Monthly Indicators

RASE
REALTOR® Association of the Sioux Empire Inc.

January 2018

Last year, U.S. consumers seemed to be operating with a renewed but cautious optimism. The stock market was strong, wages were edging upwards and home buying activity was extremely competitive. Not much has changed in 2018 in terms of those measures, yet there is a sort of seasoned prudence mixed into the high emotions that go with a major expense like a home purchase. We are now several years deep into a period of rising prices and low inventory. Those in the market to buy a home have caught on. As sellers attempt take advantage of rising prices, expect buyers to be more selective.

New Listings in the Sioux Falls region increased 1.7 percent to 413. Pending Sales were up 43.1 percent to 302. Inventory levels fell 11.3 percent to 1,124 units.

Prices continued to gain traction. The Median Sales Price increased 4.1 percent to $192,500. Days on Market was up 6.4 percent to 100 days. Sellers were encouraged as Months Supply of Homes for Sale was down 18.2 percent to 2.7 months.

Whatever external forces are placed upon residential real estate markets across the country – whether they are related to tax legislation, mortgage rates, employment situation changes, new family formations, the availability of new construction and the like – the appetite for home buying remains strong enough to drive prices upward in virtually all markets across the country. New sales are not necessarily following that trend, but monthly increases are expected until at least late summer.

Quick Facts

- 0.5%	+ 4.1%	- 11.3%
Change in **Closed Sales**	Change in **Median Sales Price**	Change in **Inventory**

Market Overview

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

RASE — REALTOR® Association of the Sioux Empire Inc.

Key Metrics	Historical Sparklines	1-2017	1-2018	+ / −	YTD 2017	YTD 2018	+ / −
New Listings		406	**413**	+ 1.7%	406	**413**	+ 1.7%
Pending Sales		211	**302**	+ 43.1%	211	**302**	+ 43.1%
Closed Sales		211	**210**	- 0.5%	211	**210**	- 0.5%
Days on Market Until Sale		94	**100**	+ 6.4%	94	**100**	+ 6.4%
Median Sales Price		$184,900	**$192,500**	+ 4.1%	$184,900	**$192,500**	+ 4.1%
Average Sales Price		$204,812	**$217,261**	+ 6.1%	$204,812	**$217,261**	+ 6.1%
Percent of Original List Price Received		98.1%	**98.5%**	+ 0.4%	98.1%	**98.5%**	+ 0.4%
Housing Affordability Index		171	**167**	- 2.3%	171	**167**	- 2.3%
Inventory of Homes for Sale		1,267	**1,124**	- 11.3%	--	--	--
Months Supply of Homes for Sale		3.3	**2.7**	- 18.2%	--	--	--

New Listings

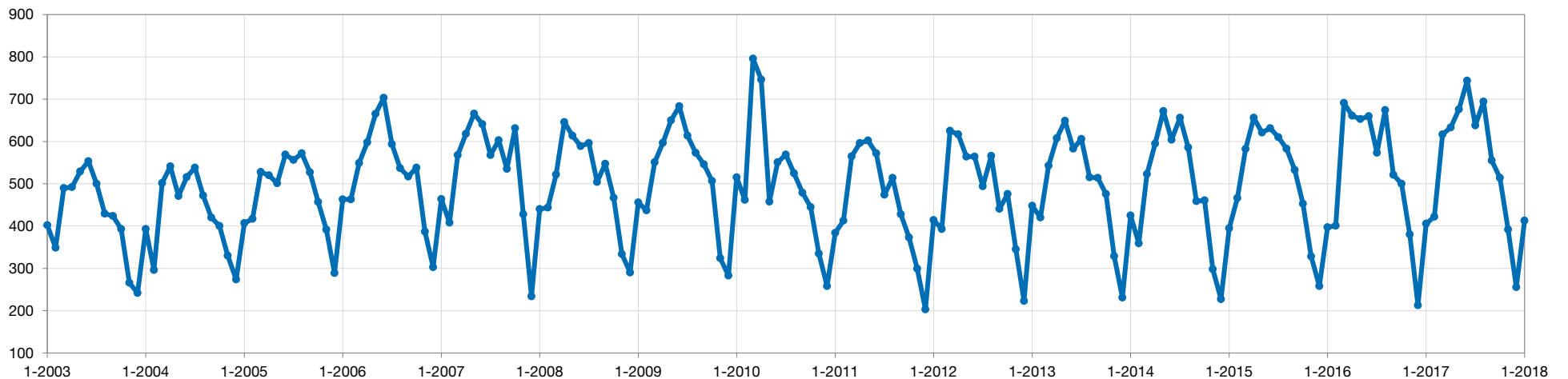A count of the properties that have been newly listed on the market in a given month.

January

397	406	413
	+2.3%	+1.7%
2016	2017	2018

Year to Date

397	406	413
	+2.3%	+1.7%
2016	2017	2018
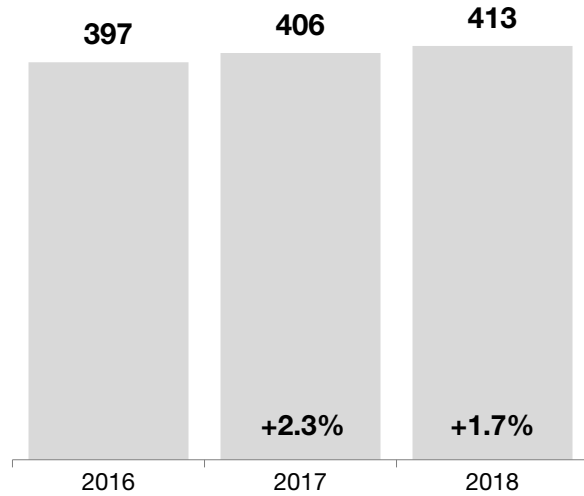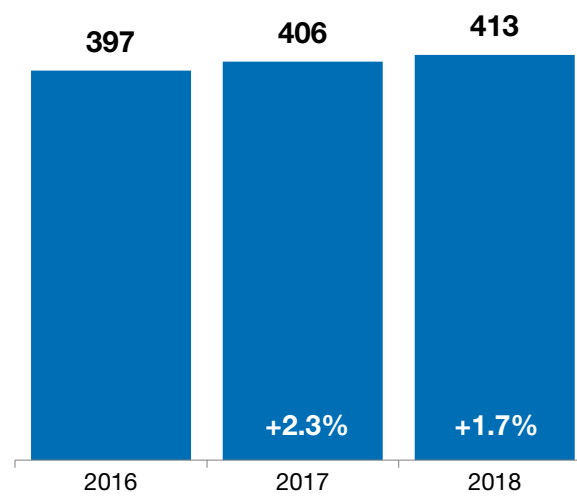
Month	Prior Year	Current Year	+ / −
February 2017	401	422	+5.2%
March 2017	691	617	-10.7%
April 2017	661	633	-4.2%
May 2017	653	676	+3.5%
June 2017	660	744	+12.7%
July 2017	573	638	+11.3%
August 2017	674	694	+3.0%
September 2017	521	555	+6.5%
October 2017	500	514	+2.8%
November 2017	380	392	+3.2%
December 2017	213	256	+20.2%
January 2018	**406**	**413**	**+1.7%**
12-Month Avg	528	546	+3.5%

