

THE NEST REPORT

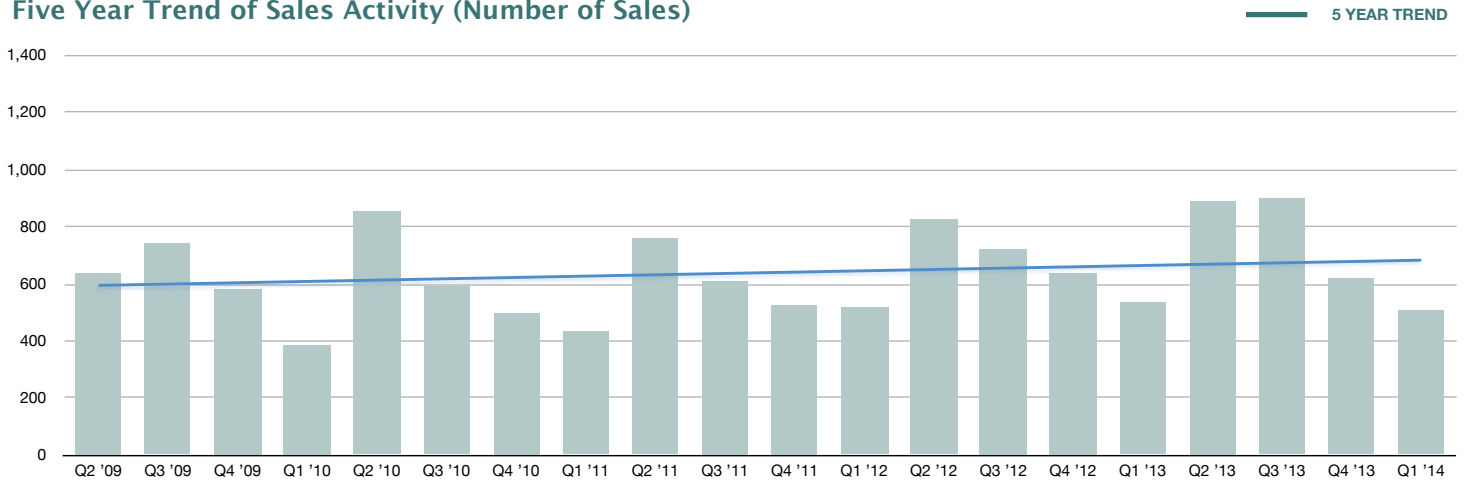
Charlottesville / Central Virginia Region

Q1 2014

Central Virginia/Charlottesville MSA Real Estate Market Snapshot

With Q1 2014 total sales decreasing by 5.59% compared to Q1 2013, this is the first time in five years that Q1 sales have dropped. Single family homes saw less of a drop in sales from Q1 2013 (-4.76%) than attached homes and condos which decreased by 8.85% collectively. The drop in Q1 sales is perhaps in part due to the winter weather curbing buyer demand. Given that the decrease in the number of contracts written was comparable to the drop in sales, we will be keeping a close eye on how the market develops in Q2 this year.

Five Year Trend of Sales Activity (Number of Sales)



Although total sales decreased this quarter, other metrics of the market's performance were positive, especially for sellers and those considering listing their home. Median prices rose significantly across the market with the attached/condo segment experiencing the largest increase in median price at 18.18%. Average days on market were also down this quarter in comparison to Q1 2013 (103 vs. 120) indicating that buyer demand is growing stronger. Inventory levels rose by nearly 8% across the MSA, but with the drop in sales, months of inventory also rose by 4.8% over Q1 2013.

