

2025 Home Sales Up 1%

December Home Sales Up 2.1%

Highlights

- **Sales Basically Flat From 2024**
- **Metro Prices Up 6.1%, Averaging \$470,702**
- **Additional Supply Desperately Needed**

Market Summary

Home sales in the Metropolitan Milwaukee market ended 2025 slightly ahead of the prior year, finishing just 1% higher than in 2024. In total, there were 173 more sales in 2025 than in 2024, reflecting a largely stable but constrained market.

Similarly, sales activity in December was modest across the four-county area, increasing 2.1% compared to December 2024. While positive, this gain underscores how limited overall growth remains.

2025 was part of a significant market reset that began in mid-2022, when mortgage interest rates rose sharply from historic lows to levels above 6%. This shift fundamentally changed buyer behavior and overall market dynamics.

As a result, sales in 2023 fell 18.6% from 2022, dropping to 16,586 units. Since then, the metropolitan market has remained at this lower level of activity, without a meaningful rebound in volume.

This stands in stark contrast to recent history. As recently as 2021, the market set a record with 23,827 sales. Compared to that peak, sales in 2025 were still 27.7% below record levels.

2025 Sales (Jan 1 – Dec 31)

County	2024	2025	% Change
Milwaukee	9,673	9,509	-1.7%
Waukesha	4,680	4,897	4.6%
Ozaukee	1,124	1,114	-0.9%
Washington	1,581	1,711	8.2%
Metro Area	17,058	17,231	1.0%
Sheboygan	1,123	1,148	2.2%
Racine	2,340	2,376	1.5%
Kenosha	1,733	1,666	-3.9%
Walworth	1,394	1,485	6.5%
SE WI Area	23,648	23,906	1.1%

December Sales

County	2024	2025	% Change
Milwaukee	761	725	-4.7%
Waukesha	351	366	4.3%
Ozaukee	83	112	34.9%
Washington	117	137	17.1%
Metro Area	1,312	1,340	2.1%
Sheboygan	83	98	18.1%
Racine	169	198	17.2%
Kenosha	137	130	-5.1%
Walworth	103	119	15.5%
SE WI Area	1,804	1,885	4.5%

Normally, a decline in sales is related to an increase in housing supply, which often leads prices to level off or decline. For instance, during economic recessions, more homes tend to come onto the market. As available inventory rises, price growth slows or prices fall altogether.

In theory, these conditions should favor buyers. However, today's buyers are facing extraordinarily difficult conditions.

The current market has no shortage of buyers; instead, buyers are competing for too few available listings. This imbalance is at the core of the problem.

Efforts to lower interest rates alone will not solve this issue. In fact, lower rates could worsen the situation.

When housing supply is limited, there is upward pressure on prices. In 2025, average prices reached a historic high of \$470,702 in the metropolitan area, representing a 6.1% increase.

With supply already constrained, lowering the cost of borrowing by reducing interest rates gives qualified buyers more purchasing power at current price levels. That added purchasing power increases competition for a limited number of homes, which can drive prices even higher.

2025 Listings (Jan 1 – Dec 31)

County	2024	2025	% Change
Milwaukee	12,407	12,663	2.1%
Waukesha	5,585	5,844	4.6%
Ozaukee	1,294	1,347	4.1%
Washington	2,011	2,088	3.8%
Metro Area	21,297	21,942	3.0%
Sheboygan	1,319	1,379	4.5%
Racine	2,870	3,023	5.3%
Kenosha	2,126	2,002	-5.8%
Walworth	1,959	2,023	3.3%
SE WI Area	29,571	30,369	2.7%

December Listings

County	2024	2025	% Change
Milwaukee	524	467	-10.9%
Waukesha	184	211	14.7%
Ozaukee	54	62	14.8%
Washington	81	67	-17.3%
Metro Area	843	807	-4.3%
Sheboygan	54	65	20.4%
Racine	110	141	28.2%
Kenosha	97	78	-19.6%
Walworth	84	66	-21.4%
SE WI Area	1,188	1,157	-2.6%

2025 Sale Prices (Jan 1 – Dec 31)

County	2024	2025	\$ Change	% Change
Milwaukee	\$292,505	\$317,928	\$25,423	8.7%
Waukesha	\$530,190	\$576,331	\$46,141	8.7%
Ozaukee	\$537,420	\$556,596	\$19,176	3.6%
Washington	\$414,303	\$431,952	\$17,649	4.3%
Metro Area Avg	\$443,605	\$470,702	\$27,097	6.1%
Sheboygan	\$323,735	\$339,346	\$15,611	4.8%
Racine	\$319,060	\$335,259	\$16,199	5.1%
Kenosha	\$343,097	\$355,801	\$12,704	3.7%
Walworth	\$552,732	\$600,062	\$47,330	8.6%
SE WI Area Avg	\$473,292	\$501,896	\$28,605	6.0%

The only effective way to ease current market conditions is to increase housing supply.

