



REGIONAL SNAPSHOT:

Metro Atlanta Trends in Homeownership

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Will Wright
Sr. Data Analyst
wwright@atlantaregional.org



Housing Making Headlines

June: National Homeownership Month

June is celebrated as National Homeownership Month, and a recent White House press release highlights a few reasons as to why owning a home is so critical to the American family.



Administration

MAY 31, 2023

A Proclamation on National Homeownership Month, 2023



► BRIEFING ROOM

► PRESIDENTIAL ACTIONS

During National Homeownership Month, we recognize the power of owning a home when raising a family, planting roots in a community, building equity, and passing down generational wealth to continue the American Dream for generations to come. We recognize that a place to call home, regardless of owning or renting, is essential to a life of security, dignity, and hope.

Housing Headlines

American Dream For Rent: Investors elbow out individual home buyers

Metro Atlanta is ground zero for corporate purchases, locking families into renting.

By [Brian Eason](#) and [John Perry](#), The Atlanta Journal-Constitution

February 9, 2023

RESIDENTIAL REAL ESTATE

'WE ALL WISH WE HAD MORE LISTINGS'

Atlanta's housing market should be hot right now, but there's a chill in their air.

Housing has been in the news quite a lot in recent months, as this sampling of headlines shows. While Atlanta's housing market has cooled off slightly from pandemic highs, demand remains strong. Persistent factors continue to make homeownership a greater challenge for people of color, due to investor-driven purchases and families spending a larger percentage of their income on housing costs.

Homeownership gap between Black, white Americans continues to widen

Mar 8, 2023, 9:53am EST



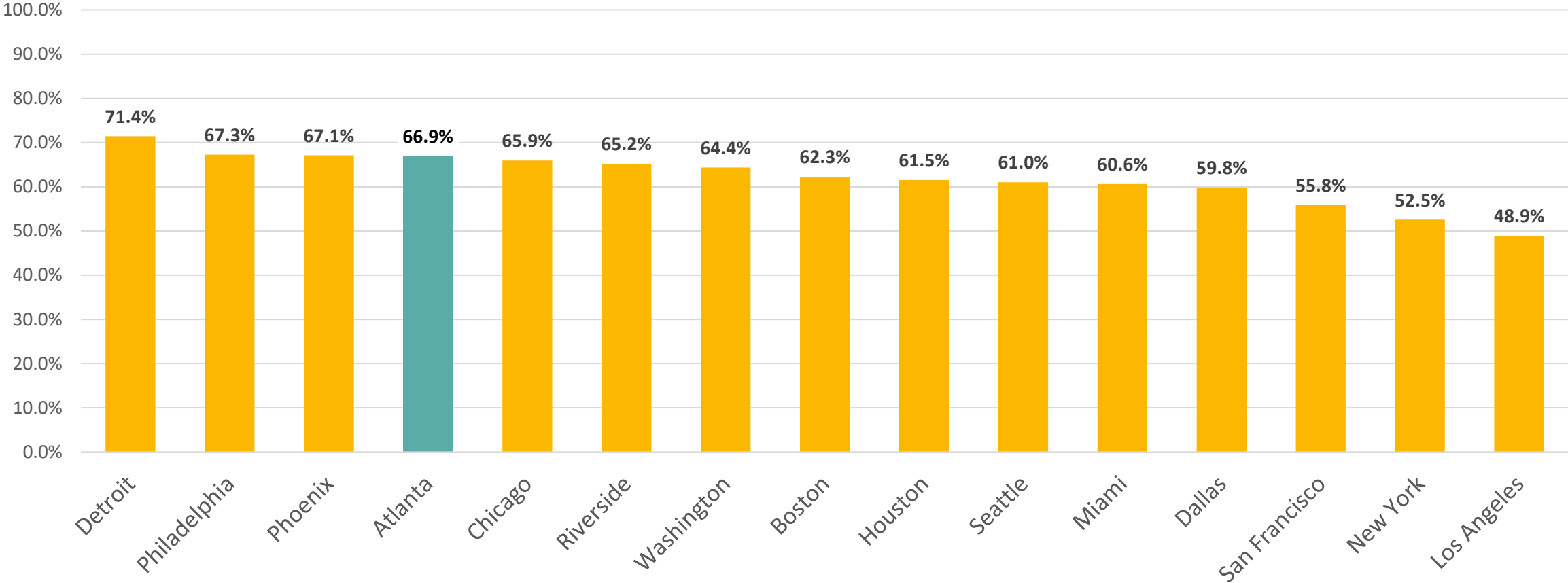
Summary Findings

- Among the fifteen most populous metro areas, metro Atlanta ranks fourth in **overall** homeownership rates
- Homeownership rates **by race** (in the 11-County ARC Region) are highest among Asian residents in Forsyth, Henry, and Cherokee Counties; such rates were lowest, regionally, among Hispanic and Black residents in DeKalb and Fulton Counties.
- Cobb and Gwinnett Counties feature the largest differences in homeownership rates between Whites and Blacks; White homeownership rates are nearly 30 percentage points higher than Black rates in Cobb and Gwinnett.
- In contrast, Fayette County features a much more equal distribution in homeownership between White and Black residents, with only a gap of 9 percentage points between the two racial groups.
- When considering recent Home Mortgage Disclosure Act (HMDA) data, we find that a relatively large number of White homebuyers have purchased primary residences in majority Black Census tracts south and southwest of Decatur in DeKalb County, along with some areas of central Fulton County.



Metro Comparisons: Homeownership Rates

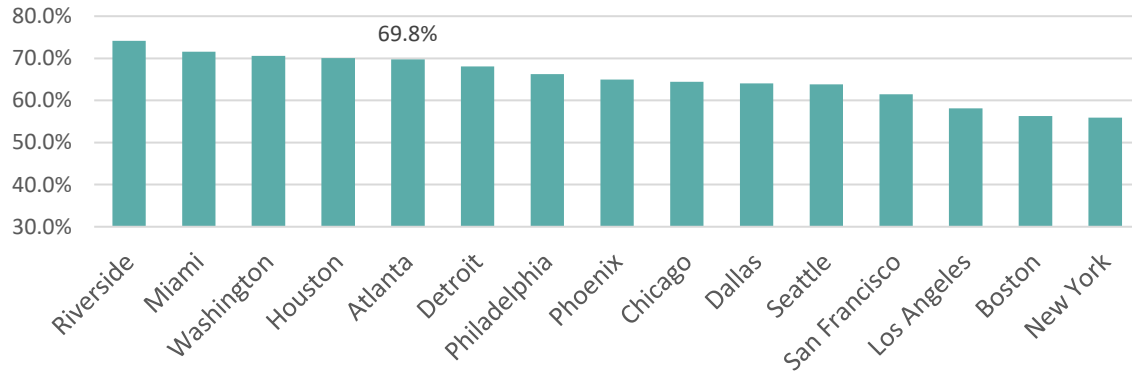
Homeownership Rates: Most Populous Metros



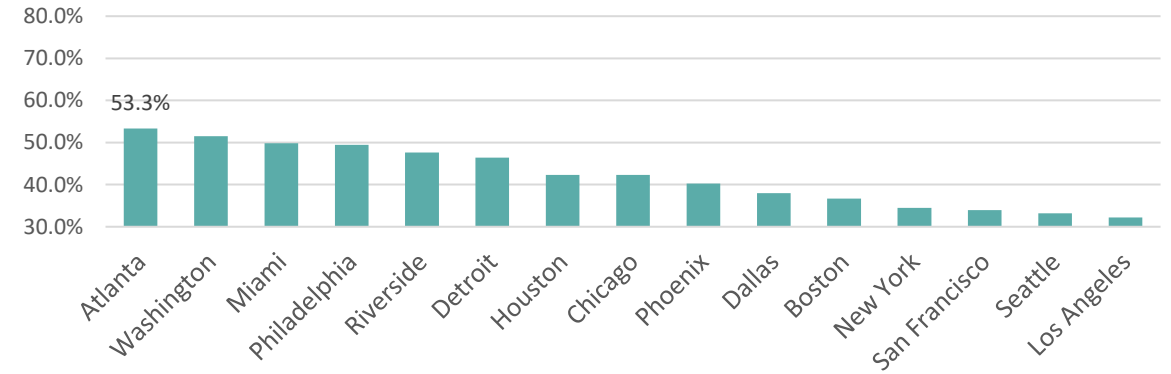
Among the fifteen most populous metro areas, metro Atlanta ranks fourth in overall homeownership rates.

