



# 2025 Nest Market Report

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**Charlottesville Area**



# 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.

### 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.

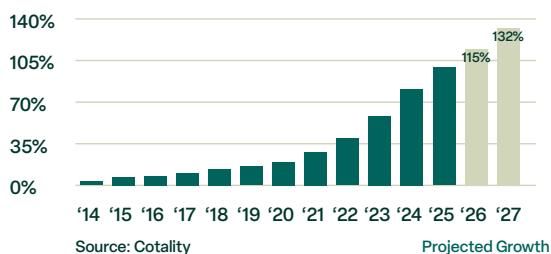
#### 3. 30-Year Mortgage Rates

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.

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.

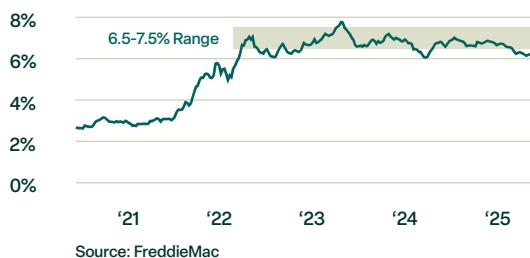
Insurance Premium Increase



Home Prices & Income



30 Year Mortgage Rates (National Average)



Source: FreddieMac



**Community First**

# Organizations Our Nesters Support

Success isn't just measured in sales — it is defined by community impact. Through sponsorships, days of service, fundraising events, and commission dollars donated, our agents and staff dedicated their time, energy, and resources to the causes and events that matter most to them.

**100 Black Men of Central VA** [100bmocv.com](http://100bmocv.com) | **Backpack Buddies** [backpackbuddiesva.org](http://backpackbuddiesva.org) | **Botanical Garden of the Piedmont** [piedmontgarden.org](http://piedmontgarden.org) | **Building Goodness Foundation** [buildinggoodness.org](http://buildinggoodness.org) | **CAAR Foundation** [caarfoundation.org](http://caarfoundation.org) | **Charlottesville Blues FC** [charlottesvillebluesfc.com](http://charlottesvillebluesfc.com) | **Charlottesville Community Bikes** [charlottesvillecommunitybikes.org](http://charlottesvillecommunitybikes.org) | **Child Health Partnership** [childhealthpartnership.org](http://childhealthpartnership.org) | **Crozet Fire Department** [crozetcfire.org](http://crozetcfire.org) | **Habitat for Humanity** [cvillehabitat.org](http://cvillehabitat.org) | **Madison County Parks & Rec** [madisonco.virginia.gov](http://madisonco.virginia.gov) | **Meals on Wheels** [cvillemeals.org](http://cvillemeals.org) | **New City Arts** [newcityarts.org](http://newcityarts.org) | **Piedmont CASA** [pcasa.org](http://pcasa.org) | **Rivanna Conservation Alliance** [rivannariver.org](http://rivannariver.org) | **Ronald McDonald House** [rmhcville.org](http://rmhcville.org) | **Stepping Stone Cville** [steppingstonecville.org](http://steppingstonecville.org) | **The Haven** [thehaven.org](http://thehaven.org) | **The Nature Foundation at Wintergreen** [tnfw.org](http://tnfw.org) | **Virginia Film Festival** [virginiafilmfestival.org](http://virginiafilmfestival.org) | **The Women's Initiative** [thewomensinitiative.org](http://thewomensinitiative.org) | **Wintergreen Music Festival** [wintergreenmusic.org](http://wintergreenmusic.org) | **William Monroe High School Athletics** [greencountyschools.com](http://greencountyschools.com) | **Greene County Farm & Livestock Show** [greenefarmandlivestockshow.com](http://greenefarmandlivestockshow.com) | **Wild Rock Nature Play & Discovery Center** [wildrock.org](http://wildrock.org)

# Charlottesville Organization *Spotlight*

Organizations Making  
a *Real Impact* in our  
Community

## The CAAR Foundation

The Charlottesville Area Association of REALTORS® (CAAR) Foundation was created by CAAR as a vehicle for leveraging the time, talents, and resources of the REALTOR community and its partners to address local needs, with a primary focus on strategies for impacting our region's affordable housing crisis.

