

Richard Bowers & Co. and Northeastern
Atlanta Real Estate Market Research
Final Deliverable
April 9, 2021

Table of Contents

<i>Section</i>	<i>Page</i>
#	
Introduction	3
City of Atlanta Overview	4
General Information	4
Key Market Statistics	4
Companies Coming to Atlanta	5
Atlanta Zones	7
National Increase in Property Costs	8
Increased Building Costs	8
Increase in Rent & Sales	9
Individual Zones and Surrounding Neighborhoods	11
Zone 1: Northwest Atlanta	11
Key Takeaways	11
Summary & Insights	12
Recent Developments	12
Investment Opportunities	14
Zone 2: Buckhead & Northeast Atlanta	15
Key Takeaways	16
Summary & Insights	16
Recent Developments	17
Investment Opportunities	19
Zone 3: Southeast Atlanta	20
Key Takeaways	21
Summary & Insights	21
Recent Developments	21
Investment Opportunities	22
Zone 4: Southwest Atlanta	24
Key Takeaways	24
Summary & Insights	25

Recent Developments	25
Investment Opportunities	26
Zone 5: Downtown & Midtown	27
Key Takeaways	28
Summary & Insights	28
Recent Developments	29
Investment Opportunities	30
Zone 6: East Atlanta	31
Key Takeaways	32
Summary & Insights	32
Recent Developments	32
Investment Opportunities	34
Conclusion	36

Introduction

The Atlanta real estate market has seen significant growth recently but is now facing challenges related to high demand combined low supply and dramatically higher costs to build. This is highlighted in our research on the national increase in housing costs and the Atlanta market overview. It also shows signs of significant growth potential for the coming years. It has proven to be more resilient to the economic impacts of the COVID-19 pandemic and has recovered dramatically better than other major cities. This is largely attributed to the quickly growing population. An enabler of this growth was sudden shift to remote working, allowing many of these new residents to move and they chose Atlanta for its better climate and reduced restrictions during the pandemic. In addition to this, the population growth rate was rising well before the pandemic. A large portion of this has been attributed to millennials, choosing Atlanta for its abundance of jobs, lower costs of living than other cities, blossoming nightlife and more. With over 1.9 million jobs forecasted for the Atlanta area by 2040, home values are projected to increase 9.8% over the next twelve months. Major businesses, such as Airbnb, Blackrock, Microsoft, and Transwestern are relocating/building offices in the area. As a result, Atlanta and the surrounding area is proving to be a prime real estate market, but with growing competition for the increasingly scarce undeveloped land at high prices. This research report provides analysis on the Atlanta metro area and surrounding neighborhoods through evidence of development value drivers and investment opportunities. This was done by gathering information on the largest recent developments in each zone, focused on three categories, and land parcels to potentially be developed. The neighborhoods and surrounding areas are broken up into six zones: Northwest Atlanta, Buckhead & Northeast Atlanta, Southeast Atlanta, Southwest Atlanta, Downtown & Midtown, and East Atlanta. Each zone section provides key takeaways, a summary of the zone's research findings with suggestions, and our supporting research.

City of Atlanta Overview

General Information

- #1 metro area for lowest cost of doing business
- 3rd most Fortune 500 Company Headquarters
- 1.9M additional jobs forecasted by 2040
- #1 most traveled airport (Delta Headquarters)

<https://bestneighborhood.org/household-income-atlanta-ga/>

Key Market Statistics

- Home values in Atlanta increased by 5.6% last year and are projected to grow another 9.8% over next 12 months
 - Over the last five years: home values increased by 49%
 - Median listing price of single-family home is \$405,000
 - Median list price per square foot for a home in Atlanta is \$233
 - Days on market (Median): 61
 - Median selling price of single-family home: \$409,450
 - Sale-to-list price ratio: 99.12%
- Homes are selling for approximately the listing price
- Most expensive neighborhood to buy a home in: Morningside - Lenox Park

- Median listing price: \$819,000
- Most affordable neighborhood to buy a home in: Grove Park
- Median listing price: \$229,000
- In 2014, the median price of the average home in Atlanta was \$165,204. In the last years (2014-2020), homes in Atlanta have appreciated by 50%, 36% faster to the national average.

Companies Coming to Atlanta

Transwestern

- Moving to Buckhead Tower
- Commercial real estate firm
- Development and investments
- Annual rev of 531M
- 2,500 employees

BlackRock

- NYC based money manager utilized millions in tax incentives and grants from the state and city government to open its third largest office
- They committed to and have begun hiring roughly 1,000 employees
- 725 Ponce, on the Eastside BeltLine.
- Georgia granted a [\\$4 million](#) incentive for the move

GlobalPayments

- 24,000 employees
- Relocating to Three Alliance in Buckhead

Microsoft

- \$75M project
- Ultimately bring 2,500 employees once the project is completed
 - 10th largest employer in the Metro area
- [90-acre campus, housing, data center at Bellwood Quarry](#)
 - Douglas & Fulton Counties
 - 25% of acreage will attribute to affordable housing, groceries, and retail

