



MINNEAPOLIS AREA Association
of REALTORS®

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November 2009

Extremely heavy buyer activity and shrinking inventory led to strengthening Twin Cities home prices in November. The November median sales price of \$170,000 was a slight increase from October—a rare occurrence in this month that typically marks the beginning of a temporary winter price swoon. This mark is 2.9 percent behind last October, the lowest year-over-year price decline in over two years.

This is the surest sign we've seen yet that we're on recovery road. We've seen sales growing for almost a year and a half, and prices are starting to reflect that, particularly in the lower price ranges.

The Months Supply of Inventory has dropped to 5.7 months, the lowest mark since April 2006. Traditional homes have 7.6 months of supply, foreclosures have 1.4 months and short sales have 12.8 months.

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New Listings

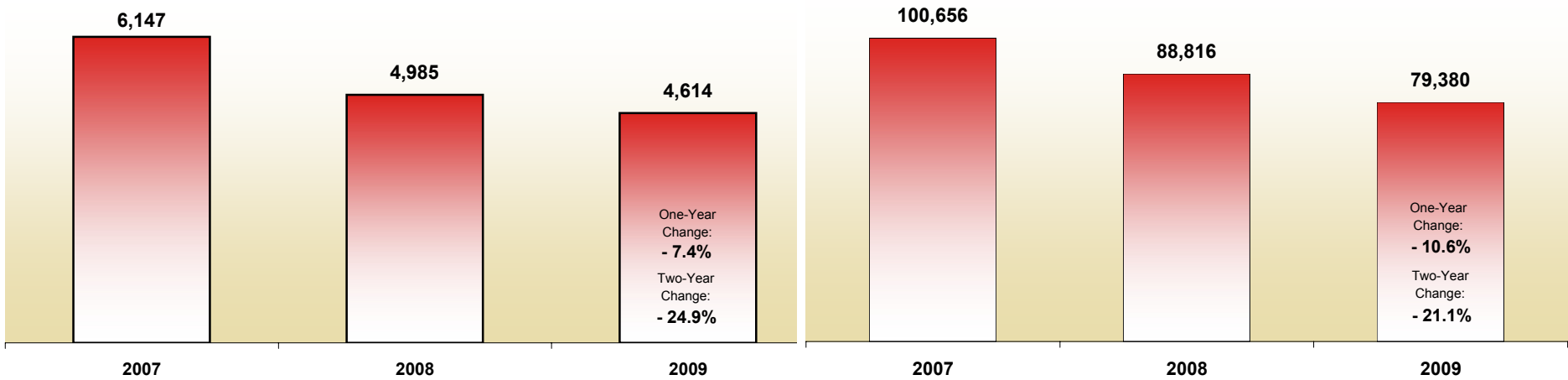
A Monthly Indicator from the **Minneapolis Area Association of REALTORS®**



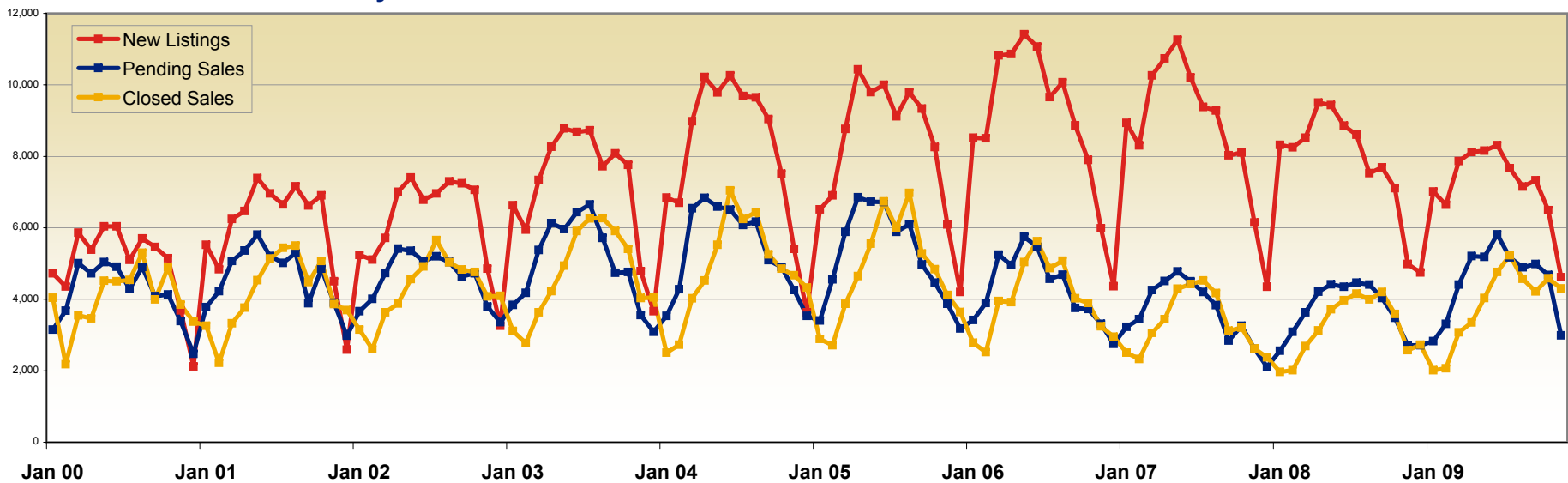
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November

