Monthly Indicators

July 2017

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

How long can the residential real estate market go on like this? We are about two years into a national trend of dropping housing supply and increasing median sales prices. There are some regional variations to the story, but the shift to a predominantly seller's market is mostly complete. Multiple-offer situations over asking price are commonplace in many communities, and good homes are routinely off the market after a single day. It is evident that a favorable economy keeps hungry buyers in the chase.

New Listings in Southeast Minnesota increased 0.8 percent to 645. Pending Sales were down 0.9 percent to 565. Inventory levels shrank 22.1 percent to 1,406 units.

Prices continued to gain traction. The Median Sales Price increased 2.2 percent to $176,000. Days on Market was down 21.9 percent to 50 days. Sellers were encouraged as Months Supply of Inventory was down 22.9 percent to 2.7 months.

Although the unemployment rate remains unchanged at its favorable national 4.3 percent rate, wage growth has not been rising at the steady clip that would be expected in an improving economy. Sales activity manages to keep churning along despite looming shortages in new construction. Lower price ranges are starting to feel the effects of the supply and demand gap, as first-time buyers scramble to get offers in at an increasing pace.

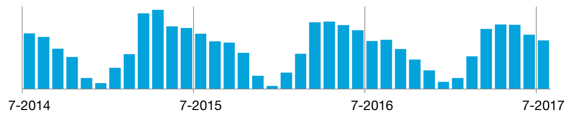
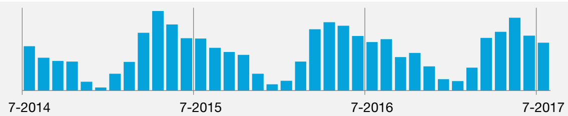
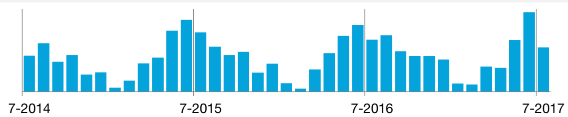
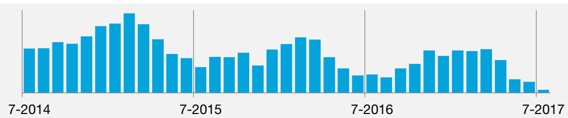
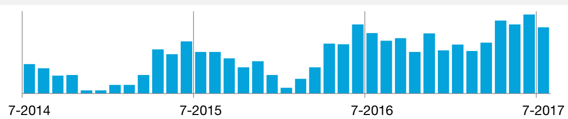
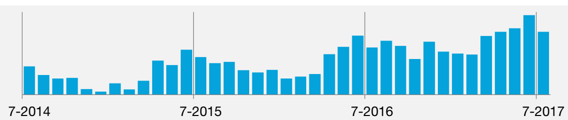
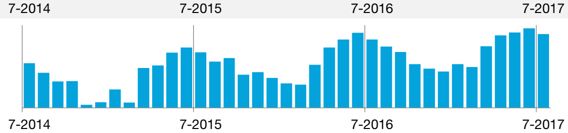
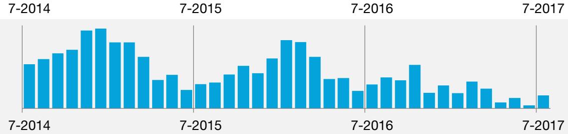
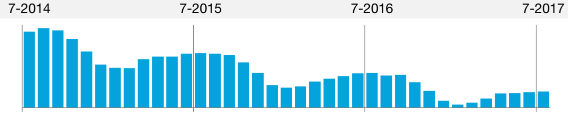
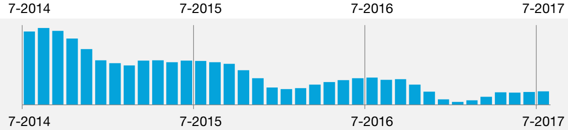
Activity Snapshot

- 9.7%	+ 2.2%	- 22.1%
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.

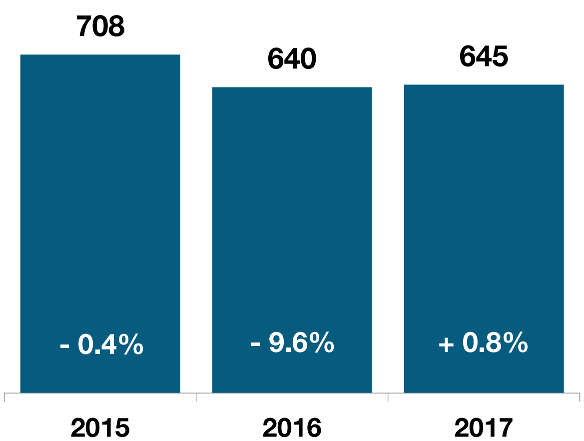
Key Metrics	Historical Sparkbars	7-2016	7-2017	Percent Change	YTD 2016	YTD 2017	Percent Change
New Listings		640	**645**	+ 0.8%	4,677	**4,481**	- 4.2%
Pending Sales		570	**565**	- 0.9%	3,965	**3,853**	- 2.8%
Closed Sales		639	**577**	- 9.7%	3,536	**3,483**	- 1.5%
Days on Market		64	**50**	- 21.9%	75	**67**	- 10.7%
Median Sales Price		$172,250	**$176,000**	+ 2.2%	$163,700	**$175,000**	+ 6.9%
Avg. Sales Price		$191,434	**$203,734**	+ 6.4%	$186,769	**$204,169**	+ 9.3%
Pct. of Orig. Price Received		97.1%	**97.6%**	+ 0.5%	96.4%	**97.2%**	+ 0.8%
Affordability Index		237	**225**	- 5.1%	249	**226**	- 9.2%
Homes for Sale		1,806	**1,406**	- 22.1%	--	**--**	--
Months Supply		3.5	**2.7**	- 22.9%	--	**--**	--

New Listings

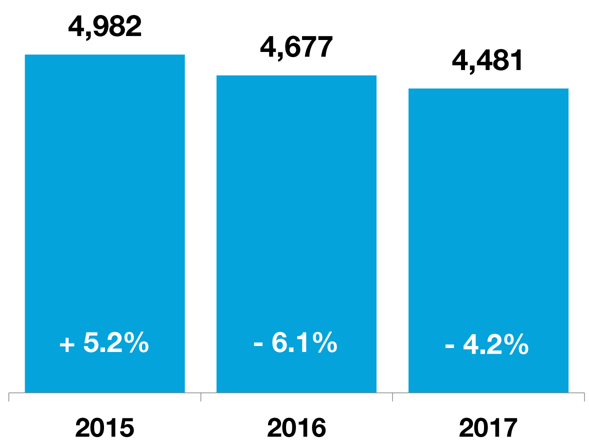
A count of the properties that have been newly listed on the market in a given month.

