

Atlanta: A Mixed Bag

May 2025

Rent Development Contracts

Pipeline Remains Strong in '25

Investment Still Sluggish



ATLANTA MULTIFAMILY



New Construction Up, Occupancy Endures

Atlanta fundamentals remained uneven three months into 2025. Average advertised asking rents were unchanged on a trailing three-month basis, at \$1,637 in March, and contributed to a 1.6% slide year-over-year. This performance put Atlanta behind the nation, with the U.S. rate up 0.1% on a three-month basis and 1.0% year-over-year, to \$1,755. Occupancy in stabilized properties endured due to strong absorption, down only 10 basis points year-over-year, to 92.5% in February.

Job growth continued to decelerate in Atlanta, up 1.2% as of January, with the market gaining 23,100 net jobs over 12 months. The U.S. rate stood at 1.0% for the fourth straight month. The metro's 3.6% unemployment rate in March continued to outperform the U.S. (4.2%), and was on par with the state. Half of the metro's employment sectors lost 14,600 jobs combined, with trade, transportation and utilities (-8,100 jobs) posting the largest drop. Gains were strongest in the education and health services sectors (20,500 jobs). Meanwhile, work continued on CIM Group's Centennial Yards, with the topping out of a residential tower and hotel.

Deliveries remained elevated, totaling 2,548 units during the first quarter of the year, while another 28,837 units were underway as of March. Investment remained sluggish, totaling \$323 million for the quarter, at a price per unit that declined 18.2% year-to-date, to \$154,342.

Market Analysis | May 2025

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Recent Atlanta Transactions

Rosemont Peachtree Corners



City: Norcross, Ga.
Buyer: Post Investment Group
Purchase Price: \$66 MM
Price per Unit: \$148,864

Chroma Park



City: Austell, Ga.
Buyer: Fairfield Residential
Purchase Price: \$63 MM
Price per Unit: \$173,699

Avana TownPark



City: Kennesaw, Ga.
Buyer: Greystar
Purchase Price: \$61 MM
Price per Unit: \$202,500

The Atlantic Canton Ridge

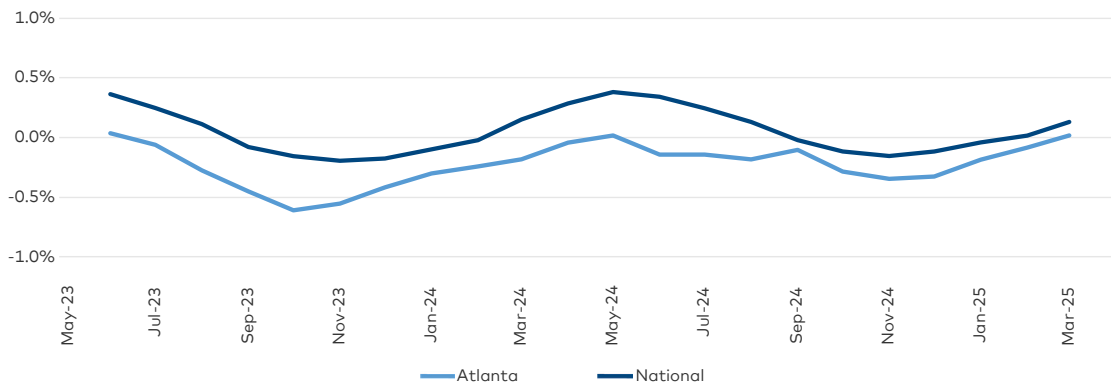


City: Canton, Ga.
Buyer: Atlantic Pacific Cos.
Purchase Price: \$41 MM
Price per Unit: \$193,396

