

# ATLANTA Office Market

Q3 2024

## MARKET TRENDS

INDICATOR	Q3 2024	Q3 2023	Y-0-Y
<b>INVENTORY</b>	245 MSF	243 MSF	+2 MSF
<b>VACANCY</b>	21.7%	19.8%	+190 BPS
<b>YTD NET ABSORPTION</b>	(1.6) MSF	(2.6)K SF	+1 MSF
<b>LEASING ACTIVITY</b>	2.2 MSF	2.1 MSF	+0.1 MSF

## DEVELOPMENT PIPELINE

<b>1.8 MSF</b> UNDER CONSTRUCTION	<b>15</b> DELIVERIES YTD (#)	<b>1.2 MSF</b> DELIVERIES YTD (SF)
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## KEY TAKEAWAYS

- ✓ Strong leasing activity
- ✓ Increased availability
- ✓ Negative absorption
- ✓ Deliveries remain low
- ✓ Construction shrinks further
- ✓ Talent pool remains strong

## Leasing activity remains steady as employers implement in-office requirements

Atlanta has demonstrated remarkable resilience despite ongoing economic turbulence. In 3Q 2024, leasing volume reached 2.2 million square feet (MSF). Availability remains above the 10-year average, but the market shows signs of recovery. The newest buildings in vibrant locations continue to attract a significant share of new absorption. Supply-side pressure should diminish as construction starts falling. Atlanta’s under-construction office pipeline is at its lowest level in about a decade.

The first half of 2024’s total sales volume was about 10% lower than the first half of last year. Sales are anticipated to pick up in the back half of 2024 as sellers begin to meet the market.

Atlanta’s long-term appeal remains strong due to its broad industry base, lower cost of living, diverse talent pool, and strong job growth in finance, professional services, and tech sectors.

### NOTABLE LEASES

**Morris, Manning & Martin, LLP**  
104K SF New Lease  
TWO ALLIANCE CENTER  
Buckhead

**Truist**  
104K SF New Lease  
303 PEACHTREE CENTER  
Downtown

**Cargill**  
82K SF Sublease/Expansion  
864 SPRING ST  
Midtown

**SiteOne Landscape Supply**  
56K SF Renewal  
MANSELL OVERLOOK 300  
North Fulton

### NOTABLE SALES

**The Proscenium**  
\$83M, \$159/SF  
1170 Peachtree St | Midtown  
Buyer: Cousins

**Sugarloaf Corporate Center**  
\$32M, \$125/SF  
2160/2170/2180 Satellite Blvd | Northeast  
Buyer: Buligo Capital Partners

**12 Executive Park**  
\$18M, \$136/SF  
12 Executive Park Dr | Northeast  
Buyer: Emory University

**Royal Overlook**  
\$8.5M, \$67/SF  
4550 North Point Pkwy | North Fulton  
Buyer: IRAS Group

**SUBMARKET TRENDS**

<b>LOWEST VACANCY RATE</b>	<b>HIGHEST YTD NET ABSORPTION</b>
<b>JEFFERSON</b> 0% ATLANTA 21.7%	<b>NORTHEAST ATLANTA</b> 188K SF ATLANTA (1.6) MSF
<b>HIGHEST LEASING ACTIVITY</b>	<b>HIGHEST UNDER CONSTRUCTION</b>
<b>NORTH FULTON</b> 371K SF ATLANTA 2.2 MSF	<b>MIDTOWN ATLANTA</b> 1.1 MSF ATLANTA 1.8 MSF



BY SUBMARKET	TOTAL RBA	VACANCY %	LEASING ACTIVITY	3Q NET ABSORPTION	YTD NET ABSORPTION	DELIVERIES	UNDER CONSTRUCTION
BUCKHEAD	23,120,538	26.1%	226,282	71,570	84,395	-	-
CENTRAL PERIMETER	31,616,753	26.3%	313,971	(144,791)	(72,359)	-	60,000
DOWNTOWN ATLANTA	33,469,604	21.0%	188,982	(661,971)	(539,183)	-	16,195
GAINESVILLE	2,611,111	5.3%	12,253	5,352	42,657	-	20,000
JEFFERSON	40,730	0.0%	-	-	-	-	-
MIDTOWN ATLANTA	31,205,749	29.4%	226,945	(48,558)	(993,164)	-	1,115,849
NORTH FULTON	28,430,816	24.9%	371,223	(189,487)	(384,017)	104,233	69,000
NORTHEAST ATLANTA	21,412,369	14.8%	298,653	261,603	188,462	117,500	62,392
NORTHLAKE	19,271,495	17.4%	95,415	(55,997)	(14,076)	-	-
NORTHWEST ATLANTA	34,727,523	17.0%	338,470	341	157,875	-	315,367
SOUTH ATLANTA	15,108,826	12.1%	91,446	(149,559)	(71,781)	-	120,000
WEST ATLANTA	4,232,402	28.6%	58,094	(21,815)	(10,089)	-	18,297
<b>TOTALS</b>	<b>245,247,916</b>	<b>21.7%</b>	<b>2,221,734</b>	<b>(933,312)</b>	<b>(1,611,280)</b>	<b>221,733</b>	<b>1,797,100</b>

BY PRODUCT TYPE	TOTAL RBA	VACANCY %	LEASING ACTIVITY	3Q NET ABSORPTION	YTD NET ABSORPTION	DELIVERIES	UNDER CONSTRUCTION
CLASS A	136,858,986	27.6%	1,505,406	434,586	(135,528)	204,233	1,525,849
CLASS B	90,068,665	14.5%	662,346	(1,348,428)	(1,540,194)	17,500	271,251
CLASS C	18,320,265	12.8%	53,982	(19,470)	64,442	-	-

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