



Register of Deeds  
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**For Immediate Release**

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## September Monthly Dollar Value of Real Estate Activity was the Highest of 2020

*Second strongest month over past four years*

*Increase driven by a return of high value transactions*

**Raleigh, NC** -- In September 2020 more than \$1.6 billion in real estate changed hands in Wake County. This was the highest value month of 2020 and the second-highest month over the last four years.

Charles Gilliam, the Register of Deeds, commented “the core market remained steady and a long-awaited return of very high-value financial transactions pushed September over the top.”

### September dollar value of transactions

During September \$1.62 billion worth of real estate was traded. This was up \$1.31 billion in August 2020 and \$1.38 billion in September 2019. Over the last four years only July 2019, at \$1.78 billion, was higher.

September was boosted by a return of very high-value transactions, a market segment that is lagging so far in 2020. This segment is defined as transactions worth \$30 million and up.

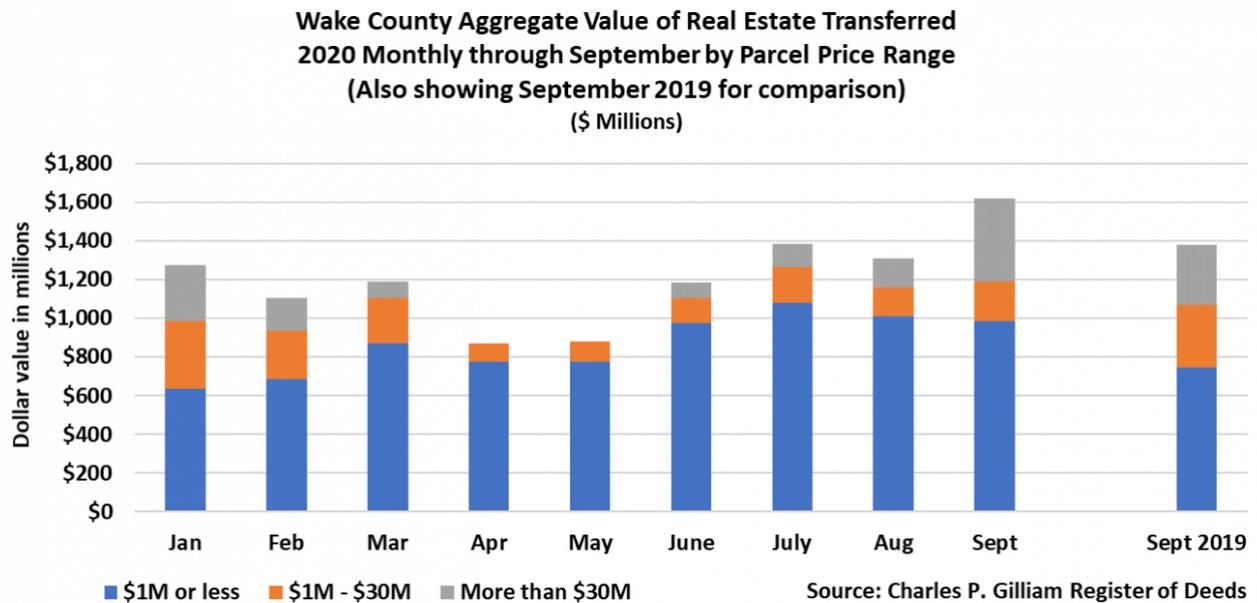
In September 2020 there was \$429 million worth of very high-value transactions. In contrast, over the previous five months (April through August) there had been a total of only \$344 million in such transactions.

The big-ticket transactions were [Think Place, \(Lenovo buildings\)](#), in [Morrisville](#) for a combined amount of \$189 million.

During September 2020 core market transactions were \$987 million, down \$20 million from August core market transactions of \$1,007 million, but up

from \$240 million from September 2019 which was at \$747 million. The core market is defined as property valued at \$1 million or less and it comprised about 97% of September's transactions.

The following chart shows the dollar value of real estate transfers by month broken down into three price ranges.



A breakdown of the dollar value of transactions by price range for the years 2014 – 2019 is available at

<http://www.wakegov.com/news/Lists/Posts/Post.aspx?ID=1140>.

