

Monthly Indicators



October 2017

It has been several months since news cycles have touched upon housing in any sort of sensationalistic headline grab that was common during the boom-and-bust atmosphere of a decade ago. During that tumult, heady price increases gave way to a Great Recession and foreclosure crisis. Then we entered into a period of healing and eventual recovery that we are still enjoying. For residential real estate in 2017, fewer headlines have meant mostly good news.

New Listings in the Sioux Falls region decreased 1.6 percent to 492. Pending Sales were up 10.7 percent to 488. Inventory levels fell 14.7 percent to 1,417 units.

Prices continued to gain traction. The Median Sales Price increased 5.8 percent to \$190,250. Days on Market was down 10.2 percent to 79 days. Sellers were encouraged as Months Supply of Homes for Sale was down 20.5 percent to 3.5 months.

Although inventory levels are low in many markets, there has largely been enough listing and building activity, or at least conversation about future activity, to keep prices from skyrocketing toward another bubble. Low affordability has started to become a recent topic of conversation and is definitely worth watching. But with a healthy economy, level of demand and national unemployment rate, sellers are going to be hard-pressed to lower prices.

Quick Facts

- 16.1%

+ 5.8%

- 14.7%

Change in
Closed Sales

Change in
Median Sales Price

Change in
Inventory

| | |
|---|-----------|
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Market Overview

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



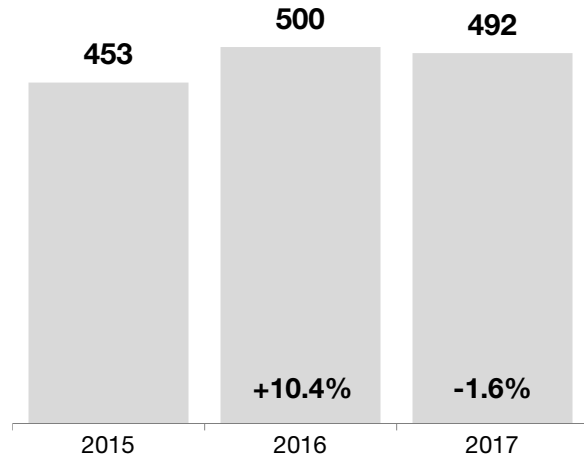
| Key Metrics | Historical Sparklines | 10-2016 | 10-2017 | + / - | YTD 2016 | YTD 2017 | + / - |
|--|-----------------------|-----------|------------------|---------|-----------|------------------|--------|
| New Listings | | 500 | 492 | - 1.6% | 5,731 | 5,854 | + 2.1% |
| Pending Sales | | 441 | 488 | + 10.7% | 3,974 | 4,232 | + 6.5% |
| Closed Sales | | 441 | 370 | - 16.1% | 3,973 | 4,043 | + 1.8% |
| Days on Market Until Sale | | 88 | 79 | - 10.2% | 89 | 84 | - 5.6% |
| Median Sales Price | | \$179,800 | \$190,250 | + 5.8% | \$182,000 | \$190,500 | + 4.7% |
| Average Sales Price | | \$199,684 | \$214,076 | + 7.2% | \$208,965 | \$217,501 | + 4.1% |
| Percent of Original List Price Received | | 98.3% | 99.0% | + 0.7% | 98.6% | 98.9% | + 0.3% |
| Housing Affordability Index | | 194 | 174 | - 10.3% | 192 | 174 | - 9.4% |
| Inventory of Homes for Sale | | 1,662 | 1,417 | - 14.7% | -- | -- | -- |
| Months Supply of Homes for Sale | | 4.4 | 3.5 | - 20.5% | -- | -- | -- |

New Listings

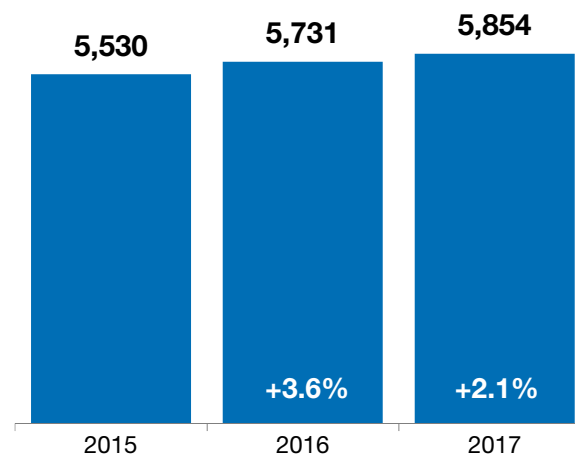
A count of the properties that have been newly listed on the market in a given month.



