

ATLANTA Q2 2026

Q2 2026 MULTIFAMILY MARKET SNAPSHOT

KEY TAKEAWAYS

1

Demand is outpacing supply, with trailing 12-month absorption of 19,138 units exceeding 13,804 units delivered, as Q2 2026 absorption of 6,293 units nearly doubled the 3,374 units recorded in Q1.

2

The construction pipeline continues to contract, with 13,896 units under construction (2.5% of inventory) and trailing 12-month starts at 10,056 units, pointing to reduced delivery pressure ahead.

3

Effective rents reached \$1,570, up 0.9% quarter-over-quarter though still down 1.0% year-over-year, while stabilized occupancy improved 40 basis points sequentially to 90.5%, signaling early-cycle recovery.

AVERAGE RENT
\$1,570

ANNUAL RENT CHANGE
-1.0%

AVERAGE OCCUPANCY
90.5%

YOY OCCUPANCY CHANGE
+40 BASIS POINTS

NET ABSORPTION
19,138 TQ4

UNIT COMPLETIONS
13,804 TQ4

DEMAND TRENDS

Atlanta's multifamily market posted its strongest quarterly leasing performance in over a year, with 6,293 units absorbed during Q2 2026, nearly double the 3,374 units recorded in Q1. Trailing 12-month net absorption of 19,138 units comfortably exceeded the 13,804 units delivered over the same period, confirming that demand has decisively outpaced new supply. Sustained positive absorption underscores the durability of leasing activity, even as the market continues to work through lease-ups from prior delivery waves. This demand-supply imbalance marks a meaningful shift and provides a foundation for improving fundamentals.

The acceleration in absorption from Q1 to Q2 reflects broadening renter demand across the metro rather than isolated submarket strength. Trailing 12-month absorption has held relatively steady compared to the 20,548 units absorbed a year ago, even as deliveries have declined sharply. This suggests underlying demand drivers, including population growth, employment, and relative affordability, remain intact. With 34 of 36 tracked submarkets posting positive trailing 12-month absorption, the recovery is notably broad-based, reducing concentration risk for the market's overall trajectory.

At the submarket level, North Gwinnett led with 1,765 units absorbed over the trailing 12 months, outpacing its 1,374 units delivered. Midtown Atlanta followed with 1,409 units absorbed against just 339 completions, reflecting sustained demand for urban, amenity-rich locations. Henry County absorbed 1,309 units alongside 1,157 deliveries, demonstrating healthy lease-up velocity in suburban growth corridors. Only two submarkets, Coweta County (-27 units) and North Fulton (-83 units), recorded negative trailing 12-month absorption, highlighting localized pockets of softness.

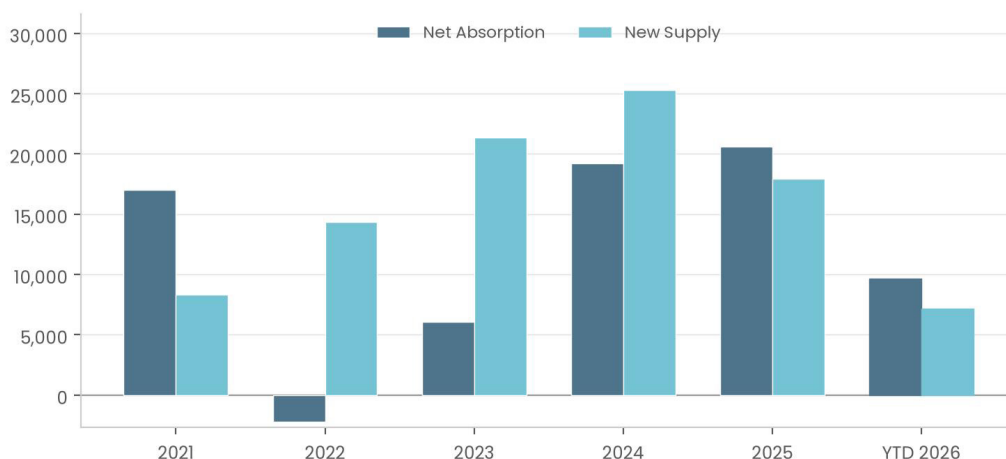
CONSTRUCTION TRENDS

The delivery wave that defined Atlanta's supply cycle over the past two years is clearly subsiding. Developers completed 4,160 units in Q2 2026, bringing trailing 12-month deliveries to 13,804 units, a 37% decline from the 22,041 units delivered over the prior four-quarter period. As of Q2 2026, 13,896 units remain under construction, representing 2.5% of the metro's inventory, among the leanest pipelines of any major Southeast metro, on par with Jacksonville (2.5%) and well below Charlotte (6.5%) and Nashville (6.2%). This contraction in active development signals that Atlanta is transitioning into an early-cycle, lower-supply environment that should increasingly favor existing owners.

