MIDDLE TENNESSEE REAL ESTATE

Middle Tennessee Investor Diligence Guide

Flips and rentals diligence without ROI promises

Prepared for buyers and sellers across Greater Nashville and Middle Tennessee’s surrounding counties.

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Investing here without the hype

Middle Tennessee attracts investors who want rentals near jobs, flips in growing corridors, and longer hold properties across Davidson County and the surrounding counties. This short guide is about diligence, not dreams. I will not promise ROI, cash flow, appreciation, or rent growth. Those outcomes depend on the property, financing, management, and markets that change.

I am Trey Sugg, Tennessee license 328692, Realty ONE Group Music City. I work with owner occupants and investors who want a local process partner.

Educational disclaimer: *General education only. Not legal, tax, lending, appraisal, or investment advice. No returns are promised or projected. Verify numbers with your CPA, lender, inspector, insurance agent, title company, and attorney when needed.*

Flips and rentals: different diligence

Rental holds

Focus on:

- Realistic rent versus total monthly cost (loan, taxes, insurance, HOA, maintenance, vacancy allowance)
- Tenant demand drivers near the specific address (jobs, schools conversation, commute), not a metro wide slogan
- HOA rental caps and approval rules
- Condition items that drive turnover cost (HVAC, roof, flooring, crawl space moisture)
- Whether you can manage locally or need a property manager

Flips / value add

Focus on:

- Purchase price plus realistic renovation scope (not the optimistic scope)
- Holding costs during work
- Exit: retail buyer pool versus refinance into a rental
- Permits and HOA design rules
- Unexpected structural or moisture discoveries under Mid Tennessee houses

Underwrite conservatively. If the deal only works with perfect execution and peak sale price, it is fragile.

Title and Tennessee tax basics (pointer)

Use sourced Tennessee recordation facts; do not invent local "investor averages."

Realty transfer tax: 37 cents per $100 of consideration or value (Tenn. Code Ann. § 67-4-409; TN Dept. of Revenue REC-1).

Indebtedness tax: 11.5 cents per $100 of indebtedness, with the **first $2,000 exempt** on initial indebtedness (same sources).

Statute versus custom: Statute generally places transfer tax responsibility on the buyer (grantee) at recordation. Mid Tennessee purchase contracts often have sellers agree to pay transfer tax on residential resales. Investor deals, auctions, and entity purchases can look different. Read the contract. Owner's title payment customs also vary; new construction often differs from resale.

Closings are typically title company driven in Mid Tennessee. Entity purchases, 1031 timelines, and partnership structures deserve counsel. I coordinate; I do not replace your tax advisor.

For a deeper relocator style walkthrough of TN versus other states, see the Moving to Tennessee materials on the site. The tax rates above are the sourced anchors.

Property level checks investors skip at their peril

- Crawl space moisture and grading (see the inspection guide)
- Flood zone and insurance availability near lakes and low areas
- Septic capacity if adding bedrooms or heavier occupancy
- Unpermitted work
- Insurance availability and premiums for older roofs or certain specialty risks
- Local landlord rules and permit requirements where applicable

I will not invent vacancy rates, cap rates, or average rents by ZIP. Pull current comps and actual leases. Underwrite the address in front of you.

Financing awareness without quotes

Investment financing often differs from primary residence financing: down payment expectations, rate structure, reserves, and appraisal approach. Talk to a lender who regularly closes investment files in Tennessee. Cash and hard money paths exist for some flips; they have their own cost of capital. No rate claims here.

How I work with investors

Clear criteria, fast feedback on listings, honest condition notes, and introductions to local inspectors and title contacts. I will challenge rosy rehab budgets because Mid Tennessee humidity and older systems do not care about spreadsheet optimism.

Call or text **615-943-1644** or email **suggsells@gmail.com** to talk through a target area and property type. Bring your criteria. Leave the hype at the door.

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