The CAAR Foundation has been a dedicated partner of the Piedmont Community Land Trust (PCLT), championing efforts to expand permanent, affordable homeownership opportunities for moderate-income families throughout Central Virginia.

In 2024 and 2025, the Foundation organized a series of events to educate REALTORS about the Land



Trust model and showcase its impact. This included open houses at PCLT homes on Prospect Avenue in Charlottesville—where four of six renovated homes were purchased by lower-income renters from the surrounding community—as well as multiple high-attendance sessions at Victorian Heights, a new neighborhood in Albemarle County.

The Foundation also played a key role in brokering a collaboration among Greenwood Homes, Riverbend Development, PCLT, Virginia Housing, and other partners to bring affordable new-construction homes to market. As part of this initiative, Greenwood Homes designated eight Victorian Heights homes—appraised at \$400,000—to be sold to PCLT buyers for \$260,000–\$275,000.

To further support this work, the Foundation launched its First Annual Opening Doors to Affordable Housing Benefit Concert in September 2025, drawing more than 250 attendees and raising more than \$40,000. In November, the Foundation presented PCLT with a \$32,550 contribution to help cover closing costs for the eight moderate-income buyers at Victorian Heights. As PCLT Executive Director Luis Oyola noted, “Without this support from the CAAR Foundation, many of these families would not have been able to purchase their homes.”

[caarfoundation.org](http://caarfoundation.org)

## UVA Health Children's

As the #1 Children's Hospital in Virginia with six specialties ranked in the Top 50 according to *U.S. News and World Report*, UVA Children's is dedicated to the care of children from birth through adolescence. A member of Children's Miracle Network Hospitals, it offers comprehensive health care from well-baby visits to heart transplants, and conducts breakthrough research in childhood diseases. Its goal is to enhance the health and well-being of children and families through collaborative medical care, education, research, and community service. It serves nearly 150,000 patients from Virginia and beyond in its 111-bed hospital and outpatient clinics annually.

[uvachildrens.childrensmiraclenetworkhospitals.org](http://uvachildrens.childrensmiraclenetworkhospitals.org)



In 2025, Nest Realty and our agents continued our commitment of donating a portion of commissions to UVA Health Children's. We are proud of the impact we have helped make on the families served by this unique children's hospital.



## Charlottesville Community Bikes

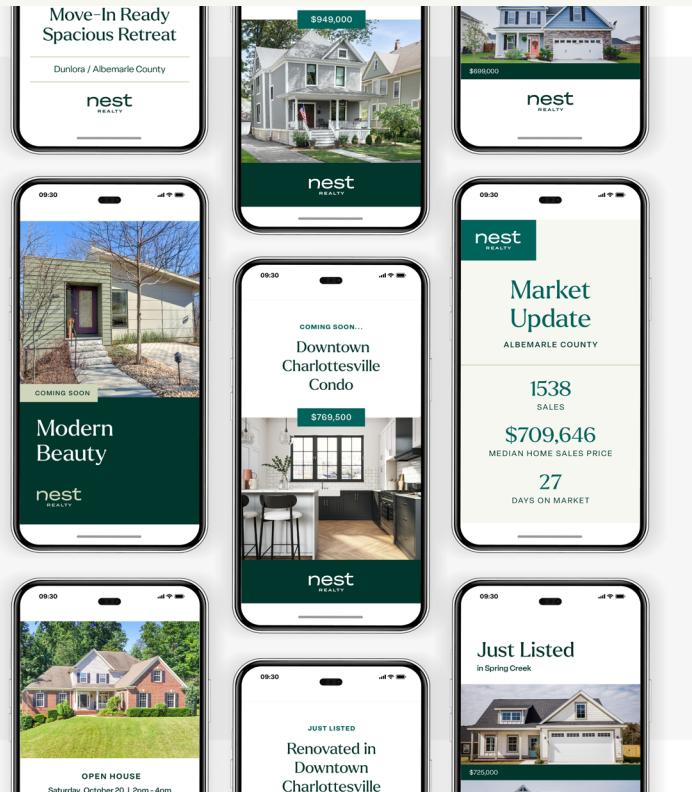
Charlottesville Community Bikes is a nonprofit bicycle shop that promotes environmentally sound transportation, recycles bicycles, and makes cycling accessible.

