



OFFICE MARKET OVERVIEW

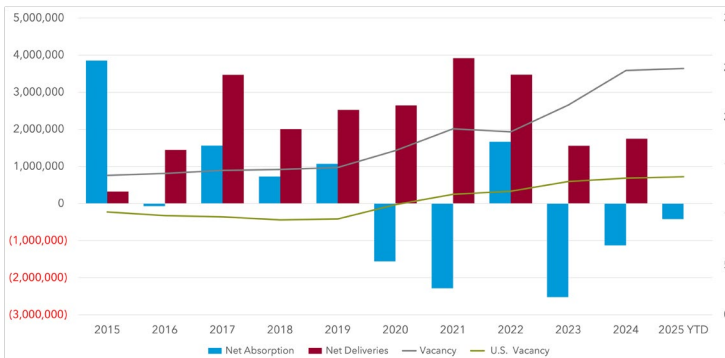
KATE HUNT, *Research Director*

Atlanta's office market, while facing a slight increase in vacancy rates to 24.9% in Q1 2025, shows resilience, driven by strong leasing activity and ongoing corporate confidence. Leasing activity reached 2.1M sq. ft. in Q1, with net absorption negative for the quarter at -420,558 sq. ft. It's likely the market is at or near a bottom for Class A office product, with fundamentals holding steady. Opportunistic investors are capitalizing on low valuations in anticipation of growth. The lack of new office construction and continued business and employment expansion make now the right time to re-enter the office market.

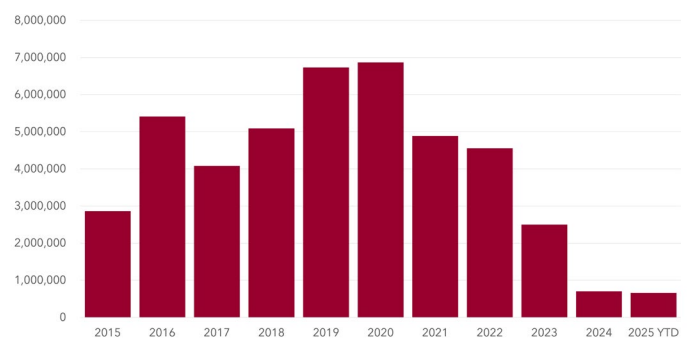
MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▼ 12 Mo. Net Absorption SF	(1,793,147)	(1,124,895)	(2,162,679)	(2,067,668)	(3,029,047)
▲ Vacancy Rate	24.90%	24.70%	24.70%	24.20%	23.55%
▼ Avg NNN Asking Rate PSF	\$27.93	\$29.78	\$29.57	\$29.88	\$29.90
▲ Sale Price PSF	\$141	\$138	\$143	\$138	\$144
▼ Cap Rate	8.30%	8.50%	8.63%	8.60%	8.52%
▼ Under Construction SF	658,142	703,251	1,554,905	2,151,326	2,034,913
▲ Inventory SF*	196,323,232	191,674,574	187,875,113	188,062,785	190,498,864

*Inventory additions now include Gordon County

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Pennant Park* Atlanta, GA	758,238 SF	\$93,000,000 \$122.65 PSF	Atlanta Braves Holdings LLC Rubenstein Partners	Class A & B
Townpark Commons** Kennesaw, GA	345,664 SF	\$42,000,000 \$121.52 PSF	RG Real Estate Rialto Capital Management	Class A
4360 Chamblee Dunwoody Road Atlanta, GA	105,835 SF	\$8,300,000 \$78.42 PSF	Ziven Properties Mivine Group	Class A

*Part of a 6-Property Portfolio Sale; ** Part of a 4-Property Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3333 Piedmont Road NE Atlanta, GA	105,103 SF	Cousins Properties	Greenberg Traurig LLP	Professional, Scientific, and Technical Services
101 Nerem Street NW Atlanta, GA	58,880 SF	Trammell Crow Co.	Duracell	Manufacturing
6700 Sugarloaf Parkway Duluth, GA	90,350 SF	The Simpson Organization	Vensure Employer Services	Management Consulting Services

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