

Monthly Indicators



September 2018

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

Some economy observers are pointing to 2018 as the final period in a long string of sentences touting several happy years of buyer demand and sales excitement for the housing industry. Although residential real estate should continue along a mostly positive line for the rest of the year, rising prices and interest rates coupled with salary stagnation and a generational trend toward home purchase delay or even disinterest could create an environment of declining sales.

New Listings Southeast Minnesota were down 2.4 percent to 567. Pending Sales increased 0.6 percent to 502. Inventory shrank 1.3 percent to 1,502 units.

Prices moved higher as the Median Sales Price was up 5.6 percent to \$190,000. Days on Market decreased 7.3 percent to 51 days. Months Supply of Inventory was up 3.3 percent to 3.1 months.

Tracking reputable news sources for housing market predictions makes good sense, as does observing trends based on meaningful statistics. By the numbers, we continue to see pockets of unprecedented price heights combined with low days on market and an economic backdrop conducive to consistent demand. We were reminded by Hurricane Florence of how quickly a situation can change. Rather than dwelling on predictions of a somber future, it is worth the effort to manage the fundamentals that will lead to an ongoing display of healthy balance.

Activity Snapshot

- 22.2% **+ 5.6%** **- 1.3%**

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.



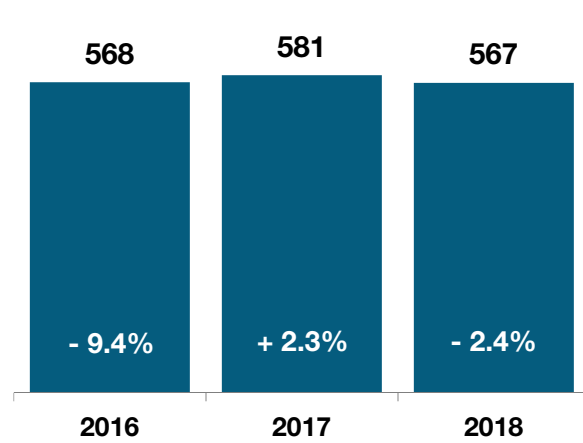
Key Metrics	Historical Sparkbars	9-2017	9-2018	Percent Change	YTD 2017	YTD 2018	Percent Change
New Listings		581	567	- 2.4%	5,791	5,660	- 2.3%
Pending Sales		499	502	+ 0.6%	4,895	4,707	- 3.8%
Closed Sales		590	459	- 22.2%	4,676	4,417	- 5.5%
Days on Market		55	51	- 7.3%	63	60	- 4.8%
Median Sales Price		\$180,000	\$190,000	+ 5.6%	\$178,000	\$193,000	+ 8.4%
Avg. Sales Price		\$201,168	\$219,252	+ 9.0%	\$205,633	\$219,815	+ 6.9%
Pct. of Orig. Price Received		96.9%	96.7%	- 0.2%	97.1%	97.3%	+ 0.2%
Affordability Index		221	188	- 14.9%	224	185	- 17.4%
Homes for Sale		1,522	1,502	- 1.3%	--	--	--
Months Supply		3.0	3.1	+ 3.3%	--	--	--

New Listings

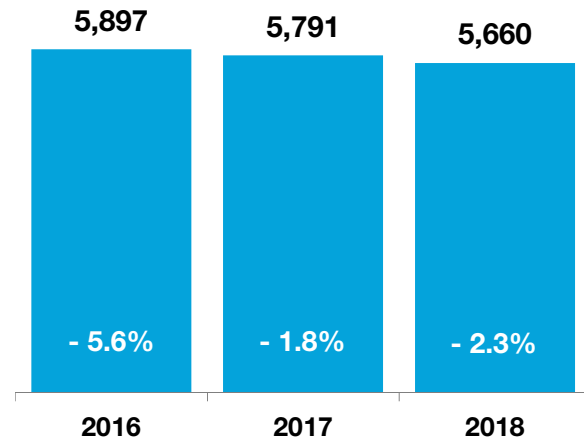
A count of the properties that have been newly listed on the market in a given month.



