



REALTOR® Association of the Sioux Empire Inc.

# Monthly Indicators

## June 2012

We're halfway through 2012, and what a year it's been. Residential real estate has finally taken some meaningful strides toward recovery, and they've all been self-powered without divine (or governmental) intervention. Yes, there have been some head fakes in the past, but there's real reason to believe that market turnaround awaits us. Beyond home prices, key metrics to watch include Days on Market, Percent of List Price Received and Months Supply of Inventory. Locally, several indicators showed improvement. Let's see what the rest of our local data has to say.

New Listings in the Sioux Falls region decreased 7.4 percent to 529. Pending Sales were up 7.0 percent to 335. Inventory levels shrank 13.4 percent to 1,985 units.

Prices moved higher. The Median Sales Price increased 8.6 percent to \$152,000. Days on Market was up 1.9 percent to 90 days. The supply-demand balance stabilized as Months Supply of Homes for Sale was down 24.4 percent to 7.5 months.

We seem to be at a critical inflection point in our search for more employment opportunities. Job growth provides the dual benefit of stimulating new household growth as well as relieving distressed homeowners. There's also the positive feedback loop of housing creating jobs and jobs creating housing. Keeping the affordability picture afloat, the Fed has vowed to keep interest rates around 4.0 percent through mid-2013.

## Quick Facts

|                                  |  |                               |
|----------------------------------|--|-------------------------------|
| <b>0.0%</b>                      | <b>+ 8.6%</b>                          | <b>- 13.4%</b>                |
| Change in<br><b>Closed Sales</b> | Change in<br><b>Median Sales Price</b> | Change in<br><b>Inventory</b> |

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# Market Overview

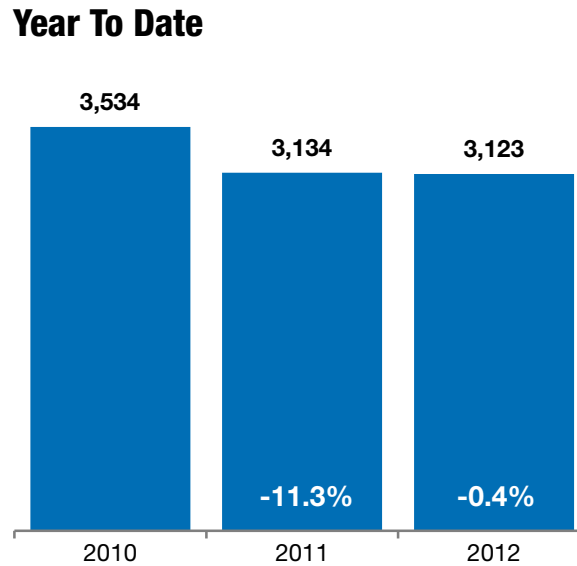
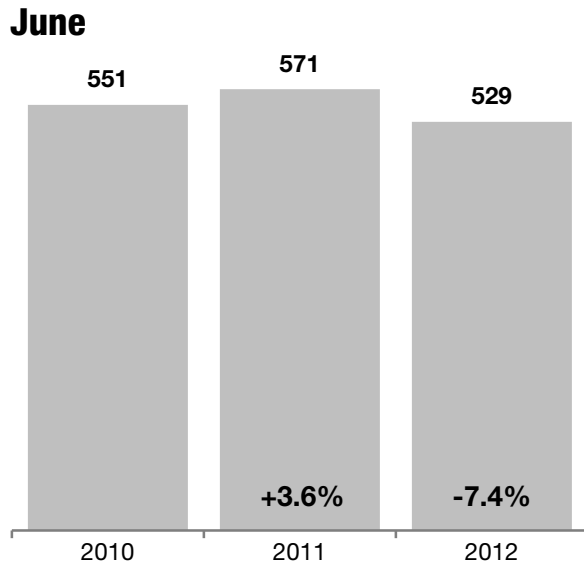
Key market metrics for the current month and year-to-date.



| Key Metrics                                    | Historical Sparklines | 6-2011    | 6-2012           | + / -   | YTD 2011  | YTD 2012         | + / -   |
|--|-----------------------|-----------|------------------|---------|-----------|------------------|---------|
| <b>New Listings</b>                            |                       | 571       | <b>529</b>       | - 7.4%  | 3,134     | <b>3,123</b>     | - 0.4%  |
| <b>Pending Sales</b>                           |                       | 313       | <b>335</b>       | + 7.0%  | 1,510     | <b>1,739</b>     | + 15.2% |
| <b>Closed Sales</b>                            |                       | 337       | <b>337</b>       | 0.0%    | 1,400     | <b>1,572</b>     | + 12.3% |
| <b>Days on Market Until Sale</b>               |                       | 88        | <b>90</b>        | + 1.9%  | 97        | <b>98</b>        | + 1.4%  |
| <b>Median Sales Price</b>                      |                       | \$140,000 | <b>\$152,000</b> | + 8.6%  | \$139,490 | <b>\$148,000</b> | + 6.1%  |
| <b>Average Sales Price</b>                     |                       | \$162,011 | <b>\$187,658</b> | + 15.8% | \$157,902 | <b>\$171,857</b> | + 8.8%  |
| <b>Percent of Original List Price Received</b> |                       | 94.7%     | <b>95.7%</b>     | + 1.0%  | 93.6%     | <b>94.6%</b>     | + 1.1%  |
| <b>Housing Affordability Index</b>             |                       | 206       | <b>199</b>       | - 3.7%  | 207       | <b>203</b>       | - 1.9%  |
| <b>Inventory of Homes for Sale</b>             |                       | 2,291     | <b>1,985</b>     | - 13.4% | --        | --               | --      |
| <b>Months Supply of Homes for Sale</b>         |                       | 9.9       | <b>7.5</b>       | - 24.4% | --        | --               | --      |

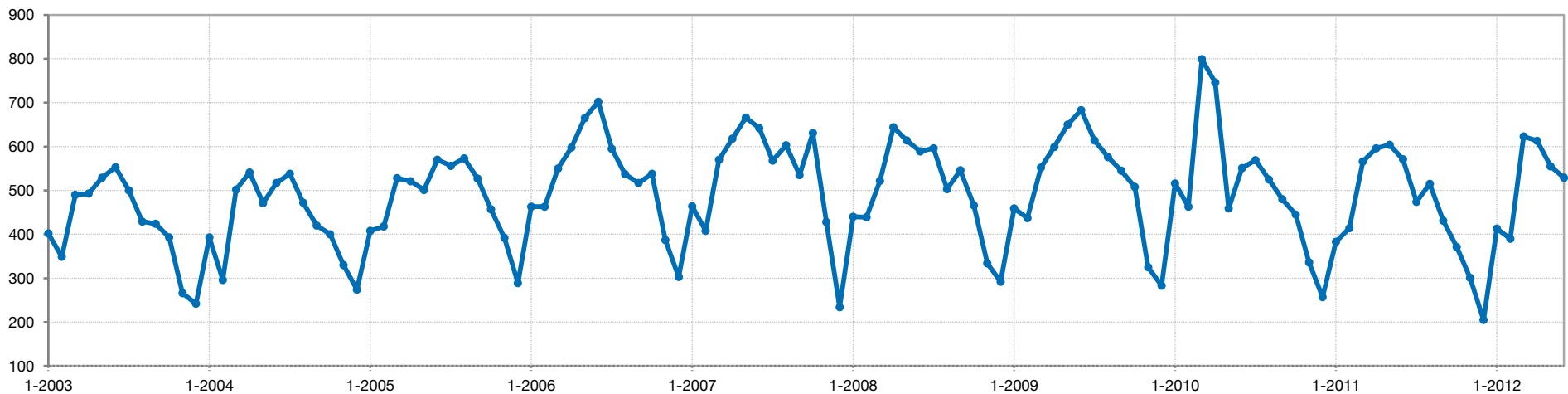
# New Listings

A count of the properties that have been newly listed on the market in a given month.



