

Monthly Indicators



October 2016

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

As we enter the final quarter of 2016, not much has changed since the year began. Market predictions have been, in a word, predictable. A relatively comfortable pace of activity has been maintained thanks to continuing low unemployment and mortgage rates. The one basic drag on market acceleration has been inventory decline. There is little to indicate that the low inventory situation will resolve anytime soon.

New Listings in Southeast Minnesota decreased 12.2 percent to 467. Pending Sales were up 3.9 percent to 505. Inventory levels shrank 24.8 percent to 1,530 units.

Prices continued to gain traction. The Median Sales Price increased 6.7 percent to \$160,000. Days on Market was down 11.0 percent to 73 days. Sellers were encouraged as Months Supply of Inventory was down 25.0 percent to 3.0 months.

Builder confidence is as high as it has been in more than a decade, yet the pace of economic growth has been slow enough to cause pause. A low number of first-time buyer purchases and a looming demographic shift also seem to be curbing the desire to start new single-family construction projects. As older Americans retire and downsize, single-family listings are expected to rise. The waiting is the hardest part.

Activity Snapshot

- 7.0% **+ 6.7%** **- 24.8%**

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.



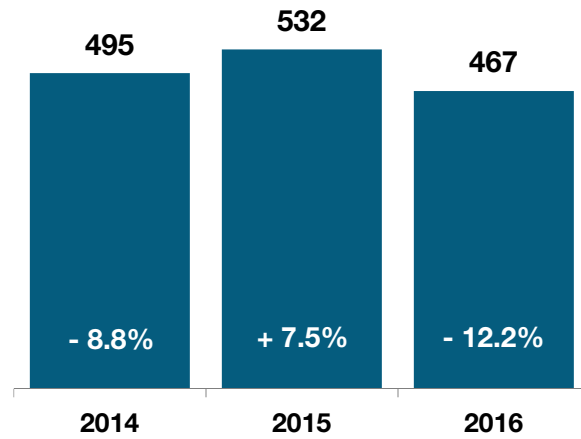
Key Metrics	Historical Sparkbars	10-2015	10-2016	Percent Change	YTD 2015	YTD 2016	Percent Change
New Listings		532	467	- 12.2%	6,779	6,354	- 6.3%
Pending Sales		486	505	+ 3.9%	5,598	5,538	- 1.1%
Closed Sales		541	503	- 7.0%	5,352	5,255	- 1.8%
Days on Market		82	73	- 11.0%	85	72	- 15.3%
Median Sales Price		\$150,000	\$160,000	+ 6.7%	\$156,450	\$164,900	+ 5.4%
Avg. Sales Price		\$173,620	\$182,854	+ 5.3%	\$177,761	\$188,159	+ 5.8%
Pct. of Orig. Price Received		94.2%	95.1%	+ 1.0%	95.2%	96.2%	+ 1.1%
Affordability Index		257	258	+ 0.4%	246	250	+ 1.6%
Homes for Sale		2,034	1,530	- 24.8%	--	--	--
Months Supply		4.0	3.0	- 25.0%	--	--	--

New Listings

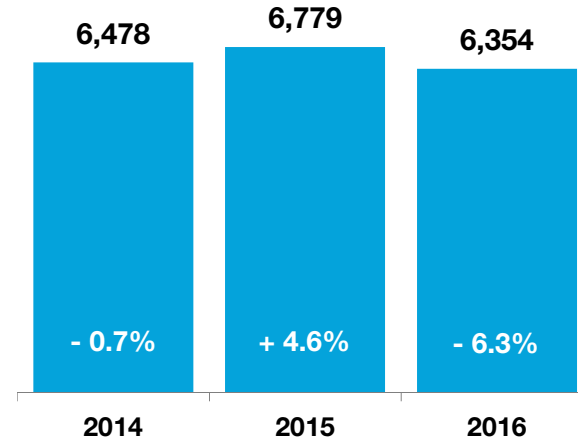
A count of the properties that have been newly listed on the market in a given month.



October



Year to Date



	New Listings	Prior Year	Percent Change
November 2015	321	301	+6.6%
December 2015	229	255	-10.2%
January 2016	351	394	-10.9%
February 2016	524	521	+0.6%
March 2016	814	896	-9.2%
April 2016	818	928	-11.9%
May 2016	786	774	+1.6%
June 2016	740	761	-2.8%
July 2016	640	708	-9.6%
August 2016	649	638	+1.7%
September 2016	565	627	-9.9%
October 2016	467	532	-12.2%
12-Month Avg	575	611	-5.9%

