



MULTIFAMILY REPORT

Atlanta: Urban Revival

January 2023



2022 Investment Nears \$11B

Construction Starts on the Rise

Job Gains Surpass National Rate

ATLANTA MULTIFAMILY



Softening Demand Dents Occupancy

Mirroring the national trend, Atlanta's multifamily market is cooling down. In-migration is moderating, dampening the demand for housing. This, paired with substantial inventory expansion, seasonal softening and various economic challenges, turned rent growth negative, down 0.2% on a trailing three-month basis through November, to \$1,722. Occupancy dropped 120 basis points in the 12 months ending in October, to 94.4%.

Atlanta's jobless rate stood at 2.9% in October, placing the metro well below the 3.7% U.S. figure, according to data from the Bureau of Labor Statistics. Employment expanded by 5.9% in the 12 months ending in September, outperforming the 4.2% national rate. While construction struggled with shortages and was the only sector to lose jobs during this period, gains were led by the metro's largest sectors—professional and business services (40,300 jobs) and trade, transportation and utilities (34,400 jobs). Moreover, with the city already a hotspot for the EV industry, Hyundai has two multibillion-dollar investments announced and already underway, set to begin commercial operation in 2025.

Developers delivered 10,100 units in 2022 through November and had another 33,086 units underway. Surprisingly, nearly 16,000 of these broke ground this year. Meanwhile, investment totaled \$10.8 billion, for a price per unit that advanced 14.5% year-over-year, to \$204,909, not far behind the \$215,443 U.S. average.

Market Analysis | January 2023

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Anca Gagiuc

Senior Associate Editor

Recent Atlanta Transactions

Creekside at White Oak



City: Newnan, Ga.
Buyer: Related Cos.
Purchase Price: \$140 MM
Price per Unit: \$249,554

Rosemont Grayson



City: Loganville, Ga.
Buyer: Investcorp
Purchase Price: \$95 MM
Price per Unit: \$276,163

Mandalay Villas



City: McDonough, Ga.
Buyer: Laramar Group
Purchase Price: \$81 MM
Price per Unit: \$270,966

Breckinridge Vue



City: Duluth, Ga.
Buyer: First Communities
Purchase Price: \$77 MM
Price per Unit: \$192,500