

Monthly Indicators

A RESEARCH TOOL PROVIDED BY MINNEAPOLIS AREA REALTORS®



September 2023

National sales of existing homes recently fell to a 7-month low, as surging borrowing costs, rising sales prices, and limited inventory continue to keep many would-be buyers out of the market. Borrowers have become increasingly sensitive to fluctuations in mortgage rates, which have remained above 7% since mid-August. With fewer buyers able to afford the costs of homeownership, existing-home sales declined 0.7% month-over-month and were down 15.3% year-over-year, according to the National Association of REALTORS®(NAR).

New Listings in the Twin Cities region decreased 6.4 percent to 5,663. Pending Sales were down 7.3 percent to 3,686. Inventory levels fell 9.4 percent to 8,704 units.

Prices continued to gain traction. The Median Sales Price increased 2.2 percent to \$370,305. Days on Market was up 6.3 percent to 34 days. Buyers felt empowered as Months Supply of Homes for Sale was up 15.0 percent to 2.3 months.

Prices have continued to increase this fall despite softening home sales nationwide, as a lack of inventory has kept the market competitive for prospective buyers, sparking bidding wars and causing homes to sell for above asking price in some areas. Heading into September there were only 1.1 million units available for sale, 0.9% fewer than a month ago and 14.1% fewer than the same period last year, according to NAR. As a result, the U.S. median existing-home sales price rose 3.9% year-over-year to \$407,100, marking the third consecutive month that the median sales price topped \$400,000.

Quick Facts

- 17.1% **+ 2.2%** **- 9.4%**

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.



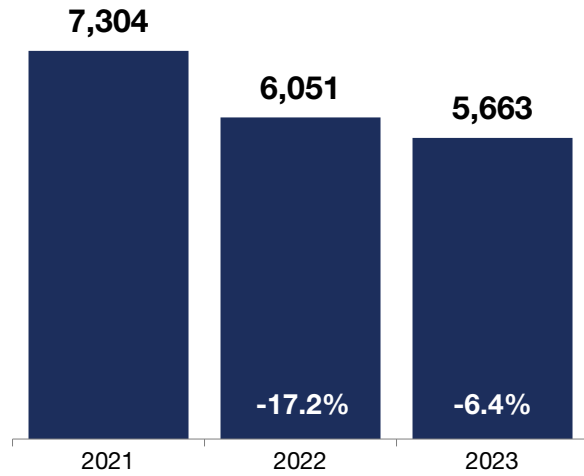
Key Metrics	Historical Sparklines (normalized)	9-2022	9-2023	+ / -	YTD 2022	YTD 2023	+ / -
New Listings		6,051	5,663	- 6.4%	57,195	48,317	- 15.5%
Pending Sales		3,975	3,686	- 7.3%	43,411	35,703	- 17.8%
Closed Sales		4,980	4,126	- 17.1%	43,061	34,149	- 20.7%
Days on Market Until Sale		32	34	+ 6.3%	28	40	+ 42.9%
Median List Price		\$375,000	\$394,995	+ 5.3%	\$379,900	\$399,305	+ 5.1%
Median Sales Price		\$362,300	\$370,305	+ 2.2%	\$365,000	\$370,000	+ 1.4%
Price Per Square Foot		\$200	\$208	+ 4.0%	\$204	\$207	+ 1.4%
ShowingTime Housing Value Index		\$260,632	\$264,983	+ 1.7%	--	--	--
Pct. of Orig. List Price Received		98.9%	99.3%	+ 0.4%	101.8%	99.8%	- 2.0%
Inventory of Homes for Sale		9,602	8,704	- 9.4%	--	--	--
Months Supply of Homes for Sale		2.0	2.3	+ 15.0%	--	--	--

New Listings

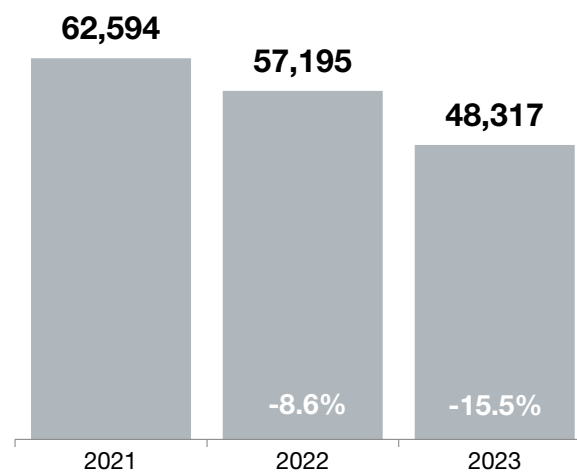
A count of the properties that have been newly listed on the market in a given month.



September

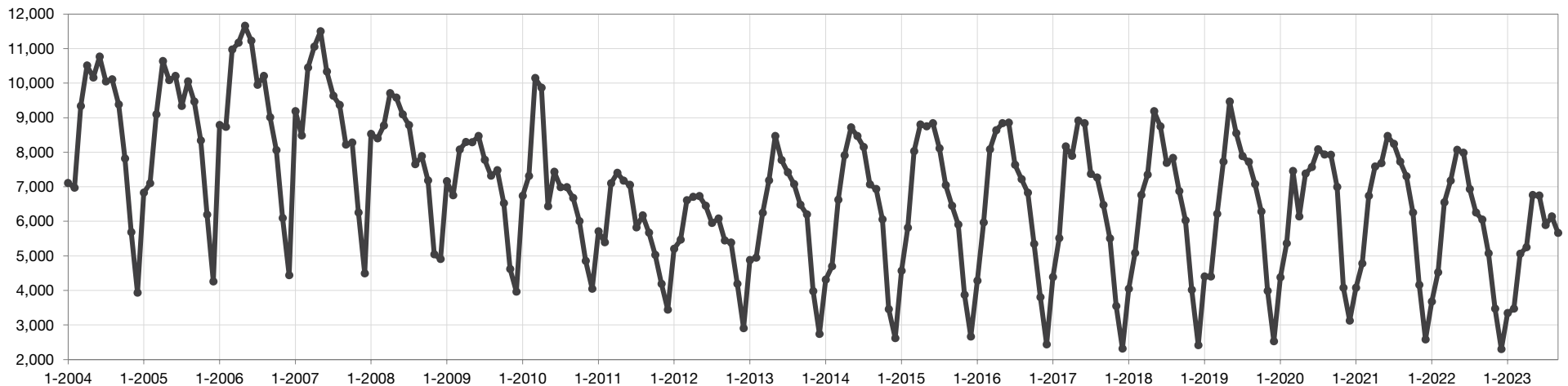


Year To Date



New Listings		Prior Year	Percent Change
October 2022	5,071	6,249	-18.9%
November 2022	3,473	4,160	-16.5%
December 2022	2,300	2,578	-10.8%
January 2023	3,338	3,675	-9.2%
February 2023	3,468	4,520	-23.3%
March 2023	5,058	6,546	-22.7%
April 2023	5,250	7,171	-26.8%
May 2023	6,760	8,068	-16.2%
June 2023	6,746	7,981	-15.5%
July 2023	5,892	6,932	-15.0%
August 2023	6,142	6,251	-1.7%
September 2023	5,663	6,051	-6.4%
12-Month Avg	4,930	5,849	-15.7%

