



NASHVILLE, TN

*MACRO
MARKET
ANALYSIS*

*Slumdog Millionaires
Real Estate Investing Accelerator
Erin Helle*

The Nashville Market



Nashville is one of the hottest real estate markets in the country today. The Nashville real estate boom began about 10 years ago and investors expect these trends to continue for the foreseeable future, making Nashville one of the most desirable real estate markets in the country.



Nashville is the capital and most populous city of the state of Tennessee. The city is located on the Cumberland River and its population ranks 24th in the US. Located in northern Middle Tennessee, Nashville is the main core of the largest metropolitan area in Tennessee.



The Nashville metropolitan area contains more than two million people.

Home Values Forecast

(next 12 months)

National: 6.3%

Nashville Metro: 6.5%

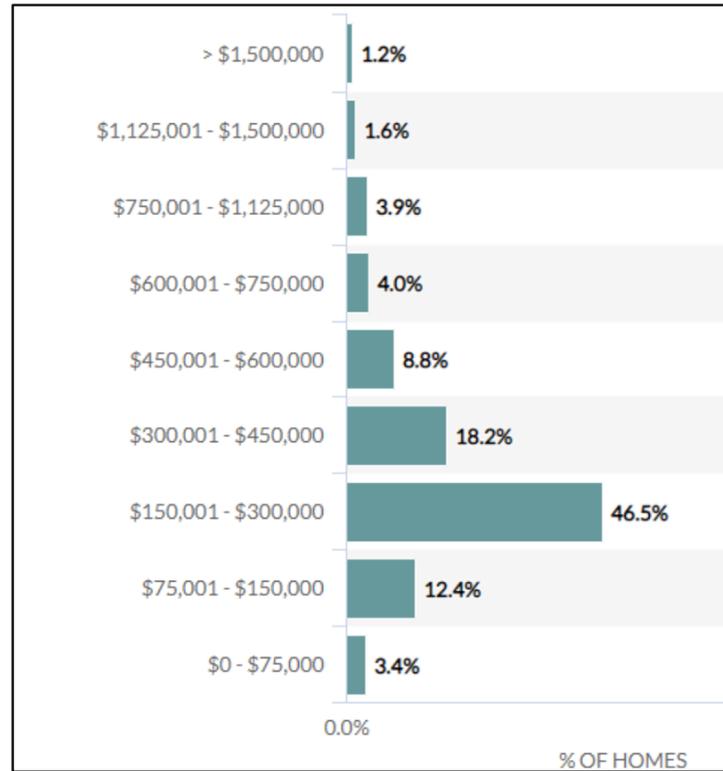
Major Cities - Home Values

Nashville

Current: \$262,600

Monthly Change: 0.3%

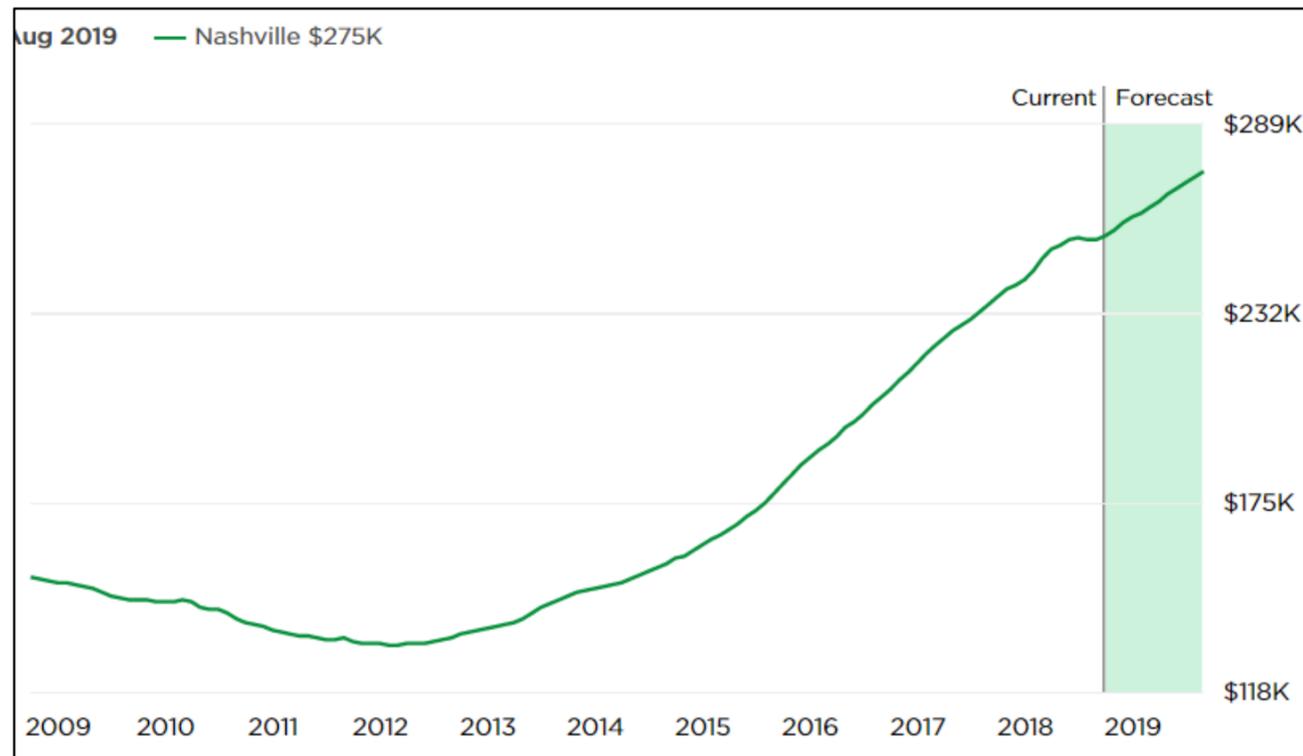
Annual Change: 8.3%



Property Values

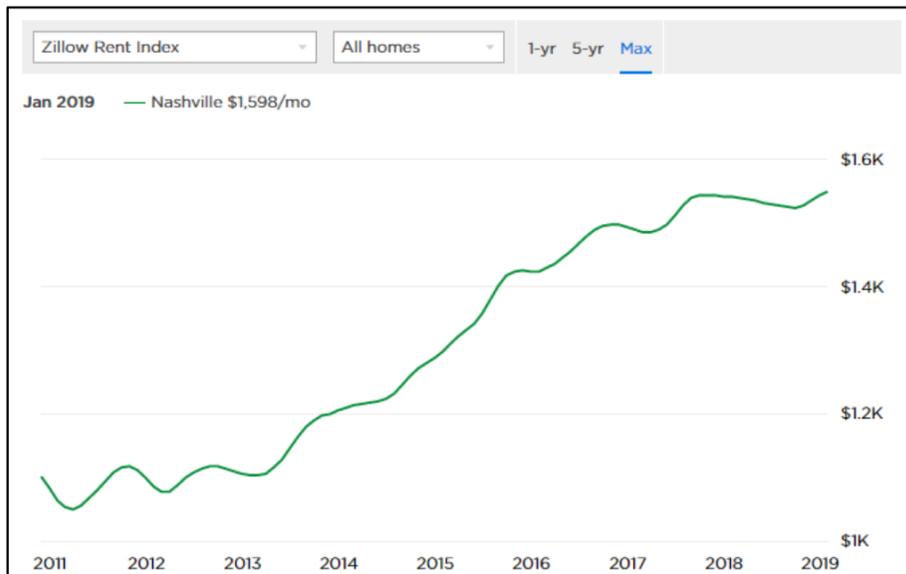
- Median Sales Price: \$255,400
– Annual Change: 7.9%

- Increasing Values: 72.9%
- Decreasing Values: 20.1%



- The property appreciation rate in Nashville, which was quite high for the past few years, has now started to slow down to favor buyers. This shift is becoming a good sign for buyers looking to invest in Nashville real estate in 2019.

