



ARIZONA REGIONAL MULTIPLE LISTING SERVICE, INC.

# ARMLS PPI™

your monthly statistics  
for the Phoenix Metro area

May 5, 2011

“ARMLS PPI™” is a trademark of Arizona Regional MLS.

## THE ARMLS PENDING PRICE INDEX™

The ARMLS Pending Price Index™ (PPI) is a predictive tool unique to ARMLS derived from pending properties in the MLS system. It forecasts the average and median sales prices 90 days into the future. PPI’s accuracy diminishes the further into the future it goes, as new pending sales are added to the pending pool over time.

Last month’s PPI predicted a median sales price for April of \$113,000, missing the actual April figure of \$111,000 by 1.8%. The average sales price forecasted last month for April was \$162,500, only .74% off the actual average of \$161,300.

This month’s PPI predicts the median sales price to decline to \$109,000 in May, remain at \$109,000 in June and drop to \$105,000 in July. The average sales price is predicted to fall to \$155,600 in May, \$156,000 in June and finally to \$147,300 in July. In the near future, we can expect pricing to remain historically low.

Pricing is a trailing indicator, which will follow movement in other market metrics before it recovers. Supply and demand, and particularly the oversupply of distressed properties as a percentage of total sales, will continue to exert negative pressure on pricing well into the future.

