



Monthly Indicators

February 2023

In its continued effort to curb inflation, the Federal Reserve raised its benchmark interest rate in February by a quarter-percentage point to 4.50% - 4.75%, its 8th rate hike since March of last year, when the interest rate was nearly zero.

Mortgage interest rates have dipped slightly from their peak last fall, leading pending sales to increase 8.1% month-to-month as of last measure, but affordability constraints continue to limit homebuyer activity overall, with existing-home sales declining for the twelfth consecutive month, according to the National Association of Realtors® (NAR).

New Listings in the Sioux Falls region decreased 24.1 percent to 312. Pending Sales were up 15.7 percent to 280. Inventory levels fell 10.4 percent to 943 units.

Prices continued to gain traction. The Median Sales Price increased 7.0 percent to \$289,000. Days on Market was down 5.9 percent to 80 days. Buyers felt empowered as Months Supply of Homes for Sale was up 4.3 percent to 2.4 months.

With buyer demand down from peak levels, home price growth has continued to slow nationwide, although prices remain up from a year ago. Sellers have been increasingly cutting prices and offering sales incentives in an attempt to attract buyers, who have continued to struggle with affordability challenges this winter. The slight decline in mortgage rates earlier this year convinced some buyers to come off the sidelines, but with rates ticking up again in recent weeks, buyers are once again pulling back, causing sales activity to remain down heading into spring.

Quick Facts

- 32.6% **+ 7.0%** **- 10.4%**

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.



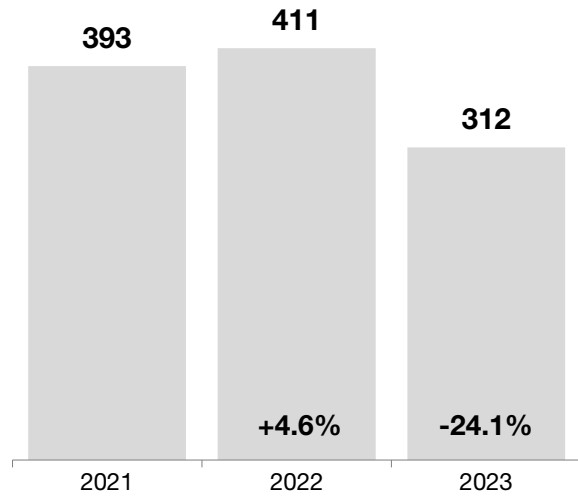
Key Metrics	Historical Sparklines	2-2022	2-2023	+ / -	YTD 2022	YTD 2023	+ / -
New Listings		411	312	- 24.1%	770	716	- 7.0%
Pending Sales		242	280	+ 15.7%	521	539	+ 3.5%
Closed Sales		239	161	- 32.6%	521	363	- 30.3%
Days on Market Until Sale		85	80	- 5.9%	87	78	- 10.3%
Median Sales Price		\$270,000	\$289,000	+ 7.0%	\$270,000	\$284,900	+ 5.5%
Average Sales Price		\$307,297	\$308,272	+ 0.3%	\$307,649	\$310,871	+ 1.0%
Percent of Original List Price Received		100.3%	98.3%	- 2.0%	99.9%	98.3%	- 1.6%
Housing Affordability Index		163	119	- 27.0%	163	121	- 25.8%
Inventory of Homes for Sale		1,052	943	- 10.4%	--	--	--
Months Supply of Homes for Sale		2.3	2.4	+ 4.3%	--	--	--

New Listings

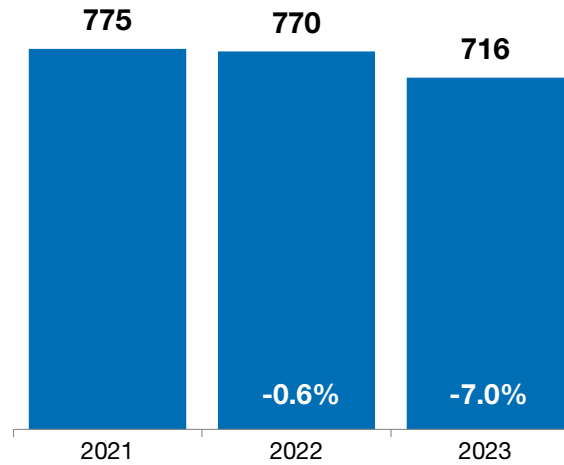
A count of the properties that have been newly listed on the market in a given month.