Return on Investment



Historical Rental Vacancy Rate data for Nashville

Date	US	Tennessee	Nashville, TN
2017	6.18%	6.67%	5.85%
2016	5.89%	6.68%	3.96%
2015	5.85%	7.13%	4.87%
2014	6.32%	7.24%	3.99%
2013	6.49%	7.86%	5.67%
2012	6.77%	7.89%	6.65%
2011	7.40%	8.54%	8.10%
2010	8.17%	10.33%	8.48%

- Average Rent: \$1,567
 - Annual Change: 0.3%

- Price To Rent Ratio: 13.39

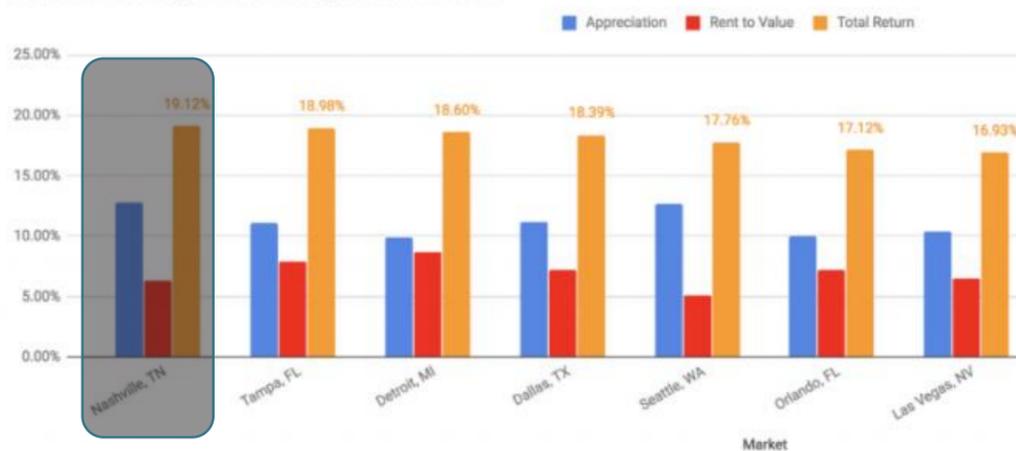
- Low Vacancy Rate

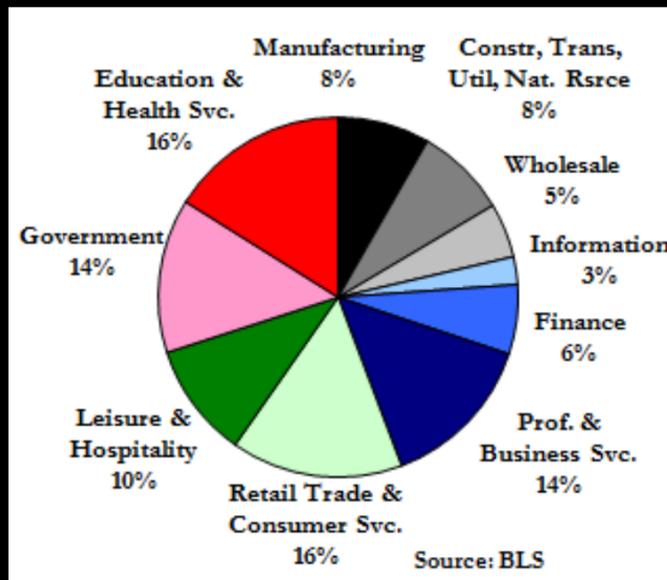
- In the last 10 years, Nashville has experienced some of the highest home appreciation rates of any community in the nation. Nashville real estate appreciated 59.19% which is an average annual home appreciation rate of 4.76%, putting Nashville in the top 10% nationally for real estate appreciation.

