

Tennessee's Economic Outlook 2024 Q1

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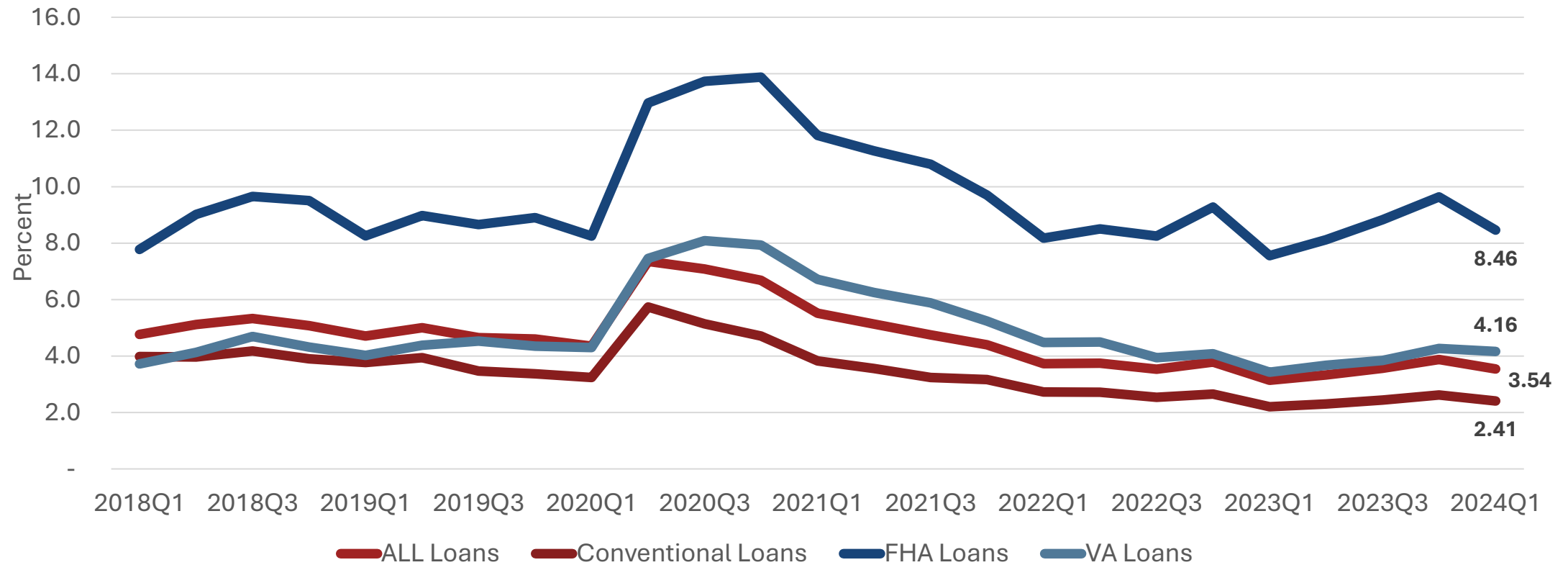
Mortgage Delinquency

Source: Mortgage Bankers Association National Delinquency Surveys ([Link](#))

Total Delinquent Loans by Loan Type

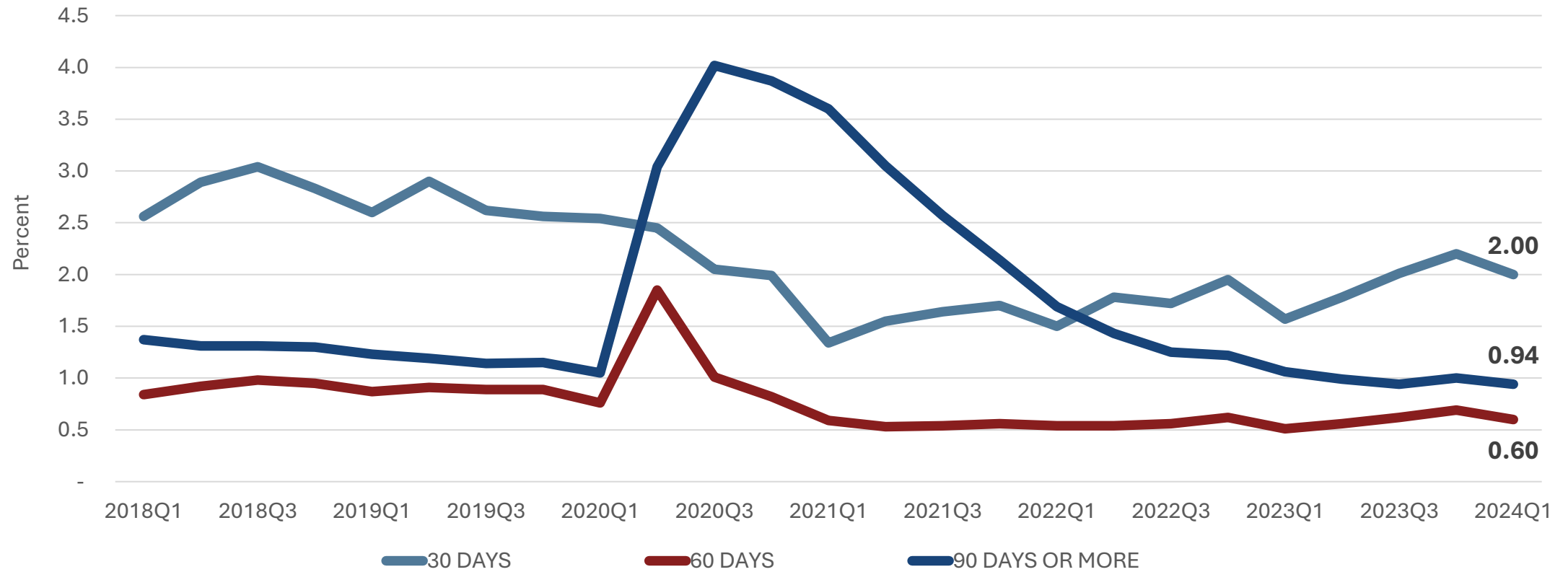
(Tennessee)

- FHA-insured loans had higher delinquencies than other loan types and experienced greater quarterly increase compared to other loan types.
- The total delinquency rate for all loans was higher than one year ago.



