

RE/MAX Valley Real Estate

Mahoning Valley Market Report

MVHR™ - Month Ending April 30, 2012

According to RE/MAX Valley Real Estate's **Mahoning Valley Housing Report (MVHR) for April, 2012**, single family residential sales (*not seasonally adjusted*) marked seven straight months of increases as the **annual existing-home sales** moved up 10.4 percent over April of 2011. Even the pace of the increases are improving as this month see a strong double digit paced increase.

The cost of a median priced home dipped slightly in April. **The adjusted price of a median home** as measured by the MVHR edged down from \$62,234 to \$61,795. April's raw price score was also down a bit, 2.8 percent less than in March. We've been saying that we believe we are at or very close to our price bottom and that the increase in sales activity we've seen for the past several months will eventually make itself felt in the form of home prices trading at a slightly higher level. We'll experience small fluctuation in home prices for the balance of 2012.

April ended with 3,465 homes for sale in the Valley—a third straight seasonal increase, one to be expected as more sellers come onto the market to take advantage of the spring buying season. However, the increase was very small and we count over 15 percent fewer homes on the market this year than last. We find the **seasonally adjusted Absorption Rate** (the time it will take to sell all the currently active homes on the market) in the Valley below 14 months and falling more than 23 percent from April a year ago (the seventh straight monthly double-digit decrease). The seasonally adjusted rate continues to improve as well.

In summary, the Valley is still trending to **lower inventory, increasing sales, and stabilizing prices**. We think recovery is under way. Nationally, Lawrence Yun, NAR chief economist agrees...

“First quarter sales closings were the highest first quarter sales in five years. The latest contract signing activity suggests the second quarter will be equally good,” he said.

“The housing market has clearly turned the corner. Rising sales are bringing down inventory and creating much more balanced conditions around the county, which means home prices will be rising in more areas as the year progresses,” Yun said.



APRIL DETAILS

TRANSACTIONS:

- **Transactions Per Month (TPM).** Sales of existing-homes (*not seasonally adjusted*) in April increased 8.6 percent) from March to 328 units. April's data also exceeded April 2011 by a double digit margin of 27.1 percent. **Raw data has exceeded year over year sales for 10 of the last 12 months.**

The seasonally adjusted **TPM** (*a twelve month moving average of transactions*), managed a slim marginal of 2.0 percent over March. This is the tenth advance in 12 months as well. We saw the sixth straight increase in the seasonally adjusted twelve month average which pushed ahead 10.4 percent.

- **Transactions Per Year (TPY).** Valley Realtors® sold 3,517 homes over the 12 months ending in April (unadjusted), up 2.0 percent from the 3,447 sales sold in March. The adjusted **TPY** (*a twelve month moving average*) stands at an annual total of 3,300 units sold, up 0.8 percent from March, the **sixth consecutive increase**. The rolling average sits just 2.7 percent below that of a year ago and improving steadily.

- **Pending Home Sales (PHS).** Pending home sales are transactions under contract but not yet closed. They are seen as a forward looking indicator of future closed sales.

The twelve month moving average of pending home sales, **PHS**, increased 4.2 percent to 550 units currently in escrow at the end of April. That's 6.8 percent better than last year and looking good for May sales and beyond.

INVENTORY:

- **Supply of Active Inventory (SAI).** The supply of active inventory is a count of the total single family residential homes on the market on the last day of the period.

April sees further significant improvement in the Valley's inventory overload, at least compared to 2011. The small month to month increase of 0.8 percent inventory is do to seasonal fluctuation and should not dim the joy of seeing a significant 15.3 point reduction over April of 2011.

The **SAI** (*a seasonally adjusted 12 month average*) decreased 0.7 percent to 3,824 in April, 9.5 percent less than in April of 2011.

- **Absorption Rate of Inventory (ARI).** The **ARI**, also known as Months Supply of Inventory, measures the time (*in months*) it will take for the current market to sell off or 'absorb' all the homes listed for sale. A market is considered in balance when that rate is about six months.

The raw (not seasonally adjusted) absorption rate for April decreased to 11.8 months, a modest drop of 1.2 percent over March, but a staggering drop of 23.3 percent below the level seen in April of 2011.

April's **ARI** (*seasonally adjusted 12 month average*) declined 3 clicks to 13.9 months. That's the first time the ARI has fallen below 14 months since September of 2010.

- **Days On Market (DOM).** The DOM is a measure of the marketing time in days, only for homes that **sold** during the period (*making no allowance for the homes still left on market*). Therefore, DOM may not be as valuable a market indicator as Absorption Rate (**ARI**) above. Still, it's a gauge that is useful to compare today's market to past market performance.

