

Appendix: Housing

Housing Characteristics and Growth Trends

The Atlanta region has experienced tremendous growth and an influx of new residents over the past decades. As shown in Figure 1, the majority of housing units in the 10-county region (78 percent) have been built since 1970, with the bulk of those units (702,198) being constructed from 1980 – 2000. Specifically, more than 20 percent of the entire housing stock in the 10-County area was constructed during 2000 – 2007; 20.5 percent was constructed from 1990 – 1999; 21 percent was constructed from 1980 – 1989; and 14.5 percent was constructed during the 70’s. The overall the housing stock in the metro region is fairly new, and the majority is less than 30 years old.

Figure 1: Age of Housing Stock – 10-County Region

	Total Units	Built 2005 or later	Built 2000 to 2004	Built 1990 to 1999	Built 1980 to 1989	Built 1970 to 1979	Built 1960 to 1969	Built 1950 to 1959	Built 1940 to 1949	Built 1939 or earlier
Cherokee County	78,912	9,633	16,922	20,991	17,520	8,700	2,014	1,178	879	1,075
Clayton County	105,986	6,378	18,338	16,356	21,168	19,233	15,008	6,168	2,358	979
Cobb County	278,096	13,165	40,795	62,649	73,032	41,900	26,932	12,254	4,554	2,815
DeKalb County	306,133	12,654	30,007	42,541	61,060	54,936	47,615	34,303	11,104	11,913
Douglas County	48,509	4,775	11,857	9,470	9,001	8,582	2,249	1,691	352	532
Fayette County	38,955	2,009	5,790	10,698	11,419	7,046	1,258	161	113	461
Fulton County	431,617	27,498	50,622	75,191	73,268	53,753	56,275	45,003	16,735	33,272
Gwinnett County	283,711	19,018	57,762	78,529	73,541	38,967	9,713	3,802	1,013	1,366
Henry County	71,270	9,111	20,657	22,189	10,702	4,578	1,668	1,234	187	944
Rockdale County	31,165	2,079	5,753	6,146	6,727	6,093	2,318	606	714	729
Region	1,674,354	106,320	258,503	344,760	357,438	243,788	165,050	106,400	38,009	54,086

Source: U.S. Census Bureau, 2007 American Community Survey

Between 2000 and 2008 every county in the 20-county region experienced over a 15 percent increase in housing units. As Figure 2 demonstrates, total housing units in the 10-county region increased from 1,331,264 units in 2000 to 1,678,398 in 2008, or 26 percent. Likewise, the total number of households in the 10-County region increased 21.5 percent to 1,533,196 households existing in 2008. Henry County experienced the greatest percentage increase in both housing units and households during this time, indicating a strong influx of new residents between 2000 and 2008. The County’s housing units increased 65 percent, from 43,166 units in 2000 to 71,314 units in 2008. Similarly, Henry County experienced a 63 percent increase in households, increasing from 41,373 households in 2000 to 67,596 households in 2008. Fulton County added the greatest number of new housing units, increasing the county’s housing stock by 85,776 units to a total of 434,408 units in 2008. Fulton County and Gwinnett County both experienced a significant growth of over 60,000 new households during 2000-2008, the largest quantity household increase of the 10-Counties.

Figure 2: Housing Units and Households – 10- & 20-County Regions

County	2008 Housing Units	2000 Housing Units	Total Change	Percent Change	2008 Households	2000 Households
Cherokee	79,966	51,937	28,029	54.0%	74,017	49,495
Clayton	107,337	86,461	20,876	24.1%	99,739	82,243
Cobb	278,391	237,522	40,869	17.2%	255,878	227,487
DeKalb	300,663	261,231	39,432	15.1%	276,775	249,339
Douglas	50,806	34,825	15,981	45.9%	47,028	32,822
Fayette	39,568	32,726	6,842	20.9%	37,240	31,524
Fulton	434,408	348,632	85,776	24.6%	382,422	321,242
Gwinnett	284,698	209,682	75,016	35.8%	262,974	202,317
Henry	71,314	43,166	28,148	65.2%	67,596	41,373
Rockdale	31,247	25,082	6,165	24.6%	29,527	24,052
"Core" 10	1,678,398	1,331,264	347,134	26.1%	1,533,196	1,261,894
% of 20-county	80.2%	81.7%	75.0%	NA	79.8%	81.8%
Barrow	25,165	17,304	7,861	45.4%	23,409	16,354
Bartow	36,286	28,751	7,535	26.2%	33,880	27,176
Carroll	43,982	34,067	9,915	29.1%	40,163	31,568
Coweta	44,389	33,182	11,207	33.8%	41,772	31,442
Forsyth	61,267	36,505	24,762	67.8%	57,215	34,565
Hall	64,482	51,046	13,436	26.3%	59,290	47,381
Newton	37,213	23,033	14,180	61.6%	35,322	21,997
Paulding	45,420	29,274	16,146	55.2%	43,730	28,089
Spalding	26,783	23,001	3,782	16.4%	24,531	21,519
Walton	29,323	22,500	6,823	30.3%	27,802	21,307
"External" 10	414,310	298,663	115,647	38.7%	387,114	281,398
% of 20-county	19.8%	18.3%	25.0%	NA	20.2%	18.2%
20-County Total	2,092,708	1,629,927	462,781	28.4%	1,920,310	1,543,292

Source: U.S. Census Bureau, 2007 American Community Survey

The region's external 10-counties experienced higher growth rate percentages than the internal 10-Counties, but the vast majority of growth was accommodated within the core counties. Forsyth County saw the highest growth in the number of new housing units and households of these external counties. Between 2000 and 2008 Forsyth County added 24,762 new housing units and 22,650 new households. Likewise, Forsyth County also experienced the highest percentage growth in housing units as well as households, with a 68 percent and 66 percent growth, respectively. Of these external counties, Spalding County experienced the smallest growth in terms of both housing units and households. The county added 3,782 new housing units, a 16 percent increase, and just over 3,000 new households, a 14 percent increase, between 2000 and 2008. A further breakdown of these changes in housing units and households for all cities found within the internal 10-county region can be seen in the Figure 3 below.

