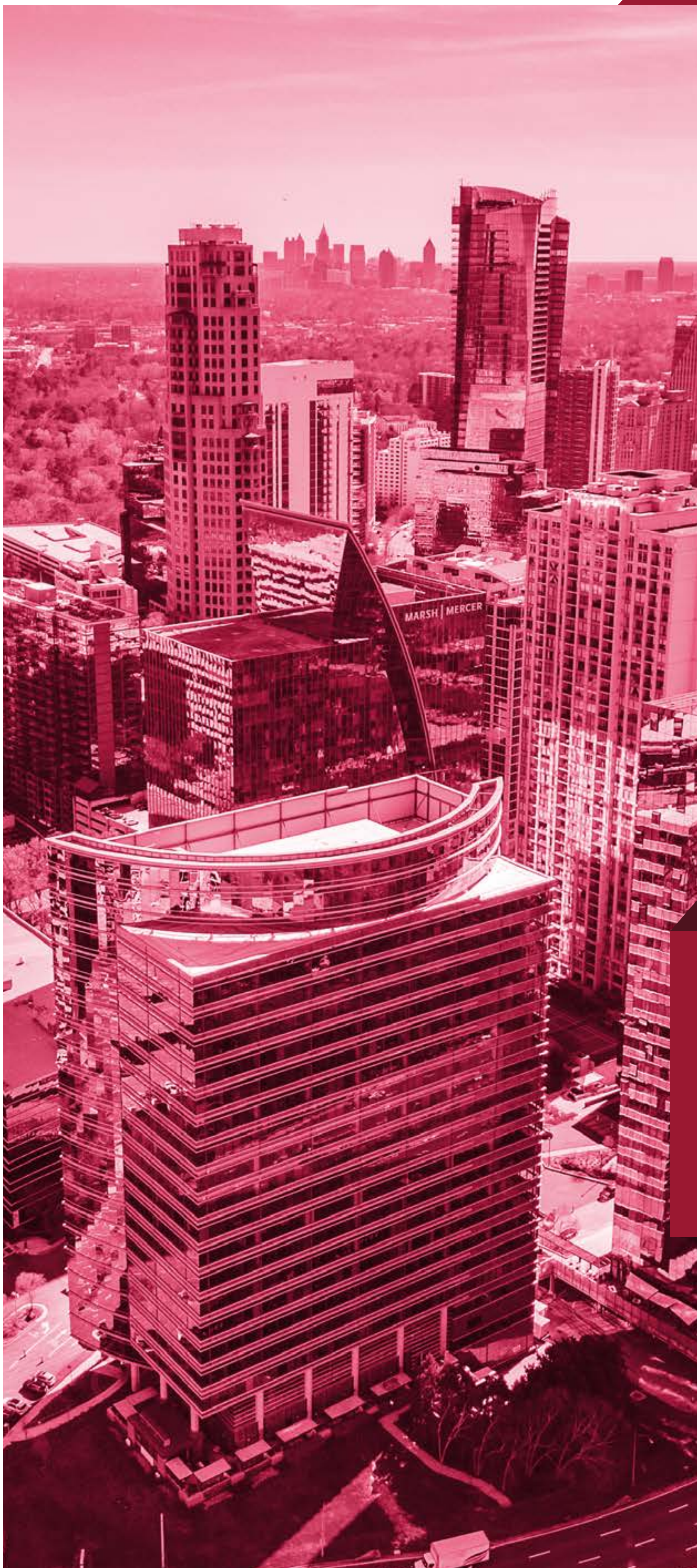

LEE & ASSOCIATES

Q2 2026

ATLANTA OFFICE MARKET REPORT

Vacancy Moves Lower as the Development Pipeline Continues to Shrink

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MARKET OVERVIEW

Q2 2026

Atlanta's office market showed continued improvement during the second quarter, as vacancy declined for the first time in nearly a year despite a more measured pace of leasing activity. Direct vacancy fell to 23.6%, bringing overall vacancy down to 24.7%, while sublease availability also continued to trend lower. Although leasing activity moderated from an exceptionally active first quarter, tenant demand remained focused on higher-quality space, resulting in modest positive net absorption. Meanwhile, the development pipeline continued to contract, with just 300,000 square feet under construction, one of the smallest pipelines in more than a decade, limiting future competitive supply. Average asking rents increased to $31.00 PSF, demonstrating continued pricing resilience despite elevated vacancy. Overall, the quarter reflected a market gradually working through elevated availability, supported by limited new construction, resilient rental rates, and steady demand for well-located, high-quality office space.

