For Immediate Release
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GMAR Greater Milwaukee Association of REALTORS®

June Home Sales Down 5.8%
2nd QTR Down 5.0%

Market Highlights

- Prices Up In 4 County Area
- Market is Slowing, But Still Running At a High Level
- Despite Increased Listings, Market is Still Tight

June Sales

County	2018	2019	% Change
Milwaukee	1,258	1,155	-8.2%
Waukesha	723	702	-2.9%
Washington	237	222	-6.3%
Ozaukee	151	153	1.3%
4 County Area	2,369	2,232	-5.8%
Racine	290	279	-3.8%
Kenosha	282	228	-19.1%
Walworth	159	185	16.4%
7 County Area	3,100	2,924	-5.7%

2nd Quarter Sales (Jan 1 – Jun 30)

County	2018	2019	% Change
Milwaukee	5,886	5,520	-6.2%
Waukesha	2,730	2,737	0.3%
Washington	995	888	-10.8%
Ozaukee	636	593	-6.8%
4 County Area	10,247	9,738	-5.0%
Racine	1,342	1,306	-2.7%
Kenosha	1,162	1,105	-4.9%
Walworth	843	862	2.3%
7 County Area	13,594	13,011	-4.3%

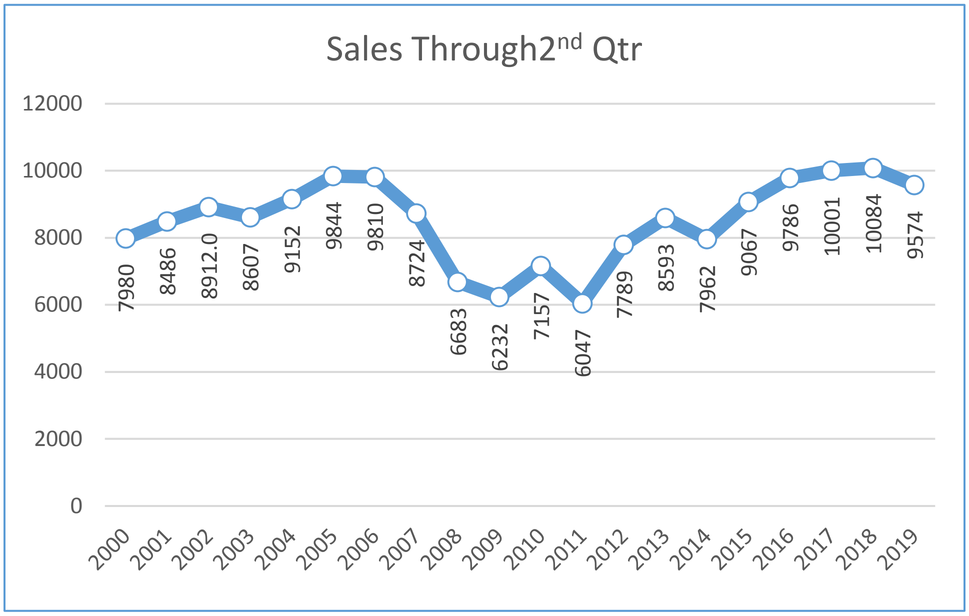
July 12, 2019 – Home sales were down 5.8% in June in the Metropolitan Milwaukee market over the same period in 2018. The 2,232 homes sold in June were 137 fewer than in June 2018, when 2,369 units sold.

The drop is an extension of a slowing market the Metropolitan and Southeastern Wisconsin areas have experienced since May 2018. Since then, the market has only seen 3 months with positive home sales.

Through the 2nd quarter of the year 9,738 homes sold, down 5.0% from 10,247 units sold in 2018 in the 4-county area. Add the 3 counties to the south, and total sales were 13,011, 4.3% behind the 13,594 sales in 2018 in SE Wisconsin.

The metropolitan area has enjoyed a strong sales market since the beginning of 2015. The influx of first-time buyers – accounting for roughly 40% of the market – empty nesters downsizing, historically low interest rates, and a strong regional job market, all provide fuel for a hot market.

However, we may be at the front end of a slowdown. As the Federal Reserve contemplates a rate cut, declines in business and consumer confidence in the economy, and the Yield Curve inversion earlier this spring, it appears the macro-economic forces are wobbly.



Sales of homes in the 4 County area – through the 2^{nd} quarter – also appears to show that the market may have peaked.