Figure 3: 2008 City (A - L) Housing Units and Households, 10-County Region

City	2008 Housing Units	2000 Housing Units	Total Change	Percent Change	2008 Households	2000 Households
Acworth	8,295	5,492	2,803	51.0%	7,565	5,218
Alpharetta	23,069	14,645	8,424	57.5%	21,067	13,843
Atlanta	226,677	186,998	39,679	21.2%	198,641	168,242
Auburn	2,445	2,225	220	9.9%	2,347	2,159
Austell	2,824	2,161	663	30.7%	2,581	2,051
Avondale Estates	1,257	1,235	22	1.8%	1,182	1,198
Ball Ground	356	284	72	25.4%	300	247
Berkeley Lake	646	618	28	4.5%	617	607
Braselton	1,695	451	1,244	275.8%	1,504	419
Brooks	220	218	2	0.9%	198	201
Buford	4,441	4,009	432	10.8%	3,965	3,824
Canton	8,705	2,885	5,820	201.7%	8,066	2,713
Chamblee	3,607	2,780	827	29.7%	3,297	2,721
Chattahoochee Hills	1,119	978	141	14.4%	965	950
Clarkston	2,734	2,560	174	6.8%	2,451	2,417
College Park	8,557	8,449	108	1.3%	7,453	7,854
Conyers	5,735	4,395	1,340	30.5%	5,240	4,059
Dacula	1,663	1,354	309	22.8%	1,550	1,303
Decatur	9,344	8,513	831	9.8%	8,509	8,068
Doraville	3,331	3,140	191	6.1%	3,130	3,061
Douglasville	12,647	7,910	4,737	59.9%	11,349	7,275
Duluth	11,515	9,151	2,364	25.8%	10,463	8,789
East Point	17,277	15,505	1,772	11.4%	15,014	14,454
Fairburn	4,766	1,969	2,797	142.1%	3,942	1,847
Fayetteville	6,330	4,642	1,688	36.4%	5,845	4,405
Forest Park	7,582	7,187	395	5.5%	6,953	6,790
Grayson	955	301	654	217.3%	895	292
Hampton	2,477	1,567	910	58.1%	2,379	1,449
Hapeville	2,697	2,538	159	6.3%	2,308	2,375
Holly Springs	3,230	1,161	2,069	178.2%	2,989	1,109
Johns Creek	26,223	21,014	5,209	24.8%	23,768	20,444
Jonesboro	1,635	1,612	23	1.4%	1,481	1,515
Kennesaw	12,019	8,762	3,257	37.2%	11,048	8,196
Lake City	982	978	4	0.4%	917	945
Lawrenceville	10,176	7,675	2,501	32.6%	9,426	7,469
Lilburn	4,204	4,011	193	4.8%	3,891	3,912
Lithonia	915	910	5	0.5%	796	820
Locust Grove	2,007	883	1,124	127.3%	1,820	816
Loganville	3,374	2,086	1,288	61.7%	3,234	1,966
Lovejoy	2,109	605	1,504	248.6%	1,946	496

Figure 3 (cont.): 2008 City (M - W) Housing Units and Households, 10-County Region

City	2008 Housing Units	2000 Housing Units	Total Change	Percent Change	2008 Households	2000 Households
Marietta	27,570	25,399	2,171	8.5%	24,672	23,994
McDonough	7,769	3,146	4,623	146.9%	7,259	3,016
Milton	13,486	6,556	6,930	105.7%	11,806	6,059
Morrow	2,183	1,772	411	23.2%	2,013	1,672
Mountain Park	301	264	37	14.0%	241	232
Nelson	342	261	81	31.0%	298	239
Norcross	3,707	2,784	923	33.2%	3,432	2,702
Palmetto	1,810	1,225	585	47.8%	1,613	1,160
Peachtree City	13,331	11,490	1,841	16.0%	12,341	11,004
Pine Lake	333	287	46	16.0%	301	268
Powder Springs	5,485	4,186	1,299	31.0%	5,131	4,071
Rest Haven	65	65	-	0.0%	51	49
Riverdale	5,720	4,533	1,187	26.2%	5,360	4,386
Roswell	34,516	31,389	3,127	10.0%	32,275	30,304
Sandy Springs	45,360	42,745	2,615	6.1%	40,136	39,220
Smyrna	23,869	19,715	4,154	21.1%	21,378	18,455
Snellville	7,145	5,251	1,894	36.1%	6,752	5,144
Stockbridge	9,158	3,953	5,205	131.7%	8,259	3,699
Stone Mountain	2,564	2,561	3	0.1%	2,343	2,421
Sugar Hill	6,024	4,047	1,977	48.9%	5,691	3,960
Suwanee	5,257	3,233	2,024	62.6%	4,836	3,030
Tyrone	2,423	1,417	1,006	71.0%	2,300	1,356
Union City	8,590	5,354	3,236	60.4%	7,314	4,962
Villa Rica	5,455	1,812	3,643	201.0%	4,602	1,478
Waleska	112	112	-	0.0%	107	112
Woodstock	9,704	4,078	5,626	138.0%	8,914	3,845

Figure 4 presents data on dwellings in the region considered substandard in 2007, meaning the housing units lack complete plumbing and kitchen facilities. The total number of housing units in the region that lacked complete plumbing and/or kitchen facilities is approximately two percent of the region’s housing supply (38,683 units). Of those units, 15,531 units (54 percent) were located in Fulton County and 6,890 units (24 percent) were located in Gwinnett County. Henry County, who has the newest housing stock in the region with a median built year of 1992, had the smallest percentage of substandard housing units (just over 1 percent).

Figure 4: Substandard Housing Units

	Total Units	Lacking complete plumbing facilities	Lacking complete kitchen facilities	1.5 or more persons per room
Cherokee County	78,912	714	945	328
Clayton County	105,986	801	2,559	123
Cobb County	278,096	810	887	1,065
DeKalb County	306,133	2,256	2,853	1,019
Douglas County	48,509	471	398	119
Fayette County	38,955	465	409	79
Fulton County	431,617	5,973	9,558	1,009
Gwinnett County	283,711	1,452	5,438	1,029
Henry County	71,270	314	728	174
Rockdale County	31,165	390	1,262	191
Region	1,674,354	13,646	25,037	5,136

Source: U.S. Census Bureau, 2007 American Community Survey

Slumping Housing Market

From 2000 – 2006, the 10-county Atlanta region permitted an average 50,450 residential units each year. During that time single-family structures were the most common permit type (72 percent of all permits) and duplexes as the least common permit type (less than one percent). Of all the permits issued during this time period (00-06) only 27 percent were issued for multifamily projects. Figure 5 demonstrates the significant drop in residential building permits issued in the 10-county over the past few years, an indicator of the declining housing and credit market.

Figure 5: Residential Housing Permits Issued, by Housing Type, 10-County Region

	1990	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total Units	22,469	48,638	49,073	50,716	47,786	55,405	52,556	49,208	33,055	14,452
<i>Units in Single-Family Structures</i>	16,689	32,907	34,306	35,257	37,613	39,429	41,639	35,808	19,824	7,431
<i>Units in All Multi-Family Structures</i>	5,780	15,731	14,767	15,459	10,173	15,976	10,917	13,400	13,231	7,021
<i>Units in 2-unit Multi-Family Structures</i>	274	84	100	160	162	214	102	158	120	40
<i>Units in 3- and 4-unit Multi-Family Structures</i>	21	302	170	165	97	114	66	249	439	152
<i>Units in 5+ Unit Multi-Family Structures</i>	5,485	15,345	14,497	15,134	9,914	15,648	10,749	12,993	12,672	6,829

Source: State of the Cities Data System

The slumping housing market can also be seen in slowing home sales. Figure 6 provides residential home sales in the 10-county region for the years 2006, 2007 and 2008 by sales type (sale of a new home/resale of an existing home). In 2008 the region's new home sales declined by over 40 percent from their 2006 levels, with only 13,220 new homes being sold.

