# Monthly Indicators

**RASE**
REALTOR® Association of the Sioux Empire Inc.

## October 2018

If the last few months are an indication of the temperature of housing markets across the country, a period of relative calm can be expected during the last three months of the year. A trend of market balance is emerging as we approach the end of 2018. Prices are still rising in most areas, and the number of homes for sale is still low, but there is a general shrinking of year-over-year percentage change gaps in sales, inventory and prices.

New Listings in the Sioux Falls region increased 7.2 percent to 552. Pending Sales were up 33.0 percent to 528. Inventory levels fell 12.2 percent to 1,486 units.

Prices continued to gain traction. The Median Sales Price increased 8.0 percent to $205,000. Days on Market was up 3.8 percent to 82 days. Sellers were encouraged as Months Supply of Homes for Sale was down 16.3 percent to 3.6 months.

Stock markets experienced an October setback, but that does not necessarily translate to a decline in the real estate market. The national unemployment rate has been below 4.0 percent for three straight months and during five of the last six months. This is exceptional news for industries related to real estate. Meanwhile, homebuilder confidence remains positive, homeownership rates have increased in the key under-35 buyer group and prices, though still rising, have widely reduced the march toward record highs.

## Quick Facts

| + 5.8% | + 8.0% | - 12.2% |
|---|---|---|
| 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.

| Key Metrics | Historical Sparklines | | 10-2017 | 10-2018 | + / − | YTD 2017 | YTD 2018 | + / − |
|---|---|---|---|---|---|---|---|---|
| New Listings | | | 515 | 552 | + 7.2% | 5,915 | 6,035 | + 2.0% |
| Pending Sales | | | 397 | 528 | + 33.0% | 4,081 | 4,293 | + 5.2% |
| Closed Sales | | | 397 | 420 | + 5.8% | 4,081 | 4,121 | + 1.0% |
| Days on Market Until Sale | | | 79 | 82 | + 3.8% | 83 | 84 | + 1.2% |
| Median Sales Price | | | $189,900 | $205,000 | + 8.0% | $190,000 | $205,000 | + 7.9% |
| Average Sales Price | | | $212,421 | $237,834 | + 12.0% | $217,410 | $230,719 | + 6.1% |
| Percent of Original List Price Received | | | 99.0% | 98.9% | - 0.1% | 98.9% | 99.0% | + 0.1% |
| Housing Affordability Index | | | 175 | 140 | - 20.0% | 175 | 140 | - 20.0% |
| Inventory of Homes for Sale | | | 1,692 | 1,486 | - 12.2% | -- | -- | -- |
| Months Supply of Homes for Sale | | | 4.3 | 3.6 | - 16.3% | -- | -- | -- |

# New Listings

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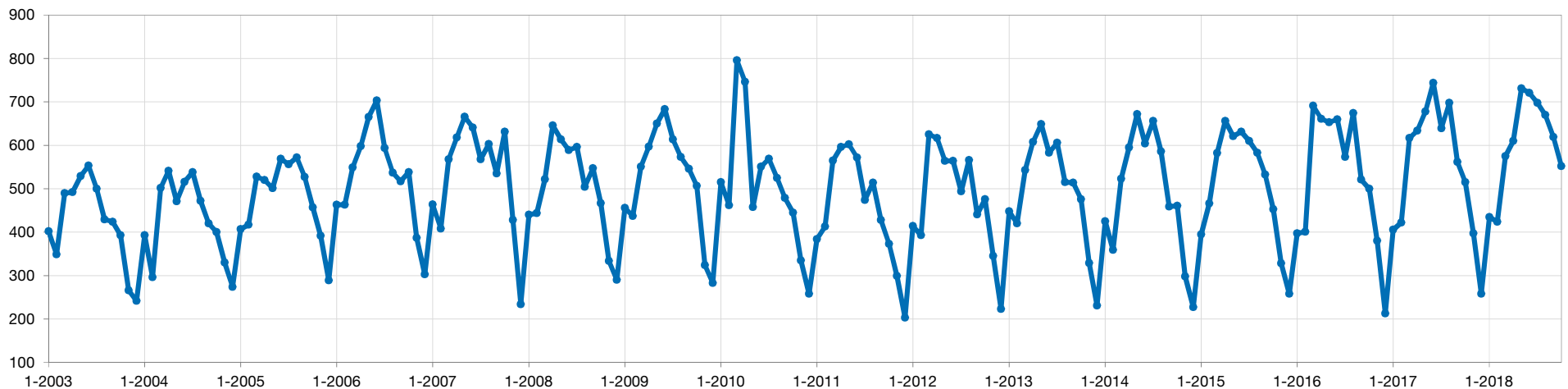
## October

| | | |
|---|---|---|
| 500 | 515 | 552 |
| | +3.0% | +7.2% |
| 2016 | 2017 | 2018 |

## Year to Date
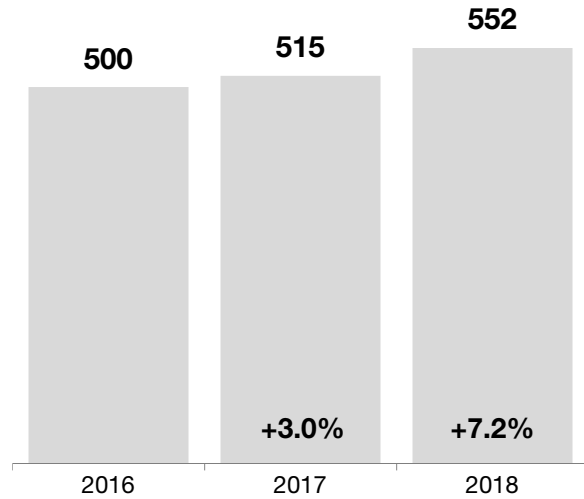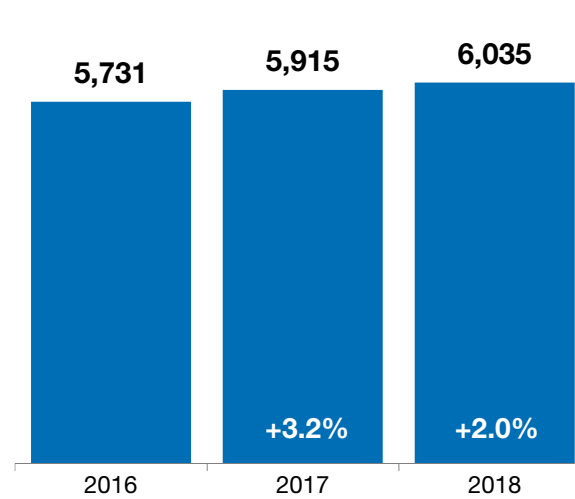
| | | |
|---|---|---|
| 5,731 | 5,915 | 6,035 |
| | +3.2% | +2.0% |
| 2016 | 2017 | 2018 |

