



Analyzing Housing Market Trends in the Atlanta Metropolitan Area

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Abstract:

Housing Markets are an important part of economic development as well as consumer affordability. Unfortunately, there is little understanding of what drives local housing market behavior. This study utilizes historical housing market trend data for the Atlanta Metropolitan Area, including the median sale price, total units sold per month/quarter/year, Days On Market (DOM), and new listings. The purpose of this study is to find seasonal patterns in the Atlanta Metro Area housing market, to understand the long-term price growth in the housing market, and to explore the interaction between supply and demand over time.

Multi-Year Data Sets for the Atlanta Metro Area were created and analyzed utilizing Google Sheets. All data used within this study has been separated into two categories: monthly (for Seasonal Trends), and annually (to determine Long-Term Trends). Results from this analysis indicate that the Atlanta Metro Area housing market follows a consistent seasonal cycle, with peak demand occurring throughout spring & early summer months and lessened activity throughout fall & winter months. Long-term trend analysis indicates steady home appreciation, with exceptionally high appreciation rates between 2020-22, followed by steadier appreciations.

The study also found that homes have sold faster in recent timeframes than in previous years indicating stronger competition amongst buyers. Seasonal changes in new listings are a major source of fluctuations in inventory levels and sales activity. Overall, the study found that the Atlanta Metro Area has been affected by seasonal trends resulting in an increase in home prices, as well as increased competition and reduced availability of homes.

Introduction:

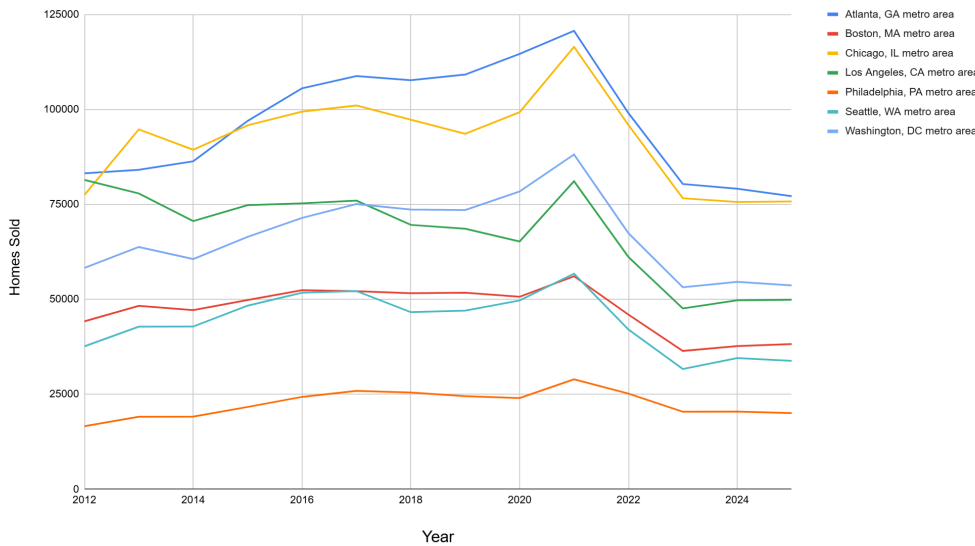
The housing market is one of the most dynamic sectors of our economy and is constantly changing. Unlike static industries, real-estate is dependent on different conditions such as population growth, interest rates, and employment levels. Real-estate markets also reflect societal needs and are influenced by other factors such as urbanization and government policies. As a result of the many contributing components, housing markets have experienced periods of growth as well as periods of slow progress. Because housing represents a basic human need and a financial asset, fluctuations in this market have a great impact on communities and national economies.

One of the most significant housing market crises occurred in 2008 due to a plethora of reasons. Financial institutions took excessive risk in mortgage lending and mortgage-backed securities which eventually led to a housing bubble which collapsed. Additionally, inadequate regulation for the market helped contribute to the economic downfall for many individuals. As home values

began to drop, millions of homeowners became trapped with properties they could no longer afford which contributed to a massive economic downturn. The housing crisis clearly illustrated the interconnectedness of housing markets with banking systems and consumers. The 2008 housing market collapse ultimately helped reshape how housing data is monitored and regulated today, creating a more safe and monitored economy. (Federal Deposit Insurance Corporation, n.d.).