Figure 6 : Recent Home Sales (10-County Region)

	2006			2007			2008		
	Total	New	Resale	Total	New	Resale	Total	New	Resale
Cherokee County	6,648	3,214	3,434	5,159	2,377	2,782	3,291	1,236	2,055
Clayton County	5,279	1,944	3,335	4,515	1,688	2,827	3,724	595	3,129
Cobb County	15,592	4,125	11,467	12,471	3,107	9,364	8,912	1,706	7,206
DeKalb County	13,883	3,295	10,588	11,807	2,482	9,325	9,825	1,426	8,399
Douglas County	3,677	2,013	1,664	2,750	1,345	1,405	1,787	469	1,318
Fayette County	2,240	566	1,674	1,649	313	1,336	1,159	198	961
Fulton County	25,985	10,748	15,237	20,534	7,081	13,453	16,441	3,864	12,577
Gwinnett County	21,662	8,285	13,377	15,235	5,046	10,189	10,467	2,671	7,796
Henry County	6,487	3,206	3,281	4,310	1,860	2,450	2,956	810	2,146
Rockdale County	2,145	960	1,185	1,579	652	927	980	245	735
Region	103,598	38,356	65,242	80,009	25,951	54,058	59,542	13,220	46,322

Source: Smart Numbers

A further indicator of the tarnished housing market, and the effects felt by many households, can be seen in the 2007 American Community Survey occupancy and vacancy data displayed in Figure 7 below. This data indicates approximately a 12 percent vacancy rate for all housing units in the 10-County area in 2007, more than double the 2000 vacancy rate of 5 percent. The trends recognized in this data are significant, and illustrate the effects the housing market rise and fall has had on households in the region. Vacancy rates from 1990 – 2000 steadily decrease, but then jump sharply through 2007 as a significant amount of homes in the region begin facing foreclosure. Excess housing inventory coupled with an initial tightening of the credit market

further restricted many would be homebuyers from obtaining a mortgage, simultaneously contributing to rising vacancy rates.

Figure 7: Occupancy/Vacancy Status for all Housing Units, 10-County Region

	1990			2000			2007		
	Occupied	Vacant	% Vacant	Occupied	Vacant	% Vacant	Occupied	Vacant	% Vacant
Cherokee County	31,309	2,531	7.5%	49,495	2,442	4.7%	74,054	4,858	6.2%
Clayton County	65,523	6,403	8.9%	82,243	4,218	4.9%	88,874	17,112	16.1%
Cobb County	171,288	18,584	9.8%	227,487	10,035	4.2%	256,506	21,590	7.8%
DeKalb County	208,690	22,830	9.9%	249,339	11,892	4.6%	270,369	35,764	11.7%
Douglas County	24,277	2,218	8.4%	32,822	2,003	5.8%	42,084	6,425	13.2%
Fayette County	21,054	1,374	6.1%	31,524	1,202	3.7%	36,997	1,958	5.0%
Fulton County	257,140	40,363	13.6%	321,242	27,390	7.9%	359,279	72,338	16.8%
Gwinnett County	126,971	10,637	7.7%	202,317	7,365	3.5%	256,562	27,149	9.6%
Henry County	20,012	1,263	5.9%	41,373	1,793	4.2%	65,016	6,254	8.8%
Rockdale County	18,337	1,626	8.1%	24,052	1,030	4.1%	26,858	4,307	13.8%
Region	944,601	107,829	10.2%	1,261,894	69,370	5.2%	1,476,599	197,755	11.8%

Source: U.S. Census Bureau, 2007 American Community Survey

Residential Foreclosures in the Atlanta Region

Similar to the national trend, the beginning of the decade saw developers throughout the region constructing ample housing inventory designed to meet the demand of a seemingly ever expanding housing market fueled through a lax credit market. Many people who would not traditionally be eligible found themselves qualifying for home mortgages, the majority of which were subprime and designed to reset to much higher rates after a couple of years. Once these mortgages begin to reset, a considerable number of homeowners found themselves faced with foreclosure. The region's widespread foreclosures have resulted in the Atlanta region ranking high among the nation's hardest hit metropolitan locations for foreclosures. While the state of Georgia ranks seventh highest in the nation's state foreclosure rates, the 20-county Atlanta region is responsible for 80 percent of Georgia's foreclosures.

As Figure 8 demonstrates, since the year 2000 the region's internal ten counties have experienced over a 420 percent increase in the number of foreclosures filed from 2000-2008. To be expected, foreclosure filings significantly peaked from 2005-2008 as widely issued subprime mortgages began to reset and the region experienced a significant period of job loss.

Figure 8: 10-County Region Foreclosure Filings by Year

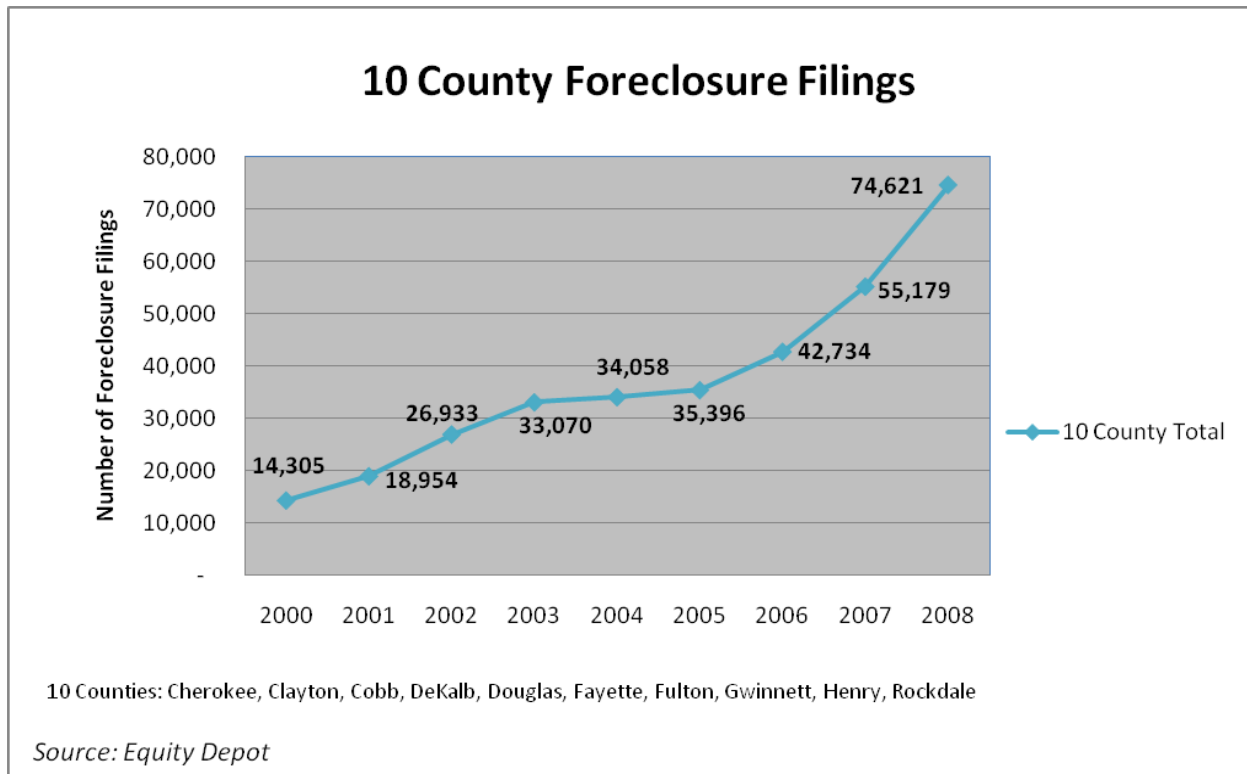


Figure 9 provides foreclosure filings by county. All counties in the region have been impacted by a dramatic increase in foreclosure filings. The rate of residential homes facing foreclosure in each county has steadily risen.

