

NEST REALTY

2023 Nest Market Report

NEW RIVER VALLEY AREA

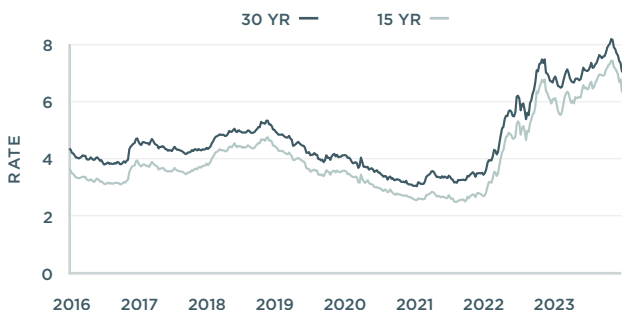


MARKET OUTLOOK NATIONAL LEVEL

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.

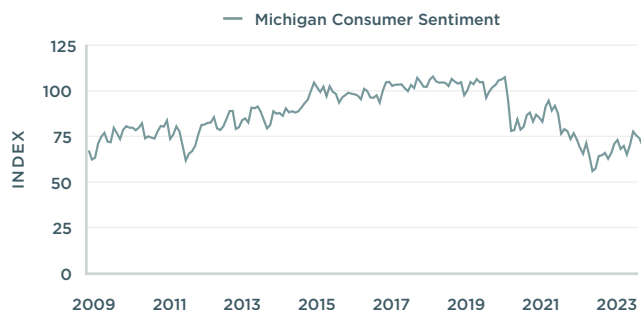
Mortgage Rates

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.



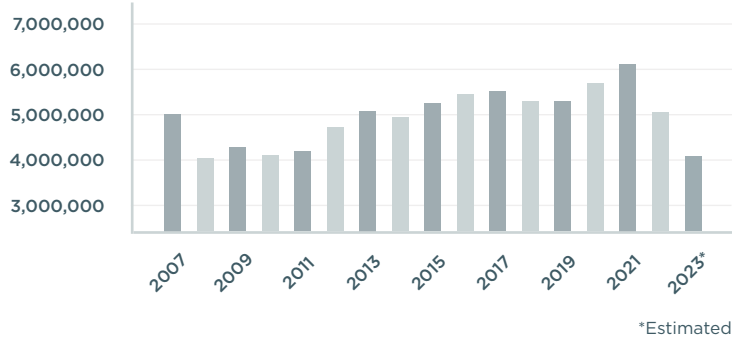
Unemployment Rates

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

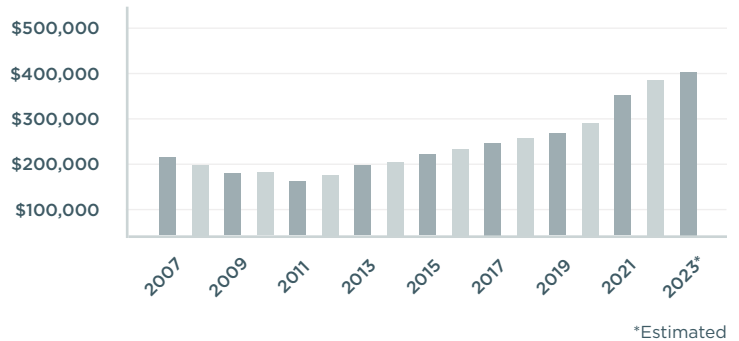
Annual Existing Home Sales

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.