30-, 60- and 90+ day Delinquencies for All Loans (Tennessee)

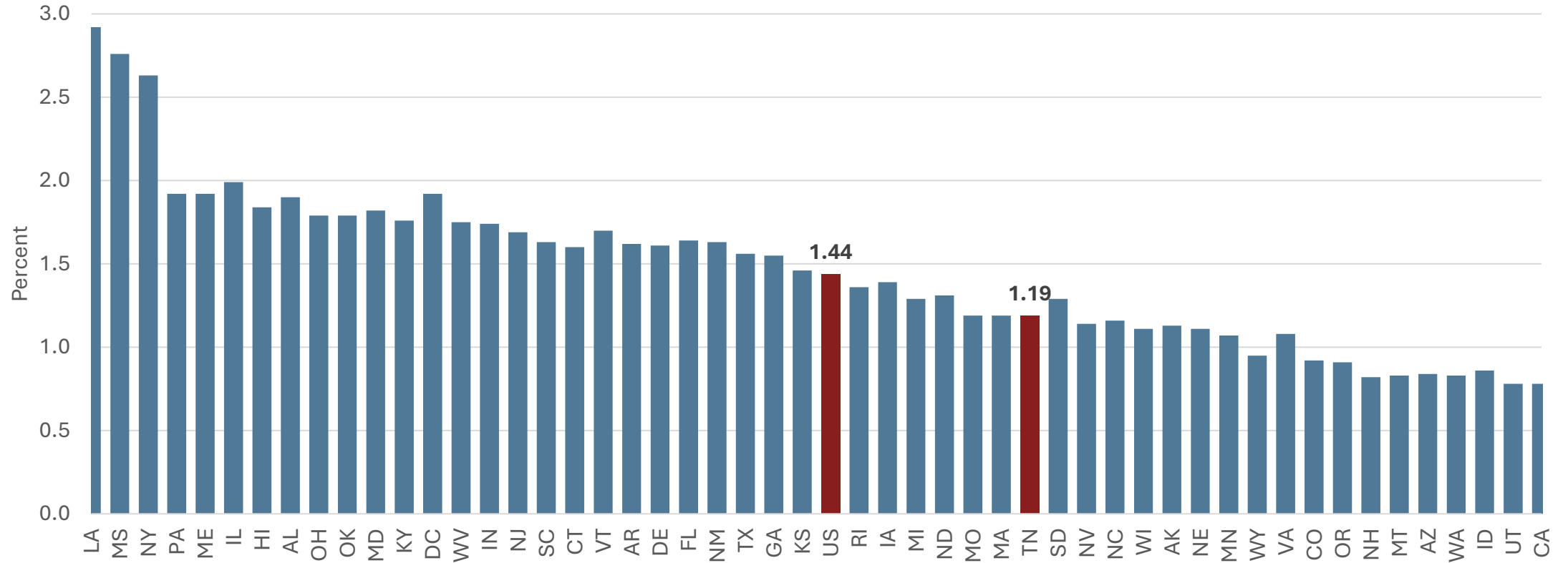
- The overall delinquency rate for all loans was still lower than the peak it reached after the pandemic started.
- However, delinquency rate in all stages were higher than a year ago.



Serious Delinquencies for All Loans

(Nation)

- The percent of seriously delinquent (90+ days delinquent and all loans in the process of foreclosure at the end of the quarter) loans in Tennessee were less than the US average in the first quarter of 2024.



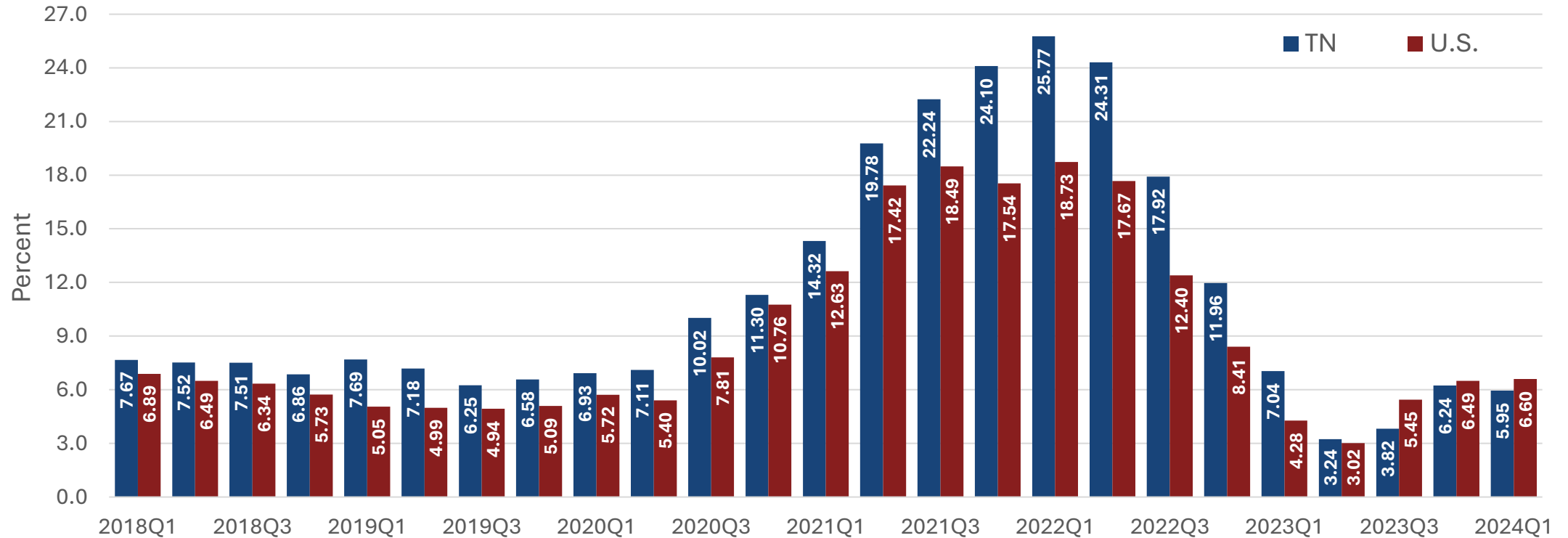
House Price Index

Source: Federal Housing Finance Agency ([Link](#))

Percent Change in House Prices

(Seasonally-Adjusted, 1-Year, Purchase Only in TN and U.S.)

