

**For Immediate Release**

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**November Home Sales Up 24.1%**

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| **Market Highlights** |
| * Strong Fall Market Continues
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| * Market Has Been Robust Since 2019
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| * Listings Continue To Be Anemic
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**\* PLEASE NOTE: GMAR spokespeople are available for interviews over the weekend and next week. \***

December 11, 2020 – **The Metropolitan Milwaukee** **real estate** **market continued its spectacular march in the latter half of 2020**. Sales in November were up an astounding 24.1% in the 4-county area, and up 25.6% in Southeastern Wisconsin.

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| **November Sales** |
| **County** | 2019 | 2020 | % Change |
| Milwaukee | 883 | 1,059 | 19.9% |
| Waukesha | 455 | 547 | 20.2% |
| Washington | 143 | 186 | 30.1% |
| Ozaukee | 72 | 135 | 87.5% |
| Metro Area | 1,553 | 1,927 | 24.1% |
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| Racine | 198 | 285 | 43.9% |
| Kenosha | 180 | 220 | 22.2% |
| Walworth | 152 | 184 | 21.1% |
| SE WI Area | 2,083 | 2,616 | 25.6% |
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In a more typical market, sales volume in the 4-county area would be around 1,500 units in November as buyers’ and sellers’ attention turns to Thanksgiving and the Holidays.

The fall market’s surge is part of a larger trend. **The current market has actually been on a roll since July 2019**. A 17-month stretch with the “Stay at Home” order acting as a speedbump, causing a slight slow-down from April to June.

After the “Stay at Home” order expired, the post-lockdown market roared back, exceeding 2019 by a total of 1,545 units.

Recognizing a solid “sellers’ market,” homeowners called their REALTORS® to list their homes.

Listings in November were up 4.9%, marking the 4th month in a row of increasing listings, however, they are lackluster overall.

2019

2020

The Greater Milwaukee market is in dire need of more listings. In fact, **if the number of units available doubled, the current market could easily absorb them**.

2020 sales compared to 2019. Sales were up a total of 1,545 units from Jul-Nov 2020.

**Sold Units**

The current sales level in the Metropolitan Milwaukee market is a testament to the strength of buyer demand, putting the 2020 market on pace to reach annual sales of 21,000 units, where it has finished since 2016 (See *Sold Units* graph below).

Total sales in 2019 were 21,133 units. Through November, 2020 has had 20,115 sales, only 1,018 fewer units.

With an average of 1,364 unit sales over the last four years, and a very robust fall market, it is not a stretch to speculate that 2020 will probably exceed 2019.

**Median Sale Prices**

The median sale prices in all 4 metropolitan counties were up in November 2020 compared to November 2019. Rising prices were not surprising considering the lack of inventory throughout the area. Single-family unit prices were up 8.2% in November, and condominiums and townhomes were up 4.3%.

**Inventory**

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 2.6 months.

If we subtract the listings that have an “active offer” from those available for sale in each month (approximately 80% of listings with an offer turn into a sale), we get a different perspective of the quantity of homes available on the market (See ‘Inventory’ graph above).

Subtract the 1,870 listings with an active offer from current listings presents an inventory level of 1.1 months.

These are alarmingly low numbers and have been lackluster for a few years. 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 4,503 current listings providing 2.6 months of inventory, the market would need an additional 6,090 units available to push inventory up to 6 months.

**Listings**

Listings were up in most of Southeastern Wisconsin in November, especially in Milwaukee and Waukesha Counties, the real estate engines of the region.

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| **November Listings** |
| **County** | 2019 | 2020 | % Change |
| Milwaukee | 810 | 896 | 10.6% |
| Waukesha | 339 | 342 | 0.9% |
| Washington | 137 | 127 | -7.3% |
| Ozaukee | 88 | 76 | -13.6% |
| Metro Area | 1,374 | 1,441 | 4.9% |
|  |
| Racine | 204 | 225 | 10.3% |
| Kenosha | 187 | 195 | 4.3% |
| Walworth | 113 | 118 | 4.4% |
| SE WI Area | 1,878 | 1,979 | 5.4% |
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Since the beginning of 2016, a span of 59 months, only 24 months – 41% of the time – had an increase in homes listed for sale.

While listings shrunk during that time, sales increased. Sales were up in 39 of the same 59 months, or 66% of the time.

That dynamic explains why prices have been increasing, and why buyers have had a hard time finding properties to choose from.

**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 July 29th, but an agent does not record the sale until August 11th, 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.

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