

SHERI SPERRY'S MARKET UPDATE

SEDONA, AZ 86351

- **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
April 11, 2016**

- **Presented by Sheri Sperry
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This Week

- The median list price in SEDONA, AZ this week is \$650,000. The 282 properties have been on the market for an average of 196 days.

Inventory and days-on-market are both trending higher recently. However, the improving Market Action Index implies some increased demand will temper the negative trends.

Supply and Demand

- The market has shown some evidence of slowing recently. Both prices and inventory levels are relatively unchanged in recent weeks. Watch the Market Action Index for changes as it can be a leading indicator for price changes.

Real-Time Market Profile		Trend
Median List Price	\$ 650,000	↔
Average List Price	\$ 923,543	
Asking Price Per Square Foot	\$ 245	↔
Average Days on Market (DoM)	196	↑↑
Inventory of Properties Listed	282	↑↑
Most Expensive Listing	\$ 6,000,000	
Least Expensive Listing	\$ 219,000	
Average Age of Listing	22	
Percent of Properties with Price Decrease	35 %	
Percent Relisted (reset DOM)	5 %	
Percent Flip (price increased)	1 %	
Median House Size (sq ft)	2817	
Median Lot Size	0.25 - 0.50 acre	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	3.0	

Altos Research Value Statistics		
Market Action Index	Buyer's Advantage	26.9 ↔
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.		

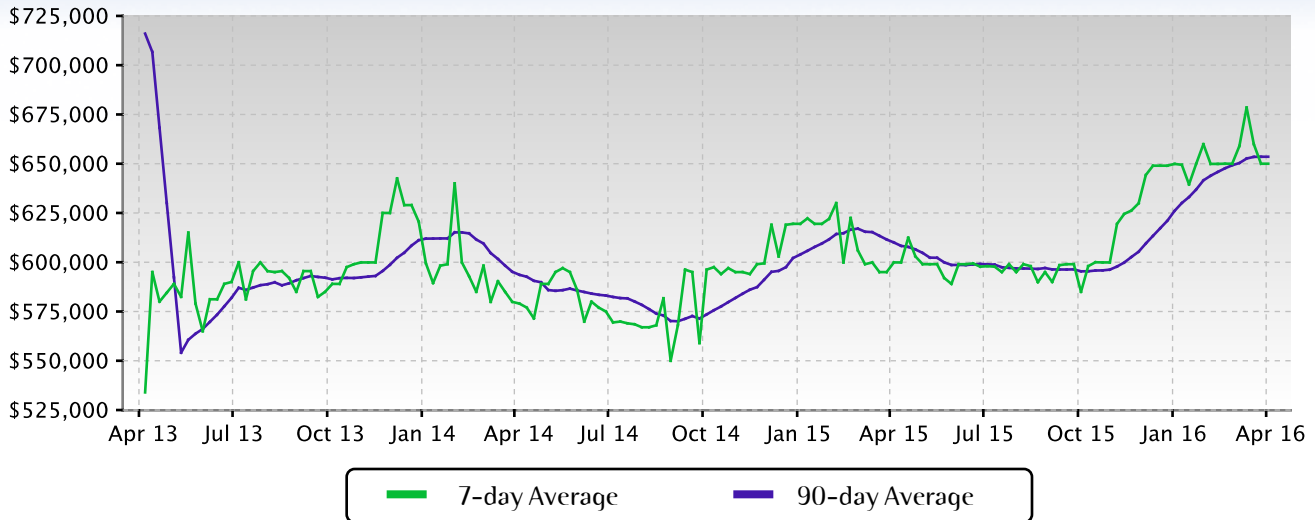
Trend Key: ↑↑ Strong upward trend ↓↓ Strong downward trend
 ↔ No change ↑ Slight upward trend ↓ Slight downward trend

Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM	
Top/First	\$ 1,539,000	4438	1.0 - 2.5 acres	4.0	4.0	16	70	3	3	270	Most expensive 25% of properties
Upper/Second	\$ 809,500	3145	0.25 - 0.50 acre	3.0	3.0	19	70	1	4	196	Upper-middle 25% of properties
Lower/Third	\$ 579,000	2500	0.25 - 0.50 acre	3.0	3.0	21	71	1	6	166	Lower-middle 25% of properties
Bottom/Fourth	\$ 399,000	1866	0.25 - 0.50 acre	3.0	2.0	29	71	6	4	152	Least expensive 25% of properties