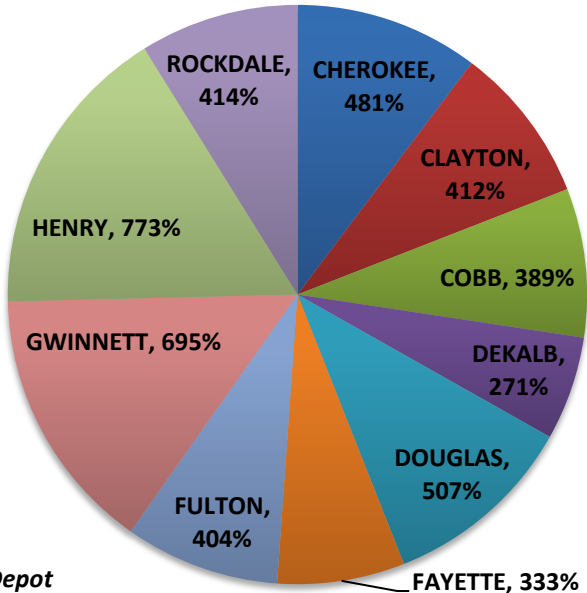
Figure 9: 10-County Foreclosure Filings by Year

County	2000	2001	2002	2003	2004	2005	2006	2007	2008
CHEROKEE	452	707	961	1,131	1,145	1,180	1,348	1,660	2,625
CLAYTON	1,465	1,991	2,817	3,404	3,706	3,739	4,555	5,765	7,495
COBB	1,675	2,234	3,235	3,781	3,762	3,882	4,567	5,565	8,187
DEKALB	3,687	4,989	6,955	8,157	8,124	8,149	9,327	11,080	13,677
DOUGLAS	463	569	753	1,041	1,136	1,214	1,292	1,928	2,811
FAYETTE	295	306	454	561	570	561	684	852	1,276
FULTON	3,661	4,657	6,502	8,111	8,061	8,847	11,437	15,553	18,465
GWINNETT	1,677	2,306	3,561	4,735	5,130	5,122	6,130	8,191	13,332
HENRY	549	803	1,185	1,509	1,663	1,914	2,344	3,223	4,793
ROCKDALE	381	392	510	640	761	788	1,050	1,362	1,960
10-CO TOTAL	14,305	18,954	26,933	33,070	34,058	35,396	42,734	55,179	74,621

Source: Equity Depot

As Figure 10 illustrates, all counties in the region have experienced at least a 250 percent increase in the number of foreclosure filings between 2000 and 2008, with the majority of counties experiencing upwards of a 400 percent increase. The most significant increase is seen in Henry County; over an eight year time frame the county saw a 773 percent rise in the number of foreclosures reported.

Figure 10: Percent Change in Foreclosure Filings, by County



Source: Equity Depot

Foreclosure rates across the region have resulted in a widely unsteady housing market flooded with unsold units, cleared and vacant lots, and foreclosed and abandoned homes. While all counties in the region have experienced tremendous growth in their residential development over the past decade, this burst housing bubble and consequential foreclosure phenomenon have contributed to a current market for residential product in the region that is as weak and constrained as it has been in recent memory.

Housing Affordability

The price of shelter carries multifaceted consequences for a household. Rather than just affecting the size or quality of a home a family lives in it, housing affordability also determines the stability of a household, the income remaining at the end of the month to meet other needs and the community in which one lives, which consequently affects available school and employment options. Families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care. Severely cost burdened households are those paying 50 percent or more of their income on housing costs, and may be in danger of homelessness. Figure 11 below provides a breakdown of cost burdened and severely cost burdened households for owner occupied and renter occupied housing units within the ten-county Atlanta region in 2007.

Figure 11: Share of Cost Burdened and Severely Cost Burdened Households (2007)

JURISDICTION	OWNERS - COST BURDENED		RENTERS - COST BURDENED	
	Number	Percentage of County's Total Owner-Occupied Housing	Number	Percentage of County's Total Rental-Occupied Housing
CHEROKEE COUNTY	22,405	37.1%	6,460	47.4%
CLAYTON COUNTY	20,475	35.9%	18,015	56.6%
COBB COUNTY	55,947	30.3%	33,030	46.1%
DEKALB COUNTY	55,585	33.5%	52,683	50.3%
DOUGLAS COUNTY	10,149	32.5%	5,093	47.0%
FAYETTE COUNTY	9,684	31.8%	4,239	65.1%
FULTON	68,520	32.1%	67,142	46.1%
GWINNETT COUNTY	62,756	33.3%	31,168	45.7%
HENRY COUNTY	17,696	33.6%	6,362	51.4%
ROCKDALE COUNTY	4,588	24.7%	4,494	54.4%

JURISDICTION	OWNERS - SEVERELY COST BURDENED		RENTERS - SEVERELY COST BURDENED	
	Number	Percentage of County's Total Owner-Occupied Housing	Number	Percentage of County's Total Rental-Occupied Housing
CHEROKEE COUNTY	7,076	11.7%	3,077	22.6%
CLAYTON COUNTY	7,936	13.9%	9,349	29.4%
COBB COUNTY	18,147	9.8%	15,895	22.2%
DEKALB COUNTY	22,692	13.7%	25,678	24.5%
DOUGLAS COUNTY	3,869	12.4%	2,385	22.0%
FAYETTE COUNTY	3,115	10.2%	1,386	21.3%
FULTON	25,708	12.0%	31,008	21.3%
GWINNETT COUNTY	22,867	12.1%	15,054	22.1%
HENRY COUNTY	4,895	9.3%	2,319	18.7%
ROCKDALE COUNTY	1,271	6.8%	2,527	30.6%

Source: US Census, 2007 American Community Survey

As the table shows, a rather substantial share of the region’s owners and renters are cost burdened. In all ten counties at least a quarter of the population that owns their home finds itself spending more than 30 percent of their income on housing. Considering the renter populations in the ten counties paints an even bleaker picture – at least 45 percent, increasing up to 65 percent in Fayette County, of this population are considered cost burdened by their rental costs. In the majority of the region, ten percent or more of households who own their home are spending more than 50 percent of their income on housing costs. In all counties, with the exception of Henry, 20 percent or more of the renter population is severely cost burdened, spending 50 percent or more of their income on rental costs.

