



MINNEAPOLIS AREA Association
of REALTORS®

A free research tool from the **Minneapolis Area Association of REALTORS®**
brought to you by the unique data-sharing traditions of the REALTOR® community

April 2009

April home sales in the Twin Cities were even stronger than March's upswing. There were 5,211 pending sales in April, up 23.8 percent from last April. This is the highest showing of signed purchase agreements in April since 2005 and the tenth consecutive month of year-over-year increases. Among the month's pending sales, 46 percent were lender-mediated.

Supply continues to experience sluggish growth. There are currently 26,410 homes for sale in the Twin Cities, up 416 units from last month and down 18.4 percent from this time last year. The Supply-Demand ratio sits at 5.23 for May—down 28.6 percent from this time last year.

The median sales price for all properties in April of \$153,000 is down 25.2 percent from a year ago. While this figure is mathematically correct, it is conceptually flawed. Since a higher share of sales this April were lender-mediated than last April, the number is skewed downward. The median April sales price of traditional homes was \$205,000, down 8.5 percent from a year ago. Lender-mediated homes posted an April figure of \$120,000, down 21.5 percent from a year ago.

Contents

New Listings	2
Pending Sales	3
Closed Sales	4
Dollar Volume of Closed Sales (in millions)	5
Median Sales Price	6
Average Sales Price	7
Total Active Listings Available	8
Percent of Original List Price Received at Sale	9
Mortgage Rates	10
Supply-Demand Ratio	11
Housing Affordability Index	12
Months Supply of Inventory	13
Market Overview	14

