

MIDDLE TENNESSEE REAL ESTATE

Short Term Rentals in Middle Tennessee

Nashville permits, Franklin rules, and investing without screenshot math

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

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Start with legality, not screenshots

Short term rentals (STRs), sometimes called short term vacation rentals (STVRs), look simple on a booking platform. In Middle Tennessee the hard part is usually the city and county rules, taxes, insurance, and HOA documents. I wrote this Free Guide for people who are curious about investing or hosting near Nashville, Franklin, Spring Hill, and the surrounding towns.

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***Educational disclaimer:** General education only. Not legal, tax, zoning, lending, insurance, or investment advice. Rules change. Addresses differ by parcel. No occupancy, ADR, RevPAR, or ROI figures in this guide are promises. I will not invent Nashville dollar revenue as fact. Verify with the city or county, your HOA, your CPA, your insurer, and counsel when needed before you buy for STR income.*

Labels used below:

- **FACT** from primary city or statute sources cited
 - **SECONDARY** from research papers or industry blogs (useful context, not guarantees)
 - **ASSUMPTION** for practical judgment you should still test
 - **GAP** where primary rules were not confirmed in our research pack
 - **CONFLICT** where official pages disagree; we note which source we follow
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Nashville / Davidson County (Metro)

Primary sources: Metro Nashville Codes Short Term Rentals hub at <https://www.nashville.gov/departments/codes/short-term-rentals> plus the permit types, operation rules, and legislative history pages linked from that hub.

Current ordinance (use this, not the old FAQ label)

FACT (Metro Legislative History, updated Aug 3, 2026): The current amending ordinance for Metro short term rentals is **BL2024-478**, effective **November 12, 2024**. Governing code includes MCO **§6.28.030**, with zoning pathways at **§17.16.250.E** (owner occupied) and **§17.16.070.U** (not owner occupied).

CONFLICT: Metro's FAQ (updated Mar 11, 2026) still names **BL2020-187** as "current." Legislative History and Legistar treat **BL2024-478** as current. **This guide follows Legislative History / Legistar and does not present BL2020-187 as the current ordinance.** Always re-check nashville.gov Legislative History before you underwrite.

BL2024-478 Legistar: <https://nashville.legistar.com/LegislationDetail.aspx?FullText=1&GUID=E7353AF1-D9EA-43D0-BC43-8A0805D19C9C&ID=6808164>

Permit before you list

FACT (nashville.gov): In Nashville and Davidson County, anyone wishing to rent a property on Short Term Rental Property (STRP) websites must receive a permit from the Metro Codes Department **before listing**.

FACT (nashville.gov, noted Mar 11 2026): The online Short Term Rental permit application process became effective **March 11, 2026** (ePermits).

FACT (nashville.gov): The maximum stay for any guest shall be **thirty consecutive days**. The STRP owner shall not receive compensation for occupancy of less than twenty four hours.

FACT (nashville.gov): Sleeping rooms are capped at **four**. A dwelling with more than four bedrooms cannot be permitted as an STRP under the published size rule.

FACT (nashville.gov): Permit fee is **\$313** upon approval for a **12-month** term. Renew annually with insurance and hotel tax proof as Metro requires.

FACT (nashville.gov): Insurance must include fire/hazard/liability of at least **\$1,000,000** per occurrence. A responsible party must be reachable **24/7** and located within **25 miles**.

FACT (nashville.gov): Occupancy is limited to **2 × sleeping rooms + 4** (Metro operations page states a **maximum of 12**). Permits are **non-transferable**; an ownership change invalidates the permit.

FACT (nashville.gov): The permit holder is required to remit **business, sales, and hotel occupancy taxes** to the city and state. See Metro's Use and Occupancy Taxes materials for current remittance detail.

FACT (nashville.gov enforcement): Operating without a permit can draw a **\$50 per day** court fine path, wait periods before reapplying, and revocation after repeated code violations. Read the current Codes pages for the exact sequence.

Questions channel published by Metro: strpquestions@nashville.gov. Codes phone published on the same pages: 615-862-6500.

Owner Occupied versus Not Owner Occupied

FACT (nashville.gov permit types):

Owner Occupied (OO)

- Owner occupied residence, or on a lot with an owner occupied residence.
- Includes rental of up to four sleeping rooms to a single party of individuals, or if only part of the unit, at least one sleeping room and a bathroom, limited to a single party.
- Owner must permanently reside at the property and be a **natural person or persons**.
- **Entity ban on OO:** LLCs, corporations, trusts, partnerships, joint ventures, and other entities are **ineligible** for owner occupied permits.
- Only one permit per lot in single family and two family zoning districts (see Metro text for two family / HPR detail).
- SP or PUD properties only if the SP or PUD allows it (Metro Planning: planningstaff@nashville.gov, 615-862-7190).

