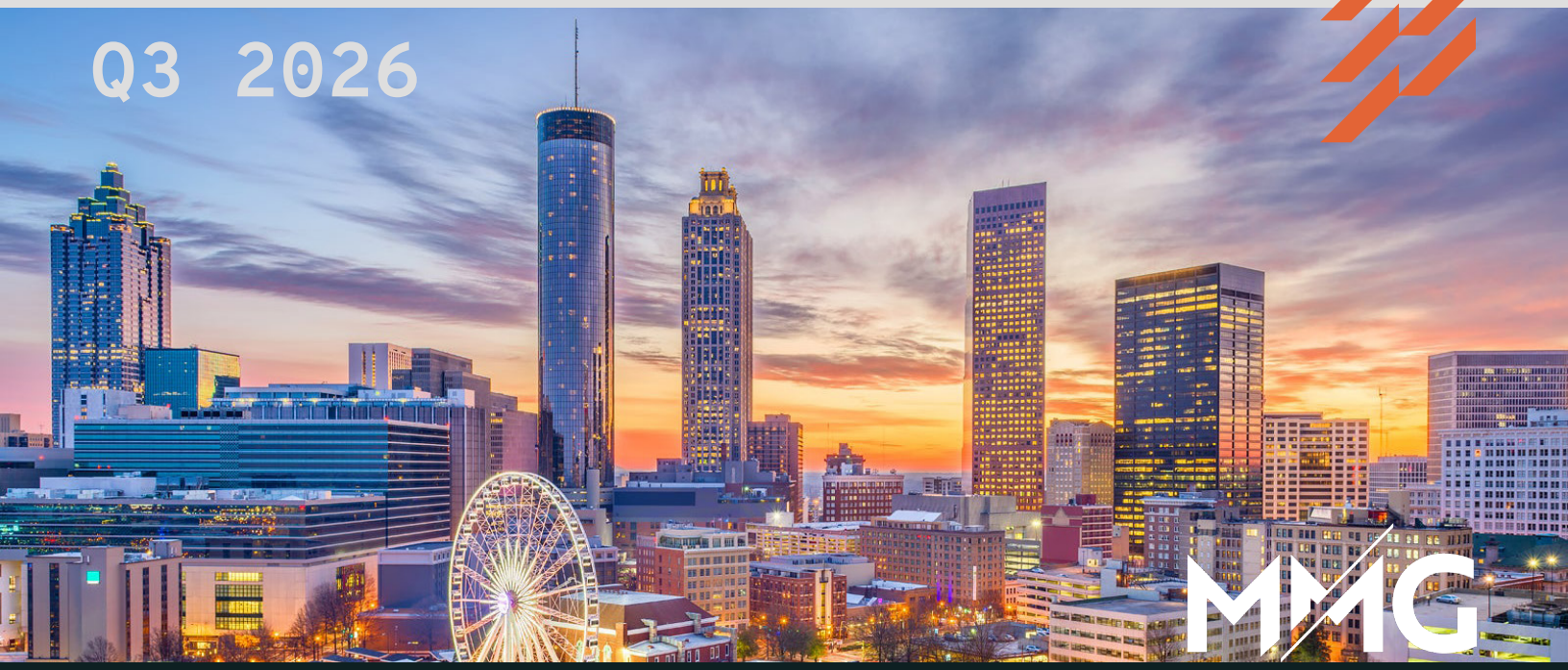
ATLANTA

Q3 2026



Q3 2026 MULTIFAMILY MARKET SNAPSHOT

$1,568 Average Rent	90.7% Average Occupancy Rate	17,784 T4Q Net Absorption
-0.4% Annual Rent Change	30 BPS YoY Occupancy Change	13,327 T4Q Unit Completions

KEY TAKEAWAYS

Renter demand in Atlanta remains solid and broad-based, with trailing absorption exceeding new completions by roughly one-third and most submarkets posting positive absorption, supported by a diverse employment base and continued population growth.

