



# 2675 Lithonia Industrial Boulevard

Lithonia, Georgia 30058

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## OFFERING MEMORANDUM

Value-Add | Infill Industrial | 41,900 Square Feet | I-20 East

**STREAM**

FOR SALE



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# Executive Summary

## PROPERTY OVERVIEW



Stream Realty Partners has been retained as exclusive advisor to market the opportunity to acquire **2675 Lithonia Industrial Boulevard**, Lithonia, GA 30058 (the “Property”). The Property is a two building, 41,900 SF light industrial facility located within half a mile and one turn of I-20. The Property is located within the I-20 East submarket, a rapidly growing industrial market with a strong blue collar labor pool. The Property contains two buildings which will be leased back by the current owners, Southern Metalcraft. Within one year of closing, investors will be able to market the Property for lease to multiple tenants, allowing for a substantial rental rate increase and a near-term mark to market situation.





# Executive Summary



# Executive Summary



## PROPERTY SPECS

<b>Address</b>	2675 Lithonia Industrial Blvd Lithonia, GA 30058
<b>Building Size</b>	Bldg A: 22,500 SF Bldg B: 19,400 SF
<b>Acres</b>	5.7
<b>Configuration</b>	Front-Load
<b>Year Built</b>	1969
<b>Loading</b>	Bldg A: 3 Dock High, 1 Drive-In Bldg B: 2 Dock High, 2 Drive-In
<b>Clear Height</b>	14'
<b>Office</b>	Bldg A: 4,000 SF Bldg B: None besides warehouse restrooms
<b>Power</b>	Heavy Power
<b>Employee Parking</b>	30 Spaces
<b>Security</b>	Fenced and Gated Truck Courts/Employee Parking



# Access Map



## I-20 East Submarket

41 M

Square feet total inventory

4.5

Average months on market in 2022. I-20 East availabilities have not seen more than 6 months on market on average since 2017

15%

Rent growth YoY (2021 to 2022) with 11% average annual rent growth since 2017

3.5%

Currently vacant in the I-20 East submarket. Vacancy has not been above 5% since 2015.

5

Major interstates within 3 miles of this submarket – I-75, I-85, I-285, I-20 and I-675



## FULLY STABILIZED WITH IMMEDIATE UPSIDE

Upon sale, the Property will be 100% leased to one Tenant. However, both buildings will be available by the end of 2024, providing a near term opportunity to mark rates to market.



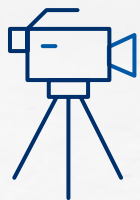
## INFILL LOCATION WITH FUNCTIONALITY

The Property sits one turn and less than half a mile away from the entrance to I-20. The buildings offer 14' clear height with front load functionality that can easily accommodate either a single tenant or multi-tenant investment strategy.



## RIVIAN PLANT

Rivian, an electric car manufacturer headquartered in Irvine, California, has broken ground on a 3,900,000 square foot, state of the art facility along I-20 East in Social Circle. With this facility, Rivian has pledged an investment of \$5 billion into the submarket, 80% of which must be fulfilled by 2028. They must maintain operations through 2047 to receive their economic benefits package, ensuring stable and lasting growth in the area. The facility is expected to create more than 15,000 jobs within the submarket. Furthermore, the Georgia Department of Transportation will be constructing numerous infrastructure projects, including improvements to I-20 and a CSX railway extension, in support of the facility's operations.



## FILM INDUSTRY PRESENCE

Known as the "Hollywood of the South," Georgia's growing film industry produced \$4.4 billion in revenue in FY2022. Boasting over 1,000,000 square feet of industrial real estate occupied by companies such as Warner Brothers, Nash Productions, and Cinelease, I-20 East is one of the largest contributors to Georgia's film industry. Growth of the film industry within the submarket is poised to continue with Ryan Milsap, founder of Blackhall Studios, purchasing 1,500 acres of land in Covington to launch his new streaming service, Blackhall Americana. Milsap is expected to construct sound stages and production studios on the property to support the project, driving additional submarket demand for industrial product.



# Market Overview

ATLANTA & GEORGIA

The Atlanta market has experienced tremendous growth this past cycle, but particularly accelerated by COVID-19. In Q2 2022, Atlanta's industrial market experienced 7M SF of net absorption, and continued this record pace with an additional 7M SF in Q3 2022. The impact on both rental rates and vacancy has been as expected. Vacancy rates across the city have dipped below 4% for the first time in 30+ years, while rental rates are up 14% year over year. While there continues to be healthy construction pipeline, projects are continued to be slowed down by supply chain constraints, labor shortages, and construction pricing.