11,531 SF
Q2 NET ABSORPTION
Q1: 297,577 SF

24.7%
Q2 VACANCY RATE
Q1: 25.1%

300,000 SF
Q2 UNDER CONSTRUCTION
Q1: 391,000 SF

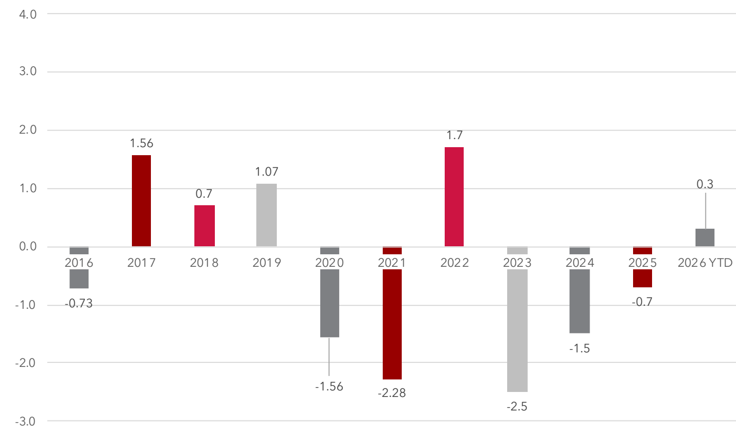
107,000 SF
Q2 NEW SUPPLY DELIVERED
Q1: 16,195 SF

$31.00 PSF
Q2 AVG. ASKING RENT | YEAR
Q1: $30.89 PSF

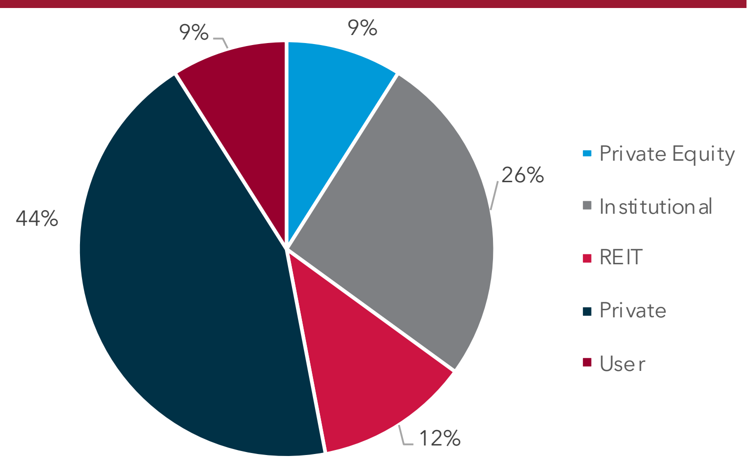
$209 PSF
Q2 AVG. SALES PRICE
Q1: $202 PSF

$816.8 Million
ROLLING 12-MO SALES VOLUME
Q1: $1.2 Billion

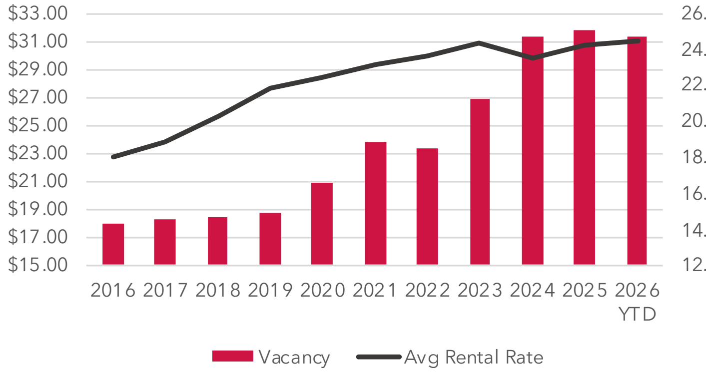
ANNUAL | NET ABSORPTION (MSF)



