Noell Consulting Group
Marketunistic Real Estate Advice

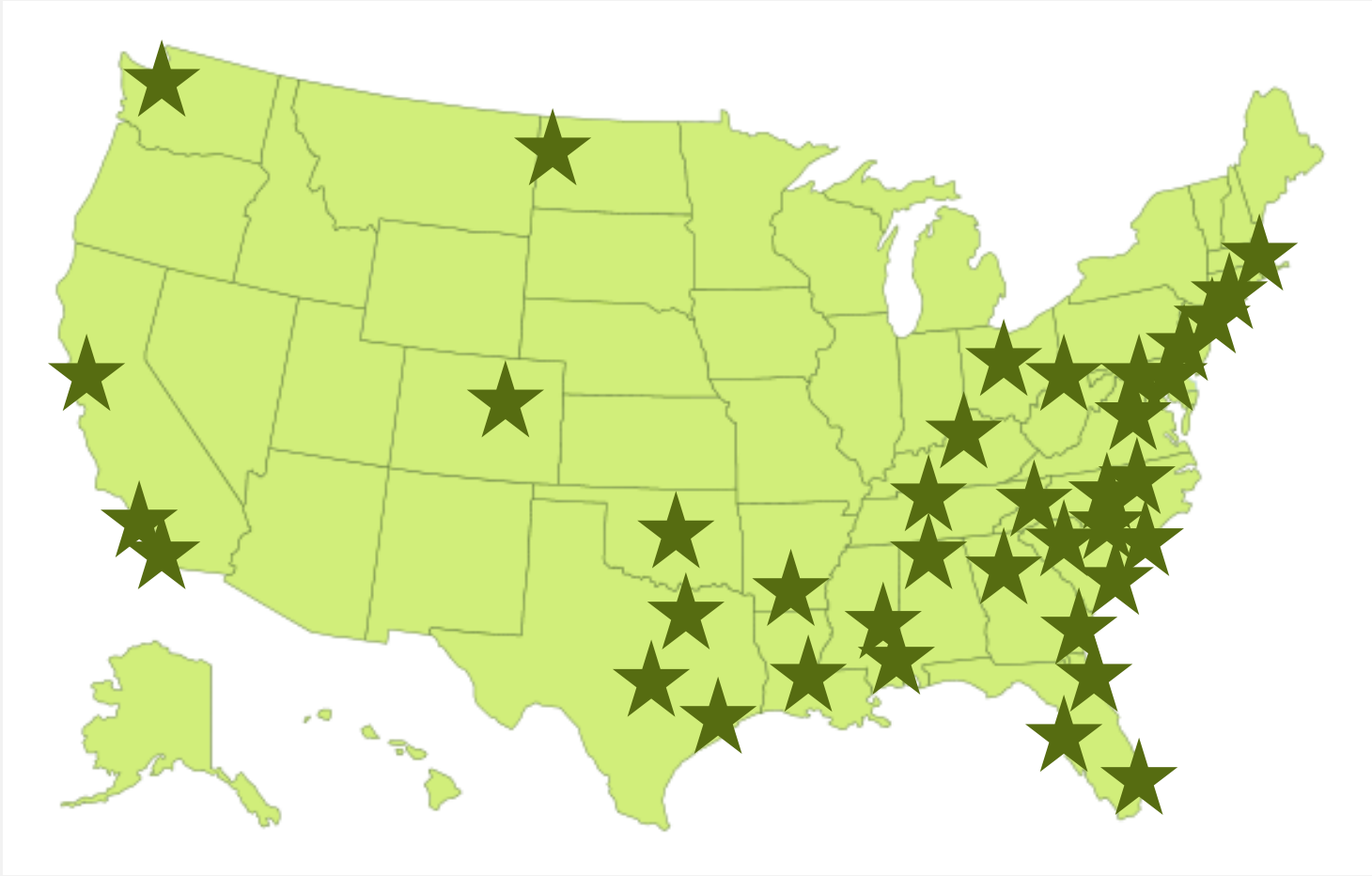
DEVELOPING DOWNTOWN: HITTING THE MARKET RIGHT

CONTACT | 404.681.0006 noellconsulting.com

WHO WE ARE…

- We are a boutique, Atlanta-based real estate advisory services firm.
- Formed in 2008 to provide private and public sector clients with strategic real estate advisement.
- Provide advice that is "Marketunistic" market-based, yet opportunistic – in perspective.
- Conduct approximately 200 studies per year across all land uses.

