



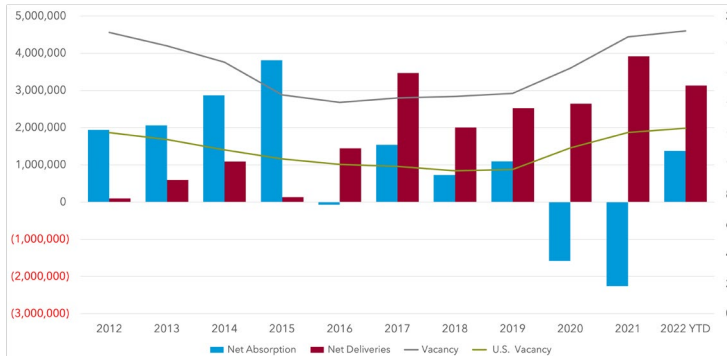
OFFICE MARKET OVERVIEW

KATE HUNT, Senior Research Analyst

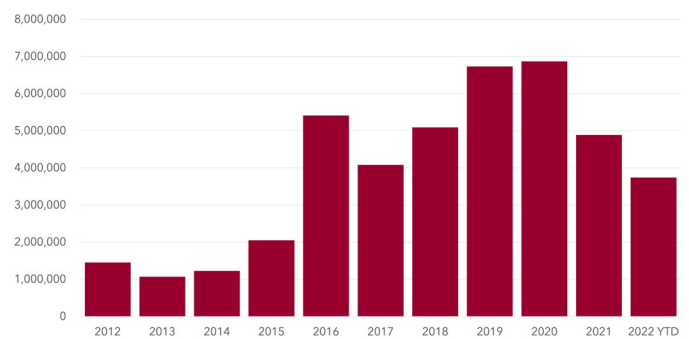
Given occupier concerns with the future of office space and more downsizings than expansions, Atlanta's vacancy rate remains nearly unchanged year-over-year, ending Q3 at 19%. Several new office buildings delivered this quarter, include Midtown's newest Class A tower, Midtown Union, which was 60% preleased at the time of delivery, and Buckhead's Class A tower, One Phipps Plaza, which was 35% preleased at the time of delivery. Year-to-date 2022 absorption ended Q3 at positive 1.4 million square feet, which is the highest year-to-date amount absorbed since 2015. This level of broad demand speaks to the strength of Metro Atlanta's office sector and recovery.

MARKET INDICATORS	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
▼ 12 Mo. Net Absorption SF	1,534,332	2,291,461	451,219	(2,259,997)	(4,527,351)
▲ Vacancy Rate	19.0%	18.4%	19.0%	18.8%	18.8%
▲ Avg Asking Rate PSF	\$30.02	\$29.61	\$29.57	\$29.37	\$29.22
▼ SF Under Construction	3,741,227	5,669,681	4,607,880	4,884,863	4,863,968
▲ Inventory SF	238,305,308	236,231,808	236,233,261	236,143,151	235,804,151

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
3200 Windy Hill Road SE Atlanta, GA	767,799 SF	\$109,500,000 \$143.00 PSF	The Simpson Organization America's Capital Partners	Class A
1180 Peachtree Street NE Atlanta, GA	691,000 SF	\$472,000,000 \$683.00 PSF	Piedmont Office Realty Trust Inc. GA Pension Trust	Class A
5335 Triangle Parkway Norcross, GA	115,053 SF	\$26,725,000 \$232.29 PSF	Midtown Realty Group Founders Partners, LLC	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
754 Peachtree Street NE Atlanta, GA	259,738 SF	CBRE Investment Management	AT&T Corp (Renewal)	Information
3333 Peachtree Road Atlanta, GA	220,065 SF	Sumitomo Corp of Americas	USPO Atlanta, LLC (Renewal)	Business Services
1435 Hills Place NW Atlanta, GA	140,000 SF	Jamestown, LP	Anduril (New Lease)	Professional, Scientific & Tech Services

