



Q1 2025

OFFICE MARKET ACTIVITY

ATLANTA, GA

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SNAPSHOT

INDICATOR	Q1 2025	Q1 2024	YOY CHANGE
📍 INVENTORY	247 MSF	245 MSF	+1 MSF
📉 DIRECT VACANCY RATE	20.3%	20.8%	-0.5%
📈 NET ABSORPTION	268K SF	(485K) SF	+753K SF
📈 LEASING ACTIVITY	2.5 MSF	2.4 MSF	+73K SF
📉 UNDER CONSTRUCTION	767K SF	2.6 MSF	-1.8 MSF
📉 DELIVERIES	82K SF	409K SF	-327K SF

KEY HIGHLIGHTS

- ✓ Leasing activity is up, and availability is slightly down
- ✓ Positive absorption; up 753K SF from this time last year
- ✓ New development continues decline; shortage of premium space on the horizon
- ✓ Atlanta's office market appears to be stabilizing



Leasing activity is up; tenants more confident signing longer lease terms

The Atlanta office market entered 2025 on more stable ground than the previous year. Leasing activity has increased, and availability has decreased slightly. By the time the final figures for the fourth quarter of 2024 are tallied, last year's annual leasing activity will align with the annual average from 2015 to 2019.

Tenants have shown greater confidence in signing longer lease terms and are seeking larger spaces than they did a year ago. Even if tenants don't require all the space immediately, they anticipate needing it, particularly companies planning a return to the office.

Atlanta's appeal continues to flourish in the long term, fueled by a diverse industry base, affordable living costs, a rich talent pool, and strong job growth in the finance, professional services, and technology sectors.

NOTABLE LEASES

Greenberg Taurig
105K SF Renewal
TERMINUS 200
Buckhead

Vensure Employer Solutions
90K SF New Lease
SUGARLOAF OFFICE PARK
Northeast Atlanta

Unum Group
57K SF New Lease
SOUTH TERRACES
Central Perimeter

Duracell
56K SF New Lease
SCIENCE SQUARE
Downtown

NOTABLE SALES

Pennant Park
\$93M, \$122/SF
4 Properties | Northwest Atlanta
Buyer: Atlanta Braves Holdings

Townpark Commons
\$42M, \$122/SF
4 Properties | Northwest Atlanta
Buyer: RG Real Estate

Lincoln 400
\$28.5M, \$812/SF
875 Johnson Ferry Rd | Central Perimeter
Buyer: Northside Hospital

Glenridge Point
\$14M, \$78/SF
2 Properties | Central Perimeter
Buyer: Northside Hospital

SUBMARKET TRENDS

LOWEST VACANCY RATE	HIGHEST NET ABSORPTION
JEFFERSON 0%	GAINESVILLE 302K SF
ATLANTA 20.3%	ATLANTA 268K SF
HIGHEST LEASING ACTIVITY	HIGHEST UNDER CONSTRUCTION
NORTHEAST 484K SF	SOUTH ATLANTA 343K SF
ATLANTA 2.5 MSF	ATLANTA 767K SF



SUBMARKET	TOTAL RBA	DIRECT VACANCY %	LEASING ACTIVITY	NET ABSORPTION	DELIVERIES	UNDER CONSTRUCTION
BUCKHEAD	23,673,823	26.0%	401,832	-138,536	0	0
CENTRAL PERIMETER	31,201,580	21.9%	396,064	-2,228	60,000	0
DOWNTOWN ATLANTA	33,511,929	20.0%	140,360	301,651	0	16,195
GAINESVILLE	2,569,568	3.5%	11,635	4,999	0	58,743
JEFFERSON	40,730	0.0%	0	0	0	0
MIDTOWN ATLANTA	32,991,085	29.7%	360,609	83,648	0	224,000
NORTH FULTON	28,023,958	22.9%	483,698	-16,444	0	69,000
NORTHEAST ATLANTA	21,732,454	14.3%	275,818	-21,383	0	35,580
NORHLAKE	19,473,084	14.2%	95,112	295,361	0	0
NORTHWEST ATLANTA	34,523,591	16.1%	267,638	-215,690	22,000	343,367
SOUTH ATLANTA	15,129,662	12.2%	39,650	-56,156	0	20,000
WEST ATLANTA	4,018,431	21.5%	10,284	33,150	0	0
TOTALS	246,889,895	20.3%	2,482,700	268,372	82,000	766,885

PRODUCT TYPE	TOTAL RBA	DIRECT VACANCY %	LEASING ACTIVITY	NET ABSORPTION	DELIVERIES	UNDER CONSTRUCTION
CLASS A	136,611,821	25.8%	1,801,880	276,603	60,000	474,000
CLASS B	92,320,742	13.7%	643,116	58,971	22,000	292,885
CLASS C	17,957,332	12.4%	37,704	-67,202	0	0

DATA SOURCE: COSTAR



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