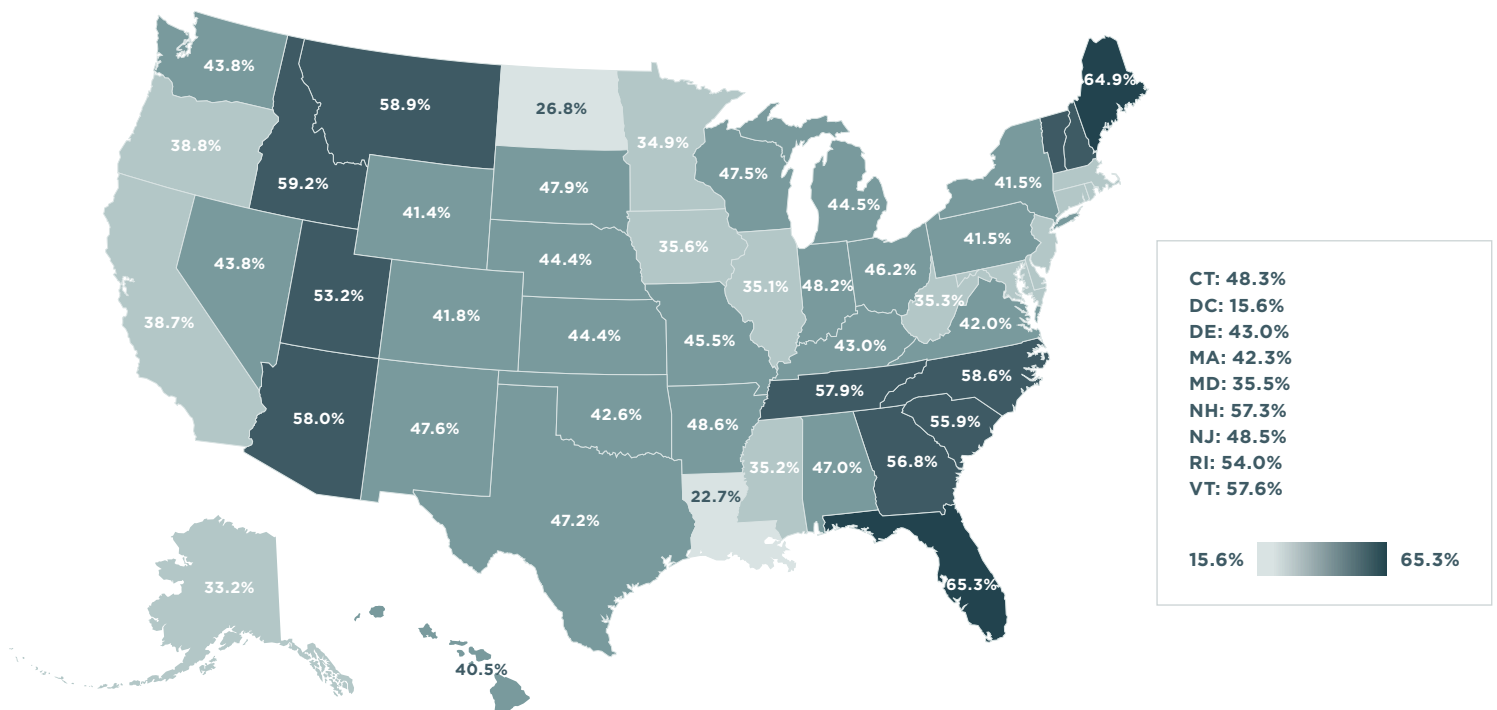
Annual Median Sold Price of Single Family Homes

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 New River Valley 2023 Overview

Our success as a brokerage extends beyond the number of transactions in 2023. We celebrated the relationships we built with local businesses and community organizations, as well as our continued commitment to being an online resource for all things New River Valley.

20,536

FON MAILERS

We sent 20,536 Friends of Nest mailers to clients, customers, and partners.

300+

TOTAL CLOSINGS

Our Nest agents helped facilitate over 300 closings in 2023.

12

NESTAVERSARIES

We celebrated a dozen years serving the New River Valley community.



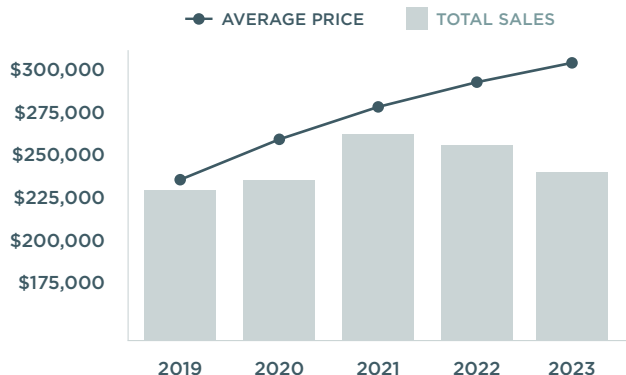
2023 New River Valley MSA Overview

Thanks for picking up a copy of our 2023 Nest Realty Market Report, our biannual look at what is really happening in the New River Valley real estate market.

