

# 2021 January - June Migration Trends Report

National Association of REALTORS®  
Research Group



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## **NAR Research Staff:**

Lawrence Yun, Ph.D.  
*Chief Economist and Senior Vice President*

Nadia Evangelou  
*Senior Economist and Director of Forecasting*

Meredith Dunn  
*Research Manager*

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# Introduction

Millions of people moved during the pandemic, driven by the opportunity to work remotely, the desire for more space, and better affordability. 2020 went down in history for a pandemic that changed the world; everything from how we conduct business to how we live our lives. Our previous study indicated that suburbs and small cities were clearly the migration destination winners during the first year of the pandemic. With one in three adults working remotely and schools offering virtual learning, people sought out bigger houses with bigger yards for their kids to play in and more office space for them to work. While most of these home features are associated with luxury homes - like spacious yards, home offices, gyms and private swimming pools - demand for luxury homes was even stronger than for the typical home last year.

However, where do people move a year into the pandemic? Are suburbs and small cities gaining even more movers? As companies look beyond the pandemic, many are deciding whether to bring employees back to offices or allow them to work remotely and move away permanently.

In this report, we provide evidence on persistent urban - rural migration flow. To do so, we used the United States Postal Service® change-of-address data. Since people who want to forward their mail from their old home to new residences file a change of address request to the USPS®, this dataset serves as a good proxy on how and where many people are moving. The current analysis covers relocations across the United States during the period January through June 2021. The report will be updated biannually capturing the most recent migration trends.

The current study also identified the most popular areas for families, individuals, and businesses for the first half of 2021.



# Executive Summary

## Highlights

During the first half of the year:

- fewer people moved compared to a year earlier. As millions of Americans are already vaccinated, people are no longer rushing to relocate. Nevertheless, a year earlier, people “panic-moved,” leaving their homes due to the pandemic.
- people continue to move away from urban centers while small towns and rural areas attract even more movers. The share of inbound moves for urban areas was 48.5% - indicating migration losses - compared to 54.6% for rural areas – migration gains.
- when people don't move to more affordable areas, they choose to move to a home near the ocean or with a nice mountain view. Barnstable Town, MA (63%) and Portland, ME (56%) were the top areas with the most migration gains, although homes are more expensive than the national median.
- families moved to small cities. Nearly 30% of the inbound moves in small towns and micropolitan areas were made by families, compared to 24% of the moves in metropolitan areas. Rural areas are also attracting families as the share of inbound moves rose to 22.8% from 22.0% a year earlier.
- individuals moved to urban centers. Seventy percent of movers in urban centers were individuals. Fewer individuals moved to a smaller city compared to a year earlier.
- businesses moved away from urban centers following the urban–rural migration trend. The share of inbound moves for businesses was 47% in urban centers compared to 65% in small towns and rural areas.

# Net migration gains by urbanization level

Urban-rural differences in migration have always been used for analysis as they provide insight about potential population shifts across the country. Particularly, any evolving pattern of migratory behavior can have many policy implications for the country. There has been ample talk about people moving away from big cities and showing interest in less crowded areas. Indeed, even a year after the pandemic, began people continue to move to small cities as many of them telework. The National Association of REALTORS® estimated the share of inbound moves by urbanization level.

## 49%

share of inbound  
urban areas

According to the data, we are seeing that urban areas continue to lose people. Their share of inbound moves was 49%, meaning that these areas had more people moving out than in experiencing migration losses. Moreover, urban areas had the lowest share of inbound moves across every other category. In fact, people seem to move to lower commuting flow areas, while areas with the primary commuting flow of urban areas and both large and small urban clusters experienced migration losses.

## 55%

share of inbound  
rural areas

In contrast, rural areas experienced the highest migration gains in the first half of 2021. Their share of inbound moves was 55% followed by micropolitan areas with low commuting flows (54%) and small towns with high commuting flows (53%).

Compared to a year earlier, the gap between urban and rural areas for inbound moves rose by 0.5%, indicating that more people prefer to move to rural instead of urban areas. In the first half of 2021, the share of inbound moves for urban areas fell from 48.6% to 48.5% during the same period in 2020. Nevertheless, in rural areas the share rose from 54.2% to 54.6% this year.

