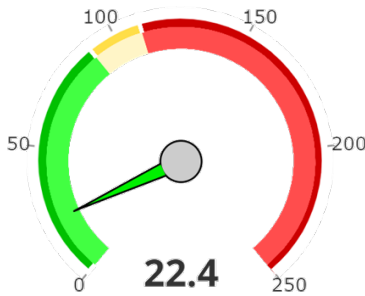


# The Real State®

A Snapshot of the Greater Phoenix Residential Real Estate Market



## Supply Index ↑



Below 90 =  
BELOW NORMAL  
SUPPLY

## Market Index ↓



Over 110 =  
SELLER'S MARKET

**April 22, 2021**

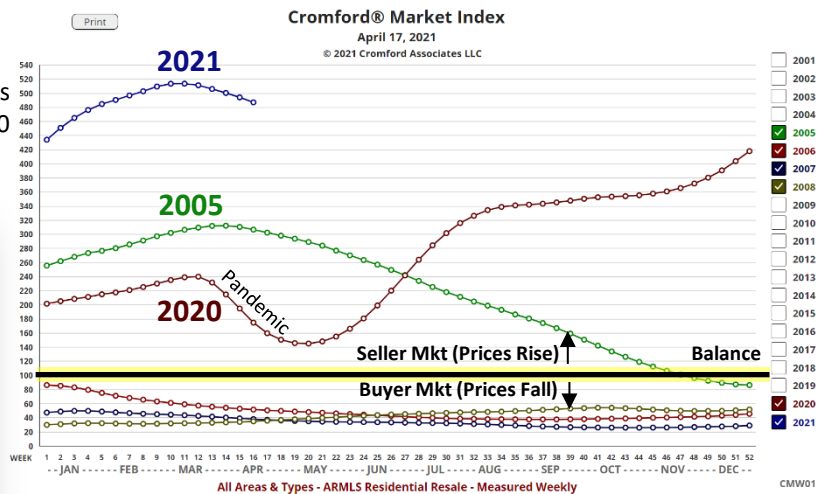
## Demand Index ↓



90-110 =  
NORMAL LEVEL OF  
DEMAND

From March to April 2021, the supply-demand index dropped 24.5 points, from 507.5 to 483.4. While this is a significant numerical drop in the overall index, it will be barely noticeable on the street; the market simply cooled to where it was in late January/early February of this year. There will still be multiple offers and there will still be closings over asking price. Two notable changes occurred in the past month. First, the rate of decline in the demand index slowed as it entered the normal range between 90-110. Second, the supply index stopped dropping and has stabilized at 78% below normal. Extremely low supply continues to be the major driver of rapid appreciation. Demand is the less important of the two factors until supply rises to more normal levels and the majority of homes are no longer receiving multiple offers.

The adjacent graph illustrates the relationship between supply and demand over time and indicates shifts between seller's and buyer's markets. A measurement between 90-110 indicates equal advantage for both buyer and seller, over 110 indicates distinct seller advantage, and below 90 indicates distinct buyer advantage.



# Comparing 2021 to 2020: ACTIVE LISTINGS

## SUPPLY

The supply level listed in the Arizona Regional MLS has been stable for two months now. New listings have been added at an average of 2,318 per week, and an average of 2,323 homes per week have gone under contract in the past 7 weeks. By price range, active listings between \$400K–\$1M have seen a gradual increase in supply over the past 2 months while the \$2M–\$3M price range just stopped dropping 3 weeks ago.

### Q2 2021 NEW LISTINGS ADDED AS OF 4/23/2021 vs. LAST YEAR:

- Under \$250K: 934 (-49.4%)
- \$250K–\$500K: 3,670 (+0.2%)
- \$500K–\$800K: 1,078 (+58.1%)
- \$800K–\$1M: 213 (+61.4%)
- Over \$1M: 404 (+107.2%)

Overall, every price point is significantly lower in supply than this time last year, which was the peak inventory count due to the pandemic. New home permits for 2021 through February are up 20.4% compared to last year and are at the highest level since 2006. Pinal County single-family permits are up 45%, with significant increases in Coolidge, Maricopa and Florence. Maricopa County single-family permits are up 15%, with major increases in Glendale, Buckeye, Goodyear, South Phoenix, and Queen Creek.

