

Regal Forest Apartments



Property Report



5771 Trammell Rd
Morrow, GA 30260



Regal Forest Apartments

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Sourced By

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OFFERING SUMMARY

ADDRESS	5771 Trammell Rd Morrow GA 30260
COUNTY	Clayton
MARKET	Atlanta
SUBMARKET	Clayton County MF
GBA	111,940
LAND SF	479,160
NUMBER OF UNITS	116
YEAR BUILT	1971

FINANCIAL SUMMARY

OFFERING PRICE	\$0
OCCUPANCY	100.00 %
NOI (CURRENT)	\$497,115

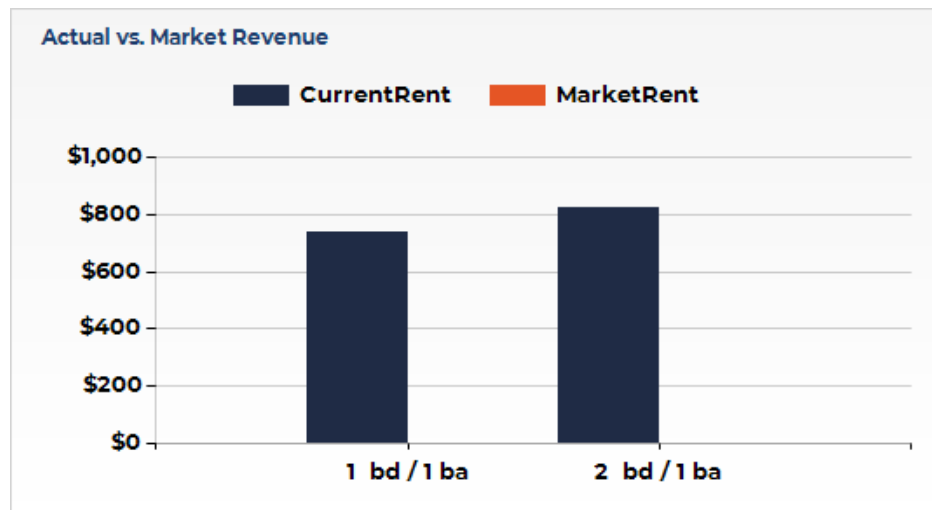
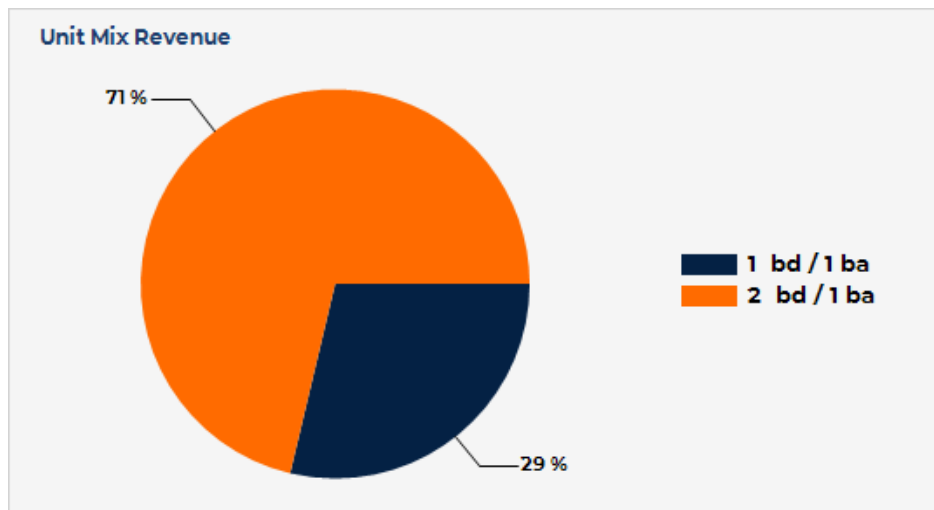
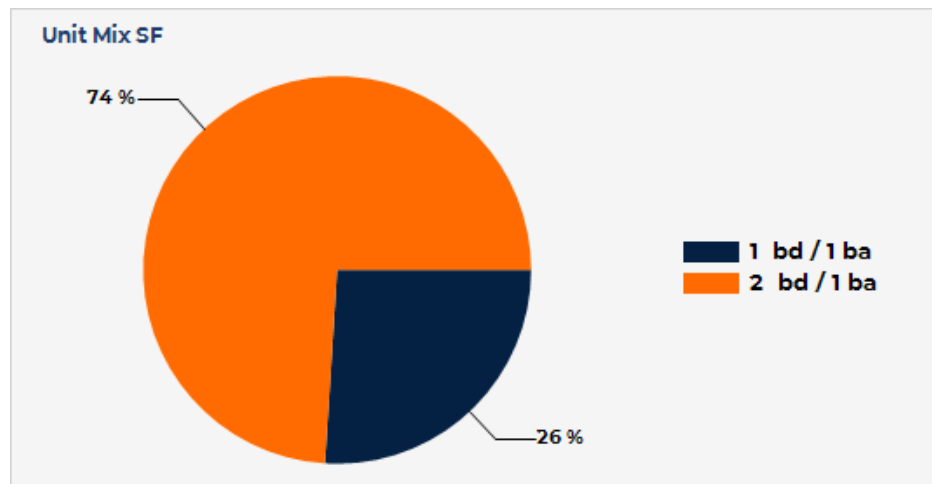
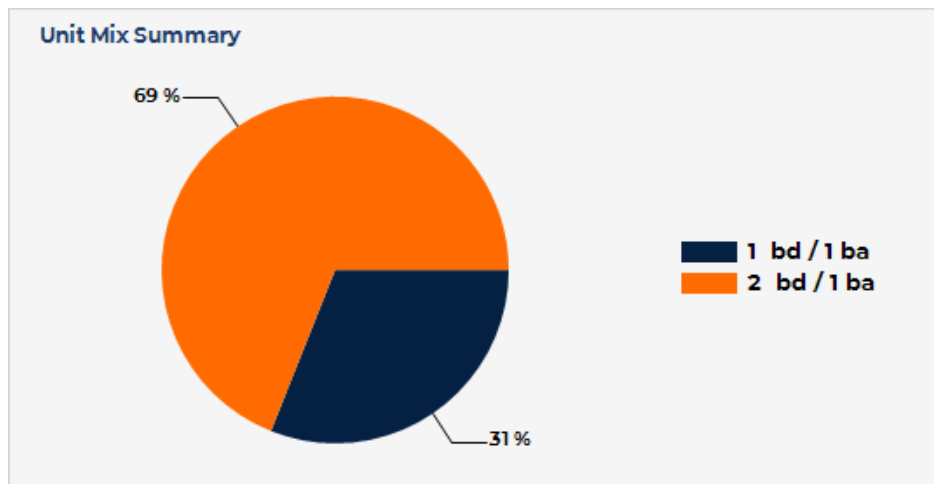
DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2017 Population	9,223	60,683	157,521
2017 Median HH Income	\$44,793	\$48,036	\$45,470
2017 Average HH Income	\$54,717	\$56,987	\$56,204

Clayton County was hardly top of mind for investors at the start of this cycle, however as asset pricing ramps up around the metro, the submarket still offers relative bargains. Average price per unit has paled in comparison to Atlanta's—with units here typically 50% less expensive than the metro average. However, pricing has generally increased over the course of this cycle, and investors have pushed volumes to new highs in 18Q2. Trades of troubled assets have been slowing down and there has been renewed interest in fundamentally sound apartments. Volume, turnover, and pricing all hit cyclical highs in 2017.

To that end, the largest deal of the last year closed in 18Q2, as Seattle-based Stonemark Housing Partners picked up the 593-unit Laurel Pointe complex for \$33 million. The 1970-built community garnered \$55,600 for local seller, Triumph Management Group. Although cap rates have continued to compress in the submarket, this deal still traded at 6.75%, which is tough to find in the Atlanta metro. That is exemplified by another recent deal, which saw the 352-unit Parc at 1875 trade for a 5.5% cap rate. The buyer, Alpharetta-based Two Water Capital Management, paid \$85,000/unit or \$30 million, for the 1988-built community. The deal gave the Atlanta-based seller, M. Banks Realty Partners, a big win after paying just \$18 million in 2015.

As investors search for communities that can still push rents, Clayton County has seen unit pricing jump significantly this cycle. Investment pricing bottomed out in 2011, when the average price dipped below 10,000 per door, and have been growing 20% annually since 2015.

