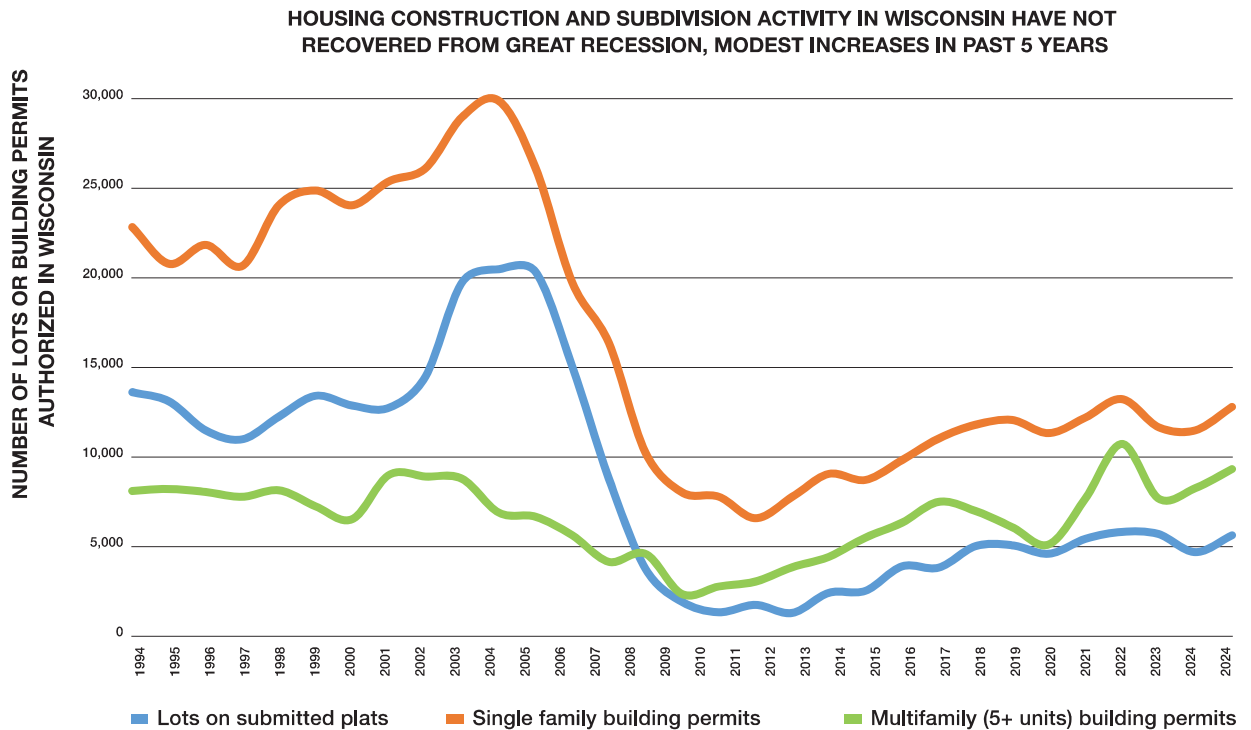


Wisconsin Housing: Problems and Solutions

Wisconsin is facing rising housing costs. Limited inventory, historically high property taxes and a prohibitively competitive market are pushing Wisconsinites to the limit. Employers are struggling to attract and retain workers when employees cannot afford to live near work, and small businesses are paying the price for housing scarcity.



Source: Lots on subdivision plats submitted to Wis. Dept. of Admin.; Building Permits Database, U.S. Census Bureau. *2024 building permit data is preliminary.

