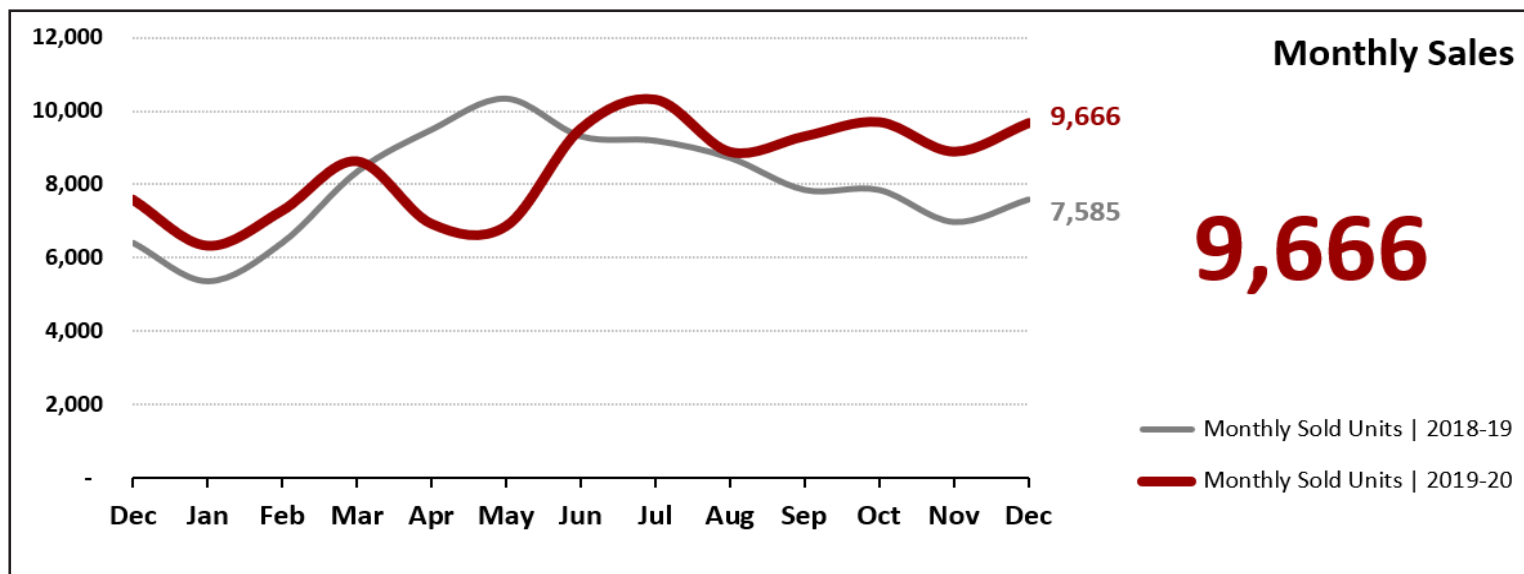




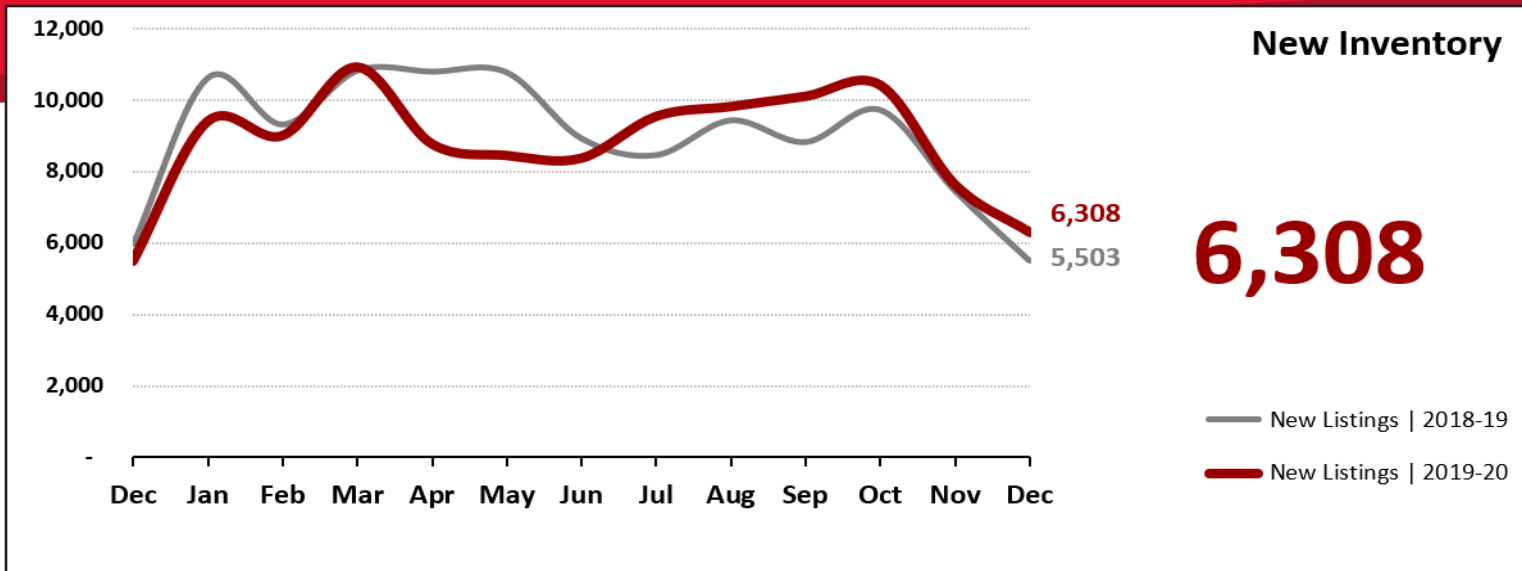
DATA FOR DECEMBER 2020 - Published January 15, 2021