Additional supply would help slow the pace of price increases, though it would not cause prices to decline.

The market needs approximately 8,000 additional units to meet current demand and allow price growth to

moderate. However, in December there were only 3,303 new listings, highlighting the depth of the supply shortage.



On the demand side, the market is being influenced by generational pressures. Millennial and Gen Z first-time buyers are competing directly with Baby Boomer empty nesters, all seeking housing at the same time.

As we have emphasized for *several years*, REALTORS® have faced extreme challenges in helping buyers – particularly first-time buyers – secure ownership opportunities such as condominiums and single-family homes.

There is a significant long-term risk if additional supply is not created, especially in the form of single-family and condominium units. Thousands of potential homeowners will be pushed into rental housing, limiting their ability to save for down payments and forcing them to miss out on building wealth through home equity and the broader benefits of homeownership.

Over time, this will create serious downstream consequences. Families may lack sufficient home equity to help pay for college, invest in home improvements, or cover unexpected emergencies later in life.

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.

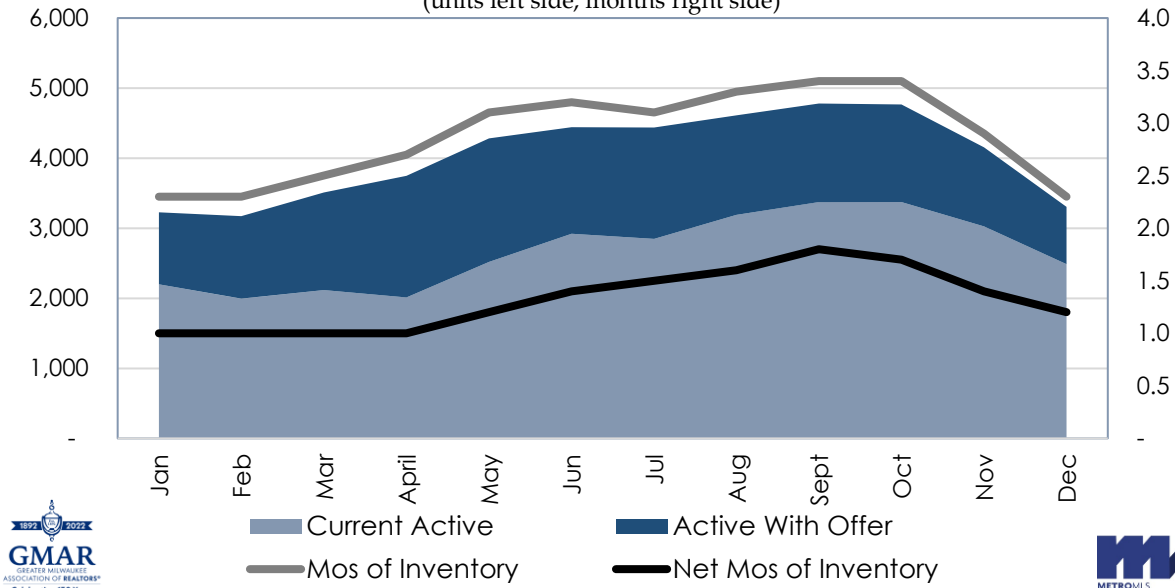
** All references to the "metropolitan" area denotes the four counties of Milwaukee, Waukesha, Ozaukee, and Washington Counties. The "region" or "Southeast Wisconsin" refers to the four metropolitan counties (Milwaukee, Waukesha, Ozaukee, and Washington), plus Racine, Kenosha, and Walworth Counties,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