In December last year, we hosted a Drink It Forward fundraiser for Charlottesville Community Bikes in partnership with Random Row Brewery and Charlottesville Bike Club. At this event we collectively raised more than \$3,000 to help Charlottesville Community Bikes continue its mission.

[charlottesvillecommunitybikes.org](http://charlottesvillecommunitybikes.org)

# Selling Your Home: The Nest Difference

At Nest, we're constantly innovating and improving our offerings to ensure that we can provide you with the most exceptional real estate experience in Charlottesville and Central Virginia. To that end, we'd like to spotlight some new programs, partnerships, and initiatives for listings that we've rolled out this year.



## Design-Driven Marketing: New Look, Same Commitment to You

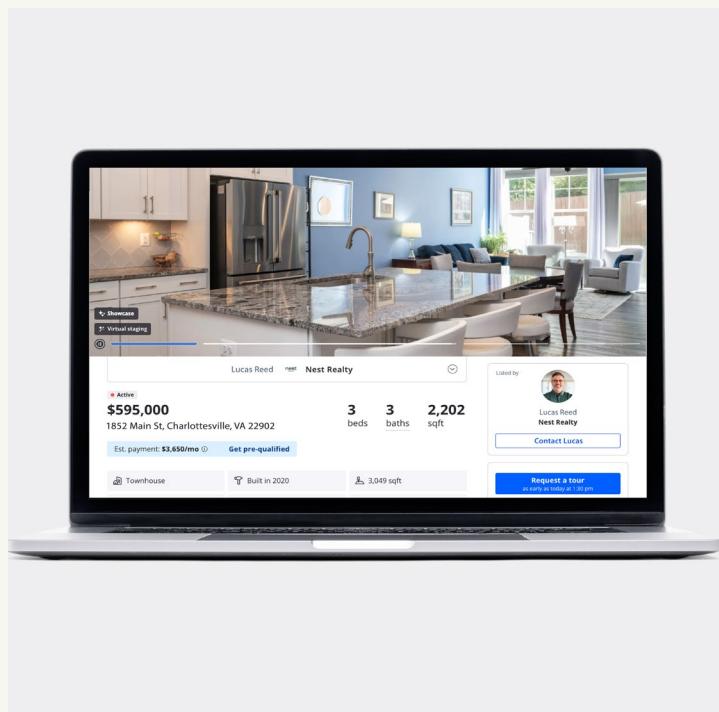
After 17 years, we launched a full Nest brand refresh in 2025: new logo, colors, signage, website... everything. The result is elevated marketing that helps your home stand out. This includes:

- Custom property websites, social media campaigns, and targeted email marketing that highlights your home to both local and out-of-town buyers.
- Clean, modern signage and beautifully designed print pieces to elevate your home's look and feel.

# Zillow Showcase: Boosting Visibility For Your Home

With more buyer traffic than any other real estate site, Zillow is often the first stop for today's buyers. With Nest's partnership with Zillow Showcase, we can give your listing a premium presence there so it stands out in a crowded feed. Nest Zillow Showcase listings receive 75% more page views, saves, and shares.

- Enhanced buyer experience with tools like immersive tours, interactive floor plans, and AI-powered staging that help them picture living there.
- Priority placement in Zillow search results and maps, which can mean more views and more serious buyers seeing your home first.



## Nest Seller's Advantage: Update Now, Pay at Closing

Nest Seller's Advantage provides you a line of credit to make improvements before you list your home. From paint to repairs, flooring to landscaping, Nest Seller's Advantage can help unlock your home's potential to achieve an optimal sale, with nothing due until closing.

