

# Monthly Indicators

A RESEARCH TOOL PROVIDED BY MINNEAPOLIS AREA REALTORS®



## January 2023

The US housing market began the year in a state of rebalance, with many buyers and sellers remaining cautious while they wait to see where the market is headed. Nationally, pending sales rose 2.5% month-to-month, marking the first increase since May, while sales of existing homes fell 1.5% as of last measure, according to the National Association of Realtors® (NAR). Demand for housing persists, but higher mortgage interest rates have cut into housing affordability, with total home sales down 17.8% last year compared to 2021.

New Listings in the Twin Cities region decreased 10.6 percent to 3,285. Pending Sales were down 19.3 percent to 2,560. Inventory levels rose 14.5 percent to 5,588 units.

Prices continued to gain traction. The Median Sales Price increased 2.7 percent to \$341,995. Days on Market was up 46.3 percent to 60 days. Buyers felt empowered as Months Supply of Homes for Sale was up 44.4 percent to 1.3 months.

As sales slow, time on market is increasing, with the average home spending 26 days on market as of last measure, according to NAR. Seller concessions have made a comeback, giving buyers more time and negotiating power when shopping for a home. Although home prices remain high, mortgage rates declined steadily throughout January, falling to their lowest level since September, sparking a recent surge in mortgage demand. Lower rates should aid in affordability and may soon lead to an uptick in market activity ahead of the spring selling season.

## Quick Facts

**- 32.2%**      **+ 2.7%**      **+ 14.5%**

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.



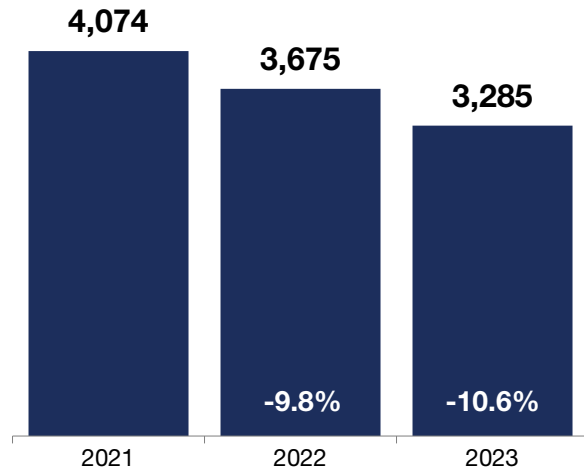
Key Metrics	Historical Sparklines (normalized)	1-2022	1-2023	+ / -	YTD 2022	YTD 2023	+ / -
<b>New Listings</b>		3,675	<b>3,285</b>	- 10.6%	3,675	<b>3,285</b>	- 10.6%
<b>Pending Sales</b>		3,172	<b>2,560</b>	- 19.3%	3,172	<b>2,560</b>	- 19.3%
<b>Closed Sales</b>		3,071	<b>2,083</b>	- 32.2%	3,071	<b>2,083</b>	- 32.2%
<b>Days on Market Until Sale</b>		41	<b>60</b>	+ 46.3%	41	<b>60</b>	+ 46.3%
<b>Median List Price</b>		\$360,000	<b>\$395,000</b>	+ 9.7%	\$360,000	<b>\$395,000</b>	+ 9.7%
<b>Median Sales Price</b>		\$332,900	<b>\$341,995</b>	+ 2.7%	\$332,900	<b>\$341,995</b>	+ 2.7%
<b>Price Per Square Foot</b>		\$191	<b>\$197</b>	+ 3.0%	\$191	<b>\$197</b>	+ 3.0%
<b>ShowingTime Housing Value Index</b>		\$257,337	<b>\$280,909</b>	+ 9.2%	--	--	--
<b>Pct. of Orig. List Price Received</b>		99.6%	<b>96.0%</b>	- 3.6%	99.6%	<b>96.0%</b>	- 3.6%
<b>Inventory of Homes for Sale</b>		4,881	<b>5,588</b>	+ 14.5%	--	--	--
<b>Months Supply of Homes for Sale</b>		0.9	<b>1.3</b>	+ 44.4%	--	--	--

# New Listings

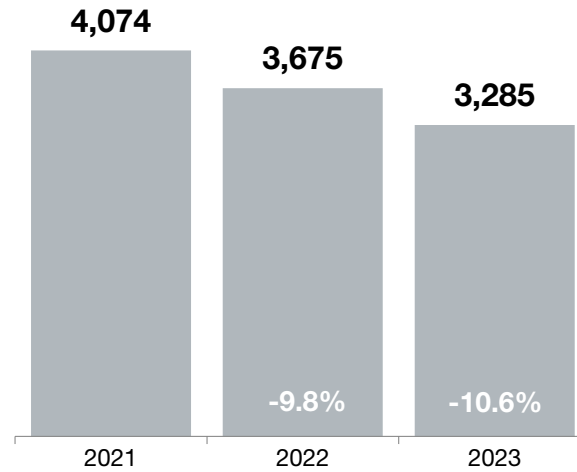
A count of the properties that have been newly listed on the market in a given month.



## January

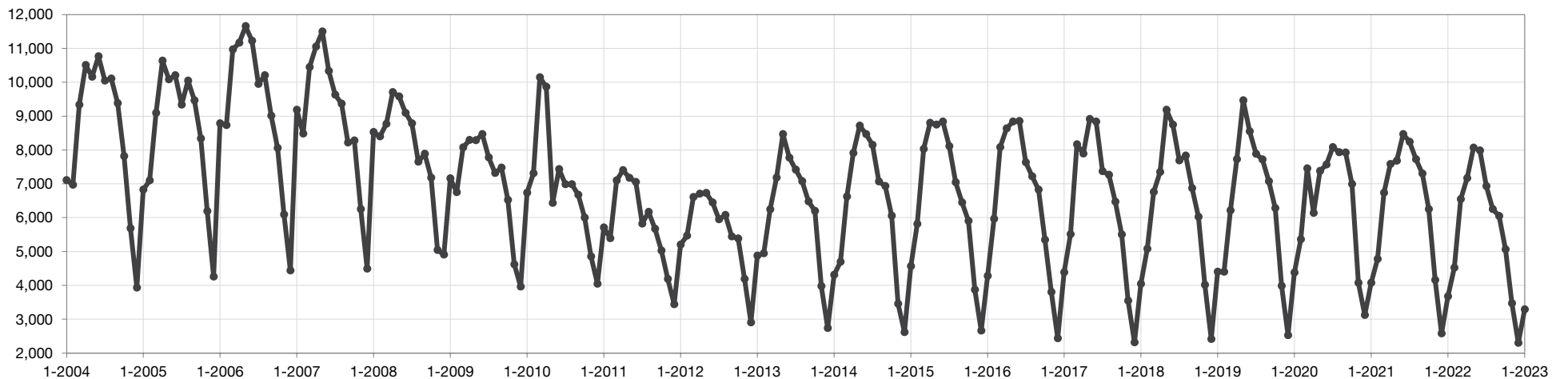


## Year To Date



New Listings		Prior Year	Percent Change
February 2022	4,520	4,778	-5.4%
March 2022	6,545	6,739	-2.9%
April 2022	7,166	7,579	-5.4%
May 2022	8,068	7,682	+5.0%
June 2022	7,980	8,468	-5.8%
July 2022	6,932	8,244	-15.9%
August 2022	6,251	7,726	-19.1%
September 2022	6,049	7,304	-17.2%
October 2022	5,069	6,249	-18.9%
November 2022	3,471	4,160	-16.6%
December 2022	2,299	2,578	-10.8%
<b>January 2023</b>	<b>3,285</b>	<b>3,675</b>	<b>-10.6%</b>
12-Month Avg	5,636	6,265	-10.0%