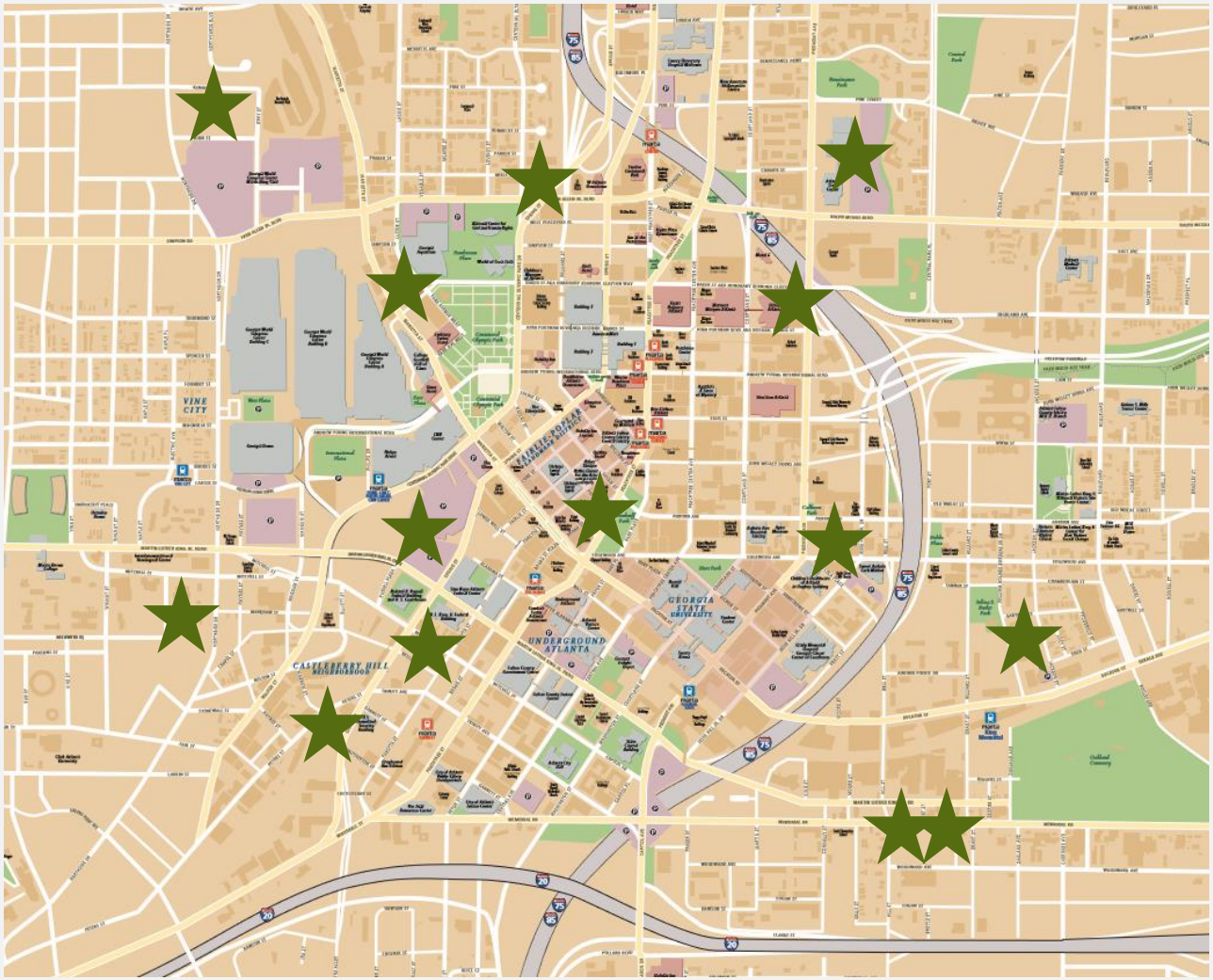
ACTIVE MARKETS



OUR CLIENTS

The JBG Companies
Grosvenor
Kettler
Inspiration. From the ground up.
Jamestown
Portman Holdings
Integrity | Proven Results
Tribridge
Residential
Urban Realty | Partners
Vornado
Charles E. Smith
Alliance
Residential Company
LeFrak Organization
OliverMcMillan
OM
Greystar
Jair Lynch
Development Partners
40 Years
Lowe
Enterprises
Aimco
Foulger-Pratt
Southeast Capital Companies
Oppenheimer
B. F. Saul Company
ForestCity
TCR
Trammell Crow Residential
The Neighborhoods of
EYA
life within walking distance®
Trammell Crow Company
Comstock Homes
Worthy of the Investment™
rom
Living
MRP | Realty
Toll Brothers
America's Luxury Home Builder®
UDR
the NRP group LLC
Rockwood
Capital
Hilton
Worldwide
McCaffery
Interests
Paces
Properties
PN Hoffman
Transwestern®
The Performance Advantage in Real Estate
PRP
Real Estate Investment Management
Federal Realty
Investment Trust
The Carlyle Group
M/I Homes
Move Up
EastBanc
Bozzuto
Charlotte
CBL
CBL & Associates Properties, Inc.
Hines

DOWNTOWN ATLANTA EXPERIENCE THIS CYCLE



NATIONAL TRENDS & ATLANTA GRADES

- Rental cycle slowing
- Greater product segmentation
  - Unit size/configuration:
    - Micro units and real studios
    - Value alternatives: junior one and junior two bedrooms
    - Empty Nester Units
  - Market Audience
    - Gen Y/Hipster buildings
    - Empty Nester Targeted – including 55+
  - Building Size/Location
    - Near jobs but not just in CBDs – more neighborhood
    - Boutique unit counts under 150 units

