



3RD QUARTER | 2021

# MULTIFAMILY MARKET REPORT

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The multifamily market in Augusta has been hot with many sizeable transactions over the last year. While Cap Rates continue to trend downward, inventory of properties available for purchase remains slim. Rising construction costs as a result of Covid-19 seems to have at least dampened the availability of new inventory.

**WE TRACK REGIONAL MULTIFAMILY MARKET  
TO HELP YOU MAKE INFORMED DECISIONS**

**GIVE ME A CALL TO DISCUSS OR W/ QUESTIONS**

# FEATURED TEAM PROPERTIES

## 930-940 Hickman Rd



- 36 Units
- \$4.1M
- 4.68% Cap

We are proud to present this truly one-of-a-kind Historic 38 Unit Apartment complex, located in the Summerville neighborhood of Augusta, GA. Comprising five buildings built between 1906 and 1931, and located between the Augusta University Campus in Summerville and the Medical District, the complex is perfect for Students and Medical professionals. Sitting on "The Hill", the property features stunning views of Downtown Augusta, and is located next to the Historic Partridge Inn, now a Hilton Hotel.

The property also features a value-add component, as four of the units are awaiting renovation, including two 2-Bedroom penthouses. The rest of the units could also be repositioned to increase rents to compete with Canalside and Ironwood Apartments and focus on medical professionals and students. The property is located in "The Hill" area of Augusta, GA, in close proximity to Augusta University's Summerville Campus, the Augusta National Golf course, Augusta University's Health Sciences Campus, the Georgia Cyber Center, and the city's Medical district. The apartments are located directly next to the historic Partridge Inn Hotel and overlooks the city of Augusta from its elevated location.

## 2571 Tobacco Rd



UNDER CONTRACT

- 26 Units
- \$1.87M
- 5.27% Cap

San Sebastian Place Apartments is an incredible value-add multifamily investment opportunity, located in Augusta, GA. The property consists of 26 2 Bedroom/1 Bath apartments, and an adjacent building used as an office that could serve as additional units. The properties are in excellent condition, have brick/siding exteriors, and are located moments from Gate 6 of Fort Gordon. The property has great visibility from Tobacco Road. By implementing utility chargebacks and raising rents, an owner could see a substantial increase in rents. Water and Cable internet is currently included in the rent. There have been many recent improvements including the parking lot being recently resurfaced. The property was built in 1984, and features washer/dryer connections, plenty of closet space, and an open floorplan. The property includes two furnished rentals, units 2573 1/2 C and 2571 1/2 A. Located on Tobacco Road, in South Augusta. Located half a mile from the Walmart Shopping Center at Windsor Spring/Tobacco Road, and 1.25 miles to Fort Gordon's Gate 5. The property is 6.5 miles from Augusta Regional Airport, and convenient to I-520 via Windsor Spring Road. The property is also 2.5 miles from Diamond Lakes Regional Park, which in 2020 received \$5M in funding to develop a regional water park.

# AUGUSTA MARKET OVERVIEW



## MARKET OVERVIEW

Despite the influx of some new supply over the past few years and the impact of the coronavirus pandemic, the multifamily vacancy rate in Augusta has trended downward of late. Owners have responded to the strong demand for housing throughout the region and are raising rents at an impressive pace. Rents didn't take a hit during the early months of the pandemic, and year-over-year rent growth of 9.3% is well above the metro's five-year average. Furthermore, the supply pipeline has cooled over the past few quarters, giving Augusta apartment owners additional breathing room as the metro's economy continues to recover. Investors have been active in Augusta over the past few quarters. Buyers are increasingly turning to tertiary markets such as Augusta for their relatively low pricing and high yields compared to major Southeastern metros such as Atlanta, Charlotte, and Nashville. For example, average pricing of \$110,000 represents a roughly \$80,000/unit discount to Atlanta, and average cap rates trend about 100 basis points above those in Atlanta

## KEY INDICATORS

### MARKET SNAPSHOT

Inventory Units	<b>25.3K</b> ↑
Under Construction Units	<b>760</b> ↓
12 Mo Absorp Units	<b>759</b> ↓
12 Mo. Deliv. Units	<b>949</b> ↑
12 Mo. Absorp. Units	<b>979</b> ↑
Market Asking Rent/Unit	<b>\$1013</b> ↑
Market Sale Price/Unit	<b>\$109K</b> ↑
Vacancy Rate	<b>6.6%</b> ↓
Market Cap Rate	<b>5.6%</b> ↓
12 Mo. Mkt. Sale Price/Unit Change	<b>6.0%</b> ↓
12 Mo. Asking Rent Growth	<b>10.7%</b> ↓

CURRENT QUARTER	UNITS	VACANCY RATE	ASKING RENT	EFFECTIVE RENT	ABSORPTION UNITS	DELIVERED UNITS	UNDER CONSTR UNITS
4 & 5 Star	6,121	7.30%	\$1,336	\$1,321	137	0	315
3 Star	10,923	4.50%	\$981	\$977	-20	0	274
1 & 2 Star	7,770	8.30%	\$788	\$783	2	0	240
<b>Market</b>	<b>24,814</b>	<b>6.40%</b>	<b>\$1,013</b>	<b>\$1,005</b>	<b>119</b>	<b>0</b>	<b>829</b>
ANNUAL TRENDS	12 MONTH	HISTORICAL AVERAGE	FORECAST AVERAGE	PEAK	WHEN	TROUGH	WHEN
Vacancy Change (YOY)	-0.30%	9.90%	7.60%	13.30%	2009 Q1	6.40%	2021 Q3
Absorption Units	759	357	308	1,062	2009 Q4	-111	2007 Q4
Delivered Units	716	394	400	1,256	2016 Q1	0	2004 Q4
Demolished Units	0	31	10	456	2015 Q3	0	2021 Q2
Asking Rent Growth (YOY)	9.40%	1.90%	4.50%	8.70%	2021 Q2	-3.20%	2009 Q4
Effective Rent Growth (YOY)	9.20%	1.90%	5.10%	8.40%	2021 Q3	-3.50%	2009 Q4
Sales Volume	\$334M	\$108.4M	N/A	\$440.2M	2020 Q2	\$0	2009 Q3

\*Data compiled in report by John Eckley is a mix of proprietary data and data gathered from Costar.com

# AUGUSTA MARKET OVERVIEW

## CAPITAL MARKETS

While the economic downturn initially caused a slowdown in transaction activity, investors have returned to the market recently. Market pricing stands at \$120,000/unit, and Augusta multifamily assets are a bargain compared to nearby multifamily markets, including Savannah and Atlanta. Several multifamily properties have sold over the past few quarters. Among the most recent, Utah-based NorthRock Companies acquired the 200-unit Ten 35 Alexander apartment community for \$36.15 million, or roughly \$181,000/unit in August. The property delivered in 2001 and was reportedly fully occupied at the time of sale. In July, Nashville-based Covenant Capital Group acquired the 142-unit 220 West Townhomes in West Augusta for more than \$15.6 million, or roughly \$110,000/unit. The property delivered in 1989 and was near full occupancy at the time of sale. The same firm acquired the Enclave at Augusta in March 2021, shelling out \$23.75 million, or roughly \$86,000/unit, for the vintage 1972 delivery. The institutional investor acquired the asset as a value-add opportunity and plans to update appliances, flooring, and lighting in all interiors and paint, parking, and landscaping improvements to the exterior. But the largest deal to close over the past year occurred when Tampa-based Allegiant-Carter Management acquired the newly built Station at Brighton property in Grovetown for just more than \$60 million, or roughly \$198,000/unit. The 305-unit property was near full occupancy at the time of sale in May 2021.



The pipeline has cooled recently after more than 1,000 units delivered in 2019–20. Only about 830 units are under construction, so supply-side pressure should remain minimal over the next few quarters. With vacancies generally trending downward and rent growth surging, developers may return to the market in the coming years with more new supply. New properties have leased up well in recent quarters. The 228-unit McHenry Square leased up at a rate of about 15 units per month after delivering in early 2019. More impressively, the asset has pushed rents since stabilizing. The property leased up at asking rents of about \$1,250/month (\$1.50/SF), but rents on the asset were around \$1,550/month (\$1.80/SF) as of midyear 2021. Overall, roughly 5,000 units have been added since 2010, representing a 20% increase in inventory. Nearly half of those units delivered within a 5-mile radius of the I-20 and I-520 interchange. Straddling the Central Augusta and Columbia County submarkets, this locale offers easy access to both Fort Gordon and Downtown. This cohort has benefited from vacancies well below the metro average, and rents come at a roughly 30% premium to the metro benchmark.

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# RENT STUDY

## NEED TO FIGURE OUT MARKET RENTS? HERE'S HOW

If you're considering a real estate investment, you're probably asking yourself what the market rents are for a given property. So, how do you figure out the rental projections for a given market? A rent study should answer that question and give you the tools you need to make an educated guess of where rents will go.

### WHAT IS A RENT STUDY?

A rent study is a spreadsheet of rent comps, either asking rents or effective rents, with some basic information such as square footage and class of complex. For simplicity, multifamily rents are usually divided into "A", "B", and "C" class properties, and square footages can generally be found on Apartments.com or Apartmentfinder.com.

