

# Monthly Indicators

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



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## June 2018

Housing markets across the nation are most assuredly active this summer, and buyer competition is manifesting itself into several quick sales above asking price. While the strength of the U.S. economy has helped purchase offers pile up, the Fed recently increased the federal funds rate by 0.25 percent, marking the second rate hike this year and seventh since late 2015. Although the 30-year mortgage rate did not increase, buyers often react by locking in at the current rate ahead of assumed higher rates later. When this happens, accelerated price increases are possible, causing further strain on affordability.

New Listings in the Twin Cities region decreased 1.2 percent to 8,730. Pending Sales were down 2.1 percent to 6,429. Inventory levels fell 15.9 percent to 11,374 units.

Prices continued to gain traction. The Median Sales Price increased 5.7 percent to \$271,900. Days on Market was down 14.6 percent to 41 days. Sellers were encouraged as Months Supply of Homes for Sale was down 14.8 percent to 2.3 months.

Inventory may be persistently lower in year-over-year comparisons, and home prices are still more likely to rise than not, but sales and new listings may finish the summer on the upswing. The housing supply outlook in several markets is beginning to show an increase in new construction and a move by builders away from overstocked rental units to new developments for sale. These are encouraging signs in an already healthy marketplace.

## Quick Facts

**- 8.1%**                      **+ 5.7%**                      **- 15.9%**

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)	6-2017	6-2018	+ / -	YTD 2017	YTD 2018	+ / -
<b>New Listings</b>		8,838	<b>8,730</b>	- 1.2%	43,695	<b>41,119</b>	- 5.9%
<b>Pending Sales</b>		6,565	<b>6,429</b>	- 2.1%	32,789	<b>30,815</b>	- 6.0%
<b>Closed Sales</b>		7,685	<b>7,063</b>	- 8.1%	29,167	<b>27,080</b>	- 7.2%
<b>Days on Market Until Sale</b>		48	<b>41</b>	- 14.6%	61	<b>52</b>	- 14.8%
<b>Median List Price</b>		\$269,900	<b>\$289,900</b>	+ 7.4%	\$270,000	<b>\$289,900</b>	+ 7.4%
<b>Median Sales Price</b>		\$257,250	<b>\$271,900</b>	+ 5.7%	\$243,900	<b>\$264,900</b>	+ 8.6%
<b>Price Per Square Foot</b>		\$145	<b>\$155</b>	+ 6.8%	\$141	<b>\$151</b>	+ 7.3%
<b>ShowingTime Housing Value Index</b>		\$208,824	<b>\$222,819</b>	+ 6.7%	--	--	--
<b>Pct. of Orig. List Price Received</b>		99.5%	<b>100.3%</b>	+ 0.8%	98.6%	<b>99.5%</b>	+ 0.9%
<b>Inventory of Homes for Sale</b>		13,517	<b>11,374</b>	- 15.9%	--	--	--
<b>Months Supply of Homes for Sale</b>		2.7	<b>2.3</b>	- 14.8%	--	--	--

# New Listings

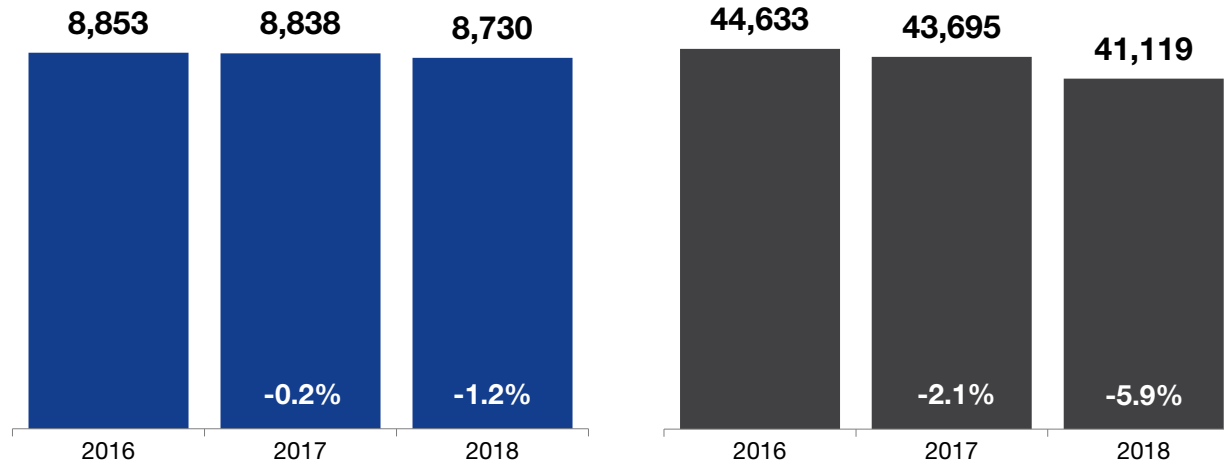
A count of the properties that have been newly listed on the market in a given month.



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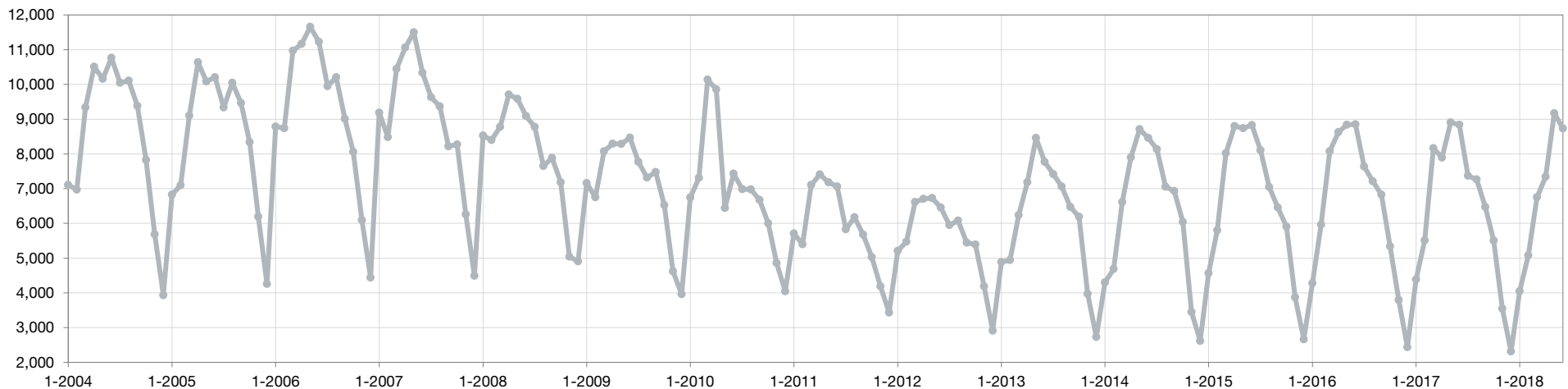
## June

## Year To Date



New Listings		Prior Year	Percent Change
July 2017	7,369	7,632	-3.4%
August 2017	7,264	7,214	+0.7%
September 2017	6,474	6,826	-5.2%
October 2017	5,502	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	6,752	8,165	-17.3%
April 2018	7,340	7,890	-7.0%
May 2018	9,173	8,907	+3.0%
<b>June 2018</b>	<b>8,730</b>	<b>8,838</b>	<b>-1.2%</b>
12-Month Avg	6,132	6,411	-4.4%

