b>3,032,116</b>	<b>31,140,417</b>

From 2000 through 2014 the Cumberland/Northwest submarket significantly underperformed relative to its major Atlanta competitors, posting around 406,000 square feet (SF) of absorption during the period; by far the lowest of the five submarkets examined. The announcement of the Braves' relocation to Cumberland and the investment occurring with that stadium as well as Atlanta's strong office market overall have led to significant improvements in the core's health, in terms of both absorption overall (more than 1M SF of absorption in the last 18 months) and capture of Atlanta's market growth (captures increasing to 18% to 30% of total Metro absorption). Indeed, Cumberland's absorption over the past 18 months is in line with that seen in Midtown and North Fulton, and exceeds that seen in Buckhead and even Central Perimeter; a very encouraging trend. This momentum should be maintained in the near-term, with more than 1.25M SF of space under construction in the core. Longer-term, however, Cumberland will need to increase its competitiveness and ability to attract new firms via a greater sense of walkability and livability, missing from the core today.



SOURCE: Noell Consulting Group based on data obtained from Colliers International.

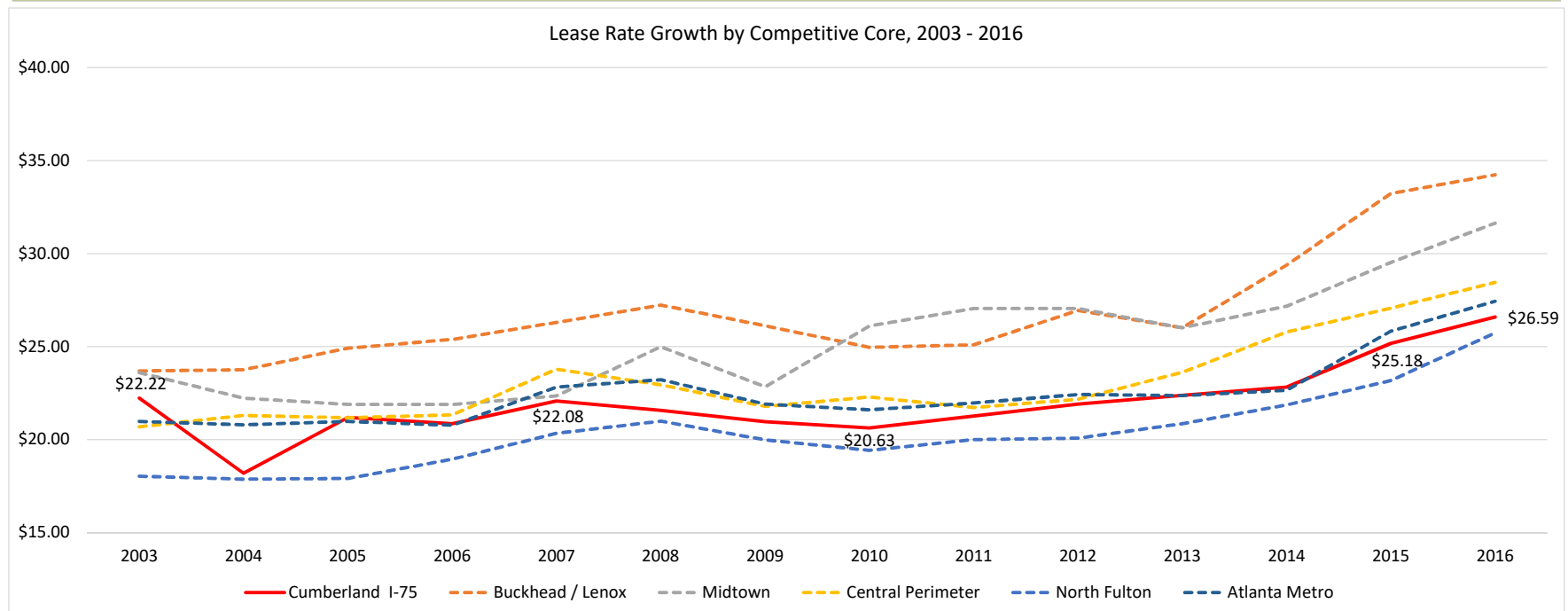
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 64

### Class A Lease Rate Growth by Core and the Atlanta MSA--2003 - 2016

Core	Average Class Asking Lease Rates														Average Annual Change			
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	'03 - '07	'08 - '11	'12 - '16	'03 - '16
Cumberland I-75	\$22.22	\$18.19	\$21.19	\$20.85	\$22.08	\$21.57	\$20.96	\$20.63	\$21.27	\$21.91	\$22.38	\$22.82	\$25.18	\$26.59	-0.2%	-0.9%	5.0%	1.0%
Buckhead / Lenox	\$23.69	\$23.75	\$24.92	\$25.39	\$26.30	\$27.23	\$26.12	\$24.96	\$25.09	\$26.95	\$26.02	\$29.38	\$33.24	\$34.24	2.8%	-1.2%	7.3%	3.1%
Midtown	\$23.60	\$22.22	\$21.89	\$21.89	\$22.35	\$24.99	\$22.84	\$26.11	\$27.05	\$27.05	\$26.02	\$27.17	\$29.52	\$31.64	-1.3%	5.3%	3.4%	1.9%
Central Perimeter	\$20.69	\$21.30	\$21.18	\$21.32	\$23.78	\$22.95	\$21.79	\$22.29	\$21.72	\$22.17	\$23.62	\$25.78	\$27.07	\$28.45	3.7%	-2.2%	6.2%	2.4%
North Fulton	\$18.03	\$17.87	\$17.91	\$18.95	\$20.34	\$20.99	\$19.99	\$19.42	\$20.00	\$20.07	\$20.86	\$21.86	\$23.18	\$25.74	3.2%	-0.4%	5.7%	2.2%
<b>Average, Five Cores</b>	<b>\$21.65</b>	<b>\$20.67</b>	<b>\$21.42</b>	<b>\$21.68</b>	<b>\$22.97</b>	<b>\$23.55</b>	<b>\$22.34</b>	<b>\$22.68</b>	<b>\$23.03</b>	<b>\$23.63</b>	<b>\$23.78</b>	<b>\$25.40</b>	<b>\$27.64</b>	<b>\$29.33</b>	<b>1.5%</b>	<b>0.1%</b>	<b>5.5%</b>	<b>2.1%</b>
<b>Atlanta Metro</b>	<b>\$20.97</b>	<b>\$20.80</b>	<b>\$20.97</b>	<b>\$20.77</b>	<b>\$22.82</b>	<b>\$23.22</b>	<b>\$21.91</b>	<b>\$21.60</b>	<b>\$21.97</b>	<b>\$22.42</b>	<b>\$22.36</b>	<b>\$22.65</b>	<b>\$25.83</b>	<b>\$27.44</b>	<b>2.2%</b>	<b>-0.9%</b>	<b>5.0%</b>	<b>1.8%</b>

From 2003 through 2014, Cumberland's Class A lease rates have remained largely flat, showing nearly zero growth during the period. Since that time, the submarket's lease rate growth has been significant, trending sharply upward along with the other cores examined and the Atlanta market overall. Surprisingly, Cumberland's office lease rate growth since 2012 has exceeded that of Midtown and North Fulton, and has been in line with the average of the five cores examined. Again, strong construction in the core should allow lease rates to continue their upward trend in the next few years.



