

Monthly Indicators



February 2018

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

The three most prominent national market trends for residential real estate are the ongoing lack of abundant inventory, the steadily upward movement of home prices and year-over-year declines in home sales. Sales declines are a natural result of there being fewer homes for sale, but higher prices often indicate higher demand leading to competitive bidding. Markets are poised for increased supply, so there is hope that more sellers will take advantage of what appears to be a ready and willing buyer base.

New Listings in Southeast Minnesota decreased 22.4 percent to 389. Pending Sales were down 1.0 percent to 398. Inventory levels shrank 18.4 percent to 943 units.

Prices continued to gain traction. The Median Sales Price increased 14.7 percent to \$184,250. Days on Market remained flat at 84 days. Sellers were encouraged as Months Supply of Inventory was down 13.6 percent to 1.9 months.

In February, prevailing mortgage rates continued to rise. This has a notable impact on housing affordability and can leave consumers choosing between higher payments or lower-priced homes. According to the Mortgage Bankers Association, the average rate for 30-year fixed-rate mortgages with a 20 percent down payment that qualify for backing by Fannie Mae and Freddie Mac rose to its highest level since January 2014. A 4.5 or 4.6 percent rate might not seem high to those with extensive real estate experience, but it is newly high for many potential first-time home buyers. Upward rate pressure is likely to continue as long as the economy fares well.

Activity Snapshot

- 12.5% **+ 14.7%** **- 18.4%**

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.



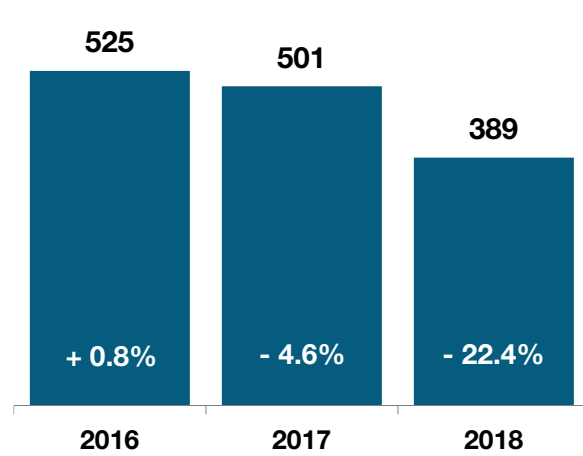
Key Metrics	Historical Sparkbars	2-2017	2-2018	Percent Change	YTD 2017	YTD 2018	Percent Change
New Listings		501	389	- 22.4%	804	719	- 10.6%
Pending Sales		402	398	- 1.0%	716	716	0.0%
Closed Sales		280	245	- 12.5%	570	527	- 7.5%
Days on Market		84	84	0.0%	84	77	- 8.3%
Median Sales Price		\$160,575	\$184,250	+ 14.7%	\$163,250	\$177,000	+ 8.4%
Avg. Sales Price		\$186,053	\$206,997	+ 11.3%	\$186,310	\$204,258	+ 9.6%
Pct. of Orig. Price Received		94.9%	95.2%	+ 0.3%	95.0%	95.1%	+ 0.1%
Affordability Index		240	206	- 14.2%	236	214	- 9.3%
Homes for Sale		1,156	943	- 18.4%	--	--	--
Months Supply		2.2	1.9	- 13.6%	--	--	--

New Listings

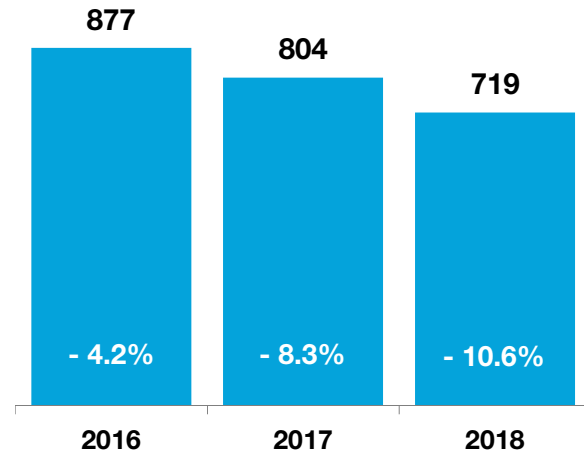
A count of the properties that have been newly listed on the market in a given month.