Historical New Listing Activity

Pending Sales

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

January

- 2016: 199
- 2017: 211 (+6.0%)
- 2018: 302 (+43.1%)

Year to Date

- 2016: 199
- 2017: 211 (+6.0%)
- 2018: 302 (+43.1%)
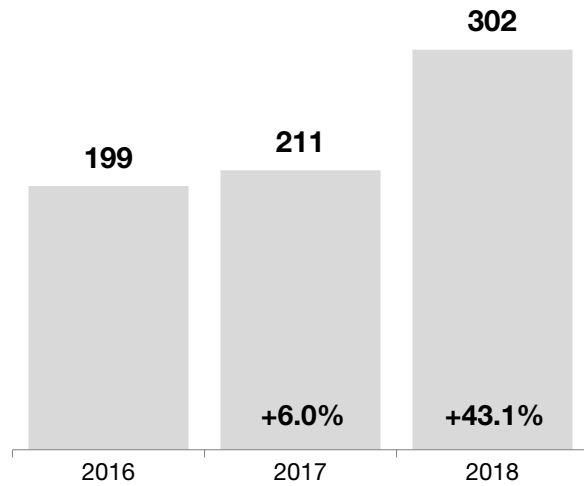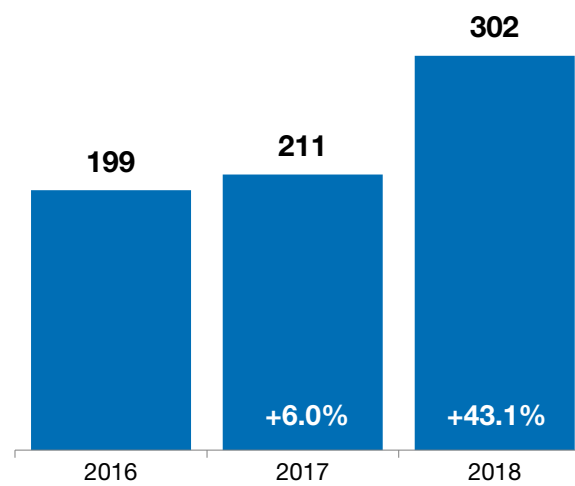
Month	Prior Year	Current Year	+ / −
February 2017	205	211	+2.9%
March 2017	298	378	+26.8%
April 2017	406	403	-0.7%
May 2017	440	492	+11.8%
June 2017	582	565	-2.9%
July 2017	467	449	-3.9%
August 2017	481	527	+9.6%
September 2017	455	453	-0.4%
October 2017	442	400	-9.5%
November 2017	306	367	+19.9%
December 2017	350	370	+5.7%
January 2018	**211**	**302**	**+43.1%**
12-Month Avg	387	410	+5.9%

Historical Pending Sales Activity
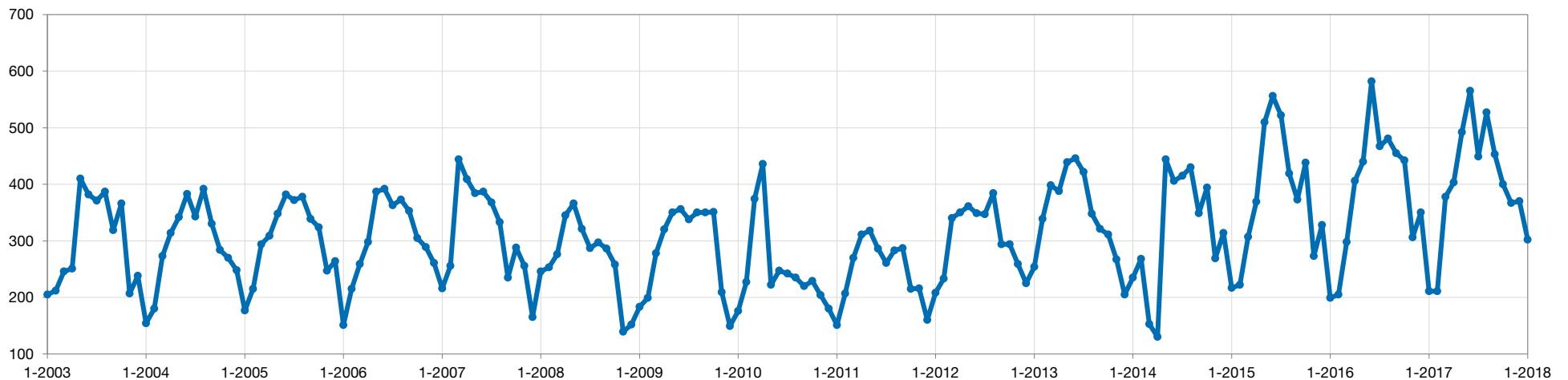
Closed Sales