In recent years, the housing market has undergone many changes due to increased migration into the U.S, Covid-19 Pandemic, and rising interest rates. These changes have not been spread across all regions equally, which has emphasized the importance of regional analysis. Major metropolitan cities, such as New York, Los Angeles, and Atlanta, have suffered the most. For example in 2021, when the pandemic began, the number of homes sold significantly decreased across all metropolitan areas and still reached its previous height.

Atlanta Housing Market Comparison with other Metropolitan cities (HOMES SOLD)



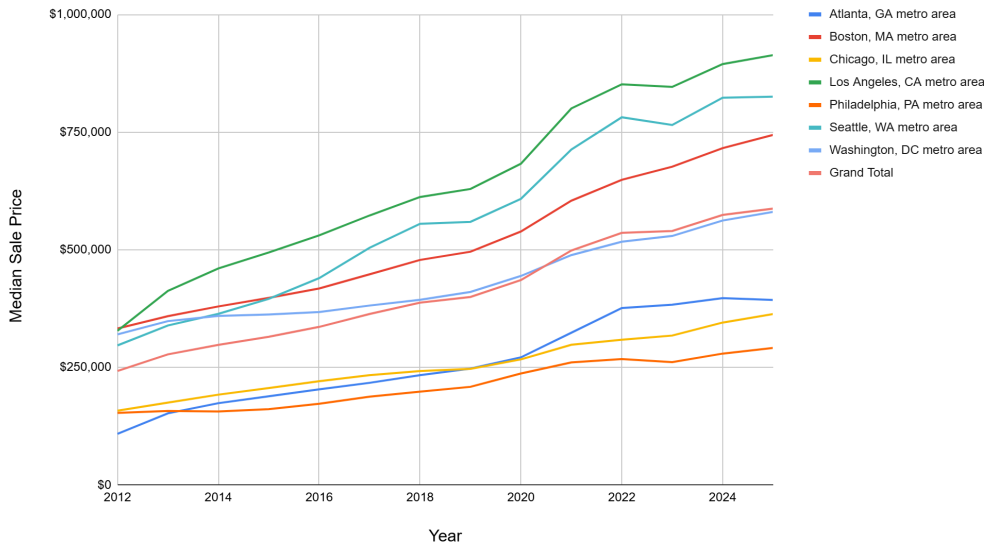
(Table #1)

The Atlanta Metropolitan Area stood out as an especially interesting case study due to the rapid population growth and its relatively affordable housing options available in comparison to other major U.S. cities. However, the rapid population growth has also resulted in rising home prices, reduced affordability, and an increased demand for housing supply.

This study will analyze housing market trends in the Atlanta Metropolitan Area to better understand how important variables - such as home prices, inventory levels and population growth - interact over time. The research is designed to determine the factors that affect housing

stability/prices in the Atlanta area and possibly provide insight into its potential future trajectory.

AVERAGE of Median Sale Price



(Table #2)

Literature Review:

Previous research has analyzed housing markets extensively focusing on key indicators such as interest rates, supply and demand, and population growth. According to the National Association of Realtors, mortgage rates play a major role in determining housing demand. Lower interest rates make homes more affordable and stimulate buyer activity while higher rates tend to slow down the housing market. This concept is supported by the Federal Reserve which states that monetary policy directly influences housing market cycles by affecting borrowing costs and overall economic conditions. Together, these studies demonstrate how financial factors shape market behavior and long term trends. (“Crisis and Response: An FDIC History, 2008–2013”).

In addition to financial factors, housing supply constraints play an important role too. The Brookings Institution has stated that insufficient housing supply – typically resulting from restrictive zoning and land availability – can significantly contribute to the rise of home prices, particularly in rapidly growing metropolitan areas such as Atlanta. When the supply of homes cannot meet the demand of consumers, the affordability decreases and competition among homebuyers grows more evident. This issue becomes even more prominent when combined with strong population growth, further creating demand for homes.

Population trends also play a critical role in shaping regional housing markets. Data from the U.S. Census Bureau indicates that cities in the southeast – specifically Atlanta – have experienced significant population growth over the last decade. The growth of residents has created increased demand for housing and reduced inventory levels, contributing to upward

pressure on home prices. Additionally, studies from Zillow illustrate that the Atlanta Metropolitan Area has consistently experienced price appreciation driven by new jobs and immigration into the U.S, while also facing increasing affordability challenges. (Brookings Institution, 2023), (Carbonaro, 2025).

