

Weekly Market Activity Report



MINNEAPOLIS AREA Association
of REALTORS®

A RESEARCH TOOL FROM THE MINNEAPOLIS AREA ASSOCIATION OF REALTORS®
BROUGHT TO YOU BY THE UNIQUE DATA-SHARING TRADITIONS OF THE REALTOR® COMMUNITY

For Week Ending January 14, 2012

Publish Date: January 23, 2012 • All comparisons are to 2011

Last week, the Mortgage Bankers Association reported that mortgage applications increased more than 23.0 percent from the week prior. The fine print stated that most of the increase was driven by refinancing activity, given record low rates. Residential construction data also provided glimmers of hope. By now, many have surely noticed that the supply-demand balance is changing. What some may not realize is that this is a leading indicator, while home prices are a lagging indicator. Price appreciation is the final phase of recovery. Excess supply is down—in some areas, it's way down. Purchase demand in most areas strengthened throughout the second half of 2011. For sellers, it's less scary out there. For buyers, it's still a once-in-a-lifetime opportunity.

In the Twin Cities region, for the week ending January 14:

- New Listings decreased 5.2% to 1,216
- Pending Sales increased 28.4% to 728
- Inventory decreased 23.8% to 17,690

For the month of December:

- Median Sales Price decreased 6.5% to \$145,000
- Days on Market decreased 2.5% to 140
- Percent of Original List Price Received increased 1.7% to 90.6%
- Months Supply of Inventory decreased 35.6% to 4.6

Quick Facts

| | | |
|---------------------------|----------------------------|------------------------|
| - 5.2% | + 28.4% | - 23.8% |
| Change in New Listings | Change in Pending Sales | Change in Inventory |

Metrics by Week

| | |
|-----------------------------|---|
| New Listings | 2 |
| Pending Sales | 3 |
| Inventory of Homes for Sale | 4 |

Metrics by Month

| | |
|---|---|
| Days on Market Until Sale | 5 |
| Median Sales Price | 6 |
| Percent of Original List Price Received | 7 |
| Housing Affordability Index | 8 |
| Months Supply of Inventory | 9 |

[Click on desired metric to jump to that page.](#)



