



MULTIFAMILY REPORT

Nashville's Building Boom

January 2026

Rents Ease, Occupancy Steadies

Tepid Investment, PPU Declines

Robust Deliveries, Elevated Pipeline



NASHVILLE MULTIFAMILY



Firm Occupancy In A High-Supply Market

After several years of rapid expansion, Nashville's multifamily market is easing but still holding its ground, with average advertised asking rents down 0.5%, on a trailing three-month basis through November 2025, to \$1,643, lagging the 0.3% national figure. Occupancy in stabilized assets ticked up 30 basis points year-over-year, to 94.3% in October, indicating steady demand even after nearly 24,000 units were delivered since early 2024.

Employment growth stood at 1.0% year-over-year through August, slightly outpacing the 0.8% U.S. rate. Unemployment was 3.0%, in line with Tennessee and below the national 4.3% figure, according to data from the Bureau of Labor Statistics. The metro added 14,000 net jobs over the 12-month period ending in August, led by government and service sectors, while three sectors lost 1,800 jobs combined. Notable projects underway include BNA's Concourse D expansion under the \$3 billion New Horizons program, the \$2.1 billion Nissan Stadium on the East Bank and Oracle's \$1.2 billion campus.

Developers added 9,490 units in 2025 through November, and had 16,470 underway, while construction starts decelerated. Investment remained subdued, with \$754 million in multifamily sales. The average price per unit decreased 3.4% year-to-date to \$185,358, down for the third straight year and trailing the U.S. average, which reached \$206,794.

Market Analysis | January 2026

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Recent Nashville Transactions

Statler McCain's Station



City: Gallatin, Tenn.
Buyer: DBG Properties
Purchase Price: \$64 MM
Price per Unit: \$216,925

The Villages at Forest View



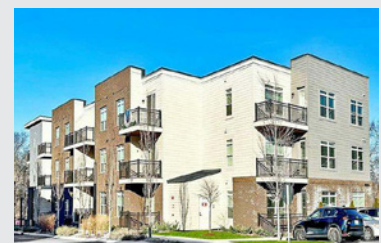
City: Antioch, Tenn.
Buyer: Osso Capital
Purchase Price: \$58 MM
Price per Unit: \$188,925

Windsor Downs



City: Smyrna, Tenn.
Buyer: Covenant Capital Group
Purchase Price: \$54 MM
Price per Unit: \$150,418

Meridian Park

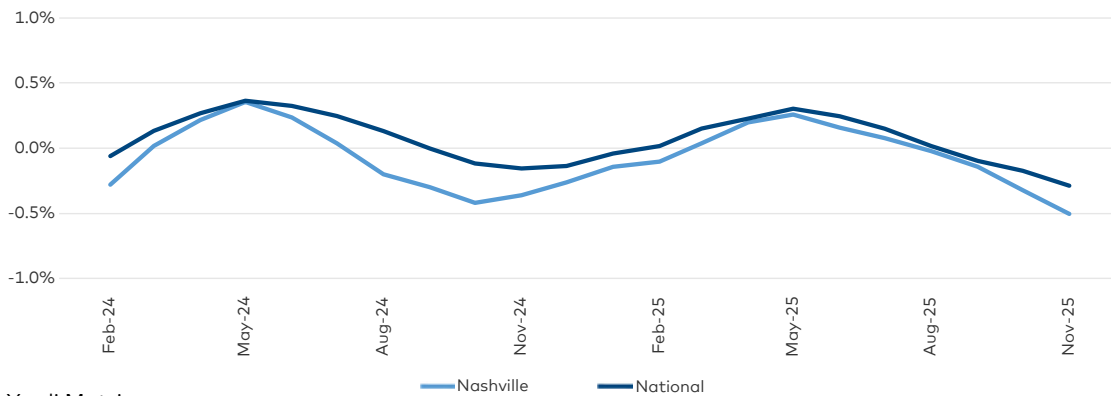


City: Nashville, Tenn.
Buyer: OakPoint Real Estate
Purchase Price: \$39 MM
Price per Unit: \$246,854