### % Change in Active Supply: Week 16, 2020 vs 2021

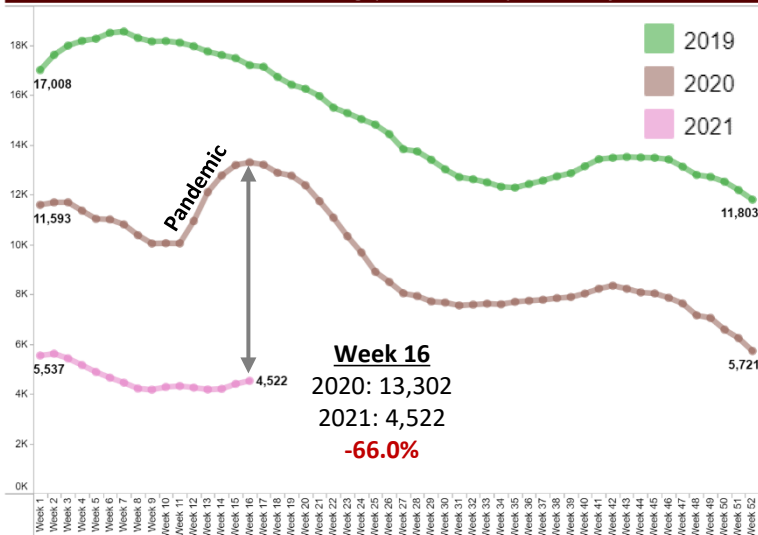
Price Range	# Listed	Δ From Last Year	New in 30 Days
Under \$250K	689	-76.2%	1,421
\$250K–\$300K	353	-80.4%	1,324
\$300K–\$400K	886	-67.6%	2,718
\$400K–\$500K	641	-58.9%	1,491
\$500K–\$600K	345	-66.4%	799
\$600K–\$1M	756	-56.8%	1,179
\$1M–\$2M	417	-54.3%	434
Over \$2M	435	-30.5%	209

### Active Listing Weekly Counts - Compared by Year

Greater Phoenix - ARMLS Residential - Measured Weekly

Last Update: 4/17/2021 8:52:57 PM

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### % Change in Average Asking Prices: Week 16, 2020 vs 2021

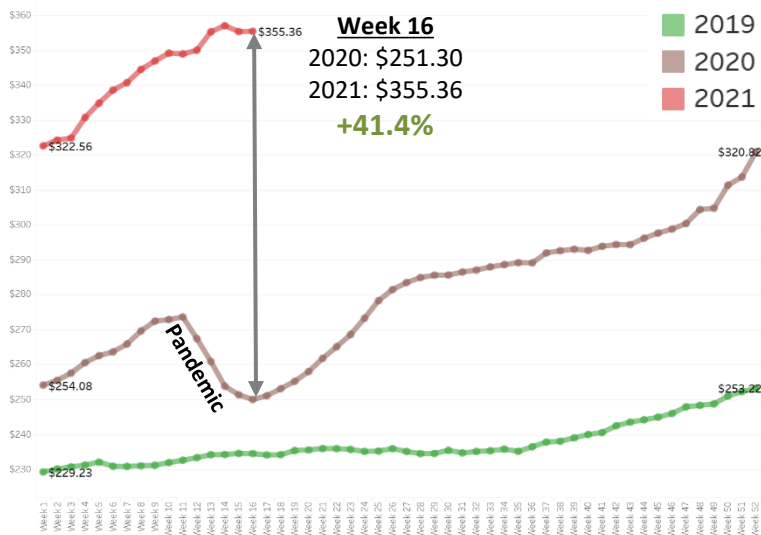
Price Range	\$/SF	Since Last Year
Under \$250K	\$161.49	+10.2%
\$250K - \$300K	\$199.84	+26.1%
\$300K - \$400K	\$205.42	+19.3%
\$400K - \$500K	\$223.17	+18.2%
\$500K - \$600K	\$243.28	+19.8%
\$600K - \$1M	\$272.38	+13.2%
\$1M - \$2M	\$385.52	+17.5%
Over \$2M	\$640.08	+20.4%

### Average List Price per Square Foot - Active Listings

Greater Phoenix - ARMLS Residential - Measured Weekly

Last Update: 4/17/2021 9:52:53 PM

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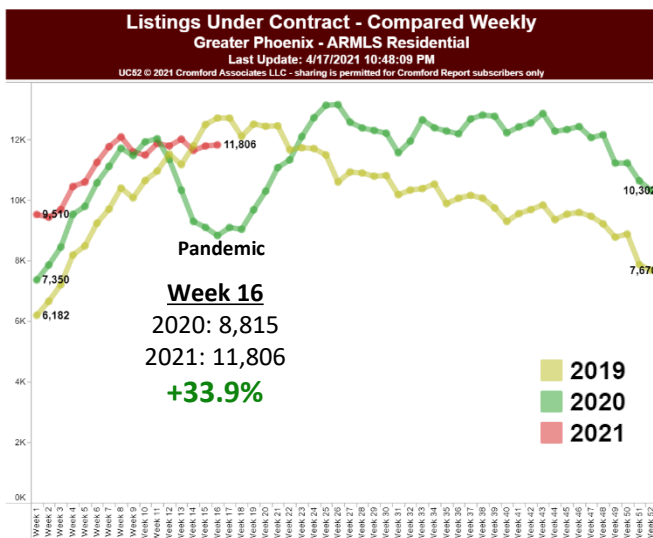
# Comparing 2021 to 2020: SALES VOLUME & PRICE