## Historical New Listing Activity



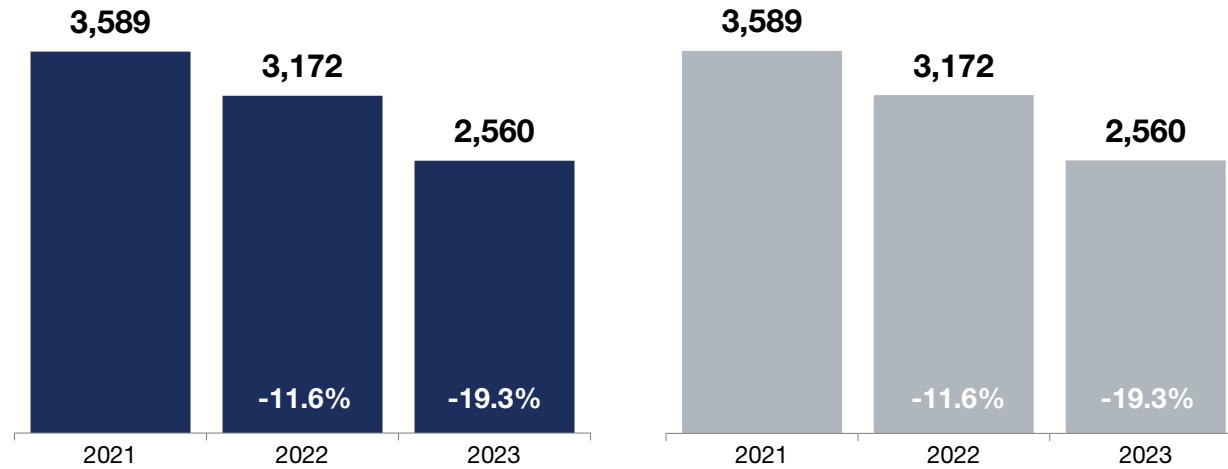
# Pending Sales

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



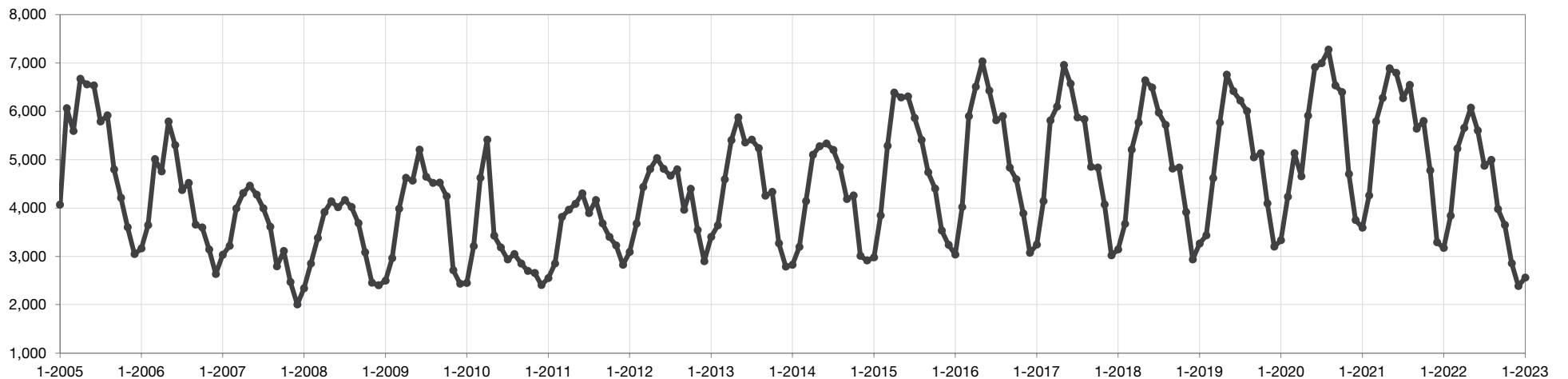
## January

## Year To Date



	Pending Sales	Prior Year	Percent Change
February 2022	3,839	4,258	-9.8%
March 2022	5,223	5,784	-9.7%
April 2022	5,656	6,272	-9.8%
May 2022	6,074	6,889	-11.8%
June 2022	5,602	6,791	-17.5%
July 2022	4,873	6,267	-22.2%
August 2022	4,995	6,541	-23.6%
September 2022	3,975	5,640	-29.5%
October 2022	3,651	5,799	-37.0%
November 2022	2,857	4,776	-40.2%
December 2022	2,381	3,286	-27.5%
<b>January 2023</b>	<b>2,560</b>	<b>3,172</b>	<b>-19.3%</b>
12-Month Avg	4,307	5,456	-21.1%

## Historical Pending Sales Activity



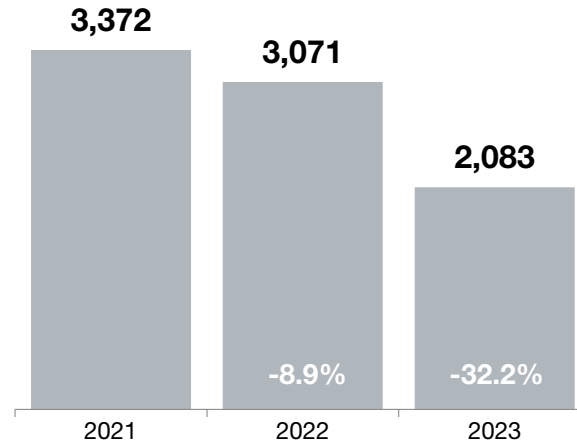
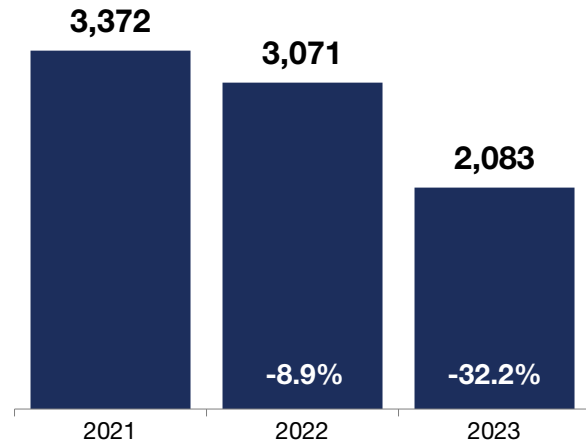
# Closed Sales