February

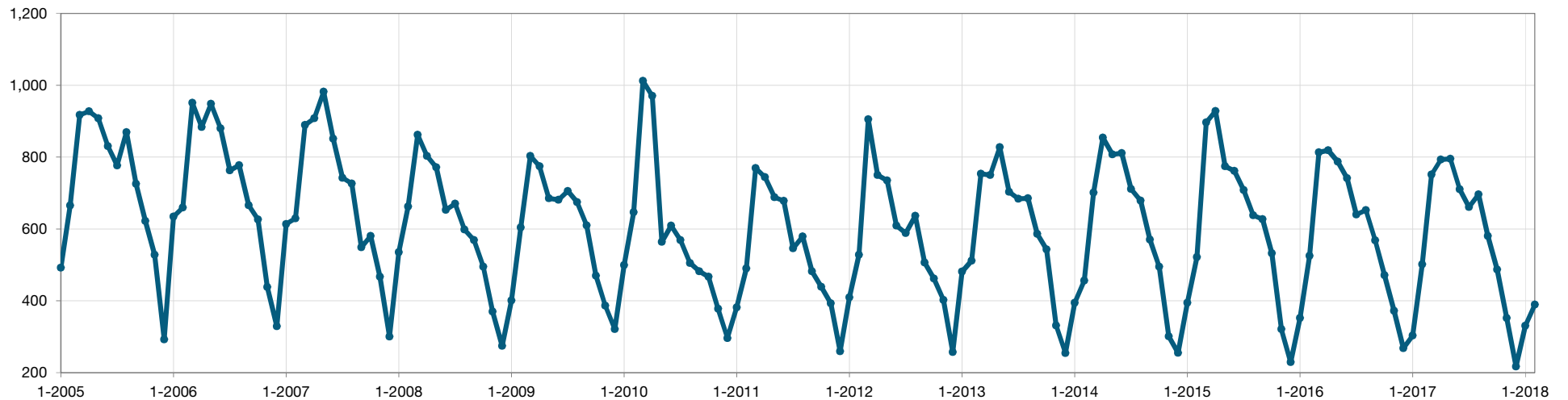


Year to Date



New Listings		Prior Year	Percent Change
March 2017	751	813	-7.6%
April 2017	793	819	-3.2%
May 2017	795	787	+1.0%
June 2017	710	741	-4.2%
July 2017	661	640	+3.3%
August 2017	696	652	+6.7%
September 2017	580	568	+2.1%
October 2017	487	471	+3.4%
November 2017	352	372	-5.4%
December 2017	217	268	-19.0%
January 2018	330	303	+8.9%
February 2018	389	501	-22.4%
12-Month Avg	563	578	-2.6%

Historical New Listings by Month

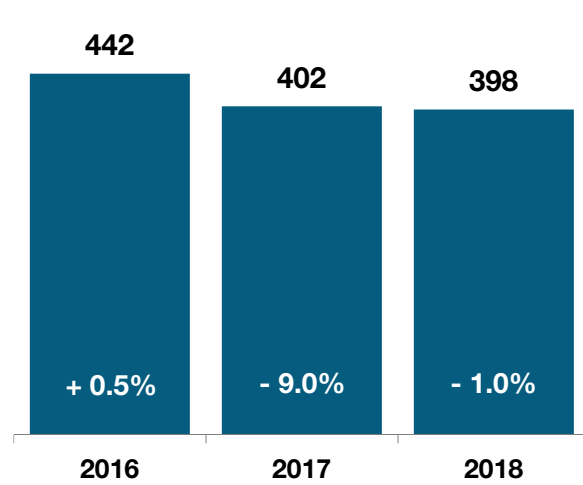


Pending Sales

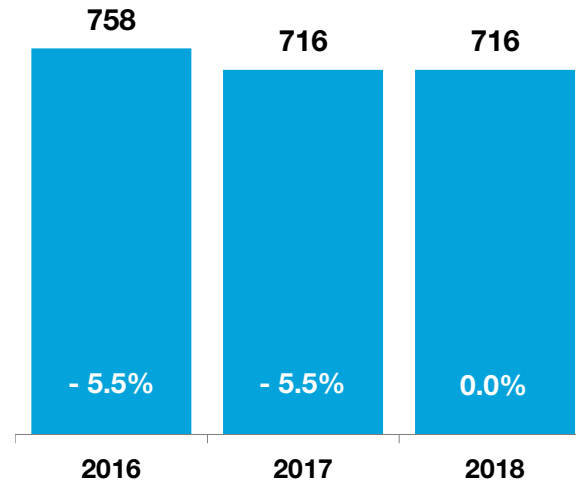
A count of the properties on which offers have been accepted in a given month.



February

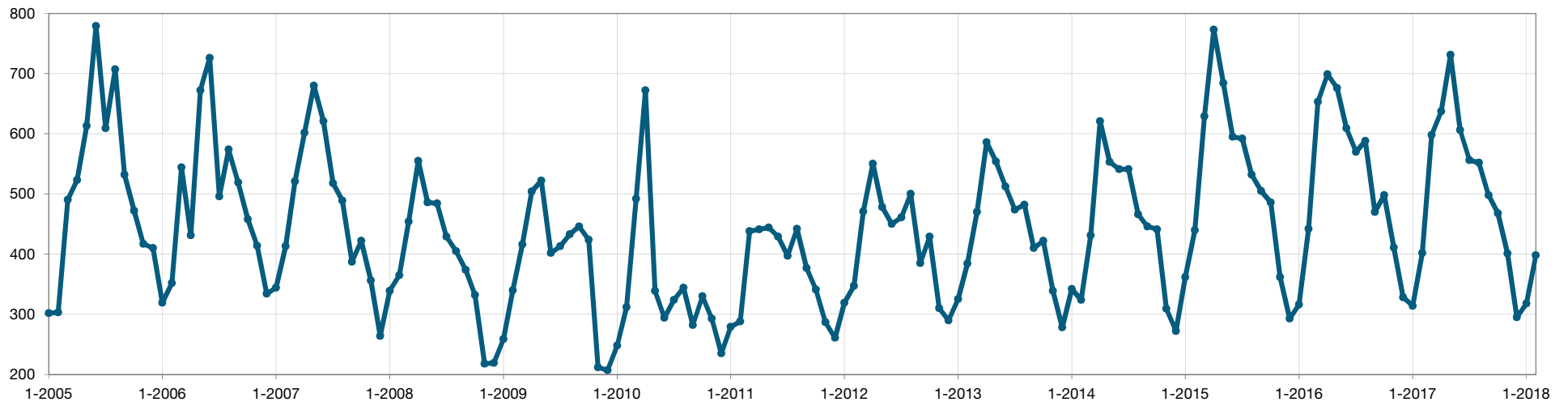


Year to Date



	Pending Sales	Prior Year	Percent Change
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	468	498	-6.0%
November 2017	401	411	-2.4%
December 2017	295	328	-10.1%
January 2018	318	314	+1.3%
February 2018	398	402	-1.0%
12-Month Avg	505	518	-2.5%