SOURCE: Noell Consulting Group based on data obtained from Colliers International

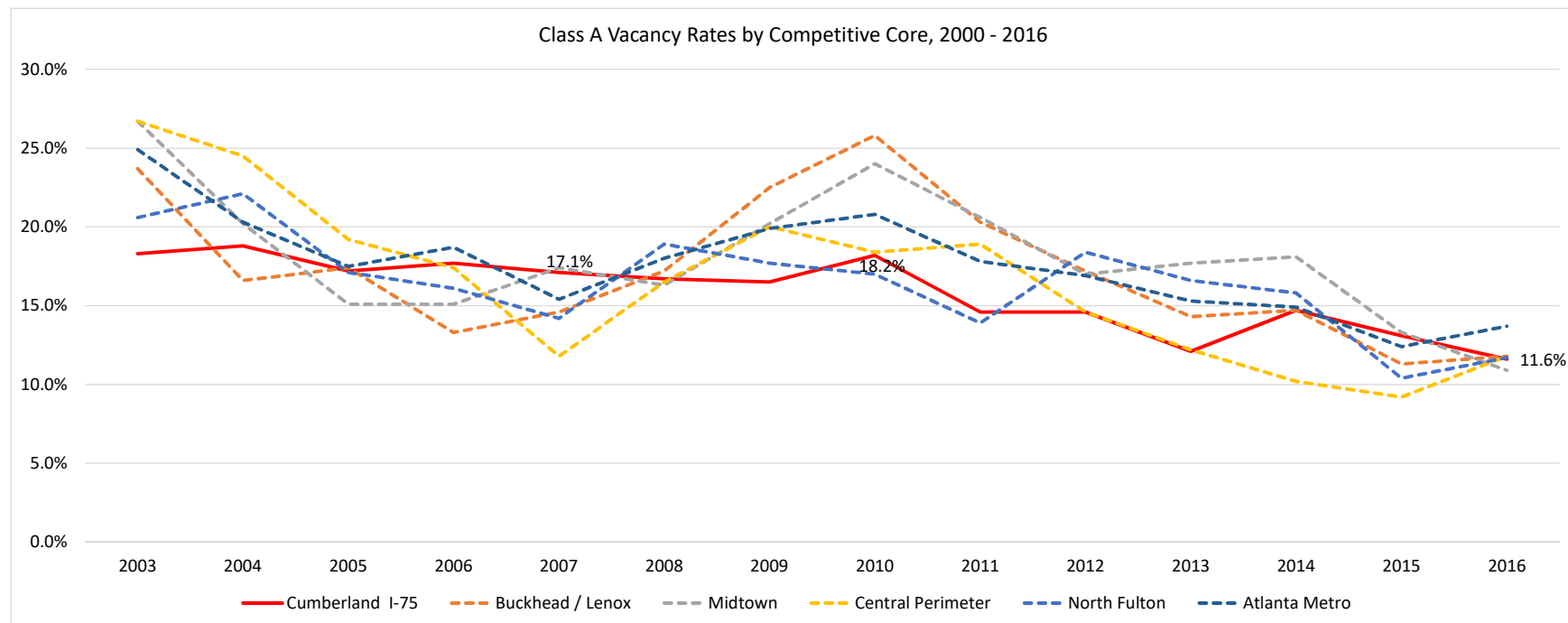
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 65

### Class A Vacancy Rates by Core, 2003 - MY 2015

Core	Class A Vacancy Rates (Direct & Sublease)														Average Annual Change			
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	'03 - '07	'08 - '11	'12 - '16	'00 - '16
Cumberland I-75	18.3%	18.8%	17.2%	17.7%	17.1%	16.7%	16.5%	18.2%	14.6%	14.6%	12.1%	14.7%	13.1%	11.6%	17.8%	16.5%	13.2%	15.8%
Buckhead / Lenox	23.7%	16.6%	17.4%	13.3%	14.6%	17.2%	22.5%	25.8%	20.3%	17.2%	14.3%	14.7%	11.3%	11.8%	17.1%	21.5%	13.9%	17.2%
Midtown	26.7%	20.2%	15.1%	15.1%	17.4%	16.3%	20.2%	24.0%	20.6%	17.0%	17.7%	18.1%	13.3%	10.9%	18.9%	20.3%	15.4%	18.0%
Central Perimeter	26.7%	24.5%	19.2%	17.4%	11.8%	16.5%	20.0%	18.4%	18.9%	14.6%	12.2%	10.2%	9.2%	11.8%	19.9%	18.5%	11.6%	16.5%
North Fulton	20.6%	22.1%	17.1%	16.1%	14.2%	18.9%	17.7%	17.0%	13.9%	18.4%	16.6%	15.8%	10.4%	11.7%	18.0%	16.9%	14.6%	16.5%
<b>Average, Five Cores</b>	<b>23.2%</b>	<b>20.4%</b>	<b>17.2%</b>	<b>15.9%</b>	<b>15.0%</b>	<b>17.1%</b>	<b>19.4%</b>	<b>20.7%</b>	<b>17.7%</b>	<b>16.4%</b>	<b>14.6%</b>	<b>14.7%</b>	<b>11.5%</b>	<b>11.6%</b>	<b>18.4%</b>	<b>18.7%</b>	<b>13.7%</b>	<b>16.8%</b>
<b>Atlanta Metro</b>	<b>24.9%</b>	<b>20.3%</b>	<b>17.5%</b>	<b>18.7%</b>	<b>15.4%</b>	<b>18.0%</b>	<b>19.9%</b>	<b>20.8%</b>	<b>17.8%</b>	<b>16.9%</b>	<b>15.3%</b>	<b>14.9%</b>	<b>12.4%</b>	<b>13.7%</b>	<b>19.4%</b>	<b>19.1%</b>	<b>14.6%</b>	<b>17.6%</b>

With strong absorption and little in terms of deliveries over the past few years, vacancy rates in Cumberland and the other competitive cores have finally come down to more sustainable levels, with Cumberland's vacancy rate (direct and sublet) dropping to 12.7% by midyear 2016, well below its historic average of 15.9% and its second lowest rate since 2000. This vacancy rate places the core slightly higher than its competitive peers, but below the average for Metro Atlanta overall.



