A LOCAL HANDBOOK

2026 EDITION

Sioux Falls

& the art of buying your home

Everything you need to know about living in the metro — and how to buy here with confidence, from pre-approval to the closing table.

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INSIDE

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A QUICK WELCOME

Let's find your place in Sioux Falls.

Whether you're relocating from out of state, buying your very first home, or moving up to your next one, this should feel exciting — not overwhelming. I built this guide to give you the full picture in one place: what makes Sioux Falls a great place to live, how the local market really works, what everything costs, and exactly what to expect at each step. When you're ready, I'm here to walk it with you.

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PART ONE

01

Why *Sioux Falls*

South Dakota's largest city — and the anchor of a metro that keeps growing, drawing people with a rare mix of a strong economy, an affordable cost of living, and genuine quality of life.

A steady, diverse economy

The economy is anchored by healthcare — **Avera Health** and **Sanford Health** are among the region's largest employers — alongside a deep base in **financial services, manufacturing, technology, and retail**. The result is a low unemployment rate and a pro-business climate that keeps the area growing steadily rather than in boom-and-bust swings.

A REAL FINANCIAL ADVANTAGE

South Dakota has no state income tax *— money that stays in your pocket every year, and a real change to your buying power when you're moving from a state that taxes income.*

Your money goes further

Housing stays affordable versus national and coastal averages — you get significantly more home for your money — and everyday costs like groceries, gas, and healthcare tend to fall below the national average.

Life outside the door

A **29-mile paved bike loop** circles the city and connects to parks and the Big Sioux River. **Falls Park** anchors it all, and downtown brings the SculptureWalk, Levitt at the Falls concerts, breweries, and independent restaurants.

"Big-city amenities and a genuine community feel — without the big-city price tag."

PART TWO

02

The Metro & Its *Communities*

The metro spans three counties — Minnehaha, Lincoln, and Turner — from established in-town neighborhoods to brand-new subdivisions in fast-growing suburbs.

IN & AROUND THE CITY

Closer to the core you'll find established areas with mature trees and shorter commutes — around **McKennan Park** and **Central**, the **All Saints** and downtown-adjacent pockets, and the **Tuthill** and southern neighborhoods. The **southeast, Prairie Green,** and **southwest** edges are where much of the newer construction is happening.

THE SURROUNDING TOWNS

— **Harrisburg** & **Tea** — fast-growing, new-construction favorites to the south and southwest.

— **Brandon** & **Hartford** — established suburbs east and west.

— **Canton, Dell Rapids, Lennox & Parker** — smaller-town character and value.

Growth & development to watch

PROJECT	WHAT IT MEANS FOR BUYERS
Ellis Road corridor (west)	Land converting toward mixed use — a major frontier for new residential growth.
East-side density changes	New townhome and higher-density options coming online.
Cliff Ave / I-229 interchange	A ~$50M upgrade (targeted 2027) improving southeast-side access.
Switchyard (downtown)	A large redevelopment adding hundreds of residential units plus office space.
Foundation Park (north)	Major employment and infrastructure investment anchoring north-side growth.

Plans and timelines change. If a specific subdivision, lot, road, or district boundary matters to your decision, I'll verify the current status before you commit — never assume it from a map alone.

PART THREE

The Market at a *Glance*

03

A steady, competitive market — not the frenzy of a few years ago, but still favorable to sellers on well-priced homes. Here's the snapshot heading into 2026.

~$330K	~75	~3.7 mo
METRO MEDIAN	DAYS ON MARKET	MONTHS OF SUPPLY

Inventory is still on the tighter side, so well-priced homes under roughly $800,000 tend to move and can draw competition. At the same time, homes are taking a little longer to sell than at the peak — which means you have more room to be thoughtful than buyers did during the rush. New construction is competing hard on affordability, widening your options.

WHAT THIS MEANS FOR YOU

You'll find real negotiating room in some situations and real competition in others — the difference is price point, condition, and neighborhood. Knowing which one you're in before you write an offer is where a local agent earns their keep.

Figures reflect the Sioux Falls metro as of late 2026 and shift month to month. Ask me for the current numbers for your price range and area.

PART FOUR

04

The Home *Buying* Process

Buying a home has a clear sequence. Here's the path from "thinking about it" to "keys in hand."

01 Get pre-approved

Talk to a lender first. Pre-approval sets your true price range, shows sellers you're serious, and surfaces any first-time-buyer programs you qualify for.

02 Partner with a buyer's agent

Your agent represents *you* — not the seller, not the builder. We define your must-haves and I flag the right homes before they slip away.

03 Tour & find the one

We compare homes honestly. I'll point out the strengths *and* the red flags — the goal is the right home, not just any home.

04 Make a strong, protected offer

Competitive on price and terms, while keeping your inspection, appraisal, and financing contingencies in place to protect you.

