

Monthly Indicators

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



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November 2014

With 2015 near, some are pontificating about a potential change in interest rates. With virtually no inflation, rates will likely remain low for most of 2015 but could flirt with 5.0 percent toward the end of next year. Construction permits and housing starts have upward momentum, which is news in some areas but familiar in others. Prices should continue their ascent but at a tempered pace compared to recent years, which helps preserve affordability for first-time buyers.

New Listings in the Twin Cities region decreased 12.8 percent to 3,403. Pending Sales were down 7.5 percent to 2,968. Inventory levels fell 1.0 percent to 14,948 units.

Prices continued to gain traction. The Median Sales Price increased 5.1 percent to \$205,000. Days on Market was up 5.3 percent to 79 days. Buyers felt empowered as Months Supply of Inventory was up 5.9 percent to 3.6 months.

It has largely been another recovery year in 2014, yet mortgage credit and student debt remain obstacles even as the U.S. leads the global economy toward recovery. As this recovery matures, many metrics are approaching a healthy balancing point. Rates have remained much lower than most forecasters expected, and inventory levels finally started rising in most areas as sellers generally listed more properties as a result of stronger prices. Job growth should continue and wage growth is expected to pick up.

Quick Facts

- 17.0% **+ 5.1%** **- 1.0%**

Change in
Closed Sales

Change in
Median Sales Price

Change in
Inventory

Market Overview	2
New Listings	3
Pending Sales	4
Closed Sales	5
Days On Market Until Sale	6
Median List Price	7
Median Sales Price	8
Average Sales Price	9
Price Per Square Foot	10
10K Housing Value Index	11
Percent of Original List Price Received	12
Housing Affordability Index	13
Inventory of Homes for Sale	14
Months Supply of Inventory	15
Mortgage Finance Utilization Rates	16

Click on desired metric to jump to that page.

Market Overview

Key market metrics for the current month and year-to-date.



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Key Metrics	Historical Sparklines (normalized)	11-2013	11-2014	+ / -	YTD 2013	YTD 2014	+ / -
New Listings		3,901	3,403	- 12.8%	69,454	71,200	+ 2.5%
Pending Sales		3,210	2,968	- 7.5%	50,065	46,632	- 6.9%
Closed Sales		3,873	3,213	- 17.0%	49,749	45,945	- 7.6%
Days on Market Until Sale		75	79	+ 5.3%	83	78	- 6.0%
Median List Price		\$209,900	\$219,900	+ 4.8%	\$219,900	\$234,900	+ 6.8%
Median Sales Price		\$195,000	\$205,000	+ 5.1%	\$192,000	\$206,000	+ 7.3%
Price Per Square Foot		\$116	\$120	+ 3.4%	\$113	\$122	+ 7.6%
10K Housing Value Index		\$181,168	\$181,494	+ 0.2%	--	--	--
Percent of Original List Price Received		95.4%	94.7%	- 0.7%	96.2%	95.8%	- 0.4%
Inventory of Homes for Sale		15,092	14,948	- 1.0%	--	--	--
Months Supply of Homes for Sale		3.4	3.6	+ 5.9%	--	--	--

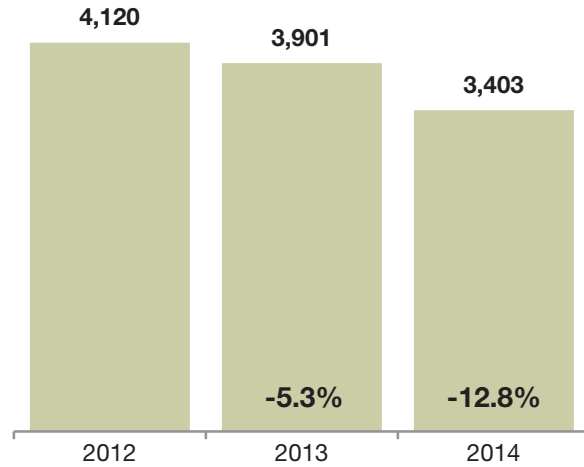
New Listings

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

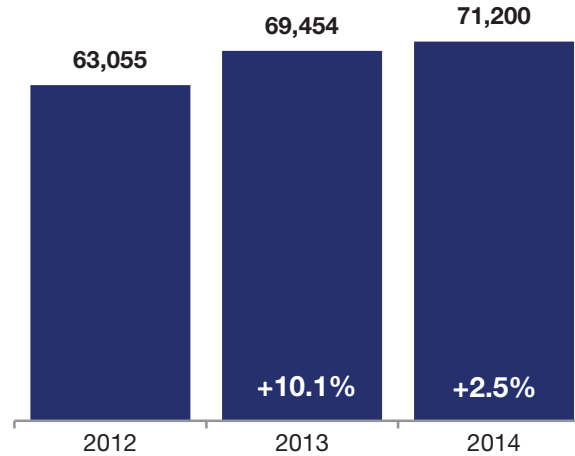


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November



Year To Date



Month	Prior Year	Current Year	+ / -
December	2,855	2,676	-6.3%
January	4,799	4,244	-11.6%
February	4,858	4,620	-4.9%
March	6,151	6,495	+5.6%
April	7,059	7,778	+10.2%
May	8,325	8,571	+3.0%
June	7,634	8,313	+8.9%
July	7,300	8,014	+9.8%
August	6,949	6,961	+0.2%
September	6,374	6,835	+7.2%
October	6,104	5,966	-2.3%
November	3,901	3,403	-12.8%
12-Month Avg	6,026	6,156	+2.2%