### HOW DO I CONDUCT A RENT STUDY?

To start, determine the market or trade area that you want to study, and make a spreadsheet of various apartment complexes in the trade area. Add columns for beds/baths, SF, rent, and class of complex. You may also want to have a column for amenities, such as clubhouses, pools, and walking trails. Now go online and see what are the asking rates for each of these units. With square footages, sometimes various websites will give you a range—I usually take the average of the two numbers in the range. Be wary of outliers! Sometimes "executive" or furnished units will throw off your numbers, but be persistent. You can also conduct the rent study by phone. If you're calling, you will still want to put your spreadsheet together and populate it with as much online information as possible. I always recommend being honest: Tell property managers you are conducting a rent study, and offer to send them a copy when it's finished. (You should do this, not only to avoid being a liar, but so they will help you with comps next time.) I usually confirm rents and basic rental details—and ask them anecdotally how many calls and showings they are receiving. How strong is demand? You might make a column where you note that although a given complex is asking \$1.50/SF for its one-bedroom units, the manager gets many more calls for two bedrooms than for one. That is useful! Once you have a meaningful compilation of rent comps, it's time to turn it into a rent curve. I usually select the rent/SF and SF of the units in a given class (A, B, or C), and add a logarithmic trendline to those numbers. Then, I project forward a few hundred points and backward a few hundred points. This will give you a nice smooth curve that looks suspiciously like the ones from economics class (these are demand curves after all). Now you can match the units in question with their class peers on the graph, and use the information collected to estimate the market rents.

### DOWNLOAD A RENT STUDY SPREADSHEET NOW

Congrats! Now you have a completed spreadsheet that looks like the example here. And instead of guessing, you can base your projections on hard numbers. You may also be able to find some real anomalies in the market—undermarket rents—and some diamonds in rough. Good luck!

# MULTIFAMILY DUE DILIGENCE

## HAVE YOU CONDUCTED DUE DILIGENCE ON THAT MULTIFAMILY PROPERTY?

If you're looking to invest in a multifamily property in this market, it's just a fact: Expect to analyze and make offers on multiple properties to find the right fit.

So, having a system in place to do the necessary due diligence will help you not only move faster but also make fewer mistakes. Our multifamily due diligence checklist is your starting point; click below to download now. This is the curated list our commercial team leans on as we help buyers analyze potential multifamily acquisitions, but can serve both buyers and sellers.

We've broken the checklist down into six sections: Financial Audit, Rent Roll Audit, Building Inspection, Market Analysis, Legal Audit, and Marketing Audit.

In practice, this checklist would typically be used by a buyer who just put a property under contract. So, using information provided by a seller on an offering memorandum or marketing package, a buyer has run those details through their underwriting model, determined that this deal makes sense, submitted a letter of intent or purchase and sale agreement, and now has the property under contract. At that point, our commercial team uses this checklist to make sure we haven't forgotten any important items as we move toward closing.

### FINANCIAL AUDIT

We review two years of income statements, vendor contracts, and various invoices to confirm the numbers we put together before submitting our offer. Quite often, the seller's financials are inflated or incorrect, and we are looking not only for items that are wrong but line items that have been left off. For example, often the seller performs maintenance or landscaping, or manages the property, and these expenses need to be accounted for.

### RENT ROLL AUDIT

Putting a solid rent roll together means reviewing all leases, understanding what delinquencies look like, and making sure we know what prepaid rents and concessions will survive closing. Some lenders require estoppels—and it is not a bad idea to add this to your workflow. Many sellers won't be familiar with estoppels, and if you plan on using them, you should add them to the purchase and sale agreement as a special stipulation, since they are quite disruptive to tenants and most sellers will not allow you to go door to door to talk to each tenant. See this article on estoppels for a template and background on how to use them.

We will also perform a rent study to understand what competing comparable properties are renting for, which will help you project where your rents should be. Click here for an article on rent studies and how to perform them.

The final step is to interview potential property management companies and select one that can help advise you on rent rates and the local market.

# MULTIFAMILY DUE DILIGENCE

## HAVE YOU CONDUCTED DUE DILIGENCE ON THAT MULTIFAMILY PROPERTY?

### **BUILDING INSPECTION**

It's important to thoroughly understand the condition of the property and future maintenance expenses. Roofs, electrical systems, plumbing systems and HVAC systems should all be included. A thorough review of the plat and deed should be performed to understand any easements across the property, the locations of water and sewer lines, and any potential boundary issues. Your lender may require you to have a Phase I environmental report and an appraisal—these items can be time intensive, so make sure they are ordered early in the process. Some municipalities are very strict when it comes to certificates of occupancy, permits and inspections, so ask for copies of past inspections, along with permits for prior work performed.

### **MARKET ANALYSIS**

We could write a book on market analysis, but at a high-level, you just want to make sure you understand the neighborhood and general trends in the market. Are things getting better or worse in this area? Have there been new job announcements in the area?

### **LEGAL AUDIT**

We review insurance policies and exceptions, as well as five years' worth of loss runs. It's a good idea to ask if there are any unrecorded agreements affecting the property, such as neighbors driving across the property or using the dumpster, for example. The seller should disclose any potential lawsuits facing the property at this point. Also, we review the community rules, the lease form itself and the current application form. There may be fair housing issues or blatant errors in the forms, and these should be considered and corrected immediately.

### **MARKETING AUDIT**

We collect as much information as we can from the seller regarding their current marketing package. This includes floorplans, brochures, logos, and a review of their website and current management system. Often, we find a wide gap between the current rents and what the rent study suggests the market rents should be, and this could be attributed to lack of marketing. You will also want to review the property's website and confirm that the domain and branding are a part of the sale and included in the contract.

We encourage you to use the checklist on potential deals you're working on, but if you would like an advisor to help you in the acquisition process from start to finish, [click here](#) to schedule a time to discuss a buyer representation assignment with one of our brokers.

That's it! Please also let us know how we can improve our process in the comments below. Are there any items we've left off the checklist? What are the biggest mistakes you've made in the past that could have been solved with one of these bullet points?

# ESTOPPELS

## WHY INVESTORS SHOULD USE THEM

Last year, my partners and I closed on a portfolio of rental properties. The owner assured us that there were no leases or security deposits. After we closed, we discovered that there were in fact leases and deposits, and he refused to refund them.

We decided it would be cheaper to eat the difference than to pursue him in court, but the entire affair could have been avoided by using an estoppel.

### WHAT ARE ESTOPPELS?

Estoppels are usually short documents used to confirm lease details. They are a “signed statement by a party certifying for another’s benefit that certain facts are correct, as that a lease exists, that there are no defaults, and that rent is paid to a certain date. A party’s delivery of this statement estops that party from later claiming a different state of facts.” (Black’s Law Dictionary, 572, 7th Ed., 1999)

Estoppels usually confirm basic lease details such as:

- The rental rate
- Commencement and expiration date of the lease
- That the rent hasn’t been prepaid
- That the lease hasn’t been modified
- That there are no defaults on either side

### WHY WOULD I WANT TO USE AN ESTOPPEL?

Often estoppels are required by a lender, but as an individual investor, you may want to include them in situations where the leases are unclear or if you’re unsure of the validity of the financial statements.

Estoppels also ensure that the owner hasn’t collected prepaid rent or pocketed the tenant’s security deposits.

### HOW DO I USE AN ESTOPPEL?

You will likely want to add a clause to your contract requiring the seller to collect estoppels prior to close or allowing you to collect them from tenants prior to close.

This can be quite problematic on a larger property, as many tenants may pay electronically and not even interact with the owner or property manager on a regular basis. A simple way to execute estoppels may be for the owner to fill out the pertinent details and have them docusigned by the tenants or completed by as many tenants as possible during a property inspection.

### DOWNLOAD A SAMPLE ESTOPPEL NOW

Here is a simple, one-page generic version you can use. Feel free to make changes to it as needed. We hope it saves you time and money on an upcoming deal!



