

RESEARCH REPORT

# Atlanta Market

## Keys Unlock Dreams Initiative

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# About Keys Unlock Dreams

Keys Unlock Dreams is a nationwide initiative led by the National Fair Housing Alliance (NFHA) to advance policies that expand equal housing opportunities and provide consumers with the resources and information they need to make homeownership a reality. Further information on NFHA's Keys Unlock Dreams Initiative is available at [www.keys.nationalfairhousing.org](http://www.keys.nationalfairhousing.org).

Homeownership has always been at the heart of the American dream and provides secure and stable environments for families to build generational wealth. Yet today's housing and financial markets have not served everyone well. Some communities are rich with resources such as bank branches, health care facilities, well-resourced schools, healthy food centers, green spaces, and other important amenities. Other neighborhoods, though, largely communities of color and urban and rural areas, lack these critical resources. Many areas lack affordable housing options.

For millions of people of color, homeownership remains a dream. To address these inequities, Keys Unlock Dreams aims to

- remove structural barriers that perpetuate racial inequality;
- expand affordable and fair housing options;
- prevent an unbalanced recovery from the COVID-19 pandemic;
- empower consumers and stakeholders with critical information and resources; and
- help close the racial wealth and homeownership gaps.

The initiative's theory of change is to influence the way policy decisions are made at the local, regional, and federal levels by providing tools, information, and support and building coalitions to generate solutions that create equitable opportunities for vulnerable groups. This entails supporting and urging the development of programs and policies that dismantle and disrupt systems that perpetuate inequality and replace them with structures that create and promote fair and equitable access to housing and financial services and products.

Offering an innovative approach, the initiative also seeks to effectuate changes in jurisdictions' consolidated plans, assessments of fair housing, and community health needs assessments; ensure these plans are data-driven with up-to-date analyses; and encourage jurisdictions and communities to assess infrastructure, health, housing, finance, environment, economic, and education structures from racial equity and fair housing perspectives.

The Urban Institute is a partner in the initiative, conducting foundational research in its focus cities. Urban's five-point framework for reducing the racial homeownership gap also provides an implementation framework based on this work:

- advancing policy solutions at the local level
- tackling housing supply constraints and affordability
- promoting an equitable and accessible housing finance system
- furthering outreach and counseling for renters and mortgage-ready millennials
- focusing on sustainable homeownership and preservation

This fourth report in support of Keys Unlocks Dreams is for the Atlanta market. It is intended as a first step to informing local housing policies with a profile of homeownership barriers and opportunities, offering an evidence-based framework for policymakers and stakeholders such as consumers and housing market industry constituents as they seek to affirmatively further fair housing to close racial homeownership and wealth gaps.

# Executive Summary

Atlanta was founded in 1837 at the end of the Western and Atlantic railroad line and continues to be a fast-growing transportation and economic hub today. Home to more than 1,000 international businesses, consulates, trade offices, banking centers, and the third-largest concentration of Fortune 500 companies in the country, Atlanta has experienced unprecedented growth in the past two decades, which is reflected by the rapidly growing population and the ever-changing downtown skyline, with new skyscrapers towering over the Midtown, Buckhead, and outer-perimeter business districts.

Despite this robust growth, households in Atlanta have struggled to recover from the impacts of the Great Recession, as homeownership rates are still well below their precrisis levels in both the city and MSA. The drops in homeownership were even more pronounced for Black households, which make up 45 percent of households in the city and 33 percent of households in the MSA. The lack of housing inventory and the rising home and rent prices amid the ongoing COVID-19 pandemic are also making it more challenging for Black households to access homeownership. In the past two years, the cash buyer share increased substantially in the Atlanta MSA, bringing back the substantial wealth losses Black communities experienced during the foreclosure crisis.

To evaluate these trends, this chartbook provides a comprehensive overview of racial disparities in homeownership in Atlanta and its MSA by analyzing household socioeconomic characteristics, mortgage and credit, home prices, and housing supply in Atlanta that are all related to the lower Black homeownership rate and housing wealth in the region. The figures and tables aim to help decisionmakers identify and evaluate solutions to racial housing wealth disparities in their area and to offer metrics and benchmarks toward progress. Key findings are summarized below.

## Key Observations

Although average home prices and household income in Atlanta are similar to those of the nation, the city has a substantially lower homeownership rate than the US. The homeownership rate in Atlanta was more than 20 percentage points below the nationwide homeownership rate from 2015 to 2019. Within Atlanta, Black households have the lowest homeownership rate and have experienced a continuous homeownership rate decline in the past decade. We look at the Atlanta housing market to understand what drives these gaps.

### Population and Housing Trends in Atlanta

Atlanta was hit especially hard by the Great Recession and was slowly recovering before the COVID-19 pandemic. Atlanta had a population of 506,804 and had 222,736 households, according to the 2019 American Community Survey. The Atlanta MSA had a population of 6 million and had 2.2 million households. The city's population is more than 54 percent nonwhite, while the MSA's population is approximately 49 percent nonwhite. About 246,906 Black people live in the city (the 11th-largest citywide Black population in the US), and 1.7 million live in the MSA (the 2nd-largest MSA-wide Black population).

In both the city and the MSA, Black-white residential segregation is substantially higher than Hispanic-white and Asian-white segregation. The city's homeownership rate dropped significantly following the Great Recession, from 51.3 percent (2005–09) to 42.9 percent (2015–19). The homeownership rate in the Atlanta MSA was slightly higher than in the US from 2005 to 2019 (68.4 percent versus 66.9 percent) but fell slightly below the US rate from 2015 to 2019 (62.9 percent versus 63.7 percent).

Home prices in Atlanta were hit hard in the 2008 housing bust; the rate of decline was higher than in the nation, but prices have since recovered and have gained steadily along with the US market. Since 2018, median property values of purchased homes have increased for all racial and ethnic groups in Atlanta and its MSA, reflecting rising home prices. But households of color are still more likely to buy less expensive homes. Meanwhile, household incomes in Atlanta have fully recovered to their prerecession levels, but racial income disparities have widened. The growth in Black household income was lower than that of other racial and ethnic groups.

## Race, Ethnicity, and Homeownership

Atlanta and its MSA have a substantially higher share of households of color compared with the US, driven by the high share of Black households. In the city, almost 45 percent of households were Black, and in the MSA, about a third of the households were Black, compared with 12 percent of households in the US. Hispanic and Asian households account for a smaller share of households in the city and the MSA than in the nation as a whole.

The homeownership rates for Black and white households in Atlanta have dropped continuously since 2005–09, though household income recovered to its prerecession level, while Hispanic and Asian households both experienced an increase in ownership rates between 2010–14 to 2015–19. The greatest drop was among Black households in the city, who experienced an 8 percentage-point homeownership rate decline, falling from 39 percent in 2005–09 to 31 percent in 2015–19. Although white households also experienced a decline, their homeownership rate was 57 percent in 2015–19, the highest among all racial and ethnic groups in the city. The median home value of Black homeowners in the city was \$245,000, the lowest among all racial and ethnic groups and \$160,000 below the median home value of white homeowners. Because of low homeownership rates and home values, Black households own about 17 percent of aggregate housing wealth in the city, despite making up 45 percent of the city's households.<sup>1</sup>

The homeownership rate is higher in the MSA, but Black households again experienced the greatest decline between 2005–09 and 2015–19, from 53 percent to 47 percent. Again, the white homeownership rate is the highest among all groups; more than 75 percent of white households were homeowners in 2015–19. Although the Black homeownership rate in the city was similar to the Asian homeownership rate in 2005–09, Black households were slow to recover from the Great Recession and currently have the lowest homeownership rate at both geographic levels.

Furthermore, a greater share of Black households in the city and MSA are housing cost burdened (i.e., paying more than 30 percent of their income for housing expenses), especially among renters. In both the city and the MSA, 21 to 23 percent of homeowners in 2015–19 were housing cost burdened, and among the renters, this share was between 47 and 49 percent. These numbers are similar to the US numbers. But because the city has a higher share of renters, the overall housing cost burden is higher in the city than in the MSA and the nation. In the city, 28 percent of Black homeowners and 58 percent of renters were housing cost burdened, which is the highest rate among all racial and ethnic groups. In the nation, 30 percent of Black homeowners and 55 percent of Black renters were housing cost burdened from 2015 to 2019.

## Mortgage Denial and Readiness

Mortgage denial rates in Atlanta are only slightly lower than in the US. In 2019, 12 percent of applicants in the city and the MSA were denied from purchasing a home with a mortgage, compared with 13 percent in the US. In both the city and the MSA, Black applicants had the highest denial rate. About 21 percent of Black home purchase mortgage applicants were denied in the city, and about 17 percent were denied in the MSA. Although the mortgage denial rate is similar, we find that households in the city are significantly less likely to apply for a mortgage than those in the MSA or the nation. The number of home purchase mortgage applicants in 2019 is equivalent to only 2.3 percent of all households in Atlanta and only 4.1 percent of all renters. This ratio is substantially lower than the numbers in the MSA and the nation. This could reflect lower incomes or credit scores, but the city median household income is only about \$2,300 lower than in the nation. This suggests that many households in the city are discouraged from applying for a mortgage for additional factors.

The high share of cash buyers and institutional investors<sup>2</sup> in the market could be one reason for low applications in the city. The cash buyer share in the Atlanta MSA increased substantially during the pandemic, from 22 percent in April 2020 to 43 percent in April 2022, and is making it more difficult for Atlanta homebuyers to compete in the home purchase market. In November 2021, this share peaked at 47.5 percent. A recent study finds that the Atlanta MSA had the highest share of investors purchasing homes in 2021 (An 2022). The study also found that the rise of

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<sup>1</sup> Michael Neal, Caitlin Young, Jung Hyun Choi, and Laura Swanson, "Tracking Homeownership Wealth Gaps: Is Housing Wealth Equitable in Your City?" Urban Institute, last updated November 24, 2021, <https://apps.urban.org/features/tracking-housing-wealth-equity/>.

<sup>2</sup> Will Parker, "Atlanta's No. 1 Broker Bought Homes for Big Investors from 600 Miles Away," *Wall Street Journal*, May 17, 2022, <https://www.wsj.com/articles/atlantas-no-1-broker-bought-homes-for-big-investors-from-600-miles-away-11652779803>.

institutional investors in the single-family housing market dampened the homeownership rate, and Black potential homebuyers were most likely to be pushed out of the market.

For those who were denied a mortgage to purchase homes in Atlanta, the debt-to-income (DTI) ratio was the most frequently mentioned reason—more than 25 percent of Black applicants in the city and 33 percent in the MSA were denied because of the DTI ratio. Credit score was a less frequent reason for denial, but a noticeably higher share of applicants was denied because of incomplete applications, which need further examination.

Despite the significantly high share of households of color (who use Federal Housing Administration, or FHA, loans more than white households), the use of FHA mortgages to buy a home in the city was much lower compared with the US as a whole, while the Atlanta MSA had a higher share of homebuyers using FHA loans. This indicates that mortgage activity in the city does not reflect the characteristics of its population and serves households only above a certain threshold. Still, Black households were more likely to purchase homes through the FHA channel. In recent years, purchasing homes using FHA mortgages has become more challenging because of the rise in homebuying competition; this issue is particularly challenging in Atlanta because of strong investor bids. This indicates that Black households are likely to struggle more to achieve homeownership.

To evaluate those who might be eligible for a mortgage, Freddie Mac categorizes “mortgage readiness” as borrowers ages 45 and younger who do not have a mortgage but have the credit characteristics to qualify for one. As of January 2021, there were more than 1 million mortgage-ready consumers, including 326,000 Black consumers, in the Atlanta MSA. This 23 percent share of Black mortgage-ready consumers in the MSA is similar to the national share. Freddie Mac also calculates the share of the mortgage-ready population who can afford to buy a home based on home prices and interest rates. Assuming a 5.2 percent interest rate, about 14.2 percent of the mortgage-ready Black population can afford a mortgage, compared with 21 percent in the nation, where home prices are lower. Thirty-year mortgage rates have exceeded 6 percent and are likely to increase further, indicating a smaller share of mortgage-ready homebuyers would be able to afford a home in Atlanta.

## **Housing Supply**

In the past decade, the US has experienced significant housing supply shortages, which worsened during the COVID-19 pandemic. In the Atlanta MSA, the number of new private housing units dropped substantially following the Great Recession and has yet to return to pre-2007 levels. The inventory shortage and historically low interest rates resulted in heated competition in the home purchase market. Between January 2018 and April 2022, active listings for home sales dropped 46 percent in the city and 60 percent in the MSA. The high level of competition can also be seen from the median number of days homes are on the market. In January 2018, a typical home was on the market for about 65 days in the city and 68 days in the MSA, compared with the national average of around 90 days. Now in all three areas, a typical home is on the market for about a month. Our data analysis indicates Black households in Atlanta are more likely to live in older homes compared with other racial and ethnic groups. More than half of Black residents live in homes built before 1980 that are more likely to require repairs.

## **About the Data**

This report uses multiple datasets, including the American Community Survey, property records, Home Mortgage Disclosure Act data, Black Knight, and the Building Permit Survey. We also obtain credit characteristics and credit history data by race and ethnicity from Freddie Mac and housing inventory data from Realtor.com. Because we know a small sample size could lead to statistical inaccuracy, especially at the city level, we use the five-year American Community Survey sample data instead of the one-year sample data. For the years 2010–14 and 2015–19, we aggregated city values from the American Community Survey at the US Census Bureau–designated Public Use Microdata Area (PUMA) level with allocation factors provided by the Missouri Census Data Center. Figures from this methodology were confirmed for accuracy with the Census Bureau.

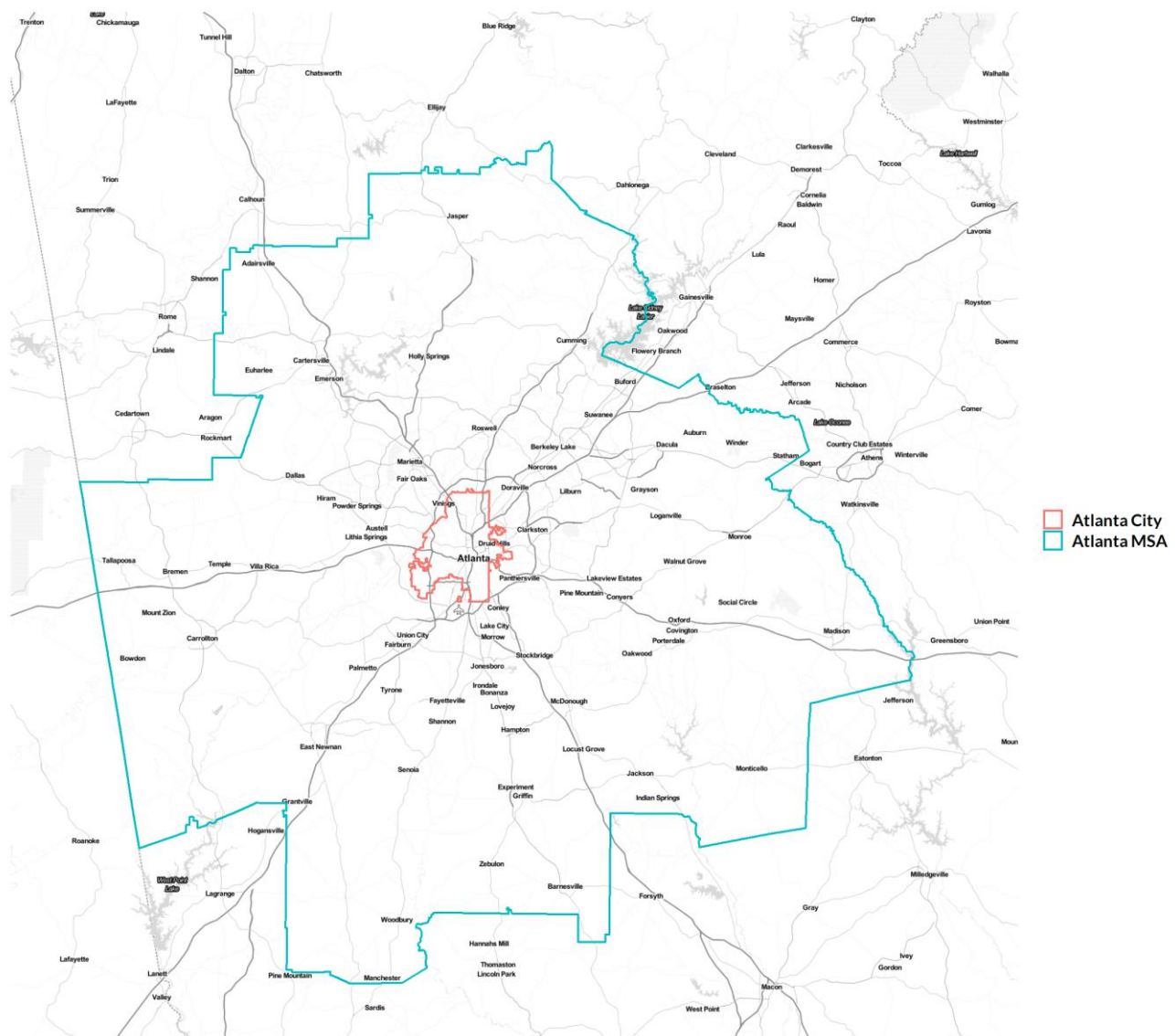


# About Atlanta

## Population and Households

Atlanta had a population of 506,804 and had 223,736 households, according to the 2019 American Community Survey. The Atlanta MSA had a population of approximately 6 million and had 2.2 million households, making it the nation's eighth-largest metropolitan area. Since 2010, the MSA has experienced steady population growth with an increase of about 17 percent, well above the rate nationwide. Atlanta is Georgia's largest city and constitutes the core of the state's largest metropolitan area. Often considered the capital city of the Southeast, Atlanta is home to one of the world's busiest international airports, a prominent banking center, and the third-largest concentration of Fortune 500 companies in the country. The MSA covers 29 counties, with its most populated areas covering Fulton, Gwinnett, Cobb, and DeKalb Counties.

