

# From Mt. Top to Memphis, Tennessee is on the edge of a major housing crisis.

## Quality housing, for both renters and homeowners is becoming more scarce and increasingly expensive statewide.



**The availability of homes on the market plummeted by 29.29%** from March 2021–March 2022, a trend that continues into 2023. In Q3 2022, **total home permits were down 24.08%**, and single-family permits were down 14.53%.

**Estimates suggest we're short 133,581 affordable housing units statewide**—1.6x more than AL and 2x more than MS.



**Housing prices have increased by 24.4%**. Home ownership is increasingly out of reach for many working families. Denying opportunities for generational wealth building.

To afford market rate housing, a Tennessean making minimum wage needs to work 87 hours a week. That's 2.2 fulltime jobs.

## When families are forced to spend large portions of their incomes on housing, no one wins.

**Housing Burdened = Less Spending Power.** Housing constitutes the highest expenditure for most American families. The 26% of Tennessee households that are cost-burdened have less disposable income to contribute to the local economy. The impact? In 2020, severely cost-burdened renters spent 38% less on food and 70% less on healthcare. These sacrifices have long term implications and big costs.

**Elders are Being Priced Out.** Our older neighbors on fixed incomes are at risk of being priced out of the communities they've called home their whole lives. 20% of our extremely low-income renters are aged 65+, TN housing must be safe and affordable enough for our elderly neighbors to age safely in their own homes, surrounded by their own communities.

**Harmful Housing Stock.** 44% of TN housing is over 40 years old and likely contains lead paint. 33% of homes in Middle and East TN have alarmingly high radon levels, risking cancer and respiratory disease among our neighbors, particularly medically fragile residents, the elderly and children.

**Protecting our Veterans.** Over 50,000 Tennessee veterans live in homes with one or more major problems in quality, overcrowding, or cost. Roughly 19.3% of Tennessee veterans pay too much for their housing. Constructing homes that our servicemembers can afford honors our commitment to our veterans and invest in their economic future.

**Retail follows rooftops.** High housing unaffordability significantly hinders business growth at the county level. A one-percentage point increase in homeowner cost burden is significantly correlated with a reduction in the numbers of Retail, Information, and Professional establishments.

# This is a SUPPLY vs. DEMAND problem. And it is solvable.

By consistently investing state funding into a diverse array of housing solutions, we can ensure our housing market is nimble and responsive to local economies. We can keep our working families (and those future Tennesseans!), retirees and Vets in their communities. We'll be making a sound down payment on the future wealth and vibrancy of the State of Tennessee.

## The State has the financial resources to act.

During the first six months of fiscal year 2022-23, **Tennessee's year-to-date revenue collections exceeded projections by \$1.31 billion**. The state's general fund **collections also totaled \$8.97 billion—an increase of \$1.19 billion more than projected**. We have the cash on hand to make a substantial down payment on our future.

## We are asking for your support to expand investments in Tennessee housing.

An \$80 million investment over the next two years will protect and create thousands of units that working families and our most vulnerable neighbors can afford. A sustained commitment to funding housing is an investment in the long-term health, wealth and well being of our state. The time to act is now.

## If you want to learn more about what we can accomplish together, contact:

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## Fahe Tennessee Caucus Members

Aid to Distressed Families of  
Appalachian Counties (ADFAC)

Appalachia Habitat for Humanity

Appalachia Service Project

Blount County Habitat for  
Humanity

Clinch-Powell RC&D Council

Creative Compassion, Inc.

Crossville Housing Authority

Eastern Eight Community  
Development

HomeSource east tennessee

Kingsport Housing and  
Redevelopment Authority

Knoxville Leadership  
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Loudon County Habitat for  
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Oak Ridge Housing Authority

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