# OWNER OVERVIEW

## TOP MULTIFAMILY OWNERS

COMPANY NAME	WNERD UNI	OWNED PROPS	AVG UNITS	12 MO BOUGHT	12 MO SOLD	12 MO NET TRANS
ATC Development	1,815	13	139	\$599,000	\$11,868,000	(\$11,269,000)
Capital Square Realty Advisors	902	5	180	-	-	-
Lexerd Capital Management	683	2	341	-	\$15,200,000	(\$15,200,000)
Choice Title Company, Inc.	640	3	213	-	-	-
Phillips Management Group	610	4	152	-	-	-
Chartwell Holdings	588	3	196	-	-	-
David Werner Real Estate	568	2	284	-	-	-
Springer Capital	542	2	271	-	-	-
Allegiant-Carter Management	504	2	252	\$60,192,000	-	\$60,192,000
Management Resources Development	504	2	252	-	-	-
InterMark Management Corporation	495	5	99	-	-	-
Graycliff Capital	492	2	246	\$35,400,000	-	\$35,400,000
Olayan Group	478	2	239	-	-	-
Morgan Properties	478	2	239	-	-	-
The Sterling Group, Inc.	456	2	228	\$15,200,000	-	\$15,200,000
Somerset Partners	446	2	223	-	-	-
Covenant Capital Group	418	2	209	\$39,370,000	\$40,300,000	(\$930,000)
Haley Associates Limited Partnership	416	2	208	-	-	-
The Hallmark Companies, Inc.	380	3	126	\$22,400,000	-	\$22,400,000
Spyglass Capital Partners, LLC	358	1	358	-	-	-
Inter Tech Group Inc	346	1	346	-	-	-
NorthRock Companies	328	1	328	-	-	-
Grandview Developers	324	1	324	\$21,110,000	-	\$21,110,000
PASSCO Companies	300	1	300	-	-	-
Broadview Acquisitions & Management	296	2	148	-	-	-
Constantin Foca	296	1	296	-	-	-
The Carlton Group	284	1	284	-	-	-
Southeastern Real Estate Group	284	1	284	-	-	-
Brandenburg Properties	282	2	141	-	-	-
McDowell Properties	280	1	280	-	-	-
Dunross Capital	275	2	137	-	-	-
The Michelson Organization	266	1	266	-	-	-
Novare Realty	252	1	252	-	-	-
DLP Realty	246	2	123	-	-	-
Southern Development Management...	242	2	121	-	-	-
Romspen Investment Corporation	240	1	240	-	-	-
Young Homes, Inc.	240	1	240	-	-	-
Jars Residential Properties Inc	237	3	79	-	-	-
FORTIS PROPERTY MANAGEMEN...	232	1	232	-	-	-
Jakob Von Trapp	221	1	221	-	-	-
Crawford Group Inc	220	1	220	-	-	-
Southwood Realty Company	216	2	108	\$16,500,000	-	\$16,500,000

\*Data compiled by John Eckley is a mix of proprietary data and data gathered from Costar.com

# OWNER OVERVIEW

## TOP MULTIFAMILY BUYERS

COMPANY NAME	SALES VOLUME	TRANSACTIONS	TRANSACTIONED UNITS	AVG UNITS	CAP RATE	SALE PRICE/UNIT
Allegiant-Carter Management	\$60,192,000	1	304	304	-	\$198,000
Covenant Capital Group	\$39,370,000	2	418	209	-	\$94,187
Graycliff Capital	\$35,400,000	1	212	212	5.10%	\$166,981
JEM Holdings	\$27,500,000	1	232	232	-	\$118,534
The Hallmark Companies, Inc.	\$22,400,000	2	244	122	5.30%	\$91,803
Grandview Developers	\$21,110,000	1	324	324	-	\$65,154
Southwood Realty Company	\$16,500,000	1	120	120	5.50%	\$137,500
The Burlington Capital Group	\$12,800,000	1	120	120	5.10%	\$106,667
Augusta Rental Homes	\$11,868,000	2	132	66	-	\$89,909
Eskay Management	\$10,700,000	1	120	120	4.90%	\$89,167
REM Capital Partners	\$8,200,000	1	86	86	5.80%	\$95,349
Guardian Properties LLC	\$8,050,000	1	104	104	11.00%	\$77,404
MLG Capital, LLC	\$7,600,000	1	80	80	-	\$95,000
The Sterling Group, Inc.	\$7,600,000	1	80	80	-	\$95,000
Quad Property Group	\$7,227,000	1	99	99	4.00%	\$73,000
Christopher P. Barton	\$7,150,000	1	167	167	-	\$42,814
Lawin Group	\$5,720,000	1	104	104	4.50%	\$55,000
Saji Salam	\$5,720,000	1	104	104	-	\$55,000
Regency Properties	\$4,910,000	1	68	68	6.60%	\$72,206
Quattro Capital	\$3,500,000	1	80	80	-	\$43,750
Christopher Orlando Flournoy	\$3,445,000	1	6	6	-	\$574,167
Williams, Natalie Jo	\$1,500,000	1	18	18	4.30%	\$83,333
Pamela L. Burgess	\$1,300,000	1	28	28	-	\$46,429
Auben Realty	\$900,000	1	18	18	5.50%	\$50,000
ATC Development	\$599,000	1	6	6	7.00%	\$99,833
David Kleyn	\$430,000	1	6	6	2.90%	\$71,667
Ryan Parrish	\$430,000	1	6	6	2.90%	\$71,667
Morgan Properties	-	2	239	120	-	-
Olayan Group	-	2	239	120	-	-

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# BUYER OVERVIEW

## TOP MULTIFAMILY SELLERS

COMPANY NAME	SALES VOLUME	TRANSACTIONS	TRANSACTIONED UNITS	AVG UNITS	CAP RATE	SALE PRICE/UNIT
Tynes Development	\$60,192,000	1	304	304	-	\$198,000
The Walden Group	\$46,150,000	3	520	173	5.30%	\$88,750
Covenant Capital Group	\$40,300,000	2	352	176	5.10%	\$114,489
Fickling & Company	\$35,400,000	1	212	212	5.10%	\$166,981
Artesia Management	\$21,110,000	1	324	324	-	\$65,154
The Embassy Group, LLC	\$15,620,000	1	142	142	-	\$110,000
Lexerd Capital Management	\$15,200,000	1	160	160	-	\$95,000
ATC Development	\$11,868,000	2	132	66	-	\$89,909
Cohen Investment Group	\$10,700,000	1	120	120	4.90%	\$89,167
Hudson Capital Investments, LLC	\$8,250,000	1	60	60	2.80%	\$137,500
RW Partners, LLC	\$8,250,000	1	60	60	2.80%	\$137,500
Quad Property Group	\$8,050,000	1	104	104	11.00%	\$77,404
Abbitt Realty Company LLC	\$7,227,000	1	99	99	4.00%	\$73,000
Hanoch M. Cimmeric	\$7,150,000	1	167	167	-	\$42,814
Capstone Multi-Family Group	\$5,720,000	1	104	104	4.50%	\$55,000
Tony Azar	\$5,720,000	1	104	104	-	\$55,000
The Waller Group	\$4,910,000	1	68	68	6.60%	\$72,206
At, Inc	\$4,100,000	1	43	43	2.90%	\$95,349
Trident Group Partners	\$4,100,000	1	43	43	2.90%	\$95,349
Red Oak Capital Group, LLC	\$3,500,000	1	80	80	-	\$43,750
Joanna A Burnley	\$3,445,000	1	6	6	-	\$574,167
Scenic Land Homes	\$1,500,000	1	18	18	4.30%	\$83,333
Jw Edge Construction Llc	\$1,400,000	1	29	29	6.10%	\$48,276
Nelson Smith	\$1,300,000	1	28	28	-	\$46,429
Mill Point Properties LLC	\$900,000	1	18	18	5.50%	\$50,000
Kim Stonebraker	\$860,000	1	12	12	5.80%	\$71,667
Williams, Natalie Jo	\$599,000	1	6	6	7.00%	\$99,833
Columbia Residential, LLC	-	1	221	221	-	-
Dalila Hocine	-	1	10	10	-	-
Tshuva Group of Companies	-	2	239	120	-	-
Yakir Gabay	-	2	239	120	-	-

PROPERTY NAME/ADDRESS	RATING	UNITS	STORIES	START	COMPLETE	DEVELOPER/OWNER
<b>The Heron at River Island</b> 600 Grand Oaks Way	***	274	2	Jan-20	Oct-21	Southeastern Development
<b>Horizon Ridge Apartments</b> 1010 Horizon Ridge Dr	**	240	1	Dec-19	Oct-21	Cogency Global, Inc.
<b>The Row</b> 183 Slaton St	****	160	-	Jan-21	Dec-21	Slaton St Property Llc
<b>Millhouse Station</b> 636 11th St	****	155	-	Aug-20	Sep-21	Ivey Residential LLC

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# SIGNIFICANT SALES

## TOP RECENT MULTIFAMILY SALES

### 1000 STATION DR • THE STATION AT BRIGHTON

1000 Station Dr • The Station at Brighton | Grovetown, GA 30813



Sale Price: \$60,200,000  
Year Built: 2020  
Listing Broker: Cushman & Wakefi  
Closed: 05/01/2021

304 Units, Held 16 months

### 1000 FAIRHAVEN DR • THE HIGHLAND

1000 Fairhaven Dr • The Highland | Augusta, GA 30909



Sale Price: \$61,000,000  
Year Built: 2021  
Listing Broker: Cushman & Wakefi  
Closed: 05/01/2021

852 Units, held 8 Months.

### 1480 WRIGHTSBORO RD • BEACON STATION

1480 Wrightsboro Rd • Beacon Station | Augusta, GA 30901



Sale Price: \$52,400,000  
Year Built: 2019  
Listing Broker: Walker & Dunlop L  
Closed: 06/01/2021

221 Units, Held 29 months.

### 1035 ALEXANDER DR • THE TURN

1035 Alexander Dr • The Turn | Augusta, GA 30909



Sale Price: \$36,200,000  
Year Built: 2001  
Listing Broker: Cushman & Wakefi  
Closed: 08/01/2021

200 Units, Held 25 Months

### 1900 ROSES RUN • VIERA AIKEN

1900 Roses Run • Viera Aiken | Aiken, SC 29803



Sale Price: \$27,500,000  
Year Built: 1990  
Listing Broker: Cushman & Wakefi  
Closed: 04/01/2021

