

INVESTMENT FORECAST

Multifamily
Atlanta

IPA
INSTITUTIONAL
PROPERTY
ADVISORS

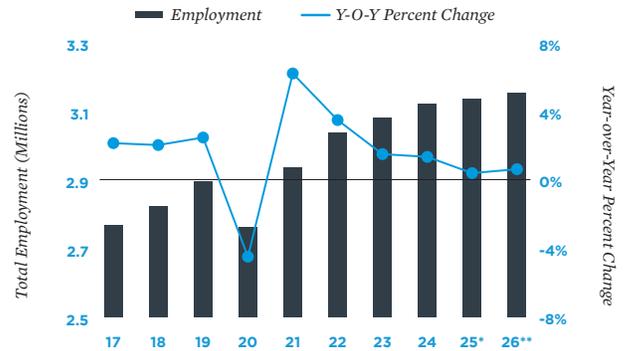
2026

Core Submarkets Lead Metrowide Performance, Prompting Investment

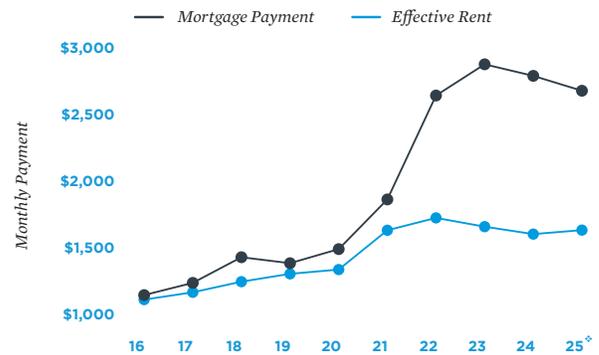
CBD strength anchors the metro's multifamily outlook. Over the past three years, apartment inventory expanded 7 percent, yet renter demand outpaced supply in both 2024 and 2025, driving vacancy to its lowest level since the post-pandemic recovery. Record net absorption was supported by some of the nation's strongest net in-migration and employment growth, though it is moderating. Buckhead, Midtown, and Downtown Atlanta in particular posted lower vacancy and stronger rent growth in 2025, buoyed by renewed population gains and continued development along the Atlanta Beltline. The project has spurred other revitalization efforts, which should improve property performance further this year, particularly in Midtown and Downtown, where fewer than 600 total units are slated to deliver. Suburban submarkets such as South Cobb County-Douglasville, South Fulton County, and the far east suburbs have benefited from similar improvements in vacancy and rent. They should experience additional tightening in fundamentals, supported by minimal upcoming supply. Conversely, areas like Buford and Buckhead will face elevated deliveries, increasing vacancy pressure, and tempering rents.

Investor confidence steadies amid early signs of rent growth. Class A assets comprised roughly a quarter of Atlanta's trades in 2025, an increase from prior years. Lower-tier properties, however, continued to dominate activity, particularly in suburban areas offering higher yields. Metrowide, assets traded at a mean cap rate in the high-5 percent range, stabilizing after a two-year climb. Atlanta's average price per unit increased by less than 1 percent. That broke a two-year downtrend and kept entry costs among the lowest of any primary U.S. metro, sustaining opportunities for out-of-market investors. Meanwhile, rent growth showed early signs of recovery, posting a modest 0.6 percent annual increase in 2025. Looking ahead, a stronger rent rebound anticipated for 2026 could further attract capital, especially toward Class A assets. This renewed interest may extend to areas slated for corporate expansion, including AIG's new 1,000-job Brookhaven innovation hub and Rivian's Downtown headquarters along the Beltline, expected to ultimately add 500 positions following its recent opening in mid-2025.

