



Monthly Indicators

January 2023

The US housing market began the year in a state of rebalance, with many buyers and sellers remaining cautious while they wait to see where the market is headed. Nationally, pending sales rose 2.5% month-to-month, marking the first increase since May, while sales of existing homes fell 1.5% as of last measure, according to the National Association of Realtors® (NAR). Demand for housing persists, but higher mortgage interest rates have cut into housing affordability, with total home sales down 17.8% last year compared to 2021.

New Listings in the Sioux Falls region increased 9.5 percent to 393. Pending Sales were up 3.2 percent to 288. Inventory levels rose 1.0 percent to 945 units.

Prices continued to gain traction. The Median Sales Price increased 3.1 percent to \$278,500. Days on Market was down 12.5 percent to 77 days. Buyers felt empowered as Months Supply of Homes for Sale was up 20.0 percent to 2.4 months.

As sales slow, time on market is increasing, with the average home spending 26 days on market as of last measure, according to NAR. Seller concessions have made a comeback, giving buyers more time and negotiating power when shopping for a home. Although home prices remain high, mortgage rates declined steadily throughout January, falling to their lowest level since September, sparking a recent surge in mortgage demand. Lower rates should aid in affordability and may soon lead to an uptick in market activity ahead of the spring selling season.

Quick Facts

- 33.0%	+ 3.1%	+ 1.0%
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.



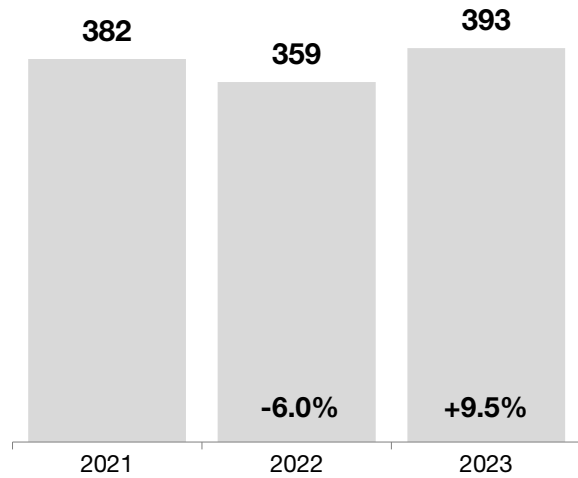
Key Metrics	Historical Sparklines	1-2022	1-2023	+ / -	YTD 2022	YTD 2023	+ / -
New Listings		359	393	+ 9.5%	359	393	+ 9.5%
Pending Sales		279	288	+ 3.2%	279	288	+ 3.2%
Closed Sales		282	189	- 33.0%	282	189	- 33.0%
Days on Market Until Sale		88	77	- 12.5%	88	77	- 12.5%
Median Sales Price		\$270,000	\$278,500	+ 3.1%	\$270,000	\$278,500	+ 3.1%
Average Sales Price		\$307,948	\$311,443	+ 1.1%	\$307,948	\$311,443	+ 1.1%
Percent of Original List Price Received		99.5%	98.3%	- 1.2%	99.5%	98.3%	- 1.2%
Housing Affordability Index		168	127	- 24.4%	168	127	- 24.4%
Inventory of Homes for Sale		936	945	+ 1.0%	--	--	--
Months Supply of Homes for Sale		2.0	2.4	+ 20.0%	--	--	--

New Listings

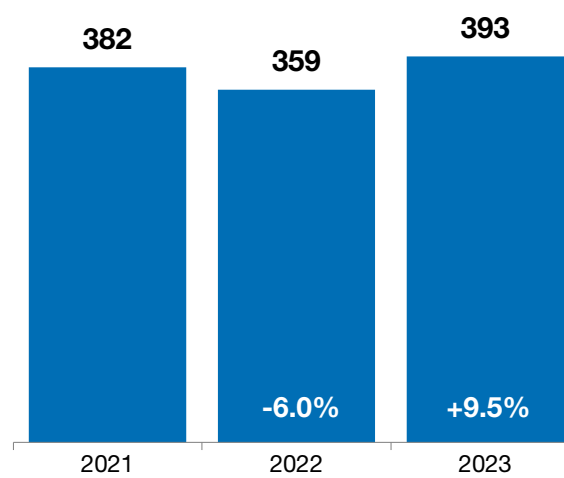
A count of the properties that have been newly listed on the market in a given month.