Despite the pullback in completions, trailing 12-month starts of 10,056 units remain roughly in line with the 10,699 starts recorded a year ago, suggesting developers have maintained a measured pace of new groundbreakings. The under-construction pipeline has contracted 22% year-over-year, from 17,799 to 13,896 units, indicating that completions will continue trending lower through late 2026 and into 2027, further alleviating supply-side pressure on rents and occupancy.

Pipeline activity is concentrated in a handful of submarkets. Cumberland/Galleria (1,563 units), South Atlanta (1,469 units), Outlying Gwinnett County (1,369 units), and West Midtown Atlanta (854 units) collectively account for roughly 38% of active construction. Notably, Cumberland/Galleria and West Midtown have zero trailing 12-month deliveries, meaning their pipelines will introduce entirely new supply into submarkets that have had time to stabilize. South Atlanta, at 86.2% stabilized occupancy, faces greater absorption risk as its 1,469 units deliver.

UNIT COMPLETIONS VS NET ABSORPTION



NET ABSORPTION

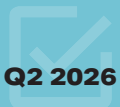
6,293



UNIT COMPLETIONS

4,160

Q2 2026





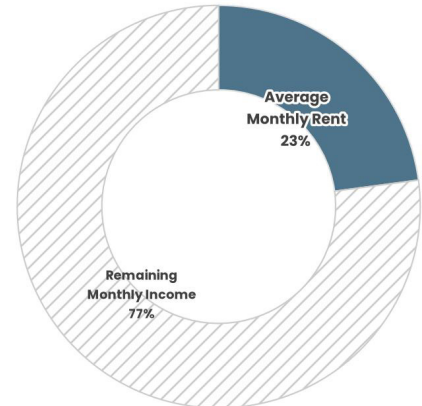
RENT TRENDS

Average effective rents in Atlanta reached \$1,570 per unit as of Q2 2026, rising 0.9% quarter-over-quarter though still down 1.0% year-over-year. The annual decline has narrowed considerably from the deeper corrections that defined 2025, and the recent return to positive sequential growth suggests the market has moved past its rent trough.

The recent return to sequential rent growth reflects the improving supply-demand balance as deliveries decelerate and absorption strengthens. However, with stabilized occupancy still at 90.5%, pricing power remains constrained, and concession pressure persists across much of the market. Atlanta's -1.0% annual rent decline compares favorably with several larger Southeast peers, outperforming Charlotte (-3.9%), Nashville (-2.8%), and Tampa (-4.5%), though it continues to trail smaller regional markets like Jacksonville (-0.5%) and Charleston (+1.3%).

Rent performance diverges sharply across submarkets. Carroll County (+2.8%), Fayette County (+2.2%), Eastside Atlanta (+2.1%), and Downtown Atlanta (+2.0%) are leading gains, generally in areas with limited recent deliveries. By contrast, Barrow County (-9.6%), Henry County (-4.1%), and Northlake (-4.1%) continue to experience significant rent compression tied to elevated supply. With 20 of 36 submarkets still posting negative year-over-year rent growth, the recovery remains uneven despite improving metro-level trends.

