

# Monthly Indicators

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



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## September 2018

Some economy observers are pointing to 2018 as the final period in a long string of sentences touting several happy years of buyer demand and sales excitement for the housing industry. Although residential real estate should continue along a mostly positive line for the rest of the year, rising prices and interest rates coupled with salary stagnation and a generational trend toward home purchase delay or even disinterest could create an environment of declining sales.

New Listings in the Twin Cities region increased 5.9 percent to 6,857. Pending Sales were down 1.8 percent to 4,762. Inventory levels fell 4.4 percent to 12,570 units.

Prices continued to gain traction. The Median Sales Price increased 6.1 percent to \$262,000. Days on Market was down 16.0 percent to 42 days. Sellers were encouraged as Months Supply of Homes for Sale was down 3.8 percent to 2.5 months.

Tracking reputable news sources for housing market predictions makes good sense, as does observing trends based on meaningful statistics. By the numbers, we continue to see pockets of unprecedented price heights combined with low days on market and an economic backdrop conducive to consistent demand. We were reminded by Hurricane Florence of how quickly a situation can change. Rather than dwelling on predictions of a somber future, it is worth the effort to manage the fundamentals that will lead to an ongoing display of healthy balance.

## Quick Facts

**- 5.8%**                      **+ 6.1%**                      **- 4.4%**

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)	9-2017	9-2018	+ / -	YTD 2017	YTD 2018	+ / -
<b>New Listings</b>		6,474	<b>6,857</b>	+ 5.9%	64,801	<b>63,502</b>	- 2.0%
<b>Pending Sales</b>		4,848	<b>4,762</b>	- 1.8%	49,340	<b>47,292</b>	- 4.2%
<b>Closed Sales</b>		5,400	<b>5,087</b>	- 5.8%	47,429	<b>45,295</b>	- 4.5%
<b>Days on Market Until Sale</b>		50	<b>42</b>	- 16.0%	56	<b>47</b>	- 16.1%
<b>Median List Price</b>		\$269,900	<b>\$292,000</b>	+ 8.2%	\$269,900	<b>\$289,900</b>	+ 7.4%
<b>Median Sales Price</b>		\$247,000	<b>\$262,000</b>	+ 6.1%	\$246,040	<b>\$265,000</b>	+ 7.7%
<b>Price Per Square Foot</b>		\$144	<b>\$153</b>	+ 6.0%	\$142	<b>\$152</b>	+ 7.0%
<b>ShowingTime Housing Value Index</b>		\$209,991	<b>\$221,689</b>	+ 5.6%	--	--	--
<b>Pct. of Orig. List Price Received</b>		98.1%	<b>98.4%</b>	+ 0.3%	98.6%	<b>99.4%</b>	+ 0.8%
<b>Inventory of Homes for Sale</b>		13,152	<b>12,570</b>	- 4.4%	--	--	--
<b>Months Supply of Homes for Sale</b>		2.6	<b>2.5</b>	- 3.8%	--	--	--

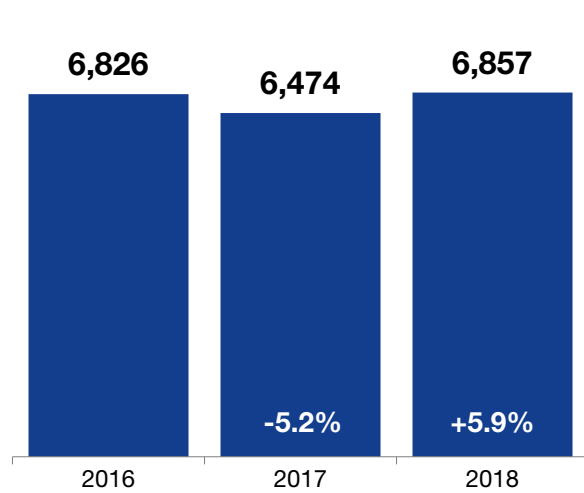
# New Listings

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

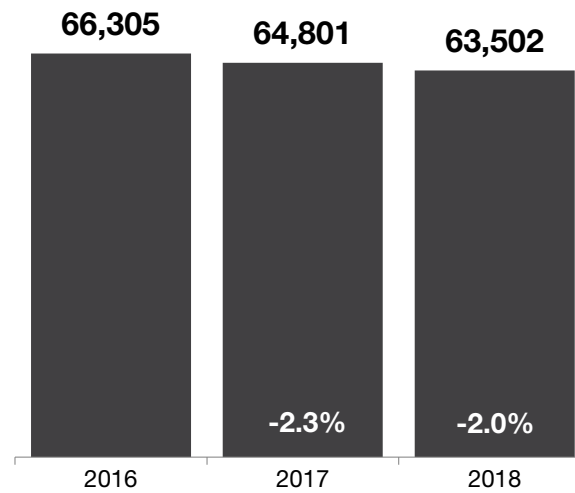


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## September



## Year To Date



New Listings		Prior Year	Percent Change
October 2017	5,503	5,341	+3.0%
November 2017	3,545	3,798	-6.7%
December 2017	2,311	2,431	-4.9%
January 2018	4,044	4,382	-7.7%
February 2018	5,080	5,513	-7.9%
March 2018	6,753	8,165	-17.3%
April 2018	7,343	7,890	-6.9%
May 2018	9,177	8,907	+3.0%
June 2018	8,741	8,838	-1.1%
July 2018	7,684	7,369	+4.3%
August 2018	7,823	7,263	+7.7%
<b>September 2018</b>	<b>6,857</b>	<b>6,474</b>	<b>+5.9%</b>
12-Month Avg	6,238	6,364	-2.0%

