

Monthly Indicators



July 2018

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

Housing price bubble chatter has increased this summer, as market observers attempt to predict the next residential real estate shift. It is too early to predict a change from higher prices and lower inventory, but the common markers that caused the last housing cooldown are present. Wages are up but not at the same pace as home prices, leading to the kind of affordability concerns that can cause fewer sales at lower prices. At the same time, demand is still outpacing what is available for sale in many markets.

New Listings Southeast Minnesota were up 7.7 percent to 712. Pending Sales increased 4.7 percent to 582. Inventory shrank 4.7 percent to 1,409 units.

Prices moved higher as the Median Sales Price was up 8.6 percent to \$192,150. Days on Market increased 9.8 percent to 56 days. Months Supply of Inventory remained flat at 2.9

Consumer spending on home goods and renovations are up, and more people are entering the workforce. Employed people spending money is good for the housing market. Meanwhile, GDP growth was 4.1% in the second quarter, the strongest showing since 2014. Housing starts are down, but that is more reflective of low supply than anything else. With a growing economy, solid lending practices and the potential for improved inventory from new listing and building activity, market balance is more likely than a bubble.

Activity Snapshot

- 0.7% **+ 8.6%** **- 4.7%**

One-Year Change in Closed Sales	One-Year Change in Median Sales Price	One-Year Change in Homes for Sale
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Activity Overview

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



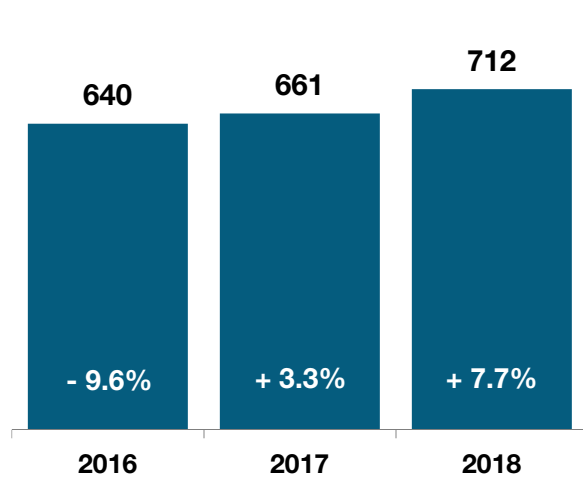
Key Metrics	Historical Sparkbars	7-2017	7-2018	Percent Change	YTD 2017	YTD 2018	Percent Change
New Listings		661	712	+ 7.7%	4,514	4,366	- 3.3%
Pending Sales		556	582	+ 4.7%	3,844	3,668	- 4.6%
Closed Sales		592	588	- 0.7%	3,499	3,313	- 5.3%
Days on Market		51	56	+ 9.8%	67	63	- 6.0%
Median Sales Price		\$176,950	\$192,150	+ 8.6%	\$175,000	\$191,868	+ 9.6%
Avg. Sales Price		\$204,122	\$224,885	+ 10.2%	\$204,218	\$217,782	+ 6.6%
Pct. of Orig. Price Received		97.5%	97.4%	- 0.1%	97.2%	97.3%	+ 0.1%
Affordability Index		223	194	- 13.0%	226	194	- 14.2%
Homes for Sale		1,478	1,409	- 4.7%	--	--	--
Months Supply		2.9	2.9	0.0%	--	--	--

New Listings

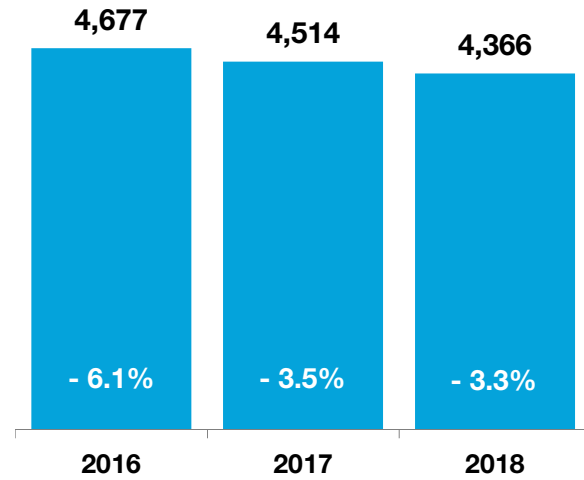
A count of the properties that have been newly listed on the market in a given month.



