

Monthly Indicators

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



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of REALTORS®

July 2014

Although low supply and tight credit standards are still hurdles to recovery, prices continue to rise in most local areas. Job growth has strengthened lately, but wage growth has not kept pace with the price gains we have seen. Buoyed by stable and continuously lower interest rates, affordability is still historically high yet below its all-time peak. Rising inventory levels will lead to more choices for qualified buyers, but as the summer reaches toward fall, the prospect of more homes coming on the market begins to wane.

New Listings in the Twin Cities region increased 9.8 percent to 8,015. Pending Sales were down 3.4 percent to 5,145. Inventory levels rose 9.0 percent to 18,227 units.

Prices forged onward. The Median Sales Price increased 3.4 percent to \$215,000. Days on Market was down 5.6 percent to 68 days. Absorption rates slowed as Months Supply of Inventory was up 15.8 percent to 4.4 months.

The U.S. Department of Commerce reported that GDP grew at a 4.0 percent annual rate in the second quarter and that the first quarter was less bad than previously thought. Consumer spending in the first quarter rose 2.5 percent, which is encouragingly in tandem with savings rates. Increased consumer spending means more demand for goods and labor; increased savings rates means more resources for downpayments. With rates still low, rents still rising and private job growth accelerating, it's becoming more and more difficult to side with the housing perma-bears.

Quick Facts

- 9.9%

+ 3.4%

+ 9.0%

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)	7-2013	7-2014	+ / -	YTD 2013	YTD 2014	+ / -
New Listings		7,301	8,015	+ 9.8%	46,128	48,036	+ 4.1%
Pending Sales		5,324	5,145	- 3.4%	33,196	30,613	- 7.8%
Closed Sales		5,771	5,198	- 9.9%	30,777	28,013	- 9.0%
Days on Market Until Sale		72	68	- 5.6%	90	81	- 10.0%
Median List Price		\$222,000	\$234,900	+ 5.8%	\$219,900	\$234,900	+ 6.8%
Median Sales Price		\$208,000	\$215,000	+ 3.4%	\$189,727	\$204,000	+ 7.5%
Price Per Square Foot		\$117	\$125	+ 7.0%	\$111	\$121	+ 9.4%
10K Housing Value Index		\$181,729	\$186,512	+ 2.6%	--	--	--
Percent of Original List Price Received		97.5%	96.8%	- 0.7%	96.2%	96.0%	- 0.2%
Inventory of Homes for Sale		16,725	18,227	+ 9.0%	--	--	--
Months Supply of Homes for Sale		3.8	4.4	+ 15.8%	--	--	--

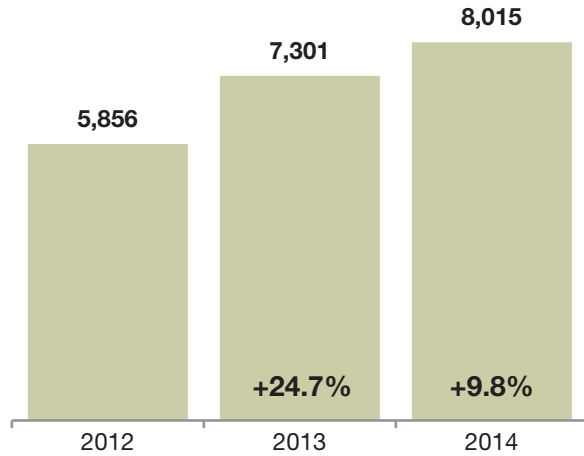
New Listings

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

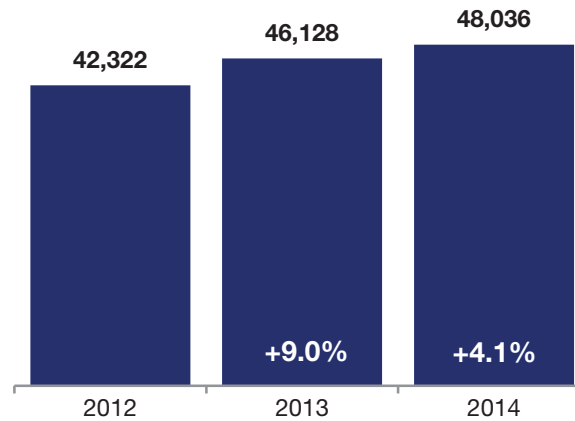


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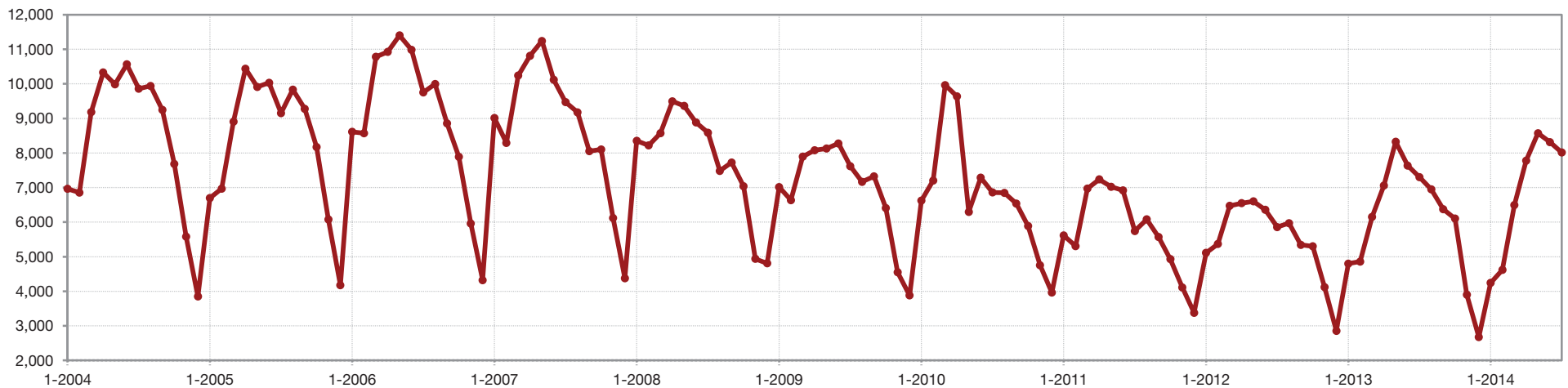


Year To Date



Month	Prior Year	Current Year	+ / -
August	5,969	6,949	+16.4%
September	5,342	6,374	+19.3%
October	5,302	6,104	+15.1%
November	4,120	3,901	-5.3%
December	2,855	2,676	-6.3%
January	4,799	4,244	-11.6%
February	4,858	4,620	-4.9%
March	6,151	6,494	+5.6%
April	7,059	7,779	+10.2%
May	8,325	8,571	+3.0%
June	7,635	8,313	+8.9%
July	7,301	8,015	+9.8%
12-Month Avg	5,810	6,170	+6.2%