| Month | Prior Year | Current Year | + / − |
|---|---|---|---|
| November 2017 | 380 | 397 | +4.5% |
| December 2017 | 213 | 258 | +21.1% |
| January 2018 | 406 | 435 | +7.1% |
| February 2018 | 422 | 424 | +0.5% |
| March 2018 | 617 | 575 | -6.8% |
| April 2018 | 634 | 610 | -3.8% |
| May 2018 | 678 | 731 | +7.8% |
| June 2018 | 744 | 721 | -3.1% |
| July 2018 | 639 | 698 | +9.2% |
| August 2018 | 698 | 670 | -4.0% |
| September 2018 | 562 | 619 | +10.1% |
| **October 2018** | **515** | **552** | **+7.2%** |
| 12-Month Avg | 542 | 558 | +2.8% |

## Historical New Listing Activity

# Pending Sales

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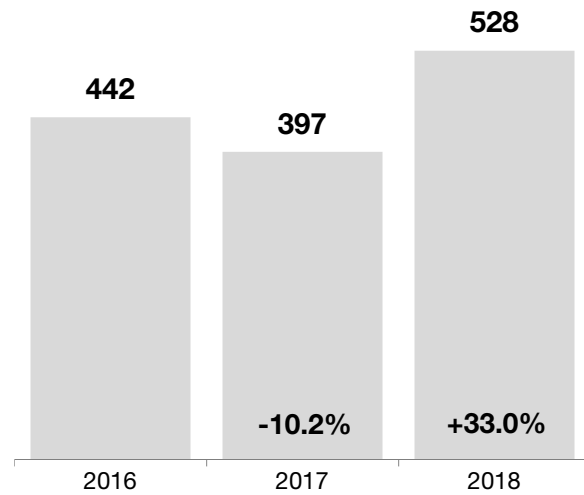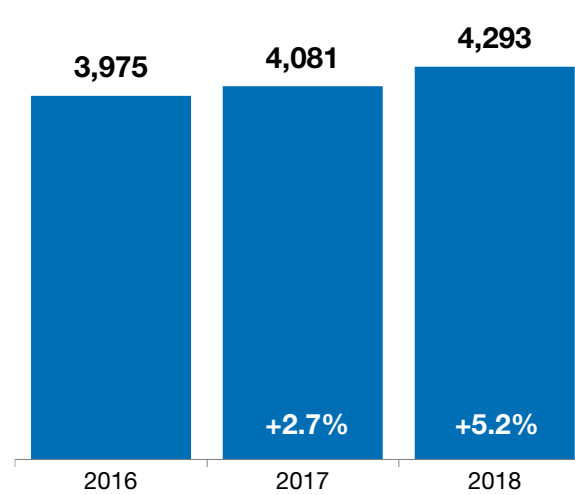
## October

| | | |
|---|---|---|
| 442 | 397 | 528 |
| | -10.2% | +33.0% |
| 2016 | 2017 | 2018 |

## Year to Date

| | | |
|---|---|---|
| 3,975 | 4,081 | 4,293 |
| | +2.7% | +5.2% |
| 2016 | 2017 | 2018 |

| Month | Prior Year | Current Year | + / – |
|---|---|---|---|
| November 2017 | 306 | 361 | +18.0% |
| December 2017 | 350 | 344 | -1.7% |
| January 2018 | 211 | 213 | +0.9% |
| February 2018 | 212 | 227 | +7.1% |
| March 2018 | 378 | 378 | 0.0% |
| April 2018 | 403 | 407 | +1.0% |
| May 2018 | 493 | 454 | -7.9% |
| June 2018 | 564 | 602 | +6.7% |
| July 2018 | 447 | 512 | +14.5% |
| August 2018 | 522 | 532 | +1.9% |
| September 2018 | 454 | 440 | -3.1% |
| **October 2018** | **397** | **528** | **+33.0%** |
| 12-Month Avg | 395 | 417 | +5.5% |

## Historical Pending Sales Activity

# Closed Sales

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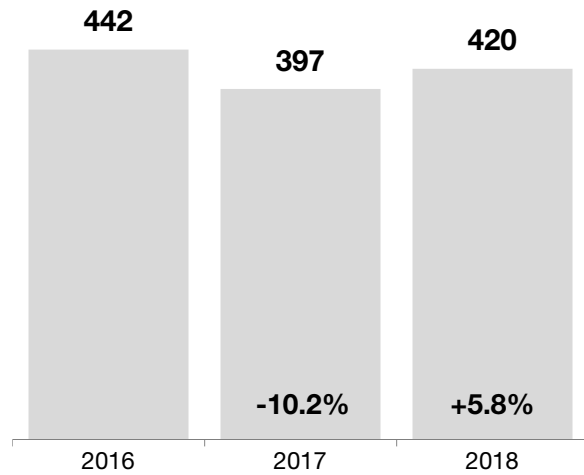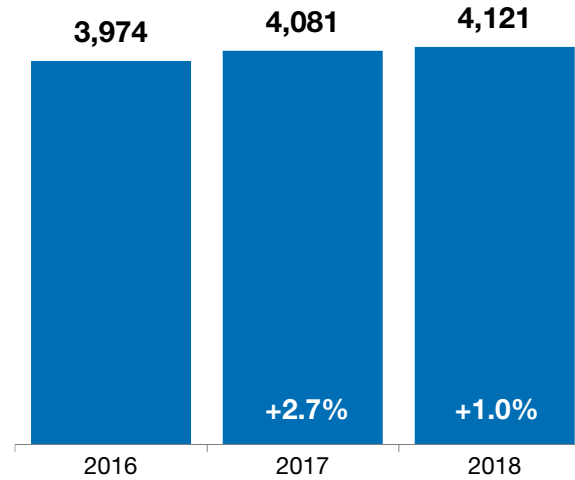
## October

| | | |
|---|---|---|
| 442 | 397 | 420 |
| | -10.2% | +5.8% |
| 2016 | 2017 | 2018 |

