

ATLANTA Office Market

Q4 2024

MARKET TRENDS

INDICATOR	Q4 2024	Q4 2023	Y-0-Y
INVENTORY	245 MSF	244 MSF	+1 MSF
VACANCY	20.5%	20.1%	+40 BPS
YTD NET ABSORPTION	(1.2) MSF	(3.5) MSF	+2.3 MSF
LEASING ACTIVITY	2.4 MSF	1.7 MSF	+0.7 MSF

DEVELOPMENT PIPELINE

922 KSF UNDER CONSTRUCTION	18 DELIVERIES YTD (#)	2.1 MSF DELIVERIES YTD (SF)
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KEY TAKEAWAYS

- ✓ Increased office demand
- ✓ Positive absorption gains
- ✓ Elevated vacancy
- ✓ New development shrinks further
- ✓ Strong long-term outlook

Leasing activity is up; rents expected to remain relatively flat for 2025

The Atlanta office market’s momentum is strikingly different from a year ago. Recently, the metro area has experienced a notable uptick in the return to office, suggesting a shift in tenant sentiment. Though the market seems to be finding its footing, office vacancy rates remain elevated.

While a handful of trophy assets have reached a new threshold, annual asking rent growth has flattened. To remain competitive, many landlords are offering substantial tenant improvement allowances and rent concessions.

Long-term, Atlanta’s appeal continues to thrive, driven by a diverse industry base, affordable living costs, a rich talent pool, and robust job growth in finance, professional services, and technology sectors.

NOTABLE LEASES

AIG
179K SF New Lease
2002 PERIMETER SUMMIT
Central Perimeter

Bank of America
128K SF Renewal
THE PINNACLE
Buckhead

Eversheds Sutherland
94K SF New Lease/Relocation
600 PEACHTREE ST
Downtown

Avent/Avanos Medical
91K SF Renewal
5405 WINDWARD PKWY
North Fulton

NOTABLE SALES

Pershing Park Plaza
\$34M, \$212/SF
1420 Peachtree St | Midtown
Buyer: Barnouin Group

Overlook at Sugarloaf
\$24M, \$152/SF
2055 Sugarloaf Cir | Northeast
Buyer: Eastern Glass & Aluminum

Ashford Perimeter
\$22.5M, \$76/SF
4141 Ashford Dunwoody | C. Perimeter
Buyer: Pruitt Health

Pace on Parkwood
\$15.8M, \$75/SF
1300 Parkwood Cir | Northwest
Buyer: Fortinet Inc

SUBMARKET TRENDS

LOWEST VACANCY RATE	HIGHEST YTD NET ABSORPTION
JEFFERSON 0%	NORTHEAST 254K SF
ATLANTA 20.5%	ATLANTA (1.2) MSF
HIGHEST LEASING ACTIVITY	HIGHEST UNDER CONSTRUCTION
NORTHWEST 450K SF	NORTHWEST 352K SF
ATLANTA 2.4 MSF	ATLANTA 922K SF



BY SUBMARKET	TOTAL RBA	VACANCY %	LEASING ACTIVITY	4Q NET ABSORPTION	YTD NET ABSORPTION	DELIVERIES	UNDER CONSTRUCTION
BUCKHEAD	23,196,407	25.8%	386,647	(49,352)	64,099	-	-
CENTRAL PERIMETER	31,537,414	21.4%	409,583	289,599	192,235	-	60,000
DOWNTOWN ATLANTA	33,474,412	21.1%	145,607	(83,410)	(622,593)	-	16,195
GAINESVILLE	2,611,111	3.7%	8,658	19,361	62,018	-	20,000
JEFFERSON	40,730	0.0%	-	-	-	-	-
MIDTOWN ATLANTA	32,244,317	29.1%	236,172	260,279	(718,906)	869,524	224,000
NORTH FULTON	28,297,262	23.3%	344,664	(3,099)	(500,129)	-	69,000
NORTHEAST ATLANTA	21,408,189	14.0%	178,386	174,909	254,069	-	62,392
NORTHLAKE	19,521,199	15.8%	141,628	69,681	55,505	-	-
NORTHWEST ATLANTA	34,619,076	15.9%	450,422	44,940	42,425	-	352,499
SOUTH ATLANTA	15,106,493	11.9%	38,040	27,627	(44,154)	-	100,000
WEST ATLANTA	4,362,632	27.0%	13,780	33,318	22,709	-	18,297
TOTALS	246,419,242	20.5%	2,353,587	783,853	(1,192,722)	869,524	922,383

BY PRODUCT TYPE	TOTAL RBA	VACANCY %	LEASING ACTIVITY	4Q NET ABSORPTION	YTD NET ABSORPTION	DELIVERIES	UNDER CONSTRUCTION
CLASS A	137,052,772	26.0%	1,692,624	468,639	159,099	869,524	634,000
CLASS B	91,256,479	13.9%	582,949	328,530	(1,267,741)	-	288,383
CLASS C	18,109,991	12.0%	78,014	(13,316)	(84,080)	-	-

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