12 MONTH | BUYER COMPOSITION



ANNUAL | VACANCY & AVG RENTAL RATE



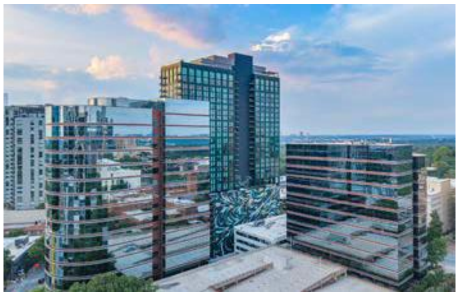
MARKET ACTIVITY

Q2 2026

Q2 2026 | TOP SALES

101 MARIETTA STREET NW
ATLANTA, GA 30303

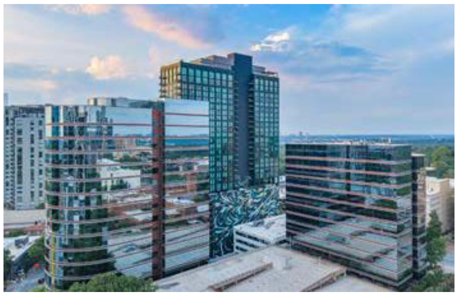
SUBMARKET	Downtown Atlanta
BUYER	Real Capital Solutions, Inc.
SELLER	Dilweg
SIZE (SF)	673,819
SALE PRICE	*$49,500,000 ($73.46 PSF)*



1349 W PEACHTREE ST NW*
ATLANTA, GA 30309

SUBMARKET	Midtown Atlanta
BUYER	Zalik Investment Group
SELLER	Teachers' Retirement System of the State of IL
SIZE (SF)	272,764
SALE PRICE	*$33,474,988 ($122.73 PSF)*

** Part of a portfolio sale*



1360 PEACHTREE ST NE*
ATLANTA, GA 30309

SUBMARKET	Midtown Atlanta
BUYER	Zalik Investment Group
SELLER	Teachers' Retirement System of the State of IL
SIZE (SF)	233,344
SALE PRICE	*$30,025,012 ($128.67 PSF)*

** Part of a portfolio sale*

Q2 2026 | TOP LEASES

1020 SPRING STREET
ATLANTA, GA 30301

SUBMARKET	Midtown Atlanta
TENANT	Pinnacle Bank
SIZE (SF)	165,000
LEASE TYPE	New Lease

3344 PEACHTREE ROAD
ATLANTA, GA 30326

SUBMARKET	Buckhead
TENANT	Weinberg, Wheeler, Hudgins, Gunn & Dial, LLC
SIZE (SF)	75,269
LEASE TYPE	New Lease

400 PERIMETER CENTER TER NE
ATLANTA, GA 30346

SUBMARKET	Central Perimeter
TENANT	Choate Construction Company
SIZE (SF)	57,537
LEASE TYPE	New Lease

