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Strong Sales and Stable Prices For Wisconsin's Housing Market Outperforms the Nation and the Midwest in First Quarter

Madison . 2010 started like 2009 ended for Wisconsin's housing market, with strong sales and stable prices, according to first quarter data released by the Wisconsin REALTORS® Association (WRA). Sales of existing housing rose by 16.8 percent in the first three months of 2010 compared to the same quarter last year. This compares outperforms the Nation which grew at 11.4 percent, and the broad Midwest region which increased 10.8 percent over the period. Median prices were essentially unchanged, increasing less than 0.1 percent.

This marks the third straight quarter of positive gains in home sales and the second straight quarter of double-digit growth, said John Flor, Chairman of the WRA Board of Directors. According to Flor, extension of the federal home tax credit helped stimulate the Wisconsin market in the first quarter, but strong market fundamentals like low mortgage rates and improving unemployment numbers also played an important role in the strong first quarter numbers. Mortgage rates are in the neighborhood of 5 percent, and while the state unemployment rate remains stubbornly high at 8.8 percent, we are finally beginning to add jobs, Flor said. State unemployment figures show that after bottoming out in January, Wisconsin has gained more than 10,000 jobs. While we have a long way to go to recoup the roughly 189,000 jobs that were lost between January 2007 and January of this year, at least we are moving in the right direction, Flor said.

WRA President William Malkasian also pointed to data indicating the national economy is beginning to show some signs of life. The so-called Great Recession has been long and deep, but we are hopefully now seeing the beginning of an upswing, said Malkasian. Malkasian said broad indicators of business cycle activity are all pointed toward a recovery, including leading economic indicators, which precede movements in the national economy, as well as current economic indicators that mirror business activity at any given moment in time. These indicators help feed consumer confidence which is perhaps the most important economic barometer of all, said Malkasian.

Malkasian however cautioned that solid job growth and continued improvement in consumer confidence were needed to sustain the recovery in the housing market now that the federal home tax credit has expired. The market fundamentals are solid, said Malkasian, and we are hopeful consumers will recognize the opportunities in this market and take advantage of the combination of low interest rates, reasonable prices and excellent inventories.

The Wisconsin REALTORS® Association is one of the largest trade associations in the state, representing over 14,500 real estate brokers, sales people and affiliates statewide. Sales estimates for the state are provided by the National Association of REALTORS®, which seasonally adjusts quarterly sales figures. All county figures on sales volume and median prices are compiled by the Wisconsin REALTORS® Association and are not seasonally adjusted. Median prices are only computed if the county recorded at least 10 home sales in the quarter. All data collected by Wisconsin REALTORS® Association are subject to revision if more complete data becomes available. Beginning in 2010, all historical sales volume and median price data at the county level have been re-benchmarked using the Techmark system which accesses MLS data directly and in real time.

SUPPORTING DATA TABLES AND TALKING POINTS

Sales Data – Key Points:

- Nationally, existing home sales rose 11.4 percent in the first quarter of 2010 as compared to that same quarter last year. Regionally, the strongest quarterly sales growth was seen in the Northeast region, which increased 19.7 percent, whereas the Midwest grew at 10.8 percent and the South grew at 10.7 percent. Finally, the West region which has been heavily influenced by foreclosure activity grew at a healthy 8.3 percent over the Q1 2009 to Q1 2010 period.
- Wisconsin home sales rose 16.8 percent comparing Q1 2010 with Q1 2009, which outperformed most of our neighboring states. An exception is Illinois, which saw its sales volume grow 27.1 percent. Michigan was up 14.1 percent and Indiana grew 11.7 percent comparing Q1 2010 with the same quarter in 2009. Iowa increased 9.2 percent whereas Minnesota increased 5.2 percent over the period.
- Sales volume rose by double-digit margins in every region of Wisconsin in Q1 2010 compared to the same quarter last year. The strongest region in the state was the West which was up 32.1 percent over the period. All other regions saw solid growth between 12.6 percent and 18.5 percent. Specifically, the Northeast region experienced 18.5 percent growth in existing home sales in Q1 2010 relative to Q1 2009, whereas the North region was up 14.4 percent. The remaining three regions grew at very similar rates with the Central region up 12.9 percent, and both the Southeast and South Central regions increasing 12.6 percent over the period.

