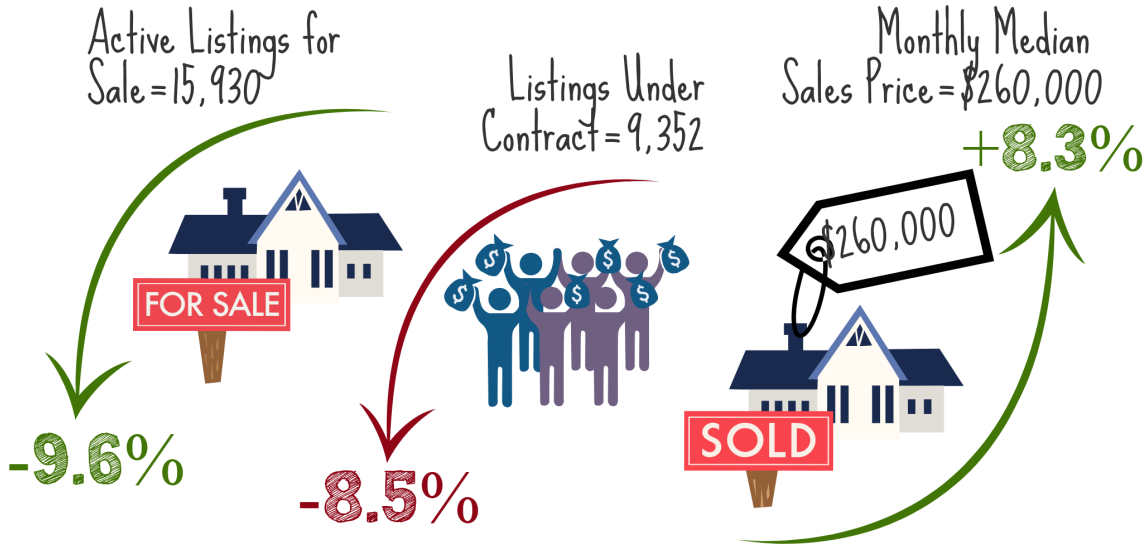


# PHOENIX METRO

## RESIDENTIAL REAL ESTATE

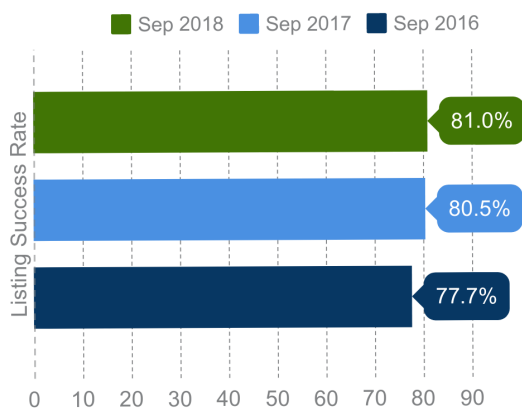
Annual Changes from September 5th, 2017 to September 5th, 2018



CLOSED SALES  
Total Monthly Sales = 7,550

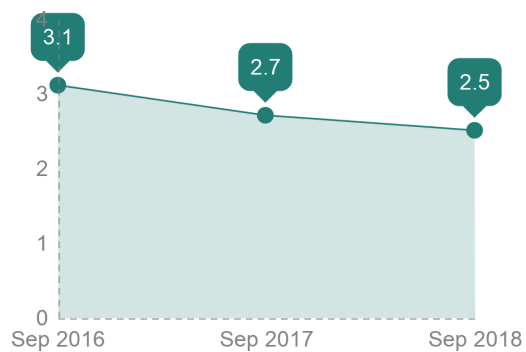


### LISTING SUCCESS RATE



Of the Listings that came off of Active or Pending Status, 81.0% successfully closed escrow while 19.0% 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 2.5 months.

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

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## Supply Continues to Rise in the Middle

### Seller Price Reductions up 46% and 61% in these Price Ranges

#### For Buyers:

Overall supply is down 9.6% compared to last September. At first glance that's nothing new. However, for those of you who pay close attention to our monthly infographic (I know you're out there), you have no doubt noticed that last May supply was down 15.5%, June supply was down 12.2%, July was down 11.1% and August was down 9.9% from last August. What this means for buyers is that the Greater Phoenix market is still in short supply, but it's subtly becoming less bad. Most significantly, supply continues to increase between \$200K-\$400K. Last month we reported an 8.1% increase in listings between \$200K-\$250K since May, that is now 9.7%. Between \$250K-\$300K, supply has risen 15% in only 8 weeks. Between \$300K-\$400K, supply has slowly risen 10% since January. All other price ranges are either declining in supply or following their normal seasonal trends. This is great news for buyers; more choice in the marketplace means less negotiating pressure. However, don't expect sale prices to plummet anytime soon. The first price to respond to a supply shift isn't a sale price, it's a list price in the form of a price reduction.

#### For Sellers:

Despite the increase in supply between \$200K-\$250K, there hasn't been a correlating increase in weekly list price reductions from sellers yet. However that is not the case for the market between \$250K-\$300K where weekly list price reductions have risen 46% in the past 8 weeks and weekly reductions between \$300K-\$400K have risen 61% since January. This isn't an indicator that sellers are becoming desperate. Make no mistake, there are very few desperate sellers in this marketplace. There are, however, many optimistic sellers who may be taming their expectations. Average annual price appreciation per square foot remains between 3.5% - 5.0% for sales between \$200K-\$400K, so it's still a seller's market despite recent developments. Expect prices to continue increasing at least through the remainder of 2018.

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

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