

For Immediate Release

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August Home Sales Up 2.0%

Highlights

- August Sales Uneven In The Region
- Listings Have Grown Most of 2021
- 2021 Looks Like Another 20K+ Sales Year

September 14, 2021

Market Summary

For the 6th month in a row the Metropolitan Milwaukee real estate market outperformed the pandemic fueled 2020 market.

Milwaukee County pulled more than its weight in August as the other three metropolitan counties saw a decline in sales. The waning of those 3 counties was most likely due to the typical late-summer slowdown the market often sees, rather than a change of tide.

Waukesha and Ozaukee were down in July as well, but in June all 4 metro counties were up over 20%, or more.

Through August 2020 there were 13,586 sales. Adding 8,353 over the last 4 months of the year generated the highest total annual sales ever for the metropolitan market.

So far in 2021 there have been 15,108 sales. Over the last 3 years, the average total sales in the final 4 months was 7,060. That would give us 22,168 for the year, within striking distance of 2020's historic total.

While August's listings were down 2.8% in the metropolitan area, the 19,374 year-to-date total was 9% ahead of 2020. However, there is still a significant dearth of inventory, to the tune of 5,625 units. That's

August Sales

County	2020	2021	% Change
Milwaukee	1,191	1,333	11.9%
Waukesha	727	682	-6.2%
Washington	242	223	-7.9%
Ozaukee	180	152	-15.6%
Metro Area	2,340	2,390	2.1%
Racine	306	302	-1.3%
Kenosha	271	273	0.7%
Walworth	222	187	-15.8%
SE WI Area	3,139	3,152	0.4%

August Listings

County	2020	2021	% Change
Milwaukee	1,620	1,572	-3.0%
Waukesha	703	709	0.9%
Washington	254	258	1.6%
Ozaukee	178	139	-21.9%
Metro Area	2,755	2,678	-2.8%
Racine	389	410	5.4%
Kenosha	282	303	7.4%
Walworth	253	238	-5.9%
SE WI Area	3,679	3,629	-1.4%

how many we need to satisfy current demand, which means the sellers-market will continue for the foreseeable future. In August there was only enough inventory to satisfy 3.1 months of demand (in a balanced market there would be 6 months of inventory), and if we subtract units with an offer on them that level drops to 1.4 months.

The systemic problem with the market is the lack of new construction of single-family houses and condominiums, and over production of apartments. That bottle-neck combined with the demographic surge of Millennial and GenZ buyers, historically low interest rates, and a growing economy, have all contributed to an historically tight market.

If the region does not create additional supply in the form of more single-family and condo units, thousands of would-be homeowners will be forced into rental units, foregoing the opportunity to build wealth through a home's equity and all of the other benefits of homeownership.

Properties in the \$200K - \$299K range in the metropolitan market were up 9% in August. While the top end of the market, \$500K+, saw the biggest jump, increasing 23%.

The outlook for the market is solid, but seasonally slower in the months ahead. Brokers are reporting strong interest among potential buyers and sellers are more excited to list their homes.

Where to go

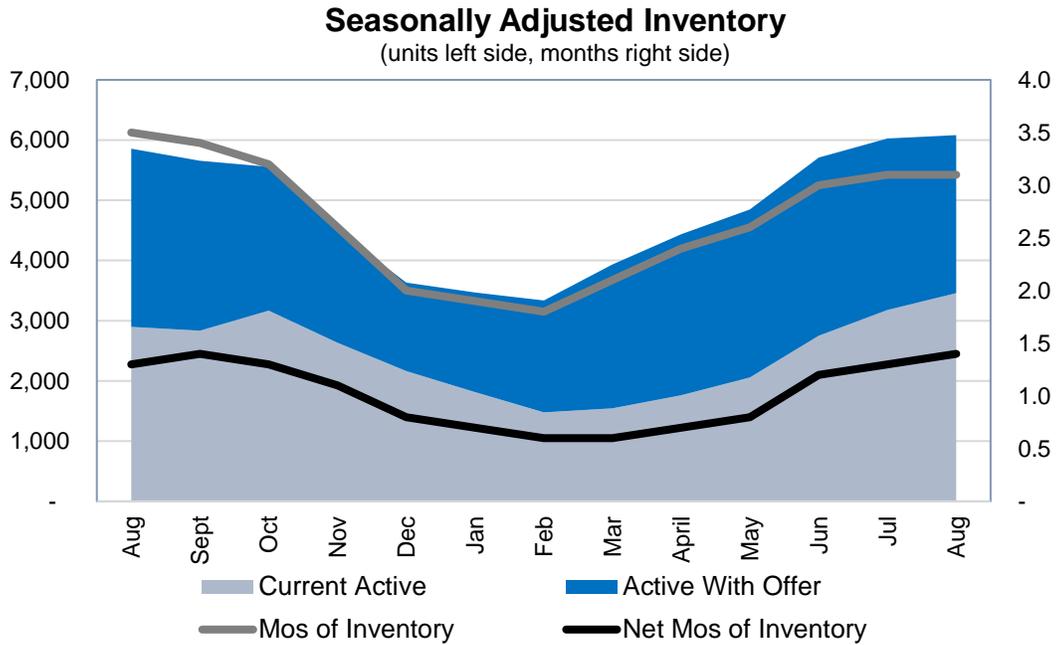
Buyers should seek the counsel of a REALTOR® in determining their best housing options, and sellers need a REALTORS® expert advice in making correct marketing decisions with their homes.

