

Monthly Indicators



December 2017

Residential real estate activity comprised of single-family properties, townhomes and condominiums combined. Percent changes are calculated using rounded figures.

The number of homes for sale, days on market and months of supply were all down in year-over-year comparisons in a majority of the country for the entirety of 2017, as was housing affordability. And although total sales volumes were mixed, prices were consistently up in most markets. Buyers may not benefit from higher prices, but sellers do, and there should be more listing activity by more confident sellers in 2018. At least that would be the most viable prediction for an economic landscape pointing toward improved conditions for sellers.

New Listings in Southeast Minnesota decreased 21.3 percent to 211. Pending Sales were down 8.5 percent to 300. Inventory levels shrank 14.7 percent to 1,021 units.

Prices continued to gain traction. The Median Sales Price increased 8.1 percent to \$174,000. Days on Market was down 16.3 percent to 67 days. Sellers were encouraged as Months Supply of Inventory was down 13.0 percent to 2.0 months.

Unemployment rates have remained low throughout 2017, and wages have shown improvement, though not always to levels that match home price increases. Yet housing demand remained incredibly strong in 2017, even in the face of higher mortgage rates that are likely to increase further in 2018. Home building and selling professionals are both cautiously optimistic for the year ahead. Housing and economic indicators give reason for this optimism, with or without new federal tax legislation.

Activity Snapshot

- 7.5% **+ 8.1%** **- 14.7%**

One-Year Change in Closed Sales	One-Year Change in Median Sales Price	One-Year Change in Homes for Sale
Activity Overview		2
New Listings		3
Pending Sales		4
Closed Sales		5
Days on Market Until Sale		6
Median Sales Price		7
Average Sales Price		8
Percent of Original List Price Received		9
Housing Affordability Index		10
Inventory of Homes for Sale		11
Months Supply of Inventory		12
Area Overview		13



Activity Overview

Key metrics by report month and for year-to-date (YTD) starting from the first of the year.



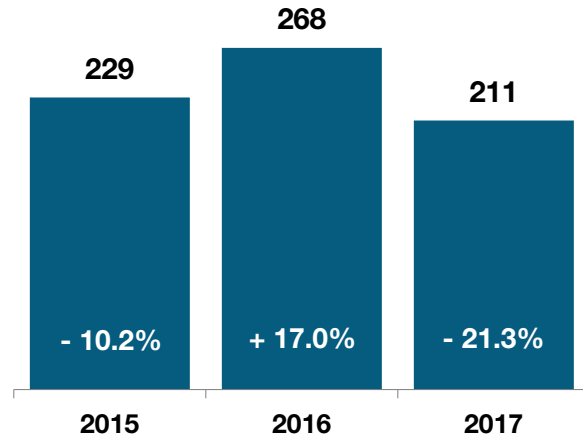
Key Metrics	Historical Sparkbars	12-2016	12-2017	Percent Change	YTD 2016	YTD 2017	Percent Change
New Listings		268	211	- 21.3%	7,008	6,836	- 2.5%
Pending Sales		328	300	- 8.5%	6,260	6,063	- 3.1%
Closed Sales		479	443	- 7.5%	6,253	6,118	- 2.2%
Days on Market		80	67	- 16.3%	74	63	- 14.9%
Median Sales Price		\$160,950	\$174,000	+ 8.1%	\$165,000	\$176,500	+ 7.0%
Avg. Sales Price		\$188,260	\$204,240	+ 8.5%	\$188,844	\$204,866	+ 8.5%
Pct. of Orig. Price Received		94.5%	95.4%	+ 1.0%	96.0%	96.8%	+ 0.8%
Affordability Index		235	225	- 4.3%	229	222	- 3.1%
Homes for Sale		1,197	1,021	- 14.7%	--	--	--
Months Supply		2.3	2.0	- 13.0%	--	--	--

New Listings

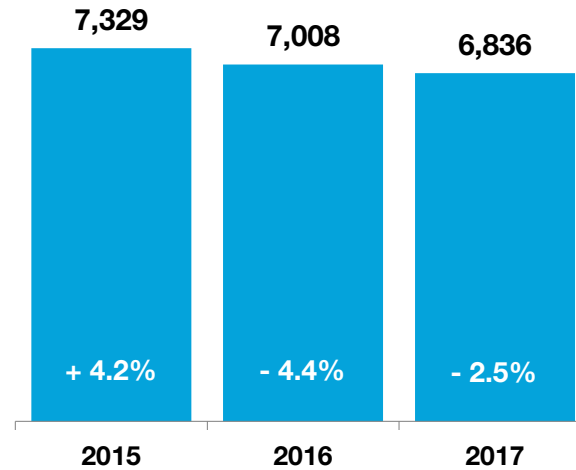
A count of the properties that have been newly listed on the market in a given month.



