



nest
REALTY

2025 Nest Market Report

Greater Louisville & Southern Indiana

National Market Review

A Market in Transition

Will 2026 be the year housing takes center stage in national politics? While solutions will differ across Washington, most policymakers agree on one fact: **affordability has reached a breaking point for many Americans.** As we approach a new election cycle, housing is poised to become one of the country's most visible economic issues.

This shift is the result of several converging forces:

- Interest rates stabilizing but remaining elevated.
- Home prices rising faster than household income.
- Insurance costs increasing sharply.
- Inventory levels remaining well below national needs.

Together, these trends have redefined buyer and seller behavior and shaped expectations for the year ahead.

Affordability Moves to the Forefront

Affordability hinges on the balance between three factors:



For much of the past decade, low interest rates masked rising prices. But in 2022, mortgage rates jumped from 3% to 7%, increasing monthly payments by more than 55%.

Since late 2022, rates have held steady in the 6.5%–7.5% range. Predictability has returned, but many buyers still perceive these rates as high compared to the sub-5% environment that lasted from 2011–2022. The result has been slower sales, cooling prices in certain markets, and a broad resetting of buyer expectations.

Meanwhile, wage growth has not kept pace. Between 2015 and 2024, the median household income rose 56%, while home prices increased between 90% and 103%, depending on the index. When prices rise faster than wages—and interest rates rise at the same time—affordability declines.

The Rising Cost of Homeownership

Insurance has become a major affordability factor. From 2022 to 2024, premiums rose more than 30% in 21 states and 40–70% in ten of them, with another 28% increase projected over the next three years.

Insurance now represents 9% of the average mortgage payment—the highest share on record—driven by rising rebuild costs, more frequent climate events, population shifts, and insurers exiting high-risk markets. Currently, 12% of U.S. homes are considered high risk, a figure projected to exceed 20% by 2050.

A Diverging Landscape

For years, national housing recaps looked similar across markets. But 2025 has brought sharp regional variations. Economic pressures, insurance challenges, and affordability concerns now differ meaningfully from one region to the next.

In today's environment, understanding your local market matters more than ever, and your Nest agent can help you interpret how national forces are playing out in your area.

National Housing Trends

Inventory Gains Fall Short of Demand: A 13% Inventory Increase Against a 2.5 Million-Home Deficit

National inventory rose 13% in 2025, according to ResiClub. While encouraging, this gain falls far short of addressing the estimated 2.5 million home shortage nationwide. Even with steady improvement, closing the gap would require more than a decade of elevated construction.

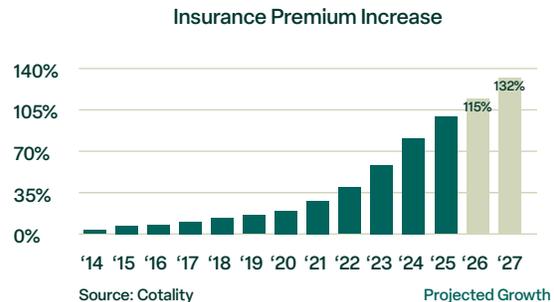
As we enter 2026, housing affordability remains one of the most influential forces shaping the market. Rising insurance costs and lagging wage growth continue to pressure buyers, even as conditions gradually stabilize.

Still, the new year brings opportunities: modest price softening in some markets, steadier inventory, and rate stability may bring buyers back. How the rest of 2026 unfolds will depend on broader economic shifts, policy decisions, and how quickly confidence returns to both buyers and sellers.

Three Trends to Watch in 2026

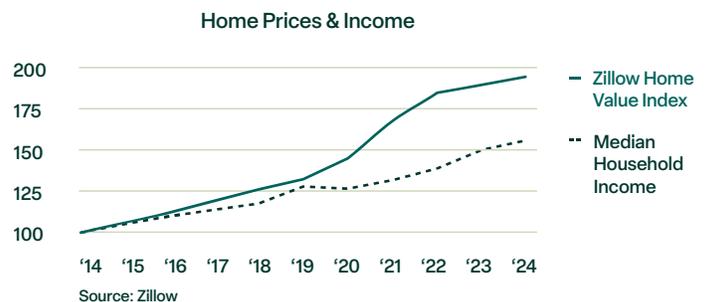
1. Insurance Premium Growth

Premiums rose modestly for several years before accelerating dramatically in 2021. This trend is expected to continue through 2027.