Airbnb Technology Hub

- Goal: [host hundreds of technical and non-technical jobs](#) in Atlanta
- Undetermined exact location
- “By 2025, 20% of the technical workforce should identify as an underrepresented minority, and 50% as women across all levels of the company. Growing in Atlanta is key to the strategy to make that happen”

- “The location could become its largest facility outside of Silicon Valley, and he anticipates that many new engineering and technical jobs will be based primarily in Atlanta”
– Airbnb’s senior vice president for global policy and communications

NCR Global Corporate Headquarters tower II

- 8th and Spring Streets
- Home to 5,000 professionals
- Fortune 500 company
- 2nd tower under construction
- Both towers will offer more than 750,000 sf of office space for Tech Square area

Papa John’s

- \$20M move
- Second U.S. headquarter
- Will attribute to 200+ jobs in the Atlanta area
- 60,000 square foot building at The Battery Atlanta
 - Third corporate headquarter in The Battery Atlanta

Atlanta Zones

Zone 1: Northwest Atlanta

Zone 2: Buckhead & Northeast Atlanta

Zone 3: Southeast Atlanta

Zone 4: Southwest Atlanta

Zone 5: Downtown & Midtown

Zone 6: East Atlanta

National Increase in Property Costs

Increased Building Costs

Building Materials are [Increasing in Cost](#)

- Concrete & rebar has increased 20%
- Steel increased 25%
 - Iron and steel scrap spiked 50.8% since February 2020
 - § 25.8% jump from November 2020 to December 2020
 - § 20.6% jump from December 2020 to January 2021
- Lumber increased 20%
 - Over the past year within the pandemic, lumber prices have increased, decreased, and increased again, spiking 73% over the course of the year
- The average price to build a single-family home has [increased by \\$16,000](#)
- Lumber framing for homes increased from \$35,000 to \$71,000

Material Price Increases

Material	% change, Dec. 2020 to Jan. 2021	% change, Jan. 2020 to Jan. 2021
----------	----------------------------------	----------------------------------

Fabricated structural metal products	0.5%	3.2%
Iron & Steel	8.2%	15.6%
Steel mill products	5.2%	7.4%
Softwood lumber	14%	73%

Source: <https://www.constructiondive.com/news/skyrocketing-steel-lumber-costs-threaten-to-slow-construction-jobs/594969/>

Why is This Happening?

- Ultimately, the COVID-19 pandemic and its effect on the world-wide supply chain is the main culprit for these price increases
- [Pre-existing](#) trade tariffs on construction materials
 - Tariffs on Canadian lumber have dropped from 20% to about 9.5% since last fall
 - § These tariffs are expected to be rescinded
- Contractors have begun hoarding building materials as a result

Possible Workarounds

- Find alternate materials at a reasonable cost
- Build solid relationships with suppliers

Will these Prices Decrease?

- There is an end to these price increases in sight
- According to Daniel Pomfrett, national director of forecasting and analytics at construction cost tracking firm Cumming, “there is the potential surge that will put pressure on the supply chains again, but we expect steel to sort of level out and reduce slightly as we go into the middle of the year”

Increase in Rent & Sales

Source: <https://www.towncharts.com/Georgia/Housing/Atlanta-city-GA-Housing-data.html>

- In the U.S. housing starts are up 30% year over year, according to the U.S. Census
- Increased demand nationally, but especially in Atlanta, is driven by multiple factors
 - Continued low interest rates and government stimulus has provided home buyers/renters with access to more funding for moves

- Increased time spent at home due to the pandemic shutdowns and new normality of remote working has stimulated large investments into buying/renting new, larger or nicer living arrangements
 - § Many new jobs have been created in Atlanta by companies moving/adding offices
 - § Remote working allows people to live in Atlanta's better climate while keeping jobs with companies elsewhere
- Private equity and hedge funds are adding to demand by buying up a lot of inventory in anticipation of continued demand and rising prices

Changes in U.S. Mortgage Rates

Source: <http://www.freddiemac.com/pmms/#>

Related Sources: [1](#), [2](#), [3](#), and [4](#)

Individual Zones and Surrounding Neighborhoods

Zone 1: Northwest Atlanta

Key Takeaways

- Historically one of the most troubled zones - high poverty, crime & vacancies
- Has seen little growth in the past 20 years and home to many city housing projects
- Recent developments - growing interest along the edges of the zone
 - Along the northern border (areas such as Monroe Heights and West Highlands)
 - Close to the city center (Blandtown and West Midtown)
 - Outside of city limits (towards Mableton)
 - § Likely to see more growth in the future but not as soon as other zones
- Opportunities - slim pickings for larger parcels of undeveloped land
 - Few large tracts available, primarily under 10 acres, most already built on, & outside city limits

- Proximity to city center for jobs, nightlife and major arenas (Forbes & State Fram) and downtown add appeal for new apartment/townhouses
- Government incentives - Economic Opportunity Zone but has shown little traction
 - § Opportunities here will likely require demolitions to begin construction
- Watch closely but proceed with caution

