Regional Snapshot

Examining The Housing Market in Metro Atlanta

July 2016

Atlanta Regional Commission
For more information, contact:
mcarnathan@atlantaregional.com

In sum…

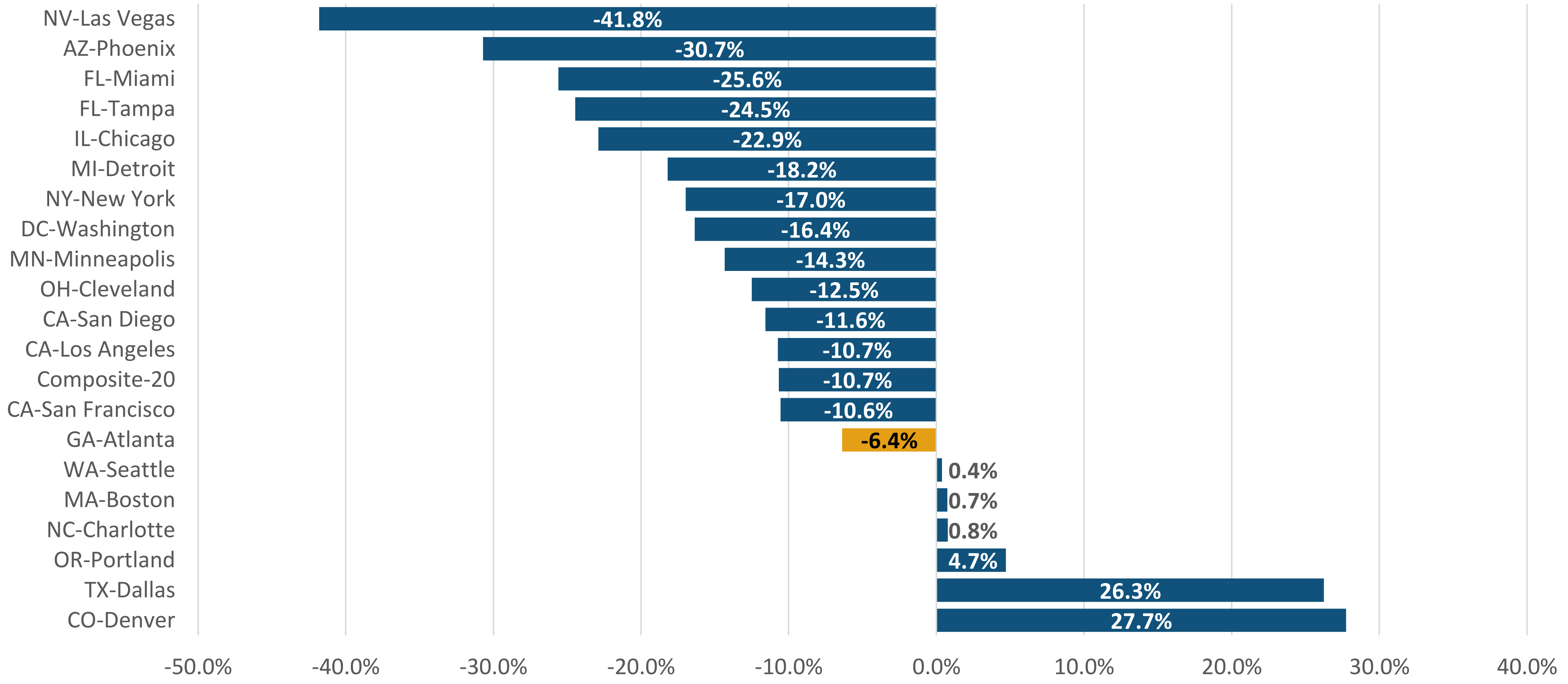
- Atlanta Case-Shiller **home price index** is still ***six percent less today*** compared to its pre-recession peak (July 2007). This is an improvement from our last report in 2014. Atlanta home prices were 13 percent less in 2014 than the pre-recession peak.

- While there is some building permit activity in the southern metro counties, the **heaviest building permit activity** can be seen in ***City of Atlanta, Fulton, Forsyth, Gwinnett Cherokee and Cobb counties***.

- On the county level, median home sale prices are generally still below the pre-recession averages. **Cherokee, Cobb, Coweta, Forsyth, Fulton and the City of Atlanta,** are among the exceptions and have seen ***increases*** in median home sale price since the pre-recession peak. While we are still trying to recover, this is still an improvement from our last home price report in 2014. Additionally, all counties, with the exception of DeKalb, have higher home prices this year (2016) compared to last year.

- The trends in monthly median rent are, not surprisingly, reflective of median home prices. The most expensive median monthly rents are found in northern Fulton and DeKalb- north of I-20. The zip code, 30327, has the ***highest average median rent of*** *$4,760*.