MSA (Albemarle, Charlottesville, Fluvanna, Greene, Louisa, and Nelson)

		Average List Price	Average Sale Price	Median Sale Price	Price per Square Foot	Avg Days on Market	Total Sales	Total Inventory	Months of Inventory
Single Family	Q1 2014	\$370,749	\$352,568	\$256,000	\$133.00	103	403	1935	11.79
	Change	17.1%	17.2%	6.2%	4.7%	-14.2%	-4.5%	8.8%	4.8%
	Q1 2013	\$316,523	\$300,836	\$241,000	\$127.00	120	422	1779	11.25
	Change	-1.1%	-1.0%	-5.1%	5.0%	7.1%	9.6%	-1.1%	10.7%
	Q1 2012	\$320,023	\$303,852	\$254,000	\$121.00	112	385	1799	10.16

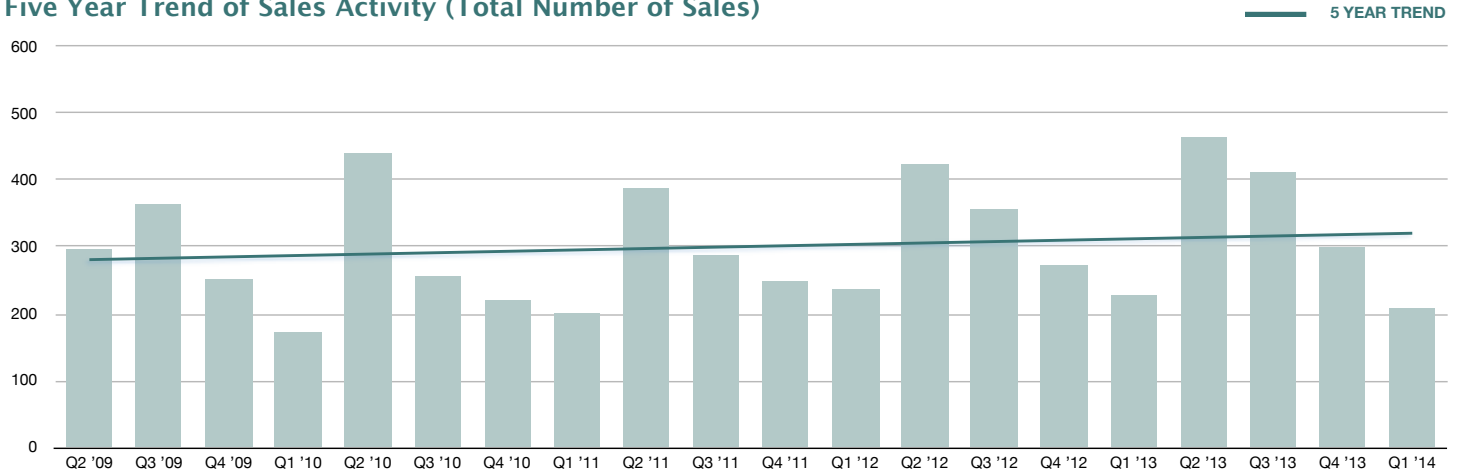
		Average List Price	Average Sale Price	Median Sale Price	Price per Square Foot	Avg Days on Market	Total Sales	Total Inventory	Months of Inventory
Attached / Condo	Q1 2014	\$256,640	\$250,132	\$218,750	\$151.00	99	104	493	12.32
	Change	27.9%	28.6%	19.5%	10.2%	-30.8%	-9.6%	9.1%	20.0%
	Q1 2013	\$200,633	\$194,543	\$183,000	\$137.00	143	115	452	10.27
	Change	-7.5%	-8.1%	-9.4%	-2.1%	16.3%	-11.5%	-4.2%	15.4%
	Q1 2012	\$216,886	\$211,623	\$201,987	\$140.00	123	130	472	8.90

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Albemarle County Real Estate Market Snapshot

Consistent with the Charlottesville MSA's sales levels this quarter, total sales in Albemarle County also decreased, dropping by 9.6% in comparison to Q1 2013 (207 vs. 229). This marks the second year in a row in which Q1 sales have decreased on a year-over-year basis. Single family sales were impacted the most, decreasing by nearly 16% over Q1 2013 (134 vs. 159), while condo sales levels remained fairly steady (15 vs. 16) and attached sales levels actually rose by over 7% from Q1 2013 (58 vs. 54).