## Year to Date

| | | |
|---|---|---|
| 3,974 | 4,081 | 4,121 |
| | +2.7% | +1.0% |
| 2016 | 2017 | 2018 |

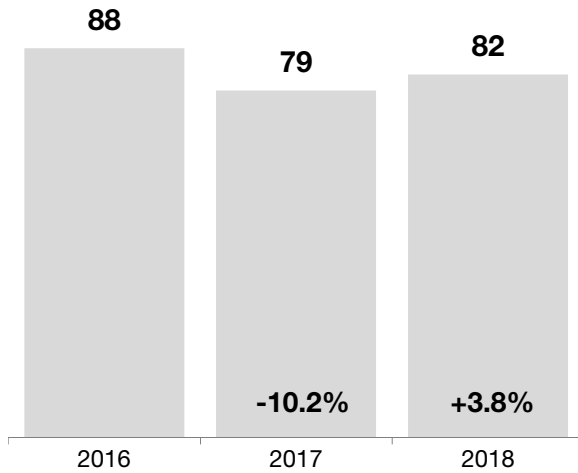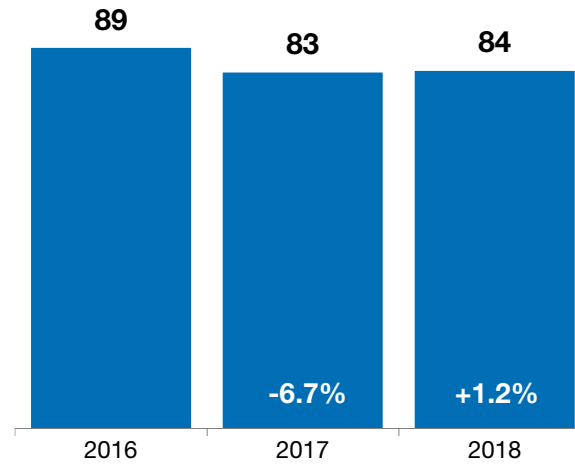| Month | Prior Year | Current Year | + / − |
|---|---|---|---|
| November 2017 | 306 | 361 | +18.0% |
| December 2017 | 350 | 344 | -1.7% |
| January 2018 | 211 | 213 | +0.9% |
| February 2018 | 212 | 226 | +6.6% |
| March 2018 | 378 | 377 | -0.3% |
| April 2018 | 403 | 404 | +0.2% |
| May 2018 | 493 | 454 | -7.9% |
| June 2018 | 564 | 598 | +6.0% |
| July 2018 | 447 | 504 | +12.8% |
| August 2018 | 522 | 520 | -0.4% |
| September 2018 | 454 | 405 | -10.8% |
| **October 2018** | **397** | **420** | **+5.8%** |
| 12-Month Avg | 395 | 402 | +2.4% |

## Historical Closed Sales Activity
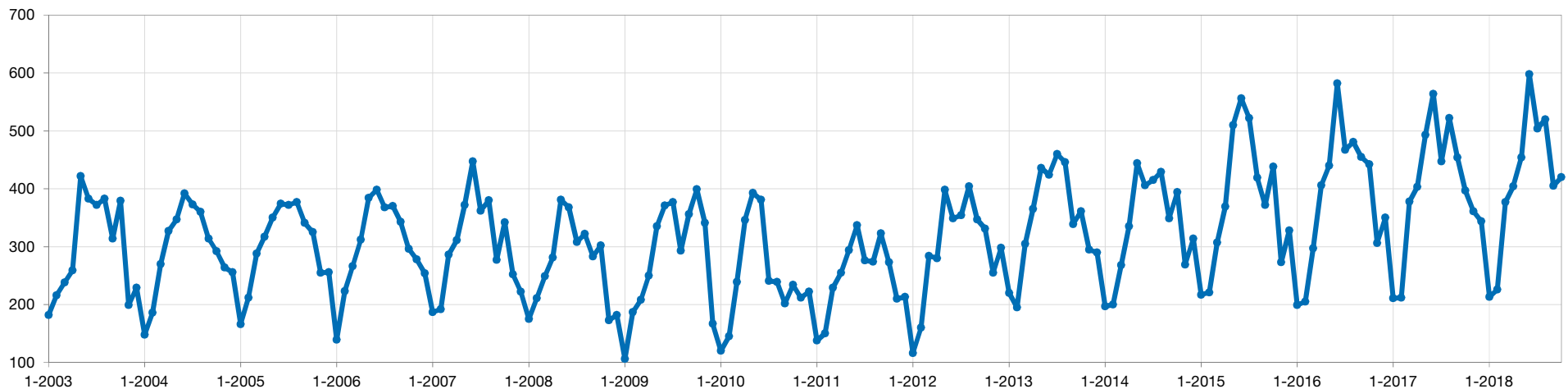
# Days on Market Until Sale

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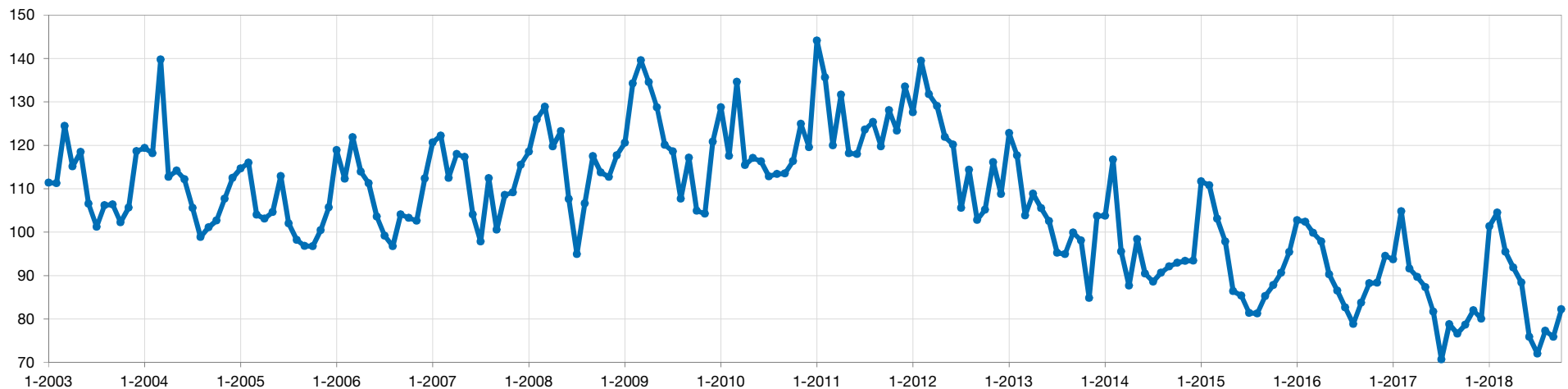
## October

| 2016 | 2017 | 2018 |
|------|------|------|
| 88 | 79 | 82 |
| | -10.2% | +3.8% |

