

Report 2: Madison Area Single-Family Home Sales Time Series

Ira Sharenow

August 27, 2025



Executive Summary

This report expands the analysis to include Madison and surrounding suburban communities (1994-2024), revealing market dynamics across the broader metropolitan area:

Key Findings: - **Market Scale:** Madison represents the largest single market, with suburban communities collectively providing additional market depth - **Price Relationships:** Suburban homes command higher absolute prices, while Madison properties show higher price per square foot values - **Growth Patterns:** Both markets show similar long-term appreciation trends, with suburban markets showing slightly higher volatility - **Size Differences:** Suburban homes average 200-300 square feet larger than Madison properties across all bedroom categories - **Market Dynamics:** The price relationship between suburbs and Madison reflects trade-offs between home size and location convenience

Introduction

This second report expands our analysis beyond Madison city limits to include the broader metropolitan area. While Report 1 established baseline trends for Madison proper, this analysis compares urban and suburban single-family housing markets to identify key differentials and market dynamics.

Methodology Notes: - Madison properties identified by attendance at Madison high schools (Memorial, West, East, LaFollette) - Suburban properties include all other communities in the dataset with sufficient transaction volumes - Analysis maintains the same 1994-2024 time frame for consistency - All data cleaning and filtering criteria consistent with Report 1.

Market Geography Overview

Transaction Volumes by Location

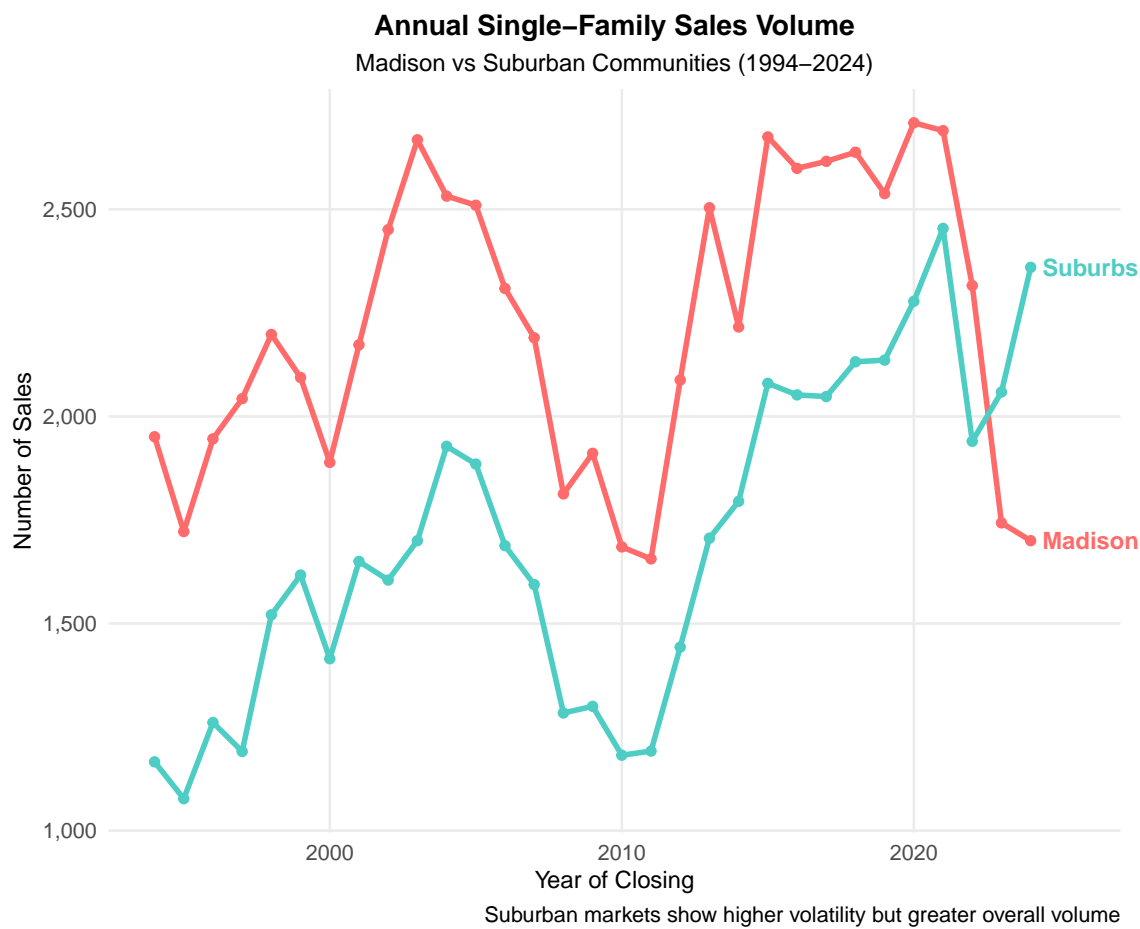
Table 1: Single-Family Home Sales by Location (1994-2024)

| Location | Type | Total Sales | Percent of Market |
|-------------------|---------|-------------|-------------------|
| Madison | Madison | 68,773 | 56.7 |
| Sun Prairie | Suburbs | 13,336 | 11.0 |
| Stoughton | Suburbs | 5,591 | 4.6 |
| Waunakee - V | Suburbs | 5,083 | 4.2 |
| Verona | Suburbs | 4,887 | 4.0 |
| Madison | Suburbs | 4,780 | 3.9 |
| Fitchburg | Suburbs | 3,912 | 3.2 |
| Oregon - V | Suburbs | 3,781 | 3.1 |
| Mcfarland - V | Suburbs | 2,904 | 2.4 |
| Monona | Suburbs | 2,660 | 2.2 |
| Cottage Grove - V | Suburbs | 2,649 | 2.2 |
| Middleton | Suburbs | 1,784 | 1.5 |
| Cottage Grove | Suburbs | 1,051 | 0.9 |

The table above shows the distribution of sales across all included locations, with Madison accounting for the majority of transactions as the single largest market.