**Figure 1.**

**Inflows versus Outflows by urbanization level;**

Small towns experienced the most migration gains compared to a year earlier

A value **higher than 50%** translates to more people moving in the area than leaving (**migration gain**)  
 A value **smaller than 50%** translates to more people leaving from the area than moving in (**migration loss**)

**Share of inflows (January - June 2021)**

Urban Level	
Metropolitan area core: primary flow within an urbanized area (UA)	48.5%
Metropolitan area high commuting: primary flow 30% or more to a UA	52.8%
Metropolitan area low commuting: primary flow 10% to 30% to a UA	52.7%
Micropolitan area core: primary flow within an Urban Cluster of 10,000 to 49,999 (large UC)	49.0%
Micropolitan high commuting: primary flow 30% or more to a large UC	52.8%
Micropolitan low commuting: primary flow 10% to 30% to a large UC	53.8%
Small town core: primary flow within an Urban Cluster of 2,500 to 9,999 (small UC)	49.9%
Small town high commuting: primary flow 30% or more to a small UC	53.2%
Small town low commuting: primary flow 10% to 30% to a small UC	51.8%
Rural areas: primary flow to a tract outside a UA or UC	54.6%

**Share of inflows (January - June 2020)**

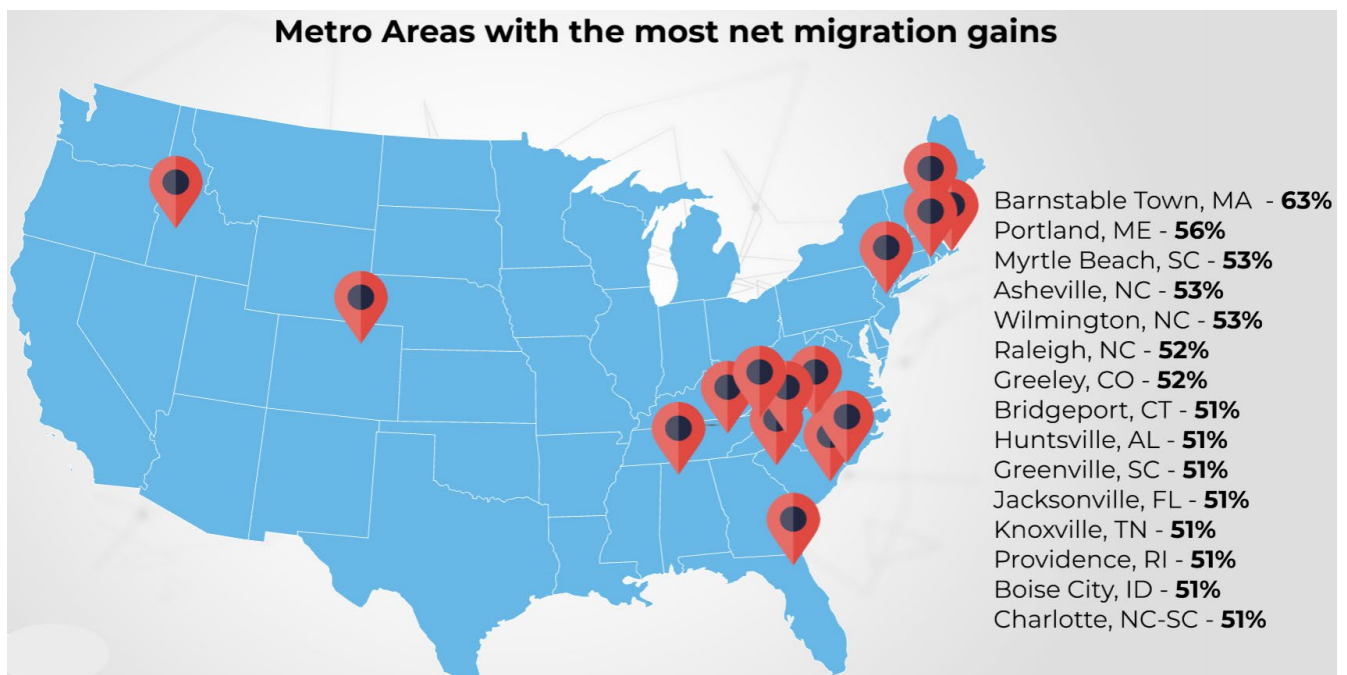
Urban Level	
Metropolitan area core: primary flow within an urbanized area (UA)	48.6%
Metropolitan area high commuting: primary flow 30% or more to a UA	52.8%
Metropolitan area low commuting: primary flow 10% to 30% to a UA	53.1%
Micropolitan area core: primary flow within an Urban Cluster of 10,000 to 49,999 (large UC)	48.9%
Micropolitan high commuting: primary flow 30% or more to a large UC	52.4%
Micropolitan low commuting: primary flow 10% to 30% to a large UC	52.3%
Small town core: primary flow within an Urban Cluster of 2,500 to 9,999 (small UC)	49.5%
Small town high commuting: primary flow 30% or more to a small UC	52.5%
Small town low commuting: primary flow 10% to 30% to a small UC	51.6%
Rural areas: primary flow to a tract outside a UA or UC	54.2%