232 Units, Held 36 Months

### 1011 RIVER RIDGE DR • ADDISON AT RIVER RIDGE

1011 River Ridge Dr • Addison at River Ridge | Augusta, GA 30909



Sale Price: \$23,800,000  
Year Built: 1972  
Listing Broker: Cushman & Wakefi  
Closed: 03/01/2021

276 Units, Held 17 Months

### 2133 VANDIVERE • MAGNOLIA PARK APARTMENTS

2133 Vandivere • Magnolia Park Apartments | Augusta, GA 30904



Sale Price: \$7,200,000  
Year Built: 1977  
Listing Broker: GFI Realty Services  
Closed: 12/01/2020

### 3506 OAKVIEW PL • OAKVIEW PLACE

3506 Oakview Pl • Oakview Place | Hephzibah, GA 30815



Sale Price: \$10,800,000  
Year Built: 1985  
Listing Broker: Sold Off-Market  
Closed: 05/01/2021

124 Units, Held 55 Months

### 2910 RICHMOND HILL RD • GREEN MEADOWS @ 2910

2910 Richmond Hill Rd • Green Meadows @ 2910 | Augusta, GA 30906



Sale Price: \$5,700,000  
Year Built: 1966  
Listing Broker: Capstone  
Closed: 02/01/2021

### 1300 PLAZA PL • PLAZA PLACE APARTMENTS

1300 Plaza Pl • Plaza Place Apartments | North Augusta, SC 29841



Sale Price: \$10,700,000  
Year Built: 1982  
Listing Broker: Cushman & Wakefi  
Closed: 12/01/2020

120 Units, Held 37 Months

# SIGNIFICANT SALES

## TOP RECENT MULTIFAMILY SALES

**526 RICHMOND HILL RD W • CEDAR GROVE APARTMENTS**  
526 Richmond Hill Rd W • Cedar Grove Apartments | Augusta, GA 30906



Sale Price: \$8,400,000  
Year Built: 1971  
Listing Broker: Cushman & Wakef  
Closed: 08/01/2021

126 Units, Held 44 Months

**750 BERGEN RD • BRIGHTON PLACE APARTMENTS**  
750 Bergen Rd • Brighton Place Apartments | North Augusta, SC 29860



Sale Price: \$8,200,000  
Year Built: 2009  
Listing Broker: Brown Realty Advis  
Closed: 11/01/2020

86 Units, Held 89 Months

**2119 LUMPKIN RD • CHARLESTOWNE APARTMENTS**  
2119 Lumpkin Rd • Charlestowne Apartments | Augusta, GA 30906



Sale Price: \$8,000,000  
Year Built: 1968  
Listing Broker: Cushman & Wakef  
Closed: 08/01/2021

120 Units, Held 44 Months

**1671 GOSHEN RD • ELEMENT AT GOSHEN**  
1671 Goshen Rd • Element at Goshen | Augusta, GA 30906



Sale Price: \$7,200,000  
Year Built: 1983  
Listing Broker: Berkadia Real Esta  
Closed: 04/01/2021

99 Units, Held 20+ Years

**1700 VALLEY PARK CT • FALCON CREST APARTMENTS**  
1700 Valley Park Ct • Falcon Crest Apartments | Augusta, GA 30909



Sale Price: \$21,100,000  
Year Built: 1966  
Listing Broker: Greystone Brown F  
Closed: 05/01/2021

324 Units, Held 30 Months

**337 BRANDYWINE PL • BRANDYWINE PLACE**  
337 Brandywine Pl • Brandywine Place | Augusta, GA 30909



Sale Price: \$15,600,000  
Year Built: 1989  
Listing Broker: Off-Market Sale  
Closed: 07/01/2021

114 Units, Held 24 Months

**817-824 HICKMAN RD • TERRACES AT SUMMERVILLE**  
817-824 Hickman Rd • Terraces at Summerville | Augusta, GA 30904



Sale Price: \$12,800,000  
Year Built: 1972  
Listing Broker: Berkadia Real Esta  
Closed: 12/01/2020

120 Units, Held 55 Months

**500 CALDWELL DR • PINNACLE PLACE APARTMENTS**  
500 Caldwell Dr • Pinnacle Place Apartments | Hephzibah, GA 30815



Sale Price: \$11,600,000  
Year Built: 1986  
Listing Broker: Off-Market Sale  
Closed: 05/01/2021

120 Units, Held 55 Months

**2400 NORDAHL DR • MEADOW WOOD PLACE**  
2400 Nordahl Dr • Meadow Wood Place | Augusta, GA 30906



Sale Price: \$4,900,000  
Year Built: 1983  
Listing Broker: Sold Off-Market  
Closed: 02/01/2021

68 Units, Held 14 Months

# SUBMARKET OVERVIEW

## 1 & 2 STAR EXPENSES PER SF (ANNUAL)

MARKET/CLUSTER	OPERATING EXPENSES								CAPITAL EXPENDITURES			TOTAL
	MGMT.	ADMIN.	PAYROLL	WATER	UTILITIES	MAINT.	INSURANCE	TAXES	APPLIANCE	STRUCTURAL	OTHER	
Augusta	\$0.30	\$0.42	\$0.51	\$0.32	\$0.49	\$0.57	\$0.25	\$0.54	\$0.07	\$0.07	\$0.63	\$4.17
Burke County	\$0.24	\$0.44	\$0.51	\$0.32	\$0.52	\$0.56	\$0.24	\$0.48	\$0.08	\$0.06	\$0.62	\$4.07
Central Augusta	\$0.27	\$0.44	\$0.53	\$0.32	\$0.53	\$0.56	\$0.24	\$0.52	\$0.08	\$0.07	\$0.65	\$4.21
Columbia County	\$0.24	\$0.44	\$0.51	\$0.32	\$0.52	\$0.56	\$0.24	\$0.48	\$0.08	\$0.06	\$0.62	\$4.07
Edgefield County	\$0.39	\$0.27	\$0.41	\$0.31	\$0.33	\$0.59	\$0.28	\$0.57	\$0.03	\$0.11	\$0.51	\$3.80
McDuffie County	\$0.24	\$0.44	\$0.51	\$0.32	\$0.52	\$0.56	\$0.24	\$0.48	\$0.08	\$0.06	\$0.62	\$4.07
North Augusta	\$0.39	\$0.30	\$0.41	\$0.31	\$0.33	\$0.61	\$0.29	\$0.64	\$0.03	\$0.11	\$0.51	\$3.93
Outlying Aiken County	\$0.40	\$0.34	\$0.41	\$0.31	\$0.33	\$0.62	\$0.29	\$0.70	\$0.03	\$0.11	\$0.52	\$4.06
South Richmond Co...	\$0.30	\$0.45	\$0.55	\$0.32	\$0.53	\$0.57	\$0.24	\$0.55	\$0.08	\$0.07	\$0.68	\$4.34

## 3 STAR EXPENSES PER SF (ANNUAL)

MARKET/CLUSTER	OPERATING EXPENSES								CAPITAL EXPENDITURES			TOTAL
	MGMT.	ADMIN.	PAYROLL	WATER	UTILITIES	MAINT.	INSURANCE	TAXES	APPLIANCE	STRUCTURAL	OTHER	
Augusta	\$0.38	\$0.46	\$0.57	\$0.33	\$0.52	\$0.60	\$0.25	\$0.69	\$0.08	\$0.09	\$0.72	\$4.69
Central Augusta	\$0.38	\$0.46	\$0.58	\$0.33	\$0.54	\$0.58	\$0.25	\$0.65	\$0.08	\$0.09	\$0.74	\$4.68
Columbia County	\$0.41	\$0.46	\$0.60	\$0.33	\$0.54	\$0.59	\$0.25	\$0.68	\$0.08	\$0.10	\$0.77	\$4.81
North Augusta	\$0.41	\$0.49	\$0.43	\$0.32	\$0.34	\$0.69	\$0.30	\$0.99	\$0.03	\$0.12	\$0.53	\$4.65
Outlying Aiken County	\$0.41	\$0.53	\$0.43	\$0.33	\$0.34	\$0.71	\$0.30	\$1.08	\$0.03	\$0.12	\$0.54	\$4.82
South Richmond Co...	\$0.38	\$0.46	\$0.59	\$0.33	\$0.54	\$0.58	\$0.25	\$0.65	\$0.08	\$0.09	\$0.75	\$4.70

## 5 STAR EXPENSES PER SF (ANNUAL)

MARKET/CLUSTER	OPERATING EXPENSES								CAPITAL EXPENDITURES			TOTAL
	MGMT.	ADMIN.	PAYROLL	WATER	UTILITIES	MAINT.	INSURANCE	TAXES	APPLIANCE	STRUCTURAL	OTHER	
Augusta	\$0.44	\$0.69	\$0.61	\$0.43	\$0.63	\$0.96	\$0.27	\$0.90	\$0.08	\$0.13	\$0.76	\$5.90
Central Augusta	\$0.43	\$0.70	\$0.64	\$0.43	\$0.64	\$0.92	\$0.26	\$0.74	\$0.09	\$0.13	\$0.80	\$5.78
Columbia County	\$0.47	\$0.78	\$0.66	\$0.54	\$0.66	\$1.05	\$0.27	\$1.19	\$0.09	\$0.14	\$0.81	\$6.66
Outlying Aiken County	\$0.43	\$0.58	\$0.45	\$0.34	\$0.52	\$1.06	\$0.32	\$1.22	\$0.04	\$0.12	\$0.57	\$5.65

