

1st Quarter Home Sales Down 0.3%

March Home Sales Down 3.7%

Highlights

- **Sales Down Due to Lack of Listings & New Construction**
- **Metro Prices Up 4.3% for the Quarter, Averaging \$435,646**
- **Macro-Economic Forces Yielding Uncertainty**

Market Summary

Home sales in the Metropolitan Milwaukee market finished the 1st quarter of the year down 9 units (0.3%) – essentially flat from a year earlier. March sales were down 45 units (3.7%) from 2024.

Thus far in 2025, sales are mixed. January saw a sizable 7.1% jump, but February and March were down by almost 4% each.

Since interest rates increased in mid-2022 from historical lows to over 6%, sales have suffered. Higher mortgage rates caused sellers to pull back from putting their house up for sale, because, for many people, moving would entail taking a mortgage with a higher rate.

The reduction in listings is on top of too few homes being built, leading to a supply crunch that has expressed itself through higher prices. And, in fact, prices have gone up by \$17,861 in the metropolitan area.

There may be some light on the horizon however. Listings in the 4-county market were up through the 1st quarter by 4.7%. Not enough to reduce prices or increase inventory dramatically, but it is going in the right direction.

1st Quarter Sales (Jan 1 – Mar 31)

County	2024	2025	% Change
Milwaukee	1,885	1,792	-4.9%
Waukesha	734	786	7.1%
Ozaukee	262	276	5.3%
Washington	176	194	10.2%
Metro Area	3,057	3,048	-0.3%
Racine	451	404	-10.4%
Kenosha	322	305	-5.3%
Walworth	244	220	-9.8%
SE WI Area	4,074	3,977	-2.4%

March Sales

County	2024	2025	% Change
Milwaukee	716	683	-4.6%
Waukesha	306	307	0.3%
Ozaukee	78	78	0.0%
Washington	112	99	-11.6%
Metro Area	1,212	1,167	-3.7%
Racine	187	136	-27.3%
Kenosha	135	111	-17.8%
Walworth	94	76	-19.1%
SE WI Area	1,628	1,490	-8.5%

Listings through the 1st quarter and March were up, 4.7% and 4.6%, respectively. The 4,516 units that were listed through the 1st quarter 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 2.5 months of buyer demand in March, and if we subtract units with an offer that level drops to 1.0 month – 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.

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 metropolitan market annually. Unfortunately, in 2024 there were only 2,042 units constructed (according to HUD statistics).

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.

1st Quarter Sale Prices (Jan 1 – Mar 30)

County	2024	2025	\$ Change	% Chng
Milwaukee	\$257,299	\$294,749	\$37,450	14.6%
Waukesha	\$479,321	\$528,270	\$48,949	10.2%
Washington	\$396,580	\$405,719	\$9,139	2.3%
Ozaukee	\$537,940	\$513,846	\$(24,094)	-4.48%
Metro Area Avg	\$417,785	\$435,646	\$17,861	4.3%
Racine	\$295,106	\$308,569	\$13,463	4.6%
Kenosha	\$319,705	\$324,728	\$5,023	1.6%
Walworth	\$510,564	\$539,215	\$28,651	5.6%
SE WI Area Avg	\$399,502	\$416,442	\$16,940	4.2%

1st Quarter Listings (Jan 1 – Mar 31)

County	2024	2025	% Change
Milwaukee	2,672	2,730	2.2%
Waukesha	990	1,073	8.4%
Ozaukee	416	425	2.2%
Washington	236	288	22.0%
Metro Area	4,314	4,516	4.7%
Racine	525	617	17.5%
Kenosha	437	370	-15.3%
Walworth	429	437	1.9%
SE WI Area	5,705	5,940	4.1%

March Listings

County	2024	2025	% Change
Milwaukee	1,038	1,052	1.3%
Waukesha	379	405	6.9%
Ozaukee	86	98	14.0%
Washington	149	173	16.1%
Metro Area	1,652	1,728	4.6%
Racine	197	223	13.2%
Kenosha	159	138	-13.2%
Walworth	151	188	24.5%
SE WI Area	2,159	2,277	5.5%

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.



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.

