

Monthly Indicators

A RESEARCH TOOL PROVIDED BY MINNEAPOLIS AREA REALTORS®



May 2022

After two years of record-setting activity, there are signs the housing market might be cooling. High home prices and a surge in mortgage interest rates are slowing buyer activity, with home sales declining for the third consecutive month under the weight of soaring homeownership costs. The National Association of REALTORS® (NAR) reports existing home sales were down 2.4% from the previous month, while pending sales fell 3.9% as of last measure, extending the trend of recent months. Economists predict sales will continue to soften in the near future, which may put downward pressure on home prices.

New Listings in the Twin Cities region increased 3.2 percent to 7,930. Pending Sales were down 11.8 percent to 6,076. Inventory levels rose 5.3 percent to 6,797 units.

Prices continued to gain traction. The Median Sales Price increased 9.0 percent to \$375,000. Days on Market was down 4.2 percent to 23 days. Buyers felt empowered as Months Supply of Homes for Sale was up 18.2 percent to 1.3 months.

The slowdown in sales has provided a much-needed lift to housing supply, with inventory up 10.8% from the previous month according to NAR, although supply remains down 10.4% compared to this time last year, with only 2.2 months' supply of homes at the current sales pace. As the nation continues to explore ways to solve the ongoing housing shortage, estimated at 5.5 million homes, the Biden administration recently unveiled the Housing Supply Action Plan, which aims to expand housing access through a number of administrative and legislative actions and help relieve the nation's housing crisis over the next 5 years.

Quick Facts

- 3.8% **+ 9.0%** **+ 5.3%**

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.



| Key Metrics | Historical Sparklines (normalized) | 5-2021 | 5-2022 | + / - | YTD 2021 | YTD 2022 | + / - |
|------------------------------------------|------------------------------------|-----------|------------------|---------|-----------|------------------|---------|
| New Listings | | 7,682 | 7,930 | + 3.2% | 30,852 | 29,812 | - 3.4% |
| Pending Sales | | 6,890 | 6,076 | - 11.8% | 26,793 | 24,033 | - 10.3% |
| Closed Sales | | 5,660 | 5,446 | - 3.8% | 21,864 | 20,206 | - 7.6% |
| Days on Market Until Sale | | 24 | 23 | - 4.2% | 35 | 32 | - 8.6% |
| Median List Price | | \$348,900 | \$389,900 | +11.8% | \$339,900 | \$379,000 | +11.5% |
| Median Sales Price | | \$344,000 | \$375,000 | + 9.0% | \$329,000 | \$359,000 | + 9.1% |
| Price Per Square Foot | | \$193 | \$210 | + 8.6% | \$185 | \$204 | + 10.1% |
| ShowingTime Housing Value Index | | \$246,569 | \$283,051 | + 14.8% | -- | -- | -- |
| Pct. of Orig. List Price Received | | 104.0% | 104.1% | + 0.1% | 102.2% | 102.6% | + 0.4% |
| Inventory of Homes for Sale | | 6,457 | 6,797 | + 5.3% | -- | -- | -- |
| Months Supply of Homes for Sale | | 1.1 | 1.3 | + 18.2% | -- | -- | -- |

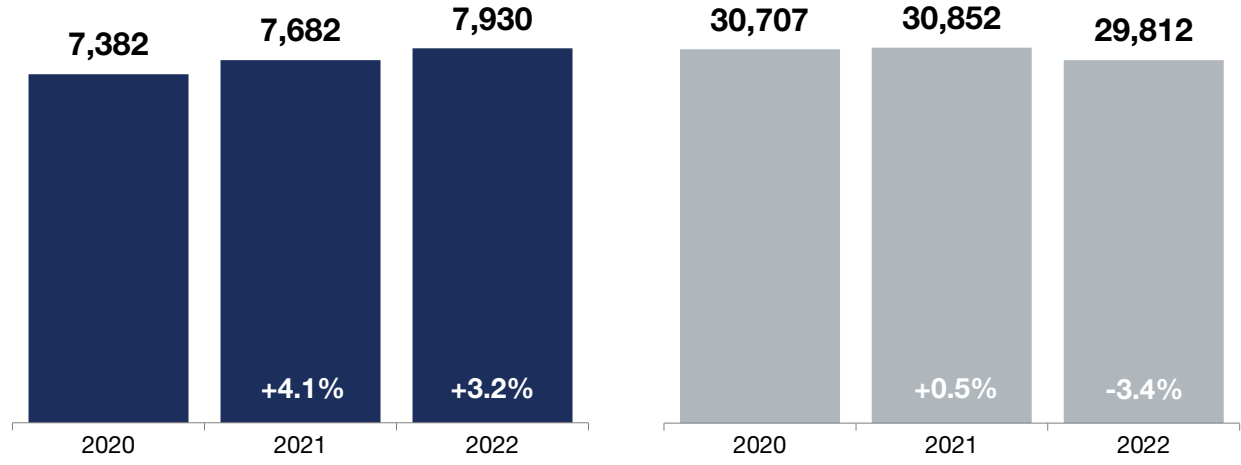
New Listings

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



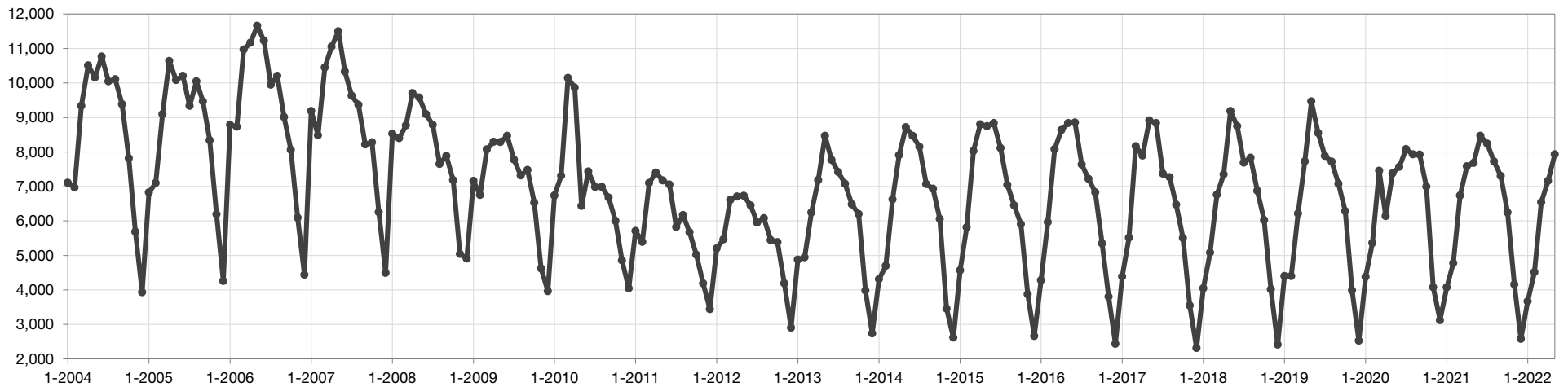
May

Year To Date



| New Listings | | Prior Year | Percent Change |
|-----------------|--------------|--------------|----------------|
| June 2021 | 8,468 | 7,571 | +11.8% |
| July 2021 | 8,243 | 8,079 | +2.0% |
| August 2021 | 7,726 | 7,933 | -2.6% |
| September 2021 | 7,303 | 7,923 | -7.8% |
| October 2021 | 6,248 | 6,994 | -10.7% |
| November 2021 | 4,158 | 4,072 | +2.1% |
| December 2021 | 2,577 | 3,125 | -17.5% |
| January 2022 | 3,668 | 4,074 | -10.0% |
| February 2022 | 4,516 | 4,778 | -5.5% |
| March 2022 | 6,538 | 6,739 | -3.0% |
| April 2022 | 7,160 | 7,579 | -5.5% |
| May 2022 | 7,930 | 7,682 | +3.2% |
| 12-Month Avg | 6,211 | 6,379 | -2.6% |

