SK COMMERCIAL REALTY

Q3 2026

Atlanta Office Market Report



Atlanta's office market showed signs of resilience in the third quarter, with rising rental rates, declining sublease availability, and continued investment activity providing positive indicators amid occupancy challenges. Overall net absorption totaled -859,946 SF, bringing year-to-date absorption to -146,613 SF, largely driven by weakness in Class A space. However, Midtown and South Atlanta posted positive activity, with Midtown leading the market. Southern Company Gas relocated to 264,000 SF at Midtown Center II, resulting in a net absorption gain of approx. 5,000 SF.

Rental rates continued to climb, increasing $0.31 (1%) from Q2, with suburban rents rising $0.53. Midtown remains Atlanta's largest and most expensive office submarket, encompassing 29 MSF with average asking rents of $43.81/SF. Sublease availability also improved, declining from 2.5 MSF in Q4 2025 to 2.0 MSF in Q3.

Notable activity included a 295,000 SF lease renewal at One Atlantic Center and the delivery of 1072 W. Peachtree St., likely the last trophy office building to deliver for the next several years. With just 36,274 SF under construction, new supply remains limited, while 17 investment sales totaled 1.27 MSF at an average of $128.25/SF.

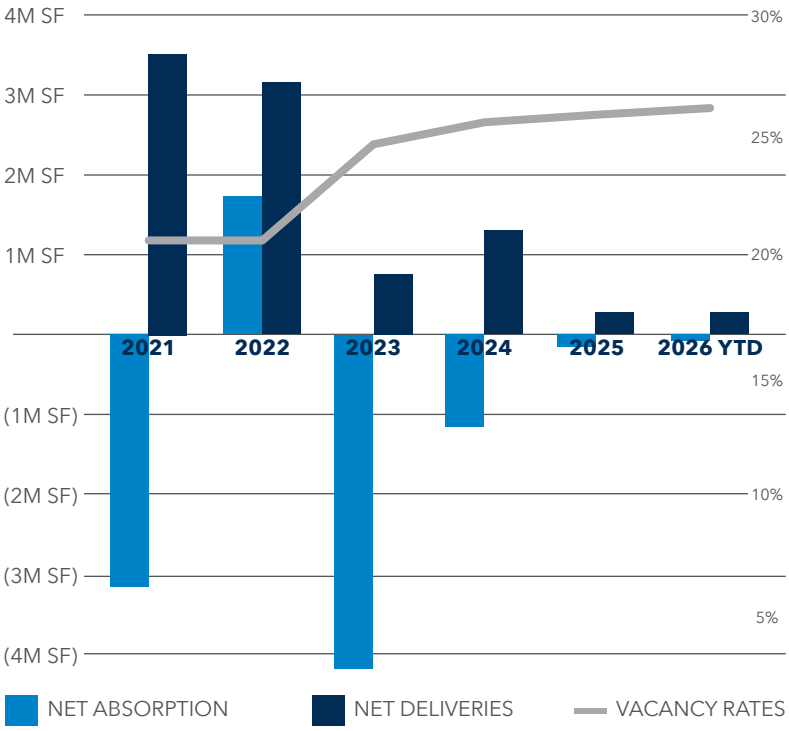
Quarterly Performance

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

	Q2 '26	YTD '26
VACANT SQUARE FOOTAGE (SF) **44.6 MILLION SF**	▲▽	▲▽
PERCENT OF VACANT SF **26.4% VACANT**	▲▽	▲▽
NET ABSORPTION **(859,946)**	△▼	△▼
DELIVERED BUILDINGS **224,000 SF**	▲▽	▲▽
UNDER CONSTRUCTION SF **36,274 SF**	△▼	△▼
AVERAGE QUOTED LEASE RATES **$33.86 / SF**	▲▽	▲▽
AVERAGE SALES PRICES **$128.25 / SF**	△▼	▲▽

