



ATLANTA OFFICE MARKET REPORT

Leasing activity persists as vacancies remain elevated.



WHAT'S HAPPENING

Atlanta's office market is currently marked by strong leasing activity alongside elevated vacancy rates. In Q3 2024, leasing activity reached 1.7 million square feet, indicating robust demand. However, the vacancy rate stands at 24.7%, as companies reassess their real estate needs and downsize their office spaces. This trend, driven by major corporations adapting to evolving work models, has led to increased direct and sublet vacancies.

Despite these challenges, the overall market is adapting, with 1.6 million square feet currently under construction. Asking rents have remained stable, averaging \$29.57 per square foot. Moving forward, Atlanta's office market will likely continue to navigate this complex landscape, balancing strong leasing activity with the need for landlords to address surplus space and attract tenants.



-864,577 SF Q3 NET ABSORPTION Q2: -687,572 SF



24.7% Q3 VACANCY RATE Q2: 24.2%



1.6 MSFQ3 UNDER CONSTRUCTION
Q2: 2.2 MSF



379,207 SF Q3 NEW SUPPLY DELIVERED Q2: 140,383 SF



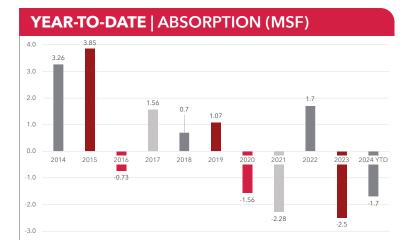
\$29.57 PSF Q3 AVG. ASKING RENT | YEAR Q2: \$29.88 PSF

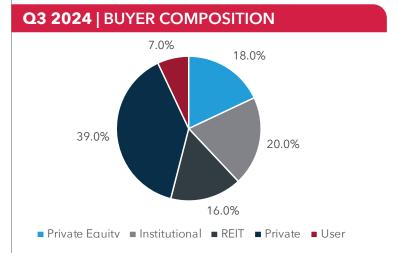


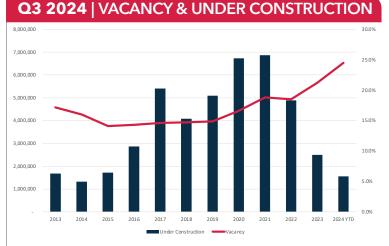
\$143 PSF Q3 AVERAGE \$ PSF Q2: \$138 PSF



\$1.55 Billion
ROLLING 12-MO SALES VOLUME
Q2: \$1.57 Billion







MARKET ACTIVITY

Q3 2024 | TOP SALES



1170 PEACHTREE STREET

ATLANTA, GA 30309

SUBMARKET	Midtown Atlanta
BUYER	Town Lane
SELLER	Manulife US Real Estate
SIZE (SF)	523,071
SALE PRICE	\$83,250,000 (\$159.16 PSF)



680 MURPHY AVENUE - 1000*

ATLANTA, GA 30310

SUBMARKET	West Atlanta
BUYER	Atrium Health
SELLER	Carter, USA
SIZE (SF)	173,600
SALE PRICE	\$24,263,670 (\$139.77 PSF)



12 EXECUTIVE PARK DRIVE NE

ATLANTA, GA 30329

SUBMARKET	Northlake
BUYER	Emory University
SELLER	Office Properties Income Trust
SIZE (SF)	129,825
SALE PRICE	\$17,610,320 (\$135.65 PSF)

Q3 2024 | TOP LEASES



TWO ALLIANCE

ATLANTA, GA 30326

SUBMARKET	Buckhead	SUBMARKET	Downtown Atlanta	SUBMARKET	Buckhead
TENANT	Morris, Manning & Martin, LLP	TENANT	Truist	TENANT	CoStar Group Inc.
SIZE (SF)	104,440	SIZE (SF)	104,100	SIZE (SF)	82,131
LEASE TYPE	New Lease	LEASE TYPE	New Lease	LEASE TYPE	Renewal



