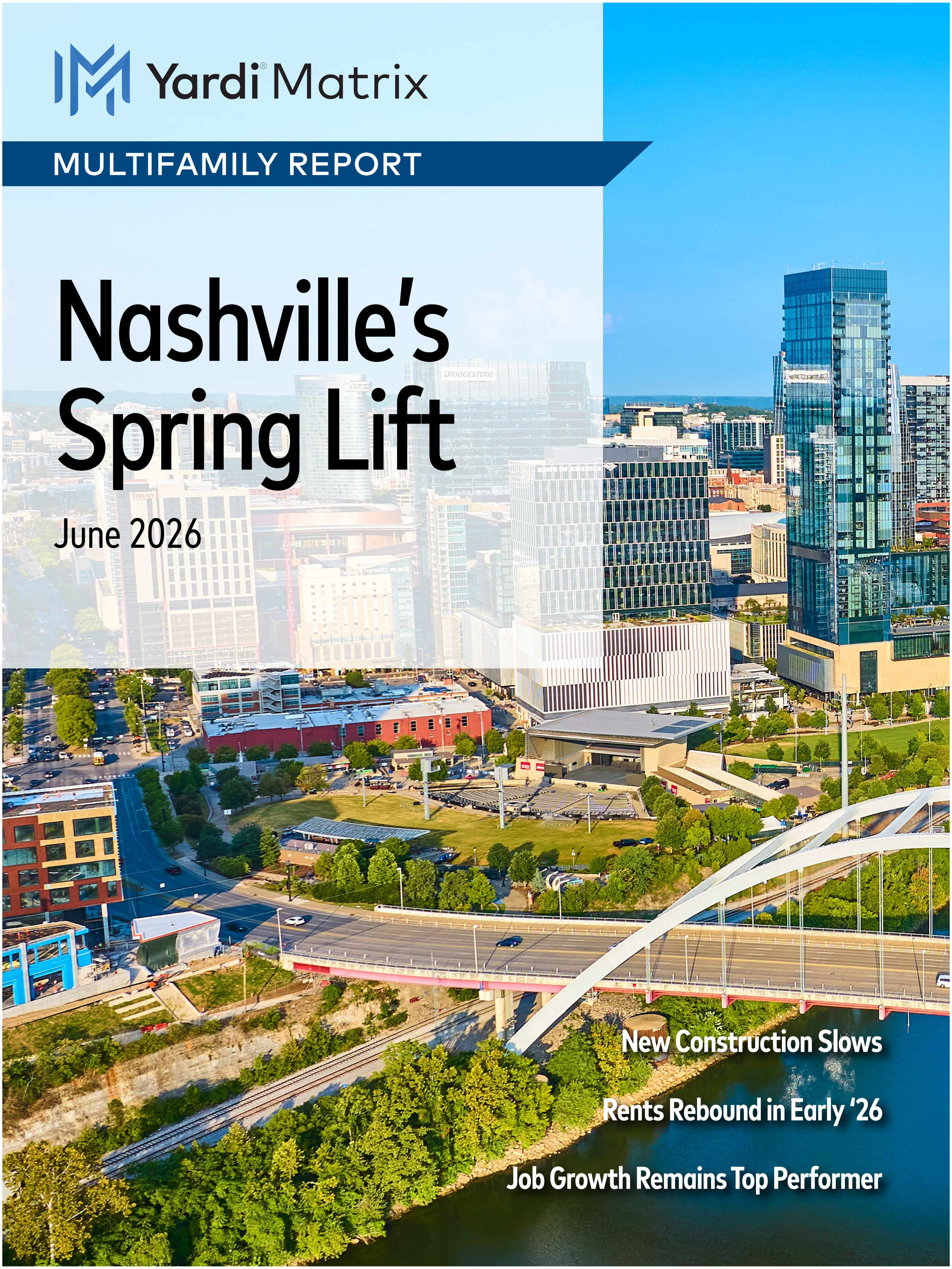
Yardi Matrix

MULTIFAMILY REPORT

Nashville's Spring Lift

June 2026



New Construction Slows

Rents Rebound in Early '26

Job Growth Remains Top Performer

NASHVILLE MULTIFAMILY

Yardi Matrix

Spring Gains Grapple With Supply Drag

Advertised asking rent movement entered positive territory this spring in Nashville, but the wall of deliveries is still weighing on longer-term prospects. Rates rose 0.1%, on a trailing three-month basis through April, to $1,663, compared to the 0.2% national gain to $1,758. Year-over-year, Nashville rents slid 1.3%, while the U.S recorded a 0.2% drop. Meanwhile, occupancy in stabilized properties fell 40 basis points over 12 months, to 93.6% as of March.

