

**For Immediate Release**

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# Q3 Home Sales Up 8.9% September Sales Down 4.2%

## Highlights

October 14, 2021

- Sales Up Through the Qtr., September Still Very Good
- Double Digits Price Increases Throughout the Region
- Most Sales Ever Through First Nine Months

## September Sales

County	2020	2021	% Change
Milwaukee	1,283	1,219	-5.0%
Waukesha	623	624	0.2%
Washington	230	228	-0.9%
Ozaukee	153	123	-19.6%
Metro Area	2,289	2,194	-4.2%
Racine	332	327	-1.5%
Kenosha	231	237	2.6%
Walworth	233	192	-17.6%
SE WI Area	3,085	2,950	-4.4%

## 3rd Quarter Sales\*

County	2020	2021	% Change
Milwaukee	8,824	10,211	15.7%
Waukesha	4,726	4,720	-0.1%
Washington	1,568	1,652	5.4%
Ozaukee	1,091	1,069	-2.0%
Metro Area	16,209	17,652	8.9%
Racine	2,190	2,445	11.6%
Kenosha	1,819	1,954	7.4%
Walworth	1,452	1,488	2.5%
SE WI Area	21,670	23,539	8.6%

## Market Summary

The Metropolitan Milwaukee real estate market continued its robust run through the 3<sup>rd</sup> quarter of the year, and September's 4.2% slide was most likely due to an exceptional month one year ago, rather than the beginning of a decline.

The 17,653 units sold in the first nine months of the year were the most ever, and the 2,194 units sold in September were the second most ever.

Unit sales of properties in the mid- and upper-end of the market (\$300K - \$500+K) increased by a healthy margin in September. At the same time, those in the \$100K and \$200K market segments were down or flat as a result of tight inventory, not reduced demand.

New listings were down 2.5%, for the second month in a row in September, but up 8.3% through the 3<sup>rd</sup> quarter. However, the 3<sup>rd</sup> quarter total is mixed, with Waukesha and Ozaukee counties down for the year. The dearth of listings in those two counties is, again, the result of too few houses and condos available to satisfy demand.

In September there was only enough inventory to satisfy three months of demand, and if we subtract units with an offer, it drops to 1.3 months. To satisfy the demand REALTORS® are seeing, the market needs an additional 5,825 units.

The law of supply and demand commands that prices go up in a tight market with a lot of buyers. And prices did go up 12.7% through the 3<sup>rd</sup> quarter in the 4-county area; and up 12.9% in the 7-county SE WI market area.

The sizable price increases we have seen are due to a systemic lack of new construction of single-family houses and condominiums. 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 and rising prices.

The outlook for the market is good, but slightly slower in the months ahead. In recent years, the 4<sup>th</sup> quarter has produced 22% to 28% of annual total sales, with October accounting for a bulk of it. Brokers are reporting that some houses are still getting multiple offers, but it is occurring much less frequently than in the spring.

REALTORS® are counseling their clients that the market of the past few months was untenable. The current market is very, very good for sellers, and better than a few months ago for buyers.

### **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 10<sup>th</sup> of each month, whereas quarters are a continuous tally to 12/31. For example, if a sale occurred on July 29<sup>th</sup>, but an agent does not record the sale until August 5<sup>th</sup>, that sale would not be included in the July 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.

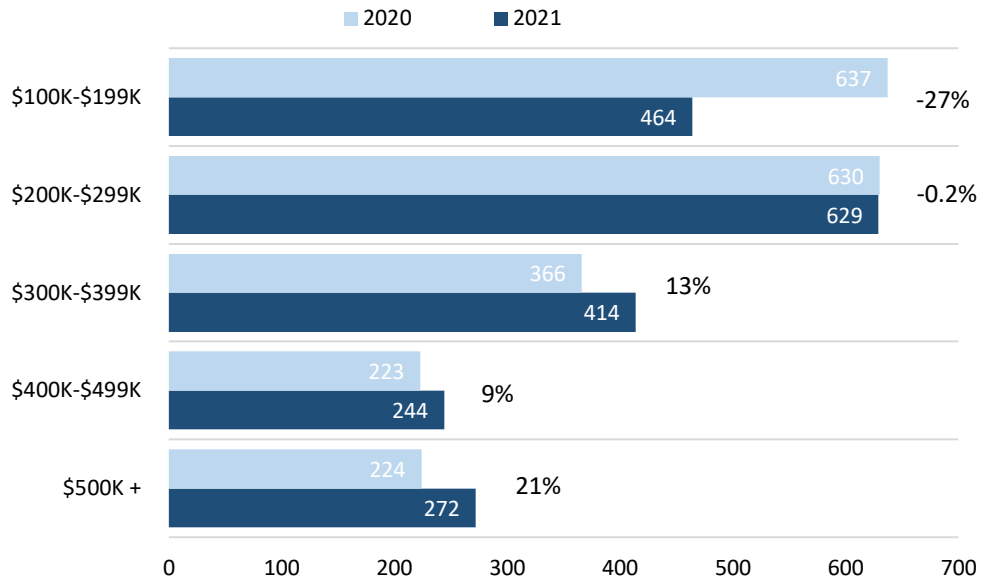
### **September Listings**

County	2020	2021	% Change
Milwaukee	1,524	1,466	-3.8%
Waukesha	664	619	-6.8%
Washington	205	247	20.5%
Ozaukee	159	157	-1.3%
Metro Area	2,552	2,489	-2.5%
Racine	355	399	12.4%
Kenosha	310	272	-12.3%
Walworth	247	180	-27.1%
SE WI Area	3,464	3,340	-3.6%

### **3rd Quarter Listings\***

County	2020	2021	% Change
Milwaukee	11,717	13,564	15.8%
Waukesha	5,881	5,747	-2.3%
Washington	1,923	2,084	8.4%
Ozaukee	1,423	1,291	-9.3%
Metro Area	20,944	22,686	8.3%
Racine	2,816	3,078	9.3%
Kenosha	2,311	2,396	3.7%
Walworth	1,920	1,875	-2.3%
SE WI Area	27,991	30,035	7.3%

