

Monthly Indicators

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



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May 2017

Housing markets from New York to Los Angeles are heating up this summer, prompting concerns over whether we're in a bubble. But another 2008-style collapse is unlikely. Not only is there more frustration than irrational exuberance, there's also a lack of speculative building activity. Money is cheap to borrow, but not easy to qualify for, as is the case in bubbles. Consumers are more cautious and purchasing within their means. The unemployed can't buy homes (at least not anymore), and we have a smarter regulatory environment and improving economy. A repeat performance of the Great Recession isn't likely.

New Listings in the Twin Cities region increased 0.7 percent to 8,744. Pending Sales were down 3.1 percent to 6,691. Inventory levels fell 17.3 percent to 11,615 units.

Prices continued to gain traction. The Median Sales Price increased 5.5 percent to \$250,000. Days on Market was down 15.0 percent to 51 days. Sellers were encouraged as Months Supply of Homes for Sale was down 20.7 percent to 2.3 months.

Political theater is no match for improving fundamentals—the primary driver of household formations and healthy housing markets. Even so, more existing and resale product is desperately needed to fuel such strong demand. But the four 'L's are still gumming up the works—lots, labor, lending and lumber. Although we continue to battle a supply shortage in most of the country, positive sentiment seems to be the prevailing force these days.

Quick Facts

- 1.1% **+ 5.5%** **- 17.3%**

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)	5-2016	5-2017	+ / -	YTD 2016	YTD 2017	+ / -
New Listings		8,685	8,744	+ 0.7%	35,097	34,258	- 2.4%
Pending Sales		6,904	6,691	- 3.1%	26,061	25,627	- 1.7%
Closed Sales		6,314	6,246	- 1.1%	21,122	20,961	- 0.8%
Days on Market Until Sale		60	51	- 15.0%	76	65	- 14.5%
Median List Price		\$255,000	\$274,900	+ 7.8%	\$259,000	\$274,900	+ 6.1%
Median Sales Price		\$237,000	\$250,000	+ 5.5%	\$226,000	\$240,000	+ 6.2%
Price Per Square Foot		\$134	\$144	+ 7.2%	\$130	\$140	+ 7.6%
ShowingTime Housing Value Index		\$198,756	\$210,124	+ 5.7%	--	--	--
Pct. of Orig. List Price Received		98.6%	99.5%	+ 0.9%	97.2%	98.3%	+ 1.1%
Inventory of Homes for Sale		14,053	11,615	- 17.3%	--	--	--
Months Supply of Homes for Sale		2.9	2.3	- 20.7%	--	--	--

New Listings

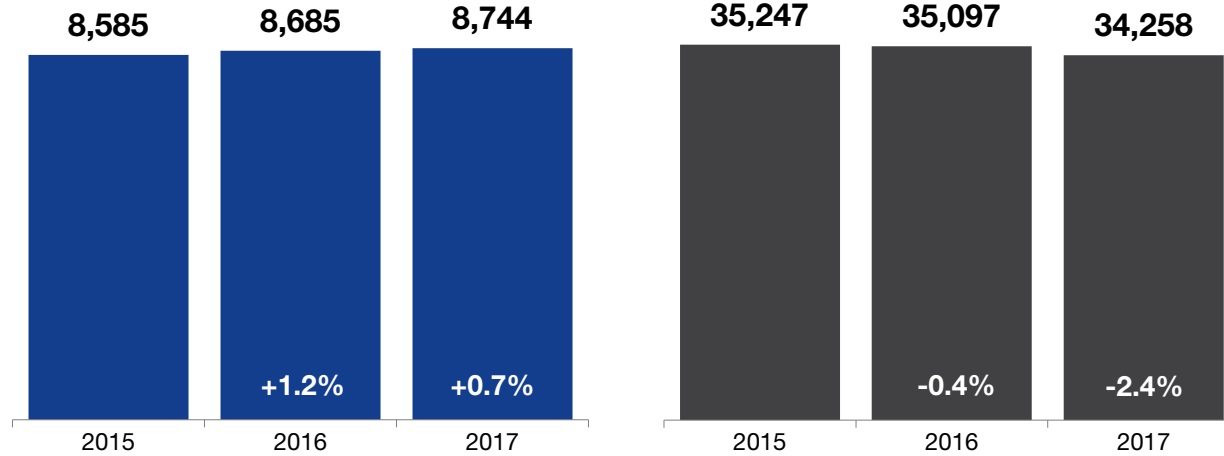
A count of the properties that have been newly listed on the market in a given month.



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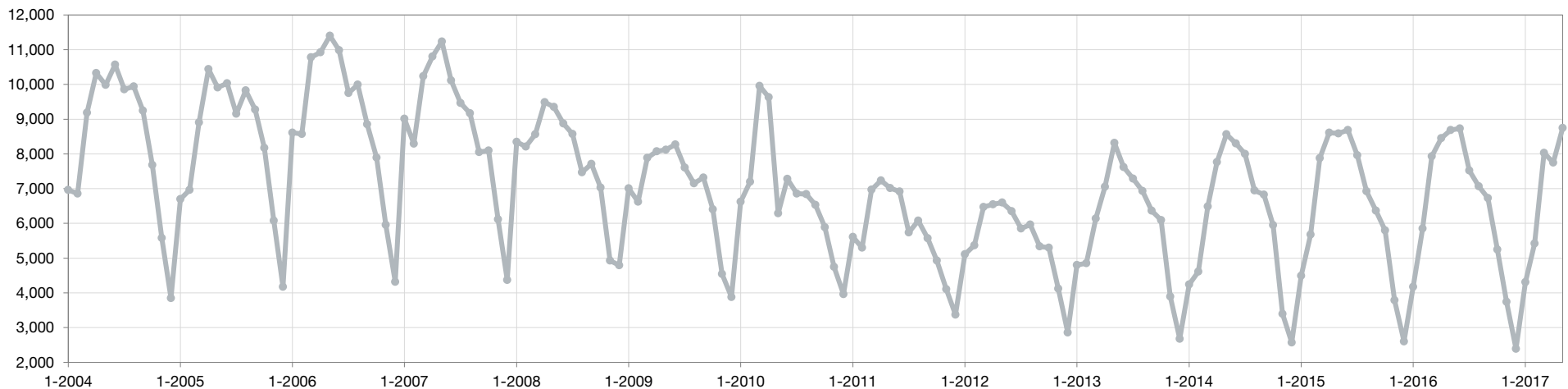
May

Year To Date



Month	Prior Year	Current Year	+ / -
June	8,684	8,729	+0.5%
July	7,964	7,524	-5.5%
August	6,928	7,068	+2.0%
September	6,368	6,729	+5.7%
October	5,800	5,249	-9.5%
November	3,786	3,744	-1.1%
December	2,600	2,388	-8.2%
January	4,176	4,310	+3.2%
February	5,855	5,422	-7.4%
March	7,929	8,030	+1.3%
April	8,452	7,752	-8.3%
May	8,685	8,744	+0.7%
12-Month Avg	6,436	6,307	-2.0%