Historical New Listing Activity



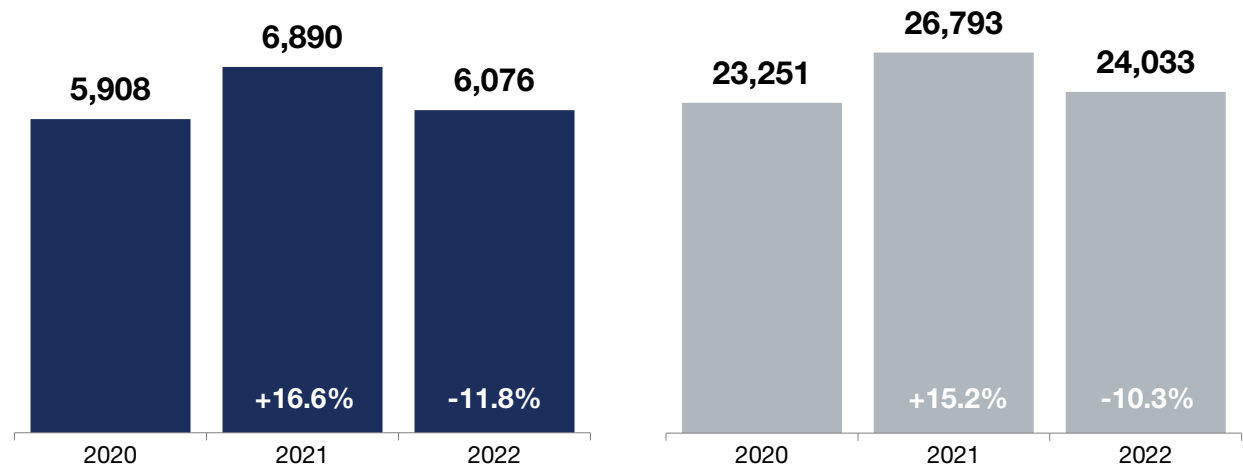
Pending Sales

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



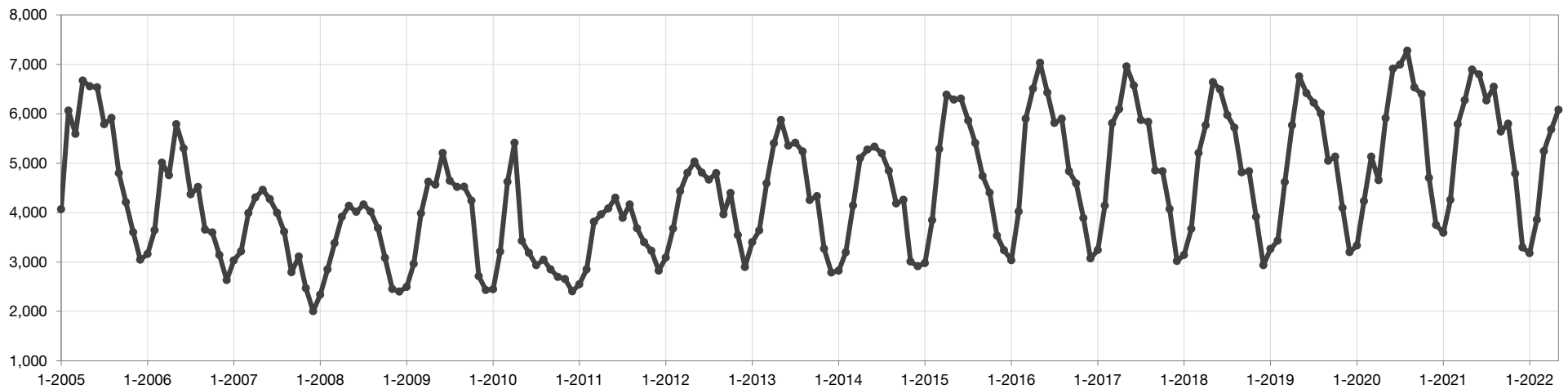
May

Year To Date



| | Pending Sales | Prior Year | Percent Change |
|-----------------|---------------|--------------|----------------|
| June 2021 | 6,792 | 6,910 | -1.7% |
| July 2021 | 6,269 | 6,991 | -10.3% |
| August 2021 | 6,542 | 7,271 | -10.0% |
| September 2021 | 5,639 | 6,533 | -13.7% |
| October 2021 | 5,799 | 6,396 | -9.3% |
| November 2021 | 4,784 | 4,704 | +1.7% |
| December 2021 | 3,293 | 3,749 | -12.2% |
| January 2022 | 3,180 | 3,589 | -11.4% |
| February 2022 | 3,853 | 4,258 | -9.5% |
| March 2022 | 5,242 | 5,785 | -9.4% |
| April 2022 | 5,682 | 6,271 | -9.4% |
| May 2022 | 6,076 | 6,890 | -11.8% |
| 12-Month Avg | 5,263 | 5,779 | -8.9% |

Historical Pending Sales Activity

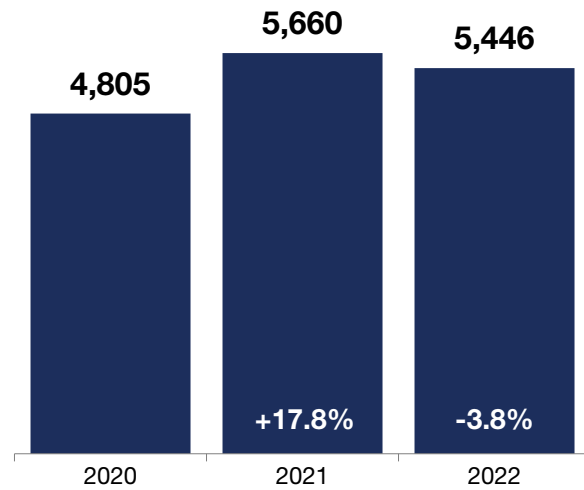


Closed Sales

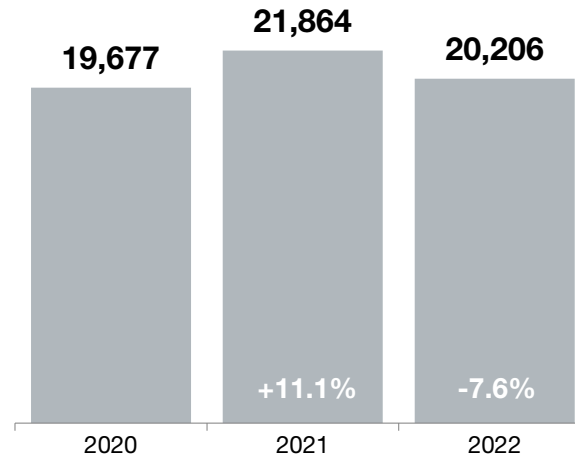
A count of the actual sales that have closed in a given month.



