

ANDP

HOME BUYER WEALTH STUDY 2010 - 2024



ATLANTA
NEIGHBORHOOD
DEVELOPMENT
PARTNERSHIP, INC.
Building the region's future,
neighborhood by neighborhood



"The chance to own a home; chance to own an education; chance to get access to capital. This is the real civil rights battle of the twenty-first century."

- Jack Kemp, Former U.S. Representative and Secretary of U.S. Housing & Urban Development

Overview

ANDP has been at the forefront of fostering affordable housing solutions in metropolitan Atlanta since 1991. As one of Georgia's leading nonprofit housing developers and lenders, ANDP's mission is to develop, finance, and advocate for affordable housing at scale that promotes racial equity and healthy communities where families thrive.

Creating affordable homeownership opportunities for lower-income families is a critical component of ANDP's work. Since 2009, ANDP has built, or rehabilitated over 800+ homes across Metro Atlanta for sale to low-and moderate-income homebuyers. Without the efforts of ANDP and its partners, many of these families would have otherwise been unable to purchase a home affordably and realize their dream of homeownership.

At a time when the Black and Latino homeownership gaps are higher than they've been in over a century – and widening – this work is essential to addressing longstanding equity and wealth divides.¹ In metropolitan Atlanta, especially - which has one of the highest income inequalities in the nation – homeownership rates are roughly 25% lower for Black and Hispanic households than for non-minorities.² Considering the outsized role that home equity plays for lower-income families and families of color, closing these gaps is critical to ensuring greater economic opportunity for communities that face systemic inequities in housing and wealth. Hard working families regardless of race or background deserve an opportunity to purchase a home they can afford.