Market Volume Analysis

Annual Sales Activity - Madison vs Suburbs



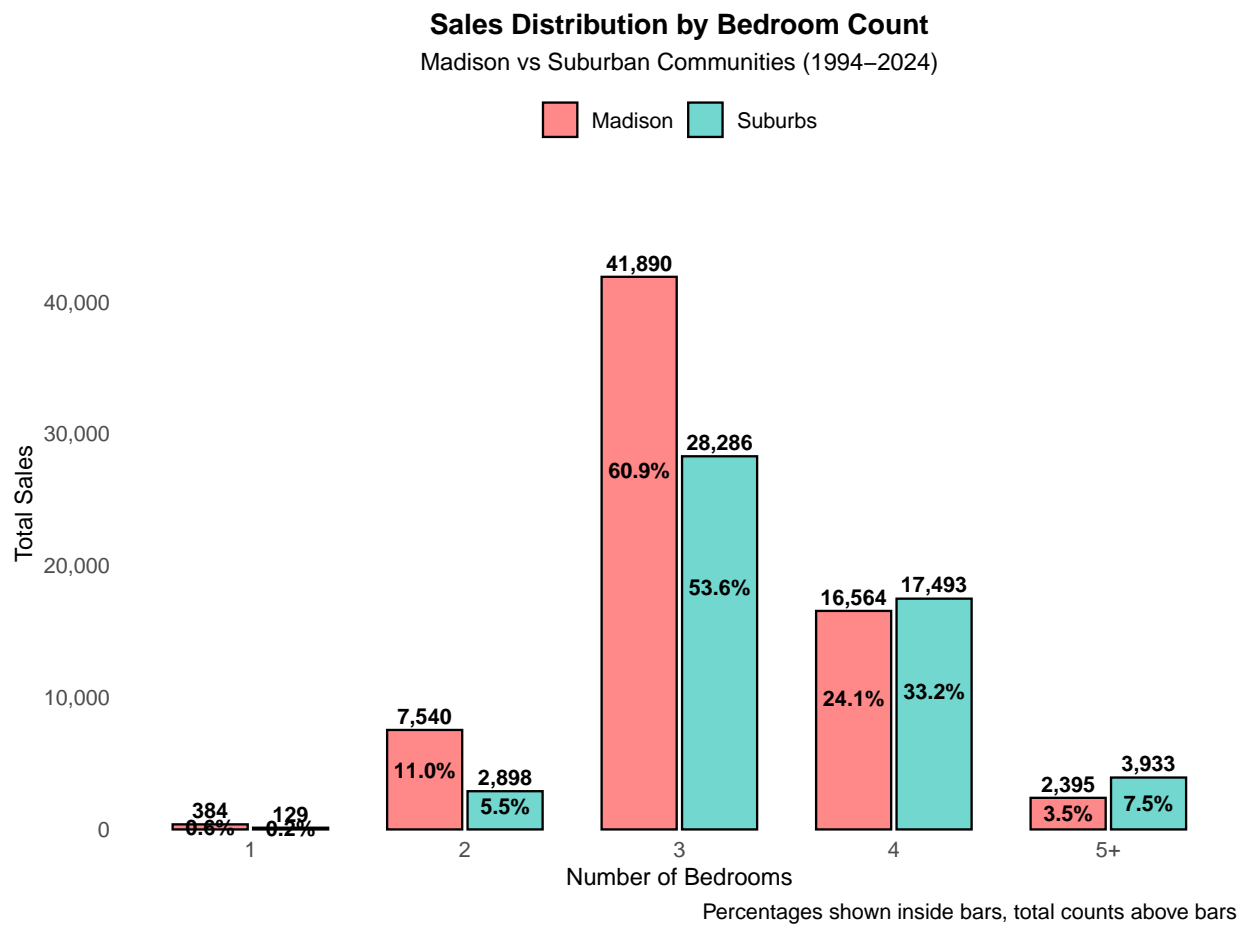
Recent Market Activity Summary

Table 2: Recent Sales Activity by Market and Bedroom Count (2019-2024)