RENT TRENDS

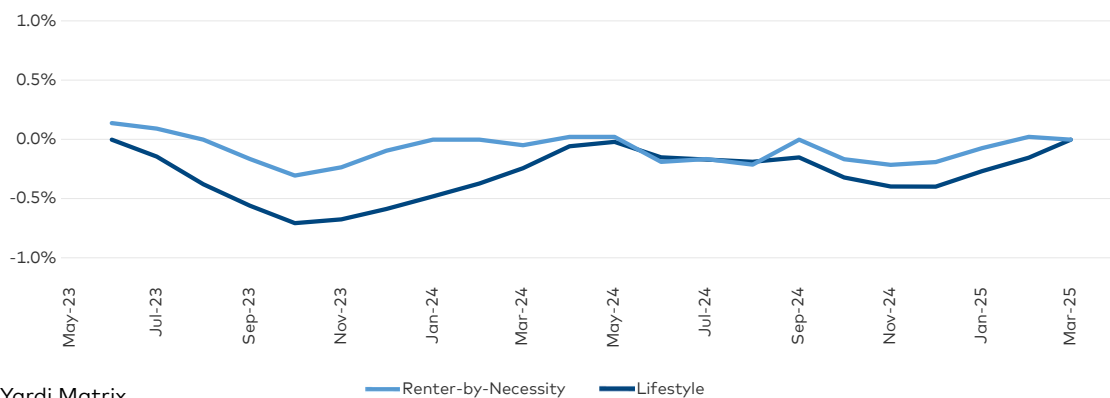
- ▶ Atlanta's average advertised asking rent was unchanged on a trailing three-month (T3) basis through March, at \$1,637, following 28 straight months of contractions or stagnation. Meanwhile, the U.S. average inched up 0.1%, to \$1,755. Year-over-year, Atlanta asking rents fell by 1.6%, ranking fifth-lowest among Yardi Matrix's top 30 metros, while the national rate rose 1.0%.
- ▶ Advertised asking rents in the working-class Renter-by-Necessity segment remained unchanged on a T3 basis through March, at \$1,402. Meanwhile, Lifestyle asking rents were also flat, at \$1,748, following a 20-basis-point uptick month-over-month.
- ▶ The occupancy rate in stabilized assets slid 10 basis points year-over-year, to 92.5% as of February. Occupancy was down 50 basis in the RBN segment, to 91.9%, while the Lifestyle figure actually rose 10 basis points, to 92.7%.
- ▶ Rent movement was negative year-over-year in 45 of the 82 submarkets tracked by Yardi Matrix, including in Haynes Manor/Peachtree Hills (-2.9% to \$2,147) and Buckhead Village (-2.9% to \$2,142). The highest advertised asking rents were recorded in Midtown South (0.3% to \$2,206) and the Martin Luther King Historic District (5.8% to \$2,148), while Cumming (-2.0% to \$1,878) led suburban submarkets.
- ▶ Atlanta's SFR market posted a 2.2% year-over-year rent decline to \$2,324 in March, while occupancy rose 0.7%, to 93.7%.

Atlanta vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Atlanta Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- ▶ Atlanta’s employment growth remained on a decelerating trend, at 1.2% as of January, while the national average was unchanged, at 1.0% for the fourth consecutive month. The market added 23,100 net jobs in 12 months. Meanwhile, the metro’s unemployment rate was 3.6% in March, up 30 basis points year-over-year, according to preliminary data from the Bureau of Labor Statistics. Atlanta’s jobless rate was on par with the state and outperformed the 4.2% national figure.
- ▶ Job growth was spotty across segments, with half of the submarkets posting contractions, totaling 14,600 net jobs. The steepest declines were registered in trade, transportation and utilities (-8,100 jobs) and professional and business services (-5,100 jobs). Gains were sustained mainly by education and health services (20,500 jobs) and government (10,200 jobs).
- ▶ Notable projects under construction in Atlanta include CIM Group’s Centennial Yards, with developers topping off the first residential tower—a 304-unit, 19-story building—and the 292-room Hotel Phoenix, which are both slated to open in the summer of 2025. Another noteworthy development is Lockheed Martin’s \$1.6 billion expansion plan for its facilities in Marietta. The company’s investment is slated to create 3,000 new jobs in the county over 20 years.

Atlanta Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	452.2	14.6%
90	Government	364	11.8%
55	Financial Activities	209.5	6.8%
80	Other Services	108.5	3.5%
50	Information	103.7	3.4%
70	Leisure and Hospitality	301.9	9.8%
15	Mining, Logging and Construction	148	4.8%
30	Manufacturing	178.9	5.8%
60	Professional and Business Services	564.1	18.3%
40	Trade, Transportation and Utilities	656.1	21.3%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- ▶ Atlanta population growth remained robust, marking an 18.9% increase between the 2010 Census and 2022, well above the 8.9% national rate.
- ▶ The pace of growth was similar to metros including Las Vegas (19.5%), Denver (20.1%), Phoenix (19.2%) and Seattle (19.2%).

