

Monthly Indicators



December 2018

Home prices were consistently up again in most markets in 2018 but at reduced levels compared to recent years. High demand for few homes for sale fueled price increases, but evidence is mounting that inventory will finally improve in 2019. This may apply some downward pressure on prices for beleaguered home buyers. A fourth interest rate hike by the Federal Reserve in 2018 spooked the stock market to close out the year. The Fed has indicated that the number of rate increases in 2019 will be halved, which may be of little comfort to an already compressed consumer.

New Listings in the Sioux Falls region decreased 9.7 percent to 233. Pending Sales were down 11.6 percent to 304. Inventory levels fell 8.1 percent to 1,194 units.

Prices continued to gain traction. The Median Sales Price increased 2.6 percent to \$195,000. Days on Market was down 1.3 percent to 79 days. Sellers were encouraged as Months Supply of Homes for Sale was down 12.1 percent to 2.9 months.

Unemployment rates remained remarkably low again in 2018, and wages continued to improve for many U.S. households. It is generally good for all parties involved in real estate transactions when wages grow, but the percentage of increase, on average, has not kept pace with home price increases. This created an affordability crux in the second half of 2018. Housing affordability will remain an important storyline in 2019.

Quick Facts

- 27.9%

+ 2.6%

- 8.1%

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.



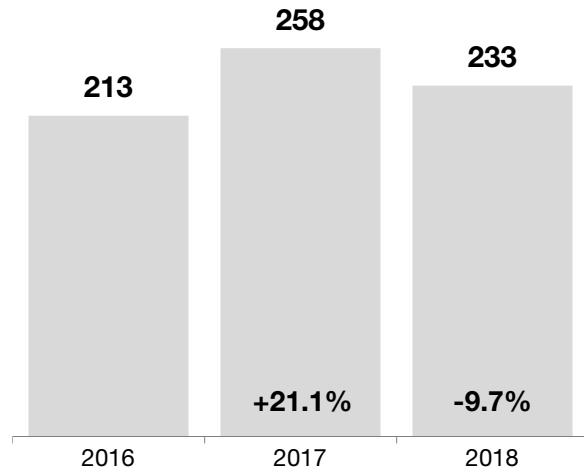
Key Metrics	Historical Sparklines	12-2017	12-2018	+ / -	YTD 2017	YTD 2018	+ / -
New Listings		258	233	- 9.7%	6,571	6,678	+ 1.6%
Pending Sales		344	304	- 11.6%	4,786	4,871	+ 1.8%
Closed Sales		344	248	- 27.9%	4,786	4,763	- 0.5%
Days on Market Until Sale		80	79	- 1.3%	83	83	0.0%
Median Sales Price		\$190,000	\$195,000	+ 2.6%	\$190,000	\$204,000	+ 7.4%
Average Sales Price		\$225,164	\$227,047	+ 0.8%	\$217,881	\$229,854	+ 5.5%
Percent of Original List Price Received		97.9%	98.2%	+ 0.3%	98.8%	98.9%	+ 0.1%
Housing Affordability Index		175	162	- 7.4%	175	155	- 11.4%
Inventory of Homes for Sale		1,299	1,194	- 8.1%	--	--	--
Months Supply of Homes for Sale		3.3	2.9	- 12.1%	--	--	--

New Listings

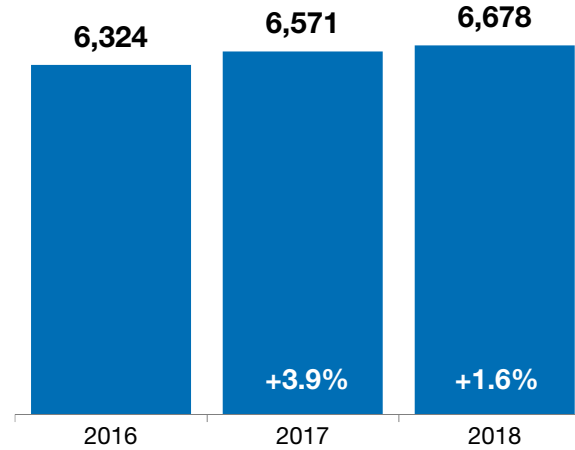
A count of the properties that have been newly listed on the market in a given month.



December

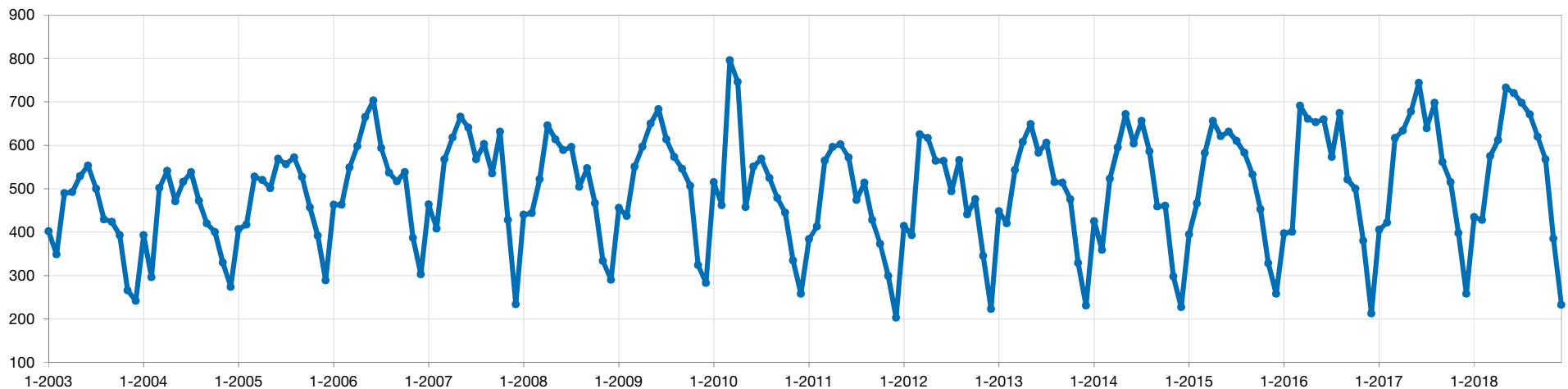


Year to Date



Month	Prior Year	Current Year	+ / -
January 2018	406	435	+7.1%
February 2018	422	428	+1.4%
March 2018	617	575	-6.8%
April 2018	634	612	-3.5%
May 2018	678	733	+8.1%
June 2018	744	720	-3.2%
July 2018	639	698	+9.2%
August 2018	698	671	-3.9%
September 2018	562	620	+10.3%
October 2018	515	568	+10.3%
November 2018	398	385	-3.3%
December 2018	258	233	-9.7%
12-Month Avg	548	557	+1.6%