SUNTRUST PLAZA GARDEN OFFICES

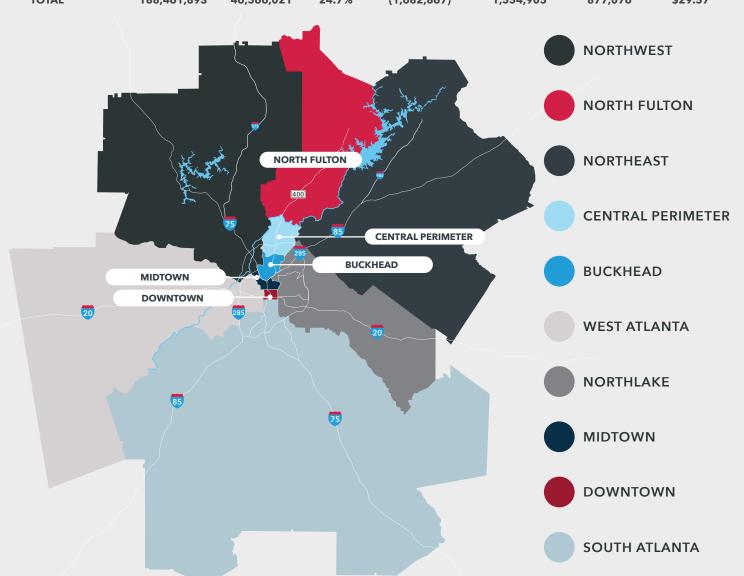
ATLANTA, GA 30303



Q3 2024 | TOP CONSTRUCTION

PROJECT NAME	LOCATION	BUILDING SIZE (SF)	SUBMARKET	DELIVERY
Spring Quarter	1020 Spring St	538,126	Midtown Atlanta	Q1 - 2025
Truist Securities Headquarters	900 SE Battery Ave	250,000	Northwest Atlanta	Q4 - 2024
1050 Brickworks	1050 Marietta St NW	230,000	Midtown Atlanta	Q4 - 2024
1072 West Peachtree Office	1072 W Peachtree St NW	224,000	Midtown Atlanta	Q2 - 2025
300	6095 Pine Mountain Rd	43,367	Northwest Atlanta	Q4 - 2025
Thrive Duluth	3162 Main St	35,580	Northeast Atlanta	Q3 - 2025

OFFICE SUBMARKETS	TOTAL INVENTORY (SF)	TOTAL VACANT (SF)	VACANCY RATE	YTD NET ABSORPTION (SF)	UNDER CONSTRUCTION (SF)	YTD DELIVERIES (SF)	AVG. ASKING RENT / YEAR (PSF)
Buckhead	21,323,048	5,674,501	26.6%	144,158	-	-	\$36.83
Central Perimeter	26,813,693	7,466,611	27.8%	(90,983)	-	35,656	\$29.51
Downtown	19,496,858	5,627,155	28.9%	(541,850)	-	-	\$30.88
Midtown	27,721,461	8,261,728	29.8%	(1,059,820)	1,115,849	654,675	\$40.50
North Fulton	22,513,416	6,344,747	28.2%	(288,076)	45,000	186,745	\$26.29
Northeast Atlanta	18,211,996	2,814,970	15.5%	174,176	82,392	-	\$22.26
Northlake	13,877,713	2,940,282	21.2%	(91,714)	-	-	\$25.60
Northwest Atlanta	27,024,795	5,488,285	20.3%	233,850	293,367	-	\$27.85
South Atlanta	8,867,273	982,940	11.1%	(168,778)	-	-	\$23.02
West Atlanta	2,611,640	964,802	36.9%	6,170	18,297	-	\$39.09
TOTAL	188.461.893	46.566.021	24.7%	(1.682.867)	1.554.905	877.076	\$29.57



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