



ATLANTA OFFICE MARKET REPORT

Vacancy and availability continue to rise
as tenants reevaluate footprints.



WHAT'S HAPPENING

The addition of uncommitted office inventory and persistent economic uncertainty resulted in a somewhat distressed third quarter for Atlanta. However, while vacancy and sublease available inventory have continued to trend upward in recent quarters, leasing activity in the third quarter was at a year-to-date high of 2.1 million SF leased, with suburban submarket Northwest leading the way in

tenant demand. Average lease sizes are shrinking as corporations reevaluate footprints and are often committing to less space, but it's coming at a price. Average asking rents increased \$0.20 per square foot from last quarter. Atlanta's development pipeline has slowed substantially in 2023, ending Q3 at 2.6 million SF under construction, the lowest level since 2015.



-769,566 SF

Q3 NET ABSORPTION
Q2: -1,648,951 SF



20.8%

Q3 VACANCY RATE
Q2: 19.1%



2.6 MSF

Q3 UNDER CONSTRUCTION
Q2: 3.1 MSF



871,955 SF

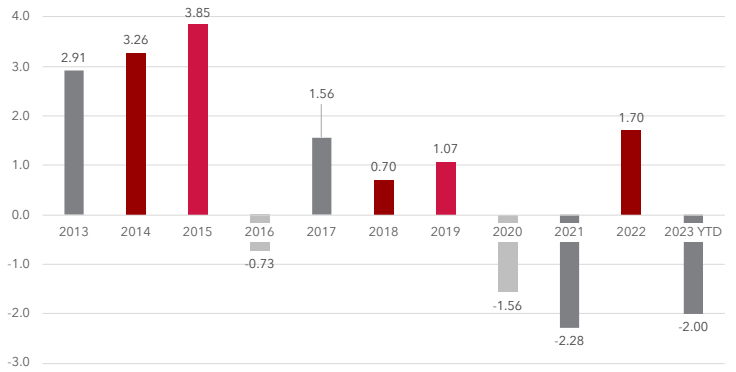
Q3 NEW SUPPLY DELIVERED
Q2: 220,735 SF



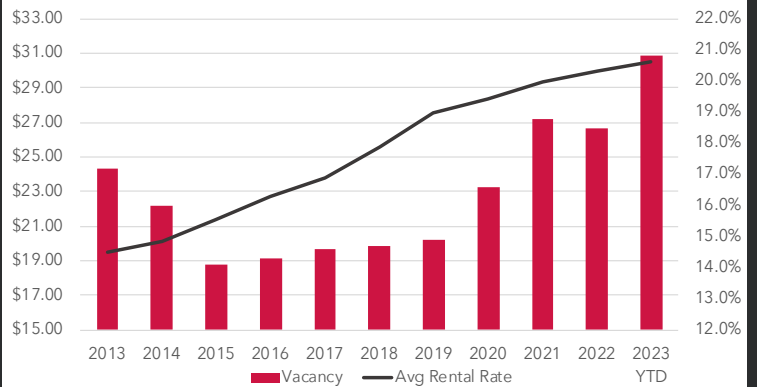
\$30.54 PSF

Q3 AVG. ASKING RENT | YEAR
Q2: \$30.34 PSF

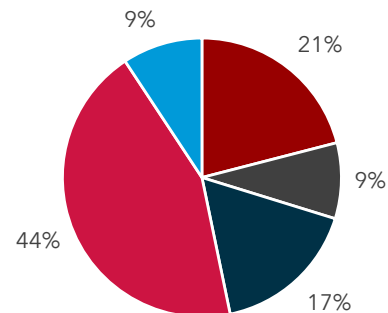
Q3 2023 | ABSORPTION (MSF)



Q3 2023 | VACANCY & AVG RENTAL RATE



Q3 2023 | BUYER COMPOSITION



■ Cross Border ■ Institutional ■ REIT ■ Private ■ User



\$1.95 Billion

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



\$161 PSF

Q3 AVERAGE \$ PSF
Q2: \$172 PSF

2023 STATS

TOP SALES



THREE RAVINIA
ATLANTA, GA 30346

SUBMARKET	Central Perimeter
BUYER	Estein USA
SELLER	Blackstone Real Estate Income Trust
SIZE (SF)	816,748
SALE PRICE	\$175,000,000 (\$214.26 PSF)



