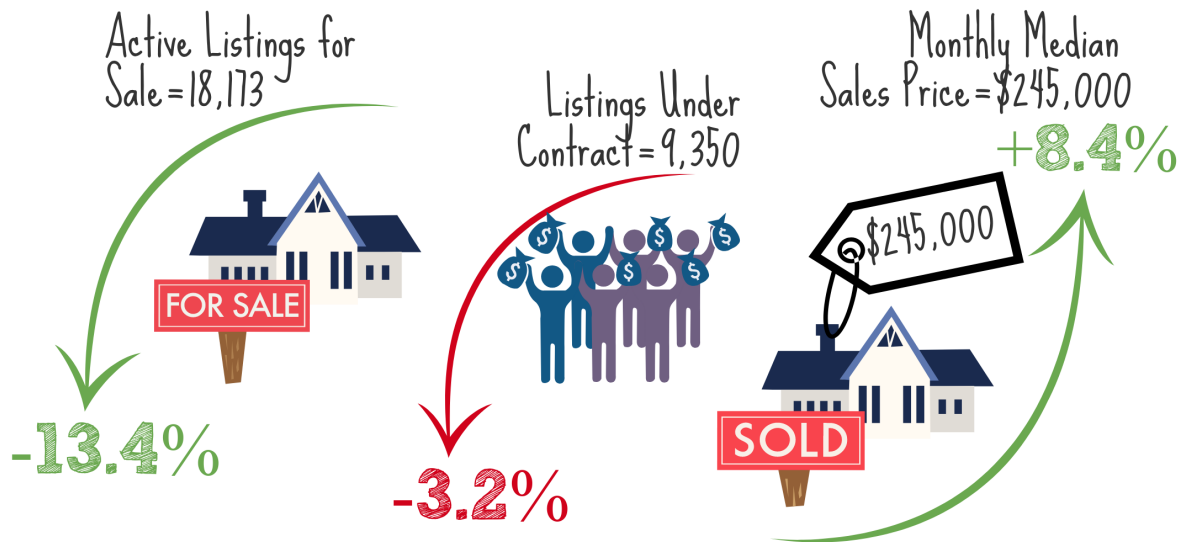


PHOENIX METRO

RESIDENTIAL REAL ESTATE

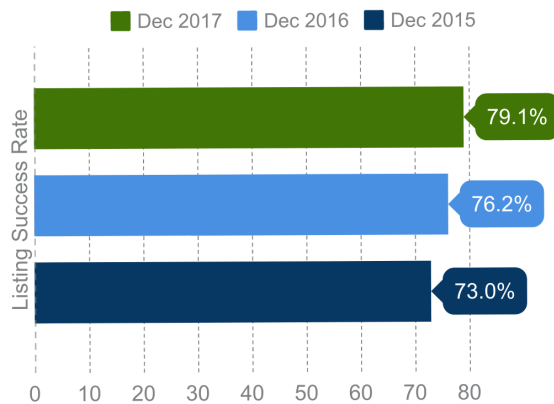
Annual Changes from December 7th, 2016 to December 7th, 2017



CLOSED SALES
Total Monthly Sales = 7,206

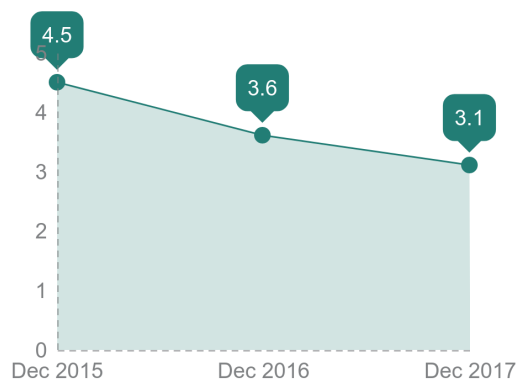


LISTING SUCCESS RATE



Of the Listings that came off of Active or Pending Status, 79.1% successfully closed escrow while 20.9% 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 3.1 months.

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

23% of Listings Under \$200K Sell Over List Price

Greater Phoenix Appreciation 6.2% Overall, But Varies

For Buyers:

There are currently 1,399 normal* single family listings between \$100K-\$200K in Greater Phoenix and supply levels are not expected to rise in this price range going into 2018. In the last half of 2017, an average of 1,396 normal single family new listings were added each month while 1,375 per month were sold in this price range. In November, 23% sold over list price compared to 27% last June and 28% closed with full price offers compared to 28% in June.

**A normal listing is one that is not a short sale or foreclosure.*

For Sellers:

The overall appreciation rate based on annual sale price per square foot in Greater Phoenix is 6.2%. However, supply and demand are not the same by price range. The greatest appreciation rates are under \$200K due to a lack of new construction that would typically balance out the supply shortage. Sales under \$200K are 33% of all sales this year, so their rate has a large effect on the overall average. New multi-family and single family homes are being added to the \$200K-\$500K price range to accommodate increased demand, but it's still not quite enough. The market is balanced between \$500K-\$1M, while supply is still higher than demand over \$1M despite a 10% rise in 4th quarter contracts. As a result, appreciation rates are as follows by price range:

- Under \$200K: 7.7%
- \$200K-\$500K: 3.5%
- \$500K-\$1M: 1.7%
- Over \$1M: 0.1%

Commentary written by Tina Tamboer, Senior Real Estate Analyst with The Cromford Report

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