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FOR IMMEDIATE RELEASE

INDIANA REAL ESTATE THIS SPRING: USE A REALTOR® TO SEAL THE DEAL **February Pending Sales Knocked by Low Inventory, Price Increases, and Rising Rates**

(INDIANAPOLIS, IN) — As the industry readies for the spring homebuying and selling season, historically-low supply may complicate paths to the closing table if you don't have professional representation, according to the Indiana Real Estate Markets Report today released by the state's REALTORS®.

The Indiana Real Estate Markets Report obtains data from 11 of the state's 12 Multiple Listing Services (MLSs), including the Broker Listing Cooperative® (BLC®) in central Indiana. To date, the report represents 98 percent of the housing market statewide and 91 of 92 Indiana counties.

Statewide year-over-year comparisons (February 2018 vs. February 2017) show:

- Median sales price of homes **increased** 12.9 percent to \$149,000
- Average sales price of homes **increased** 8.3 percent to \$172,052
- Closed home sales **increased** 4.3 percent to 4,911
- Pending home sales **decreased** 4.6 percent to 6,092
- Percentage of original list price received **increased** 0.7 percent to 95.4 percent
- Number of new listings **decreased** 12.1 percent to 6,953
- Inventory of homes for sale **decreased** 13.2 percent to 23,175 units
- Months supply of homes for sale **decreased** 16.2 percent to 3.1 months

"Despite rising mortgage rates, buyers continue to seek and find homes," said South Bend's John De Souza, 2018 President of the Indiana Association of REALTORS® (IAR). "Modest levels of new construction are keeping pressure on the historically-low inventory of existing homes, resulting in home prices growing by about 13 percent year-over-year."

A short supply of homes on the market may explain why more REALTORS® than not stated in the [Q1 REALTOR® Sentiment Survey](#) that their number of pending sales was lower than this time last year. This is the second quarter in a row with this finding. The [Indiana Business Research Center](#) conducts the survey and all respondents are [IAR](#) members.

As for rates, [Inman News this week reports](#), "In a widely anticipated move, newly appointed Federal Reserve Chairman Jerome Powell on Wednesday announced a modest benchmark interest rate hike of between 1.5 and 1.75 percent amidst continued optimism over economic growth in 2018." Economists predict this is the first of three likely adjustments for 2018. Since higher rates do tend to factor into housing affordability for many buyers, especially first-timers, changes are worth monitoring.

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