Summary & Insights

Northwest Atlanta, or Zone 1, has proven to be one of the more economically depressed areas within Atlanta's metro area, but is starting to see more growth. Most recent developments in the zone have been along the northern border (areas such as Monroe Heights and West Highlands), close to the city center (Blandtown and West Midtown) and the outskirts of city limits (towards Mableton). One large multi-use development currently under construction is The Works at Chattahoochee, in the Upper Westside. This 80-acre commercial and residential development is expected to draw large amounts of traffic and drive property values in the area. Another major build in this zone, is the housing development called West Highlands, consisting of 875 single family homes. This should bring a lot of families and drive commerce in the area. There have been government attempts to encourage development and investment into the area through incentive programs like the Westside Promise Zone (WPZ). This is a 10-year federal designation authorized by the US Department of Housing and Urban Development providing tax benefits to developers willing to build in these communities. This combined with the quickly growing population of Atlanta, increasing scarcity of property near the city center and rapidly rising land prices leads us to suggest keeping a close eye on the area, as it may present some long-term opportunities for growth. However, given the history of high crime rates, limited land for sale, and presence of city housing projects, this is a high-risk area, and it is recommended to proceed with caution when looking to invest here. We suggest directing investment towards the areas previously noted to be seeing development in Zone 1.

Recent Developments

Apartments & Condos

[Vine City Redevelopment \(Vine City\)](#)

- Sunset Avenue Northwest & Martin Luther King Junior
- 80 units, 4 stories
- Status: Preconstruction
- Developer: [McCormack Baron Salazar](#)

Multi-Use Development

[The Works at Chattahoochee \(Upper Westside\)](#)

- 1295 Chattahoochee Avenue Northwest, [Atlanta, GA](#)
- Sales Pending & Rentals Pending
- Scheduled completion 2028
- Condos, 500 units and 200 hotel rooms
- 350,000 square feet of retail and entertainment
- 500,000 square feet of office space
- 13 acres of greenspace
- Builder: Selig Enterprises

[West Bend at Proctor Creek \(Monroe Heights\)](#)

- 2650 Proctor Drive Northwest, [Atlanta](#)
- New condos, townhouses and single-family homes
- Status: Under construction
- Developer: [Stanley Martin Homes](#)
- Sales for available units start from the high \$200,000's

Townhouses & Single-Family Homes

[West Highlands \(West Highlands\)](#)

- 2071 Drew Drive, [Atlanta, GA](#)
- Sales from \$357,000 - \$560,950
- Single Family Homes
- 2-6 Bedrooms
- 875 Units,
- 1396-1815 SqFt, \$270/SqFt
- Under construction by Brock Built

[Escalades \(Marbleton\)](#)

- 5467 Burrus Lane Southwest, [Mableton, GA](#)
- Sales from \$278,900 - \$311,900
- Single Family Homes
- 3-4 Bedrooms
- 1808-3004 SqFt, \$132/SqFt
- Under Construction by Smith Douglas Home

[The Park @ Monroe \(Monroe Heights\)](#)

- 1464 Northwest Drive Northwest, [Atlanta, GA](#)
- 40 townhouse units
- Units from \$292,000-297,000
- 2-3 Bedroom
- From 1465 SqFt, \$203/SqFt

- Under Construction by Brock Built

Brookside Lake Manor (Brooks Village)

- Brookside Boulevard, [Cobb County, GA](#)
- Sales from \$285,000 - \$355,356
- Townhouses
- Status: Under Construction
- 155 Units
- 184,301,881 SqFt
- \$177 per SqFt

Investment Opportunities

1729 Bolton Rd, Atlanta, GA 30318 (Bolton Hills)

- Land Assessment: \$398,500
- Size: 7.36 acre lot
 - \$54,144 per acre
- Type: Undeveloped land
- Zoning: I-1
- Parcel #: 17-0262-LL-080-0
- Located inside I-285 right off the Bolton Road Exit (Exit 13), adjacent to the prospective Proctor Creek Greenway Trail

3024 Donald Lee Hollowell, Atlanta, GA 30318 (Brookview Heights)

- Price: \$2,000,000
- Size: 3.5 acres
 - \$571,428 per acre
- Zoned: C-2, Commercial Business District
- Land Assessment \$241,400
- Opportunity Zone
- Parcel 1 is 3+ acres, Parcel 2 is operating as auto repair shop with 6,900 SF building

4340 Fulton Industrial Blvd Sw – Fulton Industrial

- Size: 98 acres of land
- Type: Undeveloped land
- Zoned: M-2 Heavy Industrial
- 3 Points of ingress/egress

Zone 2: Buckhead & Northeast Atlanta

Key Takeaways

- Upscale section of Atlanta to live in
- Lively section of Atlanta
 - Entertainment, retail, social activities
- Broad range of development opportunities
 - Apartments & condos
 - Townhouse & Single-family
 - Senior-living communities
- Expensive in regards of price per acre when examining plots of land
 - Competitive with recent developments
 - May be beneficial to expand lot search outside of main neighborhoods within the area
 - Highly sought-after area, will absolutely expand to the outskirts in the coming years with the growing population
- Safety has become an issue since the beginning of the COVID-19 pandemic

