



Clinch-Powell Resource Conservation And
Development Council, Inc.

HOUSING NEEDS ASSESSMENT PRIMARY & SECONDARY DATA REPORT

Compiled May 22, 2026

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Introduction

Housing markets are highly localized, influenced by both geographic expansion capabilities and regulatory constraints. The housing needs of a specific community may exhibit similarities, but they are not necessarily identical to those of a neighboring area. For rural organizations serving multiple communities, counties, or regions, it becomes crucial to gain a clear understanding of varying housing needs across different locations.

The collection and analysis of housing needs data serve as a fundamental step. However, it is just the initial phase. A Housing Needs Assessment plays a pivotal role in enabling an organization to comprehend the housing needs of its communities. It serves as a foundation for creating actionable goals and objectives that pave the way for local housing solutions to effectively address those needs in a Housing Action Plan.

Housing Needs Assessment Overview

The Housing Needs Assessment for Cocke, Cumberland, Hancock, Hamblen, Hawkins, Grainger, Jefferson, and Sevier Counties in Tennessee was conducted by Clinch-Powell Resource Conservation and Development (RC&D) Council, Inc., with facilitation and support from the Housing Assistance Council. A dedicated workgroup contributed to data analysis and offered guidance throughout the process. The assessment aimed to evaluate the current housing landscape, identify critical needs, and inform strategic planning for future housing development and support.

The assessment process incorporated both primary data gathered through a community survey distributed by Clinch-Powell RC&D and secondary data, sourced from the Housing Assistance Council's Rural Data Central and other reliable databases.

The combined insights from the data collection efforts informed the development of housing goals and objectives that guided Clinch-Powell in creating a responsive and sustainable Housing Action Plan. This plan prioritizes targeted, equitable, and forward-thinking strategies to meet the diverse housing needs of the organization's service area.

Online Microsoft Teams sessions were conducted with Clinch-Powell RC&D staff to facilitate data discovery and provide guidance on survey instruction and implementation:

- Introductory Meeting – March 12, 2026
- Survey Best Practices Overview – March 13, 2026



- Secondary Data Collection Overview – March 17, 2026
- Secondary Data Findings and Analysis – April 17, 2026
- Survey Results and Analysis – May 14, 2026

Clinch-Powell Resource Conservation and Development Council, Inc

Clinch-Powell Resource Conservation and Development Council is a nonprofit in Rutledge, Tennessee, serving Appalachian and rural communities since 1989. Initially established through a USDA initiative to protect the Clinch and Powell River systems, the organization has since evolved into a community development agency focused on strengthening local economies, expanding affordable housing, and conserving natural resources. Clinch-Powell operates as a Community Housing Development Organization (CHDO) and HUD-approved counseling agency, offering housing counseling, affordable housing development, and community development services across Tennessee.

Recently, Clinch-Powell launched a Housing Needs Assessment to address the housing challenges in East Tennessee, including rising costs, limited affordable inventory, and aging housing. This assessment aims to collect data and community input to guide housing strategies, support funding applications, and assist local leaders in making informed decisions on housing development and preservation in Cocke, Cumberland, Hancock, Hamblen, Hawkins, Grainger, Jefferson, and Sevier Counties.

Housing Assistance Council

The Housing Needs Assessment and Housing Action Planning process was facilitated by staff of the Housing Assistance Council (HAC), including Contractor Nicole Opfer, Housing Specialist Cheneé Young, Senior Research Associate Keith Wiley, and Housing Specialist Shreya Shrestha. Funding for the project was provided by the U.S. Department of Housing and Urban Development's Rural Capacity Building (RCB) program.

Through the Rural Capacity Building program, HAC helps to increase the ability of rural housing development organizations, Community Development Corporations (CDCs), Community Housing Development Organizations (CHDOs), local governments, and Tribal nations to carry out community development and affordable housing activities that benefit low- and moderate-income families and persons in rural areas.



Primary Data Review

Survey Overview

Clinch-Powell Resource Conservation and Development Council, Inc., administered two surveys: a Community Housing Needs Assessment Survey and a Survey of Workers in the Real Estate Industry to support the development of a housing plan for Cocke, Cumberland, Hancock, Hamblen, Hawkins, Grainger, Jefferson, and Sevier Counties in Tennessee. The surveys were designed to collect meaningful data to inform the Clinch-Powell Resource Conservation and Development Council, Inc.'s housing initiatives in the listed communities.

Survey Topics

The survey gathered public input on a variety of topics, including:

- Homeownership status
- Monthly housing costs
- Type of housing tenure
- Employment status
- Demographic characteristics

Community Outreach and Survey Distribution Methods

Clinch-Powell RC&D promoted the survey by engaging local organizations and community leaders. Additionally, it was publicized through the organization's website and social media channels. To ensure accessibility, the survey was administered digitally. All responses were collected anonymously to encourage participation and candid feedback.

Survey Limitations

Conducting surveys in rural areas presents several challenges. Populations are sparse and geographically dispersed, making outreach labor-intensive and costly. Reliable communication channels are limited, local media options are few, and mail delivery can be inconsistent.

A significant limitation of this survey was that responses from the 8 counties were not separated by county residence within the survey and instead were grouped within the same response format. As a result, the data may not fully capture the diversity of housing needs, challenges, or demographic characteristics across the participating counties.

Additional barriers to participation included long travel distances, limited internet access, and reduced exposure to outreach efforts, common challenges in rural communities.

Key Survey Insights and Findings

This section walks through the key findings from surveys conducted, including the Community Housing Needs Assessment and the Real Estate Industry Survey. Together, these surveys provide a well-rounded view of housing challenges and opportunities from the perspectives of residents, industry professionals, and property owners. Common trends are highlighted to show how the data reflects real-life experiences across the community. Visuals are included to make complex information easier to interpret, and recommendations are provided to connect the findings to practical next steps.

Community Housing Needs Assessment Survey Results

TOTAL RESPONSE: 328

The Community Housing Needs Assessment survey conducted in Cocke, Cumberland, Hancock, Hamblen, Hawkins, Grainger, Jefferson, and Sevier Counties revealed significant issues regarding housing affordability, quality, and a lack of diverse options. While many residents are stable and housed, a considerable number face financial strain, deferred maintenance, and barriers to finding affordable housing.

Most respondents were homeowners. The largest expenses were mortgage payments followed by utilities and property taxes. Renters and low-income households experienced the most difficulty with affordability, often unable to move due to rising costs and limited availability of affordable units.

Housing quality was a major concern, with many homes needing repairs, especially among older and lower-income residents. Additionally, many properties rely on septic systems, emphasizing the area's rural nature and the need for infrastructure improvements.

The survey highlighted unmet needs for affordable rentals, starter homes, workforce housing, and senior accommodations. Respondents also requested accessibility features for aging populations and those with disabilities. Overall, the findings call for increased affordable housing development, rehabilitation programs, infrastructure upgrades, and greater support for vulnerable populations through partnerships between local governments, nonprofits, and developers.

Community Housing Needs Assessment Survey Recommendations

1. Increase the Development of Workforce Housing

Encourage the construction of affordable workforce housing for teachers, healthcare workers, service employees, and other middle-income households who are increasingly priced out of the local housing market.

2. Expand Housing Rehabilitation Programs

Invest in grant and low-interest loan programs that help homeowners repair aging homes, including roofing, plumbing, electrical, accessibility, and structural improvements.

3. Develop More Senior Housing Options

Increase the availability of affordable senior housing communities, including independent living, assisted living, and age-friendly housing with accessibility features.

4. Create First-Time Homebuyer Assistance Programs

Provide down-payment assistance, credit counseling, and homebuyer education programs to help low- and moderate-income households achieve homeownership.

5. Increase Affordable Rental Housing Supply

Support the development of affordable apartments and rental units to address limited inventory and rising rental costs across the region.

Real Estate Industry Survey Results

TOTAL RESPONSE: 37

The Community Housing Needs Assessment survey highlights significant challenges regarding housing affordability and availability in the Clinch Powell region. Real estate professionals report strong demand for affordable homeownership and workforce rental housing, especially for low- to moderate-income households. Single-family homes for ownership are the highest need, while rental single-family homes and duplexes are also in demand. However, condominiums and townhomes have relatively low interest.

The survey indicates a growing affordability gap, with most prospective homebuyers seeking homes priced between \$200,000 and \$249,000, while many prices exceed what working families can afford. Renters typically look for units in the \$800–\$1,299 monthly range, facing ongoing cost burdens. There is sustained pressure on the rental market, with many landlords having waiting lists.

Barriers to stable housing include lack of affordable options, poor credit history, high down payment costs, low wages, and debt limitations. Rising property values and interest rates have pushed many potential first-time homebuyers into long-term rentals. Additionally, many homes require significant rehabilitation, limiting access to safe housing for lower-income households.

The survey also identifies the need for two- and three-bedroom units suitable for families, as well as accessible housing for seniors and individuals with disabilities. Respondents stress the importance of housing proximity to employment, healthcare, and schools. Overall, there is a clear need for more affordable housing production, improved quality, increased rental options, and supportive programs for financial readiness and sustainable homeownership.

Real Estate Industry Survey Recommendations

1. Increase Development of Affordable Starter Homes

Encourage the construction of affordable single-family homes and smaller starter homes that are attainable for first-time homebuyers and working families within the region's income levels.

2. Expand Workforce Rental Housing Options

Support the development of affordable rental housing for workforce households, particularly two- and three-bedroom units that meet the needs of families and essential workers.

3. Develop Down Payment Assistance Programs



Create financial assistance programs that help low- and moderate-income households cover down payments, closing costs, and other barriers to homeownership.

4. Provide Credit Counseling and Homebuyer Education

Partner with lenders, nonprofits, and housing agencies to offer financial literacy training, budgeting assistance, and credit repair services for prospective homebuyers.

5. Increase Housing Rehabilitation and Repair Programs

Expand grant and low-interest loan programs that help homeowners repair aging or deteriorating homes to improve safety, quality, and long-term housing stability.

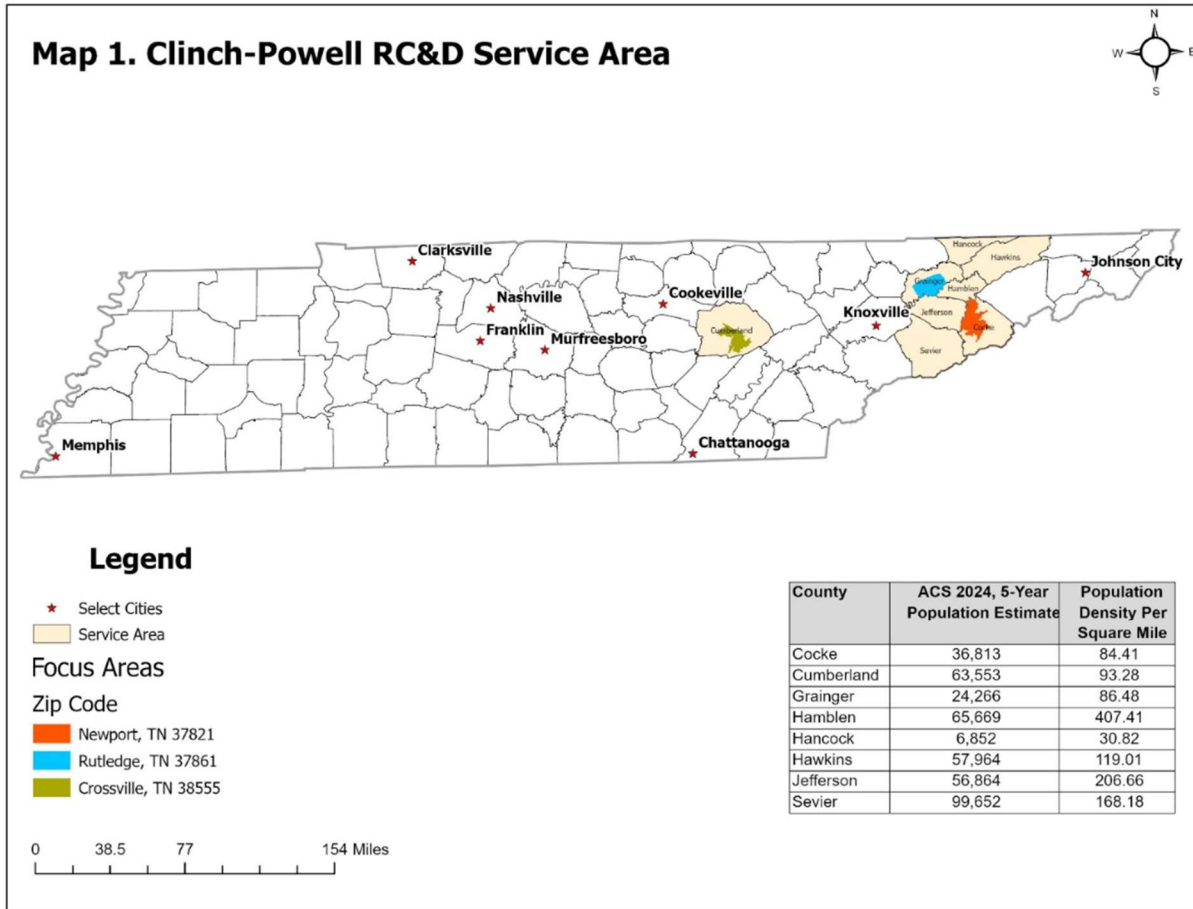
Secondary Data Review

This report provides an in-depth analysis of the housing landscape within the Clinch Powell Resource Conservation & Development Council, Inc.'s service area, focusing on the challenges and opportunities faced by the community in terms of affordability, financing, and housing supply. It explores critical issues such as cost burden, the role of manufactured housing, and the impact of high-cost lending on residents. Additionally, the report delves into the demographic and economic conditions influencing housing demand, including population trends, poverty rates, and labor force participation. By examining these factors, the report aims to offer insights and recommendations for addressing the region's housing needs, particularly in the context of persistent poverty, limited resources, and rural economic challenges.

Geographic Study Area

Clinch-Powell RC&D is headquartered in Grainger County, Tennessee, specifically the town of Rutledge. Over the last 36 years, Clinch-Powell has assisted communities in eastern Tennessee with a primary goal of helping “families find solutions to meeting their housing needs.”¹ These efforts have at various times involved as many as 14 different eastern Tennessee counties.²

For this report, we limit our analysis to eight eastern Tennessee counties, highlighting within them three zip codes of particular interest. The service area includes: Cocke, Cumberland, Grainger, Hamblen, Hancock, Hawkins, Jefferson, and Sevier counties. The three areas of interest are Newport (zip code 37821 in Cocke County), Rutledge (zip code 37861 in Grainger County), and Crossville (zip code 38555 in Cumberland County). Map 1 shows this service area.