May

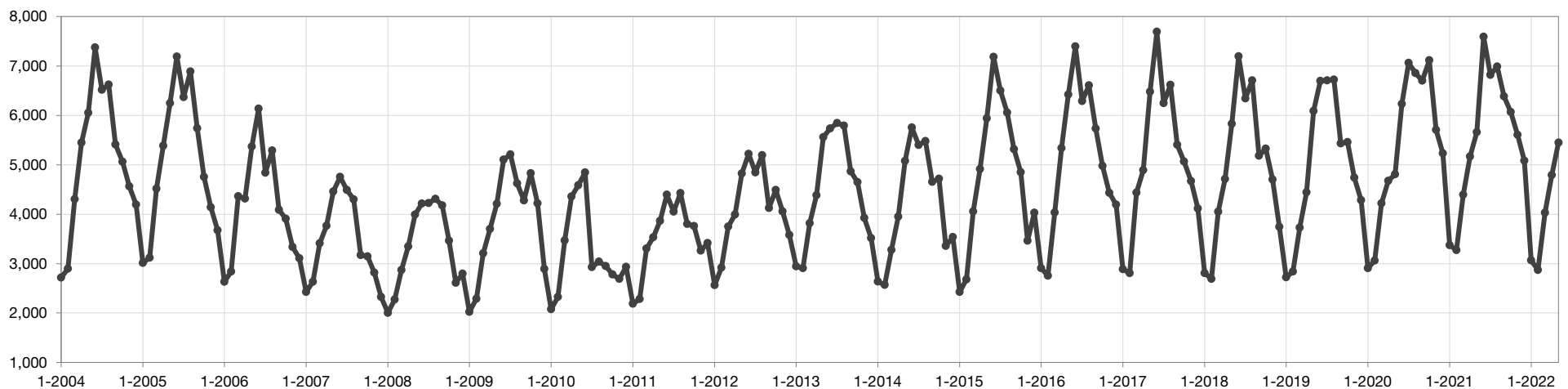


Year To Date



| Closed Sales | Prior Year | Percent Change |
|-----------------|--------------|--------------------|
| June 2021 | 7,592 | 6,230 +21.9% |
| July 2021 | 6,816 | 7,061 -3.5% |
| August 2021 | 6,987 | 6,858 +1.9% |
| September 2021 | 6,382 | 6,702 -4.8% |
| October 2021 | 6,068 | 7,117 -14.7% |
| November 2021 | 5,604 | 5,706 -1.8% |
| December 2021 | 5,082 | 5,229 -2.8% |
| January 2022 | 3,068 | 3,372 -9.0% |
| February 2022 | 2,872 | 3,271 -12.2% |
| March 2022 | 4,027 | 4,392 -8.3% |
| April 2022 | 4,793 | 5,169 -7.3% |
| May 2022 | 5,446 | 5,660 -3.8% |
| 12-Month Avg | 5,395 | 5,564 -3.7% |

Historical Closed Sales Activity

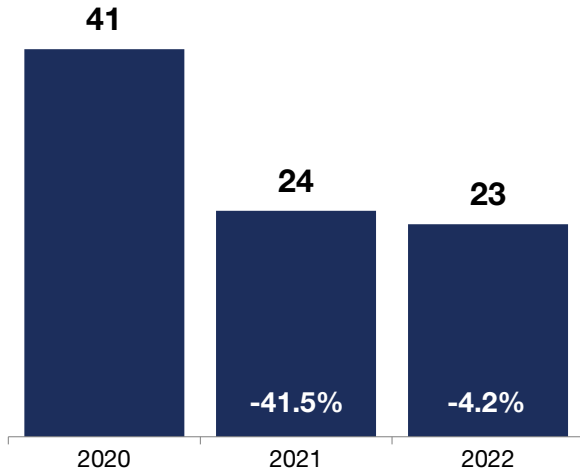


Days on Market Until Sale

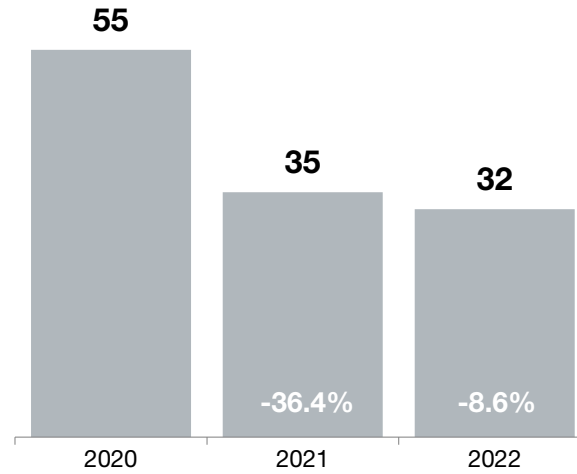
Average, cumulative number of days between when a property is listed and when an offer is accepted in a given month.



May

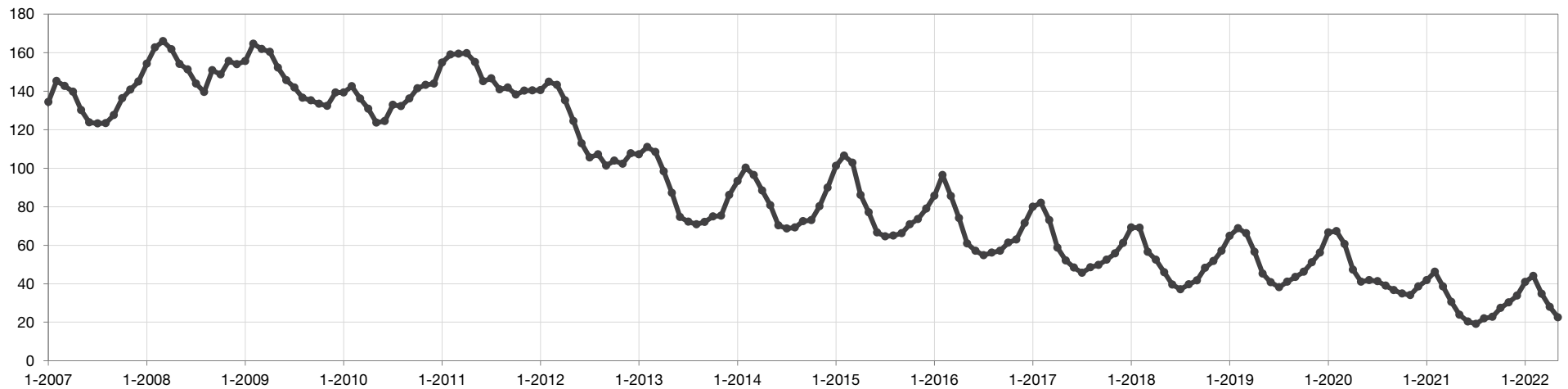


Year To Date



| Days on Market | | Prior Year | Percent Change |
|-----------------|-----------|------------|----------------|
| June 2021 | 20 | 42 | -52.4% |
| July 2021 | 19 | 41 | -53.7% |
| August 2021 | 22 | 39 | -43.6% |
| September 2021 | 23 | 37 | -37.8% |
| October 2021 | 27 | 35 | -22.9% |
| November 2021 | 30 | 34 | -11.8% |
| December 2021 | 34 | 39 | -12.8% |
| January 2022 | 41 | 42 | -2.4% |
| February 2022 | 44 | 46 | -4.3% |
| March 2022 | 35 | 39 | -10.3% |
| April 2022 | 28 | 31 | -9.7% |
| May 2022 | 23 | 24 | -4.2% |
| 12-Month Avg | 27 | 37 | -27.0% |