## SUBMARKET SALES TRENDS

SUBMARKET NAME	SALES VOLUME	TRANSACTIONS	TRANSACTIONED UNITS	AVG UNITS	MKT CAP RATE	MKT SALE PRICE/UNIT
Central Augusta	\$125,607,000	19	2,101	111	5.90%	\$107,898
Columbia County	\$95,592,000	2	516	258	5.80%	\$138,456
South Richmond County	\$49,422,000	7	625	89	6.30%	\$84,032
Outlying Aiken County	\$44,000,000	3	574	191	6.30%	\$97,686
North Augusta	\$18,900,000	2	206	103	6.10%	\$124,015
McDuffie County	-	1	10	10	8.30%	\$43,610

## UNDER CONSTRUCTION

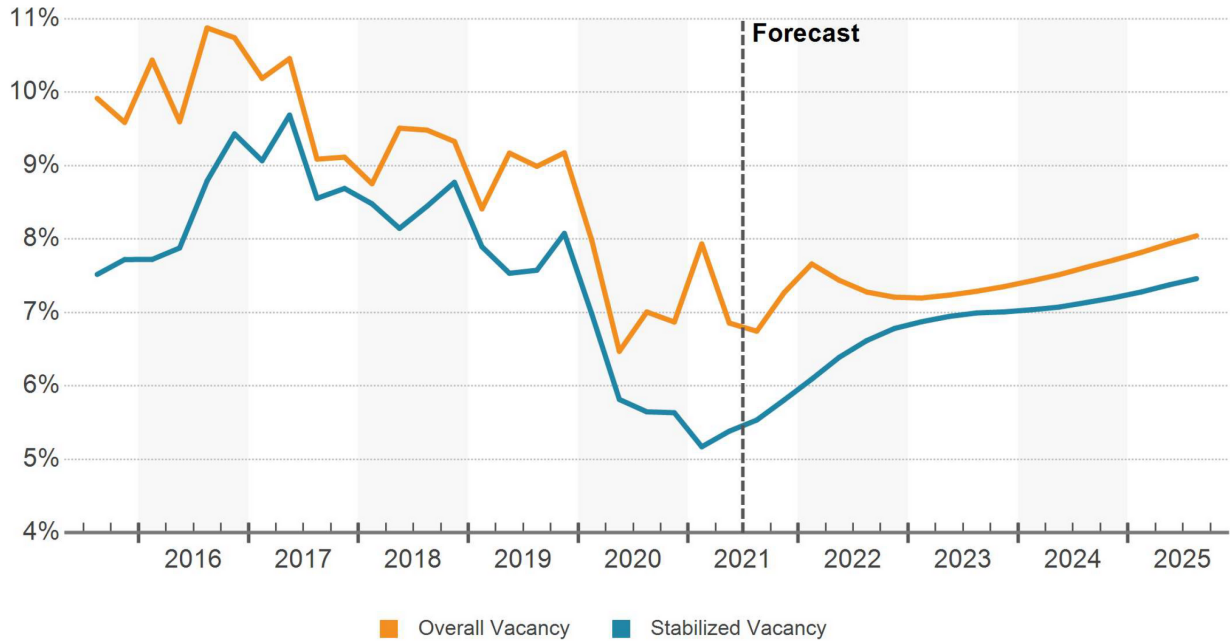
PROPERTY NAME/ADDRESS	RATING	UNITS	STORIES	START	COMPLETE	DEVELOPER/OWNER
The Heron at River Island 600 Grand Oaks Way	***	274	2	Jan-20	Oct-21	Southeastern Development
Horizon Ridge Apartments 1010 Horizon Ridge Dr	**	240	1	Dec-19	Oct-21	Cogency Global, Inc.
The Row 183 Slaton St	****	160	-	Jan-21	Dec-21	Slaton St Property LLC
Millhouse Station 636 11th St	****	155	-	Aug-20	Sep-21	Ivey Residential LLC

## NEW CONSTRUCTION

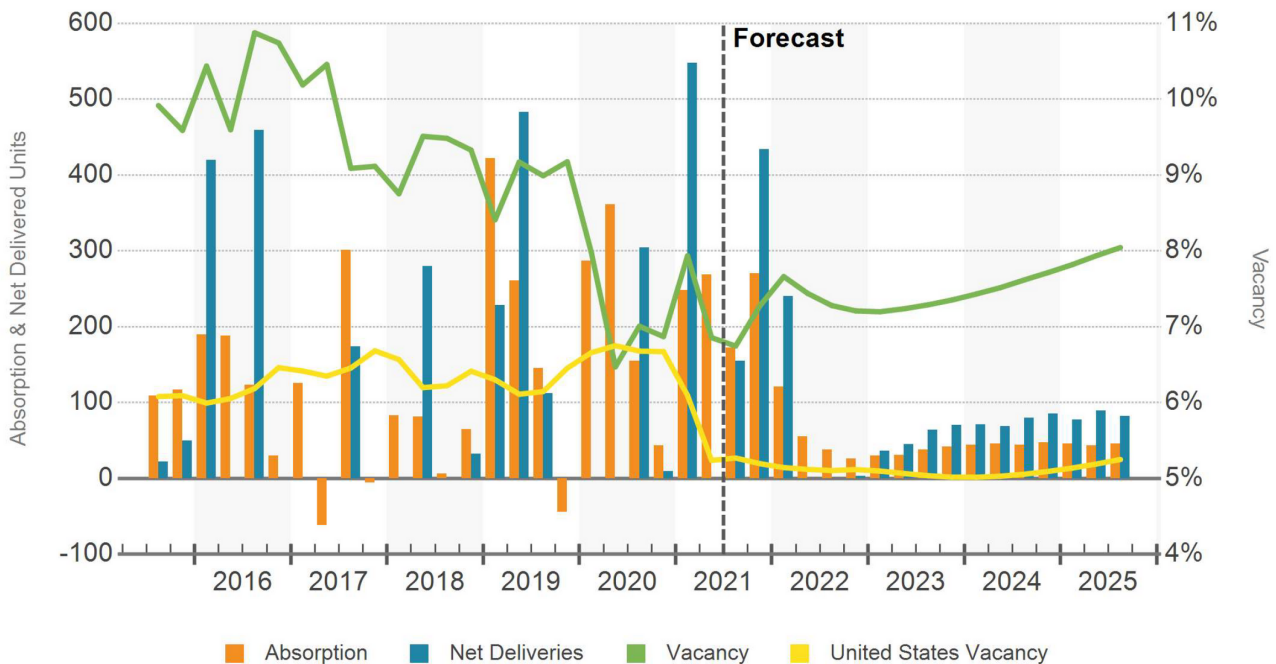
NO.	SUBMARKET	UNDER CONSTRUCTION INVENTORY						AVERAGE BUILDING SIZE	
		BLDGS	SF (000)	PRE-LEASED SF (000)	PRE-LEASED %	RANK	ALL EXISTING	UNDER CONSTR	
1	Outlying Columbia County	1	2,700	2,700	100%	1	45,435	2,700,000	
2	Burke County	0	-	-	-	-	108,008	-	
3	Downtown Augusta	0	-	-	-	-	17,135	-	
4	Edgefield County	0	-	-	-	-	77,437	-	
5	Evans/Martinez	0	-	-	-	-	11,526	-	
6	McDuffie County	0	-	-	-	-	54,959	-	
7	North Augusta	0	-	-	-	-	19,468	-	
8	North Richmond County	0	-	-	-	-	12,851	-	
9	Outlying Aiken County	0	-	-	-	-	80,077	-	
10	South Richmond County	0	-	-	-	-	38,019	-	
	Totals	1	2,700	2,700	100%		39,148	2,700,000	

