

GREYSTONE TITLE AGENCY'S MARKET UPDATE

GILBERT, AZ

- **Current Real Estate Market Conditions for Single Family Homes**
- **Trends in Pricing**
- **Current Levels of Supply and Demand**
- **Value Metrics**

- **Report for the week of
March 14, 2016**

- **Presented by Shane Sauer**
Greystone Title Agency
www.GreystoneTitle.com
(480) 624.4394

**GREYSTONE
TITLE AGENCY**

This Week

- The median list price in GILBERT, AZ this week is \$334,900. The 991 properties have been on the market for an average of 82 days.

Inventory is tightening and days-on-market is falling. The Market Action Index shows demand heating up. These are relatively bullish signs for prices.

Supply and Demand

- Home sales continue to outstrip supply and the Market Action Index has been moving higher for several weeks. This is a Seller's market so watch for upward pricing pressure in the near future if the trend continues.

| Real-Time Market Profile | | Trend |
|---|--------------------|-------|
| Median List Price | \$ 334,900 | ↔ |
| Average List Price | \$ 394,111 | |
| Asking Price Per Square Foot | \$ 141 | ↔ |
| Average Days on Market (DoM) | 82 | ↓↓ |
| Inventory of Properties Listed | 991 | ↓↓ |
| Most Expensive Listing | \$ 2,290,000 | |
| Least Expensive Listing | \$ 130,000 | |
| Average Age of Listing | 14 | |
| Percent of Properties with Price Decrease | 42 % | |
| Percent Relisted (reset DOM) | 5 % | |
| Percent Flip (price increased) | 5 % | |
| Median House Size (sq ft) | 2421 | |
| Median Lot Size | 6,501 - 8,000 sqft | |
| Median Number of Bedrooms | 4.0 | |
| Median Number of Bathrooms | 2.5 | |

| Altos Research Value Statistics | | |
|---|--------------------|---------|
| Market Action Index | Seller's Advantage | 39.9 ↑↑ |
| The Market Action Index answers the question "How's the Market?" by measuring the current rate of sale versus the amount of the inventory. Index above 30 implies a seller's advantage. Below 30, conditions give the advantage to the buyer. | | |

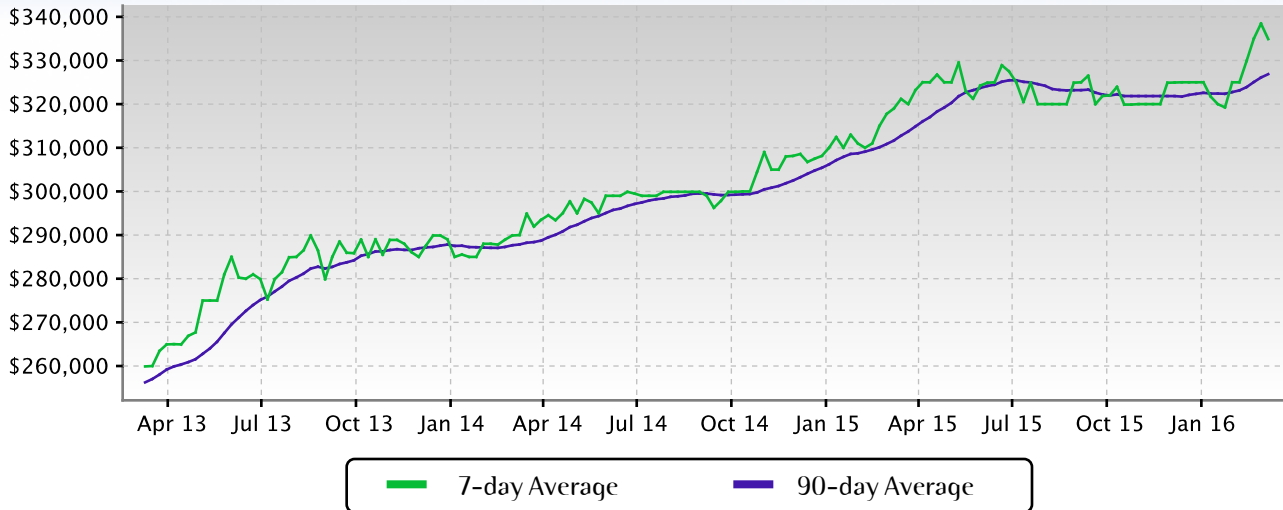
Trend Key: ↑↑ Strong upward trend ↓↓ Strong downward trend
 ↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