Historical Days on Market Until Sale



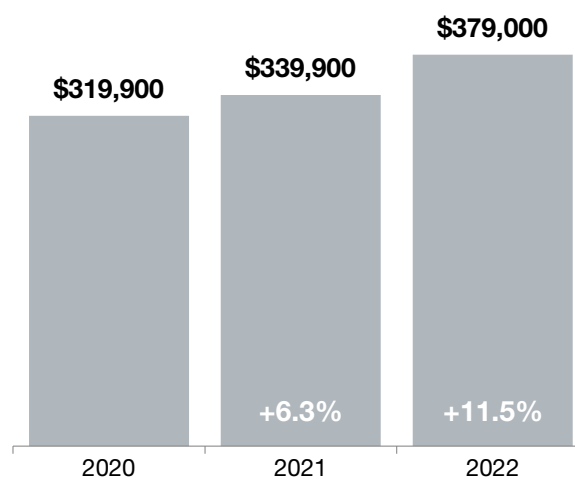
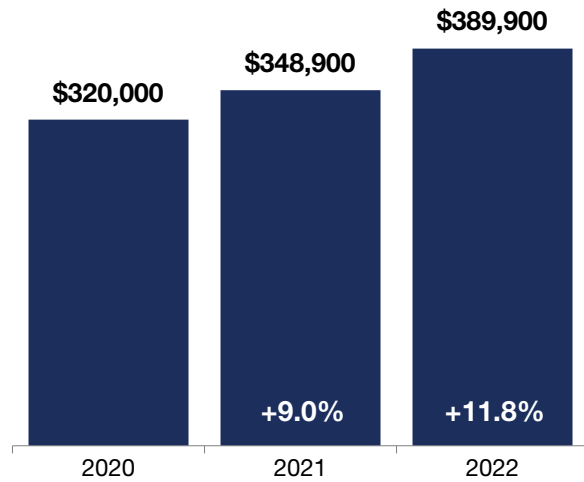
Median Original List Price

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



May

Year To Date



| | Median Original List Price | Prior Year | Percent Change |
|-----------------|----------------------------|------------------|----------------|
| June 2021 | \$349,900 | \$315,000 | +11.1% |
| July 2021 | \$340,000 | \$314,900 | +8.0% |
| August 2021 | \$339,900 | \$315,118 | +7.9% |
| September 2021 | \$345,000 | \$314,900 | +9.6% |
| October 2021 | \$339,900 | \$309,900 | +9.7% |
| November 2021 | \$325,000 | \$304,950 | +6.6% |
| December 2021 | \$350,000 | \$313,800 | +11.5% |
| January 2022 | \$360,000 | \$329,900 | +9.1% |
| February 2022 | \$375,000 | \$340,000 | +10.3% |
| March 2022 | \$375,000 | \$337,715 | +11.0% |
| April 2022 | \$380,000 | \$336,760 | +12.8% |
| May 2022 | \$389,900 | \$348,900 | +11.8% |
| 12-Month Med | \$350,000 | \$324,900 | +7.7% |

Historical Median Original List Price

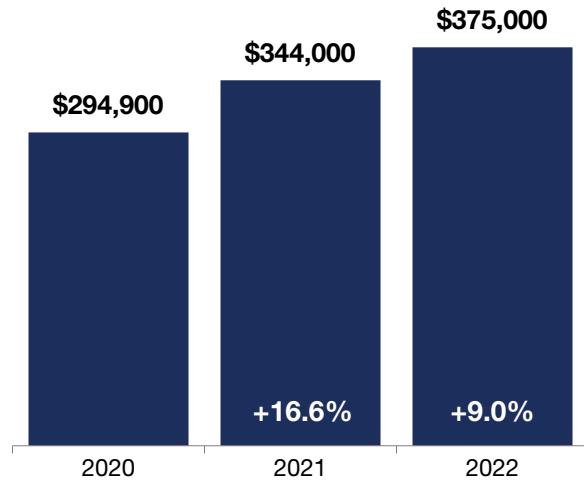


Median Sales Price

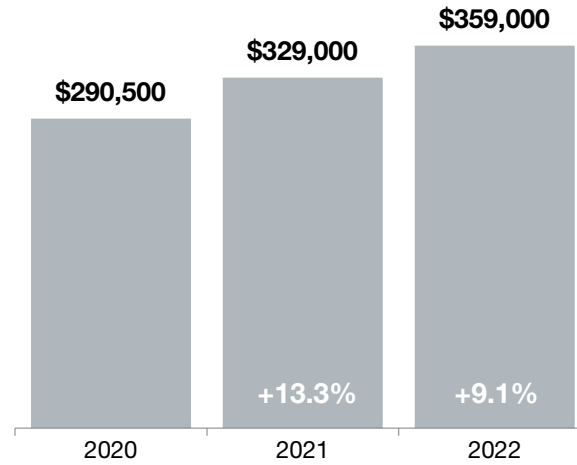
Median price point for all closed sales, not accounting for seller concessions, in a given month.



May



Year To Date



| Month | Median Sales Price | Prior Year | Percent Change |
|-----------------|--------------------|------------------|----------------|
| June 2021 | \$350,000 | \$305,000 | +14.8% |
| July 2021 | \$350,000 | \$312,500 | +12.0% |
| August 2021 | \$350,000 | \$315,000 | +11.1% |
| September 2021 | \$340,600 | \$310,000 | +9.9% |
| October 2021 | \$340,000 | \$315,000 | +7.9% |
| November 2021 | \$339,900 | \$310,000 | +9.6% |
| December 2021 | \$331,500 | \$307,000 | +8.0% |
| January 2022 | \$332,900 | \$301,000 | +10.6% |
| February 2022 | \$340,000 | \$314,000 | +8.3% |
| March 2022 | \$354,099 | \$328,462 | +7.8% |
| April 2022 | \$370,000 | \$336,250 | +10.0% |
| May 2022 | \$375,000 | \$344,000 | +9.0% |
| 12-Month Med | \$350,000 | \$316,000 | +10.8% |

