

MONTHLY HOME SALES

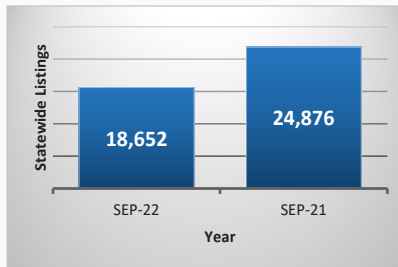


September 2022
7,437
HOMES SOLD

September 2021
8,723
HOMES SOLD

from last year **-14.7%**

TOTAL STATEWIDE LISTINGS



September 2022
18,652
ACTIVE LISTINGS

September 2021
24,876
ACTIVE LISTINGS

from last year **-25.0%**

MEDIAN HOME PRICE

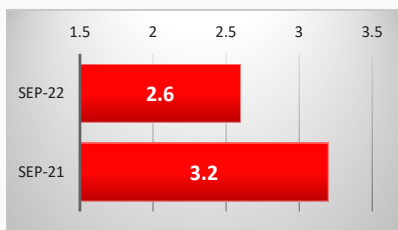


September 2022
\$270,000
MEDIAN PRICE IN WI

September 2021
\$245,000
MEDIAN PRICE IN WI

from last year **10.2%**

MONTHS OF INVENTORY

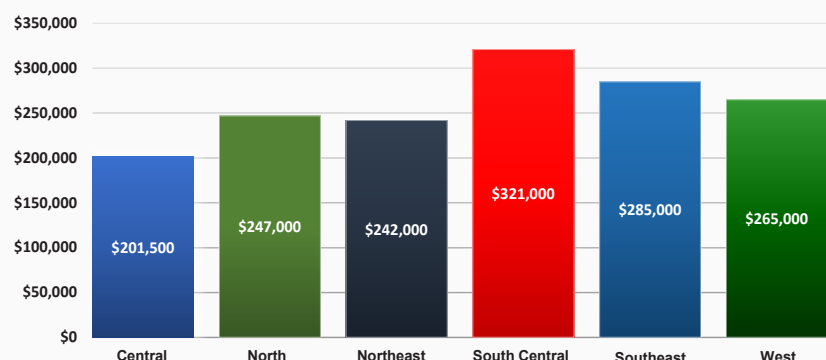


September 2022
2.60
MONTHS

September 2021
3.20
MONTHS

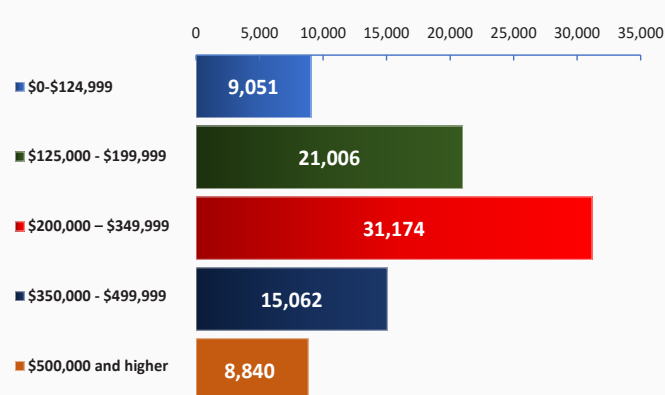
from last year **-18.8%**

MEDIAN PRICES BY REGION



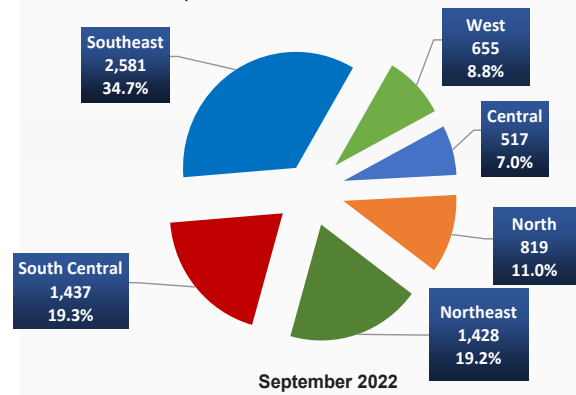
September 2022

HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS



HOME SALES BY REGION

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



September 2022

MORTGAGE INTEREST RATES

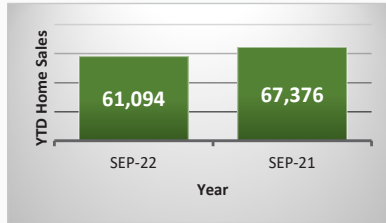


September 2022 **6.11%**
AVG 30 YR. FIXED

September 2021 **2.90%**
AVG 30 YR. FIXED

from last year **↑ 110.7%**

YEAR-TO-DATE HOME SALES

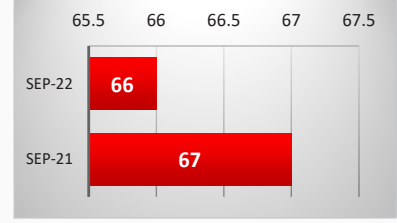


Year-to-Date 2022 **61,094**
HOMES SOLD THRU 9/22

Year-to-Date 2021 **67,376**
HOMES SOLD THRU 9/21

from last year **↓ -9.3%**

AVG DAYS ON MARKET



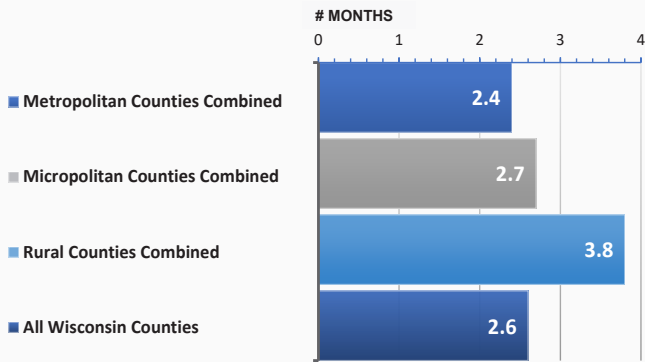
September 2022 **66**
ACTIVE LISTINGS

September 2021 **67**
ACTIVE LISTINGS

from last year **↓ -1.5%**

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

MONTHS OF INVENTORY BY URBAN CLASSIFICATION



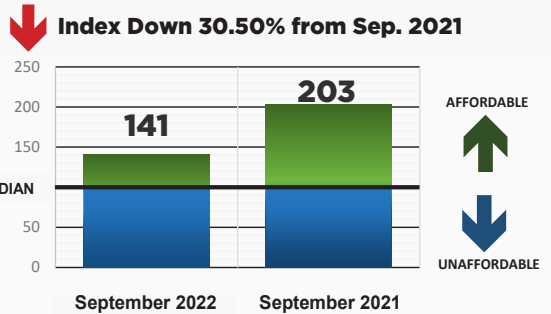
Metropolitan counties include: Brown, Calumet, Chippewa, Columbia, Dane, Douglas, Eau Claire, Fond du Lac, Green, Iowa, Kenosha, Kewaunee, La Crosse, Marathon, Milwaukee, Oconto, Ozaukee, Outagamie, Pierce, Racine, Rock, Sheboygan, St. Croix, Washington, Waukesha and Winnebago.

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

- Existing home sales dropped significantly in September because of higher home prices, rising mortgage rates and tightening inventories. The number of closings slid 14.7% in September compared to that same month in 2021. The very low inventory levels continued to push home prices up, with the median price increasing 10.2% over the past 12 months to \$270,000.
- Third quarter home sales were at the lowest level since 2014. The weak third quarter of 2022 pushed year-to-date sales down 9.3% compared to the first nine months of 2021. The median price for this period increased 10% to \$265,000 relative to the January-through-September period of 2021.
