MINNESOTA STATE DEMOGRAPHIC CENTER

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Admin Minnesota DEPARTMENT OF ADMINISTRATION

POPULATION NOTES

Minnesota Housing Prices, 2007-2008

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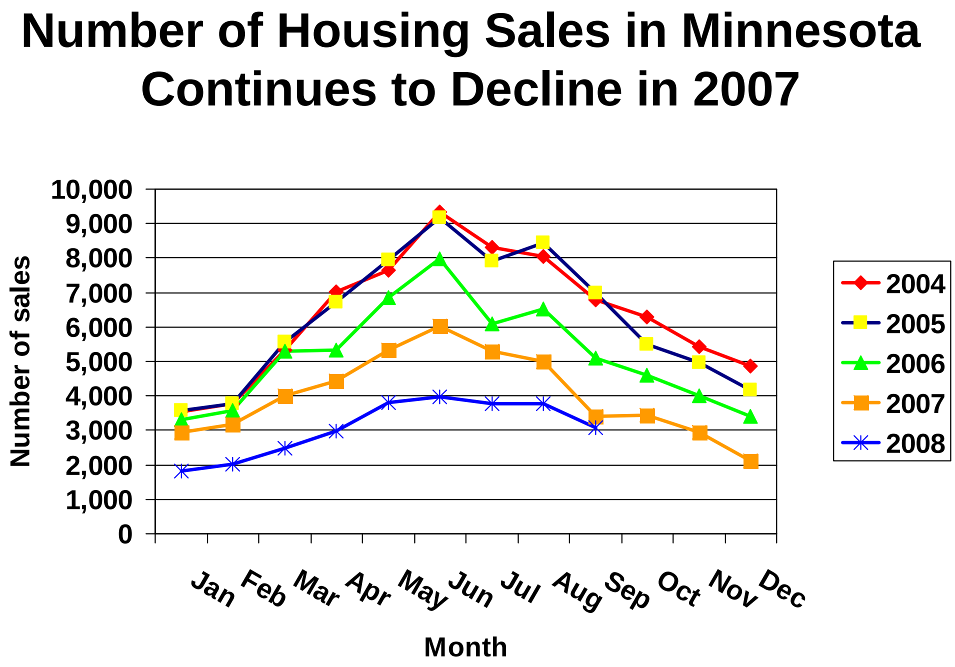
- Between the first nine months of 2007 and the first nine months of 2008, the median sales price of existing Minnesota housing units dropped five percent and the number of sales declined 30 percent.
- Prices and number of sales dropped more in the Twin Cities area than in the rest of the state.
- Prices fell in the majority of counties and cities.
- Other data sources show continued declines in sales prices in 2009

The travails of the housing market have continued into 2009, with numerous media reports of falling prices and high numbers of foreclosures. This report, based on data from the Minnesota Department of Revenue, covers the period through September 2008. While other sources provide more recent updates, the Revenue data has the advantage of providing a statewide perspective. A summary of more recent trends, based on a variety of sources, may be found near the end of this article.

Statewide number of sales and sales prices decline

The Department of Revenue data show dramatic declines in the number of sales of existing housing units in Minnesota between the first nine months of 2007 and the first nine months of 2008. Statewide, the number of sales fell 30 percent. During the same time period the median sales price dropped five percent, from $200,790 to $190,000.

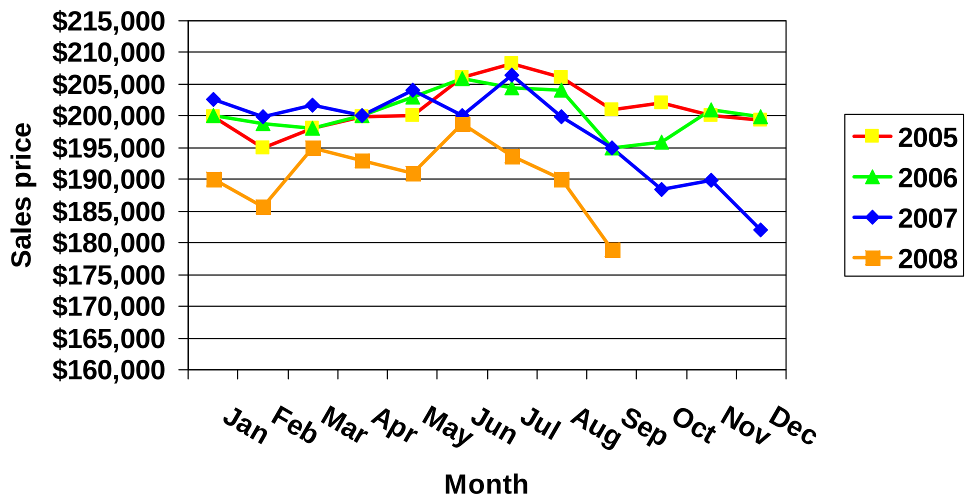


Minnesota Department of Revenue. Statewide data.

Annual and monthly comparisons show the decline in the number of sales began in late 2005 and then accelerated in 2006, 2007 and 2008. Normally June is the peak month for sales, and this was true even in the anemic year of 2008. June sales have fallen substantially, however, from 9,344 in 2004 to 6,017 in 2007 and only 3,961 in 2008.

The downturn in prices occurred more recently, with a substantial drop beginning late in 2007. Sales prices continued a negative trend through the first nine months of 2008. The median price in September 2008 was $179,000, down from $195,000 in September 2007.

