

Monthly Indicators

A RESEARCH TOOL PROVIDED BY THE MINNEAPOLIS AREA ASSOCIATION OF REALTORS®



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of REALTORS®

September 2017

Every market is unique, yet the national sentiment has given rise to the notion that housing could be stalling. Although desirous buyers are out on an increasing number of showings, there remains a limited number of desirable listings. And although mortgage rates have remained enticingly low and the economy has mostly cooperated, the shortage of homes has left move-up buyers with nowhere to go, which ties up a disproportionate share of product at the more affordable end of the spectrum.

New Listings in the Twin Cities region decreased 5.2 percent to 6,472. Pending Sales were down 1.7 percent to 4,751. Inventory levels fell 16.7 percent to 12,502 units.

Prices continued to gain traction. The Median Sales Price increased 7.3 percent to \$246,900. Days on Market was down 12.3 percent to 50 days. Sellers were encouraged as Months Supply of Homes for Sale was down 16.7 percent to 2.5 months.

It's worth noting that leading demand indicators could be indicating weakening demand. But why that's happening is critical to understanding this market. It's not due to surging interest rates, mass layoffs or declining incomes. It's because of a failure in the market to produce adequate supply to fuel the record-high demand. In other news, we saw outlines of a fledgling tax plan with potentially significant negative implications for owner occupants when it comes to mortgage interest and tax deductions. Additional inventory is still sorely needed, rates should remain accommodative and there's plenty of uncertainty to go around.

Quick Facts

- 7.3%

+ 7.3%

- 16.7%

Change in
Closed Sales

Change in
Median Sales Price

Change in
Inventory

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Market Overview

Key market metrics for the current month and year-to-date.



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Key Metrics	Historical Sparklines (normalized)	9-2016	9-2017	+ / -	YTD 2016	YTD 2017	+ / -
New Listings		6,826	6,472	- 5.2%	66,306	64,801	- 2.3%
Pending Sales		4,833	4,751	- 1.7%	49,447	49,217	- 0.5%
Closed Sales		5,729	5,311	- 7.3%	47,461	47,239	- 0.5%
Days on Market Until Sale		57	50	- 12.3%	65	56	- 13.8%
Median List Price		\$259,900	\$269,900	+ 3.8%	\$250,000	\$269,900	+ 8.0%
Median Sales Price		\$230,000	\$246,900	+ 7.3%	\$231,095	\$246,000	+ 6.4%
Price Per Square Foot		\$135	\$144	+ 6.6%	\$133	\$142	+ 7.4%
ShowingTime Housing Value Index		\$198,821	\$209,808	+ 5.5%	--	--	--
Pct. of Orig. List Price Received		97.5%	98.1%	+ 0.6%	97.7%	98.6%	+ 0.9%
Inventory of Homes for Sale		15,017	12,502	- 16.7%	--	--	--
Months Supply of Homes for Sale		3.0	2.5	- 16.7%	--	--	--

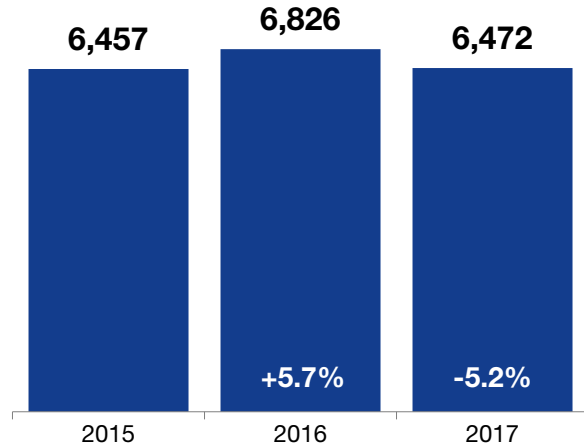
New Listings

A count of the properties that have been newly listed on the market in a given month.

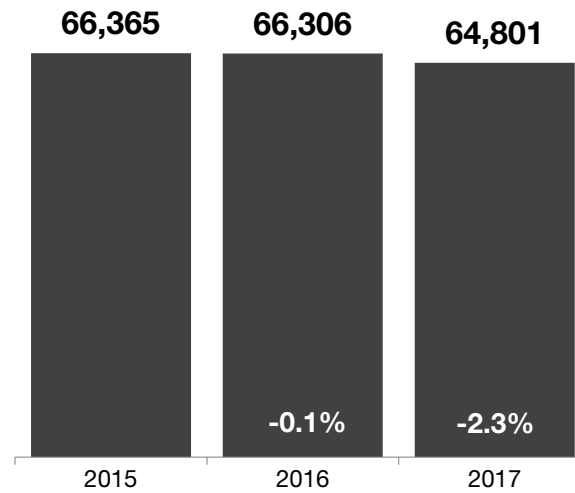


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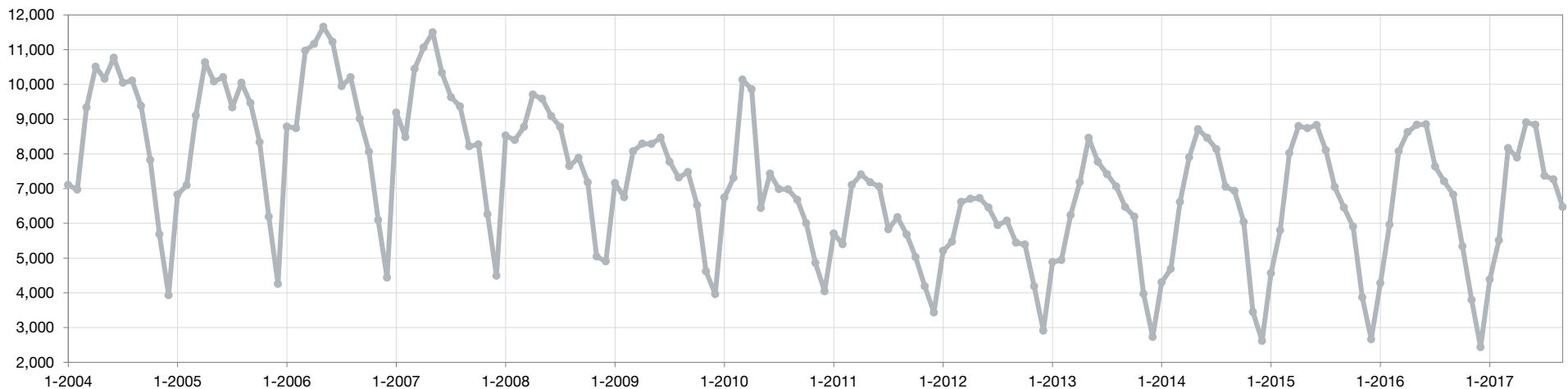