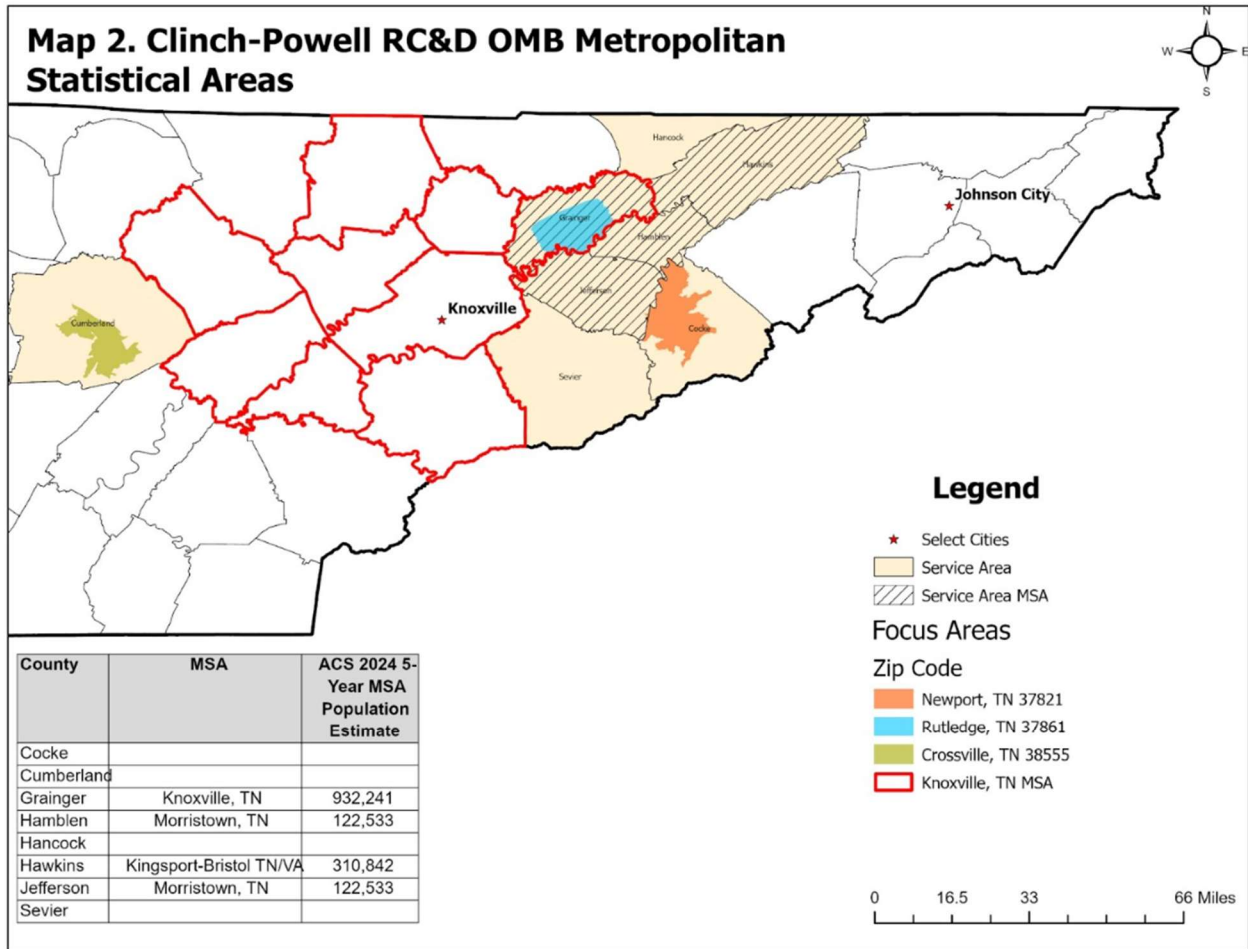


Service Area Information

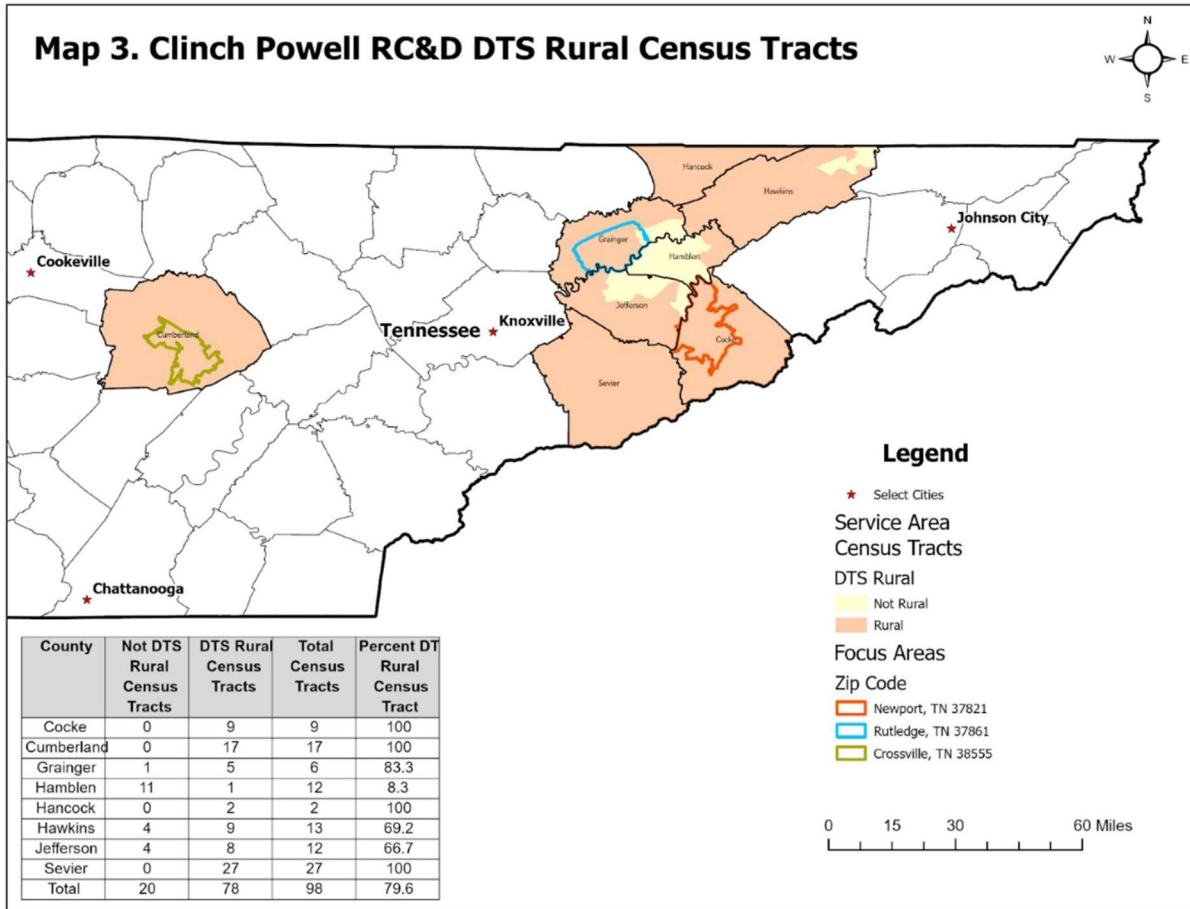
Metropolitan Statistical Areas (MSA)

The eight-county service area is home to an ACS 2024 estimated 411,623 population. Sevier County is the most populous (total population of 99,652 – 168.2 per square mile³) and Hancock County (total population of 6,852 – 30.2 people per square mile) is the least populous. While no service area counties have large populations (100,000 or more), four are part of an Office of Management and Budget (OMB)-designated Metropolitan Statistical Areas (MSA) – Grainger, Hamblen, Hawkins, and Jefferson.⁴ Map 2 highlights these service areas and MSA counties.

Knoxville, Tennessee, is the nearest large MSA (ACS 2024 estimated population of 932,241), and it includes, among its eight counties, the service area's Grainger County. This study uses the Knoxville MSA, minus Grainger County, as a comparison group when exploring service area characteristics and trends – See Map 2, which also highlights the Knoxville, TN MSA.



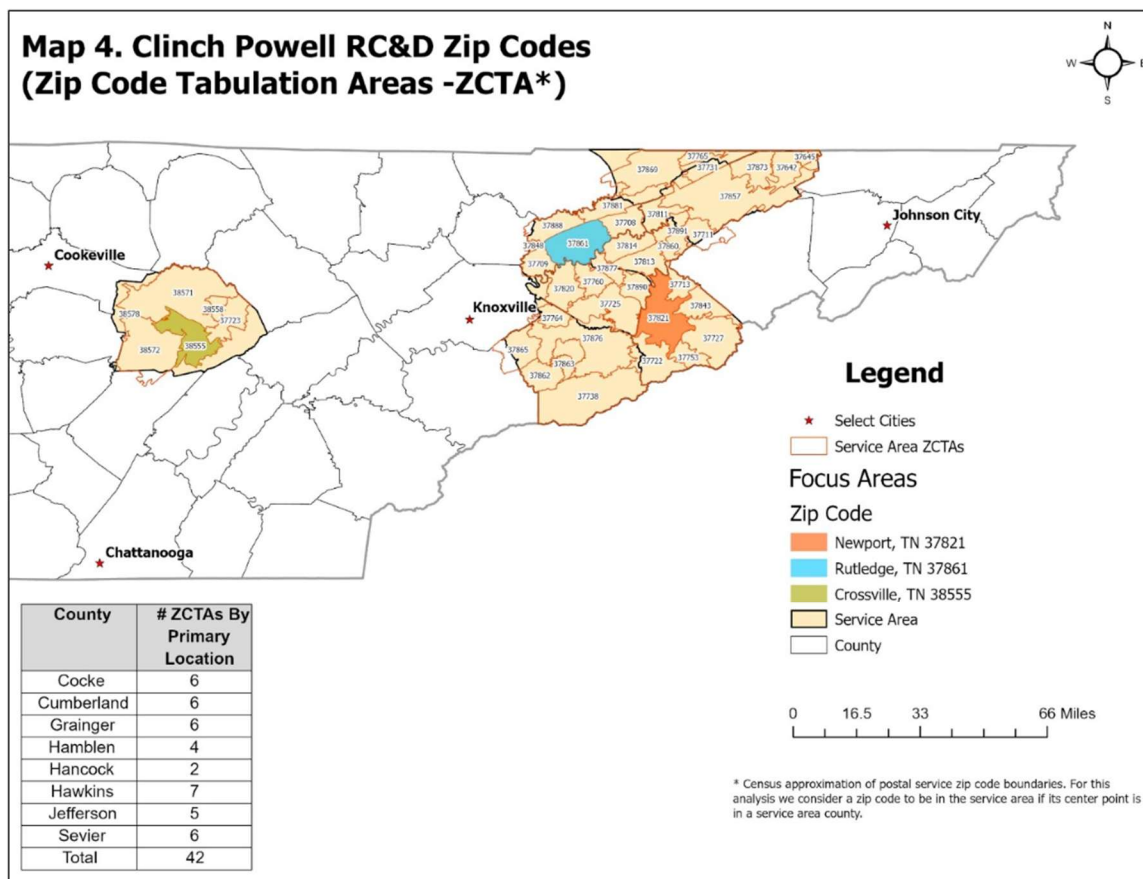
Duty to Serve Rural



While the OMB MSA designation is sometimes used as a measure of rurality, it is not very precise – counties often cover large, diverse areas, and a better approach is to define rural using smaller geographies like census tracts. The Federal Housing Finance Agency (FHFA), as part of its Duty to Serve (DTS) regulations, does this by classifying census tracts as rural based on their level of development. Most (80%) of the Clinch-Powell RC&D service area’s census tracts are DTS rural. The one area of primary DTS non-rural census tracts is in Hamblen and Jefferson County and is associated with Morristown and the Morristown MSA. Cocke, Cumberland, Hancock, and Sevier counties are entirely DTS rural. Similarly, the three focus area zip codes (Newport - 37821, Rutledge -37861, and Crossville-38555, TN) are almost entirely DTS rural.⁵

There are 98 census tracts in the eight-county service area, with the most in Sevier County (27) and the fewest in Hancock County (2). Because census tracts are based at least in part on population (approximately 4,000 people in each census tract), the number of census tracts reflects population size. Map 3 shows the service area broken down by the DTS rural classification.⁶

Postal Service Zip Codes



The Census Bureau creates approximations for U.S. Postal Service zip code boundaries, which they named zip code tabulation areas (ZCTAs). There are 42 ZCTAs with their center point in the Clinch-Powell service area⁷. As the previous point out, three of these zip codes are identified as focus areas. Hawkins County is the primary location for the most ZCTAs, while Hancock County has the least.⁸

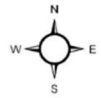
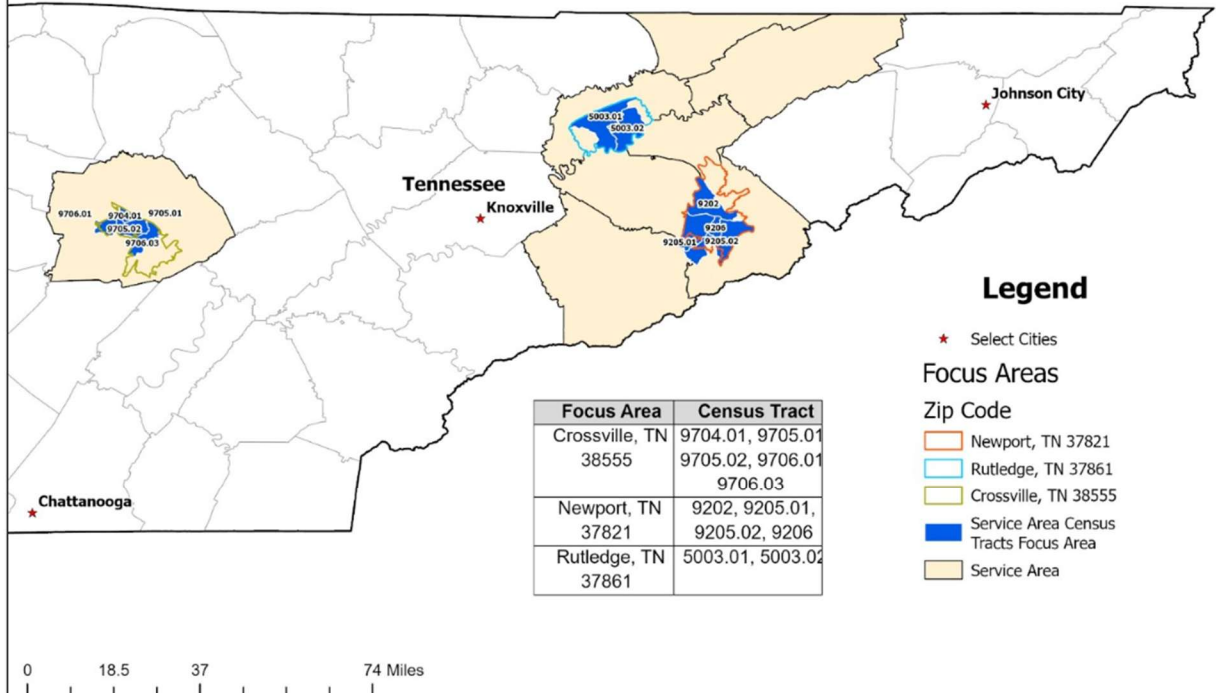
The three focus area zip codes, Newport - 37821, Rutledge -37861, and Crossville-38555, correspond to eleven census tracts⁹ which are distributed as follows – See Map 5:

Crossville, TN: 9704.01; 9705.01; 9705.02; 9706.01; and 9706.03

Newport, TN: 9202; 9205.01; 9205.02; and 9206

Rutledge, TN: 5003.01 and 5003.02

Map 5. Clinch-Powell Focus Area Census Tracts*



*Census tracts with their center-point in focus area ZCTAs - 38555, 37821 and 37861

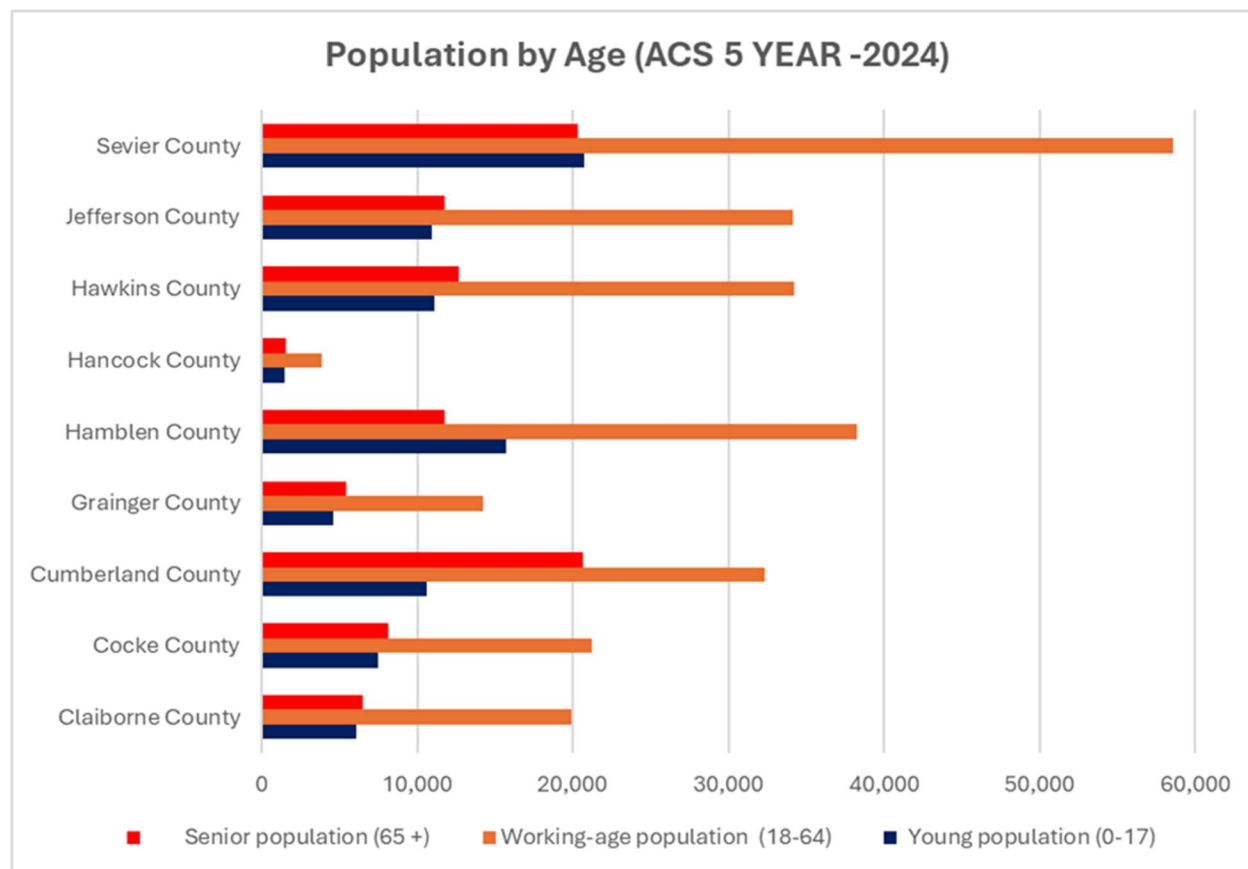
Demographic Data Analysis

Population Change and Housing Implications (2010–2020)

Between 2010 and 2020, Tennessee's population grew by 8.9%, surpassing the national average of 7.4%, but this growth was uneven across counties, leading to varied housing needs. Cumberland and Sevier counties saw the highest increases at 10.7% and 9.4%, respectively, indicating strong migration due to economic opportunities and lifestyle appeal. These areas will need to expand residential capacity and diversify housing options to meet high demand.

Jefferson County's moderate 6.4% growth suggests sustainable development, while Grainger and Hamblen counties' slower growth (3.7% and 3.1%) may benefit from targeted housing programs to maintain affordability. Cocke County's minimal 0.9% growth signals stagnation but could see revitalization through economic incentives.

Conversely, Hancock, Hawkins, and Claiborne counties faced population declines of -0.2% to -2.3%. These declines highlight potential oversupply of housing, prompting strategies centered on adaptive reuse of vacant properties and community revitalization efforts to attract new residents.



