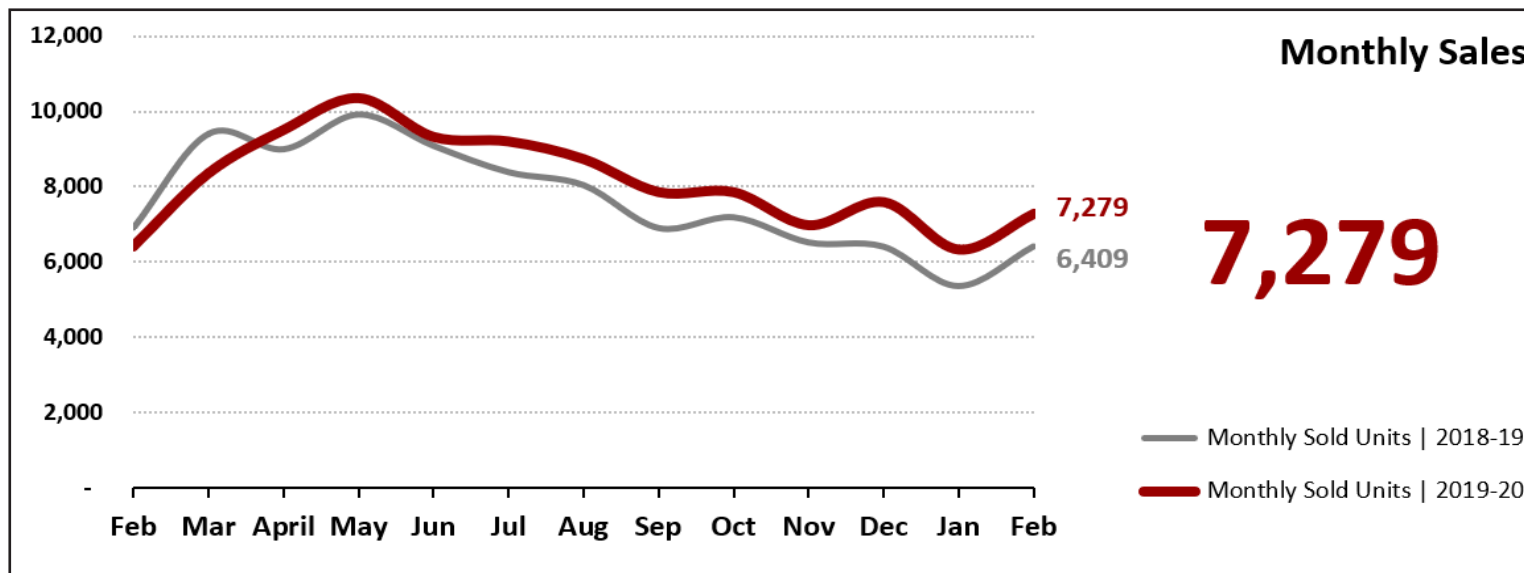




Your Monthly Statistics for the Phoenix Metro Area

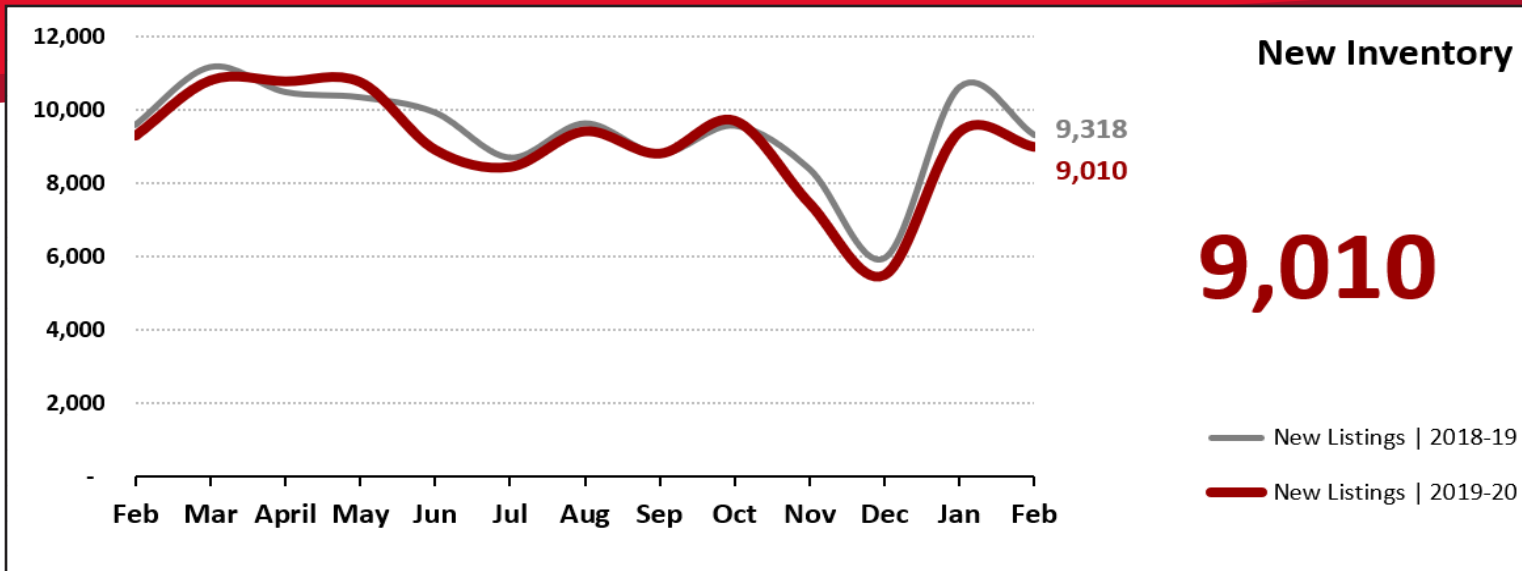


