



The Atlanta office market showed strong momentum in Q1 2026, recording its highest net absorption in three years at 1,001,523 square feet. All asset classes posted positive absorption, led by Class A space, which accounted for 78% of activity and has now been positive in six of the last seven quarters. Leasing activity was heavily concentrated in Central Perimeter, Midtown, Buckhead, and Northwest Atlanta, which together made up over 94% of total absorption. Central Perimeter led the market, while Midtown continued to see major deals and remains the largest and most expensive submarket, despite elevated vacancy.

Rental rates were relatively flat overall, dipping slightly by \$0.04. CBD rents declined, while suburban rates saw a modest increase, reflecting shifting tenant preferences. Development remains limited, with just 375,000 square feet under construction, and no new deliveries this quarter. Notably, Atlanta is set to have no trophy office space under construction for the first time in over a decade.

Sublease space declined from 2.6 MSF to 2.2 MSF, signaling improving fundamentals. Investment activity remained steady, with 11 sales totaling nearly 896,000 square feet and an average price of \$108.59 per square foot, slightly up from the previous quarter.

Quarterly Performance

How Atlanta's office market performed compared to Q4 2025.



VACANT SQUARE FOOTAGE (SF)
43.3 MILLION SF



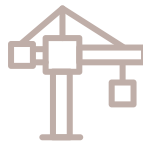
PERCENT OF VACANT SF
25.8% VACANT



NET ABSORPTION
1 MILLION SF



DELIVERED OFFICE BUILDINGS
0 SF



OFFICE UNDER CONSTRUCTION SF
375,000 SF



AVERAGE QUOTED LEASE RATES
\$33.20 / SF

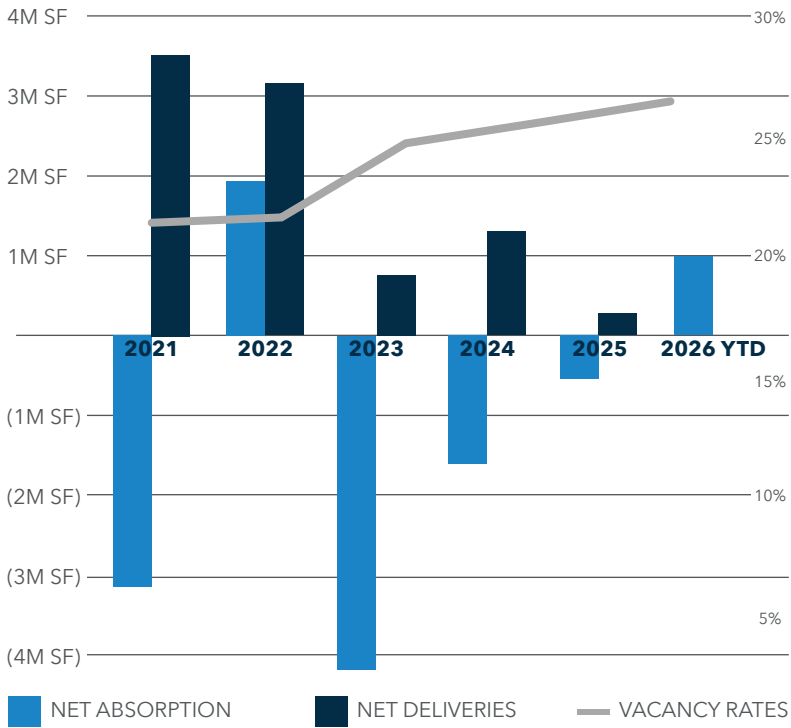


AVERAGE SALES PRICES
\$108.59 / SF



Net Absorption, Deliveries, & Vacancy Rate

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



Notable Transactions



TOP NEW LEASE

Property:
Norfolk Southern HQ
Address:
650 W Peachtree St
Submarket:
Midtown

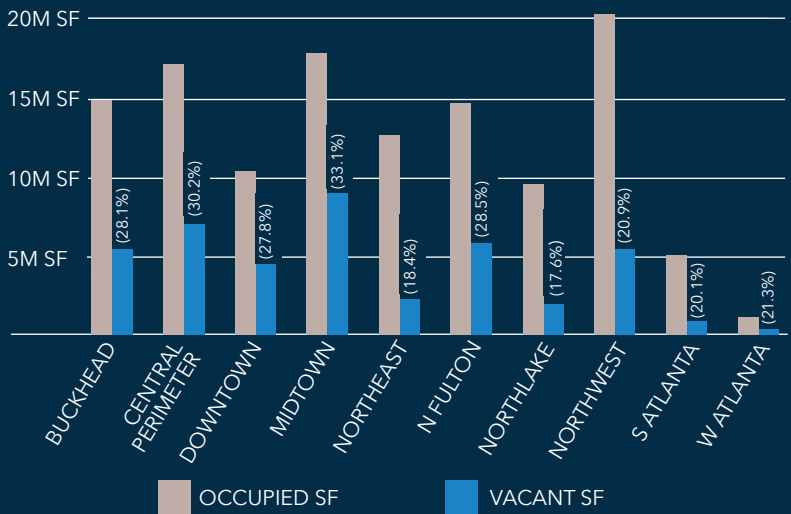
Leased By:
Norfolk Southern
Size:
750,000 SF
Notes:
5 year renewal

TOP NEW DELIVERY

No new deliveries in Q1

Occupied vs. Vacant Inventory

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



TOP NEW SALE

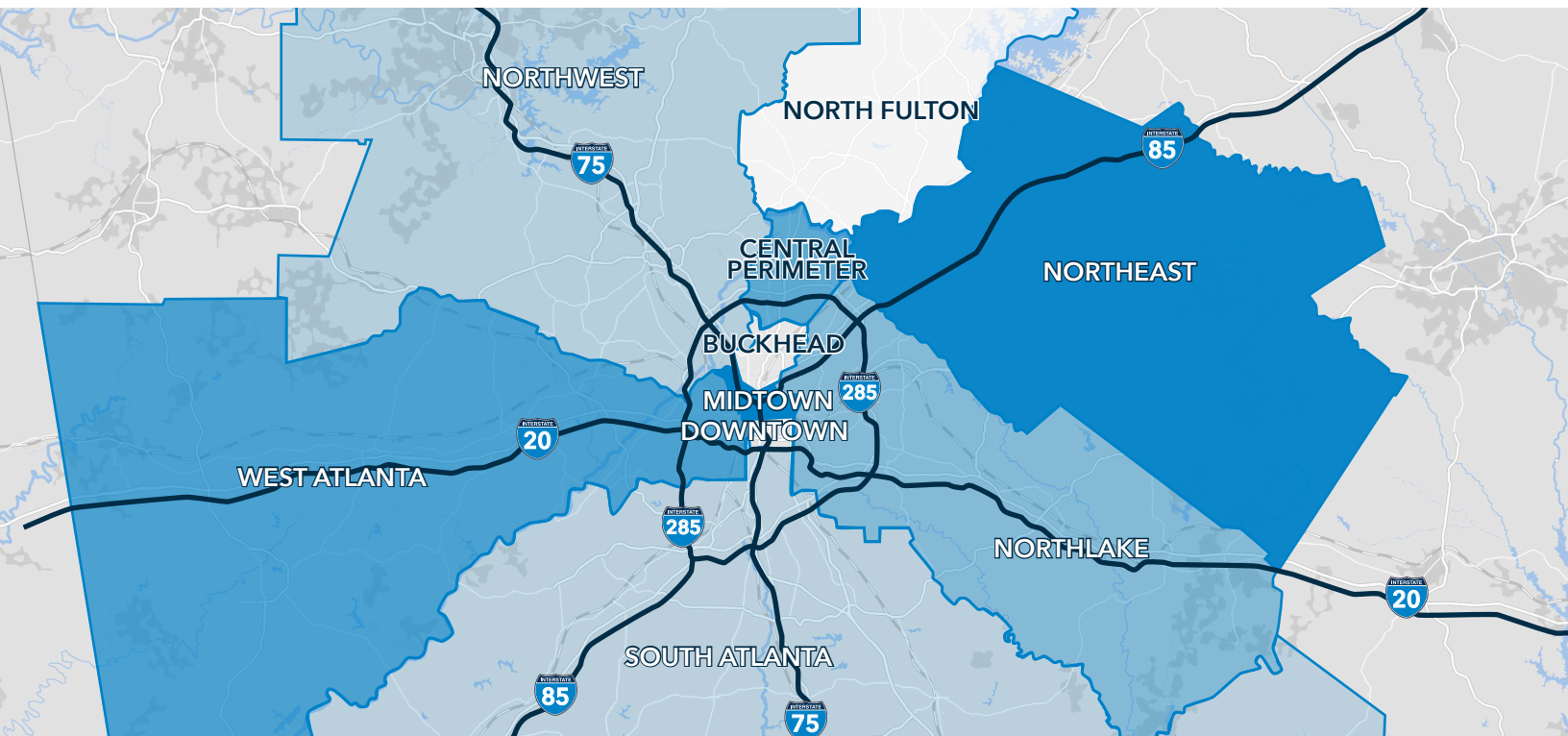
Property:
Powers Ferry
Address:
5780 Powers Ferry R
Submarket:
Northwest