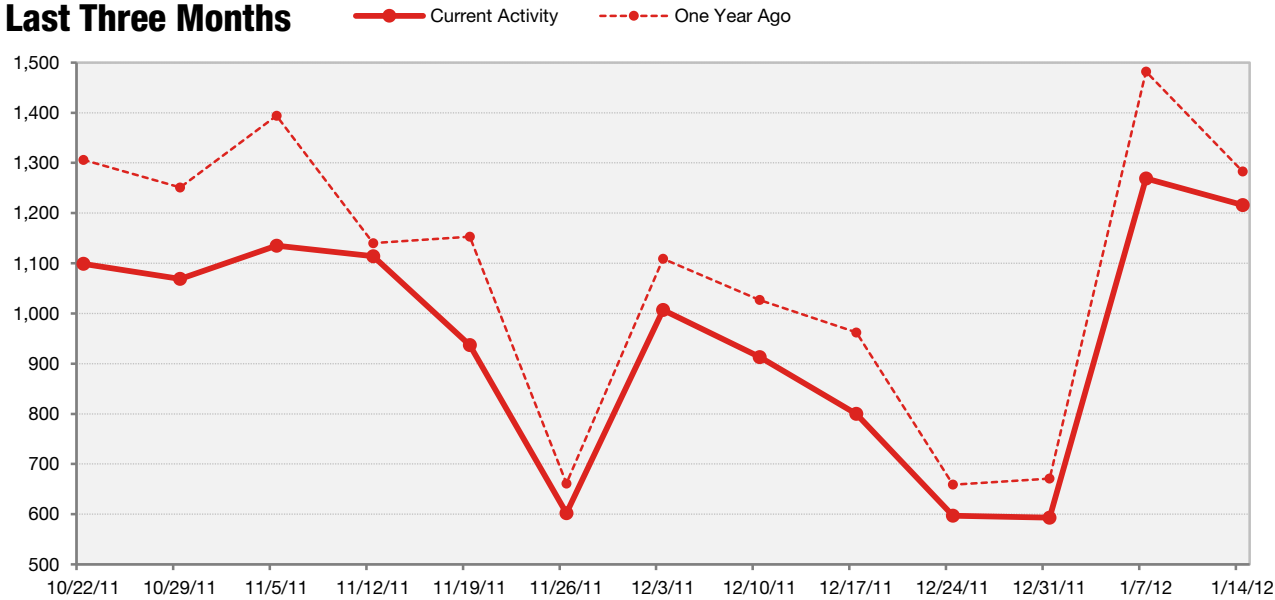
New Listings

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



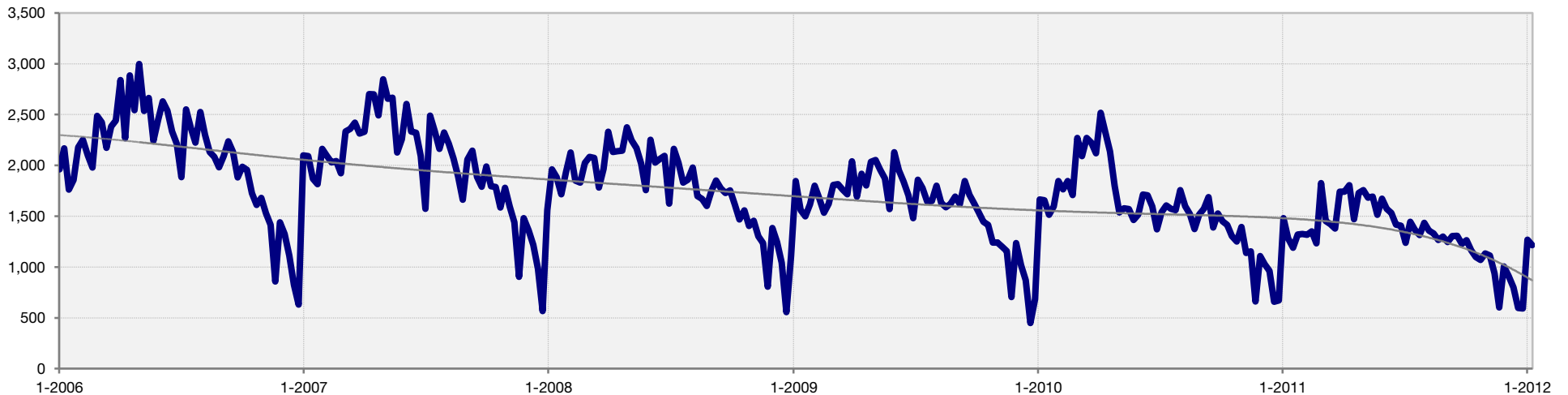
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Last Three Months



| For the Week Ending | Current Activity | One Year Previous | + / - |
|----------------------|------------------|-------------------|----------------|
| 10/22/2011 | 1,099 | 1,306 | - 15.8% |
| 10/29/2011 | 1,069 | 1,251 | - 14.5% |
| 11/5/2011 | 1,135 | 1,394 | - 18.6% |
| 11/12/2011 | 1,114 | 1,140 | - 2.3% |
| 11/19/2011 | 937 | 1,153 | - 18.7% |
| 11/26/2011 | 602 | 661 | - 8.9% |
| 12/3/2011 | 1,007 | 1,109 | - 9.2% |
| 12/10/2011 | 913 | 1,027 | - 11.1% |
| 12/17/2011 | 800 | 962 | - 16.8% |
| 12/24/2011 | 597 | 659 | - 9.4% |
| 12/31/2011 | 593 | 671 | - 11.6% |
| 1/7/2012 | 1,269 | 1,482 | - 14.4% |
| 1/14/2012 | 1,216 | 1,283 | - 5.2% |
| 3-Month Total | 12,351 | 14,098 | - 12.4% |

Historical New Listings



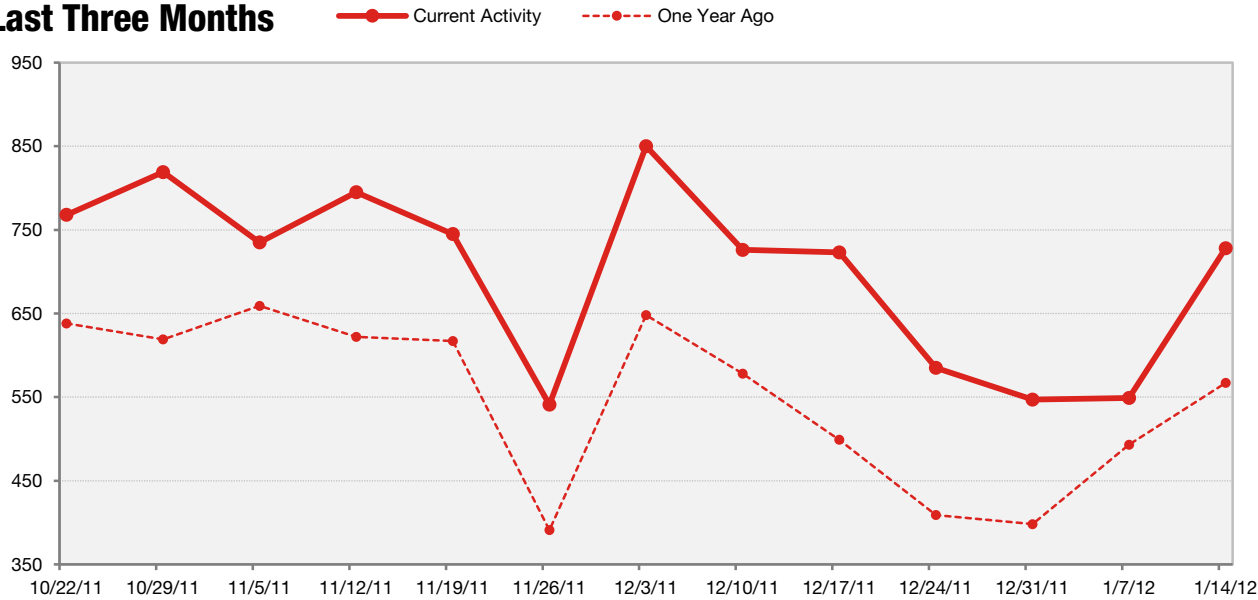
Pending Sales

A count of the properties that have offers accepted on them in a given week.



