

PRESS RELEASE

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Inventory Continues to Clear Out

Single family, existing residential home sales continued their increase in the 13-county metro area during the month of October. The report compiled from data provided by the Regional Multiple Listing Service of Minnesota (RMLS), also showed a downward trend in pending sales from last month as well as a welcome decrease in the number of active listings.

The listing inventory continues to be the good news in the overall picture of the market. October 08 new listings activity was 12.37 percent lower than October 07. There were 7,105 new listings added to the system in October 08 compared to 8,108 one year ago. There have been 83,831 new listings added to the system year-to-date. Compared to one year ago when there were 94,509 listings added to the inventory that is a drop of 11.30 percent. Active, single family, residential listings during October reached 29,776 compared to 32,694 at the end of October 07, a decrease of 8.91 percent.

The effect of lower inventory moves the residential real estate market toward a more stable and balanced market for both buyers and sellers.

During the month of October closed home sales were up 11.98 percent compared to October 07. There were 3,590 closed home sales reported last month while one year ago there were 3,206. While closed home sales were up from last year, they are down when compared to September's 08 closed home sales of 4,202, a 14.56 percent drop.

"This market is such an opportunity for buyers," said Rae Jean Malone, President-elect for the Saint Paul Area Association of REALTORS®. Malone went on to say, "We are still experiencing historically low interest rates and unprecedented home values for buyers. The counterpoint is that sellers become buyers and the end result, if they move up, is that they have saved more when they buy."

Closed home sales year-to-date was reported at 33,425 units compared to 35,061 at the same time last year, a decrease of 4.67 percent.

Pending sales slipped in October 08 to 3,480, sliding 13.8 percent compared to September 08 when 4,036 pending sales were reported. After two months of increases in pending sales, there are a number of contributing factors to the recent decrease. A primary factor would be the natural shift in seasonal sales. Year over year pending sales were still 6.95 percent higher in October 08 compared to 3,254 in October 07. To date there have been 38,642 reported pending sales compared to 38,842 in 07, a change of -0.51 percent.

Median price continues its slide downward as well. October median sales price was \$180,000 for the 13-county metro area compared to \$220,000 one year ago, a drop of 18.18 percent. It was down 5.21 percent from the previous month, as well.

Housing statistics include existing single family homes, condominiums and townhomes. Statistics are provided by the Saint Paul Area Association of REALTORS® and are based on data supplied by the Regional Multiple Listing Service.

The Saint Paul Area Association of REALTORS® represents 4,000 members involved in all aspects of the real estate industry.

For more information about Twin Cities area home sales statistics, contact Meg Chiodo at 651-772-6341 (mchiodo@spaar.com).

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