January

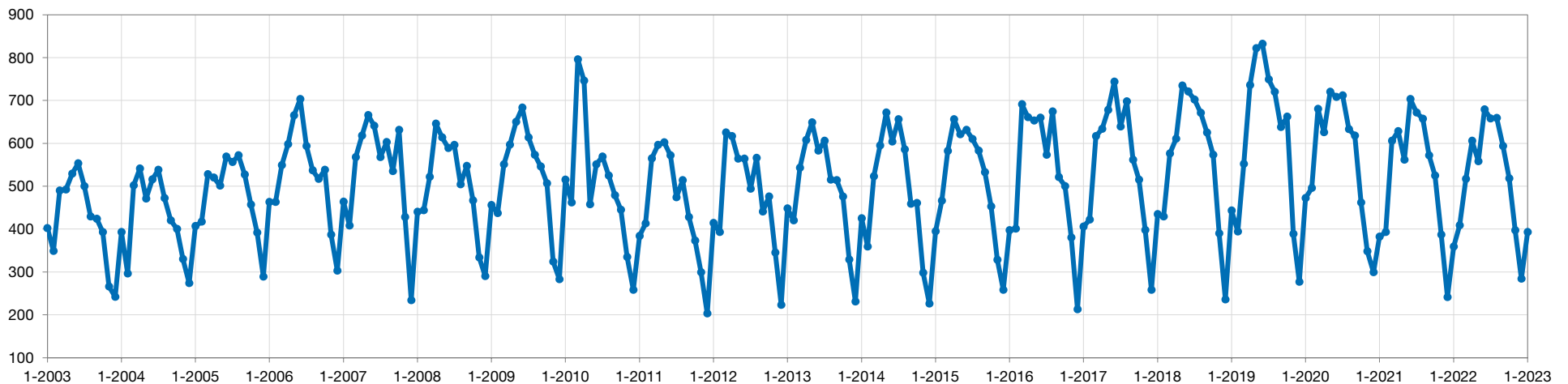


Year to Date



Month	Prior Year	Current Year	+ / -
February 2022	393	409	+4.1%
March 2022	606	517	-14.7%
April 2022	628	606	-3.5%
May 2022	562	558	-0.7%
June 2022	703	679	-3.4%
July 2022	672	658	-2.1%
August 2022	657	659	+0.3%
September 2022	572	594	+3.8%
October 2022	525	518	-1.3%
November 2022	387	397	+2.6%
December 2022	241	284	+17.8%
January 2023	359	393	+9.5%
12-Month Avg	525	523	-0.5%

Historical New Listing Activity

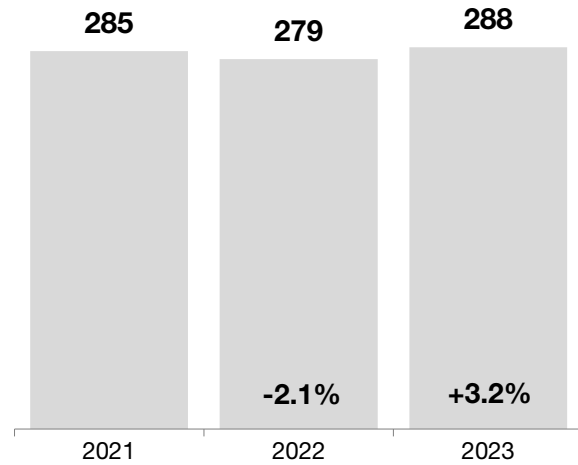


Pending Sales

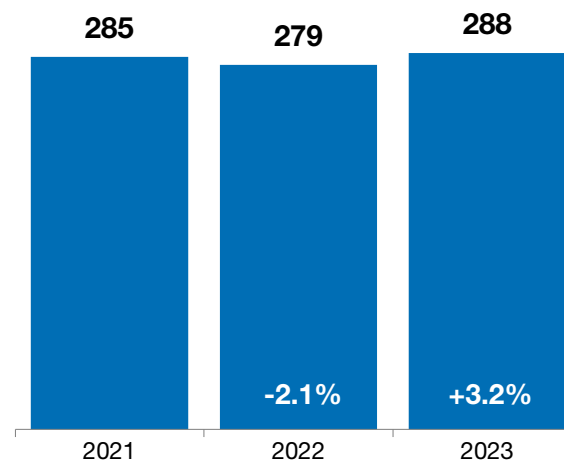
A count of the properties on which contracts have been accepted in a given month.



January



Year to Date



Month	Prior Year	Current Year	+ / -
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	470	-17.4%
August 2022	553	478	-13.6%
September 2022	522	456	-12.6%
October 2022	520	409	-21.3%
November 2022	482	322	-33.2%
December 2022	493	309	-37.3%
January 2023	279	288	+3.2%
12-Month Avg	460	391	-15.0%

Historical Pending Sales Activity

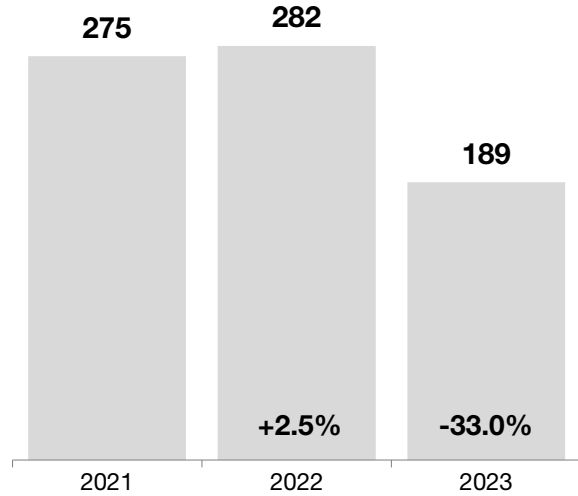


Closed Sales

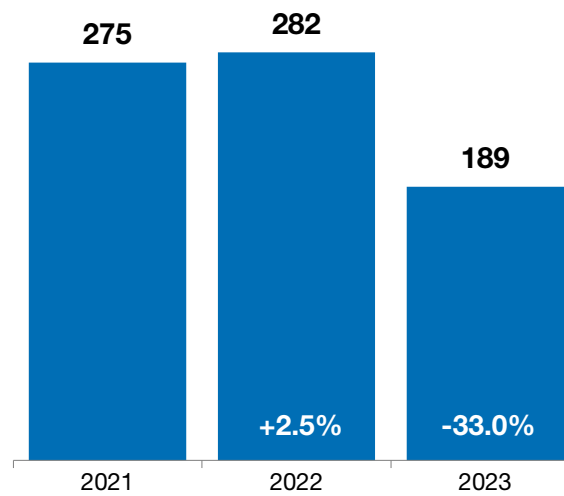
A count of the actual sales that have closed in a given month.



