

**For Immediate Release**

Contact:  Mike Ruzicka

414.778.4929 or 414.870.1876

mike@gmar.ws

**July Home Sales Up 3.8%**

|  |
| --- |
| **Market Highlights** |
| * Second Positive Sales Month in 2019
 |
| * May – July Peak Sales Continued
 |
| * More Units Needed Under $300K
 |

July 13, 2019 – Home sales were up 3.8% in July compared to a year earlier in the 4 county greater Milwaukee market. There were 2,263 homes sold in July 2019, versus 2,180 units in July 2018. July marked the second time the market saw positive sales in 2019.

|  |
| --- |
| **July Sales** |
| **County** | 2018 | 2019 | % Change |
| Milwaukee | 1,198 | 1,214 | 1.3% |
| Waukesha | 663 | 669 | 0.9% |
| Washington | 188 | 212 | 12.8% |
| Ozaukee | 131 | 168 | 28.2% |
| 4 County Area | 2,180 | 2,263 | 3.8% |
|  |  |  |  |
| Racine | 264 | 266 | 0.8% |
| Kenosha | 222 | 242 | 9.0% |
| Walworth | 192 | 186 | -3.1% |

July was a very good month in the metropolitan area. All four counties had healthy sales. 73% of sales occurred within 30 days of a home being listed (88% within 60 days), and most of those, 69%, were priced under $300K.

Given the strong regional economy – low unemployment, household growth, low interest rates – it’s no surprise there was healthy demand for homes by those seeking them.

While the market is clearly leaning in favor of sellers, many buyers are pushing back and not accepting sellers’ “take it or leave it” attitude. Multiple offers have slowed slightly, and, therefore, buyers are making counter demands. And, properties must be in good, “move in” condition to attract good quality buyers.

|  |
| --- |
|  |
| **Midyear Sales** |
| **Month** | **2015** | **2016** | **2017** | **2018** | **2019** |
| May | 1,880 | 2,111 | 2,179 | 2,121 | 2,136 |
| June | 2,370 | 2,497 | 2,590 | 2,369 | 2,232 |
| July | 2,199 | 2,197 | 2,082 | 2,180 | 2,263 |
|  | 6,449 | 6,805 | 6,851 | 6,670 | 6,631 |

May, June and July are typically the highest sales months of the year, and the last five years were the highest sales period this century. Despite 2019’s sales being 0.6% behind 2018, 2019 is part of a very strong run for home sales.

There are too many macro-economic factors at play (i.e. international trade) to make a determination as to whether the market will trail off further or continue at a high level in 2020. Currently, the infrastructure is present to continue at the current pace.

We do know that these sales numbers would be higher (and there would be more happy buyers) if there were an adequate supply of single-family and condominium units in the market.

For the last few years, resources have been allocated to apartment development, tying up labor and materials that could be used to alleviate the demand for single-family and condominium units in the region.

Additionally, many communities are missing the quality of life enhancements that homeownership provides – long-term community engagement, building wealth via property ownership, etc.

**Listings**

Listings were up across the board in the 4 county area for the second month in a row in July, and the fourth time so far in 2019. Nonetheless, listings are still not adequate to meet supply.

|  |
| --- |
| **July Listings** |
| **County** | 2018 | 2019 | % Change |
| Milwaukee | 1,429 | 1,445 | 1.1% |
| Waukesha | 774 | 788 | 1.8% |
| Washington | 241 | 255 | 5.8% |
| Ozaukee | 137 | 200 | 46.0% |
| 4 County Area | 2,581 | 2,688 | 4.1% |
|  |  |  |  |
| Racine | 391 | 389 | -0.5% |
| Kenosha | 319 | 360 | 12.9% |
| Walworth | 250 | 263 | 5.2% |

The metropolitan market could use an additional 3,350 listings (more than half priced under $300,000) to come close to satisfying current demand. That’s on top of the 6,687 listings currently in MLS.

**Inventory**

Seasonally adjusted inventory is calculated by taking the homes available for sale in a given month and comparing them to the past 12 months’ average sales. This tells us how many months it would take to sell the existing homes on the market. The seasonally adjusted inventory level for July was 4.0 months.  The seasonally adjusted level was also 4.0 months in July 2018.

Generally, 6 months of inventory is considered a “balanced” market. If inventory falls below 6 months, the market favors sellers; and when inventory exceeds 6 months, it is a buyer’s market.

We also calculate inventory by subtracting the listings that have an “active offer” from those available for sale in a given month. Approximately 8 in 10 listings that buyers place an offer on go on to a complete sale. This gives us a different perspective of the quantity of homes available on the market.

Subtracting the 2,432 listings with an active offer from total current listings presents an effective inventory level of 2.1 months.  A year ago, the same calculation showed July’s inventory level at 2.2 months.

**Where to go**

Buyers should seek the counsel of a REALTOR® in determining their best housing options, and sellers need a REALTORS® expert advice in making correct marketing decisions with their homes.

The Greater Milwaukee Association of REALTORS® is a 4,500-member strong professional organization dedicated to providing information, services and products to “help REALTORS® help their clients” buy and sell real estate.  Data for this report was collected by Metro MLS, Inc. a wholly-owned subsidiary of the GMAR.

\* Sales and Listing figures differ between the “Monthly Stats” and “4th qtr” (or year-end) because the collection of “Monthly Stats” ends on the 10th of each month; whereas the “4th qtr” is a continuous tally to 12/31.  For example, if a sale occurred on July 29th, but the agent does not record the sale until July 11th, that sale would not be included in the July sales figures (or any subsequent month’s total) but would be added to the annual total sales figure in the “4th qtr” total.