April homes sold at an average unadjusted rate of 110 days, the shortest rate since November of 2011. The **DOM** (*a seasonally adjusted twelve month moving average*) fell 2.2 percent to 121 days in April. Last year at this time the DOM sat at 118 days.

MEDIAN HOME PRICE :

Median Home Price – Sold (MPS) is a measure of the median home price for all the homes that sold in a specified period. The **median** is a number in a series of numbers chosen so that exactly half of the remaining numbers are greater than the median and the other half are less than the median. The median, therefore, is less affected by a very high or an extremely low home sale than would a simple mean or average.

After soaring to \$62,750, an increase of 25.5 percent in March, the actual or *unadjusted* median price for homes sold in the Valley in April stepped back 2.8 percent to \$60,975.

The adjusted April price dipped slightly as well. The April **MPS** figure (*a seasonally adjusted 12 month average*) edged down 0.7 percent to \$61,795 from \$62,234 in March. That puts us marginally behind last year by just 0.8 percent.

Even though prices dipped a bit in April, we still see far more stability this year compared to last—especially when coupled with the strong upward movement in existing-home sales and pending contracts, and the further reduction of inventory. We confidently look forward to further price improvement in the second quarter of 2012.

See Also OnLine:

- [12 Month MPS - pdf](#)
- [24 Month MPS - pdf](#)
- [Historical MPS, monthly since August 2006.](#)
- [Transactions \(existing home sales\) - Qtr. Review](#)
- [Average Median Sales Price - Qtr. Review](#)

The market still favors buyers but the probability of selling a home in 90 days edged up this month to 23.7% — a skosh less than one chance in four.



