

FIGURES | ATLANTA INDUSTRIAL | Q3 2026

Atlanta Industrial Accelerates as Absorption Climbs and Leasing Reaches Record Highs

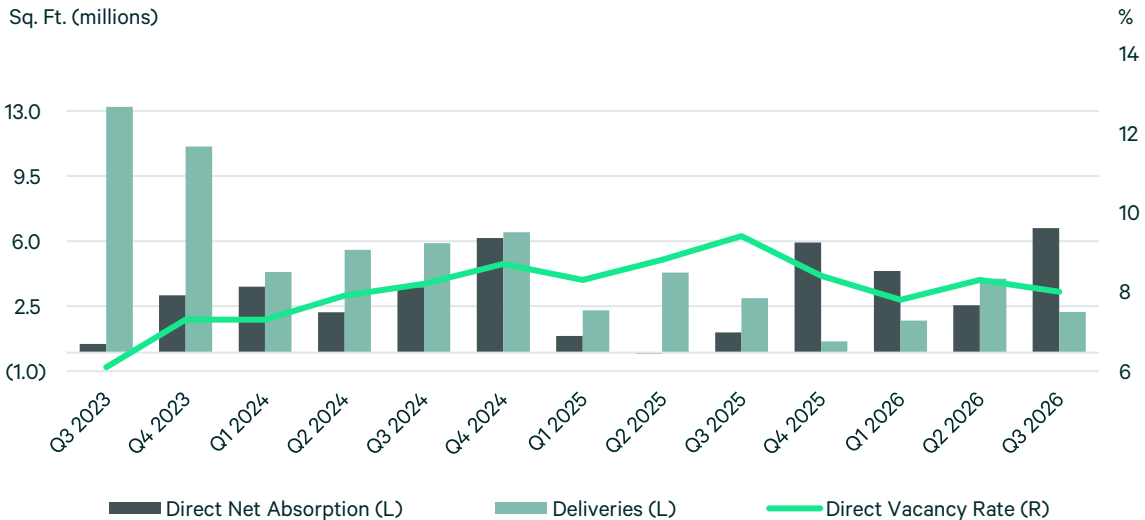


Note: Arrows indicate change from previous quarter.

Market Overview

The Atlanta industrial market demonstrated forcible momentum in Q3 2026, driven by accelerating occupancy gains, a tightening availability profile, and most notably, record leasing velocity. Building on first-half stabilization, net absorption soared to 6.7 million sq. ft., more than doubling Q2's total. Quarterly leasing activity reached an all-time high of 22.2 million sq. ft. in Q3, propelled by bulk distribution and logistics occupiers re-engaging after holding back in prior quarters; specifically retail wholesalers, 3PLs, and companies associated with infrastructure. Occupiers prioritized Class A facilities featuring modern clear heights and expanded trailer storage to secure supply chain efficiencies and execute delayed expansions. Demand was anchored in core transportation corridors, led by Northwest/I-75 and Northeast/I-85, with strong gains in the southside submarkets as well. Deliveries moderated to 2.2 million sq. ft., allowing absorption to easily outpace completions and clear speculative blocks. Direct vacancy contracted 30 bps QoQ to 8.0%, while total availability fell 100 bps to 10.7%. Developers responded by breaking ground on 17 projects totaling 4.2 million sq. ft. Direct NNN asking rents edged up to \$7.90 per sq. ft. as landlords maintained face rates for premier product while deploying tailored concessions to secure major commitments.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



CBRE Research

Vacancy Rate

Atlanta’s overall industrial vacancy rate fell to 8.8% in Q3 2026, down 30 bps quarter-over-quarter and 120 bps year-over-year. Direct vacancy followed suit, easing 30 bps quarter-over-quarter to 8.0% and falling 140 bps from 9.4% in Q3 2025. This tightening reflects a decisive shift clearing a number of larger blocks across major corridors. Despite these gains, overall vacancy remains 240 bps above the 6.4% recorded in Q3 2023.

While total vacancy rates continued to shift across major corridors, the magnitude of these quarterly changes varied significantly by submarket—ranging from a minor increase in I-20 East (+20 bps) to a much sharper drop in Southwest/I-85 (-50 bps), while Southeast/I-75 saw a moderate decline (-20 bps) as legacy supply slowed its rate of tightening.

Sublease space remained a minor factor, holding steady quarter-over-quarter at 0.8% vacancy.

