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CUMBERLAND GROWTH

IN FULL SWING





OVERVIEW

Cumberland has solidified itself as a coveted enclave for corporate expansion, buoyed by The Battery, the 2.3-million-square-foot (msf) mixed-use development surrounding the Atlanta Braves' Truist Park that opened in 2017. Office demand in Cumberland has grown in tandem with new boutique shopping destinations, market-exclusive entertainment experiences, chef-driven restaurants, hotels, residences, and new office towers. Cumberland's new ecosystem

of amenities has become a linchpin for attracting and retaining Atlanta's top talent. Beyond access to talent, expanding companies are attracted to Cumberland Community Improvement District's (CID) ample free parking, a robust infrastructure network comprised of four major interchanges, and connectivity to Chattahoochee River National Recreation Area, of which nearly 800 acres are in Cumberland.





FAST-GROWING AREA

**Rendering of the Cumberland Sweep*

The Cumberland CID – a 6½-square-mile area encompassing the intersections of I-75, I-285 and U.S. Highway 41 – is trending younger and more diverse than in years past. **Population in the Cumberland CID has increased 50% since 2000, nearly twice the rate of Cobb County.** Of the more than 30,000 residents that now live in the CID, almost **40% are Millennials, the largest generation in the area and more than double that of the metro.** The population is expected to increase to nearly 40,000 people in subsequent years as new development spurs in-migration. There are 15 buildings totaling 4.5 msf of development currently planned or under construction in Cumberland, including office, retail, hospital, and multifamily projects. Private investment in The Battery alone has already surpassed \$1 billion and it is projected to grow another \$700 million by 2025. Cumberland officials continue to invest heavily in new mobility and transportation infrastructure to encourage development, including the Akers Mill Ramp that will provide additional direct access into the I-75 NW Express Lanes System.

Development Flocks to Silver Comet Trail and The Battery

Since its 2017 opening, The Battery has welcomed a wave of new development, including the Omni and Aloft Hotels, The Coca-Cola Roxy, and new multi-use projects with a mix of retail and residential space. Unique retailers including Baseballism, DressUp, Mizuno, and Sugarboo & Co., have been drawn to the 400,000 square feet (sf) of retail currently at The Battery. A few miles west of The Battery, small businesses and housing developments continue cropping up near the Silver Comet Trail. That trend is poised to persist as the Path Foundation is working with Cobb County officials to link the Silver Comet to the BeltLine's Westside Connector near fast-growing English Avenue. Cumberland is also home to the four-mile Bob Callan Trail in the Chattahoochee River National Recreation Area. The multi-use trail traverses the Cumberland CID and provides a critical connection point to Cumberland's business district.

Cumberland CID Prepares for Historic Growth

Nearly 625,000 sf of additional retail space is planned in the Cumberland CID, along with thousands of apartments that could yield nearly 10,600 new residents. Moreover, officials are planning the Cumberland Sweep, a \$100 million, three-mile loop designed to improve connectivity throughout Cumberland's core by marrying walking and biking/cycling lanes with an autonomous shuttle system. The project will connect a number of the area's coveted destinations, including The Battery, Truist Park, Cumberland Mall, Cobb Galleria Centre, Cobb Energy Performing Arts Centre, and the Chattahoochee River National Recreation Area. Pending the approval of additional grants, the CID expects construction on the portion along Galleria Drive to start next October and wrap up by 2027.

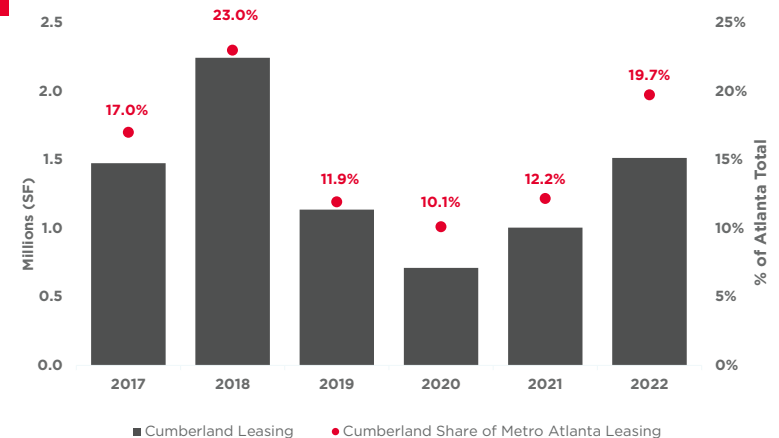
OFFICE LEASING ACCELERATES

The Cumberland area recorded 1.5 msf of new leasing activity within office assets in 2022, a 50.6% increase compared to 2021 and up 14.5% from the five-year average. An impressive 19.7% of all new leasing activity in Metro Atlanta last year occurred in Cumberland. The largest lease of 2022 came from Truist Financial Corporation, which is expected to bring over 1,000 high-wage jobs to The Battery along with a 250,000-sf build-to-suit office building. Site preparations are underway and the project is slated to officially break ground in the coming months, with construction completion expected in Q4 2024. Truist will be the fourth Fortune 500 company to establish a global or business unit headquarters at The Battery, joining Comcast, TKE and Papa John's. Southwire is also expanding at The Battery, where it will open a 23,000-sf office.

