

Monthly Indicators

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



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January 2017

January brings out a rejuvenated crop of buyers with a renewed enthusiasm in a new calendar year. Sales totals may still inevitably start slow in the first half of the year due to ongoing inventory concerns. Continued declines in the number of homes available for sale may push out potential buyers who simply cannot compete for homes selling at higher price points in a low number of days, especially if mortgage rates continue to increase.

New Listings in the Twin Cities region increased 3.1 percent to 4,304. Pending Sales were up 4.3 percent to 3,130. Inventory levels fell 25.4 percent to 8,212 units.

Prices continued to gain traction. The Median Sales Price increased 4.7 percent to \$225,000. Days on Market was down 7.1 percent to 79 days. Sellers were encouraged as Months Supply of Homes for Sale was down 30.4 percent to 1.6 months.

In case you missed it, we have a new U.S. president. In his first hour in office, the .25 percentage point rate cut on mortgage insurance premiums for loans backed by the Federal Housing Administration (FHA) was removed, setting the table for what should be an interesting presidential term for real estate policy. FHA loans tend to be a favorable option for those with limited financial resources. On a brighter note, wages are on the uptick for many Americans, while unemployment rates have remained stable and relatively unchanged for several months. The system is ripe for more home purchasing if there are more homes available to sell.

Quick Facts

- 3.2% **+ 4.7%** **- 25.4%**

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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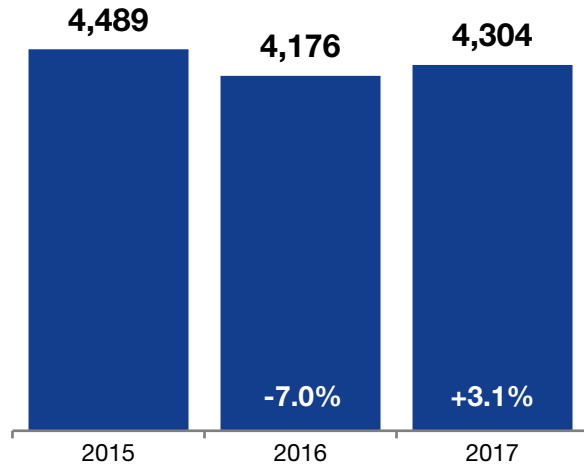
Key Metrics	Historical Sparklines (normalized)	1-2016	1-2017	+ / -	YTD 2016	YTD 2017	+ / -
New Listings		4,176	4,304	+ 3.1%	4,176	4,304	+ 3.1%
Pending Sales		3,001	3,130	+ 4.3%	3,001	3,130	+ 4.3%
Closed Sales		2,866	2,775	- 3.2%	2,866	2,775	- 3.2%
Days on Market Until Sale		85	79	- 7.1%	85	79	- 7.1%
Median List Price		\$259,900	\$275,000	+ 5.8%	\$259,900	\$275,000	+ 5.8%
Median Sales Price		\$215,000	\$225,000	+ 4.7%	\$215,000	\$225,000	+ 4.7%
Price Per Square Foot		\$126	\$134	+ 6.7%	\$126	\$134	+ 6.7%
10K Housing Value Index		\$199,167	\$206,753	+ 3.8%	--	--	--
Percent of Original List Price Received		95.0%	95.9%	+ 0.9%	95.0%	95.9%	+ 0.9%
Inventory of Homes for Sale		11,008	8,212	- 25.4%	--	--	--
Months Supply of Homes for Sale		2.3	1.6	- 30.4%	--	--	--

New Listings

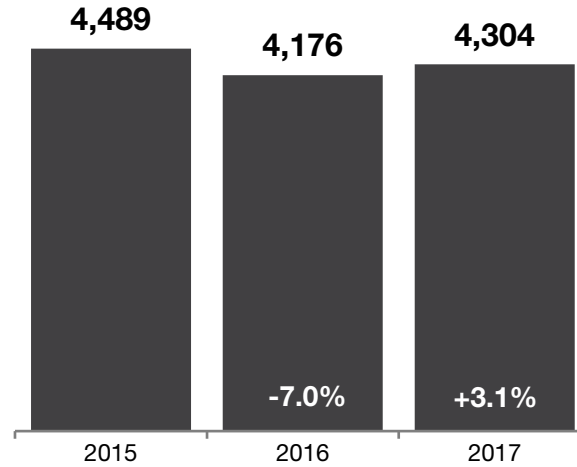
A count of the properties that have been newly listed on the market in a given month.



January

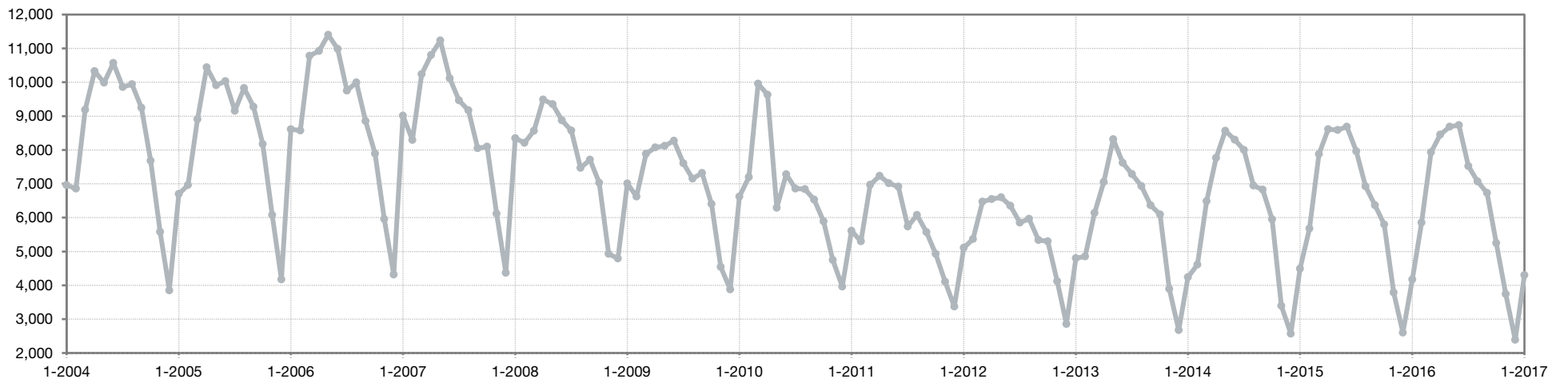


Year To Date



Month	Prior Year	Current Year	+ / -
February	5,680	5,855	+3.1%
March	7,879	7,929	+0.6%
April	8,614	8,452	-1.9%
May	8,585	8,685	+1.2%
June	8,684	8,729	+0.5%
July	7,964	7,524	-5.5%
August	6,928	7,069	+2.0%
September	6,368	6,729	+5.7%
October	5,800	5,250	-9.5%
November	3,786	3,744	-1.1%
December	2,600	2,388	-8.2%
January	4,176	4,304	+3.1%
12-Month Avg	6,422	6,388	-0.5%