ATLANTA

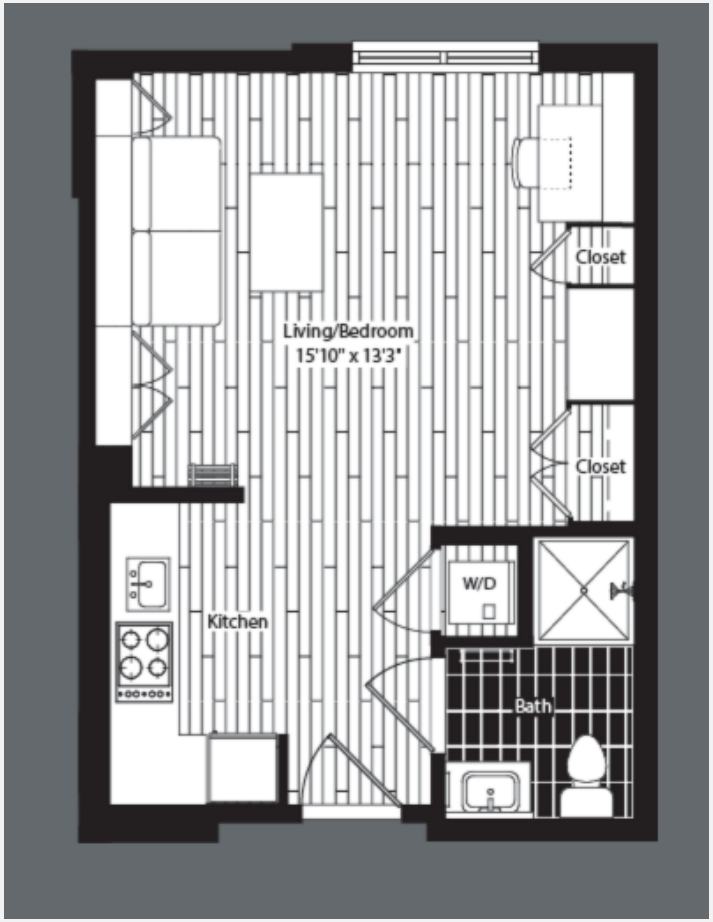
C
Very few examples

B
Just starting

A-
Forced into this, BeltLine a big driver

MICRO UNITS

385 SF

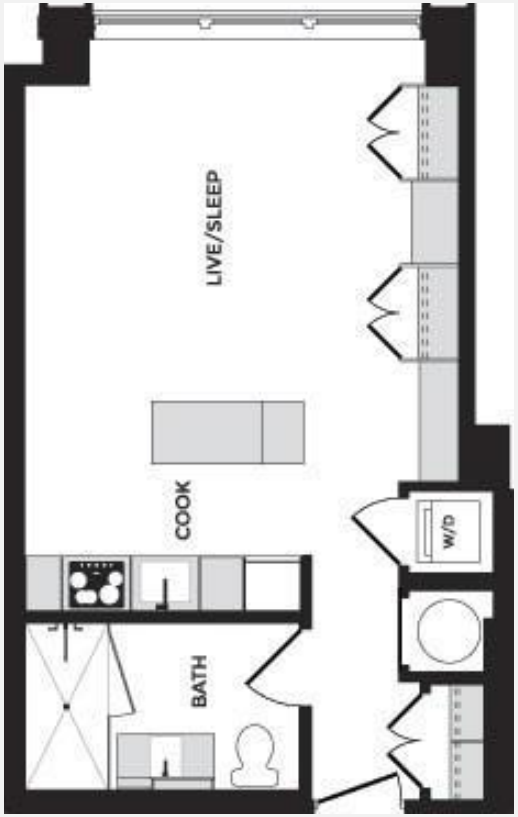


360 SF

STUDIOS

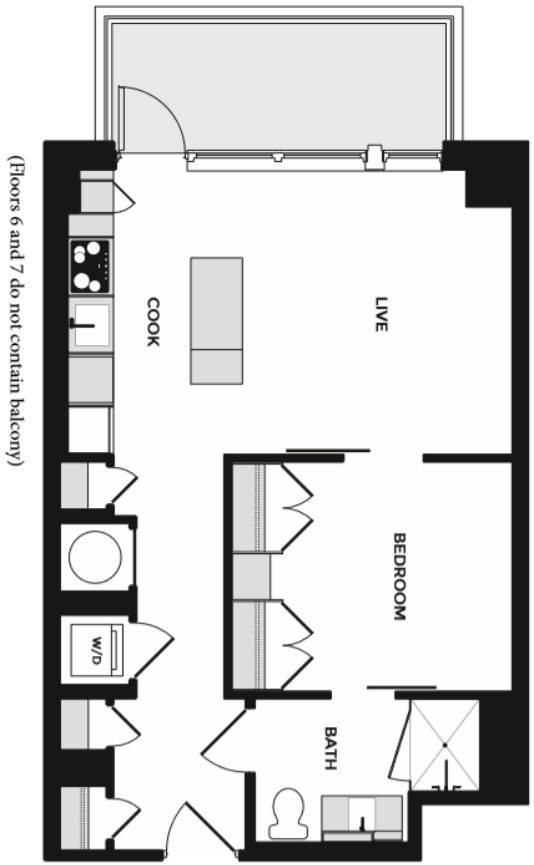
Atlanta - 648 SF

DC - 473 SF

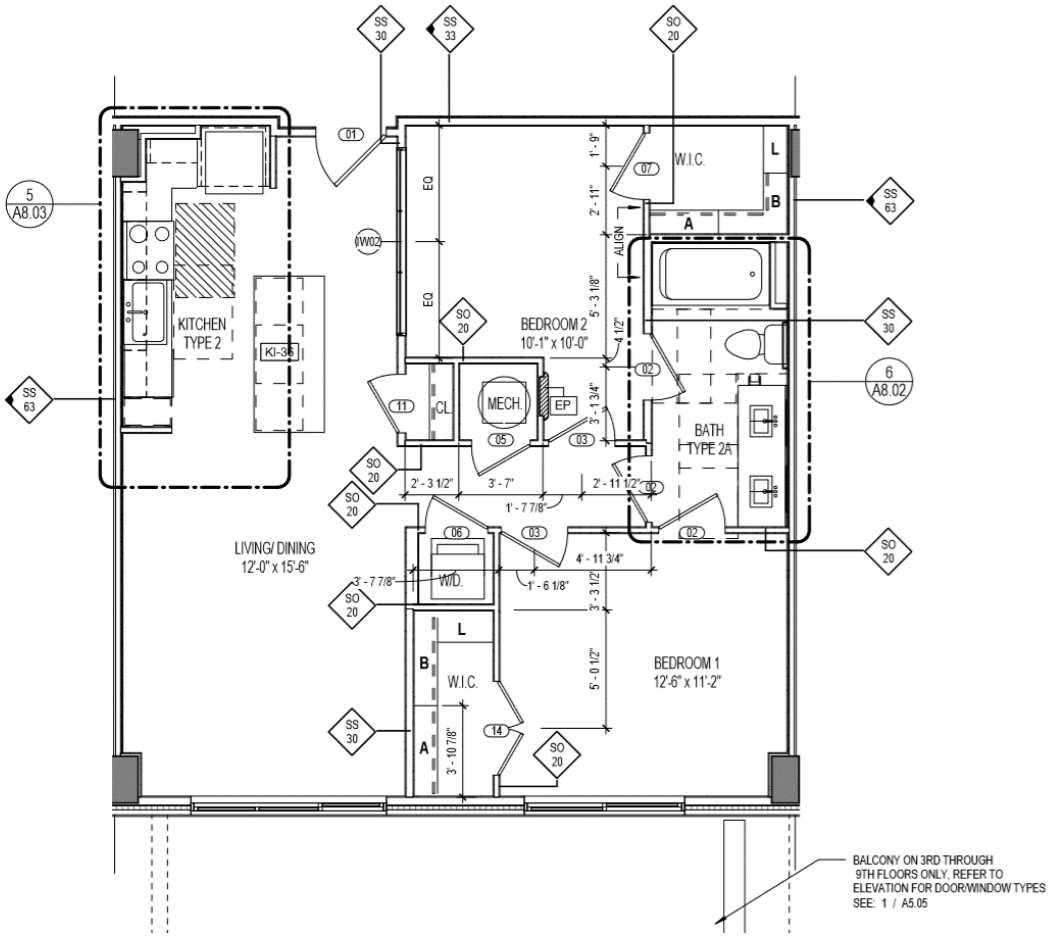


JUNIOR WHAT?

586 SF JR 1 Bd



858 SF JR 2 Bd



EMPTY NESTER UNIT

1,613 SF Two Bed/Den

NATIONAL TRENDS & ATLANTA GRADES

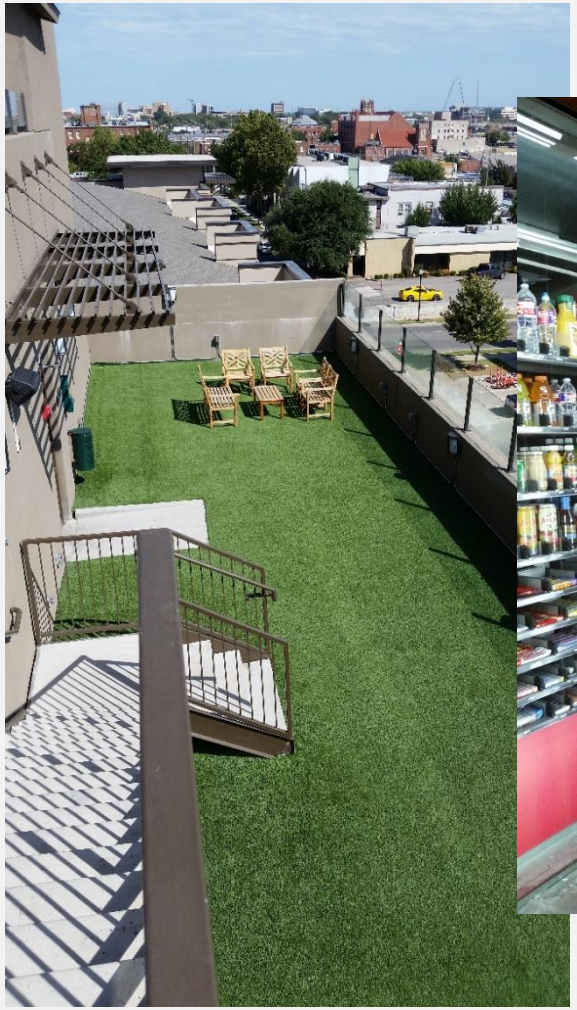
- **Amenity Wars**
  - Fully amenitized means more today then ever
    - Beyond just pool, clubroom, and fitness center
      - Rooftop terrace, pet spa, dog run, bicycle storage and repair room, yoga room, outdoor fitness, package/dry-cleaning/grocery concierge, fully integrated retail

A-
Fairly strong but as a follower market

  - Skip the amenities for value
    - Let the location be the amenity and strip down the rest for absolute affordability