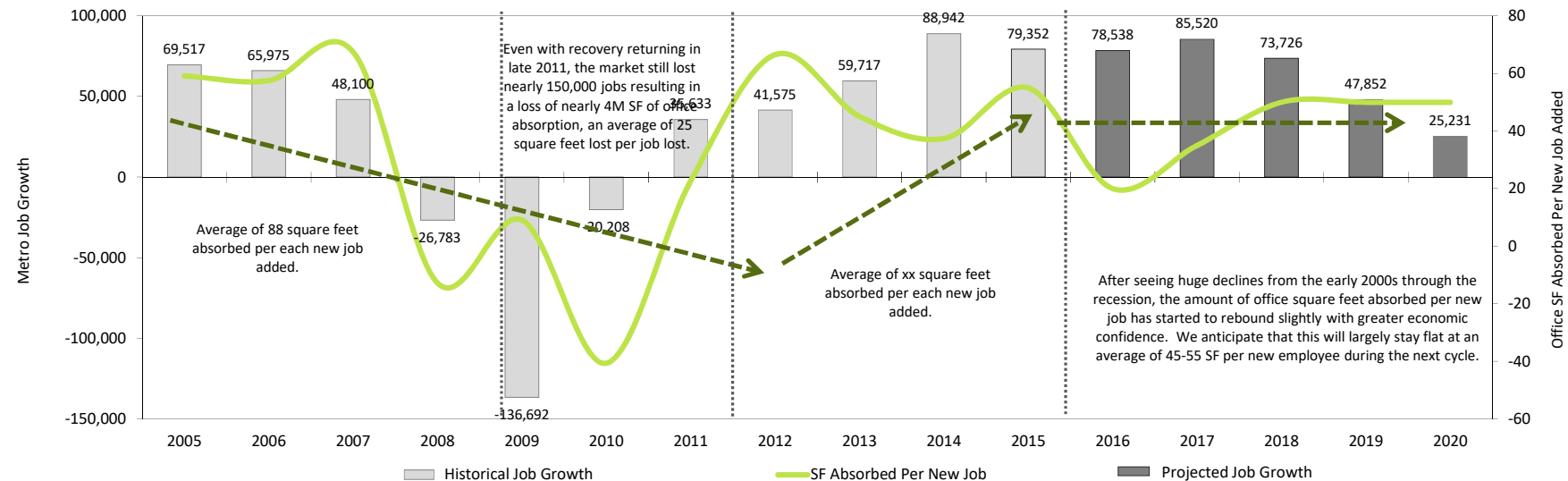
SOURCE: Noell Consulting Group based on data obtained from Colliers International



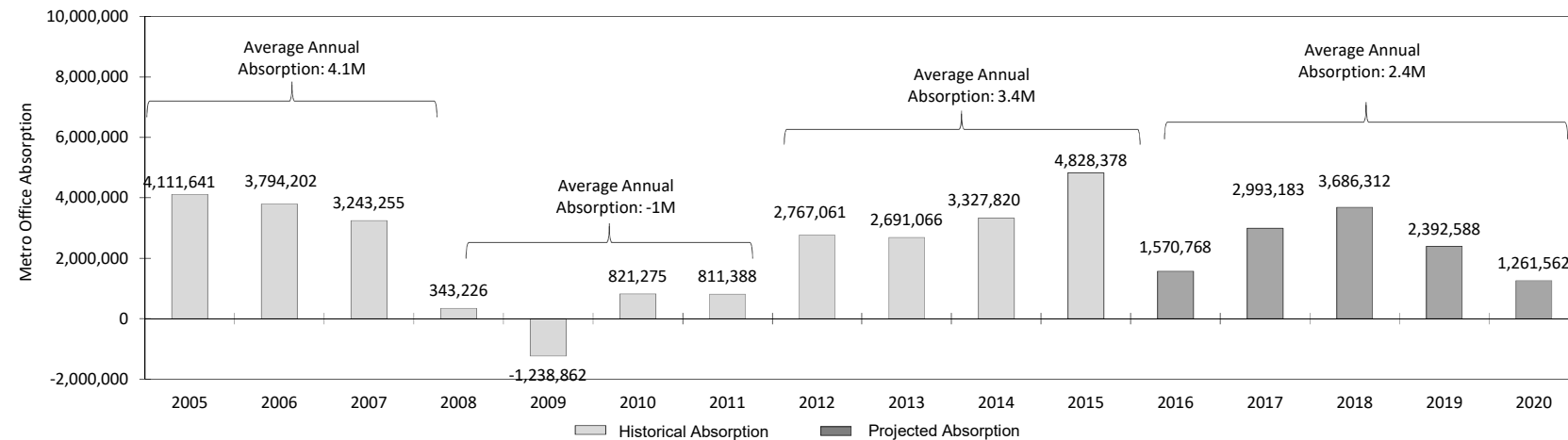
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 66  
Historical and Projected Job Growth to Office Absorption Relationship in Atlanta

## METRO JOB GROWTH



## METRO OFFICE ABSORPTION



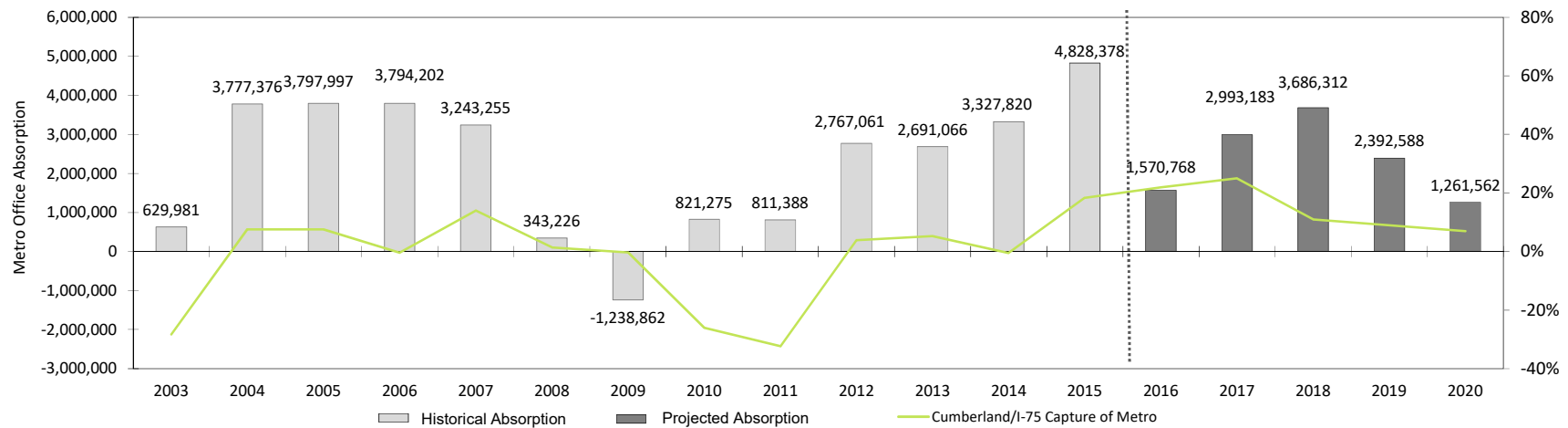
SOURCE: Noell Consulting Group, Economy.com | Moody's Analytics, and Colliers International



