

Yardi® Matrix

Atlanta Still Fueled for Growth

Multifamily Report Spring 2018

Rent Growth Outpaces Nation

Strong Demographics Boost Demand

Development Activity Remains Elevated

ATLANTA MULTIFAMILY

Yardi® Matrix

Market Analysis

Spring 2018

Contacts

Paul Fiorilla

Associate Director of Research
Paul.Fiorilla@Yardi.com
(800) 866-1124 x5764

Jack Kern

Director of Research and Publications
Jack.Kern@Yardi.com
(800) 866-1124 x2444

Author

Anca Gagiuc

Associate Editor

Maintaining Momentum in the South

Atlanta was a relative latecomer to the multifamily and commercial expansion, but in recent years the metro has cemented its image as a regional powerhouse. Its economic growth and positive demographics support apartment demand, even at a time when inventory expansion is rapid, having reached new highs in recent years. However, this expansion comes at a price: The housing affordability issue is intensifying, as is the metro’s congestion problem.

Employment gains in 2017 occurred across all sectors, except manufacturing. Atlanta added 55,600 jobs last year, up 2.6% year-over-year and well above the 1.7% U.S. average. Its business-friendly environment is likely to continue to support the current dynamic through consistent employment opportunities. Companies such as NCR Corp. and Honeywell have plans to hire more than 1,000 workers by 2021, while Jackson Healthcare intends to create 1,400 jobs this year.

Apartment construction is booming, with nearly 1,800 units delivered this year through February and another 19,500 units underway, 15,000 of which are slated for delivery by year’s end. Some \$500 million in apartments had traded by February and the average per-unit price continues to rise, now 138% higher than in 2011. Yardi Matrix expects rents to rise 3.7% in 2018.

Recent Atlanta Transactions

Gables Emory Point



City: Atlanta
Buyer: LivCor
Purchase Price: \$199 MM
Price per Unit: \$265,333

Rockledge



City: Marietta, Ga.
Buyer: Highland Capital Management
Purchase Price: \$114 MM
Price per Unit: \$160,311

Lakeside at Milton Park



City: Alpharetta, Ga.
Buyer: Olen Properties
Purchase Price: \$98 MM
Price per Unit: \$213,124

Overlook at Berkeley Lake



City: Duluth, Ga.
Buyer: Investcorp
Purchase Price: \$94 MM
Price per Unit: \$142,803