

HOW'S THE MARKET?

THIRD QUARTER 2017 NEST REPORT

New Hanover County

Pender County

Brunswick County

WILMINGTON MSA MARKET ANALYSIS

Third Quarter 2017



Market Snapshot

-4%

TOTAL SALES

There were 1,689 total sales this past quarter compared to 1,753 in Q3 2016. This translates to a 4% year-over-year decrease.

\$255,000

MEDIAN SALES PRICE

The median sales price this past quarter was \$255,000 compared to \$234,000 in Q3 2016.

-7%

TOTAL INVENTORY

At the end of this past quarter, total inventory levels were down 7% compared to the end of Q3 2016.

67

DAYS ON MARKET

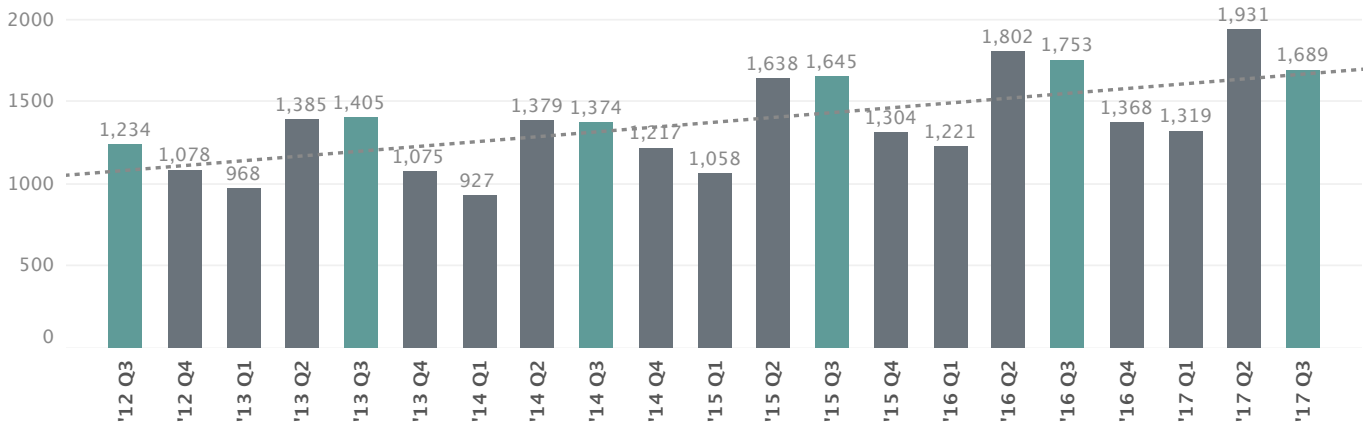
Homes sold this past quarter spent an average of 67 days on market before being sold.

4.47

MONTHS OF INVENTORY

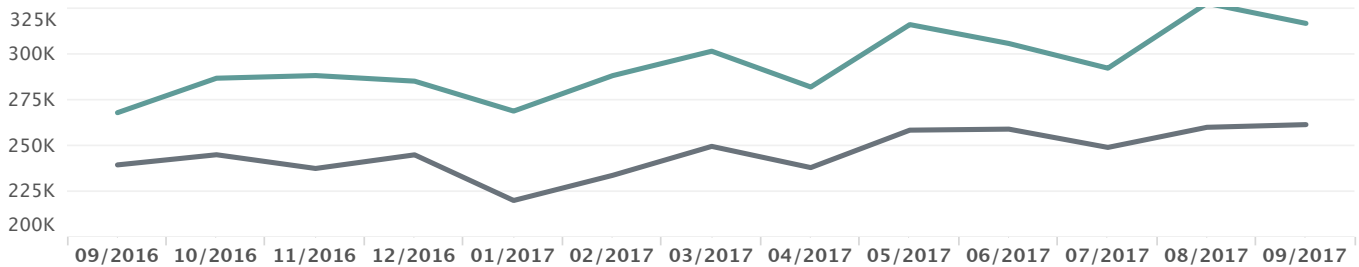
At the end of this past quarter, there were 4.47 months of inventory available.

Five Year Sales Trend (Total Sales)



Average & Median Price Trends

■ AVG. SALES PRICE ■ MEDIAN SALES PRICE



	09/2016	10/2016	11/2016	12/2016	01/2017	02/2017	03/2017	04/2017	05/2017	06/2017	07/2017	08/2017	09/2017
Average	267,984	286,830	288,276	285,218	268,860	288,240	301,594	282,031	316,134	305,807	292,314	327,779	316,784
Median	239,450	245,000	237,500	244,950	220,000	233,750	249,578	237,975	258,438	259,000	249,000	260,000	261,463