Year to Date



Historical Market Activity



Pending Sales

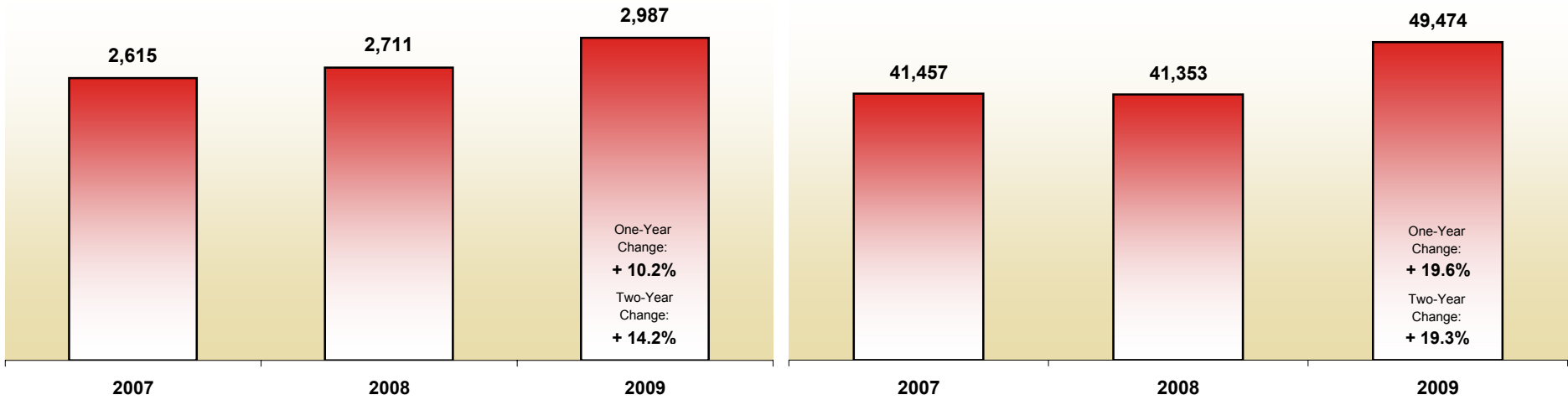
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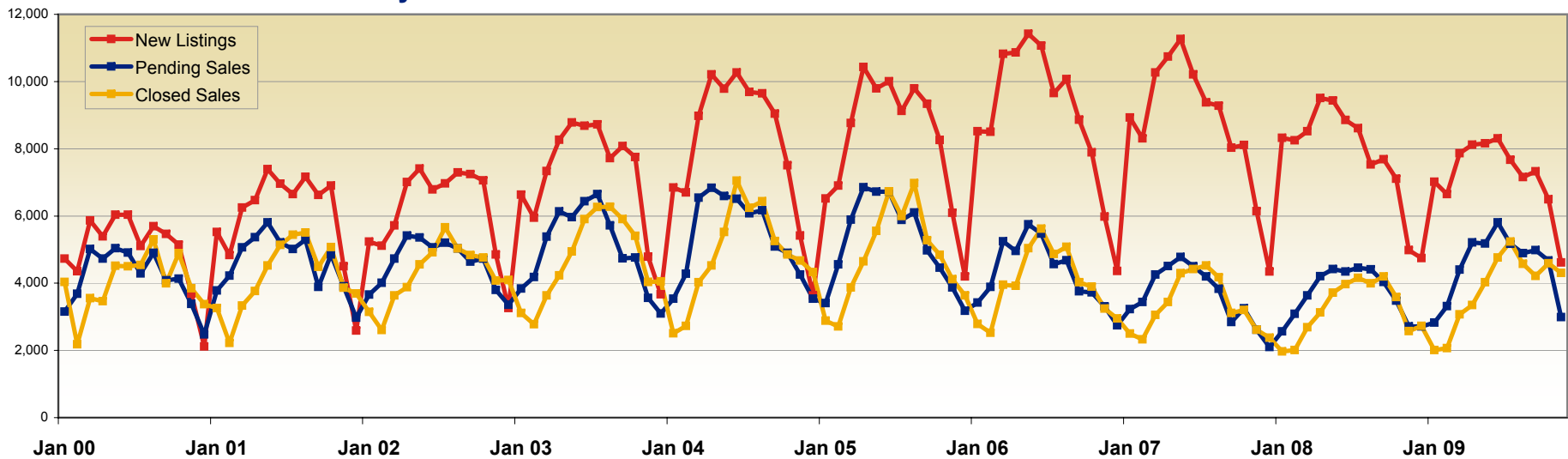
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Year to Date



Historical Market Activity



Closed Sales

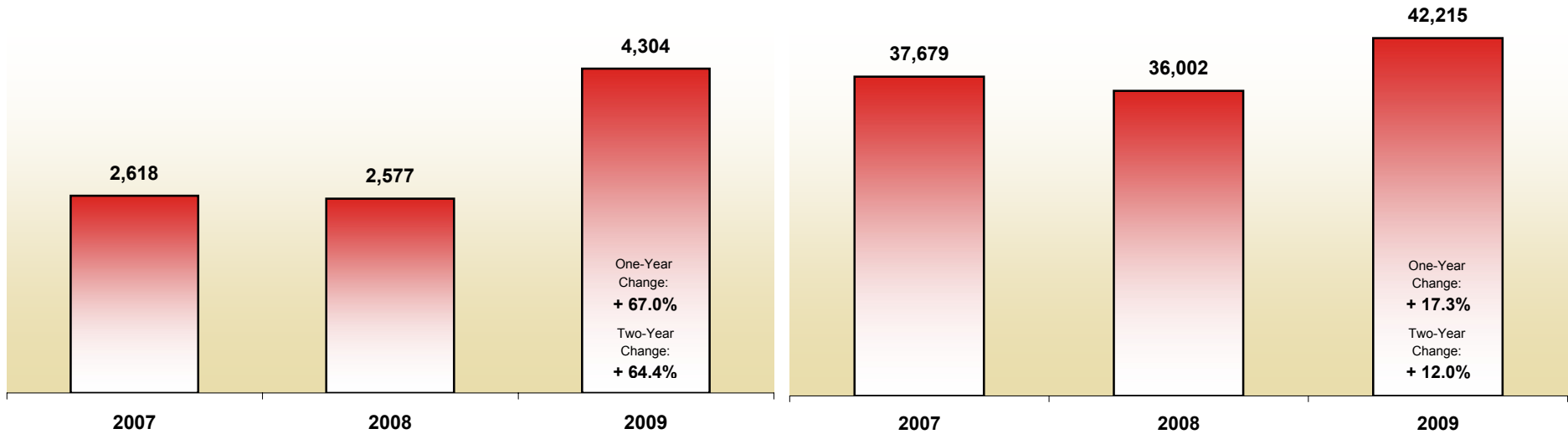
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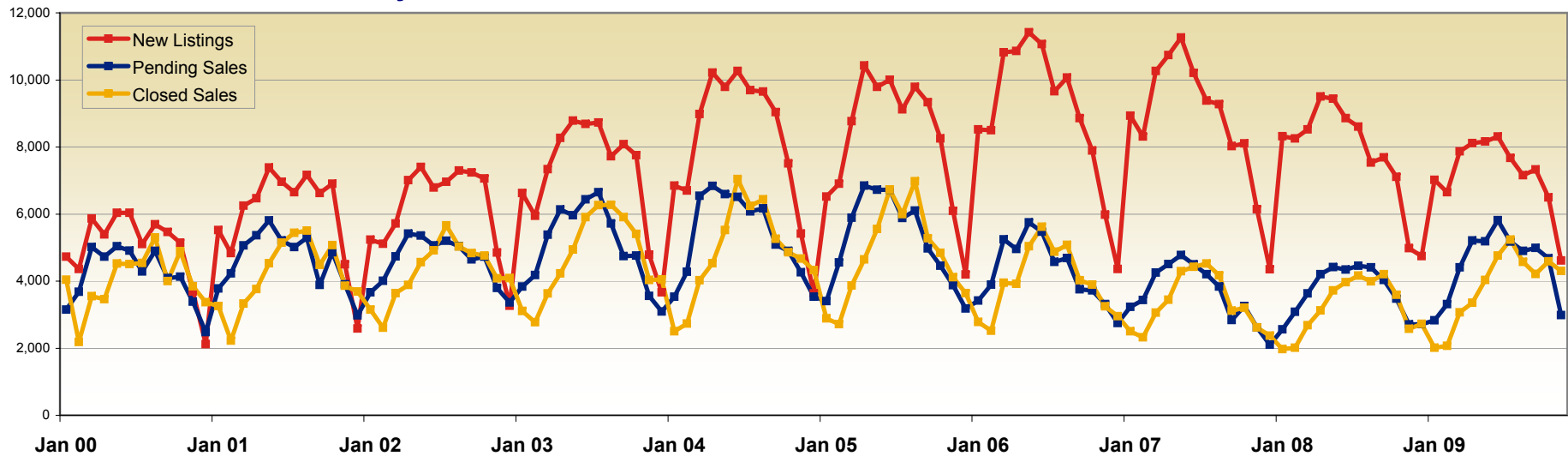
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Historical Market Activity



Dollar Volume of Closed Sales (in millions)