Homeownership Rates by Race/Ethnicity

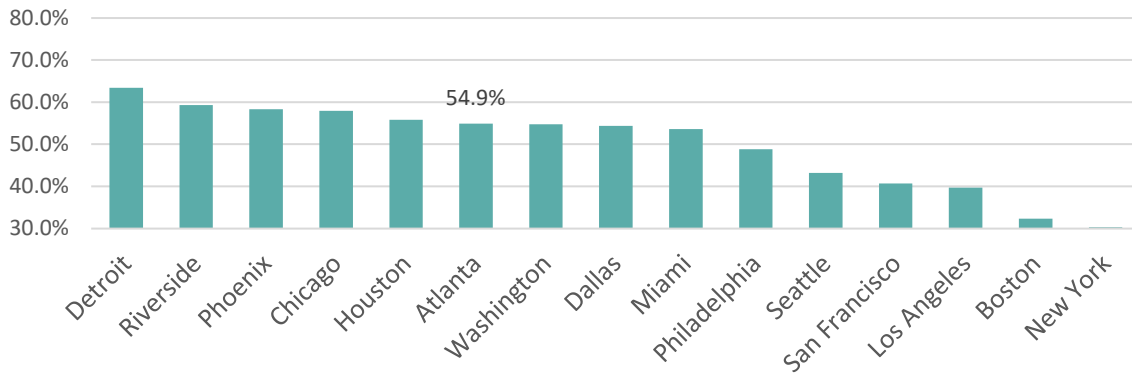
Asian Homeownership Rate



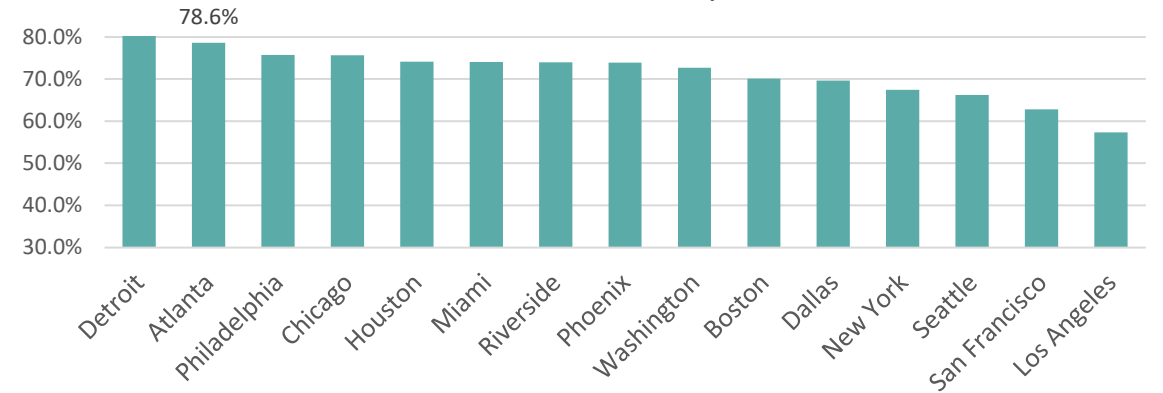
Black Homeownership Rate



Hispanic Homeownership Rate



White Homeownership Rate

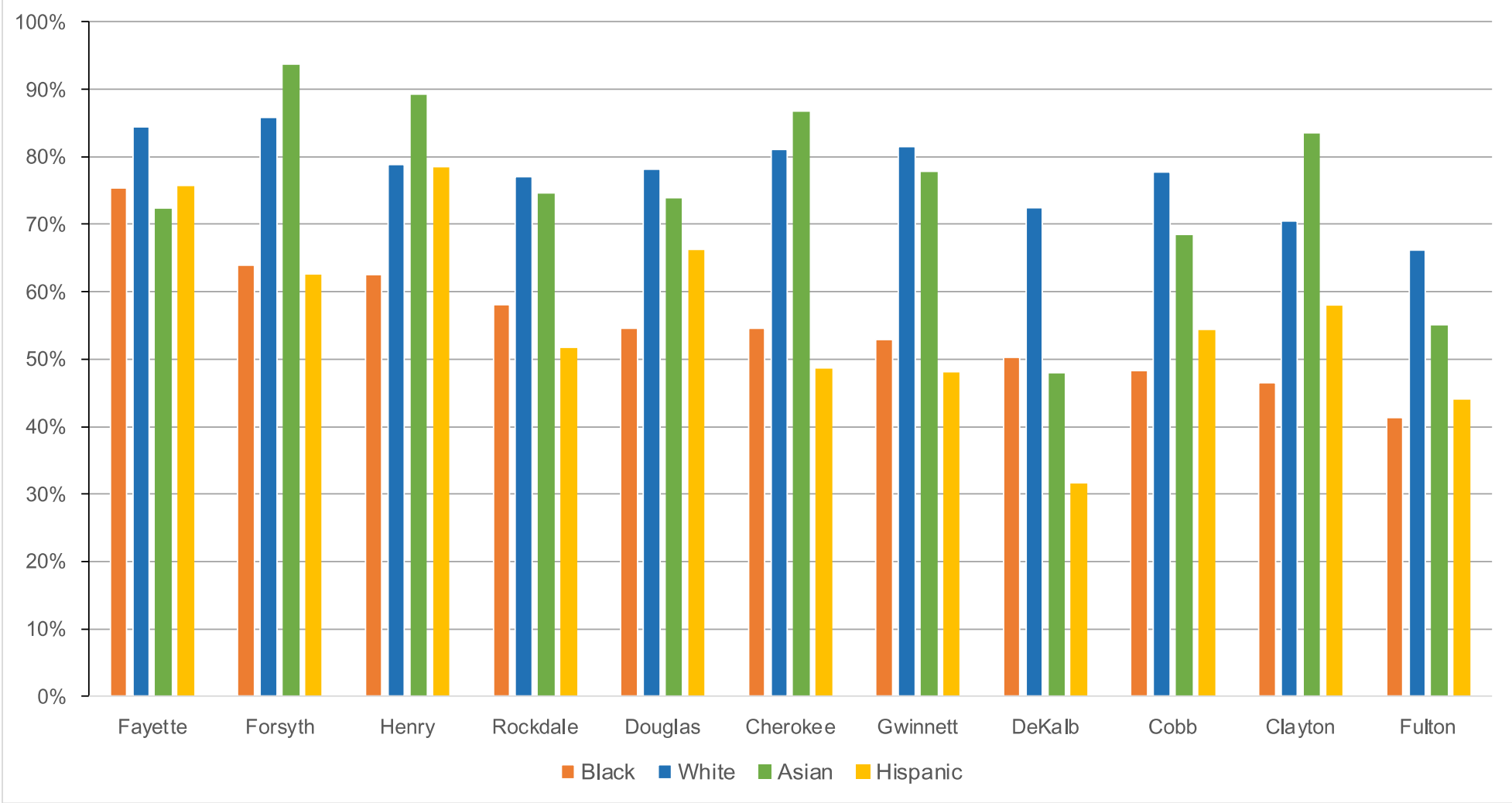


In looking at homeownership rates by race and ethnicity, metro Atlanta has the highest rate of Black homeownership among the most populous metro areas. But, homeownership rates among Black populations are considerably lower than rates in other races and ethnicities.



