

INVESTMENT FORECAST

Office
Atlanta Metro Area

IPA
INSTITUTIONAL
PROPERTY
ADVISORS

2026

Growing Talent Pipeline Helps Draw Increased Capital, Drive Corporate Expansion

Strengthening education base supports outlook. Atlanta continues to deepen its skilled workforce. Reinforced by record university enrollment and a population where roughly 40 percent hold a bachelor's degree, Atlanta is drawing investments like AIG's new Brookhaven innovation hub. Local businesses are increasingly capturing this talent, supporting firms already rooted in the metro. Together, with a limited supply pipeline, aggregate vacancy is expected to compress slightly to the mid-18 percent range. On the other hand, net absorption will moderate, though it will still exceed historical norms, bolstered by company expansions, such as Mercedes-Benz's "IMB" North America HQ. Many of these growth initiatives will continue to favor the suburbs, where vacancy should stay below 17 percent amid limited new supply. The CBD, by contrast, will still face elevated local vacancy, as about a third of the estimated 600,000 square feet set to deliver here remained unaccounted for entering the year.

Trading volume increases as investor confidence rises. More than \$26 billion in corporate expansions and new locations were announced across Georgia between June 2024 and July 2025 — most of which were driven by firms already established in the state. This wave of statewide reinvestment likely helped lift confidence among employers anchored in metro Atlanta, contributing to last year's increase in transaction velocity and potentially supporting further momentum in 2026 as sentiment continues to improve. Lower-tier properties will remain attractive to private investors in 2026, especially as Class B/C vacancy stays below its historical average. This may be most evident in Northlake, where particularly low Class B/C vacancy and comparatively affordable pricing could together help draw additional investor activity.

2026 MARKET FORECAST

+0.6%



Employment: The metro's labor force will increase by 19,000 roles this year. About 4,500 of those come from traditional office-using sectors — a solid rebound after roughly 3,000 jobs were shed last year.

1,004,100
sq. ft.



Construction: Northwest Atlanta and North Fulton are expected to receive the most suburban deliveries, while the CBD will account for roughly half of all metro completions.

-50 bps



Vacancy: Demand will outpace new supply, pushing vacancy down to 18.5 percent — the lowest level since mid-2022 — placing Atlanta near the median among all primary metros.

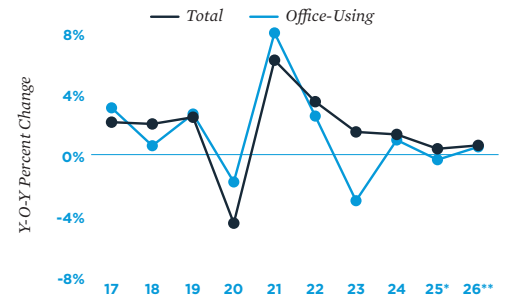
+1.1%



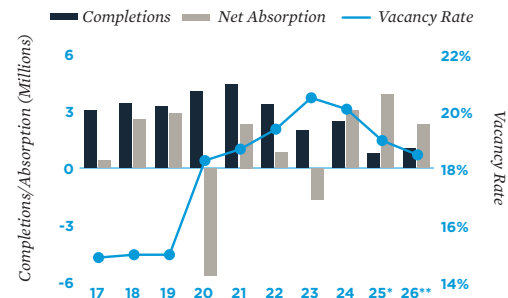
Rent: Atlanta's average asking rent edges up to \$28.10 per square foot, marking the 15th consecutive year of rent growth, even as net absorption retreats below last year's high.

INVESTMENT: *Medical office properties may attract greater investor attention as Atlanta's population continues to age faster than the U.S. overall, increasing demand for healthcare services.*

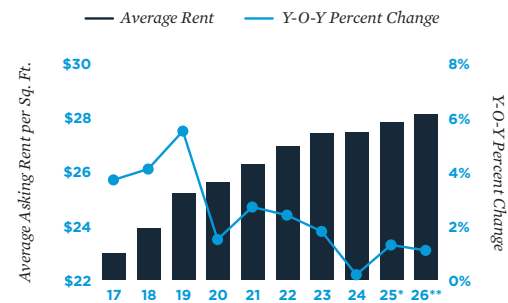
Employment Trends



Supply and Demand



Rent Trends



* Estimate ** Forecast

Sources: CoStar Group, Inc.; Real Capital Analytics

IPA Office

Alan L. Pontius

Senior Managing Director, National Division Leader
Tel: (415) 963-3000 | apontius@ipausa.com

Metro-level employment, vacancy and effective rents are year-end figures and are based on the most up-to-date information available as of January 2026. Average prices and cap rates are a function of the age, class and geographic area of the properties trading and therefore may not be representative of the market as a whole. Sales data includes transactions valued at \$1,000,000 and greater unless otherwise noted. Forecasts for employment and office data are made during the fourth quarter and represent estimates of future performance. No representation, warranty or guarantee, express or implied, may be made as to the accuracy or reliability of the information contained herein. This is not intended to be a forecast of future events and this is not a guarantee regarding a future event. This is not intended to provide specific investment advice and should not be considered as investment advice.