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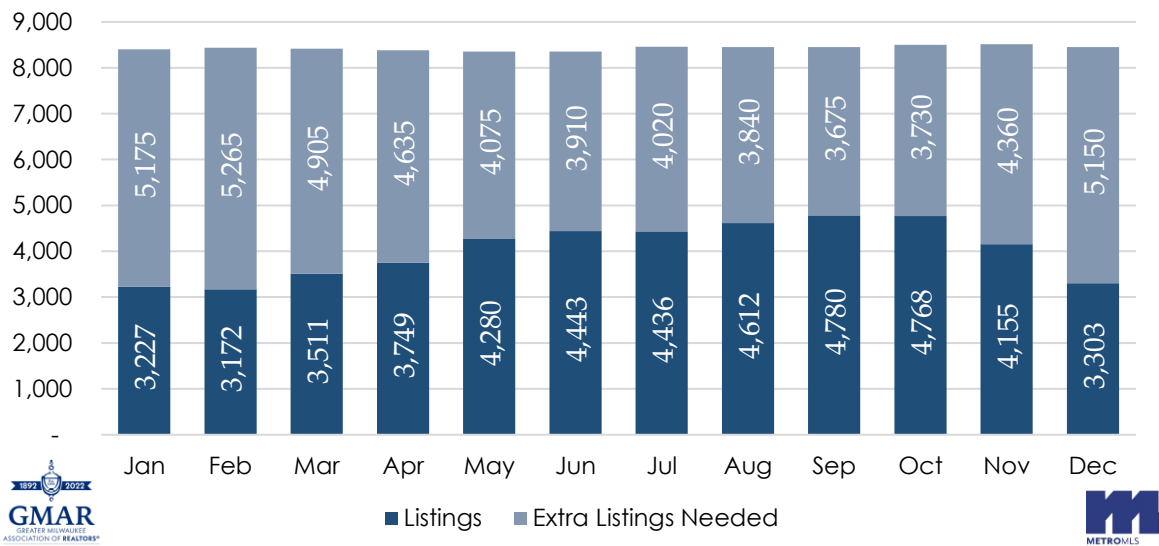
Seasonally Adjusted Inventory

(units left side, months right side)



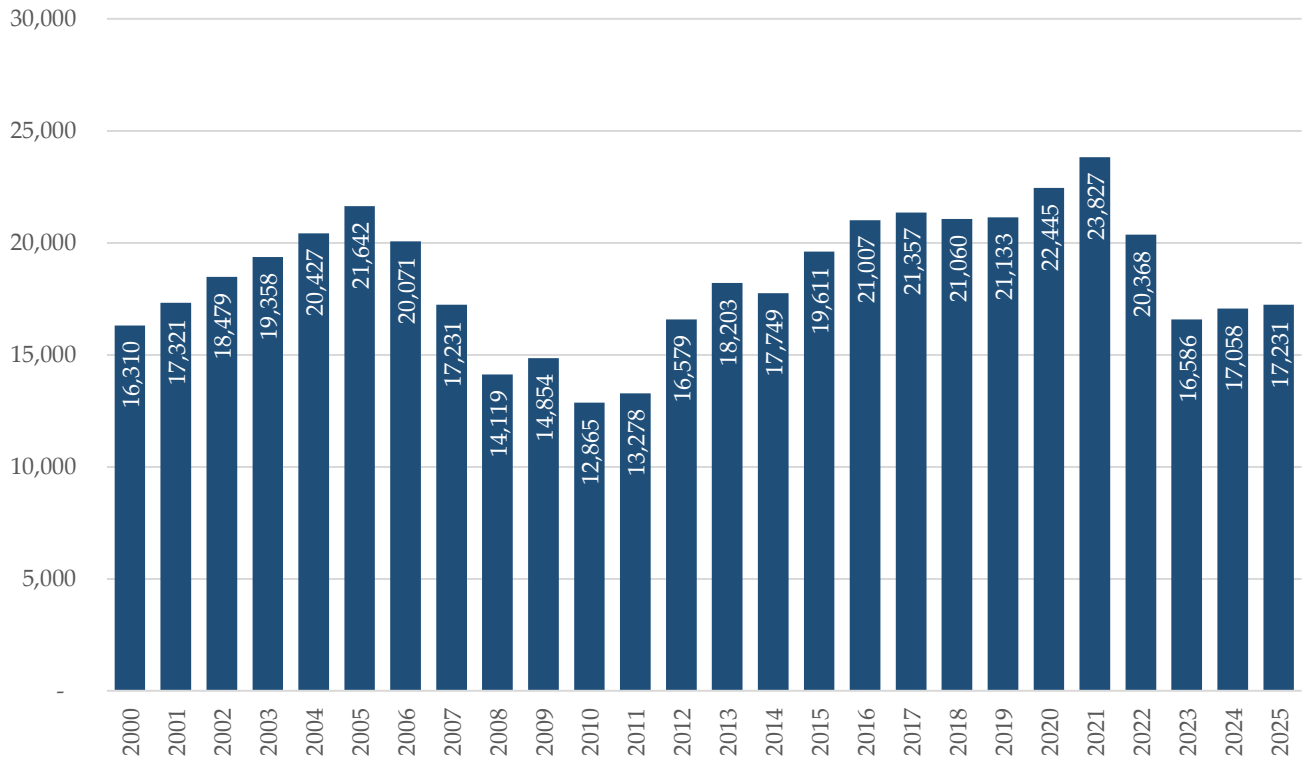
Seasonally adjusted inventory tells us how many months it would take to sell the existing homes on the market. The seasonally adjusted **inventory level for December was 2.3 months**. Subtracting listings that have an “active offer” from those available for sale (about 80% of listings with an offer sell) yields **2,534 listings, which equals 1.2 months of inventory**.