Regional Homeownership Rates

County Homeownership Rates by Race/Ethnicity



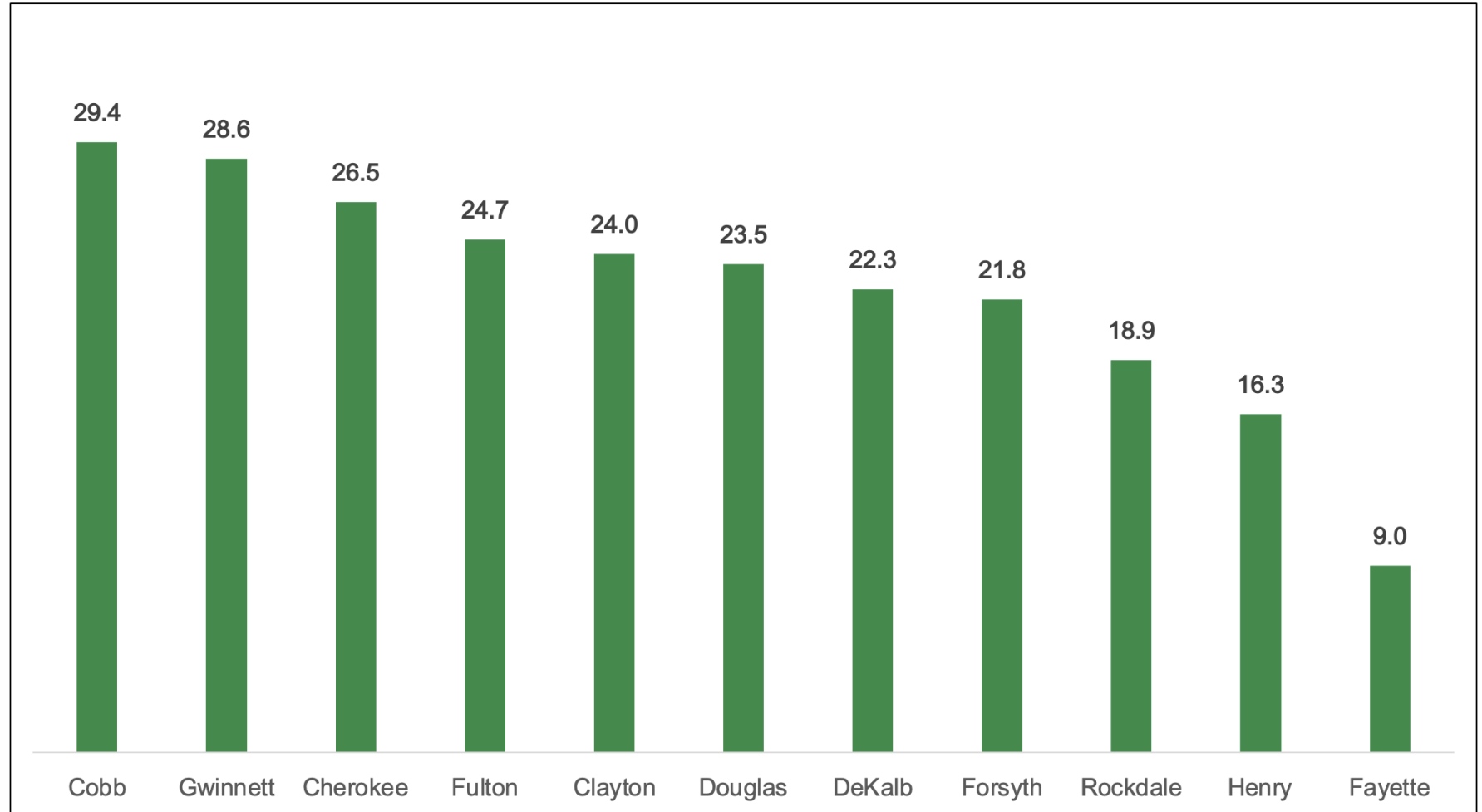
Homeownership rates across the metro Atlanta region vary greatly by race/ethnicity. This chart shows by county the share of households, by race and ethnicity, that own their own home.

The highest homeownership rates are among Asian homeowners in Forsyth, Henry, Cherokee, and Clayton Counties. The lowest rates regionally are among Black and Hispanic homeowners in DeKalb and Fulton Counties.