July

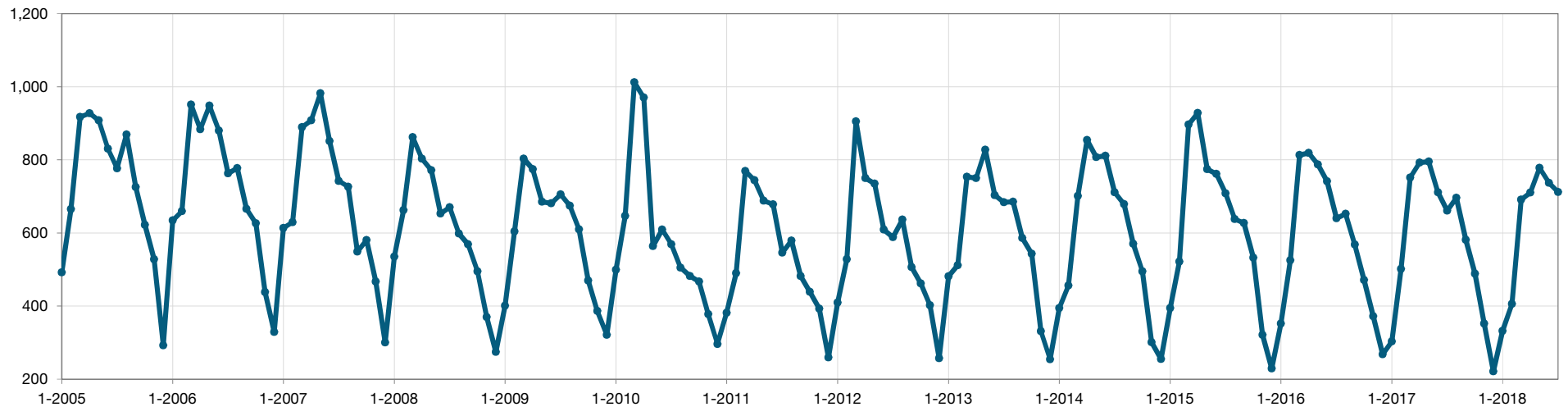


Year to Date



	New Listings	Prior Year	Percent Change
August 2017	696	652	+6.7%
September 2017	581	568	+2.3%
October 2017	488	471	+3.6%
November 2017	352	372	-5.4%
December 2017	221	268	-17.5%
January 2018	332	303	+9.6%
February 2018	406	501	-19.0%
March 2018	691	751	-8.0%
April 2018	710	792	-10.4%
May 2018	778	795	-2.1%
June 2018	737	711	+3.7%
July 2018	712	661	+7.7%
12-Month Avg	559	570	-1.9%

Historical New Listings by Month

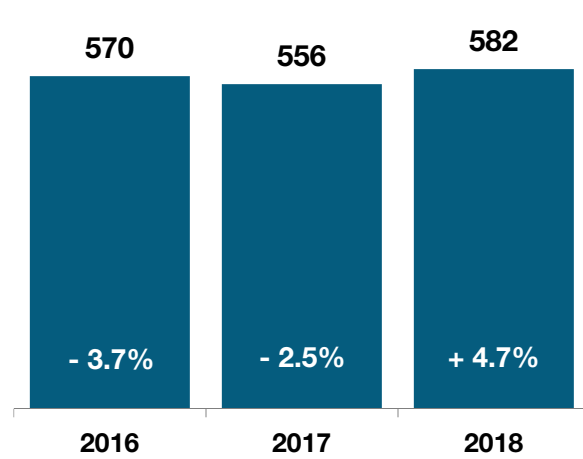


Pending Sales

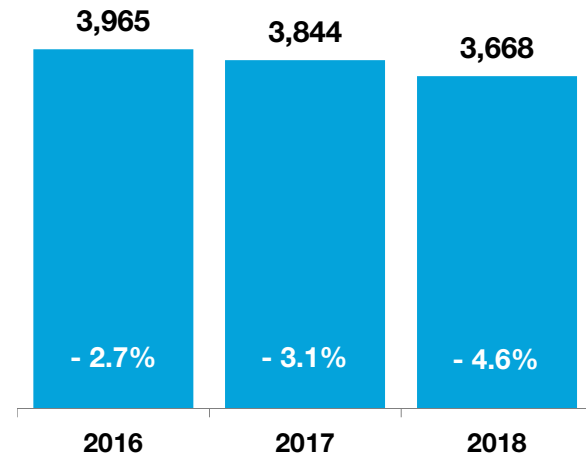
A count of the properties on which offers have been accepted in a given month.



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Year to Date



	Pending Sales	Prior Year	Percent Change
August 2017	552	588	-6.1%
September 2017	499	470	+6.2%
October 2017	468	498	-6.0%
November 2017	399	411	-2.9%
December 2017	296	328	-9.8%
January 2018	314	314	0.0%
February 2018	395	402	-1.7%
March 2018	561	599	-6.3%
April 2018	609	637	-4.4%
May 2018	647	730	-11.4%
June 2018	560	606	-7.6%
July 2018	582	556	+4.7%
12-Month Avg	490	512	-4.3%

Historical Pending Sales by Month

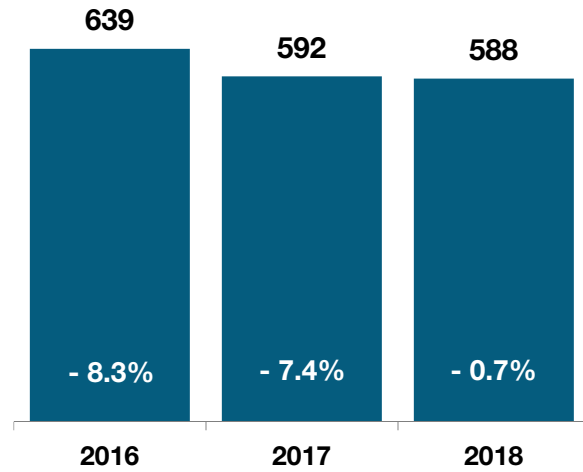


Closed Sales

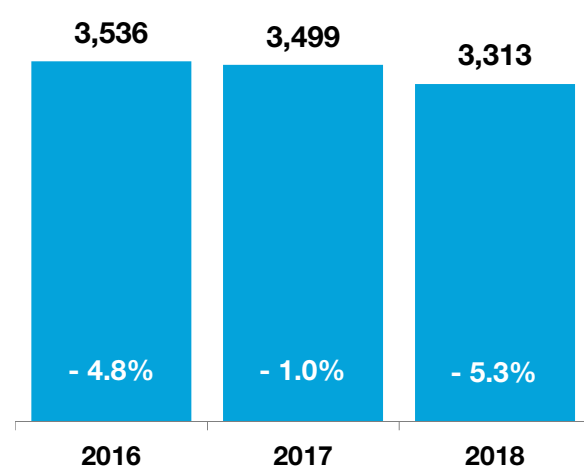
A count of the actual sales that closed in a given month.