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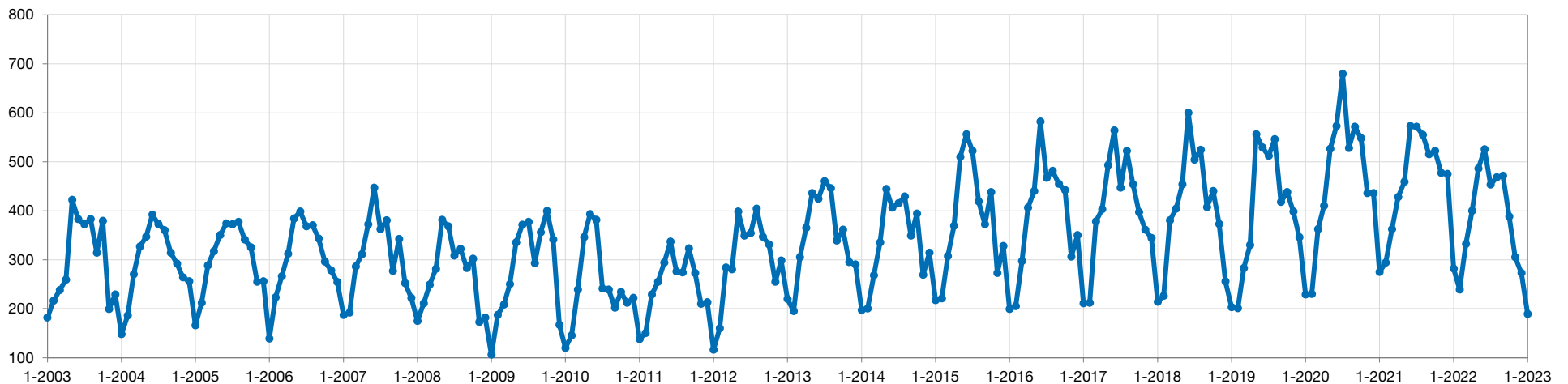


Year to Date



Month	Prior Year	Current Year	+ / -
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	453	-20.7%
August 2022	555	468	-15.7%
September 2022	515	471	-8.5%
October 2022	522	388	-25.7%
November 2022	477	305	-36.1%
December 2022	475	273	-42.5%
January 2023	282	189	-33.0%
12-Month Avg	459	377	-18.2%

Historical Closed Sales Activity

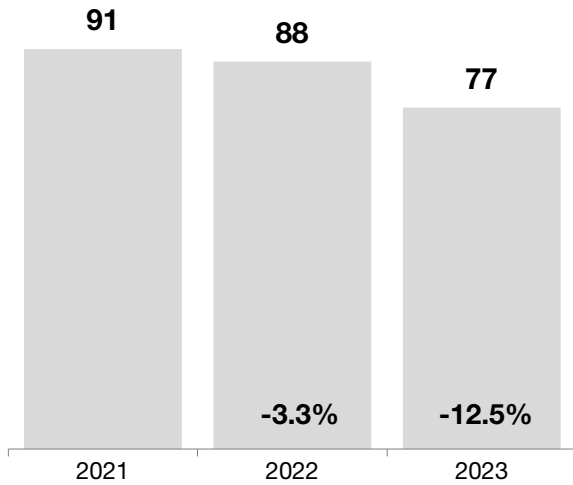


Days on Market Until Sale

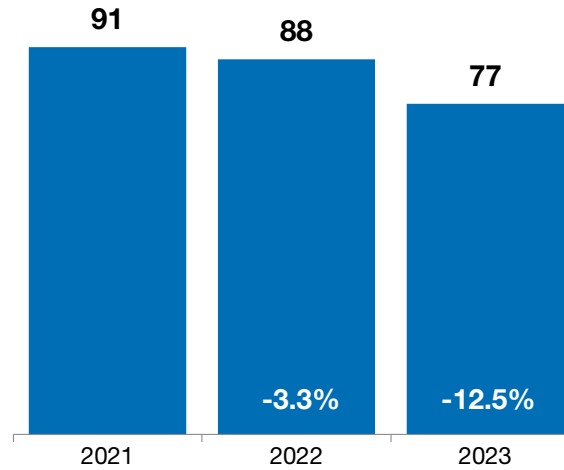
Average number of days between when a property is first listed and when a property is closed in a given month.