Near-term vacancy will stay tied to large-block bulk absorption, though broad compression requires further backfilling in smaller-bay and legacy product.

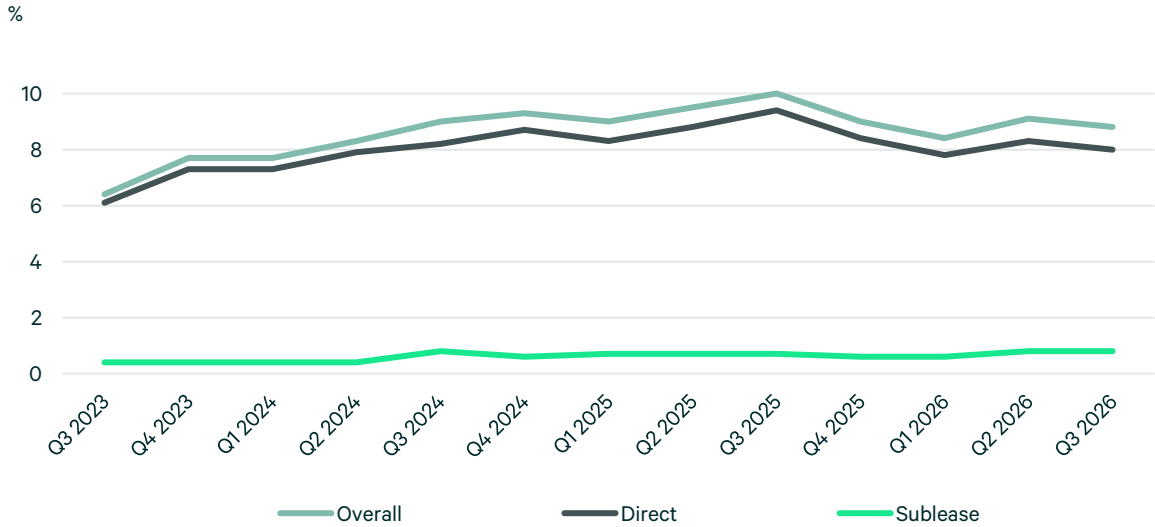
Net Absorption

Atlanta industrial net absorption climbed to 6.7 million sq. ft. in Q3 2026, marking a 162% increase quarter-over-quarter. Year-to-date net absorption reached 13.6 million sq. ft. in Q3 2026, which eclipses the total over the same period in 2025. This dramatic acceleration pushed the four-quarter rolling average to 4.9 million sq. ft, signaling a recovery from 2025’s softer conditions. Demand was heavily concentrated in large-format Class A bulk logistics space as major third-party logistics (3PL) operators and credit tenants reactivated delayed expansion plans to secure modern supply chain infrastructure.

Gains were anchored along primary interstate distribution arteries, led by Northwest/I-75 (2.0 million sq. ft.) and Northeast/I-85 (1.8 million sq. ft.). Class A facilities captured 5.5 million sq. ft.—representing nearly 83% of total quarterly net absorption.

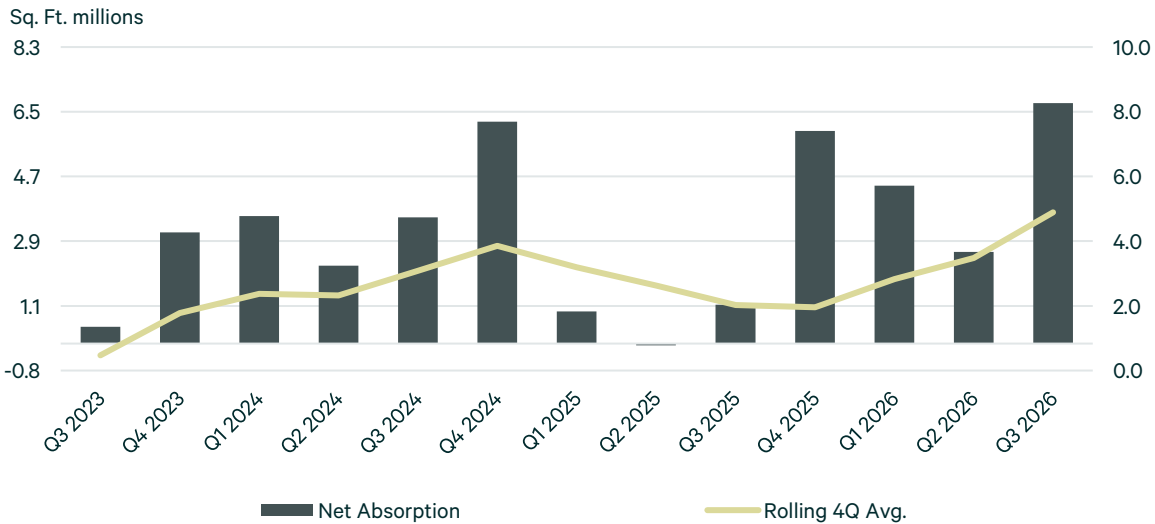
Smaller-format and legacy infill inventory contributed far less to overall momentum. While market-wide demand surged to multi-year highs, net absorption remains highly bifurcated—driven by big-box transactions in premier logistics nodes while smaller, older product continues to lag.