Five Year Trend of Sales Activity (Total Number of Sales)



On a quarter-over-quarter basis, median sales prices were down slightly in most property categories, but have increased significantly since Q1 2013. With the exception of condominiums, average days on market have decreased in the Albemarle with single family homes seeing a 13.1% decrease and attached home seeing a 1.1% decrease over Q1 2013. Mirroring the MSA as a whole, contract numbers were also down on the whole over Q1 2013, but surprisingly the number of contracts written for condos, which had been decreasing in popularity of late, increased over Q1 2013 (23 vs. 15).

	Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Avg \$ PSF	Total Sales #	
Single Family	Q1 2014	582,735	547,619	385,976	113	\$160	134
	Change	-5.5%	-2.2%	-4.7%	27.0%	-4.2%	-38.0%
	Q4 2013	616,676	559,800	405,000	89	\$167	216
	Q1 2014	582,735	547,619	385,976	113	\$160	134
	Change	31.3%	31.3%	20.4%	-13.1%	6.7%	-15.7%
	Q1 2013	443,746	416,968	320,500	130	\$150	159

	Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Avg \$ PSF	Total Sales #	
Attached	Q1 2014	286,170	285,533	240,000	92	\$141	58
	Change	-2.8%	-1.6%	-10.3%	8.2%	-4.1%	-7.9%
	Q4 2013	294,485	290,075	267,480	85	\$147	63
	Q1 2014	286,170	285,533	240,000	92	\$141	58
	Change	27.8%	29.2%	14.3%	-1.1%	12.8%	7.4%
	Q1 2013	223,956	220,984	210,050	93	\$125	54

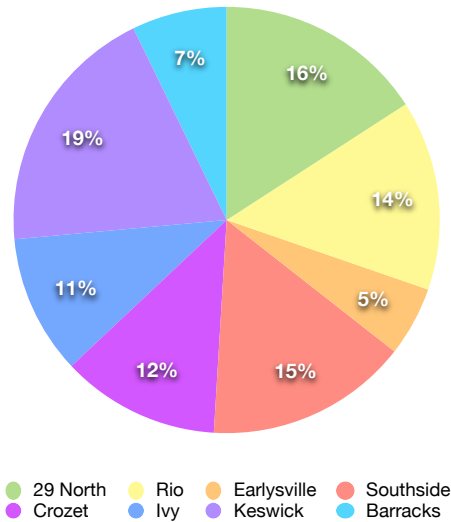
	Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Avg \$ PSF	Total Sales #	
Condos	Q1 2014	200,876	189,720	145,000	90	\$147	15
	Change	44.0%	42.2%	38.1%	2.3%	21.5%	-21.1%
	Q4 2013	139,545	133,393	105,000	88	\$121	19
	Q1 2014	200,876	189,720	145,000	90	\$147	15
	Change	51.6%	50.1%	62.5%	164.7%	36.1%	-6.3%
	Q1 2013	132,493	126,406	89,250	34	\$108	16

Contracts Written

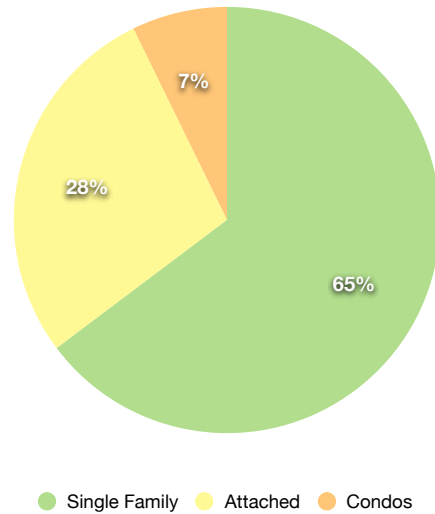
	Q1 2013	Q1 2014	Change
Single Family	281	242	-13.9%
Attached	96	100	4.2%
Condos	15	23	53.3%

Albemarle County Market Snapshot (Part 2)

