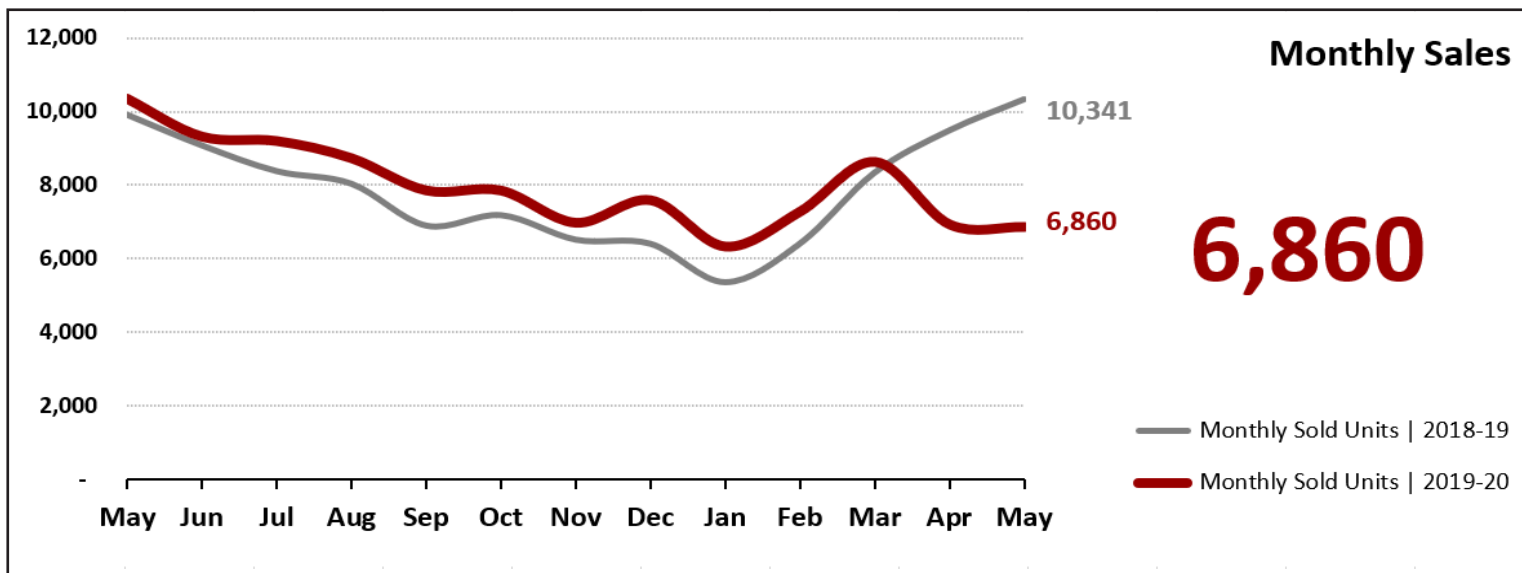


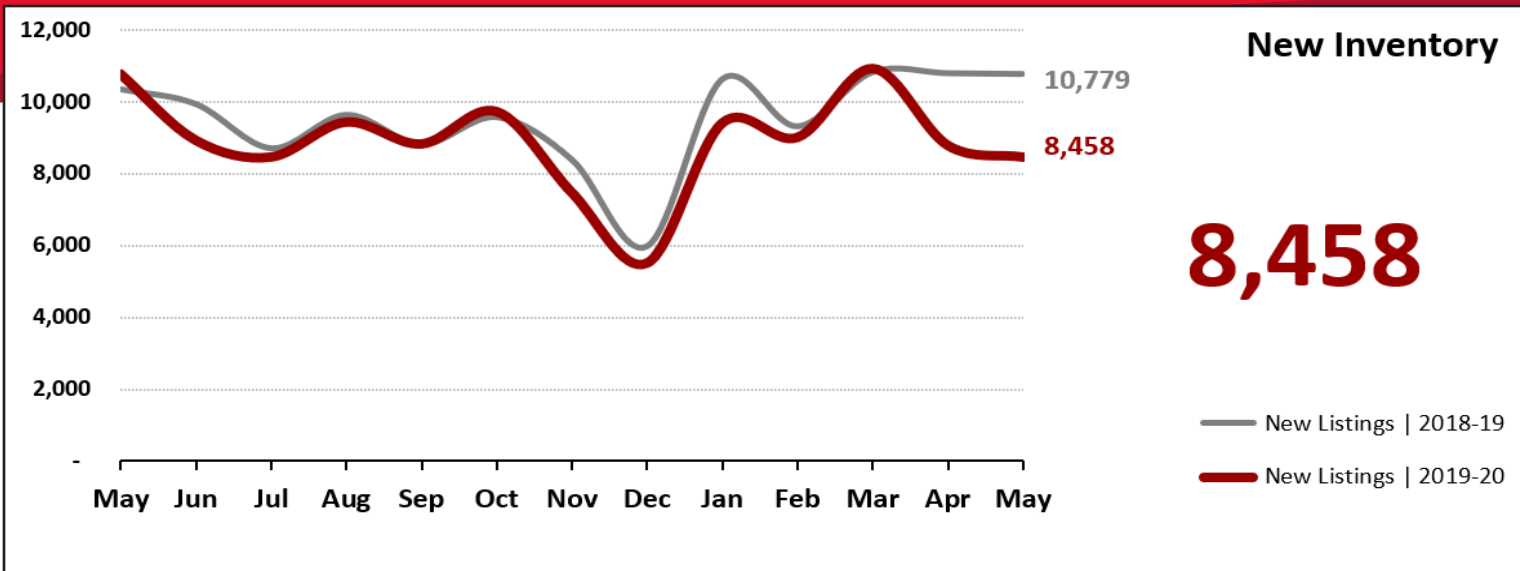


DATA FOR MAY 2020 - Published June 17, 2020



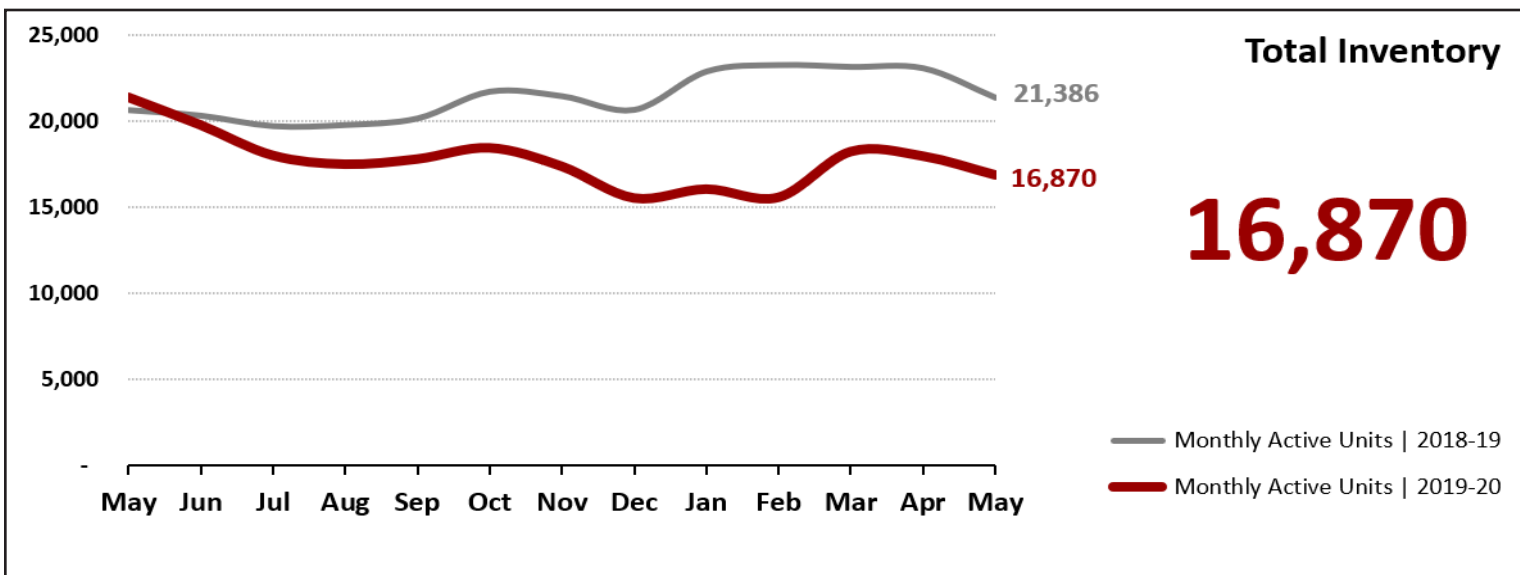
Sales are down -0.9% month-over-month. The year-over-year comparison is down -33.7%.

Closed MLS sales with a close of escrow date