

2024 Nest Market Report

JACKSON AREA



National Review

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.

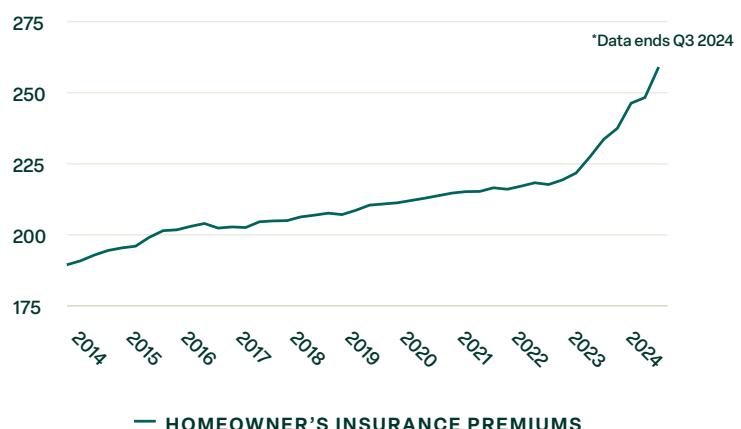
Looking Ahead to 2025

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.

FEDERAL RESERVE:
HOMEOWNER'S INSURANCE PREMIUM INDEX



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.

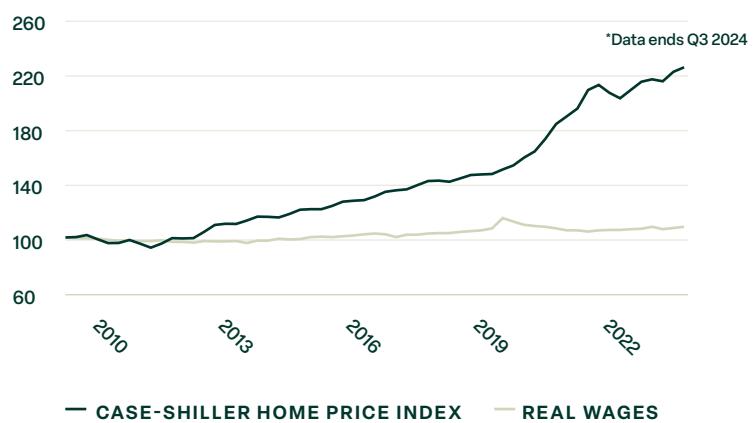
Currently, housing costs account for an average of 32.9% of household expenses. Higher interest rates have pushed homeownership further out of reach for many families, with escalating prices and insurance costs adding to the strain. In response, builders have focused on offering smaller, more affordable 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 Jackson 2024 Overview

At Nest Realty Jackson, our Agents take pride in providing exceptional service and care with every real estate transaction. We strive to make real estate transactions more transparent and less stressful, so you can focus on loving your property.

Quick Stats

175

**TOTAL
CLOSINGS**

Our Nesters have been hard at work, and closed on nearly 175 listings in 2024.

7

**LOCAL LOVE
ORGANIZATIONS**

We've partnered with more than seven local community organizations this year!

6%

**BROKERAGE
RANKING**

Nest Realty Jackson has remained in the top six percent of brokerages in our market since opening our doors in 2018.



JACKSON, TN

2024 MSA Overview

Looking back at 2024, the Jackson real estate market remained stable but showed signs of slowing growth. The median home price rose to \$250,000, a modest 5% increase from 2023. While home prices continued to climb, the pace of appreciation slowed, aligning with broader national trends as higher mortgage rates dampened buyer demand.

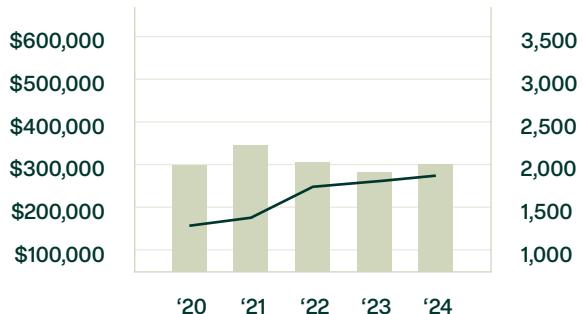
Inventory levels improved slightly with a 6-month absorption rate, but the market still leaned toward sellers. The average days on market (DOM) was approximately 50 days, a 23% increase from 2023, and faster than the national average. New construction helped ease inventory pressure, particularly in growing neighborhoods like North Jackson and Downtown Jackson.

Nationally, the real estate market faced similar challenges, with higher interest rates making homeownership less affordable. This led to slower sales and a shift toward more affordable suburban and rural areas. Jackson, however, continued to attract interest due to its relatively lower cost of living, strong local economy, and development in residential and commercial real estate.