Atlanta vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Atlanta Metro	5,862,424	5,947,008	6,026,734	6,094,752

Source: U.S. Census

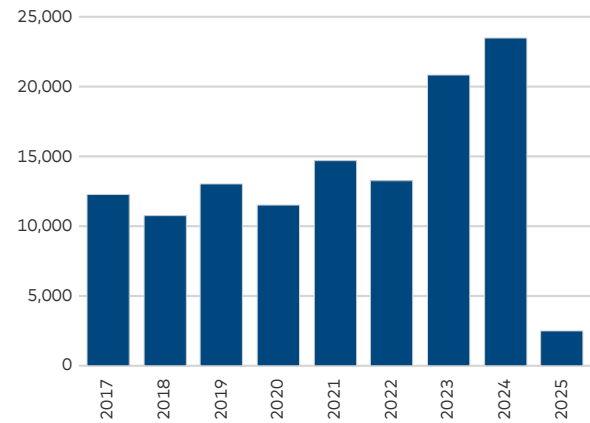
SUPPLY

- ▶ Developers delivered 2,548 units in Atlanta in 2025 through March, equal to 0.5% of existing stock and on par with the U.S. average. The suburbs accounted for 1,466 units across six properties, while core areas accounted for 1,082 new units across four communities. This came on the heels of Atlanta's two strongest years for supply growth, with 20,830 new units in 2023 and 23,503 apartments in 2024. Even so, strong absorption is keeping occupancy steady. Yardi Matrix expects a total of 18,780 units to come online this year, followed by a significant slowdown in 2026.
- ▶ The construction pipeline had 28,837 units underway as of March and another 123,000 in the planning and permitting stages. Development activity was higher in suburban submarkets, accounting for 16,547 units under construction, while urban submarkets had 12,380 units underway. Developer focus on fully affordable (5.7% of the under-construction pipeline) and RBN properties (2.8%) remained minimal, with the bulk of construction comprising Lifestyle apartments (91.5%).
- ▶ During the first quarter of 2025, developers started construction on 1,642 units across nine properties. Last year, total construction starts

increased to 15,568 units across 68 properties, up from 13,319 units across 50 assets in 2023.

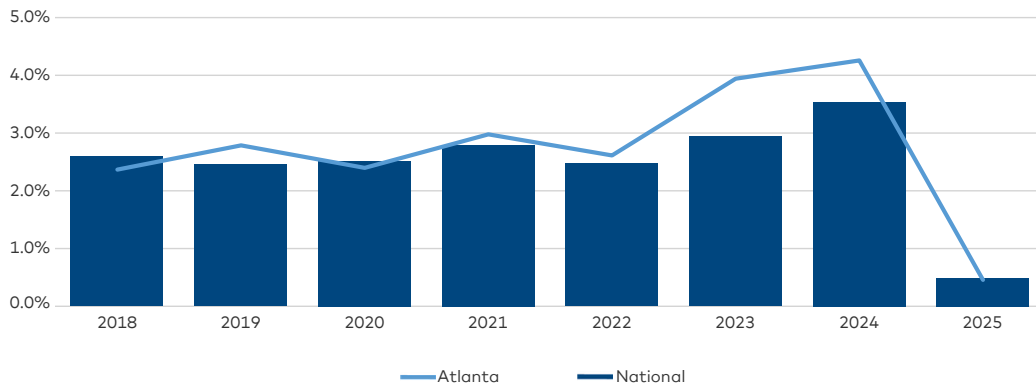
- ▶ Suburban submarkets McDonough (1,954 units) and Canton—Woodstock (1,486 units) led by construction volume, followed by core submarket Chandler—McAfee/West Belvedere Park (1,464 units). Overall, 47 of the 82 submarkets tracked by Yardi Matrix had at least one project of more than 50 units underway as of March.

Atlanta Completions (as of March 2025)



Source: Yardi Matrix

Atlanta vs. National Completions as a Percentage of Total Stock (as of March 2025)