Second-generation product has also recorded an influx in activity. A few miles northeast of The Battery, Graphic Packaging signed a 246,298-sf renewal and expansion last year at RiverEdge Summit, marking the second largest lease in Metro Atlanta during 2022. Substantial renovations are planned to accommodate the Fortune 500 tenant's expanded footprint. Southeast of The Battery, the Galleria buildings have witnessed an upsurge in leasing in the years since Piedmont Office Realty assembled them in 2019. In 2022 alone, the Galleria office park recorded 316,800 sf of total transactions, a five-year high. Similarly, the Circle 75 office park has seen an uptick in leasing velocity with more than 155,000 sf of deals signed since the start of 2022. Building enhancements to both office parks have helped spur demand in recent years. SK Commercial, the owner of Circle 75, is demolishing the obsolete 1000 Circle 75 office building and plans to replace it with a 502-unit residential tower with retail space. The redevelopment could include a second phase comprised of 500 hotel rooms and up to 400,000 sf of office space. The recently renovated Pennant Park, located less than one mile northeast of Truist Park, also remains active. Since Rubenstein Partners took ownership of the office park in April 2016, it has attracted 786,774 sf of total leasing activity.

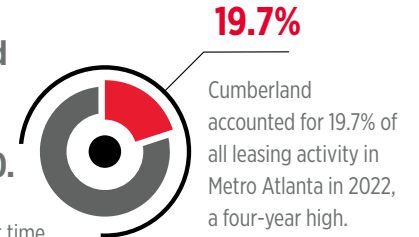


New Leasing Activity *Cumberland*



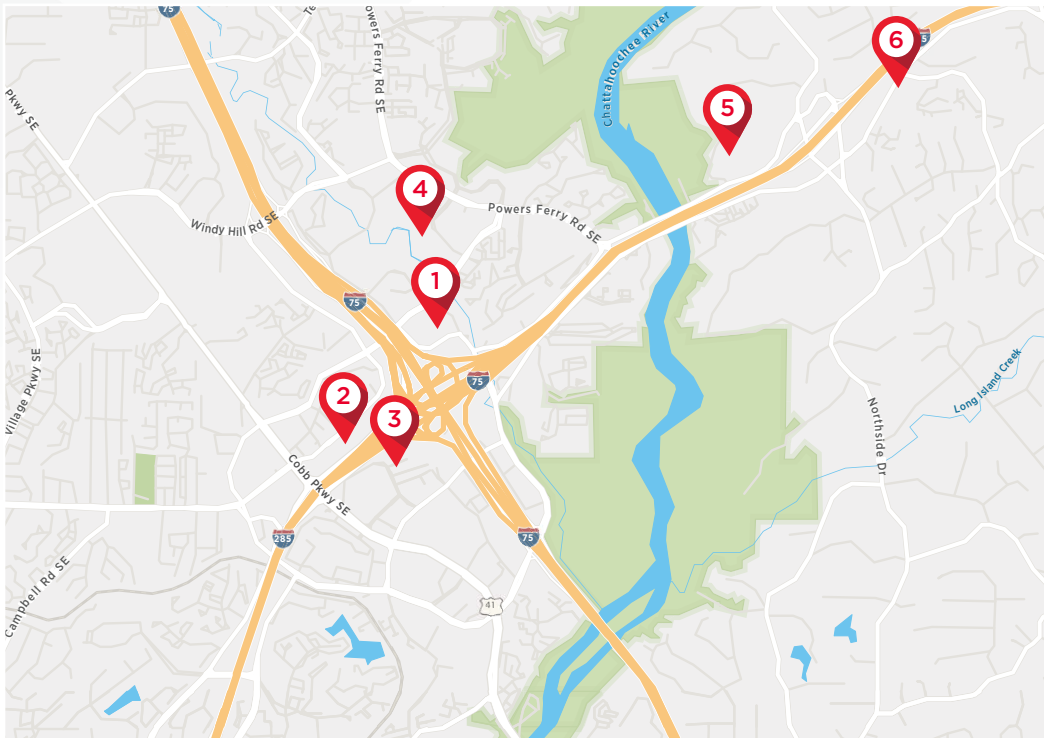
Cumberland has registered more than 1.0 msf of leasing activity every year since 2017, excluding 2020.

That ranks it among the most active submarkets in Metro Atlanta during that time.