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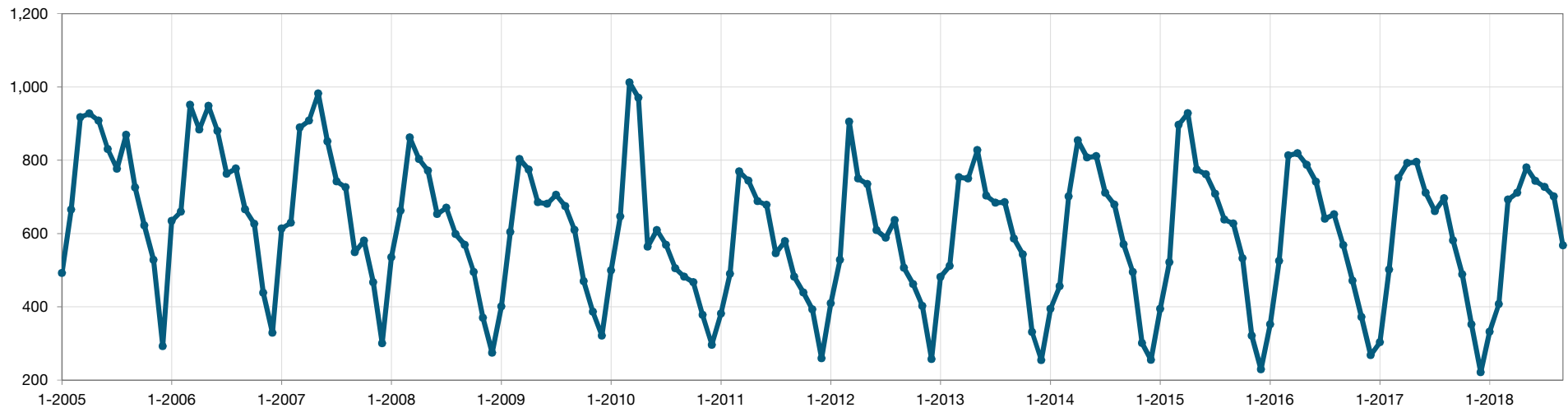


Year to Date



	New Listings	Prior Year	Percent Change
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	407	501	-18.8%
March 2018	692	751	-7.9%
April 2018	711	792	-10.2%
May 2018	780	795	-1.9%
June 2018	743	711	+4.5%
July 2018	727	661	+10.0%
August 2018	701	696	+0.7%
September 2018	567	581	-2.4%
12-Month Avg	560	575	-2.6%

Historical New Listings by Month

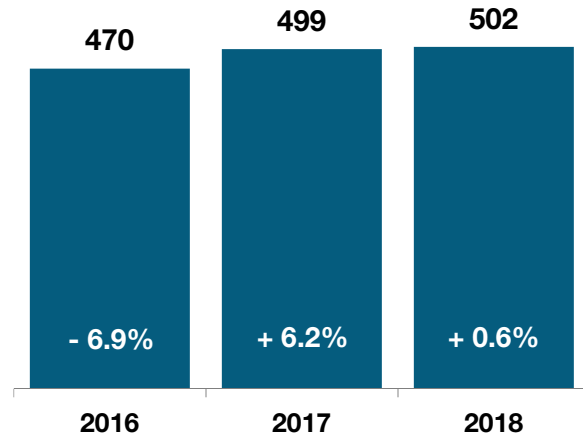


Pending Sales

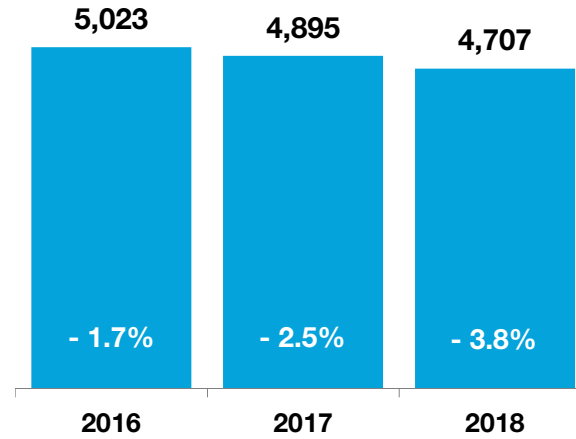
A count of the properties on which offers have been accepted in a given month.