WILMINGTON MSA MARKET ANALYSIS

Third Quarter 2017



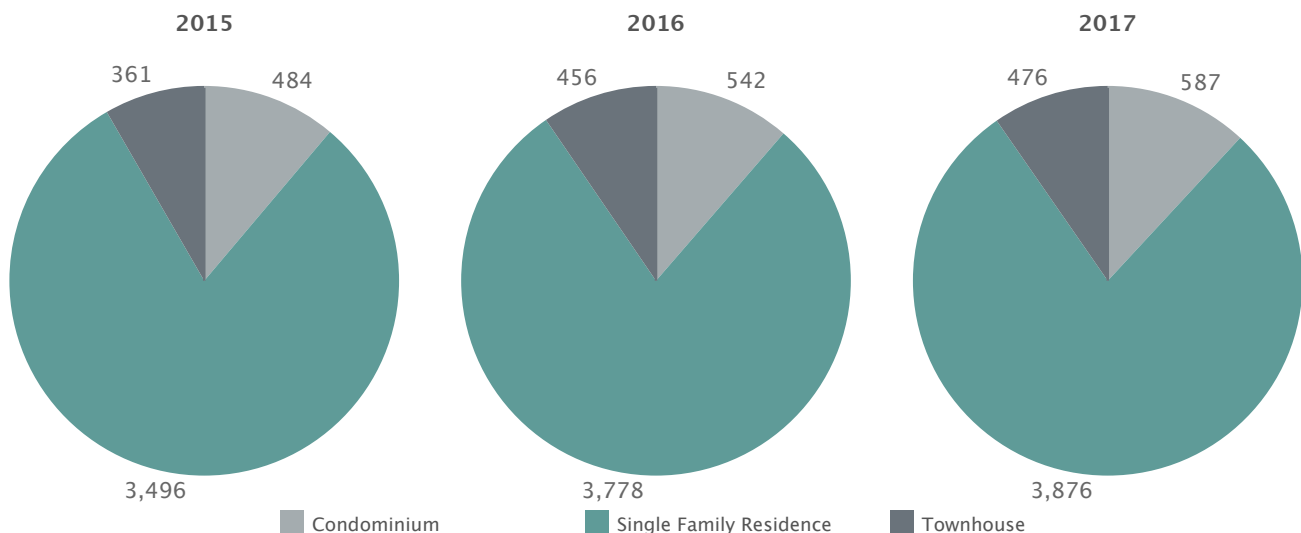
Quarterly Performance & Yearly Growth

SINGLE FAMILY	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	1,351	340,547	330,362	267,900	147
% Change	-1.46%	10.34%	10.46%	7.59%	6.09%	-8.80%
2016 Q3	1,371	308,648	299,068	249,000	138	72
% Change	3.79%	4.74%	4.74%	3.32%	4.20%	-16.27%
2015 Q3	1,321	294,694	285,530	241,000	133	85

ATTACHED	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	134	246,419	241,348	205,000	148
% Change	-24.29%	3.55%	3.10%	5.13%	2.62%	-2.15%
2016 Q3	177	237,977	234,092	195,000	144	76
% Change	36.15%	9.46%	10.06%	14.36%	11.86%	-5.76%
2015 Q3	130	217,408	212,688	170,520	129	81

CONDO	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	204	246,160	237,783	161,625	205
% Change	-0.49%	28.77%	29.51%	25.29%	17.01%	-33.73%
2016 Q3	205	191,158	183,600	129,000	175	113
% Change	5.67%	-11.91%	-10.45%	-11.03%	-4.72%	3.62%
2015 Q3	194	217,007	205,036	145,000	184	110

Year-to-Date Sales by Property Type



WILMINGTON MSA MARKET ANALYSIS

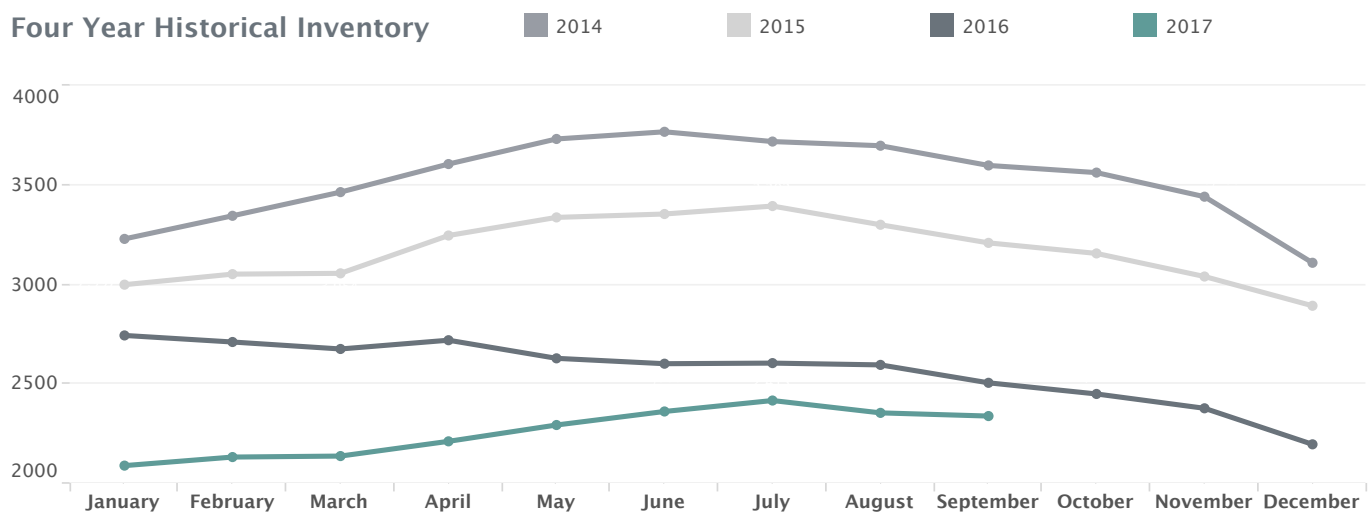
Third Quarter 2017



Inventory Levels & Months of Inventory

	September 2016		September 2017	
	Inventory	Months of Inventory	Inventory	Months of Inventory
Single Family	1,981	4.62	1,838	4.41
Attached	232	4.94	216	5.54
Condo	290	4.39	268	4.00
All	2,503	4.62	2,322	4.47

Four Year Historical Inventory



		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	Inventory	3,227	3,343	3,462	3,603	3,729	3,765	3,716	3,695	3,596	3,560	3,439	3,107
	New Listings	584	618	763	828	865	720	692	680	572	684	481	388
2015	Inventory	2,997	3,050	3,054	3,244	3,335	3,352	3,392	3,298	3,207	3,154	3,038	2,891
	New Listings	692	588	901	919	772	786	821	712	628	588	514	409
2016	Inventory	2,742	2,709	2,674	2,718	2,627	2,600	2,603	2,594	2,504	2,448	2,376	2,195
	New Listings	657	714	900	730	825	769	650	766	654	485	436	446
2017	Inventory	2,088	2,131	2,136	2,210	2,292	2,360	2,415	2,353	2,337			
	New Listings	564	768	886	757	908	795	738	702	642			

3 KEY TAKEAWAYS

1. The condo segment experienced the largest decrease in average days on market this past quarter, declining 34% from 113 days in Q3 2016 to 75 days in Q3 2017.
2. Total inventory levels continued declining this past quarter, dropping 7% compared to the same time last year. Depressed inventory was a primary factor in the decrease in total sales this past quarter.
3. Depressed inventory levels also caused prices to increase this past quarter as the average sales price of single family homes rose more than 10% year-over-year.