February

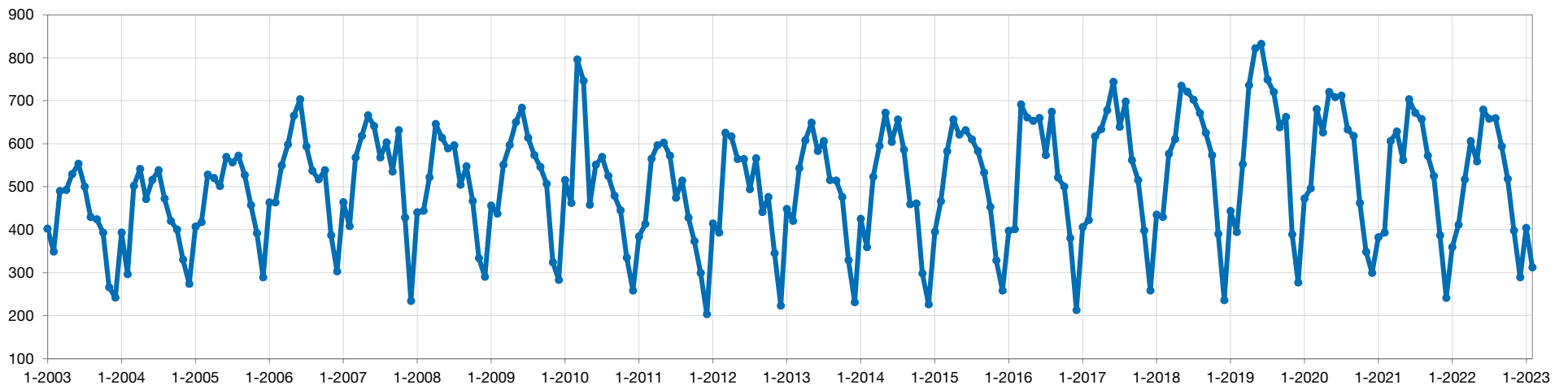


Year to Date



Month	Prior Year	Current Year	+ / -
March 2022	606	517	-14.7%
April 2022	628	606	-3.5%
May 2022	562	559	-0.5%
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	398	+2.8%
December 2022	241	289	+19.9%
January 2023	359	404	+12.5%
February 2023	411	312	-24.1%
12-Month Avg	527	516	-2.1%

Historical New Listing Activity

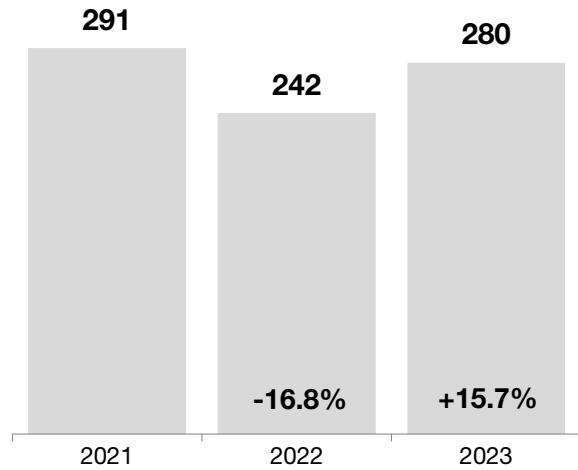


Pending Sales

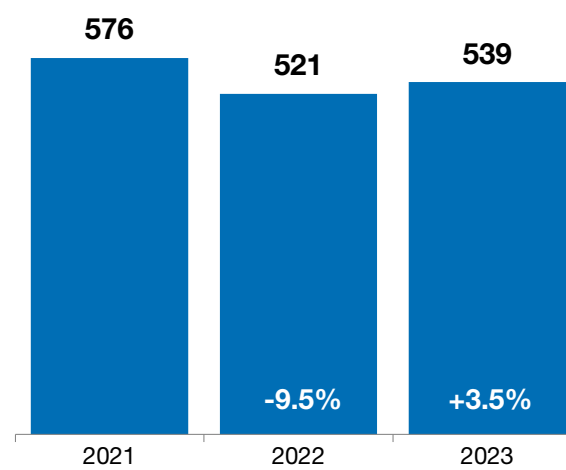
A count of the properties on which contracts have been accepted in a given month.



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Year to Date



Month	Prior Year	Current Year	+ / -
March 2022	361	343	-5.0%
April 2022	406	390	-3.9%
May 2022	458	456	-0.4%
June 2022	580	522	-10.0%
July 2022	569	469	-17.6%
August 2022	553	477	-13.7%
September 2022	522	456	-12.6%
October 2022	520	408	-21.5%
November 2022	482	318	-34.0%
December 2022	493	291	-41.0%
January 2023	279	259	-7.2%
February 2023	242	280	+15.7%
12-Month Avg	455	389	-14.6%

Historical Pending Sales Activity

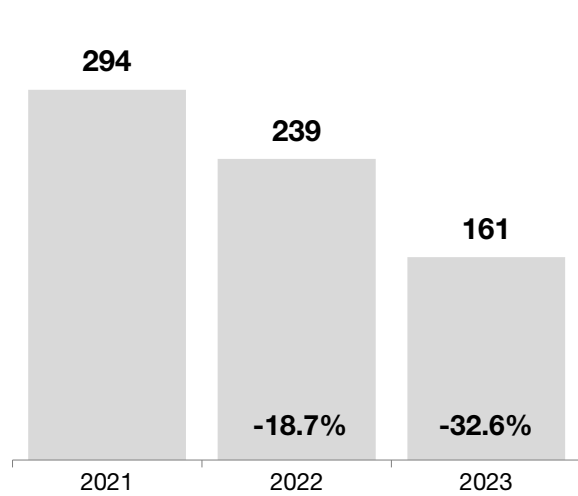


Closed Sales

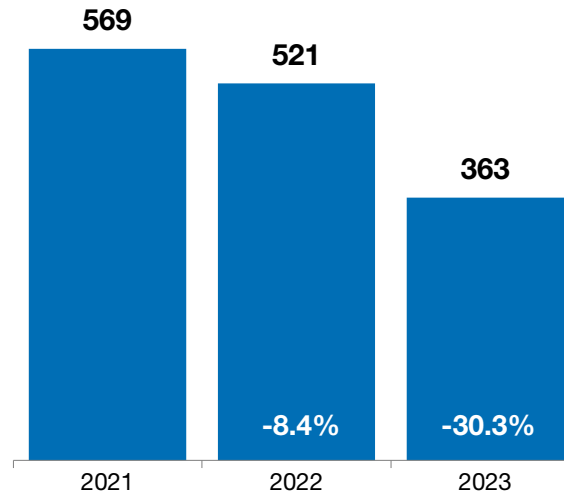
A count of the actual sales that have closed in a given month.