December



Year to Date



New Listings		Prior Year	Percent Change
January 2017	303	352	-13.9%
February 2017	501	525	-4.6%
March 2017	751	813	-7.6%
April 2017	793	819	-3.2%
May 2017	795	787	+1.0%
June 2017	711	741	-4.0%
July 2017	661	640	+3.3%
August 2017	696	652	+6.7%
September 2017	580	568	+2.1%
October 2017	486	471	+3.2%
November 2017	348	372	-6.5%
December 2017	211	268	-21.3%
12-Month Avg	570	584	-2.4%

Historical New Listings by Month

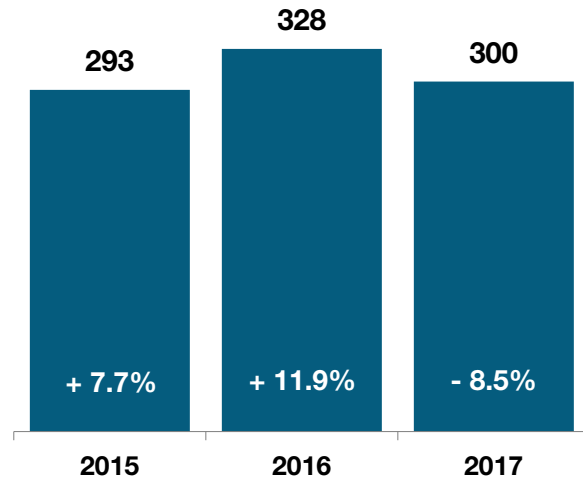


Pending Sales

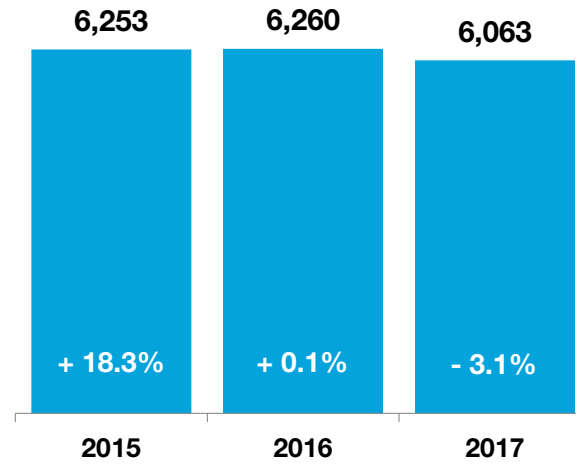
A count of the properties on which offers have been accepted in a given month.



December



Year to Date



	Pending Sales	Prior Year	Percent Change
January 2017	314	316	-0.6%
February 2017	402	442	-9.0%
March 2017	598	653	-8.4%
April 2017	637	699	-8.9%
May 2017	731	676	+8.1%
June 2017	606	609	-0.5%
July 2017	556	570	-2.5%
August 2017	552	588	-6.1%
September 2017	498	470	+6.0%
October 2017	469	498	-5.8%
November 2017	400	411	-2.7%
December 2017	300	328	-8.5%
12-Month Avg	505	522	-3.3%

Historical Pending Sales by Month

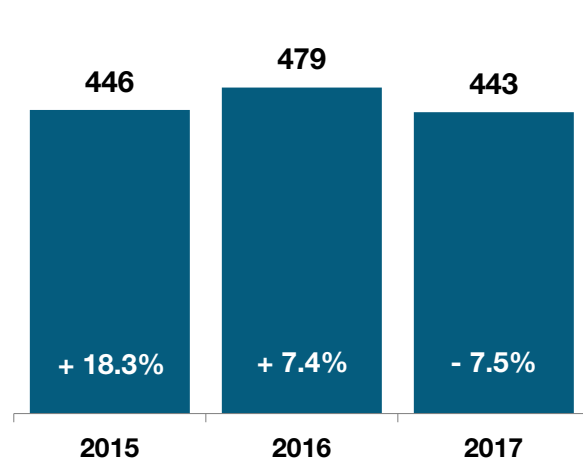


Closed Sales

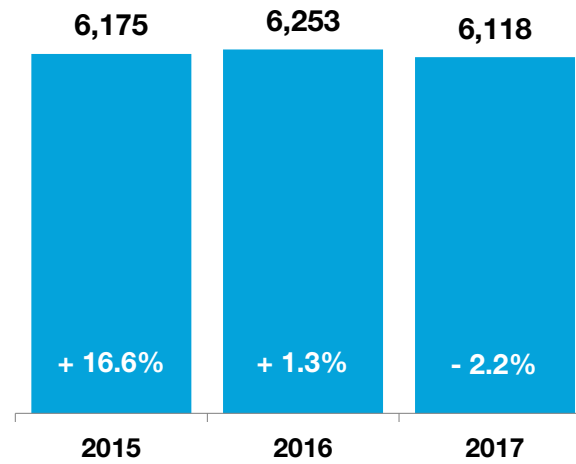
A count of the actual sales that closed in a given month.