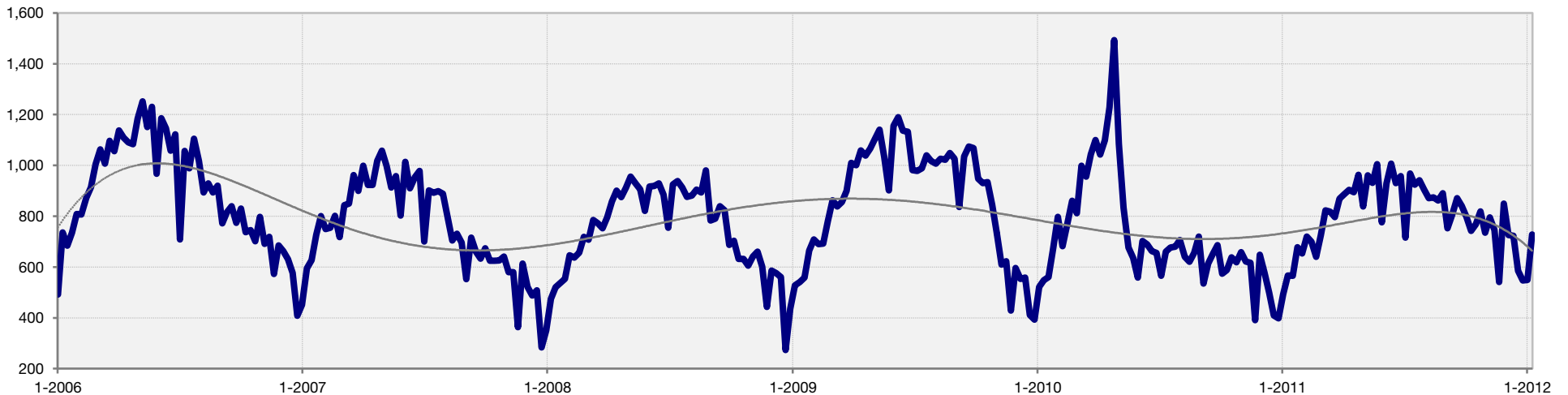
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Last Three Months



| For the Week Ending | Current Activity | One Year Previous | + / - |
|----------------------|------------------|-------------------|----------------|
| 10/22/2011 | 768 | 638 | + 20.4% |
| 10/29/2011 | 819 | 619 | + 32.3% |
| 11/5/2011 | 735 | 659 | + 11.5% |
| 11/12/2011 | 795 | 622 | + 27.8% |
| 11/19/2011 | 745 | 617 | + 20.7% |
| 11/26/2011 | 541 | 391 | + 38.4% |
| 12/3/2011 | 850 | 648 | + 31.2% |
| 12/10/2011 | 726 | 578 | + 25.6% |
| 12/17/2011 | 723 | 499 | + 44.9% |
| 12/24/2011 | 585 | 409 | + 43.0% |
| 12/31/2011 | 547 | 398 | + 37.4% |
| 1/7/2012 | 549 | 493 | + 11.4% |
| 1/14/2012 | 728 | 567 | + 28.4% |
| 3-Month Total | 9,111 | 7,138 | + 27.6% |