Unit Mix	# Units	Square Feet	Current Rent	Rent PSF	Monthly Income
1 bd / 1 ba	36	810	\$735	\$0.91	\$26,460
2 bd / 1 ba	80	1,032	\$821	\$0.80	\$65,680
Totals/Averages	116	963	\$794	\$0.83	\$92,140

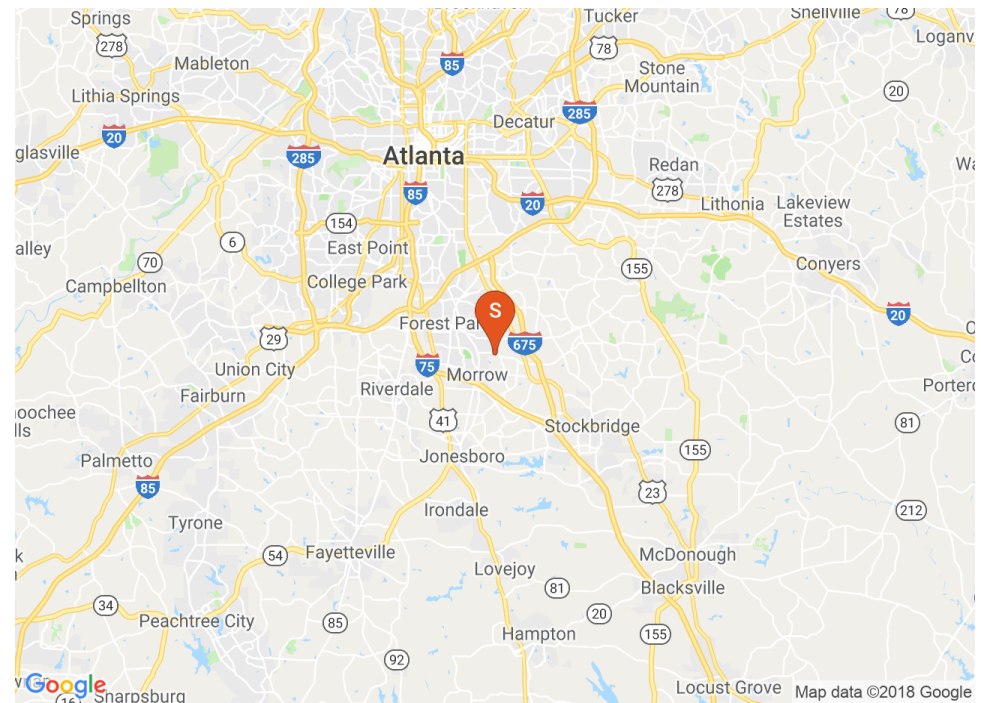


Minutes south of Downtown, this suburban community has one of Atlanta's largest employment nodes, Hartsfield-Jackson Atlanta International Airport. Further, the surging logistics industry is creating a lot of trade and warehousing jobs around the airport during this economic expansion. Given these two economic drivers, Clayton County has been a good story for apartment demand the last three years. As one of the last affordable inner-ring submarkets, Clayton County has seen vacancies drop below both historical and metro averages.

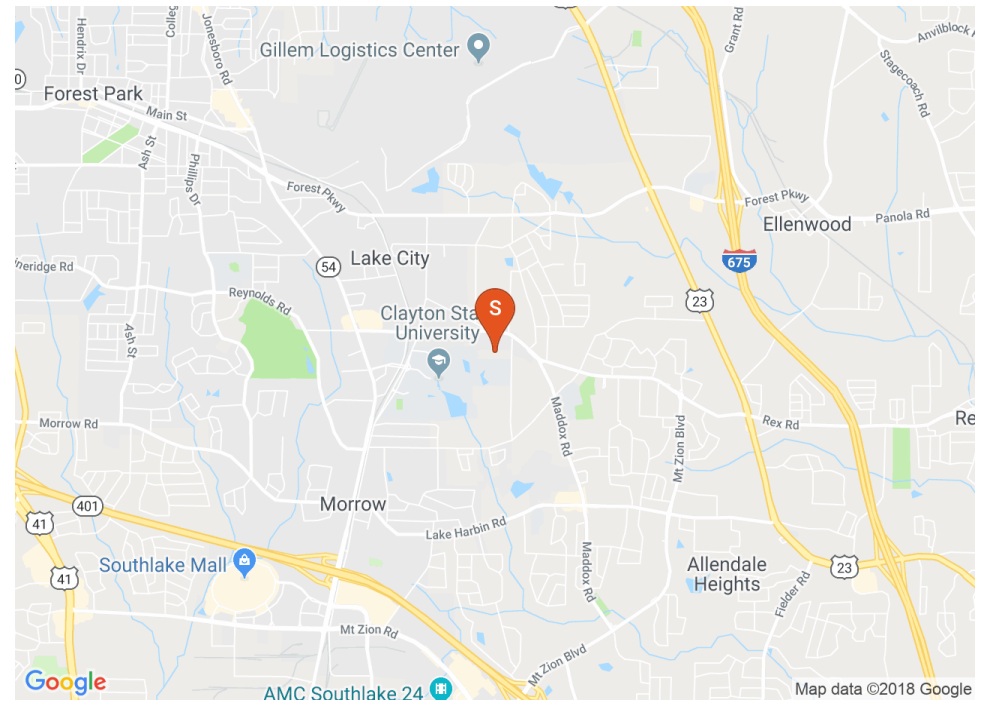
Average rent growth has been close to 8% in each of the last three years; the highest of Atlanta's large submarkets. Despite rapidly rising rents, demand here struggles to justify new build construction, and the last delivery with at least 100 units was in 2005. However, developers have been busy with renovations, with nearly 8% of the submarket's unit receiving a facelift.

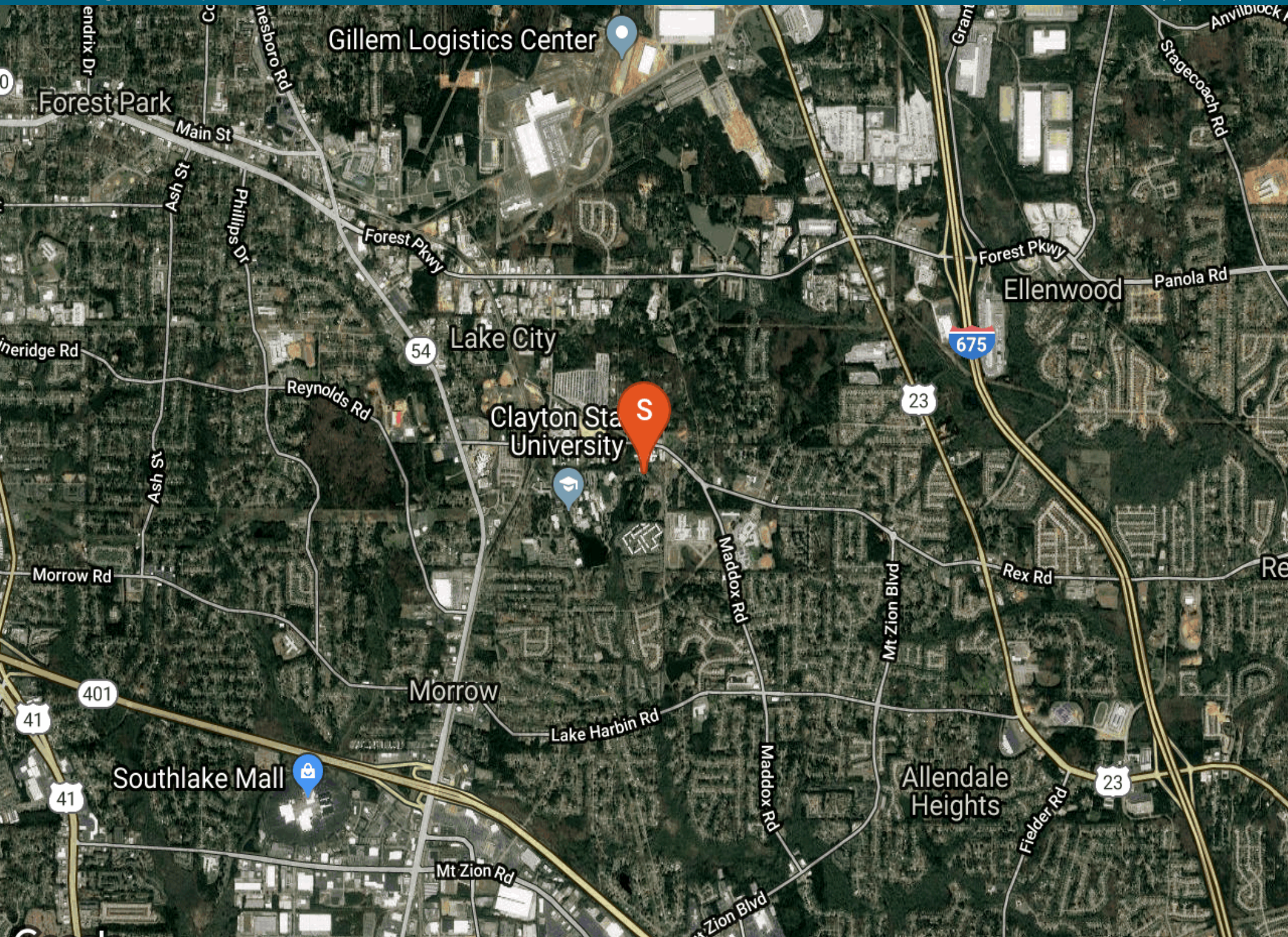
With strong fundamentals, investors have flocked to the submarket, with 18Q2 setting new volume records. Investors have been attracted to the large supply of value-add properties that can push rents with renovation work. With the median unit coming to market 45 years ago, unit pricing is still less than half the metro average, although pricing growth is jumping 20% per year since 2014. And with more than a quarter of the existing stock trading hands in 2017, untouched properties may be harder to come by going forward.