SEMR
SOUTHEAST MINNESOTA REALTORS

July

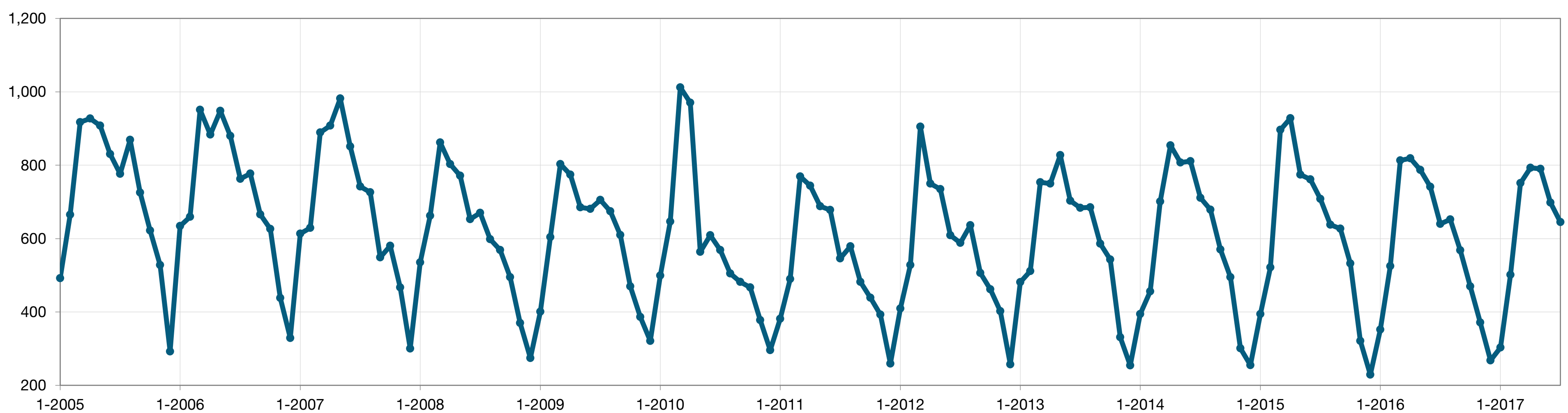


Year to Date



New Listings		Prior Year	Percent Change
August 2016	652	638	+2.2%
September 2016	568	627	-9.4%
October 2016	470	532	-11.7%
November 2016	371	321	+15.6%
December 2016	268	229	+17.0%
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	790	787	+0.4%
June 2017	698	741	-5.8%
July 2017	**645**	**640**	**+0.8%**
12-Month Avg	568	585	-2.9%

Historical New Listings by Month

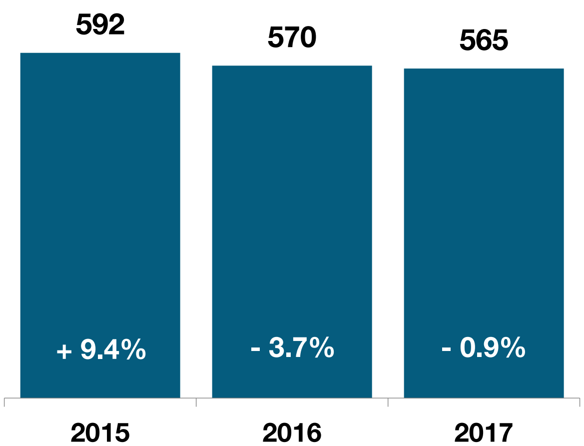


Pending Sales

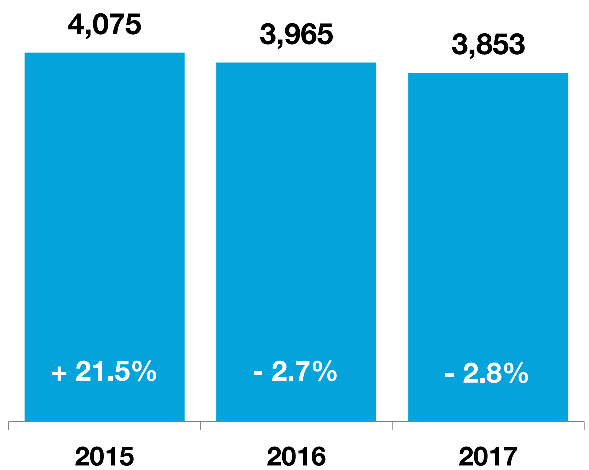
A count of the properties on which offers have been accepted in a given month.

SOUTHEAST MINNESOTA REALTORS

July

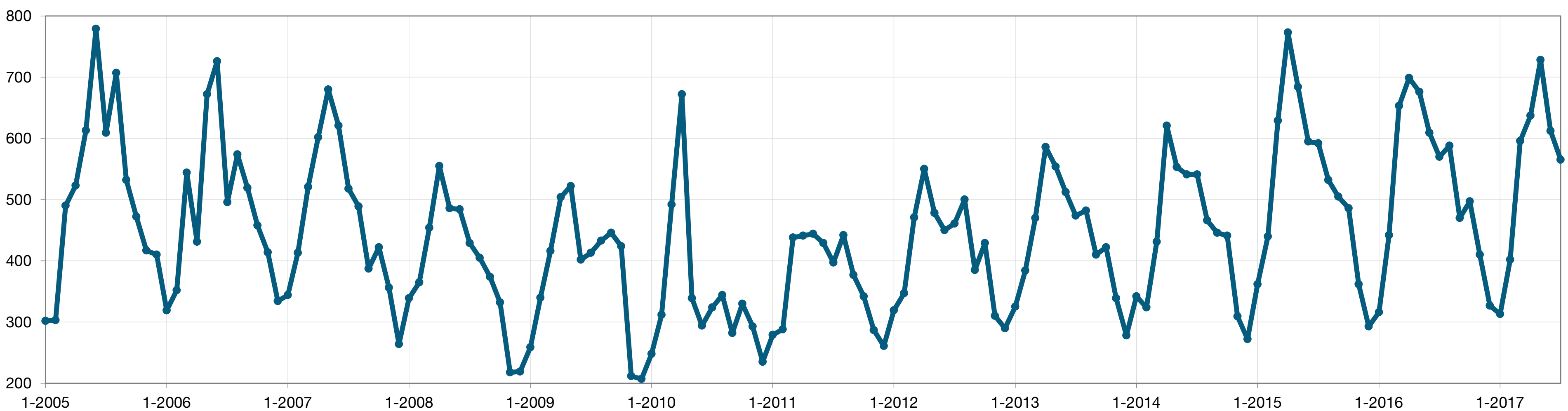


Year to Date



Pending Sales		Prior Year	Percent Change
August 2016	588	532	+10.5%
September 2016	470	505	-6.9%
October 2016	497	486	+2.3%
November 2016	410	362	+13.3%
December 2016	327	293	+11.6%
January 2017	313	316	-0.9%
February 2017	402	442	-9.0%
March 2017	596	653	-8.7%
April 2017	637	699	-8.9%
May 2017	728	676	+7.7%
June 2017	612	609	+0.5%
July 2017	**565**	**570**	**-0.9%**
12-Month Avg	512	512	0.0%

