

# Sun Belt Cities Still Top the Charts for Domestic Migration



According to a recent GlobeSt article, which cites data from residential property group Redfin, migration into US Sun Belt cities is still running high, as both individuals and companies make moves to base themselves in these popular metros. GlobeSt adds that Nashville is the newest entry on the list of top migration destinations, bringing the Sun Belt total up to eight.

## Inflows and Outflows

Additional data from the Redfin report shows that Sacramento topped the list of popular destinations at the start of Q4 2023, followed by Las Vegas, Orlando and Myrtle Beach.

Most new residents heading to these sunny locations seem to be coming from pricier areas as well, with San Francisco, New York and Los Angeles topping the list of cities that homebuyers are leaving.

## Migration Down Overall

However, the data also showed a lower rate of homebuyer relocation than the same period in 2022. Around 7.9% fewer buyers were looking to leave their current city. This is largely the result of households being increasingly affected by the higher costs associated with relocation and purchasing a new property.

Redfin notes: “The 30-year-fixed mortgage rate in October hit 7.79%—the highest level in 23 years—and home prices were up 3.5% from a year earlier.”

## Sun Still Shining on the Sun Belt

This surge in Sun Belt popularity is a continuing trend, though there are some indications that it may be slowing and the outlook for this year is still unclear.

Nonetheless, PwC’s Emerging Trends in Real Estate 2024 report (released late last year) still showed that nine of the ten top “markets to watch” are in Sun Belt states. They also noted that Sun Belt states made up 15 of the top 20 markets for “overall prospects” in 2024. That’s one more slot than the 14 they occupied over the last two years, and three more than the pre-pandemic average of 12.

## Sizing Up 2024

As these figures show, there’s still plenty to pay attention to when it comes to Sun Belt properties. Here at NAI, we’ll be keeping an eye on the trend as it develops.