



## September 2014 Newsletter

Hi Everyone,

Well, The Great Minnesota Get Together is gone and the kids are back to school. Hope you had a great Labor Day Holiday Weekend! I'm sure you're all hoping that the weather cooperates and gives us another 3 months of summer! Of course that's not going to happen but let's hope for a late fall/winter.

The slowest part of the selling season is over (summertime) and we should see a nice jump in activity for the next 2 months. I'm receiving listing calls just like every other year at this time. The question now is if the buyers will follow? As I have told you the buyer activity is slowing but this could be from finishing summer vacations and listening to some of the fear news you hear about in the markets. I am hearing a bit more of a rally in the financial markets and this should help sales for the short time. Hoping it last through fall. We all know that winter is a bit on the slow side but we have a few more months before we really see the cold stuff come our way. ☺

**Sellers** – You have about 2 months left in the selling season before things wind down over the holidays and we see a real drop in sales activity. If you're going to sell you are better off starting your list price on the lower end of your home's value than trying to sell on the high side. You don't have a lot of time and list prices tend to drop during the cooler months with sellers left in the market from the spring and summer dropping their list prices. You get the most for your home selling fairly quickly rather than getting stale with multiple price drops and being on the market for months. When prices are rising sharply you can sometimes get away with this strategy but in this market I would not suggest it.

**Buyers** – I am seeing and hearing about more inventory coming on the market so we should see more properties coming on the market and continuing to see a more balanced market in the months to come. Sellers may think they have an advantage still and some do in certain markets but for the most part the market is back to being balanced and should stay that way until spring, if not longer. Be patient if you can and you'll find the home you are looking for.

**Family** – Summer vacation for the girls is over and it's back to school. Sophia is excited since I'm writing on her first day of school. She came back with a smile and excitement! Always good to see our children enjoy going to school and learning. I'm hoping this is a lifelong trait but we all know this can fade quickly as they grow older. Ella is home schooling for pre-school. Mike is attending college and working full time. He's getting a real education in hard work and what it means to be driven. ☺ While we all enjoy

summer and the heat we also enjoy the change in seasons, other than winter! ☺



Picture is of the girls on the first day of school.

Market Statistics – At the end of this newsletter you will find the latest market statistics for anyone who is following the market and the numbers. Moving forward you may want to pay attention to what the numbers show since they can forecast what we can expect to see in the future. Or, just read my newsletter and I will tell you how I read them.

### **Some things to think about and do in September:**

#### **Fall lawn chores:**

1. Get your lawn aerated mid to end of September and fertilize right afterwards.
2. Put out seed or new sod before the ground gets too cold.
3. With daylight decreasing, water a bit less, it will do more for your lawn.
4. Set your mower height to 2” by the end September.

#### **City of Apple Valley residential cleanup day is September 27.**

Dispose of non-hazardous materials at a centralized location in Apple Valley for a reasonable fee. This event is held in conjunction with the Dakota County Household Hazardous Waste Drop-Off Day in Burnsville to allow residents the opportunity to do all of their fall clean-up on one day. Find out more at: <http://www.ci.apple-valley.mn.us>

#### **Apple Orchard Time**

Late September is a great time to visit an apple orchard. Click here for more information on apple orchards in your area: <http://www.pickyourown.org/applepicking.htm>

My family makes it an annual event to go to Aamott’s Apple Orchard in Stillwater. It’s a great orchard and has children’s activities as well as a band and hot air balloons. You have to time it right so check out their schedule for the best days to go. Last year I discovered a new apple there that is supposed to be better than a Honeycrisp. I really liked them but don’t know if their better than a Honeycrisp! ☺

Hope you had a great Labor Day Weekend and enjoy my favorite month of the year!  
Warm days, cool nights and generally comfortable temps throughout the month! Gotta  
love September!

p.s. – time to change your dirty air filter and add salt to your water softener

# Weekly Market Activity Report



MINNEAPOLIS AREA Association  
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A RESEARCH TOOL FROM THE MINNEAPOLIS AREA ASSOCIATION OF REALTORS®  
BROUGHT TO YOU BY THE UNIQUE DATA-SHARING TRADITIONS OF THE REALTOR® COMMUNITY

## For Week Ending August 23, 2014

Publish Date: September 2, 2014 • All comparisons are to 2013

As summer begins to wane, the total number of home sales will gradually drop like the leaves of fall. And although autumn is nearing, that doesn't necessarily mean that the changing of the season will bring market chills. Because even as sales drop, sales prices are still mostly on the rise and inventory is stabilizing all across the country. And let's not forget that lower sales figures are also due to fewer distressed properties on the market.