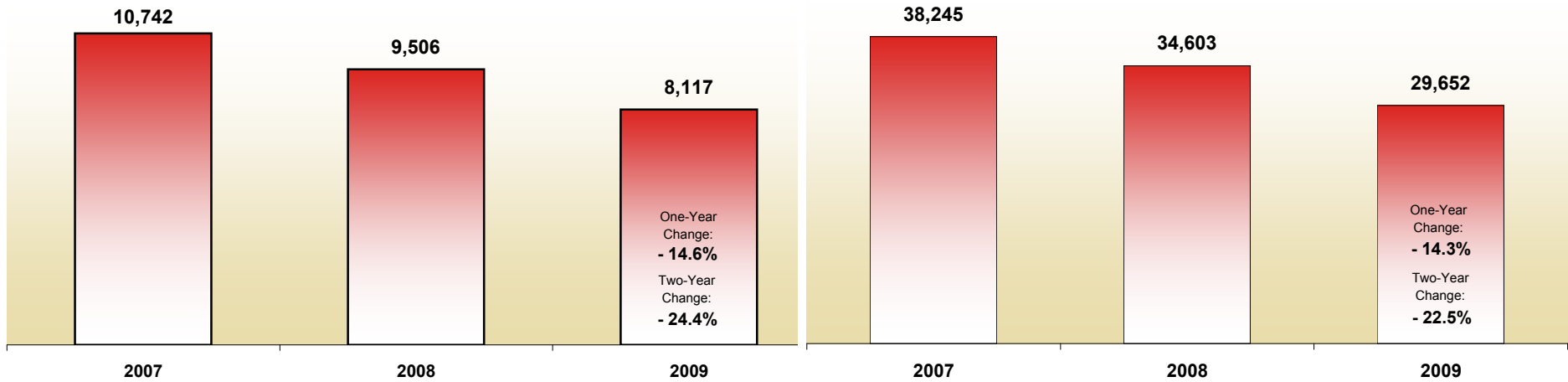
New Listings

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

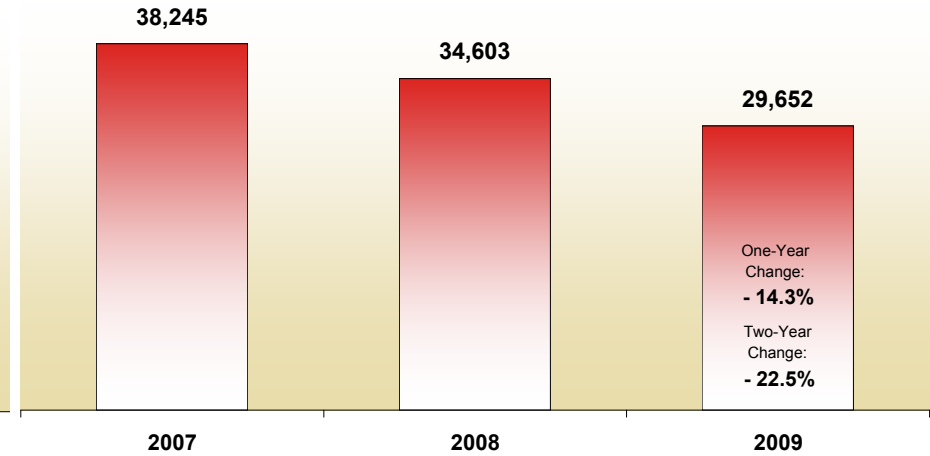


MINNEAPOLIS AREA Association
of REALTORS®

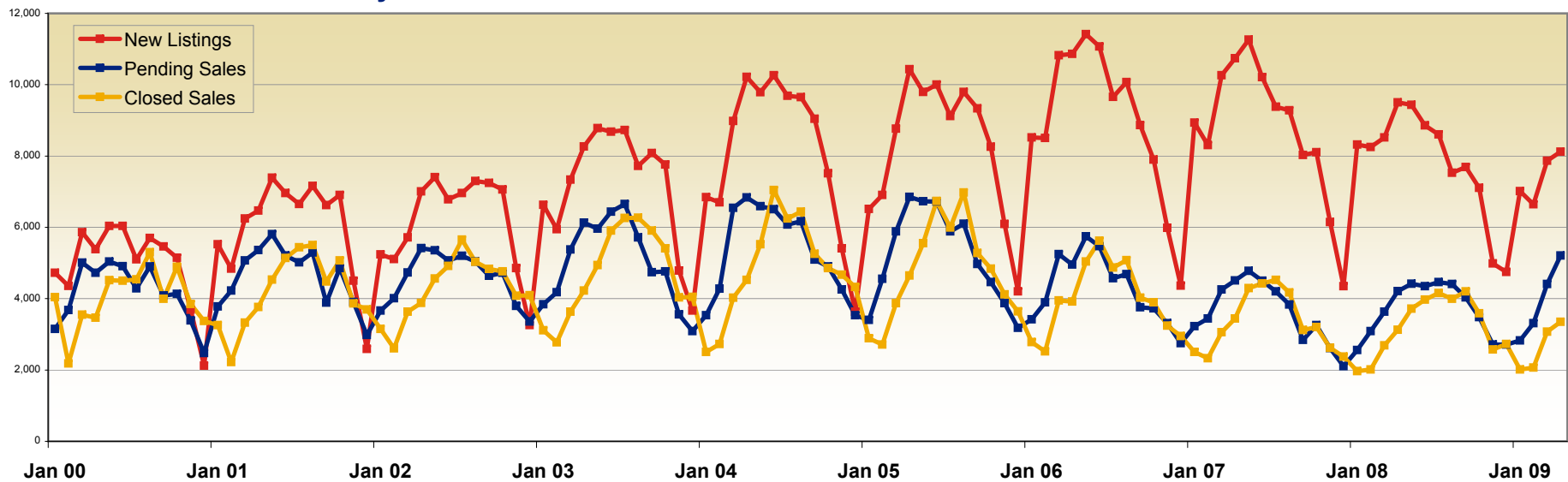
April



Year to Date



Historical Market Activity



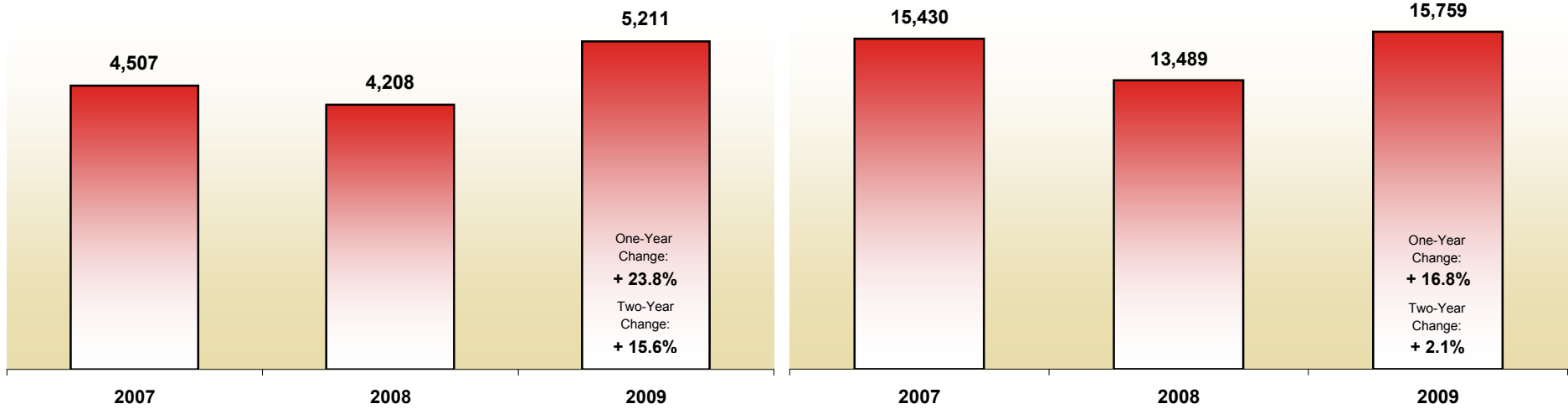
Pending Sales

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