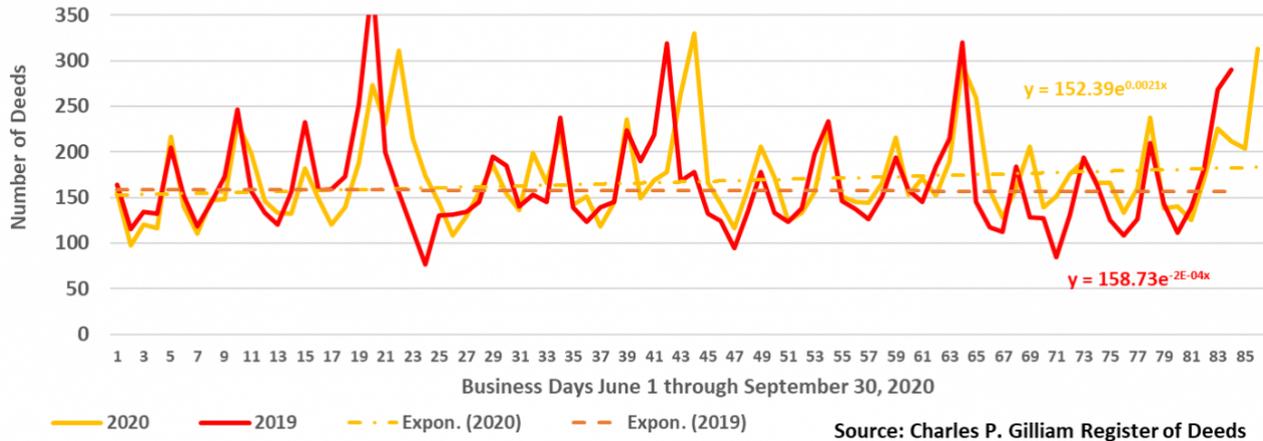
### Deed volumes confirm a “V” shaped recovery

3,699 deeds were recorded in September 2020. This compares to 3,643 deeds in August 2020 and 3,087 deeds during September 2019. The September 2020 pace was a mean of 176 deeds per business day compared to 173 in August 2020 and 154 in September 2019.

Following economic restrictions initiated in March, there was a dip in deed volume in April and May, but in June volumes returned to levels generally consistent with historical norms and that has continued throughout the third quarter. Charles Gilliam said, “this identifies a quick “V” shaped recovery in the Wake County real estate market.”

The following chart shows the daily number of deeds recorded from June 1 through September 30, 2020, compared to the corresponding period of 2019. The exponential trend line for 2020 shows growth continuing during this period while in 2019 the trend line was slightly negative.

**Wake County Deeds Recorded by Business Day  
June 1 - September 30, 2019 vs. June 1 - September 30, 2020**



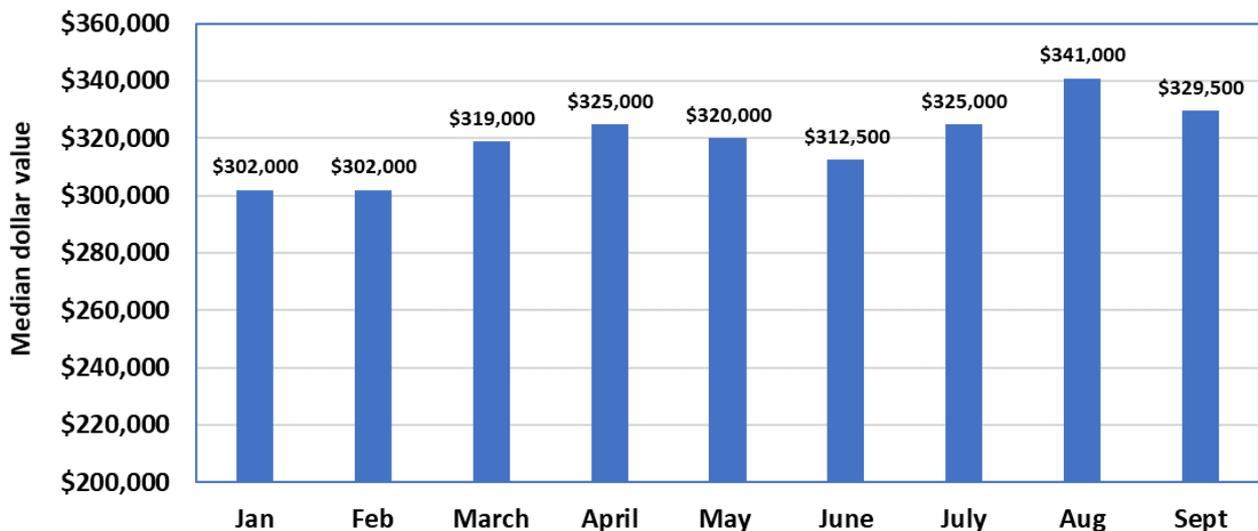
Source: Charles P. Gilliam Register of Deeds

