

Sandy Springs Housing Needs Assessment

Homeowners Fact Sheet

Homeowner Key Finding: Entry-Level Housing

Sandy Springs lacks “entry-level” single-family homeownership opportunities. 81% of single-family homes are sold above \$400K, a price that is generally unaffordable to households earning less than \$115K annually.

Median home prices in Sandy Springs are some of the highest in the region.

\$530K

Sandy Springs

\$448K

North Atlanta

\$259K

Atlanta MSA

The cost to purchase a home in Sandy Springs has increased by 7.5% annually since 2011. At this rate of appreciation:

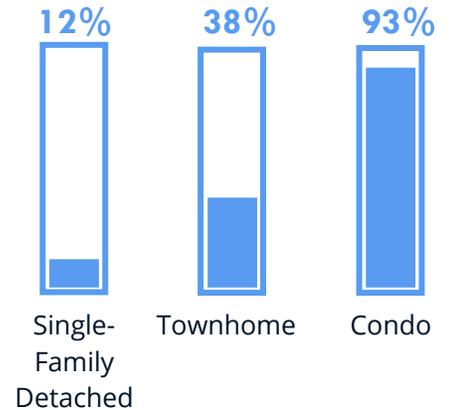
\$300K

Home value in 2011

\$575K

Home value today

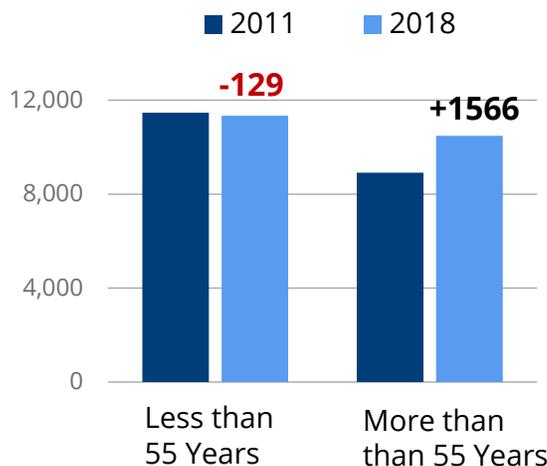
Homes sold for less than \$400K are far more likely to be townhomes (38%) or condos (93%)



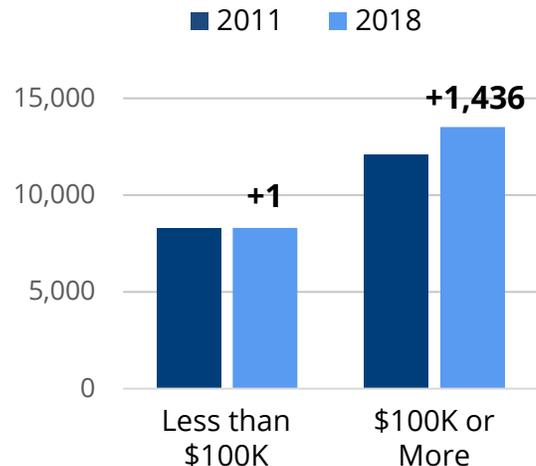
Homeowner Key Finding: Aging Population

Sandy Springs homeowners are increasingly becoming older and wealthier as for-sale housing in the City is becoming less accessible to young and middle-aged families. Citywide, households of most age groups are increasing while homeownership is primarily growing for those aged 55 and over.

The number of homeowner households older than 55 has increased by 1,566 while homeowners younger than 55 have decreased by 129.



The number of homeowner households earning more than \$100K/year has grown by 1,436 while the number earning less than \$100K has been stagnant.



Renter Key Finding: Displacement Concerns

Sandy Springs is losing housing for its most vulnerable renters. This is driven by the demolition and replacement of 1,073 units of older market rate housing over the past decade and renovations of older multifamily stock which causes rent increases. As a result, renters earning less than \$50K annually are leaving Sandy Springs due to increasing housing costs and decreasing housing supply.

Rental Supply Gaps Below 50% Area Median Income (AMI) & Displacement

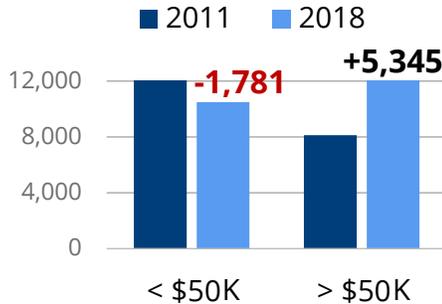
There is currently a supply gap of...

5,270 units
renting below 50% AMI

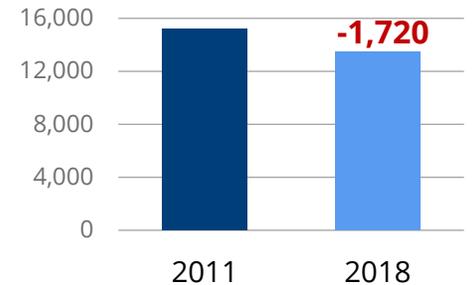
and

3,050 units
renting below 30% AMI

Renters earning less than \$50K are decreasing (-1,781) and being replaced with renters earning more than \$50K (+5,345).