DATA FOR FEBRUARY 2020 - Published March 18, 2020

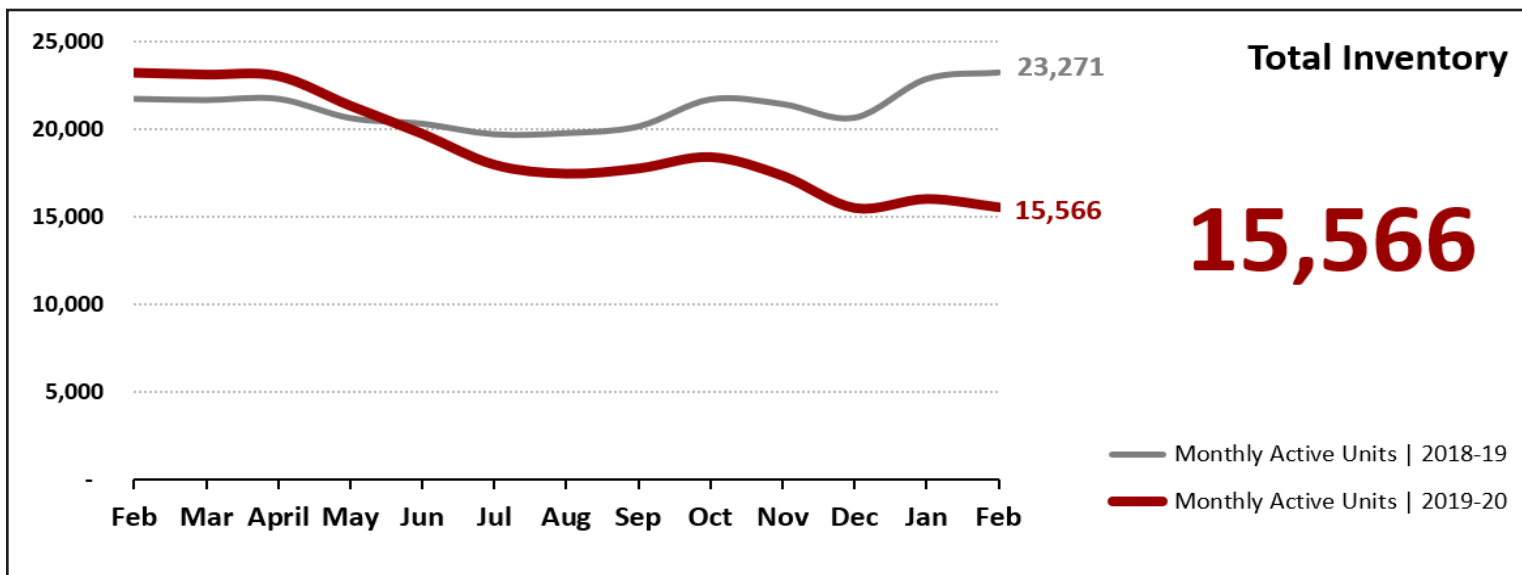


Sales are up +15.0% month-over-month. The year-over-year comparison is up +13.6%.