05 Under contract & due diligence

You'll place earnest money and we move into inspection and appraisal — confirming the home is what it appears to be, and renegotiating if it isn't.

06 Close through the title company

The title company handles paperwork, title insurance, and funds. You do a final walkthrough, sign, and get your keys.

05

PART FIVE

What It *Costs* to Buy

Your purchase price is only part of the picture — and a few surprises here work in your favor.

UPFRONT COST	WHAT TO EXPECT
Down payment	Often far less than 20% — many loans allow 3–5% down, and assistance can help (see Part Six).
Earnest money	A good-faith deposit that applies to your purchase.
Buyer closing costs	Lender fees, appraisal, title work, and prepaid taxes and insurance — often a few percent of price.
Home inspection	A few hundred dollars, and worth every penny.

THE SOUTH DAKOTA ADVANTAGES

No state income tax*, and a very low* ***transfer fee*** *— just $0.50 per $500 of value (about $330 on a $330,000 home, customarily paid by the seller). Buying here is lighter on costs than in many states.*

Ongoing costs

Beyond the mortgage: property taxes (paid in arrears here), homeowner's insurance, any HOA dues, and normal maintenance. When we tour, I'll help you estimate the true monthly cost — not just the sticker price.

PART SIX

First-Time Buyer *Programs*

06

The down payment is usually the wall — not the monthly payment. South Dakota Housing (SDHDA) has real programs to help you clear it.

DOWN PAYMENT ASSISTANCE

- **3% or 5% of your loan** toward down payment and closing costs.
- A **0% "silent" second** — no monthly payment, repaid only when you sell or refinance.
- Trade-off: it nudges your main rate up slightly (about 1% for 3%, 1.125% for 5%).

MORTGAGE CREDIT CERTIFICATE

A dollar-for-dollar **federal tax credit** on part of your mortgage interest — money back every year you hold the loan.

WHO QUALIFIES

First-time	No home owned in the past 3 years (veterans may qualify via waiver).
Income	At or below local SDHDA limits (by county & household).
Price cap	At or below $410,000.
Apply via	An SDHDA-participating lender — not the state directly.

Program terms, income limits, and price caps are set by SDHDA and can change. This is a starting point — I'll connect you with a participating lender to confirm what you qualify for.

PART SEVEN

New Construction *vs.* Resale

07

Right now the honest comparison isn't sticker price — it's monthly payment. Builder incentives have been near a five-year high.

LEAN NEW CONSTRUCTION IF…

— A lower monthly payment matters more than a lower price — buydowns and credits can beat a comparable resale on payment.

— You'll stay long enough for a permanent buydown to pay off.

— You want modern finishes and a warrantied home.

LEAN RESALE IF…

— Established location and mature neighborhoods matter most.

— You want negotiating room on price and repairs.

— You need to close quickly on your timeline.

THE ONE RULE

Translate every builder incentive into two numbers — what it does to your ***monthly payment****, and what it does to your* ***cash at closing****. And always get an outside loan quote before accepting the builder's preferred lender.*

Bring your own agent to any new-construction sales office. The on-site rep works for the builder — I work for *you*, at no cost to you as the buyer.

PART EIGHT

08

South Dakota *Specifics*

A few things work differently here. Knowing them keeps you a step ahead.

The title company closes your deal

In South Dakota, closings run through a **title company** rather than an attorney. You'll get an **owner's title insurance** policy and a **title commitment** along the way, protecting your ownership against hidden claims.

The seller's disclosure

On a resale, the seller provides South Dakota's **Seller's Property Condition Disclosure Statement** — a written rundown of the home's known condition. New construction differs, since there's no prior-owner history, which is why the builder's warranty and your own inspection matter.

Your contingencies protect you

- **Inspection** — verify condition; renegotiate or walk.
- **Appraisal** — protects you if value comes in low.
- **Financing** — protects your earnest money.
- **Sale of current home** — if you need to sell first.

PART NINE

Your Buyer *Checklist*

09

Keep this handy — the short version of everything inside.

DO THIS

- Get pre-approved before you shop.
- Know your true monthly budget, not just price.
- Ask about first-time buyer programs.
- Keep your inspection & financing contingencies.
- Bring your own agent to builder offices.
- Compare an outside loan quote to the builder's.

AVOID THIS

- Assuming you need 20% down.
- Opening new credit before closing.
- Skipping the inspection to "win."
- Shopping above your comfortable budget.
- Trusting an online estimate as value.
- Going it alone against the builder's rep.

"The best-prepared buyer wins — not always with the highest price, but with the smartest offer."

LET'S BEGIN

Ready to make your move to *Sioux Falls?*

Whether you're relocating, buying your first home, or moving up, I'll help you navigate the market with honest guidance and a real feel for what makes this a great place to call home. Reach out anytime — no pressure, just help.

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