## Map of Atlanta



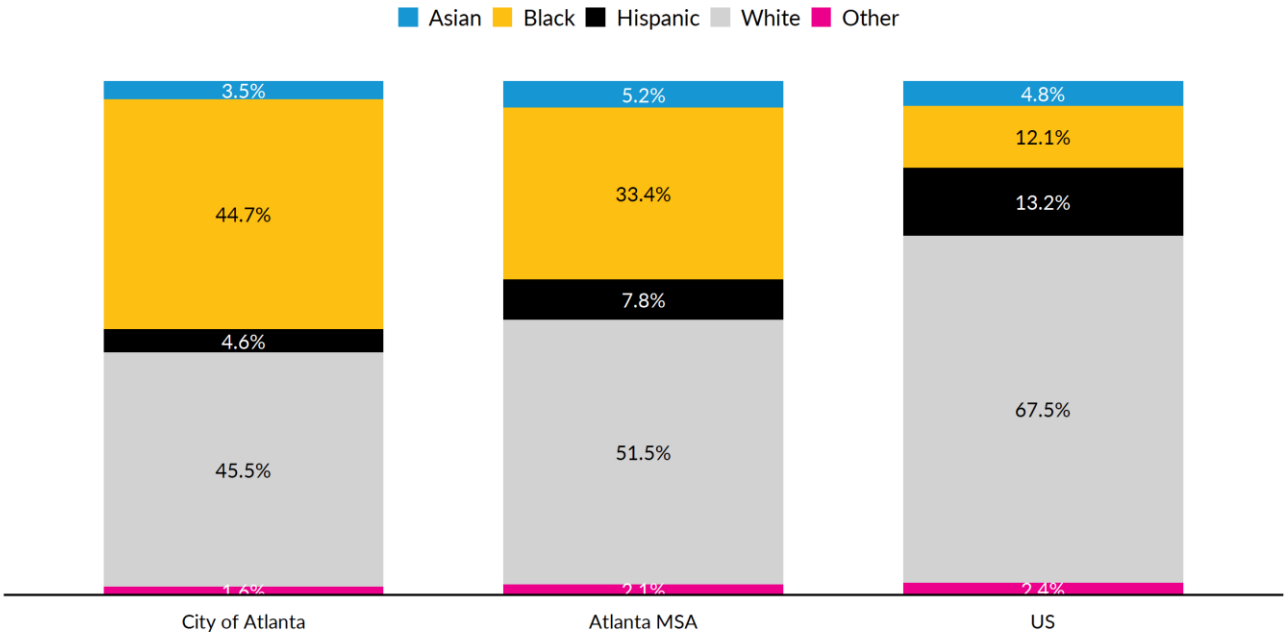
Sources: US Census Bureau and Stamen Map.  
Note: MSA = metropolitan statistical area.

# Race and Segregation in Atlanta

As the state’s capital and most populous city, Atlanta has many links to the civil rights movement and its leaders, who made monumental sacrifices to transform the heart of the Old Confederacy into the New South. Despite this transformation and population growth, Atlanta continues to sit with the impact of redlining by the Home Owners’ Loan Corporation (HOLC) that has devastated reinvestment and further compromised access to homeownership in particular for communities of color.

Atlanta’s racial and ethnic composition is substantially different from that of the nation and its MSA. In the city, almost 45 percent of the population is Black. There are 246,906 Black people in the city (the 11th-largest citywide Black population in the US) and 1.7 million in the MSA (the 2nd-largest MSA-wide Black population). This share is significantly higher than in the nation and the MSA, where Black households account for 12 percent and 33 percent of the population, respectively. The city’s population is about 55 percent people of color, while the MSA’s population is almost 49 percent people of color.

## Racial and Ethnic Composition Comparison

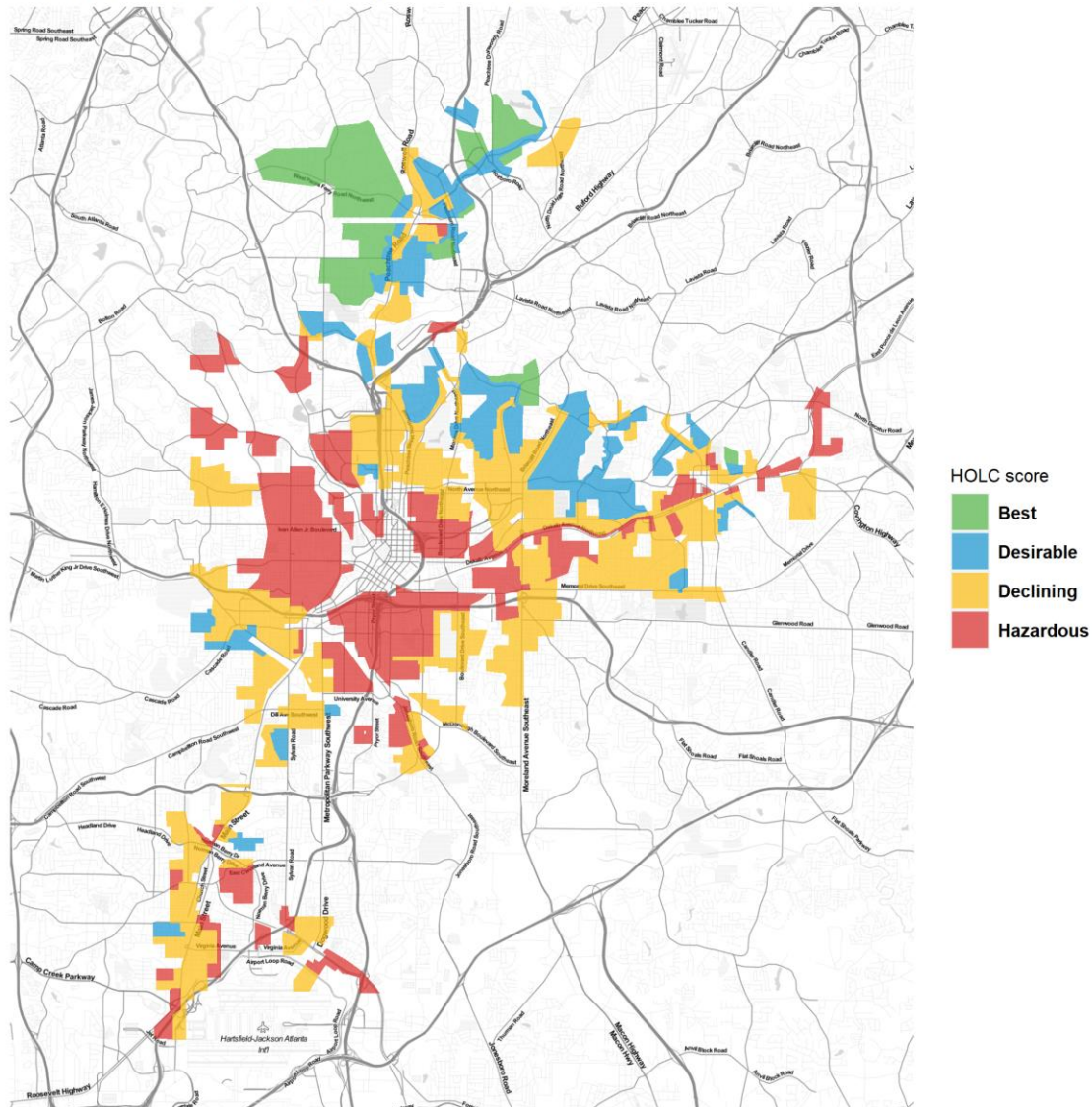


Source: American Community Survey.  
Note: MSA = metropolitan statistical area.

## Neighborhood Racial Segregation

Atlanta was one of around 150 cities to have HOLC “Residential Security” rankings, mapped below, in the presuburbanization surge of the 1930s. Much research has been done on the relationship between HOLC grades and race, or “redlining,” which denied neighborhoods of color access to credit for home purchases. Redlined areas in Atlanta continue to be among the most disinvested, and Black-white neighborhood segregation remains prevalent. The population in Atlanta is predominantly white in the northern part of the city and predominantly Black in the southern part.<sup>3</sup> There are few areas where the two groups are well integrated; in most neighborhoods, there is a considerable majority of one group or the other.

**Historical HOLC Scoring Map: Atlanta MSA**



**Source:** Mapping Inequality, University of Richmond.

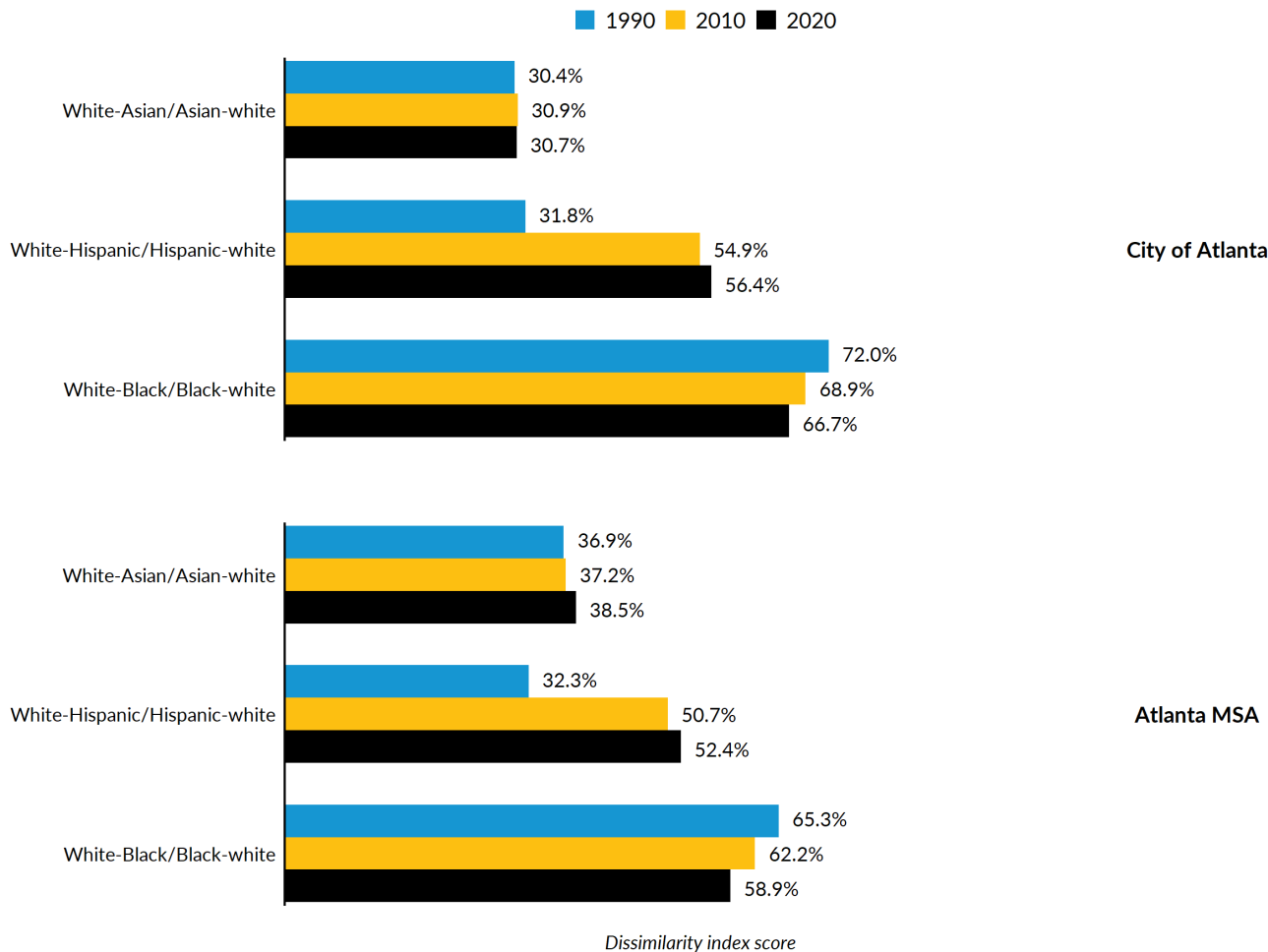
**Notes:** HOLC = Home Owners' Loan Corporation; MSA = metropolitan statistical area.

<sup>3</sup> “Redlining: Atlanta, GA,” Hovortown Visuals, June 25, 2021, <https://www.hovortownvisuals.com/post/atl-ga-redlining>.

## Neighborhood Racial Segregation (continued)

The dissimilarity index calculates the degree of symmetry between two groups by measuring whether one group is distributed across census tracts in the same way as another group. On a scale from 0 to 100, a high value indicates that the two groups tend to live in different census tracts. For example, in 2020, 67 percent of Black residents would need to move to a different neighborhood for Black and white people to be equally distributed across Atlanta’s neighborhoods. Black-white racial segregation in Atlanta remains high, though there has been some improvement. When we expand coverage to the MSA, the dissimilarity between Black and white residents and Hispanic and white residents decreases, showing that Black and Hispanic people are more segregated from white people in the city than in the MSA.

### Dissimilarity Index Comparison



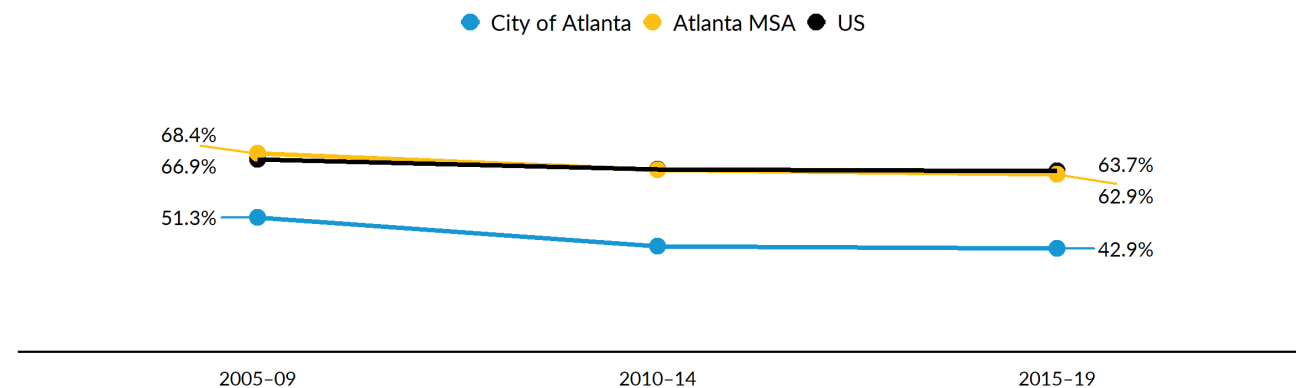
Source: Brown University: Diversity and Disparities.  
Note: MSA = metropolitan statistical area.

# Household Characteristics

## Homeownership Rate

Following the Great Recession, the homeownership rate dropped across the US and in Atlanta. In fact, Atlanta experienced a greater homeownership rate decline than the US as a whole, from 51 percent in 2005–09 to 43 percent in 2015–19. The Atlanta MSA homeownership rate experienced a drop comparable with the nation's homeownership rate drop between these two periods; in 2015–19, it was only less than 1 percentage point lower than the national rate and about 20 percentage points higher than the city rate.