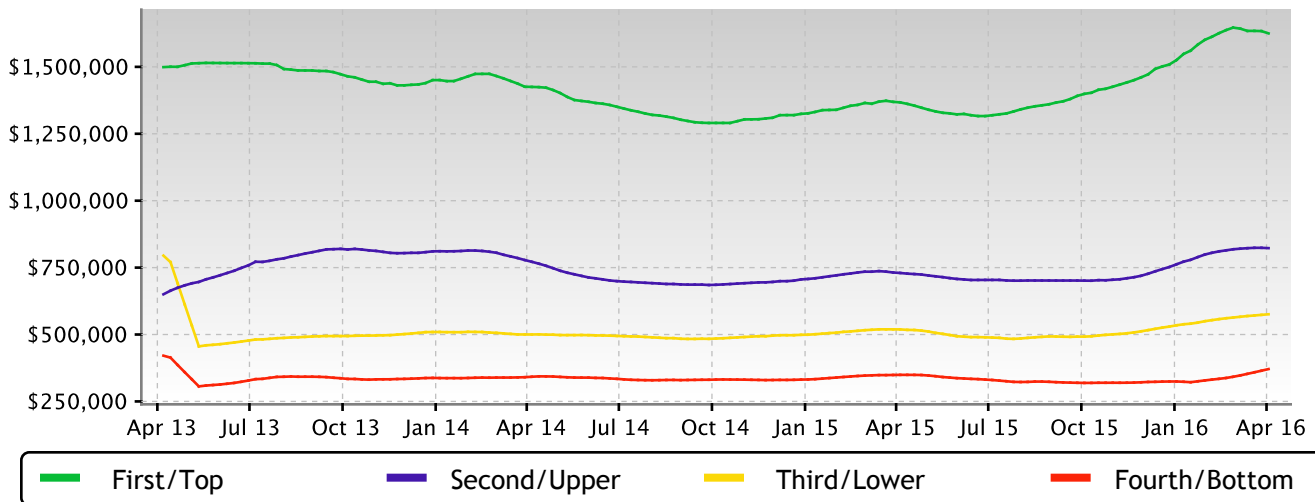
Median Price

The market appears to be hovering around this plateau. Look for a persistent change in the Market Action Index before we see prices deviate from these levels.



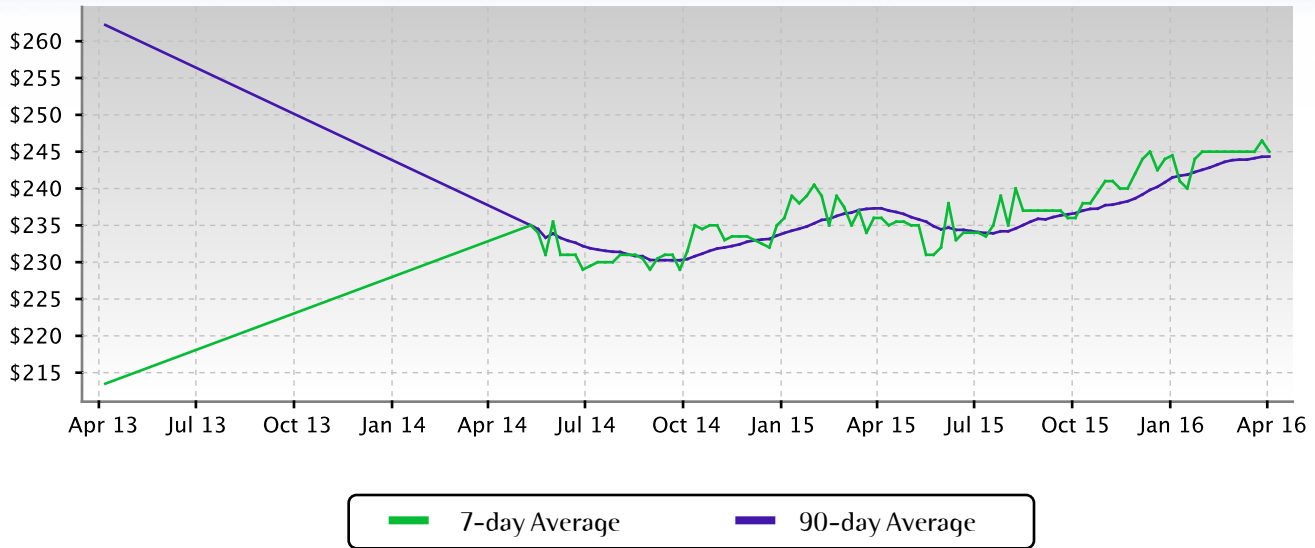
Quartile Prices

Prices in most of the market have stabilized recently. Only Quartile 4 shows any price increases in the last few weeks. Often this condition happens in markets where demand has fallen (for example, due to micro-location variables) but supply is still relatively short. Buyers are focusing on the lowest price homes in the area.