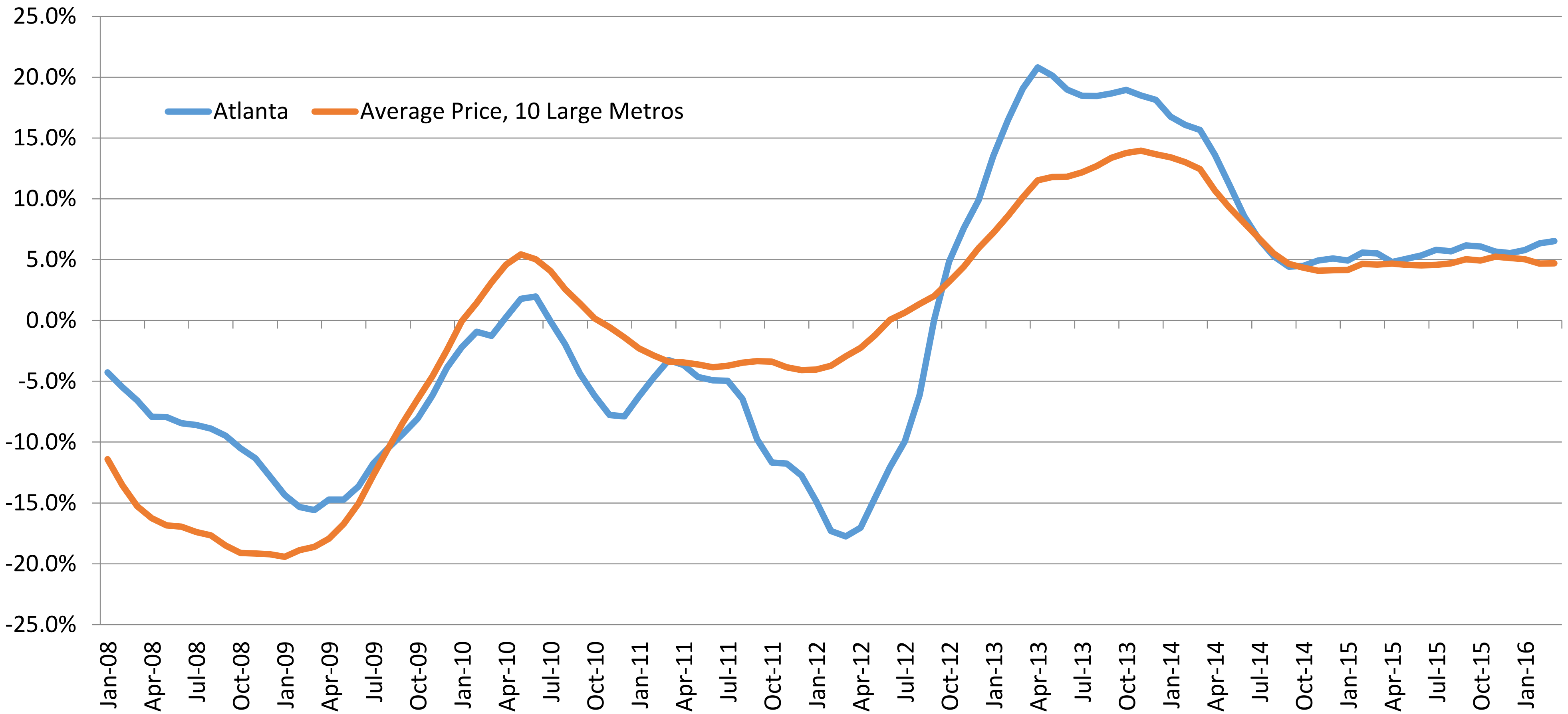
Home Price Index (Case-Shiller): Comparison to Pre-Recession Peak*



The graph represents the percent difference in the Case-Shiller Home Price Index for each city between the pre-Recession peak and current figures (as of March 2016). Despite impressive recent gains, metro Atlanta's average home price is still some six percent less today compared to its pre-recession peak (July 2007). Still, home prices in some western boomtowns and coastal cities are still struggling, while home prices in other areas, most notably Denver and Dallas, have recovered fully from the Great Recession and now are at all-time highs.

*Source: Standard & Poor's Case Shiller Index, accessed July 2016, * Pre-recession peak varies by metro area.*

Home Price Index: Year-Over-Year Percentage Change – Metro Atlanta Average & the Large Metro Average Price



Comparing year-over-year percent change in home prices shows that metro Atlanta's housing market has been performing better than the average large metro for about two years now. Since July 2014, however, Atlanta's performance has been leveling off. But you can see how rough things were for Atlanta during the Great Recession.

Source: Standard & Poor's Case Shiller Index, accessed July 2016

Permitted Units in metro Atlanta, 2000-2016

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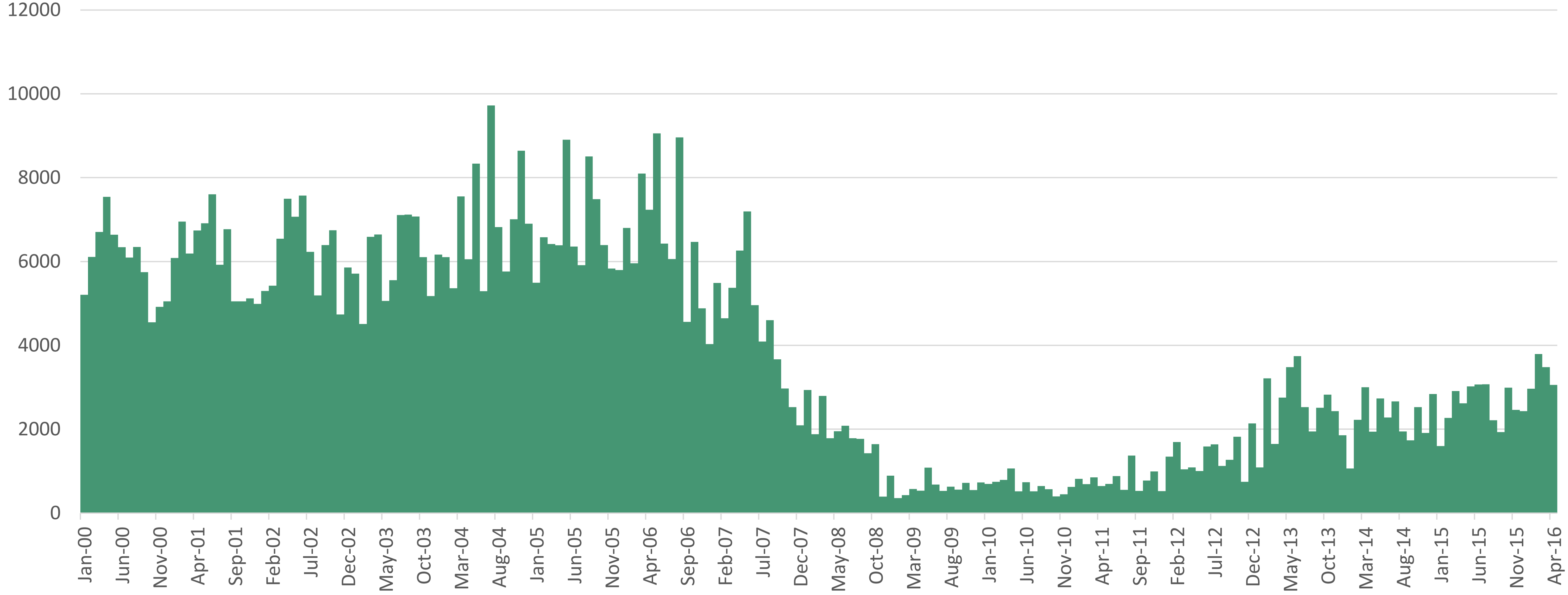

New building permit activity in the Atlanta region is still weak when compared to the booming years prior to the Great Recession, but it is rebounding. There were 3,056 residential units permitted in April 2016. But this pales in comparison to pre-recession levels – In April 2004, for example, the region permitted more than 6,053 units. This reduced supply of new housing is a factor in the escalation of home prices region-wide.