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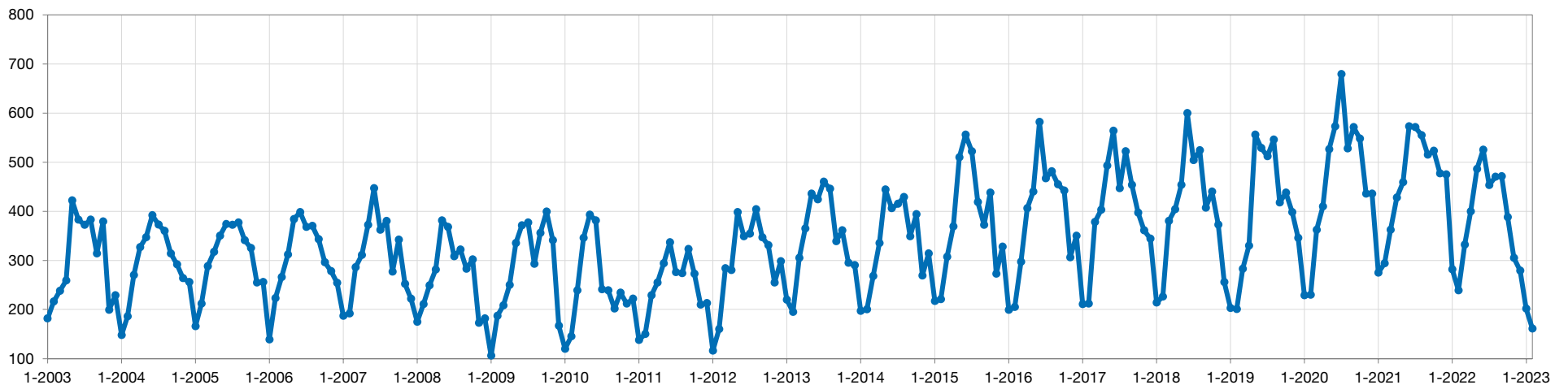


Year to Date



Month	Prior Year	Current Year	+ / -
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	470	-15.3%
September 2022	515	471	-8.5%
October 2022	523	388	-25.8%
November 2022	477	305	-36.1%
December 2022	475	279	-41.3%
January 2023	282	202	-28.4%
February 2023	239	161	-32.6%
12-Month Avg	455	373	-18.8%

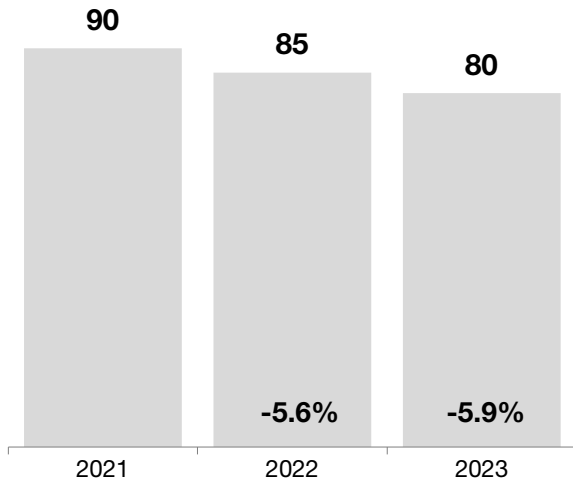
Historical Closed Sales Activity



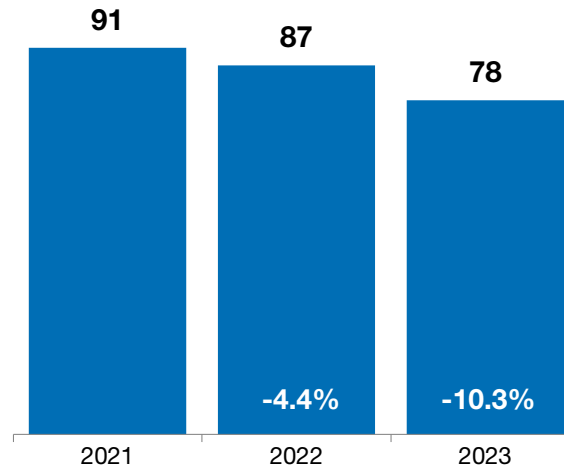
Days on Market Until Sale

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

February



Year to Date



Month	Prior Year	Current Year	+ / -
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	63	-10.0%
September 2022	68	70	+2.9%
October 2022	74	64	-13.5%
November 2022	76	69	-9.2%
December 2022	73	75	+2.7%
January 2023	88	77	-12.5%
February 2023	85	80	-5.9%
12-Month Avg	75	70	-6.7%