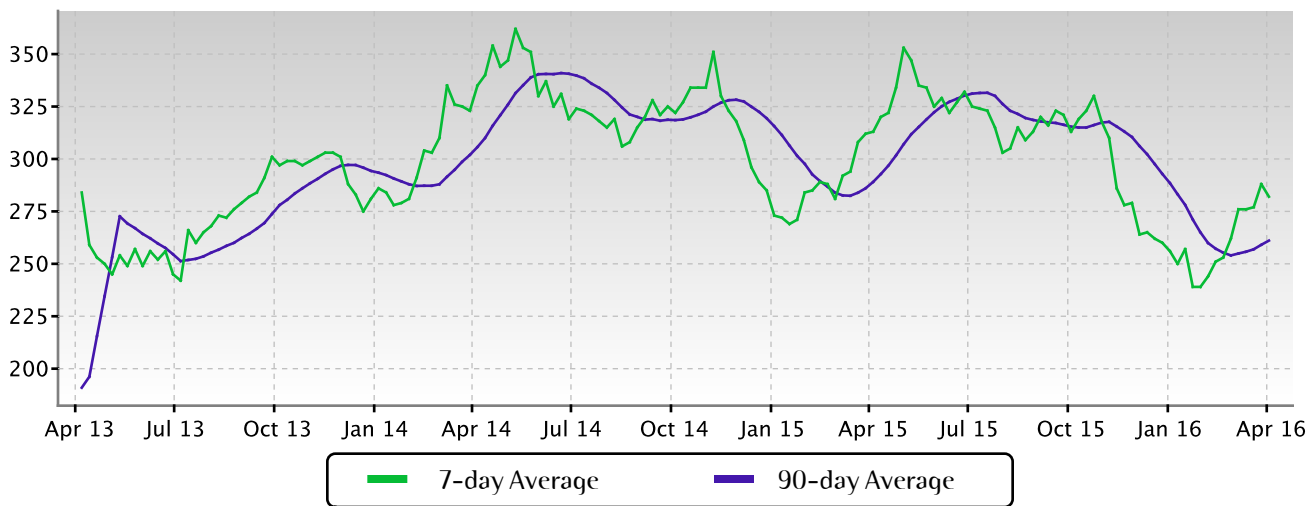
Price per Square Foot

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.



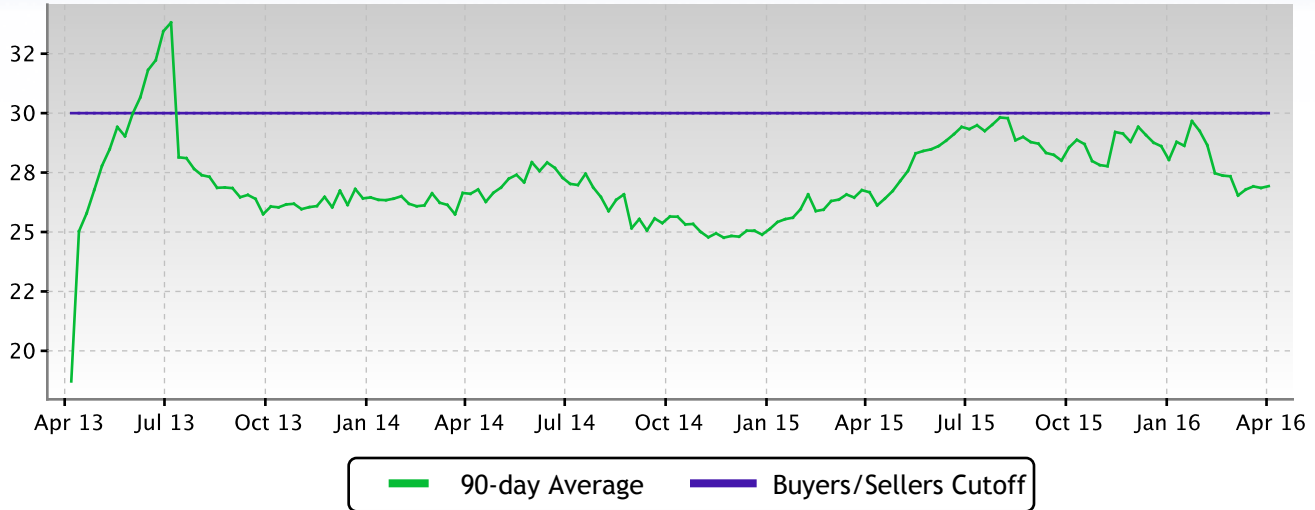
Inventory of Properties Listed for Sale

Inventory has been climbing lately. Note that rising inventory alone does not signal a weakening market. Look to the Market Action Index and Days on Market trends to gauge whether buyer interest is keeping up with available supply.