| Month               | Prior Year | Current Year | + / -        |
|---------------------|------------|--------------|--------------|
| July                | 569        | 474          | -16.7%       |
| August              | 525        | 515          | -1.9%        |
| September           | 480        | 431          | -10.2%       |
| October             | 445        | 371          | -16.6%       |
| November            | 336        | 301          | -10.4%       |
| December            | 257        | 205          | -20.2%       |
| January             | 383        | 413          | +7.8%        |
| February            | 414        | 390          | -5.8%        |
| March               | 566        | 623          | +10.1%       |
| April               | 596        | 613          | +2.9%        |
| May                 | 604        | 555          | -8.1%        |
| June                | 571        | 529          | -7.4%        |
| <b>12-Month Avg</b> | <b>479</b> | <b>452</b>   | <b>-5.7%</b> |

## Historical New Listing Activity

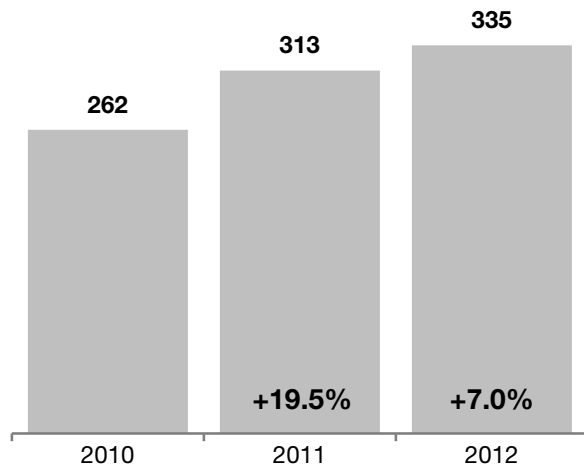


# Pending Sales

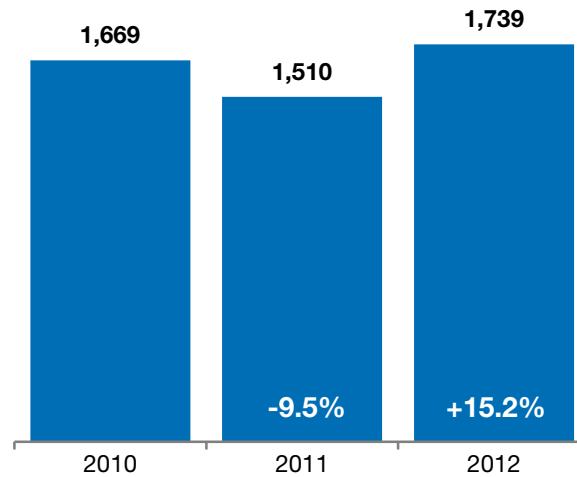
A count of the properties on which contracts have been accepted in a given month.



## June

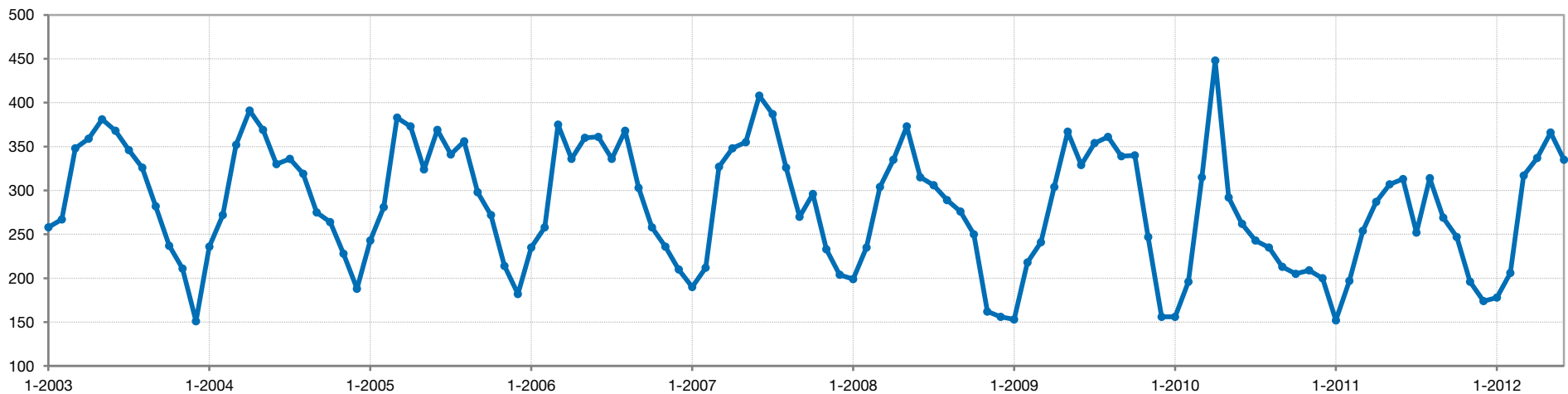


## Year To Date



| Month        | Prior Year | Current Year | + / -  |
|--------------|------------|--------------|--------|
| July         | 243        | 252          | +3.7%  |
| August       | 235        | 314          | +33.6% |
| September    | 213        | 269          | +26.3% |
| October      | 205        | 247          | +20.5% |
| November     | 209        | 196          | -6.2%  |
| December     | 200        | 174          | -13.0% |
| January      | 152        | 178          | +17.1% |
| February     | 197        | 206          | +4.6%  |
| March        | 254        | 317          | +24.8% |
| April        | 287        | 337          | +17.4% |
| May          | 307        | 366          | +19.2% |
| June         | 313        | 335          | +7.0%  |
| 12-Month Avg | 235        | 266          | +13.4% |

