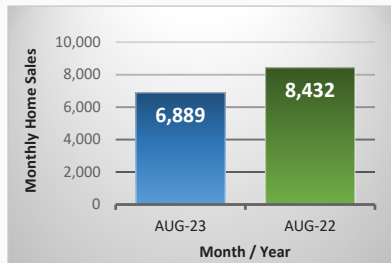


# August 2023 WI Real Estate Report

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

## MONTHLY HOME SALES

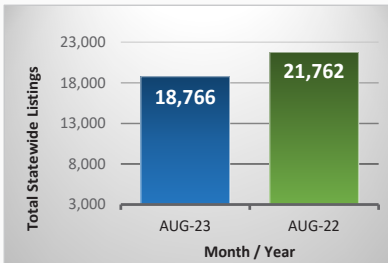


August 2023  
**6,889**  
HOMES SOLD

August 2022  
**8,432**  
HOMES SOLD

from last year **-18.3%**

## TOTAL STATEWIDE LISTINGS

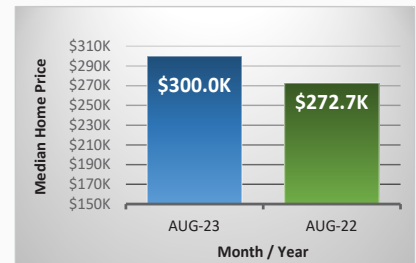


August 2023  
**18,766**  
ACTIVE LISTINGS

August 2022  
**21,762**  
ACTIVE LISTINGS

from last year **-13.8%**

## MEDIAN HOME PRICE

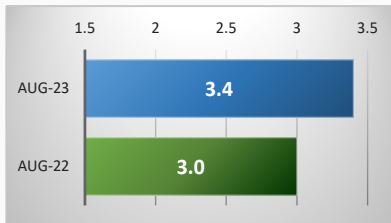


August 2023  
**\$300,000**  
MEDIAN PRICE IN WI

August 2022  
**\$272,725**  
MEDIAN PRICE IN WI

from last year **10.0%**

## MONTHS OF INVENTORY

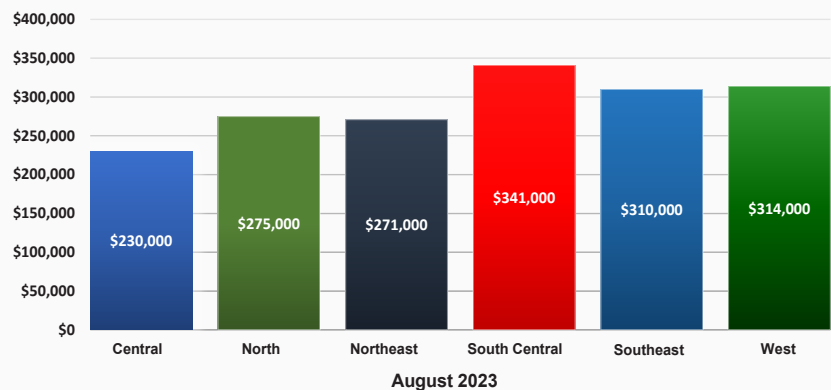


August 2023  
**3.40**  
MONTHS

August 2022  
**3.00**  
MONTHS

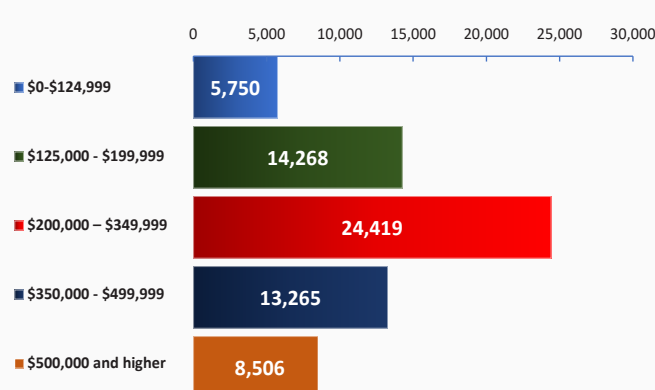
from last year **13.3%**

## MEDIAN PRICES BY REGION



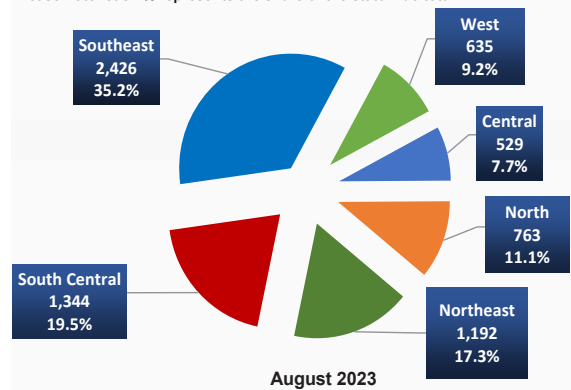
August 2023

## HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS



## HOME SALES BY REGION

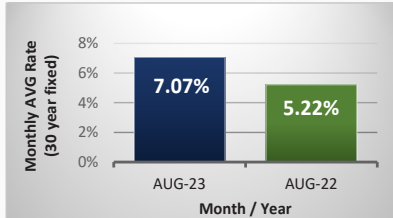
Please note: each % represents the share of the statewide total.



