

HOW'S THE MARKET?

FIRST QUARTER 2017 NEST REPORT

Brunswick County

New Hanover County

Pender County



WILMINGTON MSA MARKET ANALYSIS

First Quarter 2017



Market Snapshot

5%

TOTAL SALES

There were 1,298 total sales this past quarter compared to 1,236 in Q1 2016. This translates to a 5% year-over-year increase.

\$237,500

MEDIAN SALES PRICE

The median sales price this past quarter was \$237,500 compared to \$223,940 in Q1 2016.

-20%

TOTAL INVENTORY

At the end of this past quarter, total inventory levels were down 20% compared to the end of Q1 2016.

91

DAYS ON MARKET

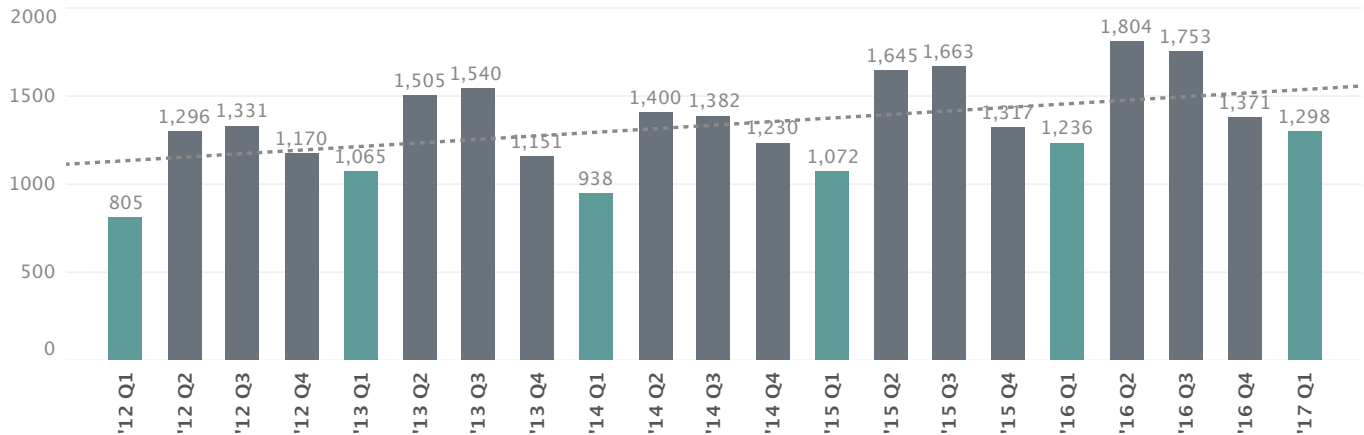
Homes sold this past quarter spent an average of 91 days on market before being sold.

4

MONTHS OF INVENTORY

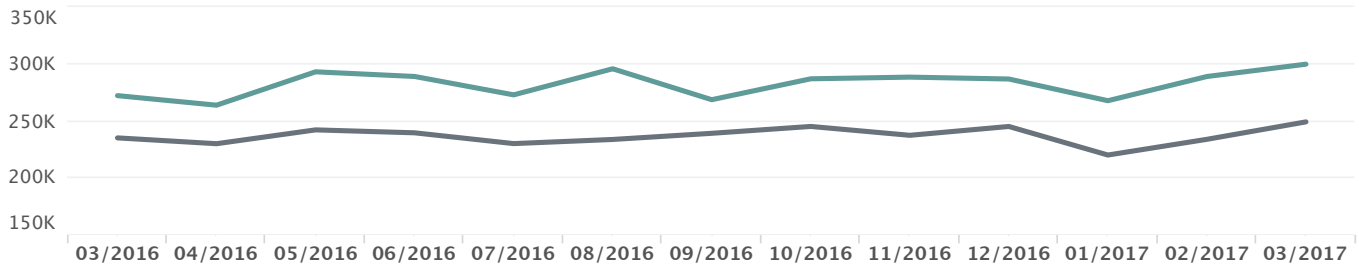
At the end of this past quarter, there were 4 months of inventory available.

Five Year Sales Trend (Total Sales)



Average & Median Price Trends

■ AVG. SALES PRICE ■ MEDIAN SALES PRICE



	03/2016	04/2016	05/2016	06/2016	07/2016	08/2016	09/2016	10/2016	11/2016	12/2016	01/2017	02/2017	03/2017
Average	271,942	263,591	292,770	288,703	272,622	295,435	268,386	286,662	288,128	286,481	267,500	288,670	299,452
Median	235,000	229,900	242,000	239,432	230,000	233,615	239,000	245,000	237,250	244,975	220,000	233,750	249,000