## Year to Date

| 2016 | 2017 | 2018 |
|------|------|------|
| 89 | 83 | 84 |
| | -6.7% | +1.2% |

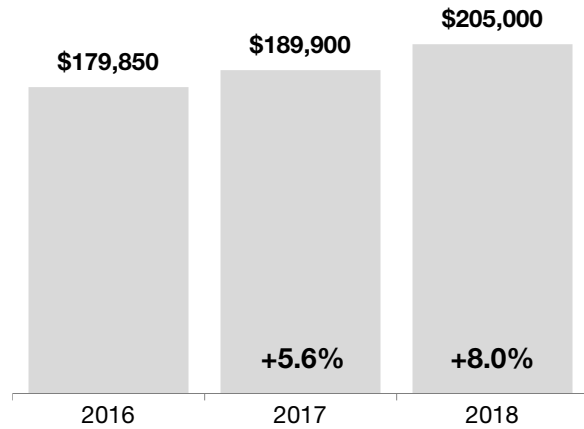| Month | Prior Year | Current Year | + / − |
|-------|------------|--------------|-------|
| November 2017 | 88 | 82 | -6.8% |
| December 2017 | 95 | 80 | -15.8% |
| January 2018 | 94 | 101 | +7.4% |
| February 2018 | 105 | 105 | 0.0% |
| March 2018 | 92 | 95 | +3.3% |
| April 2018 | 90 | 92 | +2.2% |
| May 2018 | 87 | 88 | +1.1% |
| June 2018 | 82 | 76 | -7.3% |
| July 2018 | 71 | 72 | +1.4% |
| August 2018 | 79 | 77 | -2.5% |
| September 2018 | 77 | 76 | -1.3% |
| **October 2018** | **79** | **82** | **+3.8%** |
| 12-Month Avg | 85 | 83 | -2.4% |

## 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

| | | |
|---|---|---|
| $179,850 | $189,900 | $205,000 |
| | +5.6% | +8.0% |
| 2016 | 2017 | 2018 |

## Year to Date
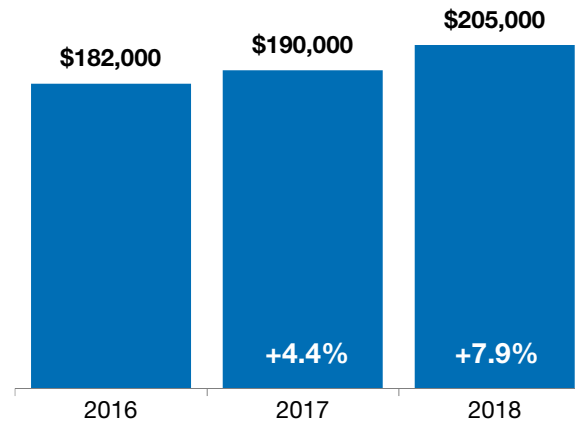
| | | |
|---|---|---|
| $182,000 | $190,000 | $205,000 |
| | +4.4% | +7.9% |
| 2016 | 2017 | 2018 |

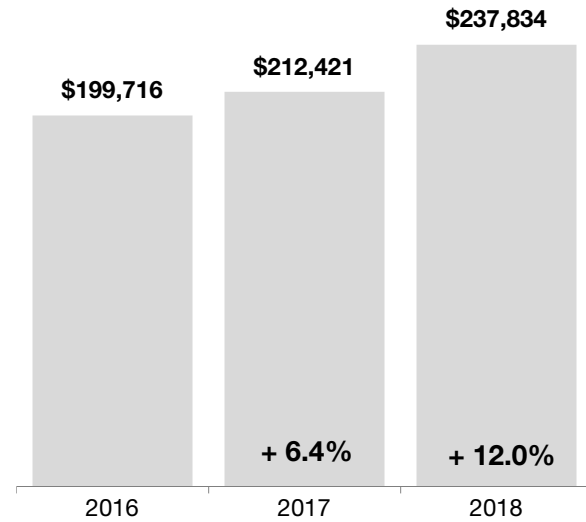| Month | Prior Year | Current Year | + / – |
|---|---|---|---|
| November 2017 | $178,450 | $188,980 | +5.9% |
| December 2017 | $179,900 | $190,000 | +5.6% |
| January 2018 | $184,900 | $190,000 | +2.8% |
| February 2018 | $175,815 | $187,839 | +6.8% |
| March 2018 | $184,900 | $201,000 | +8.7% |
| April 2018 | $189,900 | $209,700 | +10.4% |
| May 2018 | $194,900 | $211,000 | +8.3% |
| June 2018 | $201,800 | $215,000 | +6.5% |
| July 2018 | $190,000 | $208,000 | +9.5% |
| August 2018 | $194,900 | $199,900 | +2.6% |
| September 2018 | $192,950 | $200,250 | +3.8% |
| October 2018 | $189,900 | $205,000 | +8.0% |
| 12-Month Med | $189,900 | $202,000 | +6.4% |

