

2024 Nest Market Report

RALEIGH-DURHAM-CHAPEL HILL



When it comes to housing, expectations shape everything. The fear of missing out—or losing out—often influences our decisions more than we realize. Research shows that financial loss feels twice as painful as financial gain feels rewarding. In 2024, this mindset played a key role in a significant slowdown in home sales. Buyers were told that lower mortgage rates were on the horizon, but those rates never materialized. Sellers held out, hoping new inventory would inspire their next move, but fresh listings remained scarce.

With mortgage rates below 7% for over twenty years, it's easy to forget that they peaked at over 16.5% in 1981. Since 2022, rates have fluctuated between 6.1% and 7.8%. The ultra-low rates of 3-4% are unlikely to return anytime soon.

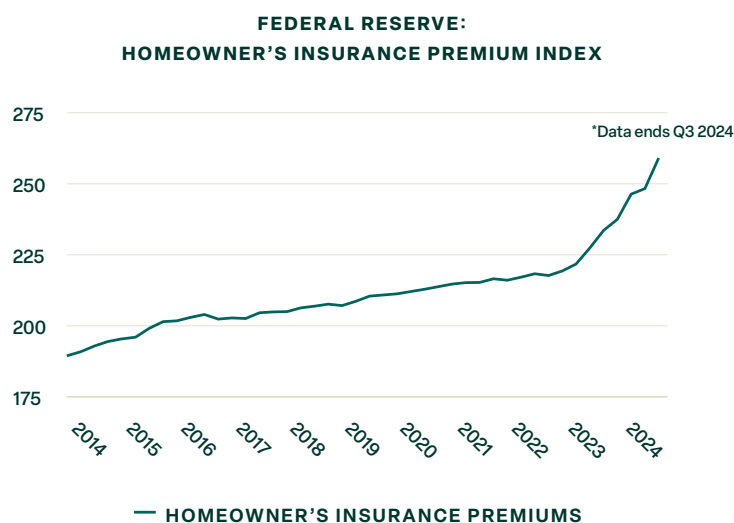
Despite demand consistently outpacing supply for years, ongoing inventory issues, and relatively stable mortgage rates, buyer confidence has not recovered enough to spark a market rebound. Home sales in 2024 are expected to finish about 5% lower than in 2023, largely due to limited inventory—and increasingly, due to affordability concerns that are shrinking the pool of qualified buyers.

Looking Ahead to 2025

The financial world thrives on predictability, but 2025 promises significant change. With new national leadership comes fresh priorities that will impact markets in unpredictable ways. In this context, we want to highlight some key areas that homeowners and prospective buyers should closely monitor. As housing represents the largest investment for many families, all eyes will be on this sector.

For more than seven years, low inventory has dominated housing headlines. Ongoing demand makes it crucial for policymakers to focus on increasing supply. Solutions like deregulation and local zoning changes could help, but they require both time and political will. States like California and Oregon have eliminated single-family zoning requirements in an effort to encourage denser housing. However, the most effective levers for improving construction timelines and costs lie within local jurisdictions.

One wild card for 2025 is the insurance market. In late 2024, Hurricanes Helene and Milton caused an estimated \$51 billion-\$81 billion in property damage. As storm risks continue to rise across the U.S., private insurers are significantly raising premiums or exiting certain markets altogether. This shift underscores the growing importance of programs like the National Flood Insurance Program, which may eventually need to expand to include fire and windstorm coverage to adequately protect residential investments. Ongoing challenges in obtaining insurance could dampen development and new construction investment in many parts of the country.



Housing Trends

Challenges in Homebuilding

Even if regulations ease, construction costs remain a significant hurdle. Publicly traded homebuilder stocks have outperformed the broader market over the past five years, maintaining strong profit margins amid rising home prices. Builders are hesitant to sacrifice these margins, even as affordability pressures continue to grow.