- For the second straight month, there were more monthly sales than new listings of homes. As a result, inventory levels continued to fall statewide. Specifically, total inventory dropped 25% in September compared to a year earlier, and this pushed months of supply down to just 2.6 months, an 18.8% reduction in just 12 months. This is strong evidence of a seller's advantage since it is well below the benchmark of six months of supply that indicates a balanced market.
- The seller's market was strongest in metropolitan counties, which had just 2.4 months of supply in September. This was followed by micropolitan counties, which represent smaller cities and towns with a population between 10,000 and 49,999 residents. Those counties had 2.7 months of supply. Finally, the smaller, rural counties had slightly more inventory at 3.8 months. However, all these county classifications saw their inventory tighten over the last year.
- Mortgage rates continue to increase, surpassing the 6% mark for the first time since fall 2008. The average 30-year fixed mortgage rate was 6.11% in September, which is more than twice the rate in September 2021, which stood at 2.9%.
- Affordability continued to slip statewide. The Wisconsin Housing Affordability Index gives the fraction of the median-priced home that a buyer with median family income can afford to buy, assuming a 20% down payment and the remaining balance financed by a 30-year fixed-rate mortgage at current rates. The index slid 30.5% to just 141 in September from 203 a year earlier.

DEMAND SOFTENING BUT REMAINS STRONGER THAN SUPPLY



"Even though declining affordability translates into fewer potential buyers, there remains considerable unmet demand among millennials. That demand outstrips the available supply in the market, which is why inventory continues to shrink."

Brad Lois

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

INFLATION REMAINS HIGH, WHICH WILL LEAD TO TIGHTER CREDIT CONDITIONS



"The U.S. inflation rate has been above 8% since March, despite efforts of the Fed to rein in inflation pressures by raising the short-term Federal Funds Rate. While these rate increases can take time to slow the economy enough to bring inflation down to its target of 2%, it's clear that the Fed intends to stay the course, so we should expect ongoing rate increases in the 0.75% to 1% range for the foreseeable future. This translates to an increased likelihood of recession in the near-term."

Dave Clark

Marquette University Economist and WRA Consultant

WISCONSIN AFFORDABILITY WILL CONTINUE TO ERODE



"Even though Wisconsin housing remains more affordable than the national average, affordability has fallen over the past year, and unfortunately, we expect that trend to continue. We have seen some improvement in median family income over the past year, but it is not sufficient to offset the rapid increase in both home prices and mortgage rates."

Michael Theo

President & CEO, Wisconsin REALTORS® Association