



Monthly Indicators

December 2022

2022 was a turbulent year for the US housing market, as inflation, soaring interest rates, and elevated sales prices combined to cause a slowdown nationwide. Affordability challenges continue to limit market activity, with pending home sales and existing-home sales down month-over-month and falling 37.8% and 35.4% year-over-year, respectively, according to the National Association of REALTORS® (NAR). Higher mortgage rates are also impacting prospective sellers, many of whom have locked in historically low rates and have chosen to wait until market conditions improve before selling their home.

New Listings in the Sioux Falls region increased 14.5 percent to 276. Pending Sales were down 29.0 percent to 350. Inventory levels fell 0.2 percent to 920 units.

Prices continued to gain traction. The Median Sales Price increased 11.6 percent to \$289,000. Days on Market was down 1.4 percent to 72 days. Buyers felt empowered as Months Supply of Homes for Sale was up 15.0 percent to 2.3 months.

Economists predict sales will continue to slow and housing prices will soften in many markets over the next 12 months, with larger price declines projected in more expensive areas. However, national inventory shortages will likely keep prices from dropping too much, as buyer demand continues to outpace supply, which remains limited at 3.3 months, according to NAR. Even if prices fall, many prospective buyers will find it difficult to afford a home in 2023, as higher rates have diminished purchasing power, adding hundreds of dollars to monthly mortgage payments.

Quick Facts

- 46.7%	+ 11.6%	- 0.2%
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.



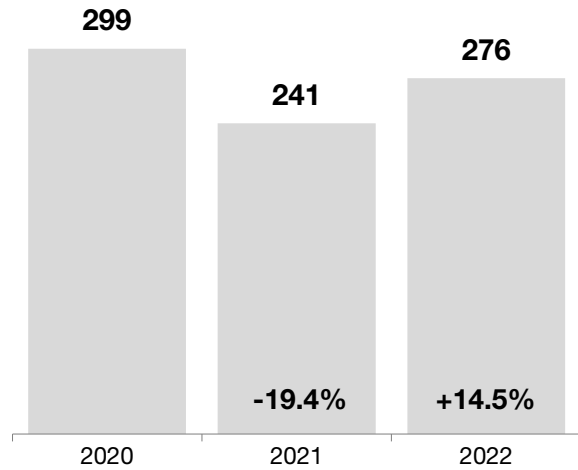
Key Metrics	Historical Sparklines	12-2021	12-2022	+ / -	YTD 2021	YTD 2022	+ / -
New Listings		241	276	+ 14.5%	6,328	6,219	- 1.7%
Pending Sales		493	350	- 29.0%	5,520	4,761	- 13.8%
Closed Sales		475	253	- 46.7%	5,506	4,597	- 16.5%
Days on Market Until Sale		73	72	- 1.4%	76	71	- 6.6%
Median Sales Price		\$258,950	\$289,000	+ 11.6%	\$258,000	\$296,000	+ 14.7%
Average Sales Price		\$290,828	\$323,006	+ 11.1%	\$292,054	\$335,129	+ 14.7%
Percent of Original List Price Received		100.1%	97.8%	- 2.3%	100.7%	101.1%	+ 0.4%
Housing Affordability Index		164	103	- 37.2%	165	101	- 38.8%
Inventory of Homes for Sale		922	920	- 0.2%	--	--	--
Months Supply of Homes for Sale		2.0	2.3	+ 15.0%	--	--	--

New Listings

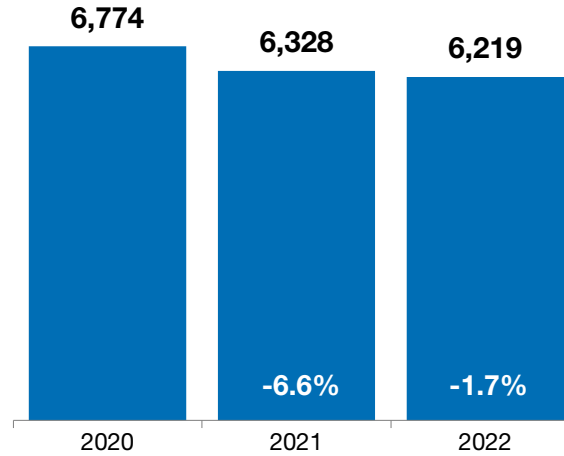
A count of the properties that have been newly listed on the market in a given month.