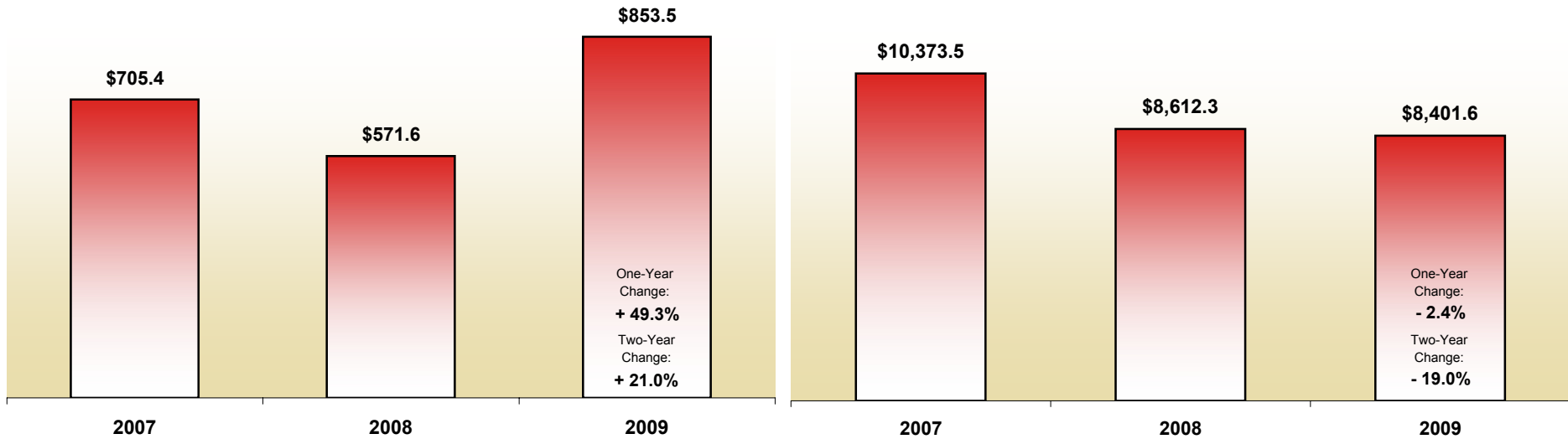
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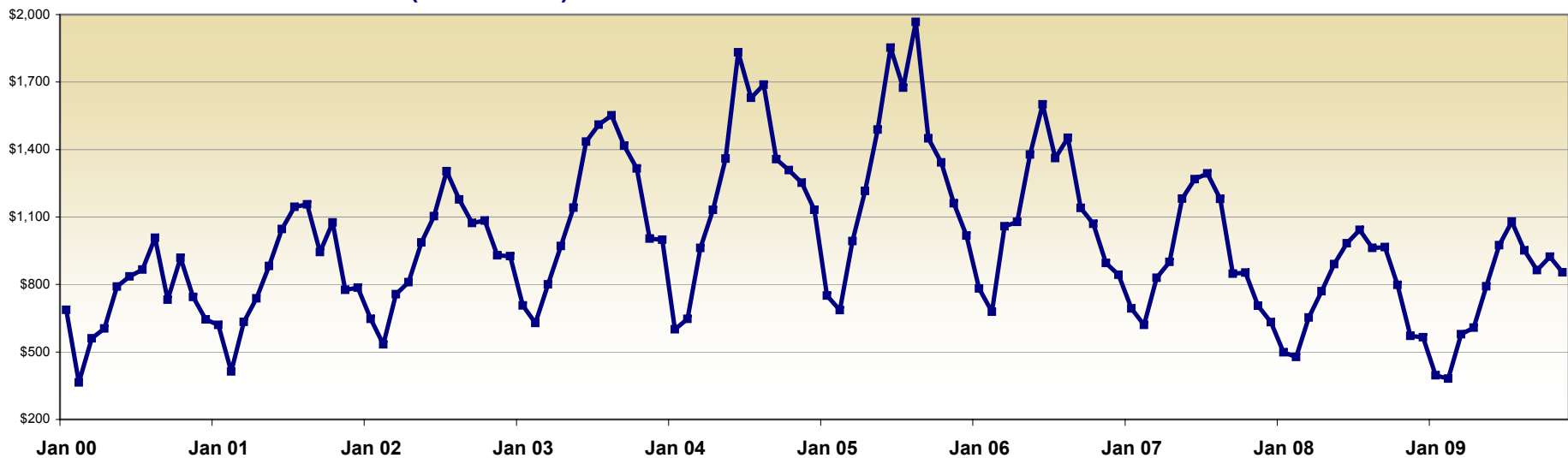
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Historical Dollar Volume (in millions)