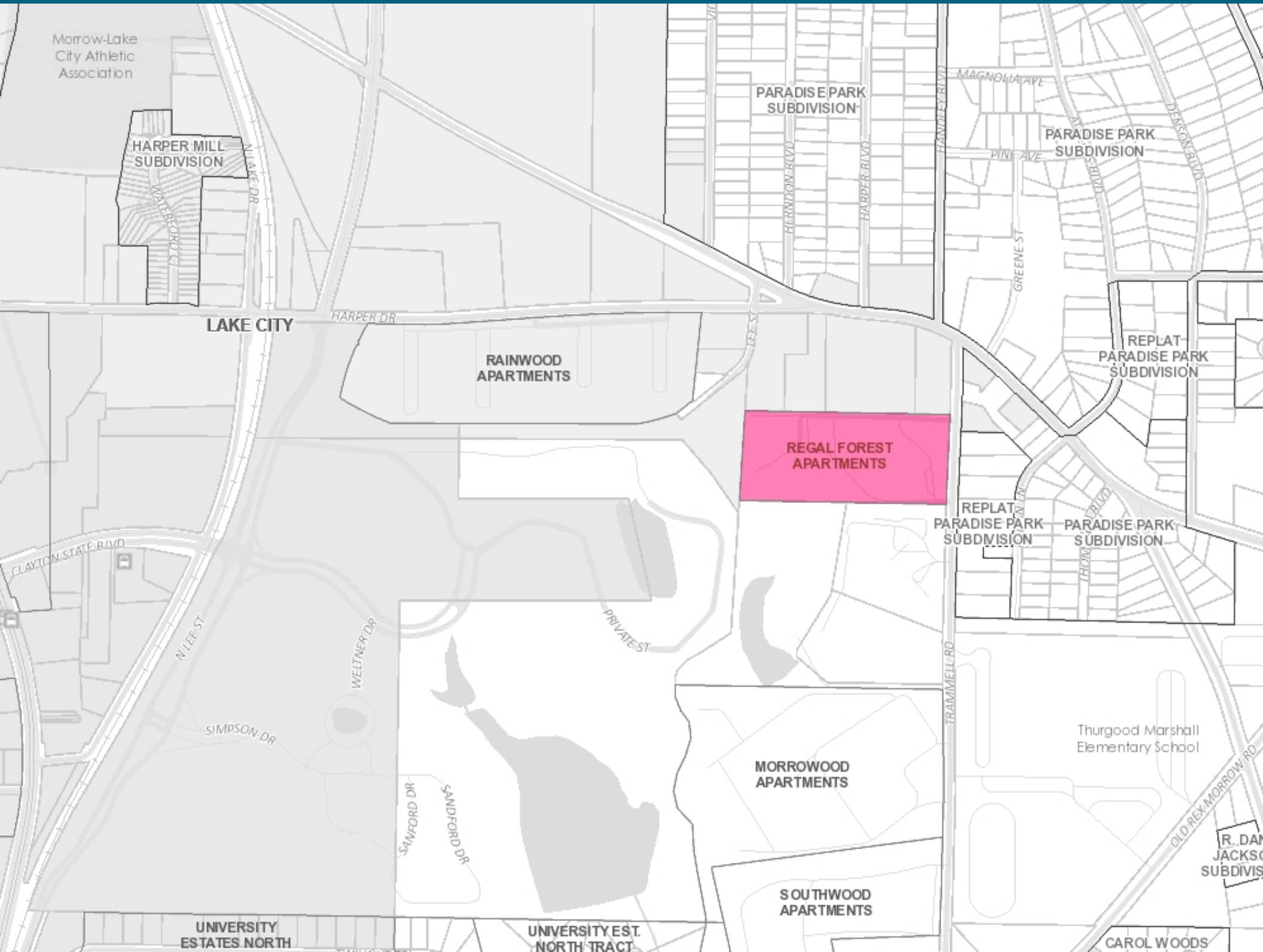
Regional Map



Locator Map







Site Description

NUMBER OF UNITS	116
GBA	111,940
LAND SF	479,160
LAND ACRES	11.00
YEAR BUILT	1971
# OF PARCELS	1
ZONING TYPE	RM, County
BUILDING CLASS	C
NUMBER OF STORIES	2
NUMBER OF BUILDINGS	13
NUMBER OF PARKING SPACES	200
PARKING RATIO	1.7

CONSTRUCTION

CONSTRUCTION	Masonry
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1



Oxford Townhouses

6042 N Lee St , Morrow, GA 30260

Property Summary

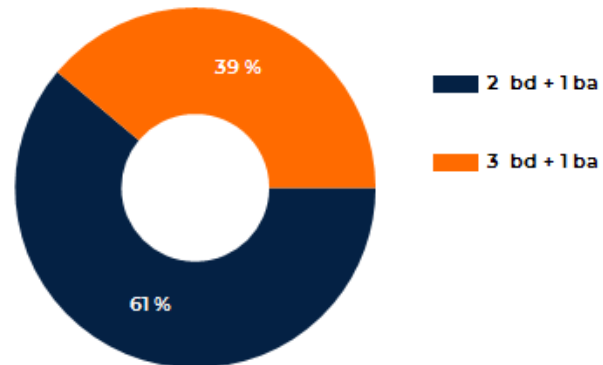
UNITS	108
YEAR BUILT	1972
OCCUPANCY	96.00 %
CONCESSIONS	0.5

Notes Regal Forest Apartments

Unit Mix and Rent Schedule

Unit Mix	# of Units	Square Feet	Asking Rent	Rent per SF
2 bd + 1 ba	66	1,076	\$845	\$0.78
3 bd + 1 ba	42	1,254	\$990	\$0.78
Total/Avg	108	1,165	\$918	\$0.78

Unit Mix Breakdown



Comparables Rent Analysis



2



Rainwood

1885 Harper Drive, Lake City, GA 30260

Property Summary

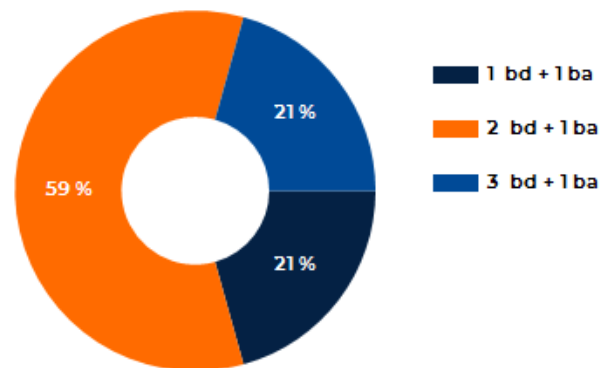
UNITS	232
YEAR BUILT	1973
OCCUPANCY	85.00 %
CONCESSIONS	3.6

Notes Regal Forest Apartments

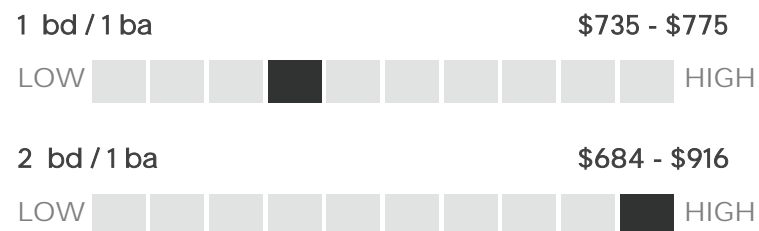
Unit Mix and Rent Schedule

Unit Mix	# of Units	Square Feet	Asking Rent	Rent per SF
1 bd + 1 ba	48	900	\$750	\$0.83
2 bd + 1 ba	136	1,150	\$916	\$0.79
3 bd + 1 ba	48	1,300	\$1,025	\$0.78
Total/Avg	232	1,117	\$897	\$0.80