Historical New Listing Activity



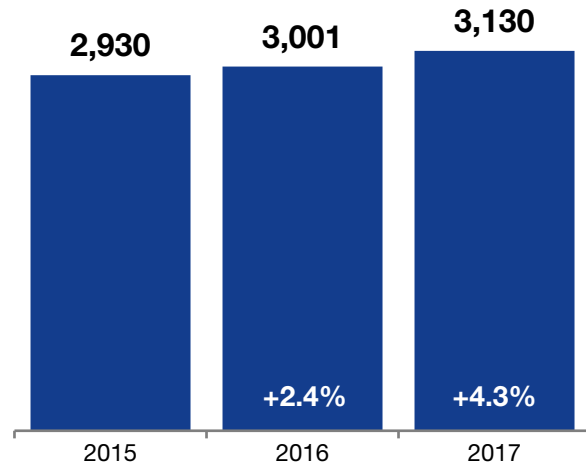
Pending Sales

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

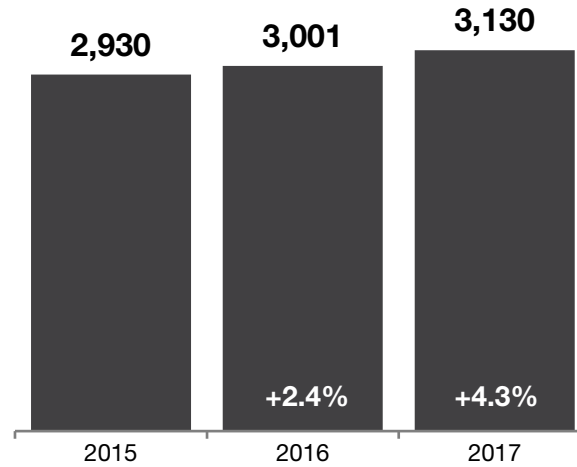


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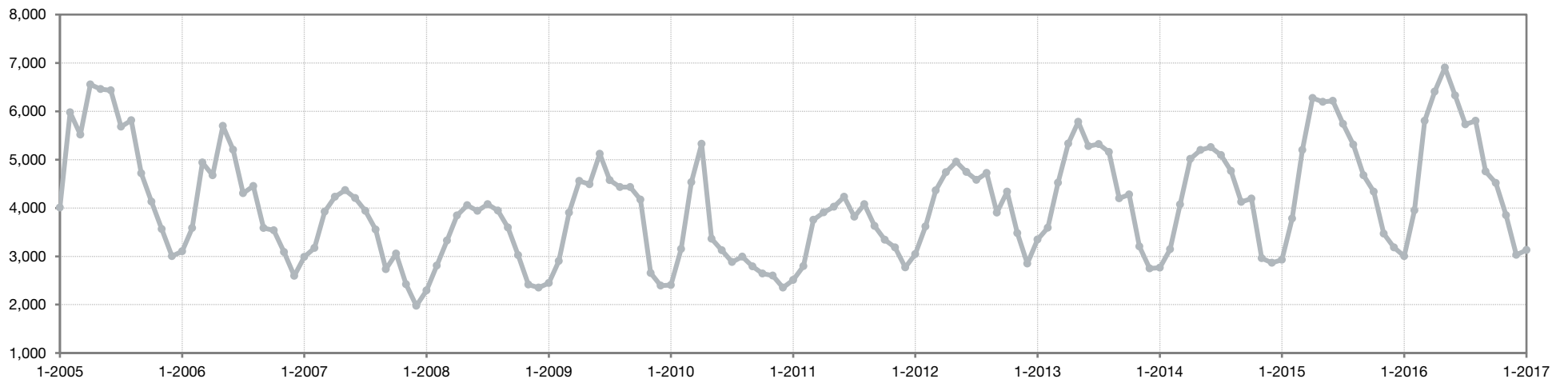


Year To Date



Month	Prior Year	Current Year	+ / -
February	3,779	3,952	+4.6%
March	5,201	5,804	+11.6%
April	6,271	6,406	+2.2%
May	6,196	6,904	+11.4%
June	6,217	6,326	+1.8%
July	5,739	5,730	-0.2%
August	5,312	5,801	+9.2%
September	4,673	4,754	+1.7%
October	4,335	4,518	+4.2%
November	3,467	3,848	+11.0%
December	3,184	3,027	-4.9%
January	3,001	3,130	+4.3%
12-Month Avg	4,781	5,017	+4.9%