January



Year to Date



Month	Prior Year	Current Year	+ / -
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	64	-12.3%
November 2022	76	69	-9.2%
December 2022	73	73	0.0%
January 2023	88	77	-12.5%
12-Month Avg	75	71	-5.3%

Historical Days on Market Until Sale

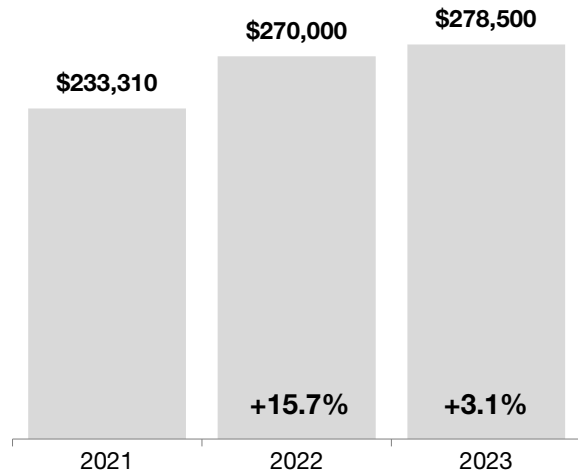


Median Sales Price

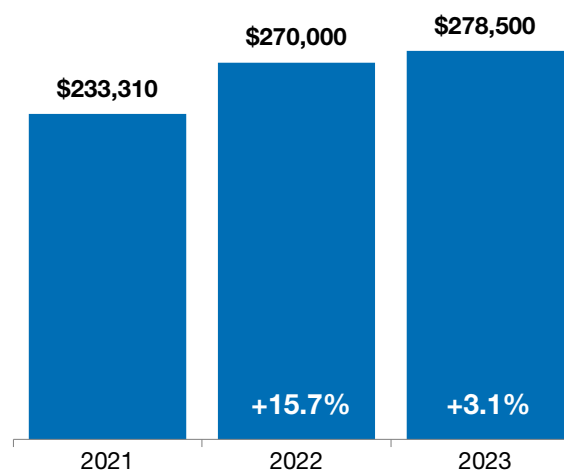
Median price point for all closed sales, not accounting for seller concessions, in a given month.



January

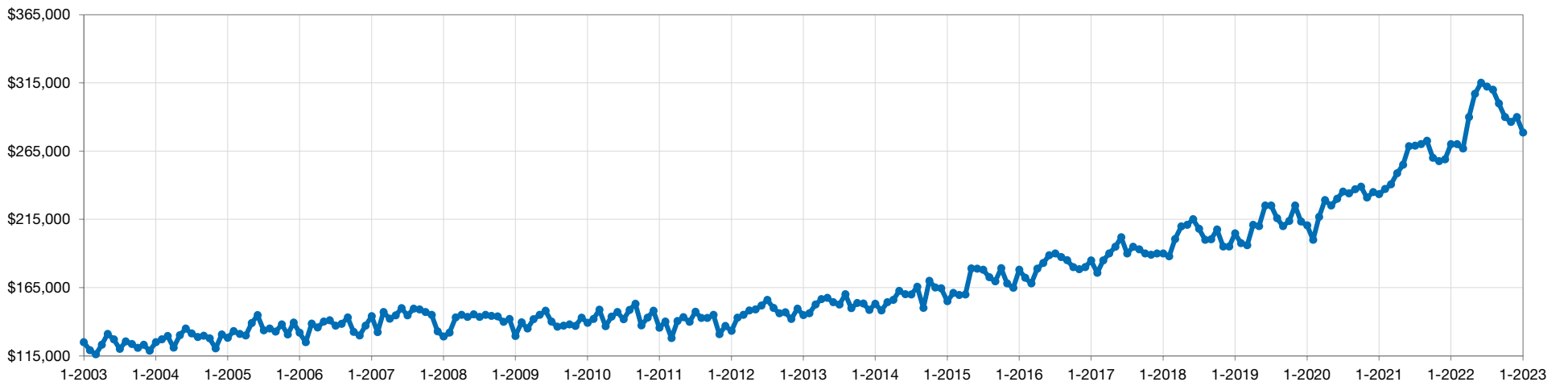


Year to Date



Month	Prior Year	Current Year	+ / -
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	\$312,210	+16.1%
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	\$286,250	+11.2%
December 2022	\$258,950	\$290,000	+12.0%
January 2023	\$270,000	\$278,500	+3.1%
12-Month Med	\$260,000	\$295,950	+13.8%