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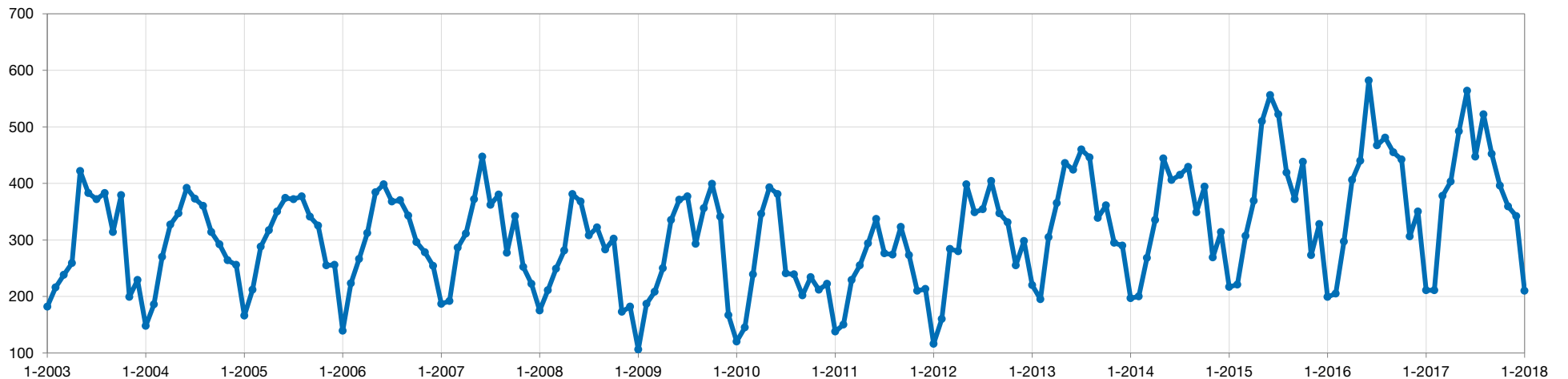
January

2016	2017	2018
199	211	210
	+6.0%	-0.5%

Year to Date

2016	2017	2018
199	211	210
	+6.0%	-0.5%
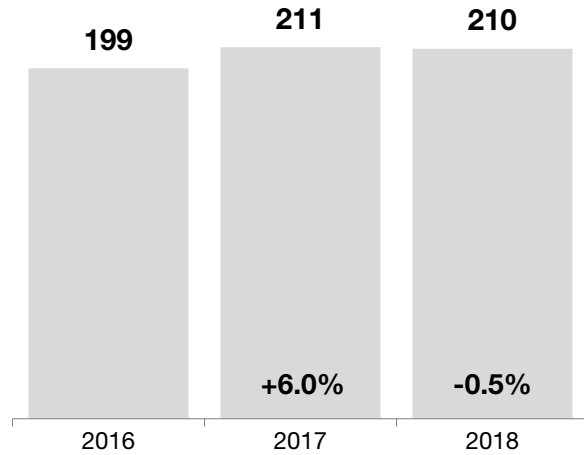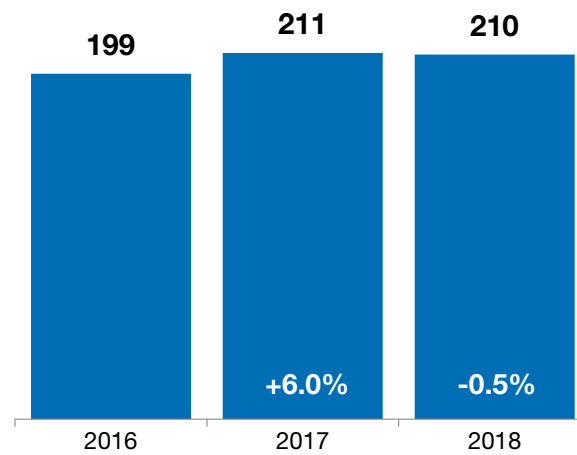
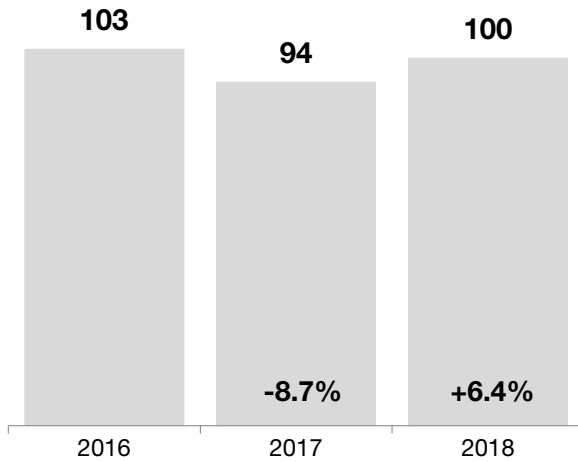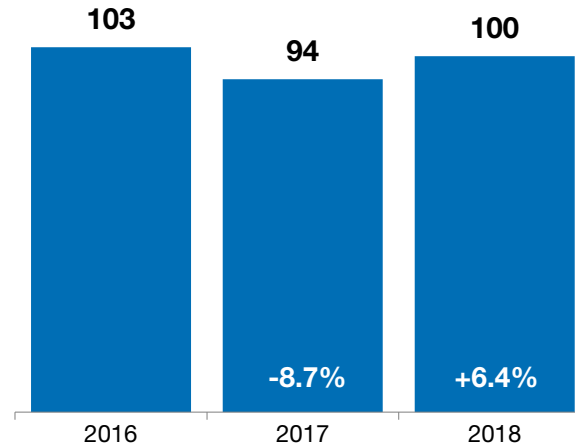| Month	Prior Year	Current Year	+ / –
February 2017	205	211	+2.9%
March 2017	297	378	+27.3%
April 2017	406	403	-0.7%
May 2017	440	492	+11.8%
June 2017	582	564	-3.1%
July 2017	467	447	-4.3%
August 2017	481	522	+8.5%
September 2017	455	452	-0.7%
October 2017	442	396	-10.4%
November 2017	306	359	+17.3%
December 2017	350	342	-2.3%
January 2018	**211**	**210**	**-0.5%**
12-Month Avg	387	398	+3.8%