Historical Pending Sales



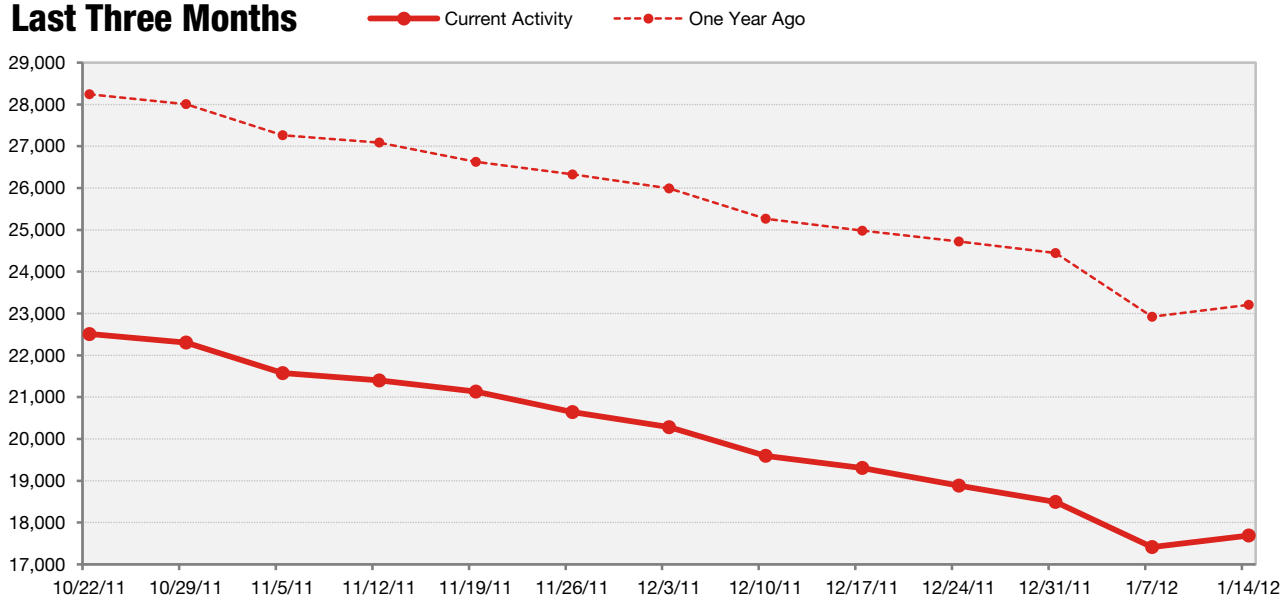
Inventory of Homes for Sale

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



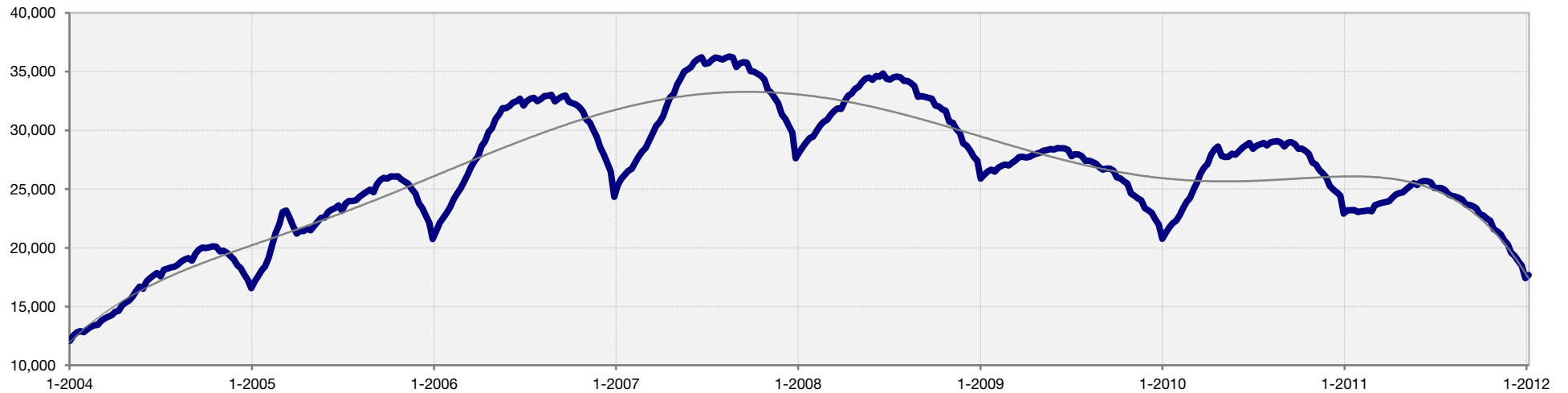
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Last Three Months



| For the Week Ending | Current Activity | One Year Previous | + / - |
|---------------------|------------------|-------------------|----------------|
| 10/22/2011 | 22,507 | 28,243 | - 20.3% |
| 10/29/2011 | 22,305 | 28,007 | - 20.4% |
| 11/5/2011 | 21,573 | 27,263 | - 20.9% |
| 11/12/2011 | 21,398 | 27,088 | - 21.0% |
| 11/19/2011 | 21,132 | 26,626 | - 20.6% |
| 11/26/2011 | 20,642 | 26,325 | - 21.6% |
| 12/3/2011 | 20,280 | 25,991 | - 22.0% |
| 12/10/2011 | 19,596 | 25,266 | - 22.4% |
| 12/17/2011 | 19,306 | 24,979 | - 22.7% |
| 12/24/2011 | 18,883 | 24,721 | - 23.6% |
| 12/31/2011 | 18,493 | 24,445 | - 24.3% |
| 1/7/2012 | 17,414 | 22,921 | - 24.0% |
| 1/14/2012 | 17,690 | 23,207 | - 23.8% |
| 3-Month Avg | 20,094 | 25,776 | - 22.0% |