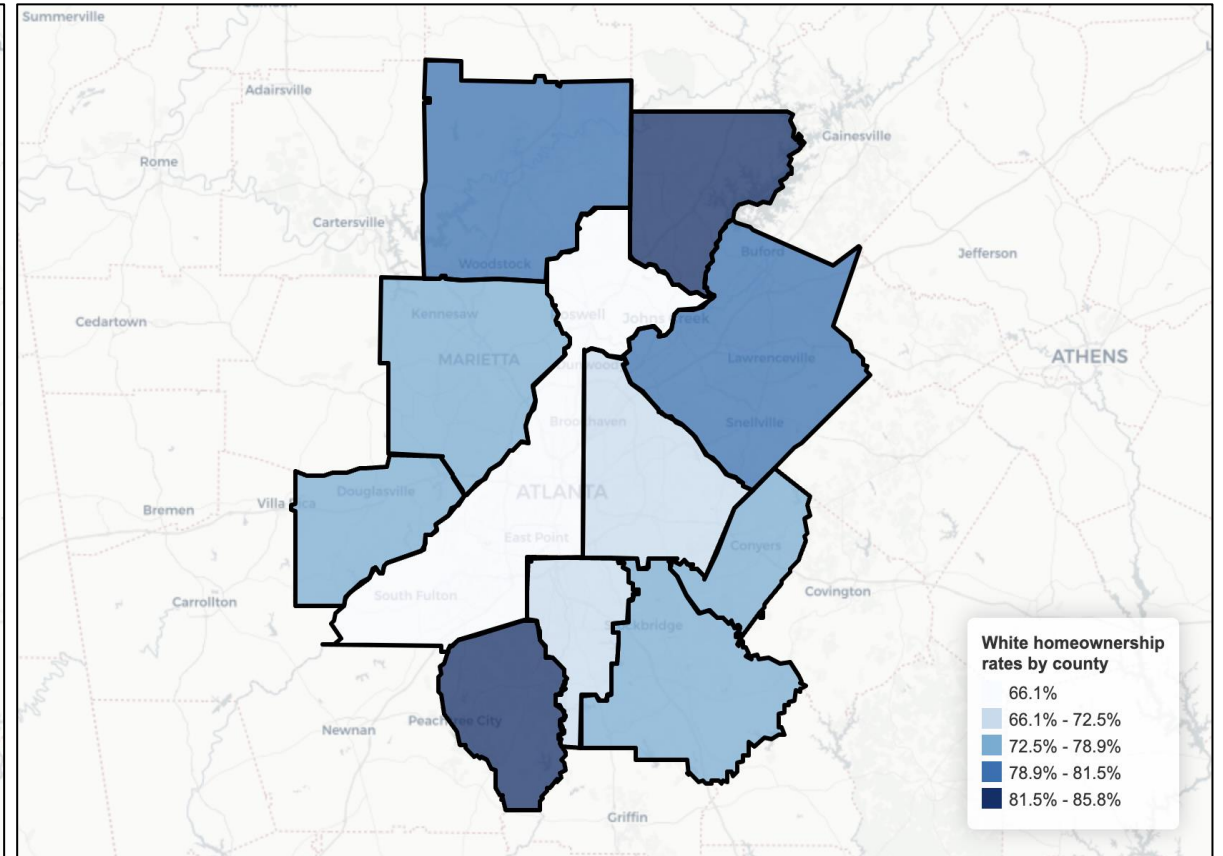
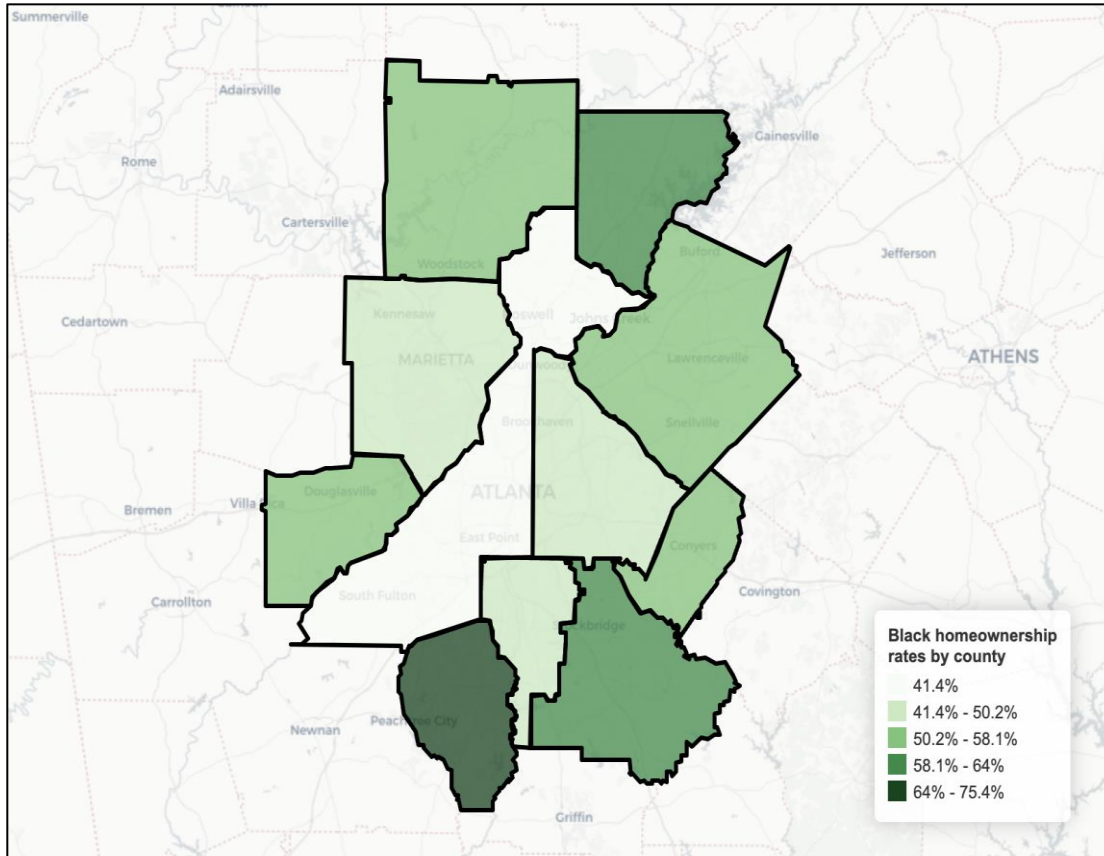
Homeownership Rate Gap: White & Black

While the previous slide looked at homeownership rates among *all* race/ethnicity groups in Atlanta's metro counties, this chart focuses on the percentage point difference in homeownership rates for just White and Black residents.

In Cobb and Gwinnett Counties, homeownership rates among White residents are nearly 30 percentage points higher than among Black homeowners. Fayette County features a much smaller gap, with White homeownership rates only 9 percentage points higher than Black homeownership rates.

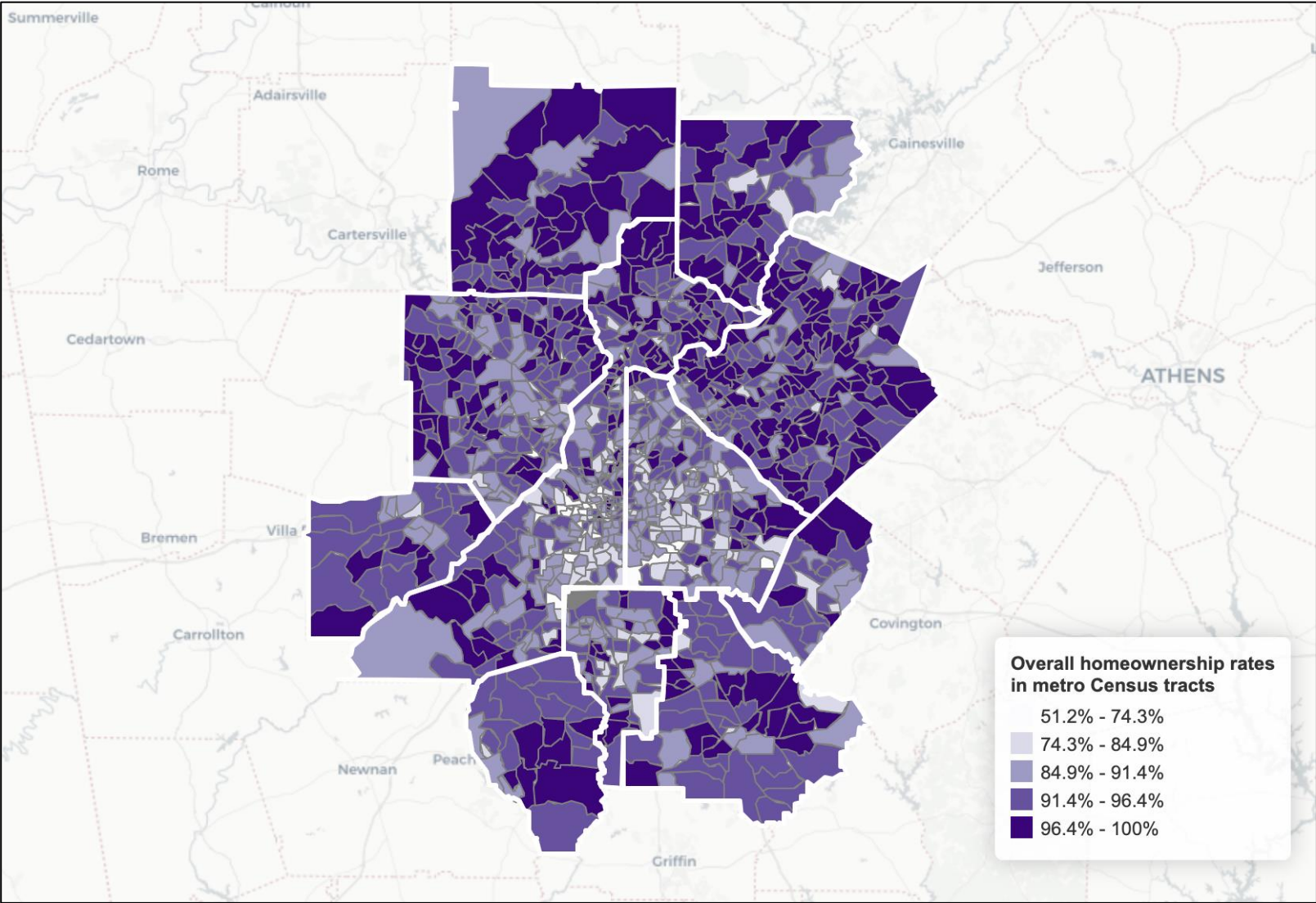


Black/White Homeownership by County



As shown above, Fayette County stands out for its high rates of homeownership among both Black (in green) and White (in blue) residents. Fulton County, meanwhile, lags well behind other metro counties with only a 41.4% homeownership rate among Black residents and a 66.1% homeownership rate among White residents. Forsyth County also appears to have a relatively high amount of homeownership among White residents.

