

NEST REALTY

# 2023 Nest Market Report

ASHEVILLE AREA

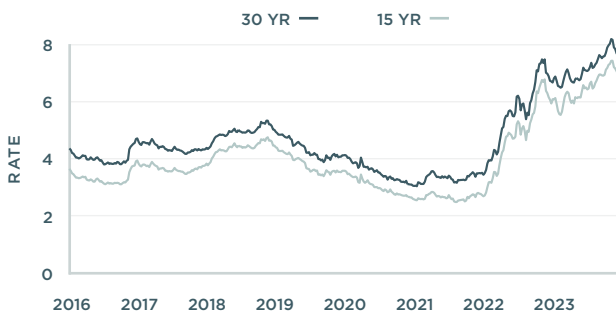
Presented by: Joan Nester

## MARKET OUTLOOK NATIONAL LEVEL

Every year starts naturally with a focus on the near future, and 2024 brings with it a mixed bag of economic signals that may at times contradict one another and provide a somewhat murky view of our year ahead. At Nest we are committed to providing our clients with the best and most relevant information to help you make some of the most important financial decisions of your life. On a national level, we focus on three key economic indicators—interest rates, consumer confidence, and employment—to help us look forward to what we should expect. The fundamentals of our nation's economy are solidly on the right path: inflation rates have stabilized, interest rates have retreated, low unemployment has continued as a bright spot, and real wages finally seem to be making headway in a positive direction. But while the data may look cheery, our nation faces some of the lowest consumer confidence in more than a decade, driven, we believe, from political frustrations at home and geo-political instability abroad. With real estate in mind, a quick conversation with your Nest advisor will help you understand some of the problems created by historically low inventory.

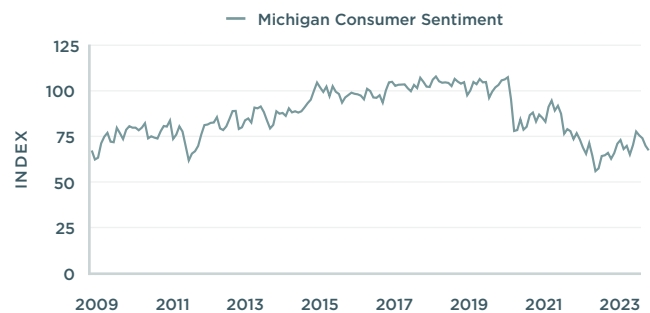
### Mortgage Rates

From the beginning of 2022 through June 2023, the U.S. saw the most rapid increase in mortgage rates in recent history, leading to an immediate decrease in buyer interest. But pent up demand meant that buyers still outnumbered sellers. Homeowners became “locked in” to their current interest rates and inventory shrank even further. However, the second half of 2023 brought a steady decrease in rates, with mortgages at year end only 13 basis points higher than at the start, and indications point to the Fed wanting to minimize rate hikes. Buyer activity appears poised to increase early in the new year.



### Consumer Confidence

While indicators may point to rosy times ahead, the actual people involved in buying and selling real estate aren't convinced. The Michigan Consumer Sentiment index reports on public perception of personal future, and while the sentiment has been rising since the middle of 2022, looking back as far back as 2011 shows a bleaker trend. Is this negativity a byproduct of wars throughout the world, because we are in the middle of a messy election year, or something else entirely? No matter the cause, the impact could be that buyers sit on the sidelines this year more than expected.



