

# October Home Sales Down 1.3%

## Highlights

- **Sales Down 1.3% in October, But Up 6.3% for 2024**
- **Prices Up 11.9%**
- **Listings Up 8.8%**

## Market Summary

The Metropolitan Milwaukee housing market saw a 1.3% drop in October home sales compared to the same period in 2023; also marking the third consecutive month that sales were behind the year earlier.

January to October sales totaled 13,747 in 2023. This year the total for the period was 14,145, up 6.3%. The market will most likely see an additional 2,400 units sell through the remainder of 2024, which will bring the annual total to around 16,500 units.

16,500 unit sales would be about the same as 2023, which was notably one of the lowest sales years since the market recovered from the Great Recession.

Mortgage interest rates, which began their ascension in late 2021 and now sit in the 6% range, and high sales prices are partly to blame for the decrease in sales. However, lackluster listings are also a significant cause.

Thus far in 2024 listings are ahead of 2023 by 6.3% (18,530 to 17,440, respectively). We can speculate there will be an additional 2,500 listings in the last two months of 2024, bringing the annual total to about 21,000. That is well below the 25,000 to 27,000 listings the market had until 2022 when they began to slide.

Notwithstanding the decline in listings, demand for homes continues to remain strong. We can tell demand is strong from the increase in average sales price in the market. The

## October Sales

County	2023	2024	% Change
Milwaukee	920	837	-9.0%
Waukesha	399	443	11.0%
Ozaukee	101	97	-4.0%
Washington	125	148	18.4%
Metro Area	1,545	1,525	-1.3%
Racine	180	216	20.0%
Kenosha	150	176	17.3%
Walworth	116	131	12.9%
SE WI Area	1,991	2,048	2.9%

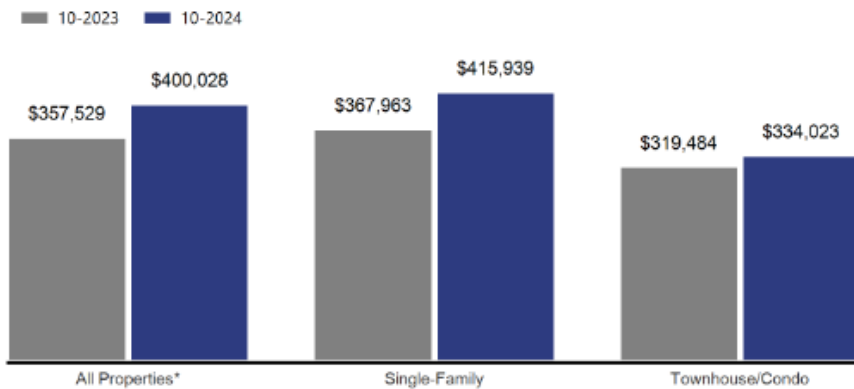
## October Listings

County	2023	2024	% Change
Milwaukee	1106	1192	7.8%
Waukesha	476	535	12.4%
Ozaukee	85	98	15.3%
Washington	156	159	1.9%
Metro Area	1,823	1,984	8.8%
Racine	244	287	17.6%
Kenosha	160	208	30.0%
Walworth	148	161	8.8%
SE WI Area	2,375	2,640	11.2%

average sale price in the four-county area went up 11.9% in October, from \$357,529 in 2023 to \$400,028 this past October.

Prices are going up because the market simply does not have enough homes to meet demand, resulting in prices being pushed up as buyers bid up prices. This is a frustrating and unsustainable trend for REALTORS® trying to help buyers.

### Average Sales Price By Property Type



The supply of inventory on hand was only enough to satisfy 3.2 months of buyer demand in October. If we subtract units with an offer that level drops to 1.6 months, significantly below the balanced market concept of 6 months.

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

All Properties*			
Sales Price	10-2023	10-2024	Change
Average Sales Price	\$357,529	\$400,028	+ 11.9%
Median Sales Price	\$310,000	\$349,834	+ 12.8%



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 to stay in 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.

### 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 10<sup>th</sup> of each month, whereas quarters are a continuous tally to 12/31. For example, if a sale occurred on the 29<sup>th</sup> of the month, but an agent does not record the sale until the 5<sup>th</sup> 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.