December



Year to Date



Closed Sales	Prior Year	Percent Change
January 2017	290	291 -0.3%
February 2017	280	248 +12.9%
March 2017	425	401 +6.0%
April 2017	415	531 -21.8%
May 2017	637	670 -4.9%
June 2017	860	756 +13.8%
July 2017	592	639 -7.4%
August 2017	587	674 -12.9%
September 2017	590	547 +7.9%
October 2017	524	509 +2.9%
November 2017	475	508 -6.5%
December 2017	443	479 -7.5%
12-Month Avg	510	521 -2.1%

Historical Closed Sales by Month

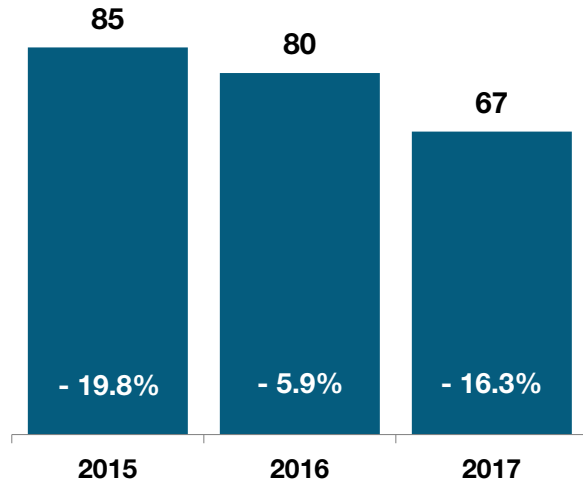


Days on Market Until Sale

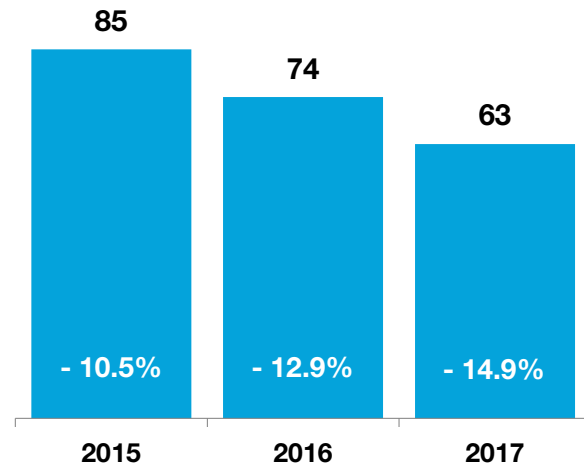
Average number of days between when a property is listed and when an offer is accepted in a given month.



December

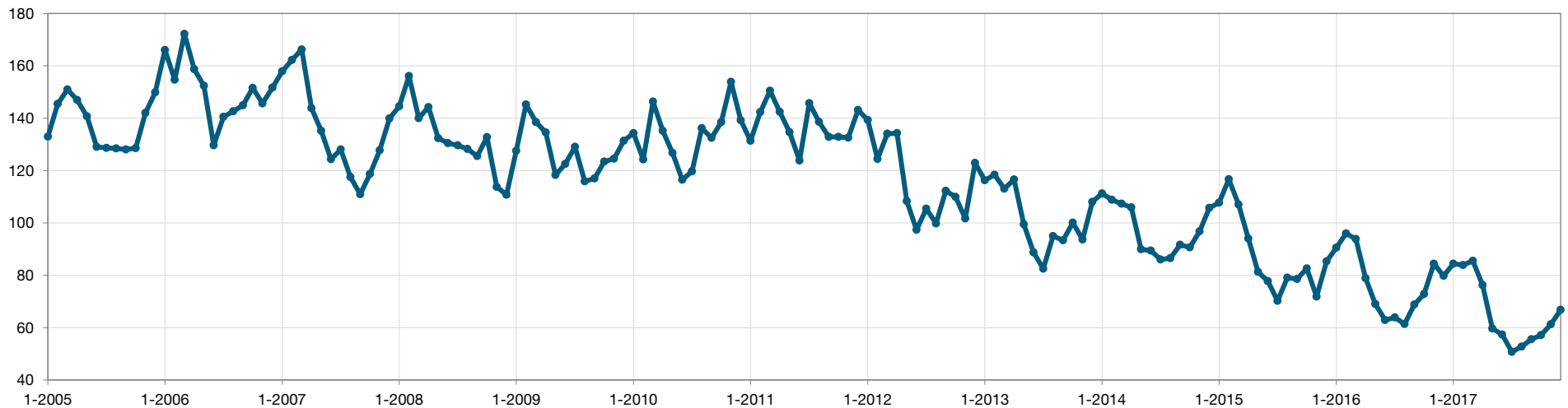


Year to Date



Days on Market	Prior Year	Percent Change	
January 2017	84	91	-7.7%
February 2017	84	96	-12.5%
March 2017	85	94	-9.6%
April 2017	76	79	-3.8%
May 2017	60	69	-13.0%
June 2017	57	63	-9.5%
July 2017	51	64	-20.3%
August 2017	53	61	-13.1%
September 2017	55	69	-20.3%
October 2017	57	73	-21.9%
November 2017	61	84	-27.4%
December 2017	67	80	-16.3%
12-Month Avg	66	77	-14.3%