- The Federal Housing Finance Agency's (FHFA) House Price Index (HPI) is a measure of single-family home prices, showing the average price change in repeat sales on the same properties for various geographic levels and captures roughly 85 percent of all U.S. sales.
- After the Covid-19 pandemic started, house prices appreciated significantly, both in the nation and in Tennessee. It slowed down until the second quarter of 2023.



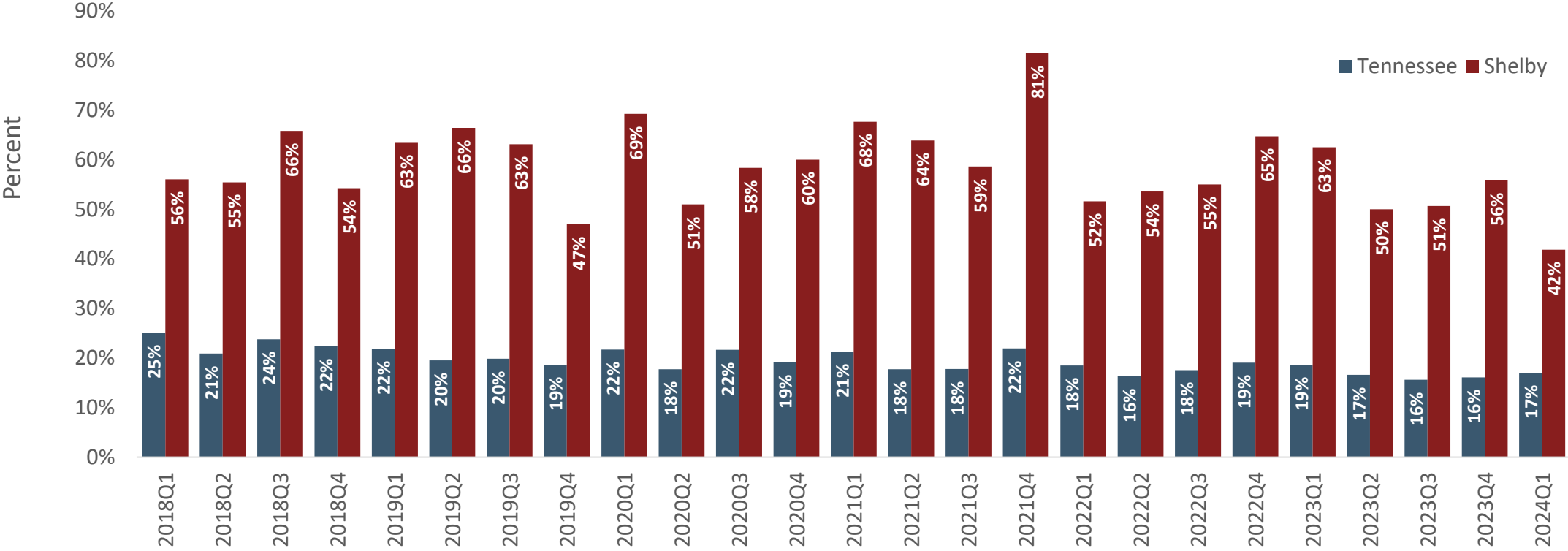
Black Homeownership Rates in Shelby County & Tennessee

Sources: THDA; American Community Survey (ACS) 1-Year Estimates ([Link](#))

Black Borrowers as Percent of Total Borrowers

(THDA Loans)

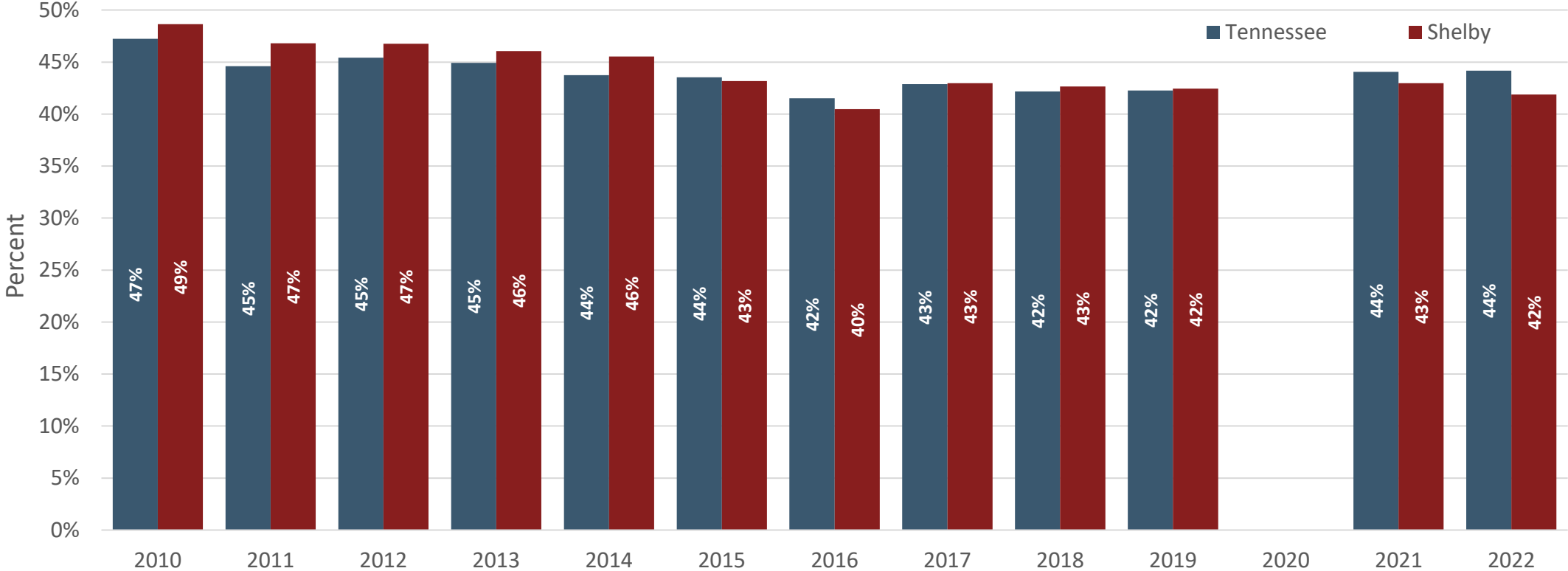
- In the first quarter of 2024, 42% of THDA borrowers in Shelby County were Black, declining from 56% in the previous quarter. In the state, 17% of THDA borrowers were Black.