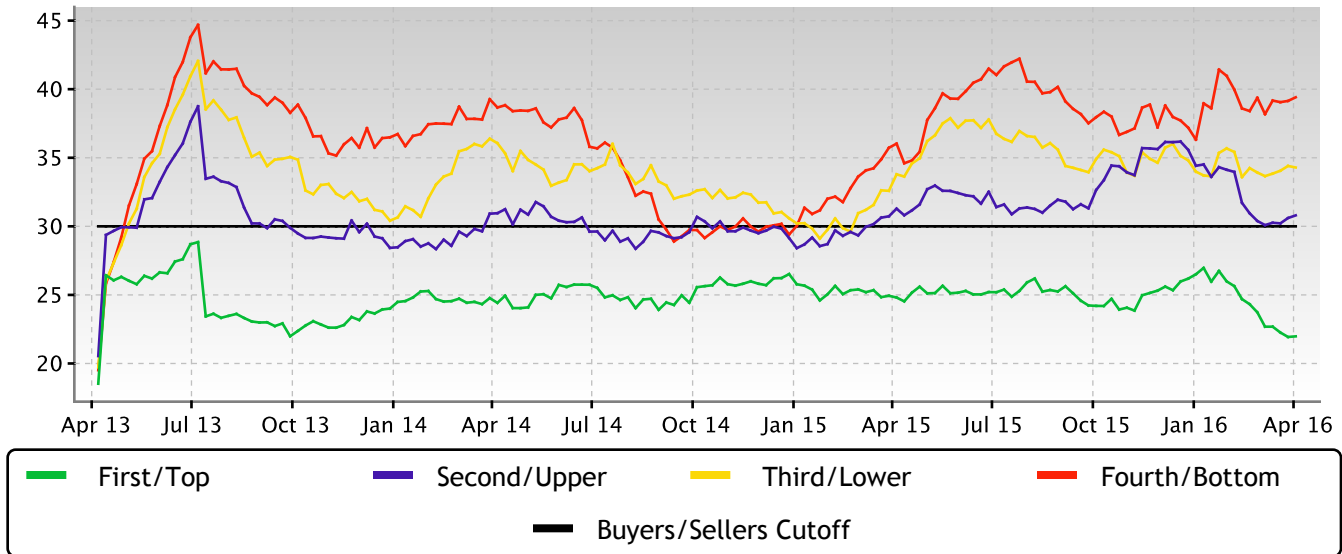
Market Action Index

The SEDONA market is currently in the Buyer's Advantage zone (below 30), though not strongly so. The 90-day Market Action Index stands this week at 26.93 so buyers should expect to find reasonable levels of selection.



Market Action Index per Quartile

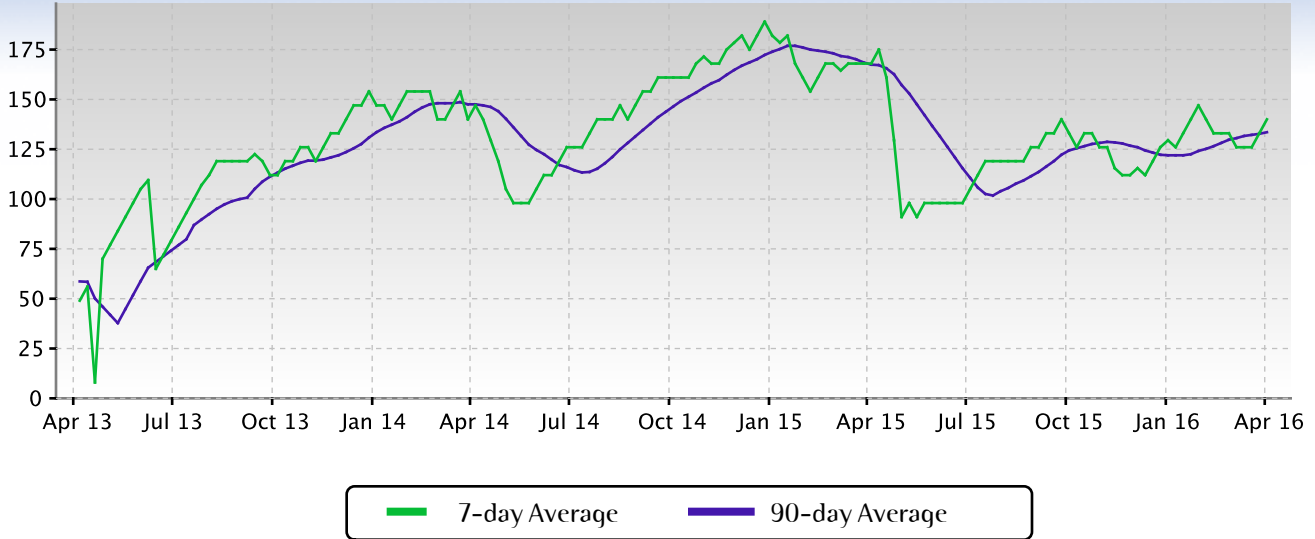
Three of the four quartiles of the market are in the Seller's Market zone with relatively low amounts of inventory given the current rate of demand for homes in the quartile. Notice that Quartile 1 (the highest-end price group) is showing weaker demand than the others. It's not uncommon that the premium segment of the market takes longer to sell than the rest of the 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.