In 2025, we expect Jackson to remain a strong option for buyers and sellers, offering opportunities in a well-balanced, growing community.

ALL PROPERTIES

— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	2,000	1,912	4.6
Days on Market	48	39	23.1
Avg. Sales Price	\$277,582	\$258,928	7.2
Total Volume	\$555,165,584	\$495,070,982	12.1

In 2024, on average, a listing stayed on the market for 23.1% more time compared to 2023.

AVG. PRICE

+7.2%

In 2024 the average sales price was \$277,582 compared to \$258,928 in 2023.

TOTAL SALES

+4.6%

In 2024 there were 2,000 total sales compared to 1,912 in 2023.



CITY OF JACKSON



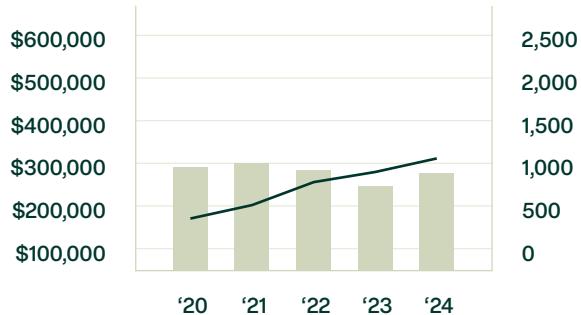
AVG. YEAR HOMES BUILT

1987

% OF HOMES <5 YEARS OLD

19.0%

— AVERAGE PRICE ■ TOTAL SALES



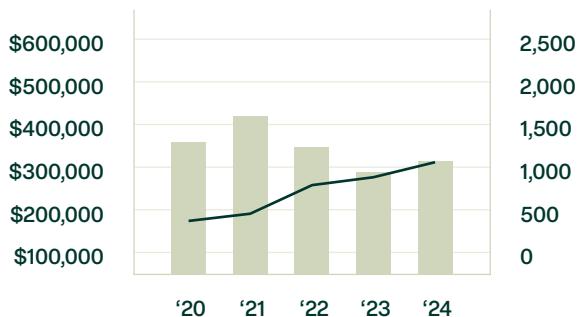
2024 2023 % CHG

	2024	2023	% CHG
Total Sales	920	739	24.5
Days on Market	45	36	25.0
Avg. Sales Price	\$306,541	\$286,927	6.8
Total Volume	\$282,017,916	\$212,039,730	33.0

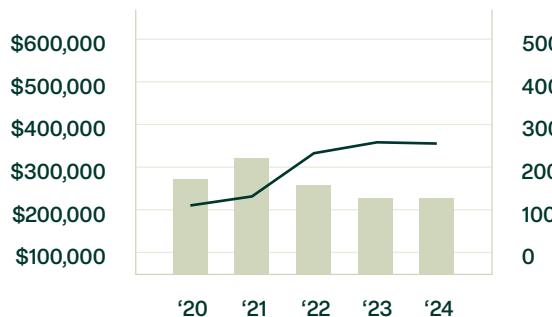
MADISON COUNTY

MEDINA

— AVERAGE PRICE ■ TOTAL SALES



— AVERAGE PRICE ■ TOTAL SALES



2024 2023 % CHG

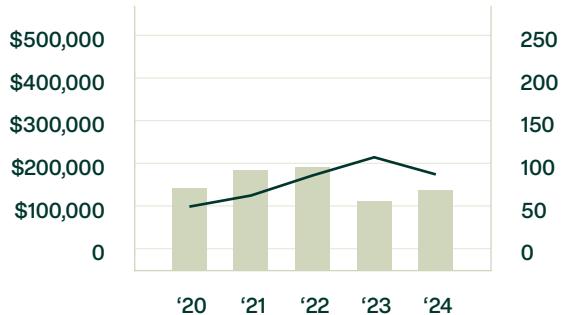
2024 2023 % CHG

	2024	2023	% CHG
Total Sales	1,029	979	5.1
Days on Market	45	33	36.4
Avg. Sales Price	\$305,089	\$283,643	7.6
Total Volume	\$313,936,616	\$277,687,348	13.1

	2024	2023	% CHG
Total Sales	135	133	1.5
Days on Market	37	57	-35.1
Avg. Sales Price	\$357,902	\$359,822	-0.5
Total Volume	\$48,316,787	\$47,856,450	1.0

TRENTON

— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	68	55	23.6
Days on Market	52	43	20.9
Avg. Sales Price	\$178,122	\$207,682	-14.2
Total Volume	\$12,112,339	\$11,422,547	6.0