The Greater Milwaukee Association of REALTORS® is a 5,000-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 quarter or year-end numbers, because the collection of Monthly Stats ends on the 10th of each month, whereas quarters are a continuous tally to 12/31. For example, if a sale occurred on August 29th, but an agent does not record the sale until August 5th, that sale would not be included in the August sales figures (or any subsequent month's total) but would be added to the quarterly and annual total sales figures.

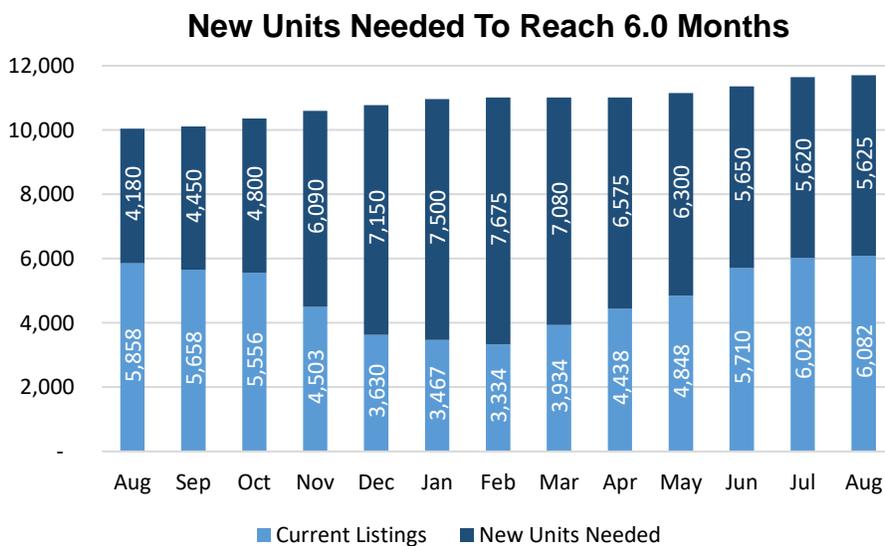
** All references to the "metropolitan" area denotes the 4 counties of Milwaukee, Waukesha, Ozaukee, and Washington Counties. The "region" or "Southeast Wisconsin" refers to the 4 metropolitan counties (Milwaukee, Waukesha, Ozaukee, and Washington), plus the 3 counties to the south, Racine, Kenosha, and Walworth Counties.

