

SOUTH CENTRAL WISCONSIN MLS

Market Update

A comprehensive analysis of the residential real estate market in South Central Wisconsin.

June 2012



www.BunburyRealtors.com





Market Update

June 2012

Welcome to the Market Update, our monthly examination of South Central Wisconsin's residential real estate market. This report uses market-wide data based on transactions that closed in June of 2012 and compares them to closings that took place during the same months over the past three years. Closings typically occur eight to 12 weeks after a contract is signed; for that reason, the sales activity shown here reflects actual market conditions.

For twelve consecutive months, Dane County home sales have risen over the year before. For June, combined sales of single family and condominium homes rose more than 27% and for the first half of 2012 are 21% ahead of 2011. All eight counties within the SCWMLS primary region are also ahead of last year – not only for the month but also year-to-date. For all reported residential sales, the SCWMLS is ahead 25% in June and 21% for the first six months.

While sales continue to rise, inventories continue to decline – both for single family homes and condominiums. The months supply of single family homes in Dane County now stands at just over 7 months while condominiums come in at 14 months. For the 8 county regional, the combined months supply is 9.7, down from 10.03 in May and 14+ months one year ago. As we stated previously, six months supply is generally considered to be balanced between sellers and buyers.

Median prices for single family sales in Dane County were 2% below June of 2011 and 3% lower over the most recent twelve month period when compared to the twelve months prior. The median price for condominiums in June was actually slightly ahead and now is 4.6% below the year-to-year comparison. Cash sales fell for the second month in a row while the use of conventional financing rose slightly. We will be watching the effect in the market of the recent announcement from WHEDA expanding its home ownership program to remove the requirement that borrowers be "first-time" home buyers. This program could be of assistance particularly to those potential purchasers – whether existing home owners or first-time buyers – who do not have a substantial down payment.

One other statistic we began collecting last month – the percentage of sales reported to the SCWMLS that are short sales or REO sales – may also help us understand where we might be in the process of recovery in our housing market. In May, 13.2% of the total sales in Dane County were either a short sale or REO. In June, with almost 200 more sales than the previous month, this figure dropped slightly to 12.2%.

Favorable factors continue in the marketplace – extraordinary affordability due to extraordinary low interest rates and moderate prices. June showing requests in 2012 were 49% higher than one year ago – a positive indicator of continued activity. Now if we could only get some rain!

For the most up-to-date, comprehensive analysis of the South Central Wisconsin Real Estate market, visit our blog at www.BunburyRealtors-Blog.com. Our blog features daily posts with timely information for our buyers and sellers.

Sincerely,

A handwritten signature in black ink that reads "Thomas Bunbury".

Tom Bunbury
CEO & Founder



A handwritten signature in black ink that reads "Erik Sjowall".

Erik Sjowall
President





Market Update

June 2012

South Central Wisconsin MLS Sold & Active Residential Listings (Including Condos)
 JUNE & Year-to-date Statistics 2012 * Sales reported as of July 12, 2012