Monthly median sales price in Minnesota, 2005, 2006, 2007 and First 9 months of 2008

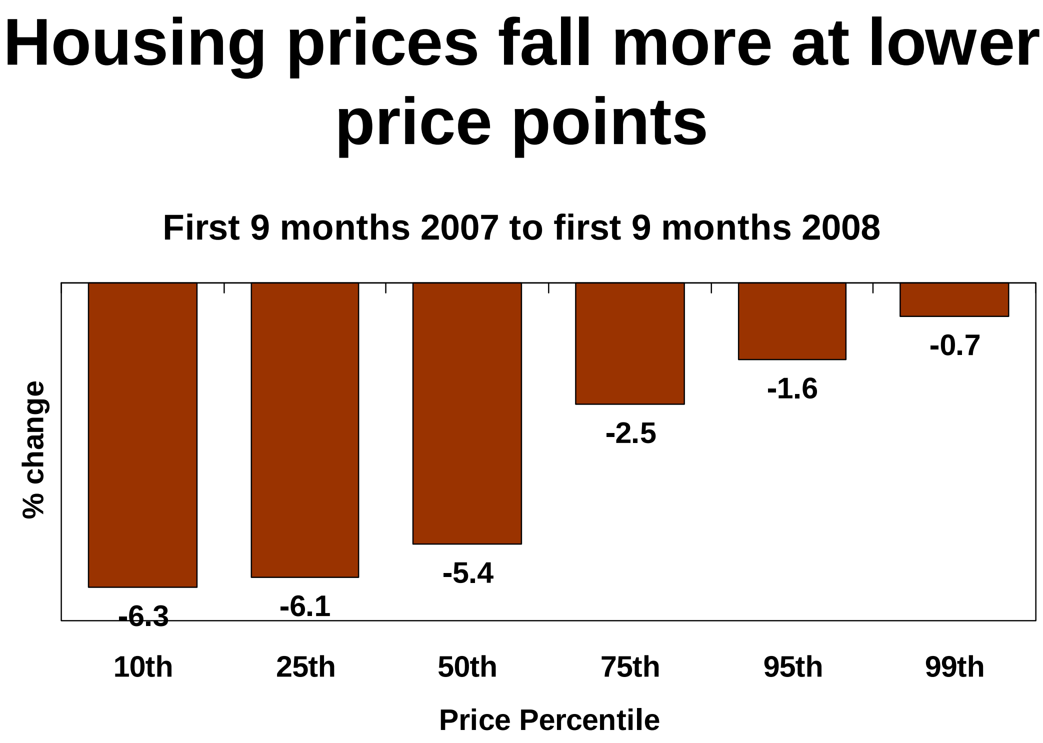


Minnesota Department of Revenue. Median sales price of existing units. Statewide data.

Median sales prices fell faster in the Minneapolis-St. Paul Metropolitan Area than in the remainder of the state, three percent versus one percent. Both figures are below the statewide average decline of five percent. This apparent paradox is due to the fact that the proportion of state sales occurring in the Twin Cities area declined from 62 percent in 2007 to 58 percent in 2008. Since prices outside the Twin Cities are generally lower, the greater proportion of rural sales in 2008 pulled down the statewide median.

Prices fall more at lower percentiles

Sales prices fell more for less expensive houses than for more costly ones. Between January through September of 2007 and January through September of 2008, the price of houses at the 10^{th} and 25^{th} percentiles fell 6.3 percent and 6.1 percent respectively. Declines were smaller for houses at the higher price percentiles. This may indicate that more expensive homes held their value better, but it could also reflect a change in the mix of house sales by type and region.



Housing Sales Prices by Percentile
January-September 2007 and January-September 2008

Minnesota January-September, 2007			**Minnesota January-September, 2008**			**Percent change**
Number of sales		39,603	Number of sales		27,696	-30.1
Percentile:			Percentile:			
	10	$95,000		10	$89,000	-6.3
	25	$147,440		25	$138,500	-6.1
	50	$200,790		50	$190,000	-5.4
	75	$270,000		75	$263,275	-2.5
	90	$386,000		90	$379,930	-1.6
	99	$870,960		99	$865,060	-0.7

Minneapolis-St. Paul Metropolitan Area January-September, 2007			**Minneapolis-St. Paul Metropolitan Area January-September, 2008**			
Number of sales		24,577	Number of sales		16,173	-34.2
Percentile:			Percentile:			
	10	$158,000		10	$148,470	-6.0
	25	$188,000		25	$180,000	-4.3
	50	$235,000		50	$227,795	-3.1
	75	$310,000		75	$310,000	0.0
	90	$440,000		90	$440,000	0.0
	99	$1,000,000		99	$1,040,000	4.0

Balance of State January-September, 2007			**Balance of State January-September, 2008**			
Number of sales		15,026	Number of sales		11,523	-23.3
Percentile:			Percentile:			
	10	$60,000		10	$58,040	-3.3
	25	$95,375		25	$94,000	-1.4
	50	$140,000		50	$138,000	-1.4
	75	$187,500		75	$185,000	-1.3
	90	$260,000		90	$263,000	1.2
	99	$514,257		99	$497,760	-3.2

