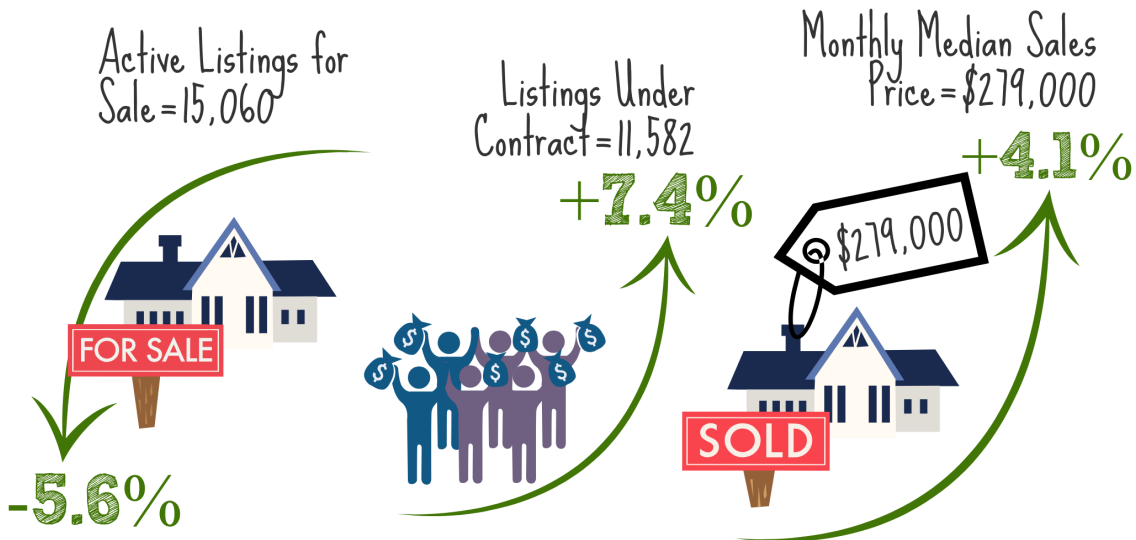


PHOENIX METRO

RESIDENTIAL REAL ESTATE

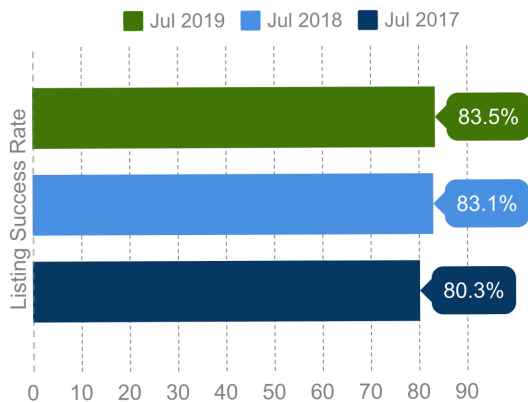
Annual Changes from July 8th, 2018 to July 8th, 2019



CLOSED SALES
Total Monthly Sales = 8,897

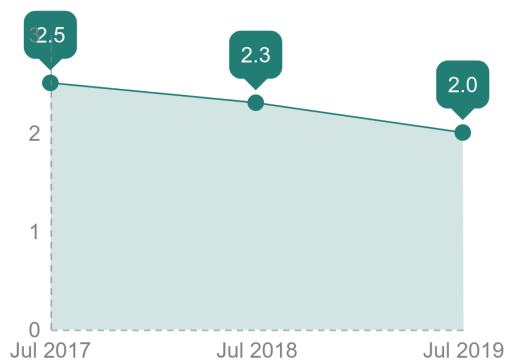


LISTING SUCCESS RATE



Of the Listings that came off of Active or Pending Status, 83.5% successfully closed escrow while 16.5% 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 2.0 months.

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

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Contracts up 19% in this Price Range!

Flip Sales Rebounding Strong after Weak First Quarter

For Buyers:

New listings activated in June were down 10.0% compared to last June and overall supply has dropped 9.5% in 4 weeks, putting it below last year's count for the first time all year. Buyers have gotten used to very little supply under \$200K but now they're feeling it hard between \$200K-\$250K, where new listings were down a whopping 15.1%. Trying to fill the gap, brand new townhome/condo sales have been strongest between \$200K-\$250K with a median size of 1,362sf. The top two builders that have sold the highest number of condos in this price range this year are Lennar in Gilbert and DR Horton in Mesa. Other competing developers building condos between \$200K-\$250K include Bela Flor in Mesa and Maracay in Goodyear. In Mesa, new condos in this price range have been extremely competitive with resale with an average price per square foot of \$155.70 versus \$157.47 for resale.

For Sellers:

Listings in escrow are up 7.4% and have soared nearly 19% over last year between \$250K and \$600K. Homeowners with property valued under \$250K are inundated with offers from investors as flip sales* have rebounded strongly over the past few months. Making up for lost time after being down 4.2% in the first quarter, successful flip sales have now outperformed 2018 by 4.8%. The median sale price for a flipped home in May was \$245K, up 8.4%, and the average size sold was 1,710sf. The median gross gain for a traditional flip investor was \$53K between their acquisition and sale price. iBuyer companies such as OpenDoor, OfferPad and Zillow showed a median gross gain of just \$9,900, however that doesn't account for significant service charges to the sellers during escrow.

**A flip sale is defined in this case as the sale of property within 6 months of acquiring it.*

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

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