## Historical New Listing Activity



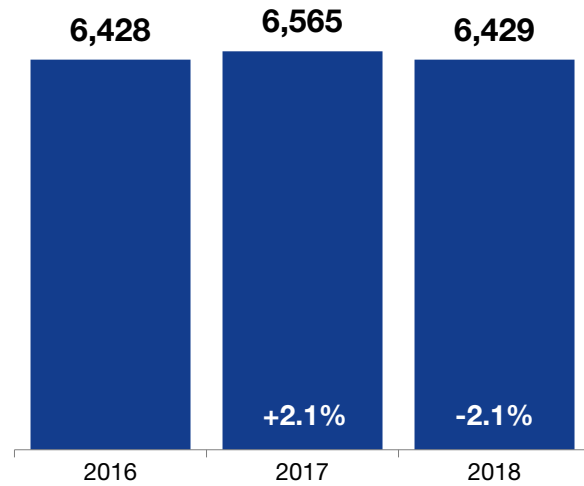
# Pending Sales

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

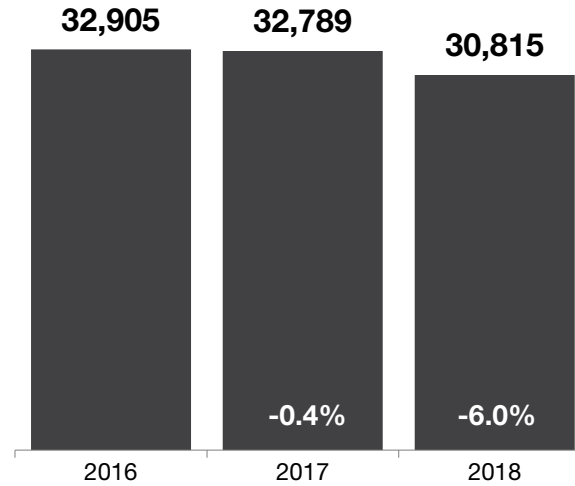


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## June

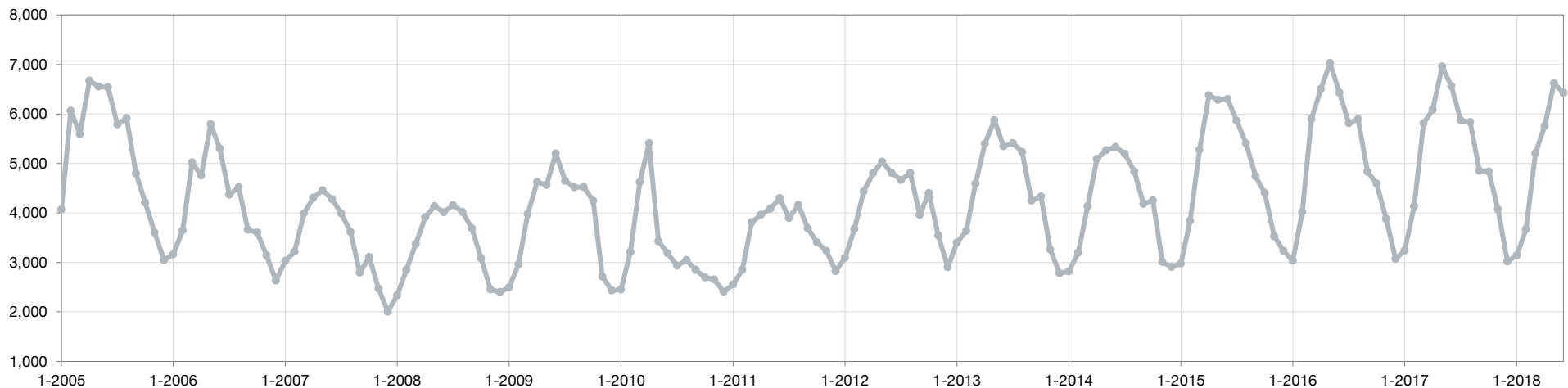


## Year To Date



Pending Sales	Prior Year	Percent Change
July 2017	5,870	5,813 +1.0%
August 2017	5,834	5,893 -1.0%
September 2017	4,848	4,833 +0.3%
October 2017	4,835	4,588 +5.4%
November 2017	4,074	3,882 +4.9%
December 2017	3,018	3,069 -1.7%
January 2018	3,140	3,239 -3.1%
February 2018	3,671	4,137 -11.3%
March 2018	5,203	5,808 -10.4%
April 2018	5,753	6,086 -5.5%
May 2018	6,619	6,954 -4.8%
<b>June 2018</b>	<b>6,429</b>	<b>6,565 -2.1%</b>
12-Month Avg	4,941	5,072 -2.6%

## Historical Pending Sales Activity



# Closed Sales

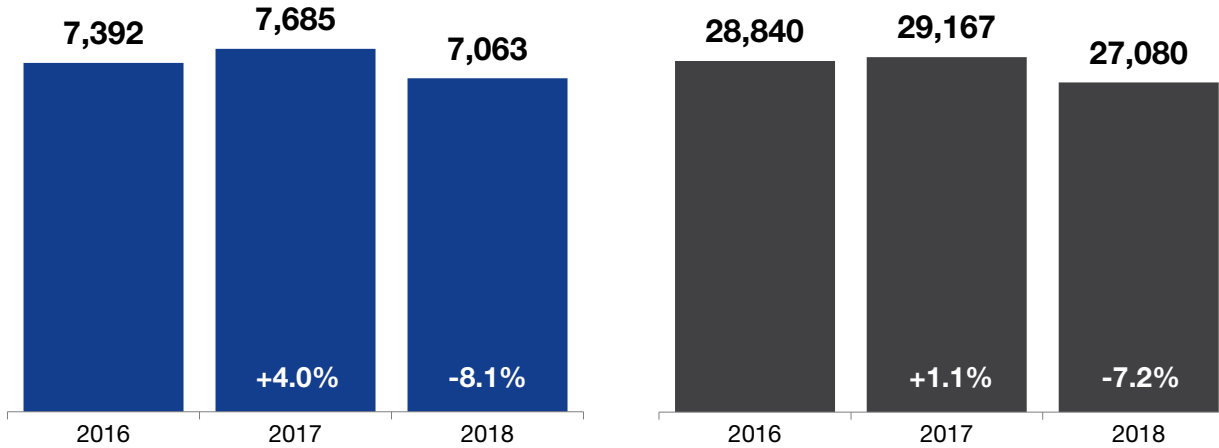
A count of the actual sales that have closed in a given month.