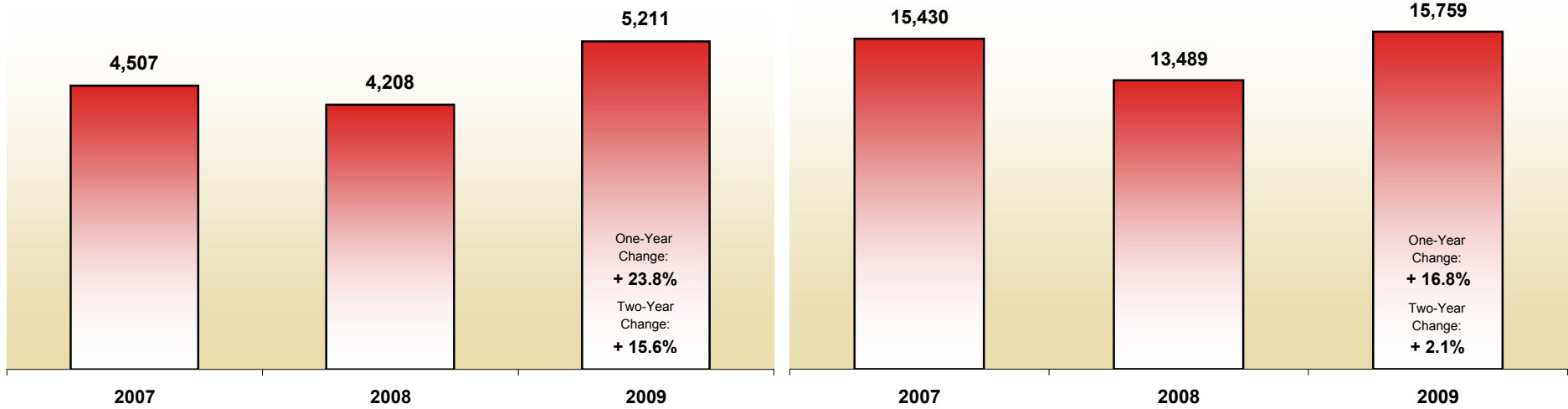


MINNEAPOLIS AREA Association
of REALTORS®

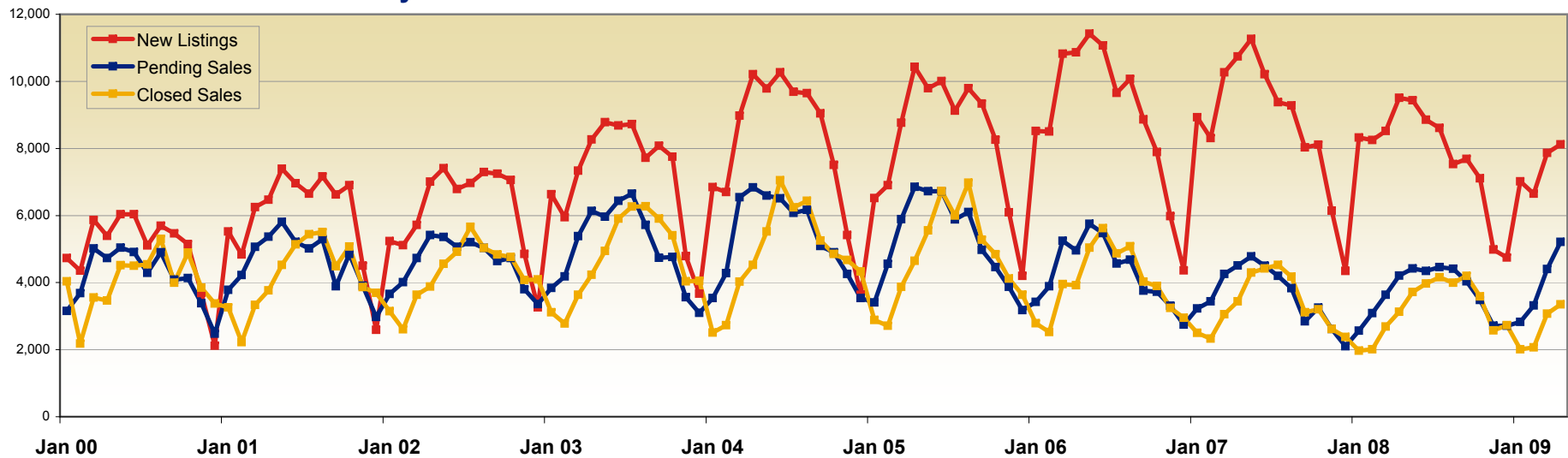
April



Year to Date



Historical Market Activity



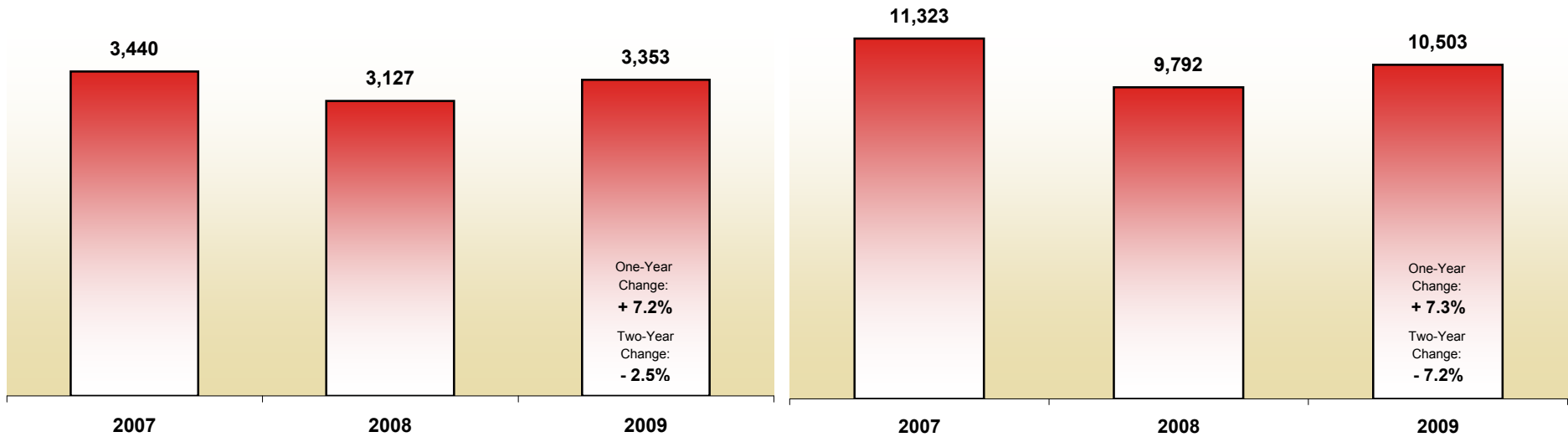
Closed Sales

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

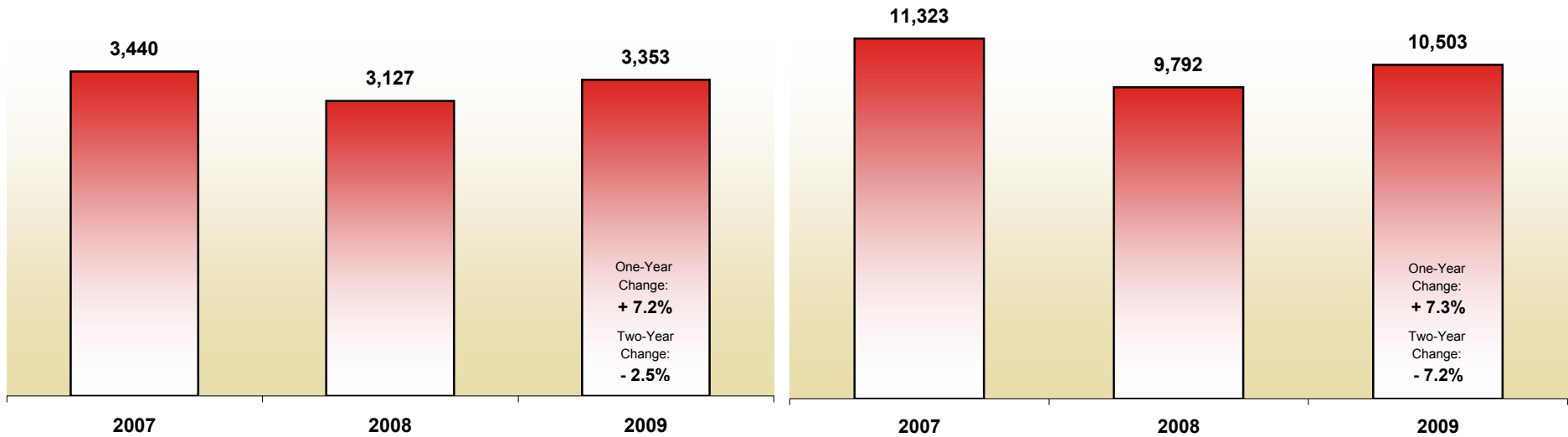


MINNEAPOLIS AREA Association
of REALTORS®

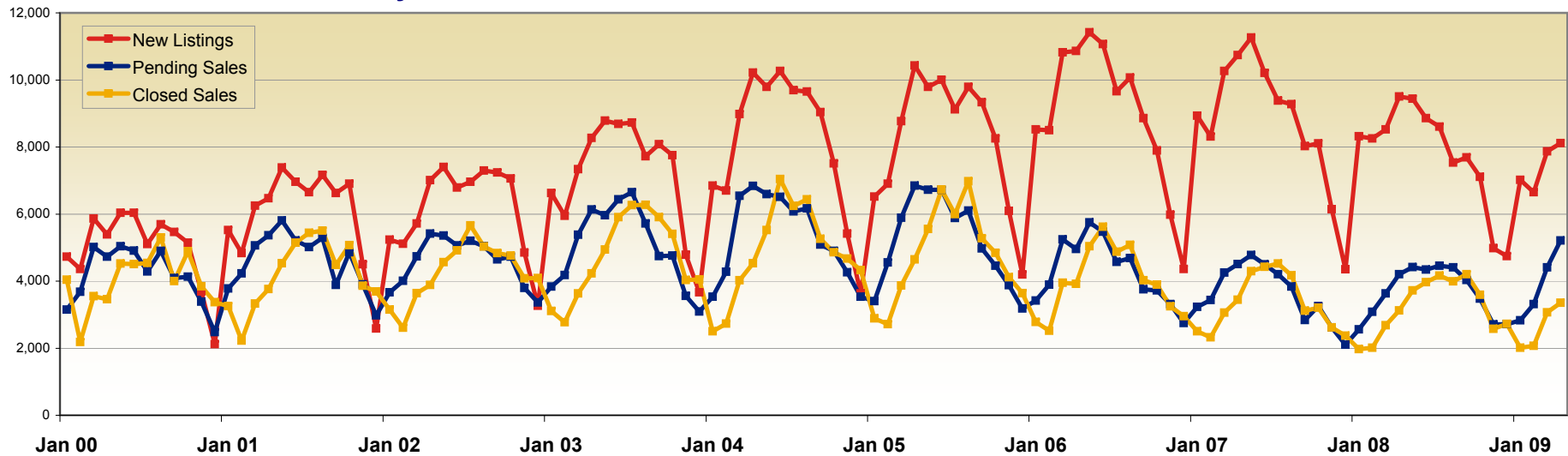
