

**For Immediate Release**

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**August Home Sales Up 5%**

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| **Market Highlights** |
| * August Listings Down 1.4%
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| * Strong Demand Expected Into Fall
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| * More Units Needed Under $300K
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September 11, 2019 – Home sales were up a solid 5% in August compared to a year earlier in the 4 county greater Milwaukee market. There were 2,224 homes sold in August 2019, versus 2,119 units in August 2018.

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| **August Sales** |
| **County** | 2018 | 2019 | % Change |
| Milwaukee | 1,166 | 1,146 | -1.7% |
| Waukesha | 601 | 676 | 12.5% |
| Washington | 221 | 252 | 14.0% |
| Ozaukee | 131 | 150 | 14.5% |
| 4 County Area | 2,119 | 2,224 | 5.0% |
|  |  |  |  |
| Racine | 291 | 290 | -0.3% |
| Kenosha | 284 | 276 | -2.8% |
| Walworth | 206 | 229 | 11.2% |

August marked the third time the market saw positive sales in 2019. Three of 4 counties had healthy sales, Milwaukee was slightly off.

This point in the annual cycle often sees sales start to trail off, but with a strong regional economy – low unemployment, household growth, low interest rates – it’s unsurprising that demand was healthy. Brokers expect this level of interest to continue into the fall.

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.

Also, properties must be in good, “move in” condition to attract good quality buyers.

Given the tight level of inventory the market is experiencing, buyers would be best served to ask their REALTOR® to start looking at properties that need a little fixing up. A “fixer-upper” can often be purchased at a discount relative to similar properties in “move in” condition, allowing buyers to realize a larger capital gain when they eventually sell.

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 down in most counties in the metropolitan area for the fourth time this year, and not anywhere near adequate to meet supply.

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| **August Listings** |
| **County** | 2018 | 2019 | % Change |
| Milwaukee | 1,469 | 1,447 | -1.5% |
| Waukesha | 764 | 758 | -0.8% |
| Washington | 242 | 225 | -7.0% |
| Ozaukee | 161 | 170 | 5.6% |
| 4 County Area | 2,636 | 2,600 | -1.4% |
|  |  |  |  |
| Racine | 342 | 350 | 2.3% |
| Kenosha | 303 | 317 | 4.6% |
| Walworth | 262 | 251 | -4.2% |

The metropolitan market could use an additional 3,275 listings (mostly priced under $300,000) to come close to satisfying current demand. That’s on top of the 6,809 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 August was 4.1 months.  The seasonally adjusted level was also 4.1 months in August 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 2,181 listings with an active offer from total current listings presents an effective inventory level of 2.3 months.  A year ago, the same calculation showed August’s inventory level at 2.3 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 August 29th, but the agent does not record the sale until August 11th, that sale would not be included in the August sales figures (or any subsequent month’s total) but would be added to the annual total sales figure in the “4th qtr” total.