Unit Mix Breakdown



Comparables Rent Analysis



3



Level at Mt. Zion

6668 Mt Zion Blvd , Morrow, GA 30260

Property Summary

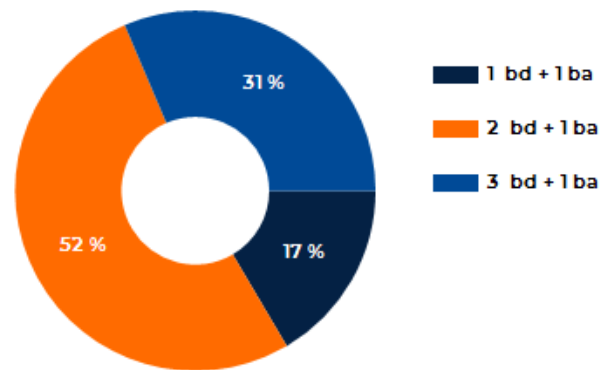
UNITS	121
YEAR BUILT	1973
OCCUPANCY	96.00 %
CONCESSIONS	0.2

Notes Regal Forest Apartments

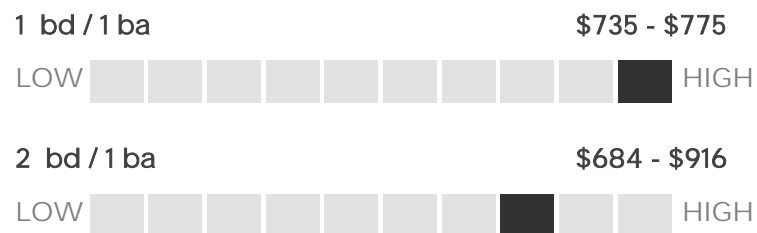
Unit Mix and Rent Schedule

Unit Mix	# of Units	Square Feet	Asking Rent	Rent per SF
1 bd + 1 ba	20	628	\$775	\$1.23
2 bd + 1 ba	63	785	\$865	\$1.10
3 bd + 1 ba	38	987	\$996	\$1
Total/Avg	121	800	\$879	\$1.11

Unit Mix Breakdown



Comparables Rent Analysis



4



Pines of Southlake Apartments

985 Mt Zion Rd , Morrow, GA 30260

Property Summary

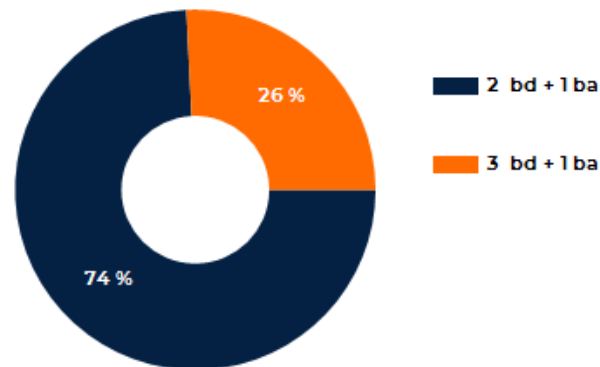
UNITS	93
YEAR BUILT	1977
OCCUPANCY	89.00 %
CONCESSIONS	0.7

Notes Regal Forest Apartments

Unit Mix and Rent Schedule

Unit Mix	# of Units	Square Feet	Asking Rent	Rent per SF
2 bd + 1 ba	69	500	\$684	\$1.36
3 bd + 1 ba	24	500	\$720	\$1.44
Total/Avg	93	500	\$702	\$1.40

Unit Mix Breakdown



Comparables Rent Analysis



S



Regal Forest Apartments

5771 Trammell Rd, Morrow, GA 30260

Property Summary

UNITS	116
YEAR BUILT	1971
OCCUPANCY	100.00 %

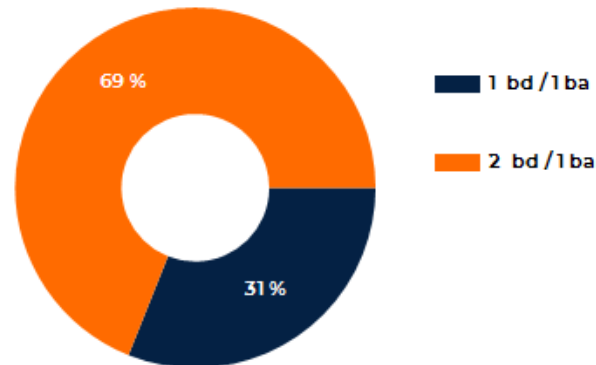
Amenities

- 24 Hour On-Site Laundry Facility
- On-Site Maintenance
- Playground
- Dishwasher
- Refrigerator
- Planned Community Activities
- On-Site Management
- Microwave/ Range Hood
- Newer Appliances
- Stove
- Grills Available
- On-Site Parking
- Balcony/ Patio Hood
- Over-sized Closet

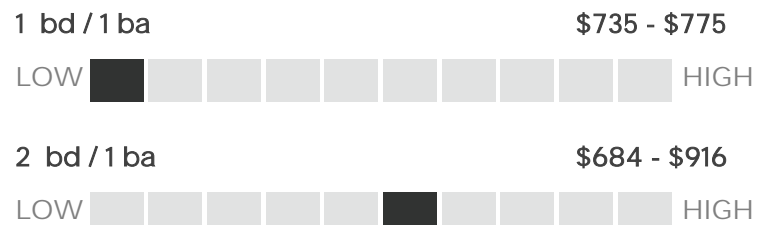
Unit Mix and Rent Schedule

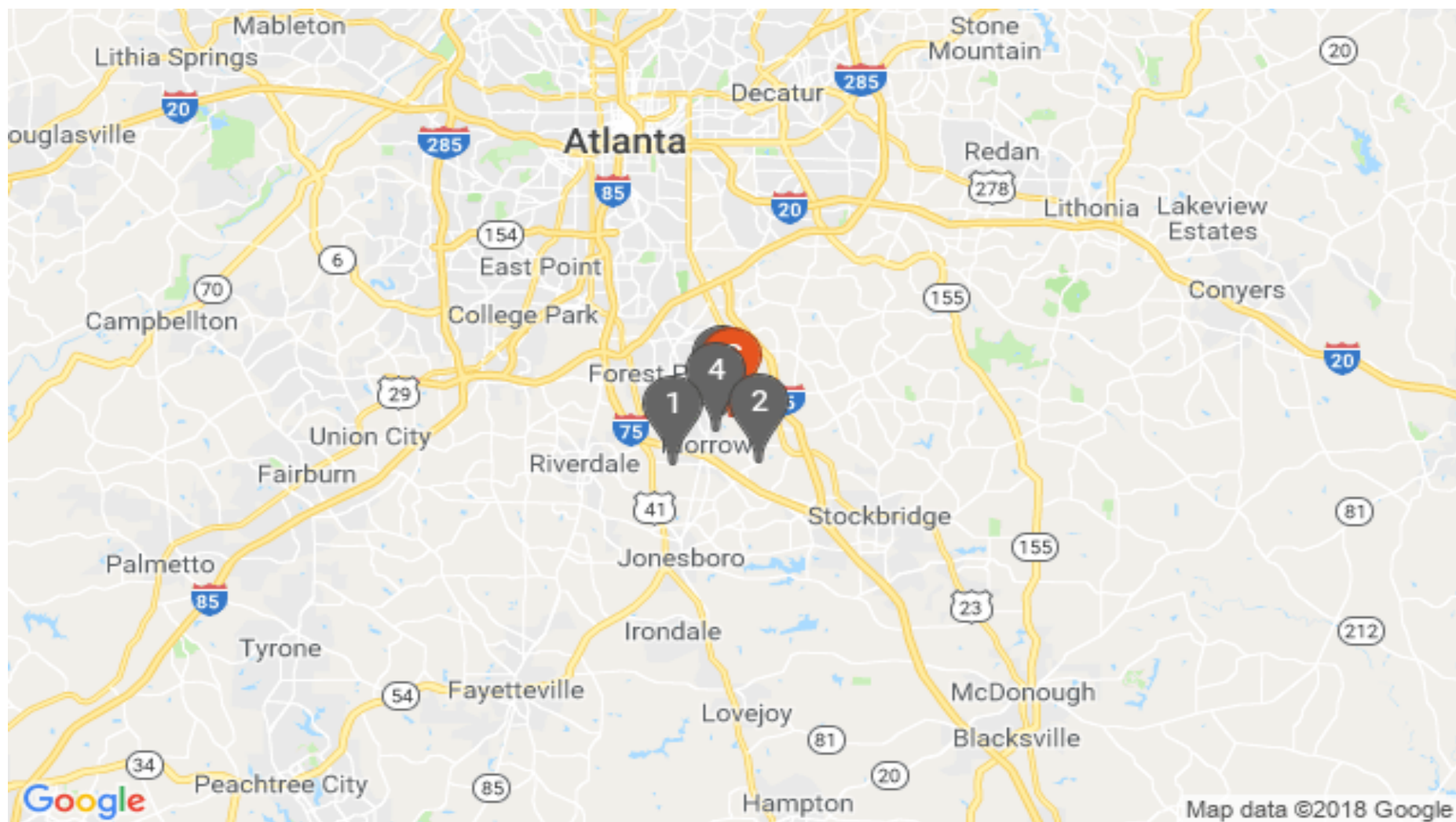
Unit Mix	# of Units	Square Feet	Rent Summary	Rent per SF
1 bd / 1 ba	36	810	\$735	\$0.91
2 bd / 1 ba	80	1,032	\$821	\$0.80
Totals/Averages	116	963	\$794	\$0.83

