

Housing Affordability in the Village of Campbellsport

January 8, 2024



Goal of Report

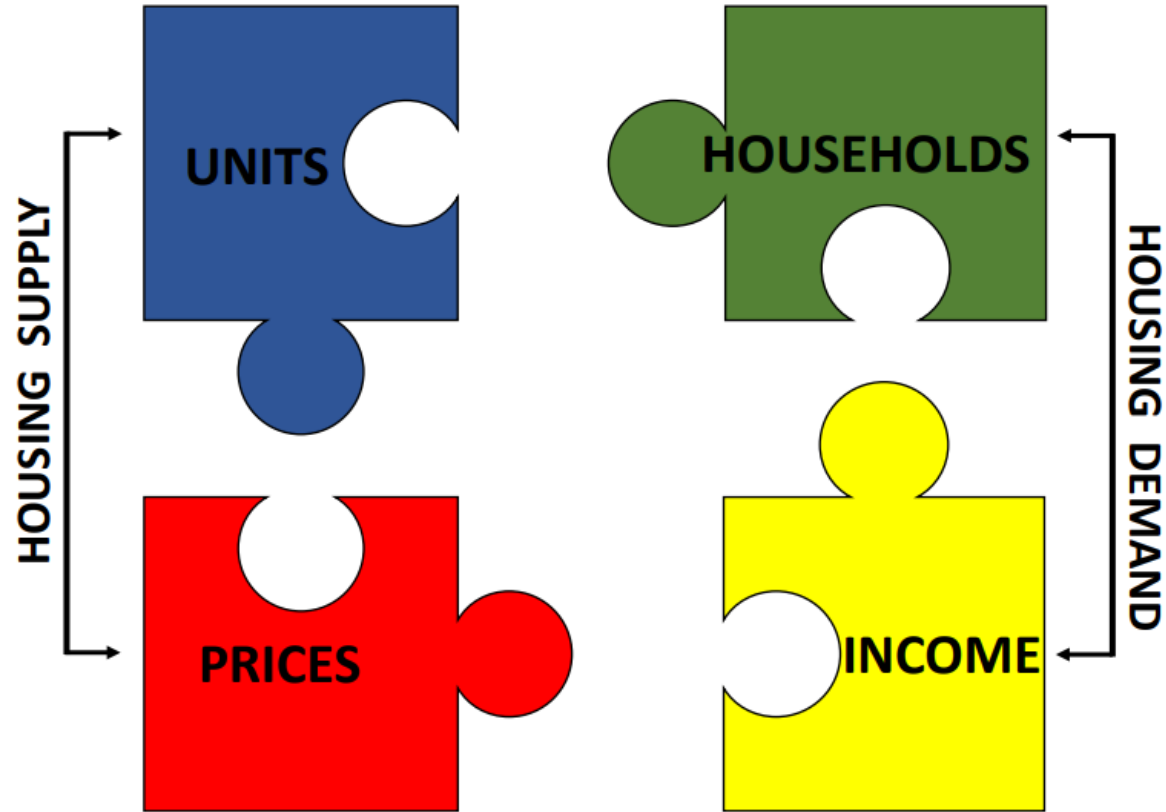
Help elected officials, Village staff, stakeholders, and community members develop a meaningful sense of the housing market, as well as an understanding of the key housing issues and how they impact the community.

What is Housing Affordability?

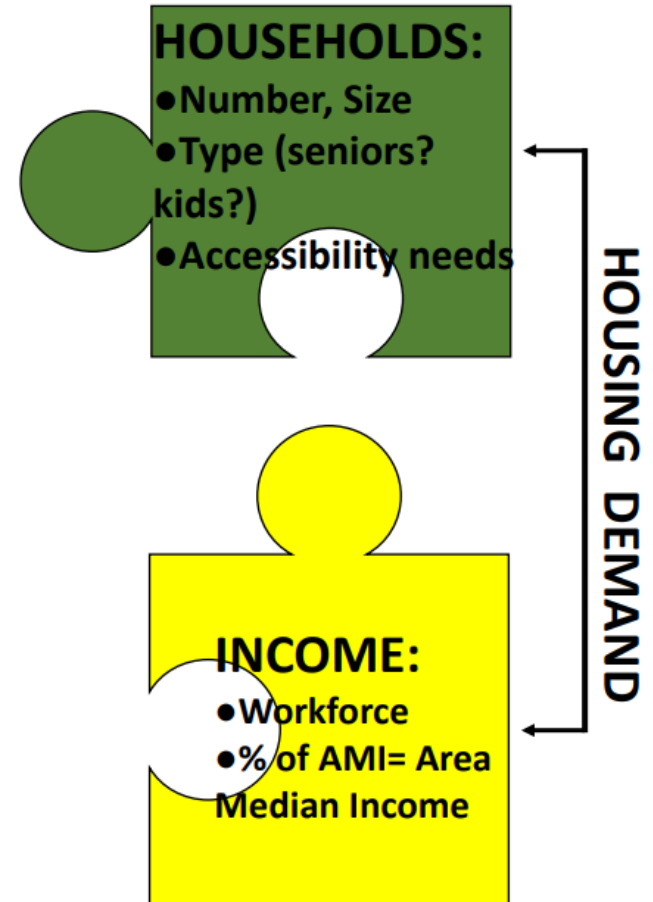
According to the U.S. Department of Housing and Urban Development (HUD), affordable housing is housing that costs no more than 30% of your median income.