NEW HANOVER COUNTY MARKET ANALYSIS

Third Quarter 2017



Market Snapshot

-4%

TOTAL SALES

There were 1,364 total sales this past quarter compared to 1,416 in Q3 2016. This translates to a 4% year-over-year decrease.

\$252,809

MEDIAN SALES PRICE

The median sales price this past quarter was \$252,809 compared to \$228,000 in Q3 2016.

-2%

TOTAL INVENTORY

At the end of this past quarter, total inventory levels were down 2% compared to the end of Q3 2016.

61

DAYS ON MARKET

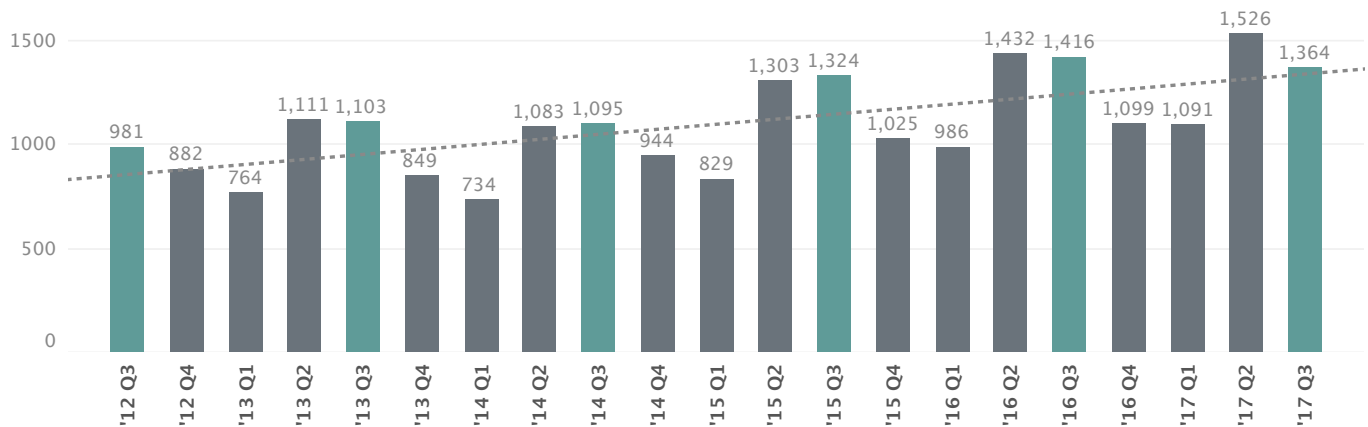
Homes sold this past quarter spent an average of 61 days on market before being sold.

4.05

MONTHS OF INVENTORY

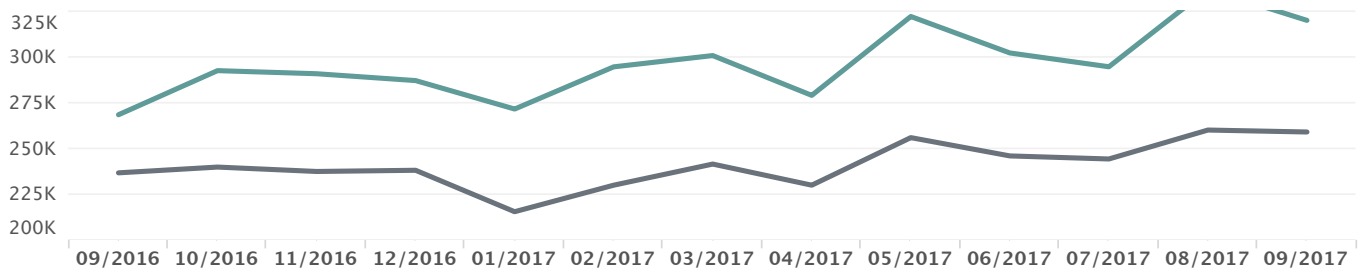
At the end of this past quarter, there were 4.05 months of inventory available.

Five Year Sales Trend (Total Sales)



Average & Median Price Trends

■ AVG. SALES PRICE ■ MEDIAN SALES PRICE



	09/2016	10/2016	11/2016	12/2016	01/2017	02/2017	03/2017	04/2017	05/2017	06/2017	07/2017	08/2017	09/2017
Average	268,494	292,606	290,917	287,175	271,618	294,678	300,847	279,091	322,206	302,277	294,725	337,109	320,082
Median	236,750	239,900	237,500	238,150	215,503	230,000	241,545	230,000	256,000	246,000	244,325	260,140	259,075