WILMINGTON MSA MARKET ANALYSIS

First Quarter 2017



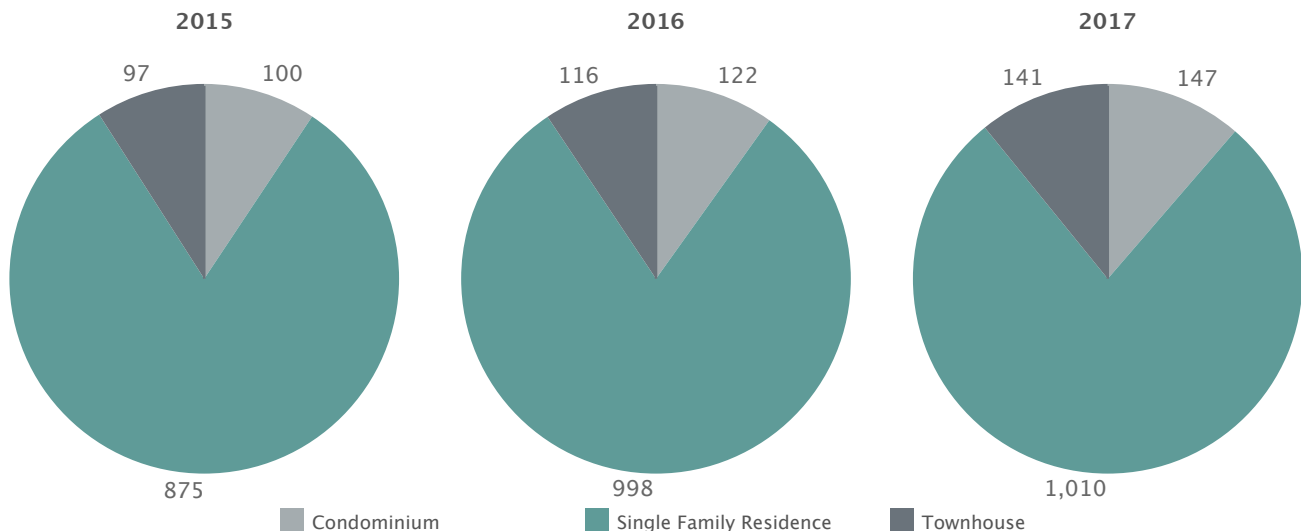
Quarterly Performance & Yearly Growth

SINGLE FAMILY		TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	1,010	312,124	302,896	248,500	144	87
% Change	1.20%	7.63%	8.14%	3.58%	7.50%	-11.79%	
2016 Q1	998	290,006	280,087	239,900	134	99	
% Change	14.06%	1.82%	1.52%	9.05%	1.74%	-3.10%	
2015 Q1	875	284,831	275,885	220,000	132	102	

ATTACHED		TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	141	248,422	244,103	195,000	148	102
% Change	21.55%	15.95%	16.79%	11.11%	15.07%	11.02%	
2016 Q1	116	214,256	209,006	175,500	128	92	
% Change	19.59%	13.96%	15.11%	17.00%	9.39%	-9.56%	
2015 Q1	97	188,010	181,567	150,000	117	101	

CONDO		TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	147	232,875	222,424	164,000	194	102
% Change	20.49%	4.53%	3.91%	-8.89%	5.5%	-4.73%	
2016 Q1	122	222,779	214,053	180,000	183	107	
% Change	22.00%	1.53%	2.53%	4.20%	2.17%	-26.07%	
2015 Q1	100	219,416	208,780	172,750	180	145	

Year-to-Date Sales by Property Type



WILMINGTON MSA MARKET ANALYSIS

First Quarter 2017



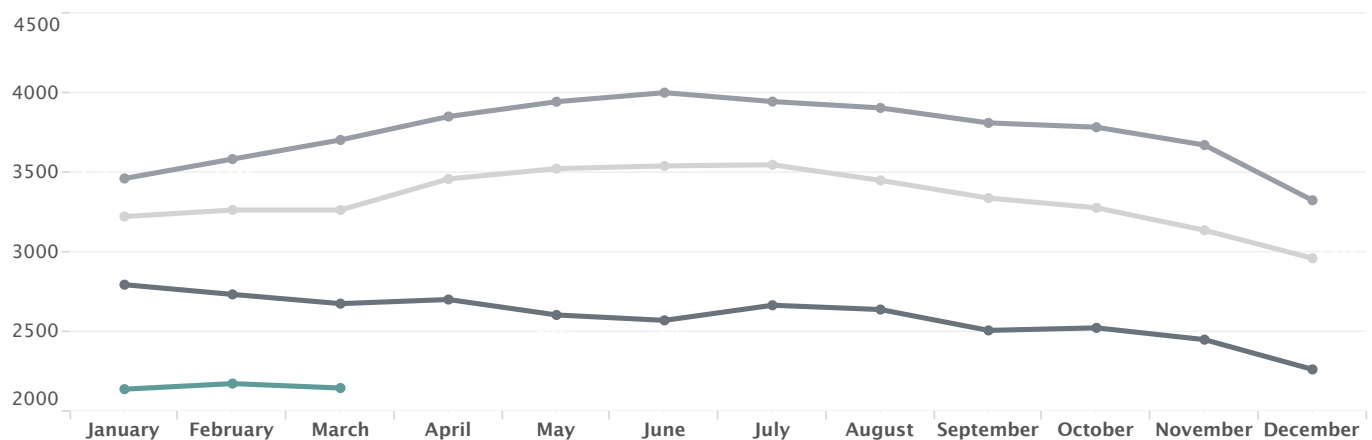
Inventory Levels & Months of Inventory*

*(Excludes proposed listings)

	March 2016		March 2017	
	Months of Inventory	Inventory	Months of Inventory	Inventory
Single Family	5.01	2,074	3.57	1,605
Attached	6.13	239	3.27	206
Condo	5.51	380	4.23	275
All	5.18	2,693	3.63	2,086

Four Year Historical Inventory

■ 2014 ■ 2015 ■ 2016 ■ 2017



		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	Inventory	3,461	3,583	3,703	3,850	3,943	4,000	3,944	3,904	3,810	3,783	3,671	3,324
	New Listings	630	663	825	872	930	767	733	728	604	734	520	426
2015	Inventory	3,222	3,263	3,263	3,458	3,523	3,540	3,547	3,449	3,338	3,277	3,136	2,960
	New Listings	730	622	969	972	813	825	854	753	657	603	531	422
2016	Inventory	2,794	2,733	2,675	2,701	2,604	2,570	2,665	2,638	2,507	2,523	2,449	2,262
	New Listings	672	719	906	730	825	765	666	786	666	504	446	459
2017	Inventory	2,138	2,173	2,145									
	New Listings	581	782	895									

3 KEY TAKEAWAYS

1. The Wilmington real estate market had yet another strong performance this past quarter as total sales increased 5% year-over-year. This marks the tenth straight quarter with year-over-year gains.
2. Attached homes performed exceptionally well this past quarter as sales rose more than 21% and average sales price rose nearly 17% compared to Q1 2016. These were the largest gains of any property type.
3. Low inventory levels combined with an increased sales rate has pushed months of inventory down to just 4 months at the end of this past quarter. Current conditions favor sellers and if they continue would like cause prices to continue rising.