C
Only 1 or 2 examples

MODERN AMENITY EXAMPLES



STRIPPED DOWN AMENITIES

- The Harper in DC
  - Clubroom, small gym, small terrace

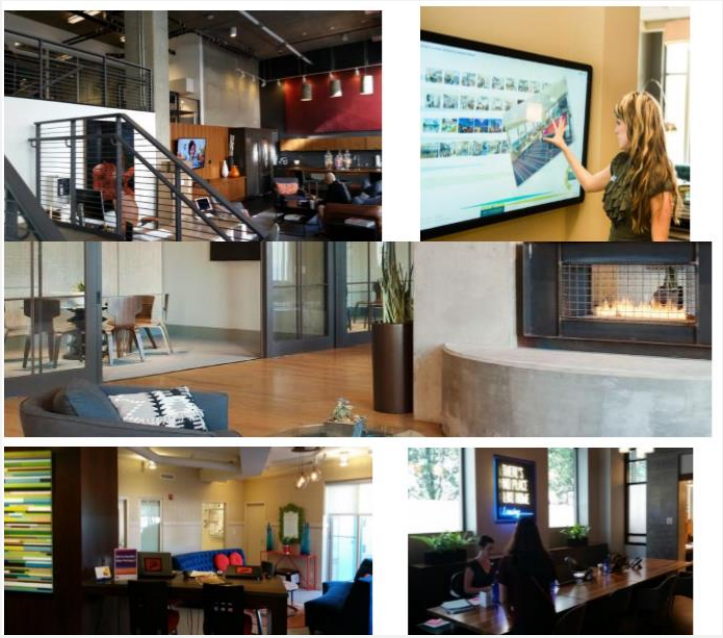
- The Leonard
  - Small gym, bus. center, outdoor courtyard, dog spa

NATIONAL TRENDS

- **Customer Experience**
  - Truly focusing on the customer's impression from the website, signage, to the parking, lobby, leasing center, model unit, amenity tour, follow-up, etc.

A

Good with national and regional players



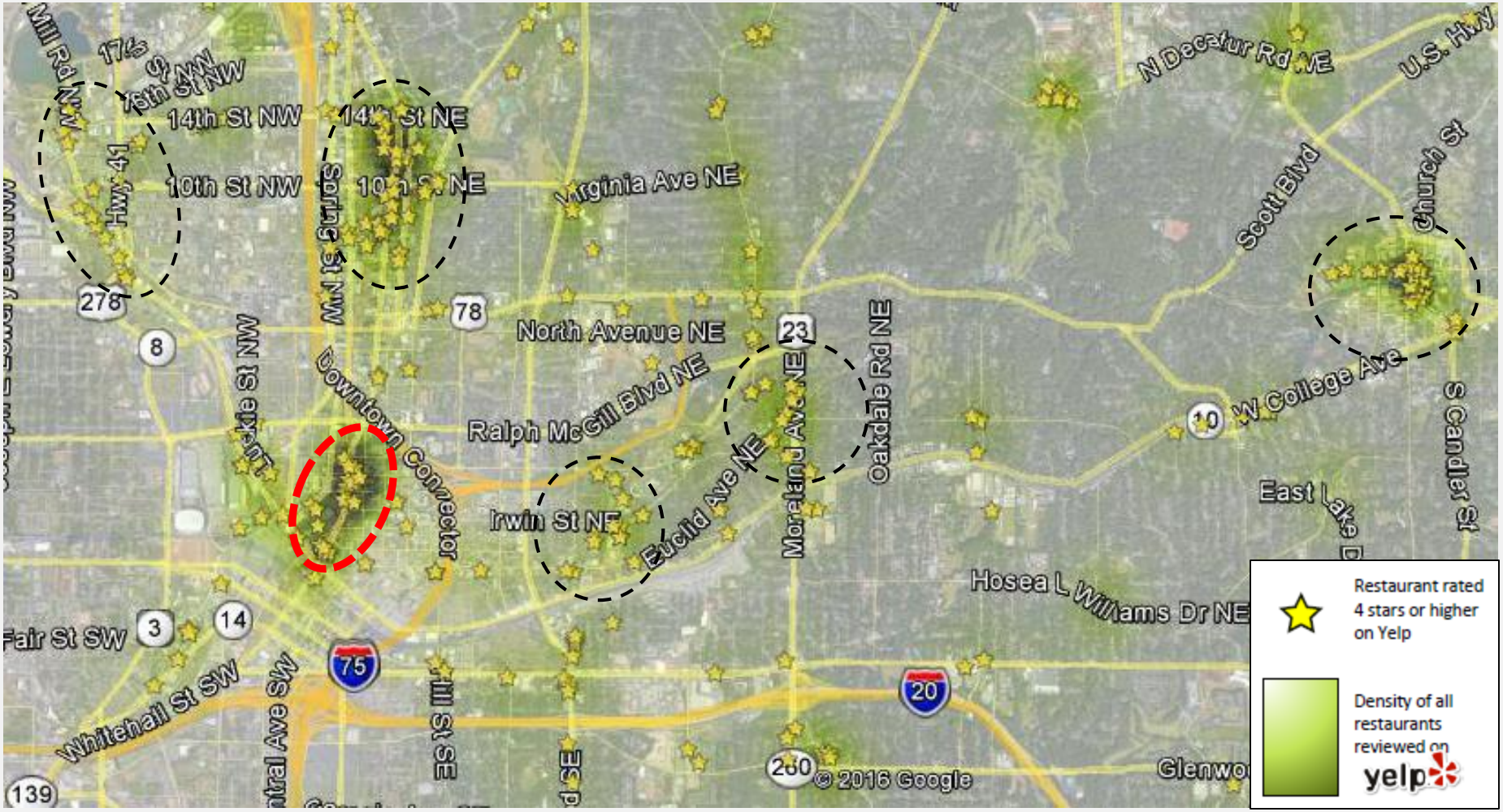
NATIONAL TRENDS & ATLANTA GRADES

- **Affordable Urban For-Sale Product**
  - 14’ and 16’ wide urban townhomes
  - Stacked townhomes
  - Accessory dwelling/English basements/tiny homes

