Homeownership Trends in the Nashville metro area

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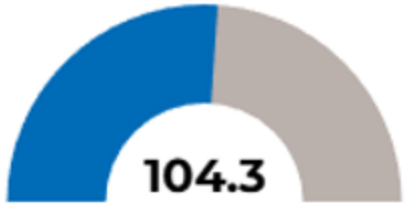
Better affordability in the Nashville metro area than nationwide

Family Income:
$108,040

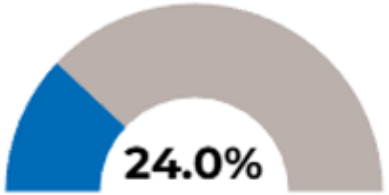
Qualifying Income:
$103,540



U.S.: 100.9

Monthly Payment:
$2,160

Annual Mortgage Payment:
$25,880



U.S.: 24.8%

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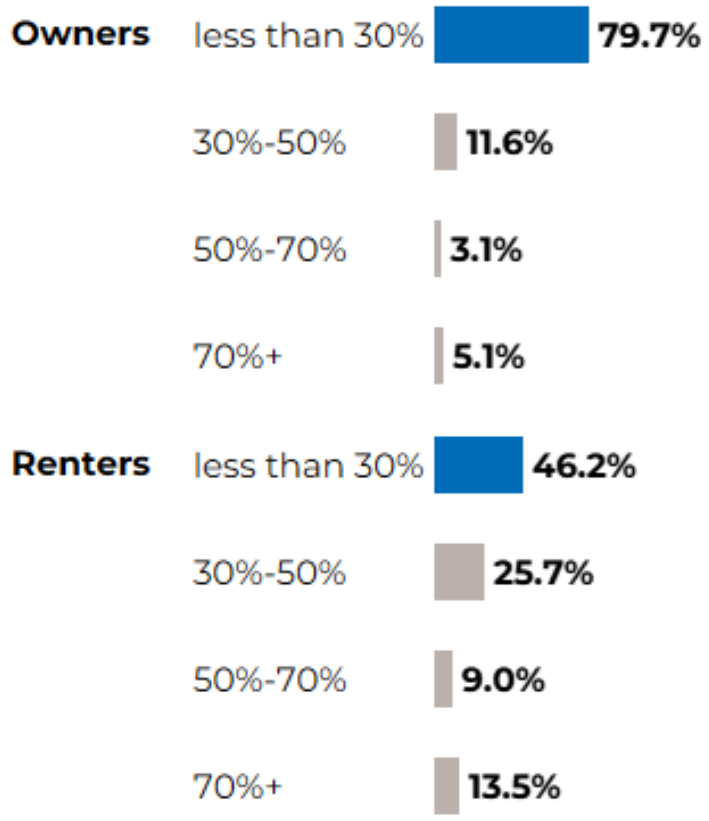
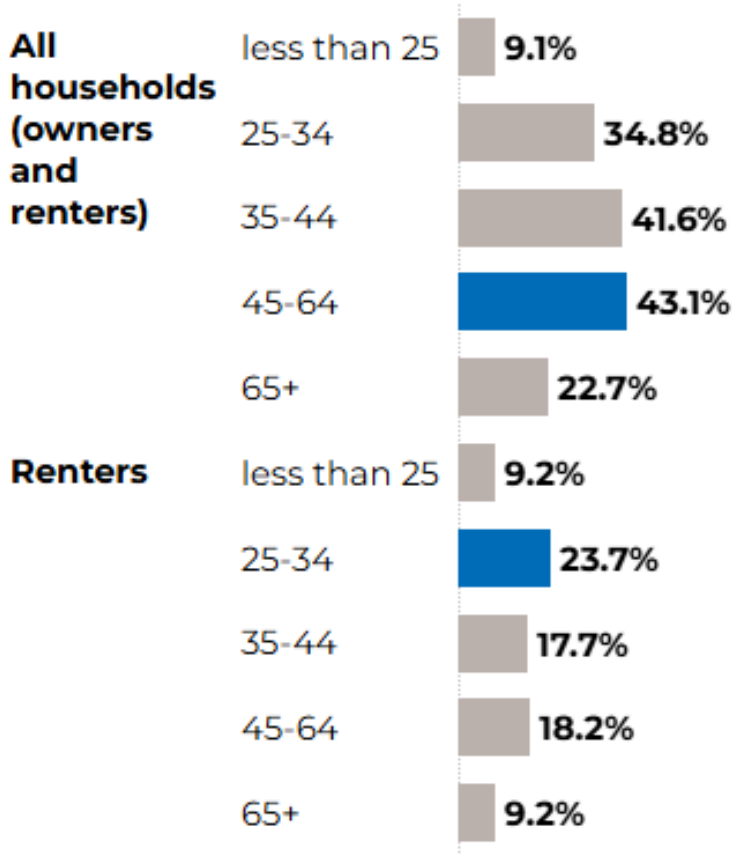
Who can afford to buy a home in Nashville?