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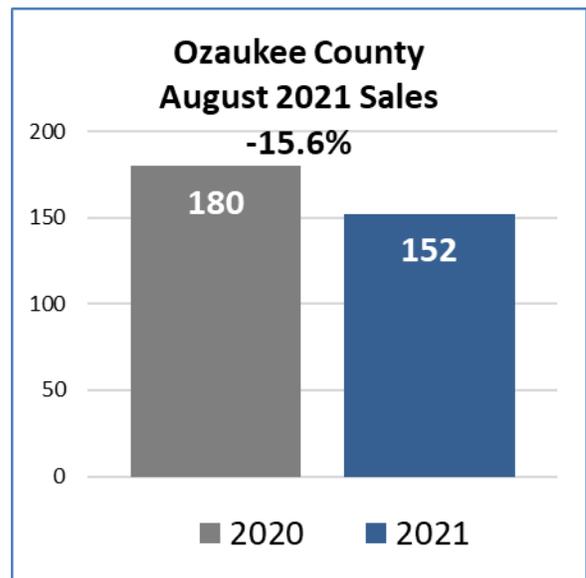
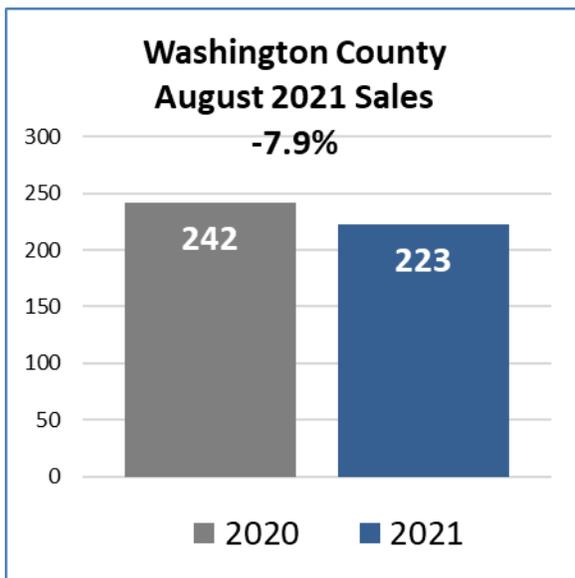
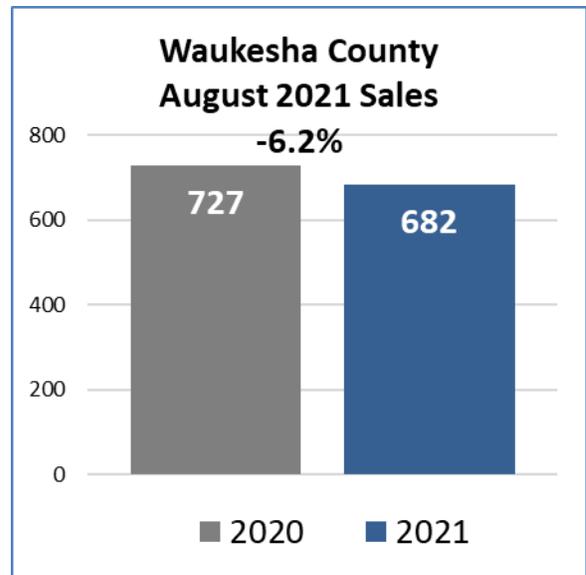
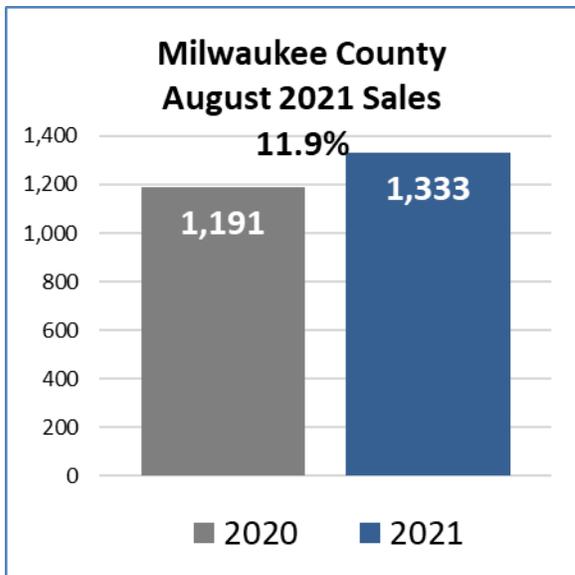
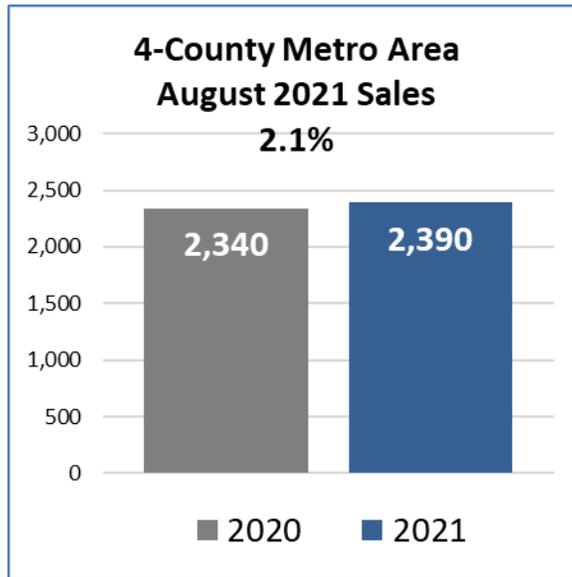
Seasonally adjusted **inventory** is calculated by taking the homes available for sale in each month and comparing them to the past 12 months' average sales. This tells us how many months it would take to sell the existing homes on the market. The seasonally adjusted **inventory level for August was 3.1 months**.

