



The Opportunity

Atlanta presents a strong case of a place where [Home for Good](#) will support retention of property ownership and wealth building across Black generations while increasing the supply of affordable* and available rental housing.

Atlanta is currently challenged with “[green gentrification](#)” as a result of the BeltLine, the restoration of a former railway into green space that connects its neighborhoods. Across the city, 47 percent of renter households were cost-burdened in 2022. There is a persistent [deficit of affordable and available rental units](#) and the [need for additional support to maintain affordability of single-family homes](#) (single-family rentals constitute a large portion of affordable renting housing).

Despite being 45 percent of the city’s population, Atlanta’s [Black households own only 17 percent of aggregate housing wealth](#). This is due to factors such as Black-owned properties having lower median values and lower rates of ownership. As Atlanta experiences economic development in its neighborhoods, a rise in [corporate ownership](#) and an increase in its senior population living alone (38 percent to 45 percent from [2019](#) to [2022](#)), there is a need to address displacement caused by gentrification, maintenance of Black and Latine property ownership, and increases in housing that is affordable at or below 80 percent Area Median Income (AMI).

Example Neighborhoods

The Home for Good program supports Black and Latine property ownership, affordable housing, and wealth building through its model. The Atlanta neighborhoods described on the following page are examples where the intervention could be used to mitigate displacement caused by gentrification and aid in maintaining property for affordable rental housing.

The Home for Good process for target neighborhood selection puts decision-making authority in the hands of a locally-comprised steering committee, and that committee has yet to be empaneled. (A full list of the quantitative and qualitative data to be considered in making that decision is discussed in the Home for Good [Concept Paper](#). Additional Atlanta-specific data to support neighborhood selection will be accessible upon the start of the pilot.) However, to illustrate the potential feasibility of the program in Atlanta, we will focus here on the Castleberry Hill and Old Fourth Ward neighborhoods.

*At or below 80 percent Area Median Income (AMI).

CASTLEBERRY HILL

Castleberry Hill is a neighborhood just a short distance from downtown, the Mercedes-Benz stadium, the Atlanta University Center, and other institutions. Due to its location and its growing art scene, the neighborhood has seen a rise in popularity. Urban Displacement has categorized this area as experiencing [Early/Ongoing Gentrification](#). From 2012 to 2018 the neighborhood, where nearly half of its properties were renter-occupied, saw a 12 percent increase in rent. The majority Black and low-income community has a 23.3 percent home vacancy rate. Castleberry Hill's proximity to city amenities, demographic makeup, and economic factors make it a potential neighborhood to enact the Home for Good intervention.

Early/On-going Gentrification

↑ 12%

Rent increase from 2012 to 2018

↓ 9%

Decrease in low-income residents from 2000 to 2017

↓ 22%

Decrease in Black residents from 2011 to 2019

OLD FOURTH WARD

Located east of downtown Atlanta, Old Fourth Ward holds cultural and historical significance due to its connection with the civil rights movement. Recently, the area has become trendy due to the opening of the BeltLine and its access to city assets. This has drawn significant economic development in the form of new restaurants, bars, and rental housing. Urban Displacement has categorized this community as experiencing [Advanced Gentrification](#). The area that has a 44 percent Black population, is mostly low-income and renter occupied. A Home for Good intervention would allow Old Fourth Ward to slow displacement, maintain Black and Latine property ownership while increasing affordable rental housing options in the community.

Advanced Gentrification

67%

Renter occupied

↓ 29%

Decrease in Black residents from 2011 to 2019

↑ 64%

Increase in white residents from 2011 to 2019

Rental Rate Model: Maintaining Affordability, Retaining Ownership

With a shortage of over 161,000 affordable and available rentals at or below 50 percent AMI and only 90 affordable and available rental units per 100 households at or below the threshold, the greatest need for affordable and available rental units in Atlanta is at or below 80 percent AMI.

Presented below are two scenarios in the 30313 section of Castleberry Hill and the 30312 section of Old Fourth Ward. The scenarios demonstrate the rental rate models for 3-bedroom houses rented at 60 percent and 80 percent AMI and assume owners do not have a mortgage on the property and did not take out any additional loans to renovate the home. The lack of a mortgage significantly decreases the owner's costs thus allowing Home for Good to remain tenable for both the owner and the renter, particularly at 80 percent AMI, the recommended cap for the program. Properties in Old Fourth Ward have lower property values than those in Castleberry Hill which means that property owners will be able offer rents at a lower percentage of AMI while still maintaining their own financial stability (e.g., renting at 50 percent AMI in Old Fourth Ward will yield the same monthly net income for the property owner as renting at 60 percent AMI in Castleberry Hill).

