

NEST REALTY

RALEIGH-DURHAM-CHAPEL HILL

# Annual Report

# MARKET OUTLOOK NATIONAL LEVEL

With our Nest Annual Report, we aim to provide the most useful information possible, as every homeowner needs to keep tabs on their investment, and every potential shopper needs to be informed before embarking on such a major financial decision. Locally, we study neighborhoods, builders, and development trends, but on a national level, there are three trends that year-in and year-out are a fantastic indicator of the overall health of our national economy, and by extension, the housing market: Mortgage Rates, Consumer Confidence, and Unemployment Rates.

Looking at these numbers allows us to make predictions of what we should expect to see in 2023—which is a more stable real estate market. Mortgage rates have increased more quickly than economists had predicted, but they still remain in an affordable range, historically speaking. And while consumer confidence is down entering 2023, it has been trending upward since June 2022. And finally, unemployment is running extraordinarily low, which points to potential real wage gains in the coming year, benefitting average consumers.

## Mortgage Rates

General prices increased throughout the year and every shopper felt inflation in almost every aspect of life. But while the interest rates have increased, today's rates as compared to historic levels are still extremely affordable. Homeowners who purchased or refinanced in the last few years will likely want to stay put for the time being; however, there will still be life changes that pressure moves due to job changes, marriages, or downsizing. And these buyers will still be rewarded with good purchasing power and good loan availability.



## Consumer Confidence

Last year, we said this was the number to watch, and it certainly was. Confidence in the U.S. economy bottomed out in mid 2022, but has been steadying throughout the last six months. Contentious national elections often have this effect, and the drop and subsequent rebound seen in November and December demonstrate this movement. While lower confidence in 2023 will certainly reduce the potential buyer pool, a more stable economy combined with smaller inventory should work against a further deterioration of overall sales.



## Unemployment Rates

Employment continues to be the strong suit of the U.S. economy. Conventional wisdom points to a rate of approximately 5% as the natural rate of unemployment, meaning the unavoidable portion of our labor force that is between jobs. We continue to stay below this point by a large margin. At year end, the national unemployment rate was reported at 3.5%. A tight labor market leads to higher real wage growth for many workers, and leads to better financial positions.

## STATS AT A GLANCE

Here's a quick look at what went on across all Nest locations the past year.



**535**  
NESTERS

In 2022, our team of total agents and staff grew from 472 to 535. We are proud to call each one a Nester.



**6,150**  
CLOSINGS

In the midst of an inventory lull, our agents expertly facilitated 6,150 transactions.



**\$2,750,000,000**  
IN SALES

We helped our clients buy and sell \$2,750,000,000 worth of real estate in 2022.

## INTENTIONAL GROWTH

At Nest, we are all about intentional and strategic growth. As of 2022, we have 451 Nest agents buying and selling throughout 23 offices in 17 locations, spanning seven states across the U.S. With each new office that opens, we are able to expand our reach, better serving you, our incredible clients.



Find your nearest Nest office



### VIRGINIA

- Charlottesville
- Fredericksburg
- New River Valley
- Richmond
- Roanoke
- Shenandoah Valley

### NORTH CAROLINA

- Asheville
- Greensboro
- Lake Norman
- Morganton
- Raleigh-Durham-Chapel Hill
- Wilmington

### SOUTH CAROLINA

- Greenville

### TENNESSEE

- Jackson

### KENTUCKY

- Greater Louisville

### ARIZONA

- Phoenix

### WISCONSIN

- Madison



## NEST RALEIGH-DURHAM-CHAPEL HILL BY THE NUMBERS

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Our vision at Nest Realty is to foster a fun work environment where our focus is always to put our clients' interests ahead of our own.

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**1,500+**

**COUNTY FAIR  
ATTENDEES**

The number of clients that attended our annual Nest County Fair.

**24**

**AGENTS  
GIVING BACK**

The number of Nest agents that made charitable contributions to Duke Children's Hospital.

**250**

**NEW  
FOLLOWERS**

The number of new followers on Instagram @nesttriangle.

## MSA OVERVIEW RALEIGH-DURHAM-CHAPEL HILL, NC



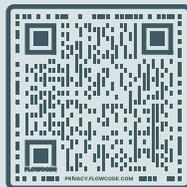
2022 gave home buyers and sellers whiplash as the market presented us with a “Tale of Two Halves.”

The first half of the year was characterized by a white-hot spring market with desirable properties receiving multiple offers and record-setting sale prices. During the second half of 2022, spiking interest rates and dramatic price appreciation caused a decline in activity. In some cases, a given property brought to market in the second half had a monthly mortgage payment 40-50 percent higher than in the spring.

Experienced Nest agents heralded the cooling off as a much-needed return to sanity in our market. We are back to exercising our negotiating skills on the buy side; and our presentation, marketing, and pricing expertise on the listing side is resulting in successful outcomes for our sellers. Inventory of homes for sale remains stubbornly low, at around 15-20 percent of pre-pandemic levels. With more people eyeing a move to the Triangle, we expect inventory shortages to continue to be the main story.

The long-term economic outlook for the Triangle area remains very strong. Structural, demographic, and job trends have been strengthening over the past few years. North Carolina business venture growth has expanded dramatically, with at least 25 current or proposed ventures with capital investments in the \$1 billion category.

People and businesses are moving to and investing in our area. We are grateful to be thriving alongside you and look forward to working with you in 2023!