Source: SOCDS (State of the Cities Data Systems)

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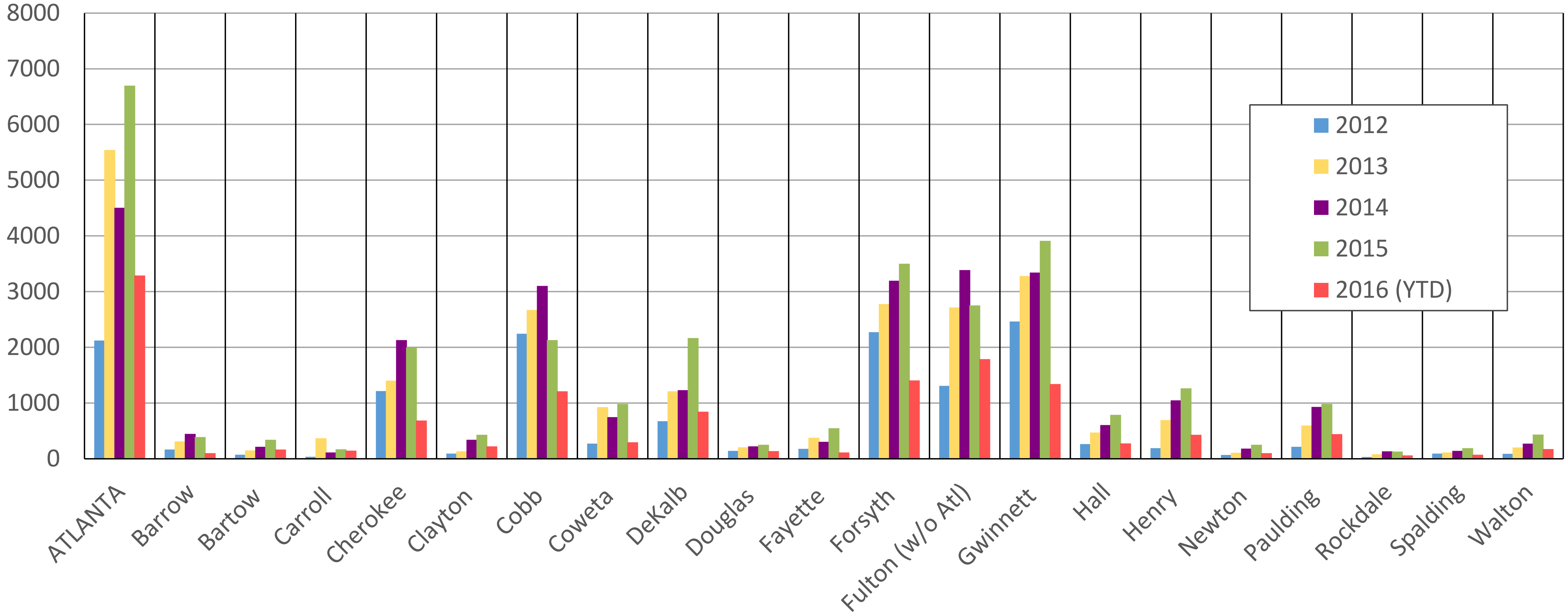
Number of Units Permitted by County and City of Atlanta 2012-2016 (YTD, Through April)



The pace of building permit issuance is picking up thus far in 2016. The red bars in the chart above represent the total number of residential building permits issued through April of 2016. In some jurisdictions, like the City of Atlanta, Cobb, Forsyth and Fulton, the 2016 permitting activity is outpacing 2015's activity through the same period. Permit levels in all core metro counties have increased strongly since 2012.

Source: SOCDS (State of the Cities Data Systems)

Single-Family Permits Issued, 2016 (through July)

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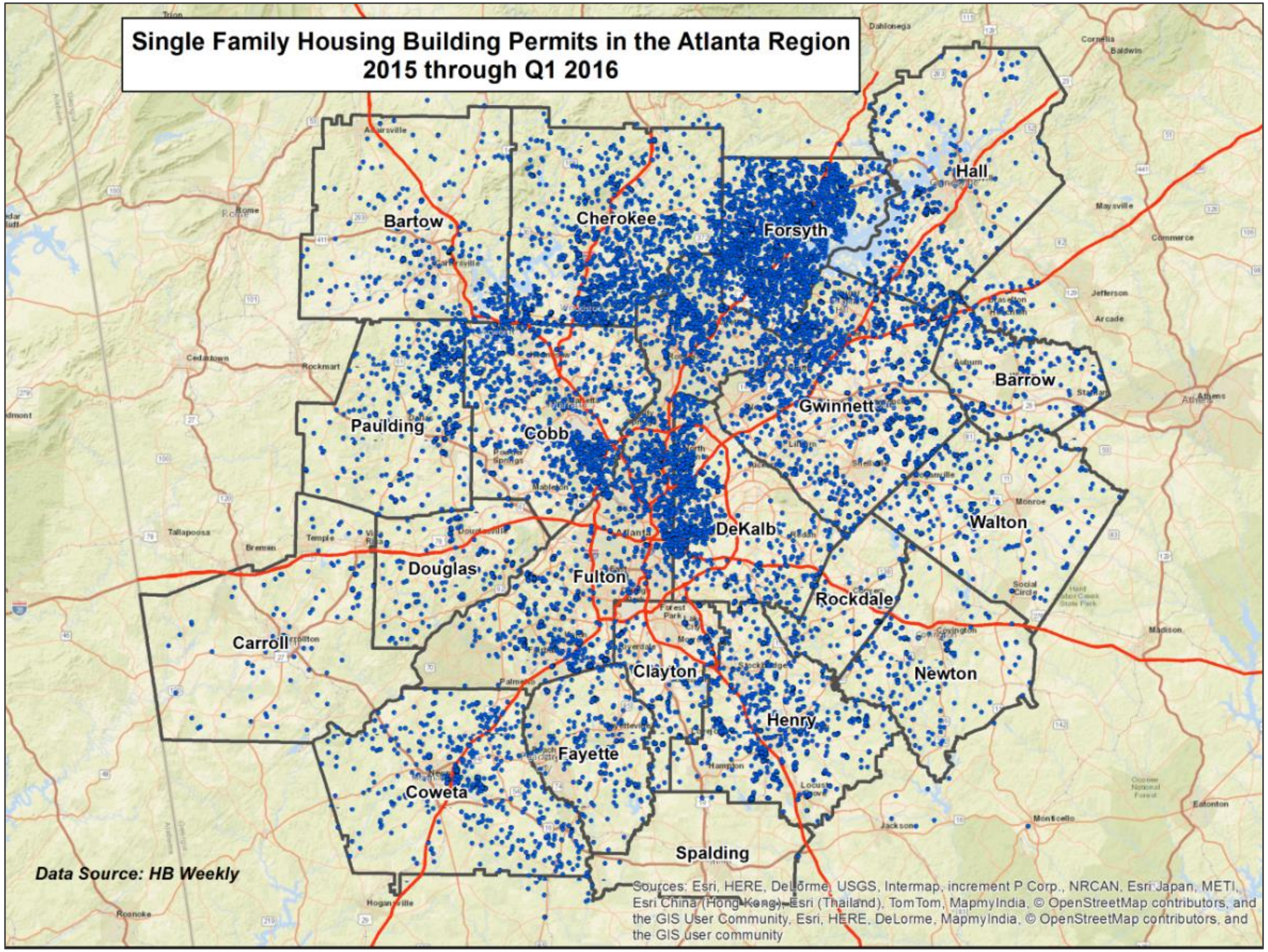