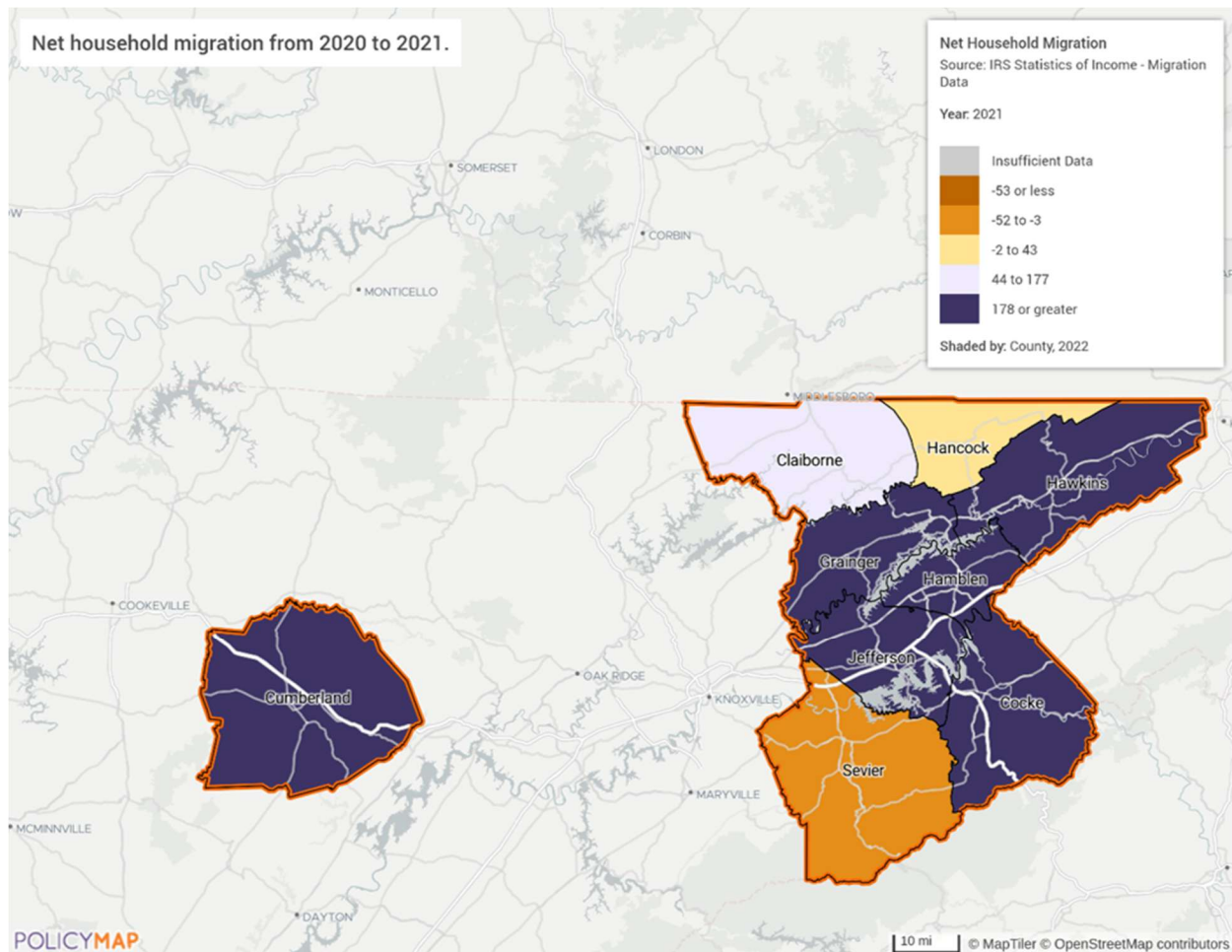
(Source: U.S. Census Bureau, American Community Survey (ACS) 2019–2023 5-Year Estimates)

The chart illustrates that working-age adults (18–64) represent the largest demographic in every county, followed by seniors (65+) and young residents (0–17). Counties like Sevier, Hamblen, and Cumberland, with strong working-age populations, demonstrate a high demand for workforce housing, including rentals and affordable homes near jobs. They also have significant senior populations, around 20,000 in Sevier and Cumberland, indicating a need for age-friendly housing options.

Smaller counties like Hancock and Grainger face lower overall population numbers but still require basic, affordable housing, especially for seniors and lower-income households. While the younger population is smaller, it reinforces the need for family-oriented housing.

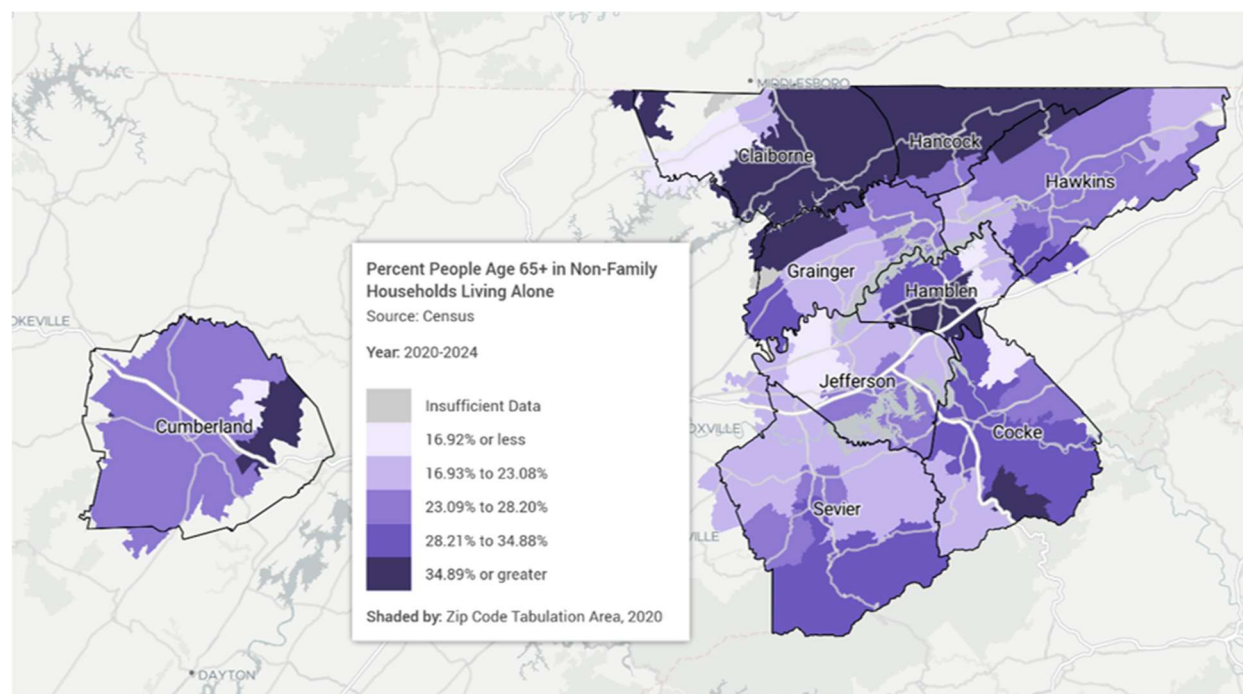
The charts highlight diverse housing demands driven by both population growth and age distributions. Rapidly growing counties like Cumberland and Sevier need increased workforce housing alongside accessible options for seniors. Conversely, counties like Hancock and Claiborne, experiencing little to no growth, face challenges in maintaining existing housing stock. All counties must balance expansion with adaptation to an aging population.

Net Household Migration



The map illustrates net household migration across counties from 2020 to 2021, highlighting how this movement affects housing demand. Areas with strong in-migration, like Cumberland County with a gain of 822 households, are likely to face increased housing pressure, necessitating new construction for both market-rate and affordable housing. Claiborne (+174) and Hancock (+33) also show positive, albeit smaller, gains, indicating a gradual rise in housing needs. Conversely, Sevier County experienced a loss of 18 households, suggesting that housing constraints may be pushing residents to seek more accessible options in nearby counties. This trend emphasizes the need for housing strategies focused on expanding supply in areas with in-migration and addressing affordability issues in areas experiencing out-migration.

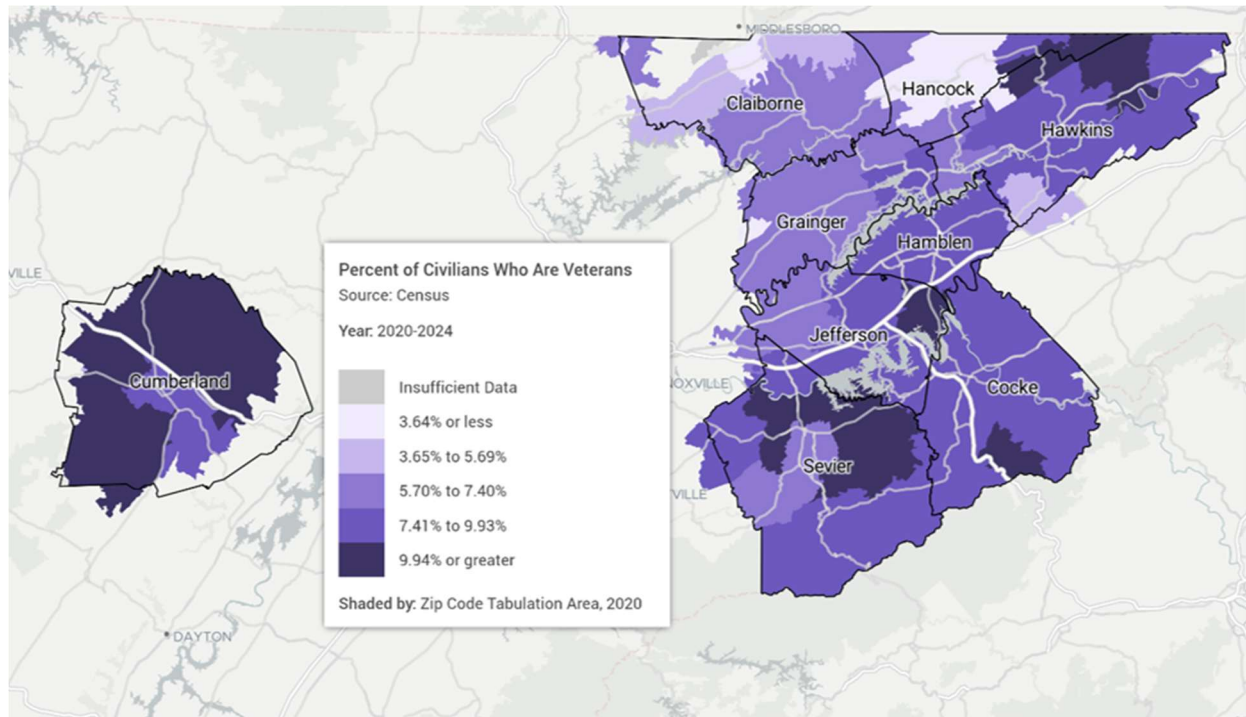
Density of Seniors (65+) Living Alone



The map shows the percentage of individuals aged 65 and older living alone, ranging from 16.9% to more than 34.9% across the counties. Claiborne, Hancock, and parts of Cocke and Cumberland counties have higher rates (28.2% to over 34.9%), indicating a significant need for safe, affordable, and accessible housing for these seniors. Many may require smaller units and proximity to healthcare.

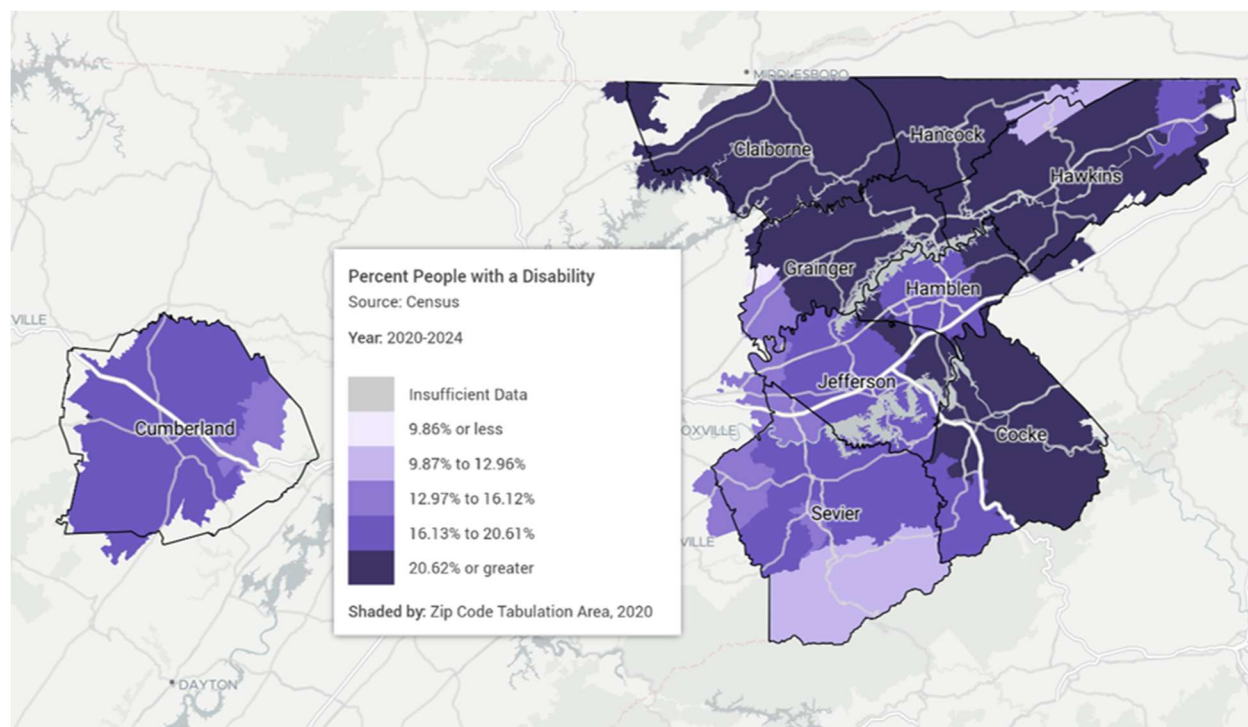
In contrast, Hamblen and Jefferson counties have lower rates (16.9% to 23.1%), suggesting more shared living arrangements, though demand for senior housing is expected to grow as the population ages. Overall, the map highlights that many communities face a growing need for age-friendly housing and support services, which is essential for helping seniors maintain independence.

Density of Veteran Population



The map shows the percentage of civilians who are veterans, ranging from 3.6% to more than 9.9% across the region. Cumberland County and parts of Sevier, Jefferson, and Cocke counties with 7.4% to more than 9.9% of veterans, highlight a need for targeted housing support, including affordable options and access to VA services. In contrast, counties such as Claiborne and parts of Hancock and Hawkins, with 3.6% to 5.7% veterans, have a smaller share but still require necessary services due to their rural nature. Overall, veterans make up about 5% to 10% of the population in many areas, underscoring the importance of affordable housing and supportive services for stable living conditions.

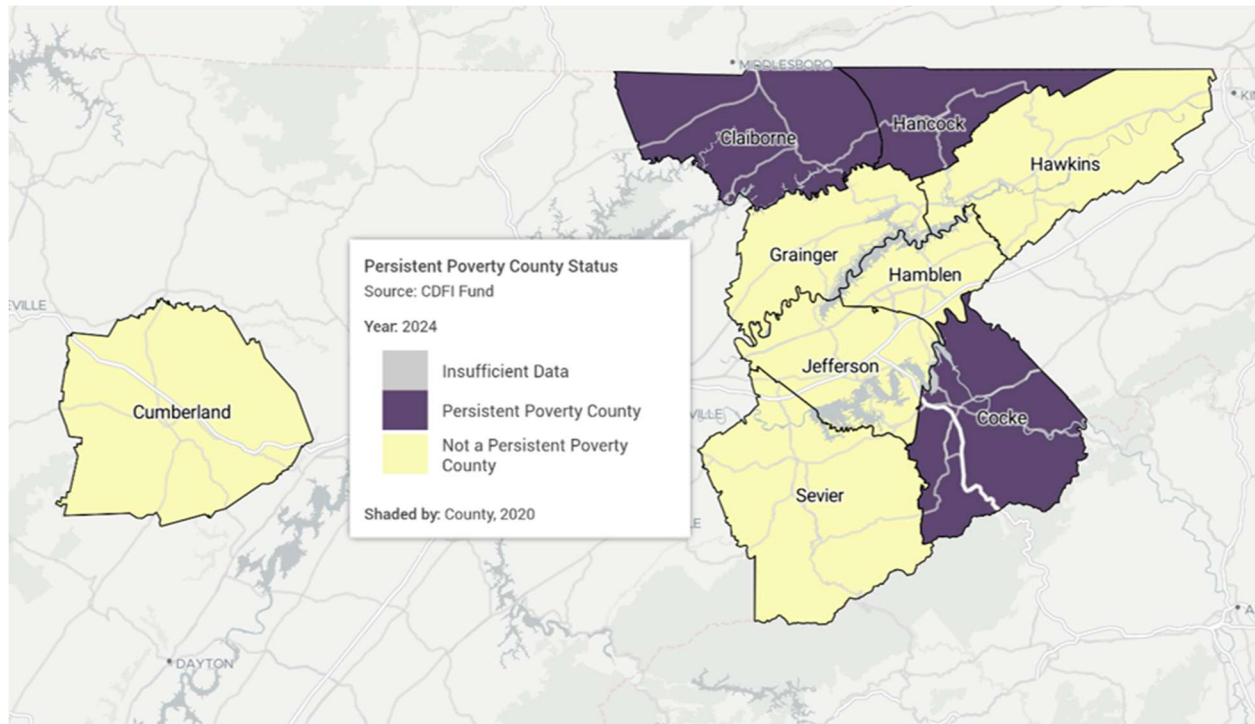
Density of People with a Disability



This map shows the percentage of people living with a disability, ranging from 9.9% to over 20.6%, highlighting housing needs across the region. Claiborne, Hancock, Hawkins, and parts of Cocke and Jefferson counties exhibit higher disability rates (16.1% to over 20.6%), indicating a strong demand for accessible and affordable housing with features like ramps and single-level layouts close to essential services. In contrast, areas in Hamblen and Sevier counties have lower rates (9.9% to 12.9%) but still require ongoing planning for residents with disabilities. Overall, many counties exhibit disability rates between 13% and 21%, emphasizing the need for inclusive housing and supportive services to help individuals live safely and independently.

Income And Affordability

Persistent Poverty Counties



The map highlights persistent poverty counties, such as Claiborne, Hancock, Cocke, and Hawkins, which face long-term economic challenges affecting housing. In these areas, issues revolve around affordability, substandard conditions, and limited new development, leading residents to struggle with housing maintenance and access to quality units. In contrast, counties like Sevier, Hamblen, Jefferson, Grainger, and Cumberland, not classified as persistent poverty areas, have relatively stronger economies but still face housing challenges related to growth pressures and rising costs. Overall, while persistent poverty counties need a focus on affordability and improving existing housing quality, non-poverty counties must balance growth with affordability to avoid creating new barriers.