Historical New Listing Activity



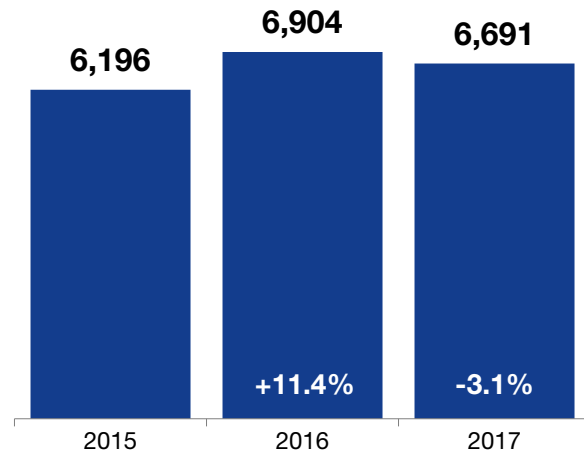
Pending Sales

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

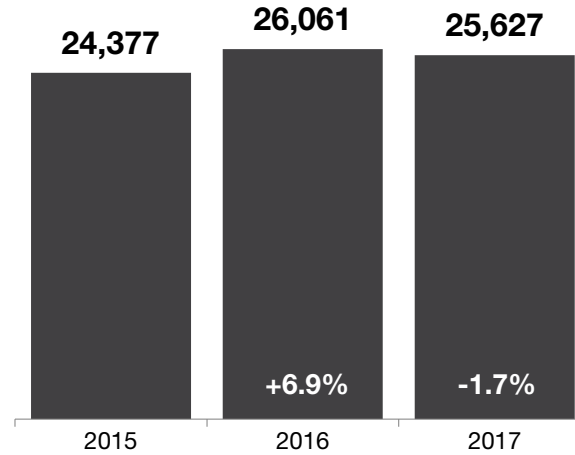


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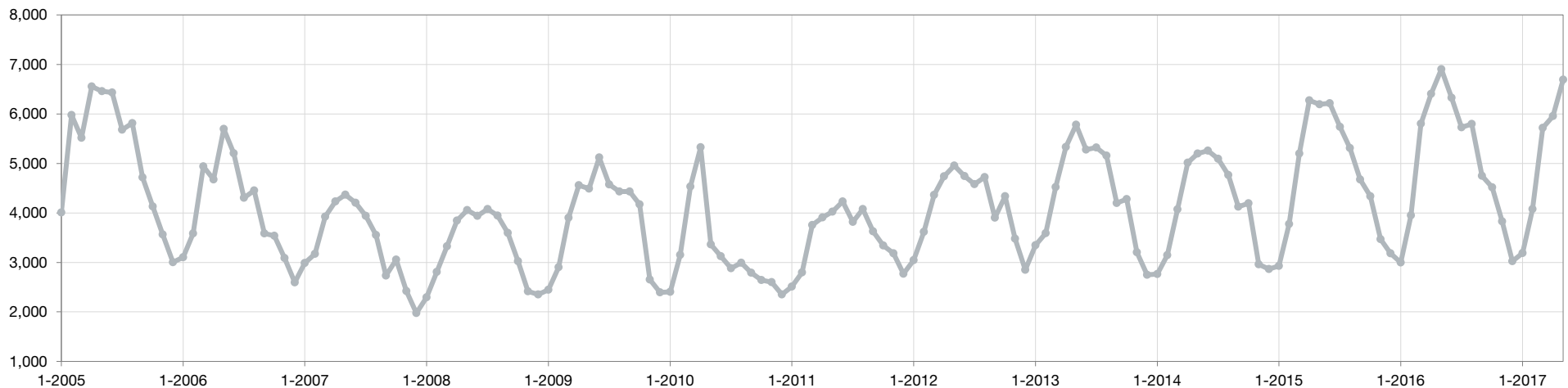


Year To Date



Month	Prior Year	Current Year	+ / -
June	6,217	6,325	+1.7%
July	5,739	5,729	-0.2%
August	5,312	5,795	+9.1%
September	4,673	4,749	+1.6%
October	4,335	4,514	+4.1%
November	3,467	3,827	+10.4%
December	3,184	3,022	-5.1%
January	2,998	3,186	+6.3%
February	3,950	4,077	+3.2%
March	5,803	5,715	-1.5%
April	6,406	5,958	-7.0%
May	6,904	6,691	-3.1%
12-Month Avg	4,916	4,966	+1.0%