Albemarle County Sales by Sub-Area

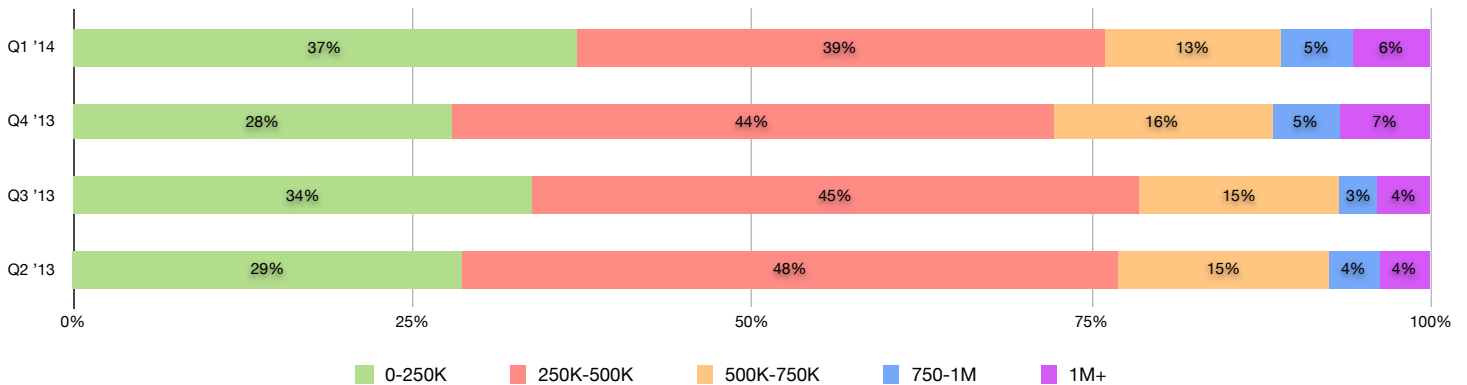


Albemarle County Sales by Type



The Keswick, 29 North, and Southside areas saw the most sales activity throughout Albemarle in Q1 2014. These areas have seen consistent levels of sales activity quarter after quarter over the past year. Sales in Crozet decreased slightly, making up a smaller proportion of the sales in the county. With sales levels in Crozet typically bolstered by new construction, lower levels of construction activity, typical of Q1, was likely the reason for decreased sales this quarter. Sales distribution across property types remained consistent with previous quarters. Condos continued their trend of declining in terms of sales distribution.