In the Twin Cities region, for the week ending August 23:

- New Listings increased 3.5% to 1,539
- Pending Sales increased 4.5% to 1,175
- Inventory increased 10.1% to 18,755

For the month of July:

- Median Sales Price increased 3.4% to \$215,000
- Days on Market decreased 5.6% to 68
- Percent of Original List Price Received decreased 0.7% to 96.8%
- Months Supply of Inventory increased 15.8% to 4.4

## Quick Facts

**+ 3.5%**

Change in  
New Listings

**+ 4.5%**

Change in  
Pending Sales

**+ 10.1%**

Change in  
Inventory

## Metrics by Week

New Listings	<b>2</b>
Pending Sales	<b>3</b>
Inventory of Homes for Sale	<b>4</b>

## Metrics by Month

Days on Market Until Sale	<b>5</b>
Median Sales Price	<b>6</b>
Percent of Original List Price Received	<b>7</b>
Housing Affordability Index	<b>8</b>
Months Supply of Inventory	<b>9</b>

[Click on desired metric to jump to that page.](#)



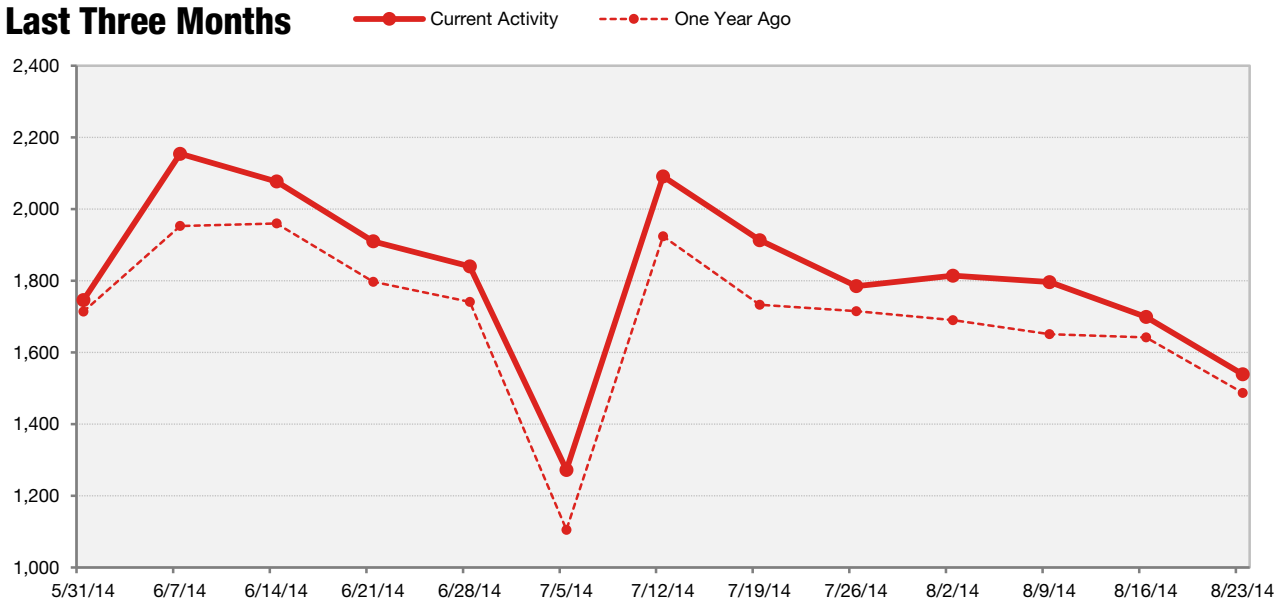
# New Listings

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



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## Last Three Months



For the Week Ending	Current Activity	One Year Previous	+ / -
5/31/2014	1,746	1,714	+ 1.9%
6/7/2014	2,154	1,953	+ 10.3%
6/14/2014	2,077	1,960	+ 6.0%
6/21/2014	1,910	1,797	+ 6.3%
6/28/2014	1,840	1,741	+ 5.7%
7/5/2014	1,272	1,105	+ 15.1%
7/12/2014	2,091	1,924	+ 8.7%
7/19/2014	1,913	1,733	+ 10.4%
7/26/2014	1,785	1,715	+ 4.1%
8/2/2014	1,814	1,690	+ 7.3%
8/9/2014	1,796	1,651	+ 8.8%
8/16/2014	1,699	1,642	+ 3.5%
8/23/2014	1,539	1,487	+ 3.5%
<b>3-Month Total</b>	<b>23,636</b>	<b>22,112</b>	<b>+ 6.9%</b>