Historical New Listings by Month

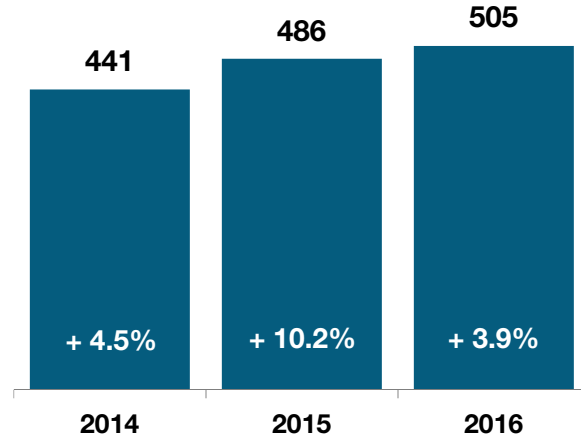


Pending Sales

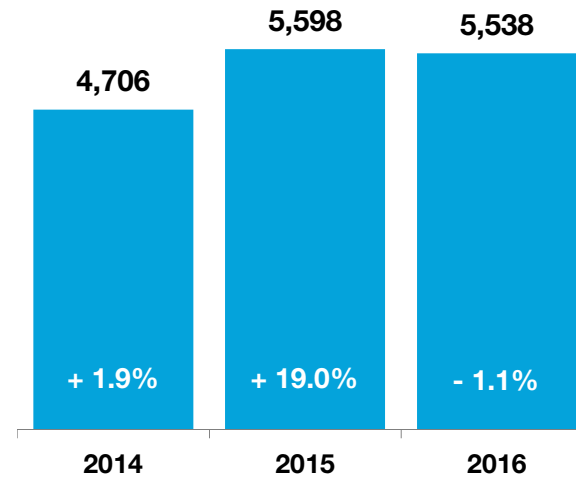
A count of the properties on which offers have been accepted in a given month.



October



Year to Date



Pending Sales		Prior Year	Percent Change
November 2015	362	309	+17.2%
December 2015	292	272	+7.4%
January 2016	315	362	-13.0%
February 2016	445	440	+1.1%
March 2016	652	629	+3.7%
April 2016	700	773	-9.4%
May 2016	675	684	-1.3%
June 2016	610	595	+2.5%
July 2016	570	592	-3.7%
August 2016	589	532	+10.7%
September 2016	477	505	-5.5%
October 2016	505	486	+3.9%
12-Month Avg	516	515	+0.2%

Historical Pending Sales by Month

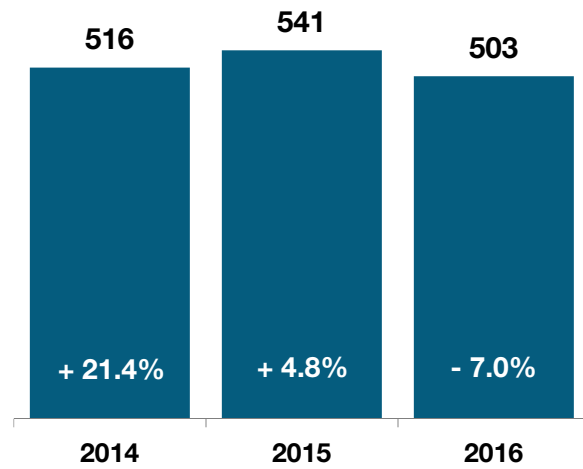


Closed Sales

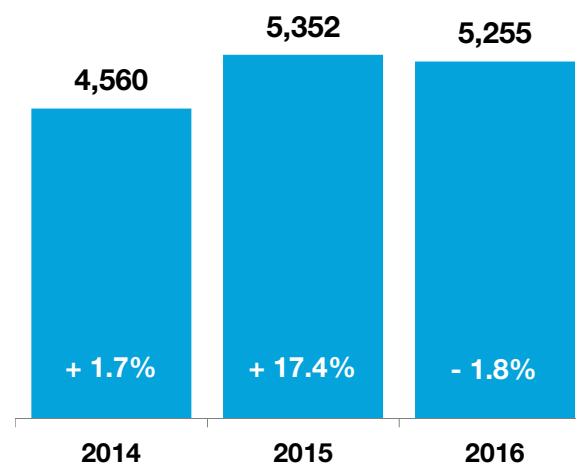
A count of the actual sales that closed in a given month.



October



Year to Date



Closed Sales	Prior Year	Percent Change
November 2015	376	+4.7%
December 2015	446	+18.3%
January 2016	290	+13.7%
February 2016	248	-20.5%
March 2016	401	-10.7%
April 2016	530	+6.9%
May 2016	669	-5.6%
June 2016	756	-5.0%
July 2016	639	-8.3%
August 2016	673	+15.6%
September 2016	546	+6.0%
October 2016	503	-7.0%
12-Month Avg	506	-0.2%

Historical Closed Sales by Month

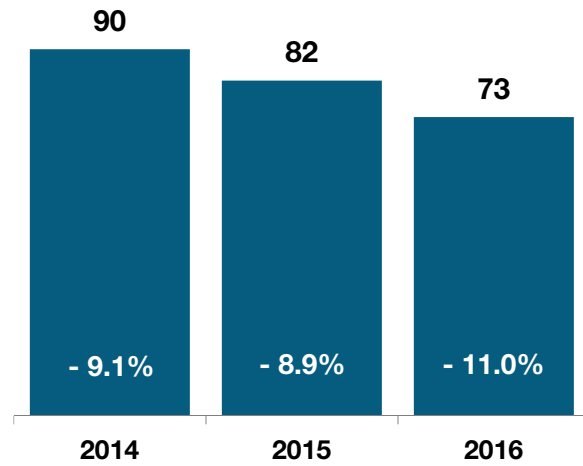


Days on Market Until Sale

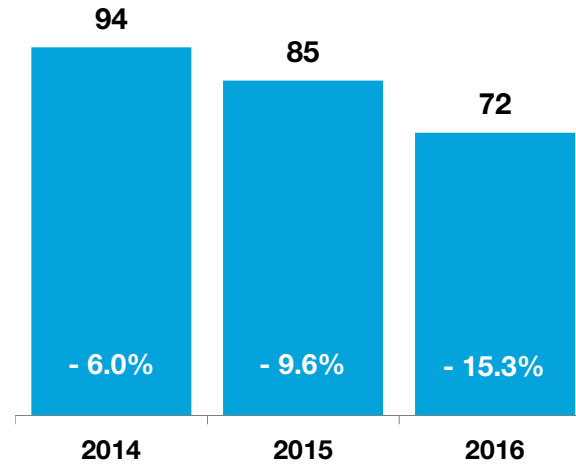
Average number of days between when a property is listed and when an offer is accepted in a given month.



