

Rent growth outlook remains bright in Savannah

Context is always needed to interpret topline indicators, and we believe this is especially true when it comes to rent growth. As multifamily investors, we want to know not just how rents have changed but where they are headed. That is why we view positive signals in Savannah—like slowing construction and robust demand—as evidence that any pullback will soon be replaced by increases.

Rent growth in Savannah is down 1.7% on the year through mid-November, setting the stage for the first annual decline in data that goes back to 2013. It is worth noting, however, that this follows a prolonged upward climb. Rents rose 49.4% during that span, including a 29.4% surge in the past five years alone versus an 18.2% increase in the national average. Looking forward, rent growth is forecast to pick up once again in Savannah, with CoStar projecting an uptick of 0.9% in 2026, followed by yearly increases of at least 1.8% through 2029.

There are ample reasons why rent growth is expected to resume. A temporary glut in new supply has slowed, with the upcoming pipeline representing about 6% of current inventory, down from 15.5% in late 2022. Meanwhile, demand remains robust, buoyed by a rising tide of industrial expansion. The labor force has grown 26.6% over the past decade, nearly double the national average. Moreover, certain submarkets, like Southside Savannah and Bryan County, have even bucked the broader pullback and managed rent growth this year.

Although periods of negative rent growth can be challenging, we believe that one swallow does not a summer make. Positive underlying trends in Savannah signal that positive rent growth may be just around the corner.