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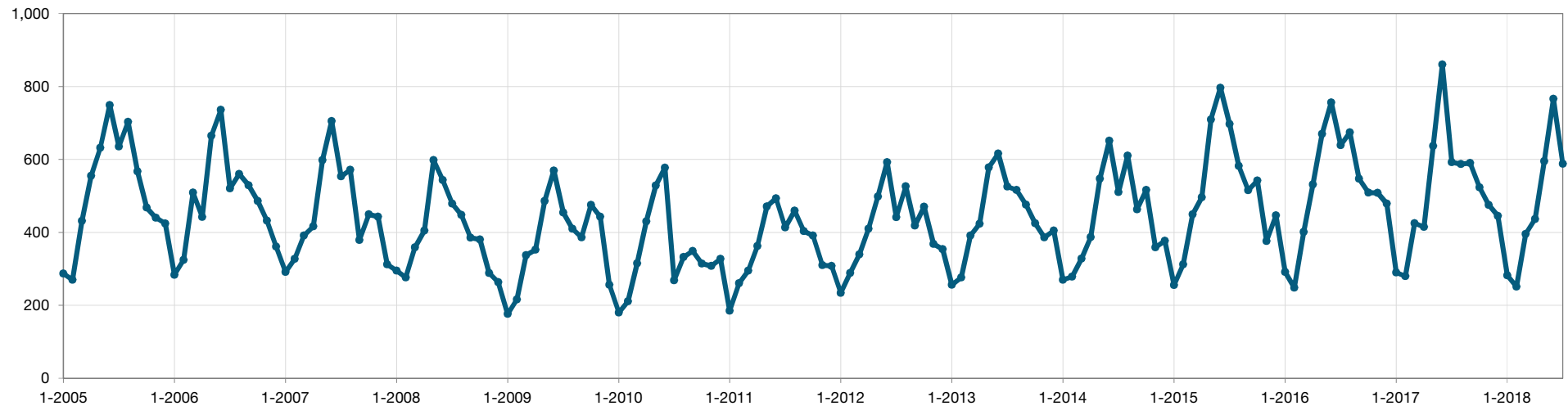


Year to Date



	Closed Sales	Prior Year	Percent Change
August 2017	587	674	-12.9%
September 2017	590	547	+7.9%
October 2017	523	509	+2.8%
November 2017	475	508	-6.5%
December 2017	445	479	-7.1%
January 2018	282	290	-2.8%
February 2018	251	280	-10.4%
March 2018	395	425	-7.1%
April 2018	436	415	+5.1%
May 2018	595	637	-6.6%
June 2018	766	860	-10.9%
July 2018	588	592	-0.7%
12-Month Avg	494	518	-4.6%

Historical Closed Sales by Month

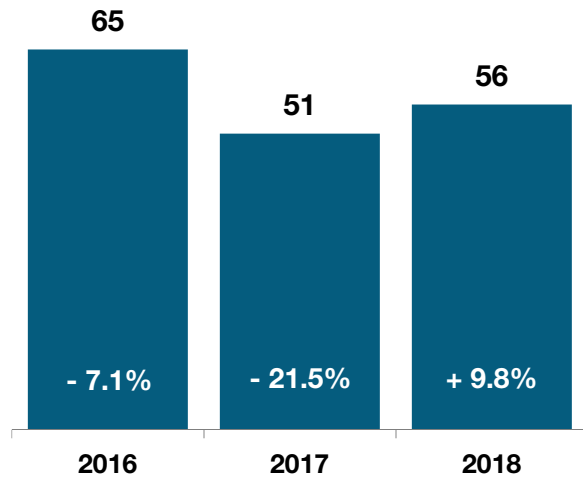


Days on Market Until Sale

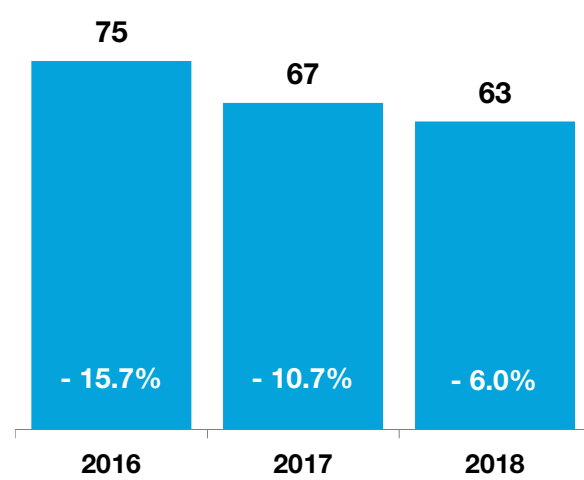
Average number of days between when a property is listed and when an offer is accepted in a given month.