## Historical Pending Sales Activity

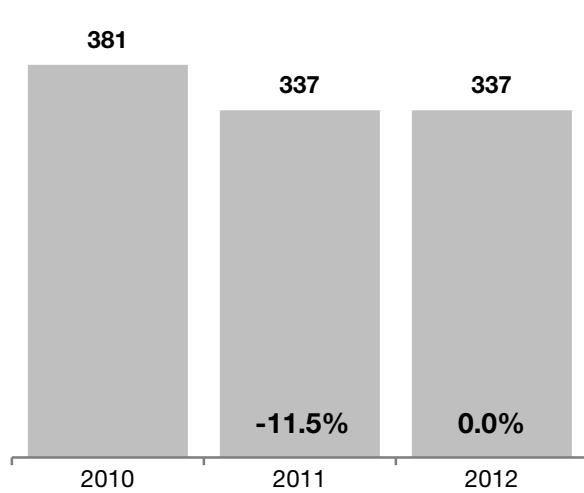


# Closed Sales

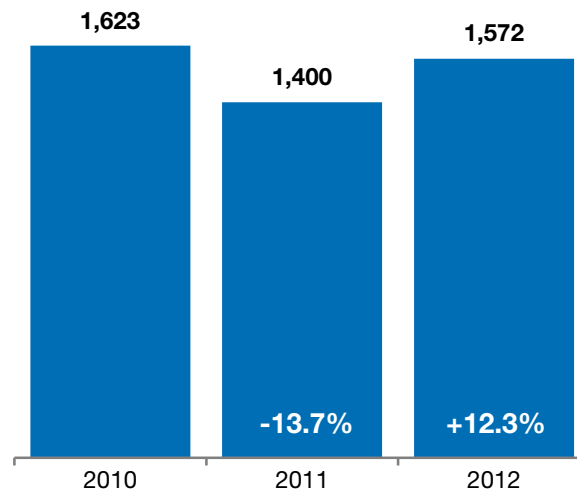
A count of the actual sales that have closed in a given month.



## June

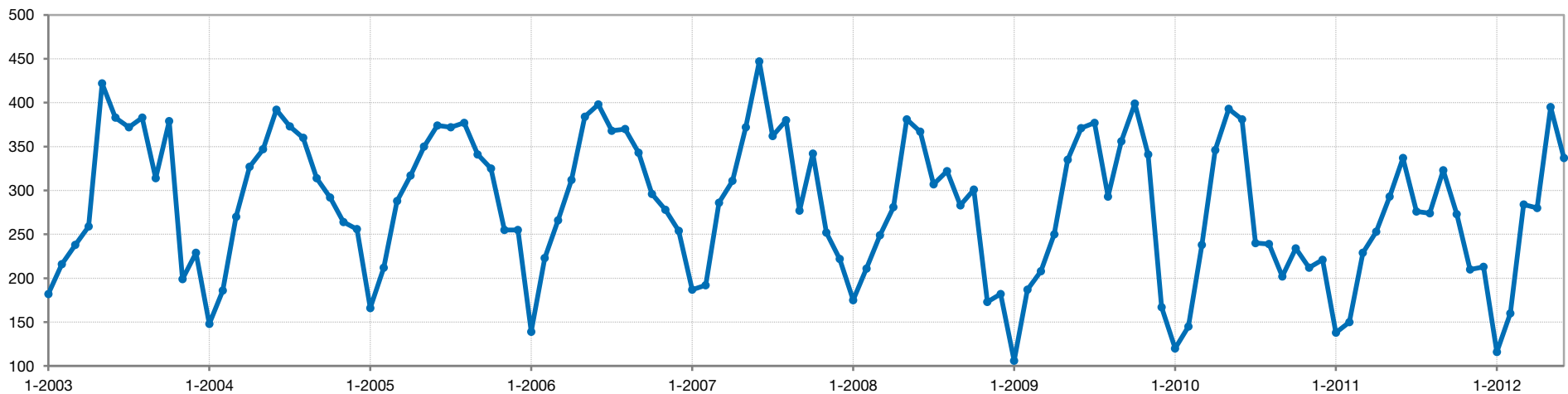


## Year To Date



| Month        | Prior Year | Current Year | + / -  |
|--------------|------------|--------------|--------|
| July         | 240        | 276          | +15.0% |
| August       | 239        | 274          | +14.6% |
| September    | 202        | 323          | +59.9% |
| October      | 234        | 273          | +16.7% |
| November     | 212        | 210          | -0.9%  |
| December     | 221        | 213          | -3.6%  |
| January      | 138        | 116          | -15.9% |
| February     | 150        | 160          | +6.7%  |
| March        | 229        | 284          | +24.0% |
| April        | 253        | 280          | +10.7% |
| May          | 293        | 395          | +34.8% |
| June         | 337        | 337          | 0.0%   |
| 12-Month Avg | 229        | 262          | +13.5% |

## Historical Closed Sales Activity

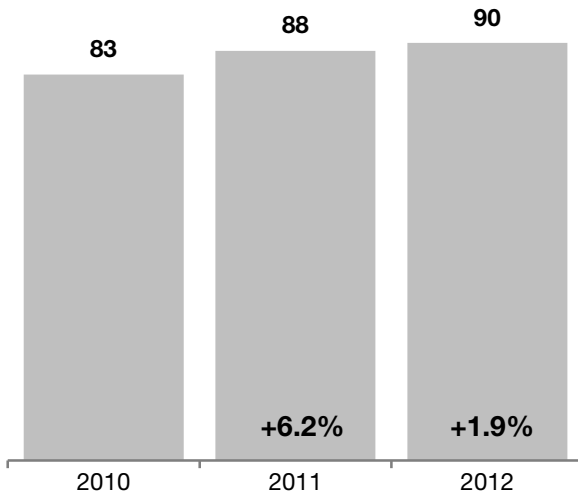


# Days on Market Until Sale

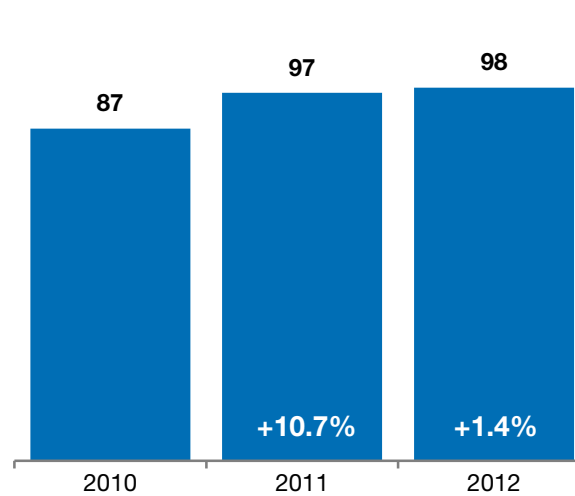
Average number of days between when a property is first listed and when an offer is accepted in a given month.