Historical New Listing Activity

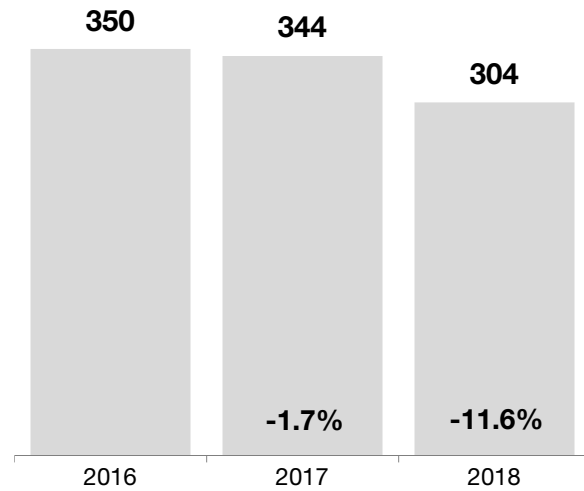


Pending Sales

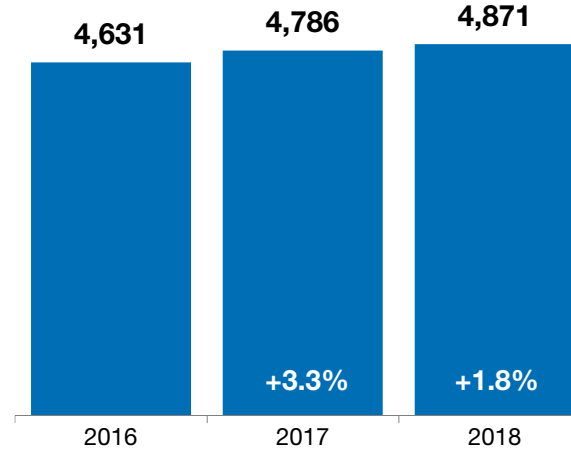
A count of the properties on which contracts have been accepted in a given month.



December

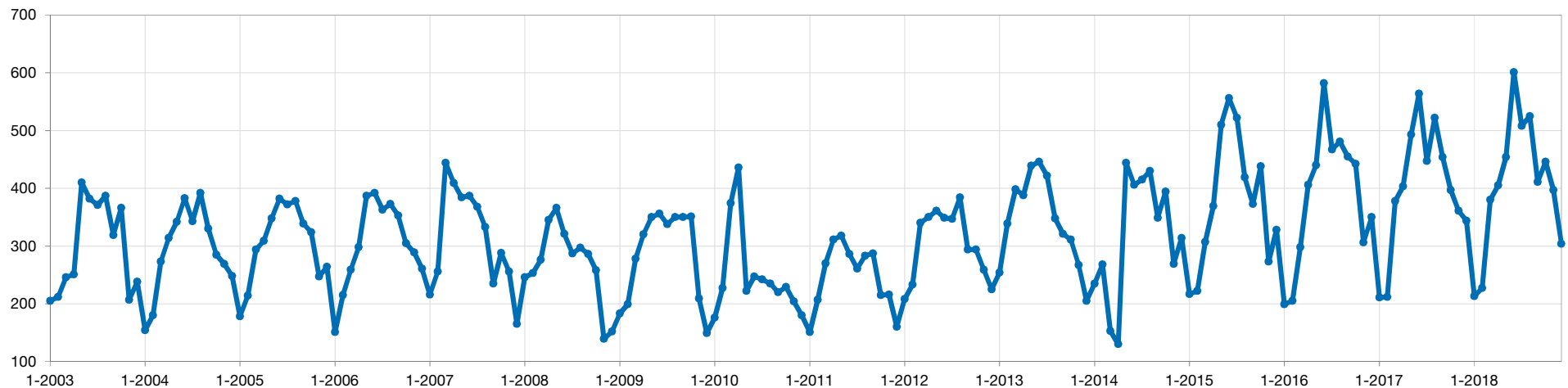


Year to Date



Month	Prior Year	Current Year	+ / -
January 2018	211	213	+0.9%
February 2018	212	227	+7.1%
March 2018	378	380	+0.5%
April 2018	403	405	+0.5%
May 2018	493	454	-7.9%
June 2018	564	601	+6.6%
July 2018	447	508	+13.6%
August 2018	522	525	+0.6%
September 2018	454	411	-9.5%
October 2018	397	446	+12.3%
November 2018	361	397	+10.0%
December 2018	344	304	-11.6%
12-Month Avg	399	406	+1.8%