Percent of Black Households who are Homeowners

(Overall Market)

- In 2022, 42% of Black households in Shelby County were homeowners, compared to 49% in 2010.
- The Black homeownership rate in the state was 44% in 2022. It was 47% in 2010.
- While the Black homeownership rate in 2022 was lower than it was in 2010, black households in Shelby County experienced larger declines than the state.



*The American Community Survey 1-year survey was not conducted in 2020, due to the COVID-19 pandemic. Therefore, there is no data for 2020.

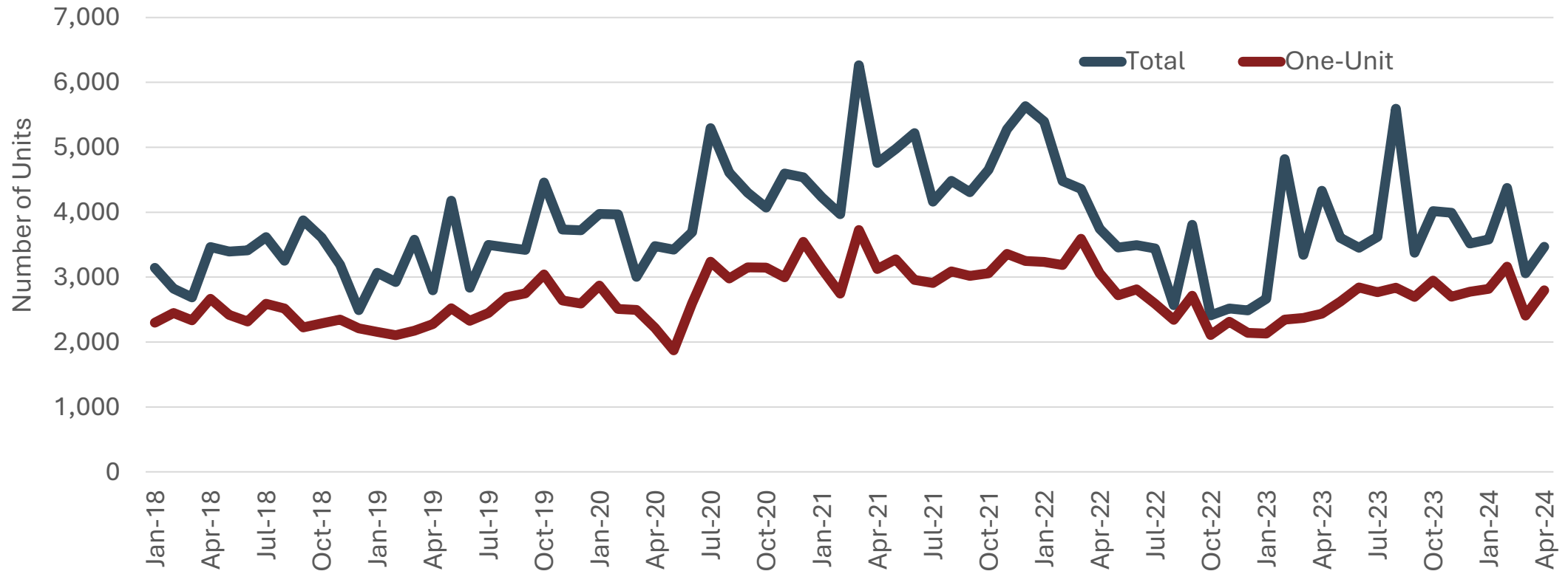
Building Permits

Source: Census Bureau Building Permits Survey ([Link](#))