Historical Days on Market Until Sale by Month

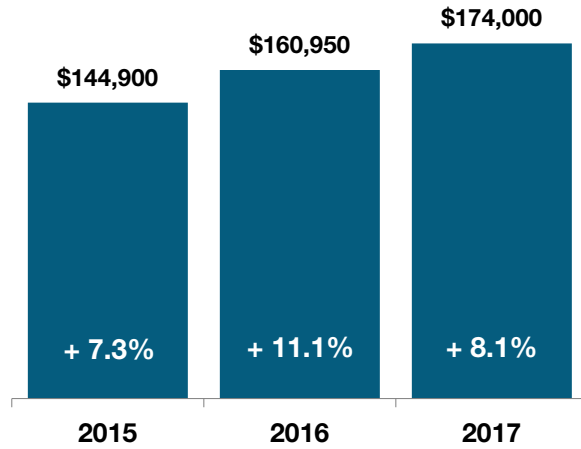


Median Sales Price

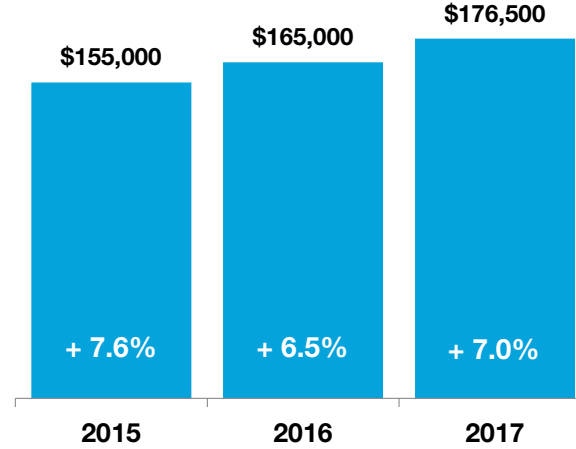
Point at which half of the sales sold for more and half sold for less, not accounting for seller concessions, in a given month.



December



Year to Date



	Median Sales Price	Prior Year	Percent Change
January 2017	\$164,900	\$136,750	+20.6%
February 2017	\$160,575	\$142,500	+12.7%
March 2017	\$165,950	\$149,950	+10.7%
April 2017	\$180,500	\$165,500	+9.1%
May 2017	\$178,000	\$165,000	+7.9%
June 2017	\$184,200	\$178,000	+3.5%
July 2017	\$176,950	\$172,250	+2.7%
August 2017	\$186,890	\$167,200	+11.8%
September 2017	\$180,000	\$169,000	+6.5%
October 2017	\$174,000	\$159,950	+8.8%
November 2017	\$174,125	\$172,000	+1.2%
December 2017	\$174,000	\$160,950	+8.1%
12-Month Avg	\$175,008	\$161,588	+8.3%

Historical Median Sales Price by Month

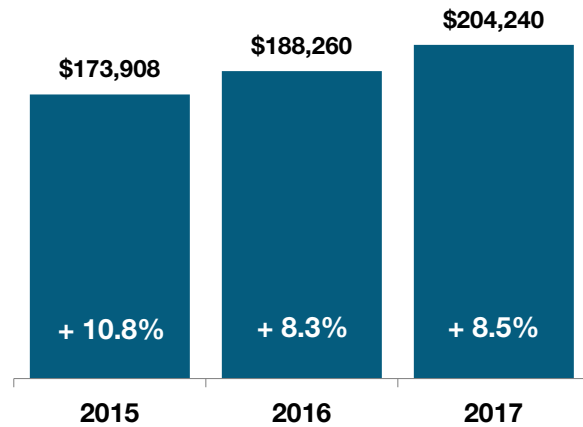


Average Sales Price

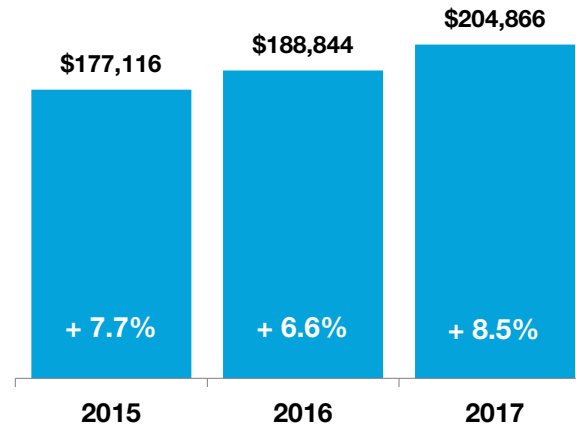
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