Historical New Listing Activity

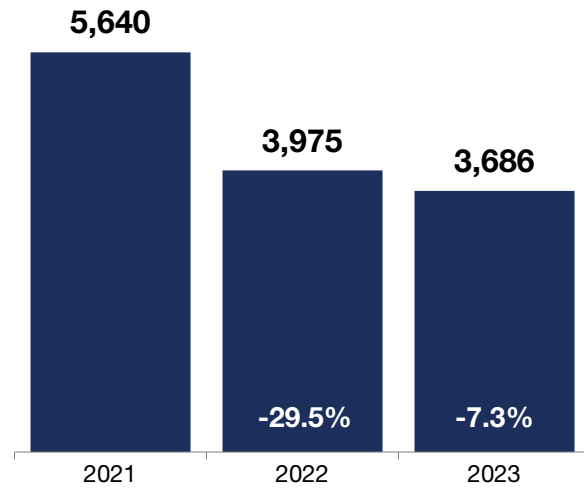


Pending Sales

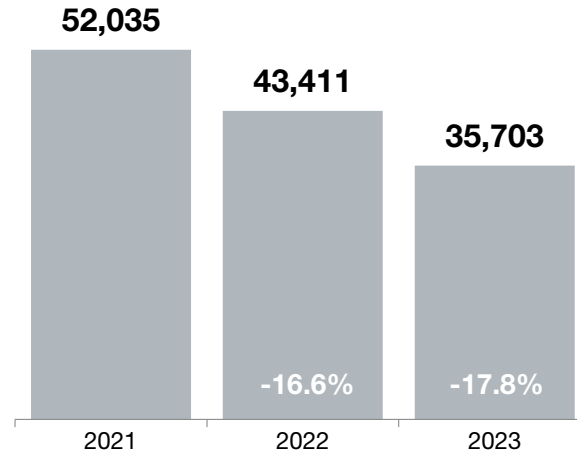
A count of the properties on which contracts have been accepted in a given month.



September

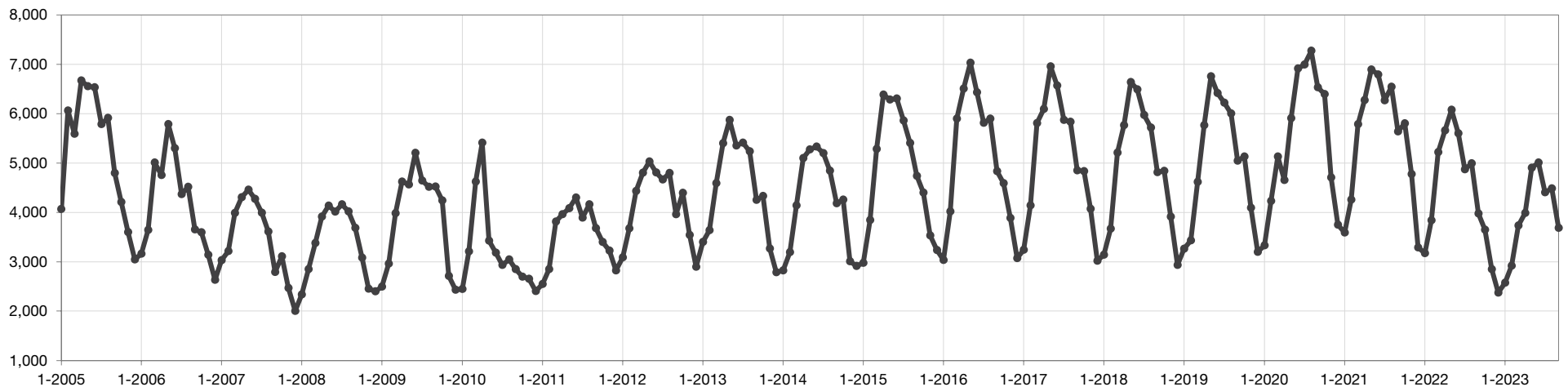


Year To Date



	Pending Sales	Prior Year	Percent Change
October 2022	3,647	5,802	-37.1%
November 2022	2,849	4,777	-40.4%
December 2022	2,371	3,287	-27.9%
January 2023	2,574	3,172	-18.9%
February 2023	2,919	3,841	-24.0%
March 2023	3,733	5,222	-28.5%
April 2023	3,989	5,657	-29.5%
May 2023	4,905	6,077	-19.3%
June 2023	5,009	5,602	-10.6%
July 2023	4,403	4,872	-9.6%
August 2023	4,485	4,993	-10.2%
September 2023	3,686	3,975	-7.3%
12-Month Avg	3,714	4,773	-22.2%

Historical Pending Sales Activity

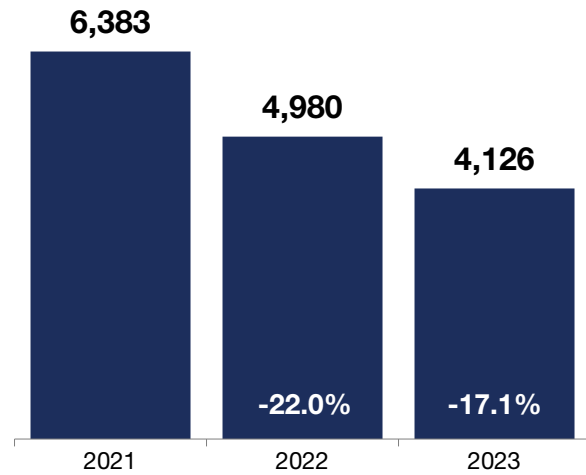


Closed Sales

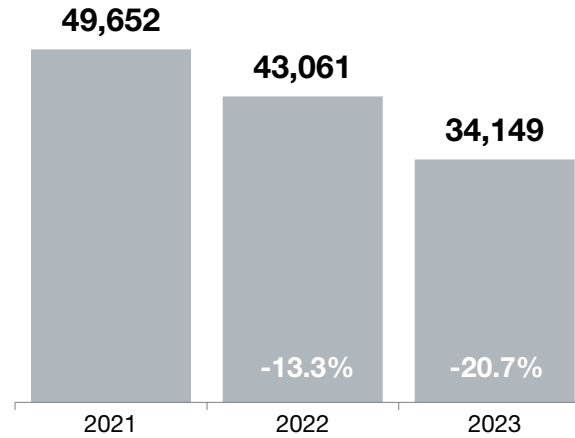
A count of the actual sales that have closed in a given month.