# SALES DATA

## OVERALL AND STABILIZED VACANCY



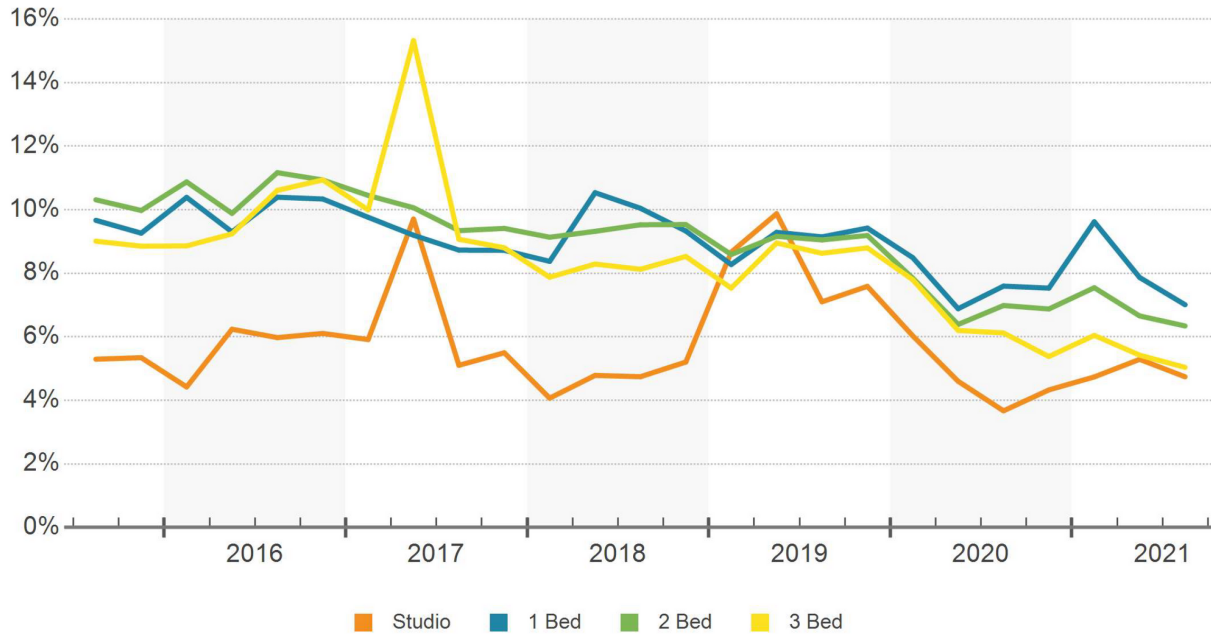
## ABSORPTION, NET DELIVERIES AND VACANCY



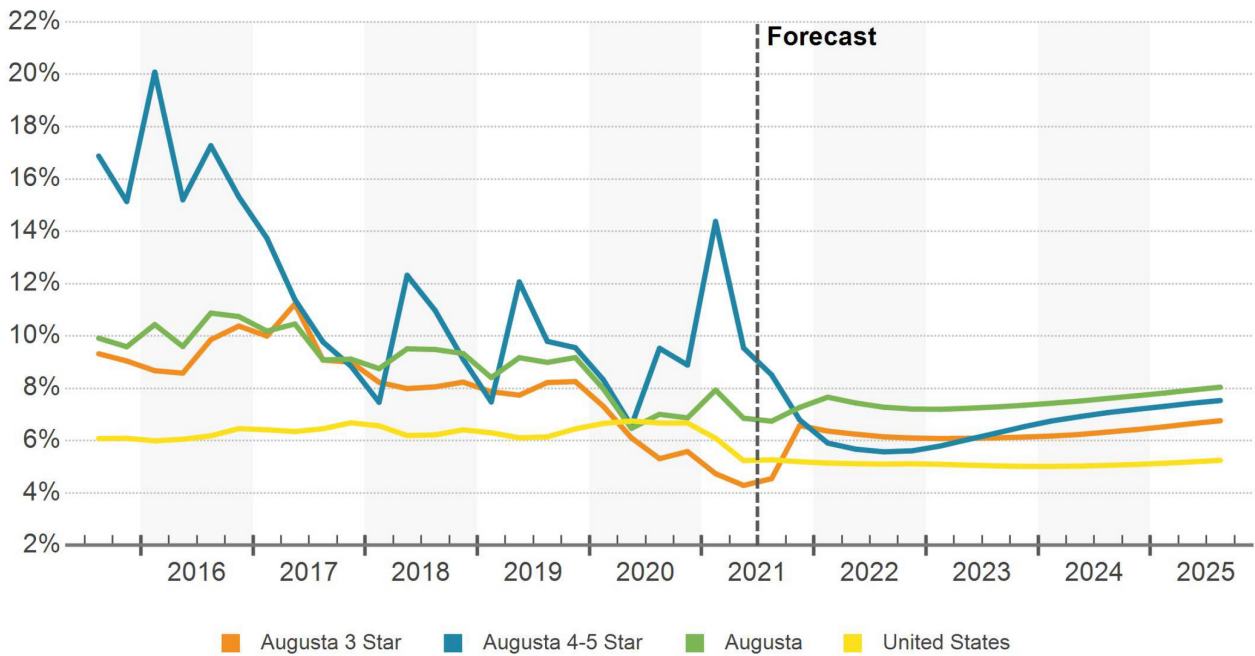
\*Data compiled by John Eckley is a mix of proprietary data and data gathered from Costar.com

# DISTRIBUTION ANALYSIS

## VACANCY BY BEDROOM



## VACANCY RATE

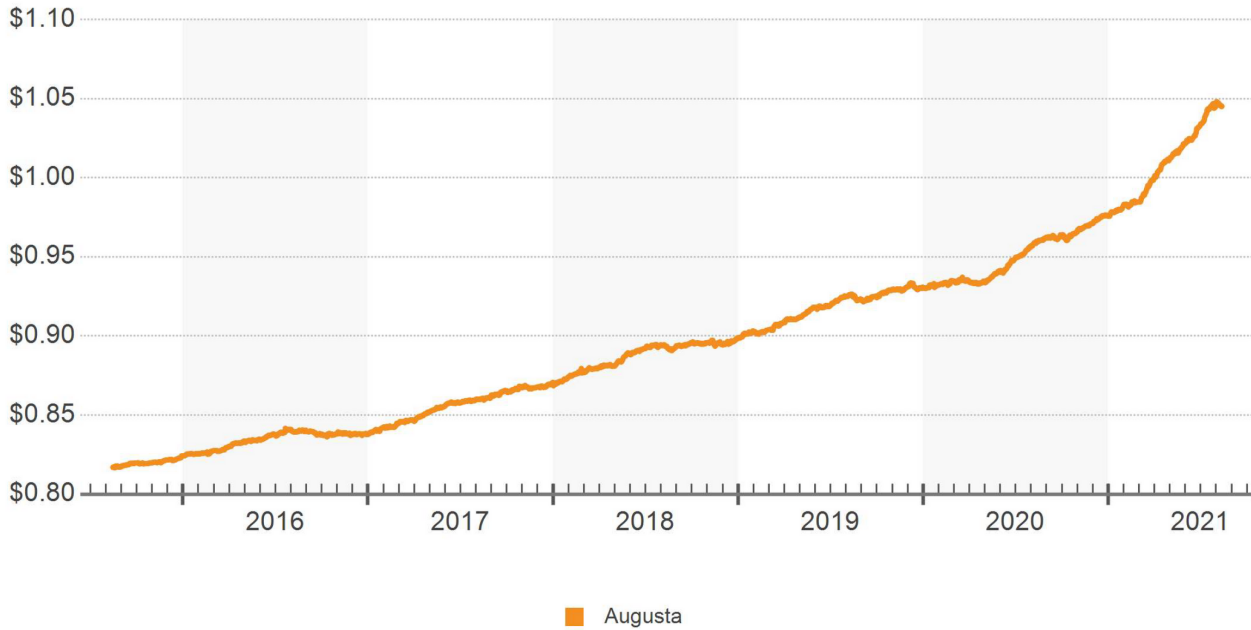


\*Data compiled by John Eckley is a mix of proprietary data and data gathered from Costar.com

