



nest
REALTY

2025 Nest Market Report

New River Valley 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.

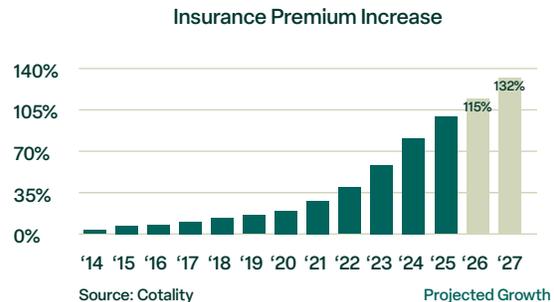
As we enter 2026, housing affordability remains one of the most influential forces shaping the market. Rising insurance costs and lagging wage growth continue to pressure buyers, even as conditions gradually stabilize.

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

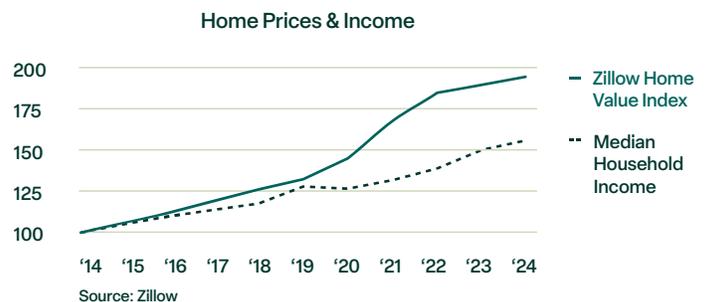
1. Insurance Premium Growth

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



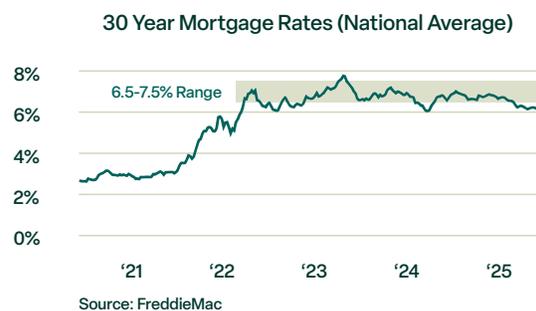
2. Home Prices and Income

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 New River Valley 2025 at a Glance

19

19 Team Members | Our team grew! We now have 19 full-time Nesters to guide you through your real estate journey.

12+

12+ Community Initiatives | As a brokerage, we supported our community in more than a dozen meaningful ways this year—and our agents contributed through their own involvement as well.

14

14 Years in the NRV | We proudly celebrated 14 years of serving the New River Valley.



2025
New River Valley
MSA

Local Market Review

A steadier, more balanced New River Valley market emerged in 2025.

As we look back on 2025, the New River Valley market finally felt less like a rollercoaster and more like a steady reset. With mortgage rates holding in the mid-6% range, some buyers stayed on the sidelines, but serious buyers found the market stable enough to make confident decisions. Inventory rose modestly compared to 2024, giving buyers more options and easing the bidding-war intensity of previous years. Prices followed suit, shifting from rapid appreciation to more measured gains. While not yet a true buyer's market, the NRV moved noticeably closer to balance.

Communities like Blacksburg, Christiansburg, and Radford remained strong, supported by the continued draw of Virginia Tech and Radford University.

Well-priced, move-in-ready homes continued to attract strong interest, while listings that didn't adjust to shifting conditions saw longer days on market and increased negotiation.

Sales activity suggests the market settled into a new rhythm. The first half of the year was quieter as buyers adjusted to higher borrowing costs, but activity became more consistent as the year progressed. Across most of the region, appreciation in 2025 was modest but steady.

For us at Nest Realty, 2025 reaffirmed what we've long believed about the New River Valley: even in a higher-rate environment, this remains a healthy, sought-after market shaped by strong employment, exceptional lifestyle, and a deep sense of community. As we enter into 2026, gradual improvements in affordability and a slow but steady rise in inventory should continue to bring the market closer to balance—creating opportunities for both buyers and sellers.