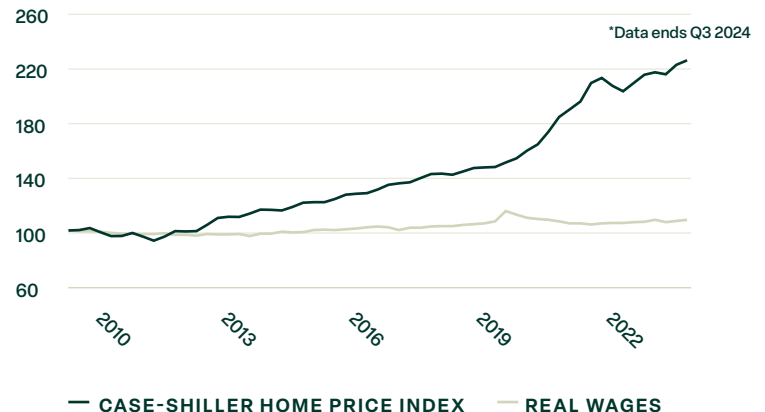
Currently, housing costs account for an average of 32.9% of household expenses. Higher interest rates have pushed homeownership further out of reach for many families, with escalating prices and insurance costs adding to the strain. In response, builders have focused on offering smaller, more affordable homes, but achieving widespread affordability will likely require either lower borrowing costs or real wage growth—neither of which seems imminent.

Affordability Takes Center Stage

The Case-Shiller Home Price Index shows that home values have grown by 94% over the past decade—meaning a \$250,000 home in 2014 now costs \$485,000. Meanwhile, real household income has increased by only 19.7%, highlighting the widening affordability gap.

Homeowners are pressured to stay in their current homes, partly due to their historically low mortgage rates. More than 70% of current mortgages are below 5%, creating a significant financial incentive to stay put. However, as traditional drivers of resale—such as divorce, job relocations, downsizing, or changes in family size—continue to occur, the lock-in percentage will likely decrease, boosting market activity and creating opportunities for more listings in the future.

HOME PRICES AGAINST REAL WAGE GROWTH



2025 Outlook

The housing market has seen sales drop nearly 30% since 2021, but the potential for recovery remains. To spark growth, inventory must increase—either through new construction or more resale homes. However, true affordability depends on a decrease in borrowing costs. Local governments can help by streamlining the approval process for new builds, but broader economic factors will also play a critical role.

If interest rates stabilize or decrease, and if local policies support faster development, 2025 could finally bring the market the boost it needs.



Nest Triangle 2024 Overview

We're excited to share some highlights that showcase our growth in 2024. Here's a look at our latest milestones!

Quick Stats

\$600M

IN SALES VOLUME

Our firm exceeded \$600M in sales volume for an all time firm record in 2024.

6

NEW AGENTS

We're always on the lookout for top talent to join our team, and we're excited to welcome six new Nesters to our flock this year!

1,000+

CLIENTS

We've had the privilege of representing over 1,000 clients this year helping them navigate their real estate journey with dedication and care.



RALEIGH-DURHAM-CHAPEL HILL

2024 MSA Overview

The Triangle real estate market had a strong performance in 2024, despite interest rates remaining higher than anticipated. Initially predicted to drop into the 5% range, rates started the year at 6%, peaked at 7.2% in April, and settled around 6.75% by year-end. The market adjusted well to the rapid rate increases of 2023, with our Triangle Nest offices selling more homes by October 2024 than all of 2023.

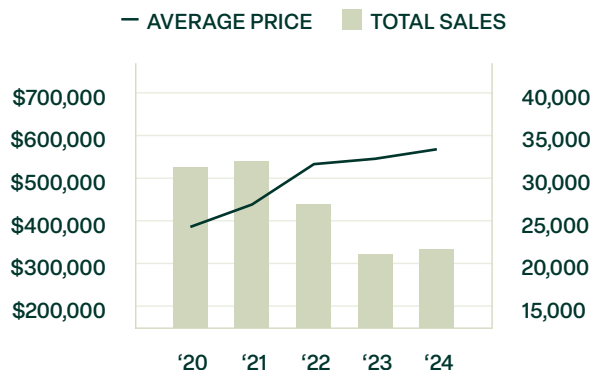
Sellers saw homes staying on the market longer, contributing to a rise in inventory during the second half of the year. At the start of 2024, there was just 2.25 months of inventory in the Triangle, but by November, that had increased to 3.25 months. A balanced market is typically considered 6 months of inventory, so despite the increase, the market remained a seller's market.

As we head into the spring market of 2025, we expect the market to heat up, and buyers will once again find themselves in multiple offer situations on the best listings. As always, homes in great condition that are priced and marketed well will continue to drive the market higher.

For buyers, preparation is key. Having your financing in order before house hunting is essential—work with a trusted lender (we can recommend a few). Moving quickly on a great property in a prime location will be critical to avoid competition from other buyers.

