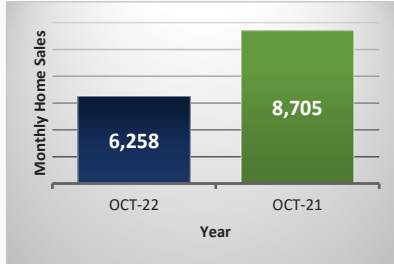


October 2022 WI Real Estate Report

Report Criteria: Reflecting data for: October 2022 | State: WI | Type: Residential

MONTHLY HOME SALES

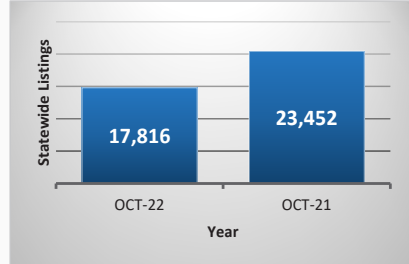


October 2022
6,258
HOMES SOLD

October 2021
8,705
HOMES SOLD

from last year **-28.1%**

TOTAL STATEWIDE LISTINGS



October 2022
17,816
ACTIVE LISTINGS

October 2021
23,452
ACTIVE LISTINGS

from last year **-24.0%**

MEDIAN HOME PRICE

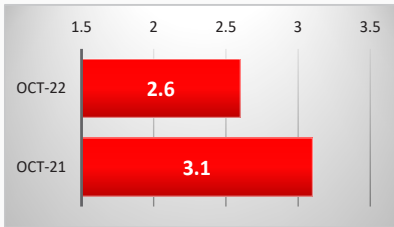


October 2022
\$260,000
MEDIAN PRICE IN WI

October 2021
\$245,000
MEDIAN PRICE IN WI

from last year **6.1%**

MONTHS OF INVENTORY

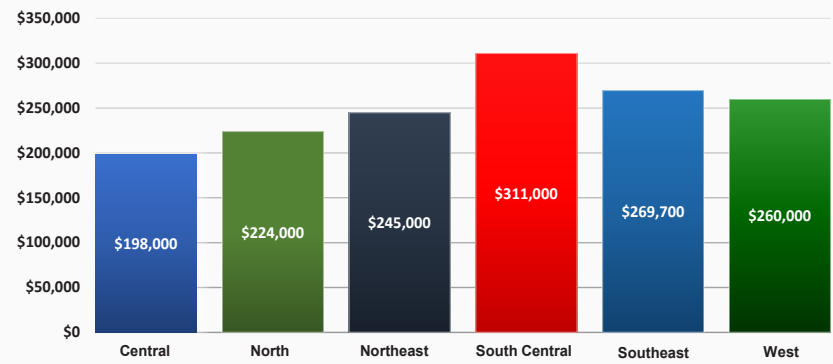


October 2022
2.60
MONTHS

October 2021
3.10
MONTHS

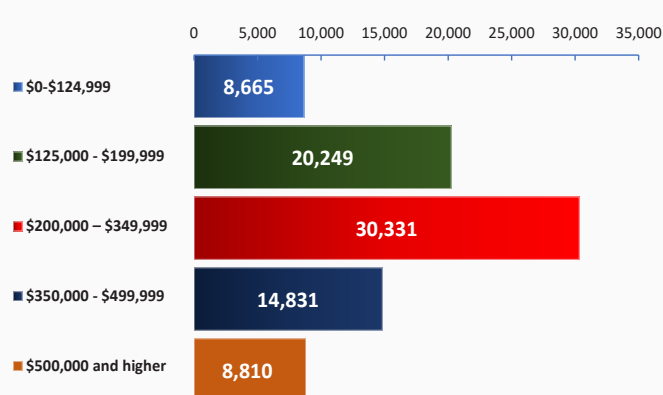
from last year **-16.1%**

MEDIAN PRICES BY REGION



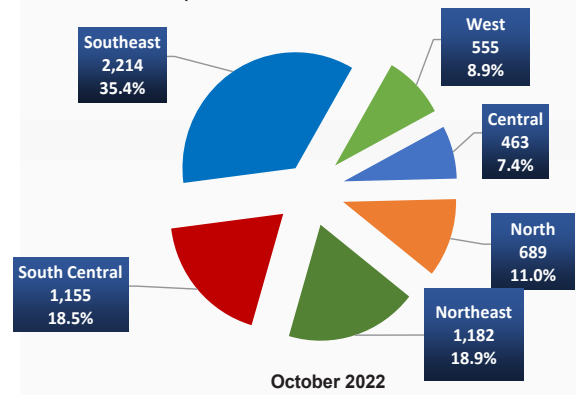
October 2022

HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS



HOME SALES BY REGION

Please note: each % represents the share of the statewide total.



