

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
90.7% Stabilized Occupancy Rate	▼	▲
22.2K Units Under Construction	▼	▼
\$1,630 Effective Rent, Per Unit <i>(Overall, All Property Classes)</i>	▼	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
3.1M Atlanta Employment	▲	▲
3.4% Atlanta Unemployment Rate	▲	▲
\$94,600 Atlanta Median Household Income <i>Source: BLS, Census Bureau</i>	▲	▲

ECONOMY

In September, Georgia ranked as the #1 state for doing business for the 11th consecutive year by Area Development magazine. Benefitting from its location within the business-friendly state, Metro Atlanta registered an uptick in employment in Q3 since the same time last year and recorded an unemployment rate well below that of the U.S. average. Atlanta also remains well positioned for future population growth and multifamily demand from young renters as recent ADP data ranks Atlanta metro as the fourth metro area for early career talent.

MULTIFAMILY MARKET

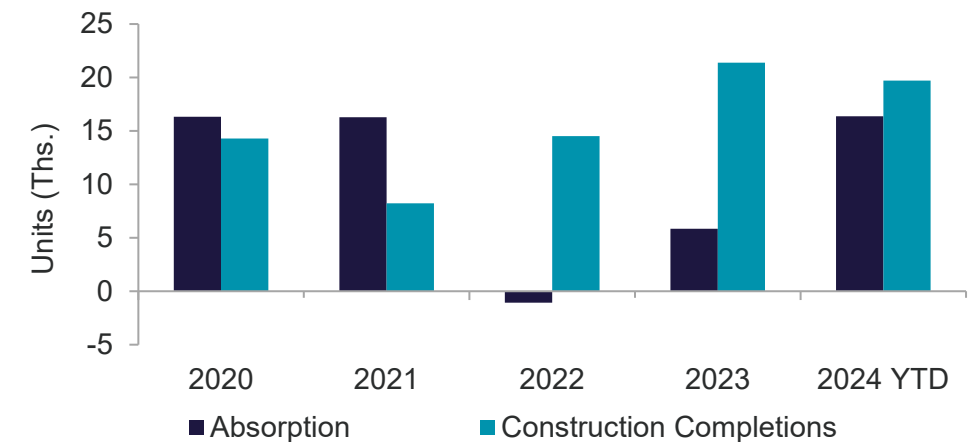
Atlanta's multifamily market recorded another quarter of robust demand in Q3 with 5,747 units absorbed. Each quarter of this year exceeded 3,000 units, boosting the year-to-date total to 16,372 units—the highest annual figure on record. Together, I-75 North and I-85 North/Gwinnett County accounted for nearly 38.8% of all quarterly absorption.

Though tenants flocked to units in newly-delivered buildings, the stabilized occupancy rate—which excludes properties still in their initial lease-up period—remained stable. At 90.7% at the end of Q3, the rate has held steady within 20 basis points (bps) since the end of 2023. Forsyth County recorded the largest loss in occupancy across the metro, down a modest 50 bps. Still, the submarket recorded the highest stabilized occupancy rate across the metro at 93.9%.

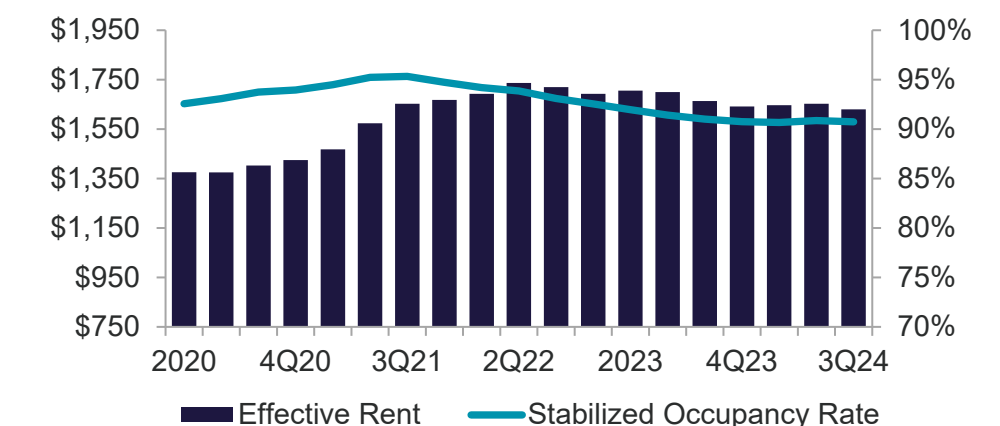
At \$1,630 per unit, effective rents fell to the lowest rate since mid-2021. With a metro-wide decline of 1.4% since the prior quarter, Midtown remained the most expensive submarket, while Westside Atlanta offered the most affordability.