While there is a wealth of research identifying key indicators of housing markets, much of the current research examines each indicator individually and does not examine the interaction of the indicators as a whole. Specifically, this is true for rapidly expanding areas such as Atlanta where multiple indicators – including migration and economic growth – are occurring concurrently. This study seeks to fill the void by examining the indicators collectively to gain a more comprehensive understanding of the trends of the housing market in the Atlanta Metropolitan Area.

Methods:

Following the organization of the data, pivot tables were created to summarize and analyze trends across various variables over 12 years. The pivot tables allowed for comparison of values such as changes in home prices, changes in number of homes sold, and variations in levels of inventory. In addition, fields were created to measure the month-over-month (MoM) and year-over-year (YoY) changes in the data to help understand how short-term and long-term trends developed.

Visual tools, including graphs and charts, were then developed to clearly represent patterns in the data. Primarily line graphs were used to demonstrate trends over time, and bar charts were used to illustrate value comparisons across different time frames. The visuals helped with determining trends such as seasonal fluctuations in home sales, as well as changes in median sale prices.

The research was guided on by five key research questions: 1.What seasonality trend can we observe for the number of houses sold? 2.How have median home prices in the Atlanta metropolitan area changed over time? 3. How does the Atlanta housing market trends (median sale price and # of homes sold) differ when compared with other major cities 4. How has the average number of days homes spend on the market changed over time in Atlanta? 5. How do changes in new housing listings affect inventory and sales activity?. By analyzing these factors both individually and collectively, the study aimed to identify correlations and patterns within the Atlanta housing market.

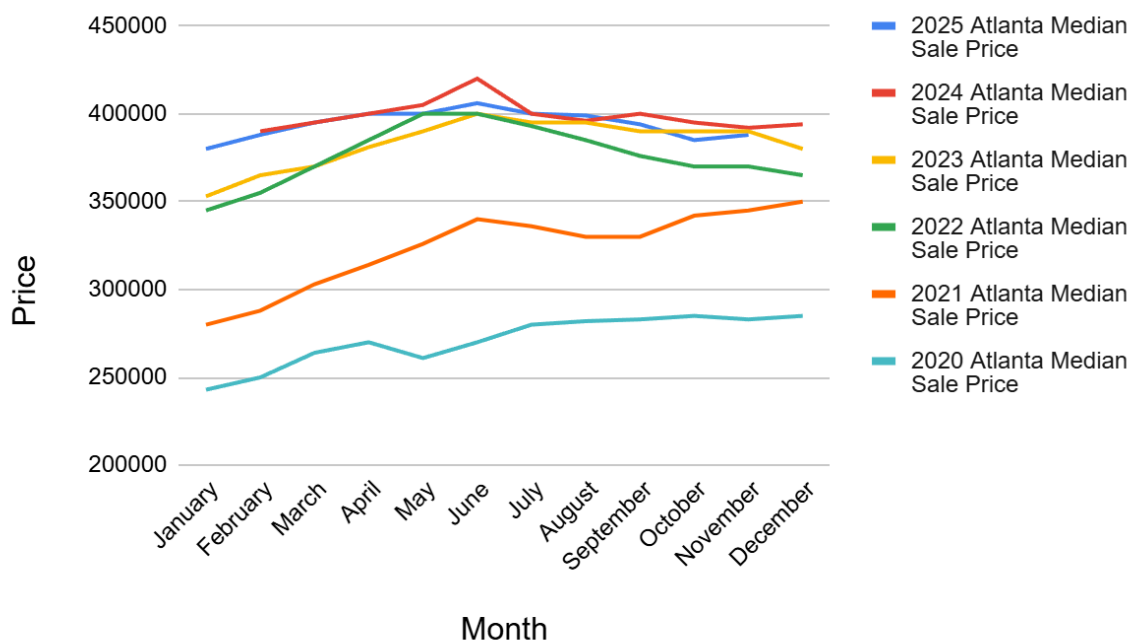
Results:

1. What seasonality trend do we see in the quantity of houses sold?

A distinct seasonal pattern has emerged from the data for all years (2020-2025) highlighting the volume of house sales. Home sales generally follow an upward trend during the latter part of

spring and throughout the summer months as well. As it relates to home sales, there are two key points in time; early in the year when sales begin to rise, and in mid-to-late May/June/July when sales reach their highest level. Once the peak selling season occurs, sales decline gradually throughout the remainder of the late summer and fall. Historically, the lowest volume of home sales consistently occurs during the winter months, specifically from November to January. However, there was a decrease in median sale price during the years 2020 and 2021 and this was due to the rise in Covid-19. The Pandemic has caused little demand in the housing market which caused prices to lower significantly.