| Quartile | Median Price | Sq. Ft. | Lot Size | Beds | Baths | Age | Inventory | New | Absorbed | DOM | |
|---------------|--------------|---------|---------------------|------|-------|-----|-----------|-----|----------|-----|-----------------------------------|
| Top/First | \$ 584,081 | 3719 | 0.25 - 0.50 acre | 4.0 | 3.5 | 12 | 247 | 21 | 33 | 121 | Most expensive 25% of properties |
| Upper/Second | \$ 376,295 | 2836 | 8,001 - 10,000 sqft | 4.0 | 3.0 | 12 | 248 | 51 | 34 | 82 | Upper-middle 25% of properties |
| Lower/Third | \$ 299,900 | 2218 | 6,501 - 8,000 sqft | 4.0 | 2.5 | 14 | 248 | 51 | 32 | 67 | Lower-middle 25% of properties |
| Bottom/Fourth | \$ 233,500 | 1660 | 4,501 - 6,500 sqft | 3.0 | 2.0 | 15 | 248 | 55 | 54 | 58 | Least expensive 25% of properties |

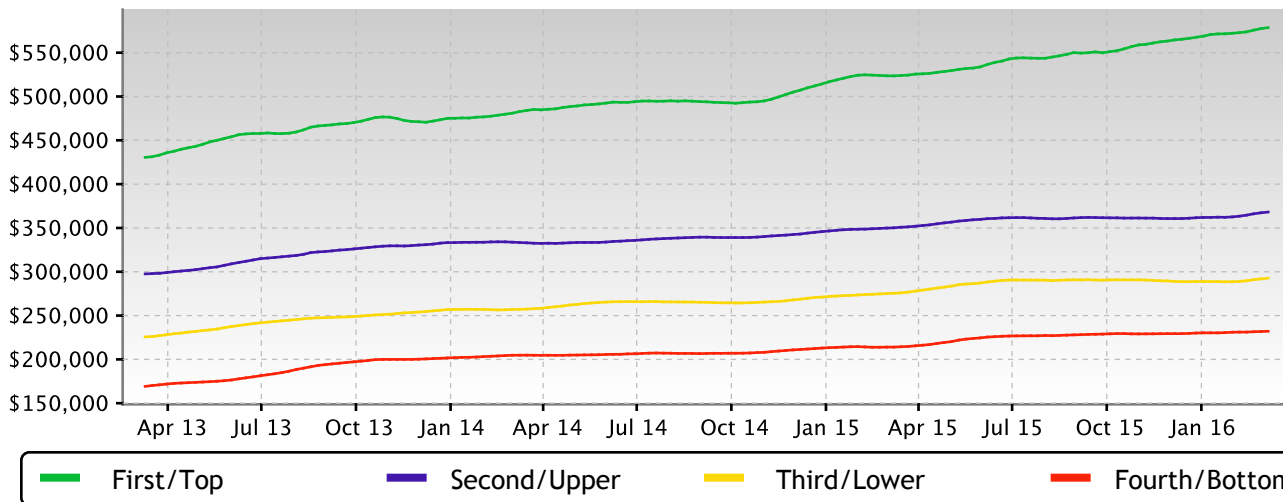
Median Price

The market appears to be hovering around this plateau. This week prices eased down a bit. The Market Action Index is a good leading indicator for the durability of this shift.