Median Price Data – Key Points:

- According to the National Association of REALTORS®, median prices in the Nation were down 0.7 percent to \$166,100 when comparing Q1 of 2010 with Q1 of 2009. Turning to individual regions within the U.S., the strongest growth in median prices was seen in the Northeast, where median prices rose 9 percent to \$256,300. The median sales prices in the South region rose 1.1 percent to \$148,200 and they were down 0.8 percent to \$130,600 in the Midwest. Finally, the West region had much stronger median price reductions, with sales prices down 8.3 percent to \$210,200. Again, this region was especially strong hit by home foreclosures.
- The Wisconsin median price for the first quarter of 2010 was \$135,000, which was less than 0.1 percent higher than the Q1 2008 price of \$134,900.
- Median prices rose by modest margins in four of six regions in Wisconsin. Among the regions which saw median price growth between Q1 2009 and Q1 2010 were the Northeast region (+3.5 percent to \$122,500); Southeast region (+3.4 percent to \$149,900); Central region (+2.9 percent to \$108,000) and the North region (+1.4 percent to \$97,000). The West region was down 0.8 percent to \$129,000, and the South Central Region was down 3.2 percent to \$154,900.
- As has been noted in previous releases, one must use caution interpreting median price data, especially when the mix of homes changes. Over the past year, there was a shift from higher priced homes to those in the lower ranges of home prices as a result of the federal tax credit program which favored first time buyers who tend to buy starter homes. However, when the tax credit program was extended in December of 2009 to include existing owners, it is expected that the mix of homes began to shift toward larger and more costly homes.

Other Key Points:

- The WRA began directly accessing Multiple Listing Service data using the Techmark system beginning with the year end 2009 press release. Now all data are updated in real time, and data reported in this press release are as of 12:00 PM on 5/4/2010. The Techmark system provides more complete coverage of Wisconsin housing activity across markets than was previously available under the old system. All existing home sales and median price data reported on the WRA website (www.wra.org) have been re-benchmarked using the Techmark system so that they are comparable.

Quarterly Activity - Q1 2010*							
Region	County	Median Price			Existing Home Sales		
		Q1 2010	Q1 2009	% Change	Q1 2010	Q1 2009	% Change
Southeast	Kenosha	\$129,000	\$138,950	-7.2%	325	224	45.1%
Southeast	Milwaukee	\$120,000	\$97,000	23.7%	1538	1467	4.8%
Southeast	Ozaukee	\$202,250	\$206,500	-2.1%	152	113	34.5%
Southeast	Racine	\$120,000	\$132,500	-9.4%	347	275	26.2%
Southeast	Sheboygan	\$122,000	\$124,325	-1.9%	169	140	20.7%
Southeast	Walworth	\$159,950	\$150,000	6.6%	174	142	22.5%
Southeast	Washington	\$181,650	\$186,000	-2.3%	196	167	17.4%
Southeast	Waukesha	\$228,000	\$223,000	2.2%	610	590	3.4%
Southeast	4-County Milwaukee Metro	\$158,000	\$148,000	6.8%	2496	2337	6.8%
Southeast	Regional Total	\$149,900	\$145,000	3.4%	3511	3118	12.6%
South Central	Columbia	\$140,000	\$132,000	6.1%	93	82	13.4%
South Central	Crawford	\$102,500	\$103,000	-0.5%	16	15	6.7%
South Central	Dane	\$200,000	\$202,450	-1.2%	847	712	19.0%
South Central	Dodge	\$107,000	\$119,100	-10.2%	144	133	8.3%
South Central	Grant	\$89,900	\$105,000	-14.4%	43	53	-18.9%
South Central	Green	\$122,950	\$118,500	3.8%	50	53	-5.7%
South Central	Iowa	\$119,200	\$128,000	-6.9%	36	38	-5.3%
South Central	Jefferson	\$153,000	\$163,700	-6.5%	147	186	-21.0%
South Central	Lafayette	\$74,160	\$124,750	-40.6%	15	14	7.1%
South Central	Richland	\$82,000	\$88,000	-6.8%	21	25	-16.0%
South Central	Rock	\$99,500	\$109,000	-8.7%	317	249	27.3%
South Central	Sauk	\$130,000	\$135,950	-4.4%	109	72	51.4%
South Central	Regional Total	\$154,900	\$160,000	-3.2%	1838	1632	12.6%
West	Buffalo	\$69,900	NA	NA	17	6	183.3%
West	Chippewa	\$107,500	\$109,950	-2.2%	123	88	39.8%
West	Dunn	\$104,500	\$130,000	-19.6%	58	73	-20.5%
West	Eau Claire	\$125,000	\$130,000	-3.8%	240	167	43.7%
West	Jackson	\$95,500	\$87,450	9.2%	22	20	10.0%
West	La Crosse	\$139,900	\$135,500	3.2%	200	152	31.6%
West	Monroe	\$114,000	\$128,000	-10.9%	79	77	2.6%
West	Pepin	\$108,000	NA	NA	19	4	375.0%
West	Pierce	\$148,264	\$131,575	12.7%	90	62	45.2%
West	St. Croix	\$166,000	\$150,000	10.7%	197	143	37.8%
West	Trempealeau	\$128,250	\$125,700	2.0%	34	18	88.9%
West	Vernon	\$89,900	\$115,000	-21.8%	19	21	-9.5%
West	Regional Total	\$129,000	\$130,000	-0.8%	1098	831	32.1%