Historical Pending Sales Activity



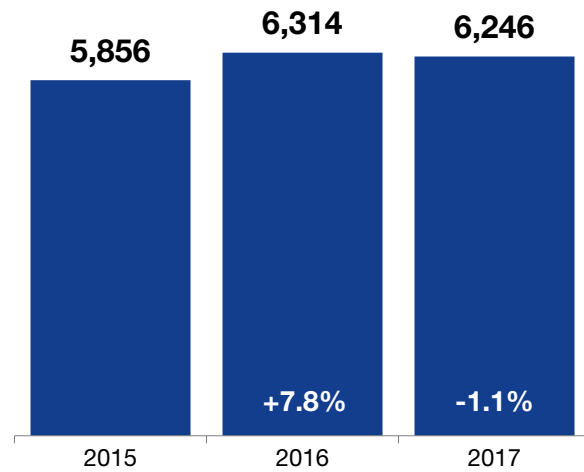
Closed Sales

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

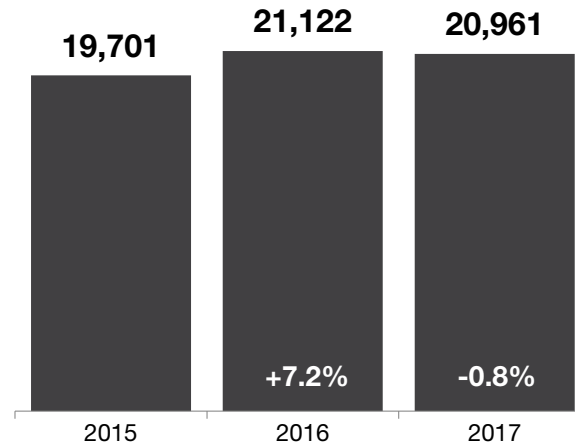


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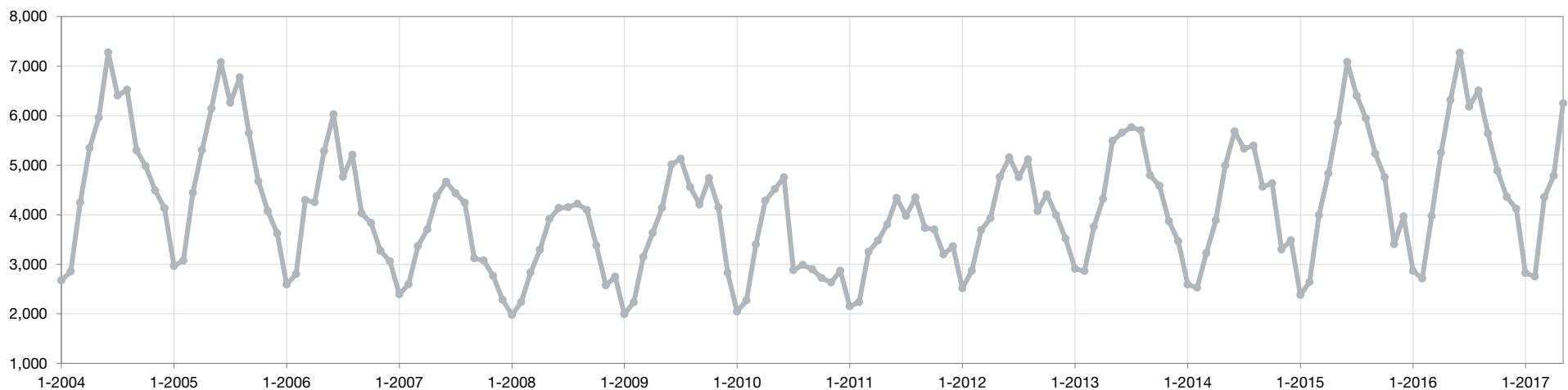


Year To Date



Month	Prior Year	Current Year	+ / -
June	7,082	7,268	+2.6%
July	6,402	6,183	-3.4%
August	5,947	6,506	+9.4%
September	5,232	5,637	+7.7%
October	4,756	4,887	+2.8%
November	3,403	4,360	+28.1%
December	3,965	4,121	+3.9%
January	2,866	2,821	-1.6%
February	2,714	2,756	+1.5%
March	3,976	4,352	+9.5%
April	5,252	4,786	-8.9%
May	6,314	6,246	-1.1%
12-Month Avg	4,826	4,994	+4.2%

Historical Closed Sales Activity



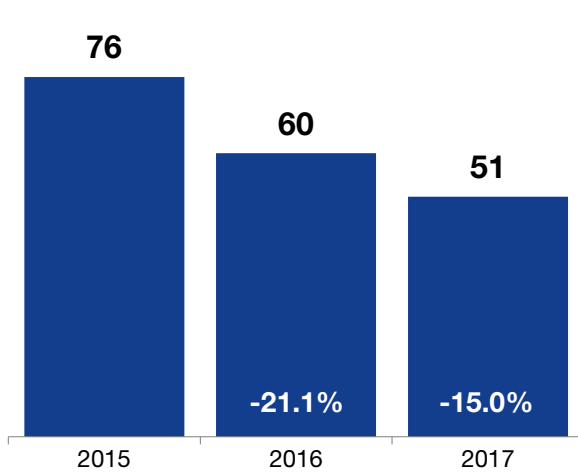
Days on Market Until Sale

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

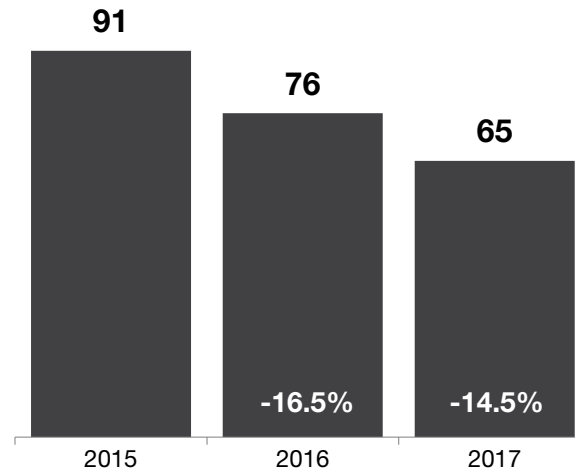


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Year To Date



Month	Prior Year	Current Year	+ / -
June	66	56	-15.2%
July	64	54	-15.6%
August	64	55	-14.1%
September	65	56	-13.8%
October	70	60	-14.3%
November	73	62	-15.1%
December	79	71	-10.1%
January	85	79	-7.1%
February	96	82	-14.6%
March	85	72	-15.3%
April	73	58	-20.5%
May	60	51	-15.0%
12-Month Avg	71	60	-15.5%

