Monthly Indicators

A RESEARCH TOOL PROVIDED BY **MINNEAPOLIS AREA REALTORS®**

MINNEAPOLIS AREA REALTORS®

March 2021

Normal spring increases in sales activity, coupled with relaxing COVID-19 policies, created a very busy March real estate market as buyer demand continued largely unabated in the face of rising home prices and mortgage rates. Existing home seller and new construction activity continue to remain below levels necessary to bring the market back into balance, pointing to a busy and competitive buyer market in the coming months.

New Listings in the Twin Cities region decreased 11.6 percent to 6,587. Pending Sales were up 12.1 percent to 5,747. Inventory levels fell 50.7 percent to 4,907 units.

Prices continued to gain traction. The Median Sales Price increased 10.3 percent to $327,500. Days on Market was down 37.7 percent to 38 days. Sellers were encouraged as Months Supply of Homes for Sale was down 52.6 percent to 0.9 months.

While many homebuilders are working to increase their activity, the cost of lumber and other materials and a backlogged supply chain continue to limit new home construction and have increased costs substantially. New methods of construction, including 3d printed homes, could speed construction and reduce costs in the future, but realistically are several years away from making a measurable impact in the market.

Quick Facts

+ 2.9%	+ 10.3%	- 50.7%
Change in **Closed Sales**	Change in **Median Sales Price**	Change in **Inventory**

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Market Overview

Key market metrics for the current month and year-to-date.

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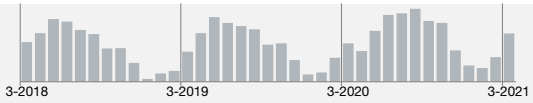
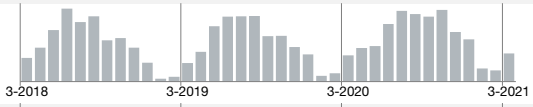
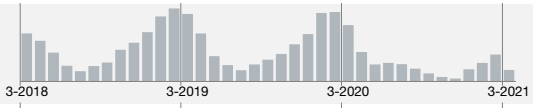
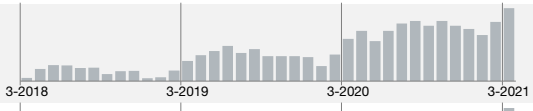
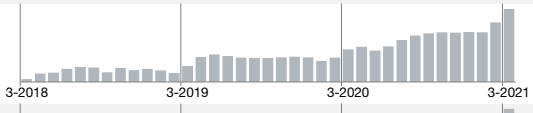
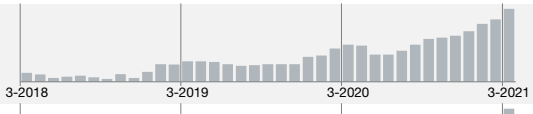
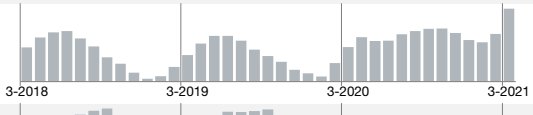
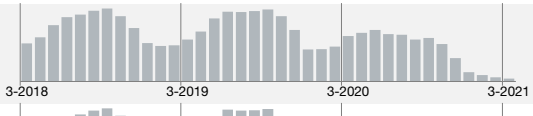
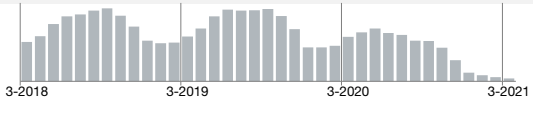
Key Metrics	Historical Sparklines (normalized)	3-2020	3-2021	+ / –	YTD 2020	YTD 2021	+ / –
New Listings		7,452	**6,587**	- 11.6%	17,188	**15,426**	- 10.3%
Pending Sales		5,128	**5,747**	+ 12.1%	12,690	**13,618**	+ 7.3%
Closed Sales		4,221	**4,342**	+ 2.9%	10,195	**10,969**	+ 7.6%
Days on Market Until Sale		61	**38**	- 37.7%	64	**42**	- 34.4%
Median List Price		$319,000	**$335,000**	+ 5.0%	$319,900	**$336,770**	+ 5.3%
Median Sales Price		$297,000	**$327,500**	+ 10.3%	$285,000	**$315,000**	+ 10.5%
Price Per Square Foot		$165	**$186**	+ 12.7%	$162	**$180**	+ 11.2%
ShowingTime Housing Value Index		$248,006	**$274,656**	+ 10.7%	--	--	--
Pct. of Orig. List Price Received		99.2%	**101.9%**	+ 2.7%	98.2%	**100.7%**	+ 2.5%
Inventory of Homes for Sale		9,963	**4,907**	- 50.7%	--	--	--
Months Supply of Homes for Sale		1.9	**0.9**	- 52.6%	--	--	--

New Listings

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

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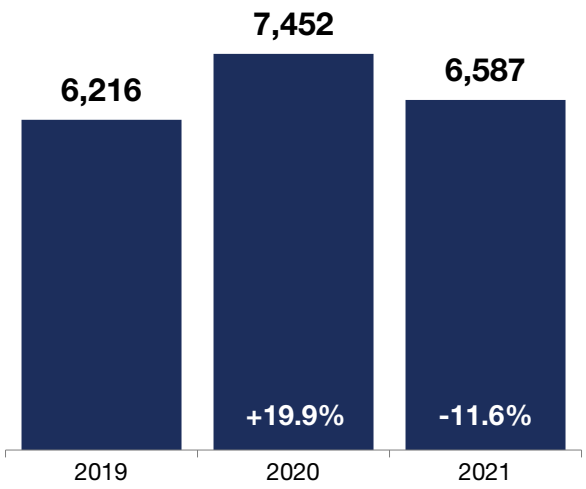
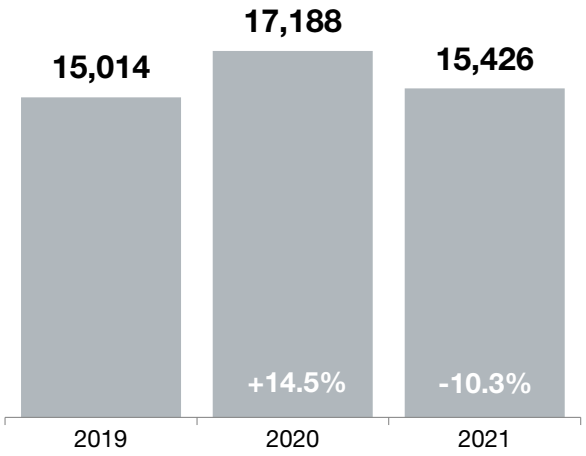
March