Historical New Listing Activity



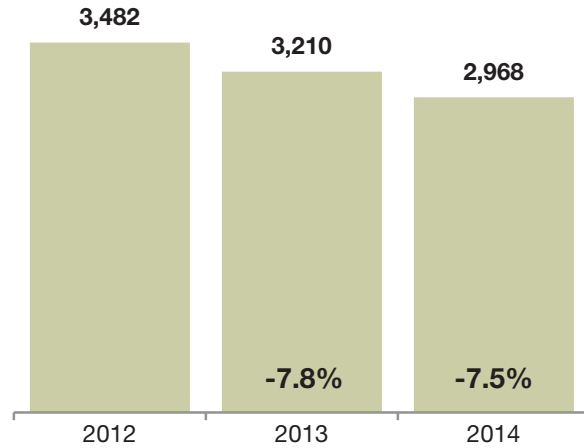
Pending Sales

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

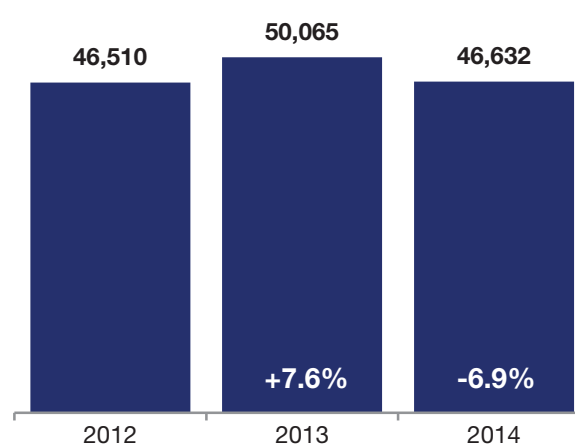


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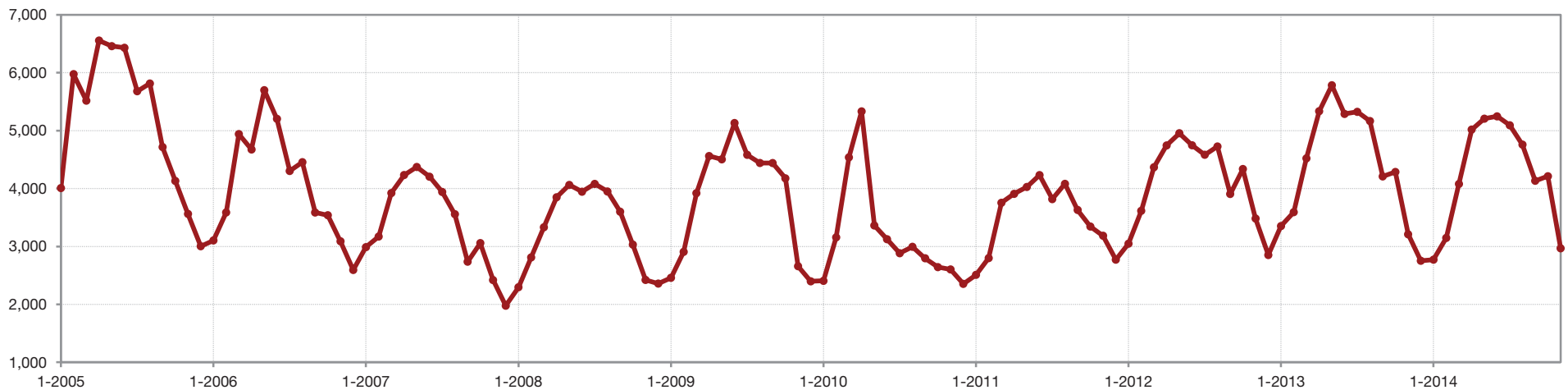


Year To Date



Month	Prior Year	Current Year	+ / -
December	2,852	2,753	-3.5%
January	3,352	2,772	-17.3%
February	3,592	3,147	-12.4%
March	4,521	4,079	-9.8%
April	5,335	5,018	-5.9%
May	5,783	5,206	-10.0%
June	5,288	5,246	-0.8%
July	5,324	5,092	-4.4%
August	5,165	4,758	-7.9%
September	4,209	4,134	-1.8%
October	4,286	4,212	-1.7%
November	3,210	2,968	-7.5%
12-Month Avg	4,410	4,115	-6.7%

Historical Pending Sales Activity



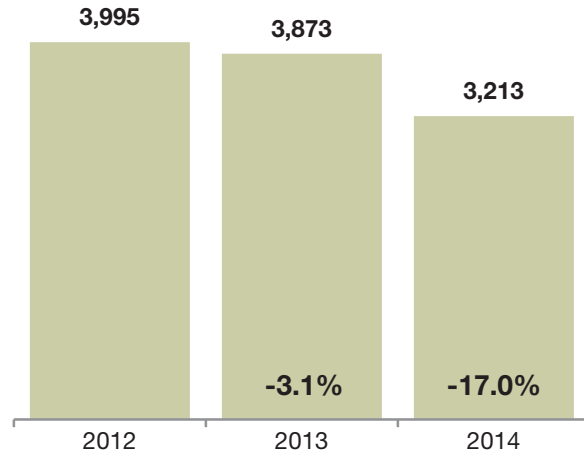
Closed Sales

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

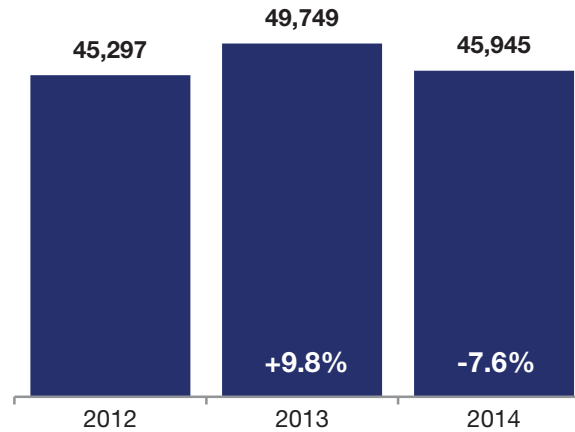


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November

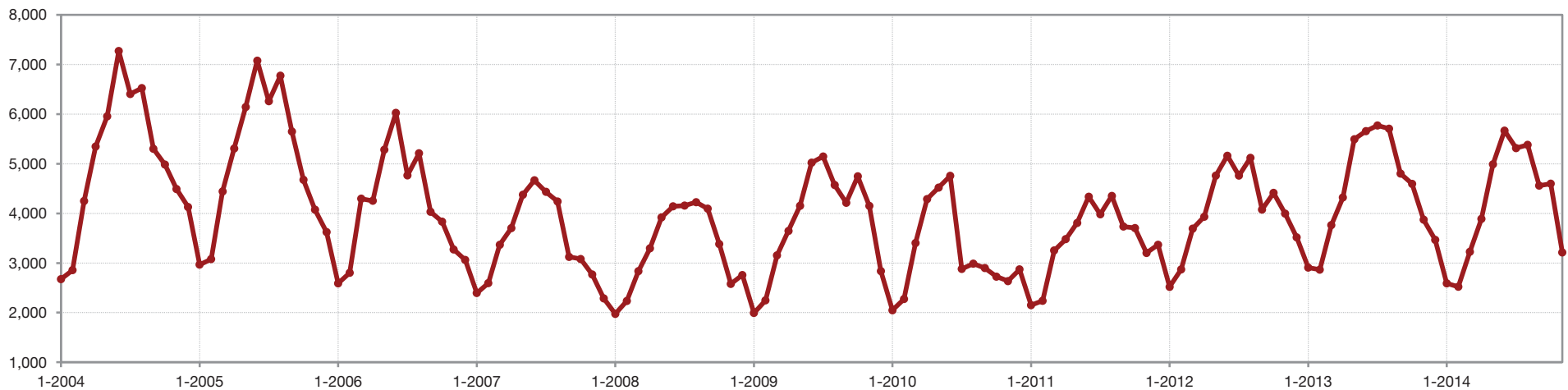


Year To Date



Month	Prior Year	Current Year	+ / -
December	3,517	3,466	-1.5%
January	2,908	2,590	-10.9%
February	2,866	2,522	-12.0%
March	3,763	3,226	-14.3%
April	4,320	3,889	-10.0%
May	5,493	4,988	-9.2%
June	5,656	5,666	+0.2%
July	5,770	5,314	-7.9%
August	5,705	5,380	-5.7%
September	4,801	4,559	-5.0%
October	4,594	4,598	+0.1%
November	3,873	3,213	-17.0%
12-Month Avg	4,439	4,118	-7.8%