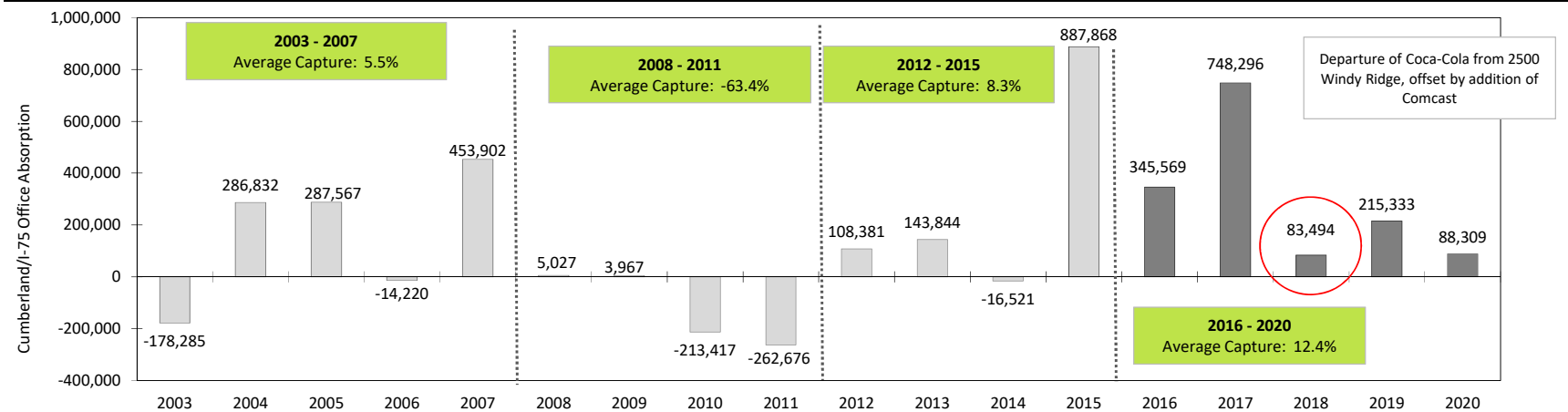
# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 67  
Historical and Projected Metro and Cumberland/I-75 Office Absorption Relationship

## METRO OFFICE ABSORPTION



## CUMBERLAND/I-75 OFFICE ABSORPTION



SOURCE: Noell Consulting Group, Economy.com | Moody's Analytics, and Colliers International



# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 68

Cumberland Area Office Market Pipeline & Demand

	PROJECT NAME	SF	2016	2017	2018	2019	2020
Known Projects--Under Construction	Battery at SunTrust Park	92,000		92,000			
	3400 Overton	172,096		86,048	86,048		
	Riverwood 200	308,000		154,000	154,000		
	Encore Center	222,000		111,000	111,000		
	Comcast Tower	260,000		260,000			
	Genuine Parts	150,000	150,000				
Other Potential Projects	1511 Concord Rd	20,000			20,000		
	1050 Windy Hill	30,000			30,000		
	500 Galleria Parkway	500,000					250,000
	Encore Center 100	350,000				350,000	
	Two Overton Park	390,000				130,000	130,000
	Two City View	450,000					225,000
	1100 Overton	154,000					154,000

Total Projects Leasing	1	5	5	2	4
Space Delivering & Leasing	150,000	703,048	401,048	480,000	759,000
Matriculation Factor	100%	100%	100%	50%	50%
Competitive Supply After Matriculation	150,000	703,048	401,048	240,000	379,500
PMA Forecasted Office Absorption	345,569	748,296	83,494	215,333	88,309
PMA Excess Cumulative Demand	195,569	240,817	-76,737	-101,404	-392,595

A significant amount of office development is on the boards for the Cumberland/Smyrna area, enough to more than satisfy demand in the coming five years. Development beyond these buildings above is likely five or more years away. Worth noting is that most of these buildings, particularly the buildings planned in the future (not currently under construction), are located in stand-alone or non-mixed-use positions, something redevelopment in the Spring Road corridor could take advantage of with the provision of more dynamic, mixed-use environments.