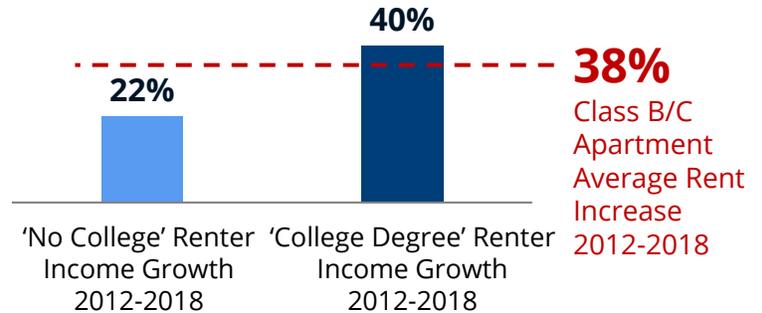


Sandy Springs has lost 1,720 multifamily units renting at less than 80% AMI due to demolition (1,073) and rent increases (647).



Rising Rents Constrain Rental Affordability

Income growth for renters without a college degree (22%) has not kept pace with rent increases (38%) since 2011 in class B/C (older) apartments, while income growth for renters with a college degree (40%) exceeded rent growth.



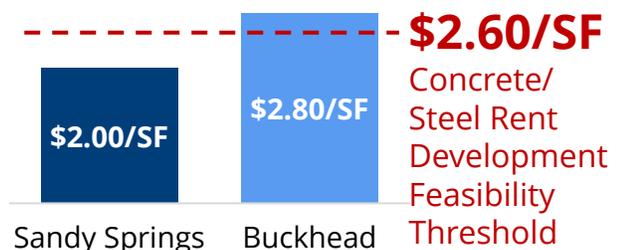
Renter Key Finding: Limited New Development

Sandy Springs' building code restrictions reduce multifamily development, prevent new renter households from moving into the City, raise housing costs, and limit the ability of the City to support new walkable, urban-style development like City Springs. The 2017 building code amendment, which requires concrete construction for buildings over three stories or buildings over 100,000 SF, makes new apartment development financially infeasible.

6,011
Multifamily units permitted 2011-2017

19
Multifamily units permitted since 2017

Rents for new construction apartments (\$2.00/SF) are too low to support the concrete/steel construction required by the building code. Rents of at least \$2.60/SF are required to support this construction type.



Employer Key Finding: Workforce Attraction

Service/essential industry employers face significant recruitment and retention challenges due to high housing costs and limited public transportation. Over time, these workforce attraction concerns are likely to trickle up to moderate-income employers.

Sandy Spring's top four industries by employment (health care, administrative services, professional services, and finance):

57% of total employment in city

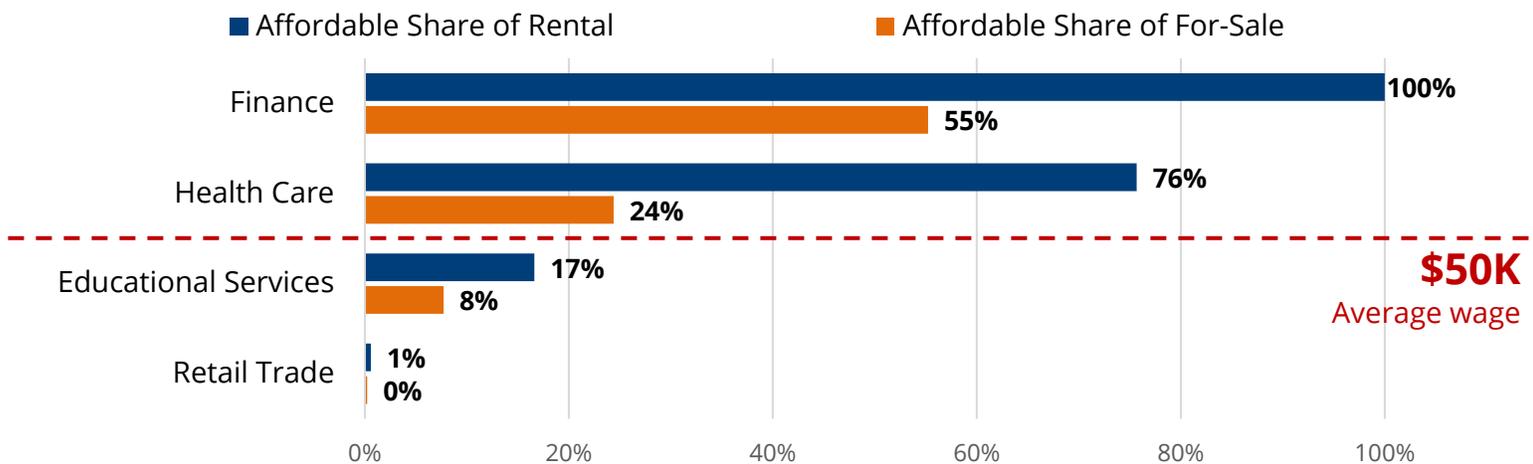
\$50K - \$135K in average wages

Sandy Spring's lowest paid industries (educational services, other services, retail trade, food services, and arts):

17% of total employment in city

<\$50K in average wages

Local employers have reported difficulty attracting and retaining workers with wages under \$50K with the available affordable share of rental and for-sale housing given as a top reason.



Employer Key Finding: Regional Employment Center

Sandy Springs' status as a net workforce importer is threatened by increased housing costs. The City's quality of life advantages, valued highly by employers, are at risk if lower- and moderate-income households cannot afford housing in Sandy Springs. Low and moderate-wage workers, forced to live outside the City due to housing cost increases, could exacerbate congestion issues.

This housing challenge is likely to grow as rents are increasing annually at 4.2% and home prices are appreciating 7.5% annually.

Only 6% of employees who work in Sandy Springs live within City boundaries

In-commuters outnumber out-commuters by more than 3-to-1, which leads to significant congestion