Figure 2: Vacancy Rate



CBRE Research

Figure 4: Net Absorption Trend



CBRE Research

Leasing Activity

Atlanta’s industrial leasing market accelerated significantly in Q3 2026, with total transaction volume reaching 22.2 million sq. ft., a record quarterly amount. Large-format occupiers were a major contributor to this quarter’s record, signaling a clear return of big-box activity which started at the beginning of the year. Year-to-date leasing volume has already reached 49.8 million square feet. By comparison, full-year 2025 leasing volume totaled 51.9 million sq. ft., putting 2026 on track to comfortably exceed prior-year totals. The quarterly surge was fueled by bulk distribution demand, expanding logistics and automotive supply chains, data center and energy infrastructure-related occupier growth, and robust renewal activity as tenants sought to lock in modern Class A space.

Leasing volume demonstrated broad geographic distribution across the regional network, though activity remained heaviest in major logistics corridors. Northeast/I-85 and the Airport submarket captured the largest shares of quarterly volume, recording 6.9 million sq. ft. and 4.0 million sq. ft. leased, respectively. Strong demand was also registered in Atlanta’s other major submarkets including. Looking ahead to the final quarter of 2026, leasing momentum is expected to remain healthy; anchored by big-box occupiers, third-party logistics (3PL), and supply chain users, specifically those related to infrastructure.

Figure 10: Leasing Activity by Submarket (% of Total Activity)

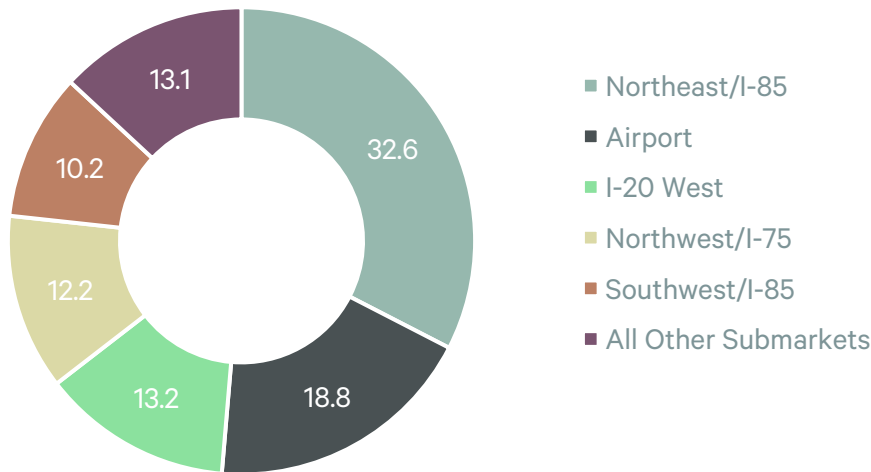
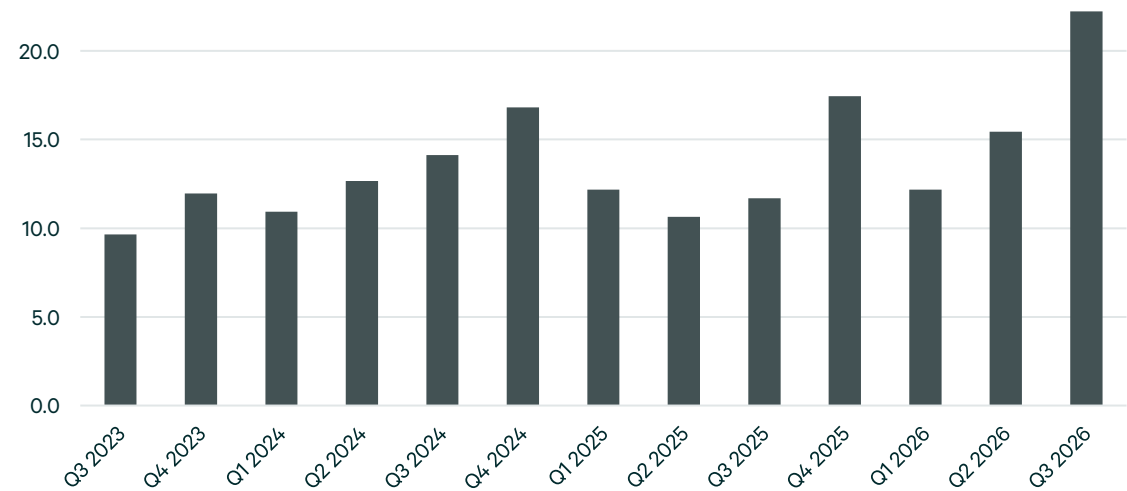