from 5/1/2020 to 5/31/2020, 0 day DOM sales removed



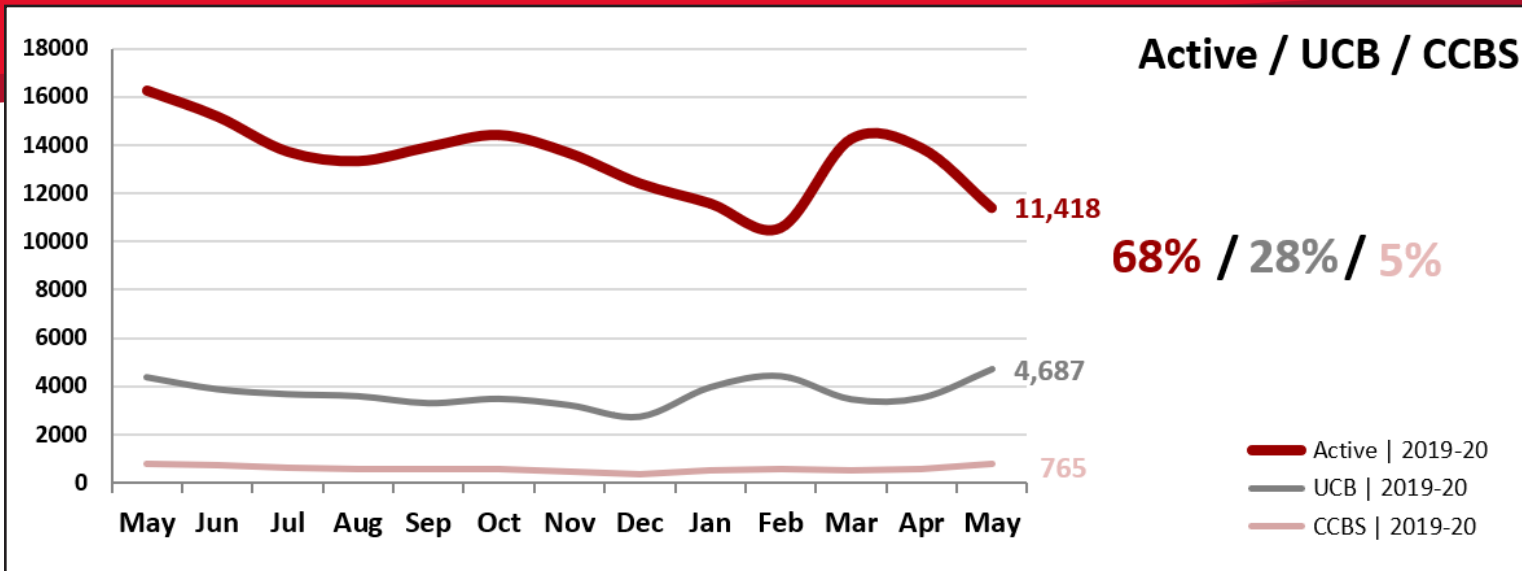
New inventory is down -3.7% month-over-month while the year-over-year comparison decreased by -21.5%.

New MLS listings that were active for at least one day from 5/1/2020 to 5/31/2020, 0 day DOM sales removed