ANDP Homebuyer Impact 2010-2024

800



Homes
Sold

1,636



Individuals
Served

96%



First-Time
Homebuyers

60%



Earn Less
< 80% AMI

78%



Families of
Color

58%



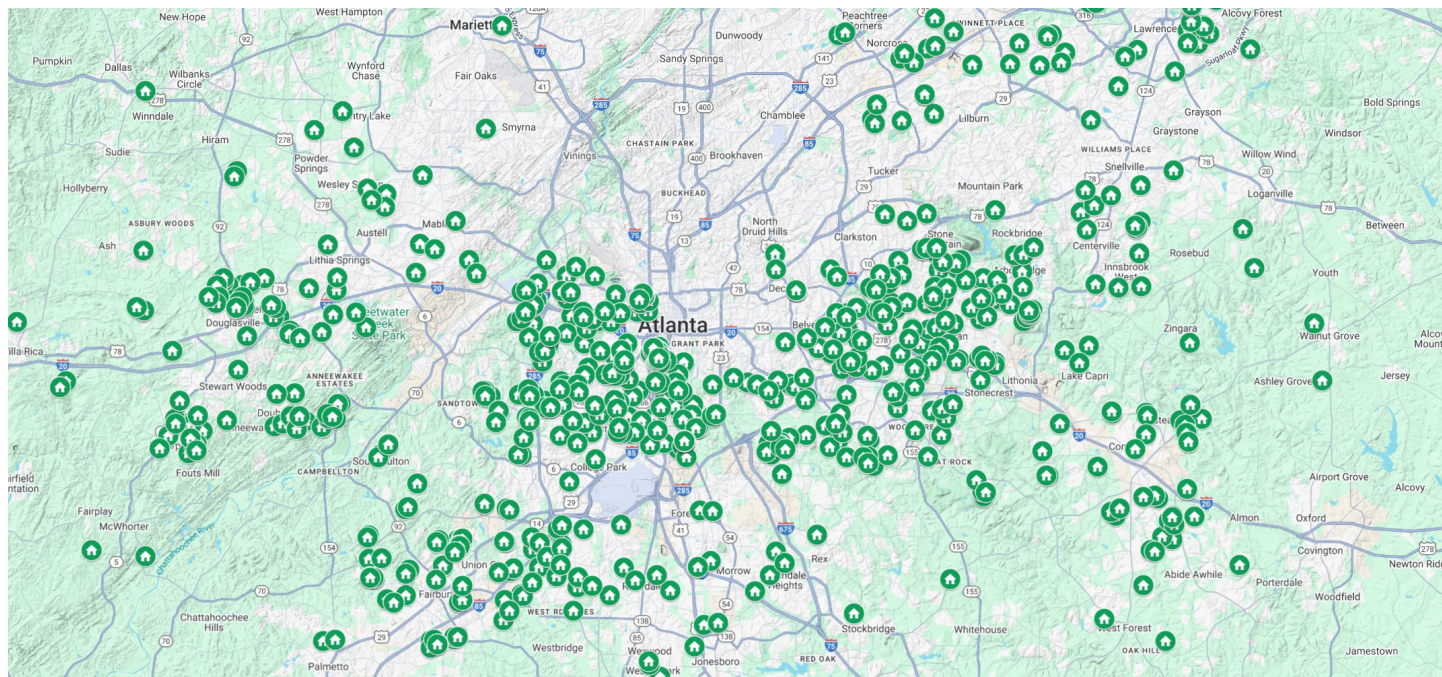
Female Heads
of Household

141



Veterans &
Active Duty

Fig. 1: Map of ANDP Homes Developed 2010 - 2024.



Previous ANDP Wealth Studies

In 2019, ANDP undertook a comprehensive study of its homebuyers in order to evaluate homebuyer savings, retention, and wealth creation. This study demonstrated that ANDP's homebuyers had higher retention rates, lower foreclosures, and lower housing cost burdens than regional and national averages.

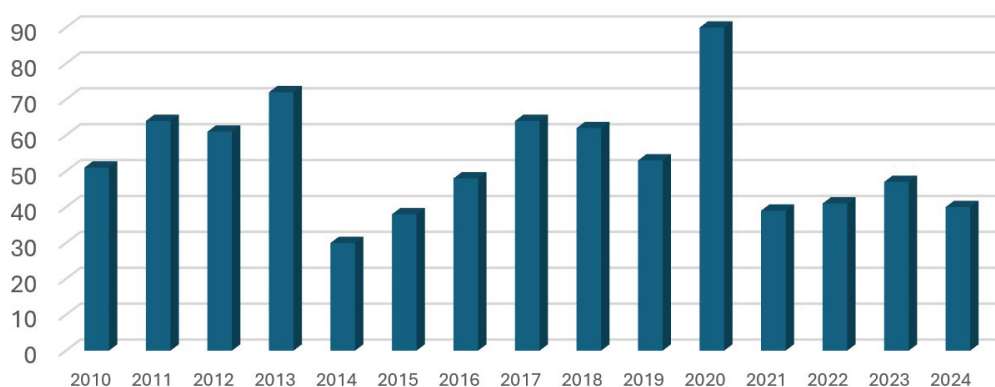
In a 2021 study update, ANDP found that homebuyers who had been living in their homes for five years or longer experienced \$135k in average wealth creation due to homeownership, leading to an estimated \$36 million in overall wealth gains.

In the years since these studies, the global COVID-19 pandemic and subsequent market pressures have led to record-high housing cost burdens for American families, pushing homeownership further out of reach for new buyers. As of 2022, half of all renters were housing cost burdened, compared to almost a quarter of homeowners.³ Fewer families have been

able to transition to homeownership due to increased mortgage rates, limited supply, and rising home prices, with median sales prices having risen 59% in metro Atlanta from 2019 to 2024.⁴ Some homebuyers struggled to compete for lower-cost homes for rehab, with corporate investors purchasing 1 in every 4 homes in metro Atlanta in 2021 for rent (a trend that has since declined).⁵ At the same time, higher-income buyers entering gentrifying neighborhoods have intensified land competition, further driving up prices and reducing access for lower-income families.

In this context, unlocking greater opportunities for affordable homeownership is all the more essential. Without concerted efforts to expand affordable purchase opportunities for first-time homebuyers, local and national homeownership and wealth gaps will continue to widen, affecting lower-income and minority communities the most.

Fig. 2: ANDP Home Sales Per Year, 2020-2024



2024 Homebuyer Study Update

ANDP’s 2024 homebuyer study update investigates the need for continued investments to expand affordable homeownership opportunities in metro Atlanta and beyond.

Questions

With this study, ANDP set out to answer three key research questions:

- 1 How are ANDP homeownership sales connected to household stability, especially in the wake of the COVID-19 pandemic?
- 2 How much in savings have ANDP homebuyers experienced in comparison to comparable renters?
- 3 How much overall wealth has been created as result of homeownership?