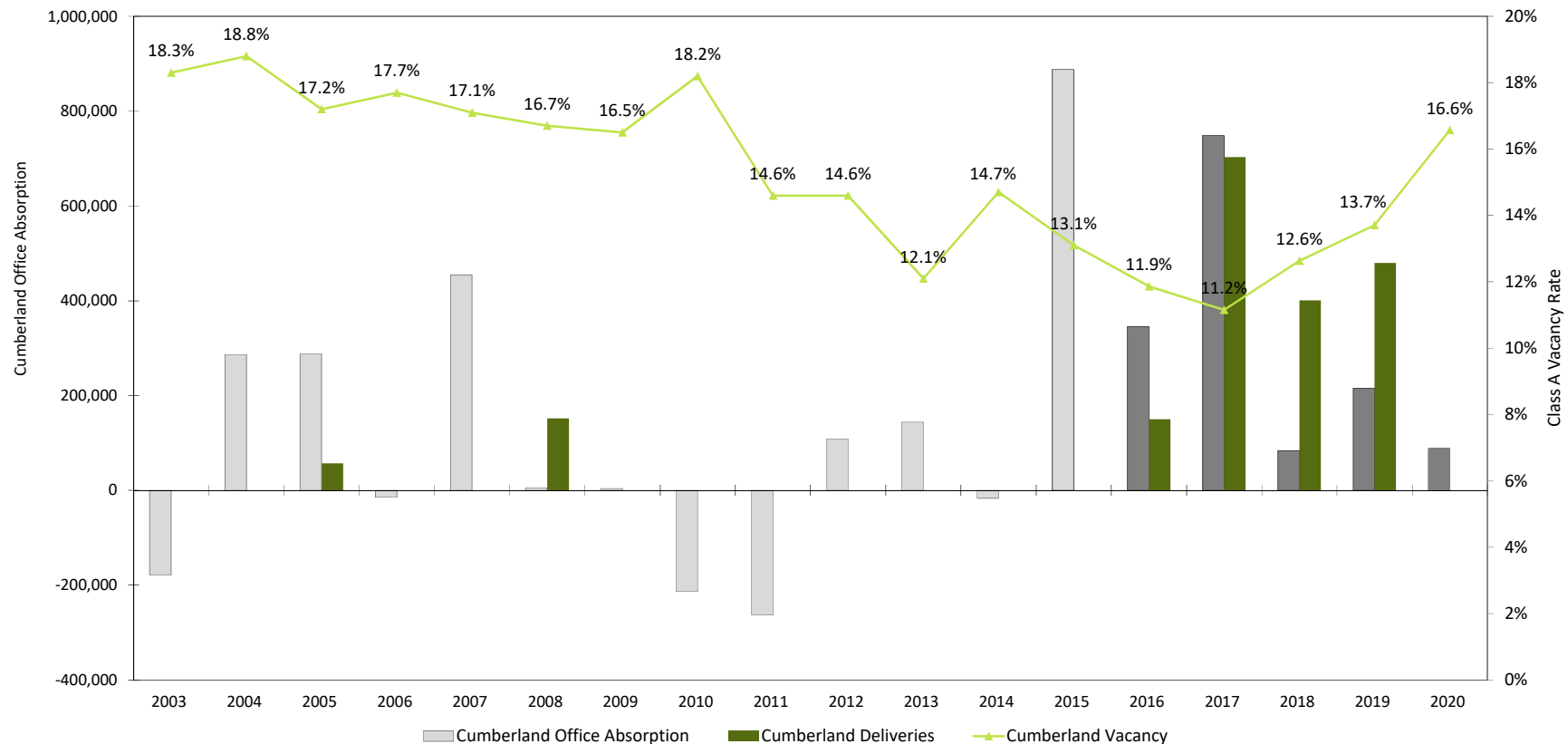
SOURCE: Noell Consulting Group, CoStar

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 69

### Cumberland/I-75 Absorption & Vacancy Rate Trends through 2020

Given improving economic conditions in Metro Atlanta and the anticipated continuing demand for office space, we believe Cumberland will see vacancy rates remain steady in the coming years. Absorption in the area will be energized in part by the delivery of three new office buildings (200 Riverwood, 1100 Overton and Comcast's new building and the opening of the Braves stadium in 2017 & 2018, although Coca-Cola's departure from 322,000 SF of space in Wildwood will offset this somewhat. By 2020 we believe vacancy rates in the area will again be in line with more historic norms, exceeding 16% at year-end.



SOURCE: Noell Consulting Group, Economy.com | Moody's Analytics, and Colliers International





# CITY OF SMYRNA

## SPRING ROAD CORRIDOR MARKET ANALYSIS

### Exhibit 70

### Small Service-Oriented Office & Retail Space Demand, 2016

Industry Code	Industry Code Description	County Firms Less Than 20 Empls	Countywide SF	Countywide Approx. SF Per Capita	Local Firms Less Than 20 Empls	Approx. SF Per Capita	Potential Unmet Demand	Average Tenant Size	Estimated Tenants	Estimated Demand By SF	Capture, Study Area
<b>Typical Office Users</b>										<b>135,174</b>	<b>35,972</b>
531	Real Estate	849	1,230,390	1.74	91	2.16	0	2,000	0	0	0
532	Rental and Leasing Services	168	475,230	0.67	12	0.61	3,198	2,000	2	3,198	0
523	Securities, Financial Investments	268	381,145	0.54	13	0.24	16,303	2,000	8	16,303	4,891
524	Insurance Carriers and Related Act.	526	965,650	1.36	29	0.91	24,609	2,000	12	24,609	7,383
5414	Specialized Design Services	134	199,640	0.14	9	0.13	664	2,500	0	0	0
6115	Technical and Trade Schools	16	49,600	0.07	1	0.01	3,021	3,500	1	3,021	0
6116	Other Schools and Instruction	165	361,305	0.51	10	0.77	0	3,500	0	0	0
6211	Office of Physicians	461	1,340,750	1.89	55	1.48	22,159	2,000	11	22,159	6,648
6212	Office of Dentists	341	761,360	1.07	30	1.37	0	2,000	0	0	0
6213	Office of Other Health Practitioners	407	577,685	0.81	47	1.13	0	2,000	0	0	0
6214	Outpatient Care Centers	61	347,665	0.49	4	0.11	20,716	2,000	10	20,716	6,215
6215	Medical and Diagnostic Laboratories	24	46,965	0.07	3	0.04	1,269	2,500	1	1,269	0
6216	Home Health Care Services	38	206,615	0.29	2	0.12	9,147	2,500	4	9,147	2,744
8122	Death Care Services	25	69,130	0.10	5	0.17	0	2,000	0	0	0
52231	Mortgage and Non Mortgage Loan Brokers	23	25,730	0.04	1	0.01	1,194	2,000	1	1,194	0
54111	Offices of Lawyers	455	660,455	0.23	13	0.24	0	2,500	0	0	0
54194	Veterinary Services	54	352,470	0.50	10	0.00	26,974	2,000	13	26,974	8,092
541211	Offices of CPAs	188	222,890	0.16	8	0.14	934	2,500	0	0	0
541213	Tax Preparation Services	66	145,545	0.21	13	0.70	0	2,000	0	0	0
541380	Testing Laboratories	12	45,105	0.06	1	0.04	1,282	2,000	1	1,282	0
541519	Computer Related Services	69	69,285	0.10	5	0.00	5,302	2,000	3	5,302	0
<b>Typical Retail Users</b>										<b>46,709</b>	<b>15,718</b>
5172	Wireless Telecommunication Carriers	30	281,358	0.40	1	0.16	13,006	1,500	9	13,006	3,902
6244	Child Day Care Facilities	127	1,702,848	2.40	20	3.03	0	4,500	0	0	0
8123	Dry Cleaning and Laundry Services	142	343,686	0.48	14	0.66	0	1,500	0	0	0
52211	Commercial Banking	193	1,357,104	1.91	20	2.22	0	2,500	0	0	0
52212	Savings Institutions	6	16,758	0.02	1	0.00	1,282	2,500	1	1,282	641
52213	Credit Unions	20	94,668	0.13	0	0.00	7,245	2,500	3	7,245	3,622
71394	Fitness and Other Rec. Centers	63	439,236	0.62	10	0.98	0	10,000	0	0	0
81211	Hair, Nail, and Skin Care Services	262	880,824	1.24	28	1.26	0	1,500	0	0	0
81219	Other Personal Services	66	328,986	0.46	11	0.00	25,177	1,500	17	25,177	7,553
<b>Total, Office and Retail Users</b>			<b>13,980,078</b>	<b>18.72</b>	<b>467</b>	<b>18.70</b>	<b>183,481</b>		<b>97</b>	<b>181,884</b>	<b>51,691</b>