The labor market improved toward the end of 2025, with employment growth reaching 1.3% as of December, ahead of the 0.6% U.S. average. Nashville-area unemployment stood at 3.3% in February, below both the Tennessee and U.S. rates. Nashville added 12,400 net jobs in 2025, led by education and health services, professional and business services and other services. Recent demand drivers include the opening of the $284 million Peabody Union mixed-use development, Starbucks' planned Southeast corporate office and continued progress at the New Nissan Stadium.

Supply remained a key pressure point, with 1,544 units delivered through April and another 16,686 apartments underway. Still, construction starts fell 36% year-to-date. Investment activity remained tepid, with multifamily sales totaling $307 million in 2026 through April. The average price per unit ticked down 2.2% year-to-date, to $194,479, slightly above the $193,181 U.S. average.

Market Analysis | June 2026

Contacts

Jeff Adler
Vice President & General Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.
Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x14006

Doug Ressler
Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Anca Gagiuc
Senior Associate Editor

On the cover: Photo by Nicholas Klein/iStockphoto.com

Recent Nashville Transactions

Hillmeade

City: Nashville, Tenn.
Buyer: Harbor Group International
Purchase Price: $55 MM
Price per Unit: $190,972

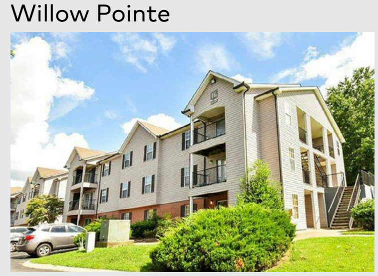
Newport Station

City: Thompsons Station, Tenn.
Buyer: M3 Multifamily
Purchase Price: $53 MM
Price per Unit: $273,958

The 500 Fifth

City: Nashville, Tenn.
Buyer: Covenant Capital Group
Purchase Price: $23 MM
Price per Unit: $135,294

Willow Pointe

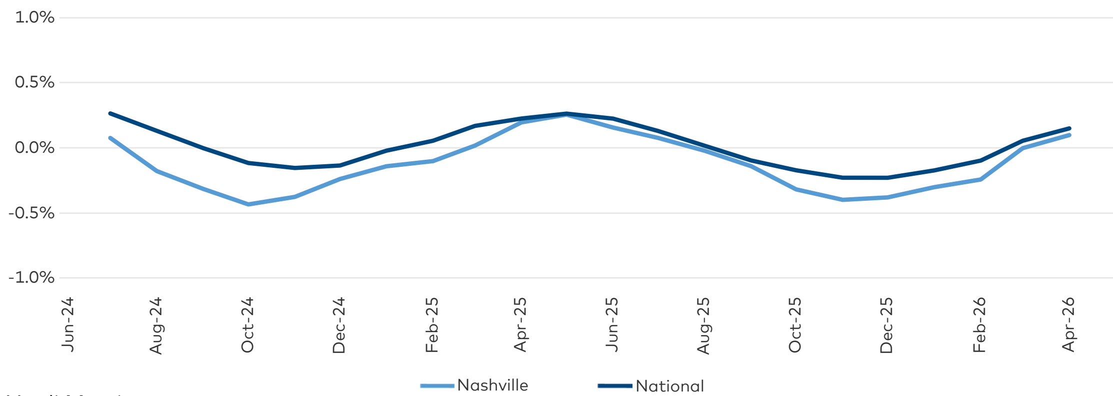


City: Antioch, Tenn.
Buyer: Hurd Real Estate Associates
Purchase Price: $14 MM
Price per Unit: $100,714