Overall Homeownership Rates by Census Tract

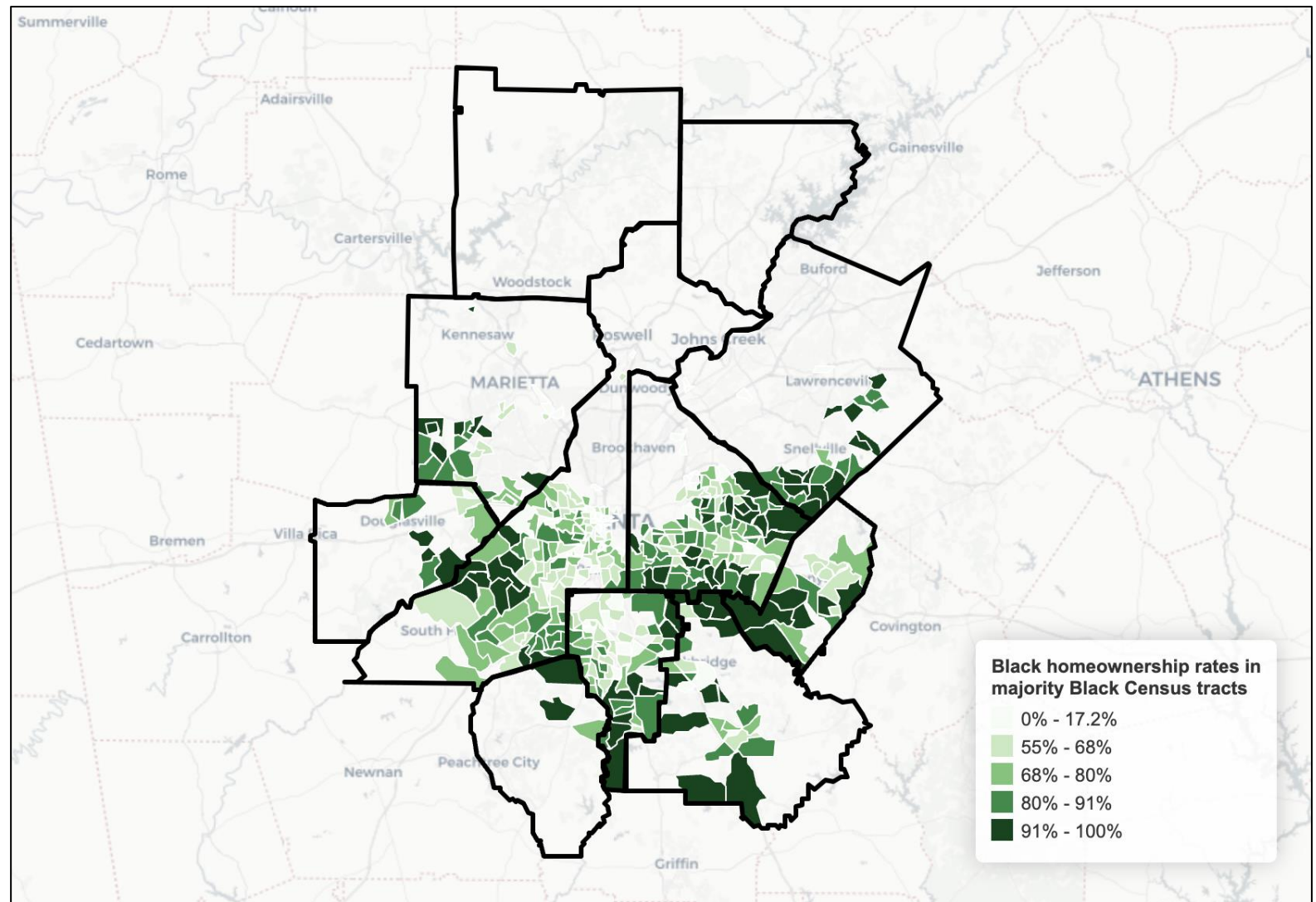


This map shows overall homeownership rates for each census tract in the 11-County ARC Region. Clearly, rates are lower in central Fulton and central DeKalb Counties. Homeownership is much more common (shown by darker shading) in the “outside the perimeter” areas of the metro, particularly in Fayette, Gwinnett, and Henry Counties.

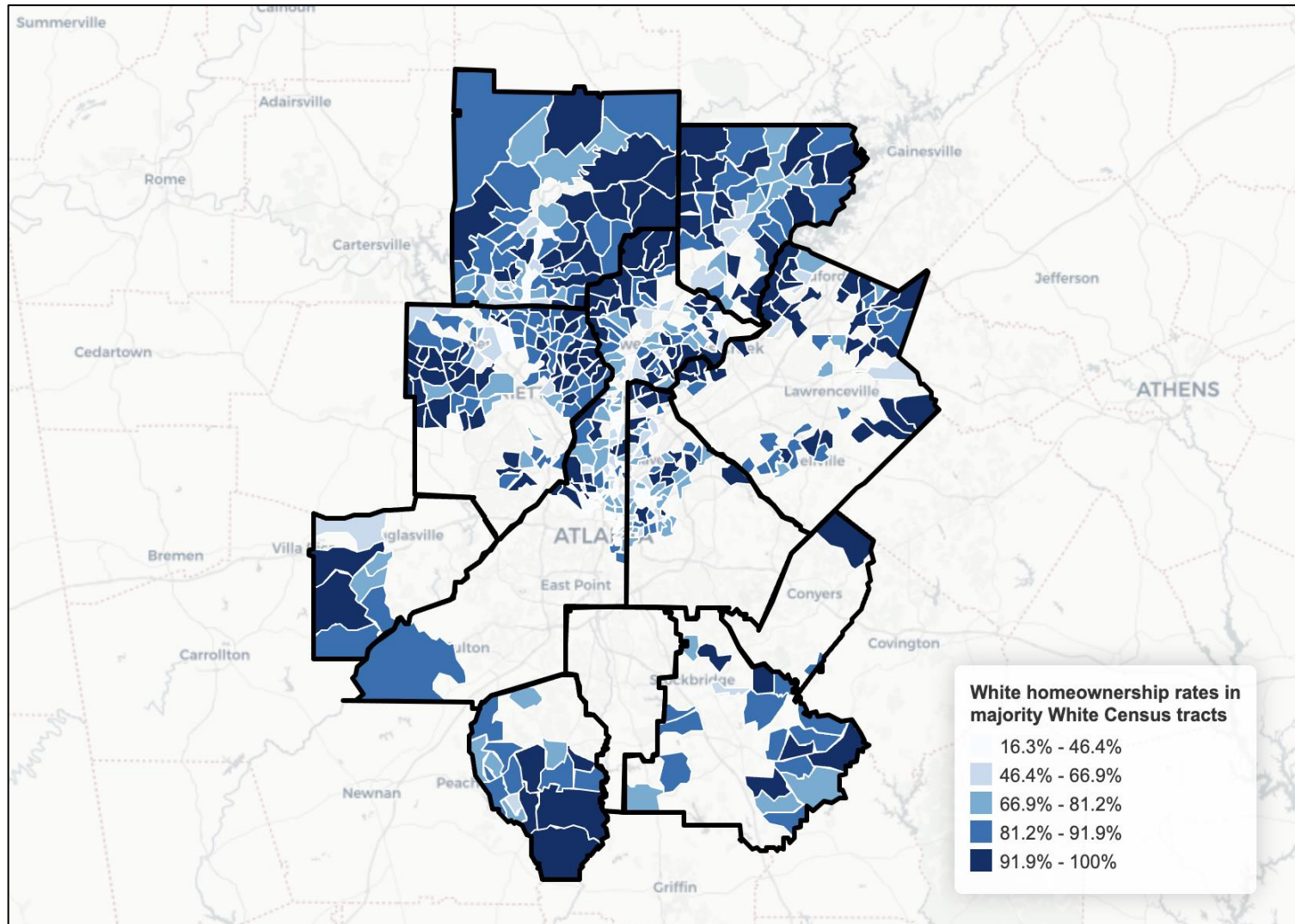
Black Homeownership (in majority Black Census Tracts)

This map first isolates Census tracts with a majority of Black residents, then layers in homeownership rates for Black residents in those majority Black census tracts.