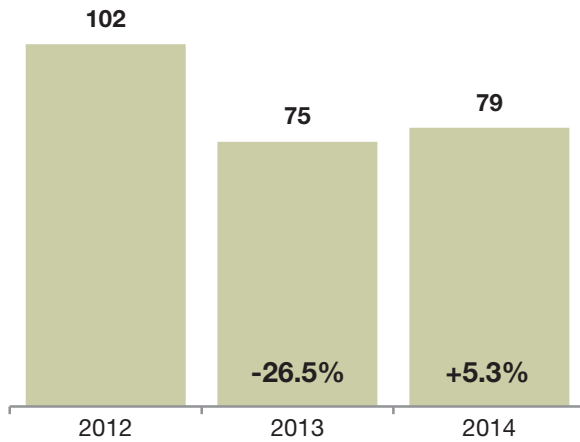
Historical Closed Sales Activity



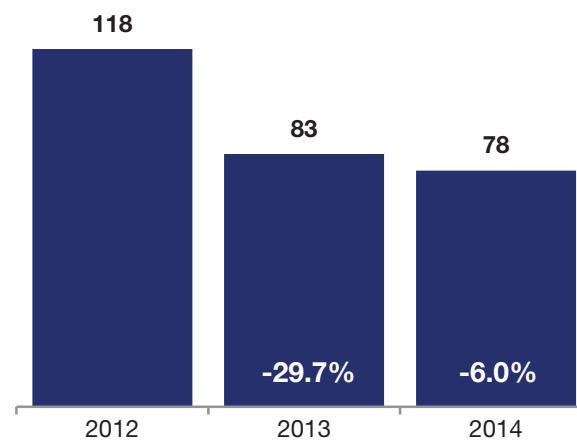
Days on Market Until Sale

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

November



Year To Date



Month	Prior Year	Current Year	+ / -
December	108	86	-20.4%
January	106	93	-12.3%
February	111	99	-10.8%
March	108	95	-12.0%
April	97	88	-9.3%
May	86	80	-7.0%
June	74	70	-5.4%
July	72	68	-5.6%
August	70	68	-2.9%
September	71	71	0.0%
October	75	72	-4.0%
November	75	79	+5.3%
12-Month Avg	85	78	-8.2%

Historical Days on Market Until Sale



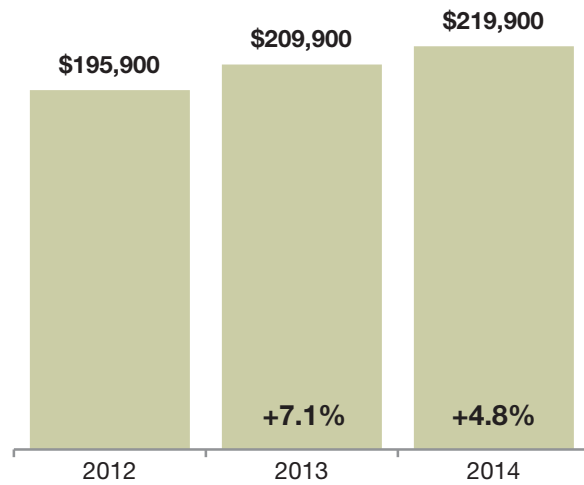
Median Original List Price

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

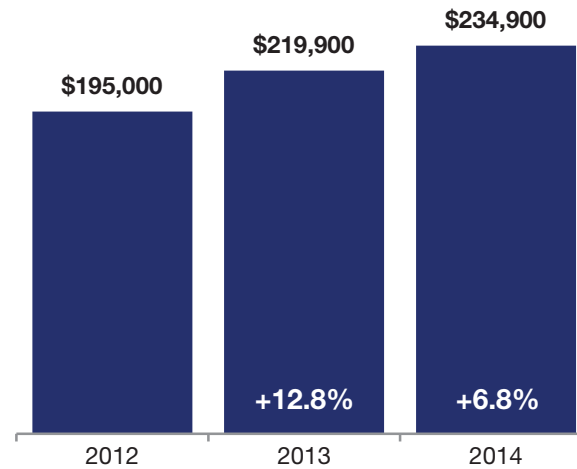


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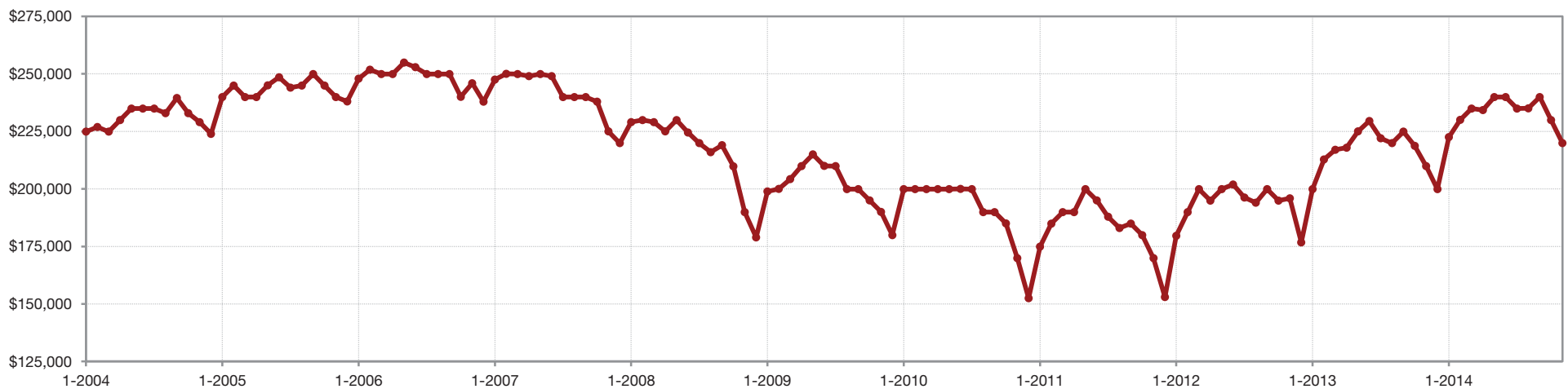


Year To Date



Month	Prior Year	Current Year	+ / -
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	\$234,250	+7.5%
May	\$225,000	\$239,900	+6.6%
June	\$229,500	\$239,900	+4.5%
July	\$222,000	\$234,900	+5.8%
August	\$219,900	\$235,000	+6.9%
September	\$224,900	\$239,900	+6.7%
October	\$218,700	\$229,900	+5.1%
November	\$209,900	\$219,900	+4.8%
12-Month Med	\$219,900	\$234,900	+6.8%