Source: Yardi Matrix

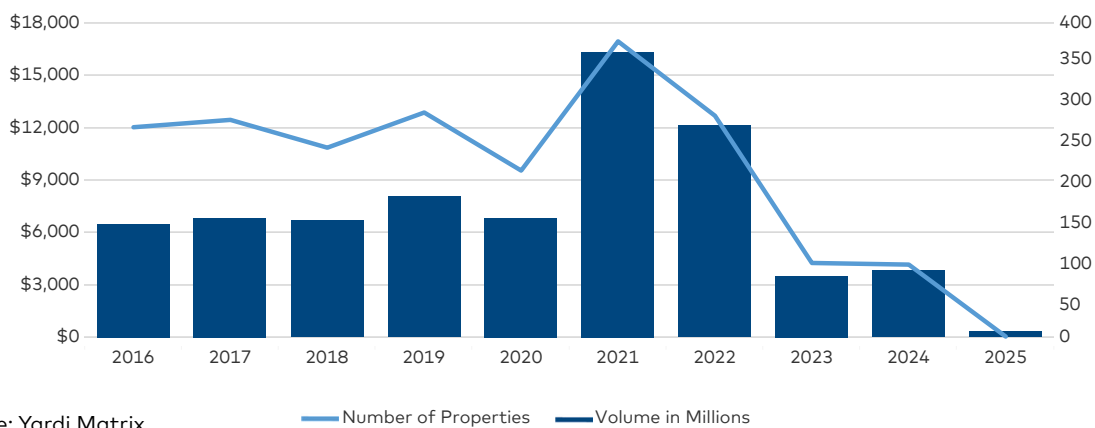
TRANSACTIONS

- ▶ Investment remained limited in Atlanta, totaling \$323 million in the first quarter of 2025, with the bulk (\$262 million) trading in suburban areas. The previous two years marked the lowest transaction volumes of the past decade—\$3.5 billion in 2023 and \$3.8 billion in 2024. Both were well below the \$7 billion annual average recorded in the five years ending in 2020.
- ▶ Atlanta’s sales composition in 2025 through March was fairly balanced across property segments, including six RBN and five Lifestyle as-

sets. The average price per unit declined 18.2% year-to-date, to \$154,342 as of March, lagging the U.S. rate, which rose by 13.9%, to \$220,599.

- ▶ Rosemont Peachtree Corners, a 440-unit Lifestyle asset located in suburban Norcross, sold for the highest confirmed price during the first quarter. Post Investment Group acquired it from Investcorp for \$65.5 million, or \$148,864 per unit, using a \$44.3 million Freddie Mac loan originated by CBRE Capital Markets.

Atlanta Sales Volume and Number of Properties Sold (as of March 2025)



Source: Yardi Matrix

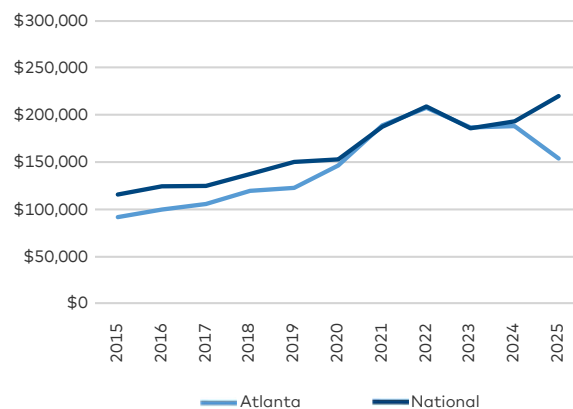
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Canton–Woodstock	384
Duluth	306
Cumming	214
Sandy Springs/Dunwoody	210
Kennesaw	153
Norcross	140
Lawrenceville	129