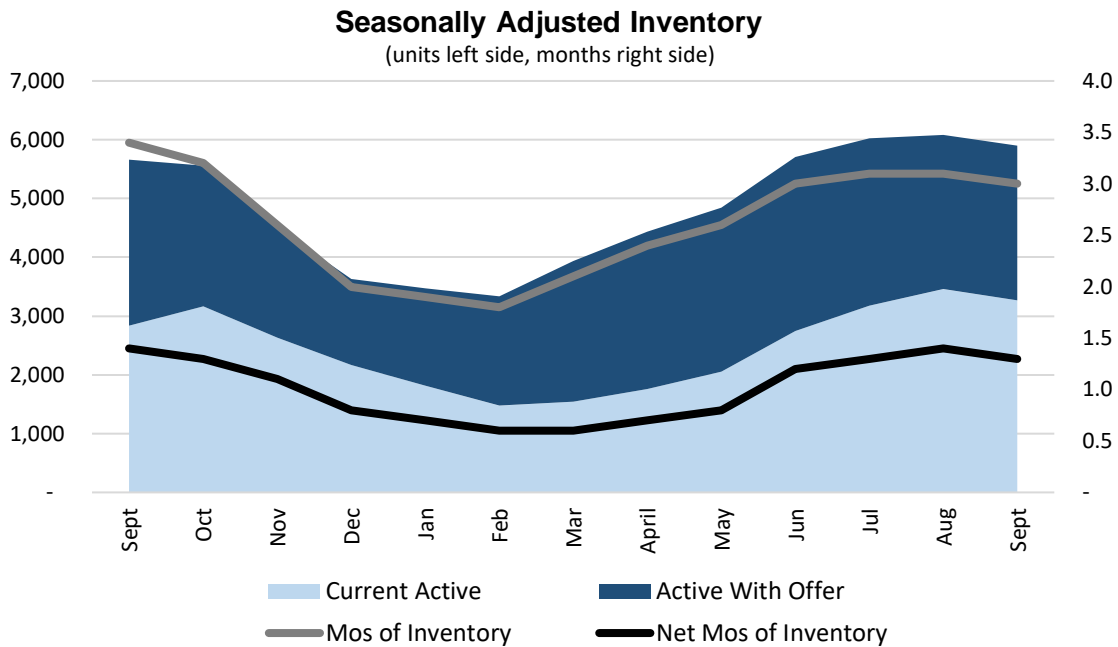
### 4-County Area Unit Sales By Price



### 3rd Quarter Sale Prices (Jan 1 – Sept 30)

County	2020	2021	\$ Change	% Change
Milwaukee	\$219,478	243,472	\$23,994	10.9%
Waukesha	\$391,832	440,687	\$48,855	12.5%
Washington	\$293,756	335,300	\$41,544	14.1%
Ozaukee	\$255,106	287,624	\$32,518	12.7%
Metro Area Avg	\$290,043	326,771	\$36,728	12.7%
Racine	\$226,203	\$251,203	\$25,000	11.1%
Kenosha	\$246,837	\$272,730	\$25,893	10.5%
Walworth	\$377,146	\$438,251	\$61,105	16.2%
SE WI Area Avg	\$287,194	\$324,181	\$36,987	12.9%

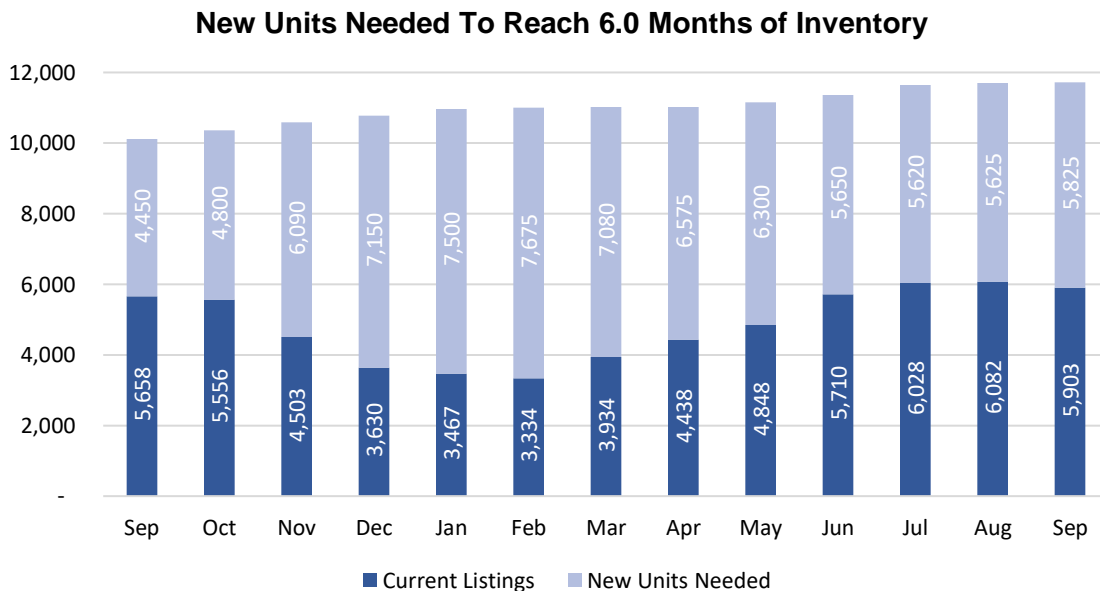
Seasonally adjusted inventory is calculated by taking the homes available for sale in each month and comparing them to the past 12 months' average sales. This tells us how many months it would take to sell the existing homes on the market. The seasonally adjusted inventory level for September was 3.0 months.



