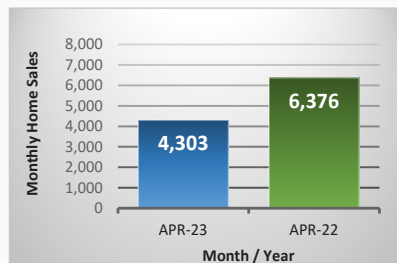


April 2023 WI Real Estate Report

Report Criteria: Reflecting data for: April 2023 | State: WI | Type: Residential



MONTHLY HOME SALES



April 2023
4,303
HOMES SOLD

April 2022
6,376
HOMES SOLD

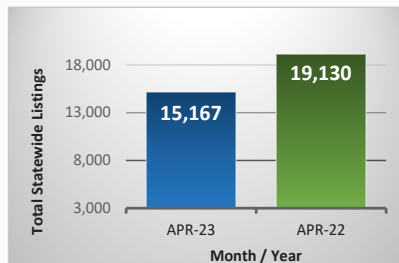
from last year



-32.5%



TOTAL STATEWIDE LISTINGS



April 2023
15,167
ACTIVE LISTINGS

April 2022
19,130
ACTIVE LISTINGS

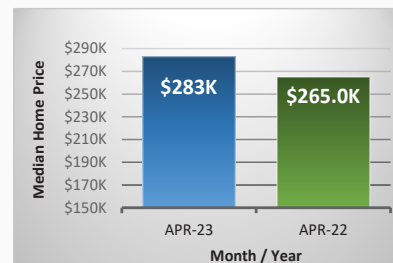
from last year



-20.7%



MEDIAN HOME PRICE



April 2023
\$283,000
MEDIAN PRICE IN WI

April 2022
\$265,000
MEDIAN PRICE IN WI

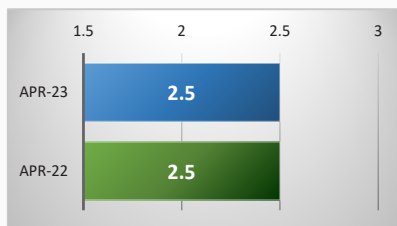
from last year



6.8%



MONTHS OF INVENTORY



April 2023
2.50
MONTHS

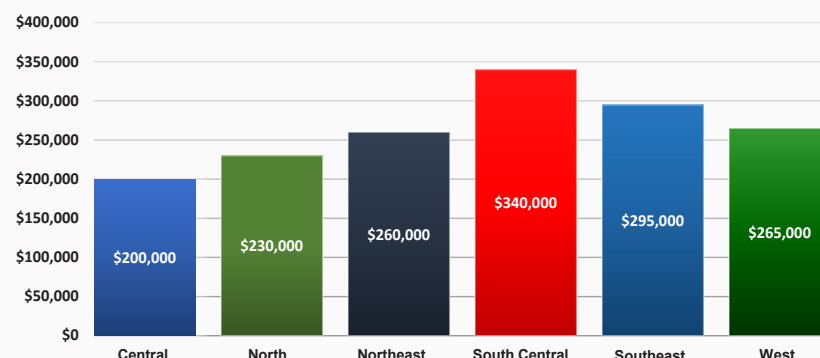
April 2022
2.50
MONTHS

from last year

0%



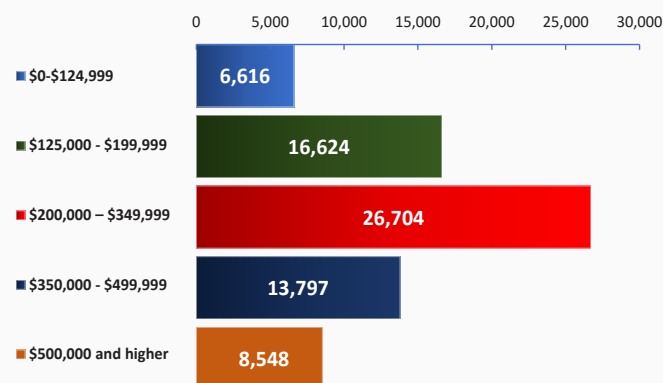
MEDIAN PRICES BY REGION



April 2023

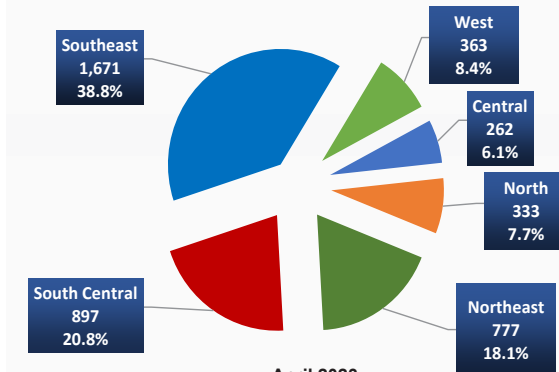


HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS



HOME SALES BY REGION

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



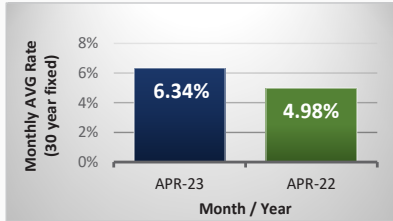
April 2023

April 2023 WI Real Estate Report

Report Criteria: Reflecting data for: April 2023 | State: WI | Type: Residential



MORTGAGE INTEREST RATES



April 2023 **6.34%**
AVG 30 YR. FIXED

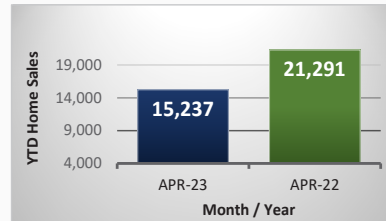
April 2022 **4.98%**
AVG 30 YR. FIXED

from last year **↑ 27.3%**

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



YEAR-TO-DATE HOME SALES



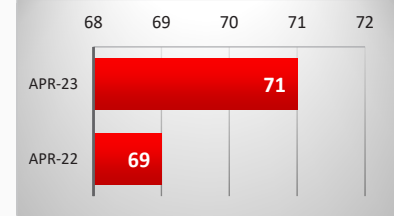
Year-to-Date 2023 **15,237**
HOMES SOLD THRU 4/23