Figure 9: Leasing Activity Trend
Sq. Ft. millions



CBRE Research

Figure 11: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Nike	1,040,000	New Lease	4505 Derrick Industrial Pkwy	Airport
TikTok Logistics	1,018,000	New Lease	646 Parker Industrial Rd	Northeast/I-85
Confidential Tenant	1,001,000	New Lease	700 Price Dr	Southeast/I-75
Confidential Tenant	937,000	New Lease	159 Commerce Logistics Dr	Northeast/I-85
StitchFix	926,000	Renewal	801 Factory Shoals Rd	I-20 West
Genuine Parts Service Co.	825,000	New Lease	100 Logistics Pkwy NE	Northwest/I-75
Confidential Tenant	772,000	New Lease	580 Raco Pkwy	Northeast/I-85
HCL Critical Infrastructure	739,000	New Lease	962 Union Grove Rd SE	Northwest/I-75

Source: CBRE Research, Q3 2026

Asking Rent

Atlanta’s average direct NNN asking rental rate reached \$7.90 per sq. ft. in Q3 2026, up 1.4% quarter-over-quarter and 7.8% year-over-year. This extends an ongoing upward trajectory since the Q2 2025 low of \$7.14 per sq. ft. Asking rates displayed clear geographic and product segmentation across submarkets. Core bulk corridors maintained competitive mid-tier pricing while outer corridors remained most cost-effective.

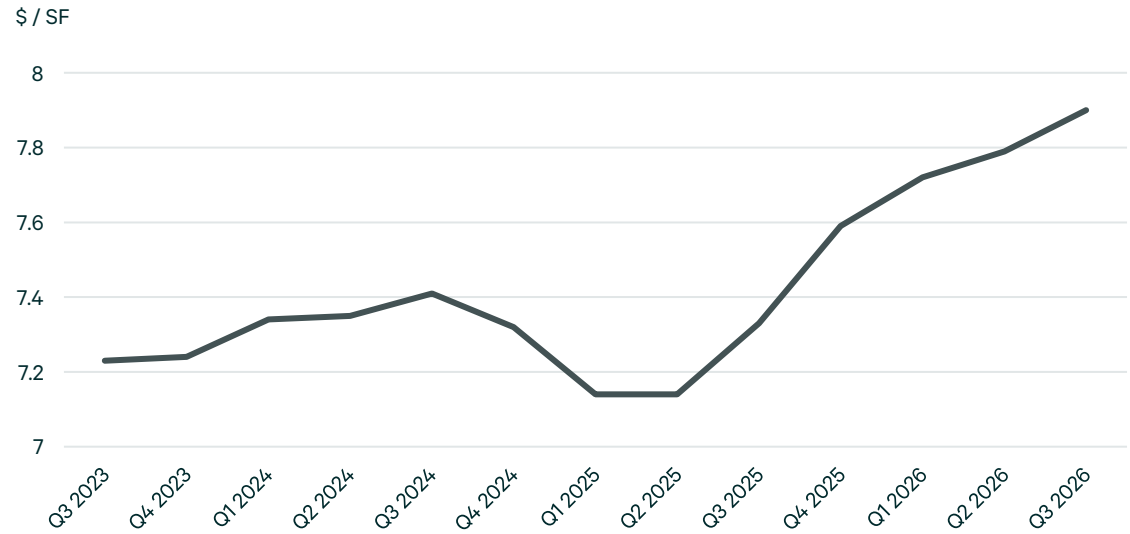
Rent performance will remain varied by asset quality, location, building age, and size tier. Modern Class A bulk distribution and tight infill assets will continue driving face-rate growth, while legacy product and submarkets with higher availability rely on concessions to execute leases.