## June

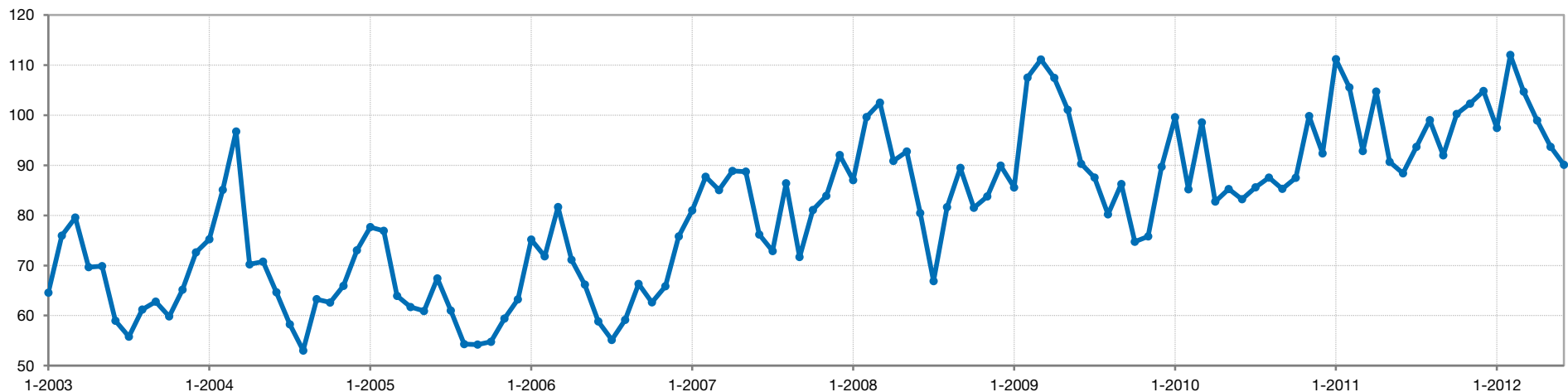


## Year To Date



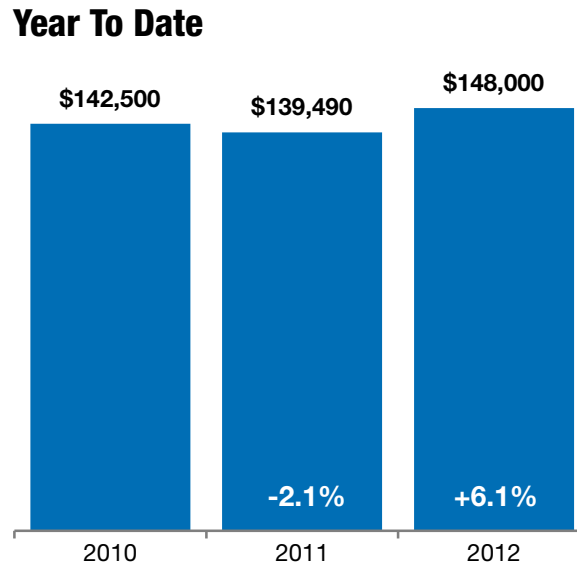
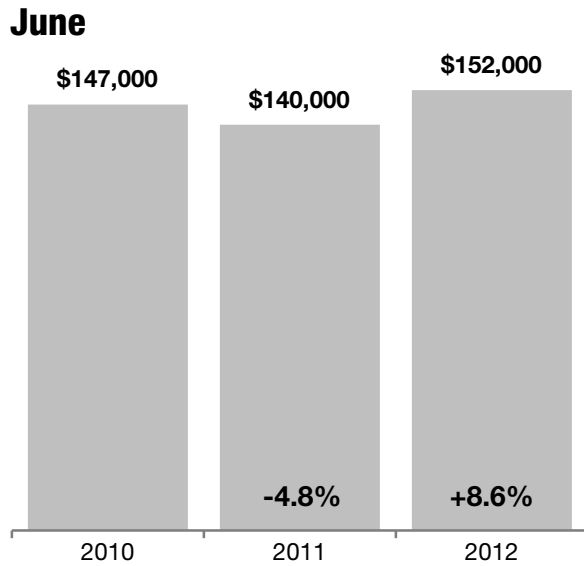
| Month               | Prior Year | Current Year | + / -        |
|---------------------|------------|--------------|--------------|
| July                | 86         | 94           | +9.4%        |
| August              | 88         | 99           | +13.1%       |
| September           | 85         | 92           | +7.8%        |
| October             | 87         | 100          | +14.6%       |
| November            | 100        | 102          | +2.5%        |
| December            | 92         | 105          | +13.5%       |
| January             | 111        | 97           | -12.3%       |
| February            | 106        | 112          | +6.1%        |
| March               | 93         | 105          | +12.8%       |
| April               | 105        | 99           | -5.5%        |
| May                 | 91         | 94           | +3.3%        |
| June                | 88         | 90           | +1.9%        |
| <b>12-Month Avg</b> | <b>93</b>  | <b>98</b>    | <b>+5.2%</b> |

## Historical Days on Market Until Sale



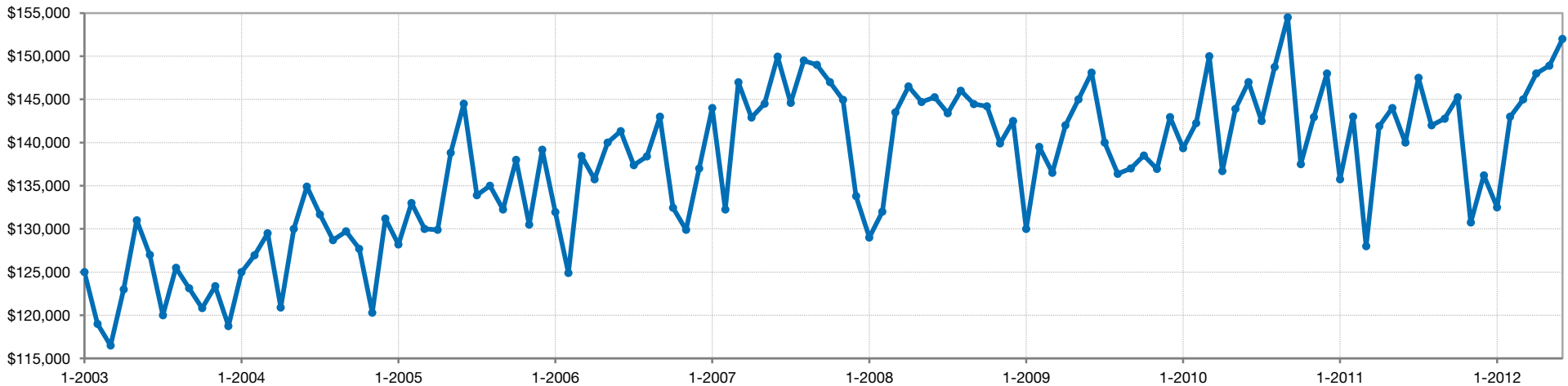
# Median Sales Price

Median price point for all closed sales, not accounting for seller concessions, in a given month.



| Month               | Prior Year       | Current Year     | + / -        |
|---------------------|------------------|------------------|--------------|
| July                | \$142,500        | \$147,500        | +3.5%        |
| August              | \$148,750        | \$142,000        | -4.5%        |
| September           | \$154,500        | \$142,763        | -7.6%        |
| October             | \$137,500        | \$145,250        | +5.6%        |
| November            | \$142,950        | \$130,750        | -8.5%        |
| December            | \$148,000        | \$136,200        | -8.0%        |
| January             | \$135,750        | \$132,500        | -2.4%        |
| February            | \$143,000        | \$143,000        | 0.0%         |
| March               | \$128,000        | \$145,000        | +13.3%       |
| April               | \$141,900        | \$148,000        | +4.3%        |
| May                 | \$144,000        | \$148,900        | +3.4%        |
| June                | \$140,000        | \$152,000        | +8.6%        |
| <b>12-Month Med</b> | <b>\$141,900</b> | <b>\$145,000</b> | <b>+2.2%</b> |