December

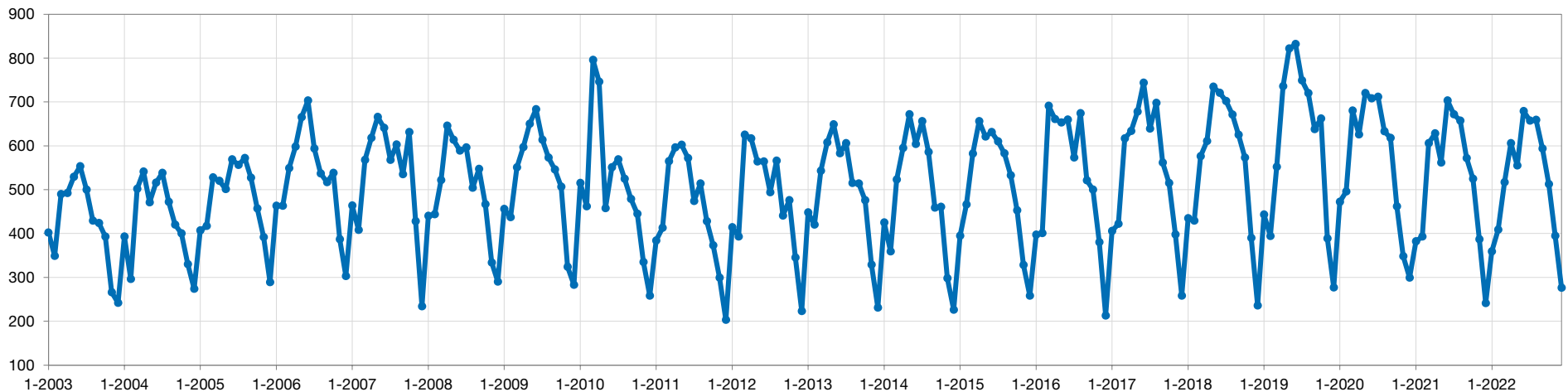


Year to Date



Month	Prior Year	Current Year	+ / -
January 2022	382	359	-6.0%
February 2022	393	409	+4.1%
March 2022	606	517	-14.7%
April 2022	628	606	-3.5%
May 2022	562	555	-1.2%
June 2022	703	679	-3.4%
July 2022	672	657	-2.2%
August 2022	657	659	+0.3%
September 2022	572	594	+3.8%
October 2022	525	513	-2.3%
November 2022	387	395	+2.1%
December 2022	241	276	+14.5%
12-Month Avg	527	518	-1.7%

Historical New Listing Activity

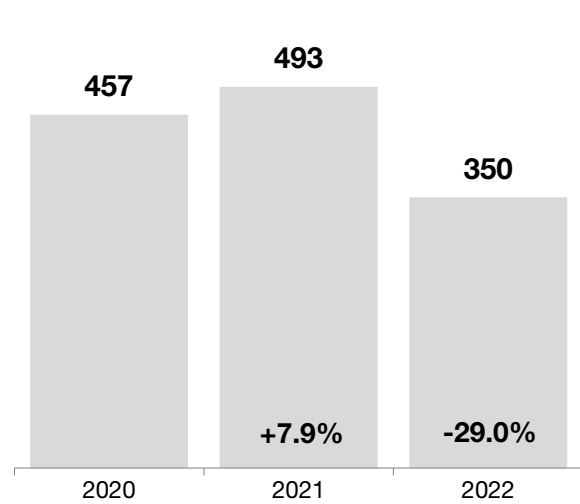


Pending Sales

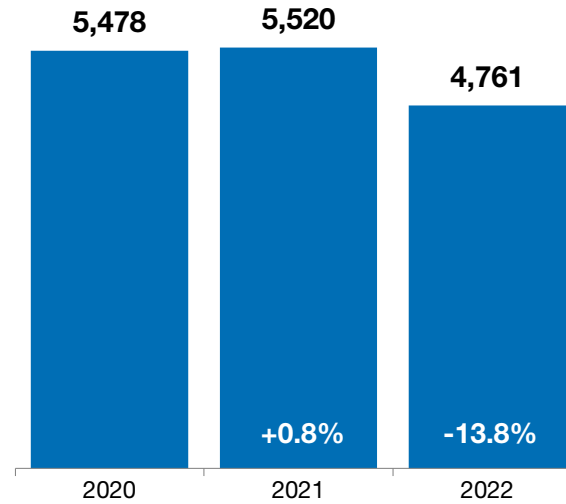
A count of the properties on which contracts have been accepted in a given month.



December

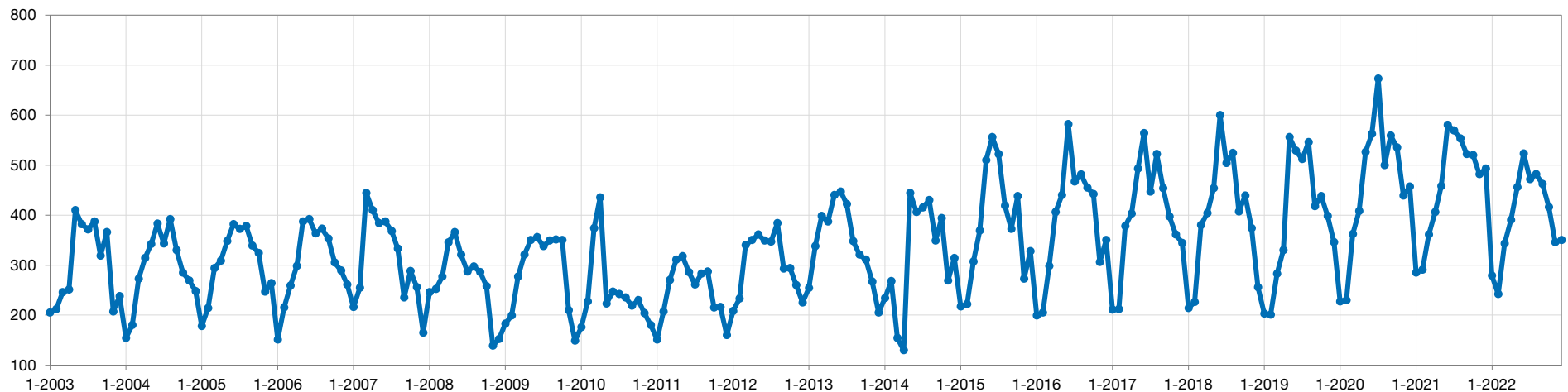


Year to Date



Month	Prior Year	Current Year	+ / -
January 2022	285	279	-2.1%
February 2022	291	242	-16.8%
March 2022	361	343	-5.0%
April 2022	406	390	-3.9%
May 2022	458	456	-0.4%
June 2022	580	523	-9.8%
July 2022	569	472	-17.0%
August 2022	553	482	-12.8%
September 2022	522	462	-11.5%
October 2022	520	416	-20.0%
November 2022	482	346	-28.2%
December 2022	493	350	-29.0%
12-Month Avg	460	397	-13.8%