## Historical New Listing Activity



# Pending Sales

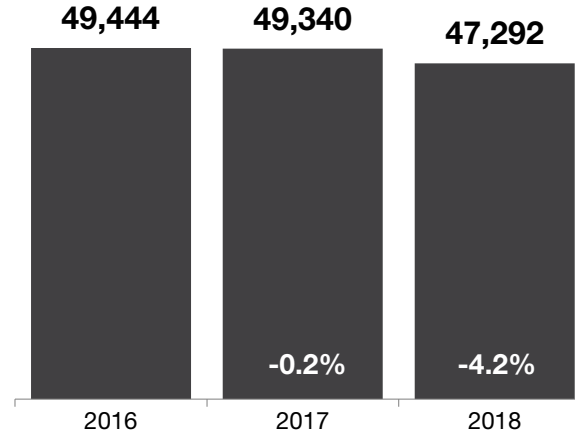
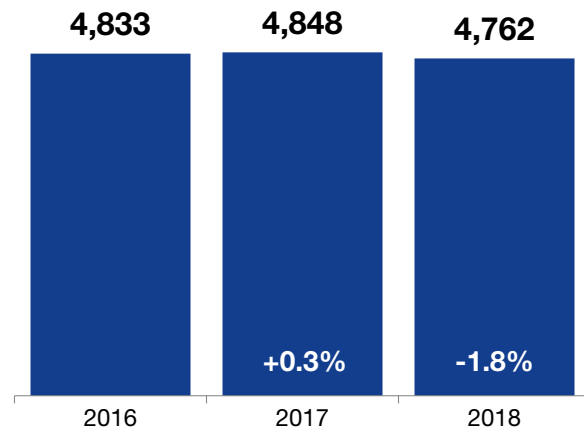
A count of the properties on which contracts have been accepted in a given month.



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## Year To Date



Pending Sales		Prior Year	Percent Change
October 2017	4,833	4,588	+5.3%
November 2017	4,074	3,881	+5.0%
December 2017	3,017	3,069	-1.7%
January 2018	3,138	3,239	-3.1%
February 2018	3,669	4,137	-11.3%
March 2018	5,198	5,808	-10.5%
April 2018	5,751	6,086	-5.5%
May 2018	6,627	6,955	-4.7%
June 2018	6,477	6,565	-1.3%
July 2018	5,965	5,868	+1.7%
August 2018	5,705	5,834	-2.2%
<b>September 2018</b>	<b>4,762</b>	<b>4,848</b>	<b>-1.8%</b>
12-Month Avg	4,935	5,073	-2.7%

## Historical Pending Sales Activity



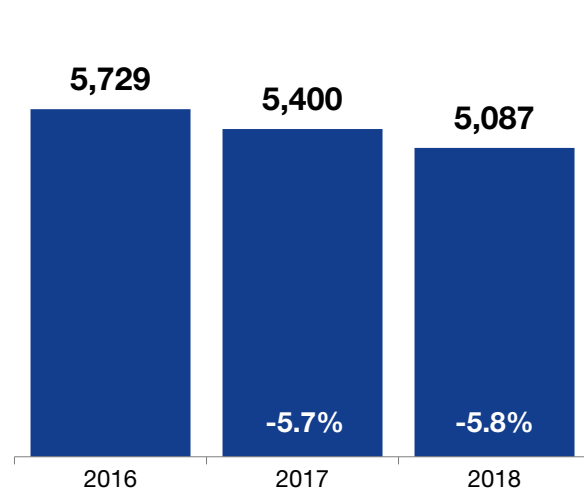
# Closed Sales

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

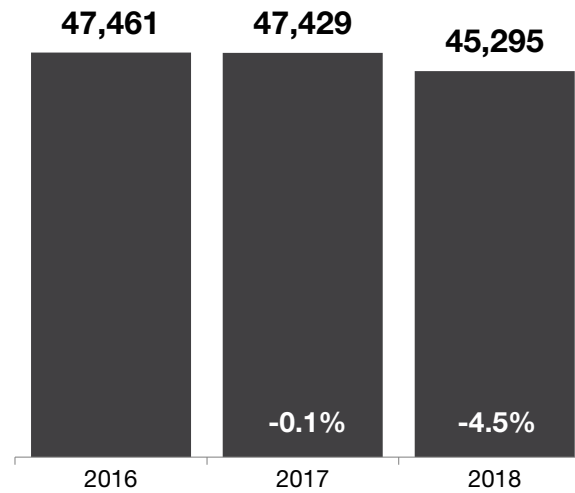


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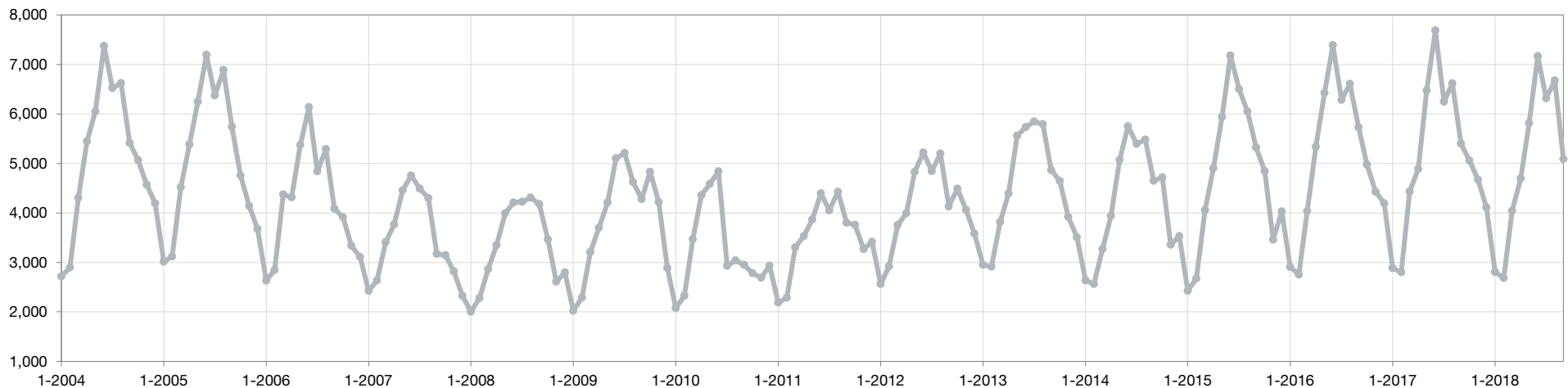