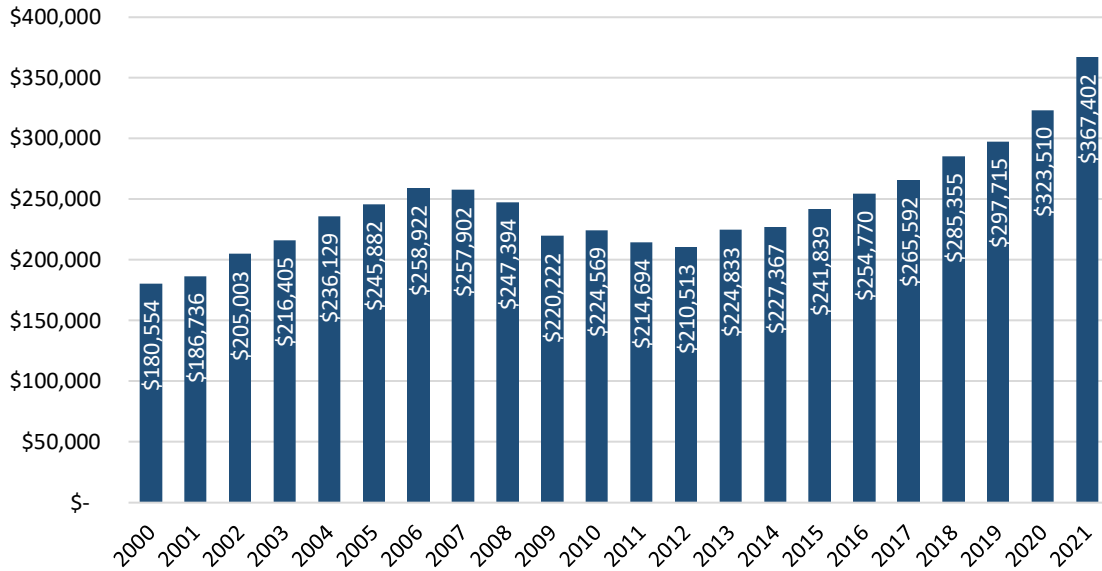
Subtracting listings that have an “active offer” from those available for sale (about 80% of listings with an offer turn into a sale), offers a different perspective of the quantity of homes available for sale. Subtracting listings with an active offer from total listings, yields **a remarkably low 2,638 listings, which equals 1.3 months of inventory.**

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.

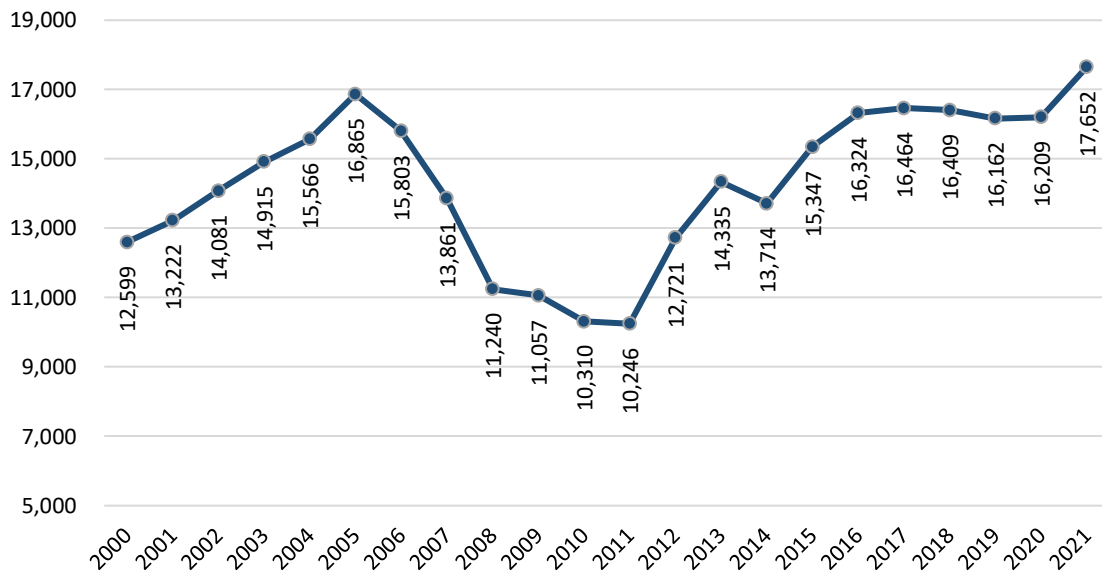
Generally, six months of inventory is considered a “balanced” market. If inventory falls below six months, the market favors sellers, and when inventory exceeds six months, it is a buyer’s market. With 5,903 current listings providing 3.0 months of inventory, the market would need an additional 5,825 units to push inventory to 6 months.



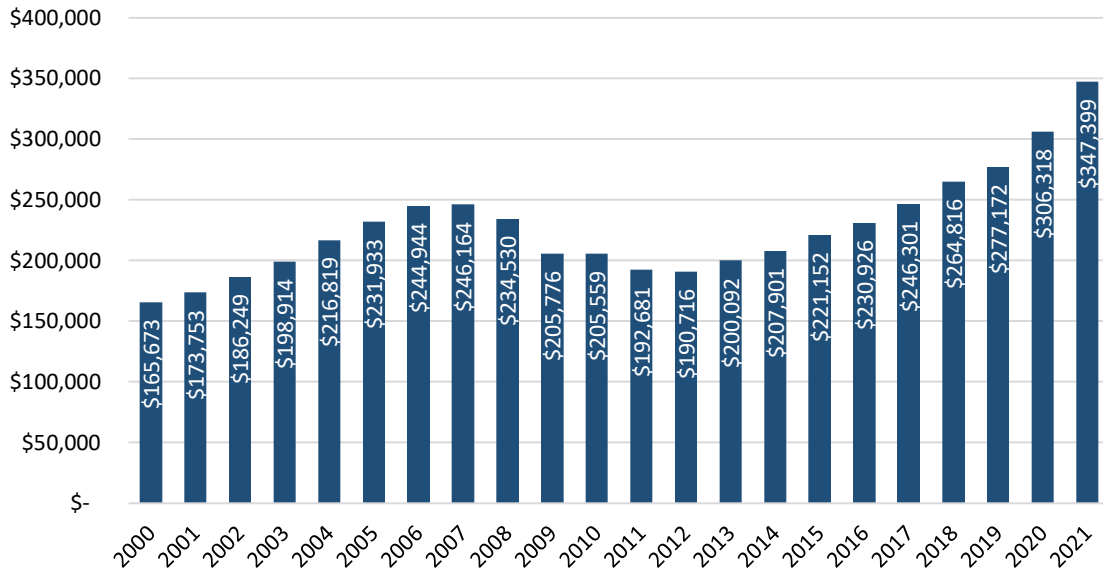
### 4 County Sale Price (Thru 3rd Qtr)



