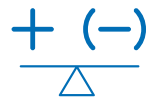




**178.4 MSF**

Inventory



**(50,099) SF**

Net Absorption



**21.5%**

Direct Vacancy



**30.8%**

Total Availability



**578,580 SF**

Under Construction



**\$32.77 PSF**

Asking Rent

## Atlanta Office Market Sees Slight Setback in Q1

### Market Observations

- After a positive Q4 to finish 2024, the Atlanta office market saw a small retraction in Q1 of 2025, with negative absorption of 50,099 SF. This brings the year-over-year absorption to negative 976,595 SF, driven primarily by CNN vacating the 750,931 SF CNN Center in Q3 of 2024.
- The direct vacant available rate held steady at 21.5%, unchanged from last quarter, but up from 20.4% one year ago.
- Atlanta's urban submarkets (Buckhead, Midtown, and Downtown) recorded their first combined positive absorption quarter since Q4 of 2022, with a 102,672 SF net gain.
- Notable Q1 2025 move-outs included Samsara leaving their 79,150 SF space at 1170 Peachtree in February, Change Healthcare vacating 78,724 SF at 5995 Windward in January, and CarMax moving out of 51,846 SF at 5707 Peachtree Pky in March.
- Q1 2025 had several large signings that boosted absorption in submarkets such as Buckhead and Downtown. One Phipps Plaza inked 90,000 SF of new space, while Duracell signed a 55,884 SF lease for a new R&D facility at Science Square Labs. There was activity among the suburban product as well, with Vensure Employer Solutions signing a full-building lease for 90,350 SF at 6700 Sugarloaf Pky, and a construction company taking 50,333 SF at 800 Parc Point.

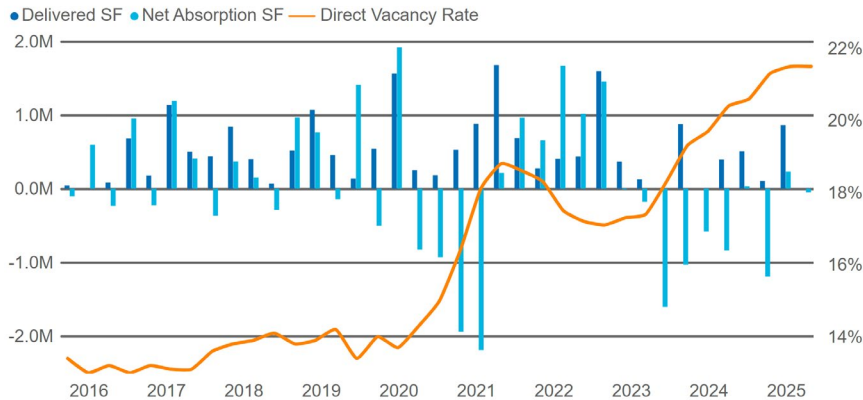




# ATLANTA OFFICE MARKET | Q1 2025

- The **direct vacant available rate** in Atlanta was unchanged in Q1 of 2025, holding steady at 21.5%. Total availability, which is all space being marketed, sits at 30.8%, down 20 basis points from Q4 2024, and down 80 points year-over-year.
- **Net absorption** totaled negative 50,099 SF in Q1 of 2025. Class A properties saw negative 58,927 SF, while Class B had a small gain of 8,828 SF. Buckhead was Atlanta's best performing submarket with positive absorption of 130,840 SF. Cumberland/Galleria suffered the heaviest losses with negative absorption of 120,144 SF.
- Atlanta's average **full-service asking rents** rose \$0.04 during Q1 2025 to \$32.77 PSF. Year-over-year the market has seen a 1.0% decline in asking rates. Cumberland/Galleria (-1.9%), Midtown (-1.3%) and North Fulton (-1.2%) have seen the largest declines over the last year.
- The **construction pipeline** was unchanged in Q1 2025, with 578,580 SF still underway in Atlanta. 53.6% of the space currently underway is pre-leased, the majority of which is at 5 Ball Park Center. The 250,000 SF building adjacent to the Atlanta Braves' Trust Park is fully leased to Truist, with an expected delivery date of June 2025.