## Year To Date



Closed Sales		Prior Year	Percent Change
October 2017	5,062	4,978	+1.7%
November 2017	4,671	4,427	+5.5%
December 2017	4,108	4,191	-2.0%
January 2018	2,806	2,884	-2.7%
February 2018	2,686	2,803	-4.2%
March 2018	4,042	4,433	-8.8%
April 2018	4,698	4,890	-3.9%
May 2018	5,813	6,472	-10.2%
June 2018	7,168	7,685	-6.7%
July 2018	6,317	6,245	+1.2%
August 2018	6,678	6,617	+0.9%
<b>September 2018</b>	<b>5,087</b>	<b>5,400</b>	<b>-5.8%</b>
12-Month Avg	4,928	5,085	-2.9%

## Historical Closed Sales Activity



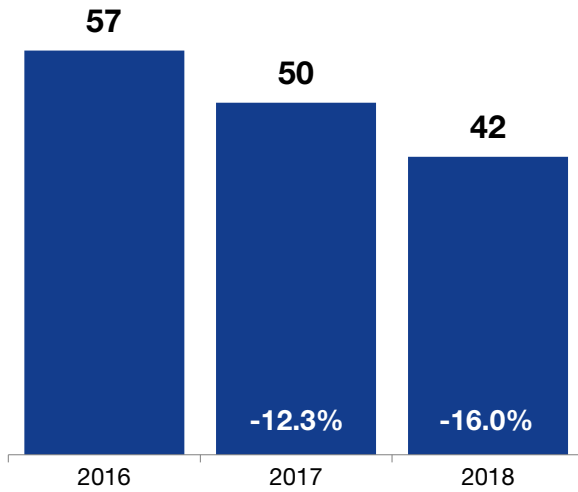
# Days on Market Until Sale

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

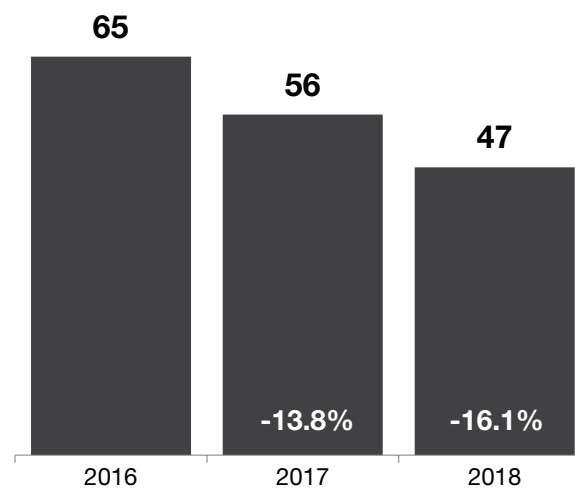


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## September



## Year To Date



Days on Market		Prior Year	Percent Change
October 2017	52	61	-14.8%
November 2017	56	63	-11.1%
December 2017	61	72	-15.3%
January 2018	69	80	-13.8%
February 2018	69	82	-15.9%
March 2018	57	73	-21.9%
April 2018	53	59	-10.2%
May 2018	47	52	-9.6%
June 2018	40	48	-16.7%
July 2018	38	46	-17.4%
August 2018	40	48	-16.7%
<b>September 2018</b>	<b>42</b>	<b>50</b>	<b>-16.0%</b>
12-Month Avg	49	58	-15.5%

## Historical Days on Market Until Sale



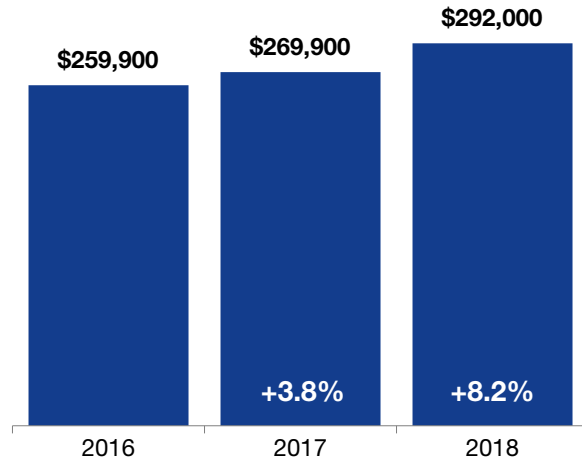
# Median Original List Price

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

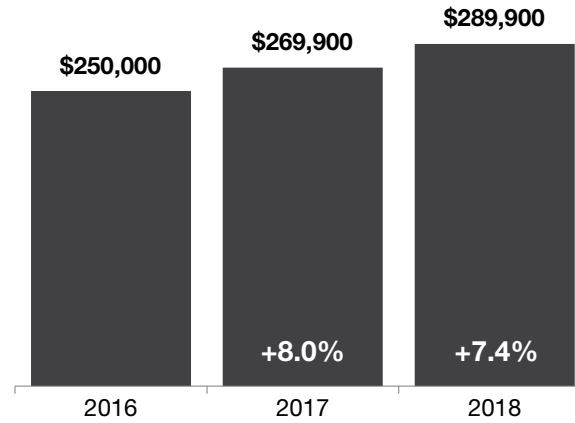


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## September



## Year To Date



	Median Original List Price	Prior Year	Percent Change
October 2017	\$265,000	\$245,000	+8.2%
November 2017	\$265,000	\$245,000	+8.2%
December 2017	\$269,000	\$249,900	+7.6%
January 2018	\$290,955	\$275,000	+5.8%
February 2018	\$299,900	\$278,836	+7.6%
March 2018	\$289,900	\$272,900	+6.2%
April 2018	\$284,900	\$269,000	+5.9%
May 2018	\$289,900	\$274,900	+5.5%
June 2018	\$289,900	\$269,900	+7.4%
July 2018	\$284,900	\$265,000	+7.5%
August 2018	\$279,900	\$260,000	+7.7%
<b>September 2018</b>	<b>\$292,000</b>	<b>\$269,900</b>	<b>+8.2%</b>
12-Month Med	\$285,000	\$265,000	+7.5%