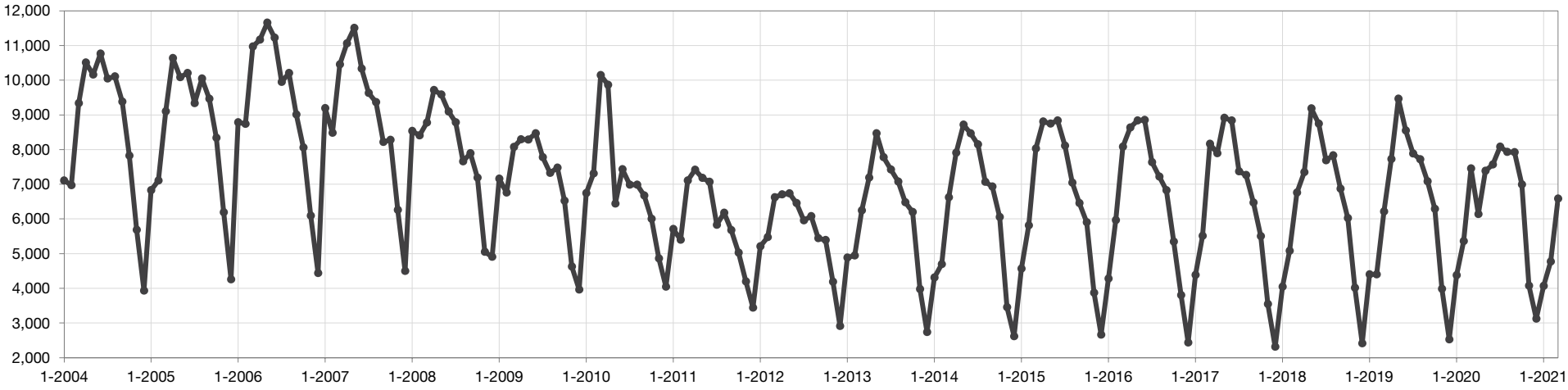


Year To Date



New Listings		Prior Year	Percent Change
April 2020	6,138	7,730	-20.6%
May 2020	7,383	9,465	-22.0%
June 2020	7,571	8,549	-11.4%
July 2020	8,078	7,883	+2.5%
August 2020	7,933	7,720	+2.8%
September 2020	7,923	7,081	+11.9%
October 2020	6,993	6,288	+11.2%
November 2020	4,073	3,983	+2.3%
December 2020	3,125	2,526	+23.7%
January 2021	4,070	4,376	-7.0%
February 2021	4,769	5,360	-11.0%
March 2021	**6,587**	**7,452**	**-11.6%**
12-Month Avg	6,220	6,534	-4.8%

Historical New Listing Activity



Pending Sales

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

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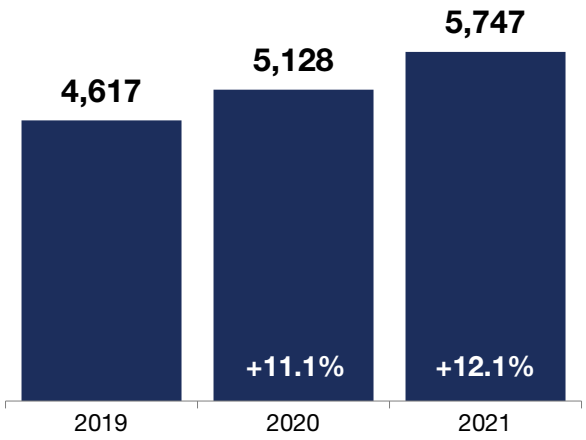
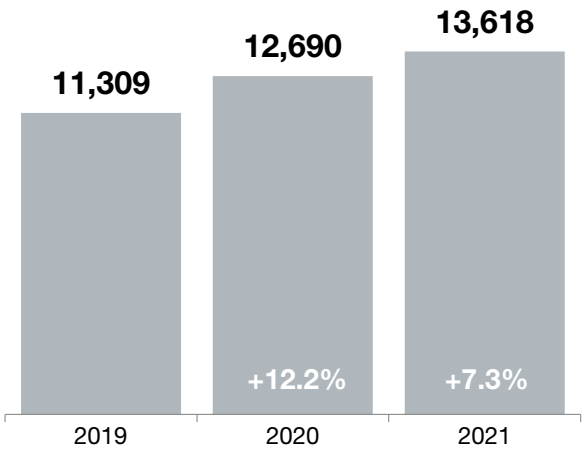
March

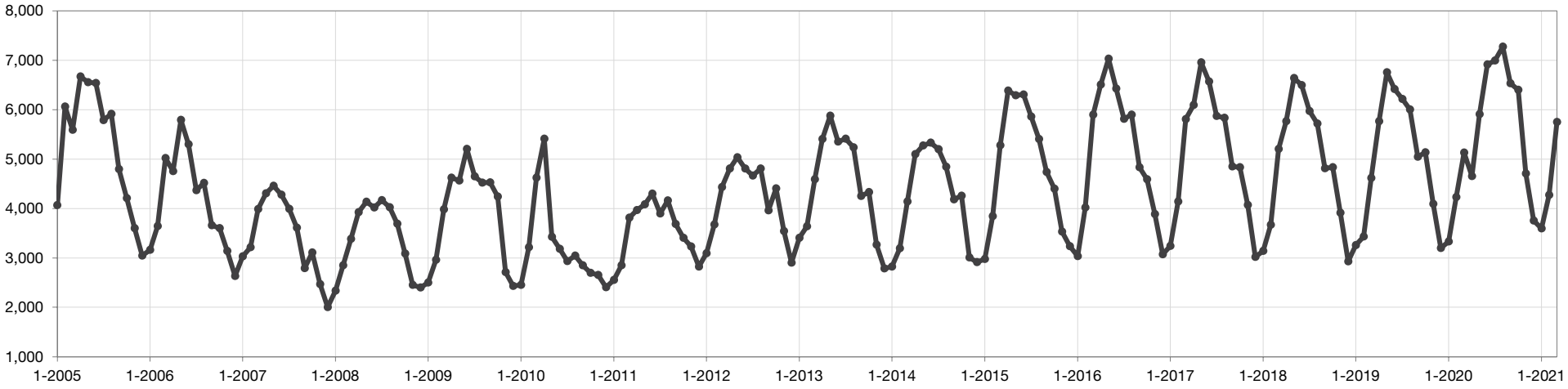


Year To Date



Pending Sales		Prior Year	Percent Change
April 2020	4,655	5,766	-19.3%
May 2020	5,909	6,757	-12.5%
June 2020	6,911	6,414	+7.7%
July 2020	6,995	6,216	+12.5%
August 2020	7,274	6,002	+21.2%
September 2020	6,535	5,047	+29.5%
October 2020	6,402	5,133	+24.7%
November 2020	4,706	4,091	+15.0%
December 2020	3,753	3,200	+17.3%
January 2021	3,596	3,332	+7.9%
February 2021	4,275	4,230	+1.1%
March 2021	**5,747**	**5,128**	**+12.1%**
12-Month Avg	5,563	5,110	+8.9%

Historical Pending Sales Activity



Closed Sales

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

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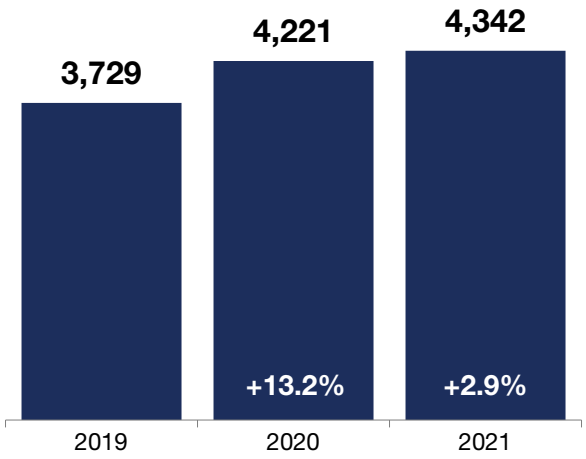
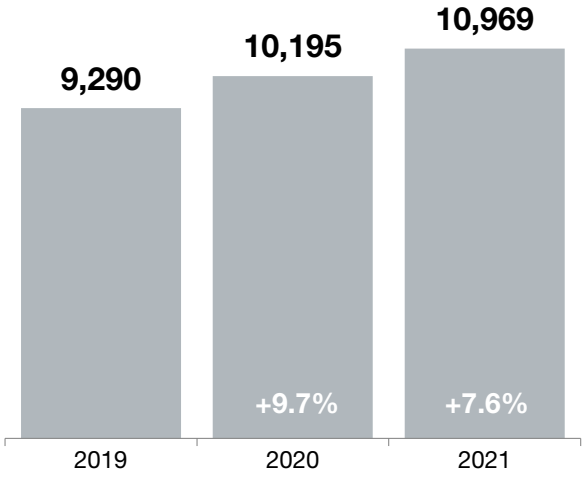
March