Share of income that homeowners and renters spend on housing (30% or higher is considered cost-burdened)



Share of households and **renters** who can afford to purchase a median-priced home **(by age group)**



Source: NAR Calculations of ACS PUMS data

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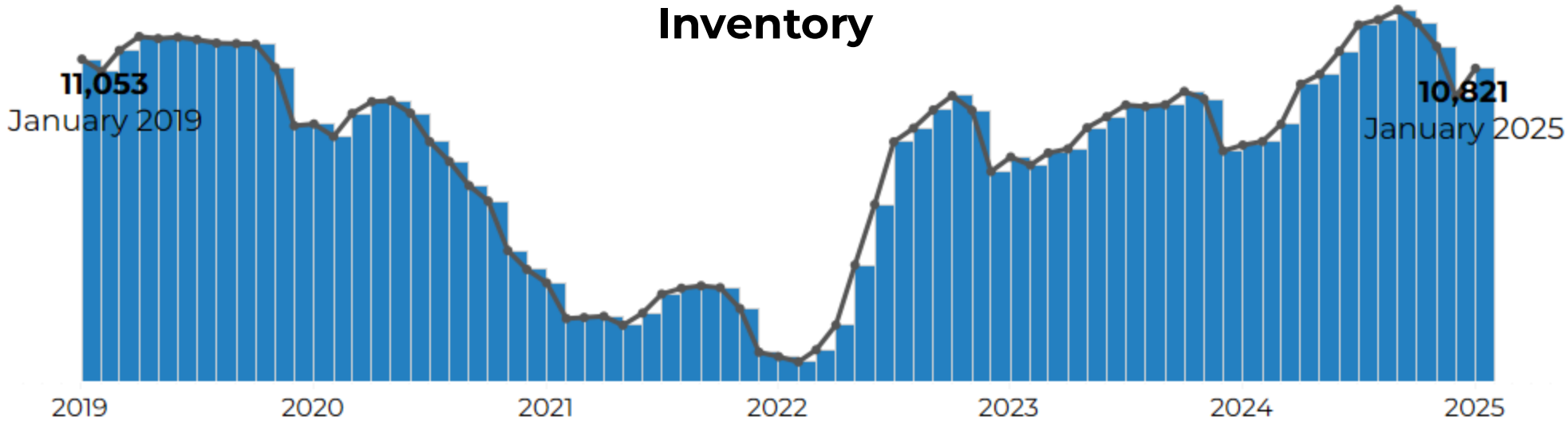
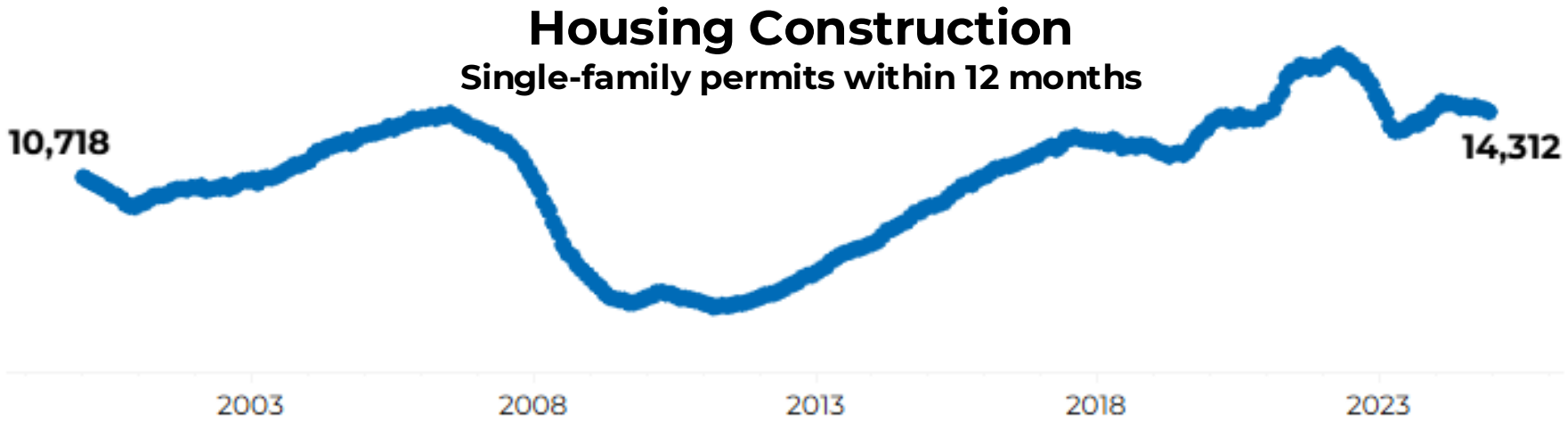
Rising Inventory in Nashville