## Historical Median Sales Price

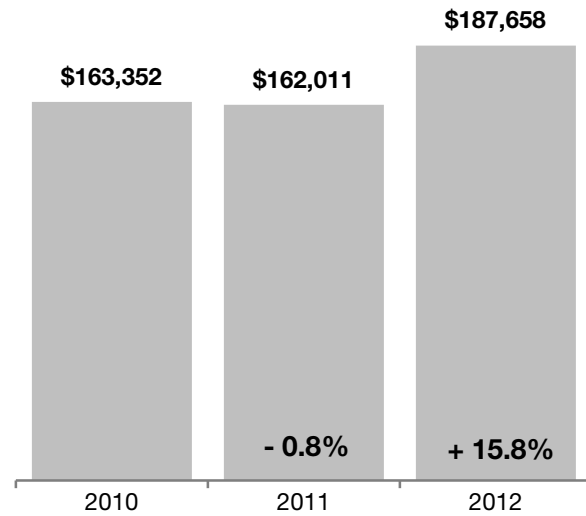


# Average Sales Price

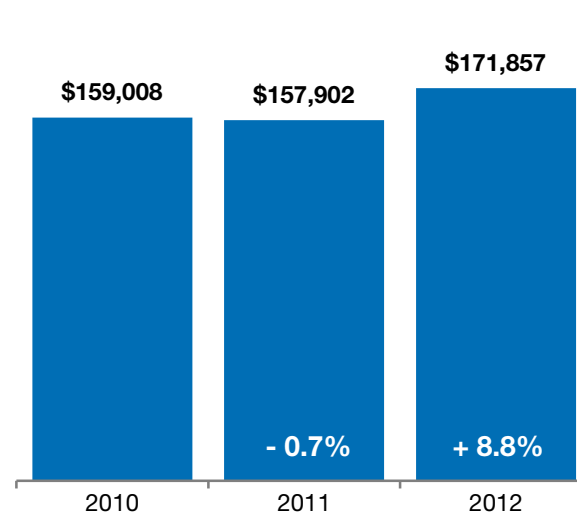
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



## June

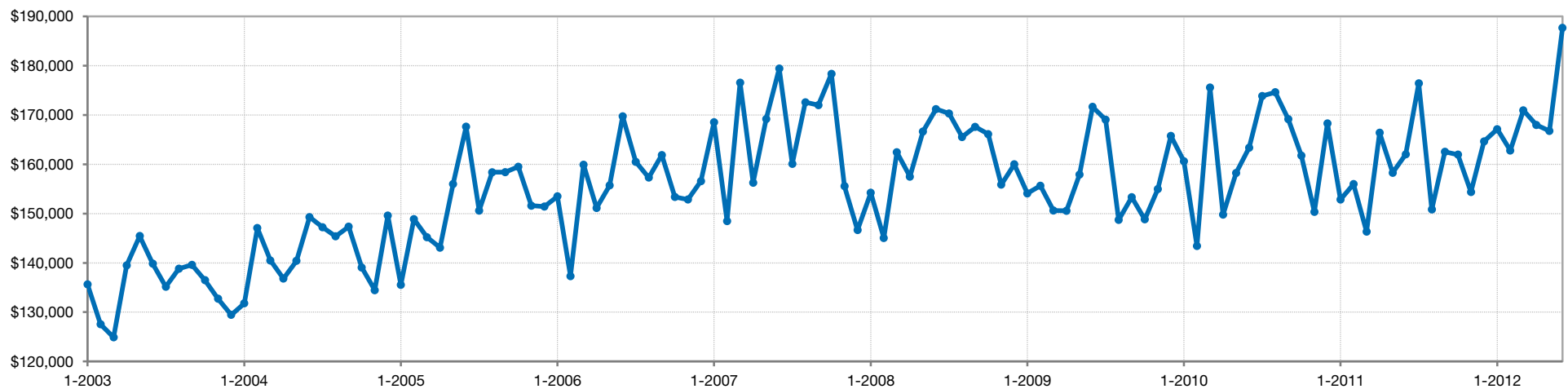


## Year To Date



| Month               | Prior Year       | Current Year     | + / -        |
|---------------------|------------------|------------------|--------------|
| July                | \$173,831        | \$176,407        | +1.5%        |
| August              | \$174,608        | \$150,837        | -13.6%       |
| September           | \$169,144        | \$162,527        | -3.9%        |
| October             | \$161,754        | \$161,956        | +0.1%        |
| November            | \$150,344        | \$154,367        | +2.7%        |
| December            | \$168,277        | \$164,630        | -2.2%        |
| January             | \$152,846        | \$167,101        | +9.3%        |
| February            | \$155,980        | \$162,778        | +4.4%        |
| March               | \$146,337        | \$170,930        | +16.8%       |
| April               | \$166,393        | \$167,965        | +0.9%        |
| May                 | \$158,260        | \$166,755        | +5.4%        |
| June                | \$162,011        | \$187,658        | +15.8%       |
| <b>12-Month Avg</b> | <b>\$162,142</b> | <b>\$166,920</b> | <b>+2.9%</b> |

## Historical Average Sales Price





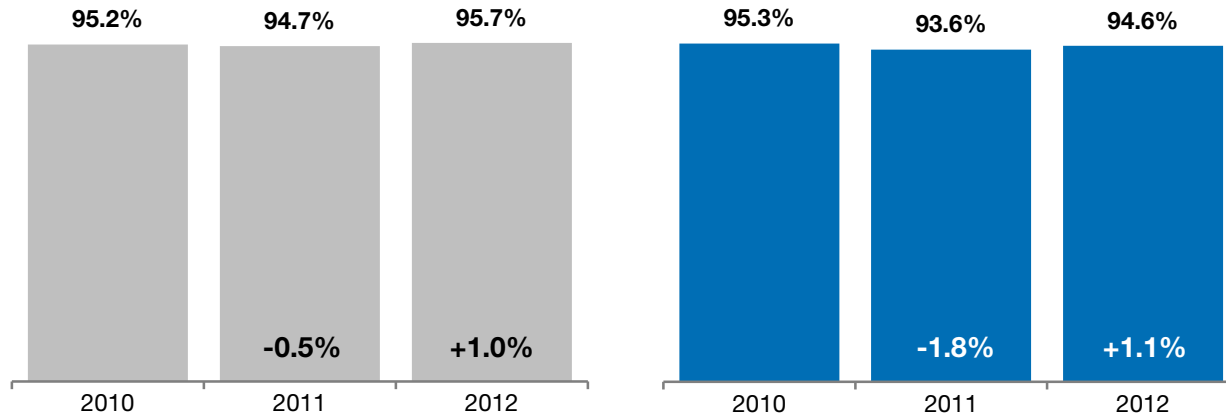
# Percent of Original List Price Received



Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.

