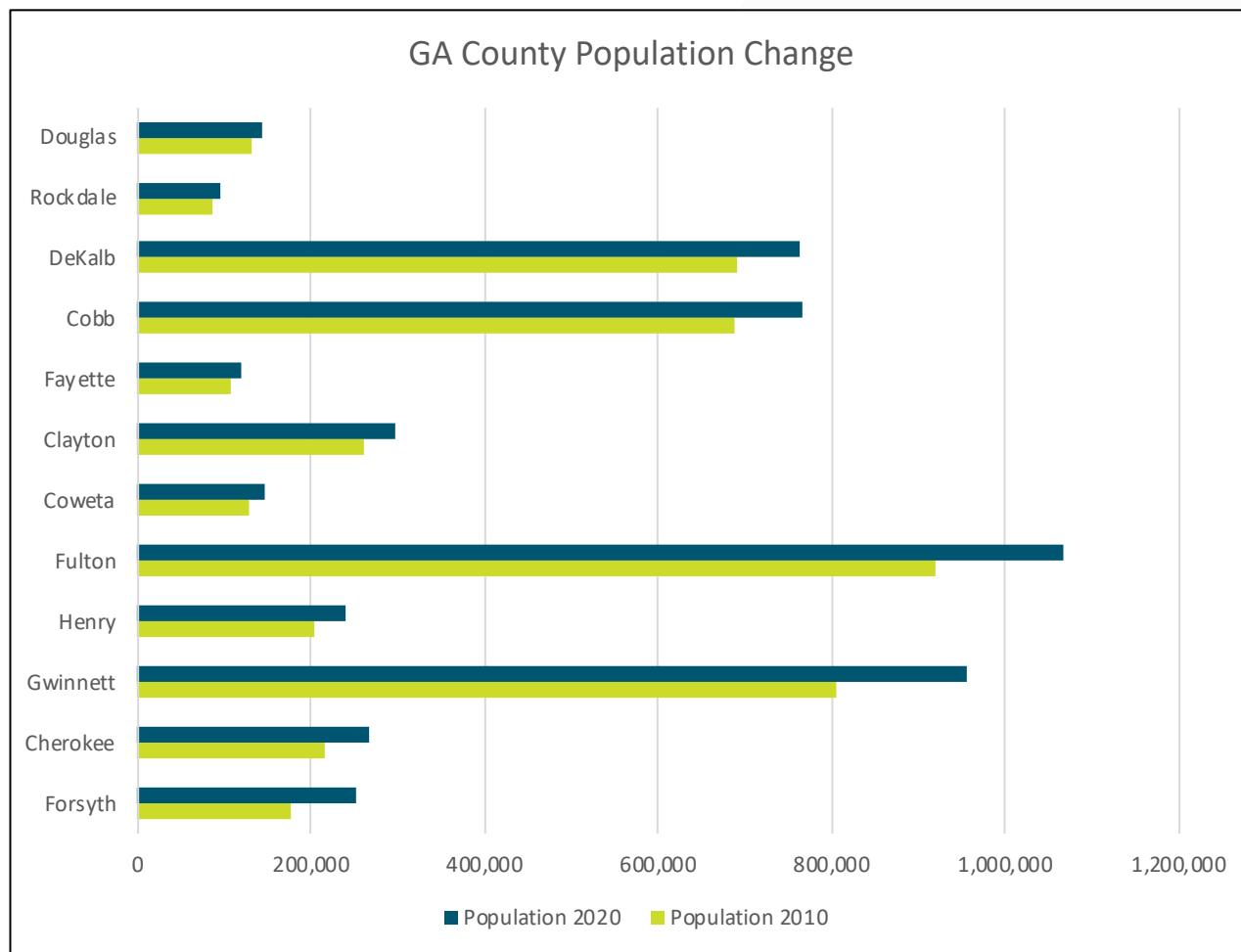


Atlanta Multifamily Expected to See Continued Increases in Rents and Per Unit Sales Pricing

ANALYSIS Atlanta has recovered well from the pandemic. The market is supported by healthy fundamentals such as a large population that has a high retention rate and a continuously increasing household median income. Unemployment rates continue to remain below the United States average, which speaks to the diverse job market available in this region. Most importantly for multifamily investors is the market's continuous rent growth. Rents across all 3 multifamily asset classes have grown along with the continuous increases in consumer price index. Looking forward, Franklin Street predicts that Atlanta multifamily properties will continue to thrive and be a sound investment for investors of all types.