RENT TRENDS

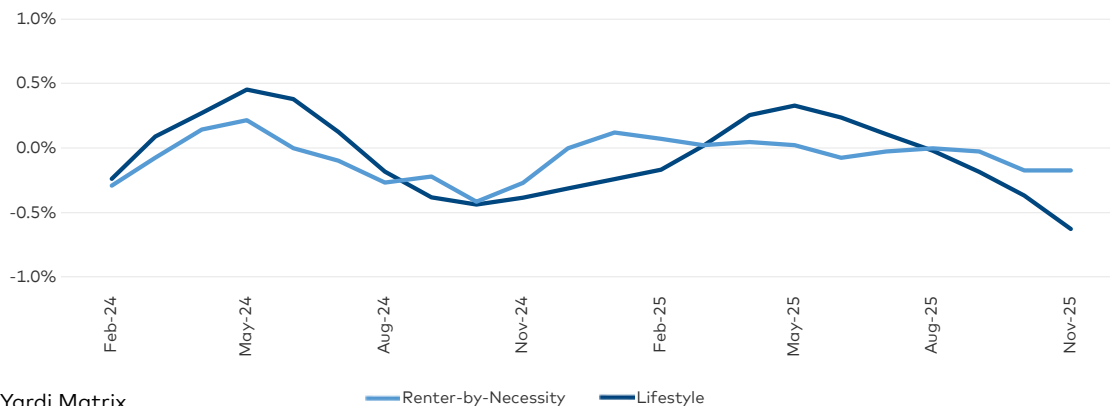
- ▶ Nashville's advertised asking rents fell 0.5%, on a trailing three-month (T3) basis through November, to \$1,643, lagging the national rate, which was down 0.3% to \$1,740. Year-over-year, rents declined 1.1% in Nashville, while the U.S. rate inched up 0.2%. The metro's softer performance reflects recent supply additions, with rents holding up reasonably well given the nearly 24,000 units delivered since the start of 2024.
- ▶ Advertised asking rents for the upscale Lifestyle segment were down 0.6%, on a T3 basis through November, to \$1,789, following modest gains in the second quarter. Rates for the working-class Renter-by-Necessity segment ticked down 0.2%, to \$1,357, and remained flat or negative for most of the 2025 leasing season.
- ▶ Occupancy in stabilized properties rose 30 basis points year-over-year to 94.3% in October. RBN occupancy was up 60 basis points to 93.9%, while Lifestyle occupancy was higher, at 94.5%, following a 20-basis-point uptick.
- ▶ Rent gains were recorded year-over-year through November in 23 of the 49 submarkets tracked by Yardi Matrix, among which were Nashville—Central (8.2% to \$2,168) and Nashville—Green Hills (0.3% to \$2,121). The priciest submarket remained Nashville—Downtown (-0.5% to \$2,381), while average rates below the \$1,500 mark were registered in 22 submarkets.
- ▶ Advertised asking rents for the SFR sector were down 1.6% year-over-year, to \$2,496 in November, while occupancy fell 1.7%, to 95.0%.

Nashville vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Nashville Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- Nashville's employment growth was 1.0% year-over-year through August, slightly above the 0.8% U.S. rate. The metro's unemployment figure ranged from 2.4% to 3.7% in 2025 through August, when it clocked in at 3.0%—on par with Tennessee's rate and outperforming the national 4.3%, according to data from the BLS.
- Nashville added 14,000 net jobs in the 12 months ending in August, with government leading gains (4,900 jobs). Another five sectors added between 2,000 and 2,400 positions each, including other services (2,400) and trade, transportation and utilities (2,200). Three sectors lost 1,800 jobs combined, with the steepest drops recorded in mining, logging and construction (-1,100).
- Nashville International Airport opened an expansion of Concourse D, which added five new gates and additional retail and dining space under the \$3 billion New Horizons program. Meanwhile, construction is set to begin on Oracle's \$1.2 billion campus on the East Bank following Metro Council approval. The project is expected to bring more than 8,000 jobs. These investments are complemented by the \$2.1 billion enclosed Nissan Stadium on the East Bank, which is slated to open ahead of the 2027 NFL season, and Vanderbilt University Medical Center's 17-story Jim Ayers Tower, a 470,000-square-foot expansion opening in phases beginning in late 2025 with about 180 new adult inpatient beds and shell space for future capacity.

Nashville Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
90	Government	132.6	11.0%
80	Other Services	52.5	4.4%
40	Trade, Transportation and Utilities	232.5	19.4%
60	Professional and Business Services	199.2	16.6%
65	Education and Health Services	178.8	14.9%
70	Leisure and Hospitality	139.5	11.6%
55	Financial Activities	81.4	6.8%
50	Information	31.7	2.6%
30	Manufacturing	88.1	7.3%
15	Mining, Logging and Construction	64.9	5.4%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Nashville's population expanded 6.4% between 2019 and 2022, among the highest growth in the country and well above the 2.0% U.S. rate.
- The same 1.6% average annual growth continued through 2024, according to Census estimates, leading the 1.0% national growth rate.