Income Distribution (AMI Bands)

County	HUD Income Region Type	30% AMI	50% AMI	80% AMI
Claiborne	Rural/Non-metro	~\$20,000	~\$33,400	~\$53,400
Hancock	Rural/Non-metro	~\$20,000	~\$33,400	~\$53,400
Hawkins	Rural/Mixed	~\$22,000	~\$36,000	~\$58,000
Grainger	Rural/Mixed	~\$22,000	~\$36,000	~\$58,000
Cocke	Micropolitan	~\$23,000	~\$38,000	~\$61,000
Hamblen	Morristown MSA	~\$27,000	~\$45,500	~\$72,800
Jefferson	Morristown MSA	~\$27,000	~\$45,500	~\$72,800
Sevier	Sevierville Micro	~\$27,000	~\$45,500	~\$72,800
Cumberland	Higher-income Rural	~\$27,000	~\$45,500	~\$72,800

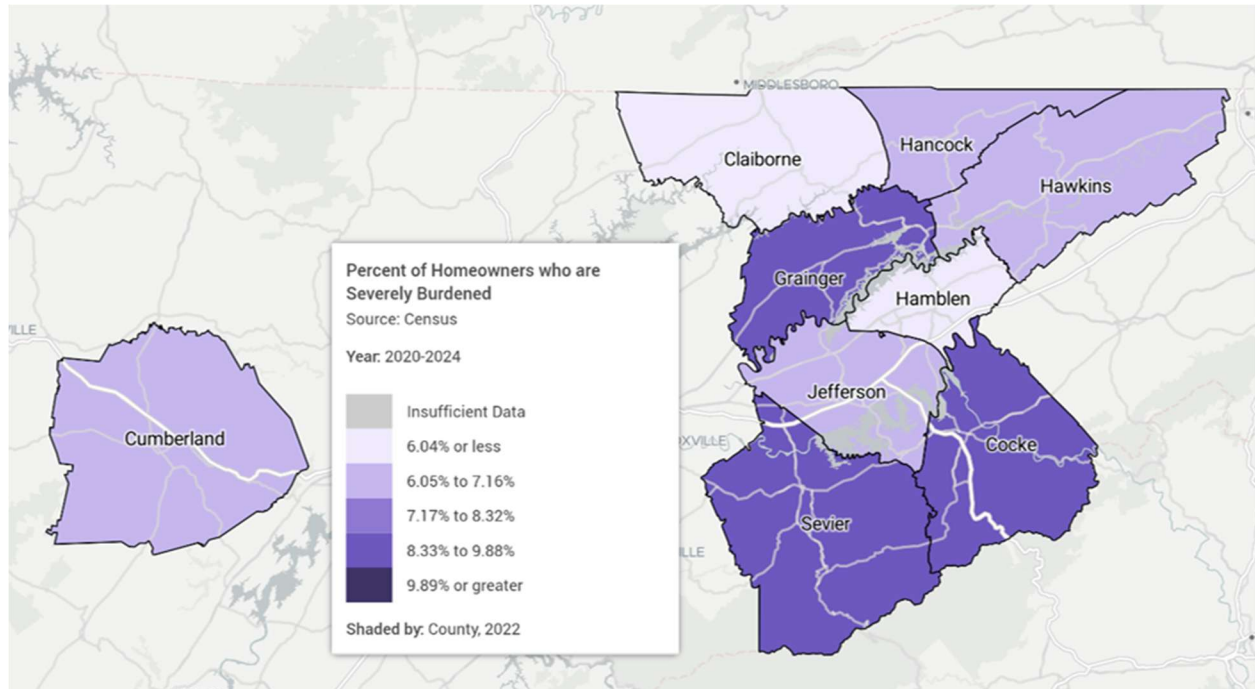
The table highlights significant income disparities across counties, impacting housing affordability. Rural counties like Claiborne and Hancock have low income thresholds, approximately \$20,000 at 30% AMI and \$53,400 at 80% AMI, indicating a strong need for affordable housing and subsidy programs. Counties like Hawkins, Grainger, and Cocke have slightly higher income levels, but still face challenges in accessing quality housing for lower-income households.

In contrast, Hamblen, Jefferson, Sevier, and Cumberland exhibit higher income limits, around \$27,000 at 30% AMI and up to \$72,800 at 80% AMI, reflecting stronger earning potential. However, these areas may struggle with rising housing demand.

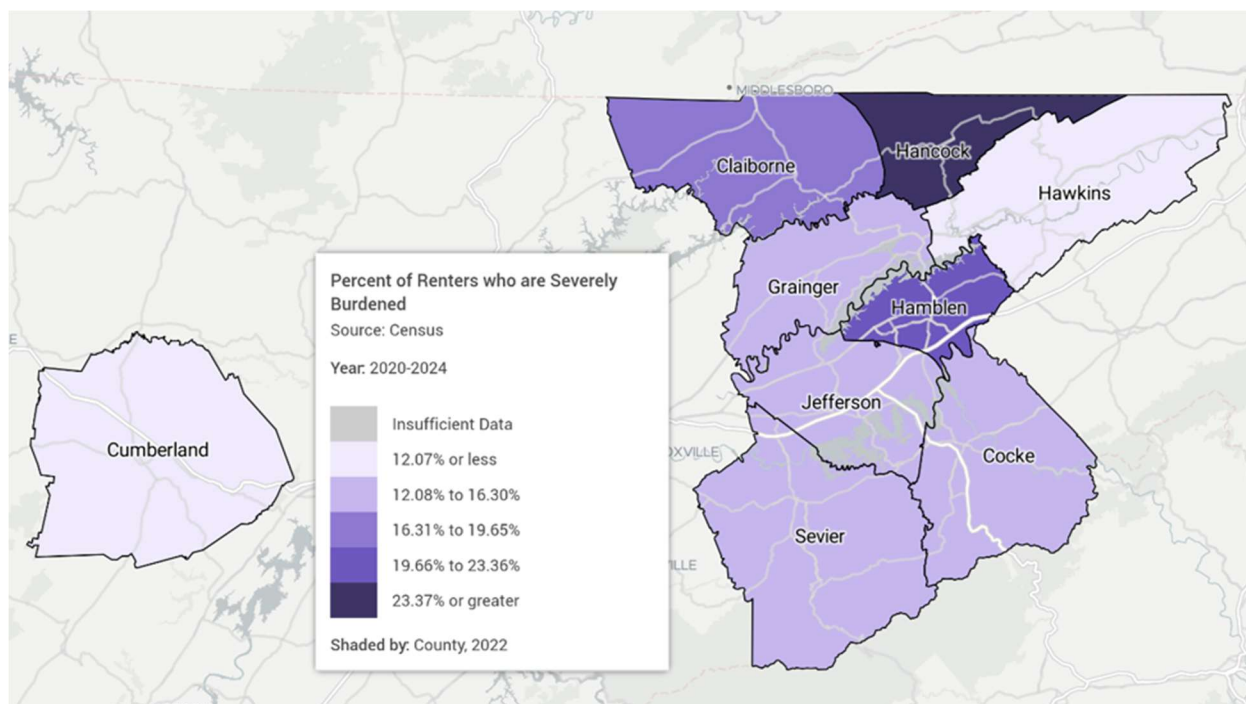
Overall, lower-income rural counties need targeted support, while higher-income growing areas must maintain affordability to ensure access for all income groups.

Cost-Burdened Households

The two maps below show that a notable share of both homeowners and renters is severely cost-burdened, meaning they spend over 50% of their income on housing, and this has clear implications for affordability across the region.



For homeowners, most counties fall between roughly 7% and over 9.9%, with higher levels visible in Sevier, Cocke, and parts of Grainger, indicating growing pressure even among those who own homes. This suggests that rising costs such as mortgages, taxes, and maintenance are becoming difficult to manage, particularly in areas experiencing growth or higher housing demand.



For renters, the burden is even more pronounced, with many counties ranging from about 12% to over 23.3%. Hancock County stands at the highest level (over 23%), while others such as Hamblen, Grainger, and Claiborne also show elevated shares. This reflects a stronger affordability challenge for renters, who are often more vulnerable to rising rents and limited housing supply.

Considering both the maps together, it highlights a consistent trend: renters face greater housing cost pressure than homeowners, but both groups are affected across multiple counties. This indicates a broad need for affordable housing solutions, rent stabilization, and financial support, particularly in areas where cost burdens are highest, and incomes are more limited.

Housing Data Analysis

Tenure Data: Owner vs Renter (2024-2026)

County	Owner-Occupied	Renter-Occupied	Primary Rental Profile
Grainger	81.1%	18.9%	Rural agricultural/lakefront rentals.
Hawkins	80.2%	19.8%	Small-town workforce housing.
Union	78.2%	21.8%	Commuter-based single-family rentals.
Jefferson	75.8%	24.2%	Student (Carson-Newman) and lake tourism.
Cocke	75.7%	24.3%	Traditional rural and mountain cabin rentals.

Hancock	76.5%	23.5%	High poverty/substandard rental stock.
Claiborne	74.3%	25.7%	Institutional (LMU Student) influence.
Sevier	70.7%	29.3%	Tourism service workforce/Short-term rentals.
Hamblen	70.6%	29.4%	Manufacturing workforce/Apartment hubs.

The table indicates that most counties have high owner-occupied rates between 70% and 81%, while rental shares are lower at 18% to 29%. Counties like Grainger (81.1%) and Hawkins (80.2%) lead in ownership, typical of rural areas, while Hamblen (29.4%) and Sevier (29.3%) have notably larger renter populations due to employment centers and tourism. Rental markets differ significantly; rural areas often have small-scale rentals linked to agriculture, while counties like Jefferson and Claiborne cater to student populations, and Sevier is influenced by tourism. Additionally, some regions, such as Hancock, face challenges with substandard rental quality. Overall, while homeownership is prevalent, the rental market is essential, especially in workforce and tourism-heavy areas. This highlights the need for increased rental supply and improved quality in lower-income and rural communities.

Housing Stock Data: Structures

County	1-Unit Detached (Single-Family)	Multi-Family (Apt 5+ units)
Sevier	63.2%	15.1%
Hamblen	69.0%	7.3%
Jefferson	67.4%	9.2%
Hawkins	69.7%	2.8%
Cocke	61.3%	2.1%
Claiborne	71.4%	3.5%
Union	72.1%	1.4%
Grainger	70.8%	1.1%
Hancock	68.2%	1.0%

The table compares single-family (1-unit detached) and multi-family (5+ units) housing across counties, emphasizing the importance of balancing low-density and higher-density housing. Historically, counties like Claiborne, Hancock, and Grainger are dominated by single-family homes, limiting affordable housing availability. In contrast, multi-family housing is often found in more developed areas, such as Hamblen and Sevier, where demand is higher. The lack of multi-family options can lead to supply constraints for renters, lower-income households, seniors, and smaller households that depend on affordable units. This scarcity drives up rents and home

prices, worsening affordability issues. Overall, the table highlights that housing diversity is crucial; an overreliance on single-family homes can restrict affordability and limit choices in growing counties.

Physical Stock: Dwelling Types

The regional housing landscape is dominated by single-family detached homes, which account for about 68% of the housing stock, especially in counties like Union and Claiborne. Manufactured housing serves as an affordable option, with about one in four households in rural areas relying on mobile homes in Cocke (29.2%), Grainger (24.1%), and Hancock (23.5%). In contrast, areas like Sevier (8.4%) and Hamblen (11.7%) have fewer mobile homes due to higher land values.

A shortage of diverse housing types is evident, with small multi-family units representing less than 4% of rural housing. Larger apartment complexes are limited to Hamblen, Sevier, and areas near universities in Jefferson and Claiborne, creating an “apartment desert.” This leads to competition between university students and low-income households for a limited number of rental units, driving up costs. The region faces a dual challenge; while manufactured housing provides affordability, the lack of multi-family options restricts choices for renters and lower-income households, highlighting the need for more balanced housing strategies.

Manufactured Housing

County	Manufactured Housing	Context
Cocke	29.2%	One of the highest densities in the state.
Grainger	24.1%	Heavily used for rural agricultural housing.
Hancock	23.5%	Primary affordable housing option in the Clinch River valley.
Union	22.8%	Common on non-subdivision rural acreage.
Hawkins	20.4%	Significant presence in the western/rural parts of the county.
Claiborne	19.6%	Mixture of traditional parks and private land placements.
Jefferson	13.2%	Lower density due to increased suburban "stick-built" growth.
Hamblen	11.5%	Lowest in the group; concentrated in urban/industrial zones.
Sevier	8.4%	Displaced by high-value permanent and recreational builds.

The table highlights the significance of manufactured housing across counties, particularly in rural areas where traditional housing is less affordable. It serves as a

crucial option for low- and moderate-income households lacking access to conventional mortgages or new developments.

In rural counties, manufactured homes address limited economic growth and fewer housing alternatives. In semi-rural areas, they support workforce households amidst scarce rental options. Conversely, in more developed counties, the share of manufactured housing is lower due to market pressures favoring higher-cost housing.

Overall, the table emphasizes that manufactured housing is a vital part of the housing safety net, underscoring the need for supportive policies in financing, repairs, and preservation to ensure accessibility for those who rely on it.

Recreational and Seasonal Housing

Recreational and seasonal housing significantly impacts the region's housing market by limiting availability for full-time residents. Properties like cabins, lake houses, and short-term rentals occupy a large share of the housing stock, particularly in Sevier County, where 25% to 30% of units are seasonal, and in tourist areas like Gatlinburg, it can exceed 60%. This trend reduces long-term housing supply, raises prices, and limits availability for local workers. Similar patterns are seen in Jefferson (8.5% seasonal use) and Grainger counties, with recreational housing often tied to Douglas and Cherokee Lakes. Cocke County has about 10% recreational housing, mostly cabins near the Smoky Mountains. Overall, recreational properties serve visitors rather than residents, exacerbating housing challenges for local populations, especially low-income households.

New Housing Stock

The region's housing stock is predominantly old, which affects quality and long-term affordability. Data from the U.S. Census Bureau's American Community Survey shows that counties like Hancock and Hawkins have about 12% to 15% of homes built before 1950, increasing the likelihood of outdated systems and potential health risks like lead paint. The median year built across the service area is 1988, indicating that many homes need upgrades for energy efficiency and safety.

New construction is limited, with Sevier and Jefferson counties being the only ones with more than 10% of homes built after 2015. Most counties have seen minimal new development, leading to tight supply. The 1990s housing boom accounts for 22% of structures, now requiring more repairs and upgrades. Overall, the age profile highlights the need to preserve and improve existing housing, especially in rural areas.

Homeownership

County	Homeownership Rate (2024)	Median Property Value
Grainger	81.1%	\$162,400
Hawkins	80.2%	\$165,800
Union	78.2%	\$155,200
Jefferson	77.5%	\$229,300
Hancock	76.5%	\$112,500
Cocke	75.7%	\$158,100
Claiborne	74.3%	\$148,400
Hamblen	70.6%	\$195,500
Sevier	70.5%	\$268,200

(Source: U.S. Census Bureau, American Community Survey (ACS) 2019–2023 5-Year Estimates, Table DP04.)

The table indicates strong homeownership in the region, particularly in Sevier County at 70.5%. However, rising housing values—now at \$268,200—are creating pressure on homeowners, with nearly 18% being cost-burdened. This highlights a disconnect between homeownership rates and affordability, as increasing property taxes, insurance, and maintenance costs affect financial stability.

Tourism-driven markets, especially in Sevier County, are causing home prices to rise beyond local incomes, making it difficult for first-time buyers and moderate-income families. Additionally, rural counties may have lower home values but still face affordability issues due to lower incomes and aging housing stock, where even small increases in costs can create financial strain.

Overall, the housing market is under pressure from rising costs in high-demand areas and limited financial capacity in lower-income regions. This underscores the need for policies that enhance not only access to homeownership but also its long-term affordability and sustainability.

Foundation and Construction Type

The region's housing stock features a diverse mix of construction types influenced by terrain, affordability, and historical development patterns, primarily sourced from the U.S. Census Bureau's American Community Survey. Stick-built homes dominate, especially for single-family units, often built on crawlspace or basement foundations suited to the hilly landscape. This reliance increases development costs, particularly in land-scarce areas.

Manufactured housing is crucial for affordability, particularly in rural counties like Cocke, Grainger, and Union, providing accessible options for low- and moderate-income households. However, about 15% of these homes predate the 1976 HUD code, raising concerns about safety and efficiency. Older homes often experience quality issues, highlighting the need for repair and replacement programs.

An emerging trend is the rise of modular housing in Union and Grainger counties, offering a more cost-effective alternative to traditional construction on private land. While traditional homes dominate, manufactured housing addresses affordability, and modular options are starting to emerge as solutions. This situation underscores the necessity for policies that support diverse construction types and enhance the availability of cost-effective housing alternatives.

Housing Stock Data: Vacancy

The housing market across the East Tennessee service area presents a complex picture where vacancy does not equate to availability, and this has direct implications for housing access and affordability. While overall vacancy rates range from 9% to as high as 30%, these figures mask two very different realities depending on the county.

In Sevier County, the high vacancy rate, approaching 30%, creates what can be described as a false impression of available housing. In reality, a large share of these “vacant” homes are actively used as short-term vacation rentals, meaning they are not accessible to residents. This creates a hidden shortage of housing for workers, even though the numbers suggest excess supply. As a result, local households face rising prices and limited options, particularly in a tourism-driven market.

In contrast, counties such as Hancock and Cocke experience vacancies for very different reasons. Here, many homes are unoccupied due to age, deterioration, or lack of basic upgrades, making them unsuitable for immediate use. This indicates that the issue is not oversupply, but rather the poor condition of existing housing stock. For these areas, the most effective response is not new construction, but targeted rehabilitation and repair programs to bring vacant units into use.

Meanwhile, counties like Hamblen and Union reflect the opposite condition—a tight housing market with vacancy rates below 10%, indicating a seller’s market where demand exceeds supply. In these areas, limited inventory drives competition and increases both home prices and rents, making it harder for households to secure housing.

County	Total Vacancy Rate	Primary Vacancy Driver	Housing Availability Note
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Sevier	29.5%	Recreational (STRs/Cabins)	Highest "technical" vacancy; actually, a tight market.
Hancock	23.6%	Structural (Aging/Deterioration)	High "Other Vacant" due to rural out-migration.
Cocke	16.0%	Mixed (Mountain Cabins + Aging Stock)	Substantial seasonal stock near the National Park.
Grainger	10.6%	Recreational (Lakefront)	Driven by summer homes on Cherokee Lake.
Jefferson	9.8%	Mixed (Lakefront + Student Rentals)	Douglas Lake impact; lower structural vacancies.
Claiborne	9.7%	Structural/Utility	Often homes in rural areas lack modern utilities.
Hamblen	9.6%	Market (Turnover)	Lowest rate; mostly homes between owners/tenants.
Union	9.2%	Market (Turnover)	High demand for commuters keeps vacancies low.
Hawkins	8.5%	Market (Turnover)	Very stable; very few "abandoned" or recreational units.