New Private Housing Units Authorized by Building Permits

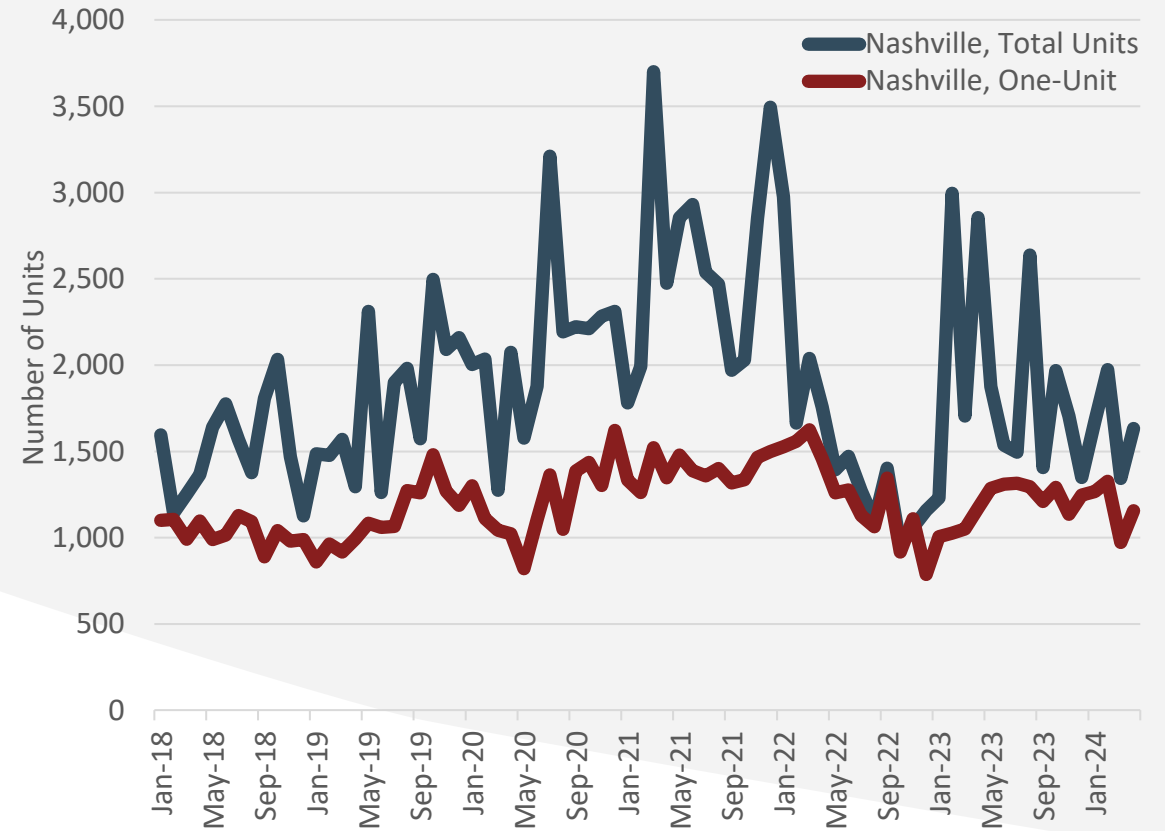
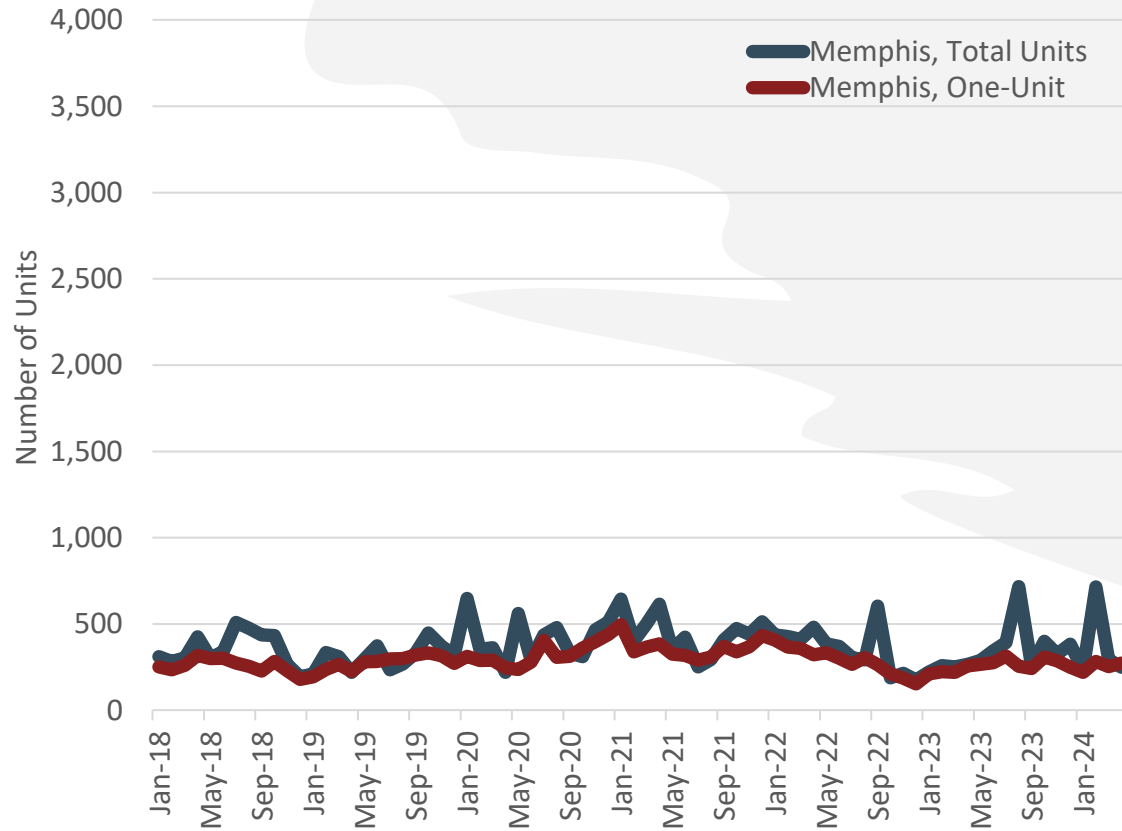
(Tennessee)

- In April, 3,469 new privately-owned housing units authorized by building permits (a seasonally adjusted annual rate), which is 13% higher than the revised March rate but 20% lower than the April 2023 rate.
- In April, 2,796 single-family or one-unit building permits were pulled, comprising 81% of total permits.



New Private Housing Units Authorized by Building Permits

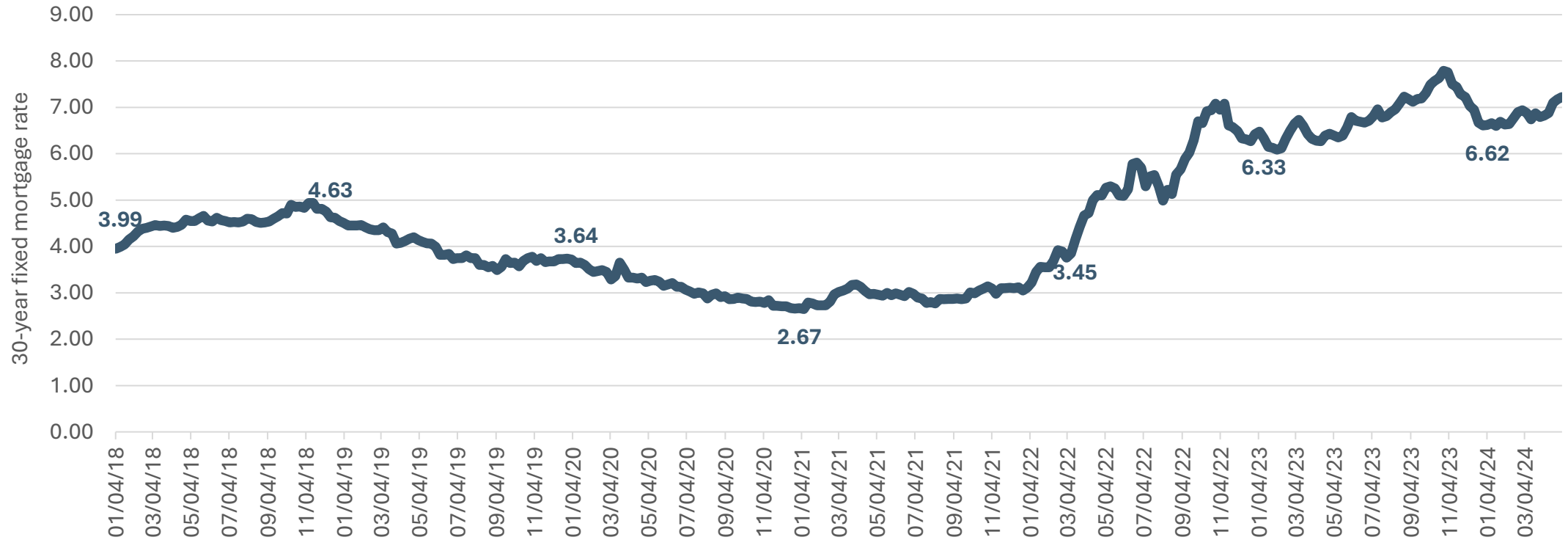
(Memphis and Nashville MSAs)



