

**For Immediate Release**

Contact:  Mike Ruzicka

414.778.4929 or 414.870.1876

mike@gmar.com

**November Home Sales Up 0.3%**

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| **Highlights** | **December 15, 2021** |
| * Sales Up 0.3% vs. ’20 and 24.5% vs. ‘19
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| * Prices Up 3.8% over November 2020
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| * Sellers Should Think About Listing This Winter
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| **November Sales** |
| County | 2020 | 2021 | % Change |
| Milwaukee | 1,059 | 1,087 | 2.6% |
| Waukesha | 547 | 529 | -3.3% |
| Washington | 186 | 193 | 3.8% |
| Ozaukee | 135 | 124 | -8.1% |
| Metro Area | 1,927 | 1,933 | 0.3% |
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| Racine | 285 | 310 | 8.8% |
| Kenosha | 220 | 240 | 9.1% |
| Walworth | 184 | 141 | -23.4% |
| SE WI Area | 2,616 | 2,624 | 0.3% |
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| **November Listings** |
| County | 2020 | 2021 | % Change |
| Milwaukee | 896 | 1,044 | 16.5% |
| Waukesha | 342 | 331 | -3.2% |
| Washington | 127 | 109 | -14.2% |
| Ozaukee | 76 | 82 | 7.9% |
| Metro Area | 1,441 | 1,566 | 8.7% |
|  |
| Racine | 225 | 241 | 7.1% |
| Kenosha | 195 | 187 | -4.1% |
| Walworth | 118 | 131 | 11.0% |
| SE WI Area | 1,979 | 2,125 | 7.4% |

**Market Summary**

November was the eighth month of 2021 with increased sales in the Metropolitan Milwaukee real estate market.

Sales were mixed in the four Metropolitan Milwaukee counties, but nothing that should be of concern to sellers. To put it in perspective, the 2020 and 2021 markets have been very similar. Comparing the current market to 2019 shows November up 24.5% and 2021 up 1% vs 2019, with one month to go.

Through November 2020 there were 20,115 sales in the 4-county area. The year ended with a historically high 22,445 sales.

So far in 2021, there have been 21,336 sales. Over the last five years, the average sales in the final two months was 1,456. That would total 22,792 for the year, a new historic total.

Average sales prices were up 3.8% in November. The average price in November 2020 was $299,030 and this past November it was $310,290.

November’s listings were up 8.7% in the metropolitan area (although mixed county-by-county), for the 6th month this year. The year-to-date total of listings is 25,626. During the same period in 2020, there were 24,081 listings. Putting 2021 6.4% ahead of 2020.

While listings are trending in the right direction there is still a significant dearth of inventory, to the tune of 6,850 units. That’s how many we need to satisfy current demand, which means the sellers-market will continue for the foreseeable future. In November there was only enough inventory to satisfy 2.5 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 1.0 month.

**Sellers should seriously think about listing during the winter months** for five reasons: 1) Currently, demand is high and, historically, supply is low in the winter months; 2) Your listing will get a lot of attention because there are fewer listings in the winter months; 3) Your listing will have fewer competing listings; 4) Many listings are still getting multiple offers; 5) Don’t time the market – while things look good, we don’t know what 2022 will bring.

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 condominium 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.

The outlook for the market in 2021 is pretty solid, but seasonal in the winter months ahead. Brokers are reporting strong interest among potential buyers, and sellers are 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 the 29th of the month, but an agent does not record the sale until the 5th of the next month, that sale would not be included in the sales figures of the reported month (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 four counties of Milwaukee, Waukesha, Ozaukee, and Washington Counties. The “region” or “Southeast Wisconsin” refers to the four metropolitan counties (Milwaukee, Waukesha, Ozaukee, and Washington), plus the three 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 November was 2.5 months**.

Subtracting listings that have an “active offer” from those available for sale (about 80% of listings with an offer turn into a sale), provides a unique perspective on the quantity of homes available for sale. Subtracting listings with an active offer from total listings, yields **a remarkably low 2,700 listings, which equals 1.0 month of inventory.**

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 4,729 current listings providing 2.5 months of inventory, **the market would need an additional 6,850 units to push inventory to 6 months**.