April



Year to Date



Historical Market Activity



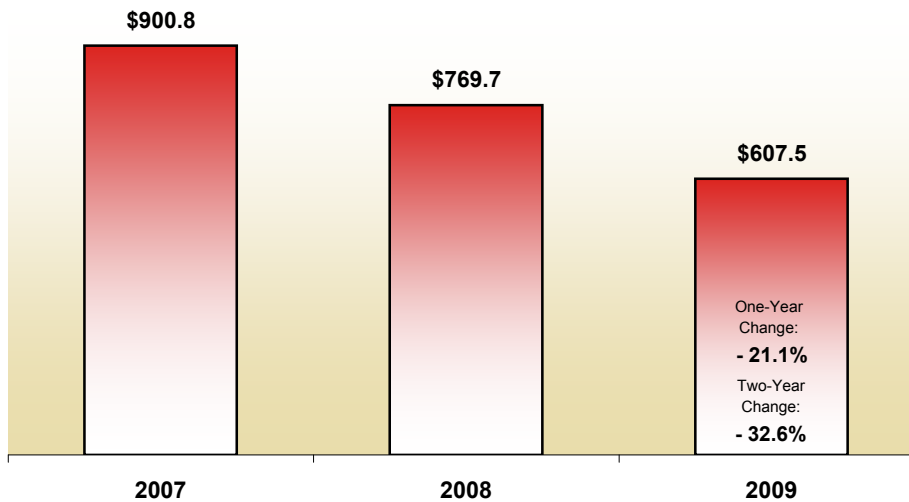
Dollar Volume of Closed Sales (in millions)

A Monthly Indicator from the Minneapolis Area Association of REALTORS®

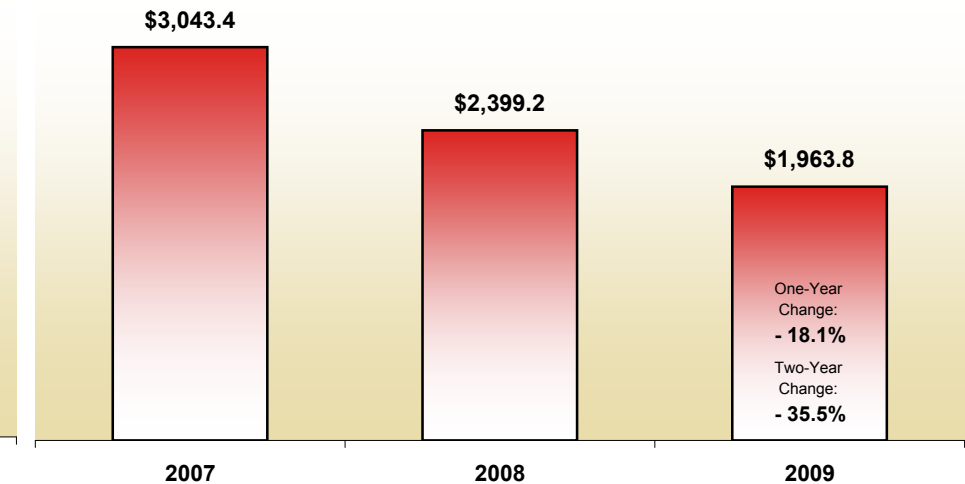


MINNEAPOLIS AREA Association
of REALTORS®

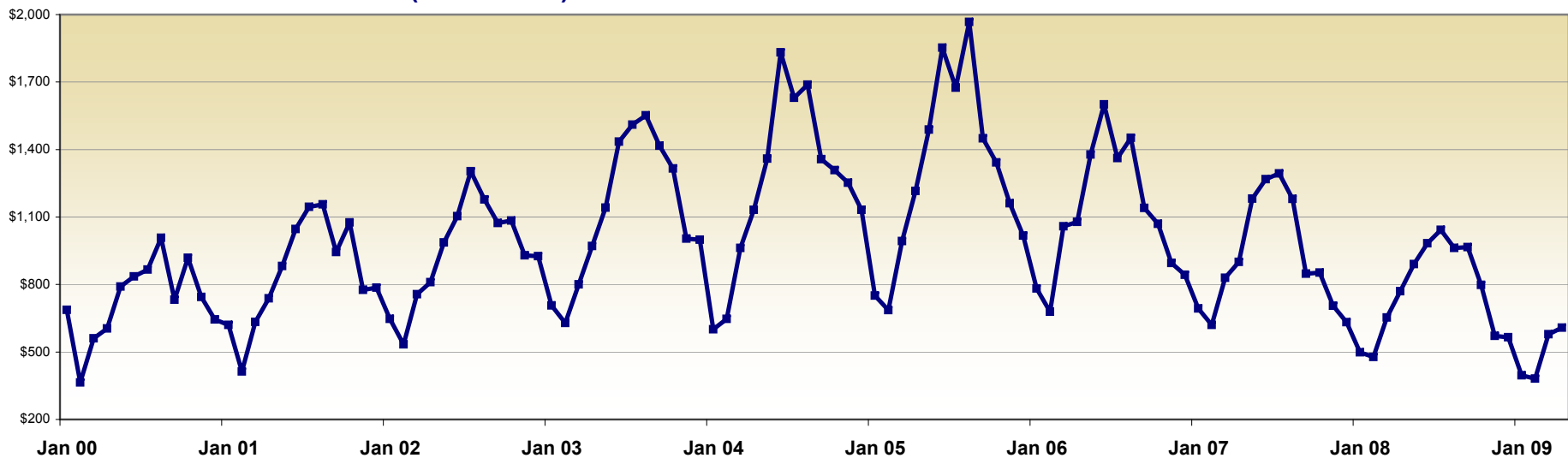
April



Year to Date



Historical Dollar Volume (in millions)