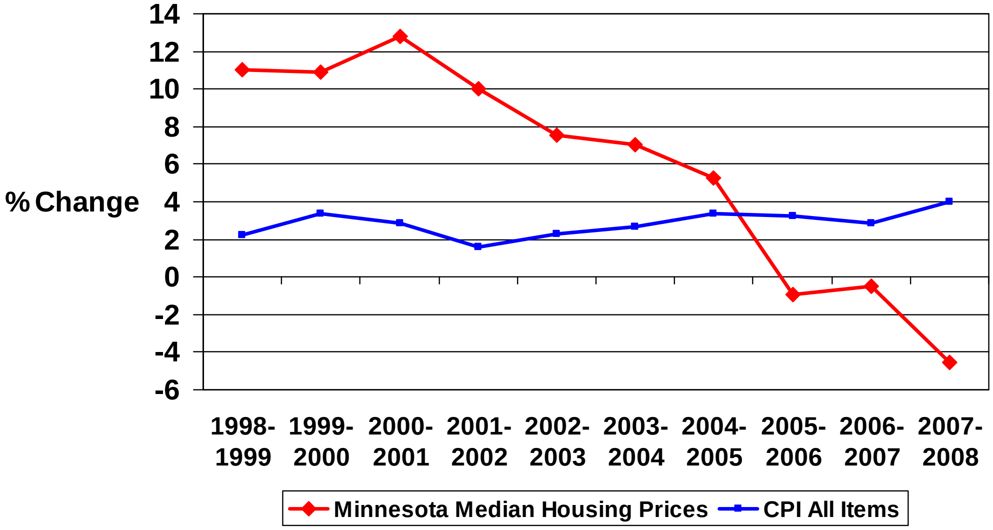
Source: Minnesota Department of Revenue data.
The Minneapolis-St. Paul Metropolitan Area includes 11 Minnesota counties: Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington and Wright.
The balance of the state includes 74 counties. Waseca and Beltrami counties are not available. Not all Mower County sales are included.

The same relationship between price percentile and change between 2007 and 2008 occurred both inside and outside the Twin Cities metropolitan area, with the exception of non-metropolitan sales at the 99th percentile. The negative trend for lower-price houses was stronger in the Twin Cities area than elsewhere in Minnesota.

Housing prices fall; cost of living increases

Starting in 2005-2006, housing sales prices in Minnesota have increased more slowly than inflation, or housing prices have fallen while the cost of living went up. This trend follows a period of many years when housing values grew faster than the consumer price index. Comparing the first nine months of 2008 to the whole 2007 year, housing prices declined five percent while the Consumer Price Index calculated by the U.S. Bureau of Labor Statistics rose four percent.

Since 2005, consumer prices have gone up, but housing prices have fallen

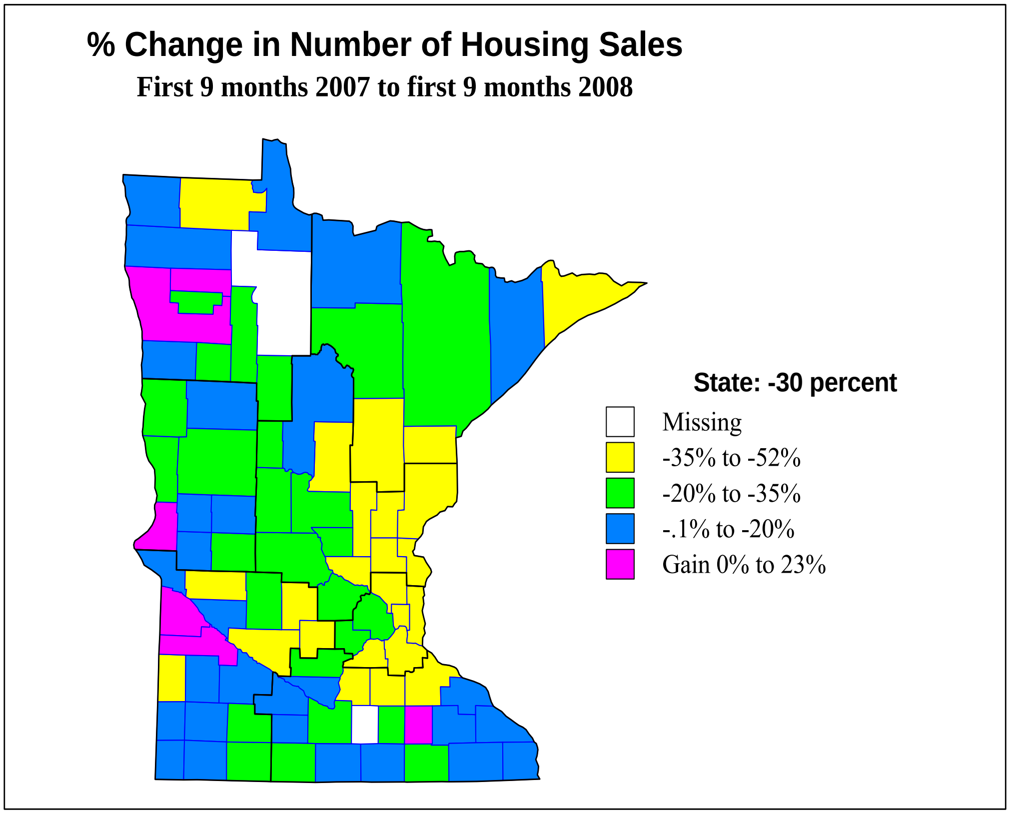


Minnesota Dept. of Revenue; U.S. Bureau of Labor Statistics. CPI compared to median sales price. 2008 values are first 9 months.

Despite the recent trends, housing prices still show long-term appreciation. Between 1999 and 2008, the median housing sales price rose 58 percent, while the Consumer Price Index gained 30 percent.