Historical Median Original List Price



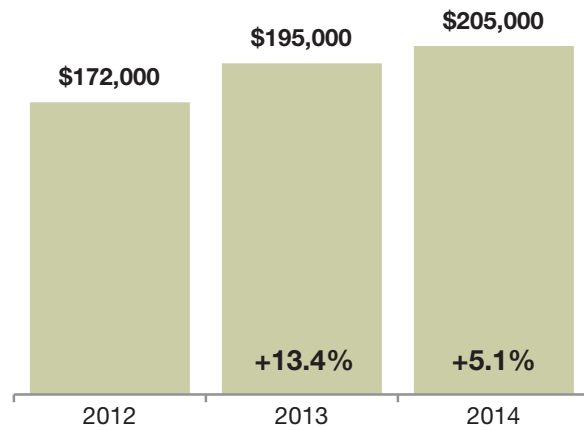
Median Sales Price

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

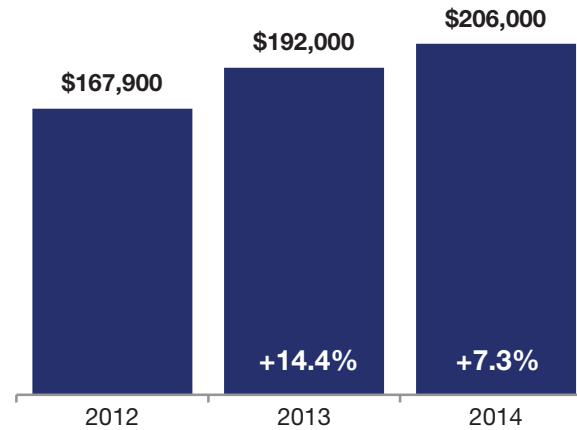


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November

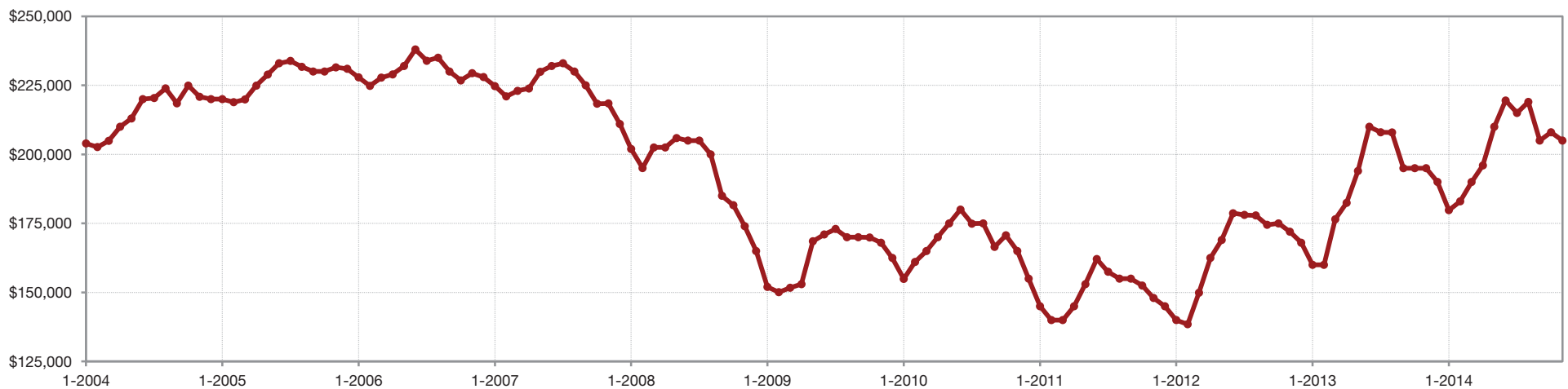


Year To Date



Month	Prior Year	Current Year	+ / -
December	\$168,000	\$190,025	+13.1%
January	\$160,000	\$179,800	+12.4%
February	\$160,000	\$183,000	+14.4%
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%
August	\$207,950	\$219,000	+5.3%
September	\$195,000	\$205,000	+5.1%
October	\$195,000	\$208,000	+6.7%
November	\$195,000	\$205,000	+5.1%
12-Month Med	\$190,000	\$205,000	+7.9%

