

SAVANNAH

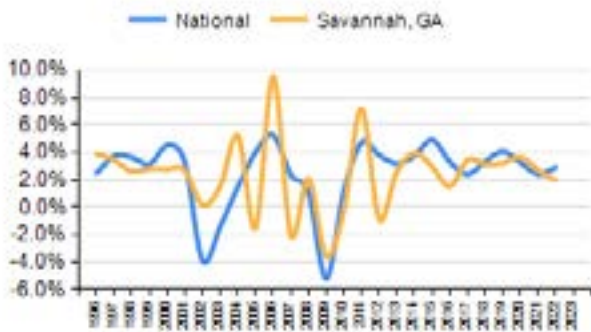
Q2 2017 | Multifamily

Accelerating success.

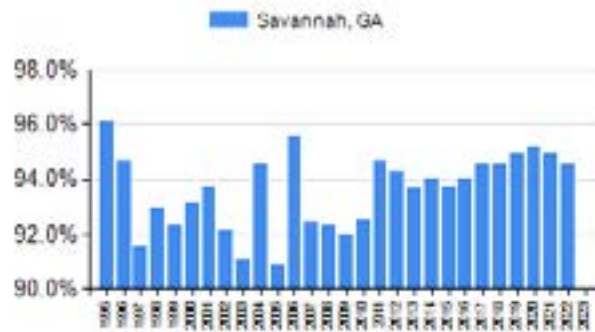
Source: AXIOMETRICS, RCA, CoStar

Market Survey Results and Forecasts	Sequential				Month	Annual						
	3Q16	4Q16	1Q17	2Q17	Jun-17	2015	2016	2017F	2018F	2019F	2020F	2021F
Effective Rent Per Unit	\$982	\$972	\$985	\$1,014	\$1,018	\$959	\$973	\$1,007	\$1,039	\$1,072	\$1,112	\$1,142
Per Sq. Ft	\$0.97	\$0.96	\$0.98	\$1.00	\$1.01	\$0.95	\$0.96	\$1.00	\$1.03	\$1.06	\$1.10	\$1.13
Effective Rent Growth - Annually	0.1%	1.2%	2.7%	3.4%	3.7%	3.0%	1.5%	3.5%	3.2%	3.2%	3.7%	2.7%
Effective Rent Growth - Quarterly	0.2%	-1.1%	1.4%	2.9%								
Occupancy Rate	94.5%	94.4%	94.8%	95.1%	95.0%	93.7%	94.1%	94.5%	94.6%	94.9%	95.2%	94.9%
Occupancy Change - Annually	-0.2%	0.9%	1.5%	1.3%	1.6%	-0.3%	0.4%	0.5%	0.0%	0.3%	0.3%	-0.3%
Occupancy Change - Quarterly	0.6%	-0.1%	0.4%	0.3%								
Economic Concessions												
Concession Value	\$-7.71	\$-8.38	\$-7.27	\$-1.80	\$-1.63	\$-9.81	\$-9.31					
As a % of Asking Rent	-0.8%	-0.8%	-0.7%	-0.2%	-0.2%	-1.0%	-0.9%					

Annual Effective Rent Growth



Annual Occupancy Rate



RECENT SALES

Date	Property Name	Address	City	Units	Year Built	Price in \$	\$/Units
Jun-17	Magnolia Villas	205 W Montgomery Cross Rd	Savannah	144	1986	12,750,000	88,542
Jun-17	River Crossing	2612 Dogwood Ave	Savannah	176	1978	16,400,000	93,182
May-17	West Wind Landing	450 Johnny Mercer Blvd	Savannah	192	1985	23,250,000	121,094
May-17	Madison	601 W 54th St	Savannah	92	1960	3,500,000	38,043
Apr-17	Olympus Carrington	280 Blue Moon Crossing	Pooler	288	2007	37,900,000	131,597
Feb-17	Windsor Arms Apartments	12409 Largo Dr	Savannah	231	1968	15,099,999	65,368
Dec-16	Moss Pointe	9400 Abercorn St	Savannah	278	1970	21,000,000	75,540
Nov-16	Parkside at the Highlands	2170 Benton Blvd	Savannah	317	2015	38,700,000	122,082
Oct-16	Century Fenwick Village	101 Fenwick Village Dr	Savannah	448	2007	55,500,000	123,884
Sep-16	Royal Oaks	301 Noble Oaks Dr	Savannah	208	1979	23,098,345	111,050