Bought By:
Convoy Capital Partners
Size:
295,417 SF
Price:
\$21.97M Total / \$74 / SF

Submarket	Inventory SF	Total Vacant SF	% Vacancy	Qrt Net Abs.	Delivered SF	Under Cons. SF	Quoted Rates
Buckhead	20,708,044	5,635,418	27.2%	205,149	0	0	\$39.49
Central Perimeter	24,278,095	6,935,280	28.6%	363,254	0	0	\$31.57
Downtown	15,232,989	4,538,563	29.8%	30,745	0	0	\$32.16
Midtown	26,311,205	8,476,392	32.2%	209,877	0	224,000	\$43.11
Northeast	15,170,585	2,857,320	18.8%	(20,941)	0	0	\$23.40
North Fulton	20,976,968	5,980,795	28.5%	41,974	0	92,000	\$27.78
Northlake	11,097,349	1,990,960	17.9%	6,959	0	0	\$26.71
Northwest	26,066,371	5,348,211	20.5%	164,759	0	59,000	\$29.48
South Atlanta	6,478,072	1,296,978	20.0%	(353)	0	0	\$24.91
West Atlanta	1,671,902	284,049	17.0%	100	0	0	\$34.55
Totals	167,991,580	43,343,966	25.8%	1,001,523	0	375,000	\$33.20

CBD Totals	Inventory SF	Total Vacant SF	% Vacancy	Qrt Net Abs.	Delivered SF	Under Cons. SF	Quoted Rates
Class A CBD	49,771,538	15,128,720	30.4%	441,256	0	224,000	\$41.14
Class B CBD	9,909,005	2,995,230	30.2%	1,015	0	0	\$32.54
Class C CBD	2,571,695	526,423	20.5%	3,500	0	0	\$24.02
CBD Totals	62,252,238	18,650,373	30.0%	445,771	0	224,000	\$39.35

Suburb Totals	Inventory SF	Total Vacant SF	% Vacancy	Qrt Net Abs.	Delivered SF	Under Cons. SF	Quoted Rates
Class A Suburban	55,805,746	14,725,649	26.4%	338,803	0	151,000	\$30.73
Class B Suburban	43,252,912	8,778,752	20.3%	197,574	0	0	\$25.03
Class C Suburban	6,680,684	1,189,192	17.8%	19,375	0	0	\$21.18
Suburban Totals	105,739,342	24,693,593	23.4%	555,752	0	151,000	\$28.55



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 (<i>abbreviation</i>)
Cap Rate	Annual net operating income divided by property value or price
CBD	Central Business District (<i>abbreviation</i>)
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 (<i>abbreviation</i>)
Net Absorption	The difference between the amount of space leased and the amount of space vacated
PSF	Per Square Foot (<i>abbreviation</i>)
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 (<i>abbreviation</i>)
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 (<i>abbreviation</i>)

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