Last year's report referenced a tale of two extremes, with interest rates taking homeowners—and home buyers—on a wild ride. While we expected higher interest rates to decrease into the 6% range by the end of 2023, that didn't happen, and home buyers had to adjust to the new normal. As noted in our 2022 report, buyers can still get their financing. The more difficult task has been finding available inventory, as local lenders reported that more than 40% of their financing in the last few years had been existing homeowners "locking in" at historically low interest rates. That lock-in effect will likely keep home prices steady in the coming years unless there is a significant regression in demand. Barring that, New River Valley real estate continues to be a solid decision for many.

MSA OVERVIEW NEW RIVER VALLEY

All Properties



6.7% ▲

AVERAGE PRICE

In 2023 the average sales price was \$312,666 compared to \$293,041 in 2022.

-11.9% ▼

TOTAL SALES

In 2023 there were 1,803 total home sales compared to 2,046 in 2022.

In 2023, on average, a listing stayed on the market for 18.2% more time and saw a 6.5% increase in price per square foot compared to 2022.

	2022	%	2023
Avg. Days on Market	22	18.2	26
Avg. Price per Sq. Ft.	\$170	6.5	\$181

Attached

7.9% ▲

AVERAGE PRICE

In 2023 the average sales price was \$301,163 compared to \$279,048 in 2022.

-20.6% ▼

TOTAL SALES

In 2023 there were 212 total attached home sales compared to 267 in 2022.

	2022	%	2023
Avg. Days on Market	19	0.0	19
Avg. Price per Sq. Ft.	\$185	8.6	\$201

Detached

5.6% ▲

AVERAGE PRICE

In 2023 the average sales price was \$324,168 compared to \$307,034 in 2022.

-10.6% ▼

TOTAL SALES

In 2023 there were 1,591 total detached home sales compared to 1,779 in 2022.

	2022	%	2023
Avg. Days on Market	26	26.9	33
Avg. Price per Sq. Ft.	\$155	4.5	\$162

*The New River Valley MSA includes the towns of Blacksburg and Christiansburg, the City of Radford, along with the counties of Montgomery, Floyd, Giles, and Pulaski. Data as of 1/6/24.

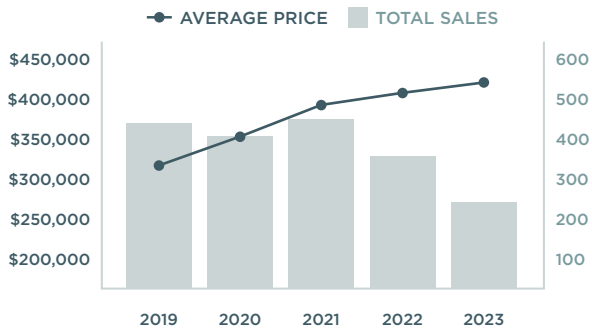
BLACKSBURG



5.5
% OF HOMES
LESS THAN 5
YEARS OLD

2,682
AVERAGE
DETACHED
SQ. FT.

1,397
AVERAGE
ATTACHED
SQ. FT.



	2022	%	2023	TREND
Total Sales	371	-34.8	242	▼
Price per Sq. Ft.	\$211	3.8	\$219	▲
Days on Market	16	31.3	21	▲
Avg. Sales Price	\$407,214	3.8	\$422,684	▲
Total Volume	\$171,530,765	-37.5	\$107,246,809	▼

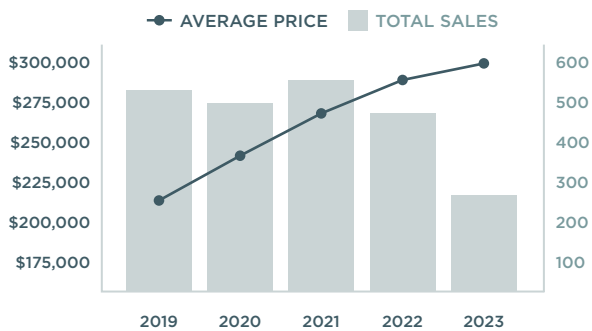
CHRISTIANSBURG



17.1
% OF HOMES
LESS THAN 5
YEARS OLD

1,995
AVERAGE
DETACHED
SQ. FT.

