What’s Happening Around Town: Housing in Nashville and Surrounding Areas

- Ken Chilton, Ph.D. Tennessee State University (moderator)
- Kay Bowers, New Level Community Development Corp.
- Bill Herbert, City of Nashville
- Sam Spencer, Virginia Tech Housing Research Center
Housing Trends in Central Appalachia and Nashville

SAM SPENCER
VIRGINIA CENTER FOR HOUSING RESEARCH
Scope of Work

- Compiled and Analyzed data from the American Community Survey (ACS), the ACS Public Use Microdata Samples (PUMS), and the Comprehensive Housing Affordability Strategy (CHAS) files
  - General physical attributes, housing cost characteristics, amount of vacant units and more
- Produced a Gap Analysis for each MSA
  - Illustrates number of households in need of affordable units, minus the number of vacant affordable units for selected income ranges
Area of Study
The Nashville-Davidson--Murfreesboro—Franklin, TN MSA has experienced more linear housing growth than Central Appalachia.

Similar levels of older housing stock from the 70’s and 80’s that is likely in need of updating.

Percentage of Housing Units by Year Built
Source: VCHR Tabulation of 2016 ACS 5-year Estimates
Results of Housing Affordability Gap Analysis

- **Renter-Occupied/For Rent**
  - High degree of competition for the most affordable housing units
    - Lower income households forced to move up-market--facing a cost-burden in exchange for a place to live

- **Owner-Occupied/For-Sale**
  - Few units are affordable to households earning less than 50% AMI compared to other MSAs in the study area, especially West Virginia and Appalachian Alabama
    - Comparable to Appalachian Tennessee MSAs
    - Slightly higher percentage of cost-burden among lower incomes
Key Takeaways from Report

- Low and moderate-income households in these areas likely face rising housing costs driven by demand and relatively stagnant income growth.
- About 50% of the housing stock will need major “upgrades within 10-20 years.
- Energy use is an important contributor to high housing costs due to older, less efficient units.
- A mismatch of housing size and household size has negatively affected the availability of affordable and appropriate units—opportunity for redevelopment.
What’s Happening Around Town: Housing in Nashville and Surrounding Areas

- Ken Chilton, Ph.D. Tennessee State University (moderator)
- Kay Bowers, New Level Community Development Corp.
- Bill Herbert, City of Nashville
- Sam Spencer, Virginia Tech Housing Research Center