- Unsecured personal line of credit up to \$50,000
- No impact on credit score when applying
- Freedom to use any contractor or vendor

For more information, including terms and conditions, visit [SellSmarterWithNest.com](http://SellSmarterWithNest.com)



2025  
Charlottesville  
MSA

# Local Market Review

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## Central Virginia's 2025 real estate market varied widely by county, driven by zoning, affordability, and new home construction trends.

As we head into 2026, there are mixed messages throughout the Central Virginia real estate market, and the old axiom of "all real estate is local" may be our mantra. Typically, while sales activity varies between counties and even neighborhoods, the contrast this past year by area signals something very different. As you'll see in the pages that follow, 2025 could not be categorized simply as an up or a down market across the greater Charlottesville area.

Last year, we remarked that limited inventory would constrain sales, and that certainly played out. As you look at the number of sales by county, you will see wild variations based largely on new home neighborhoods being built in some of our rural counties. That has resulted in increased listing activity as well as sales; and

the added inventory has kept prices in those counties at bay throughout the year.

In the center of our region (Charlottesville and Albemarle) there have been more new listings, but those available homes did not translate to more sales, and instead began creating larger and healthier inventory levels. Prices have been largely affected by the growth in some new construction areas. Albemarle County in particular saw a greater percentage of new homes being built that were detached and not townhouses, driving the median prices up.

Our 2025 market accentuated the broader economic message of affordability. As politicians point to local zoning decisions as impacting housing most directly, our area is the perfect example. In counties where large numbers of new homes have been available, they have driven larger sales numbers with lower price acceleration. In counties where development slows, prices have been increasing and affordability is strained. Expect the 2026 market to continue to follow new development opportunities driving growth outside the urban ring.

## All Properties

Charlottesville MSA

**+6.1%**

### Average Sales Price

The average sales price of all homes increased by 6.1% between 2024 and 2025.

**+5.1%**

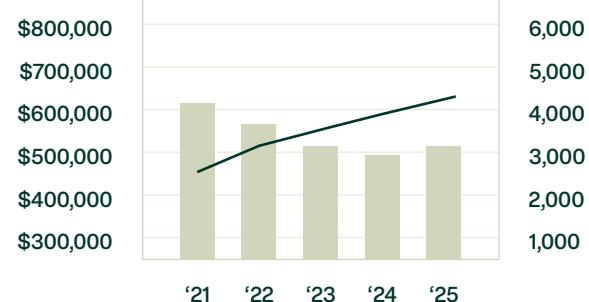
### Total Sales

The total sales of all homes increased by 5.1% between 2024 and 2025.

	2025	2024	% CHG
Total Sales	3,130	2,977	5.1%
Price per Sq. Ft.	\$268	\$259	3.5%
Days on Market	33	32	3.1%
Avg. Sales Price	\$630,424	\$594,430	6.1%

**In Charlottesville in 2025, on average, a listing stayed on the market for 3.1% more time and saw a 3.5% increase in price per square foot compared to 2024.**

— AVERAGE PRICE ■ TOTAL SALES



## Condos & Townhomes

**+0.9%**

### Average Sales Price

The average sales price of condos & townhomes increased by 0.9% between 2024 and 2025.

**+1.3%**

### Total Sales

The total sales of condos & townhomes increased by 1.3% between 2024 and 2025.

	2025	2024	% CHG
Total Sales	916	904	1.3%
Price per Sq. Ft.	\$260	\$255	2.0%
Days on Market	33	30	10.0%
Avg. Sales Price	\$448,254	\$444,256	0.9%

## Single Family Homes

**+7.4%**

### Average Sales Price

The average sales price of single family homes increased by 7.4% between 2024 and 2025.

**+6.8%**

### Total Sales

The total sales of single family homes increased by 6.8% between 2024 and 2025.