## Historical Median Sales Price

# Average Sales Price

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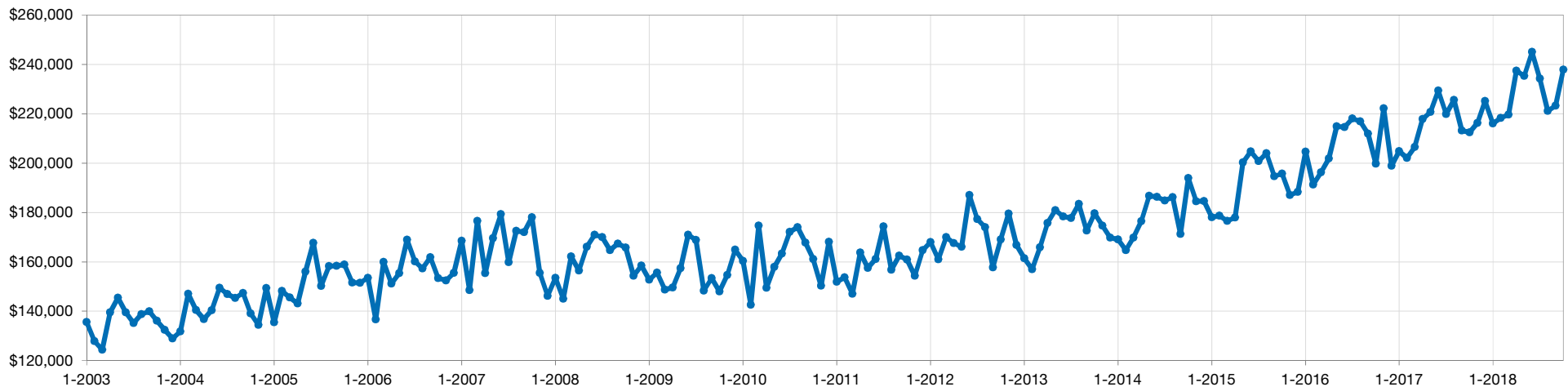
## October

$199,716 — 2016

$212,421 — 2017 (+ 6.4%)

$237,834 — 2018 (+ 12.0%)

## Year to Date

$208,967 — 2016

$217,410 — 2017 (+ 4.0%)

$230,719 — 2018 (+ 6.1%)
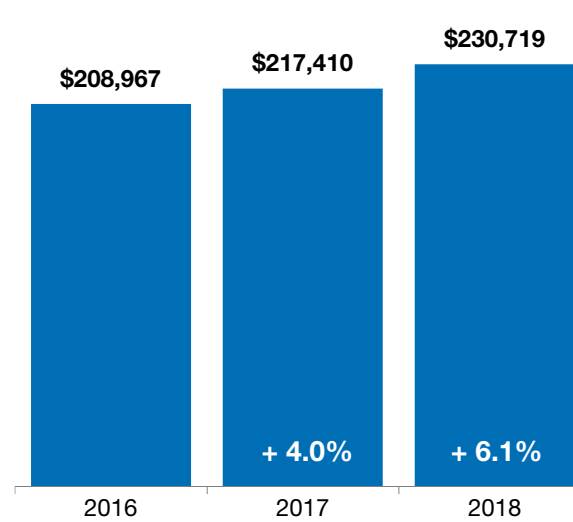
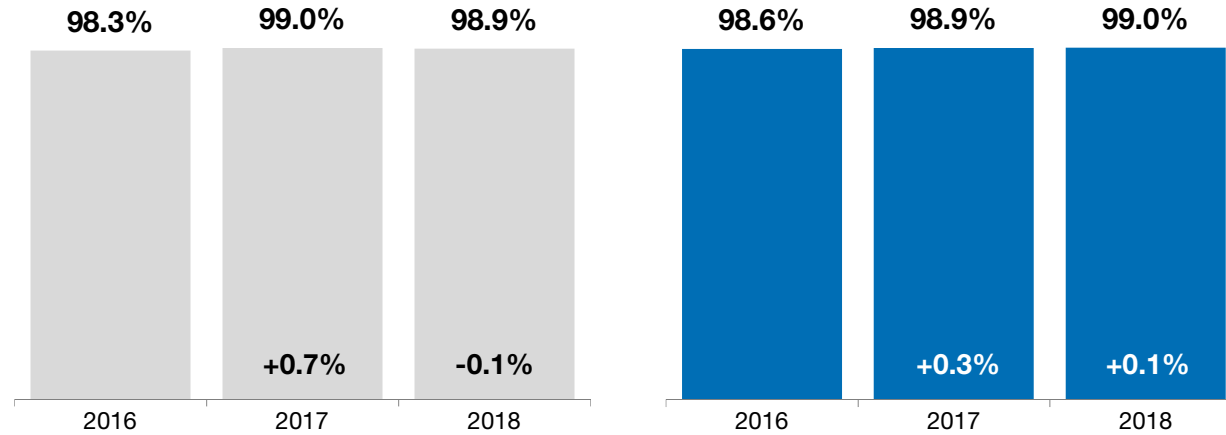| Month | Prior Year | Current Year | + / – |
|---|---|---|---|
| November 2017 | $222,217 | $216,254 | -2.7% |
| December 2017 | $198,879 | $225,164 | +13.2% |
| January 2018 | $204,812 | $216,060 | +5.5% |
| February 2018 | $202,122 | $218,283 | +8.0% |
| March 2018 | $206,523 | $219,665 | +6.4% |
| April 2018 | $217,796 | $237,417 | +9.0% |
| May 2018 | $220,735 | $235,308 | +6.6% |
| June 2018 | $229,404 | $245,050 | +6.8% |
| July 2018 | $219,869 | $234,279 | +6.6% |
| August 2018 | $225,563 | $221,078 | -2.0% |
| September 2018 | $213,186 | $223,256 | +4.7% |
| **October 2018** | **$212,421** | **$237,834** | **+12.0%** |
| 12-Month Avg | $216,351 | $229,243 | +6.0% |

## 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

| 2016 | 2017 | 2018 |
|------|------|------|
| 98.3% | 99.0% | 98.9% |
| | +0.7% | -0.1% |

## Year to Date

| 2016 | 2017 | 2018 |
|------|------|------|
| 98.6% | 98.9% | 99.0% |
| | +0.3% | +0.1% |

| Month | Prior Year | Current Year | + / − |
|-------|-----------|--------------|-------|
| November 2017 | 97.7% | 98.2% | +0.5% |
| December 2017 | 98.1% | 97.9% | -0.2% |
| January 2018 | 98.1% | 98.5% | +0.4% |
| February 2018 | 97.5% | 98.2% | +0.7% |
| March 2018 | 98.9% | 98.5% | -0.4% |
| April 2018 | 98.7% | 99.2% | +0.5% |
| May 2018 | 99.3% | 99.3% | 0.0% |
| June 2018 | 99.4% | 99.6% | +0.2% |
| July 2018 | 99.5% | 98.9% | -0.6% |
| August 2018 | 98.4% | 99.0% | +0.6% |
| September 2018 | 98.9% | 98.9% | 0.0% |
| **October 2018** | **99.0%** | **98.9%** | **-0.1%** |
| 12-Month Avg | 98.8% | 98.8% | 0.0% |