Historical New Listing Activity



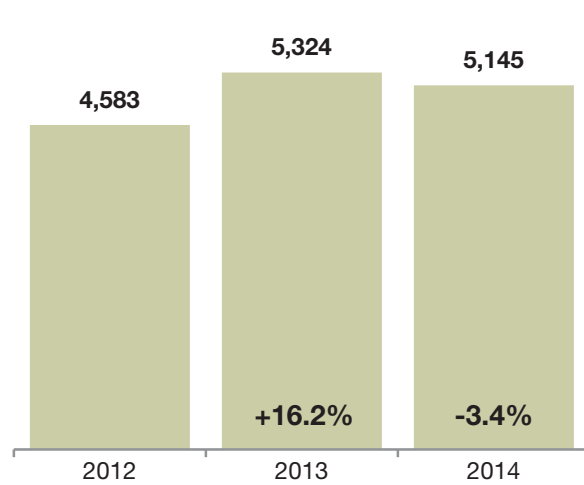
Pending Sales

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

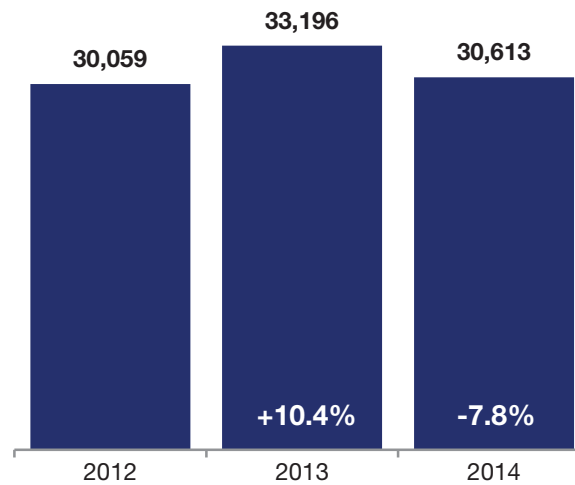


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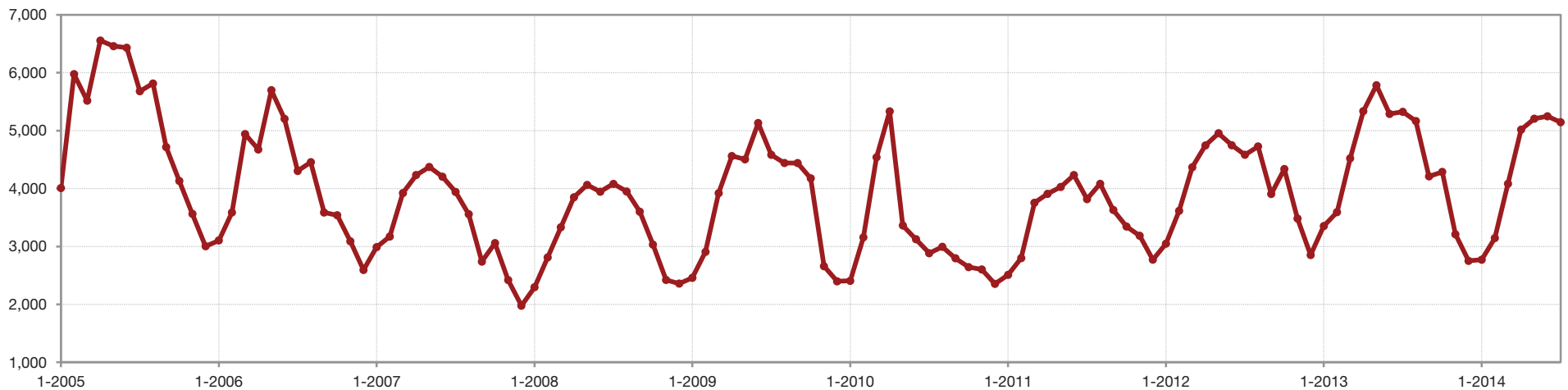


Year To Date



Month	Prior Year	Current Year	+ / -
August	4,727	5,165	+9.3%
September	3,906	4,210	+7.8%
October	4,337	4,287	-1.2%
November	3,482	3,210	-7.8%
December	2,852	2,751	-3.5%
January	3,352	2,771	-17.3%
February	3,592	3,145	-12.4%
March	4,521	4,082	-9.7%
April	5,336	5,017	-6.0%
May	5,783	5,206	-10.0%
June	5,288	5,247	-0.8%
July	5,324	5,145	-3.4%
12-Month Avg	4,375	4,186	-4.3%