In Q3, development activity slowed across the metro. Though 5,095 units delivered within 21 buildings, the current interest rate climate coupled with challenging construction financing have deterred developers from breaking ground causing the construction pipeline to taper for the sixth consecutive quarter. Currently, 22,217 units are underway across the metro, marking a 38.7% decline since Q3 2023. Development activity has been concentrated in I-85 North/Gwinnett County and I-75 North with the most units delivered in Q3 and the most product actively under construction.

DEMAND / DELIVERIES



STABILIZED OCCUPANCY & EFFECTIVE RENT



Source: CoStar, Real Capital Analytics

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	34,197	2,733	93.0%	2,949	2,361	\$1,656
I-20 West	11,182	594	92.2%	690	-	\$1,438
I-85 South	19,534	1,166	88.6%	1,537	946	\$1,550
I-75 South	37,119	1,093	89.0%	1,779	1,485	\$1,364
I-20 East	38,844	382	85.4%	1,191	2,098	\$1,333
South Atlanta/Airport	15,656	336	87.5%	158	525	\$1,315
Westside Atlanta	13,964	66	84.8%	154	573	\$1,312
Downtown Atlanta	5,765	-5	86.6%	280	1,123	\$1,708
Eastside Atlanta	17,059	1,056	92.5%	110	814	\$1,983
West Midtown	14,968	501	89.9%	401	1,862	\$1,760
Midtown Atlanta	19,470	1,057	89.7%	1,473	2,059	\$2,136
Decatur/North Druid Hills	20,525	724	91.8%	740	372	\$1,669
Northlake	16,540	57	92.6%	-	-	\$1,496
Buckhead	27,260	601	89.8%	503	483	\$1,950
Brookhaven/North Atlanta	23,183	285	92.9%	585	1,694	\$1,717
Cumberland/Galleria	54,301	1,079	91.7%	1,253	1,267	\$1,601
I-85 North/Gwinnett County	66,928	3,317	92.8%	4,504	2,799	\$1,636
Sandy Springs/Dunwoody	32,223	725	92.8%	665	536	\$1,673
North Fulton	21,831	252	92.2%	727	958	\$1,804
Forsyth County	6,220	338	93.9%	-	262	\$1,813
Metro Atlanta Total	496,386	16,372	90.7%	19,699	22,217	\$1,630

REPRESENTATIVE Q3 2024 SALE TRANSACTIONS

PROPERTY	SUBMARKET	SELLER BUYER	UNITS	PRICE \$ UNIT	YEAR BUILT
Vickers Roswell	North Fulton	Waypoint Residential Back Nine Apartment Investors	79	Confidential	2018
Rosemont Cityview	Cumberland/Galleria	Silver Creek Development Greystar	320	Confidential	1987
Salem Terrace	I-20 East	Arcan Capital Walden Group	70	\$7.6M \$107,857	1977/2002

KEY PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	UNITS	DELIVERY	DEVELOPER OWNER
BRYKS Upper Westside	West Midtown	576	Q2 2025	New South Golub
Manor Chamblee	Brookhaven/North Atlanta	385	Q4 2024	Related Great Gatsby's
Solis Kennesaw	I-75 North	239	Q3 2025	Terwillinger Pappas

Source: CoStar, Real Capital Analytics

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