Unit Mix Breakdown



Comparables Rent Analysis





#	Property Name	Address	City
S	Regal Forest Apartments	5771 Trammell Rd	Morrow
1	Pines of Southlake Apartments	985 Mt Zion Rd	Morrow
2	Level at Mt. Zion	6668 Mt Zion Blvd	Morrow
3	Rainwood	1885 Harper Drive	Lake City
4	Oxford Townhouses	6042 N Lee St	Morrow

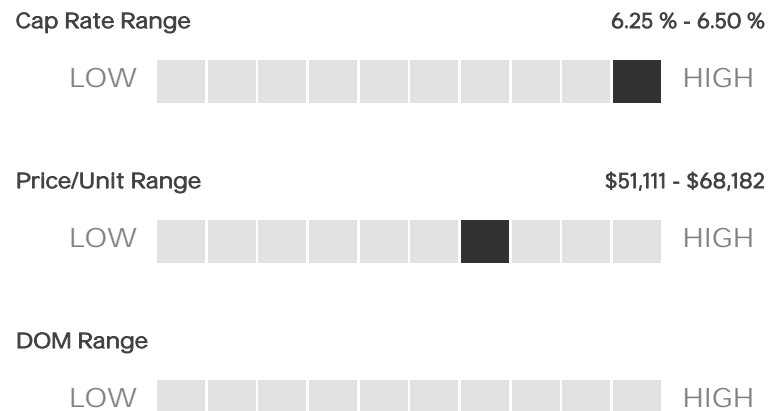
1



Southwood Apartments

6001 Trammell Rd, Morrow, GA 30260

TOTAL UNITS	196
YEAR BUILT	1972
SALE PRICE	\$12,200,000
PRICE/UNIT	\$62,245
PRICE/SF	\$60.38
CAP RATE	6.50 %
CLOSING DATE	6/20/2018



Notes Regal Forest Apartments

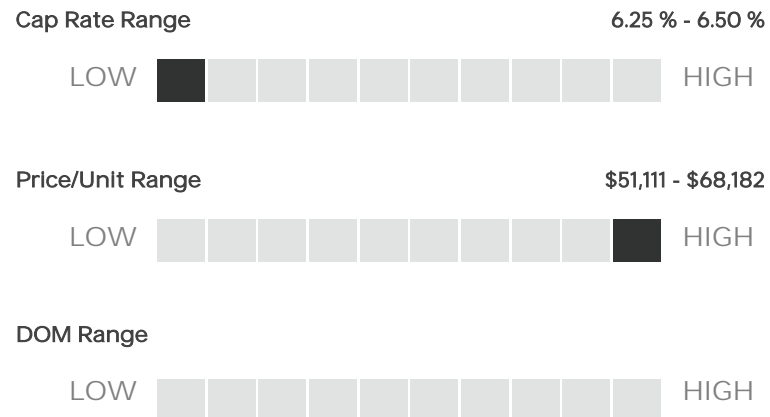
2



Tara Hill Apartments

8050 Tara Blvd, Jonesboro, GA 30236

TOTAL UNITS	132
YEAR BUILT	1972
SALE PRICE	\$9,000,000
PRICE/UNIT	\$68,182
PRICE/SF	\$87.89
CAP RATE	6.25 %
CLOSING DATE	7/17/2018



Notes Regal Forest Apartments

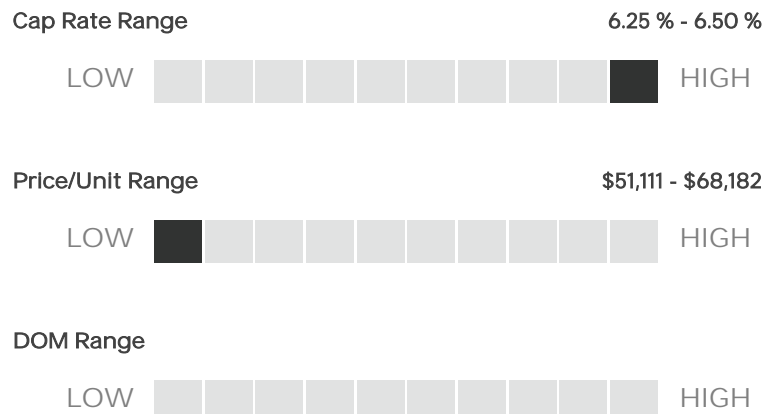
3



Central Park Apartments

582-614 Roberts Dr, Riverdale, GA 30274

TOTAL UNITS	90
YEAR BUILT	1972
SALE PRICE	\$4,600,000
PRICE/UNIT	\$51,111
PRICE/SF	\$49.25
CAP RATE	6.50 %
CLOSING DATE	8/15/2018



Notes Regal Forest Apartments

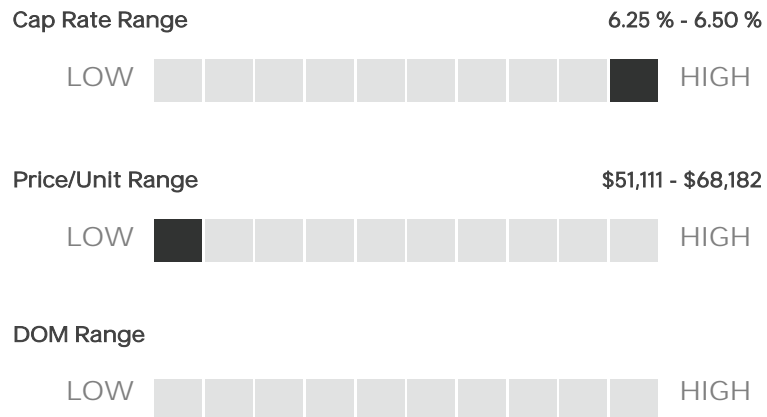
4



Level at Mt. Zion

6668 Mt Zion Blvd, Morrow, GA 30260

TOTAL UNITS	121
YEAR BUILT	1973
SALE PRICE	\$6,250,000
PRICE/UNIT	\$51,653
PRICE/SF	\$42.44
CAP RATE	6.50 %
CLOSING DATE	5/30/2017