Historical Pending Sales Activity



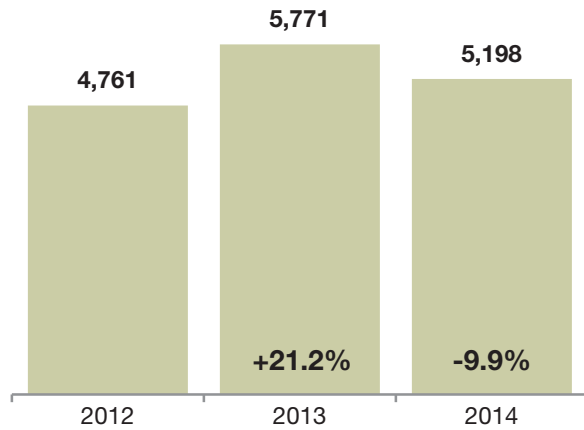
Closed Sales

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

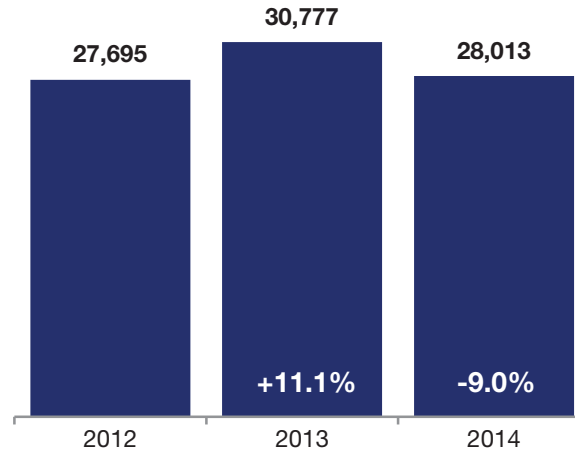


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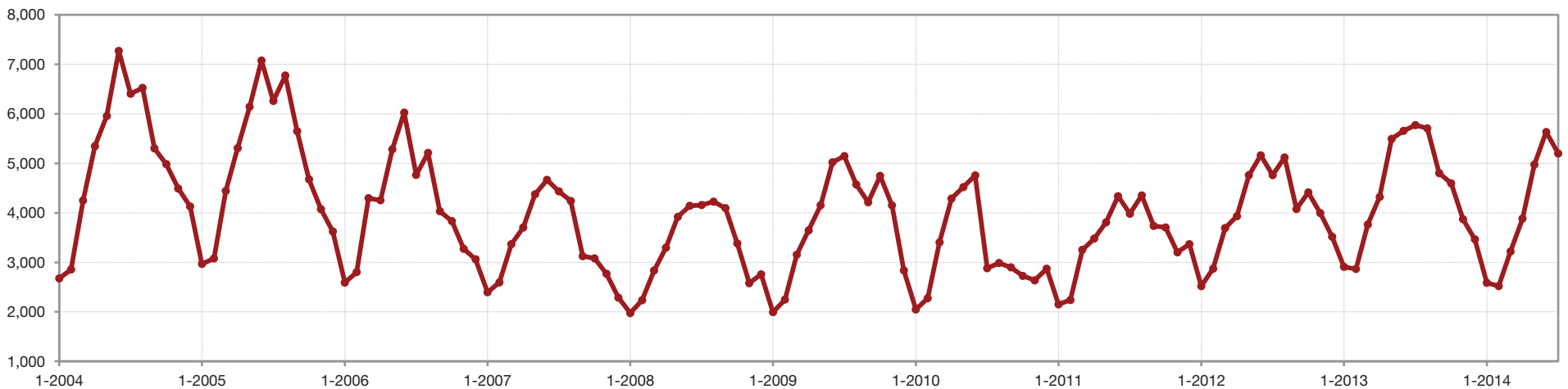


Year To Date



Month	Prior Year	Current Year	+ / -
August	5,118	5,705	+11.5%
September	4,076	4,801	+17.8%
October	4,413	4,595	+4.1%
November	3,995	3,872	-3.1%
December	3,517	3,465	-1.5%
January	2,908	2,587	-11.0%
February	2,866	2,520	-12.1%
March	3,763	3,220	-14.4%
April	4,321	3,883	-10.1%
May	5,493	4,974	-9.4%
June	5,655	5,631	-0.4%
July	5,771	5,198	-9.9%
12-Month Avg	4,325	4,204	-3.2%

Historical Closed Sales Activity



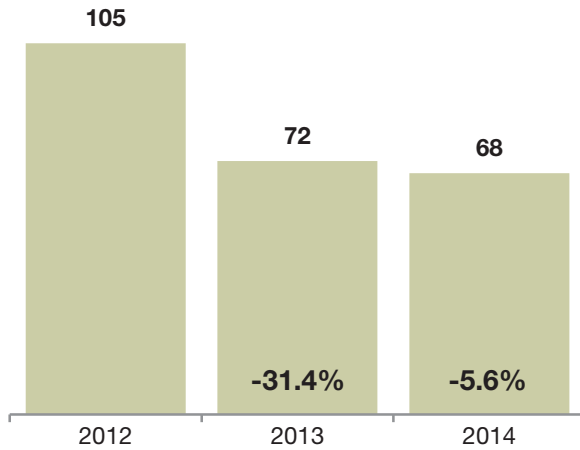
Days on Market Until Sale

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

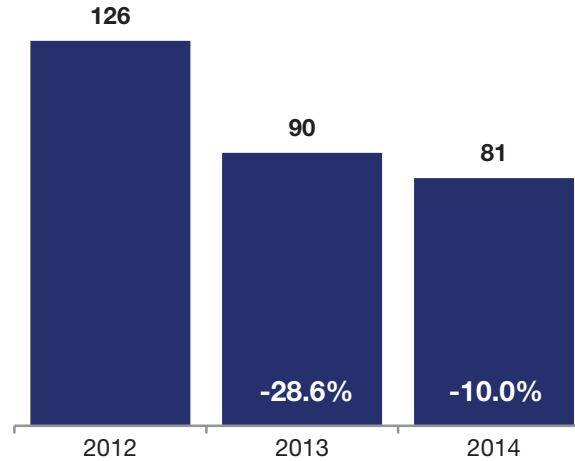


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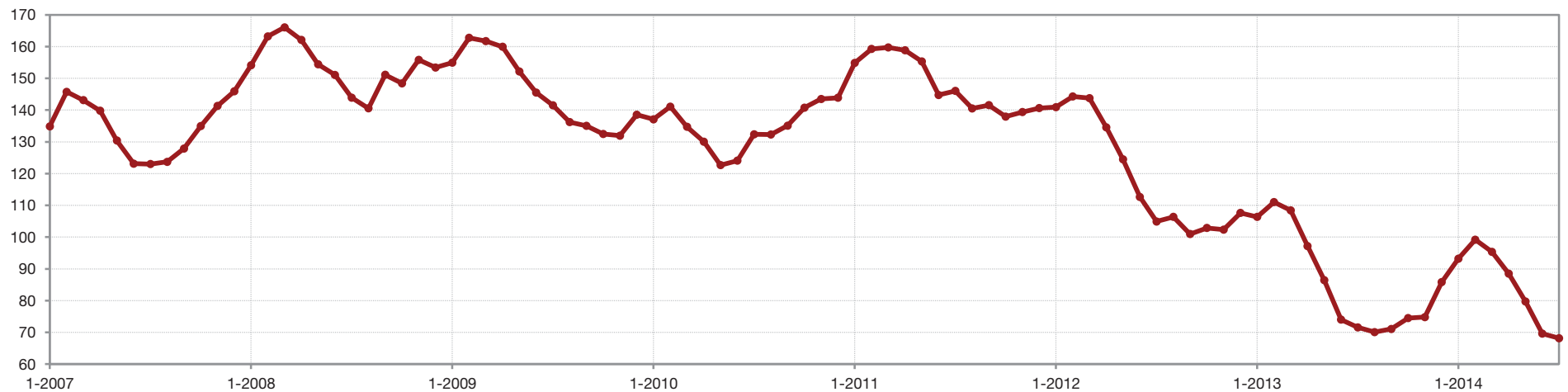