Not Owner Occupied (NOO)

- Not owner occupied, not more than four sleeping rooms, used and/or advertised through an online marketplace for transient occupancy, single party of individuals.
- **Limited zoning for new NOO:** New not owner occupied permits will only be issued as a use permitted with conditions (PC) in specific commercial and mixed use oriented districts listed on the Metro permit types page (MUN, MUL, MUG, MUI, OG, OR20 through OR40 A, ORI, CN, CL, CS, CA, CF, DTC districts, SCN, SCC, SCR, and related A variants as published).
- **FACT:** New not owner occupied permits are **not permitted** in **AR2A, R, RS, or RM** zoned properties. Existing permit holders in those districts may be eligible to renew, but those permits are **not transferable** if the property is sold or transferred.

- **FACT (distance rule for new NOO):** A new NOO is **barred** if the property is less than **100 feet** from a church, school, park, or daycare, **unless** Metro Council grants an exemption (published as requiring **21 votes**). Confirm the parcel against Metro's eligibility tools and Codes before you assume a commercial/mixed-use address clears this screen.

ASSUMPTION for buyers: If you are shopping a typical residential RS / R / RM lot in Davidson hoping for a brand new NOO permit, Metro's published rules say that path is closed. Owner occupied permitting, where you truly live there as a natural person, is the path many residential buyers must underwrite instead. Confirm the parcel's zoning and permit eligibility with Metro's property search tools and Codes before you write an offer that depends on STR income.

Metro eligibility viewer (as published):
<https://experience.arcgis.com/experience/99e6d961b1e84188bf28f87e78211217>

Franklin, Tennessee

Franklin sits in Williamson County and runs its own short term vacation rental framework. Do not assume Nashville Metro rules apply inside Franklin city limits.

City STVR page: <https://www.franklintn.gov/government/departments-a-j/building-and-neighborhood-services/zoning-administration-and-inquiries/short-term-vacation-rentals>

Operations rules (Ordinance 2015-06)

FACT (Franklin Ord 2015-06, as amended; Title 13 Ch. 2): Franklin defines an STVR as a residential dwelling with **no more than four sleeping rooms** advertised or rented for transient guests. Same-occupant stays longer than **21 continuous days**, plus B&Bs, boarding houses, and hotels/motels, are carved out of the STVR definition in the ordinance text.

FACT (Ord 2015-06 ops caps): Before you operate or advertise, apply to Building and Neighborhood Services to update the **Certificate of Use and Occupancy**. Key published requirements include:

- Maximum **10** occupants; no simultaneous multi-party rentals; post the max in the unit
- No pay for less than **24 hours**; maximum stay **21 consecutive days**
- Liability insurance at least **\$1,000,000** per occurrence (with homeowner fire/hazard/liability coverage and annual proof)
- Owner plus a responsible party within **25 miles**; keep contact current; post local contact and Certificate in the unit; answer 24/7
- Principal renter age **21+**; no on-property STVR advertising signs; no food prepared/served to transients by the owner/responsible party
- Annual application every **365 days**; fees per Appendix A (**GAP:** dollar amount not stated in the ordinance body we reviewed)
- Collect and remit room, occupancy, and sales taxes as required

FACT (complaints / revoke): Three or more complaints in a calendar year can trigger BNS written notice; BNS may seek BOMA revocation after notice as provided in the ordinance.

Zoning ordinance grandfathering (alongside Ord 2015-06)

FACT (Franklin Zoning Ordinance, including §2.2.4 language in the Jan 13, 2026 codification, tied to TCA 13-7-601 et seq.): Properties that were legally established as short term vacation rentals before the applicable ordinance effective date can retain legacy treatment until protection terminates. Published triggers

consistent with TCA 13-7-603 / 13-7-604 patterns include:

- Sale or transfer (with family transfer continuation language in Franklin's text)
- Ceasing use as a short term vacation rental for **30 continuous months**
- Repeated generally applicable local law violations (Franklin text references three or more separate times as provided by TCA 13-7-604)

Always read the current ordinance section, more than this summary. Ops rules in Ord 2015-06 and zoning grandfather text work together; do not treat one as a substitute for the other.

ASSUMPTION: Secondary guides often emphasize owner occupied use in residential districts for new operators. Verify the current Franklin Zoning Ordinance use table before you underwrite "OO only."

Secondary sources and a night cap conflict

SECONDARY (label carefully): Sites such as cityrulelookup.com and bnbcalc.com summarize Franklin as primary residence oriented for new residential STVRs and discuss legacy NOO inventory under the state act. Those are secondary explainers. They can be wrong or outdated the day after an ordinance edit.

CONFLICT (do not treat as FACT here): Some secondary writeups claim a **113 night cap** (sometimes described for certain lot or accessory dwelling situations). Other summaries omit it or describe different conditions. **I am not asserting a 113 night cap as fact in this guide.** Check the **current Franklin Zoning Ordinance** text yourself, and verify with Franklin Building and Neighborhood Services.