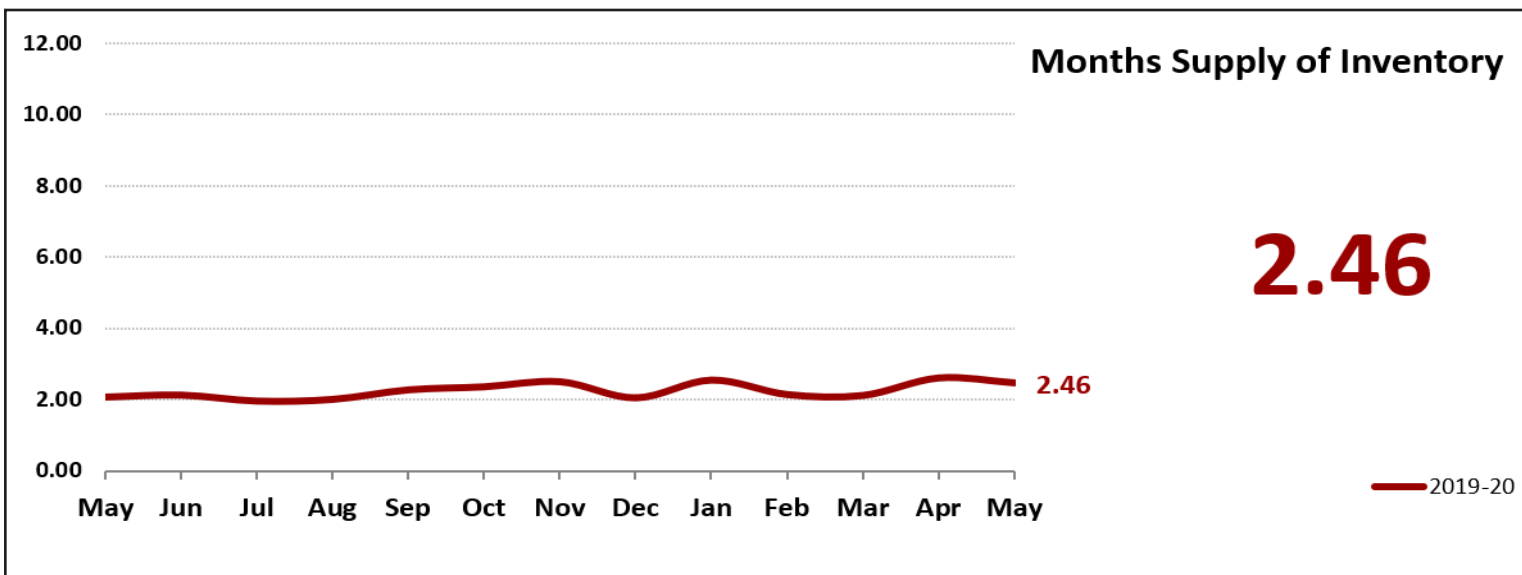
Total inventory has a month-over-month decrease of -6.1% while year-over-year reflects a decrease of -21.1%.

Snapshot of statuses on 5/31/2020



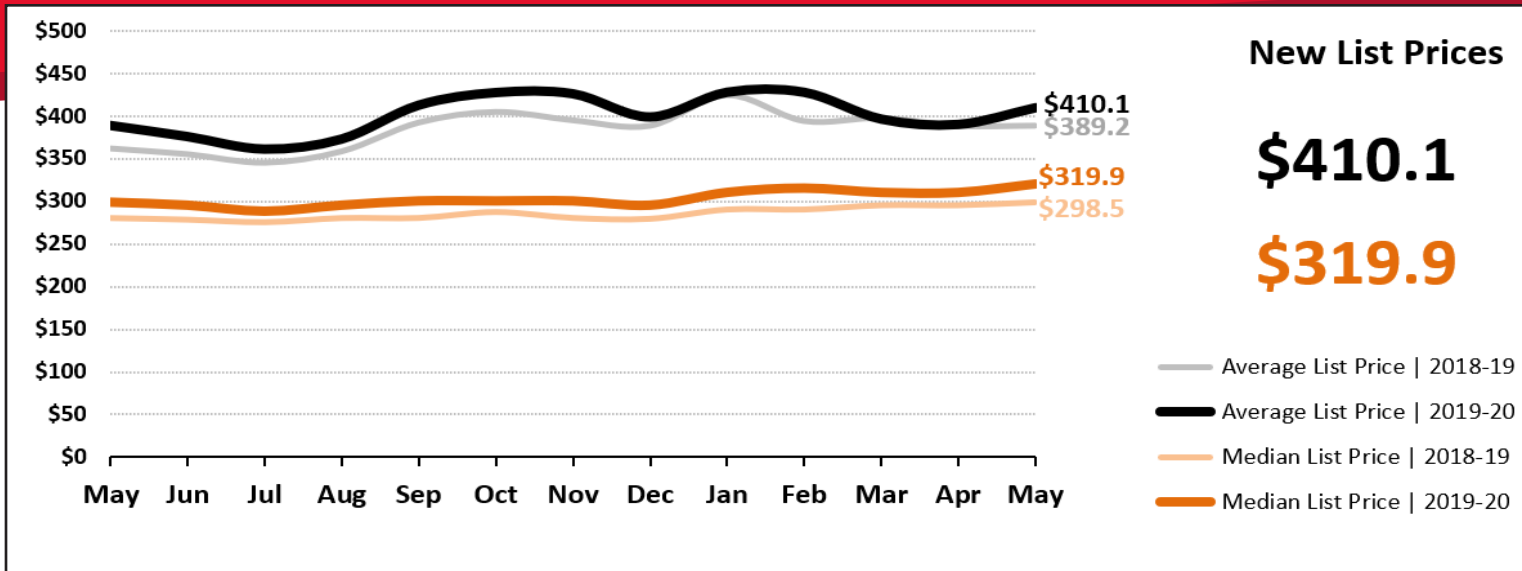
May UCB listings percent of total inventory was 27.8% with May CCBS listings at 4.5% of total inventory.