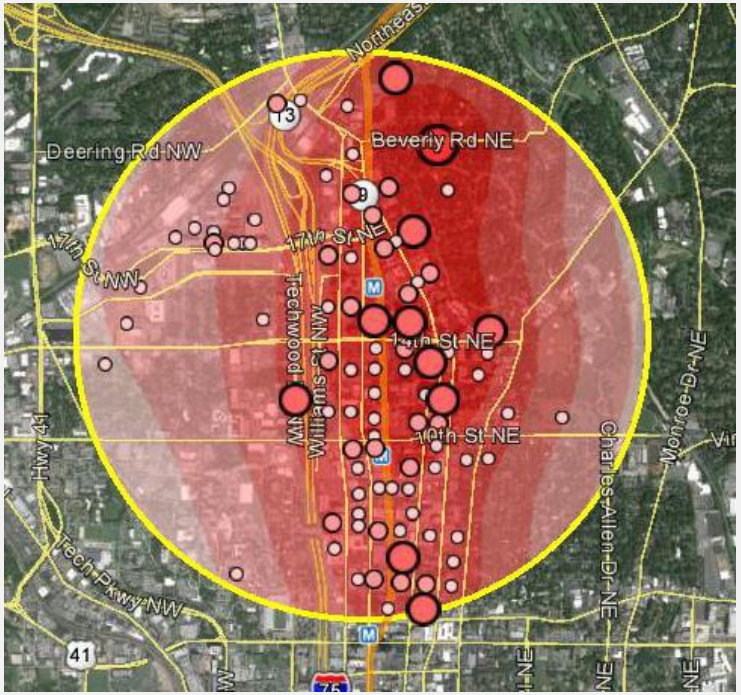
C

Just starting with niche TH deals

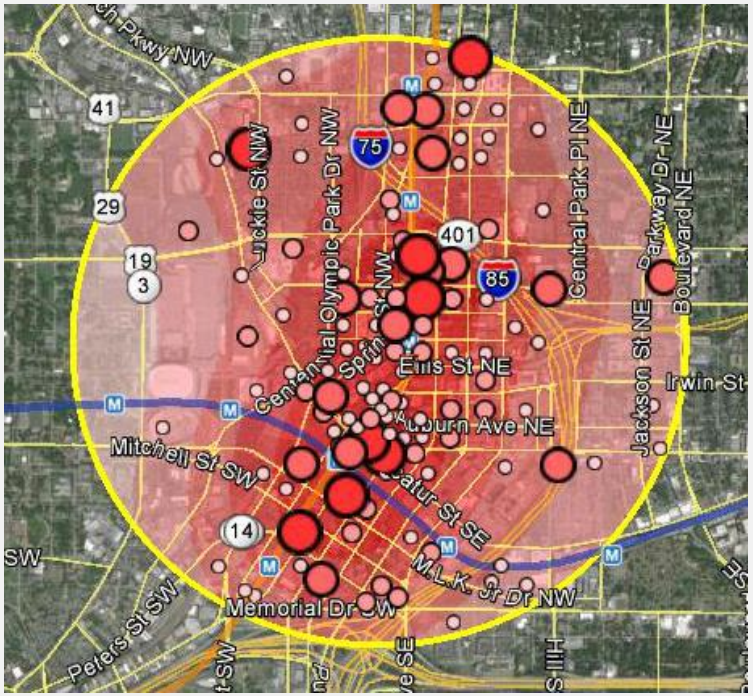
DOWNTOWN FUNDAMENTALS - DINING



WHITE COLLAR JOB COMPARISON

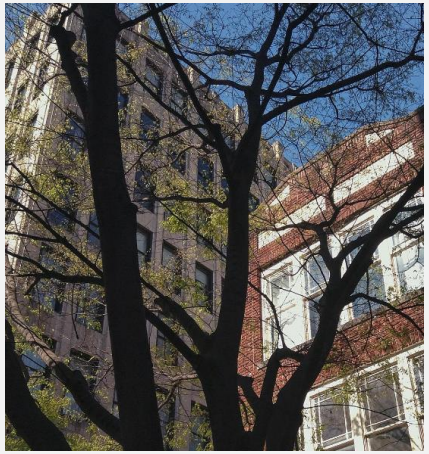


- **Midtown**
  - 41,930 Jobs Over $40,000/year (2014)