Historical Pending Sales Activity

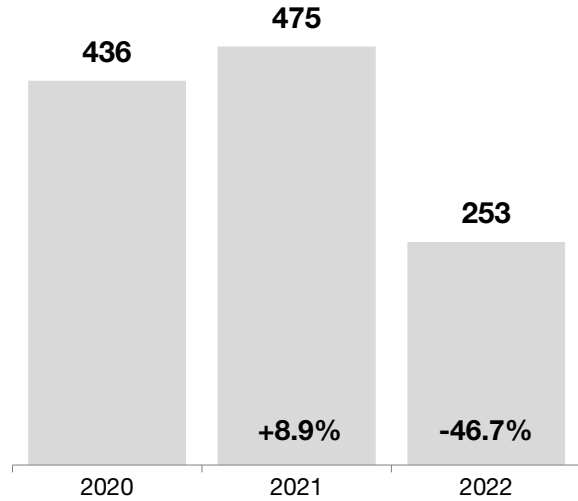


Closed Sales

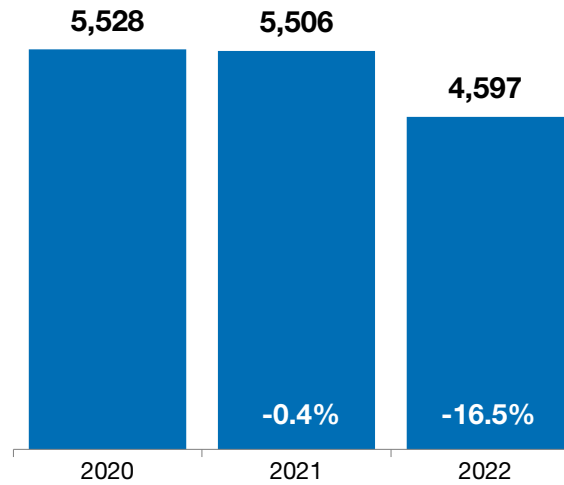
A count of the actual sales that have closed in a given month.



December

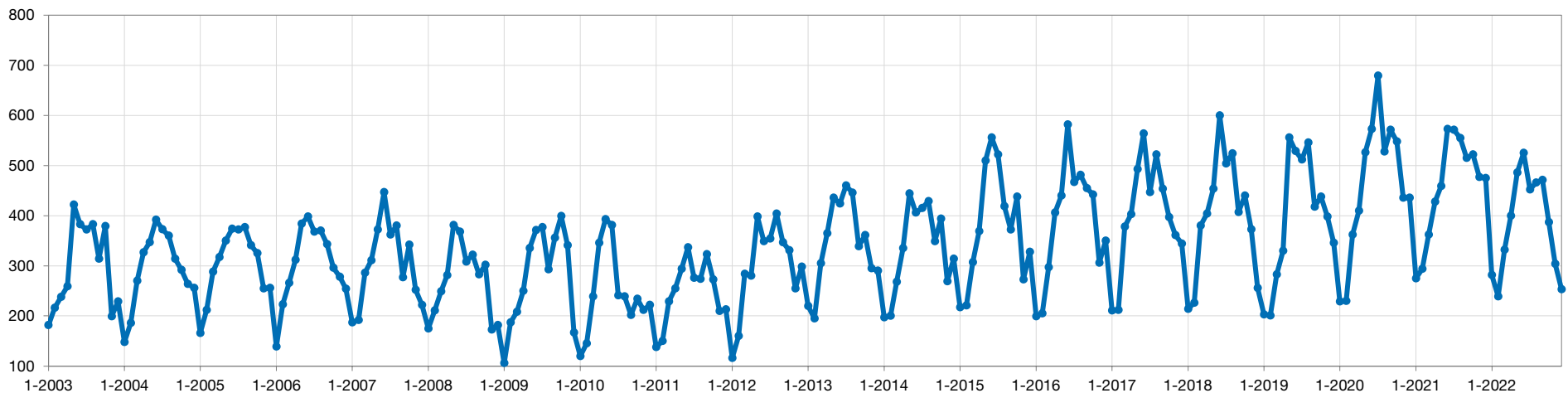


Year to Date



Month	Prior Year	Current Year	+ / -
January 2022	275	282	+2.5%
February 2022	294	239	-18.7%
March 2022	362	332	-8.3%
April 2022	428	400	-6.5%
May 2022	459	486	+5.9%
June 2022	573	525	-8.4%
July 2022	571	452	-20.8%
August 2022	555	466	-16.0%
September 2022	515	471	-8.5%
October 2022	522	387	-25.9%
November 2022	477	304	-36.3%
December 2022	475	253	-46.7%
12-Month Avg	459	383	-15.6%