NEW HANOVER COUNTY MARKET ANALYSIS

Third Quarter 2017



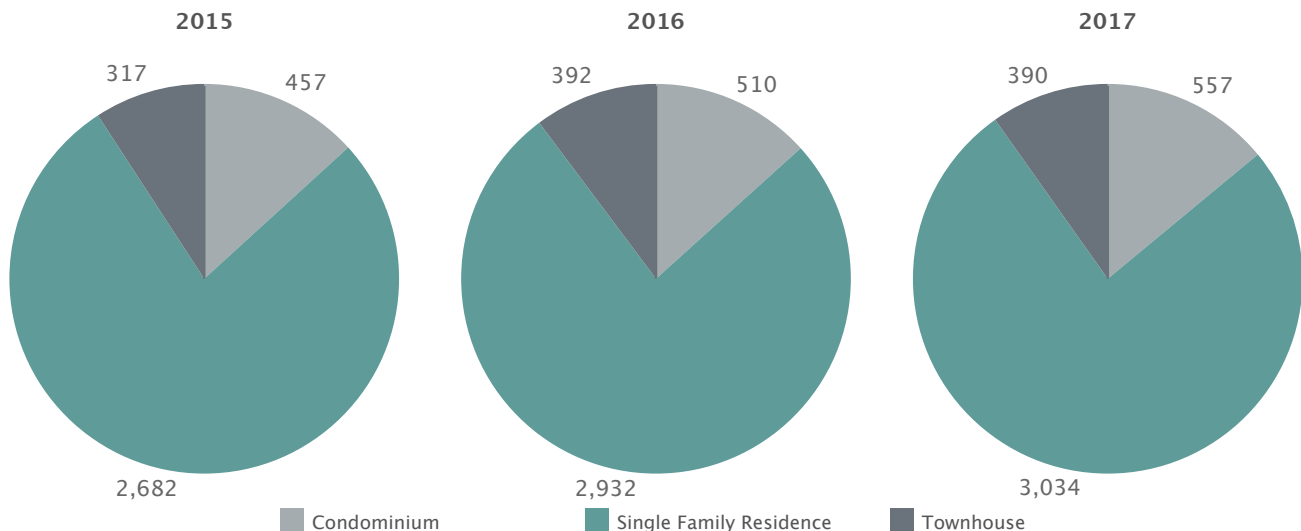
Quarterly Performance & Yearly Growth

SINGLE FAMILY		TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	1,057	351,560	340,477	268,311	150	57
% Change	-0.94%	11.45%	11.54%	9.07%	7.73%	-7.91%	
2016 Q3	1,067	315,449	305,241	246,000	139	62	
% Change	3.89%	4.96%	5.04%	3.74%	4.67%	-26.35%	
2015 Q3	1,027	300,532	290,595	237,121	133	84	

ATTACHED		TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	111	239,835	235,772	201,990	146	68
% Change	-26.49%	6.07%	5.89%	7.44%	4.18%	21.10%	
2016 Q3	151	226,109	222,654	188,000	140	56	
% Change	36.04%	2.89%	3.70%	11.24%	6.88%	-14.91%	
2015 Q3	111	219,753	214,702	169,000	131	66	

CONDO		TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	196	248,750	240,368	163,750	205	74
% Change	-1.01%	28.70%	29.45%	26.94%	16.30%	-34.70%	
2016 Q3	198	193,278	185,687	129,000	176	114	
% Change	6.45%	-11.71%	-10.12%	-10.07%	-4.64%	1.23%	
2015 Q3	186	218,915	206,594	143,450	185	112	

Year-to-Date Sales by Property Type



NEW HANOVER COUNTY MARKET ANALYSIS

Third Quarter 2017

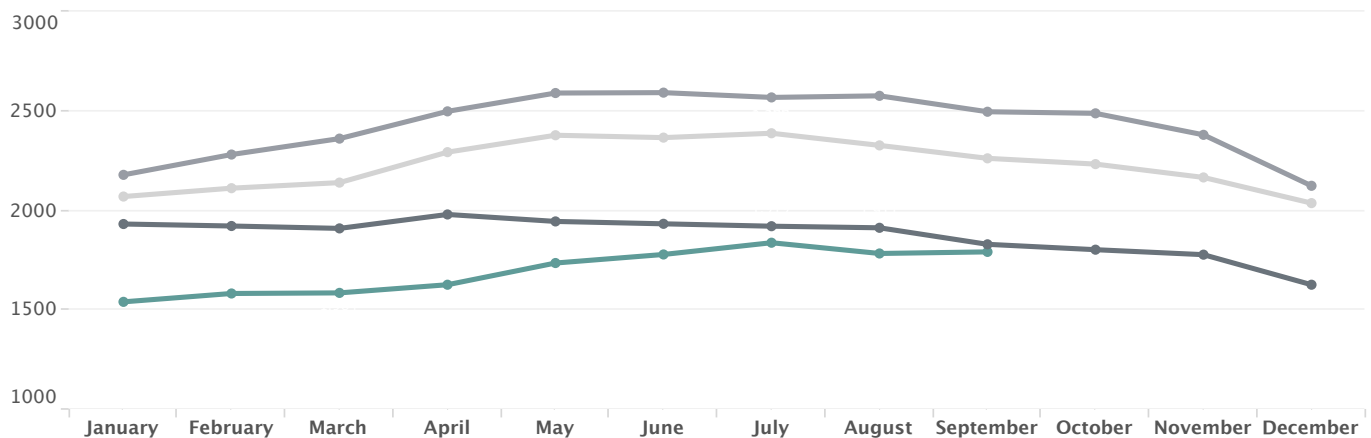


Inventory Levels & Months of Inventory

	September 2016		September 2017	
	Inventory	Months of Inventory	Inventory	Months of Inventory
Single Family	1,402	4.22	1,371	4.00
Attached	150	3.57	152	4.61
Condo	276	4.18	258	3.97
All	1,828	4.16	1,781	4.05

Four Year Historical Inventory

■ 2014 ■ 2015 ■ 2016 ■ 2017



		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	Inventory	2,177	2,279	2,359	2,496	2,588	2,590	2,566	2,574	2,494	2,486	2,378	2,122
	New Listings	426	468	537	642	595	521	512	531	420	530	350	282
2015	Inventory	2,068	2,110	2,138	2,291	2,376	2,364	2,386	2,325	2,260	2,231	2,164	2,035
	New Listings	541	464	678	712	608	570	598	546	472	468	392	307
2016	Inventory	1,930	1,920	1,908	1,978	1,943	1,931	1,919	1,911	1,828	1,801	1,776	1,625
	New Listings	500	551	709	563	647	616	516	588	527	402	367	362
2017	Inventory	1,539	1,581	1,584	1,625	1,734	1,777	1,836	1,782	1,790			
	New Listings	430	615	685	636	716	648	592	576	535			

3 KEY TAKEAWAYS

1. The condo segment saw the largest increase in average sales price of any property segment this past quarter as the average sales price increased more than 29% from \$185,687 in Q3 2016 to \$240,368 in Q3 2017.
2. Months of inventory remained relatively unchanged from Q3 2016 to Q3 2017 at approximately 4 months, which positions our market slightly in favor of sellers.
3. The condo segment experienced a significant decline in days on market as average days dropped 34% from 114 days in Q3 2016 to 74 days in Q3 2017.

