

# 2024 Nest Market Report

CHARLOTTESVILLE AREA



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.

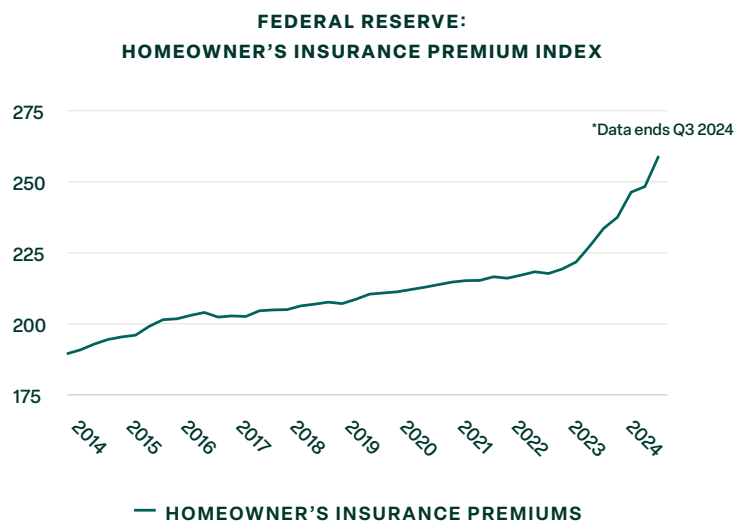
Despite demand consistently outpacing supply for years, ongoing inventory issues, and relatively stable mortgage rates, buyer confidence has not recovered enough to spark a market rebound. Home sales in 2024 are expected to finish about 5% lower than in 2023, largely due to limited inventory—and increasingly,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

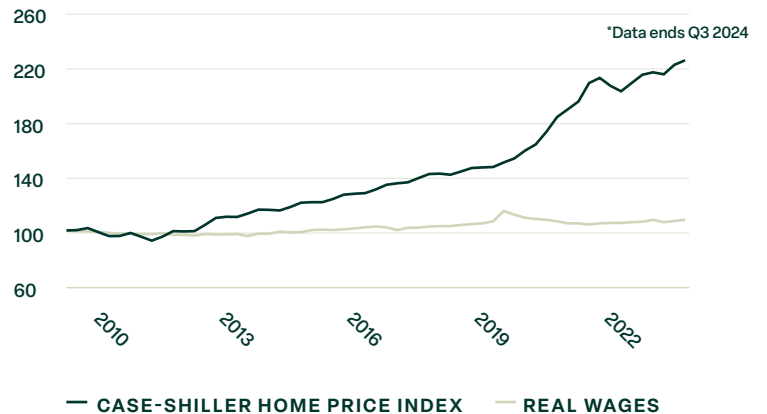
Currently, housing costs account for an average of 32.9% of household expenses. Higher interest rates have pushed homeownership further out of reach for many families, with escalating prices and insurance costs adding to the strain. In response, builders have focused on offering smaller, more affordable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

# Organizations our Nesters Support

In 2024 Nest partnered with more than 20 local organizations in the greater Charlottesville area, donating more than \$30,000 through charitable giving, local fundraising events, and community sponsorships.

We formed the Charitable Giving Committee in 2023 with the goal of diversifying our community involvement and providing our entire team input in allocating targeted donations. In 2024 we partnered with these organizations:

- **New City Arts SOUP Event**
- **Habitat for Humanity**
- **Piedmont CASA Bracket Breakfast**
- **The Haven Run For Home**
- **Stepping Stone - Elise Loehnen**
- **Virginia Film Festival**
- **Meals on Wheels: Music for Meals**
- **Loop de'Ville**
- **The Women's Initiative - Women's Day Out**
- **Rivanna Conservation Alliance - RiverFest**
- **The Hummingbird Fund**
- **Building Goodness - Builders' Society**
- **Reclaimed Hope Initiative - Fundraiser & Auction**
- **Oeneverse 2 Up 2 Down Wine Festival**
- **Nelson County High School Athletics**
- **The Nature Foundation Memorial Golf Classic**
- **Nelson County Parks & Recreation - Cover the Caboose**
- **Hoover Ridge Park - Summer Concert Series**
- **Charlottesville Community Bikes**
- **International Resource Center**





## ORGANIZATION SPOTLIGHT

# *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)

## Our Partnership

In 2024 Nest Realty and our agents collectively donated \$14,000 to UVA Health Children's. We're proud of the impacts that we have helped to make to the children and their families served by UVA Health Children's.

