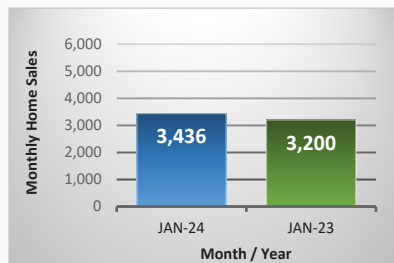


January 2024 WI Real Estate Report

Report Criteria: Reflecting data for January 2024 | State: WI | Type: Residential

MONTHLY HOME SALES



January 2024

3,436

HOMES SOLD

January 2023

3,200

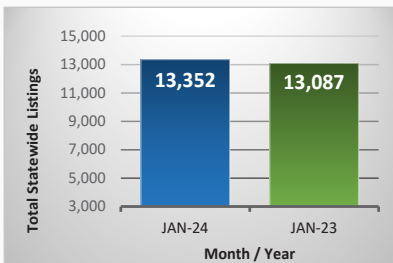
HOMES SOLD

from last year



7.4%

TOTAL STATEWIDE LISTINGS



January 2024

13,352

ACTIVE LISTINGS

January 2023

13,087

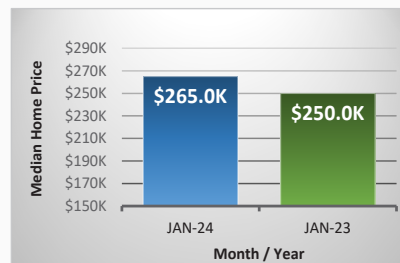
ACTIVE LISTINGS

from last year



2.0%

MEDIAN HOME PRICE



January 2024

\$265,000

MEDIAN PRICE IN WI

January 2023

\$250,000

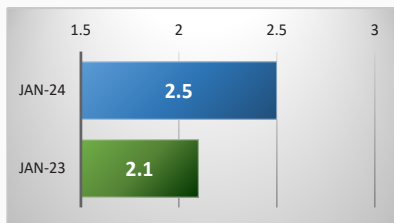
MEDIAN PRICE IN WI

from last year



6.0%

MONTHS OF INVENTORY



January 2024

2.50

MONTHS

January 2023

2.10

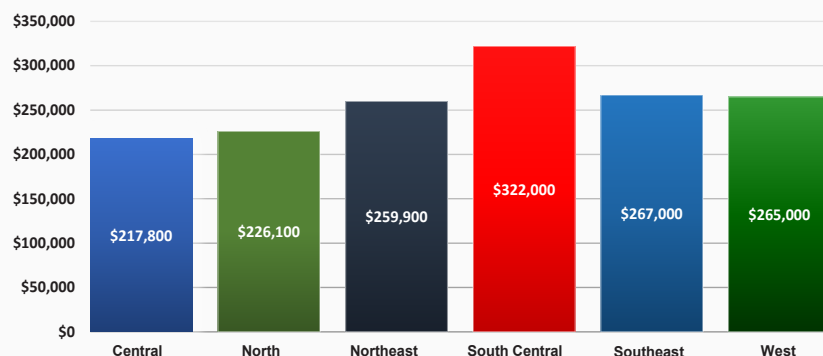
MONTHS

from last year



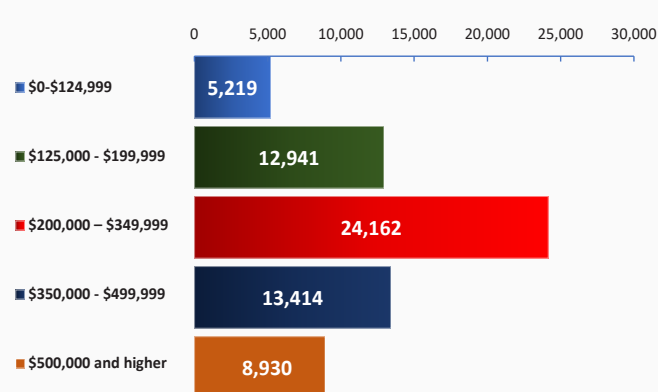
19.0%

MEDIAN PRICES BY REGION



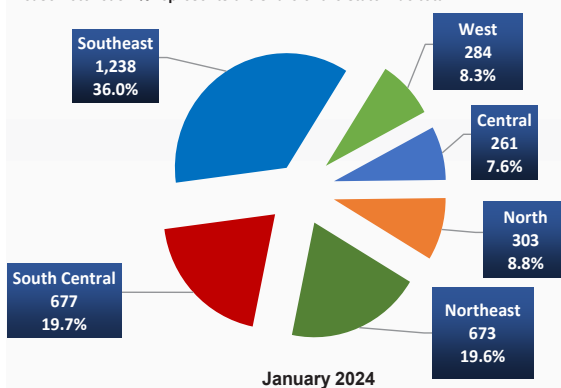
January 2024

HOMES SOLD BY PRICE RANGE PREVIOUS 12 MONTHS



HOME SALES BY REGION

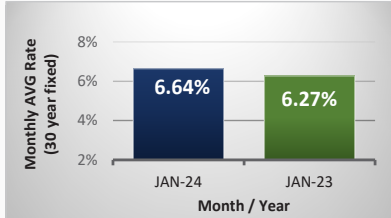
Please note: each % represents the share of the statewide total.



