



# ATLANTA **INDUSTRIAL** MARKET REPORT

Record deliveries drive vacancies up,  
sublease availability moderates.



# WHAT'S HAPPENING

As expected, Atlanta's industrial market saw an uptick in vacancy in the third quarter as a record amount of inventory delivered. Still a healthy market, overall net absorption was back in the positive and surged in Q3 to 3.3 million SF. Overall leasing activity has dwindled quarter-over-quarter from record highs. However, sublease availability has begun to cool, rising only

8.9% since last quarter after rising 37% in the first half of the year. Industrial construction starts are down for the third quarter in a row, a sign that the development pipeline is rebalancing after two years of robust activity. This decline in groundbreakings will help ease supply pressures and allow Atlanta's industrial market to absorb pipeline completions.



**3.3 MSF**  
Q3 NET ABSORPTION  
Q2: -557,882 MSF



**6.0%**  
Q3 VACANCY RATE  
Q2: 5.1%



**24.6 MSF**  
Q3 UNDER CONSTRUCTION  
Q2: 36.2 MSF



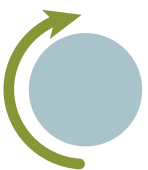
**12.7 MSF**  
Q3 NEW SUPPLY DELIVERED  
Q2: 4.5 MSF



**\$8.36 PSF**  
Q3 AVG. ASKING RENT | YEAR  
Q2: \$8.32 PSF

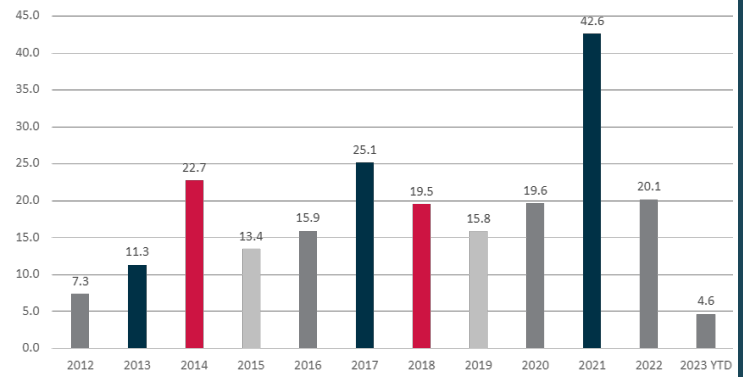


**\$118 PSF**  
Q3 AVG. SALES PRICE  
Q2: \$129 PSF

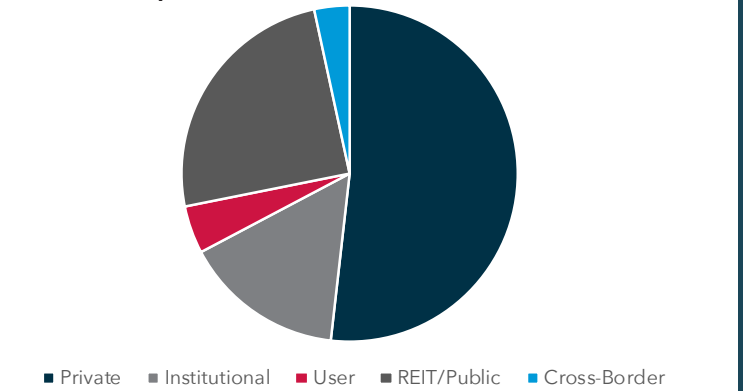


**\$3.6 Billion**  
ROLLING 12-MO SALES VOLUME  
Q2: \$3.5 Billion

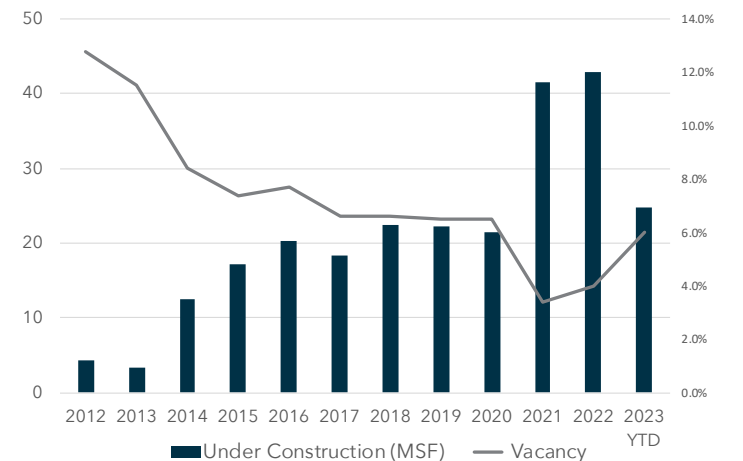
Q3 2023 | ABSORPTION (MSF)



