

# December Home Sales Rebound, End Year Strong RE/MAX National Housing Report on MLS Data from 53 Metro Areas

**DENVER** (*Jan. 19, 2016*) — After two consecutive months with falling home sales, December roared back with 6.1% more sales than one year ago. On a month-over-month basis, December sales were much higher than expected at 22.5%. In all of 2015, nine months saw home sales higher than the same month one year ago. December appeared to continue the trend of moderating home prices, with a year-over year gain of 5.3% while the 2015 average was 7.6%. The median price of all homes sold in December was \$206,000. The inventory of homes for sale remains very tight in many metros across the country, at a level that is 14.2% lower than December 2014. At the rate of home sales in December, the national Months Supply of Inventory was 4.9, down from 5.7 one year ago. For this month's housing report infographic, visit <a href="http://rem.ax/1nwwSOW">http://rem.ax/1nwwSOW</a>.

"It's possible that the TRID closing rule implementation caused November transactions to dip lower than normal, but now we see December bouncing back much stronger than the seasonal average. Perhaps many closings were simply pushed forward a month. But it's nice to see the year end on an upbeat note, with sales significantly greater than the previous year. Overall, 2015 goes into the record books as a very good year for residential real estate," said Dave Liniger, RE/MAX CEO, Chairman of the Board and Co-Founder.

"2015 bookends with the same story we've heard throughout the year - a housing supply that trails the demand, continuing to push values higher," added Quicken Loans Chief Economist Bob Walters. "The market could benefit from homeowners taking advantage of the equity they are building, and make their home available to the many eager buyers. This could give buyers a chance to find the home they have been waiting for."

## Closed Transactions - Year-over-year change

In the 53 metro areas surveyed in December, the average number of home sales increased 22.5% from sales in November, and were also 6.1% higher than the number of sales one year ago. Since January, year-over-year sales have increased an average of 4.8% each month. For the last eight years, the average seasonal increase in sales from November to December has been 6.9%. This December's month-over month increase was nearly four times that amount. In December, 43 of the 53 metro areas surveyed reported higher sales on a year-over-year basis with 14 experiencing double-digit increases, such as Boise, ID +23.8%, Manchester, NH +22.9%, Las Vegas, NV +18.7%, Albuquerque, NM +18.3%, St. Louis, MO +14.3% and Portland, OR +13.9%.

## **Median Sales Price**

The Median Sales Price for all homes sold in the month of December was \$206,000, up 2.0% from November.

On a year-over-year basis, the Median Sales Price has now risen for 47 consecutive months, but December's increase of 5.3% is less than the average of 7.6% for each month in 2015. Even though prices have been moderating, a low inventory supply continues to pressure prices. Among the 53 metro areas surveyed in November, 47 reported higher prices than last year with 12 rising by double-digit percentages. Metropolitan areas with the highest percentage increases are Des Moines, IA +19.7%, Fargo, ND +19.3%, Nashville, TN +14.6%, San Francisco, CA +14.4%, Orlando, FL +12.2% and Omaha, NE +11.8%.

### Days on Market – Average of 53 metro areas

In December, the average Days on Market for all homes sold was 67, up 2 days from the average in November, but 6 days lower than the average in December 2014. December becomes the 33<sup>rd</sup> consecutive month with a Days on Market average of 80 or less. In the two markets with the lowest inventory supply, San Francisco and Denver, Days on Market was 32 and 35 respectively. Only three metro areas had a Days on Market average of 100 or greater, Des Moines, IA 101, Chicago, IL 110 and Augusta, ME with a 145-day average. Days on Market is the number of days between when a home is first listed in an MLS and a sales contract is signed.

## Months Supply of Inventory – Average of 53 metro areas

The number of homes for sale in December was 12.5% less than in November and 14.2% less than in December last year. The average loss of inventory on a year-over-year basis for 2015 was 12.2%. Based on the rate of home sales in December, the Months Supply of Inventory was 4.9, about the same as the 5.0 average in November, but lower than the 5.7 average in December of 2014. A 6.0 Months Supply indicates a market balanced equally between buyers and sellers. The highest month supply was seen in Augusta, ME at 14.1. Three metros had a supply less than 2 months, San Francisco with 1.1, Denver, CO 1.8 and Seattle at 1.9.

#### Contact

For specific data in this report or to request an interview, please contact (303) 796-3405 or shaunwhite@remax.com.

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## About the RE/MAX Network:

RE/MAX was founded in 1973 by Dave and Gail Liniger, with an innovative, entrepreneurial culture affording its agents and franchisees the flexibility to operate their businesses with great independence. Over 100,000 agents provide RE/MAX a global reach of nearly 100 countries. Nobody sells more real estate than RE/MAX, when measured by residential transaction sides.

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#### Description

The RÊ/MAX National Housing Report is distributed each month on or about the 15th. The first Report was distributed in August 2008. The Report is based on MLS data in approximately 53 metropolitan areas, includes all residential property types, and is not annualized. For maximum representation, many of the largest metro areas in the country are represented, and an attempt is made to include at least one metro from each state. Metro area definitions include the specific counties established by the U.S. Government's Office of Management and Budget, with some exceptions.

#### **Definitions**

Transactions are the total number of closed residential transactions during the given month. Month's Supply of Inventory is the total number of residential properties listed for sale at the end of the month (current inventory) divided by the number of sales contracts signed (pended) during the month. Where "pended" data is unavailable, this calculation is made using closed transactions. Days on Market is the number of days that pass from the time a property is listed until the property goes under contract for all residential properties sold during the month. Median Sales Price is the median price of all residential properties sold during the month.

MLS data is provided by contracted data aggregators, RE/MAX brokerages and regional offices. While MLS data is believed to be accurate, it cannot be guaranteed. MLS data is constantly being updated, making any analysis a snapshot at a particular time. Every month the RE/MAX National Housing Report re-calculates the previous period's data to ensure accuracy over time. All raw data remains the intellectual property of each local MLS organization.