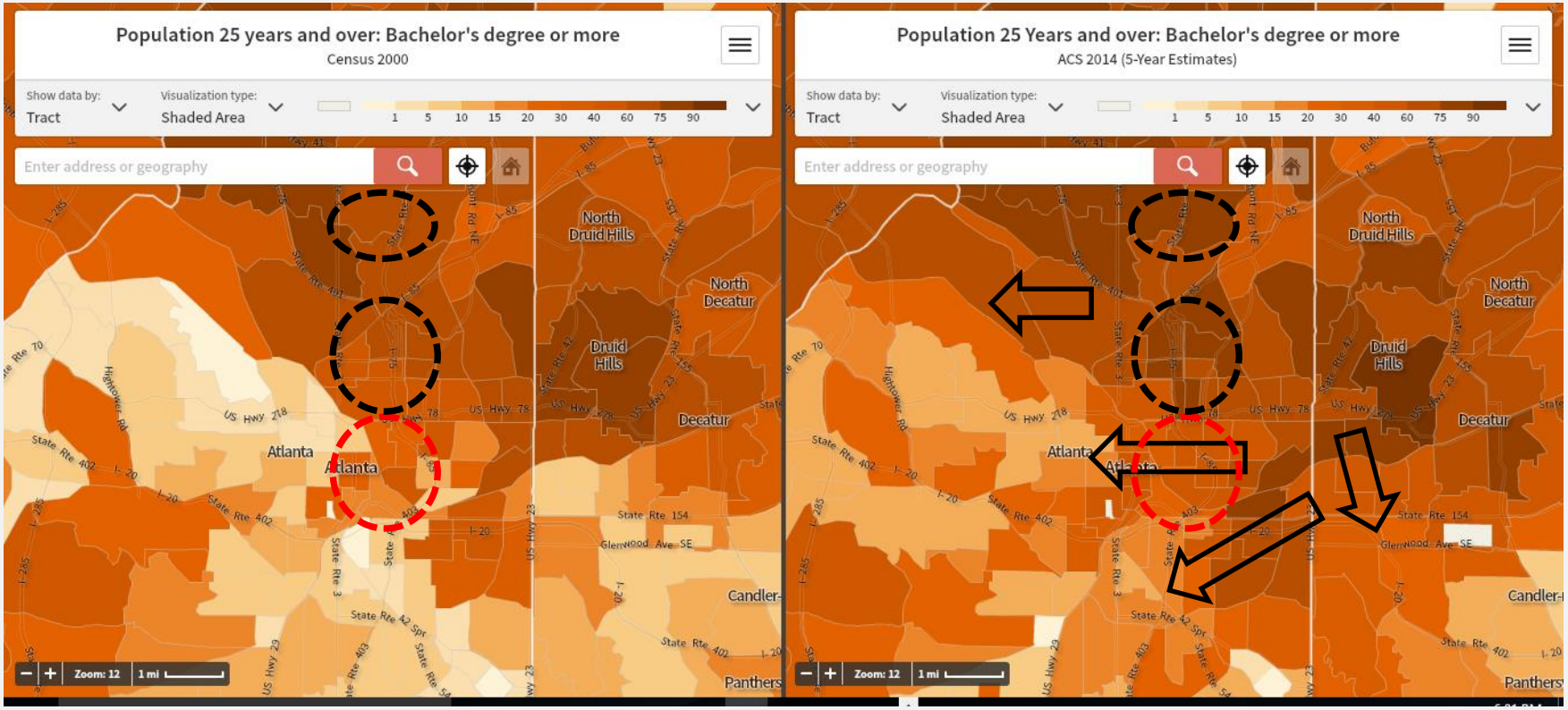


- **Downtown**
  - 73,646 Jobs Over $40,000/year (2014)