Workforce housing can be defined a number of ways. A rule of thumb is that those households earning between 60 and 120 percent of the region’s median income are likely in need of workforce housing options. Low and moderate income households can benefit from existing housing subsidies that workforce households do not qualify for. The definition of workforce housing exists independently from low and moderate income households earning 60 percent or less of the county median income. The U.S. Department of Housing and Urban Development (HUD) defines a home as affordable if it costs the household no more than 30 percent of its annual income. Figure 12 uses the HUD standard to evaluate the extent to which workforce households in the region are priced out of the ownership market.

Figure 12: Income and Housing Affordability by County

County	One & Two Person Household	Multi-Family & Attached Housing Units	Median Home Value (2007)	Median Gross Rent (2007)	County Median Income (2007)	Workforce Households (Earn Between 60-120% AMI)	Income needed to afford mortgage**	Income needed to afford rent*
CHEROKEE	49%	15%	\$ 204,400	\$ 864	\$ 60,786	\$36,472 - \$72,943	\$ 68,133	\$ 34,560
CLAYTON	56%	33%	\$ 132,000	\$ 865	\$ 43,568	\$26,141 - \$52,282	\$ 44,000	\$ 34,600
COBB	59%	31%	\$ 219,800	\$ 906	\$ 64,817	\$38,890 - \$77,780	\$ 73,267	\$ 36,240
DEKALB	63%	40%	\$ 197,700	\$ 882	\$ 51,706	\$31,024 - \$62,047	\$ 65,900	\$ 35,280
DOUGLAS	55%	15%	\$ 160,300	\$ 870	\$ 55,626	\$33,376 - \$66,751	\$ 53,433	\$ 34,800
FAYETTE	58%	14%	\$ 254,700	\$ 966	\$ 76,789	\$46,073 - \$92,147	\$ 84,900	\$ 38,640
FULTON	67%	49%	\$ 267,800	\$ 890	\$ 58,837	\$35,302 - \$70,604	\$ 89,267	\$ 35,600
GWINNETT	51%	26%	\$ 201,800	\$ 921	\$ 63,818	\$38,291 - \$76,582	\$ 67,267	\$ 36,840
HENRY	49%	15%	\$ 177,800	\$ 913	\$ 62,899	\$37,739 - \$75,479	\$ 59,267	\$ 36,520
ROCKDALE	56%	19%	\$ 189,600	\$ 841	\$ 55,247	\$33,148 - \$66,296	\$ 63,200	\$ 33,640

Source: U.S. Census Bureau, 2007 American Community Survey

*Afforded rent calculated as monthly income * .30

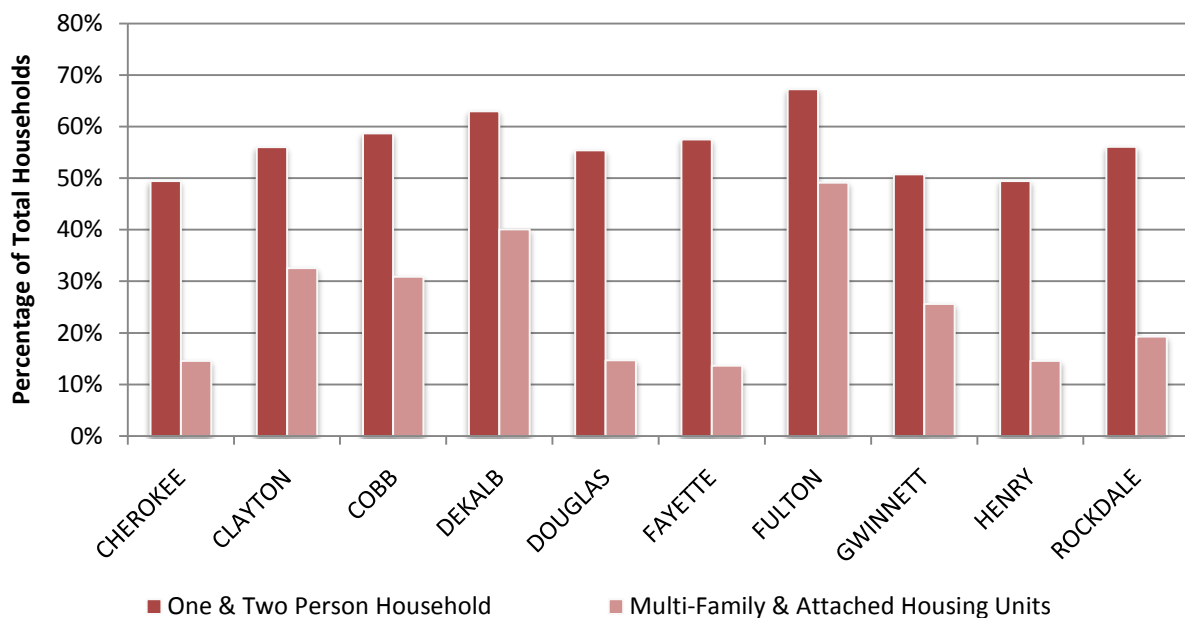
**Afforded mortgage amount calculated as yearly income * 3

Workforce households in each county earning between 60 and 90 percent of their county’s area median income (AMI), would be unable to afford a home priced at the county’s median home value. In DeKalb County and Fulton County workforce households altogether may be priced out of the ownership market, as households earning anywhere between 60 percent and 120 percent of these county’s AMI would be unable to purchase a home priced at or above the county’s median home value.

These data do suggest that the region’s rental inventory is generally at a rate that is affordable to the jurisdiction’s workforce, although in five of the ten counties those earning closer to 60 percent of AMI could face difficulties finding affordable rental shelter. And while the majority of the workforce who earn towards the higher bracket of the workforce income range may be eligible to rent a unit based on the county’s median rent prices, whether or not local zoning and developmental regulations are allowing enough rental units to be developed to meet current and future demand is not known.

Figure 13 also illustrates that more than half of the region’s households are made up of one or two person households. In fact only two counties were under 50%, and they both have 49% of their households that are two persons or less. These one and two person households are more likely to seek smaller dwelling units such as townhomes, condos or apartments. In all ten counties there is a significant mismatch between the share of the population made up of these smaller households and the housing stock available in the county as multifamily or attached housing units as shown in Figure 13.

Figure 13: Smaller Households & Non-Attached Residential Supply



Source: U.S. Census, 2008 American Community Survey 1-Year Estimates

Another aspect of this mismatch deals with the region’s senior population who comprise a significant share of these smaller households. Not only does this population generally desire housing smaller than single family homes designed for families, but these individuals also have special needs that our cities, counties and neighborhoods are not typically designed for. Communities designed for aging adults should provide housing options, transportation services and community amenities that facilitate active living and maximize independence.

As shown in Figure 14, these older adult populations comprise approximately 15 percent and upwards of each county’s population. Between the years of 2000 and 2005 this population increased by at least 20 percent in almost all counties (excluding DeKalb), and upwards of 45 percent, indicating the older adult population in the Atlanta region is growing at a tremendous rate.

The bottom portion of the chart displays data on the supply of special needs housing found within each county. While some counties are more effectively supplying housing designed for these populations, as a whole the region will face high demand on these homes and communities as the share of this population continues to increase. The Atlanta Regional Commission’s Aging Division is working with partners throughout the region to transform cities, counties and neighborhoods into Lifelong Communities – places that provide a full range of options to residents while insuring a high quality of life where individuals can live throughout their lifetime.