All Properties

New River Valley MSA

+4.5%

Average Sales Price

The average sales price of all homes increased by 4.5% between 2024 and 2025.

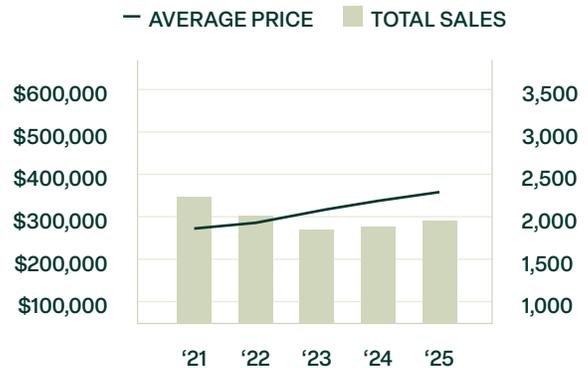
+4.5%

Total Sales

The total sales of all homes increased by 4.5% between 2024 and 2025.

	2025	2024	% CHG
Total Sales	1,952	1,868	4.5%
Price per Sq. Ft.	\$185	\$178	3.9%
Days on Market	43	37	16.2%
Avg. Sales Price	\$351,681	\$336,675	4.5%

In NRV in 2025, on average, a listing stayed on the market for 16.2% more time and saw a 3.9% increase in price per square foot compared to 2024.



Condos & Townhomes

+5.4%

Average Sales Price

The average sales price of condos & townhomes increased by 5.4% between 2024 and 2025.

+16.3%

Total Sales

The total sales of condos & townhomes increased by 16.3% between 2024 and 2025.

	2025	2024	% CHG
Total Sales	299	257	16.3%
Price per Sq. Ft.	\$217	\$212	2.4%
Days on Market	40	27	48.1%
Avg. Sales Price	\$344,753	\$327,111	5.4%

Single Family Homes

+4.4%

Average Sales Price

The average sales price of single family homes increased by 4.4% between 2024 and 2025.

+2.6%

Total Sales

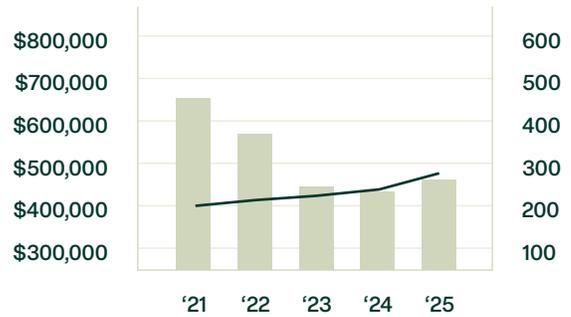
The total sales of single family homes increased by 2.6% between 2024 and 2025.

	2025	2024	% CHG
Total Sales	1,653	1,611	2.6%
Price per Sq. Ft.	\$179	\$172	4.1%
Days on Market	44	39	12.8%
Avg. Sales Price	\$352,933	\$338,201	4.4%



Blacksburg

— AVERAGE PRICE ■ TOTAL SALES



% of Homes Less than
5 Years Old

8.8%

Average Sq. Ft. of
Detached Homes

2,608

Average Sq. Ft. of
Attached Homes

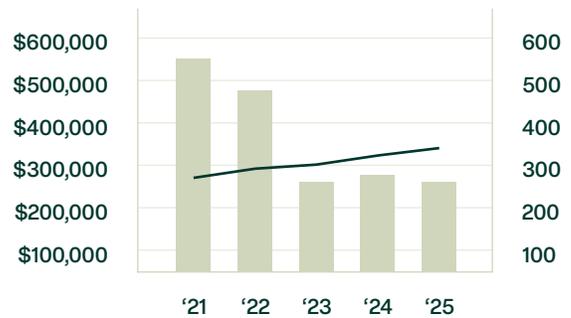
1,481

	2025	2024	% CHG
Total Sales	263	232	13.4%
Price per Sq. Ft.	\$240	\$231	3.9%
Days on Market	43	28	53.6%
Avg. Sales Price	\$482,206	\$436,927	10.4%
Total Volume	\$126,820,102	\$101,367,131	25.1%