Historical Pending Sales Activity

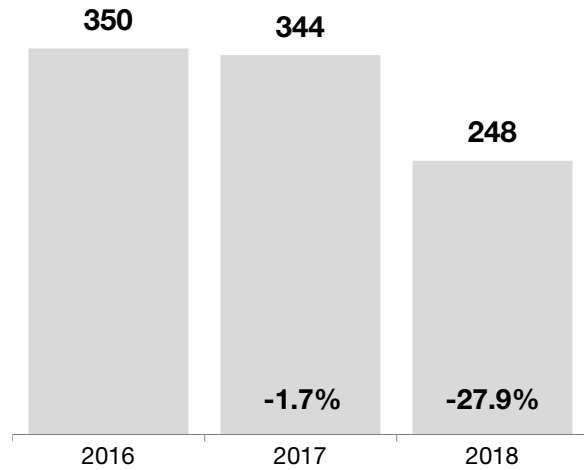


Closed Sales

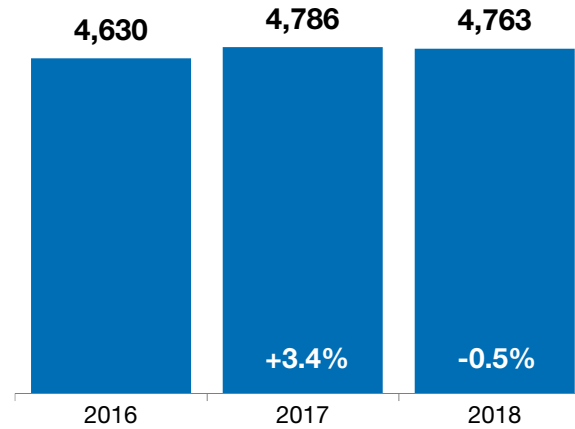
A count of the actual sales that have closed in a given month.



December

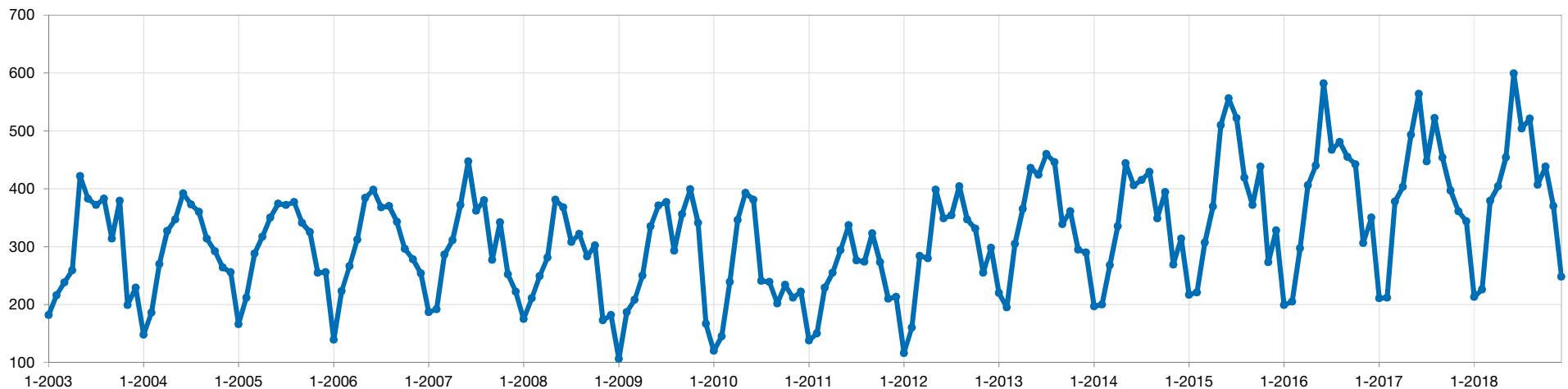


Year to Date



Month	Prior Year	Current Year	+ / -
January 2018	211	213	+0.9%
February 2018	212	226	+6.6%
March 2018	378	379	+0.3%
April 2018	403	404	+0.2%
May 2018	493	454	-7.9%
June 2018	564	599	+6.2%
July 2018	447	504	+12.8%
August 2018	522	521	-0.2%
September 2018	454	407	-10.4%
October 2018	397	438	+10.3%
November 2018	361	370	+2.5%
December 2018	344	248	-27.9%
12-Month Avg	399	397	-0.5%

Historical Closed Sales Activity

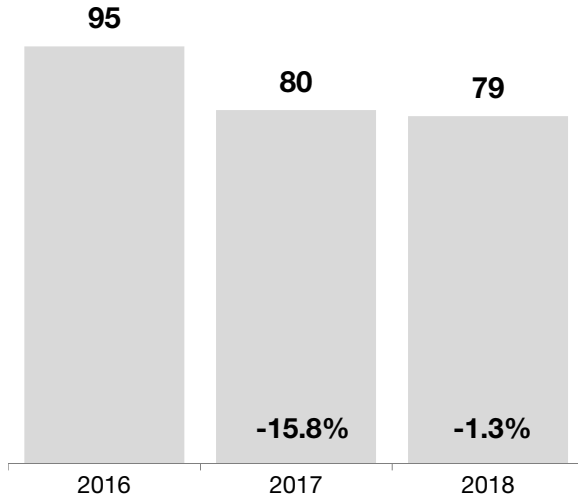


Days on Market Until Sale

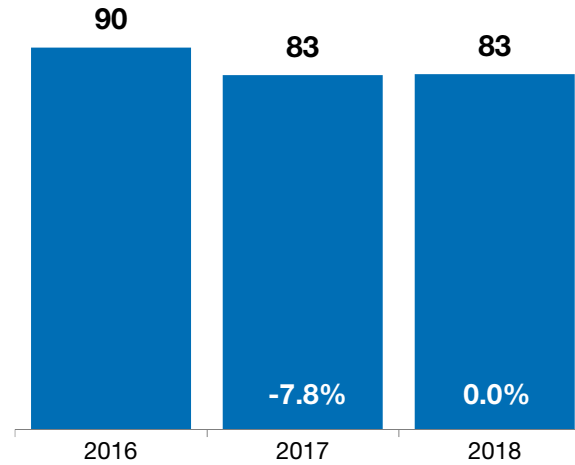
Average number of days between when a property is first listed and when a property is closed in a given month.



