

Q3 2025

ATLANTA OFFICE
SUBMARKET REPORT

SOUTH
ATLANTA

WHAT'S HAPPENING?

South Atlanta's office market retained its status as the tightest office submarket in Metro Atlanta in Q3 2025, with vacancy declining sharply despite only modest positive net absorption. While leasing activity remains limited, the significant drop in vacancy suggests backfilling, re-occupancy, or inventory adjustments that improved the occupancy picture. Asking rents edged lower, though they continue to outperform long-term averages.

- Vacancy fell to 10.9%, down significantly from 14.1%, likely driven by consolidations, space removals, or backfills.
- Net absorption registered 21,264 SF, a return to positive territory following Q2's -70,004 SF, but still reflective of subdued tenant activity.
- Average asking rents declined to \$24.34 PSF from \$25.27 PSF, as landlords re-calibrated pricing in response to slower demand.
- No new construction was recorded this quarter, reinforcing a cautious development posture amid ongoing market adjustment.



10.9%
Q3 VACANCY RATE
Q2: 14.1%



21,264 SF
Q3 NET ABSORPTION
Q2: (70,004) SF

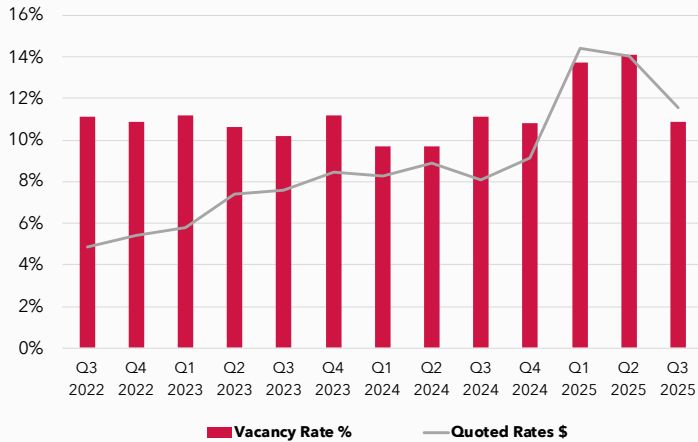


0 SF
Q3 UNDER CONSTRUCTION
Q2: 0 SF

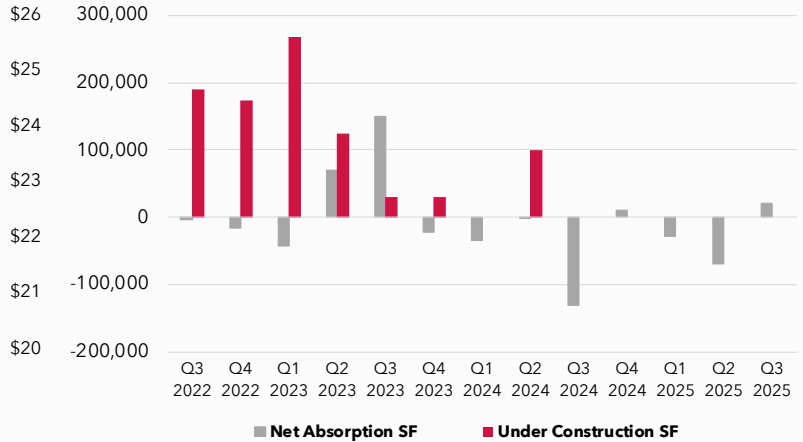


\$24.34 PSF
Q3 AVG. ASKING RENT | YEAR
Q2: \$25.27 PSF

Q3 2025 | VACANCY & RENTAL RATE



Q3 2025 | NET ABSORPTION & U.C.



NOTABLE SALES



3750 NATURALLY FRESH BLVD | BLDG. 1 ATLANTA, GA 30349

SIZE (SF)	22,727
PRICE	\$3,505,000 (\$154.22 PSF)
BUYER	Oak Place Real Estate
SELLER	National Credit Systems, Inc.



235 KEYS FERRY ST MCDONOUGH, GA 30253

SIZE (SF)	17,502
PRICE	\$2,700,000 (\$154.27 PSF)
BUYER	City of McDonough
SELLER	David Waldroup



5515 STONEWALL TELL RD UNION CITY, GA 30291

SIZE (SF)	13,465
PRICE	\$2,300,000 (\$170.81 PSF)
BUYER	Essential Properties Realty Trust
SELLER	Bundles of Joy Achievement Center 2, Inc.



1025 VIRGINIA AVE ATLANTA, GA 30354

SIZE (SF)	55,308
TENANT	Delta Air Lines, Inc.
LANDLORD	Gladstone Commercial Corp.
LEASE TYPE	Renewal



SOUTHERN CRESCENT CENTER 1 RIVERDALE, GA 30274

SIZE (SF)	8,949
TENANT	My OBGYN
LANDLORD	Universal Health Services
LEASE TYPE	Renewal

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