AVG. YEAR HOMES BUILT

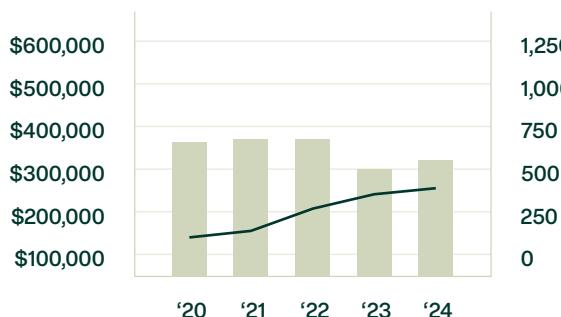
1970

% OF HOMES <5 YEARS OLD

8.7%

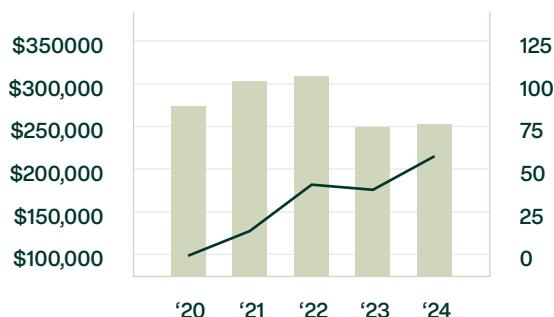
GIBSON COUNTY

— AVERAGE PRICE ■ TOTAL SALES



HAYWOOD COUNTY

— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	536	499	7.4
Days on Market	43	44	-2.3
Avg. Sales Price	\$248,100	\$237,838	4.3
Total Volume	\$132,981,791	\$118,681,324	12.0

	2024	2023	% CHG
Total Sales	76	75	1.3
Days on Market	84	75	12.0
Avg. Sales Price	\$209,068	\$177,561	17.7
Total Volume	\$15,889,200	\$13,317,101	19.3

HENDERSON COUNTY



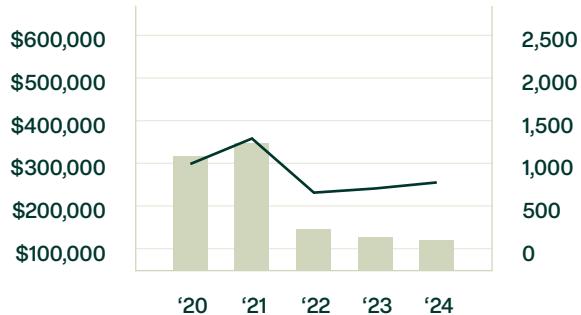
AVG. YEAR HOMES BUILT

1986

% OF HOMES <5 YEARS OLD

8.3%

— AVERAGE PRICE ■ TOTAL SALES



2024 2023 % CHG

	2024	2023	% CHG
Total Sales	163	167	-2.4
Days on Market	59	58	1.7
Avg. Sales Price	\$256,204	\$243,812	5.1
Total Volume	\$41,761,358	\$40,716,623	2.6

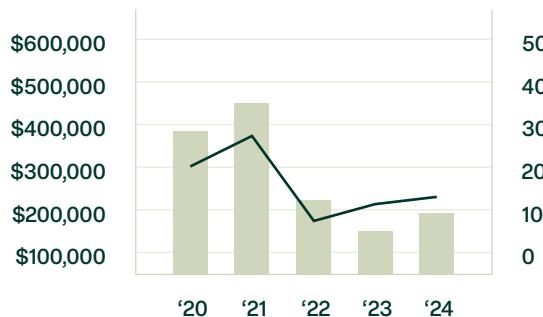
CHESTER COUNTY

CROCKETT COUNTY

— AVERAGE PRICE ■ TOTAL SALES



— AVERAGE PRICE ■ TOTAL SALES



2024 2023 % CHG

2024 2023 % CHG

Total Sales	101	126	-19.8
Days on Market	48	41	17.1
Avg. Sales Price	\$292,617	\$245,740	19.1
Total Volume	\$29,554,344	\$30,963,336	-4.6

Total Sales	95	66	43.9
Days on Market	47	31	51.6
Avg. Sales Price	\$221,497	\$207,655	6.7
Total Volume	\$21,042,275	\$13,705,250	53.5

Organizations *our Nesters* Support

Our success as a brokerage extends beyond the number of transactions in 2024. This year we are celebrating some of the relationships we've built with local businesses and community organizations, as well as our continued commitment to being an online resource for all things Jackson.

- **Regional Inter-Faith Association**
rifajackson.org
- **Kirkland Cancer Center**
wth.org/services/kirkland-cancer-center
- **Salvation Army**
southernusa.salvationarmy.org/Jackson-TN
- **Heavens Cradle**
heavenscradle.org
- **Jackson Chamber of Commerce**
jacksontn.com
- **Hardeman County Chamber of Commerce**
hardemancountychamber.com
- **Decatur County Chamber of Commerce**
decaturcountytennessee.org



nest
REALTY

nestrealty.com/jackson