	June			January - June		
	2012	2011	2010	2012	2011	2010
COLUMBIA COUNTY						
# New Listings	104	134	134	678	751	820
# Sales	*67	60	58	*313	245	270
Average Sale Price	163,666	157,660	164,011	139,963	144,627	162,047
Median Sale Price	150,000	149,361	139,250	123,500	130,000	144,400
Total # Active Residential Listings at end of Period	660	826	855	660	826	855
DANE COUNTY						
# New Listings	903	860	942	5,385	5,381	6,337
# Sales	*804	630	846	*2,821	2,324	3,063
Average Sale Price	239,227	250,753	234,087	230,276	239,756	226,903
Median Sale Price	205,500	213,250	207,046	201,000	205,500	200,000
Total # Active Residential Listings at end of Period	3,735	4,591	4,729	3,735	4,591	4,729
DODGE COUNTY						
# New Listings	91	63	97	472	463	608
# Sales	*58	35	64	*262	220	295
Average Sale Price	117,035	112,542	128,080	113,456		
Median Sale Price	105,250	94,800	119,950	100,000		
Total # Active Residential Listings at end of Period	417	488	572	417		
GRANT COUNTY						
# New Listings	53	73	51	358		
# Sales	*37	25	37	*157		
Average Sale Price	117,368	117,776	123,700	128,441		
Median Sale Price	108,000	108,000	99,500	106,000		
Total # Active Residential Listings at end of Period	322	327	259	322		
GREEN COUNTY						
# New Listings	56	75	71	355	390	412
# Sales	*47	34	31	*200	180	167
Average Sale Price	134,102	142,458	141,625	148,114	137,547	143,283
Median Sale Price	113,500	130,000	128,000	123,595	117,700	128,500
Total # Active Residential Listings at end of Period	282	340	375	282	340	375
IOWA COUNTY						
# New Listings	42	33	35	269	278	285
# Sales	*20	19	24	*88	83	96
Average Sale Price	133,382	126,852	144,216	138,270	136,797	147,689
Median Sale Price	107,500	116,000	136,750	116,000	102,500	130,550
Total # Active Residential Listings at end of Period	293	311	284	293	311	284
ROCK COUNTY						
# New Listings	255	310	316	1,453	1,596	1,920
# Sales	*185	165	191	*883	712	918
Average Sale Price	126,424	111,305	114,442	108,153	101,159	114,018
Median Sale Price	114,000	99,000	108,500	94,000	89,000	109,000
Total # Active Residential Listings at end of Period	1,086	1,412	1,508	1,086	1,412	1,508
SAUK COUNTY						
# New Listings	125	145	156	764	810	874
# Sales	*68	51	60	*321	275	268
Average Sale Price	143,959	174,122	157,586	151,261	142,110	157,478
Median Sale Price	129,500	124,500	149,500	135,000	124,900	142,000
Total # Active Residential Listings at end of Period	821	911	995	821	911	995

For June, combined sales of single family and condominium homes rose more than 27% and for the first half of 2012 are 21% ahead of 2011.

More MLS statistics are available at www.scwmils.com.

NOTE - This representation is based in whole or in part on data supplied to the South Central Wisconsin MLS Corporation by its Participants. The MLS does not guarantee and is not responsible for its accuracy. Data maintained by the MLS does not reflect all real estate activity in the market.



Market Update

June 2012

South Central Wisconsin MLS

JUNE STATISTICS

2012

06/01/2012-06/30/2012



CURRENT ACTIVE LISTINGS		
PRICE CLASS/TYPE	Single Family	Condo/ Co-Op
less than 30,000	157	5
30,000 - 39,999	148	9
40,000 - 49,999	197	26
50,000 - 59,999	259	36
60,000 - 69,999	254	52
70,000 - 79,999	356	64
80,000 - 89,999	367	112
90,000 - 99,999	385	109
100,000 - 119,999	713	185
120,000 - 139,999	872	248
140,000 - 159,999	817	159
160,000 - 179,999	801	200
180,000 - 199,999	735	139
200,000 - 249,999	1,205	179
250,000 - 299,999	859	151
300,000 - 399,999	853	118
400,000 - 499,999	376	56
500,000 - 749,999	352	55
750,000 - 999,999	117	12
over 1,000,000	105	3
Total Types	9,928	1,918
Average price	224,025	192,586

TOTALS REPORT SOLD RESIDENTIAL LISTINGS				
PRICE CLASS/TYPE	0-2 Bedroom	3 Bedroom	4+ Bedroom	Condo/ Co-Op
less than 30,000	14	18	8	0
30,000 - 39,999	12	13	4	0
40,000 - 49,999	10	15	6	7
50,000 - 59,999	10	21	4	9
60,000 - 69,999	9	19	11	10
70,000 - 79,999	14	25	5	17
80,000 - 89,999	16	18	9	11
90,000 - 99,999	6	35	6	9
100,000 - 119,999	16	60	12	22
120,000 - 139,999	23	66	21	22
140,000 - 159,999	10	77	20	18
160,000 - 179,999	9	64	35	28
180,000 - 199,999	5	71	30	16
200,000 - 249,999	8	116	73	18
250,000 - 299,999	7	58	45	6
300,000 - 399,999	4	43	63	6
400,000 - 499,999	2	13	40	0
500,000 - 749,999	0	4	21	1
750,000 - 999,999	0	2	3	0
over 1,000,000	0	0	4	0
Total Types	175	738	420	200
AVERAGE PRICE	112,815	172,272	265,222	141,565

