

# January 2022 WI Real Estate Report

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



## MONTHLY HOME SALES



January 2022

**4,578**

HOMES SOLD

January 2021

**4,777**

HOMES SOLD

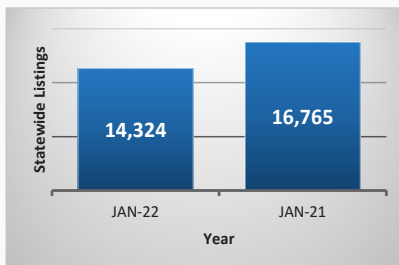
from last year



**-4.2%**



## TOTAL STATEWIDE LISTINGS



January 2022

**14,324**

ACTIVE LISTINGS

January 2021

**16,765**

ACTIVE LISTINGS

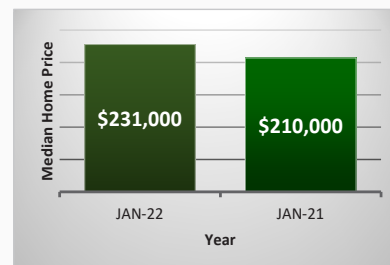
from last year



**-14.6%**



## MEDIAN HOME PRICE



January 2022

**231,000**

AVG HOME PRICE IN WI

January 2021

**210,000**

AVG HOME PRICE IN WI

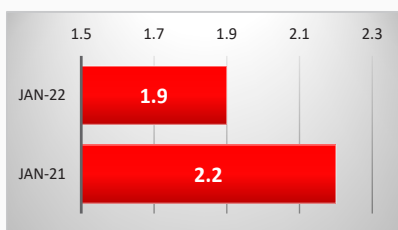
from last year



**10.0%**



## MONTHS OF INVENTORY



January 2022

**1.90**

MONTHS

January 2021

**2.20**

MONTHS

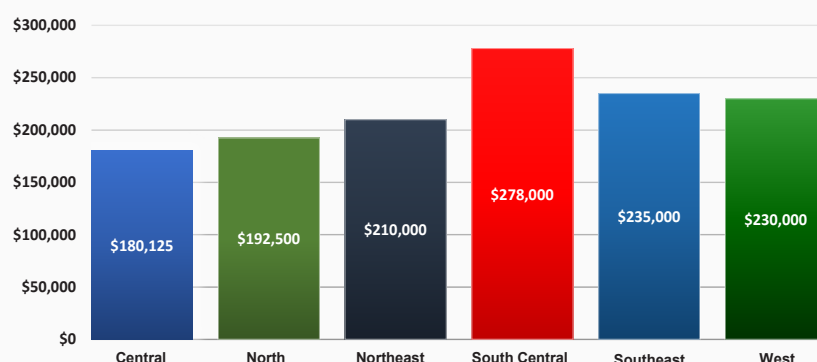
from last year



**-13.6%**



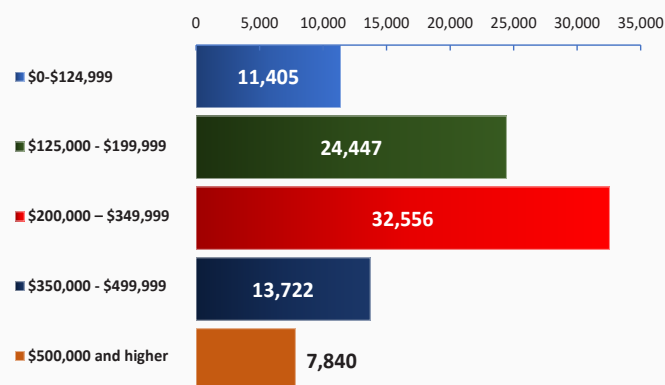
## MEDIAN PRICES BY REGION



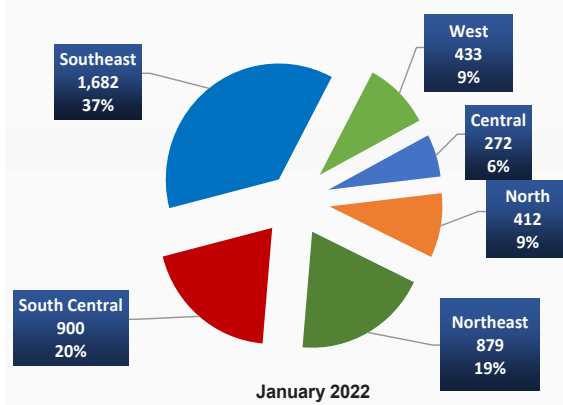
January 2022



## HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS



## HOME SALES BY REGION



January 2022

## MORTGAGE INTEREST RATES



January 2022

**3.45%**

AVG 30 YR. FIXED

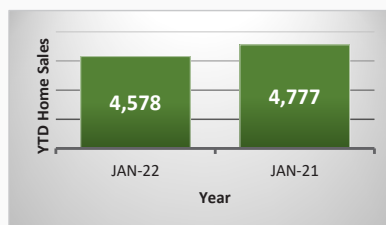
January 2021

**2.74%**

AVG 30 YR. FIXED

from last year **↑ 25.9%**

## YEAR-TO-DATE HOME SALES



Year-to-Date 2022

**4,578**

HOMES SOLD THRU 1/22

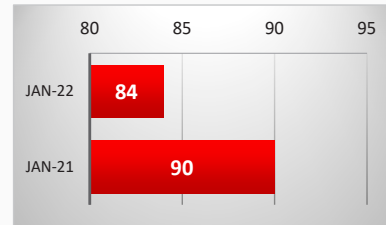
Year-to-Date 2021

**4,777**

HOMES SOLD THRU 1/21

from last year **↓ -4.2%**

## AVG DAYS ON MARKET



January 2022

**84**

ACTIVE LISTINGS

January 2021

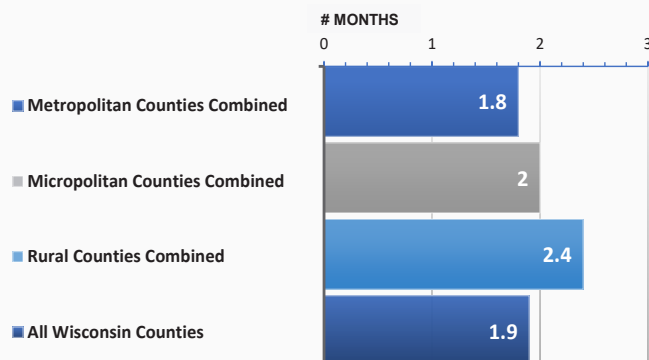
**90**

ACTIVE LISTINGS

from last year **↓ -6.7%**

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

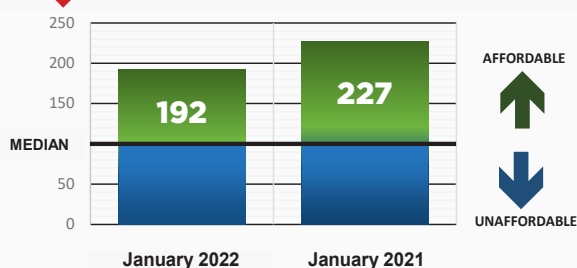
## MONTHS OF INVENTORY BY URBAN CLASSIFICATION



## 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 15.40% from Jan. 2021**



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.



## January 2022 WI Real Estate Summary January Home Sales Slip as Prices Continue to Rise

### JANUARY 2022 TALKING POINTS

- January 2022 existing home sales fell 4.2% relative to that same month last year as tight inventories continued to constrain the housing market. The inventory problem pushed the statewide median price to \$231,000 in January 2022, an increase of 10% over January 2021.
- Although the state did not quite match the record January sales of last year, January 2022 still experienced the second strongest sales for the month of January since the WRA re-benchmarked its data collection protocols in 2005. This suggests that housing demand remains very strong even with significant home price appreciation.
- Regionally, sales fell significantly in the less urban regions of the state. Over the past 12 months, existing home sales fell 14.9% in the North region, and they fell 15.3% in the Central region. In contrast, sales were down modestly in the South Central region, down 5.5%, and the Southeast region, down 2.9%. Finally, they rose 0.7% in the Northeast region and increased 4.3% in the West region of the state.