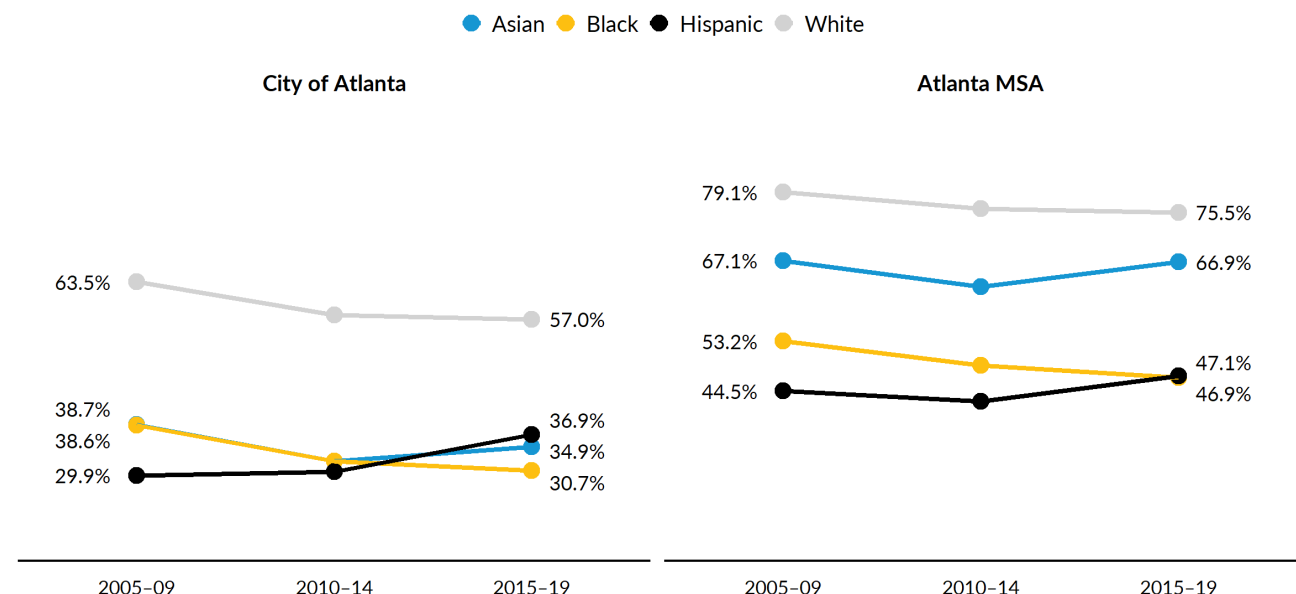
### Homeownership Rate Comparison



Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values calculated using allocation factors provided by the Missouri Census Data Center.

The homeownership rates for Black and white households in Atlanta have dropped continuously since 2005–09, while Hispanic and Asian households both experienced an increase in ownership rates between 2010–14 to 2015–19. The greatest drop was for Black households in both Atlanta and its MSA. The Black homeownership rate in the Atlanta MSA is higher than that in the city, but both are still significantly lower than the white homeownership rates, showing that Black households are struggling to become homeowners and to sustain homeownership at both geographic levels.

### Homeownership Rates, by Race or Ethnicity

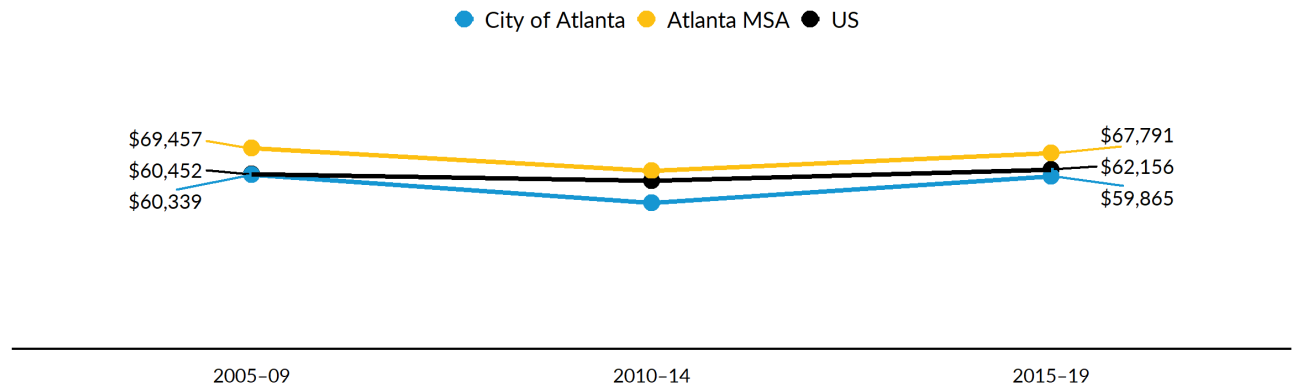


Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values calculated using allocation factors provided by the Missouri Census Data Center.

# Household Income

The median household income in Atlanta dropped following the Great Recession but has increased steadily since 2010–14. The median household income in 2015–19 exceeded 2010–14 levels in Atlanta, its MSA, and the nation. The median household income in the city is about \$8,000 less than in the MSA and \$2,300 less than the national median.

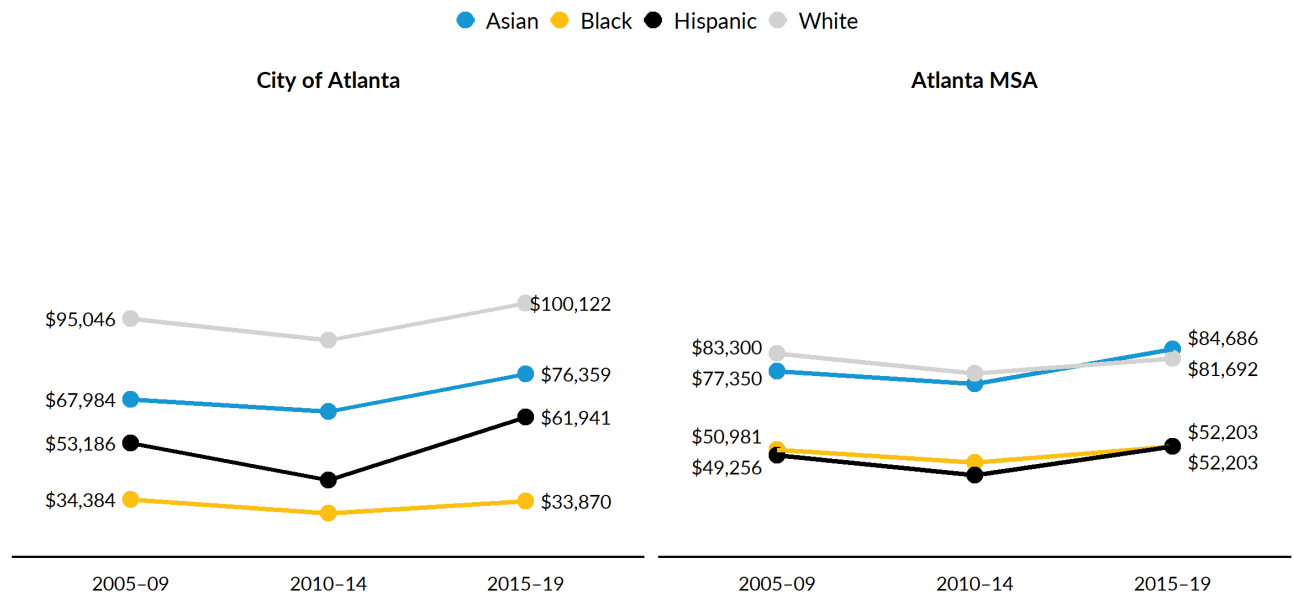
## Median Household Income Comparison



Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values are in 2019 inflation-adjusted dollars and calculated using allocation factors provided by the Missouri Census Data Center.

There are noticeable disparities in median household income by race and ethnicity in both Atlanta and its MSA, and the gap is wider in the city than in the MSA. In both areas in 2015–19, Black households had the lowest median household income: about \$34,000 in the city and about \$52,000 in the MSA. The racial income gap in the city has widened over time as Black households have experienced a slower recovery.

## Median Household Income, by Race or Ethnicity

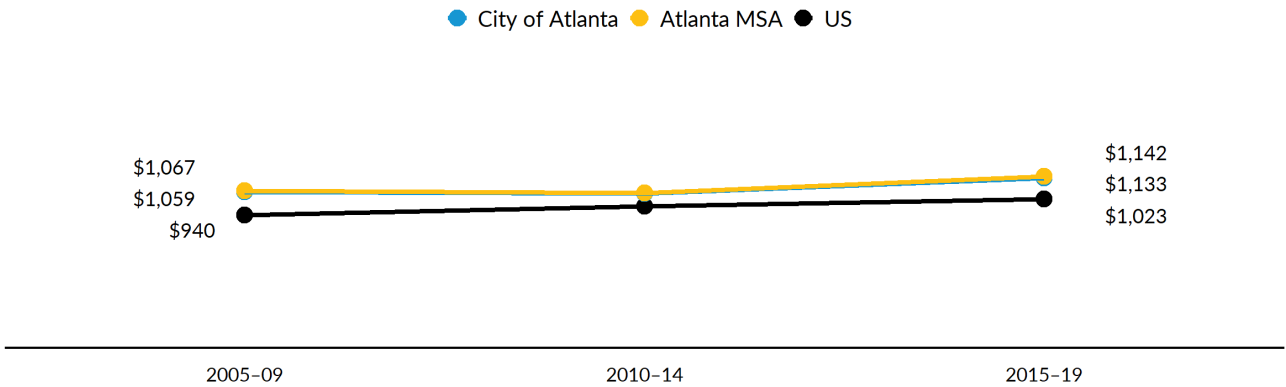


Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values are in 2019 inflation-adjusted dollars and calculated using allocation factors provided by the Missouri Census Data Center.

# Gross Rent

Gross rent adds utility payments to contract rent. The median gross rent in the city in 2015–19 was \$1,133, \$9 lower than for the MSA and \$110 higher than the national figure. The median rent gap is smaller across the three geographies than the home value gaps (page 20).

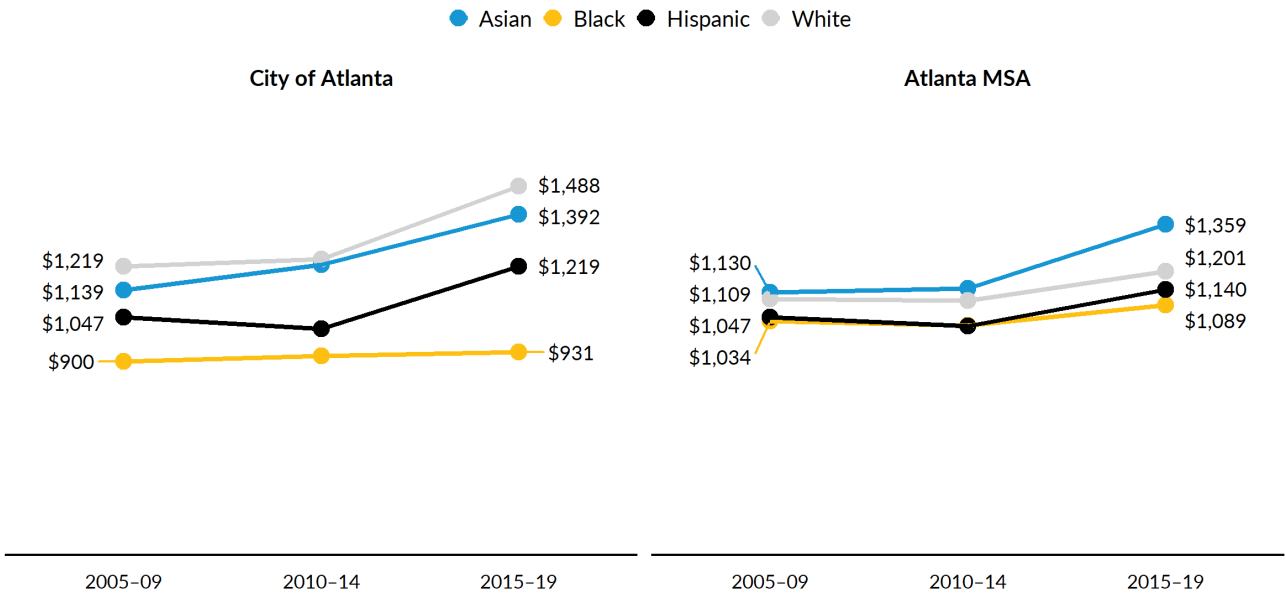
## Median Rent Comparison



Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values are in 2019 inflation-adjusted dollars and calculated using allocation factors provided by the Missouri Census Data Center.

There are racial and ethnic disparities in the median rent for both Atlanta and its MSA, but the gap is smaller relative to other figures in this report. In the city, between 2005–09 and 2015–19, the median rent for Hispanic households increased 16 percent, from \$1,047 to \$1,219 a month.

## Median Rent, by Race or Ethnicity



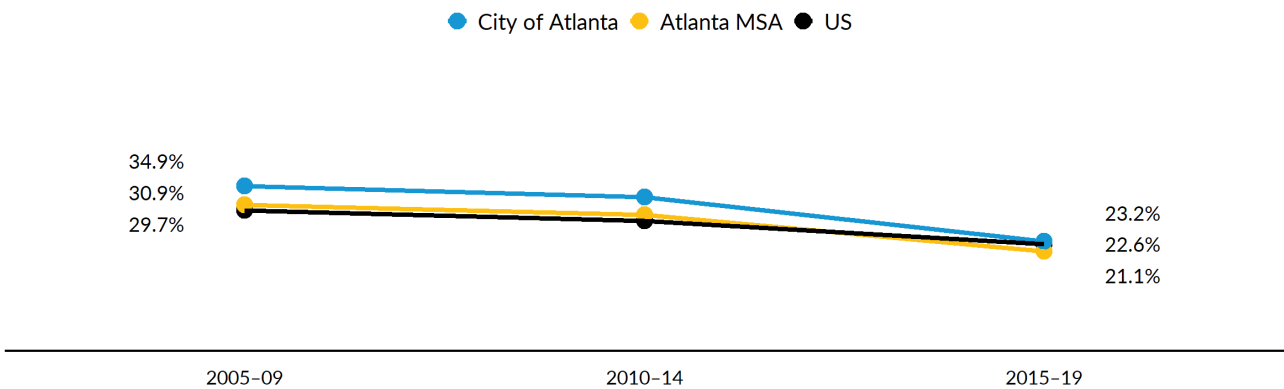
Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values are in 2019 inflation-adjusted dollars and calculated using allocation factors provided by the Missouri Census Data Center.



# Housing Cost Burden among Homeowners

The housing cost burden for homeowners is the monthly housing payment—which includes the mortgage payment, property taxes, insurance, and utility payments—over monthly household income. If this number exceeds 30 percent, the household is considered housing cost burdened. The housing cost–burdened share of homeowners dropped with mortgage interest rate declines, as new homeowners were able to buy homes with lower interest rates and existing homeowners could refinance. In 2015–19, slightly less than one-quarter of homeowners in Atlanta were housing cost burdened, 1 percentage point higher than the national share and about 2 percentage points higher than the share in the Atlanta MSA. Between 2005–09 and 2015–19, the city experienced nearly a 9 percentage-point decrease in the housing cost–burdened share of homeowners, similar to the decrease in the US. But among new homebuyers, this trend is likely to reverse as both home prices and interest rates increase. Home prices in the MSA increased almost 30 percent in the past year, and in the city, prices went up by around 20 percent.

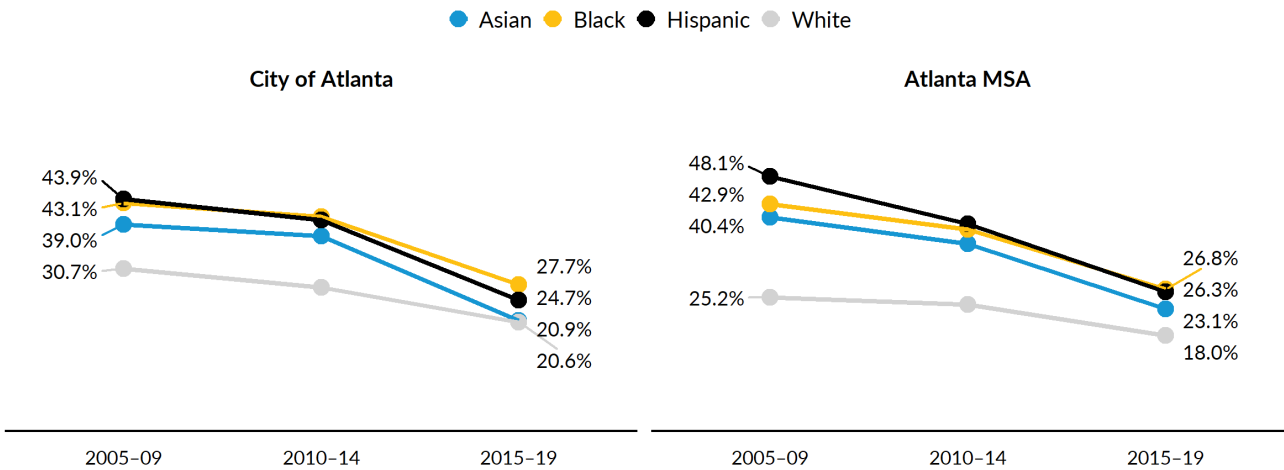
## Housing Cost Burden Comparison among Homeowners



Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values calculated using allocation factors provided by the Missouri Census Data Center.

Overall, the housing cost burden for homeowners dropped for all racial and ethnic groups in both areas. Nevertheless, in Atlanta and its MSA, Black homeowner households are more likely to experience housing cost burdens than homeowner households of other racial and ethnic groups.