December

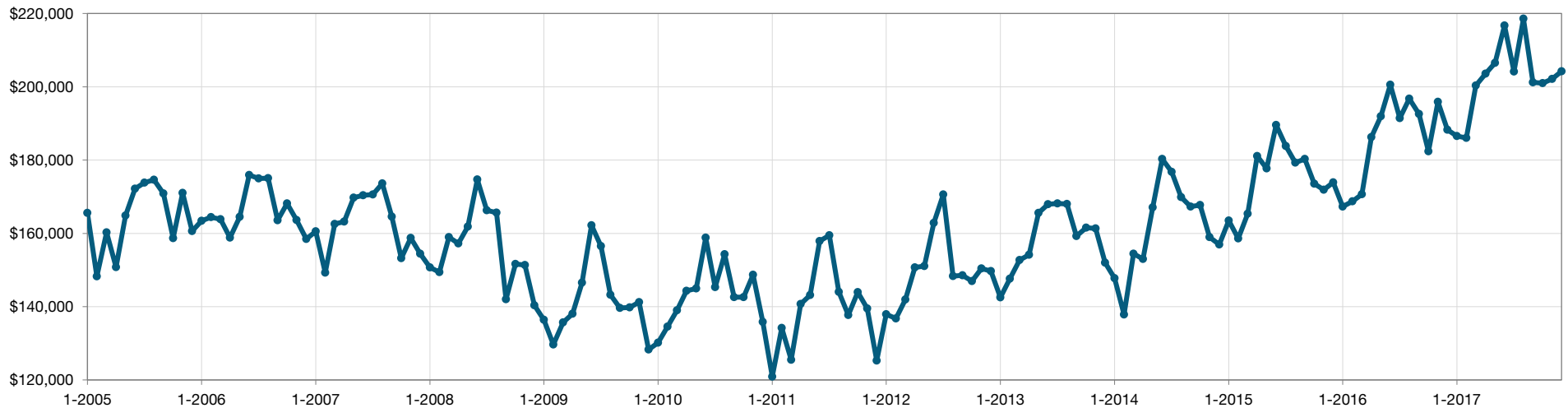


Year to Date



	Avg. Sales Price	Prior Year	Percent Change
January 2017	\$186,558	\$167,260	+11.5%
February 2017	\$186,047	\$168,721	+10.3%
March 2017	\$200,324	\$170,631	+17.4%
April 2017	\$203,577	\$186,276	+9.3%
May 2017	\$206,503	\$191,902	+7.6%
June 2017	\$216,705	\$200,574	+8.0%
July 2017	\$204,122	\$191,434	+6.6%
August 2017	\$218,550	\$196,740	+11.1%
September 2017	\$201,168	\$192,572	+4.5%
October 2017	\$201,012	\$182,341	+10.2%
November 2017	\$202,129	\$195,851	+3.2%
December 2017	\$204,240	\$188,260	+8.5%
12-Month Avg	\$202,578	\$186,047	+8.9%

Historical Average Sales Price by Month

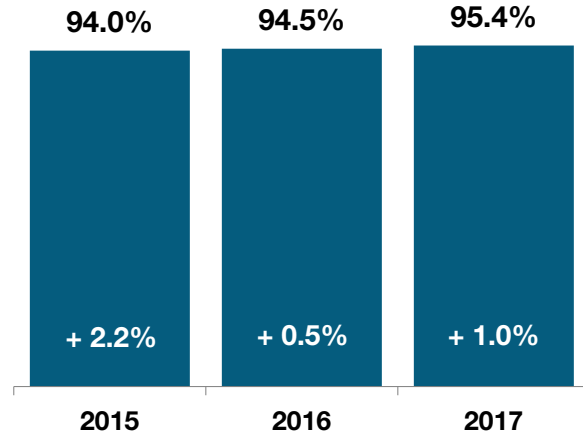


Percent of Original List Price Received

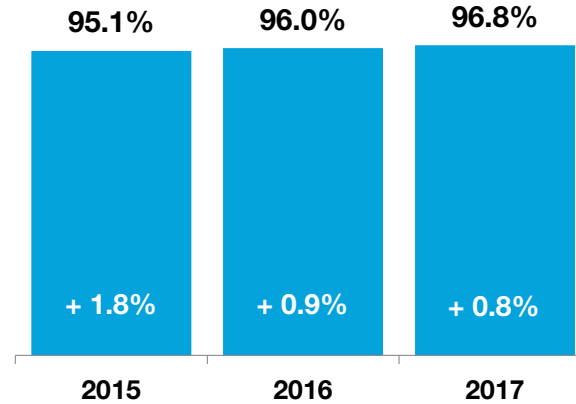
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



December



Year to Date



	Pct. of Orig. Price Received	Prior Year	Percent Change
January 2017	95.1%	93.5%	+1.7%
February 2017	94.9%	93.4%	+1.6%
March 2017	96.6%	95.1%	+1.6%
April 2017	97.5%	96.5%	+1.0%
May 2017	97.7%	97.1%	+0.6%
June 2017	98.0%	97.7%	+0.3%
July 2017	97.5%	97.1%	+0.4%
August 2017	97.0%	96.6%	+0.4%
September 2017	96.9%	96.1%	+0.8%
October 2017	96.4%	95.1%	+1.4%
November 2017	95.8%	94.7%	+1.2%
December 2017	95.4%	94.5%	+1.0%
12-Month Avg	96.6%	95.6%	+1.0%