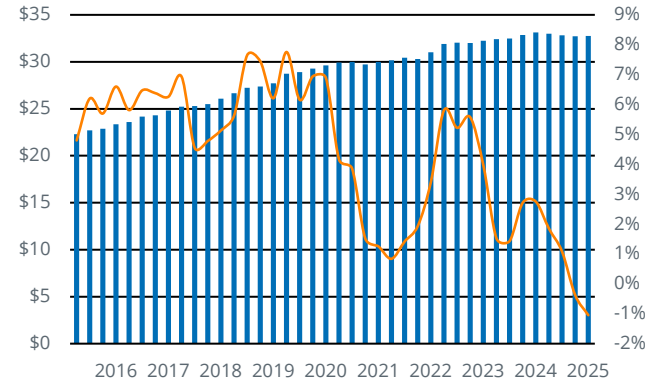
## DELIVERY IMPACT ON KEY INDICATORS



Source: Costar, Transwestern

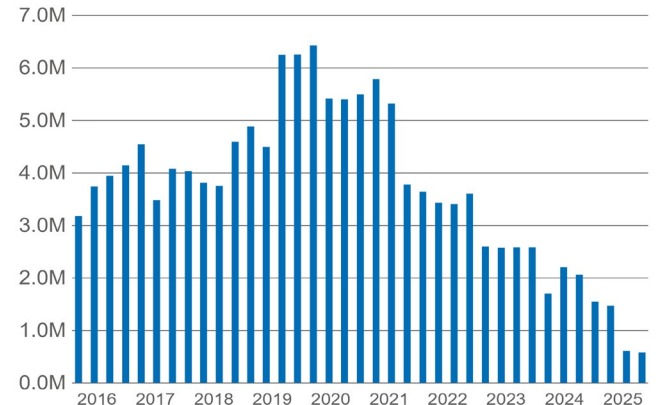
## ASKING RENT

● Asking Rent PSF, Full Service — Y-O-Y % Change



Source: Costar, Transwestern

## UNDER CONSTRUCTION



Source: Costar, Transwestern



# ATLANTA OFFICE MARKET | Q1 2025

## OFFICE MARKET INDICATORS - ALL SPACE

MARKET	INVENTORY	DIRECT VACANT AVAILABLE SF	DIRECT VACANT AVAILABLE RATE	TOTAL AVAILABILITY RATE	UNDER CONSTRUCTION SF	QUARTERLY NET ABSORPTION SF	Y-O-Y NET ABSORPTION SF	ASKING RENT PSF, FULL SERVICE
Buckhead	21,137,904	5,080,164	24.0%	33.7%	0	130,840	155,348	\$39.33
Midtown	29,367,771	7,778,209	26.5%	39.6%	224,000	(108,787)	(254,697)	\$42.96
Downtown	20,654,142	5,167,158	25.0%	34.7%	0	80,619	(635,406)	\$30.76
Central Perimeter	25,824,649	5,581,036	21.6%	34.7%	0	(6,069)	204,524	\$31.16
North Fulton	21,871,036	5,181,161	23.7%	32.0%	69,000	(20,145)	(186,180)	\$27.46
Cumberland/Galleria	20,689,105	3,616,594	17.5%	26.3%	250,000	(120,144)	(311,778)	\$28.94
Kennesaw/Town Center	4,165,930	689,485	16.6%	26.5%	0	(75,187)	491	\$26.65
Northlake	11,212,923	1,582,905	14.1%	17.6%	0	13,531	(102,200)	\$26.60
Northeast	14,942,740	2,024,495	13.5%	18.9%	35,580	48,961	258,753	\$22.93
South Atlanta	6,692,211	1,041,175	15.6%	17.3%	0	(2,802)	(124,827)	\$24.50
West Atlanta	1,827,324	570,370	31.2%	34.2%	0	9,084	19,377	\$45.16
<b>Total</b>	<b>178,385,735</b>	<b>38,312,752</b>	<b>21.5%</b>	<b>30.8%</b>	<b>578,580</b>	<b>(50,099)</b>	<b>(976,595)</b>	<b>\$32.77</b>