After comparing inflows and outflows for each metropolitan area, NAR identified the metro areas with the most migration gains in the first half of 2021.

As the data shows, when people don't move to more affordable areas, they choose to move to a home near the ocean or with a nice mountain view. For instance, Barnstable Town – one of the top vacation home areas - had 63% inbound moves although the median home price is \$570,000. The same with Portland metro area in Maine.

The metropolitan areas illustrated in the map below had a share of inbound moves higher than 51%, a number of inbound movers greater than 20,000 and a population above 200,000.

**Figure 2.**



We also compared the inbound moves in the first half of 2021 with those of a year earlier. We are seeing that big cities such as New York, NY, San Francisco, CA and Boston, MA-NH were among the areas with the most year-over-year inbound gains. Nevertheless, bear in mind that a year earlier people were fleeing from these big cities due to the pandemic. Thus, a year-over-year comparison of inbound moves may be a misleading indicator for migration trends due to the base effect, as a relatively smaller number of people moved to these areas last year. Apparently, as many companies have already required their employees to go back to the office, more people are moving back to big cities.

We went one step further and we analyzed the migration trends by family status. Specifically, we examined where families, individuals, and businesses are moving in 2021. What did we find? As expected, families favor small cities versus individuals, who are moving to urban centers.

# Families moved to small cities

Nearly 30% of the inbound moves in small towns and micropolitan centers were made by a family, compared to 24% of those moves in metropolitan areas. Meanwhile, rural areas are attracting more families as the share of inbound moves rose to 22.8% in 2021 from 22.0% a year earlier.

**Figure 3.**

## Where did families move?

by urbanization level

### Share of inbound moves for families in 2021

Urban Level

Metropolitan area core: primary flow within an urbanized area (UA)	24.4%
Metropolitan area high commuting: primary flow 30% or more to a UA	27.0%
Metropolitan area low commuting: primary flow 10% to 30% to a UA	23.2%
Micropolitan area core: primary flow within an Urban Cluster of 10,000 to 49,999 (large UC)	27.1%
Micropolitan high commuting: primary flow 30% or more to a large UC	21.3%
Micropolitan low commuting: primary flow 10% to 30% to a large UC	18.6%
Small town core: primary flow within an Urban Cluster of 2,500 to 9,999 (small UC)	27.1%
Small town high commuting: primary flow 30% or more to a small UC	22.7%
Small town low commuting: primary flow 10% to 30% to a small UC	16.0%
Rural areas: primary flow to a tract outside a UA or UC	22.8%