Historical Days on Market Until Sale

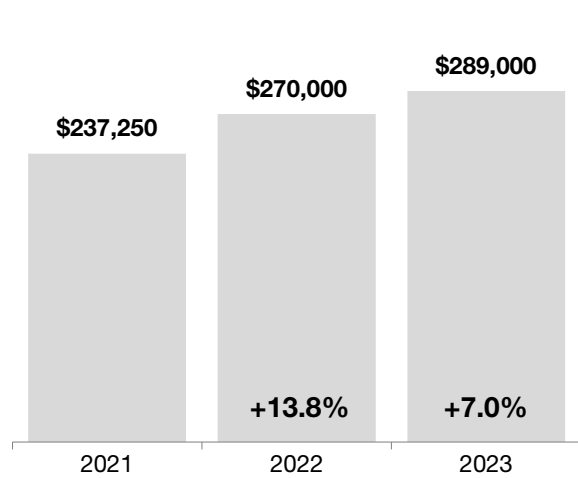


Median Sales Price

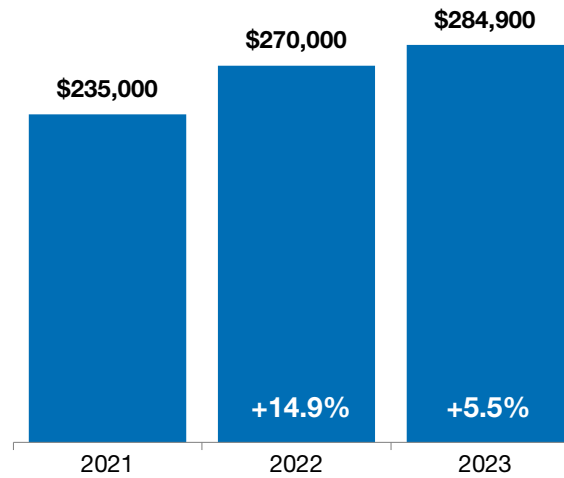
Median price point for all closed sales, not accounting for seller concessions, in a given month.



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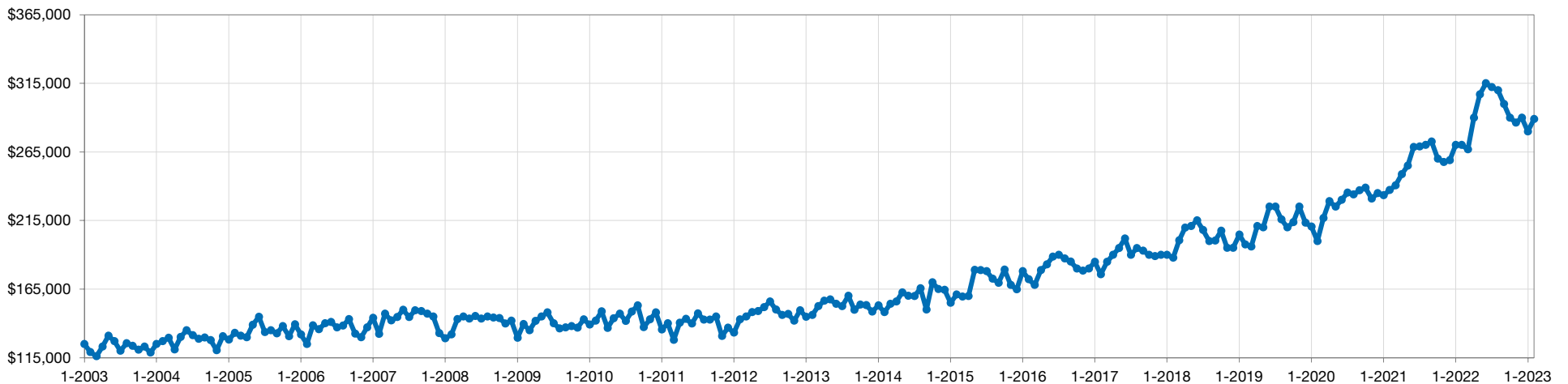


Year to Date



Month	Prior Year	Current Year	+ / -
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	\$279,900	+3.7%
February 2023	\$270,000	\$289,000	+7.0%
12-Month Med	\$260,500	\$297,000	+14.0%

Historical Median Sales Price

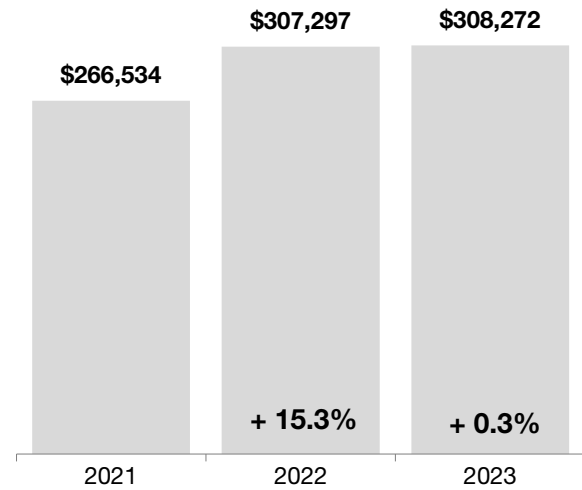


Average Sales Price

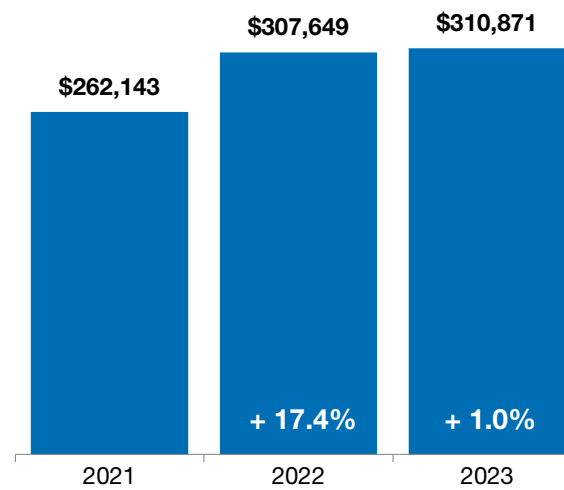
Average sales price for all closed sales, not accounting for seller concessions, in a given month.