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Year to Date



Pending Sales	Pending Sales	Prior Year	Percent Change
October 2017	468	498	-6.0%
November 2017	399	411	-2.9%
December 2017	296	328	-9.8%
January 2018	315	314	+0.3%
February 2018	396	402	-1.5%
March 2018	560	599	-6.5%
April 2018	608	637	-4.6%
May 2018	645	730	-11.6%
June 2018	560	606	-7.6%
July 2018	571	556	+2.7%
August 2018	550	552	-0.4%
September 2018	502	499	+0.6%
12-Month Avg	489	511	-4.3%

Historical Pending Sales by Month

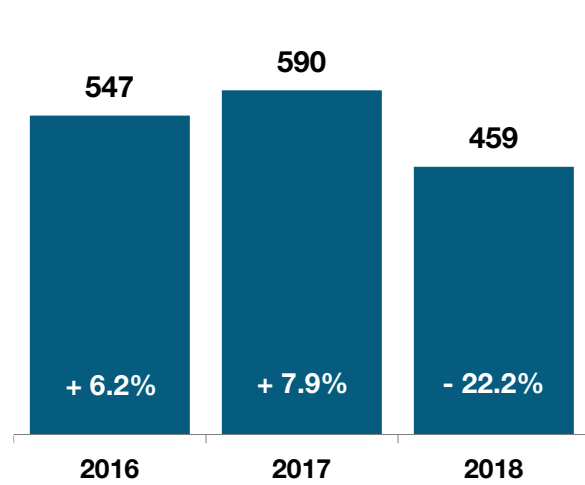


Closed Sales

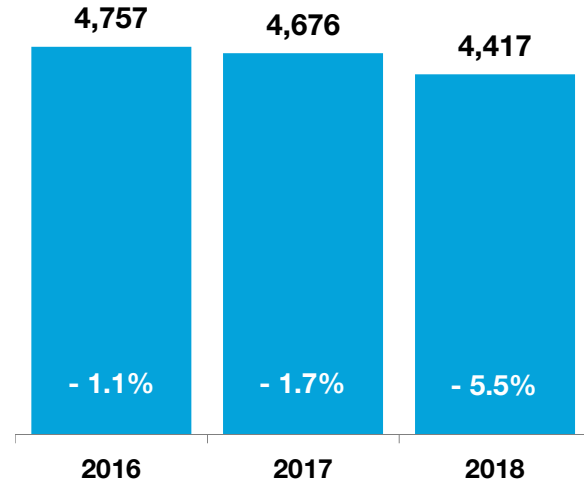
A count of the actual sales that closed in a given month.



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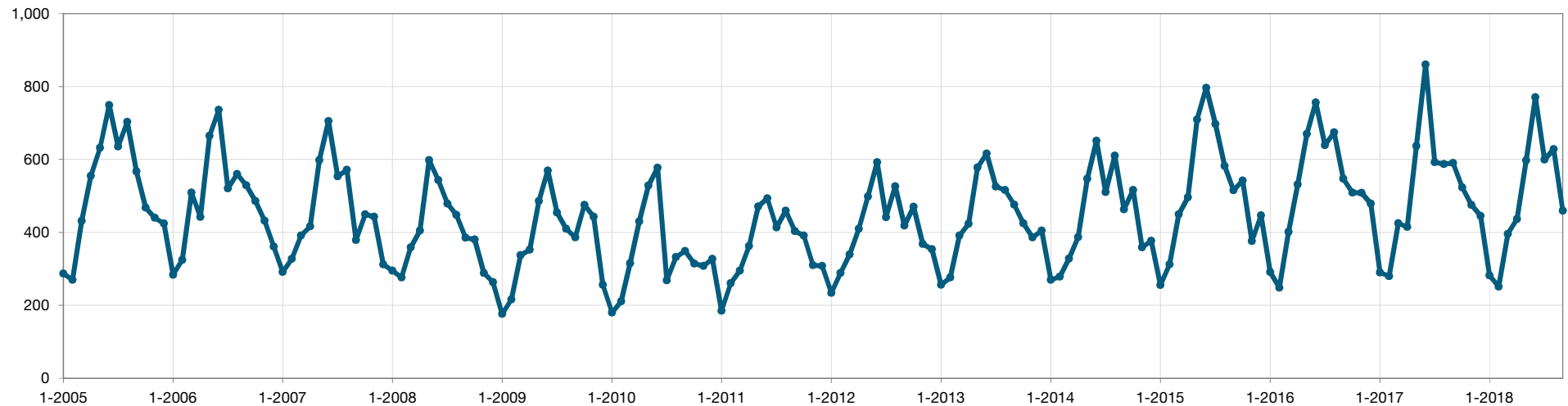


Year to Date



Closed Sales	Prior Year	Percent Change
October 2017	523	+2.8%
November 2017	475	-6.5%
December 2017	445	-7.1%
January 2018	282	-2.8%
February 2018	251	-10.4%
March 2018	395	-7.1%
April 2018	436	+5.1%
May 2018	597	-6.3%
June 2018	770	-10.5%
July 2018	599	+1.2%
August 2018	628	+7.0%
September 2018	459	-22.2%
12-Month Avg	488	-5.1%