NEW HANOVER COUNTY MARKET ANALYSIS

First Quarter 2017



Market Snapshot

9%

TOTAL SALES

There were 1,076 total sales this past quarter compared to 986 in Q1 2016. This translates to a 9% year-over-year increase.

\$230,000

MEDIAN SALES PRICE

The median sales price this past quarter was \$230,000 compared to \$213,500 in Q1 2016.

-18%

TOTAL INVENTORY

At the end of this past quarter, total inventory levels were down 18% compared to the end of Q1 2016.

85

DAYS ON MARKET

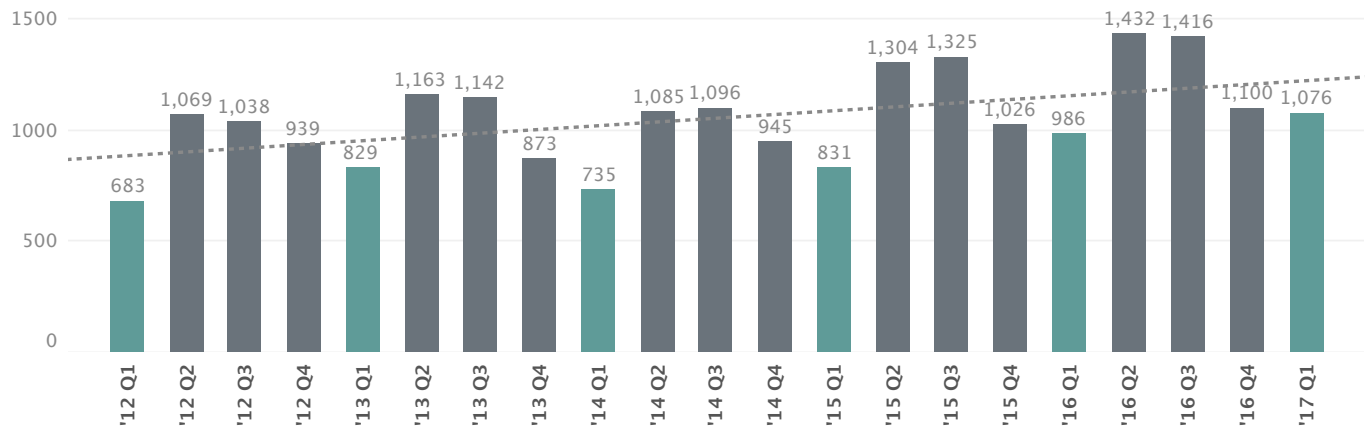
Homes sold this past quarter spent an average of 85 days on market before being sold.

3

MONTHS OF INVENTORY

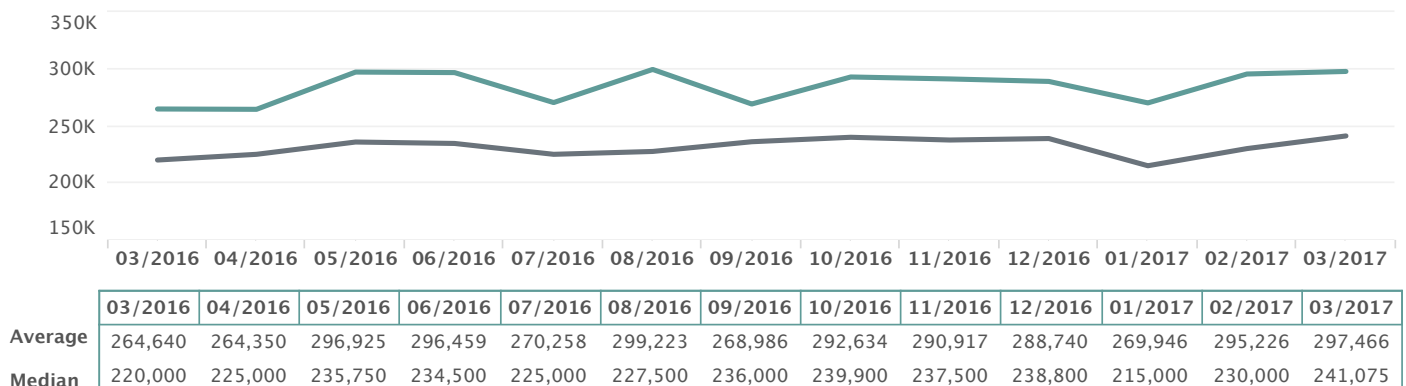
At the end of this past quarter, there were 3 months of inventory available.

Five Year Sales Trend (Total Sales)