The Data Set

The data set included 800 homes sold by ANDP from April 2010 to November 2024. Of the households served:

- The average household size was 2.05, with 1,636 total household members served, including 597 children
- 22% of homebuyers were white, 70% were Black, and 8% were Hispanic
- 60% earned 80% of Area Median Income (AMI) or less, with an average AMI of 77%
- 96% were first-time homebuyers
- 58% were female-headed households
- 141 (18%) were veterans or active duty military personnel
- The average homebuyer age was 38 years.

Methodology

The research methodology followed similar protocol as ANDP’s 2019 and 2021 studies:

- ✓ Utilize third party data to compare homeowners’ mortgage costs versus comparable local rents
- ✓ Assess property sales records to confirm if ANDP’s homebuyers still own their homes
- ✓ Evaluate home value appreciation using Zillow and other real estate data, and
- ✓ Estimate wealth creation, if homeowners were to sell their homes today.

HOME BUYER SPOTLIGHT

After months of being outbid and frustrated by rising prices, Alicia was close to giving up on homeownership—until her agent told her about South-Town at Browns Mill Village, a new development by ANDP and its partners at CityScape and Habitat for Humanity Atlanta. The quality, location, and affordability stood out, and ANDP’s down payment assistance gave her the final push. “I set a goal and accomplished it,” she said. “Now I have an asset with value—not underwater, not troubled. It’s wonderful.” Her 3-bedroom, 2.5-bath home is central to family life, with space for guests and easy access to her son and grandchild. “It feels like what I’m supposed to do,” she added. Her advice to others: “Don’t miss out when opportunity knocks. Sometimes we get caught up in what-ifs—just do it.”

Welcome home, Alicia!



Affordability and Savings

Based on the findings, the majority (71%) of ANDP's homebuyers received downpayment assistance (DPA) from federal, state, and local DPA programs. The typical household received approximately \$16.4k in DPA from funds managed by ANDP, with more than \$9.3 million distributed by ANDP to 565 families during the study period, not including other sources they may have received.

This assistance allowed many households to buy a home who otherwise couldn't, while yielding greater savings than if they had continued renting. As shown in Figure 5, ANDP homebuyers' average monthly PITI (principal, interest, taxes and insurance) was typically well below Fair Market Rent (FMR) for comparably-sized apartments. Additionally, only 25% of homebuyers paid more than a third of their monthly income towards housing during the study period, compared to 40% - 54% of metro Atlanta renters.

However, starting in 2022, homebuyers saw an increase in monthly costs as mortgage rates and home costs rose during and after the COVID-19 pandemic. As shown in Fig. 3 and 5, homebuyers were increasingly cost burdened after 2021, paying closer to FMR towards their monthly PITI expenses. However, the relative affordability of owning a home remained competitive for those who could find a house within their budget. This is especially true for ANDP's homebuyers, who purchased their homes for 30% less than typical single-family homes in metro Atlanta during the study period (see Fig. 4).