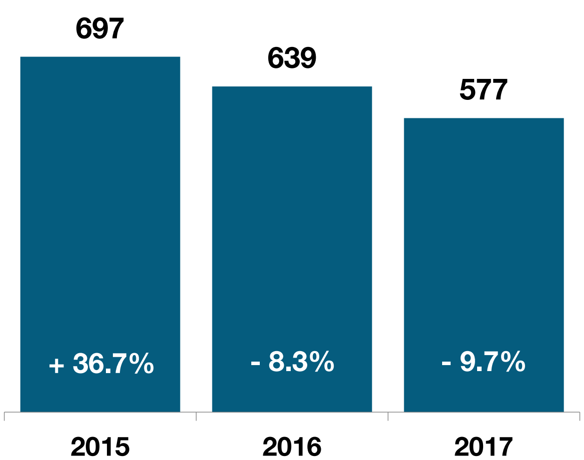
Historical Pending Sales by Month



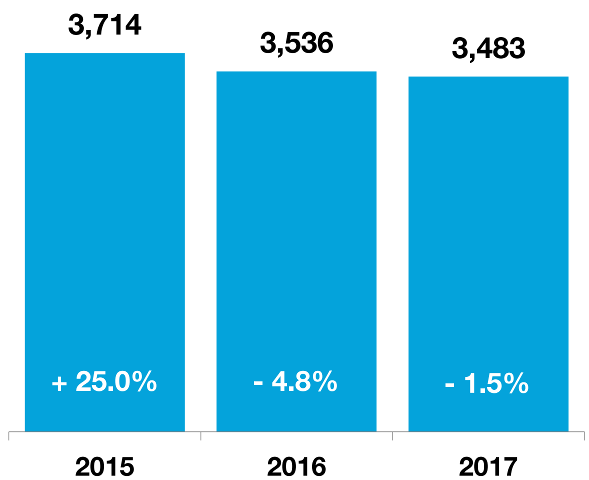
Closed Sales

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

July

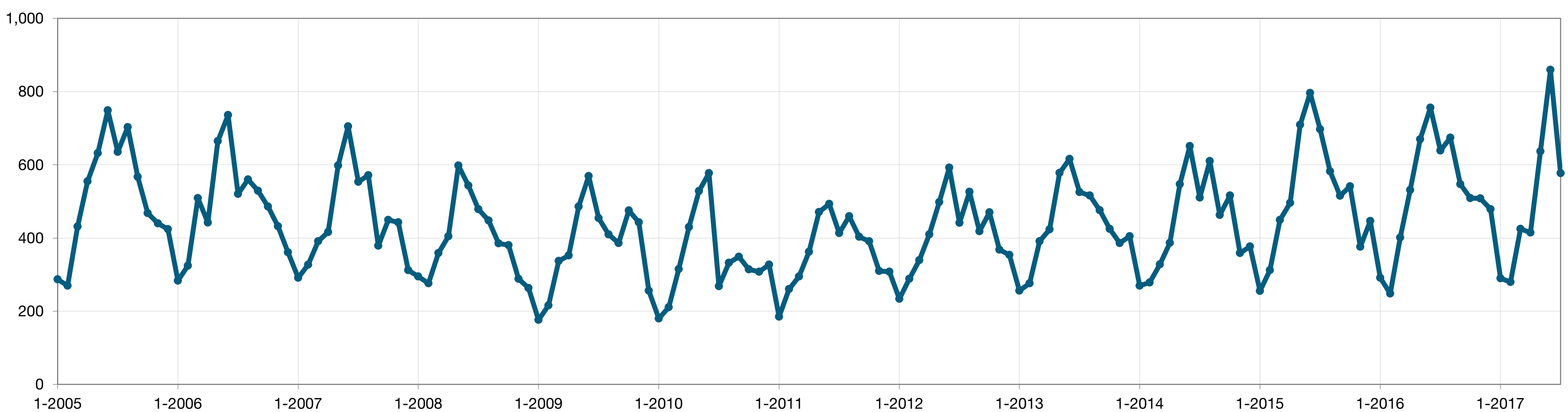


Year to Date



Closed Sales		Prior Year	Percent Change
August 2016	674	582	+15.8%
September 2016	547	515	+6.2%
October 2016	509	541	-5.9%
November 2016	508	376	+35.1%
December 2016	479	446	+7.4%
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	859	756	+13.6%
July 2017	**577**	**639**	**-9.7%**
12-Month Avg	517	500	+3.4%