This map looks at where the single-family permits have been issued since 2015 (through the first quarter of 2016). The pattern shown jibes with the previous slide that showed a lot of permit activity within the City of Atlanta, as well as in Fulton, Forsyth, Gwinnett, Cobb and Cherokee Counties.

In general, there is more building permit activity in the northern parts of the region than in the southern parts.

Note: This maps only shows those permits that were able to be geocoded. Roughly seven percent of the permits issued this year could not be geocoded, which is a challenge typical for newly permitted units. Thus, this analysis will under-represent those areas where brand new construction is occurring that might necessitate construction of new roads.

Also, our source did not collect address-level building permits for Spalding County.

Source: HB Weekly, ARC Processing

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County Average Home Prices Comparison 2005-2007, 2014-2016 (24-Month Average)

County	Average, May 2005 - April 2007	Average, May 2014 - April 2016	Change (Nominal Dollars)	% Change
Barrow	$ 140,980	$ 127,771	$ (13,209)	-9.4%
Bartow	$ 138,206	$ 123,335	$ (14,871)	-10.8%
Carroll	$ 130,981	$ 116,086	$ (14,895)	-11.4%
Cherokee	$ 193,535	$ 202,337	$ 8,802	4.5%
Clayton	$ 128,246	$ 72,399	$ (55,847)	-43.5%
Cobb	$ 201,422	$ 216,163	$ 14,741	7.3%
Coweta	$ 177,090	$ 183,221	$ 6,131	3.5%
Dekalb	$ 172,009	$ 226,677	$ 54,668	31.8%
Douglas	$ 172,547	$ 129,112	$ (43,435)	-25.2%
Fayette	$ 244,543	$ 238,521	$ (6,022)	-2.5%
Forsyth	$ 255,555	$ 276,692	$ 21,137	8.3%
Fulton	$ 211,732	$ 257,375	$ 45,643	21.6%
Gwinnett	$ 188,879	$ 181,298	$ (7,581)	-4.0%
Hall	$ 170,332	$ 158,600	$ (11,732)	-6.9%
Henry	$ 182,690	$ 146,347	$ (36,343)	-19.9%
Newton	$ 154,838	$ 126,203	$ (28,635)	-18.5%
Paulding	$ 157,598	$ 143,410	$ (14,188)	-9.0%
Rockdale	$ 176,439	$ 124,246	$ (52,193)	-29.6%
Spalding	$ 130,526	$ 91,450	$ (39,076)	-29.9%
Walton	$ 165,205	$ 147,510	$ (17,695)	-10.7%
City of Atlanta	$ 206,649	$ 241,613	$ 34,964	16.9%

This table shows that home prices in many jurisdictions are still well below the pre-recession averages. The table compares the 24-month average of monthly prices from May 2005 to April 2007 (generally considered as the peak prices of homes prior to the Great Recession) to the 24-month average of monthly prices from May 2014 to April 2016 (current prices). The only jurisdictions that have experienced home price increases between the two periods are Cherokee, Cobb, Coweta, Forsyth, Fulton and the City of Atlanta. This is a big improvement from the last time we looked at these figures in July of 2014.

Source: Zillow

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County Average Home Prices Comparison 2015-2016 (Monthly Average, through April)

County	Average, 2015 (through April)	Average, 2016 (through April)	Change (Nominal Dollars)	% Change
Barrow	$ 123,031	$ 134,069	$ 11,038	9.0%
Bartow	$ 112,850	$ 136,179	$ 23,329	20.7%
Carroll	$ 112,320	$ 120,250	$ 7,930	7.1%
Cherokee	$ 195,100	$ 206,353	$ 11,253	5.8%
Clayton	$ 73,163	$ 75,275	$ 2,112	2.9%
Cobb	$ 205,663	$ 211,341	$ 5,678	2.8%
Coweta	$ 173,511	$ 185,750	$ 12,239	7.1%
Dekalb	$ 213,594	$ 209,163	$ (4,431)	-2.1%
Douglas	$ 122,061	$ 139,691	$ 17,630	14.4%
Fayette	$ 233,025	$ 241,438	$ 8,413	3.6%
Forsyth	$ 261,781	$ 276,688	$ 14,907	5.7%
Fulton	$ 246,614	$ 261,526	$ 14,912	6.0%
Gwinnett	$ 175,869	$ 183,271	$ 7,402	4.2%
Hall	$ 150,904	$ 153,438	$ 2,534	1.7%
Henry	$ 142,204	$ 150,449	$ 8,245	5.8%
Newton	$ 116,991	$ 123,450	$ 6,459	5.5%
Paulding	$ 140,963	$ 146,588	$ 5,625	4.0%
Rockdale	$ 108,616	$ 131,063	$ 22,447	20.7%
Spalding	$ 85,175	$ 93,578	$ 8,403	9.9%
Walton	$ 141,510	$ 148,206	$ 6,696	4.7%
City of Atlanta	$ 238,106	$ 240,500	$ 2,394	1.0%