Christiansburg

— AVERAGE PRICE ■ TOTAL SALES



% of Homes Less than
5 Years Old

8.4%

Average Sq. Ft. of
Detached Homes

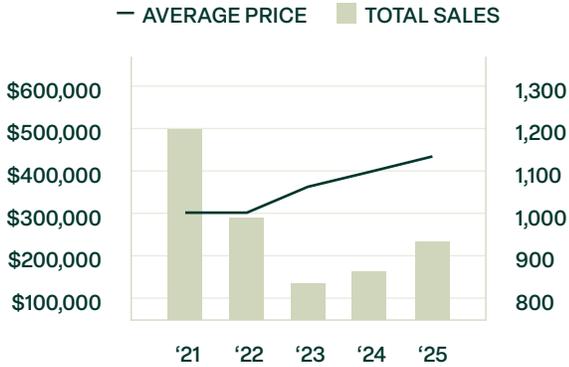
2,027

Average Sq. Ft. of
Attached Homes

1,718

	2025	2024	% CHG
Total Sales	262	282	-7.1%
Price per Sq. Ft.	\$183	\$179	2.2%
Days on Market	31	32	-3.1%
Avg. Sales Price	\$342,444	\$322,775	6.1%
Total Volume	\$89,720,340	\$91,022,773	-1.4%

Montgomery County



	2025	2024	% CHG
Total Sales	929	869	6.9%
Price per Sq. Ft.	\$207	\$200	3.5%
Days on Market	41	33	24.2%
Avg. Sales Price	\$427,790	\$398,250	7.4%
Total Volume	\$397,417,186	\$346,079,498	14.8%

% of Homes Less than 5 Years Old

15.4%

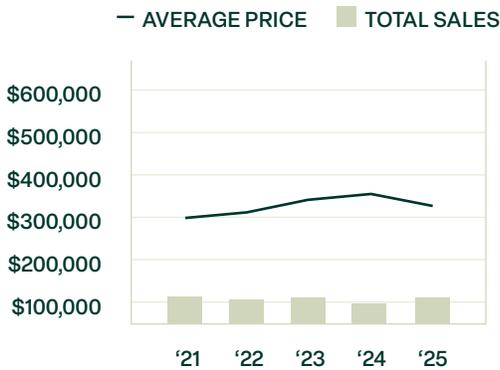
Average Sq. Ft. of Detached Homes

2,307

Average Sq. Ft. of Attached Homes

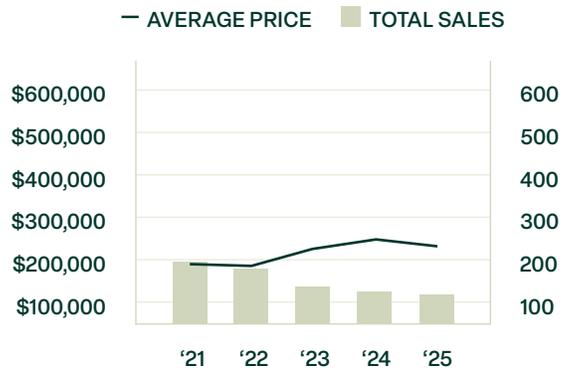
1,628

Floyd County



	2025	2024	% CHG
Total Sales	101	99	2.0%
Price per Sq. Ft.	\$206	\$209	-1.4%
Days on Market	48	55	-12.7%
Avg. Sales Price	\$321,766	\$364,386	-11.7%
Total Volume	\$32,498,350	\$36,074,237	-9.9%