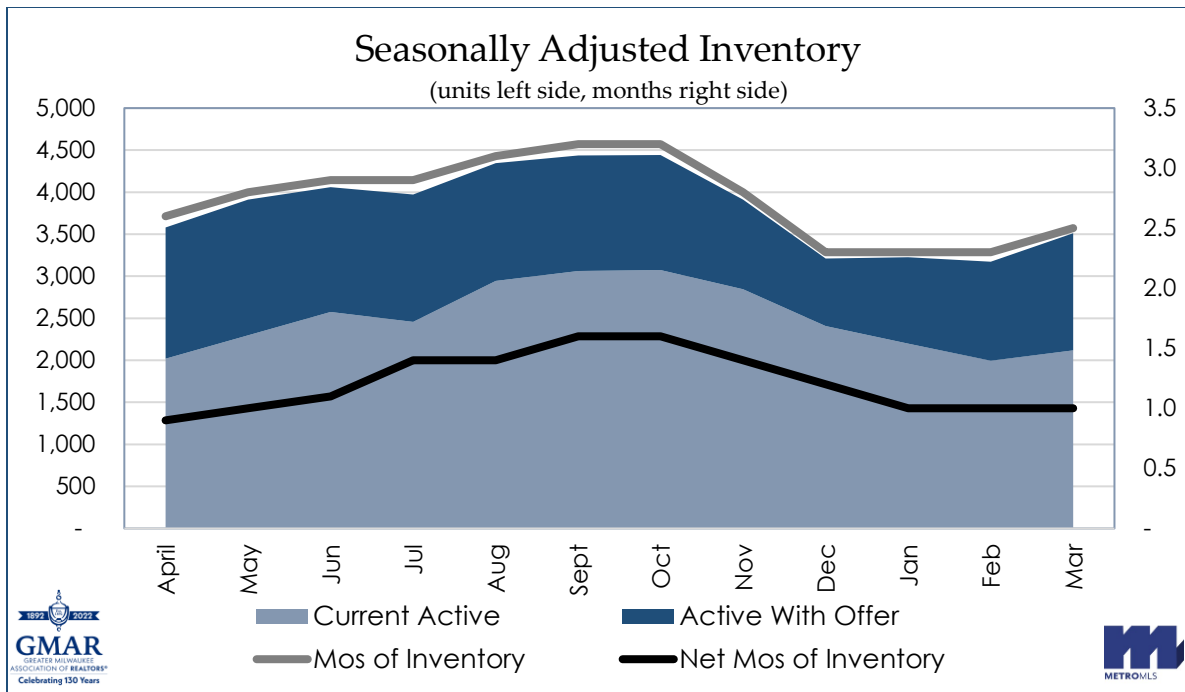
The Greater Milwaukee Association of REALTORS® is a 5,500-member strong professional organization dedicated to providing information, services, and products to help REALTORS® help their clients buy and sell real estate. Data for this report was collected by Metro MLS, Inc. a wholly owned subsidiary of 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.