Median Sale Price



(Table #3)

The seasonal pattern of home sales was evident in every single year examined and therefore suggests a stable and repetitive seasonal trend in home sales. Although the magnitude of the peak and decline in sales varied somewhat from year to year, the timing of both the peak and decline remained relatively consistent. Each year of the data exhibits a similar progression, i.e., low sales volumes during the winter months, increasing sales volumes during the spring months, high sales volumes during the summer months, and decreasing sales volumes as we enter the end of the year.

In addition to the seasonal trends of the home sales data, the transition from one phase of the seasonal cycle to another occurred progressively rather than abruptly. Sales increased gradually over a series of months prior to reaching the peak of the sales cycle and decreased

progressively after the peak was reached. This pattern demonstrates a gradual seasonal cycle in home sales as opposed to dramatic shifts in the amount of home sales occurring at specific times of the year.

2. How have the median home prices in the Atlanta metropolitan area changed over time?

Median home values in the Atlanta metropolitan area, as shown by this data, consistently have increased in value since 2012 to 2025. The prices for homes in the Atlanta metropolitan area slowly increased from 2012 until 2019. Beginning around 2020, the rate of increase becomes more pronounced, with a sharper rise in median sale prices observed between 2020 and 2022.

After the sharp increase in prices between 2020 and 2022, they continued to increase from 2023 to 2025 but at a slower rate. Overall, throughout the entire period studied, there is no significant long term decline in the median price of homes as seen in Table #2. This indicates that the general trend in the median price of homes has been increasing and the overall trajectory remains upward as seen in Table #2.

In addition, the data illustrates that the greatest increases in median price per sale of homes occurred in shorter periods of time, specifically in the early 2020's. There are significant jumps in the median price of homes per sale between each consecutive year. In contrast, previous years illustrated more gradual and incremental increases. Regardless of the differences in the rate of increase, the direction of the changes in the median price of homes per sale was consistent.

3. What are the differences in the Atlanta housing market versus other large cities (median sale price)?

Compared to other large metropolitan areas, the Atlanta housing market has demonstrated a very similar growth pattern in the median sale price; however, it has been recorded at lower price points. Major cities such as Los Angeles, Seattle, and Boston have had much higher median home prices throughout the study period (2012-2025), while Atlanta's median price has been lower for every year.

Despite these differences in absolute price levels, Atlanta followed a very similar price trend as the other metropolitan areas. All of the metropolitan areas showed price increases through the early years followed by more significant price increases in 2020 and 2022. Following this growth period, increases in prices slowed in all of the metropolitan areas, including Atlanta.

The gap between Atlanta and the higher priced cities remained relatively constant throughout the study period. Although all of the metropolitan areas experienced price increases, Atlanta did not grow closer to the larger priced cities' price levels. Instead, all of the metropolitan areas grew similarly, resulting in a similar level of price difference among all metropolitan areas.

Overall, Atlanta exhibited similar growth patterns to other large metropolitan areas, but maintained lower median price levels and consistent sales activity.

4. Beginning with the overall decline in the average number of days homes on the market in Atlanta (from 2012 through 2025), a downward trend was exhibited. Homes spent longer

periods of time on the market at the beginning of the time frame – particularly from 2012 through 2014 — with the highest number of average days being recorded. As time progressed, the values decreased and indicated shorter times before homes were sold.

The lowest number of days homes were on the market occurred in 2021-2022. The number of days on market reached its lowest point during this time in the overall analysis period. This represents the shortest amount of time homes were on the market across all years included in the dataset.

After 2022, the days on market increased from 2023 through 2025. However, even with this slight increase, the number of days homes were on the market remained lower than the previous years' averages (prior to 2020). Overall, the data reflects an overall trend toward reduced days on market when comparing the start of the time frame to later years.

Furthermore, the data indicates that the days on market changed over time in a gradual manner rather than experiencing abrupt spikes as previously seen at high levels. Although there is some fluctuation in days on market from one year to the next, the overall trend clearly illustrates a decline in the amount of time homes were on the market compared to the beginning of the time frame.

5. How do changes in new home listings impact inventory and sales activity?

The data indicate that changes in new home listings are related to changes in inventory levels and even to sales over time. Inventory levels increased as did the number of homes sold from 2012 until around 2019 as new listings also increased. Both the number of listings and inventory showed a generally upward or stable trend during this time frame.

