



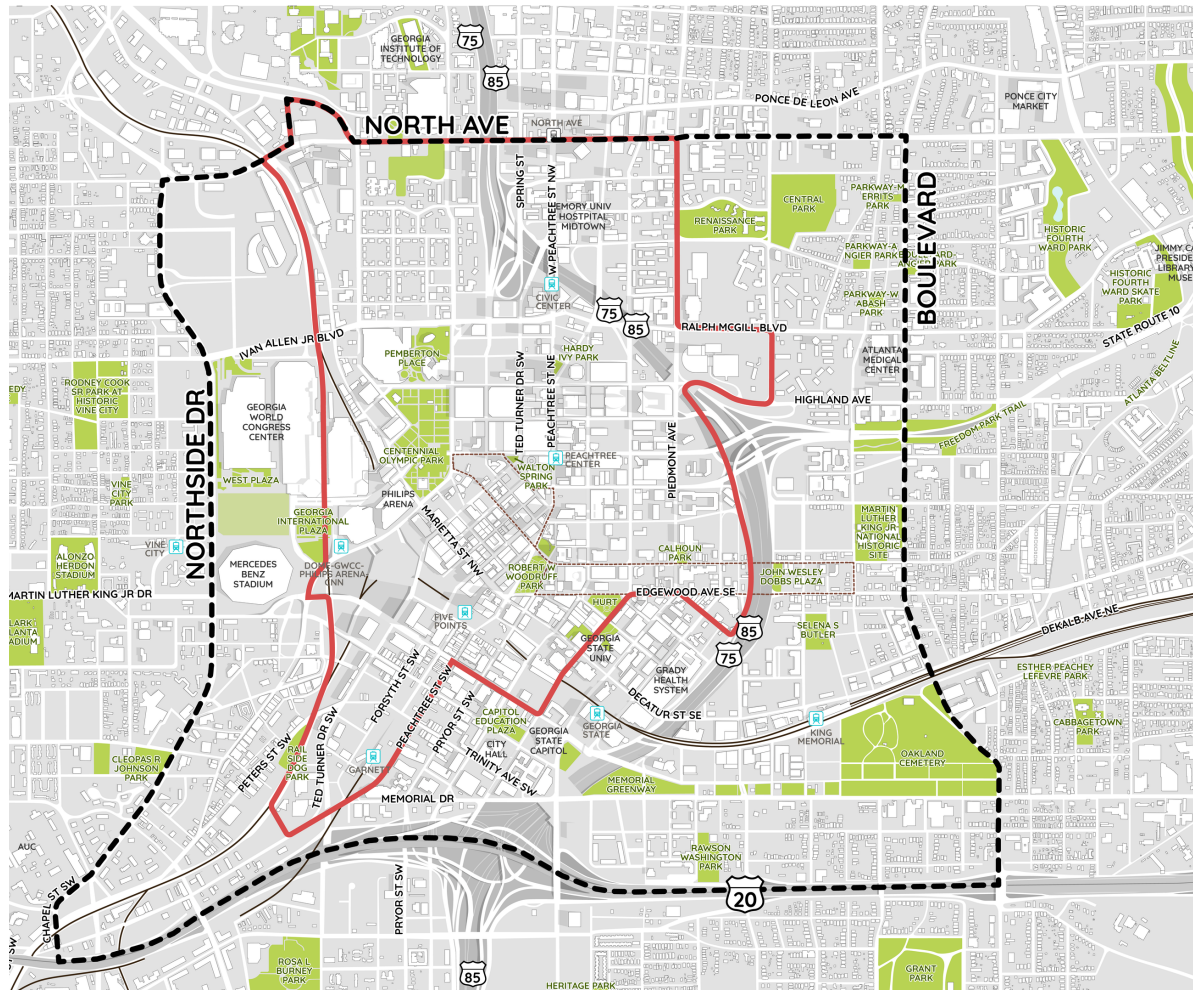
ATLANTA
DOWNTOWN

DOWNTOWN MARKET DATA

3rd Quarter

2023
EDITION

DOWNTOWN ATLANTA GEOGRAPHY



■■■■■ CAP Planning Boundary

— Atlanta Downtown Improvement District Boundary



BY THE NUMBERS



33,500
residents



17,000
housing units



204,900
total jobs



650
restaurants
and shops



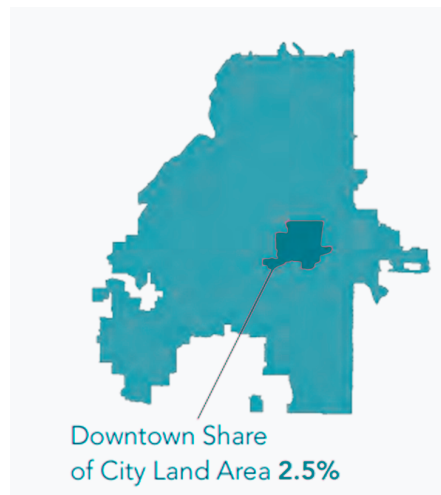
13,200
hotel rooms



36,500
Georgia State University
Students - Downtown Campus

Source: ESRI 2023, IPEDS, CAP

VALUE OF DOWNTOWN



\$797
million

Annual public revenue
generated in Downtown

\$95
million

Net fiscal surplus
generated annually by
Downtown Atlanta

8x

Greater the value of
Downtown land vs.
Citywide, on a per
acre basis

\$33
billion

Downtown's annual
economic impact on the
State of Georgia

Source: KB Advisory Group, 2019

MARKET UPDATE - Q3 2023

Office Market

19M

Current Inventory
Class A and B
(in SF)

\$30.61

Class A Market Rents
