

## October 3 - Market Summary for the Beginning of October

Starting with the basic ARMLS numbers for October 1, 2018 and comparing them with October 1, 2017 for **all areas & types**:

- Active Listings (excluding UCB): 16,819 versus 18,161 last year - down 7.4% - but up 3.7% from 16,222 last month
- Active Listings (including UCB): 20,303 versus 21,783 last year - down 6.8% - but up 2.4% compared with 19,831 last month
- Pending Listings: 5,195 versus 5,766 last year - down 9.9% - and down 1.3% from 5,262 last month
- Under Contract Listings (including Pending, CCBS & UCB): 8,679 versus 9,388 last year - down 7.6% - and down 2.2% from 8,255 last month
- Monthly Sales: 7,048 versus 7,509 last year - down 6.1% - and down 14.6% from 8,548 last month
- Monthly Average Sales Price per Sq. Ft.: \$160.99 versus \$149.43 last year - up 7.7% - but down 0.1% from \$161.23 last month
- Monthly Median Sales Price: \$260,000 versus \$242,450 last year - up 7.2% - but down 0.8% from \$262,000 last month

The supply of active listings without a contract rose 3.7% during the month of September, while total active listings increased by 2.4%. These are much bigger increases than we saw in September 2017 (0.4% and 0.6%) so there has been a definite improvement in supply trends, even though supply remains very low by normal standards. Supply has increased the most for single-family homes over \$800,000. These are up 6% in the last month. New listing counts were weaker than in 2017 with only 8,718 in September versus 9,372, a drop of 7%, so the increase in active listings is not due to strong in-flow. This means existing listings are not going under contract as quickly. Price cuts are getting more common too.

The count of under contract listings is lower than October in the last 3 years and confirms a gradual reduction in demand. The Cromford® Market Index was 155.0 on October 1, down from 160.8 last month. The Supply Index has increased from 59.3 to 60.6 and the Demand Index has weakened from 95.4 to 93.7 over the last month. However, we remain in a strong seller's market and it would take many months of the current trend to get back to balance between supply and demand.

September 2018 only had 19 working days while September 2017 had 20. This helps explain the weak sales counts for last month. They were down 6.1% compared to a year ago, but 5% of that is due to having one less working day. Only 1.1% is evidence of weaker demand. It is likely that higher borrowing costs are having some impact on demand but the impact is very small when placed in context. With 23 working days in October, we anticipate a strong sales count this month.

Pricing was slightly weak in September, relative to August, but up significantly from September 2017. There has been no let up in the long-term price trend which is likely to see stronger averages and medians in October, now that the third quarter slump is behind us.

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