Notes Regal Forest Apartments

S



Regal Forest Apartments

5771 Trammell Rd, Morrow, GA
30260

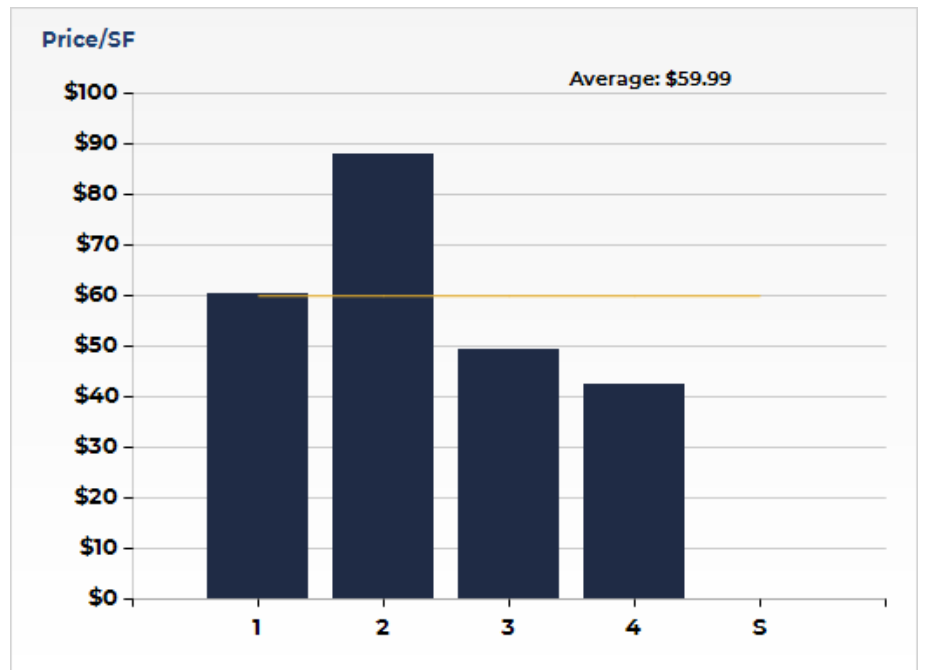
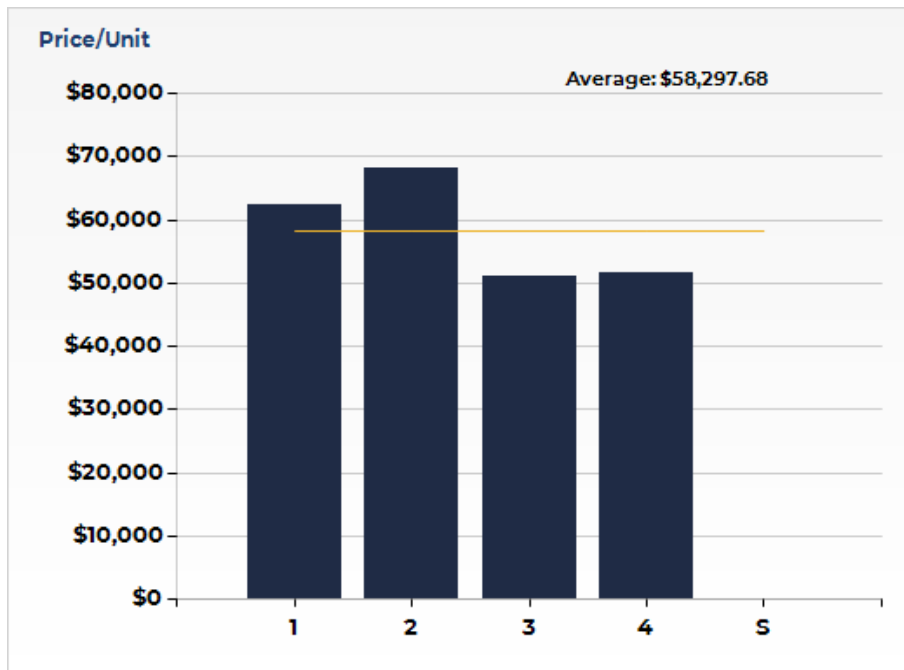
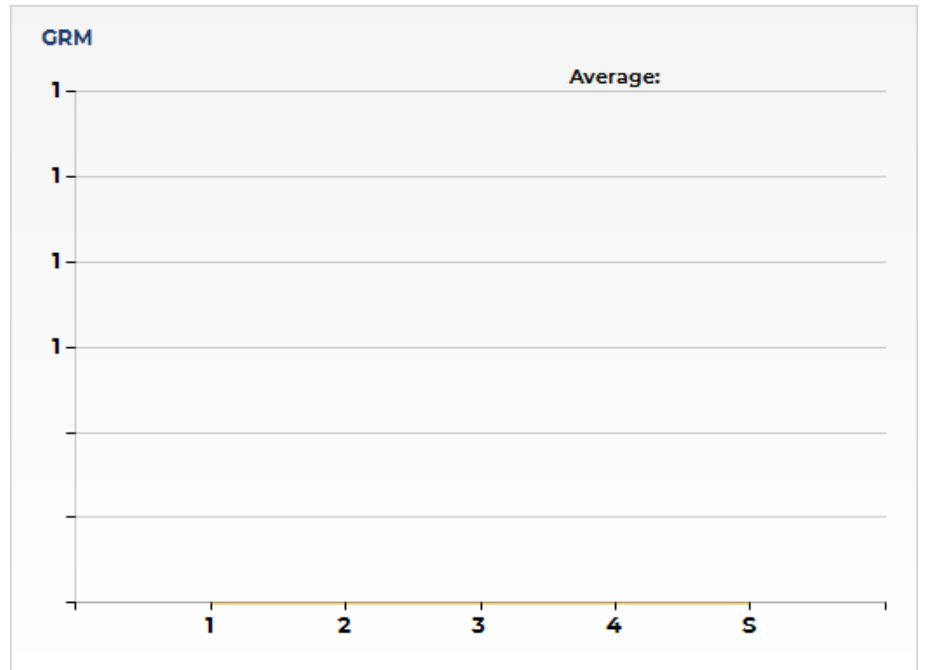
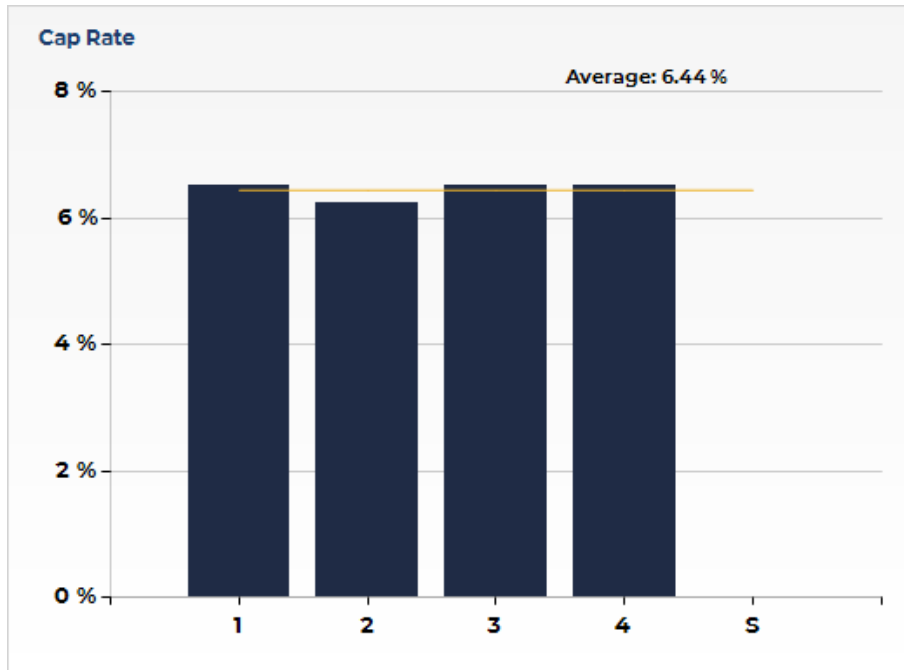
TOTAL UNITS	116
YEAR BUILT	1971
OCCUPANCY	100.00 %