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.
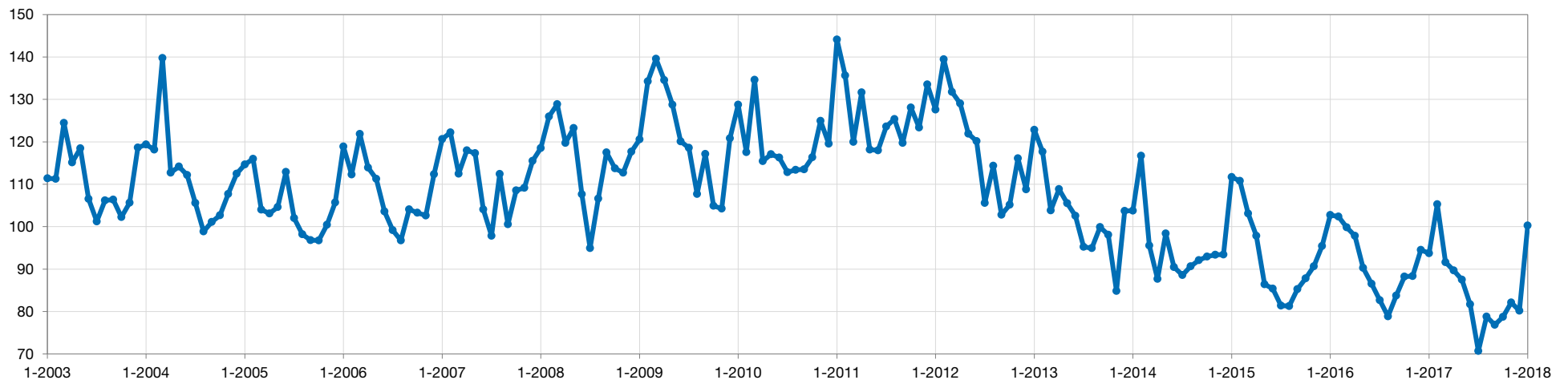
January

2016	2017	2018
103	94	100
	-8.7%	+6.4%

Year to Date

2016	2017	2018
103	94	100
	-8.7%	+6.4%

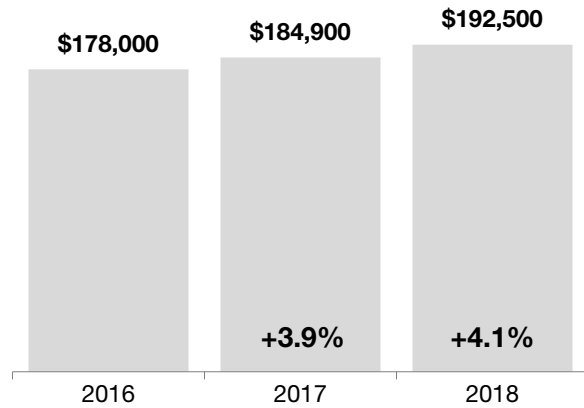| Month	Prior Year	Current Year	+ / −
February 2017	102	105	+2.9%
March 2017	100	92	-8.0%
April 2017	98	90	-8.2%
May 2017	90	88	-2.2%
June 2017	87	82	-5.7%
July 2017	83	71	-14.5%
August 2017	79	79	0.0%
September 2017	84	77	-8.3%
October 2017	88	79	-10.2%
November 2017	88	82	-6.8%
December 2017	95	80	-15.8%
January 2018	**94**	**100**	**+6.4%**
12-Month Avg	89	83	-6.7%

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.

January

$178,000	$184,900	$192,500
	+3.9%	+4.1%
2016	2017	2018

Year to Date

$178,000	$184,900	$192,500
	+3.9%	+4.1%
2016	2017	2018
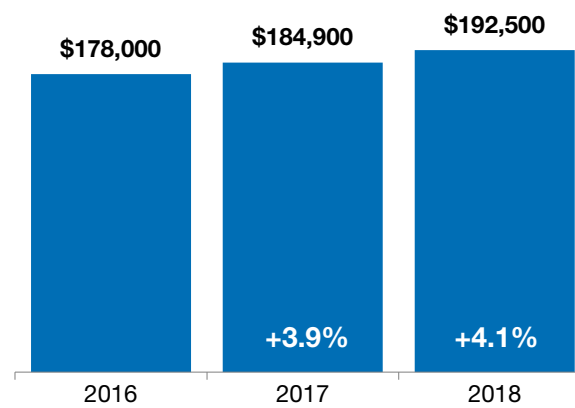
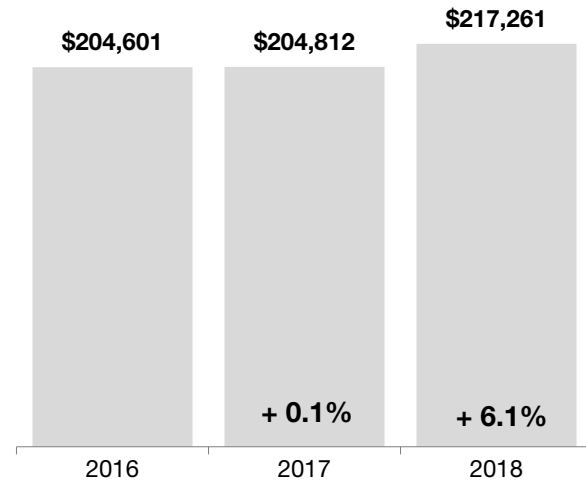| Month	Prior Year	Current Year	+ / –
February 2017	$172,250	$175,000	+1.6%
March 2017	$168,000	$184,900	+10.1%
April 2017	$178,850	$190,000	+6.2%
May 2017	$182,950	$194,450	+6.3%
June 2017	$188,700	$201,800	+6.9%
July 2017	$190,000	$190,000	0.0%
August 2017	$187,250	$194,900	+4.1%
September 2017	$185,000	$192,950	+4.3%
October 2017	$179,850	$189,900	+5.6%
November 2017	$178,450	$188,500	+5.6%
December 2017	$179,900	$190,000	+5.6%
January 2018	**$184,900**	**$192,500**	**+4.1%**
12-Month Med	$182,000	$190,500	+4.7%