SUPPLY AND DEMAND

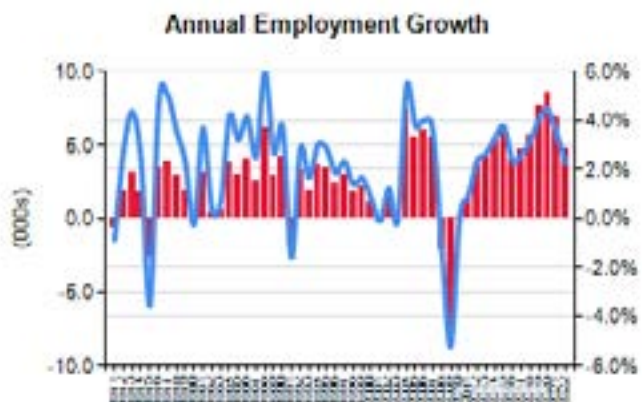
According to the Bureau of Labor Statistics, job growth in Savannah, GA Metro Area was 1.9% in June 2017, reflecting 3,400 jobs added during a 12-month period. The metro job growth figure was above the national number of 1.5%.

Axiometrics forecasts Savannah, GA Metro Area's job growth to be 3.2% in 2018, with 5,702 jobs added. Job growth is expected to average 4.0% from 2019 to 2021, with an average of 7,676 jobs added each year.

On the supply side, permits for 26 multifamily units were issued in the 12 months ending in June 2017, down -170 units from the prior year's sum. In terms of total residential housing, 1,888 units were permitted in the 12 months ending May 2017, a decrease of -83 units from the prior year's total.

Market Employment and Permitting										
	Annual			Jun-17		Annual Forecast				
	2014	2015	2016	Market	National	2017F	2018F	2019F	2020F	2021F
Employment (000s)	165.4	171.6	175.6	179.7	146,748.0	180.2	185.9	193.5	202.1	209.0
Job Gain (000s)	5.3	6.2	4.0	3.4	2,223.0	4.6	5.7	7.6	8.5	6.9
Job Growth (%)	3.3%	3.7%	2.3%	1.9%	1.5%	2.6%	3.2%	4.1%	4.4%	3.4%
Total Residential Permitting	1,900	2,078	1,971	1,662	1,096,260	2,318	2,953	2,009	1,809	1,964
Relative Change	29.9%	9.4%	-5.1%	-19.1%	2.2%	17.6%	27.4%	-32.0%	-10.0%	8.6%
Single Family Units Permitted	1,576	1,967	1,767	1,647	700,786					
Relative Change	25.8%	24.8%	-10.2%	-7.4%	8.0%					
Multifamily Units Permitted	318	109	196	15	364,372					
Relative Change	69.1%	-65.7%	79.8%	-94.5%	-7.3%					
Multifamily as a % of Total	16.7%	5.2%	9.9%	0.9%	33.2%					
Demand/Supply Ratio										
Job Gain / Total Residential Units Permitted	3.6	3.3	1.9	1.7	2.1	2.3	2.5	2.6	4.2	3.8
Job Gain / Single Family Units Permitted	4.2	3.9	2.0	1.9	3.4					
Job Gain / Multifamily Units Permitted	28.1	19.5	36.7	12.4	5.7					