Albemarle County Percent of Sales by Price Range

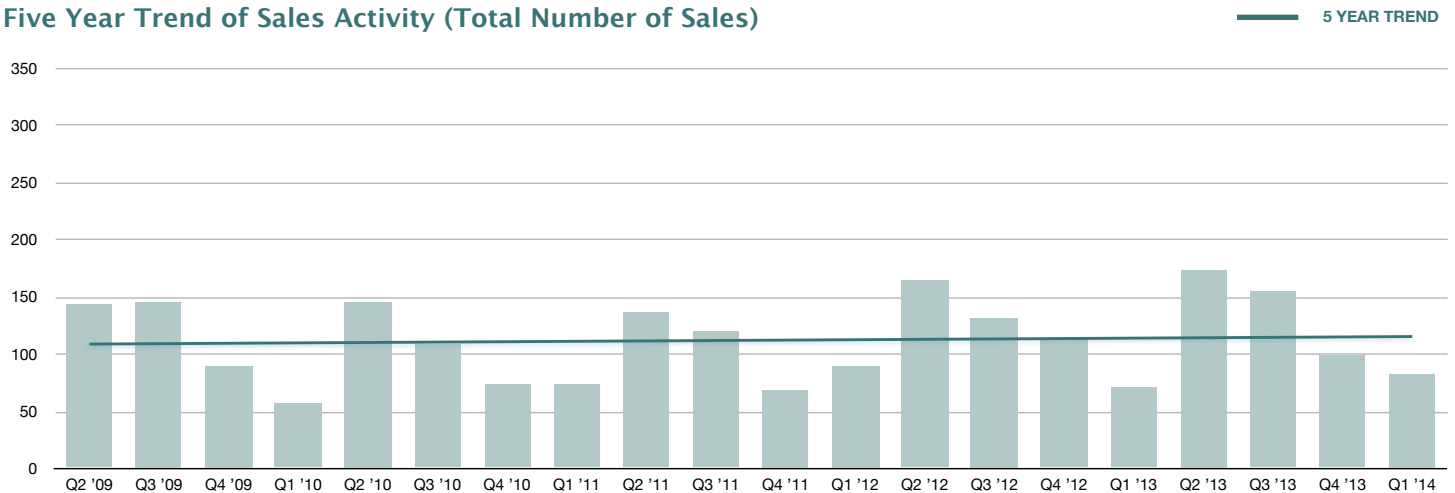


Home sales in the sub-500K category continue to make up a significant majority (76%) of sales in Albemarle County which is consistent with the price distributions over the past four quarters. The 750K+ category made up 11% of Q1 2014 sales which is a significant increase over Q1 2013 in which the 750K+ category made up only 7% of sales. Overall, sales distributions have remained relatively stable over the past year.

Charlottesville City Real Estate Market Snapshot

After a relatively disappointing Q1 for the City of Charlottesville in 2013, Q1 2014 sales increased 18.3% over Q1 2013 with a total of 84 homes sold. This is the highest level of Q1 sales since 2012 and the second highest in the past five years. With sales trends being relatively flat over the past five years and the number of contracts written down slightly in Q1 2014, we will see whether the market will continue it's flat trajectory or experience a slow Q2 this year.

Five Year Trend of Sales Activity (Total Number of Sales)



The 23.2% increase in sales of single family homes was the primary reason for the high sales volume this quarter. The median price of single family homes also rose significantly in Q1 2014 on both a quarter-over-quarter and year-over-year basis at 14.5% and 26.9% respectively. \$303,500 is the highest the median sale price has been for single family homes in the City in Q1 in nearly ten years. The increase in median prices is likely due to the high value homebuyers are placing on proximity and convenience to Downtown Charlottesville.

Single Family		Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Avg \$ PSF	Total Sales #
	Q1 2014	351,775	339,195	303,500	83	\$163	69
	Change	11.5%	12.0%	14.5%	22.1%	2.5%	1.5%
	Q4 2013	315,483	302,881	265,050	68	\$159	68
	Q1 2014	351,775	339,195	303,500	83	\$163	69
	Change	17.5%	18.9%	26.9%	6.4%	-0.6%	23.2%
Q1 2013	299,366	285,161	239,250	78	\$164	56	

Attached		Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Avg \$ PSF	Total Sales #
	Q1 2014	225,828	195,857	136,000	205	\$124	7
	Change	12.1%	4.7%	-26.3%	310.0%	14.8%	-46.2%
	Q4 2013	201,512	187,061	184,500	50	\$108	13
	Q1 2014	225,828	195,857	136,000	205	\$124	7
	Change	-5.4%	-14.1%	-30.6%	95.2%	-7.5%	16.7%
Q1 2013	238,783	227,966	196,000	105	\$134	6	

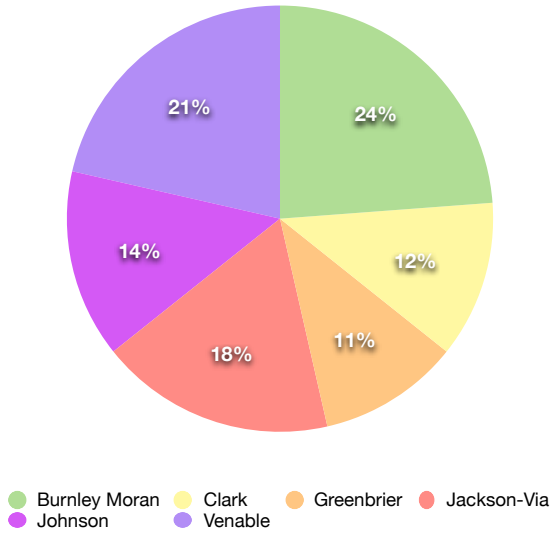
Condos		Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Avg \$ PSF	Total Sales #
	Q1 2014	253,425	245,112	226,000	34	\$233	8
	Change	-24.7%	-22.0%	16.8%	-62.6%	-2.1%	-55.6%
	Q4 2013	336,438	314,088	193,500	91	\$238	18
	Q1 2014	253,425	245,112	226,000	34	\$233	8
	Change	19.1%	19.5%	47.7%	-76.4%	0.9%	-11.1%
Q1 2013	212,800	205,055	153,000	144	\$231	9	