Historical Pending Sales Activity



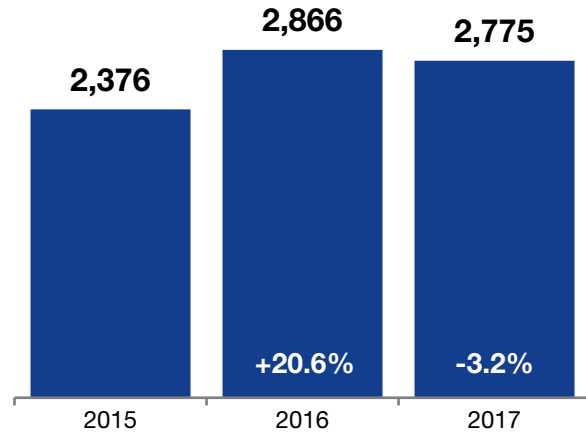
Closed Sales

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

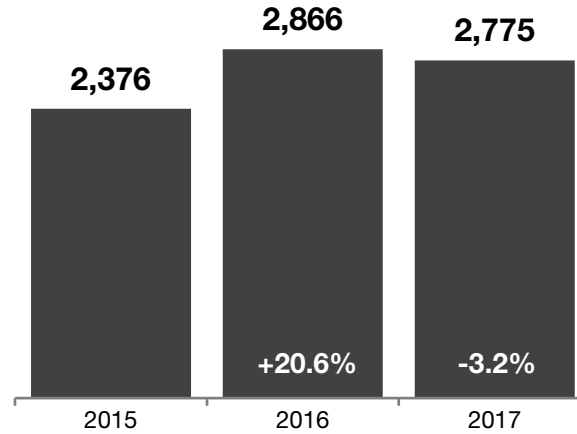


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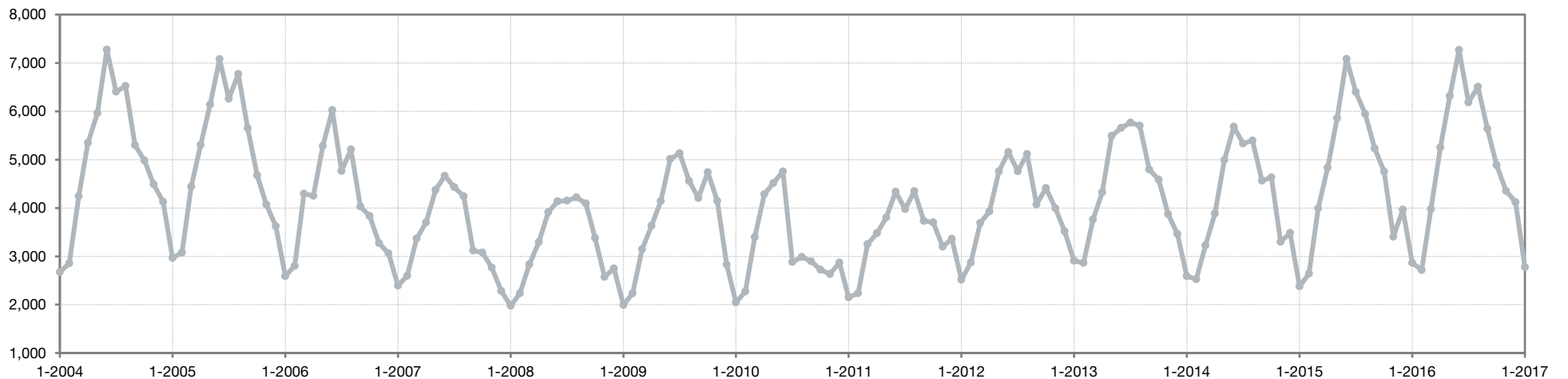


Year To Date



Month	Prior Year	Current Year	+ / -
February	2,645	2,716	+2.7%
March	3,991	3,976	-0.4%
April	4,832	5,251	+8.7%
May	5,856	6,313	+7.8%
June	7,082	7,267	+2.6%
July	6,402	6,181	-3.5%
August	5,947	6,506	+9.4%
September	5,232	5,636	+7.7%
October	4,755	4,885	+2.7%
November	3,403	4,352	+27.9%
December	3,965	4,117	+3.8%
January	2,866	2,775	-3.2%
12-Month Avg	4,748	4,998	+5.5%

Historical Closed Sales Activity



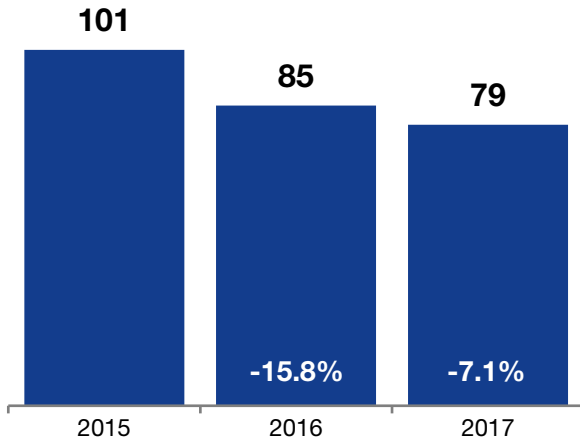
Days on Market Until Sale

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

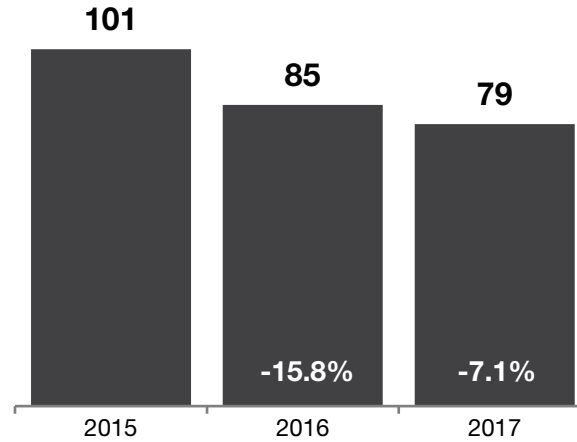


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Year To Date



Month	Prior Year	Current Year	+ / -
February	106	96	-9.4%
March	103	85	-17.5%
April	85	73	-14.1%
May	76	60	-21.1%
June	66	56	-15.2%
July	63	54	-14.3%
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%
12-Month Avg	75	64	-14.7%