Historical Percent of Original List Price Received by Month

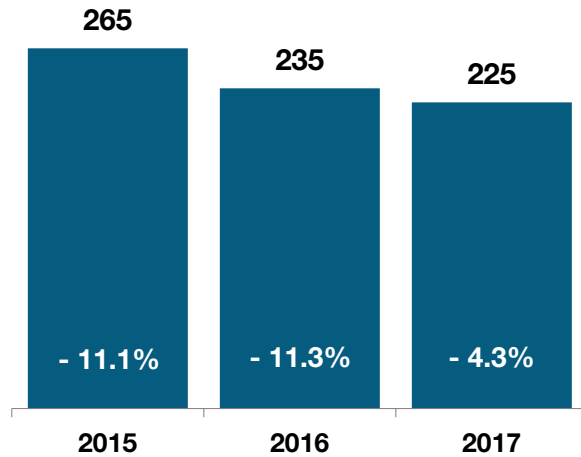


Housing Affordability Index

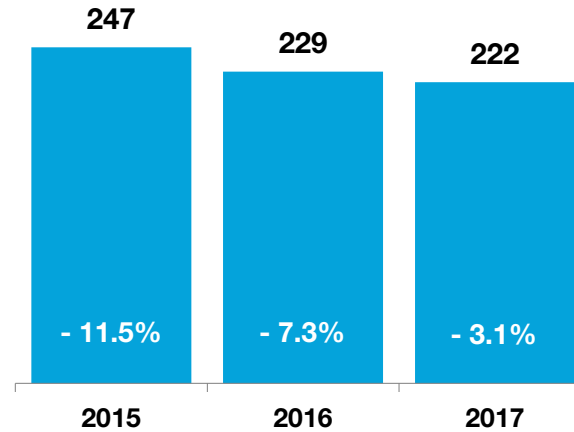
This index measures housing affordability for the region. For example, an index of 120 means the median household income is 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.



December



Year to Date



Affordability Index	Prior Year	Percent Change	
January 2017	227	285	-20.4%
February 2017	240	283	-15.2%
March 2017	232	267	-13.1%
April 2017	217	242	-10.3%
May 2017	222	243	-8.6%
June 2017	214	229	-6.6%
July 2017	223	237	-5.9%
August 2017	213	244	-12.7%
September 2017	221	241	-8.3%
October 2017	225	258	-12.8%
November 2017	227	227	0.0%
December 2017	225	235	-4.3%
12-Month Avg	224	249	-10.0%