February

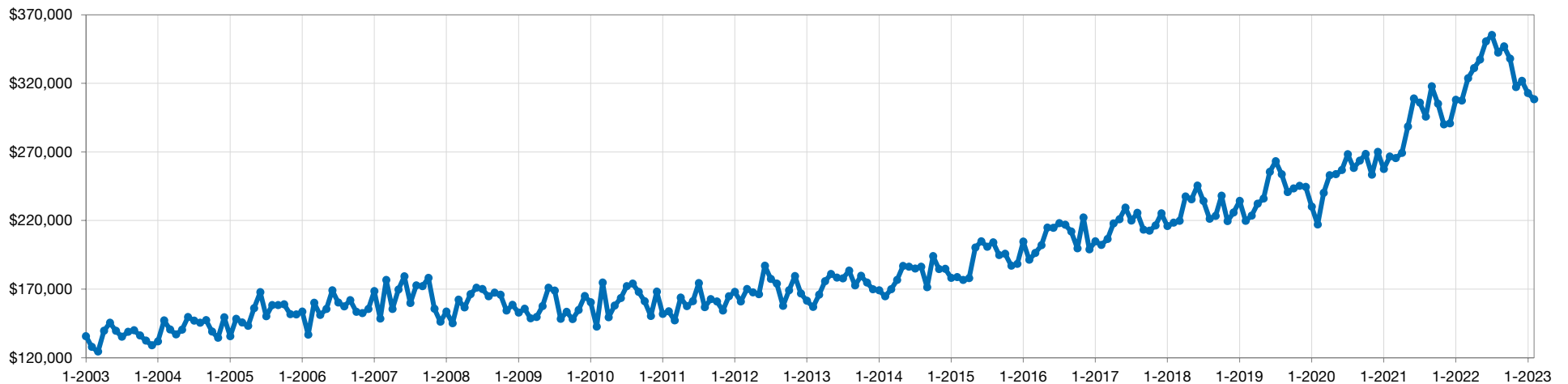


Year to Date



Month	Prior Year	Current Year	+ / -
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	\$342,372	+15.8%
September 2022	\$317,834	\$346,930	+9.2%
October 2022	\$305,120	\$337,966	+10.8%
November 2022	\$289,953	\$317,155	+9.4%
December 2022	\$290,828	\$321,670	+10.6%
January 2023	\$307,948	\$312,942	+1.6%
February 2023	\$307,297	\$308,272	+0.3%
12-Month Avg	\$296,684	\$336,198	+13.3%

Historical Average Sales Price

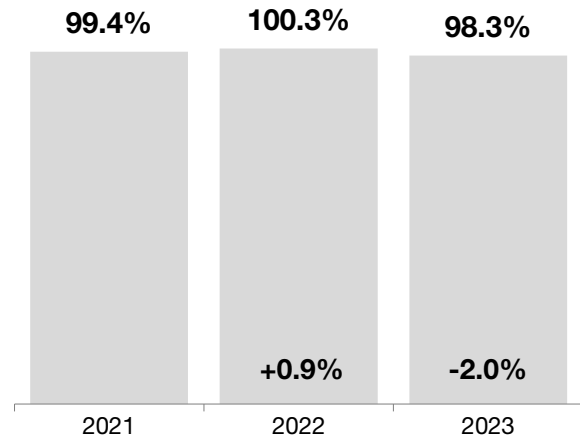


Percent of Original List Price Received

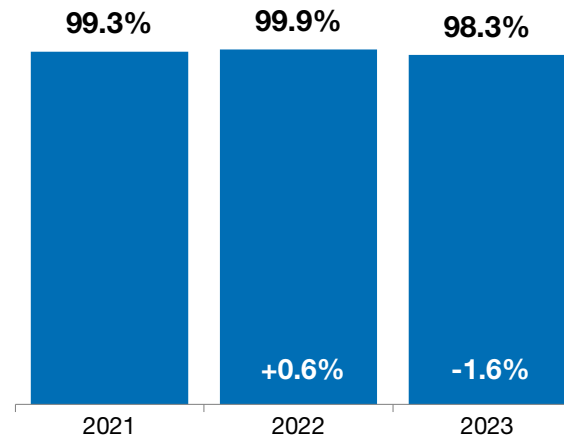


Percentage found when dividing a property's sales price by its original list price, then taking the average for all properties sold in a given month, not accounting for seller concessions.