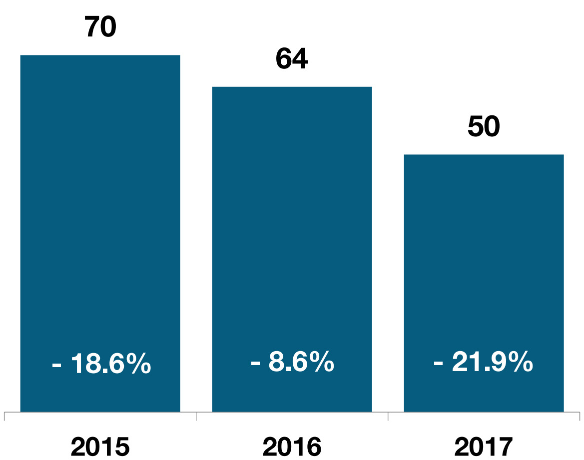
Historical Closed Sales by Month



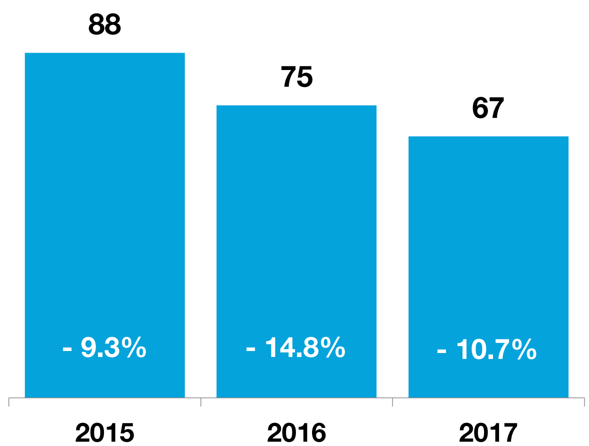
Days on Market Until Sale

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

July

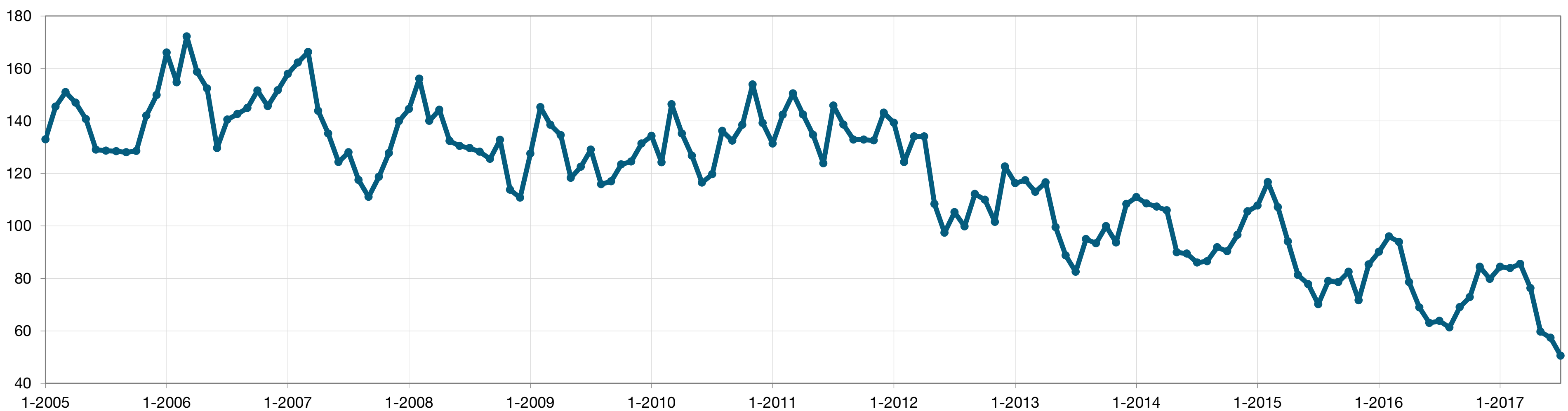


Year to Date



Days on Market		Prior Year	Percent Change
August 2016	61	79	-22.8%
September 2016	69	79	-12.7%
October 2016	73	83	-12.0%
November 2016	84	72	+16.7%
December 2016	80	85	-5.9%
January 2017	84	90	-6.7%
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	**50**	**64**	**-21.9%**
12-Month Avg	72	79	-8.9%

Historical Days on Market Until Sale by Month

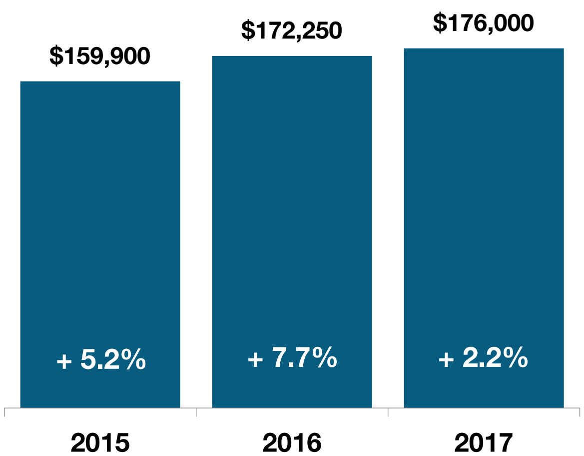


Median Sales Price

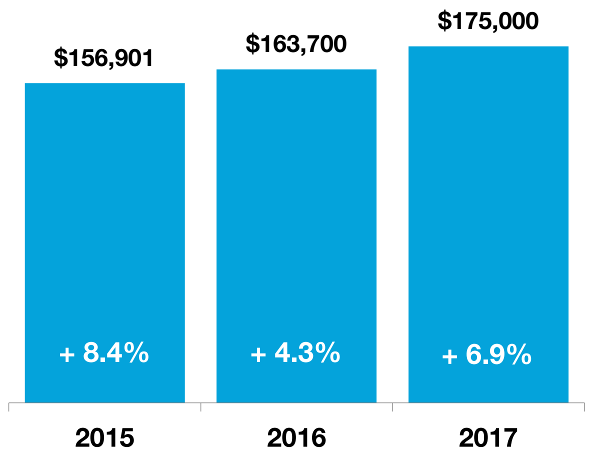
Point at which half of the sales sold for more and half sold for less, not accounting for seller concessions, in a given month.

SEMR
SOUTHEAST MINNESOTA REALTORS

July

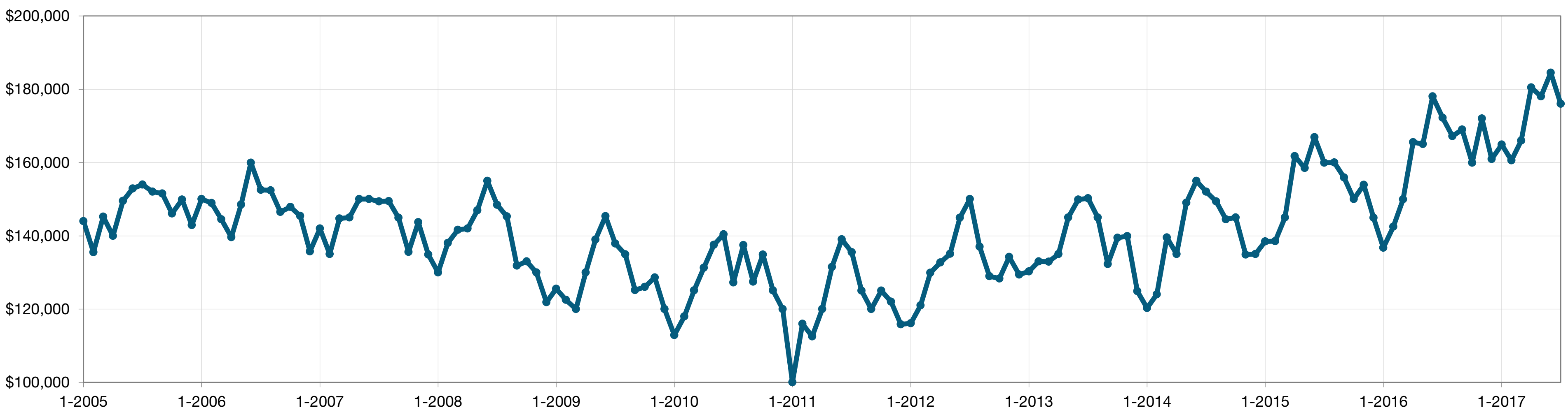


Year to Date



Median Sales Price		Prior Year	Percent Change
August 2016	$167,200	$160,000	+4.5%
September 2016	$169,000	$155,900	+8.4%
October 2016	$159,950	$150,000	+6.6%
November 2016	$172,000	$153,900	+11.8%
December 2016	$160,950	$144,900	+11.1%
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	$184,500	$178,000	+3.7%
July 2017	**$176,000**	**$172,250**	**+2.2%**
12-Month Avg	$169,960	$156,221	+8.8%