Historical Median Sales Price



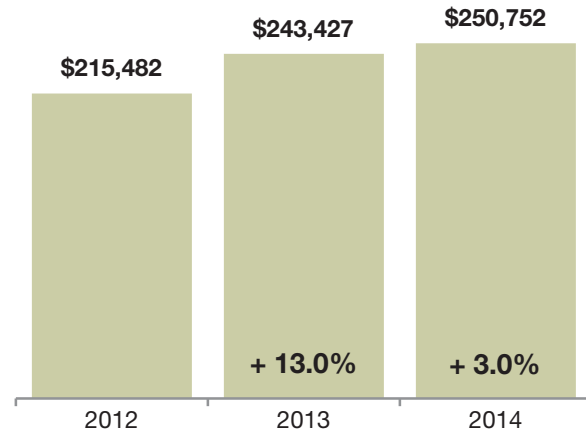
Average Sales Price

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

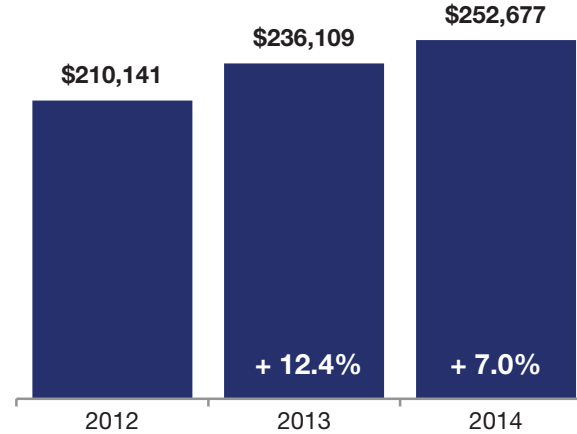


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November

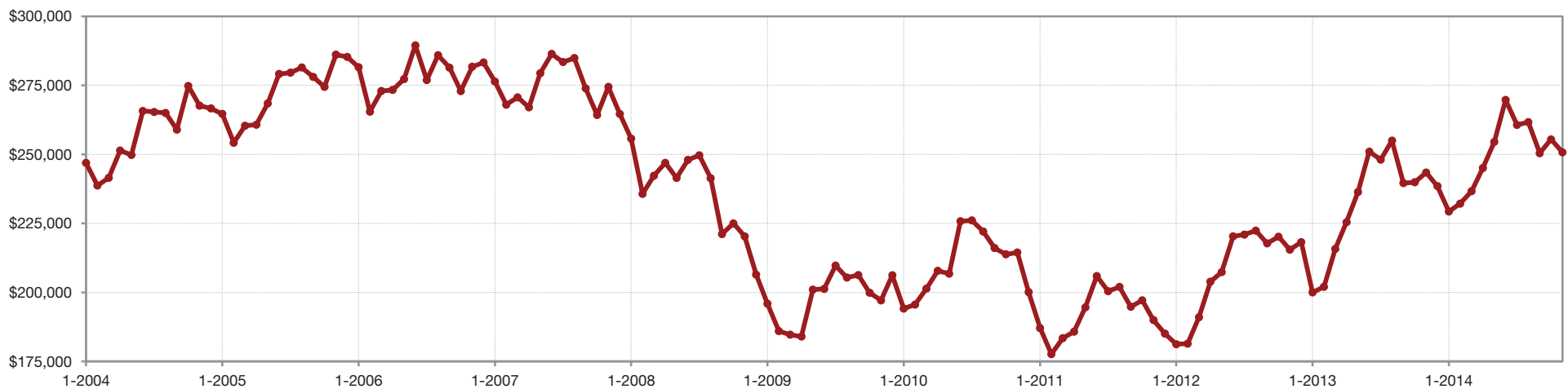


Year To Date



Month	Prior Year	Current Year	+ / -
December	\$218,217	\$238,499	+9.3%
January	\$200,015	\$229,310	+14.6%
February	\$202,038	\$232,170	+14.9%
March	\$215,759	\$236,674	+9.7%
April	\$225,462	\$245,063	+8.7%
May	\$236,372	\$254,527	+7.7%
June	\$250,978	\$269,722	+7.5%
July	\$248,093	\$260,675	+5.1%
August	\$254,986	\$261,668	+2.6%
September	\$239,605	\$250,417	+4.5%
October	\$239,916	\$255,420	+6.5%
November	\$243,427	\$250,752	+3.0%
12-Month Avg	\$234,924	\$251,684	+7.1%

Historical Average Sales Price



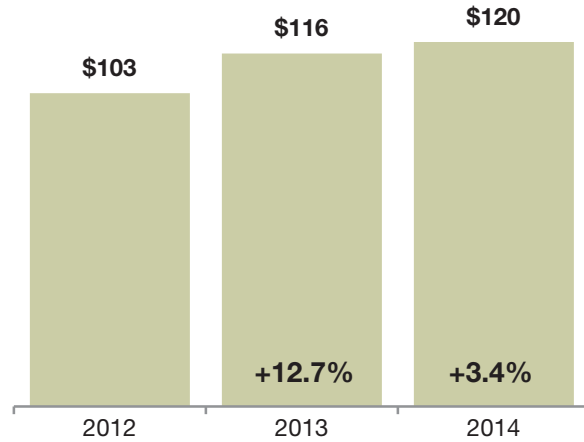
Price Per Square Foot

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

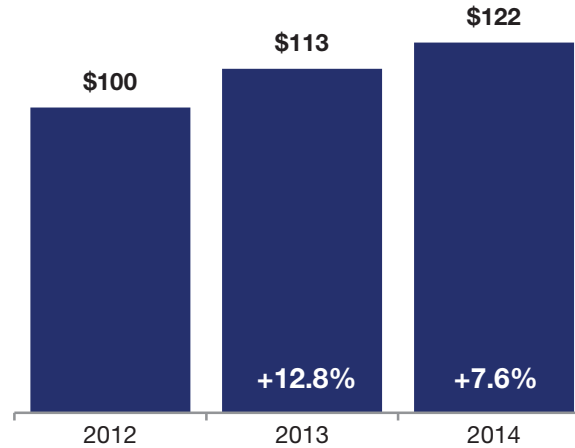


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November

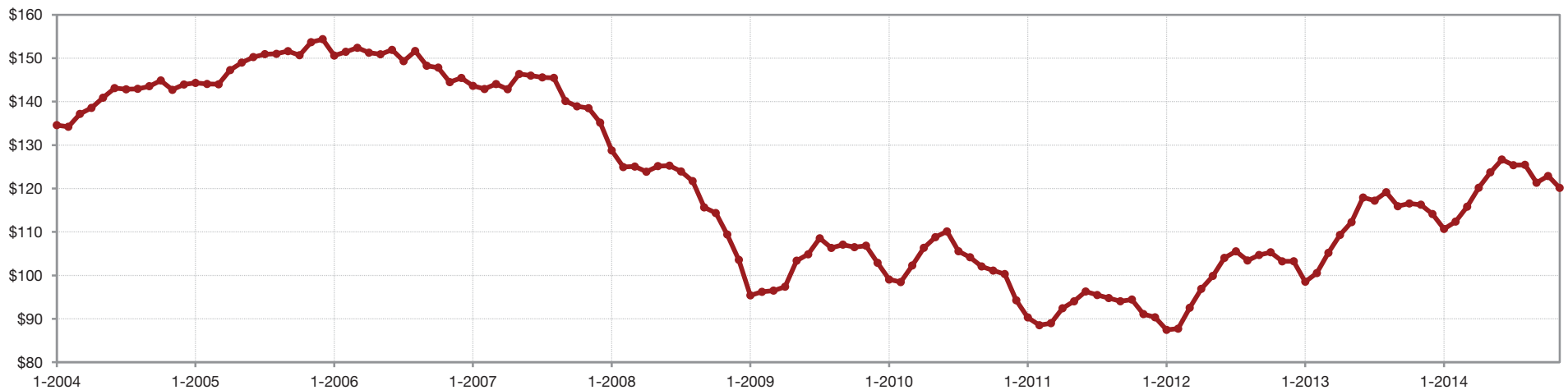


Year To Date



Month	Prior Year	Current Year	+ / -
December	\$103	\$114	+10.5%
January	\$99	\$111	+12.3%
February	\$101	\$112	+11.8%
March	\$105	\$116	+10.1%
April	\$109	\$120	+10.0%
May	\$112	\$124	+10.2%
June	\$118	\$127	+7.5%
July	\$117	\$125	+7.0%
August	\$119	\$125	+5.3%
September	\$116	\$121	+4.7%
October	\$117	\$123	+5.4%
November	\$116	\$120	+3.4%
12-Month Avg	\$112	\$121	+7.8%

Historical Price Per Square Foot

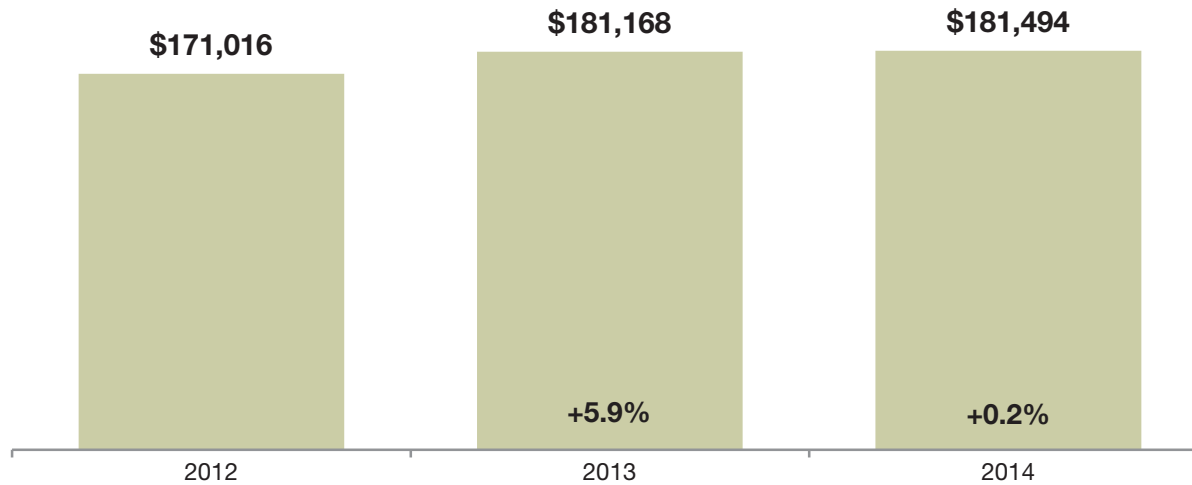


10K Housing Value Index

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.