	2025	2024	% CHG
Total Sales	2,214	2,073	6.8%
Price per Sq. Ft.	\$271	\$260	4.2%
Days on Market	33	33	0.0%
Avg. Sales Price	\$705,793	\$657,217	7.4%

## City of Charlottesville



**1967**

Avg. Year Homes Built

**2,179**

Average Detached Sq. Ft.

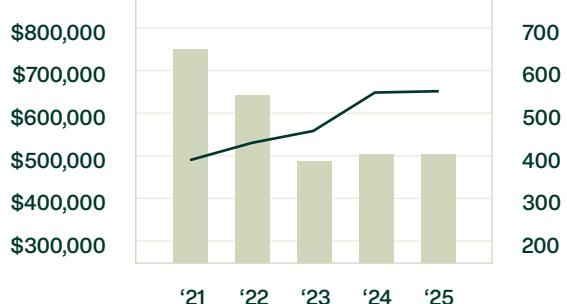
**3.9%**

% Homes <5 Years Old

**1,511**

Average Attached Sq. Ft.

— AVERAGE PRICE ■ TOTAL SALES



2025 2024 % CHG

	2025	2024	% CHG
Total Sales	403	401	0.5%
Price per Sq. Ft.	\$339	\$333	1.8%
Days on Market	29	26	11.5%
Avg. Sales Price	\$656,290	\$652,224	0.6%
Total Volume	\$264,484,870	\$261,541,824	1.1%

## Albemarle County



**2001**

Avg. Year Homes Built

**3,125**

Average Detached Sq. Ft.

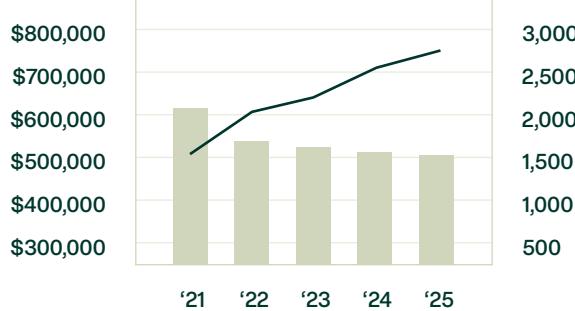
**33.7%**

% Homes <5 Years Old

**1,941**

Average Attached Sq. Ft.

— AVERAGE PRICE ■ TOTAL SALES

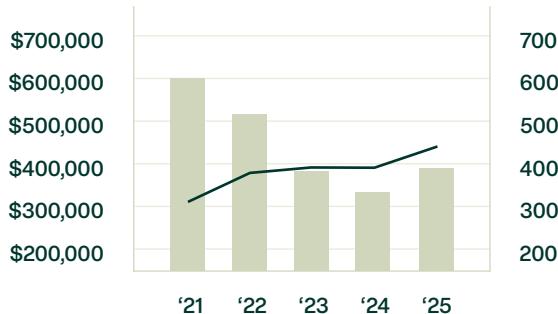


2025 2024 % CHG

	2025	2024	% CHG
Total Sales	1,506	1,538	-2.1%
Price per Sq. Ft.	\$278	\$261	6.5%
Days on Market	29	27	7.4%
Avg. Sales Price	\$751,336	\$709,646	5.9%
Total Volume	\$1,131,512,016	\$1,091,435,548	3.7%

## Fluvanna County

— AVERAGE PRICE ■ TOTAL SALES



	2025	2024	% CHG
Total Sales	393	333	18.0%
Price per Sq. Ft.	\$209	\$204	2.5%
Days on Market	38	25	52.0%
Avg. Sales Price	\$440,376	\$393,979	11.8%
Total Volume	\$173,067,768	\$131,195,007	31.9%



**1999**

Avg. Year Homes Built

**2,110**

Average Detached Sq. Ft.