Fig. 3: ANDP Homebuyer Cost burdens, 2010 - 2024

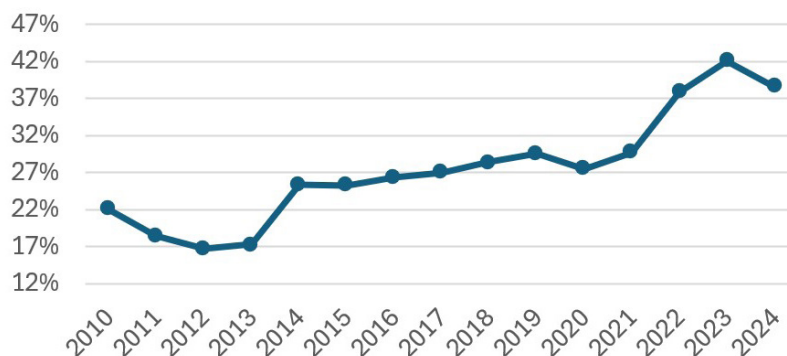


Fig. 4: ANDP Home Prices vs. Atlanta MSA

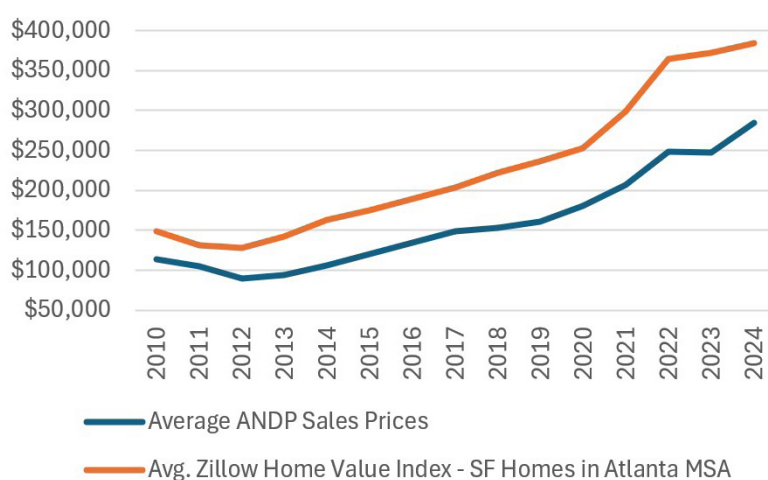
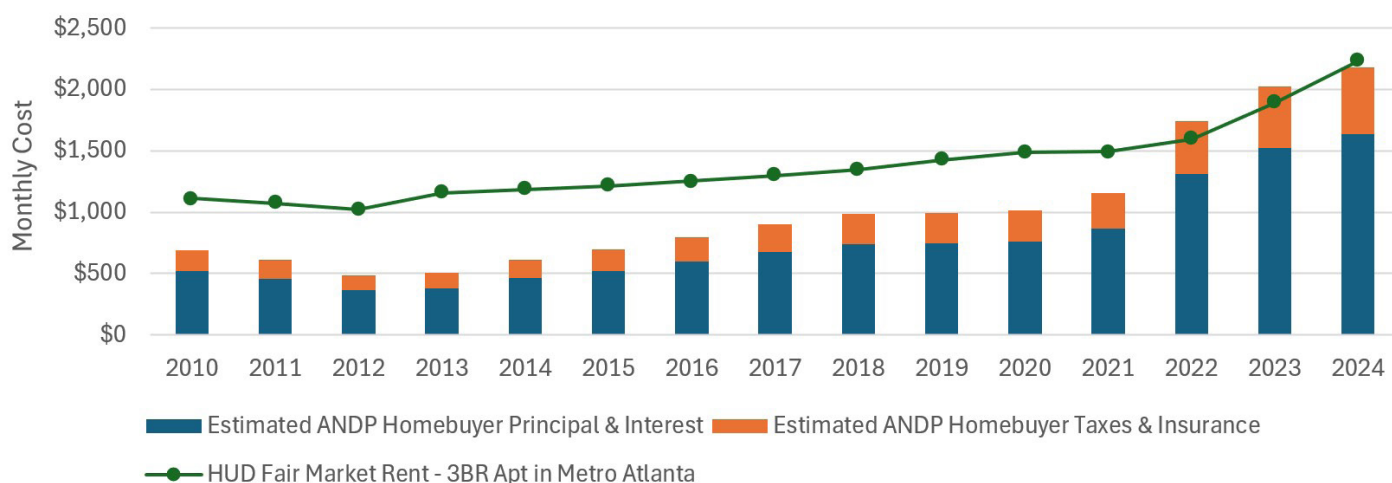


Fig. 5: ANDP Homebuyer Mortgage Costs vs Fair Market Rents



Household Stability

Of the 800 homebuyers ANDP served from 2010 – 2024, property sales records indicate that 620 (77.5%) still owned their homes as of December 2024. Meanwhile, 170 homebuyers (21.25%) had sold their homes, with an average tenure of 5.7 years before selling. Only ten homebuyers (1.25%) were found to have foreclosed (see Fig. 6).

These results are especially compelling considering that the national foreclosure rate was 2.23% when ANDP started this work in 2010, and 3.5% for FHA loans. Foreclosures are also typically higher among lower-income households and households of color, which comprises the majority of ANDP’s buyers. Additionally compelling is the fact that none of ANDP’s homebuyers foreclosed after 2019, even in the wake of the COVID-19 pandemic. Some of this likely owes to public and private foreclosure prevention efforts such as the temporary foreclosure moratoriums enacted by the Biden-Harris administration, which helped stem foreclosures during the pandemic despite rising mortgage delinquencies - which peaked at 15.65% for FHA loans in 2020. Strong home price appreciation also lowered foreclosure risk during this period by boosting homeowner equity and reducing the likelihood of default.