ATLANTA MSA MULTIFAMILY DEMOGRAPHIC TRENDS Over a 10-year time frame, all 12 counties showed positive net migration. Forsyth County and Cherokee County showed the greatest percentile increases but also have a smaller population relative to other counties listed. Of the counties listed, the total population in 2010 was 4,410,578 and the ending population for 2020 was 5,113,672 equating to a population increase of 15.94%.



Source: Census.gov

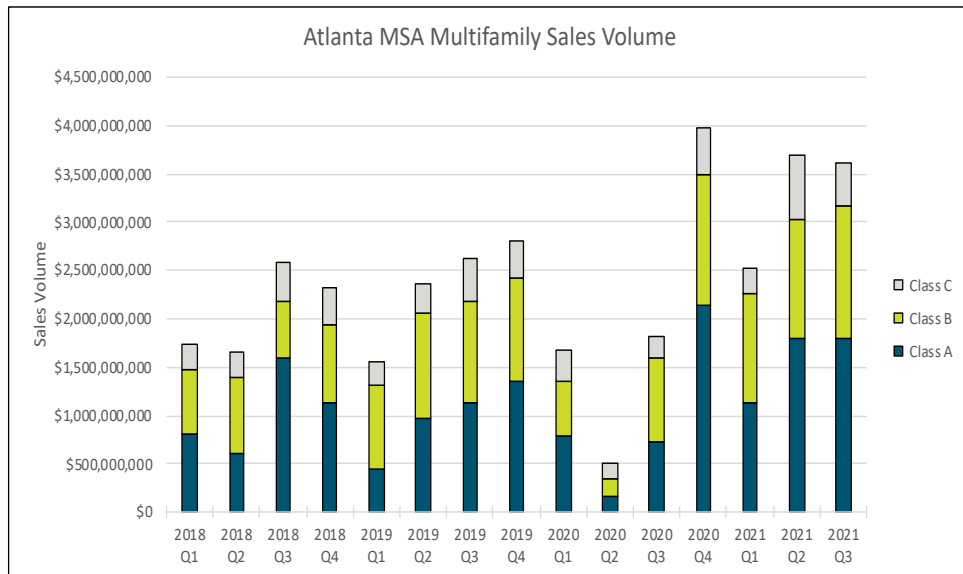
Household median incomes have continued to increase year over year in Atlanta. The 2021 reported median income was \$75,784 which was a year over year increase of 8.24%.

Unemployment rates in the Atlanta MSA region have certainly recovered since the pandemic. Currently, unemployment rates in the United States finished Q3-21 at an average of 5.1% while Atlanta MSA averaged 2.93%. South Atlanta has experienced an increase in logistics related jobs while North Atlanta continues to see increases in corporate related positions.