August 2023



## MORTGAGE INTEREST RATES



August 2023

**7.07%**

AVG 30 YR. FIXED

August 2022

**5.22%**

AVG 30 YR. FIXED

from last year



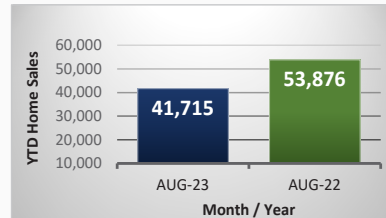
**185**

BASIS POINTS

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



## YEAR-TO-DATE HOME SALES



Year-to-Date 2023

**41,715**

HOMES SOLD THRU 8/23

Year-to-Date 2022

**53,876**

HOMES SOLD THRU 8/22

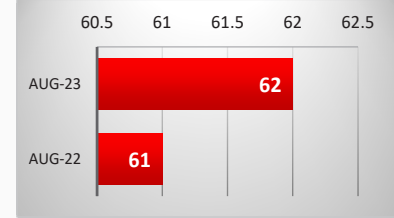
from last year



**-22.6%**



## AVG DAYS ON MARKET



August 2023

**62**

DAYS ON MKT

August 2022

**61**

DAYS ON MKT

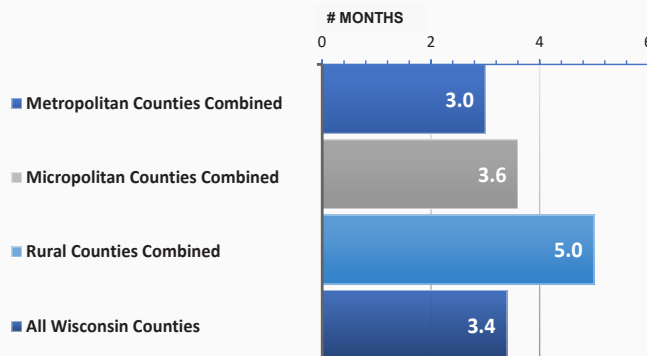
from last year



**1.6%**



## MONTHS OF INVENTORY BY URBAN CLASSIFICATION

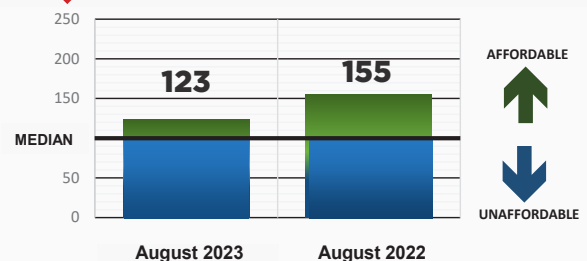


## HOUSING AFFORDABILITY INDEX

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 20.60% from Aug. 2022**



AFFORDABLE



UNAFFORDABLE



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.



## Wisconsin Housing Inventory Improves Slightly but Seller Advantage Continues

### TALKING POINTS

- The Wisconsin existing home market continued to see weaker sales and higher prices compared to last year even as the inventory situation improved slightly. August home sales fell 18.3% compared to August 2022, and the median price rose 10% to \$300,000 over that same 12-month period.
- Statewide inventories rose 13.3% from 3 months of available supply in August 2022 to 3.4 months of supply in August 2023. This is the second straight month in which months of inventory have inched upward, but they are still below the six-month benchmark that characterizes a balanced market.
- Comparing the first eight months of 2023 with that same period in 2022 reveals a similar picture of the housing market. Existing home sales fell 22.6%, and the median price rose 7.9% to \$286,000.
- Regionally, sales over the past 12 months fell by double-digit margins in all regions, ranging from a decline of 11.5% in the Central region to a reduction of 22.5% in the Northeast. Median price appreciation was positive in all regions but somewhat varied. The lowest rate of annual price appreciation was seen in the South Central region, which was up 4.1%; followed by the Northeast region, up 8.4%; and the Central region, up 9.4%. The other three regions saw appreciation rates between 10.7% and 18.5%.
- The improved inventories are due in part to new listings. While new listings for August 2023 were 2.9% below those of August 2022, this is a much lower annual decline than July, when inventories were down 17.7%, and also in the previous 10 months, when inventories were down between 22.1% and 32.6%.
- Months of inventory have improved in every region of the state, across all price ranges and for all urban-rural classifications.
- Higher mortgage rates continue to erode housing affordability. The average 30-year fixed mortgage increased to 7.1% in August, up from 5.2% a year earlier. The Wisconsin Affordability Index is the percent of the median-priced home that a qualified buyer with median family income can purchase, assuming a 20% down payment and the remaining balance financed with a 30-year fixed-rate mortgage at current rates. The index fell to 123 in August 2023, which is its lowest level since 2009 when the WRA began tracking the index.

### PROMISING NEWS ON NEW LISTINGS



"It was encouraging to see the 12-month decline in new listings tail off so dramatically in August. We've been accustomed to year-over-year reductions in new listings that exceed 20%, so hopefully this signals a turning point in our inventory problems."

#### Joe Horning

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

### RIISING MORTGAGE RATES POSE AN ONGOING PROBLEM



"Mortgage rates are moving in the wrong direction. The average 30-year fixed-rate mortgage increased to 7.1% in August from 5.2% just a year ago. We're seeing what this does to affordability, and it's keeping some first-time buyers on the sidelines. Hopefully we see rates begin to fall as we move out of the peak season for home sales."

#### Michael Theo

President & CEO, Wisconsin REALTORS® Association

### CORE INFLATION STILL DECLINING



"Although headline inflation has ticked up in each of the last two months, that is not the measure that the Fed uses to gauge inflation. Instead, the Fed focuses on the core inflation measure that excludes food and energy, which tend to be volatile. The good news is that core inflation has been falling since March. Hopefully this progress on core inflation means the Fed doesn't need to further slow the economy to lower inflationary pressures."

#### Dave Clark

Professor Emeritus of Economics and WRA Consultant