September

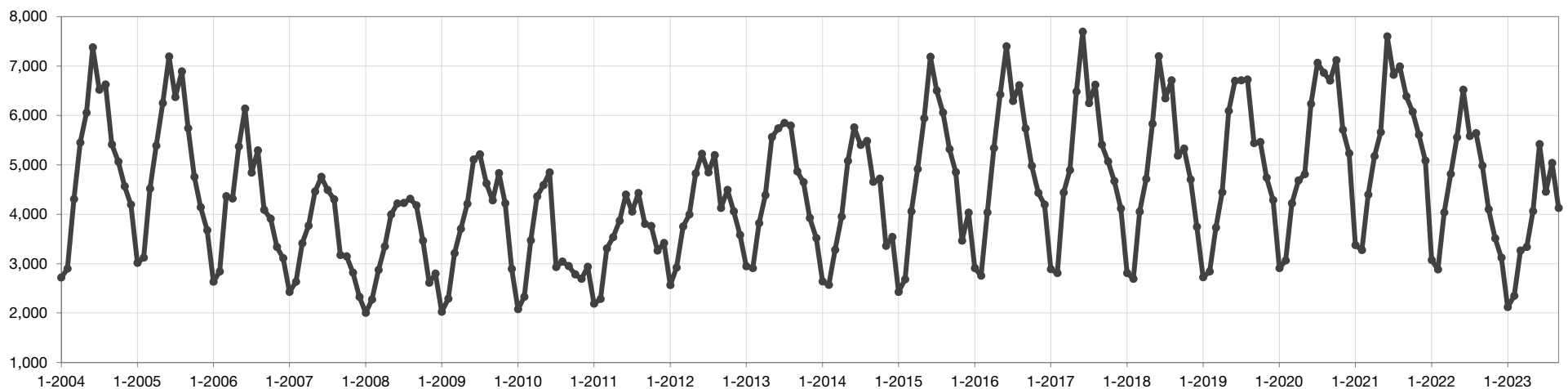


Year To Date



Closed Sales		Prior Year	Percent Change
October 2022	4,100	6,074	-32.5%
November 2022	3,510	5,606	-37.4%
December 2022	3,121	5,083	-38.6%
January 2023	2,118	3,072	-31.1%
February 2023	2,344	2,879	-18.6%
March 2023	3,262	4,033	-19.1%
April 2023	3,336	4,811	-30.7%
May 2023	4,063	5,555	-26.9%
June 2023	5,416	6,517	-16.9%
July 2023	4,451	5,578	-20.2%
August 2023	5,033	5,636	-10.7%
September 2023	4,126	4,980	-17.1%
12-Month Avg	3,740	4,985	-25.0%

Historical Closed Sales Activity

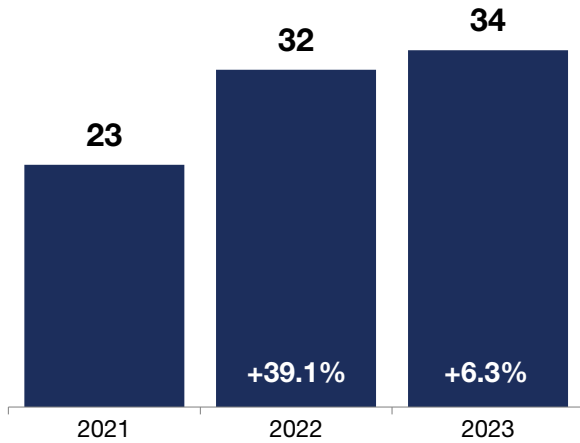


Days on Market Until Sale

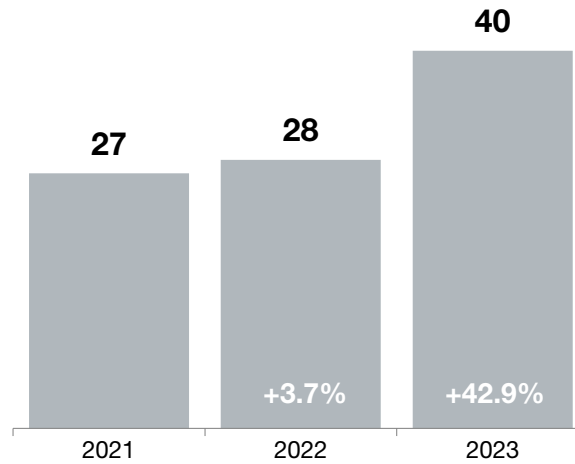
Average, cumulative number of days between when a property is listed and when an offer is accepted in a given month.



September

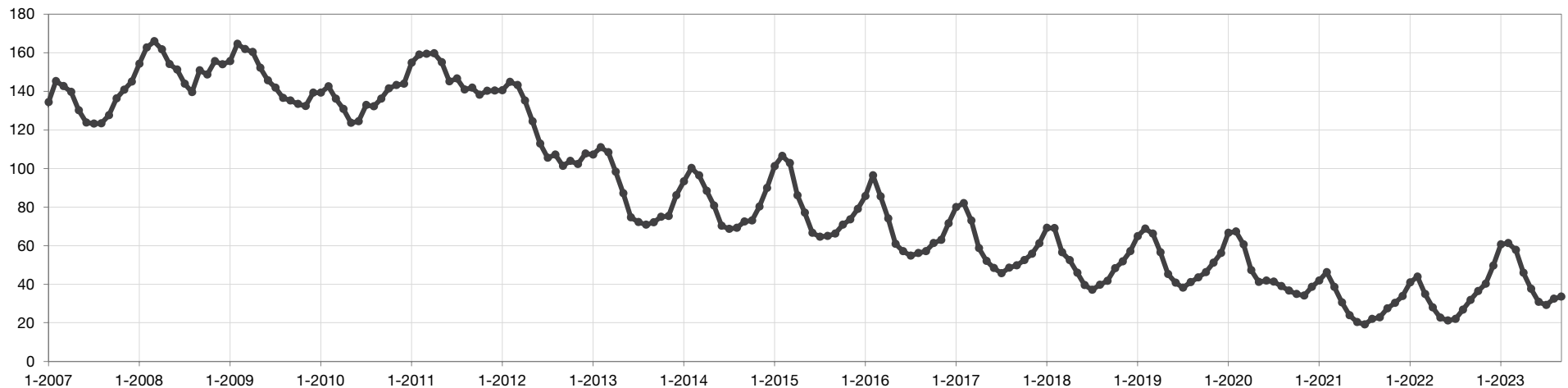


Year To Date



Days on Market		Prior Year	Percent Change
October 2022	36	27	+33.3%
November 2022	40	30	+33.3%
December 2022	50	34	+47.1%
January 2023	61	41	+48.8%
February 2023	61	44	+38.6%
March 2023	58	35	+65.7%
April 2023	46	28	+64.3%
May 2023	38	23	+65.2%
June 2023	31	21	+47.6%
July 2023	29	22	+31.8%
August 2023	32	27	+18.5%
September 2023	34	32	+6.3%
12-Month Avg	40	29	+37.9%