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



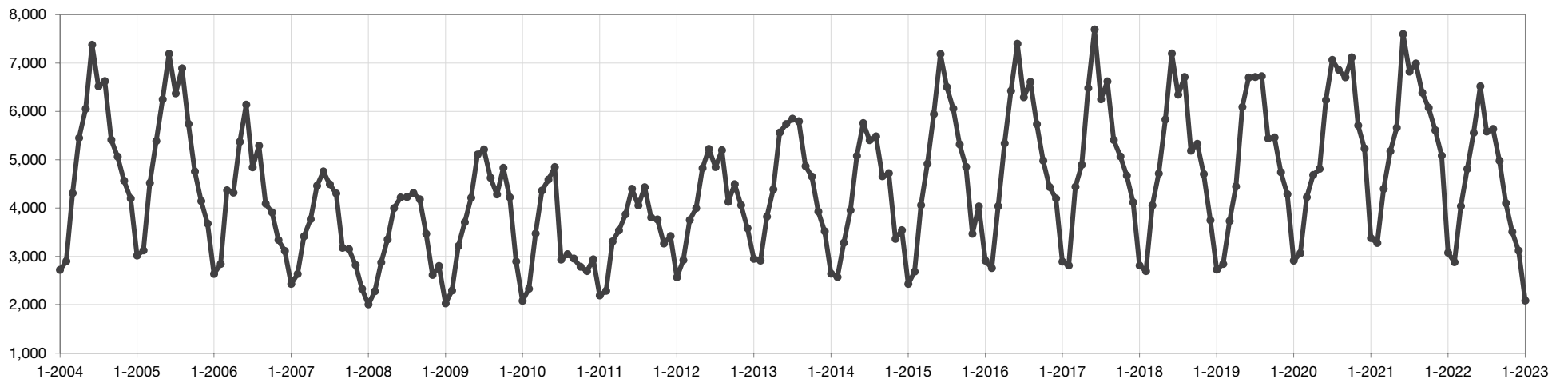
## January

## Year To Date



Closed Sales	Prior Year	Percent Change
February 2022	2,876	3,271 -12.1%
March 2022	4,034	4,392 -8.2%
April 2022	4,809	5,170 -7.0%
May 2022	5,552	5,660 -1.9%
June 2022	6,516	7,594 -14.2%
July 2022	5,578	6,818 -18.2%
August 2022	5,633	6,988 -19.4%
September 2022	4,977	6,383 -22.0%
October 2022	4,098	6,071 -32.5%
November 2022	3,505	5,605 -37.5%
December 2022	3,116	5,082 -38.7%
<b>January 2023</b>	<b>2,083</b>	<b>3,071 -32.2%</b>
12-Month Avg	4,398	5,509 -20.3%

## Historical Closed Sales Activity

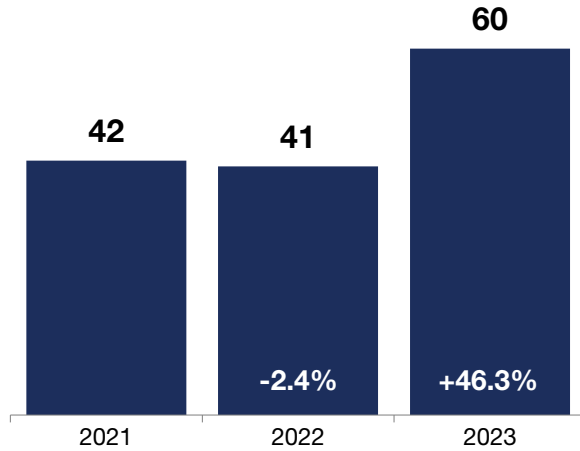


# Days on Market Until Sale

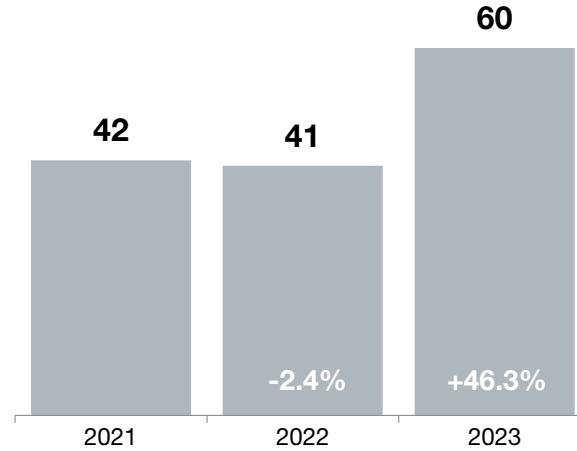
Average, cumulative number of days between when a property is listed and when an offer is accepted in a given month.