Q3 2023 | BUYER COMPOSITION



Q3 2023 | VACANCY & UNDER CONSTRUCTION





# 2023 STATS

## TOP SALES



**GWINNETT 85 LOGISTICS CENTER**  
BUFORD, GA 30519

<b>SUBMARKET</b>	Northeast
<b>BUYER</b>	Sterling Investors
<b>SELLER</b>	Hillwood Development Corp
<b>SIZE (SF)</b>	970,450
<b>SALE PRICE</b>	\$109,300,000 (\$112.63 PSF)



**OWENS CORNING**  
PALMETTO, GA 30268

<b>SUBMARKET</b>	South Atlanta
<b>BUYER</b>	FHR Capital, LLC
<b>SELLER</b>	Clarion Partners
<b>SIZE (SF)</b>	1,044,288
<b>SALE PRICE</b>	\$72,400,000 (\$69.33 PSF)



**\*LANIER LOGISTICS CENTER - BLDG 1**  
BUFORD, GA 30518

<b>SUBMARKET</b>	Northeast
<b>BUYER</b>	Blackstone Inc
<b>SELLER</b>	IDI Logistics
<b>SIZE (SF)</b>	815,563
<b>SALE PRICE</b>	\$65,429,610 (\$80.23 PSF)



**I-85 SOUTH DISTRIBUTION CENTER**  
PALMETTO, GA 30268

<b>SUBMARKET</b>	South Atlanta
<b>BUYER</b>	The Orden Company
<b>SELLER</b>	Huntington Industrial Partners
<b>SIZE (SF)</b>	201,624
<b>SALE PRICE</b>	\$37,153,880 (\$184.27 PSF)

\* Part of a portfolio sale

## TOP LEASES



**BUSCH LOGISTICS PARK**  
WHITE, GA 30184

<b>SUBMARKET</b>	Northwest
<b>TENANT</b>	Atkore
<b>SIZE (SF)</b>	523,541
<b>LEASE TYPE</b>	New



**GREENWOOD INDUSTRIAL PARK**  
MCDONOUGH, GA 30253

<b>SUBMARKET</b>	South Atlanta
<b>TENANT</b>	Dollar General
<b>SIZE (SF)</b>	485,091
<b>LEASE TYPE</b>	New - Sublease



**6455 BEST FRIEND RD**  
NORCROSS, GA 30071

<b>SUBMARKET</b>	Northeast
<b>TENANT</b>	Toyota Southeast
<b>SIZE (SF)</b>	452,600
<b>LEASE TYPE</b>	New



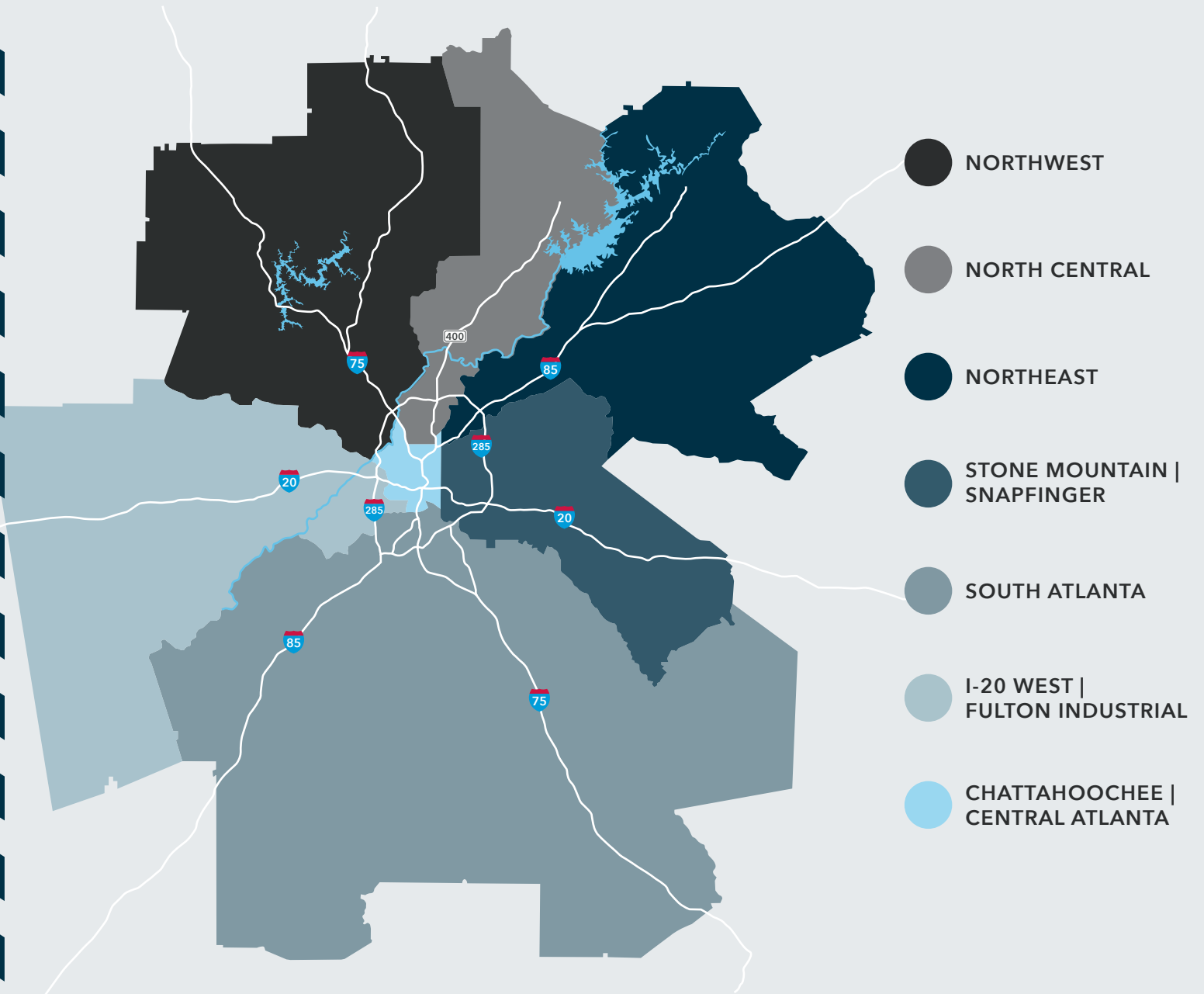
**SOUTHPARK - BLDG 6**  
FAIRBURN, GA 30213