Nonetheless, while there are several indications that the market is slowing, there is nothing on the horizon that would indicate the slowdown is significant.

This is not 2008. There are no reports, or anecdotal stories, of unworthy buyers getting loans, or crooked lenders handing out cash that precipitated the 2008 crash. All indications point to a soft landing.

June 2018 vs. June 2019 Price Point Comparison

County	June of	<$300K Sales - % TTL	$300 - $500K Sales - % TTL	>$500K Sales - % TTL
Milwaukee	2018	1,031 – 84%	154 – 13%	46 – 4%
	2019	940 – 83%	152 – 14%	46 – 4%
Waukesha	2018	347 – 48%	288 – 40%	90 – 12%
	2019	299 – 43%	290 – 41%	113 – 16%
Washington	2018	164 – 69%	60 – 26%	13 – 5%
	2019	141 – 64%	66 – 30%	15 – 7%
Ozaukee	2018	62 – 41%	52 – 34%	37 – 25%
	2019	71 – 46%	51 – 34%	31 – 20%
4 – Cty Total	2018	1,601 – 68%	554 – 24%	186 – 8%
	2019	1,451 – 66%	559 – 25%	205 – 9%
Racine	2018	228 – 81%	51 – 18%	4 – 1%
	2019	217 – 79%	51 – 19%	6 – 2%
Kenosha	2018	224 – 80%	50 – 18%	7 – 2%
	2019	174 – 77%	44 – 19%	9 – 4%
Walworth	2018	112 – 71%	32 – 21%	14 – 9%
	2019	123 – 66%	41 – 22%	21 – 11%

June's price point comparison show softening in most categories.

Since 2015 most of the growth in sales was in the under $300,000 market, but that appears to have subsided along with the upper end.

June Listings

County	2018	2019	% Change
Milwaukee	1,478	1,504	1.8%
Waukesha	785	795	1.3%
Washington	254	274	7.9%
Ozaukee	161	198	23.0%
4 County Area	2,678	2,771	3.5%
Racine	343	392	14.3%
Kenosha	321	302	-5.9%
Walworth	251	253	0.8%
7 County Area	3,593	3,718	3.5%

Listings

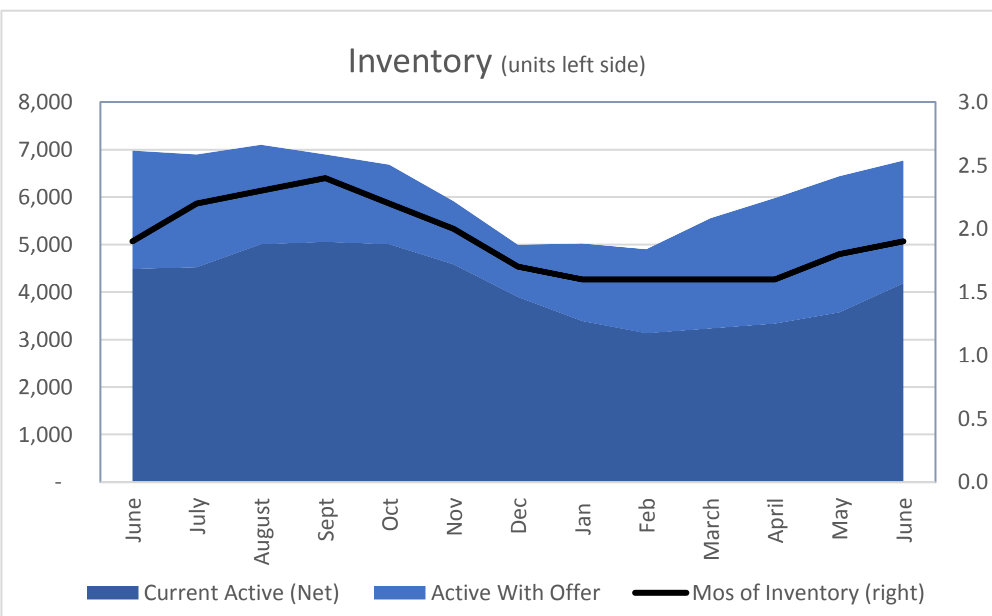
Listings were up a healthy 3.5% all over Southeastern Wisconsin in June. The 4 county area went up 93 units, 3.5%. The 7 county Southeastern Wisconsin area was up 3.5%, or 125 units.