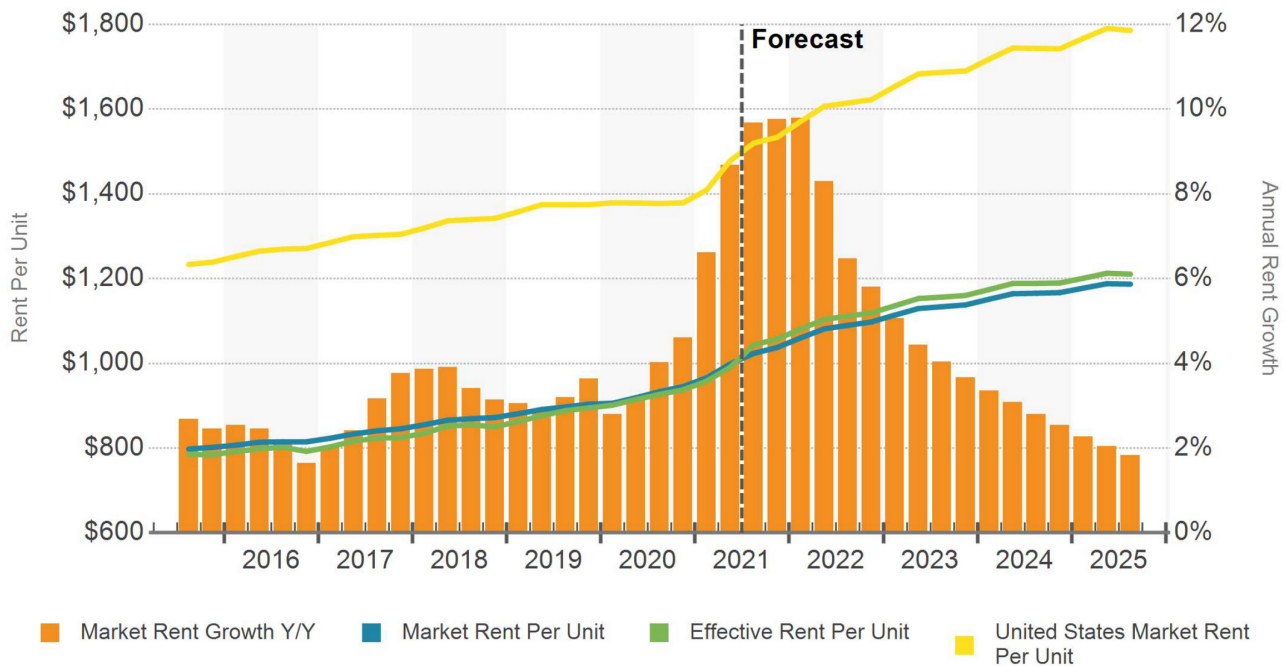


# SALES TIMEFRAMES

## DAILY ASKING RENT PER SF



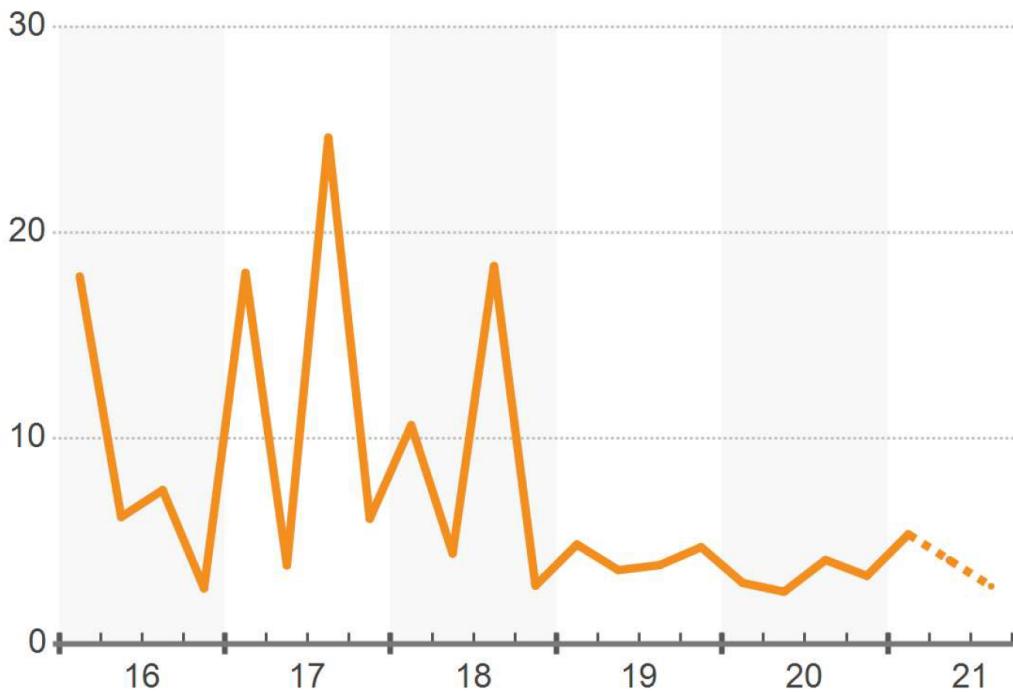
## MARKET RENT PER UNIT & RENT GROWTH



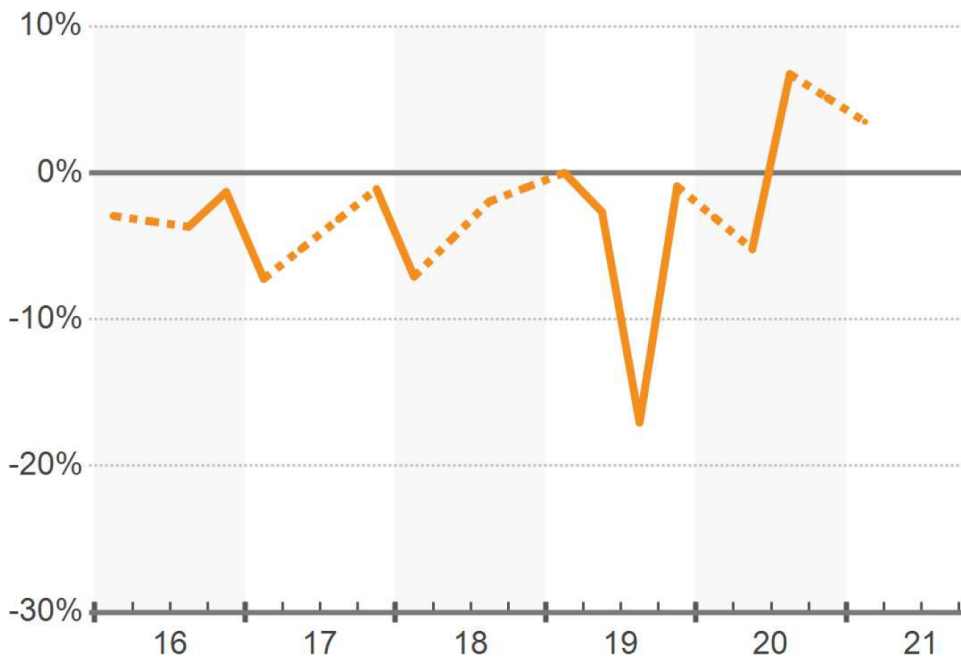
\*Data compiled by John Eckley is a mix of proprietary data and data gathered from Costar.com

# SELLING YOUR PROPERTY

## MONTHS TO SALE



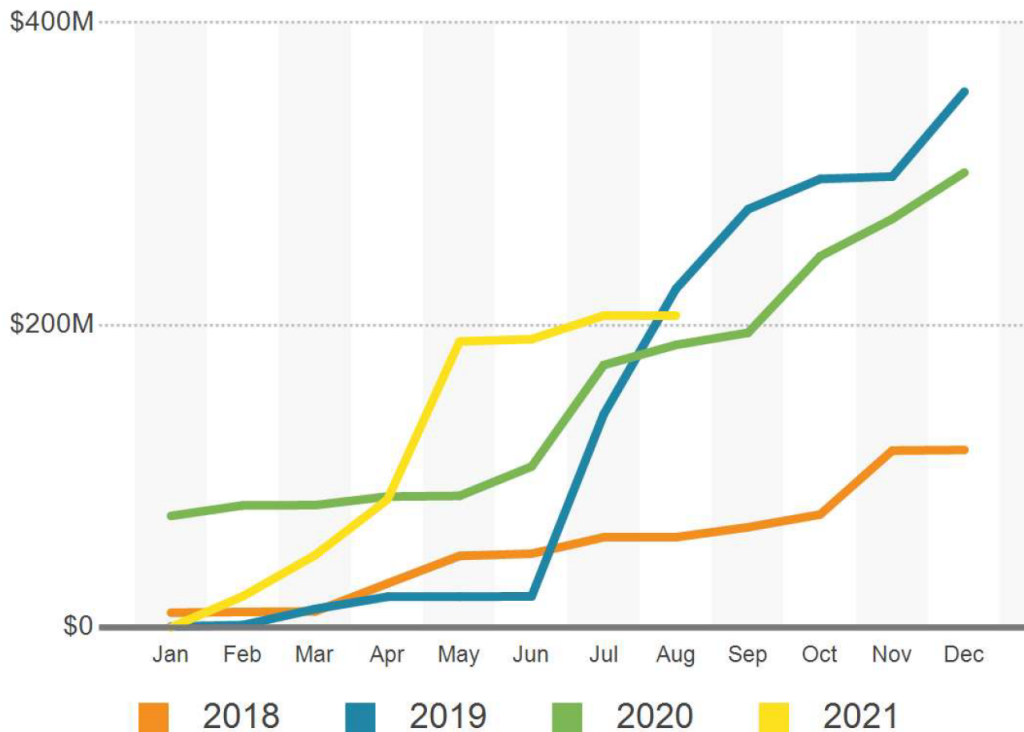
## SALE TO ASKING PRICE DIFFERENTIAL



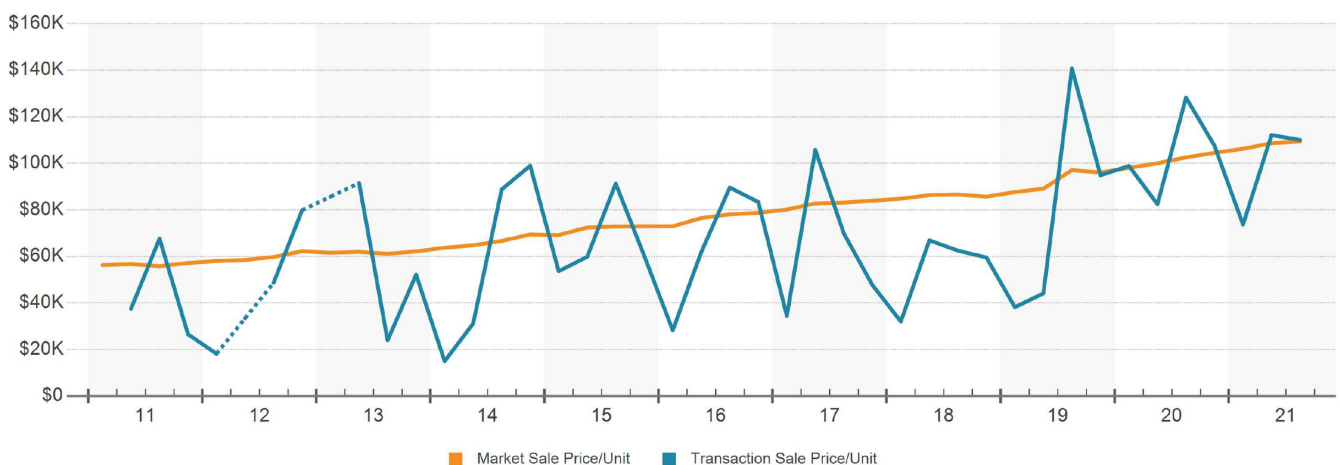
\*Data compiled by John Eckley is a mix of proprietary data and data gathered from Costar.com

# SALES ANALYSIS

## CUMULATIVE SALES VOLUME BY YEAR



## MARKET SALE PRICE & TRANSACTION PRICE PER UNIT



\*Data compiled by John Eckley is a mix of proprietary data and data gathered from Costar.com

## ADVISOR BIO

### Jonathan Aceves, CCIM, MBA

Jonathan serves as a Commercial Sales and Leasing Advisor with Meybohm Commercial. Originally licensed in 2005, Jonathan specializes in downtown development, portfolio planning, multifamily brokerage, and land & site selection. Jonathan's portfolio planning has mostly centered around advising owners with portfolios of commercial properties regarding sales and 1031 exchanges, along with underwriting potential transactions.