February



Year to Date



Month	Prior Year	Current Year	+ / -
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%
February 2023	100.3%	98.3%	-2.0%
12-Month Avg	100.8%	101.0%	+0.2%

Historical Percent of Original List Price Received

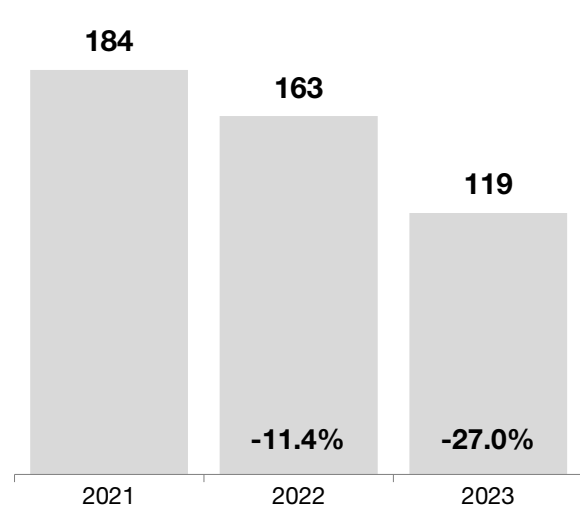


Housing Affordability Index

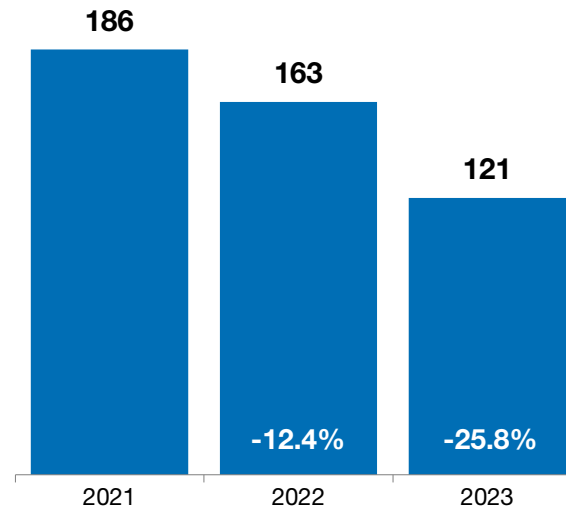


This index measures housing affordability for the region. For example, an index of 120 means the median household income was 120% of what is necessary to qualify for the median-priced home under prevailing interest rates. **A higher number means greater affordability.**

February

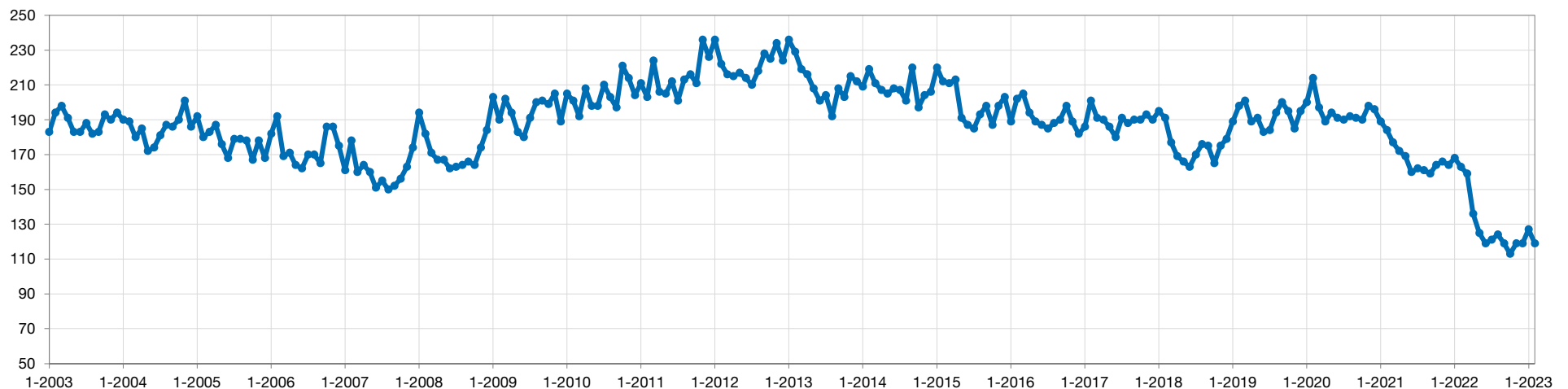


Year to Date



Month	Prior Year	Current Year	+ / -
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%
February 2023	163	119	-27.0%
12-Month Avg	165	125	-24.2%