# 10

### YEARS PARTNERED

This year marks the tenth year Nest has partnered with UVA Health Children's.

# \$185K

### DONATED

Since 2015, Nest has donated \$185K to UVA Health Children's.

# 55%

### RECEIVE ASSISTANCE

55% of UVA Health Children's patients benefit from financial assistance.

# AHIP (Albemarle Housing Improvement)

Since its founding in 1976, AHIP has been a vital resource, providing essential repairs and rehabilitation to homeowners in need. Their mission is to ensure that safe, affordable housing remains accessible to our neighbors in Charlottesville and Albemarle.



AHIP partners with local governments, housing organizations, volunteers, and donors to improve homes, preserve family assets, revitalize neighborhoods, and protect our community's affordable housing stock.

If you're looking for a way to make an impact, consider donating, becoming an AHIP Ambassador, partnering with AHIP as a business, or volunteering your time!

NEST REALTY'S

# Day of Giving



We held our third annual Nest Day of Giving on Tuesday, December 3rd, 2024. Nest agents and staff from our three Charlottesville-area offices (Charlottesville, Nelson, and Greene) came together to volunteer their time at five local community organizations. Our team worked on preparing and delivering meals, building care packages, and helping care for the environment.

Here's an overview of the community organizations we supported during our 2024 Day of Giving:

## **RONALD MCDONALD HOUSE CHARLOTTESVILLE** [rmhcharlottesville.org](http://rmhcharlottesville.org)

The Ronald McDonald House of Charlottesville provides a temporary “home-away-from-home” for families whose children are undergoing treatment for serious illnesses or injuries in Charlottesville. The House helps lessen the burden, reduce stress, and keep families together during challenging times by offering affordable housing in a caring, home-like atmosphere. Each year, the Ronald McDonald House hosts between 800 and 1,000 family stays.



## **RIVANNA CONSERVATION ALLIANCE**

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

Founded in 2016, the Rivanna Conservation Alliance (RCA) is a nonprofit watershed organization focused on protecting and cleaning the Rivanna River and its tributaries. Their vision is a healthy Rivanna River and watershed that benefits an engaged community. Their Mission is to work with the community to conserve the Rivanna River and its tributaries through monitoring, restoration, education, and advocacy.

## **STEPPING STONE**

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

Stepping Stone is a local nonprofit dedicated to ensuring a healthy and safe start to life for children from under-resourced families in Charlottesville and Albemarle County. They provide essential items for children from infancy to age three, helping families who struggle to afford basic necessities like clothing, diapers, and toys.

## **WILD ROCK**

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

Wild Rock is a nonprofit organization focused on promoting nature play to improve health and well-being. Wild Rock creates opportunities for people to reconnect with the natural world. Their mission is based on evidence showing that a connection to nature fosters social, emotional, physical, and intellectual development in childhood and beyond.

## **MEALS ON WHEELS**

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

Serving the Charlottesville/Albemarle community since 1977, Meals on Wheels provides hot, nutritious meals and wellness checks to homebound individuals. The organization aims to improve health, support independence, and maintain dignity for those unable to access or prepare food themselves.

## **BOTANICAL GARDEN OF THE PIEDMONT**

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

The Botanical Garden of the Piedmont's mission is to welcome everyone to engage with nature, inspire learning about plants, and promote sustainability and environmental well-being. The Garden is committed to inclusivity, inviting everyone—whether visitors, supporters, volunteers, or staff—to contribute to its mission of fostering both human and environmental well-being.







