

# October 2021 WI Real Estate Report

Report Criteria: Reflecting data for: October 2021 | State: WI | Type: Residential

## MONTHLY HOME SALES

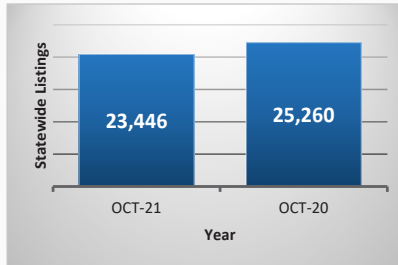


October 2021  
**8,524**  
HOMES SOLD

October 2020  
**9,724**  
HOMES SOLD

from last year **-12.3%**

## TOTAL STATEWIDE LISTINGS

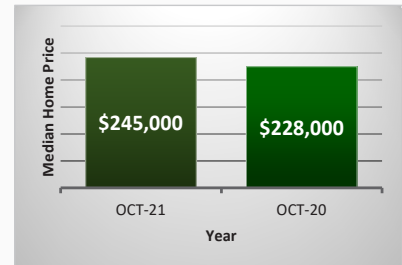


October 2021  
**23,446**  
ACTIVE LISTINGS

October 2020  
**25,260**  
ACTIVE LISTINGS

from last year **-7.2%**

## MEDIAN HOME PRICE

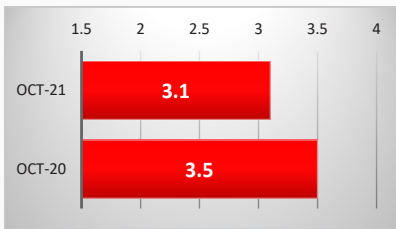


October 2021  
**245,000**  
AVG HOME PRICE IN WI

October 2020  
**228,000**  
AVG HOME PRICE IN WI

from last year **7.5%**

## MONTHS OF INVENTORY

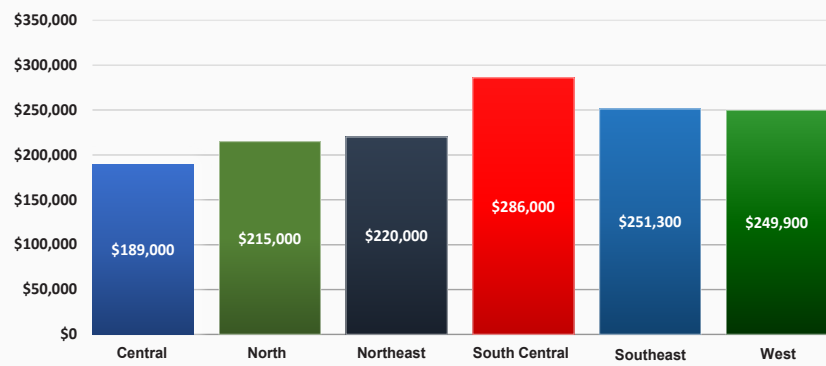


October 2021  
**3.10**  
MONTHS

October 2020  
**3.50**  
MONTHS

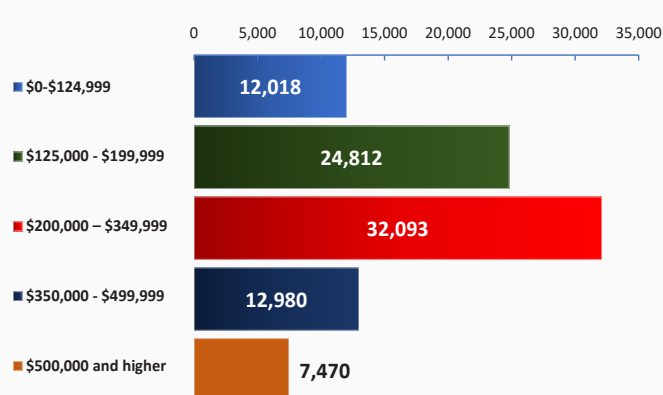
from last year **-11.4%**

## MEDIAN PRICES BY REGION

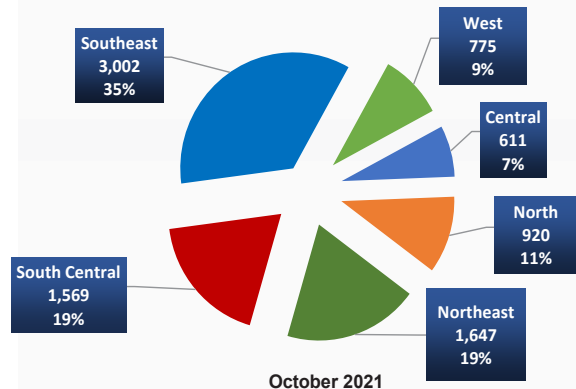


October 2021

## HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS



## HOME SALES BY REGION



October 2021

## MORTGAGE INTEREST RATES



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

October 2020  
**2.83%**  
AVG 30 YR. FIXED

from last year **↑ 8.5%**

## YEAR-TO-DATE HOME SALES

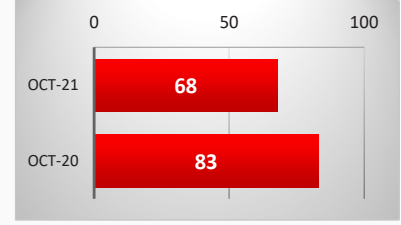


Year-to-Date 2021  
**74,335**  
HOMES SOLD THRU 10/21

Year-to-Date 2020  
**74,276**  
HOMES SOLD THRU 10/20

from last year **↑ 0.1%**

## AVG DAYS ON MARKET



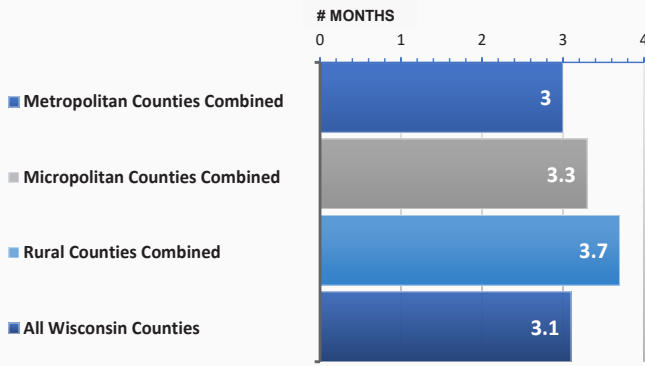
October 2021  
**68**  
ACTIVE LISTINGS

October 2020  
**83**  
ACTIVE LISTINGS

from last year **↓ -18.1%**

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

## MONTHS OF INVENTORY BY URBAN CLASSIFICATION



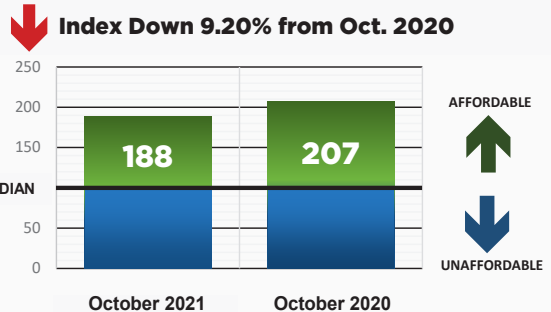
Metropolitan counties include: Brown, Calumet, Chippewa, Columbia, Dane, Douglas, Eau Claire, Fond du Lac, Green, Iowa, Kenosha, Kewaunee, La Crosse, Marathon, Milwaukee, Oconto, Ozaukee, Outagamie, Pierce, Racine, Rock, Sheboygan, St. Croix, Washington, Waukesha and Winnebago.

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.

## OCTOBER 2021 TALKING POINTS

- Existing home sales dropped 12.3% between October 2020 and October 2021, even as median home prices rose 7.5% to \$245,000 over the same period.
- Year-to-date sales had been running well ahead of last year's record pace for the first half of 2021, rising 9.7% compared to the first six months of the pandemic year. However, the last four months have seen sales slip 8.8% relative to that same period last year. The net effect is that through the first 10 months of the year, existing home sales are just 0.1% higher than year-to-date sales in 2020. In contrast, the year-to-date median price rose to \$241,000, which is 9.5% ahead of last year's median price for the January-through-October period.
- Indicators of inventory, including total listings, new listings and months of available supply, all fell over the last 12 months.