Snapshot of statuses on 5/31/2020



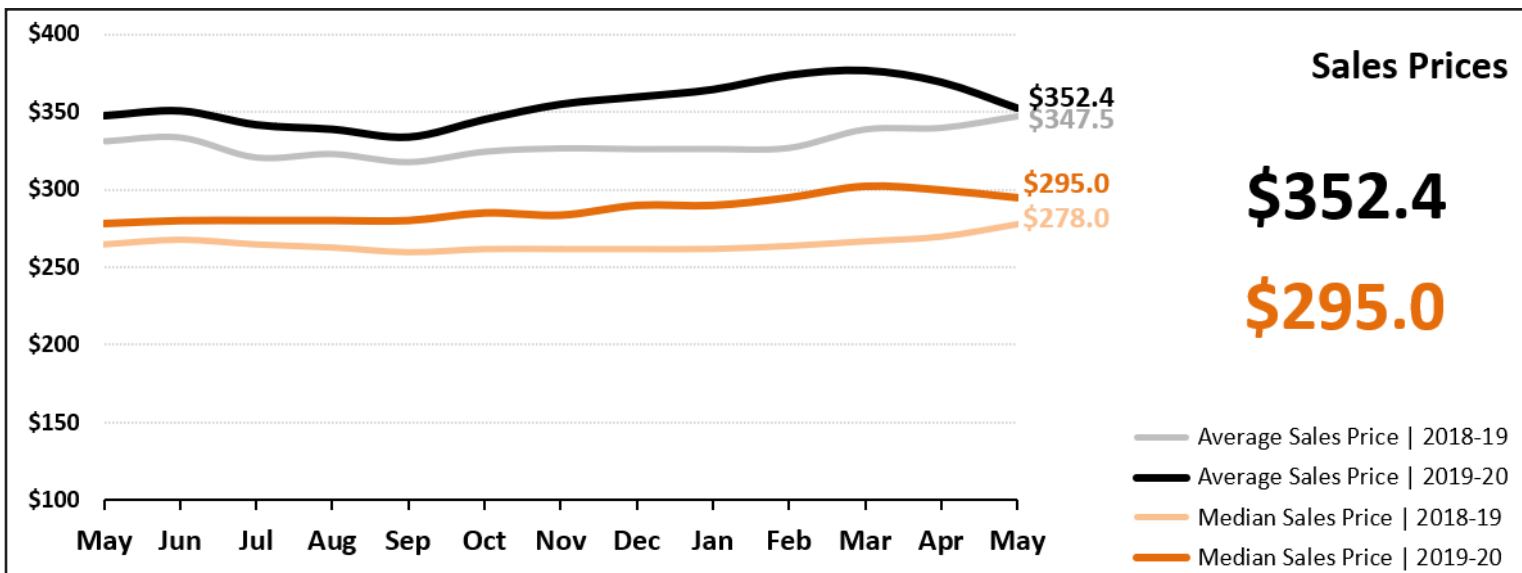
Months supply of inventory for April was 2.59 with May at 2.46.

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



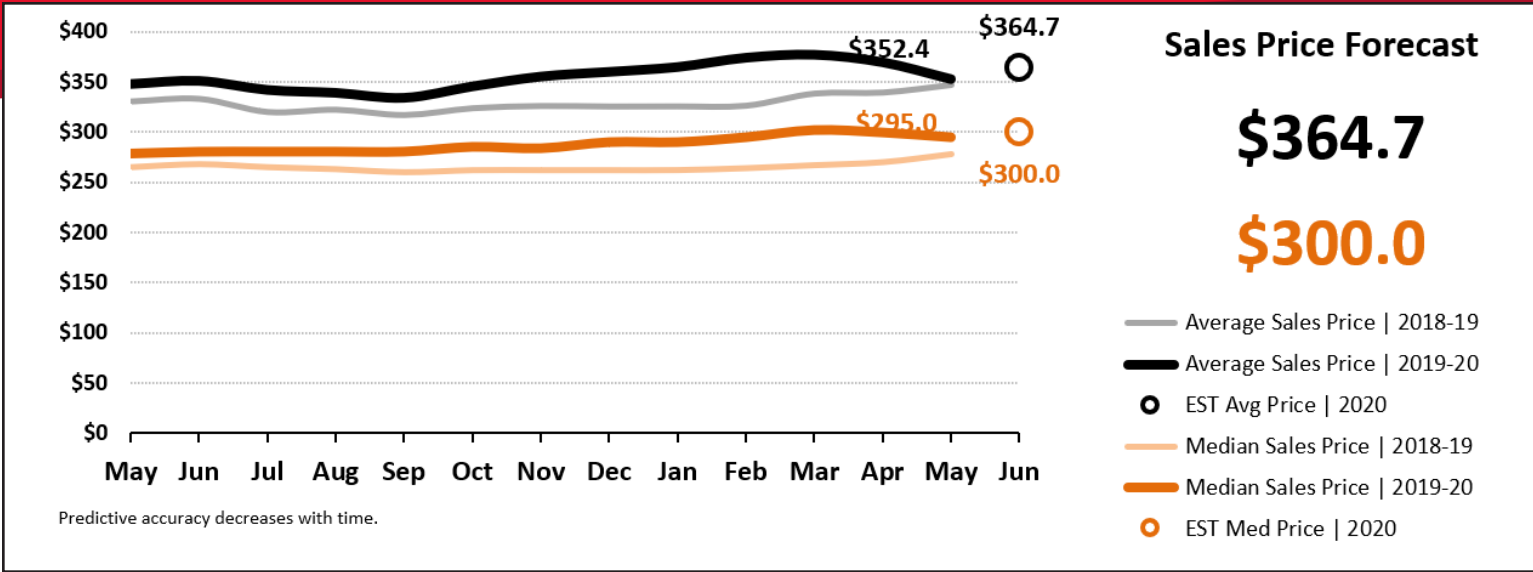
Average new list prices are up +5.4% year-over-year. The year-over-year median is up +7.2%.

List prices of new listings with list dates from 5/1/2020 to 5/31/2020, 0 day DOM sales removed



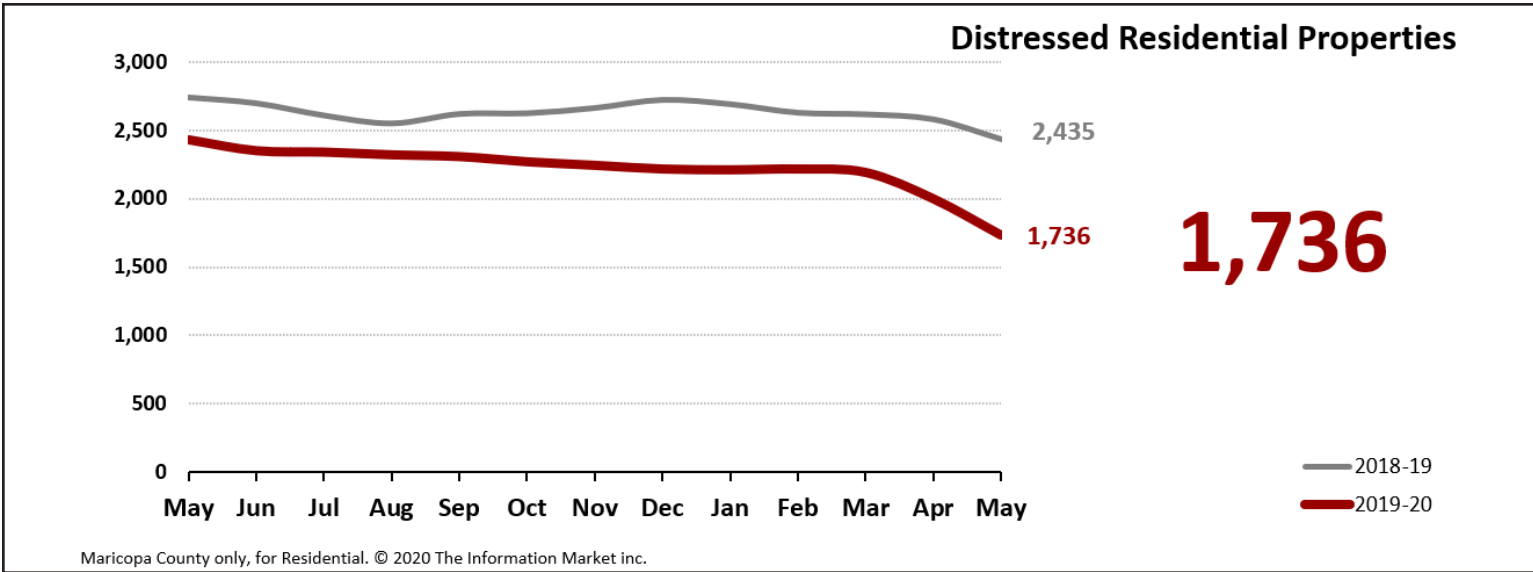
The average sales price is up +1.4% year-over-year while the year-over-year median sales price is also up +6.1%.