Historical Days on Market Until Sale



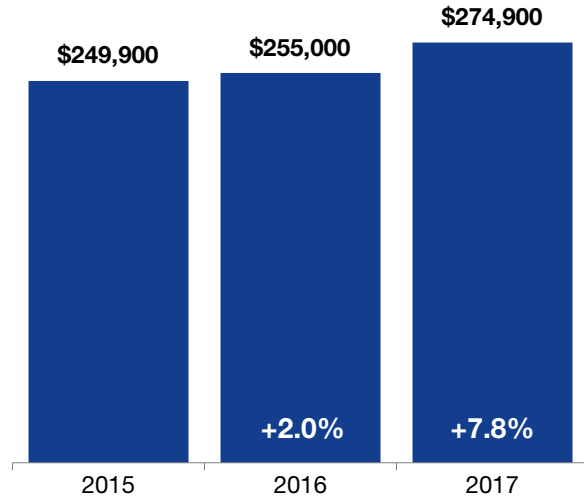
Median Original List Price

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

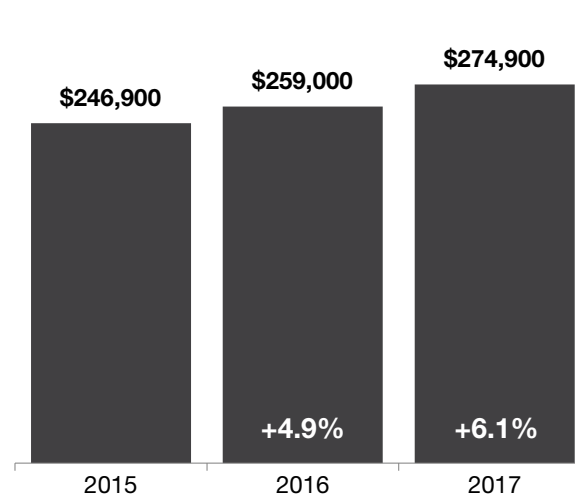


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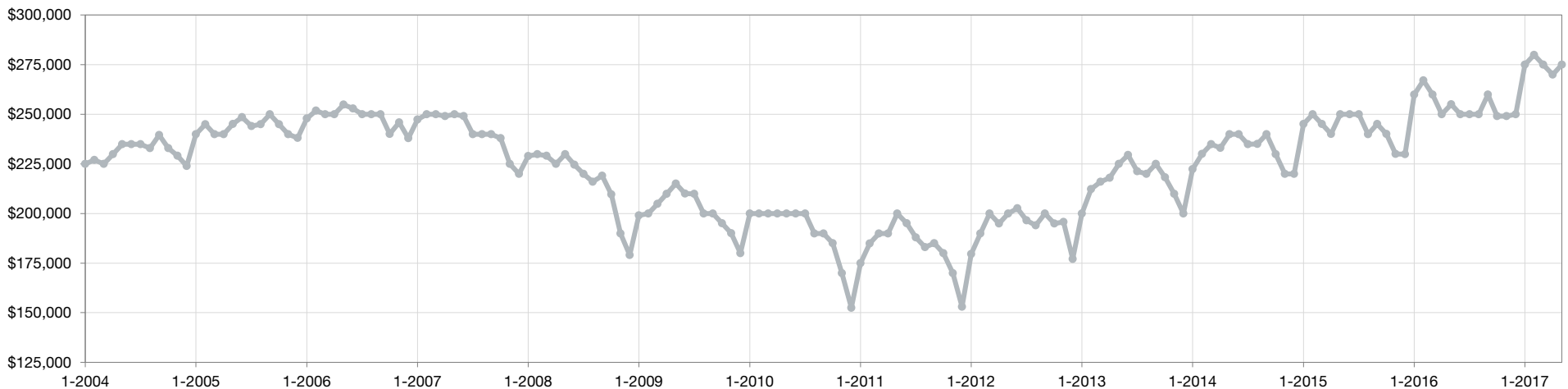


Year To Date



Month	Prior Year	Current Year	+ / -
June	\$249,900	\$250,000	+0.0%
July	\$249,900	\$249,900	0.0%
August	\$239,900	\$249,900	+4.2%
September	\$245,000	\$259,900	+6.1%
October	\$240,000	\$249,000	+3.8%
November	\$230,000	\$249,000	+8.3%
December	\$229,900	\$250,000	+8.7%
January	\$259,900	\$275,000	+5.8%
February	\$267,000	\$279,900	+4.8%
March	\$259,900	\$274,900	+5.8%
April	\$250,000	\$269,900	+8.0%
May	\$255,000	\$274,900	+7.8%
12-Month Med	\$249,900	\$259,900	+4.0%

Historical Median Original List Price



Median Sales Price

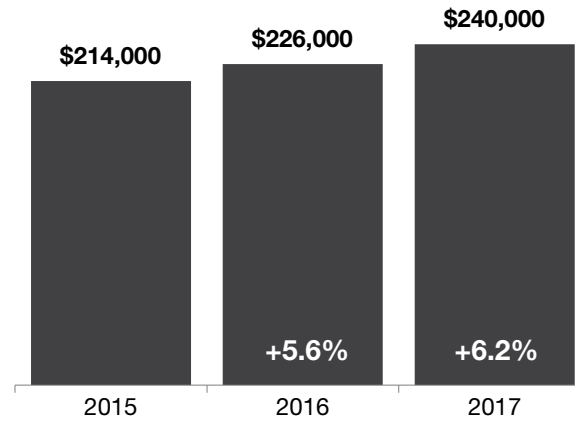
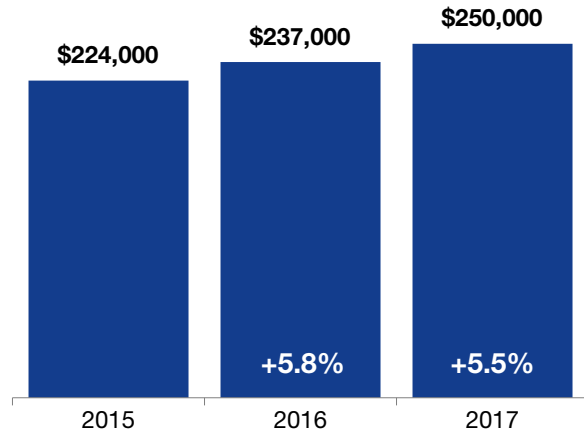
Median price point for all closed sales, not accounting for seller concessions, in a given month.



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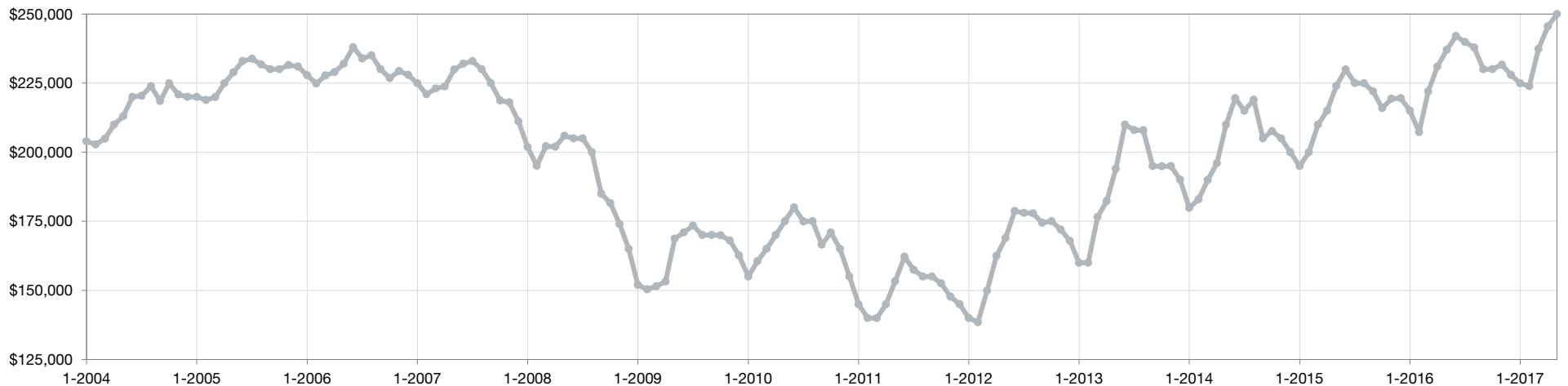
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Year To Date



Month	Prior Year	Current Year	+ / -
June	\$229,900	\$242,000	+5.3%
July	\$225,000	\$239,900	+6.6%
August	\$224,900	\$237,875	+5.8%
September	\$222,000	\$230,000	+3.6%
October	\$215,950	\$230,000	+6.5%
November	\$219,340	\$231,625	+5.6%
December	\$219,500	\$228,000	+3.9%
January	\$215,000	\$224,900	+4.6%
February	\$207,280	\$223,900	+8.0%
March	\$222,000	\$237,400	+6.9%
April	\$231,000	\$245,500	+6.3%
May	\$237,000	\$250,000	+5.5%
12-Month Med	\$224,900	\$237,000	+5.4%

