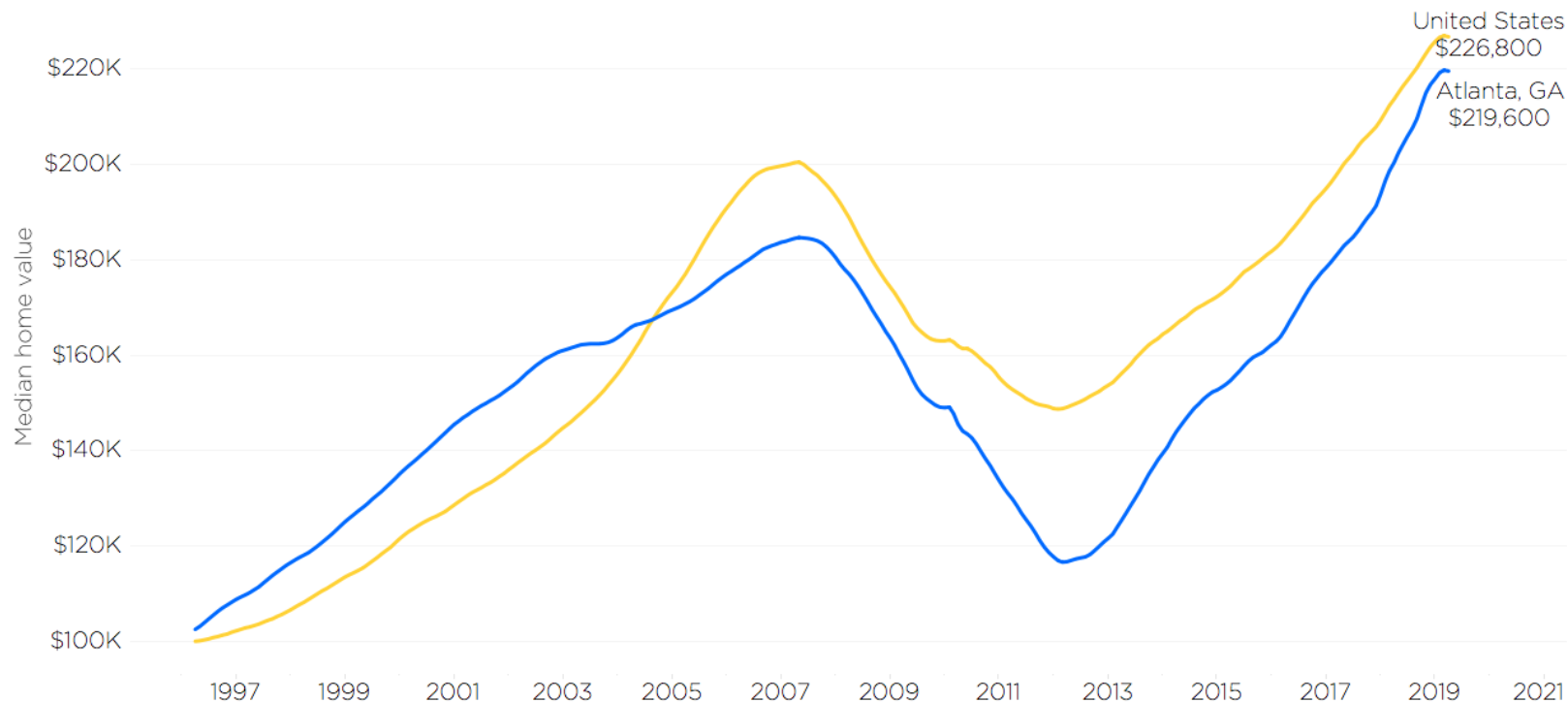




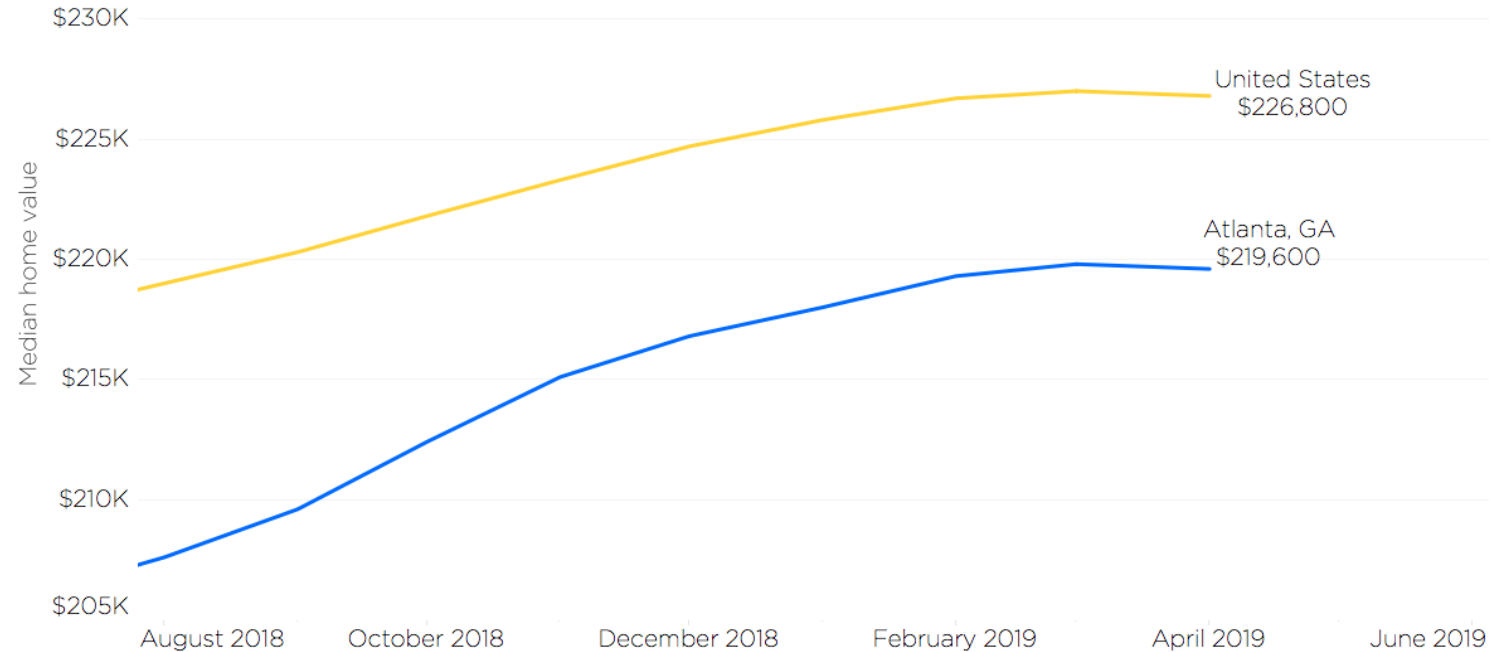
Atlanta Housing Market: Trends, Causes, and Effects

Alexander Casey, Policy Advisor
Zillow Group Economic Research Team

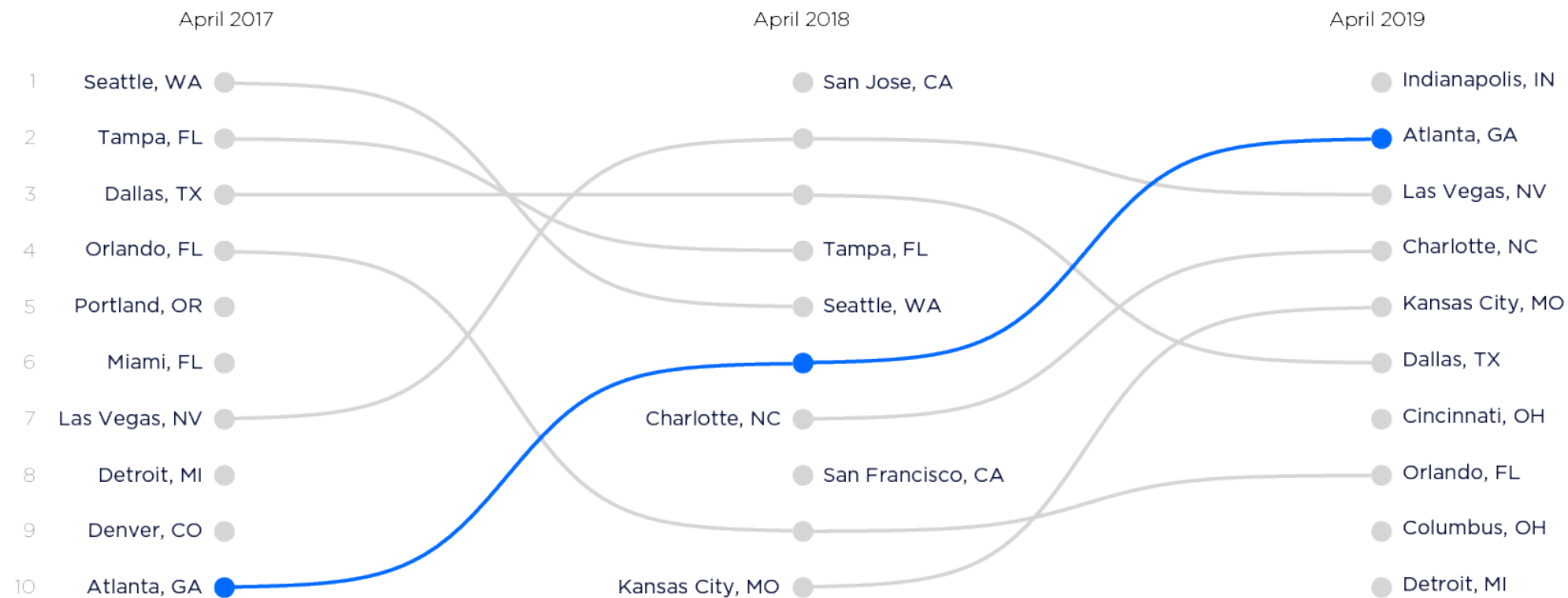
Atlanta home values crashed harder than rest of U.S.



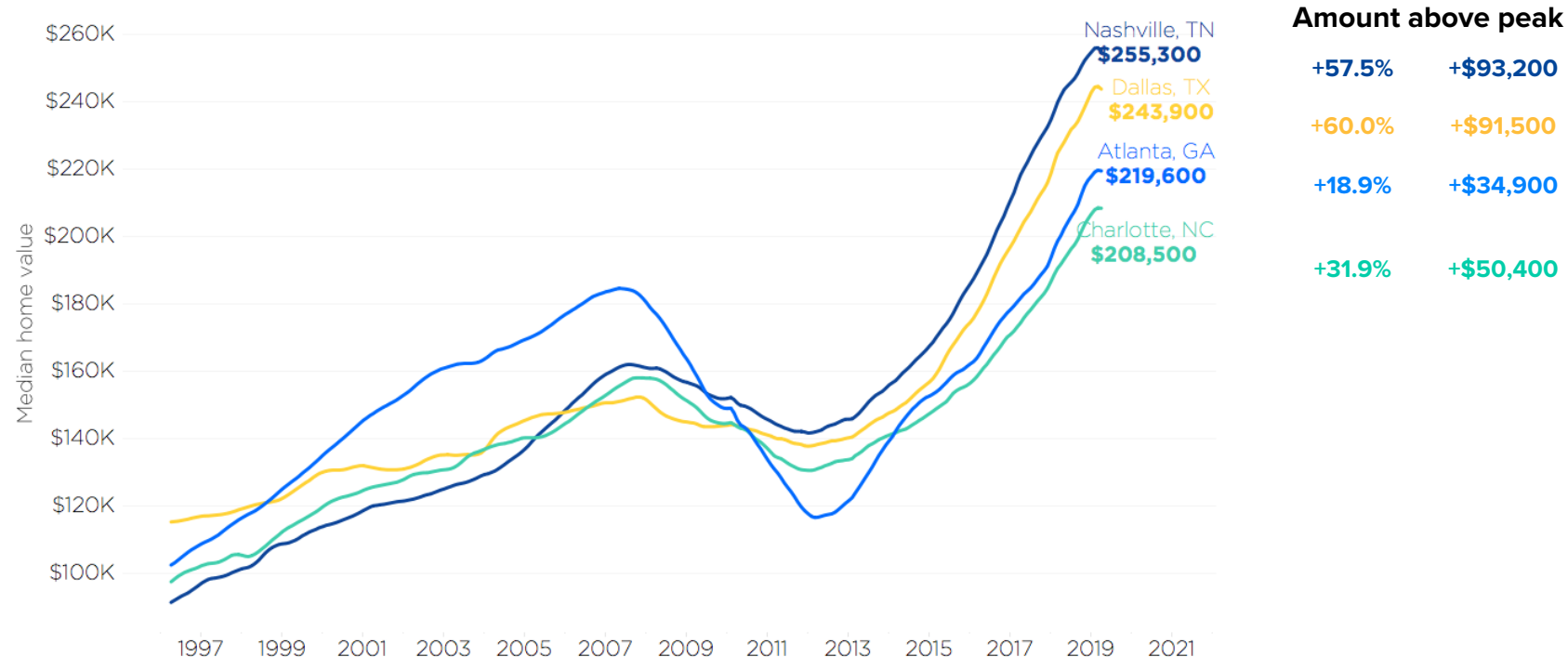
Home value growth slowed in recent months