Year To Date



Month	Prior Year	Current Year	+ / -
October	5,907	5,341	-9.6%
November	3,871	3,798	-1.9%
December	2,659	2,431	-8.6%
January	4,276	4,383	+2.5%
February	5,962	5,513	-7.5%
March	8,077	8,165	+1.1%
April	8,625	7,890	-8.5%
May	8,840	8,907	+0.8%
June	8,854	8,837	-0.2%
July	7,632	7,370	-3.4%
August	7,214	7,264	+0.7%
September	6,826	6,472	-5.2%
12-Month Avg	6,562	6,364	-3.0%

Historical New Listing Activity



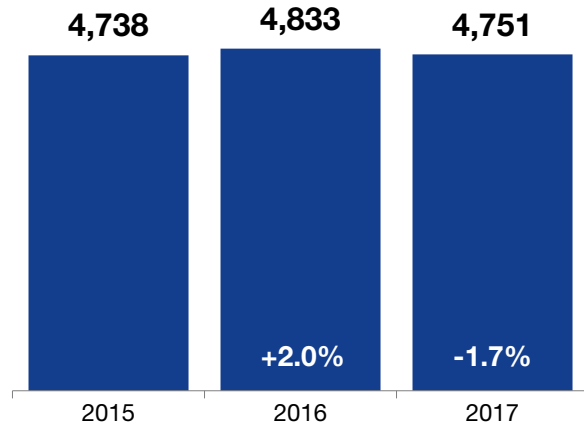
Pending Sales

A count of the properties on which contracts have been accepted in a given month.

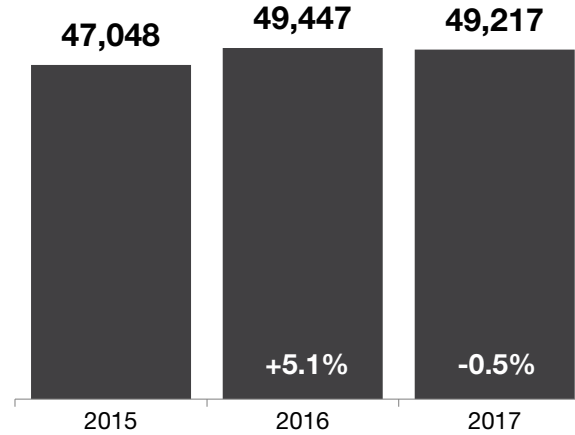


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Year To Date



Month	Prior Year	Current Year	+ / -
October	4,399	4,591	+4.4%
November	3,529	3,884	+10.1%
December	3,236	3,068	-5.2%
January	3,035	3,239	+6.7%
February	4,016	4,134	+2.9%
March	5,896	5,802	-1.6%
April	6,503	6,087	-6.4%
May	7,029	6,955	-1.1%
June	6,429	6,563	+2.1%
July	5,813	5,854	+0.7%
August	5,893	5,832	-1.0%
September	4,833	4,751	-1.7%
12-Month Avg	5,051	5,063	+0.2%

Historical Pending Sales Activity



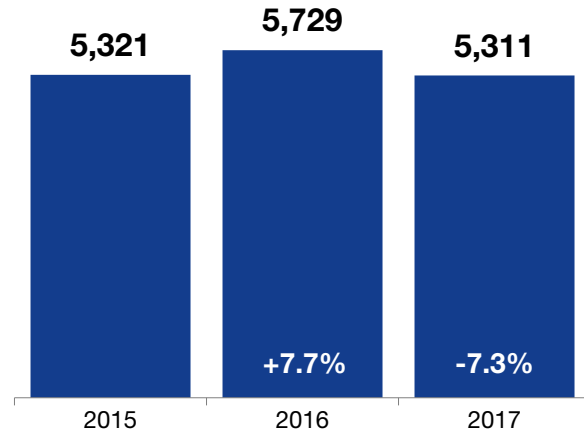
Closed Sales

A count of the actual sales that have closed in a given month.

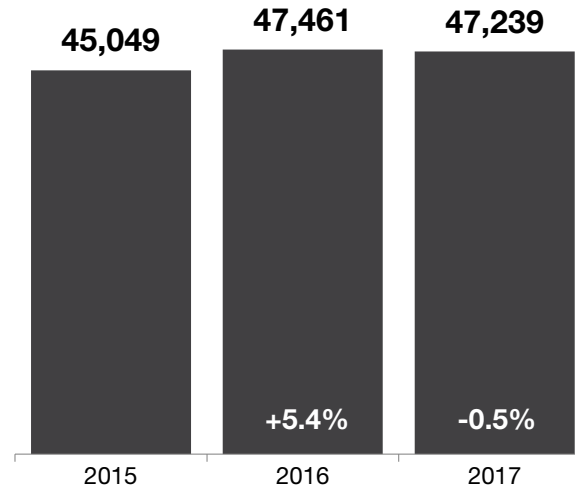


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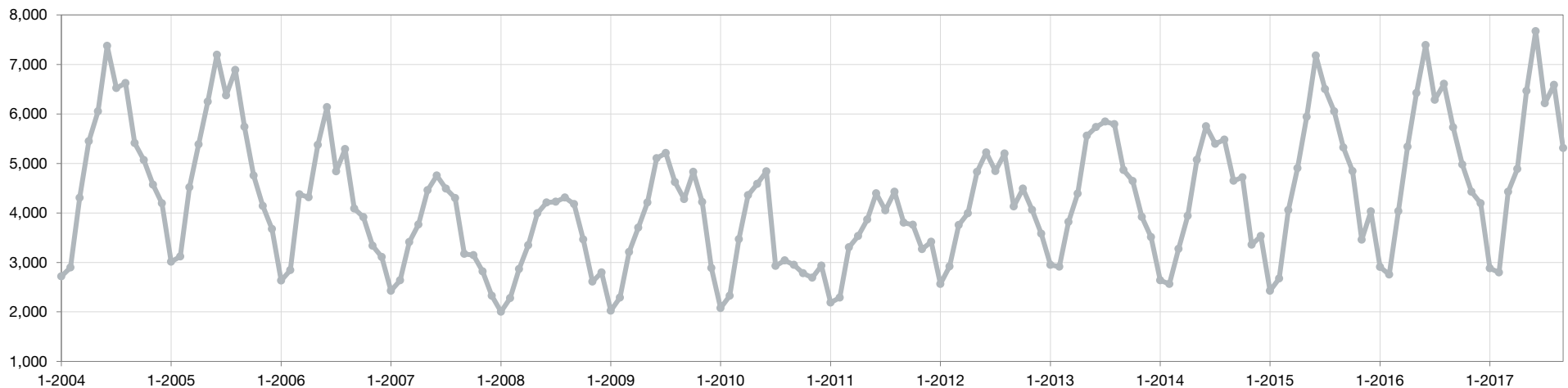