At Nest Realty, our priority is always to put our clients' interests first. If you're planning to buy or sell in 2025, make the smart move and reach out to one of our experienced Nest agents.

ALL PROPERTIES



	2024	2023	% CHG
Total Sales	21,867	21,274	2.8
Price per Sq. Ft.	\$245	\$250	-2.0
Days on Market	35	19	84.2
Avg. Sales Price	\$575,194	\$552,088	4.2

In 2024, on average, a listing stayed on the market for 84.2% more time and saw a 2.0% decrease in price per square foot compared to 2023.

AVG. PRICE

+4.2%

In 2024 the average sales price was \$575,194 compared to \$552,088 in 2023.

TOTAL SALES

+2.8%

In 2024 there were 21,867 total sales compared to 21,274 in 2023.

SINGLE FAMILY

AVG. PRICE

+1.8%

In 2024 the average sales price was \$643,805 compared to \$632,244 in 2023.

TOTAL SALES

+1.8%

In 2024 there were 15,813 total sales compared to 15,529 in 2023.

	2024	2023	% CHG
Total Sales	15,813	15,529	1.8
Price per Sq. Ft.	\$251	\$252	-0.4
Days on Market	34	20	70.0
Avg. Sales Price	\$643,805	\$632,244	1.8

CONDO/TOWNHOME

AVG. PRICE

-0.7%

In 2024 the average sales price was \$395,983 compared to \$398,823 in 2023.

TOTAL SALES

+15.0%

In 2024 there were 6,054 total sales compared to 5,263 in 2023.

	2024	2023	% CHG
Total Sales	6,054	5,263	15.0
Price per Sq. Ft.	\$232	\$245	-5.3
Days on Market	36	14	157.1
Avg. Sales Price	\$395,983	\$398,823	-0.7

THE TRIANGLE MARKET

AVG. YEAR HOMES BUILT

2003

% OF HOMES >5 YEARS OLD

68%

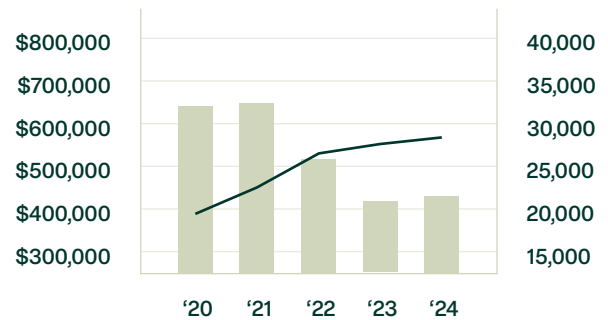
AVG. DETACHED SQ. FT.