2. Home Prices and Income

Home values have nearly doubled over the past decade, while real wages have grown far more slowly. This widening gap is a central driver of today's affordability challenges.



3. 30-Year Mortgage Rates

After the rapid spike in 2022, mortgage rates have remained steady within the 6.5%–7.5% range. This stability has helped bring predictability back to the market, even if overall costs remain elevated.





Nest Realty 2025 at a Glance

645 Miles

Estimated miles our agents walked showing homes this year. That's the same distance from Louisville to the Atlantic Ocean—fueled by caffeine and comfortable shoes.

\$163M Total Sales

Total sales volume for Nest Connect in 2025.

16 Days on Market

Average days on market before our sellers accepted an offer.

Local Market Review

Greater Louisville enters 2026 with steady growth, rising inventory, and strong demand, offering opportunities for both buyers and sellers.

The Greater Louisville real estate market is entering 2026 with strong momentum and solid fundamentals. Home values continued their steady upward trend in 2025, rising approximately 3–5% year-over-year and reflecting healthy demand across the region. Inventory increased modestly, giving buyers more options, yet well-priced homes still sold quickly, showing that the market remains competitive and confidence remains high.

Buyer activity is supported by steady job growth, population gains, and strong consumer confidence. From

Jeffersontown to Prospect to Southern Indiana, both established neighborhoods and new-construction corridors are seeing consistent interest from move-up buyers, first-time buyers, and relocation clients.

Sellers continue to benefit from Louisville's affordability compared to national averages, which keeps the region attractive for inbound migration. Homes that are priced correctly, presented well, and marketed effectively are achieving excellent results—often securing strong offers within a short timeframe.

Overall, the Greater Louisville market outlook is positive, stable, and full of opportunity. Whether buying or selling, the market continues to reward preparation, strategy, and strong representation.

Average Sales Price

+2.7%

All Properties

The average sales price for all properties in 2025 was \$342,606 compared to \$333,520 in 2024.

+4.4%

Attached Homes

The average sales price for attached homes in 2025 was \$251,937 compared to \$241,295 in 2024.

+2.3%

Detached Homes

The average sales price for detached homes in 2025 was \$353,144 compared to \$345,176 in 2024.

Total Home Sales

+25.3%

All Properties

The total home sales for all properties in 2025 was 15,484 compared to 12,356 in 2024.

+16.5%

Attached Homes

The total home sales for attached homes in 2025 was 1,613 compared to 1,385 in 2024.

+26.4%

Detached Homes

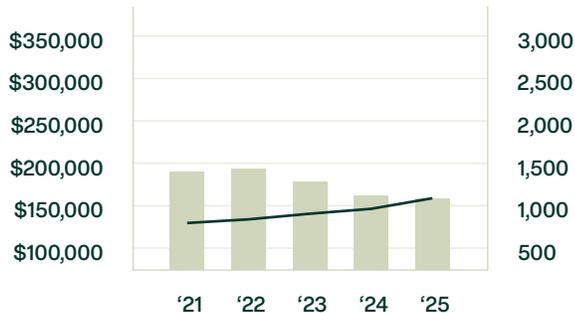
The total home sales for detached homes in 2025 was 13,870 compared to 10,971 in 2024.

*Data Sourcing: Our market, unlike many others, crosses state lines and is serviced by two MLSs, Greater Louisville Association of Realtors (GLAR) and Southern Indiana Realtor Association (SIRA), that capture the sales across our region. In the pages of this report you will see notes to indicate which database we use to identify the most accurate sales stats for each of our areas.