## Housing Cost Burden among Homeowners, by Race or Ethnicity



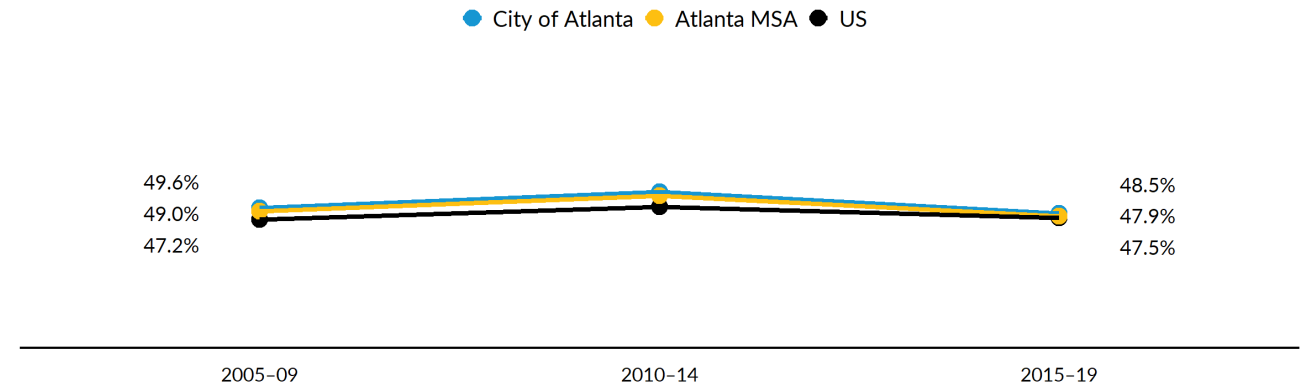
Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values calculated using allocation factors provided by the Missouri Census Data Center.



## Housing Cost Burden among Renters

Renter households are considered housing cost burdened if they spend more than 30 percent of their income on rent. The housing cost–burdened share of renters is substantially higher compared with that of homeowners. In Atlanta, the rent-burdened share of households is higher than in both the MSA and the US as a whole, though the total rent-burdened share of households actually decreased slightly between 2005–09 and 2015–19. The rent-burdened share of renters over time is similar across the three regions. But because Atlanta has a high renter share, this translates to a high overall housing cost–burdened share of households. Additionally, rents in Atlanta have risen substantially in the past year,<sup>4</sup> indicating that we will likely see the rent-burdened share of households go up.

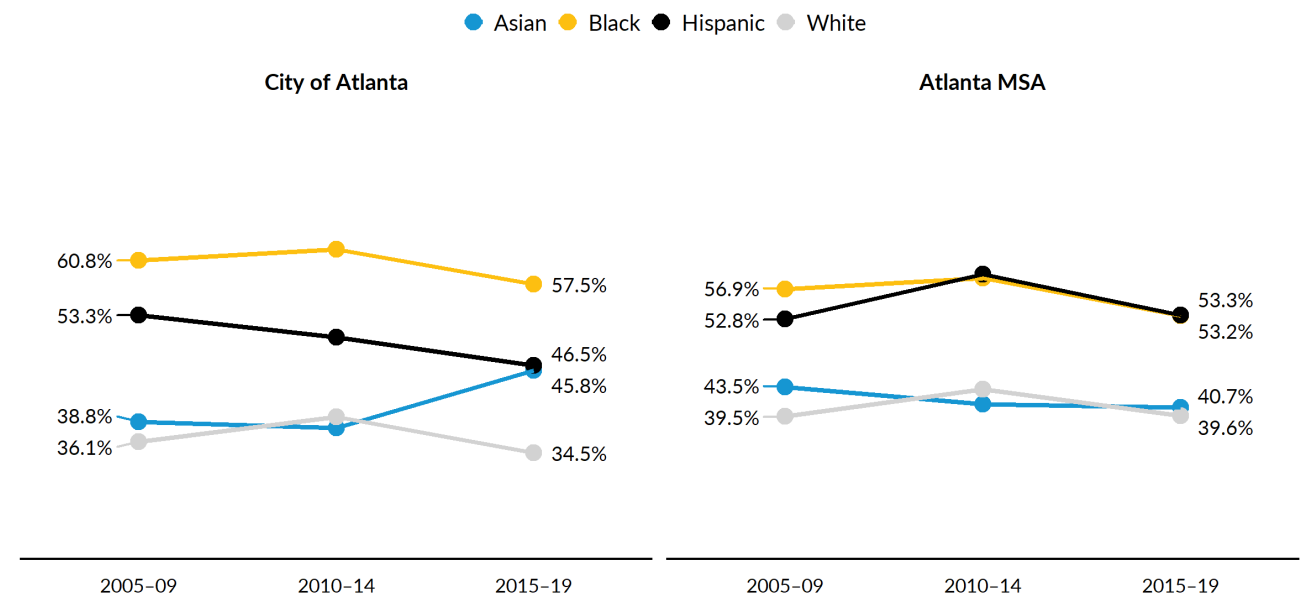
### Housing Cost Burden Comparison among Renters



Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values calculated using allocation factors provided by the Missouri Census Data Center.

Black renters in Atlanta are especially rent burdened, reflecting their relatively low incomes. In 2015–19, about 58 percent of all Black renters in the city and 53 percent of those in the MSA were rent burdened.

### Housing Cost Burden among Renters, by Race or Ethnicity



Source: American Community Survey.  
Notes: MSA = metropolitan statistical area. Values calculated using allocation factors provided by the Missouri Census Data Center.

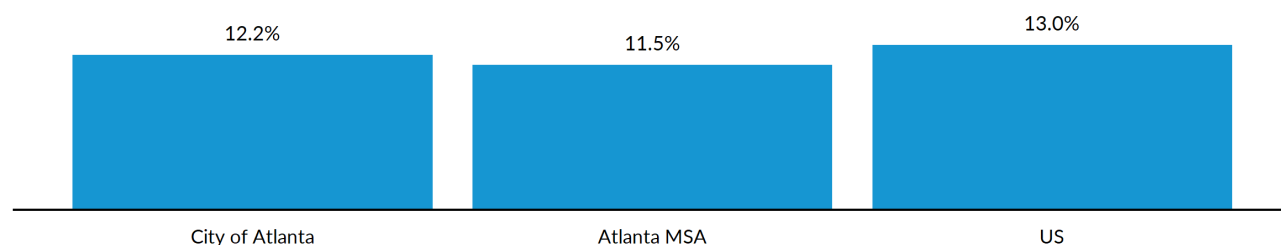
<sup>4</sup> Tyler Wilkins, “Rockdale Rents Soared over the Pandemic. Here’s Why,” *Atlanta Business Chronicle*, May 9, 2022, <https://www.bizjournals.com/atlanta/news/2022/05/09/rockdale-rent-rise.html>.

# Mortgage and Credit

## Home Purchase Mortgage Denial Rates

Homebuyers may see their mortgage application rejected for reasons related to their financial portfolio, but trends suggest that certain groups experience rejection more often than others. In 2019, more than 12 percent of borrowers who applied to purchase a home in Atlanta were denied a mortgage. In comparison, the purchase mortgage denial rate was 13 percent in the US and 11.5 percent in the Atlanta MSA. The lower denial rates in Atlanta compared with the US might be explained by lower application rates, particularly among Black households and renters (page 11).

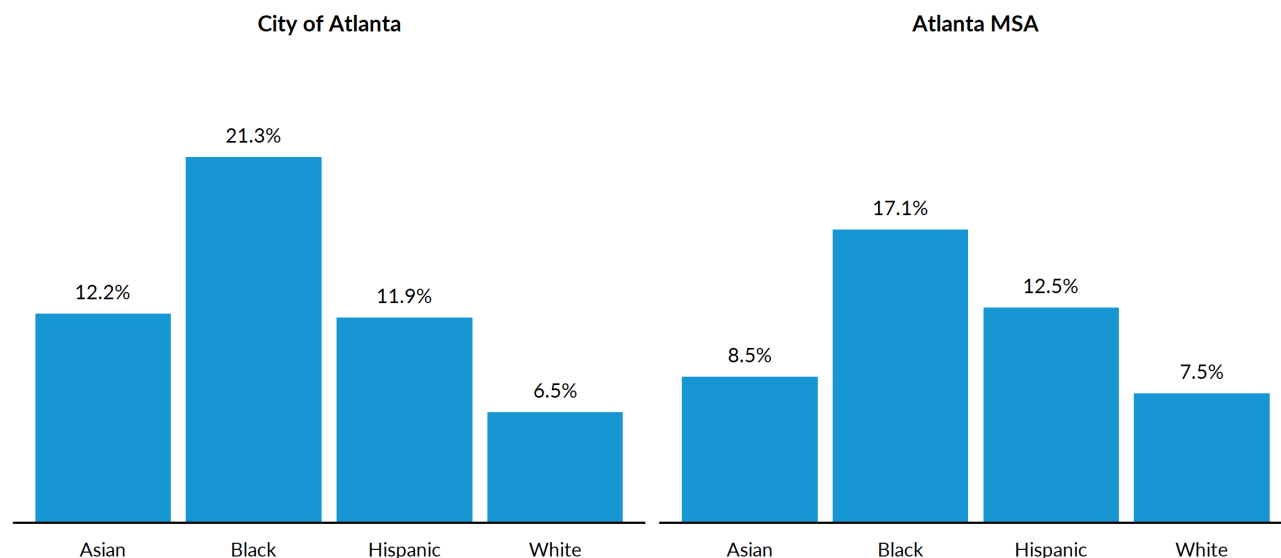
### Denial Rate Comparison



Source: 2019 Home Mortgage Disclosure Act data.  
Notes: MSA = metropolitan statistical area. Data are for purchase loans only.

Black and Hispanic homebuyers in Atlanta and its MSA were more likely to get their mortgage application rejected than white applicants. In 2019, just over 21 percent and almost 12 percent of the Black and Hispanic purchase mortgage applicants in Atlanta were denied, respectively, versus 6.5 percent of white applicants. In the MSA, these shares were 17 percent, 13 percent, and 7.5 percent, respectively. Asian borrowers had a similar denial rate to the Hispanic borrowers in the city and a lower denial rate in the MSA.

### Denial Rates, by Race or Ethnicity



Source: 2019 Home Mortgage Disclosure Act data.  
Notes: MSA = metropolitan statistical area. Data are for purchase loans only.

## Denial Rates (continued)

Credit history, application incompleteness, DTI ratio, and collateral were the four most frequently mentioned reasons for mortgage denial. Across all racial and ethnic groups, the DTI ratio was the main reason for denial, especially in the MSA. DTI ratio accounts for the denial of 25.5 percent of Black applicants in Atlanta and almost a third of Black applicants in the MSA (Hispanic applicants were most likely to be denied for collateral within the city). Nationally, credit history was the most cited reason. This share is lower in Atlanta, but credit history still accounts for a much higher share of denials for Black applicants than for applicants of any other racial or ethnic group. A high share of borrowers had incomplete applications in Atlanta, which is worth further investigation.

### Reason for Denial

| Reason                 | City of Atlanta |       |          |       | Atlanta MSA |       |          |       |
|------------------------|-----------------|-------|----------|-------|-------------|-------|----------|-------|
|                        | Asian           | Black | Hispanic | White | Asian       | Black | Hispanic | White |
| DTI ratio              | 27.0%           | 25.5% | 21.6%    | 26.0% | 39.0%       | 32.9% | 38.9%    | 29.0% |
| Collateral             | 18.9%           | 20.6% | 32.4%    | 26.0% | 13.4%       | 12.1% | 12.6%    | 16.8% |
| Application incomplete | 16.2%           | 15.6% | 13.5%    | 23.7% | 14.3%       | 9.5%  | 10.7%    | 15.2% |
| Credit history         | N/A             | 18.8% | 10.8%    | 5.1%  | 6.2%        | 22.8% | 11.7%    | 16.3% |

Source: 2019 Home Mortgage Disclosure Act data.

Notes: DTI = debt-to-income; MSA = metropolitan statistical area. Data are for purchase loans only.

## Home Purchase Application Share

Compared with other racial and ethnic groups, the number of mortgage applications from Black households relative to total households or total renters is much smaller than for other racial and ethnic groups in Atlanta. In the city, only 1.4 percent of Black households and 2 percent of Black renters applied for a mortgage, compared with 3 percent of white households and about 7 percent of white renters. The application share in the city is low compared with the share in the MSA and the nation, especially relative to the number of renter households. This suggests that many renters in Atlanta do not have the financial resources (as home price increases far outpace income gains) or are otherwise discouraged to apply for a mortgage.

### Mortgage Application Rate Relative to the Total Household Population

| Area            | Asian | Black | Hispanic | White | Total |
|-----------------|-------|-------|----------|-------|-------|
| City of Atlanta | 3.8%  | 1.4%  | 4.5%     | 3.0%  | 2.3%  |
| Atlanta MSA     | 7.6%  | 3.8%  | 6.1%     | 4.4%  | 4.5%  |
| United States   | 4.7%  | 2.4%  | 3.3%     | 3.7%  | 3.5%  |

Source: 2019 Home Mortgage Disclosure Act data and the American Community Survey.

Notes: MSA = metropolitan statistical area. Data are for purchase loans only.

### Mortgage Application Rate Relative to the Total Renter Population

| Area            | Asian | Black | Hispanic | White | Total |
|-----------------|-------|-------|----------|-------|-------|
| City of Atlanta | 6.1%  | 2.0%  | 7.2%     | 6.9%  | 4.1%  |
| Atlanta MSA     | 22.7% | 7.2%  | 11.6%    | 18.2% | 12.3% |
| United States   | 12.0% | 4.1%  | 6.4%     | 13.4% | 9.6%  |

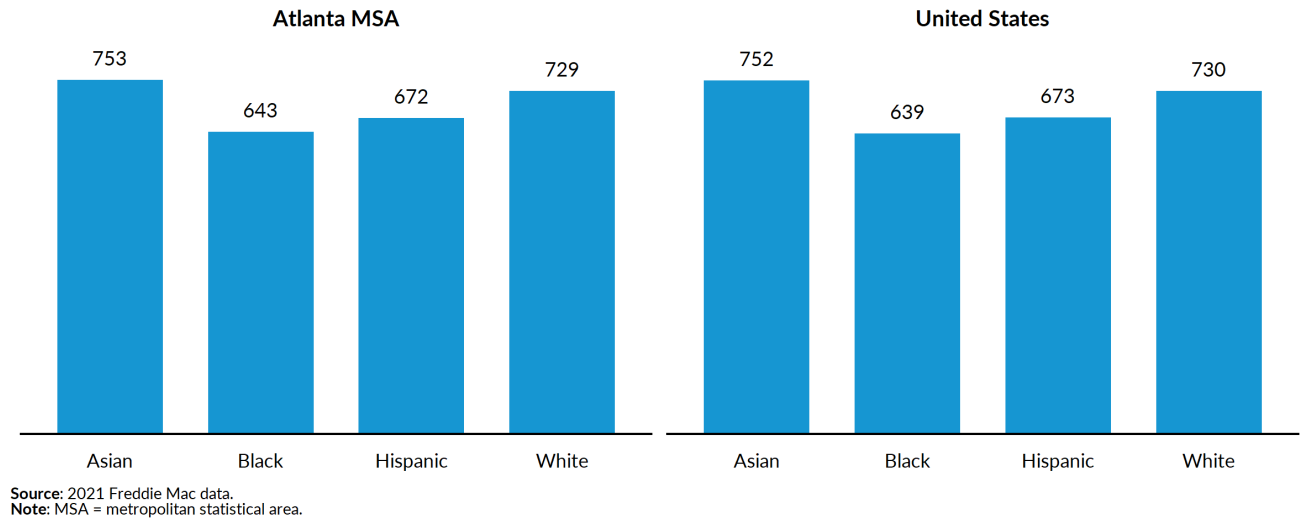
Source: 2019 Home Mortgage Disclosure Act data and the American Community Survey.

Notes: MSA = metropolitan statistical area. Data are for purchase loans only. Rates calculated for purchase applications per renter include only renters.

# Credit Scores

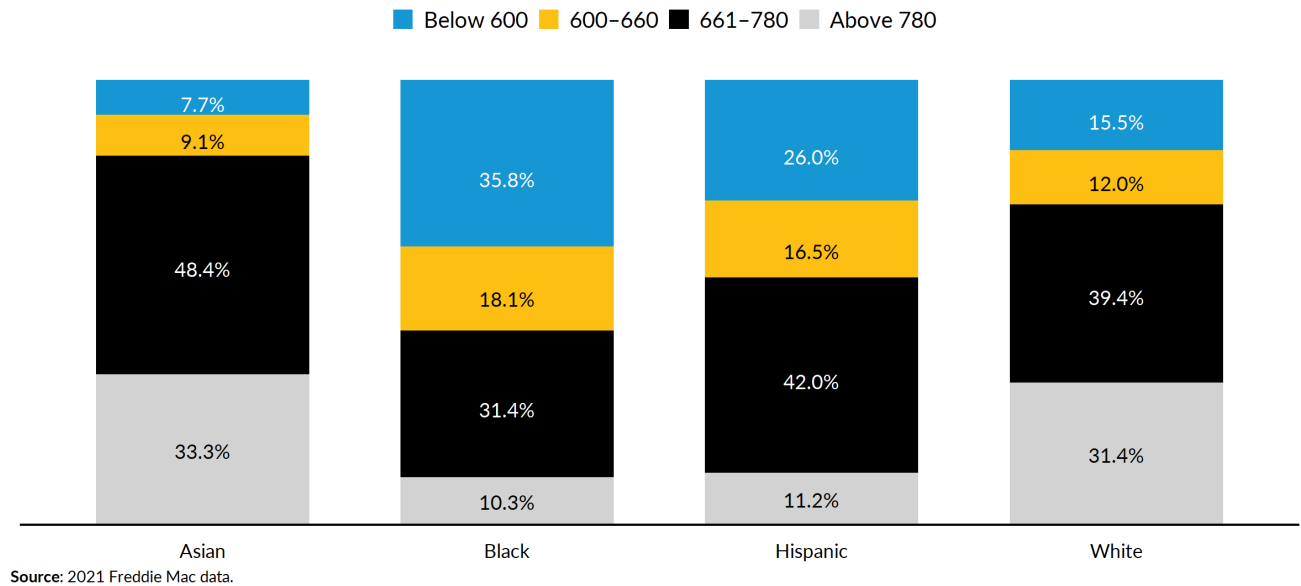
Black consumers had the lowest median credit score in both the nation (639) and the Atlanta MSA (643) in January 2021, substantially lower than 730 and 729 for white consumers in the nation and the MSA, respectively.