TERMS OF SALE (SALES)	
CASH	269
CONVENTIONAL	1070
FVA/FHA	113
WHEDA	8
ASSUMPTION	0
SELLER	2
OTHER	24
USDA	47

*Sales for the month & current active listings are reported as of 7/12/2012. The Current Active Listings Chart includes all listings available for showings, including those with offers to purchase. This representation is based in whole or in part on data supplied to the South Central Wisconsin MLS Corporation by its Participants. The MLS does not guarantee and is not responsible for its accuracy. Data maintained by the MLS does not reflect all real estate activity in the market.

More MLS statistics are available at www.scwmls.com.

Carrying the highest inventory this month was the \$200,000-\$249,999 price range.

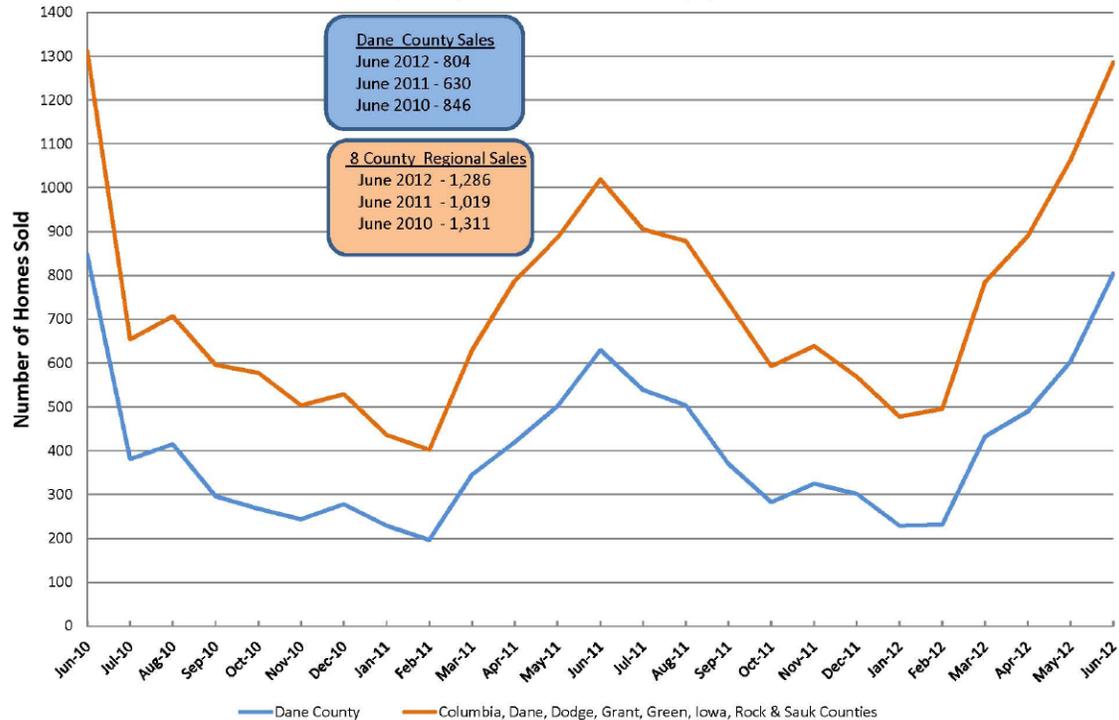


Market Update

June 2012

Single Family Solds (Inc Condos)