(Source: U.S. Census Bureau. (2023). American Community Survey 5-year estimates)

Market speed in Jefferson and Hamblen counties shows homes selling within 70 to 89 days, indicating strong demand and limited supply. Conversely, Sevier County has a longer average of about 106 days due to the prevalence of higher-priced vacation properties. Despite varying vacancy rates, the region is structurally underbuilt, with high vacancy not easing housing pressure where units are tied to tourism or are uninhabitable.

The vacancy rates from the U.S. Census Bureau reveal a complex housing landscape; vacancy does not equate to availability. In Sevier County, a 29.5% vacancy rate is misleading, as many units are used for short-term rentals, leading to a tight market for workforce housing. Cocke County's 16% rate reflects a mix of seasonal use and older homes needing repair, while Jefferson and Hamblen counties have lower rates—9.8% and 9.6%—indicating tighter markets. Hamblen's low rate suggests a balanced market with regular turnover.

Hawkins County, with an 8.5% vacancy rate, showcases stable conditions primarily due to routine turnover. The data highlights that vacancy rates are nuanced: high rates in tourist areas like Sevier mask resident shortages, while low rates in counties like Hamblen and Hawkins show demand for more supply. Tailored housing strategies should focus on expanding supply where needed, rehabilitating older homes, and addressing short-term rentals in tourism-heavy areas.

Housing Conditions

Selective Housing Problems

The table on Selective Housing Problems highlights several challenges affecting housing needs in the region. A significant issue is the limited supply of affordable rental housing, particularly outside Hamblen and Sevier Counties, where renters often rely on single-family homes or older manufactured units instead of purpose-built apartments, leading to higher costs due to constrained options.

Another concern is the overreliance on manufactured housing in rural areas, which, while affordable, often suffers from issues like aging units and inadequate financing. Many households are left in substandard conditions without repair programs or lending options.

Additionally, there's a mismatch between available housing types and the needs of a growing population, including seniors and low-income households. This is particularly evident in areas like Jefferson and Claiborne, where competition for limited rental stock drives up costs.

Overall, these issues illustrate that housing challenges vary, primarily focusing on affordability, limited diversity in housing options, and quality concerns, necessitating targeted solutions.

Lack of Infrastructure

Housing-related challenges significantly impact quality of life in rural counties. Incomplete plumbing remains an issue, particularly in older or lower-cost housing in counties like Hancock, Cocke, and Grainger. Additionally, a digital divide persists, with 15–20% of households in Hancock and Union counties lacking high-speed internet access, despite over \$200 million invested in broadband expansion. These challenges highlight the need for improvements beyond just affordability and supply, emphasizing the importance of infrastructure, utilities, and connectivity for safe living conditions. Addressing these needs will require concerted efforts in building and preserving housing.

Public and Subsidized Housing

The region's housing support system, managed by ETHRA and the Douglas-Cherokee Economic Authority, struggles to meet demand. Housing Choice Voucher (HCV) programs often have 2 to 3-year waitlists in counties like Hamblen and Jefferson, delaying stable housing for low-income households. Limited subsidized rental housing, especially USDA-supported units in rural areas, further compounds the issue, with most properties at full capacity and closed waitlists.

In Sevier County, the rise of short-term vacation rentals (like Airbnb and VRBO) has removed many units from the long-term market, exacerbating the shortage of affordable rentals for local workers. These factors highlight a strained housing system where demand significantly outpaces supply, impacting lower-income households' access to housing.

Environmental and Geographic Constraints

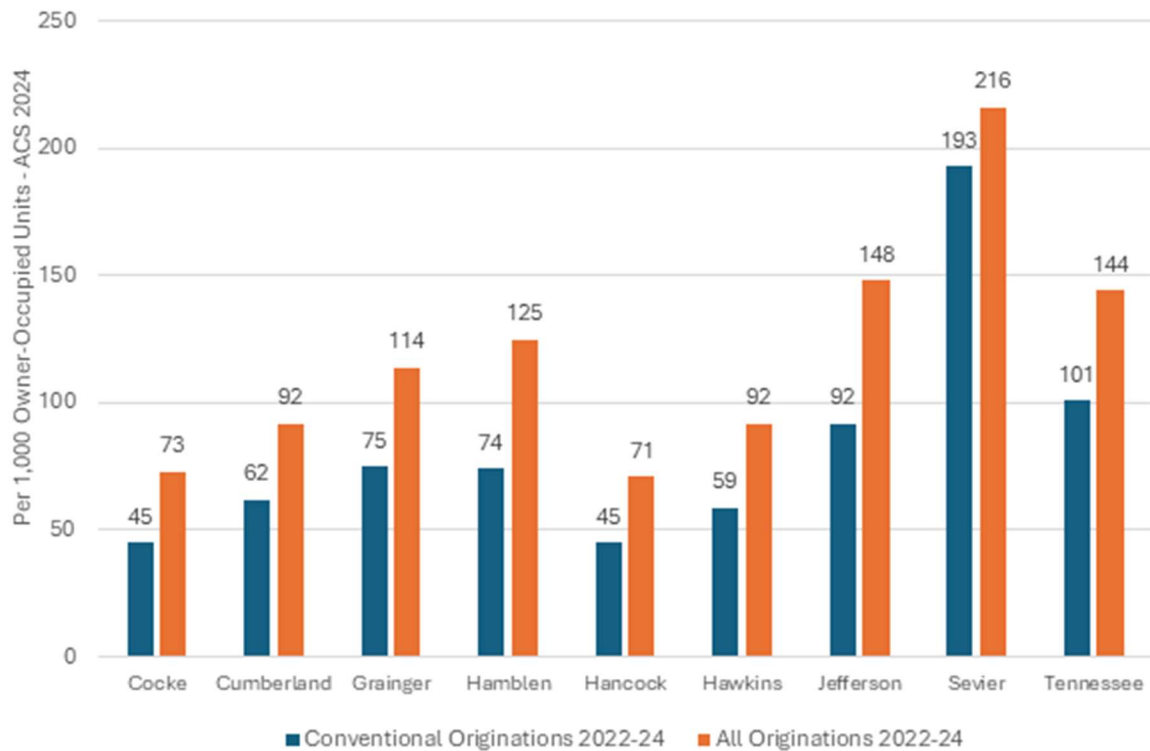
Natural hazards and land constraints significantly impact housing challenges in the region. Flooding poses the greatest threat, particularly for manufactured homes near the Clinch, Holston, and French Broad Rivers. These homes are vulnerable to damage, leading to higher repair costs and displacement risks for low-income households. Wildfire risk, especially in Sevier and Cocke counties after the 2016 Gatlinburg fires, also impacts housing affordability by increasing insurance costs and necessitating fire-resistant materials, which drive up development costs.

Additionally, there is a severe shortage of suitable land for development, often termed a “silent” housing constraint. In counties like Grainger and Union, land is often too steep or located in flood-prone areas. This problem is more acute in Sevier and Cocke counties, where accessible, flat land is nearly depleted, pushing new development onto steep terrain and raising construction costs, further limiting affordable housing options. These factors illustrate that housing challenges stem from environmental risks and land constraints, restricting supply and increasing costs for affordable housing development.

Housing Markets Via Home Lending

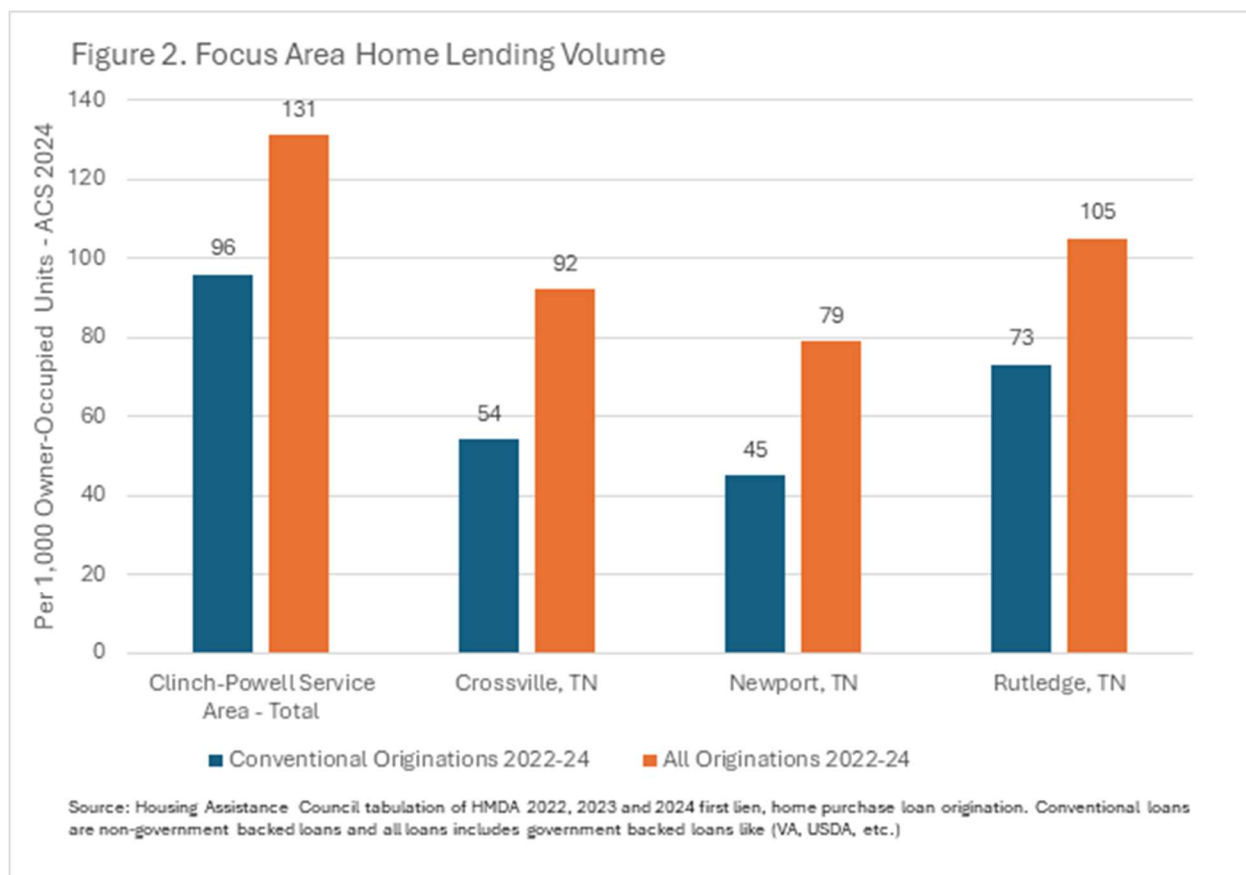
Home finance activity is a key indicator of housing market vitality, reflecting consumer demand, housing supply, and community health. Metrics like lending volume, loan pricing, and affordability provide insights into a community's well-being. High home lending volume indicates a vibrant market with accessible loans. Figure 1 illustrates first-lien home purchase loans per 1,000 owner-occupied units from 2022 to 2024 in service area counties and Tennessee, highlighting all loans and conventional, non-governmental loans.

Figure 1. Home Purchase Loans Per 1,000 Owner-Occupied Units



Source: Housing Assistance Council tabulation of HMDA 2022, 2023 and 2024 first lien, home purchase loan origination. Conventional loans are non-government backed loans and all loans includes government backed loans like (VA, USDA, etc.)

Figure 1 highlights that Sevier County has a remarkably high lending volume for both all and conventional home purchase loans, attributed to its status as a popular tourist destination, including Pigeon Forge and Dollywood. In contrast, Hancock and Cocke counties show very low lending activity, with rates less than half the state average. Classified as persistent poverty areas by FHFA's Duty to Serve regulations, these counties have faced poverty rates over 20% for three decades and experienced population decline from 2010 to 2020.



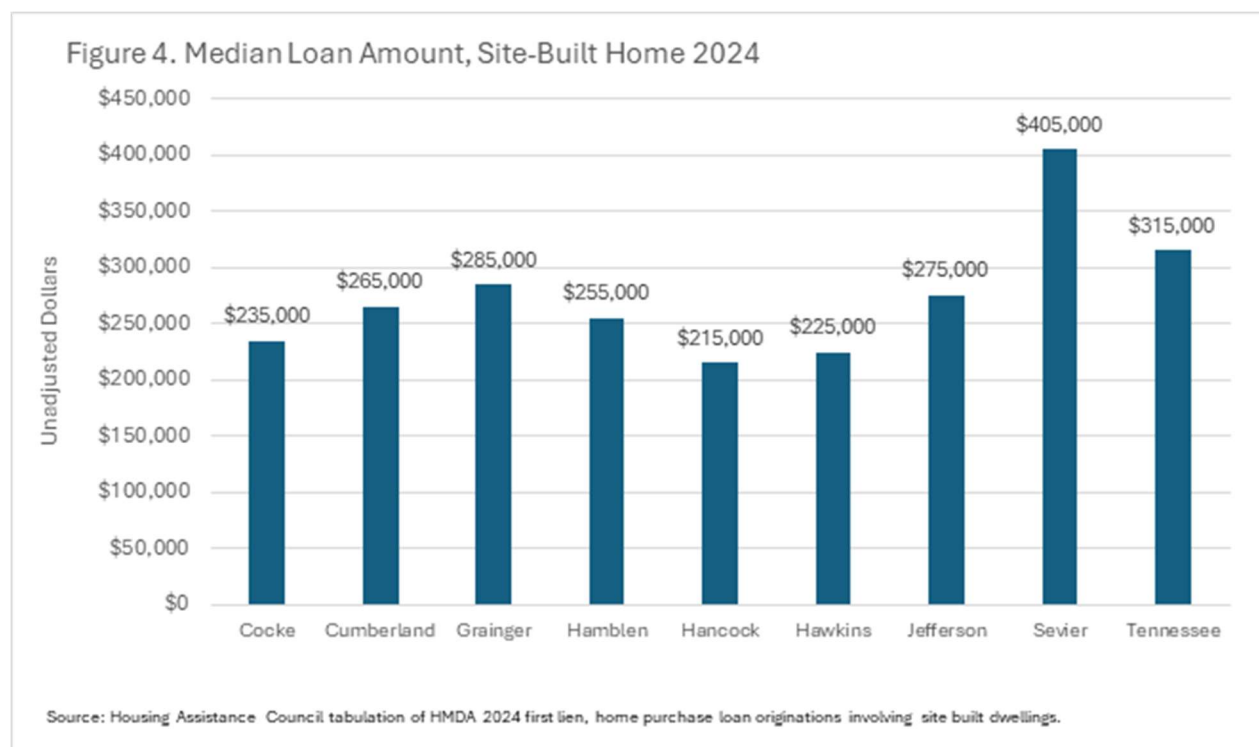
The lending volumes in the remaining service area counties are below the state average, though not as significantly as Hancock and Cocke Counties. In the focus area zip codes, Crossville (38555) and Rutledge (37861) reflect similar lending rates. Newport (37821), Cocke County's seat, shows very low lending, indicating economic distress.

When compared to the nearby Knoxville MSA (excluding Grainger County), lending rates per 1,000 owner-occupied dwellings align with state averages, but Knoxville's overall lending volume exceeds service area rates, particularly in Hancock and Cocke Counties, and falls short of Sevier County levels.

Lending volumes also vary between rural and non-rural census tracts, with Tennessee's rural areas generally receiving lower volumes. Sevier County stands out due to its tourism and retirement appeal, attracting higher lending. In contrast, Hancock County, facing chronic economic challenges and low incomes, has a lending volume about half that of Tennessee's overall rural areas.

Median Loan Amounts

Median loan amount is another important home lending measure. Figure 4 shows the median loan amount for first-lien home purchase loans that involved a site-built home. Sevier County has a median loan amount that is nearly twice as large as Hancock County's median loan amount. Again, this reflects Sevier County's tourism and retirement destination appeal, leading to elevated home prices.



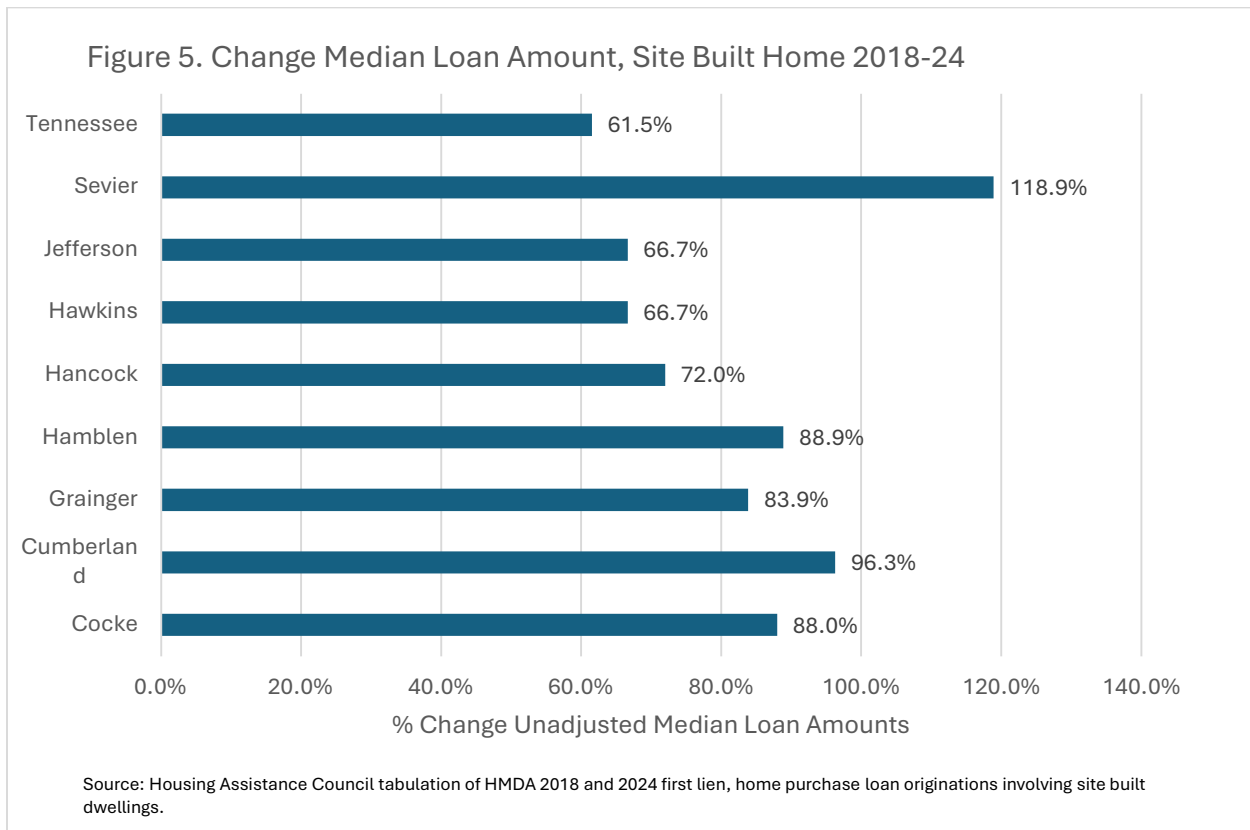
In all service area counties except Sevier, the median loan amount is below the state median, indicating lower home prices and potentially greater affordability for homeowners. Service area counties also show lower housing cost-burden rates compared to the state and national averages, though Cocke and Hancock counties have the highest rates due to economic distress rather than high living costs. In 2024, over 36,000 households in the service area were cost-burdened, with more than 15,000 spending 50% or more of their income on housing.