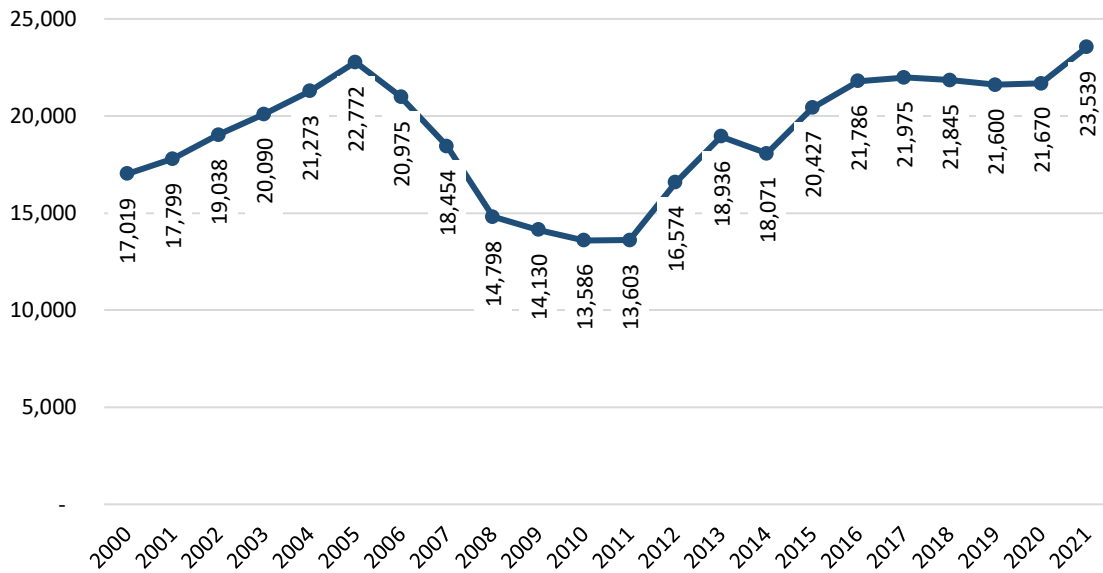
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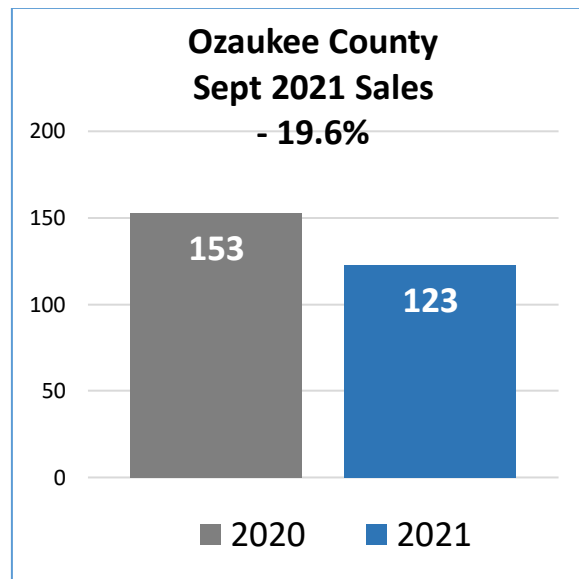
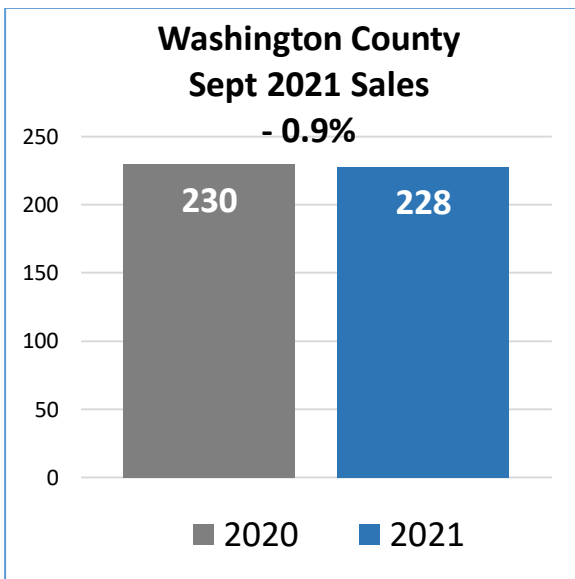
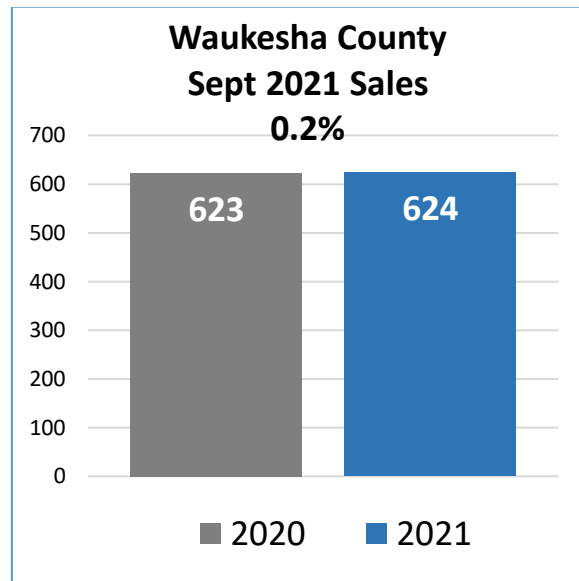
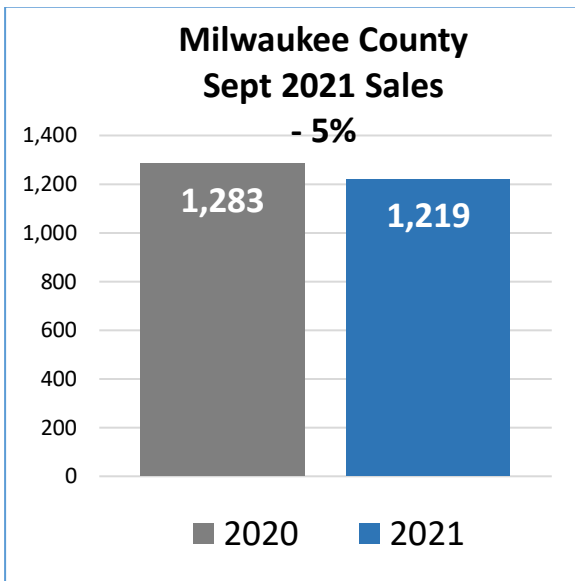
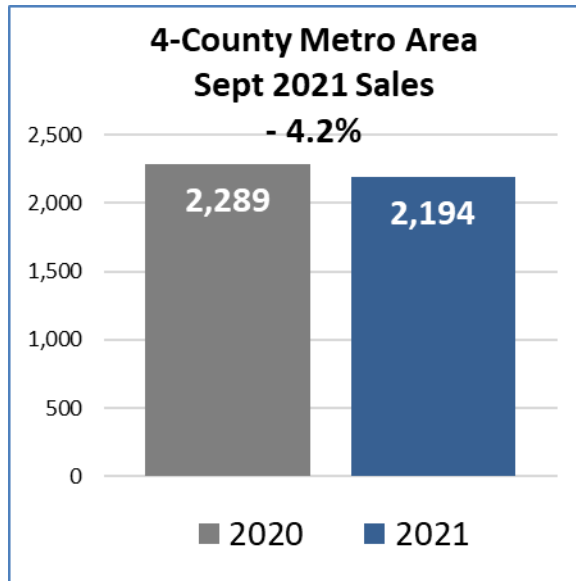


