



ATLANTA OFFICE MARKET REPORT

Leasing activity stable amid rising vacancy and availability.



WHAT'S HAPPENING

Although office leasing activity in Atlanta has not fully returned to pre-pandemic levels, the final quarter of 2023 showcased sustained tenant demand, evident in the signing of several new, sizable leases. However, the ongoing reassessment of footprints by tenants has led to an overall increase in both overall and sublease availability, resulting in a record

high vacancy rate of 21.2%. The conclusion of 2023 marked the third consecutive quarter of negative absorption in the Atlanta office market, contributing to a year-end absorption of -2.5 MSF. Despite facing macroeconomic challenges, development activity in Atlanta has remained subdued, offering a potential easing of supply pressures as the market enters 2024.



-479,812 SF

Q4 NET ABSORPTION

Q3: -769,566 SF



21.2%

Q4 VACANCY RATE

Q3: 20.8%



2.5 MSF

Q4 UNDER CONSTRUCTION

Q3: 2.6 MSF



0 SF

Q4 NEW SUPPLY DELIVERED

Q3: 871,955 SF



\$30.92 PSF

Q4 AVG. ASKING RENT | YEAR

Q3: \$30.54 PSF



\$1.02 Billion

ROLLING 12-MO SALES VOLUME

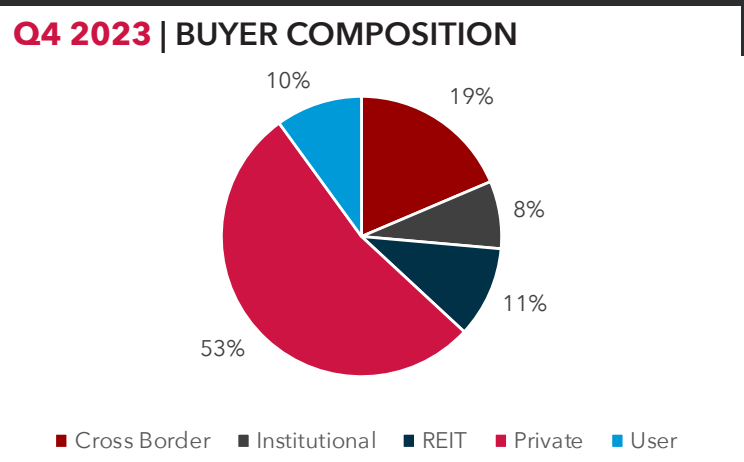
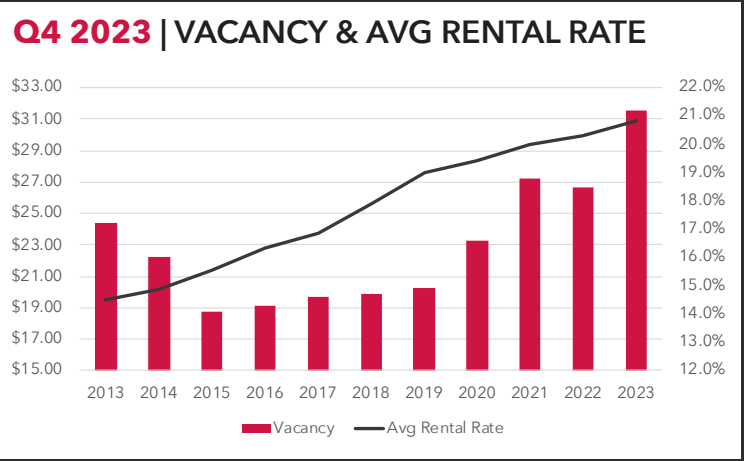
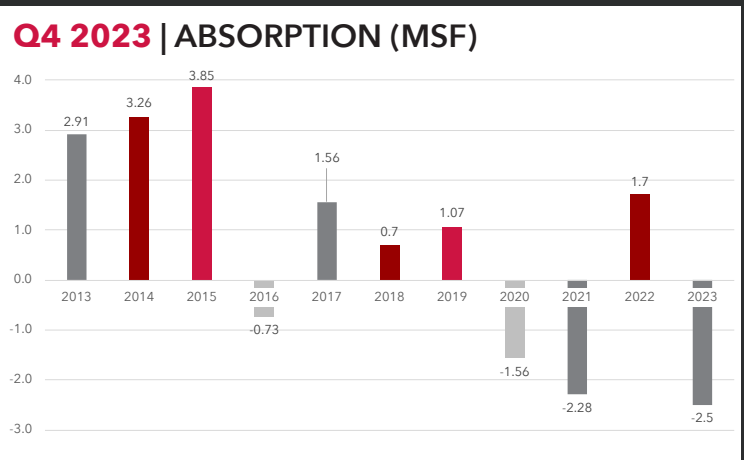
Q3: \$1.95 Billion



