October 16, 2025

Economic Report: Insights into Georgia's Housing Market

FMLS Market Intel

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Oct 2025

Executive Summary

Recent U.S. Census Bureau data signals a pivotal shift in Metro Atlanta's long-standing growth trajectory. For the first time in over three decades, the region recorded negative net domestic migration, with 1,320 more residents moving out than moving in during the year ending July 2024. While total population still increased due to immigration and natural growth—adding 75,134 residents—this change marks a critical inflection point in Atlanta's growth model.

Two main dynamics are reshaping population flows:

1. Eroding housing affordability
2. Declining quality of life perceptions—led by worsening traffic congestion

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Migration Trends

Despite its historic competitiveness driven by a strong airport, diverse economy, and relatively lower cost of living, Atlanta is now losing residents to nearby mid-sized markets.

The top five metro destinations for outbound movers include:

1 Nashville

2 Charlotte

3 Tampa

4 Greenville

5 Chattanooga

These metros share two competitive advantages over Atlanta: lower housing costs and less congestion.

Housing Affordability Pressures

Housing affordability has become the defining economic challenge facing Metro Atlanta.

- Median home price rose from $272,000 (Jan 2020) to $459,000 (Jun 2022) — a 70% increase in just 30 months.
- National monthly mortgage payments jumped from $1,765 (2022) to $2,235 (2025).
- NAR's Housing Affordability Index has remained below 100 for three consecutive years, signaling severe affordability constraints.

The pandemic accelerated housing cost inflation as supply lagged demand. Even as prices began to stabilize in late 2022, rising mortgage rates continued to erode affordability.

Impact on Mobility and Households

A 2025 Bank of America mobility survey highlights how affordability is shaping migration decisions:

- 39% of movers cited cost of living as the primary reason for relocating (up from 32% in 2024).
- Movers are consistently paying more for housing than non-movers.
- Moderate and lower-income households are leaving, while higher-income households from expensive states (e.g. California) continue relocating to Atlanta.
  Conclusion: Migration is now driven by relative affordability, not absolute affordability.

Quality of Life and Infrastructure

Economic decisions are increasingly influenced by quality-of-life considerations—especially commuting time.

- Atlanta ranks 5th worst for traffic congestion in the U.S. (Consumer Affairs, 2025), ahead of even New York City, despite NYC having three times the population.
- The phrase *"Atlanta is an hour away from Atlanta"* reflects growing commuter fatigue and infrastructure strain.

Outlook: End of the Sprawl Era

According to Gregory Randall, Professor of Urban Planning at Georgia Tech, Atlanta's historic strategy of growth through suburban expansion—without proportional investment in transit—has reached its limits. This low-density "sprawl" model is no longer sustainable.

> "Atlanta is a radically different place than it was when the growth spurt began. The city can only continue its ascent through reinvention."
> — Gregory Randall, Georgia Tech

Regional competitiveness will depend on strategic reinvestment in infrastructure, transit, and housing affordability. Real estate professionals will play a critical role in shaping sustainable urban growth through policy participation and local planning engagement.

Final Note

FMLS continues to provide weekly housing and market performance updates through FMLS Market Intel. Real estate professionals are encouraged to review local metrics and leverage FMLS data tools to better understand shifting demand patterns and economic drivers.
For more market insights, visit FMLS Market Intel on FMLS.com.

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