Historical Median Sales Price

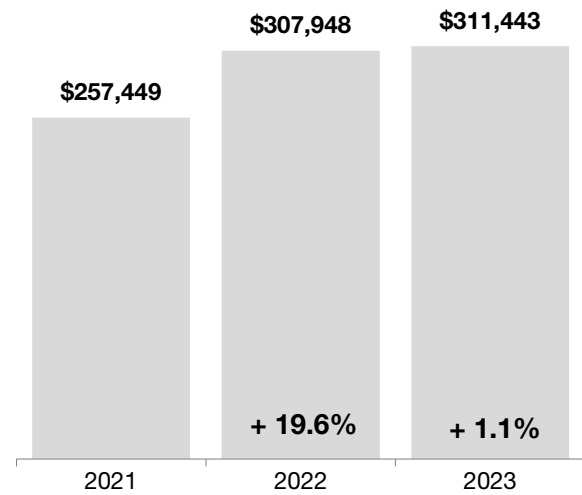


Average Sales Price

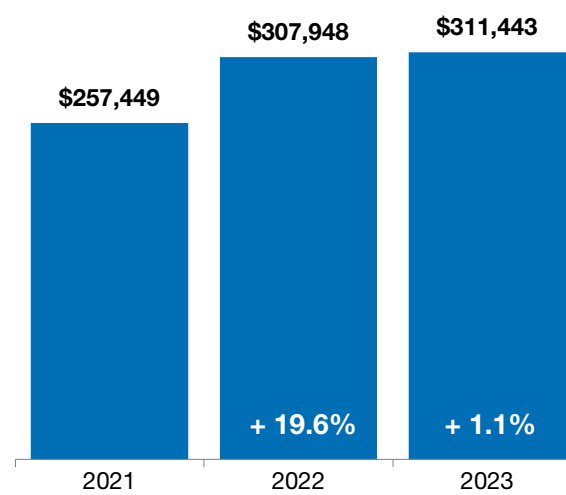
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



January

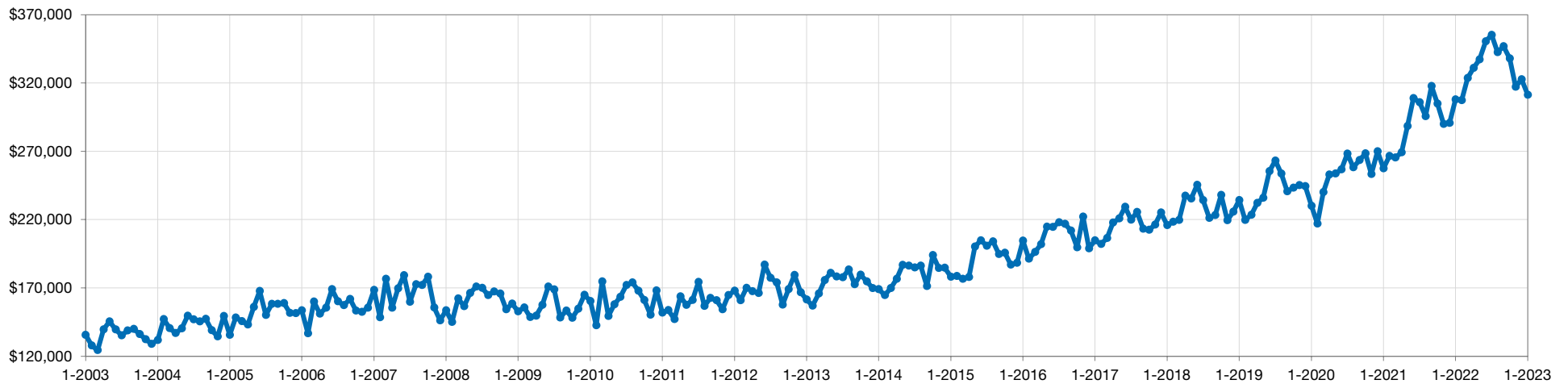


Year to Date



Month	Prior Year	Current Year	+ / -
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	\$355,203	+16.1%
August 2022	\$295,611	\$342,468	+15.9%
September 2022	\$317,834	\$346,930	+9.2%
October 2022	\$304,920	\$337,966	+10.8%
November 2022	\$289,953	\$317,155	+9.4%
December 2022	\$290,828	\$322,709	+11.0%
January 2023	\$307,948	\$311,443	+1.1%
12-Month Avg	\$294,595	\$335,759	+14.0%

Historical Average Sales Price

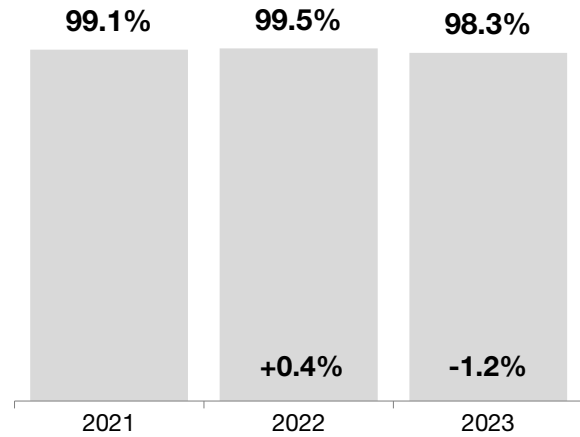


Percent of Original List Price Received

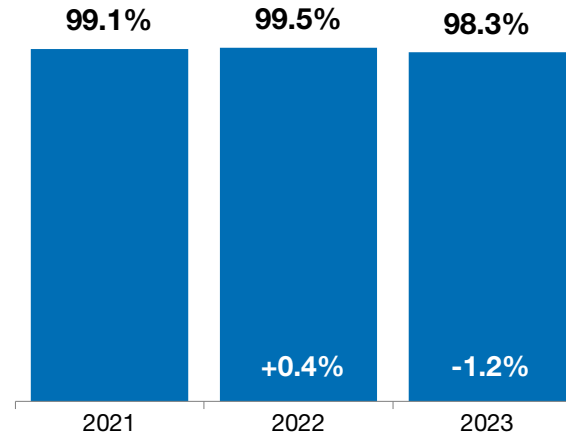


Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.