## 2024 MSA OVERVIEW | CHARLOTTESVILLE, VA

# Real Estate Was Local — And 2024 Proved It

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Looking back at 2024, it's clear that real estate remains deeply local. Nationally, home sales were slightly higher compared to 2023, but regionally, through October of 2024, we saw a drop of more than 7% in the number of sales. However, this decline doesn't tell the full story. Some counties, like Greene, saw sales increase by over 12%, while others, like Fluvanna, experienced declines of nearly 20%.

Price trends were more consistent across the region, with every county seeing increases in median prices. The City of Charlottesville led the way, with year-over-year prices rising by more than 15%.

These numbers didn't surprise those who were closely tracking the market throughout the year. With inventory remaining tight and mortgage rates still historically low for much of the year, homes were still selling across all areas. However, listing agents knew that demand was higher in some locations than others. As new listings began to more closely match demand, and buyers were able to take more time in their decisions, we saw the City continue to surge, while suburban and rural areas began to soften. Greene was an interesting outlier, with moderate price growth but a significant uptick in sales.

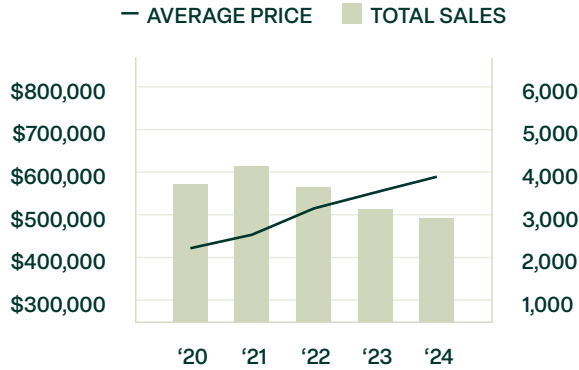
### **The Challenge of Timing the Market**

Many buyers tried to time interest rate dips, jumping in when mortgage rates fell—even if just for a week. But, as we all saw, timing the market is always tricky. Although mortgage rates were somewhat volatile throughout 2024, they didn't experience the long-term drops that economists had predicted in late 2023. Heading into 2025, stability in mortgage rates seems to be the consensus forecast.

### **Looking Ahead to 2025 and Beyond**

As we move into 2025, there's optimism that more new listings will come to market, and overall inventory will begin to recover. It's been nearly a decade since we've had a healthy supply of homes, and it's clear that the demand for housing has outpaced supply for much of the last few years. New construction has surged to meet that demand, but we'll need to watch whether labor and material costs can remain manageable enough to keep pricing competitive. Shifts in tariffs or immigration policies could still impact the balance of supply and demand moving forward.

## ALL PROPERTIES



	2024	2023	% CHG
Total Sales	2,977	3,103	-4.1
Price per Sq. Ft.	\$259	\$252	2.8
Days on Market	32	31	4.2
Avg. Sales Price	\$594,430	\$558,587	6.4

In 2024, on average, a listing stayed on the market for 4.2% more time and saw a 2.8% increase in price per square foot compared to 2023.

### AVG. PRICE

# +6.4%

In 2024 the average sales price was \$594,430 compared to \$558,587 in 2023.

### TOTAL SALES

# -4.1%

In 2024 there were 2,977 total sales compared to 3,103 in 2023.

## CONDO/TOWNHOME

### AVG. PRICE

# +7%

In 2024 the average sales price was \$444,256 compared to \$415,227 in 2023.

### TOTAL SALES

# -4.5%

In 2024 there were 904 total sales compared to 947 in 2023.

	2024	2023	% CHG
Total Sales	904	947	-4.5
Price per Sq. Ft.	\$255	\$239	6.7
Days on Market	30	24	25.8
Avg. Sales Price	\$444,256	\$415,227	7.0

## SINGLE FAMILY

### AVG. PRICE

# +5.7%

In 2024 the average sales price was \$657,217 compared to \$621,556 in 2023.

### TOTAL SALES

# -3.8%

In 2024 there were 2,073 total sales compared to 2,156 in 2023.