INPUTS

	Scenario A Castleberry Hill	Scenario B Castleberry Hill	Scenario C Old Fourth Ward	Scenario D Old Fourth Ward
Home for Good (HFG) Grant Amount	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
Maximum percentage of AMI for participating tenants	60.00%	80.00%	60.00%	80.00%
Property's assessed value ¹	\$266,300.00	\$266,300.00	\$351,000.00	\$351,000.00
Number of bedrooms	3BR	3BR	3BR	3BR
Property zip code	30313	30313	30312	30312

OWNER

TOTAL MONTHLY INCOME TO OWNER **\$2,015.67** **\$2,548.67** **\$2,015.67** **\$2,548.67**

Base Rental Income from Tenant **\$1,599.00** **\$2,132.00** **\$1,599.00** **\$2,132.00**

Area Median Income (AMI)² \$106,600.00 \$106,600.00 \$106,600.00 \$106,600.00

Maximum percentage of AMI for participating tenants 60.00% 80.00% 60.00% 80.00%

Percentage of income spent on housing 30.00% 30.00% 30.00% 30.00%

HFG Grant Monthly Benefit **\$416.67** **\$416.67** **\$416.67** **\$416.67**

Total HFG Award \$50,000.00 \$50,000.00 \$50,000.00 \$50,000.00

HFG program term (years) 10 10 10 10

TOTAL MONTHLY COST TO OWNER **\$1,513.65** **\$1,566.95** **\$1,725.40** **\$1,778.70**

Base Unit Monthly Operations Costs to Owner **\$1,353.75** **\$1,353.75** **\$1,565.50** **\$1,565.50**

Mortgage (principal and interest) \$ - \$ - \$ - \$ -

Property taxes³ \$665.75 \$665.75 \$877.50 \$877.50

Insurance \$110.00 \$110.00 \$110.00 \$110.00

Utilities⁴ \$411.00 \$411.00 \$411.00 \$411.00

Maintenance fund \$167.00 \$167.00 \$167.00 \$167.00

Additional Monthly Costs to Owner per Unit **\$159.90** **\$213.20** **\$159.90** **\$213.20**

Property management fee \$159.90 \$213.20 \$159.90 \$213.20

-- Base rent \$1,599.00 \$2,132.00 \$1,599.00 \$2,132.00

-- Per unit management fee 10.00% 10.00% 10.00% 10.00%

TOTAL MONTHLY NET **\$502.02** **\$981.72** **\$290.27** **\$769.97**

Total monthly income \$2,015.67 \$2,548.67 \$2,015.67 \$2,548.67

Total monthly expenses \$1,513.65 \$1,566.95 \$1,725.40 \$1,778.70

Net operating income (annual) \$6,024.20 \$11,780.60 \$3,483.20 \$9,239.60

1 [Property Taxes Across the US](#). Onwell, 2023.

2 [FY 2024 Income Limits Summary](#). HUD.

3 A tax rate of one mill represents a tax liability of one dollar per \$1,000 of assessed value. The average county and municipal millage rate is 30 mills." (Property Tax Millage Rates, Georgia Department of Revenue)

4 [Cost of Living in Georgia](#). SoFi, 2023

Potential Partners with Aligned Missions

There are a number of Atlanta organizations that can complement the Home for Good implementation.

Legal and Heirs Property Support

The organizations below note some of the initiatives in place that align with Home for Good's vision and impact of supporting retention of Black and Latine property ownership.

[GEORGIA HEIRS PROPERTY LAW CENTER](#) is a not-for-profit law firm that provides legal services, asset education, and other supports to heirs property owners to aid in generational wealth. As the center works with families to clear their titles, the owners can be referred for participation in the Home for Good program.

[ATLANTA LEGAL AID](#) provides free civil legal aid to low-income individuals and senior citizens in metro Atlanta. This organization can also be a source of participants for the Home for Good model as it works with residents to clear titles and help them access resources to maintain their properties.

[FEDERAL HOME LAND BANK OF ATLANTA](#) is a local cooperative bank that has focused on addressing challenges around heirs properties. The bank provided \$1 million in funding to community organizations that are working in that area through its Heirs Property Prevention and Resolution Grant Initiative and is increasing its [commitment to \\$2 million for 2024](#). A partnership with this institution could result in connection to grantees, additional funding to increase Home for Good's impact, or collaboration on a future forum.

[GEORGIA APPLESEED CENTER FOR LAW & JUSTICE](#) is the statewide chapter of a larger network of justice centers. Within Georgia, the center tackles many societal challenges including housing disparities. Its direct engagement with tenants, research on heirs properties, advocacy through legislation and convenings, and social innovation lab aligns with Home for Good's program model. Home for Good can partner with its social innovation lab to measure its efficacy as a scalable intervention across other neighborhoods in need.

Affordable Housing Support

In addition to the legal and heirs property services firms above, there are a few organizations in Atlanta that may make good partners as we flesh out the program and recruit participants.

[HOUSEATL](#) is a cross-sector group of civic leaders committed to building the political and community will for a comprehensive and coordinated housing affordability action plan for Atlanta. Included in their list of priority recommendations for 2023 are addressing heirs property and efforts to address community retention and securing property tax exemptions for affordable rental housing.

[WESTSIDE FUTURE FUND](#) raises charitable funds to support its signature program, Home on the Westside, which enables them to develop high-quality, permanently affordable multi-family housing, new or renovated single-family homes, and provide property tax relief for legacy residents.