

Q1 2025

ATLANTA INDUSTRIAL SUBMARKET REPORT

SOUTH ATLANTA SUBMARKET

WHAT'S HAPPENING?

The South Atlanta industrial market remained active in Q1 2025, with strong tenant demand driving 492,682 square feet of net absorption. While this marked a decrease from the prior quarter's 863,425 square feet, leasing activity remained solid, bolstered by a major transaction from Variety Wholesalers—one of the largest deals signed in the metro this quarter.

Vacancy rates edged up slightly to 9.8% from 9.5%, though the market remains balanced overall. Construction activity ticked up to 2.2 million square feet underway, up from just over 2 million last quarter, indicating developers' continued confidence in the submarket's long-term appeal.

Average asking rents continued their upward trend, rising to \$7.29 per square foot from \$7.04. With steady absorption, rising rents, and a robust development pipeline, South Atlanta remains one of the metro's most dynamic and in-demand industrial submarkets.



9.8%

Q1 VACANCY RATE

Q4: 9.5%



492,682 SF

Q1 NET ABSORPTION

Q4: 863,425 SF



2,195,687 SF

Q1 UNDER CONSTRUCTION

Q4: 2,087,251 SF

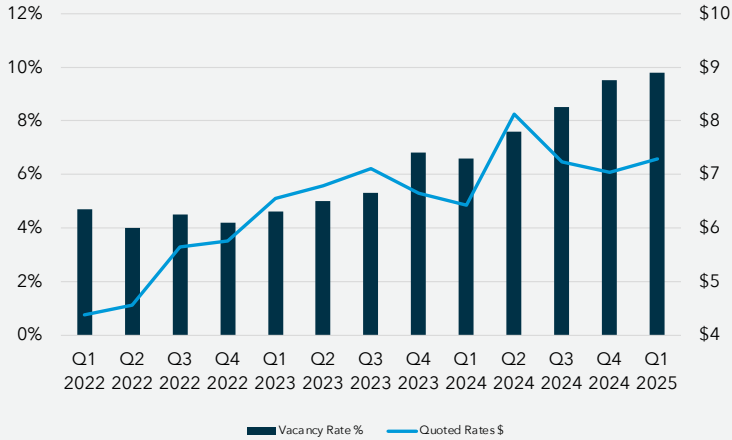


\$7.29 PSF

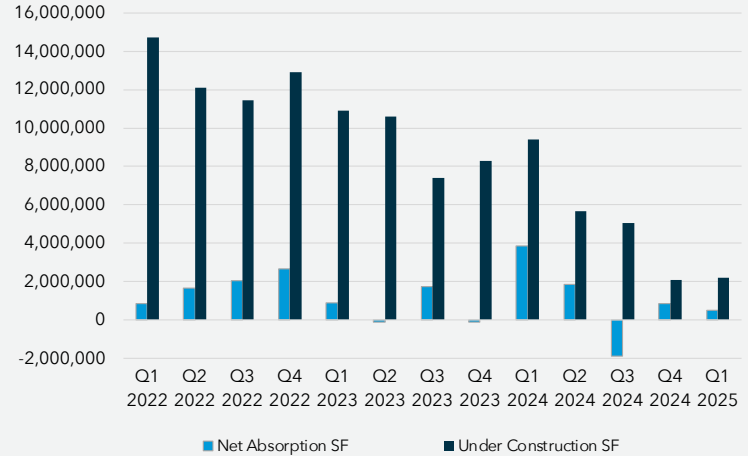
Q1 AVG. ASKING RENT | YEAR

Q4: \$7.04 PSF

Q4 2024 | VACANCY & RENTAL RATE



Q4 2024 | NET ABSORPTION & U.C.



NOTABLE SALES



1000 NATURALLY FRESH BLVD COLLEGE PARK, GA 30349

SIZE (SF)	300,000
PRICE	\$75,000,000 (\$250 PSF)
BUYER	Lancaster Colony Corporation
SELLER	Winland Foods



2100 S MARTIN ST * EAST POINT, GA 30344

SIZE (SF)	102,770
PRICE	\$15,502,263 (\$150.84 PSF)
BUYER	Starwood Capital Group
SELLER	Dalfen Industrial

**Part of Portfolio Sale*



120 WESTRIDGE INDUSTRIAL BLVD * MCDONOUGH, GA 30253

SIZE (SF)	79,603
PRICE	\$6,733,061 (\$84.58 PSF)
BUYER	Starwood Capital Group
SELLER	Dalfen Industrial

**Part of Portfolio Sale*

NOTABLE LEASES



95 INNOVATION WAY NEWNAN, GA 30265

SIZE (SF)	484,787
TENANT	Variety Wholesale
LEASE TYPE	New Lease
LANDLORD	Newman Herring LP



5395 OAKLEY INDUSTRIAL BLVD FAIRBURN, GA 30213

SIZE (SF)	271,438
TENANT	Dropp Logistics
LEASE TYPE	New Lease
LANDLORD	Mapletree Investments Pte Ltd



5000 BOHANNON RD FAIRBURN, GA 30123

SIZE (SF)	238,533
TENANT	Nefab Packaging South East
LEASE TYPE	Renewal/Expansion
LANDLORD	Transwestern Investment Group

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