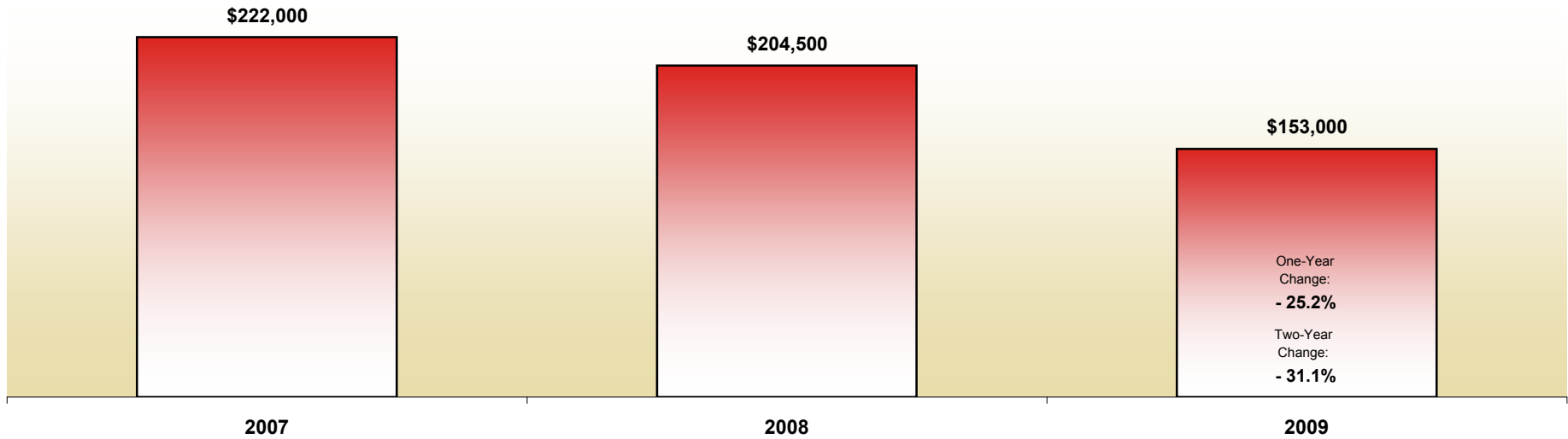
Median Sales Price

A Monthly Indicator from the Minneapolis Area Association of REALTORS®

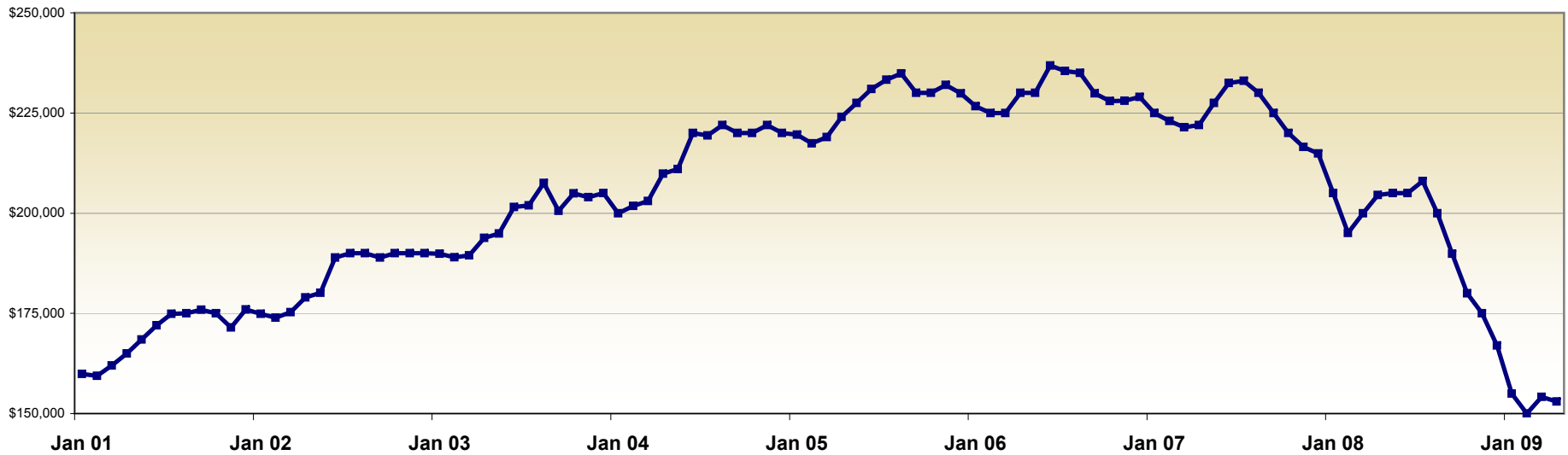


MINNEAPOLIS AREA Association
of REALTORS®

April



Historical Median Sales Prices



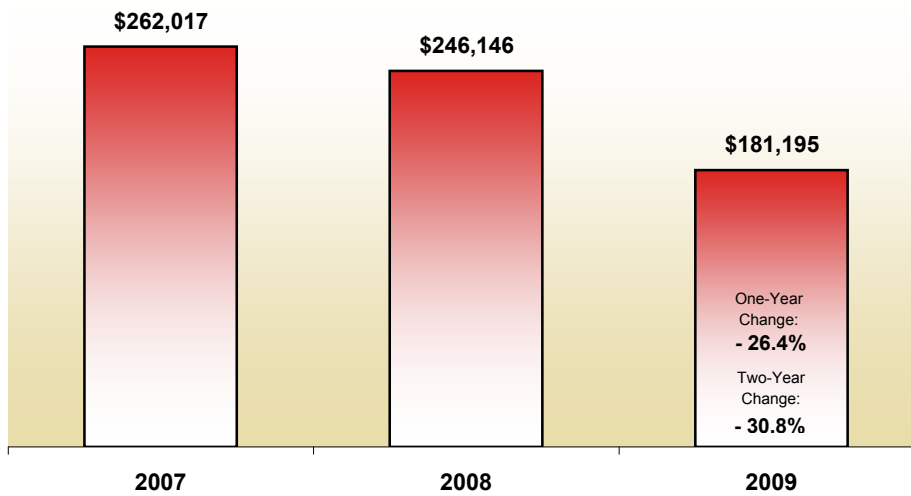
Average Sales Price

A Monthly Indicator from the Minneapolis Area Association of REALTORS®

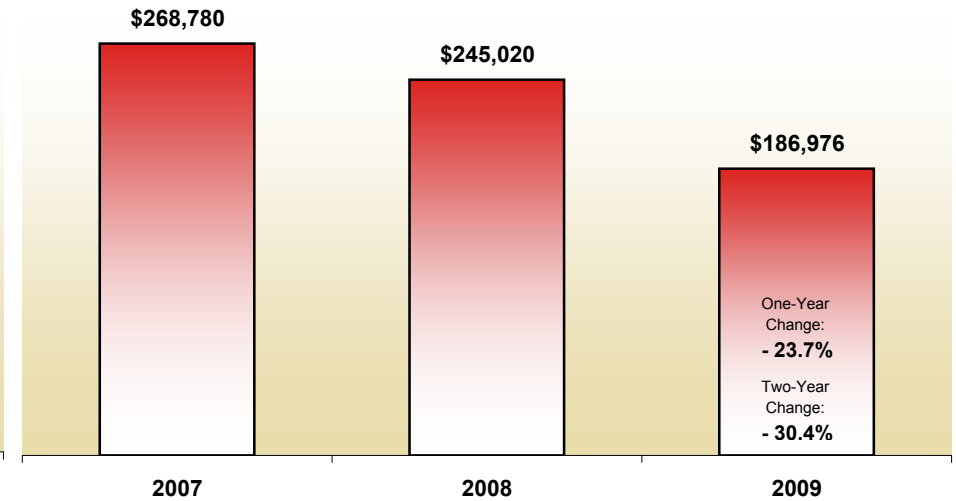


MINNEAPOLIS AREA Association
of REALTORS®

April



Year to Date



Historical Average Prices



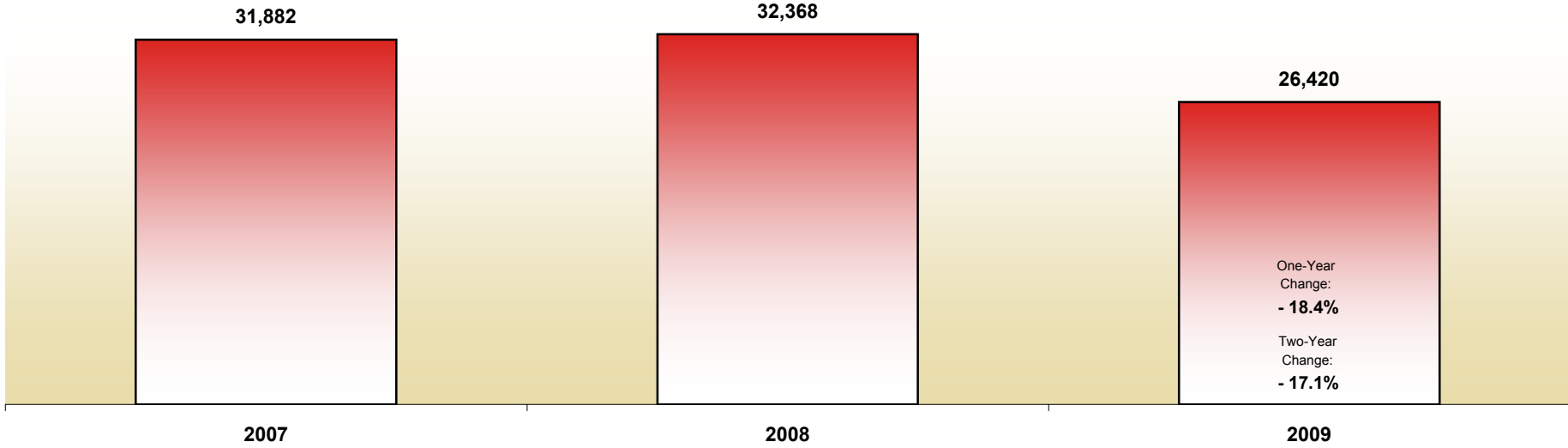
Total Active Listings Available

A Monthly Indicator from the Minneapolis Area Association of REALTORS®

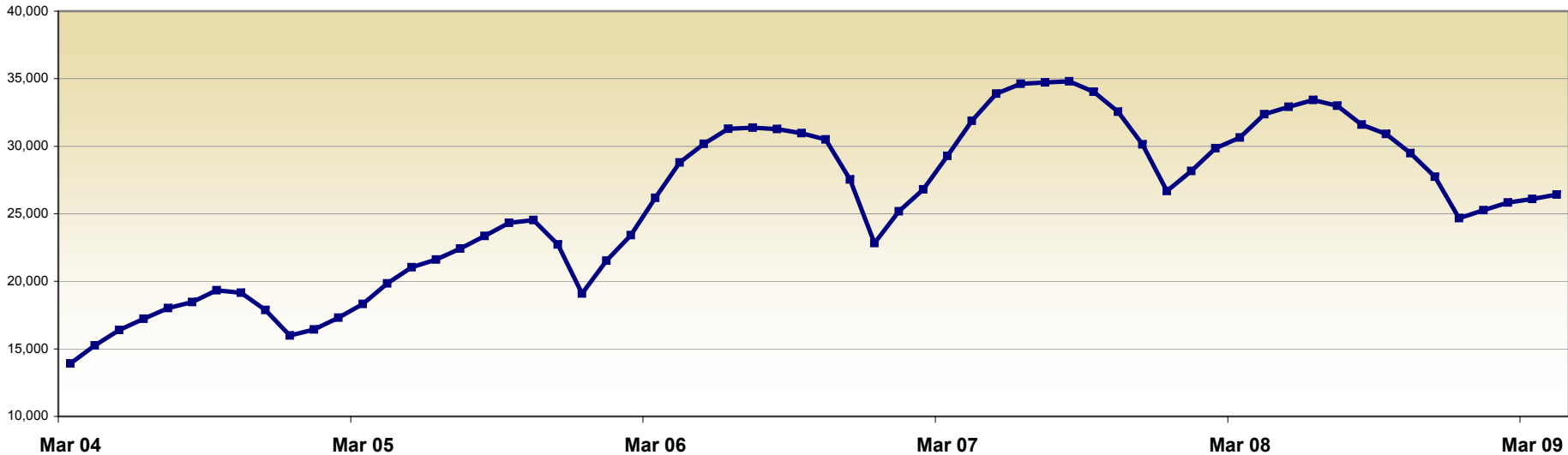


MINNEAPOLIS AREA Association
of REALTORS®

April



Historical Inventory Count



Percent of Original List Price Received at Sale

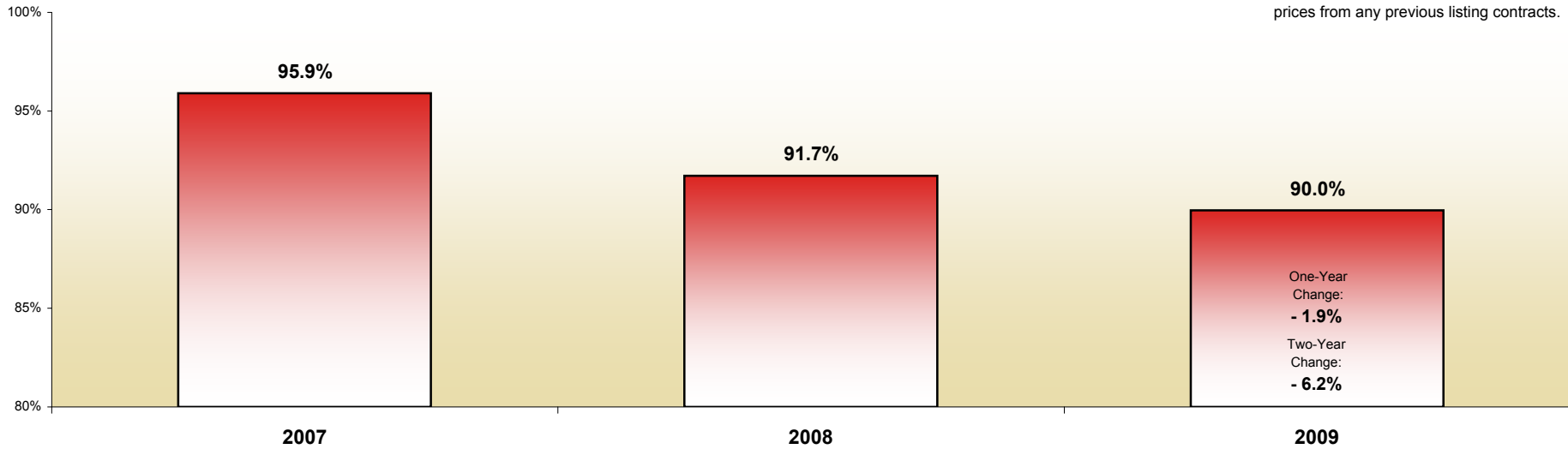
A Monthly Indicator from the Minneapolis Area Association of REALTORS®