2nd Quarter Listings (Jan 1 – Jun 30)

County	2018	2019	% Change
Milwaukee	8,143	7,736	-5.0%
Waukesha	3,985	4,035	1.3%
Washington	1,335	1,302	-2.5%
Ozaukee	941	949	0.9%
4 County Area	6,004	5,522	-8.0%
Racine	726	691	-4.8%
Kenosha	604	642	6.3%
Walworth	608	526	-13.5%
7 County Area	7,942	7,381	-7.1%

Inventory

Seasonally adjusted inventory is calculated by taking the homes available for sale in a given month and comparing them to the past 12 months' average sales. This tells us how many months it would take to sell the existing homes on the market.



The seasonally adjusted inventory level for June was 4.0 months, up from May's 3.8 month level. The seasonally adjusted level was 4.0 months in June 2018.

We also calculate inventory by subtracting the listings that have an "active offer" from those available for sale in a given month. Approximately 8 in 10 listings that buyers place an offer on go on to a complete sale. This gives us a different perspective of the quantity of homes available on the market.

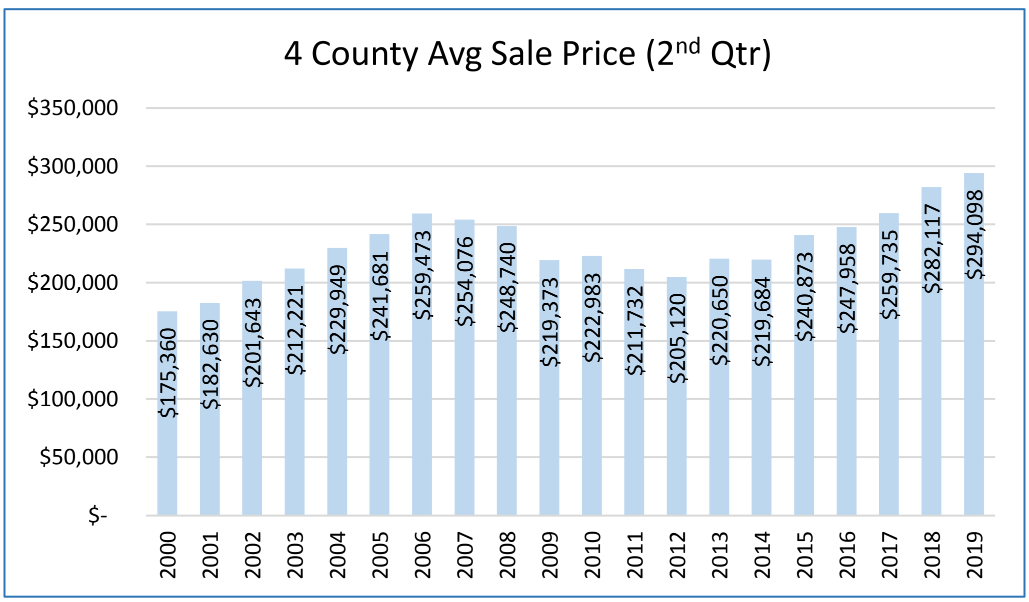
Subtract the 2,587 listings with an active offer from current listings presents an effective inventory level of 1.9 months, down from May's 1.8 level. A year ago, the same calculation also showed June's inventory level at 1.9 months.

Average Sale Prices

Despite the apparent slowing of the economy, average sale price in the Metropolitan counties was up a healthy 4.2%, in the 2nd quarter. SE Wisconsin was also up 3.4%, with Walworth County the only market seeing a decline.

2nd Quarter Sale Prices

County	2018	2019	$ Change	% Change
Milwaukee	$184,902	$196,166	$11,264	6.1%
Waukesha	$327,182	$351,508	$24,326	7.4%
Washington	$261,931	$267,898	$5,967	2.3%
Ozaukee	$354,452	$360,820	$6,368	1.8%
4 County Area	$282,117	$294,098	$11,981	4.2%
Racine	$194,040	$210,457	$16,417	8.5%
Kenosha	$204,866	$222,834	$17,968	8.8%
Walworth	$312,419	$293,301	$(19,118)	-6.1%
7 County Area	$262,827	$271,855	$9,027	3.4%



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 with their homes.

The Greater Milwaukee Association of REALTORS® is a 4,000-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 the 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 July 29th, but an agent does not record the sale until August 11th, that sale would not be included in the July sales figures (or any subsequent month's total) but would be added to the quarterly and annual total sales figures.

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