January



Year to Date



Month	Prior Year	Current Year	+ / -
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%
January 2023	99.5%	98.3%	-1.2%
12-Month Avg	100.7%	101.0%	+0.3%

Historical Percent of Original List Price Received

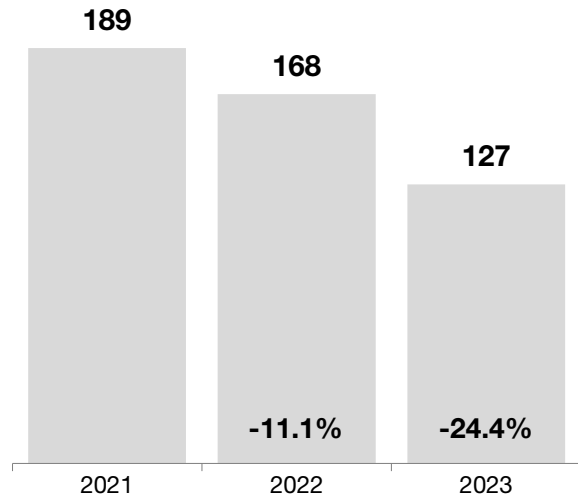


Housing Affordability Index

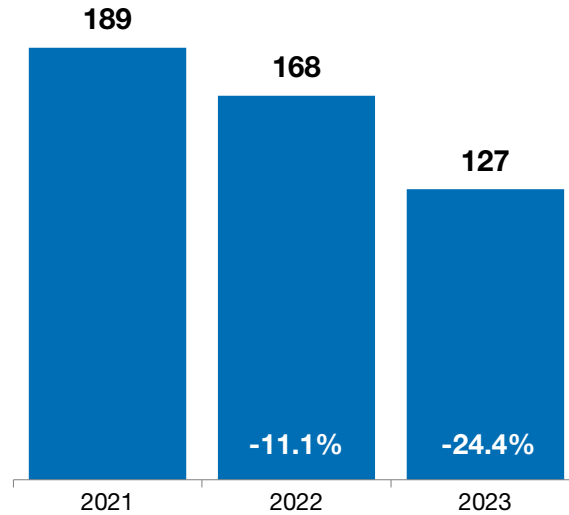


This index measures housing affordability for the region. For example, an index of 120 means the median household income was 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. **A higher number means greater affordability.**

January



Year to Date



Month	Prior Year	Current Year	+ / -
February 2022	184	163	-11.4%
March 2022	177	159	-10.2%
April 2022	172	136	-20.9%
May 2022	169	125	-26.0%
June 2022	160	119	-25.6%
July 2022	162	121	-25.3%
August 2022	161	124	-23.0%
September 2022	159	119	-25.2%
October 2022	164	113	-31.1%
November 2022	166	119	-28.3%
December 2022	164	119	-27.4%
January 2023	168	127	-24.4%
12-Month Avg	167	129	-22.8%