Mortgage Interest Rates

Source: Freddie Mac ([Link](#)), Primary Mortgage Market Survey ([Link](#))

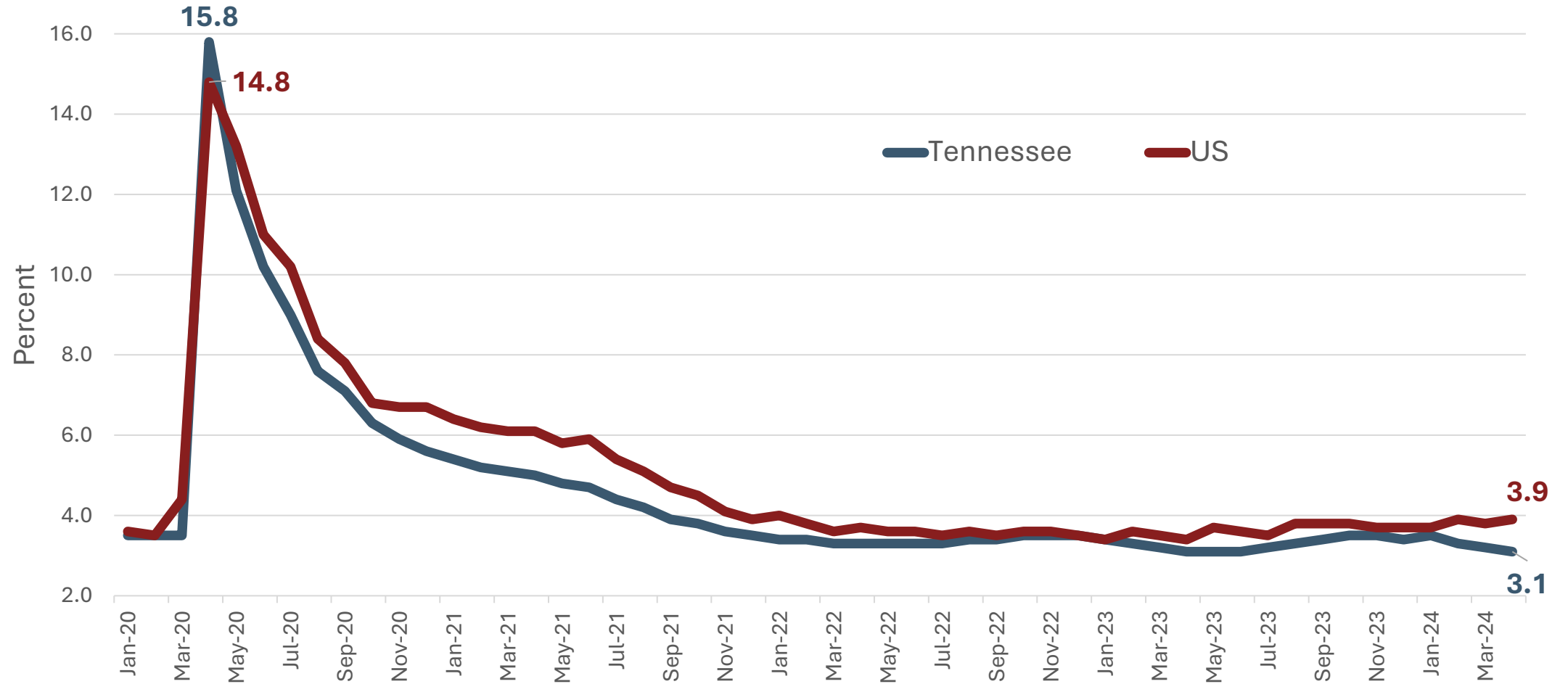
Weekly Mortgage Rates



Unemployment Rates

Source: Bureau of Labor Statistics ([Link](#))

