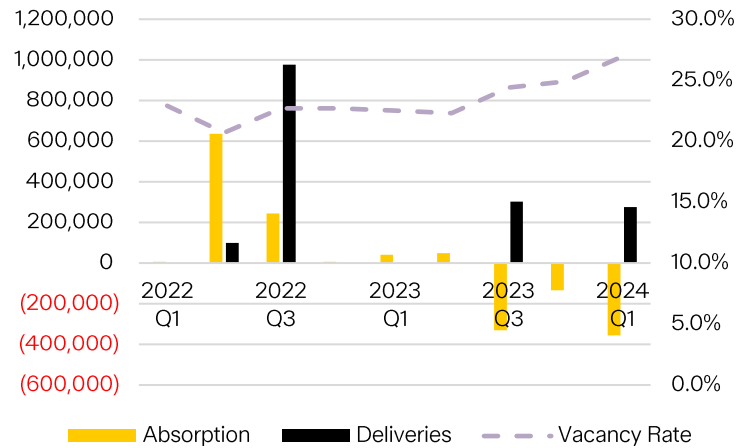


Midtown Q1 2024

Construction Pipeline Continues To Deliver New Space

Despite being a preferred choice for tenants, Midtown experienced a reduction in occupied space this quarter, with negative absorption totaling negative 355,969 square feet. This decrease was primarily driven by Mailchimp's move from Ponce City Market (198,611 SF) to Fourth Ward, significantly contributing to the negative absorption. Alongside other relocations and downsizing activities, this trend has led to a 200 basis points increase in vacancy rates this quarter. Furthermore, in addition to the negative absorption, Midtown has witnessed an influx of new deliveries, further boosting the vacancy rate. The most notable delivery this quarter was Echo Street West in West Midtown. Additionally, 996,186 square feet of space is expected to be delivered in 2024, adding more upward pressure to the vacancy rate.

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	23,473,404	27.7%	1.9%	6,927,809	29.5%	27.5%	(272,224)	(272,224)	274,974	1,220,186	\$42.82
Class B	3,157,897	11.2%	2.0%	416,638	13.2%	10.8%	(75,795)	(75,795)	-	-	\$27.22
Class C	856,355	7.1%	0.0%	60,739	7.1%	6.2%	(7,950)	(7,950)	-	-	\$29.22
Total	27,487,656	25.1%	1.8%	7,405,186	26.9%	24.9%	(355,969)	(355,969)	274,974	1,220,186	\$42.12

Recent Leases

Property	Property	Owner	Sign Date	SF	Lease Type
Deloitte	Promenade Tower	Cousins Properties	Mar 2024	22,654	New
AJC	Promenade Central	Cousins Properties	Feb 2024	17,354	New
Cardlytics	Ponce City Market	Jamestown	Jan 2024	16,787	New

Recent Investment Sales

Property	Price	SF	\$/SF	Date	Buyer
1180 Peachtree	\$472,000,000	691,000	\$683	8/10/2022	Piedmont Office Realty Trust
Atlantic Yards	\$385,000,000	523,511	\$735	7/19/2022	KKR
The Interlock	\$215,000,000	400,000	\$537.50	5/31/2023	Armada Hoffler Properties, Inc.

Active Midtown Construction Projects



619 Ponce
109,337 | Apr 2024
Jamestown, L.P.



1072 W Peachtree
224,000 | Aug 2025
Rockefeller Group



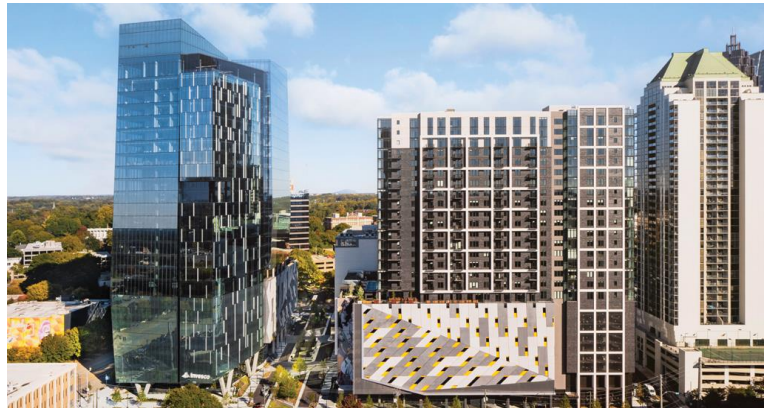
Spring Quarter
538,126 | Aug 2024
Portman Holdings

In The Market

AJC Relocates: The Atlanta Journal-Constitution (AJC) is relocating its main office back to the city after more than a decade in the northern suburbs. The news outlet signed a lease at Promenade Central near the Woodruff Arts Center, renting about 21,000 square feet for a newsroom and studio.



Georgia Tech is planning a major expansion near its Midtown campus called Arts Square, aiming to create a vibrant arts district focused on creativity and innovation. The project, spanning 2.5 million square feet, includes housing, offices, a hotel, retail space, academic facilities, entertainment venues, sound stages, and production studios. The development will be located on 7 acres at Marietta Street and North Avenue, incorporating the former headquarters of Randall Bros., a building materials supplier acquired by the Georgia Tech Foundation.



Law Firm Relocates to new Trophy Tower: Atlanta law firm Womble Bond Dickinson LLP has signed a lease for 27,733 square feet of space in the Midtown Union building, planning to move from its current location in Atlantic Station. The move is part of a trend in the legal industry, with many firms downsizing their office spaces in recent years. Womble Bond's new space is less than half of its current footprint.

Midtown Listings



Circa 730
730 Peachtree St NE
1,689 SF / 103,700 SF
Hunter Henritze / Michael Howell / Robert deGolian



One & Two Midtown Plaza
1360 Peachtree St NE | 1349 Peachtree St NE
1,1460 SF – 77,221 SF
Hunter Henritze / Michael Howell / Gil Russell / Alex Port



1372 Peachtree
1372 Peachtree St NE
Fully Leased
Hunter Henritze / Michael Howell / Alex Port / Gil Russell

Nathan Bell
Research Manager
nbell@lpc.com

3340 Peachtree Rd
Suite 2550
Atlanta, GA 30305