MLS sales prices for closed listings with a close of escrow date from 5/1/2020 to 5/31/2020, 0 day DOM sales removed



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

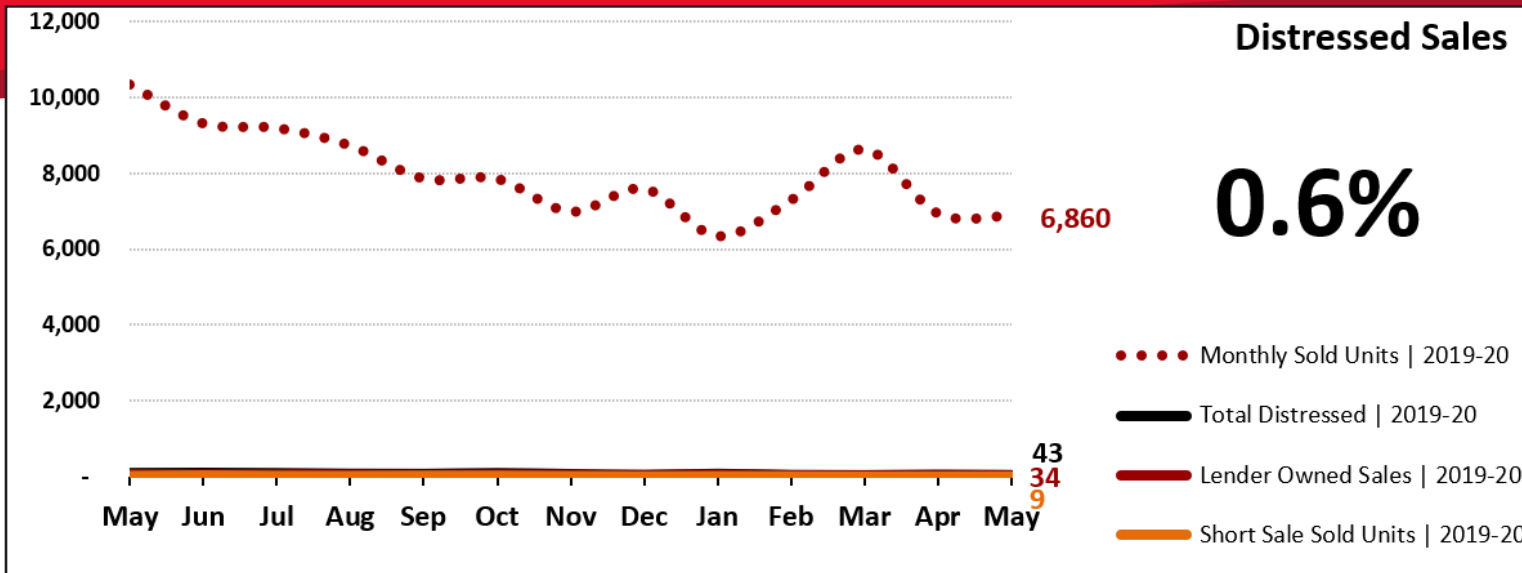
ARMLS proprietary predictive model forecast, 0 day DOM sales removed



Foreclosures pending month-over-month showed a decrease of -13.3% while the year-over-year figure was down -28.7%.

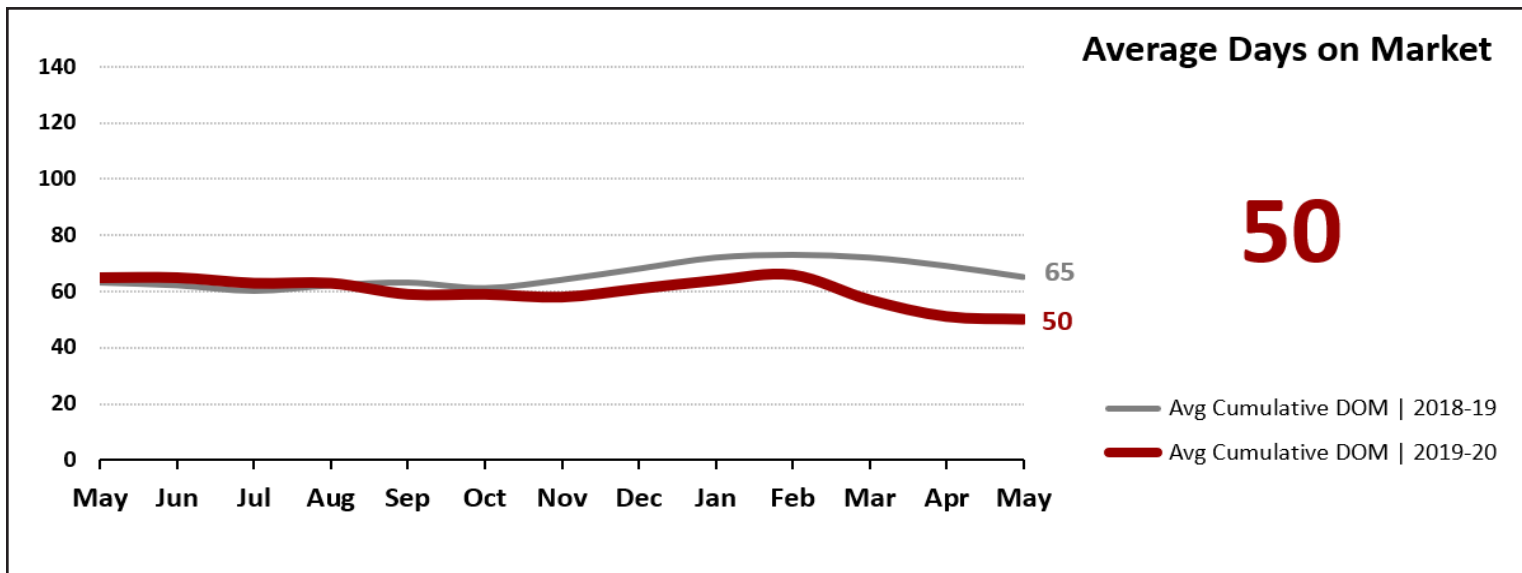
Maricopa County only, for Residential. © 2020 The Information Market inc.