Year To Date



Month	Prior Year	Current Year	+ / -
August	106	70	-34.0%
September	101	71	-29.7%
October	103	75	-27.2%
November	102	75	-26.5%
December	108	86	-20.4%
January	106	93	-12.3%
February	111	99	-10.8%
March	108	95	-12.0%
April	97	89	-8.2%
May	86	80	-7.0%
June	74	70	-5.4%
July	72	68	-5.6%
12-Month Avg	96	78	-18.8%

Historical Days on Market Until Sale



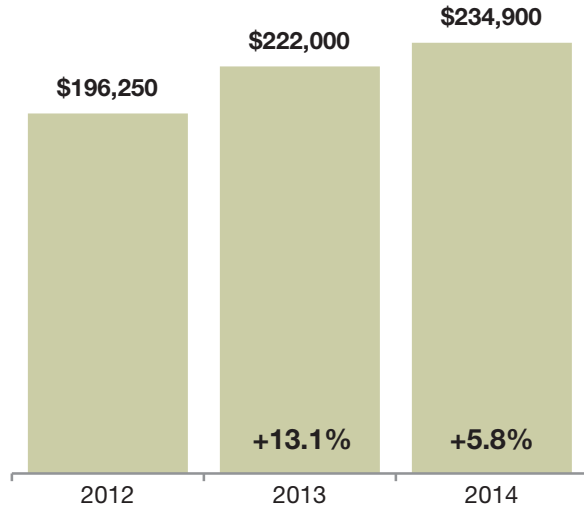
Median Original List Price

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

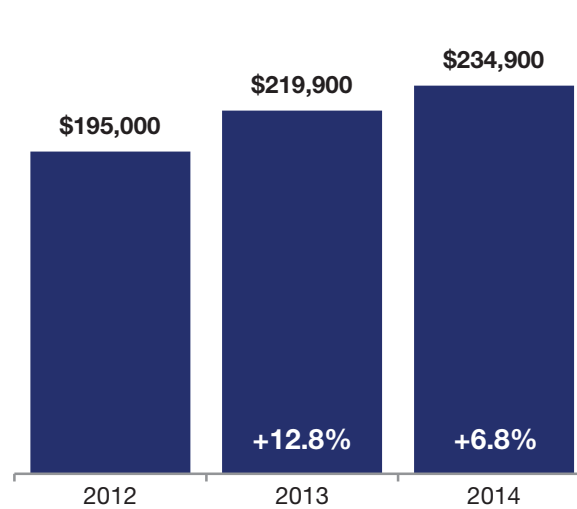


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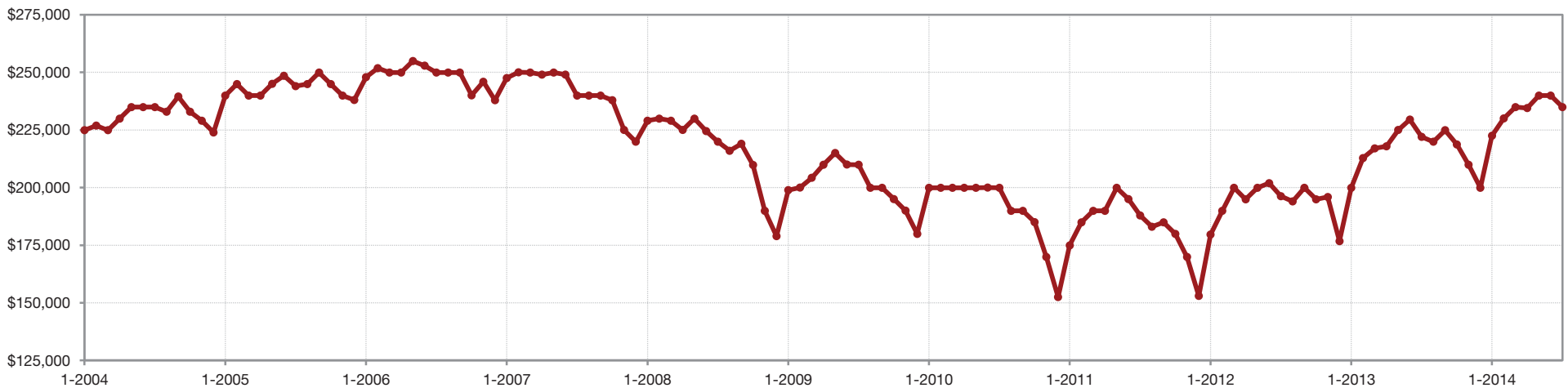


Year To Date



Month	Prior Year	Current Year	+ / -
August	\$194,000	\$219,900	+13.4%
September	\$199,900	\$224,900	+12.5%
October	\$194,900	\$218,700	+12.2%
November	\$195,900	\$209,900	+7.1%
December	\$176,750	\$199,900	+13.1%
January	\$199,900	\$222,500	+11.3%
February	\$212,789	\$230,000	+8.1%
March	\$217,000	\$234,900	+8.2%
April	\$217,900	\$234,500	+7.6%
May	\$225,000	\$239,900	+6.6%
June	\$229,500	\$239,900	+4.5%
July	\$222,000	\$234,900	+5.8%
12-Month Med	\$210,000	\$229,900	+9.5%

Historical Median Original List Price



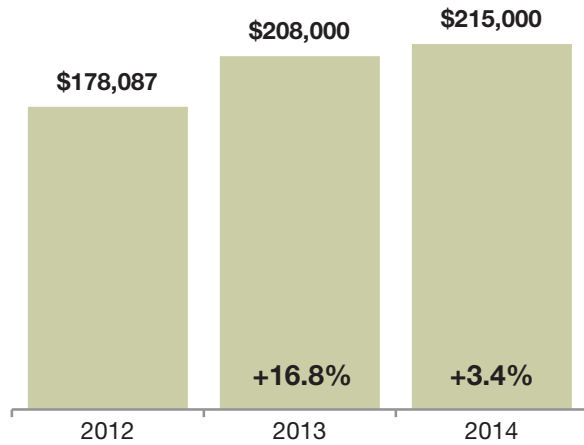
Median Sales Price

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

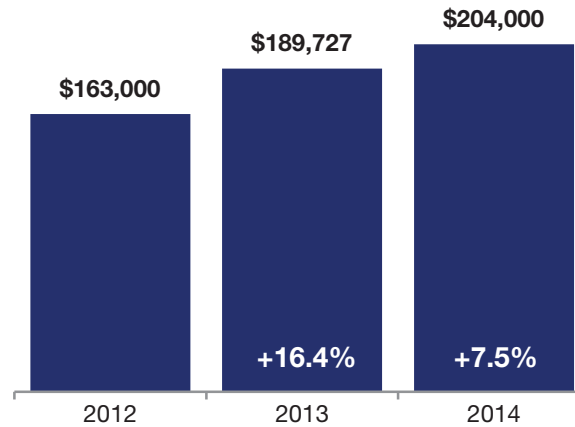


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Year To Date



Month	Prior Year	Current Year	+ / -
August	\$177,900	\$207,950	+16.9%
September	\$174,500	\$195,000	+11.7%
October	\$175,000	\$195,000	+11.4%
November	\$172,000	\$195,000	+13.4%
December	\$168,000	\$190,025	+13.1%
January	\$160,000	\$179,800	+12.4%
February	\$160,000	\$182,900	+14.3%
March	\$176,500	\$190,000	+7.6%
April	\$182,450	\$196,000	+7.4%
May	\$194,000	\$210,000	+8.2%
June	\$210,000	\$219,500	+4.5%
July	\$208,000	\$215,000	+3.4%
12-Month Med	\$182,525	\$200,000	+9.6%