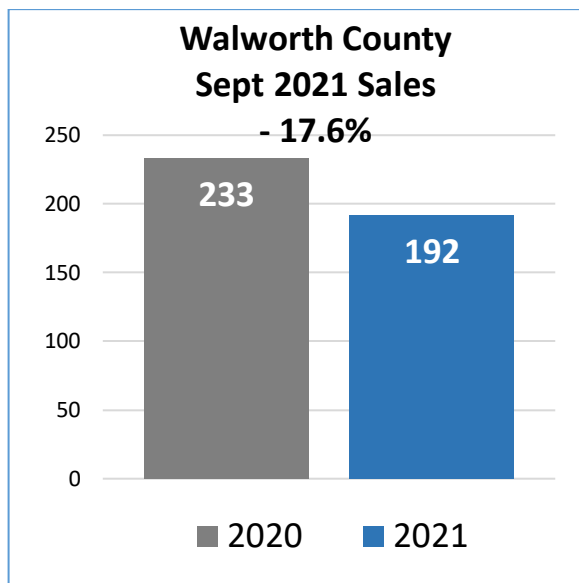
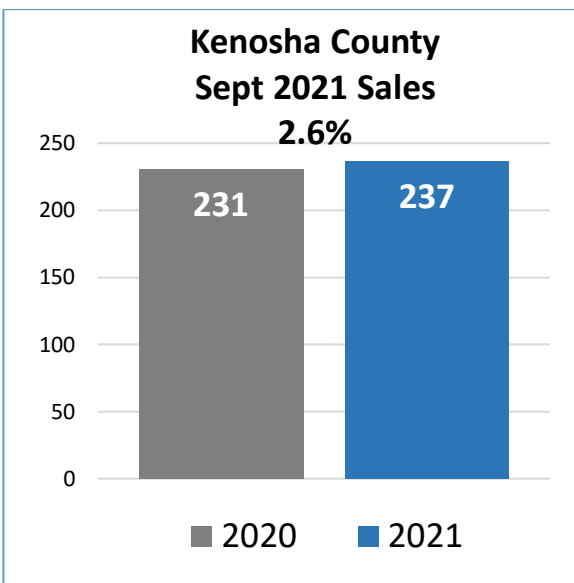
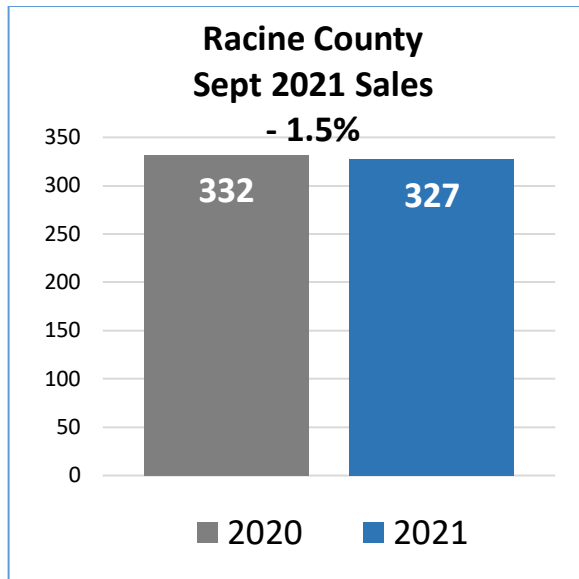
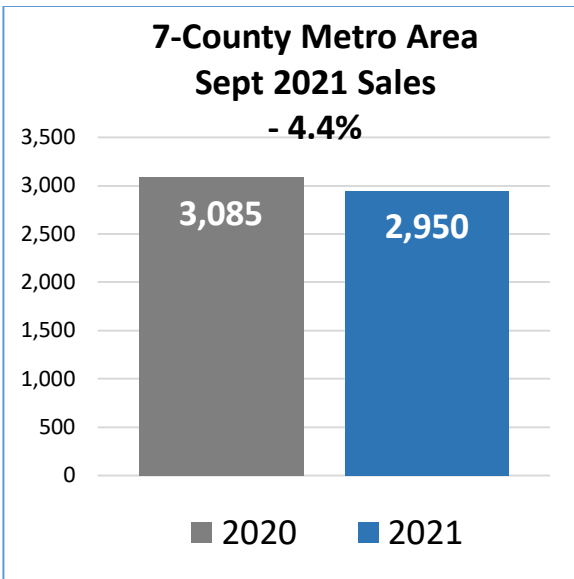
### 7 County Sale Price (Thru 3rd Qtr)