\$146 PSF

Q4 AVERAGE \$ PSF

Q3: \$161 PSF



2023 STATS

TOP SALES



100 EDGEWOOD
ATLANTA, GA 30303

SUBMARKET	Downtown Atlanta
BUYER	Board of Regents Univ System GA
SELLER	Atlantic Companies
SIZE (SF)	306,000
SALE PRICE	\$33,967,575 (\$111.01 PSF)



CAMP CREEK 1500
ATLANTA, GA 30344

SUBMARKET	South Atlanta
BUYER	Easterly Government Properties, Inc.
SELLER	Hight Knox Properties
SIZE (SF)	97,969
SALE PRICE	\$15,959,776 (\$162.91 PSF)



PARKVIEW ONE
ALPHARETTA, GA 30005

SUBMARKET	North Fulton
BUYER	Parkview Office, LLC
SELLER	Macfarlan Capital Partners
SIZE (SF)	166,994
SALE PRICE	\$8,500,000 (\$50.90 PSF)



LAKEWOOD II
SMYRNA, GA 30080

SUBMARKET	Northwest
BUYER	HC Government Realty Trust
SELLER	Noro Management
SIZE (SF)	122,797
SALE PRICE	\$8,100,000 (\$65.96 PSF)

TOP LEASES



BLUEGRASS BUSINESS CENTER
SMYRNA, GA 30080

SUBMARKET	Northwest
TENANT	U.S. General Services Administration
SIZE (SF)	94,610
LEASE TYPE	New Lease



GALLERIA 600
ATLANTA, GA 30339

SUBMARKET	Northwest
TENANT	GE Capital
SIZE (SF)	77,163
LEASE TYPE	New Lease



FOURTH WARD | TOWER 2
Atlanta, GA 30308

SUBMARKET	Downtown Atlanta
TENANT	OneTrust LLC
SIZE (SF)	73,533
LEASE TYPE	New Lease