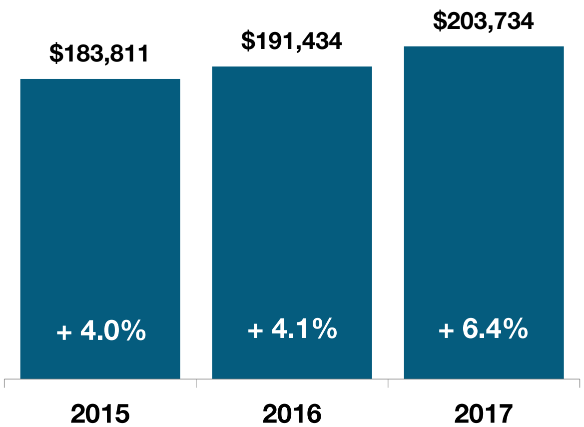
Historical Median Sales Price by Month



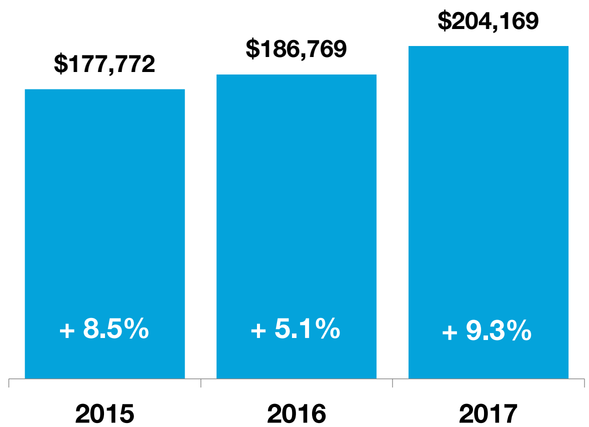
Average Sales Price

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

July

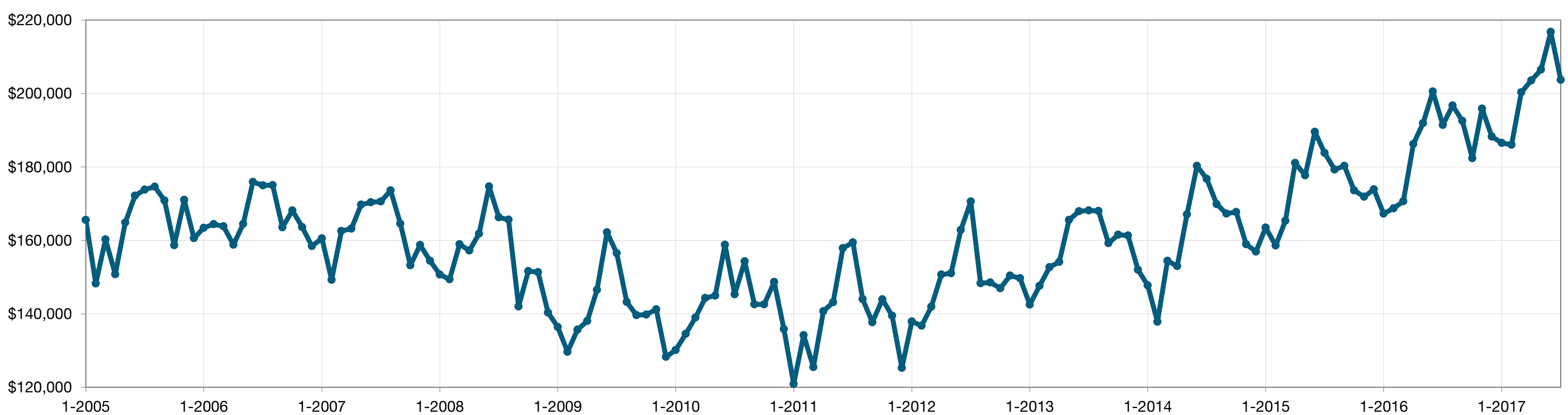


Year to Date



Avg. Sales Price		Prior Year	Percent Change
August 2016	$196,740	$179,301	+9.7%
September 2016	$192,572	$180,303	+6.8%
October 2016	$182,341	$173,620	+5.0%
November 2016	$195,851	$171,892	+13.9%
December 2016	$188,260	$173,908	+8.3%
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	$216,765	$200,574	+8.1%
July 2017	**$203,734**	**$191,434**	**+6.4%**
12-Month Avg	$196,606	$179,652	+9.4%

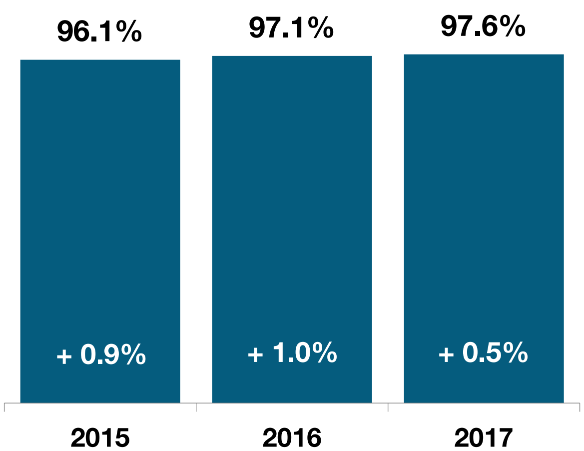
Historical Average Sales Price by Month



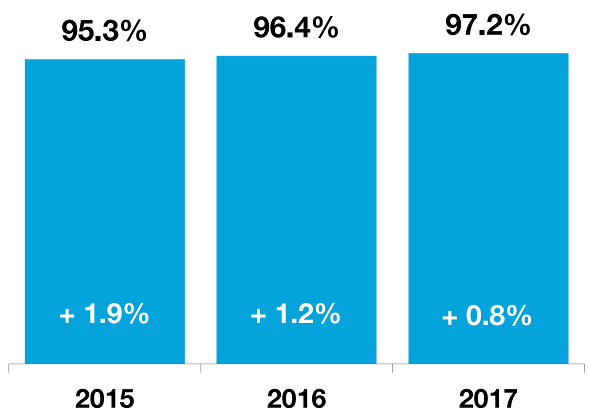
Percent of Original List Price Received

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.