Historical Days on Market Until Sale

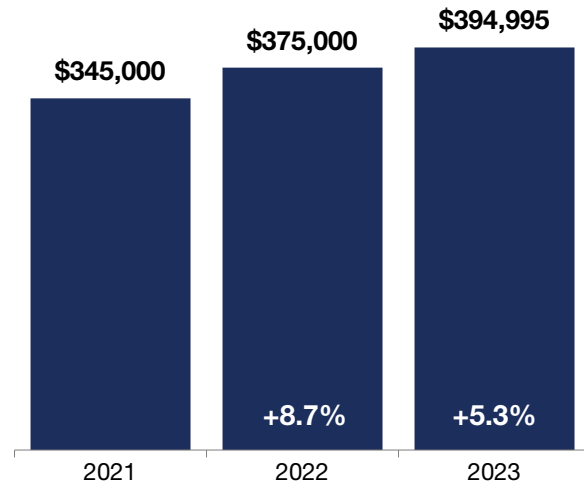


Median Original List Price

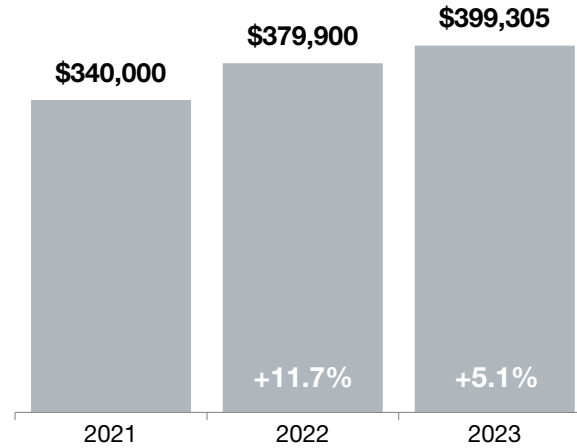
Median original list price for all new listings in a given month. List prices can serve as a leading indicator of future price movement.



September



Year To Date



Month	Median Original List Price	Prior Year	Percent Change
October 2022	\$374,900	\$339,900	+10.3%
November 2022	\$375,000	\$325,000	+15.4%
December 2022	\$385,000	\$350,000	+10.0%
January 2023	\$396,253	\$360,000	+10.1%
February 2023	\$394,990	\$375,000	+5.3%
March 2023	\$395,000	\$375,000	+5.3%
April 2023	\$399,000	\$380,000	+5.0%
May 2023	\$400,000	\$389,900	+2.6%
June 2023	\$399,900	\$389,000	+2.8%
July 2023	\$399,900	\$385,000	+3.9%
August 2023	\$389,900	\$375,000	+4.0%
September 2023	\$394,995	\$375,000	+5.3%
12-Month Med	\$395,000	\$374,900	+5.4%

Historical Median Original List Price

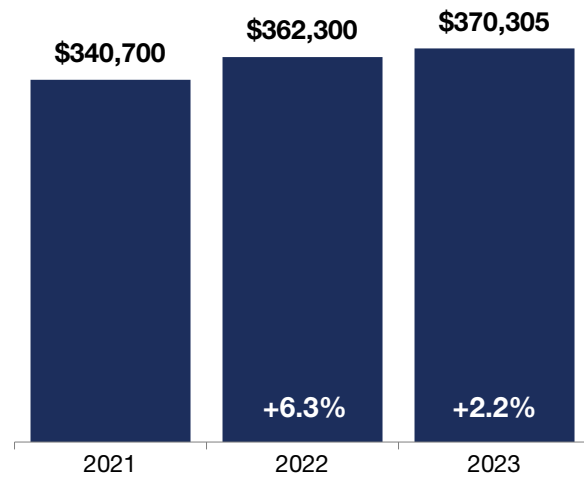


Median Sales Price

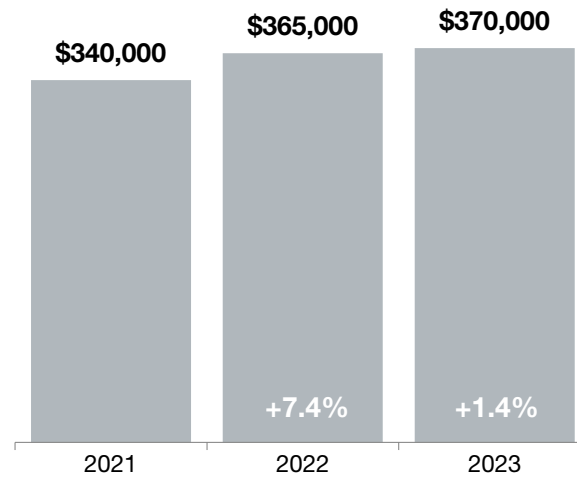
Median price point for all closed sales, not accounting for seller concessions, in a given month.



September



Year To Date



Month	Median Sales Price	Prior Year	Percent Change
October 2022	\$356,004	\$340,000	+4.7%
November 2022	\$354,900	\$339,900	+4.4%
December 2022	\$349,000	\$331,420	+5.3%
January 2023	\$342,000	\$332,950	+2.7%
February 2023	\$342,000	\$340,000	+0.6%
March 2023	\$355,000	\$354,900	+0.0%
April 2023	\$369,900	\$370,000	-0.0%
May 2023	\$370,000	\$375,000	-1.3%
June 2023	\$382,500	\$380,000	+0.7%
July 2023	\$375,000	\$375,000	0.0%
August 2023	\$380,000	\$369,900	+2.7%
September 2023	\$370,305	\$362,300	+2.2%
12-Month Med	\$365,000	\$357,000	+2.2%

Historical Median Sales Price



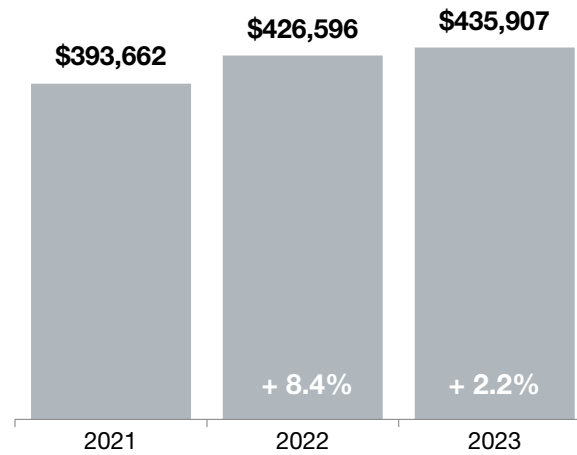
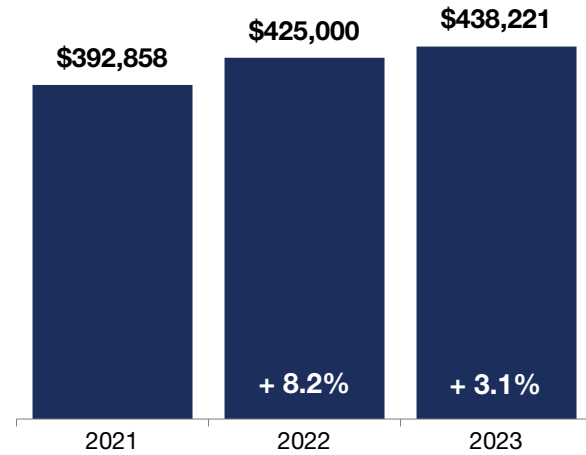
Average Sales Price