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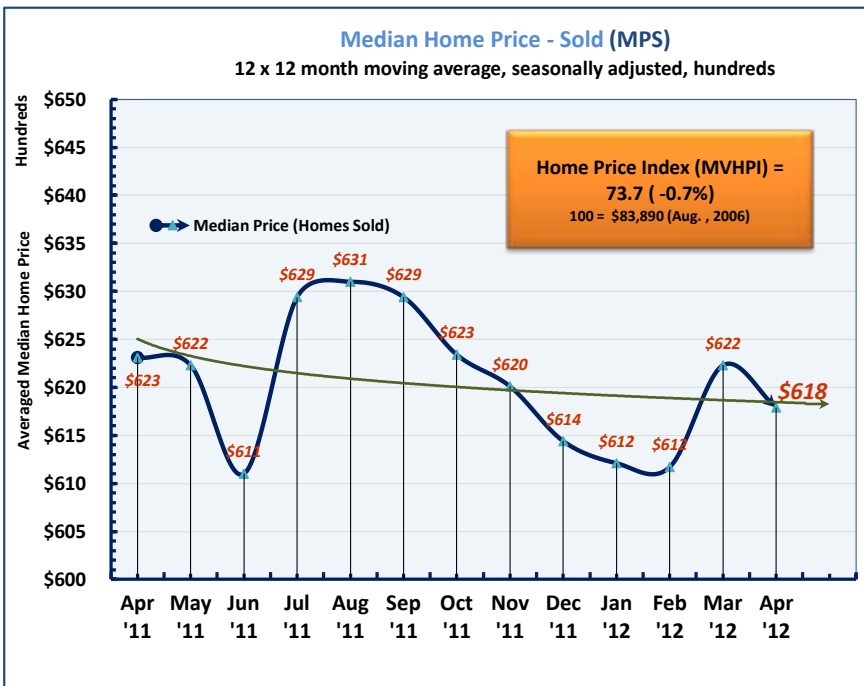
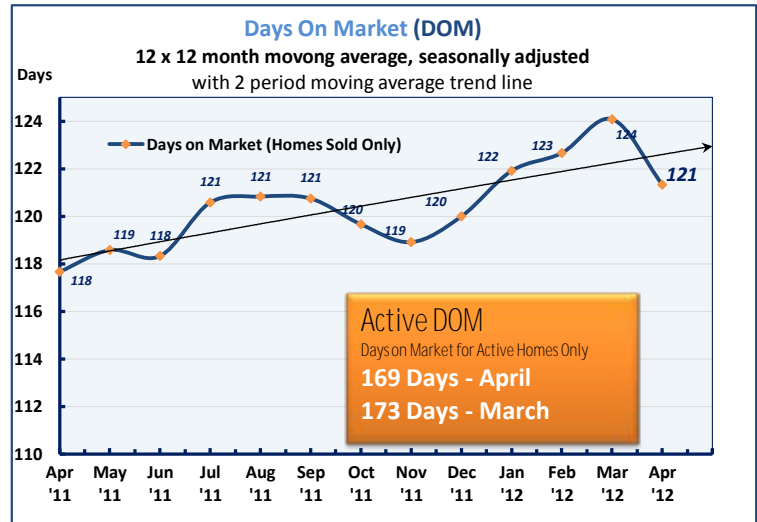
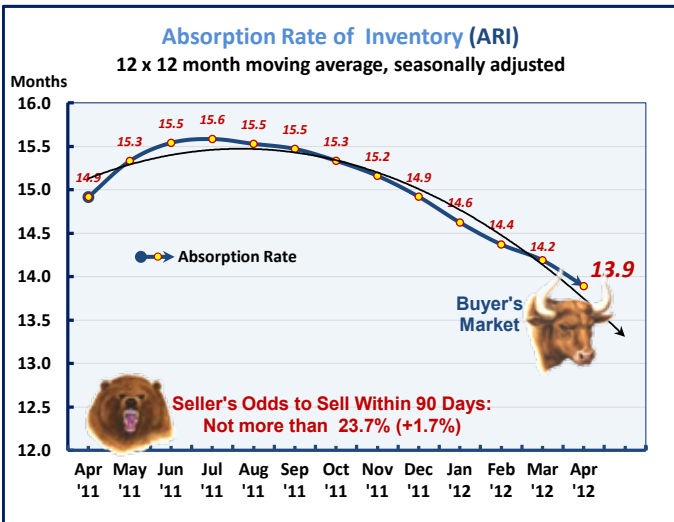
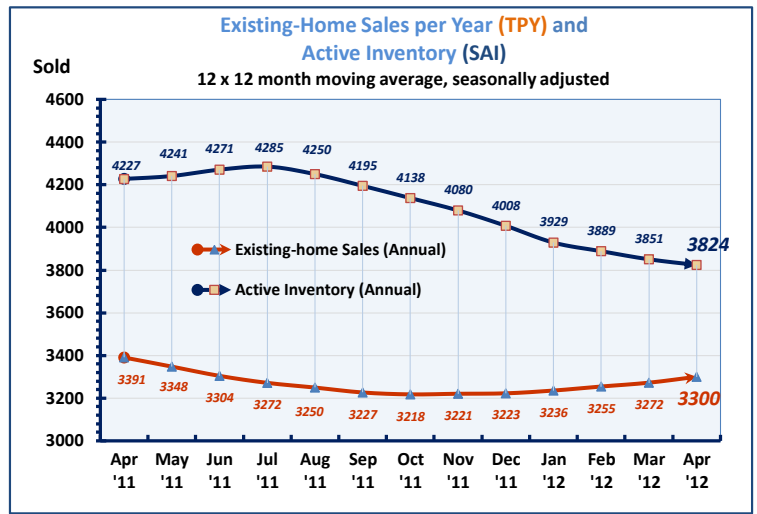
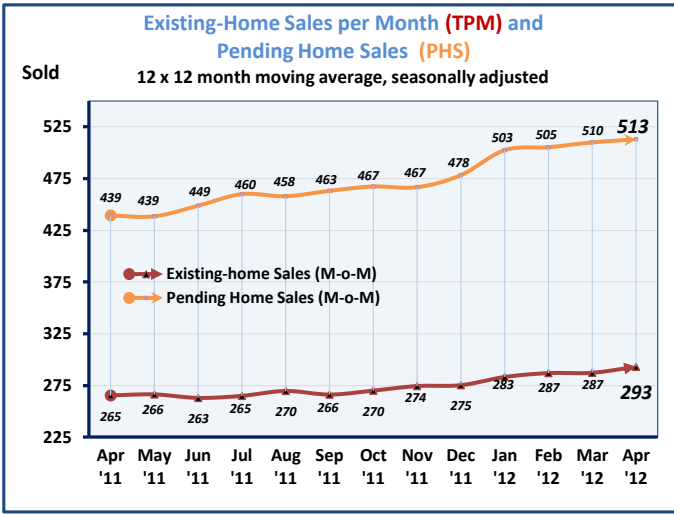


Mahoning Valley Housing Report™

(Counties of Mahoning, Trumbull, and Columbiana)