Historical Housing Affordability Index by Month

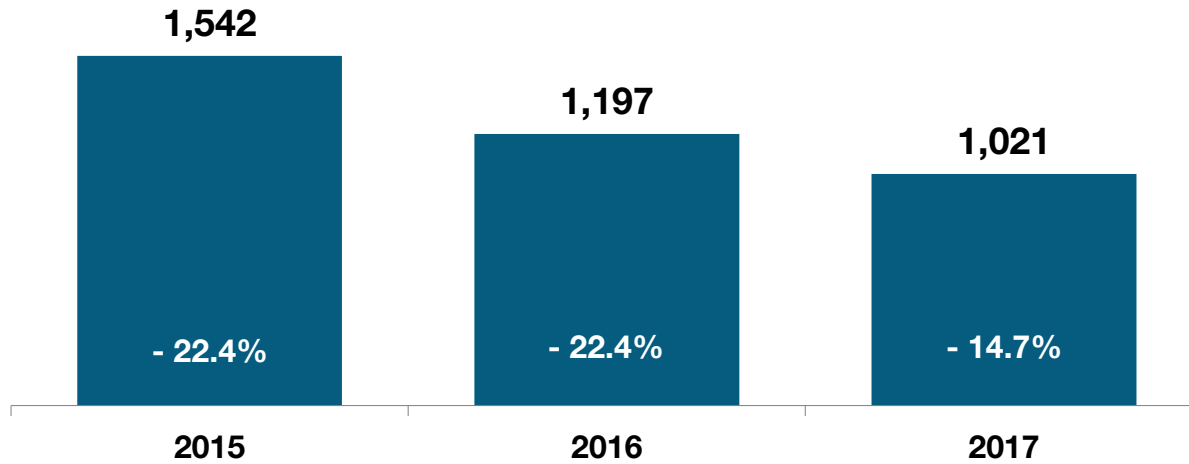


Inventory of Homes for Sale

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

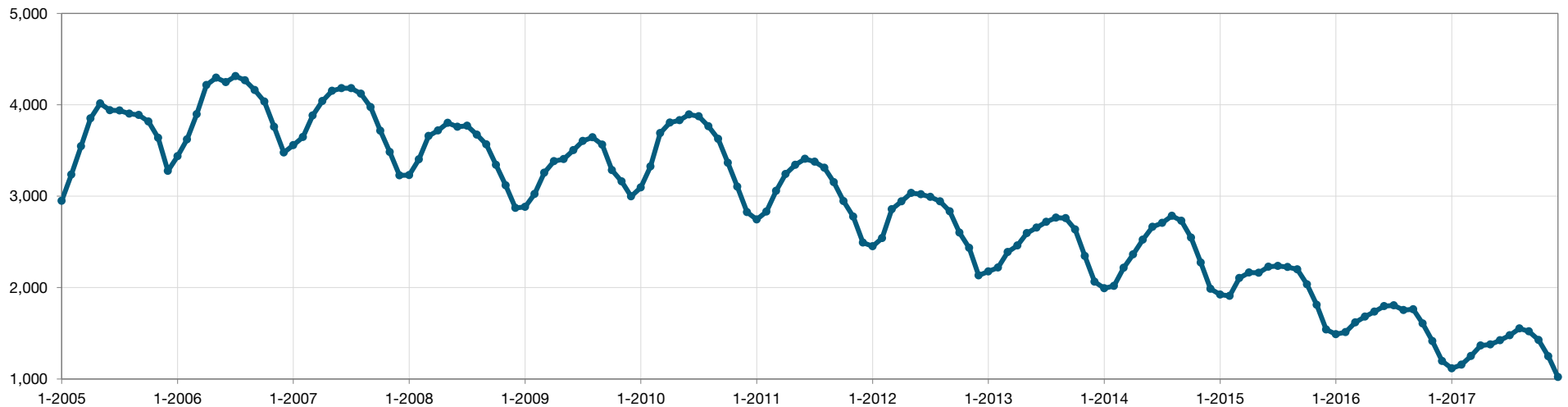


December



Homes for Sale		Prior Year	Percent Change
January 2017	1,117	1,490	-25.0%
February 2017	1,156	1,512	-23.5%
March 2017	1,250	1,620	-22.8%
April 2017	1,365	1,683	-18.9%
May 2017	1,378	1,738	-20.7%
June 2017	1,423	1,798	-20.9%
July 2017	1,479	1,806	-18.1%
August 2017	1,553	1,753	-11.4%
September 2017	1,520	1,763	-13.8%
October 2017	1,426	1,608	-11.3%
November 2017	1,249	1,416	-11.8%
December 2017	1,021	1,197	-14.7%
12-Month Avg	1,328	1,615	-17.8%

Historical Inventory of Homes for Sale by Month

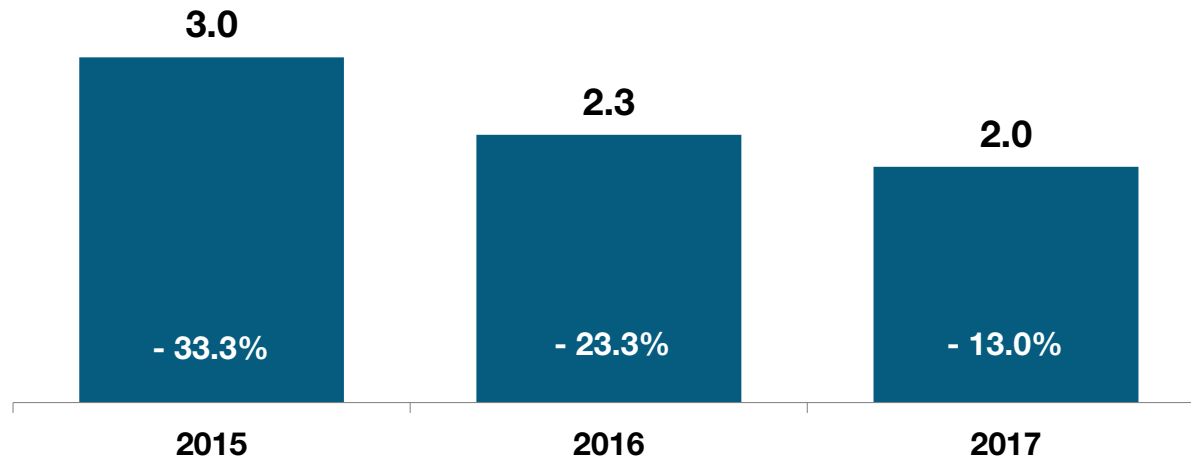


Months Supply of Inventory

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.



December



Months Supply	Prior Year	Percent Change
January 2017	2.1	-27.6%
February 2017	2.2	-24.1%
March 2017	2.4	-22.6%
April 2017	2.7	-18.2%
May 2017	2.7	-20.6%
June 2017	2.8	-20.0%
July 2017	2.9	-17.1%
August 2017	3.1	-8.8%
September 2017	3.0	-11.8%
October 2017	2.8	-9.7%
November 2017	2.5	-7.4%
December 2017	2.0	-13.0%
12-Month Avg	2.6	-16.1%

Historical Months Supply of Inventory by Month



Area Overview

New Listings, Closed Sales, and Median Sales Price are based on year-to-date (YTD) figures.
Homes for Sale and Months Supply are based on monthly figures.