Verify with the city: Franklin Building and Neighborhood Services · **615-791-3217**. Ask about certificate / application requirements, owner occupancy proof, taxes, and whether the address is eligible before you underwrite STR income.

Spring Hill, Tennessee

Spring Hill straddles Maury and Williamson counties and adopted a dedicated STR chapter in early 2025. Do not rely on a vague "call the city" alone; here is what Ord **25-02** actually says in the text we reviewed.

FACT (Spring Hill Ord 25-02, Title 20 Ch. 5; second reading Feb 3, 2025):

- STR means a dwelling rented wholly or partly for a fee for less than **30 continuous days** (hotels/B&Bs excluded per TCA framing in the ordinance).
- A **permit is required** (with a path for pre-adoption use to be brought into the permit system). Post the permit in the unit.
- Cap of **five bedrooms**; primary or secondary dwelling only (no garage, barn, or shed as the STR).
- Fees: owner occupied application **\$150**; non-owner occupied **\$300**; annual renewal equals the application fee.
- Parking: **one off-street space per bedroom**.
- Occupancy formula in the ordinance: 2 per bedroom when the bedroom is ≤ 140 SF; larger bedrooms by square footage $\div 70$.
- Local agent must respond within **4 hours**. Permits are non-transferable.
- Three documented warnings/violations in a rolling **12 months** can revoke; one-year bar before reapplying.
- Civil penalty **\$50** per violation per day for operating without a permit.
- HOA covenants are preserved (§20-5-110).

CONFLICT / caution: Ord 25-02 nonconforming text cites **12 continuous months** of nonuse in one place, while the Tennessee Short Term Rental Unit Act floor is **30 continuous months**. Prefer counsel and the state

Act when those collide; do not assume the shorter local clock is all that matters.

Verify with Spring Hill planning/codes before you buy for STR income. Rules change.

Surrounding towns and counties

Every city is different. Murfreesboro, Gallatin, Hendersonville, Columbia, Lebanon, Mt. Juliet, Clarksville, Brentwood, and smaller towns do not share one STR rulebook. Unincorporated county areas can differ from the nearest city. Some places are stricter than Nashville. Some are quieter until a complaint arrives.

Quick FACT / GAP notes (nearby cities)

Clarksville - FACT (Ord 1-2020-21, eff. Sep 3, 2020): Operating or advertising without an **Operating Permit** is unlawful. Permits are available in any residential or non-residential district to the owner. Published fees: **\$150** new / **\$120** renew (if renewed at least 30 days early); one-year term; 24/7 contact within **45 minutes**; at least one parking space per bedroom. Application form language notes that renting **one room only** may not require a permit. Confirm current forms with the city.

Hendersonville - FACT / CONFLICT: Zoning Ordinance **2025-19** (eff. Nov 18, 2025) defines Vacation Rental as exclusive lodging for less than **30 days**, max one VR per building/lot, permitted in limited districts (including DN plus commercial columns in the use tables). An older FAQ still cites Ord **2016-16** (GC + OTC only). **Prefer the 2025-19 tables and the official zoning map** over the lagging FAQ. Site plan, use and occupancy, and business license steps appear in city materials.

Mt. Juliet - FACT (existence) / ASSUMPTION (full body): Ord **2022-36** amends UDC Art. 5 §5-101.3 **Short Term Rentals** (adopted Sep 12, 2022). Secondary mirror text describes a citywide prohibition except **RM-16** with a permit. **Confirm the live Municode body** before compliance use; we label the district carve-out as needing primary confirmation.

Murfreesboro - FACT + GAP: The 2026 Zoning Appendix A regulates **B&B homestay** (1-3 rooms) and **inn** (4-12 rooms), guests **≤14 days**, with an innkeeper on premises and a **250 ft B&B separation**. There is **no dedicated STR / Airbnb term** in that appendix. **GAP:** Whether unhosted whole-house short term rental is allowed, prohibited, or complaint-only was not settled by a city STR ordinance in our research pack. Do not assume “open STR” from blogs.

Brentwood - GAP: No primary Brentwood STR fetch in the research pack used for this guide. Do not invent Brentwood rules. Call the city before you underwrite STR income there.

Before you buy for STR income:

- Call the planning or codes office that covers the address.
- Ask about permits, caps, spacing rules, parking, and taxes.
- Pull the HOA covenants. **An HOA can ban or limit STRs even when the city allows them** (TCA §13-7-605; Nashville FAQ; Spring Hill §20-5-110).
- Confirm insurance availability for short term occupancy.
- Only then look at platform demand screenshots.