Historical Pending Sales by Month

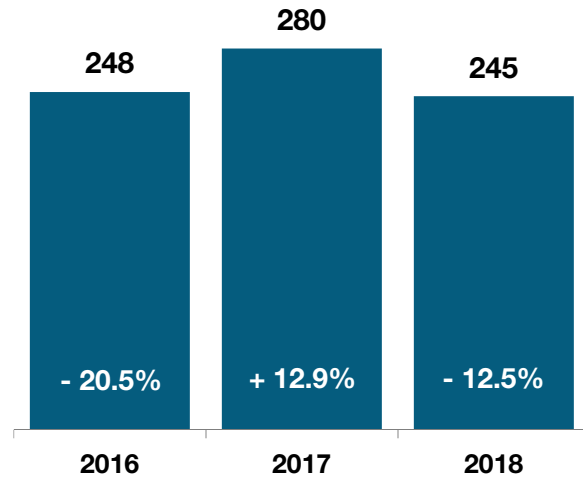


Closed Sales

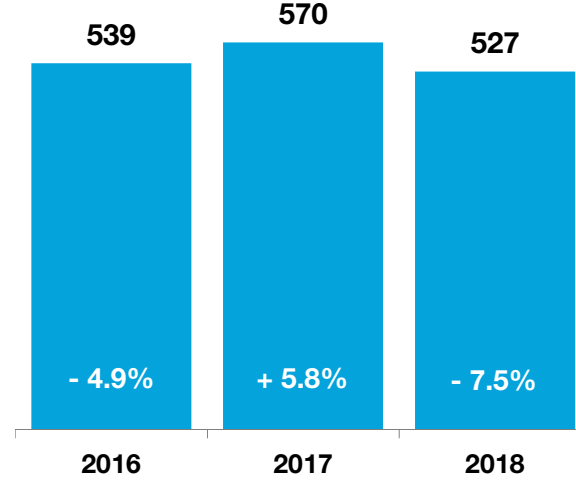
A count of the actual sales that closed in a given month.



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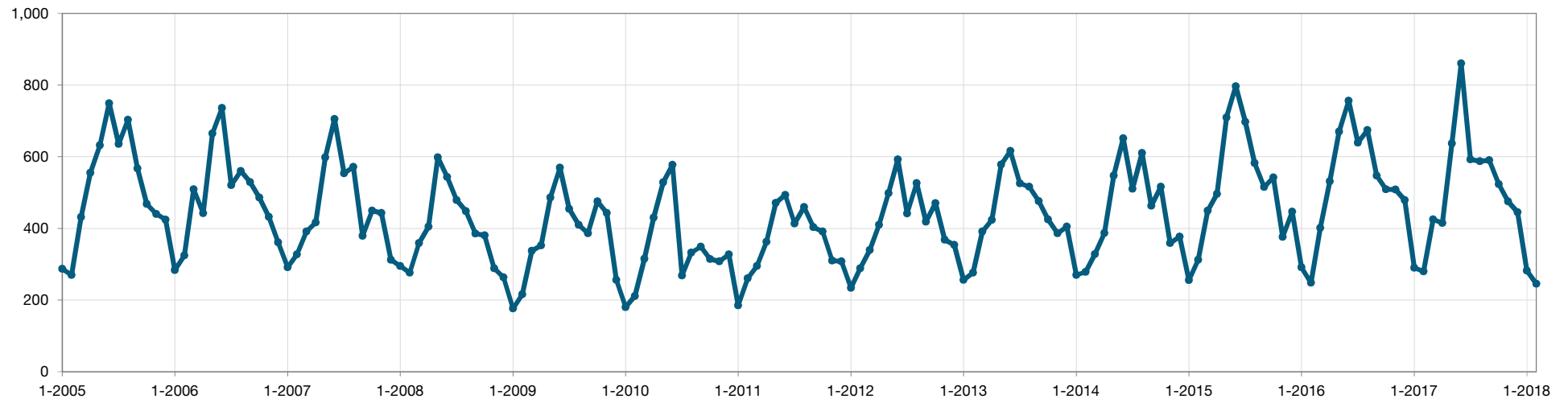


Year to Date



Closed Sales	Prior Year	Percent Change
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	523	509 +2.8%
November 2017	475	508 -6.5%
December 2017	445	479 -7.1%
January 2018	282	290 -2.8%
February 2018	245	280 -12.5%
12-Month Avg	506	524 -3.4%

Historical Closed Sales by Month

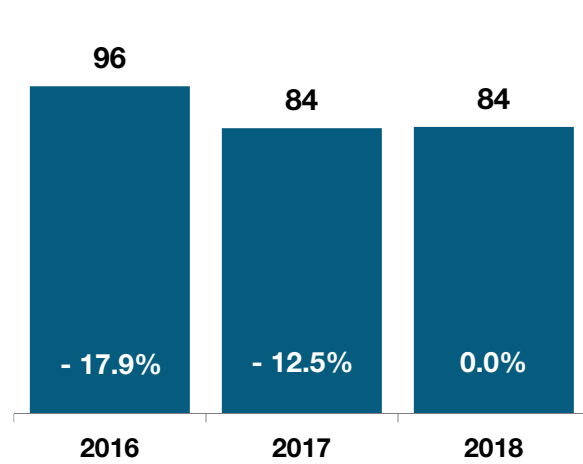


Days on Market Until Sale

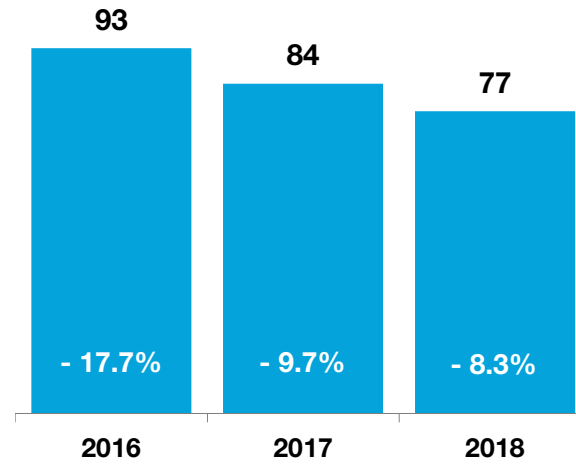
Average number of days between when a property is listed and when an offer is accepted in a given month.