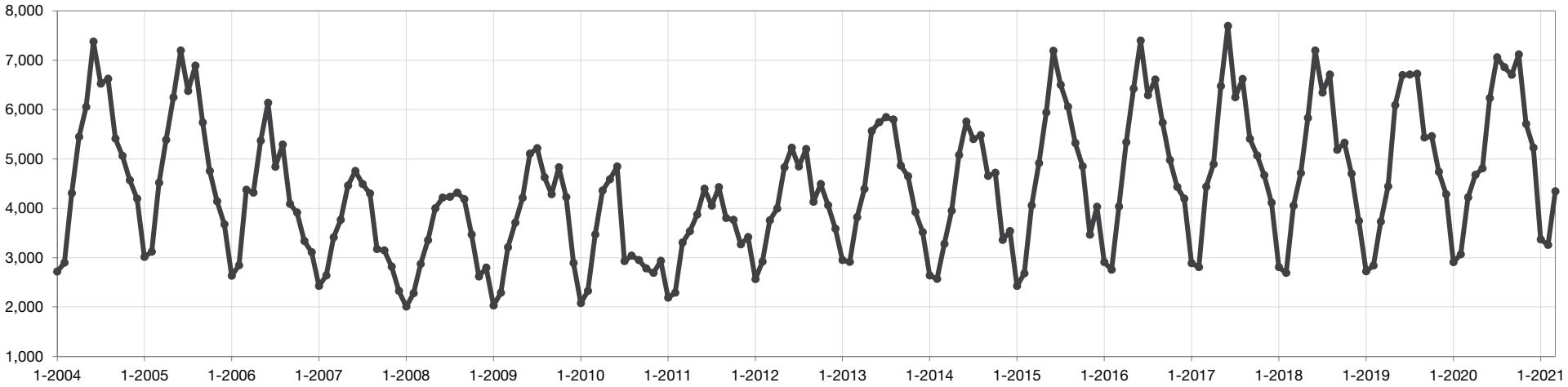


Year To Date



Closed Sales		Prior Year	Percent Change
April 2020	4,676	4,443	+5.2%
May 2020	4,805	6,086	-21.0%
June 2020	6,230	6,696	-7.0%
July 2020	7,059	6,707	+5.2%
August 2020	6,858	6,723	+2.0%
September 2020	6,701	5,434	+23.3%
October 2020	7,116	5,457	+30.4%
November 2020	5,707	4,741	+20.4%
December 2020	5,228	4,282	+22.1%
January 2021	3,369	2,910	+15.8%
February 2021	3,258	3,064	+6.3%
March 2021	**4,342**	**4,221**	**+2.9%**
12-Month Avg	5,446	5,064	+8.8%

Historical Closed Sales Activity



Days on Market Until Sale

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

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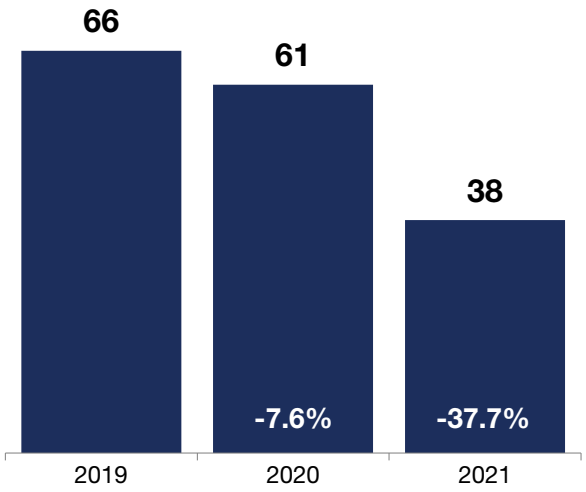
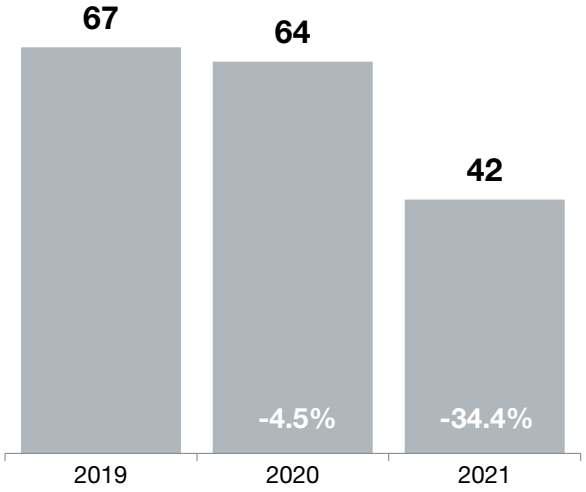
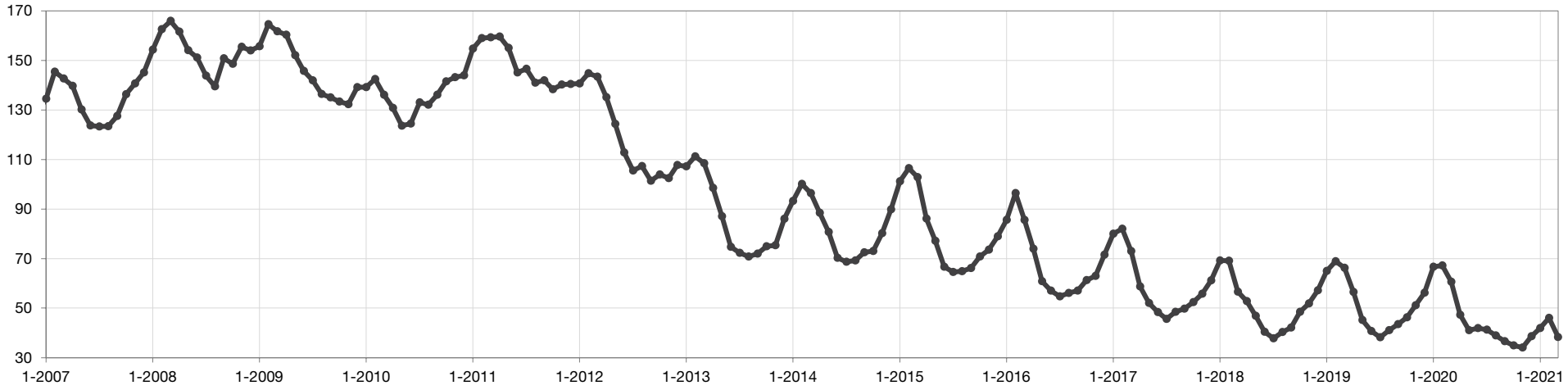


Year To Date



Days on Market		Prior Year	Percent Change
April 2020	47	57	-17.5%
May 2020	41	45	-8.9%
June 2020	42	41	+2.4%
July 2020	41	38	+7.9%
August 2020	39	41	-4.9%
September 2020	37	44	-15.9%
October 2020	35	46	-23.9%
November 2020	34	51	-33.3%
December 2020	39	56	-30.4%
January 2021	42	67	-37.3%
February 2021	46	67	-31.3%
March 2021	**38**	**61**	**-37.7%**
12-Month Avg	40	49	-18.4%

Historical Days on Market Until Sale



Median Original List Price

Median original list price for all new listings in a given month. List prices can serve as a leading indicator of future price movement.

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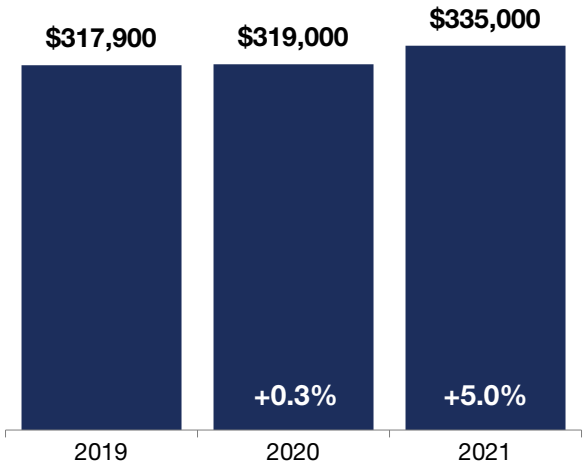
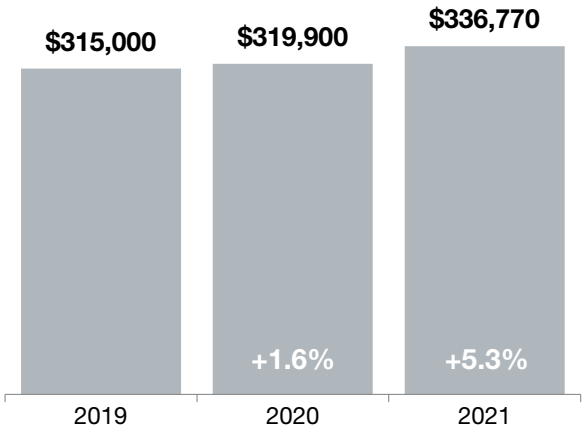
March