OFFICE RENTS PUSH HIGHER

From 2017 to 2022, direct asking rents in Cumberland have increased 24.0% to \$28.19 per square foot (psf). However, it remains an affordable option compared to other coveted areas of the region. Cumberland rental rates finished last year 11.2% below the Metro average, a surprising cost advantage given the strong tenant requirements in the area and the rash of newly delivered or renovated office product since 2017. Steady rental gains have persisted this year with asking rates increasing 1.8% year-over-year (YOY) to \$28.27 psf in Q1 2023 and 1.3% YOY to \$28.36 psf in Q2 2023.

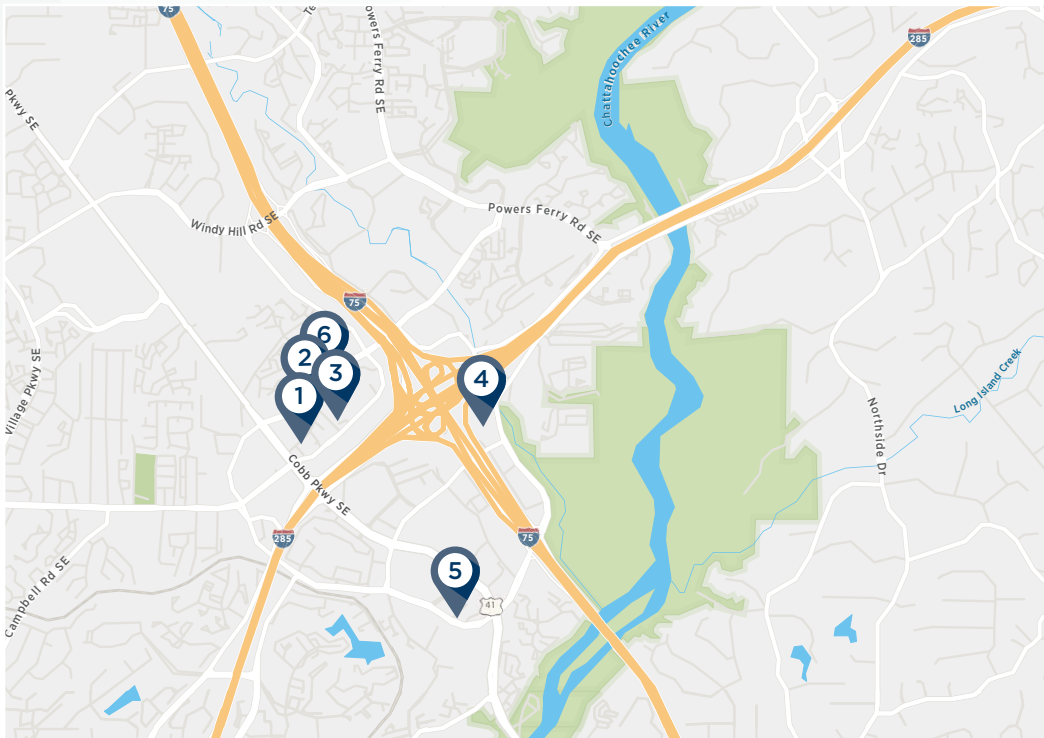


Recent Office Improvements

- 1 Pennant Park**
 - Extensive outdoor collab. and rec. space
 - Bike share program
 - New lobbies and building systems
 - New café
 - Renovated fitness center
 - Activation programming
- 2 900 Circle 75**
 - Renovations to the front lobby
 - A new tenant lounge and amenity center
 - New high-tech conference facility
 - Fitness center
 - Elevator modifications
 - Upgraded corridors and restrooms on all 17 floors
- 3 Galleria**
 - Lobby renovations
 - Starbucks
 - Athletic club renovation
 - Outdoor activation
 - Concierge service
 - Flexible training rooms
 - Outdoor sports/fitness
 - Branded shuttle to retail
 - Ultrafast 1 gigabit wifi
 - Bike share
 - Amazon lockers
 - EV charging stations
 - Improved wayfinding
- 4 Pace on Parkwood at 1300 Parkwood Circle**
 - A new lounge/café
 - Conference and training facilities
 - Fitness center
 - Modernized restrooms
 - Cosmetic lobby updates
 - Modernized elevators
 - Outdoor patio
- 5 Riveredge Place at 2000 Riveredge Parkway**
 - A fitness center with showers and lockers
 - A fully renovated deli
 - Parking deck terrace upgrade
 - New spec suites
 - Updated restrooms
 - Minor mechanical updates
- 6 The Dupree at 6120 Powers Ferry Road NW**
 - A new tenant lounge with an outdoor patio
 - A conference facility with a catering kitchen
 - A reinvigorated fitness center with showers and locker rooms