(per SF)

YoY % Change: +1%

-178,223

Net Absorption
(in SF)

Q3-2022: 99,761

22%

Vacancy Rate

YoY % Change: +13%

Class A & B Asking and Market Rent per SF



Source: CoStar

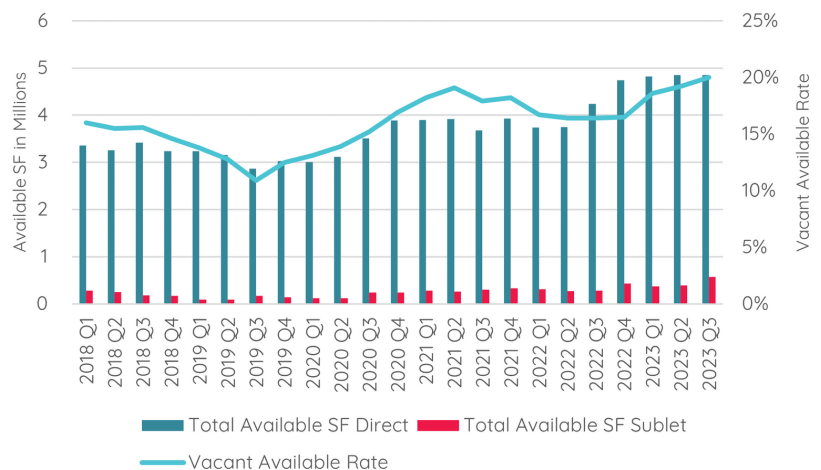
- Market and asking rents have consistently exceeded pre-pandemic levels by 14% and 12%, respectively, compared to Q3-2018.
- In Q3-2023, the asking rent per SF has surged past the market rents for Class A and B office spaces at **\$30.44**.
- Vacancy rate remains higher than pre-pandemic rates, while asking rents for Class A and B Office steadily increases.

- Availability for both direct and sublet space has become more prevalent since the onset of the pandemic. Specifically, the availability of sublet space has increased by 139% from Q3-2020.

- The office market recorded -178,223 SF net absorption in Q3-2023.

- In Q3-2023, there were **11** leasing activity deals resulting in **91,512 SF** of direct leases.