In portions of southwest Fulton and near the Rockdale-Henry-DeKalb County borders, majority Black neighborhoods have especially high areas of Black homeownership, with rates above 90% in some tracts.

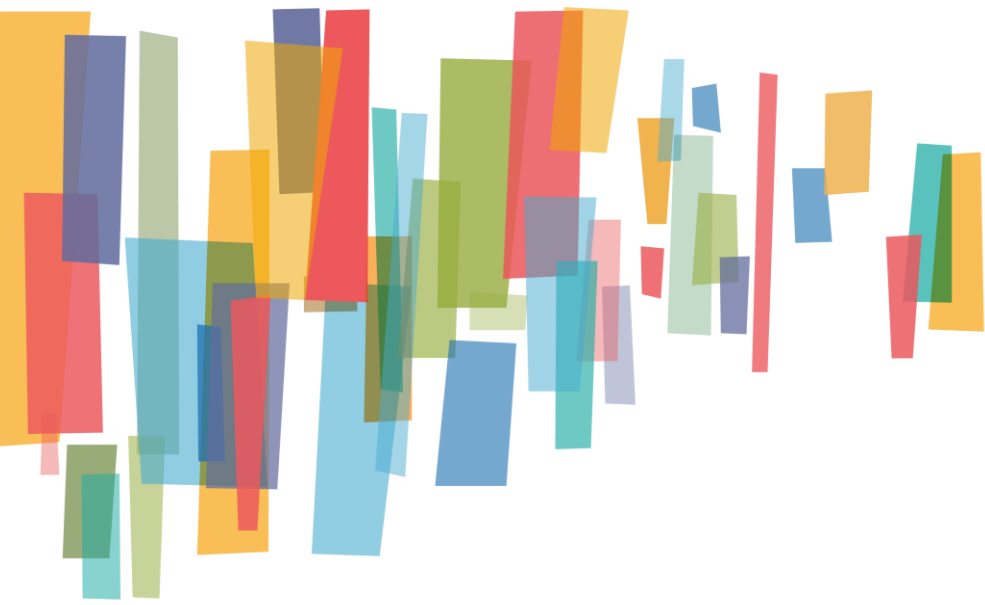


White Homeownership (in majority White Census Tracts)



This map shows Census tracts with majority White residents, along with homeownership rates among only White residents in those tracts. Large pockets of White homeownership are visible in northern Fulton County, near its border with Cherokee and Forsyth Counties.

Cobb County also features many majority White Census tracts with relatively high rates of White homeownership (above 91.9%) in the western and northeastern portions of the county.

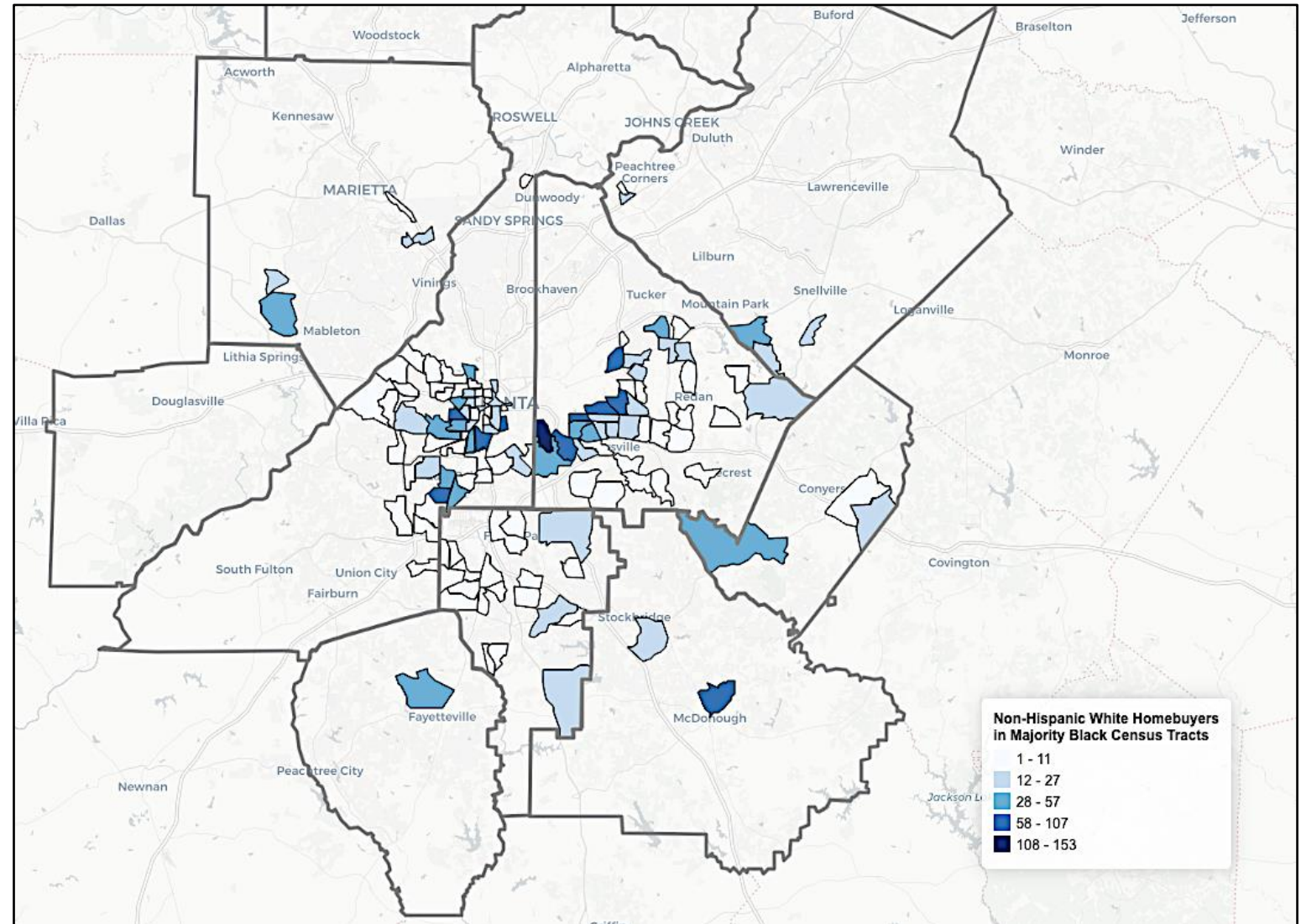


Mortgage Loan Data

White Homebuyers in 2021

Now let's take a look at Home Mortgage Disclosure Act (HMDA) data! First, we isolated **census tracts with a majority Black population**. Then we joined HMDA data on loan originations for *White, non-Hispanic applicants*.