Reported by the South Central WI MLS as of 7/12/12



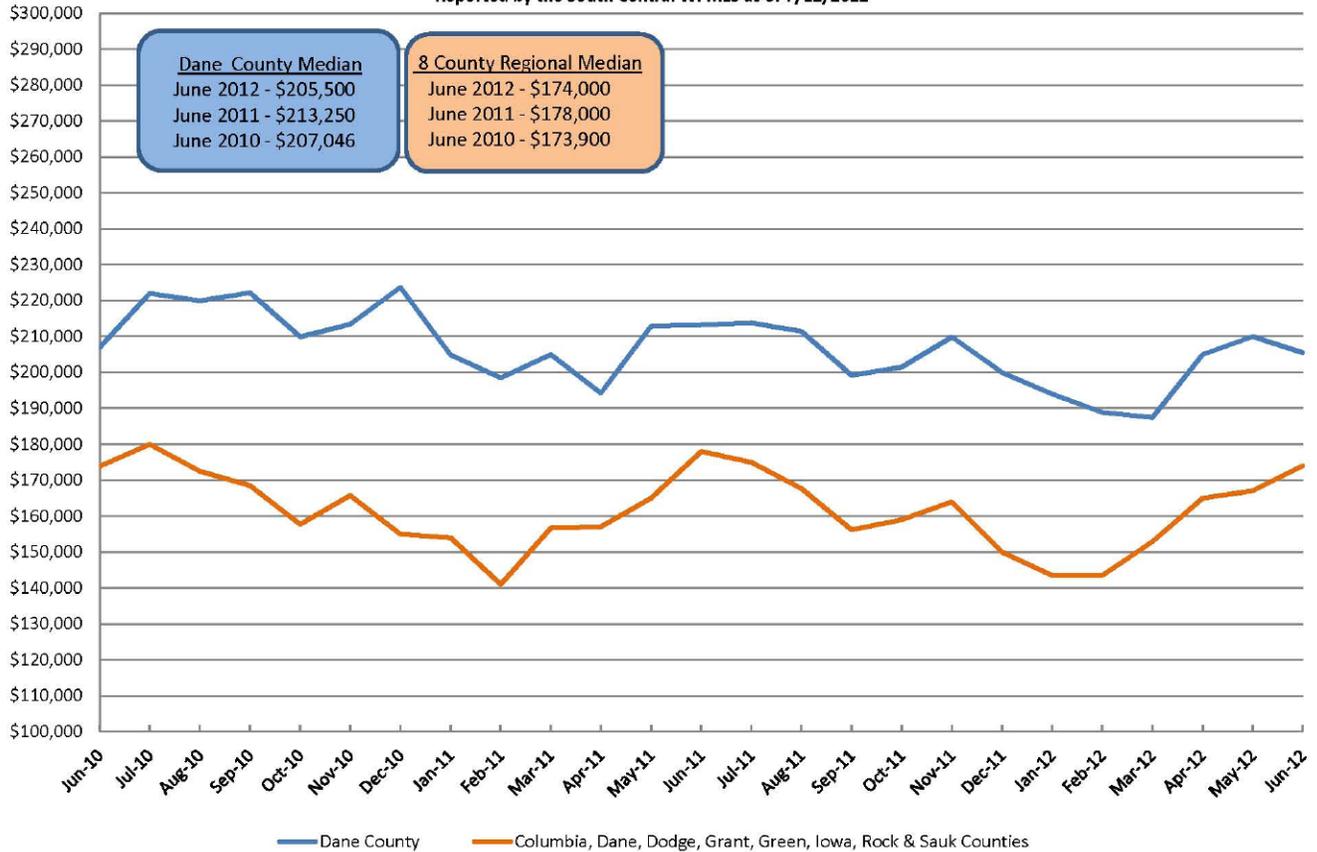
For twelve consecutive months, Dane County home sales have risen over the year before. For June, combined sales of single family and condominium homes rose more than 27% and for the first half of 2012 are 21% ahead of 2011.

Market Insight

According to NAR Chief Economist Lawrence Yun, the first quarter of 2012 was the best first quarter for real estate in five years, and pending contracts suggest that the second quarter of 2012 will be the best second quarter in five years. . "Renters are getting squeezed, and they don't want to rent anymore," Yun explained. "This could be the year we see the release of pent-up demand." - Realtor Magazine

Median Sale Price for Single Family Solds (Inc Condos)

Reported by the South Central WI MLS as of 7/12/2012



Median prices for single family sales in Dane County were 2% below June of 2011 and 3% lower over the most recent twelve month period when compared to the twelve months