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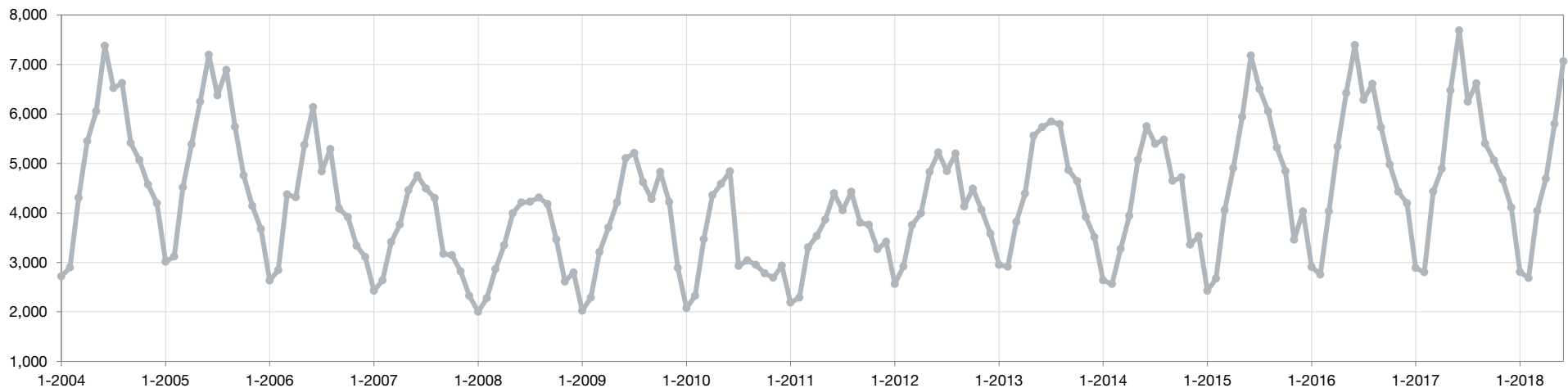
## June

## Year To Date



Closed Sales		Prior Year	Percent Change
July 2017	6,245	6,285	-0.6%
August 2017	6,616	6,607	+0.1%
September 2017	5,399	5,729	-5.8%
October 2017	5,061	4,978	+1.7%
November 2017	4,670	4,427	+5.5%
December 2017	4,109	4,191	-2.0%
January 2018	2,806	2,884	-2.7%
February 2018	2,685	2,803	-4.2%
March 2018	4,040	4,433	-8.9%
April 2018	4,689	4,890	-4.1%
May 2018	5,797	6,472	-10.4%
<b>June 2018</b>	<b>7,063</b>	<b>7,685</b>	<b>-8.1%</b>
12-Month Avg	4,932	5,115	-3.3%

## Historical Closed Sales Activity



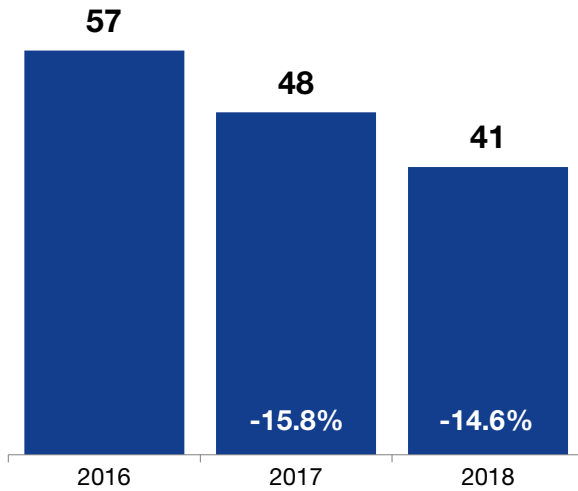
# Days on Market Until Sale

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

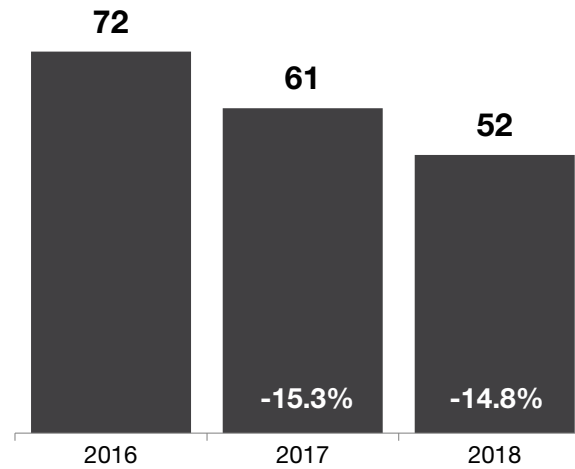


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## June



## Year To Date



Month	Days on Market	Prior Year	Percent Change
July 2017	46	55	-16.4%
August 2017	48	56	-14.3%
September 2017	50	57	-12.3%
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%
<b>June 2018</b>	<b>41</b>	<b>48</b>	<b>-14.6%</b>
12-Month Avg	52	60	-13.3%

## Historical Days on Market Until Sale



# Median Original List Price

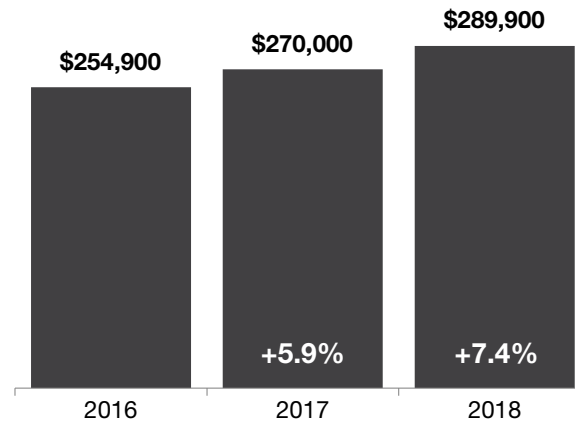
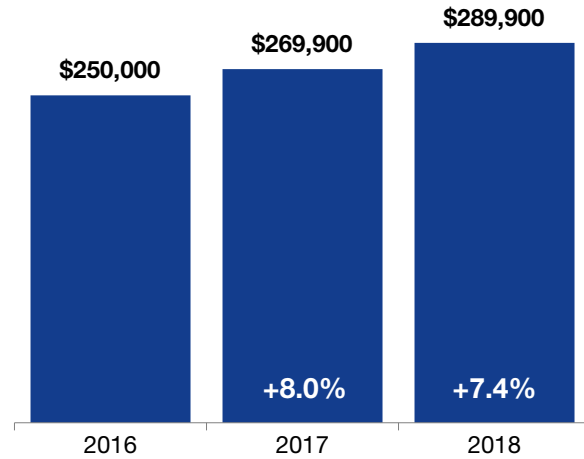
Median original list price for all new listings in a given month. List prices can serve as a leading indicator of future price movement.