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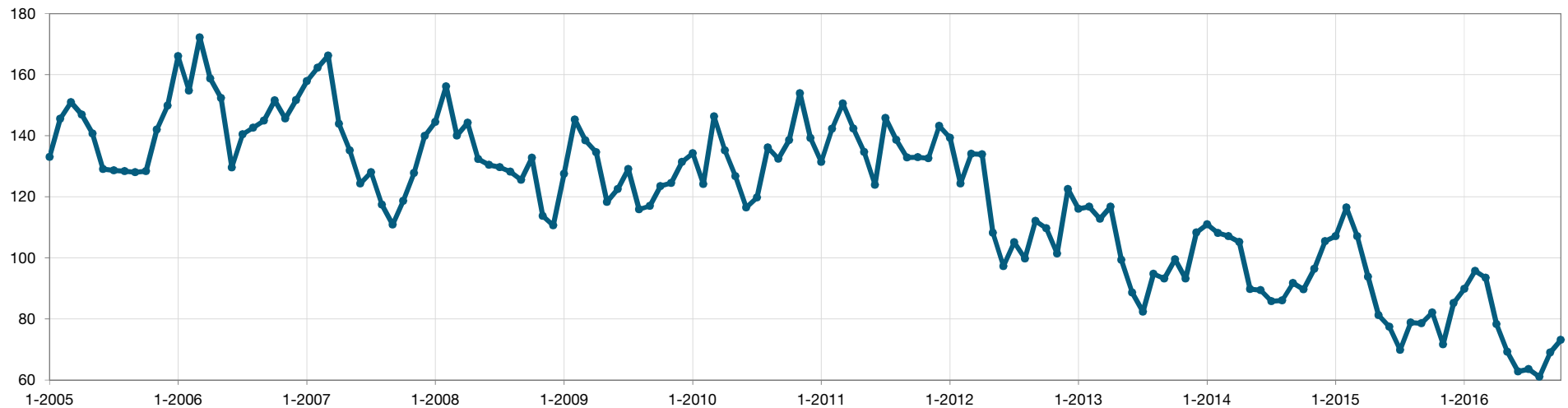


Year to Date



Days on Market	Prior Year	Percent Change	
November 2015	72	96	-25.0%
December 2015	85	105	-19.0%
January 2016	90	107	-15.9%
February 2016	96	117	-17.9%
March 2016	94	107	-12.1%
April 2016	78	94	-17.0%
May 2016	69	81	-14.8%
June 2016	63	77	-18.2%
July 2016	64	70	-8.6%
August 2016	61	79	-22.8%
September 2016	69	79	-12.7%
October 2016	73	82	-11.0%
12-Month Avg	76	91	-16.5%

Historical Days on Market Until Sale by Month

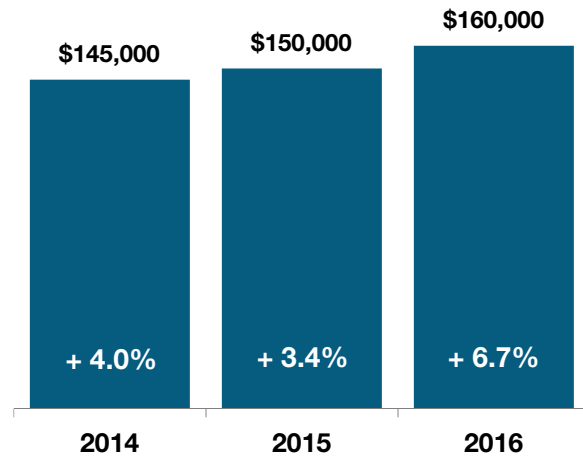


Median Sales Price

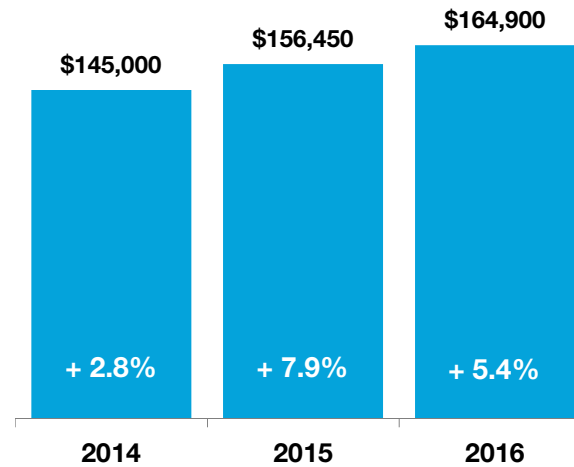
Point at which half of the sales sold for more and half sold for less, not accounting for seller concessions, in a given month.