## January

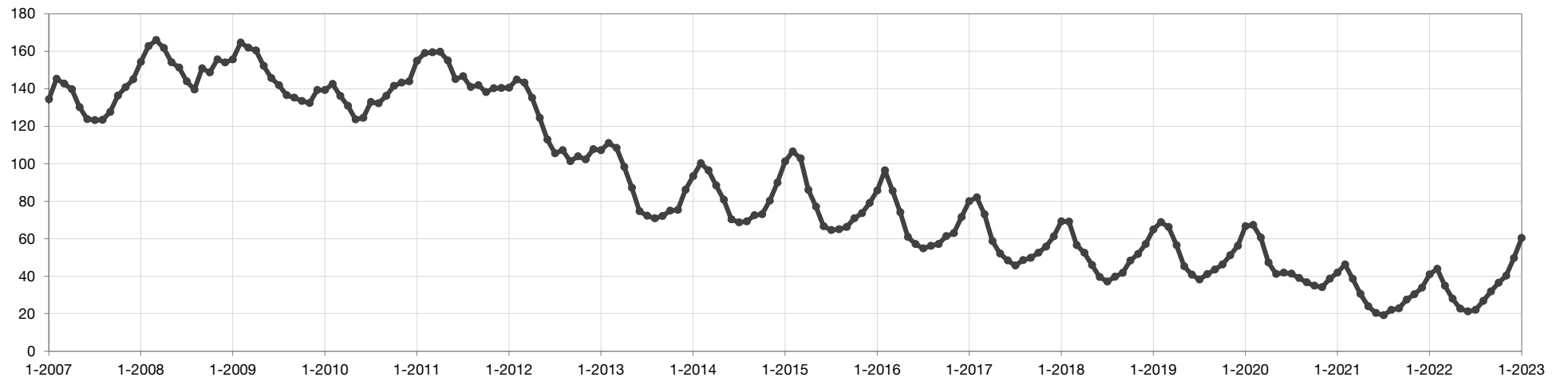


## Year To Date



Month	Days on Market	Prior Year	Percent Change
February 2022	44	46	-4.3%
March 2022	35	39	-10.3%
April 2022	28	31	-9.7%
May 2022	23	24	-4.2%
June 2022	21	20	+5.0%
July 2022	22	19	+15.8%
August 2022	27	22	+22.7%
September 2022	32	23	+39.1%
October 2022	36	27	+33.3%
November 2022	40	30	+33.3%
December 2022	50	34	+47.1%
<b>January 2023</b>	<b>60</b>	<b>41</b>	<b>+46.3%</b>
12-Month Avg	32	28	+14.3%

## Historical Days on Market Until Sale

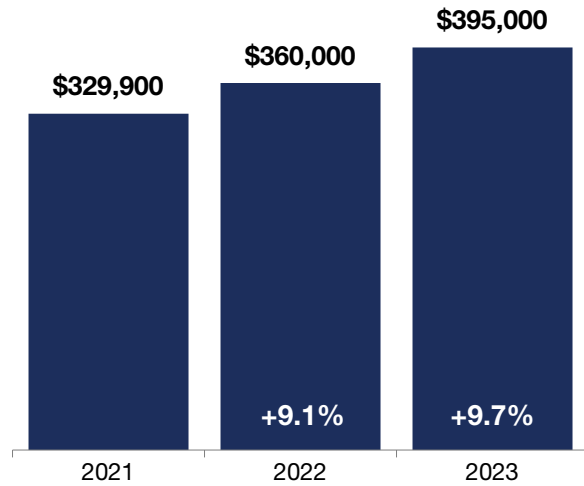


# Median Original List Price

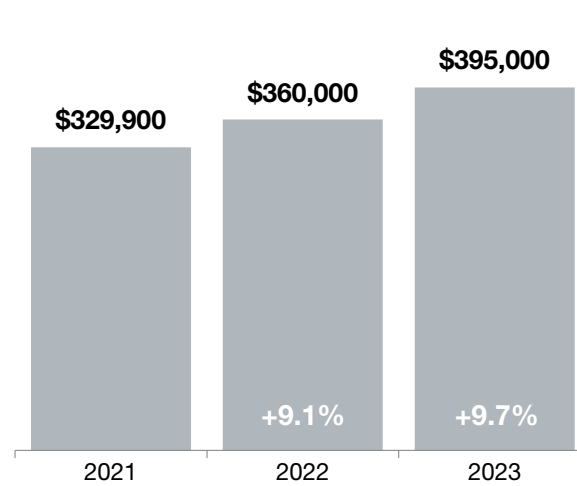
Median original list price for all new listings in a given month. List prices can serve as a leading indicator of future price movement.



## January



## Year To Date



	Median Original List Price	Prior Year	Percent Change
February 2022	\$375,000	\$340,000	+10.3%
March 2022	\$375,000	\$337,490	+11.1%
April 2022	\$380,000	\$336,520	+12.9%
May 2022	\$389,900	\$349,900	+11.4%
June 2022	\$389,000	\$349,900	+11.2%
July 2022	\$385,000	\$340,000	+13.2%
August 2022	\$375,000	\$339,900	+10.3%
September 2022	\$375,000	\$345,000	+8.7%
October 2022	\$374,900	\$339,900	+10.3%
November 2022	\$375,000	\$325,000	+15.4%
December 2022	\$384,900	\$350,000	+10.0%
<b>January 2023</b>	<b>\$395,000</b>	<b>\$360,000</b>	<b>+9.7%</b>
12-Month Med	\$379,990	\$340,000	+11.8%

## Historical Median Original List Price

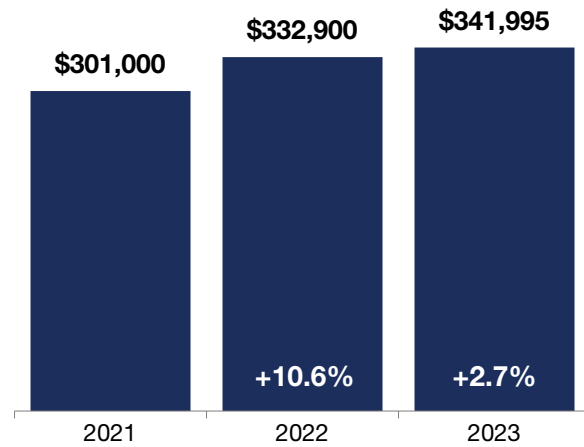


# Median Sales Price

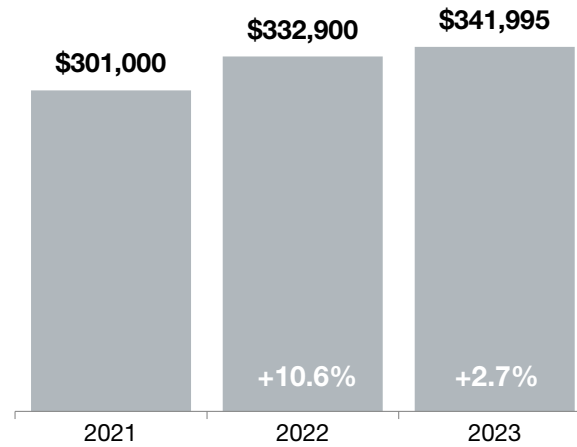
Median price point for all closed sales, not accounting for seller concessions, in a given month.