October 2022

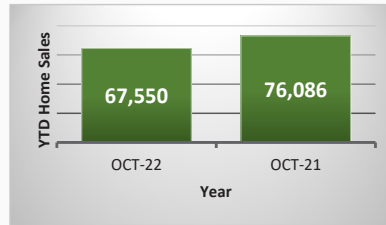
MORTGAGE INTEREST RATES



October 2022 **6.90%** AVG 30 YR. FIXED
 October 2021 **3.07%** AVG 30 YR. FIXED

from last year **↑ 124.8%**

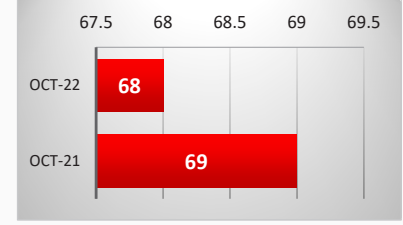
YEAR-TO-DATE HOME SALES



Year-to-Date 2022 **67,550** HOMES SOLD THRU 10/22
 Year-to-Date 2021 **76,086** HOMES SOLD THRU 10/21

from last year **↓ -11.2%**

AVG DAYS ON MARKET

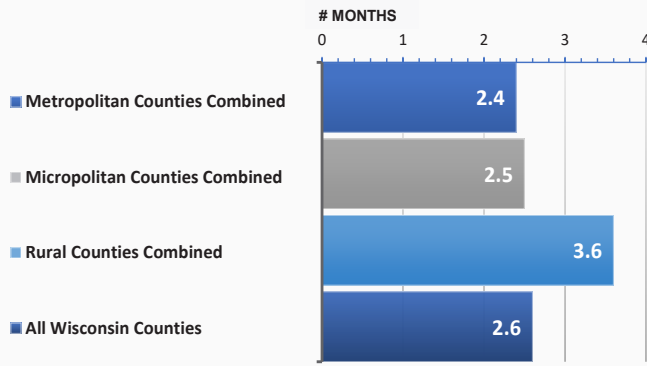


October 2022 **68** ACTIVE LISTINGS
 October 2021 **69** ACTIVE LISTINGS

from last year **↓ -1.4%**

Data based on Freddie Mac, 30 year fixed-rate mortgage rates

MONTHS OF INVENTORY BY URBAN CLASSIFICATION



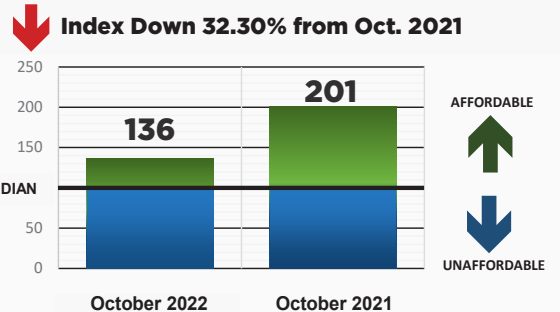
Metropolitan counties include: Brown, Calumet, Chippewa, Columbia, Dane, Douglas, Eau Claire, Fond du Lac, Green, Iowa, Kenosha, Kewaunee, La Crosse, Marathon, Milwaukee, Oconto, Ozaukee, Outagamie, Pierce, Racine, Rock, Sheboygan, St. Croix, Washington, Waukesha and Winnebago.