Average & Median Price Trends

■ AVG. SALES PRICE ■ MEDIAN SALES PRICE



NEW HANOVER COUNTY MARKET ANALYSIS

First Quarter 2017



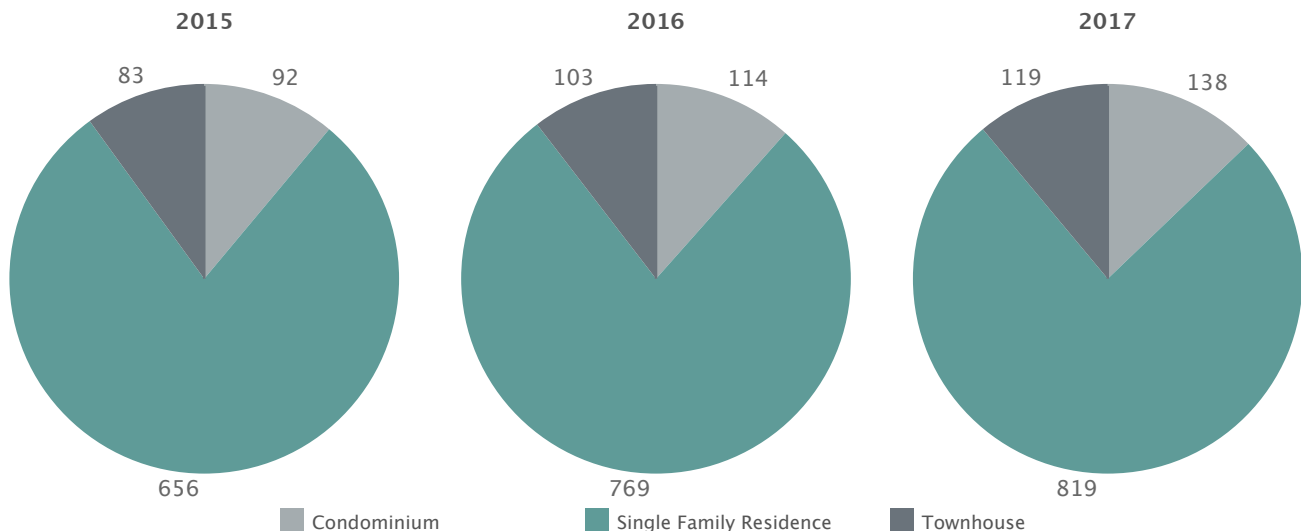
Quarterly Performance & Yearly Growth

SINGLE FAMILY	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	819	318,177	308,345	243,000	146
% Change	6.50%	11.00%	11.55%	5.65%	11.62%	-13.89%
2016 Q1	769	286,646	276,416	230,000	131	96
% Change	17.23%	-3.16%	-3.28%	7.87%	-1.90%	-7.72%
2015 Q1	656	296,007	285,776	213,220	134	104

ATTACHED	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	119	232,613	228,296	186,000	142
% Change	15.53%	7.54%	8.41%	6.29%	9.73%	-15.11%
2016 Q1	103	216,303	210,589	175,000	130	94
% Change	24.10%	20.50%	21.15%	18.24%	13.99%	-2.54%
2015 Q1	83	179,507	173,825	148,000	114	96

CONDO	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	138	238,194	227,702	175,250	197
% Change	21.05%	6.10%	5.61%	-1.27%	7.0%	-8.32%
2016 Q1	114	224,505	215,599	177,500	184	113
% Change	23.91%	-0.43%	0.47%	0.74%	-0.01%	-26.45%
2015 Q1	92	225,478	214,588	176,200	184	153

Year-to-Date Sales by Property Type



NEW HANOVER COUNTY MARKET ANALYSIS

First Quarter 2017



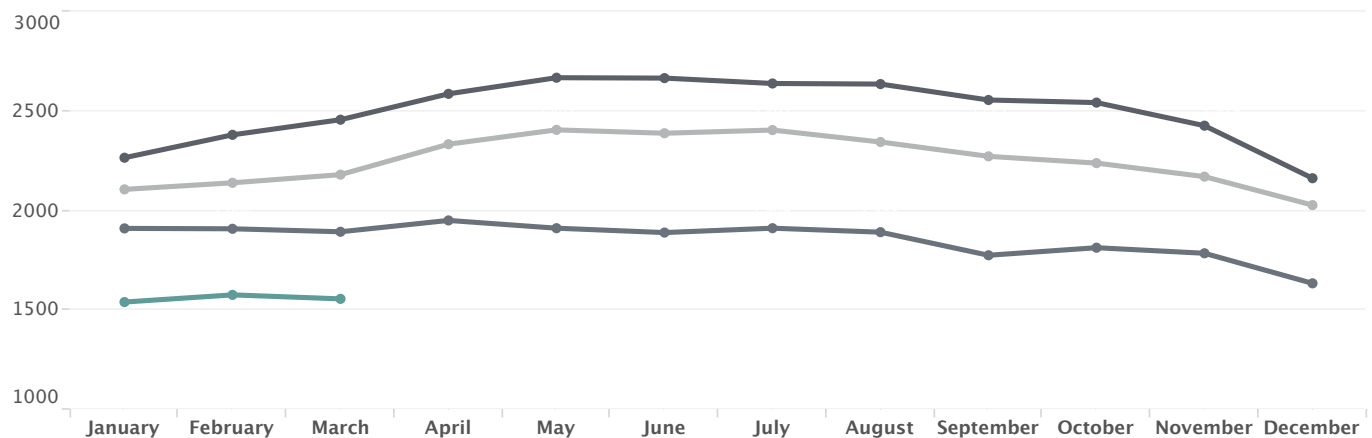
Inventory Levels & Months of Inventory*

*(Excludes proposed listings)

	March 2016		March 2017	
	Months of Inventory	Inventory	Months of Inventory	Inventory
Single Family	4.50	1,431	3.11	1,148
Attached	3.97	143	2.70	135
Condo	6.70	335	4.37	262
All	4.85	1,909	3.29	1,545

Four Year Historical Inventory

■ 2014 ■ 2015 ■ 2016 ■ 2017



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014 Inventory	2,263	2,378	2,454	2,584	2,665	2,663	2,636	2,633	2,553	2,540	2,424	2,160
2014 New Listings	450	487	558	660	611	535	527	549	425	540	363	291
2015 Inventory	2,104	2,137	2,178	2,331	2,403	2,386	2,402	2,342	2,270	2,236	2,168	2,025
2015 New Listings	551	474	703	726	620	581	608	564	481	471	387	311
2016 Inventory	1,908	1,906	1,891	1,948	1,909	1,887	1,909	1,889	1,773	1,811	1,783	1,632
2016 New Listings	505	554	713	567	647	618	516	592	526	406	367	363
2017 Inventory	1,538	1,574	1,554									
2017 New Listings	434	615	686									

3 KEY TAKEAWAYS

1. Even though inventory levels declined year-over-year once again and remain below recent historical averages, total sales rose 9% compared to Q1 2016.
2. Average days on market declined in every property type segment with the single family and attached categories experiencing the largest drop at more than 13%.
3. As inventory levels continue to decrease, this has continued to put upward pressure on prices as average sales price rose by at least 5% year-over-year in every property type category with average price of single family homes climbing nearly 12%.