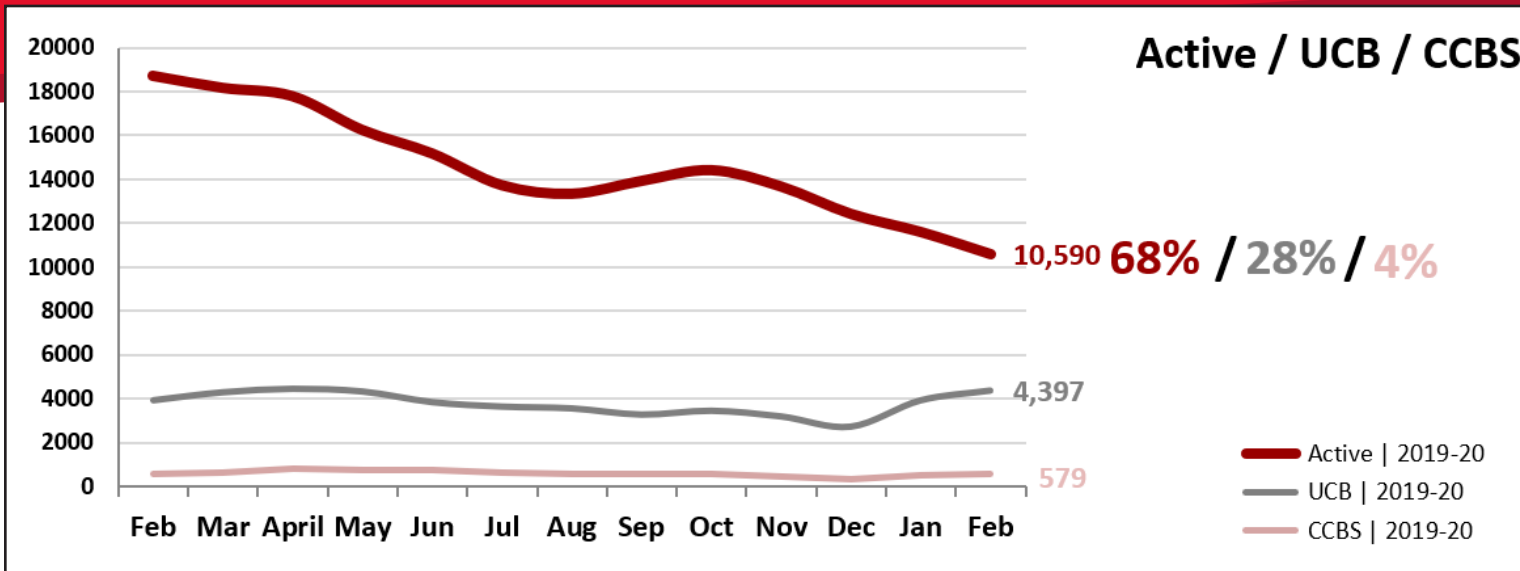
Closed MLS sales with a close of escrow date from 2/1/2020 to 2/29/2020, 0 day DOM sales removed



New MLS listings that were active for at least one day from 2/1/2020 to 2/29/2020, 0 day DOM sales removed