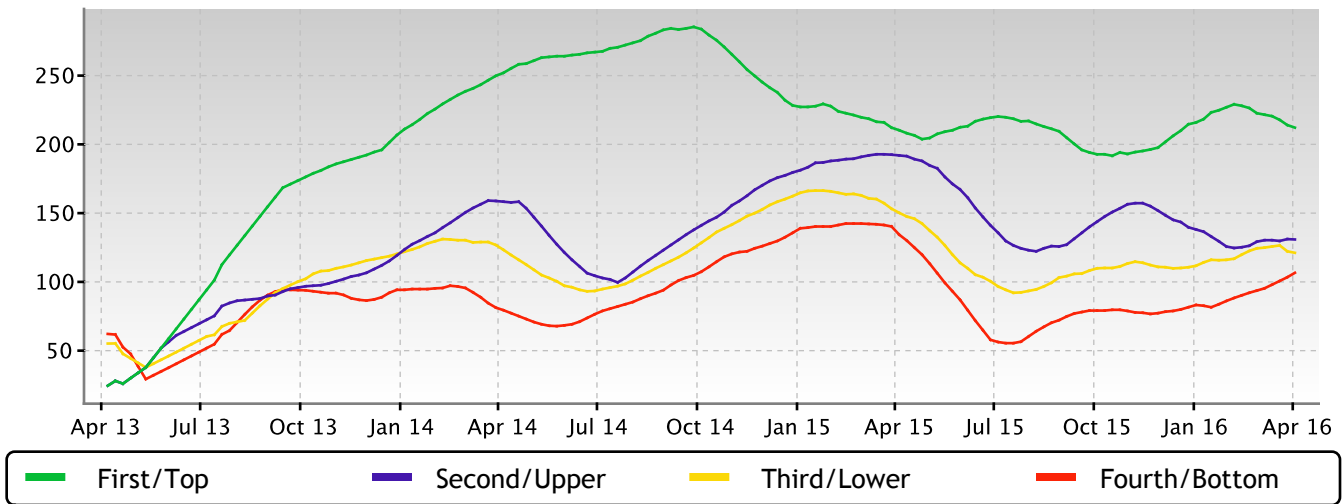
Days on Market

The properties have been on the market for an average of 196 days. Half of the listings have come newly on the market in the past 140 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.



This Week

- The median list price in SEDONA, AZ 86351 this week is \$534,000. The 109 properties have been on the market for an average of 184 days.

The Market Action Index has been trending down lately, while inventory and days-on-market are climbing. The trends imply a weakening market.

Supply and Demand

- The market has shown some evidence of slowing recently. Both prices and inventory levels are relatively unchanged in recent weeks. Watch the Market Action Index for changes as it can be a leading indicator for price changes.

Real-Time Market Profile

Metric	Value	Trend
Median List Price	\$ 534,000	↔
Average List Price	\$ 650,480	↔
Asking Price Per Square Foot	\$ 224	↔
Average Days on Market (DoM)	184	↑↑
Inventory of Properties Listed	109	↑↑
Most Expensive Listing	\$ 2,900,000	
Least Expensive Listing	\$ 269,000	
Average Age of Listing	22	
Percent of Properties with Price Decrease	33 %	
Percent Relisted (reset DOM)	5 %	
Percent Flip (price increased)	2 %	
Median House Size (sq ft)	2500	
Median Lot Size	0.25 - 0.50 acre	
Median Number of Bedrooms	3.0	
Median Number of Bathrooms	3.0	

Altos Research Value Statistics

Market Action Index Buyer's Advantage 26.7 ↔

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Characteristics per Quartile

Quartile	Median Price	Sq. Ft.	Lot Size	Beds	Baths	Age	Inventory	New	Absorbed	DOM
Top/First	\$ 981,450	4170	1.0 - 2.5 acres	3.0	4.0	14	27	0	1	225
Upper/Second	\$ 594,000	2556	0.25 - 0.50 acre	3.0	3.0	19	27	0	3	205
Lower/Third	\$ 499,000	2158	0.25 - 0.50 acre	3.0	2.0	26	27	0	0	111
Bottom/Fourth	\$ 353,450	1921	0.25 - 0.50 acre	3.0	2.0	28	28	1	1	194

