



Northeast Atlanta 23Q2

Key Takeaways

- Northeast Atlanta records negative 145 SF in net absorption
- Vacancy increased 70 bps from the prior quarter to 13.4%
- Leasing activity for the first half of 2023 totals 87% of the total for the first half of 2022
- Overall asking rates continue to increase, reaching \$21.67/SF



Vacancy Rates Continue to Rise in Northeast Atlanta

The overall vacancy rate in Northeast Atlanta posted a second consecutive 70 bps quarterly increase, reaching 13.4% amidst slowing demand for office space throughout the Atlanta market. The submarket's vacancy rate remains well below the previous cycle peak of 19.5% recorded in Q2 2011, providing landlords confidence to maintain rental rates. Rents posted positive growth, reaching \$21.67/SF overall and \$23.13/SF for Class A space, but remains one of the more affordable submarkets in Atlanta.

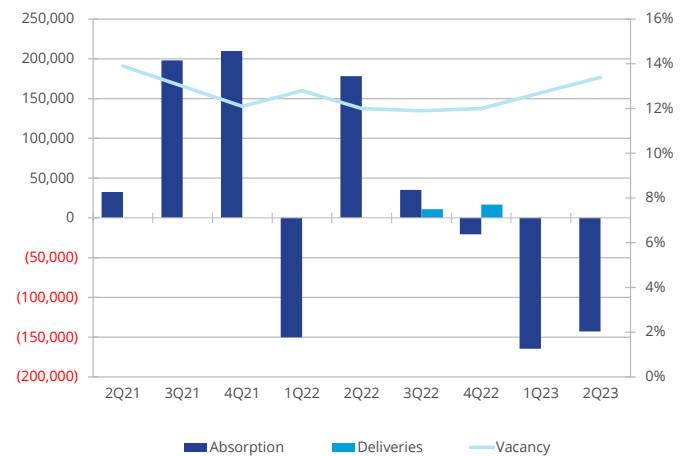
Atlanta Market Indicators



Historic Comparison

	22Q2	23Q1	23Q2
Total Inventory (in Millions of SF)	23.1	23.2	23.2
New Supply (in Thousands of SF)	-	-	-
Net Absorption (in Thousands of SF)	178.1	(164.5)	(142.7)
Overall Vacancy	12.0%	12.7%	13.4%
Under Construction (in Thousands of SF)	63.3	35.6	35.6
Overall Asking Lease Rates (FSG)	\$20.80	\$21.28	\$21.67

Market Graph



Absorption in Northeast Atlanta turned negative the last two quarters and contributed to an 80 bps increase in the overall vacancy rate, which reached 12.7% in the first quarter.

Sources: CoStar, Colliers Research

Recent Transactions

 Lease 155 Technology Pky 31k SF	 Lease 3095 Satellite Blvd 24k SF	 Lease 3550 Engineering Dr 25k SF	 Sale \$6.25M (\$125/SF) 27th Ventures	 Sale \$5.0M (\$53/SF) Corners Outreach Inc	 Sale \$3.25M (\$113/SF) AEW Property, LLC
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In The News

• **Board of commissioners approves Gwinnett Place Mall revitalization:**

The Gwinnett County Board of Commissioners approved a strategy to revitalize the nearly-vacant Gwinnett Place Mall near Duluth. The board plans to redevelop the 90-acre mall site as a largely residential mixed-use area with green space, accessible through multiple modes of transportation. The concept, called “Global Villages,” centers on seven multi-family residential buildings and a cultural activity center around a park. The design envisions international restaurants, cultural shops and flexible co-working office space. A greenway trail connected to the countywide trail network would circle the site and a new transit center is being designed nearby. Most of the existing mall would be demolished.

At A Glance | Revel Project (On Hold)



- Entertainment and retail district located at Gwinnett’s Infinite Energy Center
- Will include retail, restaurant and office space; in addition to luxury residences, a hotel and movie theater.
- Future transit options included as part of overall plan for project.
- Broke ground Spring 2019, but development has paused as the Gwinnett Chamber seeks a new developer.

Colliers Atlanta Northeast Atlanta Listings



Lease
Sugarloaf I-V
2,380 - 90,350 SF



Lease
Jefferson Plaza
2,597 - 76,667 SF



Lease
Peachtree Corners II & III
4,757 - 41,607 SF



Lease
Gwinnett Commerce Ctr
1,745 - 33,722 SF



Lease
Hampton Green
2,500 - 8,039 SF



Lease
Mulberry Park
2,633 SF

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