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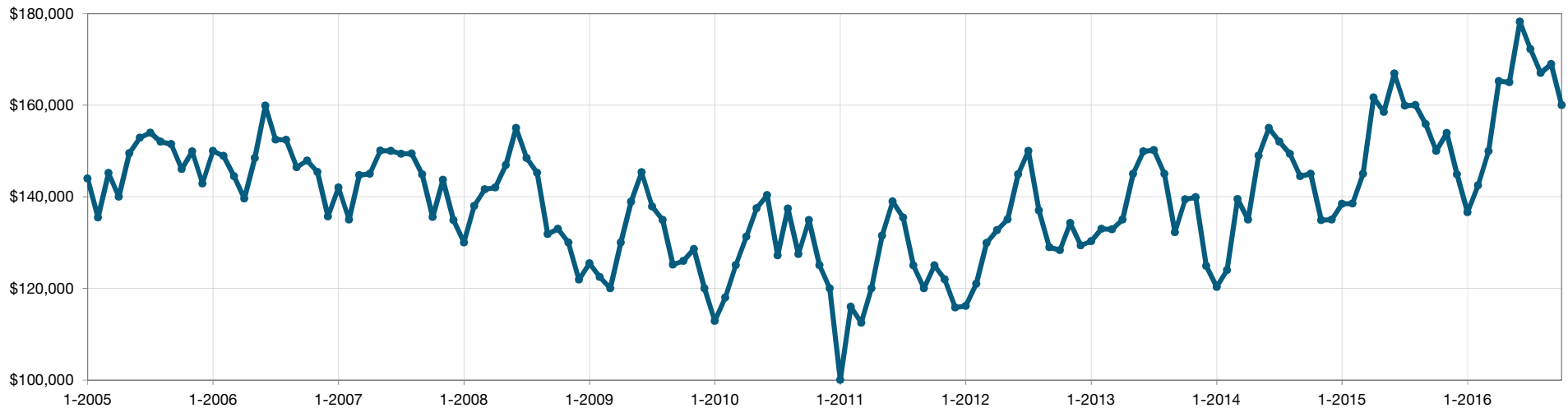


Year to Date



	Median Sales Price	Prior Year	Percent Change
November 2015	\$153,900	\$134,900	+14.1%
December 2015	\$144,900	\$135,000	+7.3%
January 2016	\$136,600	\$138,457	-1.3%
February 2016	\$142,500	\$138,550	+2.9%
March 2016	\$149,950	\$145,000	+3.4%
April 2016	\$165,250	\$161,700	+2.2%
May 2016	\$165,000	\$158,500	+4.1%
June 2016	\$178,250	\$166,900	+6.8%
July 2016	\$172,250	\$159,900	+7.7%
August 2016	\$167,000	\$160,000	+4.4%
September 2016	\$169,000	\$155,900	+8.4%
October 2016	\$160,000	\$150,000	+6.7%
12-Month Avg	\$158,717	\$150,401	+5.5%

Historical Median Sales Price by Month

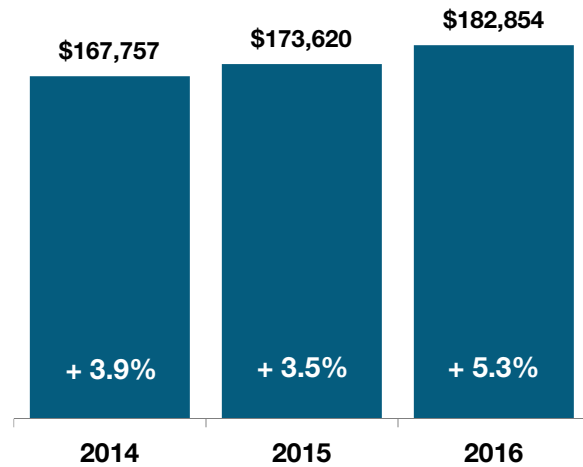


Average Sales Price

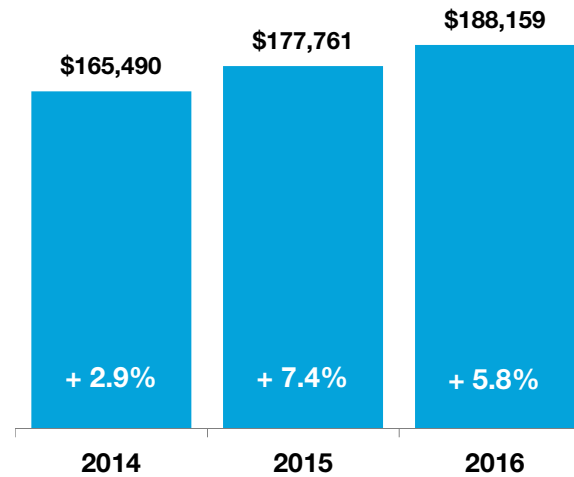
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