October

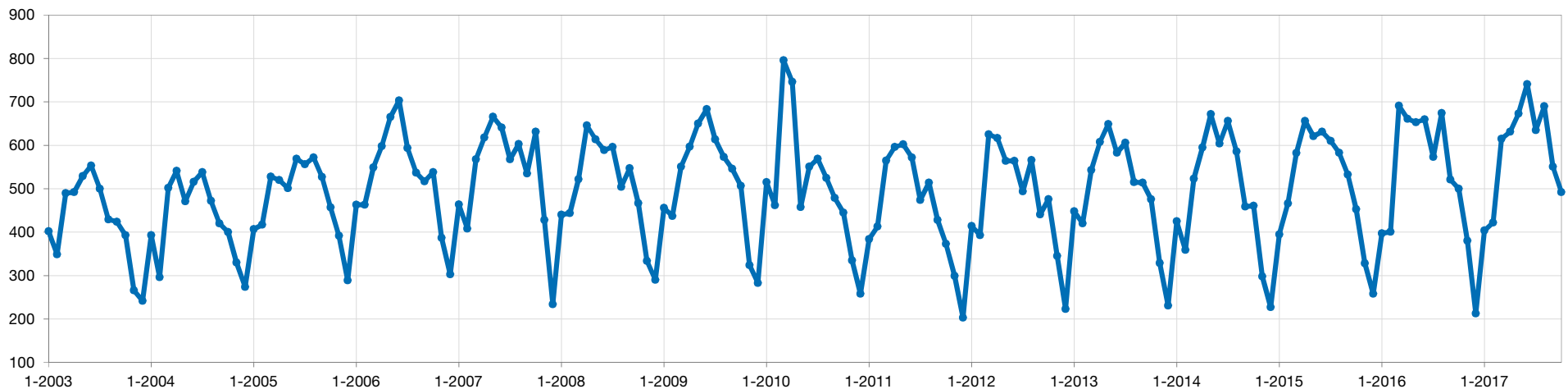


Year to Date



| Month | Prior Year | Current Year | + / - |
|---------------------|------------|--------------|--------------|
| November 2016 | 328 | 380 | +15.9% |
| December 2016 | 258 | 213 | -17.4% |
| January 2017 | 397 | 404 | +1.8% |
| February 2017 | 401 | 422 | +5.2% |
| March 2017 | 691 | 615 | -11.0% |
| April 2017 | 661 | 631 | -4.5% |
| May 2017 | 653 | 673 | +3.1% |
| June 2017 | 660 | 741 | +12.3% |
| July 2017 | 573 | 635 | +10.8% |
| August 2017 | 674 | 690 | +2.4% |
| September 2017 | 521 | 551 | +5.8% |
| October 2017 | 500 | 492 | -1.6% |
| 12-Month Avg | 526 | 537 | +2.1% |

Historical New Listing Activity

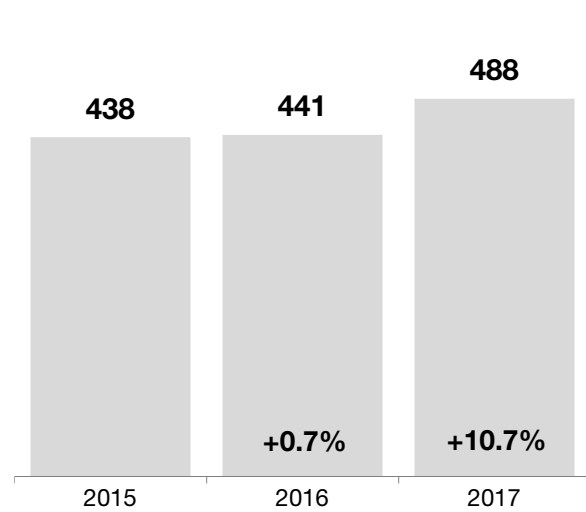


Pending Sales

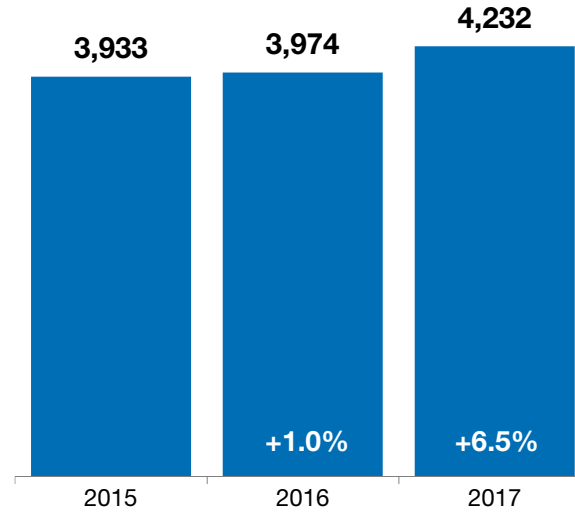
A count of the properties on which contracts have been accepted in a given month.



October

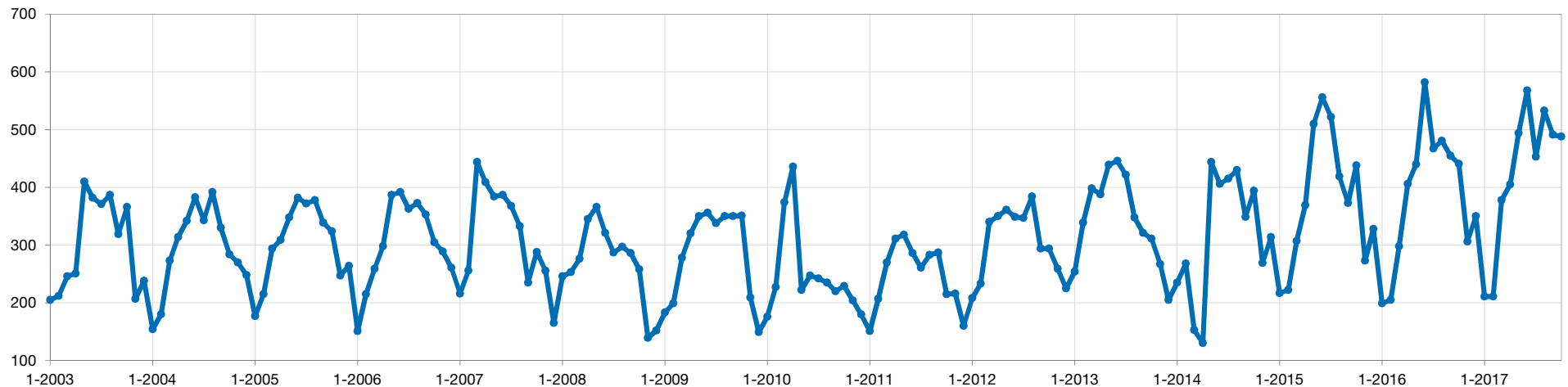


Year to Date



| Month | Prior Year | Current Year | + / - |
|---------------------|------------|--------------|---------------|
| November 2016 | 273 | 306 | +12.1% |
| December 2016 | 328 | 350 | +6.7% |
| January 2017 | 199 | 211 | +6.0% |
| February 2017 | 205 | 211 | +2.9% |
| March 2017 | 298 | 378 | +26.8% |
| April 2017 | 406 | 405 | -0.2% |
| May 2017 | 440 | 494 | +12.3% |
| June 2017 | 582 | 568 | -2.4% |
| July 2017 | 467 | 453 | -3.0% |
| August 2017 | 481 | 533 | +10.8% |
| September 2017 | 455 | 491 | +7.9% |
| October 2017 | 441 | 488 | +10.7% |
| 12-Month Avg | 381 | 407 | +6.8% |