Historical Days on Market Until Sale



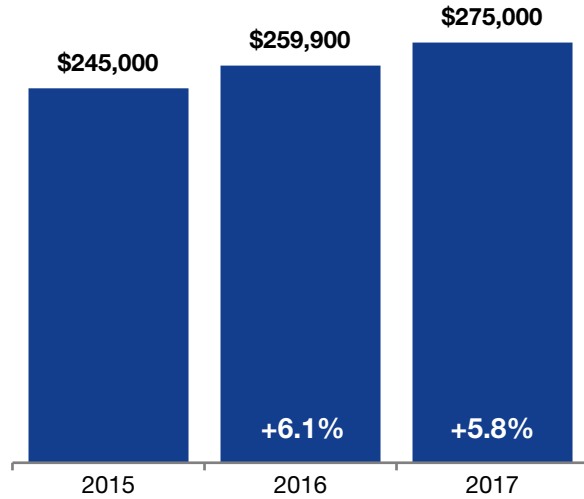
Median Original List Price

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

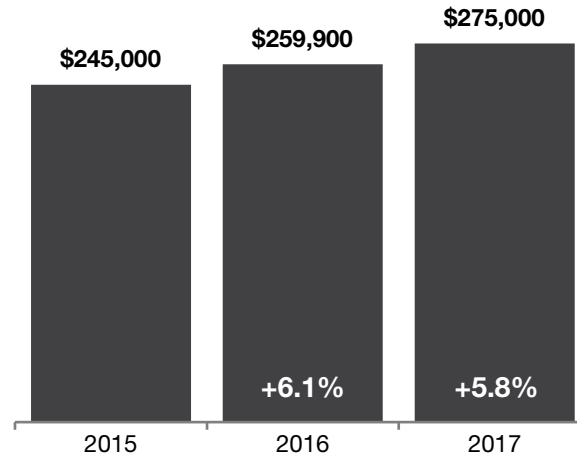


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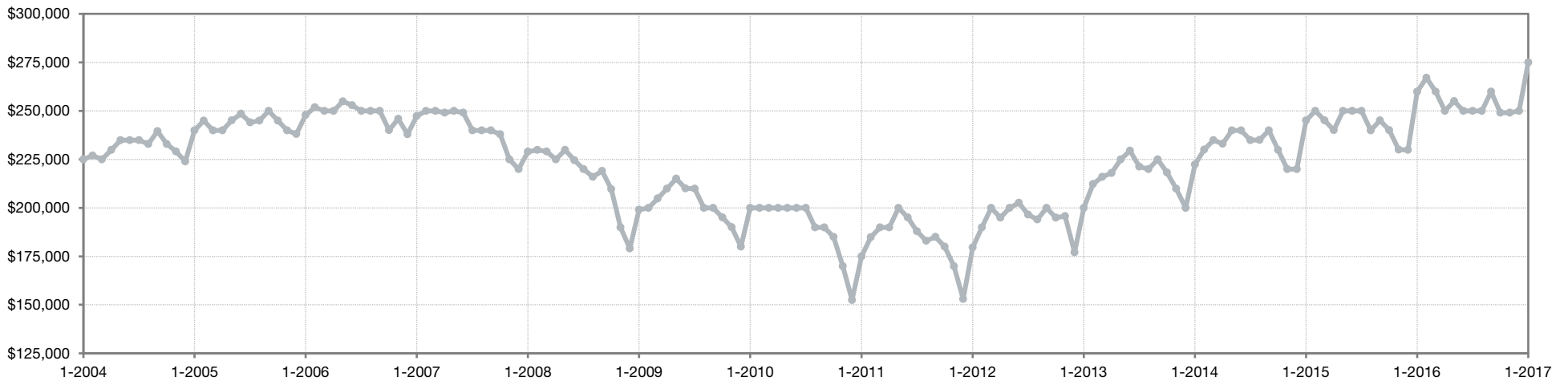


Year To Date



Month	Prior Year	Current Year	+ / -
February	\$249,900	\$267,000	+6.8%
March	\$245,000	\$259,900	+6.1%
April	\$240,000	\$250,000	+4.2%
May	\$249,900	\$255,000	+2.0%
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%
12-Month Med	\$245,000	\$254,900	+4.0%

Historical Median Original List Price



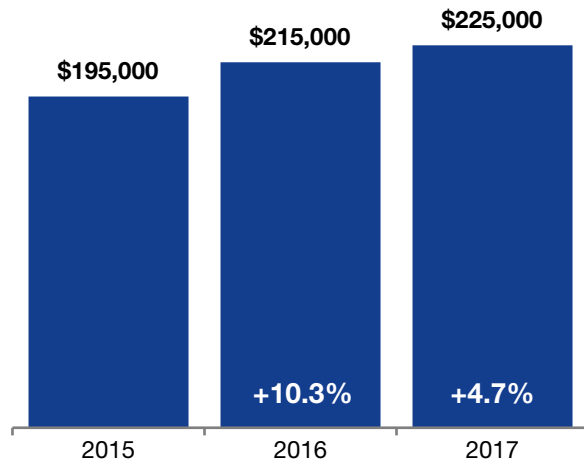
Median Sales Price

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

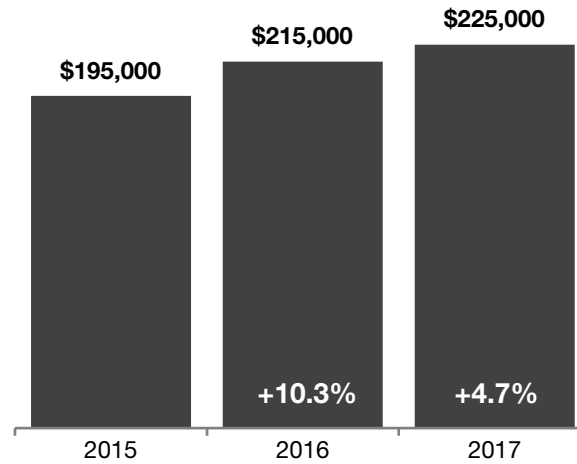


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Year To Date



Month	Prior Year	Current Year	+ / -
February	\$200,000	\$207,083	+3.5%
March	\$210,000	\$222,000	+5.7%
April	\$215,000	\$231,000	+7.4%
May	\$224,000	\$237,000	+5.8%
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	\$216,000	\$230,000	+6.5%
November	\$219,340	\$231,000	+5.3%
December	\$219,500	\$228,000	+3.9%
January	\$215,000	\$225,000	+4.7%
12-Month Med	\$220,000	\$232,900	+5.9%