Q2 2026 | TOP CONSTRUCTION

1072 W PEACTHTREE STREET NW
ATLANTA, GA 30309

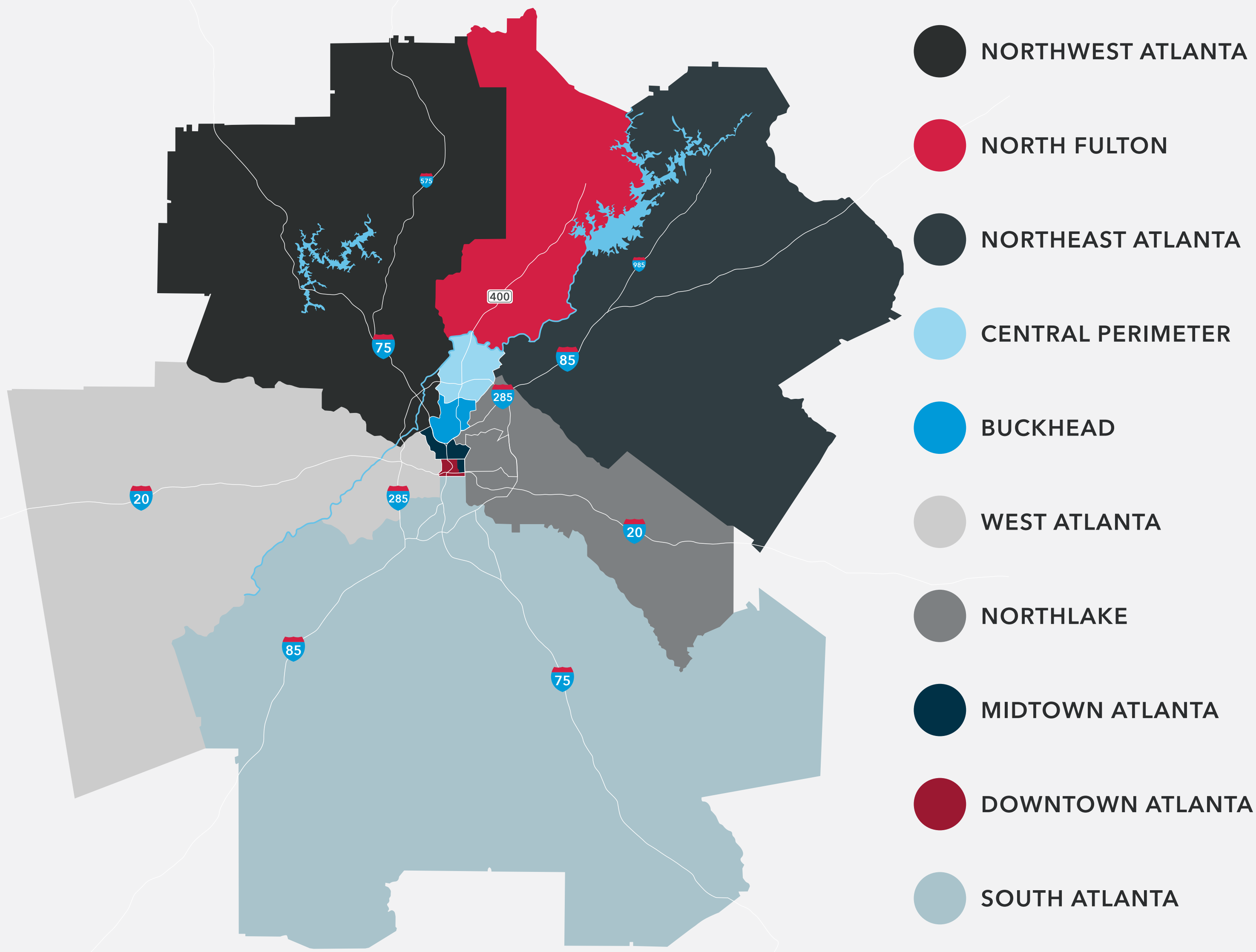
SUBMARKET	Midtown Atlanta	DELIVERY	2026 - Q3
SIZE (SF)	224,000	DEVELOPER	Rockefeller Group

3100 NORTHWINDS PKY
ALPHARETTA, GA 30009

SUBMARKET	North Fulton	DELIVERY	2026 - Q3
SIZE (SF)	60,000	DEVELOPER	Evans General Contractors

Q2 2026

OFFICE SUBMARKETS	TOTAL INVENTORY (SF)	TOTAL VACANT (SF)	Q2 VACANCY RATE	2026 YTD NET ABSORPTION (SF)	UNDER CONSTRUCTION (SF)	2026 YTD DELIVERIES (SF)	AVG. ASKING RENT / YEAR (PSF)
Buckhead	19,782,731	5,622,013	28.42%	(128,798)	-	-	$38.57
Central Perimeter	25,016,242	6,519,227	26.06%	364,099	-	-	$30.94
Downtown Atlanta	19,997,365	5,917,935	29.59%	(89,580)	-	16,195	$30.78
Midtown Atlanta	30,267,991	9,058,914	29.93%	94,852	224,000	-	$43.43
North Fulton	22,539,031	5,996,684	26.61%	103,793	60,000	48,000	$27.02
Northeast Atlanta	15,757,100	2,880,156	18.28%	(21,469)	-	-	$31.56
Northlake	13,474,353	2,522,415	18.72%	(71,135)	-	-	$26.56
Northwest Atlanta	27,061,359	5,317,381	19.65%	86,837	-	59,000	$28.75
South Atlanta	9,282,545	1,313,206	14.15%	(29,591)	-	-	$23.85
West Atlanta	2,284,137	615,713	26.96%	100	16,000	-	-
TOTAL	**185,462,854**	**45,763,644**	**24.7%**	**309,108**	**300,000**	**123,195**	**$31.00**



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