Seasonally Adjusted Monthly Unemployment Rates

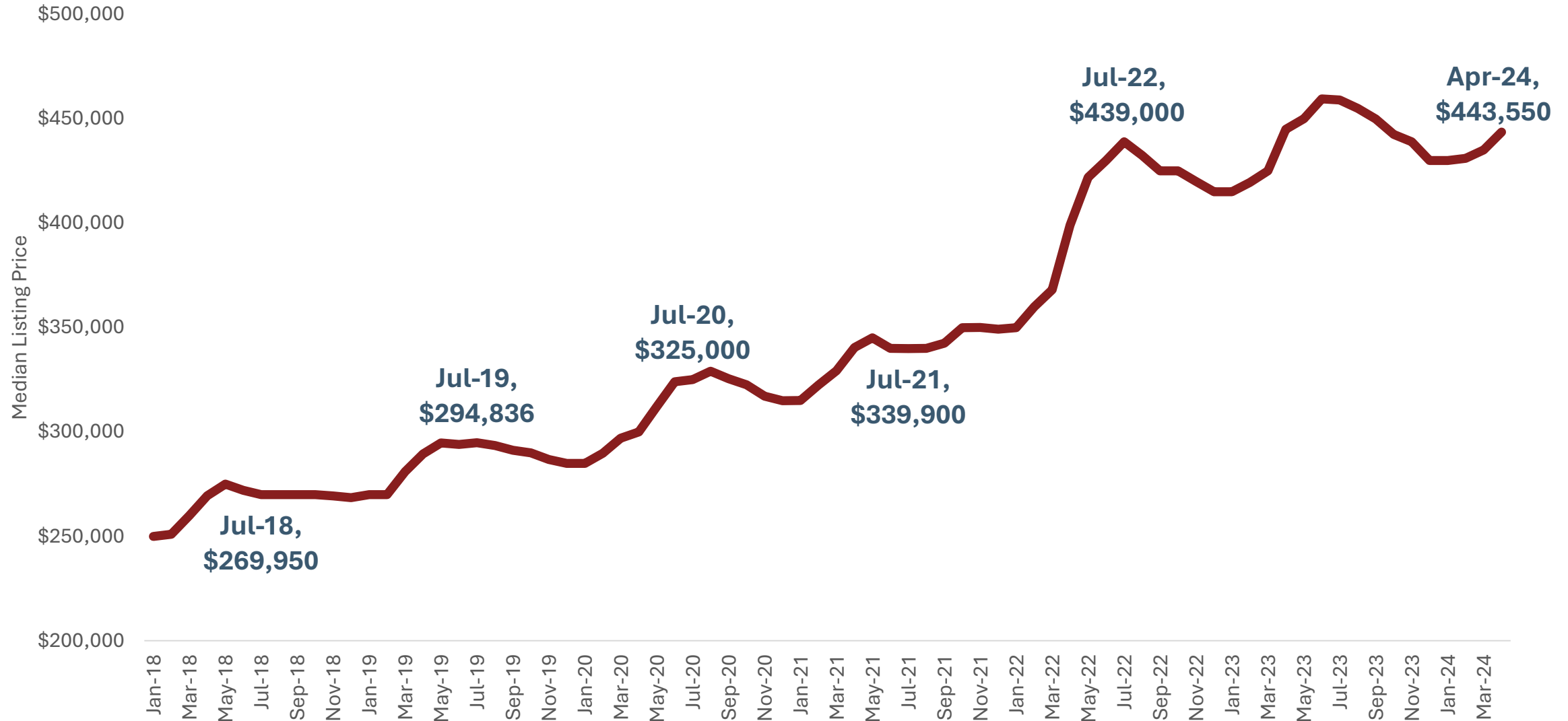


Housing Market Trends

Source: Realtor.com ([Link](#))

Median Listing Price

(Tennessee)



Active Listing Count

(Tennessee)

- In April 2024, there were 31.4% more homes actively for sale than same month in 2023. Although this is a big improvement from the active listing count in much of 2021, it was still nearly half of pre-pandemic levels.



Days on the Market

(Tennessee)

- In April 2024, a typical home spent 43 days on the market, which is 1 day more than the same time last year.

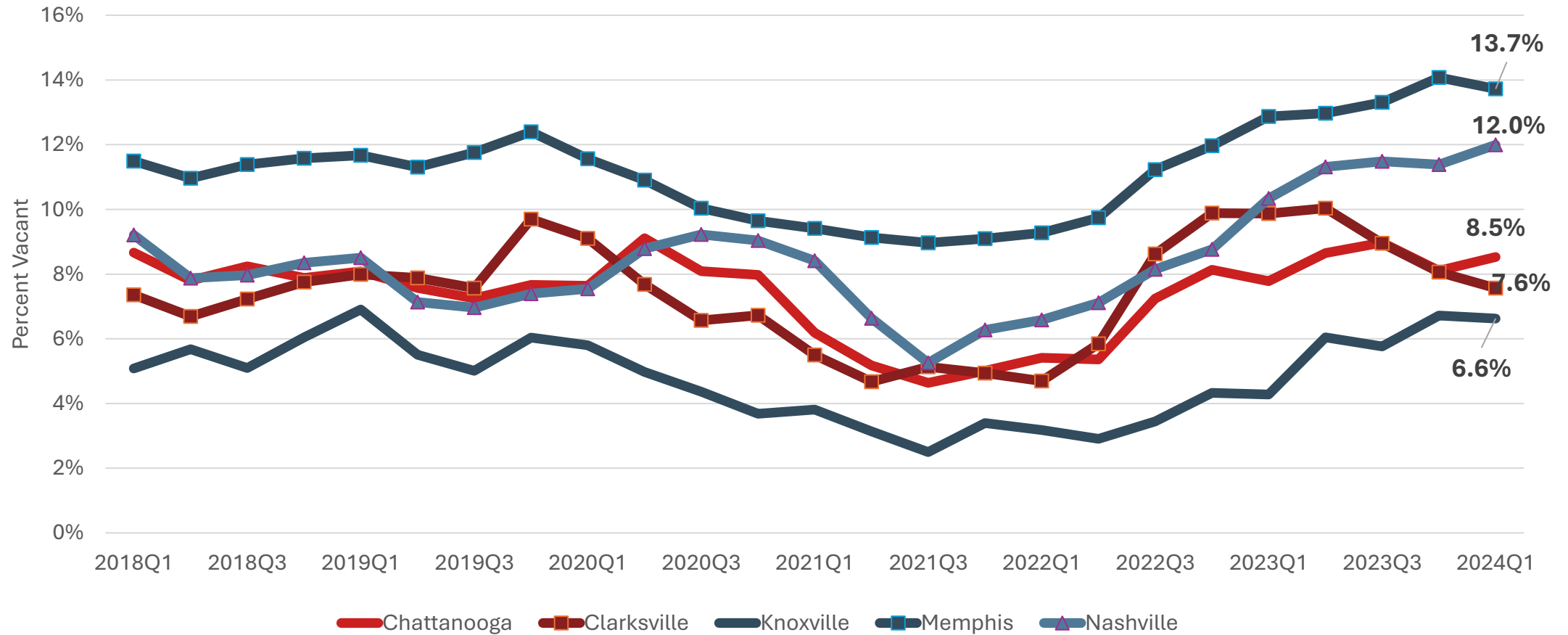


Rental Indicators

Source: CoStar ([Link](#))