Buyer Tip

Make a House Hunting Wish List

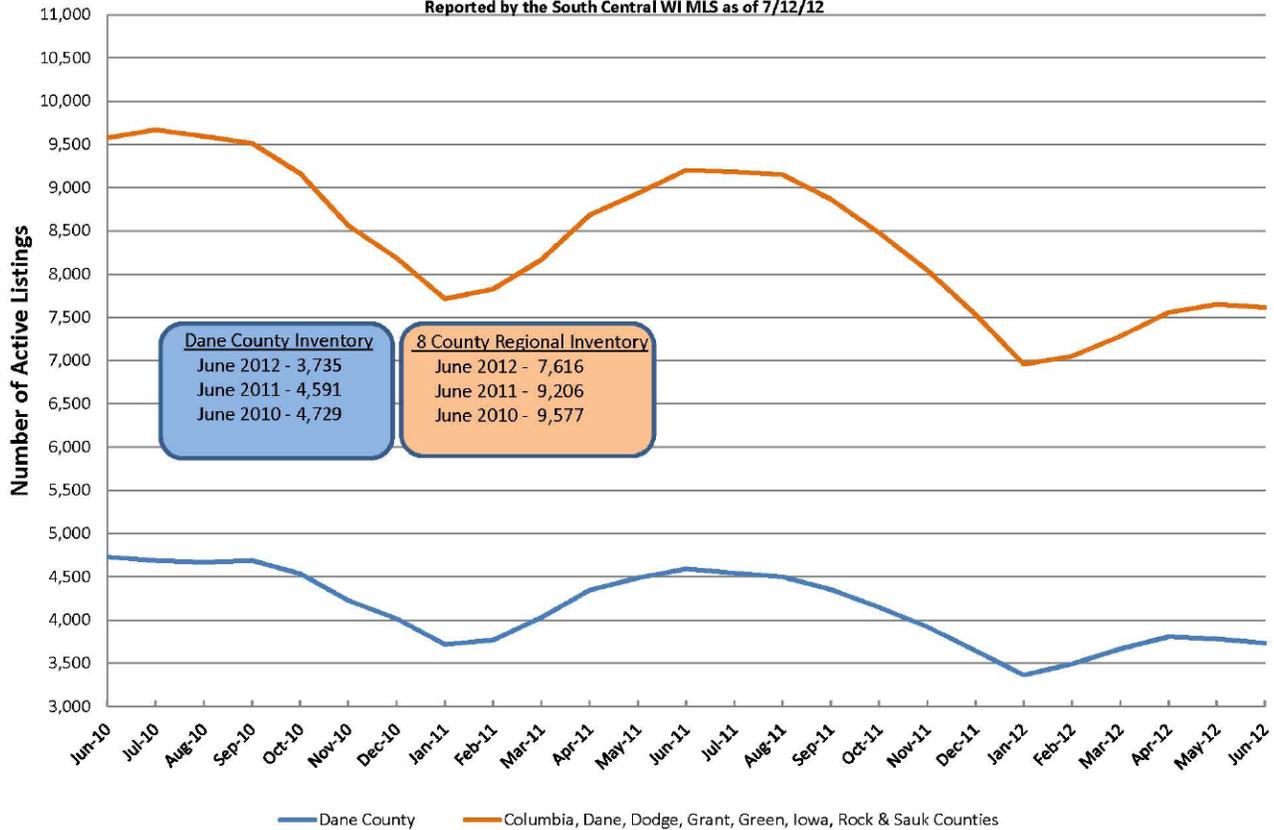
When creating your list, you might want to ask yourself the following questions and invent a few of your own:

- Do you want a townhouse, apartment or a house?
- Do you wish to live in the inner city, suburbs or country?
- How many bedrooms do you want?
- Will the property accommodate your changing needs over time?
- Do you want a garden, if so how big?
- Do you prefer an old or modern residence?
- Are you happy to renovate or extend?
- How close do you wish to be to facilities such as schools, shops, childcare, parks, beaches and hospitals?
- How much you are willing to pay? Are you preapproved?



Available Single Family Homes (Inc Condos)

Reported by the South Central WI MLS as of 7/12/12



For the 8 county regional, the combined months supply is 9.7, down from 10.03 in May and 14+ months one year ago.

Seller Tip



The market is hot ~ but so is your house!

The only thing worse than a stuffy room on a hot day is a hot room. Circulate air. Even if you have to place floor fans about the home, keep the air moving. Turn down the AC to a notch below your comfort zone if the air outside is hotter than your comfort zone. Not so cold that your visitor's arm hair stands up. But chilly enough that they don't want to go back outside.

