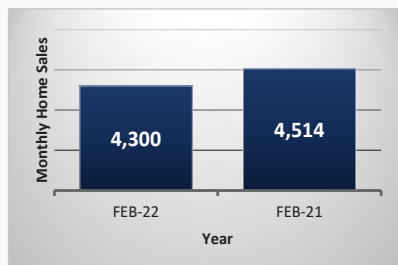


February 2022 WI Real Estate Report

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



MONTHLY HOME SALES



February 2022

4,300

HOMES SOLD

February 2021

4,514

HOMES SOLD

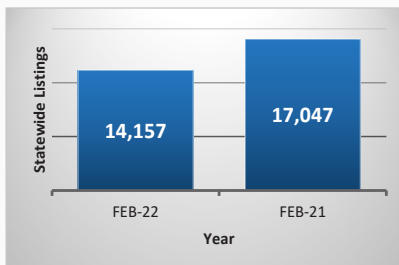
from last year



-4.7%



TOTAL STATEWIDE LISTINGS



February 2022

14,157

ACTIVE LISTINGS

February 2021

17,047

ACTIVE LISTINGS

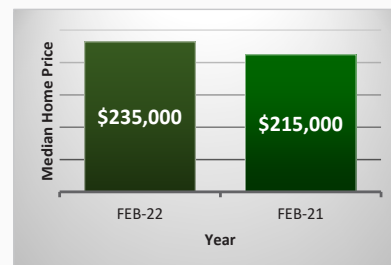
from last year



-17.0%



MEDIAN HOME PRICE



February 2022

235,000

AVG HOME PRICE IN WI

February 2021

215,000

AVG HOME PRICE IN WI

from last year



9.3%



MONTHS OF INVENTORY



February 2022

1.90

MONTHS

February 2021

2.20

MONTHS

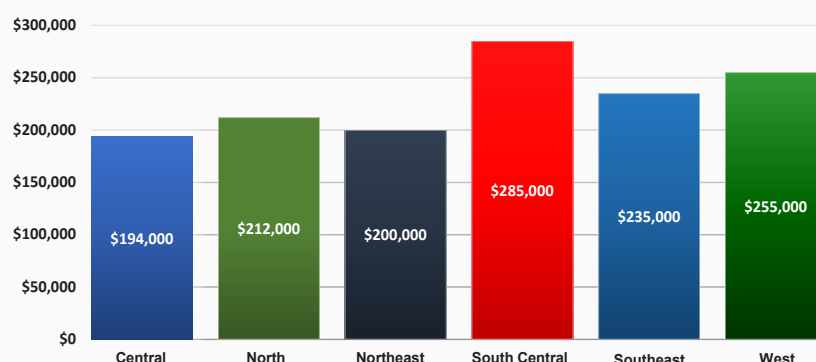
from last year



-13.6%



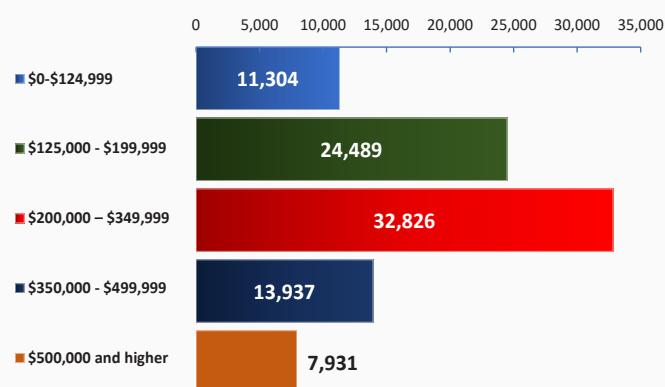
MEDIAN PRICES BY REGION



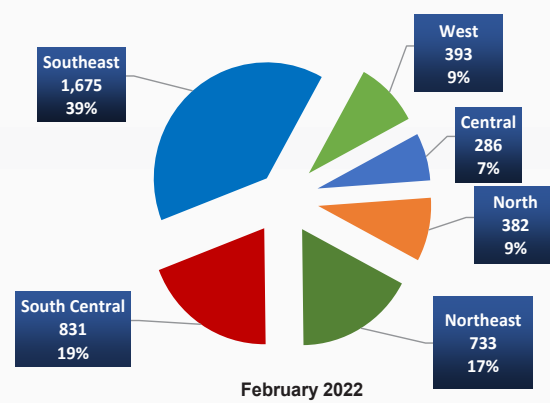
February 2022



HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS

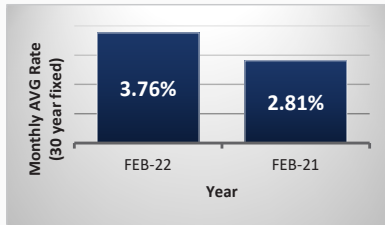


HOME SALES BY REGION



February 2022

MORTGAGE INTEREST RATES



February 2022

3.76%

AVG 30 YR. FIXED

February 2021

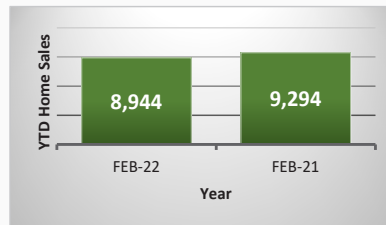
2.81%

AVG 30 YR. FIXED

from last year

↑ 33.8%

YEAR-TO-DATE HOME SALES



Year-to-Date 2022

8,944

HOMES SOLD THRU 2/22

Year-to-Date 2021

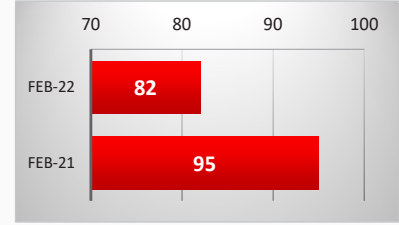
9,294

HOMES SOLD THRU 2/21

from last year

↓ -3.8%

AVG DAYS ON MARKET



February 2022

82

ACTIVE LISTINGS

February 2021

95

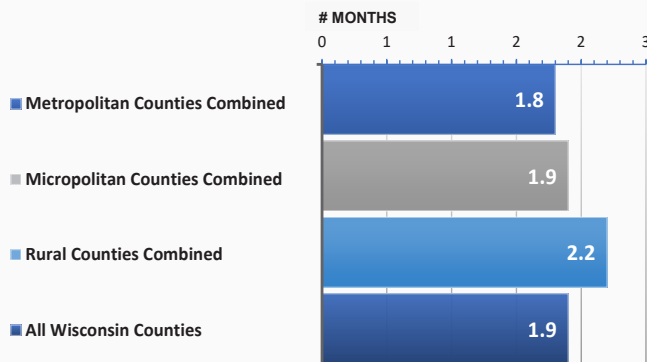
ACTIVE LISTINGS

from last year

↓ -13.7%

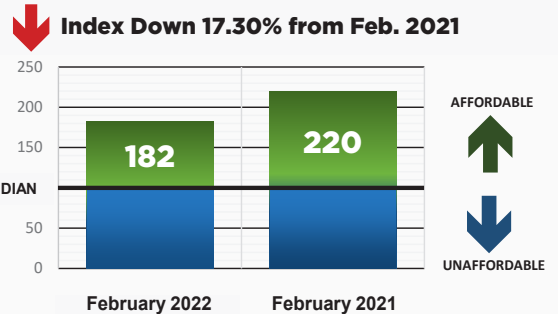
* Data based on Freddie Mac, 30 year fixed-rate mortgage rates

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.



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.



FEBRUARY 2022 TALKING POINTS

- February home sales slipped 4.7% compared to February 2021 as inventories continued to tighten in 2022. With demand conditions remaining strong, the statewide price rose 9.3% over the past 12 months to \$235,000.
- On a year-to-date basis, existing home sales were down 3.8% compared to the first two months of 2021, and the median price increased 10.5% to \$233,750.
- Inventory levels continued to shrink statewide. New listings dropped 7.7% over the last 12 months, and total listings are down 17% over that same period.
- The seller's advantage has strengthened since this time last year. The months of inventory fell from 2.2 months of supply in February 2021 to just 1.9 months of available supply in February 2022. This remains well below the benchmark of six months of supply that signals a balanced market.