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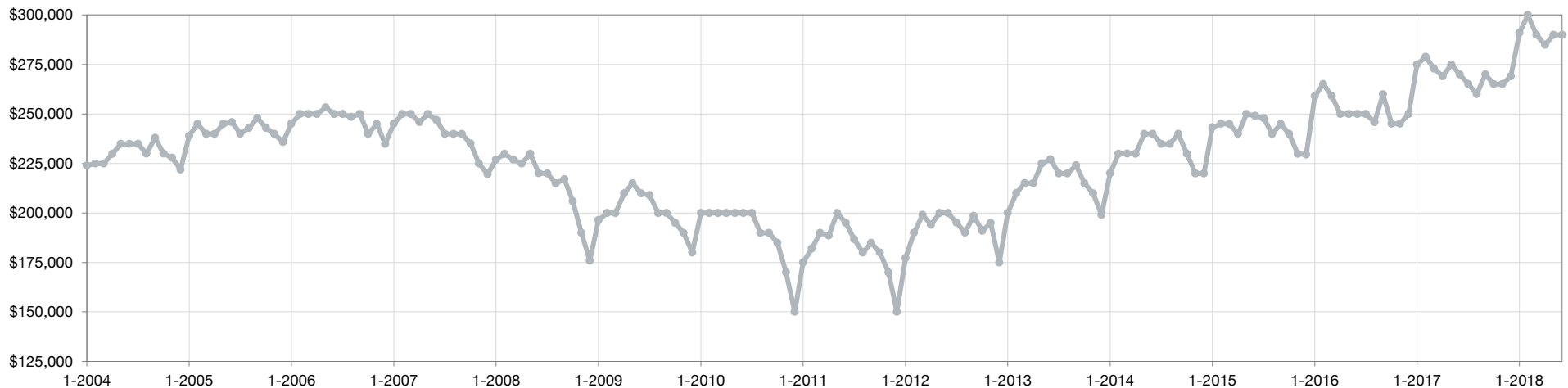
## June

## Year To Date



	Median Original List Price	Prior Year	Percent Change
July 2017	\$265,000	\$249,900	+6.0%
August 2017	\$260,000	\$245,900	+5.7%
September 2017	\$269,900	\$259,900	+3.8%
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%
<b>June 2018</b>	<b>\$289,900</b>	<b>\$269,900</b>	<b>+7.4%</b>
12-Month Med	\$279,777	\$260,000	+7.6%

## Historical Median Original List Price



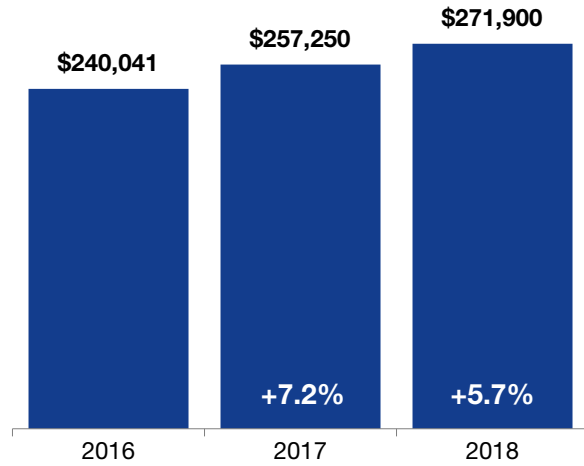
# Median Sales Price

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

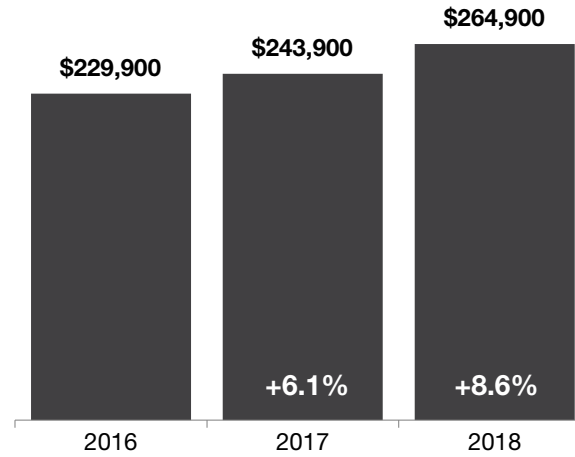


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## June

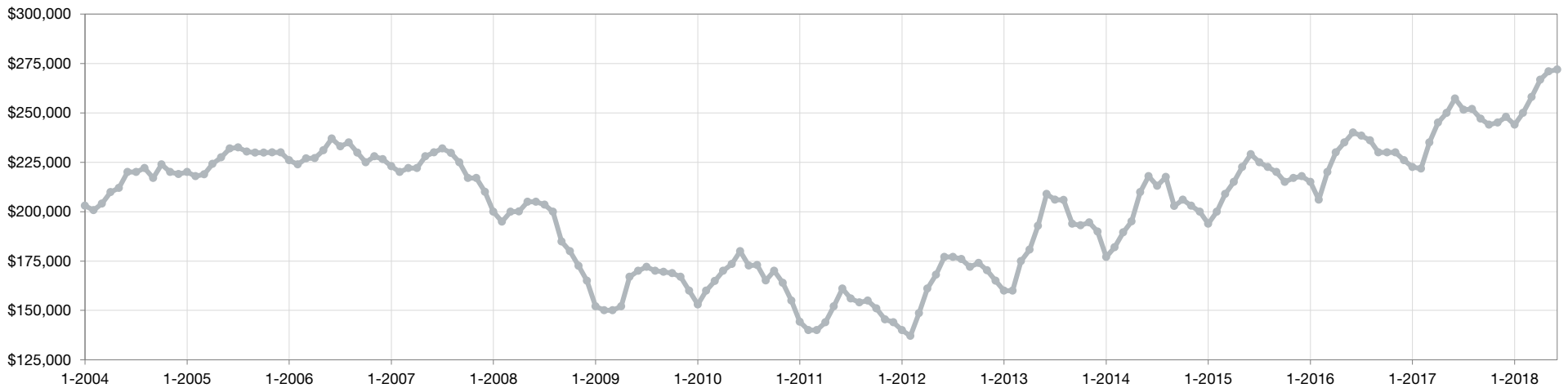


## Year To Date



	Median Sales Price	Prior Year	Percent Change
July 2017	\$251,500	\$238,400	+5.5%
August 2017	\$252,000	\$236,000	+6.8%
September 2017	\$247,000	\$230,000	+7.4%
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	\$258,000	\$235,000	+9.8%
April 2018	\$266,750	\$245,000	+8.9%
May 2018	\$271,000	\$250,000	+8.4%
<b>June 2018</b>	<b>\$271,900</b>	<b>\$257,250</b>	<b>+5.7%</b>
12-Month Med	\$255,000	\$238,000	+7.1%

## Historical Median Sales Price





# Average Sales Price

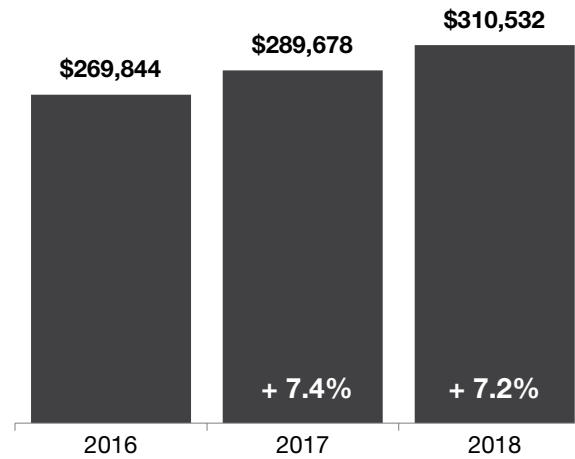
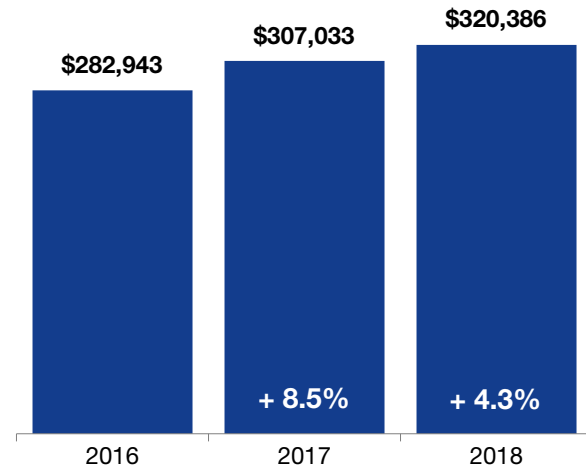
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