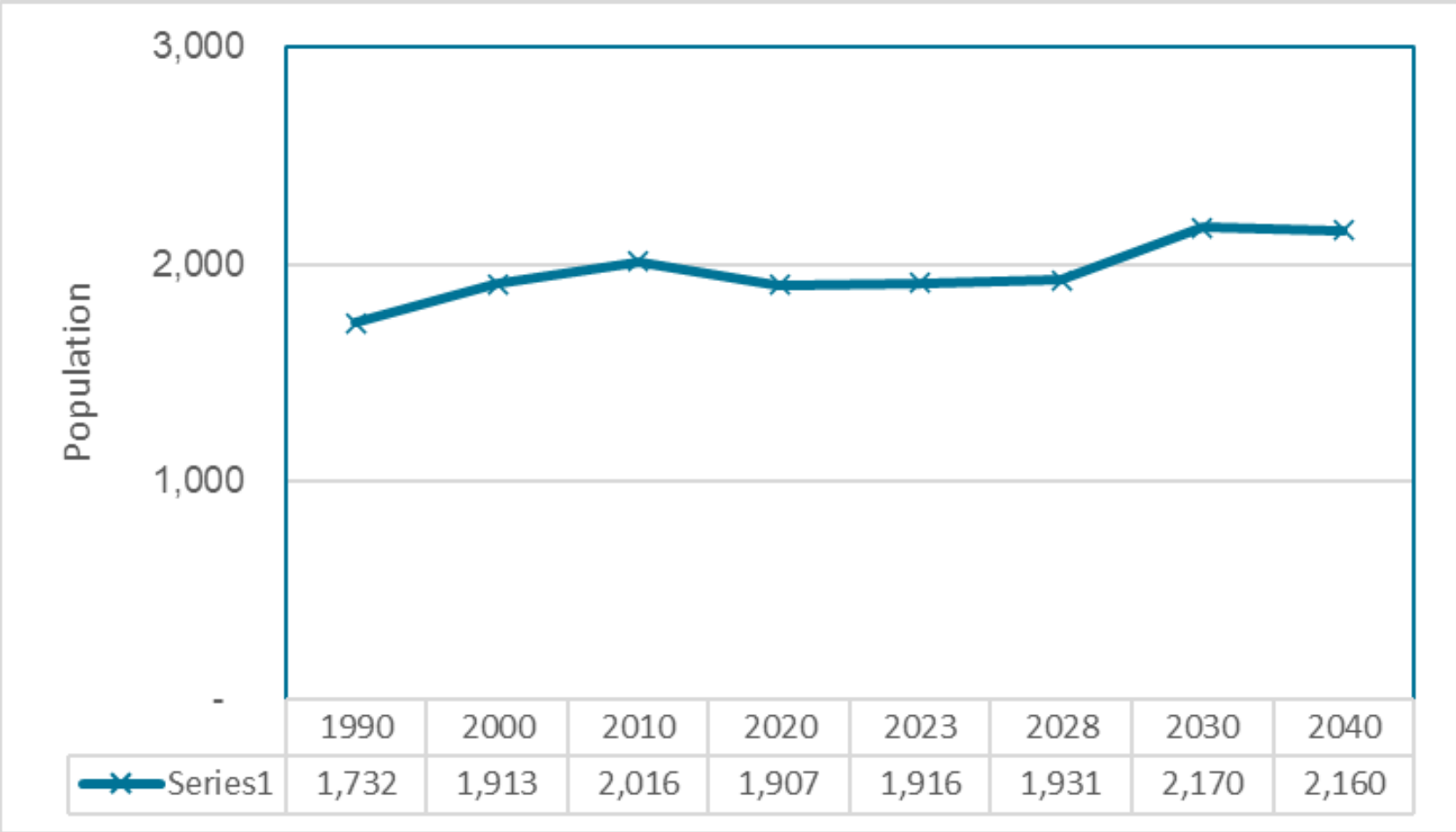
Components of Housing Affordability?