Historical Inventory Levels



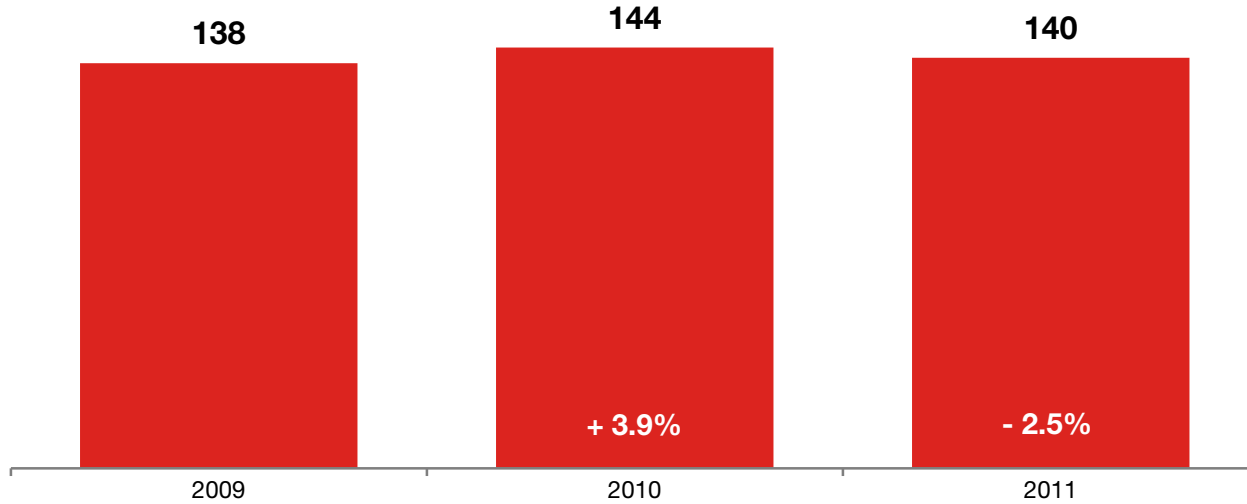
Days on Market Until Sale

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



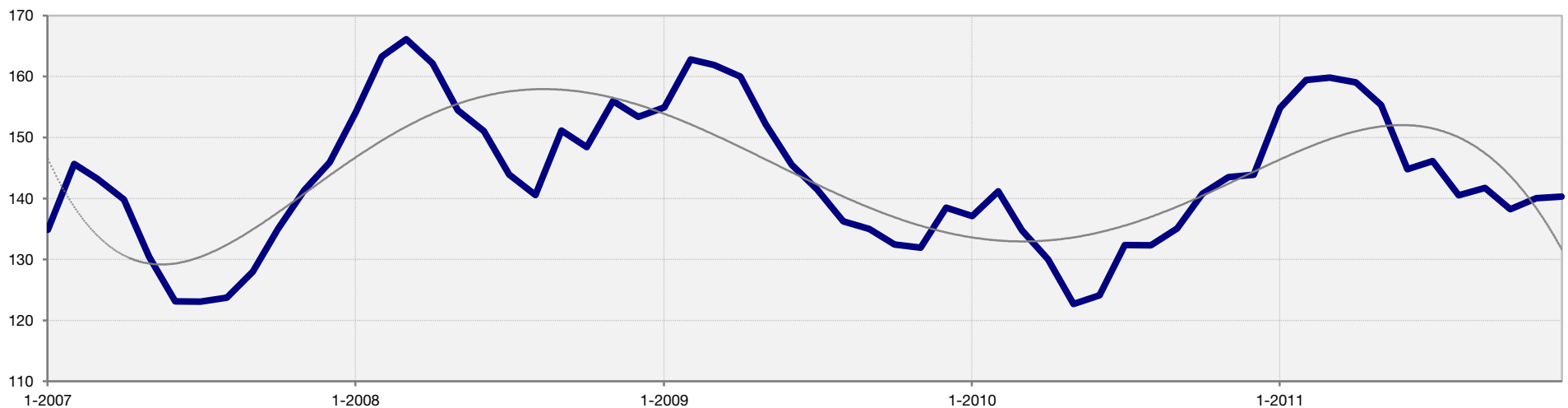
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December



| Month | Current Activity | One Year Previous | + / - |
|--------------|------------------|-------------------|---------|
| January | 155 | 137 | + 13.0% |
| February | 159 | 141 | + 12.9% |
| March | 160 | 135 | + 18.6% |
| April | 159 | 130 | + 22.3% |
| May | 155 | 123 | + 26.6% |
| June | 145 | 124 | + 16.6% |
| July | 146 | 132 | + 10.4% |
| August | 141 | 132 | + 6.2% |
| September | 142 | 135 | + 4.9% |
| October | 138 | 141 | - 1.8% |
| November | 140 | 143 | - 2.4% |
| December | 140 | 144 | - 2.5% |
| 12-Month Avg | 148 | 133 | + 10.6% |