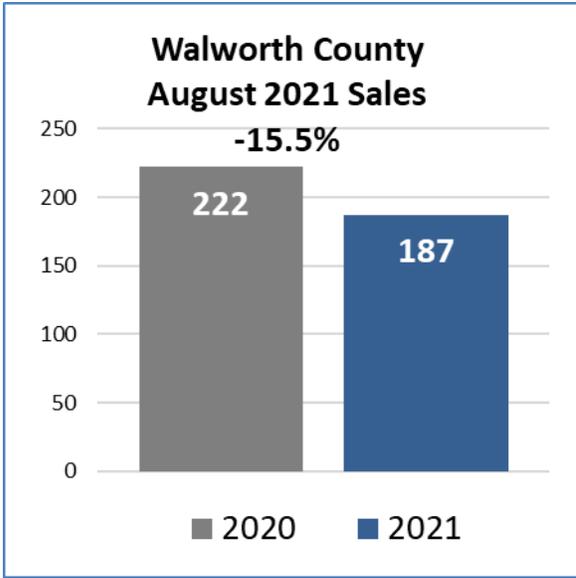
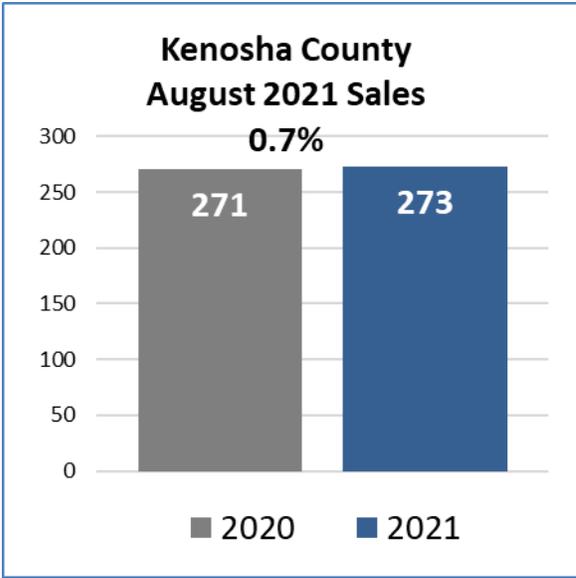
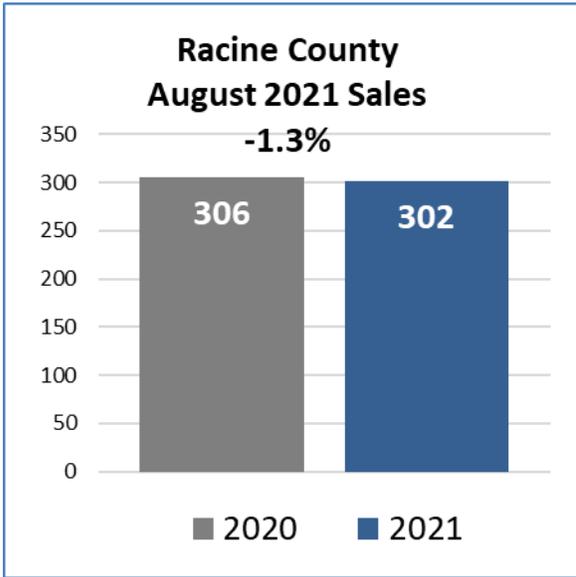
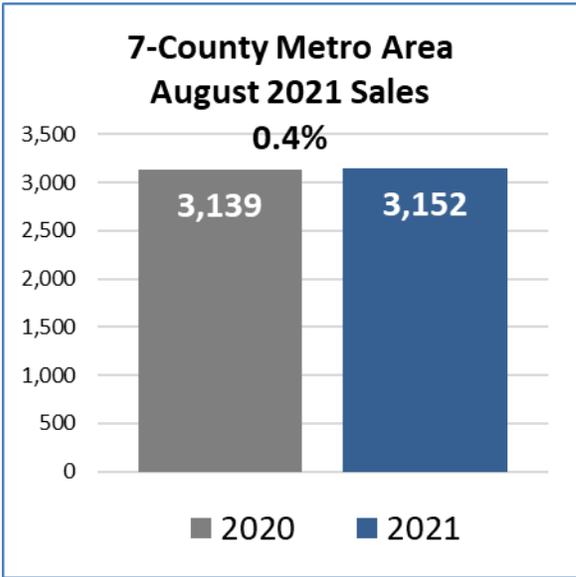
If we subtract the listings that have an “active offer” from those available for sale (about 80% of listings with an offer turn into a sale), we get a different perspective of the quantity of homes available for sale. Subtracting listings with an active offer from total listings, yields **a remarkably low 3,458 listings, which equals 1.4 months of inventory**.