RENT TRENDS

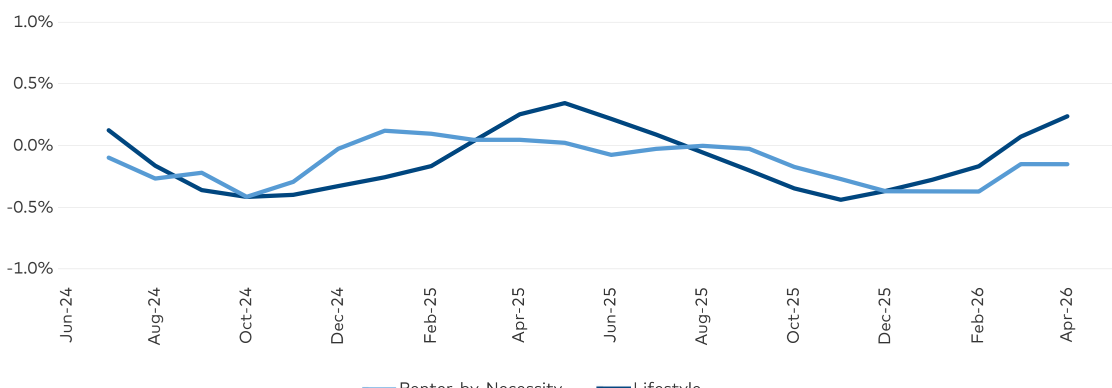
- Nashville advertised asking rents inched up 0.1%, on a trailing three-month (T3) basis through April, to $1,663. This marked early signs of stabilization and the narrowing of the gap with the U.S. rate, which rose 0.2% on a T3 basis, to $1,758. While short-term rent growth is back in the black, year-over-year movement remained soft—Nashville rents were down 1.3%, lagging the -0.2% U.S. average.
- Lifestyle advertised asking rents rose 0.2%, on a T3 basis through April, to $1,821, rebounding after winter declines. Working-class Renter-by-Necessity rents slipped 0.1% to $1,338, extending a softer stretch that began in late 2025.
- Nashville's occupancy rate in stabilized properties fell 40 basis points year-over-year, to 93.6% as of March, while Lifestyle occupancy fell 60 basis points to 93.8% and RBN slipped 10 basis points to 93.3%. Still, the metro's occupancy was above several other high-supply Sun Belt markets, including Dallas, Phoenix, Denver and Austin.
- Nearly half of the 49 submarkets tracked by Yardi Matrix registered year-over-year rent gains, including Nashville–Northeast (5.1% to $1,593) and Nashville–Central (4.2% to $2,142). Submarkets with rent declines included Nashville–Airport (-6.1% to $1,264) and Nashville–Downtown (-0.4% to $2,386).
- Nashville's SFR/BTR segment told a different story, with asking rents up 1.3% year-over-year through April, even as occupancy fell a significant 2.7% in the 12 months ending in March.

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 employment growth regained momentum in the second half of 2025, reaching 1.3% as of December after bottoming out at 0.7% in June. Meanwhile, the U.S. average eased to 0.6% at the end of last year. The metro widened its lead over the national pace, which continued to decelerate. Meanwhile, the unemployment rate stood at 3.3% as of February, up 40 basis points year-over-year, yet below both the 3.6% Tennessee and 4.4% U.S. rates.

- Nashville added 12,400 net jobs in 2025, with gains spread across eight sectors and tilting toward services. Education and health services led (3,900 jobs), followed by professional and business services (3,000) and other services (3,000). This underscores steady demand from high-wage office users, health-care anchors and more general services segments. Losses were limited to mining, logging and construction (-2,500) and manufacturing (-400).

- Recent project milestones reinforce Nashville's service-led expansion across health care, hospitality and corporate office demand. On the South Bank, the $284 million Peabody Union mixed-use development opened in October with apartments, office space, retail and greenway connections. In April 2026, Starbucks selected it for its planned 250,000-square-foot Southeast corporate office. Meanwhile, the New Nissan Stadium reached 75% completion in March.

Nashville Employment Share by Sector

		Current Employment	
Code	Employment Sector	(000)	% Share
65	Education and Health Services	185,5	15,3%
60	Professional and Business Services	196,4	16,2%
80	Other Services	53,3	4,4%
70	Leisure and Hospitality	136,5	11,3%
40	Trade, Transportation and Utilities	238,7	19,7%
90	Government	136,4	11,2%
55	Financial Activities	81,8	6,7%
50	Information	32,4	2,7%
30	Manufacturing	88,5	7,3%
15	Mining, Logging and Construction	63,7	5,3%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Nashville's population grew by 5.7% between 2022 and 2025, more than twice the 2.3% U.S. gain. The metro held steady in the middle of the fast-growing Sun Belt pack, behind Raleigh, Charlotte and Orlando but ahead of Phoenix, Tampa and Miami, according to Census estimates.