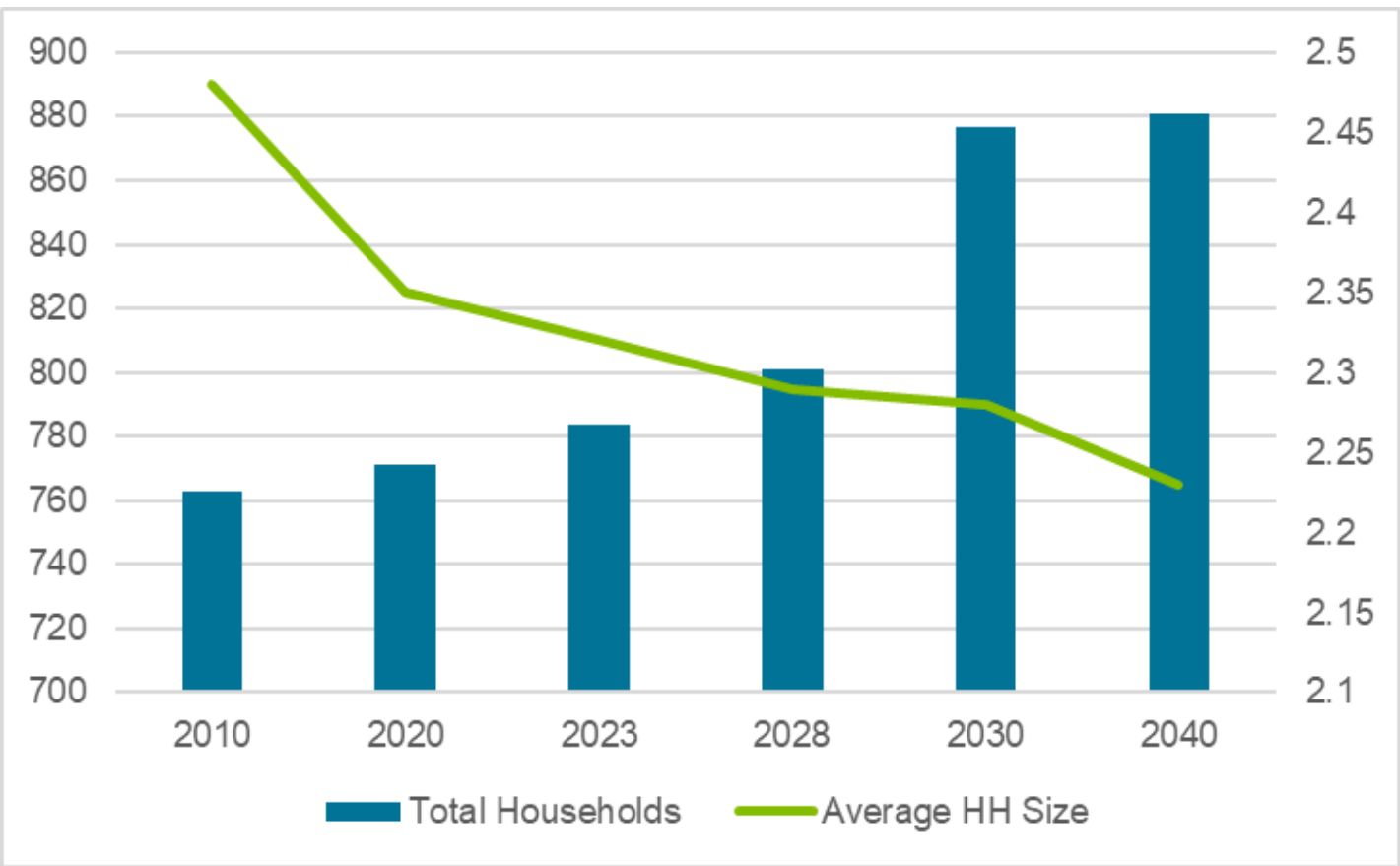
Housing Demand



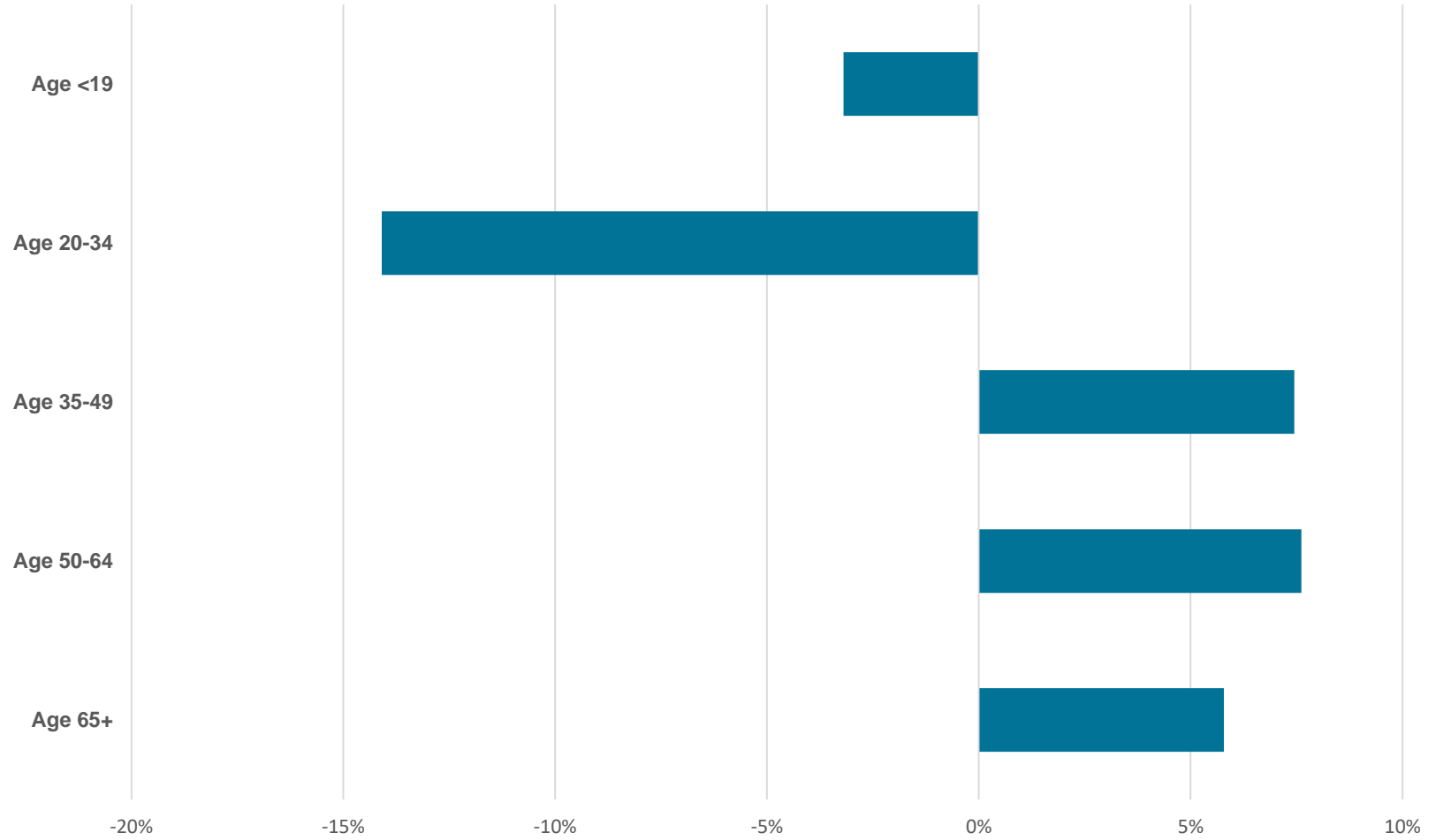
Demographic Changes – Population Growth



Demographic Changes – Household Size



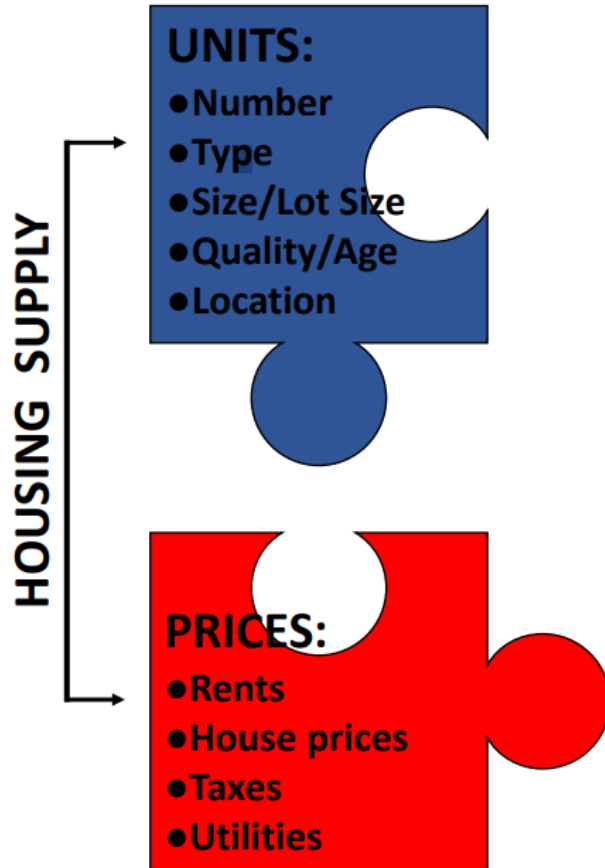
Demographic Changes – Aging Population



Income & Housing Affordability

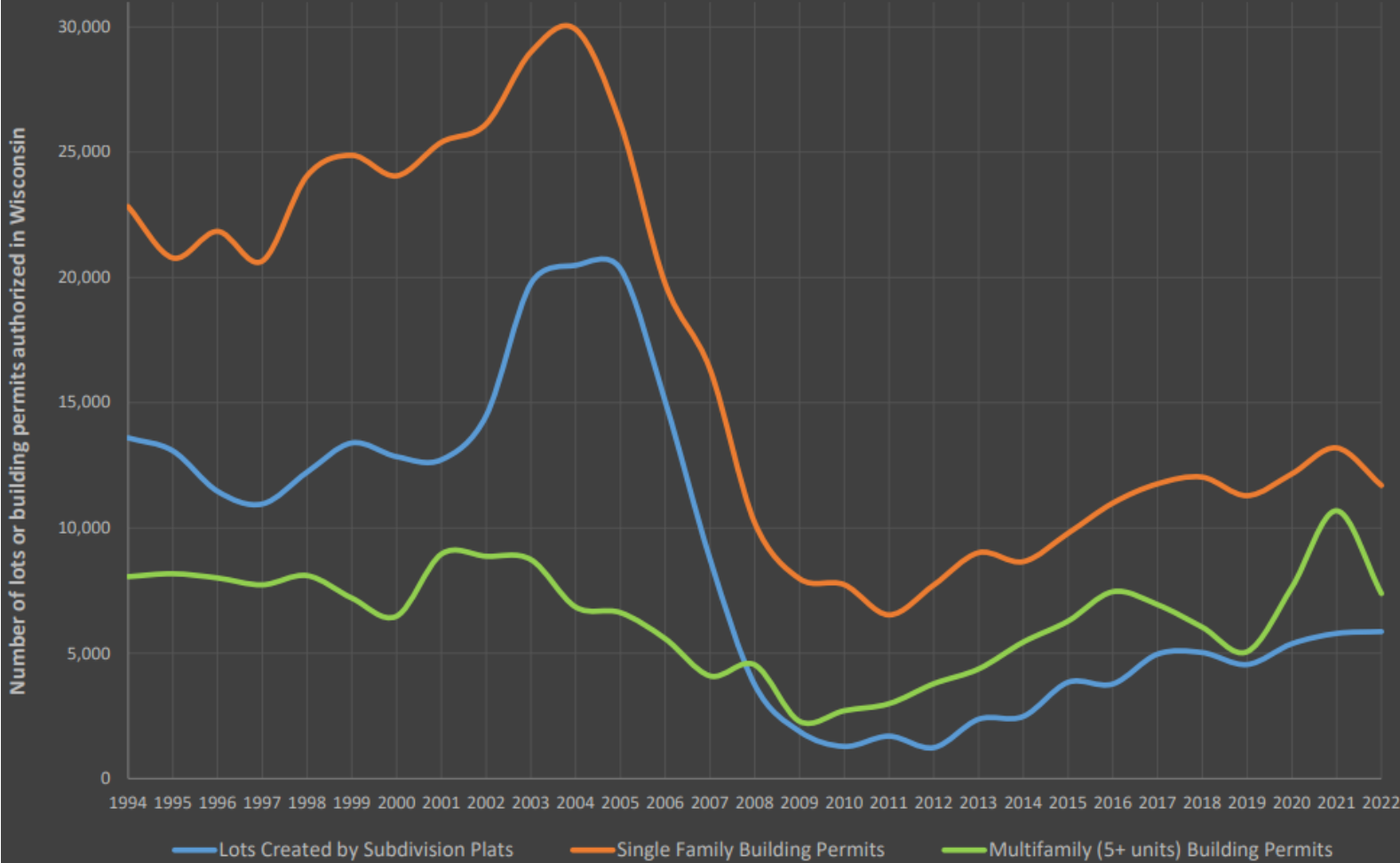
Occupation	Employment in Fond du Lac County	Median Hourly Wage	Median Wages	Maximum Monthly Affordable Housing Cost
Cashiers	1,090	\$13.64	\$28,380	\$710
Hairdressers, Hairstylists, and Cosmetologists	120	\$13.81	\$28,730	\$718
Preschool Teachers, Except Special Education	140	\$14.09	\$29,300	\$733
Retail Salespersons	990	\$14.14	\$29,420	\$736
Cooks, Restaurant	320	\$14.66	\$30,500	\$763