**21.1%**

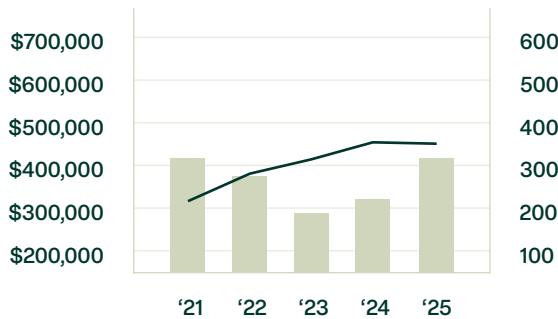
% Homes <5 Years Old

**1,762**

Average Attached Sq. Ft.

## Greene County

— AVERAGE PRICE ■ TOTAL SALES



	2025	2024	% CHG
Total Sales	319	211	51.2%
Price per Sq. Ft.	\$227	\$217	4.6%
Days on Market	24	31	-22.6%
Avg. Sales Price	\$455,387	\$458,175	-0.6%
Total Volume	\$145,268,453	\$96,674,925	50.3%



**2002**

Avg. Year Homes Built

**2,204**

Average Detached Sq. Ft.

**34.8%**

% Homes <5 Years Old

## Louisa County



**2007**

Avg. Year Homes Built

**2,266**

Average Detached Sq. Ft.

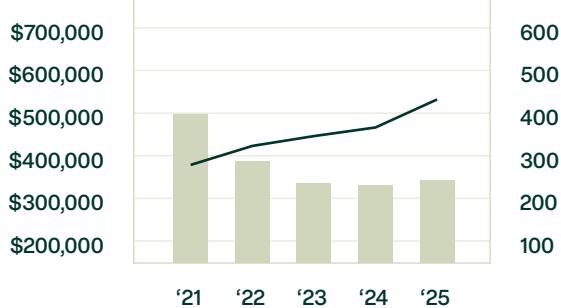
**44.5%**

% Homes <5 Years Old

**2,357**

Average Attached Sq. Ft.

— AVERAGE PRICE ■ TOTAL SALES



2025 2024 % CHG

	2025	2024	% CHG
Total Sales	241	228	5.7%
Price per Sq. Ft.	\$233	\$224	4.0%
Days on Market	47	40	17.5%
Avg. Sales Price	\$525,605	\$472,266	11.3%
Total Volume	\$126,670,805	\$107,676,648	17.6%

## Nelson County



**1984**

Avg. Year Homes Built

**2,375**

Average Detached Sq. Ft.

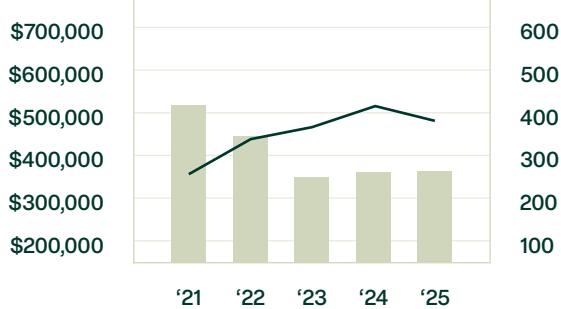
**3.3%**

% Homes <5 Years Old

**1,118**

Average Attached Sq. Ft.

— AVERAGE PRICE ■ TOTAL SALES



2025 2024 % CHG

	2025	2024	% CHG
Total Sales	268	266	0.8%
Price per Sq. Ft.	\$274	\$269	1.9%
Days on Market	48	55	-12.7%
Avg. Sales Price	\$493,368	\$507,899	-2.9%
Total Volume	\$132,222,624	\$135,101,134	-2.1%



# Nest Realty

## 2025 at a Glance

### #1 Firm in Central Virginia

For 13 consecutive years, Nest Realty has led the Charlottesville MSA in total sales and volume, a success built on delivering the best client experience.

**\$820M**

During 2025, Nest Realty agents assisted their clients in buying and selling more than \$820 Million worth of real estate.

**34%**

A Nest agent was involved in more than a third of all transactions in the MSA during 2025.

**1,300**

We were proud to help more than 1,300 buyers and sellers realize their goals this year.



[charlottesville.nestrealty.com](http://charlottesville.nestrealty.com)