## Historical New Listings



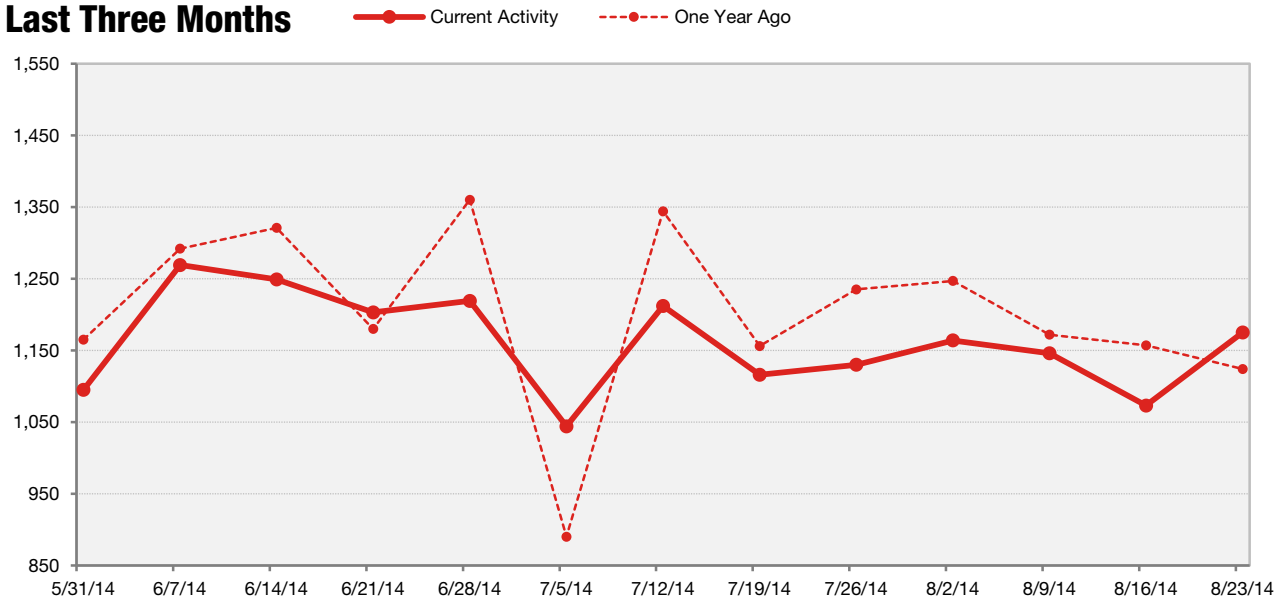
# Pending Sales

A count of the properties that have offers accepted on them in a given week.



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## Last Three Months



For the Week Ending	Current Activity	One Year Previous	+ / -
5/31/2014	1,095	1,165	- 6.0%
6/7/2014	1,269	1,292	- 1.8%
6/14/2014	1,249	1,321	- 5.5%
6/21/2014	1,203	1,180	+ 1.9%
6/28/2014	1,219	1,360	- 10.4%
7/5/2014	1,044	890	+ 17.3%
7/12/2014	1,212	1,344	- 9.8%
7/19/2014	1,116	1,156	- 3.5%
7/26/2014	1,130	1,235	- 8.5%
8/2/2014	1,164	1,247	- 6.7%
8/9/2014	1,146	1,172	- 2.2%
8/16/2014	1,073	1,157	- 7.3%
8/23/2014	1,175	1,124	+ 4.5%
<b>3-Month Total</b>	<b>15,095</b>	<b>15,643</b>	<b>- 3.5%</b>