January 2024



MORTGAGE INTEREST RATES



January 2024

6.64%

AVG 30 YR. FIXED

January 2023

6.27%

AVG 30 YR. FIXED

from last year

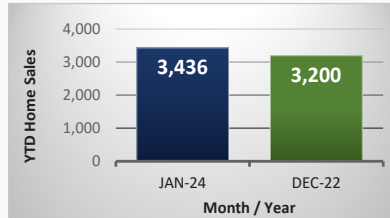
↑ 37

BASIS POINTS

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



YEAR-TO-DATE HOME SALES



Year-to-Date 2023

3,436

HOMES SOLD THRU 1/24

Year-to-Date 2022

3,200

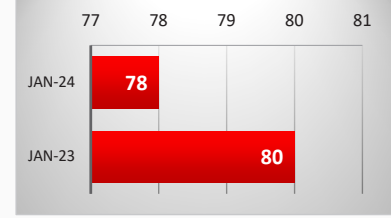
HOMES SOLD THRU 1/23

from last year

↑ 7.4%



AVG DAYS ON MARKET



January 2024

78

DAYS ON MKT

January 2023

80

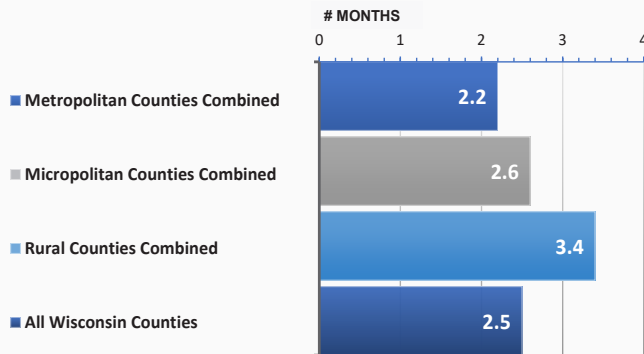
DAYS ON MKT

from last year

↓ -2.5%



MONTHS OF INVENTORY BY URBAN CLASSIFICATION

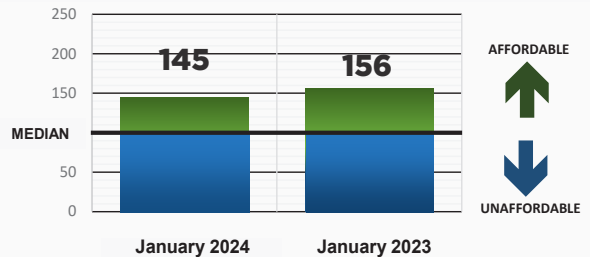


HOUSING AFFORDABILITY INDEX

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 7.10% from Jan. 2023



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

Micropolitan counties include: Dodge, Dunn, Florence, Grant, Jefferson, 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

- Wisconsin existing home sales jumped 7.4% in January 2024 compared to their January 2023 levels. This is the first annualized monthly increase in home sales since December 2021, and this increase is in stark contrast to the 17.4% decline in Wisconsin sales for all of 2023 compared to 2022.
- The January 2024 median price rose 6% to \$265,000 relative to that same month in 2023.
- Both new listings and total listings saw improvement in January. New listings were up 10.1% in January 2024 compared to January 2023, and this helped to drive total listings up 2% over that same period.
- Even with more homes finding their way onto the market, there continues to be a significant seller's advantage with just 2.5 months of inventory in January. A balanced market would have approximately six months of supply.
- Statewide months of supply did improve 19% over the past 12 months, rising from 2.1 months of supply in January 2023 to 2.5 months in January 2024. Inventory levels were slightly higher in rural counties, at 3.4 months, compared to urban counties. Specifically, large metropolitan areas, which are those with a population of 50,000 and larger, had 2.2 months of supply in January; and smaller micropolitan areas, which have populations between 10,000 to 49,999, had 2.6 months of supply.
- Although the 30-year fixed mortgage rate has receded from its peak of 7.79% at the end of October 2023, the average January 2024 rate was 6.64%, which is 37 basis points higher than the January 2023 level of 6.27%.
- Even though there was a modest 2% improvement in estimated median family income over the last year, the combination of higher mortgage rates and higher prices has pushed affordability down. The Wisconsin Housing Affordability Index fell 7.1% between January 2023 and January 2024.

IMPROVED LISTINGS HELP BOOST SALES



"Sales activity always slows during the winter months, and January is typically the slowest month for closings each year. However, the improvement in listings has resulted in a nice bounce in sales to start the year. New listings have grown on an annual basis in each of the last four months, and hopefully that trend continues."

Mary Jo Bowe

2024 Chair of the Board of Directors, Wisconsin REALTORS® Association

SELLER'S MARKET REMAINS WITH PRELIMINARY SIGNS OF INVENTORY GROWTH



"We are still in a seller's market, and the significant unmet demand for homes by millennial buyers will probably keep it that way for the foreseeable future. However, it is encouraging to see new listings increase in each of the last four months, and they were up by just over 10% in January. Sustained growth in listings is key if we are to move toward more balanced markets."

Tom Larson

President & CEO, Wisconsin REALTORS® Association

FED RATE CUTS MORE LIKELY LATE IN THE YEAR



"The January inflation report from the U.S. Bureau of Labor Statistics showed improvement in headline inflation from the small inflationary spike we saw in December, but the January rate of 3.1% was the same as the rate from November. The Fed actually focuses on core inflation, which factors out the more volatile food and energy prices, and the January core inflation rate was 3.9%. This is well above The Fed's 2% target, which was unchanged from December. What this means is that The Fed is likely to hold off on any cuts to the Federal Funds Rate until it sees more progress on inflation."

Dave Clark

Professor Emeritus of Economics and WRA Consultant