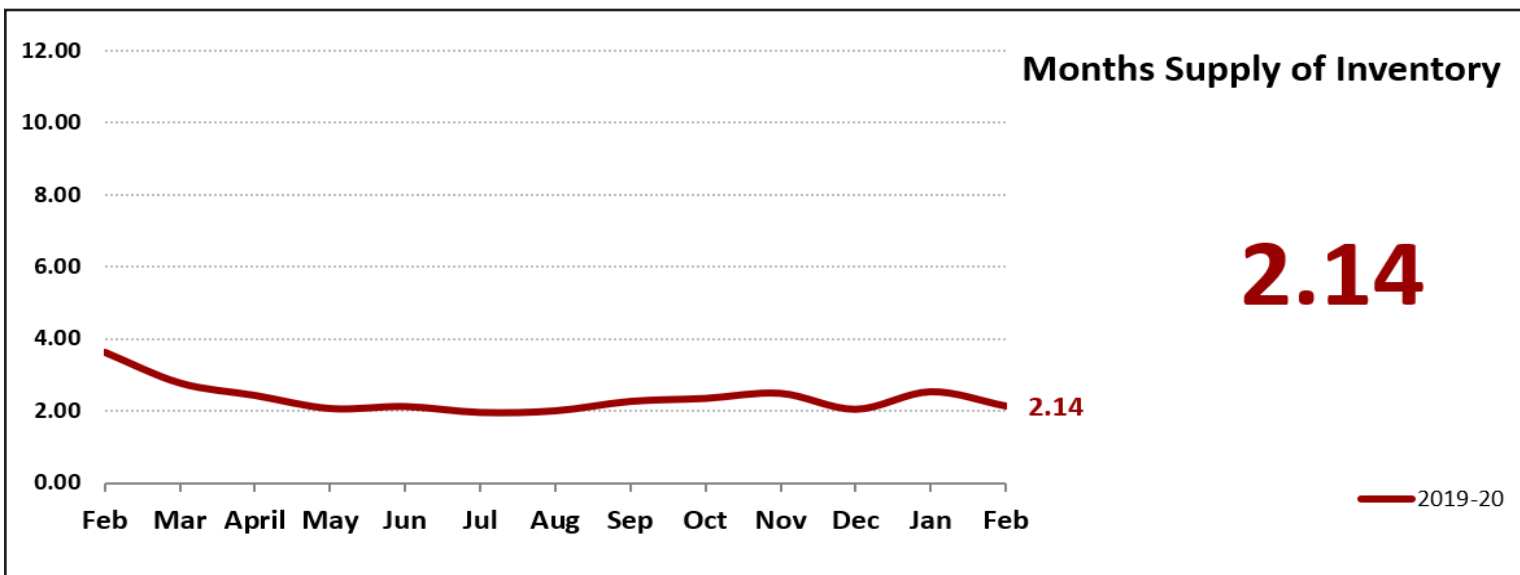


Snapshot of statuses on 2/29/2020



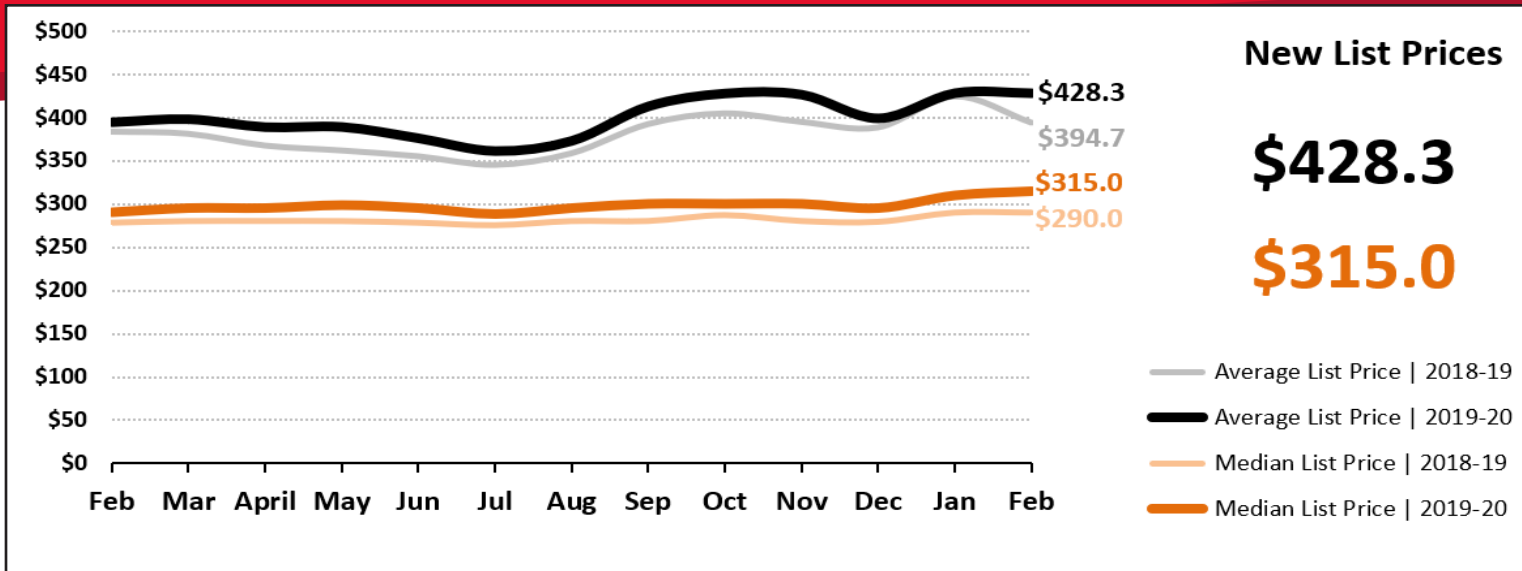
February UCB listings percent of total inventory was 28.2% with February CCBS listings at 3.7% of total inventory.