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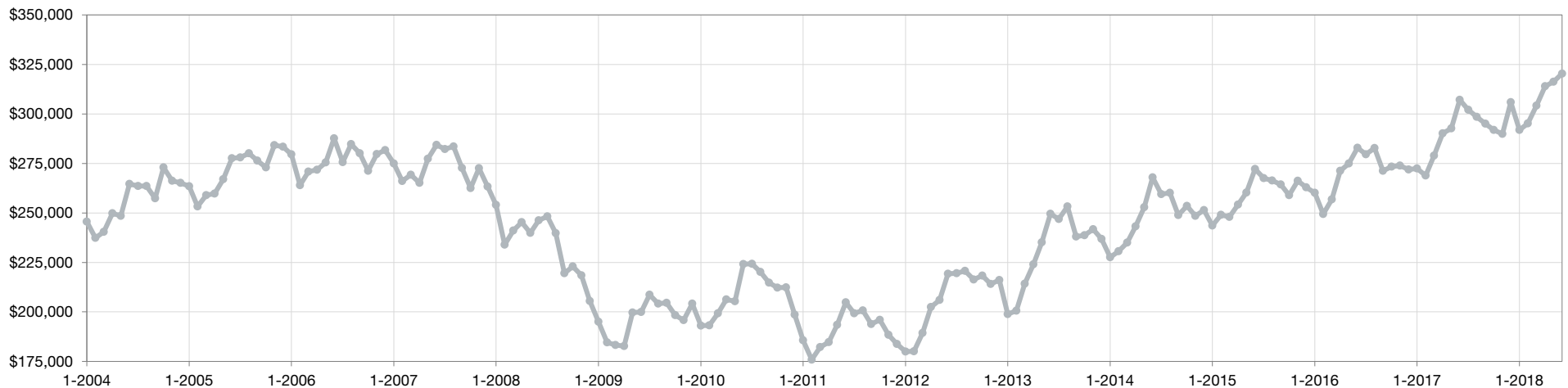
## June

## Year to Date



	Average Sales Price	Prior Year	Percent Change
July 2017	\$302,088	\$279,541	+8.1%
August 2017	\$298,473	\$282,803	+5.5%
September 2017	\$295,022	\$271,297	+8.7%
October 2017	\$291,835	\$273,325	+6.8%
November 2017	\$289,908	\$273,859	+5.9%
December 2017	\$305,966	\$271,951	+12.5%
January 2018	\$291,942	\$272,470	+7.1%
February 2018	\$295,155	\$268,868	+9.8%
March 2018	\$304,139	\$278,980	+9.0%
April 2018	\$313,947	\$290,215	+8.2%
May 2018	\$316,257	\$292,629	+8.1%
<b>June 2018</b>	<b>\$320,386</b>	<b>\$307,033</b>	<b>+4.3%</b>
12-Month Avg	\$303,338	\$282,504	+7.4%

## Historical Average Sales Price



# Price Per Square Foot

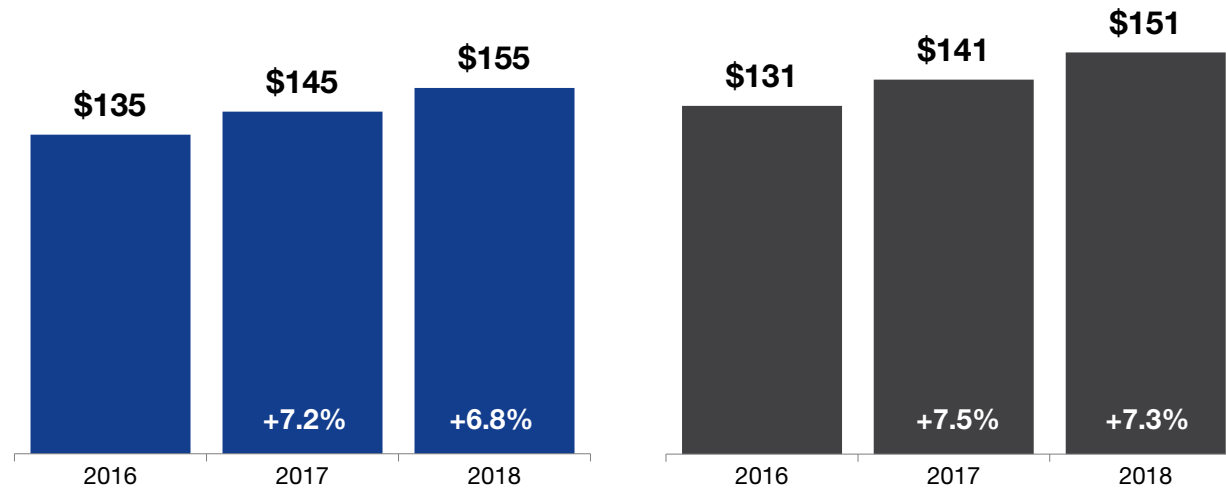
The price per square foot of homes sold in a given month. Sold properties only. Does not account for seller concessions.



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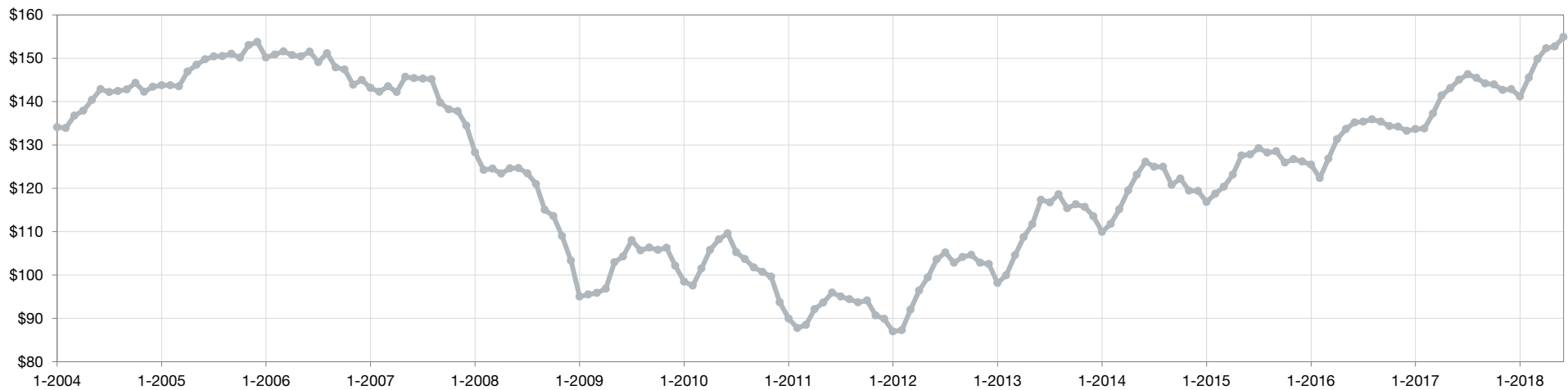
## June