The Greater Louisville Market consists of Jefferson, Oldham, Shelby, Spencer, and Bullitt Counties, KY. The Southern Indiana Market consists of Clark, Floyd, and Harrison Counties, IN. Data as of 01/07/25 as found in the Greater Louisville and Southern Indiana MLS.

Downtown, Old Louisville, West Louisville, Shively (*GLARMLS)

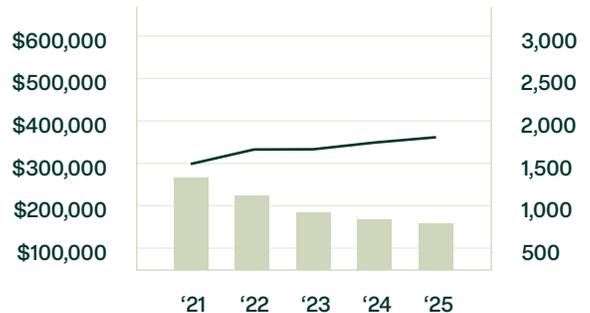
— AVERAGE PRICE ■ TOTAL SALES



	2025	2024	% CHG
Total Sales	1,170	1,192	-1.8
Price per Sq. Ft.	\$125	\$117	6.6
Days on Market	37	35	5.7
Avg. Sales Price	\$158,478	\$147,935	7.1
Total Volume	\$190,916,307	\$176,338,909	8.3

Butchertown, Highlands, Germantown (*GLARMLS)

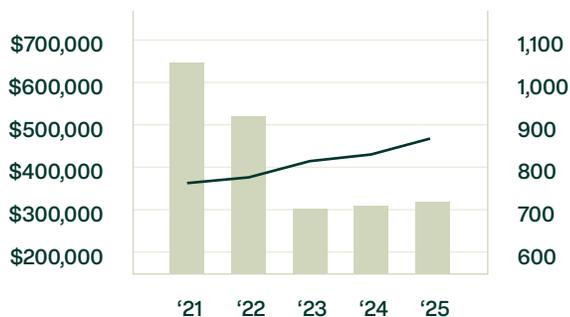
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	2025	2024	% CHG
Total Sales	874	881	-0.8
Price per Sq. Ft.	\$224	\$217	3.2
Days on Market	24	22	9.1
Avg. Sales Price	\$367,341	\$352,883	4.1
Total Volume	\$325,563,262	\$310,890,362	4.7

Clifton, Crescent Hill, St. Matthews (*GLARMLS)

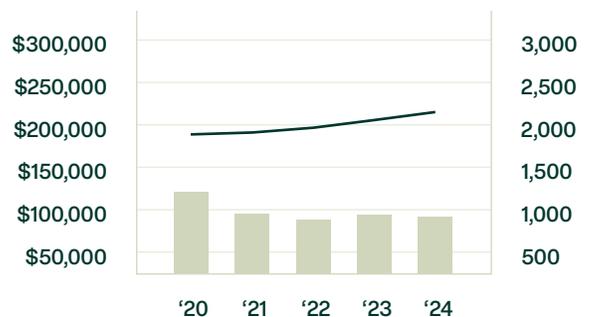
— AVERAGE PRICE ■ TOTAL SALES



	2025	2024	% CHG
Total Sales	714	707	1.0
Price per Sq. Ft.	\$241	\$233	3.5
Days on Market	24	21	14.3
Avg. Sales Price	\$472,620	\$428,706	10.2
Total Volume	\$341,369,764	\$303,095,467	12.6

PRP, Valley Station (*GLARMLS)