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	440	\$15.35	\$31,930	\$798
Tellers	170	\$16.82	\$34,990	\$875
Bus Drivers, School	110	\$16.91	\$35,170	\$879
Nursing Assistants	460	\$17.44	\$36,280	\$907
Laborers and Freight, Stock, and Material Movers, Hand	730	\$17.98	\$37,400	\$935
Office Clerks, General	730	\$18.22	\$37,910	\$948
Medical Assistants	180	\$18.56	\$38,610	\$965
Firefighters	130	\$18.72	\$38,940	\$974
Shipping, Receiving, and Inventory Clerks	260	\$19.62	\$40,820	\$1,021
Automotive Service Technicians and Mechanics	270	\$22.28	\$46,350	\$1,159
Construction Laborers	340	\$22.45	\$46,690	\$1,167
All Occupations	44,980	\$22.48	\$46,760	\$1,169
Maintenance and Repair Workers, General	390	\$23.15	\$48,150	\$1,204
Machinists	80	\$23.23	\$48,310	\$1,208
Welders, Cutters, Solderers, and Brazers	330	\$23.36	\$48,600	\$1,215
Computer Numerically Controlled Tool Operators	660	\$24.36	\$50,670	\$1,267
Carpenters	350	\$25.04	\$52,090	\$1,302
Mechanical Engineering Technologists and Technicians	40	\$25.98	\$54,030	\$1,351
Computer User Support Specialists	110	\$27.60	\$57,420	\$1,436
Elementary School Teachers, Except Special Education	400	\$-	\$60,580	\$1,515
Market Research Analysts and Marketing Specialists	140	\$29.50	\$61,360	\$1,534
Police and Sheriff's Patrol Officers	220	\$33.44	\$69,550	\$1,739
Electricians	170	\$36.36	\$71,460	\$1,787
Registered Nurses	840	\$35.24	\$73,300	\$1,833
Industrial Engineers	290	\$39.51	\$82,190	\$2,055
Software Developers	150	\$46.08	\$95,860	\$2,397