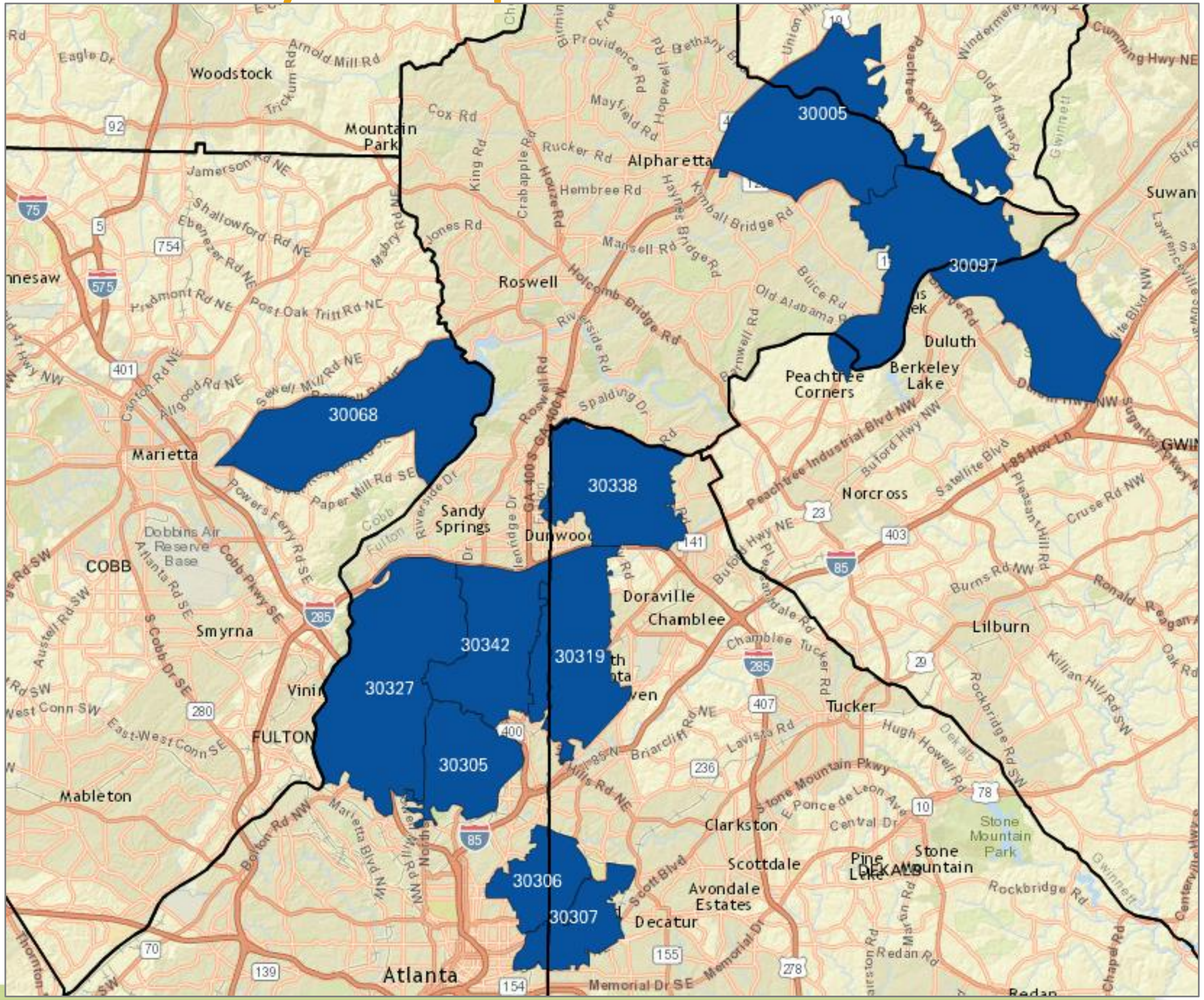
In looking just at the first four months of sales data in 2015 and 2016, the table above shows that most jurisdictions' home prices are higher this year than last year. For the only exception to this – DeKalb County– the prices are only slightly lower this year when compared to last year.

Source: Zillow

Top Zip Codes: 24-Month Home Price Average, May 2014- April 2016

ZIP Code	Average Home Price, 2014-2016
30327	$ 684,886
30306	$ 436,281
30342	$ 427,781
30319	$ 389,546
30305	$ 377,871
30005	$ 371,710
30338	$ 366,808
30307	$ 365,106
30068	$ 346,635
30097	$ 342,381

This map shows the Zip Codes with the highest 24-month home price average, (May 2014 – April 2016). As the map shows, all of the highest-price Zip Codes are north of I-20, with several clustered in or around northern Atlanta.



Source: Zillow

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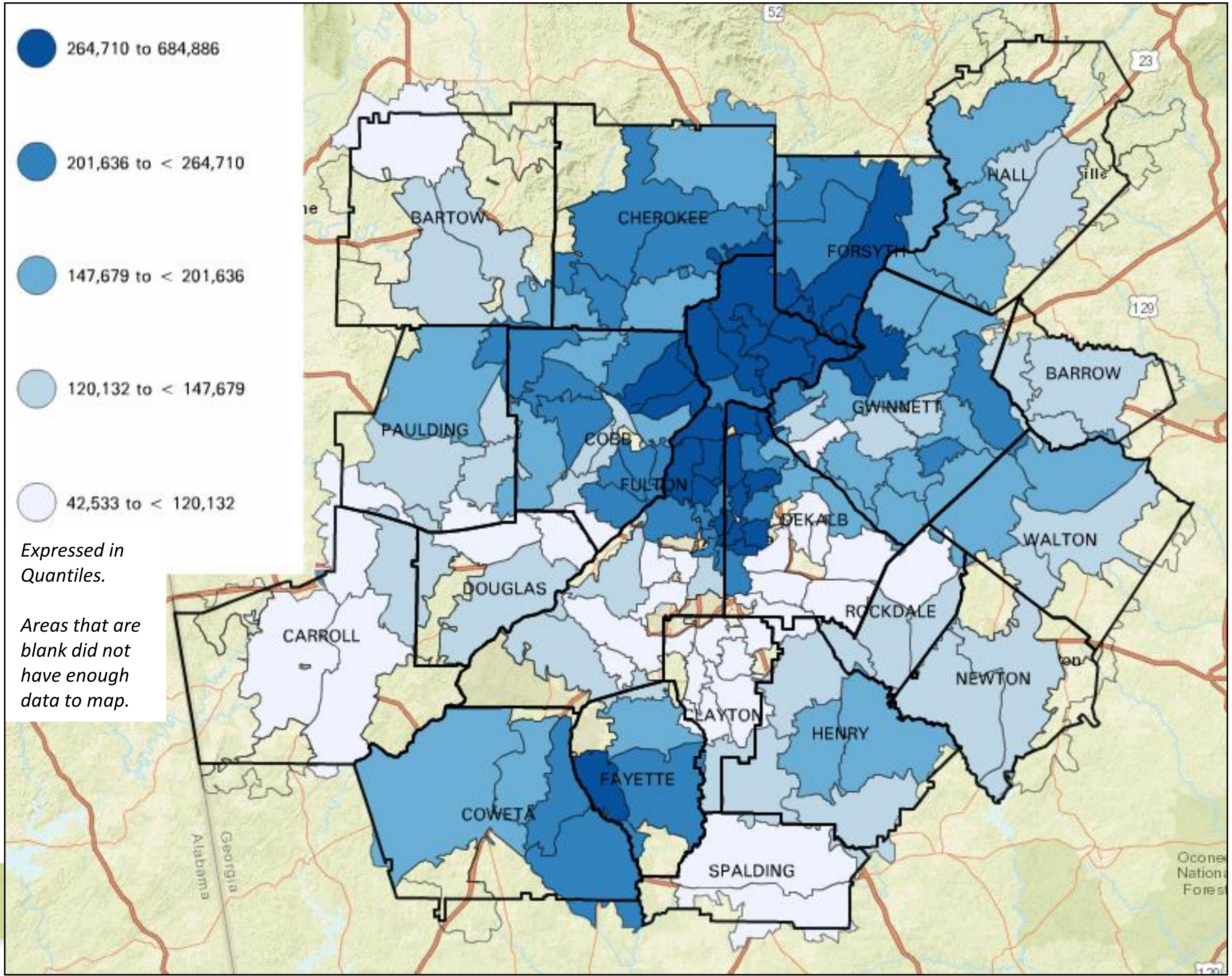
Zip Code Home Prices: 24 Month Average Median Sales Price, May 2014 – April 2016