Figure 14: Older Adult Populations in the Region

	Cherokee	Clayton	Cobb	DeKalb	Douglas	Fayette	Fulton	Gwinnett	Henry	Rockdale
55+ Population	29,134	39,004	116,879	116,998	18,342	23,868	160,671	101,776	24,403	15,545
55 + as % of County Population	15.8	14.5	17.6	17.25	16.2	22.9	17.5	24.9	14.5	19.8
% change in 55+, 2000 - 2005	45.8	33.9	35.5	17.9	26.3	41.6	24.9	45.8	34.7	23.4
Average Years in Home	14.36	19.42	17.54	21.86	17.97	15.99	21.02	13.94	17.05	17.84
Independent Retirement Communities - Non-subsidized	1	3	7	10	0	1	22	8	0	1
Independent Retirement Communities - Subsidized	3	1	8	14	1	0	41	4	1	0
CCRC	0	0	1	1	0	0	5	0	0	0
Housing Purchase/Age Designated	7	3	13	1	3	1	5	6	6	0
Housing Authorities	1	1	1	3	1	0	5	1	1	1
Personal Care Homes	21	79	118	292	24	14	159	224	17	23
Nursing Homes	3	4	14	18	1	2	21	9	2	2

Source: Office of Regulatory Services, Healthcare Facilities Division, DCA & UGA Carl Vinson Institute 2006 Survey

- 1) Continuing Care Retirement Communities (CCRC) - Residential facilities, also called “lifecare,” which offer a continuum of care designed to meet residents’ needs as they change. Under a contractual agreement, various types of accommodations and service/amenities can be arranged. Residents may be able to move from independent living to personal care/assisted living to nursing home care, depending upon the scope of the contract.
- 2) Housing Purchase/Age Designated Communities – Independent active adult housing communities where purchasers must be 55 years of age or older.
- 3) Housing Authorities - Local housing programs that provide information about eligibility and vacancies in the subsidized housing under their jurisdictions, accept Section 8 applications, provide Section 8 certificates, and/or administer public housing projects.
- 4) Personal Care Homes - Programs that provide housing in a group setting for elderly or disabled individuals. In these facilities, the owner or manager provides or arranges for the provision of housing, food service, and one or more personal services. Individuals residing in these facilities must be ambulatory with or without assistive devices.
- 5) Nursing Homes - Inpatient health care facilities that provide nursing and custodial care over an extended period of time for individuals who need 24-hour care and supervision according to applicable laws and regulations.

When considering whether or not a jurisdiction is affordable to the workforce, it is also important to consider the home prices and rents that are supported by sector specific wages. Figure 15 details the monthly and yearly incomes afforded to both the top five highest and lowest paying job sectors in the Atlanta region. From these wages the mortgage that could be afforded, as well as the monthly rent an employee of this sector could afford was calculated. Comparing this data with the 10-county median rents and median home prices is an indicator of where these sector specific employees could afford to live.

Figure 15: Sales and Rents Supported by Local Wages

The five highest-paying job sectors in metro Atlanta, according to the Census Bureau's Quarterly Workforce Indicators programs, are (based on 3rd quarter, 2007)				
SECTOR	MONTHLY INCOME	YEARLY INCOME	MORTGAGE AFFORDED*	RENT AFFORDED**
FINANCE	\$ 6,039	\$ 72,468	\$ 217,404	\$ 1,811.70
INFORMATION	\$ 5,991	\$ 71,892	\$ 215,676	\$ 1,797.30
PROFESSIONAL, TECHNICAL AND BUSINESS SERVICES	\$ 5,911	\$ 70,932	\$ 212,796	\$ 1,773.30
WHOLESALE TRADE	\$ 5,611	\$ 67,332	\$ 201,996	\$ 1,683.30
MANAGEMENT COMPANIES	\$ 5,209	\$ 62,508	\$ 187,524	\$ 1,562.70
The five lowest-paying job sectors in metro Atlanta, according to the Census Bureau's Quarterly Workforce Indicators programs, are (based on 3rd quarter, 2007):				
SECTOR	MONTHLY INCOME	YEARLY INCOME	MORTGAGE AFFORDED*	RENT AFFORDED**
ACCOMMODATION AND FOOD SERVICES	\$ 1,637	\$ 19,644	\$ 58,932	\$ 491
RETAIL TRADE	\$ 2,475	\$ 29,700	\$ 89,100	\$ 743
ARTS, ENTERTAINMENT, AND RECREATION, ADMINISTRATIVE SUPPORT/WASTE MGMT.	\$ 2,771	\$ 33,252	\$ 99,756	\$ 831
EDUCATION SERVICES	\$ 3,106	\$ 37,272	\$ 111,816	\$ 932
	\$ 3,402	\$ 40,824	\$ 122,472	\$ 1,021
County	Median Home Value (2007)	Median Gross Rent (2007)		
CHEROKEE	\$ 204,400	\$ 864		
CLAYTON	\$ 132,000	\$ 865		
COBB	\$ 219,800	\$ 906		
DEKALB	\$ 197,700	\$ 882		
DOUGLAS	\$ 160,300	\$ 870		
FAYETTE	\$ 254,700	\$ 966		
FULTON	\$ 267,800	\$ 890		
GWINNETT	\$ 201,800	\$ 921		
HENRY	\$ 177,800	\$ 913		
ROCKDALE	\$ 189,600	\$ 841		

* Afforded Mortgage Amount Calculated as Yearly Income x3

** Afforded Rent Calculated as Monthly Income x.30

Figure 15 above indicates that the top five highest paying sectors could afford to rent in any of the ten counties, assuming there were rental units available. However, even some of these top five wages fall short of affording to own a home in any county, when compared to the 2007 median home prices found in the ten counties. For example the highest paying job sector, finance, could comfortably afford a \$217,400 mortgage. This wage would still fall short of the median home price in Fulton, Fayette, and Cobb counties.