140,000

new homes needed

by 2030

just to meet demand

8th

highest property tax
burden in the **NATION**

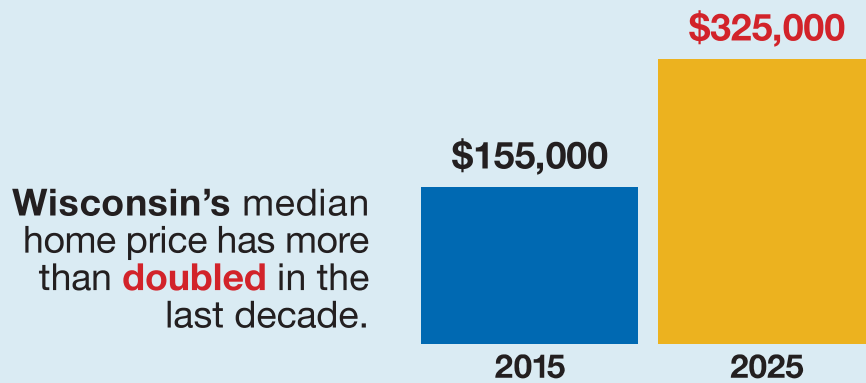
2nd

highest property tax
burden in the **MIDWEST**

THE PROBLEM

Affordability

Wisconsin's housing affordability crisis stems from a shortage of new homes, historically high property taxes and rising home prices. Home costs continue to outpace incomes, making reasonably priced housing harder to secure and maintain.



Avg. Age
40

7 Years
to save for a
down payment

\$150K
lost equity
buying at 40
instead of 30



Highest
Down Payment
since the
1980s

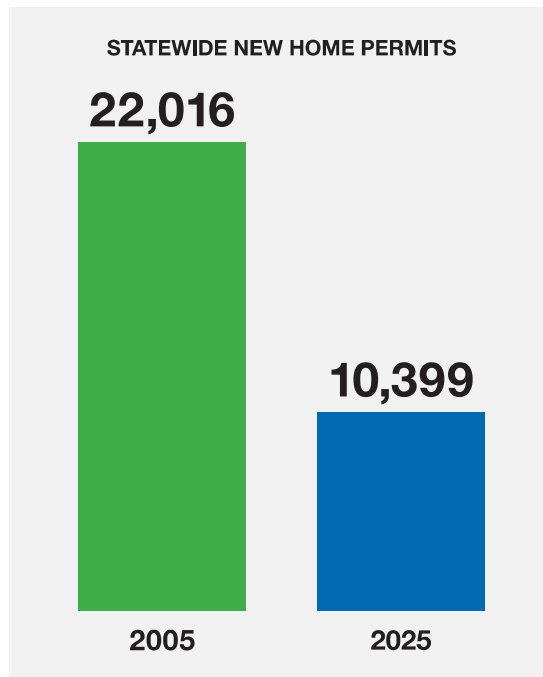
REASON 1

Lack of Housing Supply

Wisconsin is facing a growing housing shortage. Research estimates the state will need to build at least **140,000 new homes by 2030** just to meet current demand.

NEW CONSTRUCTION NEVER RECOVERED FROM THE GREAT RECESSION

- New home permits have fallen behind, leading to reduced supply and rising costs.
- Wisconsin **needs over 20,000 new permits** annually to meet market demand.



CONSTRUCTION COSTS CONTINUE TO RISE

- Site work accounts for nearly 8% of total construction costs. (Source: National Association of Homebuilders.)
- Large minimum lot sizes force fewer homes on more land, resulting in higher costs and pricing out “missing middle” housing.

GOVERNMENT REGULATION ADDS

- 40% of costs related to multifamily housing development.
- \$88,500 to the cost of a new single-family home in the Midwest.
- A 14-month lead time before construction can begin. (Source: Wisconsin Institute for Law & Liberty.)

MARKET NEEDS ARE NOT BEING MET

- Wisconsin is **not building the product homebuyers need**, which are starter homes, otherwise known as the “missing middle.”
- Development of condominiums — a product often owned at the beginning and end of the housing cycle — is nearly obsolete.
- Wisconsin needs more attainable, high-density neighborhoods featuring smaller lots and homes.

LIMITED HOUSING SUPPLY DRIVES PRICES UP

- **High prices push first-time and middle-income buyers out of the market.**
- Creates a “lock-in” effect, discouraging people from moving out of homes they no longer need, reducing the availability of homes for buyers who would be a better fit.
- Forces potential buyers to remain in the rental market, intensifying pressure on rental availability.
- Acts as a barrier to entry-level housing, limiting the generational wealth-building opportunities that homeownership provides.