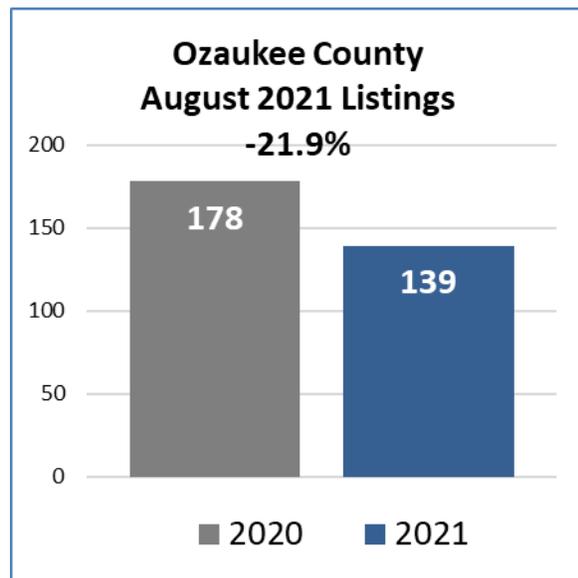
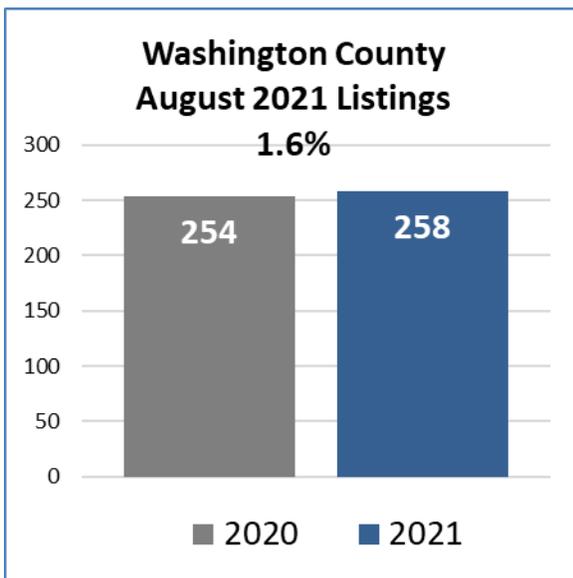
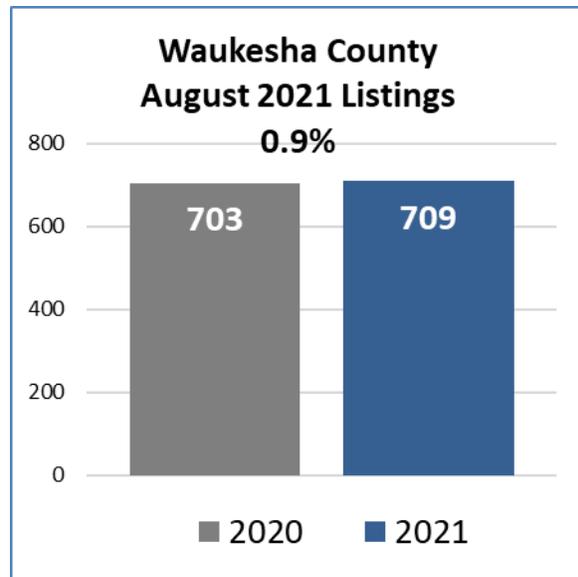
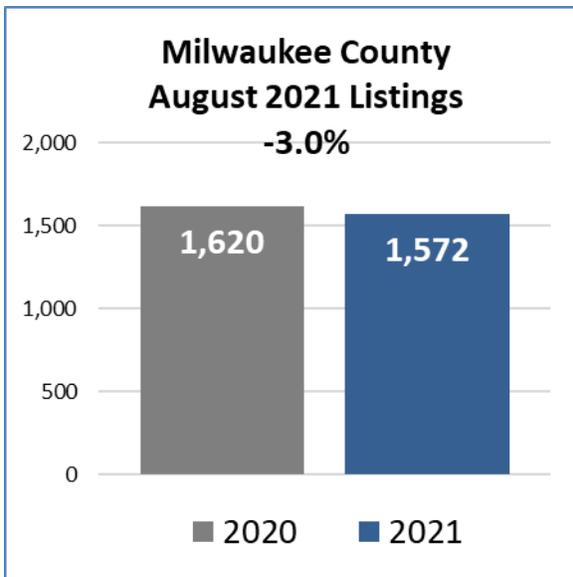
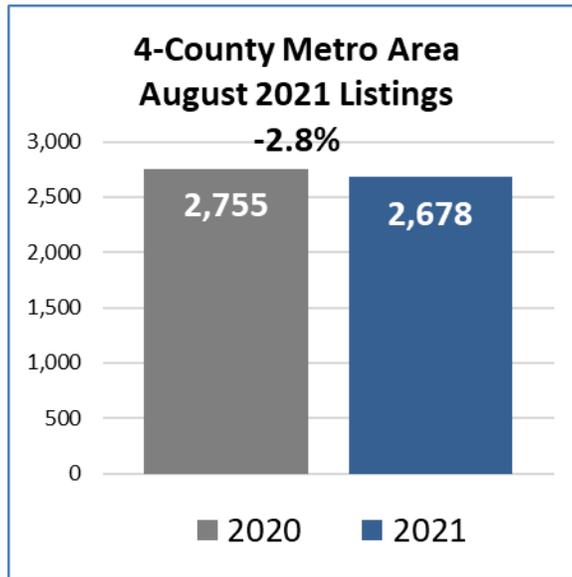