Number of sales declines in most counties

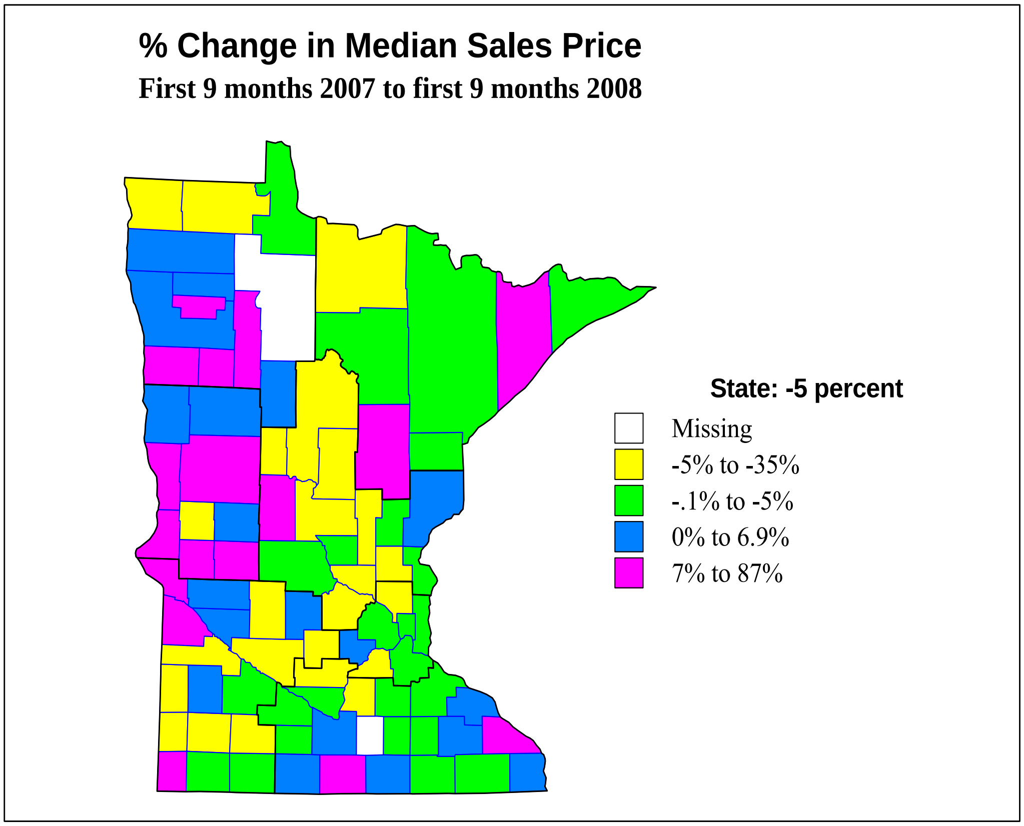
Among counties, the sharpest declines in the number of sales occurred in Sherburne and Kanabec (-52 percent), Aitkin (-51 percent), Renville (-46 percent) and Isanti (-45 percent) counties. The number of sales remained the same or increased in six counties: Polk, Yellow Medicine, Traverse, Lac qui Parle, Pennington and Dodge. The counties with increasing numbers of sales are mostly rural counties with few housing sales. Dodge County has been affected by growth in the Rochester area.



Median sales price falls in majority of counties

Between the first nine months of 2007 and the first nine months of 2008, the median sales price dropped in 49 counties and rose or remained stable in 36 counties. Data is missing for two counties, Beltrami and Waseca. The largest gains and declines were both in rural counties with small numbers of housing sales.

The state's two most populous counties posted slight declines in median sales price: -1 percent in Hennepin County and -2 percent in Ramsey County. Among other counties in the Minneapolis/St. Paul area, prices fell fastest in outer-ring suburbs that had previously seen rapid growth in population and housing. These include Wright (-12 percent), Isanti (-7 percent), Anoka (-7 percent), Sherburne (-6 percent), Scott (-5 percent) and Chisago (-5 percent) counties.



Number of Housing Sales and Median Price by County January-September 2007 and January-September 2008

	January-September 2007		January-September 2008			
	Number of Sales	Median Sales Price	Number of Sales	Median Sales Price	% Change in Number of Sales	% Change in Median Price
Minnesota	39,603	$200,790	27,696	$190,000	-30.1	-5.4
Aitkin	73	$121,900	36	$157,900	-50.7	29.5*
Anoka	2,288	$222,400	1,367	$208,005	-40.3	-6.5
Becker	232	$139,675	201	$144,750	-13.4	3.6
Beltrami	N/A	N/A	N/A	N/A	N/A	N/A
Benton	226	$157,325	174	$156,500	-23.0	-0.5
Big Stone	30	$48,750	29	$81,000	-3.3	66.2*
Blue Earth	513	$158,285	396	$158,250	-22.8	0.0
Brown	198	$114,800	177	$111,000	-10.6	-3.3
Carlton	237	$144,500	150	$138,370	-36.7	-4.2
Carver	904	$263,000	692	$271,844	-23.5	3.4
Cass	147	$146,100	130	$138,848	-11.6	-5.0
Chippewa	70	$82,000	68	$87,695	-2.9	6.9
Chisago	314	$220,000	192	$210,000	-38.9	-4.5
Clay	613	$133,000	455	$135,000	-25.8	1.5
Clearwater	36	$63,750	24	$119,200	-33.3	87.0*
Cook	28	$208,593	17	$199,000	-39.3	-4.6*
Cottonwood	77	$69,900	61	$60,000	-20.8	-14.2
Crow Wing	441	$164,040	267	$152,900	-39.5	-6.8
Dakota	3,605	$238,000	2,334	$232,000	-35.3	-2.5
Dodge	137	$149,000	137	$144,500	0.0	-3.0
Douglas	305	$150,900	273	$156,000	-10.5	3.4
Faribault	91	$63,500	86	$69,700	-5.5	9.8
Fillmore	128	$114,000	118	$112,250	-7.8	-1.5
Freeborn	213	$90,000	198	$92,000	-7.0	2.2
Goodhue	323	$172,500	194	$164,350	-39.9	-4.7
Grant	42	$76,600	38	$60,950	-9.5	-20.4*
Hennepin	9,300	$242,000	6,489	$240,000	-30.2	-0.8
Houston	128	$130,000	105	$135,000	-18.0	3.8

