



MINNEAPOLIS AREA Association  
of REALTORS®

## NEWS RELEASE

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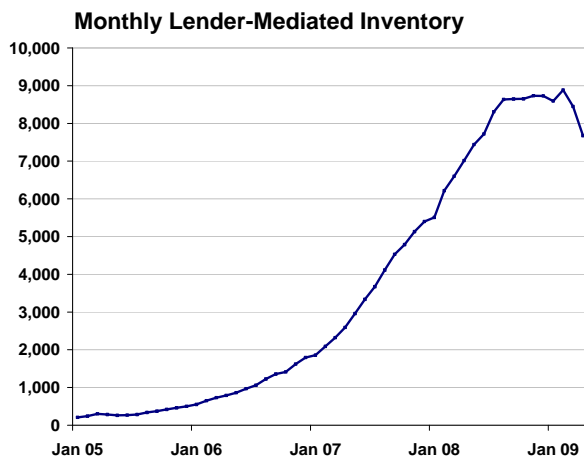
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### Number of lender-mediated homes for sale drops

Q1 2009 Update to “Foreclosures and Short Sales” report released by Minneapolis Area Association of REALTORS®

Minneapolis, Minnesota (April 16, 2009) – The number of foreclosures and short sales that are for sale in the Twin Cities housing market is falling quickly, according to an updated research report released by the Minneapolis Area Association of REALTORS® (MAAR) based on data from the Regional Multiple Listing Service of Minnesota, Inc (RMLS).



After four years of exponential growth, the number of lender-mediated properties for sale dropped by more than 1,200 units from February 1 to April 1 of 2009. The decline is even more impressive considering that the spring market typically sees an *increase* in the number of homes for sale.

The drop can be attributed in part to flattening new foreclosure and short sale listing activity, but mostly it is related to heavy home sales spurred by the likes of plunging mortgage rates, a federal \$8,000 tax credit for first-time home buyers and record affordability.

“There’s still a lot of lender-mediated inventory to work through,” said Steve Havig, 2009 President of the Minneapolis Area Association of REALTORS®. “But buyers are absorbing it more quickly this year.”

Lender-mediated home values are dropping quickly, while traditional homes are fairing better. The median sales price of lender-mediated homes in Q1 2009 was \$122,900, a decrease of 21.7 percent from the same time last year. The median sales price for traditional homes was \$212,000, a drop of a quieter 3.6 percent.

For Q1 2009, 36.1 percent of new listings and 58.8 percent of closed sales were lender-mediated. Declining activity in both supply and demand in the traditional, non-lender-mediated market, means that foreclosures and short sales will continue to hold a heavy market share throughout 2009.

**Want to see how foreclosures and short sales are affecting various neighborhoods and cities within the Twin Cities metro area? Access an interactive data board with in-depth neighborhood reports and commentary at <http://www.mplsrealtor.com/downloads/market/Lender-Mediated/Main.htm>.**

The five-page “Foreclosures and Short Sales” report for Q1 2009 can be found on the Minneapolis Area Association of REALTORS® website at [www.mplsrealtor.com](http://www.mplsrealtor.com) and includes more analysis and an explanation of the research methodology.

*Established in 1887, the Minneapolis Area Association of REALTORS® (MAAR) is the leading regional advocate and provider of information services, research and education on the real estate industry for brokers, real estate professionals and the public. With more than 8,500 members, MAAR is one of the 25 largest local REALTOR® associations in the nation and serves the Twin Cities 13-county metro area and western Wisconsin.*

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