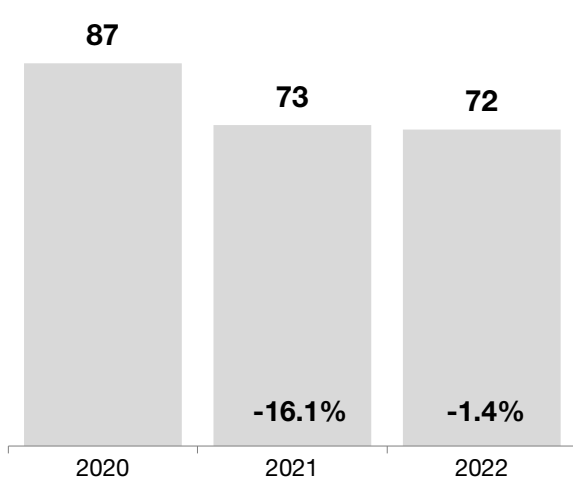
Historical Closed Sales Activity



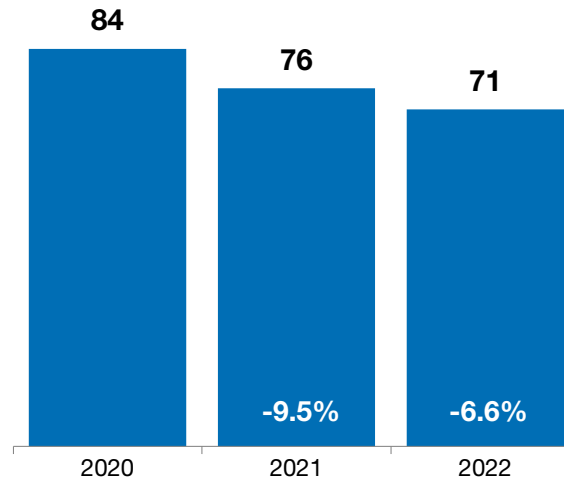
Days on Market Until Sale

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

December

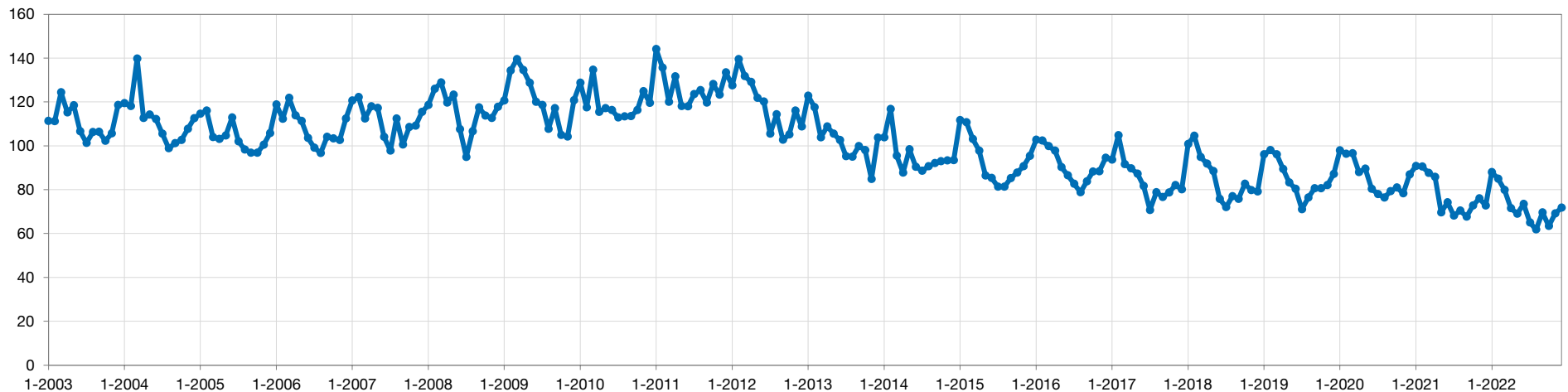


Year to Date



Month	Prior Year	Current Year	+ / -
January 2022	91	88	-3.3%
February 2022	90	85	-5.6%
March 2022	88	80	-9.1%
April 2022	86	72	-16.3%
May 2022	70	69	-1.4%
June 2022	74	73	-1.4%
July 2022	68	65	-4.4%
August 2022	70	62	-11.4%
September 2022	68	70	+2.9%
October 2022	73	63	-13.7%
November 2022	76	69	-9.2%
December 2022	73	72	-1.4%
12-Month Avg	76	71	-6.6%

Historical Days on Market Until Sale

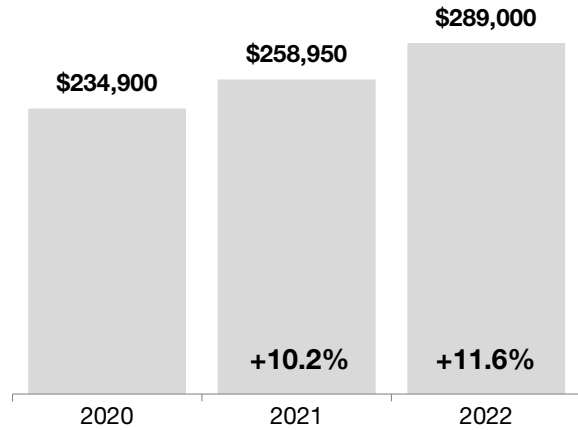


Median Sales Price

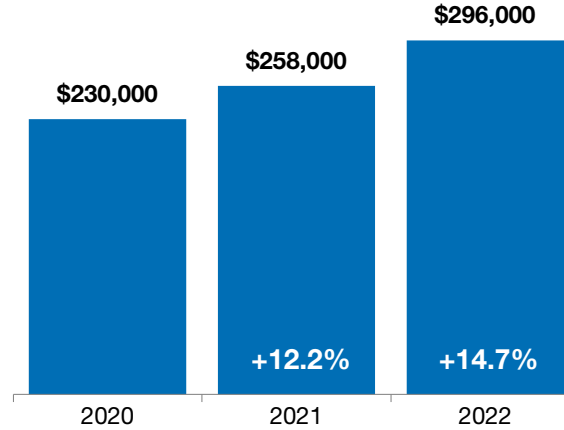
Median price point for all closed sales, not accounting for seller concessions, in a given month.