### Share of inbound moves for families in 2020

Urban Level

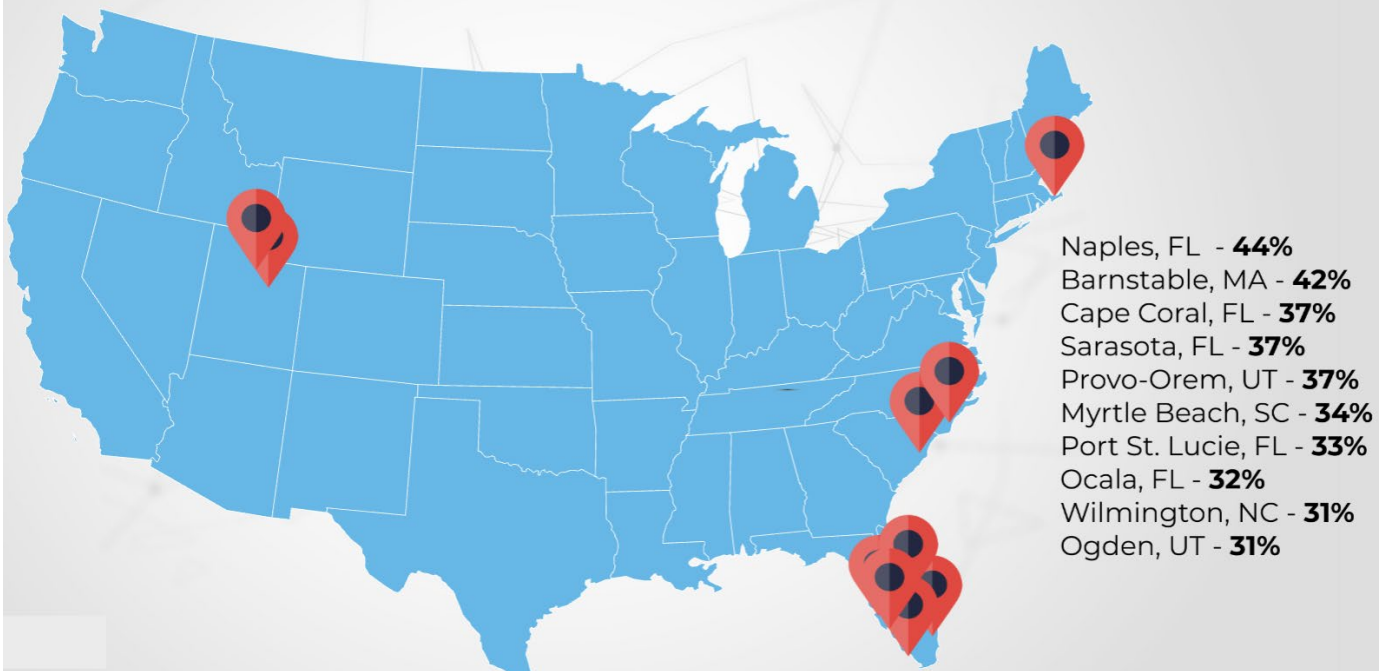
Metropolitan area core: primary flow within an urbanized area (UA)	24.2%
Metropolitan area high commuting: primary flow 30% or more to a UA	26.3%
Metropolitan area low commuting: primary flow 10% to 30% to a UA	22.7%
Micropolitan area core: primary flow within an Urban Cluster of 10,000 to 49,999 (large UC)	26.7%
Micropolitan high commuting: primary flow 30% or more to a large UC	20.7%
Micropolitan low commuting: primary flow 10% to 30% to a large UC	17.5%
Small town core: primary flow within an Urban Cluster of 2,500 to 9,999 (small UC)	26.8%
Small town high commuting: primary flow 30% or more to a small UC	21.9%
Small town low commuting: primary flow 10% to 30% to a small UC	16.2%
Rural areas: primary flow to a tract outside a UA or UC	22.0%



At the local level, Florida seems to be the favorite destination for families, who are moving to such areas as Naples, Cape Coral and Sarasota. Among the metro areas in the map below, more than 30% of the inbound moves came from families. While 62% of homebuyers are married couples, this has many implications about the local real estate market. To put it simply, the following areas are expected to see an uptick of home sales as people typically buy a home when they start a family because they want to raise their kids in a stable and safe environment. The good news is that construction is picking up, with most of these areas building more homes than in the last 20 years. For instance, in the Sarasota, FL metro area, they are currently issuing twice the single-family building permits that they issued on average in the last 20 years. Respectively, in the Provo Orem, UT metro area, the number of single-family building permits is 150% above the historical average. As a result, these areas are more affordable with great opportunities for families to purchase a home.