December

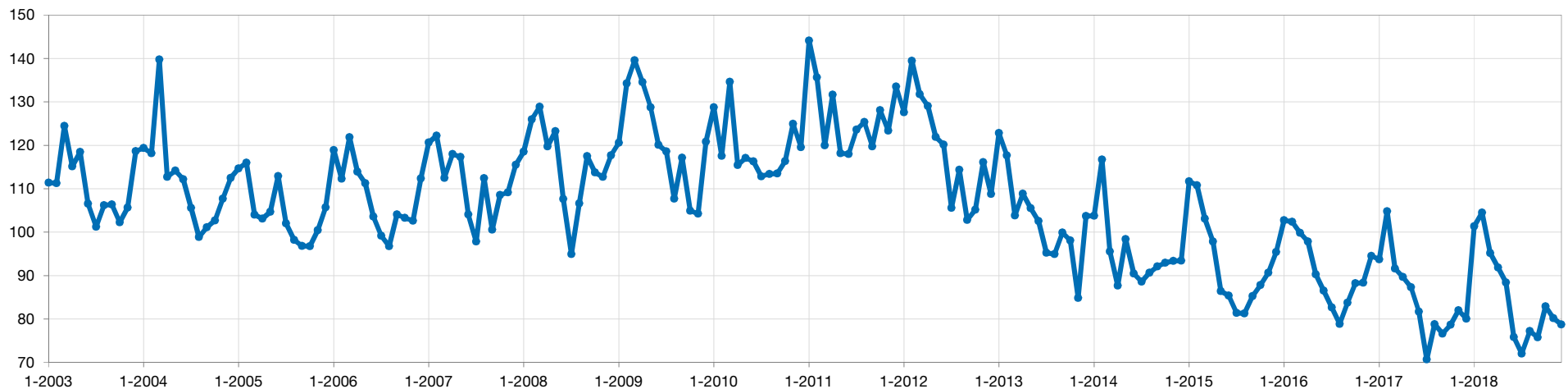


Year to Date



Month	Prior Year	Current Year	+ / -
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	83	+5.1%
November 2018	82	80	-2.4%
December 2018	80	79	-1.3%
12-Month Avg	83	83	0.0%

Historical Days on Market Until Sale

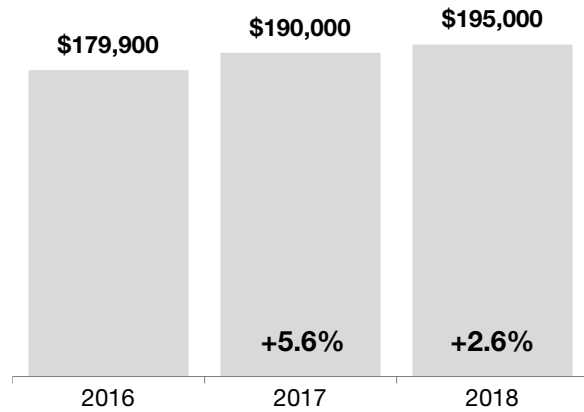


Median Sales Price

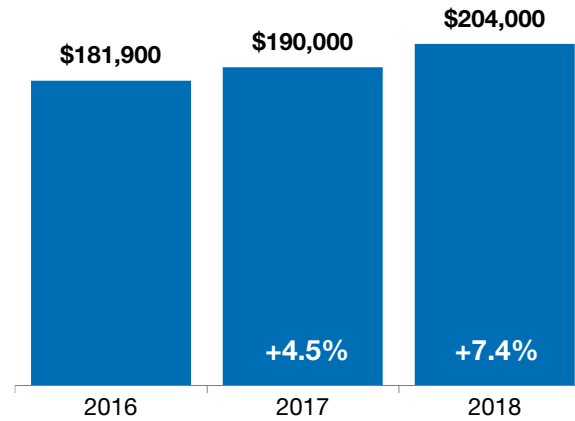
Median price point for all closed sales, not accounting for seller concessions, in a given month.



December



Year to Date



Month	Prior Year	Current Year	+ / -
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	\$207,500	+9.3%
November 2018	\$188,980	\$193,750	+2.5%
December 2018	\$190,000	\$195,000	+2.6%
12-Month Med	\$190,000	\$204,000	+7.4%

Historical Median Sales Price

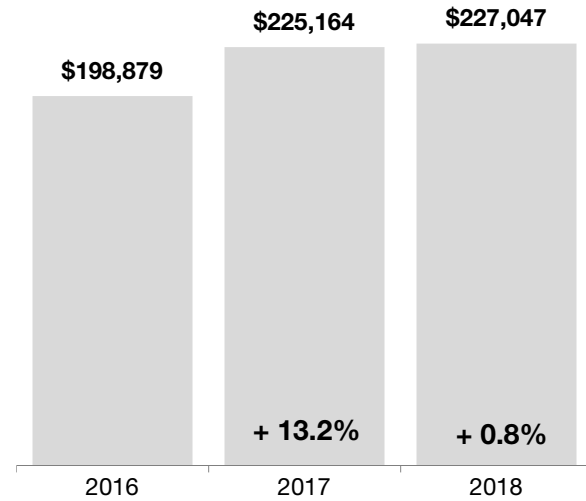


Average Sales Price

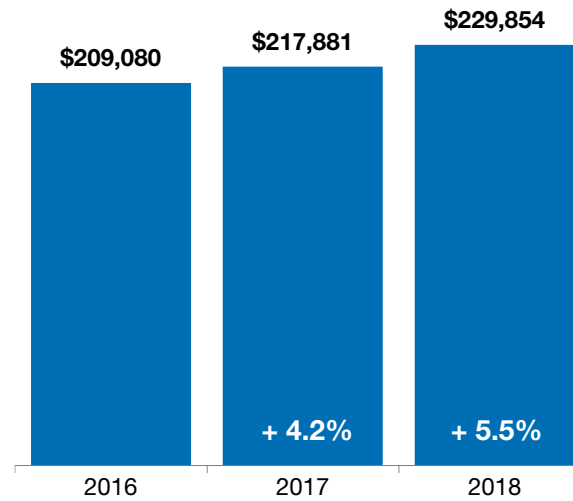
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