Historical Housing Affordability Index

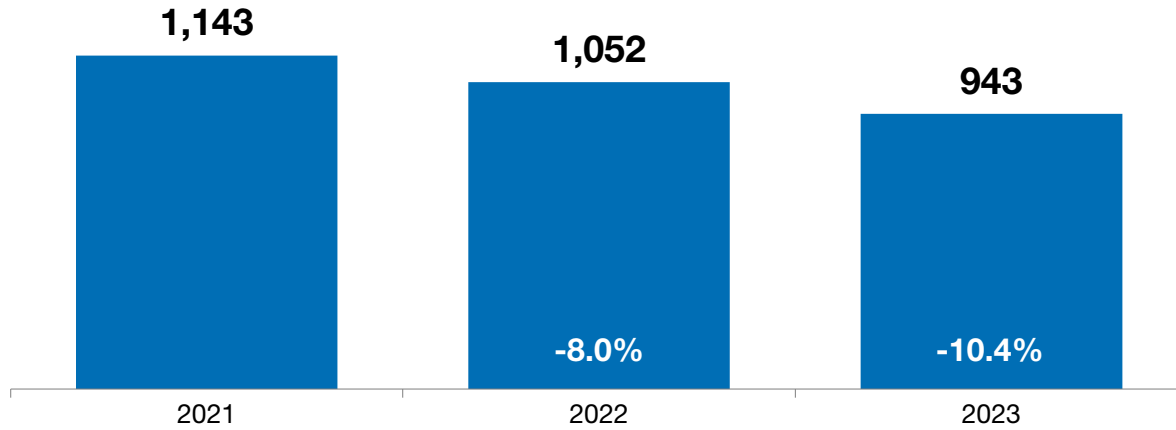


Inventory of Homes for Sale

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

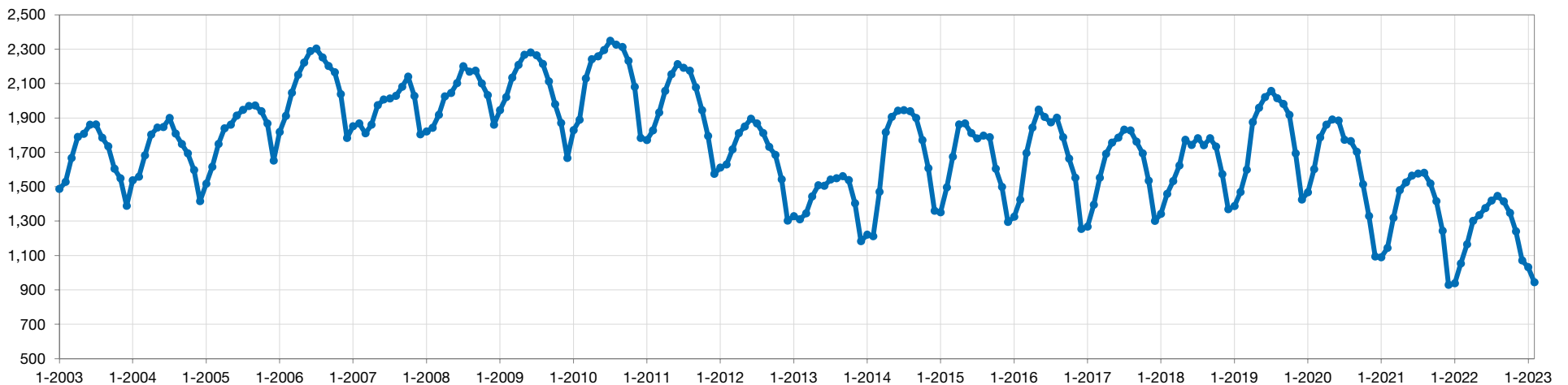


February



Month	Prior Year	Current Year	+ / -
March 2022	1,319	1,165	-11.7%
April 2022	1,479	1,301	-12.0%
May 2022	1,525	1,334	-12.5%
June 2022	1,564	1,374	-12.1%
July 2022	1,576	1,419	-10.0%
August 2022	1,580	1,445	-8.5%
September 2022	1,518	1,414	-6.9%
October 2022	1,415	1,347	-4.8%
November 2022	1,243	1,240	-0.2%
December 2022	928	1,071	+15.4%
January 2023	937	1,031	+10.0%
February 2023	1,052	943	-10.4%
12-Month Avg	1,345	1,257	-5.3%