— AVERAGE PRICE ■ TOTAL SALES

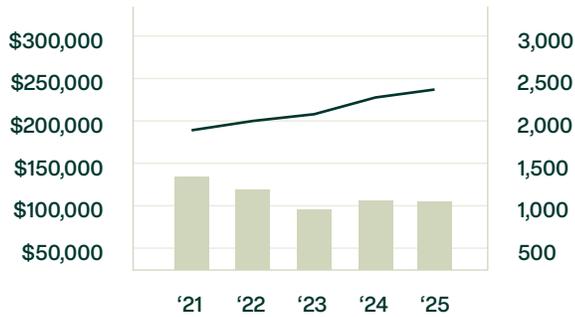


	2025	2024	% CHG
Total Sales	899	902	-0.3
Price per Sq. Ft.	\$186	\$177	5.1
Days on Market	27	24	12.5
Avg. Sales Price	\$224,456	\$216,617	3.6
Total Volume	\$201,785,536	\$195,389,243	3.3

Auburndale, Fairdale, Iroquois Park

(*GLAR MLS)

— AVERAGE PRICE ■ TOTAL SALES

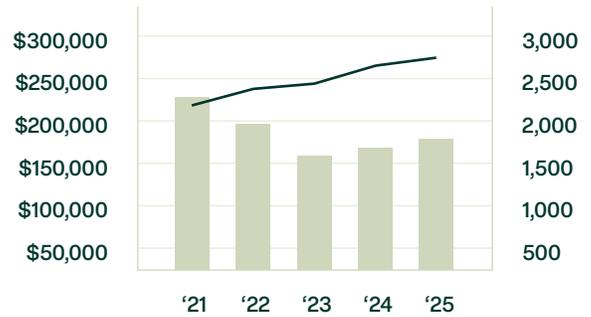


	2025	2024	% CHG
Total Sales	1,019	1,044	-2.4
Price per Sq. Ft.	\$179	\$169	6.1
Days on Market	27	24	12.5
Avg. Sales Price	\$241,405	\$226,244	6.7
Total Volume	\$245,991,643	\$236,199,557	4.1

Buechel, Highview, Okolona

(*GLAR MLS)

— AVERAGE PRICE ■ TOTAL SALES

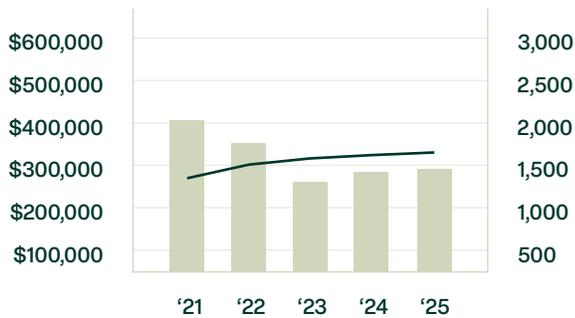


	2025	2024	% CHG
Total Sales	1,701	1,644	3.5
Price per Sq. Ft.	\$189	\$182	4.4
Days on Market	31	25	24.0
Avg. Sales Price	\$270,025	\$260,249	3.8
Total Volume	\$459,312,646	\$427,849,381	7.4

Fern Creek, Hikes Point, Jeffersontown

(*GLAR MLS)

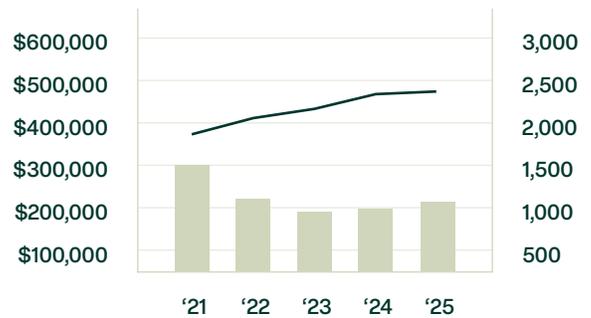
— AVERAGE PRICE ■ TOTAL SALES



	2025	2024	% CHG
Total Sales	1,467	1,404	4.5
Price per Sq. Ft.	\$206	\$201	2.4
Days on Market	23	23	0.0
Avg. Sales Price	\$333,857	\$330,347	1.1
Total Volume	\$489,767,714	\$463,807,898	5.6

Douglass Hills, Hurstbourne, Middletown, Anchorage (*GLAR MLS)