Construction Activity

Atlanta’s industrial development pipeline experienced a notable expansion in Q3 2026, signaling a transition toward forward-looking supply positioning across key logistics hubs. With 17 new projects totaling 4.2 million sq. ft. breaking ground in Q3, total space under construction rose to 12.9 million sq. ft. representing a 19% increase quarter-over-quarter and a 105% expansion year-over-year. Completions moderated as developers finalized earlier construction projects, with quarterly deliveries falling to 2.2 million sq. ft. This pullback in completions temporarily eases immediate supply additions while new projects move through the development pipeline.

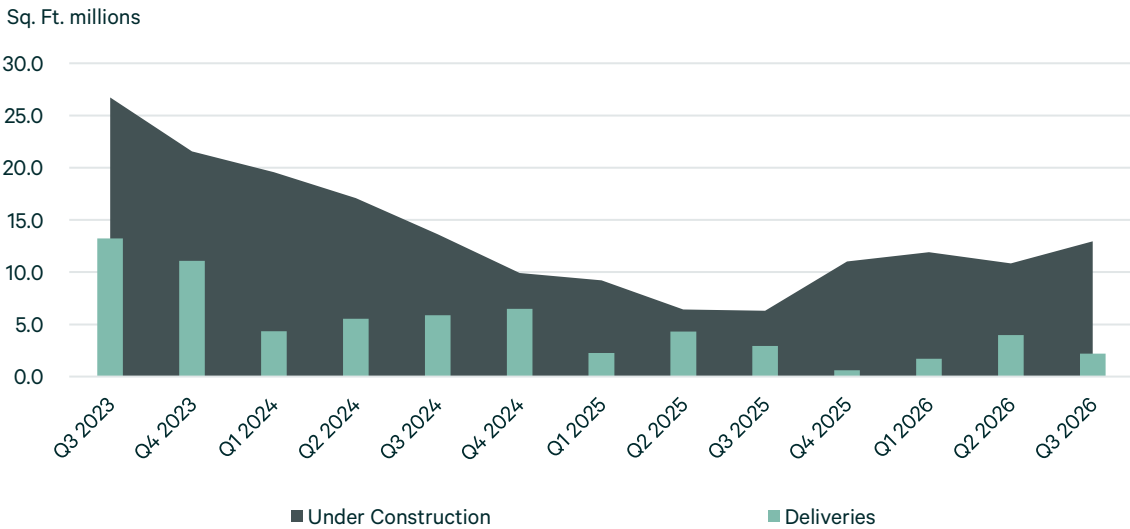
Development activity continues to concentrate along core logistics and freight corridors, driven primarily by large-scale distribution requirements. Submarkets along these main arteries have led all new groundbreakings in 2026, with Northeast/I-85 (3.4 million sq. ft.) and Southeast/I-75 (2.0 million sq. ft.) recording the highest volume of new construction starts year-to-date. As deliveries taper in the short term, the expanding active pipeline is positioned to replenish Class A inventory heading into 2027, aligning future deliveries with sustained tenant demand across premier submarkets.

Figure 3: Average Direct Asking Rate



CBRE Research

Figure 5: Construction Activity



CBRE Research

Investment Sale Activity

Atlanta’s industrial investment sales registered a modest quarter-over-quarter recovery in Q3 2026, totaling \$966 million—up 3.4% from Q2 2026. While volume fell 27% year-over-year, activity showed resilience against elevated debt costs, bringing year-to-date sales to \$3.3 billion. Institutional capital led buyer activity at 60%, targeting stabilized Class A logistics facilities. Private buyers represented 32%, user/other 4%, and public entities 3%, with no cross-border activity recorded.