Historical Closed Sales by Month

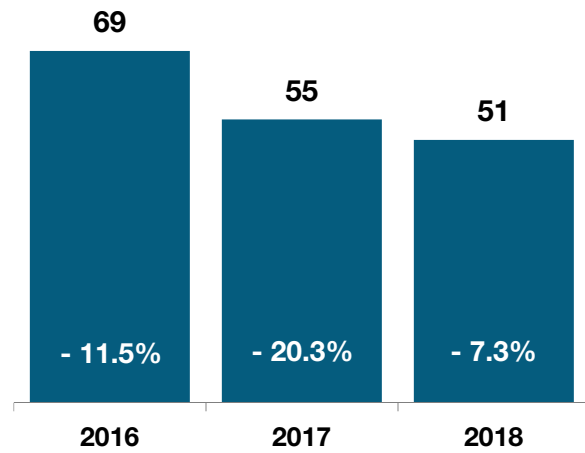


Days on Market Until Sale

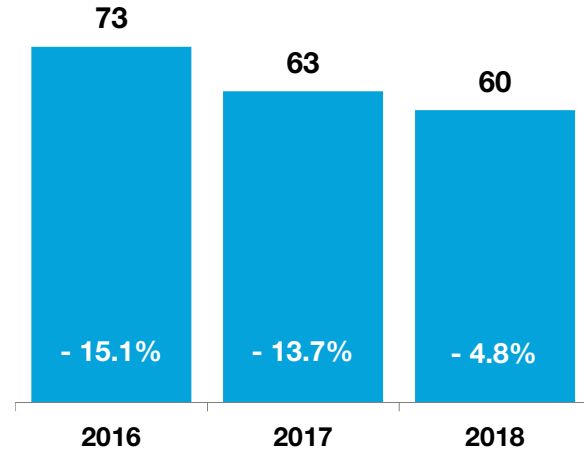
Average number of days between when a property is listed and when an offer is accepted in a given month.



September



Year to Date



Days on Market	Prior Year	Percent Change	
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	47	57	-17.5%
July 2018	56	51	+9.8%
August 2018	49	53	-7.5%
September 2018	51	55	-7.3%
12-Month Avg	63	70	-10.0%

Historical Days on Market Until Sale by Month

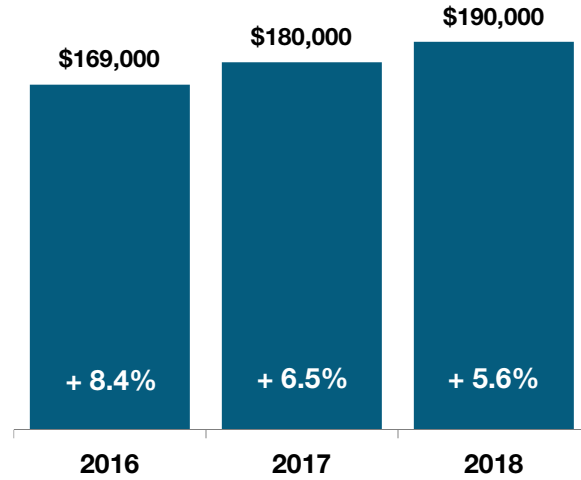


Median Sales Price

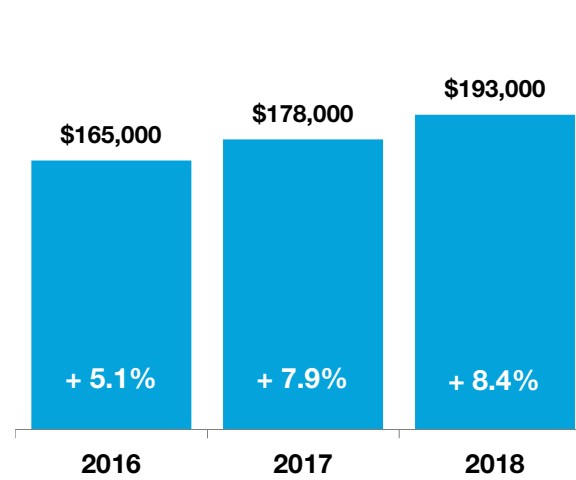
Point at which half of the sales sold for more and half sold for less, not accounting for seller concessions, in a given month.