Year To Date



Month	Prior Year	Current Year	+ / -
October	4,846	4,978	+2.7%
November	3,459	4,427	+28.0%
December	4,031	4,191	+4.0%
January	2,907	2,881	-0.9%
February	2,754	2,799	+1.6%
March	4,035	4,427	+9.7%
April	5,334	4,886	-8.4%
May	6,419	6,464	+0.7%
June	7,392	7,671	+3.8%
July	6,285	6,217	-1.1%
August	6,606	6,583	-0.3%
September	5,729	5,311	-7.3%
12-Month Avg	4,983	5,070	+2.7%

Historical Closed Sales Activity



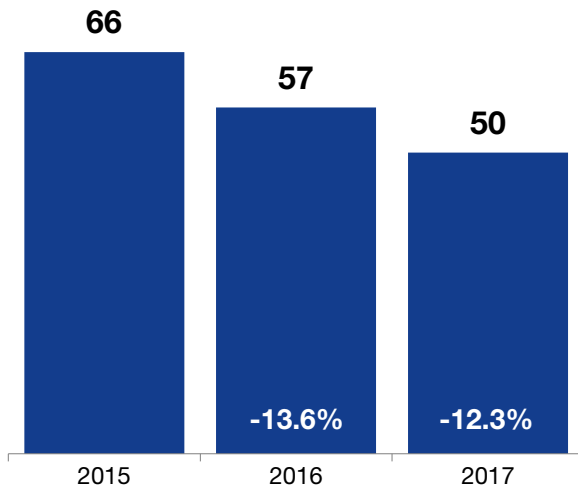
Days on Market Until Sale

Average, cumulative number of days between when a property is listed and when an offer is accepted in a given month.

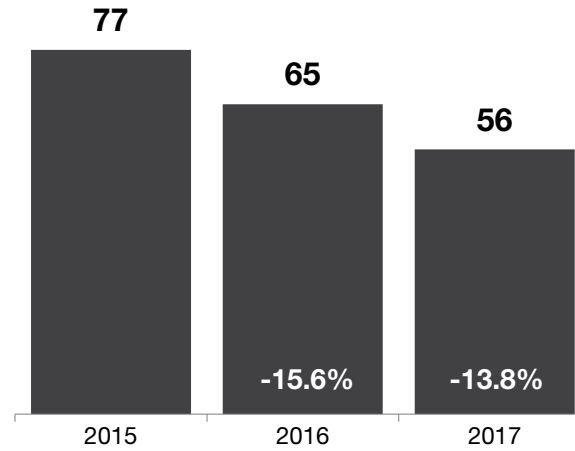


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Year To Date



Month	Prior Year	Current Year	+ / -
October	71	61	-14.1%
November	74	63	-14.9%
December	79	72	-8.9%
January	86	80	-7.0%
February	96	82	-14.6%
March	86	73	-15.1%
April	74	59	-20.3%
May	61	52	-14.8%
June	57	48	-15.8%
July	55	46	-16.4%
August	56	48	-14.3%
September	57	50	-12.3%
12-Month Avg	67	58	-13.4%

Historical Days on Market Until Sale



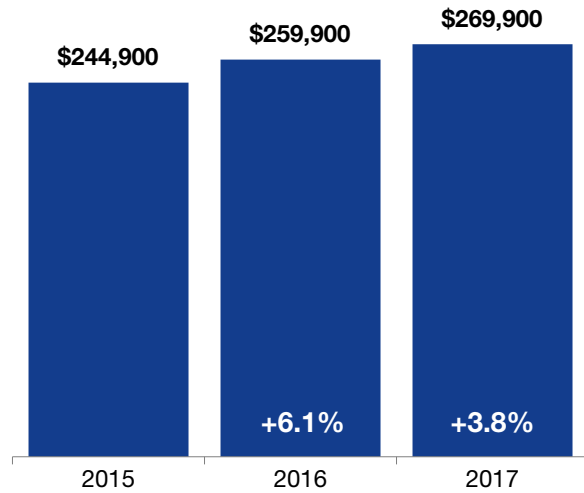
Median Original List Price

Median original list price for all new listings in a given month. List prices can serve as a leading indicator of future price movement.

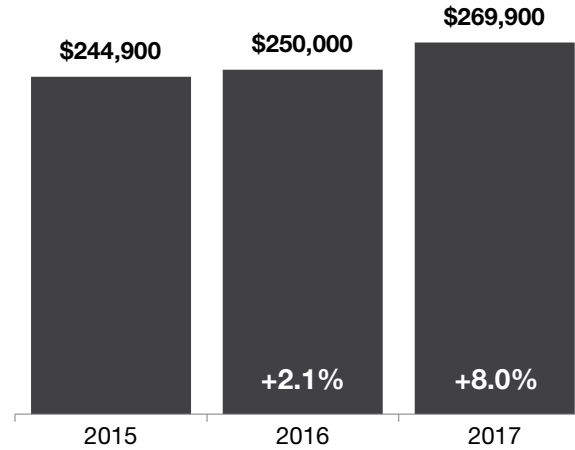


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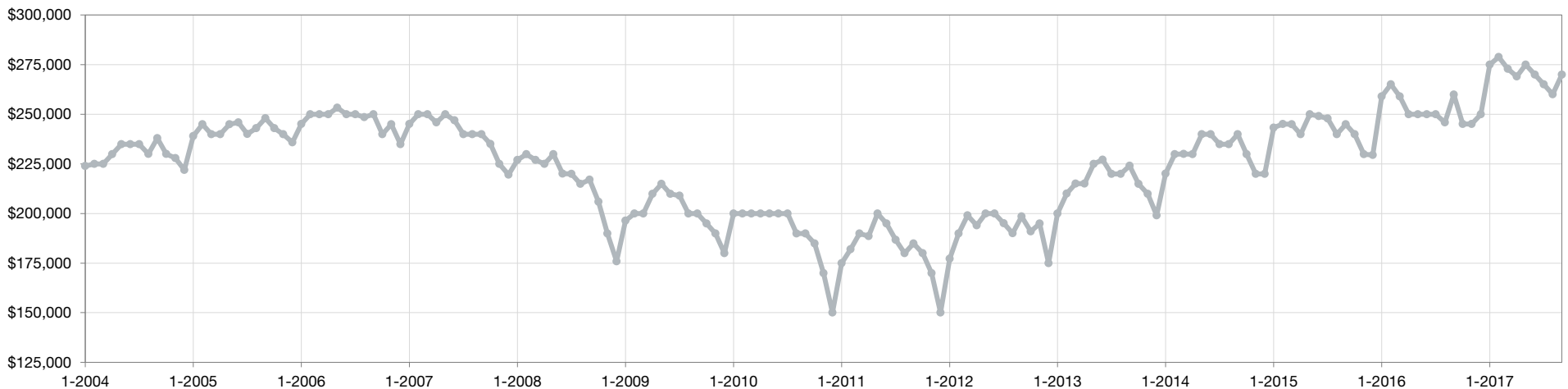


