

Atlanta

Office market snapshot | Q4 2024

The Atlanta office market continues to look optimistic as activity strengthened throughout 2024. Leasing activity continues to climb with more deals being executed as tenants navigate how much space is needed with an increase in office attendance due to ongoing return to office mandates. Tenants continue to show confidence when it comes to making decisions which will increase movement and leasing activity in 2025. Due to the uptick in activity during 2024, owners of office assets are becoming more active in the market looking for investment opportunities. Availability is stable and while overall absorption was still negative this quarter, sublease absorption remains positive, and sublease availability slightly decreased during Q4. Based on market performance throughout 2024, the Atlanta office market is looking bullish for 2025.

8.8%

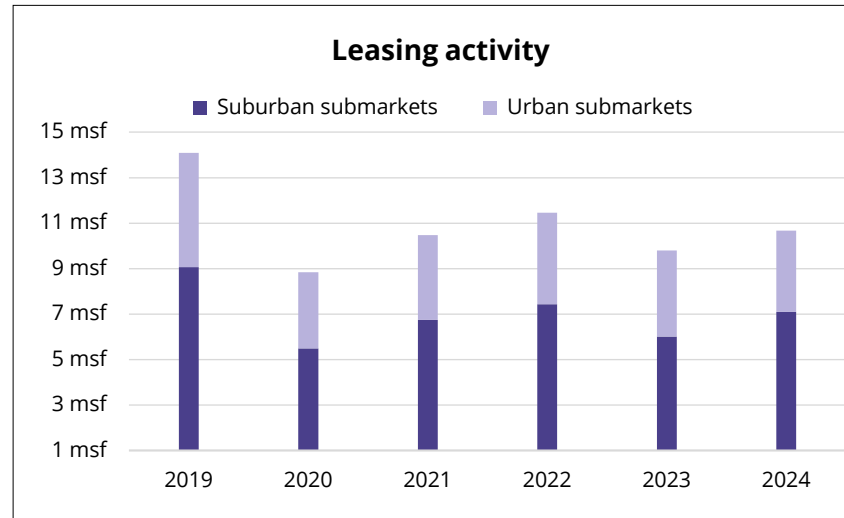
2024 ended with leasing activity up 8.8% compared to activity during 2023 when looking at square footage leased.

78.2%

Atlanta's office visitation has reached 78.2% of the pre-pandemic levels as of October 2024.

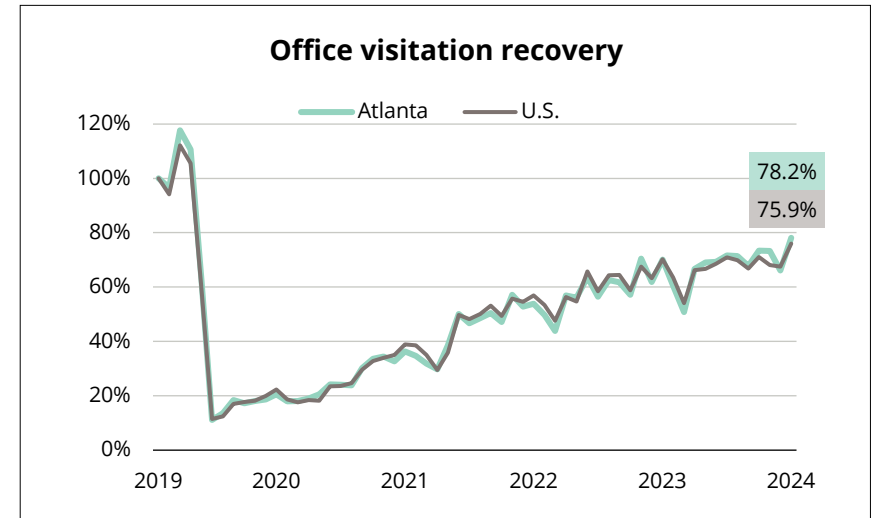
\$732M

Although investment sales activity has been tempered for office assets, 2024 transaction volumes surpassed 2023 activity.



Leasing activity has increased in 2024 as tenants continue to prove more confident when making decisions. With the ongoing announcements of return to office mandates, companies are gaining insight on how much office space they should commit to, driving an increase in leasing activity during 2025.

Source: AVANT by Avison Young, CoStar, Office Busyness Index by Avison Young, Placer.ai



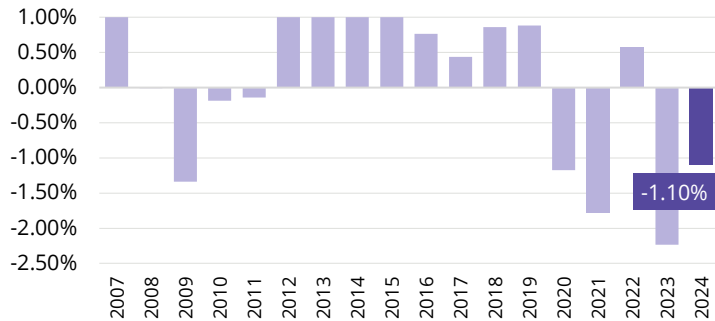
According to Avison Young's Busyness Index, Atlanta's office visitation recovery continues to be on-par with the national average and ended October 2024 slightly above the average. Nationwide, return to office mandates continue to escalate which will drive recovery numbers in 2025.