Historical Pending Sales Activity

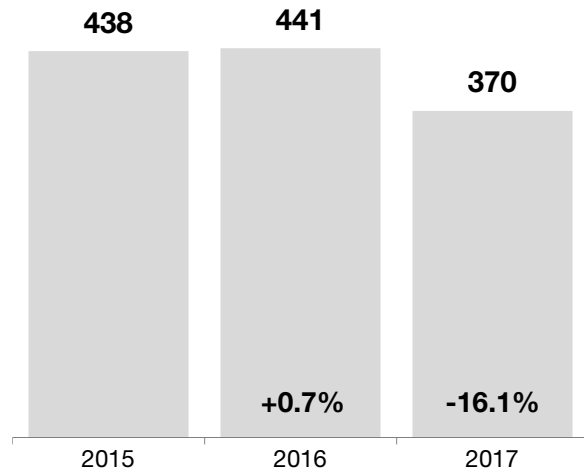


Closed Sales

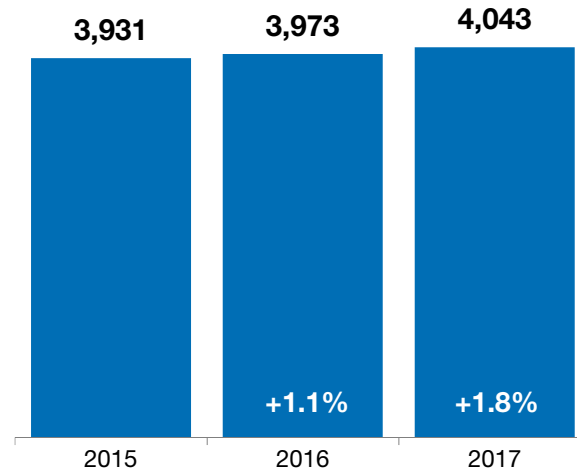
A count of the actual sales that have closed in a given month.



October



Year to Date



| Month | Prior Year | Current Year | + / - |
|---------------------|------------|--------------|---------------|
| November 2016 | 273 | 306 | +12.1% |
| December 2016 | 328 | 350 | +6.7% |
| January 2017 | 199 | 211 | +6.0% |
| February 2017 | 205 | 211 | +2.9% |
| March 2017 | 297 | 378 | +27.3% |
| April 2017 | 406 | 403 | -0.7% |
| May 2017 | 440 | 491 | +11.6% |
| June 2017 | 582 | 562 | -3.4% |
| July 2017 | 467 | 447 | -4.3% |
| August 2017 | 481 | 520 | +8.1% |
| September 2017 | 455 | 450 | -1.1% |
| October 2017 | 441 | 370 | -16.1% |
| 12-Month Avg | 381 | 392 | +4.1% |

Historical Closed Sales Activity

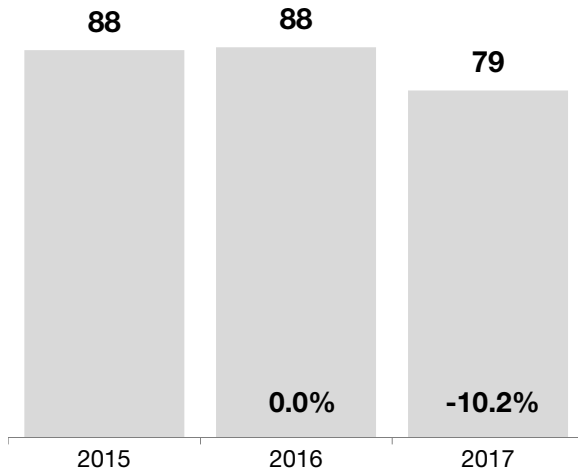


Days on Market Until Sale

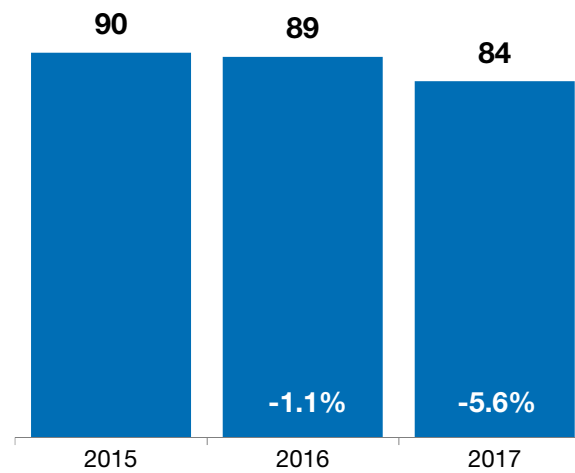
Average number of days between when a property is first listed and when a property is closed in a given month.



