



January 2013

Volume 53: December 2012 Data

2012 Housing Market Finishes Strong

Without question, 2012 was the long hoped-for turnaround year for the housing market. The RE/MAX National Housing Report shows a broad recovery across the country, with both home sales and prices rising almost every month of the year. For December, the number of home sales was up 3.8% and the median price of those homes rose 7.6%. Throughout the year, a favorable combination of record low interest rates, affordable prices and a shrinking inventory created opportunities that many consumers could not resist. The inventory of homes for sale fell each month of the year, ending the year at a level 29.1% below the inventory of December 2011. A reduced inventory helped home prices rise, but also made it difficult for many buyers to find the home of their dreams. The New Year should see the same trends continue.

"We can finally say that the worst of the housing crisis is now behind us, as 2012 saw dramatic increases in both sales and prices, with home buyers and sellers coming back to the market in numbers we've been anticipating for years," said Margaret Kelly, CEO of RE/MAX, LLC. *"The market started 2012 with a great surge, and we're hoping that 2013 will be even stronger. We're not completely out of the woods, but we're well on the way to a solid and sustainable recovery."*

TRANSACTIONS – YEAR-OVER-YEAR CHANGE

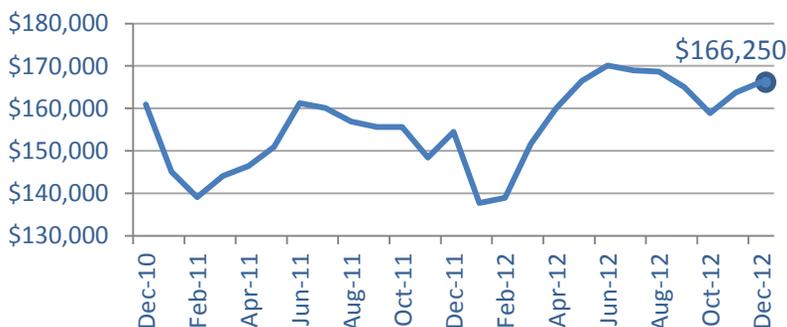


December home sales followed a traditional holiday pattern, dropping lower than the November rate, this year by 4.9%. However, sales were markedly better than December 2011 by 3.8%. This is the eighteenth month in a row with sales higher than the same month in the previous year. Of the 52 metro areas surveyed in the December RE/MAX National Housing Report, 34 reported higher sales than December 2011. Sixteen of those metropolitan areas reported double digit gains over last December including: Raleigh-Durham, NC +31.3%, Albuquerque, NM +29.6%, Providence, RI +24.5%, Chicago, IL +21.1%, Hartford, CT +19.9% and Charlotte, NC +16.7%.

MEDIAN SALES PRICE

The December Median Price for all homes sold in the survey's 52 metro areas was \$166,250. This price is 1.8% higher than the Median Price in November, and 7.6% higher than the price seen in December 2011. December is the eleventh consecutive month with higher prices than the same time last year. December prices bucked the holiday trend and rose both on a monthly and annual basis. Of all 52 metro areas included in the December survey, a strong showing of 48 experienced year-over-year price increases. Of those, 21 saw double digit increases including: San Francisco, CA +34.6%, Detroit, MI +32.8%, Phoenix, AZ +31.4%, Boise, ID +29.1%, Miami, FL +27.4% and Las Vegas, NV +26.2%.

DEC 2012	\$166,250
DEC 2011	\$154,505



DAYS ON MARKET – AVERAGE OF 52 METRO AREAS



The average Days on Market for homes sold in the month of December was 84. This is just two days more than average of 82 in November, but a substantial 12 days lower than the 98 days average in December 2011. The average Days on Market for the 12 months of 2012 was 89. December represents the seventh time in the past 12 months that a Days on Market average was below 90. The lower Days on Market average is a direct result of a greatly reduced inventory. Days on Market is the number of days between when a home first being listed in an MLS and when a sales contract is signed.

MONTHS SUPPLY OF INVENTORY – AVERAGE OF 52 METRO AREAS

The total number of homes for sale in December dropped 11.8% from November and 29.1% from the number on the market in December 2011.

Month-to-month inventories have now fallen for 30 consecutive months. Although rising prices may be the result of a shrinking inventory, a low inventory also causes difficulties for many potential buyers. Given the December rate of home sales, the average Months Supply was 5.7, nearly identical to the 5.6 supply in November, but significantly lower than the 7.8 month supply in December last year. Very low Months Supply levels continue to be seen in cities like: San Francisco, CA 1.1, Los Angeles, CA 1.8, Denver, CO 3.0, Orlando, FL 3.0, San Diego, CA 3.0, Seattle, WA 3.1, Las Vegas, NV 3.1, Minneapolis, MN 3.4, and Detroit, MI 3.5.



CONTACT

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

ABOUT THE RE/MAX NETWORK

RE/MAX was founded in 1973 by Dave and Gail Liniger, real estate industry visionaries who still lead the Denver-based global franchisor today. RE/MAX is recognized as a leading real estate franchisor with the most productive sales force in the industry and a global reach of more than 85 countries. With a passion for the communities in which its agents live and work, RE/MAX is proud to have raised more than \$120 million for Children's Miracle Network Hospitals, Susan G. Komen for the Cure® and other charities. Nobody in the world sells more real estate than RE/MAX. Please visit www.remax.com or www.joinremax.com.

DESCRIPTION

The RE/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 (active inventory) divided by the number of sales contracts signed (pending) during the month. Where "pending" 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.