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Year to Date



Days on Market		Prior Year	Percent Change
August 2017	53	62	-14.5%
September 2017	55	69	-20.3%
October 2017	57	73	-21.9%
November 2017	61	84	-27.4%
December 2017	68	80	-15.0%
January 2018	71	84	-15.5%
February 2018	87	84	+3.6%
March 2018	73	85	-14.1%
April 2018	66	76	-13.2%
May 2018	66	60	+10.0%
June 2018	48	57	-15.8%
July 2018	56	51	+9.8%
12-Month Avg	63	72	-12.5%

Historical Days on Market Until Sale by Month

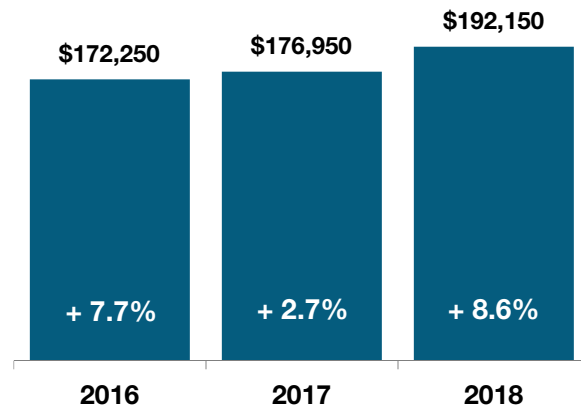


Median Sales Price

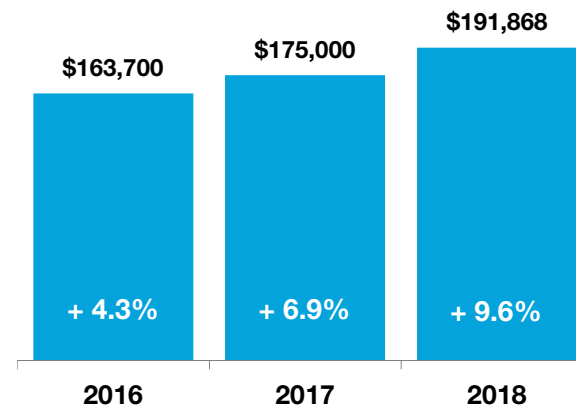
Point at which half of the sales sold for more and half sold for less, not accounting for seller concessions, in a given month.



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Year to Date



	Median Sales Price	Prior Year	Percent Change
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%
January 2018	\$175,000	\$164,900	+6.1%
February 2018	\$186,125	\$160,575	+15.9%
March 2018	\$186,500	\$165,950	+12.4%
April 2018	\$182,150	\$180,500	+0.9%
May 2018	\$195,000	\$178,000	+9.6%
June 2018	\$206,000	\$184,200	+11.8%
July 2018	\$192,150	\$176,950	+8.6%
12-Month Avg	\$184,328	\$170,015	+8.4%

Historical Median Sales Price by Month

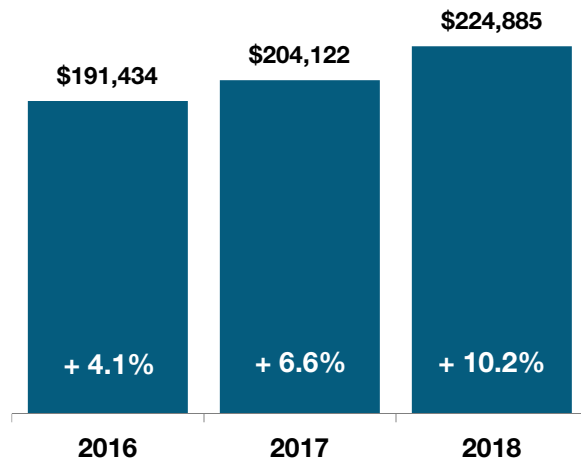


Average Sales Price

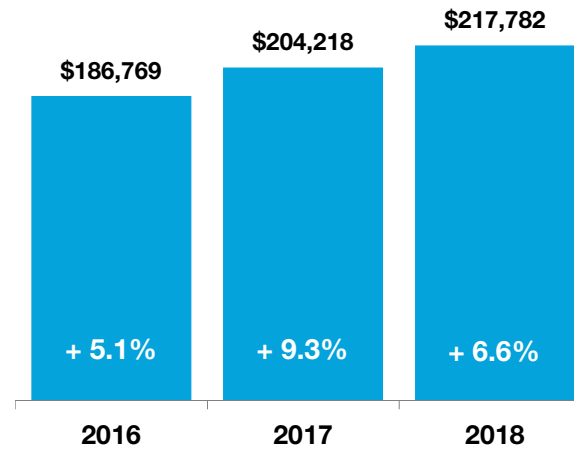
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



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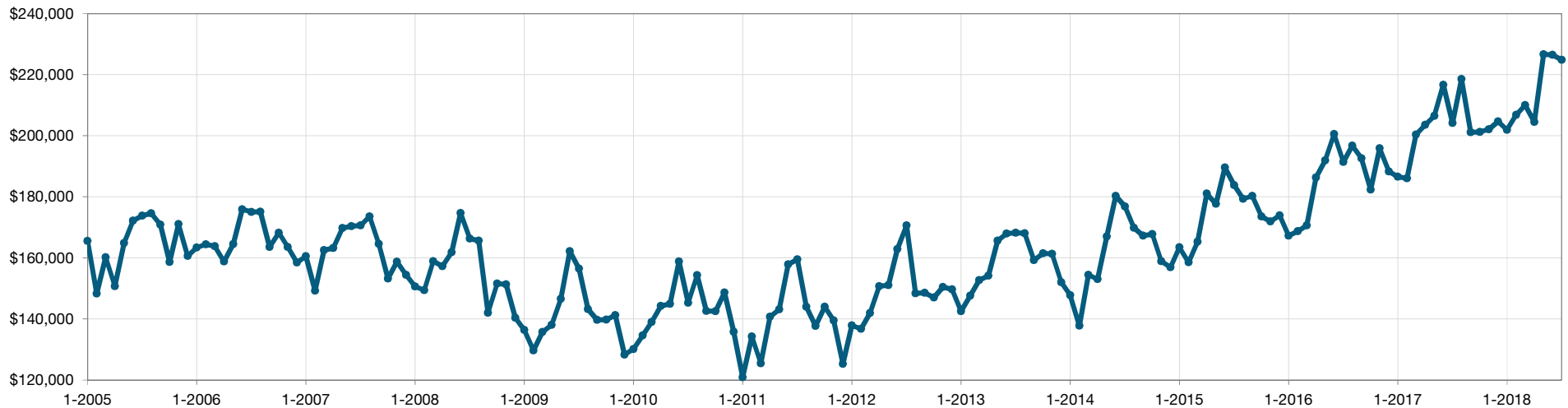