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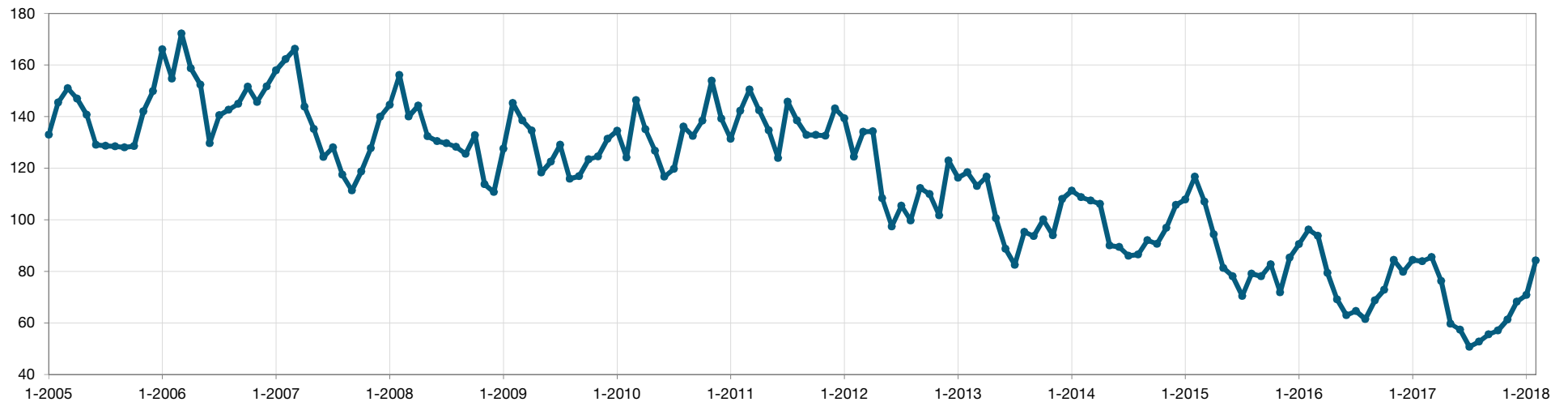


Year to Date



Days on Market	Prior Year	Percent Change	
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	65	-21.5%
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	68	80	-15.0%
January 2018	71	84	-15.5%
February 2018	84	84	0.0%
12-Month Avg	65	75	-13.3%

Historical Days on Market Until Sale by Month

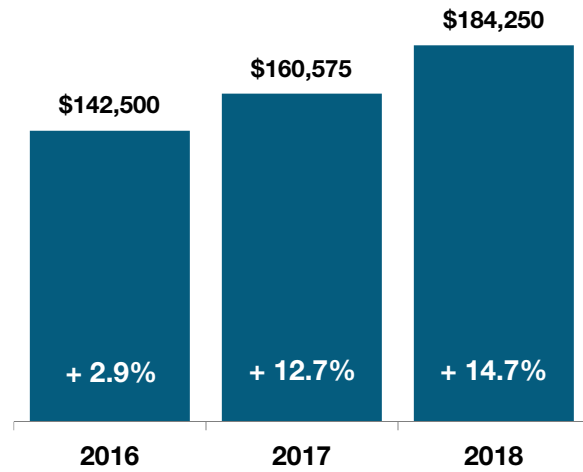


Median Sales Price

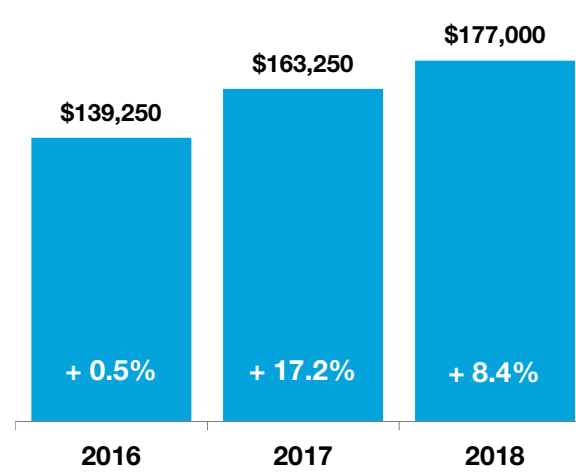
Point at which half of the sales sold for more and half sold for less, not accounting for seller concessions, in a given month.



February



Year to Date



	Median Sales Price	Prior Year	Percent Change
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	\$175,000	\$160,950	+8.7%
January 2018	\$175,000	\$164,900	+6.1%
February 2018	\$184,250	\$160,575	+14.7%
12-Month Avg	\$177,905	\$165,440	+7.5%

Historical Median Sales Price by Month

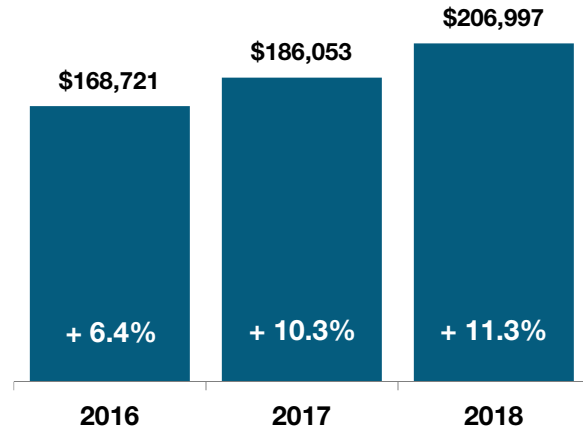


Average Sales Price

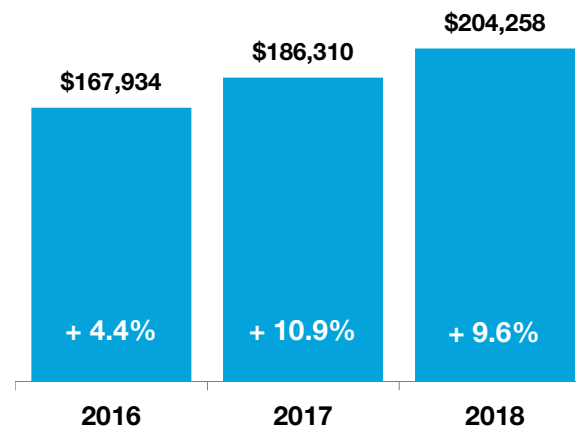
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