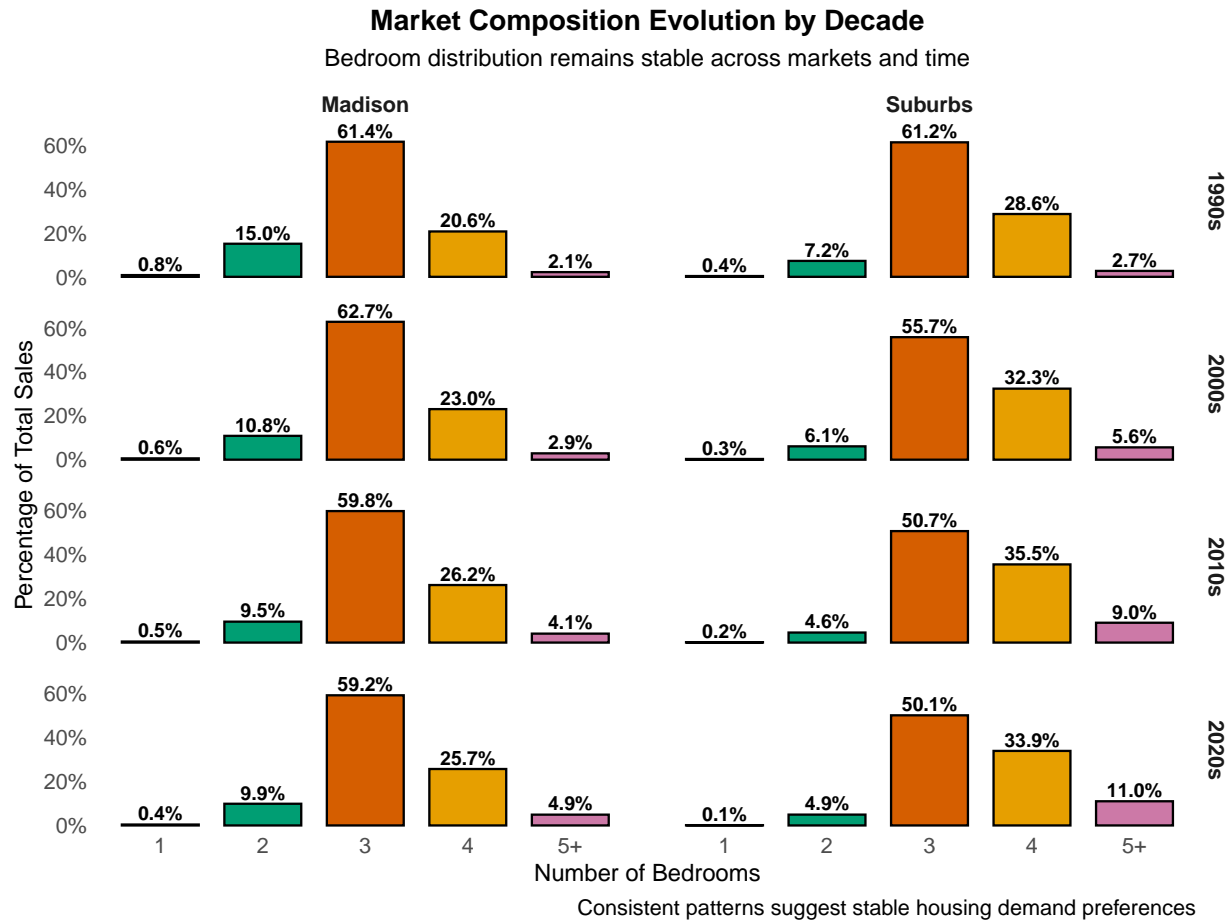
| Year | Market | 1-Bed | 2-Bed | 3-Bed | 4-Bed | 5+Bed | Total |
|------|---------|-------|-------|-------|-------|-------|-------|
| 2024 | Madison | 11 | 181 | 993 | 429 | 86 | 1,700 |
| 2024 | Suburbs | 3 | 112 | 1,198 | 804 | 243 | 2,360 |
| 2023 | Madison | 8 | 161 | 1,041 | 439 | 94 | 1,743 |
| 2023 | Suburbs | 2 | 131 | 1,045 | 650 | 231 | 2,059 |
| 2022 | Madison | 12 | 255 | 1,380 | 560 | 109 | 2,316 |
| 2022 | Suburbs | 3 | 97 | 993 | 643 | 204 | 1,940 |
| 2021 | Madison | 9 | 272 | 1,600 | 694 | 115 | 2,690 |
| 2021 | Suburbs | 4 | 130 | 1,204 | 838 | 278 | 2,454 |
| 2020 | Madison | 6 | 231 | 1,588 | 741 | 143 | 2,709 |
| 2020 | Suburbs | 3 | 76 | 1,113 | 823 | 263 | 2,278 |
| 2019 | Madison | 9 | 212 | 1,533 | 680 | 104 | 2,538 |
| 2019 | Suburbs | 3 | 71 | 1,095 | 756 | 211 | 2,136 |