October

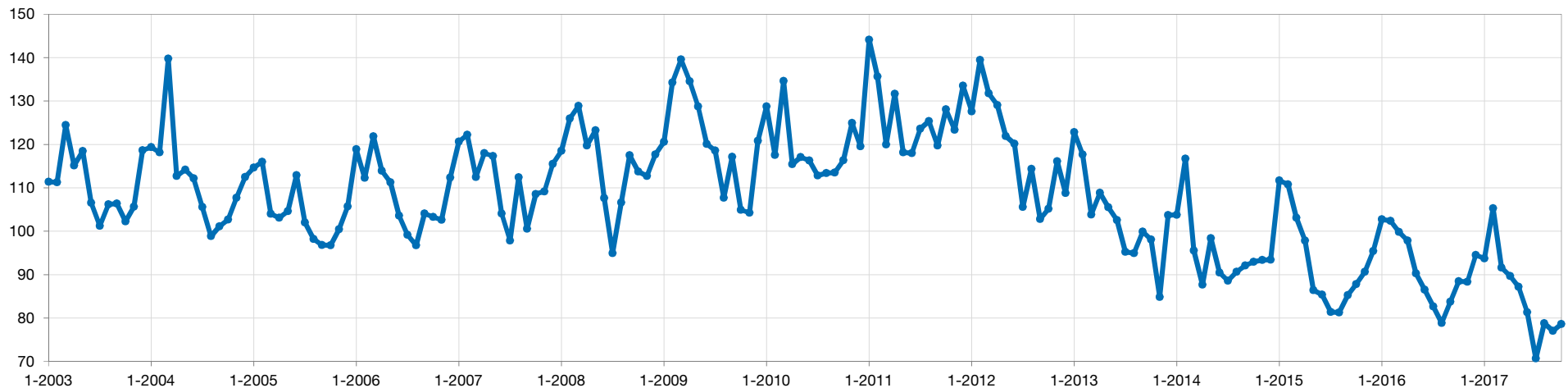


Year to Date



| Month | Prior Year | Current Year | + / - |
|---------------------|------------|--------------|---------------|
| November 2016 | 91 | 88 | -3.3% |
| December 2016 | 95 | 95 | 0.0% |
| January 2017 | 103 | 94 | -8.7% |
| February 2017 | 102 | 105 | +2.9% |
| March 2017 | 100 | 92 | -8.0% |
| April 2017 | 98 | 90 | -8.2% |
| May 2017 | 90 | 87 | -3.3% |
| June 2017 | 87 | 81 | -6.9% |
| July 2017 | 83 | 71 | -14.5% |
| August 2017 | 79 | 79 | 0.0% |
| September 2017 | 84 | 77 | -8.3% |
| October 2017 | 88 | 79 | -10.2% |
| 12-Month Avg | 90 | 85 | -5.6% |

Historical Days on Market Until Sale

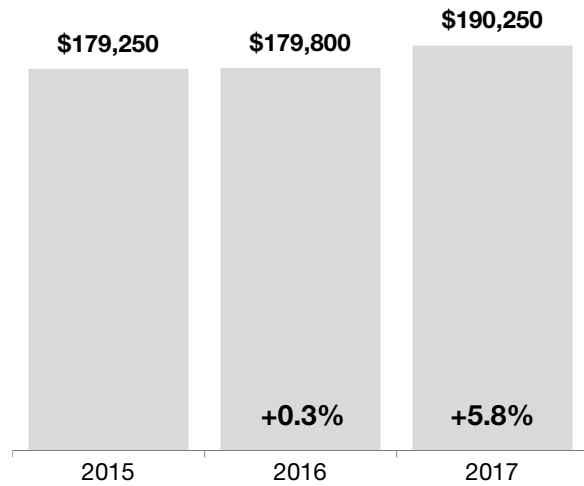


Median Sales Price

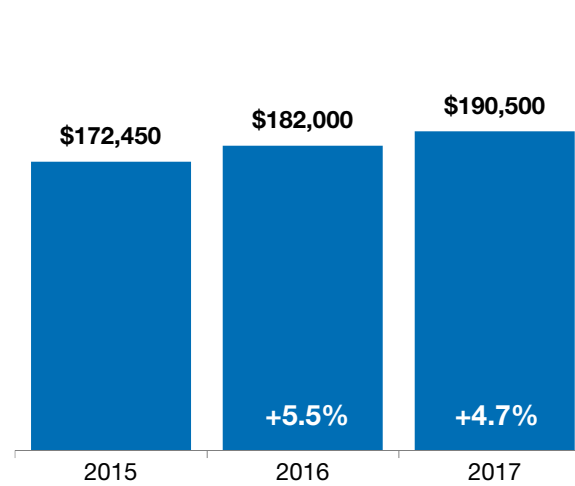
Median price point for all closed sales, not accounting for seller concessions, in a given month.



October

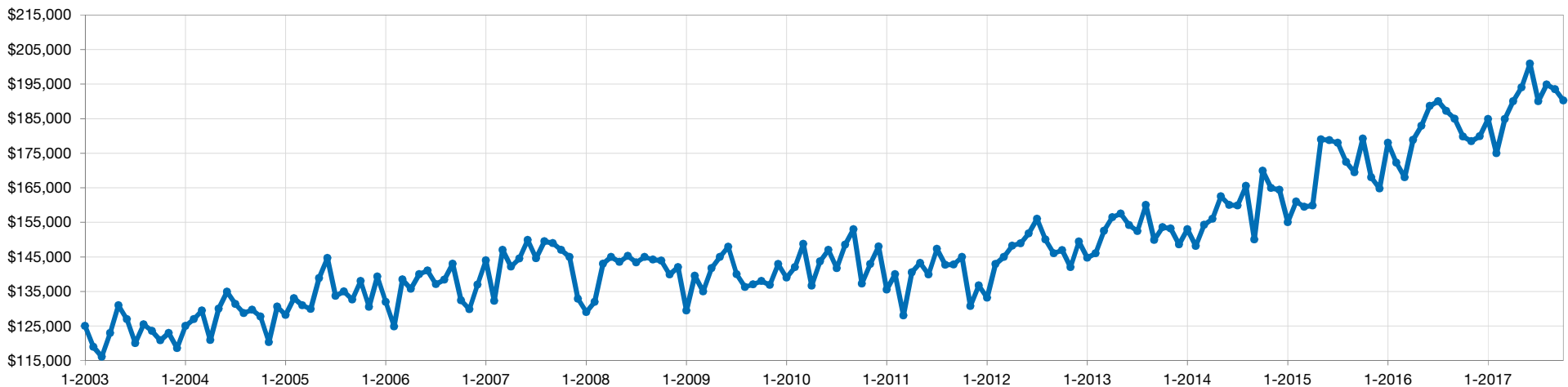


Year to Date



| Month | Prior Year | Current Year | + / - |
|---------------------|------------------|------------------|--------------|
| November 2016 | \$168,000 | \$178,450 | +6.2% |
| December 2016 | \$164,750 | \$179,900 | +9.2% |
| January 2017 | \$178,000 | \$184,900 | +3.9% |
| February 2017 | \$172,250 | \$175,000 | +1.6% |
| March 2017 | \$168,000 | \$184,900 | +10.1% |
| April 2017 | \$178,850 | \$190,000 | +6.2% |
| May 2017 | \$182,950 | \$194,000 | +6.0% |
| June 2017 | \$188,700 | \$200,950 | +6.5% |
| July 2017 | \$190,000 | \$190,000 | 0.0% |
| August 2017 | \$187,250 | \$194,900 | +4.1% |
| September 2017 | \$185,000 | \$193,500 | +4.6% |
| October 2017 | \$179,800 | \$190,250 | +5.8% |
| 12-Month Med | \$180,000 | \$189,900 | +5.5% |