	January-September 2007		January-September 2008			
	Number of Sales	Median Sales Price	Number of Sales	Median Sales Price	% Change in Number of Sales	% Change in Median Price
Hubbard	127	$136,050	97	$143,750	-23.6	5.7
Isanti	207	$180,250	114	$166,870	-44.9	-7.4
Itasca	277	$132,900	195	$128,000	-29.6	-3.7
Jackson	77	$75,000	60	$72,000	-22.1	-4.0
Kanabec	68	$141,700	33	$139,900	-51.5	-1.3*
Kandiyohi	322	$138,592	243	$127,900	-24.5	-7.7
Kittson	26	$40,000	22	$31,000	-15.4	-22.5*
Koochiching	96	$67,250	83	$60,000	-13.5	-10.8
Lac qui Parle	44	$43,690	45	$60,000	2.3	37.3
Lake	76	$114,950	63	$124,900	-17.1	8.7
Lake of the Woods	28	$93,750	24	$91,000	-14.3	-2.9*
Le Sueur	178	$161,750	103	$153,000	-42.1	-5.4
Lincoln	50	$58,400	29	$38,000	-42.0	-34.9*
Lyon	210	$126,400	176	$127,000	-16.2	0.5
McLeod	337	$157,500	186	$149,550	-44.8	-5.0
Mahnomen	18	$58,400	14	$73,150	-22.2	25.3*
Marshall	45	$64,500	39	$65,000	-13.3	0.8*
Martin	152	$88,063	113	$90,000	-25.7	2.2
Meeker	147	$137,730	93	$138,350	-36.7	0.5
Mille Lacs	151	$159,000	89	$144,000	-41.1	-9.4
Morrison	179	$135,000	118	$118,750	-34.1	-12.0
Mower	342	$97,962	257	$97,000	-24.9	-1.0
Murray	61	$69,500	58	$63,400	-4.9	-8.8
Nicollet	253	$163,900	203	$155,800	-19.8	-4.9
Nobles	172	$74,900	150	$73,250	-12.8	-2.2
Norman	41	$53,700	38	$68,425	-7.3	27.4*
Olmsted	1,793	$162,000	1,452	$167,000	-19.0	3.1
Otter Tail	383	$105,730	299	$123,000	-21.9	16.3
Pennington	93	$86,250	94	$88,250	1.1	2.3
Pine	129	$138,000	80	$144,850	-38.0	5.0
Pipestone	85	$60,000	73	$55,500	-14.1	-7.5
Polk	166	$103,000	204	$104,700	22.9	1.7
Pope	87	$103,500	58	$112,050	-33.3	8.3