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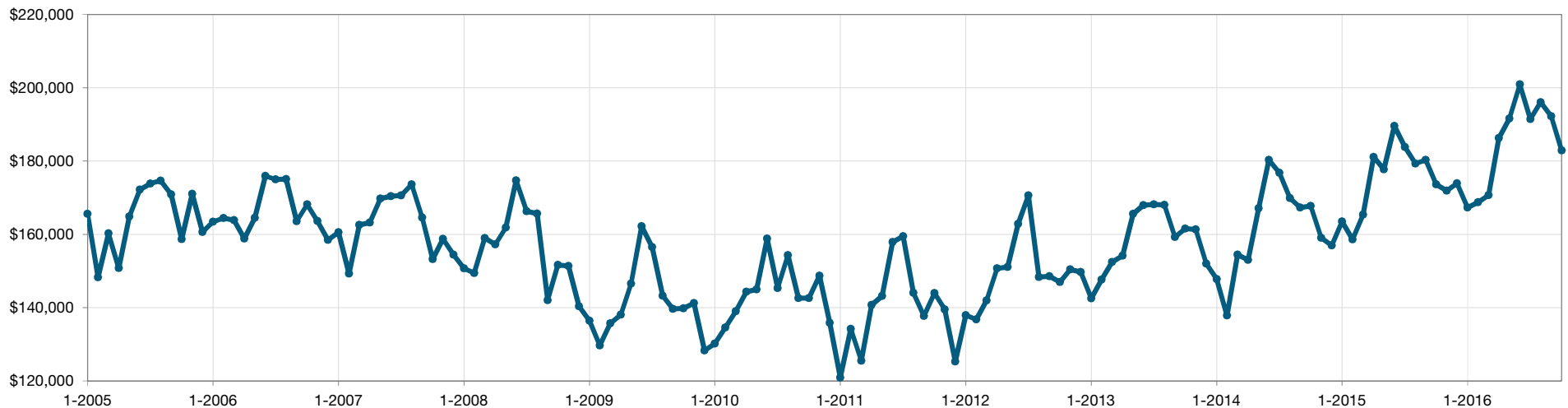


Year to Date



	Avg. Sales Price	Prior Year	Percent Change
November 2015	\$171,892	\$159,014	+8.1%
December 2015	\$173,908	\$156,947	+10.8%
January 2016	\$167,303	\$163,491	+2.3%
February 2016	\$168,721	\$158,585	+6.4%
March 2016	\$170,631	\$165,322	+3.2%
April 2016	\$186,231	\$181,055	+2.9%
May 2016	\$191,581	\$177,722	+7.8%
June 2016	\$200,907	\$189,584	+6.0%
July 2016	\$191,424	\$183,811	+4.1%
August 2016	\$196,035	\$179,301	+9.3%
September 2016	\$192,246	\$180,303	+6.6%
October 2016	\$182,854	\$173,620	+5.3%
12-Month Avg	\$182,811	\$172,396	+6.0%

Historical Average Sales Price by Month

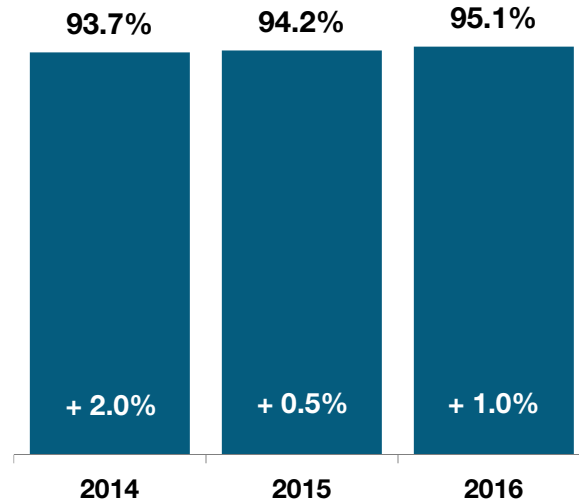


Percent of Original List Price Received

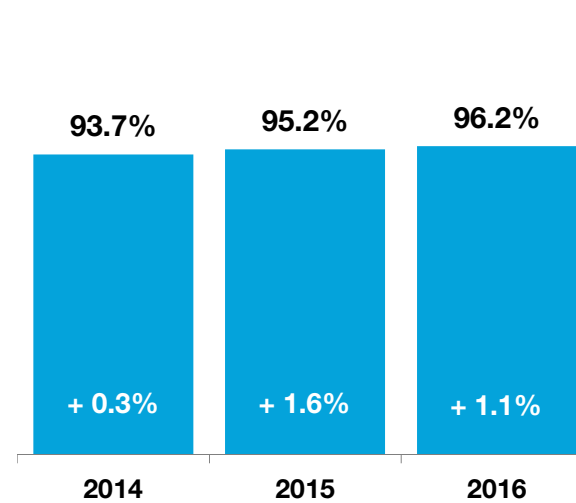
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



October



Year to Date



	Pct. of Orig. Price Received	Prior Year	Percent Change
November 2015	94.4%	91.9%	+2.7%
December 2015	94.0%	92.0%	+2.2%
January 2016	93.5%	93.0%	+0.5%
February 2016	93.4%	92.0%	+1.5%
March 2016	95.1%	94.8%	+0.3%
April 2016	96.5%	95.0%	+1.6%
May 2016	97.1%	96.1%	+1.0%
June 2016	97.7%	96.5%	+1.2%
July 2016	97.1%	96.1%	+1.0%
August 2016	96.6%	95.3%	+1.4%
September 2016	96.1%	95.6%	+0.5%
October 2016	95.1%	94.2%	+1.0%
12-Month Avg	95.5%	94.4%	+1.2%