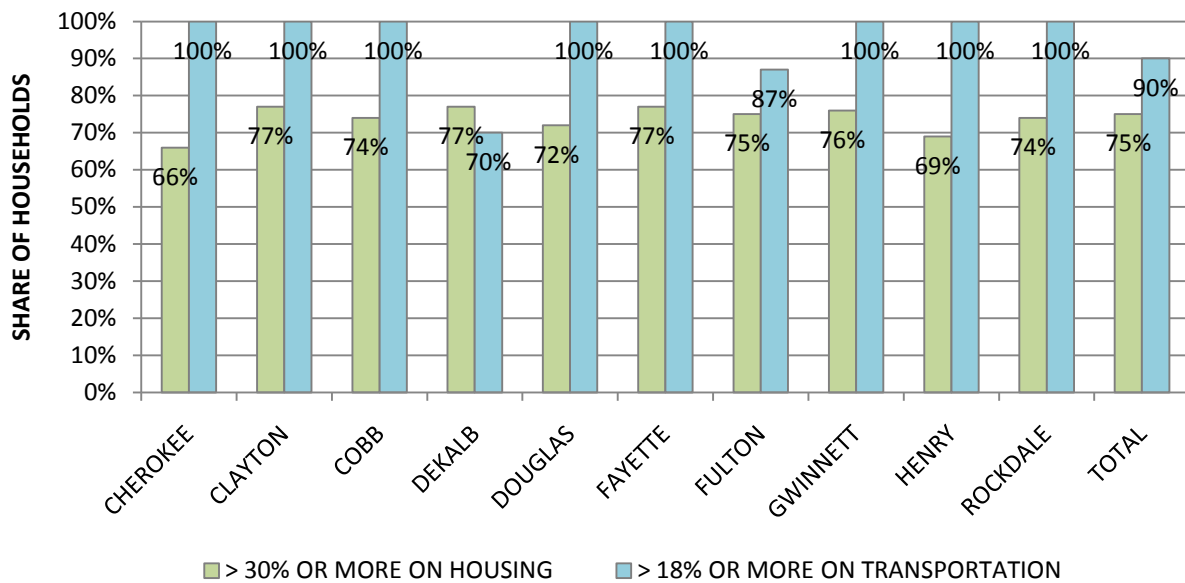
Looking at the wages afforded to the region's lowest paying job sectors offers extremely limited options. All five of these sectors fall short of affording the median home price in any of the ten counties. And while education and the administrative support/waste management employment sector should be able to afford rental housing within any of the ten counties the remaining three job sector wages fall short of being able to afford rental housing in any of the ten counties, without having to spend more than 30 percent of their monthly income on rent alone.

Housing Affordability: Housing & Transportation Costs

Housing affordability is most commonly understood as the extent to which a household's income can cover the price of residential housing. However, the cost of transportation is becoming ever more prominent in a household's budget as today's development patterns require increased use of the automobile, and people have increasingly chosen to live farther from their jobs. Because of these factors many argue the affordability of housing should consider not only the price of a mortgage or rent, but also the transportation costs associated with a home's location. So while housing is typically considered affordable if it accounts for roughly 30 percent or less of a household's monthly budget, new data suggests that the high cost of transportation in the Atlanta area should not longer be ignored when considering the price of housing.

According to the Center for Neighborhood Technology's 2007 report, *No Time to Waste— the Case for Increasing Housing and Transportation Affordability in the Atlanta Region through Mixed Income Communities*, and illustrated through Figure 16 below, 90 percent of households in the region that earn less than \$35,000 a year pay at least 18 percent for transportation costs. This statistic, coupled with the households that are paying at least 30 percent of their income on housing costs alone (75 percent of households, according to CNT), and it results in approximately 75 percent of households paying at least 48 percent of their income on housing and transportation costs combined.

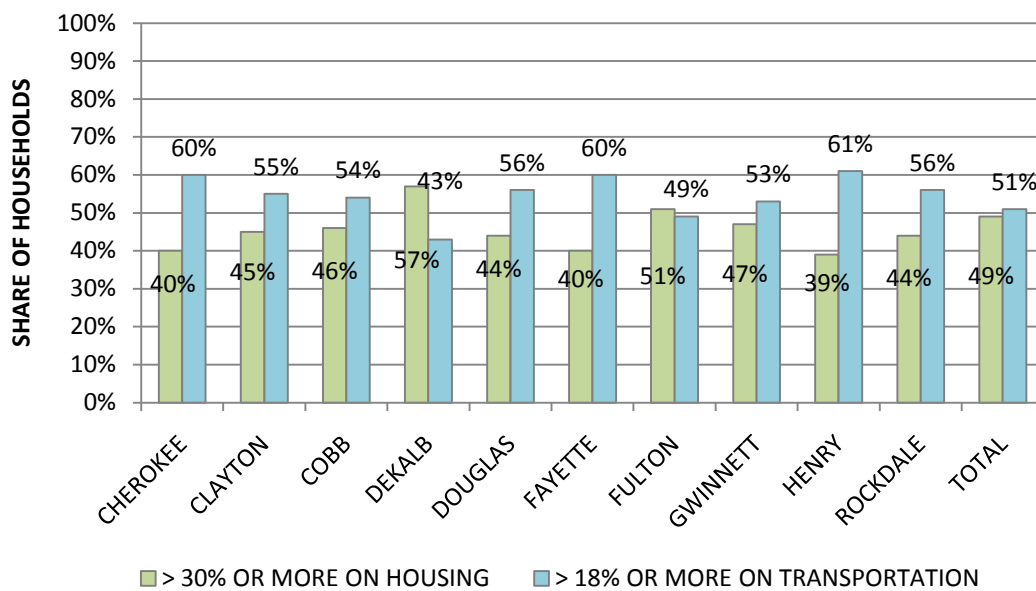
Figure 16: Household Transportation Costs for Households Earning Less Than \$35K Per Year



SOURCE: *No Time to Waste*, CNT, 2007

Figure 17 below illustrates that a substantial share of the region’s households earning less than \$50,000 face similar burdens. Of these households, 51 percent face transportation costs equal to 18 percent or more of their income. Similarly, 49 percent of households earning less than \$50,000 annually are spending 30 percent or more of the income on housing costs.

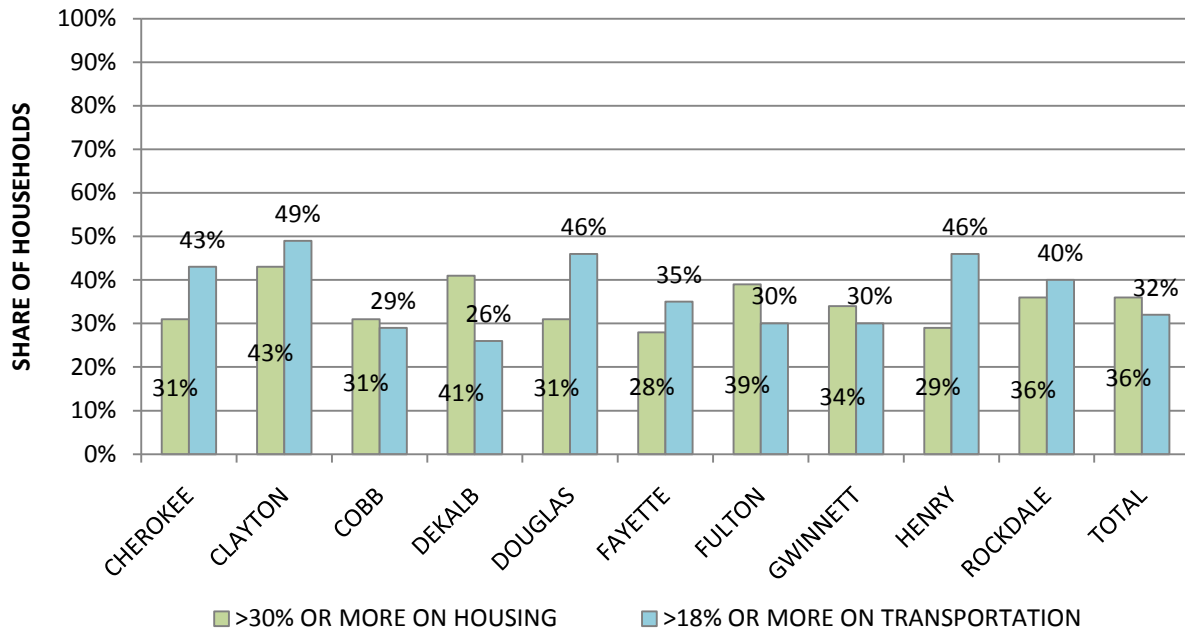
Figure 17: Housing and Transportation Costs for Households Earning Less than \$50K Per Year



SOURCE: *No Time to Waste*, CNT, 2007

This phenomenon is not isolated to those households earning less than \$50,000. For all households in the 10-county region, CNT found that 36 percent are paying upwards of 30 percent of their income for housing, while 32 percent of households in the region also have high transportation cost burdens, as shown in Figure 18.