Housing Supply

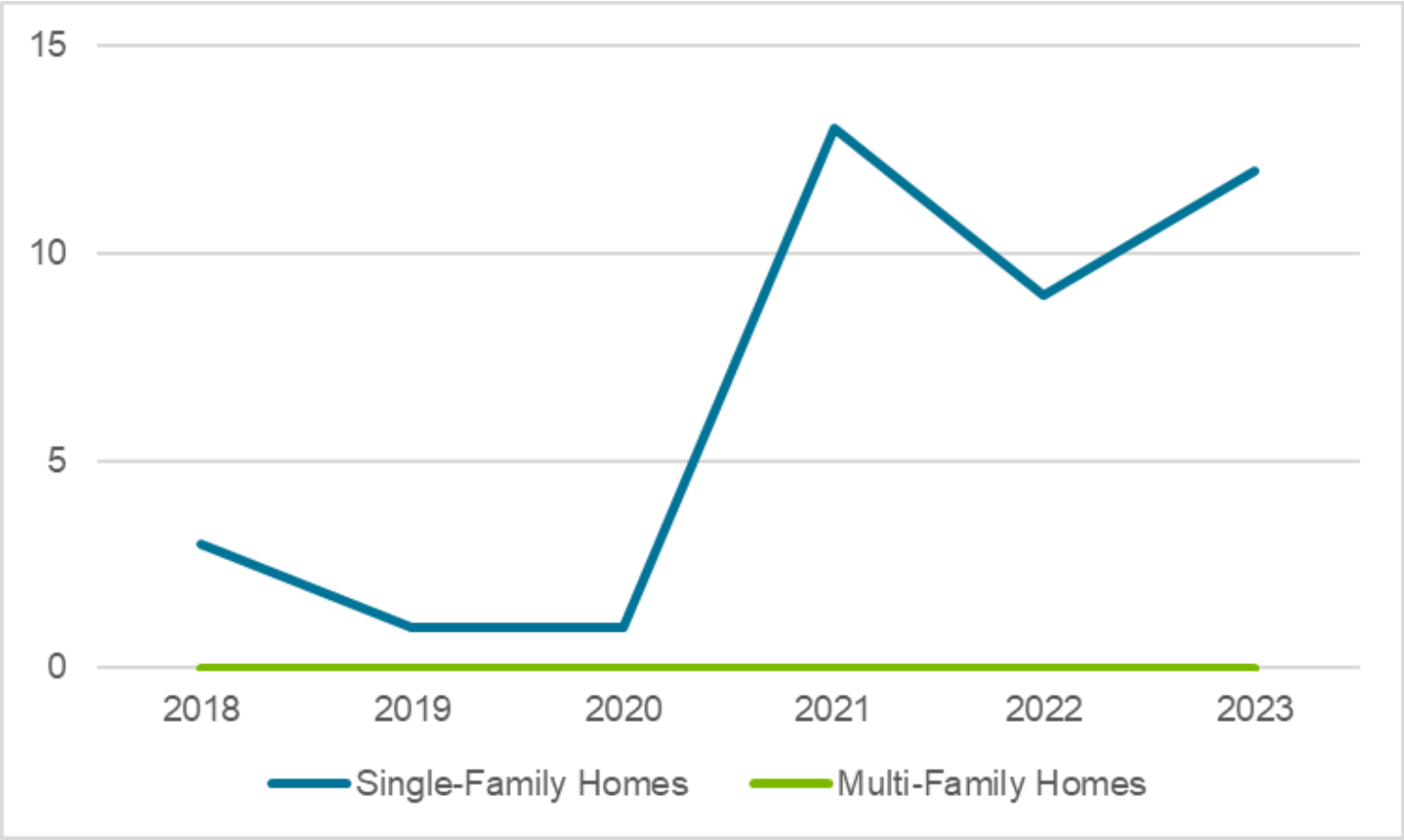


Residential Building Permit Activity

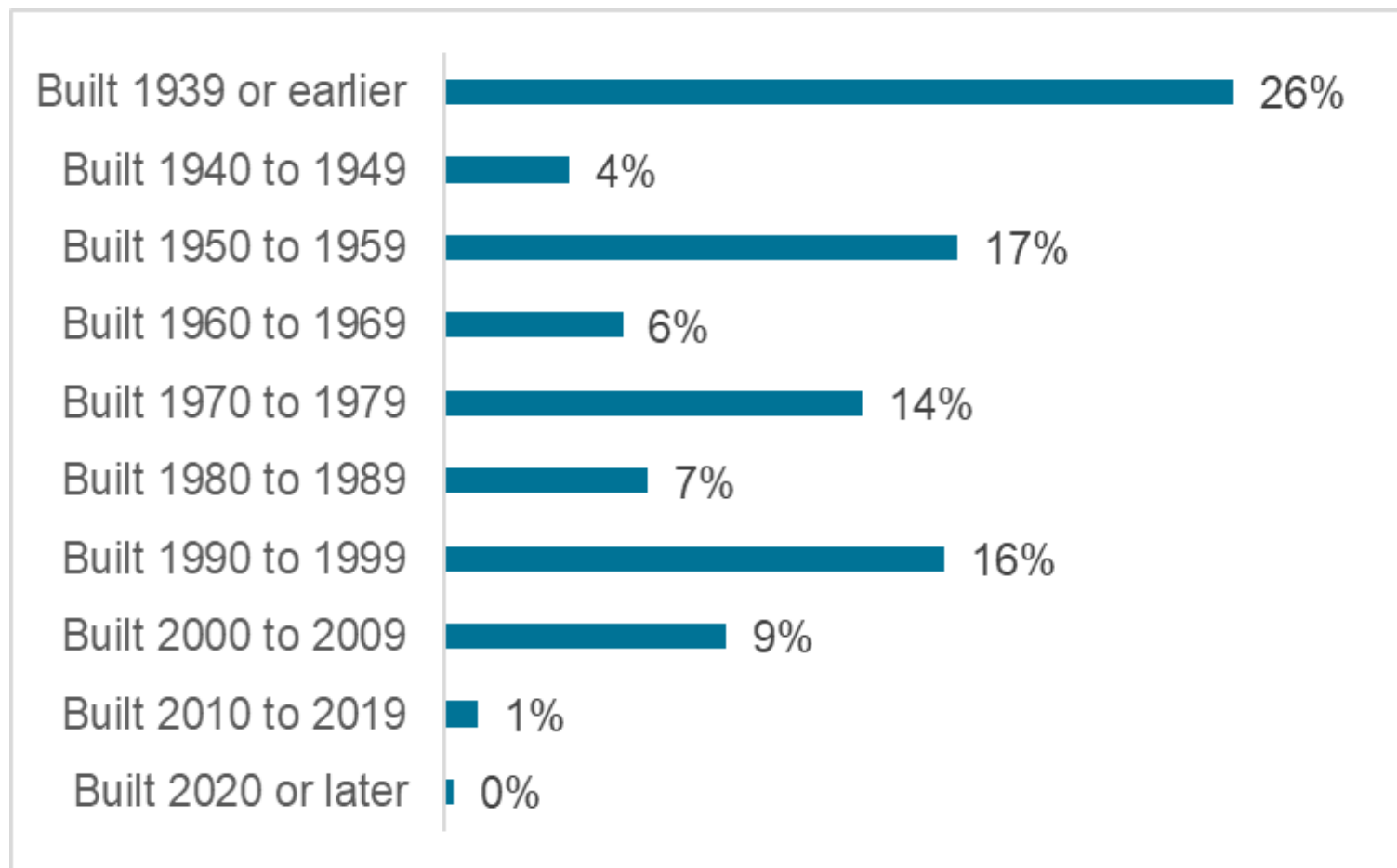
Housing Construction and Subdivision Activity in Wisconsin have not Recovered from Great Recession, Remain at Historically Low Levels



Residential Building Permit Activity (2018-2023)