### Median sales prices

In September 2020 the median sales price of a parcel of Wake County real estate sale was \$329,500.

The median Wake County real estate sales price for the full third quarter of 2020 was \$330,000. In the second quarter, the median was \$322,500. For both the first quarter of 2020 and the fourth quarter of 2019 the median was \$310,000. A breakdown of medians for the years 2014 – 2019 is available at <http://www.wakegov.com/news/Lists/Posts/Post.aspx?ID=1140>.

**Wake County Median Real Estate Sales Price  
Monthly in 2020**



Source: Charles P. Gilliam Register of Deeds

Changes in median sales prices tend to be caused by activity in the core market. The occurrence or non-occurrence of large transactions has virtually no impact on the calculation of median values because there are so few of those transactions.

## Lending activity continues to be propelled by refinancing

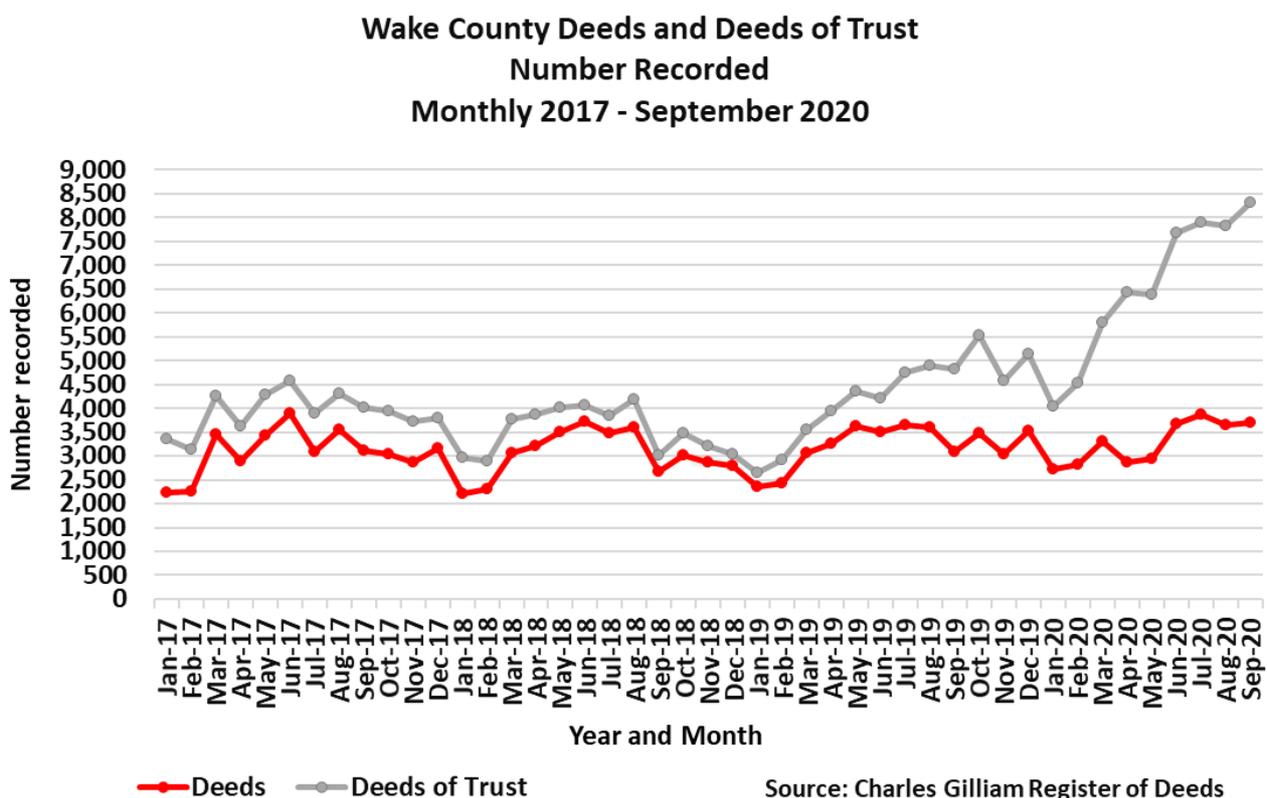
Real estate lending activity in September was the strongest in more than four years. The number of loans secured by real estate in September 2020 was up 6% compared to last month and up 72% compared to September 2019.