Historical Median Sales Price

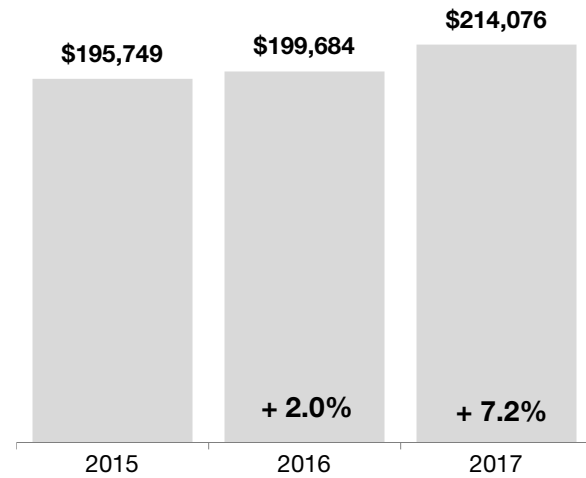


Average Sales Price

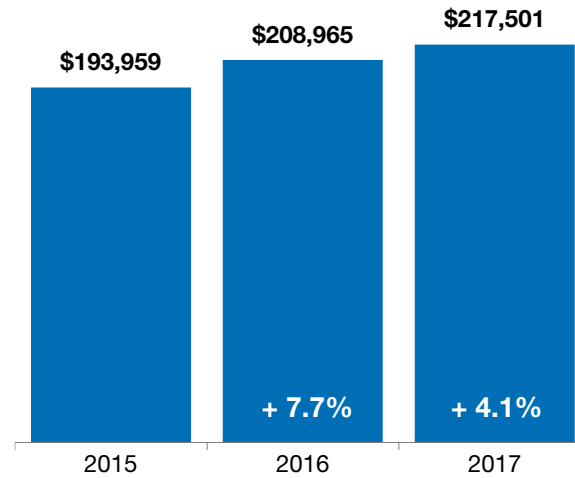
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



October

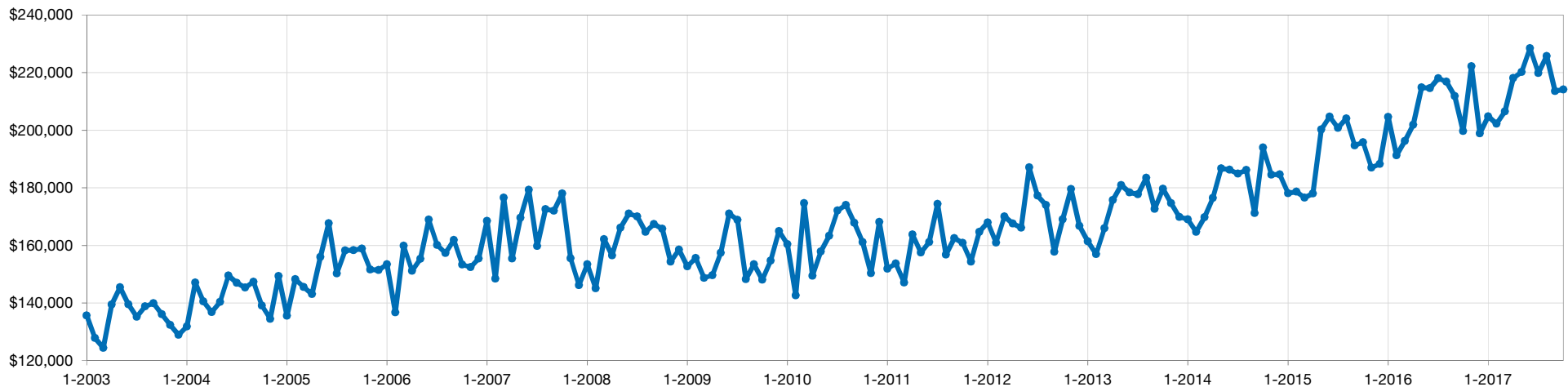


Year to Date



| Month | Prior Year | Current Year | + / - |
|---------------------|------------------|------------------|--------------|
| November 2016 | \$187,012 | \$222,217 | +18.8% |
| December 2016 | \$188,283 | \$198,879 | +5.6% |
| January 2017 | \$204,601 | \$204,812 | +0.1% |
| February 2017 | \$191,282 | \$202,214 | +5.7% |
| March 2017 | \$196,277 | \$206,523 | +5.2% |
| April 2017 | \$201,829 | \$218,082 | +8.1% |
| May 2017 | \$214,863 | \$220,228 | +2.5% |
| June 2017 | \$214,598 | \$228,485 | +6.5% |
| July 2017 | \$218,050 | \$219,869 | +0.8% |
| August 2017 | \$216,878 | \$225,709 | +4.1% |
| September 2017 | \$211,870 | \$213,582 | +0.8% |
| October 2017 | \$199,684 | \$214,076 | +7.2% |
| 12-Month Avg | \$206,171 | \$216,421 | +5.0% |