February



Year to Date



	Avg. Sales Price	Prior Year	Percent Change
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	\$192,569	+4.5%
October 2017	\$201,138	\$182,341	+10.3%
November 2017	\$202,129	\$195,851	+3.2%
December 2017	\$204,892	\$188,260	+8.8%
January 2018	\$201,889	\$186,558	+8.2%
February 2018	\$206,997	\$186,053	+11.3%
12-Month Avg	\$205,666	\$189,099	+8.8%

Historical Average Sales Price by Month

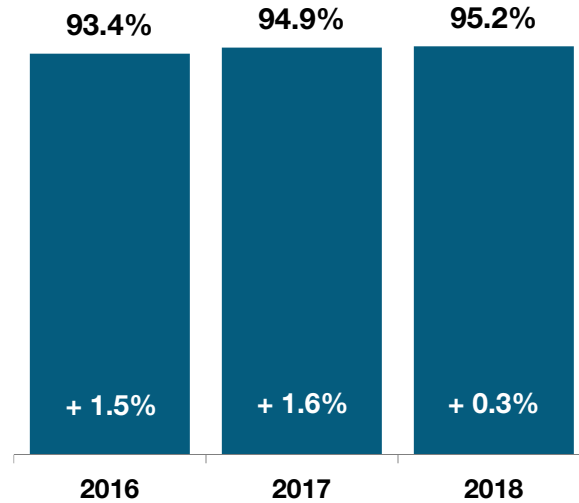


Percent of Original List Price Received

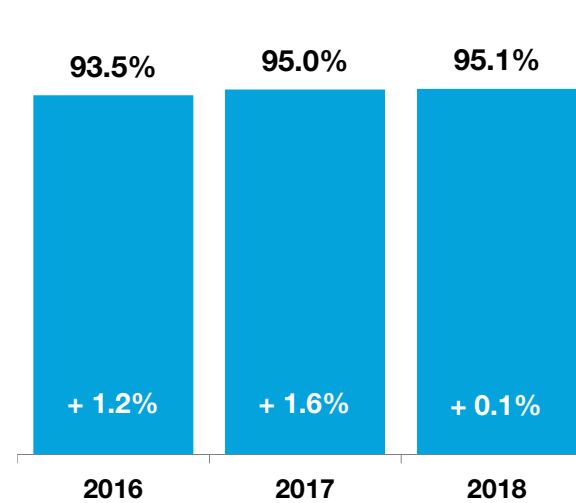
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



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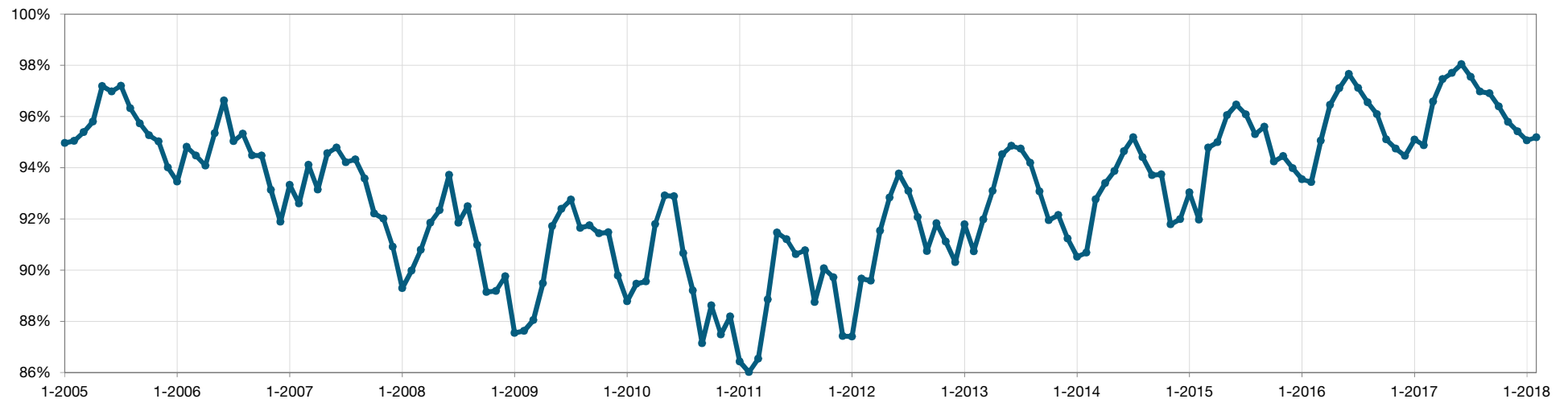


Year to Date



	Pct. of Orig. Price Received	Prior Year	Percent Change
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%
January 2018	95.1%	95.1%	0.0%
February 2018	95.2%	94.9%	+0.3%
12-Month Avg	96.6%	95.9%	+0.7%