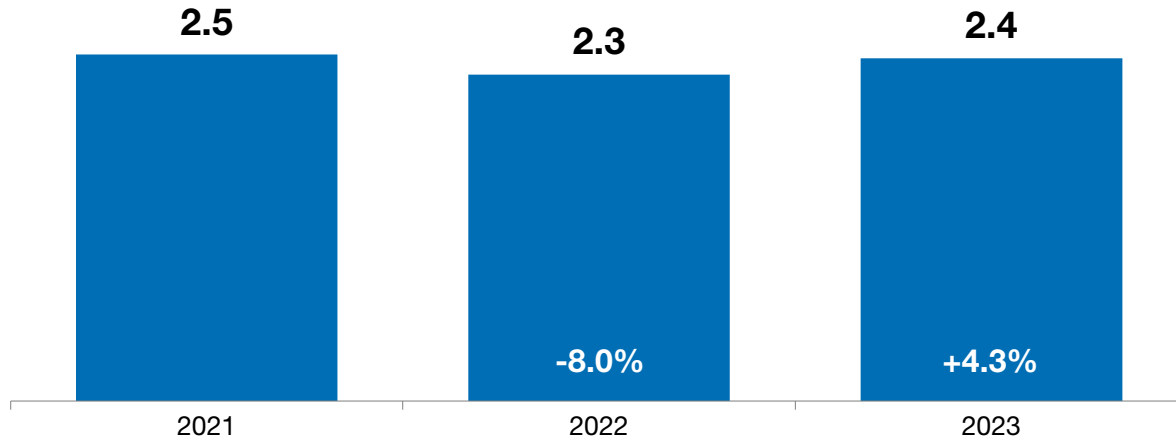
Historical Inventory of Homes for Sale



Months Supply of Homes for Sale

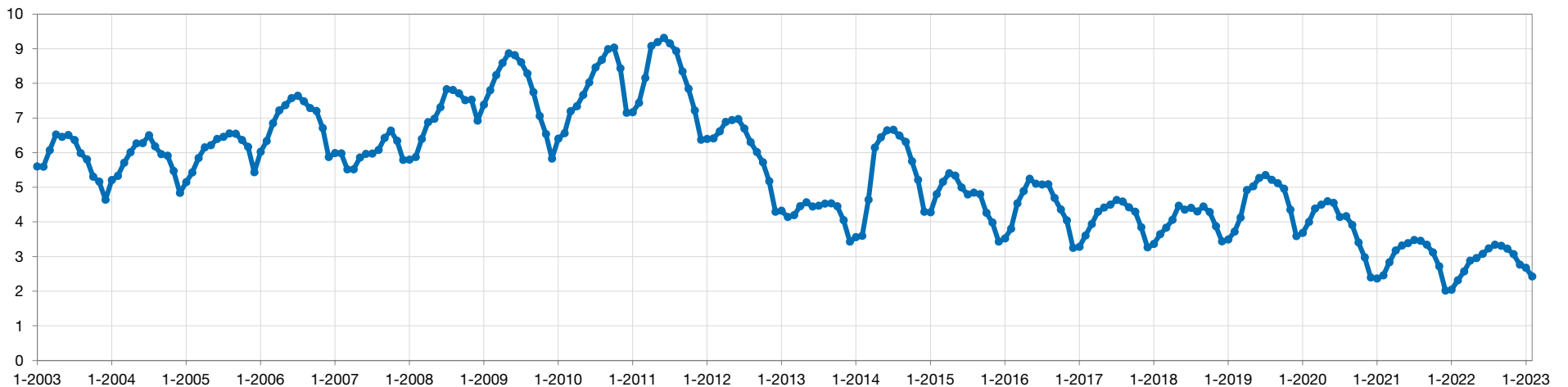
The inventory of homes for sale at the end of a given month, divided by the average monthly pending sales from the last 12 months.

February



Month	Prior Year	Current Year	+ / -
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	3.1	+14.8%
December 2022	2.0	2.8	+40.0%
January 2023	2.0	2.7	+35.0%
February 2023	2.3	2.4	+4.3%
12-Month Avg	2.9	3.0	+3.4%

Historical Months Supply of Homes for Sale

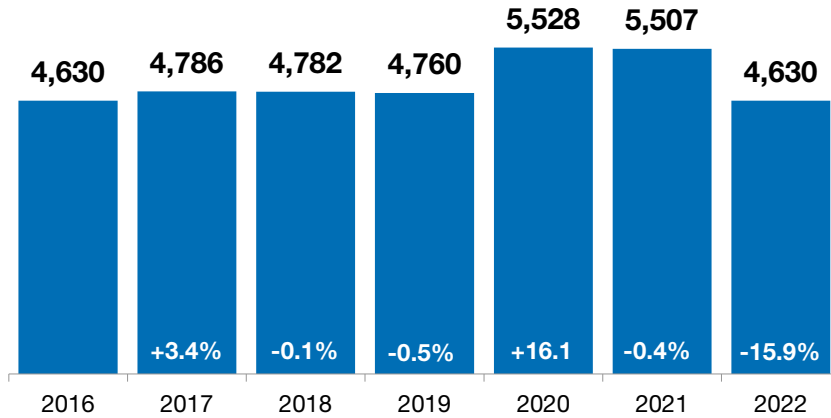


Annual Review

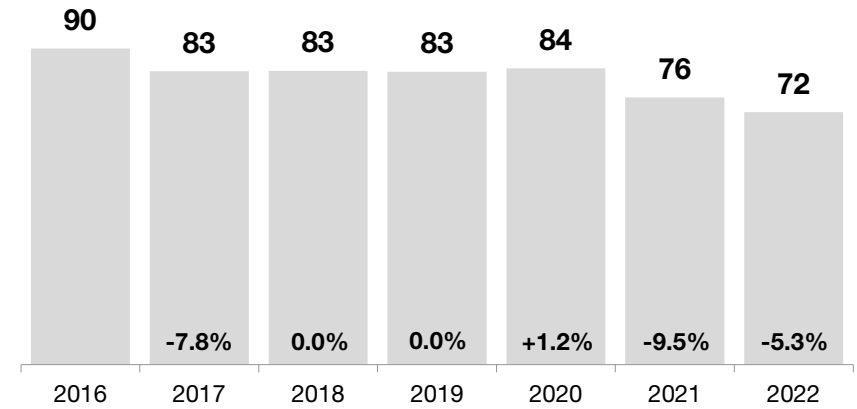
Historical look at key market metrics for the overall region.



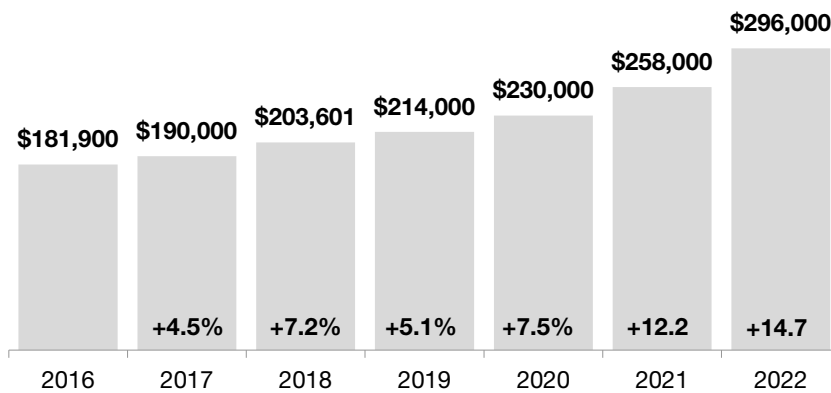
Closed Sales



Days on Market



Median Sales Price



Percent of Original List Price Received