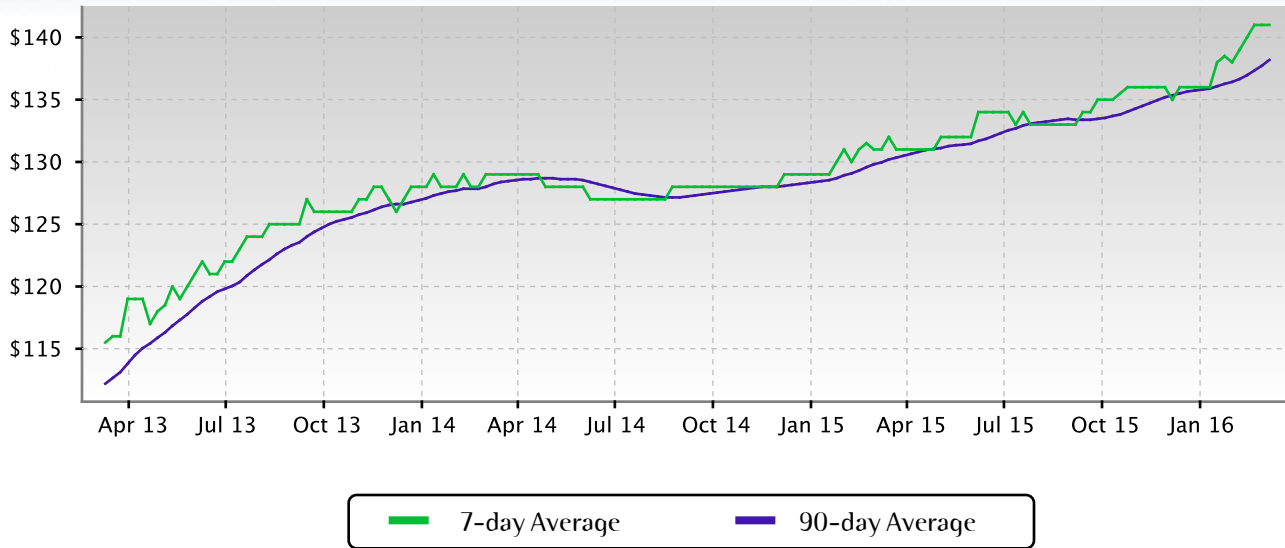
Quartile Prices

Prices have settled at a price plateau across the board. Prices in all four quartiles are basically mixed. Look for a persistent shift (up or down) in the Market Action Index before prices move from these current levels.



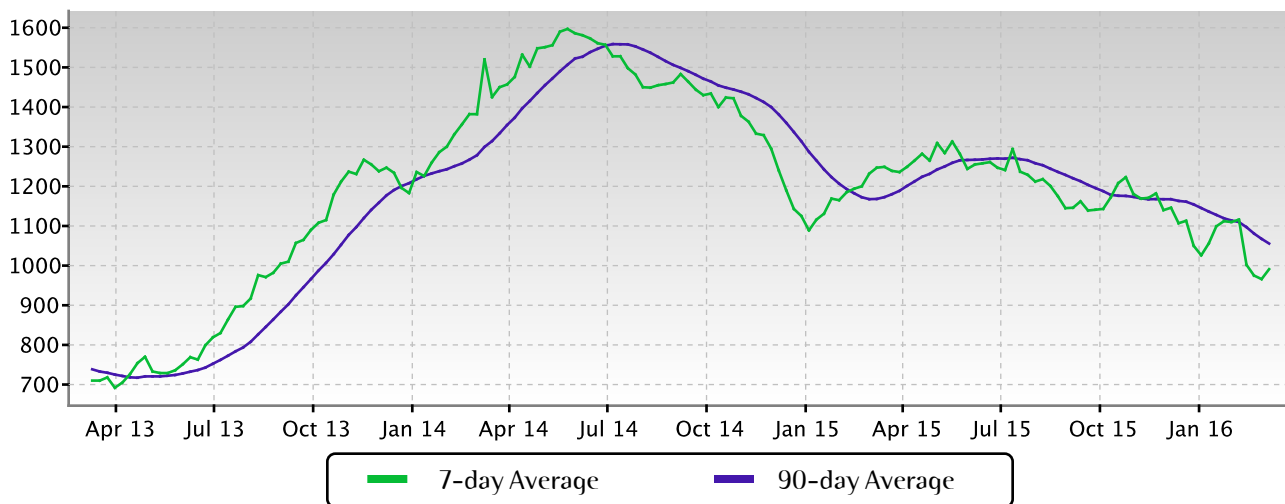
Price per Square Foot

The market plateau is seen across the price and value. The price per square foot and median list price have both been reasonably stagnant. Watch the Market Action Index for persistent changes as a leading indicator before the market moves from these levels.



