

2024 Home Sales Up 2.8%

December Home Sales Up 15.2%

Highlights

- **Sales Through End of Year Up, But Lackluster Overall**
- **Market Needs Thousands of New Units Despite Increased Listings**
- **Metro Prices Up 6.2%, Averaging \$443,605**

Market Summary

Home sales in the Metropolitan Milwaukee market finished 2024 essentially flat from 2023. Although 2024 was 2.8% ahead of the prior year, that only amounted to 472 additional units.

Home sales over the last two years (16,586 and 17,058, respectively) have been well below the 20,000 unit threshold that is the floor for a normally functioning marketplace.

There may be some good news in the fact that December sales were up 15.2%, possibly indicating a more robust 2025 housing market.

Sales have been in a funk since mid-2022 when interest rates increased from historical lows to about 6%. That increase in rates caused sellers to pull back from putting their house up for sale – because for many moving would entail taking a mortgage with a higher rate.

With new construction down dramatically for years, there could not have been a worse time for would-be sellers to get out of the market. The double-whammy of insufficient construction and fewer listings resulted in fewer sales than would normally occur and many frustrated would-be homebuyers.

4th Quarter Sales (Jan 1 – Dec 31)

County	2023	2024	% Change
Milwaukee	9,534	9,673	1.5%
Waukesha	4,539	4,680	3.1%
Ozaukee	1,416	1,581	11.7%
Washington	1,097	1,124	2.5%
Metro Area	16,586	17,058	2.8%
Racine	2,287	2,340	2.3%
Kenosha	1,690	1,733	2.5%
Walworth	1,336	1,394	4.3%
SE WI Area	21,899	22,525	2.9%

December Sales

County	2023	2024	% Change
Milwaukee	675	761	12.7%
Waukesha	298	351	17.8%
Ozaukee	53	83	56.6%
Washington	113	117	3.5%
Metro Area	1,139	1,312	15.2%
Racine	175	169	-3.4%
Kenosha	127	137	7.9%
Walworth	90	103	14.4%
SE WI Area	1,531	1,721	12.4%

While listings in December and all of 2024 were up, 4.2% and 4.8%, respectively, the 21,297 units that were listed in 2024 are more than 5,000 units shy of what the market needs to reach equilibrium.

The supply of inventory on hand was only enough to satisfy 2.3 months of buyer demand in December, and if we subtract units with an offer that level drops to 1.2 months – significantly below the balanced market assumption of 6 months.

This is occurring at a time when generational demand is at an all-time high with Millennial and Gen Z first-time buyers and Baby Boomer Empty Nesters in the market at the same time.

Of course, when demand outpaces supply, prices go up. And through 2024 prices in the Milwaukee area went up an average of 6.2%; going from \$417,800 to \$443,605.

The only way to meet demand and ease price pressure is to increase new construction, which would normally add 3,000 - 4,000 units to the market annually.

As we have been highlighting for several years – REALTORS® have had an exceedingly tough time helping home buyers find ownership opportunities in the form of condos and single-family houses.

There is a significant, long-term danger if we do not create additional supply in the form of single-family and condominium units. Thousands of would-be homeowners will be forced into rental units, unable to save for a down payment and foregoing the opportunity to build wealth through a home's equity – as well as all of the other benefits of homeownership.

That will result in problems decades down the road when families do not have enough home equity to tap into for college expenses, to remodel their home, or for emergencies.

4th Quarter Listings (Jan 1 – Dec 31)

County	2023	2024	% Change
Milwaukee	12,032	12,407	3.1%
Waukesha	5,292	5,585	5.5%
Ozaukee	1,726	2,011	16.5%
Washington	1,281	1,294	1.0%
Metro Area	20,331	21,297	4.8%
Racine	2,760	2,870	4.0%
Kenosha	2,018	2,126	5.4%
Walworth	1,790	1,959	9.4%
SE WI Area	26,899	28,252	5.0%

December Listings

County	2023	2024	% Change
Milwaukee	505	524	3.8%
Waukesha	189	184	-2.6%
Ozaukee	46	54	17.4%
Washington	69	81	17.4%
Metro Area	809	843	4.2%
Racine	113	110	-2.7%
Kenosha	89	97	9.0%
Walworth	71	84	18.3%
SE WI Area	1,082	1,134	4.8%

4th Quarter Sale Prices (Jan 1 – Sept 30)

County	2023	2024	\$ Change	% Chng
Milwaukee	\$271,609	\$292,505	\$20,896	7.7%
Waukesha	\$501,553	\$530,190	\$28,637	5.7%
Washington	\$503,122	\$537,420	\$34,298	6.82%
Ozaukee	\$394,917	\$414,303	\$19,386	4.9%
Metro Area Avg	\$417,800	\$443,605	\$25,804	6.2%
Racine	\$284,715	\$319,060	\$34,345	12.1%
Kenosha	\$313,810	\$343,097	\$29,287	9.3%
Walworth	\$546,126	\$552,732	\$6,606	1.2%
SE WI Area Avg	\$402,265	\$427,044	\$24,779	6.2%



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 for their home.