## Historical Pending Sales



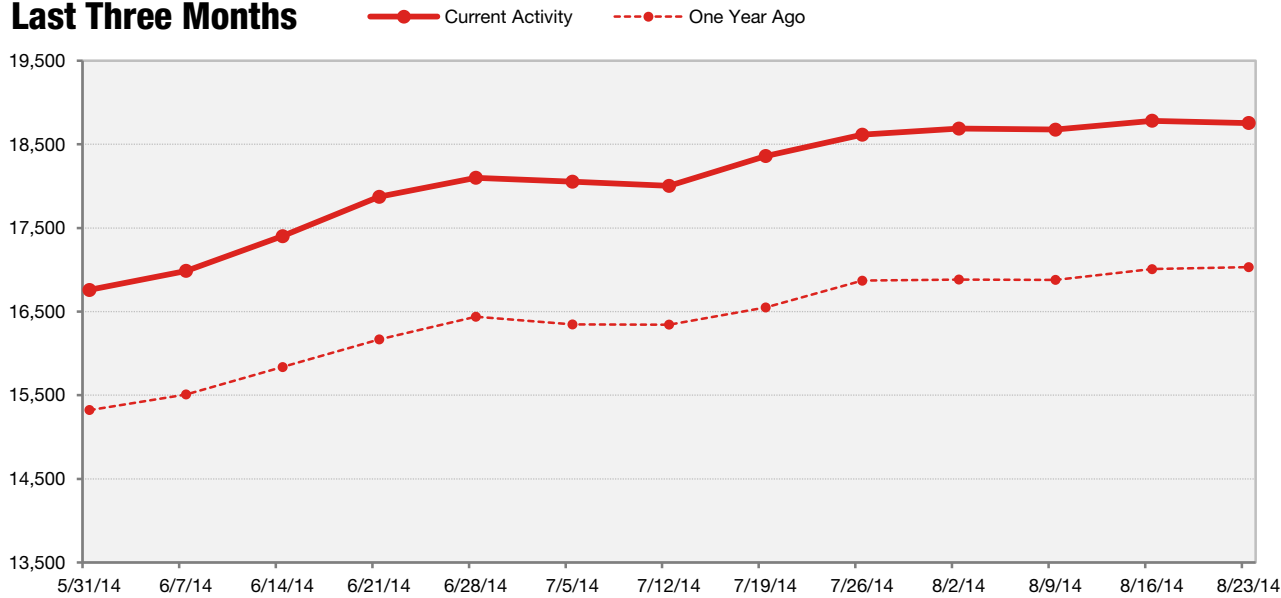
# Inventory of Homes for Sale

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



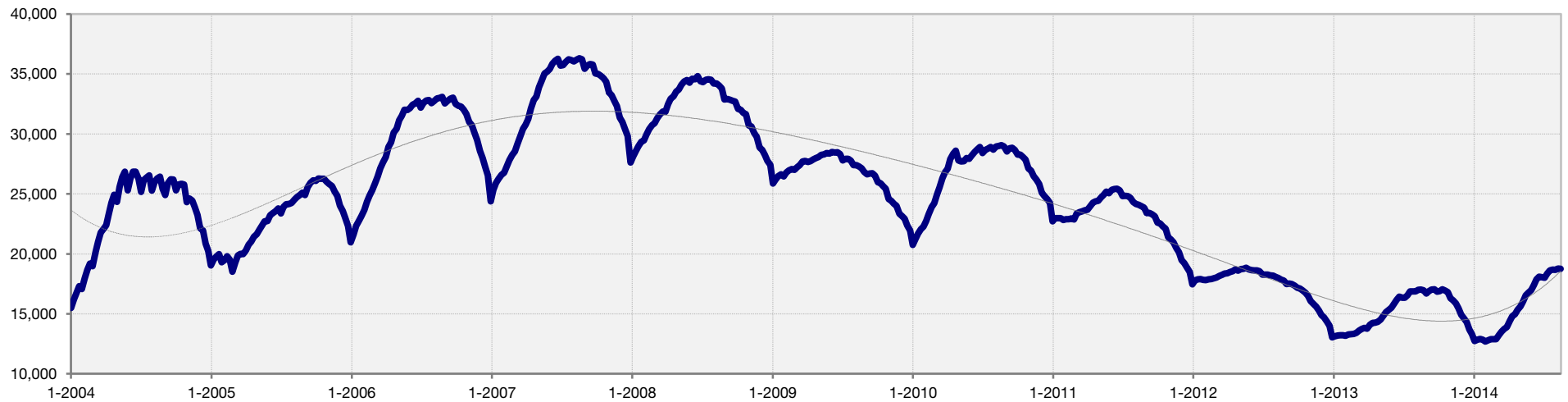
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## Last Three Months



For the Week Ending	Current Activity	One Year Previous	+ / -
5/31/2014	16,758	15,323	+ 9.4%
6/7/2014	16,987	15,509	+ 9.5%
6/14/2014	17,401	15,836	+ 9.9%
6/21/2014	17,872	16,167	+ 10.5%
6/28/2014	18,100	16,438	+ 10.1%
7/5/2014	18,053	16,346	+ 10.4%
7/12/2014	18,003	16,344	+ 10.2%
7/19/2014	18,360	16,549	+ 10.9%
7/26/2014	18,615	16,869	+ 10.4%
8/2/2014	18,688	16,883	+ 10.7%
8/9/2014	18,675	16,879	+ 10.6%
8/16/2014	18,782	17,007	+ 10.4%
8/23/2014	18,755	17,031	+ 10.1%
<b>3-Month Avg</b>	<b>18,081</b>	<b>16,399</b>	<b>+ 10.3%</b>