December

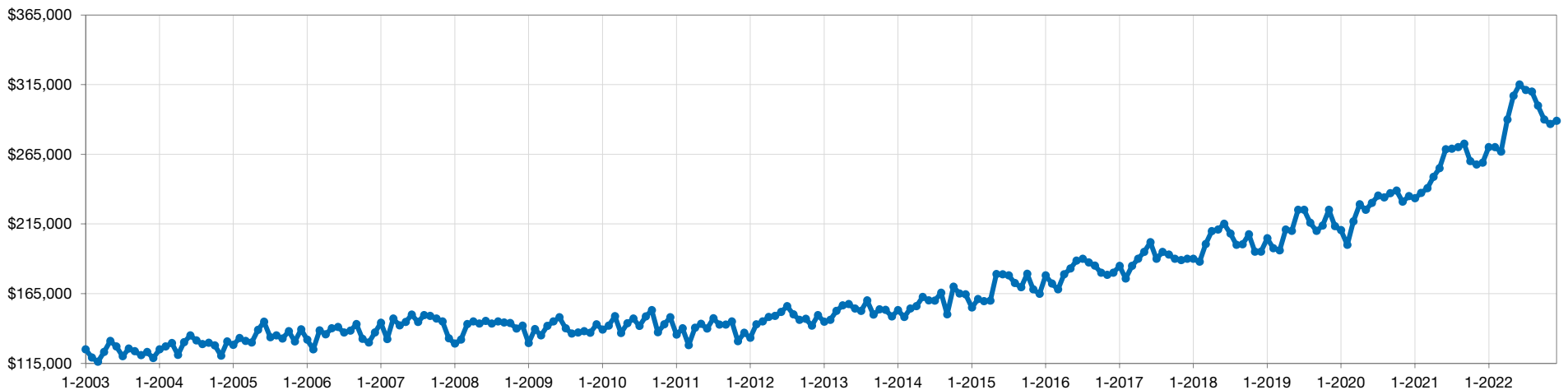


Year to Date



Month	Prior Year	Current Year	+ / -
January 2022	\$233,310	\$270,000	+15.7%
February 2022	\$237,250	\$270,000	+13.8%
March 2022	\$240,650	\$266,920	+10.9%
April 2022	\$248,800	\$290,000	+16.6%
May 2022	\$255,000	\$307,000	+20.4%
June 2022	\$268,500	\$315,000	+17.3%
July 2022	\$269,000	\$311,000	+15.6%
August 2022	\$270,000	\$310,000	+14.8%
September 2022	\$272,500	\$299,900	+10.1%
October 2022	\$260,000	\$290,000	+11.5%
November 2022	\$257,500	\$286,625	+11.3%
December 2022	\$258,950	\$289,000	+11.6%
12-Month Med	\$258,000	\$296,000	+14.7%

Historical Median Sales Price

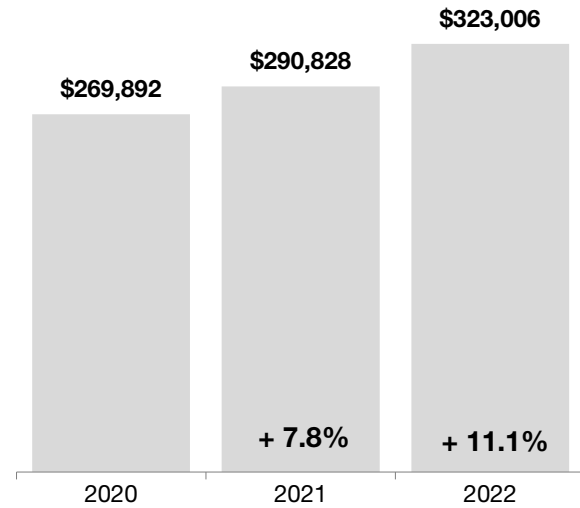


Average Sales Price

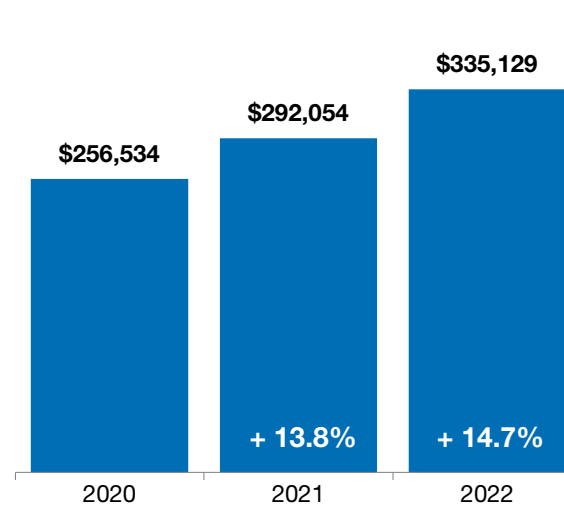
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