Historical Median Sales Price



Average Sales Price

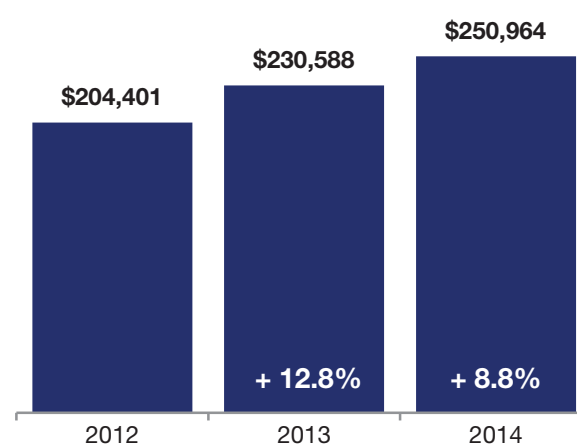
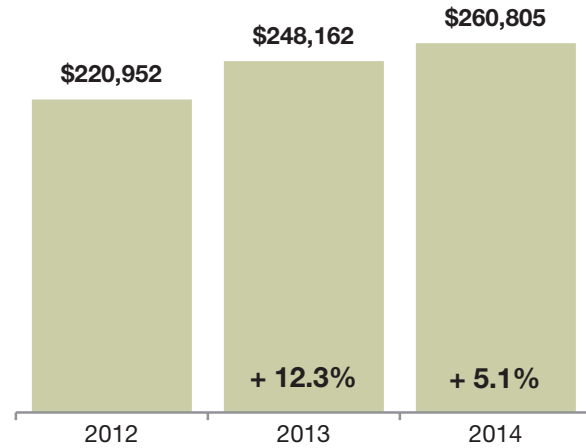
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



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Year To Date



Month	Prior Year	Current Year	+ / -
August	\$222,384	\$254,988	+14.7%
September	\$217,781	\$239,605	+10.0%
October	\$220,180	\$239,907	+9.0%
November	\$215,482	\$243,427	+13.0%
December	\$218,217	\$238,499	+9.3%
January	\$200,015	\$229,310	+14.6%
February	\$202,038	\$231,782	+14.7%
March	\$215,759	\$236,607	+9.7%
April	\$225,462	\$244,926	+8.6%
May	\$236,372	\$254,546	+7.7%
June	\$250,968	\$269,439	+7.4%
July	\$248,162	\$260,805	+5.1%
12-Month Avg	\$225,893	\$247,907	+9.7%

Historical Average Sales Price



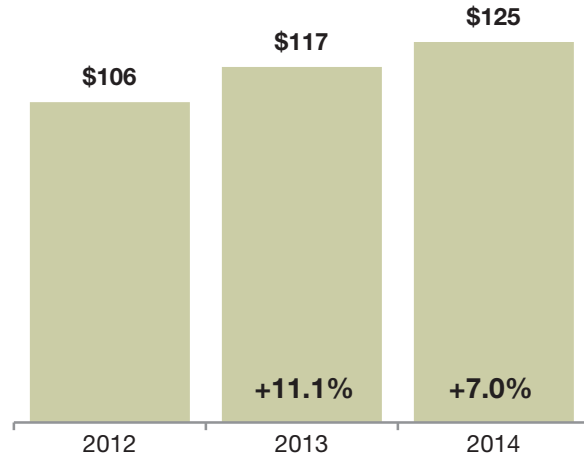
Price Per Square Foot

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

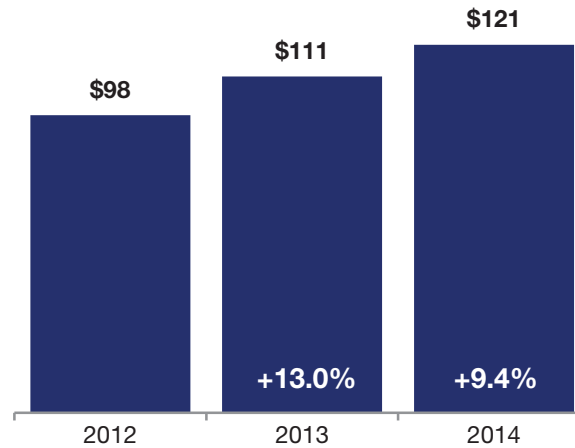


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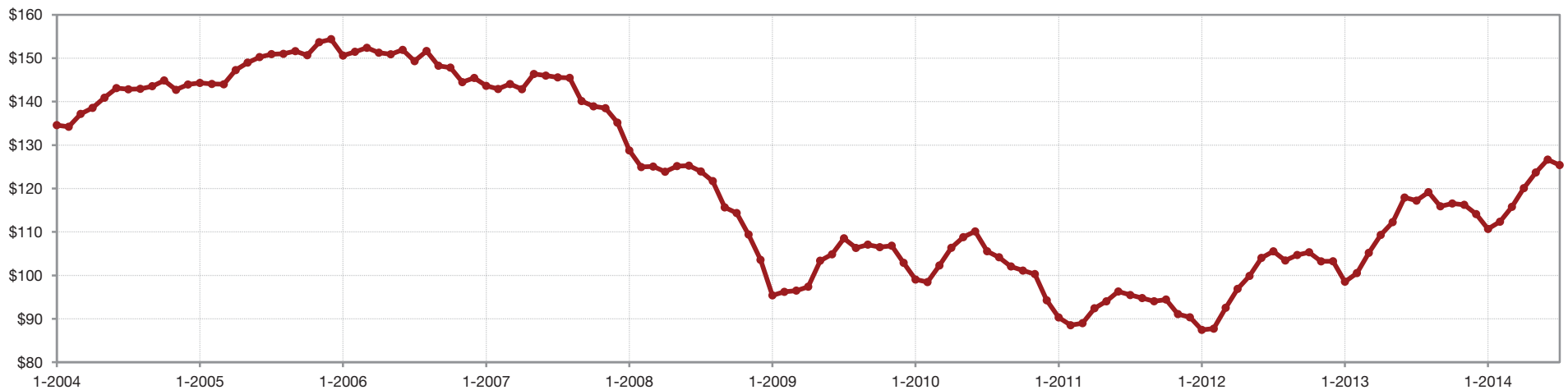