July

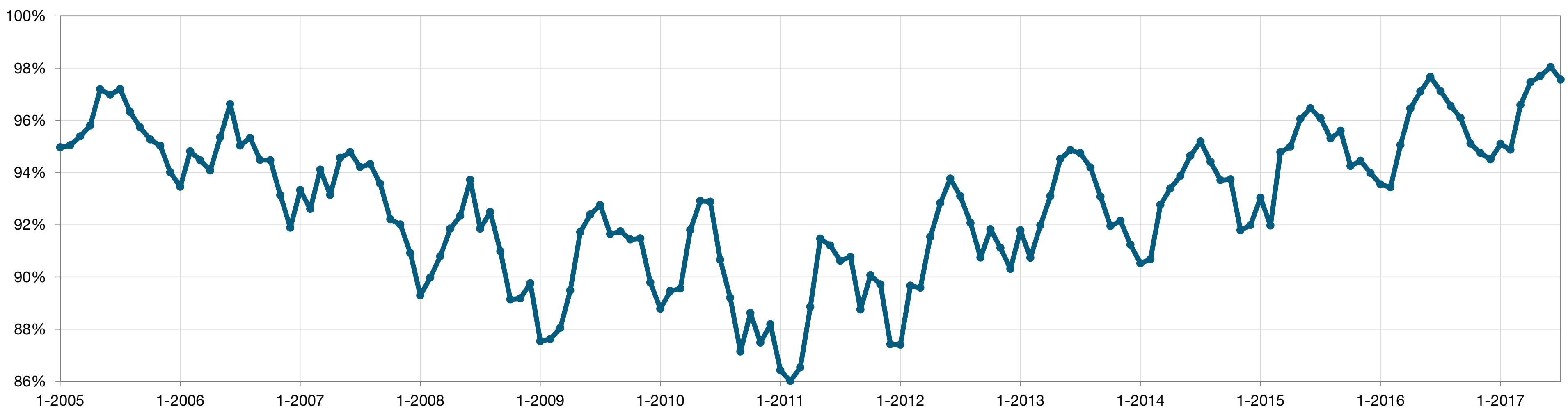


Year to Date



Pct. of Orig. Price Received		Prior Year	Percent Change
August 2016	96.6%	95.3%	+1.4%
September 2016	96.1%	95.6%	+0.5%
October 2016	95.1%	94.2%	+1.0%
November 2016	94.7%	94.4%	+0.3%
December 2016	94.5%	94.0%	+0.5%
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	**97.6%**	**97.1%**	**+0.5%**
12-Month Avg	96.2%	95.3%	+0.9%

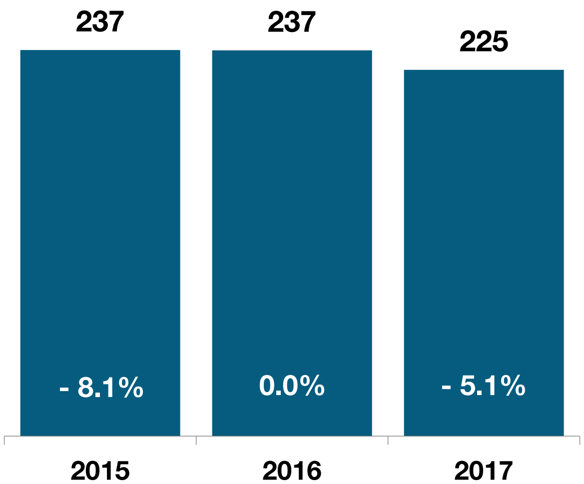
Historical Percent of Original List Price Received by Month



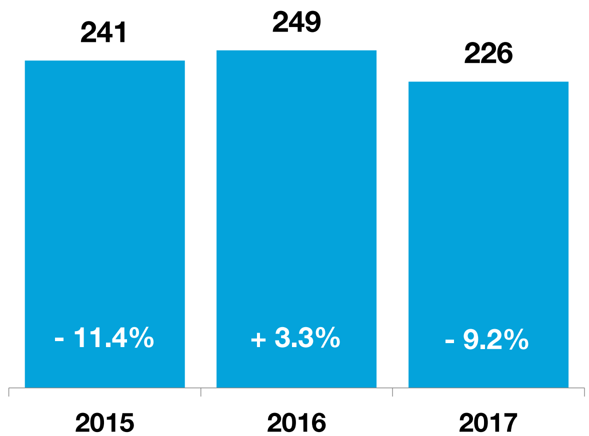
Housing Affordability Index

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.

July

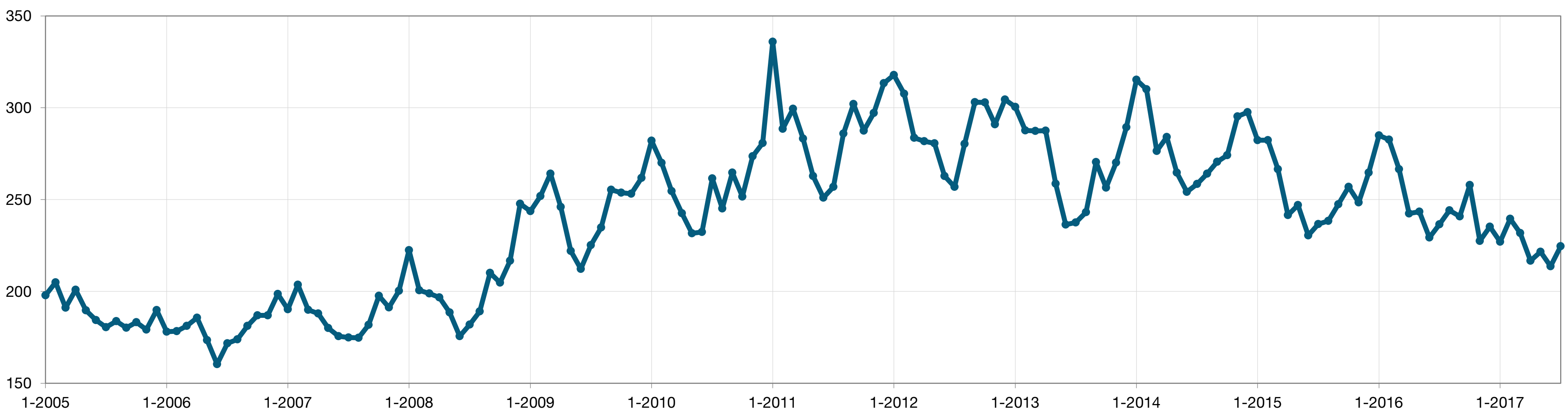


Year to Date



Affordability Index		Prior Year	Percent Change
August 2016	244	238	+2.5%
September 2016	241	247	-2.4%
October 2016	258	257	+0.4%
November 2016	227	249	-8.8%
December 2016	235	265	-11.3%
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	**225**	**237**	**-5.1%**
12-Month Avg	232	253	-8.3%

