

ARIZONA REGIONAL MULTIPLE LISTING SERVICE, INC.

ARMLS PPI™

your monthly statistics
for the Phoenix Metro area

June 6, 2011

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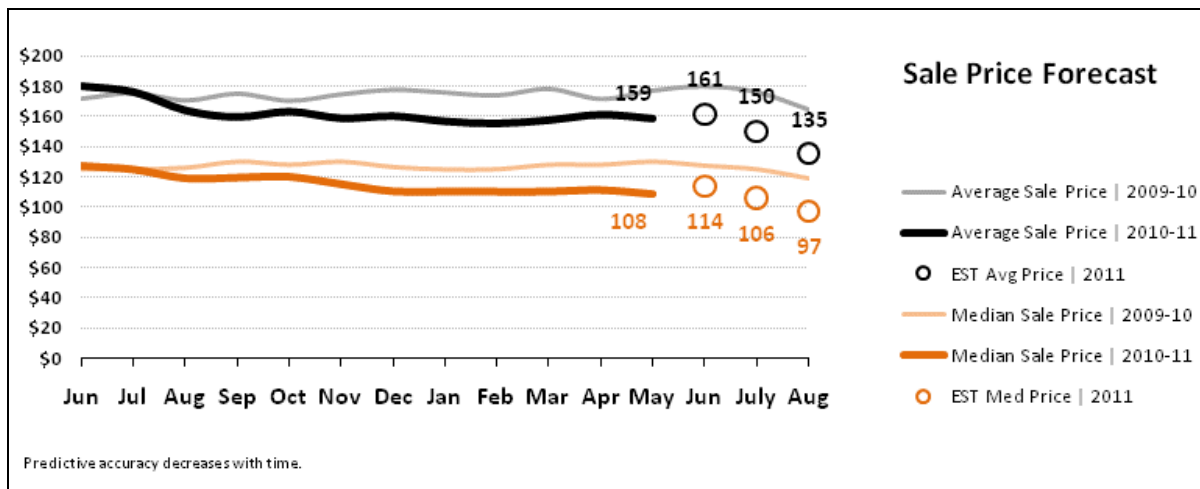
THE ARMLS PENDING PRICE INDEX™

The ARMLS Pending Price Index is a predictive tool unique to ARMLS which uses the prices of properties under contract in the MLS system to predict median and average pricing three months into the future. Its predictive accuracy decreases with time as more pending properties are added to the system.

The median sales price predictions for June, July and August are \$114,000, \$106,000 and \$97,000 respectively. If the August prediction is realized, it would be the first time in this decade that the median sales price dropped below \$100,000. The August median prediction based on May figures would represent a 10.43% decline from May’s actual median. Many more pending properties though will be added to the pending pool before August, influencing the actual August median price.

The average sales price predictions call for a 1.6% increase to \$161,400 in June, a drop of 7% to \$150,200 in July, followed by a 10% drop to \$135,200 in August.

Pricing shows few signs of recovery, although other metrics reported in STAT show positive gains which must occur before pricing can rebound: namely, decline in inventory (supply), rise in sales (demand), decline in foreclosures pending, and reduction in the months supply of inventory.



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PPI SUPPLEMENT

This month ARMLS introduces the PPI Supplement, which analyzes pending properties added to the system in the current month only, focusing on average and median prices, total units and % of total units for that month in specific price ranges. It then compares the current month pendings with pendings from the preceding three months. The price range comparison graph at this time stops at \$500,000, since pendings from less than \$50,000 up to \$500,000 represent 96.67% of all pendings added to the pending pool this month. Metrics for pendings above \$500,000 are given in the actual chart. Over time we are able to observe pending activity foretelling price corrections in the higher price ranges.

Pending Contracts Signed in May				
Price Range	PPI Avg	PPI Med	PPI Units	Units % of Total
<=50,000	35,485	37,000	1,404	12.98%
50,001 - 100,000	75,856	75,000	3,595	33.23%
101,000 - 150,000	124,954	126,349	2,421	22.38%
151,000 - 200,000	174,037	172,000	1,288	11.91%
200,001 - 250,000	227,182	227,114	658	6.08%
250,001 - 300,000	276,067	275,000	442	4.09%
300,001 - 350,000	328,234	329,000	303	2.80%
350,001 - 400,000	377,093	375,000	174	1.61%
400,001 - 450,000	426,937	425,000	99	0.92%
450,001 - 500,000	475,442	475,000	73	0.67%
500,001 - 550,000	528,067	527,000	60	0.55%
550,001 - 600,000	575,688	575,000	50	0.46%
600,001 - 650,000	630,534	627,500	44	0.41%
650,001 - 700,000	679,939	679,000	36	0.33%
700,001 - 750,000	734,026	730,000	19	0.18%