	2024	2023	% CHG
Total Sales	2,073	2,156	-3.8
Price per Sq. Ft.	\$260	\$244	6.6
Days on Market	33	33	0.0
Avg. Sales Price	\$657,217	\$621,556	5.7

## CITY OF CHARLOTTESVILLE



AVG. YEAR HOMES BUILT

1969

AVG. DETACHED SQ. FT.

2,081

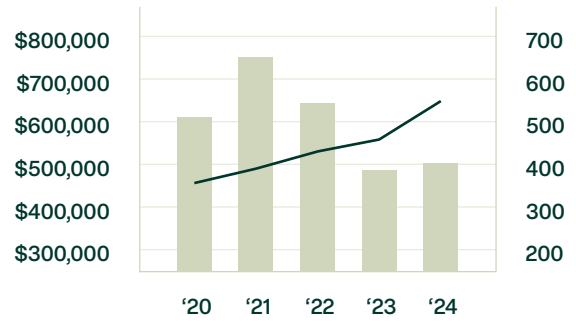
% OF HOMES <5 YEARS OLD

5.4%

AVG. ATTACHED SQ. FT.

1,453

— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	401	392	2.3
Price per Sq. Ft.	\$333	\$307	8.5
Days on Market	26	24	8.3
Avg. Sales Price	\$652,224	\$557,908	16.9
Total Volume	\$261,541,824	\$218,700,092	19.6

## ALBEMARLE COUNTY



AVG. YEAR HOMES BUILT

1998

AVG. DETACHED SQ. FT.

3,093

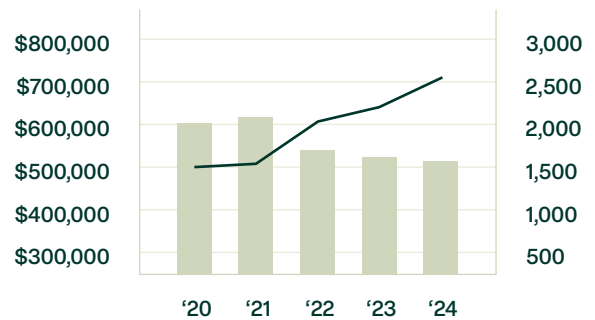
% OF HOMES <5 YEARS OLD

27.4%

AVG. ATTACHED SQ. FT.

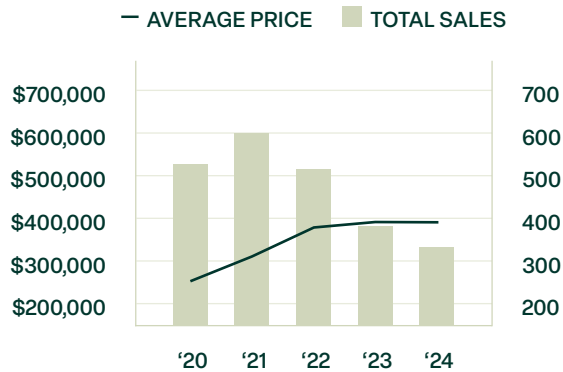
1,858

— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	1,538	1,662	-7.5
Price per Sq. Ft.	\$261	\$246	6.1
Days on Market	27	27	0.0
Avg. Sales Price	\$709,646	\$641,562	10.6
Total Volume	\$1,091,435,548	\$1,066,276,232	2.4

## FLUVANNA COUNTY



	2024	2023	% CHG
Total Sales	333	383	-13.1
Price per Sq. Ft.	\$204	\$194	5.2
Days on Market	25	35	-28.6
Avg. Sales Price	\$393,979	\$394,966	-0.2
Total Volume	\$131,195,007	\$151,271,831	-13.3



AVG. YEAR HOMES BUILT

1999

AVG. DETACHED SQ. FT.