Historical Housing Affordability Index by Month

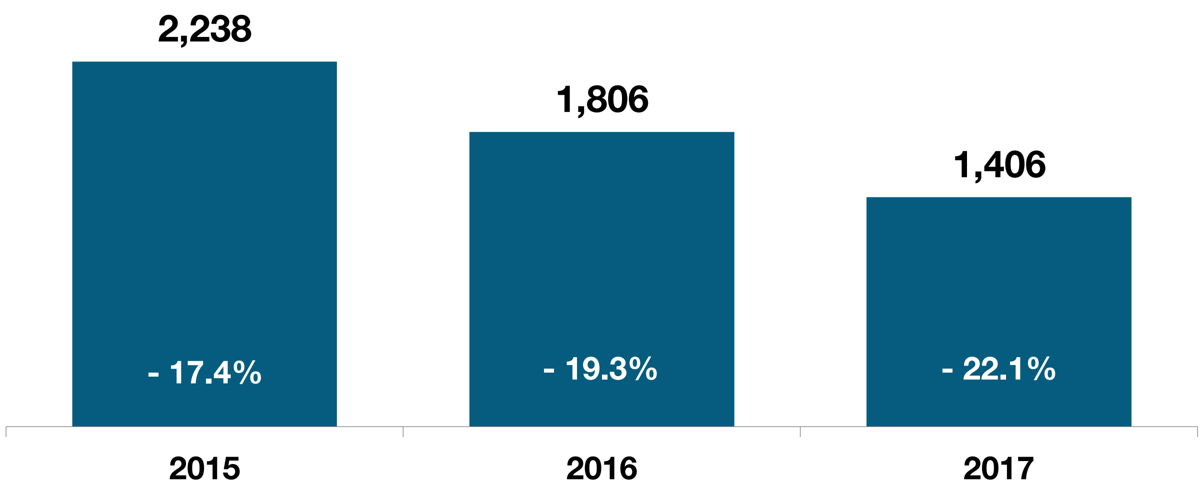


Inventory of Homes for Sale

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

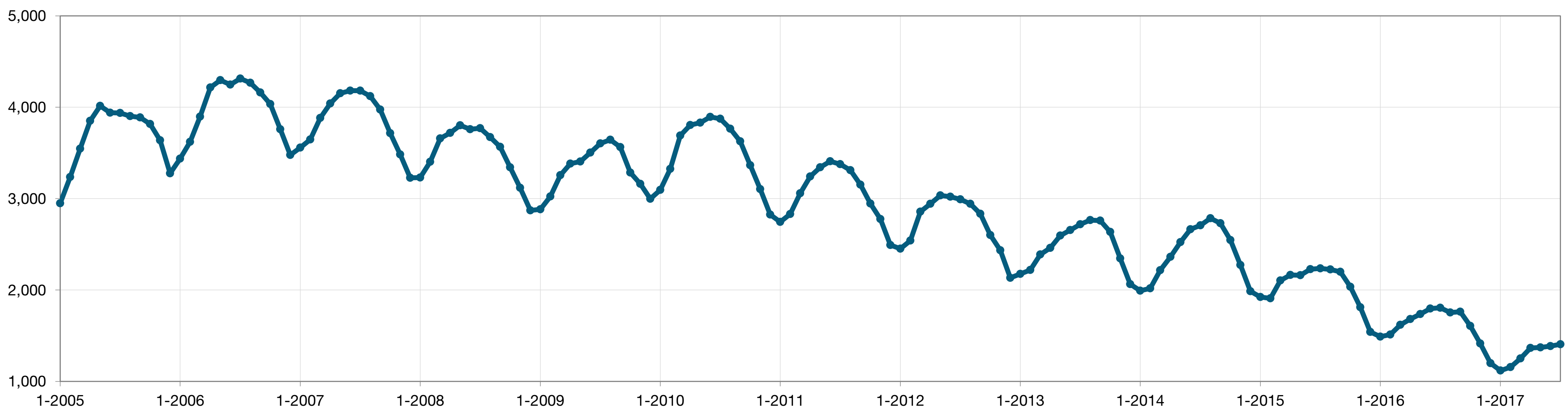
SEMR
SOUTHEAST MINNESOTA REALTORS

July



Homes for Sale		Prior Year	Percent Change
August 2016	1,753	2,226	-21.2%
September 2016	1,763	2,200	-19.9%
October 2016	1,608	2,035	-21.0%
November 2016	1,416	1,810	-21.8%
December 2016	1,198	1,542	-22.3%
January 2017	1,118	1,490	-25.0%
February 2017	1,157	1,512	-23.5%
March 2017	1,251	1,620	-22.8%
April 2017	1,365	1,683	-18.9%
May 2017	1,371	1,738	-21.1%
June 2017	1,387	1,798	-22.9%
July 2017	**1,406**	**1,806**	**-22.1%**
12-Month Avg	1,399	1,788	-21.8%

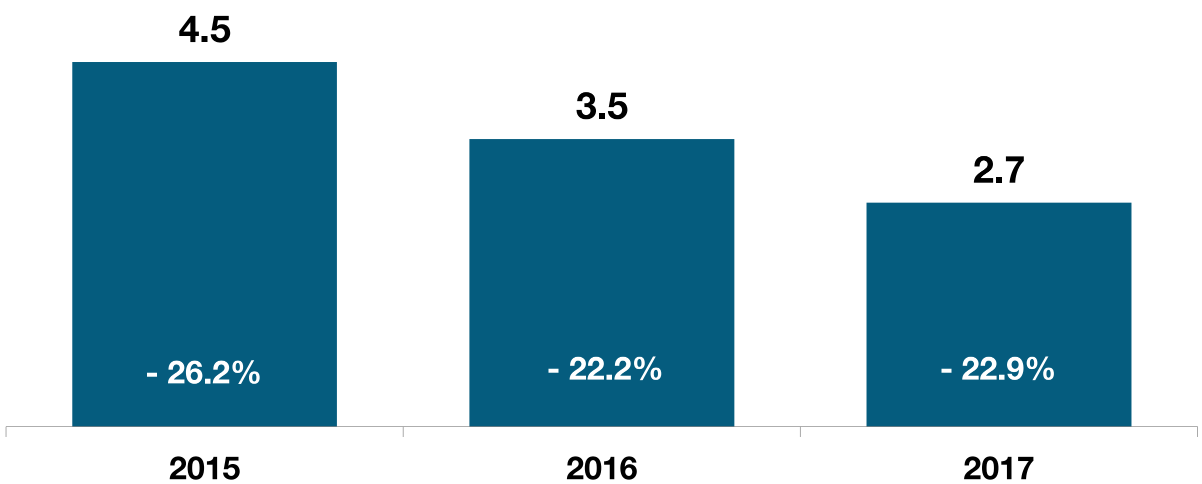
Historical Inventory of Homes for Sale by Month