Real Gross Rent in Nashville Tennessee (2017 dollars)² Show dollars as: Nominal Real

	2017	1 Year Change	3 Year Change
US Median Gross Rent	\$1,012	+1.61%	+5.86%
Tennessee Median Gross Rent	\$833	+1.71%	+5.71%
Nashville, TN Median Gross Rent	\$1,030	+4.25%	+14.19%

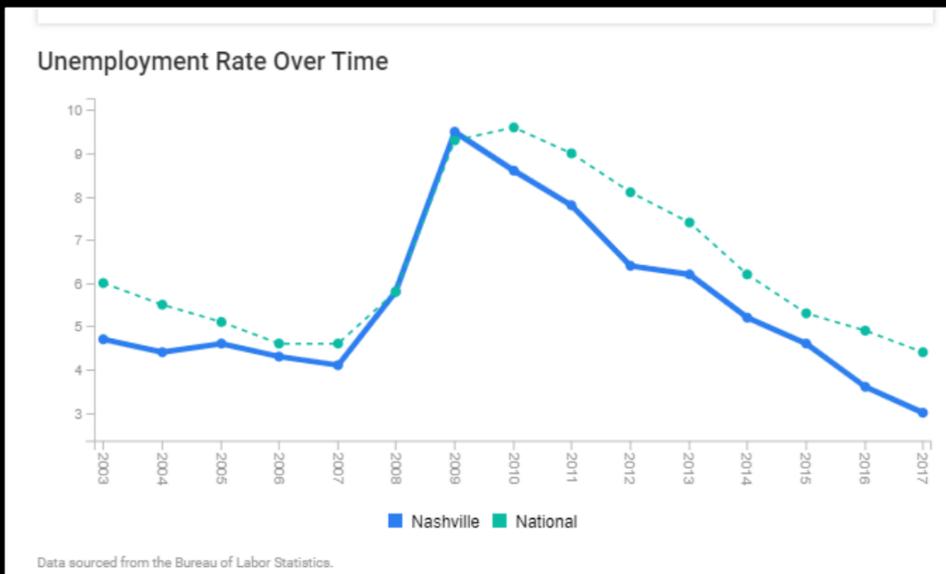
10 Markets Offering Investors the Highest Total Returns





Strong Economy and Diverse Industry

- Nashville's strength as a community truly rests on one solid foundation—its economic diversity. The city is a great "neighborhood" of private and public business and industry, where people are as likely to go to work each morning in banks, hospitals, or government offices as to drive trucks, punch cash registers, or work on assembly lines. (Citydata.com)
- The area has benefited from low unemployment, consistent job growth, heavy outside investment and expansion, and a broadening of the labor force. Although the city's economy is not reliant on any one area of production, Nashville is a leader in finance and insurance, health care, music and entertainment, publishing, transportation technology, higher education, biotechnology, plastics, and tourism and conventions. (Citydata.com)
- Nashville is now home to tech-enabled companies like AllianceBernstein, Lyft, UBS, Ernst & Young, Eventbrite, Postmates and Houzz, among others.



Nashville's Economic Drivers

	Number of jobs	Economic impact
Health Care	250,000	\$38.8 billion
Tourism & Hospitality	87,500	\$5.7 billion
Manufacturing	82,100	\$9.5 billion
Music & Entertainment	60,000	\$10 billion