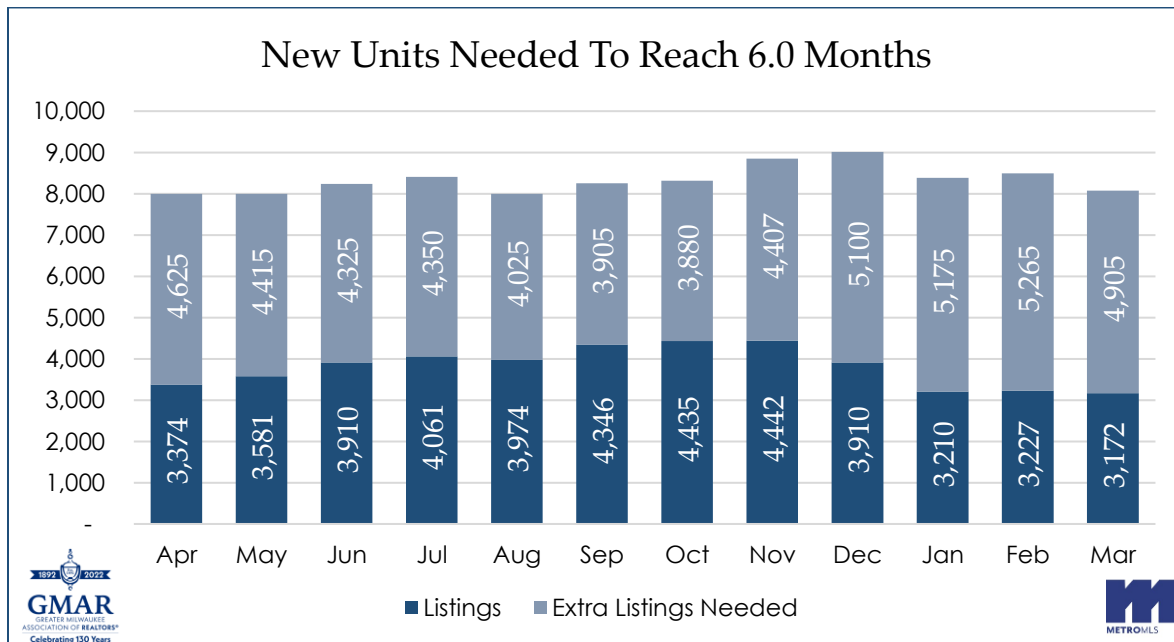
** All references to the "metropolitan" area denotes the four counties of Milwaukee, Waukesha, Ozaukee, and Washington Counties. The "region" or "Southeast Wisconsin" refers to the four metropolitan counties (Milwaukee, Waukesha, Ozaukee, and Washington), plus Racine, Kenosha, and Walworth Counties,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

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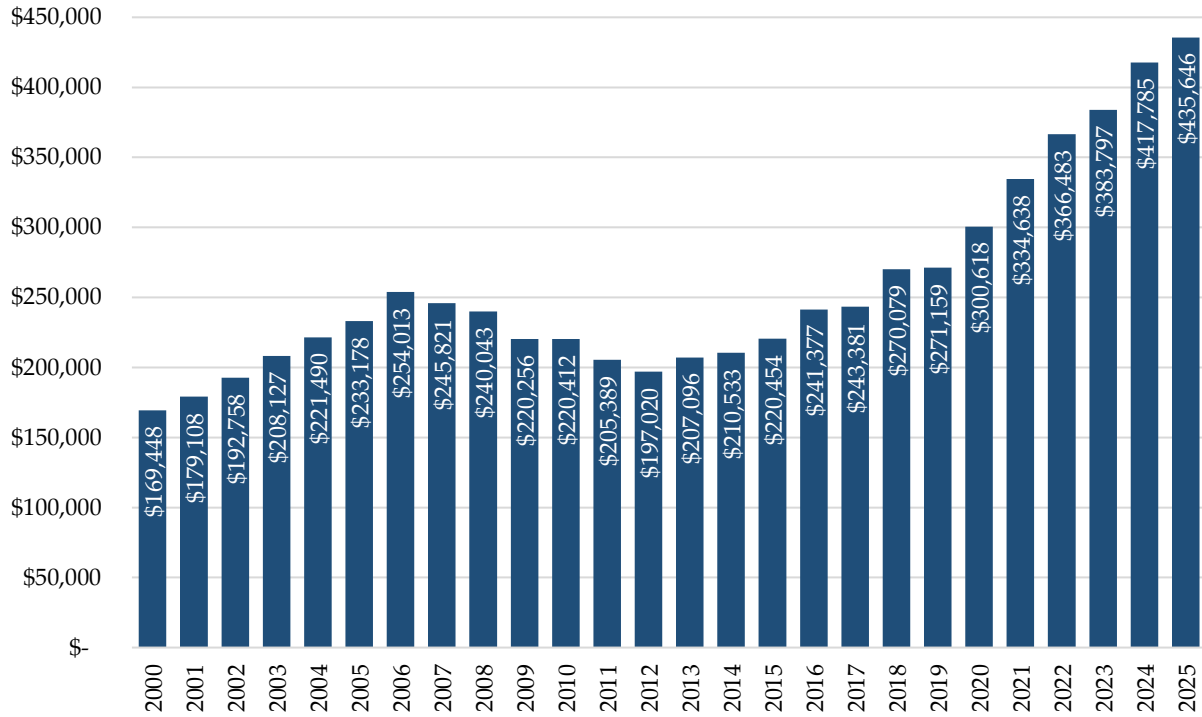


Seasonally adjusted **inventory** tells us how many months it would take to sell the existing homes on the market. The seasonally adjusted **inventory level for March was 2.5 months**. Subtracting listings that have an “active offer” from those available for sale (about 80% of listings with an offer sell) yields **2,790 listings, which equals 1.0 month of inventory**.