Year To Date



Month	Prior Year	Current Year	+ / -
August	\$103	\$119	+15.3%
September	\$105	\$116	+10.7%
October	\$105	\$117	+10.7%
November	\$103	\$116	+12.7%
December	\$103	\$114	+10.5%
January	\$99	\$111	+12.3%
February	\$101	\$112	+11.8%
March	\$105	\$116	+10.1%
April	\$109	\$120	+9.9%
May	\$112	\$124	+10.2%
June	\$118	\$127	+7.5%
July	\$117	\$125	+7.0%
12-Month Avg	\$108	\$119	+10.4%

Historical Price Per Square Foot

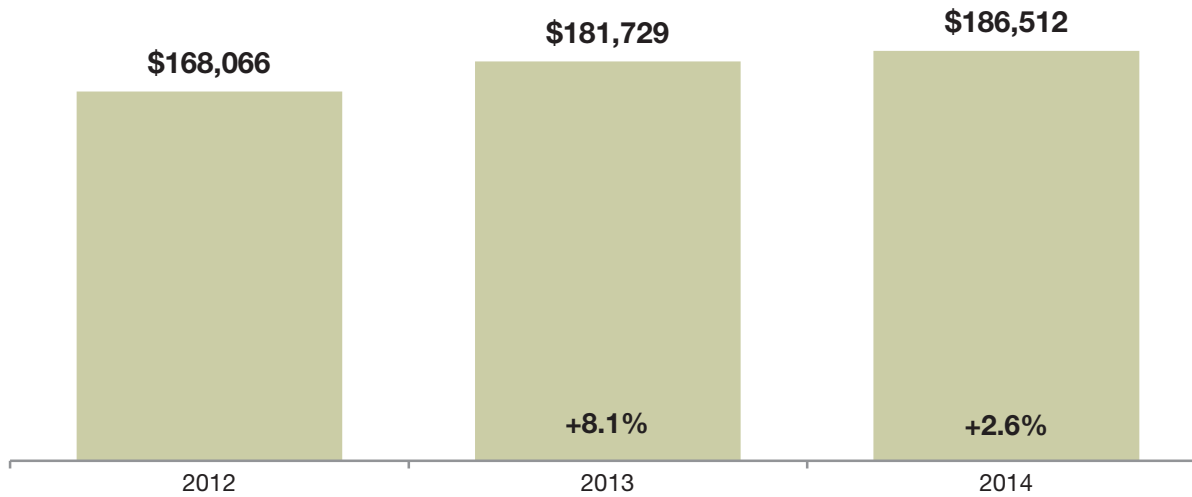


10K Housing Value Index

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.



July



Month	Prior Year	Current Year	+ / -
August	\$168,896	\$183,512	+8.7%
September	\$170,850	\$181,334	+6.1%
October	\$171,444	\$180,229	+5.1%
November	\$171,229	\$181,282	+5.9%
December	\$174,131	\$181,355	+4.1%
January	\$173,822	\$185,014	+6.4%
February	\$177,370	\$190,063	+7.2%
March	\$180,843	\$190,385	+5.3%
April	\$180,452	\$188,008	+4.2%
May	\$179,623	\$187,648	+4.5%
June	\$182,167	\$186,786	+2.5%
July	\$181,729	\$186,512	+2.6%
12-Month Avg	\$176,046	\$185,177	+5.2%

Historical 10K Housing Value Index



Percent of Original List Price Received

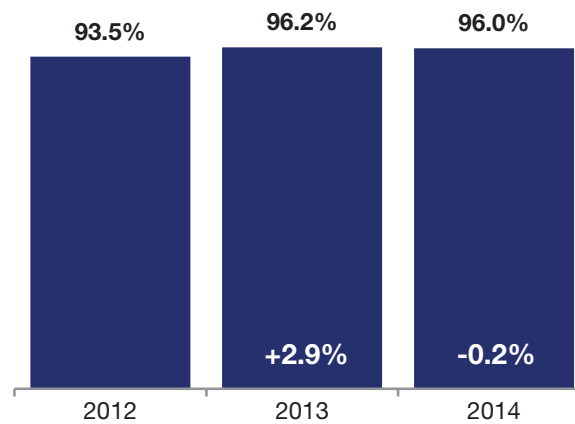
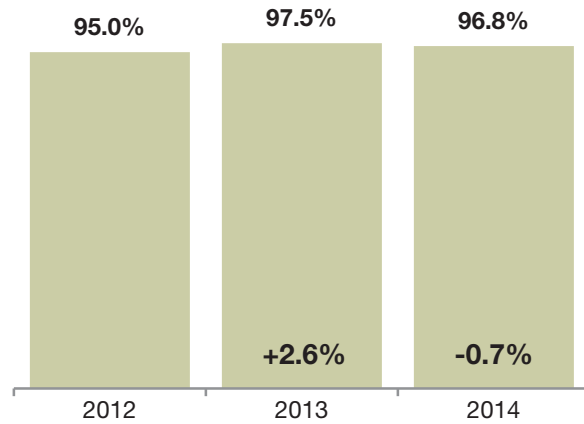
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