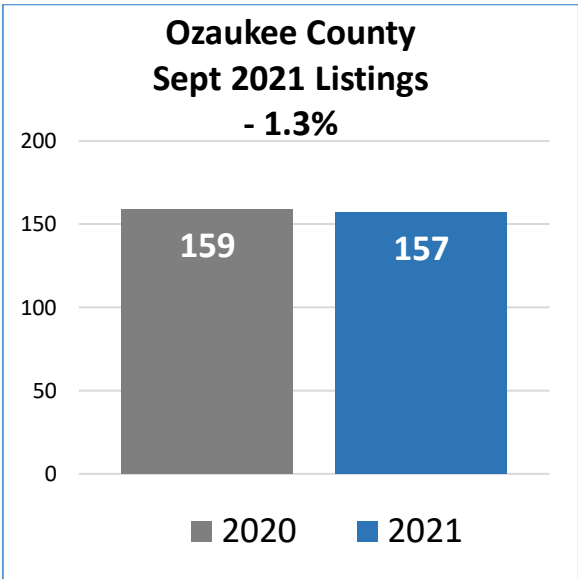
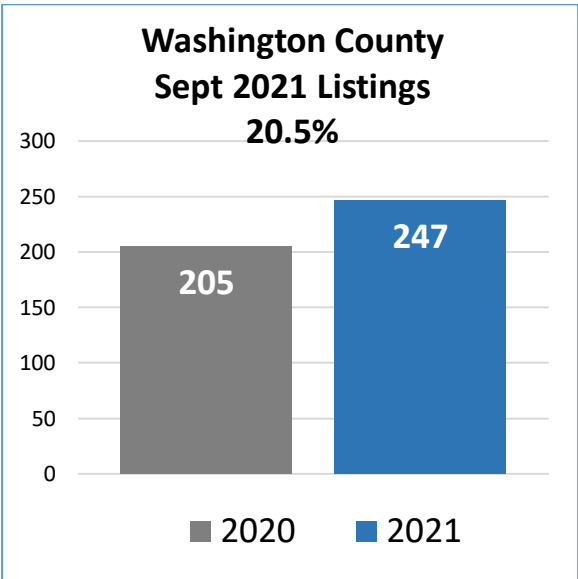
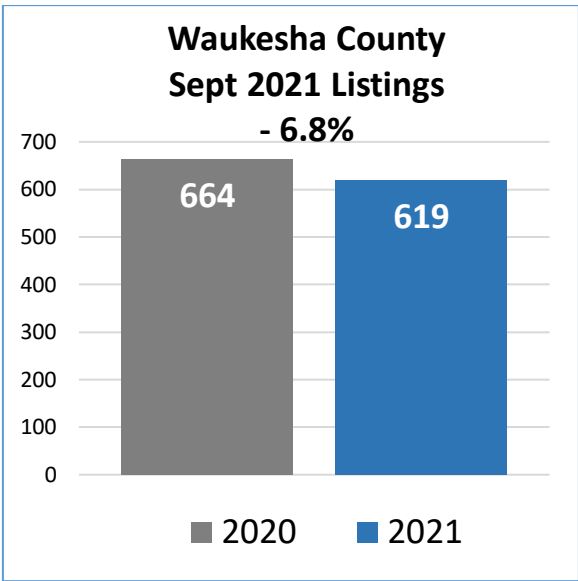
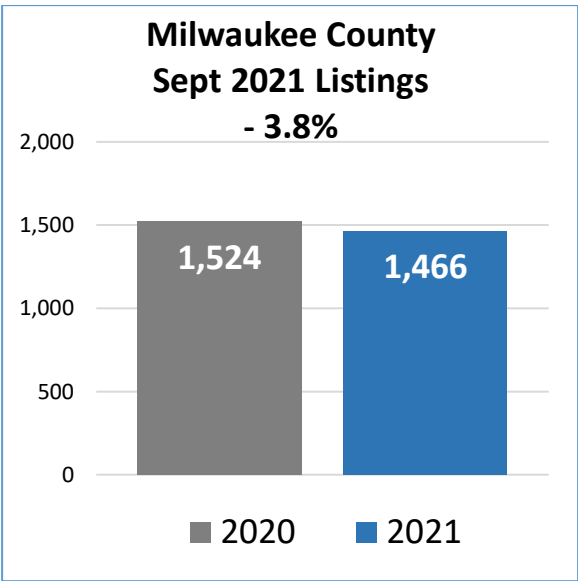
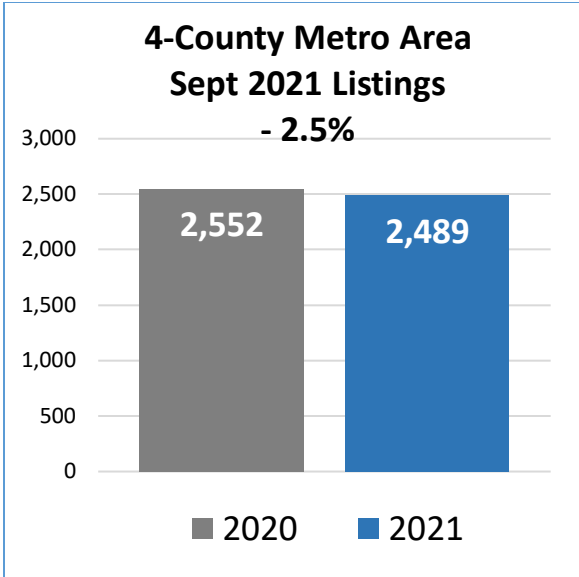