Historical Days on Market Until Sale



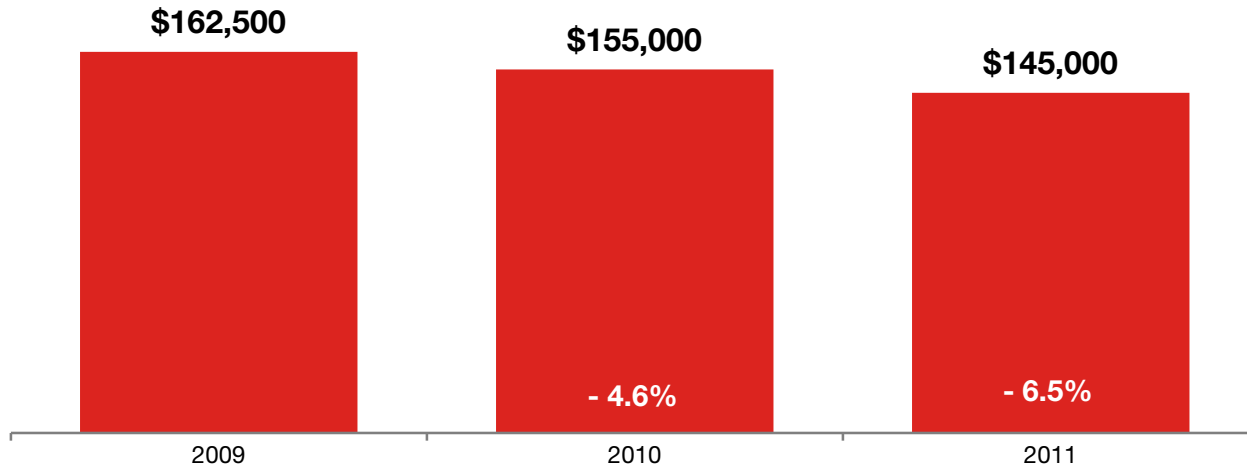
Median Sales Price

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



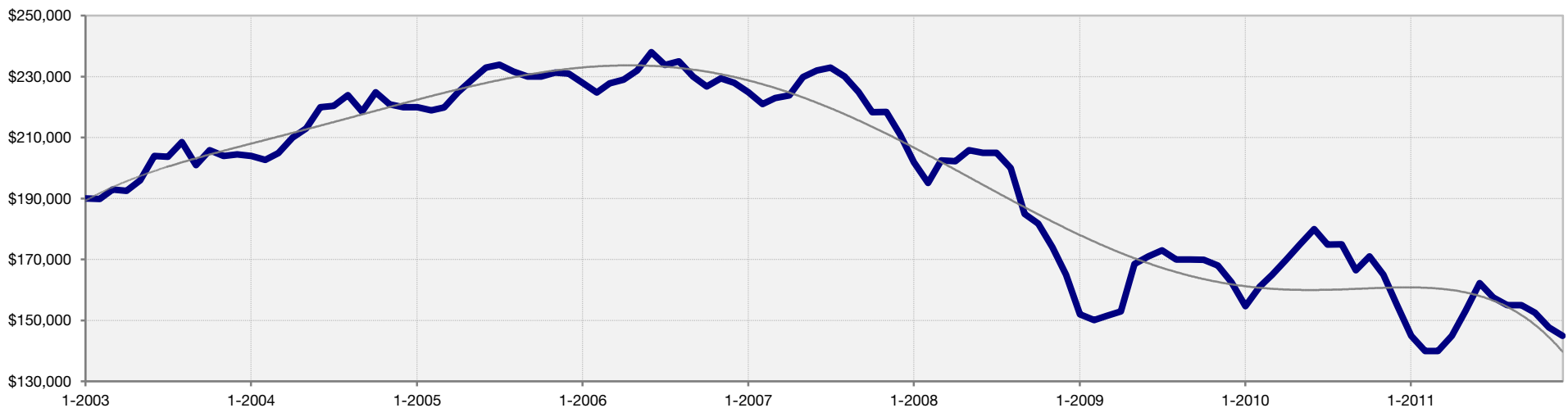
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December



| Month | Current Activity | One Year Previous | + / - |
|--------------|------------------|-------------------|---------|
| January | \$145,000 | \$154,700 | - 6.3% |
| February | \$140,000 | \$161,050 | - 13.1% |
| March | \$140,000 | \$165,000 | - 15.2% |
| April | \$144,950 | \$170,000 | - 14.7% |
| May | \$153,125 | \$175,000 | - 12.5% |
| June | \$162,217 | \$180,000 | - 9.9% |
| July | \$157,500 | \$174,900 | - 9.9% |
| August | \$155,000 | \$175,000 | - 11.4% |
| September | \$155,000 | \$166,500 | - 6.9% |
| October | \$152,500 | \$171,000 | - 10.8% |
| November | \$147,750 | \$165,000 | - 10.5% |
| December | \$145,000 | \$155,000 | - 6.5% |
| 12-Month Med | \$150,000 | \$169,900 | - 11.7% |