## Year to Date



	Price Per Square Foot	Prior Year	Percent Change
July 2017	\$146	\$135	+8.1%
August 2017	\$145	\$136	+7.0%
September 2017	\$144	\$135	+6.5%
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	\$146	\$134	+8.7%
March 2018	\$150	\$137	+9.2%
April 2018	\$152	\$141	+7.7%
May 2018	\$153	\$143	+6.7%
<b>June 2018</b>	<b>\$155</b>	<b>\$145</b>	<b>+6.8%</b>
12-Month Avg	\$147	\$138	+7.1%

## Historical Price Per Square Foot

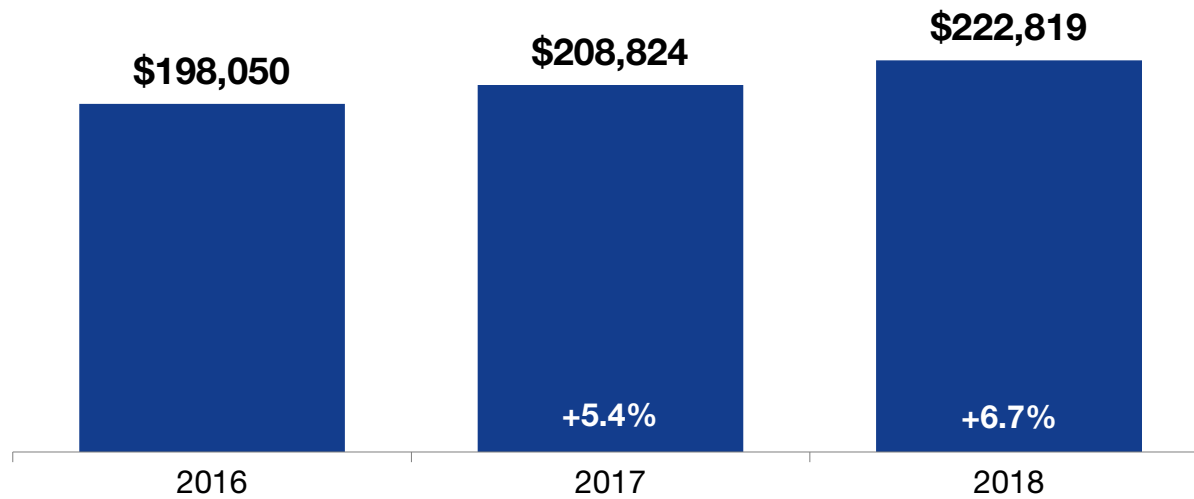


# ShowingTime Housing Value Index

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.



## June



	Housing Value Index	Prior Year	Percent Change
July 2017	\$210,544	\$198,663	+6.0%
August 2017	\$209,982	\$198,673	+5.7%
September 2017	\$209,963	\$198,928	+5.5%
October 2017	\$209,556	\$198,213	+5.7%
November 2017	\$210,448	\$198,449	+6.0%
December 2017	\$211,672	\$200,908	+5.4%
January 2018	\$217,075	\$206,155	+5.3%
February 2018	\$222,766	\$206,981	+7.6%
March 2018	\$225,111	\$208,158	+8.1%
April 2018	\$223,424	\$211,077	+5.8%
May 2018	\$221,524	\$209,654	+5.7%
<b>June 2018</b>	<b>\$222,819</b>	<b>\$208,824</b>	<b>+6.7%</b>
12-Month Avg	\$216,240	\$203,724	+6.1%

## Historical ShowingTime Housing Value Index



# Percent of Original List Price Received

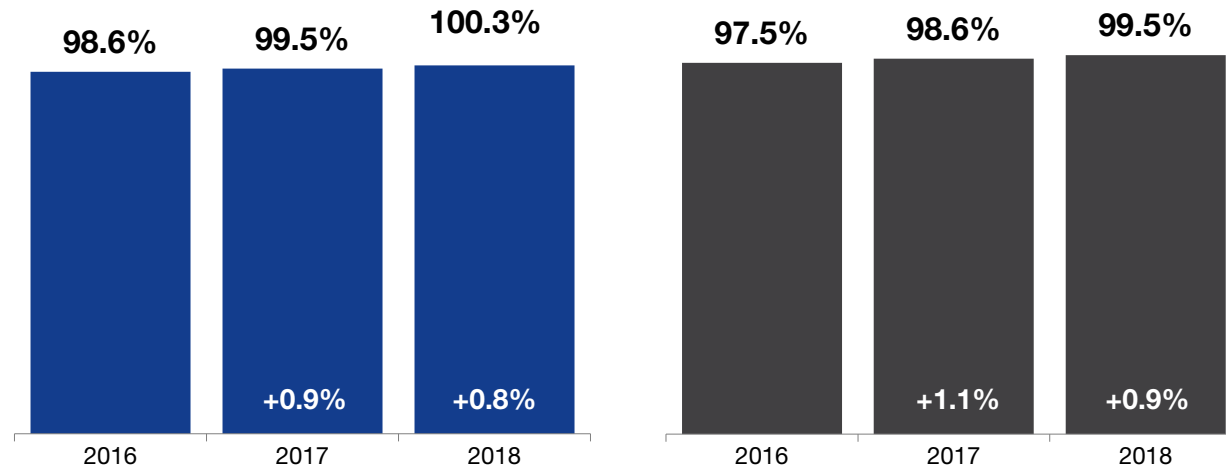
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



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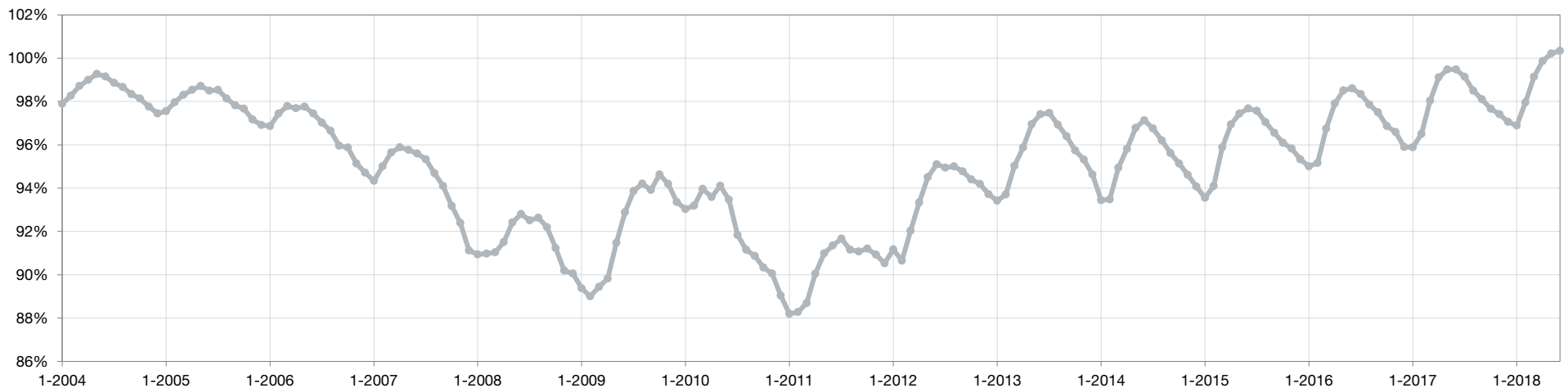
## June