Year To Date



Month	Prior Year	Current Year	+ / -
October	\$239,900	\$245,000	+2.1%
November	\$229,900	\$245,000	+6.6%
December	\$229,500	\$249,900	+8.9%
January	\$259,000	\$275,000	+6.2%
February	\$264,990	\$278,836	+5.2%
March	\$259,000	\$272,900	+5.4%
April	\$249,900	\$269,000	+7.6%
May	\$250,000	\$274,900	+10.0%
June	\$250,000	\$269,900	+8.0%
July	\$249,900	\$265,000	+6.0%
August	\$245,900	\$260,000	+5.7%
September	\$259,900	\$269,900	+3.8%
12-Month Med	\$249,900	\$265,000	+6.0%

Historical Median Original List Price



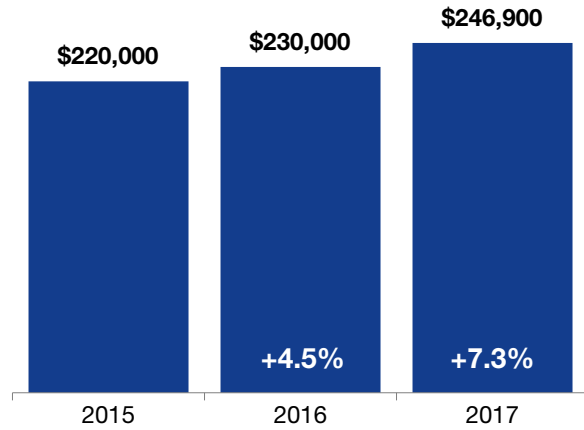
Median Sales Price

Median price point for all closed sales, not accounting for seller concessions, in a given month.

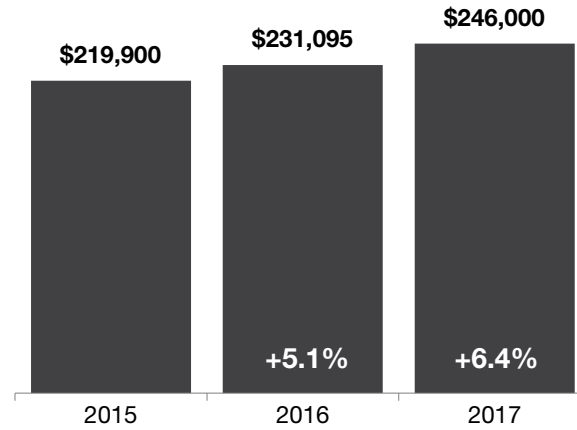


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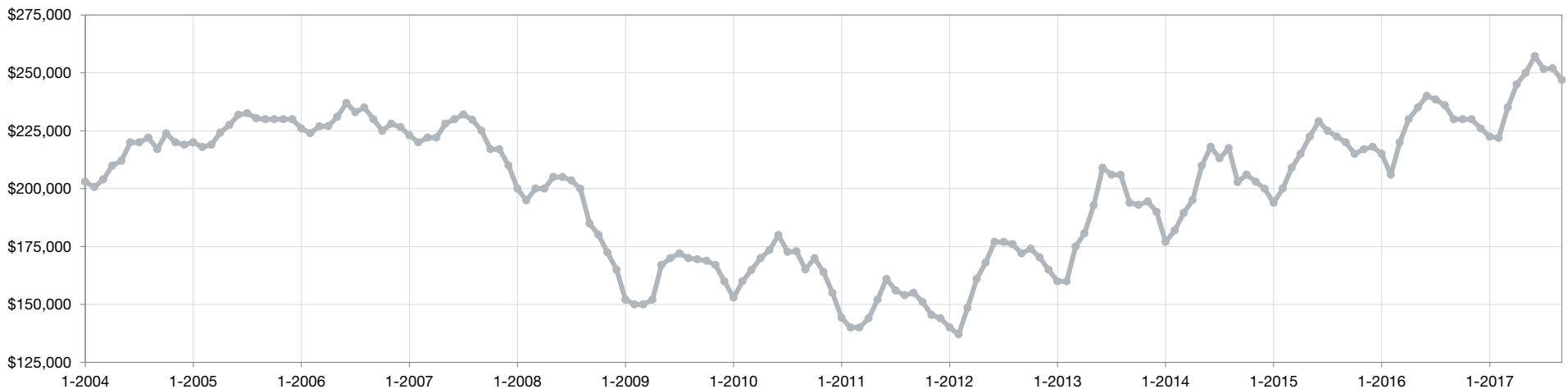


Year To Date



Month	Prior Year	Current Year	+ / -
October	\$215,000	\$230,000	+7.0%
November	\$217,000	\$230,000	+6.0%
December	\$218,000	\$226,000	+3.7%
January	\$215,000	\$222,500	+3.5%
February	\$206,000	\$221,900	+7.7%
March	\$220,000	\$235,217	+6.9%
April	\$230,000	\$245,000	+6.5%
May	\$235,000	\$250,000	+6.4%
June	\$240,041	\$257,125	+7.1%
July	\$238,400	\$251,650	+5.6%
August	\$236,000	\$252,000	+6.8%
September	\$230,000	\$246,900	+7.3%
12-Month Med	\$229,000	\$242,500	+5.9%

Historical Median Sales Price



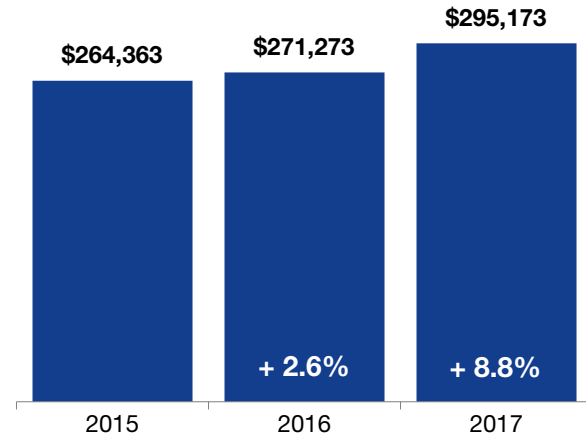
Average Sales Price

Average sales price for all closed sales, not accounting for seller concessions, in a given month.