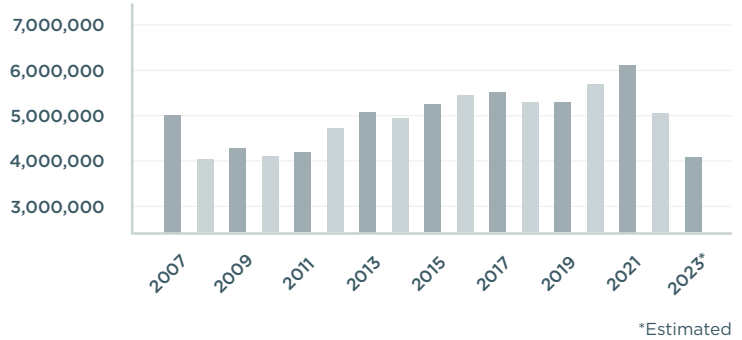
### Unemployment Rates

All statistics need to be considered on a local level, and unemployment is certainly one stat where this adage holds true. But across the U.S., 2023 was marked by strong employment numbers and wage growth. Whether looking at Midwestern job stability for auto workers, West Coast entertainment contracts, or a national work-from-anywhere movement, workers showed their upper hand last year. Unemployment has been below 5% across the country since June of 2021, and aside from pandemic related shutdowns in 2020, job growth has been a hallmark of this non-recessionary period. While non-farm employment is currently at the highest level in our nation's history, total household income is still slightly depressed, as the number of Americans in the workforce has decreased from pre-pandemic numbers.

# MARKET OUTLOOK HOUSING TRENDS

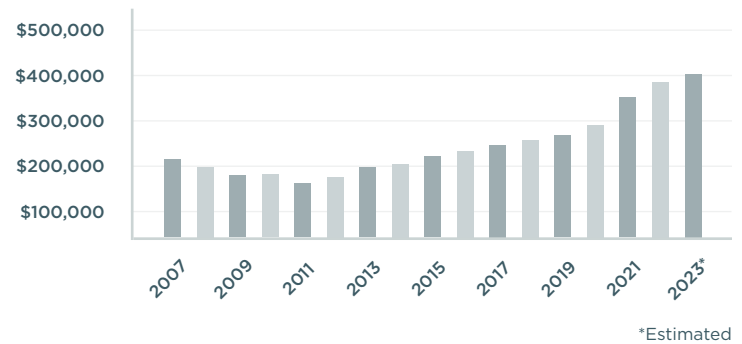
## Annual Existing Home Sales

The U.S. hit a recent peak of 6.1 million existing home sales in 2021 (a top five historical year for home sales). In 2022, sales totals dropped 18% and are estimated to have dropped another 20% in 2023. Lower interest rates are expected to spur an increase in sales activity for 2024.



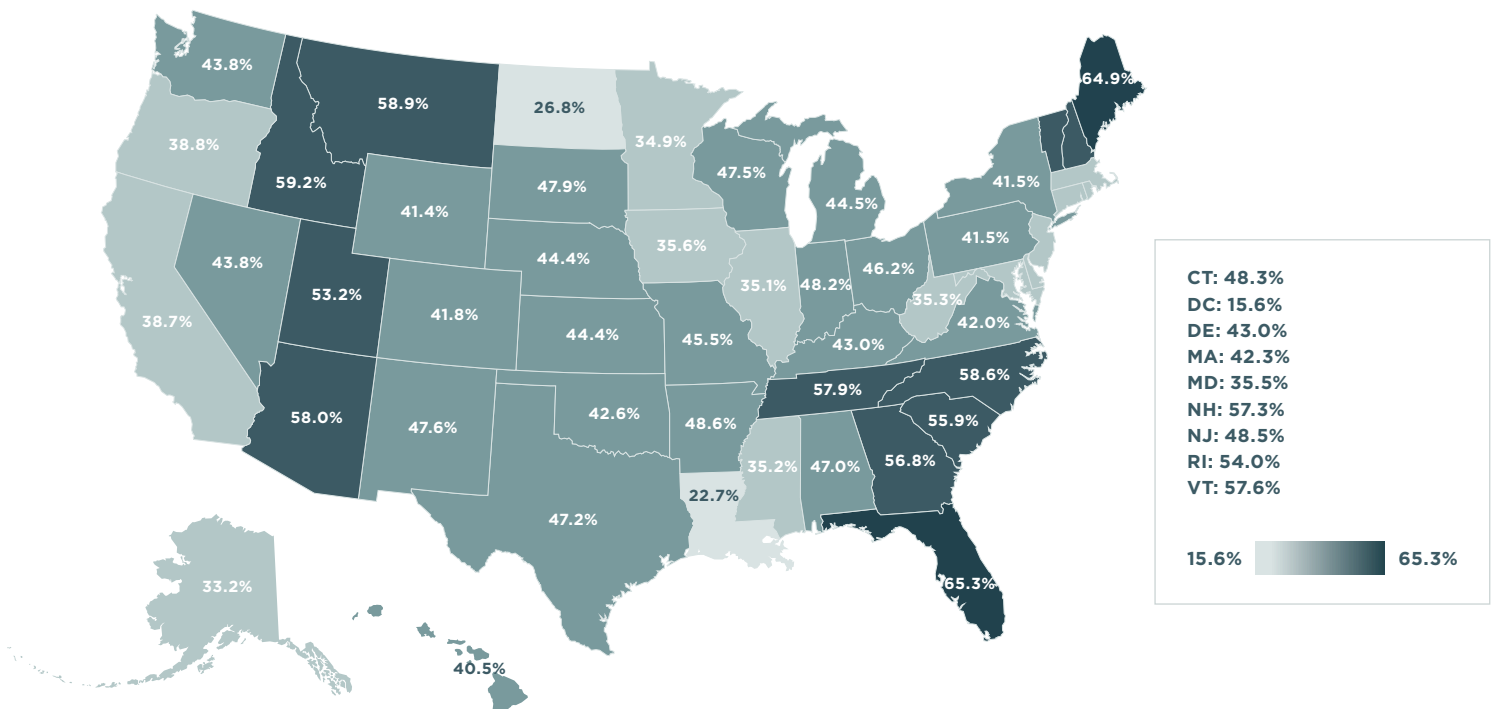
## Annual Median Sold Price of Single Family Homes