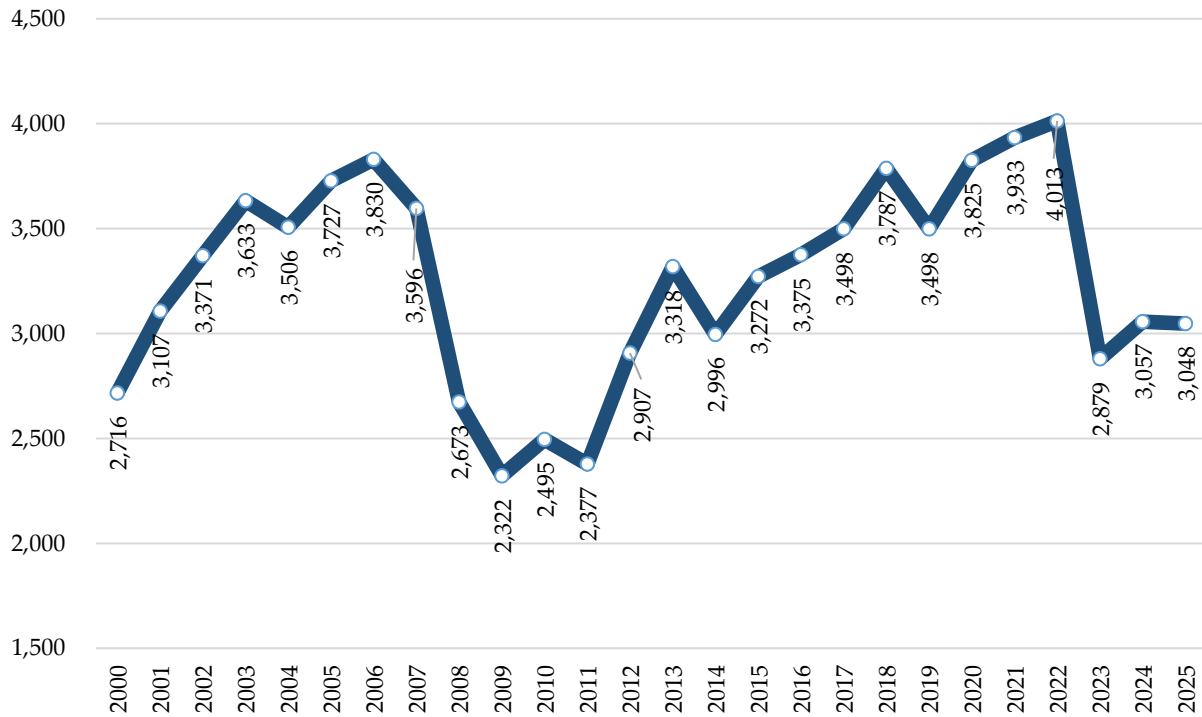


With 3,172 current listings providing 2.5 months of inventory, **the market would need an additional 4,905 units to push inventory to six months**. Six months of inventory is considered a “balanced” market. If inventory falls below six months, the market favors sellers, and when inventory exceeds six months, it is a buyer’s market.