## Historical Median Original List Price



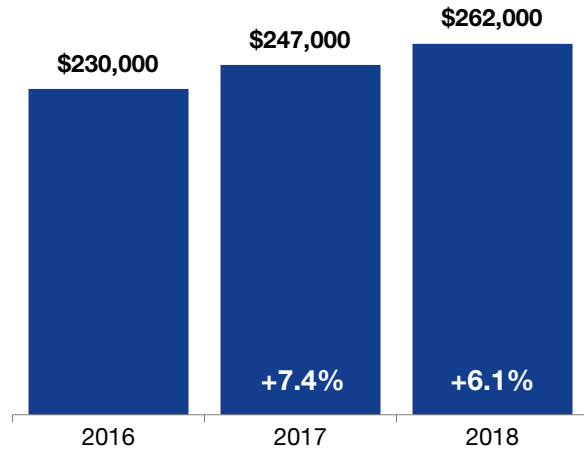
# Median Sales Price

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

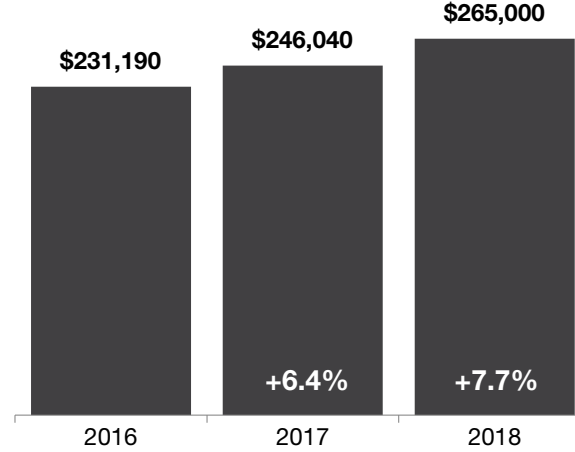


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## Year To Date



	Median Sales Price	Prior Year	Percent Change
October 2017	\$244,000	\$230,000	+6.1%
November 2017	\$245,000	\$230,000	+6.5%
December 2017	\$248,000	\$226,000	+9.7%
January 2018	\$244,000	\$222,500	+9.7%
February 2018	\$250,000	\$221,800	+12.7%
March 2018	\$258,100	\$235,000	+9.8%
April 2018	\$267,000	\$245,000	+9.0%
May 2018	\$271,000	\$250,000	+8.4%
June 2018	\$270,500	\$257,250	+5.2%
July 2018	\$268,000	\$251,500	+6.6%
August 2018	\$268,000	\$252,000	+6.3%
<b>September 2018</b>	<b>\$262,000</b>	<b>\$247,000</b>	<b>+6.1%</b>
12-Month Med	\$260,000	\$242,500	+7.2%

## Historical Median Sales Price





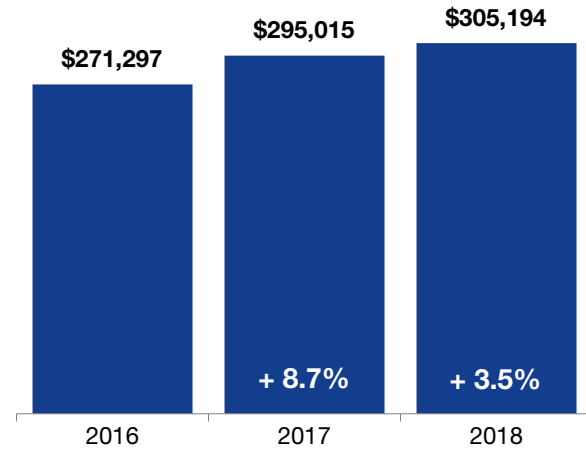
# Average Sales Price

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

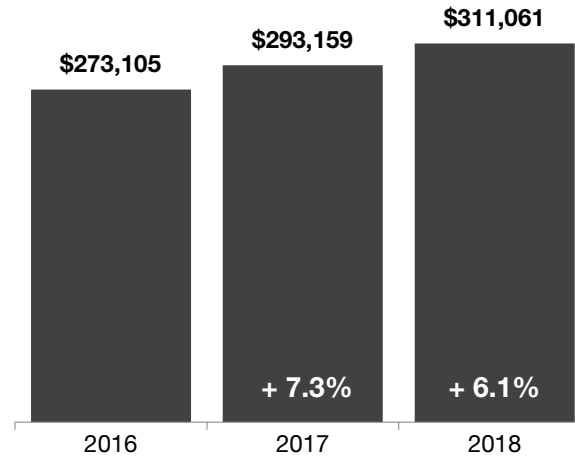


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## Year to Date



	Average Sales Price	Prior Year	Percent Change
October 2017	\$291,867	\$273,325	+6.8%
November 2017	\$289,908	\$273,859	+5.9%
December 2017	\$305,959	\$271,951	+12.5%
January 2018	\$291,942	\$272,470	+7.1%
February 2018	\$294,956	\$268,868	+9.7%
March 2018	\$304,239	\$278,980	+9.1%
April 2018	\$313,950	\$290,228	+8.2%
May 2018	\$316,274	\$292,629	+8.1%
June 2018	\$319,953	\$307,033	+4.2%
July 2018	\$312,036	\$302,088	+3.3%
August 2018	\$317,088	\$298,558	+6.2%
<b>September 2018</b>	<b>\$305,194</b>	<b>\$295,015</b>	<b>+3.5%</b>
12-Month Avg	\$307,394	\$288,683	+6.5%