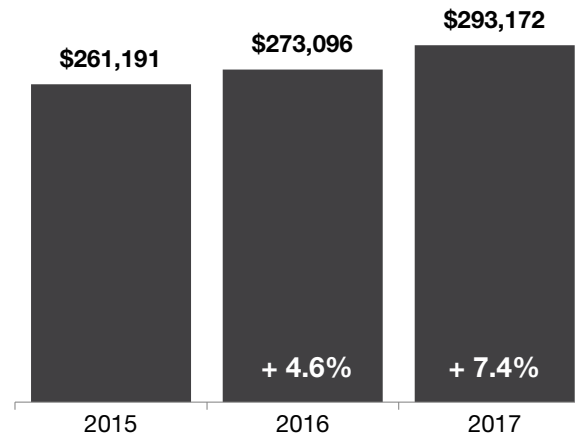


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Year to Date



Month	Prior Year	Current Year	+ / -
October	\$258,923	\$273,294	+5.6%
November	\$266,168	\$273,859	+2.9%
December	\$262,919	\$271,871	+3.4%
January	\$260,189	\$272,436	+4.7%
February	\$249,434	\$268,890	+7.8%
March	\$256,808	\$278,983	+8.6%
April	\$271,229	\$290,199	+7.0%
May	\$274,960	\$292,631	+6.4%
June	\$282,943	\$307,064	+8.5%
July	\$279,541	\$302,127	+8.1%
August	\$282,759	\$298,536	+5.6%
September	\$271,273	\$295,173	+8.8%
12-Month Avg	\$270,862	\$288,675	+6.6%

Historical Average Sales Price



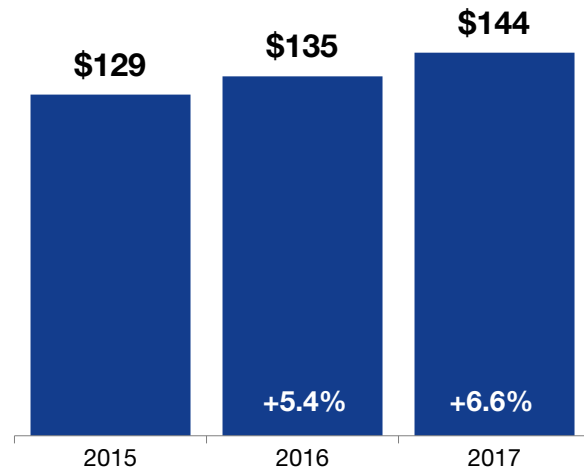
Price Per Square Foot

The price per square foot of homes sold in a given month. Sold properties only. Does not account for seller concessions.

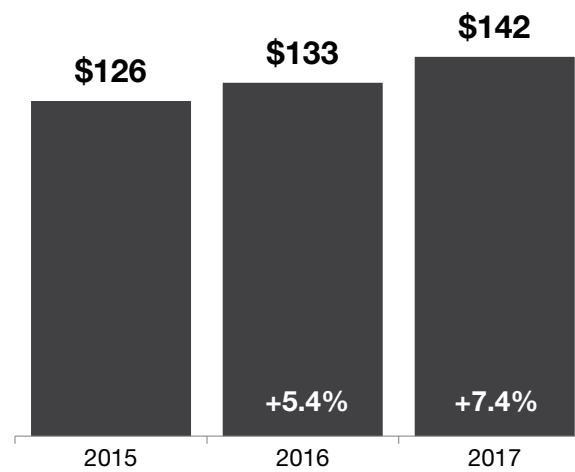


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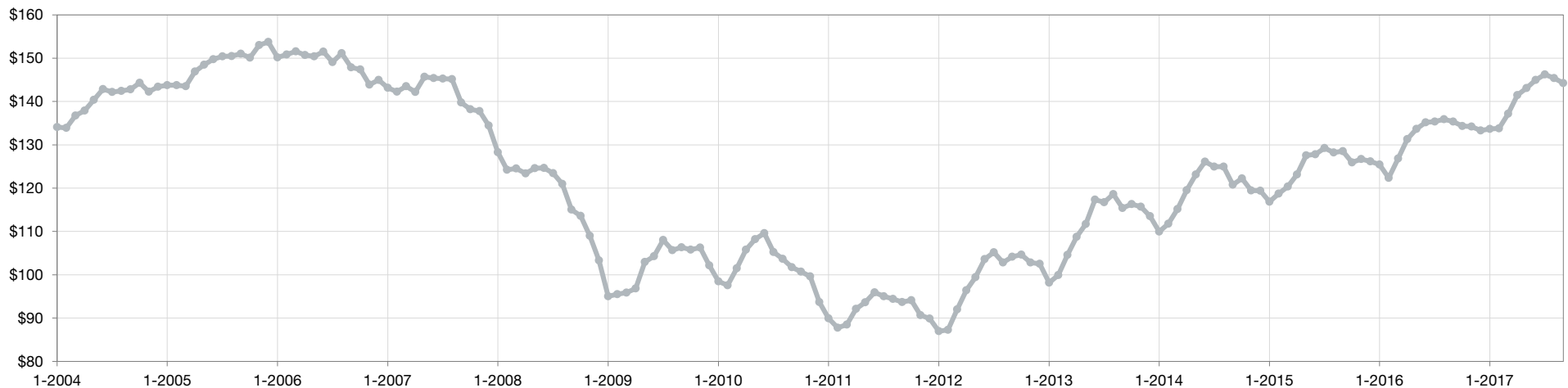


Year to Date



Month	Prior Year	Current Year	+ / -
October	\$126	\$134	+6.6%
November	\$127	\$134	+5.9%
December	\$126	\$133	+5.6%
January	\$125	\$134	+6.5%
February	\$122	\$134	+9.3%
March	\$127	\$137	+8.2%
April	\$131	\$141	+7.8%
May	\$134	\$143	+7.0%
June	\$135	\$145	+7.2%
July	\$135	\$146	+8.1%
August	\$136	\$145	+7.0%
September	\$135	\$144	+6.6%
12-Month Avg	\$131	\$141	+7.0%