Historical Percent of Original List Price Received by Month

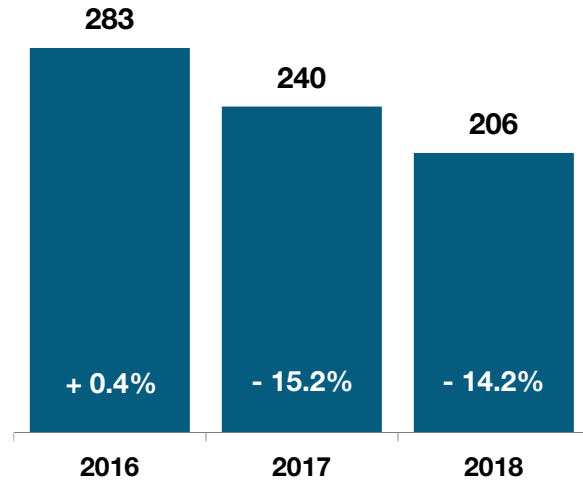


Housing Affordability Index

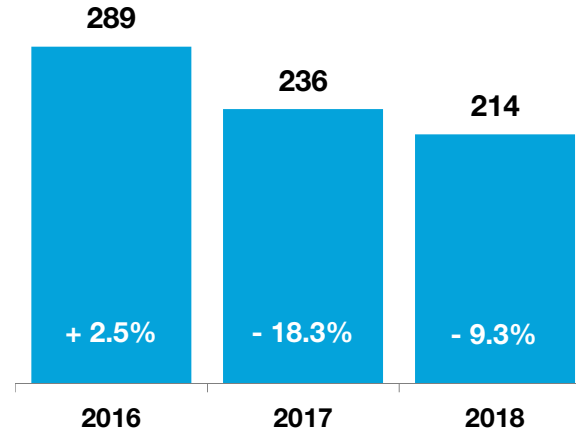
This index measures housing affordability for the region. For example, an index of 120 means the median household income is 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.



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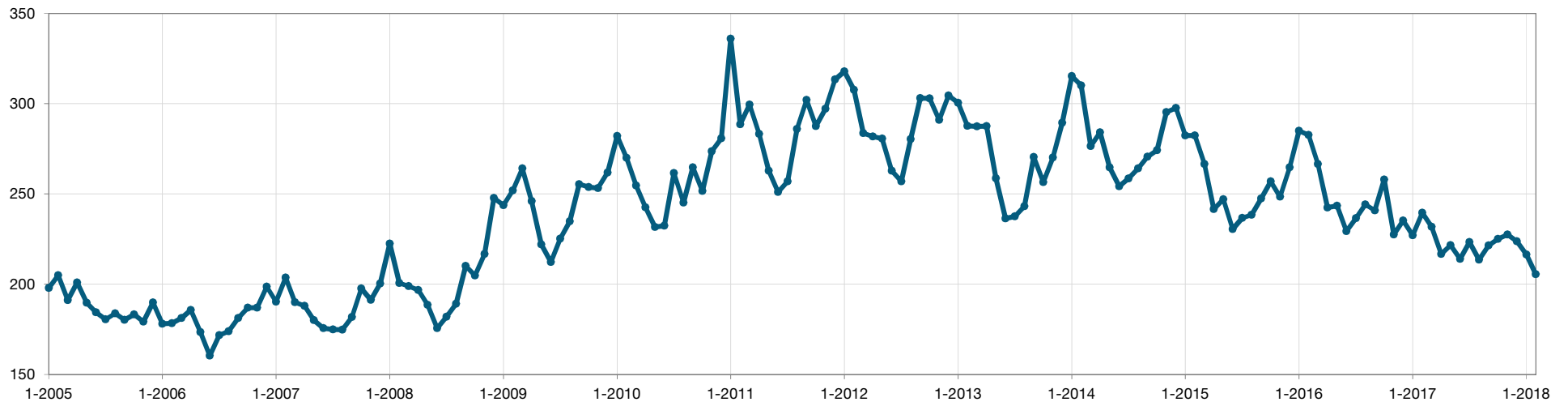


Year to Date



	Affordability Index	Prior Year	Percent Change
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	224	235	-4.7%
January 2018	216	227	-4.8%
February 2018	206	240	-14.2%
12-Month Avg	220	241	-8.7%