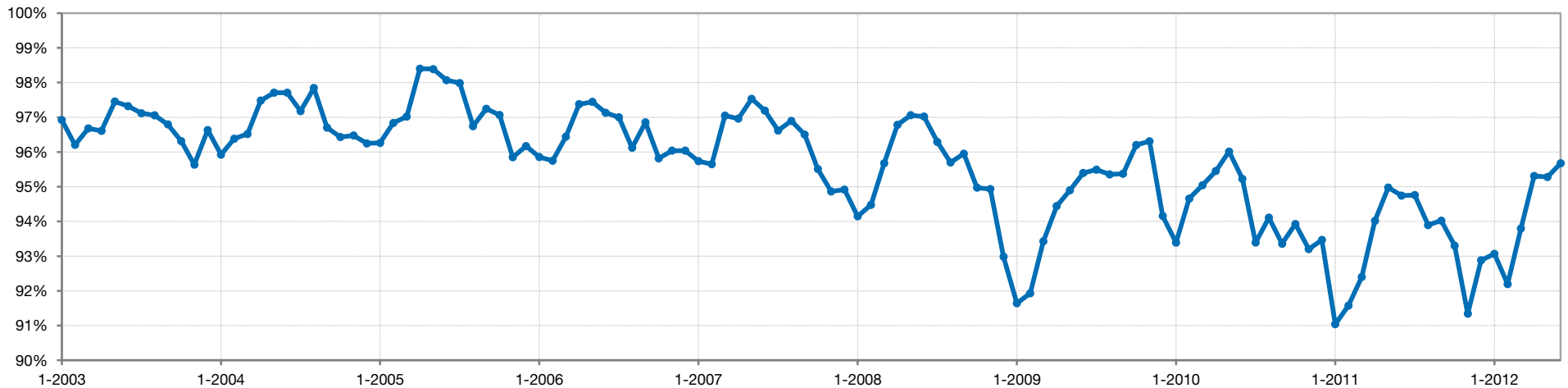
## June

## Year To Date



| Month               | Prior Year   | Current Year | + / -        |
|---------------------|--------------|--------------|--------------|
| July                | 93.4%        | <b>94.8%</b> | +1.5%        |
| August              | 94.1%        | <b>93.9%</b> | -0.2%        |
| September           | 93.4%        | <b>94.0%</b> | +0.7%        |
| October             | 93.9%        | <b>93.3%</b> | -0.7%        |
| November            | 93.2%        | <b>91.3%</b> | -2.0%        |
| December            | 93.5%        | <b>92.9%</b> | -0.6%        |
| January             | 91.0%        | <b>93.1%</b> | +2.2%        |
| February            | 91.6%        | <b>92.2%</b> | +0.7%        |
| March               | 92.4%        | <b>93.8%</b> | +1.5%        |
| April               | 94.0%        | <b>95.3%</b> | +1.4%        |
| May                 | 95.0%        | <b>95.3%</b> | +0.3%        |
| June                | 94.7%        | <b>95.7%</b> | +1.0%        |
| <b>12-Month Avg</b> | <b>93.6%</b> | <b>94.1%</b> | <b>+0.5%</b> |

## Historical Percent of Original List Price Received

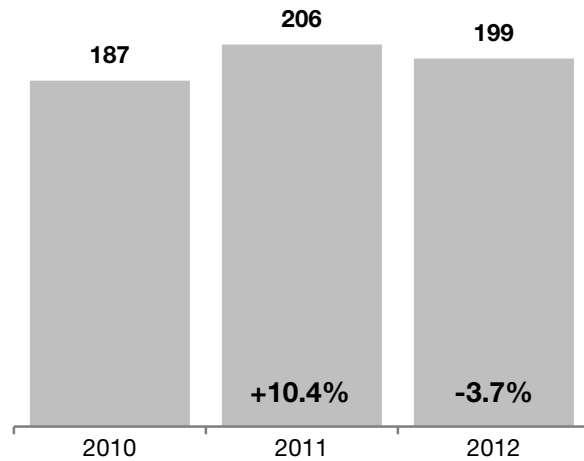


# Housing Affordability Index

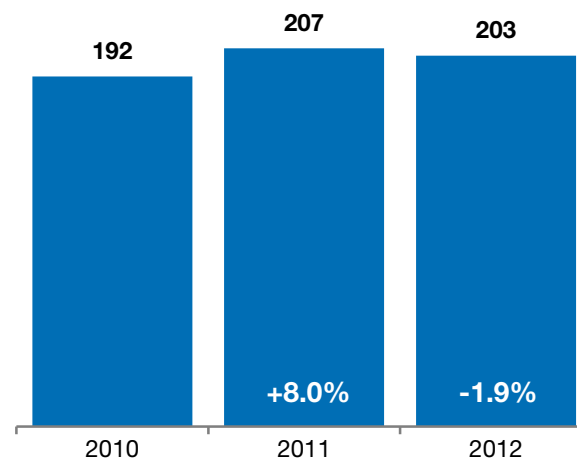


This index measures housing affordability for the region. An index of 120 means the median household income was 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. **A higher number means greater affordability.**

## June

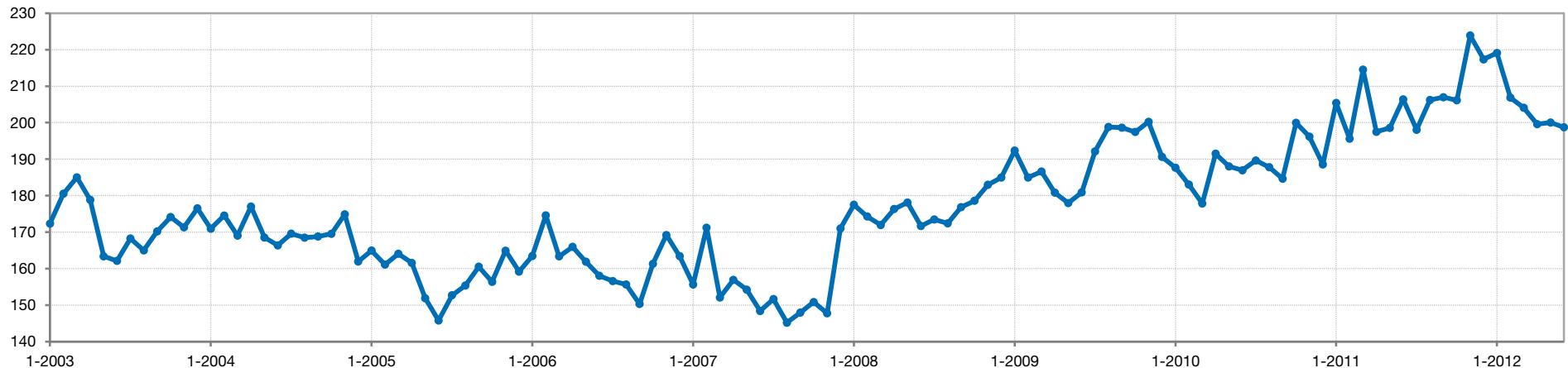


## Year To Date



| Month               | Prior Year | Current Year | + / -        |
|---------------------|------------|--------------|--------------|
| July                | 190        | 198          | +4.4%        |
| August              | 188        | 206          | +9.8%        |
| September           | 185        | 207          | +12.1%       |
| October             | 200        | 206          | +3.1%        |
| November            | 196        | 224          | +14.1%       |
| December            | 189        | 217          | +15.3%       |
| January             | 205        | 219          | +6.7%        |
| February            | 196        | 207          | +5.8%        |
| March               | 215        | 204          | -4.9%        |
| April               | 197        | 200          | +1.1%        |
| May                 | 199        | 200          | +0.7%        |
| June                | 206        | 199          | -3.7%        |
| <b>12-Month Avg</b> | <b>197</b> | <b>207</b>   | <b>+5.4%</b> |