Historical Median Sales Price



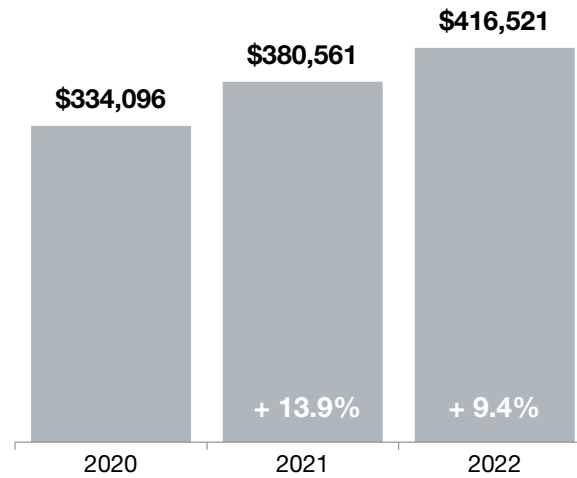
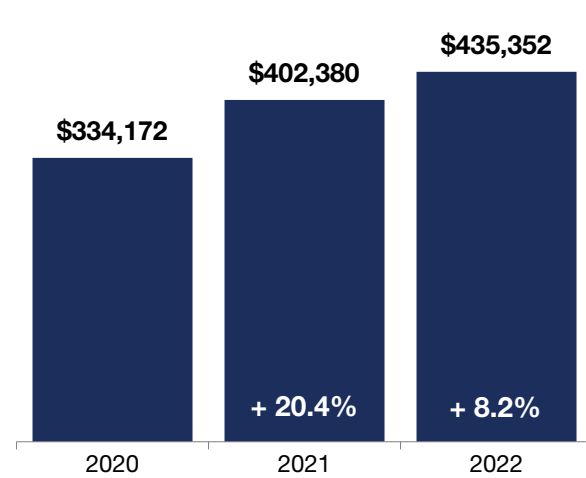
Average Sales Price

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



May

Year to Date



| | Average Sales Price | Prior Year | Percent Change |
|-----------------|---------------------|------------------|----------------|
| June 2021 | \$407,285 | \$348,110 | +17.0% |
| July 2021 | \$404,317 | \$359,223 | +12.6% |
| August 2021 | \$410,184 | \$364,299 | +12.6% |
| September 2021 | \$392,862 | \$362,696 | +8.3% |
| October 2021 | \$395,371 | \$372,932 | +6.0% |
| November 2021 | \$392,124 | \$364,347 | +7.6% |
| December 2021 | \$389,511 | \$361,069 | +7.9% |
| January 2022 | \$385,843 | \$351,162 | +9.9% |
| February 2022 | \$397,569 | \$359,957 | +10.4% |
| March 2022 | \$411,270 | \$383,094 | +7.4% |
| April 2022 | \$430,409 | \$386,868 | +11.3% |
| May 2022 | \$435,352 | \$402,380 | +8.2% |
| 12-Month Avg | \$404,900 | \$368,078 | +10.0% |

Historical Average Sales Price



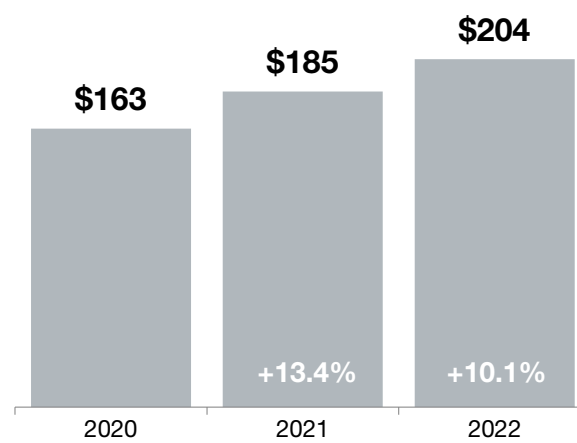
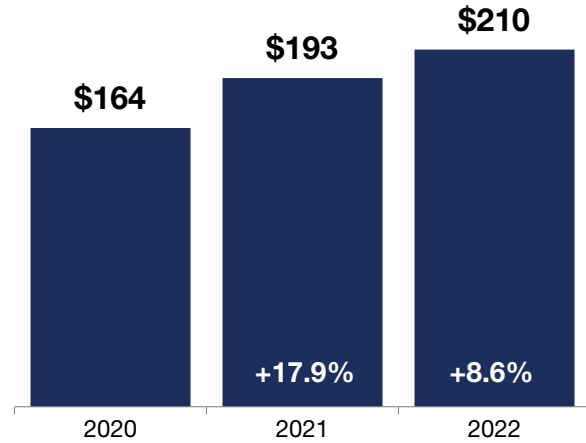
Price Per Square Foot

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



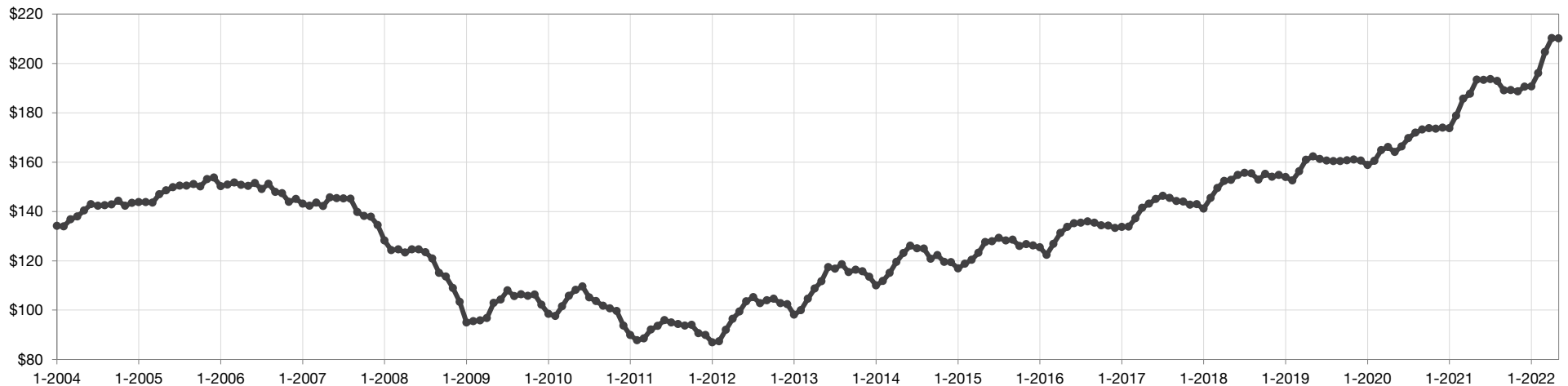
May

Year to Date



| Price Per Square Foot | Prior Year | Percent Change |
|-----------------------|--------------|--------------------|
| June 2021 | \$193 | \$166 +16.2% |
| July 2021 | \$194 | \$170 +14.1% |
| August 2021 | \$193 | \$172 +12.2% |
| September 2021 | \$189 | \$173 +9.1% |
| October 2021 | \$189 | \$174 +8.9% |
| November 2021 | \$189 | \$173 +8.8% |
| December 2021 | \$191 | \$174 +9.6% |
| January 2022 | \$191 | \$174 +9.7% |
| February 2022 | \$196 | \$179 +9.7% |
| March 2022 | \$205 | \$186 +10.2% |
| April 2022 | \$210 | \$188 +12.0% |
| May 2022 | \$210 | \$193 +8.6% |
| 12-Month Avg | \$195 | \$176 +10.8% |