The development pipeline has contracted to its smallest size in over a decade, at just 2.3% of inventory and among the lightest in its regional peer group, with starts down roughly one-third from a year ago, setting up a lighter supply environment through 2027.

Rent declines have narrowed to near breakeven, outperforming growth-market peers such as Charlotte, Tampa, Nashville, and Orlando, while occupancy improved 30 basis points year over year to 90.7%, leaving room for further recovery as supply pressure eases.

DEMAND TRENDS

Renter demand in Atlanta held steady in the third quarter of 2026, even as leasing cooled from a seasonally strong second quarter. Net absorption totaled 4,905 units, down from 7,479 units in Q2 but close to the 5,016 units absorbed in Q3 2025, suggesting demand has settled into a consistent pace rather than decelerating. Trailing four-quarter absorption of 17,784 units continues to outpace completions over the same period, by a margin of 33%, helping narrow the supply-demand imbalance that defined much of 2024 and early 2025.

While trailing four-quarter absorption has moderated from the 20,794 units recorded a year ago, the decline reflects normalization rather than weakening fundamentals. Atlanta's diverse employment base and continued population growth underpin steady household formation, providing a reliable floor for leasing activity. With demand now exceeding new supply by a wide margin, the market is positioned to gradually recover occupancy and pricing power as the delivery wave subsides further.

Demand was broad-based, with 34 of 36 tracked submarkets posting positive trailing annual absorption. North Gwinnett led with 1,656 units absorbed, followed by Outlying Gwinnett County (1,549 units) and Henry County (1,408 units). Midtown Atlanta absorbed 1,332 units, well above its 357 units of deliveries. Coweta County (-48 units) was the only submarket with negative absorption, a marginal decline in a submarket with no recent deliveries, and Lumpkin County was flat.

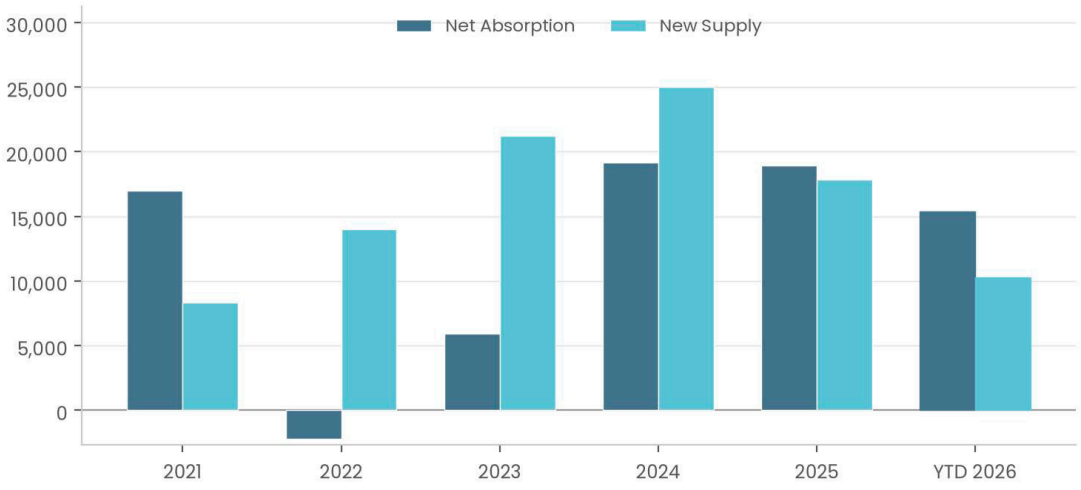
CONSTRUCTION TRENDS

The construction pipeline in Atlanta has contracted to its smallest size in over a decade. Developers delivered 2,787 units in Q3 2026, down from 3,685 in Q3 2025, and trailing four-quarter completions fell 32% to 13,327 units from 19,553 a year earlier. The 12,952 units under construction represent 2.3% of the market's 557,561-unit inventory, down from 18,406 units (3.4% of inventory) a year ago and 68% below the recent cycle peak in early 2023.