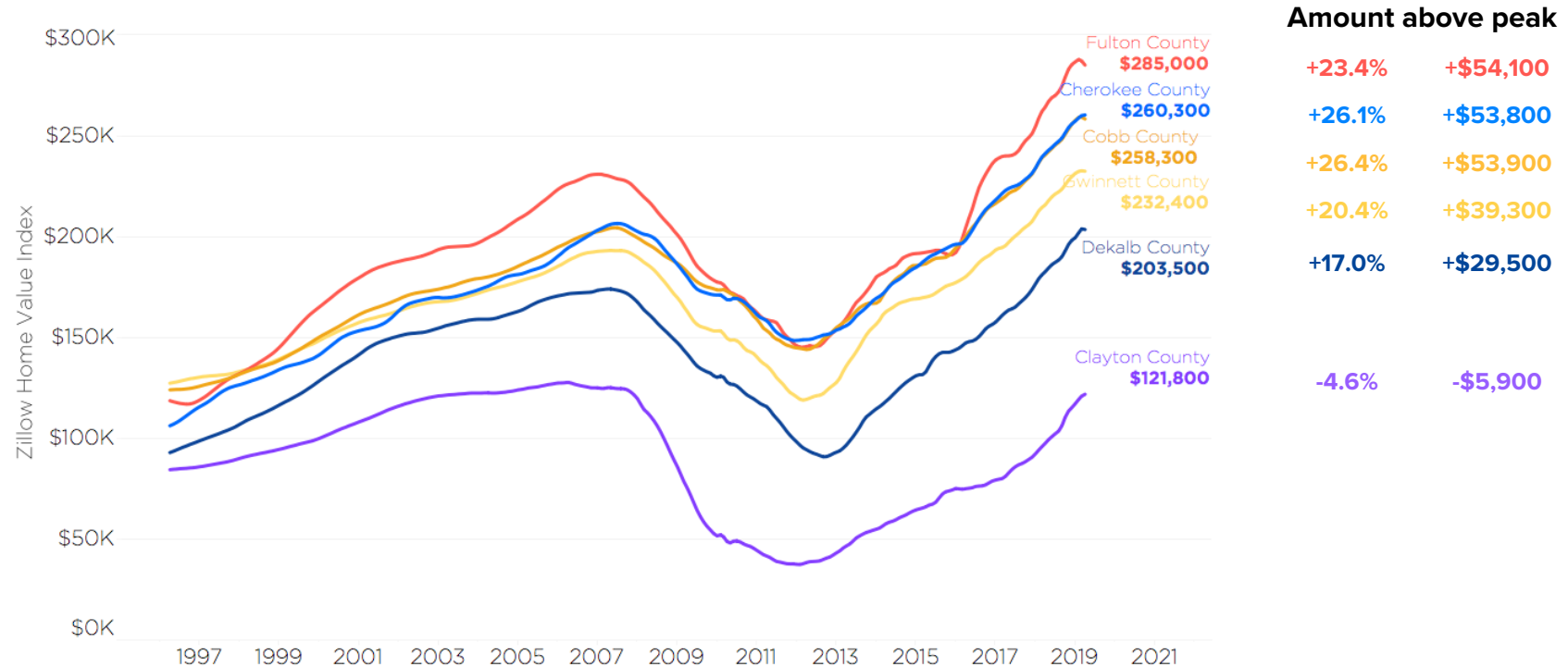
Atlanta climbing the “hottest market” rankings



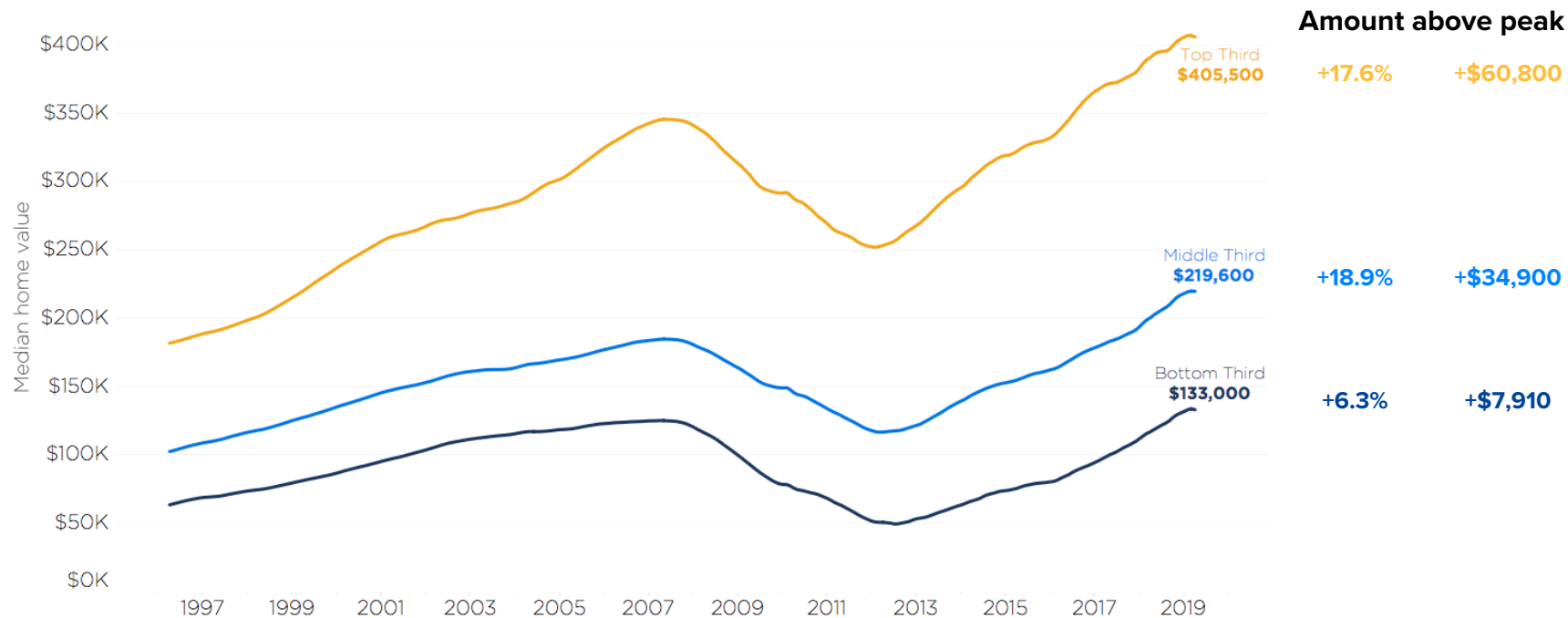
Atlanta's peers experiencing similar surges



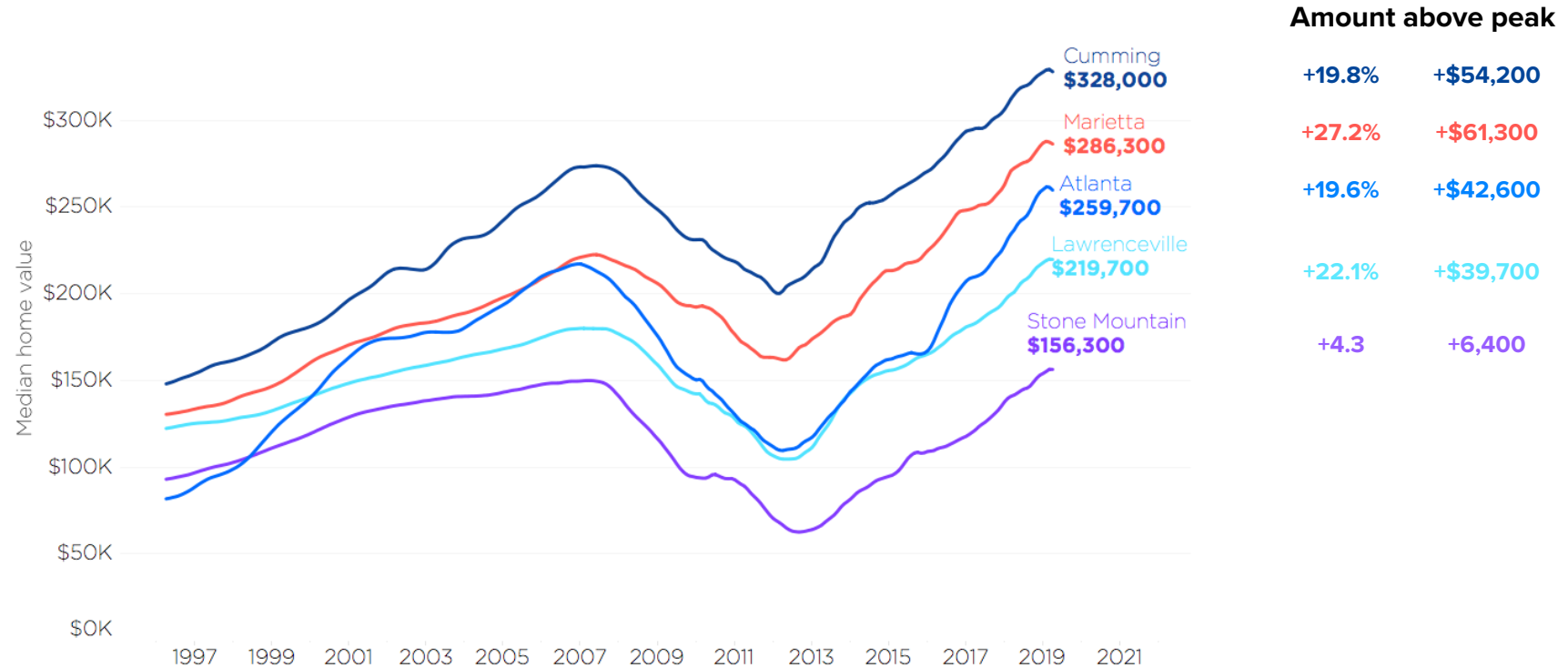
Fulton County home value growth setting the pace