## January



## Year To Date



	Median Sales Price	Prior Year	Percent Change
February 2022	\$340,000	\$314,000	+8.3%
March 2022	\$355,000	\$328,631	+8.0%
April 2022	\$370,000	\$336,500	+10.0%
May 2022	\$375,000	\$344,248	+8.9%
June 2022	\$380,000	\$350,000	+8.6%
July 2022	\$375,000	\$350,000	+7.1%
August 2022	\$369,900	\$350,000	+5.7%
September 2022	\$362,100	\$340,600	+6.3%
October 2022	\$356,004	\$340,000	+4.7%
November 2022	\$354,990	\$339,900	+4.4%
December 2022	\$348,320	\$331,500	+5.1%
<b>January 2023</b>	<b>\$341,995</b>	<b>\$332,900</b>	<b>+2.7%</b>
12-Month Med	\$365,000	\$340,000	+7.4%

## Historical Median Sales Price





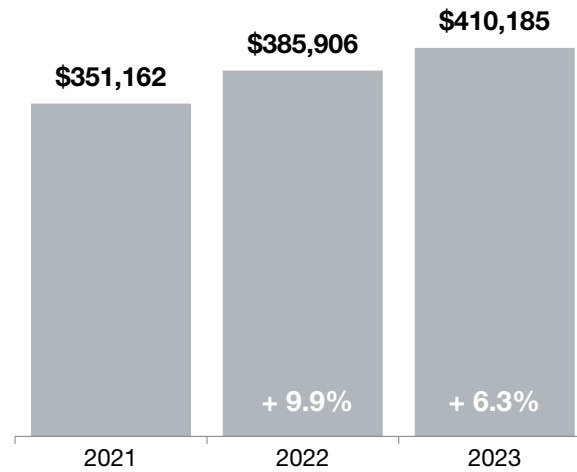
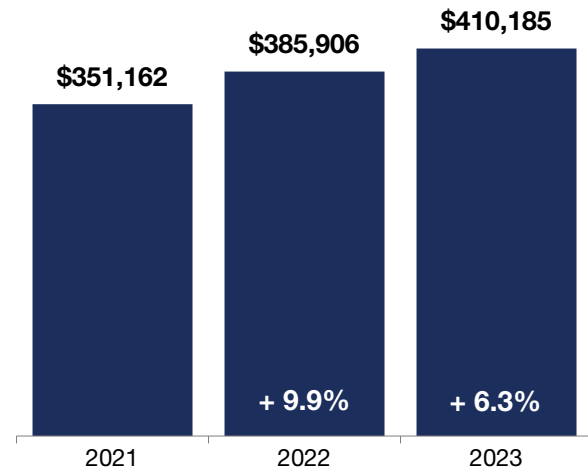
# Average Sales Price

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



## January

## Year to Date



	Average Sales Price	Prior Year	Percent Change
February 2022	\$397,583	\$359,957	+10.5%
March 2022	\$411,657	\$383,099	+7.5%
April 2022	\$430,785	\$386,910	+11.3%
May 2022	\$435,670	\$402,380	+8.3%
June 2022	\$448,275	\$407,250	+10.1%
July 2022	\$434,251	\$404,298	+7.4%
August 2022	\$430,126	\$410,188	+4.9%
September 2022	\$424,754	\$392,863	+8.1%
October 2022	\$420,620	\$395,514	+6.3%
November 2022	\$419,743	\$392,123	+7.0%
December 2022	\$412,502	\$389,511	+5.9%
<b>January 2023</b>	<b>\$410,185</b>	<b>\$385,906</b>	<b>+6.3%</b>
12-Month Avg	\$426,503	\$395,197	+7.9%

## Historical Average Sales Price

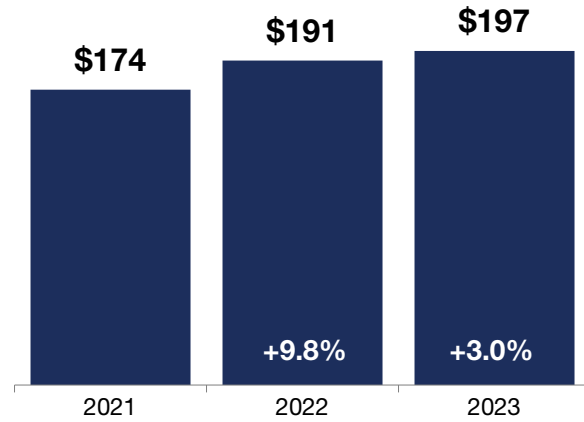


# Price Per Square Foot

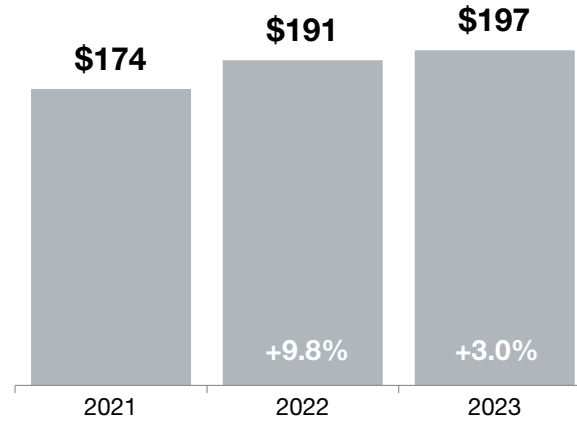
The price per square foot of homes sold in a given month. Sold properties only. Does not account for seller concessions.



## January



## Year to Date



Price Per Square Foot	Prior Year	Percent Change
February 2022	\$196	+9.7%
March 2022	\$205	+10.3%
April 2022	\$210	+12.1%
May 2022	\$210	+8.6%
June 2022	\$210	+8.5%
July 2022	\$205	+5.8%
August 2022	\$202	+4.8%
September 2022	\$200	+6.0%
October 2022	\$199	+4.9%
November 2022	\$198	+4.9%
December 2022	\$195	+2.5%
<b>January 2023</b>	<b>\$197</b>	<b>+3.0%</b>
12-Month Avg	\$203	+7.0%

## Historical Price Per Square Foot

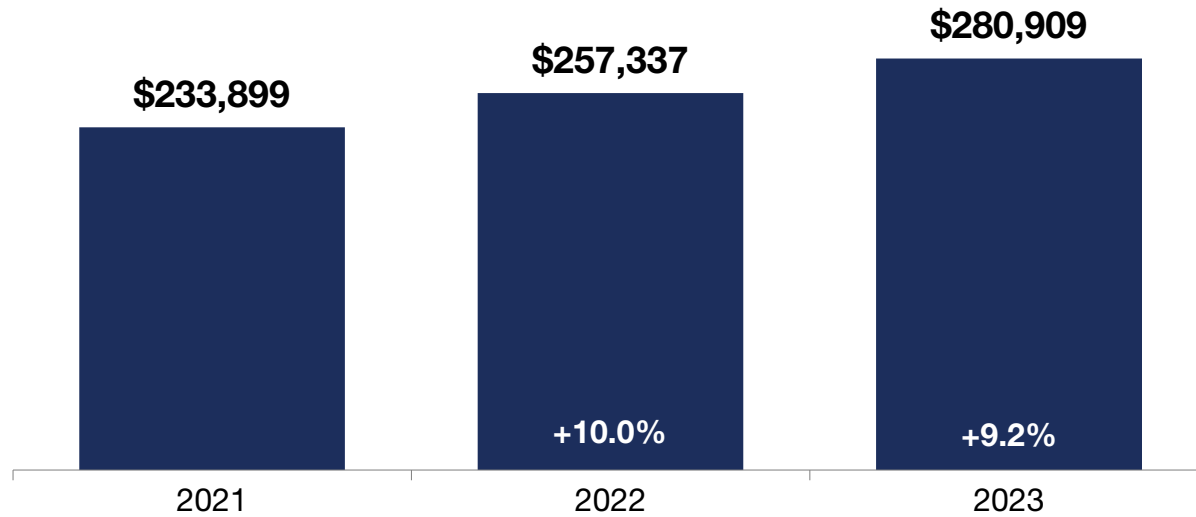


# ShowingTime Housing Value Index



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.

