November 2022 WI Real Estate Report

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

**MONTHLY HOME SALES**

<table>
<thead>
<tr>
<th>Year</th>
<th>Homes Sold</th>
<th>from Last Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOV-22</td>
<td>5,400</td>
<td>-31.7%</td>
</tr>
<tr>
<td>NOV-21</td>
<td>7,905</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL STATEWIDE LISTINGS**

<table>
<thead>
<tr>
<th>Year</th>
<th>Active Listings</th>
<th>from Last Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOV-22</td>
<td>15,675</td>
<td>-21.8%</td>
</tr>
<tr>
<td>NOV-21</td>
<td>20,054</td>
<td></td>
</tr>
</tbody>
</table>

**MEDIAN HOME PRICE**

<table>
<thead>
<tr>
<th>Year</th>
<th>Median Price</th>
<th>from Last Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOV-22</td>
<td>$259,950</td>
<td>8.3%</td>
</tr>
<tr>
<td>NOV-21</td>
<td>$240,000</td>
<td></td>
</tr>
</tbody>
</table>

**MONTHS OF INVENTORY**

<table>
<thead>
<tr>
<th>Year</th>
<th>Months of Inventory</th>
<th>from Last Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOV-22</td>
<td>2.30</td>
<td>-11.5%</td>
</tr>
<tr>
<td>NOV-21</td>
<td>2.60</td>
<td></td>
</tr>
</tbody>
</table>

**MEDIAN PRICES BY REGION**

- Central: $189,950
- North: $239,000
- Northeast: $231,250
- South Central: $305,000
- Southeast: $272,500
- West: $261,500

**HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS**

- $0 - $124,999: 8,229
- $125,000 - $199,999: 19,412
- $200,000 - $349,999: 29,508
- $350,000 - $499,999: 14,640
- $500,000 and higher: 8,779

**HOME SALES BY REGION**

- Southeast: 1,912 (35.4%)
- South Central: 1,042 (19.3%)
- North: 378 (7.0%)
- Northeast: 533 (9.9%)
- West: 453 (8.4%)

Please note: each % represents the share of the statewide total.
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### Mortgage Interest Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>Avg 30 Yr. Fixed</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2022</td>
<td>6.81%</td>
</tr>
<tr>
<td>November 2021</td>
<td>3.07%</td>
</tr>
</tbody>
</table>

- **From last year:** ↑ 121.8% (Data based on Freddie Mac, 30 year fixed-rate mortgage rates)

### Year-to-Date Home Sales

- **Year-to-Date 2022:** 73,137
- **Year-to-Date 2021:** 83,999
- **From last year:** ↓ -12.9%

### Avg Days on Market

- **November 2022:** 67
- **November 2021:** 71
- **From last year:** ↓ -5.6%

### Months of Inventory by Urban Classification

- **Metropolitan Counties Combined:** 2.2
- **Micropolitan Counties Combined:** 2.3
- **Rural Counties Combined:** 3.1
- **All Wisconsin Counties:** 2.3

### Housing Affordability Index

- **Index Down 33.80% from Nov. 2021**

- **Median Home Sales:**
  - November 2022: 137
  - November 2021: 207

- **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.

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.
For a second straight month, existing home sales fell due to a combination of falling demand and ongoing weakness on the supply side. November home sales slid 31.7% compared to November 2021. Although demand moderated due to declining affordability, the low inventory levels kept upward pressure on prices, with the median price increasing 8.3% to $259,950 over the past 12 months.

Year-to-date sales are down 12.9% compared to the January-through-November period in 2021, and the median price rose 10% to $265,000 over that same period. We need to remember that 2021 was a record year for home sales, so some cooling was expected.

Supply problems persist. Total listings dropped 21.8% between November 2021 and November 2022, and new listings fell 22.1% over that period. New listings for November were 17.7% lower than sales for the month, which is why months of supply continued to decline statewide.

There were just 2.3 months of available supply in November, down from 2.6 months a year earlier. The tightest supply was seen in the more urban areas. Metropolitan counties, which are associated with the larger cities in the state, had 2.2 months of supply, whereas smaller micropolitan cities and towns had 2.3 months of supply. There was slightly more supply in rural areas, which had 3.1 months of available supply. Note that all these areas saw months of supply fall over the past 12 months, and all are well below the six months of supply that would indicate a balanced market.

The combination of rising home prices and rising mortgage rates has taken a heavy toll on affordability, which fell 33.8% between November 2021 and November 2022. The Wisconsin Housing Affordability Index is the percent of the median-priced home that a buyer with median family income qualifies to purchase, assuming a 20% down payment, and the remaining balance financed with a 30-year fixed-rate mortgage at the rates available at the time of purchase. The index dropped from 207% last November to just 137% in November 2022.

Even with softer demand and hence fewer buyers, the weakness on the supply side has resulted in homes moving quickly. Over the past 12 months, average days on the market dropped 5.6% from 71 days in November 2021 to 67 months this past November.

"November 2021 was the strongest November sales on record, so some decline in sales was to be expected. However, that doesn't diminish the significant role played by higher mortgage rates, which resulted in much lower affordability and forced some buyers out of the market."

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

"Headline inflation improved again in November, falling from 7.7% in October to 7.1% last month. Slower home price appreciation and lower energy prices certainly helped, but the Fed must continue its short-term rate hikes to slow the economy enough to tame inflation. It signaled its determination to return inflation closer to its target rate of 2% by raising the Federal Funds Rate another half percent in December. We expect to see more rate hikes in 2023."

Dave Clark
Marquette University Economist and WRA Consultant

"There is still unmet housing demand by millennials who transitioned to owner-occupied housing later than earlier generations. Once mortgage rates begin falling and affordability improves, we expect millennial housing demand to strengthen."

Michael Theo
President & CEO, Wisconsin REALTORS® Association