Snapshot of statuses on 2/29/2020



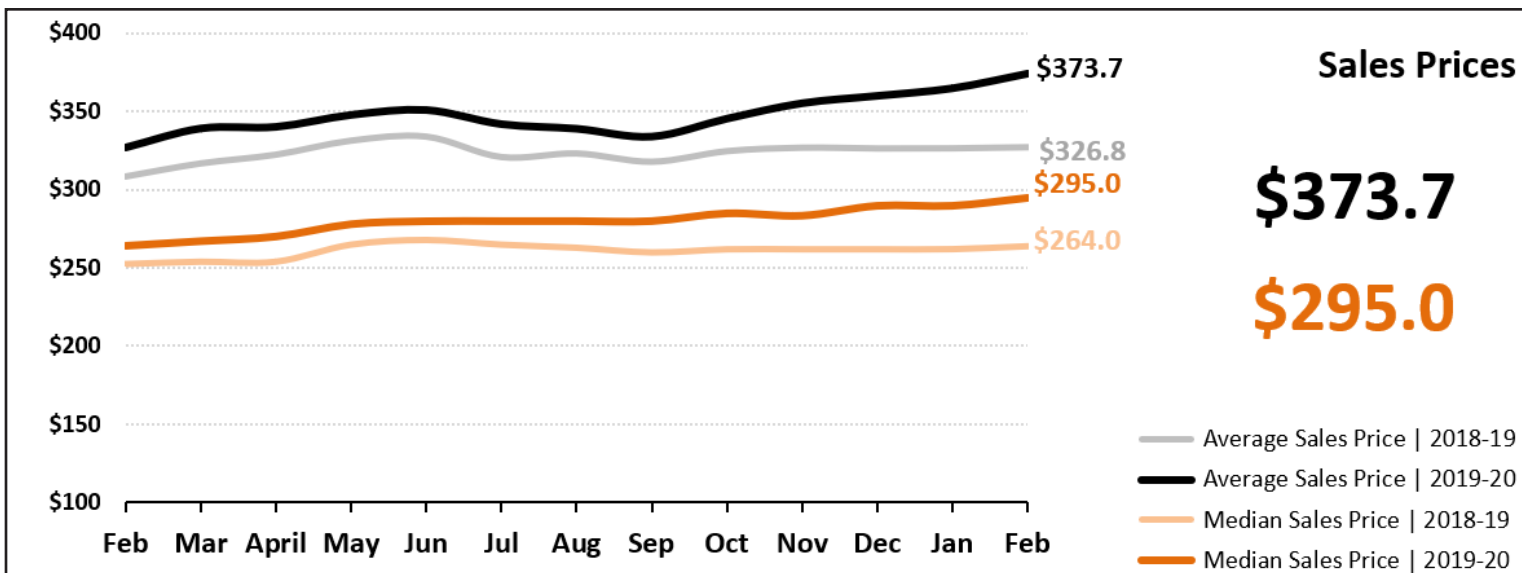
Months supply of inventory for January was 2.54 with February at 2.14.

Current inventory of Active/UCB/CCBS divided by the monthly sales volume of FEBRUARY 2020, 0 day DOM sales removed



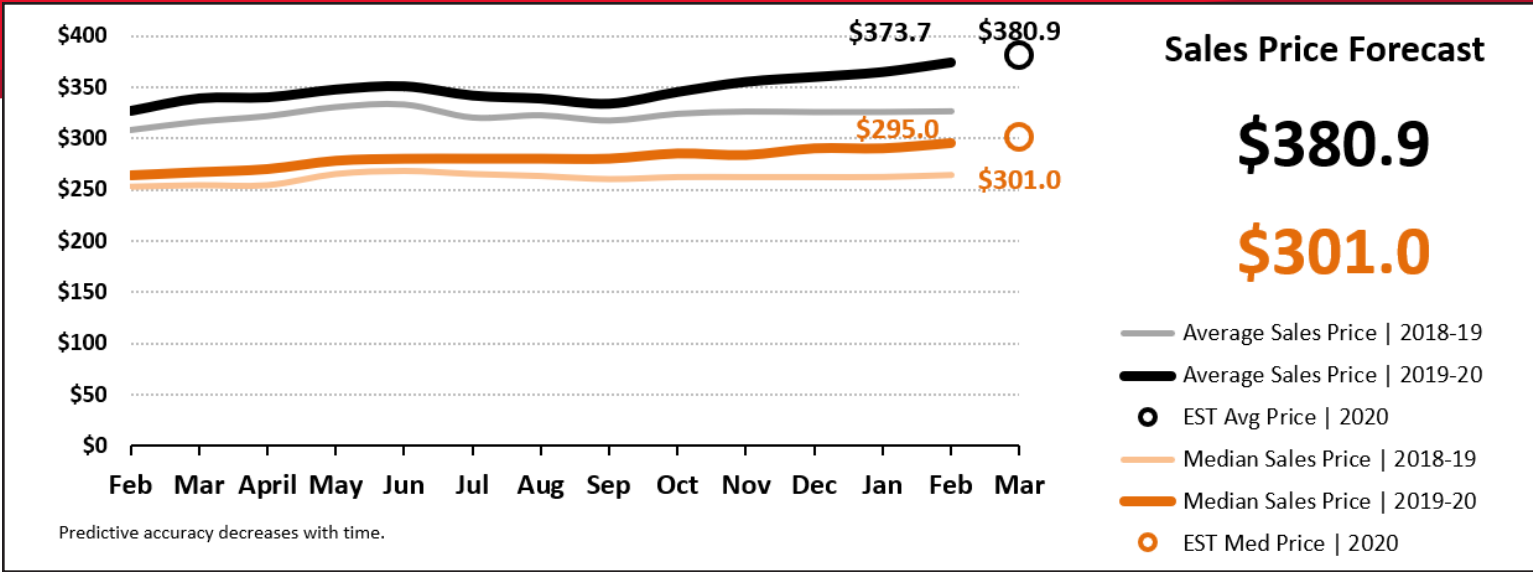
Average new list prices are up +8.5% year-over-year. The year-over-year median is up +8.6%.