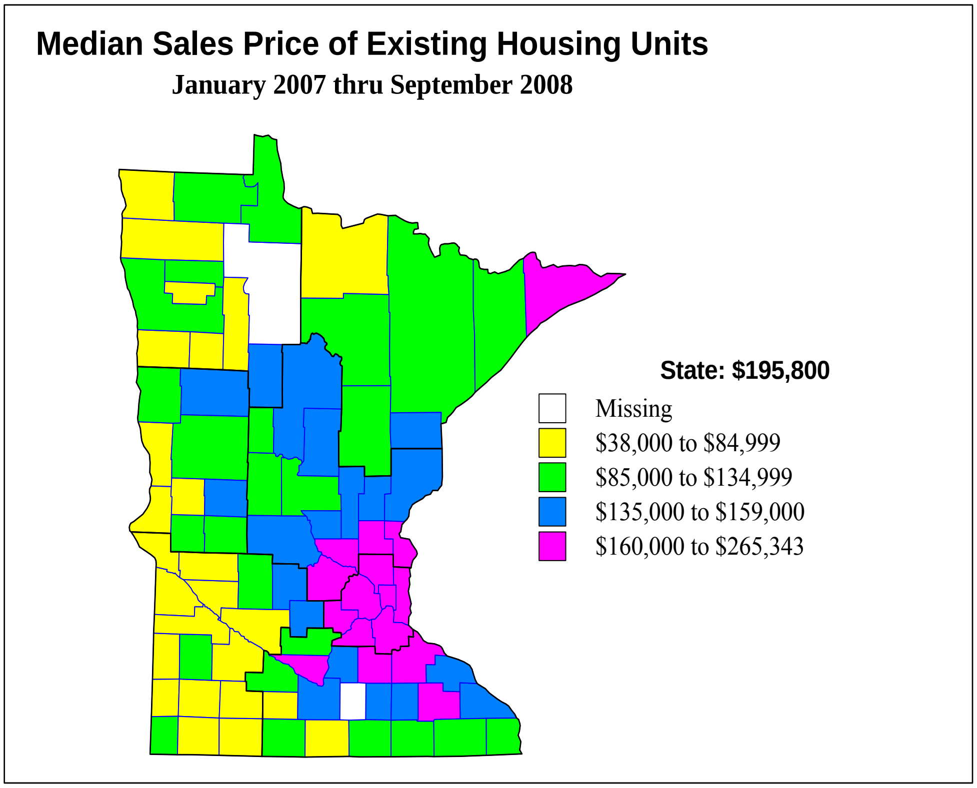
	January-September 2007		January-September 2008			
	Number of Sales	Median Sales Price	Number of Sales	Median Sales Price	% Change in Number of Sales	% Change in Median Price
Ramsey	3,165	$218,900	2,014	$215,000	-36.4	-1.8
Red Lake	25	$45,000	19	$58,500	-24.0	30.0*
Redwood	95	$73,500	84	$71,750	-11.6	-2.4
Renville	112	$87,150	60	$64,050	-46.4	-26.5
Rice	456	$190,000	268	$183,602	-41.2	-3.4
Rock	76	$82,500	61	$99,500	-19.7	20.6
Roseau	83	$89,000	48	$81,950	-42.2	-7.9*
St. Louis	1,554	$133,950	1,186	$132,000	-23.7	-1.5
Scott	1,163	$245,000	703	$232,000	-39.6	-5.3
Sherburne	661	$208,000	319	$195,000	-51.7	-6.3
Sibley	78	$125,000	57	$114,993	-26.9	-8.0
Stearns	1,054	$162,350	712	$156,675	-32.4	-3.5
Steele	304	$155,000	227	$151,000	-25.3	-2.6
Stevens	80	$87,500	72	$104,900	-10.0	19.9
Swift	60	$68,850	38	$69,050	-36.7	0.3*
Todd	91	$92,000	71	$109,500	-22.0	19.0
Traverse	16	$41,000	17	$54,000	6.3	31.7
Wabasha	144	$145,266	133	$150,000	-7.6	3.3
Wadena	86	$87,000	66	$76,750	-23.3	-11.8
Waseca	N/A	N/A	N/A	N/A	N/A	N/A
Washington	1,970	$253,436	1,259	$244,600	-36.1	-3.5
Watonwan	65	$86,000	61	$83,000	-6.2	-3.5
Wilkin	44	$78,500	33	$90,000	-25.0	14.6*
Winona	387	$138,100	313	$152,000	-19.1	10.1
Wright	1,000	$221,244	690	$193,951	-31.0	-12.3
Yellow Medicine	57	$69,000	61	$64,000	7.0	-7.2

*Fewer than 50 sales between January and September, 2008.

Source: Minnesota Department of Revenue.

Prices remain higher in Twin Cities area counties

The counties with the highest median sales prices in the first nine months of 2008 are all in the Minneapolis-St. Paul area: Carver ($271,844), Washington ($244,600), Hennepin ($240,000), and Dakota and Scott ($232,000). The lowest prices were in the western Minnesota counties of Kittson ($31,000), Lincoln ($38,000), Traverse ($54,000) and Pipestone ($55,500).



Majority of larger cities experience declines in number of sales and median price

Among cities with at least 50 housing sales between January and September of 2008, most saw a decline in both number of sales and median sales prices over the previous January through September period. In most instances the fall in sales frequency was dramatic, while declines in prices were more modest.

Brooklyn Center (-62 percent), Elk River (-53 percent), Red Wing (-49 percent), Ramsey (-47 percent) and Hopkins (-47 percent) showed the largest drops in the number of housing sales. At the other extreme, the number of sales went up in Kasson, Victoria, Stewartville, East Grand Forks and Detroit Lakes.

Among the 101 cities meeting the minimum sales criterion, 73 saw declining median sales prices. The largest decreases occurred in suburban and exurban areas north and west of Minneapolis: Otsego (-22 percent), Buffalo (-17 percent), Brooklyn Center (-16 percent), Andover (-14 percent) and St. Michael (-14 percent). Prices rose in 28 cities, with the greatest gains in Morris (51 percent), La Grand Township (35 percent), Chaska (14 percent) and Hopkins and Detroit Lakes (9 percent). Median values fell 2 percent in Minneapolis and remained stable in St. Paul.

Among larger cities, the highest median sales prices in 2008 were found in Victoria ($415,000), Edina ($410,000), Mendota Heights ($332,000) and Chanhassen ($300,000). The lowest median sales prices were recorded in International Falls ($54,750), Virginia

($76,250), Thief River Falls ($84,500) and Hibbing ($87,300), all in northern Minnesota.

The median price in Minneapolis was $225,000, and in St. Paul, $209,000.

Number of sales and median sales price in first 9 months of 2007 and first 9 months of 2008: Minnesota cities with at least 50 sales from January to September 2008