## Historical Average Sales Price



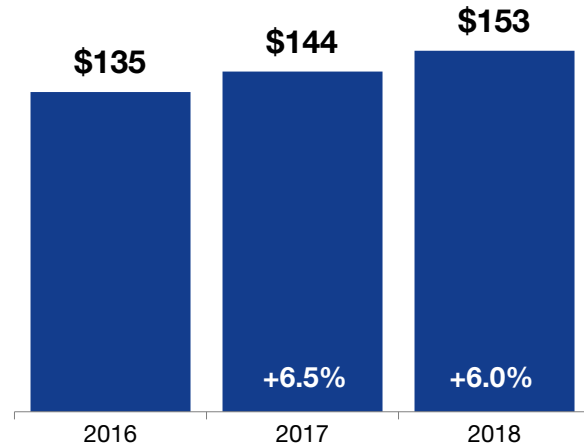
# Price Per Square Foot

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

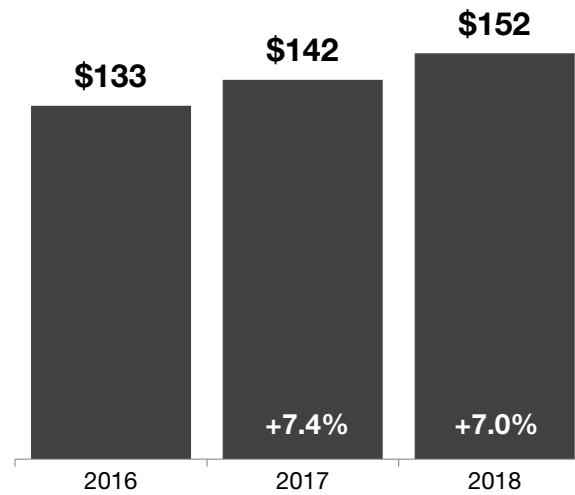


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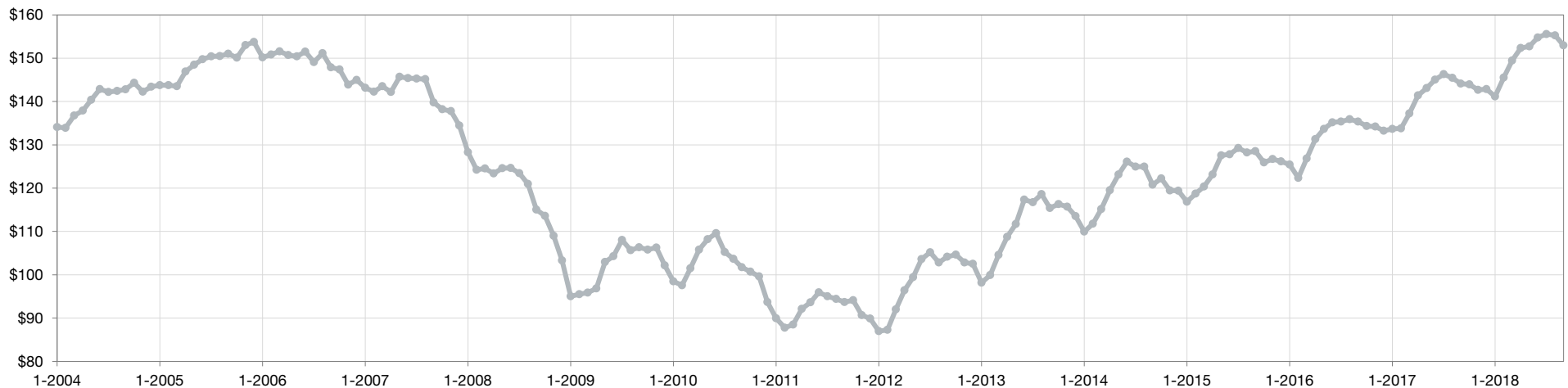


## Year to Date



	Price Per Square Foot	Prior Year	Percent Change
October 2017	\$144	\$134	+7.1%
November 2017	\$143	\$134	+6.3%
December 2017	\$143	\$133	+7.2%
January 2018	\$141	\$134	+5.6%
February 2018	\$145	\$134	+8.7%
March 2018	\$149	\$137	+8.9%
April 2018	\$152	\$141	+7.7%
May 2018	\$153	\$143	+6.7%
June 2018	\$155	\$145	+6.8%
July 2018	\$156	\$146	+6.4%
August 2018	\$155	\$145	+6.7%
<b>September 2018</b>	<b>\$153</b>	<b>\$144</b>	<b>+6.0%</b>
12-Month Avg	\$150	\$141	+6.8%

## Historical Price Per Square Foot



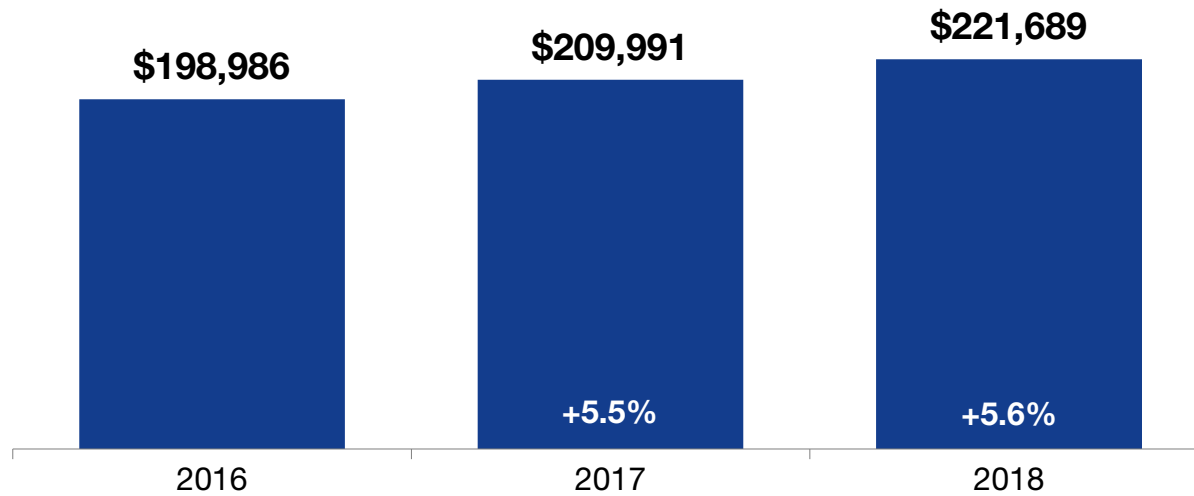
# ShowingTime Housing Value Index

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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Housing Value Index		Prior Year	Percent Change
October 2017	\$209,604	\$198,272	+5.7%
November 2017	\$210,500	\$198,513	+6.0%
December 2017	\$211,784	\$200,990	+5.4%
January 2018	\$217,165	\$206,236	+5.3%
February 2018	\$222,820	\$207,070	+7.6%
March 2018	\$225,421	\$208,238	+8.3%
April 2018	\$223,541	\$211,153	+5.9%
May 2018	\$221,682	\$209,713	+5.7%
June 2018	\$222,758	\$208,887	+6.6%
July 2018	\$223,198	\$210,600	+6.0%
August 2018	\$222,060	\$210,040	+5.7%
<b>September 2018</b>	<b>\$221,689</b>	<b>\$209,991</b>	<b>+5.6%</b>
12-Month Avg	\$219,352	\$206,642	+6.1%

