



U.S. ECONOMIC UPDATE

The arrival of the COVID-19 pandemic has created an economic shock that has likely pushed the global economy and the U.S. into recession. Policies initiated to “flatten the curve” of potential infection include the voluntary and mandated shutdown of large sectors and regions of the economy. Retail establishments, restaurants, passenger transportation, schools and leisure activities have almost all grinded to a halt while customers self-quarantine and practice social distancing.

RECORD-SETTING LAYOFFS, DECLINING EMPLOYMENT

Over the last two weeks (ending on March 28th), a cumulative 10 million people have applied for unemployment benefits—by far the largest number of applications in history since record-keeping began in 1967. Initial unemployment claims are a highly reliable leading indicator of trends in labor markets and therefore the economy at large. Given the size of the increase, along with other high-frequency data trends that are similarly bleak, it is widely believed that the U.S. economy has entered a recession. This was reinforced in early April when the Labor Department reported that payroll employment in the U.S. fell by 701,000 jobs in March, one of the largest declines in history. It's all but certain that even more jobs will be lost in the months ahead.

Given the way these events have unfolded and the huge number of layoffs, the current thinking among economic forecasters is that the second quarter of 2020 will see one of the largest real GDP declines in U.S. history. What is less clear is what the economic trajectory will be following Q2. As of this writing (4-7-2020), hopeful signs are emerging that policy steps to “flatten the curve” are beginning to work in certain areas, but many unknowns remain. It is too soon to say if these signs are sustainable and how they will impact the trajectory of the economy.

We continue to monitor developments extremely closely and are working around the clock to publish data and insight as quickly as possible.

To view our latest perspective on the coronavirus and its potential impact on CRE and the economy, access Cushman & Wakefield's [COVID-19 resource page](#).

TRENDS AND INSIGHTS

Cushman & Wakefield Covid-19 Webinar Replay

Learn more on the evolving COVID-19 situation and its implication for **real estate occupiers and investors**. [Click to Replay](#)

COVID-19: A Wholly Unprecedented Policy Response

On March 27, 2020, an enormous \$2.2 trillion emergency coronavirus stimulus package was signed into law by President Trump. The legislative package—the Coronavirus Aid, Relief and Economic Security (CARES) Act—is the largest rescue package in U.S. history. [Click for Summary](#)

Lessons From Landlords In China's Post Covid-19 Recovery Phase

With local infections down, China is getting back to work. As the lights are turned back on in offices across the country, landlords and tenants alike are inevitably finding themselves in a new paradigm. [Click for Article](#)

2020 Asia Pacific Office Outlook

In this report, you will find detailed but succinct analysis of the trends in each of the region's key Grade A office markets over the next two years that we hope will help refine your organization's CRE strategy. [Click for Article](#)

CUSHMAN & WAKEFIELD
WEEKLY COVID-19 UPDATES

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MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YTD OVERALL ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
Downtown	15,383,830	93,103	2,775,793	18.6%	-90,460	-90,460	52,780	30,000	\$26.95	\$28.54
Midtown	19,725,723	118,617	2,948,274	15.5%	325,184	325,184	453,396	3,710,566	\$35.77	\$39.77
Buckhead	17,530,486	299,087	2,714,614	17.2%	-96,616	-96,616	142,321	354,427	\$35.11	\$35.59
Central Perimeter	24,216,409	703,788	4,875,690	23.0%	982,982	982,982	286,619	0	\$27.61	\$29.60
Georgia 400 Corridor	19,097,602	86,451	3,064,770	16.5%	-98,123	-98,123	333,243	0	\$25.05	\$27.01
Northwest Atlanta	24,007,865	183,533	4,320,344	18.8%	-40,468	-40,468	246,753	524,098	\$26.21	\$28.51
Airport/South Atlanta	3,558,985	7,967	439,525	12.6%	736	736	42,108	37,610	\$21.33	\$21.15
Northlake/Decatur	4,126,631	23,459	929,356	23.1%	126,517	126,517	36,738	304,000	\$22.08	\$23.96
Northeast	20,474,210	226,568	3,347,325	17.5%	-80,387	-80,387	188,127	0	\$20.23	\$21.72
ATLANTA TOTALS	148,121,741	1,742,573	25,415,691	18.3%	1,029,365	1,029,365	1,782,085	4,960,701	\$27.28	\$30.04

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	TENANT	RSF	TYPE
Glenridge Centre	Central Perimeter	AT&T Wireless	138,142	Sale/Leaseback
Royal Centre Four	Georgia 400	MarketSource	121,080	Renewal*/Expansion
T3 West Midtown at Atlantic Station	Midtown	Macy's	106,500	Direct
5995 Windward Parkway	Georgia 400	Change Healthcare	80,000	Direct
3344 Peachtree	Buckhead	JLL	77,495	Direct

*Renewals not included in leasing statistics

KEY SALES TRANSACTIONS Q1 2020

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE/\$ PSF
5995 Windward Parkway	Georgia 400	McKesson Corporation / Grubb Properties	404,591	\$31.5M / \$78
55 Allen Plaza	Downtown	Lincoln Property / Lone Star Funds	348,658	\$80.0M / \$233
Goldkist Building	Central Perimeter	Crown Holdings Group / RocaPoint Partners	264,819	\$41.7M / \$158
Portfolio: 3650 & 3700 Mansell Rd	Georgia 400	Sun Life of Canada / The Simpson Organization	235,612	\$36.6M / \$155
Stockyards Atlanta	Midtown	Federal Capital Partners / Clarion Partners	142,478	\$71.5M / \$502

KEY CONSTRUCTION COMPLETIONS YTD 2020

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER / DEVELOPER
State Farm at Park Center	Central Perimeter	State Farm	670,000	KDC Real Estate Developments
Anthem Technology Center	Midtown	Anthem	352,000	Portman Holdings

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Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 53,000 employees in 400 offices and 60 countries. In 2019, the firm had revenue of \$8.8 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

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