PENDER COUNTY MARKET ANALYSIS

First Quarter 2017



Market Snapshot

-11%

TOTAL SALES

There were 222 total sales this past quarter compared to 250 in Q1 2016. This translates to a 11% year-over-year decrease.

\$252,700

MEDIAN SALES PRICE

The median sales price this past quarter was \$252,700 compared to \$250,400 in Q1 2016.

-32%

TOTAL INVENTORY

At the end of this past quarter, total inventory levels were down 32% compared to the end of Q1 2016.

118

DAYS ON MARKET

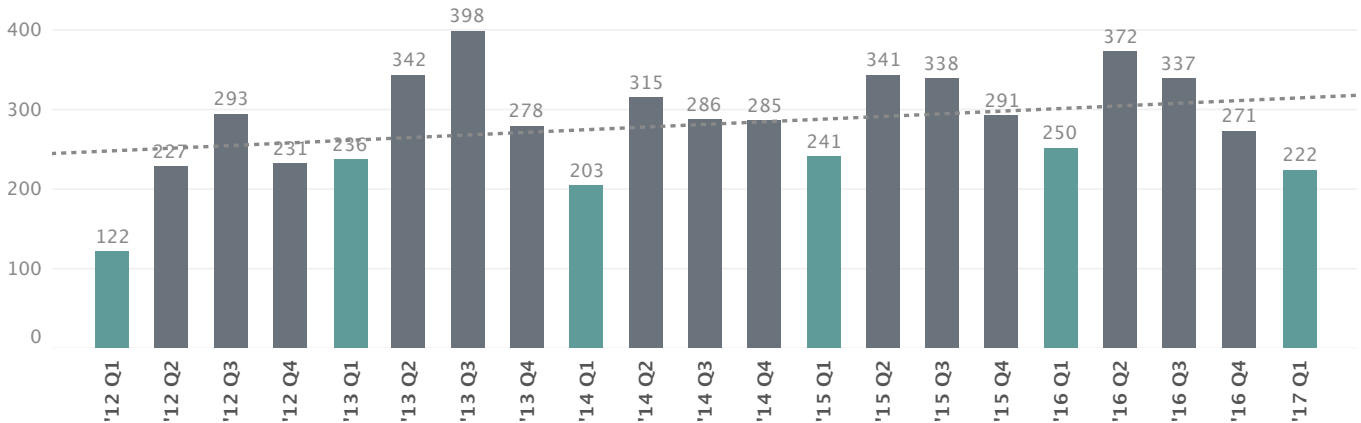
Homes sold this past quarter spent an average of 118 days on market before being sold.

5

MONTHS OF INVENTORY

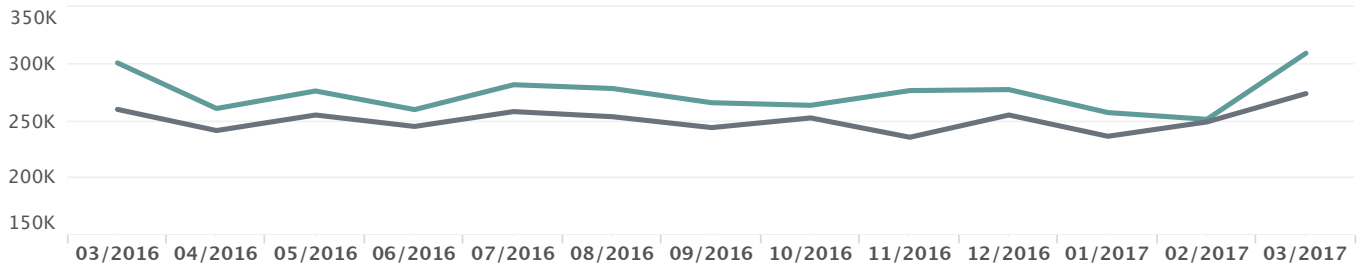
At the end of this past quarter, there were 5 months of inventory available.

Five Year Sales Trend (Total Sales)



Average & Median Price Trends

■ AVG. SALES PRICE ■ MEDIAN SALES PRICE



	03/2016	04/2016	05/2016	06/2016	07/2016	08/2016	09/2016	10/2016	11/2016	12/2016	01/2017	02/2017	03/2017
Average	300,583	260,699	276,004	259,723	281,470	278,178	265,740	263,476	276,362	277,229	257,130	251,226	309,044
Median	259,900	241,410	255,000	245,000	258,000	253,500	243,993	252,450	235,543	255,000	236,400	248,950	273,738