2,552

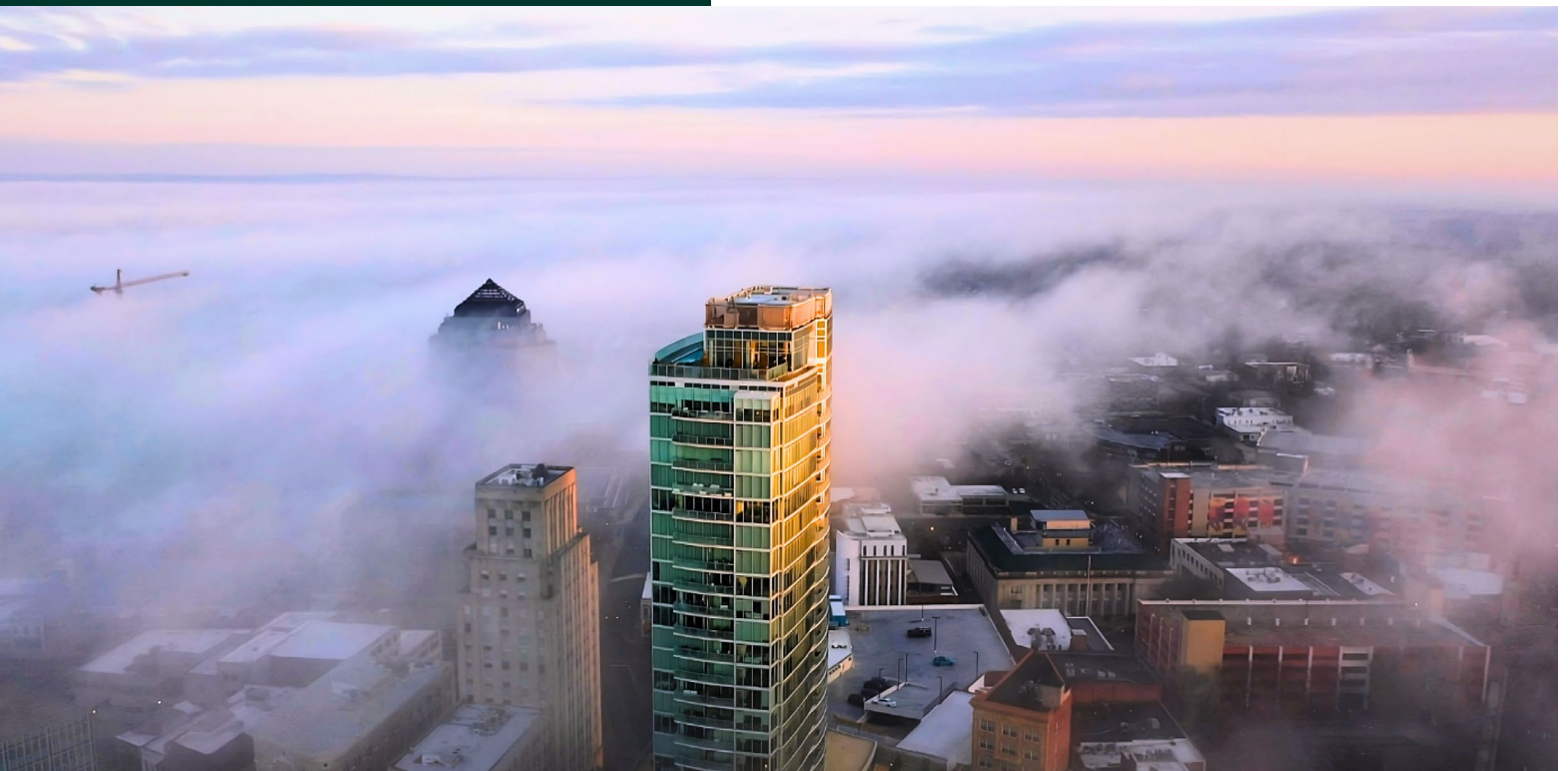
AVG. ATTACHED SQ. FT.

1,754

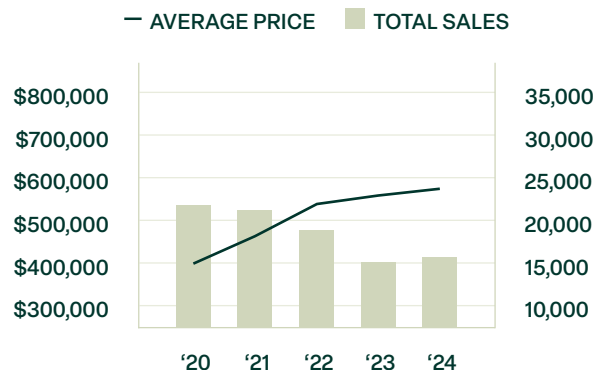
— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	21,867	21,274	2.8
Price per Sq. Ft.	\$245	\$250	-2.0
Days on Market	35	19	84.2
Avg. Sales Price	\$575,194	\$552,088	4.2
Total Volume	\$12,577,771,079	\$11,716,473,648	7.4



WAKE



	2024	2023	% CHG
Total Sales	15,750	15,009	4.9
Price per Sq. Ft.	\$241	\$232	3.9
Days on Market	34	17	100.0
Avg. Sales Price	\$582,396	\$557,982	4.4
Total Volume	\$9,172,736,521	\$8,372,522,791	9.6



AVG. YEAR HOMES BUILT

2005

AVG. DETACHED SQ. FT.

2,638

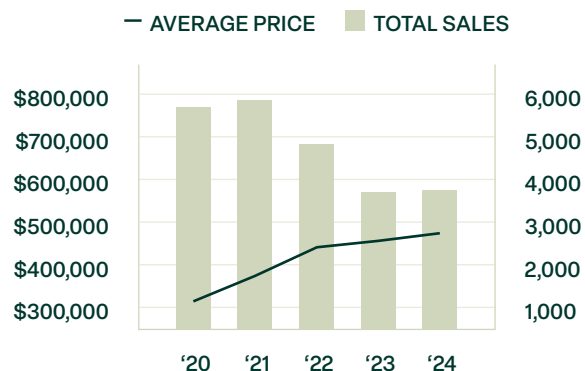
% OF HOMES >5 YEARS OLD

65%

AVG. ATTACHED SQ. FT.