PENDER COUNTY MARKET ANALYSIS

Third Quarter 2017



Market Snapshot

-4%

TOTAL SALES

There were 325 total sales this past quarter compared to 337 in Q3 2016. This translates to a 4% year-over-year decrease.

\$264,500

MEDIAN SALES PRICE

The median sales price this past quarter was \$264,500 compared to \$254,970 in Q3 2016.

-19%

TOTAL INVENTORY

At the end of this past quarter, total inventory levels were down 19% compared to the end of Q3 2016.

95

DAYS ON MARKET

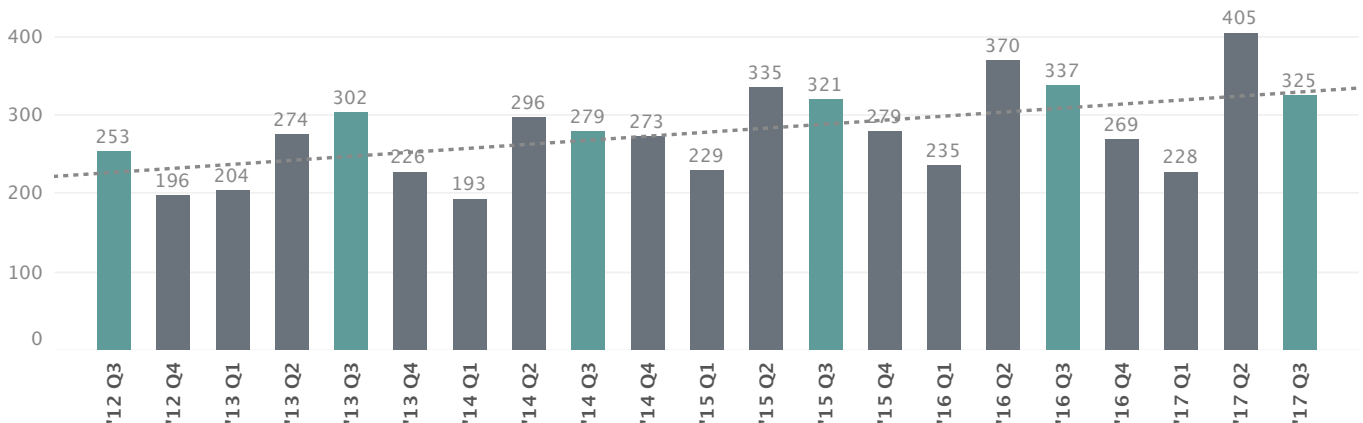
Homes sold this past quarter spent an average of 95 days on market before being sold.

6.83

MONTHS OF INVENTORY

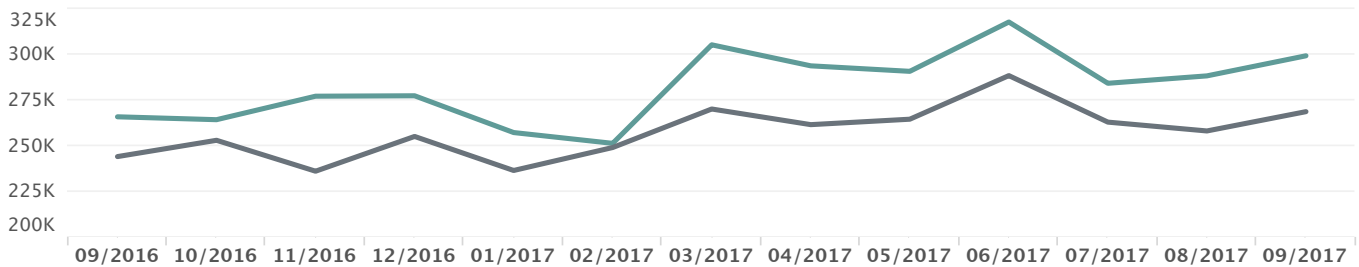
At the end of this past quarter, there were 6.83 months of inventory available.

Five Year Sales Trend (Total Sales)



Average & Median Price Trends

■ AVG. SALES PRICE ■ MEDIAN SALES PRICE



	09/2016	10/2016	11/2016	12/2016	01/2017	02/2017	03/2017	04/2017	05/2017	06/2017	07/2017	08/2017	09/2017
Average	265,740	264,158	276,996	277,229	257,130	251,226	305,083	293,595	290,589	317,540	284,059	288,105	299,084
Median	243,993	252,900	236,000	255,000	236,400	248,950	270,000	261,450	264,425	288,250	262,830	258,000	268,550