Contracts Written

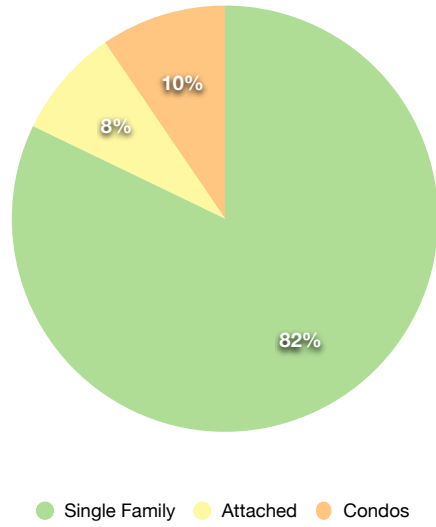
	Q1 2013	Q1 2014	Change
Single Family	96	107	11.46%
Attached	29	11	-62.07%
Condos	19	18	-5.26%

Charlottesville City Market Snapshot (Part 2)

Charlottesville City Sales by Elementary School Area

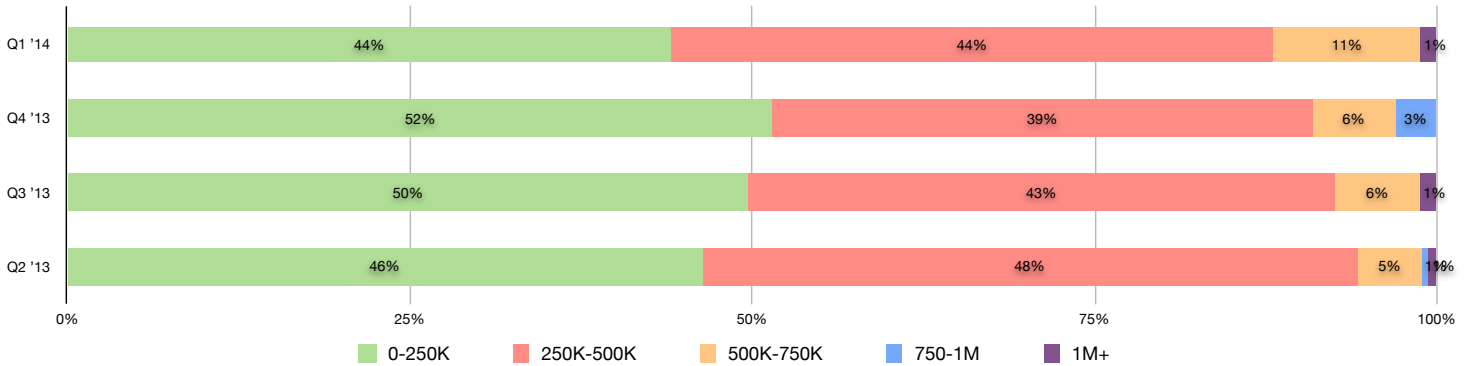


Charlottesville City Sales by Type



Venable and Burnley–Moran continue to be the two most popular school districts in the City in terms of sales. In Q1 2014, sales in these two areas accounted for 45% of all sales in the City, which is down from 55% in Q1 2013. The distribution of sales by property type returned to their historical averages with single family home sales making up 82% of all sales.

Charlottesville City Percent of Sales by Price Range



The sub-\$250K and the \$250K–\$500K categories made up equal portions of the Charlottesville market in Q1 2014 at 44% each. The \$500K+ category comprised a higher proportion of sales in Q1 2014 than it has over the past four quarters making up 12% of the market. This was bolstered by the strong performance in the \$500–\$750 category which recorded nine sales this quarter.