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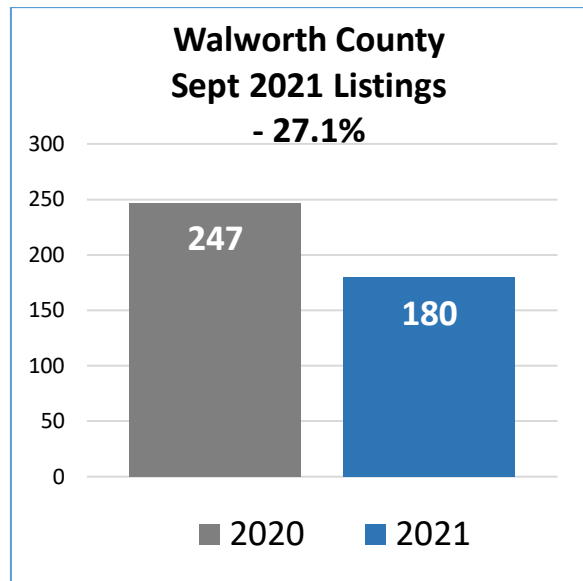
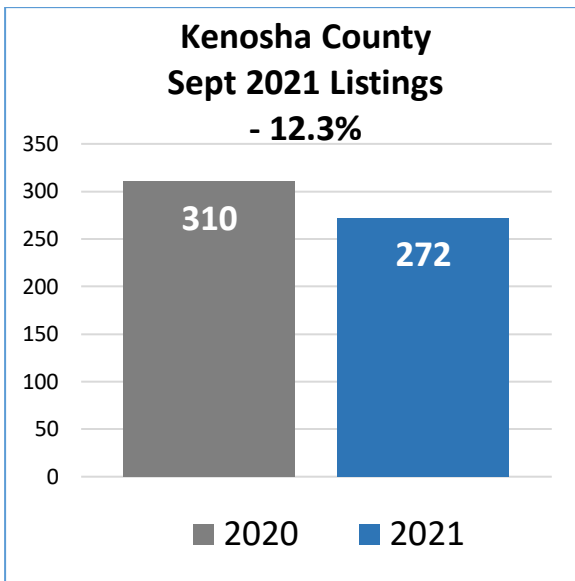
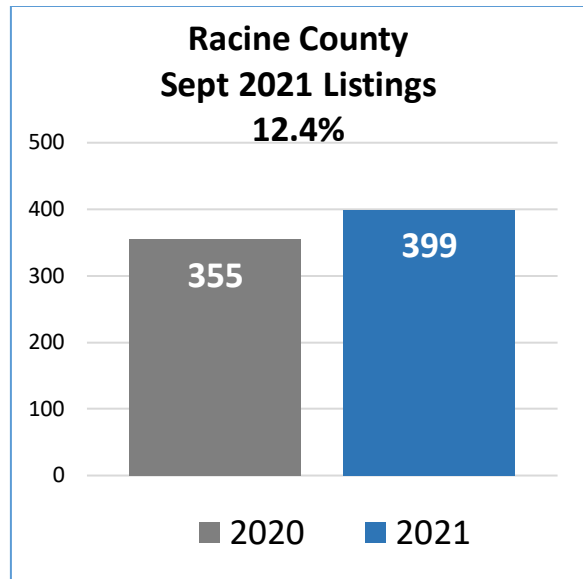
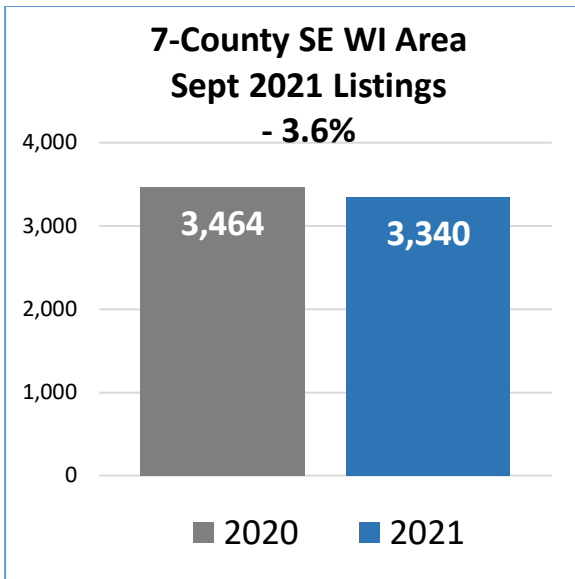