Historical Median Sales Price



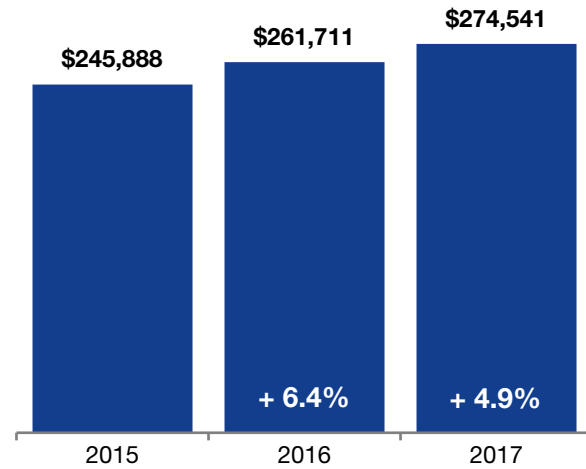
Average Sales Price

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

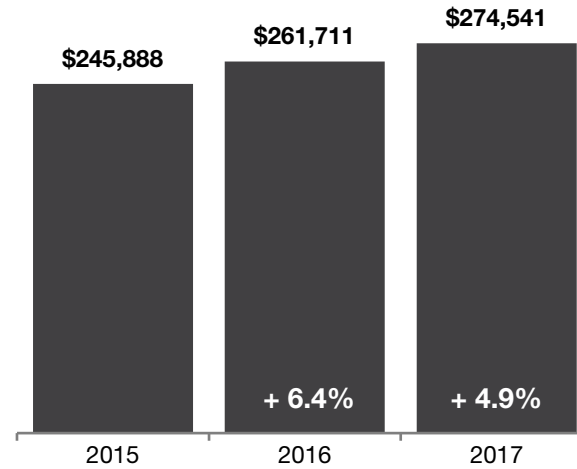


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Year To Date



Month	Prior Year	Current Year	+ / -
February	\$250,496	\$250,801	+0.1%
March	\$249,469	\$258,339	+3.6%
April	\$255,881	\$273,148	+6.7%
May	\$261,765	\$276,742	+5.7%
June	\$273,722	\$284,759	+4.0%
July	\$269,429	\$281,502	+4.5%
August	\$268,471	\$284,233	+5.9%
September	\$266,187	\$272,780	+2.5%
October	\$260,946	\$275,188	+5.5%
November	\$268,063	\$275,560	+2.8%
December	\$264,770	\$273,366	+3.2%
January	\$261,711	\$274,541	+4.9%
12-Month Avg	\$263,853	\$275,386	+4.4%

Historical Average Sales Price



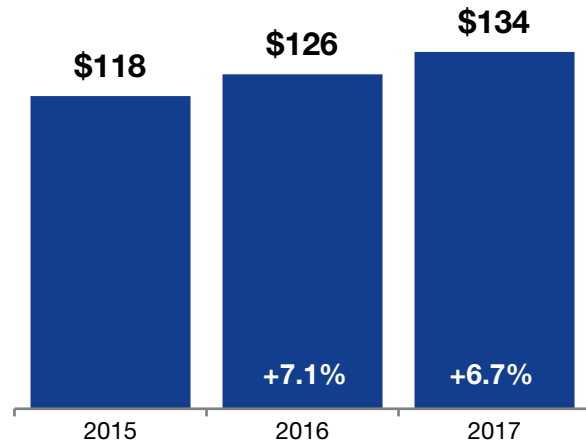
Price Per Square Foot

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

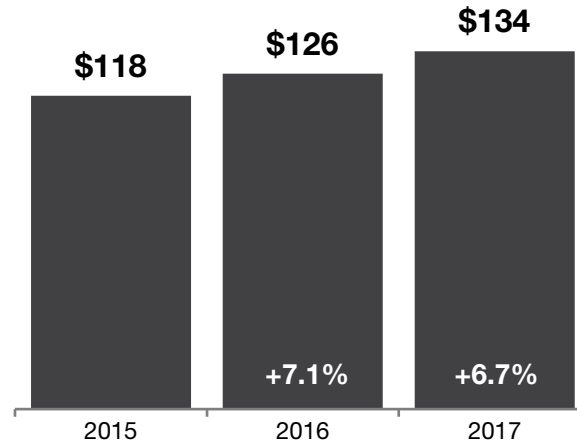


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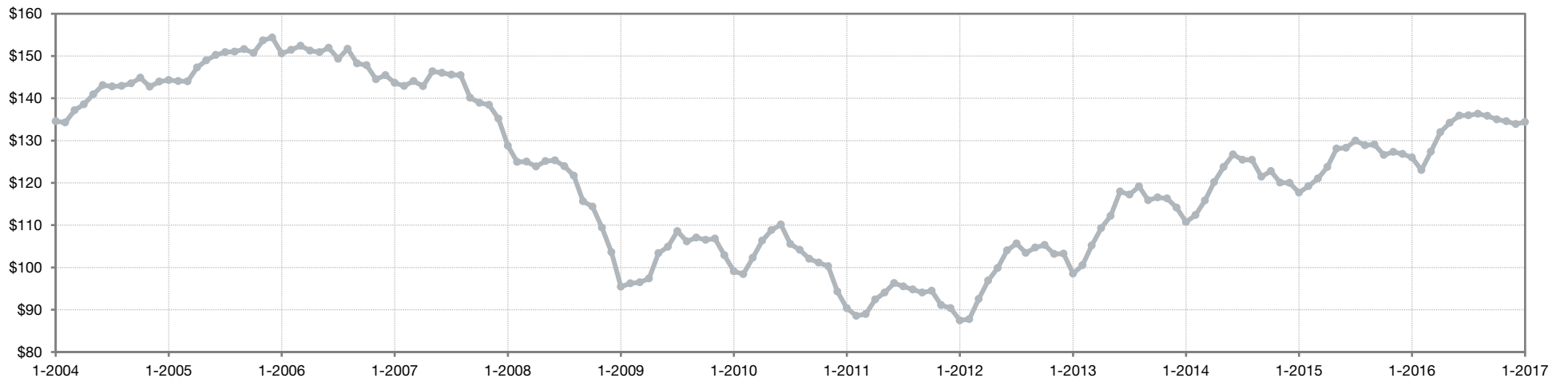


Year To Date



Month	Prior Year	Current Year	+ / -
February	\$119	\$123	+3.2%
March	\$121	\$127	+5.3%
April	\$124	\$132	+6.6%
May	\$128	\$134	+4.8%
June	\$128	\$136	+5.9%
July	\$130	\$136	+4.6%
August	\$129	\$136	+5.7%
September	\$129	\$136	+5.2%
October	\$127	\$135	+6.6%
November	\$127	\$135	+5.7%
December	\$127	\$134	+5.6%
January	\$126	\$134	+6.7%
12-Month Avg	\$127	\$134	+5.5%