Figure 18: Housing and Transportation Costs for All Households



SOURCE: *No Time to Waste*, CNT, 2007

The Center for Neighborhood Technology (CNT) and the Center for Transit Oriented Development (CTOD) have developed a tool that uses a Housing + Transportation Affordability Index to compare metro regions around the nation. As is shown in Figure 19 below many metro areas around the country are facing difficult challenges in terms of providing housing and transportation choices that are affordable.

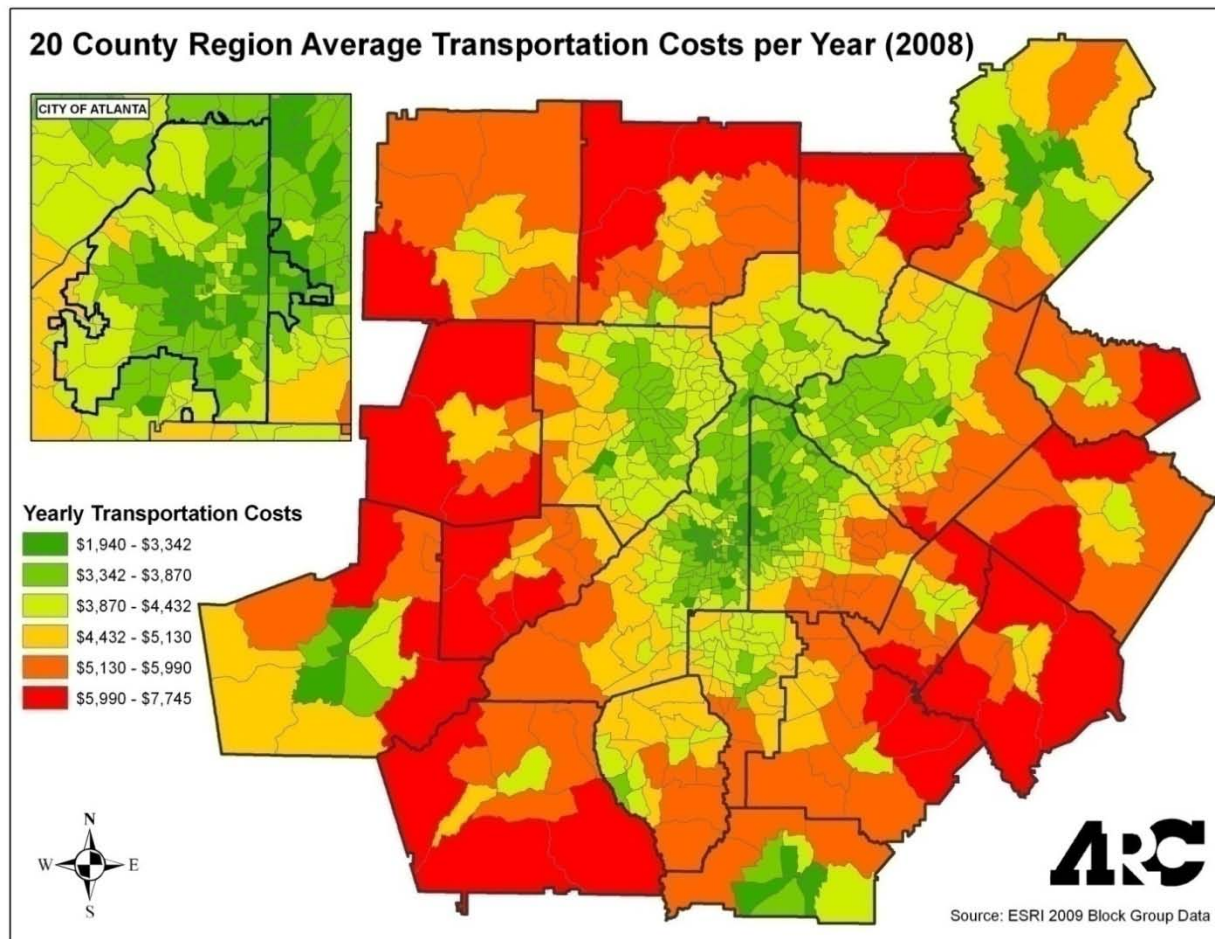
Figure 19: Housing and Transportation Costs - Regional Comparison

Metropolitan Area	Total Housing Costs (% of Income, on average)	Total Housing + Transportation Costs (% of Income, on average)
Atlanta	26%	47%
Major U.S. Cities		
Los Angeles	34%	55%
New York	34%	52%
San Francisco	32%	49%
Boston	28%	48%
Chicago	28%	48%
Philadelphia	27%	47%
Sun-Belt Comparison		
Miami	36%	59%
Houston	25%	49%
Phoenix	27%	49%
Charlotte	25%	49%
Dallas-Fort Worth	26%	47%
Washington D.C., Baltimore	26%	45%

Source: Center for Neighborhood Technology (*cnt.org*)

Figure 20 below is a map that displays the average household’s yearly transportation cost at the Census Block Group level for the 20-county Atlanta region. The map shows that farther a household is from the region’s core the more a household’s yearly transportation costs rise. With the exception of three employment centers seen in Hall, Carroll and Spalding County, the region’s external counties annually pay a substantial amount more than the region’s internal counties in transportation costs. So while households living in the region’s outer suburbs experience some of the region’s lowest housing costs, the yearly transportation costs associated with living in these areas are substantially greater than other areas of the region. Some county’s households paying an average of over \$5,000 –\$7,745 on transportation costs alone, with no consideration given to the amount of time lost commuting.

Figure 20: Yearly Transportation Costs (20-County Region)



The data available on housing affordability and transportation cost burdens imposed on the region's households indicate that the cost of shelter only presents half the picture for affordability in the region. While living great distances from employment centers and incurring long and costly commutes in exchange for less expensive housing prices has traditionally been the trend for Atlanta, in the face of rising energy costs and amplified traffic congestion this pattern is proving unsustainable. In contrast, data suggests that considering one's location efficiency, defined by CNT as evaluating not just the cost of housing but also the transportation costs associated with place, may be the most sustainable and thorough way of assessing the costs of shelter for the region, as well as considering the most appropriate location of new residential development in the future. Through CNT's definition of location efficiency compact neighborhoods with walkable streets, better access to transit, and a wide variety of stores and services have high location efficiency. These locations require less time, money, and greenhouse gas emissions for residents to meet their everyday travel requirements – a savings that quickly can add up for households and communities.