- Buckhead has increased in crime including larceny, auto thefts, burglary, aggravated assault, robbery, homicide, and manslaughter
- How is this being addressed:
 - § Atlanta PD are focusing on sending more officers to two prime locations:
 - [2300 block of Peachtree Road & Pharr Road](#) corridor in Buckhead Village
 - § [The Buckhead Security Plan](#)
 - Near term: camera network, supplementary security patrol for commercial areas, coordinated security patrol of residential areas by engaging the private security units already operating in Buckhead neighborhoods
 - Long-term: 20 objectives aimed at increasing support and entities for actions responsible for increased crime & increase support for hiring and training for Atlanta PD officers and firefighters for a stronger force

Summary & Insights

Buckhead, Northeast Atlanta, and the surrounding northern areas prove highly desirable and are prime locations for investments and development. There have been apartment and condo buildings popping up across the zone, ranging from smaller buildings to more significant developments with over 400 units. This zone has a broad range of development opportunities, from apartments and condos, townhouse and single-family home developments, and some developments focusing on lifestyles, such as senior living communities. The recent developments examined below display a pricier range of price per acre, but it may be in a developer's interest to begin building just outside of this area, as this zone is proving to become incredibly competitive and condensed. Creating a development just outside of Buckhead and Northeast Atlanta will allow an early adopter to get first access to an area that will likely be expanded into with all the popularity around Buckhead and the incoming population increase. Overall, people seem to be attracted to the entertainment, social activities, and retail options. However, there is one matter within Zone 2 that has been worrisome to its residents. Over the past year of the COVID-19 pandemic, the crime rate within Zone 2, specifically Buckhead, has increased drastically. Due to a lack of police force in the area, Buckhead has been prone to larceny, auto thefts, burglary, aggravated assault, robbery, homicide, and manslaughter, rightfully causing concern and anxiety over the recent year. To improve this issue, leaders from 11 businesses, civic organizations, local government, and law enforcement have released the Buckhead Security Plan. This plan consists of near-term and long-term strategies to improve the safety and security of the Buckhead area. There will be a combination of an increase of public safety officers and private within residential communities and commercial offices. If this

implementation plan goes to plan, Buckhead will be back to the safe feel it once had years ago, creating ease among residents, workers, and visitors.

Recent Developments

Apartments & Condos

[340 East Paces Ferry Road \(Buckhead Village\)](#)

- 408 Units
- 22 Stories
- Status: Preconstruction
- Builder: CA Ventures
- For lease units ranging from \$1,960-\$2,940 starting at 980 SqFt
- Include [16,400 square feet](#) of retail on first floor
- Originally an office building (rezoned from C3 to residential)
- Building and land sold for [\\$12,112,780 in July 2019](#)
- Land value: \$1,144,760
- 0.376 acres (\$3,044,574 per acre)

[AMLI Lenox \(Buckhead Heights\)](#)

- 3478 Lakeside Dr NE, Atlanta, GA 30326
- High-rise and mid-rise building
- Status: Complete
- Builders: AMLI Residential
- For rent units from \$1,588
- Property sold for in [2016 for \\$13,000,000](#)
- Land value: \$846,660
 - Zoning: R3
- 2.821 acres
 - \$3000,128 per acre

[Corso Atlanta \(Westminster – Milmar\)](#)

- 3200 Howell Mill Rd NW, Atlanta, GA 30327
- Apartment and townhouse
- Senior living (NOT assisted)
- 203 Units
- 6 Stories
- Status: Under construction
- Builders: Village Park Senior Living and Galerie Living
- Architects: THW Designs and Gilbane Building Corporation
- Sold in [2018 for \\$32,000,000](#)

- Land value: \$7,449,300
 - Zoning: O1
- 8.9 acres
 - \$837,000 per acre

99 West Paces (Buckhead Village)

- 99 West Paces Ferry Rd NW, Atlanta, GA 30305
- Property for \$30M in 2015
- 13 stories
- 500 single-family units
- Being completed in two phases
- Phase 1: 339 multifamily units and 7,600 SqFt commercial space
- Phase 2: 186 multifamily units and 8,500 SqFt of “live-work” space
- 16,000 SQ Ft commercial space on first floor
- Land value: \$2,767,400
- Zoning: C1C
- 1.253 acres
 - \$2,208,619 per acre

Townhouses & Single-Family Homes

Plateau West (Loring Heights)

- 436 Trabert Avenue Northwest, Atlanta, GA
- Townhouse, 18 units
- 2-4 Bedrooms, 2466 SqFt
- Parcel # 17 01480003037
- Zoning: MR-4B & High-Density Residential
- Under Construction by Monte Hewett Homes
- Owned by TRABERT DEVELOPMENT LLC
- Land purchased in 2017 for \$2,050,000

Crosby (Blandtown)