## Credit Score Comparison



In the Atlanta MSA, about 36 percent of Black consumers have a VantageScore below 600, the highest share among all racial and ethnic groups. The lower credit score is likely to be one of the key reasons Black renters in the Atlanta MSA are less likely to apply for a mortgage and are more likely to be denied than other applicants of racial and ethnic groups.

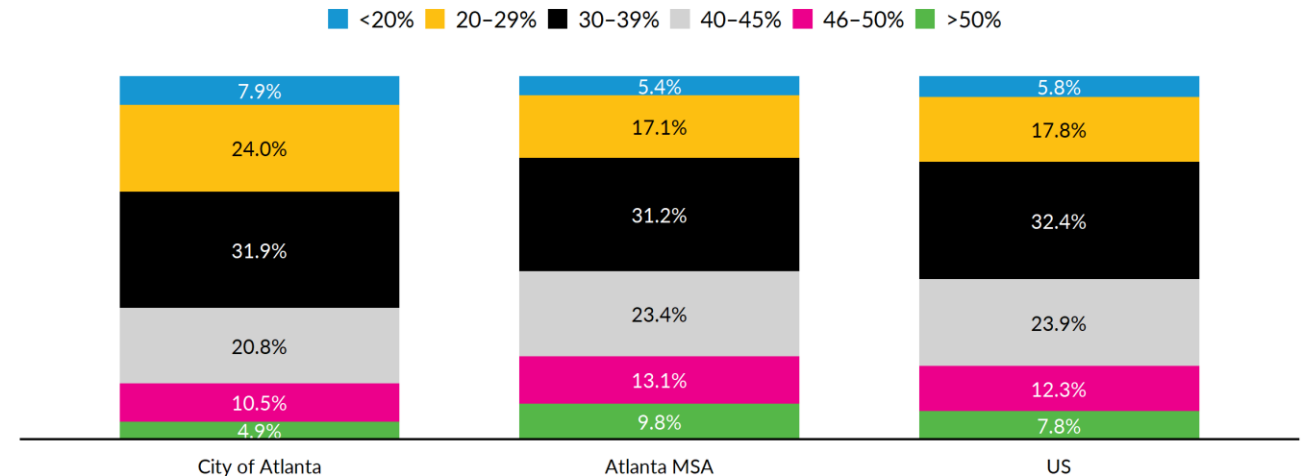
## Credit Scores, by Race or Ethnicity, in the Atlanta Metropolitan Statistical Area



# Debt-to-Income Ratios

Potential lenders calculate an applicant’s DTI ratio to compare how much an applicant owes each month with how much an applicant makes each month. The ratio of an applicant’s recurring monthly debt to their monthly gross income is a common parameter to secure a lender’s approval and qualify for a mortgage. In 2019, the share of borrowers who took out a purchase mortgage with a high DTI ratio in Atlanta was lower compared with the MSA and the nation. About 35 percent of homebuyers in the city, more than 46 percent in the MSA, and 44 percent in the US had a DTI ratio of 40 percent or higher.

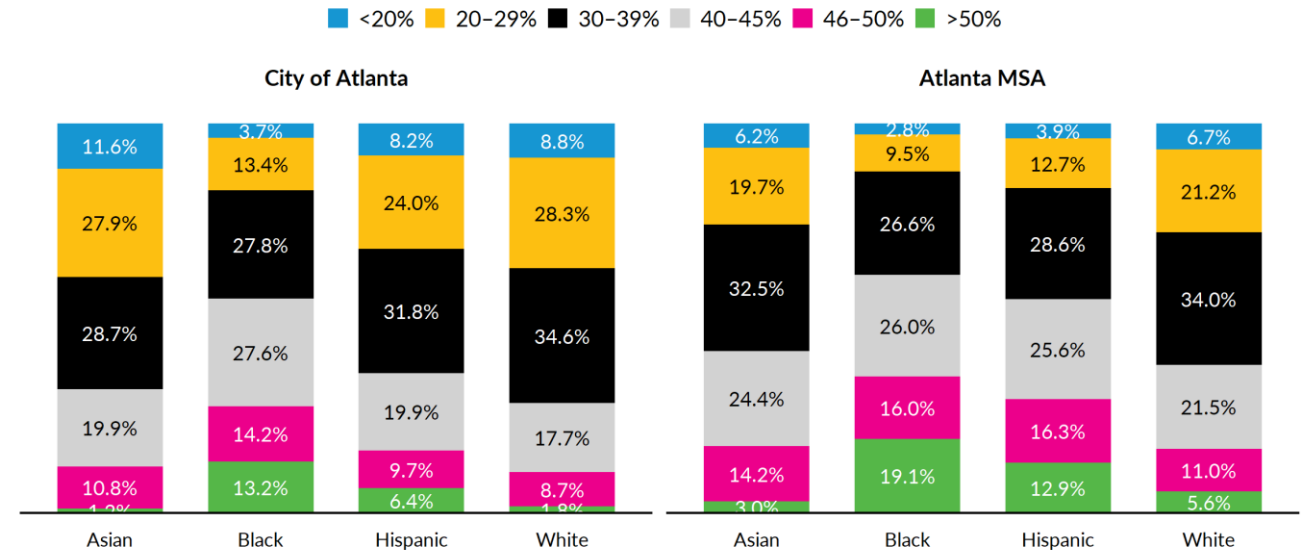
DTI Ratio Distribution Comparison



Source: 2019 Home Mortgage Disclosure Act data.  
Notes: DTI = debt-to-income; MSA = metropolitan statistical area. Data are for purchase loans only.

Despite having lower property values, Black borrowers in Atlanta, on average, have higher DTI ratios compared with borrowers of other races and ethnicities, reflecting their low incomes. In both the city and the MSA, Black homebuyers who took out a purchase mortgage have the highest share of DTI ratios above 40 percent across all racial and ethnic groups. The share of DTI ratios above 40 percent in the city is lower (55 percent) than in the MSA (61 percent). This barrier is likely to have gotten worse with rising interest rates and home prices.

DTI Ratio Distribution, by Race or Ethnicity

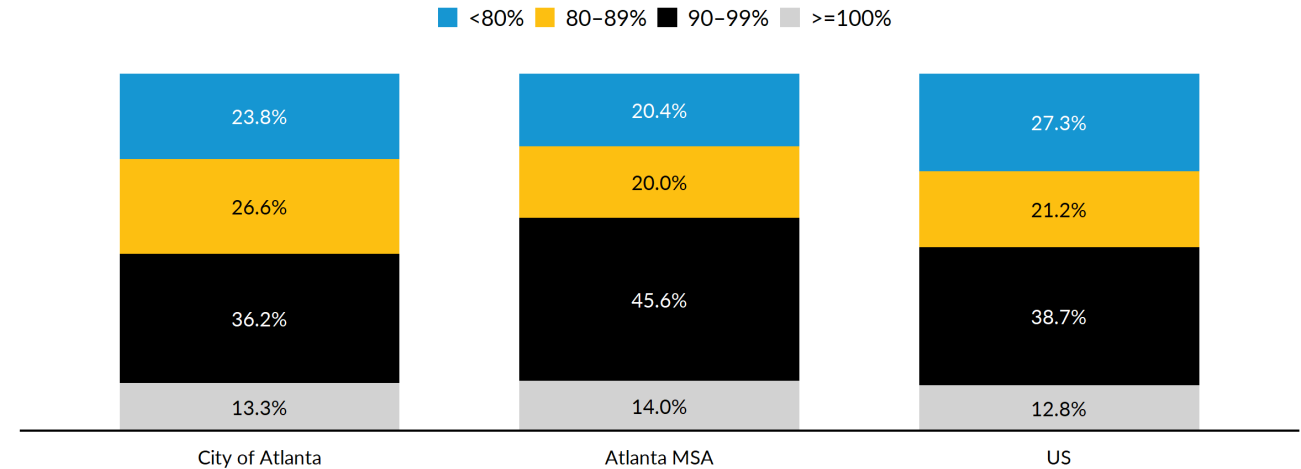


Source: 2019 Home Mortgage Disclosure Act data.  
Notes: DTI = debt-to-income; MSA = metropolitan statistical area. Data are for purchase loans only.

Loan-to-Value Ratios

Homebuyers in Atlanta purchased homes with lower loan-to-value (LTV) ratios compared with the MSA and ratios similar to the US as a whole. About a half of households in the city have an LTV ratio of 90 percent and above, compared with 60 percent in the MSA and about 52 percent in the US.

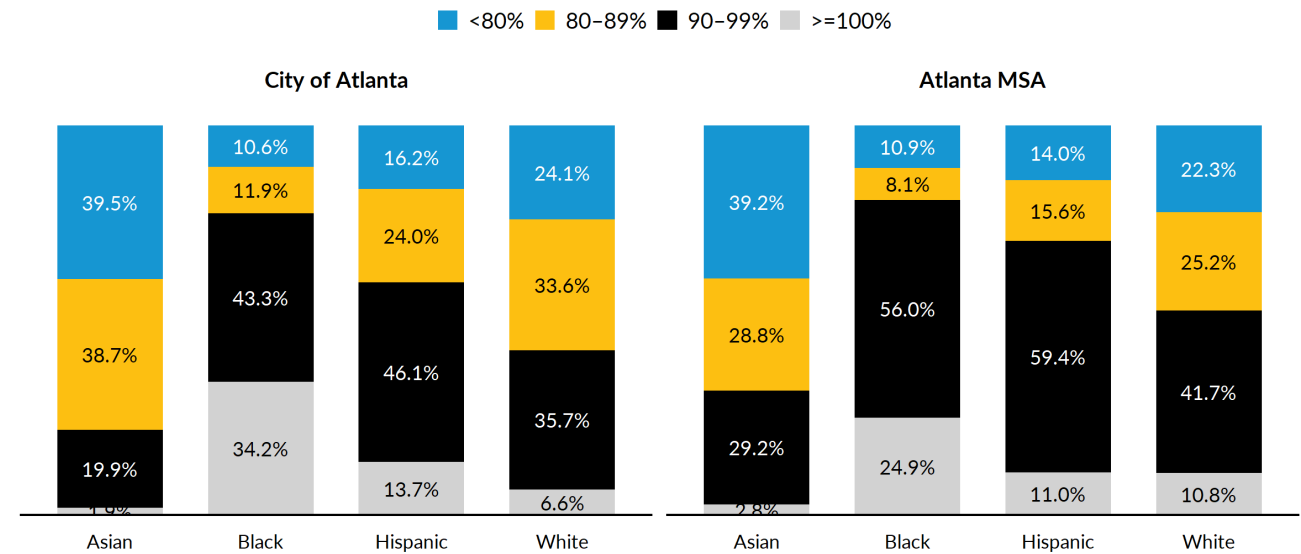
LTV Ratio Distribution Comparison



Source: 2019 Home Mortgage Disclosure Act data.  
Notes: LTV = loan-to-value; MSA = metropolitan statistical area. Data are for purchase loans only.

Black homebuyers have higher LTV ratios than homebuyers of other races and ethnicities. The share of Black borrowers with LTV ratios of 90 percent and above is more than 77 percent in the city and 81 percent in the MSA. In comparison, the share of white borrowers with LTV ratios of 90 percent and above is 42 percent in the city and about 52.5 percent in the MSA. A higher LTV ratio is associated with greater risk, and homeowners with high LTV ratios take longer to build wealth because they have put less equity down at purchase.

LTV Ratio Distribution, by Race or Ethnicity

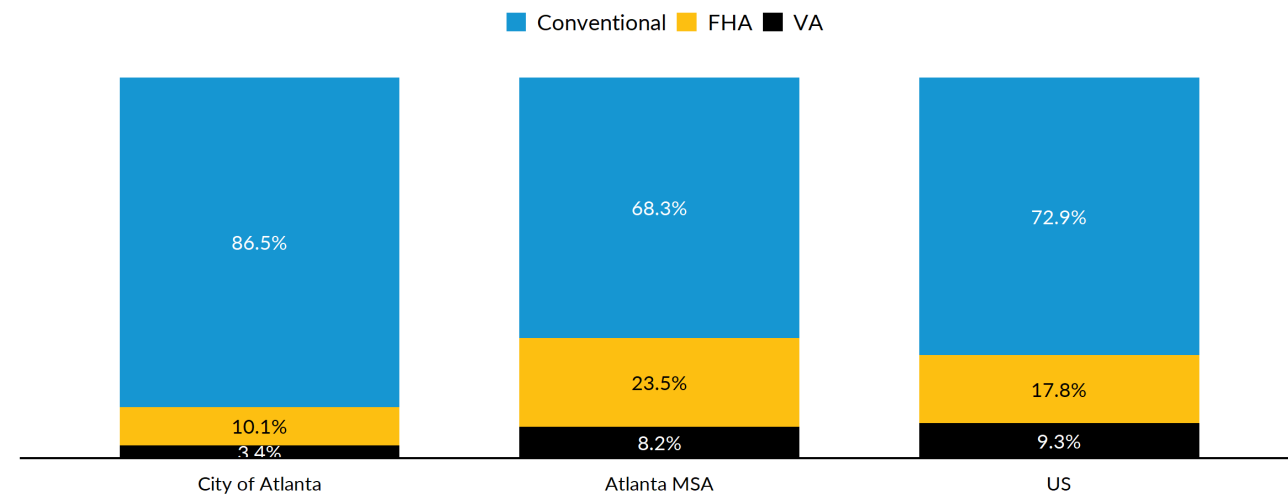


Source: 2019 Home Mortgage Disclosure Act data.  
Notes: LTV = loan-to-value; MSA = metropolitan statistical area. Data are for purchase loans only.

Loan Channels

Among those who purchased homes in 2019, a smaller share of borrowers in Atlanta used Federal Housing Administration (FHA) loans or US Department of Veterans Affairs (VA) loans compared with purchasers in the MSA and the US. The share of conventional loans used in the city was correspondingly higher than in the US.

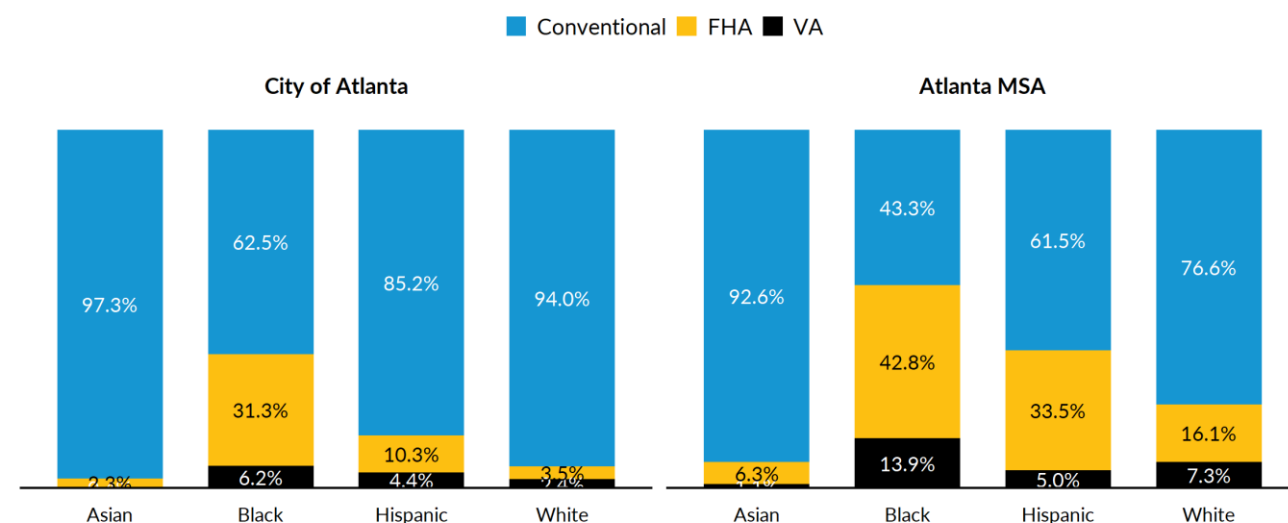
### Loan Channel Comparison



Source: 2019 Home Mortgage Disclosure Act data.  
Notes: FHA = Federal Housing Administration; MSA = metropolitan statistical area; VA = US Department of Veterans Affairs. Data are for purchase loans only.