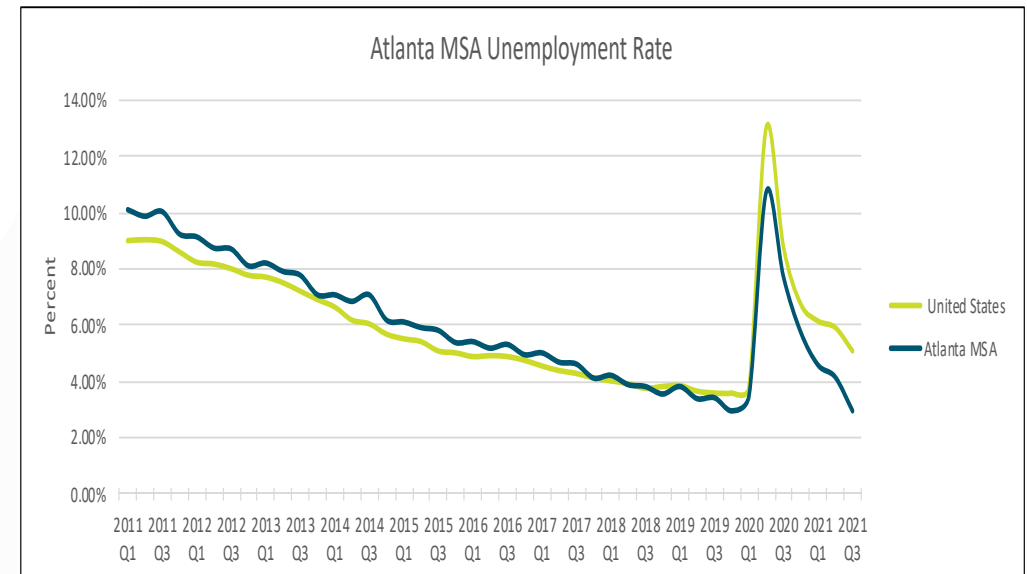
ATLANTA MSA MULTIFAMILY INVESTMENT ACTIVITY Sales volume across all multifamily asset classes reached over \$2 billion. Class A properties represented 49.75%, Class B properties represented 38.34% and Class C properties represented the remaining 11.91%. Overall sales volume experienced a decrease of 2.22% compared to Q2-21.

ATLANTA MSA MEDIAN INCOME		
YEAR	MEDIAN INCOME	HOUSEHOLD MEDIAN INCOME % CHANGE
2011	\$52,639.00	-1.02%
2012	\$52,639.00	3.78%
2013	\$54,628.00	2.02%
2014	\$55,733.00	0.78%
2015	\$56,166.00	7.22%
2016	\$60,219.00	3.98%
2017	\$62,613.00	4.42%
2018	\$65,281.00	6.24%
2019	\$69,464.00	3.28%
2020	\$71,742.00	-2.40%
2021	\$75,784.00	8.24%

Source: CoStar



Source: CoStar

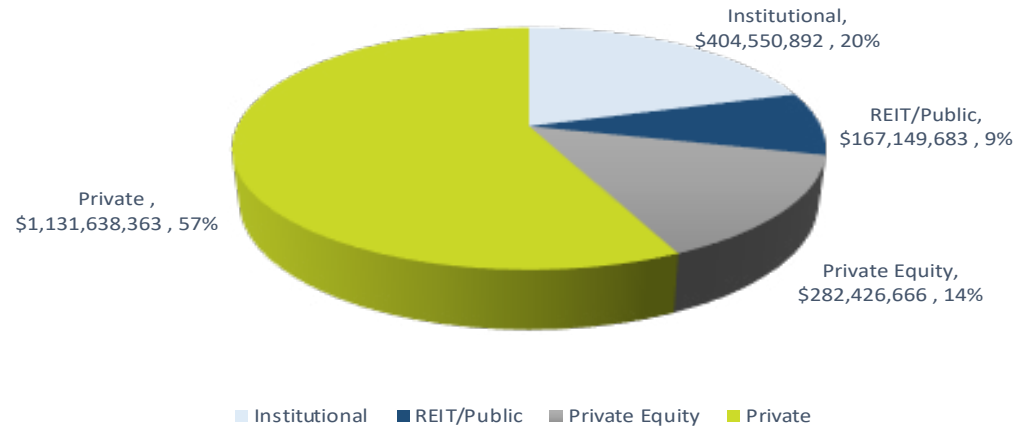


Source: BLS.Gov

Private buyers represented the largest number of buyers controlling over 57% of the market. Trailing private investors were institutional investors with 20%, private equity investors with 14%, and REIT/public investors with 9% of the market.