In addition, ANDP’s homeowners were likely shielded from some of the more precarious pandemic-related housing stressors faced by low-income renters, many of whom reported increased housing instability in the wake of COVID-19 despite public and private rental relief programs, eviction moratoriums, and other efforts. Unlike homeowners, renters furthermore often had to navigate complex landlord relationships during the pandemic, with some landlords being more lenient than others in accommodating financial hardship. The data suggests that many of ANDP’s homebuyers may have actually taken advantage of favorable for-sale market conditions during the pandemic in order to improve their housing position. This is suggested by the fact that the highest number of resales among ANDP’s homeowners was in 2021, when mortgage rates were at their lowest, as shown in Figure 7.

Fig. 6: Journey Mapping ANDP Homebuyers

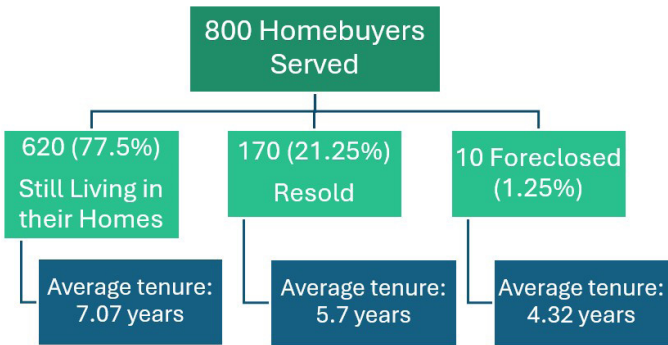
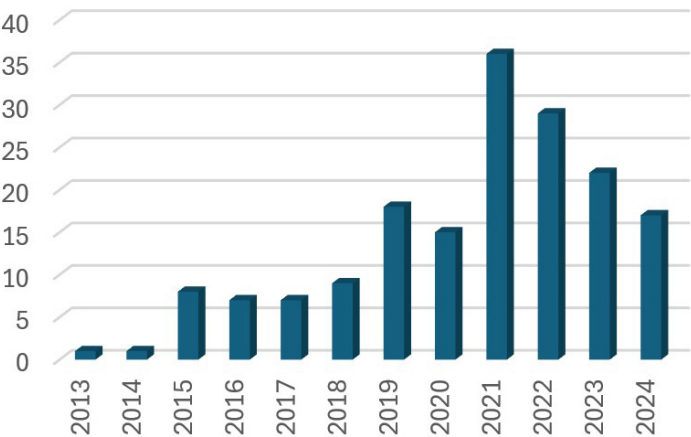


Fig. 7: Number of ANDP Homeowner Resales by Year



More research would be needed to indicate why families decided to resell at this time, i.e. if they took advantage of lower interest rates in order to purchase larger homes or move to different neighborhoods.

Regardless of the motivations, it is clear that ANDP homebuyers who resold their homes during the study period largely did so at an advantage. From 2010 to 2024, ANDP homebuyers who resold achieved \$101k above their initial purchase price – a figure that increased to \$136k if they had been living in their homes for five years or longer. This creates a considerable opportunity to leverage home equity, upgrade to a new home, and build intergenerational wealth.

Only 1.25% (10 out of 800) of ANDP homebuyers experienced foreclosure between 2010 and 2024—a rate significantly lower than the national foreclosure rate of 2.23% in 2010 and dramatically lower than the 3.5% rate for FHA loans.

Home Appreciation and Wealth Creation

A key goal of this research was to evaluate the impact of homeownership on household wealth, especially considering that the 2019 Survey of Consumer Finances (SCF) data reports: “For the lowest income group ... 92 percent of total homeowner net worth is tied to the value of residential property.”

ANDP’s previous homebuyer studies indicated significant wealth creation impacts for the families served. When ANDP first studied its homebuyer impacts in 2019, homebuyers who had been living in their homes five years or longer were found to have an average of \$89k in wealth creation per family. In 2021, this figure rose to \$135k, with \$36 million in overall wealth created for the 269 households who had been living in their homes for five or more years.

In this latest research update, the gains were even more pronounced. As of December 2024, of the 620 ANDP homebuyers still living in their homes, their homes were valued at \$116k more than their original purchase price. For homeowners who had been living in their homes for five years or longer, this figure rose to \$163k – more than double their average initial purchase price of \$124k.

As shown in Figure 8, home appreciation strongly correlated with years of ownership, with households owning for ten or more years experiencing average appreciation of \$187k. These gains exceeded those of the overall U.S. home price index, which rose by 47% from 2020 to 2024.