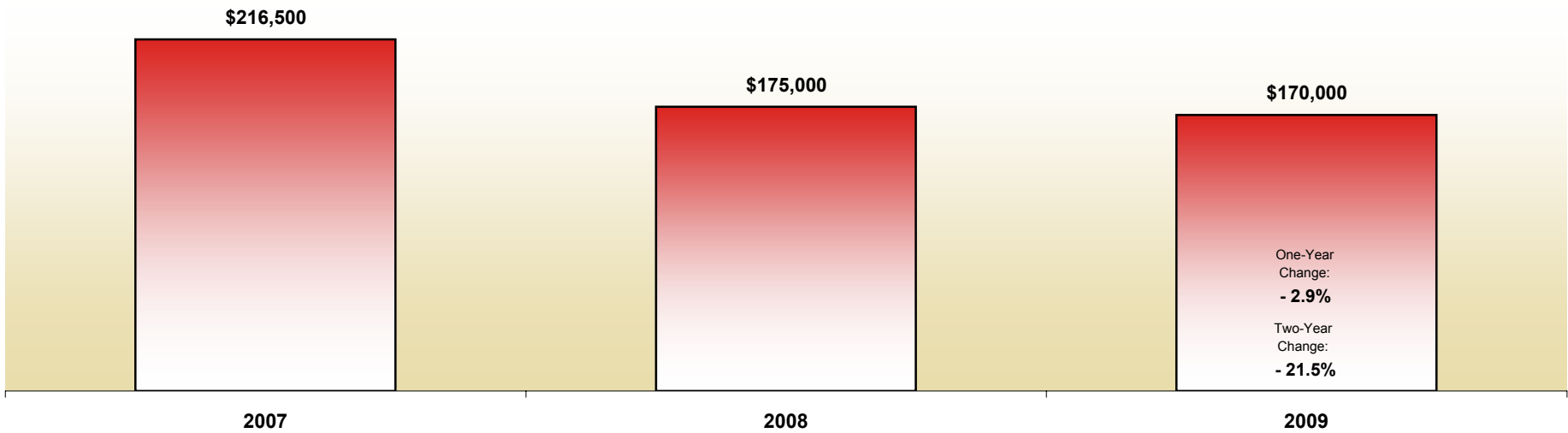
Median Sales Price

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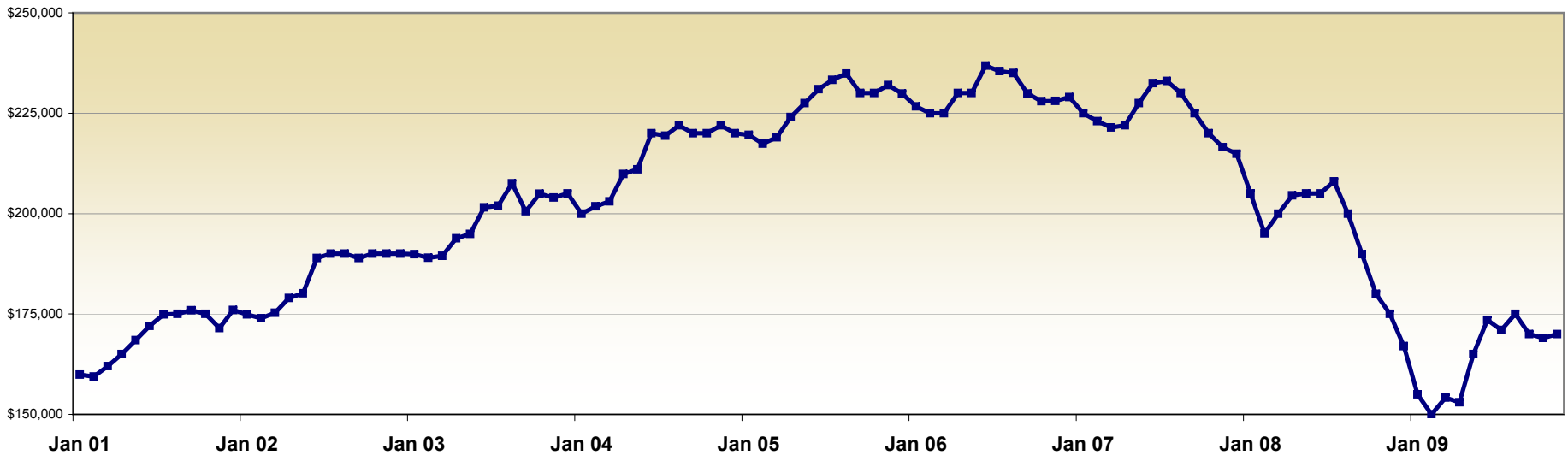


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Historical Median Sales Prices



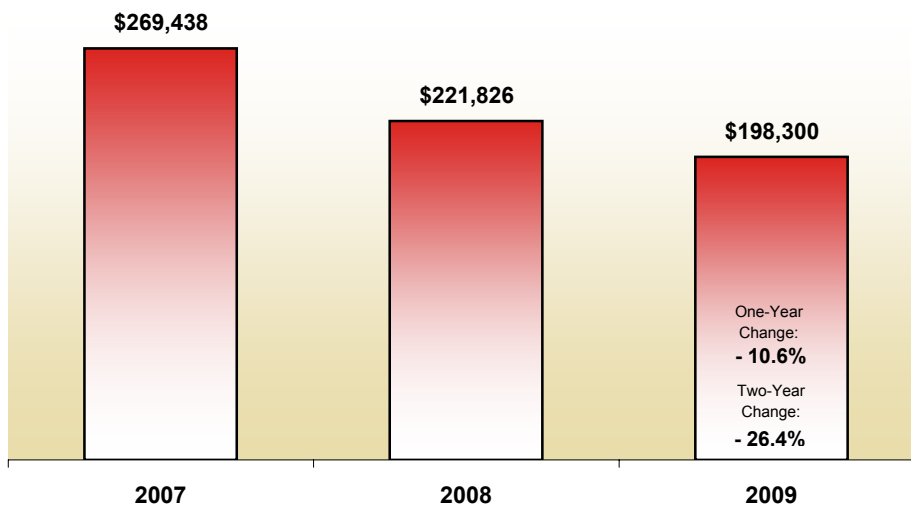
Average Sales Price

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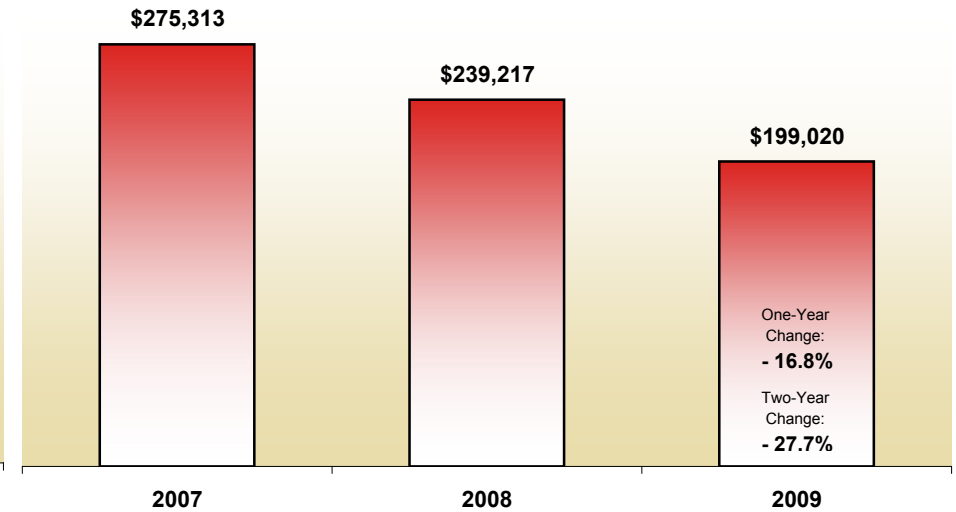