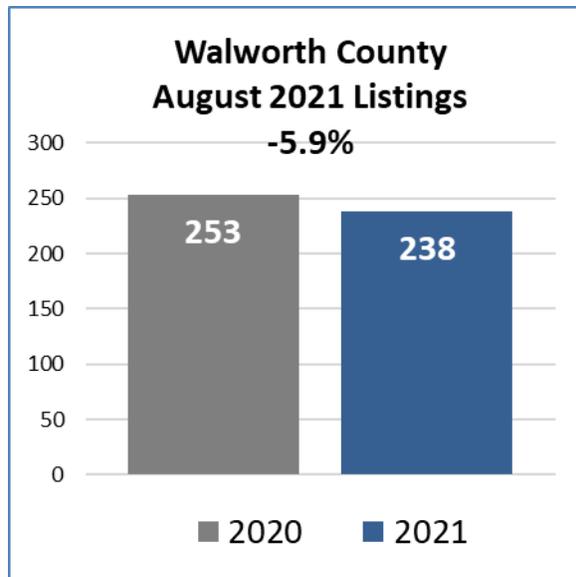
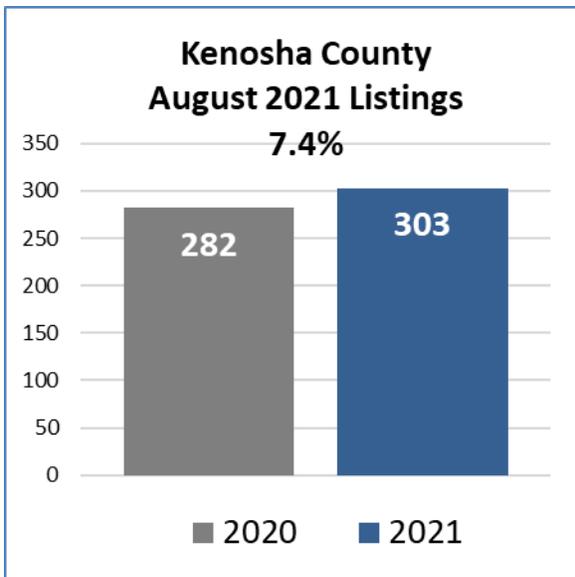
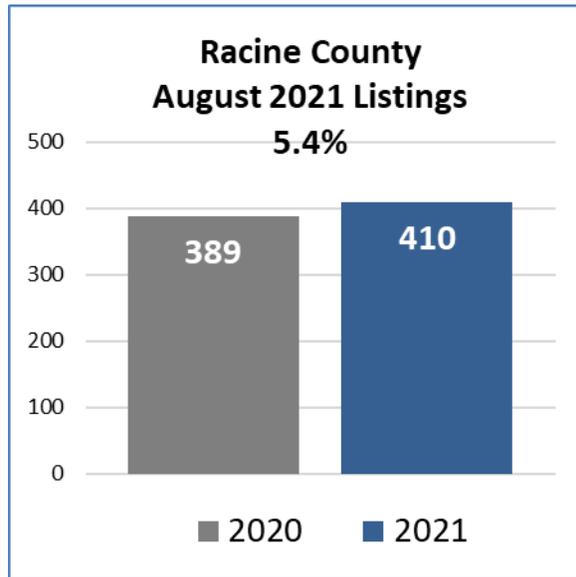
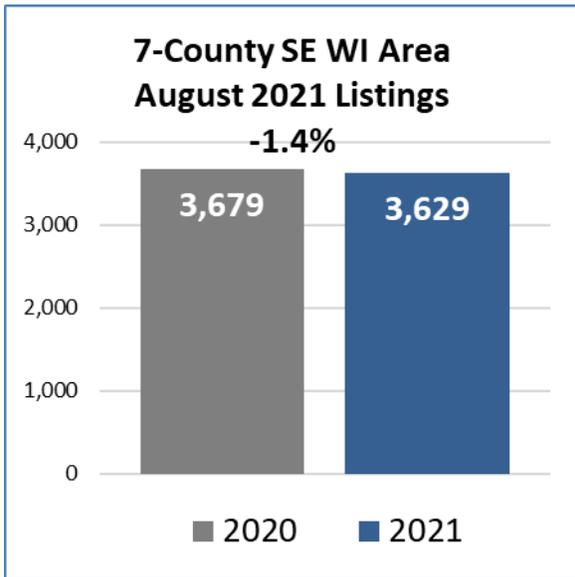
Generally, **six months of inventory is considered a “balanced” market**. If inventory falls below six months, the market favors sellers, and when inventory exceeds six months, it is a buyer's market.