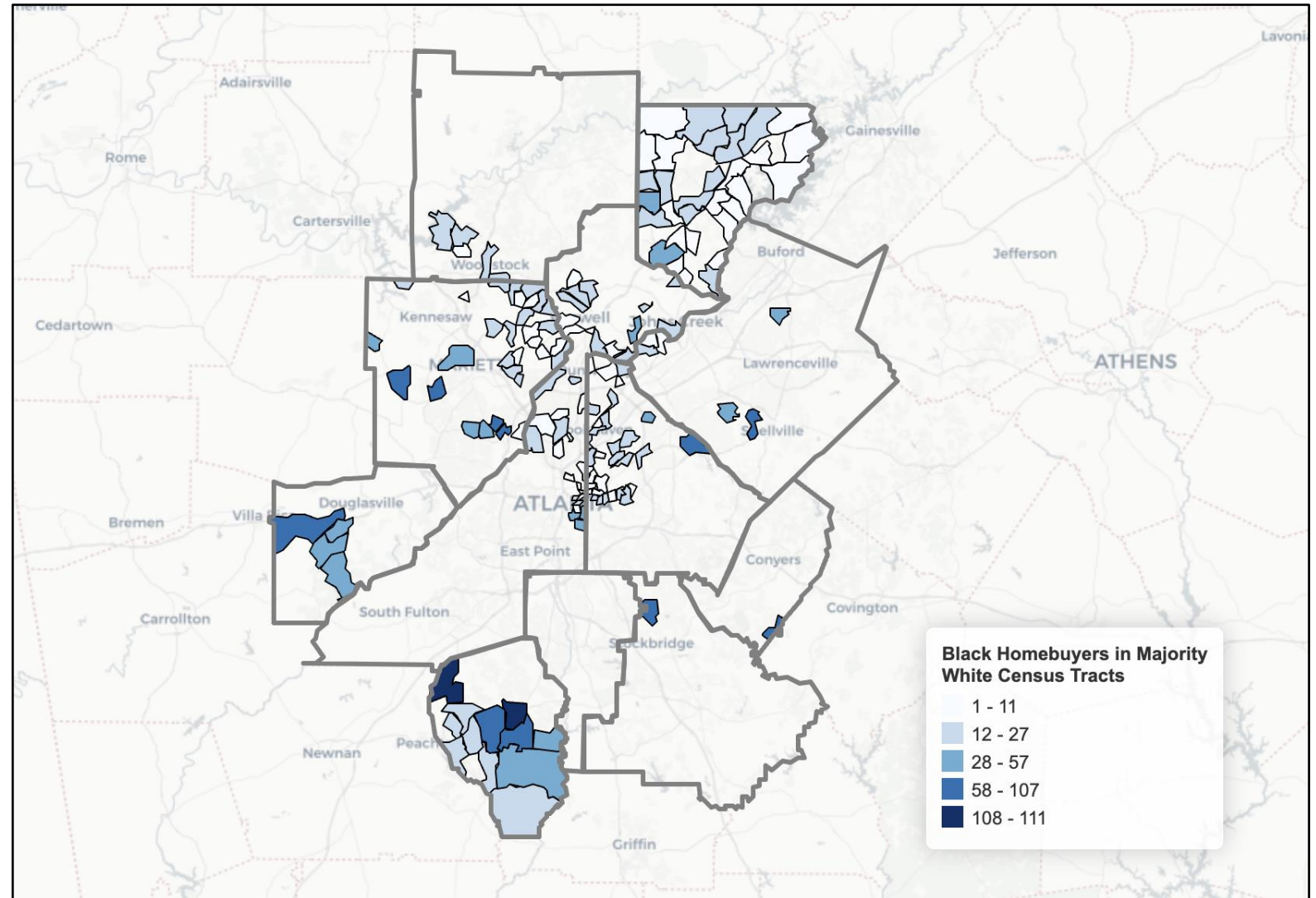
The HMDA data is for loan originations, first liens only, 1-4 units (site-built or manufactured), and for property purchased as principal residences. The map at right shows large concentration of White homebuyers in majority Black census tracts in areas to the south and southwest of Decatur in DeKalb County, as well as areas in the vicinity of the NW and SW Beltline.



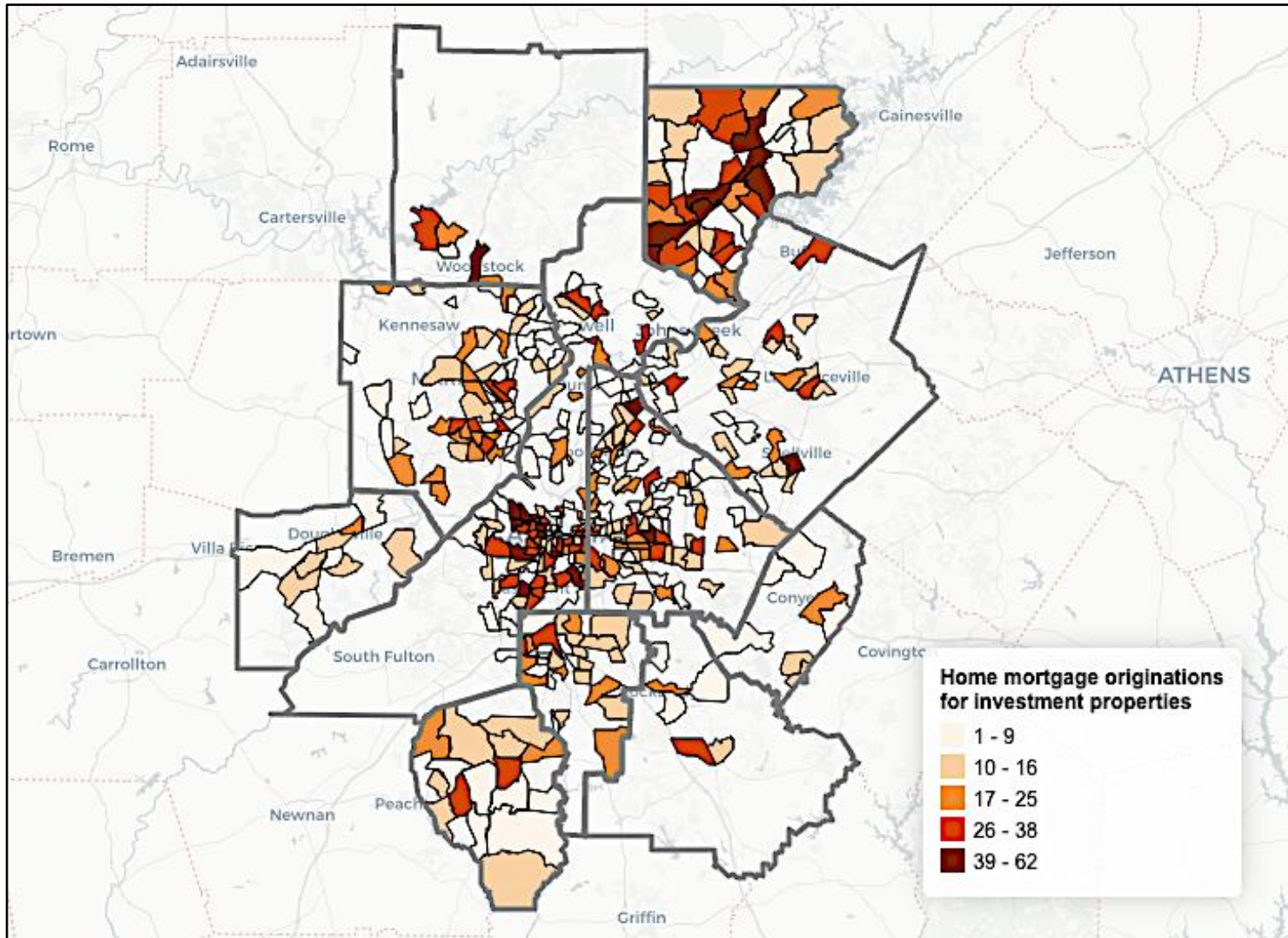
Black Homebuyers in 2021

As on the previous slide, we isolate out a different geographic group: **Census tracts with a majority White population.** Then we join those areas with loan originations *for Black applicants* to create the map shown here. Note that we have kept the bin and color ramp the same as on the previous slide--for ease of comparison.