Market Composition Analysis

Bedroom Distribution Comparison



Decade Evolution by Market



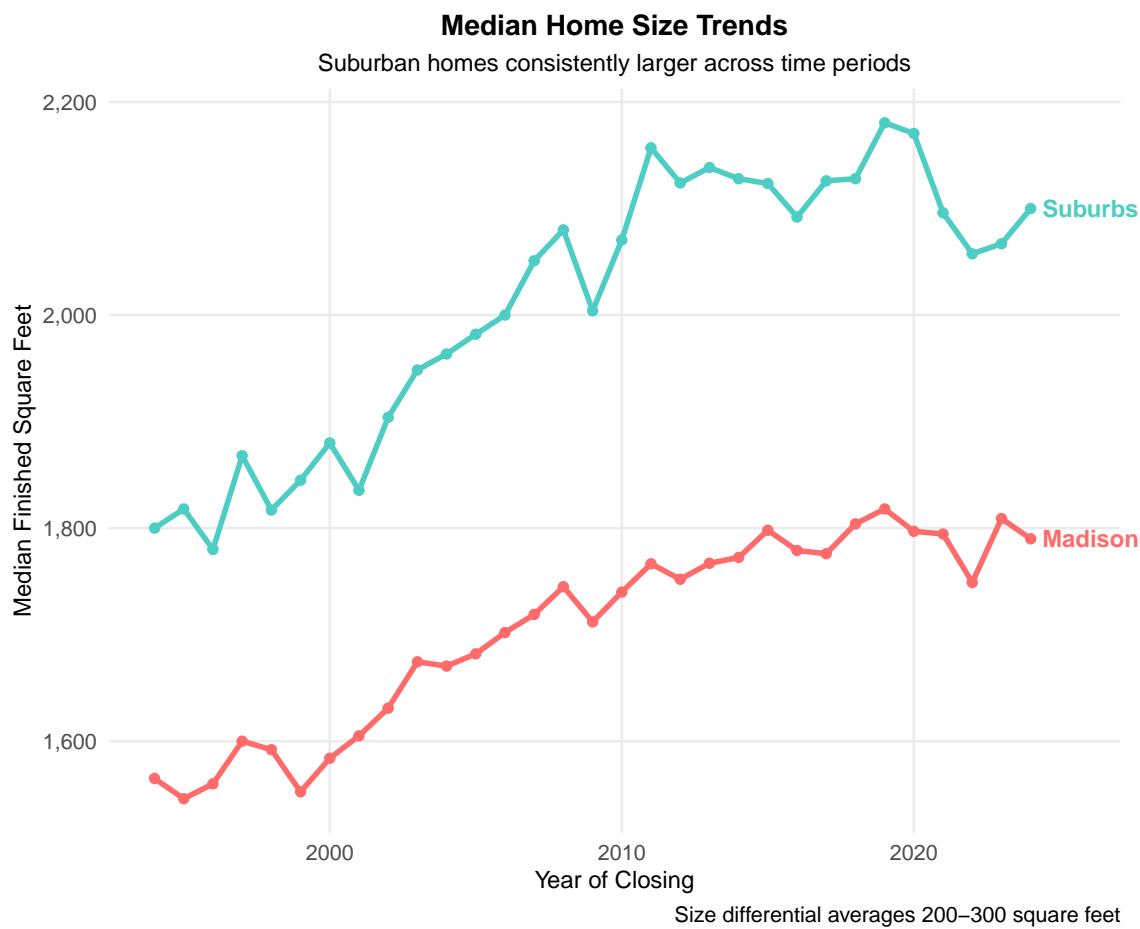
Price Analysis

Overview

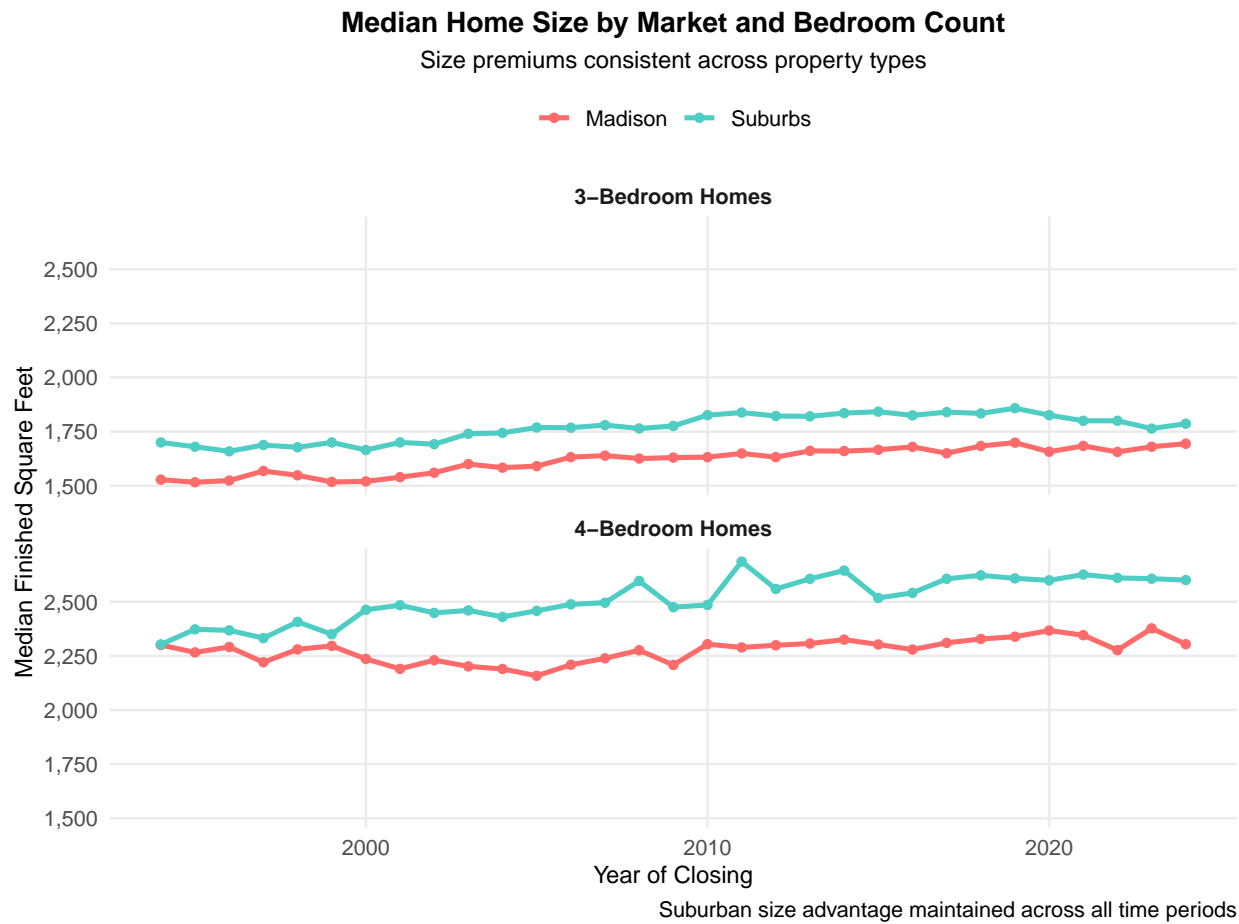
Price analysis reveals important trade-offs between location and home size. Detailed price trend and index analysis has been moved to the Price Intensity section below for better organization alongside related per-square-foot metrics.