Historical Median Sales Price

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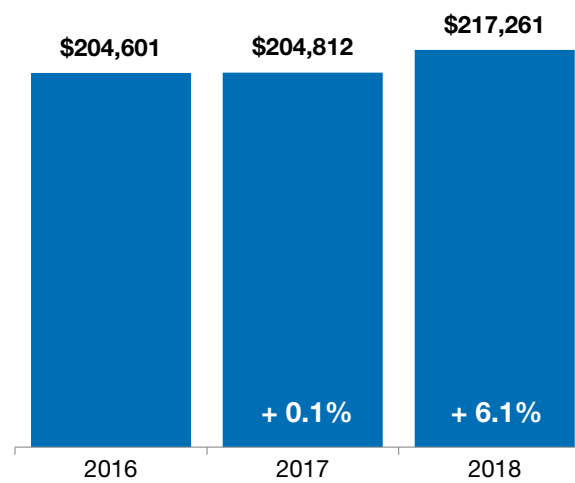
Average sales price for all closed sales, not accounting for seller concessions, in a given month.
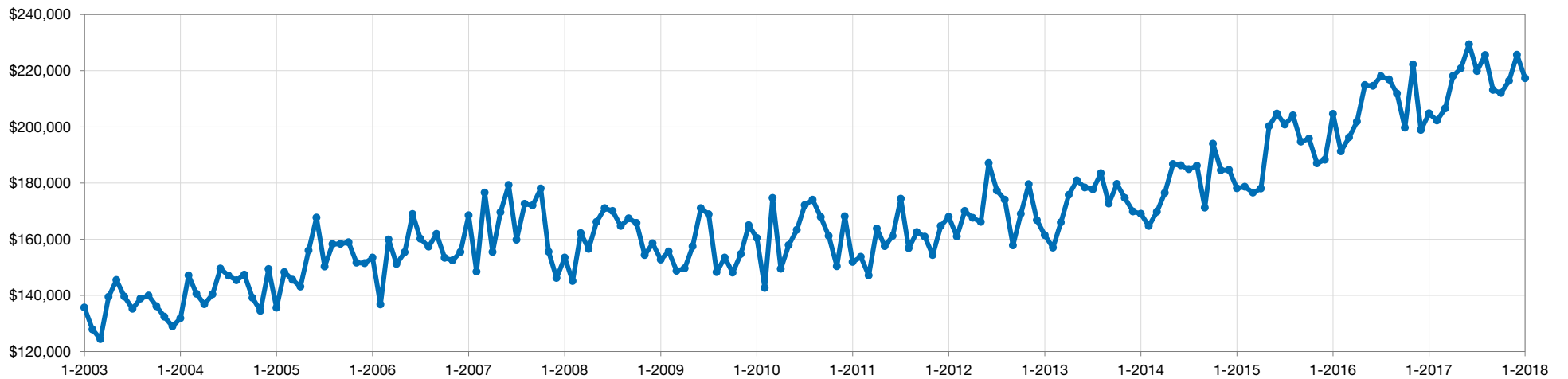
January

Year	Value	Change
2016	$204,601	
2017	$204,812	+ 0.1%
2018	$217,261	+ 6.1%

Year to Date

Year	Value	Change
2016	$204,601	
2017	$204,812	+ 0.1%
2018	$217,261	+ 6.1%

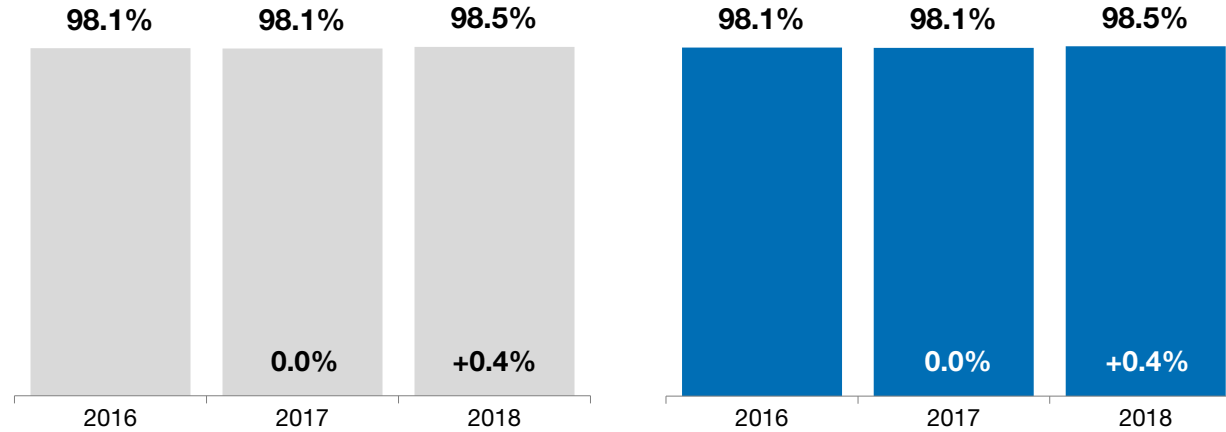| Month	Prior Year	Current Year	+ / −
February 2017	$191,282	$202,214	+5.7%
March 2017	$196,277	$206,523	+5.2%
April 2017	$201,829	$218,082	+8.1%
May 2017	$214,863	$220,787	+2.8%
June 2017	$214,598	$229,404	+6.9%
July 2017	$218,050	$219,869	+0.8%
August 2017	$216,878	$225,563	+4.0%
September 2017	$211,870	$213,130	+0.6%
October 2017	$199,716	$212,013	+6.2%
November 2017	$222,217	$216,395	-2.6%
December 2017	$198,879	$225,598	+13.4%
January 2018	**$204,812**	**$217,261**	**+6.1%**
12-Month Avg	$209,078	$218,471	+4.5%

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.

