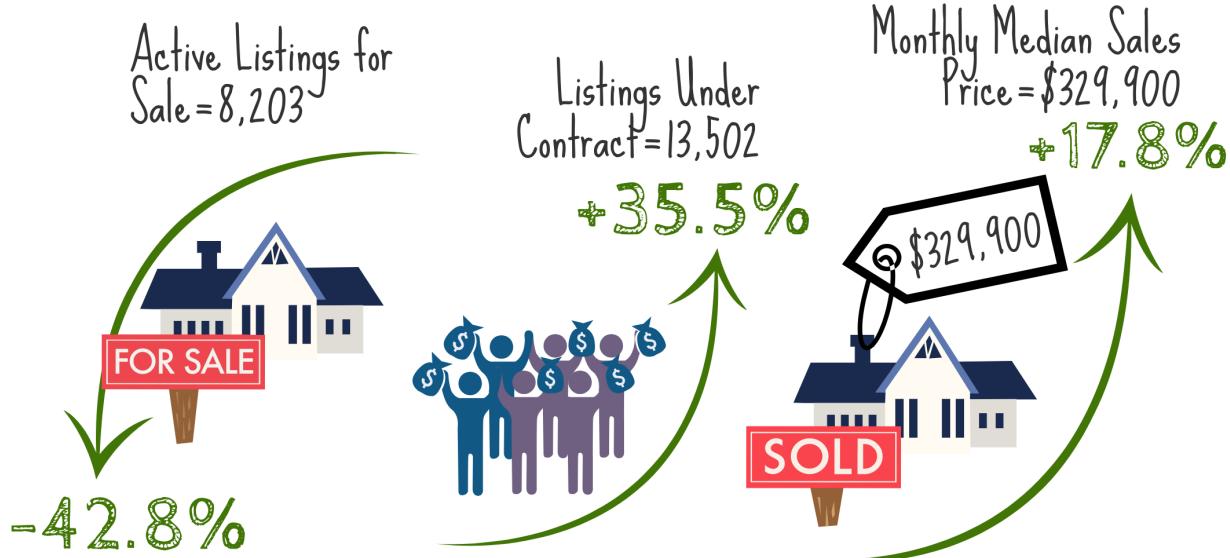


PHOENIX METRO

RESIDENTIAL REAL ESTATE

Annual Changes from October 7th, 2019 to October 7th, 2020



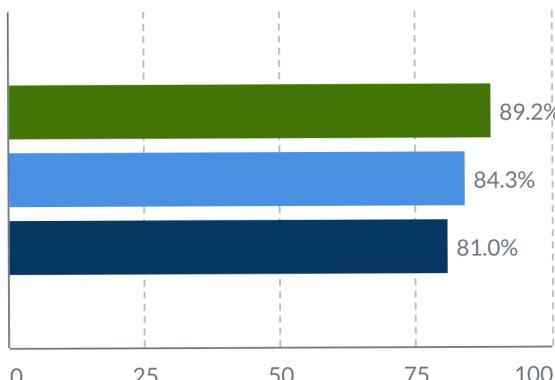
CLOSED SALES

Total Monthly Sales = 9,647



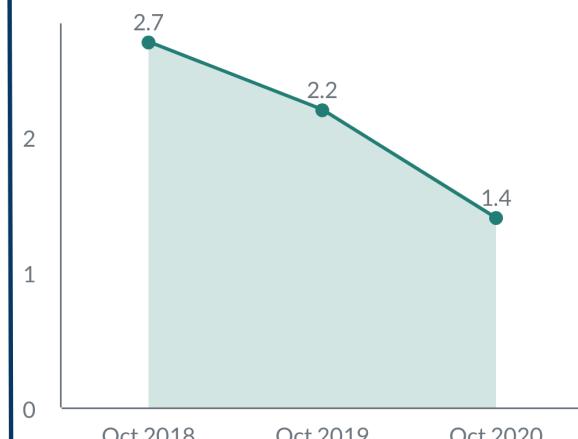
LISTING SUCCESS RATE

Oct 2020 Oct 2019 Oct 2018



Of the Listings that came off of Active or Pending Status, 89.2% successfully closed escrow while 10.8% cancelled or expired.

MONTHS OF SUPPLY



If no new listings were to come on the market, at the current monthly rate of sales, inventory would run out in 1.4 months.

Encompassing the Arizona Regional MLS area, which includes Maricopa County, Pinal County and a small part of Yavapai County

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Homes Under Contract Up 36% / Sales Up 23%

Median Sale Price Up 18%

For Buyers:

A common complaint in the resale market is “there’s nothing for sale”. However from July through September, the Realtor® community added 30,340 brand new listings to the Arizona Regional MLS and sold 27,746, leaving just 8,203 remaining listings for sale. That makes this 3rd Quarter the 2nd best in Greater Phoenix history for closings, falling just 436 sales short of 2005. If that’s not impressive enough, there are another 13,502 properties currently under contract and scheduled to close in the next 30-45 days; up 36% from this time last year. With this information we can conclude that there is plenty for sale, but many listings are simply not in Active status longer than 24 hours in order to be counted. Getting the supply count to rise right now is like trying to fill a bathtub when the drain is wide open.

Over half of all listings that went under contract in the 3rd Quarter were Active for only 9 days or less prior to contract. To quote the movie “Spaceballs”, that’s ludicrous speed! As exhausting and stressful as it is for buyers and their agents, supply and demand measures indicate prices in Greater Phoenix will continue to rise well into 2021. Hopefully the short-term pain will lead to long-term gain for those who ultimately win a successful contract.

For Sellers:

Appreciation has accelerated significantly since June of this year. The median sale price is up 18% since last October, but the current measure of \$329,900 is up 12% from where it was just 4 months ago at \$295,000. While that’s exciting for sellers, the speed at which homes are selling is causing some to worry they will not find somewhere to go after their home closes. As a result, Realtors® are dusting off rarely used seller contingency addendums stating that any accepted contract will be contingent on the seller finding a home themselves prior to close.

Compared to last year, sellers are asking 15-20% more for their homes in all price ranges between \$150K-\$500K. Between \$500K-\$1M, list prices are up 9-13% and 3-8% for price ranges over \$1M. The highest percentage of sales over asking price in the last 30 days are occurring between \$200K-\$400K with a measure of 34-45%. While that’s a high percentage, it’s not the majority of sales. Most properties are still closing at or below asking price. However for those who did go over asking price under \$400K, most winning bids were within \$7,000 of list.

*Commentary written by Tina Tamboer, Senior Housing Analyst with The Cromford Report
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