Home Size Analysis

Square Footage Comparison

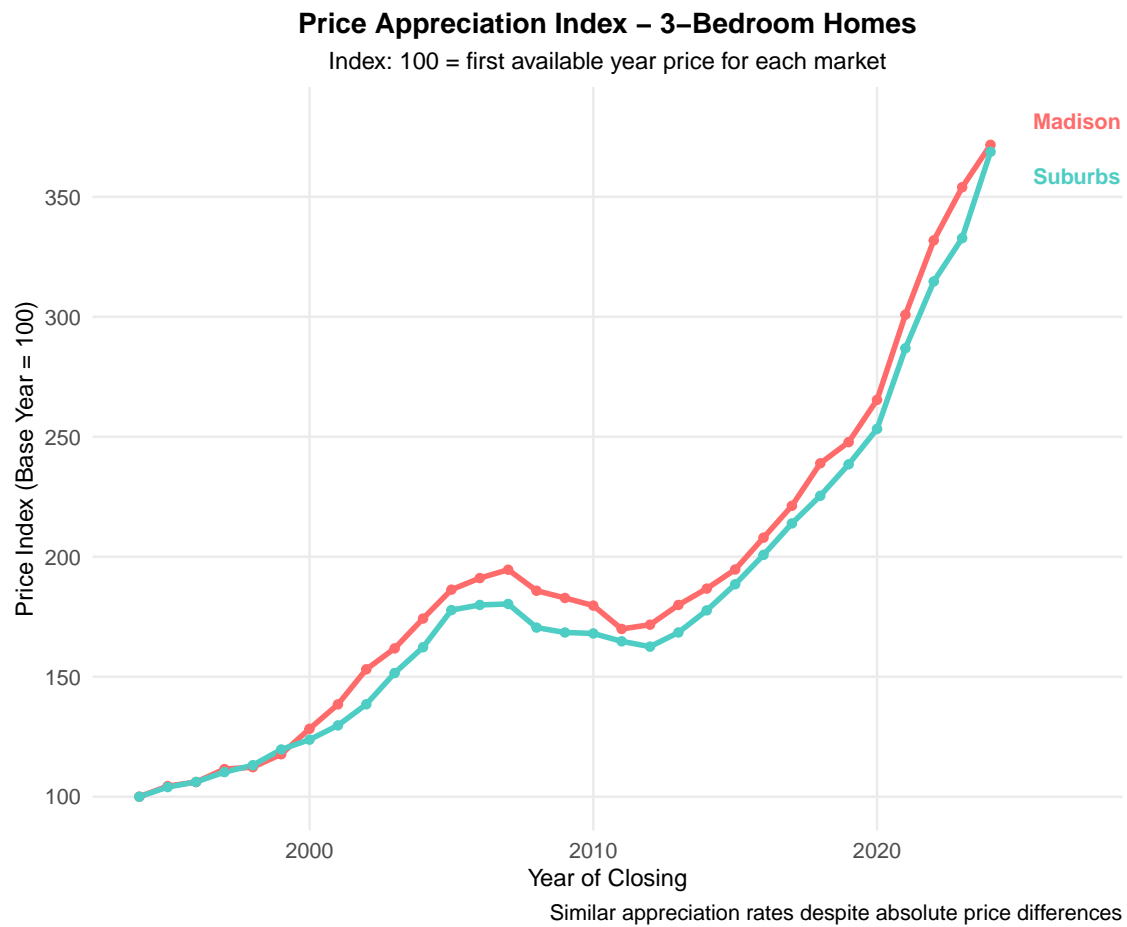


Size Comparison by Bedroom Count

