

## **January 15 - Mid Month Pricing Update and Forecast**

Each month about this time we look back at the previous month, analyze how pricing has behaved and report on how well our forecasting techniques performed. We also give a forecast for how pricing will move over the next month.

For the monthly period ending January 15, we are currently recording a sales \$/SF of \$164.72 averaged for all areas and types across the ARMLS database. This is down 1.4% or \$2.40 from the \$167.12 we now measure for December 15. Our forecast range mid-point was \$167.94, with a 90% confidence range of \$164.58 to \$171.30. The actual result was much lower than expected but within the 90% confidence range.

On January 15 the pending listings for all areas & types shows an average list \$/SF of \$173.33, up 0.3% from the reading for December 15. Among those pending listings we have 96.6% normal, 1.3% in REOs and 2.1% in short sales and pre-foreclosures. This mix shows slightly more distressed properties than last month but far fewer than the historical average.

Our mid-point forecast for the average monthly sales \$/SF on February 15 is \$165.39, which is 0.4% above the January 15 reading. We have a 90% confidence that it will fall within  $\pm 2\%$  of this mid point, i.e. in the range \$162.08 to \$168.70.

The average \$/SF was weaker than predicted over the last 31 days, but this was largely due to the mix of homes that closed. High end homes were lightly represented and low end homes closed in larger numbers. The average \$/SF for pending listings remains high and continues to trend higher.

**© 2019 Cromford Associates LLC**

The data used to create the Cromford® Report is obtained from public records and obtained under license from the Arizona Regional Multiple Listing Service, Inc (ARMLS). Cromford Associates LLC and ARMLS expressly disclaim and make no representations or warranties of any kind, whether express, implied or statutory, as to the accuracy of the data used or the merchantability or fitness for any particular purpose.