This map shows the average median sales price by Zip Code over the 24-month period beginning in May 2014 and ending in April 2016. Zip Codes that did not have at least 10 months of data (over 24 months) were excluded.

As can be seen, the Zip Codes with the highest average home prices are mostly located in the northern parts of the region- in Fulton and Forsyth Counties.



ARC

Source: Zillow

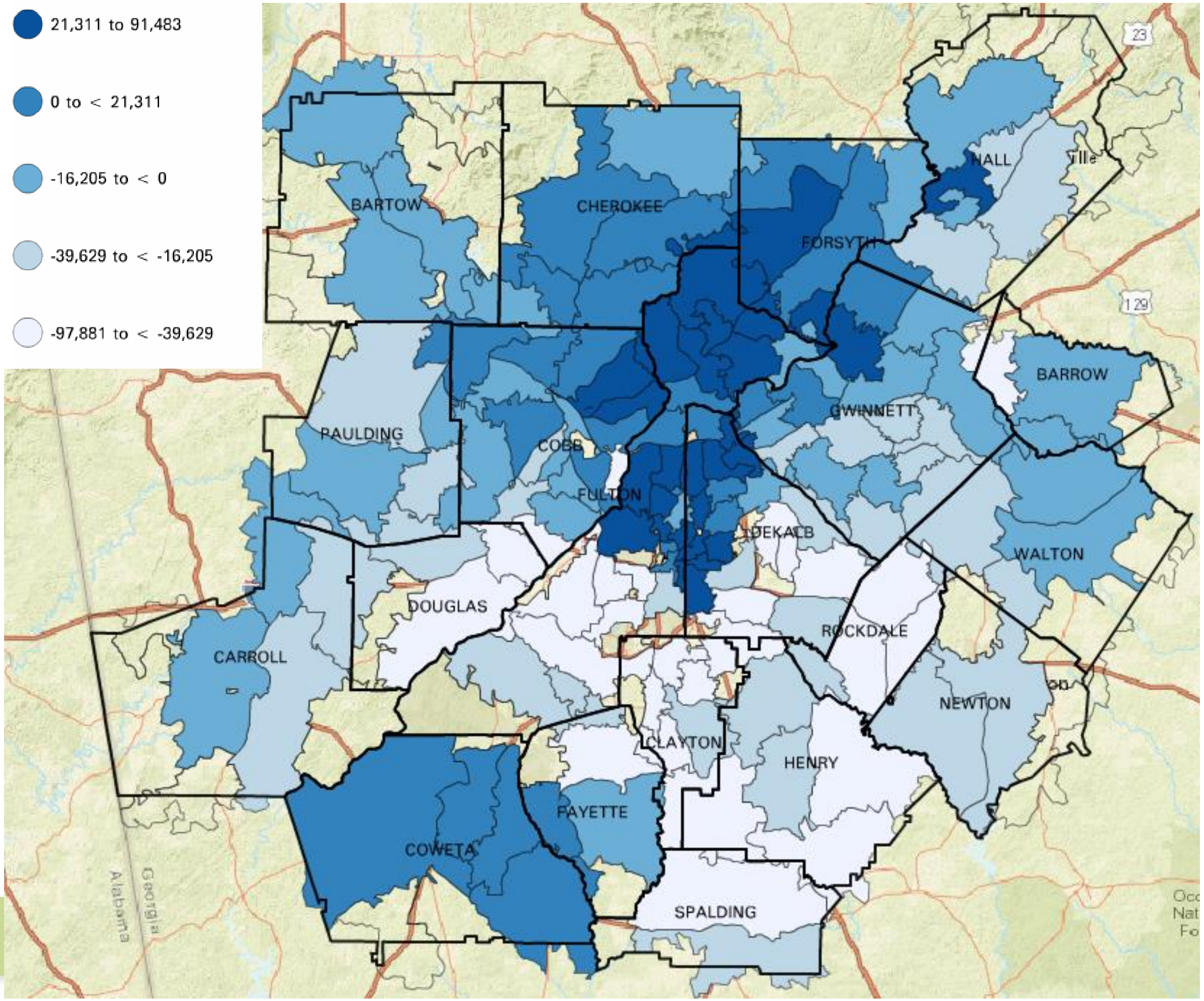
Zip Code Home Prices: Change between 2005-2007 & 2014-2016

This map shows the change in average price, by Zip Code between two 24-month periods – the first at the height of the housing market between 2005 and 2007, and the second in the most recent 24-month period. Zip Codes that did not have at least 10 months of data (over 24-months) were excluded.

The map clearly shows how uneven the housing recovery has been in the Atlanta region. The areas in the darkest blue on the map have fully recovered, including Zip Code 30030 (Decatur) where home prices are now, on average, some $91,000 higher today than during the 2005-2007 period.

Custom Breaks were used.

