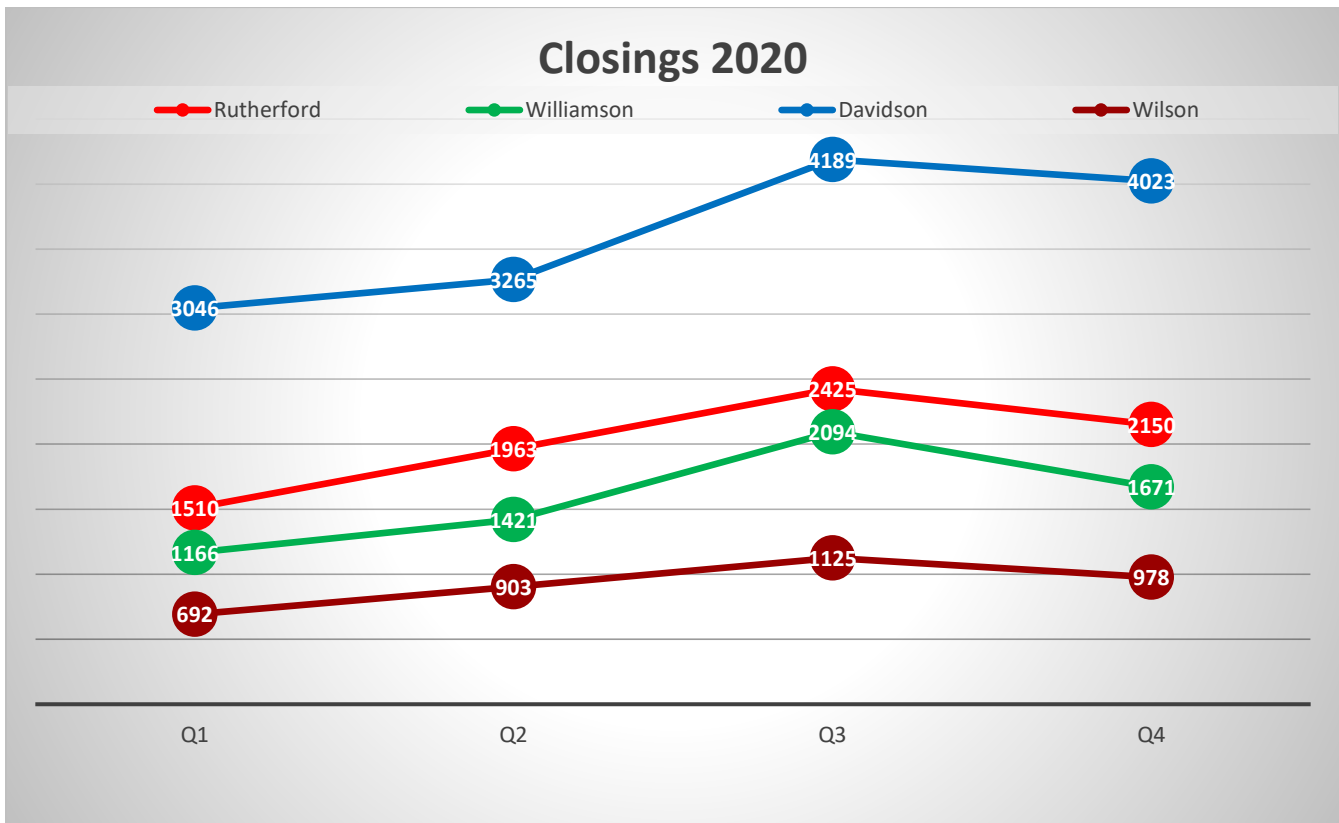


# TheRedReport

Middle TN Home/Condo Sales Report  
4<sup>th</sup> Quarter Year End 2020 Issue

Despite the Pandemic, Middle TN 2020 Homes Sales 6% Higher than 2019 & 2020 Prices 12% Higher than 2019.



- ↑ 15% 4<sup>th</sup> Quarter 2020 vs 4<sup>th</sup> Quarter 2019 Closings (same quarter year ago comparison)
- ↓ 10% 4<sup>th</sup> Quarter 2020 vs 3<sup>rd</sup> Quarter 2020 Closings (one quarter change)
- ↑ 6% Year to Date Closings - 2020 vs 2019

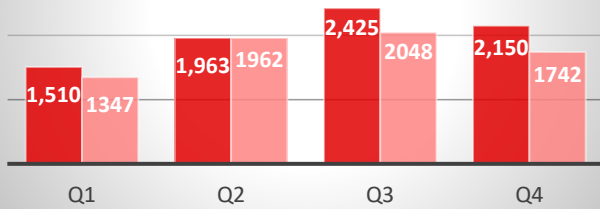
Total Inventories are **down -21%** for 4<sup>th</sup> Quarter 2020 verses 4<sup>th</sup> Quarter 2019.

