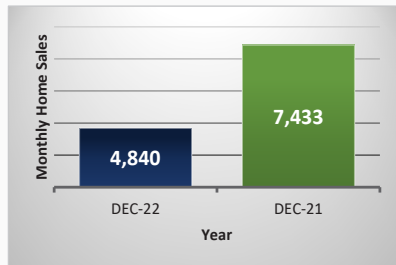


MONTHLY HOME SALES



December 2022
4,840
HOMES SOLD

December 2021
7,433
HOMES SOLD

from last year **-34.9%**

TOTAL STATEWIDE LISTINGS



December 2022
12,606
ACTIVE LISTINGS

December 2021
15,335
ACTIVE LISTINGS

from last year **-17.8%**

MEDIAN HOME PRICE

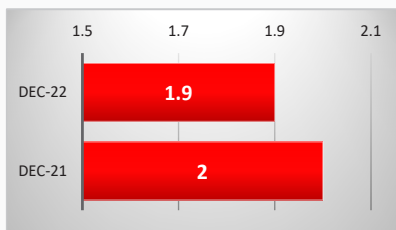


December 2022
\$250,000
MEDIAN PRICE IN WI

December 2021
\$237,000
MEDIAN PRICE IN WI

from last year **5.5%**

MONTHS OF INVENTORY

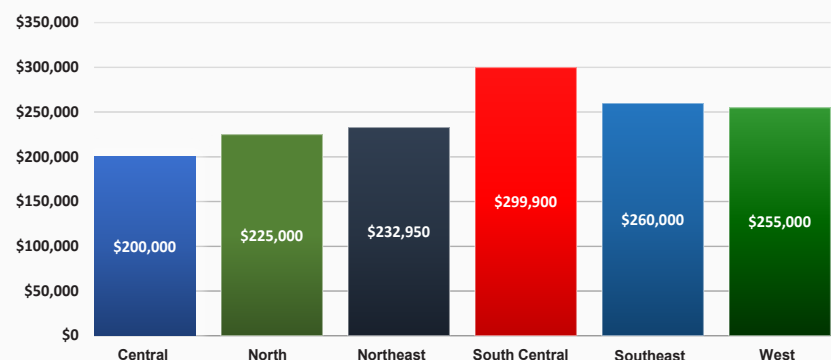


December 2022
1.90
MONTHS

December 2021
2.00
MONTHS

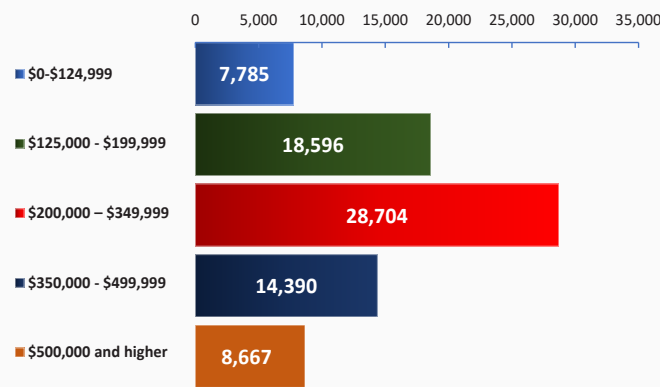
from last year **-5.0%**

MEDIAN PRICES BY REGION



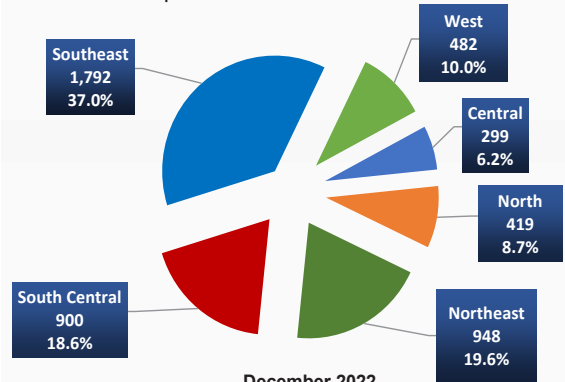
December 2022

HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS



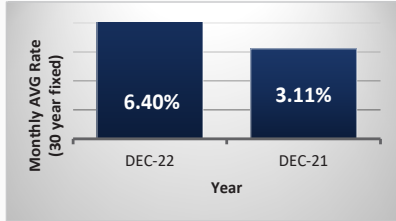
HOME SALES BY REGION

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



December 2022

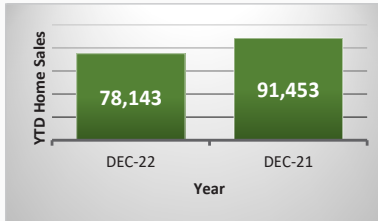
MORTGAGE INTEREST RATES



December 2022 **6.40%** AVG 30 YR. FIXED
 December 2021 **3.11%** AVG 30 YR. FIXED

from last year **↑ 105.8%**

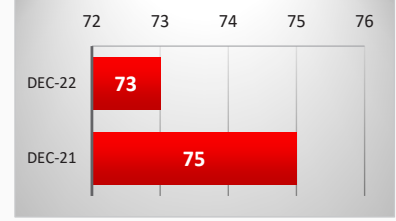
YEAR-TO-DATE HOME SALES



Year-to-Date 2022 **78,143** HOMES SOLD THRU 12/22
 Year-to-Date 2021 **91,453** HOMES SOLD THRU 12/21