PENDER COUNTY MARKET ANALYSIS

First Quarter 2017



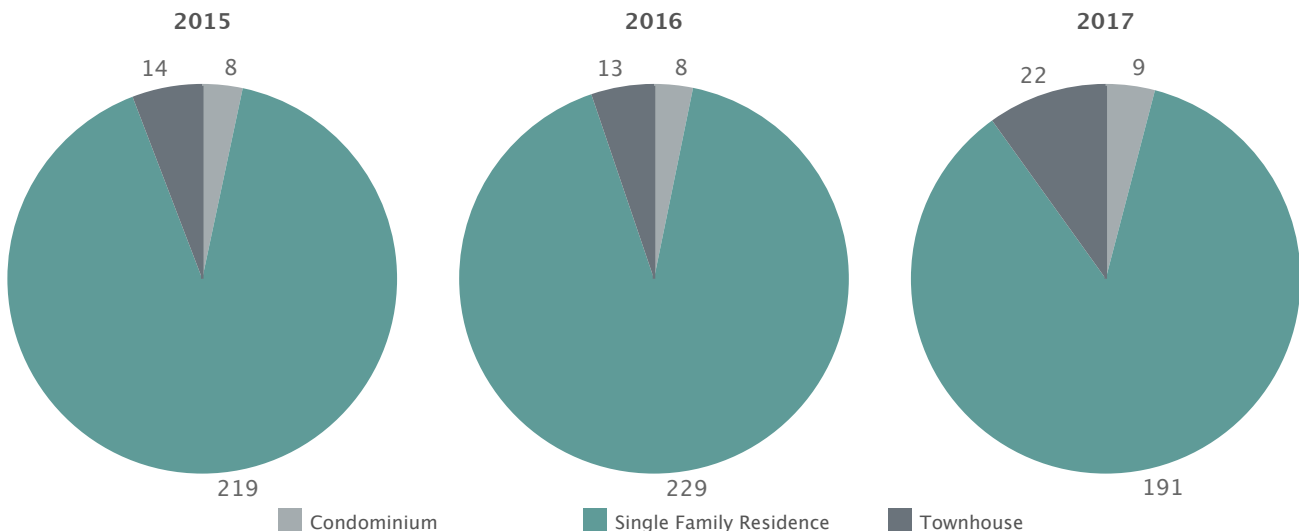
Quarterly Performance & Yearly Growth

SINGLE FAMILY	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	191	286,165	279,532	257,000	133
% Change	-16.59%	-5.02%	-4.41%	0.78%	-6.84%	-1.60%
2016 Q1	229	301,290	292,417	255,000	143	109
% Change	4.57%	19.87%	18.75%	8.10%	14.16%	12.92%
2015 Q1	219	251,353	246,255	235,900	125	97

ATTACHED	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	22	333,936	329,609	300,000	177
% Change	69.23%	68.62%	67.77%	67.63%	49.84%	194.01%
2016 Q1	13	198,041	196,460	178,968	118	75
% Change	-7.14%	-16.94%	-13.63%	11.71%	-14.77%	-42.92%
2015 Q1	14	238,424	227,467	160,211	139	132

CONDO	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	9	151,317	141,489	127,000	145
% Change	12.50%	-23.65%	-26.32%	-35.86%	-18.1%	191.40%
2016 Q1	8	198,188	192,030	198,000	177	29
% Change	0.00%	32.39%	35.24%	55.36%	36.69%	-42.93%
2015 Q1	8	149,700	141,988	127,450	129	50

Year-to-Date Sales by Property Type



PENDER COUNTY MARKET ANALYSIS

First Quarter 2017

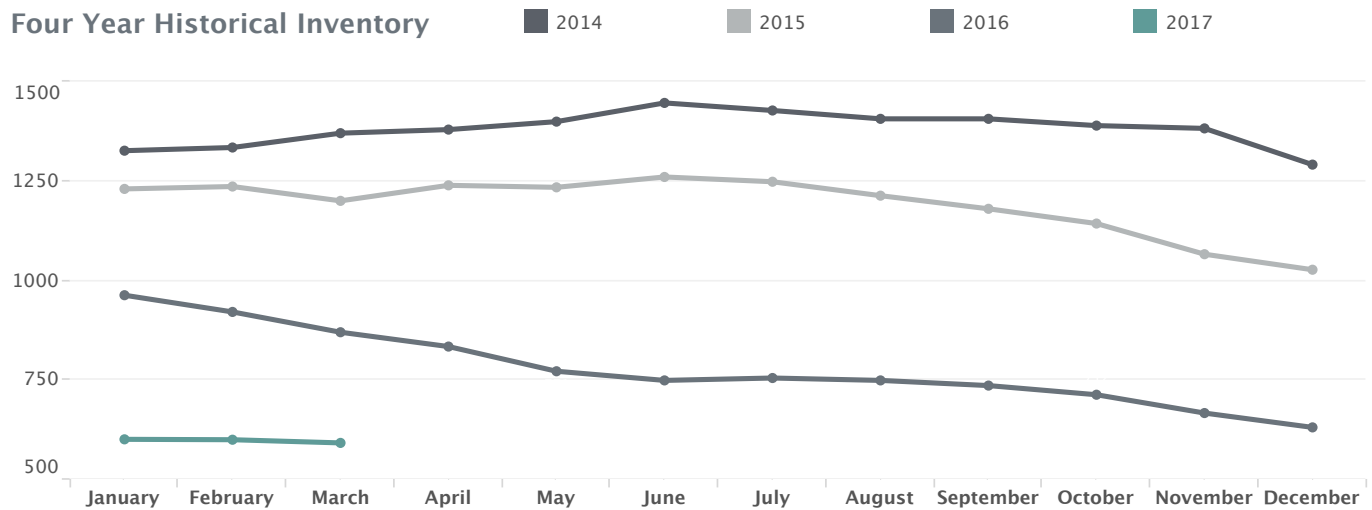


Inventory Levels & Months of Inventory*

*(Excludes proposed listings)

	March 2016		March 2017	
	Months of Inventory	Inventory	Months of Inventory	Inventory
Single Family	6.70	643	5.64	457
Attached	32.00	96	5.46	71
Condo	8.00	32	2.60	13
All	9.90	771	5.54	541

Four Year Historical Inventory



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014 Inventory	1,325	1,333	1,369	1,378	1,398	1,445	1,426	1,405	1,405	1,388	1,381	1,290
2014 New Listings	205	199	282	246	347	258	239	202	207	221	185	151
2015 Inventory	1,229	1,235	1,199	1,238	1,233	1,259	1,247	1,212	1,179	1,142	1,065	1,026
2015 New Listings	201	172	293	265	215	269	274	218	205	143	159	124
2016 Inventory	962	920	869	833	771	748	754	748	735	712	666	630
2016 New Listings	192	189	219	181	201	168	150	194	140	98	79	96
2017 Inventory	600	599	591									
2017 New Listings	147	167	209									

3 KEY TAKEAWAYS

1. Inventory levels decreased drastically dropping 32% year-over-year and remain well below . This decline was influenced by a slow quarter of listing activity that was at a four year low for the first quarter.
2. Despite the drastic decline in inventory, sales prices were relatively unaffected and the market remained relatively balanced as indicated by the 5 months of inventory at the end of the quarter.
3. If inventory levels continue to decline at their current rate, we will likely see prices start to climb which will likely result in constraining total sales.