Annual median home prices have risen every year since 2012. In fact, since 1989, the median home price has fallen in only four instances. Housing affordability continues to be a significant challenge nationally.



## Home Price Appreciation Since COVID Pandemic

The arrival of the COVID pandemic in March 2020 brought an unexpected rise in home values throughout the U.S. The below map represents the percentage increase in home values from Q1 2020 to Q3 2023.



\*Data courtesy of the National Association of Realtors

# Nest Asheville 2023 Overview

Our success as a brokerage extends beyond the number of transactions in 2023, although we are proud to say we ranked in the top 10 brokerages in Western North Carolina in 2023 with over 450 clients served. This year we doubled down on nurturing relationships within our company, our community, and our client family. Engaging and collaborating with the local community of Asheville and developing those relationships has made a positive impact in the quality of life for our neighbors and the quality of our work culture.

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## OFFICE DOGS

Asheville is otherwise known as Dog City, USA — so naturally we welcome dogs into our office! We have six pooches that frequent the office with their human companions on a regular basis and run the gamut in size and personality. Shout out to our K9 companions Sophia, Hank, Layla, Frank, Valentine, and Rhea.

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1,830

## COUNTY FAIR ATTENDEES

Our 2023 Nest County Fair was a huge success, featuring Grammy-Winning bluegrass legend Balsam Range and benefiting four Asheville-area nonprofits, creating a memorable experience for agents, clients, and community partners.

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100+

## LOCAL BUSINESS AND NON-PROFIT COLLABORATIONS

From volunteering, sponsoring, and raising funds for local non-profits to supporting and collaborating with local businesses through our client events and business initiatives, Nest Realty Asheville is COMMITTED to supporting the community we love.





### 2023 Asheville MSA Overview

2023 in the real estate market reminded us of the old saying, “The more things change, the more they remain the same.” It was a year of change in the real estate market for sure, but the fundamentals did not change.