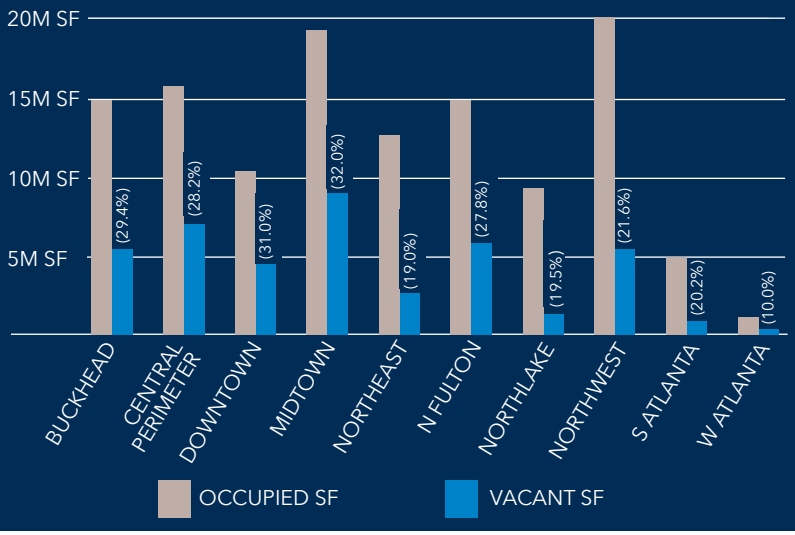
Net Absorption, Deliveries, & Vacancy Rate

