

MARKET OVERVIEW

 **9.0%**
VACANCY RATE

 **5.8 M SF**
YTD ABSORPTION

 **0.5 M SF**
NEW SUPPLY

 **9.0 M SF**
UNDER CONSTRUCTION

 **\$7.57**
AVG LEASE RATE (NNN)

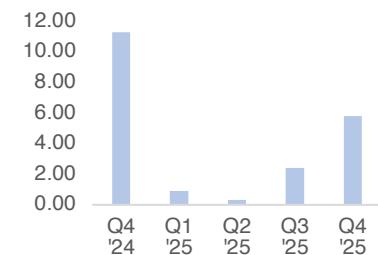
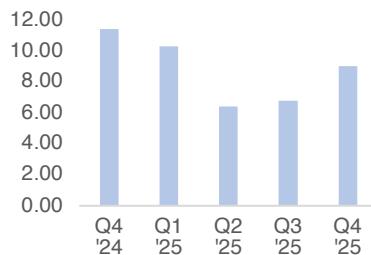
HIGHLIGHTS

In Q4 2025, the Atlanta industrial market gained significant momentum with YTD absorption reaching 5.8 million SF. The Northeast submarket accounted for 4.3 million SF of this absorption. Leasing activity was strong in Atlanta, with three leases exceeding one million SF signed. Two of these were renewals signed by manufacturing giants, Carter's and Smucker's. This rise in leasing activity led to a decline in vacancy to 9.0%.

The construction pipeline expanded to 9.0 million SF in Q4, after many quarters of contraction. The I-85 North and I-85 South submarkets contributed the most new product in 2025. Mid-size buildings ranging from 150,000 to 500,000 square feet accounted for the majority of new construction. Continued development activity within this size segment suggests the trend will carry forward in the coming quarters.

In Q4, rental rates remained relatively stable at \$7.57 PSF, though they continued to reflect strong long-term growth. The GA-400 submarket recorded the highest year-over-year increase, with rates rising nearly 22% from Q4 2024. Vacancy in Class A buildings continues to decline as tenants increasingly favor more modern, efficient facilities.

The Atlanta industrial market showed renewed investment activity in Q4, with transaction volume exceeding \$1.3 billion. Hillwood acquired a 1.2 million SF portfolio from Blackstone for \$181.4 million (\$148/SF). A confidential user acquired 1.2 million SF at The Cubes at Bridgeport for \$133 million (\$111/SF), representing the largest occupancy recorded this quarter.

YTD ABSORPTION (MSF)UNDER CONSTRUCTION (MSF)VACANCY RATEHISTORIC COMPARISON

QUARTER	VACANCY	YTD ABSORPTION (MSF)	NEW SUPPLY (MSF)	UNDER CONSTRUCTION (MSF)
Q4 '24	8.5%	11.3	5.8	11.4
Q1 '25	8.7%	0.9	2.1	10.3
Q2 '25	9.3%	0.3	4.4	6.4
Q3 '25	9.4%	2.4	3.9	6.8
Q4 '25	9.0%	5.8	0.5	9.0

*Report includes averages from JLL, Colliers, CBRE, and Cushman & Wakefield.

ATLANTA INDUSTRIAL | Q4 2025

NOTABLE BUILDING SALES



PROPERTY: Multi-Property
SUBMARKET: Various
BUYER: Hillwood Investment Properties
SELLER: Blackstone
SIZE (SF): 1,225,659
SALE PRICE: \$181.4 M (\$148/SF)
SALE TYPE: Investment (Portfolio)



PROPERTY: The Cubes at Bridgeport – Bldg D
SUBMARKET: Southwest/I-85
BUYER: Confidential
SELLER: CRG
SIZE (SF): 1,201,200
SALE PRICE: \$133.0 M (\$111/SF)
SALE TYPE: Owner-User

NOTABLE LEASES



PROPERTY: 625 Braselton Parkway
SUBMARKET: Northeast / I-85
LANDLORD: Prologis
TENANT: Carter's
SIZE (SF): 1,061,663
LEASE TYPE: Renewal



PROPERTY: 5000 Bohannon Road
SUBMARKET: Southwest / I-85
LANDLORD: Prologis
TENANT: Smucker's
SIZE (SF): 1,037,400
LEASE TYPE: Renewal



PROPERTY: 1277 Dry Pond
SUBMARKET: Northeast / I-85
LANDLORD: Alliance Industrial
TENANT: Win Sun
SIZE (SF): 497,094
LEASE TYPE: New



PROPERTY: 2475 Highway 155
SUBMARKET: Southeast / I-75
LANDLORD: Alliance Industrial
TENANT: Broadrange Logistics
SIZE (SF): 427,200
LEASE TYPE: New