New Units Needed To Reach 6.0 Months

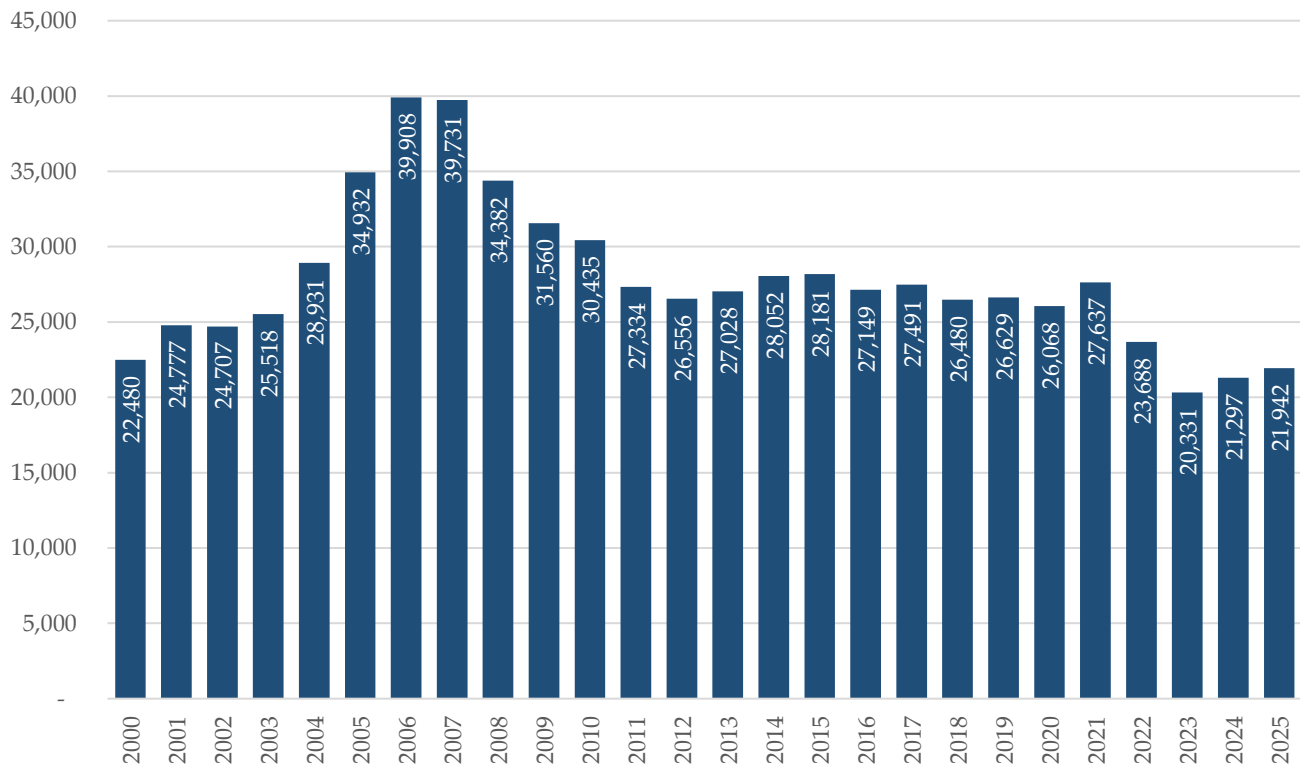


With 3,303 current listings providing 2.3 months of inventory, **the market would need an additional 5,150 units to push inventory to six months**. Six months of inventory is considered a “balanced” market. If inventory falls below six months, the market favors sellers, and when inventory exceeds six months, it is a buyer’s market.

Historic 4 County Sold Units



Historic 4 County Listings



Historic 4 County Sale Price