Nashville vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Nashville Metro	1,871,903	1,904,186	1,960,999	1,990,873

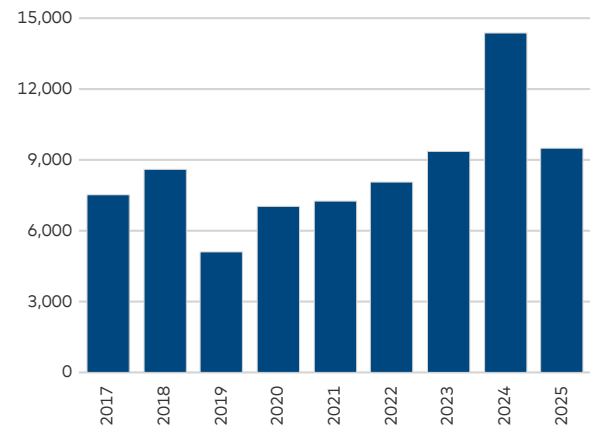
Source: U.S. Census

SUPPLY

- ▶ Developers delivered 9,490 units in 2025 through November, the second-largest number of completions of this decade, below only the 14,365-unit peak recorded in 2024. Deliveries this year amounted to 4.6% of existing stock, well above the 2.8% national average. Developers continued to target upscale projects, as units completed this year were 80.2% in Lifestyle assets, 12.2% in fully affordable and 7.6% in RBN projects. Over the past eight years, Nashville had been consistently above the U.S. figure in terms of new construction as a share of existing stock. On average, developers added roughly 8,400 units per year from 2017 to 2024.
- ▶ With 16,470 units underway as of November, and another 66,000 in the planning and permitting phases, Nashville's construction pipeline was strong. Developers remained highly focused on the upscale segment, as the construction pipeline comprised 80.5% of units in Lifestyle projects, followed by 13.1% in fully affordable and 6.4% in RBN.
- ▶ Construction starts through November 2025 amounted to 4,957 units across 24 projects, down from 5,597 units over the same period in 2024. Projects that broke ground in 2025 were smaller on average.

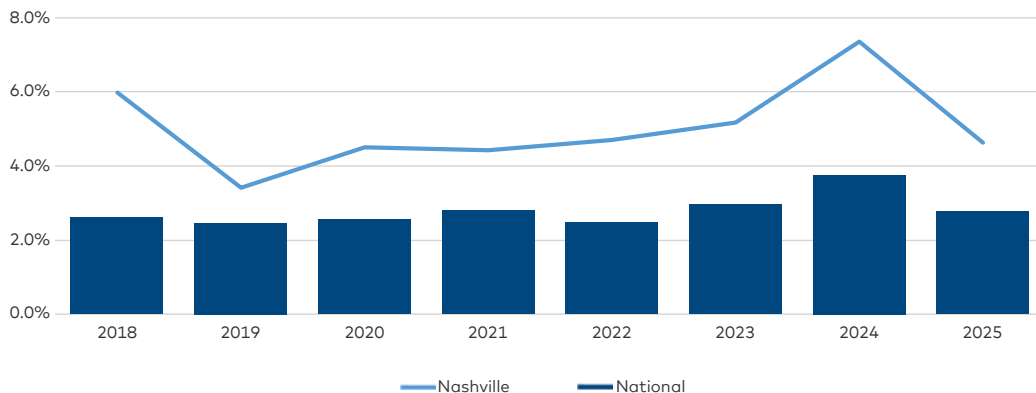
- ▶ Out of the metro's 49 submarkets, developers were active in 24. The top three were Nashville–Downtown (2,735 units), Spring Hill (1,519) and Nashville–Central South (1,462).
- ▶ Notable deliveries in 2025 included Ascend Real Estate Group's Grace in Nashville–Vanderbilt. The 384-unit Lifestyle asset includes 6,000 square feet of retail space and was built with aid from a \$100 million construction loan issued by Affinus Capital in 2022.