Total Available SF and Vacant Available Rate



Source: CoStar

MARKET UPDATE - Q3 2023

Hotel Market

13,200
Hotel Rooms

\$178.99
Average Daily Rate

YoY % Change: -7%

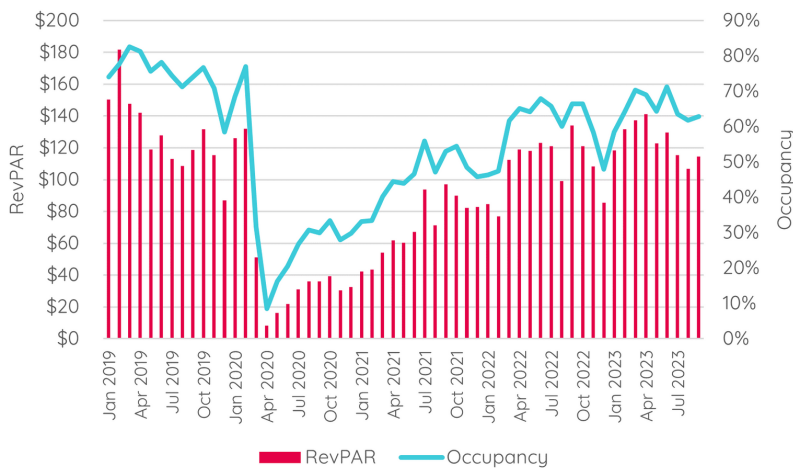
\$112.26
RevPAR

YoY % Change: -5%

63%
Occupancy Rate

YoY % Change: -3%

Monthly RevPAR and Occupancy Rate



- RevPAR had a 14% decline from a peak of \$131.11, the highest point since the onset of the COVID-19 Pandemic, in Q3-2023.
- The occupancy rate experienced a noticeable dip from a 68% in Q2-2023 down to 63% in Q3-2023.
- In Q3-2023, the average daily rate declined by 7%.
- Over **1,700** hotel rooms are under construction and in the development pipeline. Anticipate the opening of Signia by Hilton Atlanta Georgia World Congress Center in January 2024.

Retail Market

2.9M
Current Inventory
(in SF)

\$32.22
Asking Rent (NNN)
(per SF)

YoY % Change: +13%

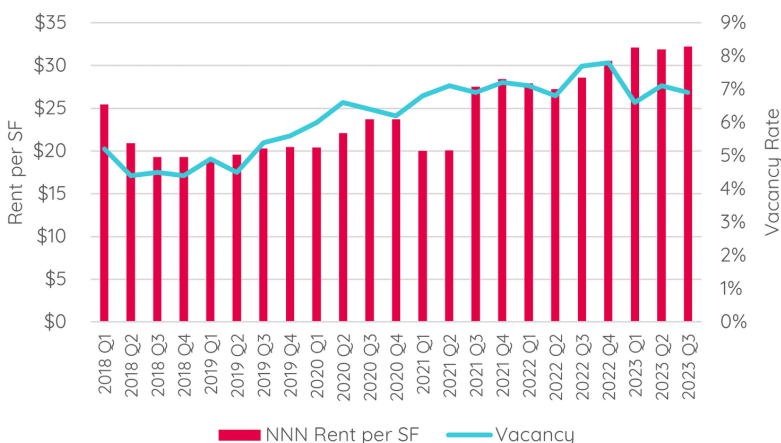
6,525
Net Absorption
(in SF)

Q3-2022: -29,153

7%
Vacancy Rate

YoY % Change: -10%

Triple Net Rent and Vacancy Rate



- In 2023, triple net rent **consistently exceeded** pre-pandemic levels in each quarter. This trend **peaked** in Q3-2023 at **\$32.22** per SF, a **59% increase** from Q3-2019.
- The Q3-2023 vacancy rate decreased by **3%** from Q1 2023.
- **Coming Soon This Year:** Stir House, Betty Sue's, Valhalla Social, Mochinut, Jinya Ramen Bar, Spiller Park Coffee, SKOL Brewing Company, Twelve80 Floral Shop and the Expansion of Amalfi Cucina & Mercato

MARKET UPDATE - Q3 2023

Multi-Family Market & Pipeline

11,889
Units of Multi-family
Inventory

\$1.86
Asking Rents
(per SF)

YoY % Change: -4%

1,400
Units Under
Construction

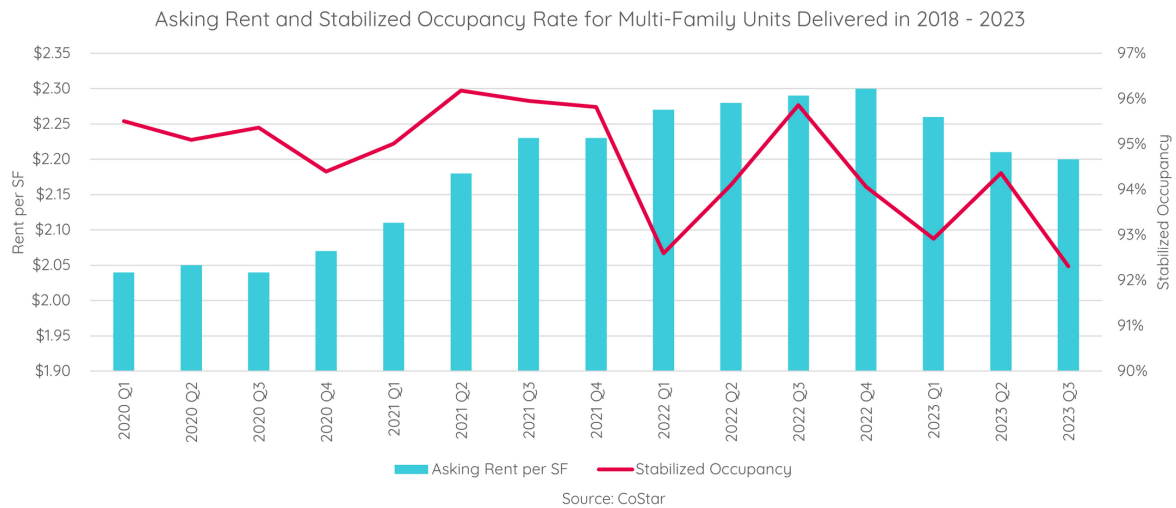
\$2.20
Asking Rents for Units
Delivered in 2018-2023
(per SF)

