



MULTIFAMILY REPORT

Atlanta's Resiliency Strategy

Spring 2021

Economic Recovery Well Above Nation

Rent Growth Moderates Slightly

Construction Remains Elevated

ATLANTA MULTIFAMILY



Demand Outpaces Robust Supply

Atlanta's economic foundation, focused on infrastructure, workforce expansion and small business development proved to be a successful resiliency strategy. The multifamily market exhibited healthy fundamentals, with rents posting a strong performance in the second half of 2020, then slightly softening in the first quarter of 2021, up by 0.3% on a trailing three-month basis through March to \$1,378. Despite robust supply additions, the occupancy rate in stabilized properties increased by 110 basis points in the 12 months ending in February, to 94.8%.

The unemployment rate dropped to 5.1% in January, and February preliminary data pointed to sustained recovery, with the figure sliding further to 4.5%. The employment market shrunk by just 3.5% in the 12 months ending in December, outperforming the -6.8% U.S. rate. Two sectors gained jobs, led by the largest one—trade, transportation and utilities, up by 2.8% or 17,200 jobs. Record levels of container traffic at the Port of Savannah boosted the distribution sector and sustained demand for industrial space. Professional and business services contracted by 4.4% in 2020, but is poised to recover as tech companies announced expansions in 2021.

In the first quarter of 2021 multifamily sales amounted to \$1.3 billion, for a per-unit price that rose 10.1% to \$148,525. Meanwhile, 2,779 units came online and 20,037 were underway.

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Recent Atlanta Transactions

Rock Springs Village



City: Atlanta
Buyer: Jamestown
Purchase Price: \$145 MM
Price per Unit: \$260,215

Overlook Sandy Springs



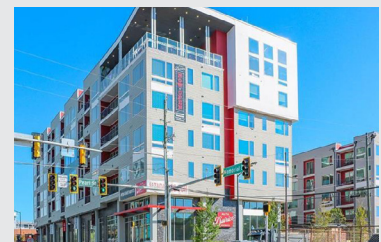
City: Dunwoody, Ga.
Buyer: CF Real Estate Services
Purchase Price: \$100 MM
Price per Unit: \$188,252

Novel Perimeter



City: Atlanta
Buyer: Northland Investment Corp.
Purchase Price: \$91 MM
Price per Unit: \$282,969

RT Dairies



City: Atlanta
Buyer: Pacific Life Insurance Co.
Purchase Price: \$85 MM
Price per Unit: \$271,635