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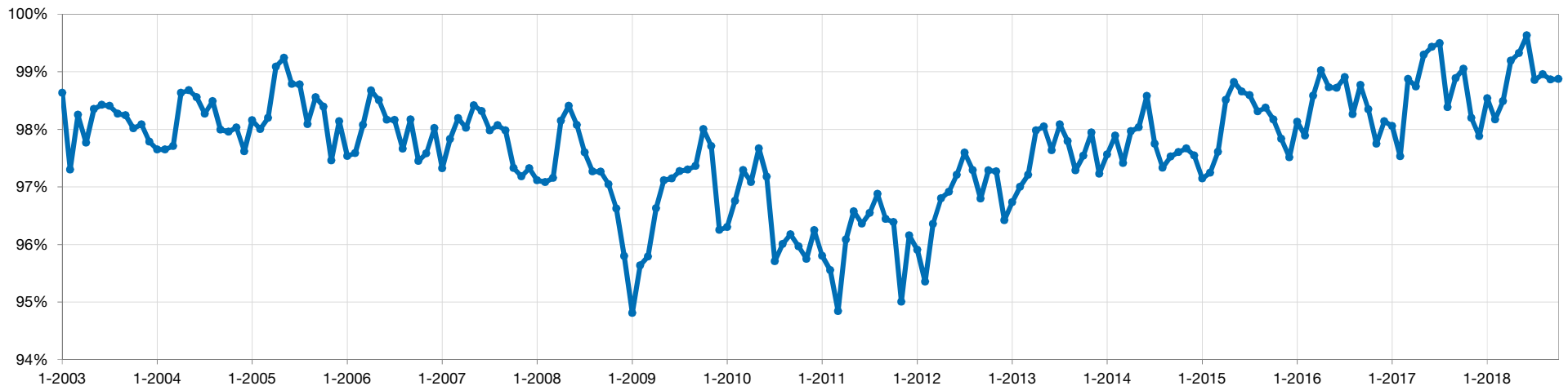
# Housing Affordability Index

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.**
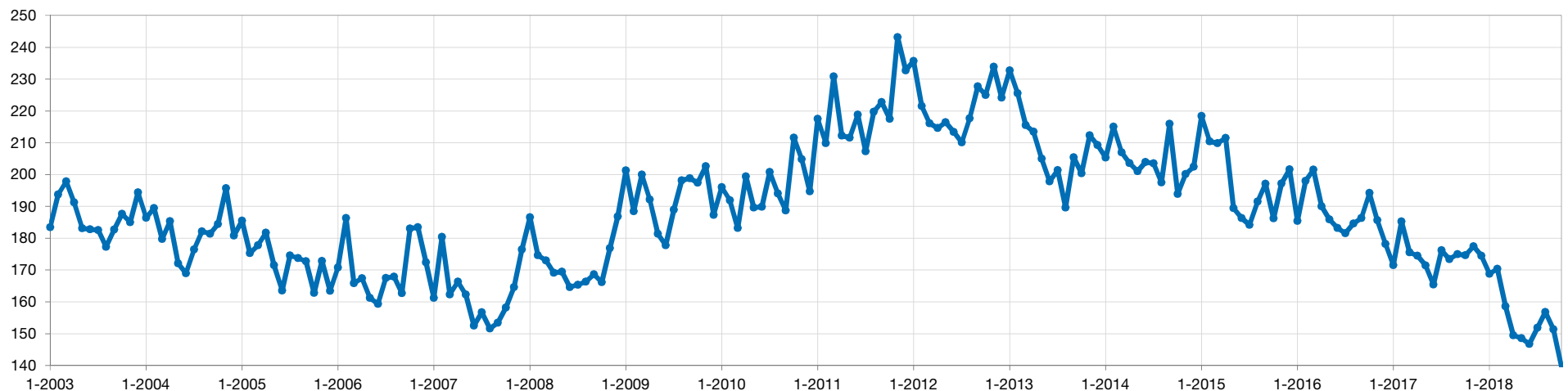
## October

| | | |
|---|---|---|
| 194 | 175 | 140 |
| | -9.8% | -20.0% |
| 2016 | 2017 | 2018 |

## Year to Date
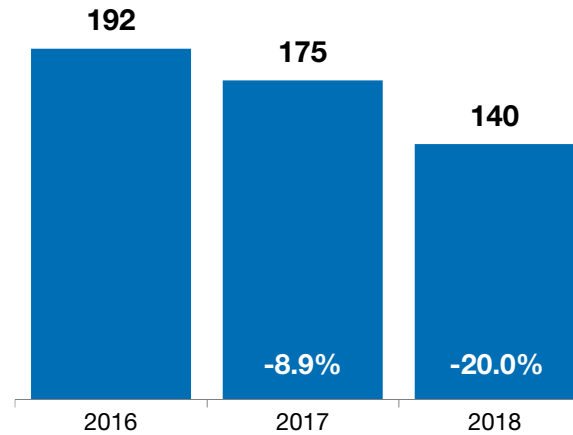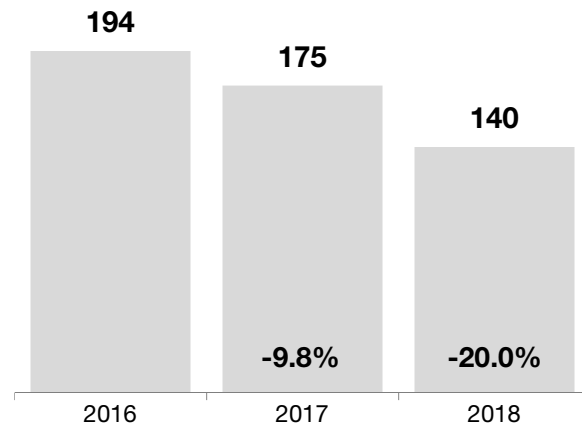
| | | |
|---|---|---|
| 192 | 175 | 140 |
| | -8.9% | -20.0% |
| 2016 | 2017 | 2018 |