Historical Average Sales Price



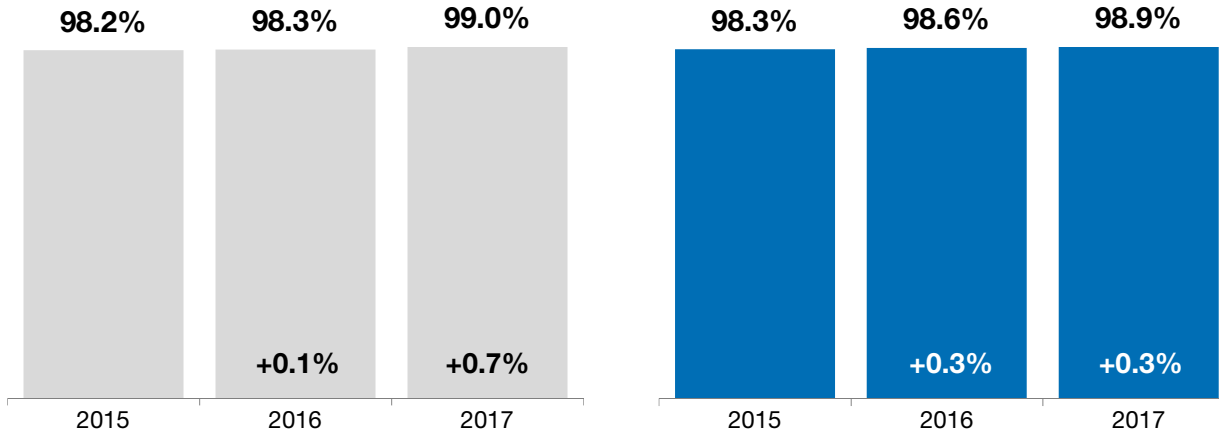
Percent of Original List Price Received

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.



October

Year to Date



| Month | Prior Year | Current Year | + / - |
|---------------------|--------------|--------------|--------------|
| November 2016 | 97.8% | 97.7% | -0.1% |
| December 2016 | 97.5% | 98.1% | +0.6% |
| January 2017 | 98.1% | 98.1% | 0.0% |
| February 2017 | 97.9% | 97.5% | -0.4% |
| March 2017 | 98.6% | 98.9% | +0.3% |
| April 2017 | 99.0% | 99.0% | 0.0% |
| May 2017 | 98.7% | 99.3% | +0.6% |
| June 2017 | 98.7% | 99.6% | +0.9% |
| July 2017 | 98.9% | 99.5% | +0.6% |
| August 2017 | 98.3% | 98.4% | +0.1% |
| September 2017 | 98.8% | 98.9% | +0.1% |
| October 2017 | 98.3% | 99.0% | +0.7% |
| 12-Month Avg | 98.5% | 98.8% | +0.3% |

Historical Percent of Original List Price Received



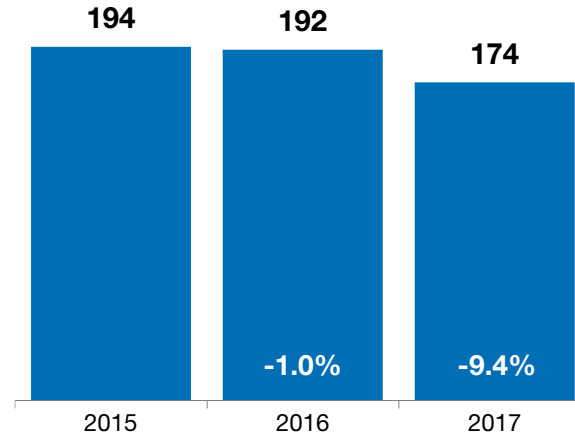
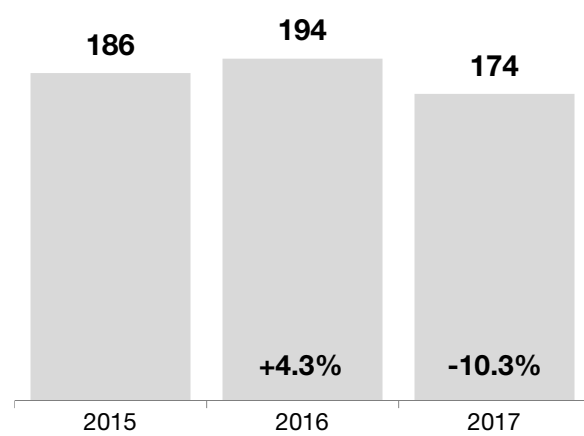
Housing Affordability Index

This index measures housing affordability for the region. For example, 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.**



October

Year to Date



| Month | Prior Year | Current Year | + / - |
|---------------------|------------|--------------|---------------|
| November 2016 | 197 | 186 | -5.6% |
| December 2016 | 202 | 178 | -11.9% |
| January 2017 | 185 | 171 | -7.6% |
| February 2017 | 198 | 186 | -6.1% |
| March 2017 | 202 | 176 | -12.9% |
| April 2017 | 190 | 174 | -8.4% |
| May 2017 | 186 | 172 | -7.5% |
| June 2017 | 183 | 166 | -9.3% |
| July 2017 | 182 | 176 | -3.3% |
| August 2017 | 185 | 173 | -6.5% |
| September 2017 | 186 | 174 | -6.5% |
| October 2017 | 194 | 174 | -10.3% |
| 12-Month Avg | 191 | 176 | -7.9% |