Ohio, Mahoning Valley Summary

April, 2012



April, 2012 "Mahoning Valley Market Report"		
"Sold" Transactions (TPM)		
Current Month	328	change
One Month Previous-	302	8.6%
12 Months Previous -	258	27.1%
(TPM) 12 x 12 Monthly Trend	293	↑
(TPY) 12 x 12 AnnualTrend	3,300	↔
Supply of Active Inventory (SAI)		
Current Month	3,465	change
One Month Previous-	3,436	0.8%
12 Months Previous -	4,089	-15.3%
(SAI) 12 x 12 Month Trend	3,824	↓
Absorption Rate Current Mo.	11.9	-1.2%
(ARI) 12 x 12 Month Trend	13.9	↓
Days On Market (DOM)		
Current Month	110 days	change
One Month Previous-	135 days	-18.5%
12 Months Previous -	143 days	-23.1%
(DOM) 12 x 12 Month Trend	121	↓
Median Home Price Sold (MSP)		
Current Month	\$60,975	change
One Month Previous-	\$62,750	-2.8%
12 Months Previous -	\$66,250	-8.0%
(MSP) 12 x 12 Month Trend	\$61,795	↓

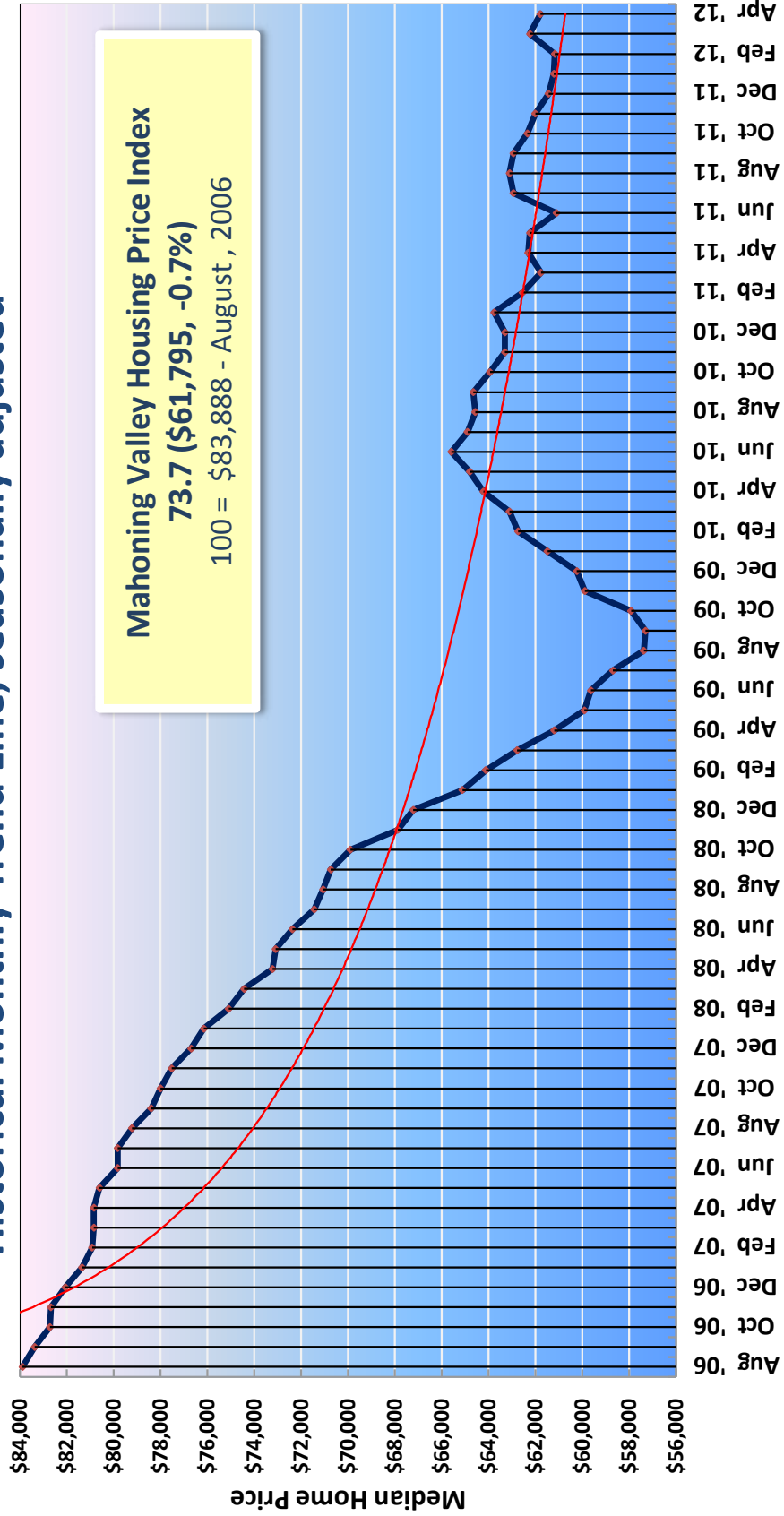


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Report date: 5/3/2012

Mahoning Valley Housing Report™ Median Home Price Index - Sold (MPS) Historical Monthly Trend Line, seasonally adjusted