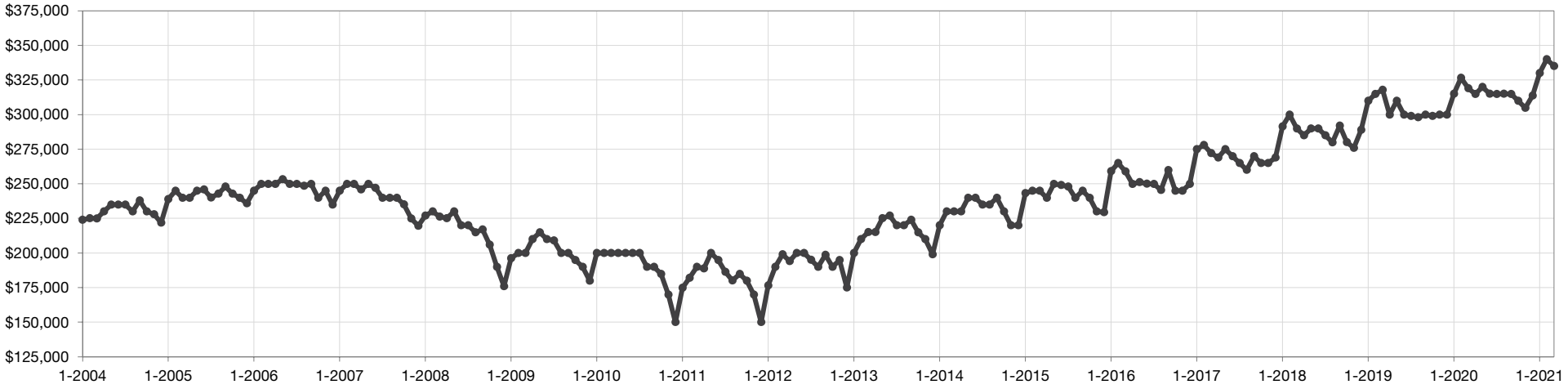


Year To Date



Median Original List Price		Prior Year	Percent Change
April 2020	$314,900	$300,000	+5.0%
May 2020	$320,000	$309,900	+3.3%
June 2020	$315,000	$299,900	+5.0%
July 2020	$314,900	$299,000	+5.3%
August 2020	$315,118	$298,000	+5.7%
September 2020	$314,900	$299,900	+5.0%
October 2020	$309,900	$299,000	+3.6%
November 2020	$304,900	$299,900	+1.7%
December 2020	$313,800	$299,900	+4.6%
January 2021	$329,900	$315,000	+4.7%
February 2021	$340,000	$326,575	+4.1%
March 2021	**$335,000**	**$319,000**	**+5.0%**
12-Month Med	$319,900	$300,000	+6.6%

Historical Median Original List Price



Median Sales Price

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

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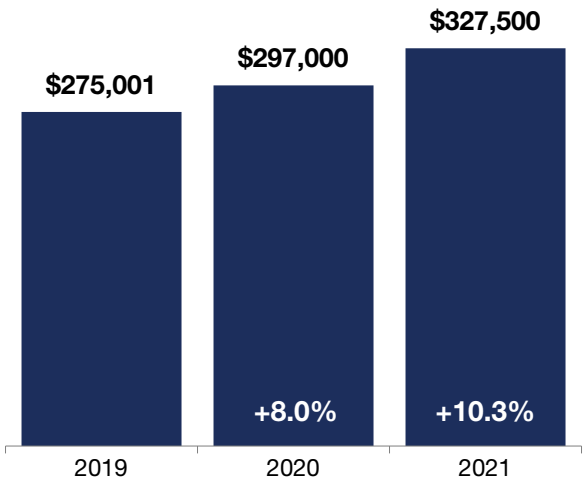
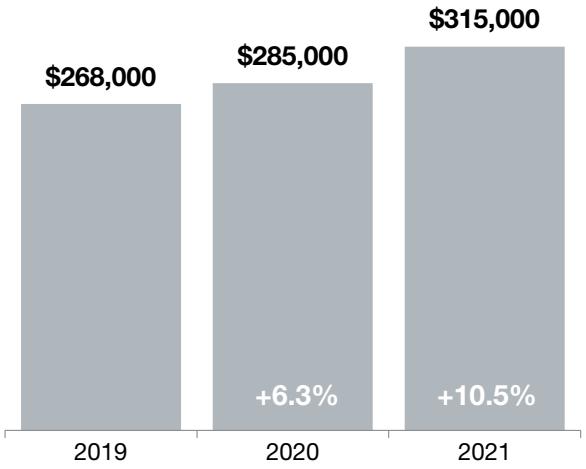
March

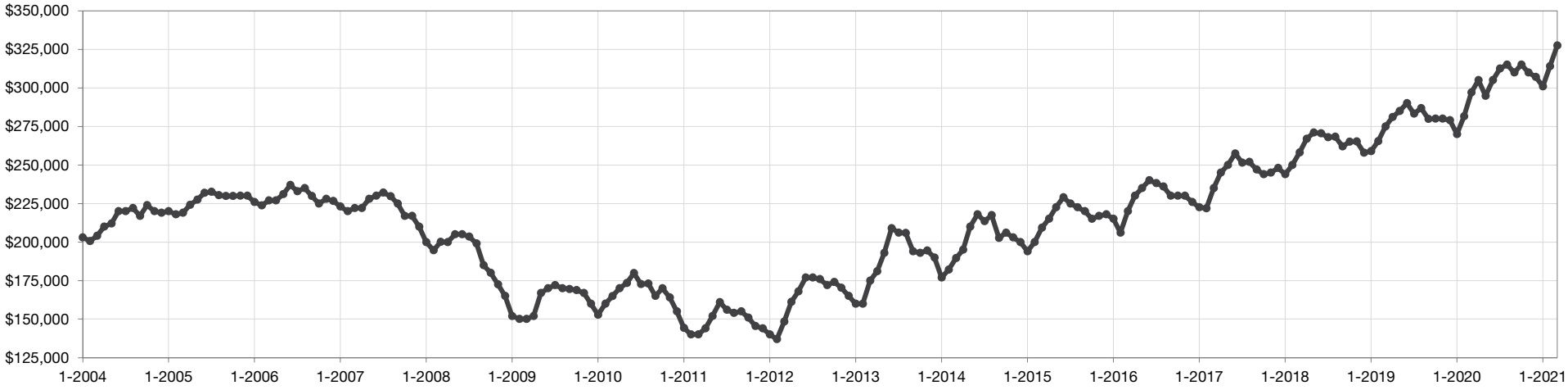


Year To Date



Median Sales Price		Prior Year	Percent Change
April 2020	$305,000	$281,000	+8.5%
May 2020	$294,900	$285,000	+3.5%
June 2020	$305,000	$290,000	+5.2%
July 2020	$312,500	$283,210	+10.3%
August 2020	$315,000	$286,900	+9.8%
September 2020	$310,000	$279,900	+10.8%
October 2020	$315,000	$280,000	+12.5%
November 2020	$310,000	$280,000	+10.7%
December 2020	$307,000	$279,000	+10.0%
January 2021	$301,000	$270,000	+11.5%
February 2021	$314,000	$281,500	+11.5%
March 2021	**$327,500**	**$297,000**	**+10.3%**
12-Month Med	$310,000	$284,000	+9.2%