Historical Housing Affordability Index by Month

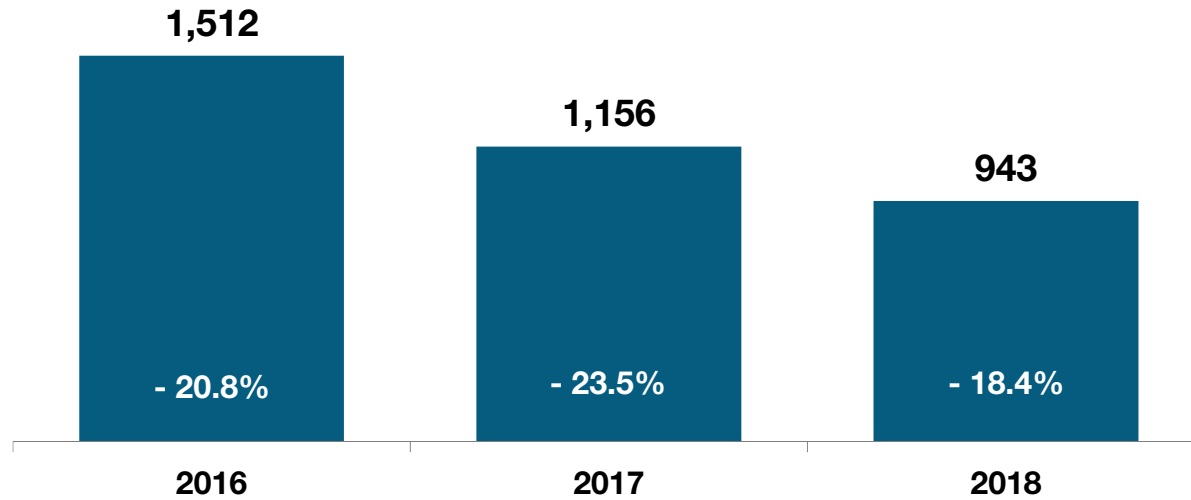


Inventory of Homes for Sale

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

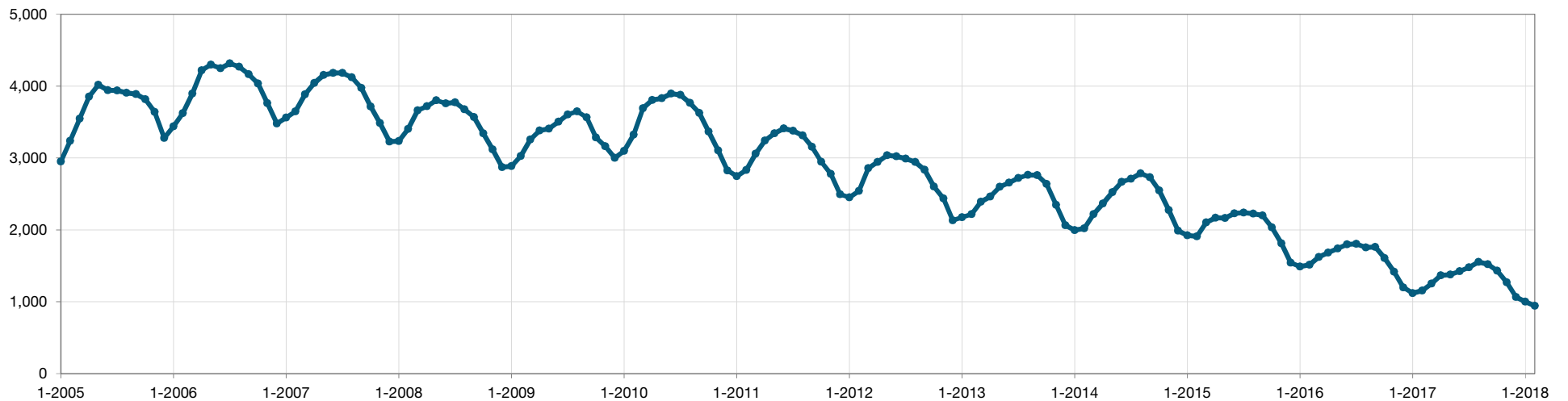


February



Homes for Sale	Prior Year	Percent Change	
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	1,422	1,798	-20.9%
July 2017	1,478	1,806	-18.2%
August 2017	1,552	1,753	-11.5%
September 2017	1,521	1,763	-13.7%
October 2017	1,432	1,608	-10.9%
November 2017	1,270	1,416	-10.3%
December 2017	1,064	1,197	-11.1%
January 2018	1,001	1,117	-10.4%
February 2018	943	1,156	-18.4%
12-Month Avg	1,306	1,555	-16.0%

Historical Inventory of Homes for Sale by Month

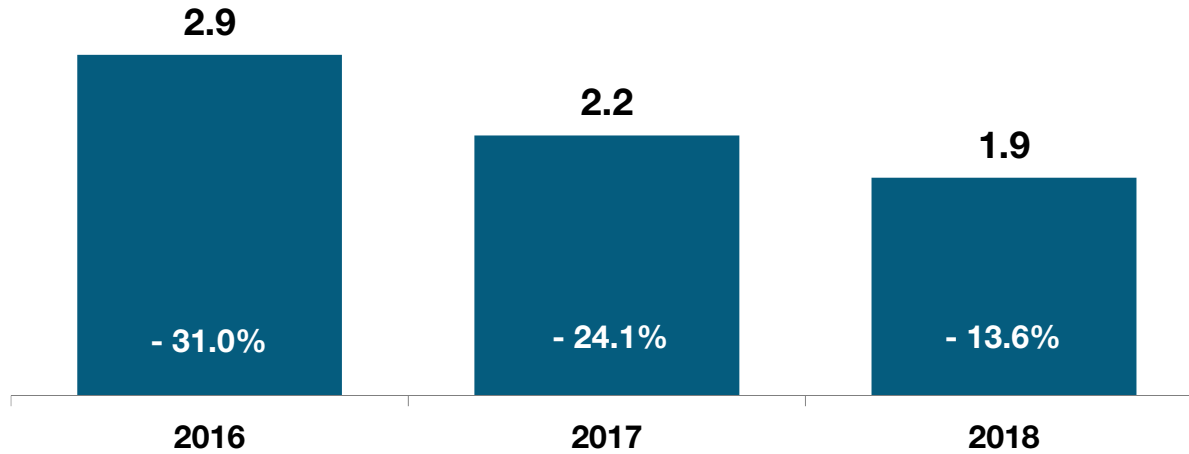


Months Supply of Inventory

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.