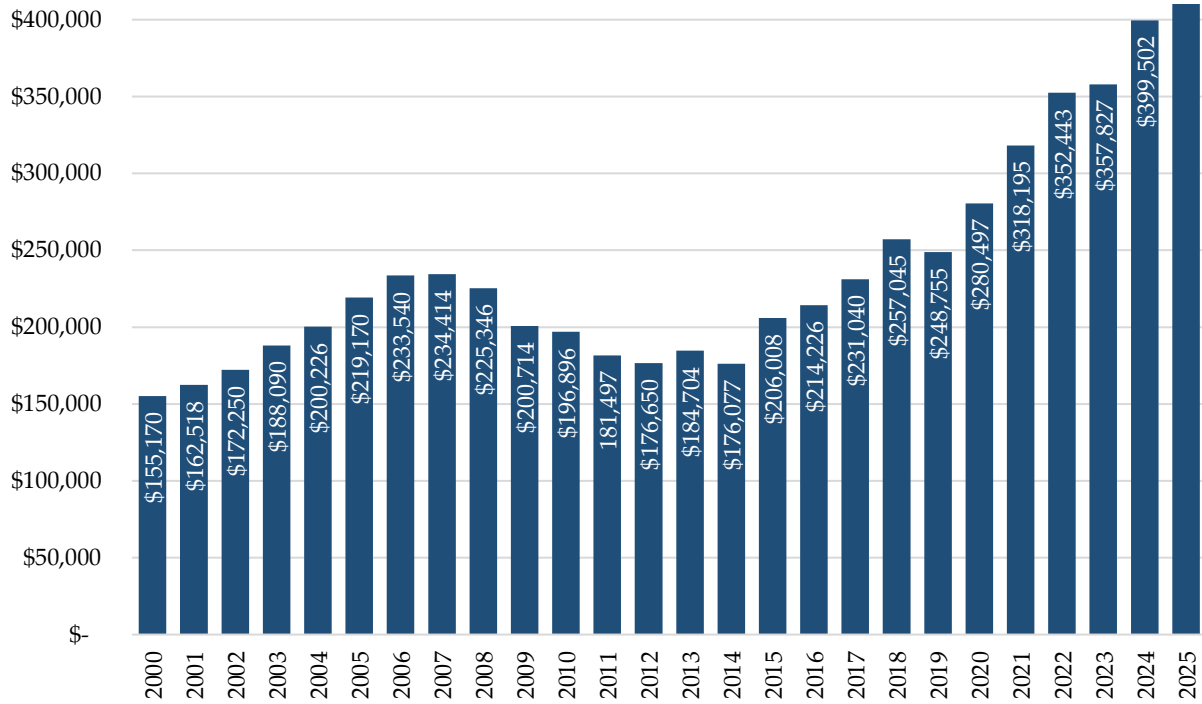
Q1 4 County Avg Sale Price



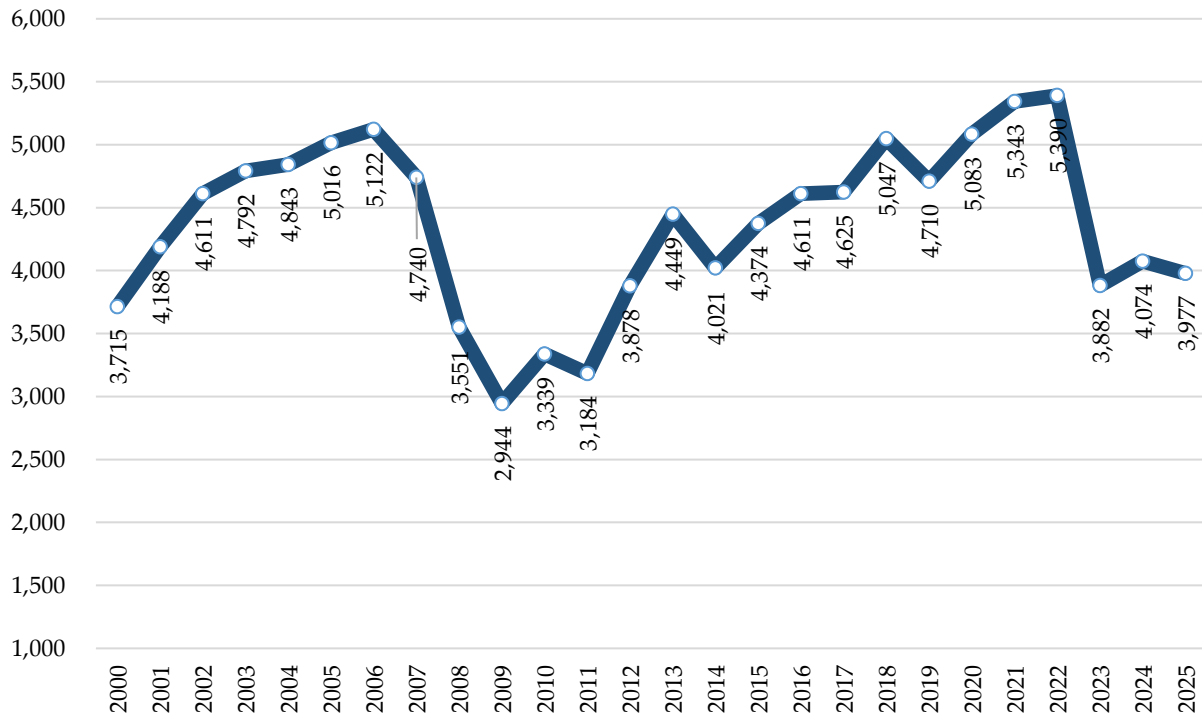
Q1 4 County Unit Sales