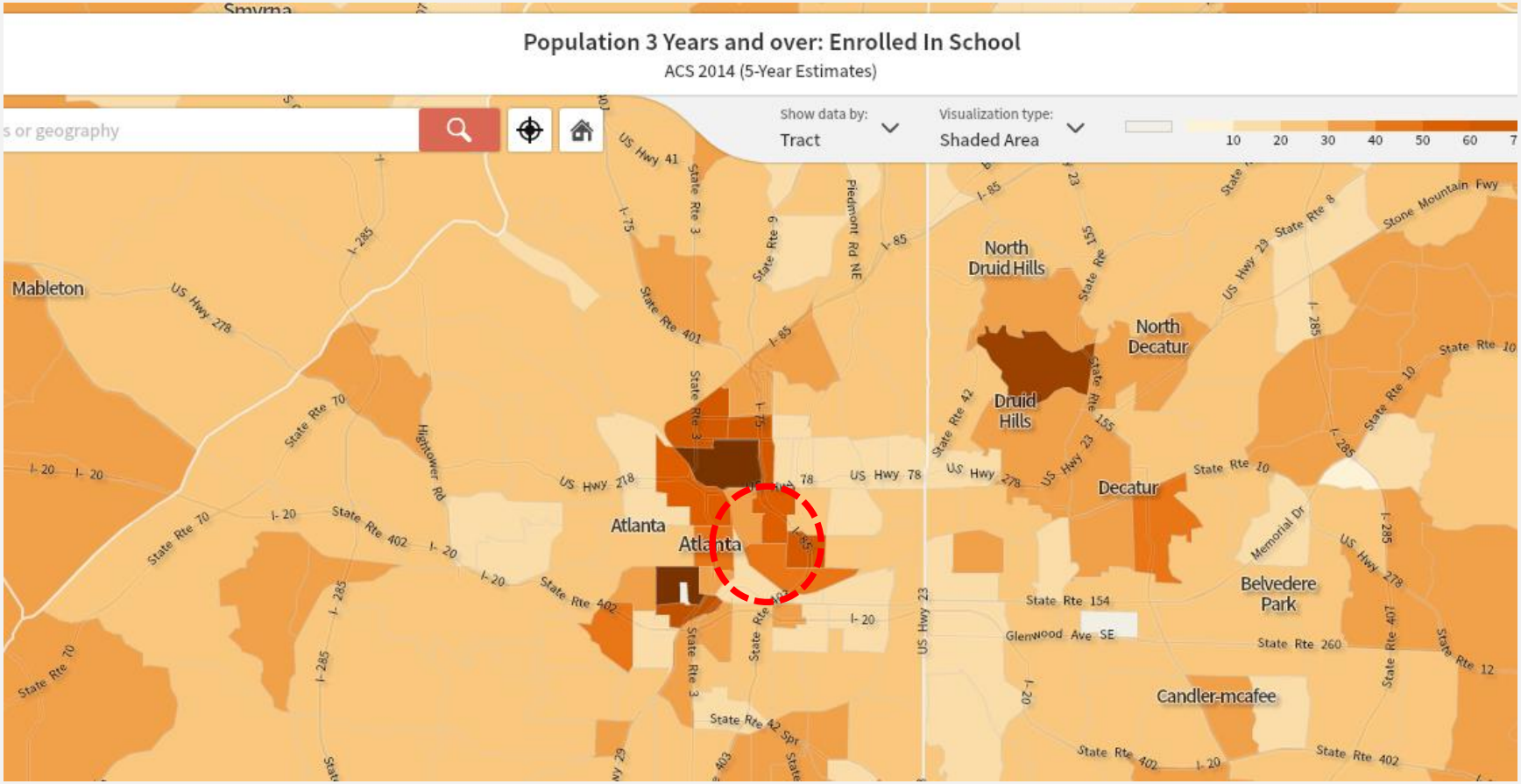
VARIETY OF URBAN CHARACTER



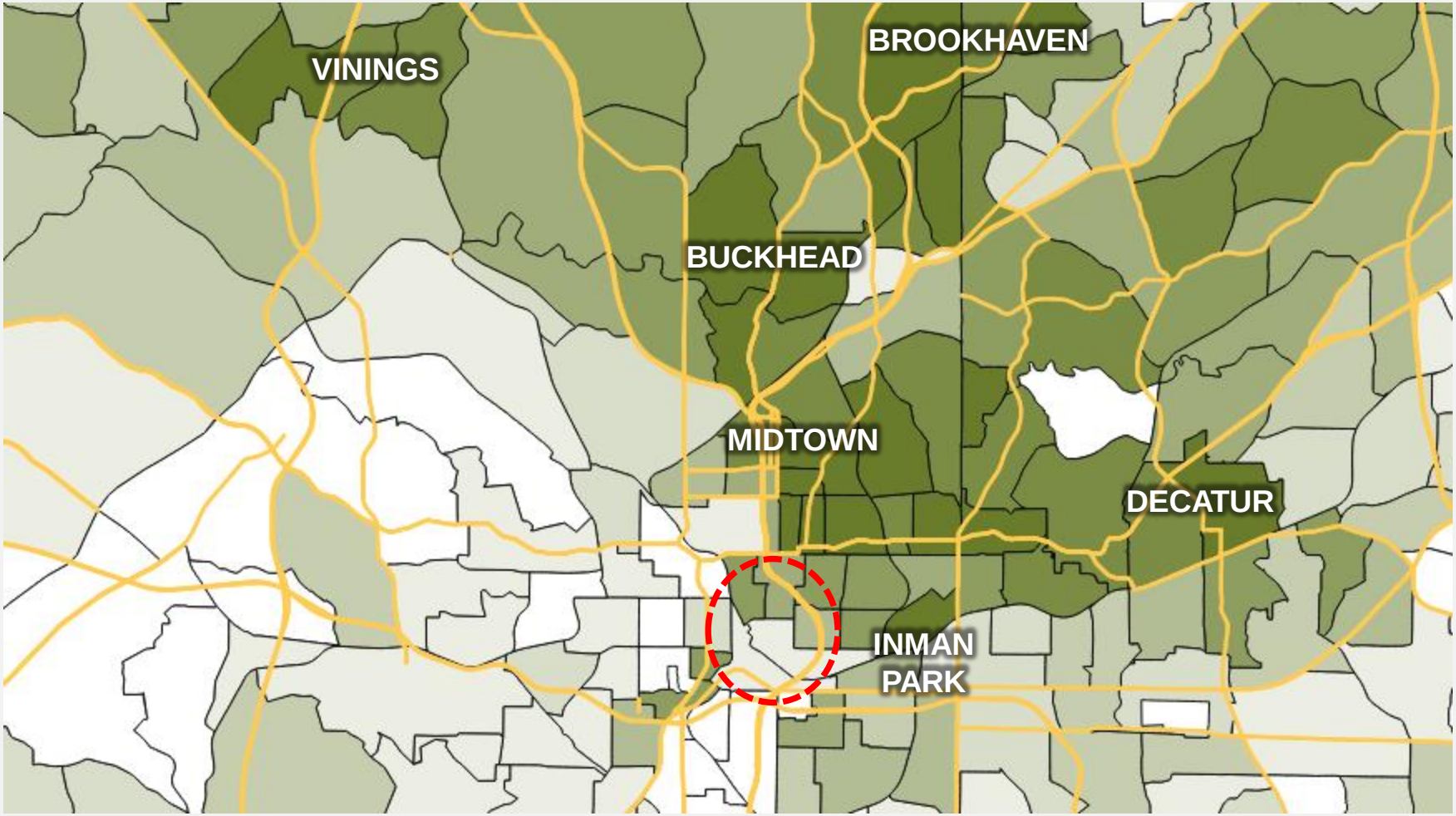
POPULATION MOVEMENT



STUDENT POPULATION



AFFLUENT EMPTY NESTERS



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