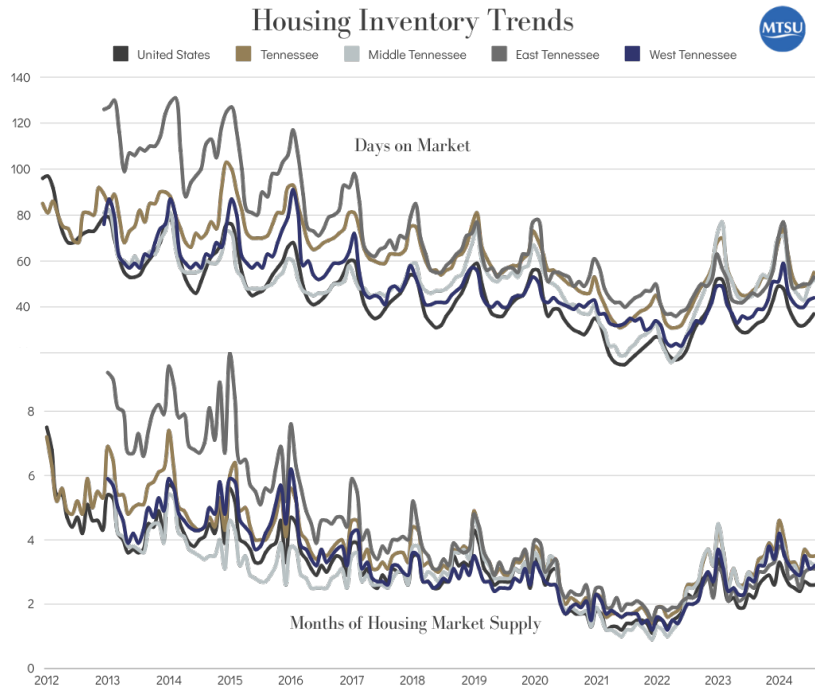


Days on Market and Housing Supply begin Seasonal Increase

The days on market for homes in Tennessee increased by 12% to 55 in August from the June 2024 low of 49, which is 17% higher than last August (2023), providing data on a potential trend to pay attention to in the fall and winter seasons. Similarly, there is currently 3.52 months of inventory on the market, an increase of 22% from 2.88 last August (2023).



Collaborate with us

In addition to the Housing Market Report, the Office of Consumer Research (OCR) collects data throughout the year to measure Tennessee consumers' and Business Leaders' perceptions of the economy, which can be found at mtsu.edu/consumer. We welcome your comments, questions, and suggestions. Please contact Dr. Michael Peasley for more information.

Michael Peasley, Ph.D.

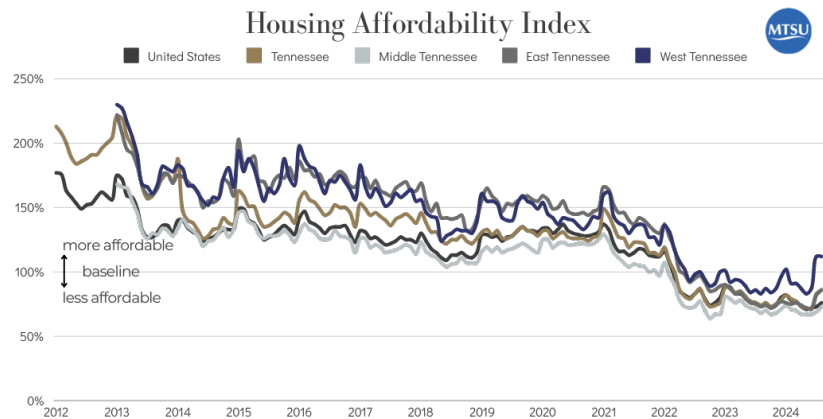
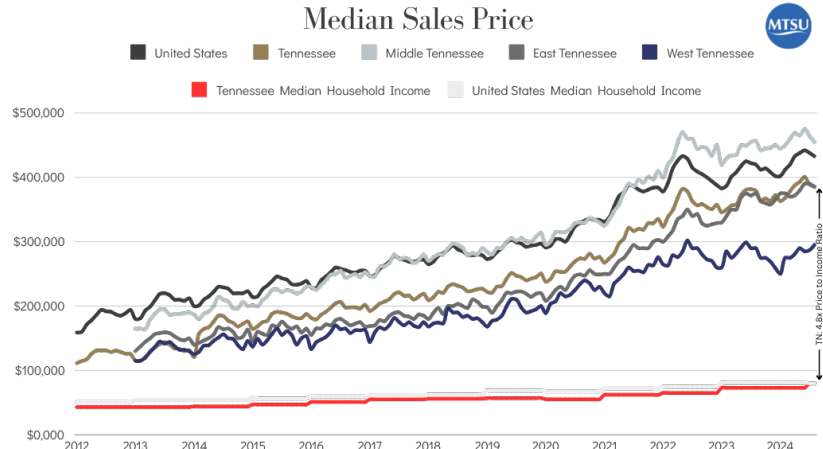
Director, MTSU Office of Consumer Research
Email: michael.peasley@mtsu.edu



We're very excited to have you here for the first edition of the Tennessee Housing Market Report. The Office of Consumer Research in the Jones College of Business has compiled and analyzed data¹ to provide a unique perspective on the current and upcoming outlook of the housing market.

Median Sales Price Peaked in June

Adjusting to the seasonality of the fall real estate market, the median sales price in Tennessee decreased by 3.8% to \$386,000 from the June 2024 high of \$401,000. However, median sales prices still feel expensive considering that prices have increased by 44% since January 2021 and 6% within the past year.



¹ The Housing Market Report is based on data compiled from the St. Louis Fed, United States Census Bureau, and the Redfin Data Center. [Note: The median mortgage payment is calculated using the median sales price with a 20% down payment.]

In August, the median house price to income ratio decreased to 4.80, down from 5.52 in June 2024 and 5.22 in August 2023. Likewise, the Housing Affordability Index increased to 86%, up from the all-time low of 71% in June 2024, but still much lower than the index of 149% in January 2021. In line with this price increases, our most recent consumer survey shows only 7% of Tennessee consumers believe now is a good time to buy a house.

Monthly Payments Dip with Rates Cuts on the Horizon

The median mortgage payment in Tennessee is down 7.6% to \$1952 from the June 2024 high of \$2113. However, consumers still feel that home prices are expensive, in part because payments have increased by 125% since January 2021. The median mortgage payment is now 29% of household income in Tennessee, down from 35% in June 2024, but up 71% from the four-year low of 17% in January of 2021.