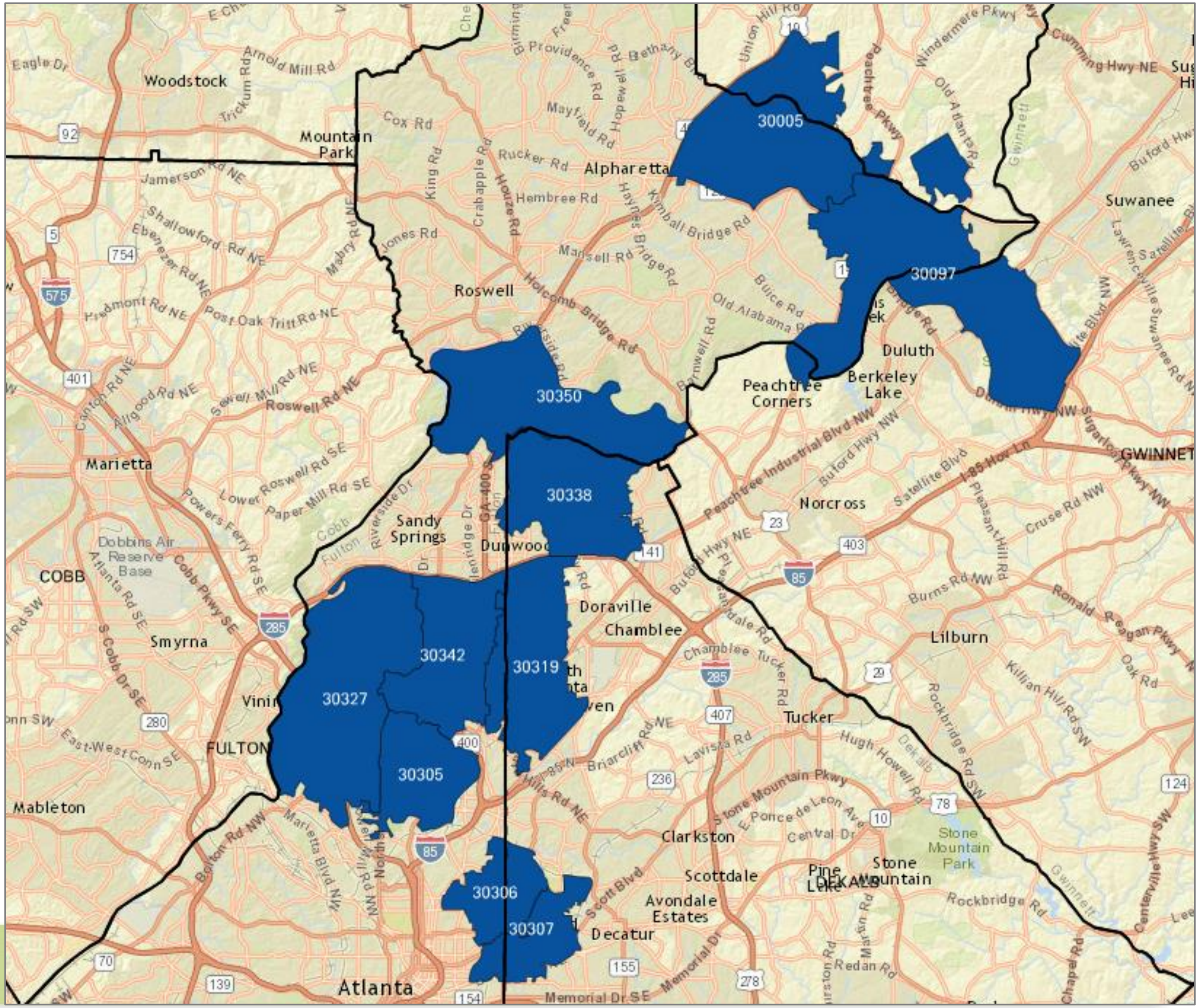
Areas that are blank did not have enough data to map.



Source: Zillow

Top Zip Codes: Monthly Median Rent, January- April 2016

ZIP Code	Average Monthly Rent, 2014-2016
30327	$ 4,760
30306	$ 2,854
30342	$ 2,822
30305	$ 2,583
30338	$ 2,471
30319	$ 2,469
30005	$ 2,379
30097	$ 2,350
30307	$ 2,299
30350	$ 2,256



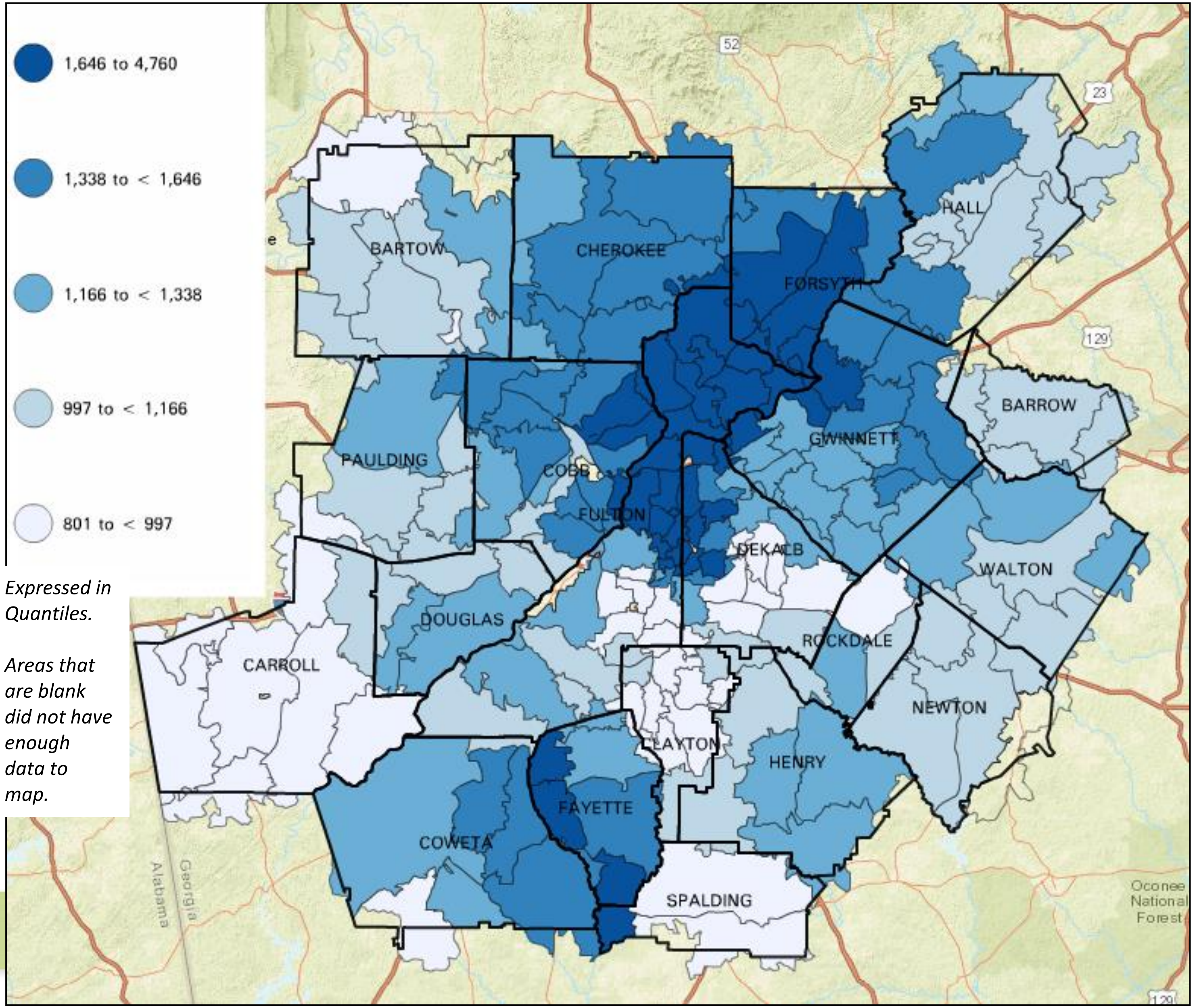
This map shows the Zip Codes with the highest median monthly rent this year (January-April 2016). Again, this map is strikingly similar to the previous top zip codes map showing median home price. The top ten zip codes are found in northern Fulton and DeKalb, north of I-20.

