



**MULTIFAMILY REPORT**

# Atlanta's Sluggish Start

May 2024

**Rent Contractions Soften**

**Investment Activity Remains Tepid**

**Pipeline Still Robust, Starts Dwindle**

# ATLANTA MULTIFAMILY



## Strong Supply Impacts Rents, Occupancy

Atlanta's multifamily market fundamentals were slightly sluggish at the end of the first quarter, as rents and occupancy rates decreased. However, the metro is still displaying resilience following last year's substantial delivery volume. Demand remained healthy, with rents down just 0.1% on a trailing three-month basis through March. The overall rent was \$1,648, below the \$1,721 U.S. rate. Occupancy dropped 120 basis points as of February, to 92.3%.

The unemployment rate stood at 3.0% in February, outpacing both the U.S. (3.9%) and state (3.1%) figures, data from the Bureau of Labor Statistics shows. In 2023, Atlanta's job market expansion slowed, up 2.2%, or 72,000 jobs, just 20 basis points above the U.S. average. While two sectors—information and manufacturing—lost 5,800 total jobs, gains were led by education and health services (27,100 jobs) and leisure and hospitality (18,500). Notable expansion projects in Atlanta include the master-planned Science Square district and Centennial Yards.

During the first quarter of the year, 1,899 units came online and, as of March, developers had 39,214 units underway. Following strong deliveries in 2023, construction activity is dwindling, with only 1,296 units breaking ground through March. Sales volume through March totaled just \$368 million as investors are still being cautious. The market recorded a per-unit price of \$145,800, well behind the \$196,096 U.S. figure.

## Market Analysis | May 2024

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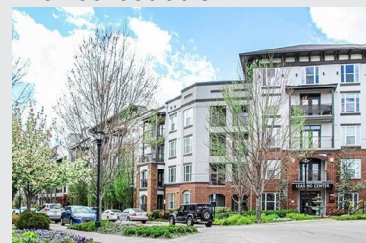
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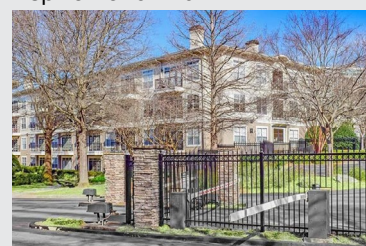
### Recent Atlanta Transactions

#### The Lookout at O4W



City: Atlanta  
Buyer: Hilltop Residential  
Purchase Price: \$115 MM  
Price per Unit: \$194,257

#### Aspire Lenox Park



City: Atlanta  
Buyer: RPM  
Purchase Price: \$85 MM  
Price per Unit: \$208,845

#### Fairview Springs



City: Covington, Ga.  
Buyer: LMS Investment  
Management  
Purchase Price: \$63 MM  
Price per Unit: \$197,013

#### Madison Brookhaven



City: Atlanta  
Buyer: Equus Capital Partners  
Purchase Price: \$41 MM  
Price per Unit: \$141,840