Most expensive 25% of properties

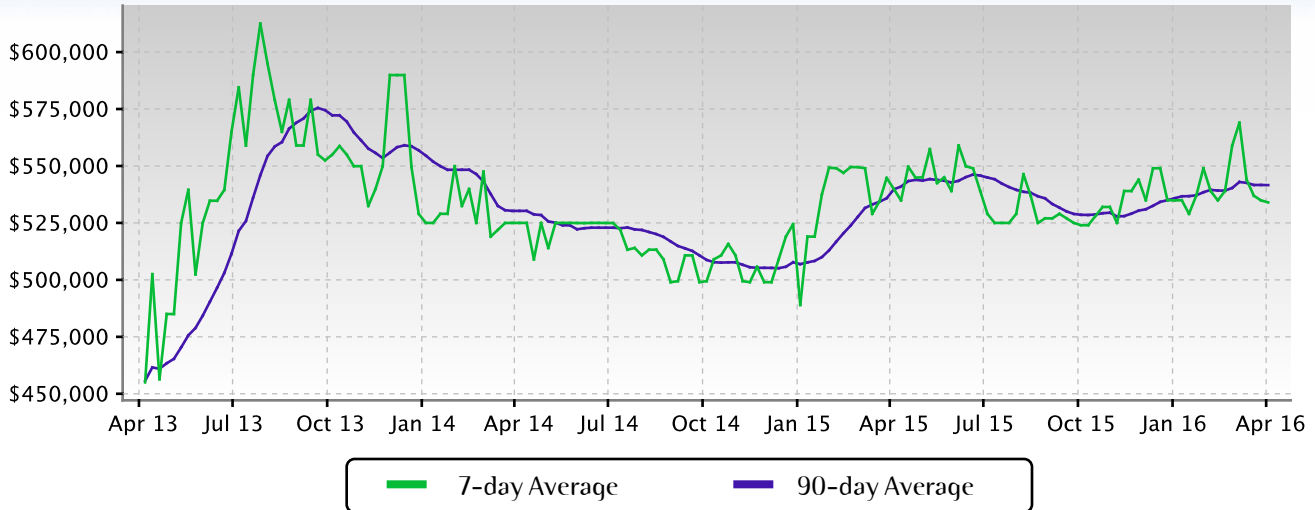
Upper-middle 25% of properties

Lower-middle 25% of properties

Least expensive 25% of properties

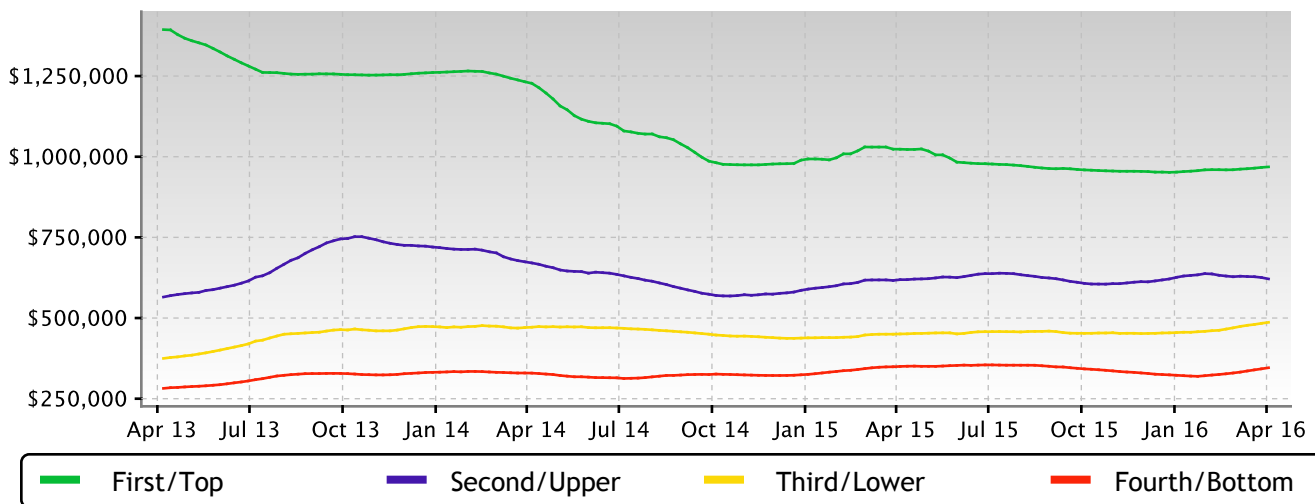
Median Price

Prices in this zip code have been on a downward trend in the last few weeks and this week, while essentially flat, doesn't break us out of that cycle.



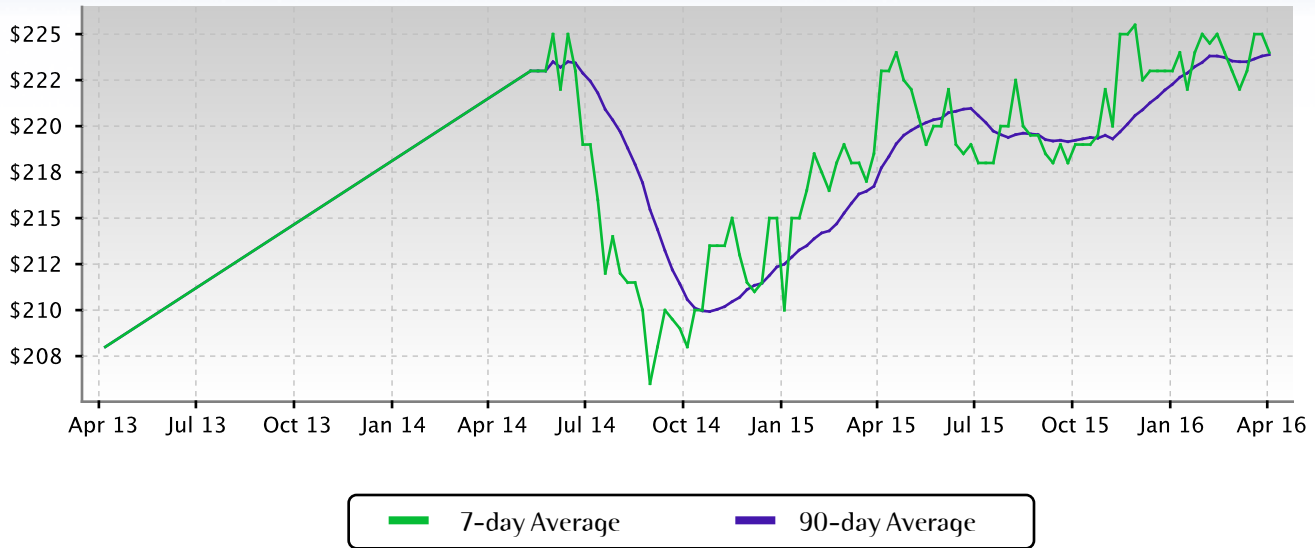
Quartile Prices

In most of the quartile market segments, we see prices in this zip code have stabilized recently. Only Quartile 4 shows any price increases in the last few weeks. Often this condition happens in markets where demand has fallen (for example, due to micro-location variables) but supply is still relatively short. Buyers are focusing on the lowest price homes in the area.