## Historical Inventory Levels



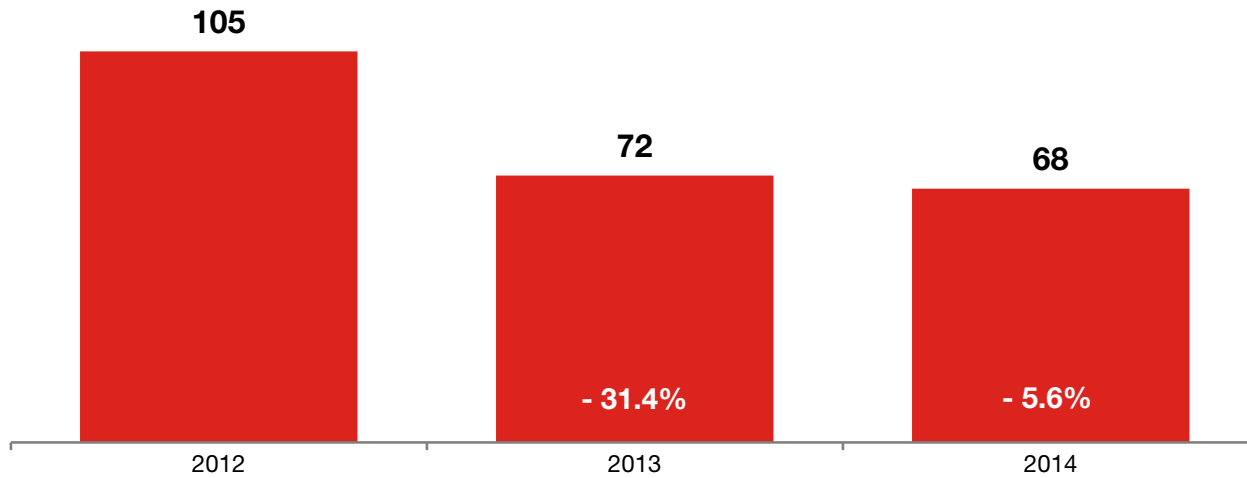
# Days on Market Until Sale

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



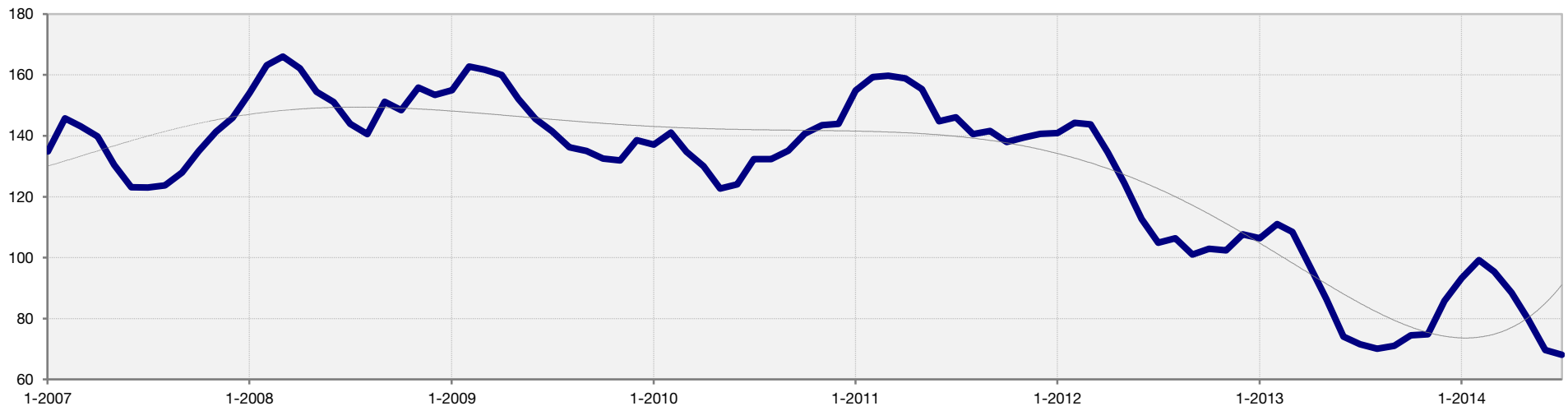
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## July