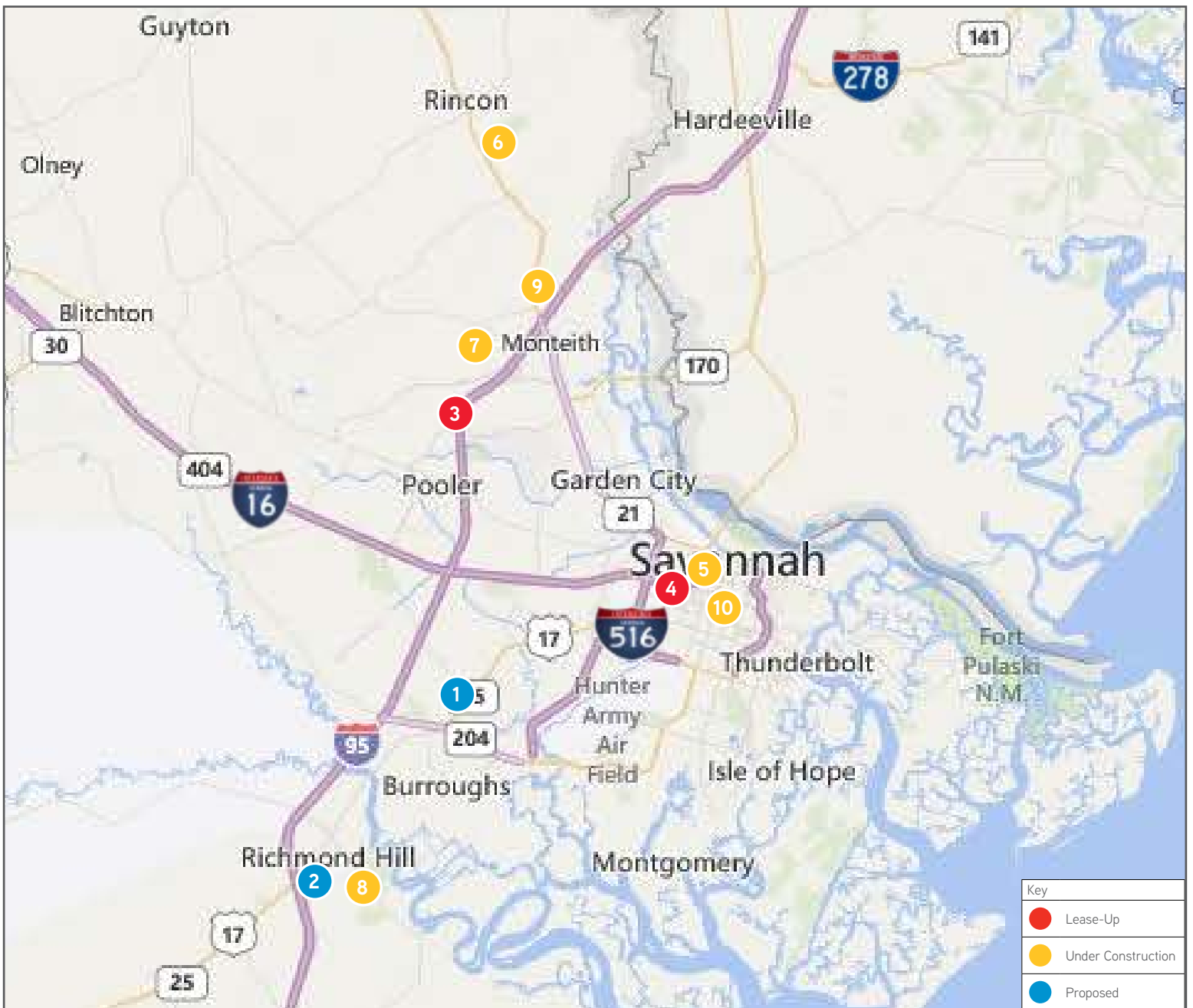
Multifamily Absorption and Supply										
	Annual			2Q17		Annual Forecast				
	2014	2015	2016	Market	National	2017F	2018F	2019F	2020F	2021F
Total Units Absorbed	69	842	648	787	175,965	321	535	476	489	307
New Supply	167	898	477	648	363,579	448	383	449	379	543
Inventory Growth	0.7%	3.9%	2.0%	2.4%	1.4%	1.9%	1.6%	1.8%	1.5%	2.1%



PIPELINE

Source: CoStar

#	Name	Status	Owner	Address	Market	Units
1	5798 Ogeechee Rd	Proposed	Rohdie Development & Management	5798 Ogeechee Rd	Georgetown	272
2	Buckeye Plantation - Phase II	Proposed	Homes of Integrity Construction, Inc.	1821 Buckeye Dr	Bryan County	132
3	Capital Crest at Godley Station	Lease Up	TWO Capital Partners, LLC	1565 Benton Blvd	Outer Westside/Port Wentw	176
4	The Bowery	Lease Up	Lat Purser & Associates, Inc.	515 Montgomery St	Downtown Savannah	59
5	Hitch Village Redevelopment	Under Construction	Housing Authority of Savannah	260-272 Randolph St	Hitch Village-Fred Wessel	330
6	The Village at Towne Park	Under Construction	Anabee LLC	1012 Wadley Cir	Effingham County	82
7	Cottages at Emerald Cove	Under Construction	J.A. Fielden Co, Inc	100 Shellbark Way	Outer Westside/Port Wentw	300
8	Lullwater at Richmond Hill	Under Construction	Fickling & Company	45 Lullwater Dr	Bryan County MF	311
9	Village at Rice Hope Phase II	Under Construction	Bridge Real Estate Group	203 Magnolia Blvd	Outer Westside/Port Wentw	126
10	Park at Broad	Under Construction	Gw Property Investments	1020 E Broad St	Eastside MF	69
					Total Units	1,857