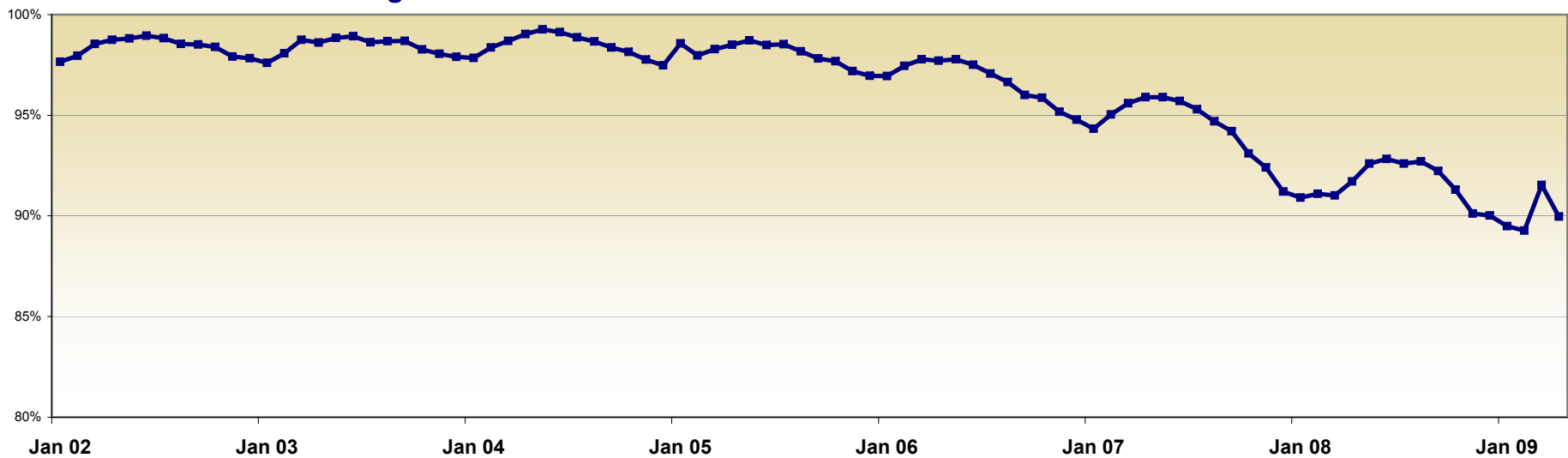
MINNEAPOLIS AREA Association
of REALTORS®

April

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

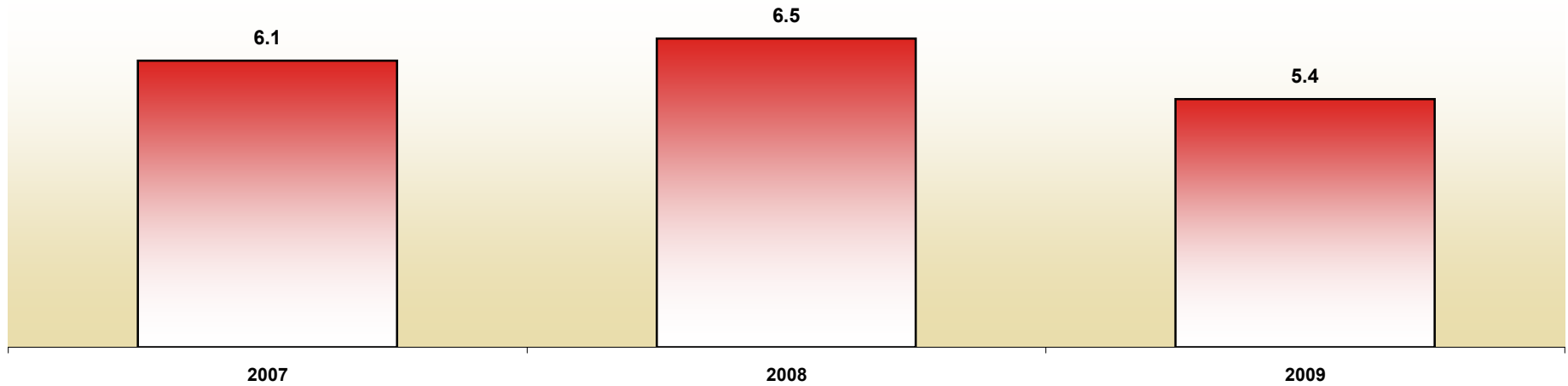
A Monthly Indicator from the Minneapolis Area Association of REALTORS®



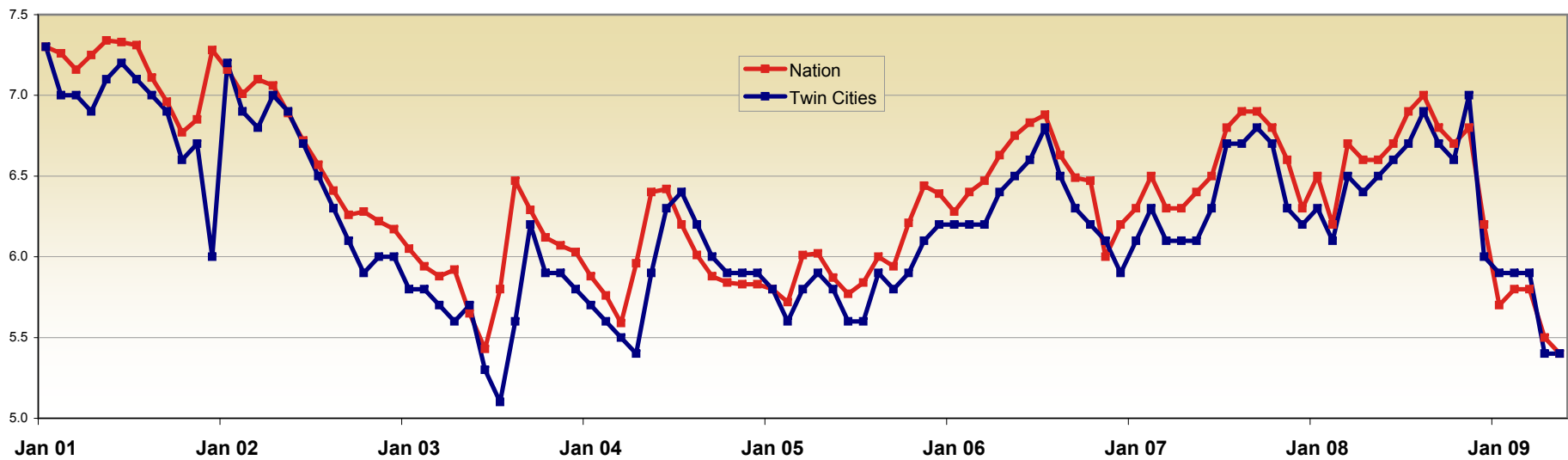
MINNEAPOLIS AREA Association
of REALTORS®

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.

May



Historical Interest Rates



Supply-Demand Ratio

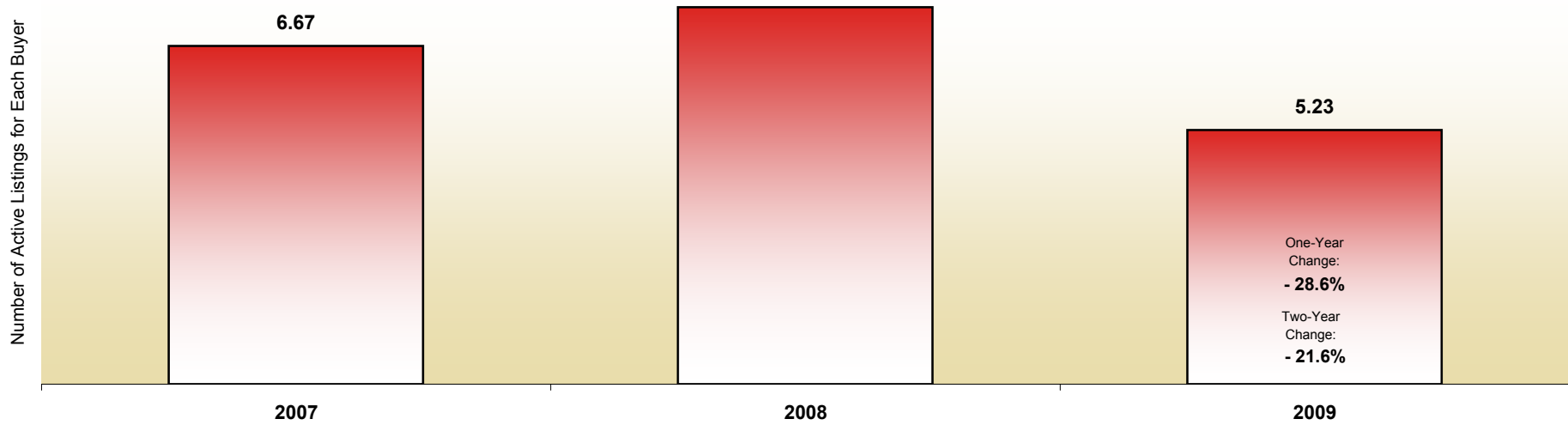
A Monthly Indicator from the **Minneapolis Area Association of REALTORS®**