***ASSUMPTION:** Buying on platform screenshots alone is how people overpay for a house they cannot legally operate.*

Tennessee state backdrop (short)

FACT (TCA §§13-7-601-606, Short Term Rental Unit Act): Local bans generally do not wipe out property that was already used as an STR before the local rule, until sale/transfer, **30 continuous months** of nonuse, or **three** generally applicable violations (as provided in §§603/604). HOA and private covenants are preserved (§13-7-605).

FACT (TN Department of Revenue manuals / notices): Lodging for less than **90 continuous days** is in the sales tax framework; local occupancy tax uses a short term unit definition tied to less than **30 continuous days**. Marketplace facilitators and direct hosts can have different remittance paths. **GAP:** Mid-TN city-by-city occupancy tax percentage rates were not pulled for this guide; do not invent them. Ask your CPA and the local collector.

I will not invent ADR, ROI, or “typical Mid Tennessee income” figures.

Investing how to (process, not promises)

1. Underwrite legal feasibility first

Title, zoning, permit type eligibility, HOA, and tax registration come before furniture packages. If the only way the numbers work is illegal NOO operation on an RS lot in Davidson, or a Franklin address that cannot clear Ord 2015-06 and the zoning use table, the deal does not work.

2. Insurance

Tell the insurer the real use. A standard homeowners policy may not cover short term guest activity. Ask about landlord or STR oriented products, liability limits, and whether platforms’ “host guarantee” marketing replaces insurance (usually it does not replace a proper policy). Nashville and Franklin both publish a **\$1,000,000** liability floor for permitted operation; your insurer may require more.

3. Taxes

Expect business, sales, and occupancy style taxes where required (Metro explicitly says business, sales, and hotel occupancy for STRP permit holders). Franklin, Spring Hill, Clarksville, and other cities have their own remittance rules. Your CPA should map filings. I will not invent tax rates here.

4. Property manager versus self managing

Self managing means guest messages at midnight, turnover cleaning, and lockboxes. A manager costs a share of revenue and may keep reviews healthier if you travel. Price both models honestly, including your time. **GAP:** No Mid-TN property manager fee schedule is asserted in this guide.

5. Exit risk if rules tighten

Cities change ordinances. Legacy permits can die on sale (Franklin zoning / TCA pattern). Residential zoning can close to new NOO (Nashville already did for AR2A / R / RS / RM). Underwrite an exit as a normal long term rental or owner occupied home if STR rules move against you. If the purchase only works at peak STR revenue forever, it is fragile.

6. Do not buy on platform screenshots alone

Occupancy calendars can be incomplete, seasonal, or tied to a superhost who lives on site. Ask for tax returns, old permits, utility patterns, and a legal path that survives closing.

Success study section (secondary market research, not guarantees)

Nothing below is a promise that your Mid Tennessee property will book well.

MDPI study (occupancy associations)

SECONDARY research: A study published in *Tourism and Hospitality* (MDPI) discusses factors associated with Airbnb style occupancy, including price, location, capacity, amenities, and host response (<https://www.mdpi.com/2571-9394/8/4/60>). Treat it as academic association research, not a Mid Tennessee appraisal and not a guarantee.

AirROI / AirDNA and similar industry analytics

SECONDARY industry analytics (not promises): Industry blogs in the AirROI family often emphasize market selection, bedroom count, and core amenities. Separate AirDNA market overviews publish their own Nashville headlines. **CONFLICT:** AirDNA and AirROI occupancy/revenue headlines for overlapping geos do not always match. **Do not blend them into one number**, and do not paste invented Nashville dollar ADR or annual revenue into your underwriting as if they were measured for your address.

Translate that to Middle Tennessee

ASSUMPTION grounded in the rules above: For many residential lots in Nashville and Franklin, a **compliant owner occupied** model may be the only legal path for a new operator. Success then looks like legality plus guest experience plus operations discipline, not “buy near Broadway and hope.” A legal OO listing with clear house rules, fast host response, clean turnovers, and honest photos will usually beat an illegal listing that gets shut down. Location still matters. Permission matters more.

How I can help

I can help you evaluate a residential purchase with eyes open about STR rules, connect the dots to local process, and keep you from treating a platform screenshot as due diligence. I do not issue permits, file occupancy taxes, or guarantee bookings.

If you want to talk through an address before you chase STR income, call or text **615-943-1644**, email **suggsells@gmail.com**, or grab this PDF from the Free Guides page.

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Educational only. Rules change. Verify Nashville at nashville.gov Codes STRP pages and Legislative History (prefer BL2024-478 over FAQ labels for BL2020-187). Verify Franklin Ord 2015-06 and the current zoning ordinance with Building and Neighborhood Services at 615-791-3217. Verify Spring Hill Ord 25-02 with city codes. Confirm Clarksville, Hendersonville, Mt. Juliet, Murfreesboro, and Brentwood with each city. No ROI, ADR, or occupancy promises.