Months Supply of Inventory

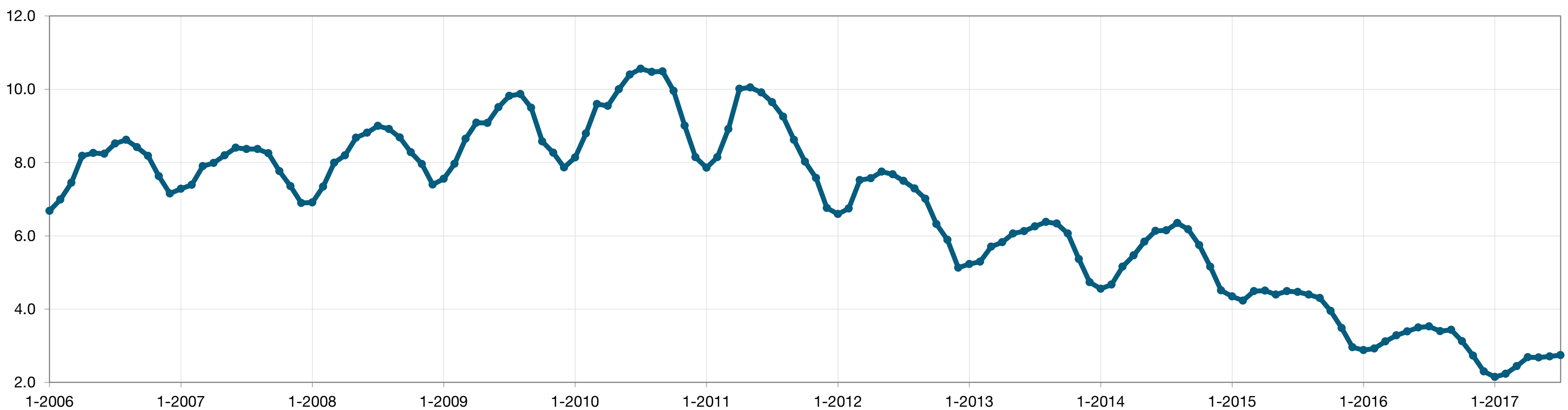
The inventory of homes for sale at the end of a given month, divided by the average monthly pending sales from the last 12 months.

July



Months Supply		Prior Year	Percent Change
August 2016	3.4	4.4	-22.7%
September 2016	3.4	4.3	-20.9%
October 2016	3.1	4.0	-22.5%
November 2016	2.7	3.5	-22.9%
December 2016	2.3	3.0	-23.3%
January 2017	2.1	2.9	-27.6%
February 2017	2.2	2.9	-24.1%
March 2017	2.4	3.1	-22.6%
April 2017	2.7	3.3	-18.2%
May 2017	2.7	3.4	-20.6%
June 2017	2.7	3.5	-22.9%
July 2017	**2.7**	**3.5**	**-22.9%**
12-Month Avg	2.7	3.5	-22.9%

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.

SEMR SOUTHEAST MINNESOTA REALTORS

	New Listings			Closed Sales			Median Sales Price			Homes for Sale			Months Supply		
	YTD 2016	YTD 2017	+ / –	YTD 2016	YTD 2017	+ / –	YTD 2016	YTD 2017	+ / –	7-2016	7-2017	+ / –	7-2016	7-2017	+ / –
Albert Lea	237	259	**+9.3%**	170	192	**+12.9%**	$85,000	$87,700	**+3.2%**	137	112	**-18.2%**	5.7	3.9	**-31.6%**
Austin	357	291	**-18.5%**	240	226	**-5.8%**	$91,500	$105,500	**+15.3%**	154	79	**-48.7%**	4.1	2.2	**-46.3%**
Blooming Prairie	34	22	**-35.3%**	31	13	**-58.1%**	$115,000	$112,900	**-1.8%**	14	9	**-35.7%**	3.2	3.3	**+3.1%**
Byron	116	95	**-18.1%**	86	74	**-14.0%**	$217,000	$271,950	**+25.3%**	37	29	**-21.6%**	3.0	2.6	**-13.3%**
Caledonia	21	24	**+14.3%**	20	13	**-35.0%**	$107,450	$118,500	**+10.3%**	15	16	**+6.7%**	5.5	6.2	**+12.7%**
Chatfield	37	35	**-5.4%**	31	30	**-3.2%**	$135,000	$153,450	**+13.7%**	15	11	**-26.7%**	3.8	2.4	**-36.8%**
Dodge Center	46	42	**-8.7%**	28	35	**+25.0%**	$119,500	$140,000	**+17.2%**	20	9	**-55.0%**	4.5	1.7	**-62.2%**
Grand Meadow	13	13	**0.0%**	16	9	**-43.8%**	$109,000	$140,000	**+28.4%**	4	3	**-25.0%**	1.8	1.5	**-16.7%**
Hayfield	25	32	**+28.0%**	20	30	**+50.0%**	$109,000	$148,250	**+36.0%**	9	9	**0.0%**	2.6	2.2	**-15.4%**
Kasson	84	103	**+22.6%**	81	78	**-3.7%**	$184,900	$196,500	**+6.3%**	22	24	**+9.1%**	1.9	2.1	**+10.5%**
La Crescent	37	23	**-37.8%**	30	20	**-33.3%**	$190,450	$225,500	**+18.4%**	21	14	**-33.3%**	5.1	4.5	**-11.8%**
Lake City	105	107	**+1.9%**	60	68	**+13.3%**	$161,000	$195,500	**+21.4%**	86	55	**-36.0%**	9.1	5.1	**-44.0%**
Oronoco	30	34	**+13.3%**	25	25	**0.0%**	$345,000	$397,700	**+15.3%**	11	7	**-36.4%**	3.1	1.8	**-41.9%**
Owatonna	296	258	**-12.8%**	237	217	**-8.4%**	$148,900	$158,000	**+6.1%**	92	69	**-25.0%**	2.5	2.1	**-16.0%**
Preston	19	21	**+10.5%**	14	9	**-35.7%**	$95,875	$115,000	**+19.9%**	12	9	**-25.0%**	5.5	4.3	**-21.8%**
Pine Island	50	67	**+34.0%**	41	47	**+14.6%**	$206,180	$200,000	**-3.0%**	18	19	**+5.6%**	3.1	2.7	**-12.9%**
Plainview	39	34	**-12.8%**	28	28	**0.0%**	$143,700	$160,750	**+11.9%**	11	5	**-54.5%**	2.4	1.0	**-58.3%**
Rochester	1,741	1,684	**-3.3%**	1,392	1,390	**-0.1%**	$195,700	$220,000	**+12.4%**	404	375	**-7.2%**	2.1	1.9	**-9.5%**
Spring Valley	41	39	**-4.9%**	25	34	**+36.0%**	$109,900	$136,000	**+23.7%**	17	11	**-35.3%**	4.1	2.4	**-41.5%**
St. Charles	48	45	**-6.3%**	34	36	**+5.9%**	$153,450	$192,950	**+25.7%**	20	15	**-25.0%**	3.6	3.2	**-11.1%**
Stewartville	67	64	**-4.5%**	53	53	**0.0%**	$169,000	$178,000	**+5.3%**	12	15	**+25.0%**	1.3	2.0	**+53.8%**
Wabasha	55	46	**-16.4%**	31	37	**+19.4%**	$152,000	$137,500	**-9.5%**	39	23	**-41.0%**	8.7	4.2	**-51.7%**
Waseca	40	48	**+20.0%**	17	32	**+88.2%**	$89,000	$146,500	**+64.6%**	27	17	**-37.0%**	10.1	3.2	**-68.3%**
Winona	284	260	**-8.5%**	219	214	**-2.3%**	$135,000	$136,250	**+0.9%**	138	95	**-31.2%**	4.2	3.1	**-26.2%**
Zumbrota	48	63	**+31.3%**	46	41	**-10.9%**	$183,000	$192,600	**+5.2%**	24	18	**-25.0%**	4.2	2.8	**-33.3%**