Historical Price Per Square Foot



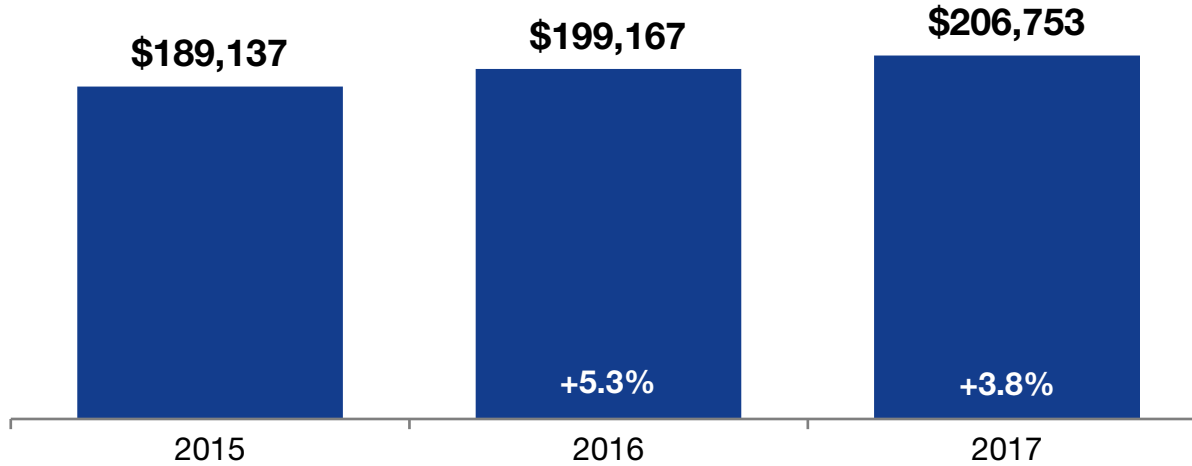
10K Housing Value Index

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	+ / -
February	\$190,125	\$197,318	+3.8%
March	\$192,273	\$200,836	+4.5%
April	\$189,959	\$199,809	+5.2%
May	\$192,179	\$198,712	+3.4%
June	\$189,261	\$198,450	+4.9%
July	\$190,476	\$199,123	+4.5%
August	\$190,781	\$198,783	+4.2%
September	\$191,418	\$199,071	+4.0%
October	\$190,313	\$198,590	+4.3%
November	\$191,653	\$198,739	+3.7%
December	\$194,342	\$201,327	+3.6%
January	\$199,167	\$206,753	+3.8%
12-Month Avg	\$191,829	\$199,793	+4.2%

Historical 10K Housing Value Index



Percent of Original List Price Received

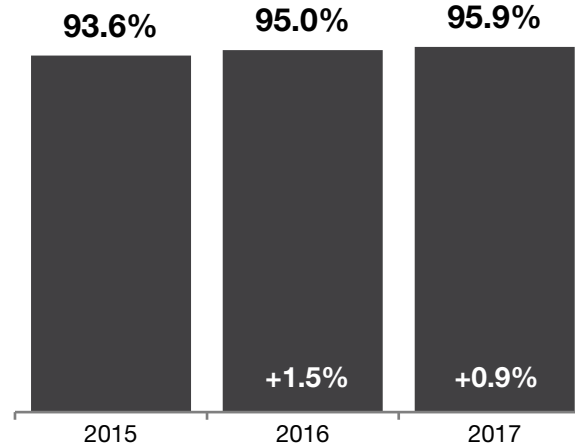
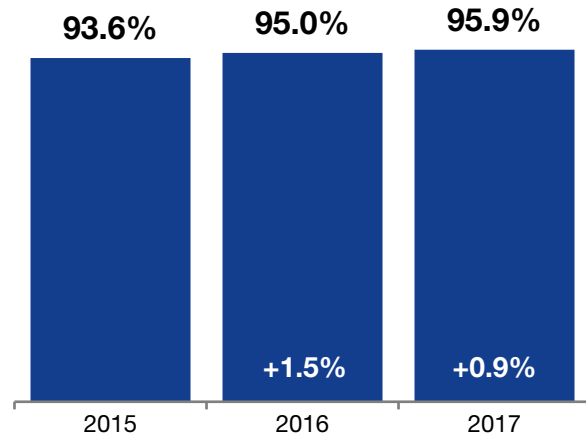
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



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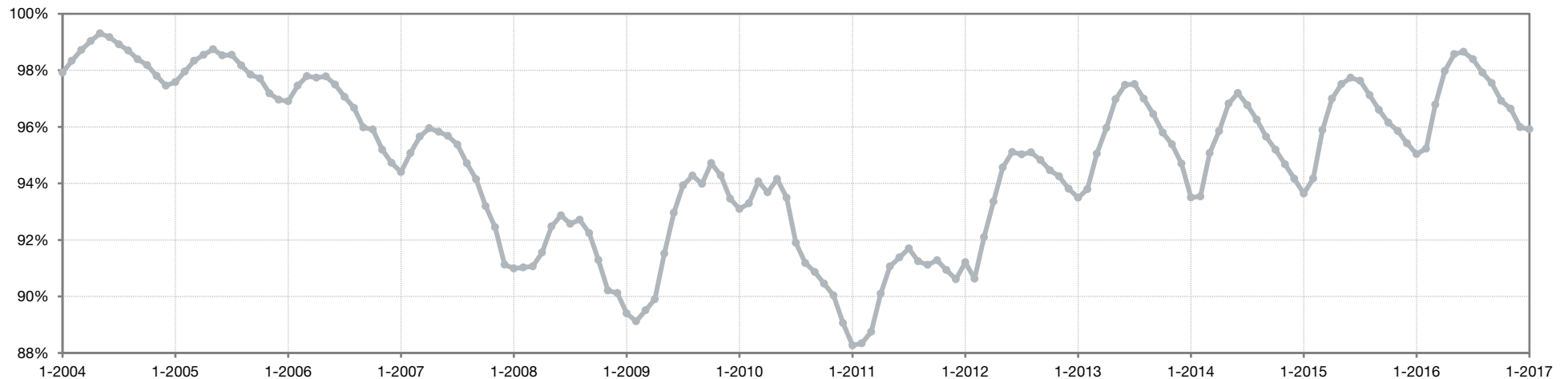
January

Year To Date



Month	Prior Year	Current Year	+ / -
February	94.2%	95.2%	+1.1%
March	95.9%	96.8%	+0.9%
April	97.0%	98.0%	+1.0%
May	97.5%	98.6%	+1.1%
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%
12-Month Avg	96.6%	97.5%	+0.9%

Historical Percent of Original List Price Received



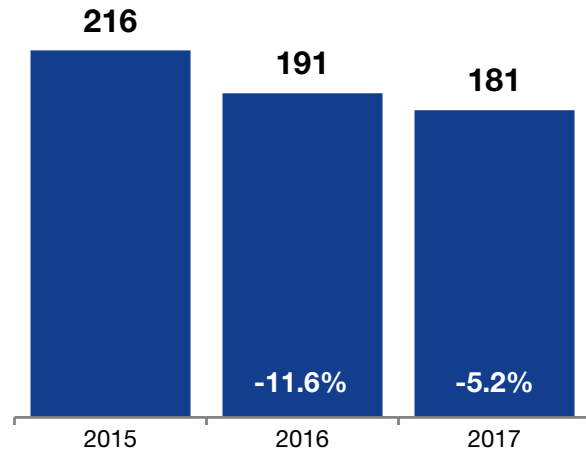
Housing Affordability Index

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.