Historical Median Sales Price



Average Sales Price

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

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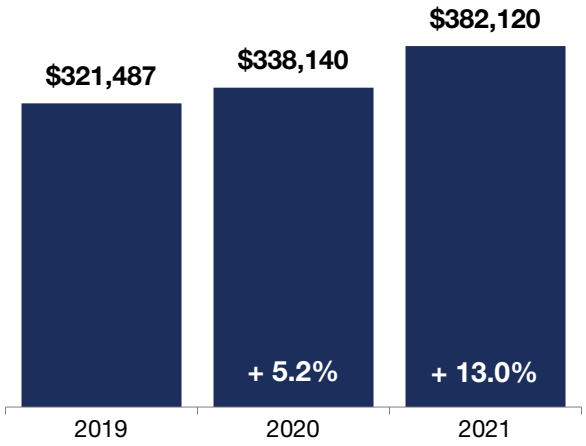
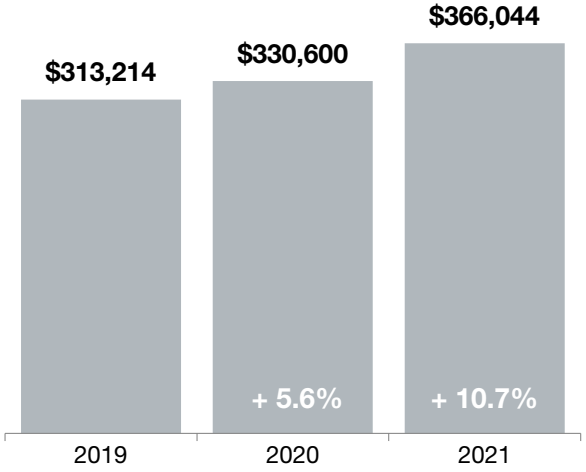
March

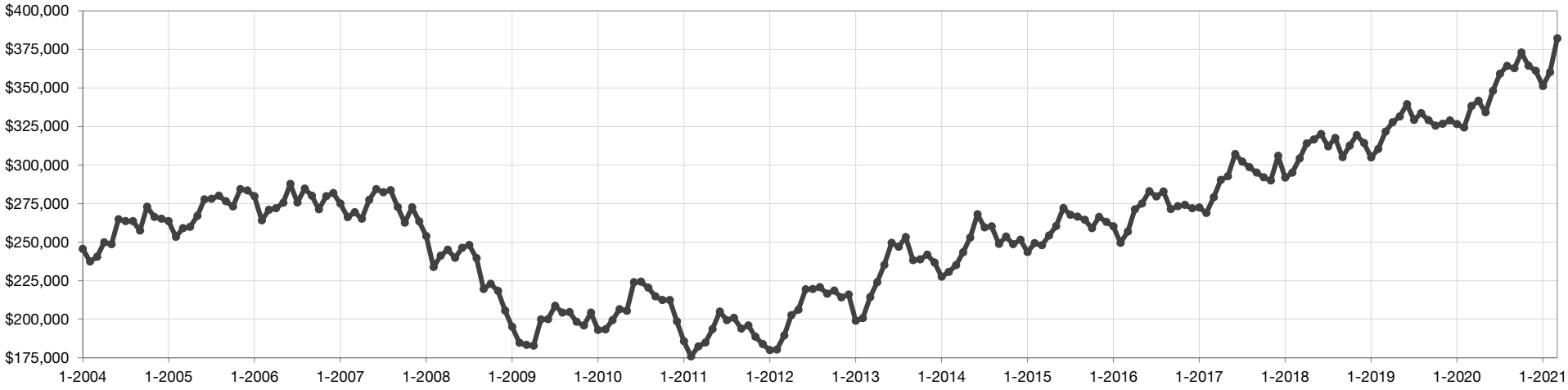


Year to Date



Average Sales Price		Prior Year	Percent Change
April 2020	$341,551	$327,671	+4.2%
May 2020	$334,172	$331,431	+0.8%
June 2020	$348,115	$339,386	+2.6%
July 2020	$359,199	$329,153	+9.1%
August 2020	$364,246	$333,550	+9.2%
September 2020	$362,663	$329,048	+10.2%
October 2020	$372,887	$325,511	+14.6%
November 2020	$364,348	$326,580	+11.6%
December 2020	$361,044	$328,930	+9.8%
January 2021	$351,123	$326,402	+7.6%
February 2021	$360,100	$324,214	+11.1%
March 2021	**$382,120**	**$338,140**	**+13.0%**
12-Month Avg	$359,161	$330,577	+8.6%

Historical Average Sales Price



Price Per Square Foot

The price per square foot of homes sold in a given month. Sold properties only. Does not account for seller concessions.

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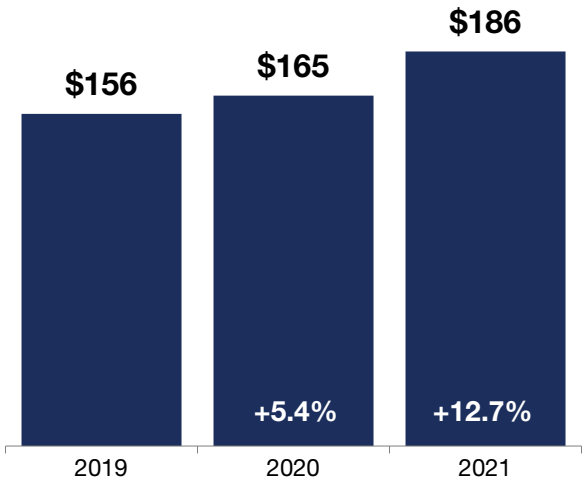
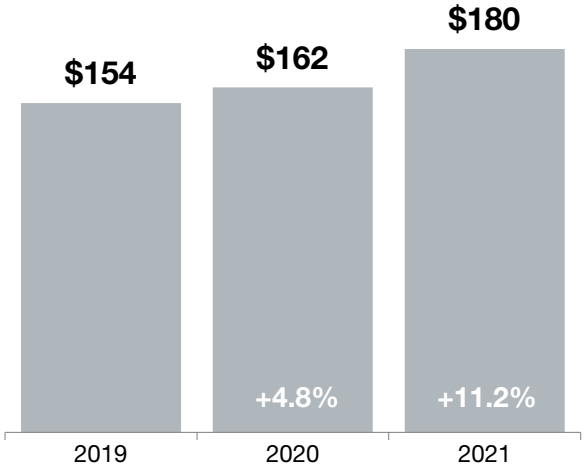
March

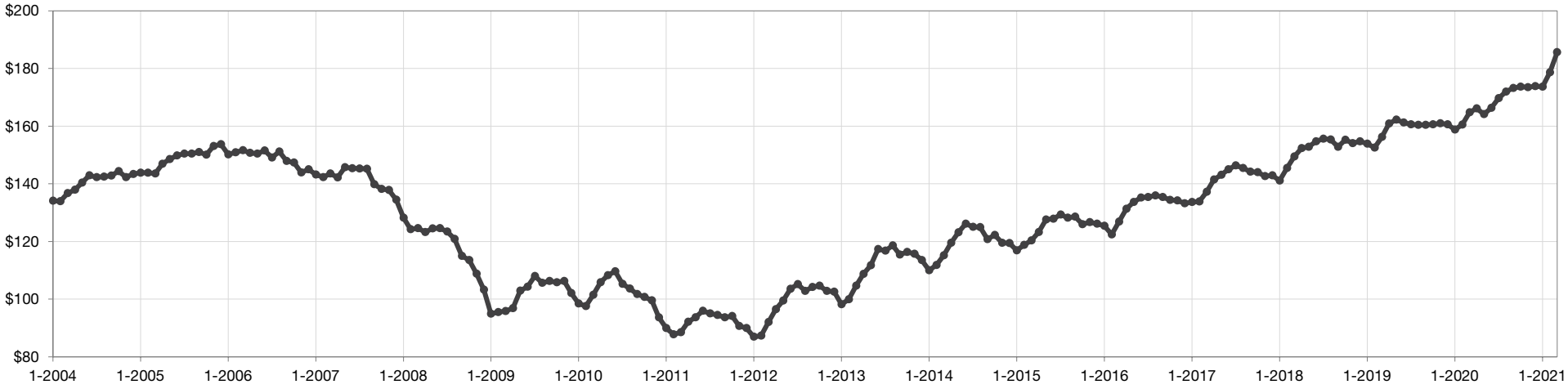


Year to Date



Price Per Square Foot		Prior Year	Percent Change
April 2020	$166	$161	+3.2%
May 2020	$164	$162	+1.2%
June 2020	$166	$161	+3.1%
July 2020	$170	$161	+5.7%
August 2020	$172	$160	+7.2%
September 2020	$173	$160	+8.0%
October 2020	$174	$161	+8.2%
November 2020	$173	$161	+7.8%
December 2020	$174	$161	+8.3%
January 2021	$174	$159	+9.4%
February 2021	$179	$160	+11.3%
March 2021	**$186**	**$165**	**+12.7%**
12-Month Avg	$172	$161	+6.8%

Historical Price Per Square Foot



ShowingTime Housing Value Index

The value index employs a multi-variate, linear regression methodology to determine specific weights that adjust for both seasonality and segment bias to arrive at a real, constant-quality view of home values. The index is set to the median sales price in January 2003.