From 2020 through 2022, new listings and inventory decreased significantly across the entire dataset. Despite declining inventory and listings, the number of homes sold remained at a relatively stable level compared to listings and inventory. As such, it appears there was a separation between listing activity and sales during this period.

Beginning in 2022, listings and inventory began to grow again but did not reach the pre-2020 peak. The increase in listings and inventory has been slow and has been below previous highs.

In general, the data show that while new listings and inventory levels tend to be related and rise and fall during similar time frames, the relation between new listings and the number of homes sold varies. Some time frames appear to show a correlation in the direction of the trends while other time frames show divergent trends.

Discussion/Analysis:

The results of this study align closely with the overall research aim of understanding housing market trends in the Atlanta Metropolitan Area and how they compare to broader market patterns. The results clearly indicate that the Atlanta housing market mirrors the typical seasonal patterns seen in national and metropolitan housing markets which both experienced long term appreciation, and fluctuation in inventory and listings.

These findings strongly reinforce the conclusion drawn from the literature review that housing markets are influenced by a variety of inter-related factors, including supply and demand factors, economic conditions and population growth.

One of the most significant findings in this study was that home sales follow a very consistent seasonal pattern. There is an identifiable pattern of home sales increasing significantly in the later Spring and Summer months, and decreasing in Winter. The consistent seasonal pattern of home sales year-in-and-year-out provides evidence that seasonal demand is one of the primary factors influencing home sales.

In addition, the analysis of median home price shows a clear long-term upward trend in median home price, with especially rapid increases in price between 2020-2022. This long-term trend in price growth is consistent with prior research indicating that housing markets experience periods of rapid price growth, followed by periods of slow progress. While the rate of price appreciation did slow in 2022, there were no large declines in price, indicating that the price of housing in Atlanta has remained stable.

Atlanta's long-term appreciation of median home prices is similar to that of other metropolitan housing markets, however Atlanta's appreciation of median home prices tends to occur at a lower price point, further supporting the notion that Atlanta is a relatively more affordable housing market compared to other metropolitan housing markets.

An additional finding from the study is the downward trend in the average number of days homes spent on the market. This trend provides evidence of a transition toward quicker home sales, especially throughout the early 2020s. A small increase in days on the market after 2022 suggests some adjustment, however overall homes continue to sell much more quickly than they did in earlier years. This trend is indicative of a highly competitive housing market, characterized by strong demand for housing that is outpacing the available supply of homes.

The relationship between new listings, inventory and sales activity creates a more complex pattern. Occasionally, increases in new listings can lead to increases in sales activity, but usually sales activity remains stable regardless of changes in new listings.

This suggests that the dynamic nature of housing markets is subject to multiple interrelated factors, as opposed to being driven by a single factor.

This research study does contain some limitations. Firstly, this study relies on publicly accessible data, and therefore it may fail to capture all of the nuances of the housing market, (i.e., off-market transactions, etc.) and/or variations in the housing market within different geographic locations within the metropolitan area. Secondly, this study primarily relies on quantitative data and fails to account for qualitative data such as buyer preferences, and policy changes. Lastly, the timeframe of the study limits the potential to analyze historic trends outside of the selected time period.

In the future, studies would likely extend the work presented here by adding more data sources, a focus on sub-geographic areas within the metropolitan area, or the inclusion of additional variables such as the role of different policies.



Conclusion:

By investigating historical trends in both housing sales and pricing in the Atlanta Metropolitan area, the study provided a broad view of the Atlanta housing market through the analysis of key indicators including median home prices, total number of homes sold, active home inventory (the number of homes currently available for purchase), and the average days that homes are listed before being sold. The study's results indicated that there were many commonalities throughout Atlanta's housing market. While the study found several significant correlations between the indicators studied, it illustrated that the relationship between the number of new listings created, the inventory of homes for sale, and the total number of homes sold varies greatly from one month to another. The study's findings indicate that a multitude of factors affect the behavior of buyers and sellers and therefore create variability in the monthly performance of the market.

This study provides more insight into overall housing market trends in the Atlanta Metropolitan Area. This study has demonstrated that while there is much that is similar in terms of the characteristics of large urban housing markets (i.e., Atlanta), there are many aspects of the Atlanta market that are unique in terms of their impact upon its development. Thus, these trends are significant in illustrating the ways in which housing markets grow and develop over time. Additionally, the trends identified in this study may serve as the basis for additional research that investigates the role of housing market trends and their potential long term consequences.



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