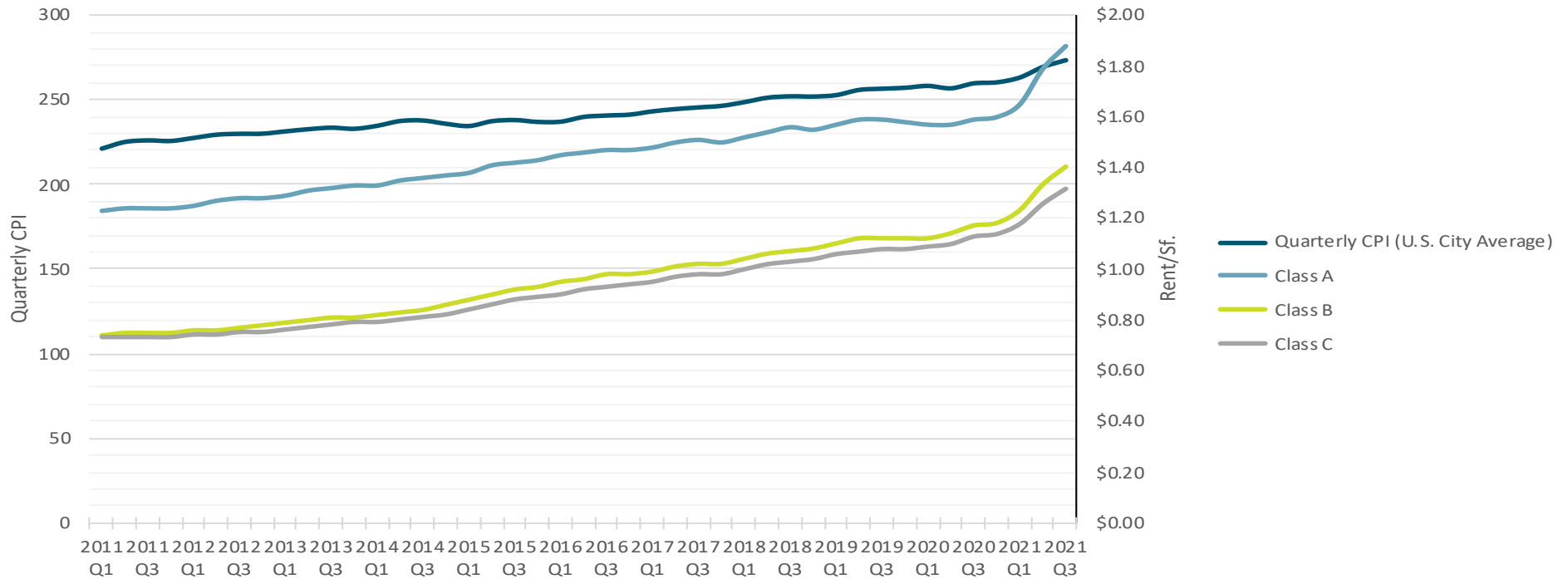
Atlanta MSA multifamily rents have continued to increase with the increases in consumer price index. Asking rents for Class A multifamily properties in the Atlanta MSA increased by 5.02% relative to Q2-21. Class B properties increased 5.26% relative to Q2-21 and Class C properties experienced an increase of 4.76% quarter over quarter.