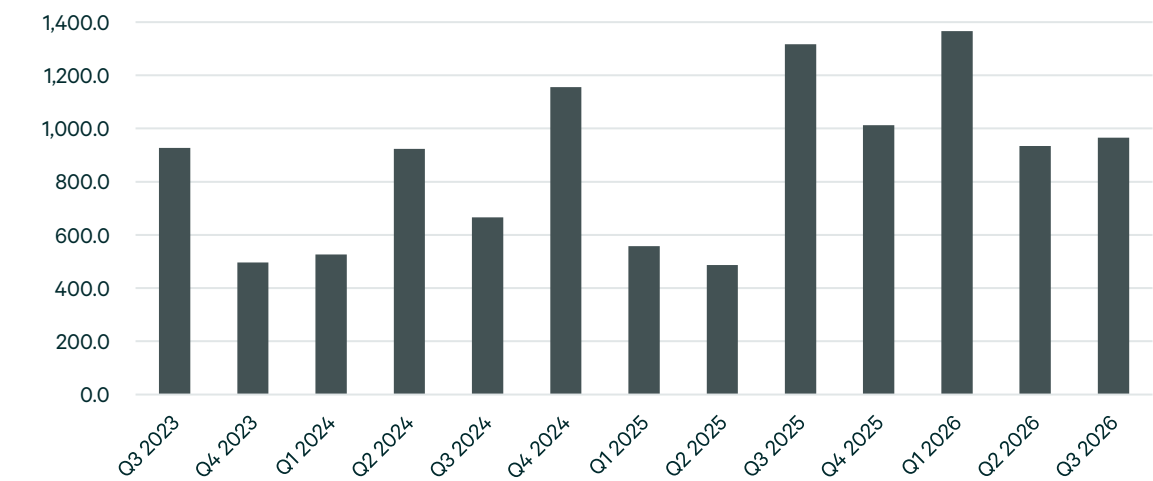
Transactions concentrated in top distribution corridors, led by I-20 West, Northeast/I-85, and the Airport submarket. CBRE Investment Management closed the largest deal, purchasing Strategic West Logistics Center (569,160 sq. ft.) in I-20 West for \$97.50 million (\$171.31/sq. ft.).

Figure 7: Key Sales

Property	Submarket	Buyer	Sales Price	Size (SF)	Price Per SF
Strategic West Logistics Center	I-20 West	CBRE Investment Mgmt	\$97.5M	569,160	\$171.31
Valentine 85 Logistics Center Building 2	Northeast/I-85	Ares Management	\$76.6M	800,590	\$95.68
502 Valentine Industrial Parkway Extension	Northeast/I-85	Ares Management	\$76.6M	801,420	\$95.58
5070 Phillip Lee Drive	I-20 West	Sagard Real Estate	\$70M	400,800	\$174.71
Gwinnett Progress Center	Northeast/I-85	LBA Realty	\$47.4M	451,200	\$105.08
Air Commerce Business Park	Airport	GIC	\$45.5M	268,400	\$169.49

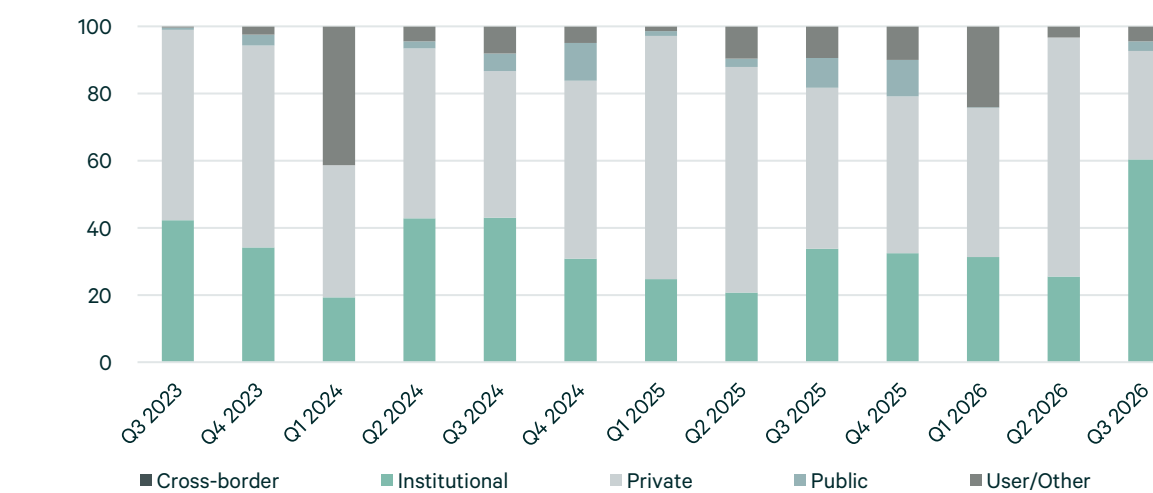
MSCI Real Capital Analytics

Figure 6: Quarterly Sales Volume
\$ (millions)