YoY % Change: -4%

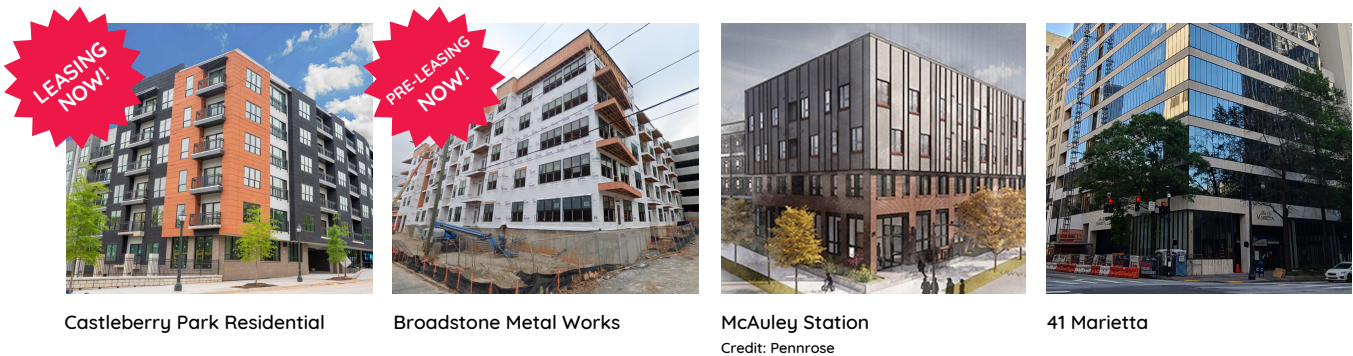
4,534
Units in the Five-
year Pipeline

90%
Occupancy

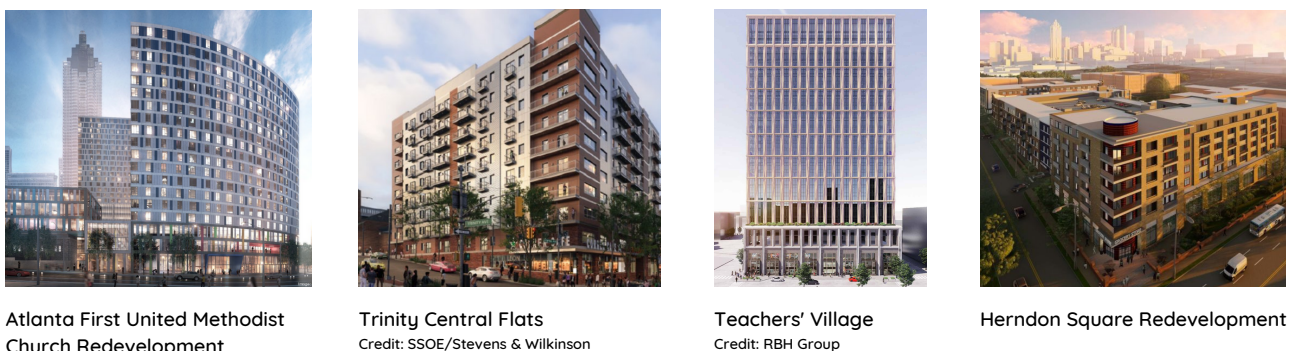
YoY % Change: -3%



Residential Developments Under Construction, Including:



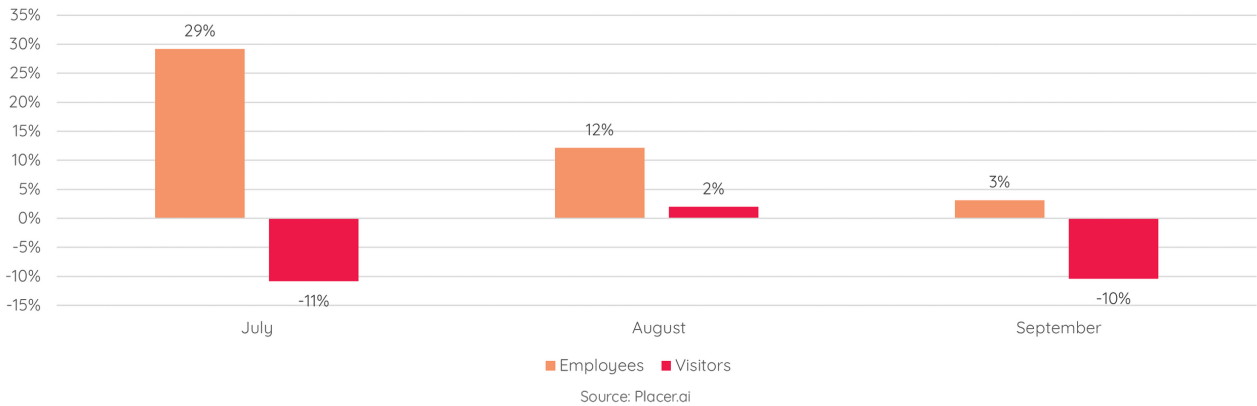
Residential Developments in Five-year Pipeline, Including:



Source: CoStar, CAP

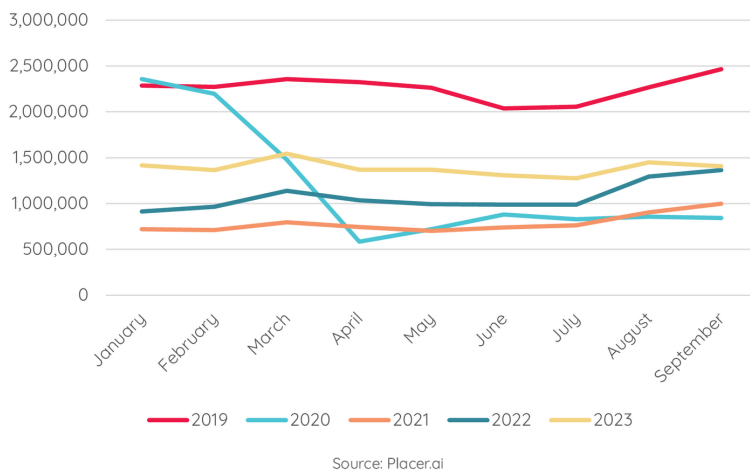
VISITATION TRENDS

Year-over-Year Visitation Change from 2022 to 2023

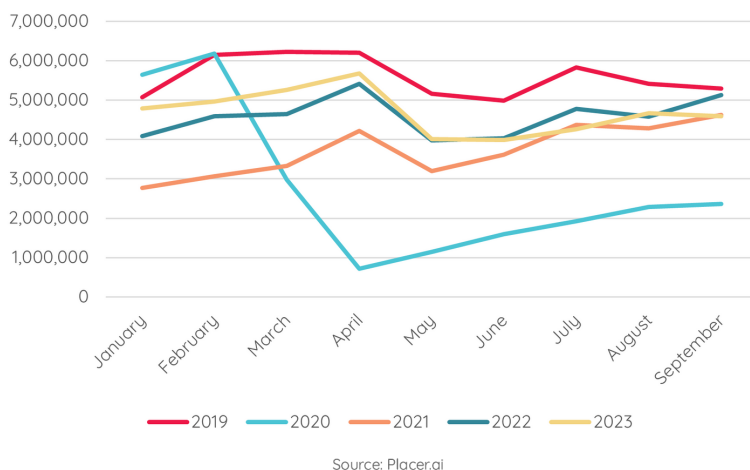


Downtown visitation is **increasing from low post-pandemic levels**. From January to September of this year, the district experienced over **54 million** visits. Among these visits, Downtown welcomed **42.2 million** non-employee visits, while employees accounted for an impressive **12.5 million** visits.

Visitation Volumes: Employees



Visitation Volumes: Non-Employees



- While employee visitation continues to have a steady trend, the number of visits by employees hit an **all-time high this year**.
- August was a standout month, reaching the **second-highest peak** with **1.4 million** employee visits
- The surge in employee visits is remarkable when comparing the figures to the previous year, a **29% boost** during the same nine-month period in 2022.
- Employee visitation increased by **55%** and **13%** in Q3-2023 compared to Q3-2021 and Q3-2022, respectively.
- In Q3-2023, August led as the month with the highest visitation volume at **4.6 million** visits.



Visit [our website](#) to learn more about Central Atlanta Progress and the Atlanta Downtown Improvement District.

**For more information,
please contact**

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