from last year **↓ -14.6%**

AVG DAYS ON MARKET

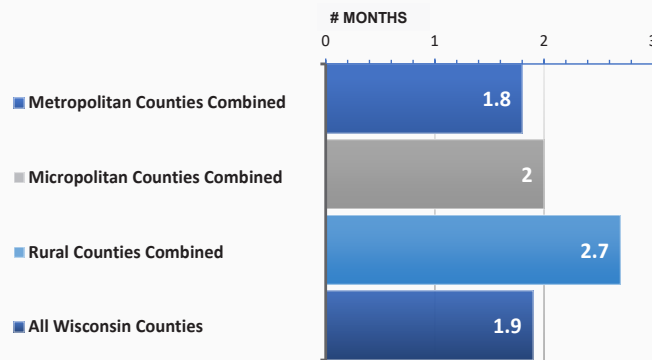


December 2022 **73** ACTIVE LISTINGS
 December 2021 **75** ACTIVE LISTINGS

from last year **↓ -2.7%**

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

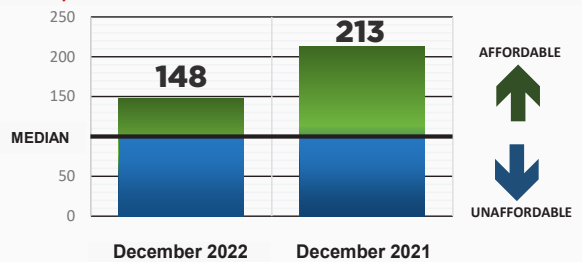
MONTHS OF INVENTORY BY URBAN CLASSIFICATION



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.

Index Down 30.50% from Dec. 2021



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.

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.



TALKING POINTS

- The existing home market continued to soften in December, with unit sales falling 34.9% relative to December 2021. This is the third straight month of a significant decline in sales, and the increase in the median price increased by just 5.5% to \$250,000. This is the lowest rate of annual price appreciation seen this year, and an indication that the decline in affordability has weakened housing demand.
- Although sales of existing homes have been softening throughout the year, the decline in the fourth quarter was especially pronounced. Home sales through the first nine months of 2022 were down 8.9% compared to that same period in 2021, but they slid 30.5% in the fourth quarter of 2022 relative to the fourth quarter of 2021.
- On a year-end basis, 2022 home sales fell 14.6% compared to the record sales of 2021. Tight inventories kept upward pressure on prices as the median price for all of 2022 rose to \$264,600, which is a 10.3% increase over the 2021 average.
- Inventory levels remained very low in the state. Total listings fell 17.8% over the past 12 months, with just 12,606 homes available for sale in December. This represented 1.9 months of available supply, which is nearly unchanged from the 2 months of supply in December 2021. This remains well below the 6 months of supply that characterize a balanced market, so there remains a strong seller advantage in the Wisconsin housing market.
- Inventories for 2022 were tightest in moderately priced homes with just 1.5 months of inventory in homes listed in the range of \$125,000 to just under \$350,000. In contrast, homes selling in the \$500,000 and higher range had 3.7 months of available supply.
- Affordability continues to suffer. The Wisconsin Housing Affordability Index shows the percent of the median-priced home that a household with median family income qualifies to purchase, assuming a 20% down payment and the remaining balance financed with a 30-year fixed-rate mortgage available at the time of purchase. Although home prices only increased 5.5% over the 12-month period ending in December 2022, the average mortgage rate more than doubled from 3.1% in December 2021 to 6.6% this past December. With median family income relatively flat, the index fell from 213% in December 2021 to 148% in December 2022.

HOME PRICE APPRECIATION IS MODERATING



"The slide in affordability is really slowing demand pressure, and hence the rate of home price appreciation. The 5.5% annual rate of increase we saw in December was the slowest appreciation rate all year, and this cooling of price growth can be good news for buyers looking for bargains during the slower winter months."

Joe Horning

2023 Chairman of the Board of Directors, Wisconsin REALTORS® Association

SLOWER GROWTH IN HOME PRICES HELPS REDUCE INFLATION



"Since peaking at an annual rate of 9.1% in June, headline inflation continues to improve, and it dropped to 6.5% in December. It's important to note that owner-occupied housing accounts for about a quarter of the weight of the Consumer Price Index. That means when home prices increase at an annual pace of 10%, it adds about 2.5% to the overall inflation rate. Hence, the national trend of slower home price appreciation in the latter part of 2022 is helping to slow our inflation rate."

Dave Clark

Marquette University Economist and WRA Consultant

SLOWER APPRECIATION AND MODERATING MORTGAGE RATES A GOOD SIGN



"Even though housing supply remains very tight in the state, the fact that the last quarter of 2022 had the lowest rate of home price appreciation all year, and the 30-year fixed-rate mortgage is down a half percent since October is a good sign. This suggests we may have turned the corner on affordability, which has improved from 135% in October to 148% in December."

Michael Theo

President & CEO, Wisconsin REALTORS® Association