MONTHLY RENT AS SHARE OF INCOME



AVERAGE MONTHLY RENT
\$1,570

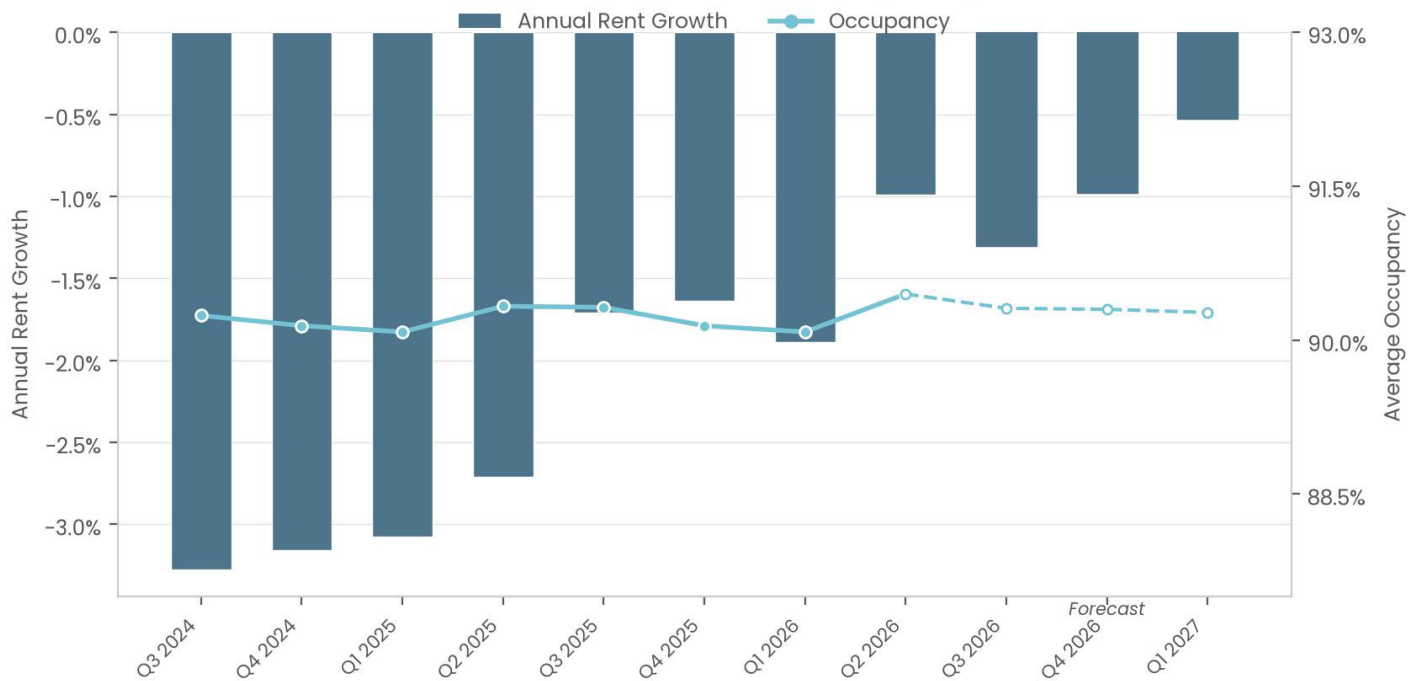
RENT & OCCUPANCY

SUBMARKET TOP 10 EFFECTIVE ANNUAL RENT GROWTH

#	Submarket	Inventory of Units	Q2 2026 Occupancy	Annual Occupancy Change	Q2 2026 Effective Annual Rent Growth	Annual Effective Rent/Unit
1	Carroll County	4,500	89.9%	-1.7%	2.8%	\$1,334
2	Fayette County	3,288	95.0%	0.4%	2.2%	\$1,860
3	Eastside Atlanta	20,014	93.5%	1.7%	2.1%	\$1,938
4	Downtown Atlanta	6,561	88.7%	2.9%	2.0%	\$1,751
5	Midtown Atlanta	24,000	91.5%	-0.8%	1.9%	\$2,093
6	Lumpkin County	411	98.8%	1.7%	1.6%	\$1,048
7	Coweta County	5,742	92.4%	-0.5%	1.5%	\$1,649
8	Newton County	5,083	88.9%	-3.3%	1.2%	\$1,549
9	Dawson County	2,299	81.0%	-4.1%	1.1%	\$1,844
10	North Atlanta	25,132	91.2%	-2.1%	1.0%	\$1,672

FULL SUBMARKET TABLE IN APPENDIX

ANNUAL RENT GROWTH AND OCCUPANCY



RENT & OCCUPANCY

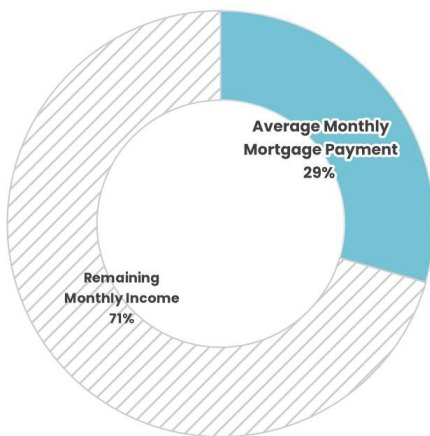
OCCUPANCY TRENDS

Stabilized occupancy reached 90.5% in the second quarter, reflecting a 40 basis point quarter-over-quarter increase and a 10 basis point year-over-year gain. While occupancy remains below historical norms, the sequential improvement is encouraging and marks a departure from the downward trajectory that characterized much of 2024 and 2025. Atlanta's annual gain stands out among Southeast peers, most of which are still contracting, with Charlotte down 70 basis points and Tampa down 110 basis points over the same period. The combination of demand outpacing deliveries by over 5,300 units on a trailing 12-month basis and a contracting construction pipeline positions the market for continued occupancy recovery.

Occupancy's recent turn follows an extended stretch of erosion, and the rebound is closely tied to the delivery wave's moderation. As fewer new projects reach completion, the demand-supply gap driving this quarter's improvement should continue to widen, giving occupancy further room to climb through the balance of 2026. The pace of that recovery will still hinge on how quickly remaining lease-up inventory across the metro's highest-delivery submarkets gets absorbed.