Giles County

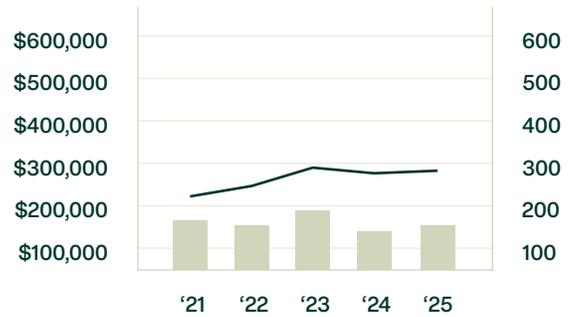


	2025	2024	% CHG
Total Sales	122	124	-1.6%
Price per Sq. Ft.	\$142	\$137	3.6%
Days on Market	45	46	-2.2%
Avg. Sales Price	\$234,317	\$240,281	-2.5%
Total Volume	\$28,586,646	\$29,794,941	-4.1%

City of Radford



— AVERAGE PRICE ■ TOTAL SALES



% of Homes Less than 5 Years Old **13.1%**

Average Sq. Ft. of Detached Homes **1,818**

Average Sq. Ft. of Attached Homes **1,552**

	2025	2024	% CHG
Total Sales	152	146	4.1%
Price per Sq. Ft.	\$167	\$159	5.0%
Days on Market	40	24	66.7%
Avg. Sales Price	\$286,521	\$283,255	1.2%
Total Volume	\$43,551,265	\$41,355,300	5.3%

Pulaski County

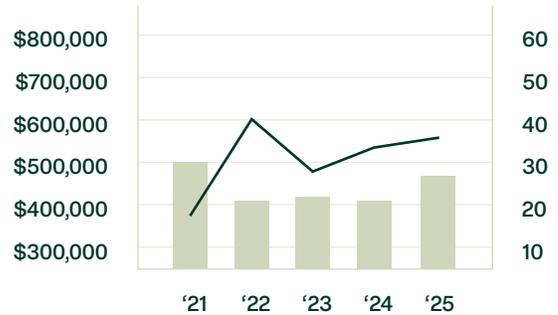
— AVERAGE PRICE ■ TOTAL SALES



	2025	2024	% CHG
Total Sales	372	354	5.1%
Price per Sq. Ft.	\$160	\$148	8.1%
Days on Market	45	37	21.6%
Avg. Sales Price	\$267,934	\$273,318	-2.0%
Total Volume	\$99,671,513	\$96,754,670	3.0%

Claytor Lake

— AVERAGE PRICE ■ TOTAL SALES



	2025	2024	% CHG
Total Sales	27	21	28.6%
Price per Sq. Ft.	\$308	\$241	27.8%
Days on Market	61	52	17.3%
Avg. Sales Price	\$558,530	\$538,805	3.7%
Total Volume	\$15,080,310	\$11,314,900	33.3%



Community *First*

Organizations our Nesters Support

This past year was no different from those before: we remained committed to giving back to the community that supports us. From sponsoring local events and school programs to collaborating with small businesses for the benefit of local organizations, we've made it a priority to invest in the people and places that make the New River Valley special. Supporting our community is at the heart of what we do, because real estate is about more than houses—it's about the lives built within them.

Humane Society of the NRV hsotnr.org | **Inmate Family Assistance of the NRV** ifaofthenrv.com |
Intellectual Disabilities Agency of the NRV idanrv.org | **The Mayapple School** mayapple.org | **Micah's
Backpack** micahsbackpack.org | **New River Land Trust** newriverlandtrust.org | **The Salvation Army NRV**
southernusa.salvationarmy.org/nrv/ | **The Women's Resource Center of the NRV** wrcnr.org | **Wonder
Universe: A Children's Museum** wonderuniverse.org

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