SK COMMERCIAL REALTY

Q3 2026

Atlanta Medical Office Market Report



Atlanta's medical office market continued to demonstrate strong performance through Q3 2026, recording its fifth consecutive quarter of positive net absorption and 341,254 SF of positive absorption year-to-date. Vacancy declined to 9.3%, down from 11.0% at year-end 2025, and rental rates continued to climb, increasing $3.46 per square foot. Downtown and Northwest Atlanta led quarterly activity with 56,500 and 48,700 SF of positive absorption, respectively, while sublease availability decreased by 16,960 SF to approximately 113,000 SF. The construction pipeline lowered to 463,000 SF underway, with no new deliveries recorded. The largest lease was Capella Recovery Center's new 36,296 SF lease on Webb Bridge Rd in Alpharetta.

Investment activity included 17 sales totaling approximately 1.24 million SF with an average sale price of $187.21 per square foot. The quarter's largest transaction was the 274,000 SF Northlake Mall property, acquired by Emory Healthcare for $68 million, or approximately $248 per SF.

Overall, continued absorption, declining vacancy and rising rental rates point to a strengthening medical office market, while a smaller development pipeline may further support existing property performance.

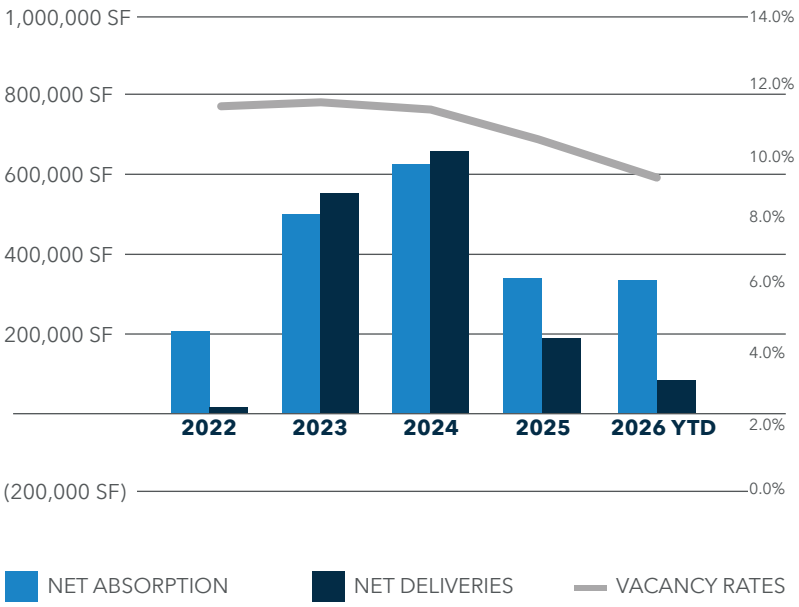
Quarterly Performance

Atlanta's medical market compared to last quarter and last year

	Q2 '26	YTD '26
VACANT SQUARE FOOTAGE (SF) 2.4 MILLION SF	▲▼	▲▼
PERCENT OF VACANT SF 9.3% VACANT	▲▼	▲▼
NET ABSORPTION 136,651 SF	▲	▲▼
DELIVERED BUILDINGS 0 SF	▲▼	▲
UNDER CONSTRUCTION SF 463,000 SF	▲▼	▲
AVERAGE QUOTED LEASE RATES $34.01 / SF	▲	▲
AVERAGE SALES PRICES $187.21 / SF	▲▼	▲

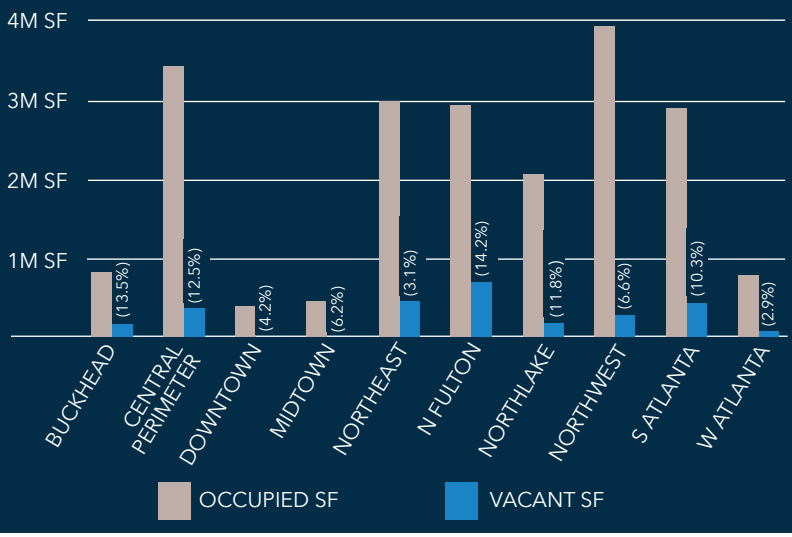
Net Absorption, Deliveries, & Vacancy Rate