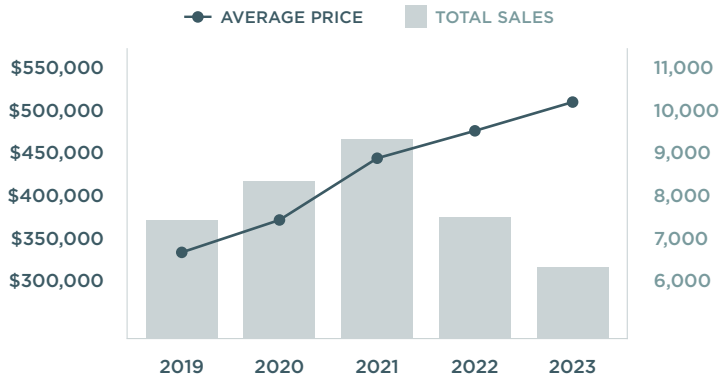
What did change in 2023? Mortgage interest rates went up significantly putting some buyers on the sidelines due to affordability. At the end of 2023, mortgage rates trended down over the last four data points. So much so that the National Association of Realtors economists stated that mortgage rates have peaked and could head back to the 6% range early in 2024. Sellers had to price properties more competitively, offer concessions, and homes stayed on the market longer.

What stayed the same in 2023? Home inventory rose minimally over the past year but still remained at historically low levels. Sellers held on to properties longer and new home starts remained significantly under what was needed to help balance the market. The fundamentals of supply and demand remained the largest headwind for the real estate market.

2024 is predicted to be an interesting year for the real estate market. With mortgage rates coming back down, most likely in the 6% range, more buyers are predicted to re-enter the market. This will most likely re-energize buyer competition for the homes listed for sale in 2024.

# MSA OVERVIEW ASHEVILLE, NC

## All Properties



**6.6% ▲**

### AVERAGE PRICE

In 2023 the average sales price was \$501,941 compared to \$468,779 in 2022.

**17.1% ▼**

### TOTAL SALES

In 2023 there were 6,264 total home sales compared to 7,558 in 2022.

In 2023, on average, a listing stayed on the market for 35.7% more time and saw a 6.1% increase in price per square foot compared to 2022.

	2022	%	2023
Avg. Days on Market	28	35.7	38
Avg. Price per Sq. Ft.	\$264	6.1	\$280

## Condo/Townhomes

**4.5% ▲**

### AVERAGE PRICE

In 2023 the average sales price was \$430,645 compared to \$412,035 in 2022.

**15.4% ▼**

### TOTAL SALES

In 2023 there were 991 total attached home sales compared to 1,172 in 2022.

	2022	%	2023
Avg. Days on Market	35	5.7	37
Avg. Price per Sq. Ft.	\$274	2.2	280

## Single Family

**8.8% ▲**

### AVERAGE PRICE

In 2023 the average sales price was \$561,192 compared to \$515,673 in 2022.

**10.8% ▼**

### TOTAL SALES

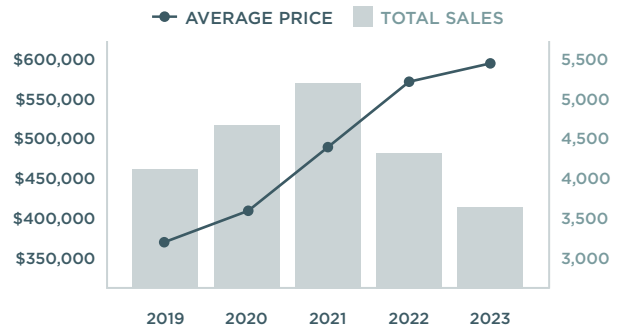
In 2023 there were 6,010 total detached home sales compared to 6,737 in 2022.

	2022	%	2023
Avg. Days on Market	29	31	38
Avg. Price per Sq. Ft.	\$262	7.3	\$281

\*The Asheville MSA includes Buncombe, Haywood, Henderson, and Madison counties. Date as of 01/07/24.