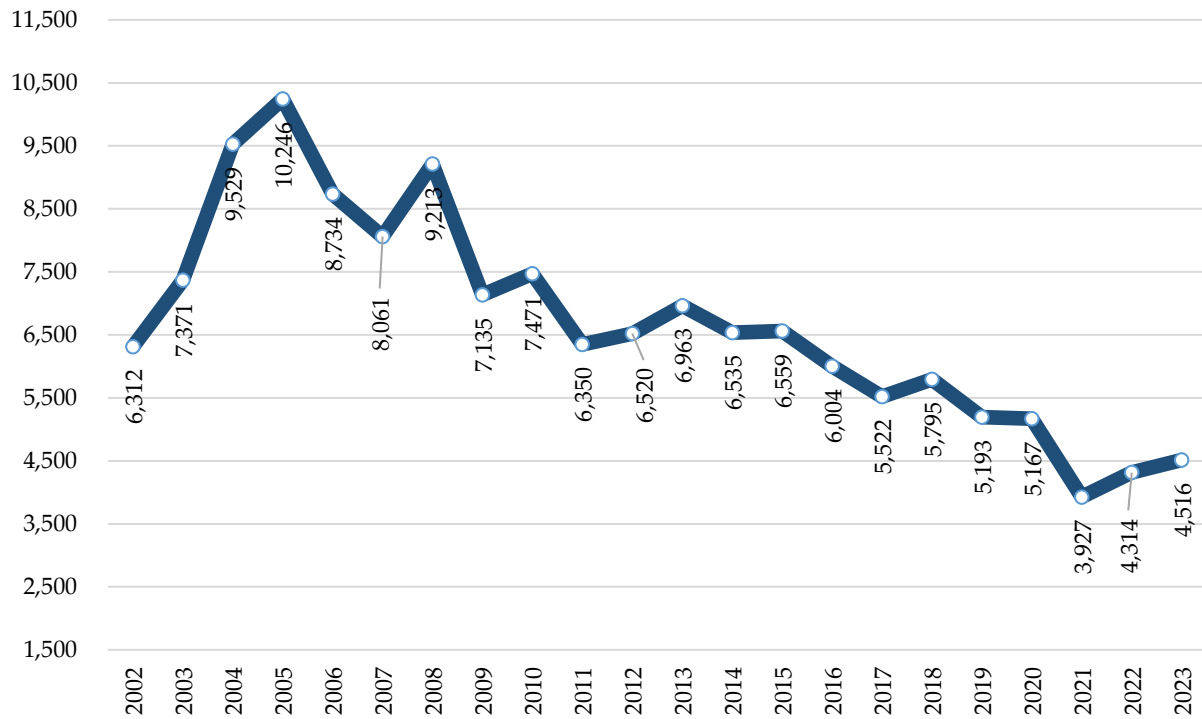
Q1 7 County Avg Sale Price



Q1 7 County Total Sales



Q1 4 County Listings



Q1 7 County Listings