Nashville Completions (as of November 2025)



Source: Yardi Matrix

Nashville vs. National Completions as a Percentage of Total Stock (as of November 2025)



Source: Yardi Matrix

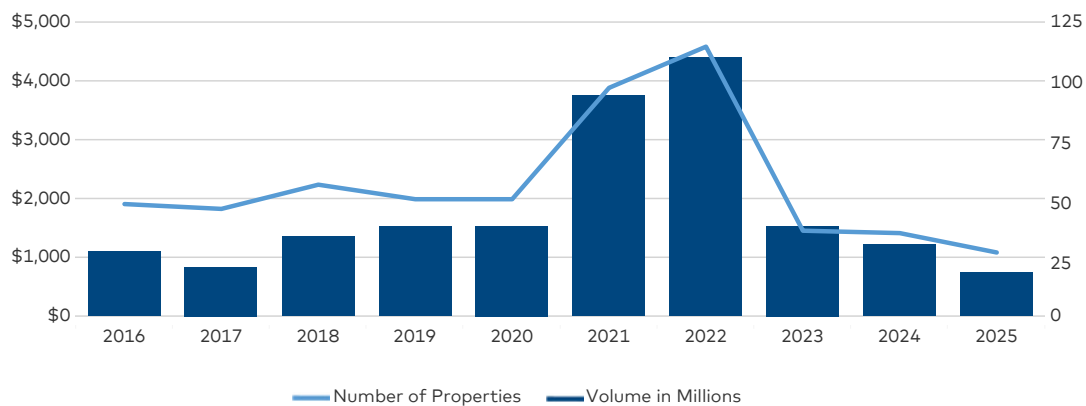
TRANSACTIONS

- ▶ Nashville multifamily sales totaled \$754 million year-to-date through November, down 36.0% year-over-year. Activity has been on a cooling trend over the past three years, following a decade peak in 2022, when \$4.4 billion in assets traded. Excluding 2021 and 2022, an average of \$1.3 billion changed hands per year since 2015.
- ▶ The sales composition was nearly even across asset classes, with RBN accounting for 16 of the 30 transactions recorded in 2025 through No-

vember. The average price per unit declined for the third straight year, down 3.4% year-to-date to \$185,358 in November, and marking a 25% drop from the all-time high recorded in 2022 (\$246,461). Meanwhile, the U.S. average rose 7.0%, to \$206,794.

- ▶ Notable sales included the trade between buyer DBG Properties and seller Embrey Partners for a 307-unit property in Gallatin completed in 2024. The transaction was aided by a \$48 million CMBS loan issued by Walker & Dunlop.

Nashville Sales Volume and Number of Properties Sold (as of November 2025)



Source: Yardi Matrix

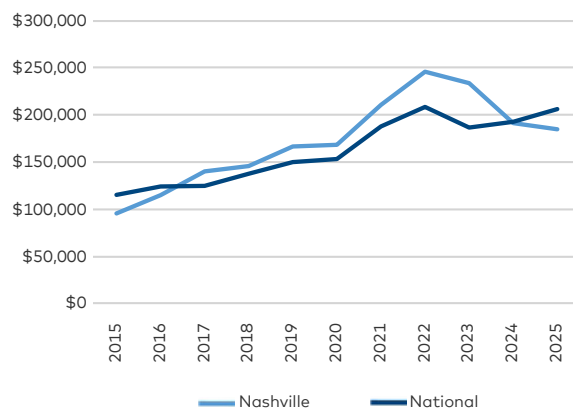
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Nashville–Southeast	120
Nashville–West	101
Nashville–Central South	98
Nashville–Central	83
Gallatin	64
Nashville–East End	63
Smyrna	62