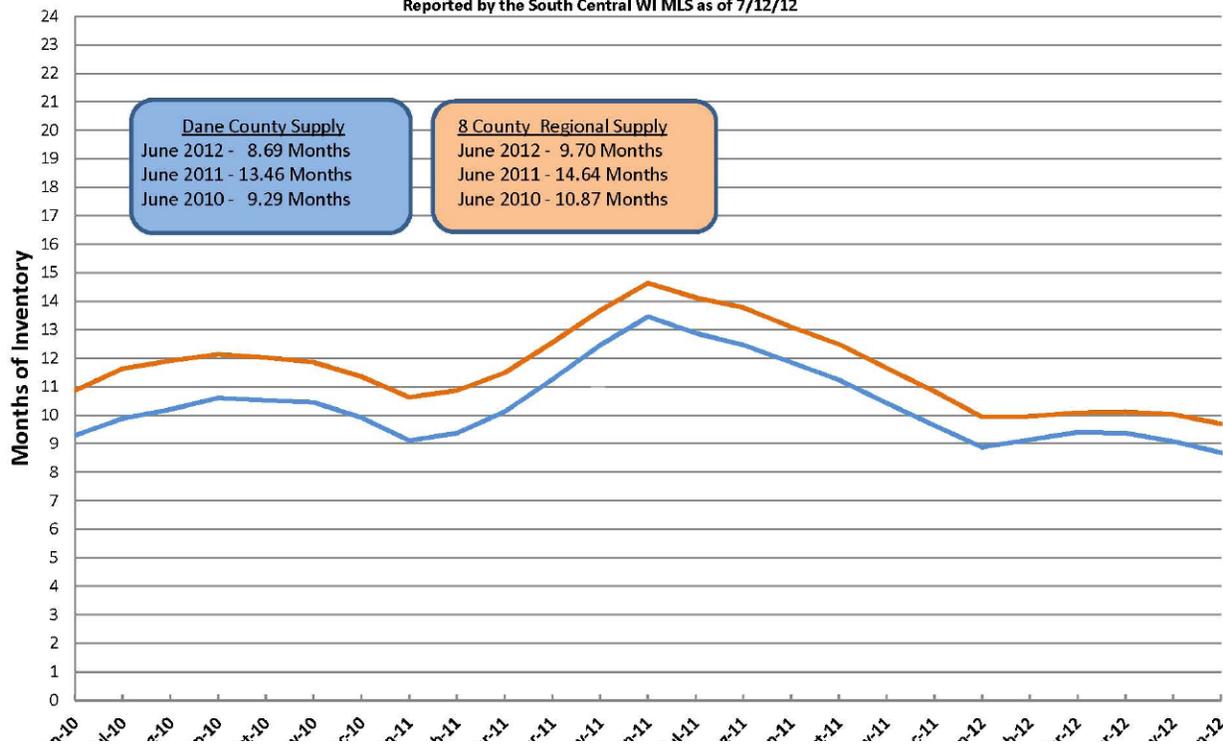


Market Update

June 2012

Months Supply of Inventory for Single Family Homes (Inc Condos)

Reported by the South Central WI MLS as of 7/12/12



The months supply of single family homes in Dane County now stands at just over 7 months while condominiums come in at 14 months.

Market Insight

“How’s the market?”

The quintessential real estate question. Unfortunately, there is NO perfect answer. Why? Because the market is the market. It changes in accordance with the Law of Supply and Demand.

In real estate, there are 3 markets; a buyer’s market, a seller’s market and a balanced market.

A “Buyer’s Market” exists when there is 7 or more months supply of inventory (houses). The impact of the abundance of inventory results in the prices of homes depreciating.

Conversely, a “Seller’s Market” exists when there is less than 4 months supply of homes. The impact of the scarcity of inventory results in the prices of homes appreciating.

A “Balanced Market” occurs when the inventory of homes for sale averages between 5 and 6 months worth of supply. In this “normal” market, home prices generally remain stable.

So, the answer to this question (How’s the market?), really depends on your personal real estate need:

“Are you in the market to buy a home?”

“Do you need to sell your home?”

“Are you looking for an investment?”

“Are you “just looking?”