Yearly changes in occupied space and new medical buildings in Atlanta, with vacancy rates showing how supply and demand trends impact overall market occupancy



Occupied vs. Vacant Inventory

Total leased vs. available medical office space by submarket in Atlanta, with vacancy rates showing the share of unleased speculative buildings over 15,000 SF



Notable Transactions



TOP NEW LEASE

Property:
Capella Recovery Center

Leased By:
Capella Recovery

Address:
3300 Webb Bridge Rd

Size:
36,296 SF

Submarket:
North Fulton

Notes:
New lease

TOP NEW DELIVERY

No new medical office deliveries in Q3



TOP NEW SALE

Property:
Northlake Mall

Bought By:
Emory Healthcare

Address:
4820 Briarcliff Rd

Size:
274,000 SF

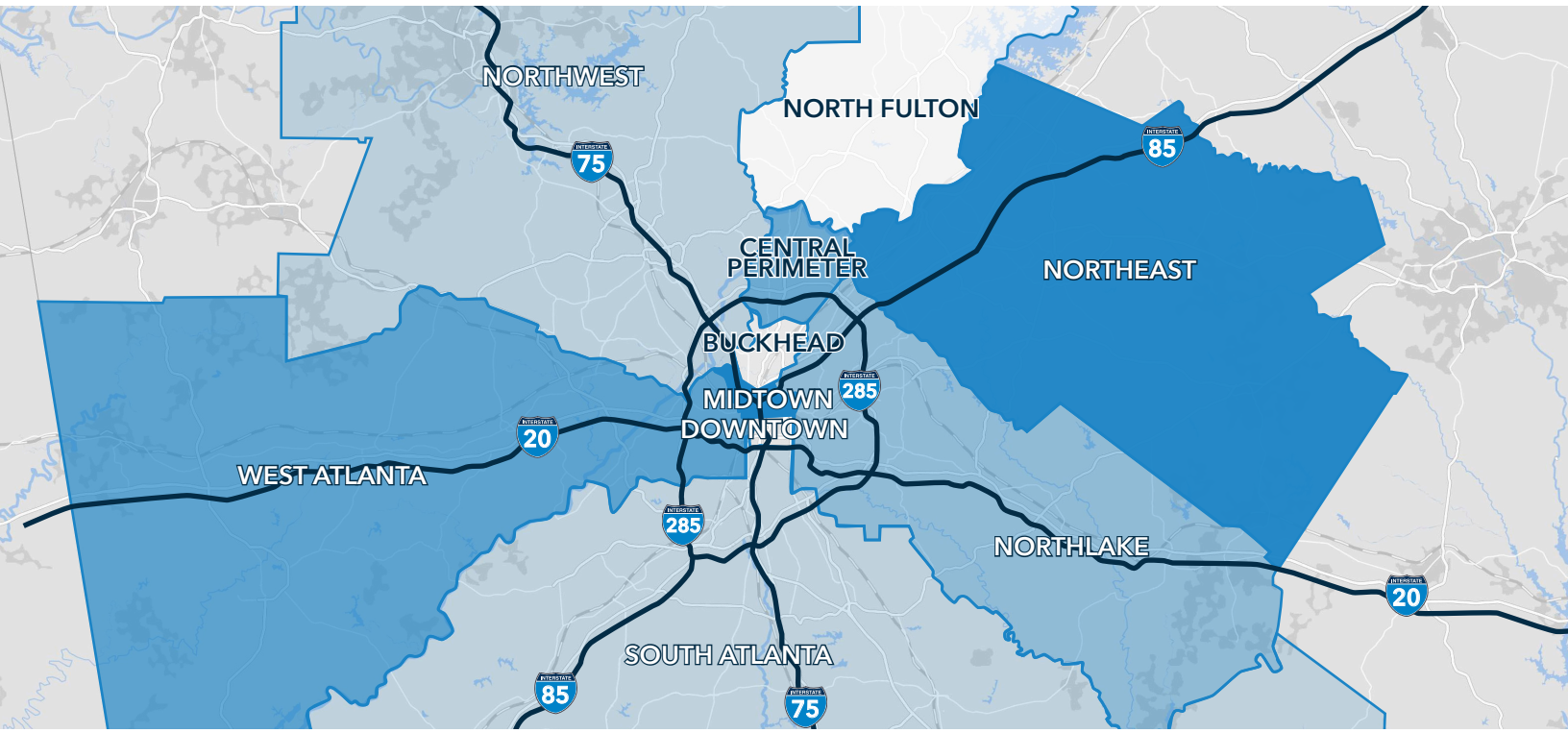
Submarket:
Northlake

Price:
$68M Total / $248 / SF

Submarket	Inventory SF	Total Vacant SF	% Vacancy	Qrt Net Abs.	Delivered SF	Under Cons. SF	Quoted Rates
Buckhead	1,751,777	236,585	13.5%	(26,247)	0	0	$34.16
Central Perimeter	4,034,064	503,979	12.5%	7,185	0	0	$37.10
Downtown	934,928	39,512	4.2%	56,505	0	0	$40.50
Midtown	506,591	31,161	6.2%	(8,072)	0	0	$35.80
Northeast	3,990,308	122,259	3.1%	29,435	0	40,000	$31.43
North Fulton	3,715,860	529,439	14.2%	10,388	0	273,000	$29.67
Northlake	2,258,882	265,830	11.8%	(11,224)	0	0	$26.55
Northwest	4,246,560	281,144	6.6%	48,716	0	150,000	$32.38
South Atlanta	3,525,799	362,265	10.3%	8,813	0	0	$28.58
West Atlanta	770,711	22,151	2.9%	21,152	0	0	$24.58
Totals	**25,735,480**	**2,394,325**	**9.3%**	**136,651**	**0**	**463,000**	**$34.01**

CBD Totals	Inventory SF	Total Vacant SF	% Vacancy	Qrt Net Abs.	Delivered SF	Under Cons. SF	Quoted Rates
Class A CBD	1,772,305	160,998	9.1%	10,243	0	0	$36.72
Class B CBD	2,998,723	313,540	10.5%	(481)	0	0	$29.57
Class C CBD	681,150	98,550	14.5%	1,200	0	0	$23.87
CBD Totals	**5,452,178**	**573,088**	**10.5%**	**10,962**	**0**	**0**	**$35.52**

Suburb Totals	Inventory SF	Total Vacant SF	% Vacancy	Qrt Net Abs.	Delivered SF	Under Cons. SF	Quoted Rates
Class A Suburban	5,526,985	628,517	11.4%	30,494	0	463,000	$36.12
Class B Suburban	12,522,357	1,055,875	8.4%	58,831	0	0	$29.61
Class C Suburban	2,233,960	136,845	6.1%	36,364	0	0	$27.32
Suburban Totals	**20,283,302**	**1,821,237**	**9.0%**	**125,689**	**0**	**463,000**	**$31.02**



BUCKHEAD

CENTRAL PERIMETER

DOWNTOWN

MIDTOWN

NORTHEAST
- Barrow & Walton County
