

Room to Grow...

End of Year Sales Data Signals Confidence

Final numbers for 2024 from the Greater Nashville Realtors have been published and indicate the market remains stable - even strong. The data indicates 33,935 homes were sold in the region, compared to the 33,429 closings in 2023. The total sales were up one percent compared to 2023 while home sales hit 2,842 closings for December according to data provided by Greater Nashville Realtors. This figure is up 15 percent from the 2,463 closings reported for the same period last year with 4th quarter closings were 8,250 for the Middle Tennessee area. That total is a nine percent increase from the 7,543 closings during the 4th quarter of 2023. "The real estate market in Middle Tennessee continues to show resilience, as evidenced by the one percent increase in total sales for 2024," said Collyn Wainwright, Greater Nashville Realtors 2025 President.

A comparison of sales by category for December is:

	2023	2024
CLOSINGS	2,463	2,824
Residential	2,011	2,218
Condo	302	433
Multi-family	18	15
Farms/Land/Lots	132	176

A comparison of sales by category year-to-date is:

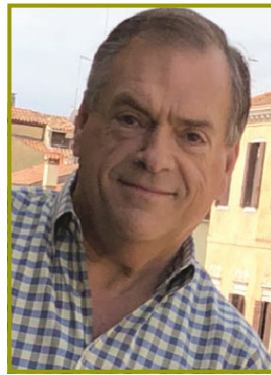
	2023	2024
CLOSINGS	33,429	33,935
Residential	26,348	26,911
Condo	5,023	5,012
Multi-family	172	210
Farm/Land/Lots	1,886	1,802

There were 1,593 sales pending at the end of December compared with 1,704 pending sales at this time last year. The average number of days on the market for a single family home was 50 days. In December, the median price for a residential single-family home was \$500,000 and for a condo it was \$341,520. This compares with last year's median residential and condo prices of \$470,000 and \$340,000, respectively. However, inventory was up 15% in December 2024 over the inventory in December 2023. While this data shows a slowing of activity it may signal that there are opportunities for Buyers in the coming year.

At a national level homeowners seem to be doing well. Even though 2024 was a difficult year on many fronts, there was not the recovery in home sales that was anticipated after a less than stellar 2023. However, household equity in real estate is at a record high. This means that collectively homeowners had an increase in wealth by the tune of \$35 trillion. The estimated median net worth between homeowners (\$415,000) and renters (\$10,000) in 2024 showed a remarkable difference. It is assumed from this statistic that a major factor in this calculation is the equity homeowners have in their home. According to Lawrence Yun, Chief Economist for the National Association of Realtors "Homeowners' wealth steadily rises while renter's wealth does not. If you don't enter the housing market, you are in the renter class where wealth is not being accumulated. If you want to participate in the housing market, the sooner you get in, the sooner you accumulate wealth."

Recently, Yun also addressed mortgage rates during a second Trump presidency saying, "Mortgage rates in his first term (4%) were the good old days. Per my forecast, I don't think we will go back to those levels. It is more likely that we will go back to 6%". That will be the new norm bounding around 5.5% to 6.5%. Yun gave advice to the Federal Reserve Chair on when to make rate cuts. His advice to Jerome Powell was to make rate cuts in January. Yun expects four different rounds of rate cuts in 2025. "Today we have a massive budget deficit at a time when we are not in an economic recession. Clearly President-elect Trump will not stop tax cuts—he will extend or expand them." As a result, there will be less mortgage money available because the government is borrowing. However, if the Trump admin can lay out a credible plan to reduce the budget deficit, then mortgage rates can move downward. "Another way to address the budget deficit is to bring down the price of housing. We have to have more supply," said Yun. "Maybe the worst is coming to an end. There may be a 10% boost of home sales in 2025 and 2026."

Please call Sam if you want more information or to discuss this outlook!



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Sam's Insights

- Honestly, if I were two-faced, would I be showing this one?
~Abraham Lincoln
- Clothes make the man. Naked people have little or no influence in society.
~Mark Twain
- Between two evils, I always pick the one I've never tried before. ~Mae West
- I never forget a face, but in your case, I'll be glad to make an exception.
~Groucho Marx
- All music is folk music. You ain't never heard no horse sing a song, have you?
~Louis Armstrong
- How many people here tonight are telekinetic? Raise my hand. ~Emo Phillip
- Polite conversation is rarely either. ~Fran Lebowitz
- I have noticed that even people who claim everything is predestined and that we can do nothing to change it, look before they cross the road. ~Stephen Hawking
- Why do they call it rush hour when nothing moves?
~Robin Williams
- If God had wanted us to bend over, he would have put diamonds on the floor.
~Joan Rivers
- If I had to describe myself in one word, it would be 'bad at following directions'.
~Matt Roller
- If you even dream of beating me, you'd better wake up and apologize.
~Muhammed Ali
- The entire universe has been neatly divided into things to (a) mate with, (b) eat, (c) run away from, and (d) rocks." ~Terry Pratchett