Historical Median Sales Price



Average Sales Price

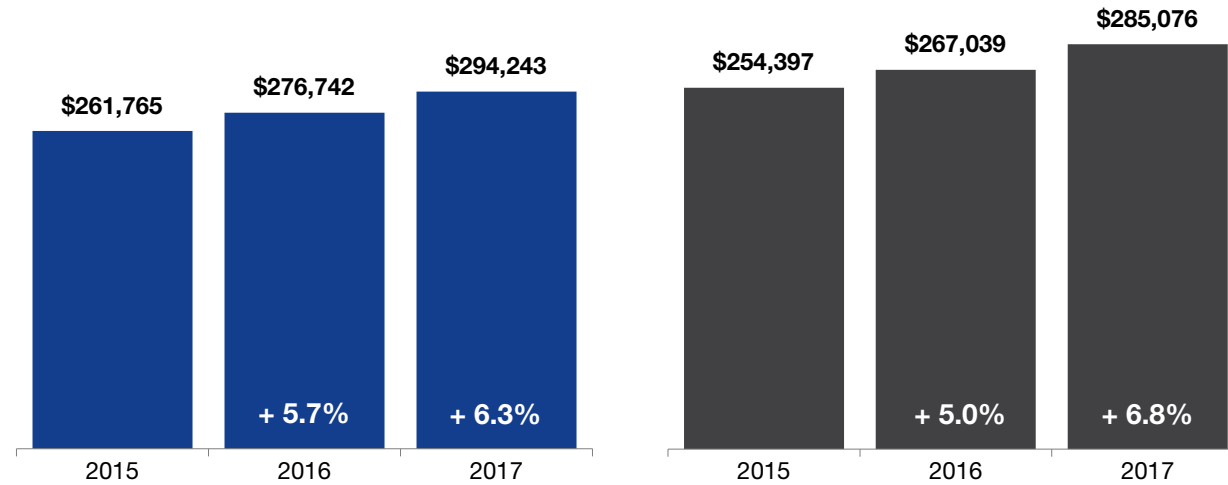
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



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Year to Date



Month	Prior Year	Current Year	+ / -
June	\$273,722	\$284,759	+4.0%
July	\$269,429	\$281,508	+4.5%
August	\$268,471	\$284,233	+5.9%
September	\$266,187	\$272,777	+2.5%
October	\$260,926	\$275,226	+5.5%
November	\$268,063	\$275,701	+2.8%
December	\$264,770	\$273,329	+3.2%
January	\$261,711	\$274,825	+5.0%
February	\$250,936	\$270,323	+7.7%
March	\$258,351	\$280,681	+8.6%
April	\$273,148	\$292,138	+7.0%
May	\$276,742	\$294,243	+6.3%
12-Month Avg	\$267,594	\$281,174	+5.1%

Historical Average Sales Price



Price Per Square Foot

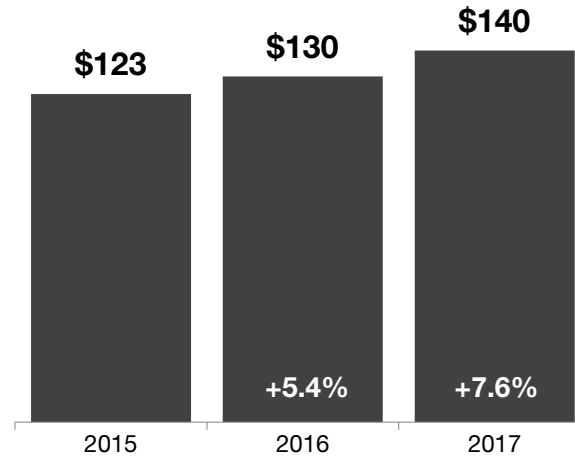
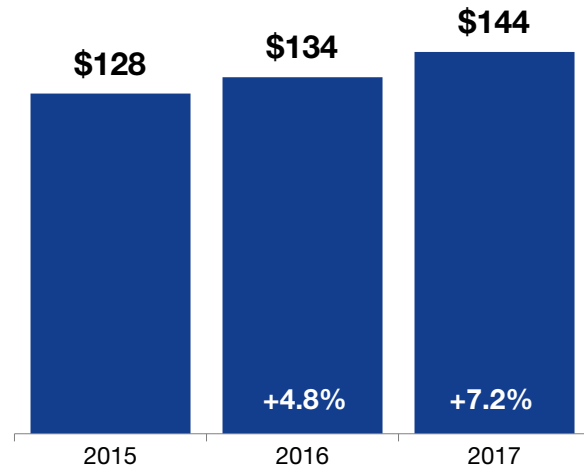
The price per square foot of homes sold in a given month. Sold properties only. Does not account for seller concessions.



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Year to Date



Month	Prior Year	Current Year	+ / -
June	\$128	\$136	+5.9%
July	\$130	\$136	+4.6%
August	\$129	\$136	+5.7%
September	\$129	\$136	+5.3%
October	\$127	\$135	+6.7%
November	\$127	\$135	+5.8%
December	\$127	\$134	+5.6%
January	\$126	\$134	+6.6%
February	\$123	\$134	+9.0%
March	\$127	\$138	+8.1%
April	\$132	\$142	+7.6%
May	\$134	\$144	+7.2%
12-Month Avg	\$129	\$137	+6.3%

Historical Price Per Square Foot



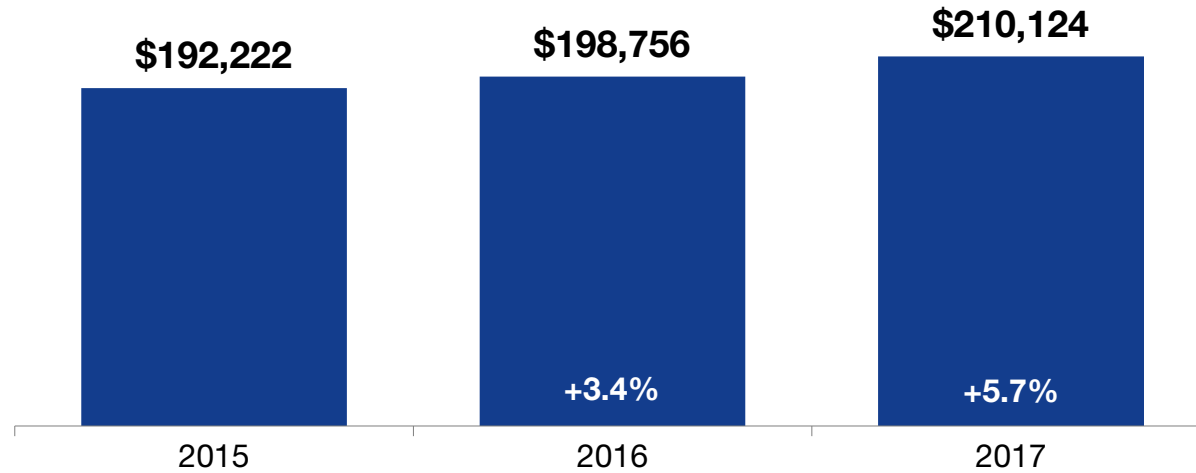
ShowingTime Housing Value Index

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.