	New Listings			Closed Sales			Median Sales Price			Homes for Sale			Months Supply		
	YTD 2016	YTD 2017	+ / -	YTD 2016	YTD 2017	+ / -	YTD 2016	YTD 2017	+ / -	12-2016	12-2017	+ / -	12-2016	12-2017	+ / -
Albert Lea	375	364	-2.9%	320	338	+5.6%	\$91,000	\$90,000	-1.1%	100	65	-35.0%	3.7	2.4	-35.1%
Austin	541	462	-14.6%	448	413	-7.8%	\$97,250	\$104,750	+7.7%	97	65	-33.0%	2.7	1.9	-29.6%
Blooming Prairie	46	38	-17.4%	52	28	-46.2%	\$119,000	\$124,249	+4.4%	4	8	+100.0%	1.0	2.7	+170.0%
Byron	166	157	-5.4%	149	135	-9.4%	\$229,900	\$269,900	+17.4%	18	37	+105.6%	1.4	3.5	+150.0%
Caledonia	38	38	0.0%	38	28	-26.3%	\$116,900	\$112,000	-4.2%	13	9	-30.8%	4.3	3.9	-9.3%
Chatfield	62	57	-8.1%	60	51	-15.0%	\$146,500	\$154,900	+5.7%	12	8	-33.3%	2.6	1.8	-30.8%
Dodge Center	68	68	0.0%	56	66	+17.9%	\$118,950	\$152,000	+27.8%	7	4	-42.9%	1.5	0.7	-53.3%
Grand Meadow	22	16	-27.3%	27	17	-37.0%	\$115,000	\$131,250	+14.1%	4	2	-50.0%	1.7	1.1	-35.3%
Hayfield	47	49	+4.3%	42	46	+9.5%	\$116,000	\$157,250	+35.6%	6	9	+50.0%	1.5	2.6	+73.3%
Kasson	128	158	+23.4%	136	145	+6.6%	\$184,950	\$200,000	+8.1%	11	19	+72.7%	1.0	1.6	+60.0%
La Crescent	58	50	-13.8%	47	41	-12.8%	\$192,500	\$215,000	+11.7%	20	17	-15.0%	5.6	5.0	-10.7%
Lake City	143	153	+7.0%	116	120	+3.4%	\$174,850	\$187,500	+7.2%	47	39	-17.0%	4.8	3.8	-20.8%
Oronoco	42	51	+21.4%	43	37	-14.0%	\$350,000	\$395,000	+12.9%	6	9	+50.0%	1.6	2.7	+68.8%
Owatonna	480	392	-18.3%	435	372	-14.5%	\$153,900	\$160,000	+4.0%	86	50	-41.9%	2.4	1.6	-33.3%
Preston	28	29	+3.6%	27	18	-33.3%	\$97,000	\$112,500	+16.0%	3	10	+233.3%	1.4	5.6	+300.0%
Pine Island	81	101	+24.7%	75	85	+13.3%	\$206,180	\$212,900	+3.3%	9	9	0.0%	1.4	1.2	-14.3%
Plainview	59	52	-11.9%	57	51	-10.5%	\$144,000	\$161,800	+12.4%	4	3	-25.0%	0.8	0.7	-12.5%
Rochester	2,561	2,521	-1.6%	2,354	2,350	-0.2%	\$197,500	\$220,000	+11.4%	300	271	-9.7%	1.5	1.4	-6.7%
Spring Valley	60	61	+1.7%	53	60	+13.2%	\$124,500	\$130,325	+4.7%	11	6	-45.5%	2.4	1.2	-50.0%
St. Charles	63	62	-1.6%	60	56	-6.7%	\$169,900	\$169,950	+0.0%	11	10	-9.1%	2.2	2.2	0.0%
Stewartville	107	89	-16.8%	97	85	-12.4%	\$172,000	\$180,670	+5.0%	9	8	-11.1%	1.0	1.2	+20.0%
Wabasha	80	73	-8.8%	54	60	+11.1%	\$145,000	\$158,000	+9.0%	29	21	-27.6%	6.2	3.8	-38.7%
Waseca	59	74	+25.4%	47	65	+38.3%	\$115,000	\$144,000	+25.2%	16	12	-25.0%	4.1	2.2	-46.3%
Winona	423	423	0.0%	379	393	+3.7%	\$140,000	\$139,900	-0.1%	78	69	-11.5%	2.4	2.2	-8.3%
Zumbrota	64	92	+43.8%	70	81	+15.7%	\$193,950	\$199,900	+3.1%	9	9	0.0%	1.4	1.3	-7.1%