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## **Origin Investments' Proprietary Machine Learning Database Identifies Seven Top Cities for Multifamily Investment and Development**

Cities in Southeast, South Central and Western States Show Greatest Promise

**Chicago, June 16, 2021**—Private equity real estate firm Origin Investments has identified the nation's top seven cities for investing in or developing multifamily assets using a proprietary machine learning database. The list, Origin's first as the pandemic subsides, includes cities in the West, Southeast and South Central areas of the U.S.

The predictive model evaluated 150 markets to identify the cities with the most promising fundamentals for success. It uses AI to aggregate and analyze millions of pieces of data. Origin has been refining it for the past three years to inform its investment strategy and acquisitions.

The model's success has been validated by Origin's ranking as a Preqin Top Performing Private Real Estate Fund Manager and record of zero losses on 60 deals spread over four funds.

Origin's findings point to a group of post-pandemic superstar cities where highly skilled employment is growing. "For example, healthcare technology jobs have skyrocketed, sending influxes of white-collar workers earning six-figure wages to various markets," Dave Welk, Origin's managing director of acquisitions explained.

"This is a key indicator for real estate investment because we can expect these workers to boost the local economy which ultimately will spur rent growth," Welk added.

Origin has determined that the seven U.S. multifamily markets with the best potential to capitalize on post-pandemic trends are, in descending order, Phoenix, Arizona; Atlanta, Georgia, Charlotte, North Carolina and Austin, Texas in a three-way tie; Raleigh, North Carolina; Nashville, Tennessee; and Tampa, Florida.

All these cities are undergoing tremendous economic development that will spur rent growth and attract institutional real estate investment, as shown by a brief snapshot of each market:

1. **Phoenix:** The [Phoenix economy](#) grew during the pandemic with trade, transportation and utility employment all rising. It has been a primary beneficiary of [migration from California](#) for its superior quality of life. Arizona State University's industry-leading cybersecurity, AI and analytics programs continue to produce a talented labor pool for tech employers. Intel and Taiwan Semiconductor will break ground soon on facilities that are already drawing related investments. Robust hiring and affordable housing put Phoenix at the intersection of rent growth and capital demand.
2. **Atlanta, Charlotte and Austin:** Atlanta is evolving into the tech capital of the Southeast with expansions by [Microsoft](#), [Google](#) and [AirBnb](#). Since being rejected by Amazon as a site for its HQ2 for its lack of STEM jobs, Charlotte has made a concerted effort to court STEM employment [with great success](#). With a growing job

- market, affordable housing and vibrant, exceptionally diverse cultural offerings, [Apple, Tesla and Samsung](#) are expanding in Austin and Oracle is relocating its [corporate headquarters](#) to the Texas capital.
3. **Raleigh:** While significant on its own as [one of the nation's best places to live and work](#), Raleigh is synonymous with Durham and Chapel Hill as part of Research Triangle Park. Metro Raleigh passed the pandemic's one-year mark with a [net jobs gain](#) in its two biggest sectors, professional services and trade/transportation. But the entire Triangle is a tech hub, with [Google](#) planning to expand in Durham and [Apple committed to building](#) its first entirely new campus in Raleigh, boosting the city's stable of tech companies that already includes IBM, Red Hat, Cisco Systems and Epic Games and adding 3,000 jobs to the area.
  4. **Nashville:** With Belmont and Vanderbilt Universities, Nashville has the [nation's best health services ecosystem](#). It also has a growing [entrepreneurial spirit](#); pre-pandemic, major corporations such as FedEx, AllianceBernstein, GM, Amazon and Mitsubishi were pouring into the city. Post-pandemic, Amazon's operations center is on pace to become [Nashville's major employer](#) while a budding tech hub that includes Dell and [pioneering companies](#) such as Silicon Ranch and JumpCrew is about to be joined by [Oracle America](#).
  5. **Tampa:** The city is positioned to thrive post-pandemic thanks to its affordability, great weather, sustained professional-sector growth, lack of a state income tax and access to beaches. Tampa's increasing [hotel occupancy](#) is an important sign for the city's economic growth. Finally, a [housing shortage](#) makes Tampa a prime candidate for multifamily rent growth.

While all markets likely will see rent growth, this fundamental is only part of the picture. For example, the [Huntsville, Alabama](#) metro area has the country's highest concentration of engineering graduates thanks to defense contractors and NASA's Marshall Space Flight Center. Origin's analysis predicts the city is in line to produce some of the most robust rent growth in the country over the next five years. Yet the city already has plentiful housing and there is not institutional demand to buy those properties—an important element in earning high ROI. “That doesn't mean Huntsville is completely off our radar,” Welk noted. “That's why it's critical to constantly monitor markets' underlying fundamentals. That's the only way we can act when the time is right.”

**About Origin Investments:** Origin Investments is a private equity real estate manager that provides individual investors, family offices and advisors with institutional-quality real estate to build and preserve wealth. The firm acquires, develops and operates multifamily real estate across 14 fast-growing markets in the U.S. Since its founding in 2007, Origin has executed more than \$2.3 billion in real estate transactions and its principals have invested more than \$56 million alongside investors. The firm prides itself on offering unparalleled service to investors and have been regularly named a consistent top-performing fund manager by Preqin, an independent provider of data on alternative investments. Origin has raised more than \$350 million for its open IncomePlus and Qualified Opportunity Zone Funds and are accepting new investors today. To learn more, visit [www.origininvestments.com](http://www.origininvestments.com).

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