



Q1 2025

INDUSTRIAL MARKET ACTIVITY

ATLANTA, GA

NAIBrannenGoddard







NAIBG RESEARCH / APRIL 2025

Q1 2025

INDUSTRIAL MARKET ACTIVITY

ATLANTA, GA

SNAPSHOT

INDICATOR	Q1 2025	Q1 2024	YOY CHANGE
 INVENTORY	866 MSF	835 MSF	+31 MSF
 DIRECT VACANCY RATE	8.4%	7.0%	+2.1%
 NET ABSORPTION	242K SF	4.1 MSF	-3.8 MSF
 LEASING ACTIVITY	7.7 MSF	6.2 MSF	+1.5 MSF
 UNDER CONSTRUCTION	18.8 MSF	14.2 MSF	+4.6 MSF
 DELIVERIES	1.8 MSF	4.8 MSF	-3 MSF

KEY HIGHLIGHTS

- ✓ Vacancy rate rises to 8.4%; concentrated in new construction
- ✓ Absorption remains positive; down 3.8 MSF from this time last year
- ✓ Deliveries fell to 1.8 MSF; could result in tighter vacancies and accelerating rent growth in late 2025
- ✓ Atlanta still ranks in the Top Ten for industrial supply underway nationally



Vacancy rises; groundbreakings tapering post peak supply wave

Over the past year, the Atlanta industrial market has experienced a noteworthy downshift from the flurry of activity seen several years ago. The area's total vacancy rate has increased to 9.1%, surpassing the market's 10-year average of 5.8%. Quarterly demand has been muted, with new deliveries outpacing net absorption for the past several years. The combination of subdued demand and a record wave of recently delivered big box spaces is likely to result in continued increases in vacancy over the next several quarters.

Atlanta's location along the growing Interstate 85 corridor and nearby southeastern ports positions the area as a regional distribution hub. Population growth in the wider Southeast region has bolstered spending in the market. However, industrial deliveries and weak absorption will likely lead to increased vacancies through early 2025.

NOTABLE LEASES

Roses Discount
485K SF New Lease
95 INNOVATION WAY
South Atlanta

GXO Logistics
396K SF Renewal
WESTFORK BUSINESS PARK
West Atlanta

Staci Americas
328K SF New Lease
SUWANEE LOGISTICS CENTER
Northeast Atlanta

Dropp Logistics
271K SF New Lease
SOUTHPARK INDUSTRIAL
South Atlanta

NOTABLE SALES

1000 Naturally Fresh Blvd
\$75M, \$250/SF
1000 Naturally Fresh Blvd | South Atlanta
Buyer: Lancaster Colony Corp

Commerce 75
\$39M, \$115/SF
90 Carson Loop | Northwest Atlanta
Buyer: Bentall Green Oak

Commerce 75
\$35M, \$104/SF
86 Carson Loop | Northwest Atlanta
Buyer: Bentall Green Oak

Braselton 85 - Building 2
\$25M, \$122/SF
308 Jesse Cronin Rd | Northeast Atlanta
Buyer: Wen Products

SUBMARKET TRENDS

LOWEST VACANCY RATE	HIGHEST NET ABSORPTION
STONE MOUNTAIN 4.5%	JEFFERSON 479K SF
ATLANTA 8.4%	ATLANTA 242K SF
HIGHEST LEASING ACTIVITY	HIGHEST UNDER CONSTRUCTION
SOUTH ATLANTA 1.7 MSF	SOUTH ATLANTA 6.1 MSF
ATLANTA 7.7 MSF	ATLANTA 18.8 MSF



SUBMARKET	TOTAL RBA	DIRECT VACANCY %	LEASING ACTIVITY	NET ABSORPTION	DELIVERIES	UNDER CONSTRUCTION
CENTRAL ATLANTA	11,335,438	10.0%	9,039	-11,899	0	626,176
CHATTAHOOCHEE	19,092,948	6.1%	242,250	187,820	0	1,332,478
GAINESVILLE	34,119,599	11.1%	558,787	33,278	239,747	1,519,209
I-20 W/FULTON IND	126,923,109	7.5%	1,619,244	-474,879	590,346	1,201,022
JEFFERSON	50,414,045	19.1%	38,285	478,968	0	445,000
NORTH CENTRAL	30,977,238	5.8%	448,997	17,269	138,369	953,946
NORTHEAST	159,962,130	5.4%	1,594,886	286,003	0	857,105
NORTHWEST	96,132,452	8.4%	1,121,221	-160,606	439,043	4,162,006
SNAPPINGER/I-20 EAST	58,314,330	8.2%	304,551	-209,152	212,745	1,566,850
SOUTH ATLANTA	249,896,054	9.2%	1,650,029	224,612	206,400	6,103,826
STONE MOUNTAIN	28,655,266	4.5%	128,189	-129,512	0	0
TOTALS	865,822,609	8.4%	7,715,478	241,902	1,826,650	18,767,618

PRODUCT TYPE	TOTAL RBA	DIRECT VACANCY %	LEASING ACTIVITY	NET ABSORPTION	DELIVERIES	UNDER CONSTRUCTION
FLEX	54,613,616	5.6%	526,938	22,476	15,148	2,015,540
SHALLOW-BAY	113,705,618	4.7%	936,702	-478,367	0	580,603
WAREHOUSE	697,482,255	9.2%	6,251,838	697,793	1,811,502	16,171,475

DATA SOURCE: COSTAR



THE KING BUILDING

6 Concourse Parkway, Suite 1900

Atlanta, GA 30328

404 812 4000

NAIBG.COM