September



Year to Date



	Median Sales Price	Prior Year	Percent Change
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	\$194,000	\$178,000	+9.0%
June 2018	\$206,000	\$184,200	+11.8%
July 2018	\$191,900	\$176,950	+8.4%
August 2018	\$203,000	\$186,890	+8.6%
September 2018	\$190,000	\$180,000	+5.6%
12-Month Avg	\$186,400	\$172,572	+8.0%

Historical Median Sales Price by Month

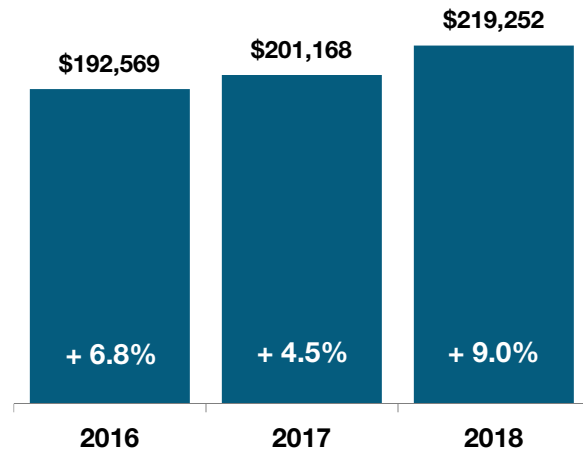


Average Sales Price

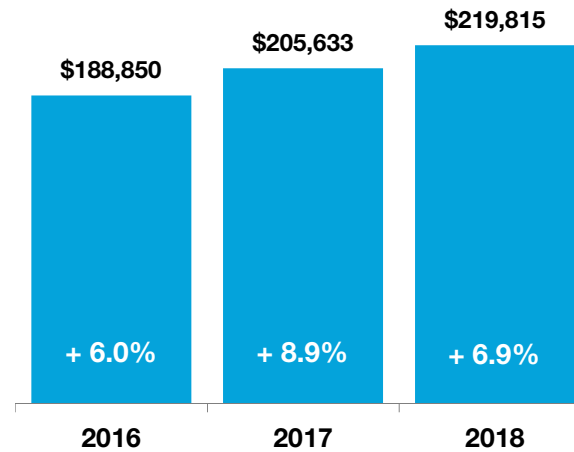
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



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Year to Date



	Avg. Sales Price	Prior Year	Percent Change
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	\$226,478	\$206,503	+9.7%
June 2018	\$227,291	\$216,688	+4.9%
July 2018	\$225,663	\$204,122	+10.6%
August 2018	\$229,177	\$218,550	+4.9%
September 2018	\$219,252	\$201,168	+9.0%
12-Month Avg	\$213,259	\$199,166	+7.1%

Historical Average Sales Price by Month

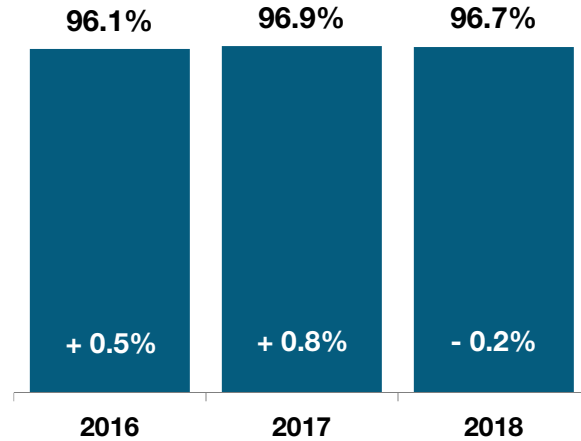


Percent of Original List Price Received

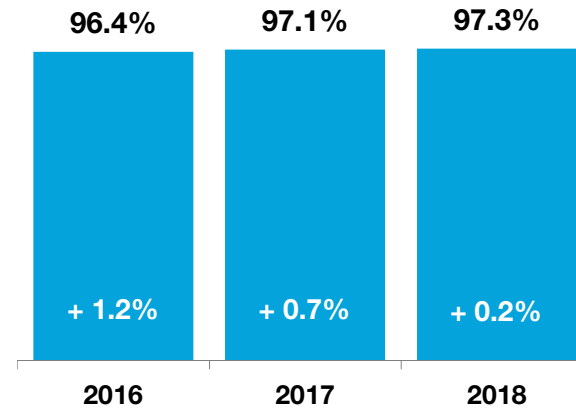
Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.