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Year to Date



Historical Average Prices



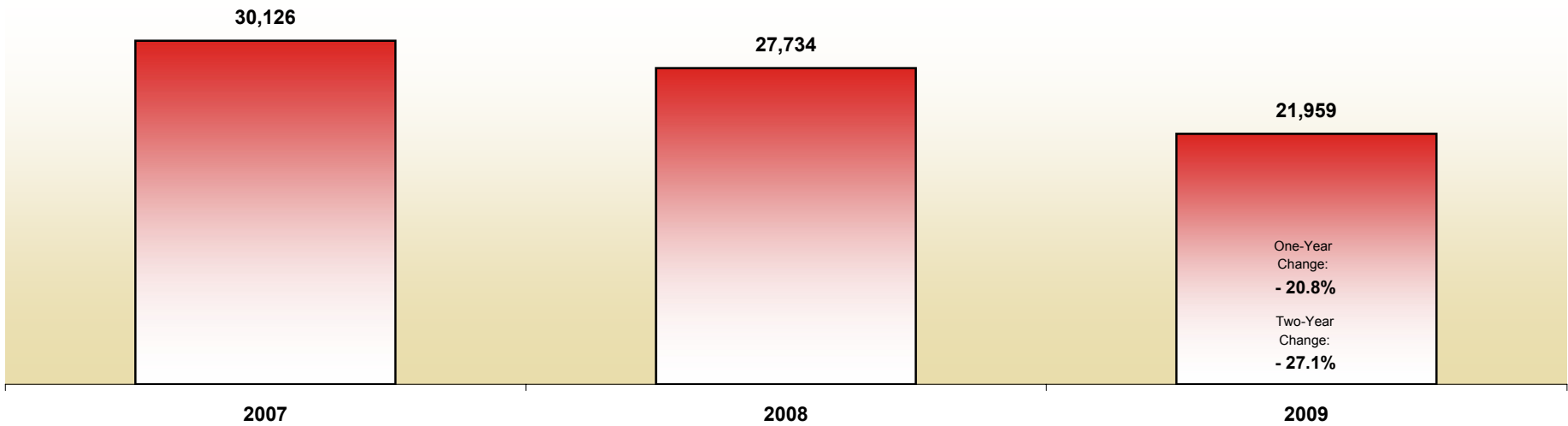
Total Active Listings Available

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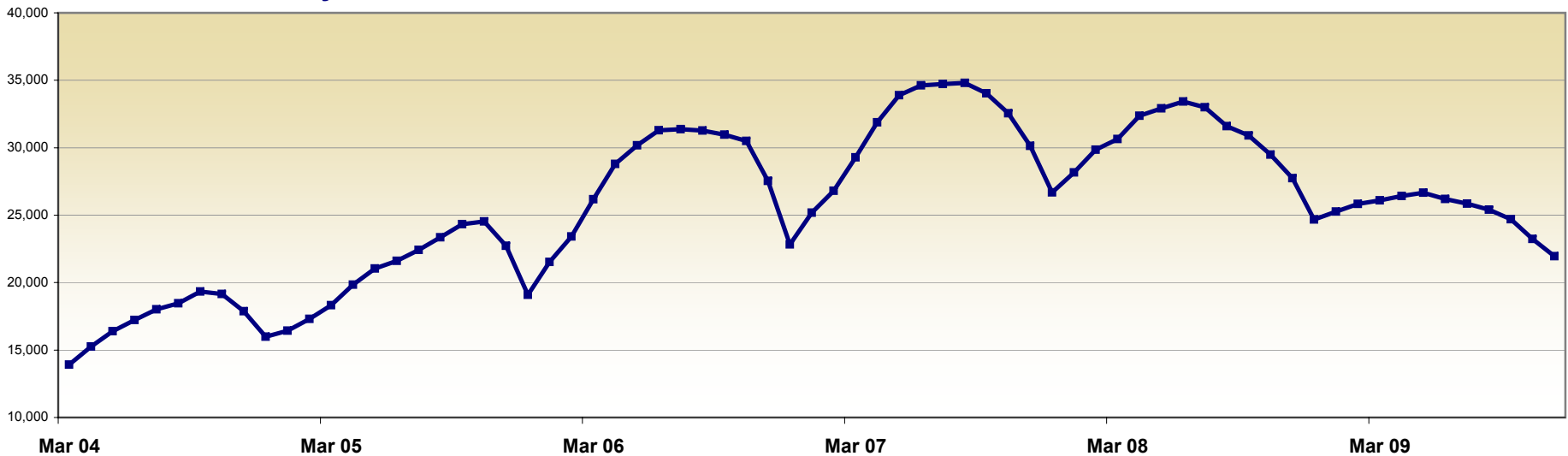


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Historical Inventory Count



Percent of Original List Price Received at Sale

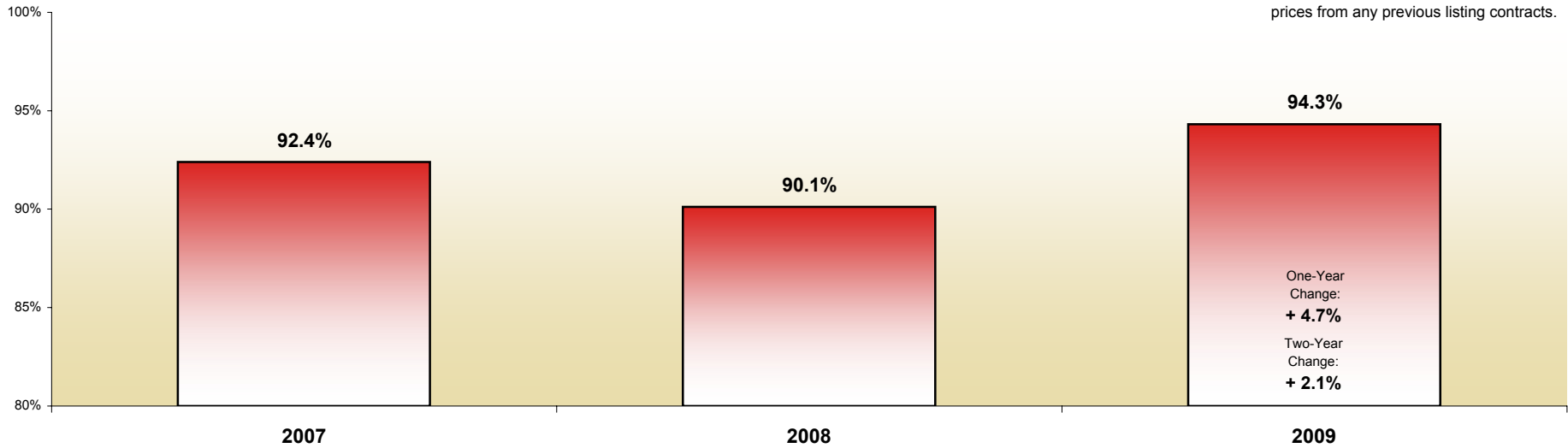
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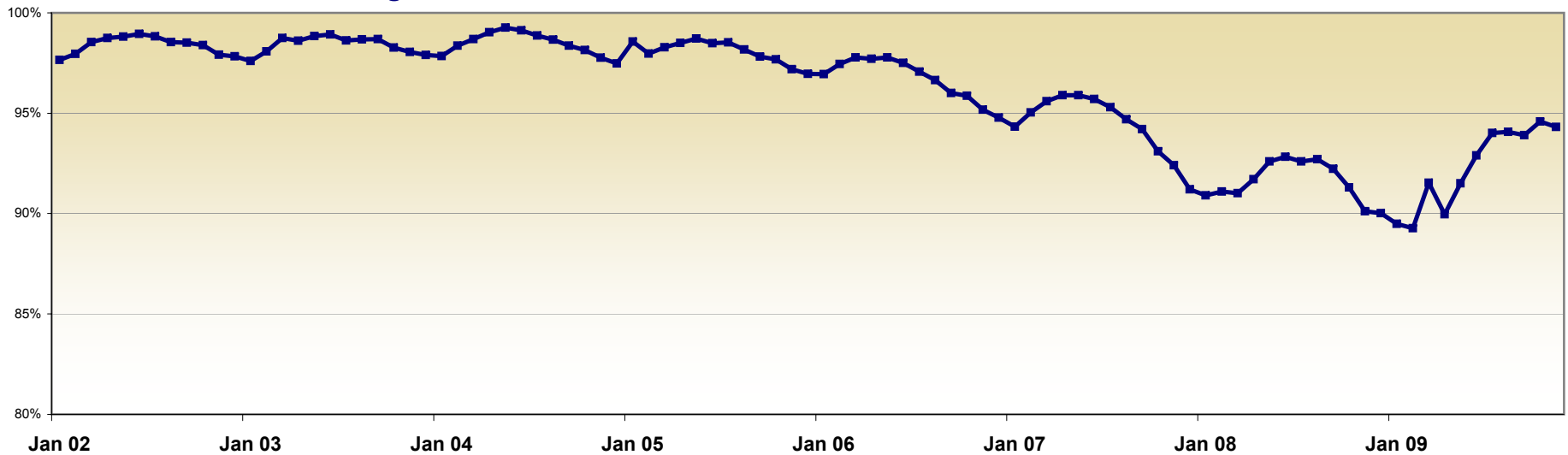
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The Percent of Original List Price Received at Sale is calculated by comparing the final sales prices of closed sales to their original list prices. This does not account for list prices from any previous listing contracts.