MSCI Real Capital Analytics

Figure 8: Buyer Composition
%



MSCI Real Capital Analytics

Market Statistics by Product Type

Figure 12

Product Type	Net Rentable Area (SF)	Direct Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Distribution/Logistics	728.10M	8.3	11.0	9.7	1.3	7.77	6.65M	13.78M	2.19M	11.96M
Manufacturing - General	7.02M	-	0.1	0.1	-	9.50	14,000	14,000	-	480,000
Manufacturing - Advanced	1.21M	-	-	-	-	-	-	-	-	500,000
R&D/Flex	38.44M	5.7	7.7	6.8	0.8	11.90	27,000	(169,000)	-	-
Other Industrial	425,000	-	-	-	-	-	-	-	-	-
Total	775.19M	8.0	10.7	9.5	1.3	7.90	6.69M	13.63M	2.19M	12.94M

Source: CBRE Research, Q3 2026

Market Statistics by Size

Figure 13

Size Range	Net Rentable Area (SF)	Direct Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Below 50K SF	100.39M	5.3	7.0	6.4	0.7	10.53	98,000	(658,000)	-	120,000
50K-99,999 SF	108.39M	7.3	10.2	9.0	1.2	9.80	(216,000)	(1.70M)	78,000	1.22M
100K-249,999 SF	190.96M	10.5	14.3	12.6	1.7	8.09	(173,000)	1.09M	775,000	3.39M
250K-499,999 SF	156.60M	8.7	11.7	10.8	0.9	7.32	1.90M	2.43M	333,000	4.53M
500K-749,999 SF	78.85M	8.1	9.9	9.6	0.3	6.88	910,000	3.66M	-	500,000
750,000 SF +	140.01M	6.5	8.4	6.3	2.0	6.18	4.17M	8.81M	1.01M	3.18M
Total	775.19M	8.0	10.7	9.5	1.3	7.90	6.69M	13.63M	2.19M	12.94M

Source: CBRE Research, Q3 2026

Market Statistics by Class

Figure 14

Property Class	Net Rentable Area (SF)	Direct Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Class A	255.70M	10.4	14.1	12.5	1.5	7.44	5.53M	14.73M	1.34M	8.85M
Institutional	242.22M	10.6	14.1	12.7	1.4	7.31	5.69M	14.81M	1.34M	8.85M
Other Class A	13.49M	8.8	13.2	10.0	3.2	11.57	(162,000)	(73,000)	-	-
All Other Industrial	519.49M	6.5	9.1	8.0	1.1	8.30	1.16M	(1.10M)	849,000	4.09M
Total	775.19M	8.0	10.7	9.5	1.3	7.90	6.69M	13.63M	2.19M	12.94M