Historical Price Per Square Foot

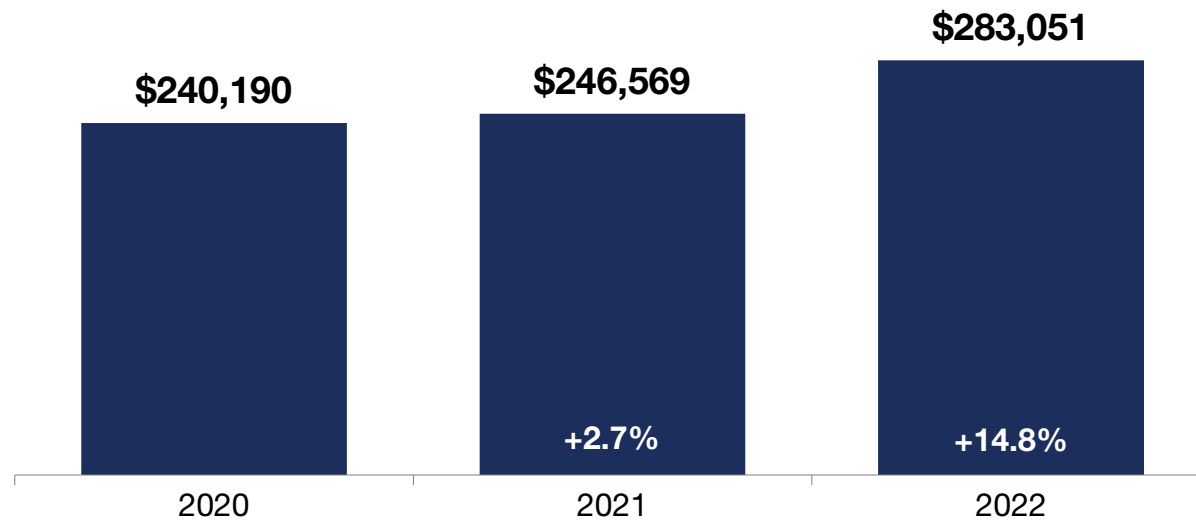


ShowingTime Housing Value Index



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.

May



| | Housing Value Index | Prior Year | Percent Change |
|-----------------|---------------------|------------------|----------------|
| June 2021 | \$248,688 | \$239,992 | +3.6% |
| July 2021 | \$251,125 | \$238,463 | +5.3% |
| August 2021 | \$254,944 | \$237,703 | +7.3% |
| September 2021 | \$256,577 | \$237,143 | +8.2% |
| October 2021 | \$257,209 | \$236,633 | +8.7% |
| November 2021 | \$257,485 | \$236,313 | +9.0% |
| December 2021 | \$256,972 | \$237,400 | +8.2% |
| January 2022 | \$257,337 | \$233,899 | +10.0% |
| February 2022 | \$261,691 | \$239,194 | +9.4% |
| March 2022 | \$270,292 | \$245,220 | +10.2% |
| April 2022 | \$275,574 | \$249,974 | +10.2% |
| May 2022 | \$283,051 | \$246,569 | +14.8% |
| 12-Month Avg | \$260,912 | \$239,875 | +8.7% |

Historical ShowingTime Housing Value Index



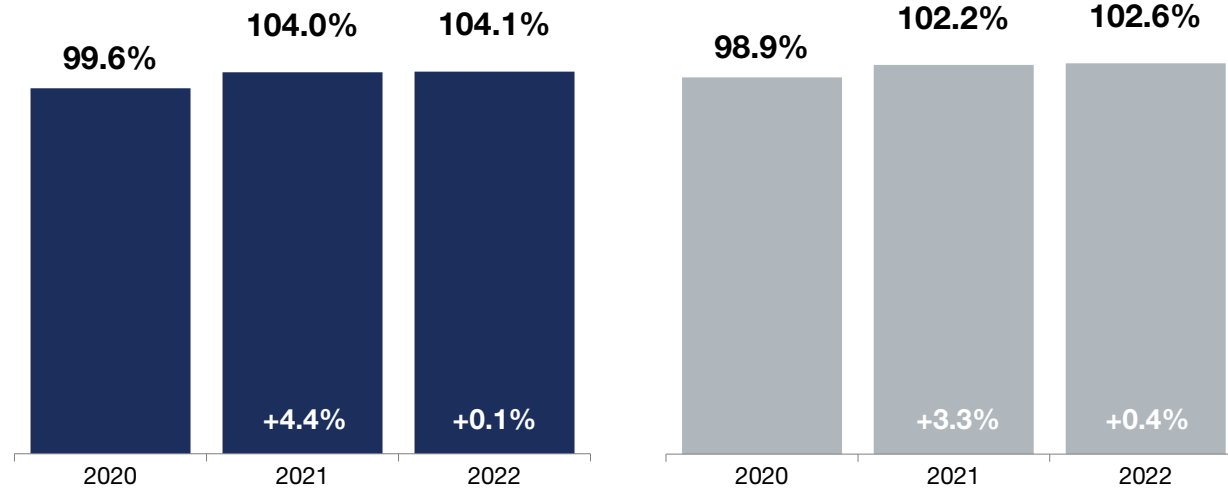
Percent of Original List Price Received



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.

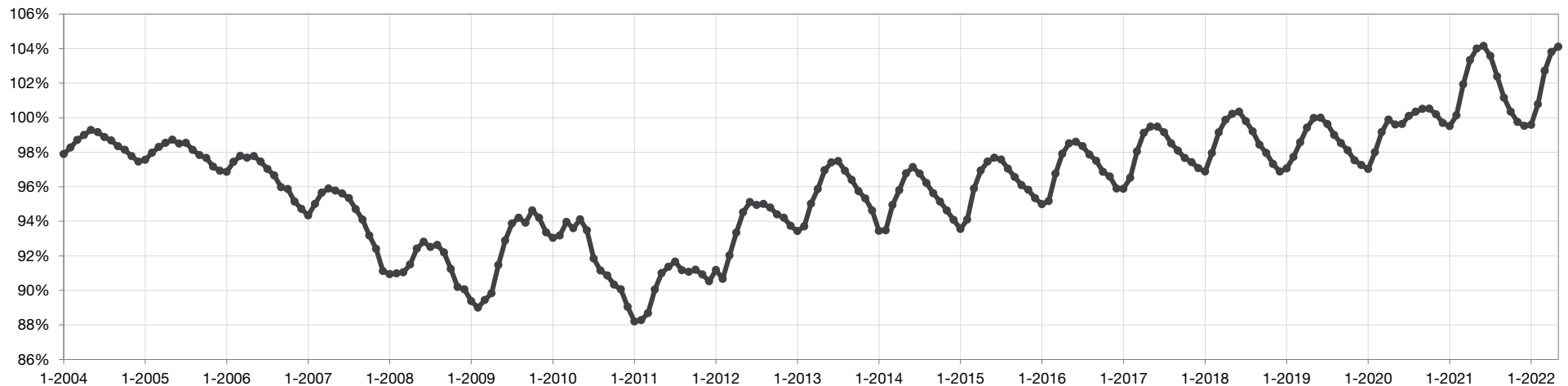
May

Year to Date



| | Pct. Of Orig. List Price Rec'd | Prior Year | Percent Change |
|-----------------|--------------------------------|---------------|----------------|
| June 2021 | 104.1% | 99.6% | +4.5% |
| July 2021 | 103.6% | 100.1% | +3.5% |
| August 2021 | 102.4% | 100.3% | +2.1% |
| September 2021 | 101.2% | 100.5% | +0.7% |
| October 2021 | 100.3% | 100.5% | -0.2% |
| November 2021 | 99.8% | 100.2% | -0.4% |
| December 2021 | 99.5% | 99.7% | -0.2% |
| January 2022 | 99.6% | 99.5% | +0.1% |
| February 2022 | 100.8% | 100.1% | +0.7% |
| March 2022 | 102.7% | 101.9% | +0.8% |
| April 2022 | 103.8% | 103.3% | +0.5% |
| May 2022 | 104.1% | 104.0% | +0.1% |
| 12-Month Avg | 102.0% | 100.8% | +1.2% |