Snapshot of public records data on 5/31/2020 active residential notices and residential REO properties.



Distressed sales accounted for 0.6% of total sales, down from the previous month of 0.7%. Short sales dropped -52.6% year-over-year. Lender-owned sales decreased -46.0% year-over-year.

New MLS listings that were active for at least one day from 5/1/2020 to 5/31/2020, 0 day DOM sales removed



Days on market were down -15 days year-over-year while month-over-month were down -1 day.

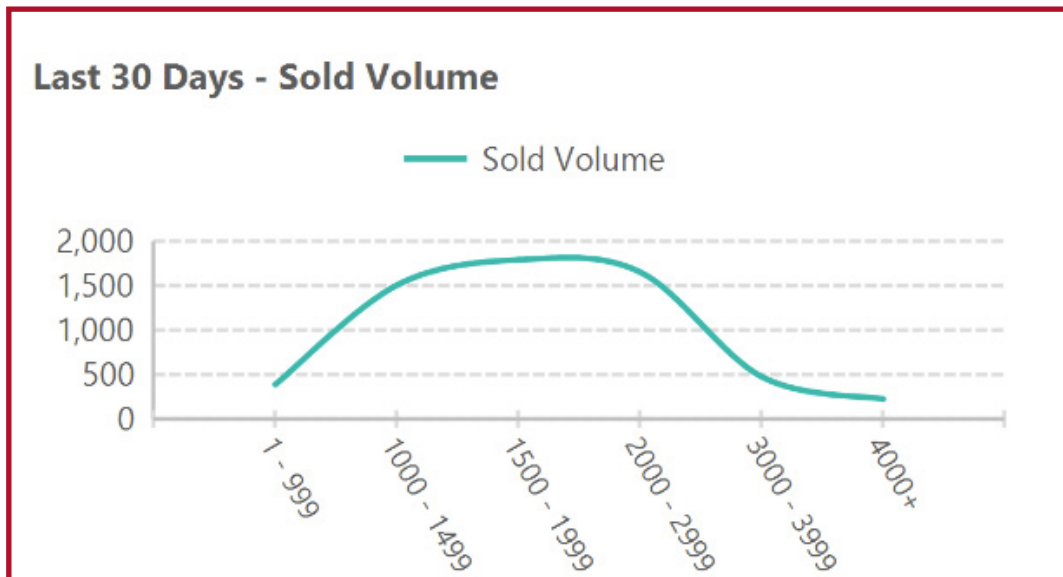
MLS sales prices for closed listings with a close of escrow date from 5/1/2020 to 5/31/2020, 0 day DOM sales removed

RAPID REPORT

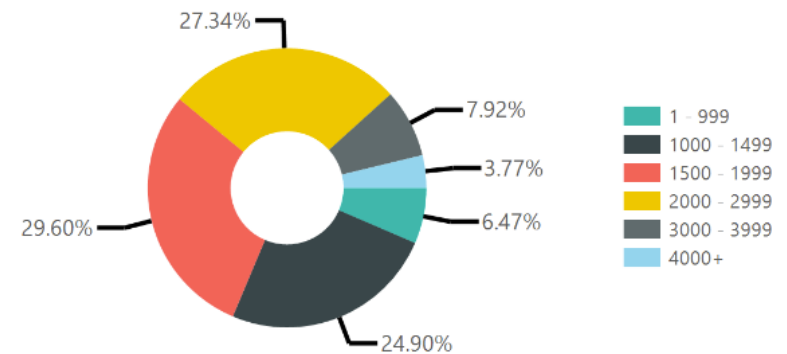
A GLIMPSE AT THE CURRENT MARKET

POWERED BY  **RapidStats**

Sold Listings by Square Foot Range in Maricopa County



Last 30 Days - Sold Volume Breakdown



The following graph is a snapshot of Maricopa data as of 12:00am on 06/15/2020

RapidStats is a data-driven reporting and analytics tool created by ARMLS that helps agents and brokers understand their markets, pricing and opportunities to make decisions. **RapidStats reports can be filtered by city, county or ZIP code!**