December

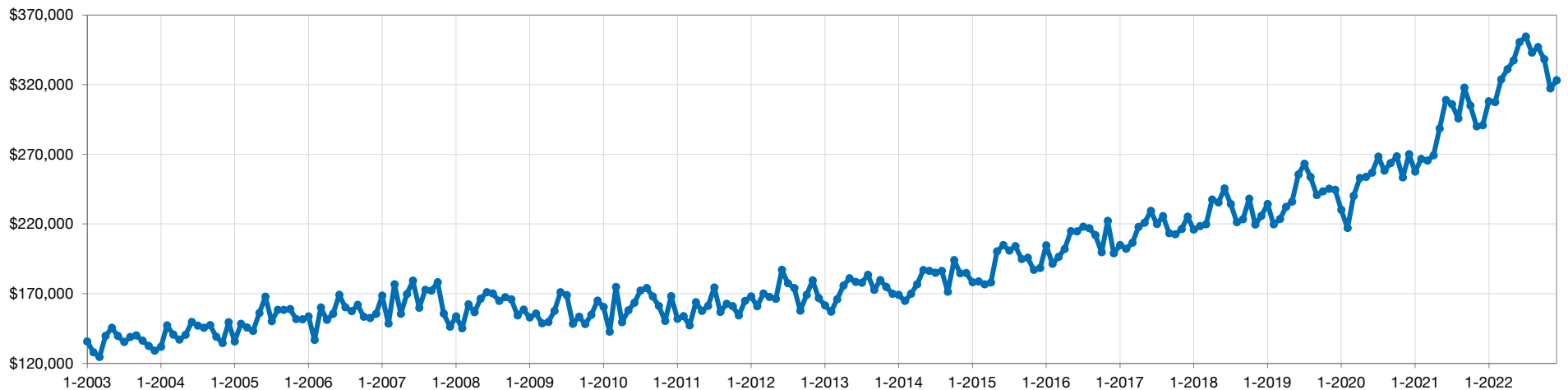


Year to Date



Month	Prior Year	Current Year	+ / -
January 2022	\$257,449	\$307,948	+19.6%
February 2022	\$266,534	\$307,297	+15.3%
March 2022	\$265,512	\$323,710	+21.9%
April 2022	\$269,219	\$331,038	+23.0%
May 2022	\$288,559	\$337,309	+16.9%
June 2022	\$308,937	\$350,471	+13.4%
July 2022	\$305,937	\$354,511	+15.9%
August 2022	\$295,611	\$342,987	+16.0%
September 2022	\$317,834	\$346,930	+9.2%
October 2022	\$304,920	\$338,129	+10.9%
November 2022	\$289,953	\$317,277	+9.4%
December 2022	\$290,828	\$323,006	+11.1%
12-Month Avg	\$292,054	\$335,129	+14.7%

Historical Average Sales Price

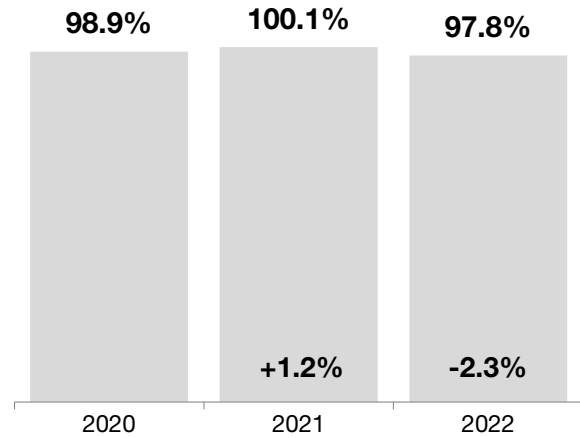


Percent of Original List Price Received

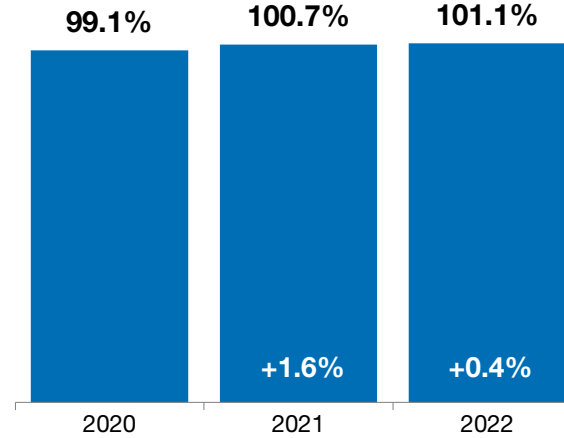


Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.

December



Year to Date



Month	Prior Year	Current Year	+ / -
January 2022	99.1%	99.5%	+0.4%
February 2022	99.4%	100.3%	+0.9%
March 2022	99.7%	101.5%	+1.8%
April 2022	100.4%	102.1%	+1.7%
May 2022	101.2%	103.1%	+1.9%
June 2022	102.1%	102.9%	+0.8%
July 2022	102.2%	102.5%	+0.3%
August 2022	101.3%	101.1%	-0.2%
September 2022	100.9%	100.4%	-0.5%
October 2022	100.1%	99.3%	-0.8%
November 2022	100.0%	98.7%	-1.3%
December 2022	100.1%	97.8%	-2.3%
12-Month Avg	100.7%	101.1%	+0.4%

Historical Percent of Original List Price Received

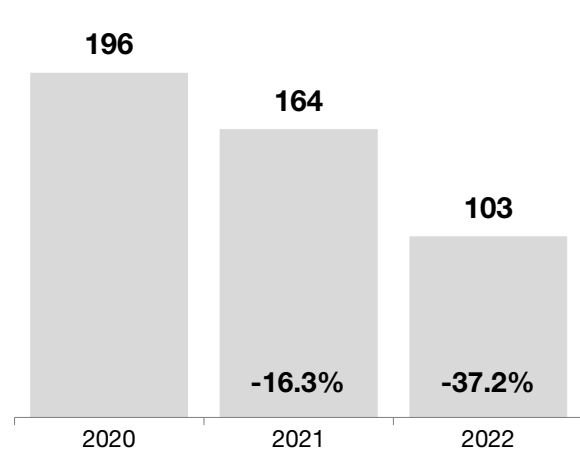


Housing Affordability Index

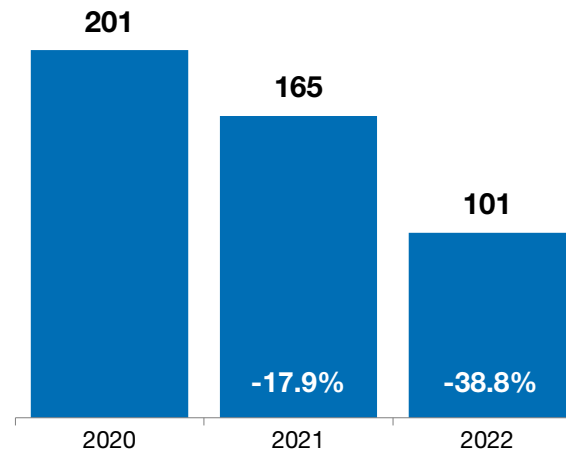


This index measures housing affordability for the region. For example, an index of 120 means the median household income was 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. **A higher number means greater affordability.**