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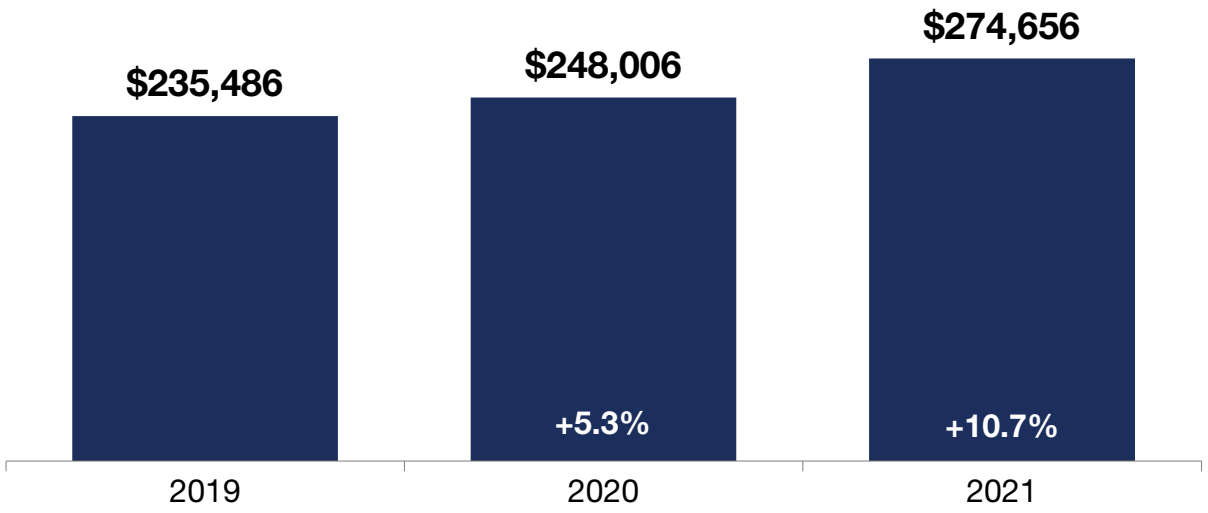
March



Housing Value Index		Prior Year	Percent Change
April 2020	$247,119	$235,444	+5.0%
May 2020	$240,551	$234,875	+2.4%
June 2020	$240,542	$233,360	+3.1%
July 2020	$243,248	$232,084	+4.8%
August 2020	$247,799	$232,522	+6.6%
September 2020	$252,191	$233,209	+8.1%
October 2020	$253,224	$233,174	+8.6%
November 2020	$254,724	$233,174	+9.2%
December 2020	$257,950	$238,903	+8.0%
January 2021	$263,443	$239,737	+9.9%
February 2021	$266,805	$245,067	+8.9%
March 2021	**$274,656**	**$248,006**	**+10.7%**
12-Month Avg	$253,521	$236,630	+7.1%

Historical ShowingTime Housing Value Index

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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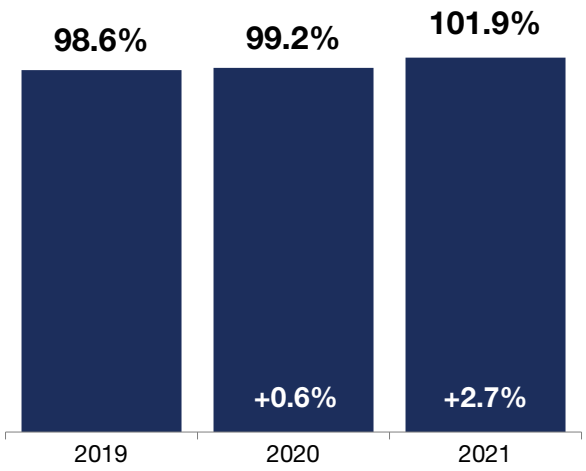
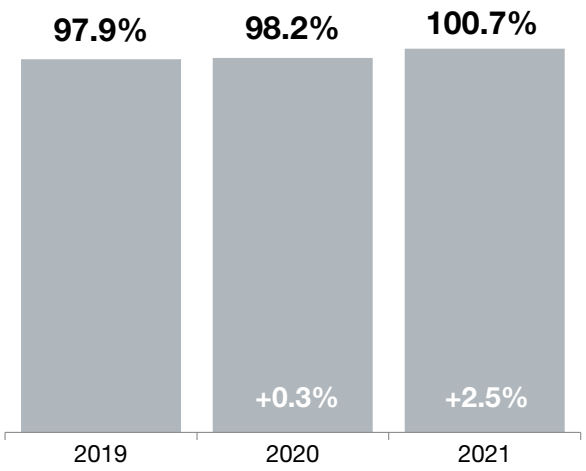
March

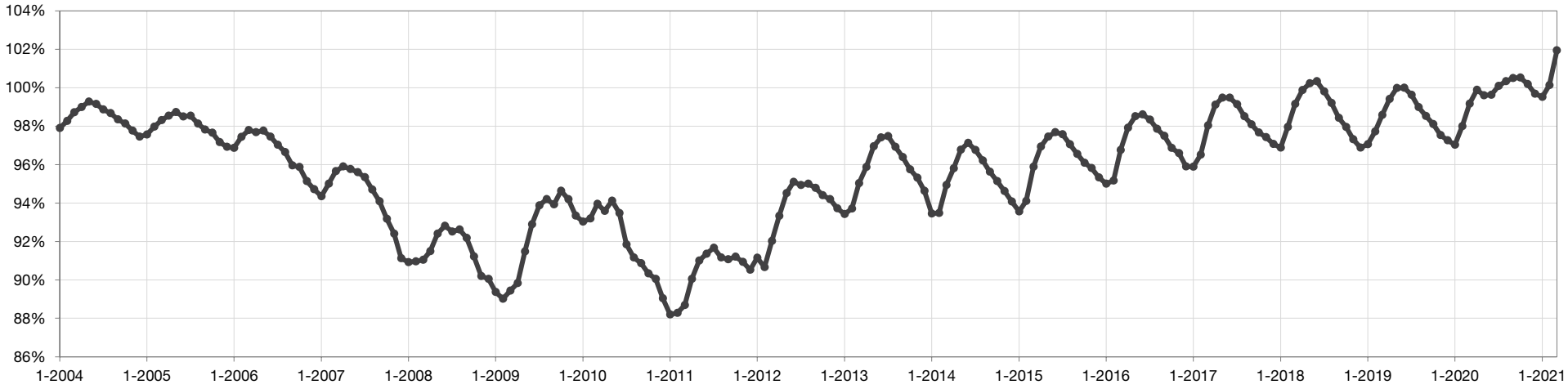


Year to Date



Pct. Of Orig. List Price Rec'd		Prior Year	Percent Change
April 2020	99.9%	99.4%	+0.5%
May 2020	99.6%	100.0%	-0.4%
June 2020	99.6%	100.0%	-0.4%
July 2020	100.1%	99.6%	+0.5%
August 2020	100.3%	99.0%	+1.3%
September 2020	100.5%	98.5%	+2.0%
October 2020	100.5%	98.1%	+2.4%
November 2020	100.2%	97.5%	+2.8%
December 2020	99.7%	97.3%	+2.5%
January 2021	99.5%	97.0%	+2.6%
February 2021	100.1%	98.0%	+2.1%
March 2021	**101.9%**	**99.2%**	**+2.7%**
12-Month Avg	100.2%	98.8%	+1.4%