* Home sales include Single-Family, Duplex and Condo/Coop properties sold through the Multiple Listing Services. Median prices are only computed when there are at least 10 homes sales in the county for the quarter. All data are subject to revision if more complete information becomes available. Beginning in 2010, all historical sales volume and median price data at the county level have been re-benchmarked using the Techmark system which accesses MLS data directly and in real time.

Quarterly Activity - Q1 2010*							
Region	County	Median Price			Existing Home Sales		
		Q1 2010	Q1 2009	% Change	Q1 2010	Q1 2009	% Change
Northeast	Brown	\$136,250	\$137,000	-0.5%	405	333	21.6%
Northeast	Calumet	\$141,900	\$142,500	-0.4%	73	54	35.2%
Northeast	Door	\$185,000	\$200,000	-7.5%	53	50	6.0%
Northeast	Fond du Lac	\$125,200	\$111,900	11.9%	133	138	-3.6%
Northeast	Green Lake	\$75,500	\$66,500	13.5%	26	18	44.4%
Northeast	Kewaunee	\$70,262	\$121,000	-41.9%	26	17	52.9%
Northeast	Manitowoc	\$87,000	\$89,900	-3.2%	111	118	-5.9%
Northeast	Marinette	\$86,000	\$79,900	7.6%	52	67	-22.4%
Northeast	Menominee	NA	NA	NA	2	1	100.0%
Northeast	Oconto	\$85,500	\$100,000	-14.5%	82	59	39.0%
Northeast	Outagamie	\$128,490	\$123,600	4.0%	294	222	32.4%
Northeast	Shawano	\$76,500	\$70,000	9.3%	51	39	30.8%
Northeast	Waupaca	\$85,500	\$77,000	11.0%	78	68	14.7%
Northeast	Winnebago	\$123,000	\$106,000	16.0%	283	225	25.8%
Northeast	Regional Total	\$122,500	\$118,400	3.5%	1669	1409	18.5%
Central	Adams	\$87,000	\$68,250	27.5%	69	42	64.3%
Central	Clark	\$73,700	\$82,500	-10.7%	19	20	-5.0%
Central	Juneau	\$75,500	\$86,000	-12.2%	43	37	16.2%
Central	Marathon	\$125,500	\$125,000	0.4%	204	191	6.8%
Central	Marquette	\$109,900	\$80,000	37.4%	24	21	14.3%
Central	Portage	\$145,000	\$124,700	16.3%	83	72	15.3%
Central	Waushara	\$84,000	\$72,000	16.7%	38	37	2.7%
Central	Wood	\$97,000	\$84,900	14.3%	124	115	7.8%
Central	Regional Total	\$108,000	\$105,000	2.9%	604	535	12.9%
North	Ashland	\$93,750	\$92,500	1.4%	20	22	-9.1%
North	Barron	\$90,900	\$86,900	4.6%	129	88	46.6%
North	Bayfield	\$101,000	\$129,500	-22.0%	24	20	20.0%
North	Burnett	\$122,500	\$112,000	9.4%	43	51	-15.7%
North	Douglas	\$82,500	\$107,700	-23.4%	73	68	7.4%
North	Florence	NA	NA	NA	1	NA	NA
North	Forest	\$74,950	NA	NA	10	6	66.7%
North	Iron	NA	NA	NA	8	7	14.3%
North	Langlade	\$48,500	\$62,200	-22.0%	30	20	50.0%
North	Lincoln	\$90,250	\$109,000	-17.2%	40	29	37.9%
North	Oneida	\$140,000	\$92,500	51.4%	72	60	20.0%
North	Polk	\$95,500	\$90,000	6.1%	117	107	9.3%
North	Price	\$94,000	\$118,500	-20.7%	19	20	-5.0%
North	Rusk	\$73,750	\$66,000	11.7%	26	30	-13.3%
North	Sawyer	\$147,000	\$130,250	12.9%	42	46	-8.7%
North	Taylor	\$97,000	\$126,500	-23.3%	19	16	18.8%
North	Vilas	\$197,500	\$240,000	-17.7%	46	38	21.1%
North	Washburn	\$90,000	\$85,000	5.9%	38	34	11.8%
North	Regional Total	\$97,000	\$95,700	1.4%	757	662	14.4%

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