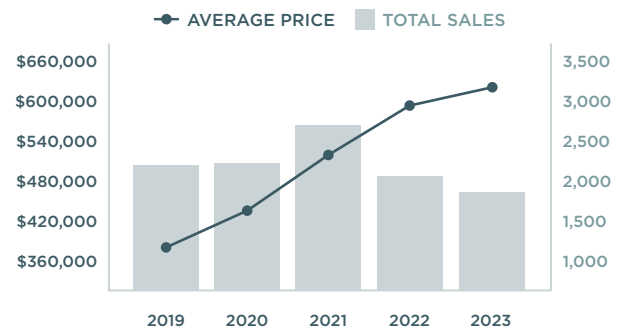
## BUNCOMBE COUNTY



	2022	%	2023	TREND
Total Sales	4,304	-16.2	3,608	▼
Days on Market	30	-66.7	10	▼
Avg. Sales Price	\$557,382	7.1	\$597,184	▲
Total Volume	\$2,398,972,919	-10.1	\$2,156,159,000	▼

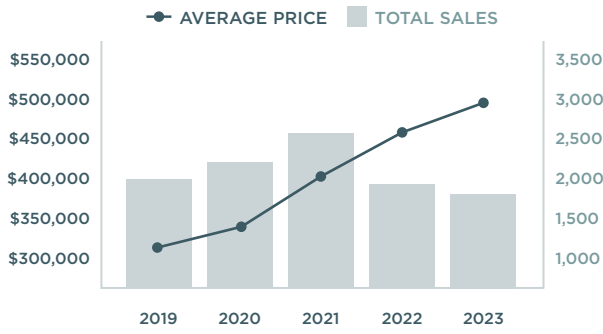


## CITY OF ASHEVILLE



	2022	%	2023	TREND
Total Sales	2,098	-14.2	1,800	▼
Days on Market	31	-67.7	10	▼
Avg. Sales Price	\$597,017	7.8	\$624,373	▲
Total Volume	\$1,252,541,998	-10.3	\$1,123,872,000	▼

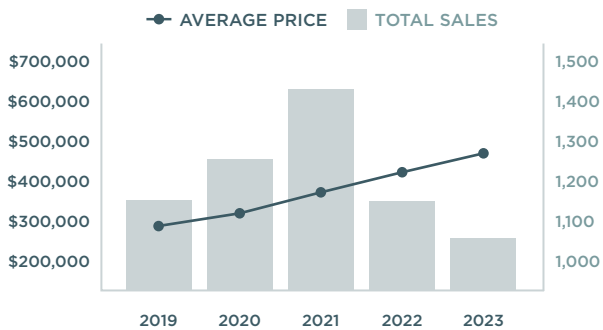
## HENDERSON COUNTY



	2022	%	2023	TREND
Total Sales	1,996	-11.7	1,763	▼
Days on Market	26	-65.4	9	▼
Avg. Sales Price	\$460,743	8.5	\$499,956	▲
Total Volume	\$919,642,212	-4.2	\$881,423,000	▼



## HENDERSONVILLE

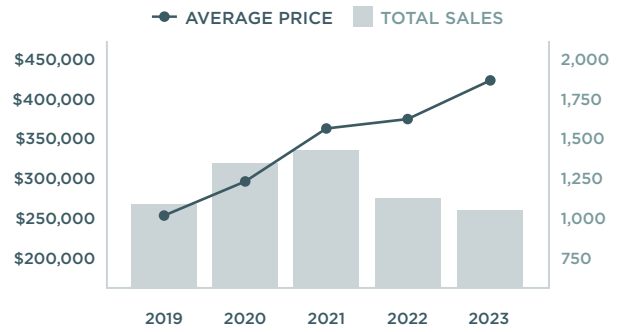


	2022	%	2023	TREND
Total Sales	1,150	-8.1	1,057	▼
Days on Market	25	-64.0	9	▼
Avg. Sales Price	\$438,692	6.7	\$468,216	▲
Total Volume	\$504,495,401	-2.9	\$494,905,000	▼