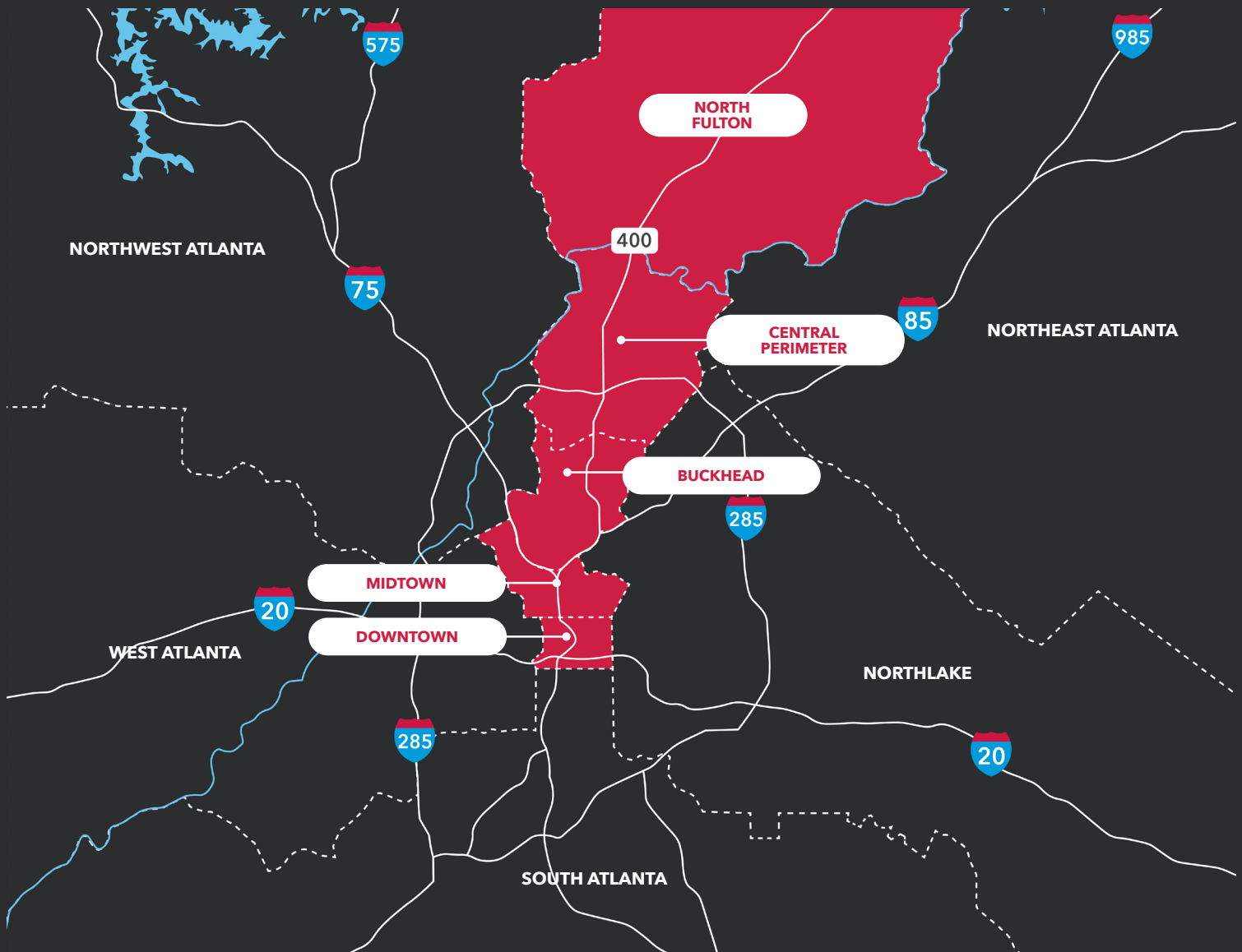
100 CITY VIEW
Atlanta, GA 30339

SUBMARKET	Northwest
TENANT	Murata Electronics North America Inc.
SIZE (SF)	50,170
LEASE TYPE	New Lease

TOP UNDER CONSTRUCTION

PROJECT NAME	LOCATION	BUILDING SIZE (SF)	SUBMARKET	DELIVERY
Spring Quarter	1020 Spring St	538,126	Midtown Atlanta	Q3 - 2025
Science Square Labs	Northside Dr NW	368,258	Downtown Atlanta	Q3 - 2024
Echo Street West	765 Echo St NW	274,974	Midtown Atlanta	Q1 - 2024
1050 Brickworks	1050 Marietta St NW	225,000	Midtown Atlanta	Q2 - 2024
1072 West Peachtree	1072 West 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	21,737,706	5,856,986	27.1%	(754,097)	-	298,000	\$36.59
2	Central Perimeter	26,582,646	7,153,519	26.9%	(1,223,792)	35,656	28,540	\$29.70
3	Downtown	20,402,859	4,906,675	23.9%	(247,281)	487,258	135,000	\$31.32
4	Midtown	26,915,060	6,528,937	24.3%	(409,470)	1,371,437	301,817	\$41.59
5	North Fulton	28,908,835	6,694,610	23.2%	(269,510)	295,279	72,732	\$26.29
6	Northeast Atlanta	23,420,042	3,466,353	14.8%	(122)	159,580	220,138	\$22.19
7	Northlake	18,992,074	3,346,400	17.6%	(59,514)	-	50,000	\$24.81
8	Northwest Atlanta	34,268,513	5,920,773	17.3%	(39,368)	60,000	60,732	\$27.45
9	South Atlanta	14,865,921	1,661,693	11.2%	254,942	30,149	125,000	\$23.17
10	West Atlanta	4,442,181	1,232,257	27.7%	223,843	62,500	266,524	\$31.32
	TOTAL	220,535,837	46,768,203	21.2%	(2,524,369)	2,501,859	1,558,483	\$30.92



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