Real estate lending activity has two primary components.

1. The first is lending that coincides with a transfer of ownership of real estate. This is seen in the typical residential home sale where simultaneously a seller's loan is paid off and a buyer takes out a new loan as ownership is transferred by deed.
2. The second is where a new loan secured by real estate is taken out, but there is not a change in ownership of the underlying property. This is the situation in the typical mortgage refinancing or second mortgage transaction.

The relative strength of the second type of lending activity can be quantified by comparing the ratio of deeds of trust to deeds in a period. Relatively more deeds of trust signify increasing refinance of mortgage loans.

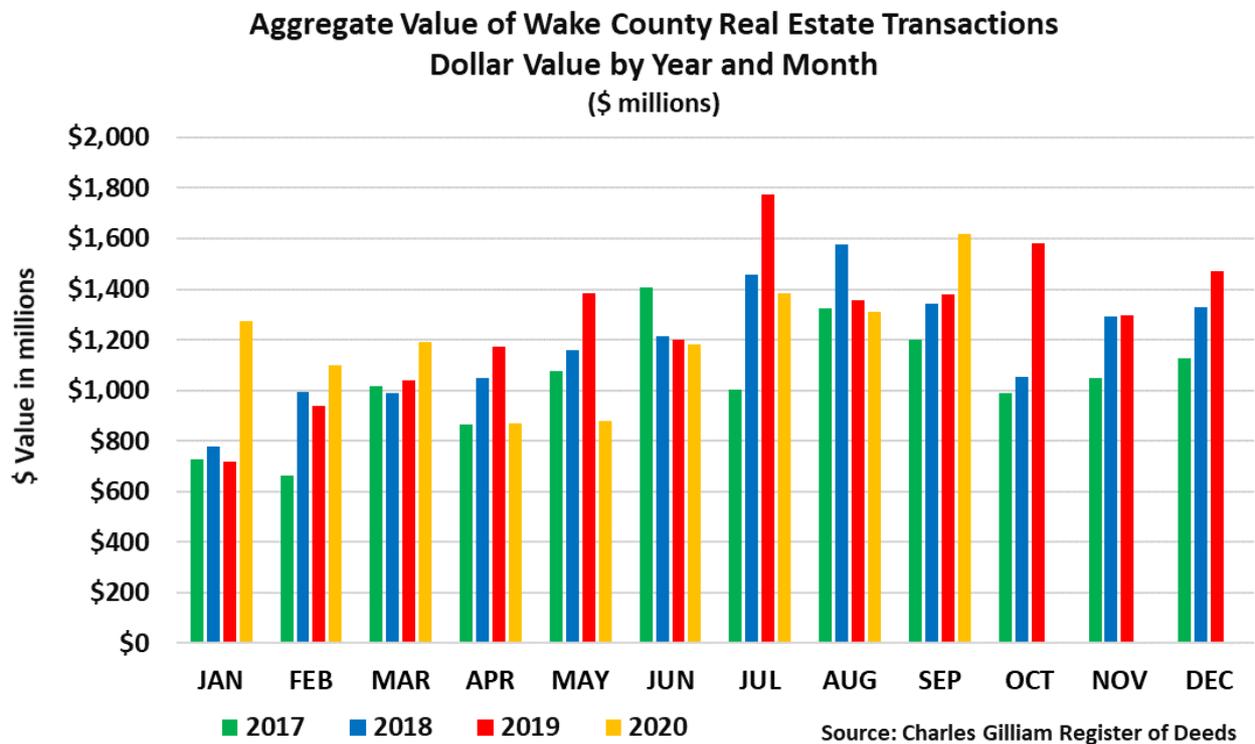
Since the autumn of 2019, there has been a significant increase in the second type of lending activity. The following chart shows the continuing wide gap between deeds of trust and deeds. This gap, compared to a baseline period from 2017 through mid-2019, quantifies increasing strength in the mortgage refinance market.