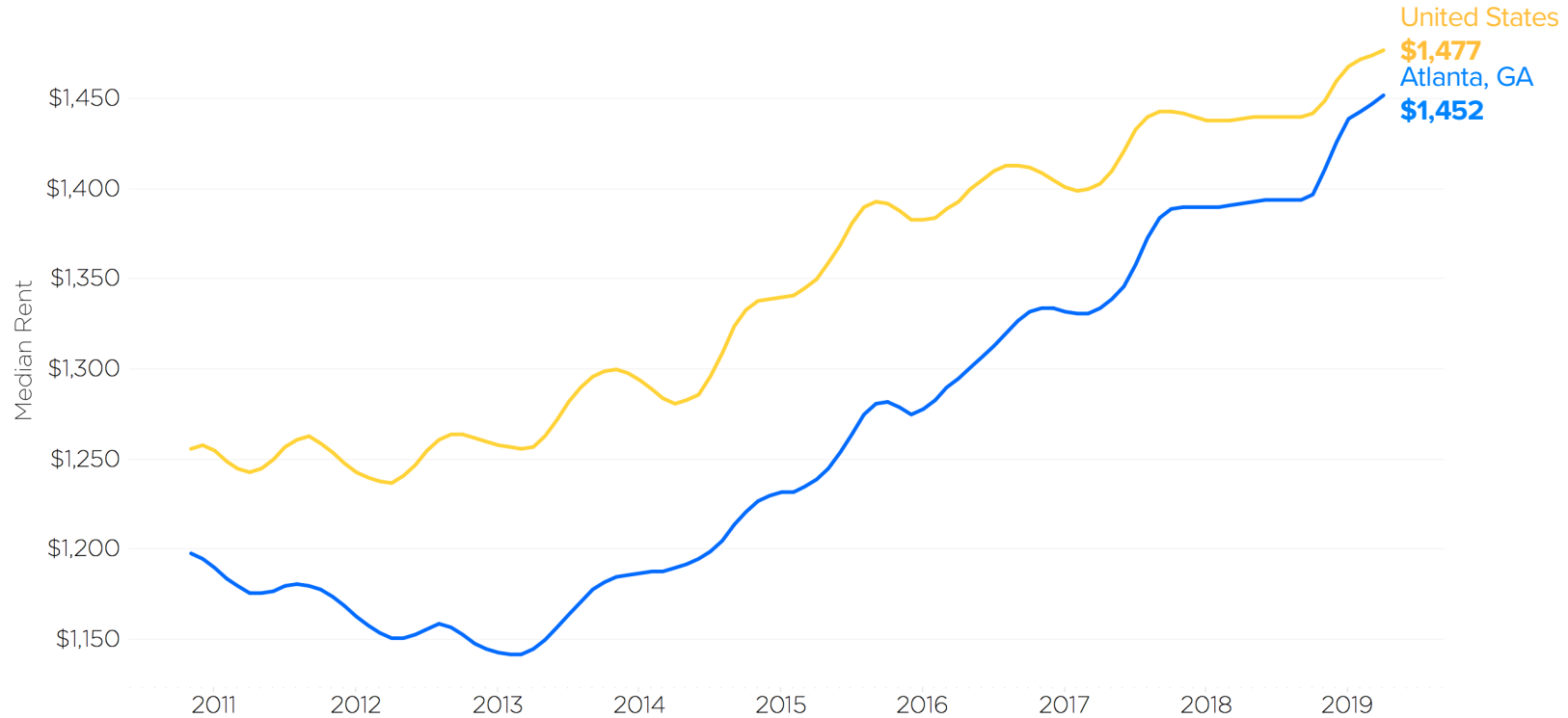
Middle-tier homes growing the fastest since last peak



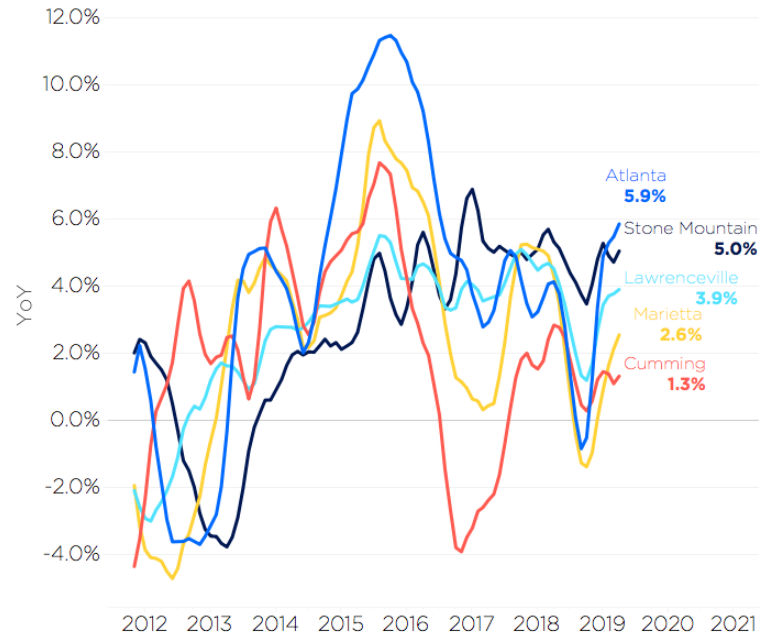
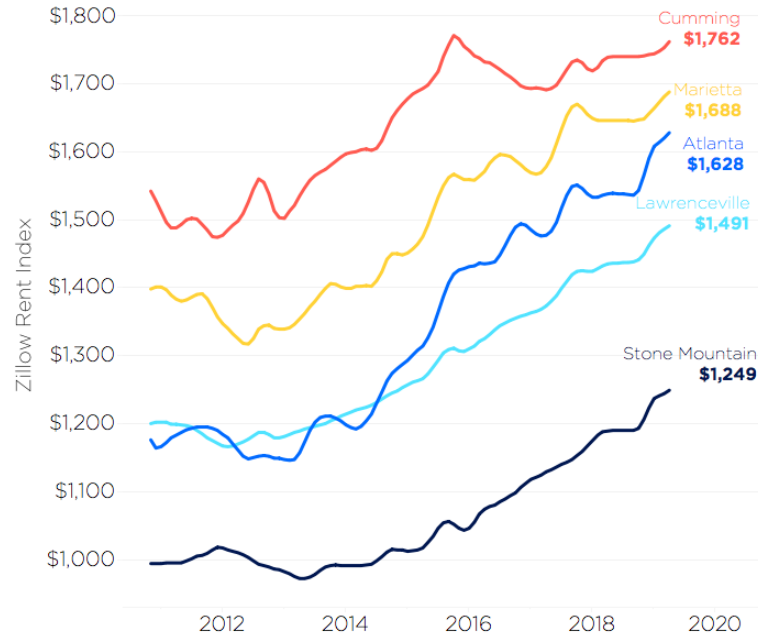
City of Atlanta driving much of the region's recent value growth



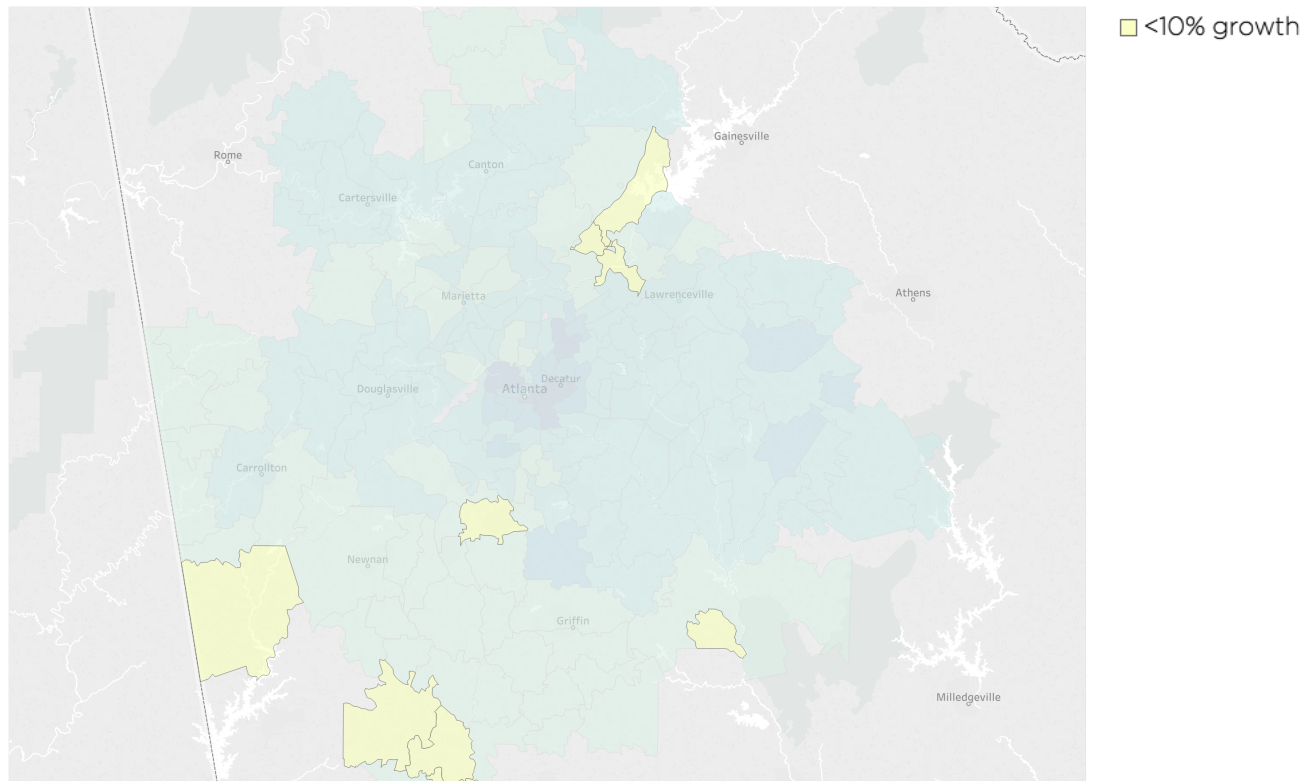
Atlanta metro rental values continue upward creep



