



## Sales records show Nashville market the money

By Richard Courtney

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As reported earlier this week, Nashville home sales once again set a record for the highest sales in the month of October. Of interest to many is that single-family home sales were comparable to those of last year's seemingly insurmountable pace, but condominiums continue to trend upward, growing by approximately 20 percent.

Most of that growth is in the central business district and is fueled by the closings at the Viridian. As the initial sales there continue to close with two months of closings remaining on the first 305 units, some are coming on the market and realizing significant gains.

For the year, home sales in Nashville have been higher than any year in its history, bucking national trends as a number of markets are suffering. A couple and their two-year-old recently relocated to Nashville from Cincinnati where they had purchased a home a year ago. For reasons beyond their control, they were forced to sell quickly were unable to recapture all of the equity they invested in the property.

On the positive side, if they had been able to remain there another year, he felt he would have profited from the sale. If the economy continues to grow, those markets that are in peril should rebound, but the market is extremely interest rate-sensitive. With the Federal Reserve determined to control inflation, interest rate hikes may be on the horizon. That could prove devastating to suffering real estate markets.

In Nashville, however, the growth will sustain as more and more businesses relocate here, and the business environment is so attractive. While taxes have increased here recently, compared to other markets, Nashville's taxes are lower than most cities its size and Tennessee's taxes are lower than those in most states. Additionally, the services received for those taxes leave those relocating here in awe.

Under the leadership of Mayor Purcell and Gov. Bredesen, both the city and the state are sound financially and their work is being rewarded as more and more businesses and individuals leave the coasts and flock to the shores of the Cumberland. There are few Realtors in the Nashville area that are not working with "out-of-towners." For those that feel the housing inventory has reached an unhealthy level, ask those relocating to Nashville how easy it has been to find housing.

The pending numbers (i.e. properties under contract) are high and 2006 has clinched the title as the highest number of sales in the city's history. Who knows what next year will bring, perhaps more of the same.

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