Year-to-Date 2022 **21,291**
HOMES SOLD THRU 4/22

from last year **↓ -28.4%**



AVG DAYS ON MARKET



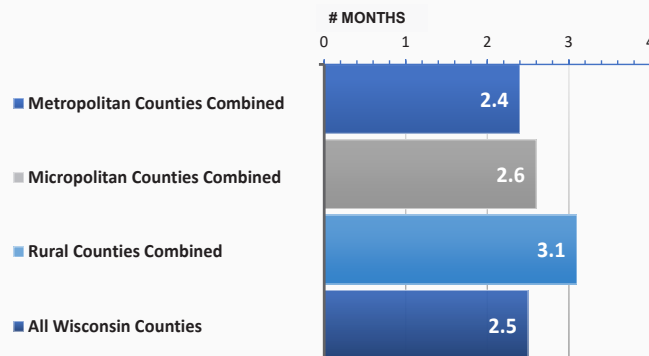
April 2023 **71**
DAYS ON MKT

April 2022 **69**
DAYS ON MKT

from last year **↓ 2.9%**

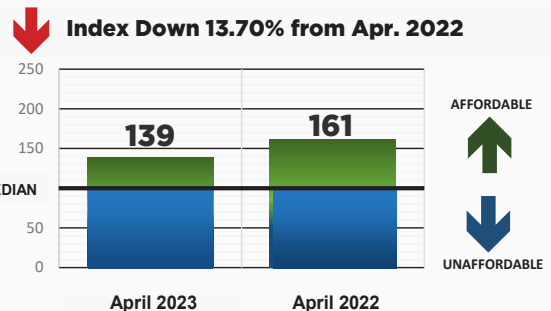


MONTHS OF INVENTORY BY URBAN CLASSIFICATION



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.



TALKING POINTS

- As we move closer to the prime homebuying season, low inventories continue to affect the housing market. April 2023 home sales were 32.5% lower than April 2022, and the median home price rose 6.8% to \$283,000 over that same 12-month period.
- An examination of the year-to-date data reveals a similar picture. Home sales fell 28.4% in the first four months of 2023 compared to that same four-month period last year; the median price rose to \$267,500, which is an increase of 7% relative to the January-through-April period of 2022.
- Weak inventories continue to be the primary constraint on home sales. Over the past 12 months, new listings are down 32.6% and total listings are down 20.7%.
- There continues to be a very strong seller's advantage in the market. There were just 2.5 months of available supply in April, unchanged from a year earlier. This is well below the benchmark of six months of supply that indicates a balanced market.
- Given the average pace of sales over the last 12 months, we would need 20,978 additional homes available for sale to get to a balanced market. This represents an increase of 138% from the April total statewide inventory of 15,167 homes.
- The Wisconsin labor market remains very tight, with the statewide unemployment rate at 2.5% in March and the labor force participation rate at just 64.6%. This has contributed to a labor shortage, which is pushing incomes up. New estimates of Wisconsin's median family income show an increase of 5.8% between April 2022 and April 2023.
- Even with higher incomes over the past year, the combination of higher home prices and higher mortgage rates caused housing affordability to fall 13.7%. The Wisconsin Housing Affordability Index measures the percent of the median-priced home that a buyer with median family income qualifies to buy, assuming a 20% down payment and the remaining balance financed with a 30-year fixed-rate mortgage at current rates. The index fell from 161 in April 2022 to 139 in April 2023.

HIGHER MORTGAGE RATES KEEP INVENTORIES LOW



"One reason housing inventory is so low is that current homeowners thinking about buying another home are likely sitting on very favorable mortgage rates, especially if they refinanced over the last couple of years. Rates have more than doubled since hitting bottom at the end of 2020, and homeowners may be reluctant to give up those record-low rates to buy another home."

Joe Horning

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

FED LIKELY TO PAUSE ON ADDITIONAL RATE HIKES THIS YEAR



"The Fed raised the target federal funds rate by a quarter percent in May, which represents 10 straight meetings where it hiked rates. Interest rate increases are a blunt instrument used to slow the economy, and monetary policy is known to impact the economy with sometimes long and variable lags. Fortunately, inflation fell to 4.9% in April, well below the 9.1% peak last June. Conventional wisdom is that the Fed will pause any additional rate hikes in 2023 to avoid precipitating a significant recession."

Dave Clark

Marquette University Economist and WRA Consultant

PRICE PRESSURE HAS EASED



"Home prices are still going up but at a slower pace than last year. In fact, the median price of Wisconsin homes sold in 2022 was 10.4% higher than 2021 median prices. In contrast, the housing price appreciation rate for the first four months of 2023 was only 7% higher than the first four months of 2022, suggesting demand pressure is easing."

Michael Theo

President & CEO, Wisconsin REALTORS® Association