Historical Housing Affordability Index

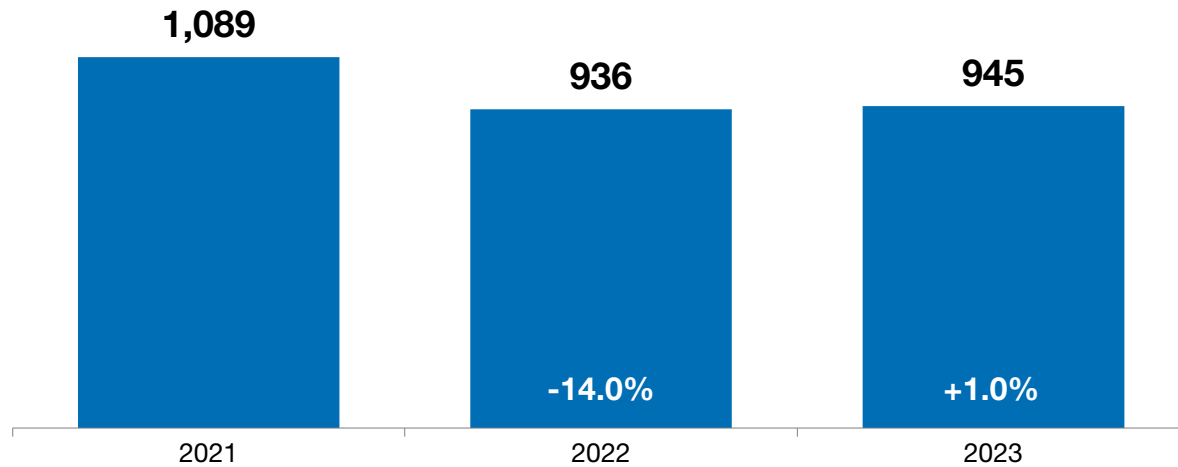


Inventory of Homes for Sale

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

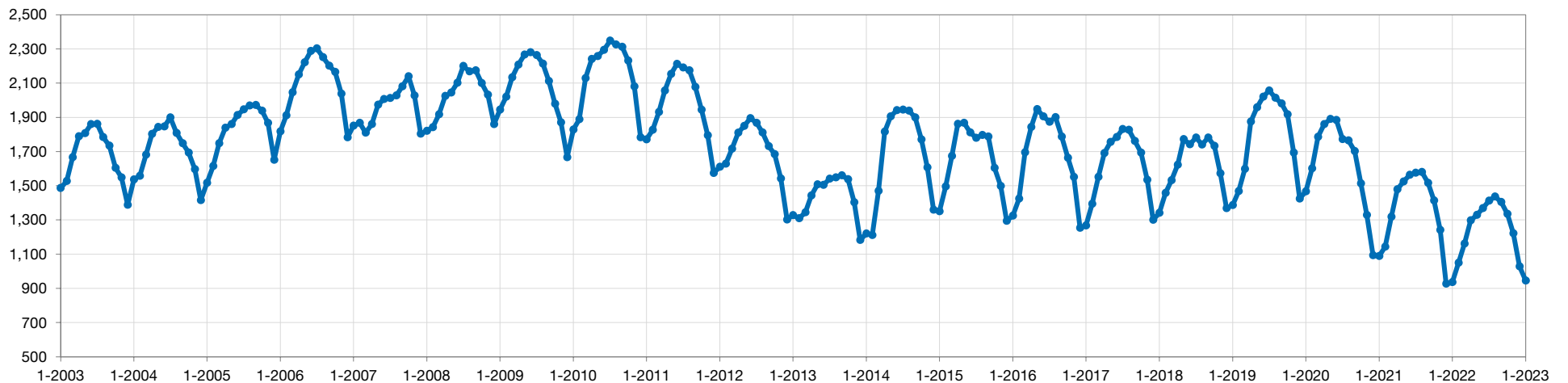


January



Month	Prior Year	Current Year	+ / -
February 2022	1,143	1,049	-8.2%
March 2022	1,319	1,162	-11.9%
April 2022	1,479	1,298	-12.2%
May 2022	1,525	1,330	-12.8%
June 2022	1,564	1,369	-12.5%
July 2022	1,576	1,413	-10.3%
August 2022	1,580	1,437	-9.1%
September 2022	1,517	1,405	-7.4%
October 2022	1,414	1,335	-5.6%
November 2022	1,242	1,222	-1.6%
December 2022	927	1,029	+11.0%
January 2023	936	945	+1.0%
12-Month Avg	1,352	1,250	-6.6%

Historical Inventory of Homes for Sale

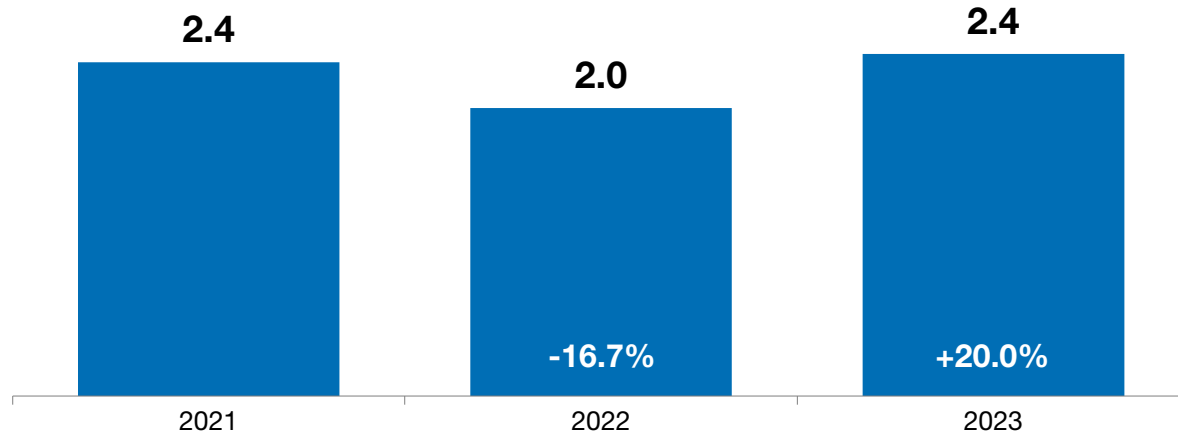


Months Supply of Homes for Sale



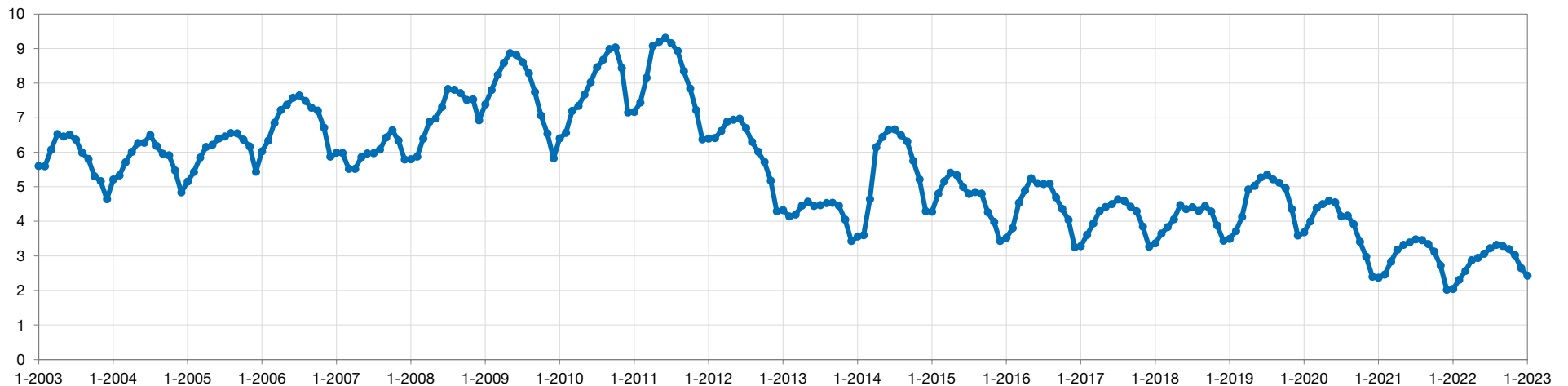
The inventory of homes for sale at the end of a given month, divided by the average monthly pending sales from the last 12 months.

