

HADDOW'S REAL NEWS

QUARTERLY MARKET INSIGHTS

THIRD QUARTER 2021

SUNBELT WINNING STREAK

It is fitting that this year's World Series features the Atlanta Braves and Houston Astros, two Sunbelt teams. The Sunbelt has been on quite a winning streak lately, most notably with a string of impressive economic announcements. Factors attracting residents and companies to the region include the lower cost of living, friendly business environment, milder climate, and a highly educated workforce in certain metro areas. Some major wins are highlighted below.



Mazda Toyota Manufacturing USA opened a manufacturing plant in **Huntsville** this year that will employ up to 4,000 people and has the capacity to build 300,000 vehicles per year.



The Walt Disney Company is planning a new regional campus in **Orlando** that would accommodate 2,000 workers relocating from California to work in digital technology, finance and product development.



Microsoft is developing a 90-acre campus on the **City of Atlanta's west side** that could support up to 15,000 jobs. The company is also opening a cloud computing and artificial intelligence hub in Midtown, where the estimated 1,500 employees will have an average salary of \$112,215.



Apple announced a new campus and engineering hub in Research Triangle Park near **Raleigh**. The company is expected to create 3,000 jobs with an average salary of \$187,000.



Centene Corporation, a Fortune 50 provider of managed care services for public and private health plans, will create an East Coast regional headquarters and technology hub in **Charlotte**. This move is expected to bring 3,237 new jobs to Mecklenburg County.



Amazon is opening its East Coast operations hub in **Nashville** this year and is bringing 5,000 jobs to the city with an average salary of \$150,000. The company received an incentive package totaling \$102 million in city and state funding.



Ford Motor Company and SK Battery selected a megasite outside of **Memphis** for one of the largest electric vehicle manufacturing campuses in the country. The facility, which is expected to create 5,700 jobs, is slated to open in 2025. The companies will receive a \$500 million grant from the State of Tennessee.



Oracle announced that it was relocating the company's headquarters from Silicon Valley to **Austin**. Oracle is also under construction on a major campus in downtown **Nashville**, where 8,500 jobs are planned.



Tesla is moving its corporate headquarters to **Austin** and also opening a four-million-square-foot factory there. Elon Musk cited California's lack of affordable housing as one factor impacting Tesla's decision. The company is under construction on its Gigafactory, which will create 15,000 jobs.

HADDOW'S REAL NEWS

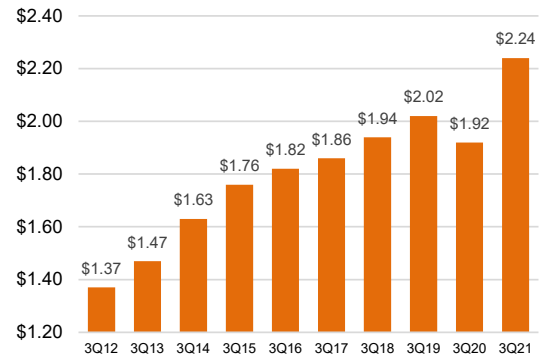
CONTINUED

THIRD QUARTER 2021

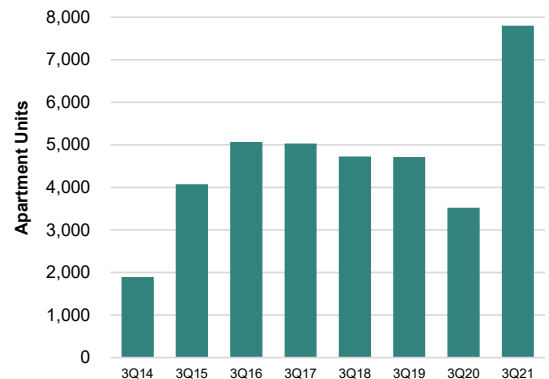
SOARING APARTMENT RENTS

What a difference a year makes for Atlanta's intown apartment market. One year ago, rents were declining, lease-up velocity had stalled, and investment activity had slowed. Market conditions have improved dramatically over the last 12 months, with the average monthly asking rent jumping 16.7%. While asking rents have risen significantly, in-place rents are growing at a slower pace due to the high occupancy rate. The outlook for the intown apartment market is very favorable, but the explosive growth in asking rents should subside. For now, developers and investors are utilizing asking rents to value apartment assets, which has resulted in record sales prices and a growing development pipeline.

AVERAGE RENT PER SQUARE FOOT



ANNUAL NET ABSORPTION



BY THE NUMBERS: INTOWN ATLANTA APARTMENT MARKET

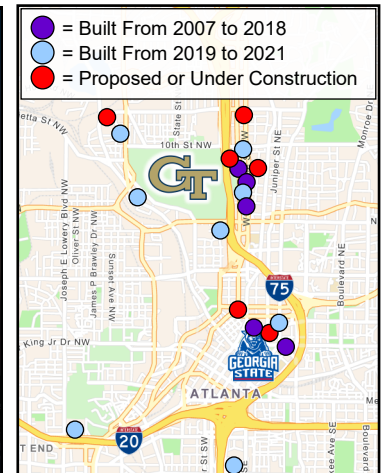
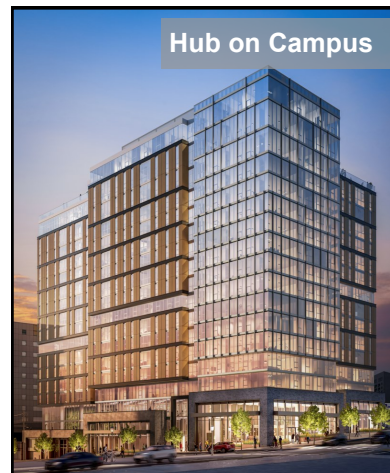
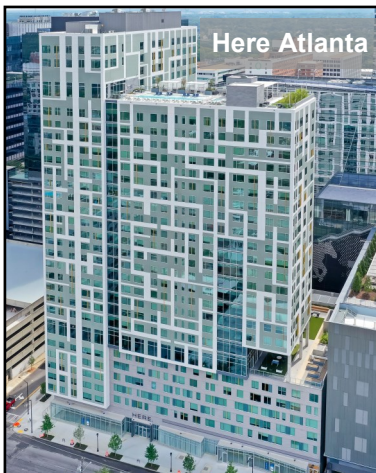
Existing Class A Units	51,950	Average Monthly Asking Rent	\$2,054
Units Under Construction	10,122	Average Unit Size (Sq. Ft.)	915
Units Proposed	9,501	Average Rent Per Sq. Ft.	\$2.24

Note: Class A Apartments are defined as projects built in the last 15 years. Projects with less than 30 units are not tracked.

For more information on the intown Atlanta apartment market, [click here](#).

PRIVATE STUDENT HOUSING BOOM

The private student housing sector has exploded nationwide, and intown Atlanta is no exception. Deliveries have picked up substantially in the past few years. A total of 3,285 beds were built from 2007 to 2018, compared to 5,096 beds from 2019 to 2021. Additionally, there are another 4,184 beds slated to deliver in the next two years. Student housing developers are paying a premium for intown sites. A sample of three high-rise land sales in the past 12 months show an average sale price of more than \$18.5 million per acre and an average site size of 0.64 acres.



To monitor key economic and housing indicators, please visit our website. As always, your thoughts and feedback are encouraged.

www.haddowandcompany.com



If you have questions or would like more information, please contact us.

Phone - (404) 577-7222

Email - Lhaddow@haddowandcompany.com