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Fluvanna County

Overall		Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Total Sales #	Total Inventory	Months of Inventory
	Q1 2014	\$210,339	\$202,446	\$182,500	105	91	296	8.70
	Change	1.2%	-0.9%	10.6%	-22.8%	4.6%	-3.9%	1.8%
	Q1 2013	\$207,768	\$204,349	\$165,000	136	87	308	8.55
	Change	-3.0%	0.6%	-8.3%	10.6%	31.8%	7.3%	-19.5%
Q1 2012	\$214,188	\$203,222	\$180,000	123	66	287	10.62	

Once again, Fluvanna had another strong quarter of performance. With sales increasing by 4.6%, totaling 91 homes sold, Q1 2014 marks the highest Q1 sales total in the past five years. Median prices rose by over 10% in comparison to Q1 2013 returning to levels comparable with Q1 2012. Based on the 25% increase in number of contracts written in Q1 2014 compared to Q1 2013, it looks like Fluvanna could have another strong quarter in Q2 2014.

Contracts Written

Q1 2013	Q1 2014	Change
84	105	25.0%

Greene County

Overall		Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Total Sales #	Total Inventory	Months of Inventory
	Q1 2014	\$226,165	\$218,273	\$205,000	91	45	255	10.2
	Change	-7.2%	-6.8%	-10.9%	-22.9%	-8.2%	30.1%	-11.5%
	Q1 2013	\$243,836	\$234,234	\$230,000	118	49	196	11.52
	Change	15.2%	15.9%	29.6%	12.4%	-3.9%	5.4%	23.9%
Q1 2012	\$211,578	\$202,128	\$177,500	105	51	186	9.30	

Overall, there are mixed messages in the performance of the Greene County market in Q1 2014. Total sales dipped slightly from Q1 2013 (45 vs. 49) and median prices dropped nearly 11% to \$205,000. Buyer demand seems to be relatively strong as days on market dropped by almost 23% and months of inventory also saw a significant decline.

Contracts Written

Q1 2013	Q1 2014	Change
56	51	-8.9%

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Louisa County

Overall		Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Total Sales #	Total Inventory	Months of Inventory
	Q1 2014	\$226,810	\$223,829	\$183,030	119	42	189	11.81
	Change	23.7%	25.4%	26.2%	30.8%	-10.6%	-6.4%	28.6%
	Q1 2013	\$183,368	\$178,518	\$145,000	91	47	202	9.18
	Change	-15.5%	-19.8%	-38.3%	21.3%	42.4%	10.4%	-34.8%
Q1 2012	\$216,969	\$222,587	\$235,000	75	33	183	14.07	

Other than the 26.2% increase in median home price, metrics show that Louisa had a difficult Q1 this year. Total sales and contracts written were both down significantly in comparison to Q1 2013. While total inventory levels dipped slightly, months of inventory rose to 11.81 months as average days on market rose to 119 days.

Contracts Written

Q1 2013	Q1 2014	Change
65	48	-26.2%

Nelson County

Overall		Average List Price	Average Sale Price	Median Sale Price	Avg Days on Market	Total Sales #	Total Inventory	Months of Inventory
	Q1 2014	\$307,366	\$287,801	\$220,000	104	38	343	22.86
	Change	26.5%	26.9%	12.2%	-55.6%	-29.6%	7.5%	0.4%
	Q1 2013	\$243,001	\$226,726	\$196,000	234	54	319	22.78
	Change	-10.9%	-7.9%	-12.9%	0.0%	45.9%	-1.5%	-43.8%
Q1 2012	\$272,655	\$246,251	\$225,000	234	37	324	40.50	

After a strong performance in 2013, the Nelson County market is off to a bit of a slow start in 2014. Q1 2014 total sales returned to levels more comparable with Q1 2012 and are more in line with historical Q1 averages for the area. The market appears to be over saturated with inventory as the market is currently holding nearly twenty-three months of inventory which will be a point of interest moving into Q2 2014.

Contracts Written

Q1 2013	Q1 2014	Change
55	47	-14.5%

*Some statistics in this report come courtesy of the Charlottesville Area MLS as of 4/12/14.