## Long-Term Trends in Real Estate Activity

### Aggregate value of real estate transactions

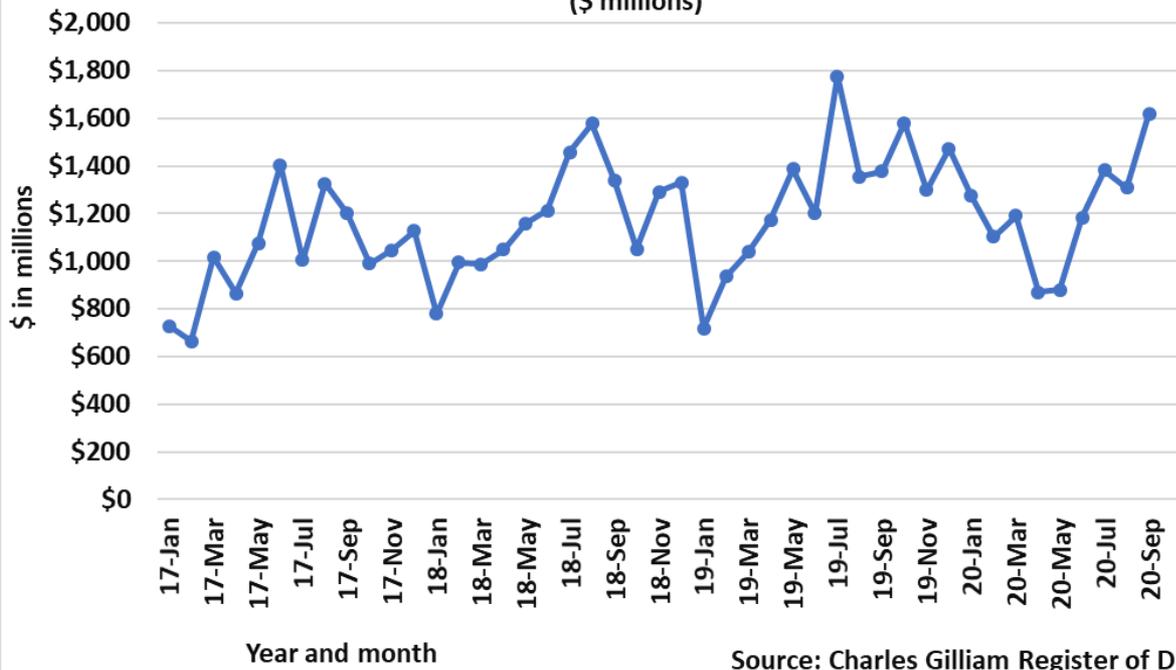
The following chart shows the aggregate dollar value of real estate transactions in Wake County for each month from 2017 through 2019 as well as year to date 2020. Because real estate transactions tend to be seasonal, it is useful to compare monthly results to the corresponding month of prior years.



### Aggregate value of real estate transactions - linear

The following chart shows the aggregate dollar value of real estate transfers in Wake County linearly (month by month) from January 2017 through year to date 2020. Because real estate transactions tend to be seasonal, this information should be evaluated in conjunction with the year over year comparison is shown in the preceding chart.