**Figure 4.**

### Most popular destinations for families



# Individuals moved to urban centers

As the data shows, 70% of the inbound movers in urban centers were individuals, while fewer individuals moved to a smaller city in the first half of 2021 compared to the same period in 2020. The table below shows the share of inbound moves for individuals by urbanization level. We are seeing that their share dropped in every area that is smaller or with a lower commuting flow than an urban area. Thus, urban centers are still the most attractive areas for individuals.

**Figure 5.**

## Where did individuals move?

by urbanization level

### Share of inbound moves for individuals in 2021

Urban Level	
Metropolitan area core: primary flow within an urbanized area (UA)	69.6%
Metropolitan area high commuting: primary flow 30% or more to a UA	60.5%
Metropolitan area low commuting: primary flow 10% to 30% to a UA	57.8%
Micropolitan area core: primary flow within an Urban Cluster of 10,000 to 49,999 (large UC)	67.1%
Micropolitan high commuting: primary flow 30% or more to a large UC	56.2%
Micropolitan low commuting: primary flow 10% to 30% to a large UC	54.4%
Small town core: primary flow within an Urban Cluster of 2,500 to 9,999 (small UC)	64.9%
Small town high commuting: primary flow 30% or more to a small UC	54.3%
Small town low commuting: primary flow 10% to 30% to a small UC	55.3%
Rural areas: primary flow to a tract outside a UA or UC	50.9%

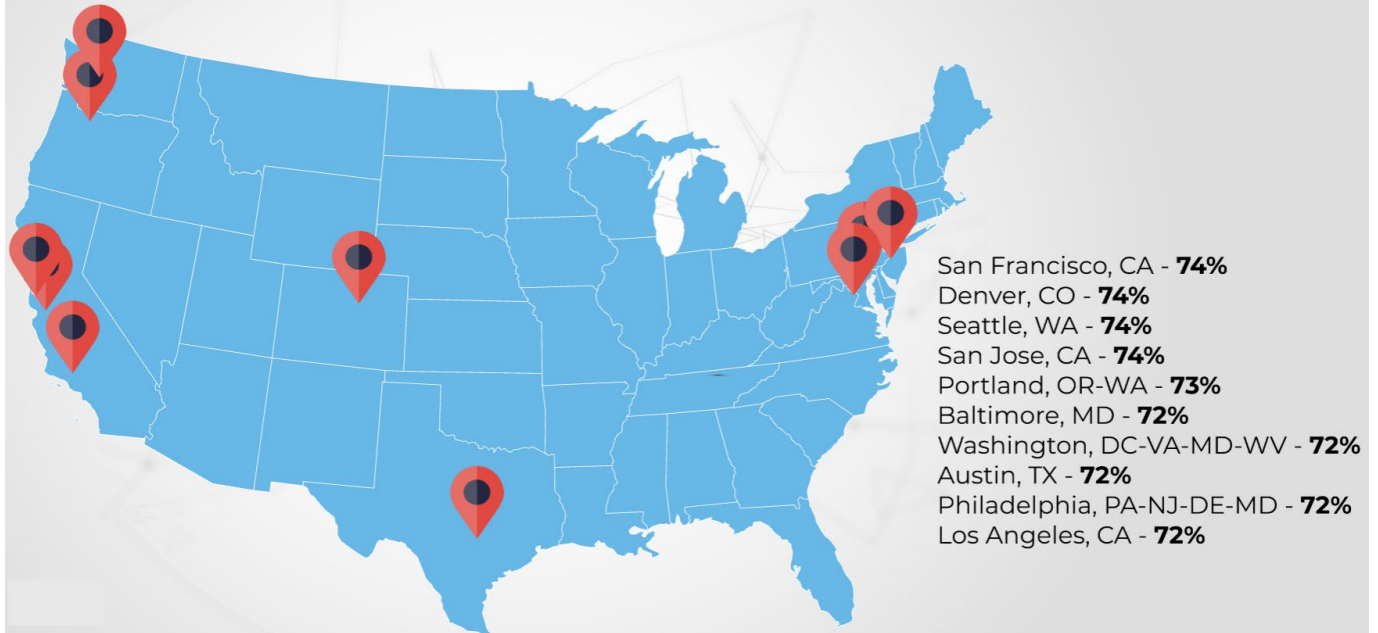
### Share of inbound moves for individuals in 2020

