



BETTER AGENTS ♦ BETTER COMMUNITIES  
SAINT PAUL AREA ASSOCIATION OF REALTORS®

# NEWS RELEASE

## PRESS CONTACTS

Alyssa MacLeod  
Communications Director  
cell: 612.845.9114  
[amacleod@spaar.com](mailto:amacleod@spaar.com)

Eric Myers  
Government Affairs Director  
cell: 651.329.7024  
[emyers@spaar.com](mailto:emyers@spaar.com)

## FOR IMMEDIATE RELEASE

---

### Housing Inventory Remains Low

*St. Paul, Minnesota – May 17, 2016*

New listings for 2016 for sale homes dropped to 8,445 or 2% from 8,614 last year, not an extraordinary variation in terms of year-over-year performance of itself. However, these low inventory conditions are exacerbated by stronger pending sales, increased closed sales, and fewer days on the market. The pace of the market and the dwindling numbers of new listings together are responsible for the lack of replenishment of for sale home inventory.

Pending sales are up 1.6 percent to 6,373, closed sales are up 6.1 percent to 5,128, and days on the market is down 14.1 percent to just 73 days. Taken together inventory hovers at all-time lows. Inventory of available homes for sale is at 12,849 units - down 19.4% from last year. Months' Supply of Inventory is down 27.8 percent to 2.6 months as compared to last year at 3.6 months. Inventory has never been lower.

Low inventory and high demand have combined to support increases in median sales price. The Median Sales Price increased 7.7 percent to \$231,500. Sellers are well positioned and commanding a very strong 98% of their original list price.

"Those homeowners who have waited for the market to recover are finding high demand for their properties," said Saint Paul Area Association of REALTORS® President Bob Clark. "It's especially ideal for those who may have turned to renting rather than sell at a loss a couple of years ago who are ready to move on."

While offer price is a factor, being preapproved and having some flexibility with closing dates can also be deciding factors in a multiple offer situation.

"Buyers need to be prepared to move fast," said Clark. "Working with a REALTOR® is a great way to quickly identify the right types of properties available, evaluate them and make sellers compelling offers."

As we enter the summer sales season, REALTORS® expect demand components and pace of the market to remain swift. REALTORS® also expect to see more new listings enter the marketplace, but whether in volumes significant enough to help ease the current inventory crunch is yet to be seen. The general economic outlook remains strong as mortgage rates have remained low, with the unemployment rate hovering at or under 3.7 percent for 15 straight months.

*Established in 1886, the St. Paul Area Association of REALTORS® serves more than 6,000 members in 11 Twin Cities metro area counties at its St. Paul, Coon Rapids and Eagan locations. The association is dedicated to promoting the dream of homeownership with the highest level of professional integrity – better agents, better communities.*  
[www.spaar.com](http://www.spaar.com)

