

May Home Sales Down 0.2%

Highlights

- **Stable Sales, Limited Inventory**
- **Lingering Impact of Interest Rates**
- **High Demand, Low Supply in Key Price Range**

Market Summary

May home sales in the Metropolitan Milwaukee housing market remained essentially unchanged from last year, with just four fewer units sold compared to 2024.

May marked the fourth straight month of declining sales, however, year-to-date figures were only 105 units behind where they were at this time in 2024.

The market experienced a major shift in June 2022 when interest rates surged, leading to a drop of more than 3,000 annual sales. While higher rates pushed some buyers to the sidelines, the more lasting impact was on inventory - many potential sellers chose not to list their homes, resulting in fewer properties for buyers to purchase.

When new listings do appear, they are quickly absorbed. In May, listings increased 3.9%, adding 2,293 new units and boosting inventory to 3.1 months. However, if we subtract the listings that had accepted offers in May (these are not considered closed sales) inventory drops to 1.2 months.

New construction has long lagged behind demand. The market would benefit from at least 4,000 more homes to adequately serve interested buyers.

May Sales

County	2024	2025	% Change
Milwaukee	971	965	-0.6%
Waukesha	474	474	0.0%
Ozaukee	107	110	2.8%
Washington	163	162	-0.6%
Metro Area	1,715	1,711	-0.2%
Sheboygan	96	83	-13.5%
Racine	217	239	10.1%
Kenosha	171	151	-11.7%
Walworth	139	148	6.5%
SE WI Area	2,338	2,332	-0.3%

May Listings

County	2024	2025	% Change
Milwaukee	1194	1242	4.0%
Waukesha	646	673	4.2%
Ozaukee	139	146	5.0%
Washington	228	232	1.8%
Metro Area	2,207	2,293	3.9%
Sheboygan	161	152	-5.6%
Racine	285	260	-8.8%
Kenosha	214	221	3.3%
Walworth	222	212	-4.5%
SE WI Area	3,089	3,138	1.6%

The most active segment of the market continues to be existing homes priced between \$200,000 and \$399,999, which made up over 44% of May's sales. This range appeals to both Millennial and Gen Z first-time buyers as well as downsizing empty nesters.

Strong demand stems from buyers eager to enjoy the quality-of-life benefits of homeownership. Many are stretching financially to qualify for loans or save enough for a down payment.

As we have noted for years, REALTORS® face ongoing challenges helping clients find ownership opportunities in condominiums and single-family homes. Thousands of would-be buyers are stuck renting, unable to build equity or save for future home purchases.

Where to go

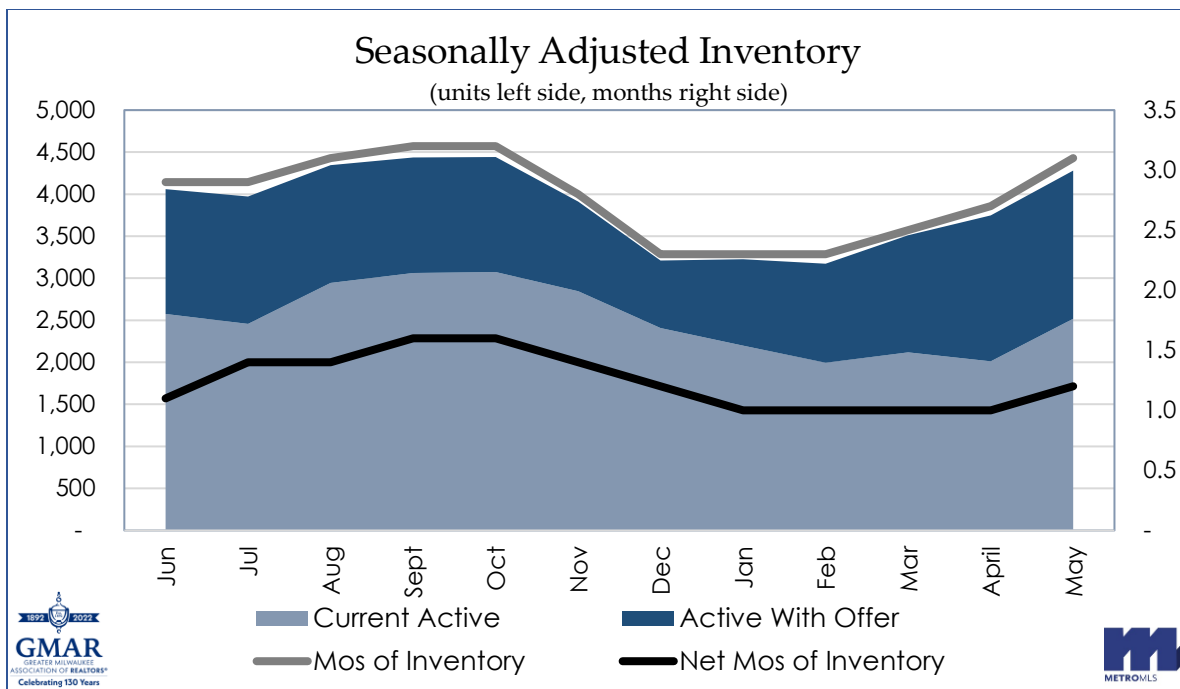
Buyers should seek the counsel of a REALTOR® in determining their best housing options, and sellers need the expert advice of a REALTOR® in making correct marketing decisions for their home.