September



Year to Date



	Pct. of Orig. Price Received	Prior Year	Percent Change
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	97.5%	97.5%	0.0%
August 2018	97.7%	97.0%	+0.7%
September 2018	96.7%	96.9%	-0.2%
12-Month Avg	96.7%	96.3%	+0.4%

Historical Percent of Original List Price Received by Month

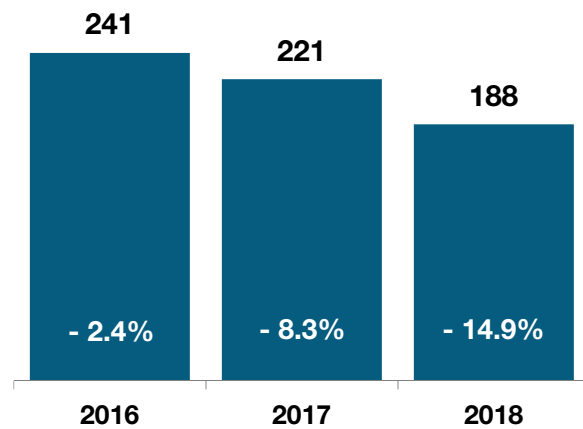


Housing Affordability Index

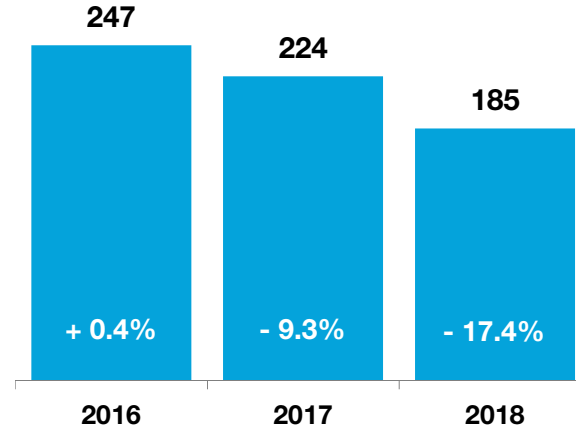
This index measures housing affordability for the region. For example, an index of 120 means the median household income is 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. A higher number means greater affordability.



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Year to Date



	Affordability Index	Prior Year	Percent Change
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	191	222	-14.0%
June 2018	181	214	-15.4%
July 2018	194	223	-13.0%
August 2018	184	213	-13.6%
September 2018	188	221	-14.9%
12-Month Avg	203	227	-10.6%