List prices of new listings with list dates from 2/1/2020 to 2/29/2020, 0 day DOM sales removed



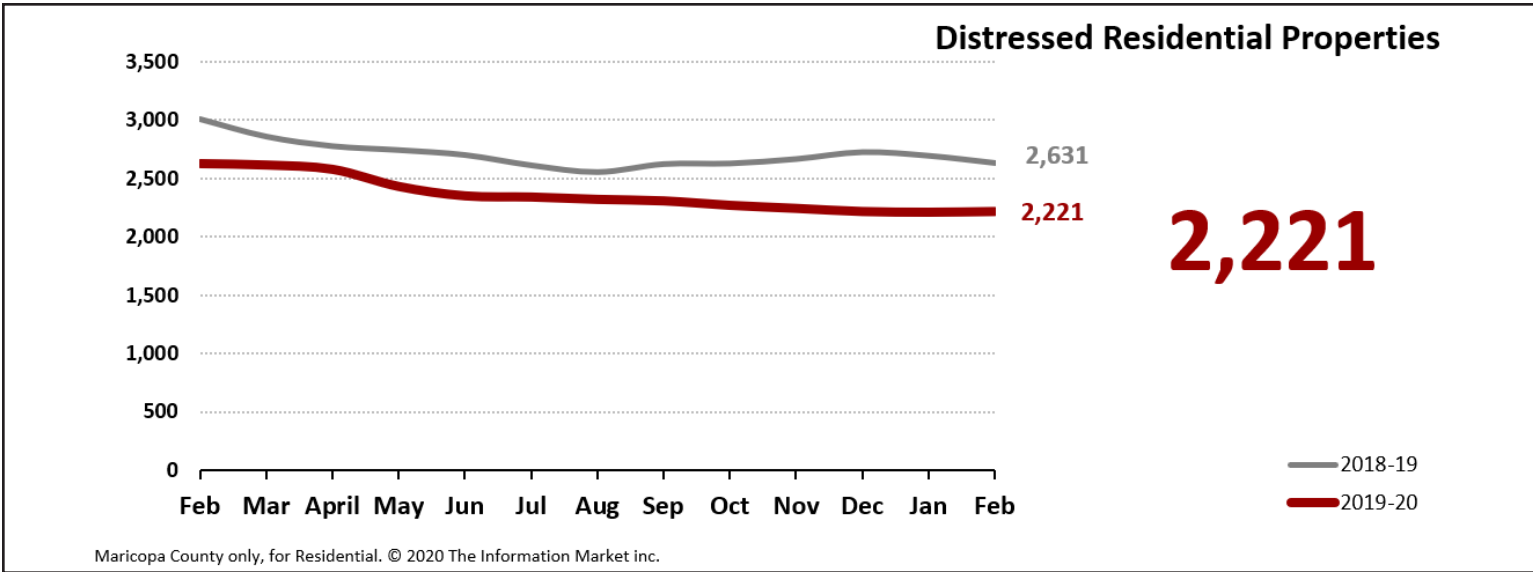
The average sales price is up +14.4% year-over-year while the year-over-year median sales price is also up +11.7%.

MLS sales prices for closed listings with a close of escrow date from 2/1/2020 to 2/29/2020, 0 day DOM sales removed



An increase is forecasted in February for both average and median sales prices.