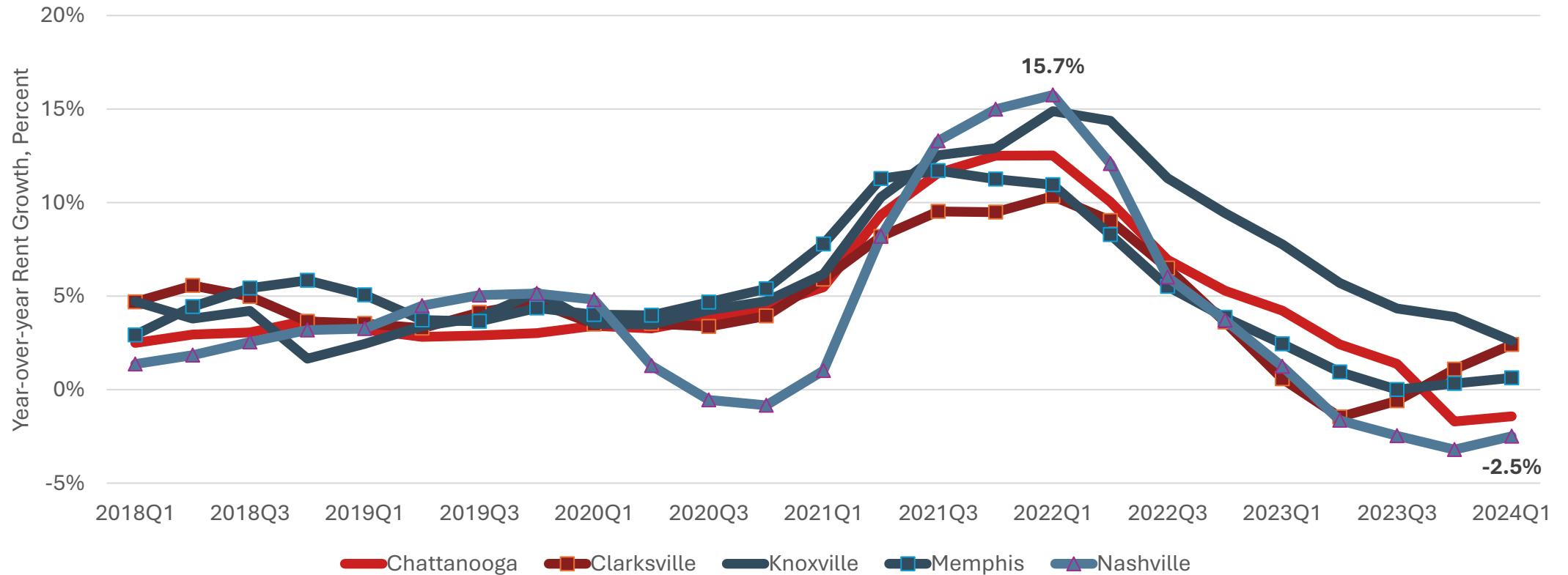
Quarterly Rental Vacancy Rates by Metro Area

- Rental vacancy rates in four of the five largest Tennessee metros were higher than a year ago



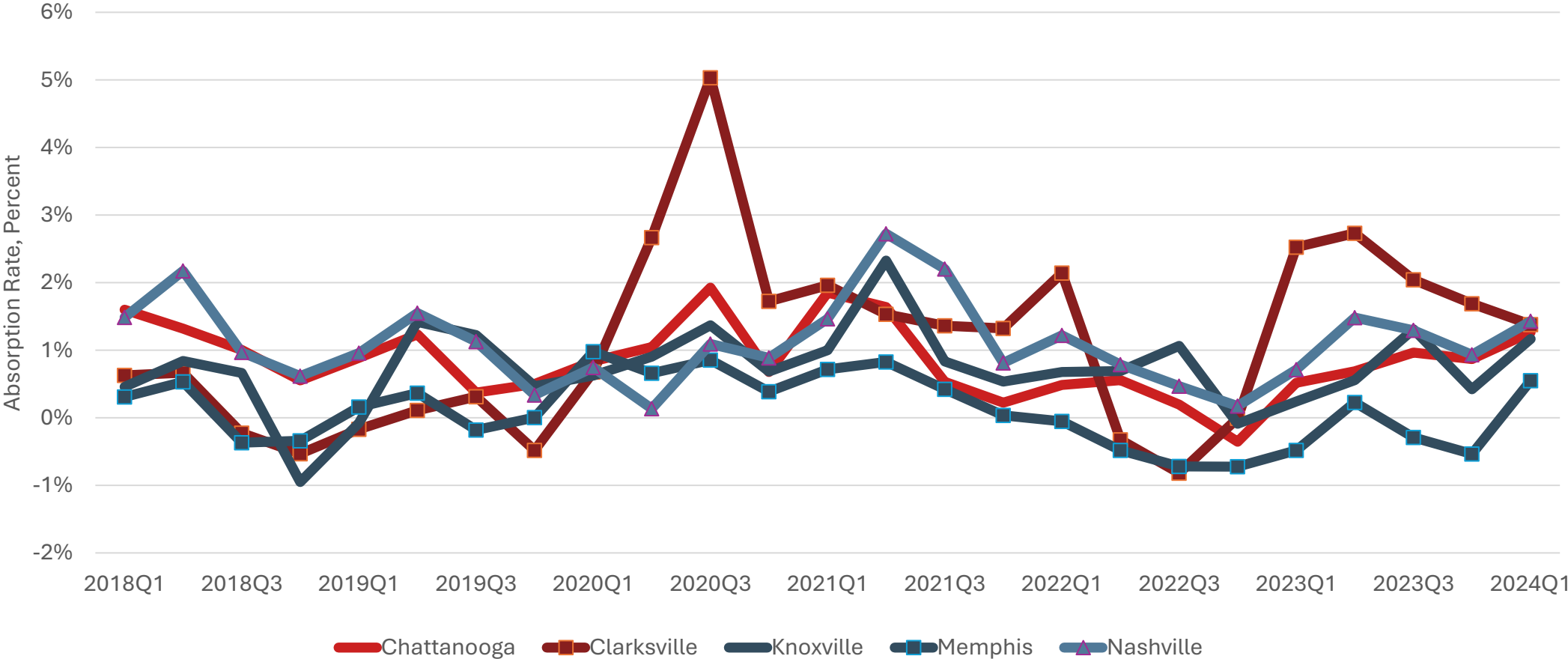
Quarterly Market Effective Rent Growth by Metro Area

- Effective rent (asking rent minus the concessions) declined in Chattanooga and Nashville, while increasing in other three large metro areas



Quarterly Absorption Rate by Metro Area

- Absorption rate* was higher in the first quarter of 2024 than the first quarter of 2023 in the large metro areas of Tennessee, except Clarksville.



*This is the difference between the total vacated units and the newly leased units by tenants within a set time frame, relative to the initial total amount of units marketed as available for lease

Data Sources and Availability