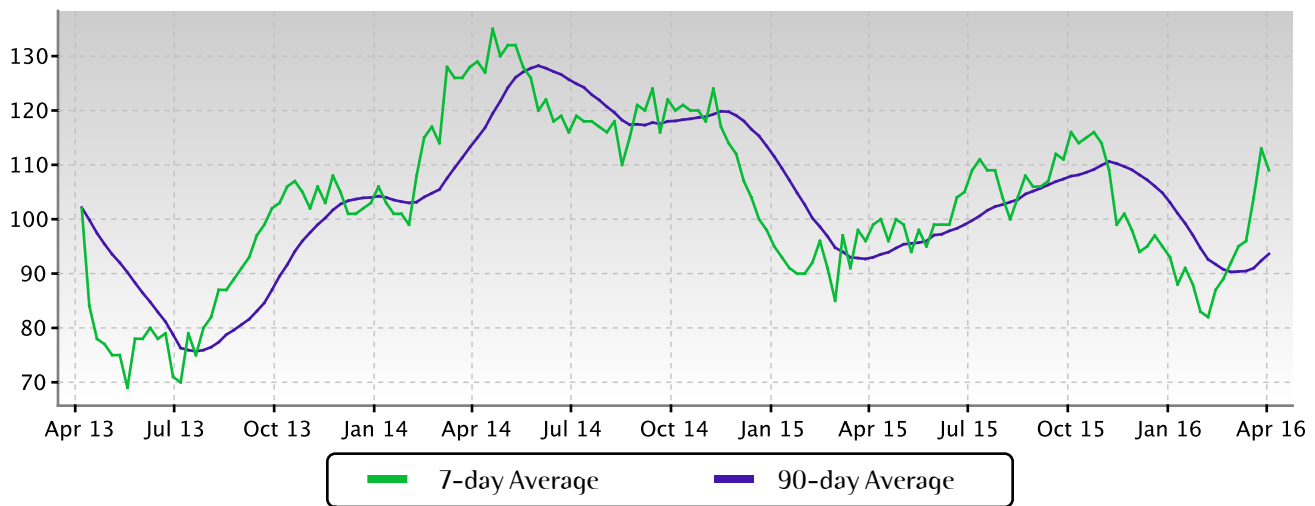
Price per Square Foot

Despite recently falling prices, the price per square foot has stayed reasonably flat. This implies that there's a portion of the market being priced at a premium. You can investigate this condition in the quartile details.