Historical Median Sales Price



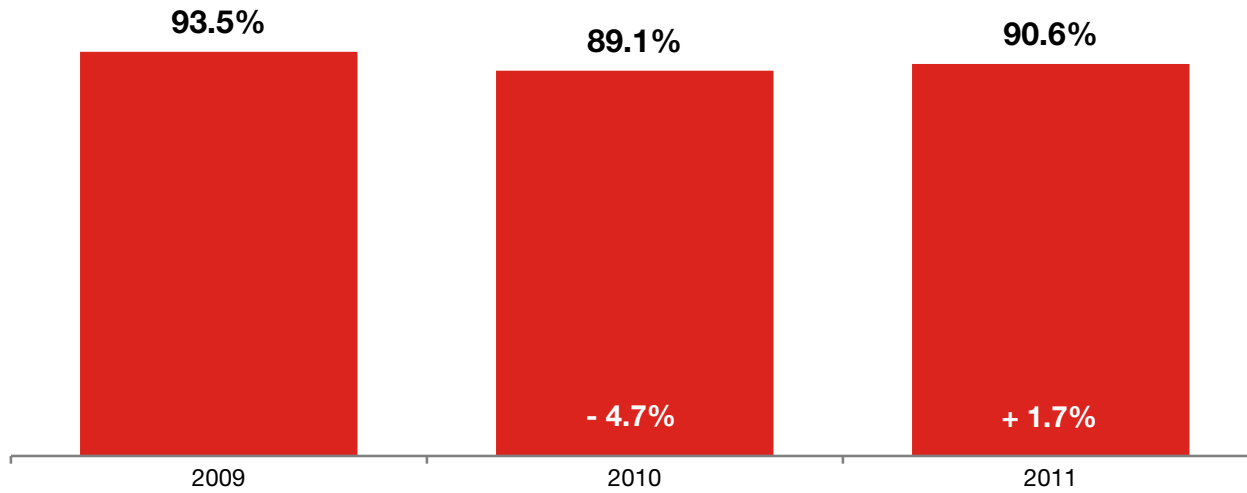
Percent of Original List Price Received

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.



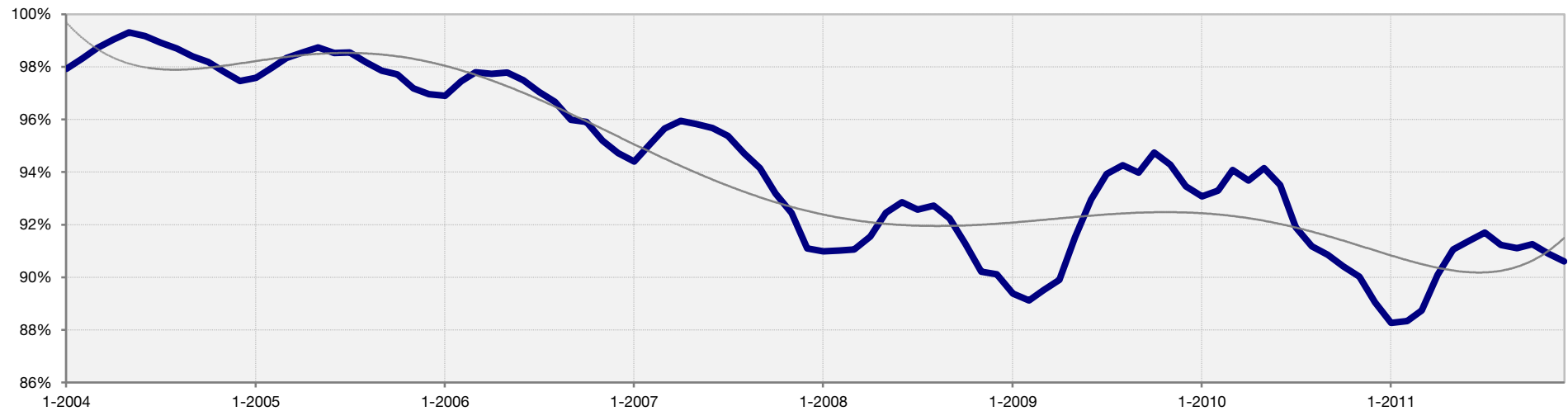
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December



| Month | Current Activity | One Year Previous | + / - |
|--------------|------------------|-------------------|--------|
| January | 88.3% | 93.1% | - 5.2% |
| February | 88.3% | 93.3% | - 5.3% |
| March | 88.7% | 94.1% | - 5.7% |
| April | 90.1% | 93.7% | - 3.8% |
| May | 91.1% | 94.2% | - 3.3% |
| June | 91.4% | 93.5% | - 2.3% |
| July | 91.7% | 91.9% | - 0.2% |
| August | 91.2% | 91.2% | + 0.1% |
| September | 91.1% | 90.9% | + 0.3% |
| October | 91.3% | 90.4% | + 0.9% |
| November | 90.9% | 90.0% | + 1.0% |
| December | 90.6% | 89.1% | + 1.7% |
| 12-Month Avg | 90.6% | 92.3% | - 1.9% |