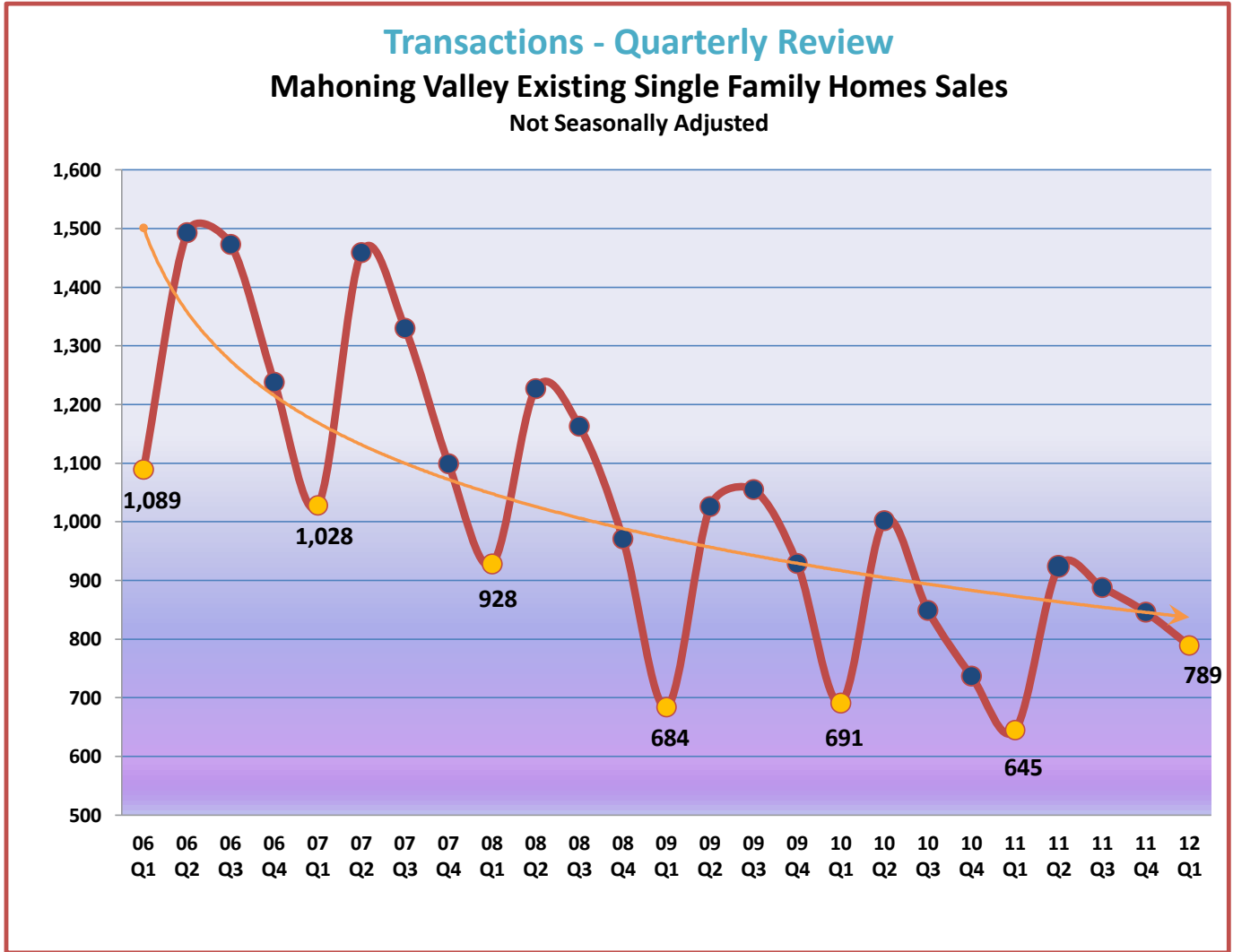
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5/3/2012

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Mahoning Valley Housing Report

Trumbull, Mahoning and Columbiana Counties



Annual 2010	Quarterly Average 2011	Quarterly Average 2012	2011.I	2011.II	2011.III	2011.IV	2012.I	Quarterly Change	Annual Change
820	826	789	645	924	888	846	789	-6.7%	22.3%
3279 Yr.	3303 Yr.	Yr.							