2,128

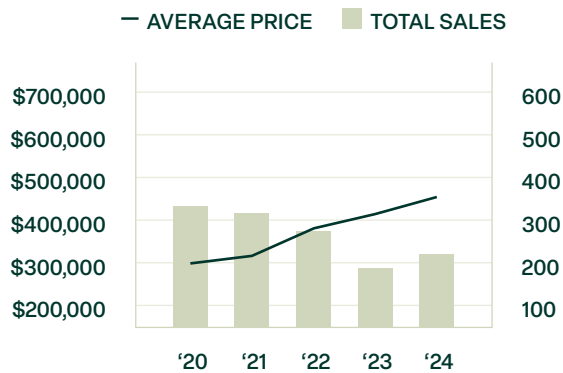
% OF HOMES <5 YEARS OLD

19.5%

AVG. ATTACHED SQ. FT.

1,644

## GREENE COUNTY



	2024	2023	% CHG
Total Sales	211	185	14.1
Price per Sq. Ft.	\$217	\$205	5.9
Days on Market	31	36	-13.9
Avg. Sales Price	\$458,175	\$421,625	8.7
Total Volume	\$96,674,925	\$78,000,715	23.9



AVG. YEAR HOMES BUILT

1996

AVG. DETACHED SQ. FT.

2,204

% OF HOMES <5 YEARS OLD

15.2%

AVG. ATTACHED SQ. FT.

N/A

## LOUISIA COUNTY



AVG. YEAR HOMES BUILT

2003

AVG. DETACHED SQ. FT.

2,173

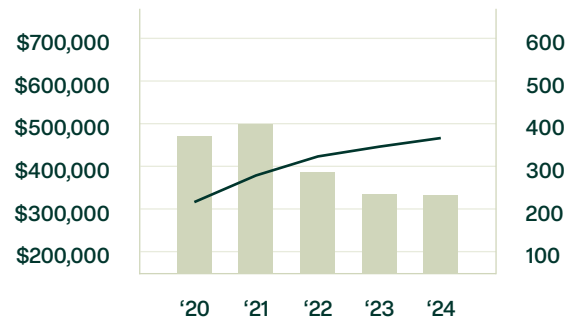
% OF HOMES <5 YEARS OLD

40%

AVG. ATTACHED SQ. FT.

2,330

— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	228	231	-1.3
Price per Sq. Ft.	\$224	\$211	6.2
Days on Market	40	44	-9.1
Avg. Sales Price	\$472,266	\$444,725	6.2
Total Volume	\$107,676,648	\$102,731,403	4.8

## NELSON COUNTY



AVG. YEAR HOMES BUILT

1948

AVG. DETACHED SQ. FT.

2,465

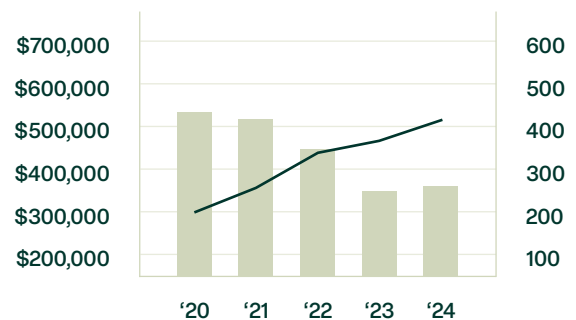
% OF HOMES <5 YEARS OLD

2.7%

AVG. ATTACHED SQ. FT.

1,092

— AVERAGE PRICE ■ TOTAL SALES



	2024	2023	% CHG
Total Sales	266	250	6.4
Price per Sq. Ft.	\$269	\$250	7.6
Days on Market	55	41	34.1
Avg. Sales Price	\$507,899	\$465,256	9.2
Total Volume	\$135,101,134	\$116,314,104	16.2



# Nest Charlottesville 2024 Overview

Our success as a brokerage extends beyond the number of transactions in 2024. This year we are celebrating 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 Charlottesville.

## Quick Stats

# 41K

**FRIENDS OF NEST  
MAILERS**

This year, we sent out 41,000 Friends of Nest mailers.

# 208

**LOCAL EVENTS  
PROMOTED**

We promoted 208 local events via Nest Charlottesville Social Media in 2024

# 10

**PUZZLES  
COMPLETED**

Nest agents completed ten 1,000-piece puzzles in our Charlottesville Office.



[nestrealty.com/charlottesville](https://www.nestrealty.com/charlottesville)