City of Atlanta epicenter of region's booming rental market



Five-year rental value growth

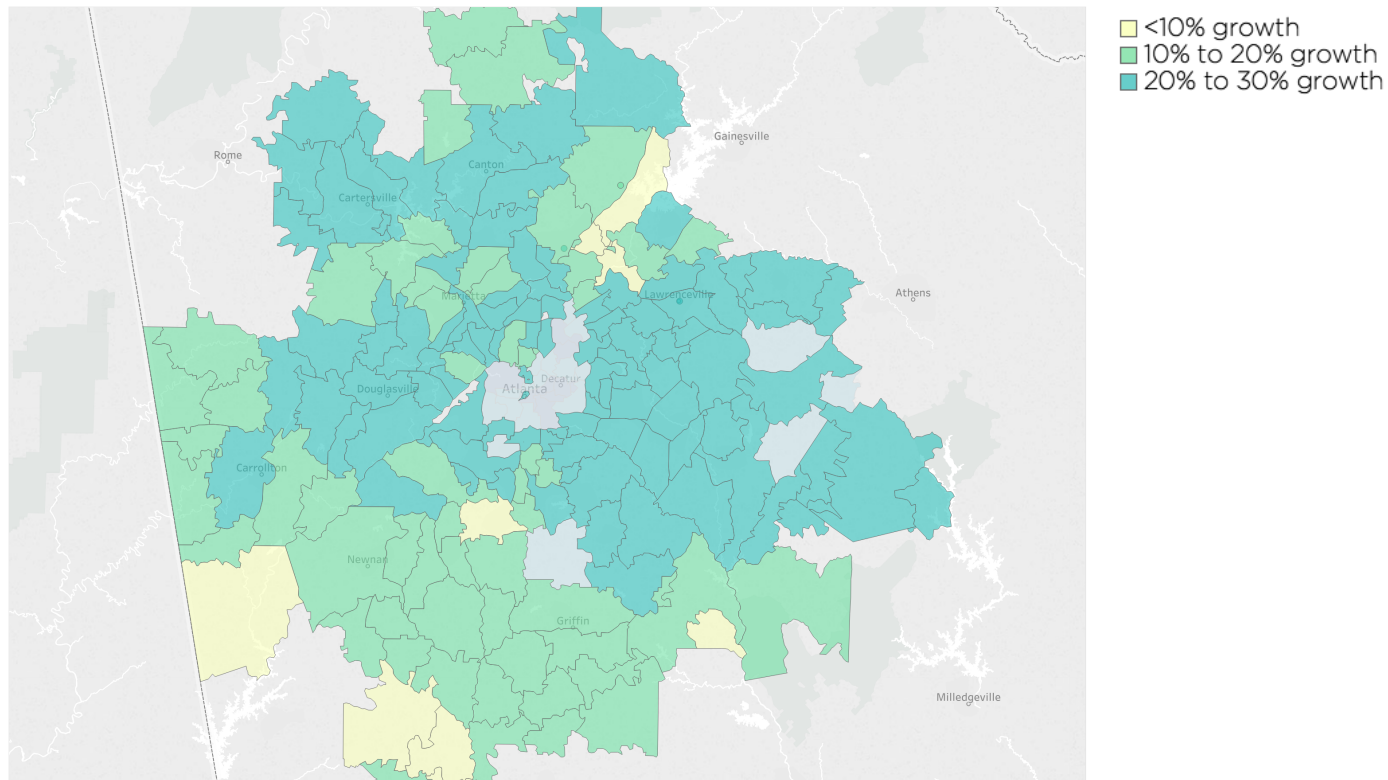


Source: Zillow Rent Index, April 2019

Five-year rental value growth

Source: Zillow Rent Index, April 2019

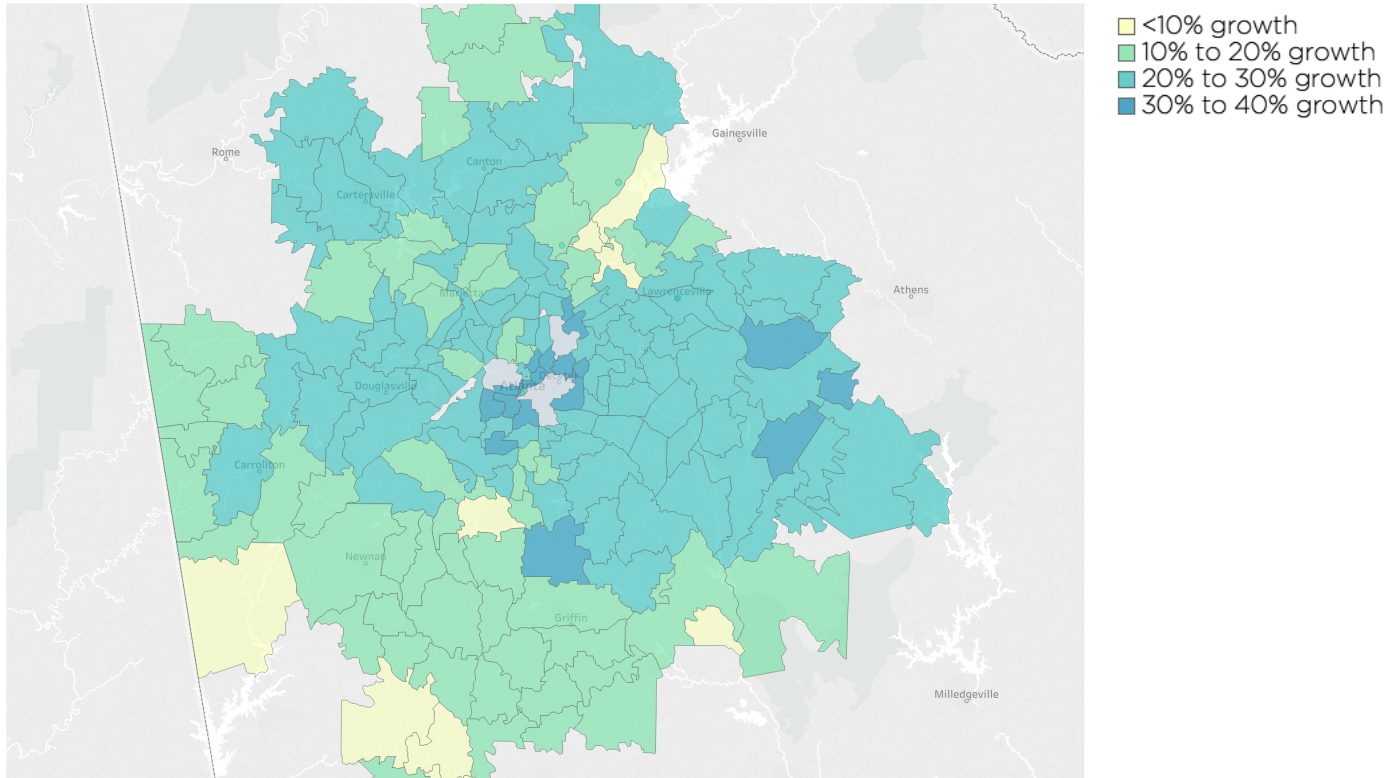
Five-year rental value growth



Source: Zillow Rent Index, April 2019

ZILLOW ECONOMIC RESEARCH

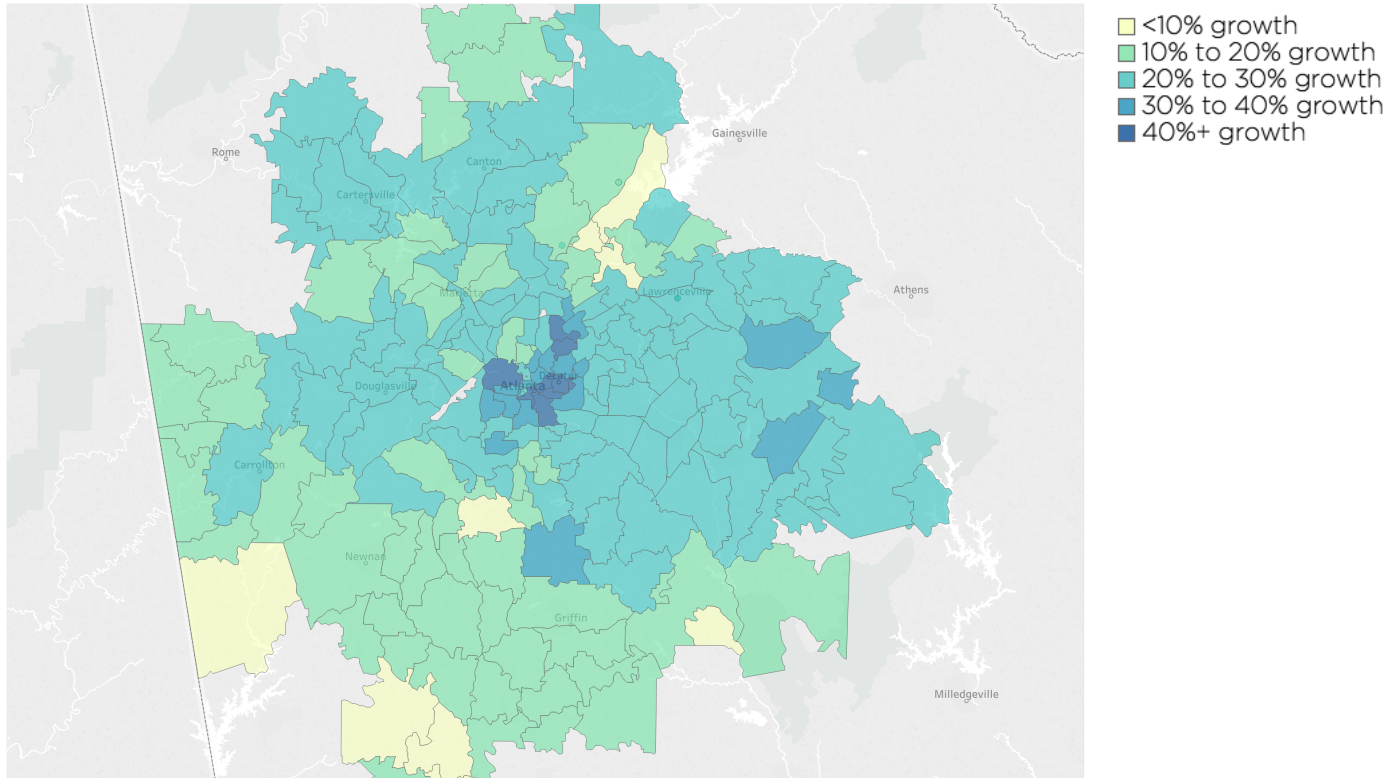
Five-year rental value growth



Source: Zillow Rent Index, April 2019

ZILLOW ECONOMIC RESEARCH

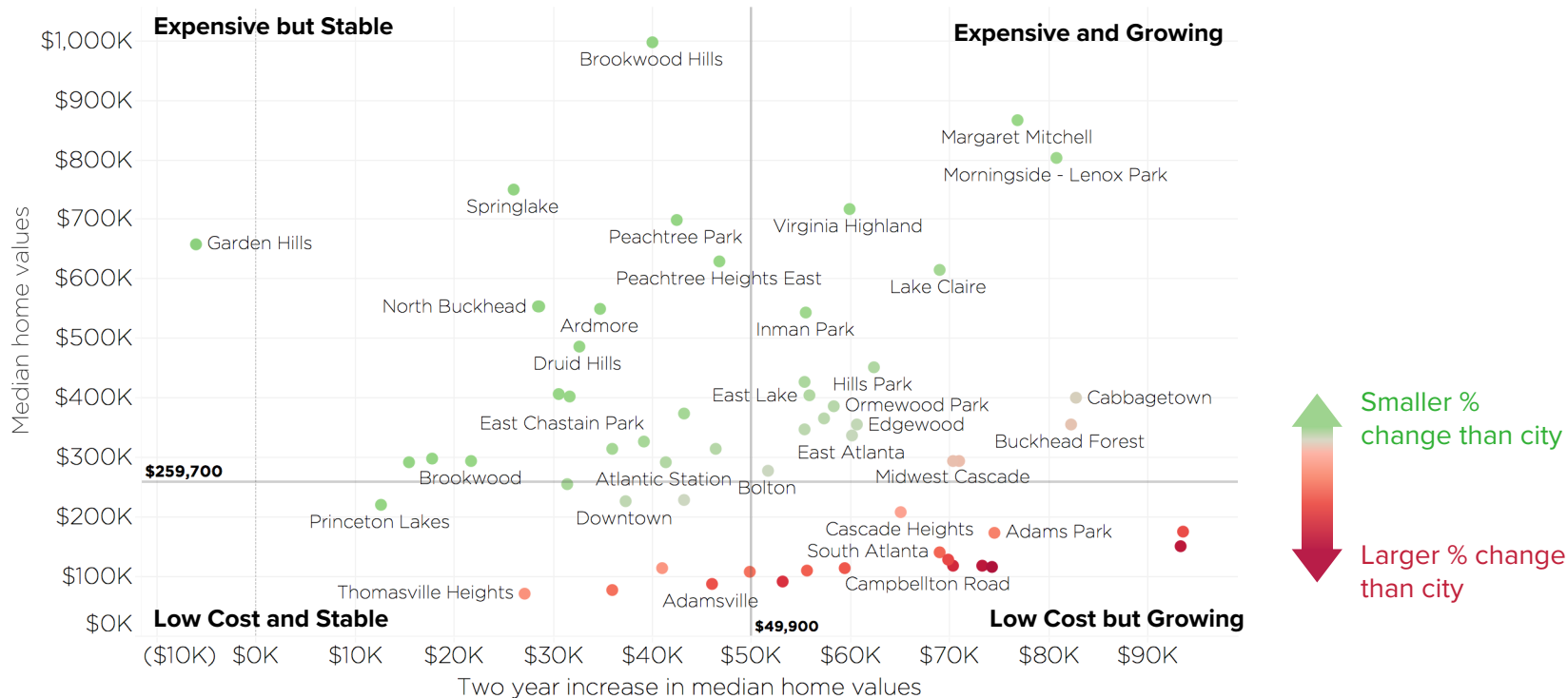
Five-year rental value growth



Source: Zillow Rent Index, April 2019

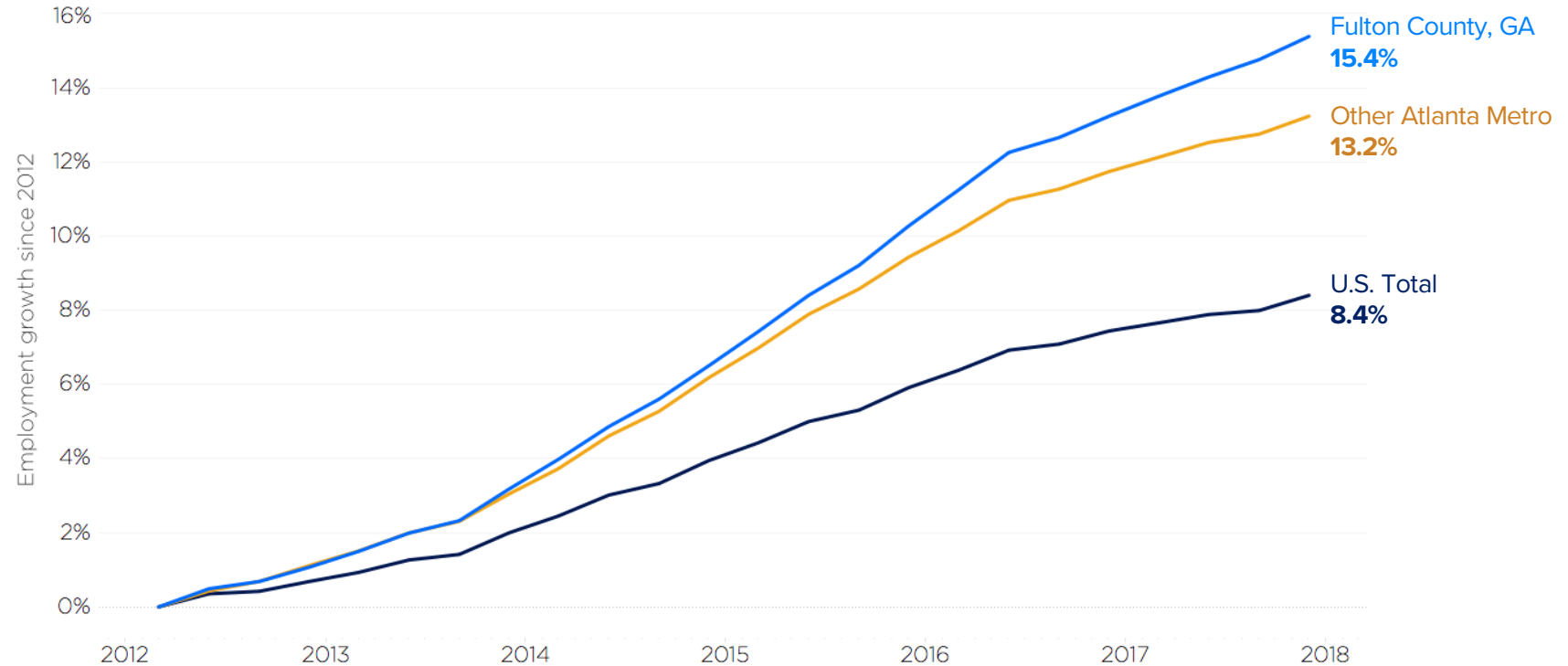
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Lower cost Atlanta neighborhoods among the fastest appreciating