Trailing four-quarter starts have fallen to 8,028 units from 12,232 a year ago, which should lead to lower deliveries as 2027 progresses and places Atlanta in the late stage of its supply cycle. The pipeline has compressed from 7.1% of inventory at the post-pandemic peak to 2.3% today, and the receding supply overhang should support occupancy recovery and rent stabilization.

The remaining pipeline is concentrated among a handful of submarkets. The four largest, Outlying Gwinnett County (1,369 units), South Atlanta (1,294 units), Cumberland/Galleria (1,191 units), and Sandy Springs/Dunwoody (1,065 units), account for 38% of the market's active pipeline. Outcomes in these corridors vary. Outlying Gwinnett County and Cumberland/Galleria have maintained occupancy above 91% despite active construction, while South Atlanta sits at 86.9%, suggesting localized absorption risk as additional units deliver.

UNIT COMPLETIONS VS NET ABSORPTION



4,905
Quarterly
Net Absorption

2,787
Quarterly
Unit Completions

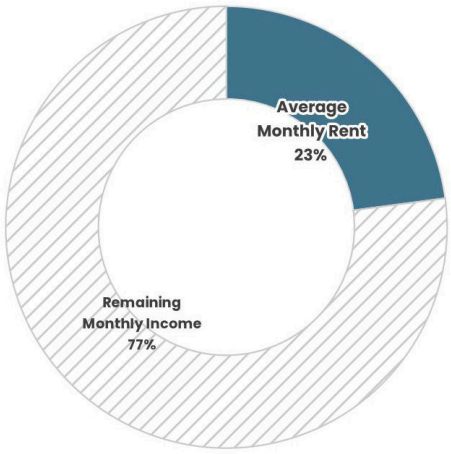
RENT TRENDS

Atlanta rents held flat in the third quarter as the annual decline narrowed to near breakeven. Effective rents averaged $1,568 per unit, essentially unchanged from Q2 and 0.4% below the $1,575 recorded in Q3 2025. After a 1.3% quarterly decline in Q4 2025, rents rose 0.1% in Q1 and 0.8% in Q2 2026 before holding flat in Q3, and the annual decline has narrowed from 2.0% in Q1 to 0.4%. This trajectory suggests Atlanta has moved through the worst of its rent correction and is approaching an inflection point.

With demand now far outpacing new supply and the construction pipeline contracting, the structural conditions for rent recovery are strengthening. Among regional peer markets, Atlanta ranks near the middle in annual rent growth, well below the region's leader, Norfolk (6.2%), but ahead of growth-market peers such as Raleigh, Orlando, Nashville, Tampa, and Charlotte (-3.6%), the weakest performer. Atlanta's pipeline of 2.3% of inventory is lighter than that of each of those peers (3.2% to 6.8%), which should help it hold that edge as supply pressure eases.

Rent performance varies widely across Atlanta's 36 tracked submarkets. Downtown Atlanta leads at 4.9% year-over-year growth ($1,749 per unit), while Barrow County trails at -5.9%. A total of 19 submarkets posted positive annual rent growth, including Midtown Atlanta (2.0%), Eastside Atlanta (2.3%), and Douglas County (3.1%). Among the 17 with negative growth, Barrow County and Cherokee County, which each saw heavy deliveries relative to their inventory, posted some of the steepest declines, consistent with supply-driven pricing pressure.

