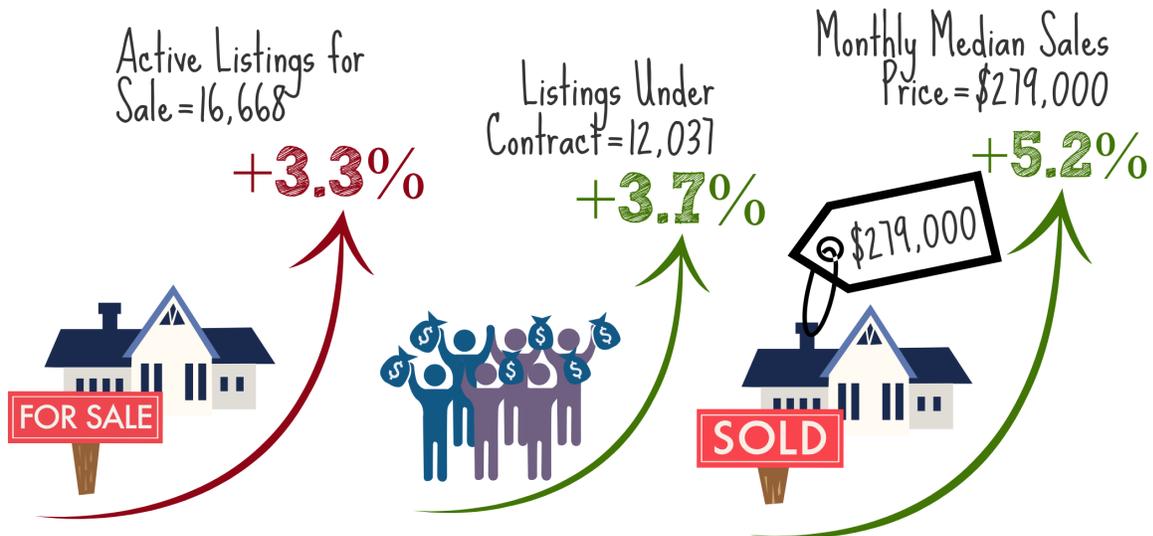


# PHOENIX METRO

## RESIDENTIAL REAL ESTATE

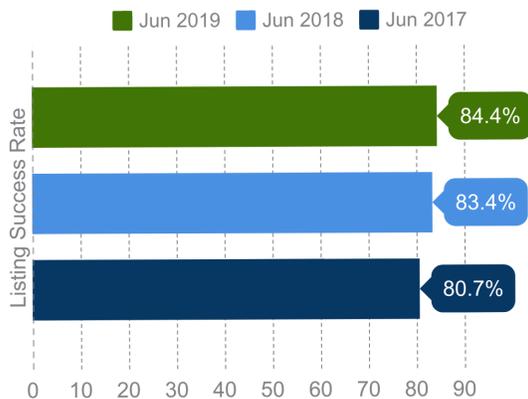
Annual Changes from June 8th, 2018 to June 8th, 2019



CLOSED SALES  
Total Monthly Sales = 10,672



### 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 2.1 months.

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

## Monthly Sales Up 7.1% in Greater Phoenix

### Higher Incomes in Greater Phoenix Fueling More Contracts and Rising Prices

#### For Buyers:

Re-sale prices are not predicted to come down this year. Between August 2018 and January 2019 it looked like the market was going to balance out and cause prices to stabilize around the 2nd half of 2019. However two things happened to change that prediction. First, average 30-year mortgage rates dropped from a high of 4.94% in November 2018 to 3.82% as of June 2019. That alone has saved buyers around \$177/month on a median-priced \$279,000 home with 4% down. Second, private sector annual earnings in Greater Phoenix rose 1.8% in April after an 8-month period of stagnation. In the last decade home prices have gone flat just twice, in 2011 and 2014. Both times there was a corresponding decline in annual earnings. If annual earnings continue to grow and interest rates remain low, the Greater Phoenix seller market will continue to push home prices up this year.

#### For Sellers:

The May peak buyer season is over. From this point through the end of the year it's not uncommon to see contract activity gradually decline 30-40%. The good news is that despite the predictable decline, listings under contract are coming in 3.7% higher than this time last year. It's not evenly distributed along all price points however. Contracts on listings over \$600K are up 3.4% while the \$500K-\$600K range is up an impressive 33.5%!! Contracts between \$250K-\$500K are up 16.1% and the low \$200K's are up 8.1%. Lack of inventory under \$200K means that contracts in this range are down 20.6%. Expect your highest annual appreciation rates to be between 6-10% in the \$150K-\$225K range as this is where the majority of investor flip activity lies. \$225K-\$500K appreciation is between 3-5% and over \$500K is between 1-3%.

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

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