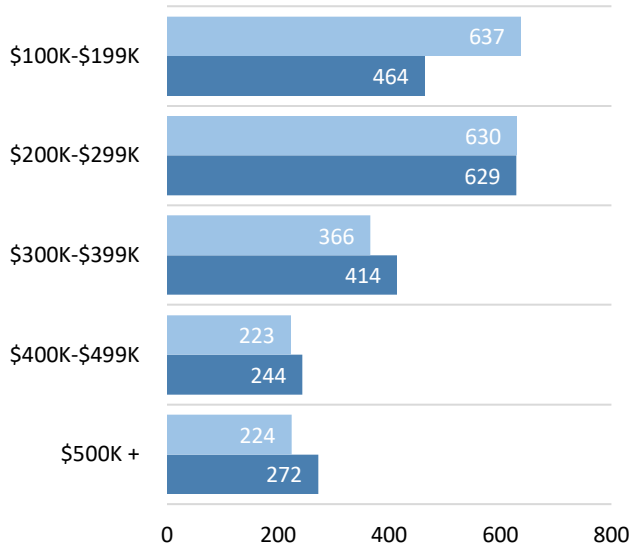






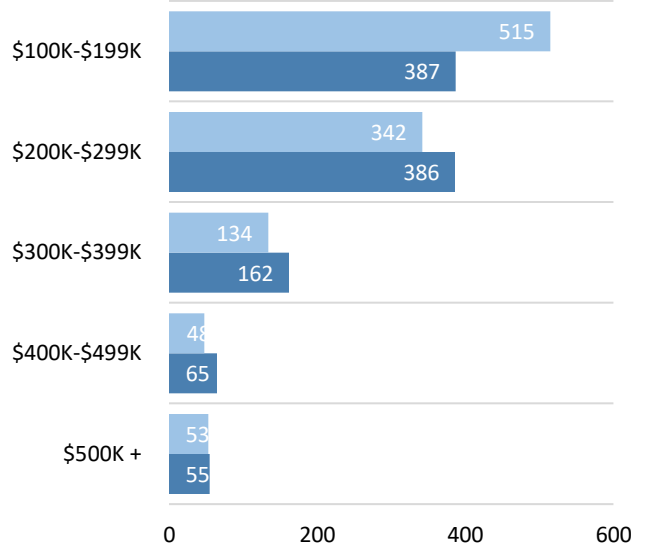
### 4-Cnty Area: Unit Sales By Price

2020 2021



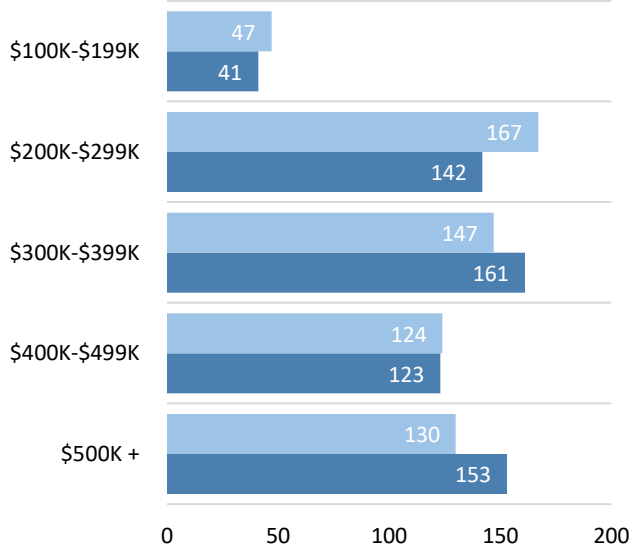
### Milw Cnty: Units Sales by Price

2020 2021



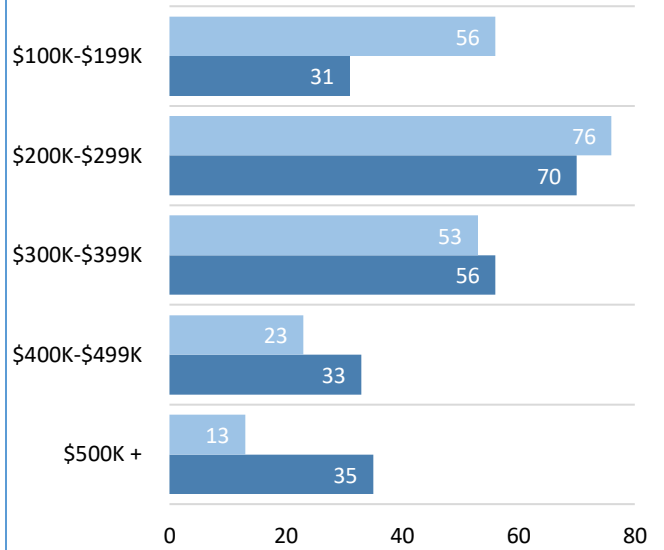
### Wauk Cnty: Units Sales by Price

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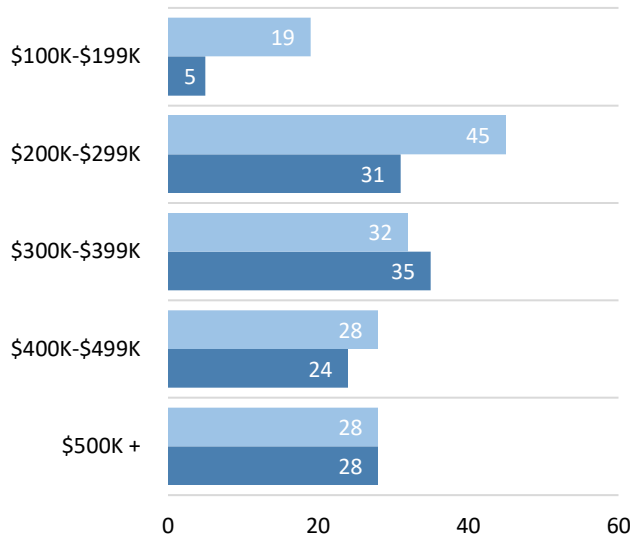
### Wash Cnty: Units Sales by Price

2020 2021



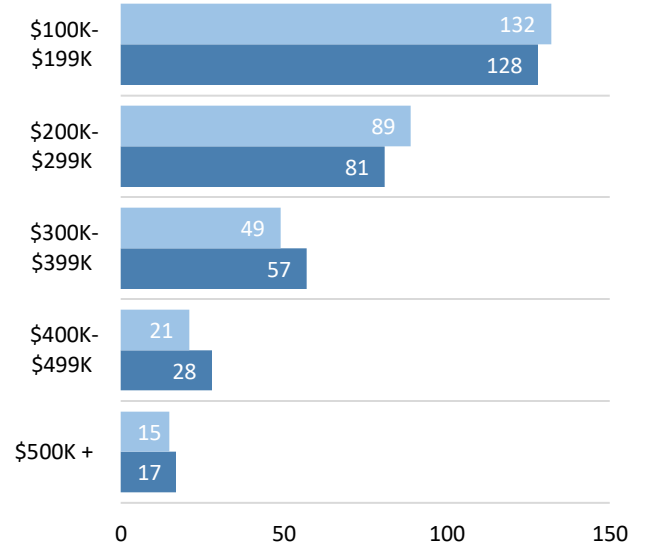
### Oz Cnty: Units Sales by Price

2020 2021



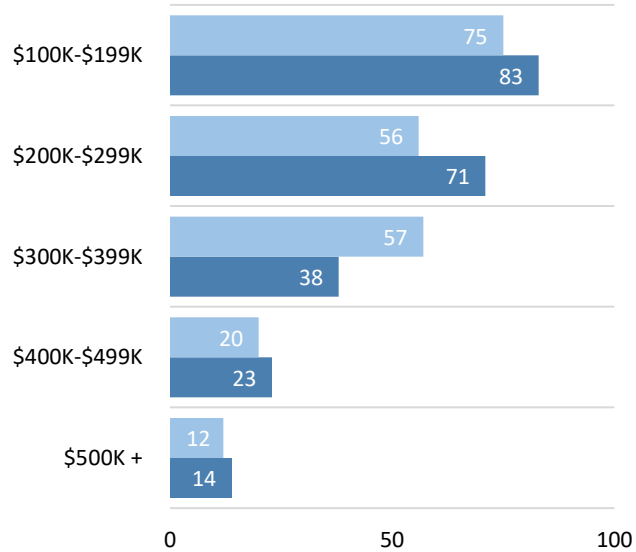
### Racine Cnty: Units Sales by Price

2020 2021



### Ken Cnty: Units Sales by Price

2020 2021



### Wal Cnty: Units Sales by Price

2020 2021