— AVERAGE PRICE ■ TOTAL SALES



	2025	2024	% CHG
Total Sales	1,132	988	14.6
Price per Sq. Ft.	\$218	\$211	3.4
Days on Market	25	26	-3.8
Avg. Sales Price	\$473,060	\$472,237	0.2
Total Volume	\$535,732,804	\$466,571,122	14.8

Glenview, Lyndon, Prospect

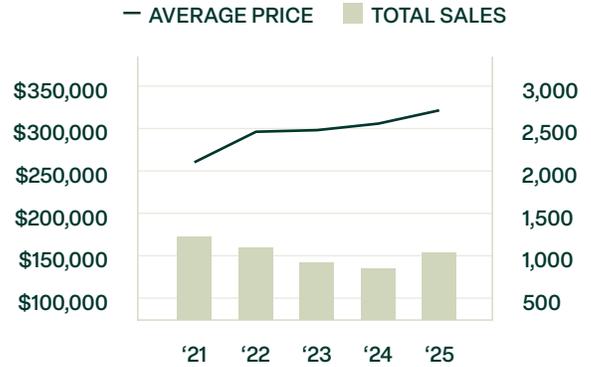
(*GLAR MLS)



	2025	2024	% CHG
Total Sales	1,126	1,021	10.3
Price per Sq. Ft.	\$234	\$223	4.9
Days on Market	26	23	13.0
Avg. Sales Price	\$509,152	\$493,259	3.2
Total Volume	\$573,304,594	\$503,617,675	13.8

Bullitt County

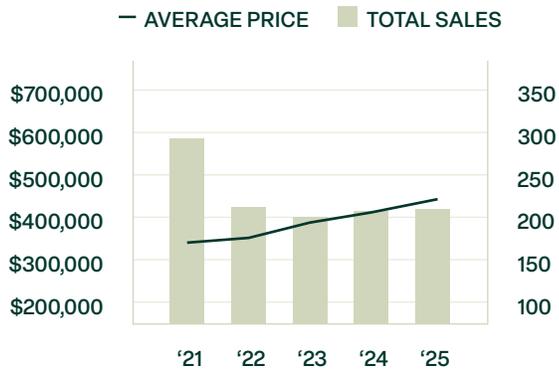
(*GLAR MLS)



	2025	2024	% CHG
Total Sales	1,055	934	13.0
Price per Sq. Ft.	\$204	\$197	3.4
Days on Market	42	36	16.7
Avg. Sales Price	\$322,552	\$306,988	5.1
Total Volume	\$340,292,424	\$286,726,371	18.7

Spencer County

(*GLAR MLS)



	2025	2024	% CHG
Total Sales	205	202	1.5
Price per Sq. Ft.	\$246	\$233	5.7
Days on Market	42	31	35.5
Avg. Sales Price	\$442,195	\$412,958	7.1
Total Volume	\$90,649,992	\$83,417,541	8.7

Oldham County

(*GLAR MLS)

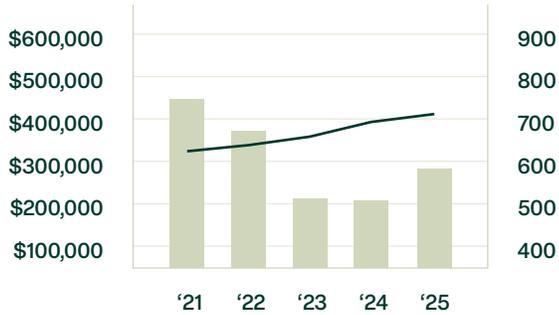


	2025	2024	% CHG
Total Sales	902	867	4.0
Price per Sq. Ft.	\$245	\$232	5.6
Days on Market	36	35	2.9
Avg. Sales Price	\$574,506	\$524,090	9.6
Total Volume	\$518,204,052	\$454,386,320	14.0

Shelby County

(*GLAR MLS)