Historical Price Per Square Foot



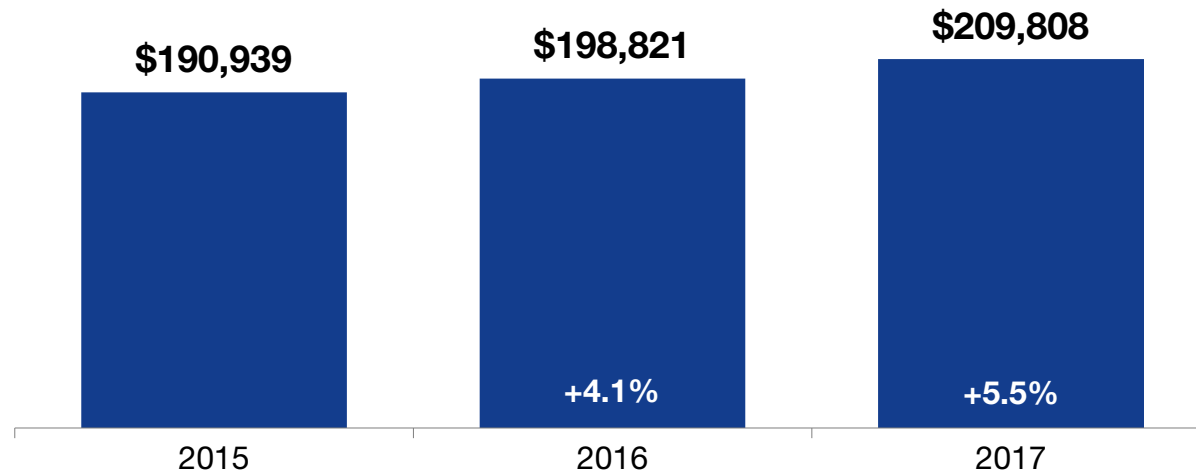
ShowingTime Housing Value Index

The value index employs a multi-variate, linear regression methodology to determine specific weights that adjust for both seasonality and segment bias to arrive at a real, constant-quality view of home values. The index is set to the median sales price in January 2003.



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Month	Prior Year	Current Year	+ / -
October	\$189,632	\$198,106	+4.5%
November	\$191,209	\$198,344	+3.7%
December	\$193,783	\$200,825	+3.6%
January	\$198,783	\$205,982	+3.6%
February	\$196,841	\$206,836	+5.1%
March	\$200,495	\$208,023	+3.8%
April	\$199,200	\$210,971	+5.9%
May	\$198,370	\$209,515	+5.6%
June	\$197,933	\$208,694	+5.4%
July	\$198,558	\$210,389	+6.0%
August	\$198,541	\$209,894	+5.7%
September	\$198,821	\$209,808	+5.5%
12-Month Avg	\$196,847	\$206,449	+4.9%

Historical ShowingTime Housing Value Index



Percent of Original List Price Received

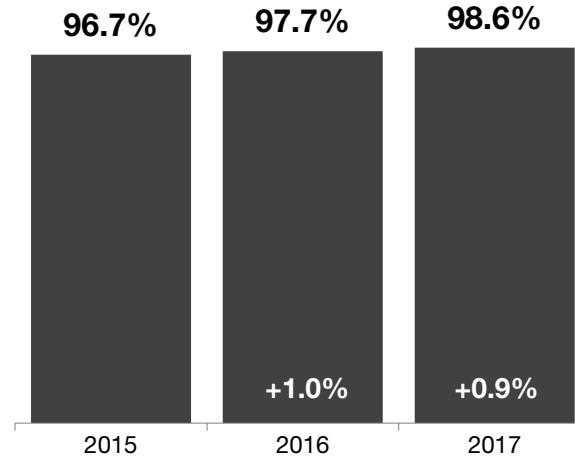
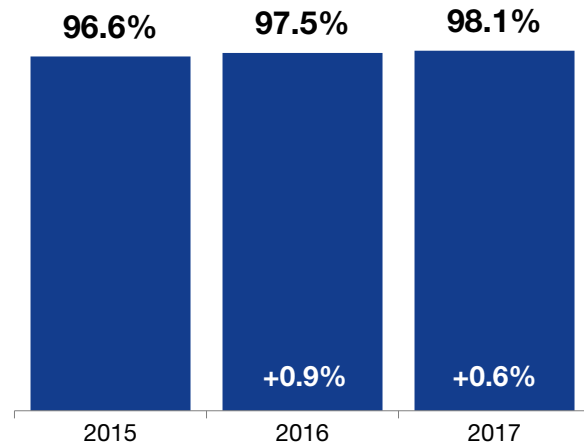
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



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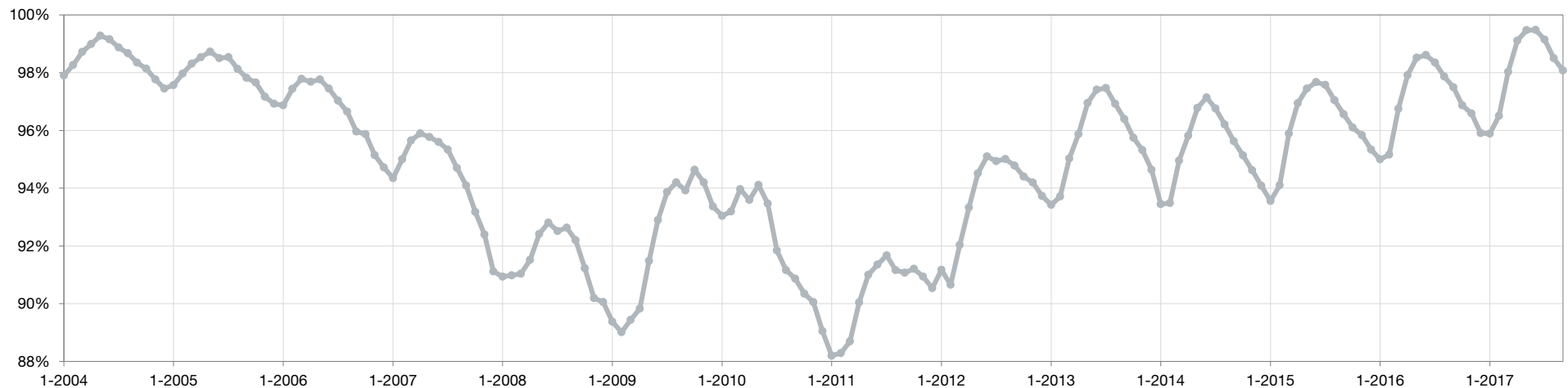
September

Year to Date



Month	Prior Year	Current Year	+ / -
October	96.1%	96.9%	+0.8%
November	95.8%	96.6%	+0.8%
December	95.3%	95.9%	+0.6%
January	95.0%	95.9%	+0.9%
February	95.2%	96.5%	+1.4%
March	96.8%	98.0%	+1.2%
April	97.9%	99.1%	+1.2%
May	98.5%	99.5%	+1.0%
June	98.6%	99.5%	+0.9%
July	98.3%	99.1%	+0.8%
August	97.9%	98.5%	+0.6%
September	97.5%	98.1%	+0.6%
12-Month Avg	97.3%	98.1%	+0.8%