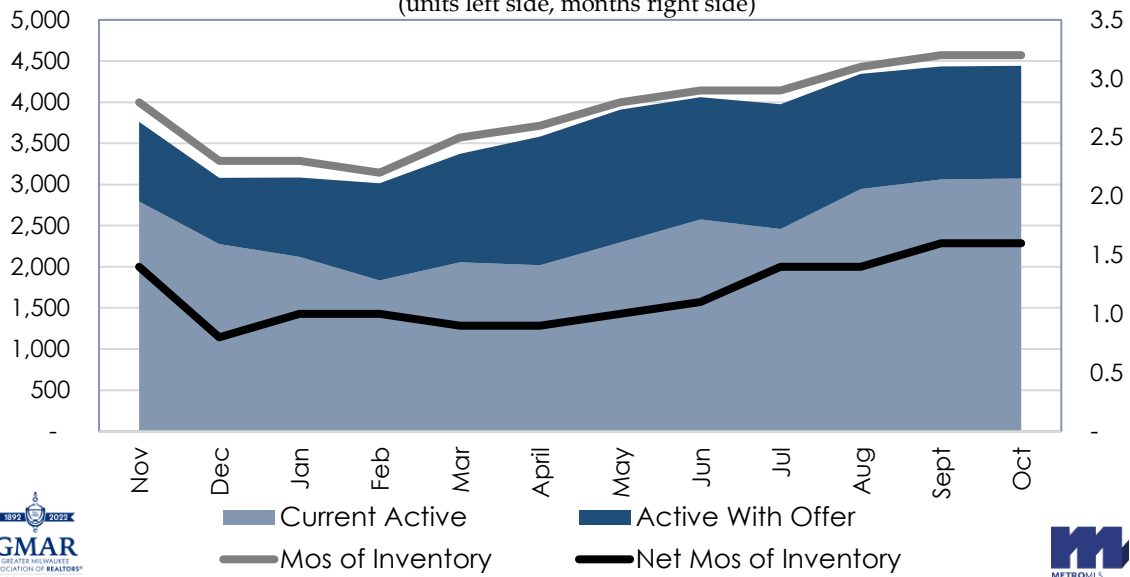
\*\* All references to the "metropolitan" area denotes the four counties of Milwaukee, Waukesha, Ozaukee, and Washington Counties. The "region" or "Southeast Wisconsin" refers to the four metropolitan counties (Milwaukee, Waukesha, Ozaukee, and Washington), plus Racine, Kenosha, and Walworth Counties,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



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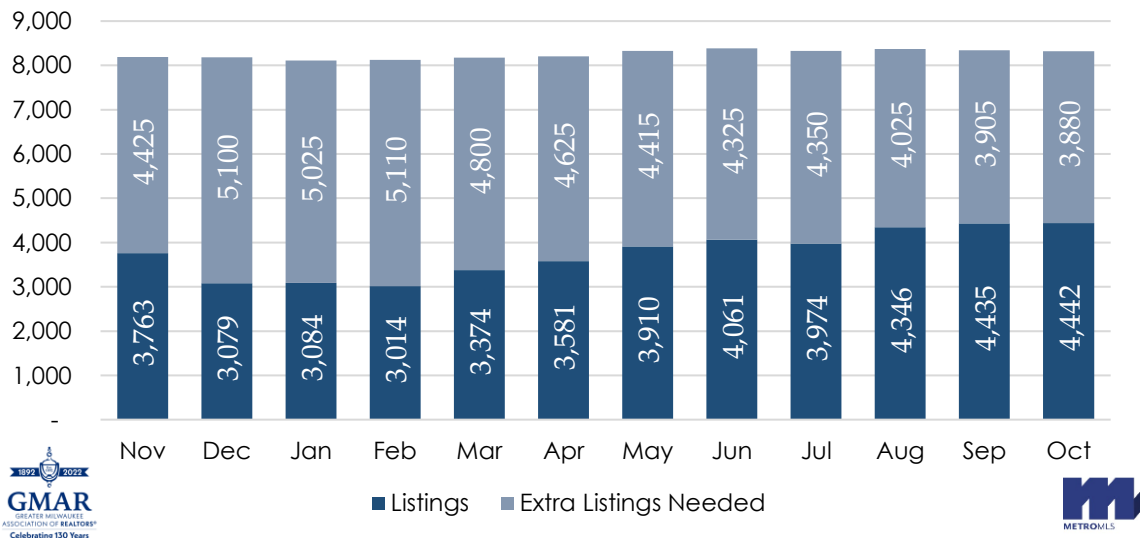
## Seasonally Adjusted Inventory

(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 October was 3.2 months**. Subtracting **1,368 “active offer”** listings from those available for sale (about 80% of listings with an offer sell) yields **3,520 listings, which equals 1.6 months of inventory**.

## New Units Needed To Reach 6.0 Months



With 4,442 current listings providing 3.2 months of inventory, **the market would need an additional 3,880 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.