Historical Percent of Original List Price Received



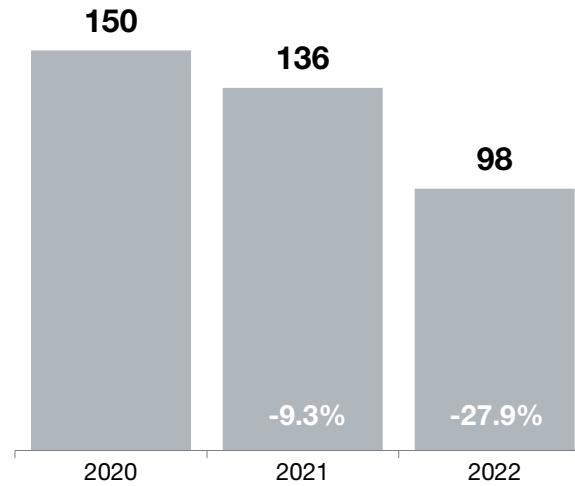
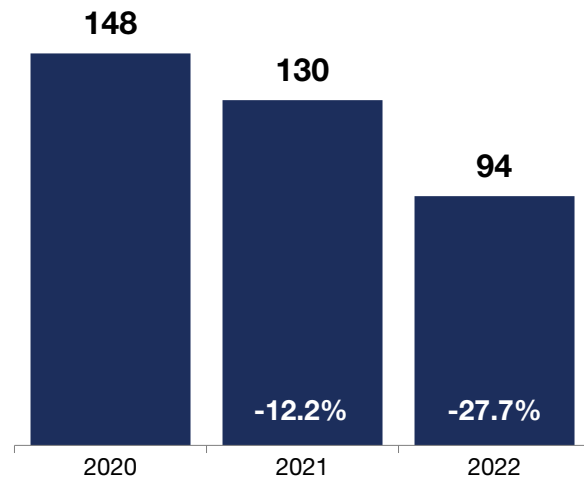
Housing Affordability Index



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.

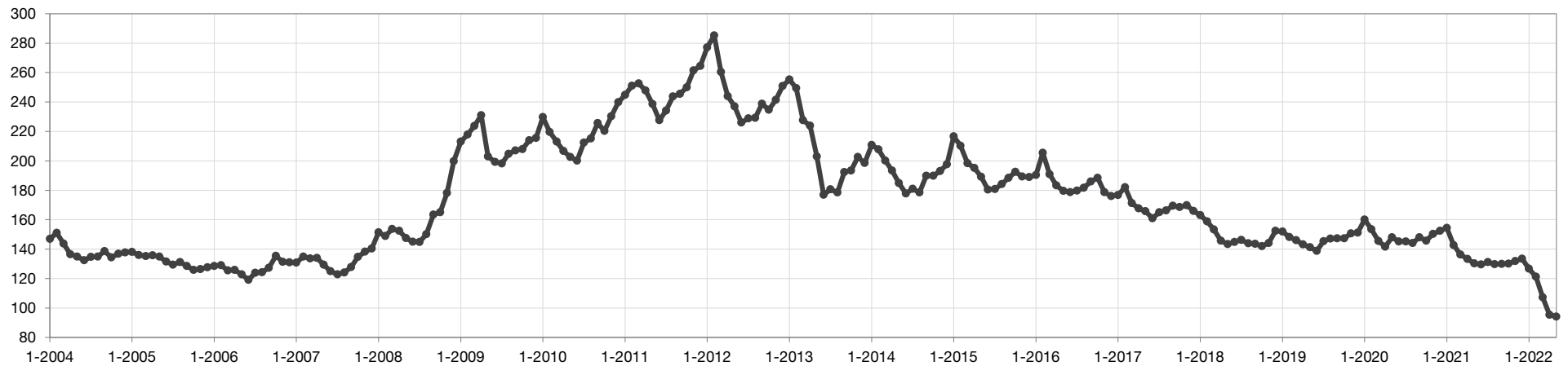
May

Year to Date



| | Housing Affordability Index | Prior Year | Percent Change |
|-----------------|-----------------------------|------------|----------------|
| June 2021 | 130 | 145 | -10.3% |
| July 2021 | 131 | 145 | -9.7% |
| August 2021 | 130 | 144 | -9.7% |
| September 2021 | 130 | 148 | -12.2% |
| October 2021 | 130 | 146 | -11.0% |
| November 2021 | 132 | 150 | -12.0% |
| December 2021 | 134 | 153 | -12.4% |
| January 2022 | 127 | 154 | -17.5% |
| February 2022 | 121 | 143 | -15.4% |
| March 2022 | 107 | 136 | -21.3% |
| April 2022 | 95 | 133 | -28.6% |
| May 2022 | 94 | 130 | -27.7% |
| 12-Month Avg | 122 | 144 | -15.3% |