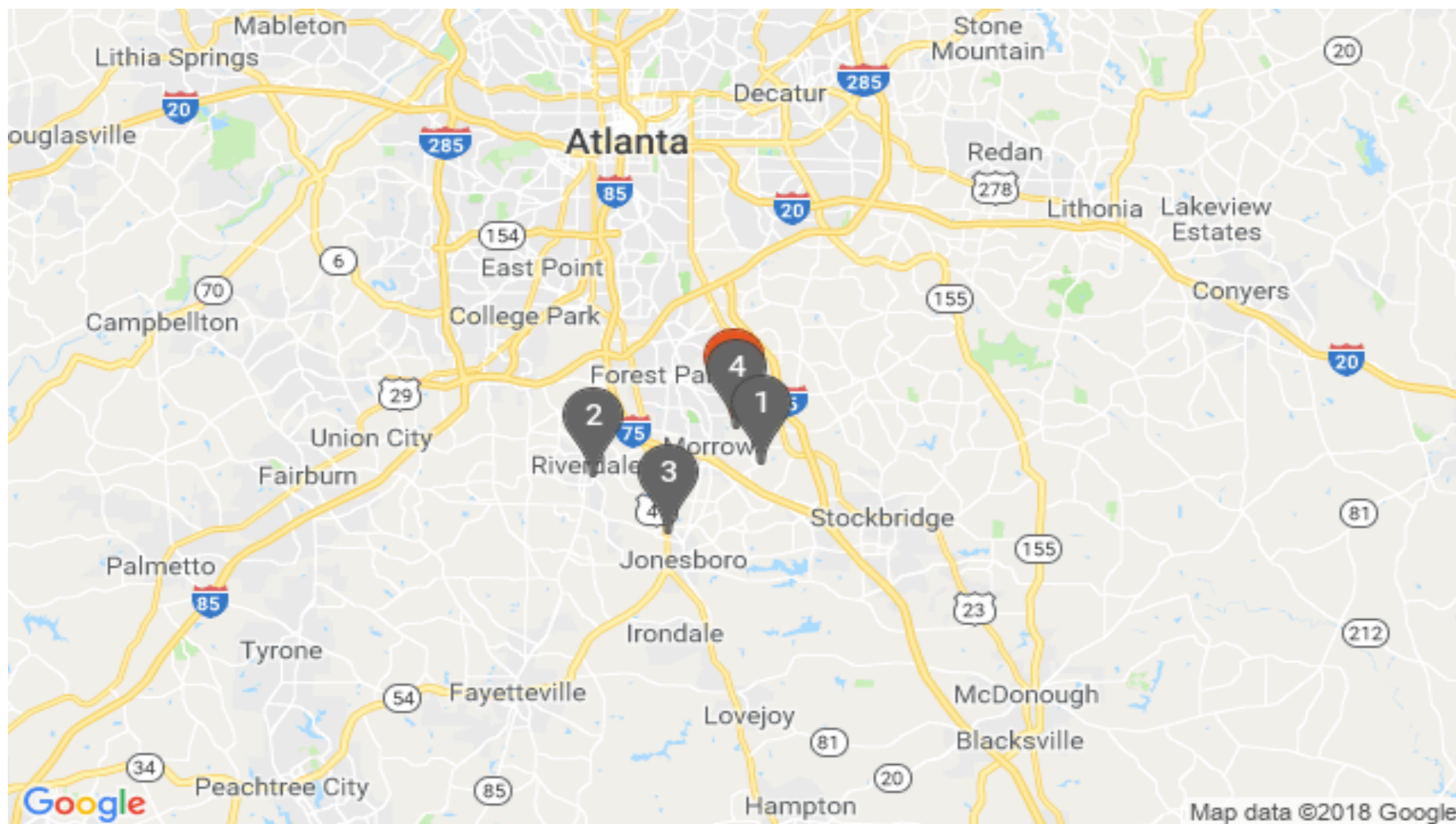
Cap Rate Range



Price/Unit Range







#	Property Name	Address	City
S	Regal Forest Apartments	5771 Trammell Rd	Morrow
1	Level at Mt. Zion	6668 Mt Zion Blvd	Morrow
2	Central Park Apartments	582-614 Roberts Dr	Riverdale
3	Tara Hill Apartments	8050 Tara Blvd	Jonesboro
4	Southwood Apartments	6001 Trammell Rd	Morrow

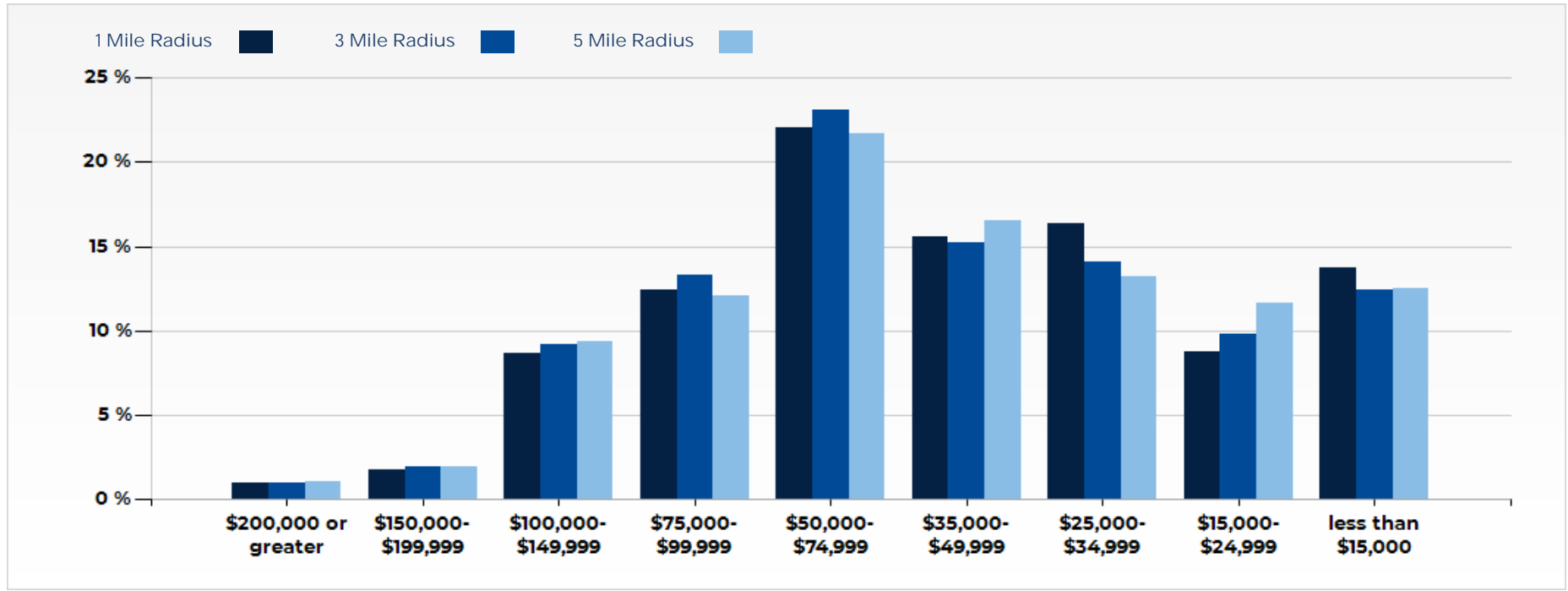
POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	8,075	51,915	136,173
2010 Population	8,713	55,782	147,378
2017 Population	9,223	60,683	157,521
2022 Population	9,650	64,508	166,113
2017 African American	5,507	35,870	100,961
2017 American Indian	29	181	549
2017 Asian	1,510	7,315	11,110
2017 Hispanic	928	9,234	25,702
2017 White	1,369	10,506	26,284
2017 Other Race	474	4,905	13,791
2017 Multiracial	327	1,881	4,746
2017-2022: Population: Growth Rate	4.55 %	6.15 %	5.35 %

2017 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	437	2,570	6,896
\$15,000-\$24,999	279	2,027	6,407
\$25,000-\$34,999	521	2,904	7,269
\$35,000-\$49,999	497	3,150	9,100
\$50,000-\$74,999	703	4,784	11,937
\$75,000-\$99,999	396	2,746	6,635
\$100,000-\$149,999	276	1,894	5,134
\$150,000-\$199,999	54	403	1,059
\$200,000 or greater	29	199	592
Median HH Income	\$44,793	\$48,036	\$45,470
Average HH Income	\$54,717	\$56,987	\$56,204