Year to Date



	Avg. Sales Price	Prior Year	Percent Change
August 2017	\$218,550	\$196,740	+11.1%
September 2017	\$201,168	\$192,569	+4.5%
October 2017	\$201,218	\$182,341	+10.4%
November 2017	\$202,129	\$195,851	+3.2%
December 2017	\$204,667	\$188,260	+8.7%
January 2018	\$201,889	\$186,558	+8.2%
February 2018	\$206,812	\$186,053	+11.2%
March 2018	\$210,059	\$200,324	+4.9%
April 2018	\$204,476	\$203,577	+0.4%
May 2018	\$226,656	\$206,503	+9.8%
June 2018	\$226,449	\$216,688	+4.5%
July 2018	\$224,885	\$204,122	+10.2%
12-Month Avg	\$210,746	\$196,632	+7.2%

Historical Average Sales Price by Month

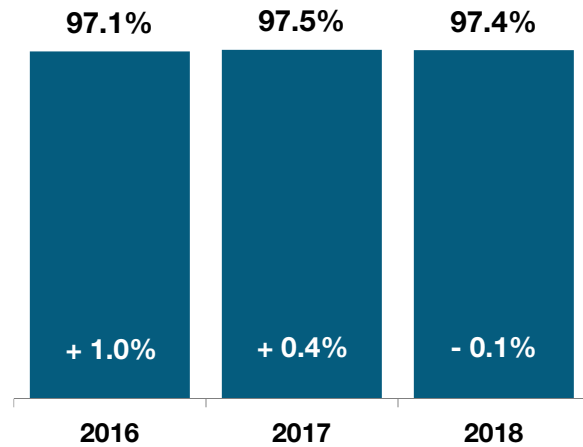


Percent of Original List Price Received

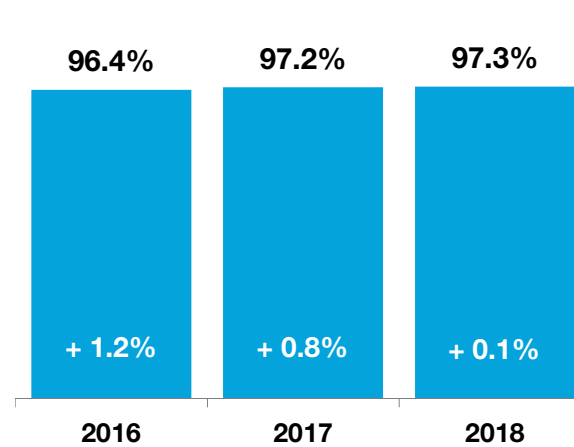
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



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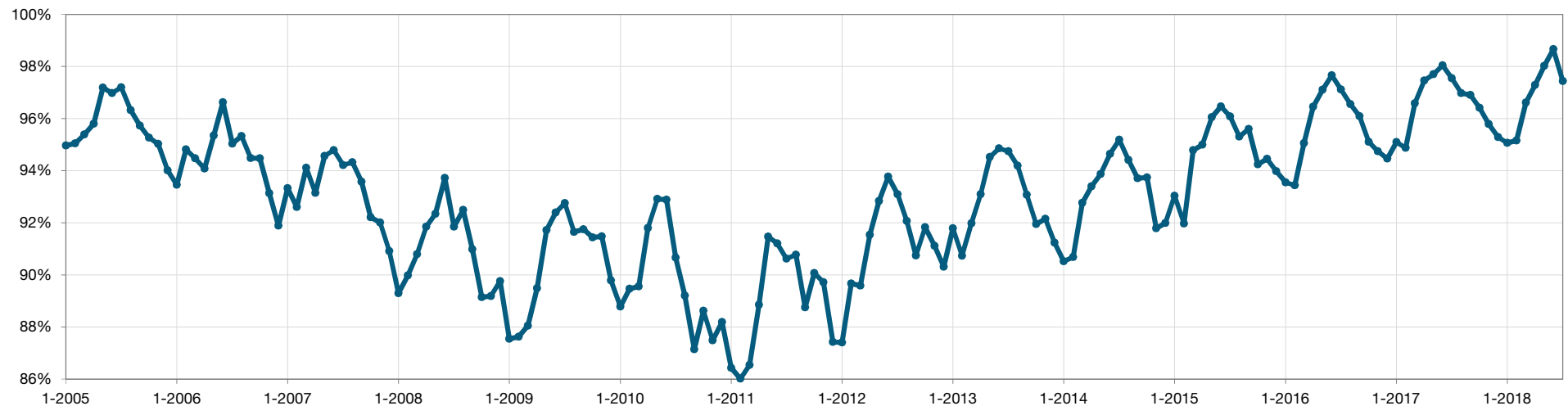