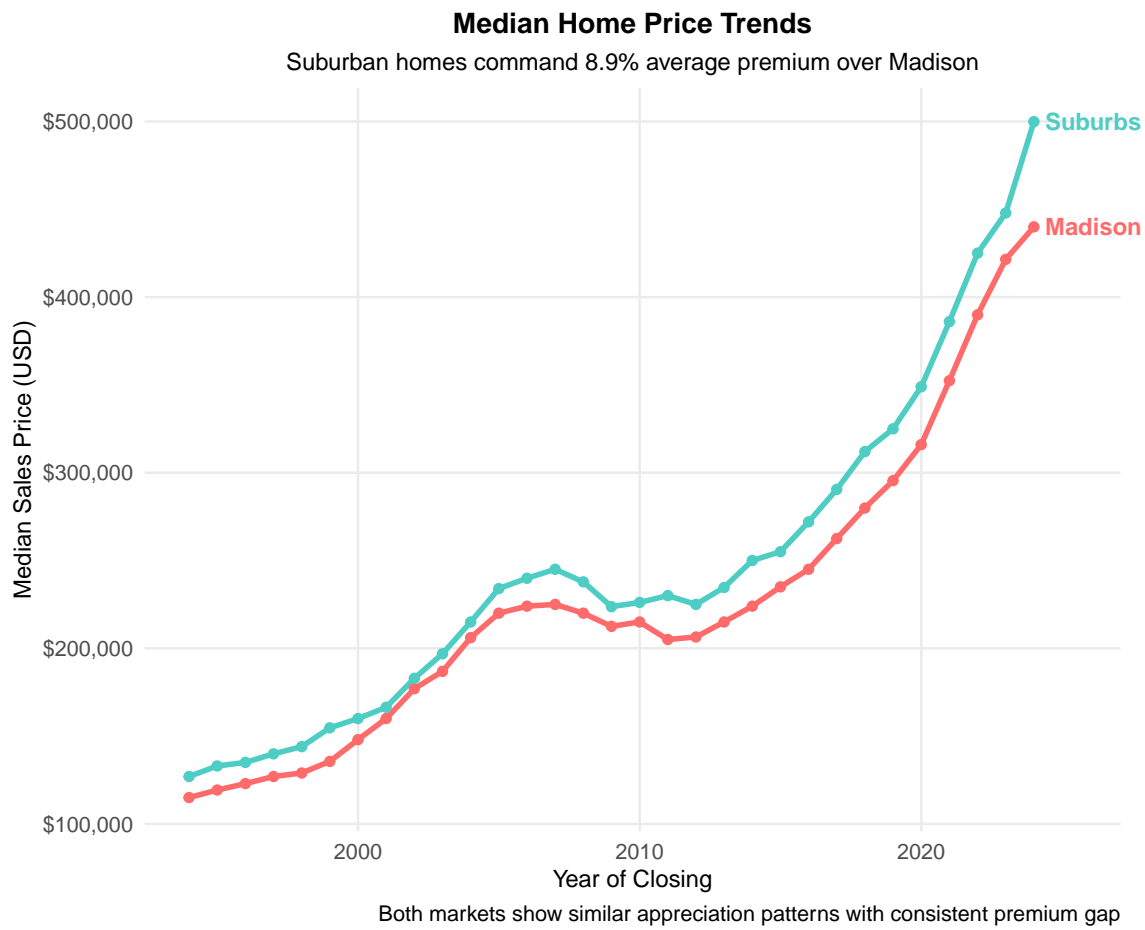


Price Intensity Analysis

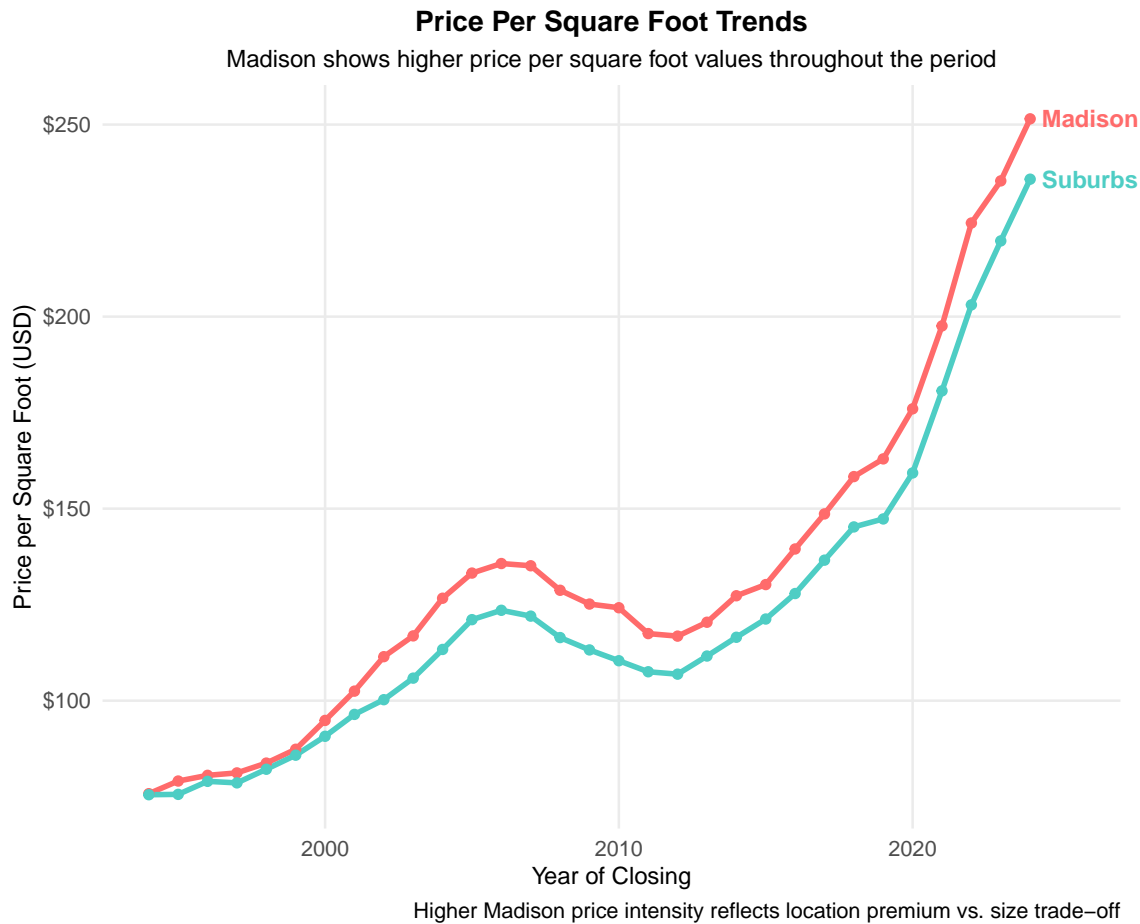
Price Appreciation Index - 3-Bedroom Homes



