

# PHOENIX METRO

## RESIDENTIAL REAL ESTATE

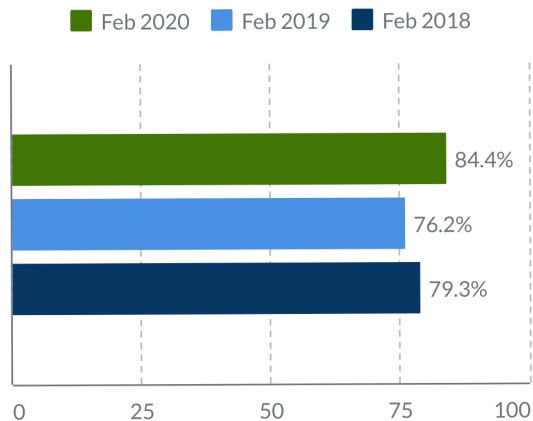
Annual Changes from February 6th, 2019 to February 6th, 2020



CLOSED SALES  
 Total Monthly Sales = 6,536

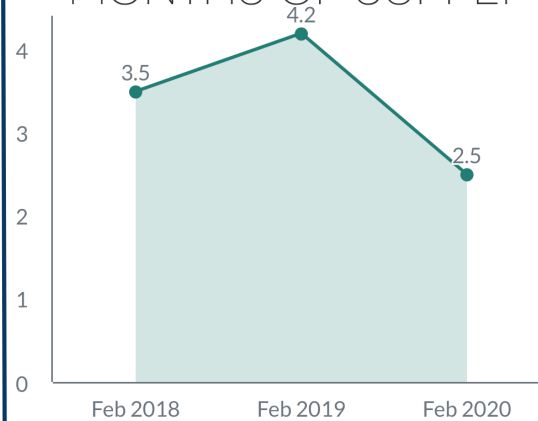


### LISTING SUCCESS RATE



Of the Listings that came off of Active or Pending Status, 84.4% successfully closed escrow while 15.6% 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

# MLS Luxury Sales Over \$1M Up 52% in January

## Supply Between \$200K-\$250K Down 60%

### For Buyers:

Supply continues to drop as the market heats up with the seasonal rush of Buyers. Typically we would see supply rising at this time of year as January is a strong month for new listings to hit the market. However this year new listings year-to-date are down 17% from last year and January 2020 had the lowest number of new listings recorded going all the way back to 2001. Combine this with a 21% increase in sales volume and the 4th highest January recorded for MLS sales, and it's no surprise that supply is plummeting.

While supply is down in all price points, it's felt the most between \$200K-\$250K. Supply in this price range is nearly 60% lower than this time last year and a quarter of sales in the last 3 months have recorded over asking price.

Seller-paid closing cost concessions are also down. Nearly 22% of all sales in the 1st Quarter to date have included some form of seller-paid or assisted closing costs. That's the lowest percentage recorded in nearly 5 years.

### For Sellers:

The luxury market continues to go gangbusters in 2020. Sales over \$1 Million in 2019 outperformed 2018 by 10%, which makes it the #1 year for in Greater Phoenix in this price range. January closings were up 52% in this price and listings under contract are up 43%.

With all this demand, one would think price appreciation would be rising significantly however that hasn't happened yet. The average sales price per square foot between \$1M-\$2M has only appreciated 1% while those between \$2M-\$3M have appreciated 0.2% and those over \$3M have increased 6%. The current appreciation rate per square foot is between 8-9% for Greater Phoenix as a whole.

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