Urban Level	
Metropolitan area core: primary flow within an urbanized area (UA)	69.5%
Metropolitan area high commuting: primary flow 30% or more to a UA	61.4%
Metropolitan area low commuting: primary flow 10% to 30% to a UA	59.3%
Micropolitan area core: primary flow within an Urban Cluster of 10,000 to 49,999 (large UC)	67.6%
Micropolitan high commuting: primary flow 30% or more to a large UC	57.4%
Micropolitan low commuting: primary flow 10% to 30% to a large UC	56.8%
Small town core: primary flow within an Urban Cluster of 2,500 to 9,999 (small UC)	65.7%
Small town high commuting: primary flow 30% or more to a small UC	55.3%
Small town low commuting: primary flow 10% to 30% to a small UC	56.1%
Rural areas: primary flow to a tract outside a UA or UC	52.3%

At the local level, San Francisco, CA, Denver, CO, Seattle, WA and San Jose, CA were some of the most popular destinations for individuals. In the following large metro areas, more than 70% of the inbound movers was an individual. As homebuyers need to spend more than \$5,000 every month for their home loan in San Francisco and San Jose, families seem to be priced out from these markets moving to more affordable areas

**Figure 6.**

### Most popular destinations for individuals



# Businesses moved away from urban centers

As people move to suburbs and small cities, businesses do too. After comparing inflows and outflows for businesses by urbanization level, we are seeing that urban centers experienced migration losses. This means that more businesses decided to move out from an urban center than to move in.

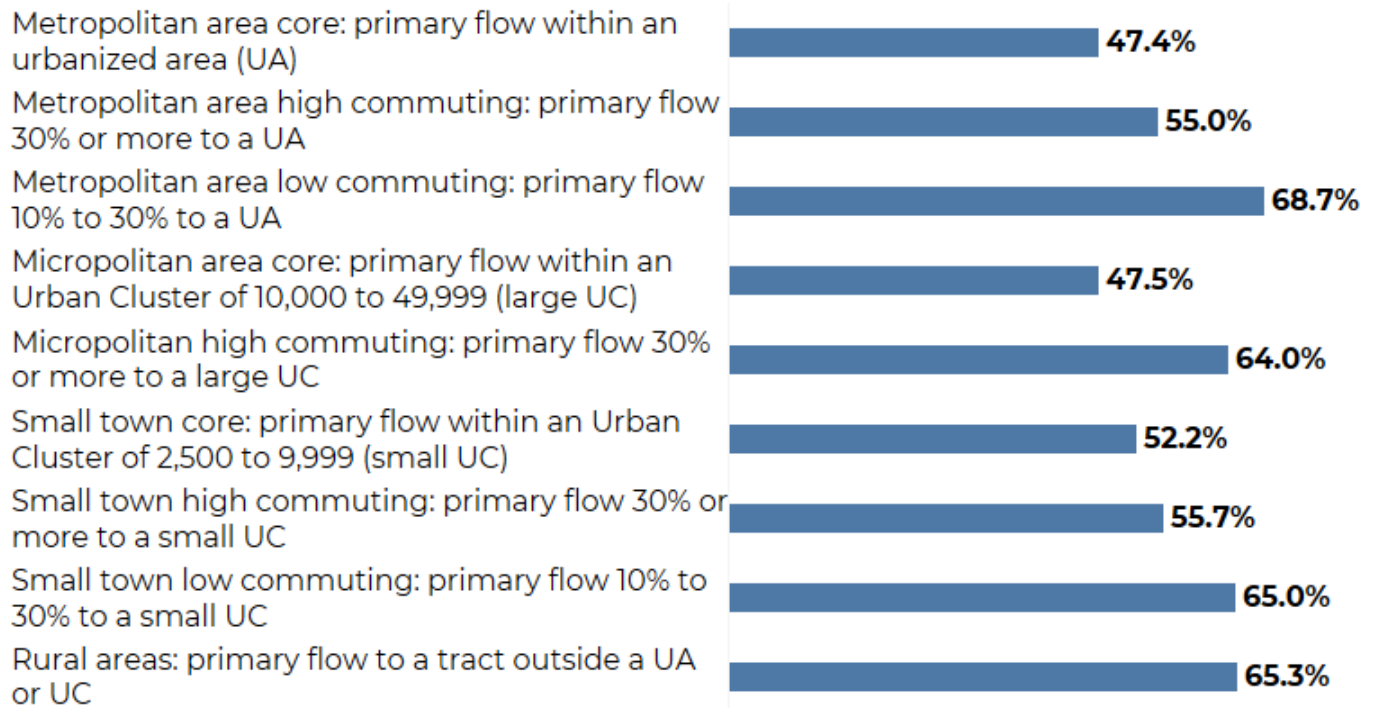
This urban-rural migration trend has undoubtedly had an impact on businesses across the country. Since a large number of office workers continue to telework and move away from urban centers, there is a significant decrease in traffic to downtown business areas. Restaurants and shops who serve downtown workers still report a decline in customers. As a result, many of these businesses decided to move away from downtowns and relocate to suburbs and rural areas. According to the data, the share of inbound moves of businesses was 47% in urban centers compared to 65% in small towns and rural areas. With both residents and businesses moving out of the urban areas, it seems that new business opportunities will present themselves in small and rural areas.