To determine overall wealth gains, we estimated how much ANDP’s homebuyers have been paying down their first mortgages (and second mortgages, if applicable), and whether they contributed earnest money at their initial time of purchase. For the 170 homebuyers who had resold their homes, average wealth creation was calculated as \$117k per household, or \$19.9 million total. For the 380 households still owning their homes after five years, wealth creation was \$191k per household, or \$72.7 million in total. For households owning less than five years, wealth creation is harder to predict but was estimated as \$60.9k per household, and \$11.9 million overall. Across these households, total wealth creation equaled \$104.5 million.

ANDP homebuyers owning 5+ years have an average wealth creation of \$191,000. All buyers combined have created \$140.5 million in wealth.

ANDP HOMEBUYERS: Disposition, Tenure, and Wealth Gained

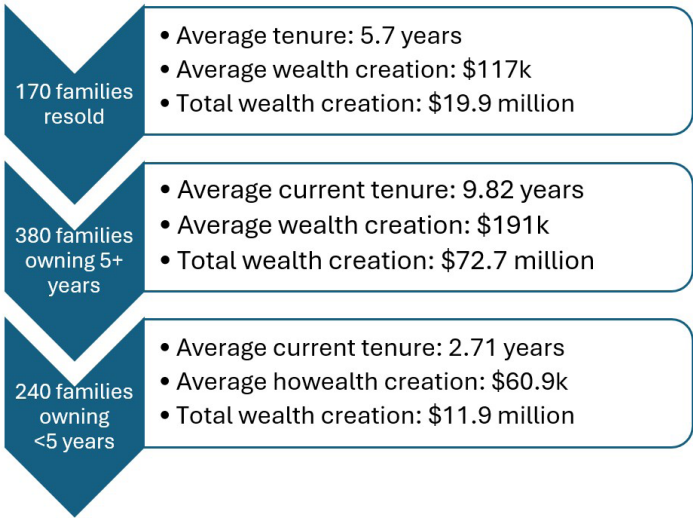


Fig. 8: Home Appreciation for ANDP Buyers, 2010 - 2024

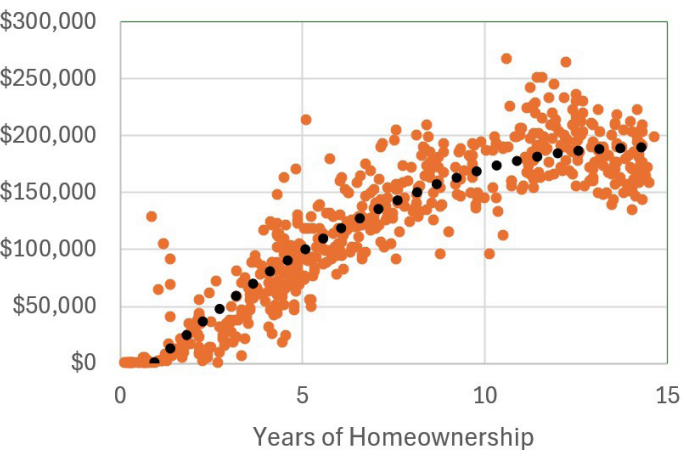
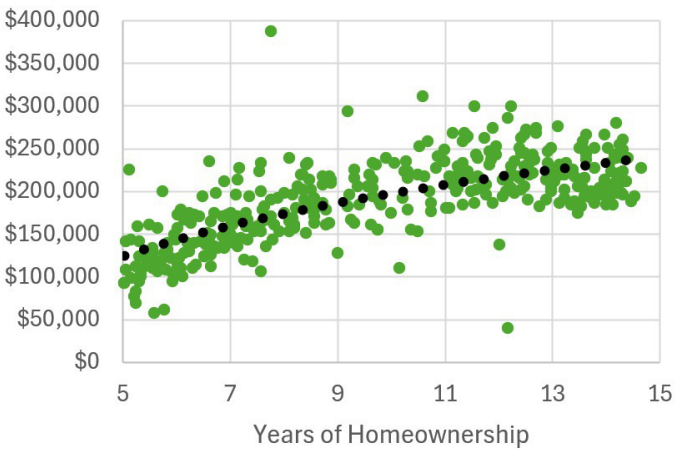


Fig. 9: Wealth Creation for ANDP Households Owning 5 Plus Years



Conclusions and Implications

Homeownership is widely recognized as a powerful pathway for families to achieve stability and build generational wealth. By providing a tangible asset that can appreciate over time, it contributes to long-term financial security and improved livelihoods.