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



September

Year to Date



	Average Sales Price	Prior Year	Percent Change
October 2022	\$420,563	\$395,483	+6.3%
November 2022	\$419,623	\$392,144	+7.0%
December 2022	\$412,673	\$389,477	+6.0%
January 2023	\$411,341	\$386,004	+6.6%
February 2023	\$400,076	\$397,223	+0.7%
March 2023	\$418,217	\$411,242	+1.7%
April 2023	\$428,377	\$430,811	-0.6%
May 2023	\$432,851	\$435,843	-0.7%
June 2023	\$447,740	\$448,299	-0.1%
July 2023	\$451,864	\$434,506	+4.0%
August 2023	\$453,105	\$430,316	+5.3%
September 2023	\$438,221	\$425,000	+3.1%
12-Month Avg	\$431,616	\$417,060	+3.5%

Historical Average Sales Price



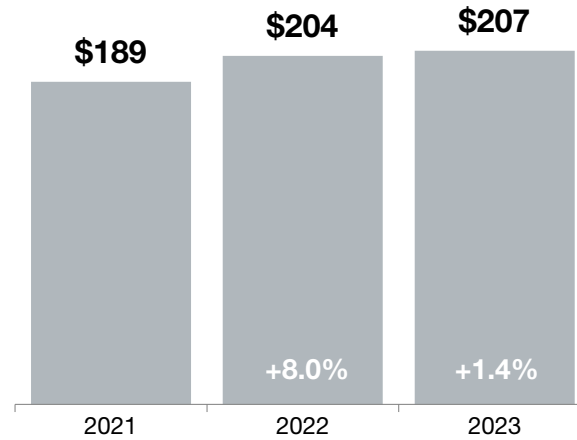
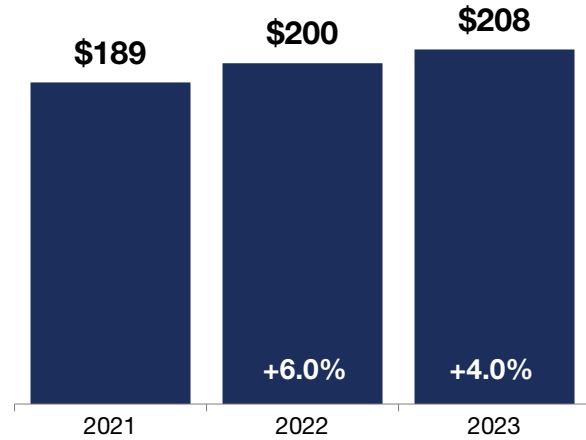
Price Per Square Foot

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



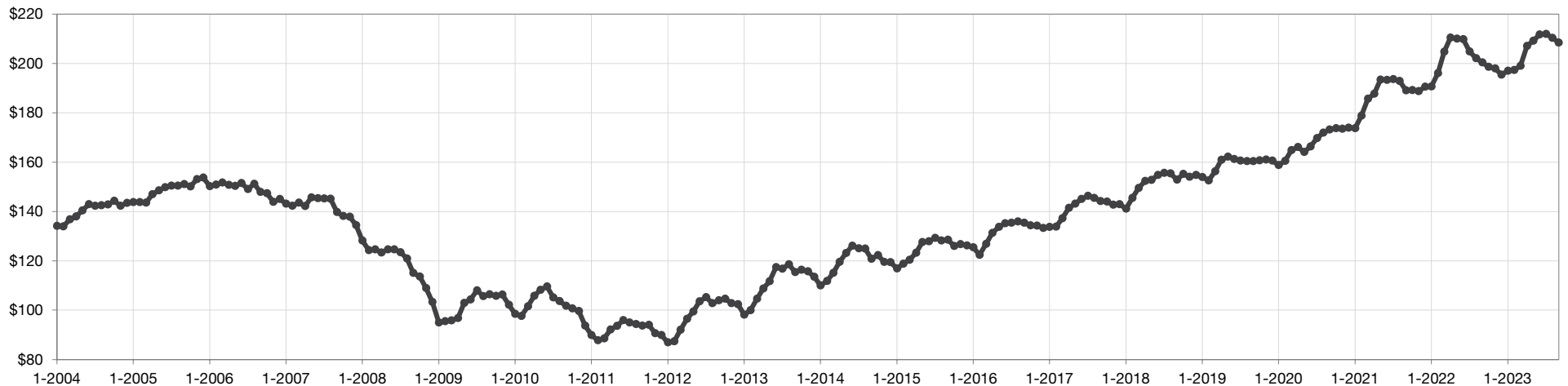
September

Year to Date



Price Per Square Foot	Prior Year	Percent Change
October 2022	\$199	\$189 +5.0%
November 2022	\$198	\$189 +4.9%
December 2022	\$195	\$191 +2.5%
January 2023	\$197	\$191 +3.3%
February 2023	\$197	\$196 +0.7%
March 2023	\$199	\$205 -2.8%
April 2023	\$207	\$210 -1.6%
May 2023	\$209	\$210 -0.4%
June 2023	\$212	\$210 +0.9%
July 2023	\$212	\$205 +3.5%
August 2023	\$210	\$202 +4.1%
September 2023	\$208	\$200 +4.0%
12-Month Avg	\$205	\$200 +2.3%