BRUNSWICK COUNTY MARKET ANALYSIS

First Quarter 2017



Market Snapshot

36%

TOTAL SALES

There were 804 total sales this past quarter compared to 591 in Q1 2016. This translates to a 36% year-over-year increase.

\$221,597

MEDIAN SALES PRICE

The median sales price this past quarter was \$221,597 compared to \$202,500 in Q1 2016.

-11%

TOTAL INVENTORY

At the end of this past quarter, total inventory levels were down 11% compared to the end of Q1 2016.

120

DAYS ON MARKET

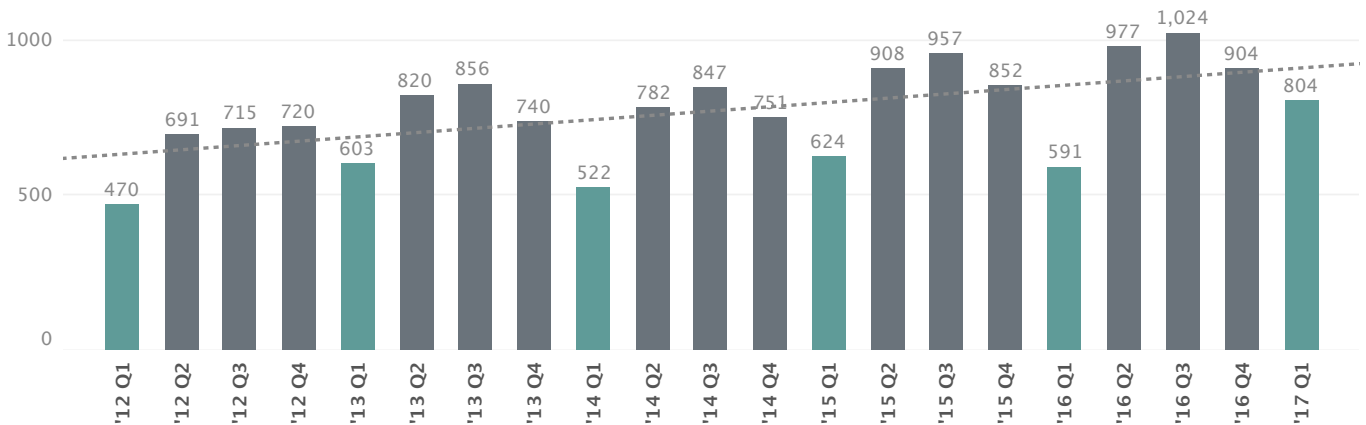
Homes sold this past quarter spent an average of 120 days on market before being sold.

6

MONTHS OF INVENTORY

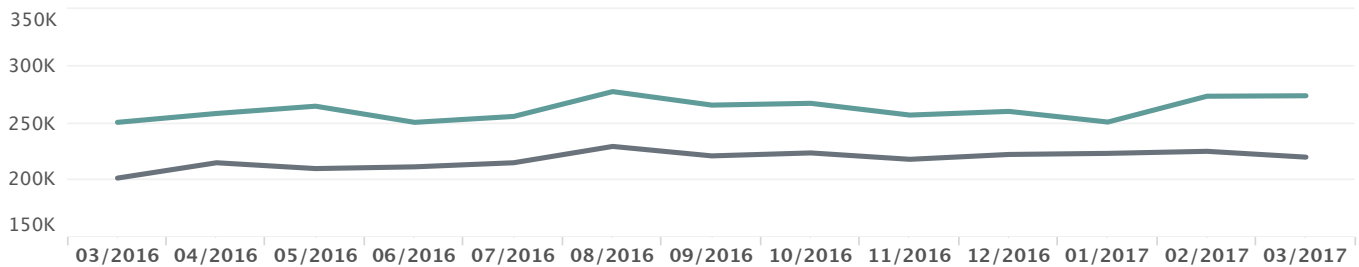
At the end of this past quarter, there were 6 months of inventory available.

Five Year Sales Trend (Total Sales)



Average & Median Price Trends

■ AVG. SALES PRICE ■ MEDIAN SALES PRICE



	03/2016	04/2016	05/2016	06/2016	07/2016	08/2016	09/2016	10/2016	11/2016	12/2016	01/2017	02/2017	03/2017
Average	250,341	258,095	264,456	250,332	255,495	277,234	265,415	266,967	256,693	259,914	250,594	273,175	273,582
Median	201,585	215,000	209,900	211,420	215,000	229,273	221,000	223,595	218,000	222,250	223,200	225,000	219,900