Aging Housing Stock



Construction & Housing Affordability

- Changes in the homebuilding industry



- Reduced access to credit



- Higher costs, supply chain, and labor issues

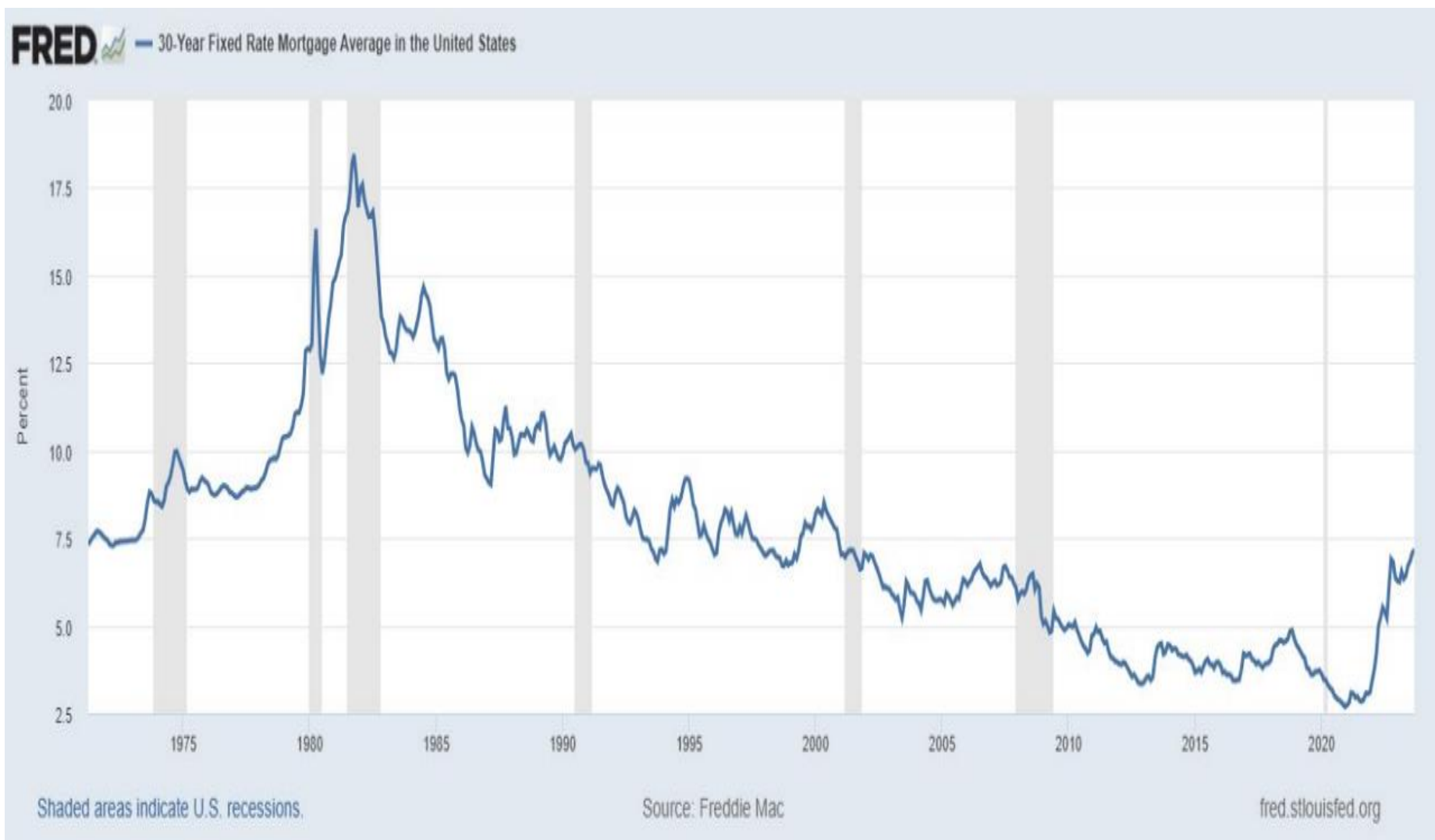


Rising Home Values

County	Population (2021)	Median Sales Price (2019)	Median Sales Price (August 2023)	Price Increase (2019-2023)	Percent Increase (2019-2023)
Milwaukee	947,241	\$170,000	\$250,000	\$80,000	47.1%
Dane	551,989	\$297,500	\$415,000	\$117,500	39.5%
Waukesha	410,666	\$308,500	\$433,956	\$125,456	40.7%
Brown	267,612	\$195,000	\$318,000	\$123,000	63.1%
Racine	197,249	\$180,900	\$242,650	\$61,750	34.1%
Outagamie	189,938	\$184,950	\$286,000	\$101,050	54.6%
Kenosha	171,455	\$193,000	\$285,150	\$92,150	47.7%
Winnebago	170,400	\$155,000	\$257,500	\$102,500	66.1%
Rock	161,899	\$168,000	\$250,000	\$82,000	48.8%
Washington	140,052	\$252,000	\$365,000	\$113,000	44.8%
Marathon	138,934	\$166,000	\$256,500	\$90,500	54.5%
La Crosse	120,331	\$195,000	\$317,000	\$122,000	62.6%
Sheboygan	118,495	\$158,700	\$251,000	\$92,300	58.2%
Eau Claire	105,349	\$189,900	\$320,000	\$130,100	68.5%
Fond du Lac	104,944	\$142,500	\$240,000	\$97,500	68.4%
Walworth	104,759	\$225,300	\$385,000	\$90,950	40.4%

Source: Wisconsin Realtors Housing Statistics (accessed 9/24/23); Population Estimates from Wis. Dept. Admin.

Increased Interest Rates



Source: FRED St. Louis September 2023

Interest Rates Impact Entry-Level Affordability

	<i>February 2022</i>	<i>September 2023</i>	<i>Change (2022-2023)</i>	<i>Percent Change</i>
Interest Rate (30-year Fixed, Percent)	3.89	7.19	3.30	84.8%
Median Home Price (Wisconsin)	\$230,450	\$300,000	\$69,550	30.2%
Cash at Closing (downpayment + closing costs)	\$14,980	\$19,500	\$4,520	30.2%
Monthly Mortgage Payment	\$1,066	\$1,997	\$931	87.3%
Total Monthly Owner Costs (excl. utilities)	\$1,627	\$2,692	\$1,065	65.4%
Annual Income Needed	\$63,000	\$104,189	\$41,189	65.4%

Notes: Estimate assumes a 3.5% downpayment, 30-year fixed rate mortgage with zero points, 3% closing costs, UFMIP financed, 85 bps mortgage insurance, \$1500 homeowners insurance, property tax rate 14.46 mils, 31% max mortgage DTI.

