



## 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.

## Market Analysis | Spring 2021

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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



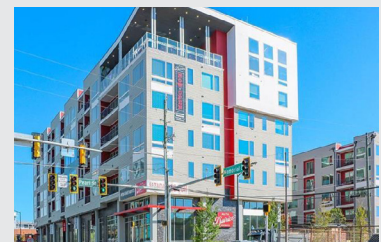
City: Dunwoody, Ga.  
Buyer: CF Real Estate Services  
Purchase Price: \$100 MM  
Price per Unit: \$188,252

#### 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