Historical Percent of Original List Price Received at Sale



Mortgage Rates

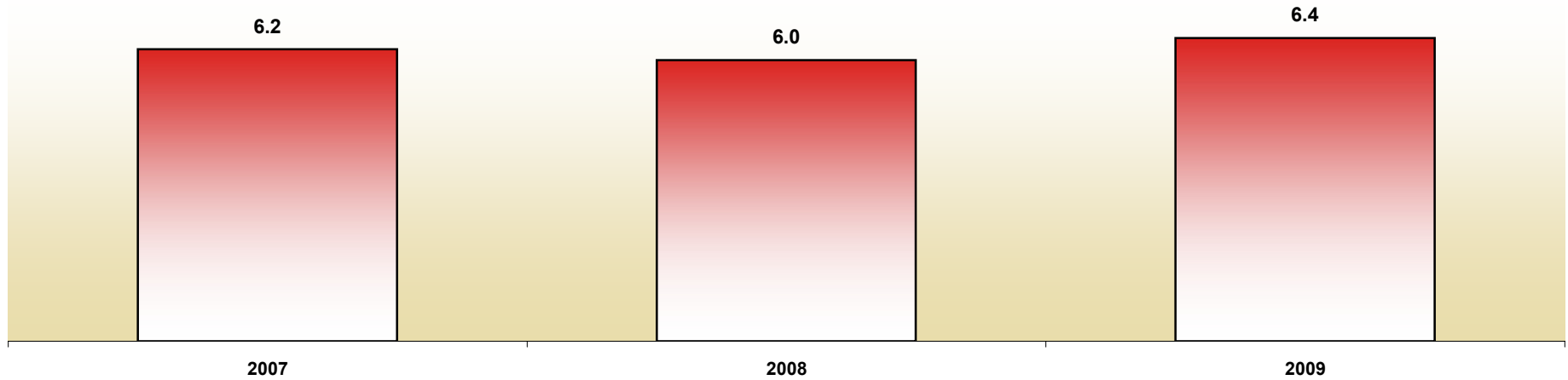
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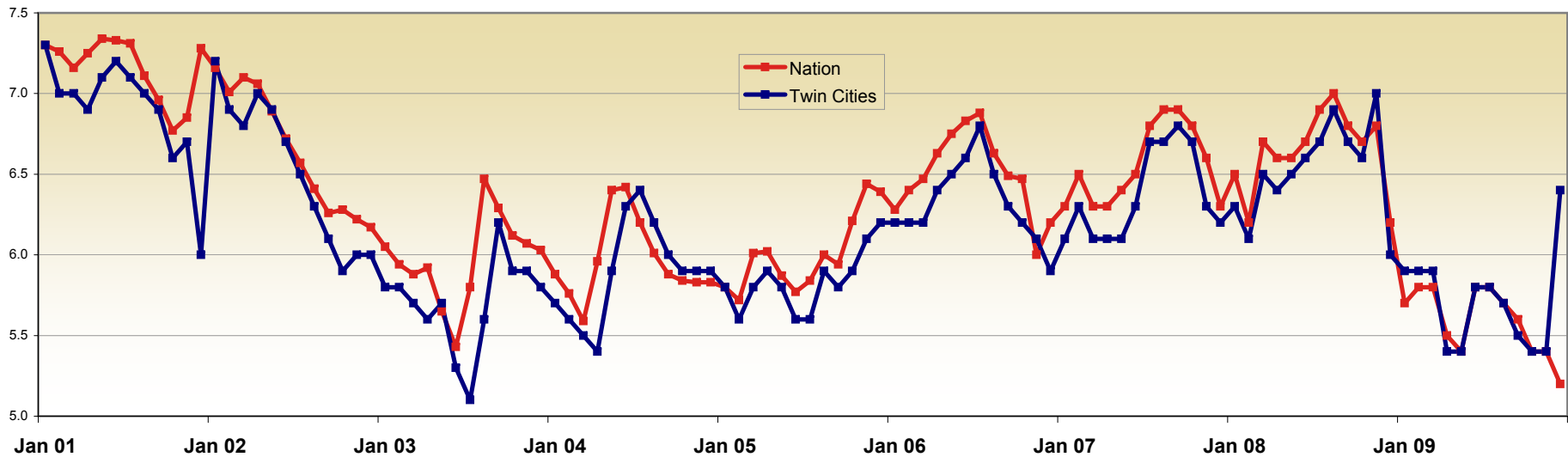
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December

Mortgage rate information is gathered from HSH Associates Financial Publishers, Inc (www.hsh.com). Data represents 30-year fixed-rate mortgages in the Twin Cities region.



Historical Interest Rates



Supply-Demand Ratio

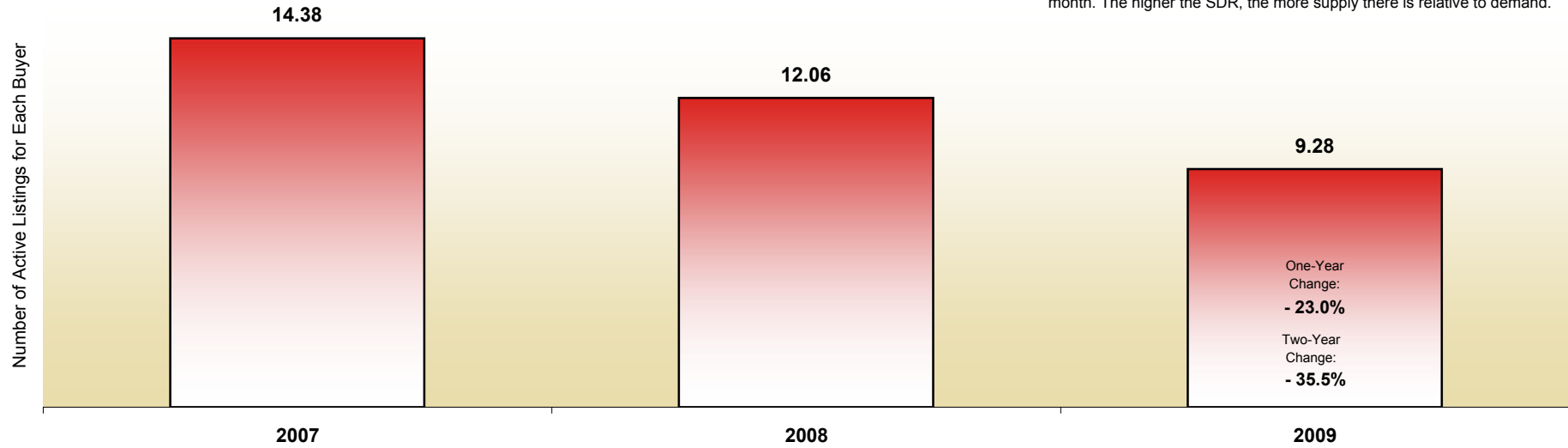
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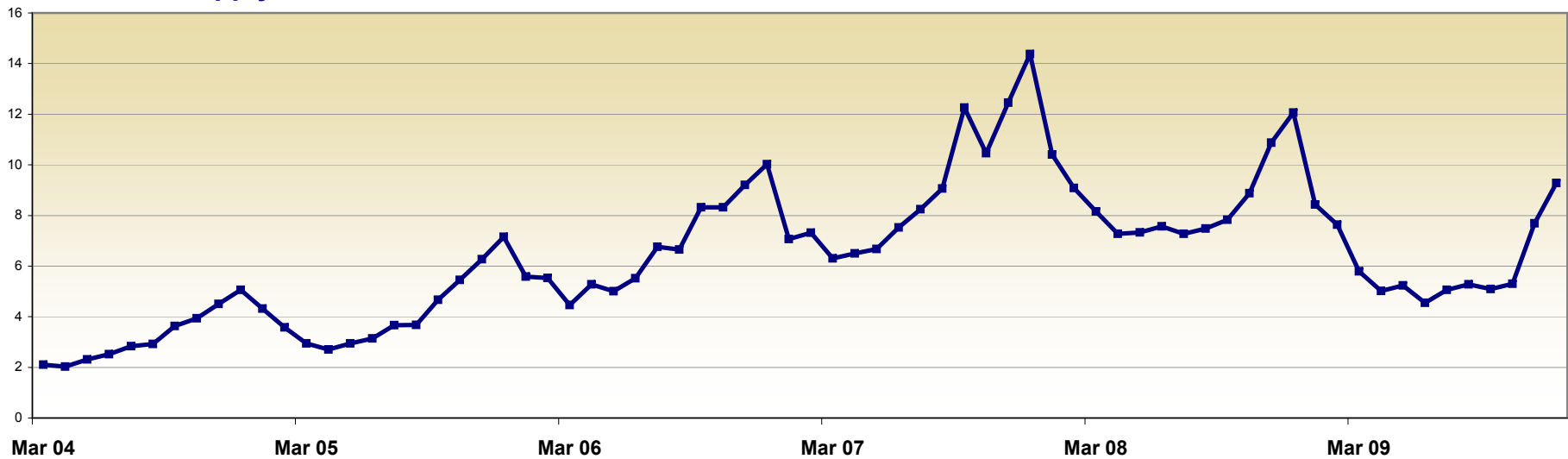
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December