## Year to Date



	Pct. Of Orig. List Price Rec'd	Prior Year	Percent Change
July 2017	99.1%	98.3%	+0.8%
August 2017	98.5%	97.9%	+0.6%
September 2017	98.1%	97.5%	+0.6%
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%
<b>June 2018</b>	<b>100.3%</b>	<b>99.5%</b>	<b>+0.8%</b>
12-Month Avg	98.7%	97.9%	+0.8%

## Historical Percent of Original List Price Received



# Housing Affordability Index

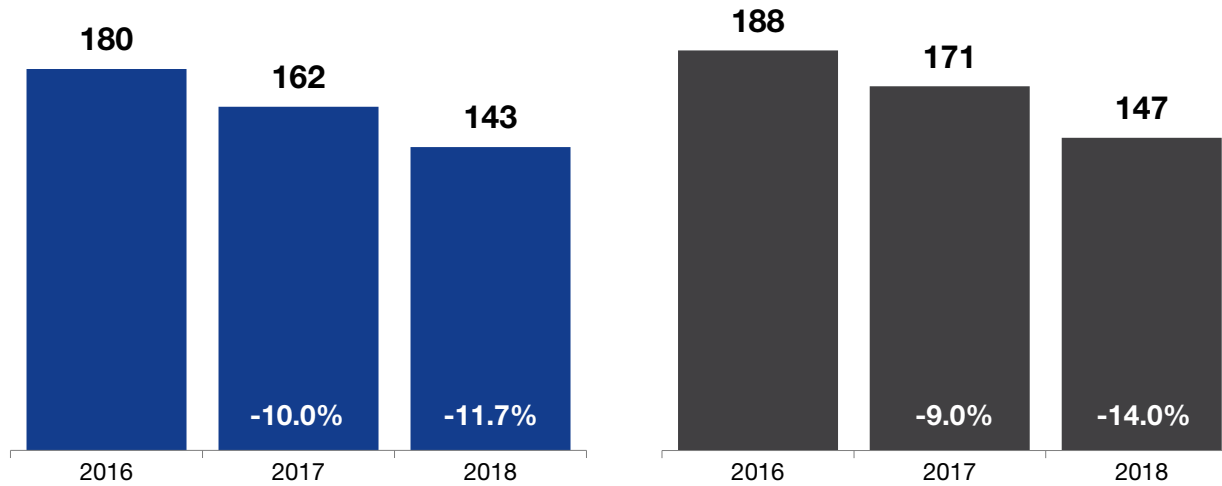
This index measures housing affordability for the region. For example, an index of 120 means the median household income was 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.



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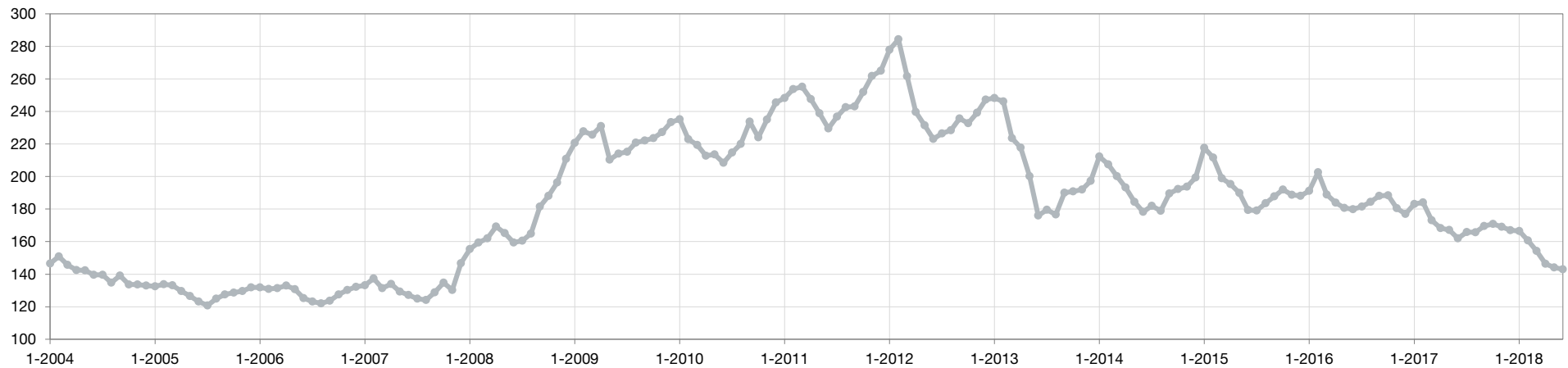
## June

## Year to Date



	Housing Affordability Index	Prior Year	Percent Change
July 2017	166	181	-8.3%
August 2017	166	184	-9.8%
September 2017	170	188	-9.6%
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%
<b>June 2018</b>	<b>143</b>	<b>162</b>	<b>-11.7%</b>
12-Month Avg	160	178	-10.1%

