



If you're a
mid to
long-term
rental
investor,
Nashville
will GROW
on you.

For over a decade, Nashville has
been one of the strongest real
estate markets in the country.

March 2024

Introduction

Nashville, Tennessee has been one of the strongest real estate markets in the US for over a decade. Factors like positive population growth, increasing job opportunities and limited housing stock all add up to big opportunities for real estate investors. Especially in the mid to long-term rental market.

"Nashville checks all the boxes for investors as the new 'it' city in the Southeast," said K.O. Kennedy, Vice Chairman of CBRE's Nashville office. "It's a great place to live for those who enjoy live music, sports, nightlife and outdoor activities. With Nashville's diverse economy, job growth, low unemployment rate and low tax and business-friendly environment, young people who move here are increasingly becoming permanent residents. The city also is home to 20 colleges, including Vanderbilt and Belmont Universities, which has led to a highly educated population that continues to attract a growing number of world-renowned companies to Nashville each year."



More people need more housing

| ECONOMIC FUTURE

Nashville by the Numbers

According to the Census Bureau, Nashville's population increased by 35,624 people in 2022, which averages to 98 people per day.

The economic future of Nashville has gone from rosy to robust. People are moving here in record-breaking numbers. According to the Census Bureau, Nashville's population increased by 35,624 people in 2022, which averages to 98 people per day. The figures make the Nashville area's growth the 10th highest among other metros with a population of at least one million.

With new housing stock in low supply, rentals are in high demand.

Job openings offer more opportunity

RECORD-BREAKING GROWTH

With record-breaking growth comes the opportunity to address the region's workforce challenges. Presently, there are approximately 62,000 job openings in the Nashville region, with two positions open for every unemployed job seeker. Addressing this challenge head-on, the Nashville Area Chamber of Commerce is taking proactive measures to foster a competitive labor market that benefits both job seekers and employers. Projected job growth is predicted to be 48.3% over the next ten years.

Oracle is a shining example of Nashville's bright future with an estimated 8,500 new jobs by 2031 at a sprawling new \$1.35 billion campus being built along the banks of the Cumberland River. Over 30% of that workforce will be in place by 2027, with an average salary of \$110k.

Other companies investing time and talent into Nashville include Nissan, Bridgestone, Alliance Bernstein, iHeart Media, Mitsubishi and Amazon. Which also explains a healthy commercial real estate market with office buildings filling up with people in higher paying jobs.

All that AND a lower cost of living

MORE DISPOSABLE INCOME

There's more good news for Nashville's real estate investors. On many fronts, life's necessities are cheaper here than many large cities. In a recent Regional Price Parity (RPP) report from the Bureau of Economic Analysis, Nashville regional prices fell below the national average on three of four key measures. In fact, those measures all ranked among the top 10 for affordability: goods (#9), utilities (#6) and other services (#10).

Which leaves more disposable income to spend on housing—including mid to long-term rentals.

Nashville by the Numbers

**Ranked among the
top 10 for affordability:
Goods (#9)
Utilities (#6)
Other services (#10)**

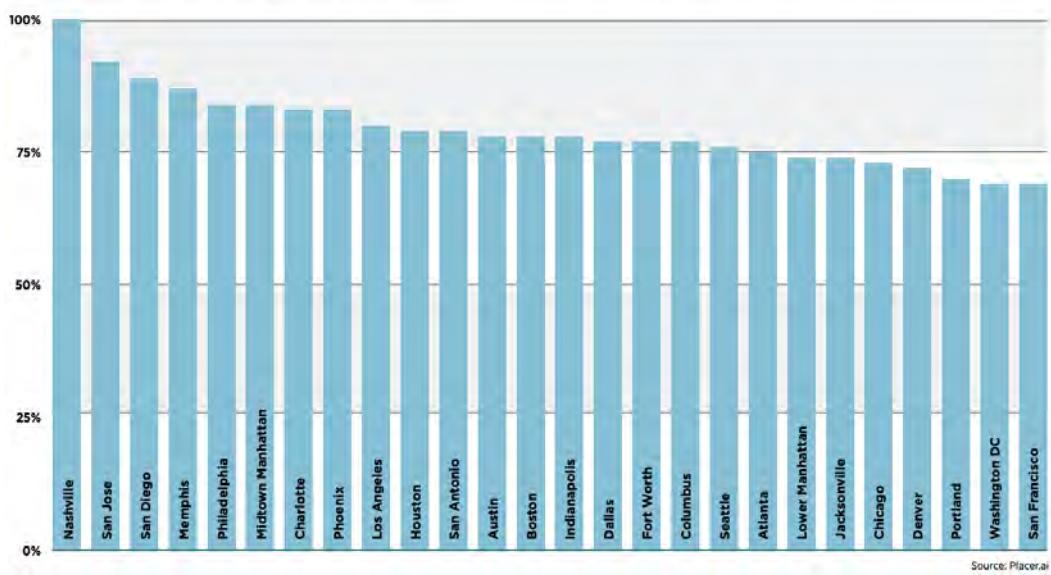
Nashville's No. 1 rebound in downtown recovery

| A FULL RECOVERY

Nashville's economy has rebounded to 2019 levels — and is the only major US city to have done so completely — according to a new study called the "Downtowns Rebound" report that surveyed the nation's 25 largest cities (centercityphila.org).

Nashville ranked No. 1 when comparing the total number of workers, residents, and visitors downtown in 2023 to the same time in 2019.

FIGURE 1 RESIDENTS, WORKERS AND VISITORS IN CORE DOWNTOWN IN 2023 Q2 COMPARED TO 2019 Q2
Combining workers, residents and visitors in each city, the recovery rate in 2023 ranged from 69% of 2019 levels in San Francisco and Washington, D.C. to 92% in San Jose and 100% in Nashville.



BNA is investing in Nashville

Nashville International Airport (BNA) is investing \$1.4 billion dollars in the future of the region. The New Horizon project plans for the expansion of two concourses, a new air freight building, terminal roadway improvements and many additional upgrades. The massive project started in 2017 with a scheduled completion in late 2028.

More people landing in Nashville means more tourism, more jobs, more growth, and more opportunities for more people looking for apartments.

Red Seal Homes understands the growing Nashville market

WE UNDERSTAND THE NASHVILLE INVESTOR

We've been building high quality, award-winning townhome communities in some of Nashville's fastest growing neighborhoods like The Nations, Wedgewood-Houston and East Nashville near Cumberland River and the proposed Oracle campus.

Attractive townhome pricing offered in the 500s, as low as \$180/sf.

Many of our buyers have made investments in short to long-term rental properties. With the majority of our properties boasting four bedrooms with ensuite bathrooms, two-car garages and bonus rooms for home offices and in-house gyms. Unique and desirable for a fast growing mid to long-term renter. And affordable for any size investor with prices starting in the \$500s.

"We're seeing a trend with investor-buyers of our new townhome rentals returning a steady revenue of about \$1,000 a bedroom," says Brian Hoffman, 3rd-generation owner of

Red Seal Homes in Nashville. "And with much lower maintenance and property management costs compared to STRs, you'll appreciate the longer term ROI."

IT'S TIME TO TAKE ADVANTAGE OF LOWER RATES

Rates are trending downward for the second half of 2024, so lock in a low price today for delivery later this year, or in 2025. To continue our conversation about Red Seal Homes' mid-to-short term rental investment opportunities, stay in touch with Becca Cunningham ([here](#)) or stop by for an in-person visit at our office in Nashville's, The Nations.