Table 1. ACS 2024 Cost Burdened Housing Units

Geography	Cost Burdened Housing Units	% Cost Burdened	Severe Cost Burdened Housing Units	% Severe Cost Burdened
Cocke County	3840	26.3	1614	11
Cumberland County	5554	20.6	2256	8.4
Grainger County	2091	23.3	1021	11.4

Hamblen County	6064	24.2	2673	10.7
Hancock County	664	25.6	343	13.2
Hawkins County	4241	19	1739	7.8
Jefferson County	4202	20	1781	8.5
Sevier County	9762	25.1	4234	10.9
Total Service Area	36418	22.7	15661	9.8
Tennessee	761968	28	341365	12.6
United States	40384310	32.2	18977106	15.1

In addition, Figure 5 shows that median loan amounts increased over the last six years in all service area counties more than they did for the state of Tennessee. These are unadjusted dollars,¹² but the data still shows a greater percentage increase in median home loan amounts during the five-year period, when compared to the state of Tennessee. The same pattern holds true when looking at the U.S. trend¹³ and suggests that, over time, housing costs might become even more of an issue if patterns persist.

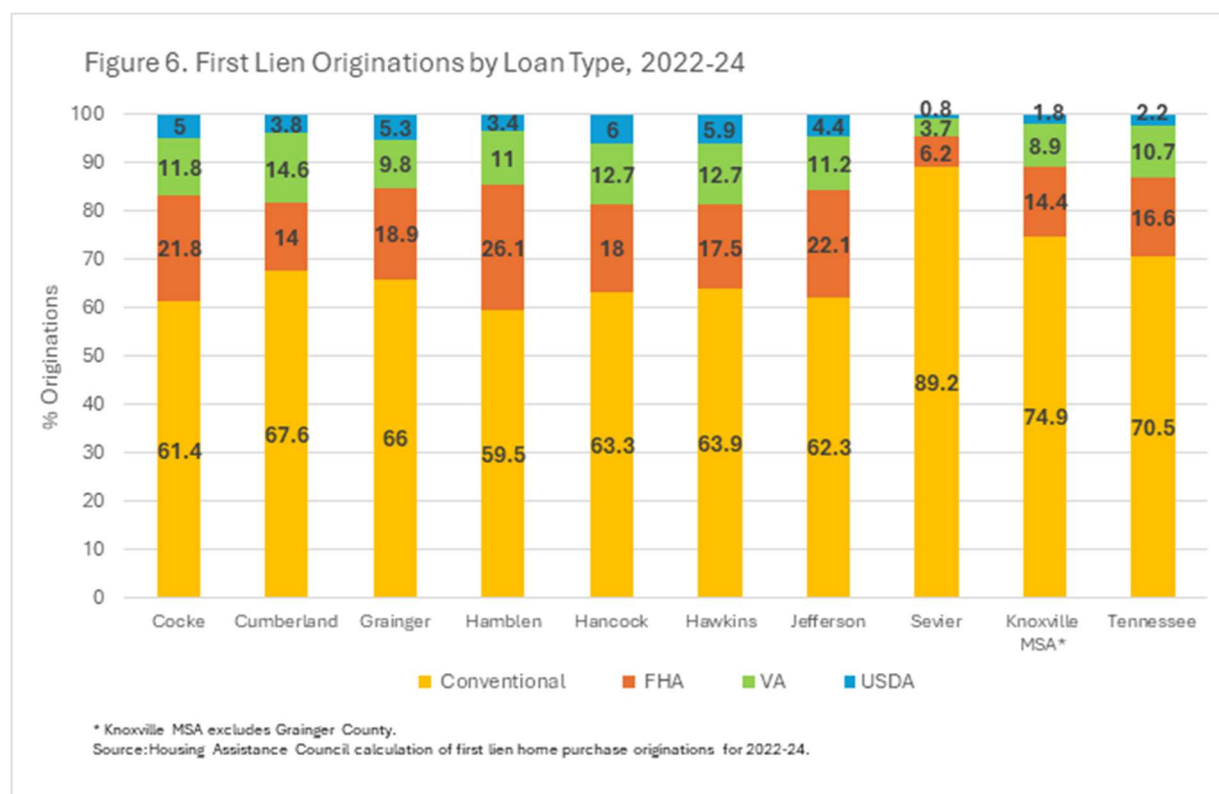


Loan Types

Mortgage loans are categorized as either conventional or government-backed. Conventional loans lack government backing, while government-backed loans (like

VA and USDA Section 502 loans) include guarantees that lower interest rates and support access to affordable home financing.

In service area counties, conventional loan activity is low compared to state percentages, indicating limited conventional lending rather than high government lending. FHA loans represent a larger portion of lending, especially in Hamblen County. The USDA 502 loan program, though still small, accounts for 6% of lending in Hancock and Hawkins County, three times the state rate.



Government-backed lending products are crucial, particularly for households earning between 80 and 120 percent of the area median income, who often face challenges in affording homes—referred to as workforce housing.

Table 2 estimates that there are about 2,800 cost-burdened households in the eight-county service area, with the highest number in Sevier County, reflecting elevated home prices. Despite seemingly affordable home values, workforce households, especially those near or slightly above the median income, struggle due to limited availability of moderate-priced housing and inflated prices resulting from insufficient new development.

Table 2. ACS 2022 HUD CHAS data

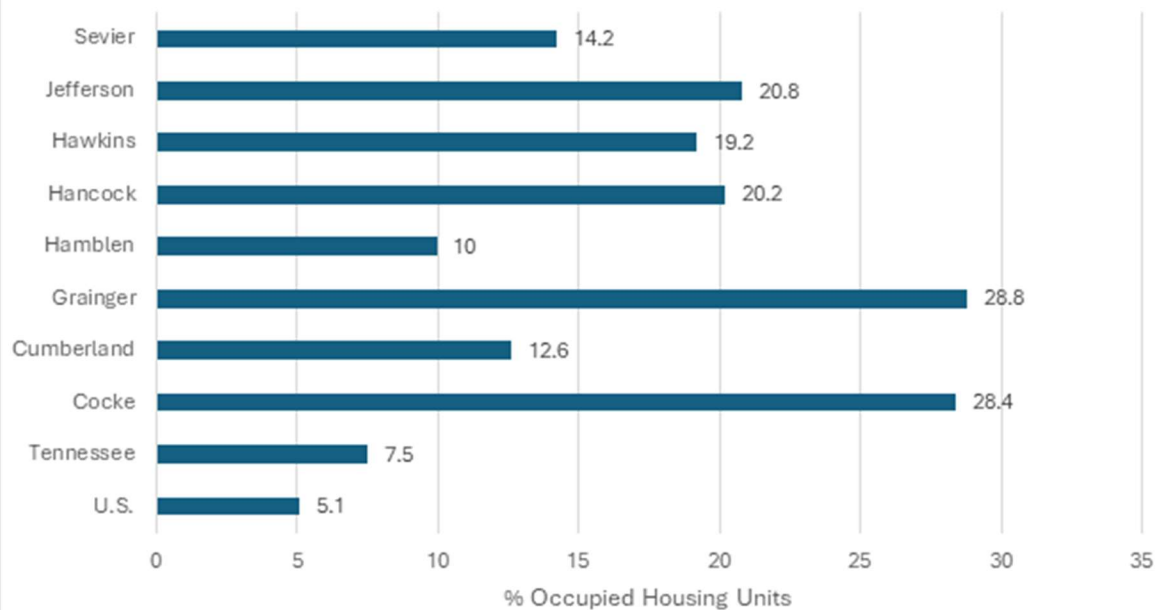
Geography	Total Households	Cost Burden Households Estimate*	Cost Burden Households Estimate Lower Bound*	Cost Burden Households Estimate Upper Bound*	Percent Cost Burden
Cocke	2520	105	0	237	4.2
Cumberland	5220	343	163	523	6.6
Grainger	1880	210	43	377	11.2
Hamblen	4845	329	143	515	6.8
Hancock	469	49	0	143	10.4
Hawkins	4795	374	198	550	7.8
Jefferson	4355	298	161	435	6.8
Sevier	7725	1165	845	1485	15.1
Total Service Areas	31809	2873	1481	4265	9

*HAC generated estimate for cost burden unit. We incorporate the margin of error and provide the lower and upper bound parameters for this estimate. The point estimate is most often used but the confidence interval boundaries capture where we can be relatively confident the actual value lies. I

Manufactured Home Lending

Given the location (Southeast) and rate of rural areas (80 percent of census tracts), it should come as no surprise that manufactured homes are an important part of the service area's housing stock. In two service area counties (Cocke and Grainger) manufactured homes make up more than 1 in 4 occupied housing units – See Figure 7.

Figure 7. ACS 2024 Percentage Housing Manufactured Homes



Source: Housing Assistance Council tabulation of ACS 2024 5-Year Estimate for occupied housing units.

From this, it comes as little surprise that loans involving manufactured homes are common in the service area. In five of the 8 service counties, 20 percent or more of all originated home purchase loans, in the 2022 to 2024 period, involved a manufactured home – See Figure 8 and Map 6. Grainger County had the highest prevalence, with nearly one out of every three loans involving a manufactured home. On the other hand, Hamblen County, where the service areas' largest community (Morristown) is located, has a lower prevalence of manufactured home lending, which likely reflects zoning and land-use practices.

There is also considerable variation in loans involving manufactured homes in the three focus area zip codes. There are a few manufactured home loans in Crossville, but they represent a third of all loans in the Rutledge zip code. This highlights how much local housing markets can vary depending on the community they serve – See Figure 9.

Map 6. Manufactured Home Housing Stock, ACS 2024

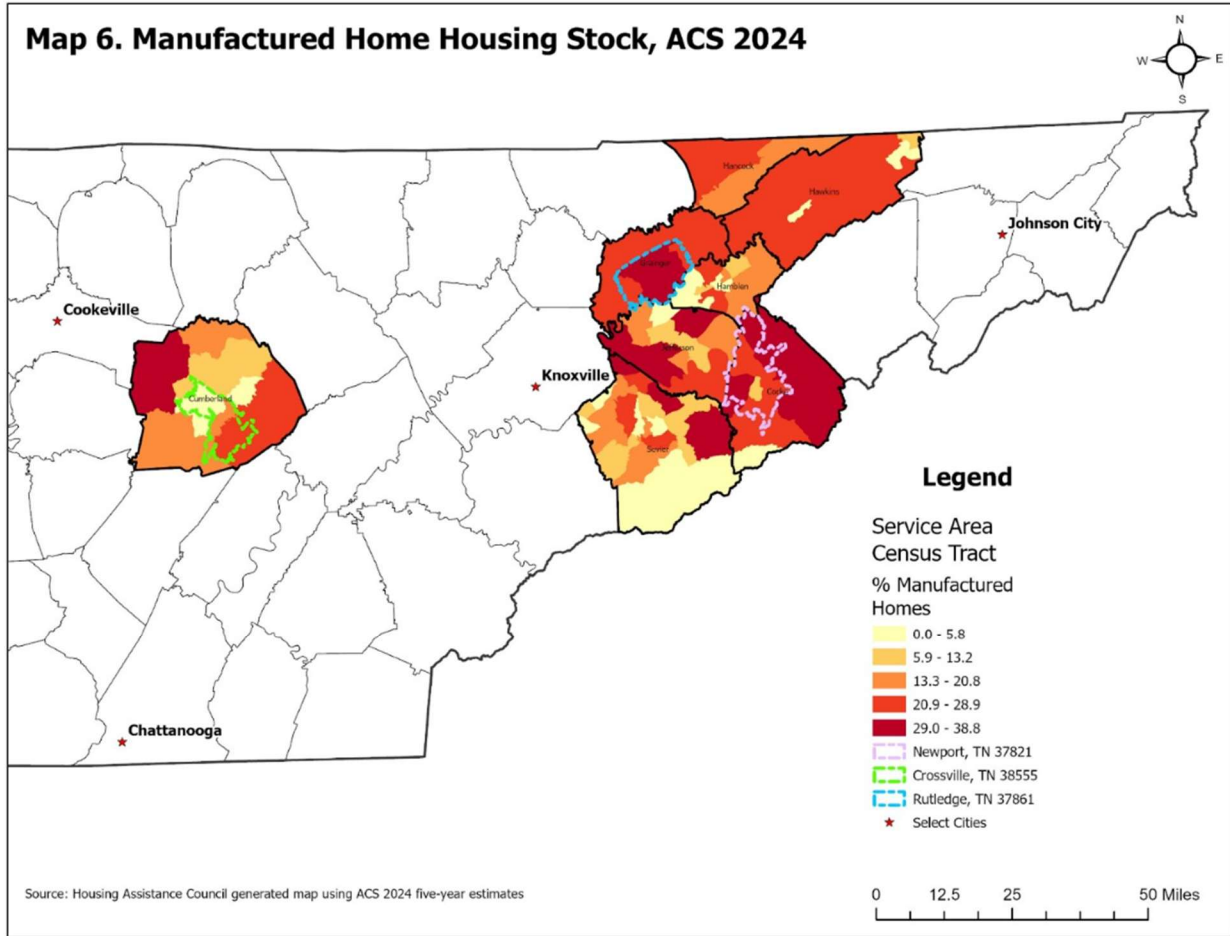
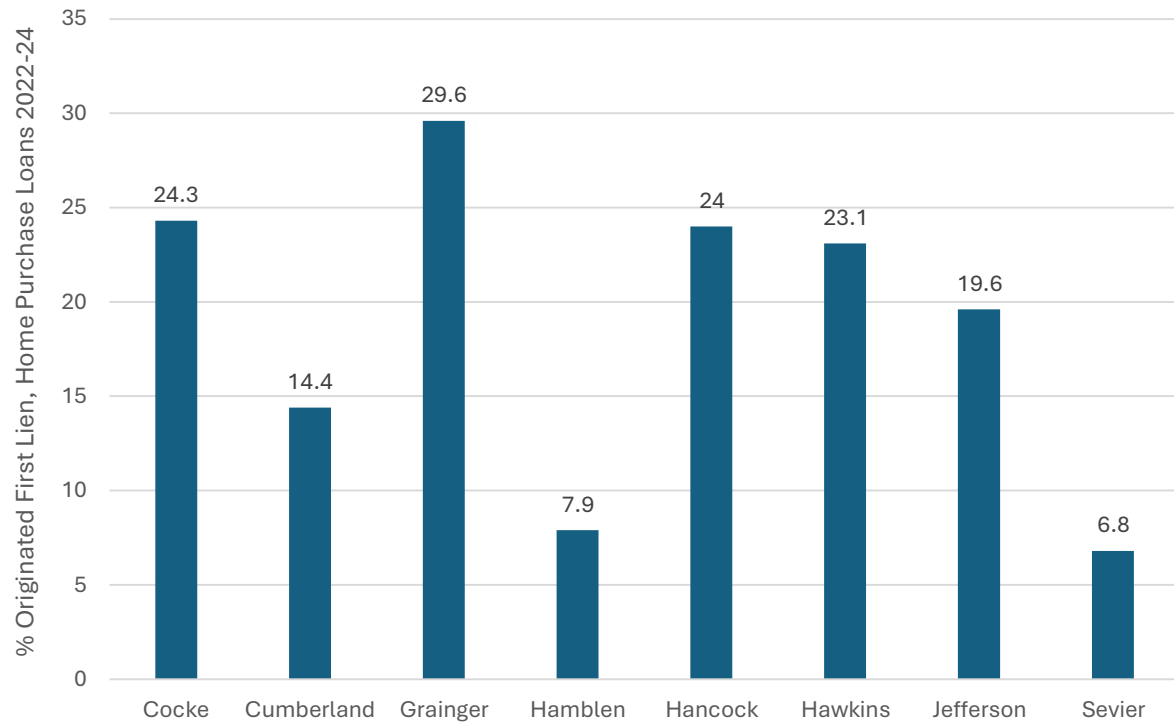
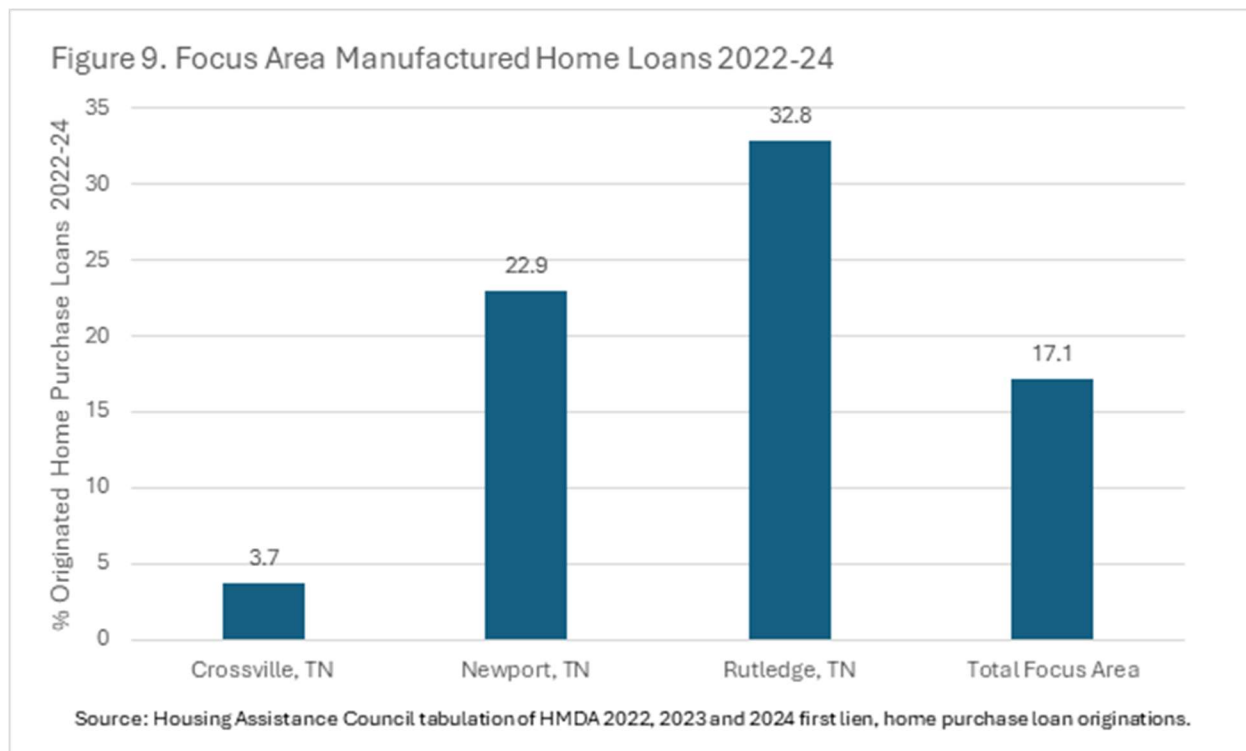


Figure 8. Share Home Purchase Loans Involving Manufactured Home, 2022-24



Source: Housing Assistance Council tabulation of HMDA first lien, home purchase loans involving a manufactured home and all types of single family units.