MONTHLY RENT AS SHARE OF INCOME



Average Monthly Rent

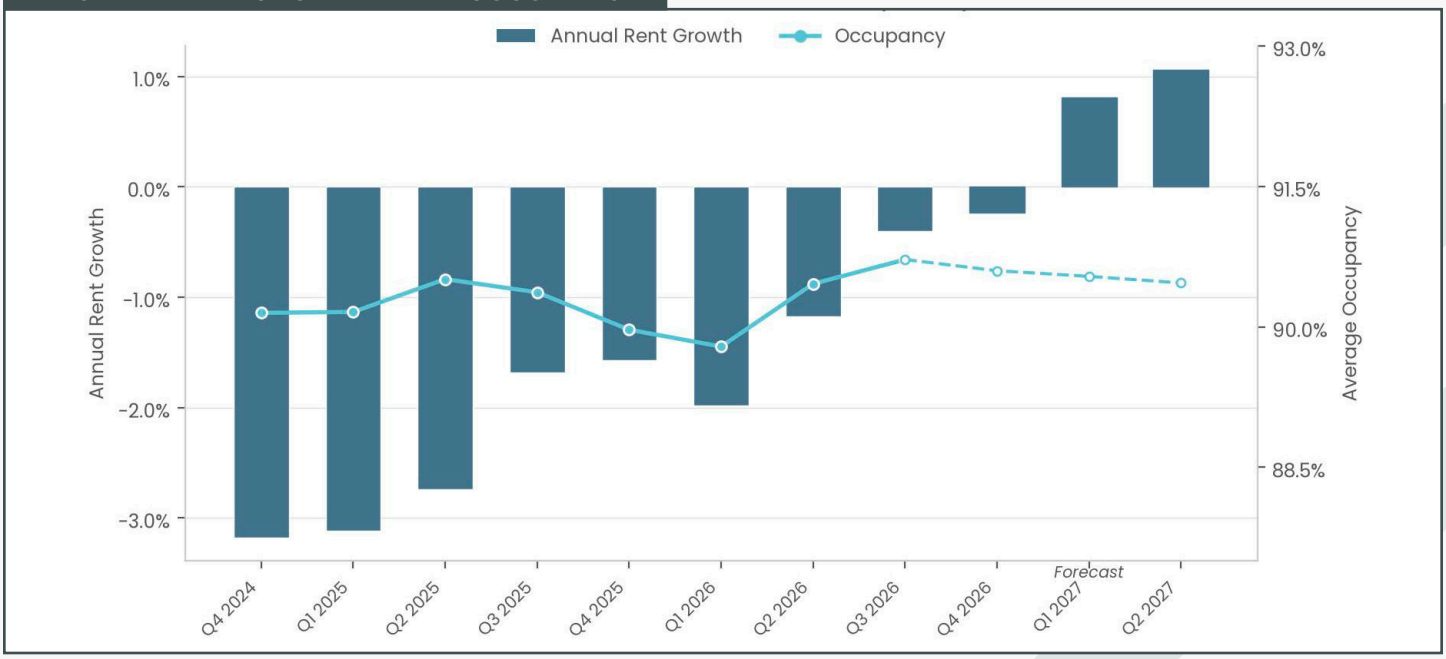
$1,568

SUBMARKET TOP 10 EFFECTIVE ANNUAL RENT GROWTH

#	SUBMARKET	INVENTORY OF UNITS	Q3 2026 OCCUPANCY	ANNUAL OCCUPANCY CHANGE	Q3 2026 EFFECTIVE ANNUAL RENT GROWTH	ANNUAL EFFECTIVE RENT/UNIT
1	Downtown Atlanta	6,711	89.7%	4.5%	4.9%	$1,749
2	Walton County	1,459	93.4%	0.5%	4.2%	$1,624
3	Douglas County	9,504	91.8%	-0.6%	3.1%	$1,554
4	Spalding County	2,353	88.4%	2.8%	2.8%	$1,248
5	Fayette County	3,288	94.9%	0.4%	2.7%	$1,814
6	Eastside Atlanta	20,073	94.1%	1.4%	2.3%	$1,961
7	Coweta County	5,781	92.2%	-0.8%	2.2%	$1,658
8	Midtown Atlanta	24,337	93.1%	0.2%	2.0%	$2,100
9	Lumpkin County	411	99.0%	-0.1%	1.6%	$1,054
10	Bartow County	6,785	91.0%	-0.6%	1.4%	$1,436