Source: Nashville 2018 Regional Economic Development Guide

Average Annual Salary



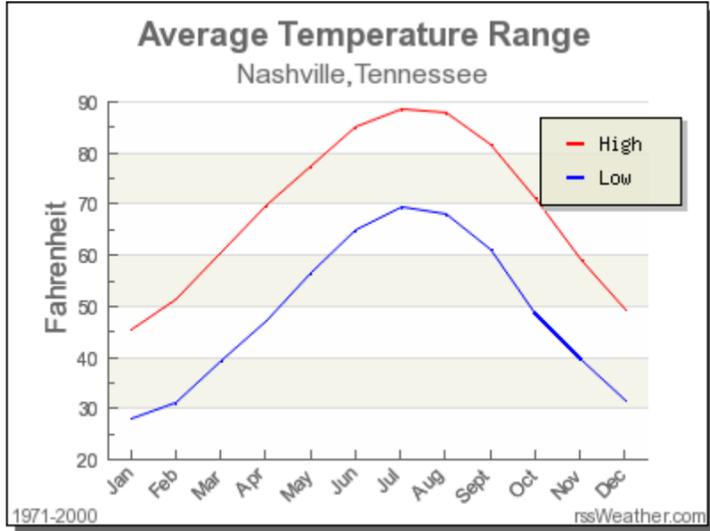

Nashville	USA
\$45,780	\$49,630



Quality of Life

Nashville, TN

 #7 in Best Places to Retire



- The overall cost of living is 4.5% less than the national average. All components (groceries, housing, utilities, etc.) of cost-of-living are typically below the national average.

- Ease of transportation: Air, Road and Rail

- Nashville typically enjoys a mild and pleasant climate

- Nashville is AFORDABLE and LIVABLE!