BRUNSWICK COUNTY MARKET ANALYSIS

First Quarter 2017



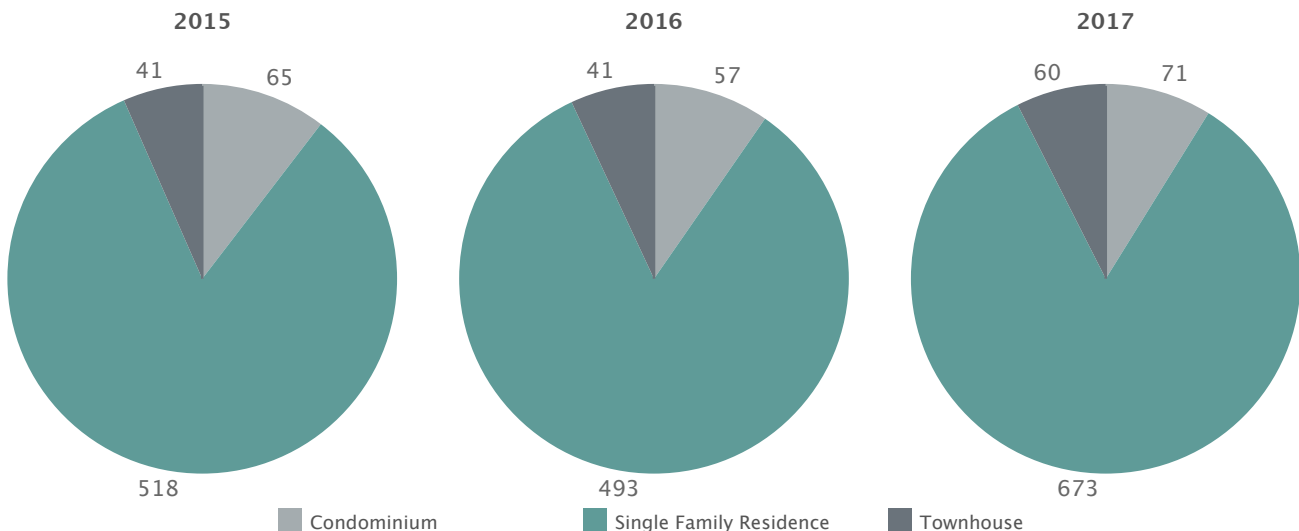
Quarterly Performance & Yearly Growth

SINGLE FAMILY	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	673	289,478	279,388	232,000	146
% Change	36.51%	3.87%	4.72%	6.00%	2.97%	-8.16%
2016 Q1	493	278,682	266,789	218,872	141	132
% Change	-4.83%	-1.04%	-0.25%	-3.58%	0.88%	-24.35%
2015 Q1	518	281,621	267,455	227,000	140	174

ATTACHED	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	60	217,118	214,343	212,902	122
% Change	46.34%	10.14%	9.36%	29.03%	4.86%	-24.58%
2016 Q1	41	197,134	196,000	165,000	117	98
% Change	0.00%	-13.07%	-13.29%	-29.18%	-5.63%	-6.55%
2015 Q1	41	226,771	226,041	233,000	124	105

CONDO	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q1	71	201,759	192,227	167,000	151
% Change	24.56%	28.86%	27.99%	19.29%	16.9%	-24.75%
2016 Q1	57	156,575	150,187	140,000	130	200
% Change	-12.31%	-15.69%	-15.06%	-13.85%	-8.89%	-7.91%
2015 Q1	65	185,713	176,812	162,500	142	218

Year-to-Date Sales by Property Type



BRUNSWICK COUNTY MARKET ANALYSIS

First Quarter 2017



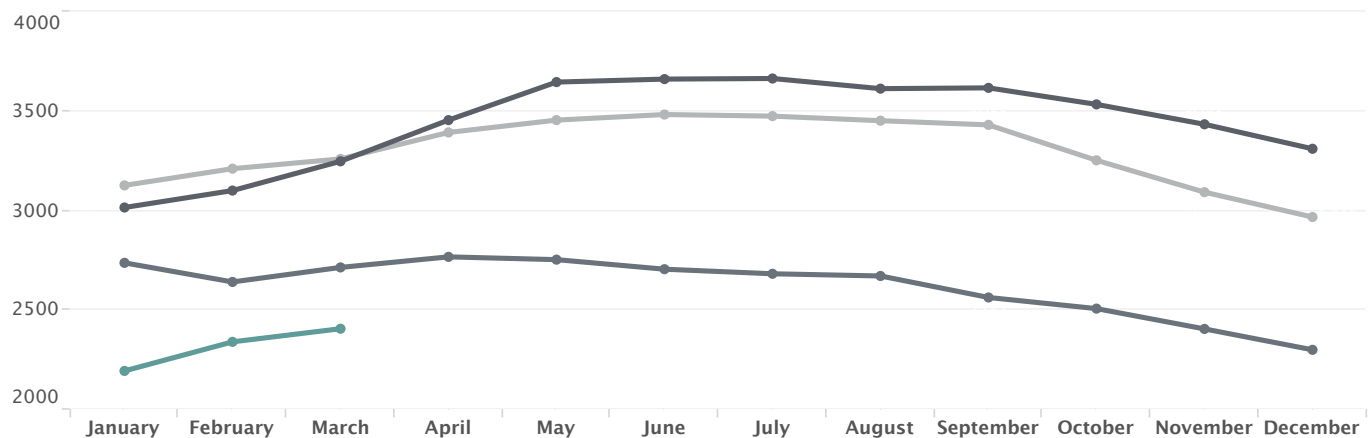
Inventory Levels & Months of Inventory*

*(Excludes proposed listings)

	March 2016		March 2017	
	Months of Inventory	Inventory	Months of Inventory	Inventory
Single Family	9.98	2,075	6.33	1,868
Attached	8.06	129	6.08	158
Condo	9.72	311	8.00	248
All	9.85	2,515	6.49	2,274

Four Year Historical Inventory

■ 2014 ■ 2015 ■ 2016 ■ 2017



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014 Inventory	3,013	3,098	3,245	3,452	3,643	3,658	3,661	3,610	3,614	3,531	3,431	3,308
2014 New Listings	500	470	587	673	611	519	548	497	463	489	379	359
2015 Inventory	3,124	3,208	3,257	3,390	3,452	3,480	3,472	3,449	3,428	3,250	3,090	2,965
2015 New Listings	524	495	600	605	588	591	605	497	461	462	375	325
2016 Inventory	2,735	2,639	2,712	2,765	2,751	2,703	2,680	2,669	2,561	2,505	2,403	2,298
2016 New Listings	431	545	556	567	561	489	524	451	468	374	348	318
2017 Inventory	2,192	2,338	2,404									
2017 New Listings	563	586	679									

3 KEY TAKEAWAYS

1. After sales declined in the first quarter last year, the Brunswick market had an exceptionally strong performance this past quarter as total sales increased 36% year-over-year to achieve the highest first quarter sales total in the last five years.
2. Median sales price rose by more than 9% compared to Q1 2016, which was likely due in part to the 11% year-over-year decline in inventory levels.
3. Despite the inventory decline, there were 6 months of inventory available at the end of this past quarter which means the Brunswick market is currently a balanced market.