Historical Housing Affordability Index by Month

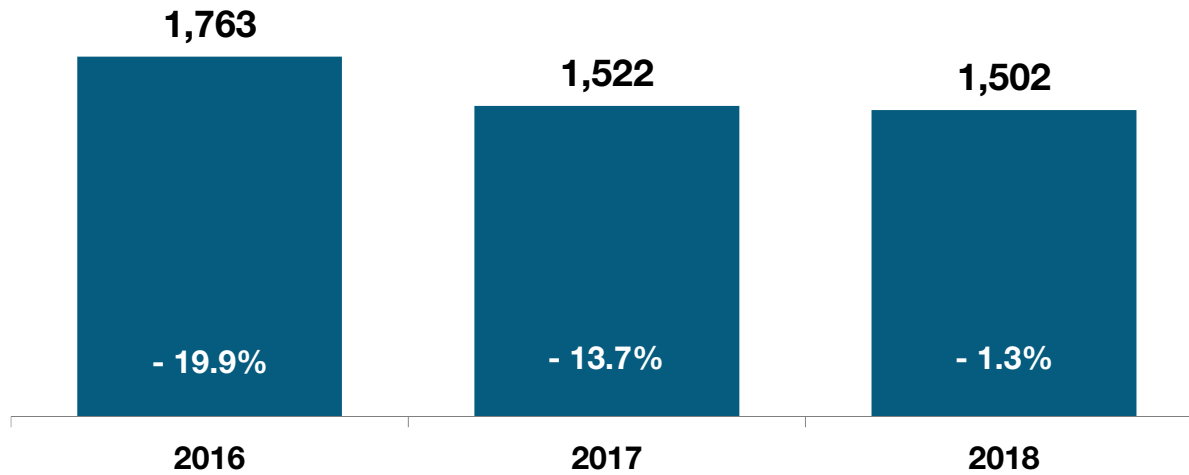


Inventory of Homes for Sale

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

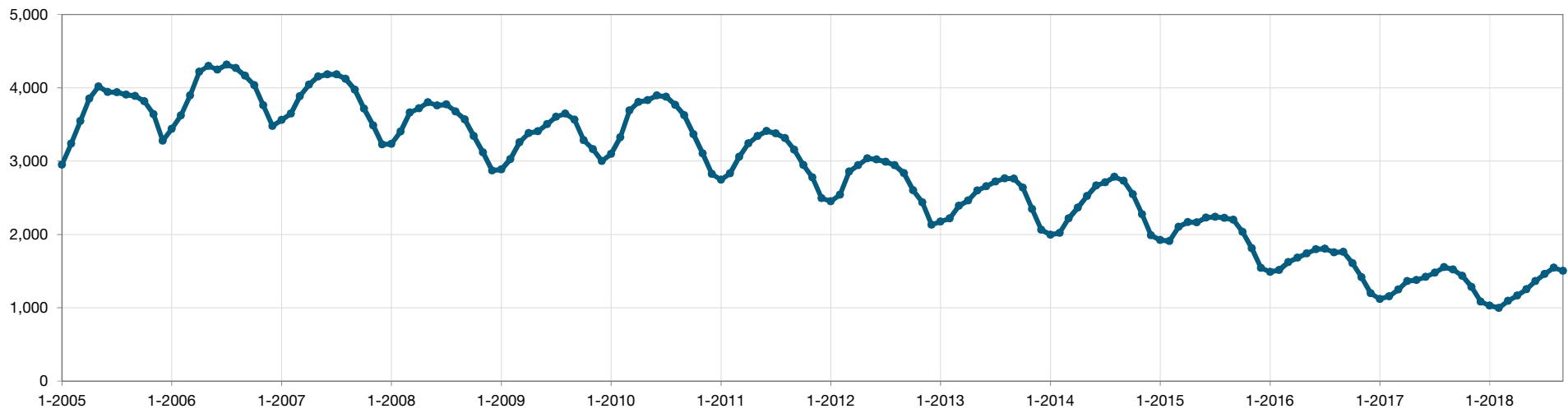


September



Homes for Sale		Prior Year	Percent Change
October 2017	1,434	1,608	-10.8%
November 2017	1,283	1,416	-9.4%
December 2017	1,084	1,197	-9.4%
January 2018	1,030	1,117	-7.8%
February 2018	997	1,156	-13.8%
March 2018	1,095	1,249	-12.3%
April 2018	1,164	1,363	-14.6%
May 2018	1,250	1,376	-9.2%
June 2018	1,364	1,421	-4.0%
July 2018	1,460	1,478	-1.2%
August 2018	1,545	1,552	-0.5%
September 2018	1,502	1,522	-1.3%
12-Month Avg	1,267	1,371	-7.6%

Historical Inventory of Homes for Sale by Month

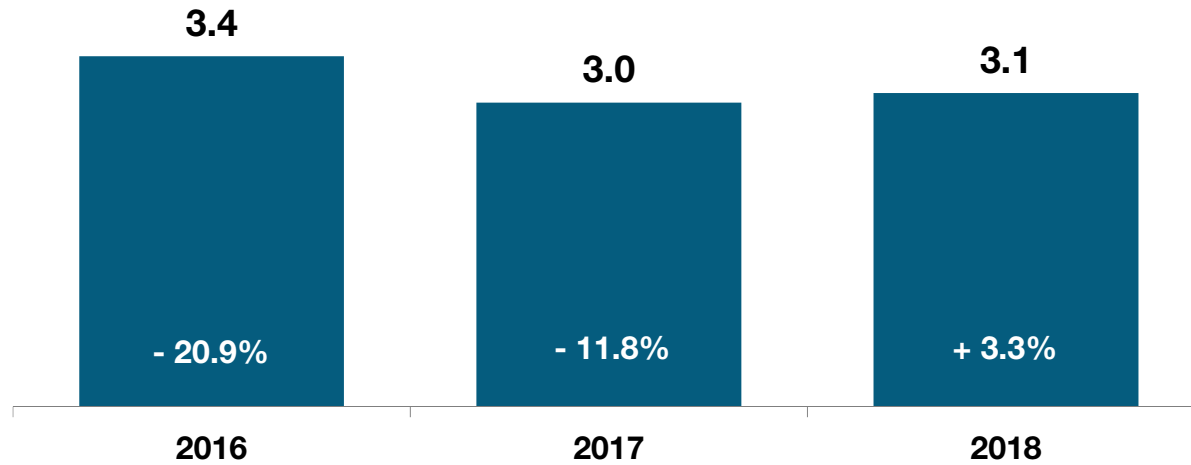


Months Supply of Inventory

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.