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

- Nashville deliveries totaled 1,544 units, or 0.7% of existing stock, in 2026 through April, 20 basis points above the national average. Completions were all Lifestyle properties, and half of them came online in the downtown submarket. The metro has seen exceptional supply growth in recent years, averaging annual inventory growth of 5.2% since 2019, surpassing the national pace. That's the equivalent of more than 73,000 units delivered since January 2019.

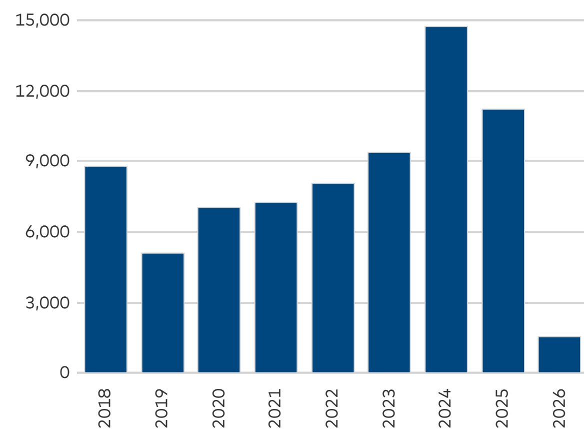
- The pipeline remains robust, with 16,686 units underway as of April, and another 61,000 in the planning and permitting phases. The under-construction pipeline encompassed 77% of units in Lifestyle, 15.7% in fully affordable and 7.3% in RBN developments.

- Construction starts slowed in 2026, to 1,215 units across six properties through April, marking a 36% decline from the 1,907 units across nine properties that broke ground during the same period in 2025. However, the pullback from the volume of recent years could prove temporary.

- A total of 23 of the 49 submarkets tracked by Yardi Matrix recorded construction as of April. The top six accounted for more than half of the pipeline, each with more than 1,000 units underway Nashville–Downtown (1,872 units) led, followed by Spring Hill (1,796) and Gallatin (1,588).

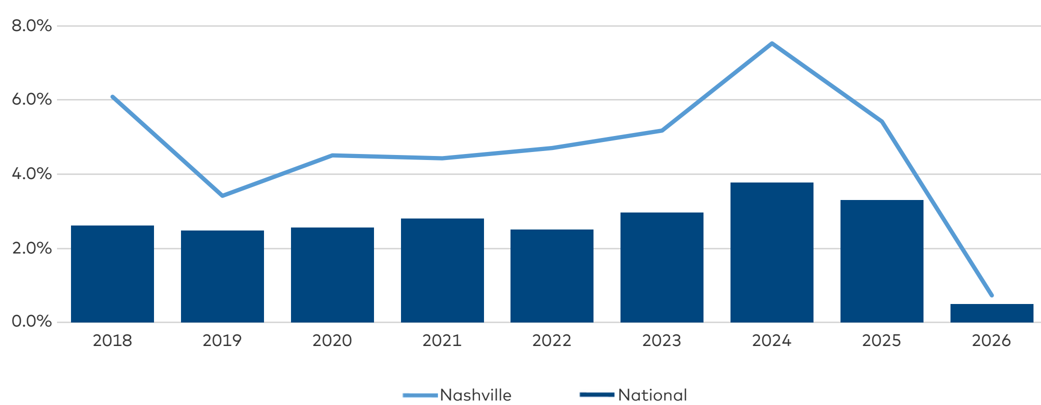
- The largest project completed in 2026 through April was Society Nashville, a 502-unit Lifestyle property in the downtown area, owned by PMG. The community came online with support from a $130 million construction loan originated by Affinius Capital in 2022.

Nashville Completions (as of April 2026)



Source: Yardi Matrix

Nashville vs. National Completions as a Percentage of Total Stock (as of April 2026)