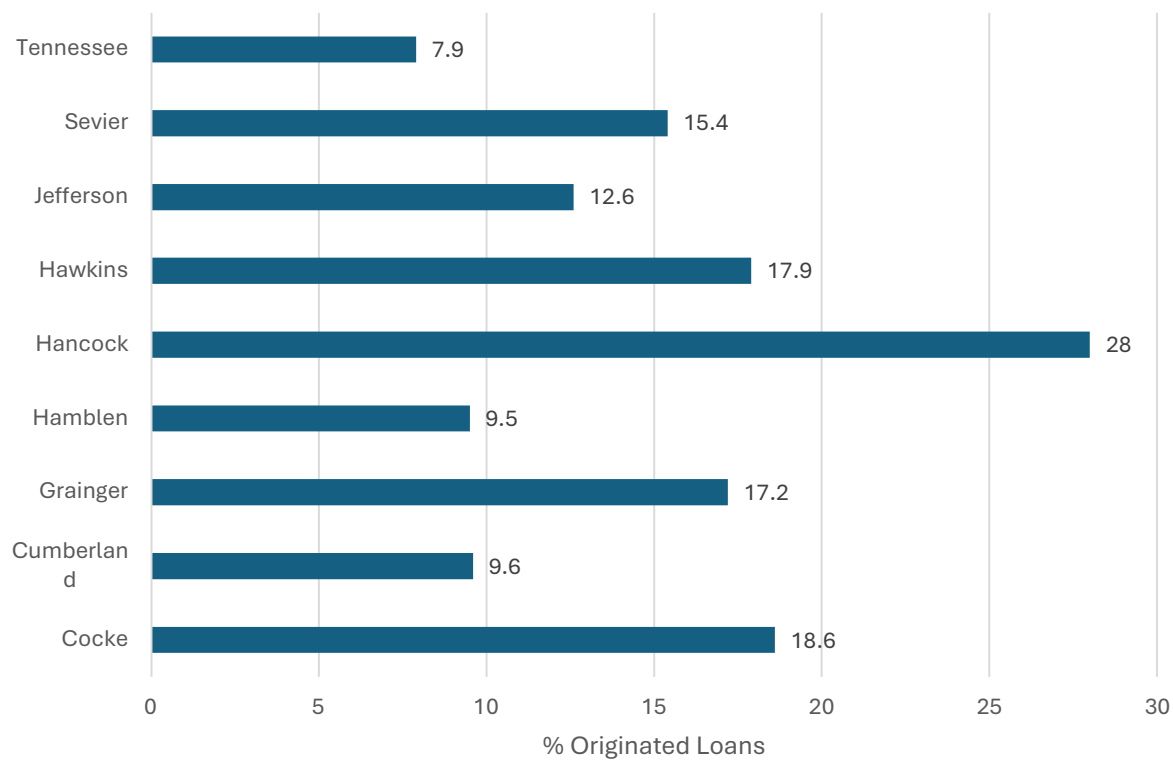


High-Cost Mortgages

An issue related to manufactured housing is high-cost, often personal property, lending. In general terms, high-cost loans come with elevated interest rates that are significantly higher than those found on a similar prime rate loan. Such higher-interest-rate loans represent increased burdens on consumers and worsen housing affordability.

For the purpose of this report, the Consumer Finance Protection Bureau (CFPB) defines high-cost loans as first-lien originations that have interest rates of 1.5 percentage points or greater than an average prime rate loan. Figure 10 shows the percentage of home purchase loans that were high-cost in 2022-24. Service area counties with the highest prevalence of high-cost lending also have high rates of manufactured homes – See Figure 7. There is some variation here, though, because Hancock County has the highest share of high-cost lending but the fourth highest prevalence of manufactured homes (the percentage is still high). This suggests that housing type is not the sole determinant of loan pricing. The lowest rates are in counties with relatively limited manufactured housing loans; however, even in those cases, the percentages were all higher than the Tennessee state percentage.

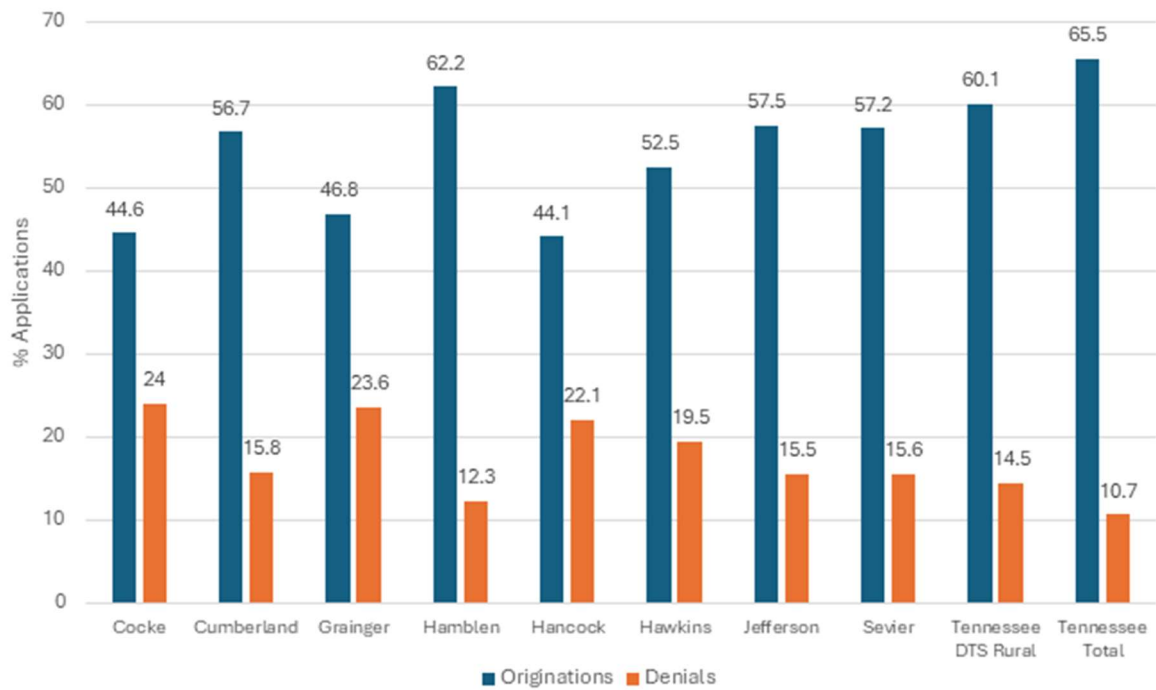
Figure 10. High Cost Lending 2022-24



Source: Housing Assistance Council tabulation of HMDA first lien home purchase loans in 2022, 2023 and 2024.

Originations / Denials

Figure 11. Home Purchase Application Originated and Denials, 2022-24



Source: Housing Assistance Council tabulation of HMDA home purchase applications 2022, 2023 and 2024.

The percentage of loans originated and denied also provides important information on housing finance. For example, an elevated share of denied loan applications reflects market affordability and access to finance. Figure 11 shows the percentage of home purchase loan applications originated and explicitly denied for the 2022-2024 period. Lenders originated less than half of all home purchase loan applications in Hancock, Cocke, and Grainger counties. This, along with low lending volume, reflects the limited nature of housing investment in these communities.

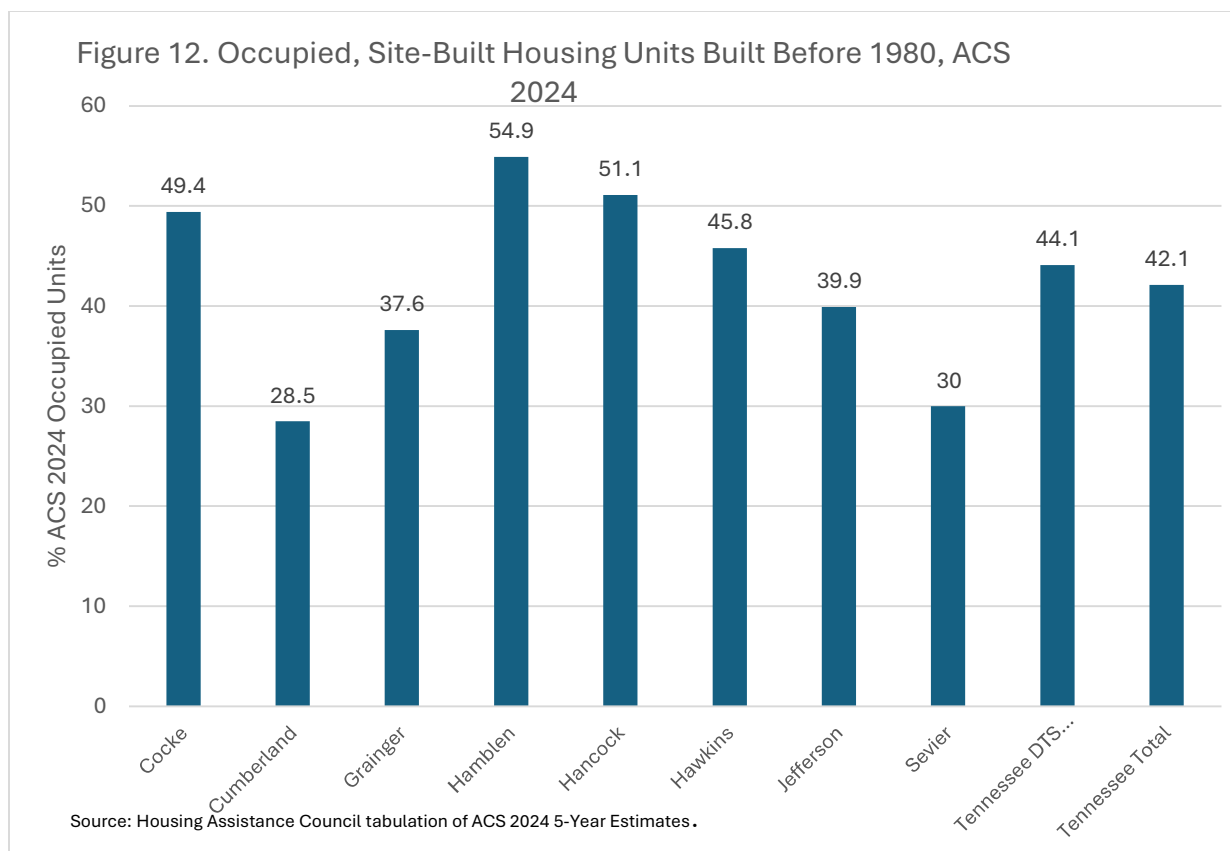
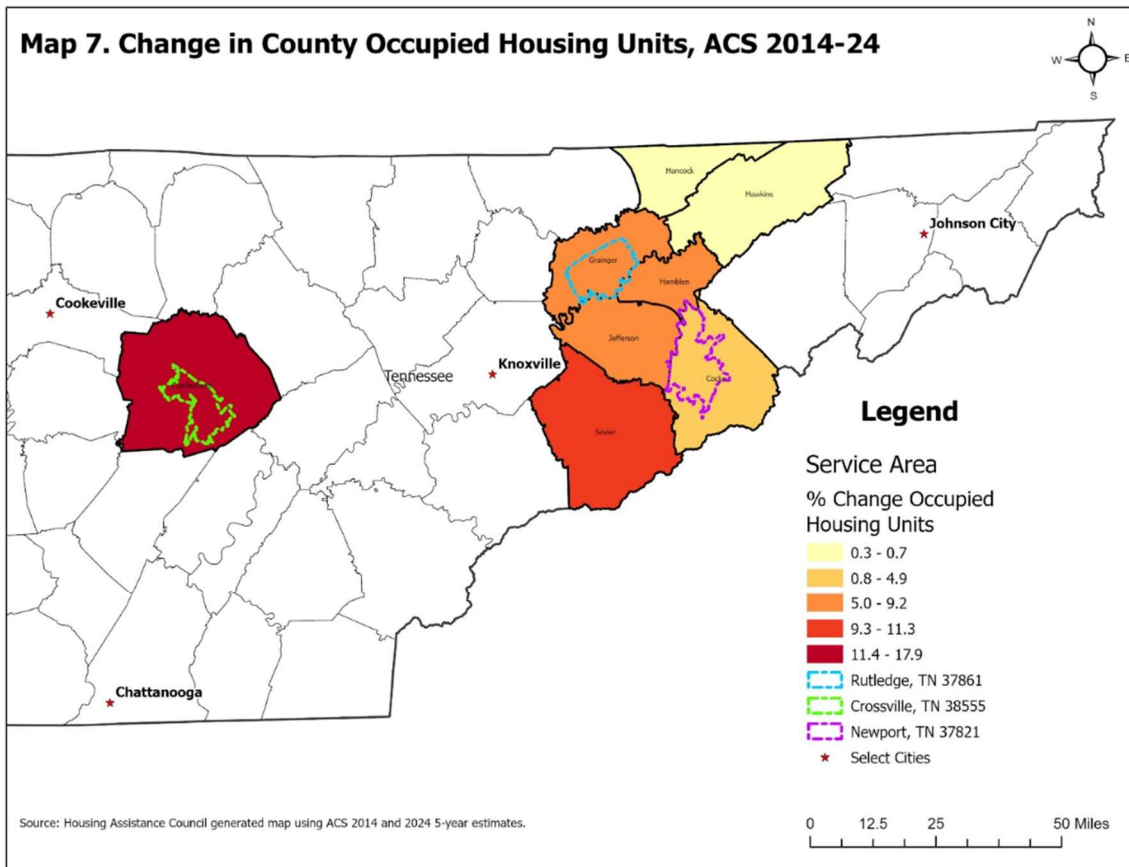


Figure 12 shows ACS 2024 estimates for the percent of occupied site-built¹⁴ housing units built before 1980. For four of the eight service area counties, the older housing stock percentages exceed those for both Tennessee and rural Tennessee. In both Hamblen and Hancock counties, more than half of the site-built housing stock was built before 1980. This is, in part, a reflection of the lack of more recent development and again shows how community investments are limited.

On the other hand, these older units make up an extremely low share of the occupied site-built housing stock in Cumberland and Sevier counties, which reflects these areas' growth over the most recent year. Cumberland County's population, for example, grew by an estimated 17 percent over the 2014 to 2024 period – See Map 7.