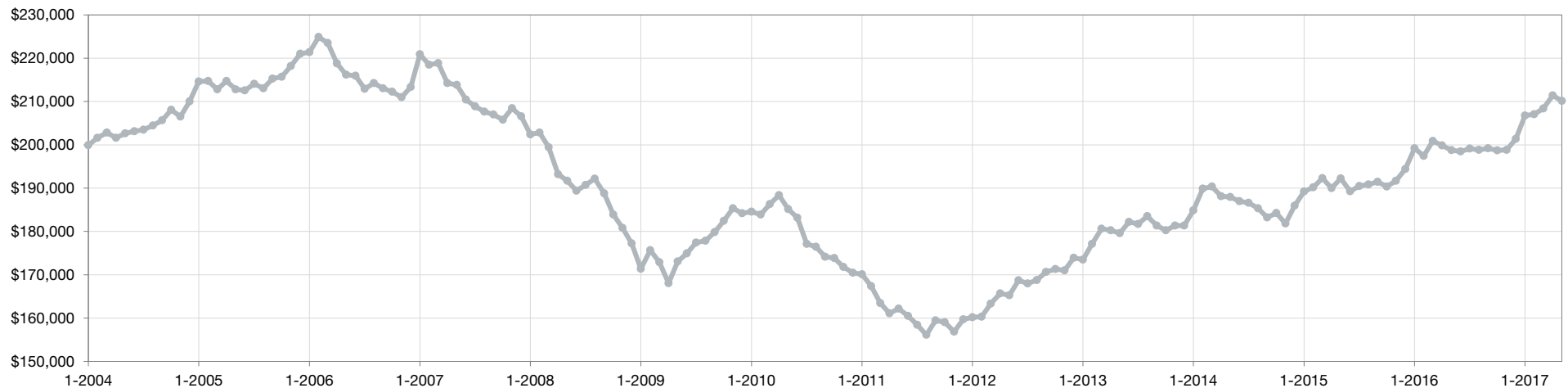
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Month	Prior Year	Current Year	+ / -
June	\$189,309	\$198,496	+4.9%
July	\$190,518	\$199,167	+4.5%
August	\$190,822	\$198,818	+4.2%
September	\$191,458	\$199,168	+4.0%
October	\$190,349	\$198,717	+4.4%
November	\$191,704	\$198,838	+3.7%
December	\$194,401	\$201,368	+3.6%
January	\$199,228	\$206,782	+3.8%
February	\$197,457	\$207,084	+4.9%
March	\$200,902	\$208,373	+3.7%
April	\$199,859	\$211,385	+5.8%
May	\$198,756	\$210,124	+5.7%
12-Month Avg	\$194,564	\$203,193	+4.4%

Historical ShowingTime Housing Value Index



Percent of Original List Price Received

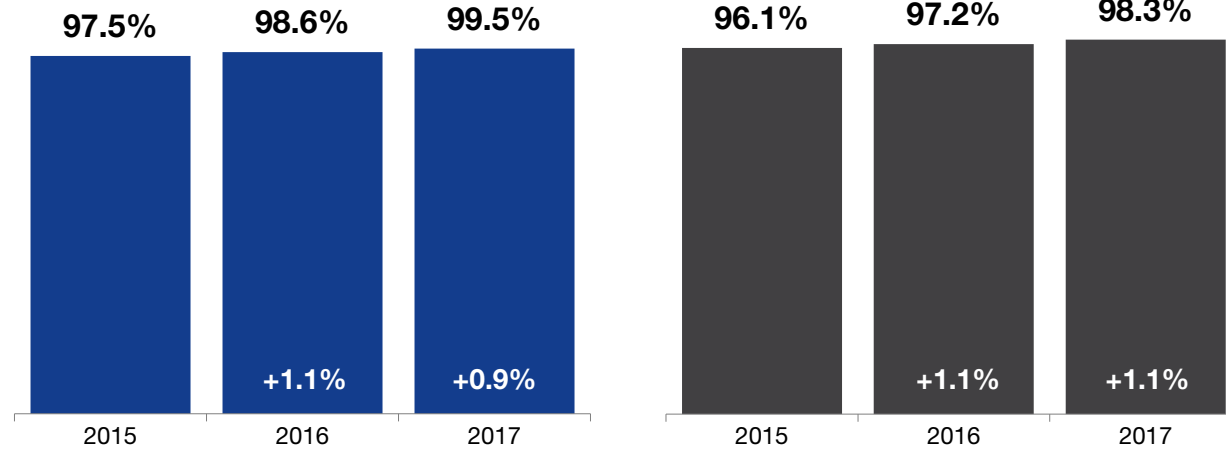
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



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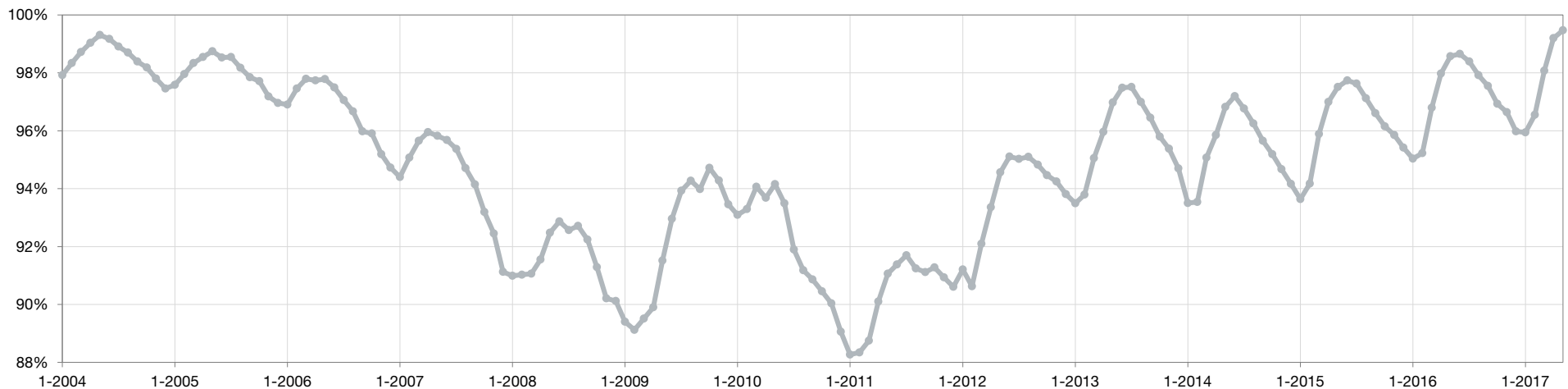
May