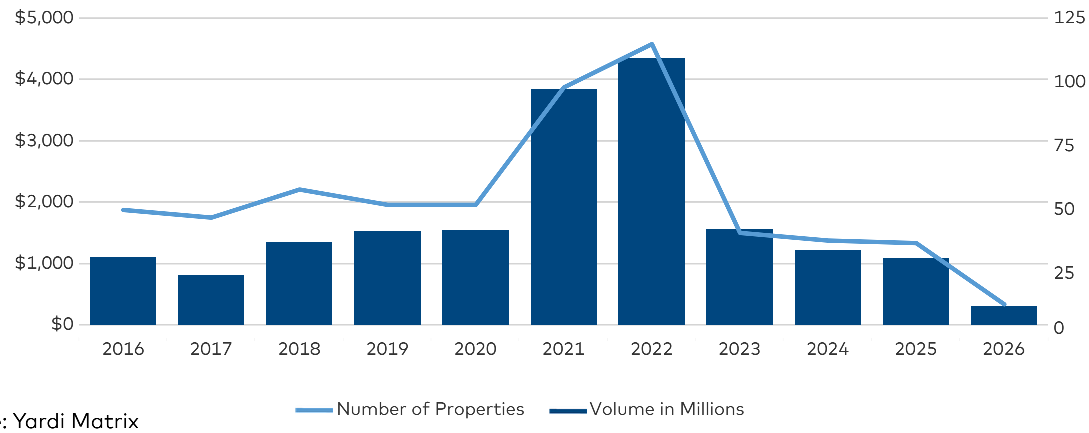


Source: Yardi Matrix

TRANSACTIONS

- Transactions maintained a moderate pace in metro Nashville, with multifamily sales totaling $307 million in 2026 through April. Sales volume is sliding for the fourth consecutive year, following the $4.3 billion peak recorded in 2022.
- Investor interest was slightly higher for value-add opportunities, as RBN assets accounted for 61.5% of 2026 transactions as of April. The average price dipped 2.2% year-to-date, to $194,479 as of April, slightly above the U.S. figure, which decreased 4.2%, to $193,181.
- Notable sales recorded in 2026 through April include Harbor Group International's $55 million acquisition of the 288-unit, Lifestyle community dubbed Hillmeade, located in the Nashville–Southwest submarket. The seller was Aimco, which had acquired it nearly four decades earlier. Harbor Group bought the property for $190,972 per unit, with help from a $46 million Fannie Mae loan originated by JLL.

Nashville Sales Volume and Number of Properties Sold (as of April 2026)



Source: Yardi Matrix

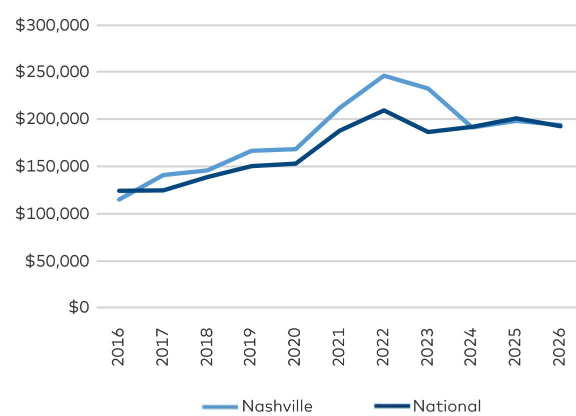
Top Submarkets for Transaction Volume[1]

Submarket	Volume ($MM)
Nashville–Southeast	138
Spring Hill	114
Nashville–Southwest	113
Franklin	106
Hendersonville	69
Nashville–East End	68
Nashville–Vanderbilt	66

Source: Yardi Matrix

[1] From May 2025 to April 2026

Nashville vs. National Sales Price per Unit



Source: Yardi Matrix

LISTICLE

MHN MULTI-HOUSING NEWS

data by Yardi Matrix

Top 10 Emerging Self Storage Markets of 2026

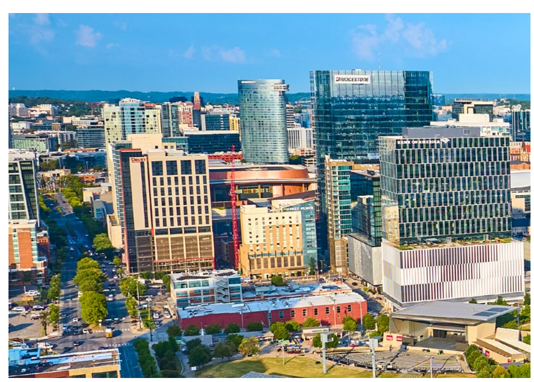
By Agota Felhazi

In 2025, emerging self storage markets saw stronger performance, driven by in-migration, affordability and stable economic anchors. National street rates rose 0.3% year-over-year in December, reversing the prior year's decline. With 54.2 million square feet under construction and more supply expected through 2027, the top 10 markets—many in Florida—were ranked by rent growth, pipelines and demographic momentum.