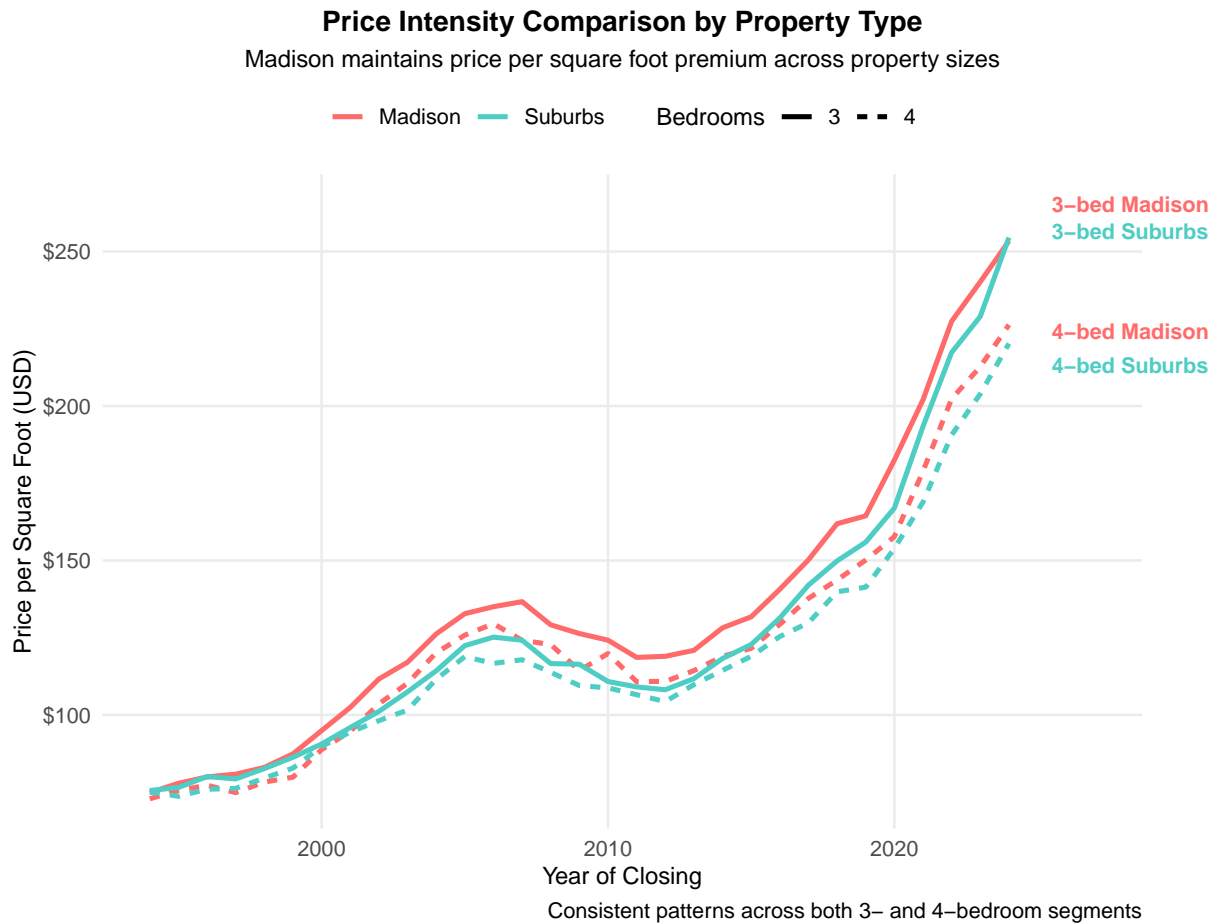
Median Price Trends



Price Per Square Foot Trends



Price Intensity Comparison by Property Type



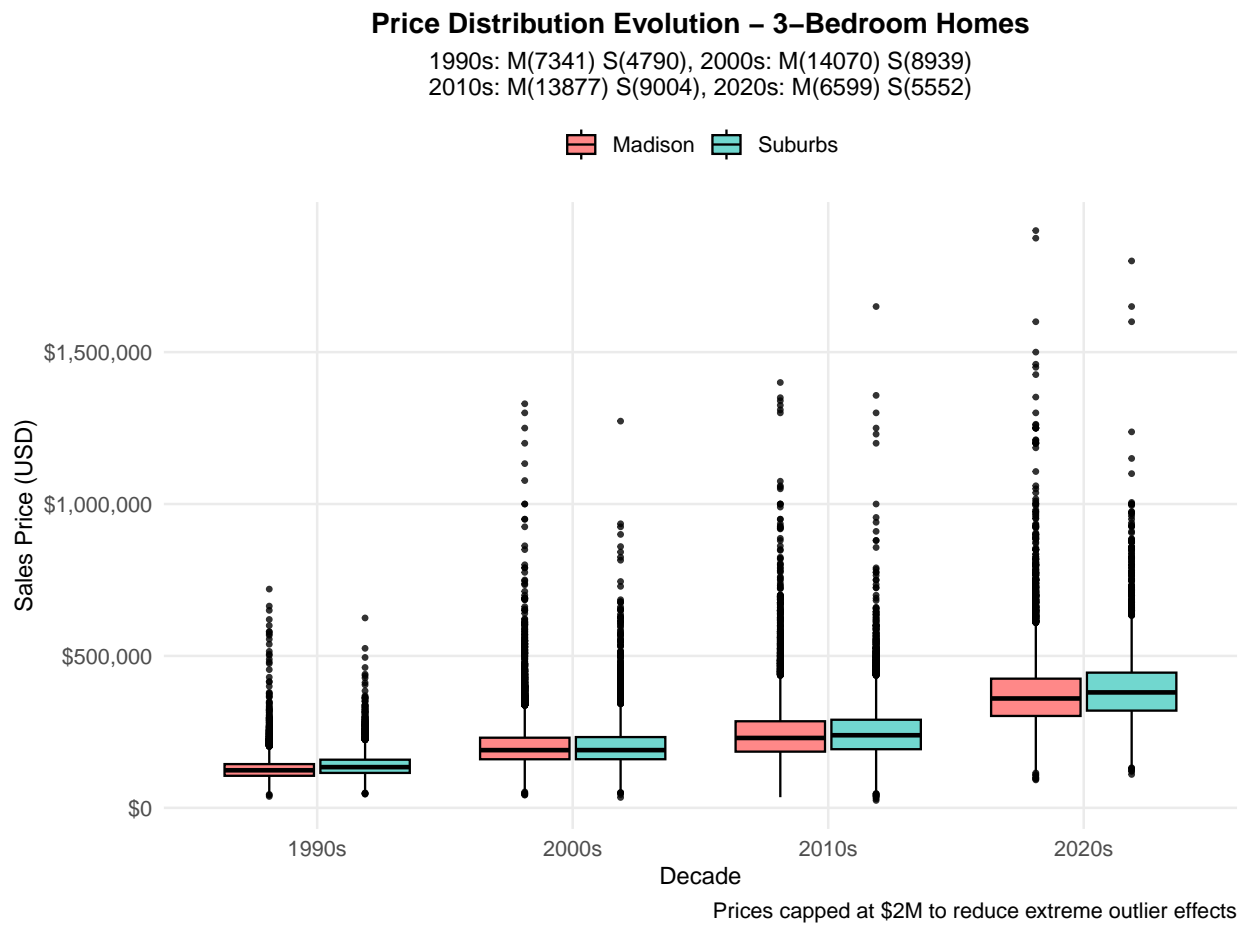
Lot Size Analysis

Table 3: Table 3: Median Lot Sizes by Market and Bedroom Count

| Category | Median Lot Size (sq ft) |
|-------------------|-------------------------|
| Madison 3-bedroom | 8,712 |
| Madison 4-bedroom | 10,454 |
| Suburbs 3-bedroom | 10,454 |
| Suburbs 4-bedroom | 12,197 |

Historical Distribution Analysis

Price Distribution Evolution (3-Bedroom Homes)



Summary and Market Implications

Key Market Dynamics

Volume and Scale: - Madison represents the largest single market location across all included areas - Combined market represents the total transactions shown in Table 1 across 30 years - Both markets show similar cyclical patterns with suburban areas showing higher volatility

Price Relationships: - Suburban homes command higher absolute prices, averaging 8.9% premium over Madison - Madison maintains higher price per square foot values, reflecting location vs. size trade-offs - Both markets show similar long-term appreciation rates despite absolute price differences

Property Characteristics: - Suburban homes average 200-300 square feet larger across all bedroom categories - Market composition by bedroom count remains stable across both markets - Size premiums consistent across all time periods and property types