WE CAN HELP

As an investor in multifamily properties, you need a firm that provides experience, broad reach and the ability to market an asset no matter how challenging the economic environment. You need a team that specializes in your **market** you need The East Region Multifamily Advisory Group.

Colliers International has one of the largest and most experienced teams in the industry, strategically located in key markets throughout North America. Our combination of market dominance, expertise, and singular focus, make us uniquely successful in helping our clients achieve their disposition objectives.

How are we able to bring together the skills and tools necessary to complete challenging assignments? Our East Region Multifamily Advisory Group is connected by purpose and focus. Our team is dedicated to sharing information on market opportunities, capital sources and buyers/sellers to achieve the best results for our clients.



With its pedestrian-friendly layout and innovative urban design, Savannah serves as a balm for the senses. The city of Savannah inspires visitors with its emerald tree canopy, quaint cobblestone streets and majestic architecture. Take the time to wander off the beaten path and experience the history, beauty and charm of this beloved coastal city. With blooming azaleas and a fun line-up of festivals, Savannah really comes to life in the spring and the city is vibrant with color.

Savannah is an abundant city to visit any time of year, with activities for everyone to indulge in. From architectural tours, music and food festivals, to art exhibits and Civil War re-enactments, Savannah brims with all kinds of events to excite and entertain.

**Source: <http://www.savannah.com/>*

OUR PROVEN TRACK RECORD

Recent Closings



Forest Hills
Savannah, GA
Units: 90



Villas at Park Avenue
Pooler, GA
Units: 238



Durham Park Townhomes
Pooler, GA
Units: 177



Terraces at Suwanee Gateway
Suwanee, GA
Units: 335



Palm Club
Brunswick, GA
Units: 132



Club Hill
Columbia, GA
Units: 232



Portfolio Listing

VILLAS AT KENNESAW, VILLAS AT NEWNAN,
VILLAS AT SUGARLOAF & VILLAS AT WEST RIDGE | Georgia

CLIENT: Busbee Development, LLC

UNITS: 1,168

CHALLENGE:

The four property portfolio was encumbered by four separate agency loans, three of which were cross-collateralized with other seller owned assets outside this group. The seller had to increase his guaranty on the remaining (non-selling) properties so the overall portfolio debt service coverage remained the same.

STRATEGY & RESULTS:

The East Region team was the exclusive sales agent for Busbee Development, LLC. The assumption process occurred as a result of the increased guaranty and, in doing so, the sale successfully closed. The added delay in resolving this dilemma allowed the properties to take advantage of the positive trends in the submarkets, resulting in higher overall going in cap rates.

WHO WE ARE

One of the largest and most experienced teams of multifamily specialists in the industry

MORE THAN
50

Dedicated Multifamily
Professionals & Advisors

COVERING OVER
STATES
20

Expansive geographic footprint

MORE THAN
33,500

Units transacted through
2016

\$2.3^B

Group gross transaction value
through 2016



ATLANTA
Promenade, Suite 800 | 1230 Peachtree Street NE
Atlanta, GA 30309-3574 | United States

TEL +1 404 888 9000

SAVANNAH
545 E York Street
Savannah, GA 31401 | United States

TEL +1 912 233 7111



Ashley Smith
PRINCIPAL | SAVANNAH
ashley.smith@colliers.com
DIR +1 912 224 7592



Will Mathews
PRINCIPAL | EAST REGION
INSTITUTIONAL CLIENT GROUP
will.mathews@colliers.com
DIR +1 404 877 9285



Craig Brown
ASSOCIATE | EAST REGION
craig.brown@colliers.com
DIR +1 404 978 2336

AT YOUR SERVICE



To learn more, scan this with a QR code reader or visit:

www.ColliersMultifamilyEast.com