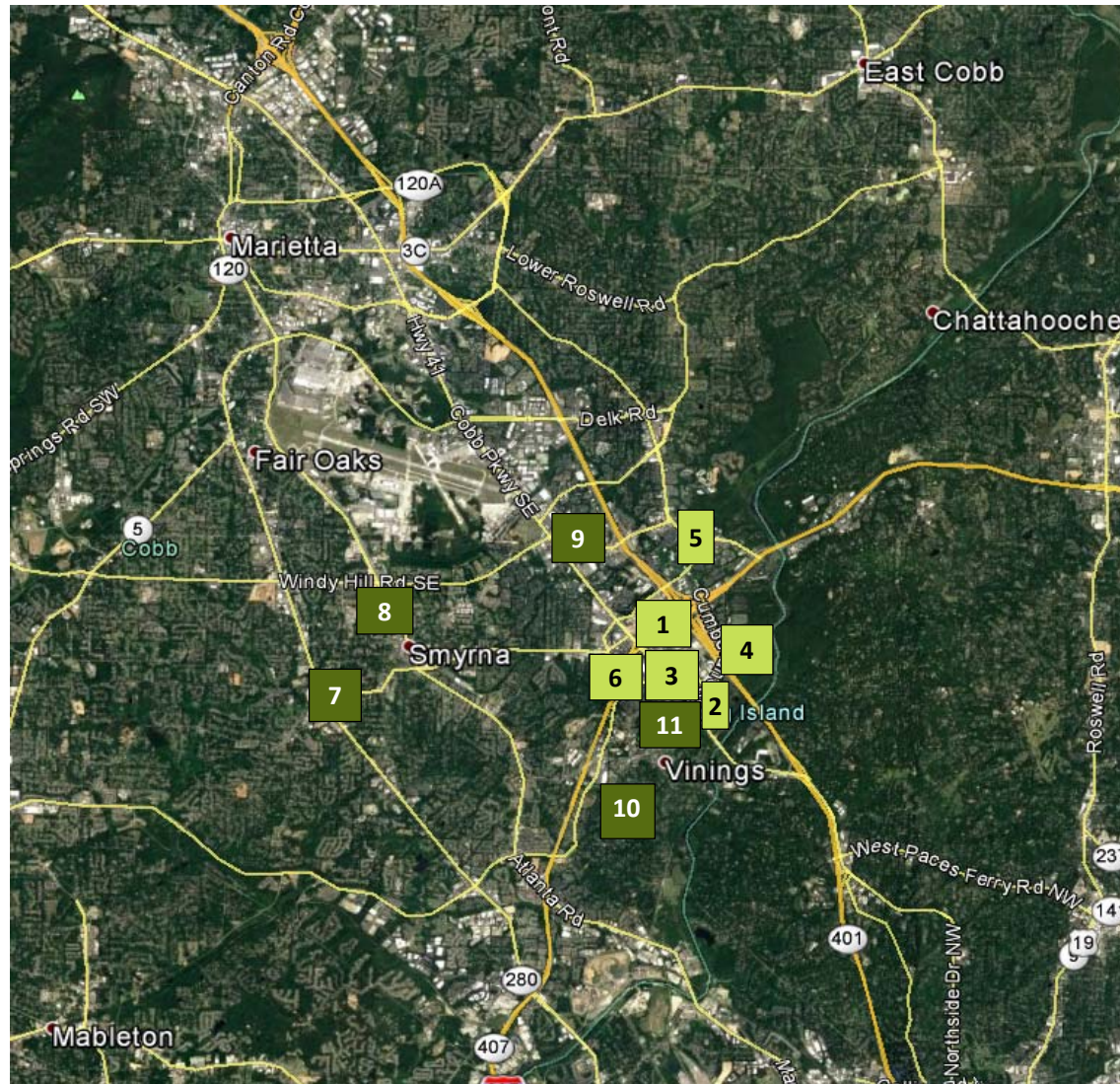
Many of the tenants with unmet demand in nearby zip codes would be good fits for the subject site. In particular, there is demand for a 5,000 SF Telecommunication store, a dry cleaner, a fitness center, and a credit union.

SOURCE: Noell Consulting Group, US Census for Atlanta Metro and ZIP Code 30214.

Page 72

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 71  
Map of Select Retail Comparables



SOURCE: Noell Consulting Group







GE/Ret

<u>Subject Site</u>	<u>Sqft</u>	<u>\$/SF</u>
1 600 Cobb Galleria Parkway	425,312	\$29.00
2 3330 Cumberland Blvd	250,000	\$26.00
3 400 Galleria Parkway	470,484	\$29.00
4 3625 Cumberland Boulevard	387,267	\$27.00
5 2018 Powers Ferry Rd	219,668	\$24.00
6 3225 Cumberland Boulevard	233,500	\$25.50
7 1161 Concord Rd	10,000	\$15.50
8 1290 W Spring St	15,439	\$17.00
9 2251 Corporate Plaza Pkwy	20,000	\$17.00
10 2802 Powers Ferry Rd	15,940	\$22.50
11 3250 Riverwood Plwy	55,000	\$24.50
<b>Average Class A Comps</b>	<b>331,039</b>	<b>\$26.75</b>
<b>Average Class B Comps</b>	<b>23,276</b>	<b>\$19.30</b>
<b>Average, All Comps</b>	<b>191,146</b>	<b>\$23.36</b>

# CITY OF SMYRNA

## SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 72 (Page 1 of 2)  
Summary of Select Area Office Buildings

Photo	Center Name	Built	Total Square Feet	Avail. Square feet	% Leased	Current Lease Rates (NNN)		Current Tenants / Typical Tenants	Comments	
	600 Galleria Parkway	2002	425,312	108,044	75%	\$28.00 - \$30.00		Comcast, Balfour Beatty, Starwood, PRGX	Class A office building in the heart of the Cumberland corridor. Good access to major highways	
	3330 Cumberland Boulevard	2000	250,000	29,305	88%	\$24.00	\$28.00	Numerex, HLB, Buckhead Capital	Class A office building off of I-75 and I-285.	
	400 Galleria Parkway	1999 Reno 2006	470,484	78,915	83%	\$28.00 - \$30.00		Ultimate Software, Regus Ingenious Medical	Renovated class A office building in the heart of the Cumberland corridor.	
	3625 Cumberland Boulevard	2002	387,267	59,202	85%	\$24.00	\$30.00	Gas South, Lincoln Financial	Class A office building in the Cumberland corridor .	
	2018 Powers Ferry Road	2001	219,668	6,187	97%	\$23.00 - \$25.00		GE, Omni Insurance	Class A office building located just north of I-285 and east of I-75 across from the Cumberland corridor.	
	3225 Cumberland Boulevard	1998	233,500	25,849	89%	\$24.00 - \$27.00		Race Trac Petroleum, Aerotek, Medtronic	Older Class A office building in the heart of the Cumberland office core.	
	Total Average Class A	2001	331,039	51,250	86%	\$	25.17	\$ 28.33	Large corporations	Class A space is leasing at a slower rate due to higher lease rates and traffic in the area.



