

# PRESS RELEASE

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## Housing Market Takes Positive Steps in July

Sales information released this morning by the Saint Paul Area Association of REALTORS® indicates positive change in the 13-county metro area existing, single-family housing market.

The first encouraging sign that the 13-county metro area housing market may strengthen in coming months is the pending sales gain reported. There were 4,462 pending sales in July 08 compared to 4,202 in July 07. That is an increase of 6.19 percent from last year.

“Buyers are gaining confidence as indicated by the pending sales for the month,” said Greg Bauman, President of the Saint Paul Area Association of REALTORS®. He continued, “Just last week the market experienced a 19.74 percent increase in reported pending sales from the same period one year ago.”

Year-to-date, however, pending sales remain below last year's level by 7.61 percent. There were 28,915 pending sales reported at the end of the seven month period of 07 compared to 26,715 in 08.

According to RMLS data, closed home sales in July 08 posted a 4.81 percent gain from the previous month with 4,160 sales compared to 3,969 in June 08. Greg Bauman stated “This is probably one of the most significant signs of buyers and sellers expressing a growing confidence in the market.” When comparing year over year, July 08 closed home sales were down 8.01 percent compared to July 07 when 4,522 sales were reported in the 13 county metro.

New listings continue to decline providing relief to the inflated inventory levels of the past several years, another positive step in the recovery of the local housing market. During the month of July there were 8,608 new listings added to the RMLS system compared to the 9,379 new listings added in July 07. That's a decline of 8.22 percent. When compared to last month, new listings dropped off by 2.82 percent when 8,858 new listings were added. Comparing year-to-date there have been 61,505 new listings added to the RMLS system in 08 down 10.99 percent from the same time last year. During the first seven months of 07 there were 69,096 new listings added to inventory.

The July 08 median price of closed homes in the 13 county metro now stands at \$208,000, which is a 1.46 percent increase over last month. The median sales price a month ago was \$205,000. However, the 13 county metro is still off by 10.73 percent in comparison to July 07 when the median price of a closed home was \$233,000.

Months supply of inventory continues its slow descent coming in at 8.0 compared to 8.1 one month ago. Year-over-year MSI was 14.0 percent higher standing at 9.3 months one year ago. The average days on market also continues to trend downward coming in at 76 days in July 08. That is compared to 78 days one month ago.

Listing inventory continues to fall as sales remain steady for the year and new listings decline. At the end of July there were 32,992 listings of single-family, residential properties in the 13 county

metro, down 5.76 percent from one year ago when 35,012 were reported. An interesting statistic to note is that the July 08 inventory level was only 0.23 percent above the 32,915 listings reported in 2006.

“As pending sales pick up translating into closed home sales and inventory continuing its slow downward movement we could see the beginning of the end to declining sales prices,” Bauman stated, “But I should caution that we must be aware of any challenges that might come forward in the months ahead.”

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 Patrick Ruble at 651-772-6343 ([pruble@spaar.com](mailto:pruble@spaar.com)) or Meg Chiodo at 651-772-6341 ([mchiodo@spaar.com](mailto:mchiodo@spaar.com)).

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