## Historical Housing Affordability Index

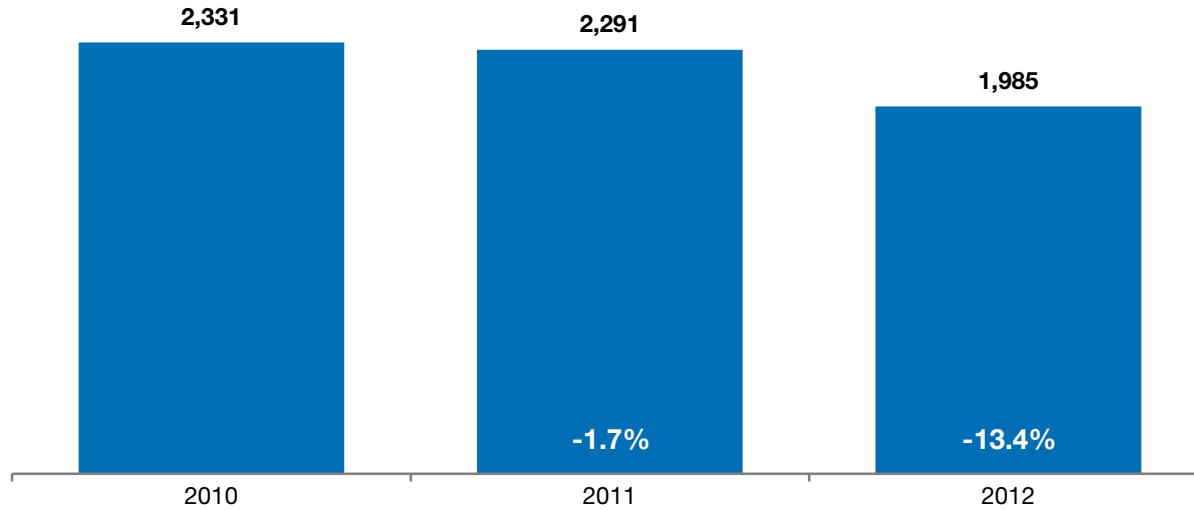


# Inventory of Homes for Sale

The number of properties available for sale in active status at the end of a given month.

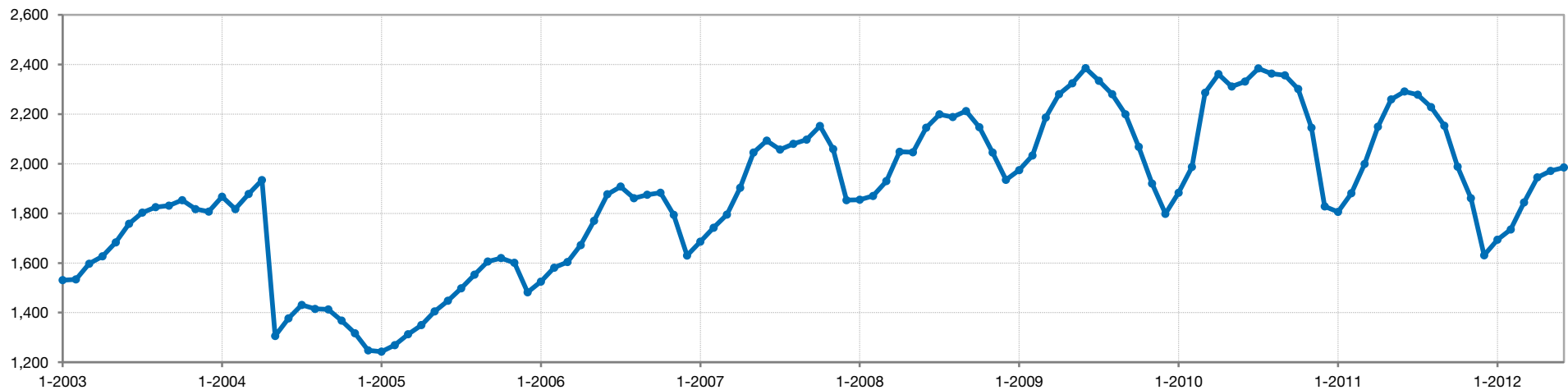


## June



| Month        | Prior Year | Current Year | + / -  |
|--------------|------------|--------------|--------|
| July         | 2,384      | 2,278        | -4.4%  |
| August       | 2,363      | 2,228        | -5.7%  |
| September    | 2,356      | 2,153        | -8.6%  |
| October      | 2,301      | 1,988        | -13.6% |
| November     | 2,145      | 1,861        | -13.2% |
| December     | 1,828      | 1,631        | -10.8% |
| January      | 1,806      | 1,694        | -6.2%  |
| February     | 1,881      | 1,735        | -7.8%  |
| March        | 1,999      | 1,844        | -7.8%  |
| April        | 2,149      | 1,945        | -9.5%  |
| May          | 2,259      | 1,971        | -12.7% |
| June         | 2,291      | 1,985        | -13.4% |
| 12-Month Avg | 2,147      | 1,943        | -9.5%  |

## Historical Inventory of Homes for Sale

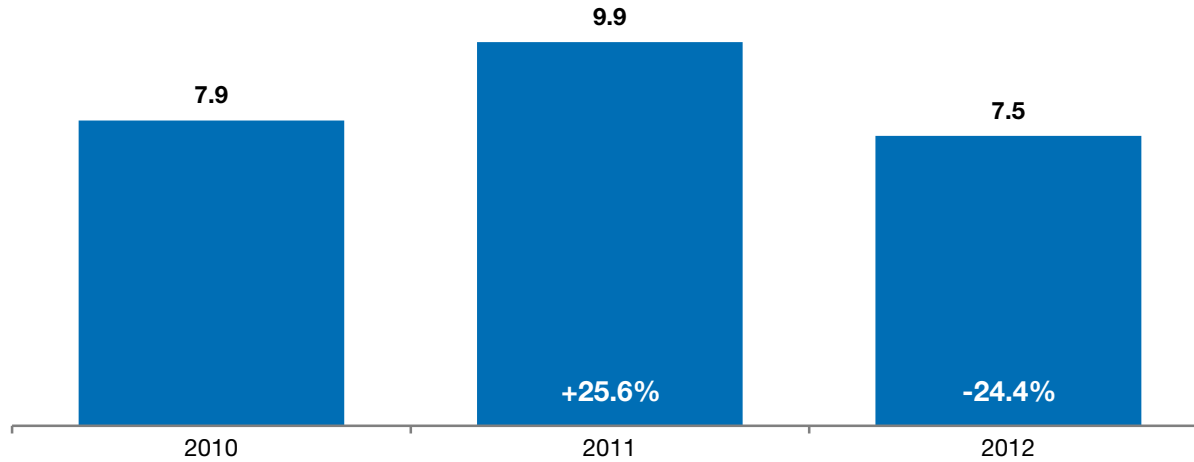


# Months Supply of Homes for Sale

The inventory of homes for sale at the end of a given month, divided by the average monthly pending sales from the last 12 months.

