



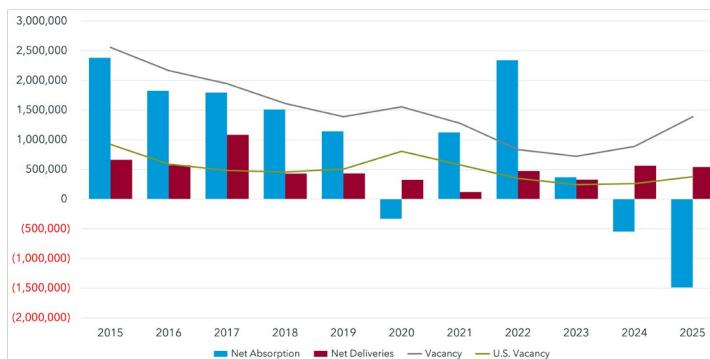
RETAIL MARKET OVERVIEW

KATE HUNT, Research Director

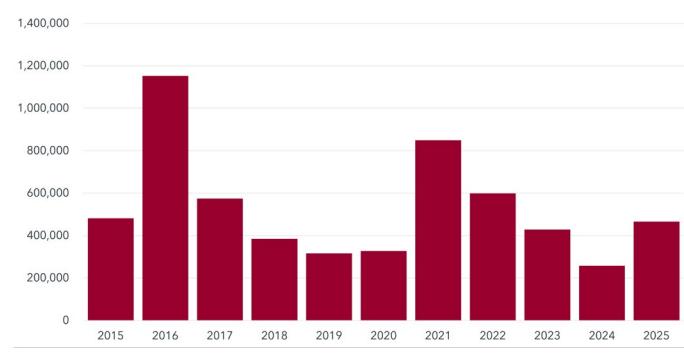
Atlanta's retail market softened through Q4 2025, with annual absorption at -1.49 million SF, continuing a trend of modest tenant pullbacks. Vacancy inched up to 6.1%, though asking rents remained resilient at \$24.63 PSF, supported by strong restaurant, service, and discount retailer demand. Construction stays limited at 466K SF, preventing oversupply. Investment activity remains steady, with pricing near \$175 PSF and cap rates widening slightly to 7.4%. Despite negative absorption, Atlanta's population growth, rising consumer spending, and strong suburban retail corridors position the market for stabilization as economic conditions improve.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ 12 Mo. Net Absorption SF	(1,487,280)	(1,640,975)	(1,186,159)	(1,092,871)	(545,578)
▲ Vacancy Rate	6.10%	6.00%	5.70%	5.40%	5.20%
▼ Avg NNN Asking Rate PSF	\$24.63	\$24.76	\$24.42	\$24.31	\$19.84
▲ Sale Price PSF	\$175.00	\$174.00	\$176.00	\$177.00	\$179.00
◀ ▶ Cap Rate	7.40%	7.40%	7.30%	7.20%	7.32%
▲ Under Construction SF	465,961	276,617	354,525	301,885	257,837
▲ Inventory SF	193,775,369	192,691,469	196,009,169	200,721,373	200,427,882

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1155 Ernest W. Barrett Parkway, NW Kennesaw, GA	18,789 SF	\$16,600,000 \$883.50 PSF	L&B Realty Advisors LLP D&G Development Group	Multi-Tenant
610-640 Thornton Road* Lithia Springs, GA	75,947 SF	\$13,263,581 \$174.64 PSF	Columbia Properties, Inc. KPR Centers	Multi-Tenant
2667 Powder Springs Road Marietta, GA	78,837 SF	\$13,250,000 \$168.07 PSF	Core Equity Partners Columbia Properties, Inc.	Multi-Tenant

*Part of Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6055-6085 Old National Highway Atlanta, GA	63,419 SF	Irgang Group	Kroger	Grocery Stores
5870-5900 East Lake Parkway McDonough, GA	49,673 SF	STORE Capital Corp	Fitness 2020	Arts, Entertainment, Recreation
8427 Vaughn Road Canton, GA	34,000 SF	STNL Hickory Flats LLC	The Learning Experience	Social Services, Child Care



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