In both Atlanta and its MSA, FHA loans account for a higher share of loan channel composition for Black households than for any other racial or ethnic group. In 2019, the FHA share of loans for Black households was 31 percent in Atlanta and 43 percent in the MSA. Despite the higher share of Black households buying homes with FHA loans in Atlanta, this share is lower than the national rate of 38 percent. Buying homes with FHA loans became more difficult during the pandemic with the decline in the housing supply and rise in home prices, increasing the challenges for many Black homebuyers who can qualify only for FHA loans that require a low down payment. Many sellers will avoid selling to a buyer with an FHA mortgage, assuming they have a choice, as FHA mortgages are more cumbersome and take longer to close.<sup>5</sup>

### Loan Channel, by Race or Ethnicity



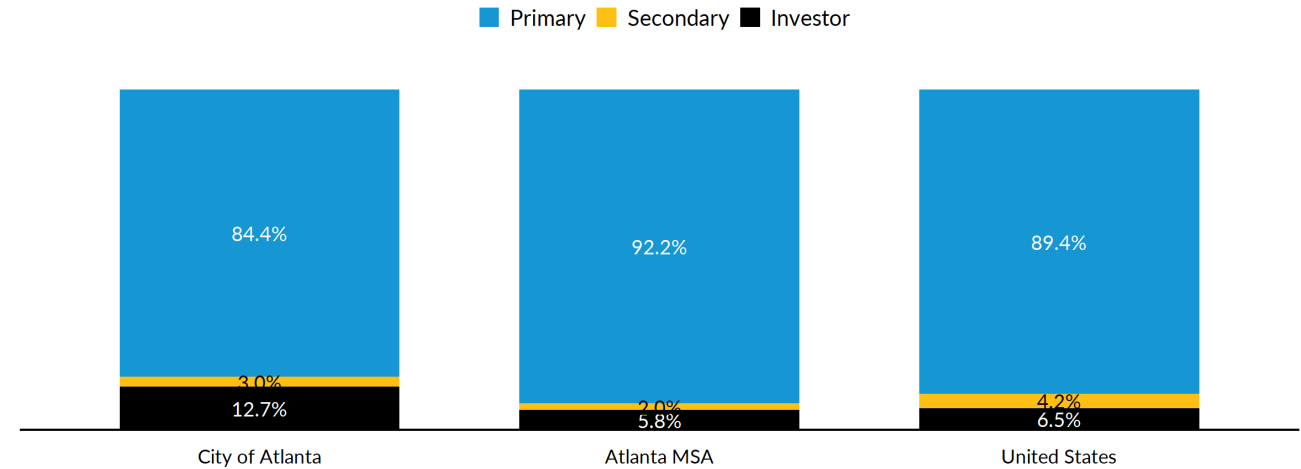
Source: 2019 Home Mortgage Disclosure Act data.  
Notes: FHA = Federal Housing Administration; MSA = metropolitan statistical area; VA = US Department of Veterans Affairs. Data are for purchase loans only.

### Property Purchase Types

<sup>5</sup> Laurie Goodman and Janneke Ratcliffe, "The Tight Housing Market Boxes Out Government-Insured Borrowers, Widening Homeownership Gaps," *Urban Wire* (blog), Urban Institute, June 16, 2021, <https://www.urban.org/urban-wire/tight-housing-market-boxes-out-government-insured-borrowers-widening-homeownership-gaps>.

Prospective homebuyers may purchase a property as a primary or secondary residence. Investors may purchase a property to rent it out or resell it. In 2019, almost 13 percent of property purchases with a mortgage in Atlanta were made by investors, which is larger than the share for the MSA (5.8 percent) and the US (6.5 percent). Note that many investors purchase homes in cash, but these numbers are not captured here.

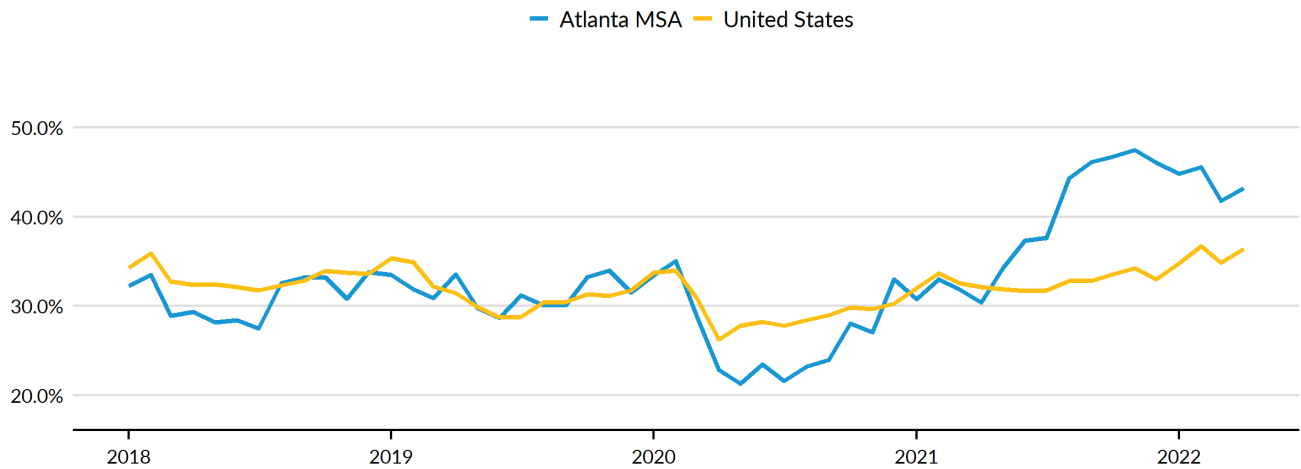
Property Purchase Types Comparison



Source: 2019 Home Mortgage Disclosure Act data.  
Notes: MSA = metropolitan statistical area. All-cash investors are not included in the data.

Additionally, the cash buyer share in the Atlanta MSA increased substantially during the pandemic, from 22 percent in April 2020 to 43 percent in April 2022. This share peaked at 47.5 percent in November 2021. The cash buyer share in the Atlanta MSA was 13 percentage points higher than the cash buyer share in the US. Note that the cash buyer share also increased for the US as a whole during the pandemic but at a slower rate than for the Atlanta MSA. The substantial increase of cash buyers and a larger investor share mean that borrowers with fewer resources will find it more difficult to compete for homes.<sup>6</sup> Rent prices are also rising, indicating that households who remain renters will also likely face higher rents and will have a harder time saving for a down payment for future home purchases.

Cash Buyer Share Comparison



Source: National Fair Housing Alliance.  
Note: MSA = metropolitan statistical area.

Mortgage Readiness

<sup>6</sup> Laurie Goodman and Edward Golding, "Institutional Investors Have a Comparative Advantage in Purchasing Homes That Need Repair," *Urban Wire* (blog), Urban Institute, October 20, 2021, <https://www.urban.org/urban-wire/institutional-investors-have-comparative-advantage-purchasing-homes-need-repair>.



The mortgage-ready population, calculated by Freddie Mac, includes borrowers ages 45 and younger who do not have a mortgage but have the credit characteristics to qualify for one. Freddie Mac uses credit scores, DTI ratios, and delinquency histories to estimate this number. As of September 2021, the mortgage-ready population in the US housing market was about 40 million, including 3.5 million Black consumers. In the Atlanta MSA, the mortgage-ready population is close to 744,500, including 205,700 Black consumers.

### Mortgage-Ready Count, by Race or Ethnicity

|               | Asian     | Black     | Hispanic  | White      | Other   | Total      |
|---------------|-----------|-----------|-----------|------------|---------|------------|
| Atlanta MSA   | 103,200   | 205,700   | 105,900   | 319,800    | 9,900   | 744,500    |
| United States | 4,861,000 | 3,476,000 | 8,334,000 | 22,536,000 | 678,000 | 39,885,000 |

Source: 2021 Freddie Mac data.

Notes: MSA = metropolitan statistical area. Data are for purchase loans only. The mortgage-ready population, calculated by Freddie Mac, includes borrowers ages 45 and younger who do not have a mortgage but have the credit characteristics to qualify for one.

Fewer Black consumers in the Atlanta MSA and nationwide are mortgage ready than consumers of other races and ethnicities. Among people ages 45 and younger, the Black share of mortgage-ready consumers in the Atlanta MSA (23 percent) is the same as the share nationwide (23 percent). In contrast, the Hispanic share of mortgage-ready consumers in the Atlanta MSA (37 percent) is slightly higher compared with the share nationwide (35 percent). A lower share of mortgage-ready Black consumers can afford a home in Atlanta. Nationally, 21 percent of mortgage-ready Black consumers can afford median-price homes, assuming a 5.2 percent mortgage interest rate, as compared with about 14.2 percent of mortgage-ready Black consumers in the Atlanta MSA. This is because home prices appreciated more in the Atlanta MSA than in the nation in recent years and are now higher than the national average. Because of higher home prices and lower incomes, it takes more time to save for a 3 percent down payment for Black consumers in the Atlanta MSA than in the nation. In the Atlanta MSA, it would take about 3.27 years for a mortgage-ready Black borrower to save for a 3 percent down payment to purchase a median-price home, compared with 3.18 years nationally. As Asian and Hispanic households are concentrated in more expensive markets, like California, it takes them less time to save for a 3 percent down payment in Atlanta compared with the nation.

### Mortgage Readiness, by Race or Ethnicity

| Race or ethnicity | Mortgage-Ready Share |             | Mortgage Affordability at 5.2% Interest |             | Years to Save a 3% Down Payment |             |
|-------------------|----------------------|-------------|---|-------------|---------------------------------|-------------|
|                   | United States        | Atlanta MSA | United States                           | Atlanta MSA | United States                   | Atlanta MSA |
| Asian             | 58.9%                | 58.8%       | 14.0%                                   | 15.3%       | 4.25                            | 3.04        |
| Black             | 22.9%                | 23.3%       | 21.0%                                   | 14.2%       | 3.18                            | 3.27        |
| Hispanic          | 35.1%                | 36.8%       | 11.0%                                   | 9.4%        | 4.36                            | 3.52        |
| White             | 37.0%                | 36.9%       | 28.0%                                   | 22.8%       | 2.91                            | 2.93        |

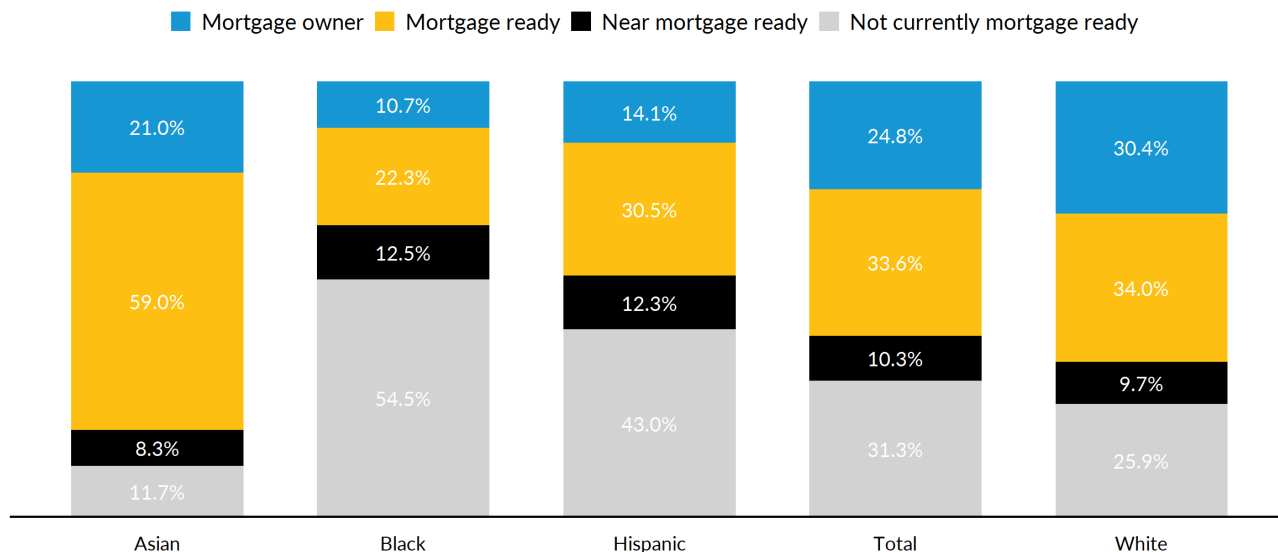
Source: 2021 Freddie Mac data.

Notes: MSA = metropolitan statistical area. Data are for purchase loans only. The mortgage-ready population, calculated by Freddie Mac, includes borrowers ages 45 and younger who do not have a mortgage but have the credit characteristics to qualify for one.

### Mortgage Readiness (continued)

Among consumers who are credit visible, only about 11 percent of Black consumers ages 45 and younger in the Atlanta MSA are mortgage owners, compared with 30 percent of white consumers. Almost 55 percent of Black consumers are not mortgage ready, a share significantly higher than for consumers of other racial and ethnic groups.

### Mortgage Readiness, by Race or Ethnicity, in the Atlanta Metropolitan Statistical Area

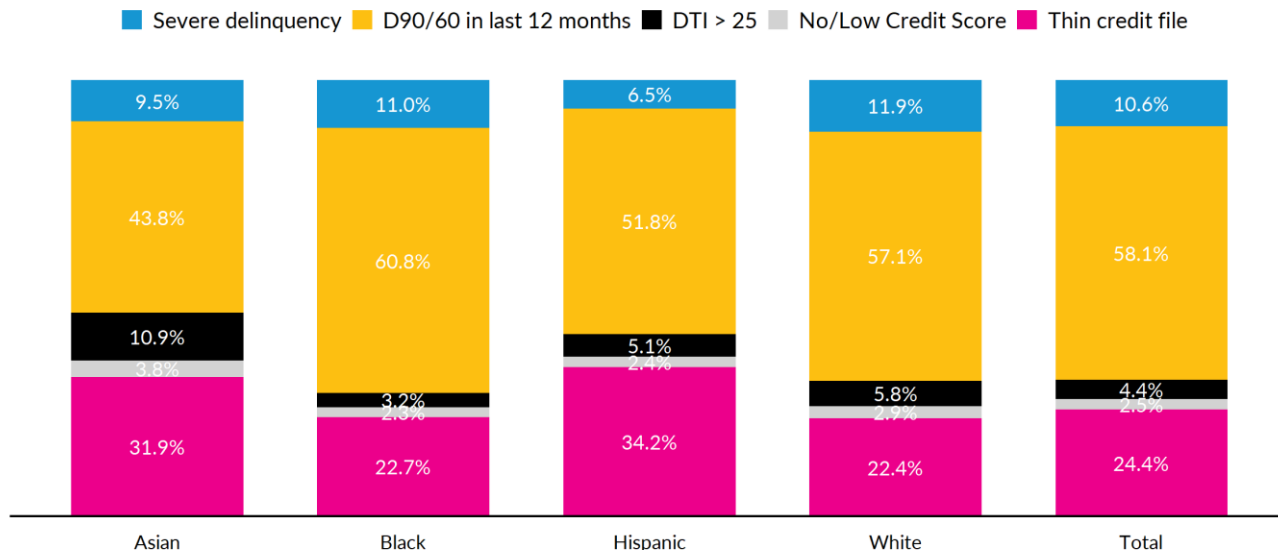


Source: 2021 Freddie Mac data.

Note: The mortgage-ready population, calculated by Freddie Mac, includes borrowers ages 45 and younger who do not have a mortgage but have the credit characteristics to qualify for one.

The underlying reason for a consumer to be deemed not mortgage ready varies slightly by race and ethnicity in the MSA. Note that underlying reasons are measured with a waterfall approach, starting from severe delinquency. If a person is severely delinquent and has a DTI ratio above 25 percent, that person will be considered not mortgage ready because of severe delinquency. The most likely reason for Black people to be deemed not mortgage ready was because of a 60- or 90-day delinquency on a loan in the past 12 months. When adding those who were severely delinquent, we find that 72 percent of Black households were not mortgage ready because of their past delinquencies.

### Reason for Weak Credit Designation, by Race or Ethnicity, in the Atlanta Metropolitan Statistical Area



Source: 2021 Freddie Mac data.

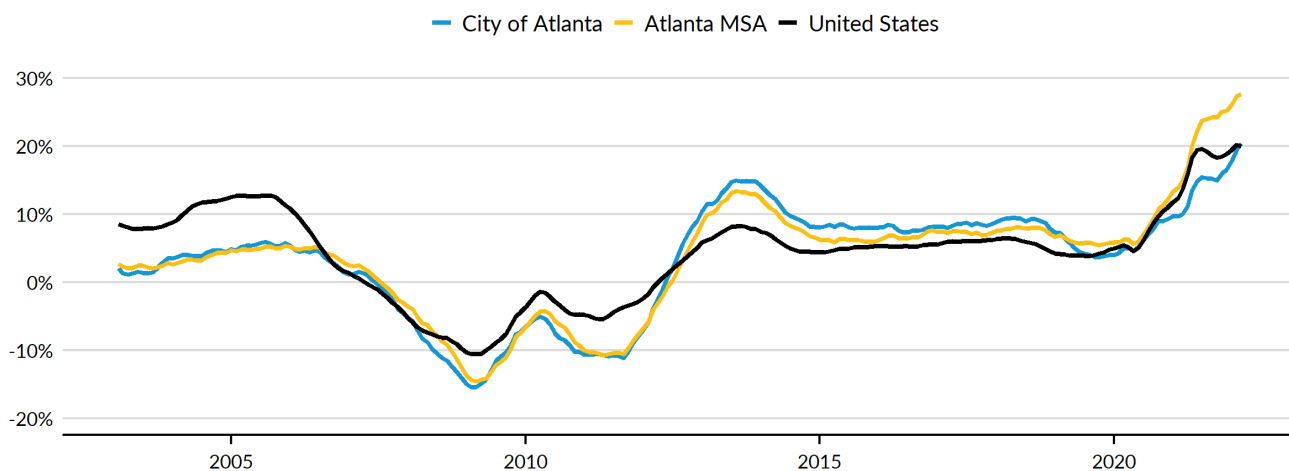
Notes: The severe delinquency category includes borrowers who are bankrupt, are in foreclosure, or have been 120 to 180 days delinquent. Thin credit file includes borrowers with zero, one, or two lines of credit.