Sales over asking price now represent 55% of all sales closed so far in April through the Arizona Regional MLS. The average sales price per square foot is \$242.11, up 31% over April 2020 and 3.7% higher than last month's final measure of \$233.54. This monthly appreciation rate results from a combination of a higher concentration of luxury listings closing escrow and sales price to list price ratios over 102% under \$500K. Listings between \$250K-\$400K saw 62.5% of sales recorded over asking price, with a median of \$14K over list and a maximum of \$117K. The luxury market over \$1M has also seen a surge in sales over asking price at 28% so far in April, up from just 10% in January.

## YEAR-OVER-YEAR CHANGE IN MARCH SALE PRICE/SF:

- Under \$250K: +13.0%
- \$250K - \$500K: +17.4%
- \$500K - \$800K: +13.0%
- \$800K - \$1M: +16.1%
- Over \$1M: +13.0%

This month, the Arizona Office of Economic Opportunity announced that the state's labor force has officially risen higher than it was prior to the pandemic, and at 1.8%, Arizona's population growth was 4 times larger than the U.S. growth rate of 0.4%. While this explains a good deal of the demand surge in Greater Phoenix, it doesn't fully explain the surge in luxury sales this year. We typically look to signs within the stock market, corporate profits and exchange rates for demand indicators, but it's possible that Bitcoin and cryptocurrencies could be fueling demand as well. In 2013, 20 Bitcoin would have been worth about \$2,000. In March 2020, they were worth \$104K; by October 2020 they valued \$220K and by April 2021 they had surged to \$1.1M.



## Contract and Sales Activity: Week 16, 2021 vs. 2020

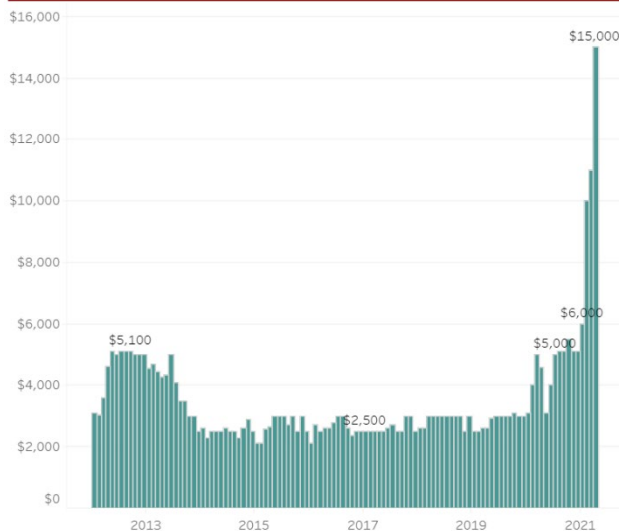
Price Range	Week 16 In Escrow	Δ From 2020	Sale \$/SF	SP/LP Ratio
Under \$250K	1,613	-40.6%	\$174	102.1%
\$250K-\$300K	1,706	-1.4%	\$197	102.9%
\$300K-\$400K	3,305	+58.8%	\$199	102.4%
\$400K-\$500K	1,762	+92.8%	\$218	102.3%
\$500K-\$600K	940	+80.1%	\$231	101.9%
\$600K-\$1M	1,580	+187.8%	\$262	101.3%
\$1M - \$2M	605	+175.0%	\$352	99.6%
Over \$2M	295	+247.1%	\$528	94.9%

## Sales Over Asking Price: April 2021 to Date

Price Range	# Total Sales	% Closed Over List	Median \$ Over List	Max \$ Over List
Under \$250K	517	50.6%	\$10,000	\$55,000
\$250K-\$300K	584	63.3%	\$14,000	\$116,530
\$300K-\$400K	1,142	62.1%	\$15,000	\$85,100
\$400K-\$500K	520	56.2%	\$18,000	\$101,000
\$500K-\$600K	268	54.8%	\$21,001	\$128,800
\$600K-\$1M	339	49.4%	\$25,000	\$345,100
\$1M-\$2M	78	31.0%	\$42,500	\$253,000
Over \$2M	25	21.6%	\$100,000	\$300,000

## Median Amount Over List - Sales Over List Price

Arizona Regional MLS | Updated 4/23/2021 12:40:32 PM  
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## ARTICLES OF INTEREST:

April 17, 2021 – AZ Big Media

[Phoenix will be the 2nd most active industrial market in 2021](#)

April 16, 2021 – ABC15 Arizona

[Landlords and tenants teaming up now more than ever during this pandemic](#)

April 20, 2021 – Fox10 Phoenix News

[More people are employed in Arizona than before the pandemic](#)

April 21, 2021 – NAHB.org | Eye on Housing Blog

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