## High State Credit Ratings

One of nine states with highest bond ratings from all three major credits rating agencies.



## 440 out of the Fortune 500

Companies have a physical presence in Georgia with 18 headquartered in the State.

### Companies Headquartered in Atlanta



6.1M

Population Base in the Atlanta MSA

#1

State for Doing Business in 2020 By Site Selection (8th Year) & Area Development (7th Year) magazines

8<sup>TH</sup>

Largest MSA in the Country

5.7%

5-year population growth projection (double the national average)

# Market Overview

ATLANTA INDUSTRIAL



### Interstate Access

Trucks beginning their journey in Atlanta can reach 80% of the nation's largest markets within 48 hours.

Atlanta sits at the intersection of three major interstate highways (I-85, I-75 and I-20). The city also connects directly to I-285 and key regional interstate roadways (I-985, I-675 and I-575). Atlanta is one of a few cities in the US that has access to more than 5 interstate systems.



### Air Access

Hartsfield-Jackson Atlanta International Airport is ranked as the world's busiest airports by passenger volume. It was also ranked 13th in the US and 28th in the world in cargo volume in 2019 and 2020. 80% of the country's population can be accessed within 2 hours via air travel.

Projected growth for the transit hub includes five runways and construction of the new Maynard H. Jackson, Jr International Terminal.



### Port Access

Atlanta is a four-hour drive from the port of Savannah, the fastest deep-water port on the east coast. The port is ranked 4th in total volume, behind only LA, NY, and NJ. The port of Savannah bolsters the most defined route, outside of Florida, to Asia via the Panama Canal.

The port's dredging project is in its concluding phases, indicating a well-run and forward-looking position on continued dominance.