***TECHNOLOGY PARK**
NORCROSS, GA 30092

SUBMARKET	Northeast
BUYER	SF Partners
SELLER	TerraCap Management
SIZE (SF)	126,398
SALE PRICE	\$9,975,000 (\$78.92 PSF)



***TECHNOLOGY PARK**
NORCROSS, GA 30092

SUBMARKET	Northeast
BUYER	SF Partners
SELLER	TerraCap Management
SIZE (SF)	39,530
SALE PRICE	\$6,750,000 (\$170.76 PSF)



***COBB CORPORATE CENTER**
MARIETTA, GA 30067

SUBMARKET	Northwest
BUYER	Westmount Realty Capital
SELLER	TerraCap Management
SIZE (SF)	53,000
SALE PRICE	\$589,020 (\$111.14 PSF)

* Part of a portfolio

TOP LEASES



BLUEGRASS BUSINESS CENTER
ALPHARETTA, GA 30004

SUBMARKET	North Fulton
TENANT	Lonza America, Inc
SIZE (SF)	93,963
LEASE TYPE	Renewal



GALLERIA 600
ATLANTA, GA 30339

SUBMARKET	Northwest
TENANT	First Key Homes
SIZE (SF)	51,442
LEASE TYPE	New Lease



GEORGIA 400 CENTER II
ALPHARETTA, GA 30009

SUBMARKET	North Fulton
TENANT	Century Communities
SIZE (SF)	42,921
LEASE TYPE	New Lease



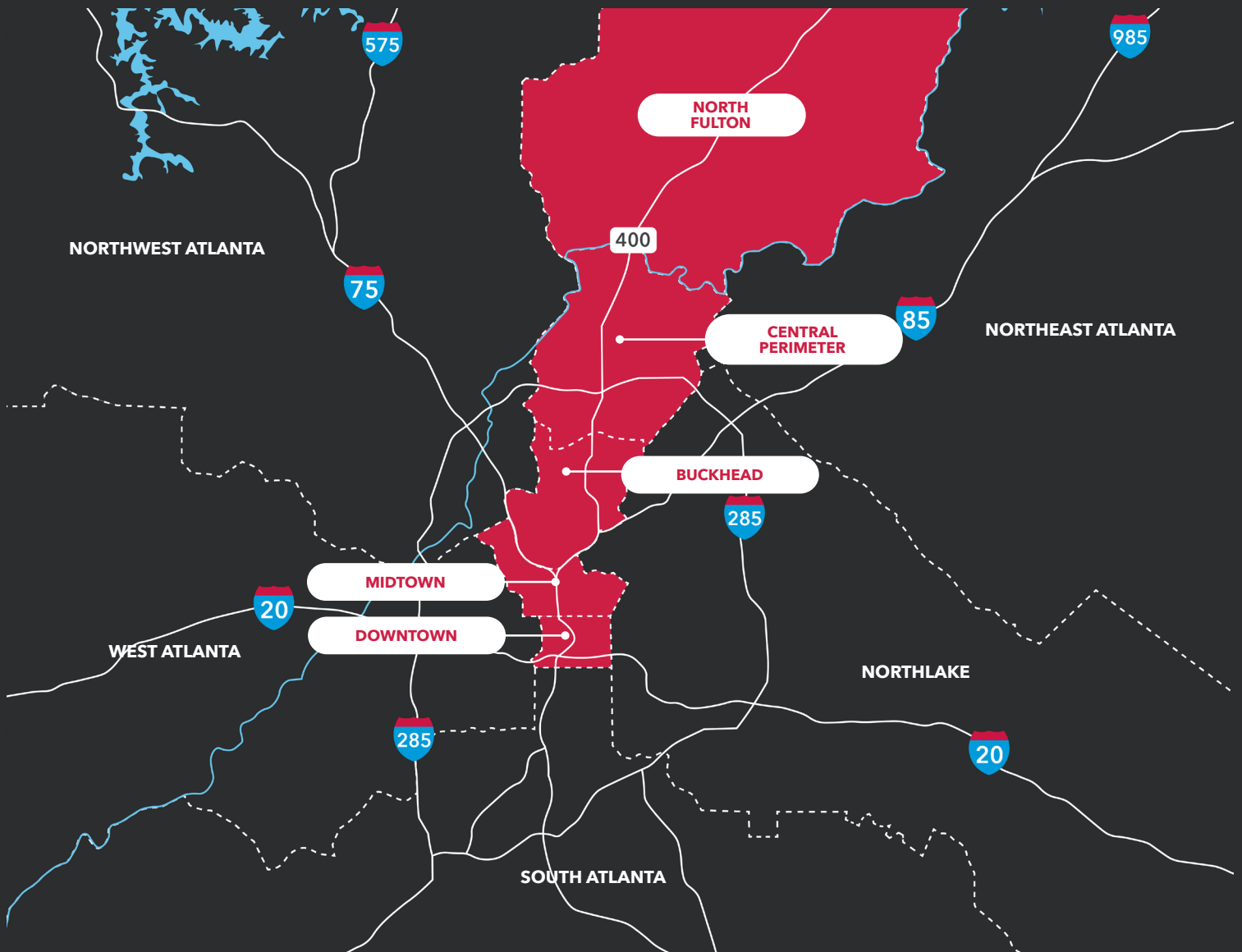
BROOKWOOD PLACE ON PEACHTREE
ATLANTA, GA 30309