Month	Current Activity	One Year Previous	+ / -
August	70	106	- 34.0%
September	71	101	- 29.7%
October	75	103	- 27.2%
November	75	102	- 26.5%
December	86	108	- 20.4%
January	93	106	- 12.3%
February	99	111	- 10.8%
March	95	108	- 12.0%
April	89	97	- 8.2%
May	80	86	- 7.0%
June	70	74	- 5.4%
July	68	72	- 5.6%
<b>12-Month Avg</b>	<b>78</b>	<b>96</b>	<b>- 18.8%</b>

## Historical Days on Market Until Sale





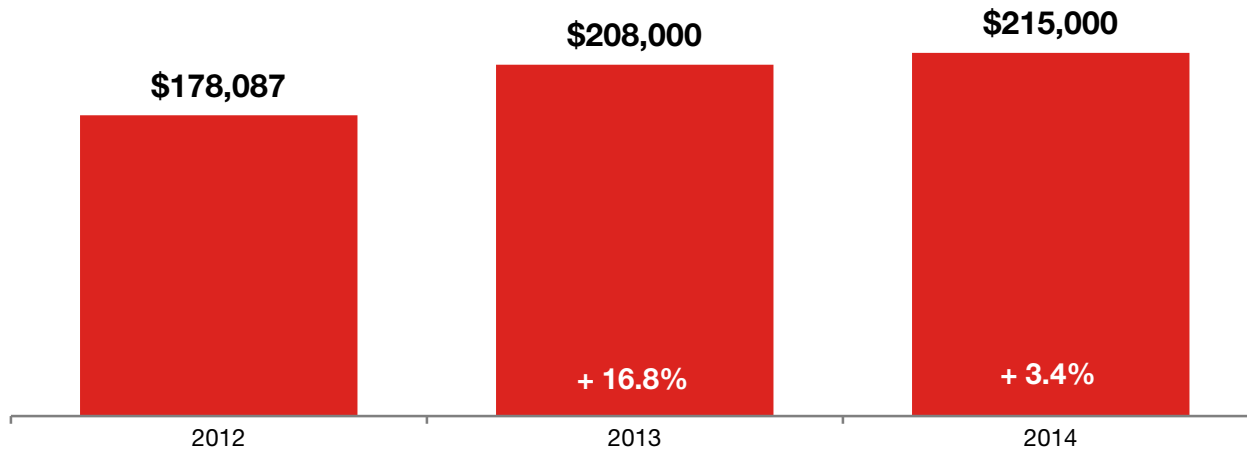
# Median Sales Price

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



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## July



Month	Current Activity	One Year Previous	+ / -
August	\$207,950	\$177,900	+ 16.9%
September	\$195,000	\$174,500	+ 11.7%
October	\$195,000	\$175,000	+ 11.4%
November	\$195,000	\$172,000	+ 13.4%
December	\$190,025	\$168,000	+ 13.1%
January	\$179,800	\$160,000	+ 12.4%
February	\$182,900	\$160,000	+ 14.3%
March	\$190,000	\$176,500	+ 7.6%
April	\$196,000	\$182,450	+ 7.4%
May	\$210,000	\$194,000	+ 8.2%
June	\$219,500	\$210,000	+ 4.5%
July	\$215,000	\$208,000	+ 3.4%
12-Month Med	\$200,000	\$182,525	+ 9.6%

## Historical Median Sales Price



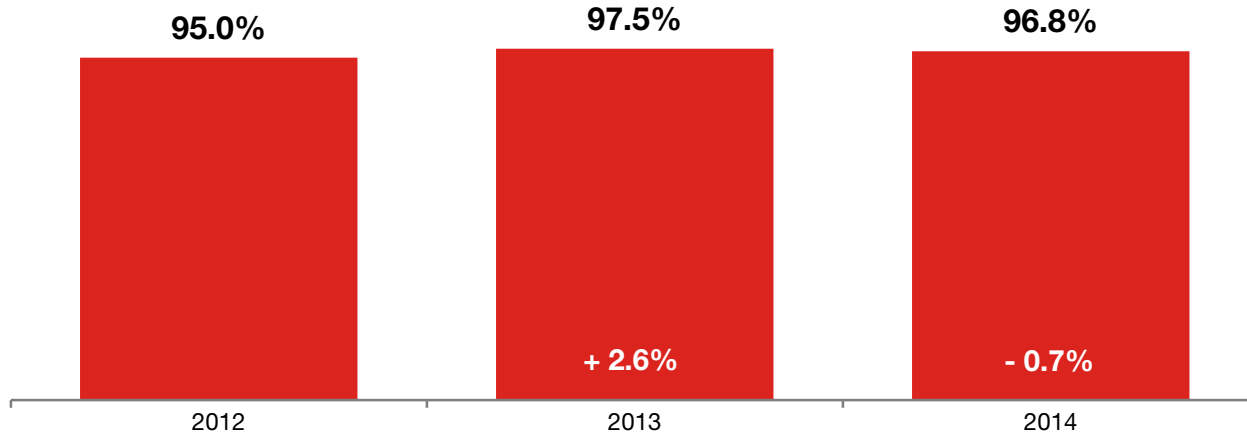
# Percent of Original List Price Received