Historical Percent of Original List Price Received



Housing Affordability Index

This index measures housing affordability for the region. For example, an index of 120 means the median household income was 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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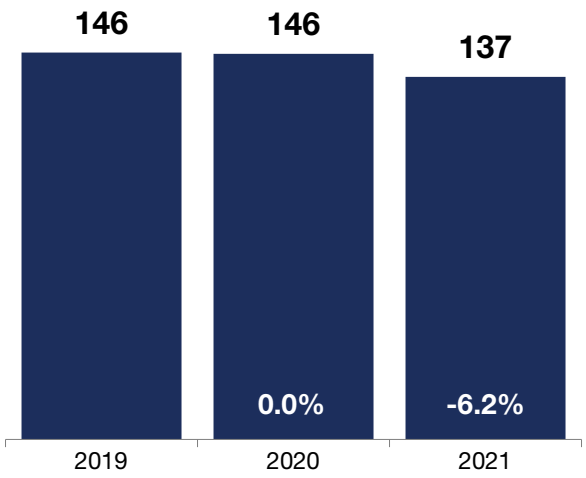
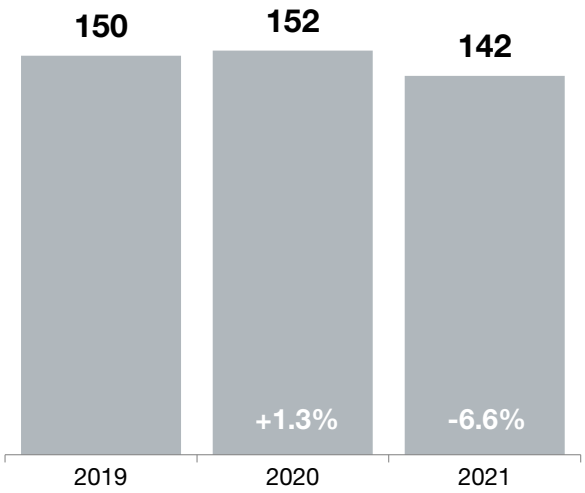
March



Year to Date



Housing Affordability Index		Prior Year	Percent Change
April 2020	142	143	-0.7%
May 2020	148	141	+5.0%
June 2020	145	139	+4.3%
July 2020	145	146	-0.7%
August 2020	144	147	-2.0%
September 2020	148	147	+0.7%
October 2020	146	147	-0.7%
November 2020	150	151	-0.7%
December 2020	153	151	+1.3%
January 2021	154	160	-3.8%
February 2021	143	154	-7.1%
March 2021	**137**	**146**	**-6.2%**
12-Month Avg	146	148	-1.4%

Historical Housing Affordability Index

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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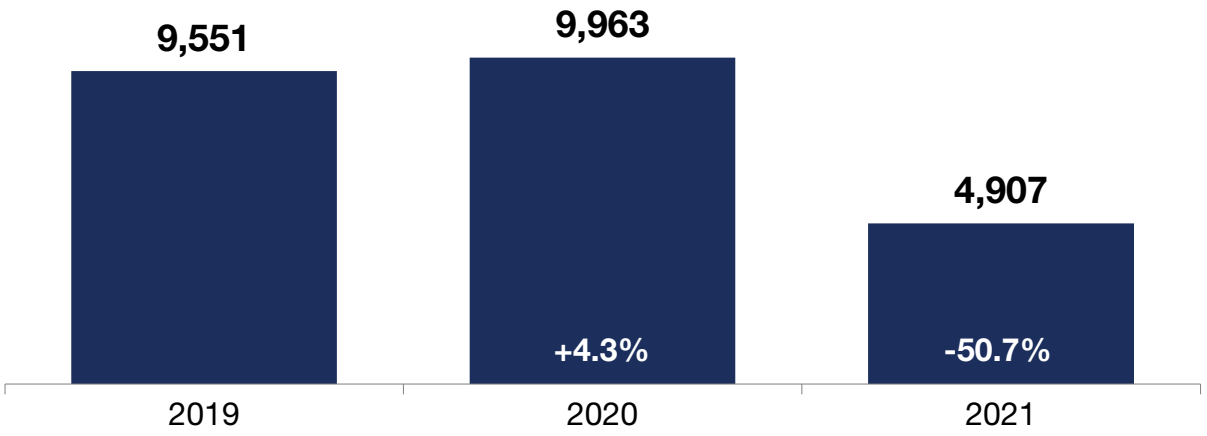
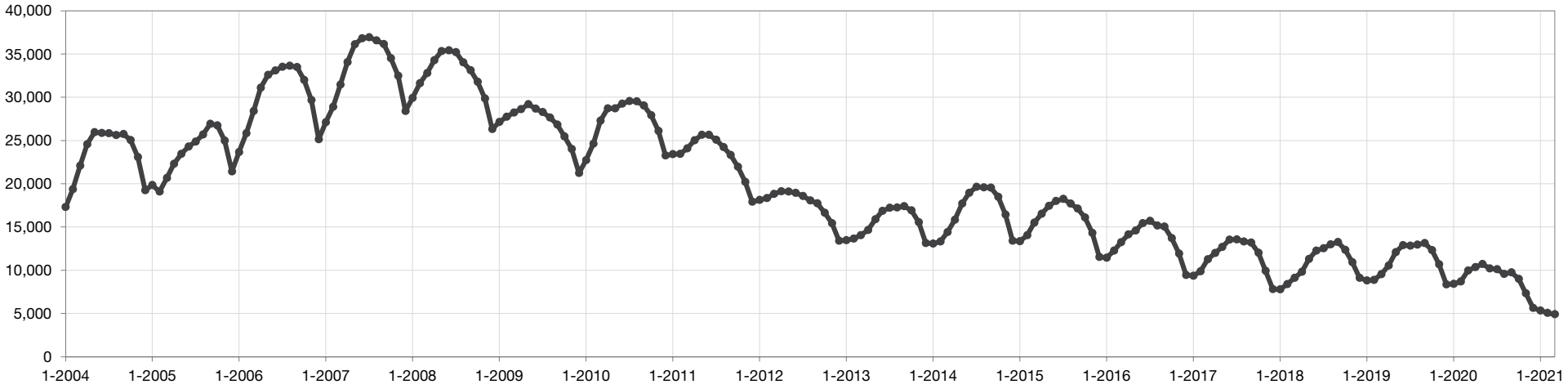
March



Homes for Sale		Prior Year	Percent Change
April 2020	10,359	10,534	-1.7%
May 2020	10,708	12,083	-11.4%
June 2020	10,202	12,895	-20.9%
July 2020	10,125	12,832	-21.1%
August 2020	9,562	12,957	-26.2%
September 2020	9,743	13,149	-25.9%
October 2020	9,007	12,334	-27.0%
November 2020	7,343	10,693	-31.3%
December 2020	5,646	8,372	-32.6%
January 2021	5,321	8,407	-36.7%
February 2021	5,052	8,703	-42.0%
March 2021	**4,907**	**9,963**	**-50.7%**
12-Month Avg	8,165	11,077	-27.3%