## Historical ShowingTime Housing Value Index



# Percent of Original List Price Received

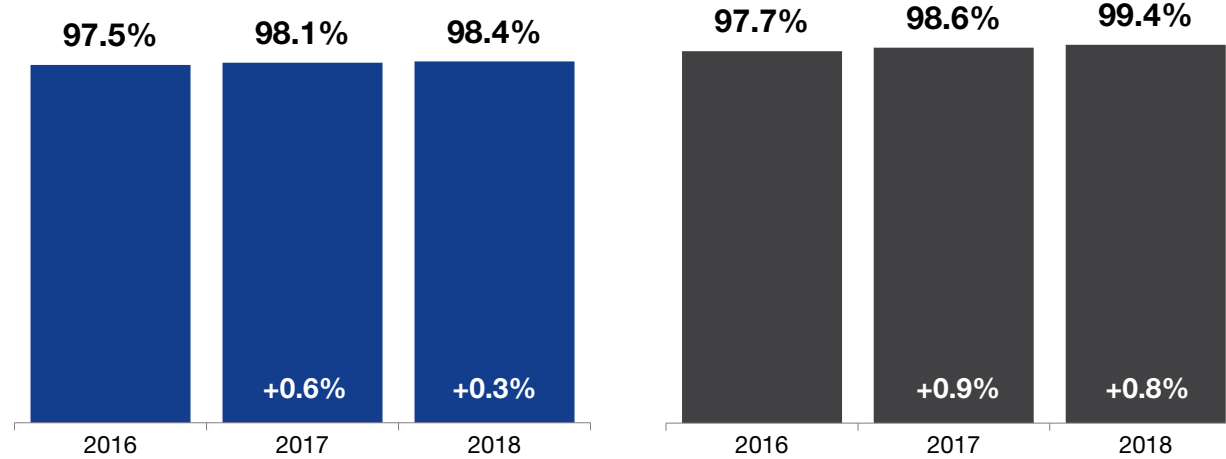
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



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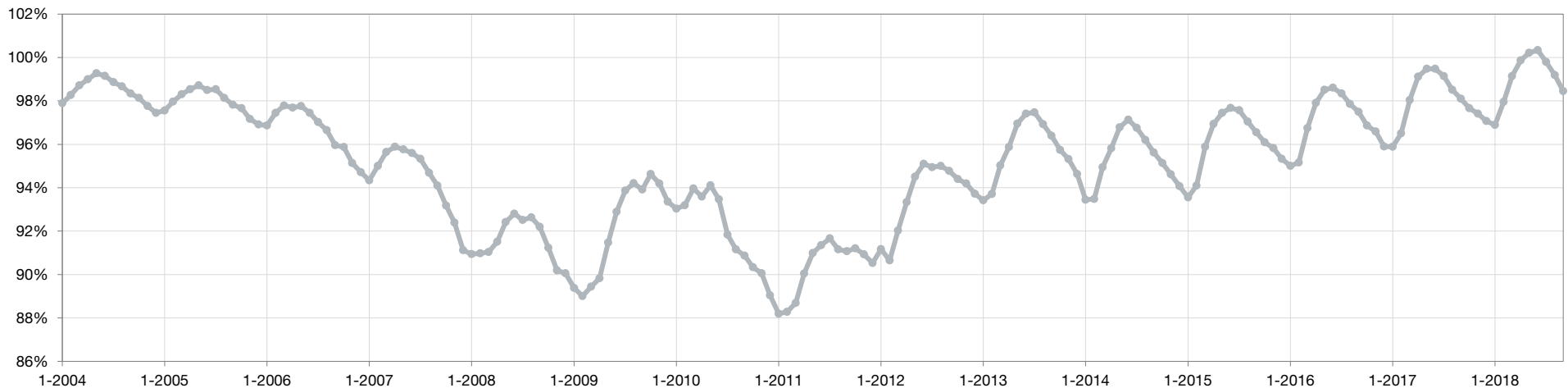
## September

## Year to Date



	Pct. Of Orig. List Price Rec'd	Prior Year	Percent Change
October 2017	97.7%	96.9%	+0.8%
November 2017	97.4%	96.6%	+0.8%
December 2017	97.1%	95.9%	+1.3%
January 2018	96.9%	95.9%	+1.0%
February 2018	98.0%	96.5%	+1.6%
March 2018	99.1%	98.0%	+1.1%
April 2018	99.9%	99.1%	+0.8%
May 2018	100.2%	99.5%	+0.7%
June 2018	100.3%	99.5%	+0.8%
July 2018	99.8%	99.1%	+0.7%
August 2018	99.2%	98.5%	+0.7%
<b>September 2018</b>	<b>98.4%</b>	<b>98.1%</b>	<b>+0.3%</b>
12-Month Avg	98.9%	98.1%	+0.8%

## Historical Percent of Original List Price Received



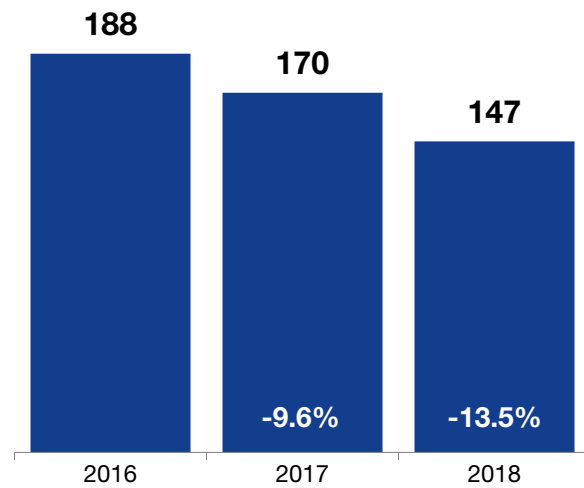
# Housing Affordability Index

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.