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.



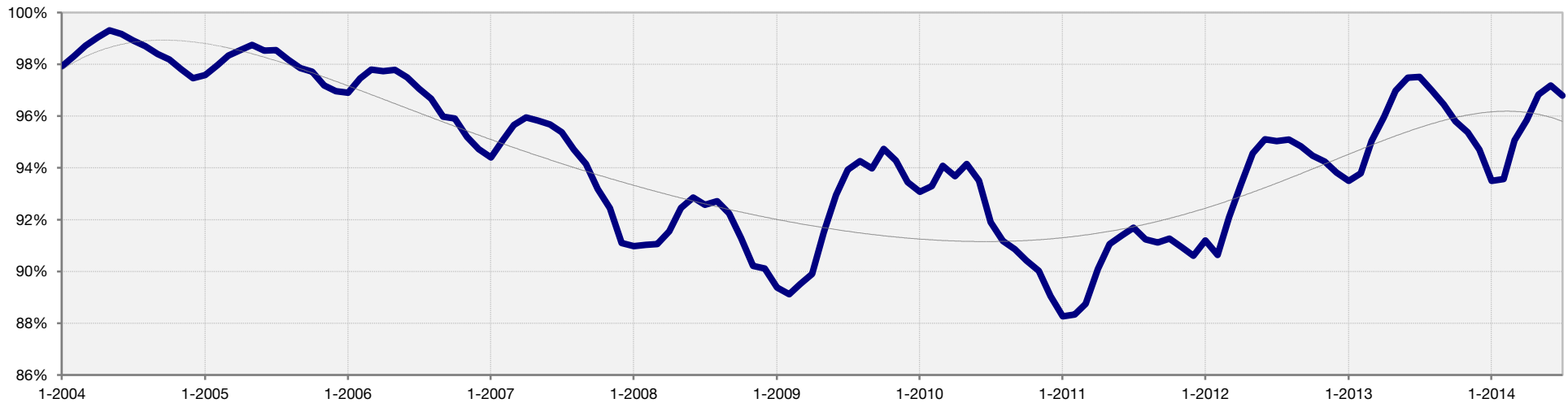
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## July



Month	Current Activity	One Year Previous	+ / -
August	97.0%	95.1%	+ 2.0%
September	96.5%	94.8%	+ 1.8%
October	95.8%	94.5%	+ 1.4%
November	95.4%	94.2%	+ 1.3%
December	94.7%	93.8%	+ 1.0%
January	93.5%	93.5%	0.0%
February	93.6%	93.8%	- 0.2%
March	95.1%	95.0%	+ 0.1%
April	95.8%	96.0%	- 0.2%
May	96.8%	97.0%	- 0.2%
June	97.2%	97.5%	- 0.3%
July	96.8%	97.5%	- 0.7%
<b>12-Month Avg</b>	<b>96.0%</b>	<b>95.5%</b>	<b>+ 0.5%</b>