Source: Costar, Transwestern

To continually improve the content provided to our clients, starting at Q1 2025, Transwestern Research has revised its office methodology which may shift current and historical data in our market reporting. Please reach out to the research contact(s) noted in this report with any questions.



## Research Methodology

The information in this report is the result of a compilation of information on key for lease office properties located in the Atlanta metropolitan area. We compile our quarterly statistics based on a defined inventory of Class A and B office buildings of 20,000 SF or more in size and excluding all medical, government, owner-occupied and office condo buildings.

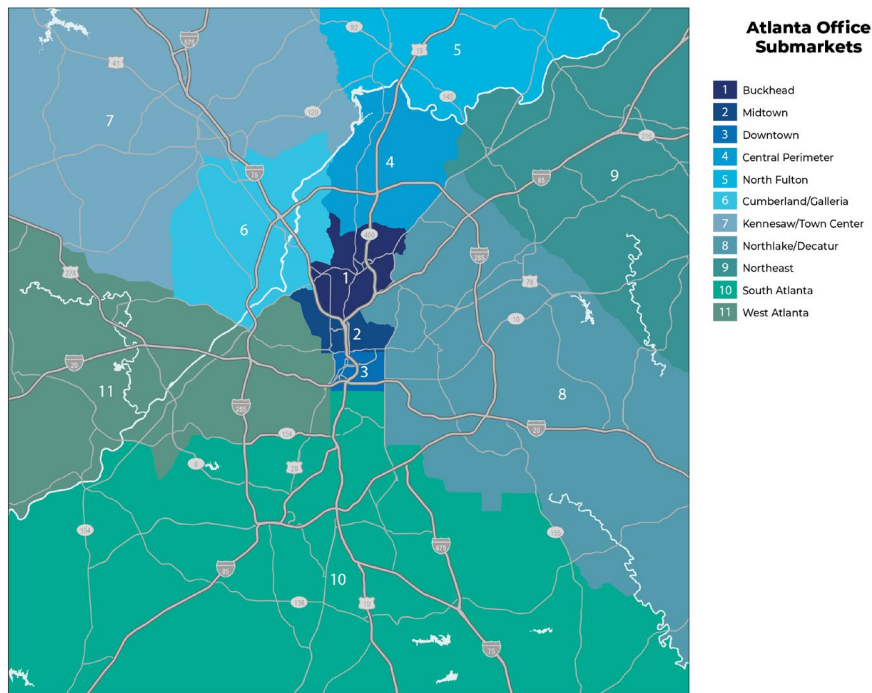
## About Transwestern

Four dynamic, integrated companies make up the Transwestern enterprise, giving us the perspective to think broadly, deeply and creatively about commercial real estate. Clients and investors rely on us for expertise that spans institutional and opportunistic investment, development, hospitality, and brokerage and asset services. Our award-winning, collaborative culture empowers team members with resources and independence to work across boundaries in pursuit of innovative solutions, reinforcing a reputation for service excellence that translates to measurable results. Through offices nationwide and alliance partners around the globe, we positively impact the built environment and our communities while fostering a work climate that champions career vitality for all. Learn more at [transwestern.com](https://transwestern.com) and [@Transwestern](https://twitter.com/Transwestern).

## For more information

### Spencer Papciak

Director of Research - Southeast  
[Spencer.Papciak@transwestern.com](mailto:Spencer.Papciak@transwestern.com)  
404.842.6585



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