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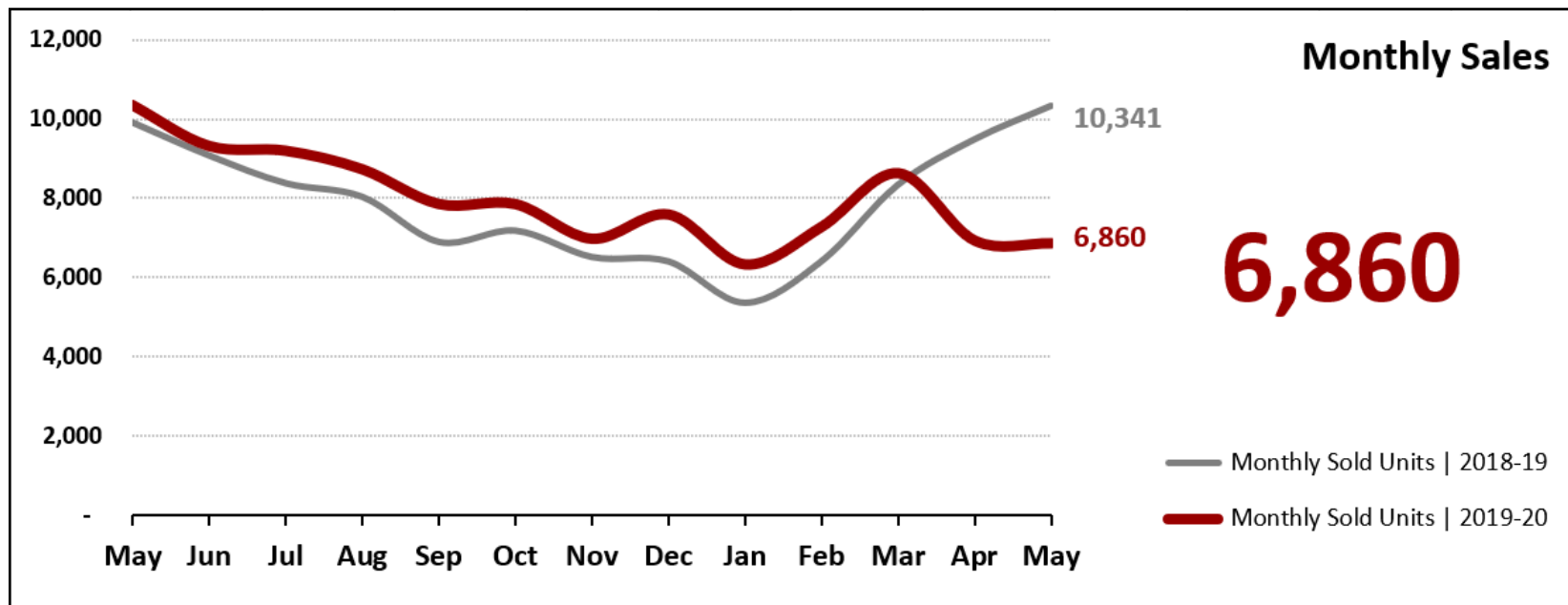
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COMMENTARY by Tom Ruff

In all my years of working with housing data, and there have been more than I care to mention, I have never seen a year quite like this. In real estate there are leading indicators and lagging indicators and they usually march in rhythm. If a change comes, the correction is modest and any new trend develops slowly over time. Housing numbers do not behave like a speed boat, they're a barge. Then 2020 happened.

Monthly Sales by ARMLS



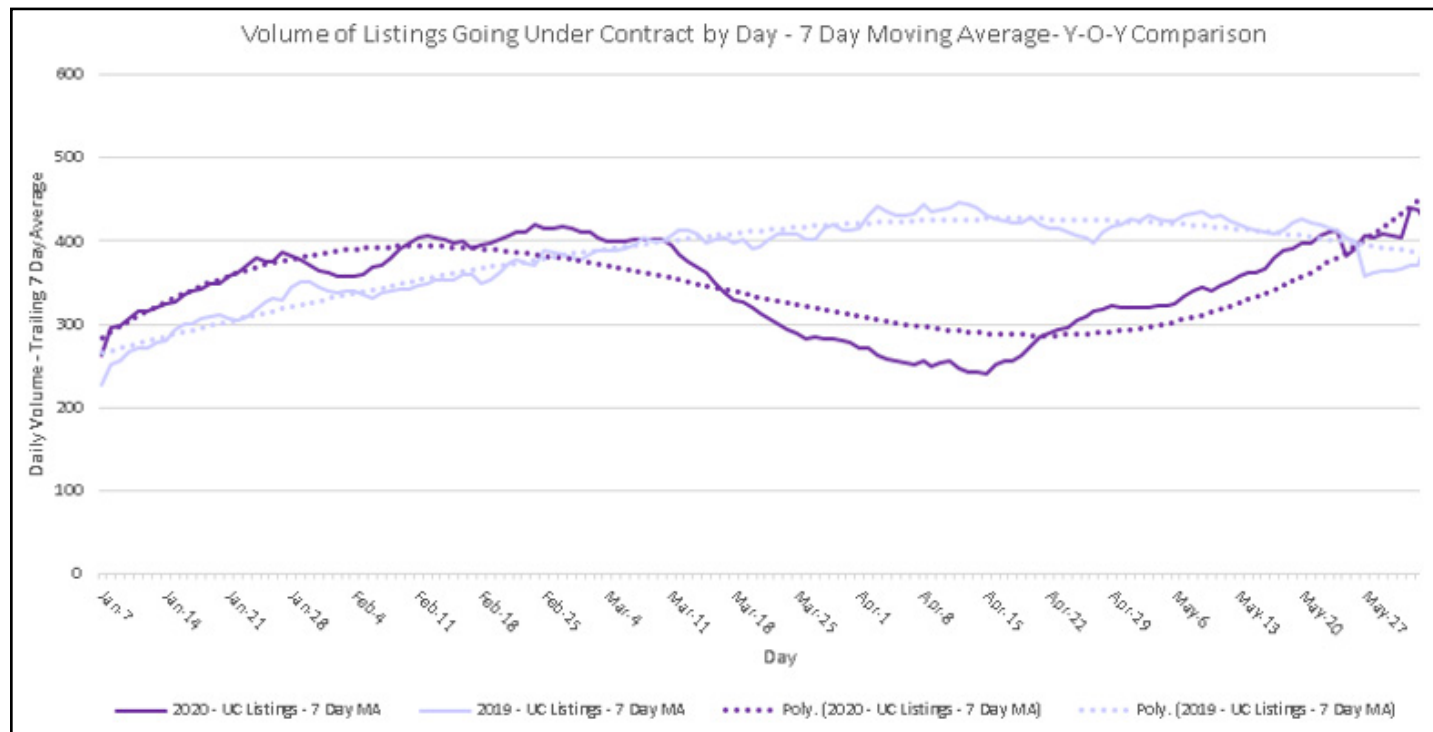
The STAT Monthly Sales chart, shown above, is a lagging indicator. It displays closed sales as reported by ARMLS. The 2018-2019 line is normal. Closed sales follow a seasonal pattern; it is normal for sales to peak in May and then start a gradual decline through the next January before beginning their seasonal ascent. As you can see, 2020 followed the traditional pattern into March and then abruptly turned south. The downturn occurred when sales normally blossom. In the April STAT, I almost felt a sense of guilt reporting the March closing numbers when our leading indicator, listings under contract, was already telling us the April and May numbers were going to fall and fall dramatically. The 3.4% gain in yearly sales volume in March was followed by the most rapid short-term decline in the history of ARMLS reporting, a 27.1% drop in April and a 33.7% year-over-year drop in May. Remember, this is the time of year when closings should be increasing. This is not at all how a barge behaves.