<b>SUBMARKET</b>	South Atlanta
<b>TENANT</b>	McKenney's Inc
<b>SIZE (SF)</b>	285,600
<b>LEASE TYPE</b>	New

## TOP UNDER CONSTRUCTION

PROJECT NAME	LOCATION	BUILDING SIZE	SUBMARKET	DELIVERY
Project Archer	Richard Petty Blvd	1,392,166	South Atlanta	Q1 - 2024
The Cubes Bridgeport - Bldg D	Bridgeport Blvd	1,201,200	South Atlanta	Q1 - 2024
Jackson 85 North Business Park - Bldg 2	352 Raco Pkwy	1,017,900	Northeast Atlanta	Q1 - 2024
Gravel Springs Logistics Center	2630 Gravel Springs Rd	1,001,424	Northeast Atlanta	Q3 - 2024
Commerce Logistics Center - Bldg 1	159 Commerce Logistics Dr	937,440	Northeast Atlanta	Q4 - 2023
Lidl Regional Distribution Center	3301 Iris Dr	925,000	Snapfinger/ Stone Mountain	Q4 - 2023
NewCold	0 Hwy 42 S	790,000	South Atlanta	Q1 - 2024
Grove 75 Logistics Center	962 Union Grove Rd SE	738,720	Northwest Atlanta	Q4 - 2023

INDUSTRIAL SUBMARKETS	TOTAL INVENTORY (SF)	TOTAL VACANT (SF)	VACANCY RATE	12 MONTH NET ABSORPTION (SF)	UNDER CONSTRUCTION (SF)	YTD DELIVERIES (SF)	AVG. ASKING RENT / YEAR (PSF)
1 Northwest	94,226,582	9,663,694	10.3%	1,235,204	3,216,642	8,098,401	\$9.78
2 North Central	29,790,580	1,393,553	4.7%	46,990	230,115	207,276	\$15.35
3 Northeast	231,962,187	14,223,445	6.1%	2,873,638	9,183,244	5,965,887	\$8.61
4 Stn. Mountain   Snapfinger	81,336,092	3,890,564	4.8%	-217,908	2,984,156	379,145	\$8.75
5 South Atlanta	233,921,206	12,455,800	5.3%	5,146,163	7,383,560	7,006,986	\$7.11
6 I-20 West   Fulton Ind.	122,719,416	6,316,790	5.1%	1,126,002	1,651,661	4,518,896	\$7.39
7 Chattahoochee   Central Atl.	29,141,868	1,680,210	5.8%	-193,046	-	-	\$15.11
<b>TOTAL</b>	<b>823,097,931</b>	<b>49,624,056</b>	<b>6.0%</b>	<b>9,477,520</b>	<b>24,649,378</b>	<b>26,176,591</b>	<b>\$8.36</b>



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