

Yardi® Matrix

Atlanta's In For The Long Haul

Multifamily Report Summer 2019

Life-Sciences Jobs Sustain Economic Growth

Developers Focus on Urban Submarkets

Suburban Areas Attract Investors

ATLANTA MULTIFAMILY

Market Analysis

Summer 2019

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Rent Growth Remains Consistent

Atlanta's multifamily sector is strong, fueled by positive employment and demographic trends. Occupancy in stabilized properties rose 20 basis points year-over-year through March, signaling that demand for housing remains robust despite a strong supply throughout the second half of the cycle.

Some 60,300 positions were added in the 12 months ending in March, a 2.1% year-over-year increase, 50 basis points above the U.S. rate. The metro's education and health services sector led growth through the interval, having gained 14,800 jobs. Atlanta is poised to become a hub for pharmaceutical and biotech companies moving or expanding in the South. Emory University's \$1.5 billion hospital campus and its plans for the development of a new health innovation district on North Druid Road will only supplement that growth.

The metro's quality of life, coupled with relative affordability compared to coastal markets, as well as its strong potential for rent growth, have sustained Atlanta's multifamily pipeline. Some 1,100 units were delivered through April and more than 22,000 units were underway. Multifamily sales were solid, with roughly \$1.3 billion in assets traded through the year's first four months. Atlanta's recent run of rent growth is likely to endure this year. We anticipate rents will advance 3.5% in 2019.

Recent Atlanta Transactions

Avery at Northwinds



City: Alpharetta, Ga.
Buyer: Pollack Shores
Purchase Price: \$172 MM
Price per Unit: \$215,469

The Bryant at Buckhead Village



City: Atlanta
Buyer: Utah Property Management Associates
Purchase Price: \$117 MM
Price per Unit: \$312,267

Jefferson at Perimeter



City: Dunwoody, Ga.
Buyer: Steadfast Cos.
Purchase Price: \$103 MM
Price per Unit: \$203,968

Rosemont Vinings Ridge



City: Atlanta
Buyer: Buckingham Cos.
Purchase Price: \$88 MM
Price per Unit: \$178,644