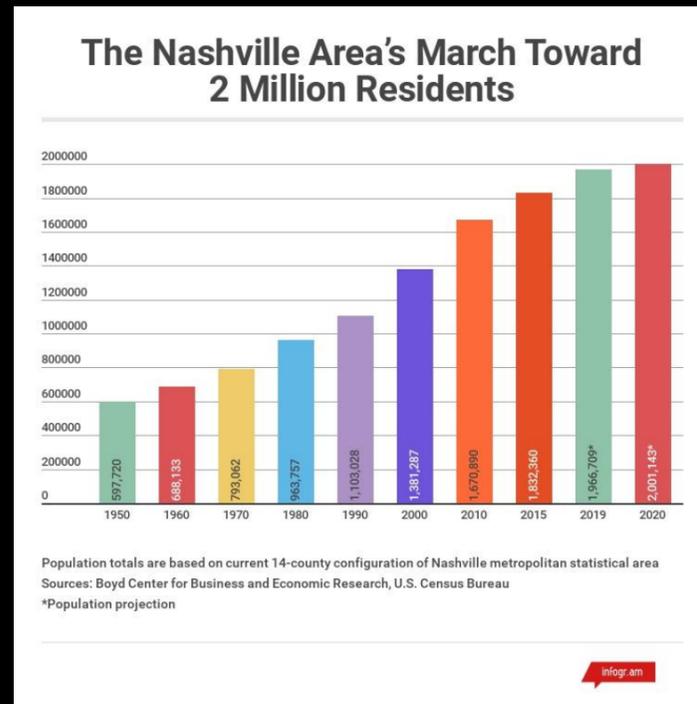


Nashville, TN

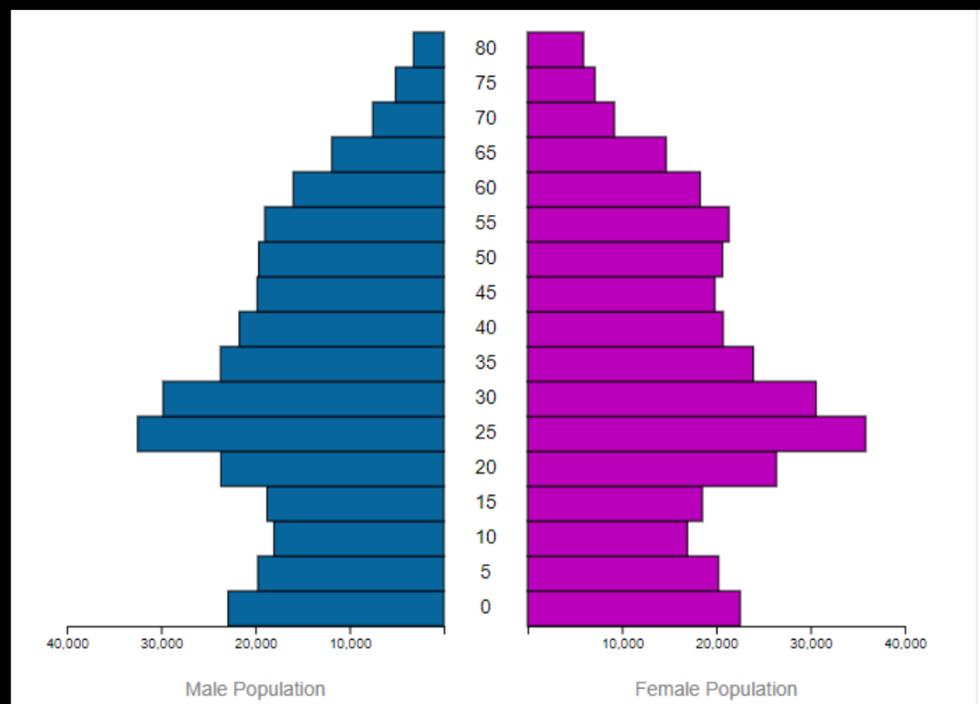
 #11 in Best Places to Live



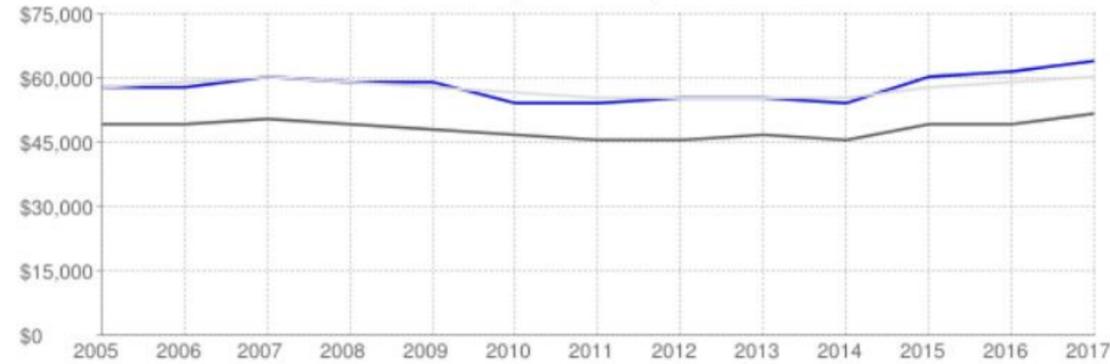
Demographics



- The population is growing, young and diverse
- Nashville has become a very popular destination for immigrants due to a healthy job market and fairly low cost of living. The foreign-born population of the city nearly doubled over the last decade and makes up nearly 12% of the population. The city is home to large populations of Mexicans, Kurds, Vietnamese, Cambodians, Laotians, Arabs and Bantus.



Real Median Household Income: Nashville, Tennessee, National



Nashville Tennessee Median Annual Rent as a Fraction of Median Household Income

	2017	1 Year Change	3 Year Change
US	20.13%	-0.30%	-0.76%
Tennessee	19.47%	-0.45%	-1.36%
Nashville, TN	19.33%	-0.12%	-0.75%

Real Median Household Income for Nashville Tennessee

Show dollars as: [Nominal](#) [Real](#)

	2017	1 Year Change	3 Year Change
US	\$60,336	+2.51%	+8.49%
Tennessee	\$51,340	+3.53%	+11.66%
Nashville	\$63,939	+4.27%	+17.19%

Resident Income

- Median household income for the Nashville-Davidson--Murfreesboro-Franklin Tennessee metro area was \$63,939 in 2017.
- Nashville median household income is \$12,599 higher than the median Tennessee household income and \$3,603 greater than the US median household income.