- Duluth/Suwanee/Buford
- Lawrenceville/Lilburn
- Norcross/P'tree Corners

NORTH FULTON
- Dawson & Forsyth County

NORTHLAKE
- Chamblee/Doraville
- N Druid Hills
- Decatur
- I-20 E/Conyers
- Newton County
- Northlake/Lavista
- Stone Mountain

NORTHWEST
- Bartow, Cherokee, & Pickens County
- Cumberland/Galleria
- East Cobb
- Kennesaw/Town Center

SOUTH ATLANTA
- Airport
- Fayette, Coweta, Clayton, Meriwther, Pike, Henry, & Spalding County

WEST ATLANTA
- Douglasville/Lithia Springs
- Haralson, Heard, & W Carroll County
- Villa Rica
- West Atlanta

Glossary of Terms

Absorption	The amount of space that is occupied
BTS	Build-to-Suit *(abbreviation)*
Cap Rate	Annual net operating income divided by property value or price
CBD	Central Business District *(abbreviation)*
Class A - C	Building quality tiers ranging from premium, high-rent properties (A) to basic, lower-cost spaces (C)
Construction Pipeline	List of projects that are currently under construction
Delivery	A completed new build
Lease	Contract granting tenant use of property from landlord for rent over a set term
MSF	Million Square Feet *(abbreviation)*
Net Absorption	The difference between the amount of space leased and the amount of space vacated
PSF	Per Square Foot *(abbreviation)*
Q1 - 4	The four quarters of the year: Jan. - Mar. (1), Apr. - June (2), July - Sept. (3), Oct. - Dec. (4)
Qrt Net Absorption	Net change in occupied space during a quarter
Rental Rate	The amount of money a landlord charges a tenant to rent space
SF	Square Feet / Foot *(abbreviation)*
Submarket	The smaller areas within a larger market
Vacancy	Percentage of empty space relative to total existing inventory, excluding under-construction space
YTD	Year-to-Date *(abbreviation)*



About SK Commercial Realty

SK Commercial Realty is a full-service real estate brokerage selling, buying, and leasing office, industrial, medical, retail, and land properties. We offer project consulting services, property management, accounting, and investment services.

We have been providing effective real estate solutions to clients throughout the southeast since 1985. SKCR has developed and acquired over 5,000,000 square feet of property, and has over 25 brokers and a team of nearly 30 staff accountants, managers, architects, marketing professionals, and leadership roles.

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