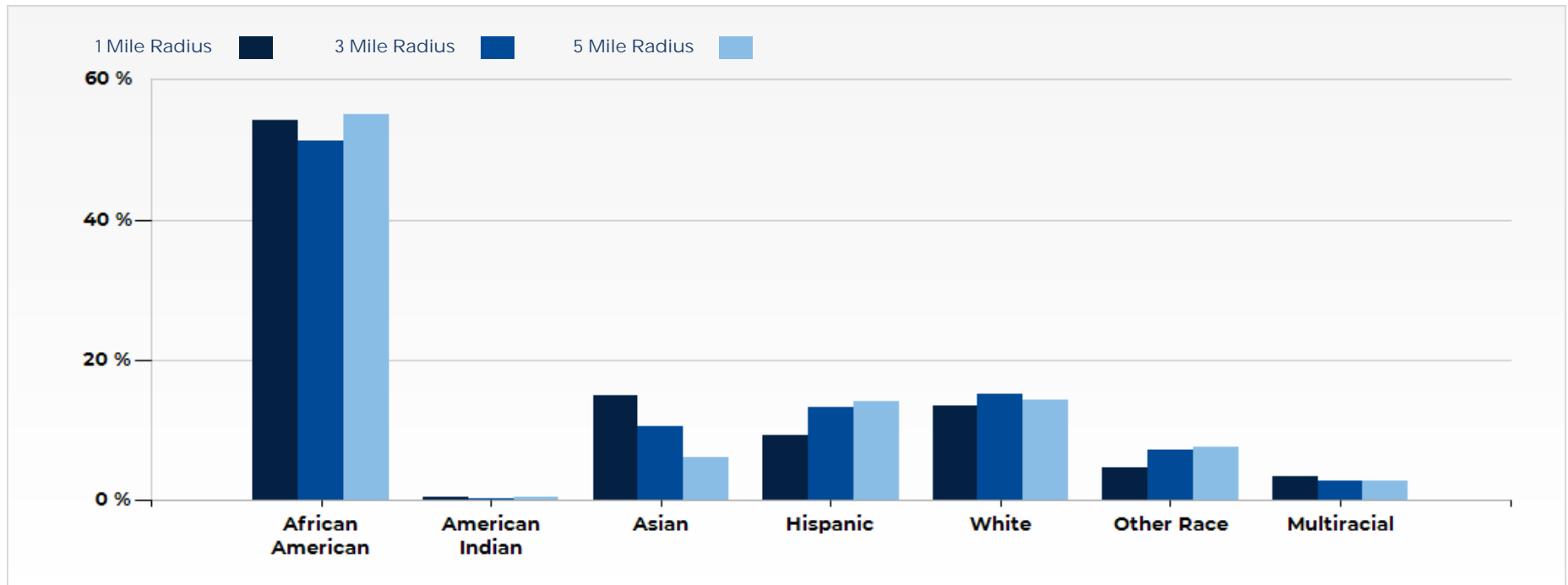
HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2000 Total Housing	3,093	18,341	49,357
2010 Total Households	3,035	19,080	51,645
2017 Total Households	3,192	20,678	55,030
2022 Total Households	3,346	21,966	57,986
2017 Average Household Size	2.65	2.90	2.84
2000 Owner Occupied Housing	1,360	11,279	27,250
2000 Renter Occupied Housing	1,495	6,191	19,538
2017 Owner Occupied Housing	1,453	11,874	28,355
2017 Renter Occupied Housing	1,739	8,804	26,675
2017 Vacant Housing	725	2,726	7,253
2017 Total Housing	3,917	23,404	62,283
2022 Owner Occupied Housing	1,618	13,024	30,799
2022 Renter Occupied Housing	1,728	8,941	27,187
2022 Vacant Housing	757	2,783	7,453
2022 Total Housing	4,103	24,749	65,439
2017-2022: Households: Growth Rate	4.75 %	6.10 %	5.25 %



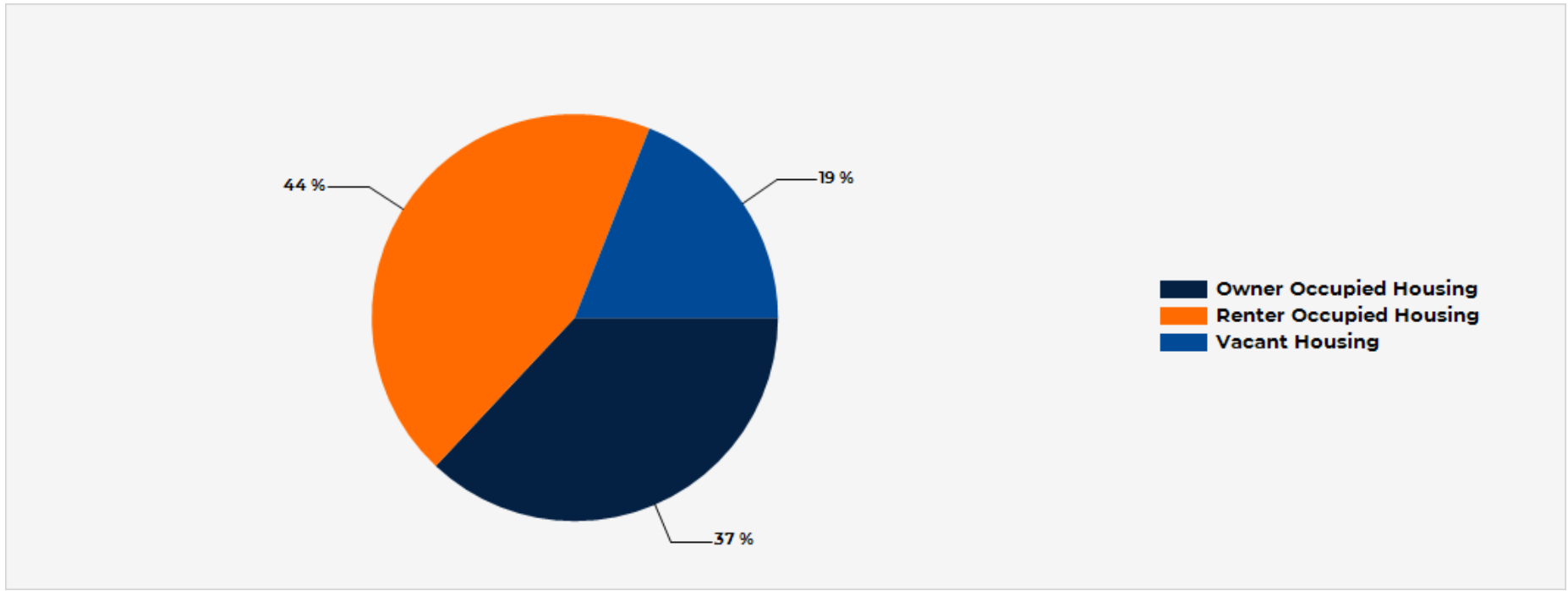
2017 Household Income



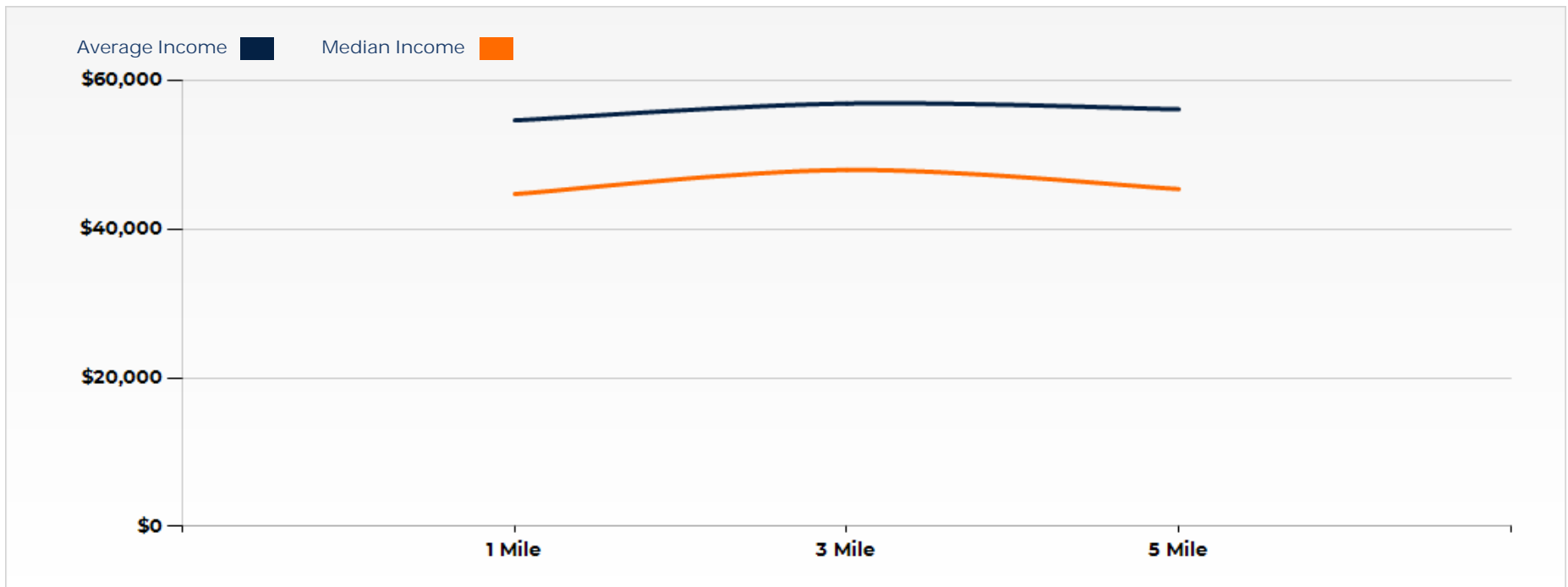
2017 Population by Race



2017 Household Occupancy - 1 Mile Radius



2017 Household Income Average and Median



Regal Forest Apartments



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