PENDER COUNTY MARKET ANALYSIS

Third Quarter 2017



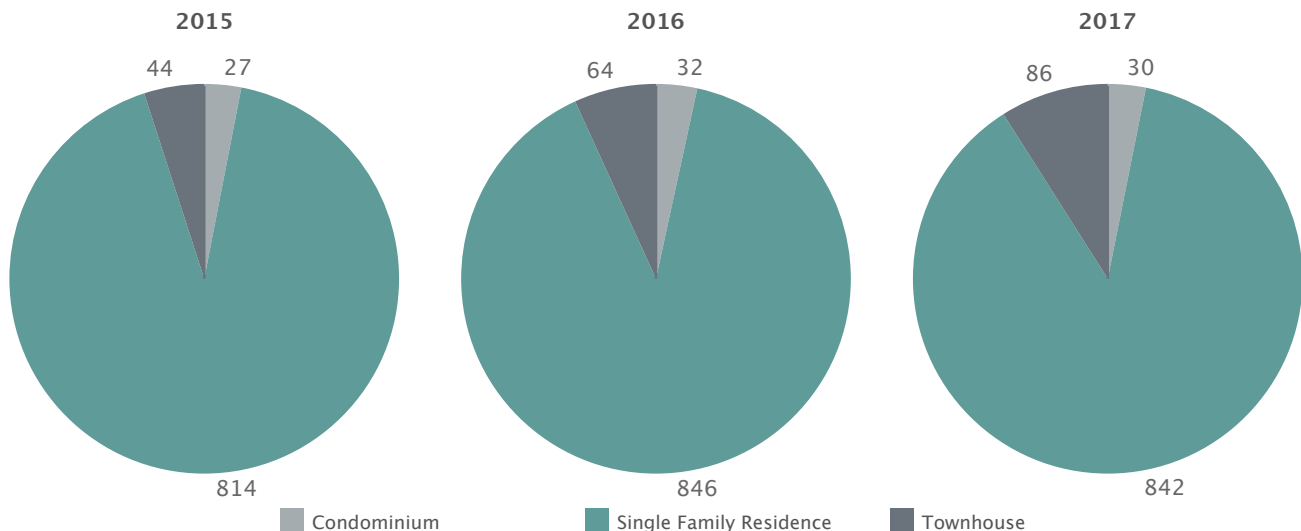
Quarterly Performance & Yearly Growth

SINGLE FAMILY	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	294	300,952	293,996	266,250	133
% Change	-3.29%	5.68%	5.98%	4.41%	-0.19%	-10.01%
2016 Q3	304	284,777	277,403	255,000	134	105
% Change	3.40%	3.82%	3.57%	3.24%	2.51%	17.07%
2015 Q3	294	274,299	267,837	247,000	130	90

ATTACHED	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	23	278,193	268,254	234,000	158
% Change	-11.54%	-9.35%	-10.74%	-8.77%	-6.12%	-44.49%
2016 Q3	26	306,904	300,519	256,500	168	195
% Change	36.84%	50.66%	49.57%	49.09%	45.47%	14.55%
2015 Q3	19	203,708	200,923	172,039	115	170

CONDO	TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	8	182,725	174,456	152,625	208
% Change	14.29%	39.29%	40.05%	22.10%	40.75%	-6.57%
2016 Q3	7	131,186	124,571	125,000	148	103
% Change	-12.50%	-24.02%	-26.21%	-24.24%	-9.92%	150.39%
2015 Q3	8	172,650	168,813	165,000	164	41

Year-to-Date Sales by Property Type



PENDER COUNTY MARKET ANALYSIS

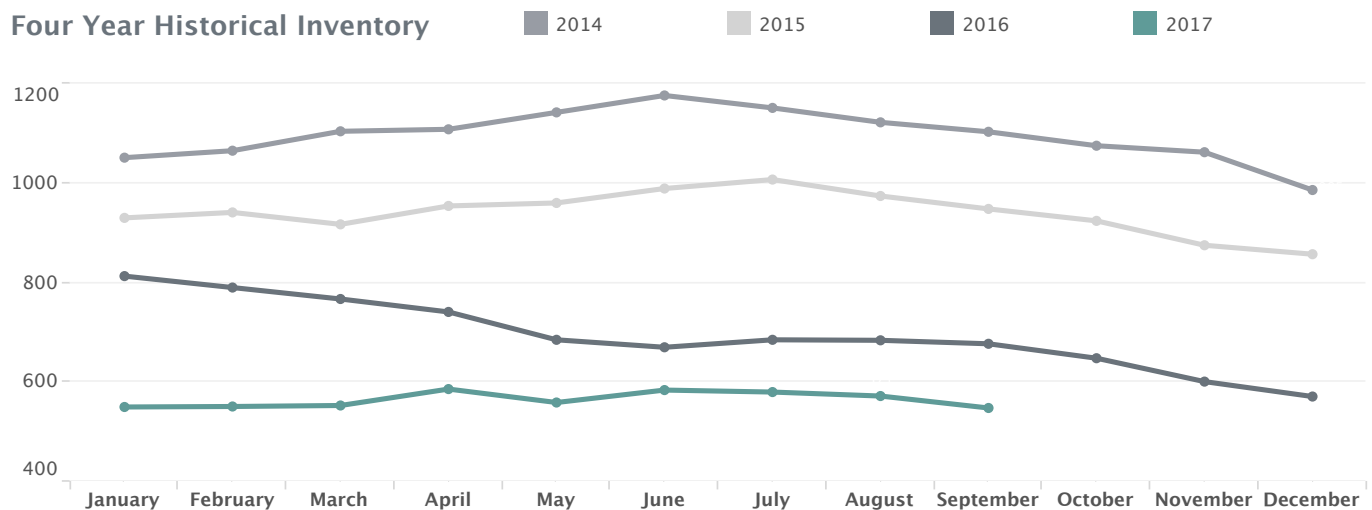
Third Quarter 2017



Inventory Levels & Months of Inventory

	September 2016		September 2017	
	Inventory	Months of Inventory	Inventory	Months of Inventory
Single Family	579	6.09	467	6.31
Attached	82	16.40	65	10.83
Condo	14	0.00	10	5.00
All	675	7.22	542	6.83

Four Year Historical Inventory



		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	Inventory	1,050	1,064	1,103	1,107	1,141	1,175	1,150	1,121	1,102	1,074	1,061	985
	New Listings	158	150	226	186	270	199	180	149	152	154	131	106
2015	Inventory	929	940	916	953	959	988	1,006	973	947	923	874	856
	New Listings	151	124	223	207	164	216	223	166	156	120	122	102
2016	Inventory	812	789	766	740	684	669	684	683	676	647	600	570
	New Listings	157	163	191	167	178	153	134	178	127	83	69	84
2017	Inventory	549	550	552	585	558	583	579	571	547			
	New Listings	134	153	201	121	192	147	146	126	107			

3 KEY TAKEAWAYS

1. Limited inventory remains a pervasive theme throughout our region. Total inventory levels were down 19% at the end of the quarter compared to Q3 2016.
2. As we saw in other parts of our market, condo sales prices spiked drastically compared to other property types. Average sales price for condos jumped 40% year-over-year versus only 6% for single family homes.
3. With just over six months of inventory in the single family segment, which makes up the majority of the Pender market, current market conditions are pretty evenly balanced which is a sign of good market health.

BRUNSWICK COUNTY MARKET ANALYSIS

Third Quarter 2017



Market Snapshot

23%

TOTAL SALES

There were 1,258 total sales this past quarter compared to 1,022 in Q3 2016. This translates to a 23% year-over-year increase.