January

2016	2017	2018
98.1%	98.1%	98.5%
	0.0%	+0.4%

Year to Date

2016	2017	2018
98.1%	98.1%	98.5%
	0.0%	+0.4%

Month	Prior Year	Current Year	+ / −
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%	99.4%	+0.7%
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%
November 2017	97.7%	98.3%	+0.6%
December 2017	98.1%	97.9%	-0.2%
January 2018	**98.1%**	**98.5%**	**+0.4%**
12-Month Avg	98.5%	98.8%	+0.3%

## Historical Percent of Original List Price Received
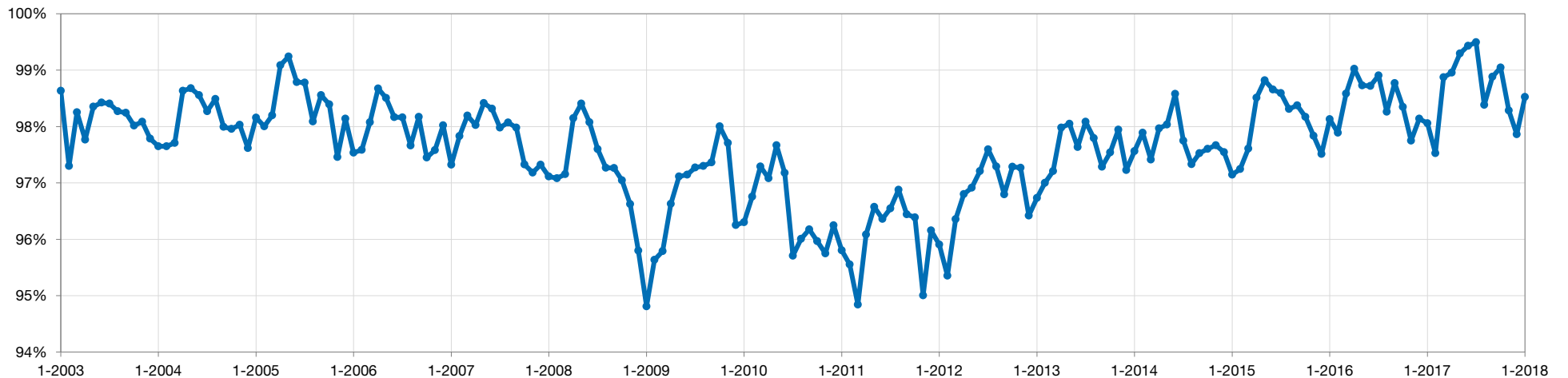
Housing Affordability Index

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.**
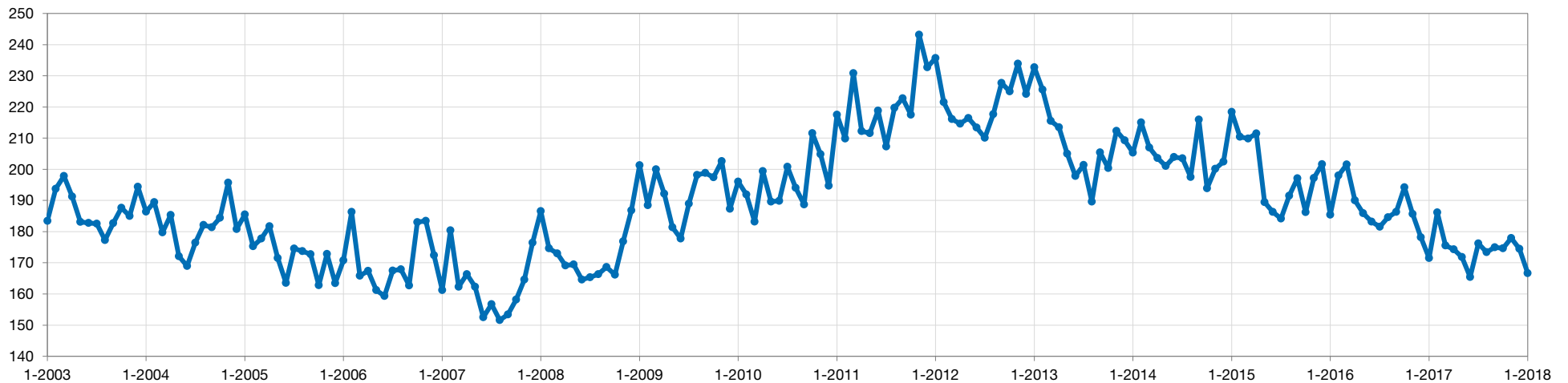
January