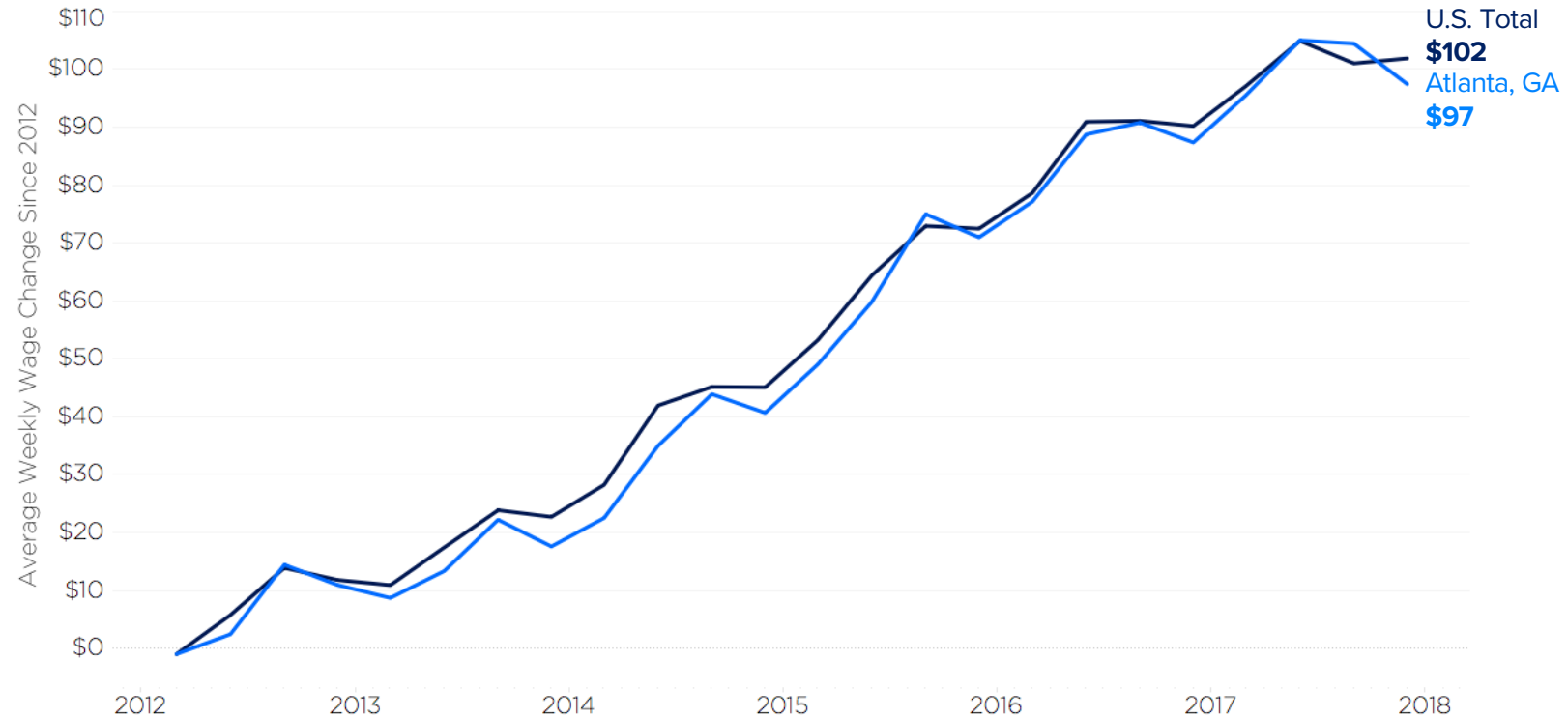


Drivers

Fulton County added a ton of jobs

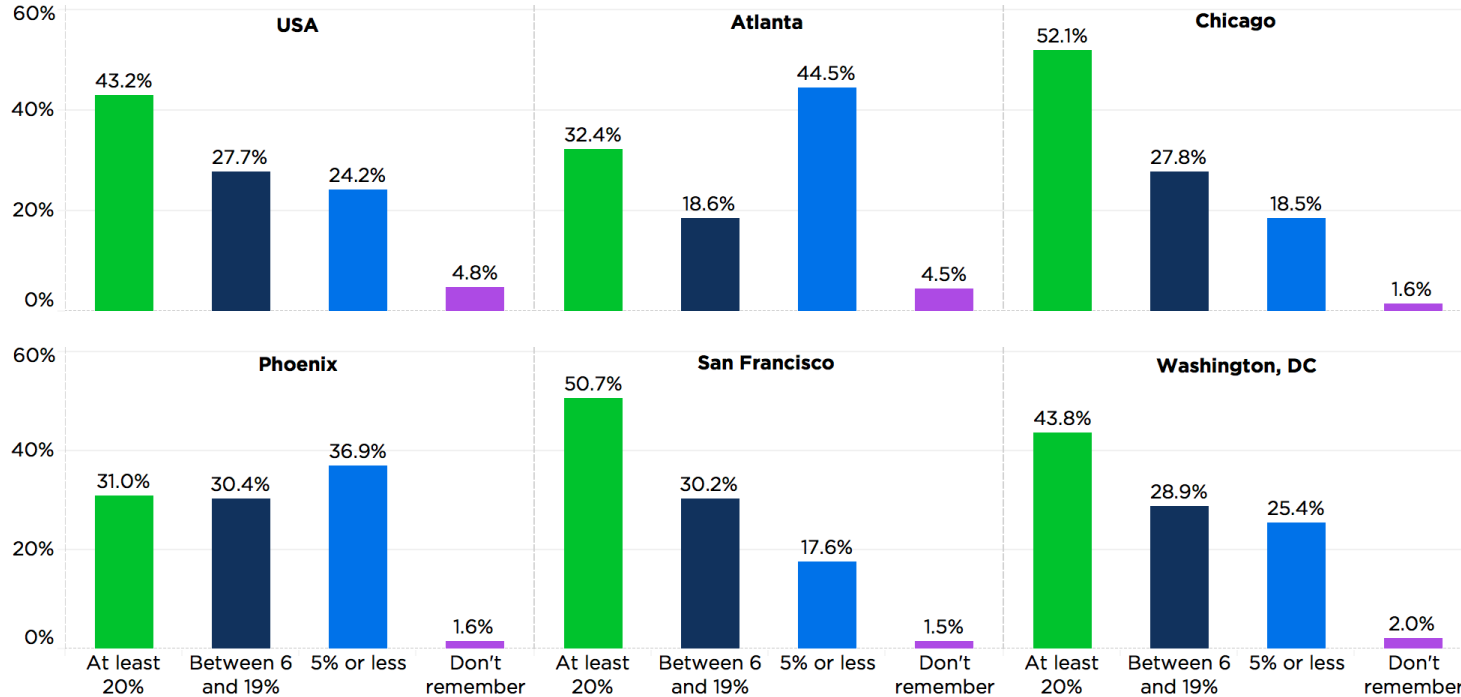


Wage growth in Atlanta on par with national trend



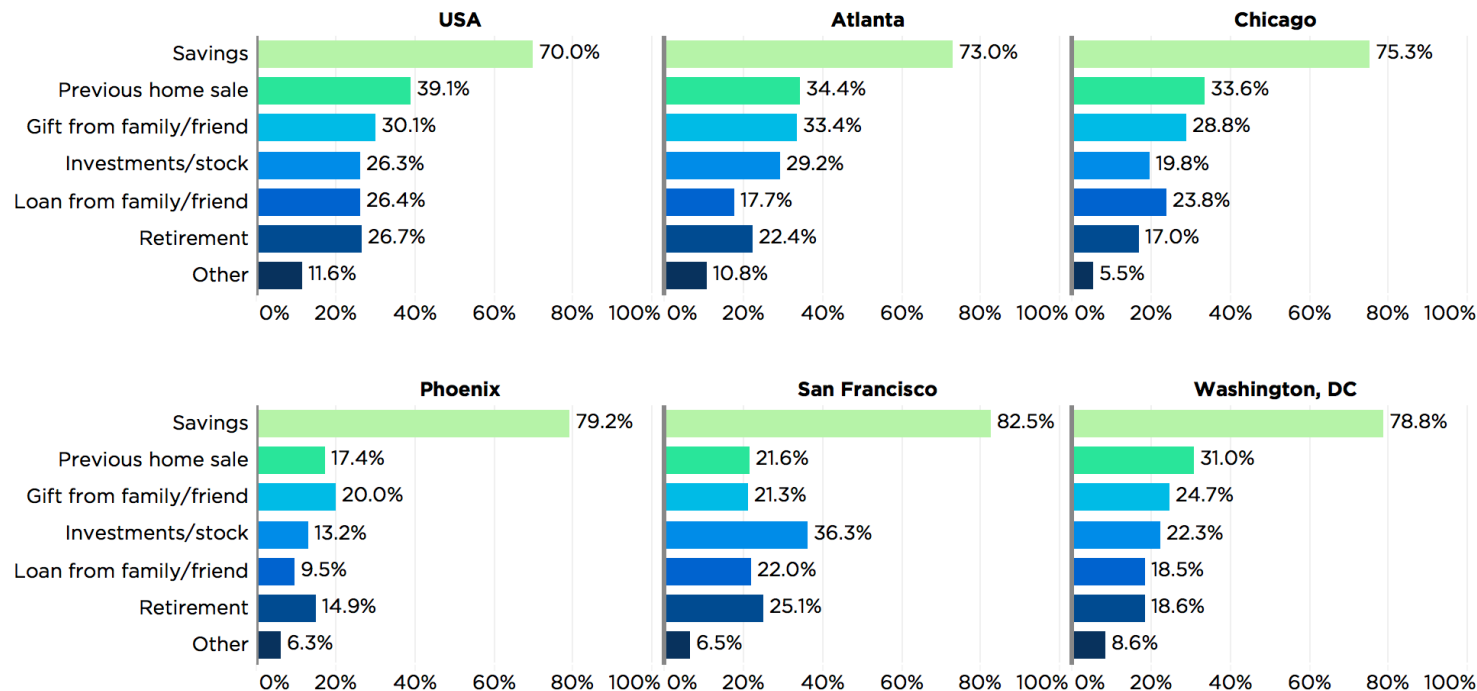
A greater share of home buyers in Atlanta, Phoenix put down 5% or less