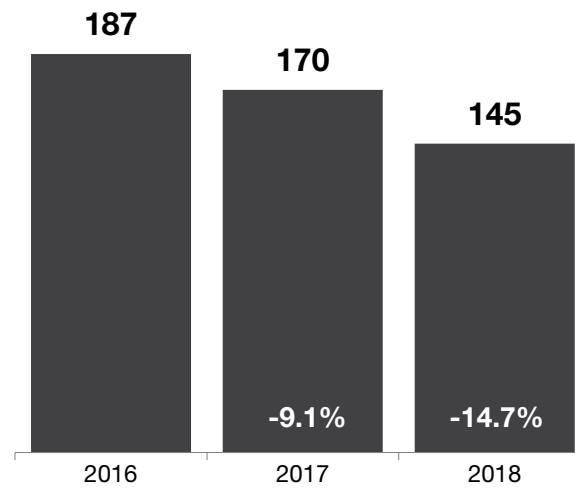


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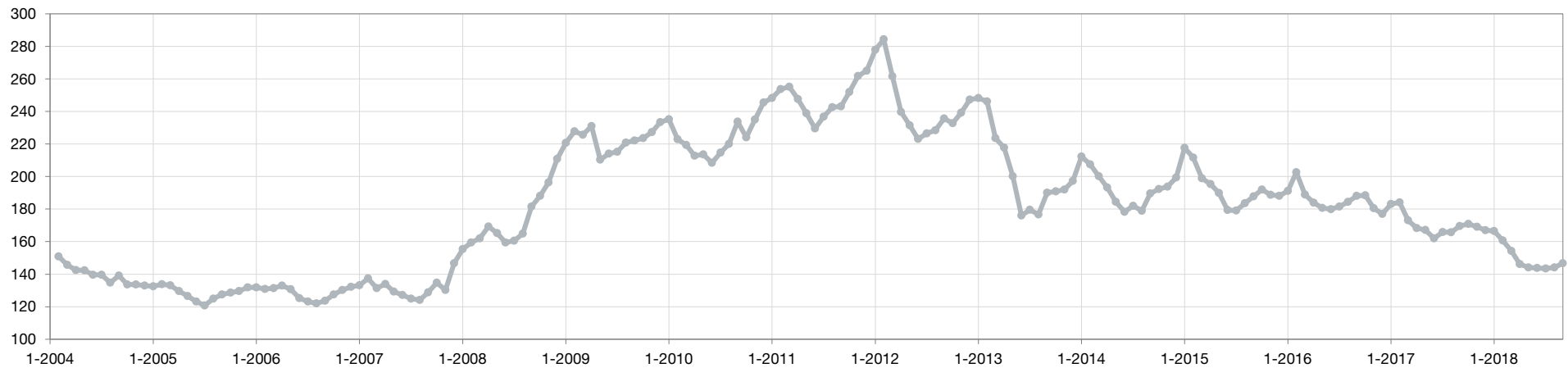


## Year to Date



	Housing Affordability Index	Prior Year	Percent Change
October 2017	171	188	-9.0%
November 2017	169	181	-6.6%
December 2017	167	177	-5.6%
January 2018	167	183	-8.7%
February 2018	161	184	-12.5%
March 2018	154	173	-11.0%
April 2018	146	168	-13.1%
May 2018	144	167	-13.8%
June 2018	144	162	-11.1%
July 2018	143	166	-13.9%
August 2018	144	166	-13.3%
<b>September 2018</b>	<b>147</b>	<b>170</b>	<b>-13.5%</b>
12-Month Avg	155	174	-10.9%