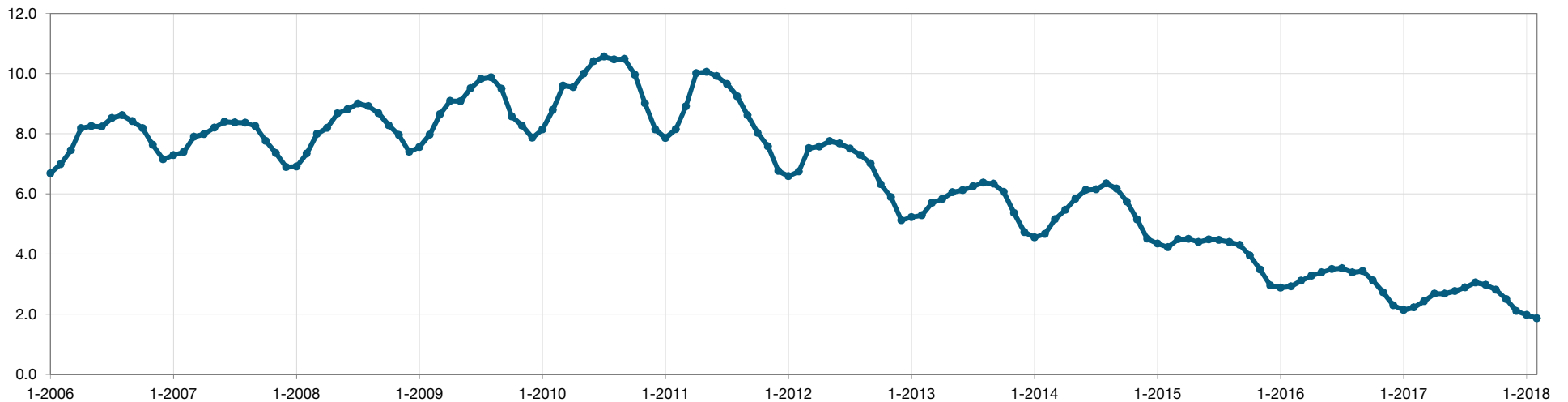


February



Months Supply		Prior Year	Percent Change
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	2.8	3.5	-20.0%
July 2017	2.9	3.5	-17.1%
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	1.9	2.2	-13.6%
12-Month Avg	2.6	3.0	-13.3%

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 2017	YTD 2018	+ / -	YTD 2017	YTD 2018	+ / -	YTD 2017	YTD 2018	+ / -	2-2017	2-2018	+ / -	2-2017	2-2018	+ / -
Albert Lea	43	26	-39.5%	32	25	-21.9%	\$85,750	\$80,000	-6.7%	85	52	-38.8%	3.1	2.0	-35.5%
Austin	48	42	-12.5%	37	34	-8.1%	\$110,000	\$85,750	-22.0%	88	51	-42.0%	2.4	1.5	-37.5%
Blooming Prairie	4	0	-100.0%	0	3	--	\$0	\$116,000	--	4	4	0.0%	1.2	1.3	+8.3%
Byron	21	30	+42.9%	16	6	-62.5%	\$275,500	\$207,950	-24.5%	21	44	+109.5%	1.7	4.1	+141.2%
Caledonia	3	2	-33.3%	1	1	0.0%	\$109,000	\$265,000	+143.1%	10	7	-30.0%	3.2	2.9	-9.4%
Chatfield	6	6	0.0%	3	6	+100.0%	\$140,000	\$177,500	+26.8%	12	9	-25.0%	2.7	2.0	-25.9%
Dodge Center	8	8	0.0%	5	4	-20.0%	\$134,900	\$126,500	-6.2%	9	6	-33.3%	2.1	1.1	-47.6%
Grand Meadow	0	0	--	1	0	-100.0%	\$250,000	\$0	-100.0%	2	1	-50.0%	0.9	0.5	-44.4%
Hayfield	3	6	+100.0%	6	5	-16.7%	\$197,500	\$192,000	-2.8%	4	4	0.0%	1.0	1.0	0.0%
Kasson	16	17	+6.3%	21	10	-52.4%	\$189,900	\$201,500	+6.1%	11	14	+27.3%	1.0	1.2	+20.0%
La Crescent	4	5	+25.0%	5	3	-40.0%	\$295,000	\$280,000	-5.1%	14	14	0.0%	3.9	4.1	+5.1%
Lake City	22	21	-4.5%	11	10	-9.1%	\$210,000	\$186,950	-11.0%	50	45	-10.0%	4.9	4.7	-4.1%
Oronoco	10	6	-40.0%	1	1	0.0%	\$439,900	\$445,000	+1.2%	12	11	-8.3%	3.3	2.9	-12.1%
Owatonna	48	31	-35.4%	35	31	-11.4%	\$144,900	\$162,000	+11.8%	74	47	-36.5%	2.0	1.6	-20.0%
Preston	1	1	0.0%	1	1	0.0%	\$176,250	\$66,000	-62.6%	2	4	+100.0%	0.9	2.1	+133.3%
Pine Island	12	5	-58.3%	8	13	+62.5%	\$142,023	\$221,000	+55.6%	10	6	-40.0%	1.6	0.8	-50.0%
Plainview	2	7	+250.0%	5	2	-60.0%	\$160,000	\$176,250	+10.2%	4	7	+75.0%	0.8	1.6	+100.0%
Rochester	326	300	-8.0%	212	216	+1.9%	\$190,500	\$223,000	+17.1%	288	253	-12.2%	1.4	1.3	-7.1%
Spring Valley	4	6	+50.0%	5	6	+20.0%	\$162,000	\$84,500	-47.8%	10	4	-60.0%	2.4	0.8	-66.7%
St. Charles	3	6	+100.0%	6	2	-66.7%	\$161,325	\$129,950	-19.4%	9	11	+22.2%	2.0	2.4	+20.0%
Stewartville	13	10	-23.1%	13	7	-46.2%	\$185,000	\$189,900	+2.6%	11	11	0.0%	1.3	1.7	+30.8%
Wabasha	14	6	-57.1%	5	8	+60.0%	\$134,900	\$142,950	+6.0%	32	19	-40.6%	6.4	3.4	-46.9%
Waseca	8	8	0.0%	1	7	+600.0%	\$144,000	\$125,000	-13.2%	13	12	-7.7%	3.0	2.2	-26.7%
Winona	42	32	-23.8%	39	32	-17.9%	\$134,950	\$145,000	+7.4%	76	56	-26.3%	2.5	1.8	-28.0%
Zumbrota	16	17	+6.3%	5	7	+40.0%	\$183,500	\$160,000	-12.8%	17	17	0.0%	2.8	2.5	-10.7%