This information is presented as a free service to our community. All data herein has not been verified and is not guaranteed.
 Equal Housing Opportunity Provider.

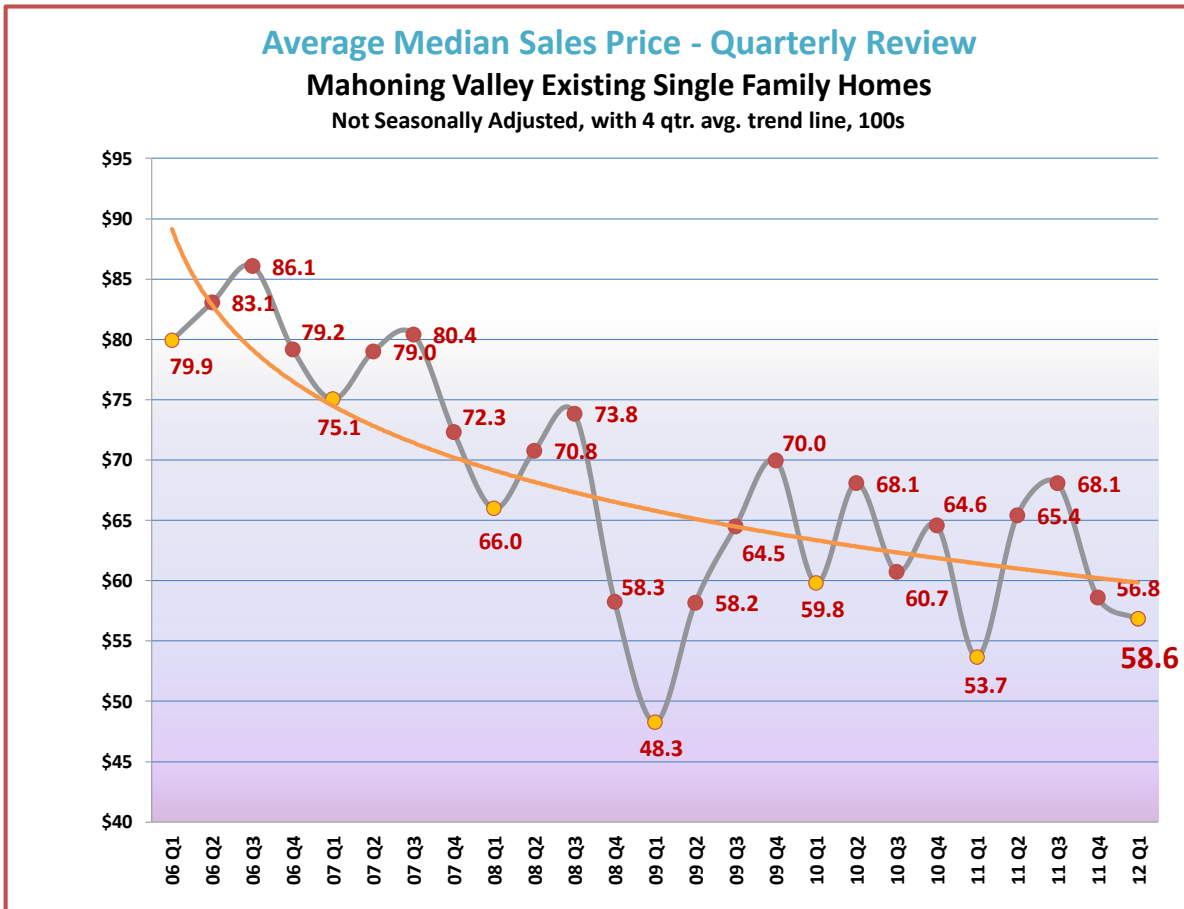


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Mahoning Valley Housing Report

"Trumbull, Mahoning, and Columbiana Counties"



Annual Average								Quarterly	Annual
2010	2011	2012	2011.I	2011.II	2011.III	2011.IV	2012.I	Change	Change
\$63,303	\$61,443	\$56,830	\$53,667	\$65,417	\$68,083	\$58,604	\$56,833	-3.0%	5.9%