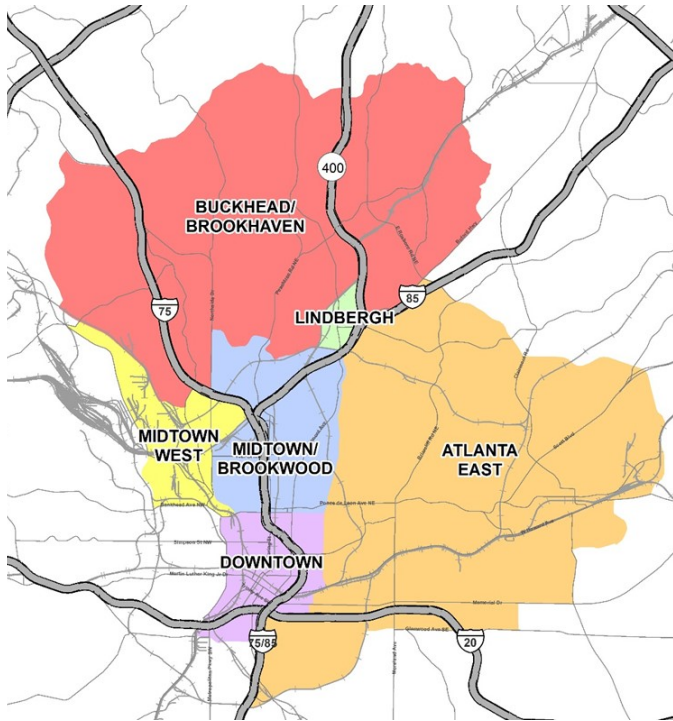


# INTOWN ATLANTA APARTMENT MARKET

First Quarter 2018 Highlights

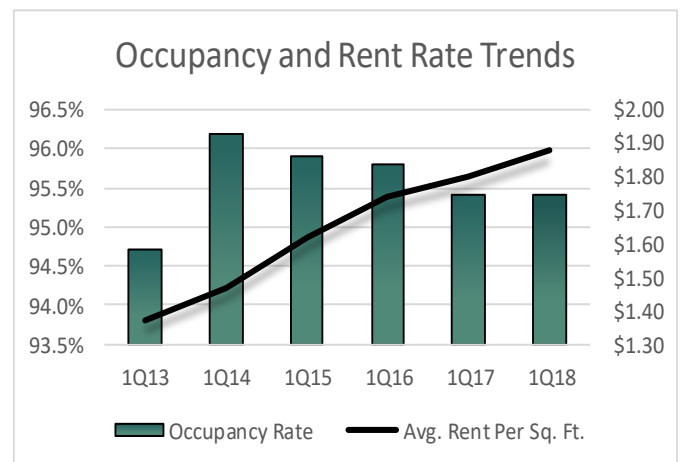
## SUBMARKETS



Submarket	Average Rent Per Sq. Ft.	Average Occupancy	Units Under Construction
Downtown	\$1.66	96.6%	833
Midtown/Brookwood	\$2.07	94.6%	1,903
Midtown West	\$1.66	95.8%	251
Buckhead/Brookhaven	\$1.93	95.1%	2,619
Lindbergh	\$1.68	96.0%	258
Atlanta East	\$1.84	95.8%	3,922
<b>Total/Weighted Averages</b>	<b>\$1.88</b>	<b>95.4%</b>	<b>9,786</b>

## KEY TRENDS

- \* The Class A inventory as of First Quarter 2018 was 38,596 units, and almost half of these units have delivered since 2015.
- \* The next 12 months will represent the high-water mark for intown deliveries as 8,064 units are slated to hit the market.
- \* Communities in lease-up are renting an average of 15.1 units per month, down from 20.1 units per month a year ago, which is evidence of softening market conditions.
- \* More stabilized projects are offering leasing concessions, and high-rise developments showed a same-store rent decline of 4.8 percent due to heightened competition.
- \* Older assets are outperforming newer communities. Projects built prior to 2012 had positive year-over-year rent growth, while the developments built since 2012 showed a slight rent decline.



Note: The average occupancy does not include 36 projects still in initial lease-up (9,669 units), of which 57.1 percent were leased as of First Quarter 2018.