Historical Inventory of Homes for Sale



Months Supply of Homes for Sale

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

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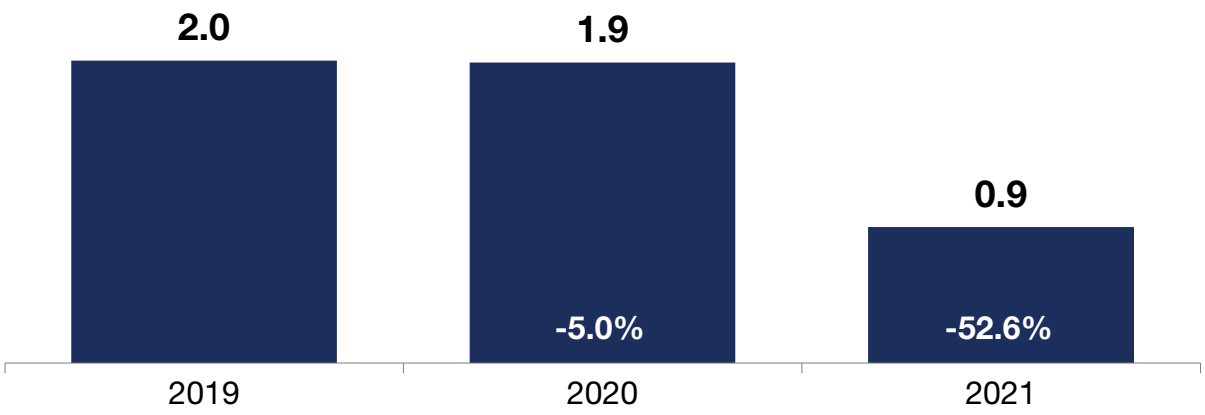
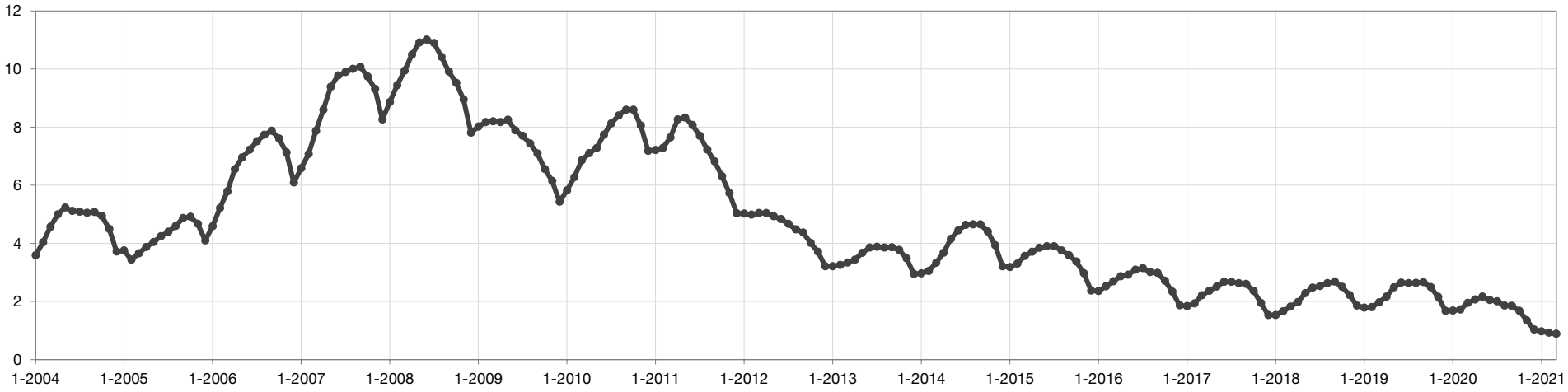
March



Months Supply		Prior Year	Percent Change
April 2020	2.1	2.2	-4.5%
May 2020	2.2	2.5	-12.0%
June 2020	2.0	2.6	-23.1%
July 2020	2.0	2.6	-23.1%
August 2020	1.9	2.6	-26.9%
September 2020	1.8	2.7	-33.3%
October 2020	1.7	2.5	-32.0%
November 2020	1.3	2.2	-40.9%
December 2020	1.0	1.7	-41.2%
January 2021	1.0	1.7	-41.2%
February 2021	0.9	1.7	-47.1%
March 2021	**0.9**	**1.9**	**-52.6%**
12-Month Avg	1.6	2.2	-27.3%

Historical Months Supply of Inventory



Mortgage Finance Utilization Rates

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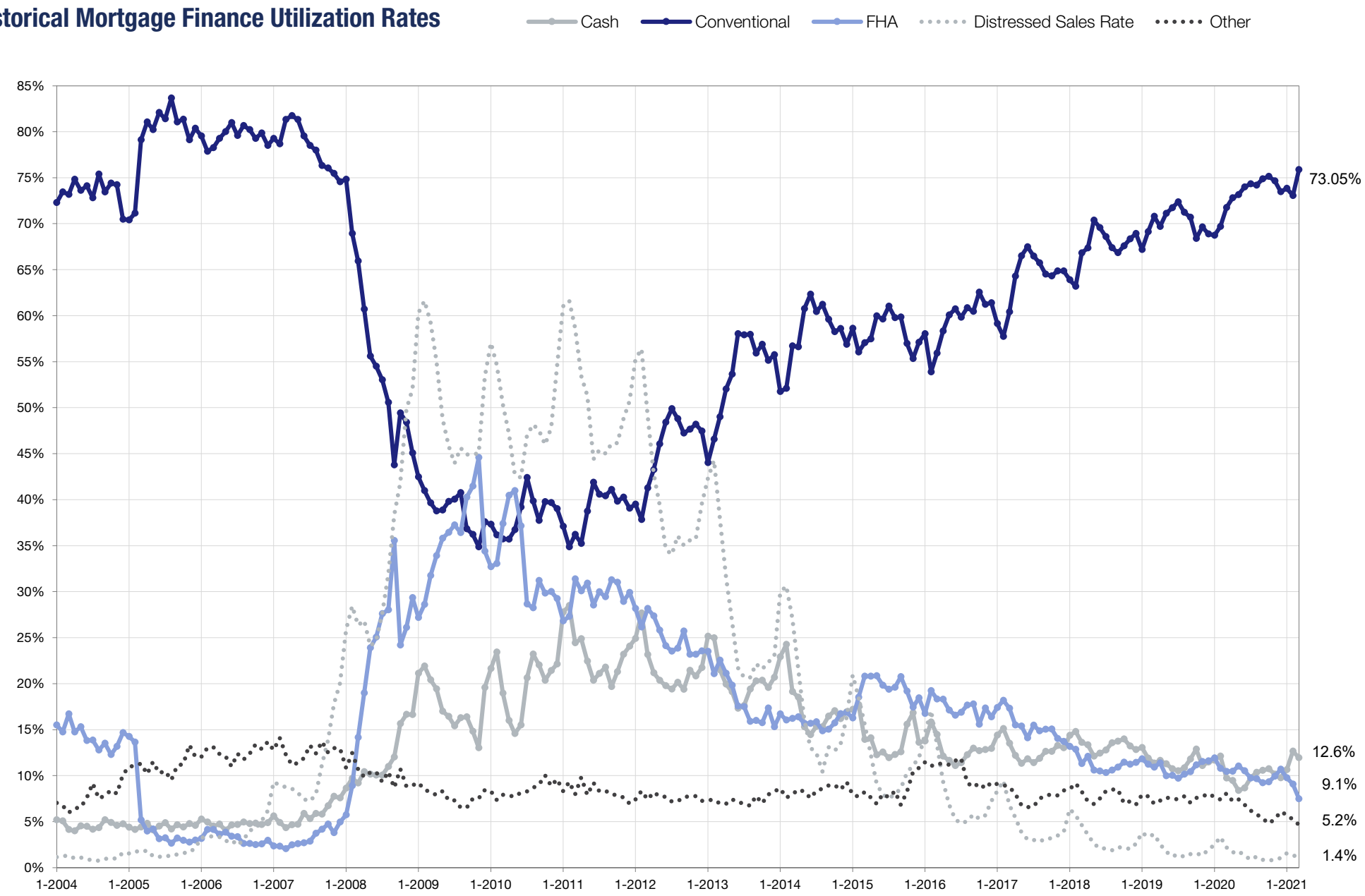
Home finance type utilization rates as a share of all closed sales, by month. Note: "Other" includes Adjustable Rate / Graduated Payment, Assumable, Contract for Deed (CFD), CFD w/ Assumable, DVA, Exchange / Trade, Special Funding, Other, Unknown, Rural Development, Conventional Rehab, USDA, Federal Land Bank, Lease Purchase, and MHFA/WHEDA.

Historical Mortgage Finance Utilization Rates