Historical Housing Affordability Index

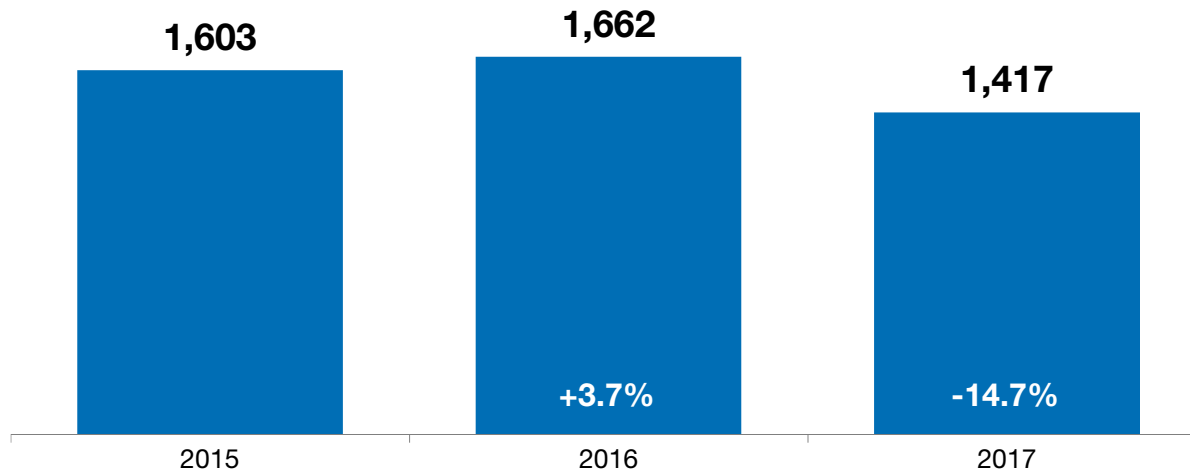


Inventory of Homes for Sale

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

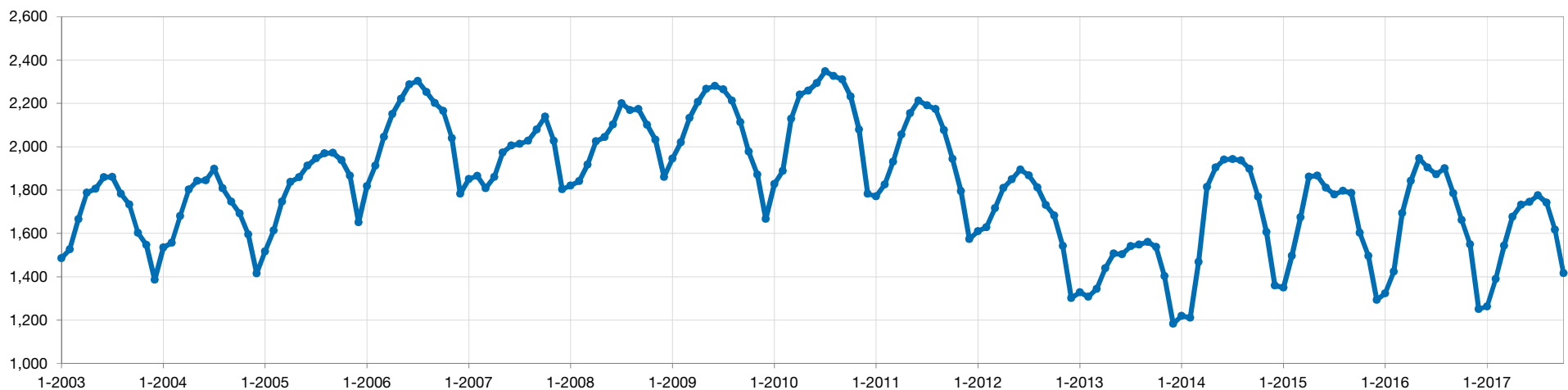


October



| Month | Prior Year | Current Year | + / - |
|---------------------|--------------|--------------|---------------|
| November 2016 | 1,497 | 1,550 | +3.5% |
| December 2016 | 1,293 | 1,251 | -3.2% |
| January 2017 | 1,324 | 1,263 | -4.6% |
| February 2017 | 1,424 | 1,390 | -2.4% |
| March 2017 | 1,694 | 1,544 | -8.9% |
| April 2017 | 1,843 | 1,677 | -9.0% |
| May 2017 | 1,947 | 1,732 | -11.0% |
| June 2017 | 1,904 | 1,746 | -8.3% |
| July 2017 | 1,873 | 1,776 | -5.2% |
| August 2017 | 1,900 | 1,742 | -8.3% |
| September 2017 | 1,786 | 1,618 | -9.4% |
| October 2017 | 1,662 | 1,417 | -14.7% |
| 12-Month Avg | 1,679 | 1,559 | -6.8% |

Historical Inventory of Homes for Sale

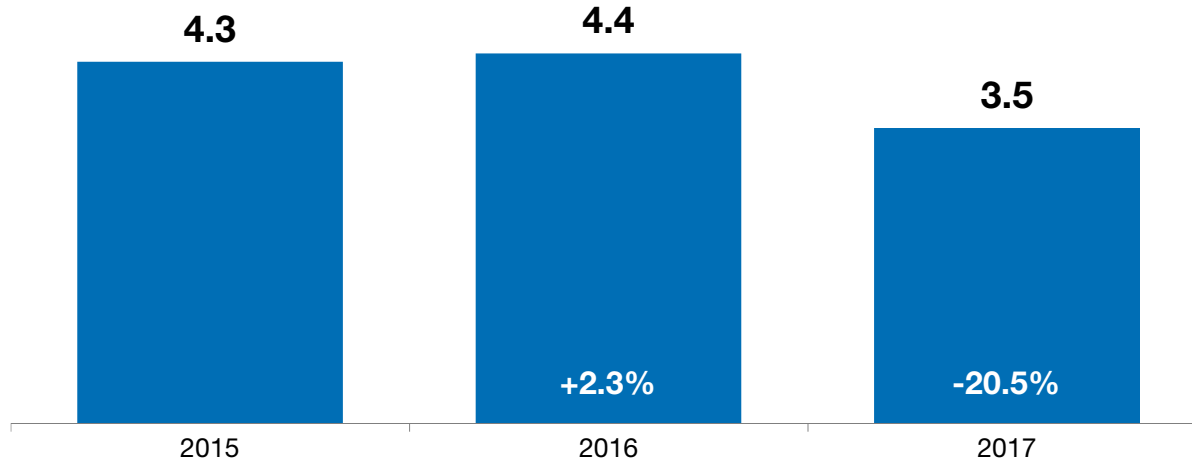


Months Supply of Homes for Sale

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.