As before, the HMDA data shown is exclusive to loan originations, first liens only, 1-4 units (site-built or manufactured), and for property purchased as principal residences. The greatest concentration of Black homebuyers in majority White Census tracts is clearly in Fayette County and, to a lesser extent, in Douglas County to the northwest of Fayette. Very few Black homebuyers got HMDA mortgages in the largely White regions of Forsyth, Fulton, and DeKalb.

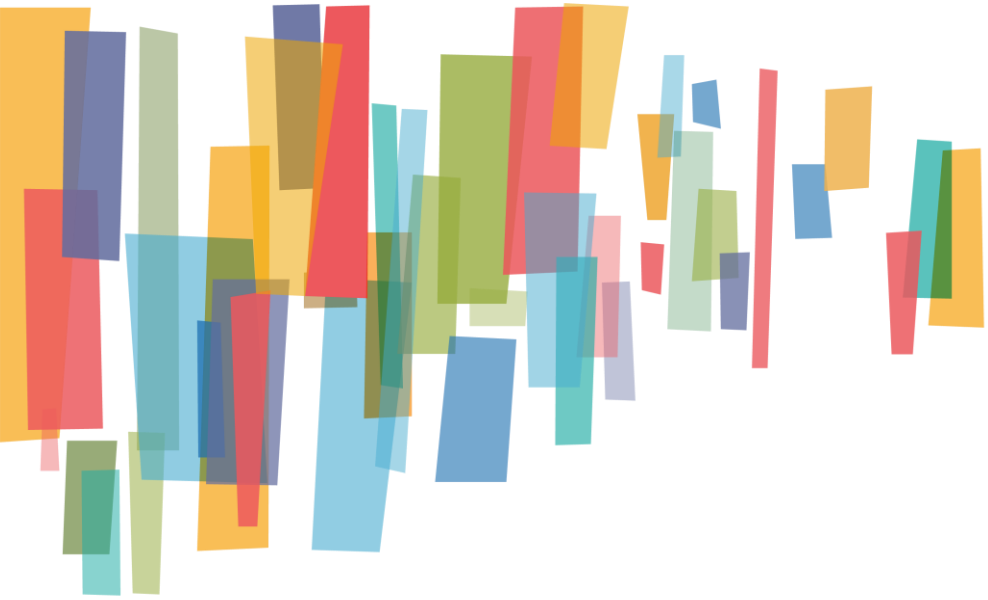


Investor Purchases in 2021



As highlighted in the headline on an earlier slide, investor-driven purchases are one reason why homes remain out of reach for so many potential homebuyers. While many of these investors are large corporations paying cash, some are smaller buyers who purchase investment properties via a mortgage.

There are relatively more HMDA mortgages in areas immediately south and southwest of downtown Atlanta, tracts in central DeKalb County, and along the GA 400 corridor in Forsyth County.

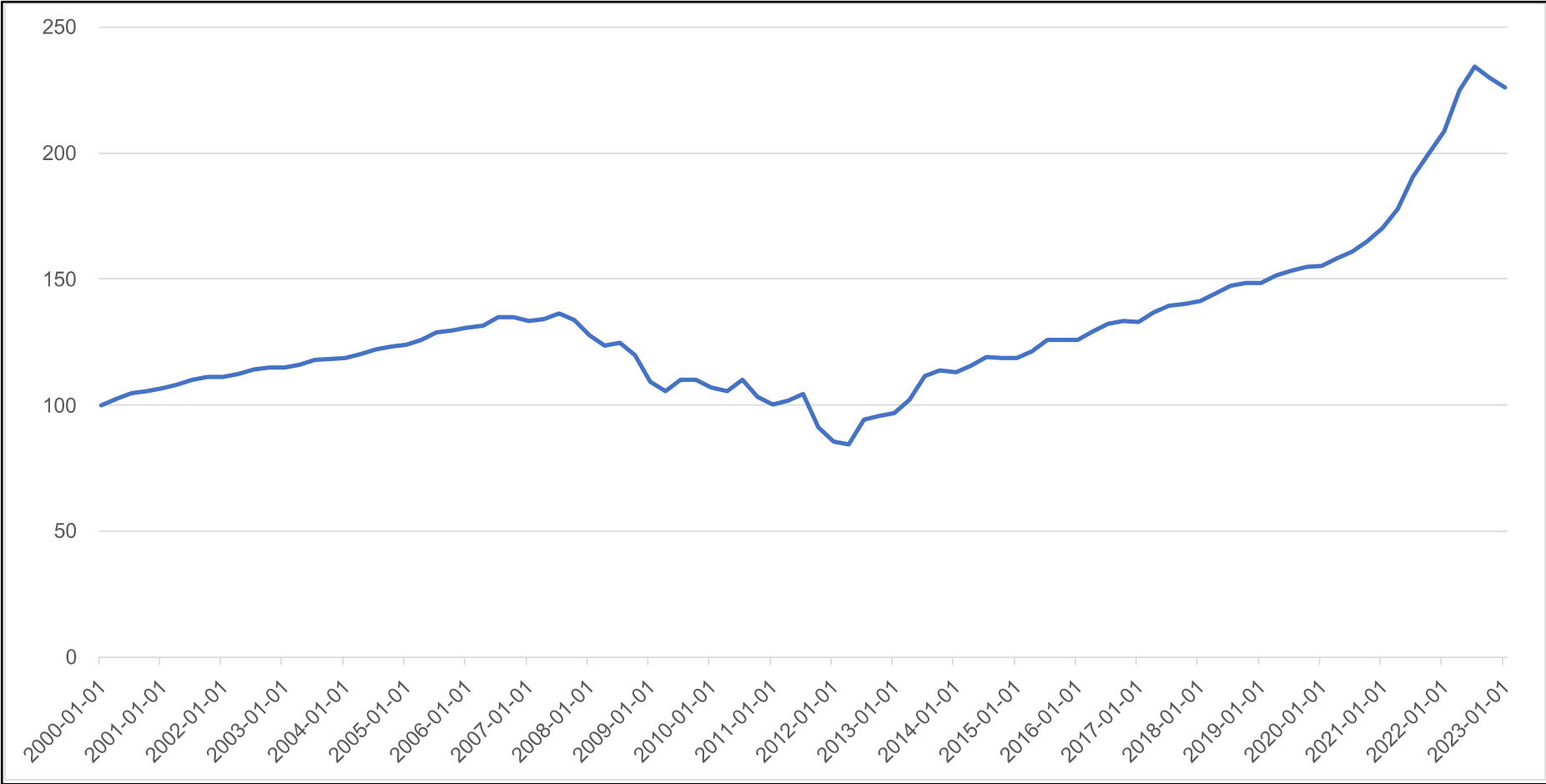


Rising Home Prices

S&P/Case-Shiller Home Price Index

While this snapshot looks at homeownership rates in particular, we must mention the one significant barrier to homeownership for many area residents is the rising cost of housing. The S&P/Case-Shiller index is a measure of residential housing prices.

At right, home price trends are shown since 2000 for just metro Atlanta. They have clearly spiked since the onset of the COVID-19 pandemic. While prices did cool off in the early part of 2023, we note the index has a roughly 6-month lag. Metro housing prices have begun to tick upwards once again.



S&P/Case-Shiller Home Price Index

Shown at right in relation to the national index and several peer cities, Atlanta's home price index is similar to that of Dallas and Charlotte, but falls below the national average and well below the Florida metros of Tampa (shown in green) and Miami (shown in light blue).

Since 2012, many of these metro home price indices have followed a very similar trajectory.