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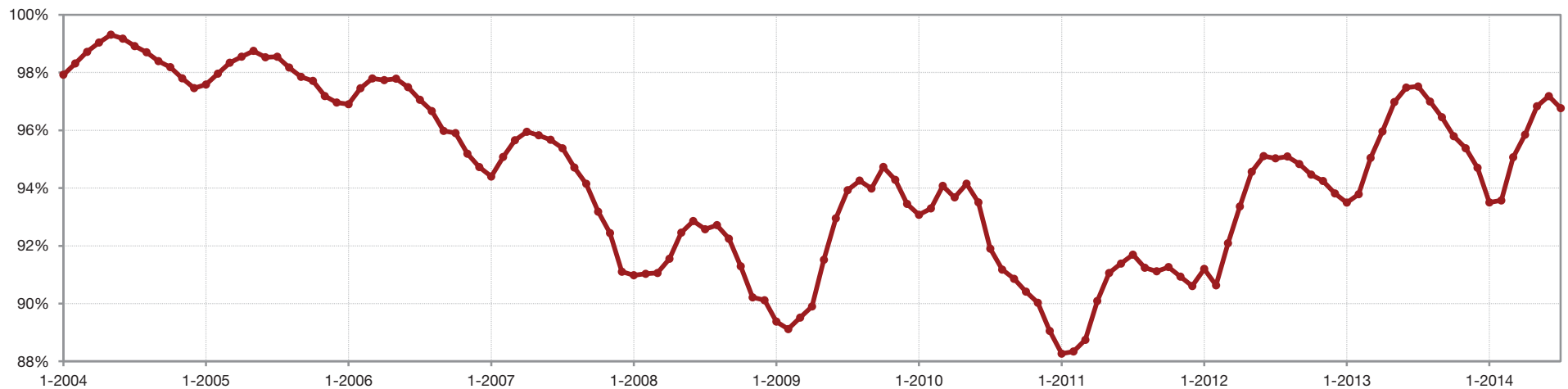
July

Year To Date



Month	Prior Year	Current Year	+ / -
August	95.1%	97.0%	+2.0%
September	94.8%	96.5%	+1.8%
October	94.5%	95.8%	+1.4%
November	94.2%	95.4%	+1.3%
December	93.8%	94.7%	+1.0%
January	93.5%	93.5%	0.0%
February	93.8%	93.6%	-0.2%
March	95.0%	95.1%	+0.1%
April	96.0%	95.8%	-0.2%
May	97.0%	96.8%	-0.2%
June	97.5%	97.2%	-0.3%
July	97.5%	96.8%	-0.7%
12-Month Avg	95.5%	96.0%	+0.5%

Historical Percent of Original List Price Received



Housing Affordability Index

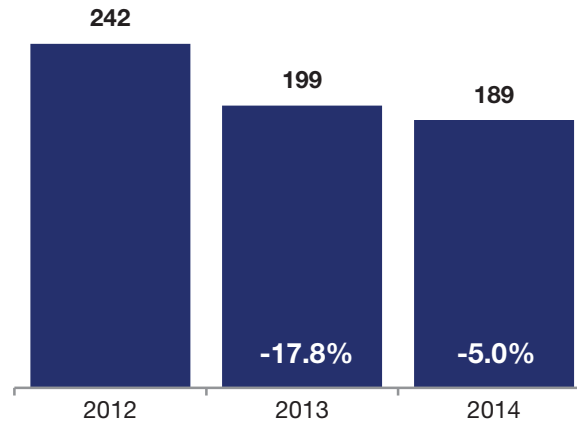
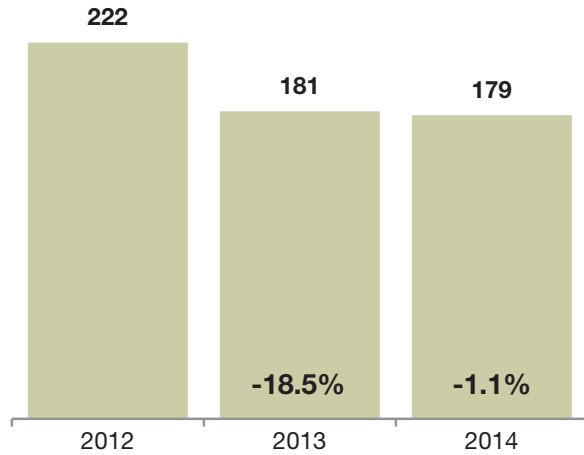
This index measures housing affordability for the region. An index of 120 means the median household income was 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.



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Year To Date



Month	Prior Year	Current Year	+ / -
August	223	178	-20.2%
September	229	193	-15.7%
October	228	193	-15.4%
November	233	195	-16.3%
December	239	201	-15.9%
January	253	208	-17.8%
February	251	205	-18.3%
March	226	198	-12.4%
April	220	191	-13.2%
May	203	183	-9.9%
June	179	175	-2.2%
July	181	179	-1.1%
12-Month Avg	222	192	-13.5%