Source: CBRE Research, Q3 2026

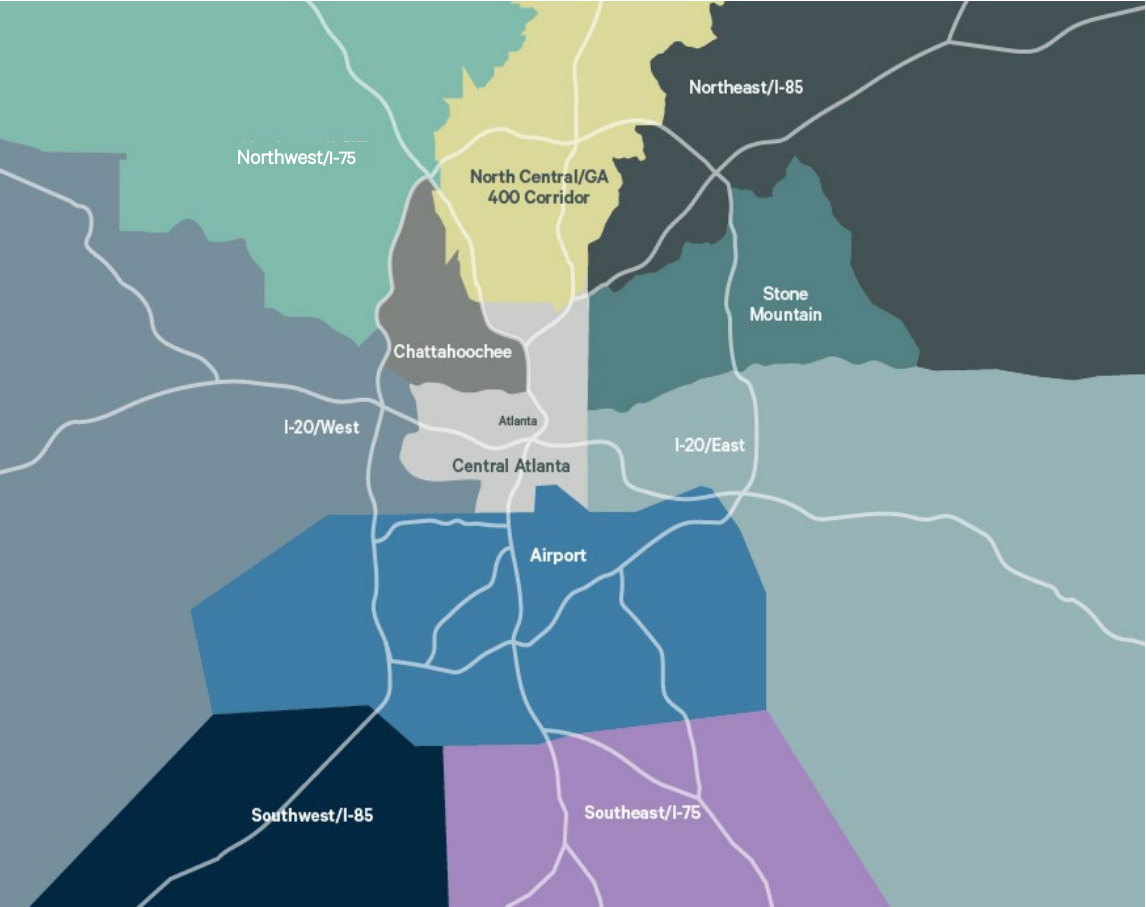
Market Statistics by Submarket

Figure 15

Submarket	Net Rentable Area (SF)	Direct Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Current Quarter Net Absorption (SF)	YTD Net Absorption (SF)	Deliveries (SF)	Under Construction (SF)
Airport	86.69M	10.0	12.2	10.6	1.5	7.93	1.14M	513,000	-	1.44M
Central Atlanta	6.83M	11.6	12.0	12.0	-	12.34	(124,000)	(62,000)	-	351,000
Chattahoochee	14.56M	4.6	7.1	6.5	0.6	11.45	7,000	113,000	-	-
I-20 East	44.30M	6.6	9.2	8.0	1.2	7.20	(53,000)	1.35M	-	679,000
I-20 West	111.89M	7.4	11.4	10.5	0.9	7.15	(220,000)	451,000	-	3.12M
North Central/GA 400 Corridor	26.05M	7.4	10.7	9.9	0.8	11.40	90,000	218,000	78,000	807,000
Northeast/I-85	221.88M	7.3	8.6	7.4	1.1	8.31	1.83M	3.90M	944,000	3.32M
Northwest/I-75	85.53M	8.2	9.6	8.8	0.8	8.77	1.99M	2.96M	-	813,000
Out of Submarket	192,000	-	-	-	-	-	-	-	-	-
Southeast/I-75	84.36M	11.6	17.1	14.8	2.3	6.39	1.23M	3.15M	1.01M	2.00M
Southwest/I-85	65.23M	6.4	10.4	8.9	1.5	7.89	1.05M	1.94M	164,000	407,000
Stone Mountain	27.67M	7.3	10.4	8.6	1.7	9.70	(260,000)	(906,000)	-	-
Total	775.19M	8.0	10.7	9.5	1.3	7.90	6.69M	13.63M	2.19M	12.94M

Source: CBRE Research, Q3 2026

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the “net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

Survey Criteria

Includes all classes of competitive industrial properties 10,000 sq. ft. and greater. Net absorption is reflected by the change in off market occupied space, which is tracked by lease sign date rather than by occupancy date.

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