SAVANNAH, GA

OFFICE Q2 2026

CUSHMAN & WAKEFIELD | GILBERT & EZELLE

MARKET FUNDAMENTALS

	YOY Chg	Outlook
3.8% Vacancy Rate	▲	▲
-2.1K YTD Net Absorption, SF	▼	▼
$34.35 Asking Rent, PSF	—	—

(Overall, All Property Classes)

ECONOMIC INDICATORS

	YOY Chg	Outlook
216.5K Savannah Employment*	▼	▲
3.0% Savannah Unemployment Rate*	▲	▲
4.2% U.S. Unemployment Rate	▲	▲

Source: BLS

ECONOMIC OVERVIEW

Savannah's economy continues to show modest but durable growth entering 2026, supported by logistics, manufacturing, and construction activity, despite short-term volatility. The Port of Savannah remains the region's primary economic driver, handling 5.7 million twenty-foot equivalent units (TEUs) in 2025, even amid trade and tariff uncertainty. Despite headwinds from the late-2025 closure of International Paper's Savannah and Riceboro mills, which resulted in approximately 1,100 job losses, the broader labor market has remained resilient. While regional economists project slower growth into mid-2026, the long-term outlook remains favorable, anchored by port expansion, continued industrial investment, and sustained population growth across the Savannah MSA.

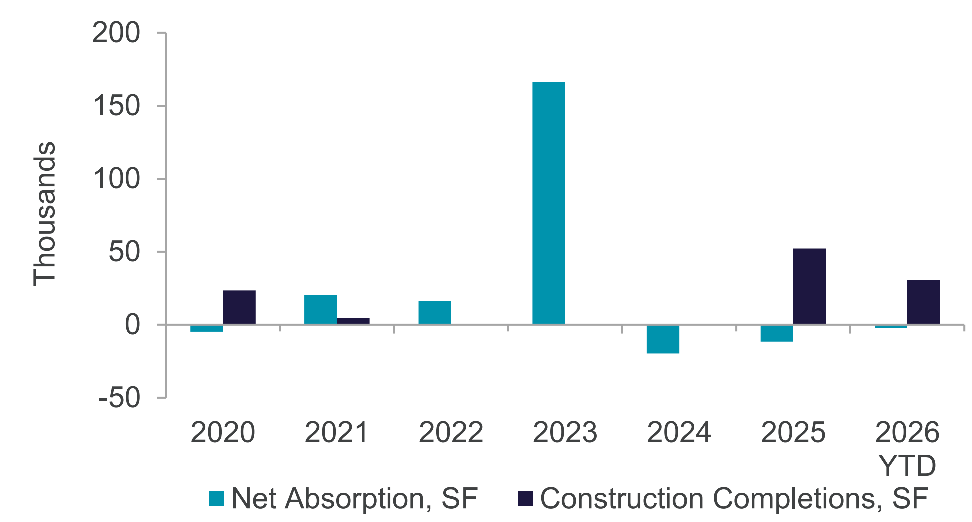
SUPPLY AND DEMAND

Savannah's office pipeline remains largely prospective, with limited new supply currently under construction. Several proposed developments—including the 25,000-sf Class A project at 25 Lincoln Street, the Forsyth Park office site, and approximately 200,000 sf of planned space in Eastern Wharf—are in various stages of planning or pre-development, with construction timelines still uncertain. Meanwhile, construction is underway on the 17,600-square-foot Savannah Harbor Gateway Office on Hutchinson Island, which is expected to deliver in October 2026. Market fundamentals softened slightly in Q2 2026, with overall vacancy increasing to 3.8%. Net absorption totaled -2,079 square feet during the quarter, reflecting a relatively balanced market where small occupancy losses had a modest impact due to the limited inventory and constrained development pipeline.

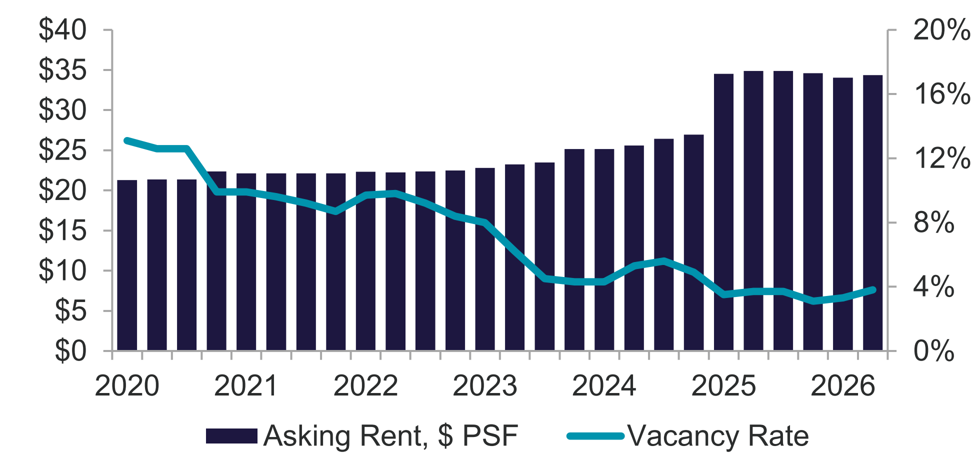
PRICING

Asking rental rates continued to trend upward in Q2 2026, with the overall average asking rent reaching $34.35 per square foot across all classes. Despite the slight increase in vacancy and negative quarterly absorption, pricing remains supported by the market's exceptionally tight supply and lack of new competitive inventory. Looking ahead, rental rates are expected to remain stable to moderately increase through the remainder of 2026, particularly for well-located, high-quality office properties.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



SAVANNAH, GA
OFFICE Q2 2026

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (ALL CLASSES)*	OVERALL AVG ASKING RENT (CLASS A)*
CBD - Historic Downtown	1,326,407	45,572	n/a	3.4%	-17,707	-12,307	7,020	0	$34.12	$37.88
Greater Savannah Non-CBD	2,977,186	117,486	n/a	3.9%	10,111	10,228	50,915	313,317	$34.38	$33.93
MSA TOTALS	**4,303,593**	**163,058**	**n/a**	**3.8%**	**-7,596**	**-2,079**	**57,935**	**313,317**	**$34.35**	**$34.38**

*Rental rates reflect full service asking

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
55 Resort Drive	Non-CBD	Not Disclosed	8,878	Direct
8001 Chatham Center Dr	Non-CBD	Central EMS	7,138	Direct
107 Southern Blvd	Non-CBD	Not Disclosed	2,600	Direct
2323 Barnard Street	Non-CBD	On Site Marketing	1,873	Direct

KEY SALES TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
761 Wheaton Street	Non-CBD	CCHS Foundation, LLC / Not Disclosed	110,445	$19.7M / $178
112 Canal Street	Non-CBD	Ameri Development Pooler, LLC / Weiner, Shearouse, Weitz, Greenberg & Shawe LLP	10,800	$1.5M / $139
109 Bryan Woods Road	Non-CBD	DGJ Investments, LLC / Thrive Early Learning	8,000	$2.35M / $294

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