Historical Housing Affordability Index

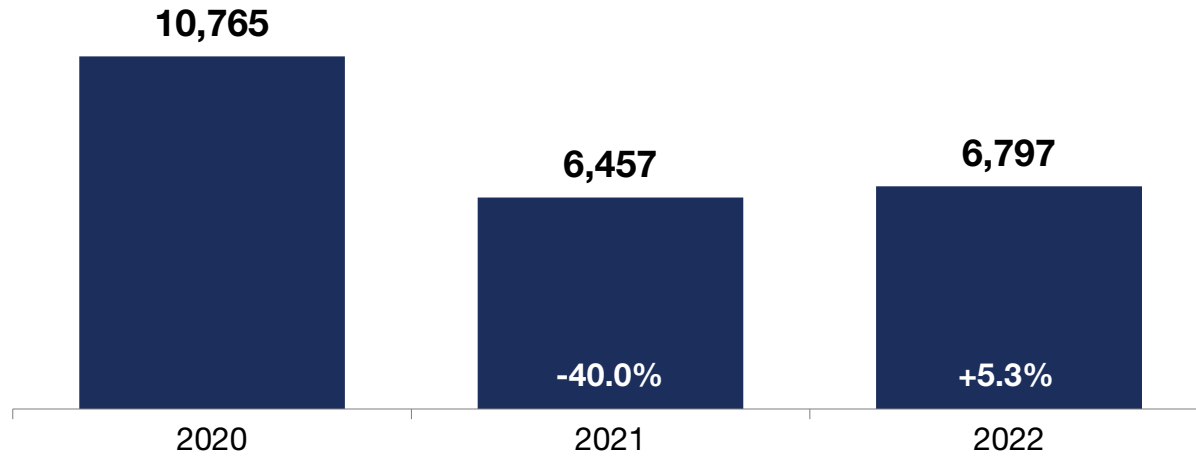


Inventory of Homes for Sale

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

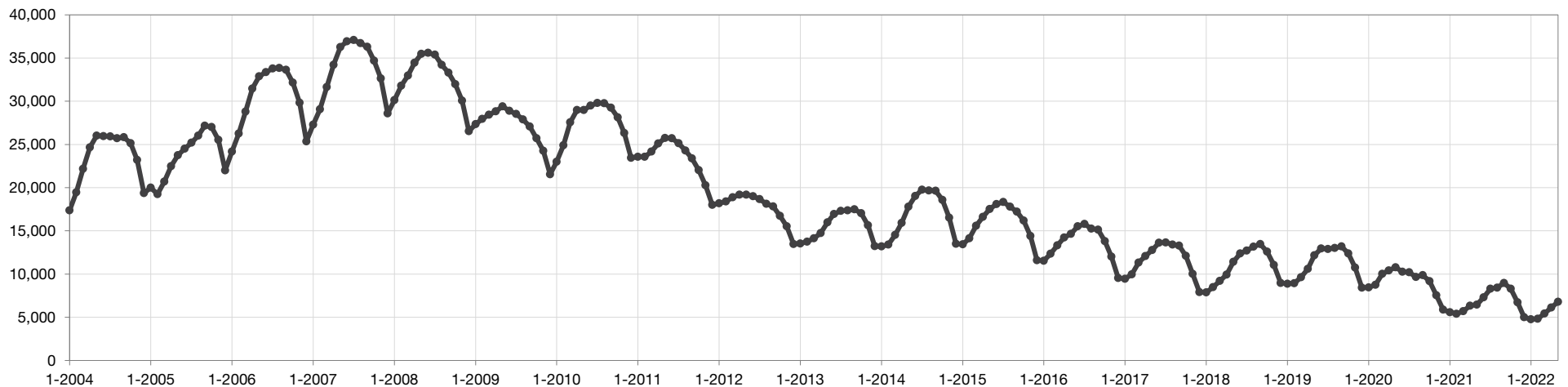


May



| Homes for Sale | | Prior Year | Percent Change |
|-----------------|--------------|--------------|----------------|
| June 2021 | 7,299 | 10,270 | -28.9% |
| July 2021 | 8,309 | 10,202 | -18.6% |
| August 2021 | 8,424 | 9,650 | -12.7% |
| September 2021 | 8,974 | 9,874 | -9.1% |
| October 2021 | 8,297 | 9,170 | -9.5% |
| November 2021 | 6,724 | 7,535 | -10.8% |
| December 2021 | 5,010 | 5,875 | -14.7% |
| January 2022 | 4,764 | 5,592 | -14.8% |
| February 2022 | 4,822 | 5,408 | -10.8% |
| March 2022 | 5,438 | 5,694 | -4.5% |
| April 2022 | 6,122 | 6,345 | -3.5% |
| May 2022 | 6,797 | 6,457 | +5.3% |
| 12-Month Avg | 6,748 | 7,673 | -11.1% |

Historical Inventory of Homes for Sale

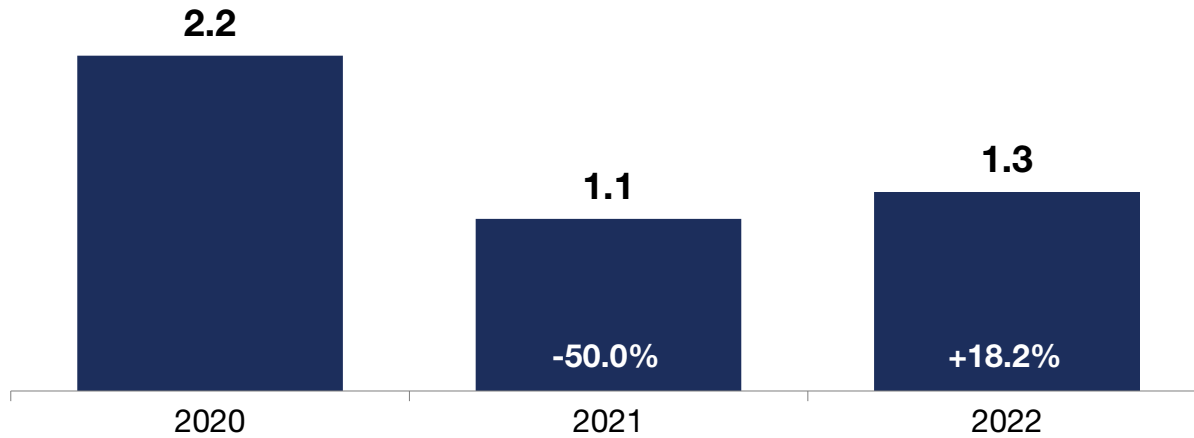


Months Supply of Homes for Sale

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.

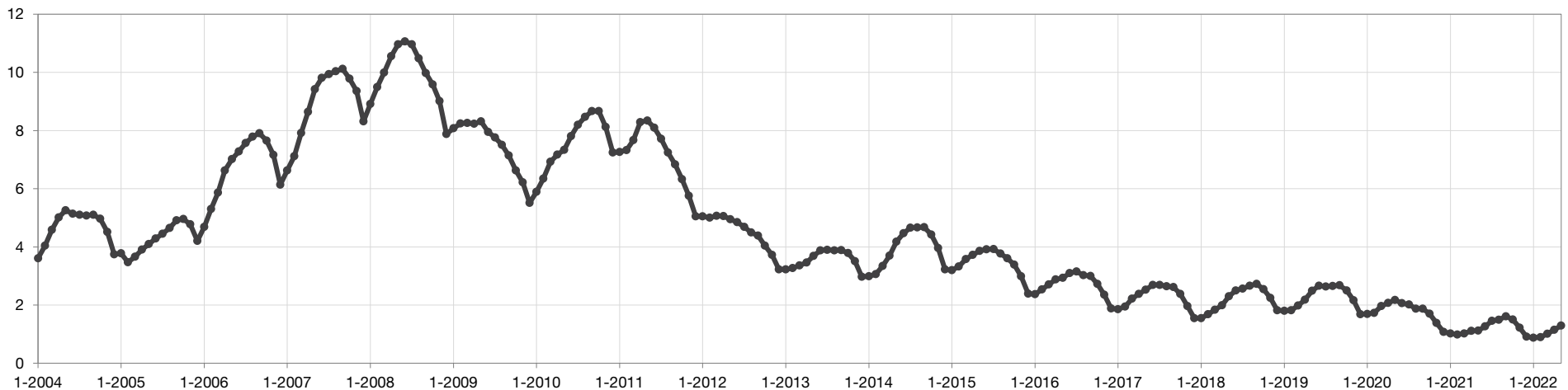


May



| Months Supply | | Prior Year | Percent Change |
|-----------------|------------|------------|----------------|
| June 2021 | 1.3 | 2.1 | -38.1% |
| July 2021 | 1.5 | 2.0 | -25.0% |
| August 2021 | 1.5 | 1.9 | -21.1% |
| September 2021 | 1.6 | 1.9 | -15.8% |
| October 2021 | 1.5 | 1.7 | -11.8% |
| November 2021 | 1.2 | 1.4 | -14.3% |
| December 2021 | 0.9 | 1.1 | -18.2% |
| January 2022 | 0.9 | 1.0 | -10.0% |
| February 2022 | 0.9 | 1.0 | -10.0% |
| March 2022 | 1.0 | 1.0 | 0.0% |
| April 2022 | 1.1 | 1.1 | 0.0% |
| May 2022 | 1.3 | 1.1 | +18.2% |
| 12-Month Avg | 1.2 | 1.4 | -14.3% |

Historical Months Supply of Inventory



Mortgage Finance Utilization Rates



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

— Cash — Conventional — FHA Distressed Sales Rate Other