Other Considerations

- Landlord Friendly
 - Stable: Low vacancy and unemployment
 - Tourism
 - Large Student Population
 - Gentrification and Redevelopment
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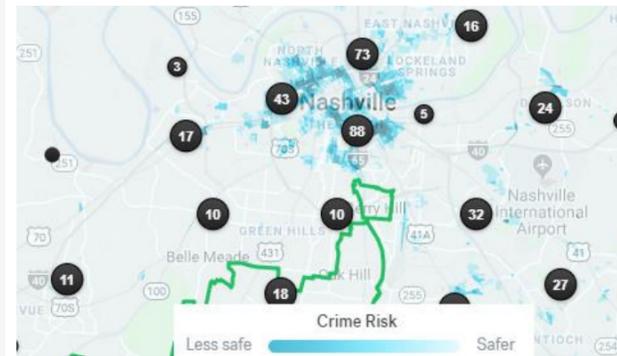
Nashville
 Current: \$262,600
 Monthly Change: 0.3%
 Annual Change: 8.3%

Murfreesboro
 Current: \$238,800
 Monthly Change: 0.6%
 Annual Change: 8.6%

Franklin
 Current: \$463,700
 Monthly Change: 0.7%
 Annual Change: 6.8%

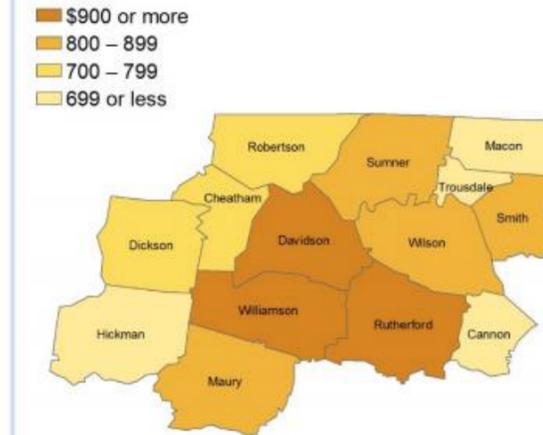
Hendersonville
 Current: \$287,000
 Monthly Change: 0.3%
 Annual Change: 6.1%

Lebanon
 Current: \$244,600
 Monthly Change: 0.2%
 Annual Change: 6.6%

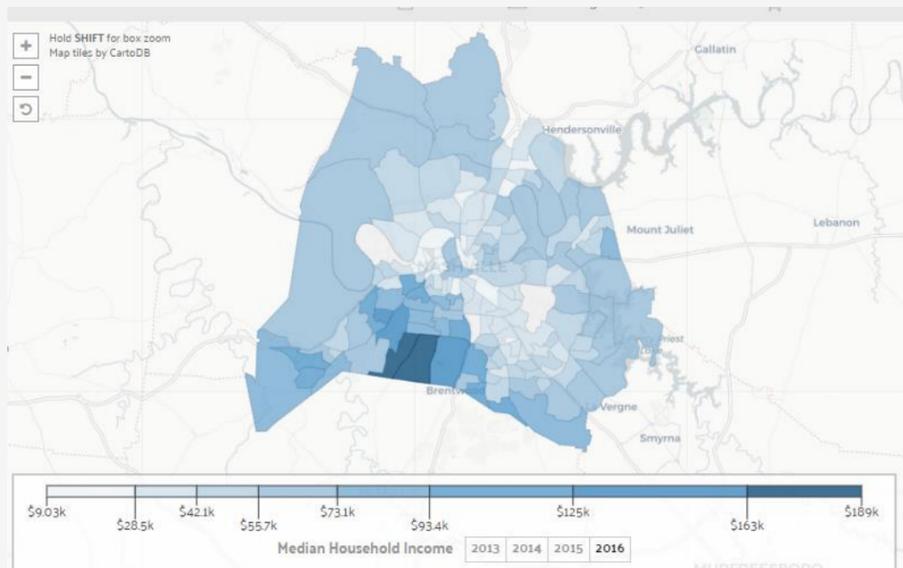


Average weekly wages for all industries by county

Nashville area, 2nd quarter 2018
 (U.S. = \$1,055; Area = \$1,018)



Source: U.S. BLS, Quarterly Census of Employment and Wages.



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