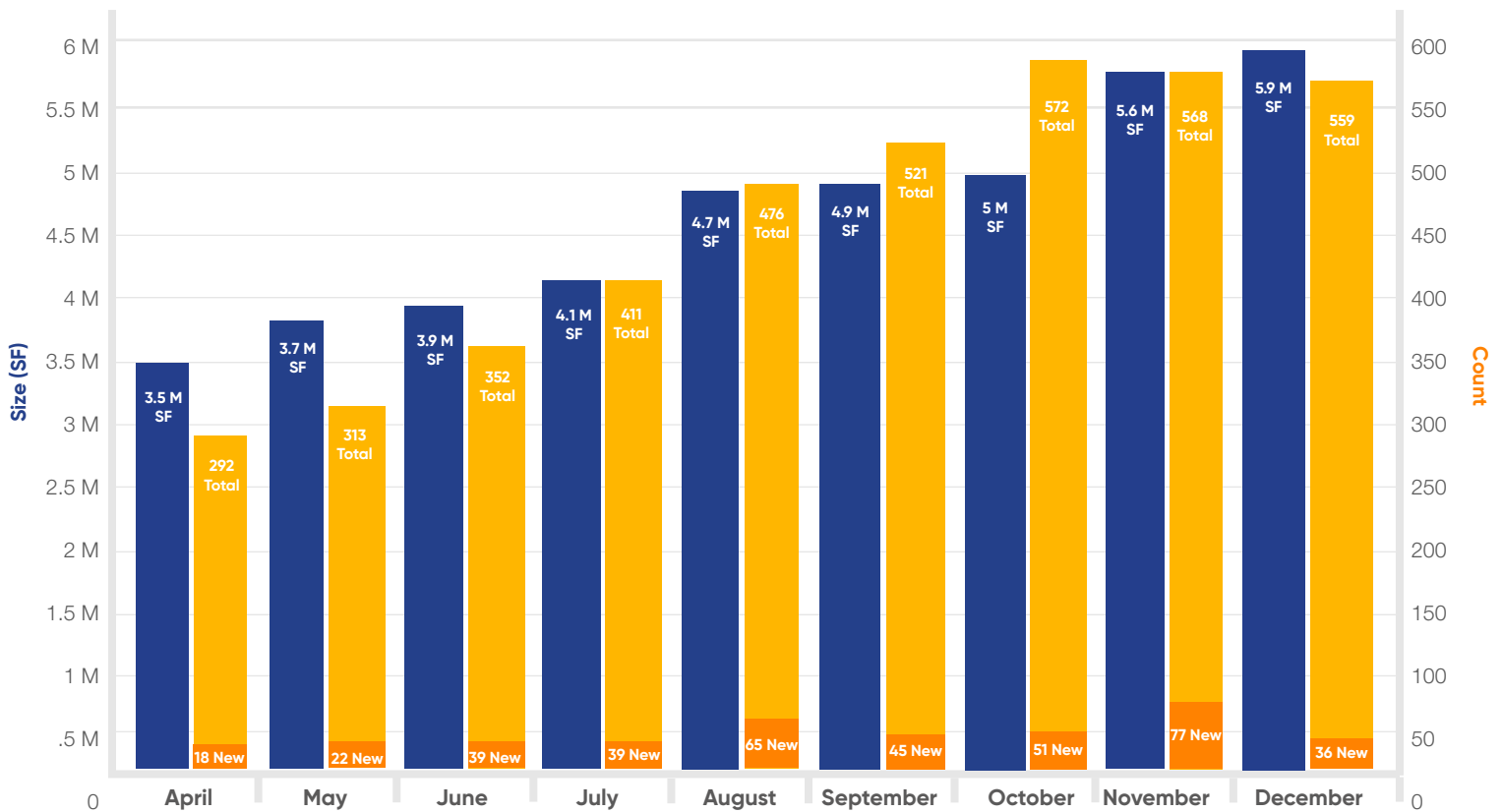


Atlanta Sublease Market Observations

January 2021

Since March 12, 2020 (the start of COVID-19 restrictions in the U.S.) we have seen the sublease inventory continue a steady increase of new space on the Atlanta market. The rental rates for direct space with Landlords is starting to see some downward pressure as businesses enter back into negotiations for space. For historical perspective, after the Great Recession that began in 2008, we reached a sublease inventory peak of 5.7 million SF in Q2 2009. We most recently surpassed that number with 5.9 million SF of sublease space available at the end of December 2020. The most recent numbers also reflect an increase in sublease inventory by 300,000 SF. It's interesting to note that while 36 new subleases were added in December, the total number of subleases on the market decreased from 568 in November to 559 in December. It is also worth noting that the average asking sublease rate has decreased from \$23.37/SF in April to \$22.05/SF in December.

Sublease Space by Month



Average Asking Sublease Rates