Source: Zillow

Rent by Zip Code: Average Monthly Median Rent, 2016 (Jan-Apr)

This map shows the average monthly median rent using the [Zillow Rent Index]measure by Zip Code over a four month period beginning in January 2016 and ending in April 2016.

As can be seen, the Zip Codes with the highest median average monthly rents (zip codes with less than 10 months of data are not included) are mostly located in the northern parts of the region in Fulton and Forsyth Counties, with the highest monthly rent of $4,760 in Zip Code 30327 (Buckhead).



Expressed in Quantiles.

Areas that are blank did not have enough data to map.

Source: Zillow

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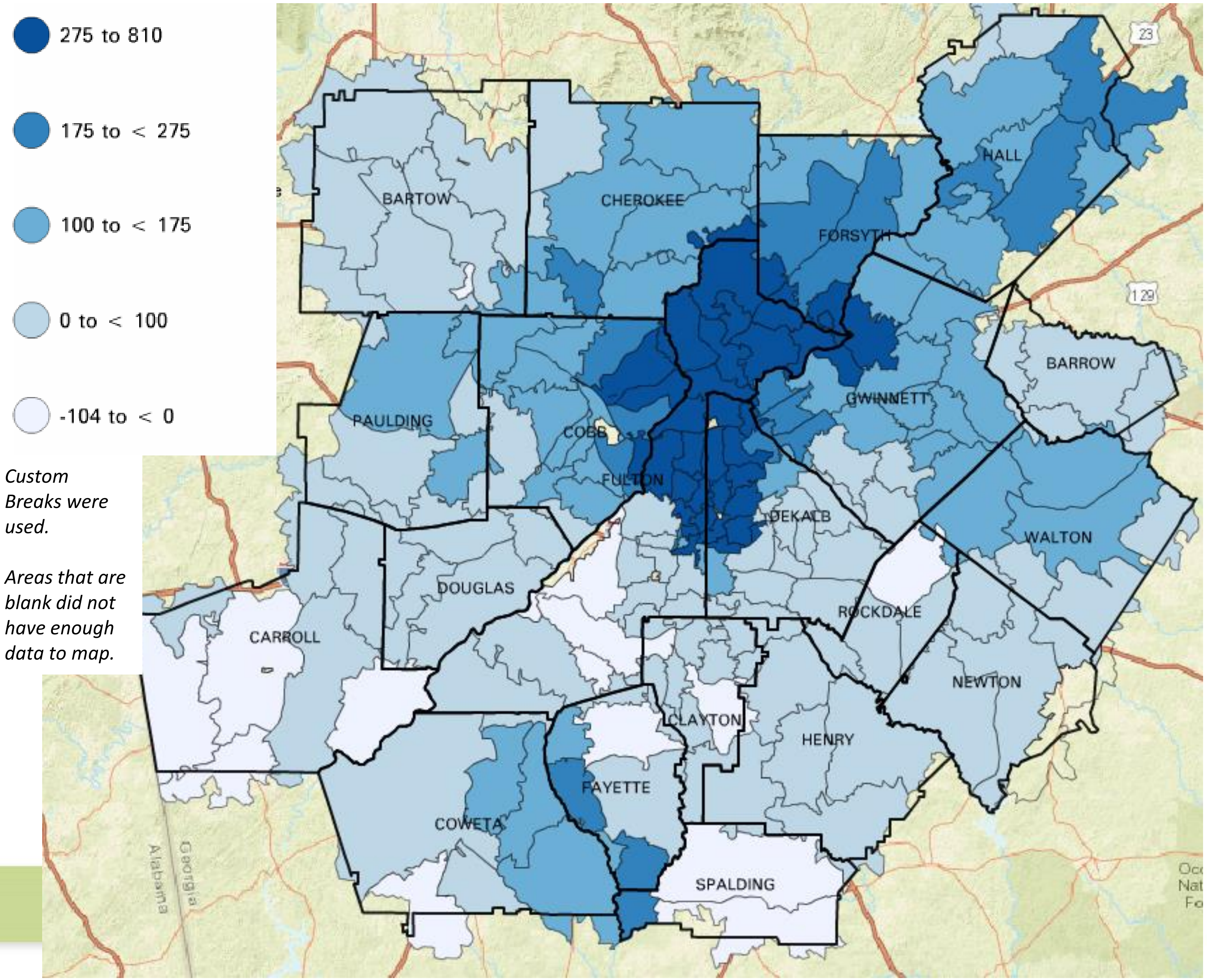
Rent by Zip Code: Change between 2011 & 2016 (Jan-Apr)

This map shows the difference in the Zillow Rent Index by Zip Code between two four-month periods – the first in 2011 and the second between January and April of 2016.

Like the previous maps showing sales prices, rents have increased the most in the northern parts of the region, including estimated rent increase of $810 in Zip Code 30327 (Buckhead).



Custom Breaks were used.

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Source: Zillow