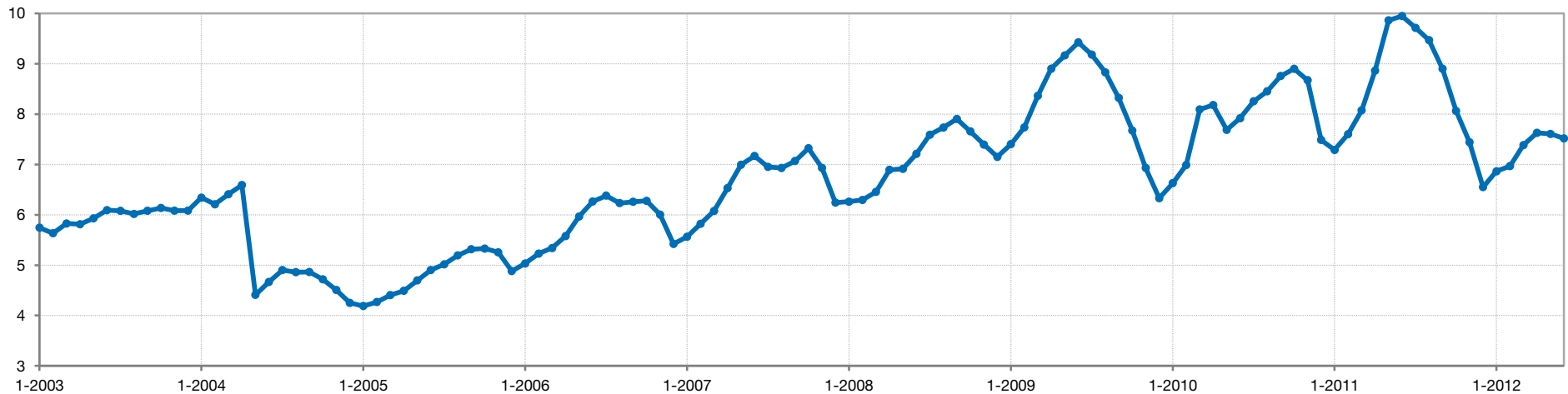


## June



| Month        | Prior Year | Current Year | + / -  |
|--------------|------------|--------------|--------|
| July         | 8.3        | 9.7          | +17.7% |
| August       | 8.5        | 9.5          | +12.0% |
| September    | 8.8        | 8.9          | +1.6%  |
| October      | 8.9        | 8.1          | -9.4%  |
| November     | 8.7        | 7.4          | -14.2% |
| December     | 7.5        | 6.6          | -12.5% |
| January      | 7.3        | 6.9          | -5.8%  |
| February     | 7.6        | 7.0          | -8.3%  |
| March        | 8.1        | 7.4          | -8.6%  |
| April        | 8.9        | 7.6          | -13.9% |
| May          | 9.9        | 7.6          | -22.9% |
| June         | 9.9        | 7.5          | -24.4% |
| 12-Month Avg | 8.5        | 7.8          | -7.9%  |

## Historical Months Supply of Homes for Sale

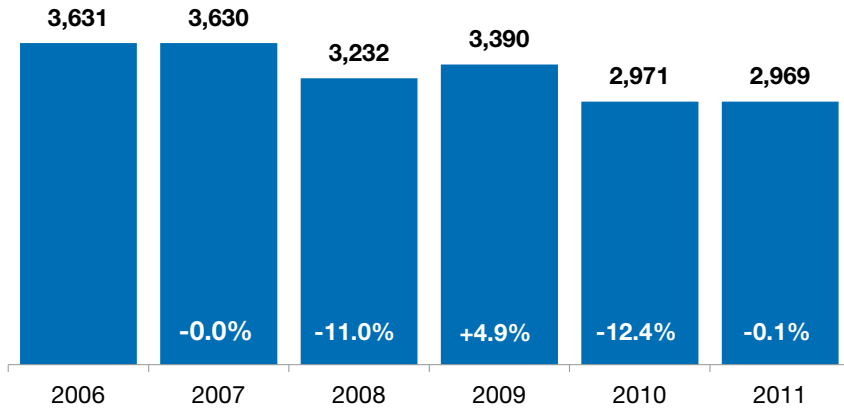


# Annual Review

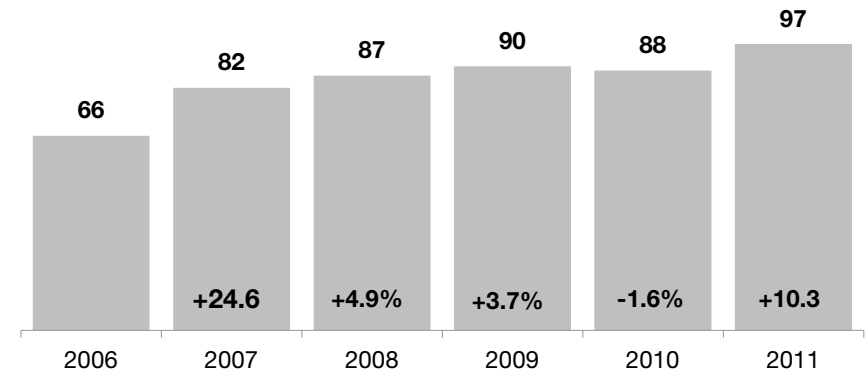
Historical look at key market metrics for the overall region.



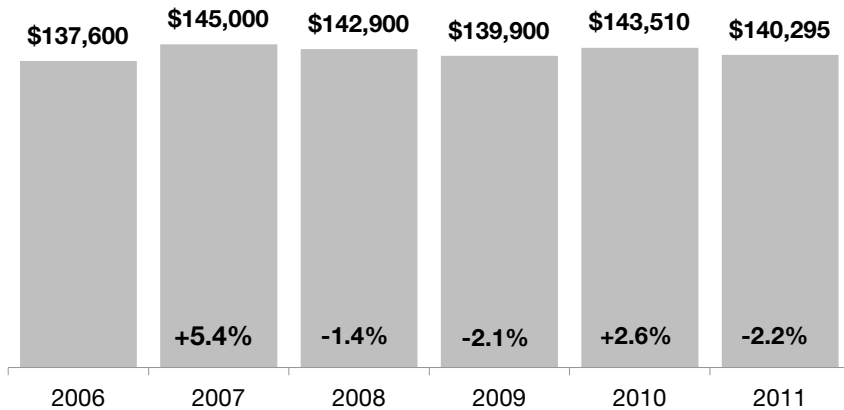
## Closed Sales



## Days On Market



## Median Sales Price



## Percent of Original List Price Received