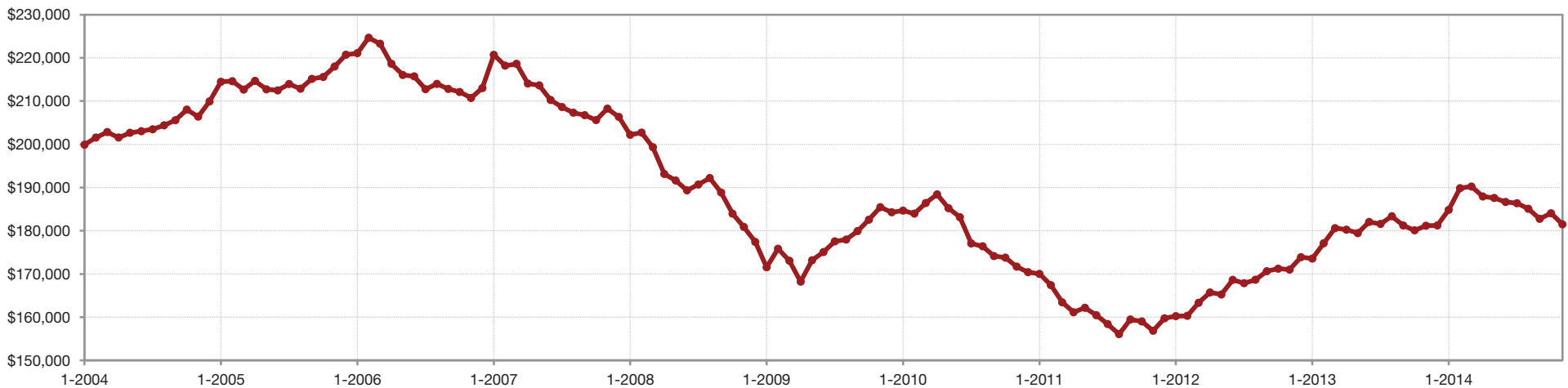


November



Month	Prior Year	Current Year	+ / -
December	\$173,890	\$181,235	+4.2%
January	\$173,564	\$184,842	+6.5%
February	\$177,105	\$189,858	+7.2%
March	\$180,604	\$190,235	+5.3%
April	\$180,255	\$187,939	+4.3%
May	\$179,460	\$187,597	+4.5%
June	\$182,046	\$186,668	+2.5%
July	\$181,584	\$186,379	+2.6%
August	\$183,370	\$185,095	+0.9%
September	\$181,227	\$182,770	+0.9%
October	\$180,108	\$184,058	+2.2%
November	\$181,168	\$181,494	+0.2%
12-Month Avg	\$179,532	\$185,681	+3.4%

Historical 10K Housing Value Index



Percent of Original List Price Received

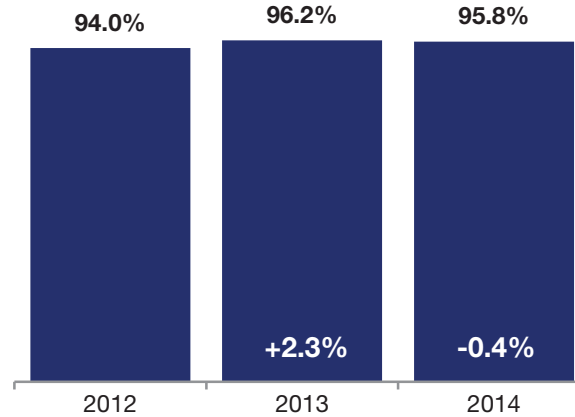
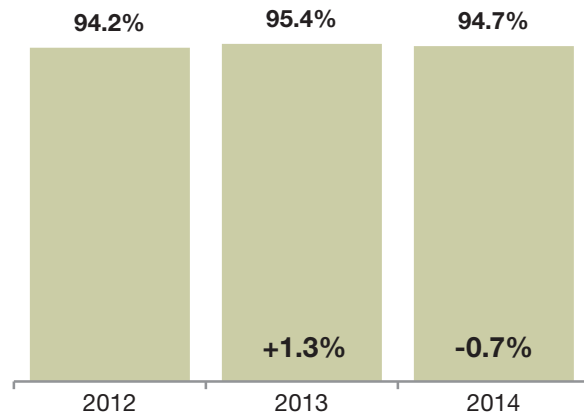
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



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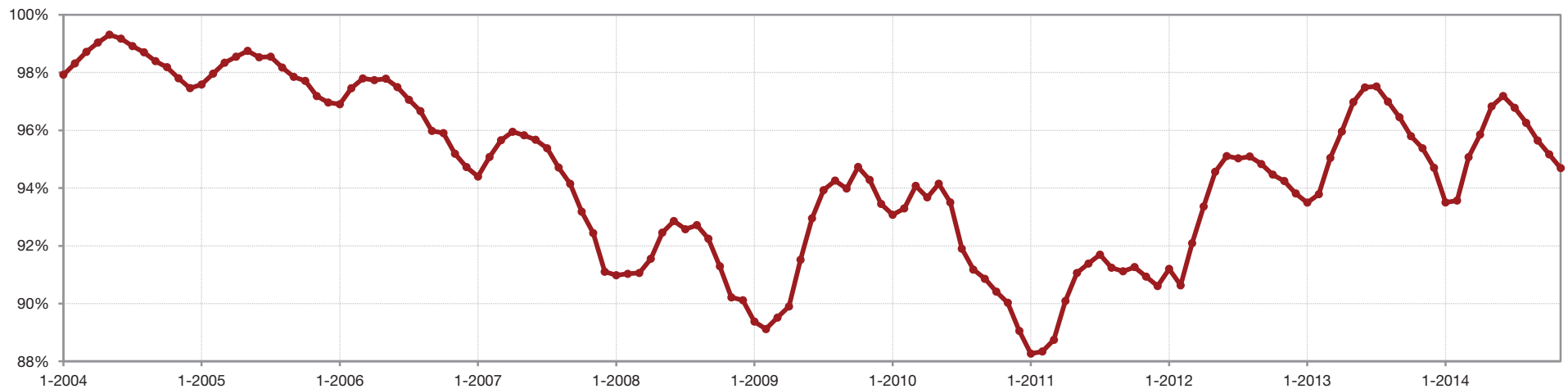
November