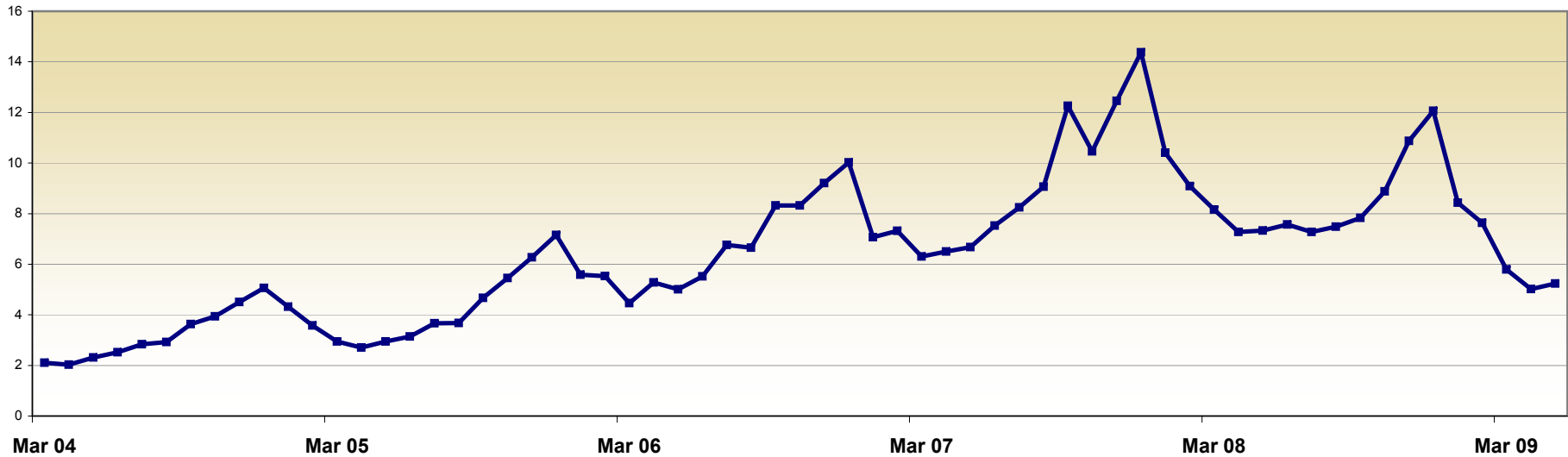
MINNEAPOLIS AREA Association
of REALTORS®

May

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

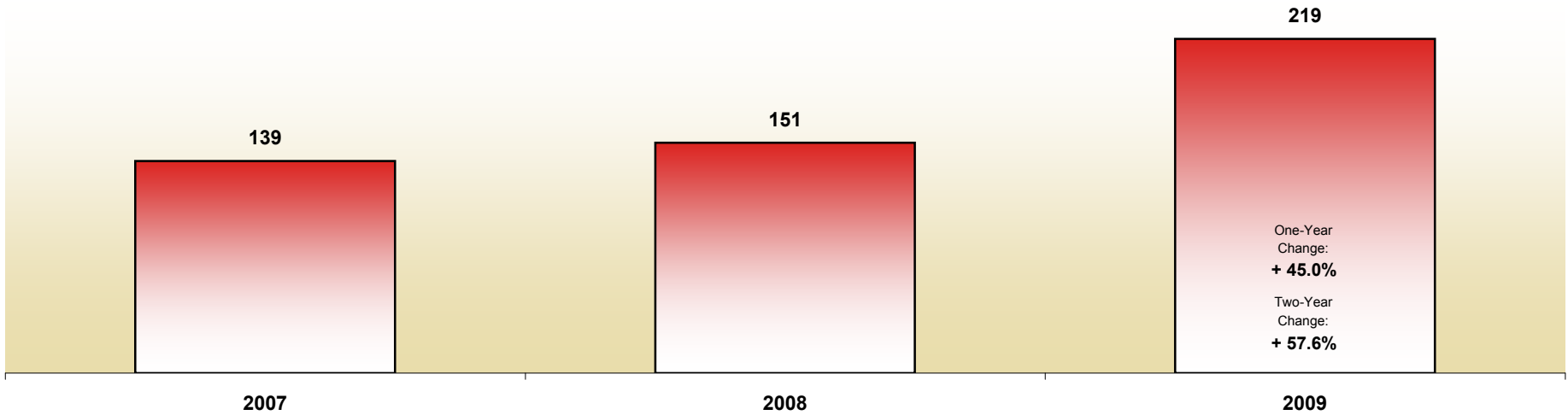
A Monthly Indicator from the **Minneapolis Area Association of REALTORS®**



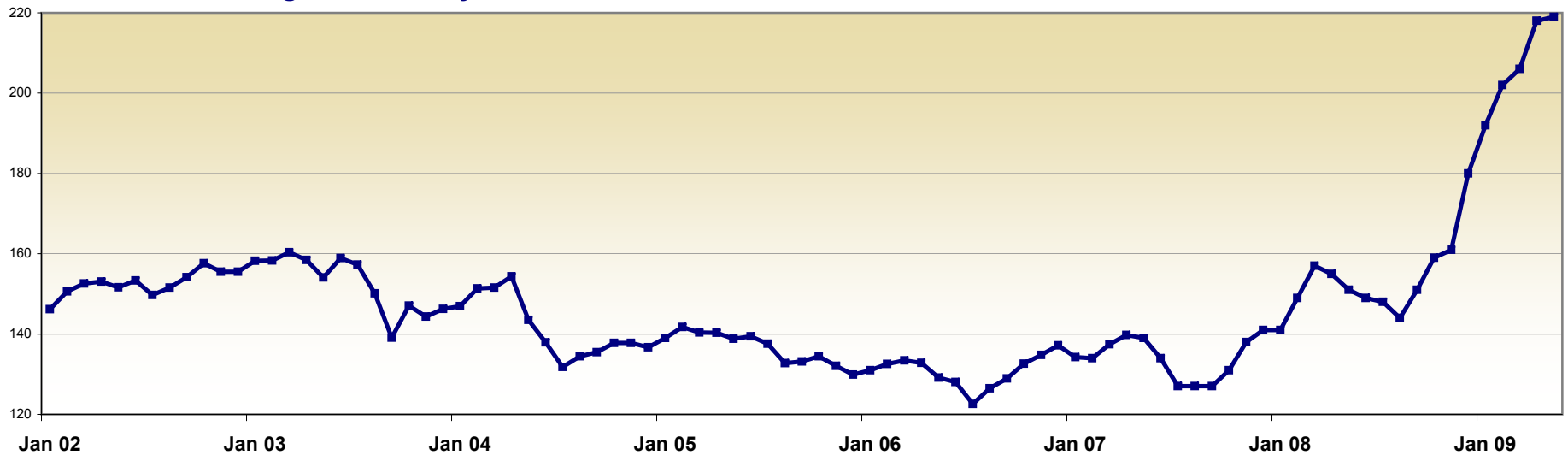
MINNEAPOLIS AREA Association
of REALTORS®

May

Note: The HAI formula measures housing affordability for the Minneapolis/St. Paul market. An HAI of 219 means the median family income is 219% 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