2016	2017	2018
185	171	167
	-7.6%	-2.3%

Year to Date

2016	2017	2018
185	171	167
	-7.6%	-2.3%
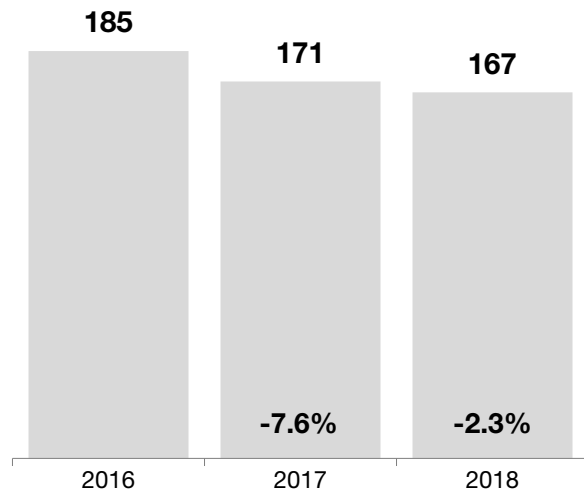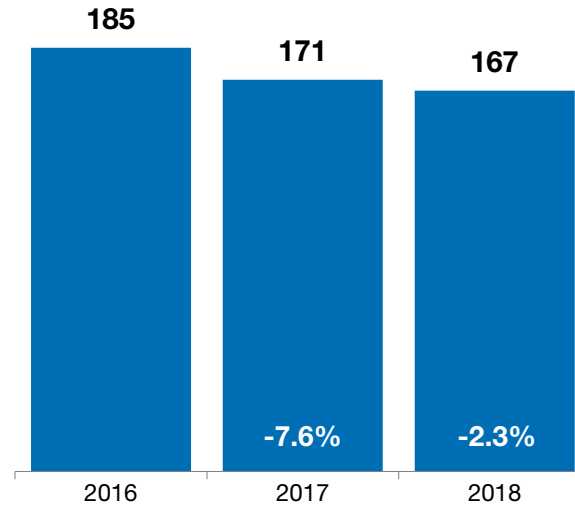
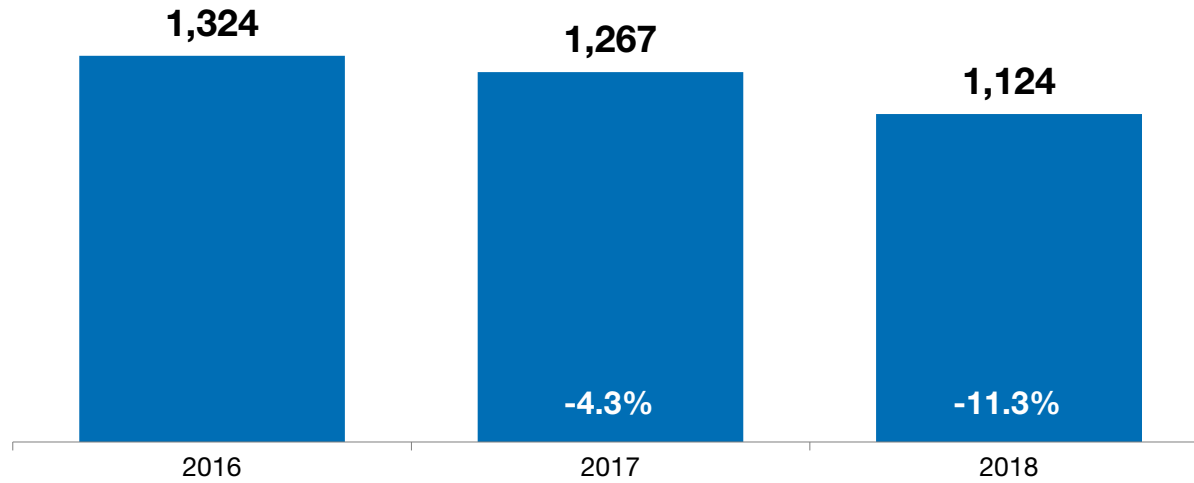| Month	Prior Year	Current Year	+ / –
February 2017	198	186	-6.1%
March 2017	202	176	-12.9%
April 2017	190	174	-8.4%
May 2017	186	172	-7.5%
June 2017	183	165	-9.8%
July 2017	182	176	-3.3%
August 2017	185	173	-6.5%
September 2017	186	175	-5.9%
October 2017	194	175	-9.8%
November 2017	186	178	-4.3%
December 2017	178	175	-1.7%
January 2018	**171**	**167**	**-2.3%**
12-Month Avg	187	174	-7.0%

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.

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January

Month	Prior Year	Current Year	+ / −
February 2017	1,424	1,394	-2.1%
March 2017	1,694	1,551	-8.4%
April 2017	1,843	1,690	-8.3%
May 2017	1,947	1,753	-10.0%
June 2017	1,904	1,778	-6.6%
July 2017	1,873	1,820	-2.8%
August 2017	1,900	1,804	-5.1%
September 2017	1,786	1,730	-3.1%
October 2017	1,662	1,650	-0.7%
November 2017	1,550	1,473	-5.0%
December 2017	1,252	1,202	-4.0%
January 2018	**1,267**	**1,124**	**-11.3%**
12-Month Avg	1,675	1,581	-5.6%

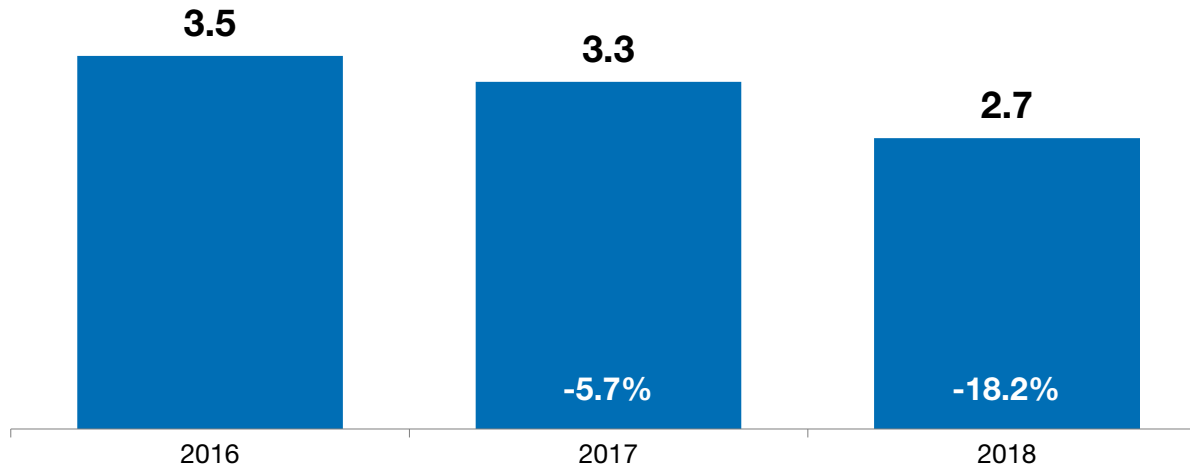## Historical Inventory of Homes for Sale
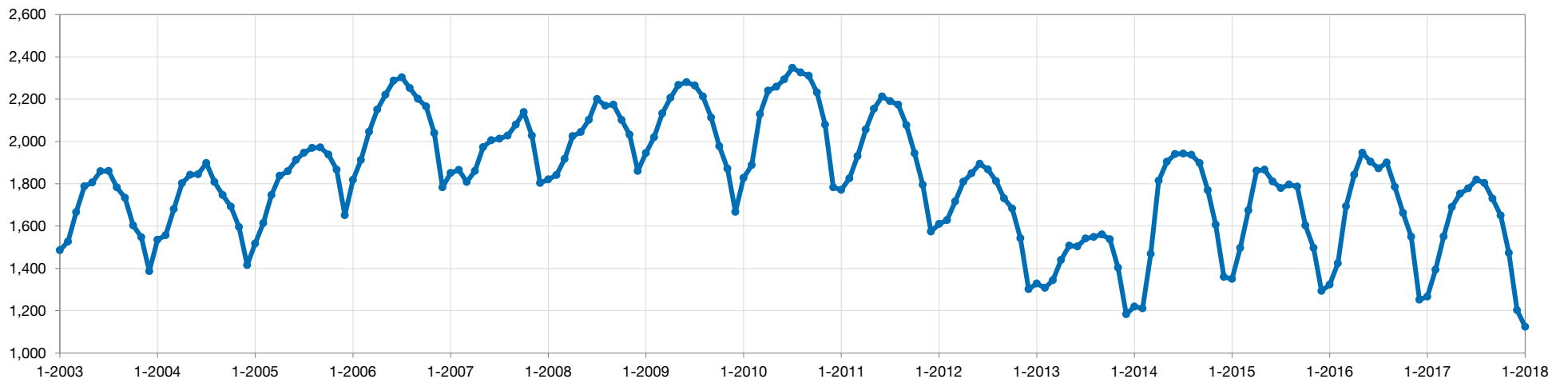
Months Supply of Homes for Sale