Historical Percent of Original List Price Received



Housing Affordability Index

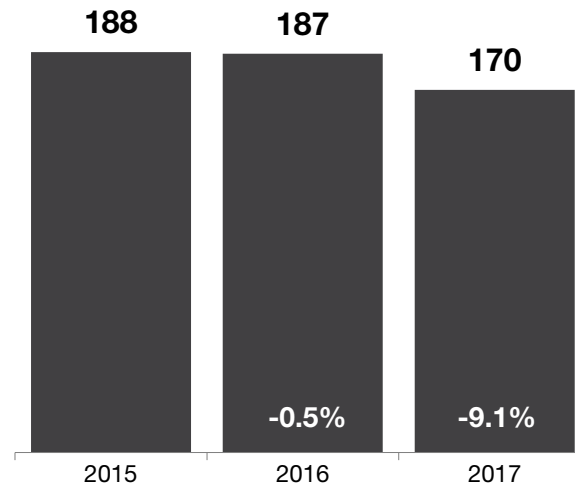
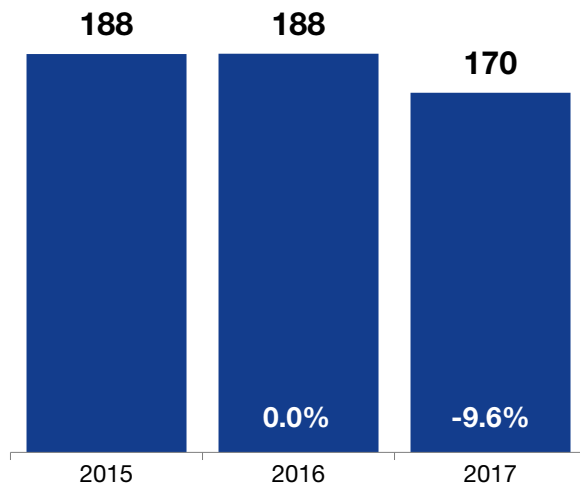
This index measures housing affordability for the region. For example, an index of 120 means the median household income was 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.



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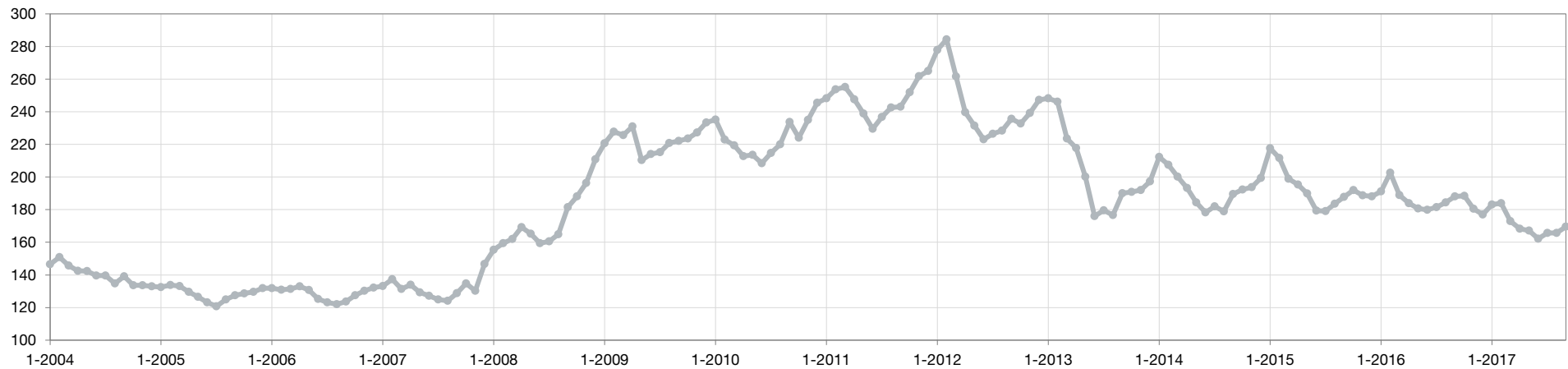
September

Year to Date



Month	Prior Year	Current Year	+ / -
October	192	188	-2.1%
November	189	181	-4.2%
December	188	177	-5.9%
January	191	183	-4.2%
February	203	184	-9.4%
March	189	173	-8.5%
April	184	168	-8.7%
May	181	167	-7.7%
June	180	162	-10.0%
July	181	166	-8.3%
August	184	166	-9.8%
September	188	170	-9.6%
12-Month Avg	188	174	-7.4%

Historical Housing Affordability Index



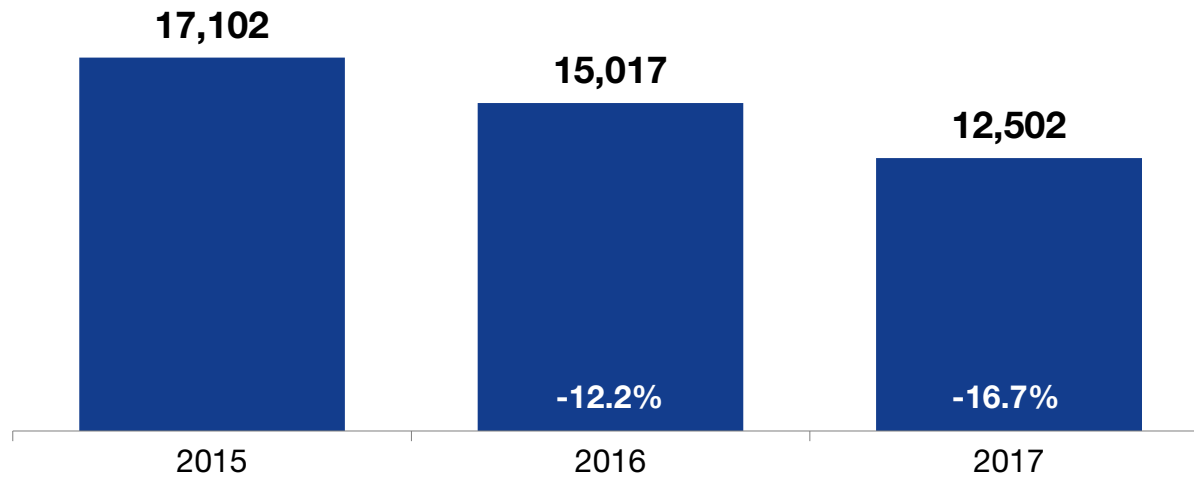
Inventory of Homes for Sale

The number of properties available for sale in active status at the end of a given month.