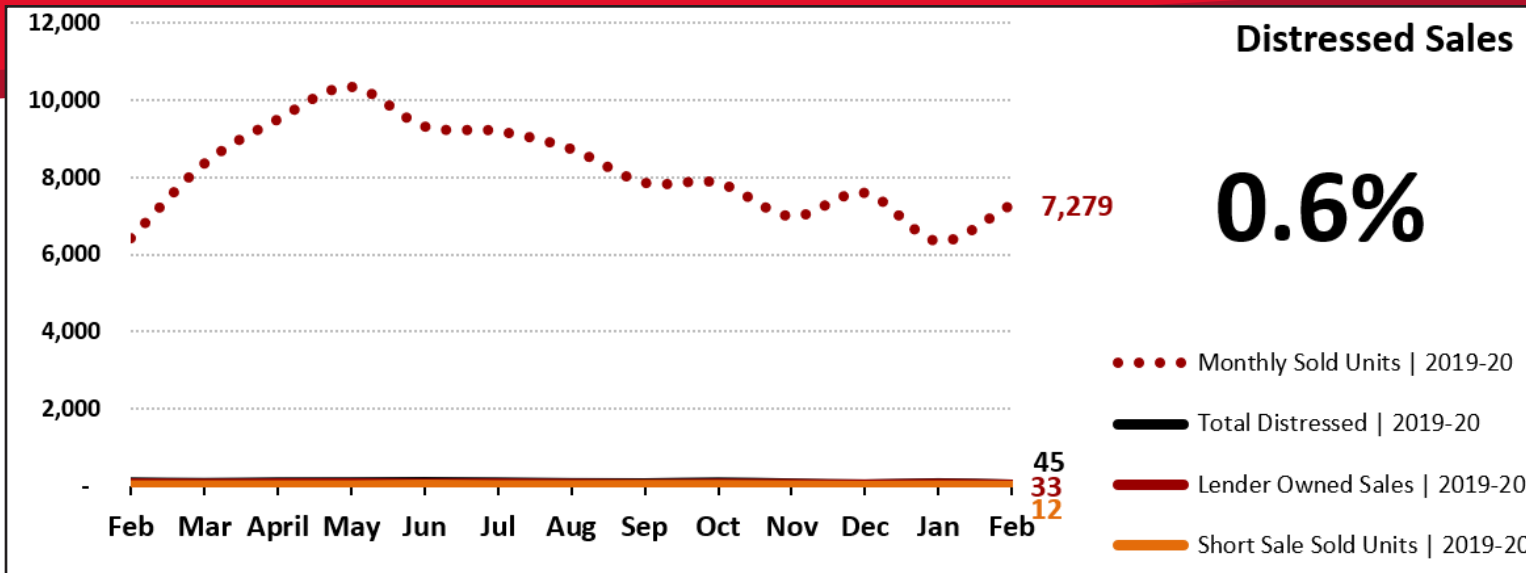
ARMLS proprietary predictive model forecast, 0 day DOM sales removed



Foreclosures pending month-over-month showed an increase of +0.3% while the year-over-year figure was down -15.6%.

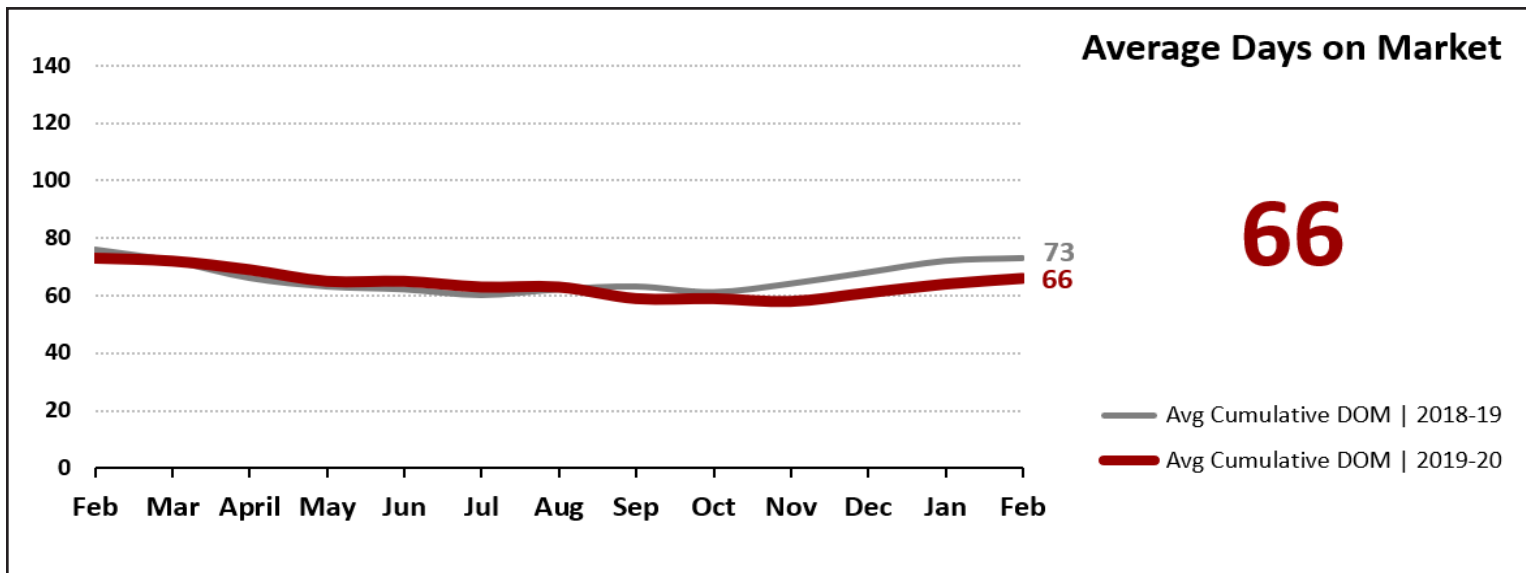
Maricopa County only, for Residential. © 2020 The Information Market inc.

