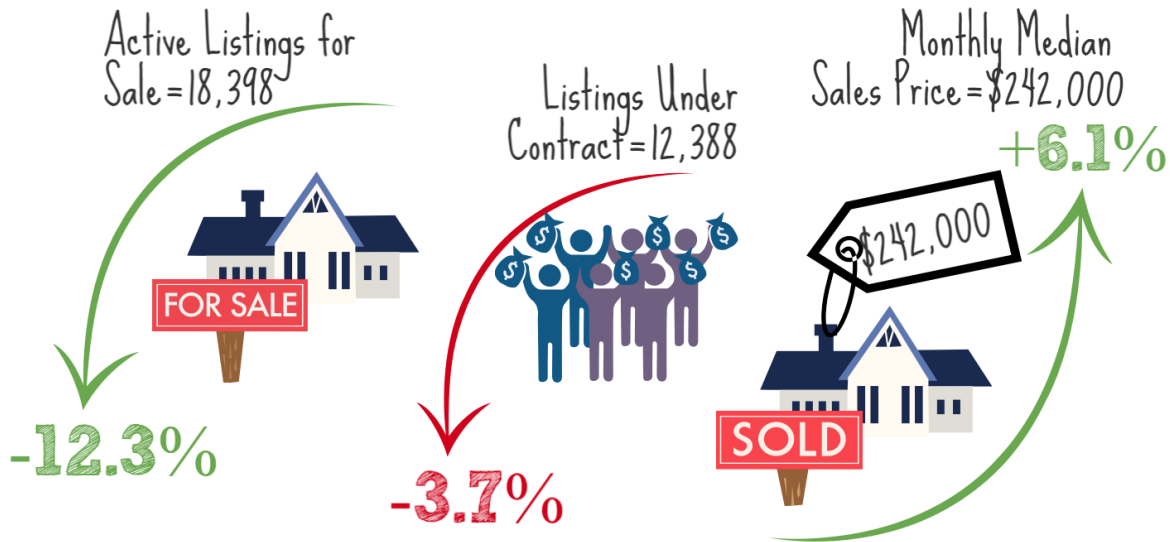


PHOENIX METRO

RESIDENTIAL REAL ESTATE

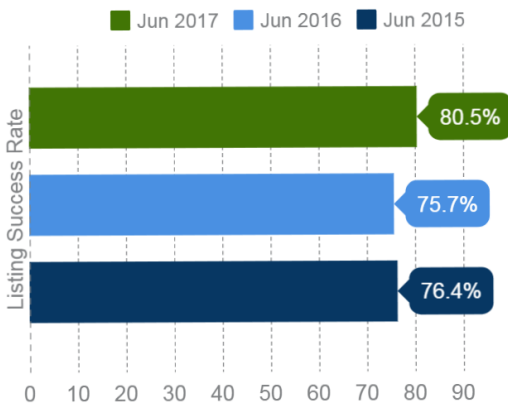
Annual Changes from June 7th, 2016 to June 7th, 2017



CLOSED SALES
Total Monthly Sales = 9,358

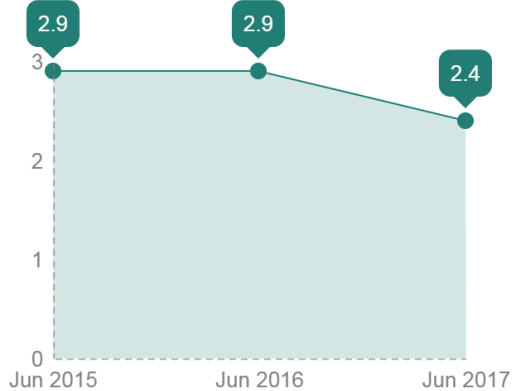


LISTING SUCCESS RATE



Of the Listings that came off of Active or Pending Status, 80.5% successfully closed escrow while 19.5% 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 2.4 months.

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

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FSBO Sales Up But Sell for Less

New Home Sales Up 26%

For Buyers:

More buyers have turned to new homes so far this year. Overall year-to-date new home sales are up 26% compared to last year as builders continue to add much needed supply to the marketplace. All price ranges over \$225K have seen large increases in year-to-date sales, with builders focusing heavily on adding inventory between \$275K and \$500K. While the median price for new homes is significantly higher than MLS resales (\$311K vs. \$242K), by the square foot they're actually quite competitive when compared by price range across a broad territory. Example, for new single family homes sold in Maricopa County between \$225K and \$250K, the annual average sales price per square foot* is \$122, compare that to \$132 for MLS resales and \$133 for renovated homes sold by flip investors. This pattern repeats itself the higher you go in price. It does not ring true for buyers looking to live in a specific area however, when compared by zip code new homes typically are more expensive than their neighbors.

For Sellers:

The continued lack of supply in the market means that existing homeowners are seeing increased solicitations to sell their home outside of the local MLS. Normal, non-distressed sales that were sold non-MLS (often called "For Sale By Owner" or "FSBOs") have risen nearly 13% year-to-date compared to last year. However, based on the annual average sales price per square foot, these non-MLS sales have sold for nearly 15% less than their MLS competitors. While the gap may vary, this trend holds true across all price points and cities with MLS competition.

*Commentary written by Tina Tamboer, Senior Real Estate Analyst with The Cromford Report
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**The average sales price per square foot for sales occurring over the most recent 12-month period*