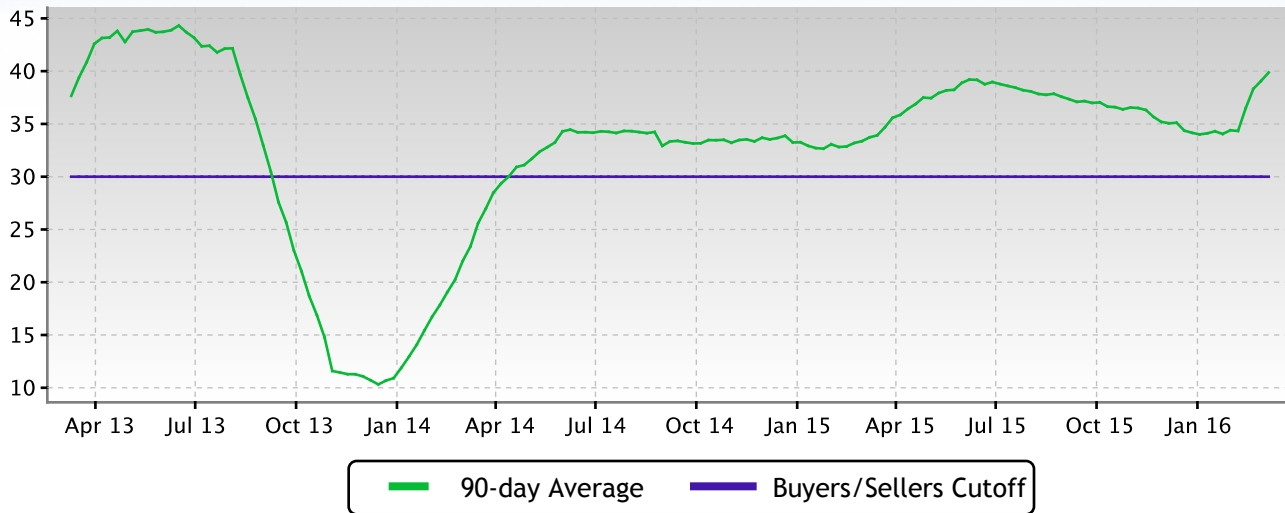
Inventory of Properties Listed for Sale

Inventory has been falling in recent weeks. Note that declining inventory alone does not signal a strengthening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is changing with the available supply.