FULL SUBMARKET TABLE IN APPENDIX

ANNUAL RENT GROWTH AND OCCUPANCY



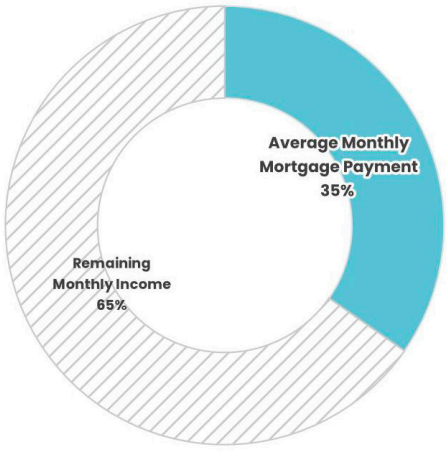
OCCUPANCY TRENDS

Occupancy in Atlanta improved further in the third quarter, extending a recovery from the compression driven by elevated deliveries. Stabilized occupancy reached 90.7%, up 20 basis points from Q2 and 30 basis points from 90.4% in Q3 2025, though it remains below the market's historical norms. Atlanta is underperforming most regional peer markets for occupancy and is ahead of only Memphis (86.5%), the weakest performer. Atlanta's 30 basis point annual gain sits just below the group median, but trailing absorption now outpaces completions, and its pipeline is the third lightest among peers, which should help narrow the occupancy gap over time.

As the construction pipeline contracts and fewer units enter lease-up, further occupancy gains appear likely in 2027, though the pace of improvement will depend on macroeconomic conditions and labor market stability. The gap between current occupancy and the 92% to 93% range typically associated with landlord pricing power suggests the recovery still has ground to cover before translating into sustained rent acceleration.

Submarket occupancy varies widely. Among submarkets with more than 1,000 units, occupancy ranges from 94.9% in Fayette County to 82.2% in South Fulton, a 1,270 basis point spread. Forsyth County (94.8%) and Eastside Atlanta (94.1%) round out the top tier, while Westside Atlanta (82.3%) and Southeast DeKalb (83.5%) also face persistent softness. Cumberland/Galleria has maintained 91.3% occupancy despite carrying the market's third-largest pipeline, reflecting strong localized demand that should support stability as its 1,191 units under construction are delivered.

MONTHLY MORTGAGE AS SHARE OF INCOME



Average Monthly Mortgage

$2,376

MARKET OUTLOOK

Atlanta's multifamily market is entering a stronger phase as the delivery wave recedes. Annual completions have fallen to roughly half their 2024 peak, and the active pipeline has dropped to just 2.3% of inventory, less than half its ten-year average and lighter than most Southeast peers. Demand remains deep, with Atlanta posting the largest Q3 absorption in its regional peer group. Quarterly deliveries are projected to dip to roughly 1,300 units by mid-2027 after a temporary uptick in the fourth quarter, putting new supply below projected absorption.

Near-term performance should improve gradually rather than sharply. Occupancy is projected to ease slightly through mid-2027 as fourth-quarter deliveries lease up, before annual rent growth turns positive in early 2027 and approaches 1% by mid-year. Submarkets with limited pipelines and tight occupancy, such as Eastside Atlanta, Midtown Atlanta, and Fayette County, are best positioned to lead the recovery, while South Atlanta and Outlying Gwinnett County, which carry some of the largest active pipelines, will need more time to work through lease-up competition.