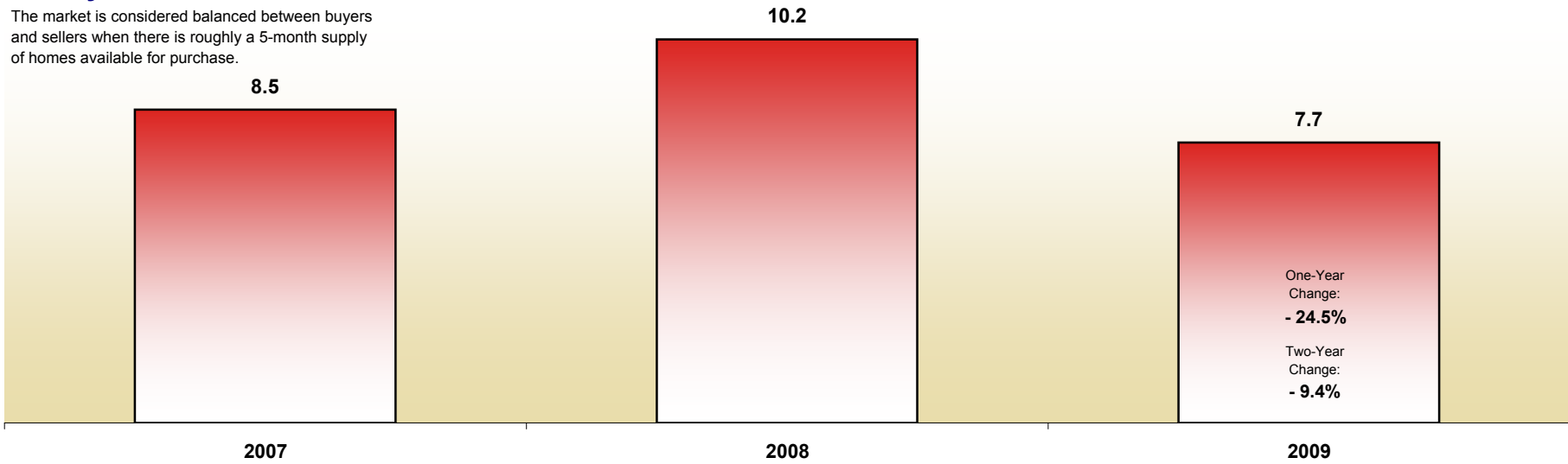
A Monthly Indicator from the **Minneapolis Area Association of REALTORS®**



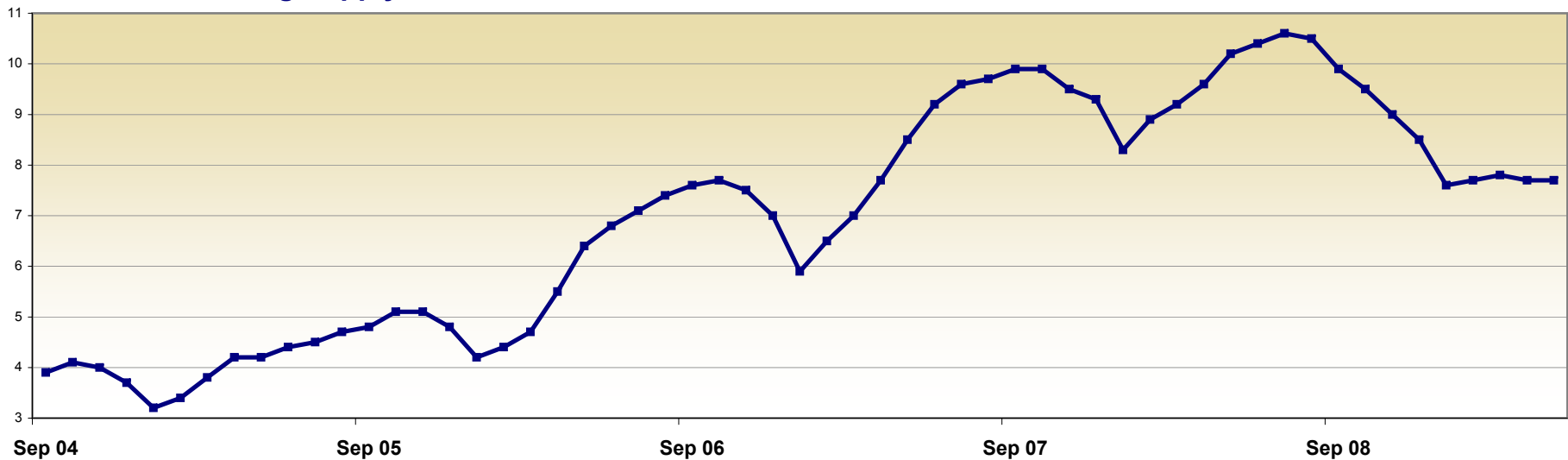
MINNEAPOLIS AREA Association
of REALTORS®

May

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

A Monthly Indicator from the Minneapolis Area Association of REALTORS®



MINNEAPOLIS AREA Association
of REALTORS®

April 2009

		2009	2008	Percent Change	5-Year Average	2009 Year-to-Date	2008 Year-to-Date	Percent Change	5-Year Year-to-Date Average	Market Conditions
New Listings	Feb	6,648	8,252	- 19.4%	7,723	13,665	16,574	- 17.6%	15,585	March was the 16th month of the last 17 to feature fewer new listings than the same month one year prior
	Mar	7,870	8,523	- 7.7%	9,249	21,535	25,097	- 14.2%	24,834	
	Apr	8,117	9,506	- 14.6%	9,932	29,652	34,603	- 14.3%	34,765	
Pending Sales	Feb	3,314	3,087	+ 7.4%	3,658	6,141	5,649	+ 8.7%	6,747	Recent surge in sales continues into April
	Mar	4,407	3,632	+ 21.3%	4,685	10,548	9,281	+ 13.7%	11,432	
	Apr	5,211	4,208	+ 23.8%	5,146	15,759	13,489	+ 16.8%	16,578	
Closed Sales	Feb	2,070	2,009	+ 3.0%	2,328	4,080	3,978	+ 2.6%	4,758	Recent surge in sales continues into April
	Mar	3,070	2,687	+ 14.3%	3,327	7,150	6,665	+ 7.3%	8,084	
	Apr	3,353	3,127	+ 7.2%	3,697	10,503	9,792	+ 7.3%	11,781	
Dollar Volume of Closed Sales (in millions)	Feb	\$381.4	\$478.2	- 20.2%	\$568.9	\$777.3	\$976.9	- 20.4%	\$1,193.0	Despite increased sales, total dollar volume declines from last year due to lower sales prices
	Mar	\$578.9	\$652.7	- 11.3%	\$822.4	\$1,356.3	\$1,629.5	- 16.8%	\$2,015.4	
	Apr	\$607.5	\$769.7	- 21.1%	\$914.4	\$1,963.8	\$2,399.2	- 18.1%	\$2,929.8	
Median Sales Price	Feb	\$150,000	\$195,060	- 23.1%						Increased market share of foreclosures and short sales continues to drag the overall median price downward
	Mar	\$154,125	\$200,000	- 22.9%	--	--	--	--	--	
	Apr	\$153,000	\$204,500	- 25.2%						
Average Sales Price	Feb	\$195,060	\$238,043	- 18.1%	\$244,357	\$190,521	\$245,570	- 22.4%	\$248,040	Increased market share of foreclosures and short sales continues to drag the overall average price downward
	Mar	\$188,580	\$242,896	- 22.4%	\$245,438	\$189,688	\$244,492	- 22.4%	\$246,947	
	Apr	\$181,195	\$246,146	- 26.4%	\$245,251	\$186,976	\$245,020	- 23.7%	\$246,423	
Total Active Listings Available at Month End	Feb	25,825	29,842	- 13.5%						Supply remains low compared to last year as consumers absorb more inventory and less is listed
	Mar	26,104	30,652	- 14.8%	--	--	--	--	--	
	Apr	26,420	32,368	- 18.4%						
Percent of Original List Price Received At Sale	Feb	89.3%	91.1%	- 2.0%	94.2%	89.4%	91.0%	- 1.8%	94.1%	A retreat from last month's uptick in Percent of Original List Price Received at Sale is unfortunate
	Mar	91.5%	91.0%	+ 0.6%	94.8%	90.3%	91.0%	- 0.8%	94.4%	
	Apr	90.0%	91.7%	- 1.9%	94.8%	90.2%	91.2%	- 1.1%	94.5%	
Mortgage Rates	Mar	5.9	6.5	- 9.2%	6.1					Rates hold steady at extremely attractive levels
	Apr	5.4	6.4	- 15.6%	6.0	--	--	--	--	
	May	5.4	6.5	- 16.9%	6.1					
Supply-Demand Ratio (Homes for Sale Per Buyer)	Mar	5.79	8.16	- 29.1%						Buyers have less to choose from now than they did one year ago due to dropping inventory
	Apr	5.02	7.28	- 31.0%	--	--	--	--	--	
	May	5.23	7.33	- 28.6%						
Housing Affordability Index	Mar	206	157	+ 31.2%	155					Record-high affordability brings buyers off the fences, but low mortgage rates won't last forever
	Apr	218	155	+ 40.6%	157	--	--	--	--	
	May	219	151	+ 45.0%	155					
Months Supply of Inventory	Mar	7.8	9.2	- 15.2%						The region has lost almost a quarter of its months supply of inventory over the last year
	Apr	7.7	9.6	- 19.8%	--	--	--	--	--	
	May	7.7	10.2	- 24.5%						