Historical Percent of Original List Price Received by Month

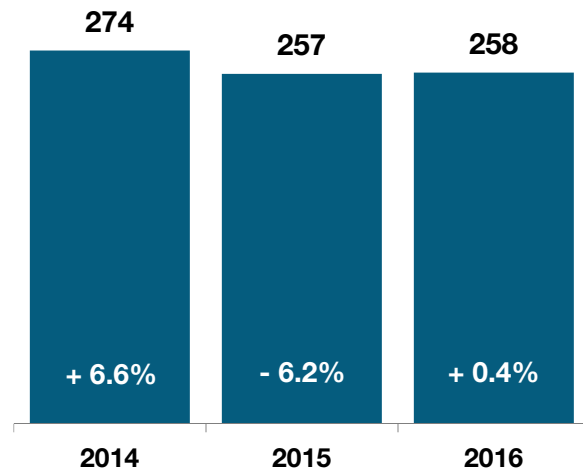


Housing Affordability Index

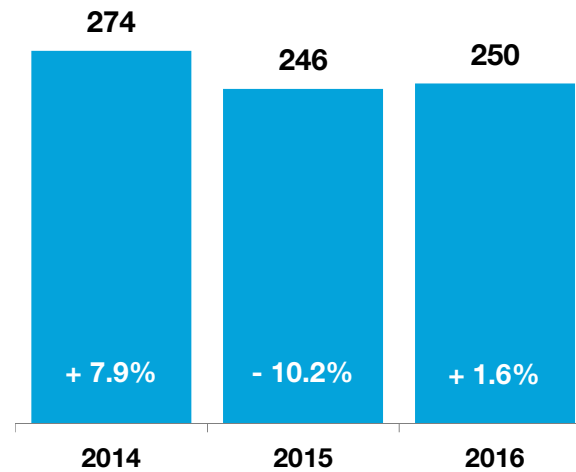
This index measures housing affordability for the region. For example, an index of 120 means the median household income is 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.



October



Year to Date



Affordability Index		Prior Year	Percent Change
November 2015	249	295	-15.6%
December 2015	265	298	-11.1%
January 2016	285	282	+1.1%
February 2016	283	282	+0.4%
March 2016	267	267	0.0%
April 2016	243	241	+0.8%
May 2016	243	247	-1.6%
June 2016	229	230	-0.4%
July 2016	237	237	0.0%
August 2016	244	238	+2.5%
September 2016	241	247	-2.4%
October 2016	258	257	+0.4%
12-Month Avg	254	260	-2.3%

