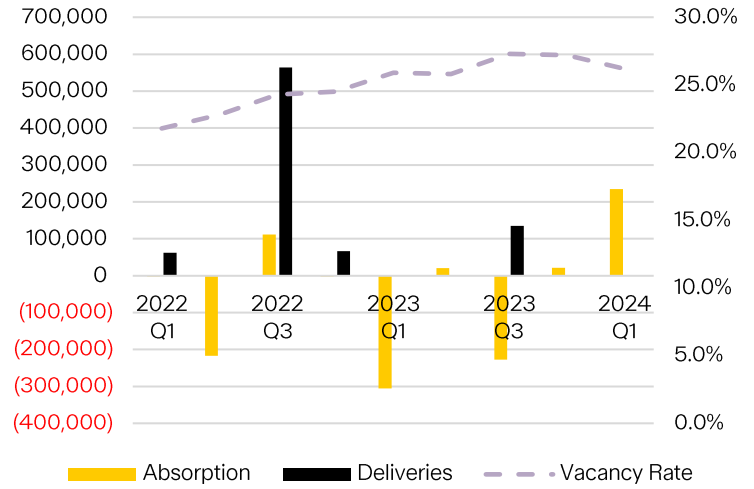


# Downtown Q1 2024

## Downtown Benefits From MailChimp's Relocation

This quarter, Downtown Atlanta experienced a significant absorption boost with the long-awaited move-in of Mail Chimp at Fourth Ward, situated on the eastside trail. Initially planning to occupy 312,115 square feet, they recently opted to place two floors, totaling 44,471 square feet, on the sublease market. Despite this, the occupancy gain enabled Downtown Atlanta to regain 100 basis points this quarter, reducing its rate to 26.2%. However, apart from this positive development, there isn't much favorable activity occurring, as many tenants have relocated from Downtown to other submarkets in Atlanta over the past year. Without the significant move in of Mailchimp this quarter, absorption would sit at negative 32,631 square feet.

Absorption, Deliveries, and Vacancy Rates



### Submarket Stats

Class	Total Inventory SF	Direct Vacancy Rate	Sublease Vac Rate	Total Vacant SF	Vac Rate Current	Vac Rate Prior	Net Absorp Current	Net Absorp YTD	Deliveries	Under Constr	Avg Rent (FSG)
Class A	14,236,122	29.1%	1.1%	4,298,347	30.2%	32.1%	264,976	264,976	-	368,258	\$31.86
Class B	5,149,570	14.9%	0.2%	780,543	15.2%	14.6%	(27,312)	(27,312)	33,000	-	\$29.56
Class C	2,761,618	25.9%	0.0%	715,199	25.9%	25.8%	(2,651)	(2,651)	-	-	\$26.77
<b>Total</b>	<b>22,147,310</b>	<b>25.4%</b>	<b>0.7%</b>	<b>5,794,089</b>	<b>26.2%</b>	<b>27.2%</b>	<b>235,013</b>	<b>235,013</b>	<b>33,000</b>	<b>368,258</b>	<b>\$31.32</b>

### Recent Leases

Tenant	Property	Owner	Sign Date	SF	Lease Type
Withheld	Bank of America Plaza	New City Properties	Dec 2023	25,006	New
Withheld	Peachtree Center	Banyan Street Capital	Jan 2024	13,954	Sublease
Withheld	Peachtree Center	Banyan Street Capital	Mar 2024	7,569	Direct

### Recent Investment Sales

Property	Price	SF	\$/SF	Date	Buyer
Bank of America Plaza	\$380,000,000	1,351,586	\$281	3/1/2022	Cp Group
387 Technology Cir Bldg 100	\$85,250,000	126,760	\$672	10/1/2022	Ancora Partners
100 Edgewood	\$29,560,000	306,000	\$96	6/30/2022	Atlantic Companies

### Active Downtown Construction Projects



**Science Square Labs**  
1368,258 | June 2024  
Trammell Crow Company

# In The Market

**Atlanta Tech Village Opens Pop up Space:** The South Downtown expansion of Atlanta Tech Village is set to open its first pop-up space at 170 Mitchell St., a former marketing office of German real estate firm Newport RE. This marks the initial phase of a 40-year plan to transform 10 city blocks into a startup ecosystem. The startup incubator, led by entrepreneurs David Cummings and Jon Birdsong of Atlanta Ventures, plans to revitalize South Downtown with offices, restaurants, and housing.

**Atlanta Lands \$158M Federal Grant:** The plan to construct a park over the Interstate 75/85 interchange in Downtown Atlanta, known as The Stitch, has received a significant boost with a \$157.6 million grant from the U.S. Department of Transportation. The project aims to create a 4-acre park between Courtland and Peachtree Streets, including improved pedestrian connections to the MARTA Civic Center station.

**Centennial Yards Moves Forward:** The developer behind Centennial Yards aims to complete two-thirds of its massive Downtown project in time for the 2026 FIFA World Cup. It plans to start construction in June on several new buildings, adding 480,000 square feet of entertainment, retail and restaurant space to the central business district.

**The CNN Center in Atlanta Has Been Rebranded as "The Center"** by CP Group, offering commercial space for office and retail leasing. This move marks the first time in 40 years that office space is available at the location, previously occupied by CNN. The rebranding aims to create a hub for retail, dining, content creation, and entertainment in downtown Atlanta's entertainment district. CP Group plans to honor the building's legacy while transforming it into a destination for commerce and culture. The site, located near major venues like State Farm Arena and Mercedes-Benz Stadium, is part of Atlanta's preparations as a host city for the 2026 FIFA World Cup.



**Nathan Bell**  
Research Manager  
nbell@lpc.com

3340 Peachtree Rd  
Suite 2550  
Atlanta, GA 30305