Historical Housing Affordability Index



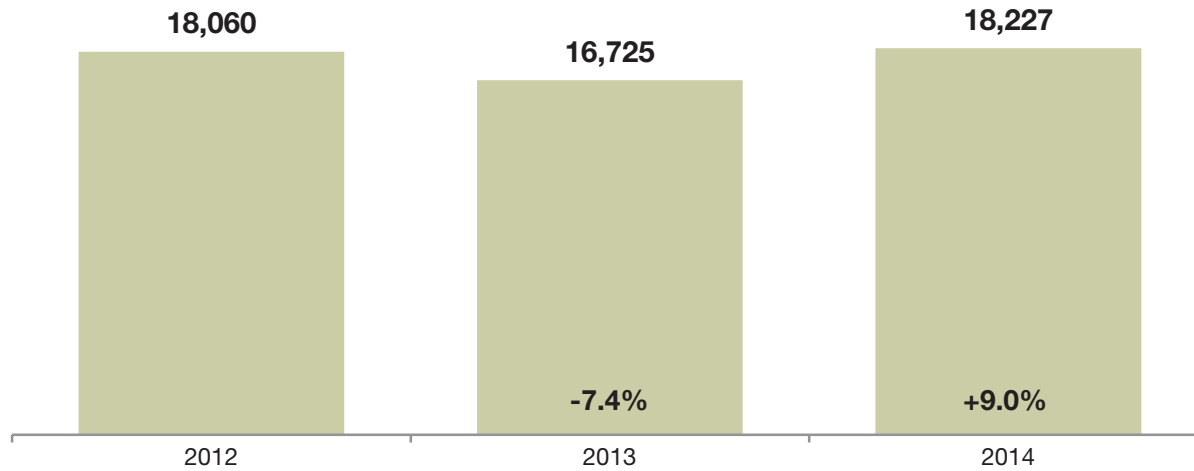
Inventory of Homes for Sale

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



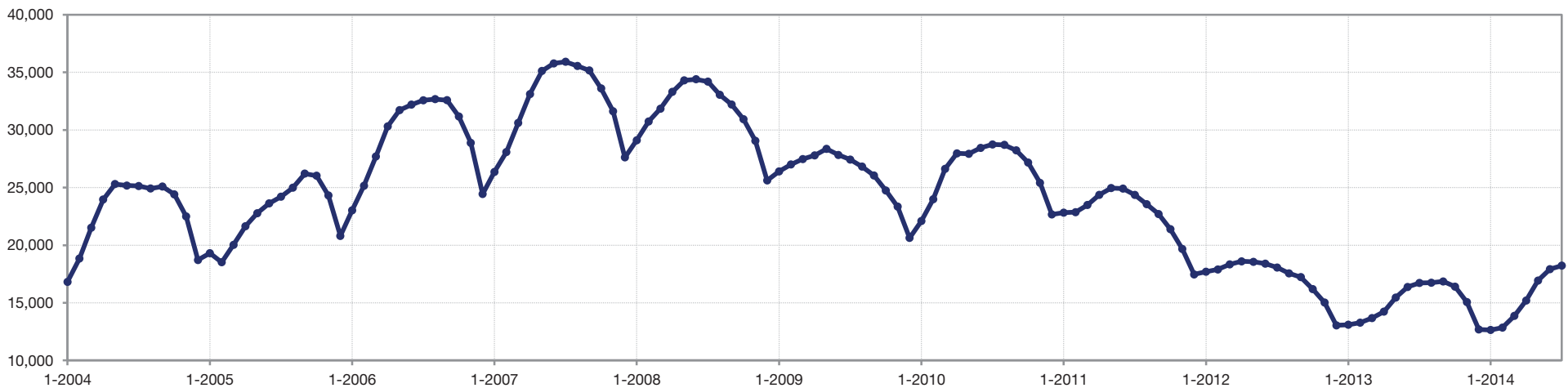
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Month	Prior Year	Current Year	+ / -
August	17,555	16,743	-4.6%
September	17,232	16,852	-2.2%
October	16,190	16,401	+1.3%
November	15,025	15,065	+0.3%
December	13,041	12,690	-2.7%
January	13,099	12,645	-3.5%
February	13,278	12,848	-3.2%
March	13,676	13,868	+1.4%
April	14,236	15,198	+6.8%
May	15,454	16,930	+9.6%
June	16,373	17,919	+9.4%
July	16,725	18,227	+9.0%
12-Month Avg	15,157	15,449	+1.8%

Historical Inventory of Homes for Sale



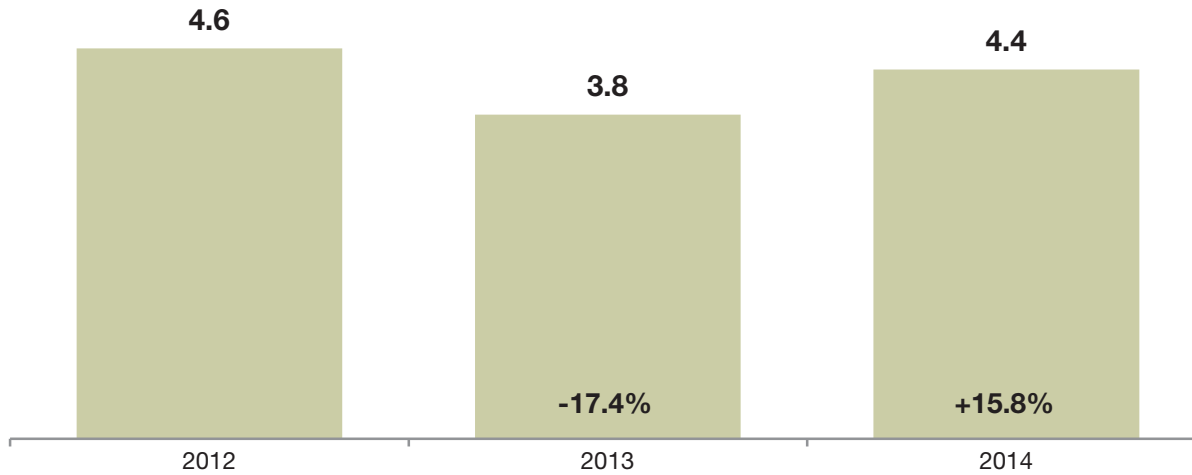
Months Supply of Inventory

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.



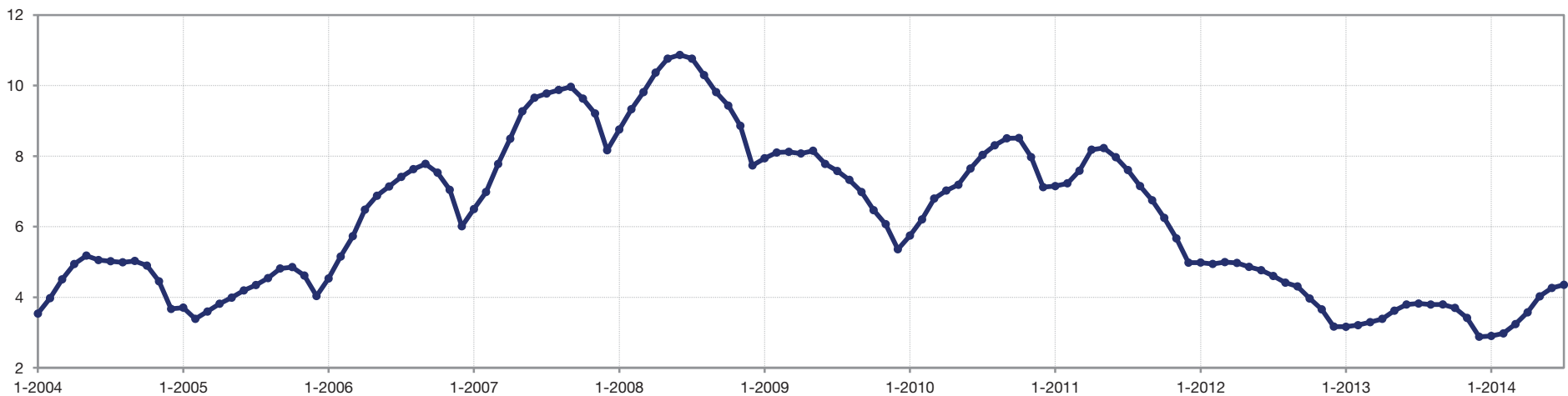
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Month	Prior Year	Current Year	+ / -
August	4.4	3.8	-13.6%
September	4.3	3.8	-11.6%
October	4.0	3.7	-7.5%
November	3.7	3.4	-8.1%
December	3.2	2.9	-9.4%
January	3.2	2.9	-9.4%
February	3.2	3.0	-6.3%
March	3.3	3.2	-3.0%
April	3.4	3.6	+5.9%
May	3.6	4.0	+11.1%
June	3.8	4.3	+13.2%
July	3.8	4.4	+15.8%
12-Month Avg	3.7	3.6	-2.7%

Historical Months Supply of Inventory



Mortgage Finance Utilization Rates



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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.

Historical Mortgage Finance Utilization Rates