# CITY OF SMYRNA

## SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 72 (Page 2 of 2)  
Summary of Comparable Retail Centers

Photo	Center Name	Built	Total Square Feet	Avail. Square feet	% Leased	Current Lease Rates (NNN)	Current Tenants / Typical Tenants	Comments
	1161 Concord Road-Laurel Commons	2007	10,000	0	100%	\$15.00 - \$16.00	Tax Correct, REF Media Solutions	Newer class B office building close to downtown Smyrna. Fully leased.
	1290 W Spring Street Smyrna Market Village	2002	15,439	0	100%	\$17.00 - \$17.00	Zucca Pizzeria, Little Gym, Snap Fitness	Fully leased Class B office space in Smyrna Village.
	2251 Corporate Plaza Windy Mill	2006	20,000	0	100%	\$17.00 - \$17.00	Inzones, Bluewave Computing	Class B office space adjacent to I-75 just north of the Battery and Braves Stadium. Fully leased.
	2802 Paces Ferry Road-Morgan Building	2000	15,940	3,985	75%	\$20.00 \$25.00	Carnrow, Fortius Financial	Class B office space in-between downtown Vinings and I-285
	3250 Riverwood Parkway	2007	55,000	0	100%	\$24.00 - \$25.00	Delta Credit Union, CarSolutions	Class B office space just south of Cumberland Mal and Akers Mill Square. Fully leased.
<div> <div>Total Average Class B</div> <div>2004</div> <div>23,276</div> <div>797</div> <div>95%</div> <div>\$ 18.60</div> <div>\$ 20.00</div> <div>Small Local businesses</div> <div>Class B spaces is leasing well due to cheaper rates and good neighborhood locations.</div> </div>								

SOURCE: Noell Consulting Group, The Costar Group

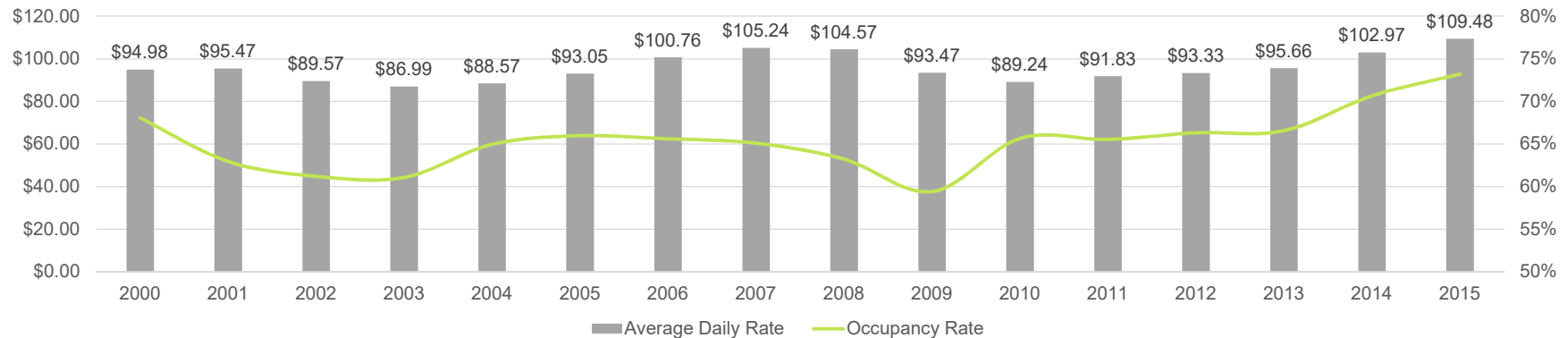


# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 73

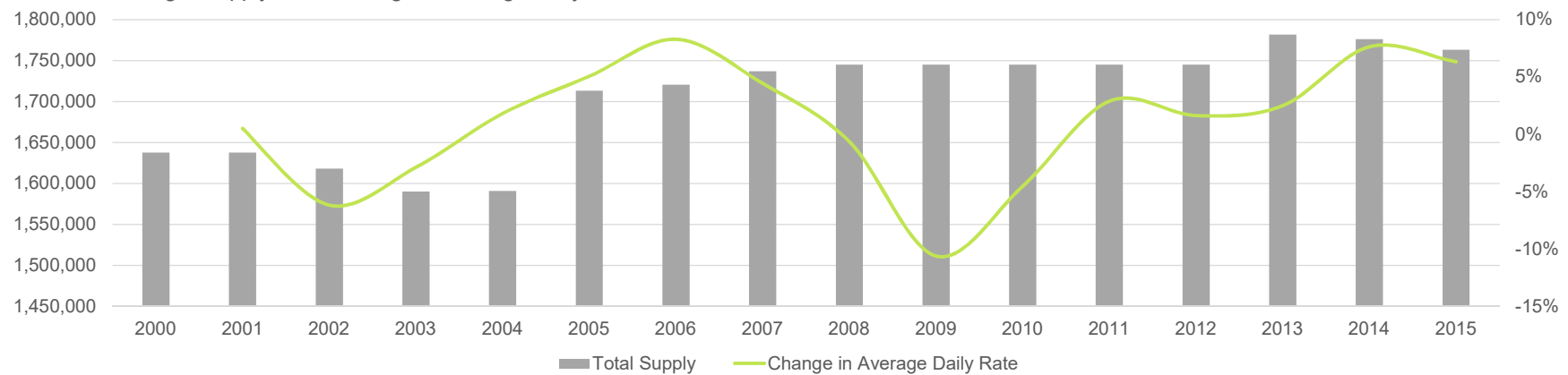
### Key Lodging Trends in Cumberland/Galleria, 2000 - 2015

Occupancy Rates and Average Daily Rates (ADRs), 2000 - 2015



The Cumberland lodging market has shown solid growth since the recession in 2009, with demand increasing by more than 4% annually on average. This growth has resulted in occupancy rates increasing to more than 73%, it's highest level this century. Average Daily Rates (ADRs), have also increased significantly to their highest rate to date (not factoring in inflation) further indicating the strength of the local hotel market. Office growth in the area and the addition of the Braves stadium will further demand and should result in higher ADRs in the coming years. In response to this, though, four new hotels have been announced in the area.