December

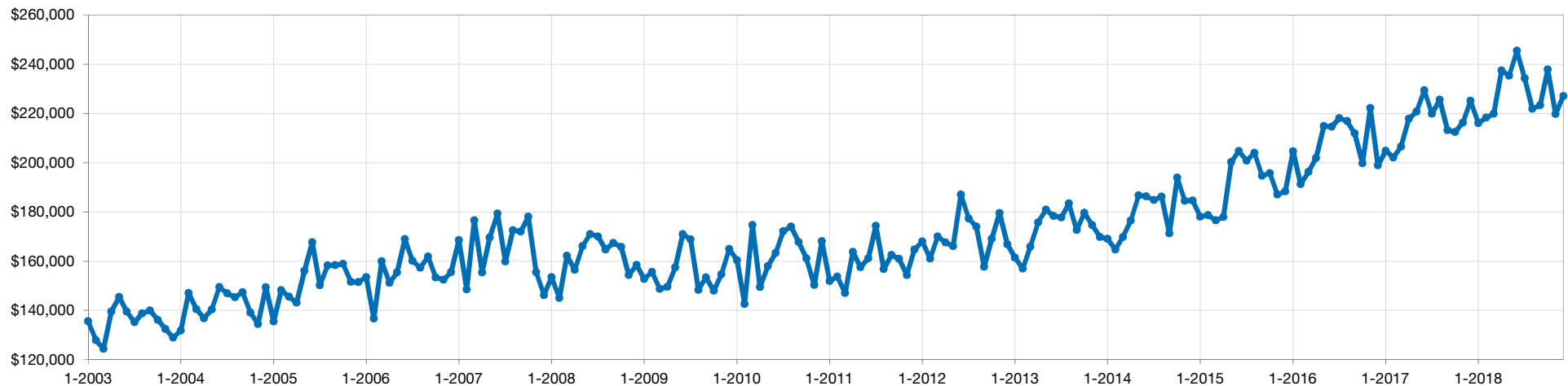


Year to Date



Month	Prior Year	Current Year	+ / -
January 2018	\$204,812	\$216,060	+5.5%
February 2018	\$202,122	\$218,283	+8.0%
March 2018	\$206,523	\$219,877	+6.5%
April 2018	\$217,796	\$237,417	+9.0%
May 2018	\$220,735	\$235,308	+6.6%
June 2018	\$229,404	\$245,430	+7.0%
July 2018	\$219,869	\$234,279	+6.6%
August 2018	\$225,563	\$221,843	-1.6%
September 2018	\$213,186	\$223,318	+4.8%
October 2018	\$212,421	\$237,832	+12.0%
November 2018	\$216,254	\$219,791	+1.6%
December 2018	\$225,164	\$227,047	+0.8%
12-Month Avg	\$217,881	\$229,854	+5.5%

Historical Average Sales Price



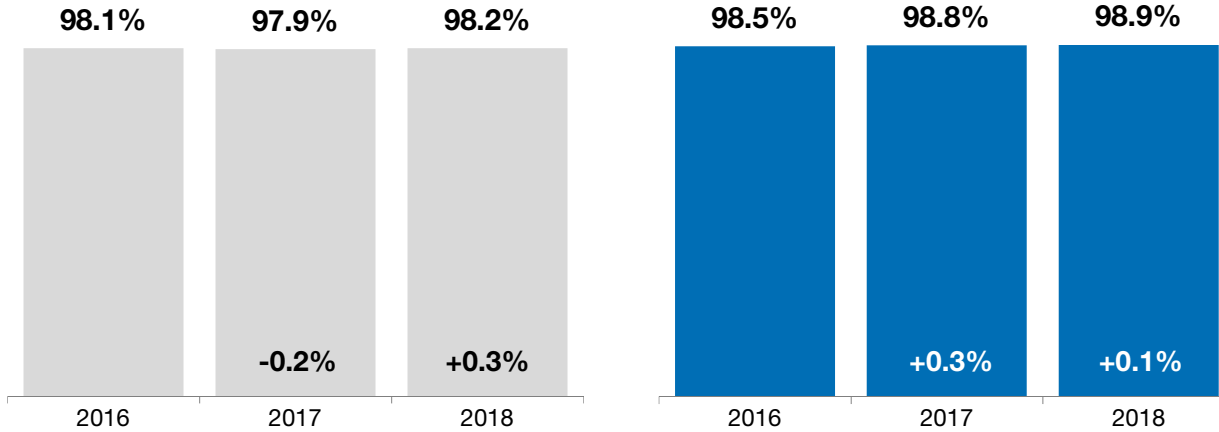
Percent of Original List Price Received

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.