## Historical Housing Affordability Index



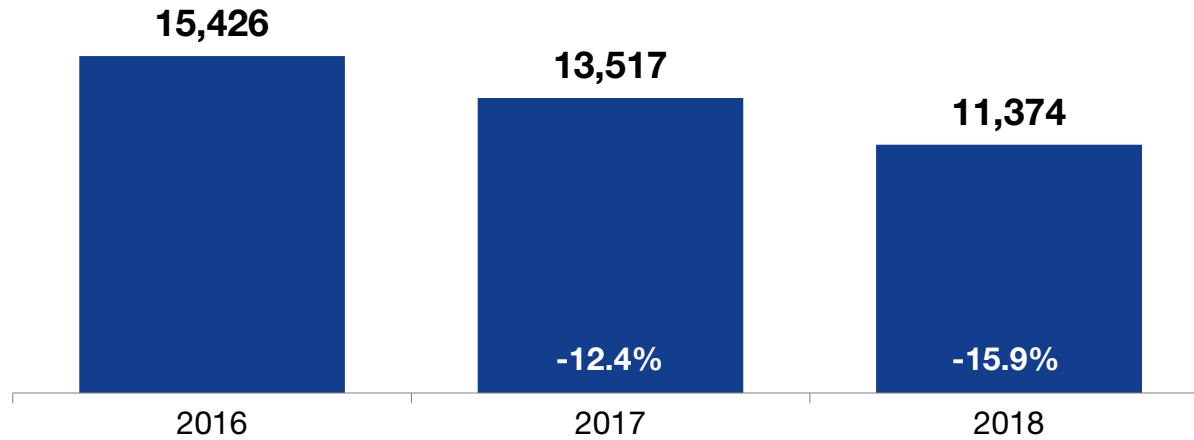
# Inventory of Homes for Sale

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



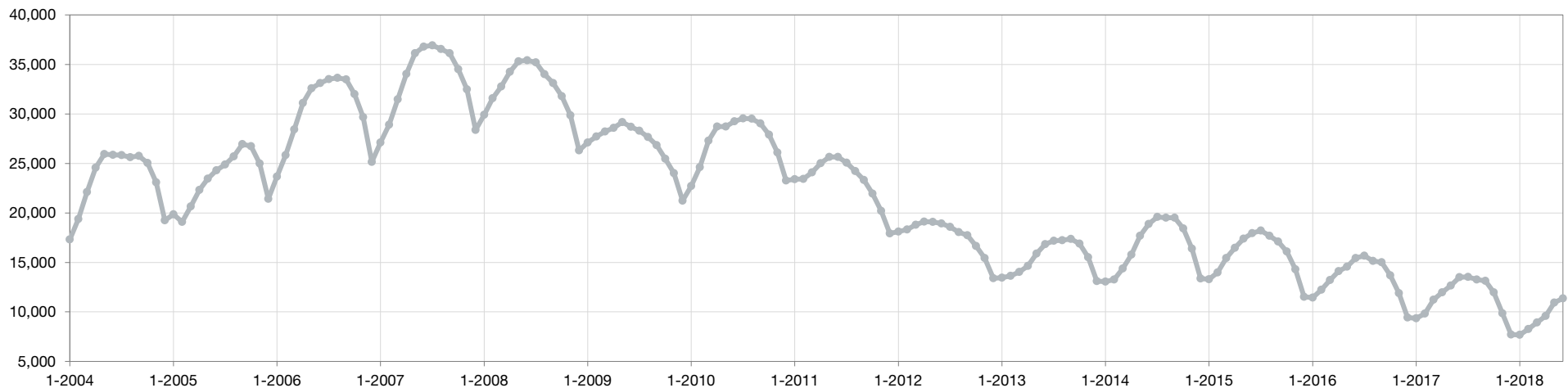
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## June



Homes for Sale		Prior Year	Percent Change
July 2017	13,533	15,684	-13.7%
August 2017	13,274	15,147	-12.4%
September 2017	13,142	15,026	-12.5%
October 2017	11,960	13,692	-12.6%
November 2017	9,857	11,899	-17.2%
December 2017	7,721	9,436	-18.2%
January 2018	7,677	9,343	-17.8%
February 2018	8,265	9,839	-16.0%
March 2018	8,938	11,226	-20.4%
April 2018	9,589	11,967	-19.9%
May 2018	10,928	12,656	-13.7%
<b>June 2018</b>	<b>11,374</b>	<b>13,517</b>	<b>-15.9%</b>
12-Month Avg	10,522	12,453	-15.8%

## Historical Inventory of Homes for Sale



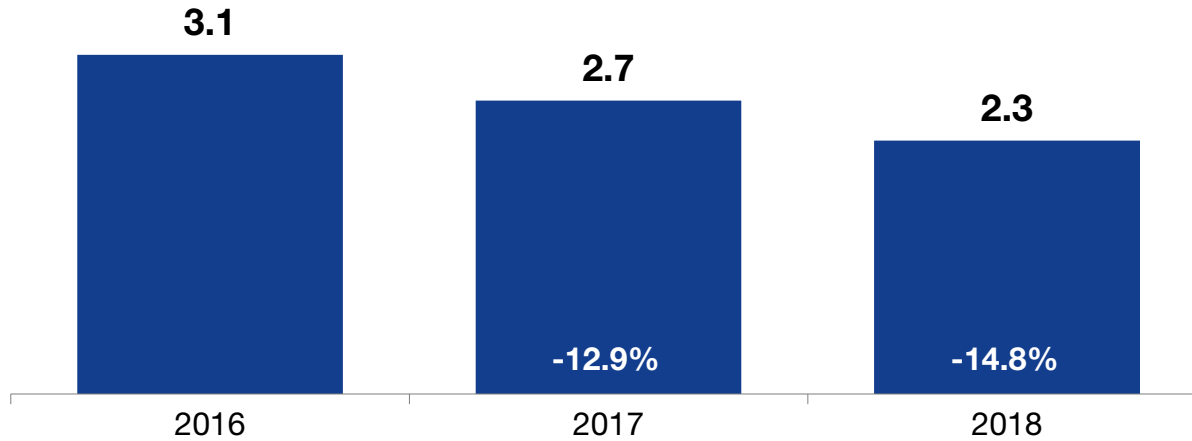
# Months Supply of Homes for Sale

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.



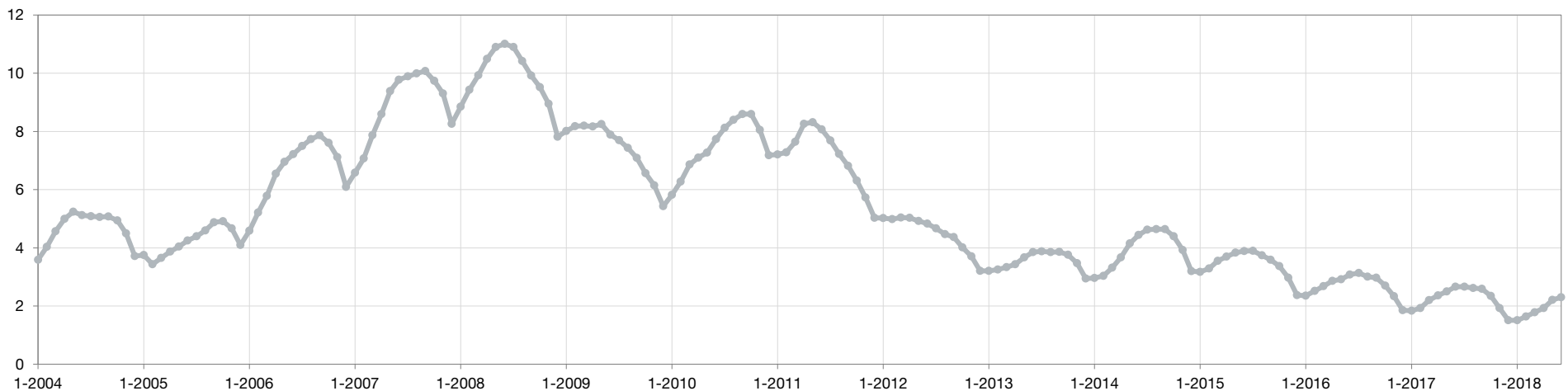
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## June



Months Supply		Prior Year	Percent Change
July 2017	2.7	3.1	-12.9%
August 2017	2.6	3.0	-13.3%
September 2017	2.6	3.0	-13.3%
October 2017	2.3	2.7	-14.8%
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	1.9	2.4	-20.8%
May 2018	2.2	2.5	-12.0%
<b>June 2018</b>	<b>2.3</b>	<b>2.7</b>	<b>-14.8%</b>
12-Month Avg	2.1	2.5	-16.0%

## 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, FHA Rehab 203k, Special Funding, Other and Unknown.



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## Historical Mortgage Finance Utilization Rates

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