The Supply-Demand Ratio (SDR) is calculated by comparing the number of homes for sale at the beginning of each month with the number of total pending sales for the month. The higher the SDR, the more supply there is relative to demand.



Historical Supply-Demand Ratio



Housing Affordability Index

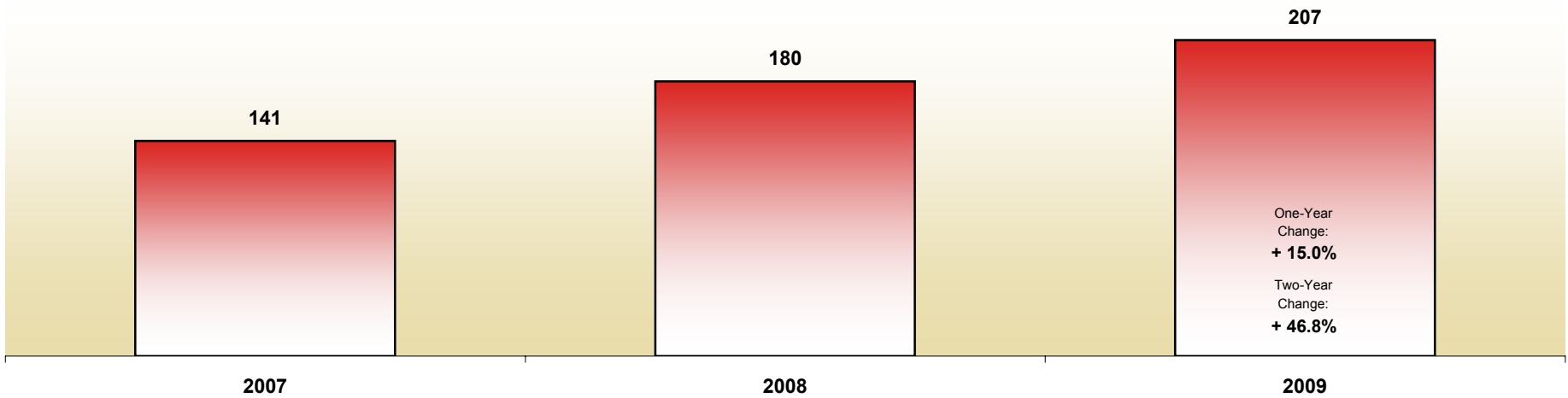
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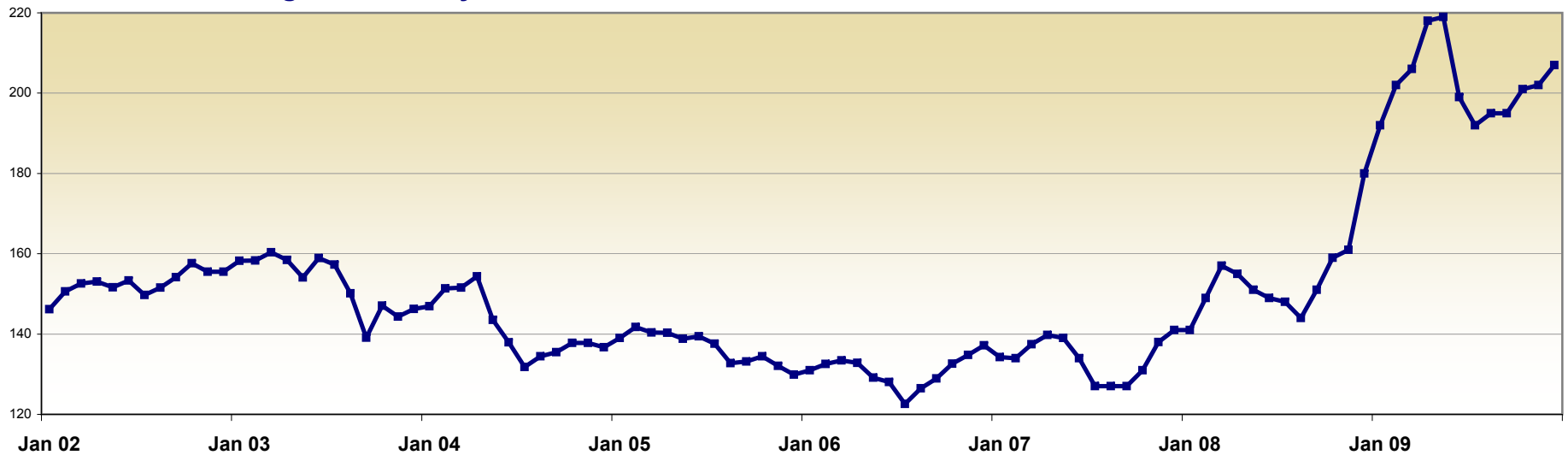
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December

Note: The HAI formula measures housing affordability for the Minneapolis/St. Paul market. An HAI of 207 means the median family income is 207% of the necessary income to qualify for the median priced home using a 20% down payment, 30-year fixed mortgage.