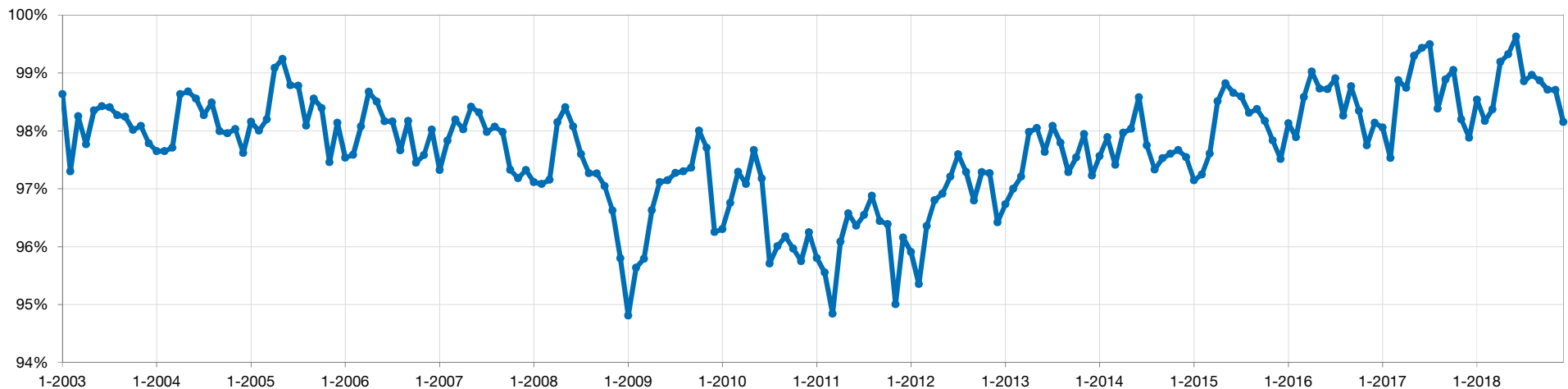
December

Year to Date



Month	Prior Year	Current Year	+ / -
January 2018	98.1%	98.5%	+0.4%
February 2018	97.5%	98.2%	+0.7%
March 2018	98.9%	98.4%	-0.5%
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%	98.7%	-0.3%
November 2018	98.2%	98.7%	+0.5%
December 2018	97.9%	98.2%	+0.3%
12-Month Avg	98.8%	98.9%	+0.1%

Historical Percent of Original List Price Received

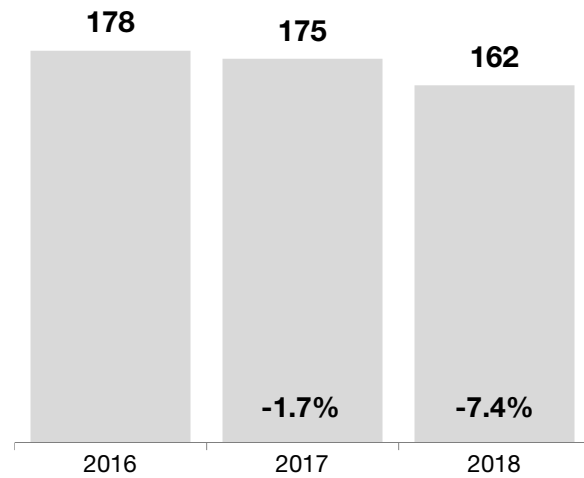


Housing Affordability Index

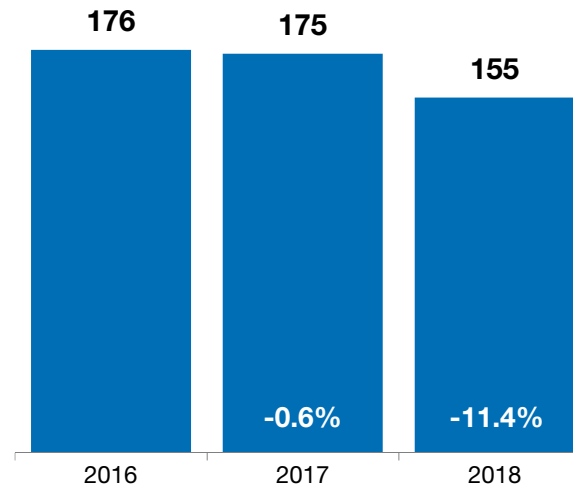
This index measures housing affordability for the region. For example, an index of 120 means the median household income was 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. **A higher number means greater affordability.**



December

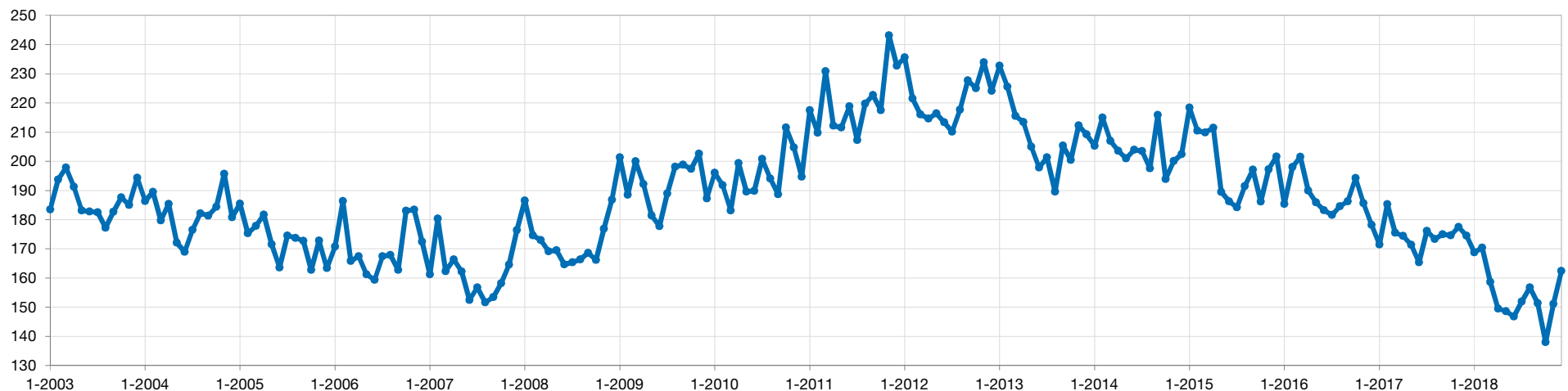


Year to Date



Month	Prior Year	Current Year	+ / -
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	138	-21.1%
November 2018	177	151	-14.7%
December 2018	175	162	-7.4%
12-Month Avg	175	155	-11.4%