## January



	Housing Value Index	Prior Year	Percent Change
February 2022	\$261,691	\$239,194	+9.4%
March 2022	\$270,292	\$245,220	+10.2%
April 2022	\$275,574	\$249,974	+10.2%
May 2022	\$283,051	\$246,569	+14.8%
June 2022	\$285,666	\$248,688	+14.9%
July 2022	\$286,741	\$251,125	+14.2%
August 2022	\$284,887	\$254,944	+11.7%
September 2022	\$281,139	\$256,577	+9.6%
October 2022	\$280,162	\$257,209	+8.9%
November 2022	\$279,727	\$257,485	+8.6%
December 2022	\$281,238	\$256,972	+9.4%
<b>January 2023</b>	<b>\$280,909</b>	<b>\$257,337</b>	<b>+9.2%</b>
12-Month Avg	\$279,256	\$251,774	+10.9%

## Historical ShowingTime Housing Value Index



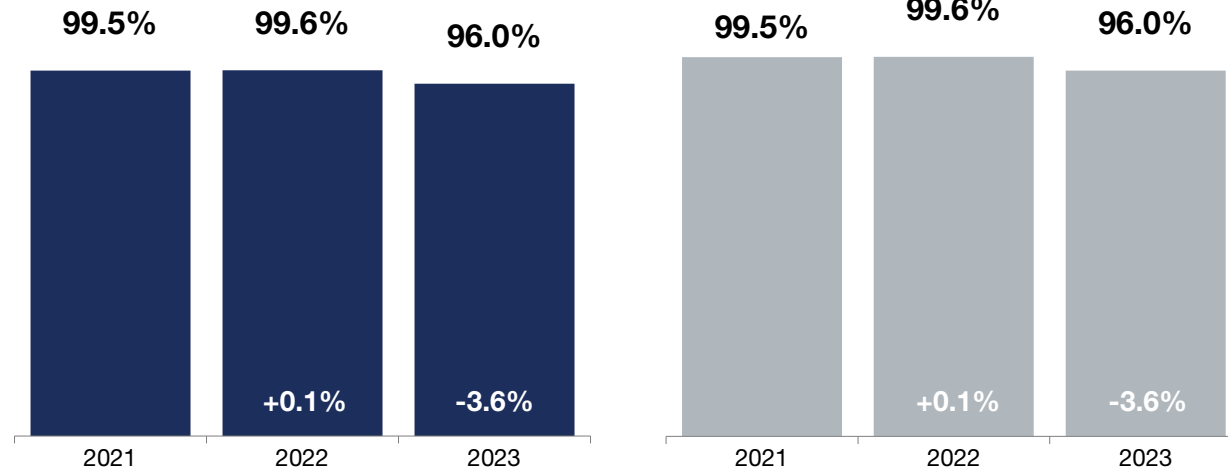
# Percent of Original List Price Received



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.

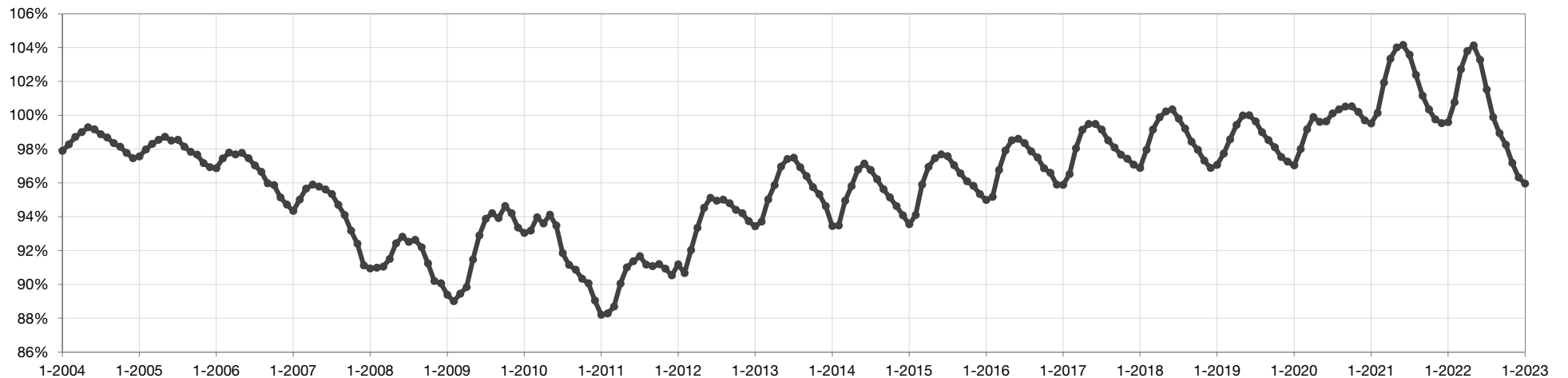
## January

## Year to Date



	Pct. Of Orig. List Price Rec'd	Prior Year	Percent Change
February 2022	100.8%	100.1%	+0.7%
March 2022	102.7%	101.9%	+0.8%
April 2022	103.8%	103.3%	+0.5%
May 2022	104.1%	104.0%	+0.1%
June 2022	103.3%	104.1%	-0.8%
July 2022	101.5%	103.6%	-2.0%
August 2022	99.9%	102.4%	-2.4%
September 2022	98.9%	101.2%	-2.3%
October 2022	98.2%	100.3%	-2.1%
November 2022	97.2%	99.8%	-2.6%
December 2022	96.3%	99.5%	-3.2%
<b>January 2023</b>	<b>96.0%</b>	<b>99.6%</b>	<b>-3.6%</b>
12-Month Avg	100.8%	101.9%	-1.1%