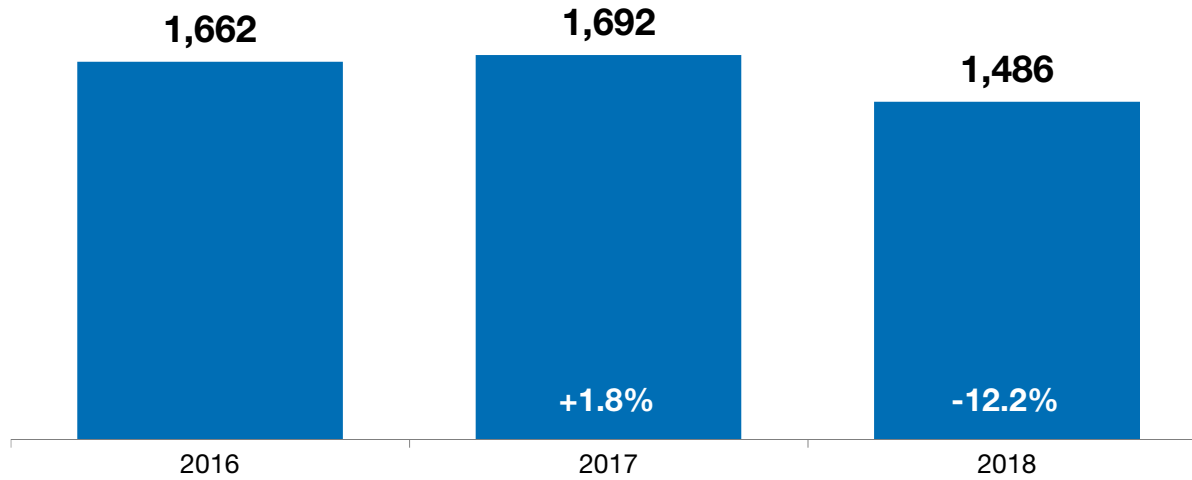| Month | Prior Year | Current Year | + / − |
|---|---|---|---|
| November 2017 | 186 | 177 | -4.8% |
| December 2017 | 178 | 175 | -1.7% |
| January 2018 | 171 | 169 | -1.2% |
| February 2018 | 185 | 170 | -8.1% |
| March 2018 | 176 | 159 | -9.7% |
| April 2018 | 174 | 149 | -14.4% |
| May 2018 | 171 | 149 | -12.9% |
| June 2018 | 165 | 147 | -10.9% |
| July 2018 | 176 | 152 | -13.6% |
| August 2018 | 173 | 157 | -9.2% |
| September 2018 | 175 | 151 | -13.7% |
| **October 2018** | **175** | **140** | **-20.0%** |
| 12-Month Avg | 176 | 158 | -10.2% |

## 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.
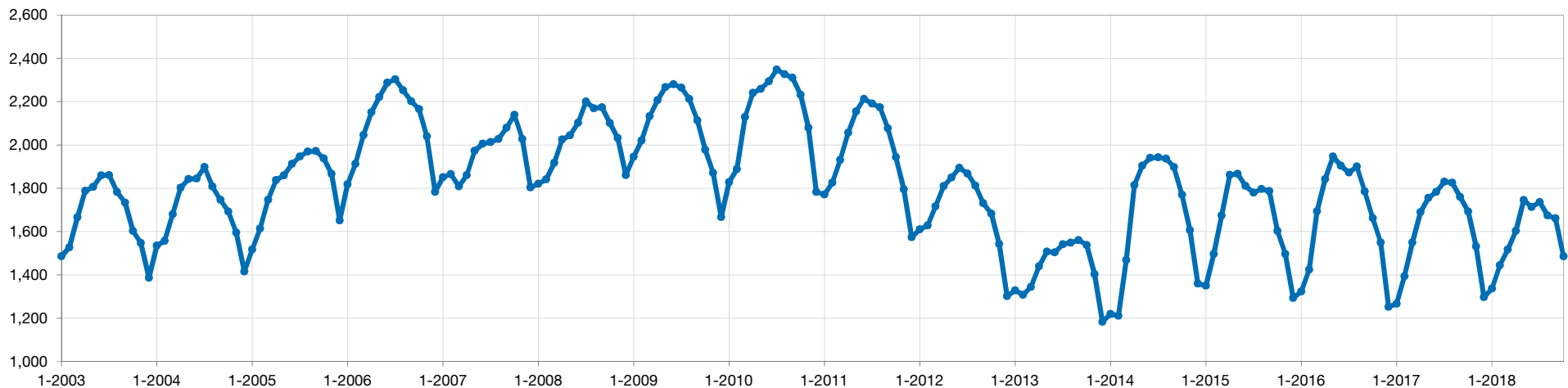
## October

| | | |
|---|---|---|
| **1,662** | **1,692** | **1,486** |
| | +1.8% | -12.2% |
| 2016 | 2017 | 2018 |

| Month | Prior Year | Current Year | + / − |
|---|---|---|---|
| November 2017 | 1,550 | 1,532 | -1.2% |
| December 2017 | 1,252 | 1,297 | +3.6% |
| January 2018 | 1,267 | 1,337 | +5.5% |
| February 2018 | 1,394 | 1,444 | +3.6% |
| March 2018 | 1,550 | 1,517 | -2.1% |
| April 2018 | 1,690 | 1,603 | -5.1% |
| May 2018 | 1,755 | 1,746 | -0.5% |
| June 2018 | 1,783 | 1,713 | -3.9% |
| July 2018 | 1,830 | 1,736 | -5.1% |
| August 2018 | 1,825 | 1,674 | -8.3% |
| September 2018 | 1,760 | 1,661 | -5.6% |
| **October 2018** | **1,692** | **1,486** | **-12.2%** |
| 12-Month Avg | 1,612 | 1,562 | -2.6% |

