

# MARKETBEAT ATLANTA

## Multifamily Q3 2023



YoY  
Chg

12-Mo.  
Forecast

**91.4%**  
Stabilized Occupancy Rate



**32,456**  
Units Under Construction



**\$1,611**  
Effective Rent, Per Unit



(Overall, All Property Classes)

### ECONOMIC INDICATORS Q3 2023

YoY  
Chg

12-Mo.  
Forecast

**3.1M**  
Atlanta  
Employment



**3.2%**  
Atlanta  
Unemployment Rate



**\$81,600**  
Atlanta Median  
Household Income



Source: BLS, Census Bureau

### ECONOMY

As the largest metro area in the Southeast and key business hub, Atlanta remains a desirable place to live and work. Benefitting from its location within a business-friendly environment—the #1 State for Doing Business—Atlanta's job market has strengthened. Fueled by the addition of 54,000 jobs to the metro over the past year, Atlanta's population reached 6.3 million. With the population growing by 1.2% since Q3 of last year, the metro outperformed the national pace of 0.5% over the same period. The relatively low cost of living, diverse residents, and swath of industries across the metro positions Atlanta well for continued population growth and a subsequent stream of renters.

### MULTIFAMILY MARKET

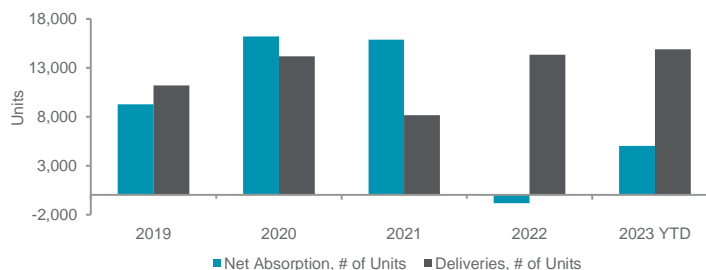
Atlanta's multifamily demand strengthened in Q3 with 3,095 units absorbed, marking the largest quarterly figure since 2021. The strong third quarter performance boosted the 2023 year-to-date total to 5,020 units, a 119.4% increase from last year. The I-85 North submarket boasted the highest occupancy with 704 units absorbed. As single-family mortgages remain at an elevated rate, the demand for multifamily across Atlanta will likely continue.

While vacancies ticked up slightly with the delivery of 14,893 units year-to-date, stabilized occupancy—which excludes properties still in their initial lease-up period—remained steady across the metro at 91.4%. While Brookhaven boasted the highest rate at 94.0%, the Midtown and West Midtown submarkets recorded the highest occupancy rate improvements of 70 and 20 basis points, respectively.

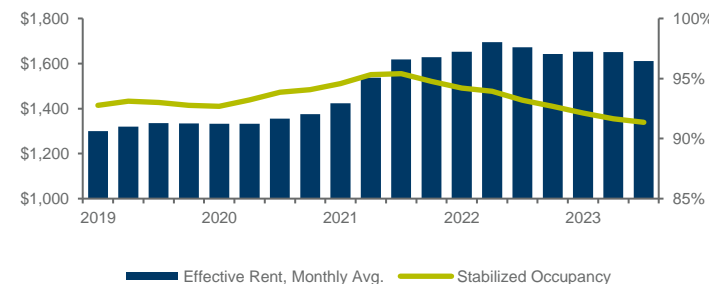
As developers face oncoming headwinds with high financing costs and increased exit cap rates, the current construction pipeline in Atlanta is at its lowest since 2021. The pipeline declined by 11.8% since the same time last year. Currently, 122 apartment complexes are underway throughout the MSA and slated to deliver 32,456 units.

As vacancies increased across the metro, housing providers have eased on rents. To attract or retain renters, effective rents fell to \$1,611 per unit, a 2.4% decline since last quarter. Midtown held its place as the most expensive submarket at \$2,186 per unit.

### DEMAND / DELIVERIES



### STABILIZED OCCUPANCY & EFFECTIVE RENT



# MARKETBEAT ATLANTA

## Multifamily Q3 2023



### MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD NET ABSORPTION (UNITS)	STABILIZED OCCUPANCY RATE	UNITS DELIVERED YTD	UNITS UNDER CONSTRUCTION	AVG EFFECTIVE RENT/UNIT
I-75 North	29,092	963	92.6%	2,607	3,858	\$1,601
I-20 West	10,253	267	93.1%	793	481	\$1,396
I-85 South	17,170	507	88.6%	780	1,430	\$1,486
I-75 South	34,896	139	89.4%	1,400	1,085	\$1,335
I-20 East	36,210	31	87.4%	629	1,788	\$1,311
South Atlanta/Airport	15,317	327	89.6%	495	1,354	\$1,307
Westside Atlanta	13,752	-244	87.8%	72	573	\$1,299
Downtown Atlanta	5,356	-72	92.4%	129	2,559	\$1,751
Eastside Atlanta	15,890	561	93.4%	1,335	869	\$1,973
West Midtown	14,507	99	91.0%	918	2,688	\$1,826
Midtown Atlanta	17,388	432	91.3%	300	3,423	\$2,186
Decatur/North Druid Hills	19,098	118	91.6%	194	1,489	\$1,657
Northlake	16,559	-152	92.6%	80	0	\$1,489
Buckhead	26,046	151	91.2%	271	501	\$1,996
Brookhaven/North Atlanta	22,078	134	94.0%	0	3,626	\$1,657
Cumberland/Galleria	52,661	144	91.8%	1,086	1,448	\$1,568
I-85 North/Gwinnett County	60,212	1,643	93.2%	3,804	3,298	\$1,597
Sandy Springs/Dunwoody	31,586	-292	91.7%	0	884	\$1,660
North Fulton	21,104	-255	92.1%	0	792	\$1,800
Forsyth County	5,910	519	93.7%	0	310	\$1,862
<b>Metro Atlanta Total</b>	<b>469,281</b>	<b>5,020</b>	<b>91.4%</b>	<b>14,893</b>	<b>32,456</b>	<b>\$1,611</b>

### REPRESENTATIVE Q3 2023 SALE TRANSACTIONS

PROPERTY	SUBMARKET	SELLER   BUYER	UNITS	PRICE   \$ UNIT	YEAR BUILT
Haven at Sugarloaf	I-85 North/Gwinnett County	Brand Properties   Weinstein Properties	390	Confidential	2022
Icon Bridges	I-75 South	Wood Partners   The Sterling Group	250	Confidential	2022
Spoke	Eastside Atlanta	Waypoint Residential   Abacus Capital Group	224	Confidential	2018

### KEY PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	UNITS	DELIVERY	DEVELOPER   OWNER
AMLI Brookhaven	Brookhaven/North Atlanta	630	Q2 2024	AMLI Management Company
Westbound at the Works	West Midtown	306	Q4 2023	Selig Enterprises
NOMIA	Midtown Atlanta	282	Q4 2023	Greystar

Source: CoStar, Real Capital Analytics

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