



MULTIFAMILY REPORT

Atlanta: Alluring Investors

May 2022

Robust Supply Softens Rent Growth

Economic Recovery Well Underway

Q1 Transaction Volume Nears \$2B



ATLANTA MULTIFAMILY



Strong Demand Keeps Up With Record Supply

Atlanta's economy, rebounding faster than national averages, sustained the multifamily market and is likely to make a full recovery in 2022. Rates softened slightly in the first quarter of 2022, rising 0.3% on a trailing three-month basis, lagging the 0.7% national rate. However, between July 2020 and December 2021, rent growth in the metro outperformed the nation. Moreover, despite the record deliveries of 2021, occupancy increased by 40 basis points in the 12 months ending in February, to 95.4%.

Metro Atlanta's unemployment rate reached pre-pandemic levels, clocking in at 3.2% in February, on par with the state and 60 basis points below the U.S. rate. Employment expanded by 5.8% (174,400 jobs) in the 12 months ending in February, leading the national rate by 110 basis points. Atlanta's largest sectors led growth, professional and business services (up 8.0%) and trade, transportation and utilities (up 5.9%) adding 77,900 jobs combined. Company expansions, as well as the \$5 billion mixed-use Centennial Yards, are expected to further boost economic growth.

Following the record supply additions of 2021, developers delivered just 1,403 units in the first quarter of 2022, and had 26,018 under construction. Meanwhile, the transaction volume totaled nearly \$2 billion, while the per-unit price rose 42.3% year-over-year.

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Recent Atlanta Transactions

Prominence Today



City: Atlanta
Buyer: Hudson Advisors
Purchase Price: \$163 MM
Price per Unit: \$512,579

Edge on the Beltline



City: Atlanta
Buyer: Carter-Haston Real Estate Services
Purchase Price: \$142 MM
Price per Unit: \$405,714

SkyHouse Midtown



City: Atlanta
Buyer: RADCO Cos.
Purchase Price: \$131 MM
Price per Unit: \$409,375

Magnolia Vinings



City: Atlanta
Buyer: Crow Holdings
Purchase Price: \$125 MM
Price per Unit: \$313,250