Explanation of Methodology for Housing Market Reports

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Housing statistical reports published by the Columbus REALTORS® represent activity for residential properties only. This includes attached and detached single family and condominium properties. The statistics do not include land/farm, multi-family, office, commercial, industrial, business, or rental.

Following is an explanation of terms used in the reports.

Closed Sales - A count of actual sales that have closed within a given period (month or year-to-date). *MLS statuses = Sold (CLOSD) and Sold Non MLS (CLOSDN)*

In Contracts - A count of the properties on which contracts have been written in a given period (month or year-to date). *MLS statuses = Under Contract (PEND), Contingent-Escape (CONTE), Contingent-Finance/Insurance (CONTC) and Contingent Lien Release (CONTL)*

Average Sales Price - The sum of all the prices for all closed sales in a given month, divided by the number of homes sold. *Does not account for seller concessions.*

Median Sales Price – The point at which half of the homes sold in a given period were priced higher and half were priced lower. ex. The median price of 101 sold homes would be that price which is lower than 50 of the prices and also higher than 50 of them.

Note: The median and average price can be quite different for the same sample group. For instance, if the prices of sold properties are very evenly distributed, the median and average sale price might be very similar. However, if the homes sold were weighted more to one end or the other of the price spectrum, then the median and average could be quite different.

Average Price per Square Foot - The sales price of each sold property divided by its square footage. The price per square foot for each property is then averaged. *Does not account for seller concessions. The square footage used is that which is found in the county auditor record - which is SqFt Tax Record in the MLS (not ATFLS). FYI – Tempo/Fusion reports use ATFLS Approx Total Finished Living Space*

Percent of Original List Price Received - The average percentage found when dividing a property's sales price by its original list price. *Does not account for seller concessions.*

Percent of Last List Price Received - The average percentage found when dividing a property's sales price by its last recorded list price. *Does not account for seller concessions.*

Days on Market Until Sale - The average number of days between the time a property is listed and when an offer is accepted or closed. This is not necessarily how long the house has been on the market. If an owner switches real estate agents, the number is reset. There are also occasions when a home is withdrawn and later relisted. This would also reset the DOM. However, real estate agents are able to research the properties MLS history and can tell more effectively how long the property has been on the market.

New Listings - A count of the properties that have been newly listed in a given period (month or year-to-date.)

Median List Price of Homes for Sale - The median list price for all new listings added to the market in a given period.

Inventory of Homes for Sale - The number of properties available for sale in active status at the end of the month.

Months Supply of Inventory - Compares the current number of homes for sale to the average number of properties that were sold for the last twelve months. *Formula: current active inventory ÷ average monthly number of homes closed.*

Change in Median Sales Price from Prior Year (6-Month Average) *line chart*
To get an un-skewed picture of what direction housing prices are moving in a community, it's necessary to use more than one month of sales or risk getting some very "extreme" numbers due to small sample size. Therefore, the line chart at the bottom of the Local Market Update uses sales from the last 6 months in its calculation so that the line chart is more readable and relevant and a clearer picture of market direction can be seen.

Every dot on the line chart represents 6 months worth of activity. We take the year-over-year change in Median Sales Price for each of those 6 months and merge them into a single average by assigning weight to each of the 6 months that is proportionate to the share of sales that month had from the last 6 months. In other words, if December accounted for 13% of the home sales in the area during the last 6 months, then the change in MSP for December is given 13% of the weight in our calculation of that dot on the chart, with the other 5 months for that dot accounting for similar weighted averages.

We're pleased with the quick, visual picture it provides that tells the story of how a community's values are moving relative to the region as a whole. Using the weighted average helps achieve this.

0% means no change in median sales price from the prior year. This is a baseline since we're able to show positive price gains and negative price losses. Small areas, or areas with no activity, may show 0%, but most times the data points will be above or below that line as prices appreciate/depreciate.

View the most current housing statistics at www.columbusrealtors.com/stats.