Source: Yardi Matrix

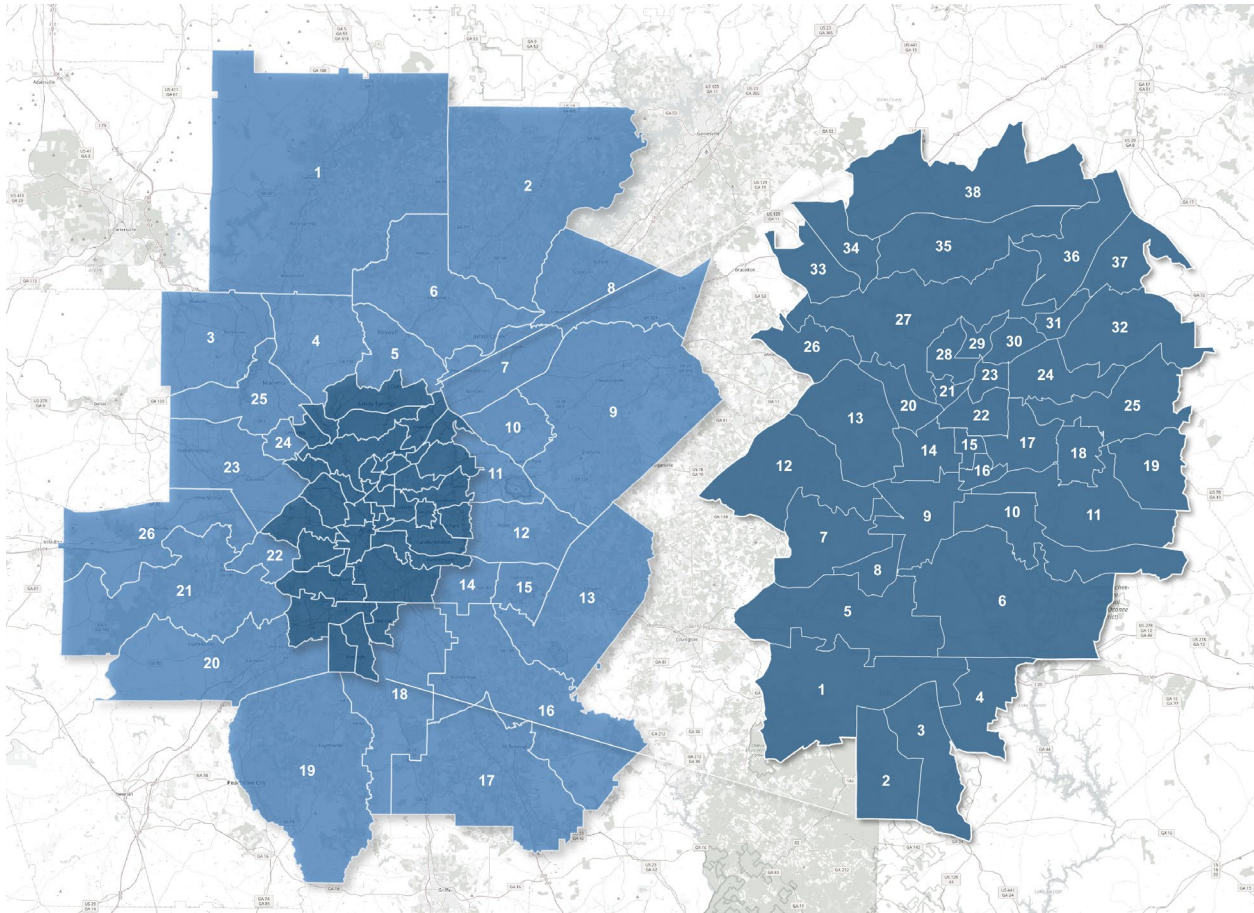
¹ From April 2024 to March 2025

Atlanta vs. National Sales Price per Unit



Source: Yardi Matrix

ATLANTA SUBMARKETS



Area No.	Submarket
1	Canton/Woodstock
2	Cumming
3	Acworth/Kennesaw
4	Marietta Northeast
5	Sandy Springs North
6	Roswell/Alpharetta
7	Duluth/Norcross
8	Suwanee/Buford
9	Lawrenceville
10	Lilburn
11	Tucker/Stone Mountain
12	Redan
13	Conyers/North Rockdale/ South Rockdale
14	Chapel Hill
15	Lithonia
16	Stockbridge
17	McDonough
18	Jonesboro/Bonanza
19	Peachtree/Fayetteville
20	Union City/Fairburn
21	Cliftondale
22	Sandtown
23	Mableton/Austell
24	Smyrna/Fair Oaks
25	Marietta Southwest
26	Douglasville

Area No.	Submarket
1	College Park/Hartsfield-Jackson International
2	West Riverdale
3	East Riverdale
4	Forest Park
5	East Point/Hapeville
6	Lakewood
7	Cascade Springs
8	Oakland
9	West End/Fairlie Poplar/Underground
10	Grant Park/East Atlanta/Panthersville
11	Chandler-McAfee/West Belvedere Park
12	Harwell Heights
13	Bankhead
14	Midtown West/Centennial Place
15	Midtown South
16	Martin Luther King Historic District
17	Inman Park/Virginia Highlands
18	Decatur
19	Avondale Estates/East Belvedere Park

Area No.	Submarket
20	Atlantic Station
21	South Buckhead
22	Midtown
23	Lindbergh
24	North Druid Hills
25	North Decatur/Clarkston/Scottdale
26	Rhyne
27	Buckhead
28	Haynes Manor/Peachtree Hills
29	Buckhead Village
30	Lenox
31	Brookhaven
32	Northlake
33	North Vinings
34	Marietta Southeast
35	North Buckhead
36	West Chamblee
37	East Chamblee
38	Sandy Springs/Dunwoody

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- ▶ *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- ▶ *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- ▶ *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- ▶ *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- ▶ *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- ▶ *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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