	Number of sales, January-September 2007	Median sales price, 2007, first 9 months	Number of sales, January-September 2008	Median sales price, 2008, first 9 months	% change in number of sales	% change in median sales price
Minneapolis	3,151	$229,000	2,190	$225,000	-30.5	-1.7
Rochester	1,509	$160,000	1,205	$166,000	-20.1	3.8
St. Paul	1,675	$208,500	1,057	$209,000	-36.9	0.2
Duluth	769	$149,000	563	$145,500	-26.8	-2.3
Eden Prairie	635	$317,000	479	$293,000	-24.6	-7.6
Woodbury	664	$263,700	455	$277,360	-31.5	5.2
Maple Grove	629	$245,000	434	$245,000	-31.0	0.0
Plymouth	591	$289,367	417	$290,500	-29.4	0.4
Bloomington	543	$235,000	409	$223,100	-24.7	-5.1
Eagan	567	$245,200	367	$250,500	-35.3	2.2
Apple Valley	519	$237,750	355	$229,900	-31.6	-3.3
St. Louis Park	484	$234,950	344	$230,000	-28.9	-2.1
Lakeville	553	$264,060	341	$272,900	-38.3	3.3
Burnsville	507	$235,000	324	$227,500	-36.1	-3.2
Moorhead	404	$130,733	323	$134,800	-20.0	3.1
St. Cloud	475	$152,500	307	$144,000	-35.4	-5.6
Minnetonka	452	$280,250	305	$281,300	-32.5	0.4
Edina	439	$400,000	301	$410,000	-31.4	2.5
Brooklyn Park	450	$227,475	288	$213,640	-36.0	-6.1
Mankato	344	$157,958	285	$159,500	-17.2	1.0
Blaine	456	$225,000	279	$209,900	-38.8	-6.7
Anoka	448	$201,500	251	$187,098	-44.0	-7.1
Shakopee	386	$224,000	221	$211,500	-42.7	-5.6
Chanhassen	299	$317,000	205	$300,000	-31.4	-5.4
Austin*	260	$100,000	205	$97,000	-21.2	-3.0
Richfield	273	$221,000	198	$205,750	-27.5	-6.9
Cottage Grove	247	$229,900	193	$216,700	-21.9	-5.7
Savage	287	$261,000	189	$242,000	-34.1	-7.3
Winona	246	$127,075	189	$138,100	-23.2	8.7
Farmington	287	$228,000	180	$225,450	-37.3	-1.1
Owatonna	254	$158,000	180	$153,413	-29.1	-2.9
Chaska	224	$234,290	167	$268,000	-25.4	14.4

	Number of sales, January-September 2007	Median sales price, 2007, first 9 months	Number of sales, January-September 2008	Median sales price, 2008, first 9 months	% change in number of sales	% change in median sales price
Rosemount	232	$257,000	162	$230,750	-30.2	-10.2
Inver Grove Heights	234	$217,000	161	$206,000	-31.2	-5.1
Maplewood	254	$215,450	156	$206,000	-38.6	-4.4
Shoreview	224	$240,750	154	$238,350	-31.3	-1.0
Andover	195	$272,000	149	$233,000	-23.6	-14.3
Albert Lea	151	$87,800	139	$90,000	-7.9	2.5
Hastings	222	$205,500	135	$198,500	-39.2	-3.4
Crystal	150	$201,000	132	$187,500	-12.0	-6.7
Prior Lake	225	$256,500	132	$259,950	-41.3	1.3
Willmar	165	$126,500	127	$122,600	-23.0	-3.1
Otsego	174	$234,000	126	$183,482	-27.6	-21.6
Golden Valley	158	$277,200	124	$279,350	-21.5	0.8
Sartell	155	$182,000	124	$188,825	-20.0	3.8
Hibbling	153	$91,200	122	$87,300	-20.3	-4.3
Champlain	161	$225,354	121	$214,000	-24.8	-5.0
Oakdale	215	$229,000	121	$214,900	-43.7	-6.2
North Mankato	134	$167,750	119	$161,200	-11.2	-3.9
Stillwater	205	$292,000	118	$258,372	-42.4	-11.5
Hutchinson	191	$159,000	116	$146,450	-39.3	-7.9
Waconia	138	$253,500	114	$243,731	-17.4	-3.9
Faribault	167	$160,000	114	$146,981	-31.7	-8.1
Marshall	122	$140,700	111	$145,000	-9.0	3.1
New Ulm	125	$125,000	110	$123,325	-12.0	-1.3
Roseville	192	$233,900	110	$225,000	-42.7	-3.8
Detroit Lakes	106	$124,375	107	$136,000	0.9	9.3
Elk River	222	$222,000	105	$210,000	-52.7	-5.4
Fridley	173	$212,500	103	$194,000	-40.5	-8.7
Ramsey	195	$222,500	103	$226,010	-47.2	1.6
Fergus Falls	164	$99,675	103	$98,000	-37.2	-1.7
White Bear Lake	127	$221,000	101	$209,000	-20.5	-5.4
Columbia Heights	139	$200,000	100	$176,500	-28.1	-11.8
Worthington	123	$85,000	99	$90,000	-19.5	5.9
South St. Paul	179	$199,900	97	$179,000	-45.8	-10.5
Buffalo	137	$214,900	95	$178,447	-30.7	-17.0