## Historical Percent of Original List Price Received



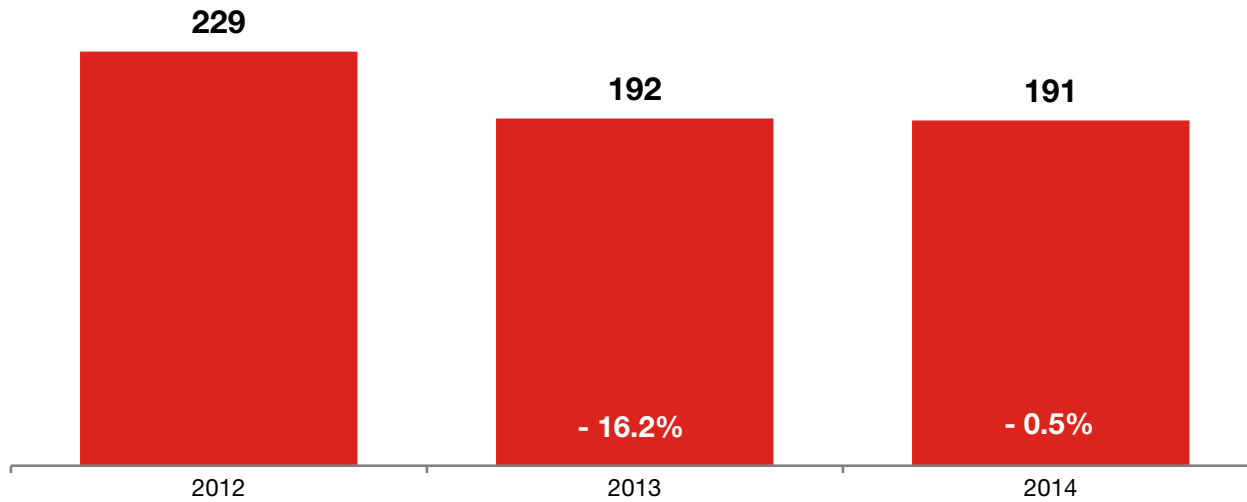
# Housing Affordability Index

This index measures housing affordability for the region. 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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## July



Month	Current Activity	One Year Previous	+ / -
August	188	230	- 18.3%
September	201	235	- 14.5%
October	201	234	- 14.1%
November	204	239	- 14.6%
December	209	244	- 14.3%
January	214	255	- 16.1%
February	212	253	- 16.2%
March	207	233	- 11.2%
April	200	228	- 12.3%
May	194	212	- 8.5%
June	187	189	- 1.1%
July	191	192	- 0.5%
<b>12-Month Avg</b>	<b>202</b>	<b>229</b>	<b>- 11.8%</b>

## Historical Housing Affordability Index



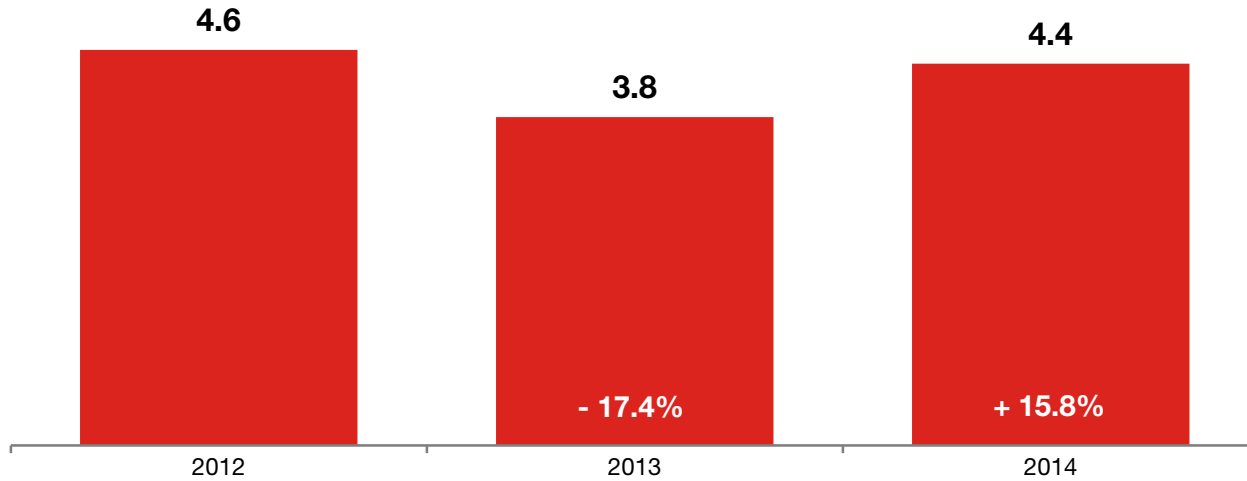
# Months Supply of Inventory

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



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## July



Month	Current Activity	One Year Previous	+ / -
August	3.8	4.4	- 13.6%
September	3.8	4.3	- 11.6%
October	3.7	4.0	- 7.5%
November	3.4	3.7	- 8.1%
December	2.9	3.2	- 9.4%
January	2.9	3.2	- 9.4%
February	3.0	3.2	- 6.3%
March	3.2	3.3	- 3.0%
April	3.6	3.4	+ 5.9%
May	4.0	3.6	+ 11.1%
June	4.3	3.8	+ 13.2%
July	4.4	3.8	+ 15.8%
12-Month Avg	3.6	3.7	- 2.7%

## Historical Months Supply of Inventory