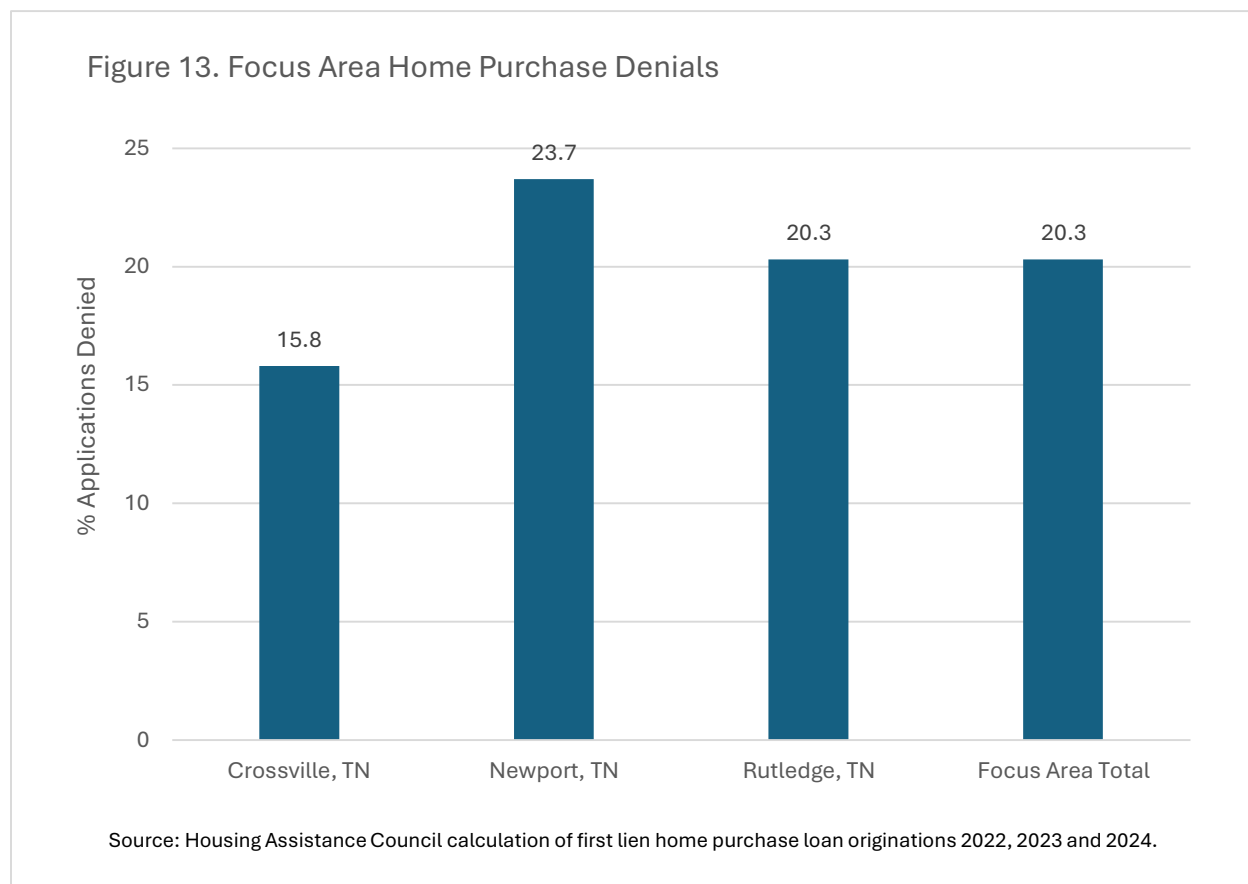


Considering the three focus area zip codes, the older share of the occupied housing stock is relatively low in Crossville and Rutledge, at 37 and 39 percent respectively, but exceed 53 percent in Newport. The levels reflect the wider county housing stock percentages with the oldest stock being in Cocke county (Newport) and the youngest in Cumberland County (Crossville). There are of course many other considerations, and these percentages will be shaped by the developed area itself. For an area that has previously been densely developed there are limits to how much new stock can be added.

Lenders denied 20 percent or more of the loan applications in four of the service area counties. The percentage of applications denied in all but two of the service area counties exceeded the percentage for rural areas in Tennessee. Again, the elevated denials are often associated with loan applications involving a manufactured home, like high-cost originations.

The Newport focus area also experienced an extremely high percentage of loan denials, nearly 1 out of every 4 loan applications – See Figure 12. The percentage in Newport exceed the percentage in Rutledge even though there was a higher

percentage of manufactured home loans in that community – See Figure 8. There may be other dynamics in the market that impact denials.



Reasons for Denial

The reason for loan application denial can be an important indicator of the financial conditions that limit loan access. The HMDA data includes information from reporters identifying up to three separate reasons for denial. Table 2 shows the three most often reported reasons for each service area county.

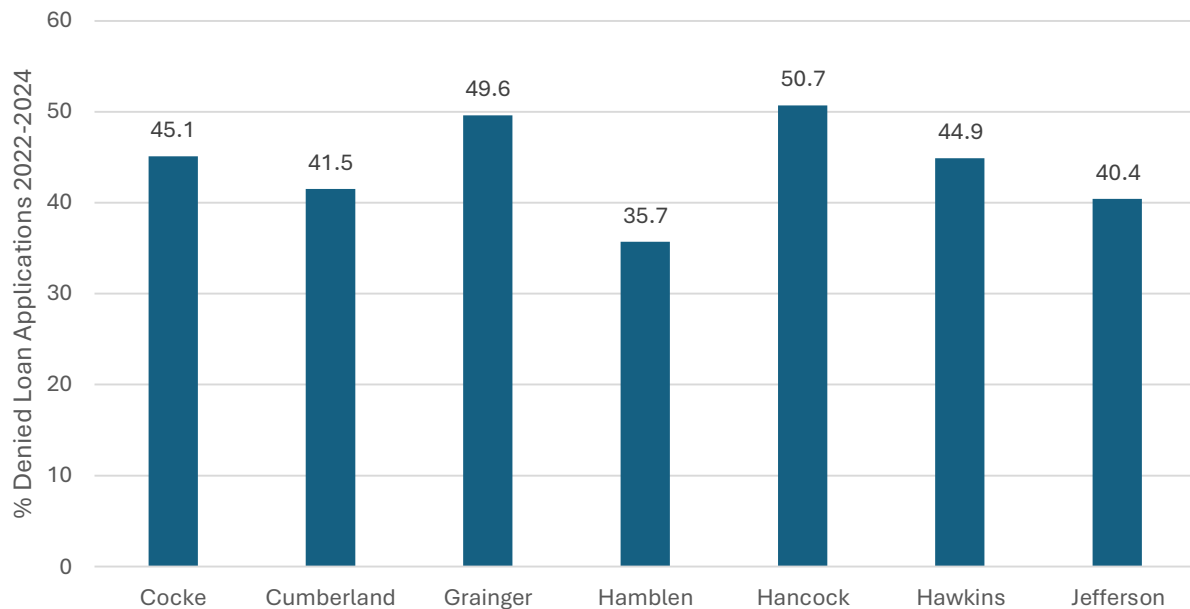
In seven service area counties, the reasons were the same, in descending order: credit history, debt-to-income, and unverifiable information. The Sevier County and U.S. denial reasons vary somewhat, with debt-to-income being the most often cited and collateral being the third most important. The differences may be reflecting overall economic conditions and growth – faster growth and more dynamic markets could have higher home values that lead to more debt-to-income and collateral borrowing problems. The rank order does not tell the full picture, though, because one reason might be the most often cited, which does not mean it was mentioned in most denials.

Table 3. Denial Reason, 2022-24

Geography	Most Common Reason	Second Most Common Reason	Third Most Common Reason
Cocke	Credit History	Debt-to-Income	Unverifiable Information
Cumberland	Credit History	Debt-to-Income	Unverifiable Information
Grainger	Credit History	Debt-to-Income	Unverifiable Information
Hamblen	Credit History	Debt-to-Income	Unverifiable Information
Hancock	Credit History	Debt-to-Income	Unverifiable Information
Hawkins	Credit History	Debt-to-Income	Unverifiable Information
Jefferson	Credit History	Debt-to-Income	Unverifiable Information
Sevier	Debt-to-Income	Credit History	Collateral
Tennessee	Debt-to-Income	Credit History	Unverifiable Information
U.S.	Debt-to-Income	Credit History	Collateral

Figure 13 shows the percentage of denials that mention credit history as a reason for all 8 service area counties. While reporters did note credit history as a reason for approximately half of all denials in Hancock and Grainger County, only about 36 percent of Hamblen County denials fit into that category.

Figure 14. Credit History Reason for Denial



Source: Housing Assistance Council calculation of first lien, home purchase applications denied with credit history as cited as one of three denial reasons.

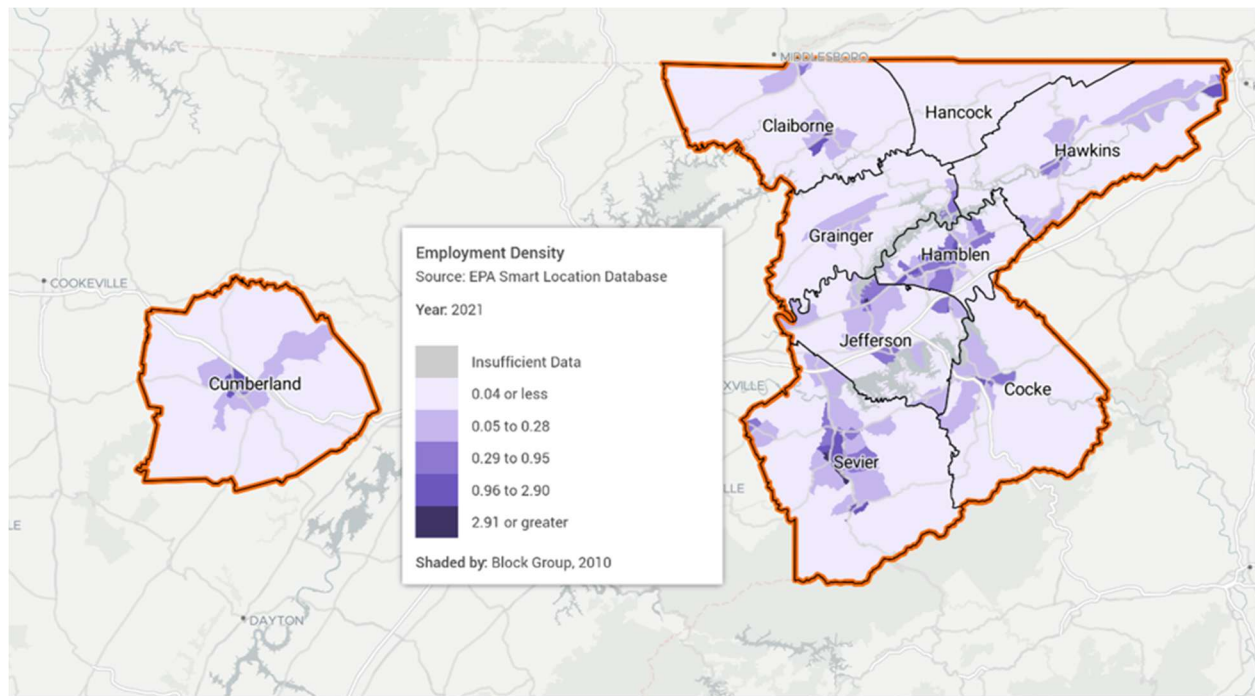
Table 4 lists the largest first lien home purchase loans for each of the eight service area counties in 2024. Mortgage companies are typically the largest volume lenders, which aligns with their overall reporting in HMDA activity. Notably, Hawkins County's top lender is Eastman Credit Union, while Farm Credit Mid-America ACA ties with three others for the largest volume lender in Hancock County, despite focusing on farm loans. Figure 6 indicates that USDA loans constitute 6 percent of reported loan activity from 2022-2024. Overall, there is low market concentration, with at least 10 lenders reporting home purchase loans in each county in 2024.

Table 4. Leading Home Purchase Loan Reporters, 2024

Geography	Leading Lender	Number of Loans by Lending Lender	Total Loans in County	Leading Lender % of All Loans
Cocke	CMG Mortgage Inc	23	194	11.9
Cumberland	Vandyk Mortgage Corporation	48	508	9.4
Grainger	Mortgage Investors Group	32	207	15.5
Hamblen	DHI Mortgage Company Ltd.	60	583	10.3
Hancock	Farm Credit Mid-America, ACA; First Century Bank; United Wholesale Mortgage; and Mortgage Investors Group	3	29	10.3
Hawkins	Eastman Credit Union	64	386	16.6
Jefferson	Mortgage Investors Group	48	539	8.9
Sevier	Movement Mortgage, LLC	109	1433	7.6

Economic Data Analysis

Employment Density in 2021



This map illustrates employment density across the region, highlighting where jobs are concentrated and where they are sparse. The map shows that housing needs are not evenly spread across the region but are closely tied to where jobs are concentrated. This reinforces the importance of aligning housing development with employment centers to ensure that workers can live within reasonable distances of where they work.

A clear trend on the map is that employment is heavily clustered in a few central areas, particularly around Hamblen County (Morristown area), parts of Sevier County, and smaller pockets in Jefferson County and Cumberland County. These darker shaded areas (0.96 to 2.90) indicate higher concentrations of jobs, suggesting that these locations act as economic centers. In contrast, large portions of Hancock, Claiborne, Grainger, and Cocke counties show very light shading (0.04 or less), meaning employment opportunities are limited and dispersed.

From a housing perspective, this uneven distribution creates localized pressure in areas with higher job density. Workers are more likely to seek housing close to these centers to reduce travel time and costs. As a result, places like Hamblen and Sevier counties are likely to experience greater demand for housing, particularly affordable

and workforce housing. If housing supply does not keep pace with this demand, it can lead to higher costs or overcrowding in these areas.

At the same time, counties with low employment density may face the opposite issue: weaker housing demand and limited development, even if housing may be more affordable. However, residents in these areas may still depend on jobs in higher-density counties, which creates a need for accessible and affordable housing near employment hubs or along key commuting routes.

Poverty Rates and Economic Implications

Table 5: Poverty Rates and Economic Conditions

County	Poverty Rate (%)	Economic Profile Summary
Cocke	19.8%	High rural poverty; limited wage diversification; tourism + low-wage service dependence
Cumberland	14.5%	Moderate poverty; retirement + service economy stabilizes income base
Grainger	16.2%	Persistent rural poverty; constrained industrial diversification
Hamblen	15.0%	Mixed economy; manufacturing + service sector buffering poverty levels
Hancock	24.9%	Extremely high structural poverty; low employment diversity; persistent deprivation
Hawkins	16.8%	Moderate rural poverty; stable but low-wage labor structure
Jefferson	13.7%	Lower poverty; commuting access + diversified employment base
Sevier	12.1%	Lowest poverty; tourism-driven employment and high labor absorption

(Source: U.S. Census Bureau. (2022). American Community Survey (ACS) 5-Year Estimates: Poverty status in the past 12 months (S1701))

The region exhibits a clear rural–service economic divide, with poverty rates ranging from approximately 12% to nearly 25%. Hancock County stands out as experiencing severe structural economic distress, characterized by persistent geographic isolation and limited employment diversification. In contrast, Sevier and Jefferson Counties demonstrate comparatively strong economic resilience, supported by tourism-driven employment, commuting accessibility, and more diversified service-based economies. Counties such as Hamblen, Hawkins, and Grainger fall within a transitional category, reflecting moderate poverty levels alongside relatively stable, but still constrained, labor market structures. Overall, high-poverty rural counties appear to face structural rather than cyclical economic disadvantages, indicating long-term barriers to upward mobility. Collectively, the pattern highlights a spatial concentration of economic vulnerability in rural Appalachian-adjacent counties,

while suburban and service-oriented counties exhibit greater income stability and economic resilience.

Labor Force Participation and Unemployment Trends

Table 6: Labor Force and Unemployment Indicators (Selected Tennessee Counties)

County	Labor Force	Employed	Unemployed	Unemployment Rate (%)
Cocke	14,943	14,245	698	4.7
Cumberland	18,734	17,892	842	4.5
Grainger	10,368	9,994	374	3.6
Hamblen	27,545	26,568	977	3.5
Hancock	1,144	1,035	109	9.5
Hawkins	13,290	12,460	830	6.2
Jefferson	26,236	25,321	915	3.5
Sevier	52,258	50,611	1,647	3.2

(Source: The primary labor force participation data source: U.S. Bureau of Labor Statistics (2025). Local Area Unemployment Statistics (LAUS): County-level labor force estimates, Tennessee. Data accessed from the Tennessee Department of Labor and Workforce Development (2025). Labor force estimates: Annual averages by county.)

Across the selected Tennessee counties, labor market conditions remain broadly stable, with most unemployment rates clustering between 3.2% and 4.7%, consistent with near full-employment conditions. Counties with diversified or semi-urban economies, including Jefferson, Hamblen, and Cumberland, exhibit comparatively resilient labor markets with low and stable unemployment. In contrast, Sevier County demonstrates the strongest labor absorption capacity, reflecting the influence of a tourism-driven service economy.

A clear outlier emerges in Hancock County, where unemployment is substantially higher, indicating persistent structural labor market constraints typical of rural, low-density economies. Intermediate rural counties such as Cocke, Hawkins, and Grainger show moderate labor stress, suggesting partial labor market stability but continued vulnerability to underemployment. In general, the pattern reveals a spatial gradient in labor market resilience, with stronger performance in service- and metro-adjacent counties and weaker outcomes in structurally constrained rural regions.

Housing Data Conclusion

The secondary data analysis reveals a region characterized by a stark economic and demographic divide, where high-growth tourism hubs and structurally impoverished rural counties face intersecting but distinct housing crises.

Tennessee's overall growth is mirrored in Cumberland and Sevier counties, which saw robust population increases of 10.7% and 9.4% respectively, while Hancock and Hawkins counties experienced stagnation or decline. This uneven growth intersects with a labor market where employment is heavily clustered in urbanized centers like Morristown, leaving rural areas isolated with limited wage diversification and high structural poverty.

The most significant challenge is the widening affordability gap. While homeownership rates remain high (70%–81%), rising property values—peaking at a median of \$268,200 in Sevier County—are increasingly disconnected from local wages. This has resulted in a significant cost burden, particularly for renters, with over 23% of households in Hancock County spending a disproportionate share of income on housing. Furthermore, the region functions as an “apartment desert,” where a lack of multi-family options forces low-income residents and seniors into aging single-family homes or manufactured housing. Manufactured homes serve as a vital affordability safety net, making up nearly 30% of the stock in Cocke County, yet many are aging units that face financing barriers and high-cost lending.

Compounding these issues is the competing use of housing stock. In Sevier County, nearly 30% of units are classified as seasonal or recreational, effectively removing thousands of homes from the year-round market and driving up costs for local workers. Additionally, an aging population (with up to 35% of seniors living alone in some tracts) faces a critical shortage of accessible, ADA-compliant units.

Actionable Recommendations:

- **Diversify Housing Production:** Implement zoning reforms to encourage “missing middle” housing, such as duplexes and ADUs, to address the shortage of smaller, accessible units for seniors and small households.
- **Prioritize Rehabilitation:** Expand grant and low-interest loan programs specifically for rehabilitating aging site-built and manufactured homes to prevent the loss of existing affordable stock.
- **Regulate Short-Term Rentals:** Develop policy frameworks in high-tourism counties like Sevier and Cocke to balance recreational demand with the need for stable, year-round workforce housing.
- **Enhance Financial Readiness:** Scale up credit counseling and down-payment assistance programs to combat high loan denial rates and the prevalence of predatory, high-cost mortgages.

- Infrastructure and Connectivity: Target investment in broadband and public utilities (water/sewer) in rural counties to reduce the “silent” constraints on new, cost-effective development.

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