Historical Percent of Original List Price Received



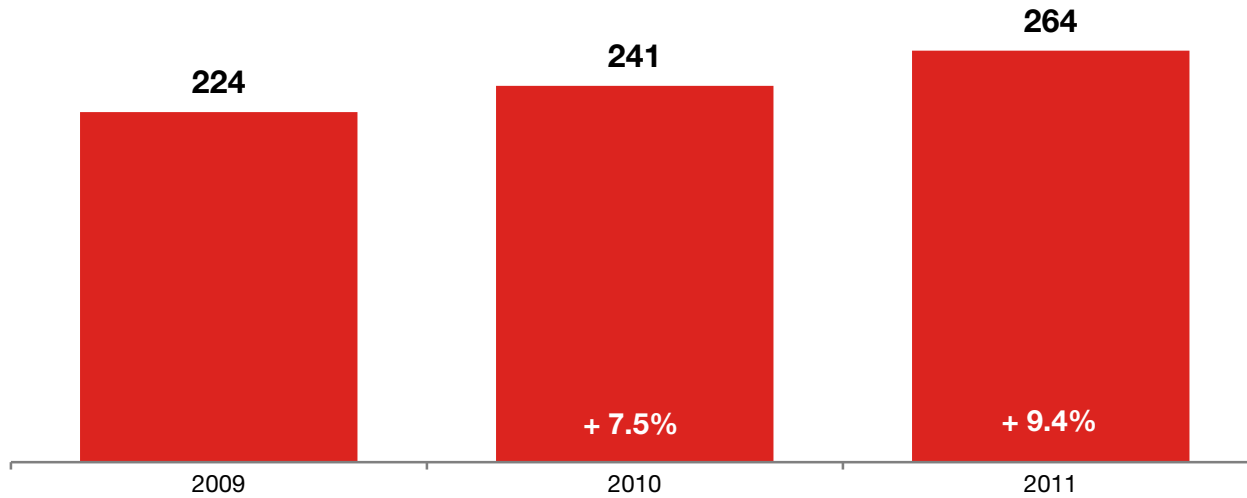
Housing Affordability Index

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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December



| Month | Current Activity | One Year Previous | + / - |
|---------------------|------------------|-------------------|----------------|
| January | 245 | 225 | + 8.9% |
| February | 250 | 222 | + 12.6% |
| March | 253 | 216 | + 17.5% |
| April | 247 | 210 | + 17.2% |
| May | 242 | 206 | + 17.5% |
| June | 234 | 208 | + 12.1% |
| July | 237 | 217 | + 9.1% |
| August | 246 | 220 | + 11.7% |
| September | 249 | 230 | + 8.5% |
| October | 249 | 226 | + 10.5% |
| November | 259 | 233 | + 10.8% |
| December | 264 | 241 | + 9.4% |
| 12-Month Avg | 248 | 221 | + 12.3% |

Historical Housing Affordability Index



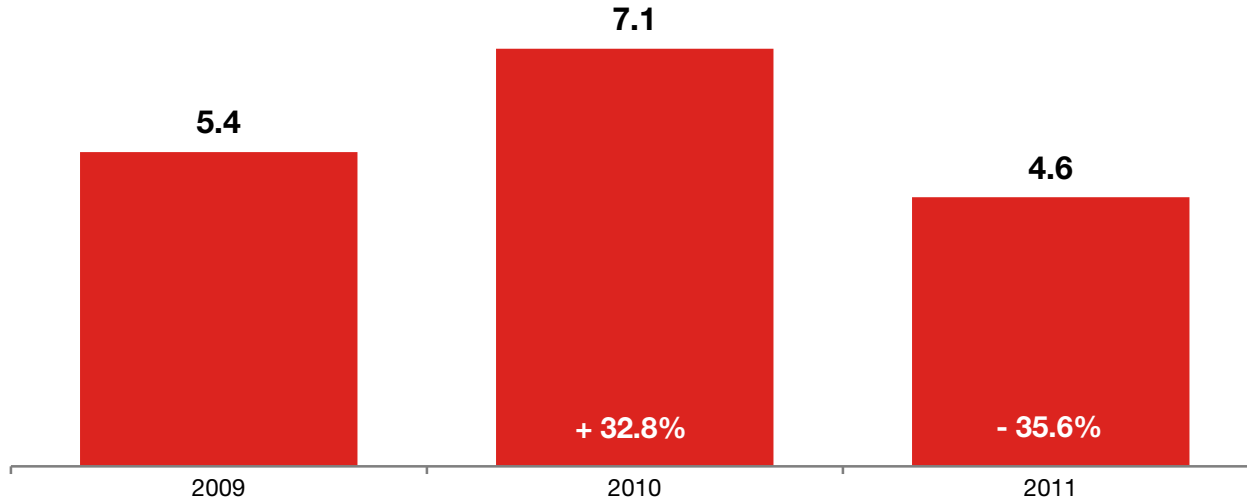
Months Supply of Inventory

The inventory of homes for sale at the end of a given month, divided by the average monthly pending sales from the last 12 months.



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December



| Month | Current Activity | One Year Previous | + / - |
|--------------|------------------|-------------------|---------|
| January | 7.2 | 5.8 | + 24.4% |
| February | 7.2 | 6.2 | + 16.5% |
| March | 7.6 | 6.8 | + 11.5% |
| April | 8.2 | 7.0 | + 16.2% |
| May | 8.2 | 7.2 | + 14.1% |
| June | 7.9 | 7.7 | + 3.7% |
| July | 7.6 | 8.1 | - 6.0% |
| August | 7.1 | 8.3 | - 14.7% |
| September | 6.7 | 8.5 | - 21.7% |
| October | 6.1 | 8.5 | - 28.1% |
| November | 5.5 | 8.0 | - 31.6% |
| December | 4.6 | 7.1 | - 35.6% |
| 12-Month Avg | 7.0 | 7.4 | - 6.0% |

Historical Months Supply of Inventory