With 6,082 current listings providing 3.1 months of inventory, **the market would need an additional 5,625 units to push inventory to 6 months**.



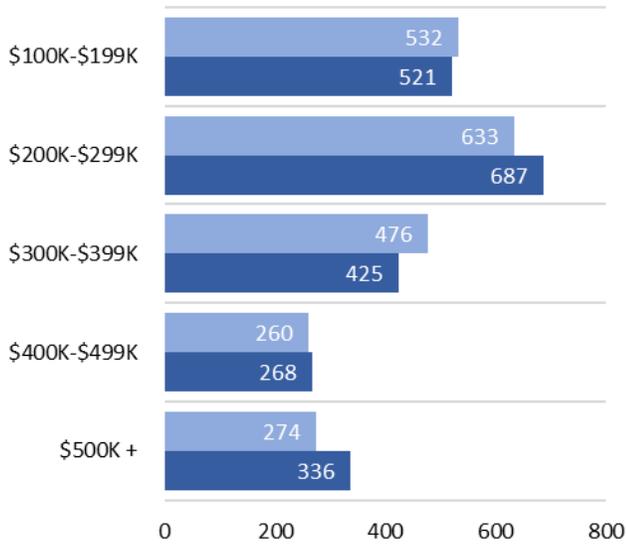






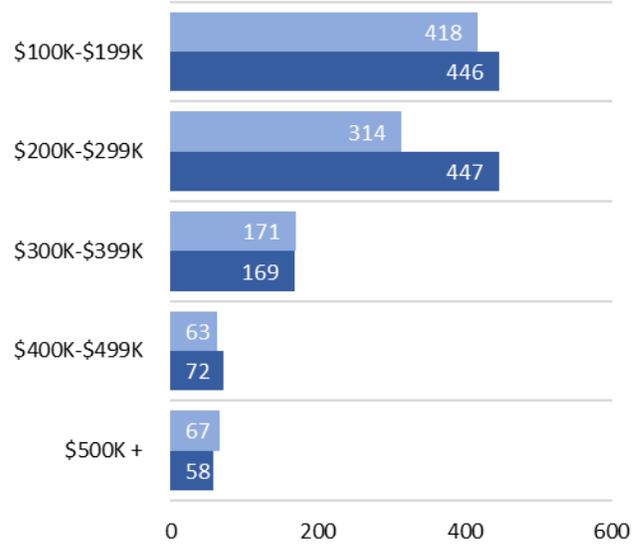
4-Cnty Area: Unit Sales By Price

■ 2020 ■ 2021



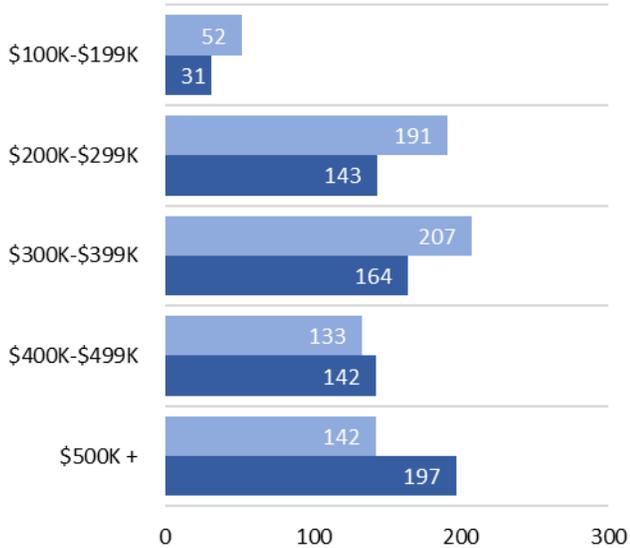
Milw Cnty: Units Sales by Price

■ 2020 ■ 2021