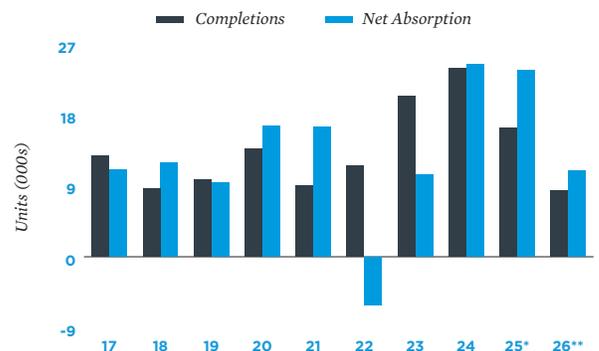
Employment Trends



Housing Affordability Gap



Supply and Demand



21.0%

2025 share of local population between 20 and 34 years old



38.4%

of local population hold bachelor's degree or higher*



\$369,200

2025 median home price*

* Estimate ** Forecast * Through 3Q
*2025: 25+ years old

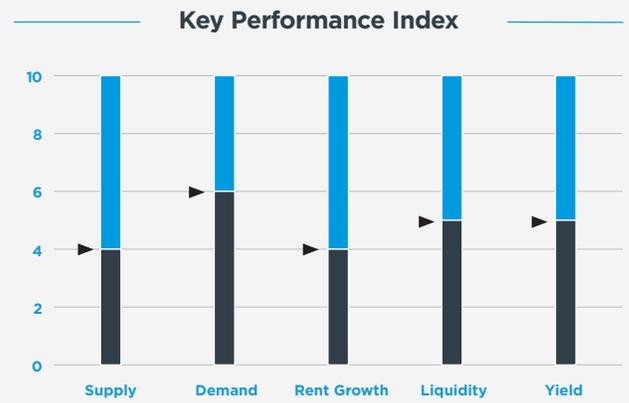
Sources: IPA Research Services; BLS; Freddie Mac; National Association of Realtors; RealPage, Inc.

Investment Outlook

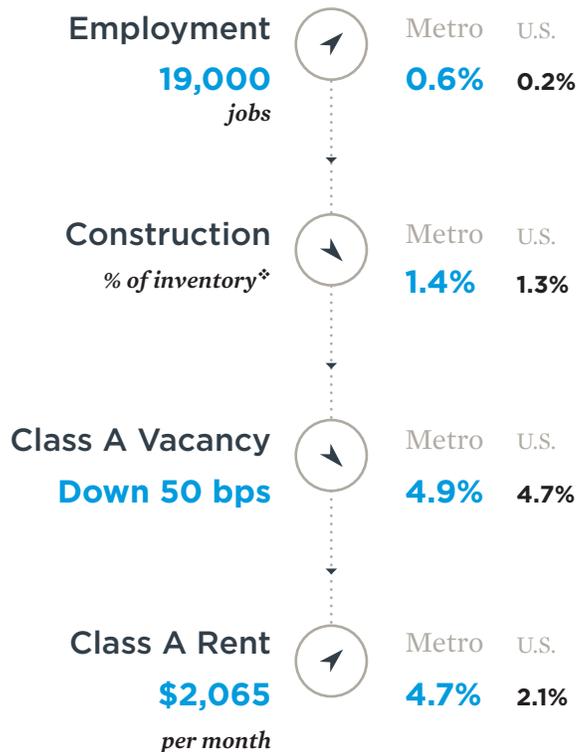
Consecutive years of robust vacancy decline translate into a demand score of 6 for Atlanta. The anticipated benefit to rent growth is expected to lift the related indicator one interval from last year to a 4. This matches the market's supply reading, which is on the lower end of the KPI distribution for 2026 but not uncommon.

Atlanta's matching liquidity and yield KPI values of 5 place it within the upper third of ranked markets for this year. While at the middle of the theoretical KPI spectrum, these readings reflect real improvements in sales activity last year.

Note: The Key Performance Index provides a metro-level relational benchmark scaled from 1-10 for five key metrics.



2026 MARKET FORECAST



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* Estimate ** Forecast
* Arrow reflects completions trend compared with 2025

Sources: IPA Research Services; CoStar Group, Inc.; RealPage, Inc.; Real Capital Analytics