- Inventory was tight in both rural and urban regions of the state. There were between 3 months and 3.5 months of available supply in every region, which is well below the benchmark of 6 months of supply that signals a balanced home market.
- After five months of sub-3% mortgage rates, the 30-year fixed-rate mortgage increased to 3.07% in October. This is a modest change of 20 basis points over the past 12 months.
- The increase in the mortgage rate combined with rising home prices pushed affordability down. The Wisconsin Housing Affordability index fell 18.1% in October 2021 compared to October 2020. Still, a qualified buyer with a median family income, a healthy 20 percent down payment and with the remaining balance financed with a 30-year fixed-rate mortgage can afford to buy 188% of the median-priced home in the state in October. This compares favorably to the national index for September with the latest monthly figures available, which shows that the typical U.S. buyer can only purchase 151% of the median-priced U.S. home.

## HOME SALES AND INVENTORIES



"Home sales in the second half of 2021 have slipped well below the very strong pace we saw in the second half of 2020. Given the ongoing inventory weakness in the housing market, we don't expect another record year for sales in the state. However, 2021 will still be a very strong year for home sales since buyers remain motivated, fueled by very favorable mortgage rates."

### Mary Duff

2021 Chair of the Board of Directors, Wisconsin REALTORS® Association

## EVALUATING ECONOMIC GROWTH NATIONALLY AND STATEWIDE



"Ongoing supply chain problems, labor shortages and rising energy prices have created significant headwinds for economic growth and have fueled inflation at the same time. Real GDP growth cooled to a moderate 2% in the third quarter, which was below economists' expectations, whereas inflation rose to an annual pace of 6.2% in October, which is the highest rate since November 1990. The high inflation has also dampened consumer sentiment as buyers have lost purchasing power. Hopefully these limitations on the supply side of the economy will prove to be transitory, reducing inflationary pressures and leading to increased economic growth."

### Dave Clark

Marquette University Economist and WRA Consultant

## MODERATING HOUSING PRICE PRESSURES



"For the third straight month, the increase in median housing prices has remained at or below 7.5%. This is welcome moderation compared to the first seven months of the year. While it's good to see housing provide a good return on investment for homeowners, double-digit appreciation is not sustainable and threatens to keep some first-time buyers out of the market. This moderation in appreciation rates has helped to keep Wisconsin housing relatively affordable, even in a strong seller's market."

### Michael Theo

President & CEO, Wisconsin REALTORS® Association