- 912 Huff Road Northwest, [Atlanta, GA](#)
- For sale homes from \$417,007 to over \$485,578
- 69 homes
- 2-3 bedrooms
- Status: Under construction
 - Started Aug 2020
- 1023-1343 SqFt
- \$359 per SqFt

[Easton \(Loring Heights\)](#)

- 1527 Northside Drive Northwest, [Atlanta, GA](#)
- Townhouse & single-family homes range in price from \$509,990 to \$647,485
- Status: Preconstruction
- 2-3 bedrooms
- \$265 per Sq Ft
- Land value: [\\$3,479,440](#)
- Zoning: C2
- 3.698 acres
 - \$940,898 per acre

Investment Opportunities

[2889 Gravel Springs Road, Buford, GA, 30519 \(Gwinnett County\)](#)

- Price: \$6,270,000
- Size: 57 Acres
 - \$110,000 per acre
- Type: Undeveloped land
- Zoning: Commercial, planned unit development, residential multi-family
- Street/Utilities: City sewer and water
- Topography: Flat
- Less and 2 miles from I-85/Buford Drive interchange

[2688 Bold Springs Road, Dacula, GA 30019 \(Gwinnett County\)](#)

- Price: \$1,700,000
- Size: 43 Acres
 - \$39,535 per acre
- Type: Undeveloped land, house
- Zoning: RO1: Single family detached lots
- Street/Utilities: City sewer and water
- Topography: Sloped

[0 Reinhardt College Pkwy, Canton, GA 30114](#)

- Price: \$4,650,000
- Size: 232.71 Acres
 - \$19,982 per acre
- Zoning: R 40 w/ master plan
- Utilities: electricity, phone, water

[2 Highway 369, Ball Ground, GA 30107](#)

- Price: \$4,655,000

- Size: 98 Acres
 - \$47,500 per acre
- Zoning: AG

[100 Hogan Pond Ln, Ball Ground, GA 30107](#)

- Price: \$4,375,000
- Size: 175.34 Acres
 - \$24,951 per acre
- Zoning: AG but light industrial and residential are on the street

Zone 3: Southeast Atlanta

Key Takeaways

- Fewer apartments, condominiums, and townhouse development
- Good amount of lots for sale
 - Residential use
- Land is relatively cheap and available compared to other zones
- Main key development: Carter Summerhill Development (multi-use development)
 - Expansive living, retail space, townhouses, multi-family homes, apartments, offices, student-housing project...
 - First units available by late spring 2021
 - Full development: fall 2021
- Relatively safe
- Slow developing region
- Interesting to keep an eye on in the future

Summary & Insights

Zone 3 currently has fewer apartment/condos and townhouse developments than in other regions of Atlanta. Yet, this zone has a good amount of lots for sale for residential use. Land is relatively cheap and available compared to other zones in Atlanta. The main key development in Southeast Atlanta is the Carter Summerhill Development, which features expansive living and retail spaces. There do not seem to be many developments currently going on in Southeast Atlanta, but another notable is the Essex House Apartments, a 25-unit apartment complex on two acres for sale for

\$1,875,000. Overall, the Southeast region of Atlanta is a safe and developing region to keep an eye on in the future. Currently, there are not many major developments going on in this region, but it seems to be growing slowly and is one to monitor in the future.

Recent Developments

Apartments & Condos

[Pratt Stacks](#)

- 1039 Grant Street Southeast Atlanta
- Price: \$421,899-\$610,900
- 132 units, 4 stories
- 2-4 bedrooms
- Under construction
- 1318-2765 SqFt

[Essex House Apartments](#)

- 3627 Forrest Park RD SE
- Size: 25 units, 2 acres
- Price: \$1,875,000
- Average unit size: 848 sq ft

Multi-Use Development

[Carter Summerhill Development](#)

- Corporate build-to-suit office
- 82,000 sf grocery-anchored retail
- 676-bed student housing project
- 100 for-sale townhomes
- 120-key hotel with 9,000 sf retail
- 306 multi-family apartments units with 8,575 sf of retail
- Redevelopment of 47,000 sf along Georgia Avenue, including existing retail and retail in new stand-alone buildings and creative/loft space

Townhouses & Single-Family Homes

[755 Elbert St SW #0, Atlanta, GA 30310](#)

- Price: \$525,000
- Size: 2,150 sq ft

Summerhill by HedgeWood

- Summerhill Atlanta Community, Hank Aaron Drive, Southeast, Atlanta, GA
- Price: \$426,000-\$560,000
- 100 units
- 1-4 bedrooms
- Construction started Fall/Winter 2019
- 1100-1792 SqFt
- \$390 per SqFt

Investment Opportunities

0 Hill St SE LOT 0, Atlanta, GA 30312

- Size: 5.6 Acres
- Price: \$900,000
- Price per AC: 160,714
- Utilities:
 - Electric utility on property: Yes
 - Utilities for property: Cable Available, Electricity Available, Natural Gas Available, Sewer Available, Phone Available, Water Available
- Zoning: Residential Parcel R4-A
- Approved for 20 single family homes
- Easy Access to I-75 / I-85
- Zip Code stats:
 - 30312 home values increase 4.7% in past 12 months
 - Predicted that home values will increase 5.6% in next 12 months