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.

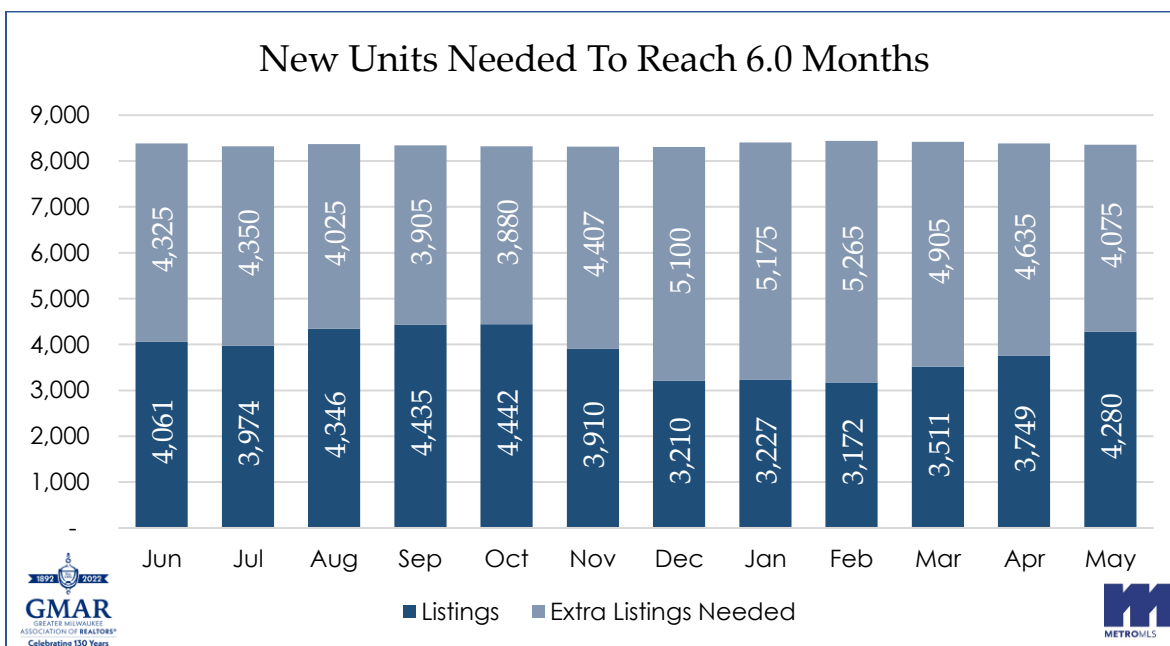
* Sales and Listing figures differ between the "Monthly Stats" and quarter or year-end numbers, because the collection of Monthly Stats ends on the 10th of each month, whereas quarters are a continuous tally to 12/31. For example, if a sale occurred on the 29th of the month, but an agent does not record 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.





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 May was 3.1 months**. Subtracting **1,762 “active offer”** listings from those available for sale (about 80% of listings with an offer sell) yields **3,409 listings, which equals 1.2 months of inventory**.



With 4,280 current listings providing 3.1 months of inventory, **the market would need an additional 4,075 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.