1,585
AVERAGE
ATTACHED
SQ. FT.



	2022	%	2023	TREND
Total Sales	490	-45.9	265	▼
Price per Sq. Ft.	\$165	4.8	\$173	▲
Days on Market	12	100	24	▲
Avg. Sales Price	\$291,694	3.8	\$302,883	▲
Total Volume	\$148,909,105	-43.7	\$83,801,496	▼

MONTGOMERY COUNTY

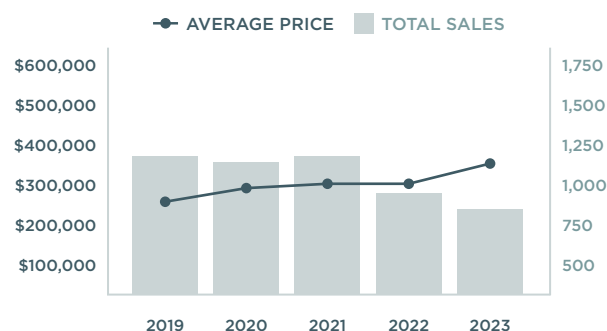
12.2
% OF HOMES
LESS THAN 5
YEARS OLD

2,285
AVERAGE
DETACHED
SQ. FT.

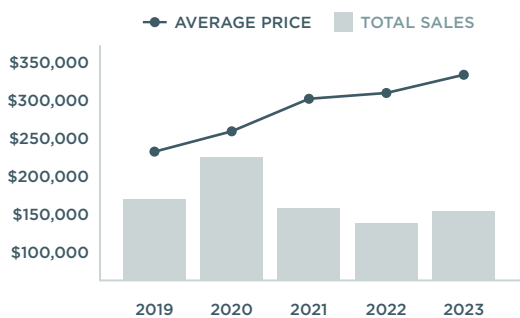
1,525
AVERAGE
ATTACHED
SQ. FT.



	2022	%	2023	TREND
Total Sales	992	-15.9	834	▼
Price per Sq. Ft.	\$182	7.1	\$195	▲
Days on Market	18	27.8	23	▲
Avg. Sales Price	\$303,626	18.4	\$359,616	▲
Total Volume	\$361,883,537	-10.5	\$323,980,022	▼

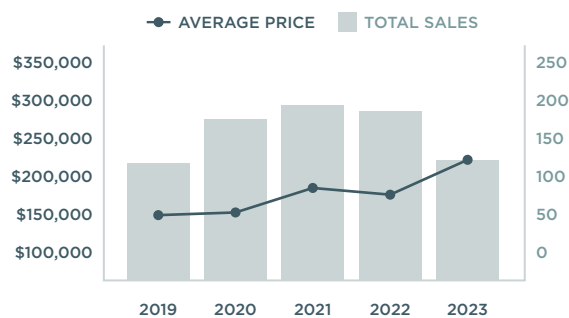


FLOYD COUNTY



	2022	2023	TREND
Total Sales	108	111	▲
Price per Sq. Ft.	\$163	\$177	▲
Days on Market	63	47	▼
Avg. Sales Price	\$316,716	\$342,094	▲
Total Volume	\$34,205,345	\$37,972,490	▲

GILES COUNTY



	2022	2023	TREND
Total Sales	179	129	▼
Price per Sq. Ft.	\$116	\$137	▲
Days on Market	65	46	▼
Avg. Sales Price	\$185,519	\$231,226	▲
Total Volume	\$37,725,202	\$28,700,055	▼

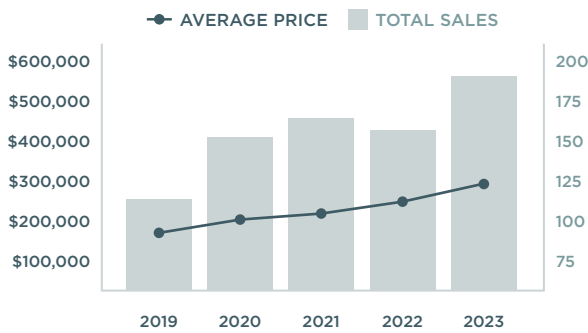
CITY OF RADFORD



12.1
% OF HOMES
LESS THAN 5
YEARS OLD

1,999
AVERAGE
DETACHED
SQ. FT.