Cleveland Avenue

- Size: 35 acres
- Price: \$21 million
- Price per AC: \$600,000
- Looking for co-developer
- 18 minutes from Hartsfield-Jackson Airport

3915 Gilbert Road

- Size: 22 acres
- Price: Not Listed (Assessed at \$1,197,000)
- Price per AC: \$54,409
- Industrial Land

Zone 4: Southwest Atlanta

Key Takeaways

- Dense suburban area with population around 103,000

- Majority of residents rent their properties (57%)
- Low cost of living, up-and-coming area with major developments going on
- Several big housing developments in the area with a few being opportunity zone developments
- Key development in the surrounding area is “Six West” - \$1.5 billion development on 311 acres in College Park
- This large development may make the area even more desirable, as there will be over 3 million sq ft of class A office space and ~550,000 sq ft of restaurant and retail space
- [Microsoft](#) is coming to this area and bringing 2,500 employees to a new campus
- Bellwood Quarry development is contributing to major quality of life improvements in the Southwest area

Summary & Insights

Zone 4, or Southwest Atlanta, is a dense suburban area of Atlanta with an approximate population of 103,000. The area is home to many young white-collar professionals, with most residents (53%) renting their properties. There are a lot of opportunity zone housing opportunities in Southwest, including a 175-unit apartment complex called The Life at Harrington Park. This complex commands 185,000 square feet of living space on a lot over 14 acres in size. There are many parks in Southwest and this green space is attractive to young professionals living in a city. Southwest has a relatively low cost of living, and it is a very attractive area right now. Apart from The Life at Harrington Park, there are a few other notable properties listed in Southwest. Another apartment building located at 1232 E Washington Avenue is a shell property on over 15 acres that has an asking price of \$4,900,000. The property currently has 140 2-bedroom and 1-bathroom apartments, but it is being sold as a shell to be entirely renovated. This area seems to be one to monitor for potential investment, as it seems there are a lot of opportunity zone housing projects available at the moment. In addition, Microsoft’s new campus and influx of employees to this area may provide a higher demand for housing in this area and may even raise the cost of living to improve the area further. The development of Bellwood Quarry is also a major improvement in the Southwest region and is contributing to an overall quality of life improvement in the area. In the coming years, Southwest Atlanta may be the biggest opportunity area for big growth in the commercial real estate sector.

Recent Developments

Apartments & Condos

[1232 E Washington Avenue, East Point, GA, 30344](#)

- 140 2 bed, 1 bath apartments
- Apartment building offered at \$4,900,000
- Lot Size: 15.19 Acres
- \$49.50/sq ft

Townhouses & Single-Family Homes

[The Life at Harrington Park](#)

- 200 Camp Creek Pkwy, Atlanta, GA, 30337
- 175 Townhouse units
- 155 Townhomes, 20 upgraded units (\$180-\$208 premiums on these units)
- 185,000 sq ft total living space, building 217,240 sq ft
- 1-, 2-, and 3-bedroom townhomes (77% 2 or 3 bed) averaging 1,193 sq ft
- Lot size: 14.07 acres

Investment Opportunities

[0 Cascade Palmetto Highway 36 District #LL-9, Atlanta, Georgia, 30331](#)

- Lot Size: 12.02 acres
- Price: \$150,250
- \$12,000/acre of land
- Utility: Electricity available on property
- No buildings currently on property
- 26-minute drive to downtown Atlanta
- 19 minutes to Hartsfield-Jackson Airport
- 26 minutes to Mercedes-Benz stadium
 - 30331 Zip Code Statistics
 - § Property values have increased 11.7% over the past year
 - § Forecasted to increase 6.8% more in the next 12 months

[300 Cascade Palmetto Hwy SW Lot 0, Atlanta, GA, 30331](#)

- Lot Size: 51 acres
- Price: \$600,000
- Sewer, water and power available
- 1,800 feet of Camp Creek River Frontage, 2500 feet of Hwy frontage
- 16 miles from Atlanta Intl Airport, 17 miles from Mercedes-Benz stadium, 20 miles from SunTrust Field

Zone 5: Downtown & Midtown

Key Takeaways

- One of Atlanta's most expensive areas to live and invest in
- It is valuable to live near jobs, amenities, public transportation
 - Population growth (2% growth every year since 2010)
- Many developments for offices, apartments and condos
 - Seven 88 West
 - 126 residences
- Townhouses are a little scarcer due to SqFt / AC price
- A few interesting lots for sale: SPI-1, C-3, SPI-16
- Most properties are experiencing a steady growth
- As demand goes up, offers are getting scarce and expensive
 - Past 10 years: \$4 billion worth of real estate has been invested in Downtown alone
- Midtown is as well an incredibly attractive place to invest in
 - Median monthly rent: \$1,800
 - Investing in properties and renting them out is something to consider