OFFICE DELIVERIES

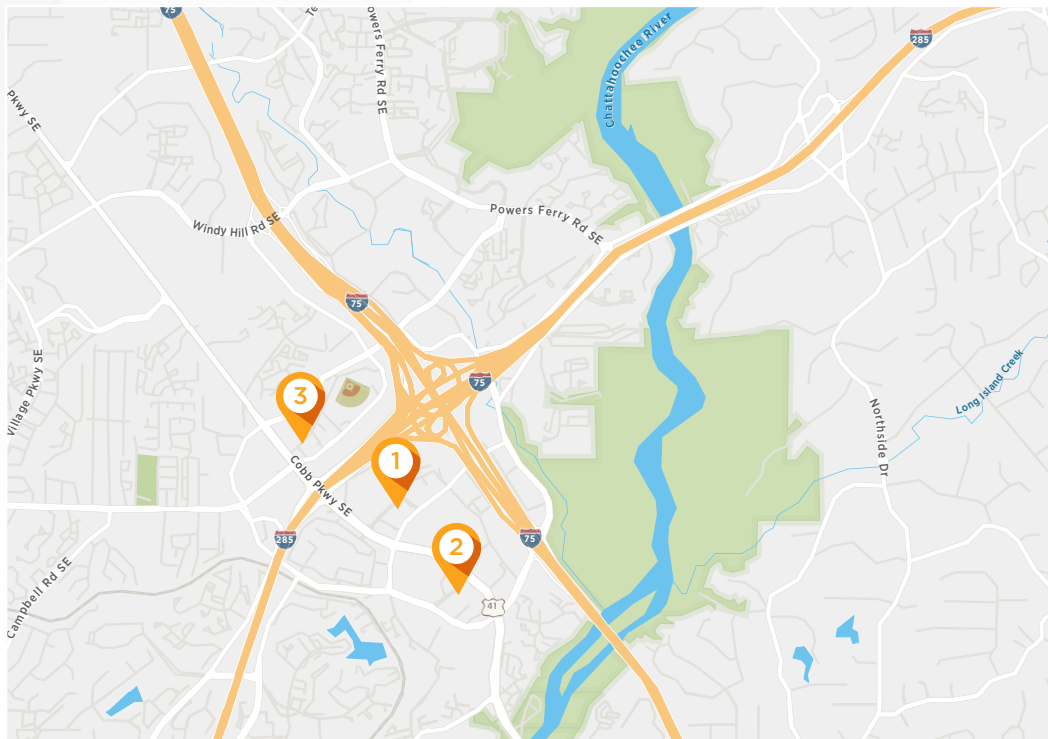
Cumberland has experienced an upswing in new office development as tenants across a wide swath of industries flock to buildings with the newest and most modern of amenities to attract and retain top talent.



- 1 3 Ballpark Avenue**
 332,486 sf
 Date Built: Q2 2021
 Major Tenants: TK Elevator, Papa John's
 Developer: Braves Development Company
- 2 4 Ballpark Avenue**
 39,000 sf
 Date Built: Q3 2020
 Major Tenants: Southwire, DCO Commercial
 Developer: Braves Development Company
- 3 One Ballpark Center at 2605 Circle 75 Parkway**
 260,000 sf
 Date Built: Q4 2017
 Major Tenants: Comcast
 Developer: Pope & Land Real Estate
- 4 3400 Overton Park Drive**
 172,906 sf
 Date Built: Q3 2017
 Major Tenants: Synovus Financial Group, McGriff Seibels & Williams, Mozley Finlayson Loggins
 Developer: TPA Group LLC
- 5 200 Riverwood at 3300 Riverwood Parkway**
 300,000 sf
 Date Built: Q2 2017
 Major Tenants: Delta Community Credit Union, Bennett Thrasher, United Technologies Corporation
 Developer: Highwoods Properties, Inc.
- 6 Two Ballpark Center at 800 Battery Avenue SE**
 92,000 sf
 Date Built: Q2 2017
 Major Tenants: Spaces
 Developer: Fuqua Development, LLP

PROPOSED BUILDINGS

An expanding amenity base, proximity to the city, and relatively strong affordability compared to in-town markets are poised to maintain Cumberland's position as one of the most active office leasing environments in the Atlanta metro.



Sources: Cushman & Wakefield Research; Cumberland Community Improvement District; Atlanta Business Chronicle; CoStar



Additional **transportation and infrastructure improvements**, such as the new Akers Mill Ramp, position the area to accommodate a growing roster of commuters and residents alike.



The Braves, a centerpiece of Cumberland's appeal, will only aid the area's growth in subsequent years, helping insulate Cumberland's office market from the impacts of rising interest rates.



500 Galleria Parkway SE

500,000 sf
Developer: Piedmont Office Realty Trust, Inc.



200 CityView

450,000 sf
Developer: Pope & Land Real Estate



Truist Build-to-Suit

250,000 sf
Developer: Braves Development Company



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