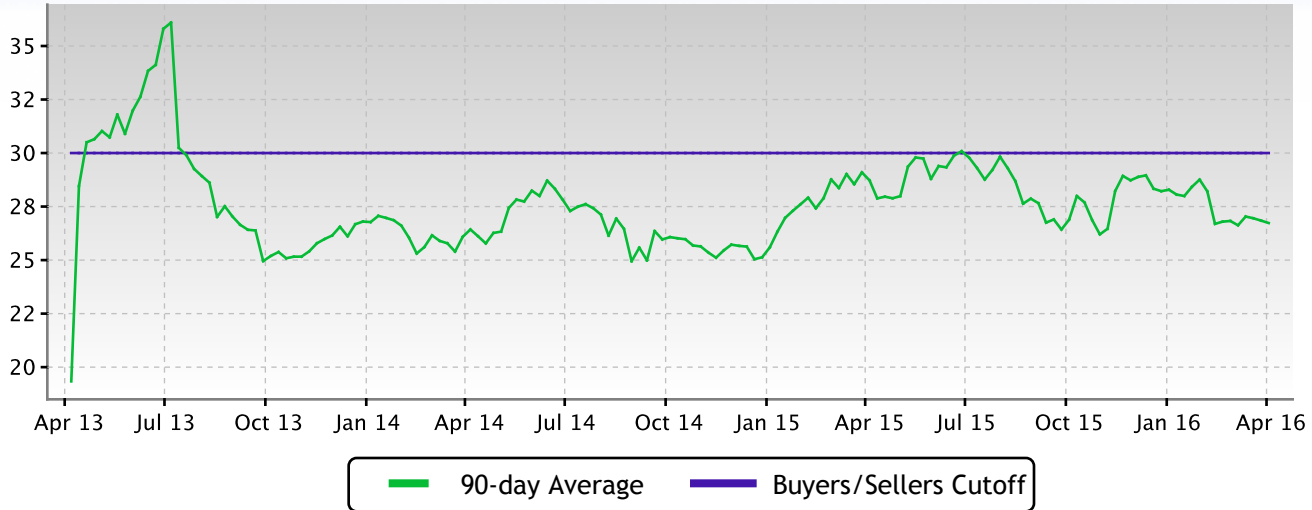
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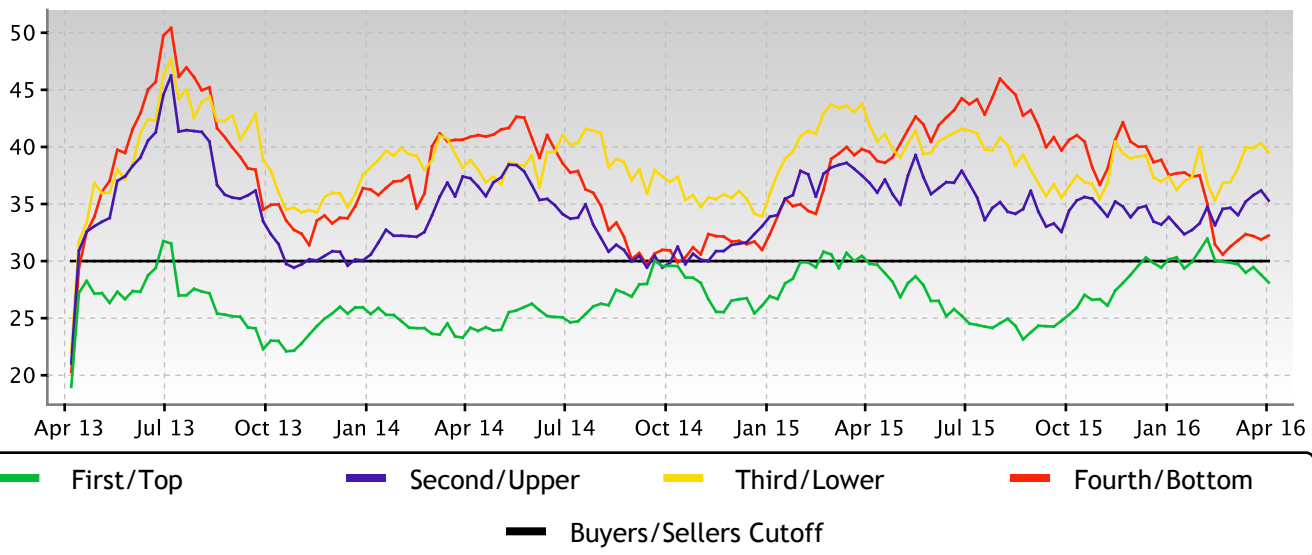
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Market Action Index per Quartile

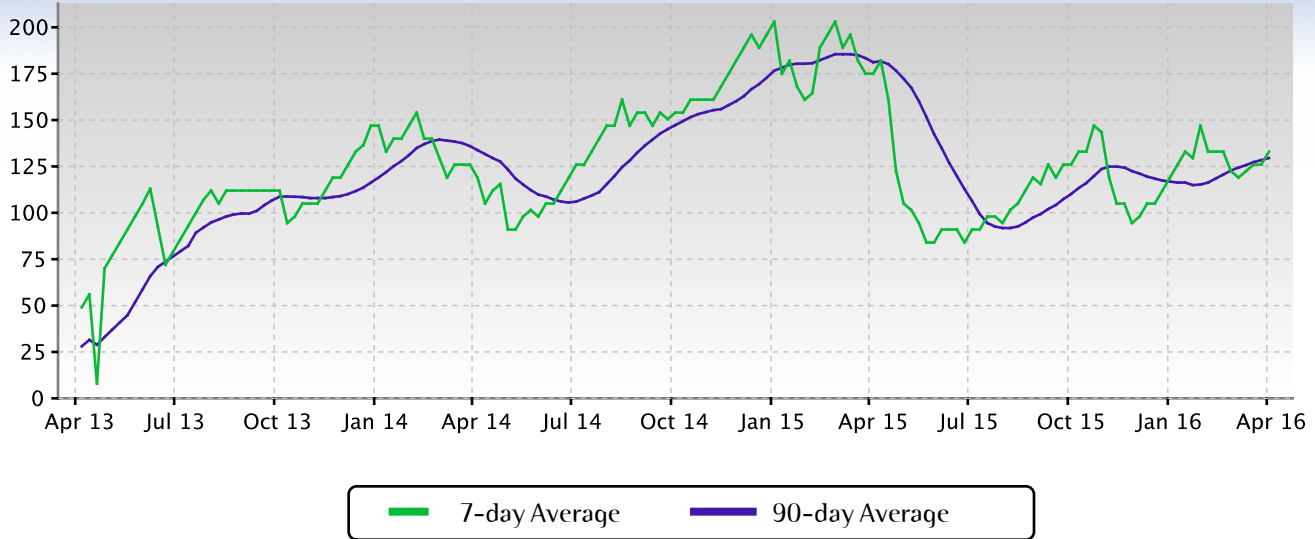
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