SUBMARKET	Buckhead
TENANT	ExoTec North America
SIZE (SF)	39,896
LEASE TYPE	Sublease

TOP UNDER CONSTRUCTION

PROJECT NAME	LOCATION	BUILDING SIZE	SUBMARKET	DELIVERY
Spring Quarter	1020 Spring St	538,126	Midtown Atlanta	Q3 - 2024
Science Square Labs	Northside Dr NW & Cameron M Alexander Blvd NW	364,871	Downtown Atlanta	Q2 - 2024
765 Echo - Echo Street West	765 Echo St NW	274,974	Midtown Atlanta	Q4 - 2023
1050 Brickworks	1050 Marietta St NW	225,000	Midtown Atlanta	Q2 - 2024
1072 West Peachtree Office	1072 W Peachtree St NW	224,000	Midtown Atlanta	Q3 - 2025
811 Peachtree	811 Ne Peachtree St	123,723	Midtown Atlanta	Q4 - 2024
Waldo's	40 Boulevard NE	119,000	Downtown Atlanta	Q2 - 2024

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)
1 Buckhead	23,977,557	5,920,842	24.7%	(568,372)	-	298,000	\$36.38
2 Central Perimeter	26,947,091	6,776,778	25.1%	(847,051)	100,905	28,540	\$29.87
3 Downtown	20,194,374	4,809,594	23.8%	(150,200)	499,935	135,000	\$30.74
4 Midtown	30,129,034	7,064,086	23.4%	(108,231)	1,516,433	301,817	\$41.36
5 North Fulton	28,350,697	6,383,977	22.5%	(433,114)	295,279	72,732	\$25.83
6 Northeast Atlanta	23,469,651	3,750,428	16.0%	(158,226)	135,580	220,138	\$21.80
7 Northlake	19,196,173	3,297,317	17.2%	20,569	-	50,000	\$24.77
8 Northwest Atlanta	34,265,068	6,154,730	18.0%	(285,516)	55,000	60,732	\$27.45
9 South Atlanta	14,768,442	1,501,509	10.20%	277,923	30,149	125,000	\$22.85
10 West Atlanta	4,446,006	1,248,439	28.10%	207,661	-	266,524	\$29.58
TOTAL	225,744,093	46,907,700	20.8%	-2,044,557	2,633,281	1,558,483	\$30.54



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