Year to Date



Month	Prior Year	Current Year	+ / -
June	97.7%	98.7%	+1.0%
July	97.6%	98.4%	+0.8%
August	97.1%	97.9%	+0.8%
September	96.6%	97.5%	+0.9%
October	96.1%	96.9%	+0.8%
November	95.9%	96.6%	+0.7%
December	95.4%	96.0%	+0.6%
January	95.0%	95.9%	+0.9%
February	95.2%	96.6%	+1.5%
March	96.8%	98.1%	+1.3%
April	98.0%	99.2%	+1.2%
May	98.6%	99.5%	+0.9%
12-Month Avg	97.0%	97.8%	+0.8%

Historical Percent of Original List Price Received



Housing Affordability Index

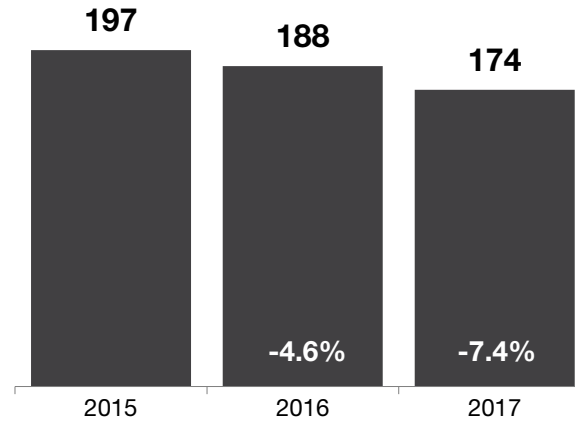
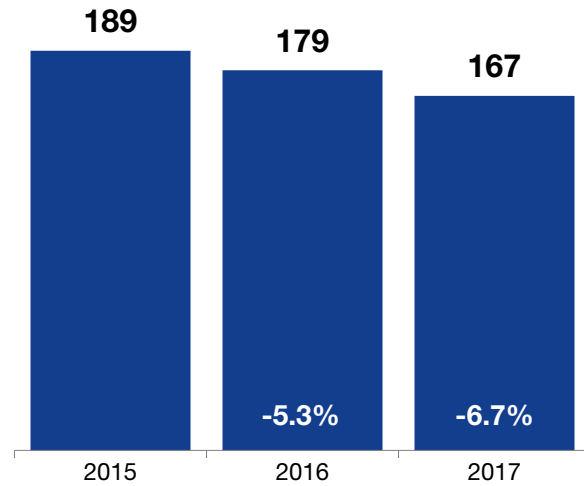
This index measures housing affordability for the region. An index of 120 means the median household income was 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.



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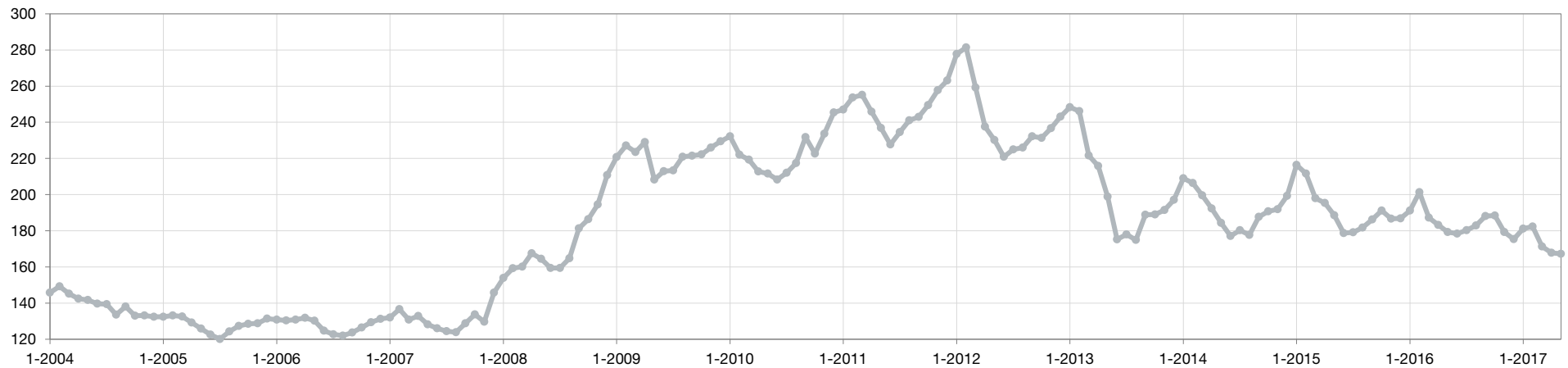
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Year to Date



Month	Prior Year	Current Year	+ / -
June	179	178	-0.6%
July	179	180	+0.6%
August	182	183	+0.5%
September	186	188	+1.1%
October	191	188	-1.6%
November	187	179	-4.3%
December	187	175	-6.4%
January	191	181	-5.2%
February	201	182	-9.5%
March	187	171	-8.6%
April	183	168	-8.2%
May	179	167	-6.7%
12-Month Avg	186	179	-3.8%