## Historical Percent of Original List Price Received



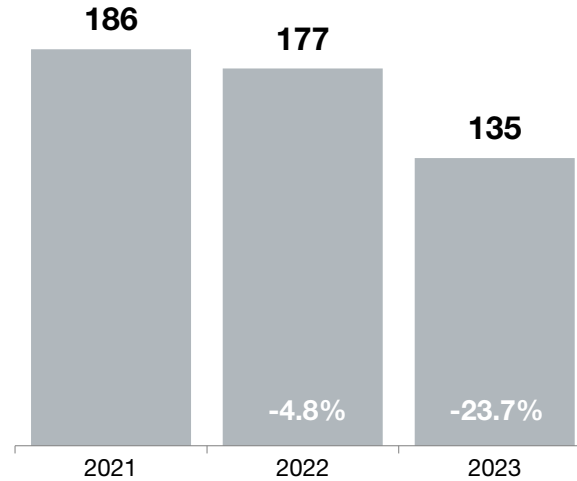
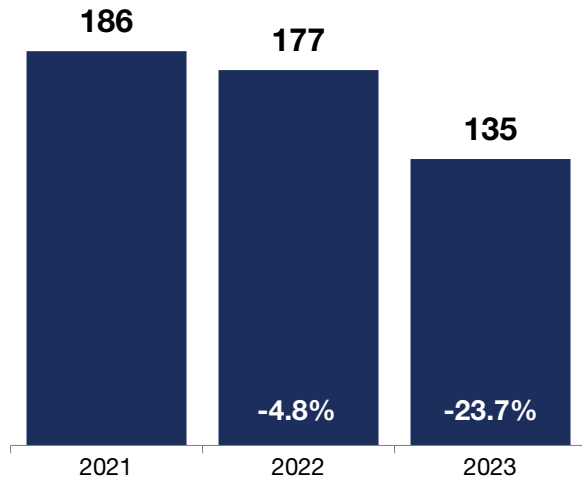
# Housing Affordability Index



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.

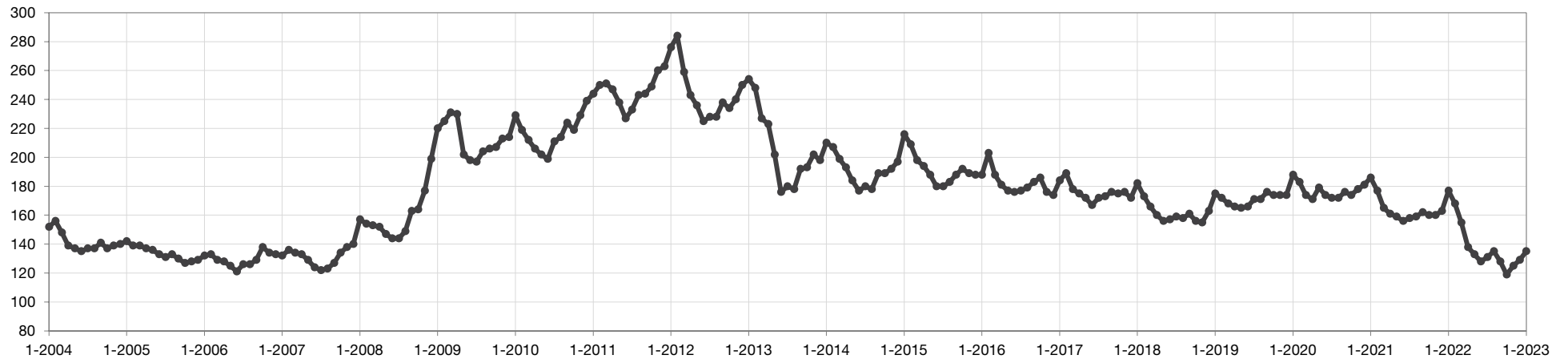
## January

## Year to Date



	Housing Affordability Index	Prior Year	Percent Change
February 2022	168	177	-5.1%
March 2022	155	165	-6.1%
April 2022	138	161	-14.3%
May 2022	133	159	-16.4%
June 2022	128	156	-17.9%
July 2022	131	158	-17.1%
August 2022	135	159	-15.1%
September 2022	128	162	-21.0%
October 2022	119	160	-25.6%
November 2022	125	160	-21.9%
December 2022	129	163	-20.9%
<b>January 2023</b>	<b>135</b>	<b>177</b>	<b>-23.7%</b>
12-Month Avg	135	163	-17.2%