- Many companies are relocating to Atlanta
 - Many in zone 5
- Several supermarkets are as well investing in this area to satisfy demand of growing population
- As area is gaining in popularity, it is important to watch out for listing and interesting properties for sale

Summary & Insights

Zone 5 is made up of 5 neighborhoods: Ansley Park, Castleberry Hill, Downtown, Midtown and Piedmont Park. This area is considered one of the most expensive areas to live and invest in. Zone 5 is experiencing a population growth (2% growth a year since 2010) as many people value living close to their jobs, amenities and public transportations. Zone 5 as well offers several developments for offices and apartments/condos. Townhouses are a little scarcer within this zone due to the expensive price per AC rate. Most properties' values are experiencing a steady growth making this area relatively attractive from a real estate perspective. Investing in this area might be considered attractive as opportunities will only get scarcer as the demand goes up. Over the past 10 years, almost \$4 billion worth of real estate has been invested within downtown only. Midtown is as well a very attractive area to invest in. The median monthly rent is \$1,800 and as mentioned in a few sources, investing in properties and renting them out is recommended in this neighborhood. Additionally, several important companies are relocating to Atlanta and more specifically, in this zone. Such companies include fortune 500 company NCR which has the goal to attract even more people to this area. Furthermore, several supermarkets are as well investing in this area in order to satisfy the needs of the growing population. As this area is gaining in popularity, it is important to keep an eye on listings and interesting properties for sale.

Recent Developments

Apartments & Condos

[Seven 88 West \(New condo building finished in 2020\)](#)

- 788 West Marietta Street, Northwest, Atlanta, GA
- Status: Completed 2020
- 279 Units
- 22 Stories
- For sale units from \$294,900-\$592,400
- 0-3.5 bedrooms
- 616-2,695 SqFt
- \$491 per SqFt

The Otis Building

- 254 Walker Street Southwest, Atlanta, GA
- 8 Units
- Status: Under construction
- 1,103-2,748 SqFt
- For sale units
- Sales from \$500,000-\$1,000,000

126 Renaissance

- 124 Units
- 7 Stories
- Status: Under construction
- 1-2 bedrooms
- For sale units from \$236,000-\$566,000
- 492-1,110 SqFt
- \$508 per SqFt

Townhouses & Single-Family Homes

Ten29 West

- 244 Castleberry Station Drive Southwest, [Atlanta, GA](#) (Castleberryhill)
- Sales from the low \$500,000s
- 61 Units
- Status: Under construction
- 3 bedrooms

Castleberry Station

- 300 Fair Street Southwest, [Atlanta, GA](#)
- Sales from \$512,719
- 50 units
- Status: Completed winter/spring 2020
- By Brock Built
- From 2,171 SqFt
- \$236 per SqFt

Investment Opportunities

225 Centennial Olympic Park Dr

- Price: N/A
- Previously sold for: \$4,918,980
- Size: 1.80 AC

- Price per AC: \$2,732,766.67
- Property type: Commercial
- Proposed use: office
- No height restrictions
- Zoning code: SPI-1 (highest zoning designation in Atlanta)

Centennial Olympic Park Drive Assemblage

- 414 Centennial Olympic Park Dr, Atlanta, GA, 30313
- Price: 8,900,000
- Size: 1.06 AC
- Price per AC: \$8,396,226.42
- Proposed use: commercial
- # of lots: 1
- Zoning code: C-3
- Commercial-residential

21 22 St, Atlanta, GA, 30309

- Price: \$1,500,000
- Size: .41 Acres
- Area: Midtown
- Type: Commercial land
- # of lots available: 1
- Zoning code: SPI-16
- Near highways
- 1 block away from Midtown MARTA Station

Zone 6: East Atlanta

Key Takeaways

- Up-and-coming area of Atlanta
 - Previously deemed an 'unsafe' area, but now on the rise
- Young and diverse demographics
 - Affordable housing opportunities
- New developments range from 7-unit townhomes to 300-unit condos
 - Countless in progress and newly complete developments, as many people are moving to the area
 - Few single-family developments or any senior living developments
- Price per acre is priced competitively
 - Few current lots of land over 1 acre available
 - May be ideal to invest in a building rather than lot of land
 - § Rezone and redesign for residential development

Summary & Insights

East Atlanta is an up-and-coming diverse area of the city. From being recognized as an "unsafe" part of town to developing into the new hot spot for the younger generations of home buyers, East Atlanta is flourishing with recent developments. These new complexes range from massive apartment buildings of over 300 units to more manageable developments of 7 townhomes, providing homes that meet everyone's standards and needs. Some of these apartment and condo complexes even include affordable housing units, allowing for more opportunity for those to move to this section of Atlanta. The market proves to be competitive pricing-wise for price per acre of land, and there are minimal plots of open land for development, providing more proof of the buzz around this area. Due to the limited amount of available land and acreage for sale in East Atlanta, it may be ideal to invest in a building for sale and rezone and redesign the building into a residential development.