Market Dynamics: - Price intensity patterns reveal clear location vs. space value propositions - Both markets show mature, interconnected transaction patterns - Trade-offs between location convenience and home size drive pricing differentials

Strategic Implications

1. **Market Segmentation:** Clear differentiation between location-premium (Madison) and size-premium (suburban) markets
2. **Value Propositions:** Buyers choose between Madison's convenience premium and suburban space advantages
3. **Investment Considerations:** Both markets offer similar appreciation potential with different value drivers
4. **Development Patterns:** Consistent demand preferences suggest stable market fundamentals

Data Quality and Methodology

- Analysis includes the transactions shown in Table 1 across all included markets
- Madison identification via high school attendance zones ensures geographic accuracy
- Excluded communities: Mount Horeb - V, Cross Plains - V, Cross Plains, Maple Bluff - V, Shorewood Hills - V
- Consistent data cleaning and error filtering applied across all analyses

Next Report Preview: Future analysis will explore micro-market variations within suburban communities and examine the impact of lot sizes and specific location amenities on pricing differentials.

Personal Note

I am very pleased to say that I am an alumnus of the University of Wisconsin-Madison. I have an M.A. in mathematics and an M.S. in Business from UW-Madison.

Ira Sharenow El Cerrito, CA irasharenow100@gmail.com

Go Bucky!