## Historical Housing Affordability Index

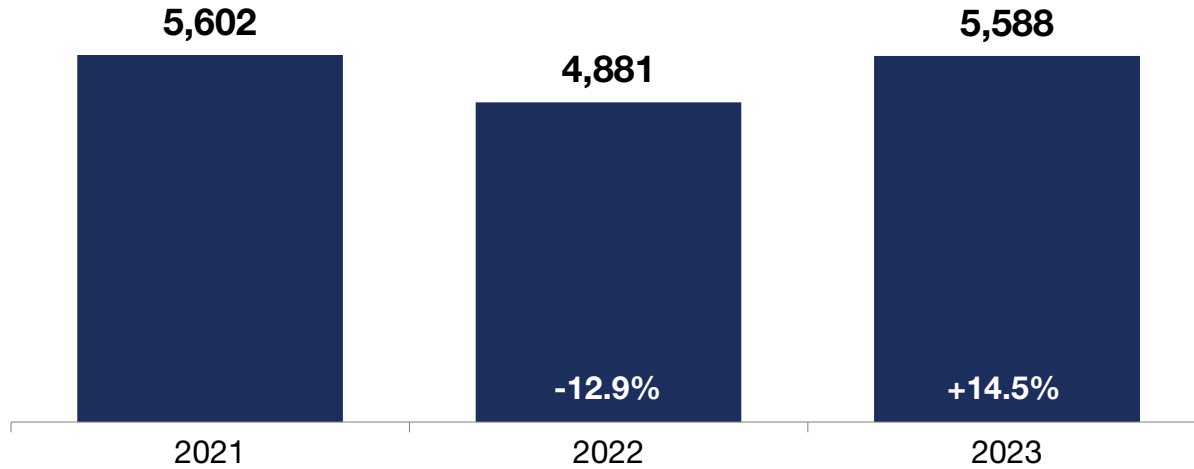


# Inventory of Homes for Sale

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

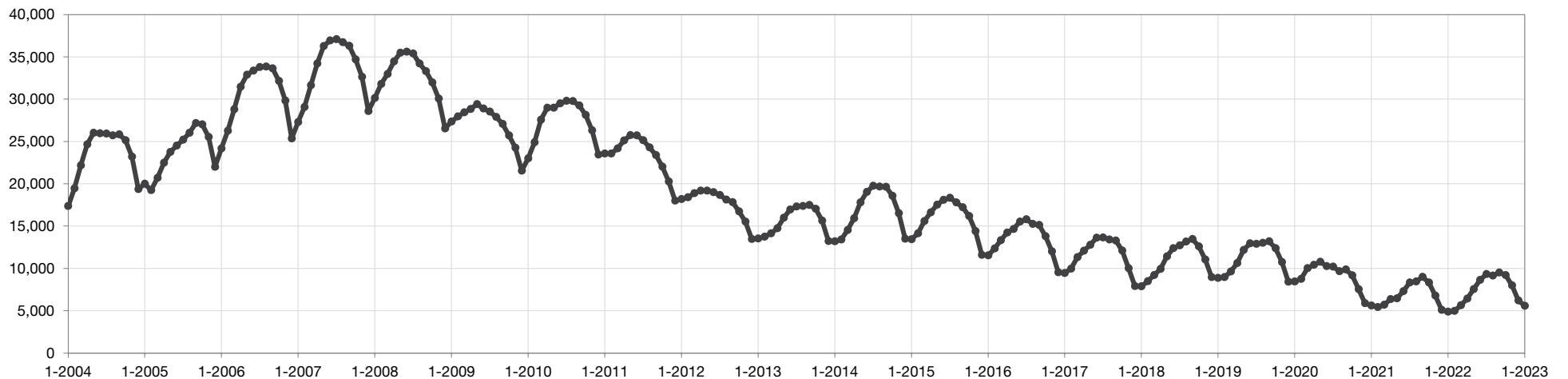


## January



Homes for Sale		Prior Year	Percent Change
February 2022	4,973	5,418	-8.2%
March 2022	5,644	5,705	-1.1%
April 2022	6,433	6,356	+1.2%
May 2022	7,529	6,469	+16.4%
June 2022	8,632	7,314	+18.0%
July 2022	9,316	8,329	+11.9%
August 2022	9,146	8,451	+8.2%
September 2022	9,514	9,006	+5.6%
October 2022	9,198	8,337	+10.3%
November 2022	8,007	6,785	+18.0%
December 2022	6,223	5,092	+22.2%
<b>January 2023</b>	<b>5,588</b>	<b>4,881</b>	<b>+14.5%</b>
12-Month Avg	7,517	6,845	+9.8%

## Historical Inventory of Homes for Sale

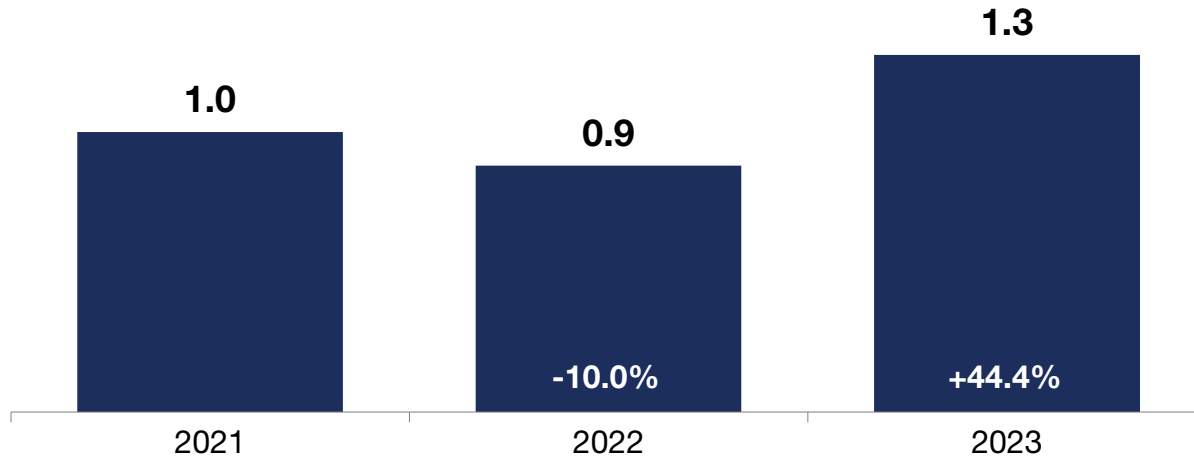


# Months Supply of Homes for Sale

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.

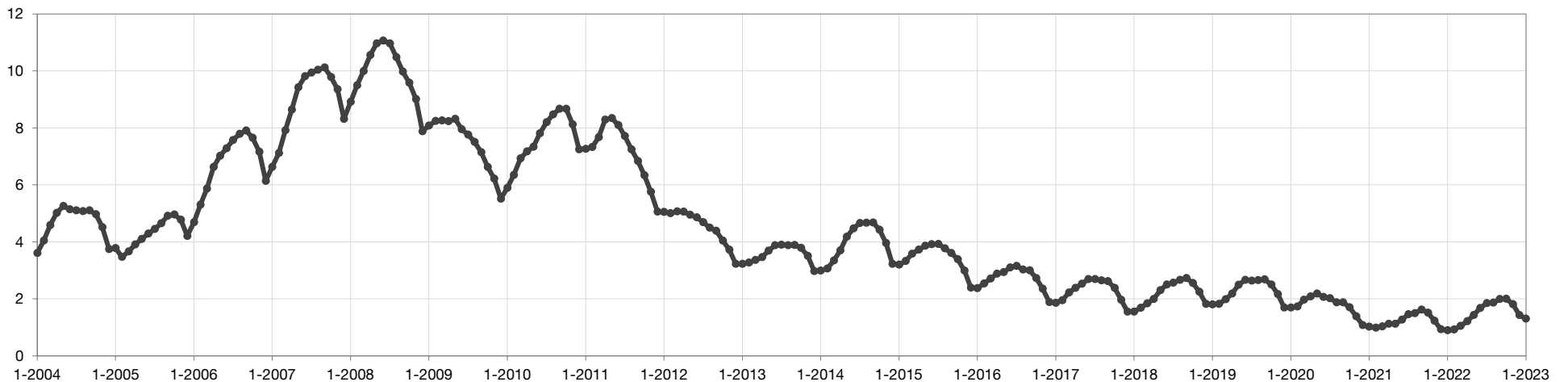


## January



Months Supply		Prior Year	Percent Change
February 2022	0.9	1.0	-10.0%
March 2022	1.1	1.0	+10.0%
April 2022	1.2	1.1	+9.1%
May 2022	1.4	1.1	+27.3%
June 2022	1.7	1.3	+30.8%
July 2022	1.8	1.5	+20.0%
August 2022	1.9	1.5	+26.7%
September 2022	2.0	1.6	+25.0%
October 2022	2.0	1.5	+33.3%
November 2022	1.8	1.2	+50.0%
December 2022	1.4	0.9	+55.6%
<b>January 2023</b>	<b>1.3</b>	<b>0.9</b>	<b>+44.4%</b>
12-Month Avg	1.5	1.2	+25.0%

## 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, Special Funding, Other, Unknown, Rural Development, Conventional Rehab, USDA, Federal Land Bank, Lease Purchase, and MHFA/WHEDA.

## Historical Mortgage Finance Utilization Rates

— Cash    — Conventional    — FHA    ..... Distressed Sales Rate    ..... Other