## Historical Housing Affordability Index



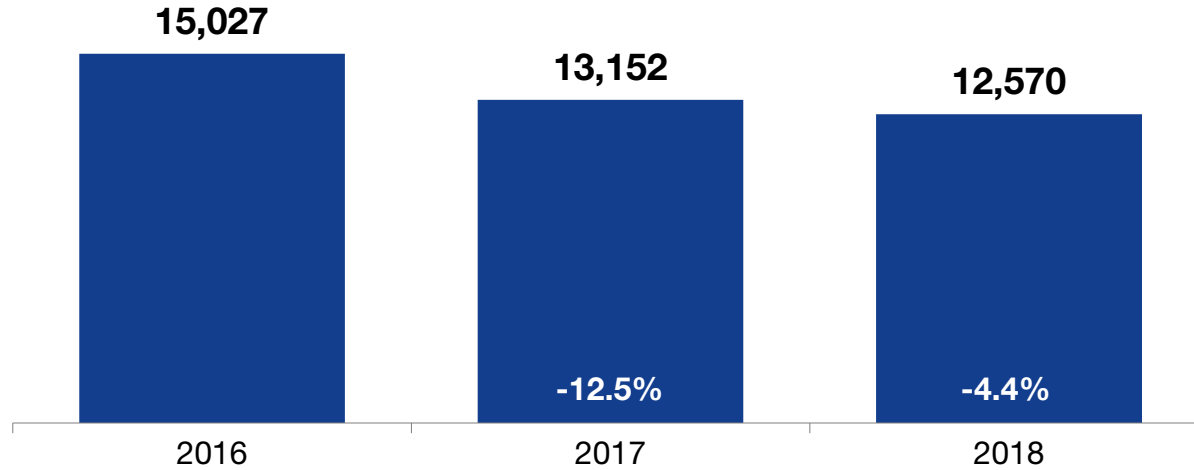
# Inventory of Homes for Sale

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



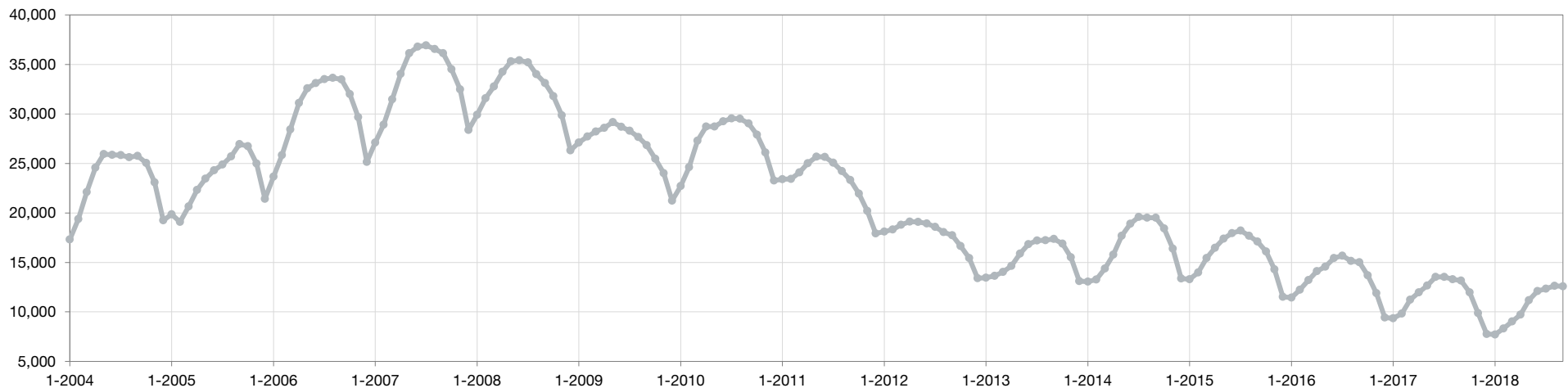
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Homes for Sale		Prior Year	Percent Change
October 2017	11,977	13,693	-12.5%
November 2017	9,887	11,901	-16.9%
December 2017	7,755	9,438	-17.8%
January 2018	7,722	9,345	-17.4%
February 2018	8,330	9,841	-15.4%
March 2018	9,031	11,228	-19.6%
April 2018	9,734	11,970	-18.7%
May 2018	11,182	12,658	-11.7%
June 2018	12,099	13,519	-10.5%
July 2018	12,333	13,539	-8.9%
August 2018	12,632	13,282	-4.9%
<b>September 2018</b>	<b>12,570</b>	<b>13,152</b>	<b>-4.4%</b>
12-Month Avg	10,438	11,964	-13.2%

## Historical Inventory of Homes for Sale



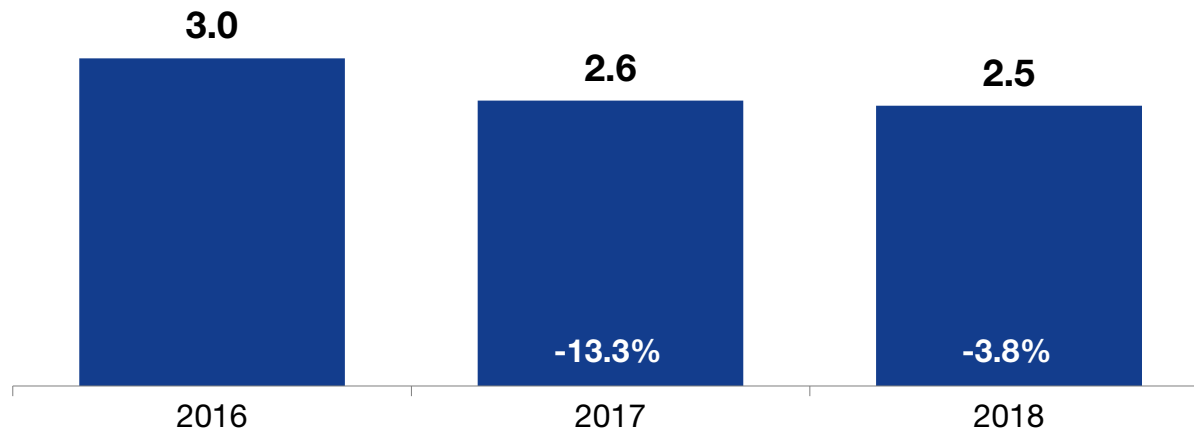
# Months Supply of Homes for Sale

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.



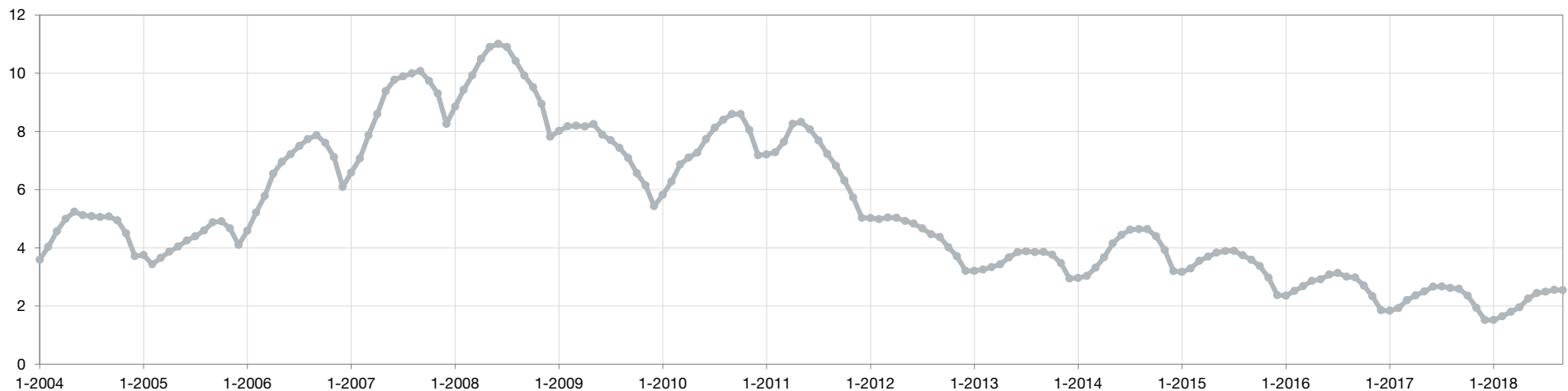
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Months Supply		Prior Year	Percent Change
October 2017	2.4	2.7	-11.1%
November 2017	1.9	2.3	-17.4%
December 2017	1.5	1.9	-21.1%
January 2018	1.5	1.8	-16.7%
February 2018	1.6	1.9	-15.8%
March 2018	1.8	2.2	-18.2%
April 2018	2.0	2.4	-16.7%
May 2018	2.3	2.5	-8.0%
June 2018	2.4	2.7	-11.1%
July 2018	2.5	2.7	-7.4%
August 2018	2.6	2.6	0.0%
<b>September 2018</b>	<b>2.5</b>	<b>2.6</b>	<b>-3.8%</b>
12-Month Avg	2.1	2.4	-12.5%

## 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

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