Historical Housing Affordability Index

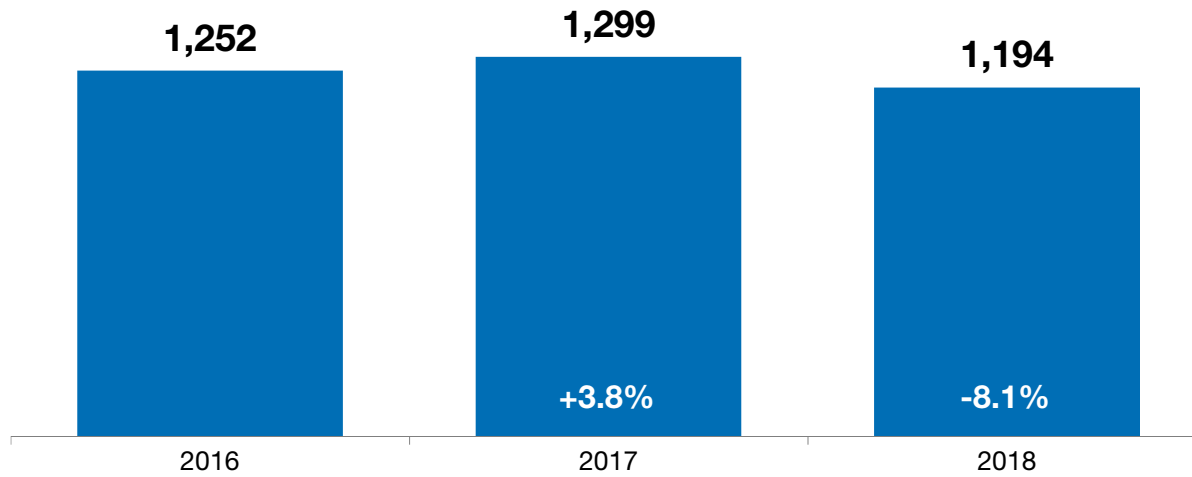


Inventory of Homes for Sale

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

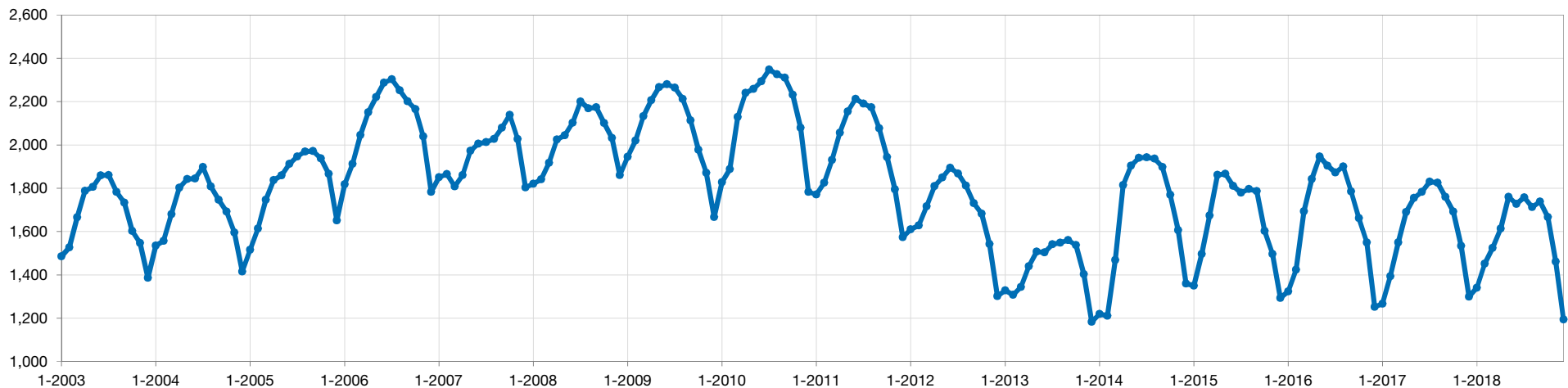


December



Month	Prior Year	Current Year	+ / -
January 2018	1,267	1,340	+5.8%
February 2018	1,394	1,452	+4.2%
March 2018	1,550	1,524	-1.7%
April 2018	1,690	1,614	-4.5%
May 2018	1,755	1,760	+0.3%
June 2018	1,783	1,727	-3.1%
July 2018	1,830	1,758	-3.9%
August 2018	1,825	1,713	-6.1%
September 2018	1,760	1,739	-1.2%
October 2018	1,693	1,667	-1.5%
November 2018	1,534	1,462	-4.7%
December 2018	1,299	1,194	-8.1%
12-Month Avg	1,615	1,579	-2.1%

Historical Inventory of Homes for Sale

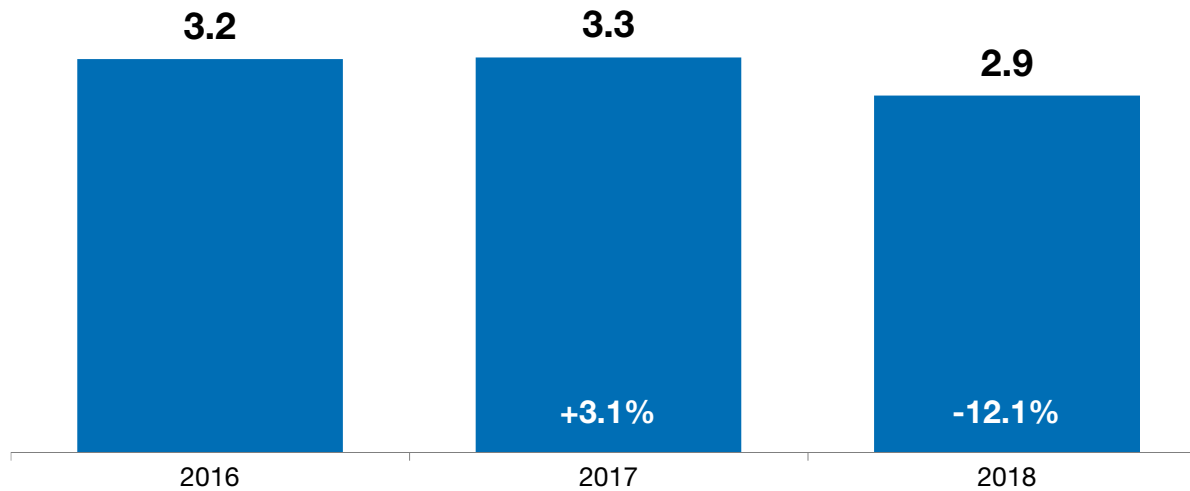


Months Supply of Homes for Sale

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.