Micropolitan counties include: Dodge, Dunn, Florence, Grant, Jefferson, Lincoln, Manitowoc, Marinette, Menominee, Portage, Sauk, Shawano, Walworth and Wood.

Rural counties include: Adams, Ashland, Barron, Bayfield, Buffalo, Burnett, Clark, Crawford, Door, Forest, Green Lake, Iron, Jackson, Juneau, Lafayette, Langlade, Marquette, Monroe, Oneida, Pepin, Polk, Price, Rusk, Richland, Sawyer, Taylor, Trempealeau, Vernon, Vilas, Washburn, Waupaca and Waushara.

HOUSING AFFORDABILITY INDEX

A value of 100 means a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home.



The Wisconsin Housing Affordability Index shows the portion of the median-priced home that a qualified buyer with median family income can afford to buy, assuming 20% down and the remaining balance financed with a 30-year fixed mortgage at current rates.



TALKING POINTS

- Home sales fell in October by the largest margin all year as mortgage rates approached 7% and inventories continued to fall relative to 12 months earlier. Existing home sales slid 28.1% compared to October 2021. Tight inventory levels continued to push the median price up, but declining affordability has moderated the price pressure. Specifically, the October median price rose 6.1% to \$260,000 compared to that same month in 2021. This is the lowest rate of home price appreciation since June 2020.
- On a year-to-date basis, existing home sales were down 11.2% relative to the first 10 months of 2021, and the median price rose 9.5% to \$265,000.
- The slide in home sales was remarkably consistent across the state with existing home sales falling between 25.2% and 29.9% in all regions over the past 12 months. In contrast, there was more regional variability in median price appreciation with the strongest price pressure seen in the more urban regions, where prices rose 11.4% in the Northeast, increased 9.1% in the South Central, and increased 7.8% in the Southeast. By comparison, the more rural North, Central and West regions saw median prices rise in the range of 4.0% to 4.3% over that same period.
- Overall inventory levels are at the lowest level since the WRA began tracking inventory data at the end of 2009. The average end-of-month inventory stood at just 18,815 units for the first 10 months of 2022. This is down 14.6% compared to the first 10 months of 2021 when the average monthly inventory stood at 22,024 units. By comparison, average monthly inventories were 67,285 units in the first 10 months of 2010, as the economy had just emerged from the Great Recession.
- Not surprisingly, there remains a strong seller's advantage with just 2.6 months of available supply in October. This is down from 3.1 months of supply a year earlier.
- The Wisconsin Housing Affordability Index measures the percent of the median-priced home that a buyer with median family income qualifies to buy, assuming a 20% down payment and the remaining balance financed with a 30-year fixed-rate mortgage at current rates. The index was 136 in October, which is a reduction of 32.3% in just 12 months.

EARLY SIGNS OF SLOWING PRICE APPRECIATION



"We saw some moderation in the appreciation of home prices in October. Mortgage rates have more than doubled in the last year, and that has pushed some buyers to the sidelines. Lower demand should help to slow the pressure on home prices."

Brad Lois

2022 Chairman of the Board of Directors, Wisconsin REALTORS® Association

SLOWING HOUSING MARKET WILL HELP SLOW INFLATION



"The Fed has aggressively tightened credit conditions to get inflation under control, and there are signs of slow progress. The October inflation rate fell to 7.7%, which is the lowest level since January 2022. It is important to remember the cost of housing is a large determinant of the Consumer Price Index, which is used to measure inflation. Indeed, shelter accounts for about a third of consumer spending, and hence the rapid increases in home prices we experienced have fueled inflation. A cooling housing market will help to reduce inflation pressure."

Dave Clark

Marquette University Economist and WRA Consultant

LOW INVENTORY AND DECLINING AFFORDABILITY DRIVING THE SLOWDOWN IN HOUSING



"Inventories are at historically low levels, and affordability has been sliding due to strong price pressure and rising mortgage rates. With both the supply side and the demand side of the housing market weakening, it's not surprising home sales have fallen statewide."

Michael Theo

President & CEO, Wisconsin REALTORS® Association