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.
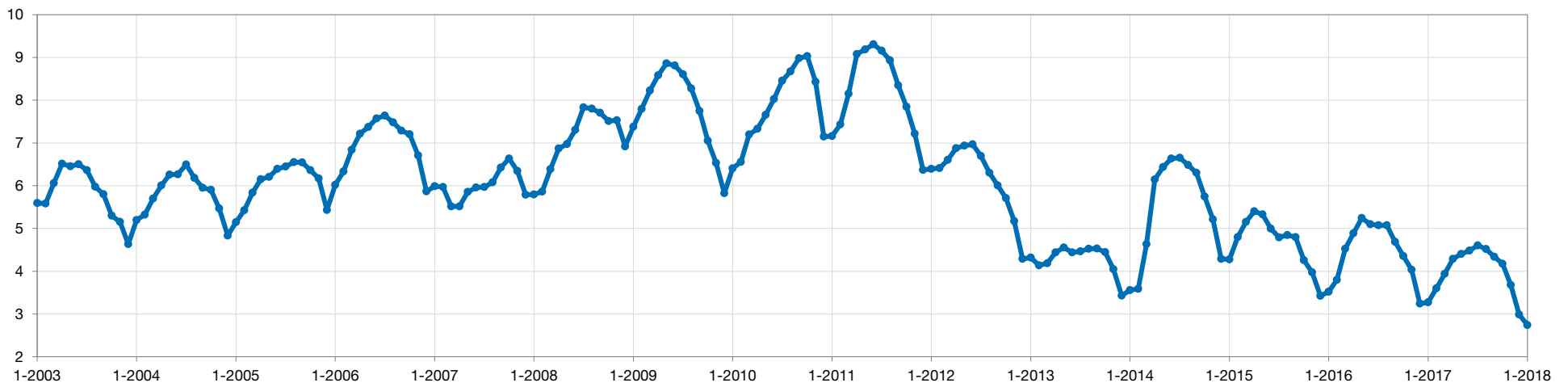
January

Month	Prior Year	Current Year	+ / –
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	4.4	-15.4%
June 2017	5.1	4.5	-11.8%
July 2017	5.1	4.6	-9.8%
August 2017	5.1	4.5	-11.8%
September 2017	4.7	4.3	-8.5%
October 2017	4.4	4.2	-4.5%
November 2017	4.0	3.7	-7.5%
December 2017	3.2	3.0	-6.3%
January 2018	**3.3**	**2.7**	**-18.2%**
12-Month Avg	4.4	4.0	-9.1%

2016: 3.5
2017: 3.3 (-5.7%)
2018: 2.7 (-18.2%)

Historical Months Supply of Homes for Sale

Annual Review

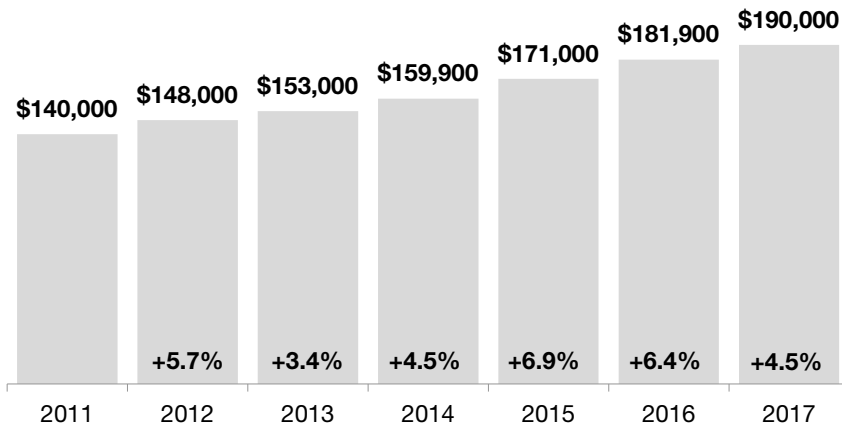Historical look at key market metrics for the overall region.

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Closed Sales

2011	2012	2013	2014	2015	2016	2017
2,972	3,576	4,136	4,020	4,532	4,630	4,777
	+20.3	+15.7	-2.8%	+12.7	+2.2%	+3.2%

Days on Market

2011	2012	2013	2014	2015	2016	2017
125	117	102	94	91	90	83
	-6.4%	-12.8%	-7.8%	-3.2%	-1.1%	-7.8%

Median Sales Price

2011	2012	2013	2014	2015	2016	2017
$140,000	$148,000	$153,000	$159,900	$171,000	$181,900	$190,000
	+5.7%	+3.4%	+4.5%	+6.9%	+6.4%	+4.5%

Percent of Original List Price Received

2011	2012	2013	2014	2015	2016	2017
96.1%	96.9%	97.6%	97.8%	98.2%	98.5%	98.8%
	+0.8%	+0.7%	+0.1%	+0.5%	+0.3%	+0.3%