Historical Housing Affordability Index by Month

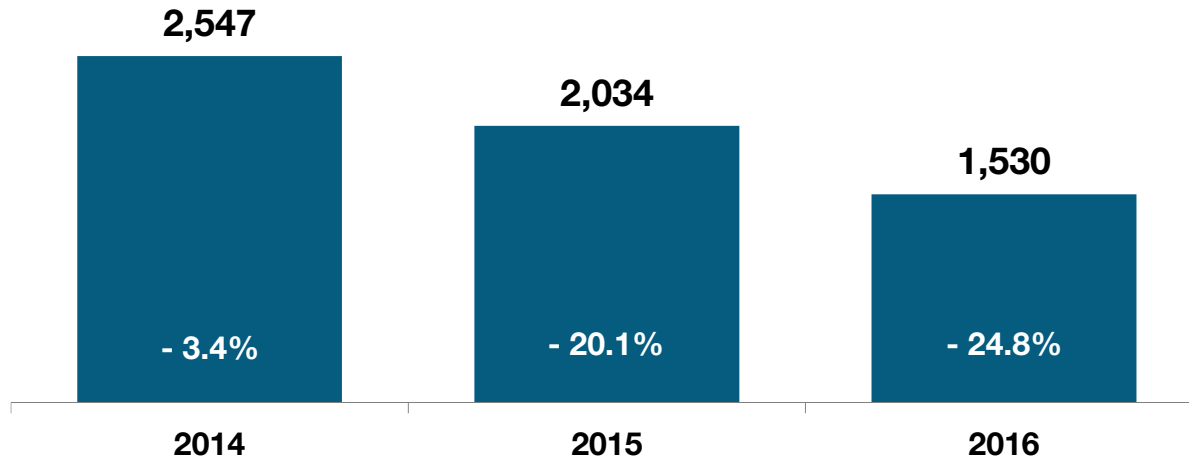


Inventory of Homes for Sale

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

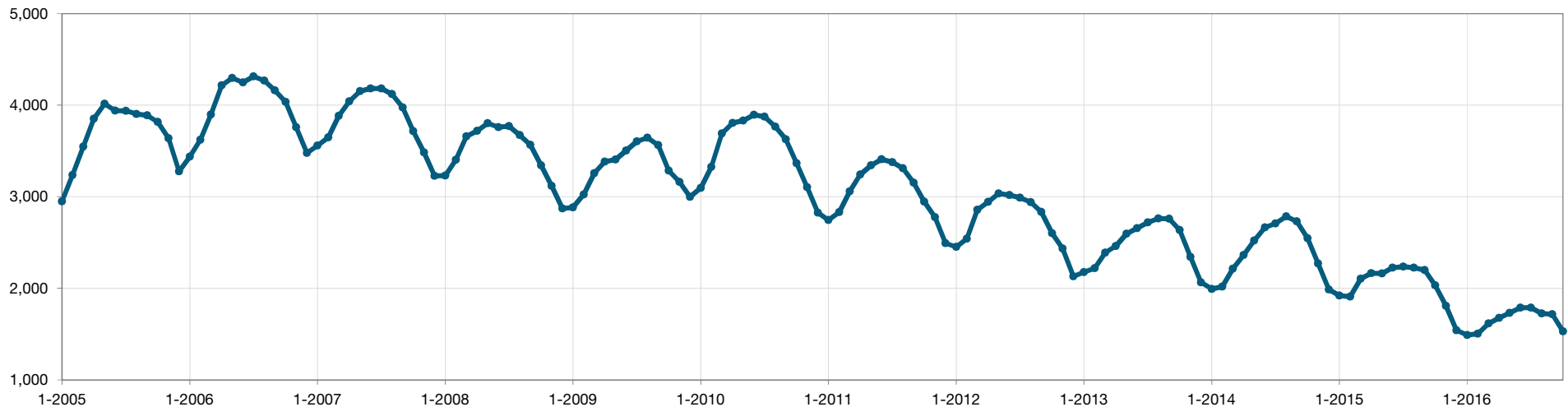


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Homes for Sale		Prior Year	Percent Change
November 2015	1,809	2,272	-20.4%
December 2015	1,541	1,987	-22.4%
January 2016	1,489	1,921	-22.5%
February 2016	1,505	1,909	-21.2%
March 2016	1,615	2,103	-23.2%
April 2016	1,676	2,165	-22.6%
May 2016	1,730	2,162	-20.0%
June 2016	1,787	2,226	-19.7%
July 2016	1,789	2,237	-20.0%
August 2016	1,725	2,225	-22.5%
September 2016	1,717	2,199	-21.9%
October 2016	1,530	2,034	-24.8%
12-Month Avg	1,659	2,120	-21.7%

Historical Inventory of Homes for Sale by Month

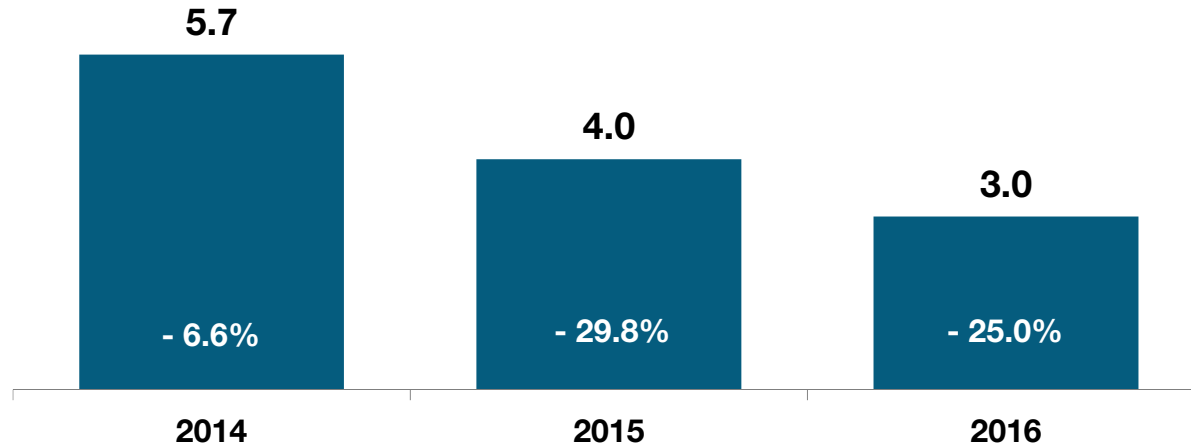


Months Supply of Inventory

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.