Share of home buyers who put down at least 20%, 6-19% and 5% or less

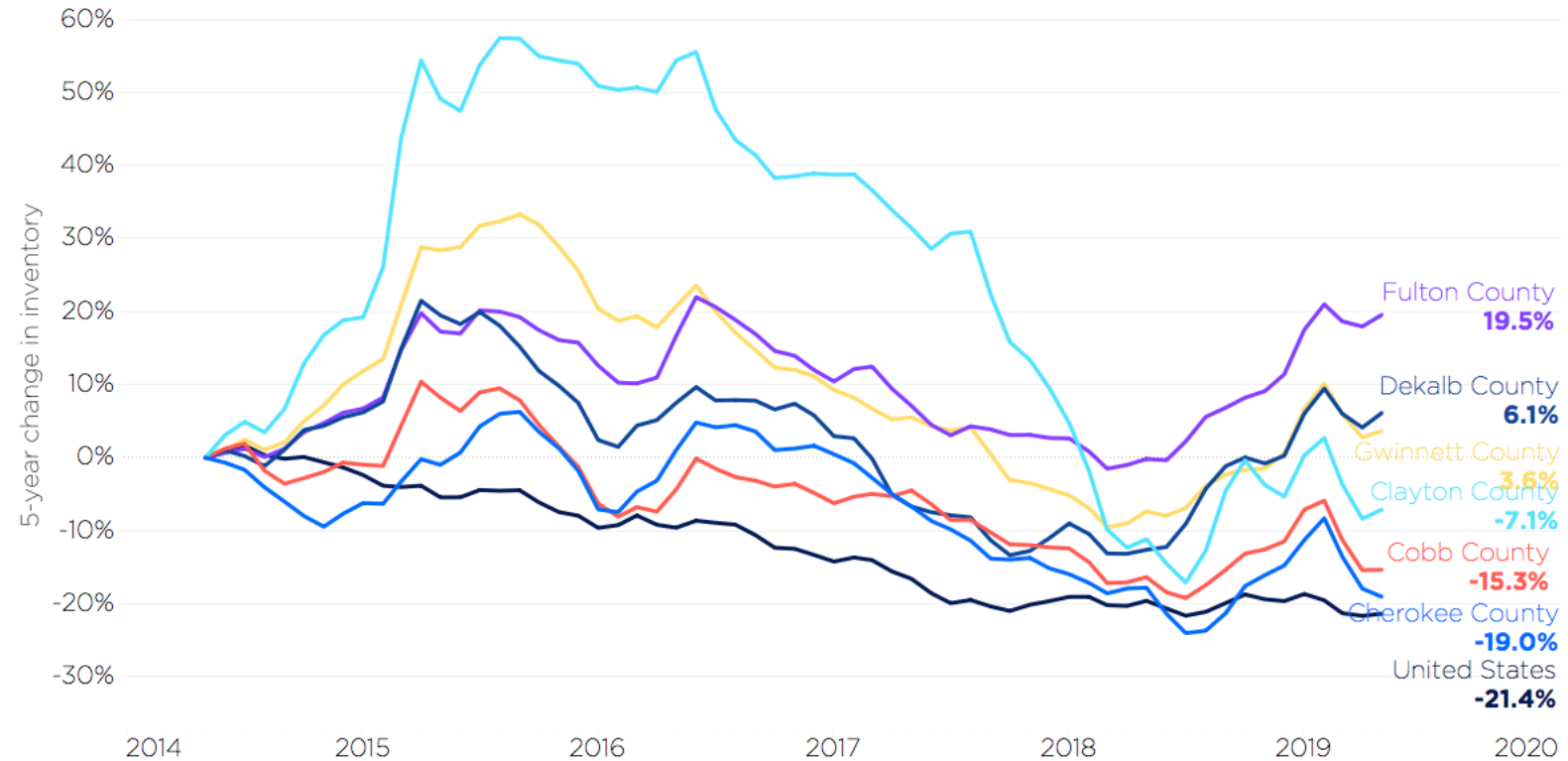


Savings are the main source of funding for down payments

Percent of buyers that use each source to finance their down payments



For-sale inventory starting to bounce back

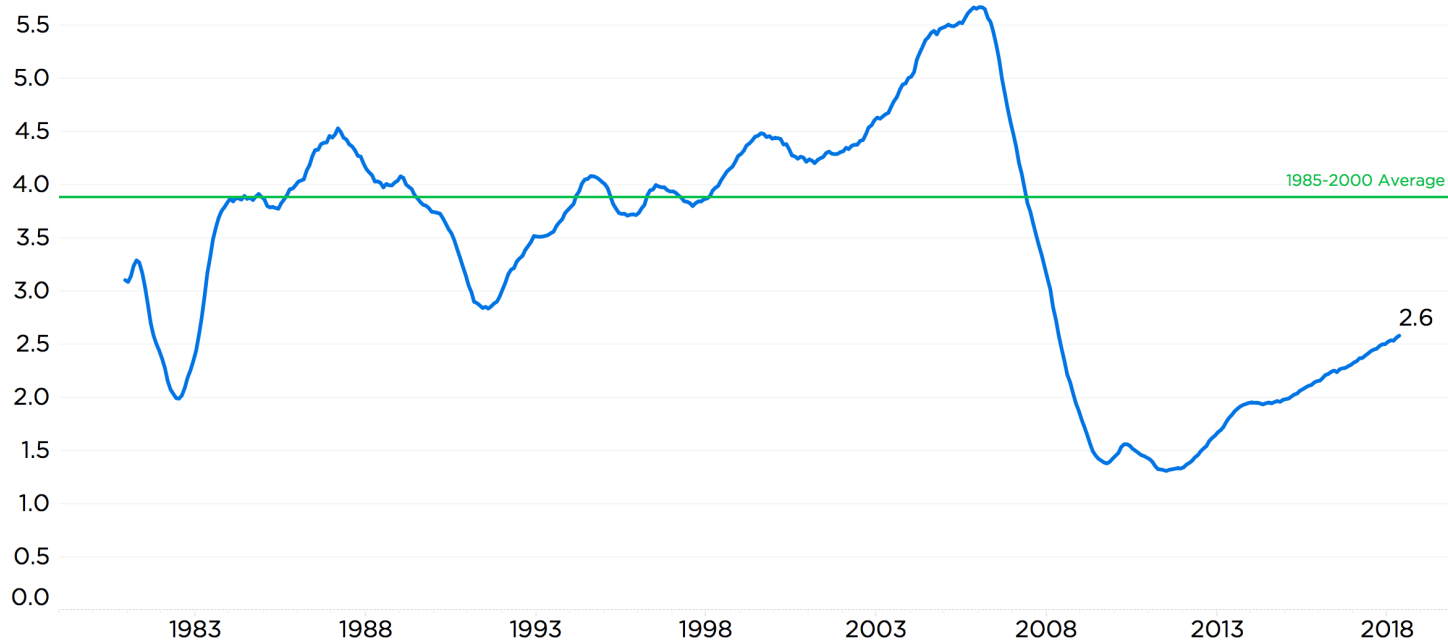


Source: Zillow For-Sale Inventory, May 2019.

