

## Cromford Report – Daily Observations – February 2019

**February 5** - We have preliminary numbers from Maricopa County for recordings during January 2019.

Total recorded sales for single-family and condo/townhouse properties was 6,898, down almost 10% from 7,647 in January 2018. This is a larger drop in recorded sales than we experienced in December (7.4%).

In December 2018 new home closings held up much better than re-sales, but this effect disappeared in January. New home closings numbered 944, down 9.7% from January 2018. Re-sales were down almost the same percentage at 5,954.

The overall median sales price was \$270,000, up 7% from January 2018. The re-sale median was up 8% to \$258,900 while the new home median was up 5% to \$342,618.

**February 4** - Butch Leiber is running several classes in February for those who would like to get more out of the Cromford® Report.

### Cromford 101 - Unraveling the Mysteries of the Cromford® Report

This class walks people through the basics of using Cromford® in their business and leaves them with a better understanding of the charts and how to use them to generate more business. (Cromford Subscribers Only)

East Valley: February 13 2019, 11:00 AM - 1:30 PM  
Caliber Home Loans - 16430 N Scottsdale Rd., Scottsdale, AZ 85254  
Registration Link: <http://bit.ly/cromford213>

West Valley: February 21 2019, 11:00 AM - 1:30 PM  
Caliber Home Loans - 1616 N Litchfield Rd. #215, Goodyear, AZ 85395  
Registration Link: <http://bit.ly/cromford214>

### Cromford 201 - Digging Deeper with the Cromford® Report

This class teaches how to use the report every day in business and how to find the right chart, for the right occasion, the best charts to "predict" market change and the best charts to use in marketing to make an agent look and talk like an expert. (Cromford Subscribers Only)

East Valley: February 14 2019, 11:00 AM - 1:30 PM  
Caliber Home Loans - 16430 N Scottsdale Rd., Scottsdale, AZ 85254  
Registration Link: <http://bit.ly/cromford214>

West Valley: February 20 2019, 11:00 AM - 1:30 PM  
Caliber Home Loans - 1616 N Litchfield Rd. #215, Goodyear, AZ 85395

Registration Link: <http://bit.ly/cromford220>

**February 1** - Below is the table of Cromford® Market Index numbers for the single-family markets in the 17 largest cities by dollar volume:

Rank	January 31, 2019	Cromford® Market Index Now		Chg	Cromford® Market Index Last Month
1	Avondale	191.5	↑	4%	183.9
2	Chandler	165.2	↓	-2%	169.3
3	Gilbert	156.0	↓	-3%	160.0
4	Glendale	154.1	↑	9%	141.9
5	Mesa	151.1	↓	-4%	157.7
6	Fountain Hills	138.7	↑	11%	125.2
7	Surprise	138.7	↑	0%	138.6
8	Maricopa	136.9	↑	1%	135.5
9	Peoria	131.1	↑	1%	129.7
10	Phoenix	130.8	↓	-2%	133.4
11	Tempe	130.7	↑	1%	129.1
12	Scottsdale	129.4	↓	-4%	134.4
13	Cave Creek	118.8	↓	-6%	126.7
14	Queen Creek	118.6	↓	-4%	123.9
15	Buckeye	115.0	↓	-1%	116.6
16	Paradise Valley	113.9	↓	-16%	136.1
17	Goodyear	112.1	↓	-7%	120.9

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This gives us a mixed picture with 7 cities improving for sellers over the past month and 10 cities showing deterioration. The average change in CMI for the 17 cities is -1.4%. Last week we reported +0.7% and suggested it looked a little ominous. We expect a little more negative movement over the next 2 weeks for 2 reasons.

1. Slow contract activity during the first 2 weeks of January led to a larger rise in active listings than last year
2. Low contract numbers in November and January led to a very slow closing rate during January

However, we are more optimistic for sellers than we were in mid January. The second half of January saw contract activity pick up nicely and this has 2 expected results which could show up in the CMI by mid February:

1. Active listing counts should stop rising and may start to fall back slowly in a normal seasonal pattern
2. Closed listing counts should start to rise as the additional contract signings in January come through escrow

It is not clear if the boost in contract activity will continue into February but a combination of lower interest rates and higher FHA loan limits tends to support that outcome. We have also heard new home builder report increased buyer traffic in recent weeks.

Several cities have seen significant upticks in their Cromford® Demand Index over the past 2 weeks, including:

- Apache Junction
- Avondale
- Buckeye
- Casa Grande
- Cave Creek
- Fountain Hills
- Glendale
- Gold Canyon
- Maricopa

- Scottsdale
- Surprise
- Tempe
- Tolleson

Notably absent from this list are Phoenix, Chandler, Mesa and Gilbert. Also relatively weak are Sun City, Sun City West and Sun Lakes, all 55+ locations.

All 17 of the largest cities remain in the seller's market zone over 110 though Paradise Valley and Goodyear look like they may drop into the balanced zone between 90 and 110.

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