### Aggregate Value of Wake County Real Estate Transactions Monthly 2017 - September 2020 (\$ millions)

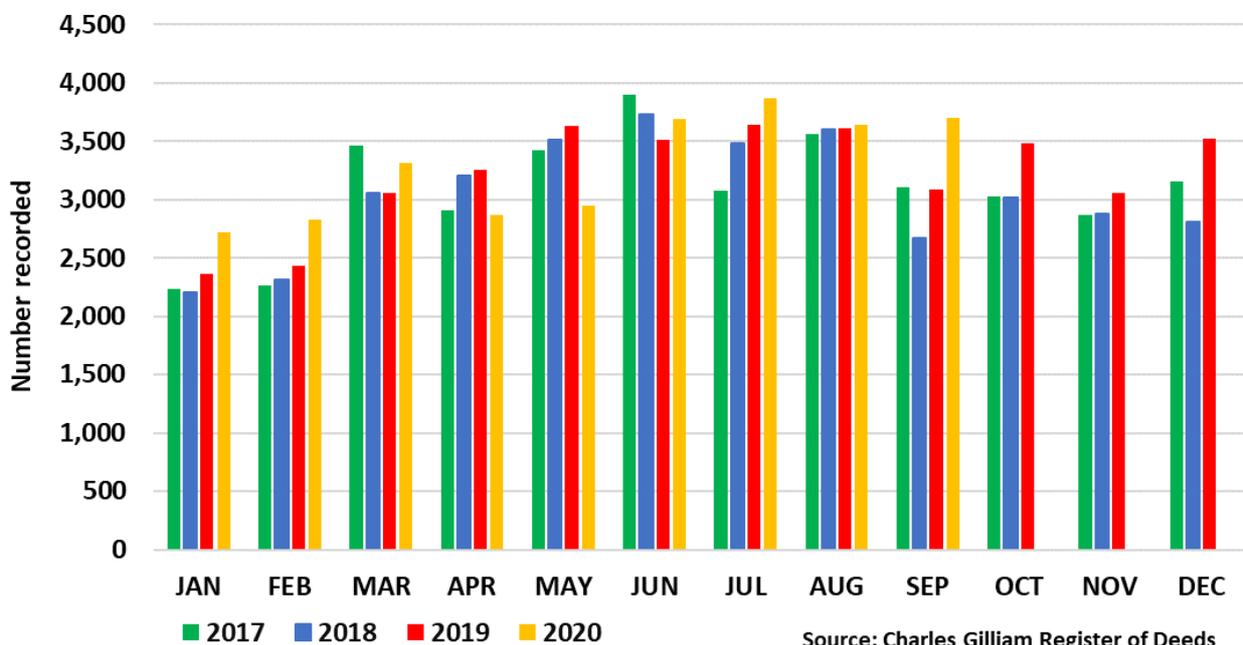


Source: Charles Gilliam Register of Deeds

#### Deed Volume

The following chart shows the number of deeds recorded in Wake County for each month from 2017 through 2019 as well as year to date 2020. Numbers of deeds recorded reflect the velocity of real estate activity without regard to the dollar value of a transaction. The number of deeds includes transfers where monetary consideration did not change hands, such as transfers within a family.