# Home Prices

## Home Price Appreciation

Home prices in Atlanta and its MSA fell in the wake of the 2008 housing bust, and the decline in price change was even more significant than in the nation, despite slower growth during the housing boom. Since 2012, home prices have gained steadily in all three geographies and have accelerated since the pandemic, with the MSA outstripping national home price growth amid the COVID-19 pandemic. Between March 2021 and March 2022, home prices in the Atlanta MSA went up by 27.6 percent, compared with 20.4 percent in the MSA and 19.9 percent in the nation.

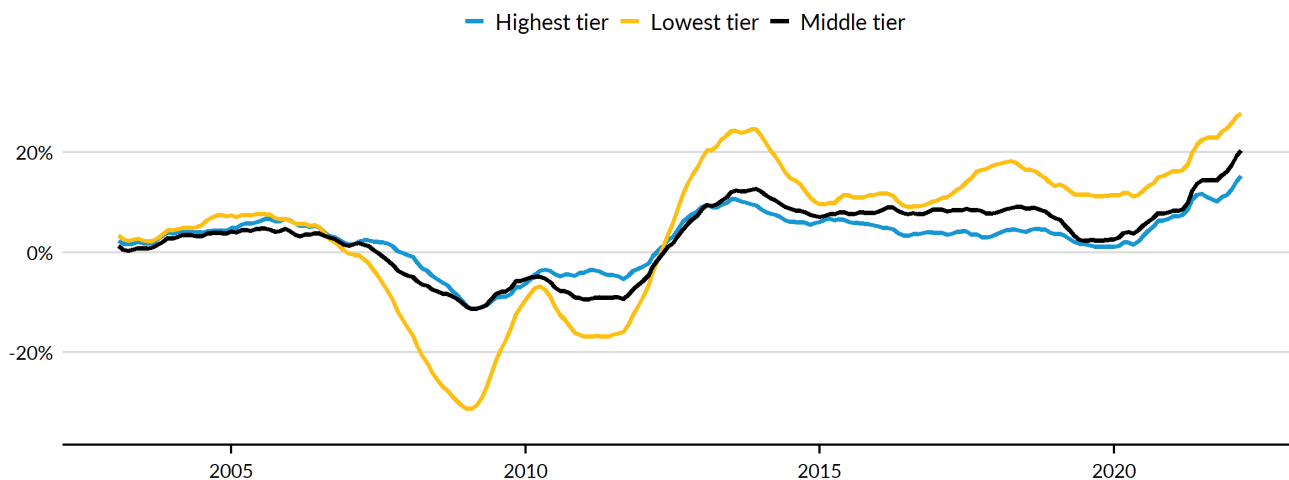
### Year-over-Year Price Changes



Source: Black Knight.  
Note: MSA = metropolitan statistical area.

In Atlanta, prices for homes in the lowest price tier—the bottom 20th percentile—dropped the most during and immediately following the Great Recession. Black households were more likely to live in lower-price homes, suggesting that a disproportionately high share of Black households lost significant housing wealth. But recently, these homes show higher appreciation rates than homes in higher price tiers because of an acute supply shortage in the lowest price tiers. Although households who have managed to keep their homes would have experienced a wealth recovery, those who did not have experienced greater difficulty finding affordable homes to purchase.

### Year-over-Year Price Changes in the City of Atlanta, by Price Tier

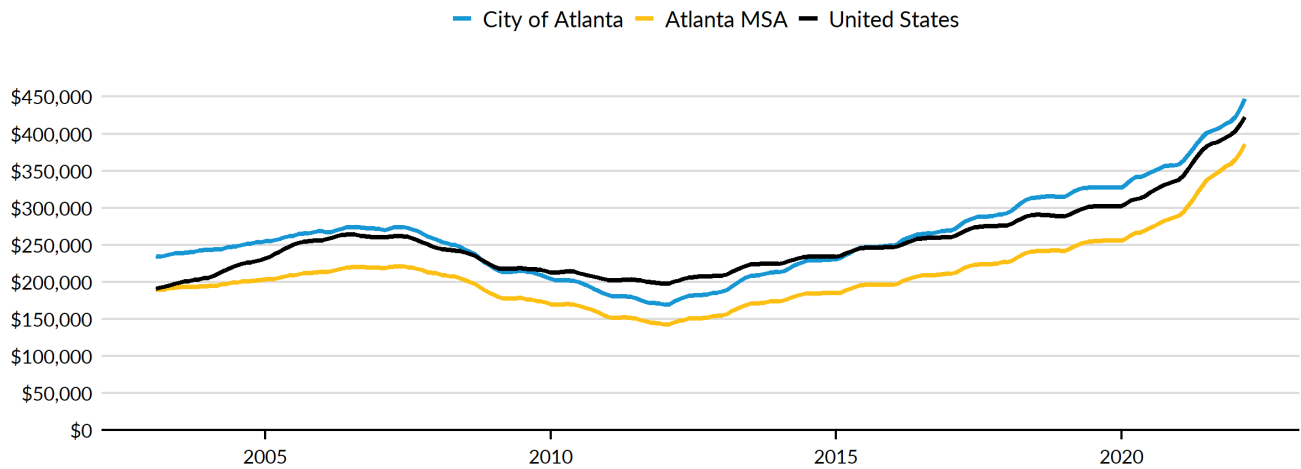


Source: Black Knight.

## Home Price Appreciation (continued)

Nationally, average home prices are 29 percent above where they were during the prior peak. In Atlanta, average home values are nearly 63 percent above their peak values in 2007 and 164 percent above their Great Recession low in 2012.

### Average Home Price Estimate

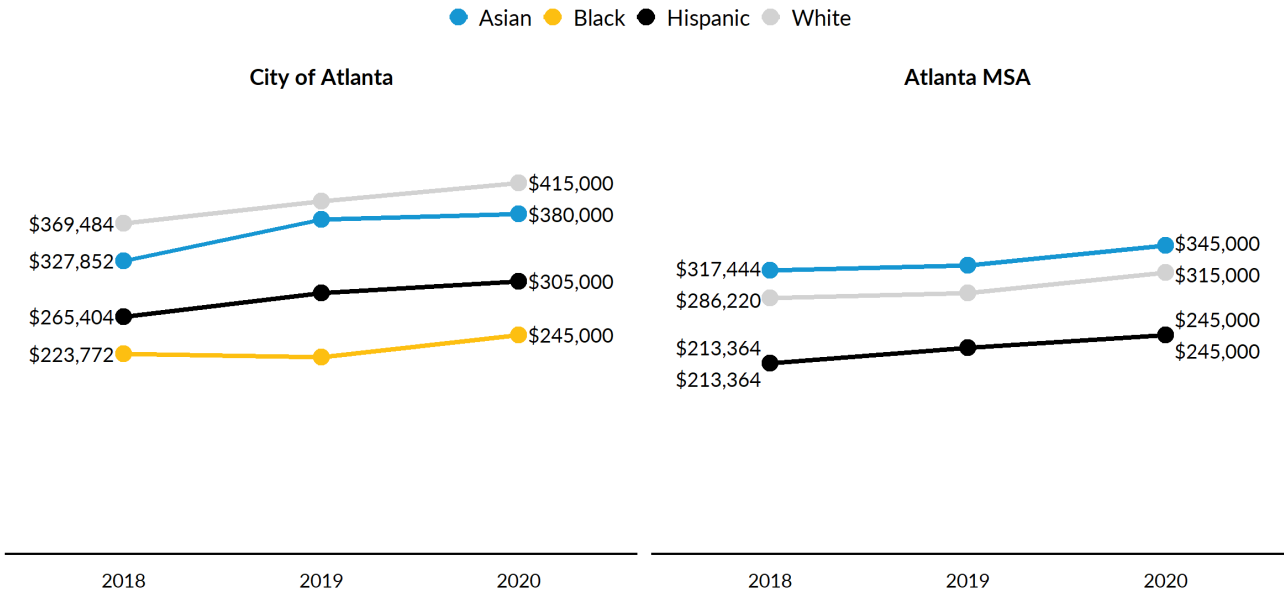


Source: Black Knight.  
Note: MSA = metropolitan statistical area.

# Property Values, by Race and Ethnicity

Since 2018, median property values of purchased homes have increased for all racial and ethnic groups in Atlanta and its MSA, reflecting rising home prices. Although property values in the MSA are slightly higher, substantial racial disparities in the prices of purchased homes exist at both geographic levels. Households of color are more likely to buy less expensive homes. In Atlanta, the median purchase price for Black households increased by 9 percent (about \$21,000) between 2018 and 2020, while values for white households increased by about 12 percent (about \$45,000). Because of low homeownership rates and home values, Black households own about 17 percent of aggregate housing wealth in the city, despite making up 45 percent of the city’s total households.<sup>7</sup>

## Median Property Values, by Race or Ethnicity



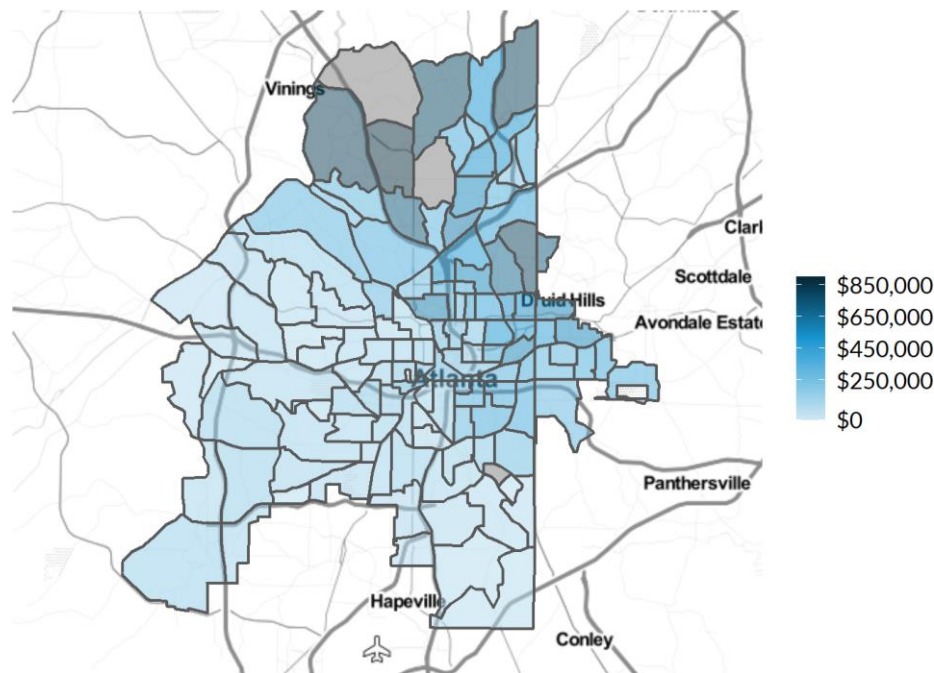
Source: 2018–2020 Home Mortgage Disclosure Act data.  
Notes: MSA = metropolitan statistical area. Values are in 2020 inflation-adjusted dollars. Original, unadjusted reported values rounded to the midpoint of the nearest \$10,000 interval.

# Home Values, by Neighborhood

<sup>7</sup> Neal et al., “Tracking Homeownership Wealth Gaps.”

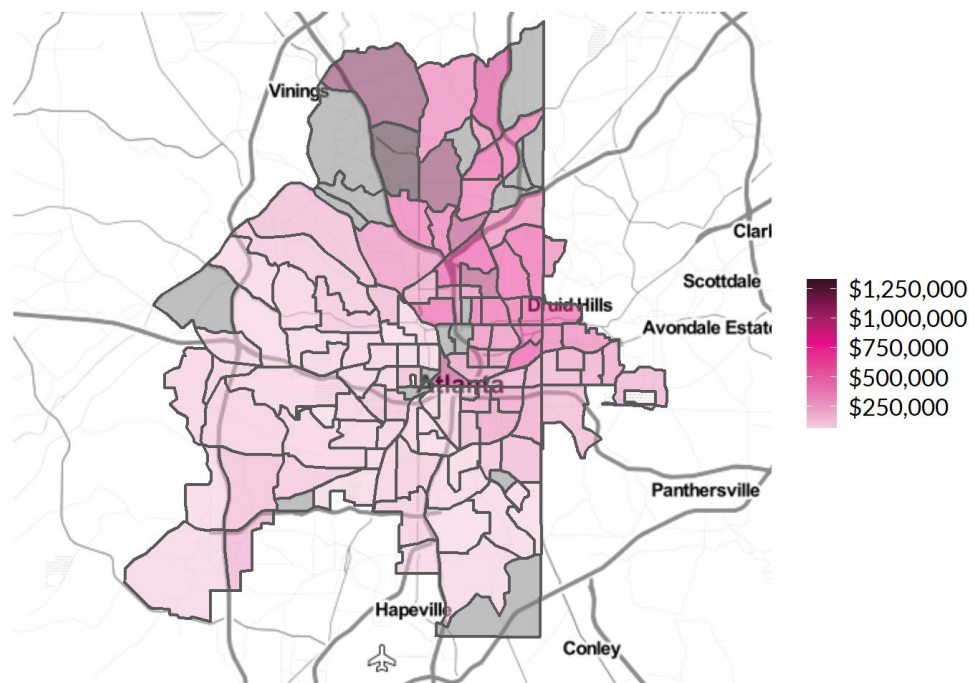
The home price distribution of single-family homes and duplexes shows a similar pattern. The highest-value homes are concentrated in Atlanta’s northside, including the Midtown neighborhood, West Paces/Northside, and just northeast of downtown Atlanta, surrounding the Druid Hills community.

Mean Tract-Level Market Values of Single-Family Homes in Atlanta



Source: Property records.

Mean Tract-Level Market Values of Duplexes in Atlanta



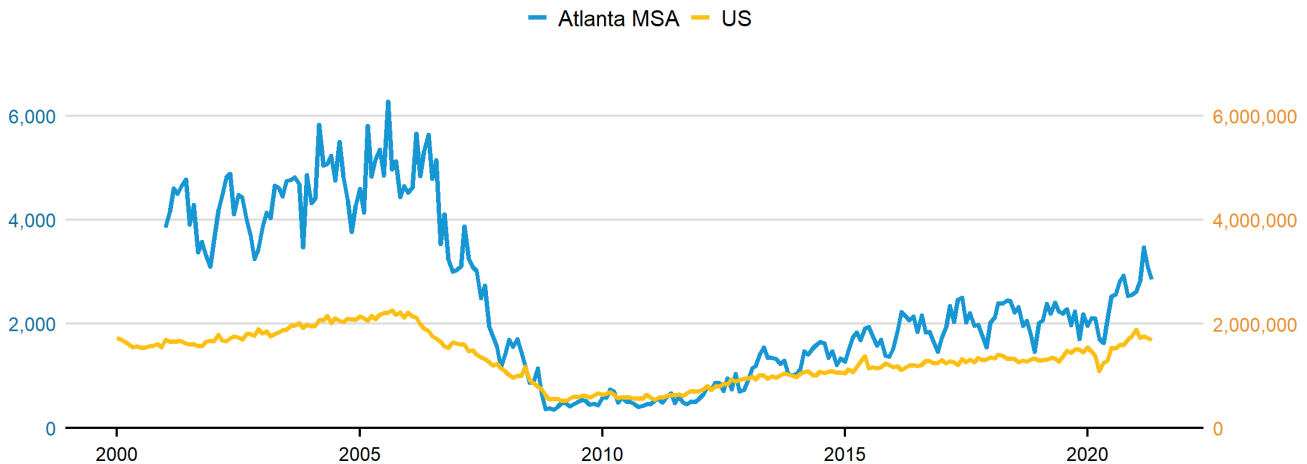
Source: Property records.

# Housing Supply

## Building Permits

In the past decade, the US has experienced significant housing supply shortages. In the Atlanta MSA, the number of new private housing units authorized by building permits dropped significantly following the Great Recession. This number slowly increased postrecession but dipped when the COVID-19 pandemic hit. The numbers have gone up in recent months but are still considerably lower than in the years before the Great Recession. This is similar to the national trend, but growth in recent years has been slower nationally.

### New Housing Units Authorized by Building Permits



## Active Listings

Housing inventory has dropped during the pandemic because while demand increased (mortgage interest rates dropped, and millennials entered their prime homebuying years), supply could not keep pace. Between January 2018 and April 2022, active listings dropped almost 64 percent in the US, compared with 46 percent in Atlanta and about 60 percent in its MSA. Active listings per household, which is total active listings throughout the year over the total number of households, was higher in the city than in the MSA. The national number was the lowest.