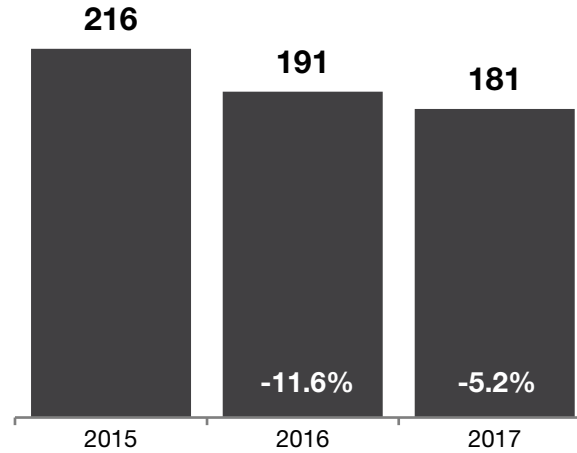


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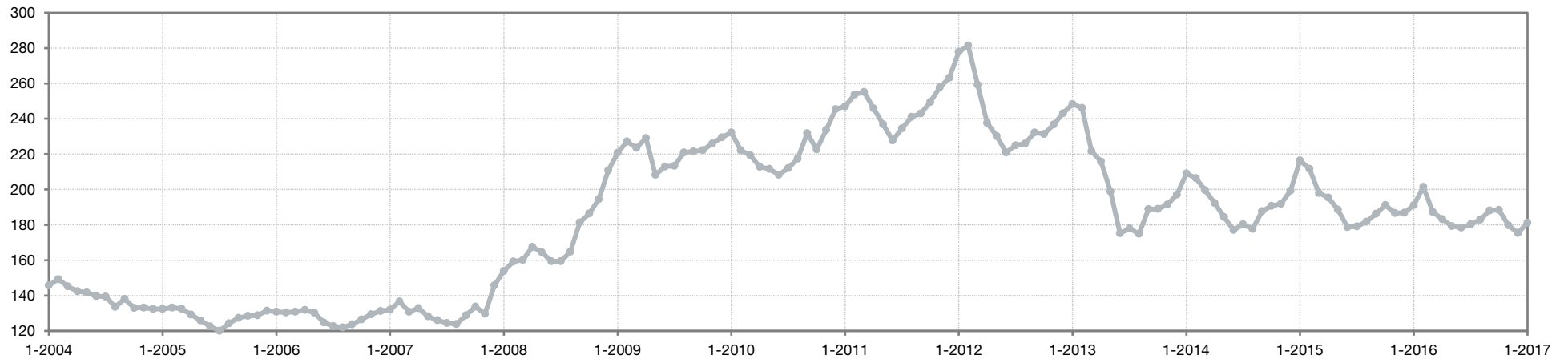


Year To Date



Month	Prior Year	Current Year	+ / -
February	212	201	-5.2%
March	198	187	-5.6%
April	195	183	-6.2%
May	189	179	-5.3%
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	180	-3.7%
December	187	175	-6.4%
January	191	181	-5.2%
12-Month Avg	190	184	-3.2%