Q3-21 Atlanta MSA Buyer Type



Source: CoStar

Atlanta MSA Multifamily Rent/Consumer Price Index



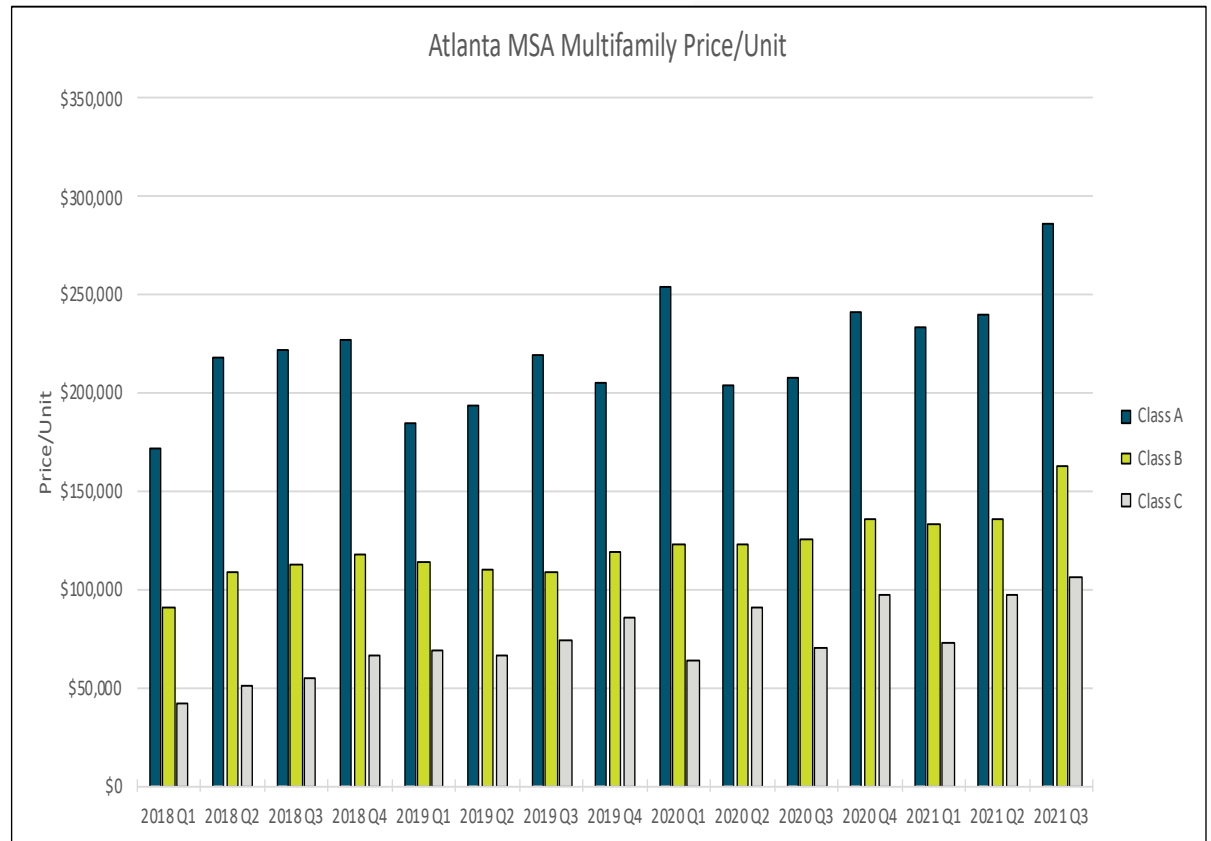
Source: CoStar

Class A and Class B properties experienced significant increases in price per unit quarter over quarter. Class A multifamily units increased 19.52% from Q2-21 to Q3-21 while Class B properties increased by 19.57%. Class A, B and C units for Q3-21 averaged \$286,777, \$162,722 and \$105,678, respectively.

Last quarter origination for Fannie Mae loans was \$385,593,353 in the Atlanta-Sandy-Springs-Roswell region. Freddie Mac loan origination was significantly less, accounting for \$77,129,000. Trailing 12-month spreads were 178 basis points for Fannie Mae and 175 basis points for Freddie Mac.

ATLANTA-SANDY SPRINGS-ROSWELL, GA	LAST QUARTER ORIGINATION		CURRENT BALANCE		TTM WA SPREAD TO TSY	
MSA	FANNIE MAE	FREDDIE MAC	FANNIE MAE	FREDDIE MAC	FANNIE MAE	FREDDIE MAC
Atlanta-Sandy Springs-Roswell, GA	\$385,593,353	\$77,129,000	\$12,233,502,214	\$14,394,153,051	178	175

Source: Trepp.com



Source: CoStar

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