- REALTORS® continue to move homes quickly, with the average days on the market falling to just 82 days statewide, which is a decline of 13.7% compared to February 2021. Every region of the state saw average days on the market decline over the last 12 months, with homes moving the fastest in the Southeast region at 72 days and the West region at 78 days. This was followed by the Northeast region at 85 days, the South Central region at 86 days, and the Central region at 88 days. The more rural North region had its homes remain on the market an average of 110 days, but this was down 25.2% compared to February 2021.
- Mortgage rates remain low by historical standards, but they are rising, fueled in part by growing inflationary expectations. The 30-year fixed-rate mortgage has increased nearly a full percentage point, from 2.81% in February 2021 to 3.76% in February 2022.
- The Wisconsin Housing Affordability index measures the percent of the median-priced home that a typical buyer with median family income can purchase assuming 20% down and the remaining balance financed with a 30-year fixed-rate mortgage at current rates. The index stood at 182 in February, which is down from a value of 220 in February 2021, a 13.7% reduction in affordability. Rising mortgage rates and higher home prices have definitely eroded the affordability of the state's existing homes.

STRONG WINTER SALES



"Even with very low housing inventory, this has been a very strong winter season for home sales. REALTORS® closed more than 16,000 homes between December and February, which is only about 1% lower than the all-time record for winter sales, which was recorded last year."

Brad Lois

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

INFLATION PROBLEM INTENSIFIES



"Inflation has been a steadily growing problem due to stimulus spending, labor shortages and supply chain disruptions, and the war in Ukraine has exacerbated the inflation problem by spiking energy prices. In its March meeting, the Fed took decisive action, announcing its first quarter percent increase in the federal funds rate since 2018. It further signaled its intention to tame inflation by enacting additional quarter point rate hikes at each of its next six meetings. Getting inflation under control is critical, hopefully without triggering a recession. Until inflationary pressures subside, we can expect to see higher mortgage rates."

Dave Clark

Marquette University Economist and WRA Consultant

HOME PRICE APPRECIATION EXCEEDS INFLATION



"Housing is often the largest asset owned by homeowners, and even during these highly inflationary times, home appreciation has exceeded the overall inflation rate. Buyers do need to move quickly in this tight market with a qualified offer and ready financing."

Michael Theo

President & CEO, Wisconsin REALTORS® Association