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### MSA QUICK STATS:

**\$582,382**

AVERAGE SALES PRICE-  
DETACHED HOMES

Up from \$491,634 in 2021

**\$386,830**

AVERAGE SALES PRICE-  
ATTACHED HOMES

Up from \$318,512 in 2021

**\$532,636**

AVERAGE SALES PRICE-  
ALL PROPERTIES

Up from \$449,502 in 2021

# MSA OVERVIEW RALEIGH-DURHAM-CHAPEL HILL, NC



## 18.5%

From 2021 to 2022 the average sales price increased by 18.5%. In 2022 the average sales price was \$532,636 compared to \$449,502 in 2021.

## -17.8%

There were 26,507 total home sales in the Triangle in 2022 compared to 32,256 in 2021. This translates to a 17.8% decrease.

### Average Trends

In 2022 on average a listing remained on the market for 12 days before going under contract. The average price per square foot was \$243.

	2021	%	2022
Avg. Days on Market	13	-7.7	12
Avg. Price per Sq. Ft.	\$196	24	\$243

### Condos/Townhomes

## -14.1%

There were 6,743 total attached home sales in the Triangle in 2022 compared to 7,850 in 2021. This translates to a 14.1% decrease.

## 21.4%

From 2021 to 2022 the average sales price increased by 21.4%. In 2022 the average sales price was \$386,830 compared to \$318,512 in 2021.

	2021	%	2022
Avg. Days on Market	9	--	9
Avg. Price per Sq. Ft.	\$193	36.3	\$263

### Single Family

## -19%

There were 19,764 total detached home sales in the Triangle in 2022 compared to 24,406 in 2021. This translates to a 19% decrease.

## 18.5%

From 2021 to 2022 the average sales price increased by 18.5%. In 2022 the average sales price was \$582,382 compared to \$491,634 in 2021.

	2021	%	2022
Avg. Days on Market	13	--	13
Avg. Price per Sq. Ft.	\$198	19.7	\$237

\*Raleigh-Durham-Chapel Hill area includes Wake, Durham, Chatham, and Orange counties. Data as of 01/06/23.

# THE TRIANGLE MARKET



**1999**  
AVERAGE  
YEAR HOMES  
BUILT

**28**  
% OF HOMES  
LESS THAN 5  
YEARS OLD

**2,521**  
AVERAGE  
DETACHED  
SQ. FT.

**1,709**  
AVERAGE  
ATTACHED  
SQ. FT.

	2020	%	2021	%	2022	TREND
Total Sales	31,940	1	32,256	-17.8	26,507	▼
Price per Sq. Ft.	\$170	15.3	\$196	24	\$243	▲
Days on Market	26	-50	13	- 7.7	12	▼
Avg. Sales Price	\$379,061	18.6	\$449,502	18.5	\$532,636	▲
Total Volume	\$12,100,000,000	19.8	\$14,500,000,000	-2.6	\$14,118,584,696	▼

## WAKE COUNTY

**2002**  
AVERAGE  
YEAR HOMES  
BUILT

**28**  
% OF HOMES  
LESS THAN 5  
YEARS OLD

**2,604**  
AVERAGE  
DETACHED  
SQ. FT.

**1,740**  
AVERAGE  
ATTACHED  
SQ. FT.



Cary Arts Center

	2021	%	2022	TREND
Total Sales	22,750	-17.8	18,709	▼
Price per Sq. Ft.	\$193	20.2	\$232	▲
Days on Market	10	10	11	▲
Avg. Sales Price	\$454,694	19.6	\$543,681	▲
Total Volume	\$10,300,000,000	-1.2	\$10,171,736,835	▼



## DURHAM COUNTY

**1992**  
AVERAGE  
YEAR HOMES  
BUILT

**25**  
% OF HOMES  
LESS THAN 5  
YEARS OLD

**2,067**  
AVERAGE  
DETACHED  
SQ. FT.

**1,667**  
AVERAGE  
ATTACHED  
SQ. FT.



American Tobacco Campus

	2021	%	2022	TREND
Total Sales	5,923	-17.7	4,873	▼
Price per Sq. Ft.	\$201	41.8	\$285	▲
Days on Market	12	16.7	14	▲
Avg. Sales Price	\$387,286	14	\$441,348	▲
Total Volume	\$2,293,897,662	-6.2	\$2,150,690,372	▼



## ORANGE COUNTY



UNC Bell Tower

<b>1991</b> AVERAGE YEAR HOMES BUILT	<b>19</b> % OF HOMES LESS THAN 5 YEARS OLD	<b>2,537</b> AVERAGE DETACHED SQ. FT.	<b>1,480</b> AVERAGE ATTACHED SQ. FT.
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	2021	%	2022	TREND
Total Sales	2,003	-16.2	1,679	▼
Price per Sq. Ft.	\$218	14.7	\$250	▲
Days on Market	17	-23.5	13	▼
Avg. Sales Price	\$486,724	15.8	\$563,862	▲
Total Volume	\$974,907,756	-2.9	\$946,724,646	▼

## CHATHAM COUNTY



Chatham County Courthouse

<b>2004</b> AVERAGE YEAR HOMES BUILT	<b>35</b> % OF HOMES LESS THAN 5 YEARS OLD	<b>2,842</b> AVERAGE DETACHED SQ. FT.	<b>1,783</b> AVERAGE ATTACHED SQ. FT.
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	2021	%	2022	TREND
Total Sales	1,554	-20	1,243	▼
Price per Sq. Ft.	\$203	20.2	\$244	▲
Days on Market	24	-41.7	14	▼
Avg. Sales Price	\$563,695	21.1	\$682,858	▲
Total Volume	\$875,981,595	-3.1	\$848,791,943	▼

## *Better with* **NEST**

At Nest, we believe in the moments that happen before and after the transactions. Whether you are a seasoned seller, or a first-time buyer, our goal is to make your experience through the process as easy as possible. We are your guide, your expert, your cheerleader, and your advocate. It's better with Nest.



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