Jonathan has worked extensively in Site Selection and Commercial Land Brokerage. Notable site selection clients include Domino's Pizza, SRP Federal Credit Union, Hardees, Popeyes, Whit's Frozen Custard, and many others. Jonathan's approach to site selection differs to that of many of his competitors in that he starts from a list of all potential sites, rather than simply on-market sites. This tends to be more work but has led to finding off-market ideal locations for his clients. Jonathan also focuses on Multifamily brokerage, with his track record including numerous downtown duplexes and quads, along with Cedar Pines Apartments and Ridgewood Apartments. His approach with multifamily is to reduce the work required by a buyer to underwrite—leading to faster sales and higher prices. He also works to justify the pricing to proactively deal with potential appraisal issues, which he encounters frequently as many of his sales are well above market price.

Prior to working in Commercial Real Estate, Jonathan served as the CFO of Christ Community Health Services for 6 years, overseeing finance and operations for a community health center employing 60 staff and serving over 20,000 patients annually. He was responsible for financial modeling, annual budgeting, and compliance, along with HR & IT.

Jonathan received his CCIM designation in 2020. He earned his BBA and MBA from Augusta University. Jonathan lives in Downtown Augusta in the Olde Town neighborhood with his wife and five children. He has lived in Augusta for over 20 years, has served as a deacon at First Presbyterian Church, and is an active part of the Olde Town Neighborhood Association.

In his spare time, Jonathan enjoys reading, cycling, and spending time with his kids.



## ADVISOR BIO

### John Eckley, MBA, Civil Eng.

Consultative, client-focused and analytical, John is an industrial and commercial advisor for Meybohm Commercial, where his aim is to guide clients in accomplishing their greater collective financial goals, through portfolio planning, deal analysis and excellent client service.

John earned his MBA and civil engineering degrees from Clemson University and is in the final stages of pursuing his CCIM (Certified Commercial Investment Member) designation. It's a combination of experience held by only John and his team member Jonathan Aceves in the Augusta market. John's extensive experience and training in solving real-world problems are what direct him in developing client strategies for real estate investments. John's specialties include industrial warehouse and flex-space properties, land & site selection, and general commercial work. He also partners with clients on their 1031 exchanges and sale-leasebacks and serves the medical community for both investment and office needs. His approach is unique, because it combines his process-oriented, engineering brain with his interest in developing strong relationships with clients. He accomplishes this through a deep conviction that any client's goal or need is his own, and that ultimately they are to be treated to a level of service that he would want himself or a near family member to experience. "At a high level, I am passionate about helping owners and business leaders accomplish their greater goals through strategic decision making and relish the opportunity to serve them as a valued member of their greater financial team, especially as it relates to real estate." John was named to the Meybohm Presidents Club 2020, and his team received the 2020 Commercial Elite Agents of the Year – Silver for Meybohm Commercial. In his previous roles, John provided consultation and marketing services to small businesses and managed a team of training experts at Augusta University. John and his family have a particular love for downtown Augusta, having built the first new home in the Olde Town neighborhood in several generations. He and his wife Sarah, three sons, Sanders, Luke and Daniel, and daughter Anna Patten, have made their home in Olde Town for the past nine years.

John is also a member and deacon at First Presbyterian Church in downtown Augusta. He serves as treasurer of the Olde Town Neighborhood Association, is a member of the Heritage Academy Junior Board, and serves on the board of directors for Saving Grace in Uganda, a street children's ministry in East Africa.



## ADVISOR BIO

### Danielle Meikratz

Danielle has long been part of the transformation of downtown Augusta as a renter, homeowner, renovator, multifamily property owner and investor—and her passion and experience give her an advantage and view beyond that of many other agents. As an agent at Meybohm Commercial, Danielle works with buyers, sellers and investors. She earned the Greater Augusta Association of REALTORS’ “Quickest Closed Property for a New REALTOR” recognition in 2020 and was named to the Meybohm Presidents Club 2020. Her team received the 2020 Commercial Elite Agents of the Year – Silver for Meybohm Commercial. “My first priority is to make clients happy. I listen to my clients' wants and needs to achieve the best outcome in every transaction and strive to ensure that the buying or selling process is fun, easy, and stress-free. My clients can count on me any time of day when they have a question or a concern.” Danielle’s other projects include downtownaugustarentals.com, a property management company she launched for renters and investors focused on the Olde Town, Harrisburg and Summerville neighborhoods. She also manages a short-term rental business managing Airbnbs and offers staging for homes for sale or Airbnbs. Before working in real estate, Danielle led branding, marketing, and merchandising for a retail business and provided financial services to a Massachusetts wealth management firm, among other roles. The first thing you’ll notice about Danielle is her red hair and big smile. Originally from Augusta, she has spent time in Boston where she learned to live life a little out of the box, which has led her to a career where she is energized by the clients she works with and the excitement that real estate offers. During her time up North, she also fell in love with three things: Being a problem solver and facing challenges, Boston sports, and her husband—and two out of the three are still going strong today. She and her husband, Chris, live in downtown Augusta’s Olde Town neighborhood with their children, Mary Stewart, Charlie and Willa.



# 1515 Stoval Court

6-Unit Multifamily  
Augusta, GA



## 1) CLIENT CHALLENGE

Garden City Capital had decided to sell their portfolio, but didn't quite know how to do that. The partners, having substantial commercial real estate experience, took the portfolio to market with mixed feedback. There were three assets and a total of 14 units. They were frustrated with how management-intensive the properties were and wanted to sell them for top dollar.

## 2) HOW WE TOOK ACTION

We advised them to break the portfolio. Although simpler for a broker, generally there are more buyers for smaller dollar amounts and the financing is more favorable. The first property for taken to market was 1515 Stoval - a 6-unit property that had been recently renovated, and located not far from the local university. We pulled together a comprehensive marketing package, targeting out-of-town buyers from markets like California and New York, focusing on clean financials and high-quality photography.

## 3) VALUE-ADDED RESULTS

We emailed the property out to our extensive mailing list of prospective buyers and listed across all of the major commercial real estate listing platforms including Costar/Loopnet and Crexi. Our efforts resulted in full-price offer on the first weekend the property was listed. The buyer was from out of state, in the midst of a 1031-exchange, and using cash to purchase. We helped navigate the sale through the inspections process, mitigated appraisal risk by negotiating an appraisal waiver in lieu of repairs, and negotiated repairs with no reduction in price, resulting in a close with no complications.

**JONATHAN ACEVES, CCIM, MBA**

COMMERCIAL ADVISOR

P: 706.294.1757 (DIRECT)

E: JACEVES@MEYBOHM.COM

WWW.MEYBOHMCOMMERCIAL.COM



REACH ME DIRECTLY  
TO DISCUSS THE  
WAYS  
WE CAN HELP YOU  
MAXIMIZE YOUR  
RETURN ON YOUR  
MULTIFAMILY  
INVESTMENT



# HOW WE HELP OUR CLIENTS

## LOCAL EXPERTISE MEETS ADVANCED DATA & MARKETING

### DATA-DRIVEN DECISION-MAKING

The numbers speak for themselves and we dig deep to understand ROI/IRR, so you can know the best course given the data

### TOP-OF-MARKET LISTING PRESENTATION

We aim to present all of our listings in a manner that allows the highest and best user to understand if they should be interested in a matter of seconds.

### SEGMENTED, DETERMINED MARKETING

Augusta's largest team of commercial brokers is also the areas most sophisticated real estate marketers. We collect, target and market our listings.

### EXPERIENCED NEGOTIATORS/DEAL-MAKERS

We negotiated on behalf of our clients, making sure their best interests are closely guarded, while creatively working with others to get deals done!

### BUSINESS-MINDED EXPERTISE

We are a team of CCIM-educated brokers with MBAs and with experience running our own businesses

### ASSET-CLASS-FOCUSED

Being connected to the buyers, sellers, landlords and tenants, and understanding your particular type of asset matters. We are team of brokers with specific asset-type focus.