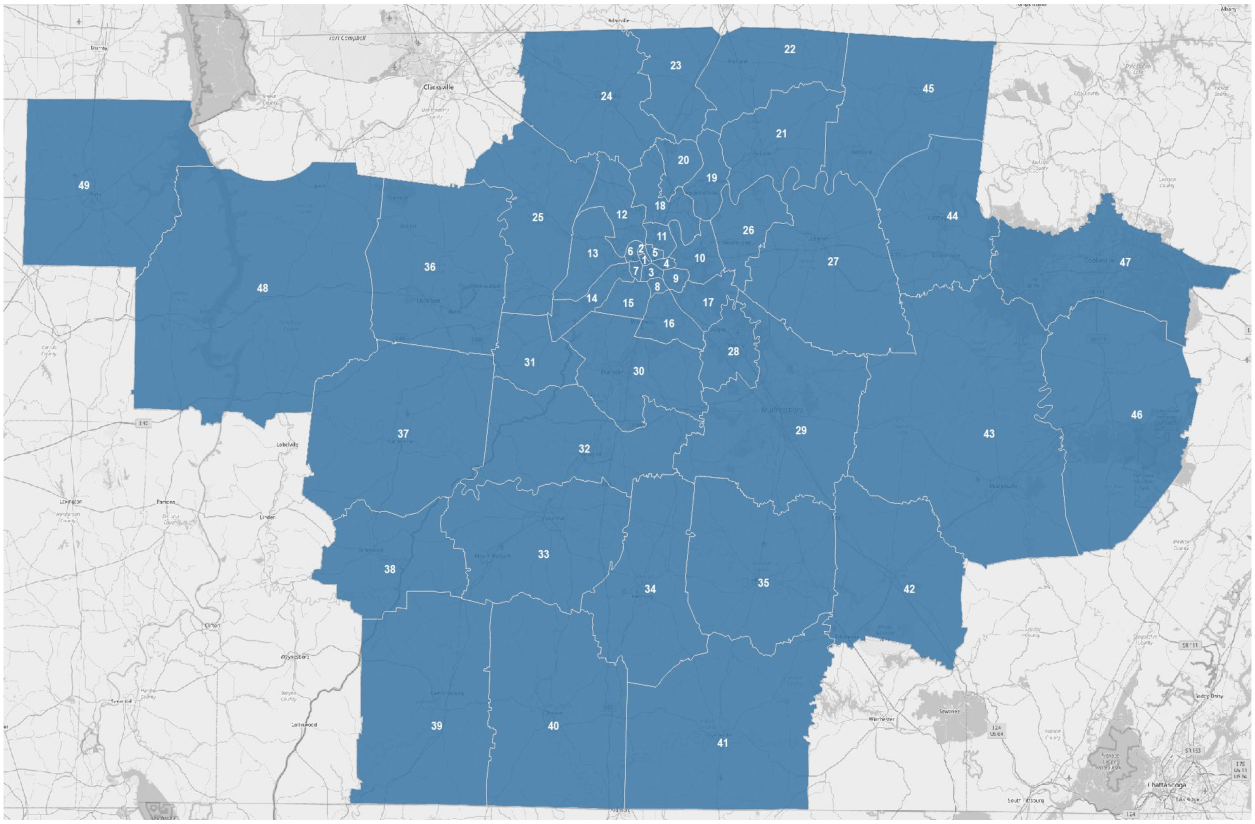
Rank	Market	Sales Volume H1 2025 (Millions)	Sales Volume H1 2024 (Millions)	Properties Traded H1 2025
1	Phoenix	$1,853	$1,789	31
2	Seattle	$1,776	$602.0	23
3	Atlanta	$1,657	$1,491	44
4	Dallas	$1,608	$1,219	91
5	Chicago	$1,362	$785.3	39
6	Denver	$1,170	25	19
7	Los Angeles	$970.7	$932.7	24
8	Houston	$960.0	$1,004	63
9	Portland, Ore.	$644.8	$295.2	23
10	Kansas City, Mo.	$304.8	$135.1	22

NASHVILLE

Nashville climbed to fifth among emerging self storage markets in 2025, supported by a diverse economy, low unemployment and recent corporate expansions. The metro had nearly 1.39 million square feet of storage inventory, with projects underway or planned equal to 8.7% of existing stock. Average rents rose 0.8% year-over-year to $15.32 per square foot, outpacing the national growth rate.



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	Smyma
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.

To learn more about Yardi® Matrix and subscribing, please visit www.yardimatrix.com or call Ron Brock, Jr., at 480-663-1149 x14006.

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