Historical Price Per Square Foot

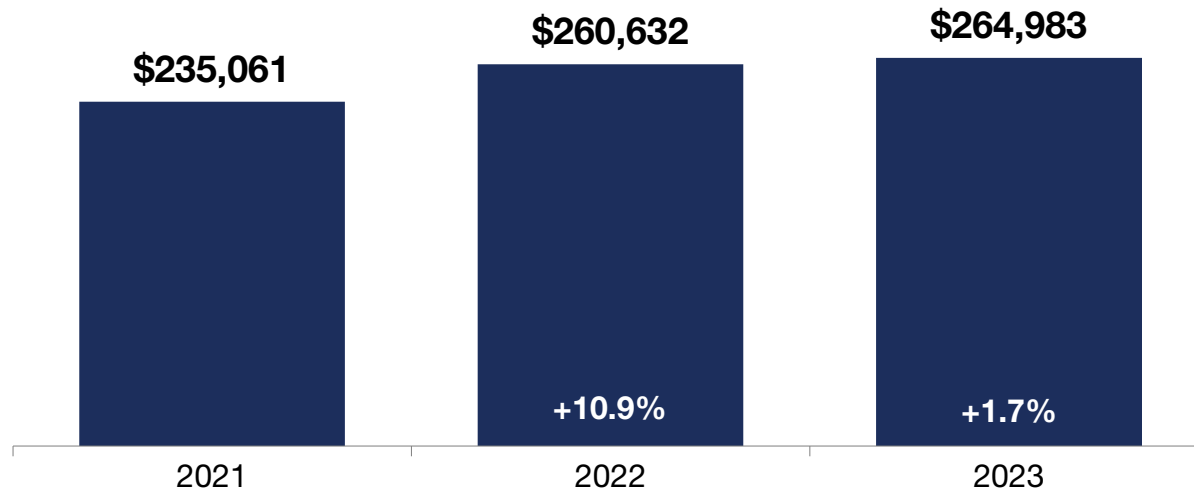


ShowingTime Housing Value Index



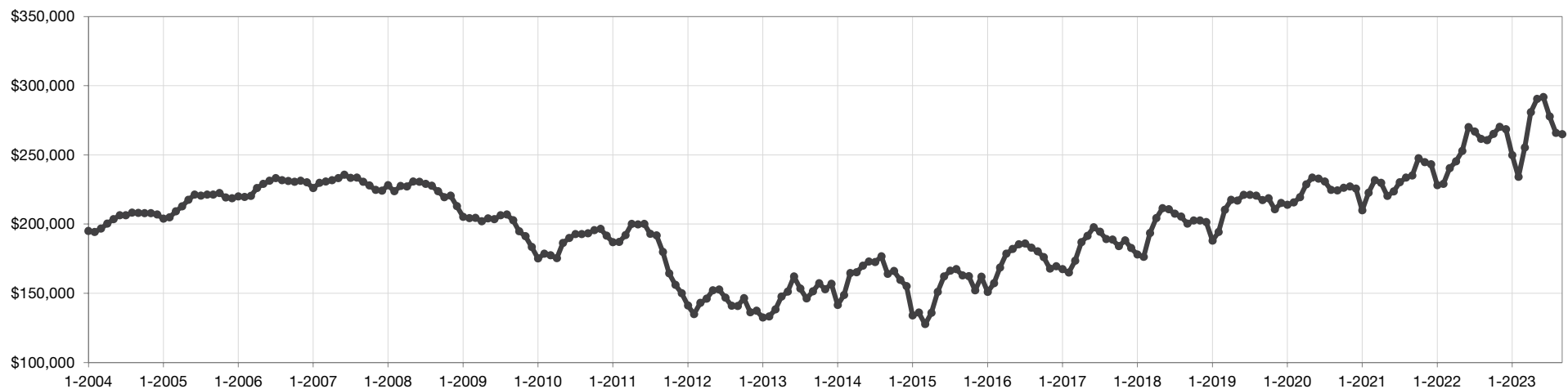
The value index employs a multi-variate, linear regression methodology to determine specific weights that adjust for both seasonality and segment bias to arrive at a real, constant-quality view of home values. The index is set to the median sales price in January 2003.

September



Housing Value Index		Prior Year	Percent Change
October 2022	\$265,099	\$247,487	+7.1%
November 2022	\$270,278	\$244,603	+10.5%
December 2022	\$268,457	\$243,233	+10.4%
January 2023	\$249,757	\$228,070	+9.5%
February 2023	\$234,109	\$229,073	+2.2%
March 2023	\$255,346	\$240,361	+6.2%
April 2023	\$280,677	\$245,189	+14.5%
May 2023	\$290,333	\$252,888	+14.8%
June 2023	\$291,734	\$269,995	+8.1%
July 2023	\$277,691	\$266,730	+4.1%
August 2023	\$265,932	\$261,451	+1.7%
September 2023	\$264,983	\$260,632	+1.7%
12-Month Avg	\$267,866	\$249,143	+7.6%

Historical ShowingTime Housing Value Index



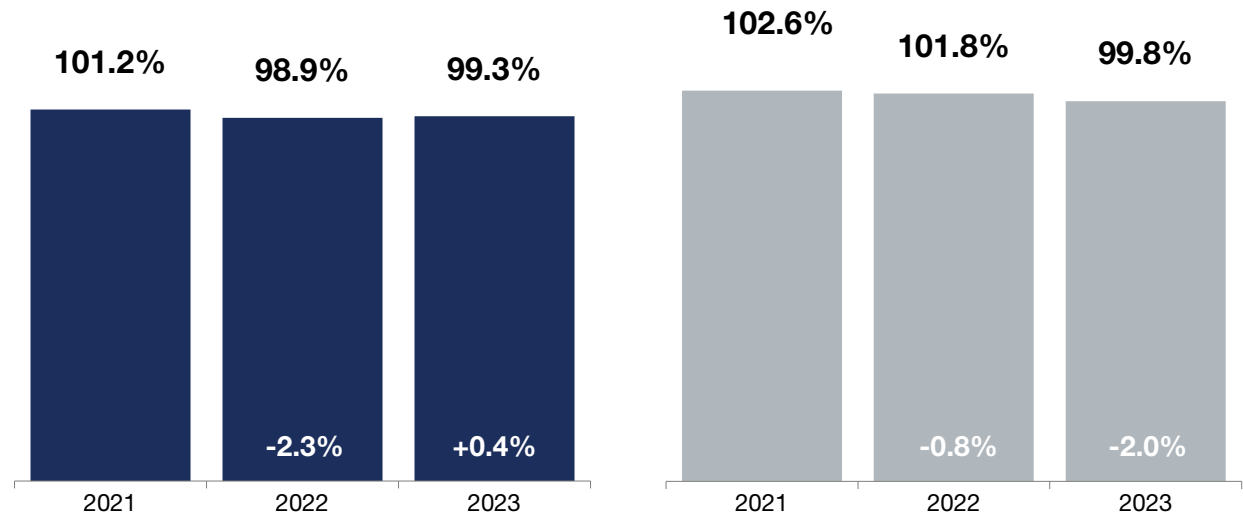
Percent of Original List Price Received



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.

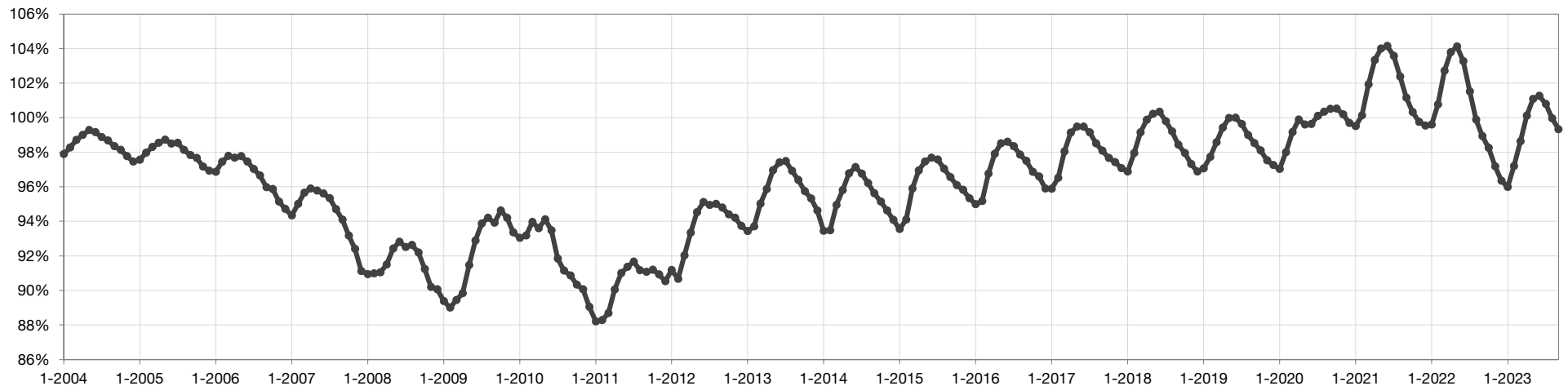
September

Year to Date



	Pct. Of Orig. List Price Rec'd	Prior Year	Percent Change
October 2022	98.2%	100.3%	-2.1%
November 2022	97.2%	99.8%	-2.6%
December 2022	96.3%	99.5%	-3.2%
January 2023	96.0%	99.6%	-3.6%
February 2023	97.2%	100.8%	-3.6%
March 2023	98.6%	102.7%	-4.0%
April 2023	100.1%	103.8%	-3.6%
May 2023	101.1%	104.1%	-2.9%
June 2023	101.3%	103.3%	-1.9%
July 2023	100.8%	101.5%	-0.7%
August 2023	100.0%	99.9%	+0.1%
September 2023	99.3%	98.9%	+0.4%
12-Month Avg	99.2%	101.3%	-2.1%