	Number of sales, January-September 2007	Median sales price, 2007, first 9 months	Number of sales, January-September 2008	Median sales price, 2008, first 9 months	% change in number of sales	% change in median sales price
Alexandria	102	$139,650	92	$144,113	-9.8	3.2
New Brighton	149	$227,465	89	$216,000	-40.3	-5.0
Hugo	143	$209,285	89	$203,700	-37.8	-2.7
West St. Paul	129	$196,000	87	$194,000	-32.6	-1.0
Monticello	99	$194,000	85	$189,000	-14.1	-2.6
Northfield	135	$219,900	85	$219,000	-37.0	-0.4
Red Wing	160	$167,350	82	$158,425	-48.8	-5.3
St. Michael	144	$261,790	82	$226,500	-43.1	-13.5
Lino Lakes	133	$258,500	80	$233,451	-39.8	-9.7
Sauk Rapids	108	$160,939	80	$158,000	-25.9	-1.8
New Hope	128	$232,700	80	$217,975	-37.5	-6.3
Fairmont	119	$96,000	78	$94,950	-34.5	-1.1
Forest Lake	143	$240,500	77	$230,000	-46.2	-4.4
Brainerd	138	$120,300	75	$111,400	-45.7	-7.4
Hopkins	139	$212,000	74	$231,900	-46.8	9.4
Vadnais Heights	83	$228,400	72	$218,610	-13.3	-4.3
Thief River Falls	75	$79,000	71	$84,500	-5.3	7.0
East Grand Forks	70	$152,800	71	$155,000	1.4	1.4
Victoria	63	$390,000	69	$415,000	9.5	6.4
Robbinsdale	124	$206,250	69	$191,273	-44.4	-7.3
Kasson	52	$167,000	66	$144,750	26.9	-13.3
Grand Rapids	85	$135,000	65	$129,900	-23.5	-3.8
Virginia	78	$77,075	65	$76,250	-16.7	-1.1
Cloquet	115	$129,000	64	$122,750	-44.3	-4.8
Anoka	87	$205,000	57	$180,593	-34.5	-11.9
Mendota Heights	71	$370,000	57	$332,000	-19.7	-10.3
Stewartville	55	$151,250	57	$144,000	3.6	-4.8
Morris	61	$86,000	56	$130,250	-8.2	51.5
Brooklyn Center	143	$189,900	55	$160,000	-61.5	-15.7
Baxter	67	$184,100	52	$167,650	-22.4	-8.9
Rogers	52	$270,450	52	$245,555	0.0	-9.2
Byron	56	$168,625	52	$159,950	-7.1	-5.1
North St. Paul	84	$203,850	51	$190,000	-39.3	-6.8
La Grand Township	60	$179,450	50	$242,417	-16.7	35.1
International Falls	61	$61,500	50	$54,750	-18.0	-11.0

Source: Minnesota Department of Revenue

*Austin data includes all transactions. Other cities include warranty deed and contract for deed transactions.

Trends since September, 2008

There are conflicting interpretations of trends in the housing market since late 2008. While the Case-Shiller group reports that the Twin Cities area home prices had the largest monthly decline ever recorded between February and March of 2009, the St. Paul Association of Realtors argued that the spring housing market was improving. Generally, data from government and realtor sources show declining sales prices. According to some indicators, the number of sales has increased, but this could imply more sales of distressed properties rather than a recovery in the housing market.

Realtor data report plummeting sales prices in the Twin Cities area in 2009. Previous research suggests the greatest declines have occurred among sales of distressed properties, with more modest declines in sales with normal financial characteristics. In recent years, lender-mediated sales have comprised an increasing proportion of housing sales, and this has contributed to the deterioration in housing prices.

Realtor organizations generally show the number of sales is increasing. Growth in the number of sales is not necessarily a positive trend, since many of these sales may involve foreclosures and other sales made out of financial desperation. As an extreme example, the number of sales in the Camden neighborhood in north Minneapolis increased from 429 in 2007 to 736 in 2008, but the median sales price plummeted 55 percent. Similar trends occurred in other distressed city neighborhoods as well as some suburbs.

Indicators of Housing Price Trends in Minnesota after September, 2008

Source	Date(s)	Universe	Geographic Area	% Change in Number of Sales	% Change in Price	% Change in Housing Price Index
Federal Housing Finance Agence http://www.fhfa.gov/	First quarter 2008 to first quarter 2009	Repeat sales of single-family homes with mortgages purchased or securitized by Freddie Mac or Fannie Mae	United States			-7.1
			Minnesota			-6.0
			Minneapolis-St. Paul-Bloomington MN-WI MSA			-12.7
Standard and Poor's/ Case-Shiller Index www.homeprice.standardandpoors.com	March 2008 to March 2009	Repeat sales of single-family homes based on data from county assessor offices	Minneapolis-St. Paul-Bloomington MN-WI MSA			-23.3
National Association of Realtors http://www.realtor.org/research/research/metroprice	First quarter 2008 to first quarter 2009	Median sales price of existing single-family homes, condos and co-ops	United States		-13.8	
			Minneapolis-St. Paul-Bloomington MN-WI MSA		-12.9	
	First quarter 2008 to first quarter 2009	Number of sales of existing single-family homes, condos and co-ops	United States	-6.8		
			Minneapolis-St. Paul-Bloomington MN-WI MSA	11.9		

Indicators of Housing Price Trends in Minnesota after September, 2008, cont.

Source	Date(s)	Universe	Geographic Area	% Change in Number of Sales	% Change in Price	% Change in Housing Price Index
National Association of Realtors http://www.realtor.org/research/research/metroprice	Last quarter 2008 to first quarter 2009	Number of sales of existing single-family homes, condos and co-ops	Minnesota	21.9		
Minneapolis Area Association of Realtors http://www.mplsrealtor.com/the100.aspx	January-April 2008 to January-April 2009	Regional Multiple Listing Service data for residential property in the Twin Cities Area	13-County Minneapolis-St. Paul Metropolitan Area	7.3	-23.3	

From last quarter 2008 to first quarter 2009, the number of sales in Minnesota grew 21.9%, putting Minnesota among states with the largest increases in number of sales, realtor data show. Most states reported declining numbers of sales. As with the neighborhood trends, increases in number of sales are not necessarily a positive sign, since many of the states with increases − Nevada, Ohio, Florida and Arizona − are recognized as having very distressed housing markets.

Sources:

Minnesota housing sales price data from Minnesota Department of Revenue, Property Tax Division. The file was provided by Tom Clark.

Sources of post-2008 data on housing sales and prices are shown in the table title "Indicators of Housing Trends in Minnesota after September, 2008."

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