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



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



Notable Transactions



TOP NEW LEASE

Property:
One Atlantic Center

Leased By:
Alston & Bird

Address:
1201 W Peachtree St

Size:
295,000 SF

Submarket:
Midtown

Notes:
Lease renewal



TOP NEW DELIVERY

Property:
1072 W Peachtree

Submarket:
Midtown

Address:
1072 W Peachtree St

Size:
224,000 SF



TOP NEW SALE

Property:
Century Springs

Bought By:
OA Development

Address:
6000 Lake Forrest Dr

Size:
192,247 SF

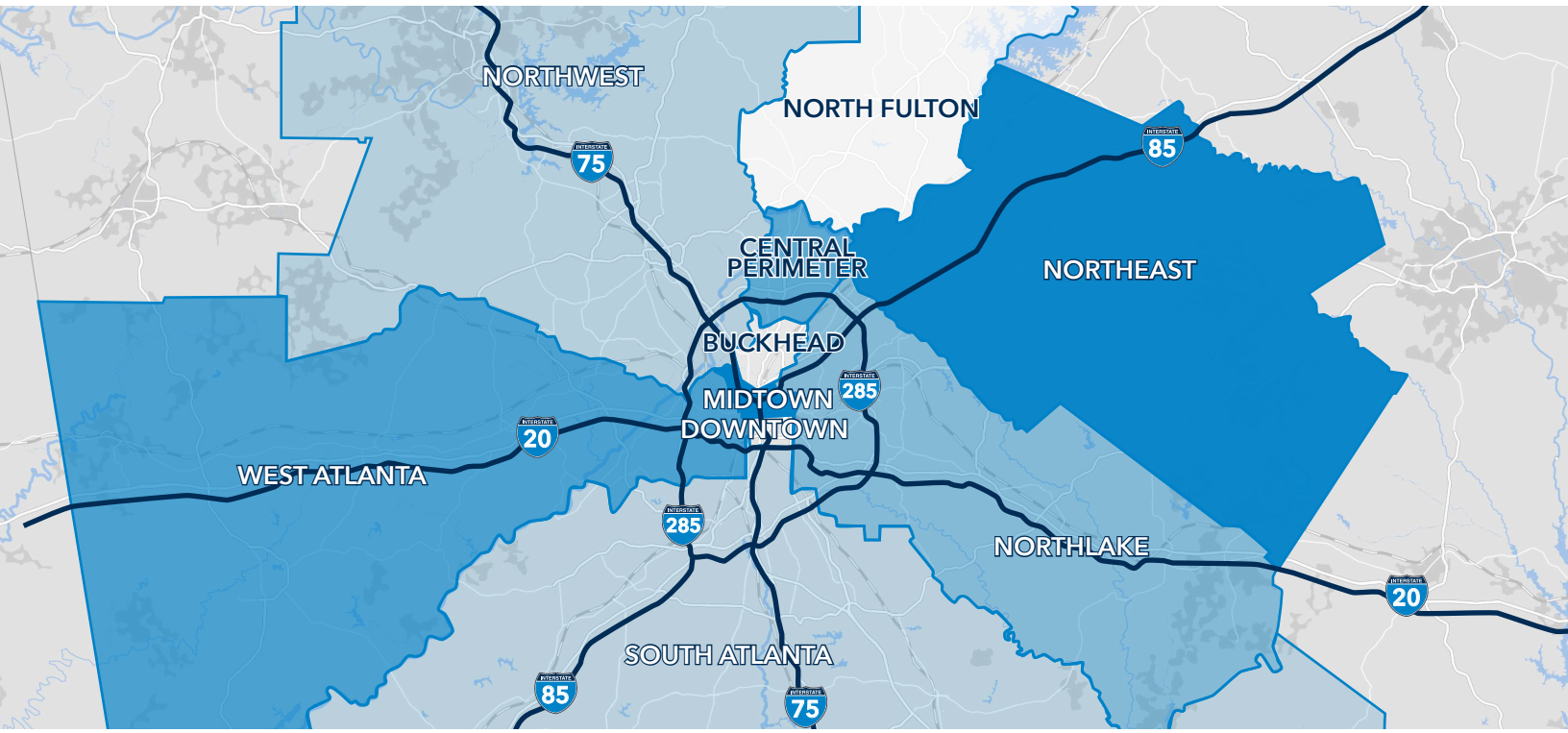
Submarket:
Central Perimeter

Price:
$21M Total / $108 / SF

Submarket	Inventory SF	Total Vacant SF	% Vacancy	Qrt Net Abs.	Delivered SF	Under Cons. SF	Quoted Rates
Buckhead	20,825,583	6,121,252	29.4%	(140,009)	0	0	$39.37
Central Perimeter	23,975,621	6,751,435	28.2%	(65,911)	0	0	$31.91
Downtown	15,164,648	4,693,853	31.0%	(175,163)	0	0	$32.05
Midtown	29,026,622	9,299,960	32.0%	868	224,000	0	$43.81
Northeast	14,744,725	2,799,127	19.0%	(30,533)	0	0	$23.98
North Fulton	20,936,435	5,824,584	27.8%	(88,900)	0	36,274	$27.91
Northlake	10,624,014	2,070,231	19.5%	(51,665)	0	0	$27.83
Northwest	26,065,511	5,624,003	21.6%	(274,075)	0	0	$30.69
South Atlanta	6,411,697	1,296,733	20.2%	8,277	0	0	$24.84
West Atlanta	1,372,760	137,806	10.0%	(42,835)	0	0	$32.99
Totals	**169,147,616**	**44,618,984**	**26.4%**	**(859,946)**	**224,000**	**36,274**	**$33.86**

CBD Totals	Inventory SF	Total Vacant SF	% Vacancy	Qrt Net Abs.	Delivered SF	Under Cons. SF	Quoted Rates
Class A CBD	50,000,542	15,966,676	31.9%	(168,621)	224,000	0	$41.38
Class B CBD	12,437,726	3,551,874	28.6%	(72,520)	0	0	$34.22
Class C CBD	2,578,585	596,515	23.1%	(73,163)	0	0	$27.14
CBD Totals	**65,016,853**	**20,115,065**	**30.9%**	**(314,304)**	**224,000**	**0**	**$39.71**

Suburb Totals	Inventory SF	Total Vacant SF	% Vacancy	Qrt Net Abs.	Delivered SF	Under Cons. SF	Quoted Rates
Class A Suburban	53,780,695	14,031,810	26.1%	(576,909)	0	36,274	$31.49
Class B Suburban	42,843,441	9,127,950	21.3%	412	0	0	$25.55
Class C Suburban	7,506,627	1,344,159	17.9%	30,855	0	0	$21.56
Suburban Totals	**104,130,763**	**24,503,919**	**23.5%**	**(545,642)**	**0**	**36,274**	**$29.06**



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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