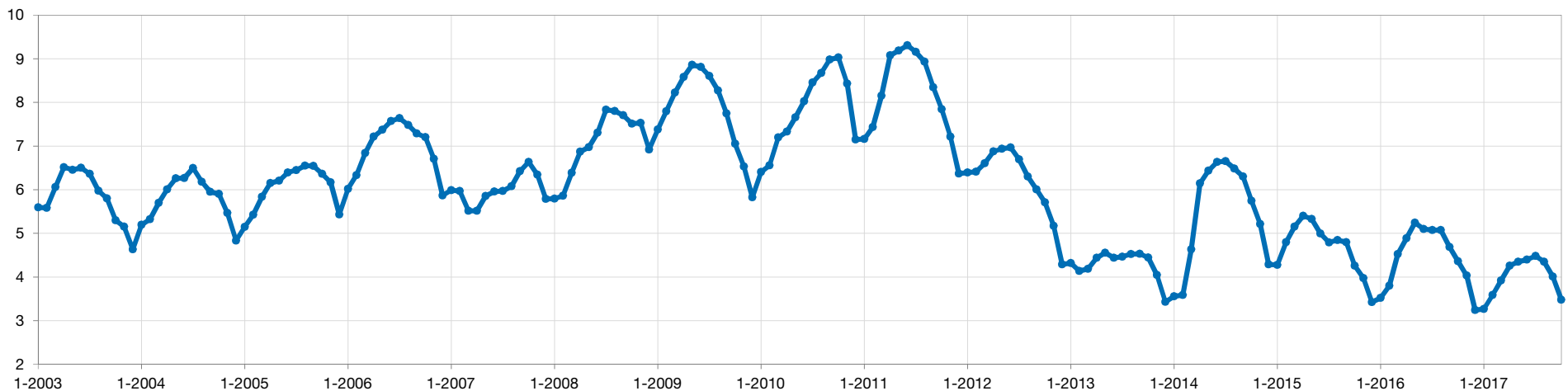


October



| Month | Prior Year | Current Year | + / - |
|---------------------|------------|--------------|---------------|
| November 2016 | 4.0 | 4.0 | 0.0% |
| December 2016 | 3.4 | 3.2 | -5.9% |
| January 2017 | 3.5 | 3.3 | -5.7% |
| February 2017 | 3.8 | 3.6 | -5.3% |
| March 2017 | 4.5 | 3.9 | -13.3% |
| April 2017 | 4.9 | 4.3 | -12.2% |
| May 2017 | 5.2 | 4.3 | -17.3% |
| June 2017 | 5.1 | 4.4 | -13.7% |
| July 2017 | 5.1 | 4.5 | -11.8% |
| August 2017 | 5.1 | 4.4 | -13.7% |
| September 2017 | 4.7 | 4.0 | -14.9% |
| October 2017 | 4.4 | 3.5 | -20.5% |
| 12-Month Avg | 4.5 | 3.9 | -13.3% |

Historical Months Supply of Homes for Sale

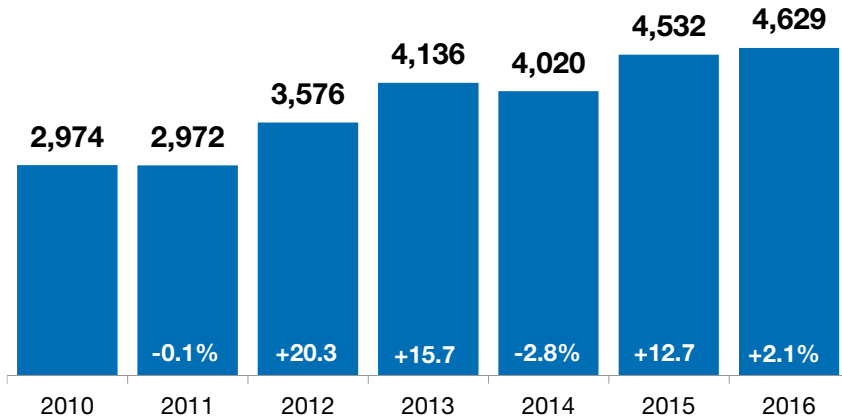


Annual Review

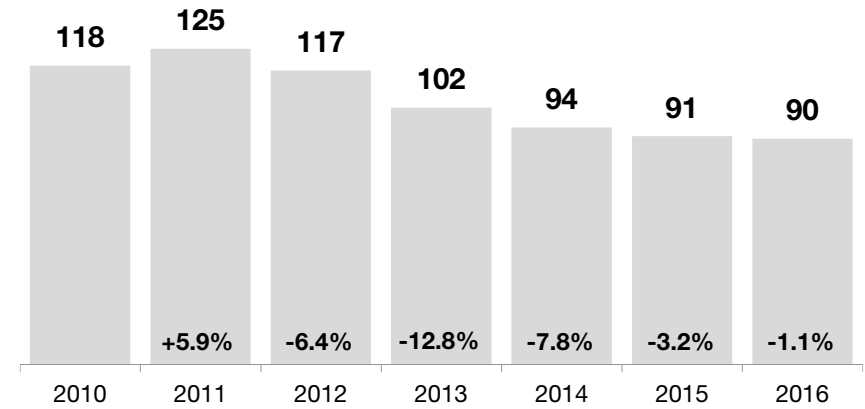
Historical look at key market metrics for the overall region.



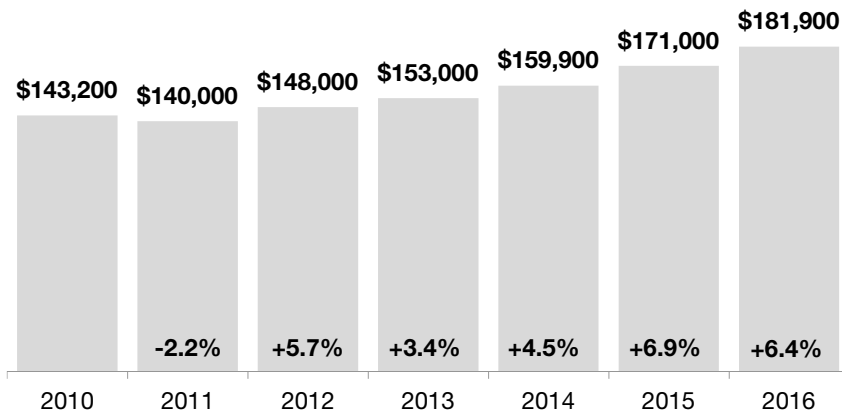
Closed Sales



Days on Market



Median Sales Price



Percent of Original List Price Received