Historical Housing Affordability Index



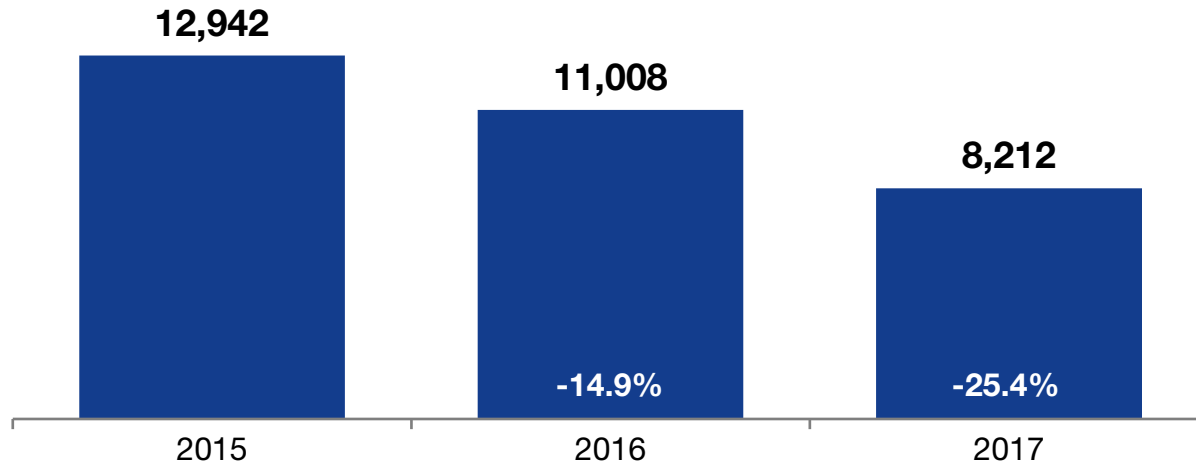
Inventory of Homes for Sale

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



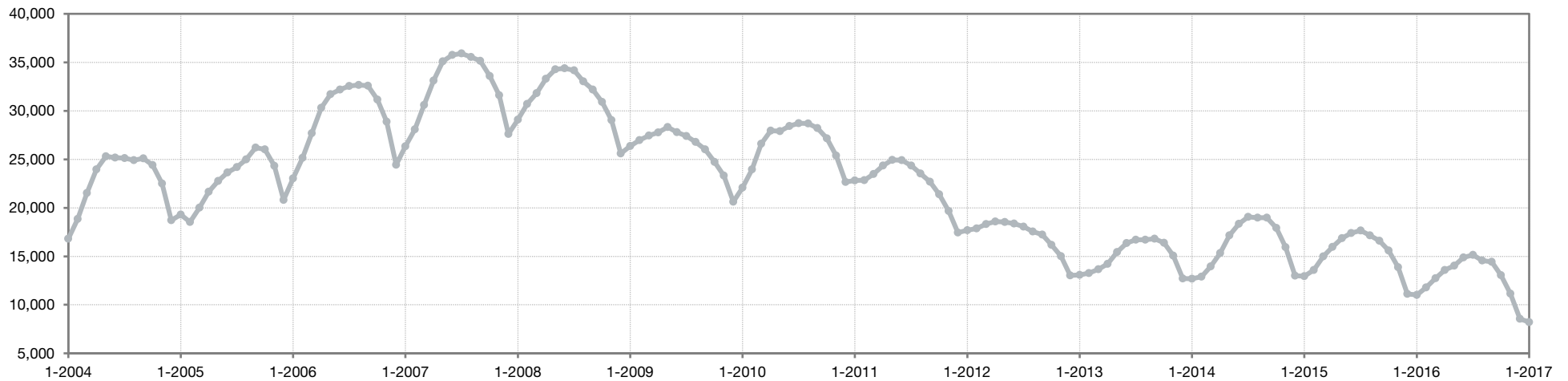
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Month	Prior Year	Current Year	+ / -
February	13,588	11,795	-13.2%
March	14,991	12,738	-15.0%
April	15,957	13,598	-14.8%
May	16,854	14,026	-16.8%
June	17,385	14,886	-14.4%
July	17,669	15,134	-14.3%
August	17,162	14,557	-15.2%
September	16,599	14,441	-13.0%
October	15,595	13,063	-16.2%
November	13,869	11,146	-19.6%
December	11,128	8,569	-23.0%
January	11,008	8,212	-25.4%
12-Month Avg	15,150	12,680	-16.7%

Historical Inventory of Homes for Sale



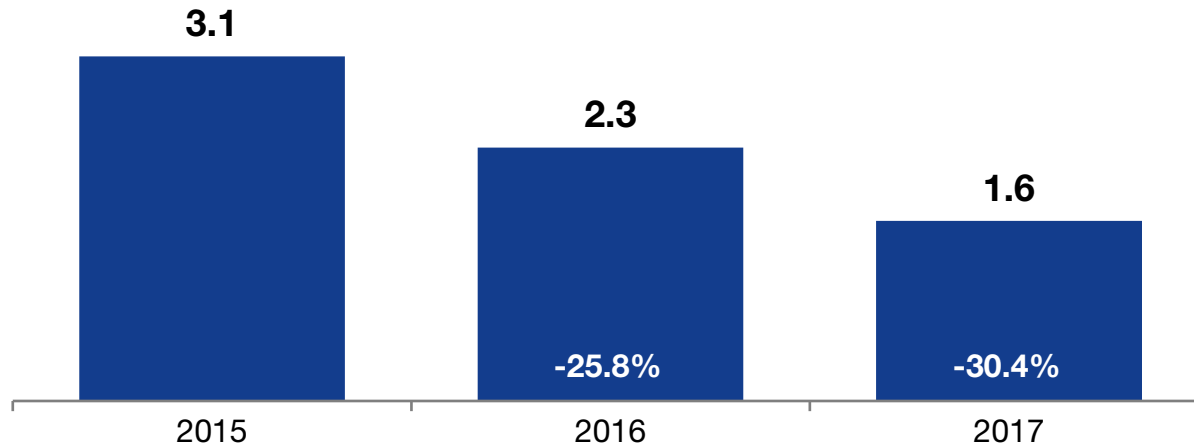
Months Supply of Homes for Sale

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.



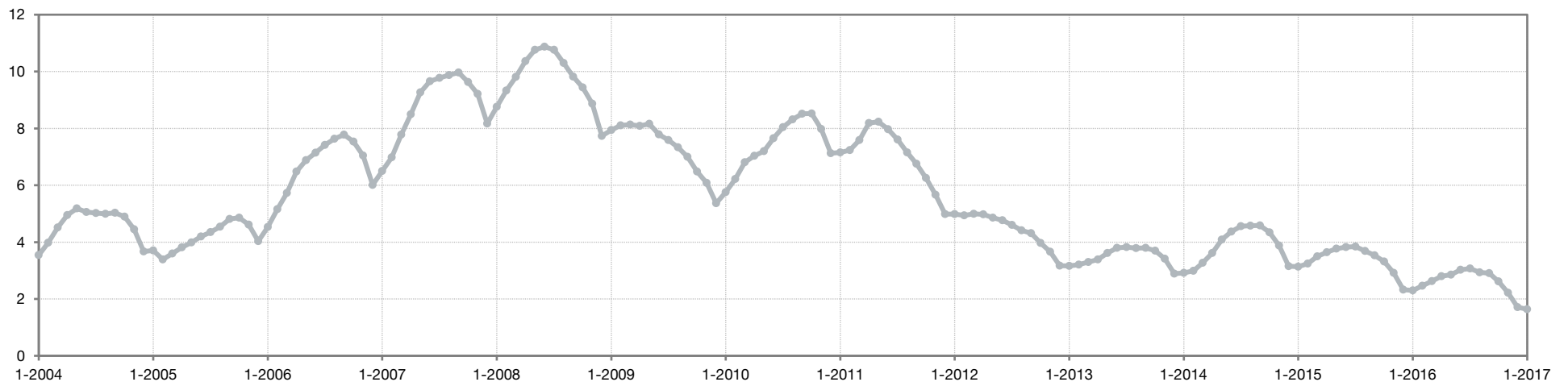
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Month	Prior Year	Current Year	+ / -
February	3.2	2.5	-21.9%
March	3.5	2.6	-25.7%
April	3.6	2.8	-22.2%
May	3.8	2.9	-23.7%
June	3.8	3.0	-21.1%
July	3.8	3.1	-18.4%
August	3.7	2.9	-21.6%
September	3.5	2.9	-17.1%
October	3.3	2.6	-21.2%
November	2.9	2.2	-24.1%
December	2.3	1.7	-26.1%
January	2.3	1.6	-30.4%
12-Month Avg	3.3	2.6	-21.2%

Historical Months Supply of Inventory



Mortgage Finance Utilization Rates

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.



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Historical Mortgage Finance Utilization Rates