**Figure 7.**

## Where did businesses move?

by urbanization level

### Urban Level



At the local level, we are seeing that most businesses that were moving moved to North Carolina, South Carolina, Ohio, Nebraska, Florida, Connecticut and Tennessee. It seems that business owners decided to relocate to areas where there is a low cost of living and a corporate-friendly tax structure that could help them save money post-pandemic. In the meantime, for example, Charlotte, NC, Jacksonville, FL and Riverside, CA are among the biggest financial centers across the country. As residents and businesses move to the following areas, expect local real estate activity to be even stronger this year.

**Figure 8.**



While COVID-19 cases are currently rising due to the spread of the Delta variant, people will likely continue to limit their social interactions, especially families with unvaccinated members. It would be very interesting to see how this urban-rural migration trend will evolve in the second half of 2021. Stay tuned.

# Methodology

For this study, we used the United States Postal Service® change-of-address data. People who want to forward their mail from their old home to a new residence file a change of address request to the USPS®. Thus, this dataset serves as a good proxy on how and where many people are moving.

The dataset provides information about the count of inbound and outbound moves by each zip code level for families, individuals and businesses. Using the 2010 rural - urban commuting area codes released from the U.S. Department of Agriculture, we computed the net migration gains for the following categories. The rural-urban commuting area (RUCA) codes classify U.S. census tracts using measures of population density, urbanization, and daily commuting.

- Metropolitan area core: primary flow within an urbanized area (UA)
- Metropolitan area high commuting: primary flow 30% or more to a UA
- Metropolitan area low commuting: primary flow 10% to 30% to a UA
- Micropolitan area core: primary flow within an Urban Cluster of 10,000 to 49,999 (large UC)
- Micropolitan high commuting: primary flow 30% or more to a large UC
- Micropolitan low commuting: primary flow 10% to 30% to a large UC
- Small town core: primary flow within an Urban Cluster of 2,500 to 9,999 (small UC)
- Small town high commuting: primary flow 30% or more to a small UC
- Small town low commuting: primary flow 10% to 30% to a small UC
- Rural areas: primary flow to a tract outside a UA or UC

The report covers change-of-address requests for the period January through June 2021. For volatility purposes, the selected metropolitan areas with the most net migration gains had a population greater than 200,000 and inbound moves more than 20,000.



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## **NATIONAL ASSOCIATION OF REALTORS®**

Research Group  
500 New Jersey Avenue, NW  
Washington, DC 20001  
202-383-1000  
[data@nar.realtor](mailto:data@nar.realtor)

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