

# Why Invest in Atlanta

Atlanta and the Southeast boast one of the hottest economies and fastest-growing areas in the United States. The region is home to approximately 60 million people, with a growth rate 55 percent higher than the U.S. average. This robust growth translates into a continuous increase in jobs and business opportunities of all kinds, from manufacturing and distribution to retail, high tech and professional services.

The region has a highly developed transportation network, including ports, highways and airports, led by Atlanta's Hartsfield-Jackson International Airport, the world's busiest airport and a prime gateway to the

country. Some 240,000 people – including those flying directly from Tel Aviv – pass through the airport every day, either to stay in Atlanta or to travel to other destinations in the country by airplane or automobile.



and 12 Fortune 1000 companies. The list includes companies recognized worldwide, such as The Coca-Cola Company, Delta Airlines, United Parcel Service and The Home Depot. Together, these companies make Atlanta the third-largest home to Fortune

500 companies in the United States, trailing only New York and Houston and ranking ahead of Chicago, Miami and Los Angeles.

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Since 1960, Atlanta has been the largest and most important city in the Southeast. It has become the eighth-largest metropolitan area in the United States and now has nearly 5 million residents, with an average of 2,000 new residents moving to Metro Atlanta every week. Atlanta and Georgia are recognized for low taxes and a pro-business environment. The area boasts a 4 percent unemployment rate, which is typically considered full employment. More than 69,000 new jobs were created in 2005 alone, including 12,000 in professional and financial services industries – jobs that often require office space, which has been a strong investment market.

As befits a regional economic hub, Atlanta is the headquarters city of 16 Fortune 500 companies

All of this sets the stage for several key factors about the Atlanta market that Israeli investors will find highly attractive.

## **One factor is Atlanta's value.**

Real estate prices fare well for investors when compared to those of other major U.S. cities, and development of the commercial areas is moving at a rapid pace. Office rentals are \$5 per square foot lower than major

אטלנטה והדרום מזרח גאים להיות אחד מהאזורים הקורצים ביותר לחברות כלכליות למיקום עסקיהן, ואזור בו הצמיחה הכלכלית היא מהגבוהה והמהירות ביותר בארצות הברית. המחוז, בית לכשישים מליון אנשים, הוא בעל שיעור צמיחה גבוה מהמוצע האמריקני ב 55 אחוז. צמיחה רבת עוצמה זו מיתרגמת לגידול בלתי פוסק באין ספור אפשרויות לעבודה ולעסקים, מייצור והפצה למכירות, להיי טק ולמתן שירותים מקצועיים.

# and the Southeast?

Northern and Western cities, and demand still outpaces supply. The Downtown and Midtown areas are the sites of a recent trend: commercial, residential and mixed-use projects that combine work, live and play elements to create vibrant new communities in town.

While many real estate investors tend to think of cities in terms of downtown areas, Buckhead, on Atlanta's north side, is home to some of the nation's most exclusive shopping, residential and office properties. Retail space on Peachtree Road in Buckhead recently sold for a record price of nearly \$500 per square foot in an area where rents of \$40 per square foot are common. Dozens of major projects featuring hotel, condominiums and retail components are underway along Peachtree Road, a main thoroughfare of Atlanta.

At the upper end of Buckhead in the area known as the Buckhead Loop, office, hotel and retail con-

struction is an ongoing process. Retail rentals at two of the major shopping malls in Buckhead (and all of the Southeast for that mat-



ter) – Lenox Square and Phipps Plaza – can reach \$80 per square foot. The Buckhead Loop area is accessible by MARTA (Atlanta's rapid-transit rail system) stations on the Northern Line and the Northern Line's Northeast Extension.

While Buckhead receives significant investment attention, several other Atlanta neighborhoods are noteworthy for their investment opportunities and ability to serve as a model for other development opportunities.

Midtown, located between Downtown and Buckhead, continues to attract new office and residential development. Projects are either in progress or in the planning stages to add to some of the Atlanta skyline's newest office towers. As office construction continues, there is a desire among corporate executives and

their employees to move closer to work and improve the quality of their lives with communities that feature a growing live-work-play

**Real estate prices in Atlanta have a lot of upside when compared to those of other major U.S. cities, and development of commercial areas is moving at a rapid pace.**

component. That formula was the lure for developers with Atlantic Station, located just west of Midtown. Developed on the site of an old steel mill, Atlantic Station features single-family homes, rental townhouses, apartments and condominiums for living and shopping, plus restaurants, movie theaters and bars for recreation. The community also features office space as well. The success of Atlantic Station is sparking plans throughout Metro Atlanta for similar development.

Other large projects are proceeding throughout the area. Atlanta-area developers have completed or are planning several large "edge city" developments as well as new in-town projects.

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Atlanta is the headquarters of 16 Fortune 500 companies and 12 Fortune 1000 companies.



## Why Invest *(continued from Page 5)*



This makes it much easier for Israeli real estate investors to visit their properties and meet with investment partners in Atlanta, the Southeast or Tel Aviv. This proximity helps build strong relationships that give investors more confidence.

Direct flights to Atlanta relate to a third factor – **the extensive network of interstate highways in the Southeast.** Once you land in Atlanta, you can drive to:

- Birmingham in two hours
- Charlotte, Nashville or Savannah in four hours
- Myrtle Beach in five hours
- Charleston or Memphis in six hours

The major ports of Savannah and Charleston use the same highway network to connect to major cities in the Southeast and the rest of the nation. For international trade, Savannah is the nation's fourth-largest port, and Charleston is sixth. Both ports are expanding, and so are real estate investment opportunities along with them.

**The factor that ties it all together is people.** As the eighth-largest metro area in the

country, Atlanta is home for the many professional resources real estate investors need:

- Commercial real estate specialists
- Attorneys and tax specialists with expertise in U.S. and Israeli law
- Engineering and construction firms
- World-class architectural firms with international experience
- Successful developers whose vision has helped construct suburban office parks once used for agriculture

With its rapid growth over the past 40 years, Metro Atlanta has established itself as a major urban and suburban center in the United States. The area has attracted hundreds of millions of investment dollars from throughout the United States, and increasing numbers of foreign companies make Atlanta their U.S. headquarters. Yet for all its growth, Metro Atlanta is full of opportunities for redevelopment and new construction. Why invest in Atlanta? Because it's a city of opportunity in the land of opportunity. ROI

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**The second key factor is direct service** between Atlanta and Tel Aviv on Delta Airlines. Begun last spring, the daily service between the cities eliminates the need for connecting flights in the New York area, saving a full business day for many travelers.



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