**YTD Closings +6% higher, Prices +12% higher & Inventories -21% lower than a year ago...**

**Year to Date: Total 4 counties closings are up 6% 4<sup>th</sup> Qtr 2020 vs 4<sup>th</sup> Qtr 2019 Closings up 15%**

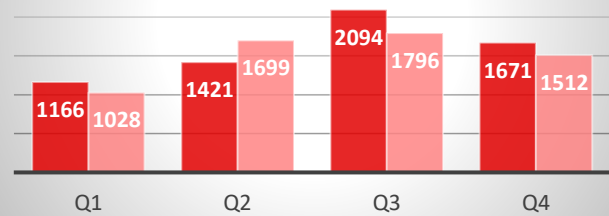
**4<sup>th</sup> Qtr 2020 vs 4<sup>th</sup> Qtr 2019 Closed Prices are up 12%**

### RUTHERFORD CLOSINGS 2020 vs 2019



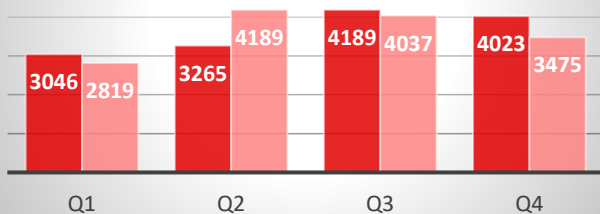
Rutherford Closings ↑ 22%  
 Average Closed Prices ↑ 8%  
 Average Sales Price \$315,518

### WILLIAMSON CLOSINGS 2020 vs 2019



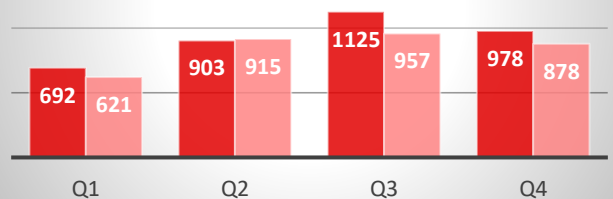
Williamson Closings ↑ 9%  
 Average Closed Prices ↑ 14%  
 Average Sales Price \$692,945

### DAVIDSON CLOSINGS 2020 vs 2019



Davidson Closings ↑ 16%  
 Average Closed Prices ↑ 15%  
 Average Sales Price \$452,031

### WILSON CLOSINGS 2020 vs 2019



Wilson Closings ↑ 10%  
 Average Closed Prices ↑ 12%  
 Average Sales Price \$390,369

**Closing changes from 3<sup>rd</sup> to 4<sup>th</sup> Quarter down 10% which is typical for winter season...**

## **One Quarter change from 3<sup>rd</sup> Quarter 2020 to 4<sup>th</sup> Quarter 2020.**

### **CLOSINGS**

- Rutherford Closings down 11%
- Williamson Closings down 20%
- Davidson Closings down 4%
- Wilson Closings down 13%
- **Total 4 Counties are down 10%**

### **PENDINGS (# of contracts accepted)**

- Rutherford Pendings decrease 21%
- Williamson Pendings decrease 28%
- Davidson Pendings decrease 10%
- Wilson Pendings decrease 4%
- **Total 4 Counties are 16% lower**

**Back in time... Look at the price increases!**

### **4<sup>th</sup> Quarter 2006 vs 4<sup>th</sup> Quarter 2020 YTD**

- 2020 Closings 12% higher than 2006 and 6% higher than 2019.
- 2020 Average Closed Prices are 83% higher at \$431,614 & 8% higher than 2019.
- 2020 Inventories are 44% lower than 2006 & 17% lower than 2019.

**National News from NAR**



## **Excerpts From National Report\*....**

(National Statistics are 30 days behind local reports)

- National home sales are 25.8% higher than a year ago (based on November data)
- Prices are 14.6% above same period last year with a median home price of \$310,800
- Cash sales are at 20% of the buyers vs 20% a year ago.
- Distressed Sales are less than 1% vs 2% last year.
- Inventories: 22% less than year ago. 2.3 months(All Time Low) supply vs 3.7 months a year ago.
- "... a very strong demand for home ownership still prevalent, robust growth is forthcoming in 2021."

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# The **Red** Forecast

Wow! Middle Tennessee is amazing. The local residential real-estate market has rebounded and surpassed 2019's record year. Looking back at March/April, I was ready for another huge recession that was different than anything we've ever seen with a whole different set of issues. Thankfully, that concern was wrong and we were spared what could have been a terrible year.

**With closing volumes up 6% and prices up 12%, I think we can say that 2020 was a great year on the real-estate front despite all the bad news around other issues.**

National economists think that 2021 will be even better than 2020 because they expect the economy to improve creating more jobs and more demand for housing. One BIG issue we have is inventories are at an ALL TIME LOW of 2.3 months. There are many opinions, but I think 4-5 months is good for a healthy market. Whatever your opinion is, most agree 2.3 months is way too low. Inventories at the end of 2020 are 44% less than they were at the last peak 2006 market when sales volumes were less than they are today. Days on Market have also gone from 43 in 2006 to 24 days in 2020.

I don't like to predict too much, but I'll go out on a limb and predict that prices will go up in the near term. There are several reasons home prices could go down, but I think the crazy low inventories combined with an improving economy adding more jobs are a recipe for demand to be very strong which has to increase prices.

Many will say "we are going to outprice the market" and I would say in some areas, that may be true, but looking at the overall Middle TN market, prices are still very affordable compared to other markets in the United States. So, we not only have a diverse growing economy here locally, but we have a large number of homebuyers moving here from out of town markets that are priced much higher so our prices still seem very affordable to them causing even more demand and reason for prices to increase.

We live in the best community in the world. The love that our community has shown our family over these difficult two months of our lives, missing Jean Alyne, has been overwhelming. We are all a better community because of the love she gave to others and you all showed out in a huge way loving us back. THANK YOU!!!

Someone shared this great quote: "When we lose someone we love, we must learn not to live without them, but to live the love they left behind." Anonymous

Our community, family, friends and Red Realty are all better because of the love Jean Alyne gave us. She would share with us today that "we should all live like there is no tomorrow with no regrets as we plan to live in eternity".

Thank you,



**Steven Dotson**  
President



The Red Report is posted monthly on our website: [www.redrealty.com/blog](http://www.redrealty.com/blog) & our Facebook page: <https://www.facebook.com/RedRealty/>.

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