Studies like this demonstrate that homeownership remains a cornerstone of household wealth, even though racial and class-based disparities persist. Addressing these disparities requires tackling the structural barriers that limit access to homeownership, such as gridlocked supply, disparate outcomes in mortgage lending, appraisal biases, and more.

For this reason, organizations like ANDP must remain steadfast in their commitment to expanding affordable homeownership opportunities as a means of providing broader access to all. As this study demonstrates, ANDP's homebuyers have experienced significant financial benefits, including savings compared to renting; increased household stability; and critical wealth gains.

By reducing barriers to entry—such as expanding affordable home supply and providing down payment assistance—ANDP has helped hundreds of families achieve homeownership and start building wealth, both

for their lifetimes and for future generations. ANDP's model of acquiring and renovating investor-owned homes; partnering with local general contractors to build new homes at affordable price points; and leveraging unique funding sources is the lynchpin to their success in achieving scaled impact.

ANDP's work offers valuable insights into the policies and practices necessary to create a more accessible housing market in Atlanta and beyond. Given the growing homeownership gaps witnessed in metro Atlanta and across the country, continued investment at the local, state, and federal levels is essential to sustaining and expanding affordable homeownership opportunities, in order to ensure that more families can share in the benefits of homeownership and economic stability associated therewith.

Today, home prices are not appreciating at the same rate as prior years. Home price appreciation is a key factor in wealth creation. Regardless of market appreciation, homeowners benefit from locking in their housing costs and ensuring they can remain in their community of choice

References

- ¹ National Community Reinvestment Coalition, 2024. "The Racial Wealth Divide And Black Homeownership: New Data Show Small Gains, Deep Fragility."
- ² Atlanta Regional Commission, 2023. "Regional Snapshot: Metro Atlanta Trends in Homeownership."
- ³ Joint Center for Housing Studies of Harvard University (JCHS), 2024. "The State of the Nation's Housing: 2024."
- ⁴ Urbanize Atlanta, Jan. 28, 2025. "Report: ATL home prices ballooned nearly 60 percent since pandemic."
- ⁵ Axios, Feb. 12, 2025. "Percentage of Atlanta homes sold to investors fell in 2024."
- ⁶ Original homebuyer principal and interest payments were available for 476 ANDP records from 2010 to 2018; the remaining 40% were estimated based on weekly 30-year fixed-rate mortgage data from Freddie Mac, with a 27 basis point upwards adjustment based on historic ANDP homebuyer records. Taxes and insurance were estimated as 25% of homebuyers' overall monthly mortgage and escrow payments. These calculations do not take into consideration possible mortgage refinances during the study period.
- ⁷ Source: U.S. Census data analyzed by the Atlanta Regional Commission and Federal Reserve Bank of Atlanta.
- ⁸ Statista, 2025, "Foreclosure rate in the United States from 2005 to 2024" and 2021, "Share of U.S. federal housing administration loans in foreclosure processes 2000-2018."
- ⁹ One study found, for instance, that Black households were 71% more likely than whites to have lost their homes in 2012, with 17 foreclosures per thousand households in majority-minority zip codes compared to 10 foreclosures per thousand in majority-white zip codes. (Source: Alliance for a Just Society, 2013. "Wasted Wealth: How the Wall Street Crash Continues to Stall Economic Recovery and Deepen Racial Inequity in America.")
- ¹⁰ Statista, 2025.
- ¹¹ Besbris, M., Dempsey, S., McCabe, B., & Rosen, E. (2024). "Pandemic Housing: The Role of Landlords, Social Networks, and Social Policy in Mitigating Housing Insecurity During the COVID-19 Pandemic." RSF: The Russell Sage Foundation Journal of the Social Sciences September 2024, 10 (4) 207-224.
- ¹² Pew Research Center, 2023. "Wealth Surged in the Pandemic, but Debt Endures for Poorer Black and Hispanic Families."
- ¹³ The majority of home value estimates were derived from Zillow's "Zestimate" calculations. Where Zestimates were not available, the lesser of estimates on Redfin and Realtor.com were used.
- ¹⁴ JCHS, 2024.
- ¹⁵ Mortgage pay-down was estimated at the loan level, based on homebuyer records and the methodology referenced in endnote #6.

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CHARTERED MEMBER

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