The Greater Milwaukee Association of REALTORS® is a 5,500-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 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.

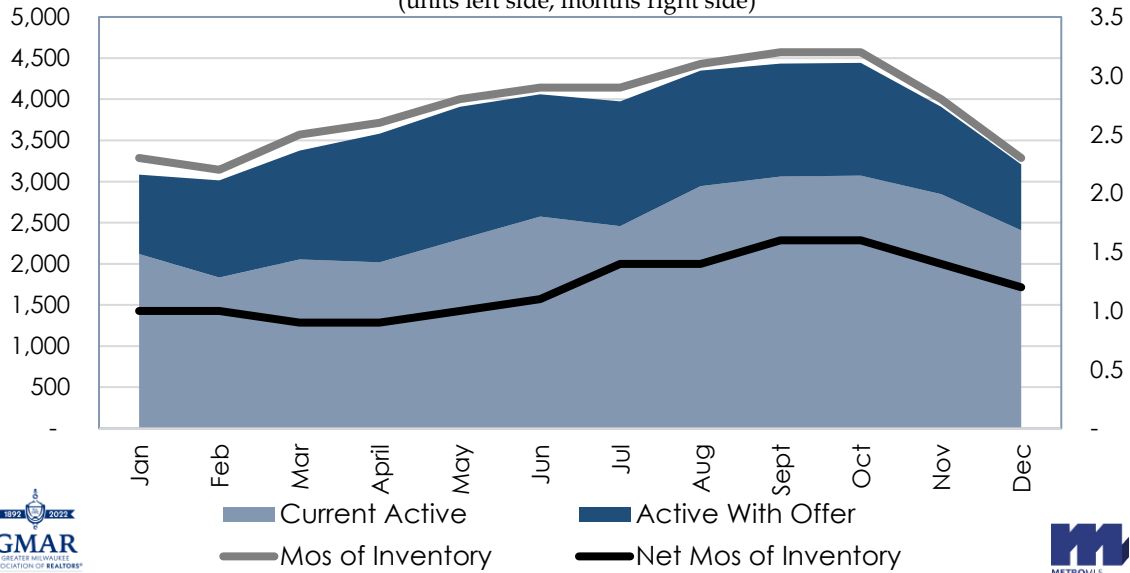
** All references to the "metropolitan" area denotes the four counties of Milwaukee, Waukesha, Ozaukee, and Washington Counties. The "region" or "Southeast Wisconsin" refers to the four metropolitan counties (Milwaukee, Waukesha, Ozaukee, and Washington), plus Racine, Kenosha, and Walworth Counties,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

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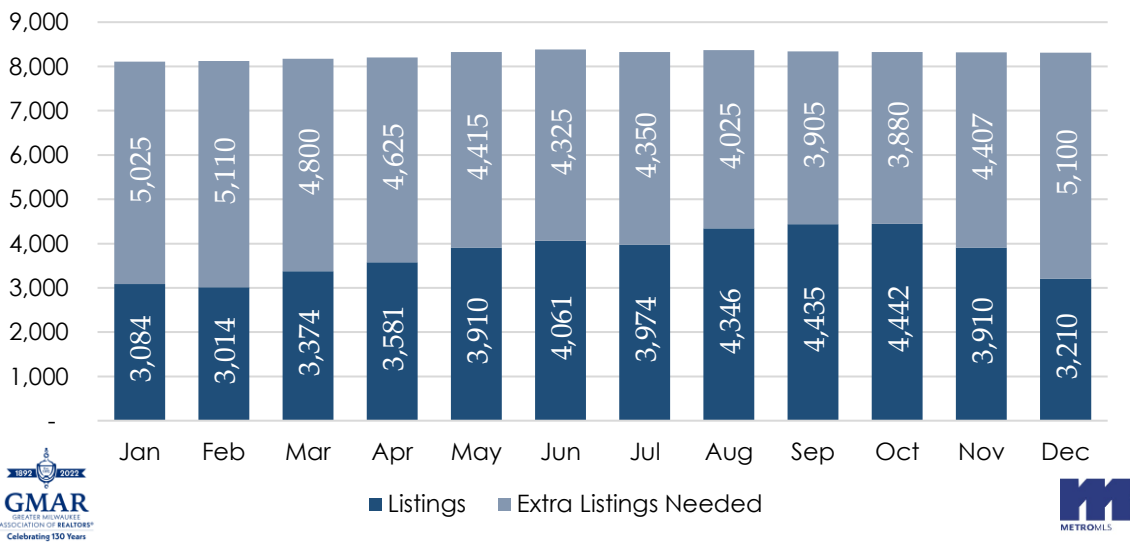
Seasonally Adjusted Inventory