Historical Percent of Original List Price Received



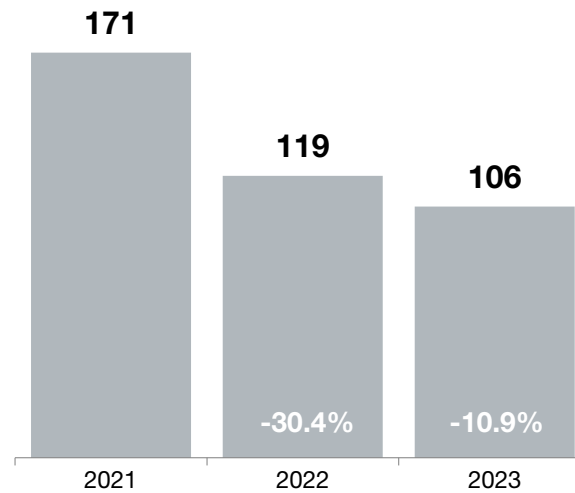
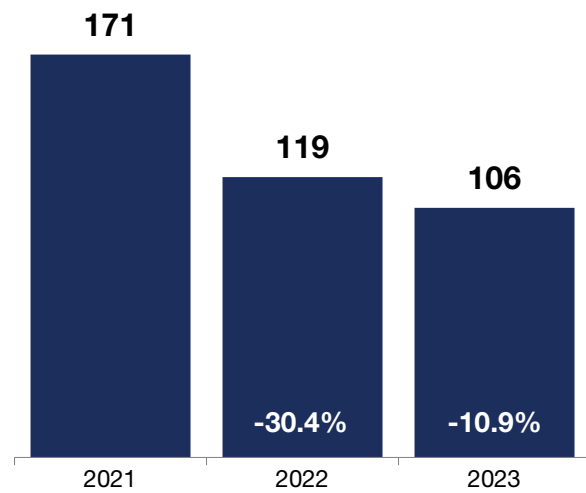
Housing Affordability Index



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.

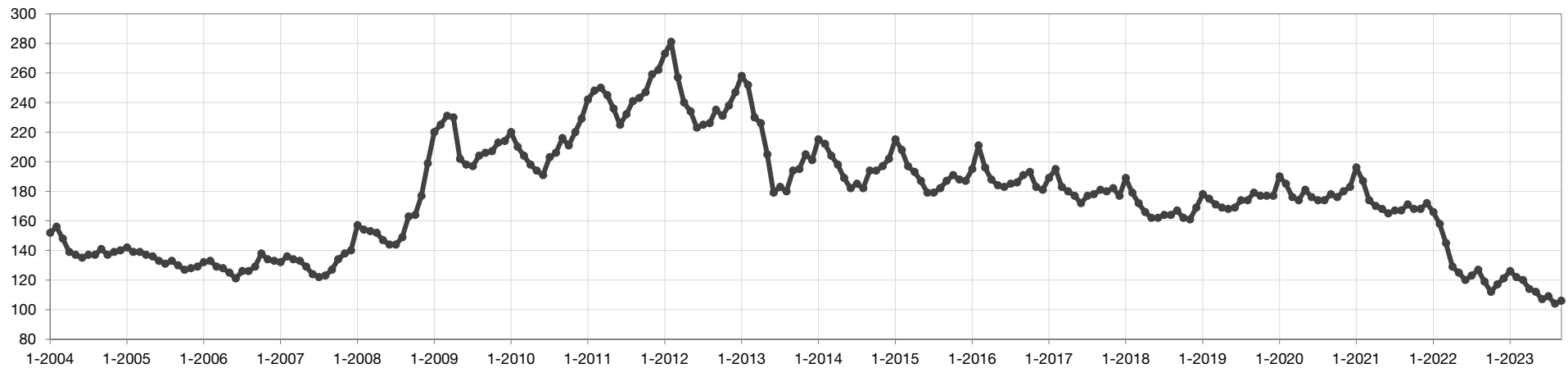
September

Year to Date



	Housing Affordability Index	Prior Year	Percent Change
October 2022	112	168	-33.3%
November 2022	117	168	-30.4%
December 2022	121	172	-29.7%
January 2023	126	166	-24.1%
February 2023	122	158	-22.8%
March 2023	120	145	-17.2%
April 2023	114	129	-11.6%
May 2023	112	125	-10.4%
June 2023	107	120	-10.8%
July 2023	109	123	-11.4%
August 2023	104	127	-18.1%
September 2023	106	119	-10.9%
12-Month Avg	114	143	-20.3%