but still below pre-pandemic levels



Source: Greater Nashville REALTORS®



Source: NAR Calculations of U.S. Census Bureau data

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Affordable listings by income level

	Nashville	Tennessee	U.S.
$15K	0.0%	0.5%	0.9%
$25K	0.0%	1.4%	2.2%
$35K	0.1%	3.1%	4.2%
$50K	0.6%	6.5%	9.3%
$75K	4.4%	17.9%	22.4%
$100K	19.1%	36.0%	37.8%
$125K	36.6%	53.5%	52.5%
$150K	51.9%	65.6%	64.1%
$200K	70.3%	79.6%	76.6%
$250K	79.1%	86.9%	84.2%
$500K	92.6%	96.1%	94.3%
$500K+	100.0%	100.0%	100.0%

Source: NAR, realtor.com®

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Persona of Home Buyers

United States

Homeownership rate: **65.3%**

Josh
Age: **42**

5.7% of all homeowners

-Median household income: **$99,440**

- Higher education: **21%**
- Moved from different state: **16%**
- White: **70%,** Black: **8%,** Asian: **7%,** Hispanic: **14%**
- Married couples: **53%**, Single women: **12%**,

Nashville metro area

Homeownership rate: **64.5%**

Jenna
Age: **40**

6.7% of all homeowners

- Median household income: **$109,290**
- Higher education: **20%**
- Moved from different state: **16%**
- White: **81%**, Black: **7%**, Asian: **4%**, Hispanic: **9%**
- Married couples: **59%,** Single women: **12%,**

Tennessee

Homeownership rate: **67.4%**

Michael
Age: **43**

6.1% of all homeowners

- Median household income: **$91,220**
- Higher education: **18%**
- Moved from different state: **20%**
- White: **83%,** Black: **7%,** Asian: **2%,** Hispanic: **7%**
- Married couples: **58%,** Single women: **11%,**

What homes are buying

United States

Josh
Median property value:
$372,970

50% of these homes were built in the **1990s or later**

- All cash buyers: **29%**
- Median monthly cost: **$1,920**
- Median annual property taxes: **$3,250**
- Median annual home insurance cost: **$1,280**

Nashville metro area

Jenna
Median property value:
$472,410

50% of these homes were built in the **2010s or later**

- All cash buyers: **24%**
- Median monthly cost: **$2,190**
- Median annual property taxes: **$2,120**
- Median annual home insurance cost: **$1,390**

Tennessee

Michael
Median property value:
$367,380

50% of these homes were built in the **2000s or later**

- All cash buyers: **31%**
- Median monthly cost: **$1,660**
- Median annual property taxes: **$1,630**
- Median annual home insurance cost: **$1,280**

What to expect?

Additional supply to create opportunities to buyers

- **Fewer locked-in homeowners** due to the pandemic ultra-low mortgage rates compared to the national level.

- **More starter-homes** in Nashville than nationwide
43% of the housing stock falls into the starter-home price range

- **Strong housing construction**
Building permits are 50% higher than the pre-pandemic historical average levels

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What to expect?

Robust strong demand

- Favorable demographics

One in three households falls within the 45-64 age group, which also represents the largest share of households that can afford to buy a home

- Strong migration gains

Tennessee ranked 5th in the nation for domestic net migration in 2024,

2,630 more job switchers quarterly move in Nashville than move out

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THANK YOU.

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