(units left side, months right side)



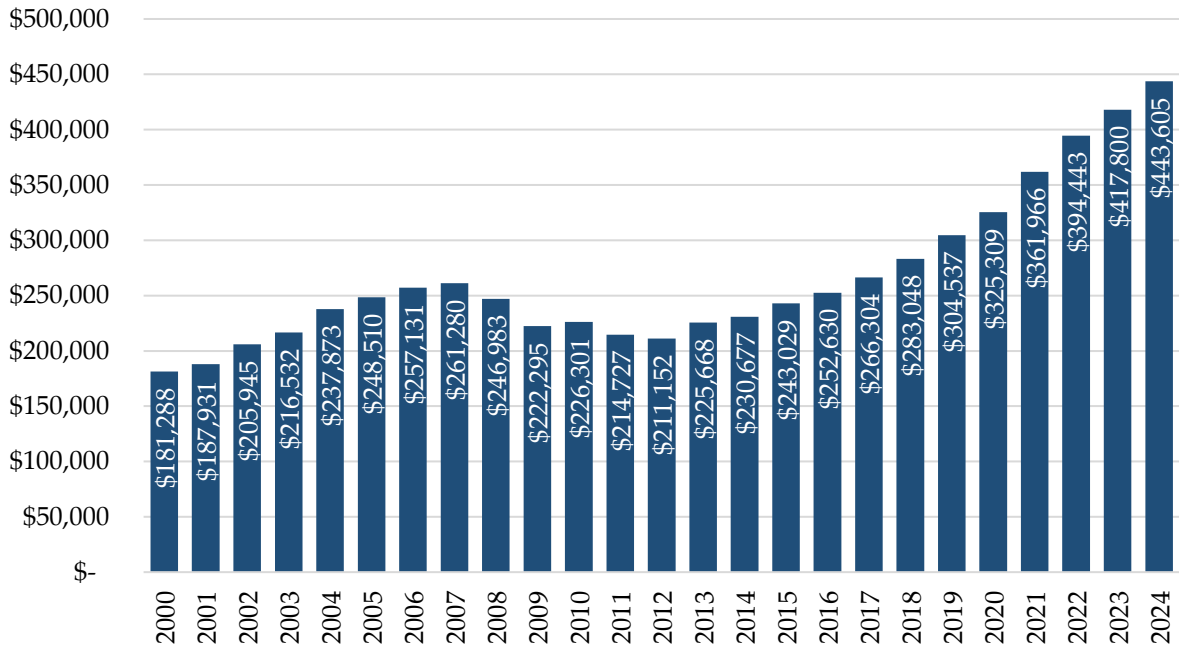
Seasonally adjusted **inventory** tells us how many months it would take to sell the existing homes on the market. The seasonally adjusted **inventory level for December was 2.3 months**. Subtracting listings that have an “active offer” from those available for sale (about 80% of listings with an offer sell) yields **2,408 listings, which equals 1.2 months of inventory**.