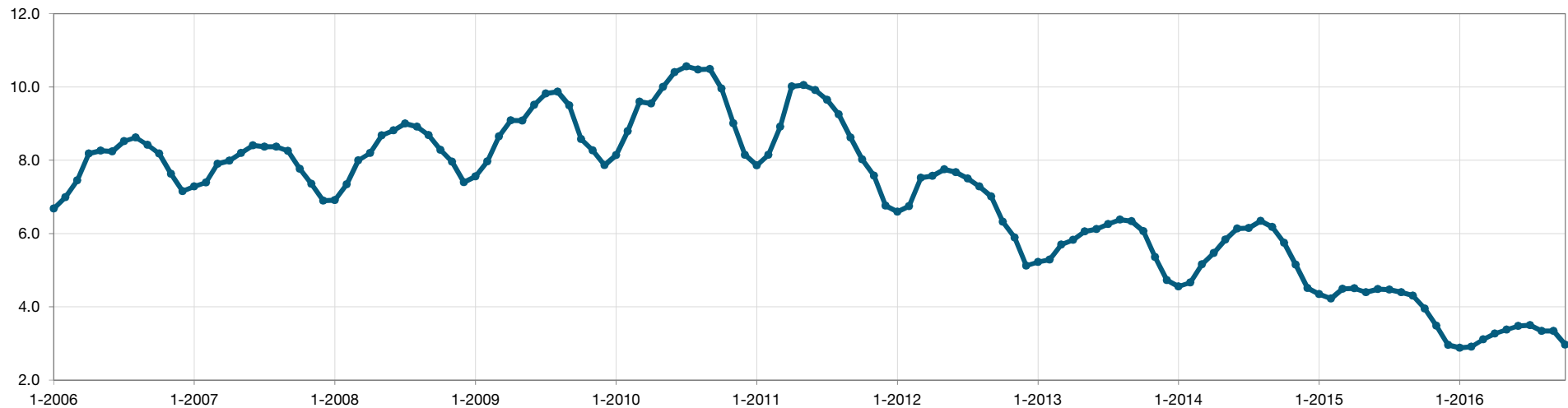


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Months Supply		Prior Year	Percent Change
November 2015	3.5	5.2	-32.7%
December 2015	3.0	4.5	-33.3%
January 2016	2.9	4.3	-32.6%
February 2016	2.9	4.2	-31.0%
March 2016	3.1	4.5	-31.1%
April 2016	3.3	4.5	-26.7%
May 2016	3.4	4.4	-22.7%
June 2016	3.5	4.5	-22.2%
July 2016	3.5	4.5	-22.2%
August 2016	3.3	4.4	-25.0%
September 2016	3.3	4.3	-23.3%
October 2016	3.0	4.0	-25.0%
12-Month Avg	3.2	4.4	-27.3%

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 2015	YTD 2016	+ / -	YTD 2015	YTD 2016	+ / -	YTD 2015	YTD 2016	+ / -	10-2015	10-2016	+ / -	10-2015	10-2016	+ / -
Albert Lea	341	330	-3.2%	229	266	+16.2%	\$86,000	\$86,750	+0.9%	158	108	-31.6%	7.4	4.2	-43.2%
Austin	519	494	-4.8%	403	362	-10.2%	\$92,500	\$94,700	+2.4%	165	140	-15.2%	4.3	3.9	-9.3%
Blooming Prairie	47	44	-6.4%	34	43	+26.5%	\$106,500	\$118,000	+10.8%	19	7	-63.2%	5.1	1.6	-68.6%
Byron	137	158	+15.3%	118	128	+8.5%	\$188,950	\$228,950	+21.2%	34	38	+11.8%	3.1	3.2	+3.2%
Caledonia	42	33	-21.4%	24	30	+25.0%	\$118,500	\$121,200	+2.3%	26	16	-38.5%	9.5	5.6	-41.1%
Chatfield	61	56	-8.2%	37	49	+32.4%	\$139,900	\$145,000	+3.6%	17	12	-29.4%	4.5	2.5	-44.4%
Dodge Center	73	64	-12.3%	58	46	-20.7%	\$139,900	\$120,000	-14.2%	17	16	-5.9%	2.9	3.6	+24.1%
Grand Meadow	23	21	-8.7%	22	20	-9.1%	\$108,000	\$109,000	+0.9%	11	10	-9.1%	4.7	4.5	-4.3%
Hayfield	39	41	+5.1%	29	36	+24.1%	\$109,900	\$116,000	+5.6%	13	10	-23.1%	4.6	2.9	-37.0%
Kasson	132	112	-15.2%	114	121	+6.1%	\$166,425	\$185,000	+11.2%	42	13	-69.0%	4.0	1.1	-72.5%
La Crescent	52	50	-3.8%	25	42	+68.0%	\$180,500	\$190,450	+5.5%	23	22	-4.3%	8.6	6.0	-30.2%
Lake City	139	134	-3.6%	81	96	+18.5%	\$173,000	\$165,750	-4.2%	74	62	-16.2%	9.1	6.1	-33.0%
Oronoco	61	40	-34.4%	42	37	-11.9%	\$300,316	\$374,500	+24.7%	22	8	-63.6%	5.6	2.1	-62.5%
Owatonna	434	437	+0.7%	339	354	+4.4%	\$149,700	\$154,000	+2.9%	128	97	-24.2%	3.9	2.7	-30.8%
Preston	29	25	-13.8%	21	20	-4.8%	\$100,000	\$95,875	-4.1%	17	6	-64.7%	7.4	2.6	-64.9%
Pine Island	88	75	-14.8%	78	60	-23.1%	\$189,450	\$204,940	+8.2%	20	15	-25.0%	2.6	2.5	-3.8%
Plainview	60	52	-13.3%	50	48	-4.0%	\$136,250	\$142,500	+4.6%	10	6	-40.0%	2.0	1.3	-35.0%
Rochester	2,421	2,323	-4.0%	2,191	2,011	-8.2%	\$181,200	\$195,000	+7.6%	423	376	-11.1%	2.0	1.9	-5.0%
Spring Valley	42	55	+31.0%	37	46	+24.3%	\$104,000	\$122,250	+17.5%	21	13	-38.1%	5.1	2.8	-45.1%
St. Charles	73	58	-20.5%	51	54	+5.9%	\$171,900	\$171,950	+0.0%	23	15	-34.8%	4.1	3.0	-26.8%
Stewartville	99	97	-2.0%	79	83	+5.1%	\$160,000	\$172,000	+7.5%	19	18	-5.3%	2.3	2.0	-13.0%
Wabasha	66	78	+18.2%	45	39	-13.3%	\$158,000	\$150,000	-5.1%	40	41	+2.5%	9.4	8.9	-5.3%
Waseca	34	53	+55.9%	24	39	+62.5%	\$94,500	\$117,000	+23.8%	15	15	0.0%	5.7	3.8	-33.3%
Winona	466	378	-18.9%	345	318	-7.8%	\$139,100	\$140,000	+0.6%	165	108	-34.5%	4.9	3.5	-28.6%
Zumbrota	107	58	-45.8%	69	59	-14.5%	\$169,000	\$194,900	+15.3%	39	15	-61.5%	5.9	2.6	-55.9%