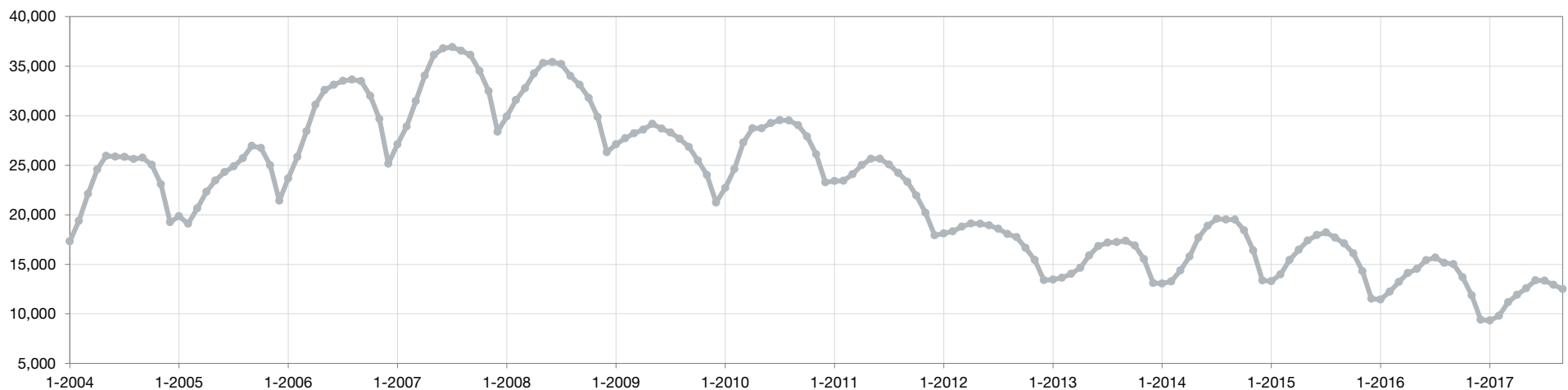
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Month	Prior Year	Current Year	+ / -
October	16,087	13,679	-15.0%
November	14,310	11,878	-17.0%
December	11,508	9,415	-18.2%
January	11,430	9,319	-18.5%
February	12,237	9,808	-19.8%
March	13,205	11,185	-15.3%
April	14,112	11,909	-15.6%
May	14,550	12,571	-13.6%
June	15,421	13,381	-13.2%
July	15,679	13,337	-14.9%
August	15,141	12,928	-14.6%
September	15,017	12,502	-16.7%
12-Month Avg	14,058	11,826	-16.0%

Historical Inventory of Homes for Sale



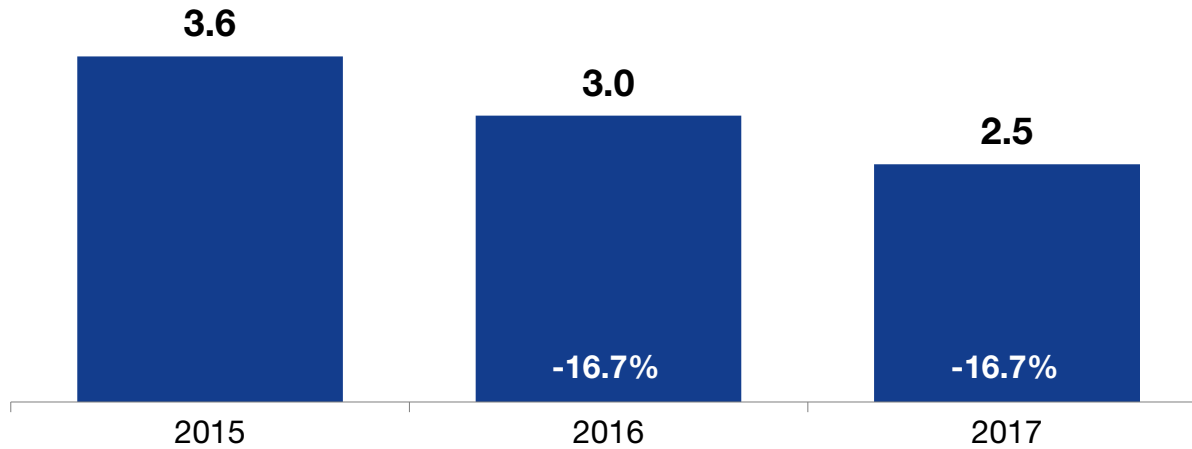
Months Supply of Homes for Sale

The inventory of homes for sale at the end of a given month, divided by the average monthly pending sales for the last 12 months.



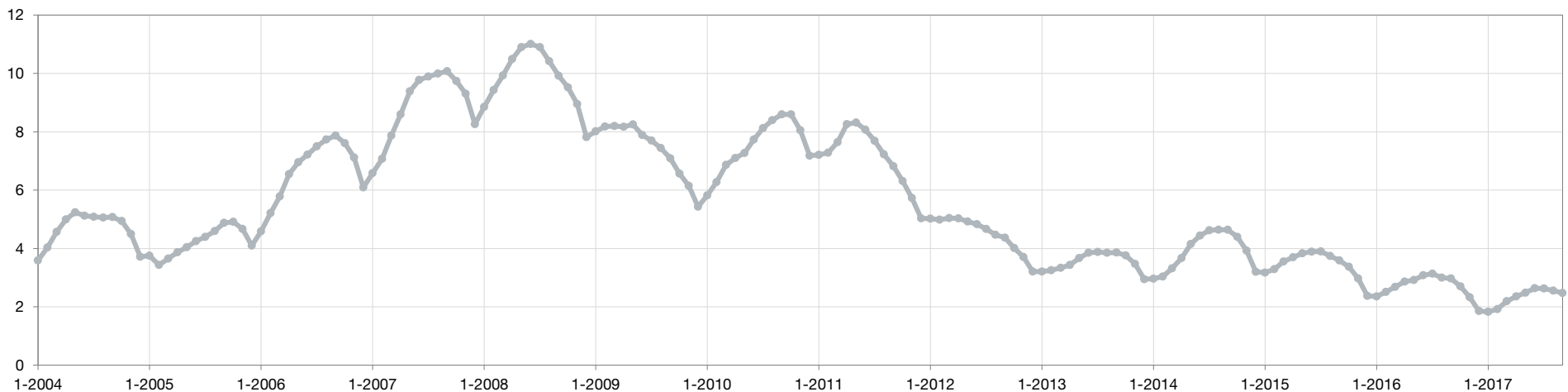
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Month	Prior Year	Current Year	+ / -
October	3.4	2.7	-20.6%
November	3.0	2.3	-23.3%
December	2.4	1.9	-20.8%
January	2.4	1.8	-25.0%
February	2.5	1.9	-24.0%
March	2.7	2.2	-18.5%
April	2.9	2.4	-17.2%
May	2.9	2.5	-13.8%
June	3.1	2.6	-16.1%
July	3.1	2.6	-16.1%
August	3.0	2.5	-16.7%
September	3.0	2.5	-16.7%
12-Month Avg	2.9	2.3	-20.7%

Historical Months Supply of Inventory



Mortgage Finance Utilization Rates



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Home finance type utilization rates as a share of all closed sales, by month. Note: "Other" includes Adjustable Rate / Graduated Payment, Assumable, Contract for Deed (CFD), CFD w/ Assumable, DVA, Exchange / Trade, FHA Rehab 203k, Special Funding, Other and Unknown.

Historical Mortgage Finance Utilization Rates