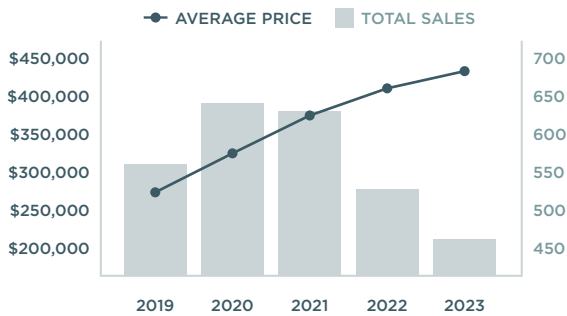


## HAYWOOD COUNTY



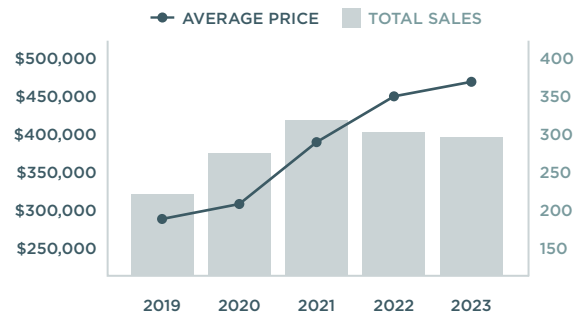
	2022	%	2023	TREND
Total Sales	1,161	-12.0	1,021	▼
Days on Market	35	-60.0	14	▼
Avg. Sales Price	\$381,280	11.1	\$423,753	▲
Total Volume	\$442,665,849	-2.3	\$432,652,000	▼

## WAYNESVILLE



	2022	2023	TREND
Total Sales	511	460	▼
Price per Sq. Ft.	\$224	\$243	▲
Days on Market	30	14	▼
Avg. Sales Price	\$415,516	\$433,016	▲
Total Volume	\$212,328,904	\$199,187,000	▼

## MADISON COUNTY



	2022	2023	TREND
Total Sales	300	298	▼
Price per Sq. Ft.	\$251	\$258	▲
Days on Market	40	20	▼
Avg. Sales Price	\$446,856	\$462,309	▲
Total Volume	\$134,056,764	\$137,768,000	▲



## Organizations our Nesters Support

- **BELOVED ASHEVILLE:** Beloved Asheville’s mission is to strengthen the fabric of the local community by bringing people from all walks of life together to create equity and opportunity for those struggling with housing and food insecurity. In 2023, Nest Realty sponsored a home in the “Beloved Village,” a collection of microhomes that were built through community sponsorship and volunteer hours—giving those that struggle a place to call home. Beloved Asheville also runs important street outreach and food sharing programs within the community, as well as promotes racial equity through education, cultural gatherings, community events, and youth retreats. [belovedasheville.com](http://belovedasheville.com)
- **MOUNTAIN PET RESCUE:** This non-profit, foster-based animal rescue in Asheville does not have a physical animal shelter, but instead works with the community to connect people with animals in need. They rely on a committed group of fosters, volunteers, and donors to ensure all companion animals find loving homes where they can receive the care and respect they deserve. Since beginning in 2017, they have saved thousands of lives. [www.mountainpetrescueavl.org](http://www.mountainpetrescueavl.org)
- **OUR VOICE:** Our VOICE supports survivors of sexual violence with programs committed to believing all survivors, promoting the dignity and individual path of survivors, and shifting paradigms within our culture around sexual violence. They offer innovative educational and outreach programs committed to creating a community free from sexual violence and human trafficking. They reach a broad range of populations throughout Buncombe County. [www.ourvoicenc.org](http://www.ourvoicenc.org)
- **ELIADA HOME:** Originally an orphanage, Eliada has adapted to the needs of the local community over its 120 year history of helping children in need. Today, they offer a variety of incredible programs that go a long way in helping children thrive including foster care, therapy, childcare, after school programs, summer camps, and more. Every holiday, Nest sponsors four kids through Eliada to help make their holiday wish lists come true. [www.eliada.org](http://www.eliada.org)
- **MOUNTAIN HOUSING OPPORTUNITIES:** Organized in 1988, this private, non-profit community development corporation, Mountain House Opportunities, builds and improves homes, neighborhoods, communities, and lives in an effort to preserve hope and dignity for those they serve. They assist people in finding affordable rentals, buying a home, and helping repair homes. In 2023, Nest Realty donated money in support of affordable housing for those in Asheville and Western NC.

**NEST REALTY**

[nestrealty.com/asheville](https://nestrealty.com/asheville)