New Units Needed To Reach 6.0 Months

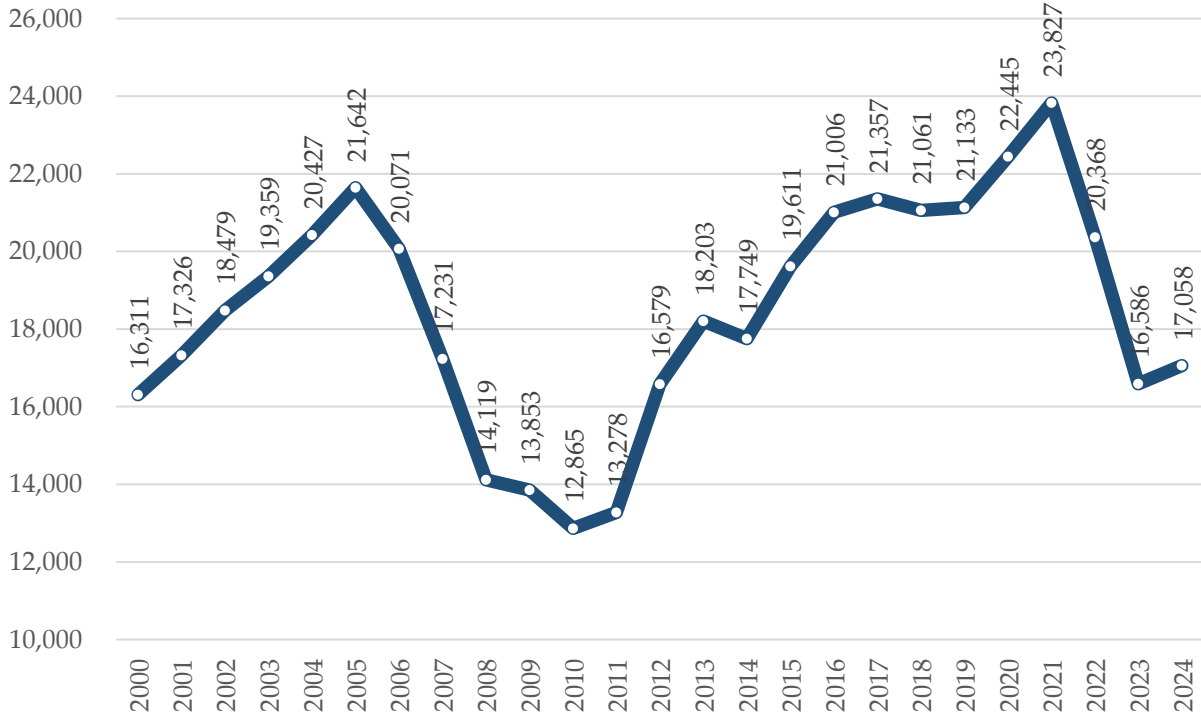


With 3,210 current listings providing 2.3 months of inventory, **the market would need an additional 5,100 units to push inventory to six months**. Six months of inventory is considered a “balanced” market. If inventory falls below six months, the market favors sellers, and when inventory exceeds six months, it is a buyer’s market.

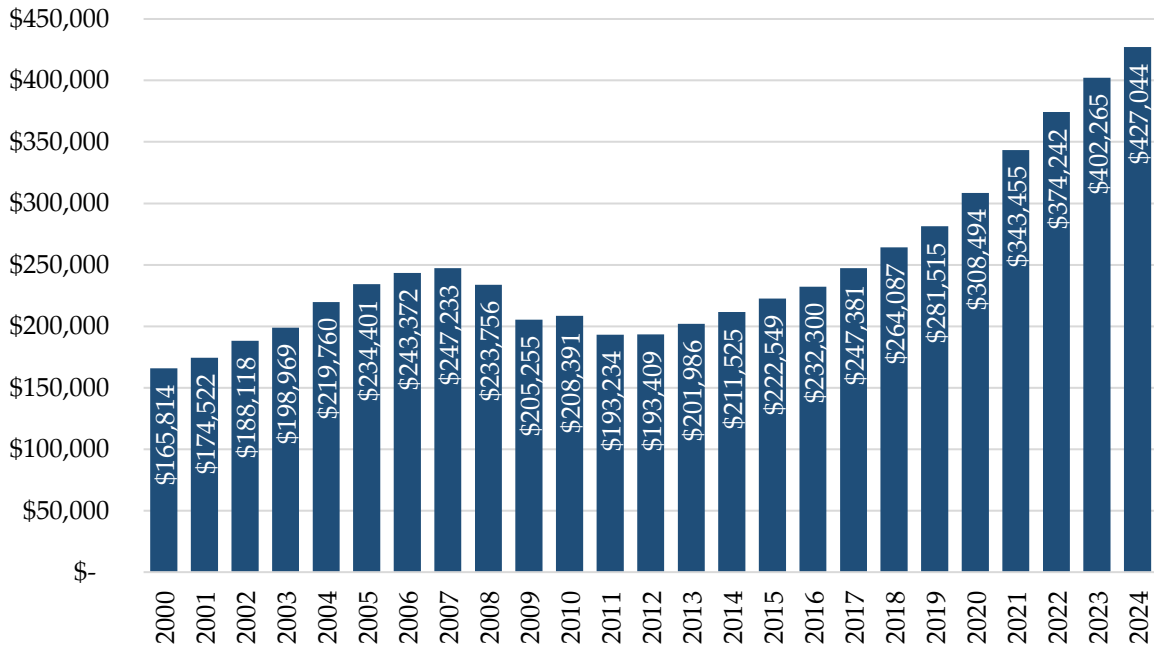
4 County Sale Price



4 County Unit Sales



7 County Sale Price



7 County Unit Sales

