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RE/MAX National Housing Report for January 2020

10 Percent Jump in Sales Best Start to Year Since 2009

DENVER – Last month's home sales posted the highest year-over-year gain for January in 11 years, increasing an average of 10.5% in the 54 metro areas covered by the report. Meanwhile, the 15.6% year-over-year drop in inventory was the largest decline since May 2017 and marked the seventh consecutive month of year-over-year shrinkage in the number of U.S. homes for sale.

Despite very low inventory, January and December (+13.5%) marked the first back-to-back months with double-digit year-over-year growth in home sales since June and July of 2015.

"Strong buyer demand continues to be the defining theme in the housing market," said Adam Contos, CEO of RE/MAX Holdings, Inc. "January sales were encouraging, and were likely pushed in part by millennials coming into the market. It's a massive group of people, with many of them forming households and looking to buy their first homes. Affordability and limited supply are still constraints, but overall, housing is in a much better place than it was a year ago."

January's Median Sales Price of \$256,000 - though 3.4% below December - was 8.9% higher than January 2019 and extended the string of year-over-year price increases to 13 months.

In the nearly 12-year history of the report, three January records were set or tied last month:

- Fewest Months Supply of Inventory: 3.1
- Fewest Days on Market: 59 (tied with January 2019)
- Highest Median Sales Price: \$256,000

Closed Transactions

Of the 54 metro areas surveyed in January 2020, the overall average number of home sales is down 26.9% compared to December 2019, and up 10.5% compared to January 2019. Leading the year-over-year sales percentage increase were Los Angeles, CA at +31.9%, Burlington, VT at +28.7%, and New Orleans, LA at +22.5%.

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Median Sales Price – Median of 54 metro median prices

In January 2020, the median of all 54 metro Median Sales Prices was \$256,000, down 3.4% from December 2019, and up 8.9% from January 2019. Only one metro area, Wichita, KS at -2.8%, saw a year-over-year decrease in Median Sales Price. Thirteen metro areas increased year-over-year by double-digit percentages, with the largest increases seen in Trenton, NJ at +24.4%, Birmingham, AL at +18.6%, and Boise, ID at +16.6%.

Days on Market – Average of 54 metro areas

The average Days on Market for homes sold in January 2020 was 59, up six days from the average in December 2019, and equivalent to the average in January 2019. The metro areas with the lowest Days on Market were Nashville, TN at 34, Omaha, NE at 35, and a three-way tie between Birmingham, AL, Cincinnati, OH, and San Diego, CA at 43. The highest Days on Market averages were in Des Moines, IA at 107, Miami, FL at 105, and Augusta, ME at 93. 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 54 metro areas

The number of homes for sale in January 2020 was down 5.0% from December 2019 and down 15.6% from January 2019. Based on the rate of home sales in January 2020, the Months Supply of Inventory decreased to 3.1 compared to 3.6 in December 2019 and decreased compared to 4.5 in January 2019. A six months supply indicates a market balanced equally between buyers and sellers. In January 2020, of the 54 metro areas surveyed, seven metro areas reported a months supply at or over six, which is typically considered a buyer's market. The markets with the highest Months Supply of Inventory were Indianapolis, IN at 8.8, Miami, FL at 6.8, and Chicago, IL at 6.2. The markets with the lowest Months Supply of Inventory were Denver, CO at 1.2, San Francisco, CA at 1.3, and a four-way tie among Boise, ID, Charlotte, NC, Phoenix, AZ and Seattle, WA at 1.4.

For specific data in this report or to request an interview, please contact mediarelations@remax.com

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About the RE/MAX Network

As one of the leading global real estate franchisors, RE/MAX, LLC is a subsidiary of RE/MAX Holdings (NYSE: RMAX) with over 125,000 agents in more than 110 countries and territories. Nobody in the world sells more real estate than RE/MAX, as measured by residential transaction sides. Dedicated to innovation and change in the real estate industry, RE/MAX launched Motto Mortgage, a ground-breaking mortgage franchisor, in 2016 and acquired booj, a real estate technology company, in 2018. RE/MAX agents have lived, worked and served in their local communities for decades, raising millions of dollars every year for Children's Miracle Network Hospitals® and other charities. To learn more about RE/MAX, to search home listings or find an agent in your community, please visit www.remax.com. For the latest news about RE/MAX, please visit news.remax.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 54 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. Months 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 (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 of the median sales prices in each of the metro areas included in the survey.

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.