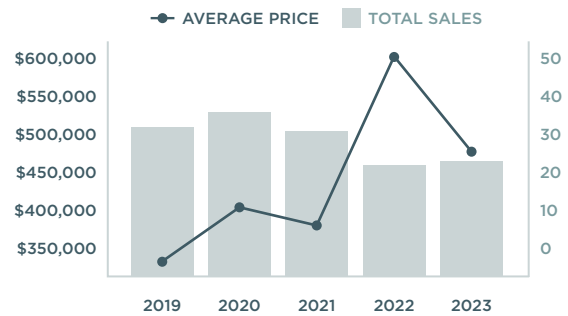
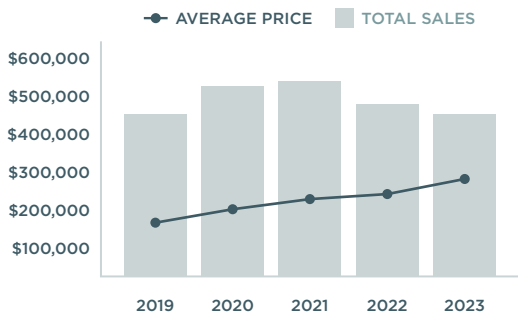
1,964
AVERAGE
ATTACHED
SQ. FT.



	2022	%	2023	TREND
Total Sales	152	25.7	191	▲
Price per Sq. Ft.	\$141	6.4	\$150	▲
Days on Market	17	52.9	26	▲
Avg. Sales Price	\$244,985	18.1	\$289,222	▲
Total Volume	\$37,237,749	56.5	\$58,278,687	▲

PULASKI COUNTY

CLAYTOR LAKE



	2022	2023	TREND
Total Sales	384	350	▼
Price per Sq. Ft.	\$141	\$140	▼
Days on Market	26	23	▼
Avg. Sales Price	\$243,736	\$297,474	▲
Total Volume	\$93,594,663	\$85,228,023	▼

	2021	2023	TREND
Total Sales	21	22	▲
Price per Sq. Ft.	\$339	\$115	▼
Days on Market	24	44	▲
Avg. Sales Price	\$603,914	\$480,525	▼
Total Volume	\$12,682,200	\$10,571,550	▼

Organizations our Nesters Support

In 2023, the agents of Nest Realty New River Valley were proud to support the following local organizations:

- **ANIMAL HOPE ALLIANCE**
animalhopealliance.com
- **BLACKSBURG BATTLES CANCER**
blacksburgbattlescancer.org
- **CAMPBELL COUNTY FRIENDS OF ANIMAL CONTROL**
campbellcountyva.gov/654/friends-of-animal-control
- **HUMANE SOCIETY OF MONTGOMERY COUNTY**
hsmcshelter.com
- **MICAH'S BACKPACK**
micahsbackpack.org
- **MONTGOMERY COUNTY ANIMAL CARE AND ADOPTION CENTER**
montgomerycountyva.gov/departments/acac
- **MONTGOMERY COUNTY CHRISTMAS STORE**
[mccchristmasstore.org](http://mcchristmasstore.org)
- **MOUNTAIN VIEW HUMANE SOCIETY**
mvhclinic.org
- **NRV CARES**
nrvcares.org
- **RADFORD ANIMAL SHELTER**
facebook.com/radfordanimalshelter
- **SUSTAIN FLOYD**
sustainfloyd.org
- **THE MAYAPPLE SCHOOL**
mayapple.org
- **UNITED WAY NRV**
unitedwayswva.org/our-work/new-river-valley
- **WALK TO END ALZHEIMER'S**
act.alz.org
- **WOMEN'S RESOURCE CENTER**
wrcnr.org



NEST REALTY

NestRealtyNRV.com