Total Room Night Supply vs. % Change in Average Daily Rates



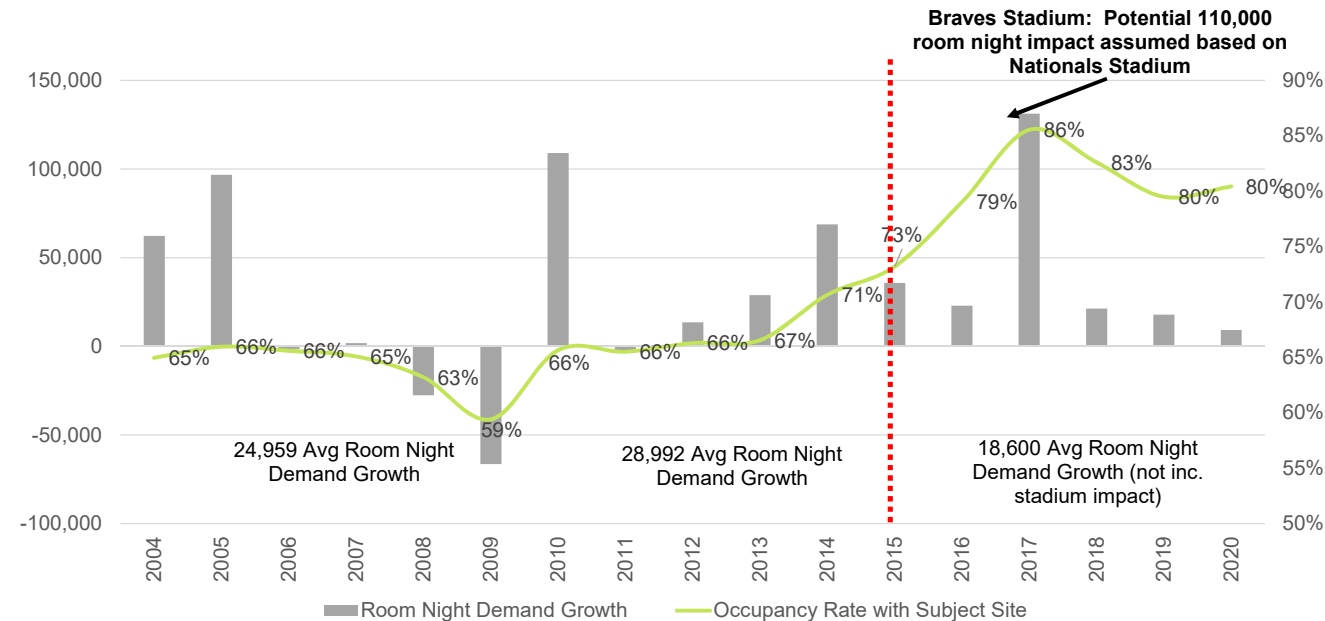
SOURCE: Noell Consulting Group based on data obtained from Smith Travel Research

# CITY OF SMYRNA SPRING ROAD CORRIDOR MARKET ANALYSIS

## Exhibit 74

### Cumberland -Area Lodging Demand Analysis, 2001 - 2025

	2001	Avg. 2001-2010	Avg 2010-2015	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cumberland Higher-End Emp. Growth <sup>1</sup>	-	619	1,956	1,682	1,466	1,353	1,362	1,140	592	353	563	692	615	625
New Room Nights Supported Per New Job	0.00	17.29	3.77	21.31	15.73	15.73	15.73	15.73	15.73	15.73	15.73	15.73	15.73	15.73
Growth in Room Night Demand from Empl.	-	19,449	42,341	35,840	23,058	21,271	21,415	17,927	9,316	5,554	8,855	10,879	9,665	9,837
Total Room Nights Demanded	1,030,980	1,070,201	1,196,452	1,290,874	1,313,932	1,445,204	1,466,618	1,484,545	1,493,862	1,499,415	1,508,271	1,519,149	1,528,814	1,538,651
Existing Room Night Supply	1,637,755	1,684,302	1,759,461	1,763,295	Additional Room Nights from Planned Deliveries									
The Omni at The Battery	260	rooms			0	94,900	94,900	94,900	94,900	94,900	94,900	94,900	94,900	94,900
Overton Hotel or Cobb Galleria Hotel	350	rooms				0	63,875	127,750	127,750	127,750	127,750	127,750	127,750	127,750
0	-	rooms						0	0	0	0	0	0	0
Expected Room Night Supply					1,763,295	1,858,195	1,922,070	1,985,945	1,985,945	1,985,945	1,985,945	1,985,945	1,985,945	1,985,945
Estimated Occupancy Rate	63%	64%	68%	73%	75%	78%	76%	75%	75%	76%	76%	76%	77%	77%
Rooms Supportable to Maintain 70% Occupancy						565	474	369	406	428	462	505	543	581



Since the 2009 recession, lodging demand growth in the Cumberland area has been quite steady, with occupancies recovering from a low of 59% in 2009 to 73% in 2015. Continued strong employment growth in Cumberland, combined with the impacts of the Braves stadium, will push occupancies sharply upward. To date, only one new hotel is known to be moving forward--the 260-room Omni at The Battery--with two others potentially moving forward (both large, 350-room hotels). For this analysis, only one hotel of the two is assumed.

Nationals Stadium in Washington, DC, also a newer stadium, is estimated to generate around 113,000 room nights from visiting fans, teams, etc. Assuming a comparable number at this location, total room night demand is expected to grow markedly, creating potential for an additional 406 rooms by 2020, assuming a goal of maintaining 70% occupancy--a healthy number in the hotel industry.

SOURCE: Noell Consulting Group based on data obtained from Smith Travel Research, Moody's, Economic Research Associates.



# CITY OF SMYRNA

## SPRING ROAD CORRIDOR MARKET ANALYSIS

Exhibit 75  
Development Product Matrix

Land Use	Local Market Indicators		Spring Road Corridor Positioning, 2016	Notes/Comments
For-Sale Attached Townhomes	Improving regional market and strong capture rates in Cobb and Smyrna	↑	High-intensity area that should support townhome product well. Local schools may affect which buyers are drawn to the area	Capture may depend on meeting multiple buyers markets - singles, couples, and empty nesters, who want/need different product types. Stadium traffic may also be a deterrent, so creating a residential feel and self-serving retail core will be key.
For Sale Detached Single Family	Recovering metro market, and both Cobb and Smyrna returning to a more equalized relationship to the broader market	↔	Land availability may be challenging, and local school districts are also not ideal for many SFD buyers.	Seeing new products with smaller yards/setbacks do well, but most SFD buyers are still traditional families who will likely be turned off by the traffic and density of the Stadium District.
Rental Apartments	Major metro markets reaching saturation over next two years, including SE Cobb.	↔	Well positioned for local workers, historically undersupplied, and potential for a differentiated product	Potential for some niche products (targeting empty nesters, for example) but short term supply will be a challenge. Long term trends could be good if Stadium District can feel different than the rest of the multifamily core.
Retail	Cumberland improving, with some major merchandise segments undersupplied.	↑	Local competition is challenging - combination of Cumberland Mall, Akers Mill, and Battery will capture lots of traffic. Unmet demand but need to differentiate	Large-scale projects under construction at Jonquil and the Battery will meet some of this demand. Stadium core is more regional in context than Jonquil but could also serve an evolving neighborhood market.
Office	Metro trends very strong, Cumberland rebounding well but short term supply generally met	↔	Broad strengths but may be tough to compete with established cores and Braves/Battery access	Longer term trends are more positive, especially with an opportunity to create a sense of place. Will likely perform best by focusing on local demographic audiences and workforce - long term competition from transit-rich cores is a looming challenge.
Lodging	Strong metro market and local trends, with upward occupancy and rates	↑	Very well - good access to Braves and highway	Good target for early phases of redevelopment.

SOURCE: Noell Consulting Group.