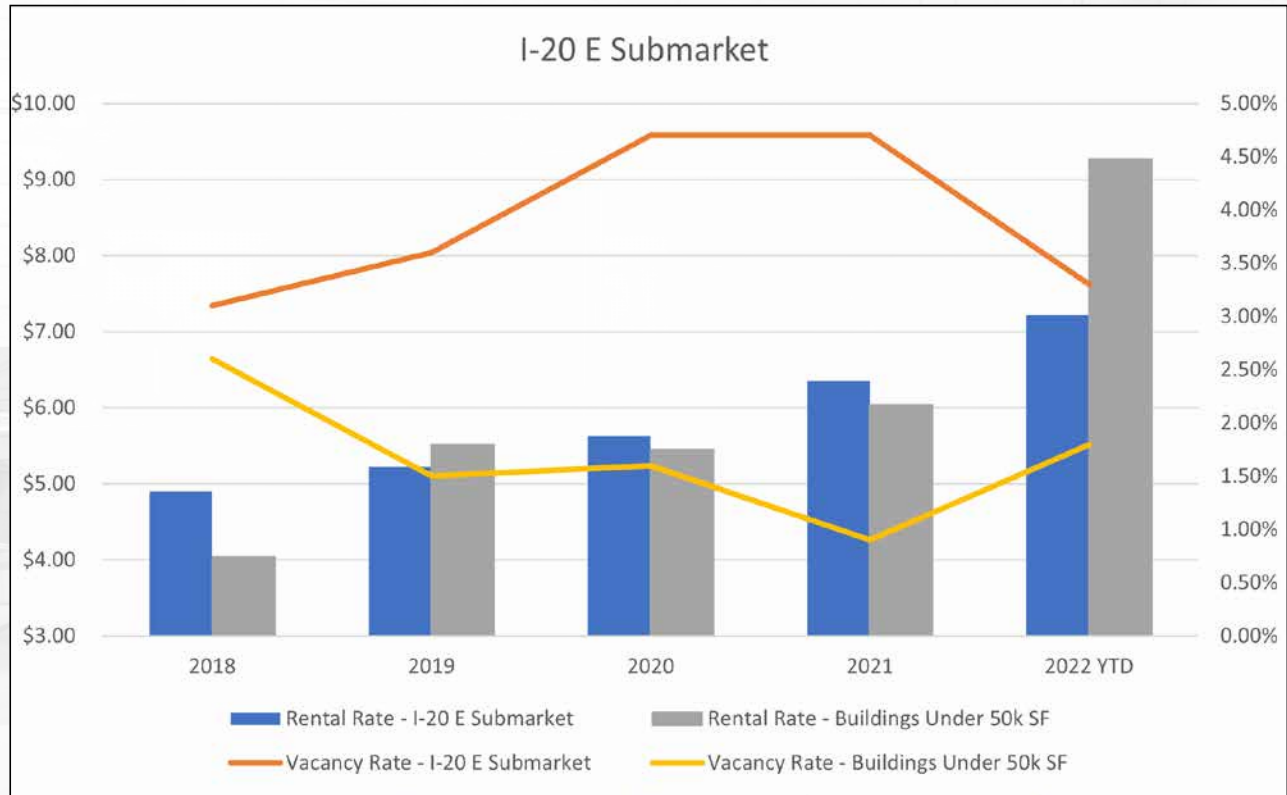
### Railway Network Access

Atlanta is an ideal central location for the growing volume of inbound port traffic coming from both the Port of Savannah and Port of Charleston.

With Class A rail access to numerous CSX, Norfolk Southern rail lines and intermodal shipping yards throughout the metro areas, the city is well positioned from a logistical perspective.



# Meet The Submarket Demand



## I-20 East Submarket, Buildings Under 50,000 SF

25%

**Robust Rent Growth**  
Average YoY rent growth since 2018

1.80%

**Low Vacancy**  
Vacancy as of Q3 2022

32,000 SF

**Lack of New Supply**  
Total delivered new construction since 2018

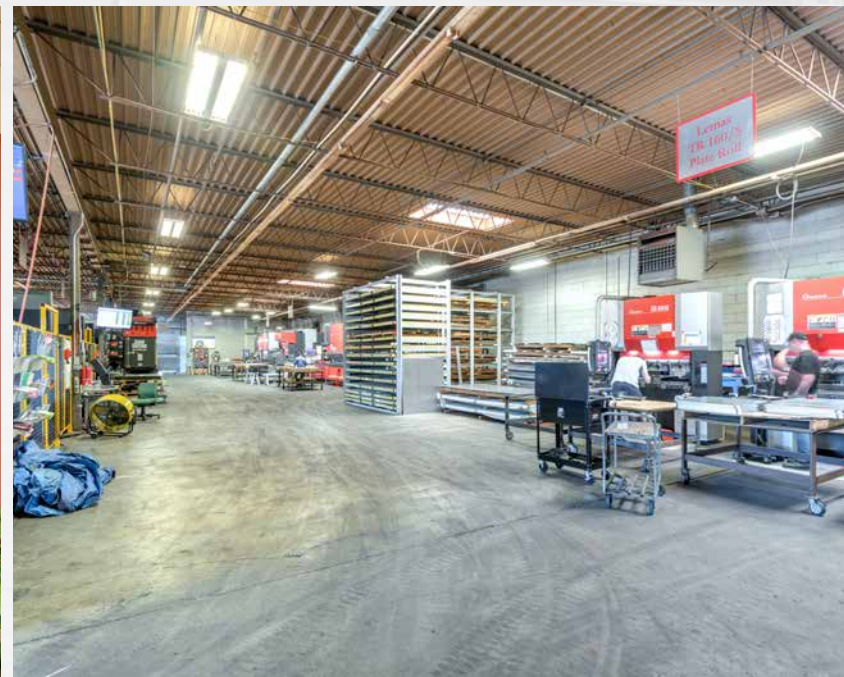
This offering fills a supply gap in the I-20 East submarket. The submarket itself has displayed strong underlying fundamentals with robust rent growth and low vacancy rates. Since 2018, rental rates across all building size ranges have increased 47% with vacancy never cresting 5%. Even more encouraging, performance was significantly stronger for buildings under 50,000. Rent growth for these smaller buildings over the same time period was 129%, while vacancy averaged 1.70%. Both of these buildings provide much needed supply for shallow-bay industrial users.

## Tenant Overview



Southern Metalcraft is an Atlanta-based custom metal fabrication company. This privately owned company has been operating within Atlanta for close to 50 years. Their capabilities include both handmade, custom welding in addition to large-scale metal laser cutting. Southern Metalcraft is currently under construction on a 100,000 SF facility along I-20 East, which they will move into upon building completion.

<b>Tenant</b>	Southern Metalcraft
<b>Building Size</b>	41,900 SF
<b>% of Property</b>	100%
<b>Lease Commencement</b>	Upon Closing
<b>Term</b>	24 Months
<b>Rate</b>	\$7.00 NNN
<b>MLAs</b>	\$7.00 NNN Single Tenant \$8.00 NNN Multi-Tenant
<b>Notes</b>	Tenant shall have a one-time termination option with 4 months notice





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