Year to Date



	Pct. of Orig. Price Received	Prior Year	Percent Change
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	95.3%	94.5%	+0.8%
January 2018	95.1%	95.1%	0.0%
February 2018	95.2%	94.9%	+0.3%
March 2018	96.6%	96.6%	0.0%
April 2018	97.3%	97.5%	-0.2%
May 2018	98.0%	97.7%	+0.3%
June 2018	98.7%	98.0%	+0.7%
July 2018	97.4%	97.5%	-0.1%
12-Month Avg	96.6%	96.2%	+0.4%

Historical Percent of Original List Price Received by Month

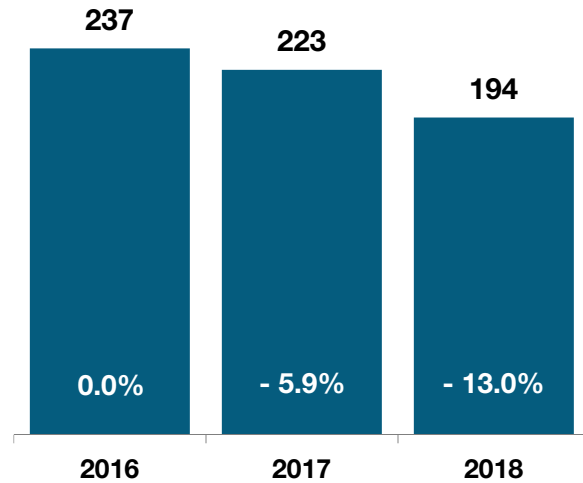


Housing Affordability Index

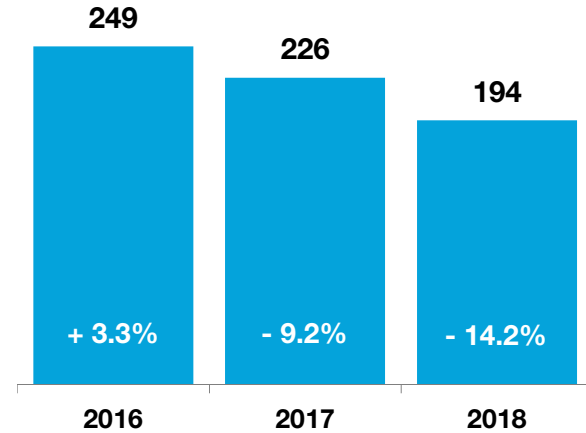
This index measures housing affordability for the region. For example, an index of 120 means the median household income is 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.



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Year to Date



	Affordability Index	Prior Year	Percent Change
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%
January 2018	216	227	-4.8%
February 2018	203	240	-15.4%
March 2018	202	232	-12.9%
April 2018	203	217	-6.5%
May 2018	190	222	-14.4%
June 2018	181	214	-15.4%
July 2018	194	223	-13.0%
12-Month Avg	208	232	-10.3%