1,791

DURHAM



	2024	2023	% CHG
Total Sales	3,773	3,752	0.6
Price per Sq. Ft.	\$245	\$245	0.0
Days on Market	32	19	68.4
Avg. Sales Price	\$475,637	\$465,730	2.1
Total Volume	\$1,794,579,117	\$1,746,486,138	2.8



AVG. YEAR HOMES BUILT

1996

AVG. DETACHED SQ. FT.

2,089

% OF HOMES >5 YEARS OLD

75%

AVG. ATTACHED SQ. FT.

1,661

ORANGE



AVG. YEAR HOMES BUILT

1993

AVG. DETACHED SQ. FT.

2,530

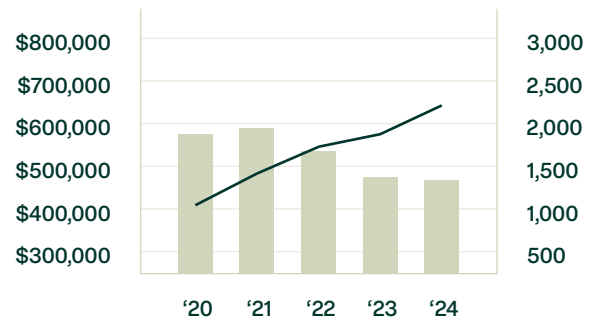
% OF HOMES >5 YEARS OLD

86%

AVG. ATTACHED SQ. FT.

1,524

— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	1,320	1,376	-4.1
Price per Sq. Ft.	\$278	\$267	4.1
Days on Market	32	18	77.8
Avg. Sales Price	\$640,179	\$585,402	9.4
Total Volume	\$845,035,932	\$805,513,232	4.9

CHATHAM



AVG. YEAR HOMES BUILT

2007

AVG. DETACHED SQ. FT.

2,869

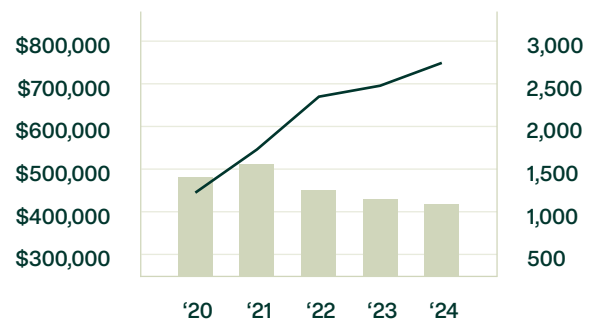
% OF HOMES >5 YEARS OLD

67%

AVG. ATTACHED SQ. FT.

1,833

— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	1,024	1,137	-9.9
Price per Sq. Ft.	\$266	\$254	4.7
Days on Market	51	20	155.0
Avg. Sales Price	\$747,480	\$697,140	7.2
Total Volume	\$765,419,510	\$791,951,487	-3.4

Giving Back *to our Community*

This year, we are celebrating the relationships we've built with local businesses and community organizations.

Supporting Western NC

Together, our Nest offices raised a total of \$25,000 to support the rebuilding efforts in Western North Carolina. These funds will help address critical needs, from infrastructure repairs to community recovery. We're grateful to support the communities and initiatives that make Western NC so unique and resilient.

Donations to Duke Children's Hospital

Real estate is about much more than just buying and selling houses; it's about building relationships and bringing people together. With every residential sale, we offer our agents the opportunity to make a donation to Duke Children's Hospital, which Nest Realty of the Triangle matches dollar for dollar. To date, Nest agents have donated more than \$40,000 to Duke Children's Hospital.

Donation to the Carolina Theater

Our Nest team had the privilege of attending Dancing With The Carolina Stars, the Carolina Theater's premier fundraising event. This exciting evening raised critical funds that directly support the nonprofit's mission to bring dynamic live events, films, and educational programs to downtown Durham. We contributed \$7,000 through the event's auction, helping to amplify the local arts scene and support small businesses in the area.





nestrealty.com/triangle