— AVERAGE PRICE ■ TOTAL SALES

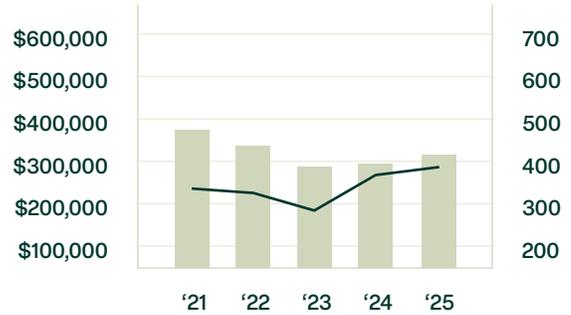


	2025	2024	% CHG
Total Sales	581	513	13.3
Price per Sq. Ft.	\$209	\$204	2.4
Days on Market	38	39	-2.6
Avg. Sales Price	\$402,243	\$396,220	1.5
Total Volume	\$233,702,981	\$199,365,874	17.2

Harrison County (Indiana)

(*SIRA MLS)

— AVERAGE PRICE ■ TOTAL SALES

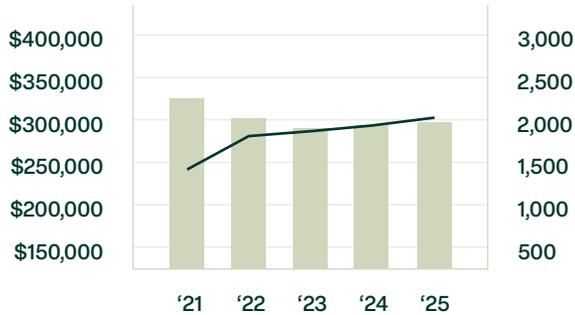


	2025	2024	% CHG
Total Sales	415	394	5.3
Price per Sq. Ft.	\$169	\$164	3.0
Days on Market	65	70	-7.1
Avg. Sales Price	\$287,596	\$274,418	4.8
Total Volume	\$119,352,317	\$108,120,885	10.4

Clark County (Indiana)

(*SIRA MLS)

— AVERAGE PRICE ■ TOTAL SALES

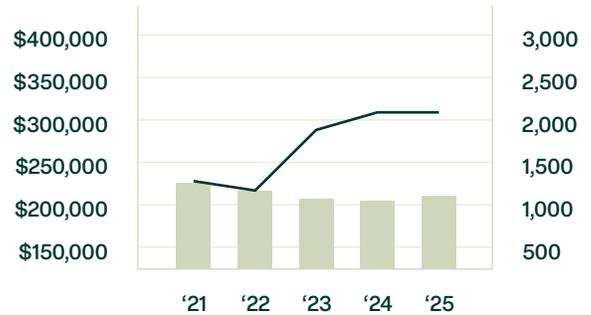


	2025	2024	% CHG
Total Sales	1,941	1,884	3.0
Price per Sq. Ft.	\$170	\$167	1.8
Days on Market	66	77	-14.3
Avg. Sales Price	\$300,543	\$285,561	5.2
Total Volume	\$583,353,556	\$537,997,659	8.4

Floyd (Indiana)

(*SIRA MLS)

— AVERAGE PRICE ■ TOTAL SALES



	2025	2024	% CHG
Total Sales	1,126	1,052	7.0
Price per Sq. Ft.	\$163	\$162	0.6
Days on Market	63	72	-12.5
Avg. Sales Price	\$311,807	\$315,100	-1.0
Total Volume	\$351,095,203	\$331,485,055	5.9

Community First

How We Gave Back in 2025

While our agents supported a wide range of causes on their own this year—schools, local charities, animal rescues, neighborhood events, and more—one thing stayed consistent: Nest showed up. Our team is made up of people who volunteer quietly, give generously, and stay rooted in the communities we serve. Nest agents contributed their time, resources, and personal efforts to causes across Kentucky and Southern Indiana, reflecting the heart of our brokerage: community first.





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