Submarket stabilized occupancy varies widely, spanning a 1,770 basis point range from Lumpkin County at 98.8% to Dawson County at 81.0%. Established suburban nodes like Forsyth County (94.4%), Cherokee County (94.2%), and Buckhead (93.1%) maintain tight conditions. Conversely, Southeast DeKalb (83.8%), South Fulton (84.2%), and Westside Atlanta (84.8%) face persistent softness. Notably, high-delivery submarkets such as Outlying Gwinnett County and North Gwinnett have maintained stabilized occupancy above 91%, demonstrating that supply is being directed toward areas with strong demand fundamentals.

MONTHLY MORTGAGE AS SHARE OF INCOME



AVERAGE MONTHLY MORTGAGE
\$2,038

MARKET OUTLOOK

Atlanta's multifamily market has reached an inflection point. Demand has decisively outpaced new supply for the first time this cycle, and the construction pipeline's continued contraction signals that delivery pressure will keep easing through late 2026 and into 2027. Recent sequential rent growth and improving occupancy confirm that the market has moved past its cyclical trough and is entering an early recovery phase.

The forward outlook hinges on whether demand durability can be sustained amid broader macroeconomic uncertainty. Rent growth is projected to reach -0.5% year-over-year by Q1 2027, though the recent sequential acceleration suggests the market could outperform this forecast if absorption holds. Stabilized occupancy is projected near 90.3%, indicating that while conditions are improving, full stabilization remains a multi-quarter process. Atlanta is positioned at the most constructive point in its supply cycle since early 2023, with moderating deliveries and a comparatively lean pipeline relative to peers like Charlotte and Nashville supporting a path toward rent recovery.

An additional 7,593 units are projected to deliver over the forecast horizon, a manageable volume given the metro's recent absorption pace. Submarkets with concentrated pipeline activity, including Cumberland/Galleria, South Atlanta, and Outlying Gwinnett County, will bear the most near-term supply pressure, while areas like Midtown Atlanta and Eastside Atlanta are positioned for continued outperformance given limited incoming supply and strong demand trajectories.

Sources: Costar; U.S. Census Bureau; Federal Reserve Bank of St. Louis; National Association of Realtors

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APPENDIX

SUBMARKET FUNDAMENTALS

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9	Dawson County	2,299	81.0%	-4.1%	1.1%	\$1,844
10	North Atlanta	25,132	91.2%	-2.1%	1.0%	\$1,672
11	Pickens County	444	94.1%	0.3%	0.8%	\$1,481
12	Sandy Springs/Dunwoody	34,470	92.9%	0.9%	0.7%	\$1,603
13	Buckhead	28,330	93.1%	1.1%	0.5%	\$1,914
14	Walton County	1,514	91.2%	0.0%	0.3%	\$1,478
15	Kennesaw	16,271	91.1%	-1.0%	0.2%	\$1,586
16	Cumberland/Galleria	55,562	90.9%	0.1%	0.0%	\$1,526
17	Forsyth County	6,755	94.4%	0.4%	-0.3%	\$1,791
18	South Atlanta	18,444	86.2%	0.9%	-0.3%	\$1,349
19	Spalding County	2,225	86.8%	2.2%	-0.7%	\$1,210
20	Decatur/North Druid Hills	22,915	90.0%	0.7%	-1.0%	\$1,581
21	South Fulton	12,451	84.2%	0.9%	-1.1%	\$1,433
22	Clayton County	26,652	88.9%	0.5%	-1.5%	\$1,241
23	Douglas County	9,644	93.0%	0.2%	-1.6%	\$1,515
24	Westside Atlanta	17,353	84.8%	1.4%	-2.1%	\$1,258
25	Bartow County	6,785	90.4%	-1.6%	-2.4%	\$1,405
26	Paulding County	2,671	92.7%	0.8%	-2.7%	\$1,741
27	North Fulton	22,341	92.3%	-1.0%	-2.7%	\$1,732
28	Southeast DeKalb	30,791	83.8%	0.3%	-2.8%	\$1,224
29	Cherokee County	13,963	94.2%	1.0%	-2.8%	\$1,624
30	Outlying Gwinnett County	36,488	92.0%	0.0%	-2.9%	\$1,557
31	West Midtown Atlanta	16,362	90.7%	-0.6%	-3.1%	\$1,678
32	Rockdale County	5,171	88.1%	0.8%	-3.5%	\$1,432
33	North Gwinnett	35,269	91.6%	-0.4%	-3.8%	\$1,499
34	Henry County	14,111	89.6%	-1.0%	-4.1%	\$1,559
35	Northlake	17,380	90.9%	0.2%	-4.1%	\$1,338
36	Barrow County	2,704	89.8%	1.5%	-9.6%	\$1,676