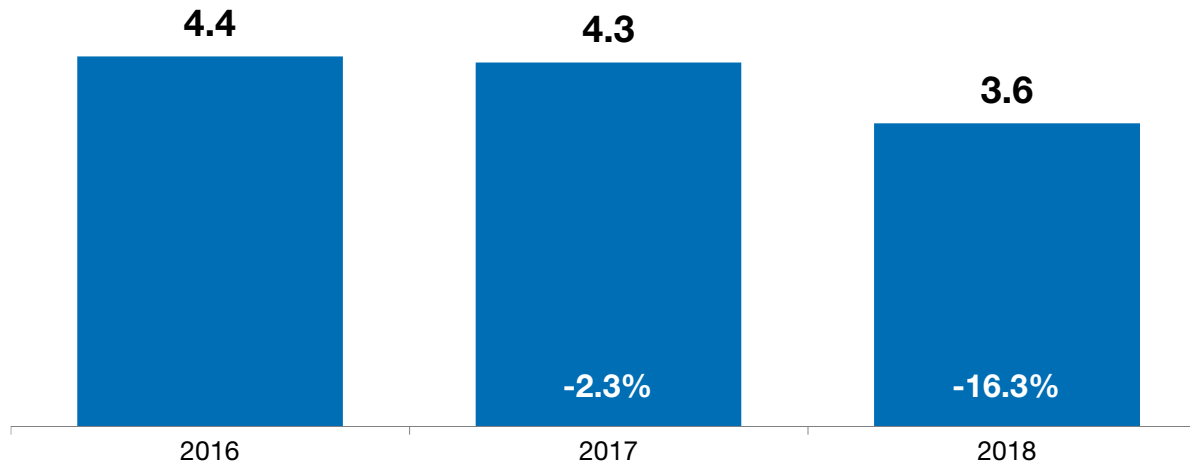## Historical Inventory of Homes for Sale

# 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.

## October

| | 2016 | 2017 | 2018 |
|---|---|---|---|
| Value | 4.4 | 4.3 | 3.6 |
| Change | | -2.3% | -16.3% |

| Month | Prior Year | Current Year | + / – |
|---|---|---|---|
| November 2017 | 4.0 | 3.8 | -5.0% |
| December 2017 | 3.2 | 3.3 | +3.1% |
| January 2018 | 3.3 | 3.4 | +3.0% |
| February 2018 | 3.6 | 3.6 | 0.0% |
| March 2018 | 3.9 | 3.8 | -2.6% |
| April 2018 | 4.3 | 4.0 | -7.0% |
| May 2018 | 4.4 | 4.4 | 0.0% |
| June 2018 | 4.5 | 4.3 | -4.4% |
| July 2018 | 4.6 | 4.3 | -6.5% |
| August 2018 | 4.6 | 4.1 | -10.9% |
| September 2018 | 4.4 | 4.1 | -6.8% |
| **October 2018** | **4.3** | **3.6** | **-16.3%** |
| 12-Month Avg | 4.1 | 3.9 | -4.9% |

## Historical Months Supply of Homes for Sale
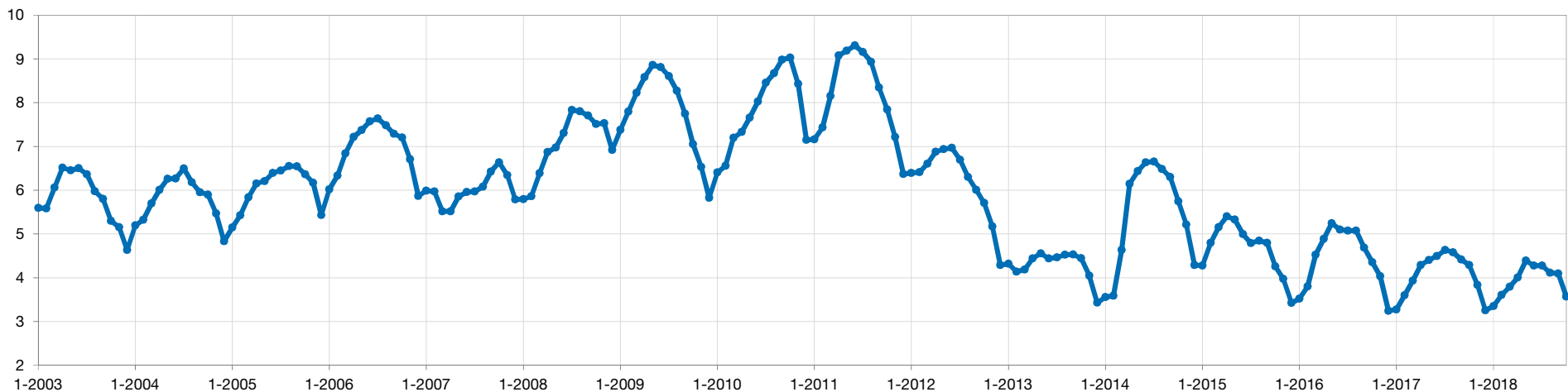
# Annual Review

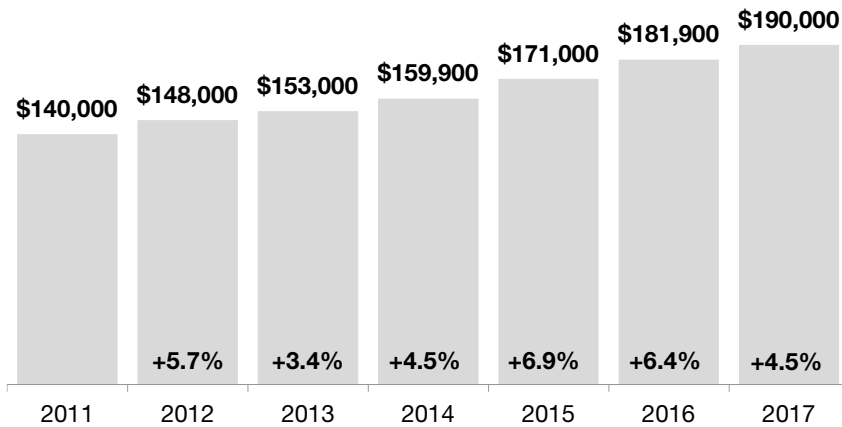Historical look at key market metrics for the overall region.

## Closed Sales

| Year | Value | Change |
|------|-------|--------|
| 2011 | 2,972 | |
| 2012 | 3,576 | +20.3 |
| 2013 | 4,136 | +15.7 |
| 2014 | 4,020 | -2.8% |
| 2015 | 4,532 | +12.7 |
| 2016 | 4,630 | +2.2% |
| 2017 | 4,786 | +3.4% |

## Days on Market

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

## Median Sales Price

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

## Percent of Original List Price Received

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