January



Month	Prior Year	Current Year	+ / -
February 2022	2.5	2.3	-8.0%
March 2022	2.8	2.6	-7.1%
April 2022	3.2	2.9	-9.4%
May 2022	3.3	2.9	-12.1%
June 2022	3.4	3.1	-8.8%
July 2022	3.5	3.2	-8.6%
August 2022	3.5	3.3	-5.7%
September 2022	3.3	3.3	0.0%
October 2022	3.1	3.2	+3.2%
November 2022	2.7	3.0	+11.1%
December 2022	2.0	2.6	+30.0%
January 2023	2.0	2.4	+20.0%
12-Month Avg	2.9	2.9	0.0%

Historical Months Supply of Homes for Sale

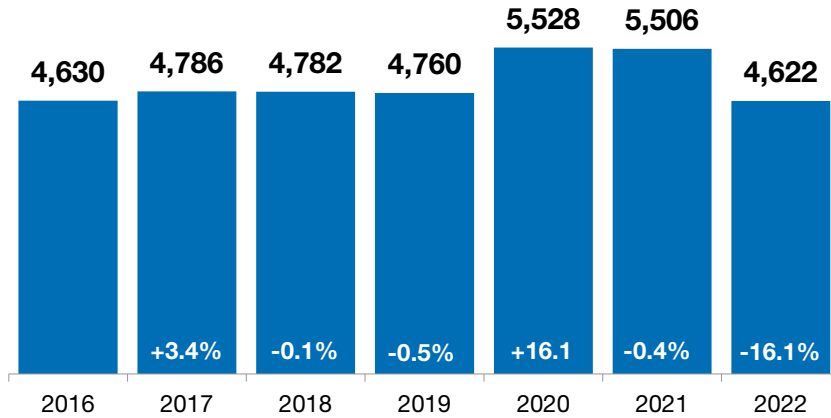


Annual Review

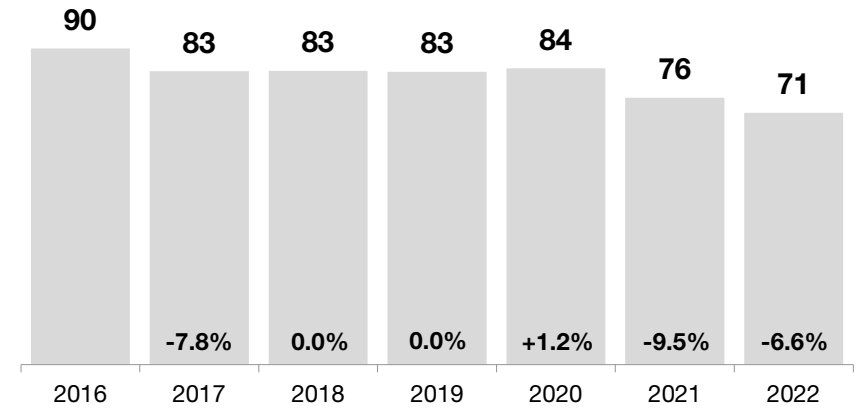
Historical look at key market metrics for the overall region.



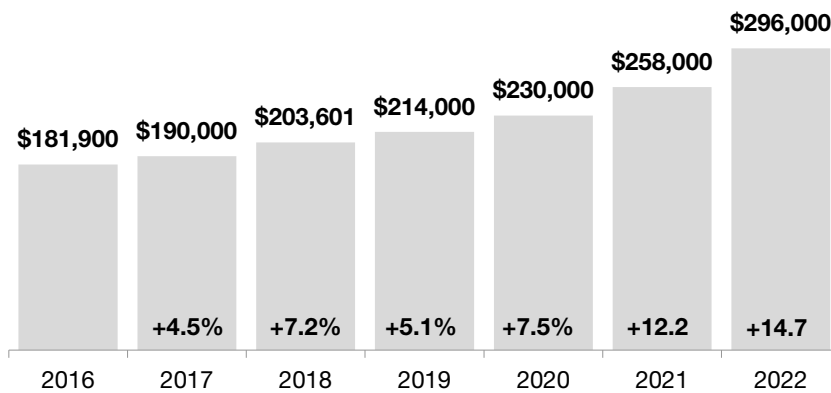
Closed Sales



Days on Market



Median Sales Price



Percent of Original List Price Received

