

New Data: Want to invest in single-family houses? Memphis is the place

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Memphis's single-family investment market is leading the nation in share of the local housing market and profitability, according to two recent studies by separate real estate data firms.

A recent study of pre-mover data by California-based ATTOM Data Solutions showed **Shelby County to be No. 1 nationwide in its share of soon-to-be-sold homes that were identified as investment properties.**

About 36 percent of homes flagged by ATTOM as set for sale based on purchase loan applications in Shelby County were investment homes, which is more than five times the national average.

No other U.S. market had anywhere close to as high of a share of investment homes, with 18 percent of pre-sale homes identified as investor properties in Hudson County, New Jersey, making it No. 2 on the list, according to ATTOM.

In other words, if ATTOM's pre-sale data proves accurate, there will be quite a few single-family homes sold in Memphis in the coming months to investors.

"[Memphis] stands out, but I will say it matches anecdotally with what we hear about Memphis being a good market for investors," said ATTOM spokesman [Daren Blomquist](#).

The outsized interest in investment in Bluff City houses is likely linked closely to the city's high gross yields. On Tuesday, housing market data provider RentRange released its list of the top U.S. housing markets by average gross yield, and it also had Memphis near the top.

In that analysis, Memphis' metropolitan statistical area measured as having the No. 10 average gross yield in the first quarter of 2017, at 13.9 percent. During the quarter, rents increased 2.8 percent in the metro area.

Memphis and Birmingham, which had an average yield of 14 percent, were the only cities in the region that ranked in a top 10 dominated by the Northeast and Midwest.

In January, Memphis also took the No. 4 spot on Trulia's list of the country's "Flipping Hot Spots," and Blomquist said his company's data showed the Memphis market to be the nation's No.1 market for home flips.

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