- The 30-year fixed mortgage rate increased by just over a third of a percent since December, and it rose by nearly three quarters of a percent in the last 12 months. However, mortgage rates remain low by historical standards, with the 30-year fixed-rate mortgage standing at just 3.45% in January 2022.
- Total listings fell 14.6% from their levels 12 months earlier, driving months of supply down to just 1.9 months in January. It has been six years since the January supply of homes was at the six-month mark, which indicates a balanced housing market.
- The Wisconsin Housing Affordability index shows the portion of the median-priced home that a buyer with median family income qualifies to purchase, assuming a 20% down payment and a 30-year fixed-rate mortgage financing the remaining balance. The January index indicates that buyer qualifies to purchase 192% of the median-priced home. While still affordable, the index is down from 227% a year earlier, showing that the combination of rising mortgage rates and rising home prices continues to diminish housing affordability in the state.

### TIGHT INVENTORY KEEPS SELLERS IN THE DRIVER'S SEAT



"With housing demand so strong and inventory so tight, this is the strongest seller's market in years. With such limited supply, this is a great time to list your home. A REALTOR® who is experienced can help homeowners get the best price for their home, which is often their most important asset."

#### **Brad Lois**

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

### INFLATION PROBLEM INTENSIFIES



"Annual inflation rates continue to rise, with headline inflation increasing to an annual rate of 7.5% in January. Ongoing supply chain problems and labor shortages combined with spikes in energy prices has the Federal Reserve on alert. To keep the economy from further overheating, the Fed is likely to begin raising short-term interest rates more aggressively than was suggested in its December meeting. Containing inflationary expectations is the best way to keep mortgage rates from rising more quickly."

#### **Dave Clark**

Marquette University Economist and WRA Consultant

### TAKING ADVANTAGE OF CURRENT MORTGAGE RATES



"Mortgage rates have been trending up since last September, but they are still less than a percent higher than the all-time low we saw at the end of 2020. However, you need to move quickly, and working with a REALTOR® who knows your local market is the best way to find a home in this strong seller's market. Having your financing lined up will increase the likelihood of success in this tight market."

#### **Michael Theo**

President & CEO, Wisconsin REALTORS® Association