Historical Housing Affordability Index



Months Supply of Inventory

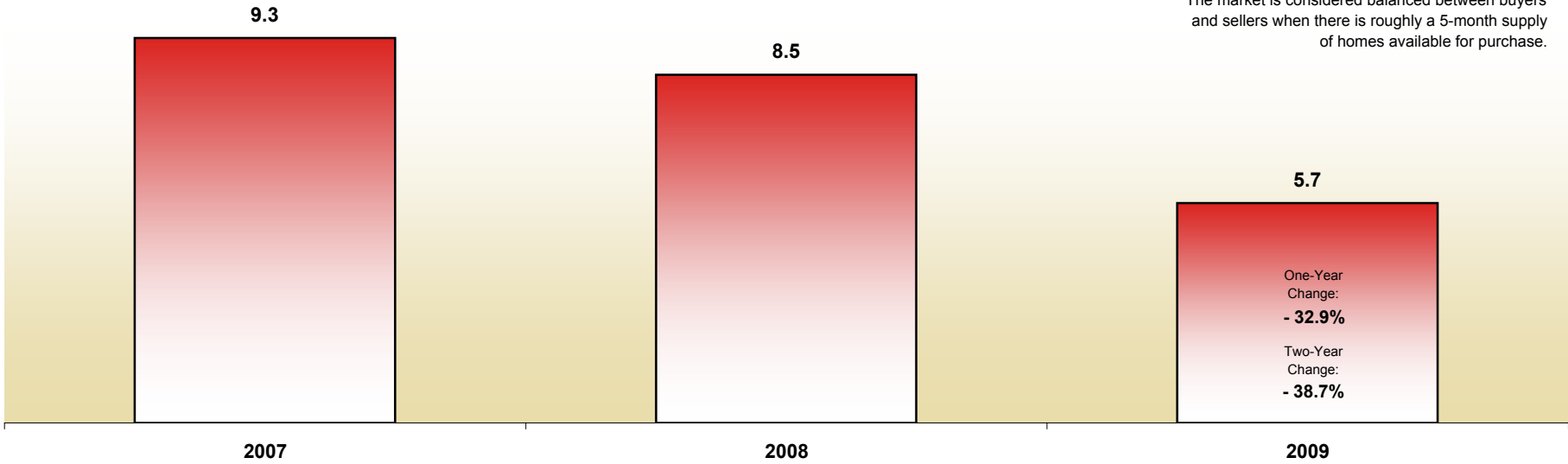
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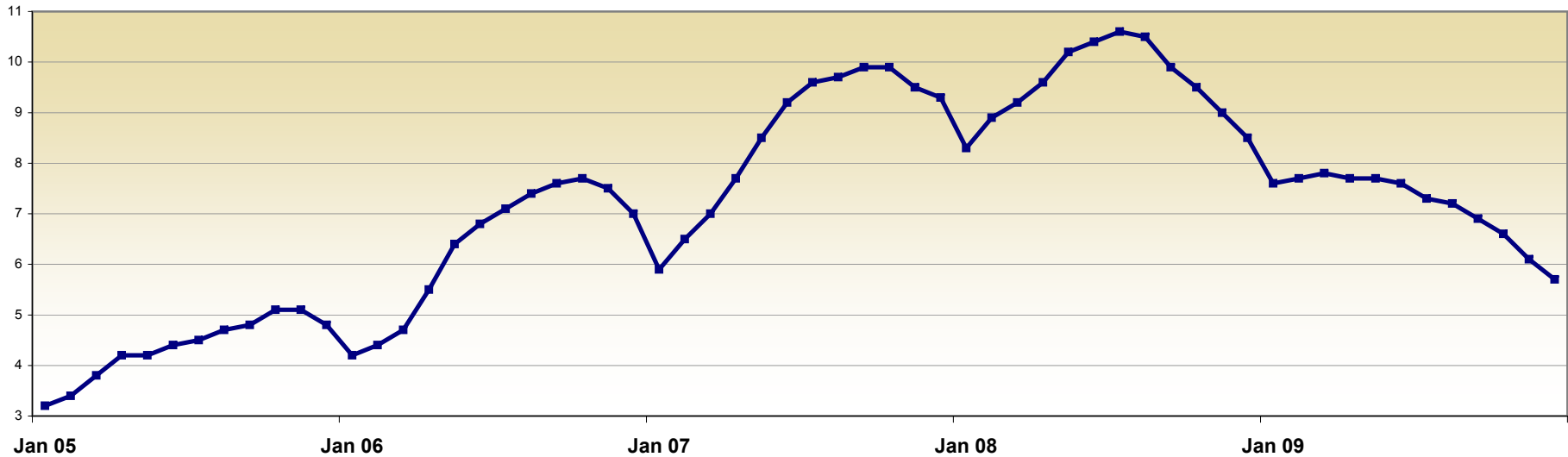
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December

The market is considered balanced between buyers and sellers when there is roughly a 5-month supply of homes available for purchase.



Historical Housing Supply Outlook



Market Overview

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November 2009		2009	2008	Percent Change	5-Year Average	2009	2008	Percent Change	5-Year
						Year-to-Date	Year-to-Date		Year-to-Date
New Listings	Sep	7,328	7,689	- 4.7%	8,248	68,274	76,726	- 11.0%	80,370
	Oct	6,492	7,105	- 8.6%	7,571	74,766	83,831	- 10.8%	87,941
	Nov	4,614	4,985	- 7.4%	5,564	79,380	88,816	- 10.6%	93,505
Pending Sales	Sep	4,986	4,036	+ 23.5%	4,118	41,811	35,162	+ 18.9%	41,081
	Oct	4,676	3,480	+ 34.4%	3,919	46,487	38,642	+ 20.3%	45,000
	Nov	2,987	2,711	+ 10.2%	3,099	49,474	41,353	+ 19.6%	48,099
Closed Sales	Sep	4,216	4,202	+ 0.3%	4,167	33,321	29,835	+ 11.7%	35,495
	Oct	4,590	3,590	+ 27.9%	4,025	37,911	33,425	+ 13.4%	39,519
	Nov	4,304	2,577	+ 67.0%	3,372	42,215	36,002	+ 17.3%	42,891
Dollar Volume of Closed Sales (in millions)	Sep	\$863.8	\$965.8	- 10.6%	\$1,053.4	\$6,624.5	\$7,243.2	- 8.5%	\$9,058.1
	Oct	\$923.6	\$797.4	+ 15.8%	\$997.2	\$7,548.1	\$8,040.6	- 6.1%	\$10,055.3
	Nov	\$853.5	\$571.6	+ 49.3%	\$837.5	\$8,401.6	\$8,612.3	- 2.4%	\$10,892.8
Median Sales Price	Sep	\$170,000	\$189,900	- 10.5%		--	--	--	--
	Oct	\$169,000	\$180,000	- 6.1%	--	--	--	--	--
	Nov	\$170,000	\$175,000	- 2.9%					
Average Sales Price	Sep	\$204,874	\$229,831	- 10.9%	\$252,980	\$198,808	\$242,775	- 18.1%	\$253,457
	Oct	\$201,230	\$222,131	- 9.4%	\$248,249	\$199,102	\$240,558	- 17.2%	\$252,936
	Nov	\$198,300	\$221,826	- 10.6%	\$249,574	\$199,020	\$239,217	- 16.8%	\$252,704
Total Active Listings Available at Month End	Sep	24,687	30,901	- 20.1%		--	--	--	--
	Oct	23,242	29,493	- 21.2%	--	--	--	--	--
	Nov	21,959	27,734	- 20.8%					
Percent of Original List Price Received At Sale	Sep	93.9%	92.2%	+ 1.8%	94.8%	92.3%	92.1%	+ 0.2%	95.1%
	Oct	94.6%	91.3%	+ 3.6%	94.5%	92.6%	92.1%	+ 0.6%	95.0%
	Nov	94.3%	90.1%	+ 4.7%	93.8%	92.8%	91.9%	+ 0.9%	94.9%
Mortgage Rates	Oct	5.4	6.6	- 18.2%	6.2				
	Nov	5.4	7.0	- 22.9%	6.2	--	--	--	--
	Dec	6.4	6.0	+ 6.7%	6.1				
Supply-Demand Ratio (Homes for Sale Per Buyer)	Oct	5.30	8.88	- 40.3%		--	--	--	--
	Nov	7.69	10.88	- 29.3%	--	--	--	--	--
	Dec	9.28	12.06	- 23.0%					
Housing Affordability Index	Oct	201	159	+ 26.4%	152				
	Nov	202	161	+ 25.5%	154	--	--	--	--
	Dec	207	180	+ 15.0%	159				
Months Supply of Inventory	Oct	6.6	9.5	- 30.5%		--	--	--	--
	Nov	6.1	9.0	- 32.2%	--	--	--	--	--
	Dec	5.7	8.5	- 32.9%					