September



Months Supply		Prior Year	Percent Change
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	3.0	2.9	+3.4%
August 2018	3.2	3.1	+3.2%
September 2018	3.1	3.0	+3.3%
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	+ / -	9-2017	9-2018	+ / -	9-2017	9-2018	+ / -
Albert Lea	309	253	-18.1%	259	207	-20.1%	\$95,000	\$110,000	+15.8%	86	64	-25.6%	3.0	2.7	-10.0%
Austin	378	402	+6.3%	311	304	-2.3%	\$110,000	\$103,750	-5.7%	97	94	-3.1%	2.7	2.7	0.0%
Bloomington	33	36	+9.1%	21	30	+42.9%	\$125,000	\$124,000	-0.8%	9	11	+22.2%	3.1	3.3	+6.5%
Byron	129	139	+7.8%	102	97	-4.9%	\$274,450	\$263,000	-4.2%	37	52	+40.5%	3.3	4.8	+45.5%
Caledonia	32	28	-12.5%	19	14	-26.3%	\$109,000	\$133,500	+22.5%	12	14	+16.7%	4.8	5.8	+20.8%
Chatfield	47	43	-8.5%	41	31	-24.4%	\$158,000	\$174,997	+10.8%	14	13	-7.1%	3.2	3.1	-3.1%
Dodge Center	59	46	-22.0%	44	34	-22.7%	\$154,000	\$170,600	+10.8%	17	8	-52.9%	3.5	1.8	-48.6%
Grand Meadow	14	12	-14.3%	15	9	-40.0%	\$140,000	\$106,000	-24.3%	2	4	+100.0%	0.9	2.4	+166.7%
Hayfield	40	34	-15.0%	37	29	-21.6%	\$147,000	\$149,900	+2.0%	9	6	-33.3%	2.3	1.8	-21.7%
Kasson	125	127	+1.6%	109	101	-7.3%	\$200,000	\$208,000	+4.0%	16	30	+87.5%	1.3	2.8	+115.4%
La Crescent	39	50	+28.2%	27	43	+59.3%	\$270,000	\$275,450	+2.0%	22	16	-27.3%	6.8	3.4	-50.0%
Lake City	133	136	+2.3%	98	100	+2.0%	\$203,500	\$199,468	-2.0%	59	55	-6.8%	5.9	5.2	-11.9%
Oronoco	43	31	-27.9%	32	25	-21.9%	\$395,100	\$420,000	+6.3%	11	9	-18.2%	3.2	3.1	-3.1%
Owatonna	341	321	-5.9%	292	267	-8.6%	\$158,505	\$172,000	+8.5%	83	73	-12.0%	2.5	2.5	0.0%
Preston	22	32	+45.5%	13	20	+53.8%	\$110,000	\$140,000	+27.3%	7	15	+114.3%	3.3	6.9	+109.1%
Pine Island	89	58	-34.8%	69	54	-21.7%	\$209,000	\$245,000	+17.2%	23	15	-34.8%	3.2	2.7	-15.6%
Plainview	50	49	-2.0%	41	38	-7.3%	\$160,000	\$181,200	+13.3%	12	5	-58.3%	2.4	1.0	-58.3%
Rochester	2,145	2,142	-0.1%	1,821	1,746	-4.1%	\$220,000	\$235,000	+6.8%	405	453	+11.9%	2.1	2.4	+14.3%
Spring Valley	57	37	-35.1%	45	32	-28.9%	\$128,000	\$150,000	+17.2%	15	9	-40.0%	3.1	2.5	-19.4%
St. Charles	60	43	-28.3%	48	25	-47.9%	\$177,450	\$154,500	-12.9%	18	13	-27.8%	3.9	4.0	+2.6%
Stewartville	78	75	-3.8%	69	56	-18.8%	\$183,500	\$201,000	+9.5%	15	19	+26.7%	2.0	3.3	+65.0%
Wabasha	60	38	-36.7%	48	37	-22.9%	\$137,200	\$168,000	+22.4%	30	15	-50.0%	5.3	3.5	-34.0%
Waseca	61	61	0.0%	46	43	-6.5%	\$142,500	\$135,000	-5.3%	15	27	+80.0%	3.0	5.3	+76.7%
Winona	352	384	+9.1%	286	275	-3.8%	\$140,750	\$143,000	+1.6%	106	145	+36.8%	3.3	4.7	+42.4%
Zumbrota	79	78	-1.3%	62	55	-11.3%	\$191,300	\$214,500	+12.1%	16	25	+56.3%	2.3	4.1	+78.3%