Source: Yardi Matrix

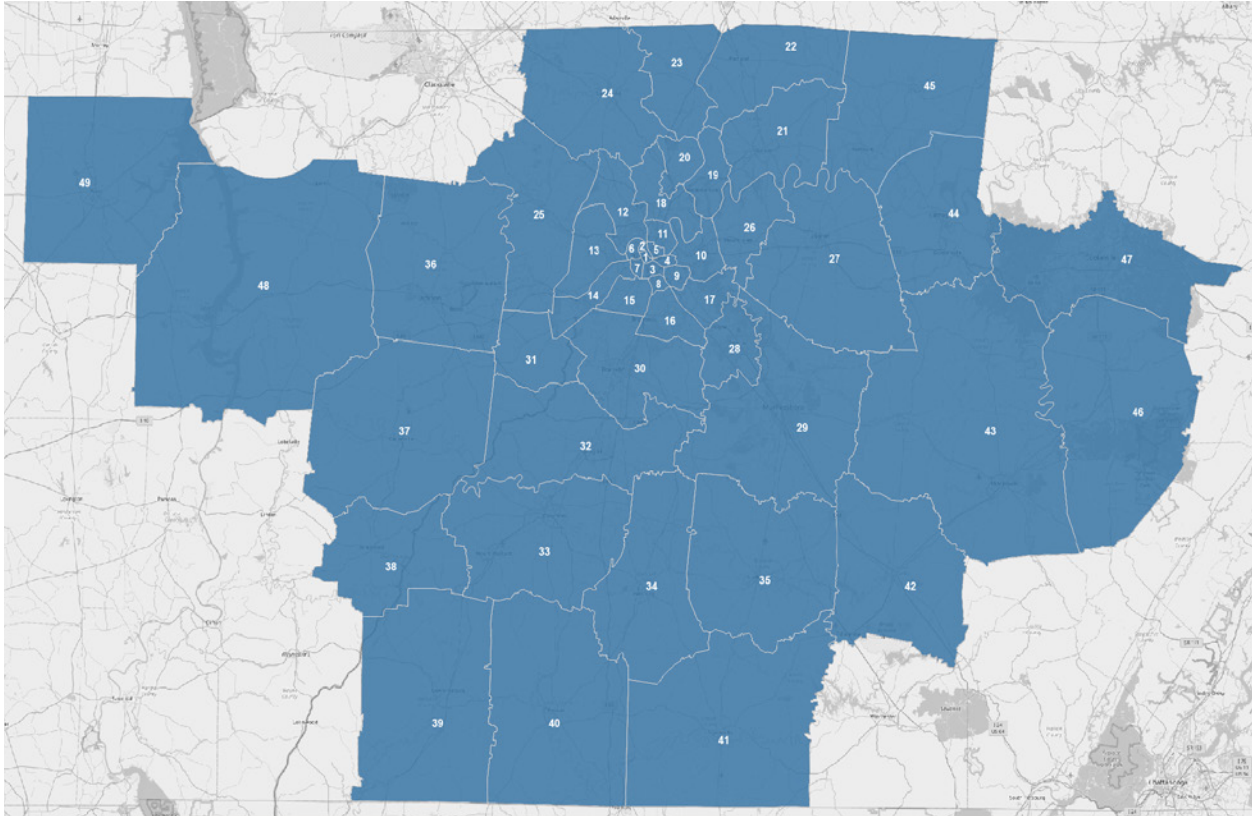
¹ From December 2024 to November 2025

Nashville vs. National Sales Price per Unit



Source: Yardi Matrix

NASHVILLE SUBMARKETS



Area No.	Submarket
1	Nashville-Downtown
2	Nashville-Central
3	Nashville-Central South
4	Nashville-Lebanon Pike
5	Nashville-East End
6	Nashville-Central North
7	Nashville-Vanderbilt
8	Nashville-Woodbine
9	Nashville-Airport
10	Nashville-East
11	Nashville-Northeast
12	Nashville-Northwest
13	Nashville-West
14	Nashville-Southwest
15	Nashville-Green Hills
16	Nashville-South
17	Nashville-Southeast

Area No.	Submarket
18	Nashville-Madison
19	Hendersonville
20	Goodlettsville
21	Gallatin
22	Portland
23	White House
24	Springfield
25	Cheatham County
26	Mount Juliet
27	Lebanon
28	Smyrna
29	Murfreesboro
30	Franklin
31	Fairview
32	Spring Hill
33	Columbia
34	Lewisburg

Area No.	Submarket
35	Shelbyville
36	Dickson
37	Hickman County
38	Lewis County
39	Lawrenceburg
40	Pulaski
41	Fayetteville
42	Tullahoma
43	McMinnville-Smithville
44	Smith County
45	Lafayette
46	Sparta
47	Cookeville
48	Waverly-Erin
49	Paris

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent.

Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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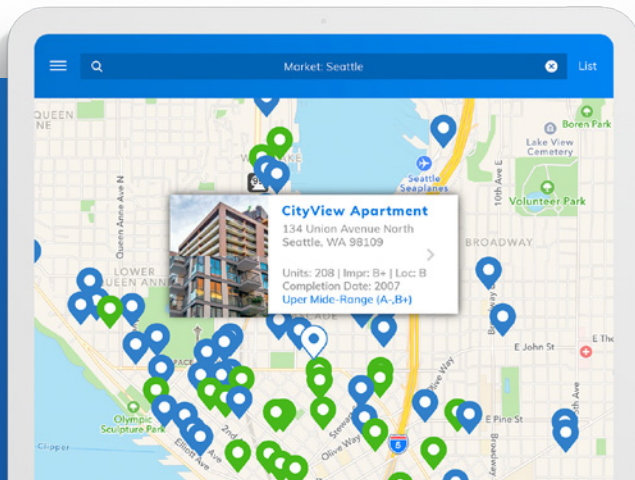
Yardi® Matrix

Power your business
with the industry's
leading data provider



MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily
provides accurate data on
nearly **23.5 million** units,
covering over **92%** of the
U.S. population.



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