Historical Housing Affordability Index by Month

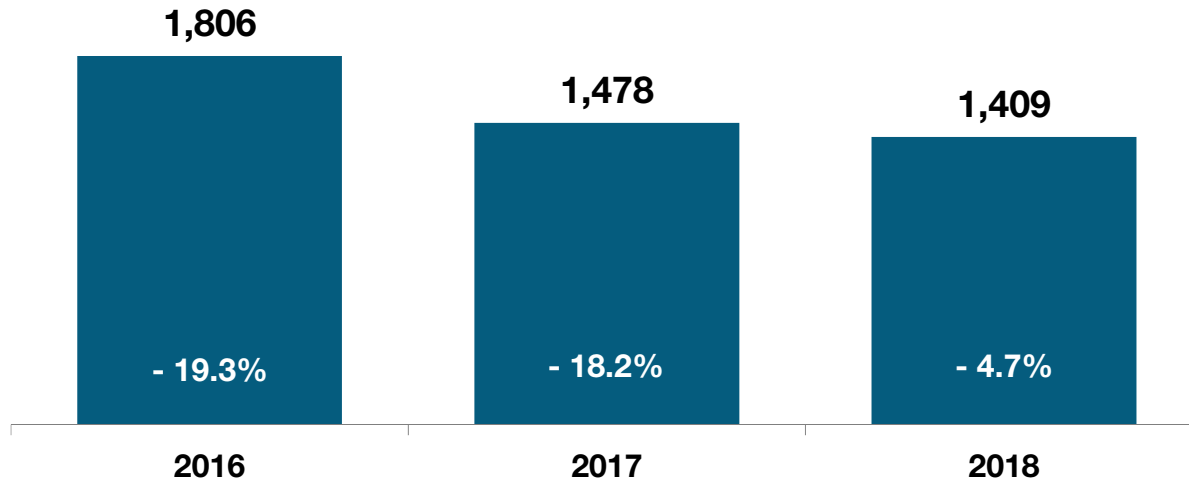


Inventory of Homes for Sale

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

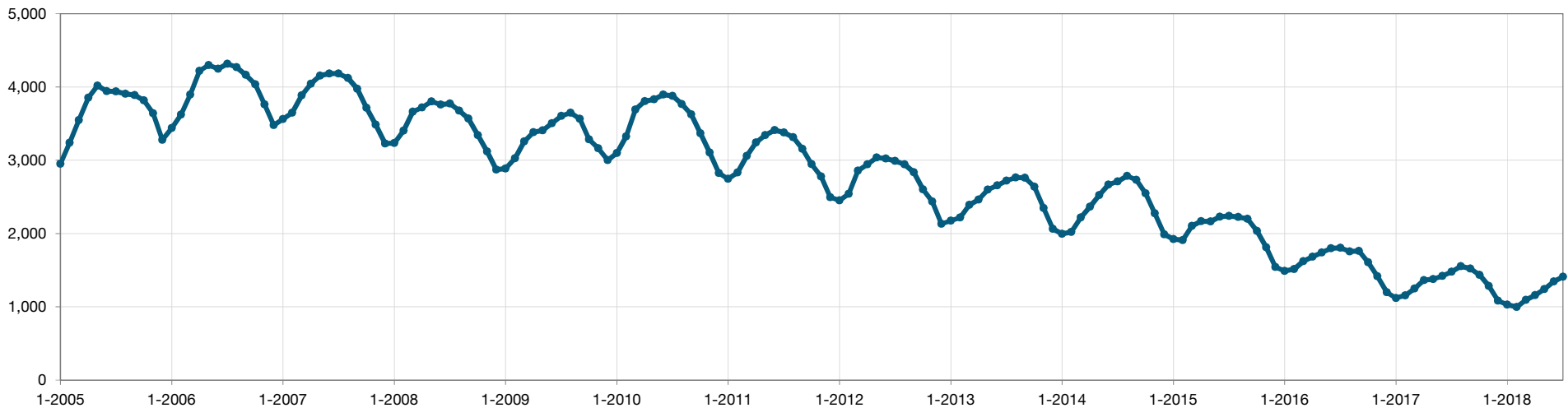


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Homes for Sale		Prior Year	Percent Change
August 2017	1,552	1,753	-11.5%
September 2017	1,522	1,763	-13.7%
October 2017	1,434	1,608	-10.8%
November 2017	1,282	1,416	-9.5%
December 2017	1,083	1,197	-9.5%
January 2018	1,030	1,117	-7.8%
February 2018	997	1,156	-13.8%
March 2018	1,092	1,249	-12.6%
April 2018	1,159	1,363	-15.0%
May 2018	1,241	1,376	-9.8%
June 2018	1,344	1,421	-5.4%
July 2018	1,409	1,478	-4.7%
12-Month Avg	1,262	1,408	-10.4%

Historical Inventory of Homes for Sale by Month

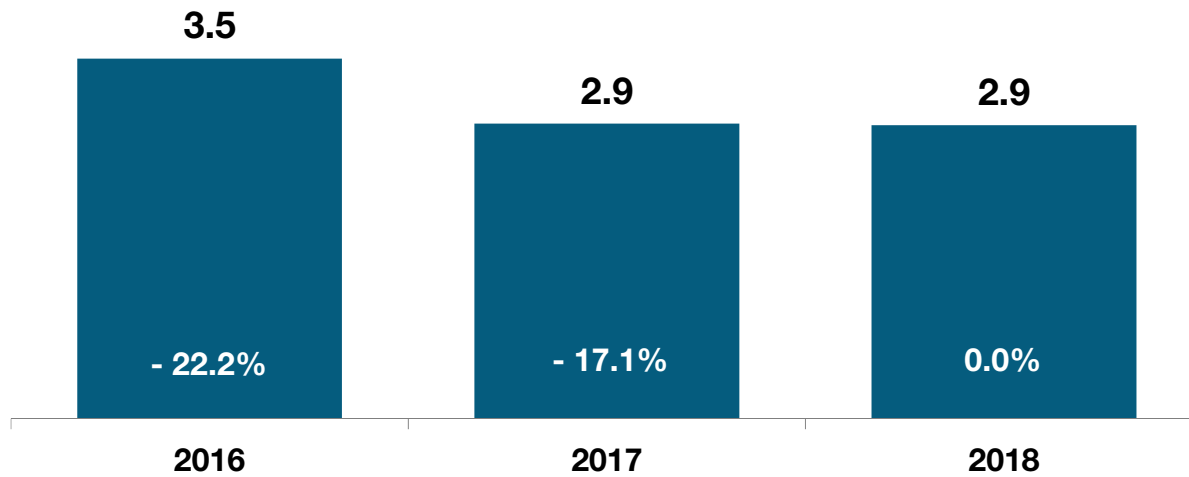


Months Supply of Inventory

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.