Snapshot of public records data on 2/29/2020 active residential notices and residential REO properties.



Distressed sales accounted for 0.6% of total sales, down from the previous month of 1.1%. Short sales dropped -36.8% year-over-year. Lender-owned sales decreased -46.8% year-over-year.

New MLS listings that were active for at least one day from 2/1/2020 to 2/29/2020, 0 day DOM sales removed



Days on market were down -7 days year-over-year while month-over-month were up +2 days.

MLS sales prices for closed listings with a close of escrow date from 2/1/2020 to 2/29/2020, 0 day DOM sales removed

COMMENTARY by Tom Ruff

And in the blink of an eye, our focus changed. Thirty days ago, we were still talking about the Chief's thrilling Super Bowl victory, with spring baseball and March madness just around the corner. Our chamber of commerce weather was here and our home buying season was beginning. Today, we are occupied with only one headline: COVID-19. The entire world is trying to make sense of a health crisis. There is so much we don't know and so little data on what we do know. That's the most unsettling part- the unknowns. So, let's talk about what we do know.

This is not our first pandemic. The last declared pandemic was the 2009 Swine Flu, otherwise known as H1N1, and lasted from early 2009 to late 2010. I bet if I asked anyone what they remember most about 2009 and 2010, it would be the housing market, not a pandemic. I remember writing about the Swine Flu in 2009, almost as an afterthought, something to momentarily take our minds away from housing. When it comes to the Coronavirus, it's the secondary effects of the virus, fear and panic, that will have the greatest impact on our industry. Infectious disease experts are telling us the vast majority of people will be fine, even if infected. So, let's be careful out there, proceed with caution, do the right things, think of others and remain calm. We're in this together. This too shall pass.

The two top questions housing analysts are asked today are: how is the coronavirus effecting housing and how do you see the coronavirus effecting housing in the future? The answer to the first question is simple- I haven't seen any effect on housing. February sales numbers came in exactly as we projected last month in STAT. Sales volume was up 13.6% year-over-year with the median sales price up 11.7%. Inventory levels on March 1 were 3.3% lower than they were on February 1. Supply is extremely low. Demand is above normal. We're still in a full-blown seller's market. I'm not expecting any surprises when the March closing numbers are reported.

And for the second question- how do I see the Coronavirus effecting housing? I would be naïve to think that we won't see any economic impact from the virus, as it's already abruptly effected the stock market, travel, entertainment, sports, retail and the restaurant industries; but it would also be irresponsible of me to go beyond modest speculation as to what might occur to housing. We just don't have the data yet. The first information we'll receive will be anecdotal. It will be relayed from agents sharing feedback from their clients. This is probably already happening. As for real data, the first indication of something changing will be seen in our new and existing supply numbers. Are people willing to put their home on the market? The second metric we will be watching closely is properties going under contract. Are people still buying? These data elements will give us the first real look into any changes occurring.

Here's my modest speculation- supply could be affected by sellers not wanting prospective buyers touring their home, and how secure buyers feel in their current job could delay their purchasing decision. We may see homes coming on the market that were previously Airbnb/VRBO as the investors might see them as liabilities as a nation stops traveling.

As I mentioned at the outset, there is still so much we don't know, so we'll cut STAT short and start looking for all emerging trends. I suspect we'll have some idea of the virus's effect when the April numbers are reported. It is my sincere hope we "flatten the curve" and this period of uncertainty is short lived. Finally, may the virus behave like all our winter visitors and leave as our temperatures rise.

The Pending Price Index

Last month the STAT mathematical model projected a median sales price for February of \$295,000. The February reported median was \$295,000. Looking ahead to March, the ARMLS Pending Price Index anticipates the median sales price will increase, projecting a median sales price of \$301,000. Our low housing supply and steady demand continue to exert upwards pressure.

We begin March with 7,222 pending contracts: 4,397 UCB listings and 579 CCBS giving us a total of 12,198 residential listings practically under contract. This compares to 10,843 of the same type of listings one year ago. At the beginning of March, the “pending” contracts were 12.5% higher than last year. There were 19 business days in February of 2019 and 19 this year. ARMLS reported 8,344 sales in March of 2019. STAT projects 9,387 sales this March.