\$228,562

MEDIAN SALES PRICE

The median sales price this past quarter was \$228,562 compared to \$222,000 in Q3 2016.

-13%

TOTAL INVENTORY

At the end of this past quarter, total inventory levels were down 13% compared to the end of Q3 2016.

106

DAYS ON MARKET

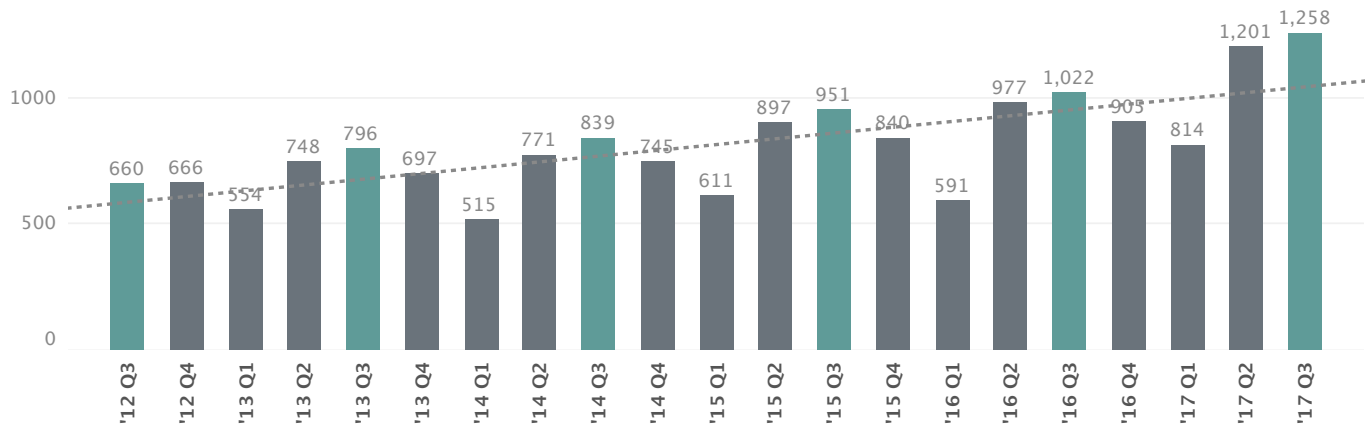
Homes sold this past quarter spent an average of 106 days on market before being sold.

5.60

MONTHS OF INVENTORY

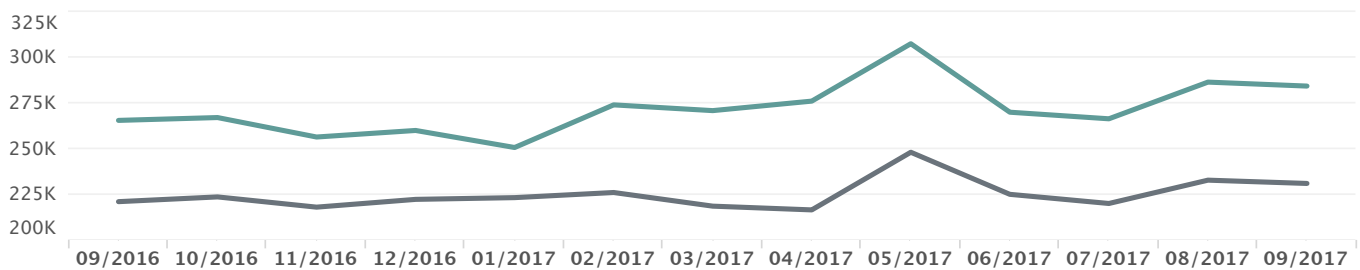
At the end of this past quarter, there were 5.60 months of inventory available.

Five Year Sales Trend (Total Sales)



Average & Median Price Trends

■ AVG. SALES PRICE ■ MEDIAN SALES PRICE



	09/2016	10/2016	11/2016	12/2016	01/2017	02/2017	03/2017	04/2017	05/2017	06/2017	07/2017	08/2017	09/2017
Average	265,415	266,967	256,329	259,914	250,594	273,899	270,754	275,952	307,314	269,889	266,286	286,337	284,169
Median	221,000	223,595	218,000	222,250	223,200	226,000	218,545	216,495	248,000	225,000	220,000	232,750	230,950