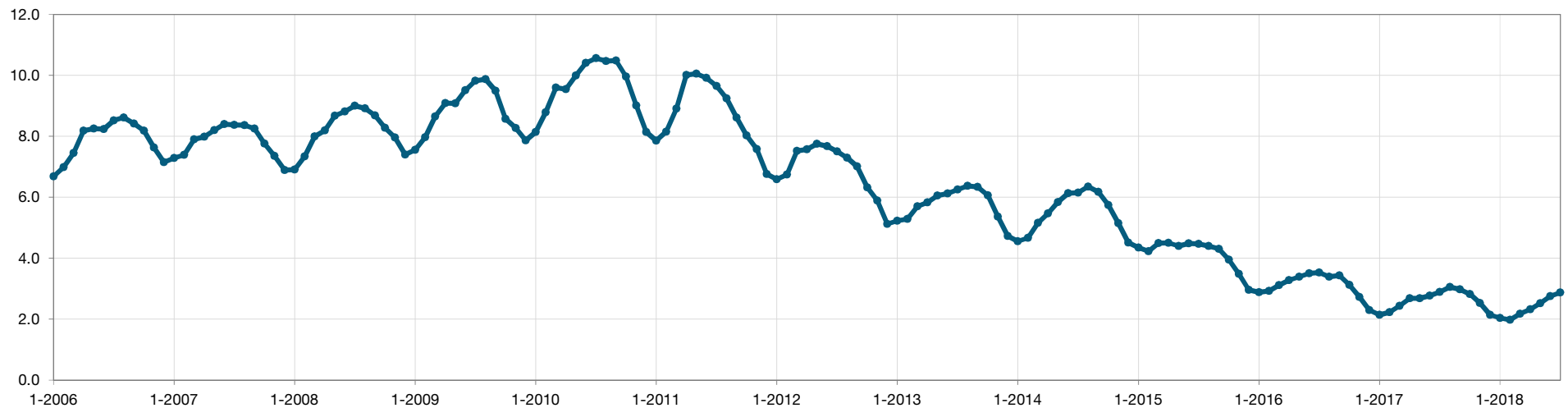


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Months Supply		Prior Year	Percent Change
August 2017	3.1	3.4	-8.8%
September 2017	3.0	3.4	-11.8%
October 2017	2.8	3.1	-9.7%
November 2017	2.5	2.7	-7.4%
December 2017	2.1	2.3	-8.7%
January 2018	2.0	2.1	-4.8%
February 2018	2.0	2.2	-9.1%
March 2018	2.2	2.4	-8.3%
April 2018	2.3	2.7	-14.8%
May 2018	2.5	2.7	-7.4%
June 2018	2.8	2.8	0.0%
July 2018	2.9	2.9	0.0%
12-Month Avg	2.5	2.7	-7.4%

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 2017	YTD 2018	+ / -	YTD 2017	YTD 2018	+ / -	YTD 2017	YTD 2018	+ / -	7-2017	7-2018	+ / -	7-2017	7-2018	+ / -
Albert Lea	261	198	-24.1%	192	145	-24.5%	\$87,700	\$110,000	+25.4%	120	70	-41.7%	4.3	2.9	-32.6%
Austin	292	321	+9.9%	229	239	+4.4%	\$102,000	\$93,200	-8.6%	83	90	+8.4%	2.3	2.6	+13.0%
Bloomington	22	20	-9.1%	13	17	+30.8%	\$112,900	\$120,000	+6.3%	9	5	-44.4%	3.3	1.4	-57.6%
Byron	95	108	+13.7%	74	71	-4.1%	\$271,950	\$263,000	-3.3%	29	49	+69.0%	2.6	4.5	+73.1%
Caledonia	24	19	-20.8%	13	14	+7.7%	\$118,500	\$133,500	+12.7%	16	13	-18.8%	6.2	5.5	-11.3%
Chatfield	35	28	-20.0%	32	24	-25.0%	\$157,450	\$173,700	+10.3%	11	8	-27.3%	2.4	2.0	-16.7%
Dodge Center	42	35	-16.7%	35	21	-40.0%	\$140,000	\$169,200	+20.9%	11	14	+27.3%	2.2	3.3	+50.0%
Grand Meadow	13	7	-46.2%	9	7	-22.2%	\$140,000	\$106,000	-24.3%	3	1	-66.7%	1.5	0.6	-60.0%
Hayfield	32	27	-15.6%	30	21	-30.0%	\$148,250	\$137,000	-7.6%	9	5	-44.4%	2.2	1.4	-36.4%
Kasson	103	99	-3.9%	78	68	-12.8%	\$196,500	\$205,825	+4.7%	25	30	+20.0%	2.2	2.7	+22.7%
La Crescent	24	36	+50.0%	20	31	+55.0%	\$225,500	\$290,000	+28.6%	15	12	-20.0%	4.7	2.6	-44.7%
Lake City	108	108	0.0%	68	68	0.0%	\$195,500	\$188,000	-3.8%	58	62	+6.9%	5.4	6.5	+20.4%
Oronoco	34	21	-38.2%	25	19	-24.0%	\$397,700	\$420,000	+5.6%	7	9	+28.6%	1.8	3.4	+88.9%
Owatonna	259	240	-7.3%	218	197	-9.6%	\$158,000	\$181,500	+14.9%	77	57	-26.0%	2.3	1.9	-17.4%
Preston	20	25	+25.0%	9	15	+66.7%	\$115,000	\$145,000	+26.1%	9	11	+22.2%	4.5	4.8	+6.7%
Pine Island	67	44	-34.3%	47	38	-19.1%	\$200,000	\$240,450	+20.2%	18	13	-27.8%	2.5	2.2	-12.0%
Plainview	34	37	+8.8%	28	24	-14.3%	\$160,750	\$179,950	+11.9%	6	9	+50.0%	1.2	2.0	+66.7%
Rochester	1,688	1,679	-0.5%	1,395	1,349	-3.3%	\$220,000	\$235,000	+6.8%	385	413	+7.3%	2.0	2.2	+10.0%
Spring Valley	42	27	-35.7%	34	24	-29.4%	\$136,000	\$127,750	-6.1%	14	7	-50.0%	3.0	1.8	-40.0%
St. Charles	46	28	-39.1%	37	19	-48.6%	\$180,000	\$154,500	-14.2%	15	12	-20.0%	3.2	3.7	+15.6%
Stewartville	64	53	-17.2%	53	36	-32.1%	\$178,000	\$192,450	+8.1%	15	14	-6.7%	2.0	2.5	+25.0%
Wabasha	47	30	-36.2%	37	30	-18.9%	\$137,500	\$158,550	+15.3%	25	17	-32.0%	4.6	3.8	-17.4%
Waseca	49	43	-12.2%	32	34	+6.3%	\$146,500	\$129,950	-11.3%	18	13	-27.8%	3.3	2.4	-27.3%
Winona	267	290	+8.6%	216	208	-3.7%	\$136,250	\$141,500	+3.9%	104	125	+20.2%	3.3	4.0	+21.2%
Zumbrota	63	61	-3.2%	41	44	+7.3%	\$192,600	\$215,000	+11.6%	18	25	+38.9%	2.8	4.1	+46.4%