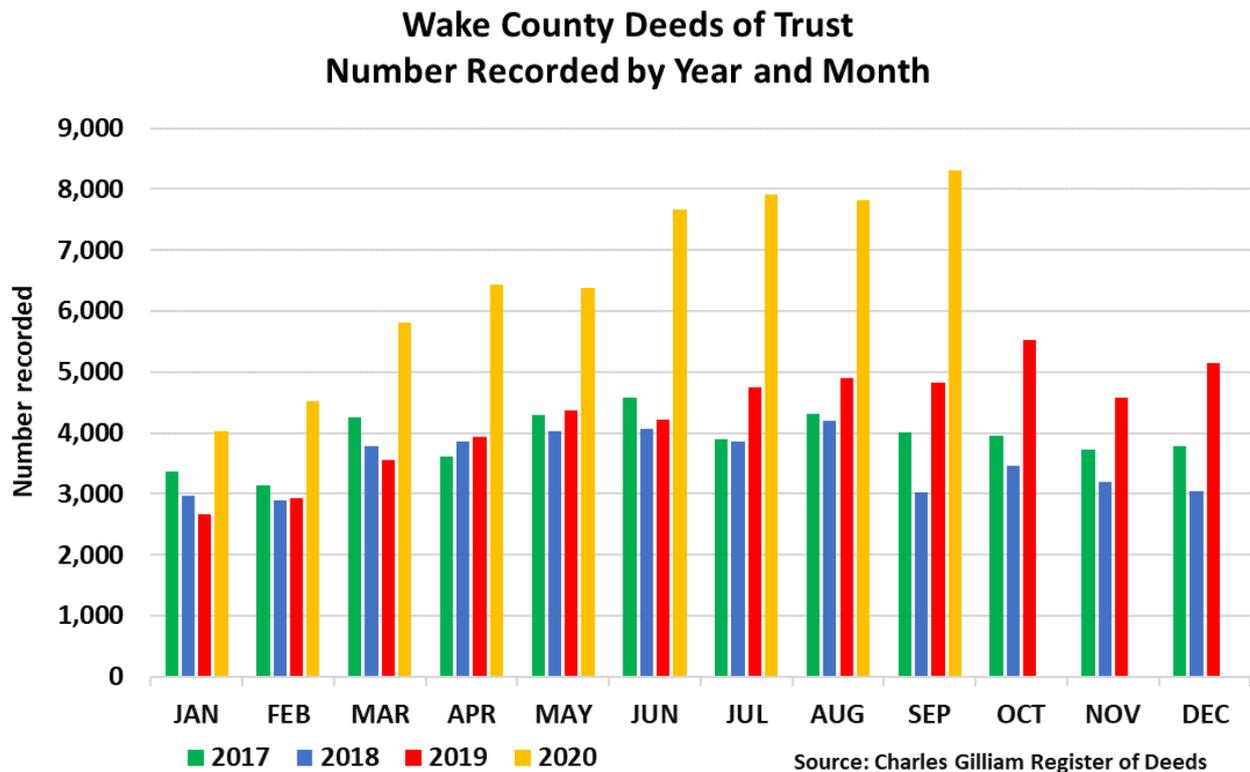
### Wake County Deeds Number Recorded by Year and Month



Source: Charles Gilliam Register of Deeds

## Real estate lending

This chart shows the number of deeds of trust recorded in Wake County for each month from 2017 through 2019 as well as year to date 2020. A deed of trust is the legal instrument used in North Carolina to secure a loan with real estate used as collateral. Numbers of deeds of trust recorded reflect the velocity of lending transactions involving real estate without regard to the dollar amount of the loan.



### Methodology and Additional Information

The statistics in this report are derived from instruments recorded in the office of the Wake County Register of Deeds. Under North Carolina law, changes in property rights in real estate, including security interests in real estate, are recorded with the Register of Deeds of the county where the real estate is located.

The value of real estate transferred is measured by excise tax assessed on the consideration in a real estate transaction. Excise taxes are calculated as \$1 in tax for every five hundred dollars of consideration. About 99% of these transactions were property transfers by deed and the balance were miscellaneous transactions such as acquisitions of a right of way. The calculation of the aggregate value of real estate includes all transactions. The calculation of median price includes all transactions where property was transferred by deed.

The core market is defined as property transactions valued at \$1 million and less. In September 2020, 97% of transactions were in the core market.

The number of deeds and deeds of trust recorded with the Register of Deeds reflects the total volume of property and loan transactions regardless of the dollar value of the real estate or amount of the loan. The number of deeds includes transfers where monetary consideration did not change hands, such as transfers within a family. In September 2020, 22% of deeds attracted no excise tax. That percentage was 21% in the first quarter, 22% in the second quarter, and 21% for the full third quarter of 2020.

On March 14, 2020, public schools were closed and mass gatherings were prohibited by an executive order of the governor. On March 17 and 23, 2020 additional executive orders were issued which closed certain businesses and introduced additional restrictions. Based on these events, a starting date of March 17 is used to demark the advent of COVID-19 related legal restrictions on economic activity.

For a complete picture of Wake County real estate activity, the information in this report should be considered in conjunction with data available from other sources, such as rezoning applications and new building permits, plus other information published by the Register of Deeds available at <http://www.wakegov.com/news/Lists/Categories/Category.aspx?CategoryId=17&Name=Register%20of%20Deeds>.

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