December



Year to Date



Month	Prior Year	Current Year	+ / -
January 2022	189	152	-19.6%
February 2022	184	148	-19.6%
March 2022	177	144	-18.6%
April 2022	172	123	-28.5%
May 2022	169	113	-33.1%
June 2022	160	108	-32.5%
July 2022	162	110	-32.1%
August 2022	161	112	-30.4%
September 2022	159	107	-32.7%
October 2022	164	103	-37.2%
November 2022	166	104	-37.3%
December 2022	164	103	-37.2%
12-Month Avg	169	119	-29.6%

Historical Housing Affordability Index

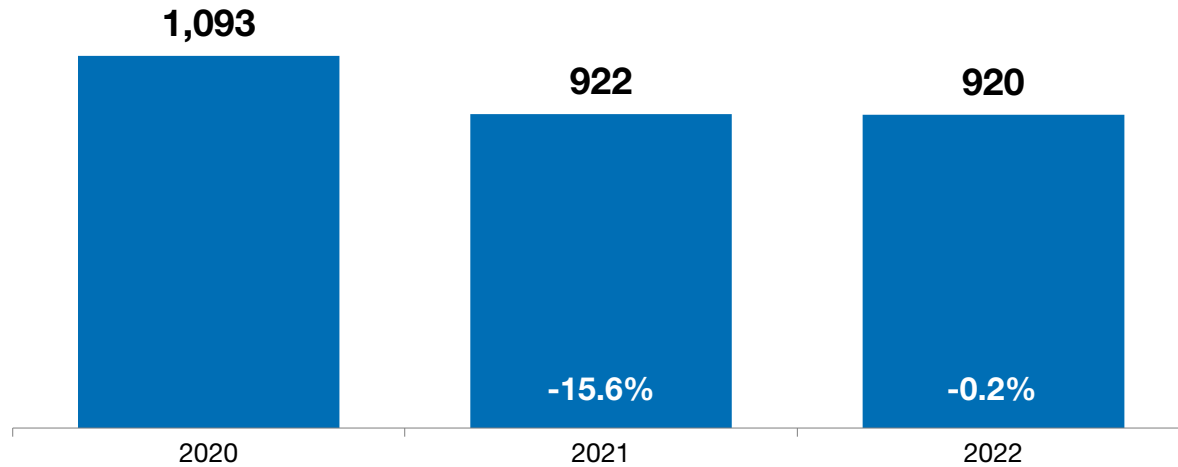


Inventory of Homes for Sale

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

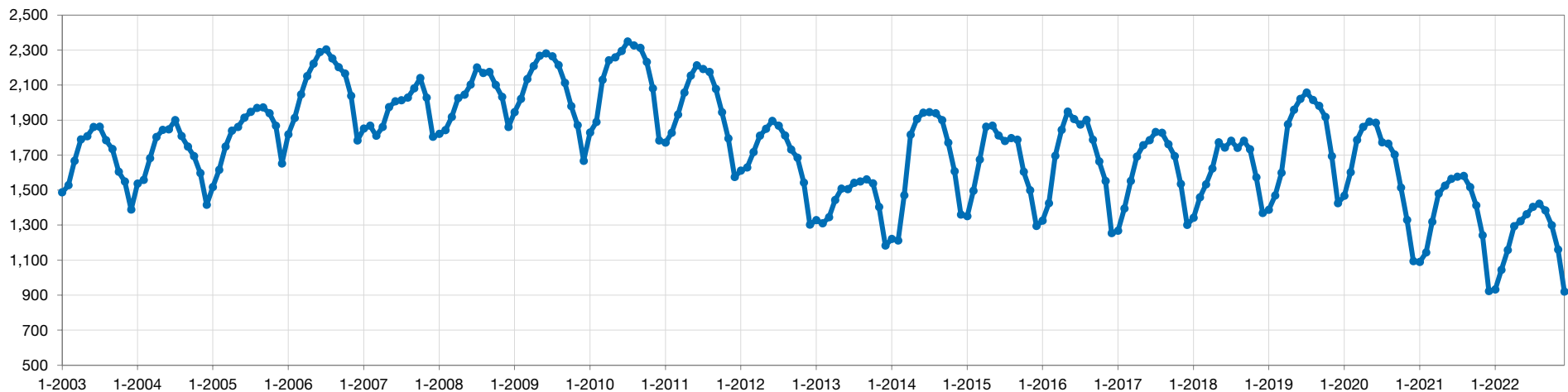


December



Month	Prior Year	Current Year	+ / -
January 2022	1,089	931	-14.5%
February 2022	1,143	1,044	-8.7%
March 2022	1,319	1,157	-12.3%
April 2022	1,479	1,293	-12.6%
May 2022	1,525	1,322	-13.3%
June 2022	1,564	1,361	-13.0%
July 2022	1,576	1,403	-11.0%
August 2022	1,580	1,422	-10.0%
September 2022	1,517	1,383	-8.8%
October 2022	1,413	1,299	-8.1%
November 2022	1,241	1,160	-6.5%
December 2022	922	920	-0.2%
12-Month Avg	1,364	1,225	-9.9%