### Changes in Active Listings

| Time frame           | City of Atlanta | Atlanta MSA | United States |
|----------------------|-----------------|-------------|---------------|
| Jan. 2018–April 2022 | -45.9%          | -60.1%      | -63.8%        |

Source: National Fair Housing Alliance.  
Note: MSA = metropolitan statistical area.

### Annualized Active Listings as a share of Households

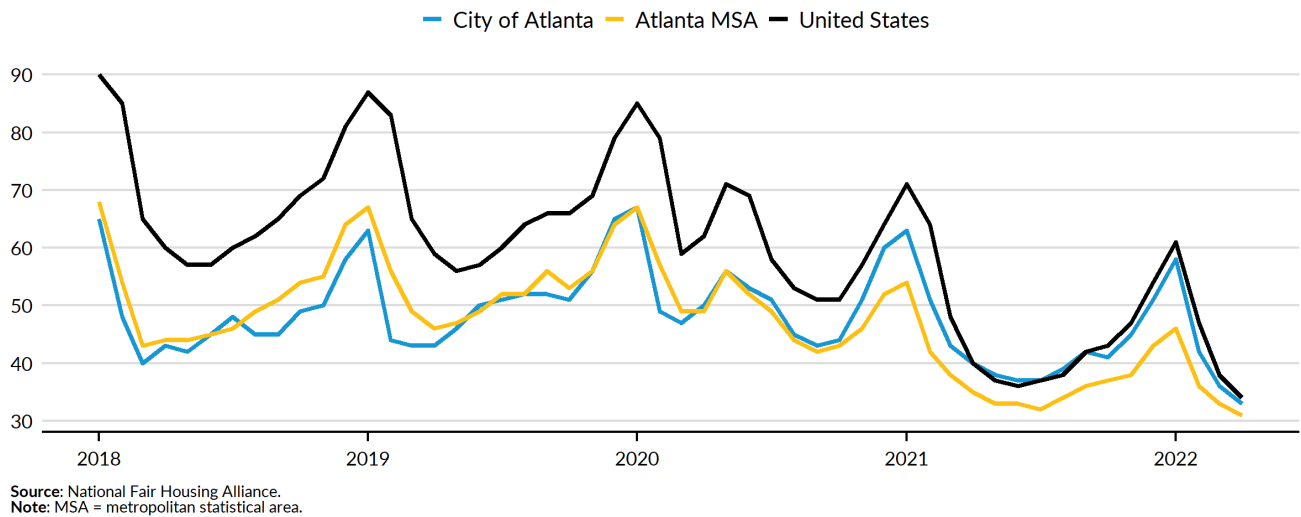
| Year | United States | City of Atlanta | Atlanta MSA |
|------|---------------|-----------------|-------------|
| 2018 | 12.9%         | 32.6%           | 21.7%       |
| 2019 | 12.5%         | 43.4%           | 24.5%       |
| 2020 | 8.8%          | 35.6%           | 16.8%       |

Source: National Fair Housing Alliance.  
Note: MSA = metropolitan statistical area.

## Median Days on the Market

The time frame between the day a property has been listed on the market and the day a seller has accepted an offer and signed a contract is referred to as “days on the market.” How short or long this time frame is can suggest how competitive the market is. Homes have sold faster in recent years. The median number of days on the market usually drops during the first half of the year and then goes up, reflecting seasonal differences in market activity. Although this pattern remained, the median days on the market at the peak and the trough in 2021 and 2022 are substantially lower than in prior years, reflecting an increase in homebuying competition.

Comparison of Days on the Market

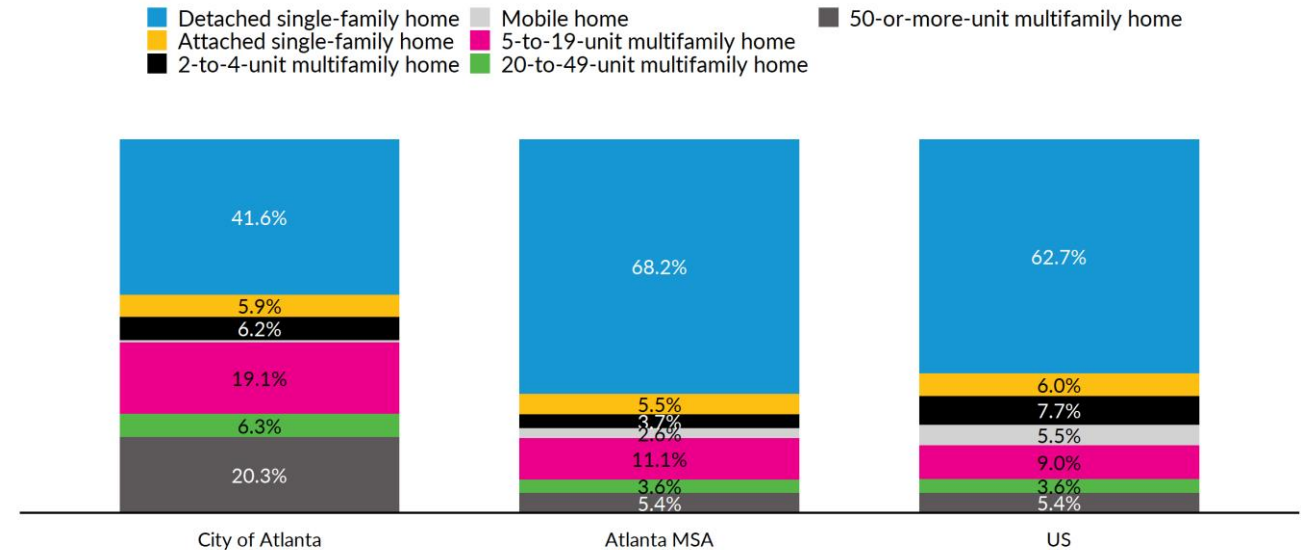


Housing Type



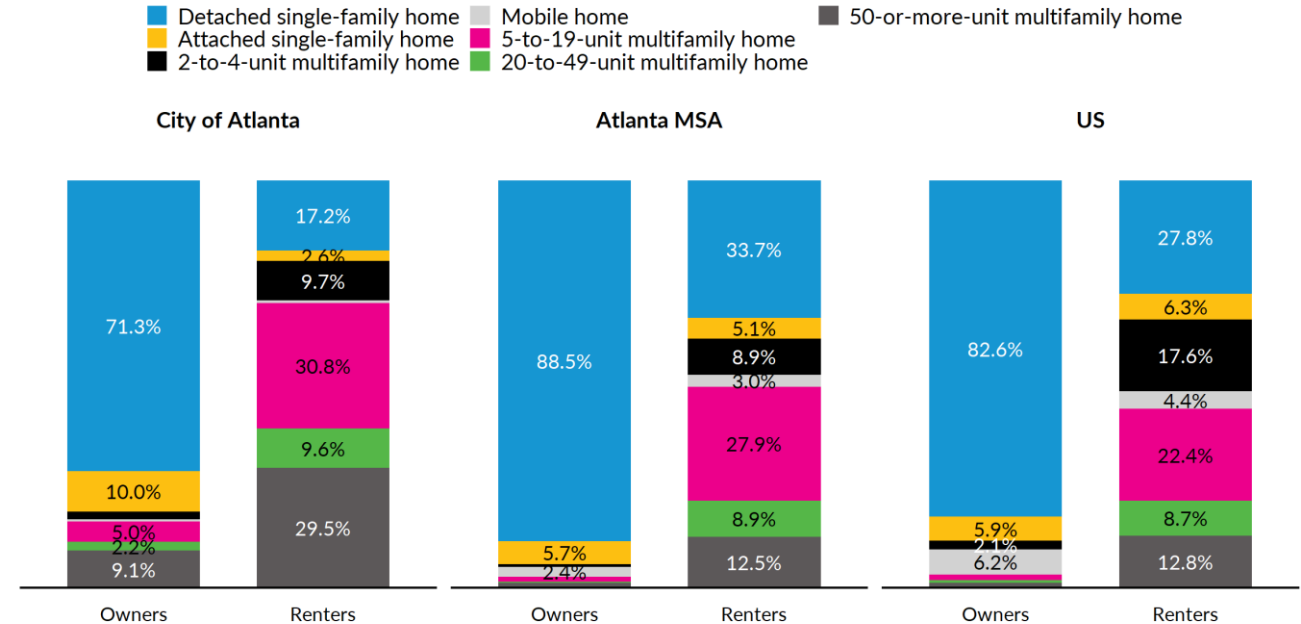
Similar to the nationwide composition of housing structure types, households in both the city and the MSA largely live in single-family units. Among households living in multifamily units, a significant proportion in Atlanta, primarily renters, reside in buildings with 5 to 19 units, which make up around 20 percent of the overall number of housing units. In the MSA, buildings with 5 to 19 units also make up the largest share of multifamily units and account for around 11 percent of the overall composition.

Housing Structure Type Comparison



For homeowners, the most common property types in Atlanta are single-family homes. Single-family housing (attached plus detached) dominates the homeownership market in Atlanta, making up 81 percent of the total, about 7 percentage points lower than for the US as a whole. For renters, the highest share of residents lives in properties with 5 to 19 units followed by multifamily properties with 50 or more units.

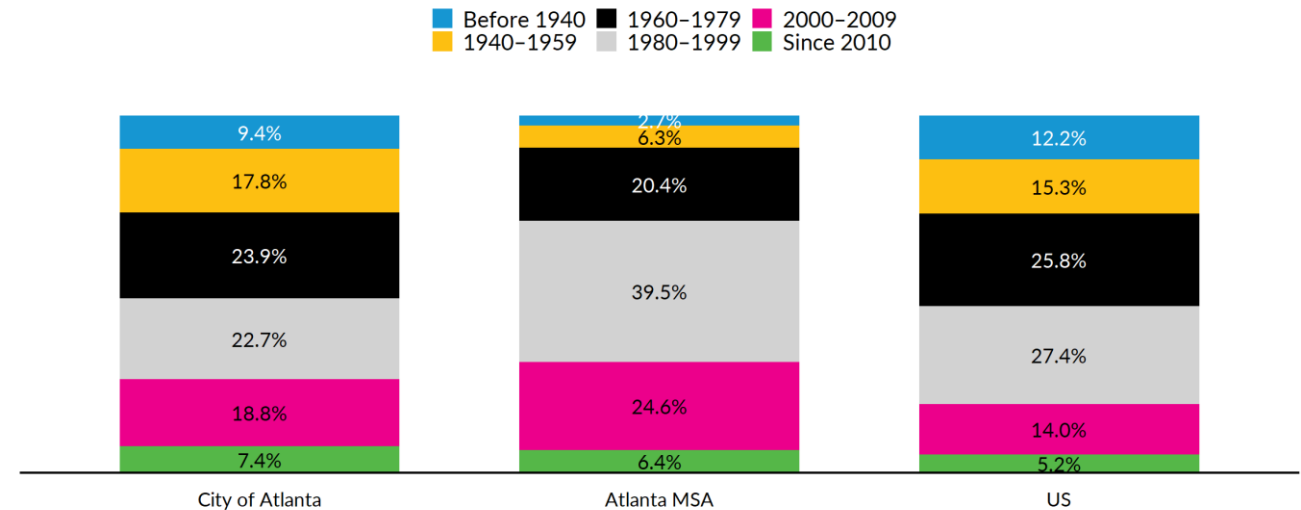
Housing Structure Type: Owners and Renters



Age of Housing

Depending on its age, an older home may require significant upkeep or extensive repairs or renovation, raising the user costs of homeownership. Similar to the overall nationwide composition, most households in Atlanta live in homes built before 1980. Nationwide, 53 percent of households live in homes built before 1980, compared with about 51 percent in Atlanta and 29 percent in its MSA. Although new construction has slowed dramatically across the nation since the Great Recession, 7.4 percent of households in Atlanta reside in homes built since 2010, compared with 6.4 percent in the MSA and 5.2 percent nationally.

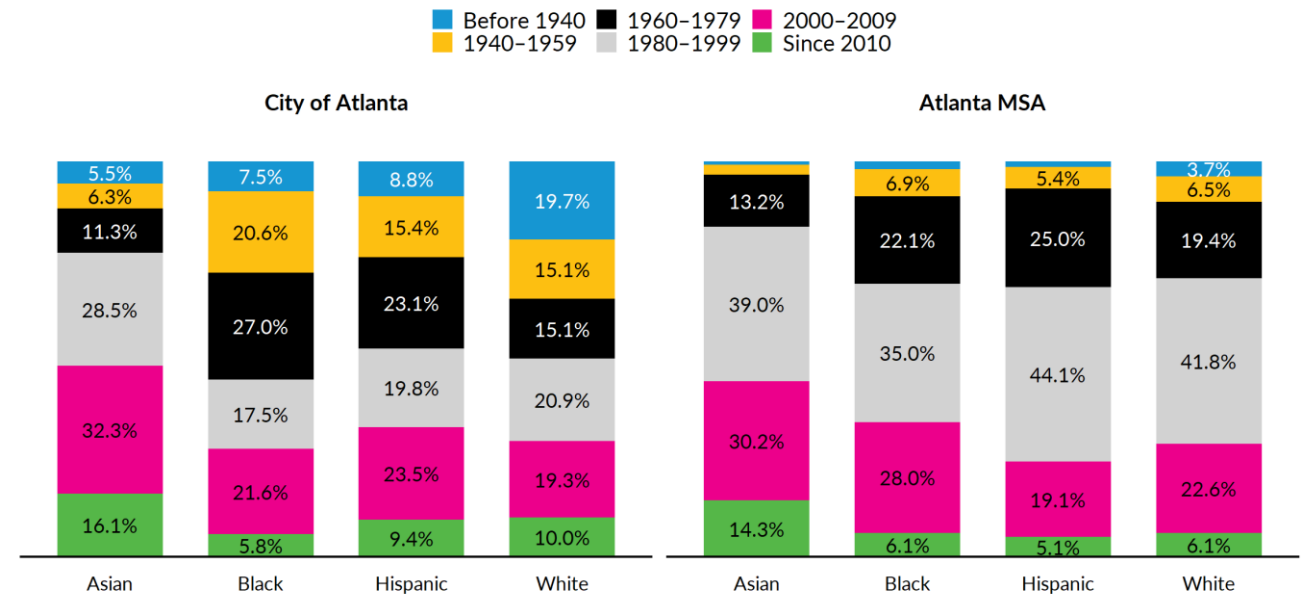
Year Built Comparison



Source: 2015-19 American Community Survey.  
Note: MSA = metropolitan statistical area.

In both the city and the MSA, higher shares of Black and Hispanic households live in homes built before 1980 compared with Asian and white households. In the MSA, 55 percent of Black households live in homes built before 1980, compared with almost 50 percent of white households.

Year Built Comparison, by Race or Ethnicity



Source: 2015-19 American Community Survey.  
Notes: MSA = metropolitan statistical area. Values calculated using allocation factors provided by the Missouri Census Data Center.

Conclusion

This report, in support of the Keys Unlocks Dreams Initiative for the Atlanta market, is intended as a first step toward informing local housing policies with a profile of homeownership barriers and opportunities. It offers an evidence-based framework for policymakers and stakeholders, such as consumers and housing market industry constituents, as they seek to further fair housing and close racial homeownership and wealth gaps.

Although no city has closed the Black-white homeownership gap (Choi et al. 2019), Atlanta has unique challenges that need tailored solutions. Atlanta faces challenges similar to comparable cities, including a legacy of historical racism and ongoing systemic racism, the slow construction of new affordable housing developments, and rising housing costs. But despite similar income levels and home prices, the homeownership rate in Atlanta is more than 20 percentage points lower than the nationwide rate, suggesting that Atlanta residents are experiencing greater barriers to homeownership. Only 31 percent of Black households are homeowners in Atlanta, the lowest among all racial and ethnic groups in the city and more than 10 percentage points lower than the national Black homeownership rate. Because of the lower homeownership rate and lower home values for those who are homeowners, Black households own only about 17 percent of aggregate housing wealth in the city, despite making up 45 percent of the city's households.<sup>8</sup>

Atlanta has experienced a large inflow of institutional investors since the Great Recession, and the investor share of home purchases was almost double the share nationwide in 2020. The cash buyer share also increased significantly during the pandemic. This indicates that Atlanta residents face greater competition to access homeownership. Rising rental costs also mean that households who remain renters will spend a greater share of their income on rent and have fewer savings for a future down payment.

The COVID-19 pandemic has disproportionately affected communities of color. Black homeowners and renters are more likely than homeowners and renters of other racial and ethnic groups to be behind on their housing payments, which could have negative postpandemic consequences. Many Black homeowners could fail to sustain homeownership, and many Black renters could be left in a financial situation that puts homeownership further out of reach. This would increase the racial homeownership and wealth gap.<sup>9</sup> Timely and adequate policy changes are needed to prevent this from happening.

These are just some of the policy issues revealed by this snapshot on homeownership conditions in Atlanta. The Urban Institute seeks to contribute the research to inform policy changes, new products and programs, education and outreach campaigns, and other partnerships for action. This work can help remove structural barriers that perpetuate inequality, expand affordable and fair housing options, prevent an unbalanced recovery from the COVID-19 pandemic, empower consumers and stakeholders with critical information and resources, and help close the racial wealth and homeownership gaps. We look forward to engaging on the data and on ideas for solutions in each of the places the Keys Unlock Dreams Initiative takes us in support of this work.

## References

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