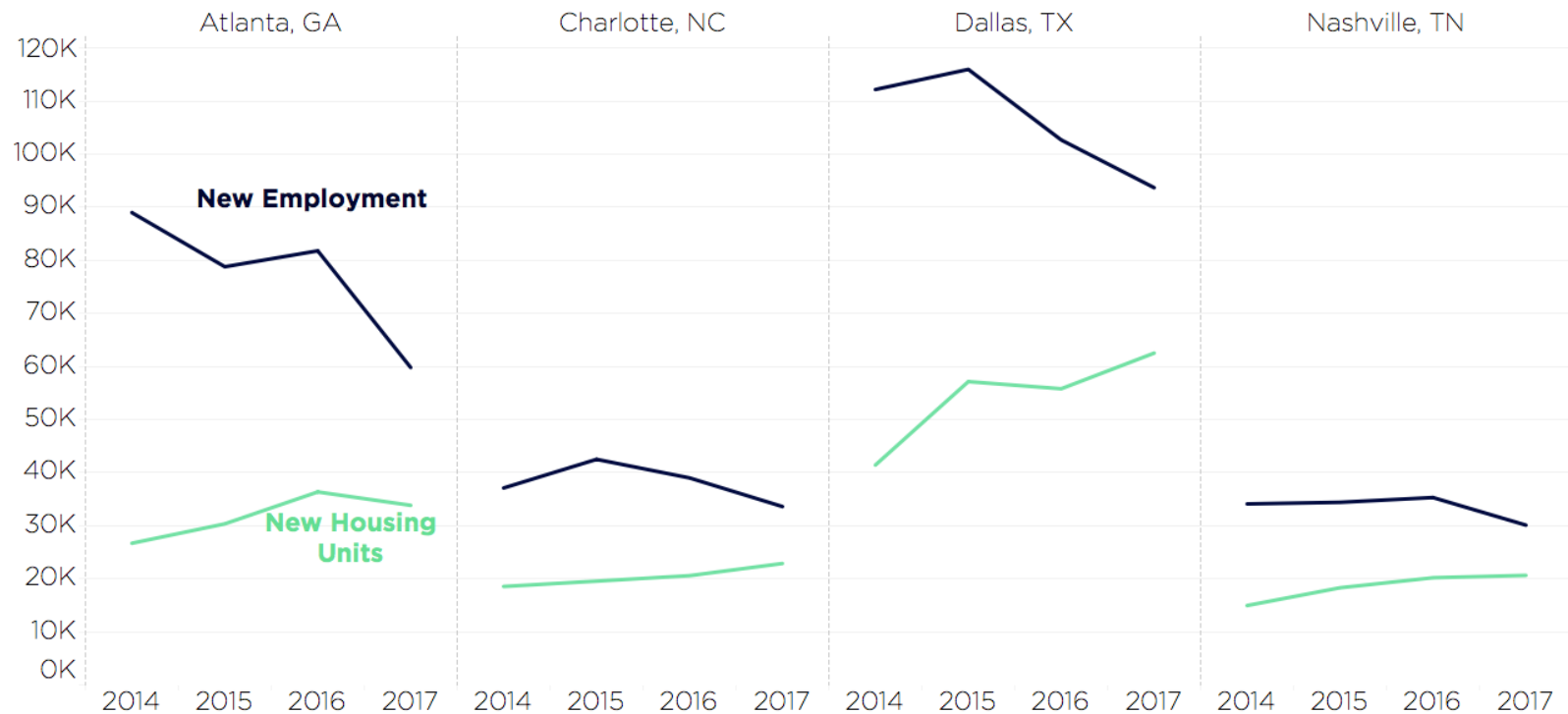
ZILLOW ECONOMIC RESEARCH

Home building behind historic average

Permits per 1,000 residents in previous 12 months

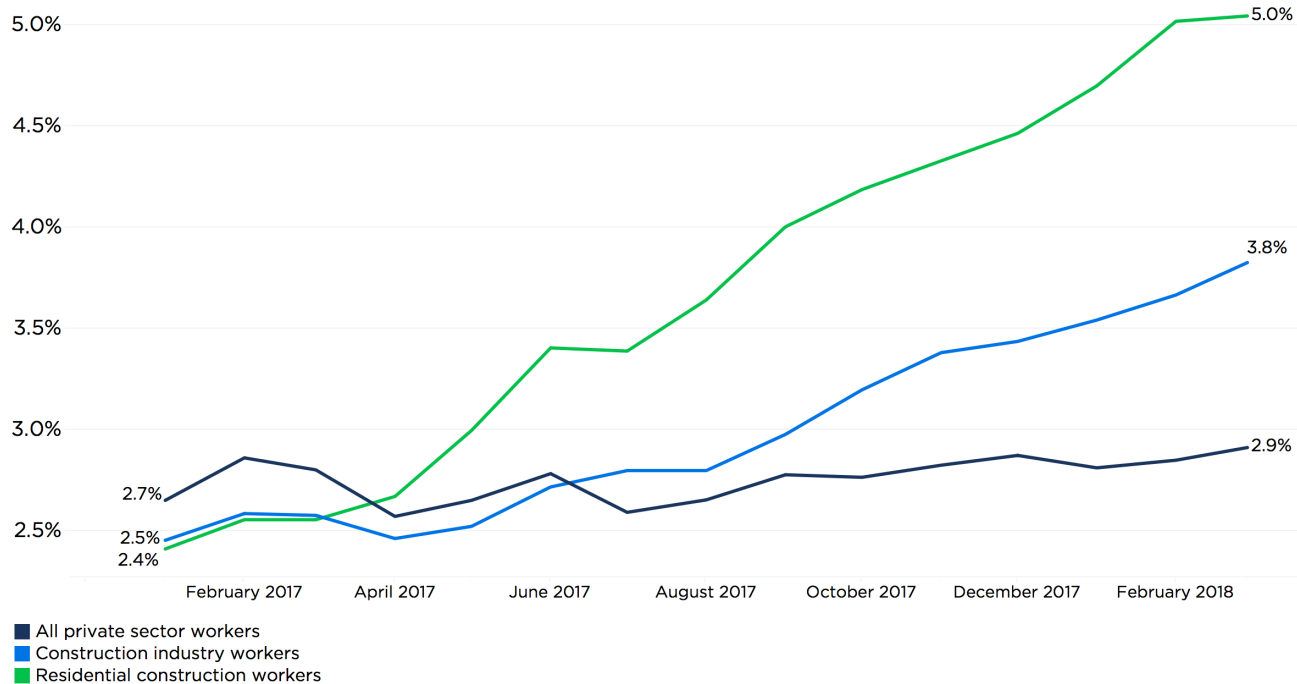


Home building lagged new employment

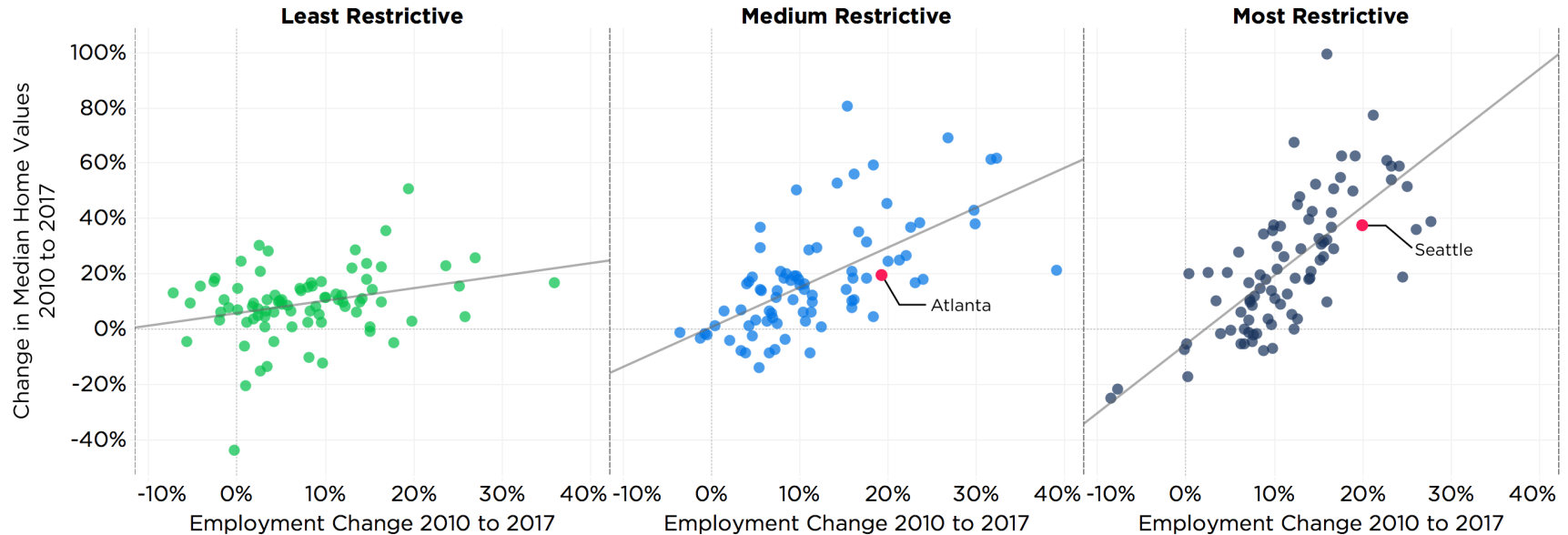


Construction wages steadily climbing

Year-Over-Year % Wage Growth (12-month moving average)

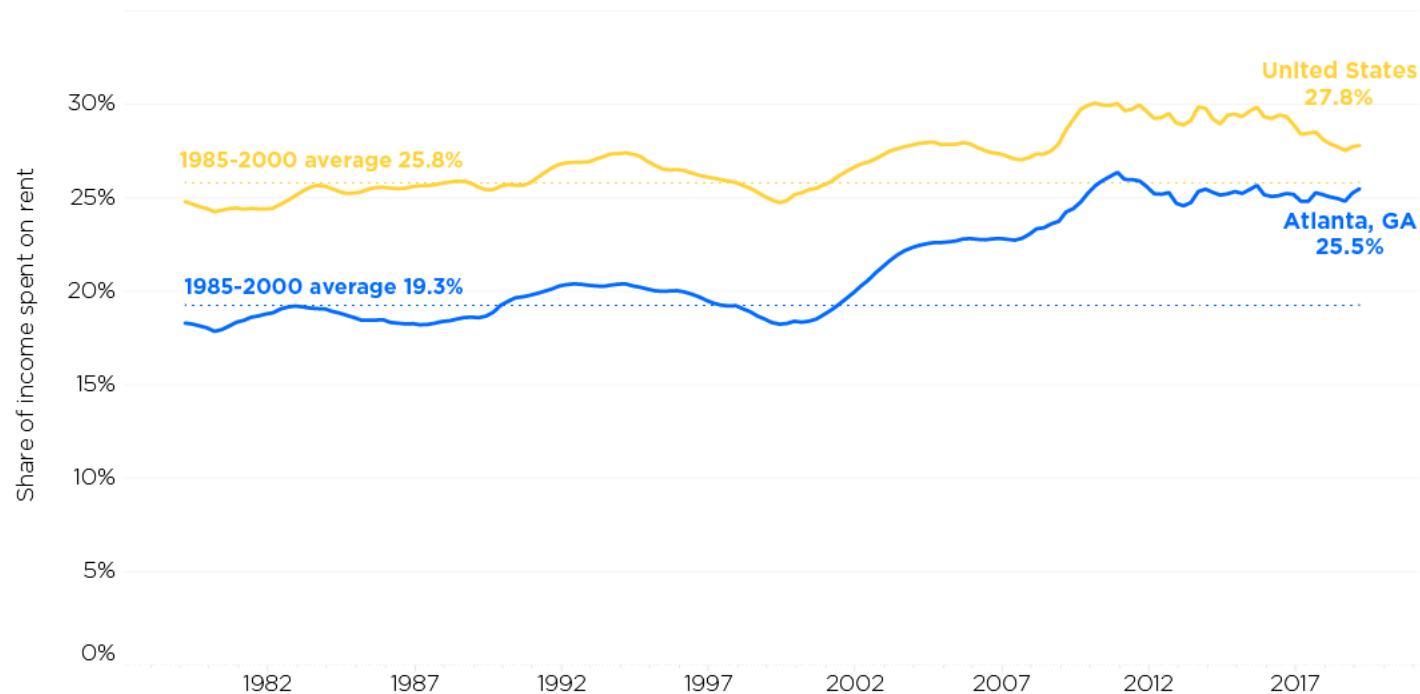


Cities with the most land use restrictions see their home values grow faster when new jobs come to town

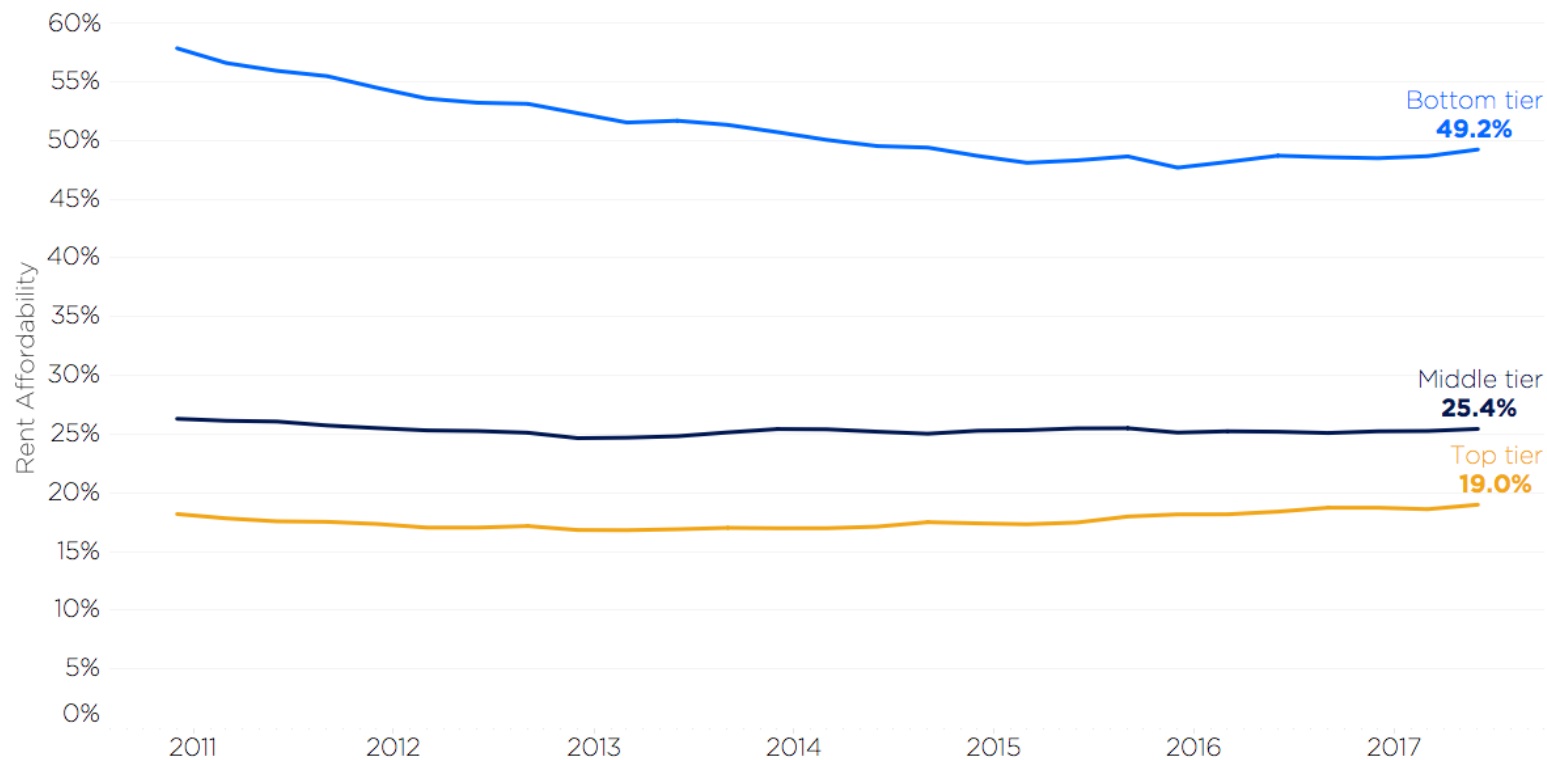


So where does that leave us

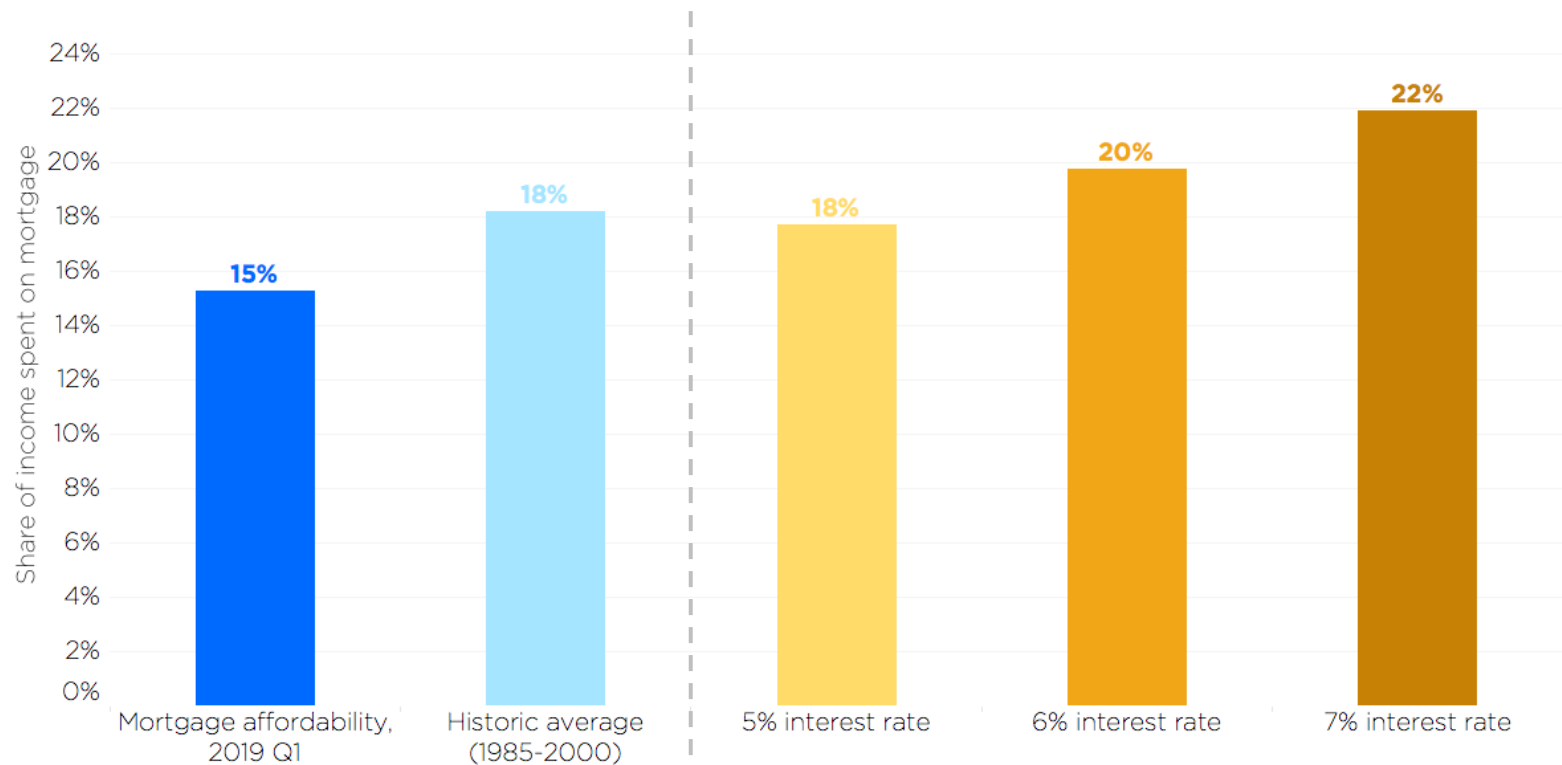
Share of income necessary for typical rental at historic high