Year To Date



Month	Prior Year	Current Year	+ / -
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%	95.9%	-0.1%
May	97.0%	96.8%	-0.2%
June	97.5%	97.2%	-0.3%
July	97.5%	96.8%	-0.7%
August	97.0%	96.3%	-0.7%
September	96.5%	95.6%	-0.9%
October	95.8%	95.2%	-0.6%
November	95.4%	94.7%	-0.7%
12-Month Avg	96.0%	95.7%	-0.3%

Historical Percent of Original List Price Received



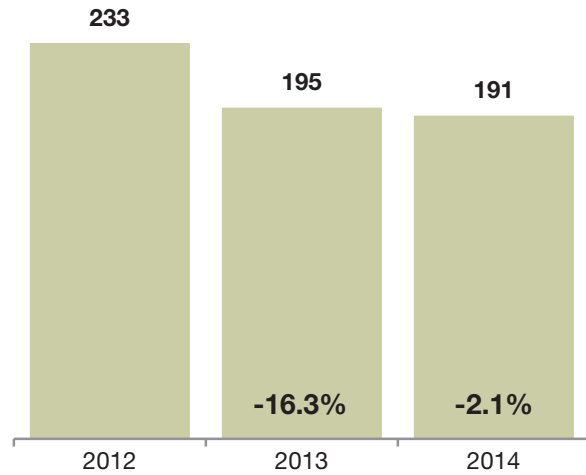
Housing Affordability Index

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.

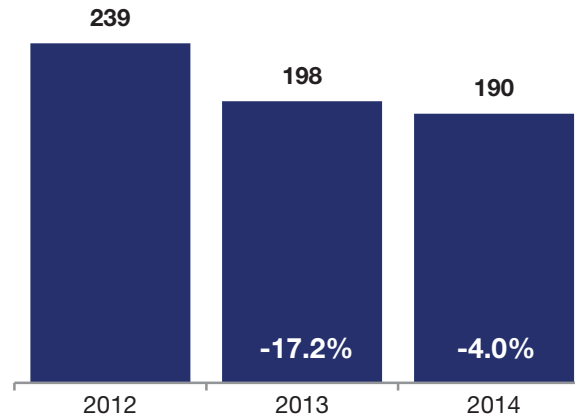


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November

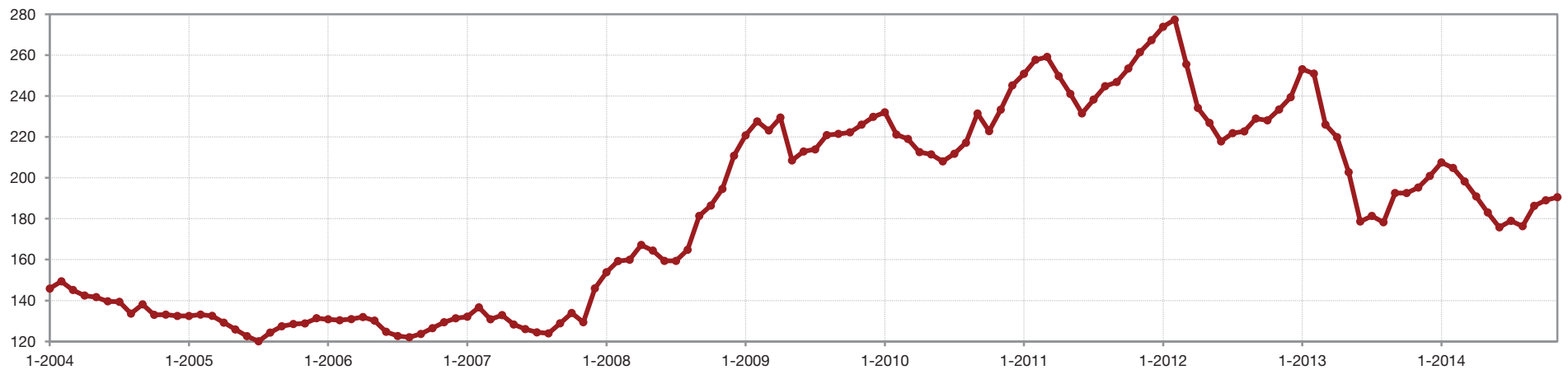


Year To Date



Month	Prior Year	Current Year	+ / -
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	176	-1.7%
July	181	179	-1.1%
August	178	176	-1.1%
September	193	186	-3.6%
October	193	189	-2.1%
November	195	191	-2.1%
12-Month Avg	209	190	-9.1%