Recent Developments

Apartments & Condos

[652 Angier Avenue \(Old Fourth Ward\)](#)

- 240 Units
- 7 Stories
- Status: Under construction
- Started Winter/Spring 2020

- Est. completion fall/winter 2022
- For lease units
- Price pending
- Builders: Trammell Crow Residential
- Land value: [\\$310,200](#)
- 0.3 acres
 - \$1,034,000 per acre
- Zoning: R

[Novel O4W \(Old Fourth Ward\)](#)

- 525 North Avenue NE, Atlanta, GA 30308
- 233 Units
- 6 Stories
- Status: Completed fall/winter 2019
- Started Winter/Spring 2018
- For lease units from \$1,545-\$3,505
- 550-1389 SqFt
- Builder: Crescent Communities
- Architect: Dwell Design Studio
- Land value: [\\$1,224,900 \(at purchase\)](#)
- Acres: 2.281
 - \$537,001 per acre
- Zoning: C4

[King Memorial Station TOD \(Grant Park\)](#)

- Grant St SE, Atlanta, GA 30312
- 300 Units
- 4 Stories
- Status: Under construction
- Est. Completion: 2021
- Started Fall/Winter 2017
- For lease units from \$1,440-\$2,210
- 520-1125 SqFt
- Builders: Place Properties and HJ Russell New Urban Development
- Architect: Smith Dalia Architects
- \$6,000,000 in grant funding from Invest Atlanta
- \$62.5M project
- 100 of the 300 units will be affordable housing units

[Lumen Grant Park \(Grant Park\)](#)

- 465 Memorial Dr SE, Atlanta, GA 30312

- 238 Units
- 5 Stories
- Status: Complete
- For lease units from \$1,294-\$2,082
- 589-1372 SqFt
- Builder: Atlantic Realty Partners

Townhouses & Single-Family Homes

[The Seven at Flat Shoals \(East Atlanta Village\)](#)

- 839 Flat Shoals Ave Atlanta, GA 30316
- 7 townhomes
- Prices range from \$440,000-\$475,000
- Median square footage: 1,830
- Land Value: [\\$826,400](#)
- Acres: 0.3
 - \$2,754,667 per acre
- Zoning: R3

[Ironside East Atlanta \(East Atlanta Village\)](#)

- 1321 Glenwood Ave SE, Atlanta, GA 30316
- 24 townhomes
- Prices range from \$499,990-\$569,900
- Median square footage: 1,900
- Land Value: [\\$1,190,800](#)
- Acres: 0.76
 - \$1,566,842 per acre
- Zoning: R3

[Village Stacks \(East Atlanta Village\)](#)

- 1350 May Ave SE, Atlanta, GA 30316
- 14 townhomes
- Prices range from upper \$500,000s to upper \$600,000s
- Square footage: 2,260-2,860
- Land Value: [\\$550,000](#)
- Acres: 0.2
 - \$2,750,000 per acre
- Zoning: R3

Investment Opportunities

Only one lot available larger than 1 acre

[2659 Flat Shoals Rd LOT 0, Decatur, GA 30034](#)

- Price: \$150,000
- Size: 1.7 acres
 - \$88,235 per acre

Conclusion

In closing, the Atlanta real-estate market is poised for a great recovery when the COVID-19 pandemic is over. Atlanta is a red-hot real estate market right now, and each of these six zones is attractive for several reasons. Zones 1 and 2 are attractive for a multitude of reasons, including their entertainment, amenities, and safety appeals to potential homebuyers. Northwest Atlanta is an area that is primarily economically troubled, with poor safety ratings, high crime and vacancy rates, and lower levels of new development. However, this is not reflective of the whole zone, as seen by multiple examples of new residential and multi-use developments in certain areas. It is thus an area of interest and one to keep an eye on in the near future, because of the increasing land scarcity/soaring prices of other zones, government development incentives and proximity to the city center. Buckhead is an extremely hot area right now and is attractive for a whole host of reasons. Our sentiment is that it will stay this way, and it is not too late to develop in the Buckhead & Northeast area of Atlanta. We believe that zones 3 and 4 (Southeast and Southwest Atlanta) are attractive for future development, and the lack of ongoing developments in these zones is misleading. Microsoft moving into Southwest Atlanta and the development of Bellwood Quarry will improve quality of life and attract more young business professionals to this area. We believe that rent prices will increase in these areas as more development continues and these

regions become even more desirable to live in. Zone 5, the Downtown and Midtown areas of Atlanta are the most expensive areas to develop in Atlanta, however, we believe this is for a good reason. The population is growing steadily, as more professionals move closer to their workplace. Though it is expensive, investing in the Downtown/Midtown areas of Atlanta is worthwhile. Perhaps the most interesting area in our development research was the East Atlanta region. Known historically for higher crime rates and cheaper cost-of-living, the entire scope of East Atlanta has been changing in recent years. More young professionals are moving to East Atlanta, and opportunities for development are plentiful. It is still in the earlier stages of major development in East Atlanta, and now is a particularly suitable time to take on some projects in this area. Real estate development in Atlanta has an extremely positive post COVID-19 outlook, and each of the six identified Zones possesses great investment opportunities.