The median sales price followed the exact same pattern. We must look to our daily metrics to clearly see the abrupt change. On April 8 the median sales price for closed sales as reported by ARMLS was \$305,000; by May 21 this number had fallen to \$290,000. A 5% drop in just 43 days. We had seen similar declines during the great recession, but only a handful of times. With the May numbers in the books, we were able to compare the median value of homes sold during Covid-19 to the value of homes sold pre-Covid-19. The 5% drop appears equally distributed between fewer higher priced homes selling and the initial coronavirus panic. The median value of homes selling in May was 2.5% lower than the median value of homes sold in March.

The May closing numbers are now behind us and our market is on a completely new trajectory. This brings us to our next chart: listings under contract. You can see the historical pattern; contracts start at their low point for the year in January and rise through mid to late April, then begin their annual descent which will end in December. The 2020 total surpassed the 2019 total up until March 11, the day Covid-19 became real and contracts plunged. Properties under contract continued their descent for just over 30 days and bottomed on April 15. Just 42 days later, on May 27, listings under contract regained their advantage over 2019.

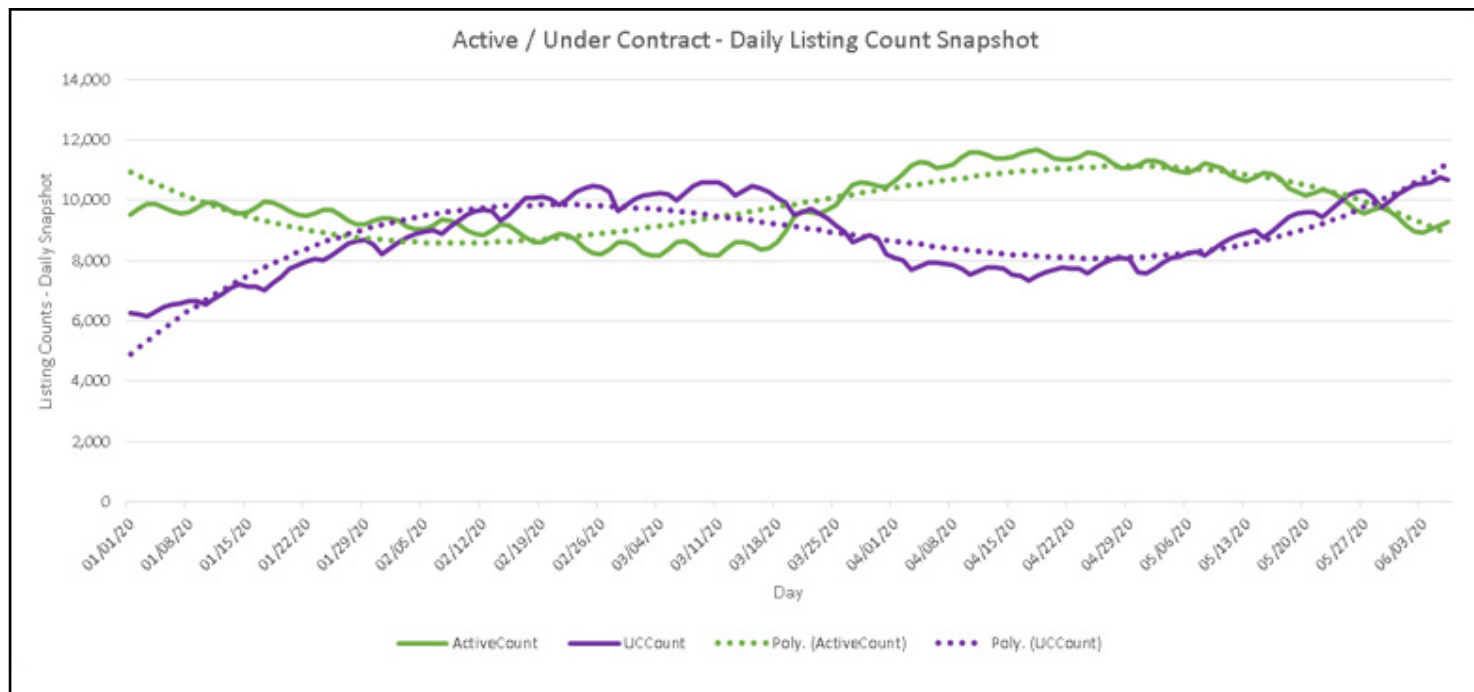
The current number of listings under contract are now at their highest point in 2020, surpassing the high-water mark of March. What this means, simply, is that year-over-year sales gains in June and July are very possible and should not come as a surprise. An unprecedented 30-day drop in contracts followed by an unprecedented 30-day rise and voila, future closings will be back on track. Does this mean Covid-19 was just a large speed bump for housing? That's what the data is telling us right now. But remember, it's 2020, and what it's taught us so far is that anything is possible.

ARMLS Data for Maricopa County



As each listing goes under contract, the contracted price is reported. This is ARMLS proprietary data and is the metric from which the PPI Index is calculated. The \$305,000 median sales price reported on April 8 closings was foreseen by reported pending contracts on March 12 and the \$290,000 closing median price on May 20 was accurately forecasted on April 20. Today's forward looking median is \$305,000 and by mid-July the median sales price will have recaptured its historical peak. We can summarize the last 3 months of 2020 closing data by saying where we were was not where we were going, and where we are now is not where we're headed. Our strong first quarter numbers gave way to dismal numbers in April and May, which in turn will give way to robust numbers in June and July.

ARMLS Data for Maricopa County



In parting, let me share one last chart comparing the number of properties under contract to the number of active listings in Maricopa County, again bringing us full circle from mid-March. A large portion of the available supply went under contract in May. Sellers are clearly in control, while buyers are finding themselves competing for the same house. The impact of Covid-19 and the twists and turns it has caused are nothing short of remarkable.

The Pending Price Index

Last month the STAT mathematical model projected a median sales price for May of \$290,000. The May reported median was \$295,000. Looking ahead to June, the ARMLS Pending Price Index anticipates the median sales price will increase, projecting a median sales price of \$300,000.

We begin June with 7,125 pending contracts: 4,687 UCB listings and 765 CCBS giving us a total of 12,577 residential listings practically under contract. This compares to 12,289 of the same type of listings one year ago. At the beginning of June, the “pending” contracts are 2.3% higher than last year. There were 20 business days in June of 2019 and 22 this year. ARMLS reported 9,313 sales in June of 2019. As stated earlier, it is quite possible the June reported closings this year will meet and quite possibly exceed the 2019 total. My guess is 9,600.