Historical Housing Affordability Index



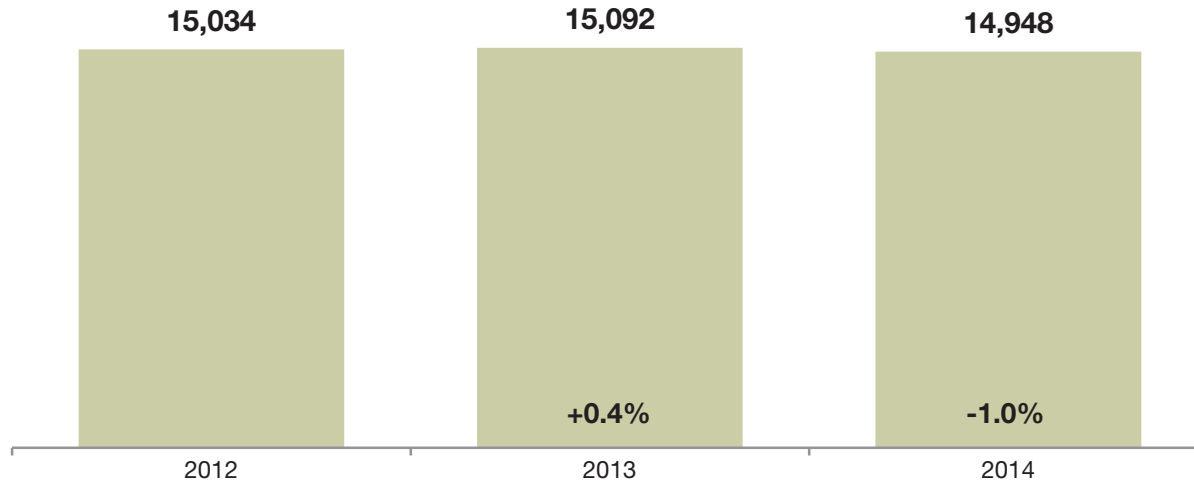
Inventory of Homes for Sale

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



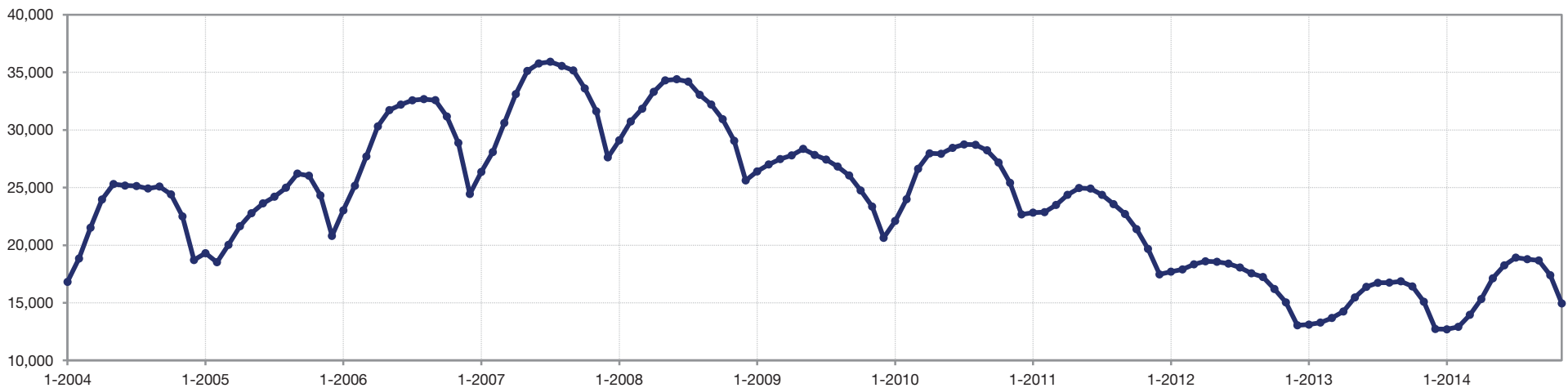
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November



Month	Prior Year	Current Year	+ / -
December	13,050	12,729	-2.5%
January	13,108	12,698	-3.1%
February	13,287	12,916	-2.8%
March	13,687	13,959	+2.0%
April	14,247	15,328	+7.6%
May	15,465	17,124	+10.7%
June	16,385	18,250	+11.4%
July	16,736	18,922	+13.1%
August	16,755	18,786	+12.1%
September	16,868	18,676	+10.7%
October	16,421	17,396	+5.9%
November	15,092	14,948	-1.0%
12-Month Avg	15,092	15,978	+5.3%

Historical Inventory of Homes for Sale



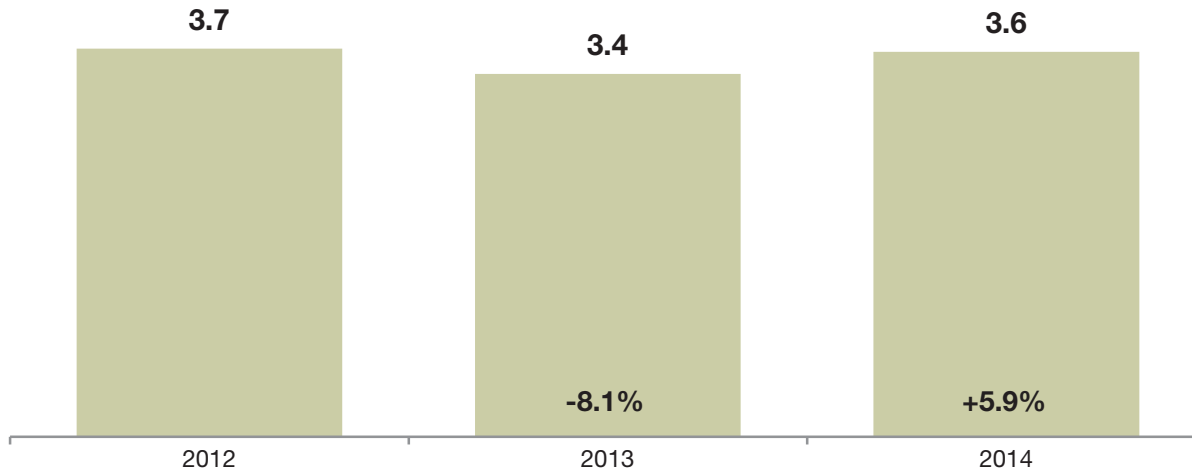
Months Supply of Inventory

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.



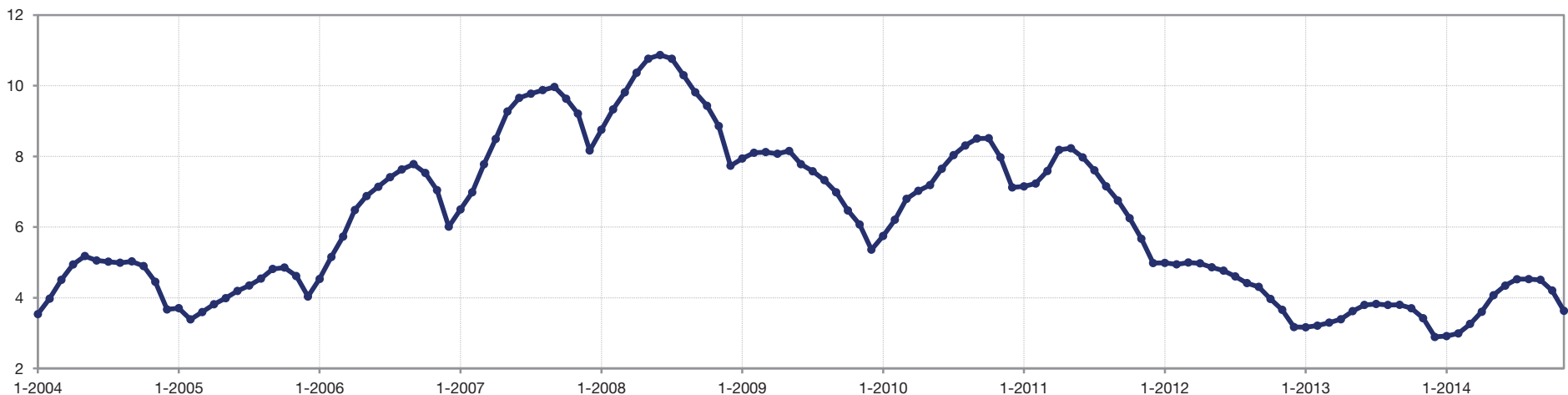
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November



Month	Prior Year	Current Year	+ / -
December	3.2	2.9	-9.4%
January	3.2	2.9	-9.4%
February	3.2	3.0	-6.3%
March	3.3	3.3	0.0%
April	3.4	3.6	+5.9%
May	3.6	4.1	+13.9%
June	3.8	4.3	+13.2%
July	3.8	4.5	+18.4%
August	3.8	4.5	+18.4%
September	3.8	4.5	+18.4%
October	3.7	4.2	+13.5%
November	3.4	3.6	+5.9%
12-Month Avg	3.5	3.8	+8.6%

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