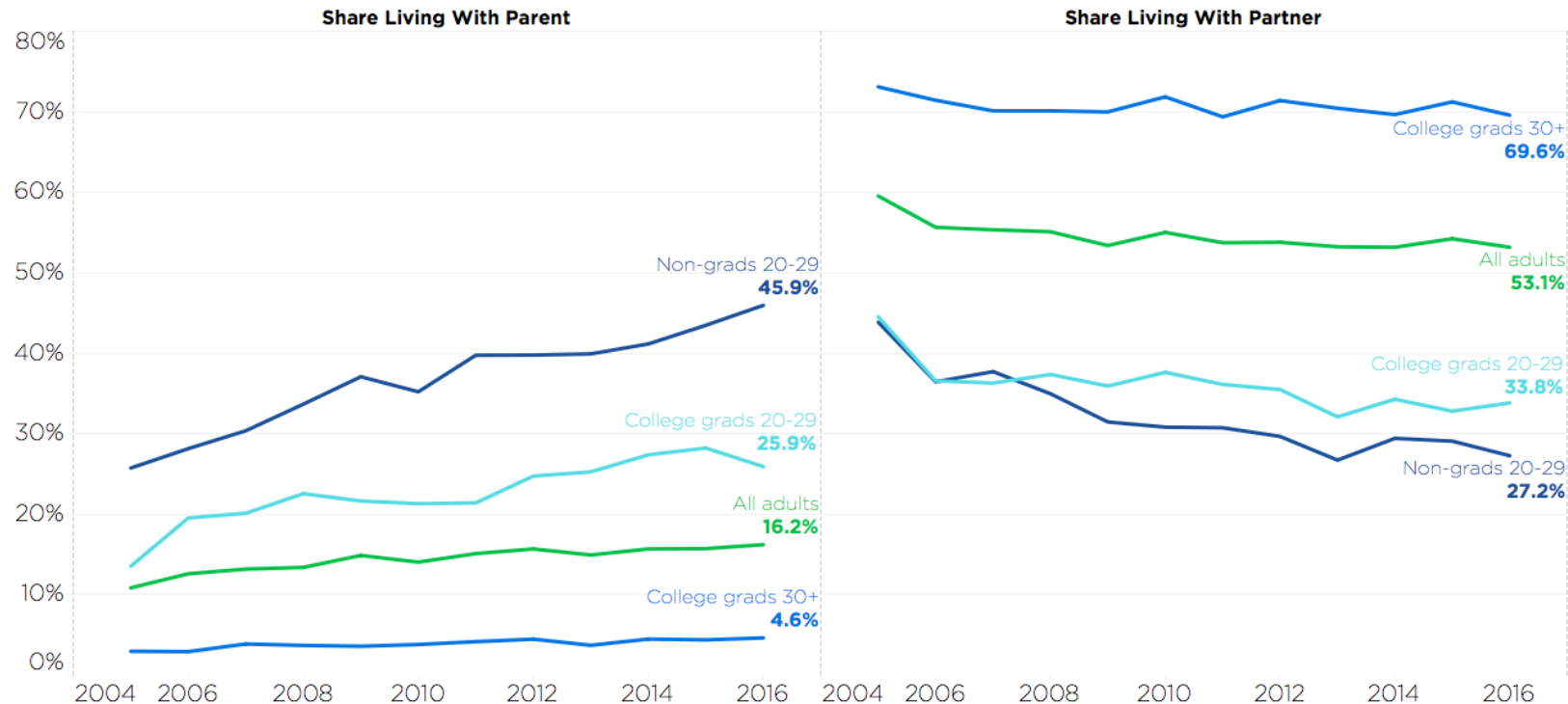
Affordability pinch most severe on the lower end of the market



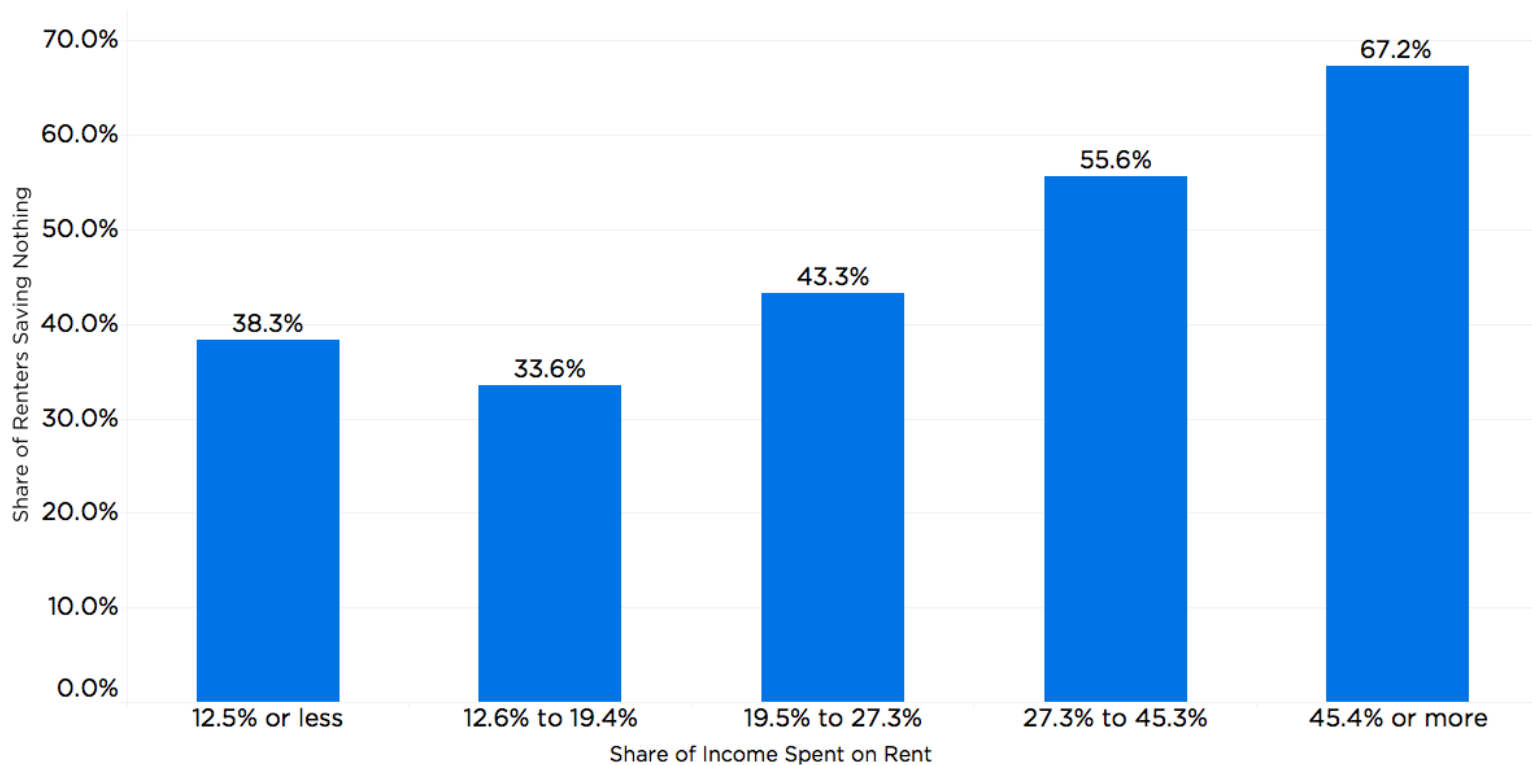
Mortgage affordability sensitive to interest rates



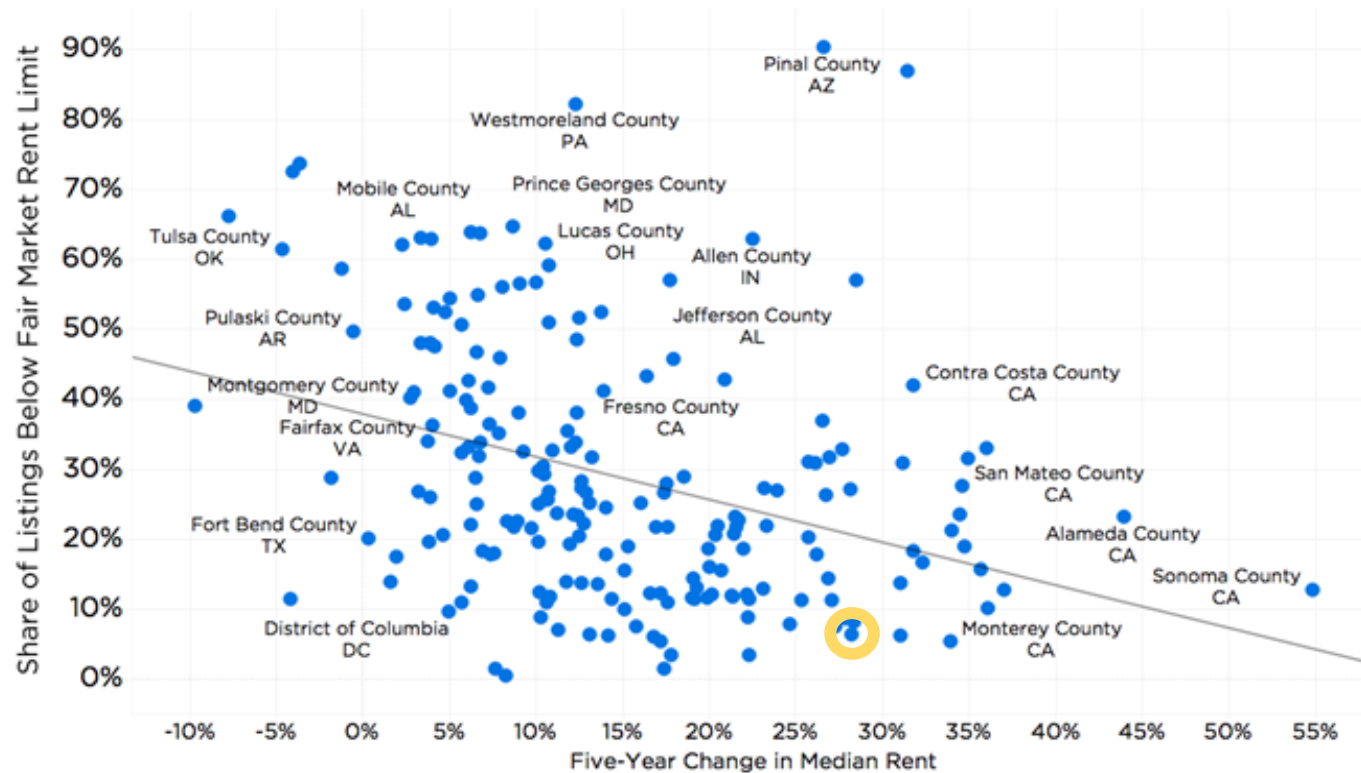
Share of young people in Atlanta metro without college degree and living at home on the rise



Higher rent burdens increase likelihood of nothing left over for savings



Rising rents can leave even the households who receive assistance few options



Housing assistance has lagged behind Fulton County rents

Change in Median Rents and Maximum Voucher Payment, Fulton County

Percent change since 2012