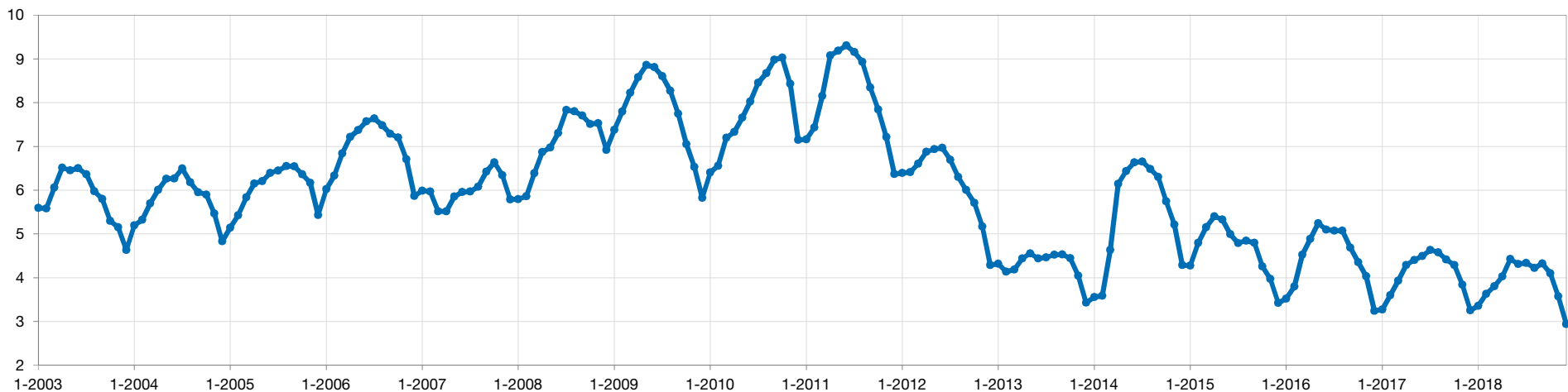


December



Month	Prior Year	Current Year	+ / -
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	4.2	-8.7%
September 2018	4.4	4.3	-2.3%
October 2018	4.3	4.1	-4.7%
November 2018	3.8	3.6	-5.3%
December 2018	3.3	2.9	-12.1%
12-Month Avg	4.1	3.9	-4.9%

Historical Months Supply of Homes for Sale

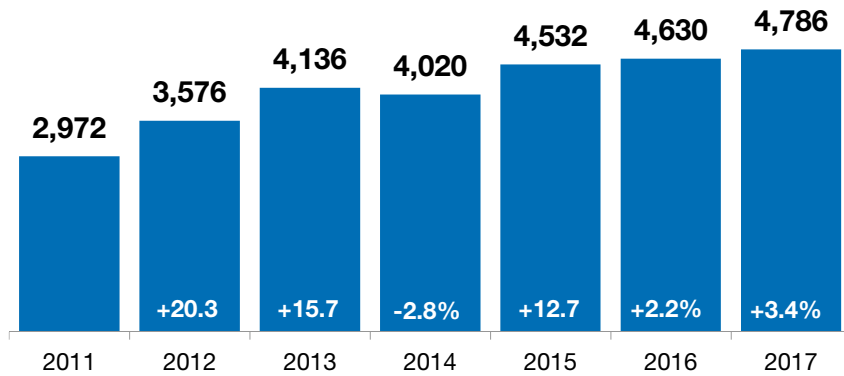


Annual Review

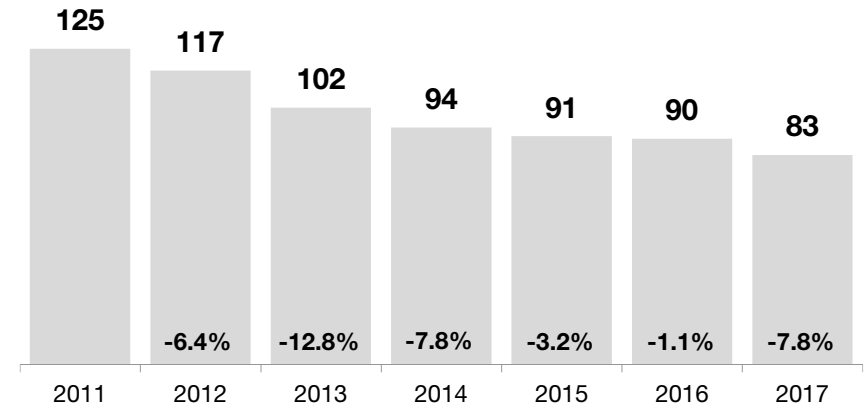
Historical look at key market metrics for the overall region.



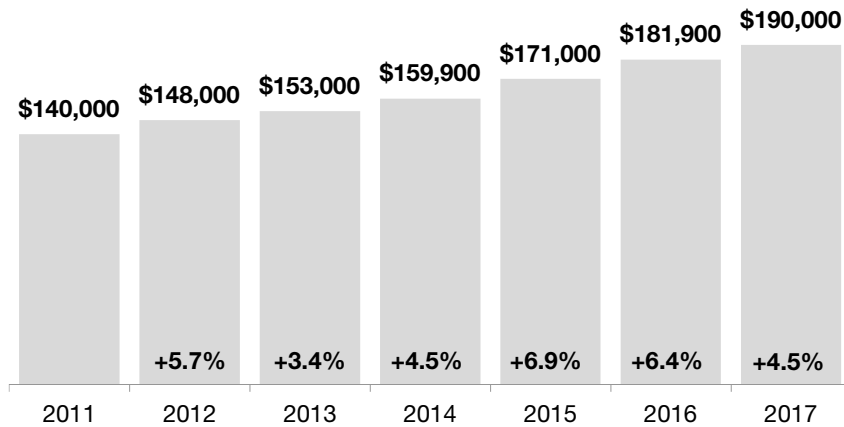
Closed Sales



Days on Market



Median Sales Price



Percent of Original List Price Received