Historical Housing Affordability Index



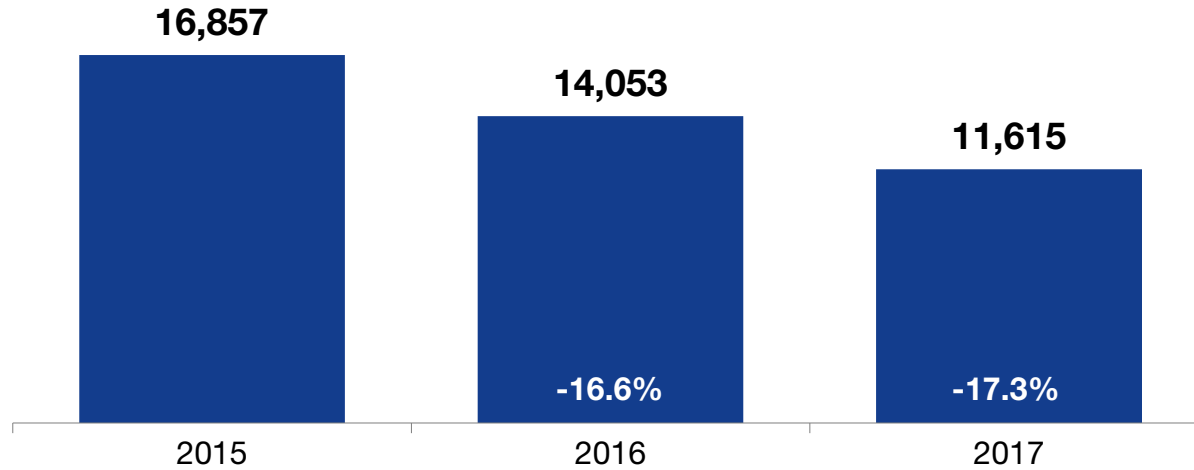
Inventory of Homes for Sale

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



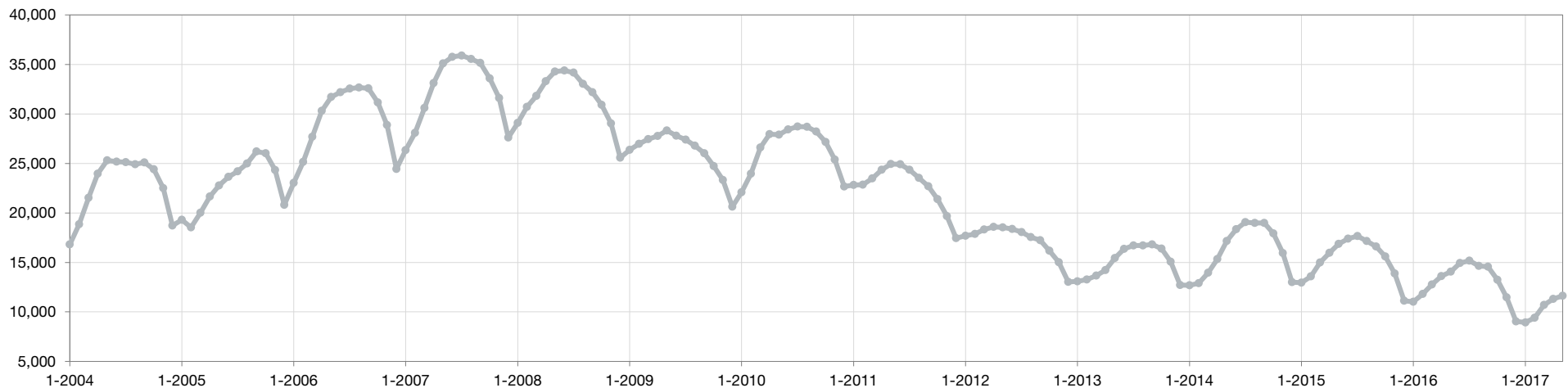
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Month	Prior Year	Current Year	+ / -
June	17,388	14,926	-14.2%
July	17,672	15,183	-14.1%
August	17,165	14,635	-14.7%
September	16,603	14,552	-12.4%
October	15,599	13,239	-15.1%
November	13,873	11,475	-17.3%
December	11,133	9,040	-18.8%
January	11,016	8,941	-18.8%
February	11,808	9,408	-20.3%
March	12,753	10,701	-16.1%
April	13,619	11,322	-16.9%
May	14,053	11,615	-17.3%
12-Month Avg	14,390	12,086	-16.3%

Historical Inventory of Homes for Sale



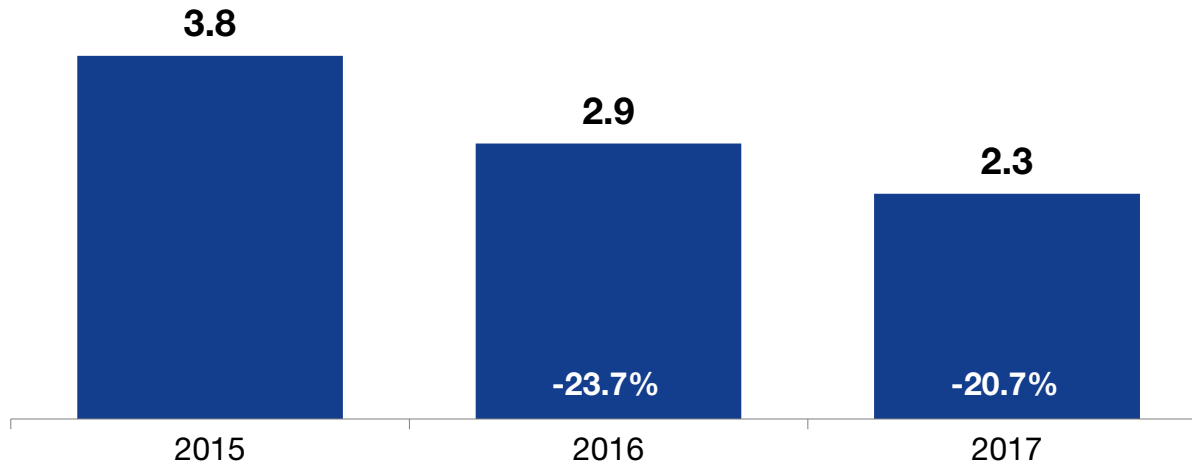
Months Supply of Homes for Sale

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.



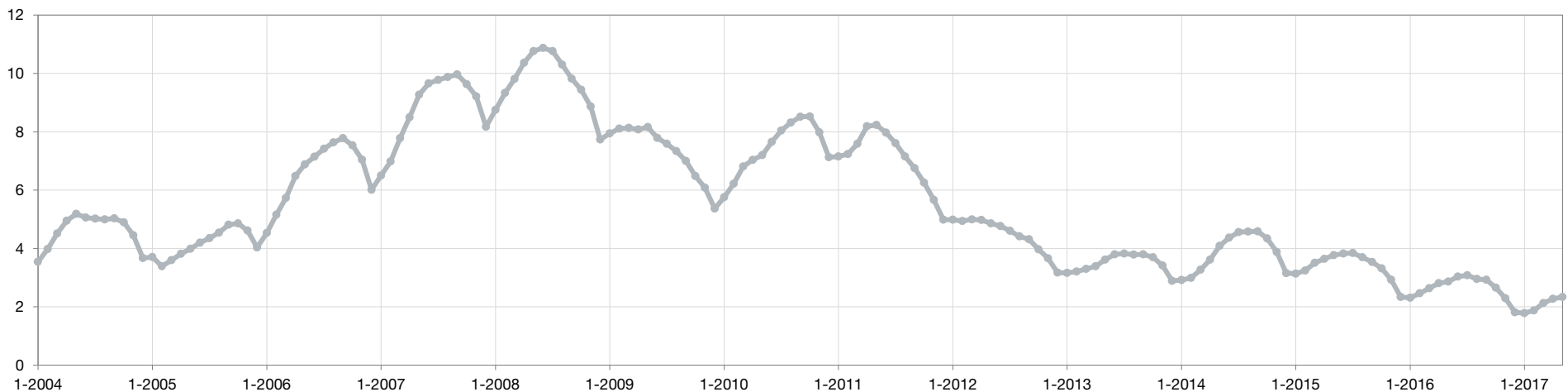
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Month	Prior Year	Current Year	+ / -
June	3.8	3.0	-21.1%
July	3.8	3.1	-18.4%
August	3.7	2.9	-21.6%
September	3.5	2.9	-17.1%
October	3.3	2.7	-18.2%
November	2.9	2.3	-20.7%
December	2.3	1.8	-21.7%
January	2.3	1.8	-21.7%
February	2.5	1.9	-24.0%
March	2.6	2.1	-19.2%
April	2.8	2.3	-17.9%
May	2.9	2.3	-20.7%
12-Month Avg	3.0	2.4	-20.0%

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

