



Real estate pros on this point in time

Experts discuss the state of the market and what they expect in the coming months

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Six months after the COVID-19 pandemic reached Nashville in earnest, it's clear that it's had a noticeable impact on the region's real estate market. Office space has been vacated and the retail sector has been severely scarred. Here, seasoned local leaders from the development, leasing, design and construction spheres talk about that and other trends they've observed since the confusing days of late winter. They also discuss what they think might happen later this year and into 2021. Points of agreement? Most importantly, things aren't as bad as feared. And perhaps most frustratingly, we still don't have clarity about a lot of important things.

'I would've expected construction costs to retreat'

Manous Design's Mike Manous has seen little in the way of wait-and-see

"We're still heavily involved with tornado recovery work, especially here in Wilson County but also in Sumner and Metro. We're busier than we've ever been and we're getting calls for new work almost daily. It has not slowed down one iota. I was really expecting people to pull back and take a wait-and-see attitude. But it could be that it's kind of a downtime for people and they're investing in the future.

"One thing we are seeing is that people are really struggling with governmental approvals. Several communities are in disarray, with some people working on a week then off a week — which means not answering their emails for a week.

I would've expected construction costs to retreat a bit. Lumber prices, especially, have escalated hugely. Usually, we see that after a couple of storms have hit the coasts but now we're seeing the effect of producers shutting down their mills for a while in the spring. I fear the home building market is so hot that we're going to start to see people pull back because of those costs. These are very interesting dynamics and not what I expected.

"We could get a repeat of '07-'08, when things were going great and then all of a sudden, everything stopped. I don't see anything in the tea leaves to say that'll happen but I'm watching things."