Historical Inventory of Homes for Sale

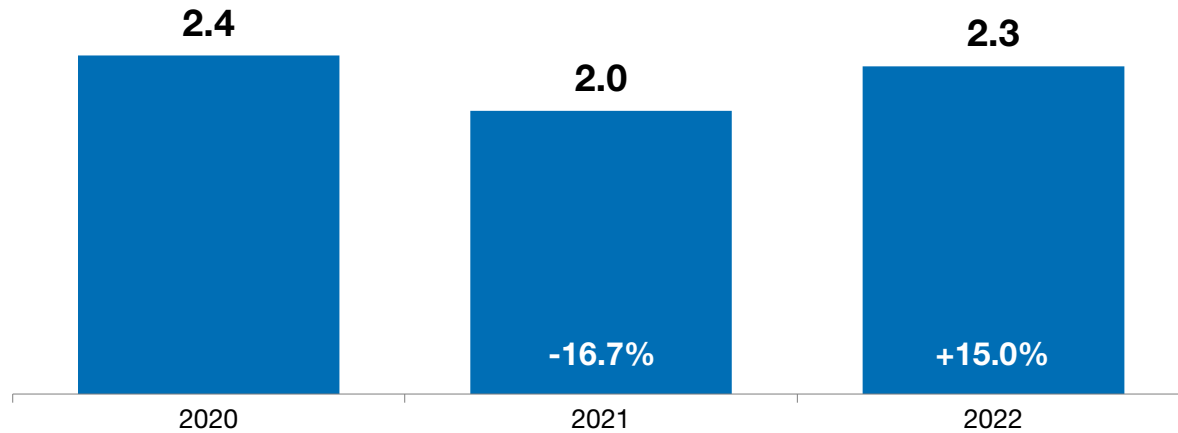


Months Supply of Homes for Sale



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 2022	2.4	2.0	-16.7%
February 2022	2.5	2.3	-8.0%
March 2022	2.8	2.5	-10.7%
April 2022	3.2	2.9	-9.4%
May 2022	3.3	2.9	-12.1%
June 2022	3.4	3.0	-11.8%
July 2022	3.5	3.2	-8.6%
August 2022	3.5	3.3	-5.7%
September 2022	3.3	3.2	-3.0%
October 2022	3.1	3.1	0.0%
November 2022	2.7	2.8	+3.7%
December 2022	2.0	2.3	+15.0%
12-Month Avg	3.0	2.8	-6.7%

Historical Months Supply of Homes for Sale

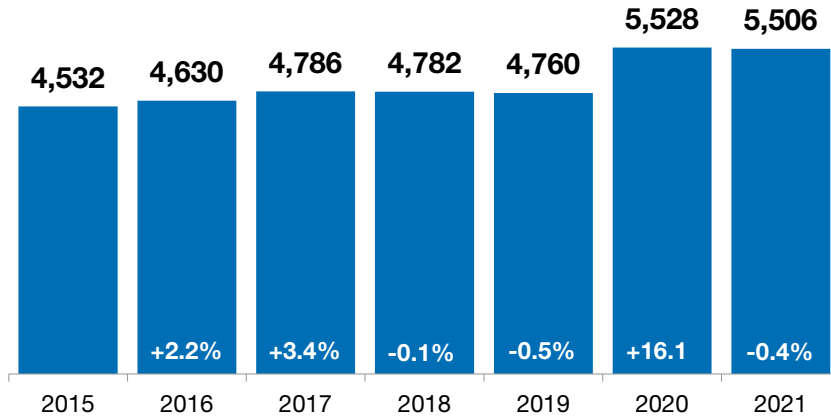


Annual Review

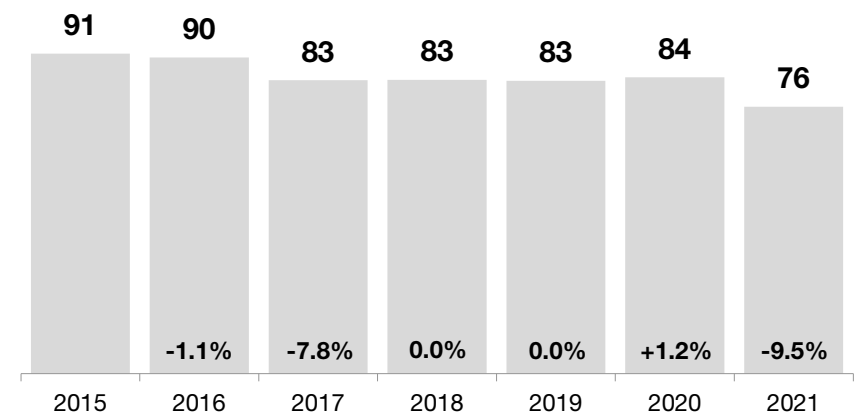
Historical look at key market metrics for the overall region.



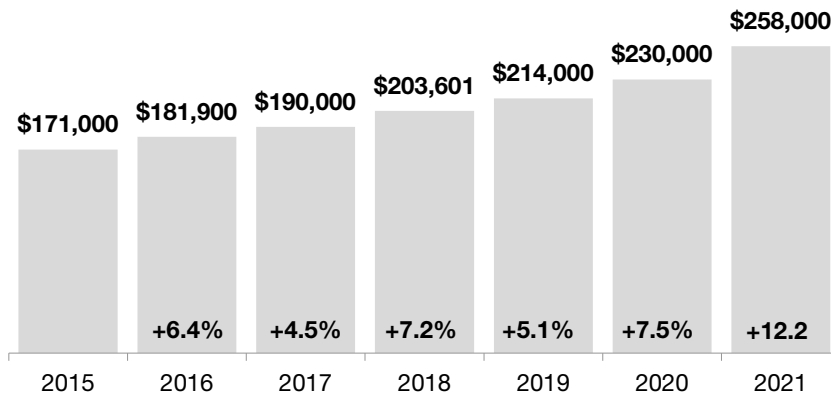
Closed Sales



Days on Market



Median Sales Price



Percent of Original List Price Received