Possible Impact on Insurers due to Deadly Wildfires in California

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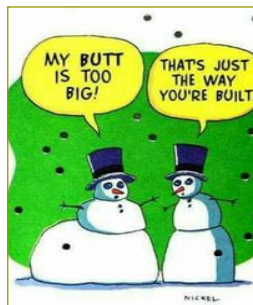
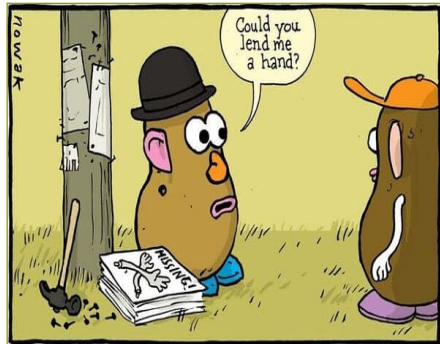
As this article is going to publication, the wildfires in California are uncontrolled and actively burning in many areas. In the Los Angeles area, the fires have already been called the city's most destructive series of fires ever and likely the costliest. Neighborhoods have been turned to ash, with an estimated 2,000 homes and businesses reportedly destroyed since the fires first broke out over a week ago. Officials have warned that the worst may still be to come. More than 100,000 residents are under mandatory evacuation orders. Six fires continue to blaze on, mostly uncontained, as powerful winds have caused flames to spread quickly, catching many residents off guard. As of this writing the fires have consumed more than 30,000 acres—the equivalent of the entire city of San Francisco, according to the Associated Press.

Raising wildfire risks in California has been increasing homeowners insurance costs and have resulted in some major insurance companies no longer issuing new policies in the state. Residents have found over the past year that maintaining coverage in areas deemed at risk for wildfires increasingly difficult. Actor James Woods relayed, after fleeing his home in Palisades that, one of the major insurance carriers cancelled all the policies in his neighborhood about four months earlier. The California Department of Insurance adopted a new regulation just last year that requires insurance carriers to pass along at least some of the cost of reinsurance to consumers. It's unclear whether residents who'd been dropped by their insurance carriers could obtain coverage since the new regulation took effect. According to one official, homeowners in California may be on the hook to pay up to \$40,000 a year to insure their properties. It is unclear how much insurance companies will pay claimants and how long it will take for homeowners to get their payments.

The National Association of Realtors is monitoring the situation closely. According to some, the rates charged to California residents are the most affordable relative to income across the country. It is thought that the fires will impact about 3% of the California market.

Call Sam at 615.210.6057 if you'd like to discuss.

Sam's Nibbles & Bits - Simple but Good Food to make and Enjoy



Aunt Holly's Banana Bread

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|--------------------------|-------------------------|
| 3 to 4 very ripe bananas | 1/4 cup melted butter |
| 1 cup sugar | 1.5 cups of plain flour |
| 1/4 teaspoon salt | 1 egg, beaten |
| 1 teaspoon baking soda | 1 cup Chocolate chips |

Preheat oven to 350°. Mash the bananas in a bowl. Add all the remaining ingredients and mix well with a wooden spoon. Bake in a buttered loaf pan until a toothpick stuck into the bread comes out clean, about 55 to 60 minutes. Cool. Slice and serve. And, I don't have a clue who "Aunt Holly" is, but that's the name of this good recipe. No one in my family was named "Holly."

Carrot Soup with Ginger and Lemon

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| 1/2 cup of butter | 1 small carrot, peeled and grated |
| 1 tablespoon finely chopped fresh ginger | 1.5 cups chopped onions |
| 1 1/4 lbs. medium carrots, peeled, chopped | 1.5 teaspoons minced garlic |
| 2 tomatoes, seeded and chopped | 1.5 teaspoons grated lemon peel |
| 2 tablespoons fresh lemon juice | 3 cups of chicken stock |
| | 4 tablespoons sour cream |

Melt butter in a heavy large pot over medium heat. Add onion, sauté for 4 minutes. Add ginger and garlic; sauté 2 minutes. Add chopped carrots, tomatoes and lemon peel; sauté 1 minute. Add 3 cups of stock and bring to a boil. Reduce heat, cover partially and simmer until carrots are very tender, about 20 minutes. Cool slightly.

Puree soup in batches in a blender. Return soup to same pot. Mix in lemon juice. Season with salt and pepper. (Can be made one day ahead. Cover and chill.)

Bring soup to a simmer—thinning with more stock, if desired. Ladle into bowls. Top each serving with sour cream and grated carrots. Perfect light meal for a cold winter day.

Let me hear from you if you have an easy, good and healthy winter recipes.