

Q3 2026

ATLANTA INDUSTRIAL SUBMARKET REPORT

SOUTH ATLANTA

WHAT'S HAPPENING?

South Atlanta experienced improving industrial market conditions during the third quarter, with stronger absorption and significant leasing activity highlighting continued demand for large-scale distribution space. Net absorption climbed to approximately 615,000 square feet, a substantial increase from the previous quarter, helping vacancy edge down to 10.4%. Leasing momentum was driven by several major transactions, including two one-million-square-foot commitments. Investment activity was also notable, with major industrial sales in Forest Park and McDonough reflecting continued interest in the submarket's established logistics infrastructure. Average asking rents remained stable at \$6.69 per square foot, while the construction pipeline expanded to more than 7 million square feet. With tenant demand strengthening alongside a growing supply pipeline, South Atlanta continues to demonstrate its importance as a major regional distribution hub, although upcoming deliveries will remain a key factor in the submarket's occupancy trends.



10.4%
Q3 VACANCY RATE
Q2: 10.5%



614,709 SF
Q3 NET ABSORPTION
Q2: 93,806 SF

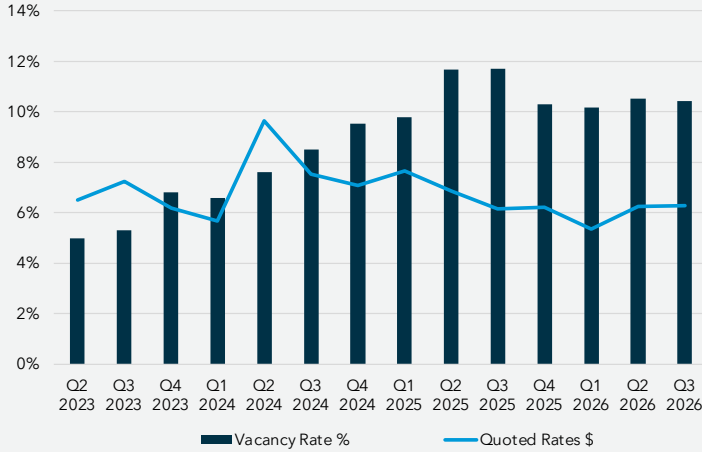


7,017,518 SF
Q3 UNDER CONSTRUCTION
Q2: 5,920,524 SF

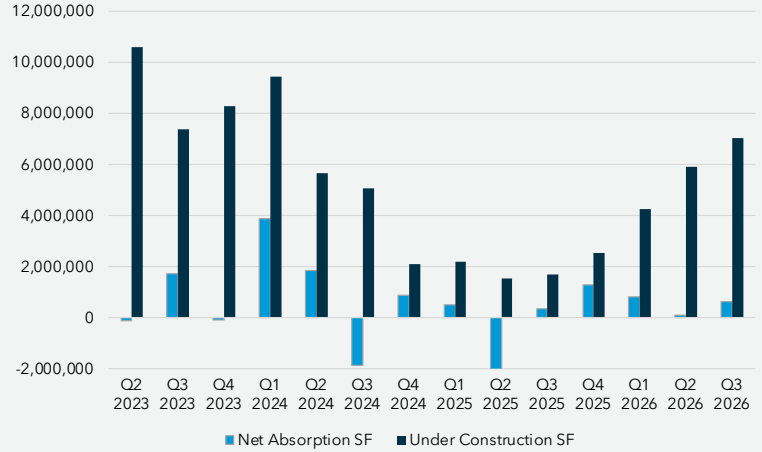


\$6.69 PSF
Q3 AVG. ASKING RENT | YEAR
Q2: \$6.68 PSF

Q3 2026 | VACANCY & RENTAL RATE



Q3 2026 | NET ABSORPTION & U.C.



NOTABLE SALES



830 GA-42 - COMPASS 75 COMMERCE CTR MCDONOUGH, GA 30252

SIZE (SF)	1,116,350
PRICE	\$90,000,137 (\$80.62 PSF)
BUYER	Highline Warren
SELLER	Zinus



200 METCALF RD EXTENSION FOREST PARK, GA 30297

SIZE (SF)	910,000
PRICE	\$135,250,000 (\$148.63 PSF)
BUYER	Digital Realty Trust
SELLER	TA Realty



3075 SOUTH PARK BLVD* ELLENWOOD, GA 30294

SIZE (SF)	240,860
PRICE	\$25,797,750 (\$107.11 PSF)
BUYER	Atlanta Property Group
SELLER	DRA Advisors

*Part of a Portfolio Sale



4505 DERRICK INDUSTRIAL PKWY ATLANTA, GA 30349

SIZE (SF)	1,039,574
TENANT	Confidential
LANDLORD	Majestic Realty Co.
LEASE TYPE	New Lease



700 PRICE DR - BLDG A LOCUST GROVE, GA 30248

SIZE (SF)	1,000,993
TENANT	Google
LANDLORD	Manulife
LEASE TYPE	New Lease



165 GREENWOOD INDUSTRIAL PKWY MCDONOUGH, GA 30253

SIZE (SF)	498,091
TENANT	Dollar General
LANDLORD	Clarion
LEASE TYPE	New Lease

The information and details contained herein have been obtained from third-party sources believed to be reliable; however, Lee & Associates Atlanta has not independently verified its accuracy. Lee & Associates Atlanta makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information. The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale

or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., Real Capital Analytics, and Georgia State Economic Forecasting Center. The Lee & Associates Atlanta Industrial Market Report compiles market data by using a third-party database for the proprietary analysis of building sizes of 15,000 SF and larger in the ATL-Metro Area.
© Copyright 2026 Lee & Associates Atlanta. All rights reserved.
Market report analysis by: Dan Wagner, Chief Data Officer | Kate Hunt, Research Director | Emma Cowart, Research Analyst | Market report created by: Julia Whitlark, Marketing Director | Madison Dickinson