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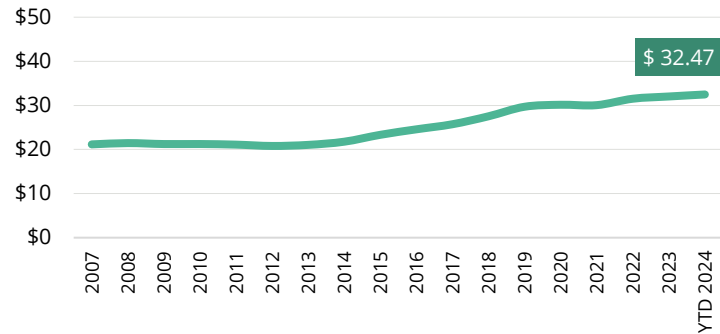
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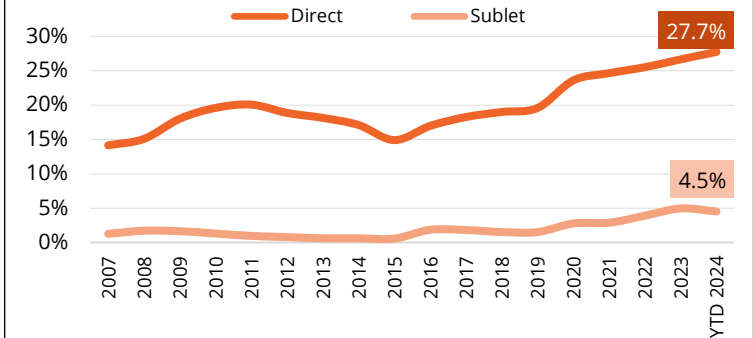
Net absorption as a % of inventory



Direct asking rents (psf/FS)



Availability



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
AIG	2002 Summit Blvd	178,666	New	Direct
Bank of America	3455 Peachtree Rd NE	127,688	Renewal	Direct
Eversheds Sutherland	600 Peachtree St NE	94,072	New	Direct
AVENT	5405 Windward Pky	90,438	Renewal	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Barnouin Group	1420 Peachtree St NE	\$34.0M	\$212.31	Franklin Street Properties
Eastern Glass & Aluminum	2055 Sugarloaf Cir	\$24.0M	\$152.00	Crossgate Partners
FTK Capital	Phoenix Park (8 property portfolio)	\$20.3M	\$60.82	WePartner Commercial
Washington Alliance Capital	2500 Patrick Henry Pky	\$17.1M	\$153.02	Davidson Kempner Capital Management

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Get in touch

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	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct availability	Sublet availability	Total availability	Net absorption SF (QTD)	Net absorption SF (YTD)	Annual direct asking rent psf FS
Buckhead	20,539,562	0	0	33.9%	2.1%	36.0%	(99,037)	44,655	\$37.94
Downtown	18,973,397	0	0	31.3%	3.4%	34.6%	(57,836)	(578,346)	\$31.57
Midtown	26,186,735	1,256,142	224,000	31.8%	4.3%	36.1%	70,499	(869,287)	\$43.50
Urban total	65,699,694	1,256,142	224,000	32.4%	3.4%	35.7%	(86,374)	(1,402,978)	\$37.67
Airport/South Atlanta	5,774,974	30,149	0	17.5%	0.6%	18.1%	15,269	57,733	\$24.06
Central Perimeter	5,774,974	100,905	0	31.4%	8.7%	37.2%	79,478	3,551	\$31.20
Cumberland/Galleria	26,572,749	0	250,000	21.4%	5.4%	26.4%	(346,393)	(555,137)	\$29.18
Decatur/Stone Mountain	21,335,797	0	0	14.9%	0.9%	15.8%	30,867	32,566	\$32.86
Duluth/Suwanee/Buford	1,833,949	0	35,580	16.6%	2.6%	19.2%	(673)	181,670	\$24.30
Norcross/Peachtree Corners	7,534,454	0	0	25.2%	2.2%	25.9%	46,936	(3,424)	\$21.87
North Fulton/Forsyth	6,530,362	104,233	0	29.6%	5.9%	35.5%	(35,642)	-418,629	\$27.31
Northeast Atlanta	20,646,305	0	0	19.6%	.5%	20.1%	56,230	67,071	\$24.59
Northwest Atlanta	9,765,076	0	0	19.4%	8.8%	26.2%	(22,772)	164,360	\$27.68
Suburban total	103,958,153	235,287	285,580	24.9%	5.3%	29.1%	(176,700)	(470,239)	\$27.00
Market total	169,657,847	1,491,429	509,580	27.7%	4.5%	31.6%	(263,074)	(1,873,217)	\$32.47

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct availability	Sublet availability	Total availability	Net absorption SF (QTD)	Net absorption SF (YTD)	Annual direct asking rent psf FS
Trophy	12,991,182	0	0	20.4%	4.6%	25.0%	(47,595)	315,025	\$44.51
Class A	104,775,206	1,491,429	509,580	31.2%	4.9%	35.2%	(179,652)	(753,650)	\$33.44
Class B	47,949,727	0	0	23.1%	4.1%	26.7%	(31,481)	(1,343,924)	\$25.03
Class C	3,941,732	0	0	16.8%	0.2%	17.1%	(4,346)	(90,668)	\$20.54
Market total	169,657,847	1,491,429	509,580	27.7%	4.5%	31.6%	(263,074)	(1,873,217)	\$32.47

Source: AVANT by Avison Young, CoStar