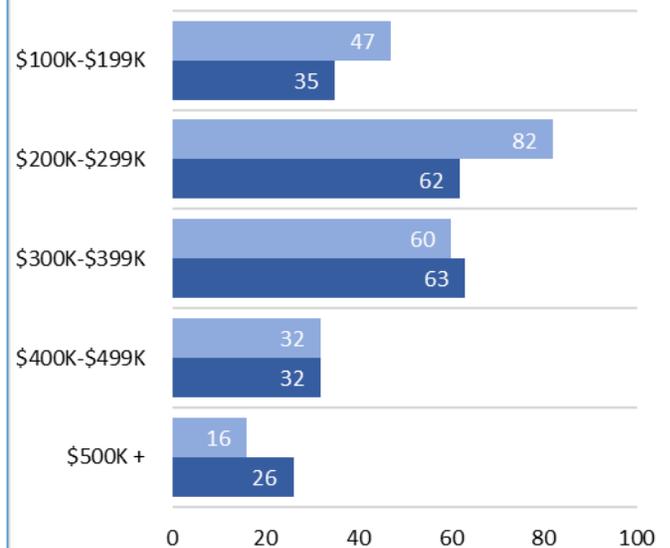
Wauk Cnty: Units Sales by Price

■ 2020 ■ 2021

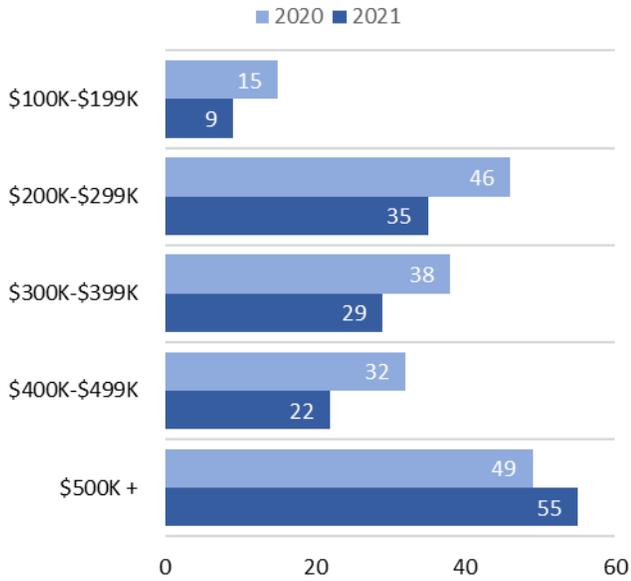


Wash Cnty: Units Sales by Price

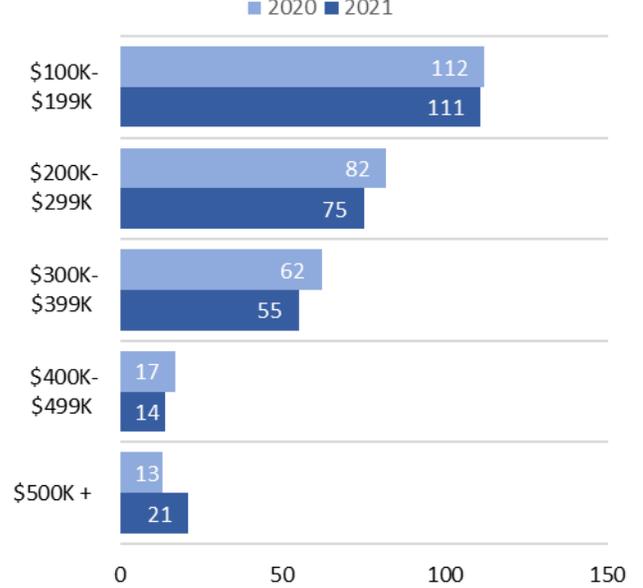
■ 2020 ■ 2021



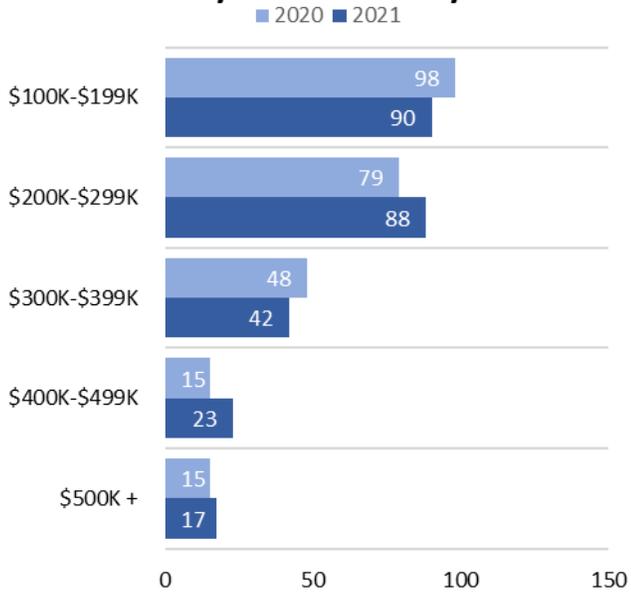
Oz Cnty: Units Sales by Price



Racine Cnty: Units Sales by Price



Ken Cnty: Units Sales by Price



Wal Cnty: Units Sales by Price