BRUNSWICK COUNTY MARKET ANALYSIS

Third Quarter 2017



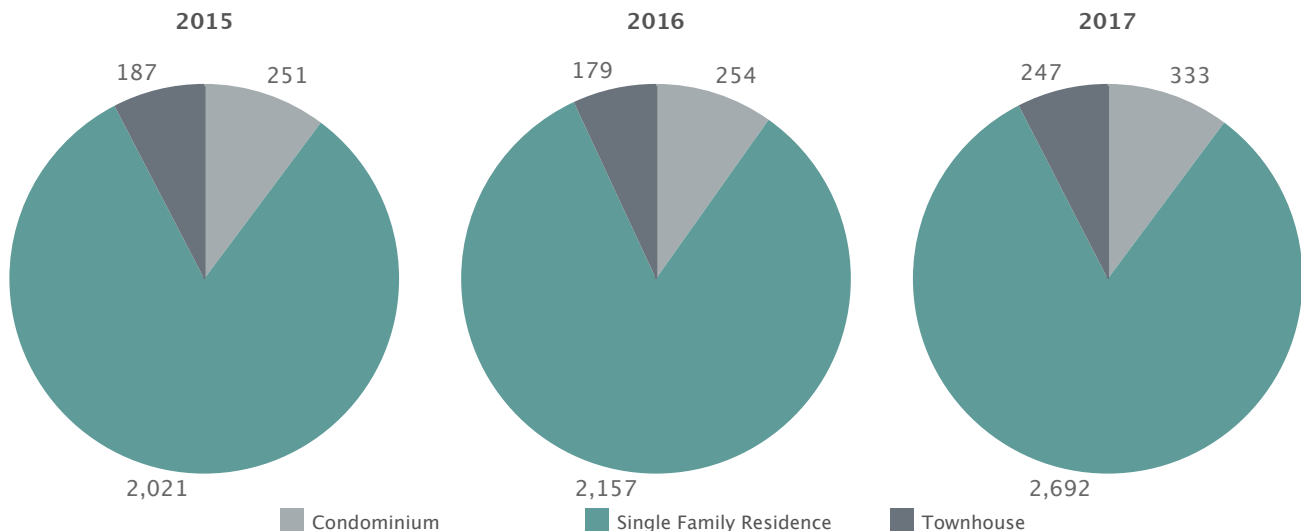
Quarterly Performance & Yearly Growth

SINGLE FAMILY		TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	1,028	308,973	298,719	248,232	153	104
% Change	21.08%	6.33%	6.60%	6.13%	6.51%	-15.77%	
2016 Q3	849	290,589	280,230	233,900	143	123	
% Change	10.69%	-46.24%	5.00%	3.54%	1.65%	-17.23%	
2015 Q3	767	540,493	266,876	225,900	141	149	

ATTACHED		TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	101	219,710	216,742	205,000	124	98
% Change	53.03%	-1.00%	-1.38%	-3.53%	-3.95%	-3.47%	
2016 Q3	66	221,931	219,767	212,500	129	102	
% Change	-17.50%	8.69%	9.93%	11.11%	11.96%	-31.52%	
2015 Q3	80	204,193	199,918	191,250	115	149	

CONDO		TOTAL SALES	AVG. LIST PRICE	AVG. SALES PRICE	MEDIAN SALES PRICE	Avg. \$/SQ.FT.	AVG. DAYS ON MARKET
	2017 Q3	128	180,164	173,321	158,000	143	126
% Change	19.63%	-7.26%	-6.82%	-3.66%	-0.89%	-30.64%	
2016 Q3	107	194,264	186,015	164,000	144	182	
% Change	2.88%	6.47%	7.65%	3.98%	-1.43%	-2.02%	
2015 Q3	104	182,464	172,788	157,725	147	186	

Year-to-Date Sales by Property Type



BRUNSWICK COUNTY MARKET ANALYSIS

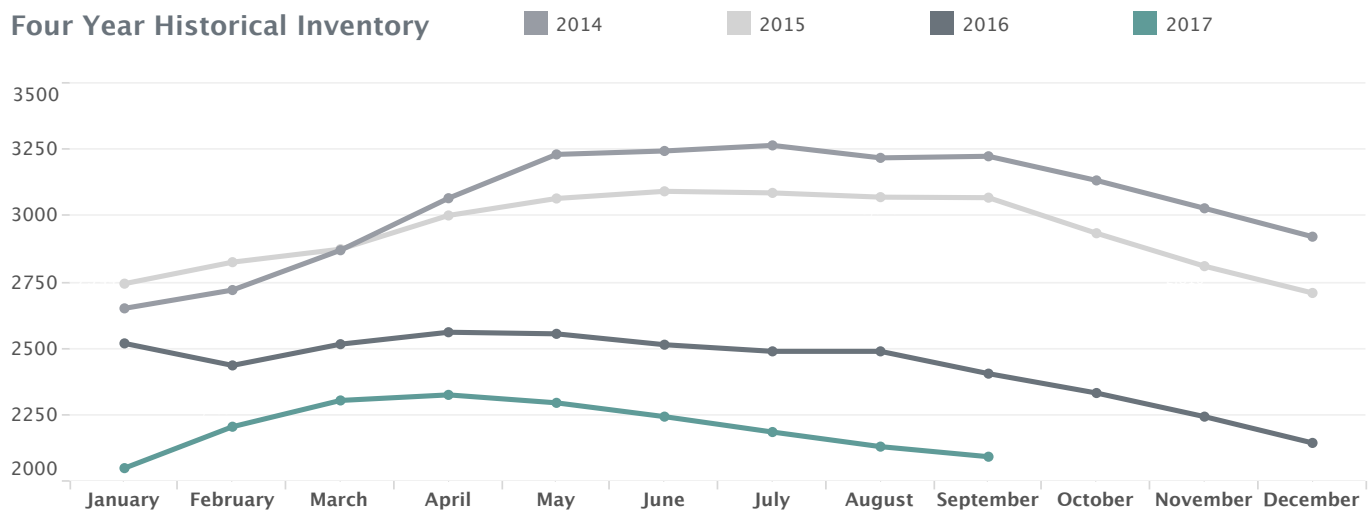
Third Quarter 2017



Inventory Levels & Months of Inventory

	September 2016		September 2017	
	Inventory	Months of Inventory	Inventory	Months of Inventory
Single Family	2,015	7.33	1,748	5.71
Attached	121	6.72	132	4.55
Condo	268	8.38	202	5.32
All	2,404	7.42	2,082	5.60

Four Year Historical Inventory



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014 Inventory	2,651	2,720	2,870	3,066	3,231	3,244	3,265	3,218	3,224	3,133	3,028	2,921
2014 New Listings	416	404	515	596	524	452	473	433	390	408	333	290
2015 Inventory	2,744	2,825	2,874	3,001	3,065	3,092	3,086	3,070	3,068	2,934	2,810	2,709
2015 New Listings	447	428	521	508	510	498	528	431	409	427	330	297
2016 Inventory	2,519	2,436	2,516	2,561	2,555	2,514	2,489	2,489	2,405	2,332	2,243	2,144
2016 New Listings	402	514	517	516	528	447	484	416	424	346	327	292
2017 Inventory	2,049	2,205	2,304	2,325	2,295	2,243	2,185	2,130	2,092			
2017 New Listings	533	552	640	487	543	497	514	457	467			

3 KEY TAKEAWAYS

1. The attached home segment experienced a huge spike in total sales, increasing 53% year-over-year, which was likely to due to an increase in affordability in this segment compared to single family detached homes.
2. Total inventory levels experienced another significant decline this past quarter, dropping 13% compared to the same time last year, causing the median sales price to increase 7% year-over-year.
3. Brunswick County continues to grow at a remarkably fast pace and despite inventory declines, the market remains relatively balanced, which is a positive sign for continued growth.