Atlanta's longer-term demand drivers remain structurally strong. Population and household growth are projected to run well ahead of the national pace, supported by a young, highly educated renter base and a diversified economy spanning logistics, aerospace, fintech, health care, and technology. Continued investment reinforces the region's appeal, including Hyundai and SK On's $5 billion battery plant now in production, a growing data center presence, and ongoing BeltLine and downtown redevelopment. These tailwinds point to durable renter demand as new supply continues to thin.



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

APPENDIX

SUBMARKET FUNDAMENTALS

#	Submarket	Inventory of Units	Q3 2026 Occupancy	Annual Occupancy Change	Q3 2026 Effective Annual Rent Growth	Annual Effective Rent/Unit
1	Downtown Atlanta	6,711	89.7%	4.5%	4.9%	$1,749
2	Walton County	1,459	93.4%	0.5%	4.2%	$1,624
3	Douglas County	9,504	91.8%	-0.6%	3.1%	$1,554
4	Spalding County	2,353	88.4%	2.8%	2.8%	$1,248
5	Fayette County	3,288	94.9%	0.4%	2.7%	$1,814
6	Eastside Atlanta	20,073	94.1%	1.4%	2.3%	$1,961
7	Coweta County	5,781	92.2%	-0.8%	2.2%	$1,658
8	Midtown Atlanta	24,337	93.1%	0.2%	2.0%	$2,100
9	Lumpkin County	411	99.0%	-0.1%	1.6%	$1,054
10	Bartow County	6,785	91.0%	-0.6%	1.4%	$1,436
11	Sandy Springs/Dunwoody	34,484	92.7%	0.3%	1.3%	$1,599
12	Buckhead	28,466	92.4%	0.8%	1.2%	$1,904
13	North Atlanta	25,040	92.2%	-0.7%	1.2%	$1,680
14	Clayton County	26,159	89.4%	1.0%	0.5%	$1,258
15	Pickens County	501	96.9%	3.0%	0.4%	$1,465
16	Henry County	13,987	90.4%	0.9%	0.3%	$1,585
17	Carroll County	4,452	90.1%	-1.2%	0.2%	$1,312
18	Forsyth County	7,055	94.8%	0.5%	0.1%	$1,724
19	Cumberland/Galleria	56,516	91.3%	0.2%	0.1%	$1,518
20	Paulding County	2,591	93.2%	3.7%	-0.1%	$1,792
21	South Fulton	12,838	82.2%	0.3%	-1.1%	$1,447
22	Rockdale County	5,366	90.2%	3.4%	-1.2%	$1,447
23	South Atlanta	19,017	86.9%	1.3%	-1.4%	$1,330
24	Kennesaw	15,747	91.9%	0.0%	-1.5%	$1,607
25	Decatur/North Druid Hills	23,283	90.4%	-1.1%	-1.6%	$1,566
26	Westside Atlanta	17,674	82.3%	-0.9%	-1.6%	$1,258

APPENDIX

SUBMARKET FUNDAMENTALS

#	Submarket	Inventory of Units	Q3 2026 Occupancy	Annual Occupancy Change	Q3 2026 Effective Annual Rent Growth	Annual Effective Rent/Unit
27	Newton County	5,019	87.2%	-3.7%	-2.1%	$1,519
28	North Gwinnett	35,358	92.4%	0.8%	-2.1%	$1,497
29	Dawson County	2,299	85.8%	-6.7%	-2.1%	$1,738
30	Southeast DeKalb	30,543	83.5%	0.8%	-2.1%	$1,226
31	North Fulton	22,319	93.0%	0.3%	-2.2%	$1,724
32	West Midtown Atlanta	16,534	91.5%	-1.1%	-2.5%	$1,661
33	Northlake	17,430	91.1%	0.0%	-2.7%	$1,345
34	Outlying Gwinnett County	36,379	92.4%	0.8%	-3.1%	$1,544
35	Cherokee County	14,185	93.2%	0.0%	-3.1%	$1,570
36	Barrow County	2,986	93.1%	2.8%	-5.9%	$1,709