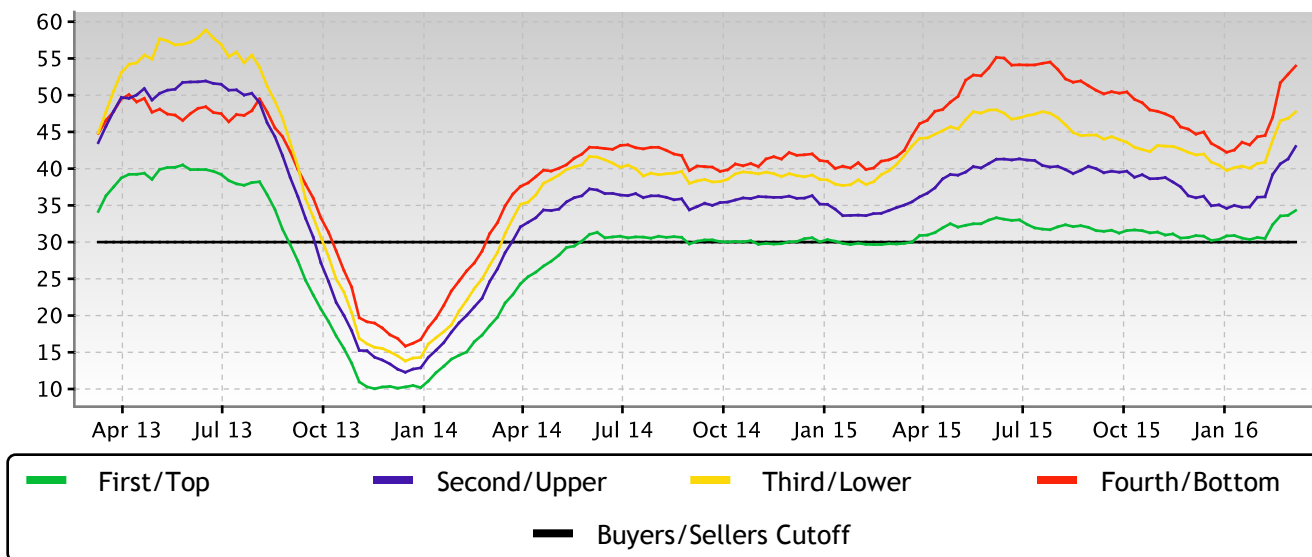
Market Action Index

The GILBERT market is currently in the Seller's Advantage zone (greater than 30). The 90-day Market Action Index stands at 39.87 which indicates that demand is strong and available supply of homes gets snapped up relatively quickly.



Market Action Index per Quartile

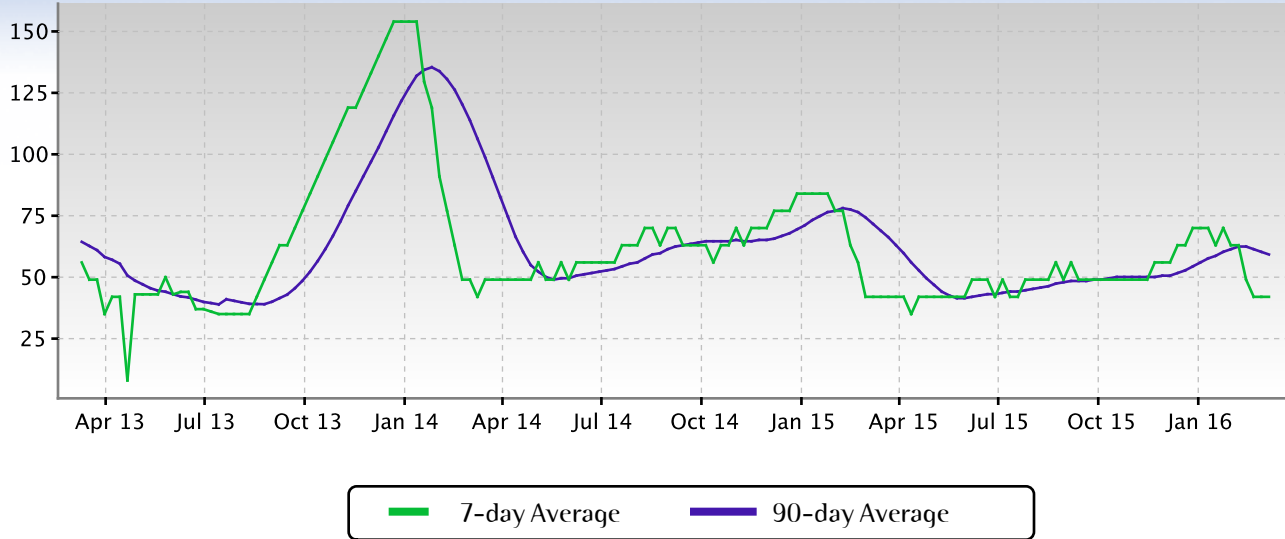
Not surprisingly, all segments in the market are showing high levels of demand. Watch the quartiles for changes before the whole market changes. Often one end of the market (e.g. the high-end) will weaken before the rest of the market and signal a slowdown for the whole group.



Residential house prices are a function of supply and demand, and market conditions can be characterized by analyzing those factors. Watch this index for sustained changes: if the index falls into the Buyer's Advantage zone (below 30) for a long period, prices are likely in for a downward correction.

Days on Market

The properties have been on the market for an average of 82 days. Half of the listings have come newly on the market in the past 42 or so days.



Days on Market per Quartile

It is not uncommon for the higher priced homes in an area to take longer to sell than those in the lower quartiles.