Historical Housing Affordability Index

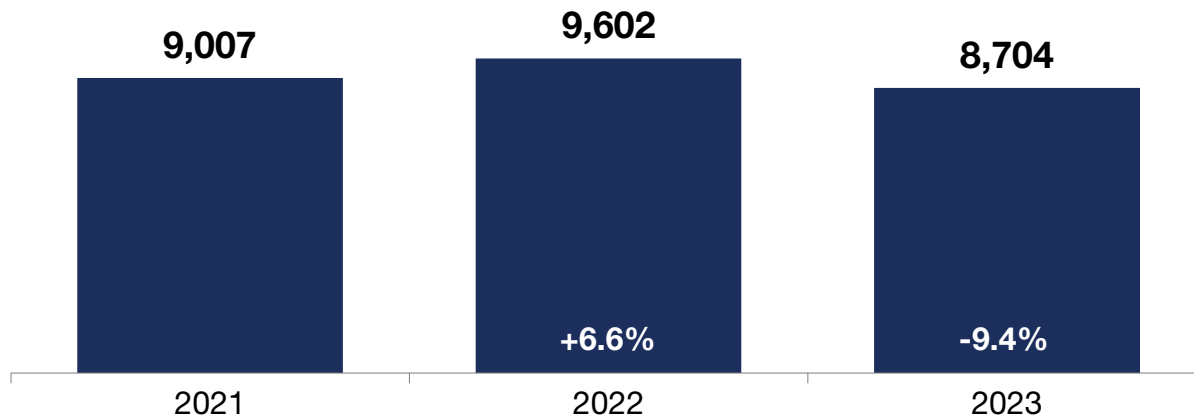


Inventory of Homes for Sale

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

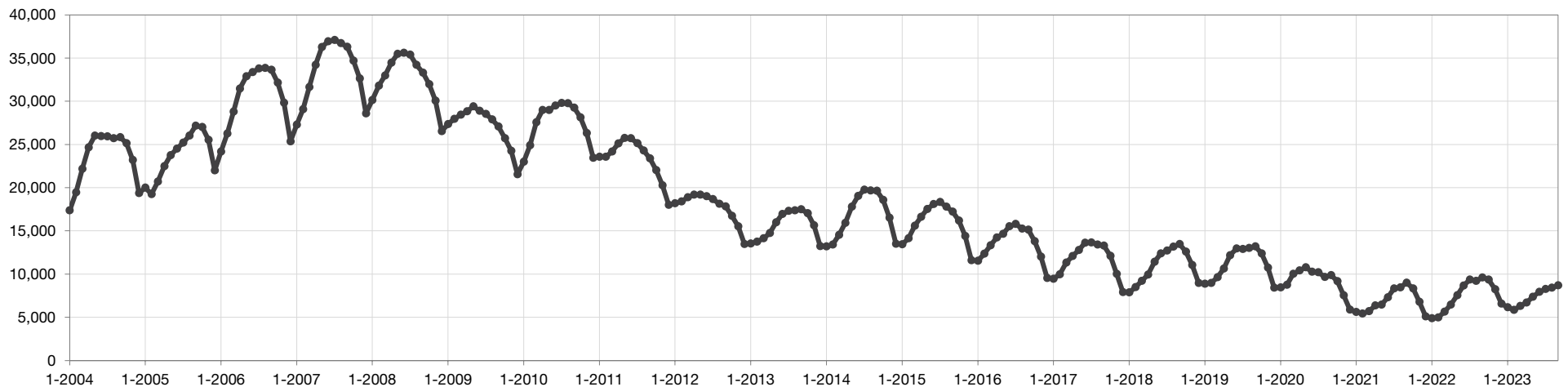


September



Homes for Sale		Prior Year	Percent Change
October 2022	9,348	8,338	+12.1%
November 2022	8,238	6,787	+21.4%
December 2022	6,580	5,094	+29.2%
January 2023	6,163	4,883	+26.2%
February 2023	5,849	4,976	+17.5%
March 2023	6,306	5,649	+11.6%
April 2023	6,701	6,444	+4.0%
May 2023	7,362	7,542	-2.4%
June 2023	7,929	8,657	-8.4%
July 2023	8,258	9,348	-11.7%
August 2023	8,411	9,197	-8.5%
September 2023	8,704	9,602	-9.4%
12-Month Avg	7,487	7,210	+6.8%

Historical Inventory of Homes for Sale

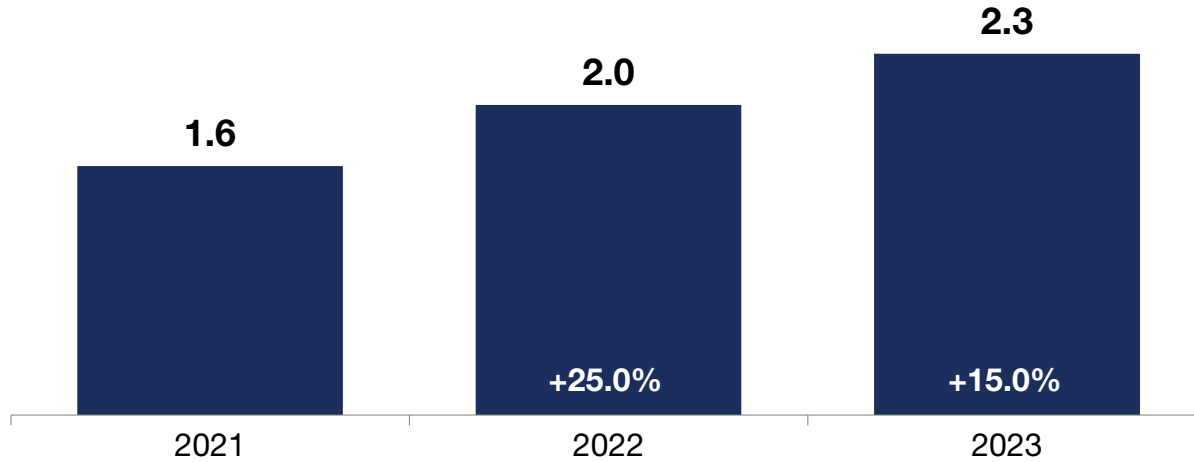


Months Supply of Homes for Sale

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.

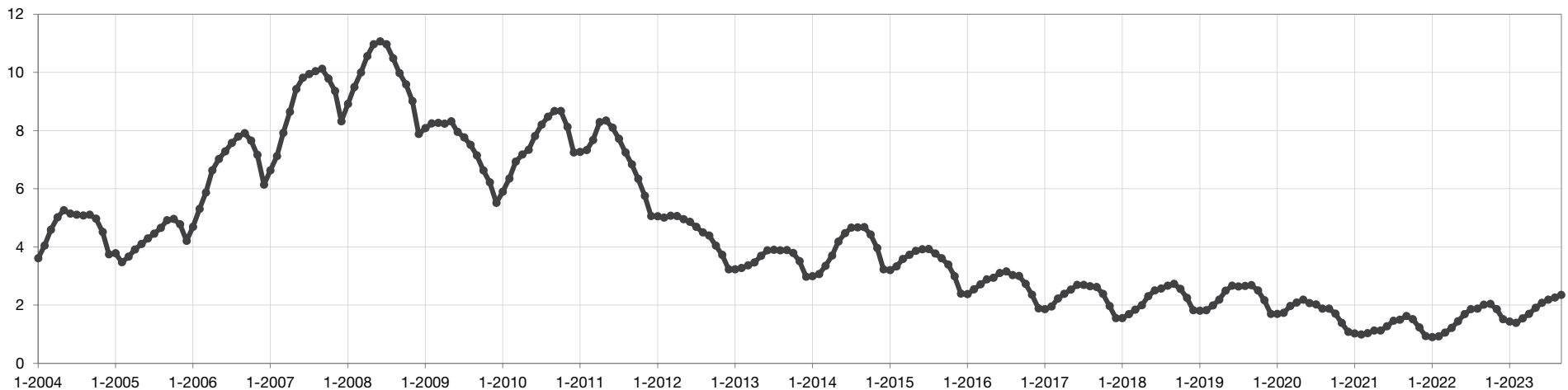


September



Months Supply		Prior Year	Percent Change
October 2022	2.0	1.5	+33.3%
November 2022	1.9	1.2	+58.3%
December 2022	1.5	0.9	+66.7%
January 2023	1.4	0.9	+55.6%
February 2023	1.4	0.9	+55.6%
March 2023	1.5	1.1	+36.4%
April 2023	1.7	1.2	+41.7%
May 2023	1.9	1.4	+35.7%
June 2023	2.1	1.7	+23.5%
July 2023	2.2	1.9	+15.8%
August 2023	2.2	1.9	+15.8%
September 2023	2.3	2.0	+15.0%
12-Month Avg	1.8	1.4	+28.6%

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