Sales are up +8.8% month-over-month. The year-over-year comparison is up +27.4%.

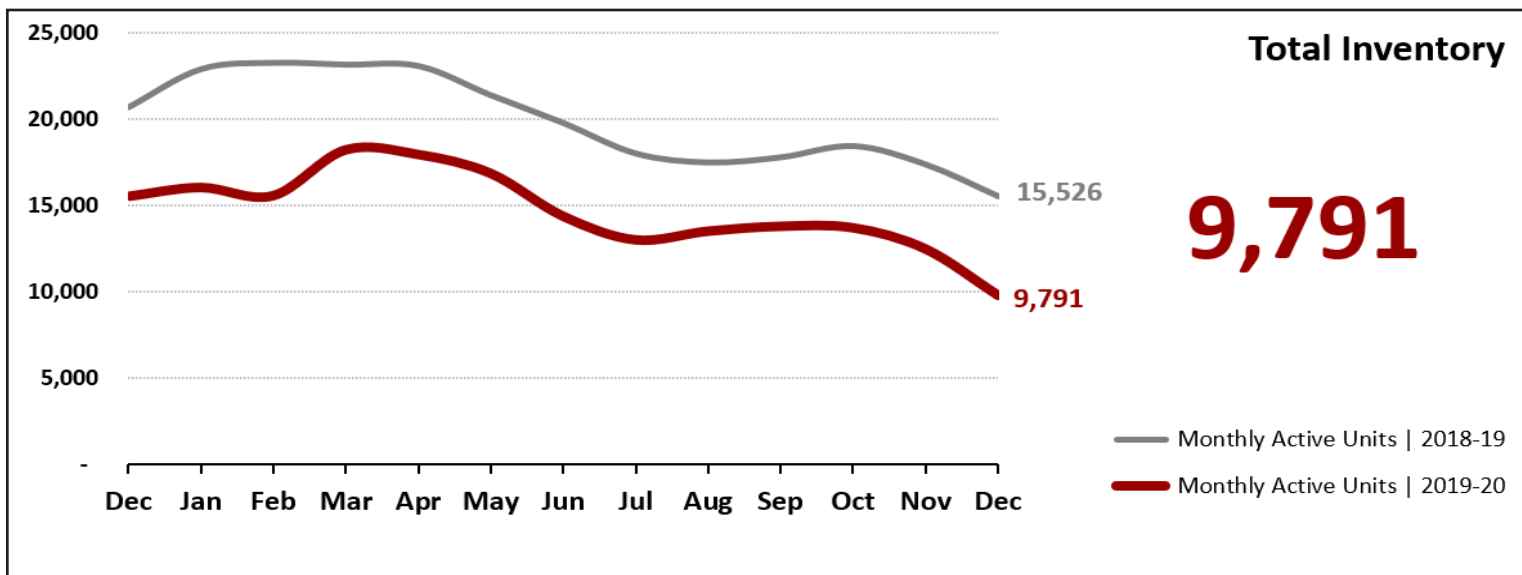
9,666

Closed MLS sales with a close of escrow date from 12/1/20 to 12/31/20, 0 day DOM sales removed



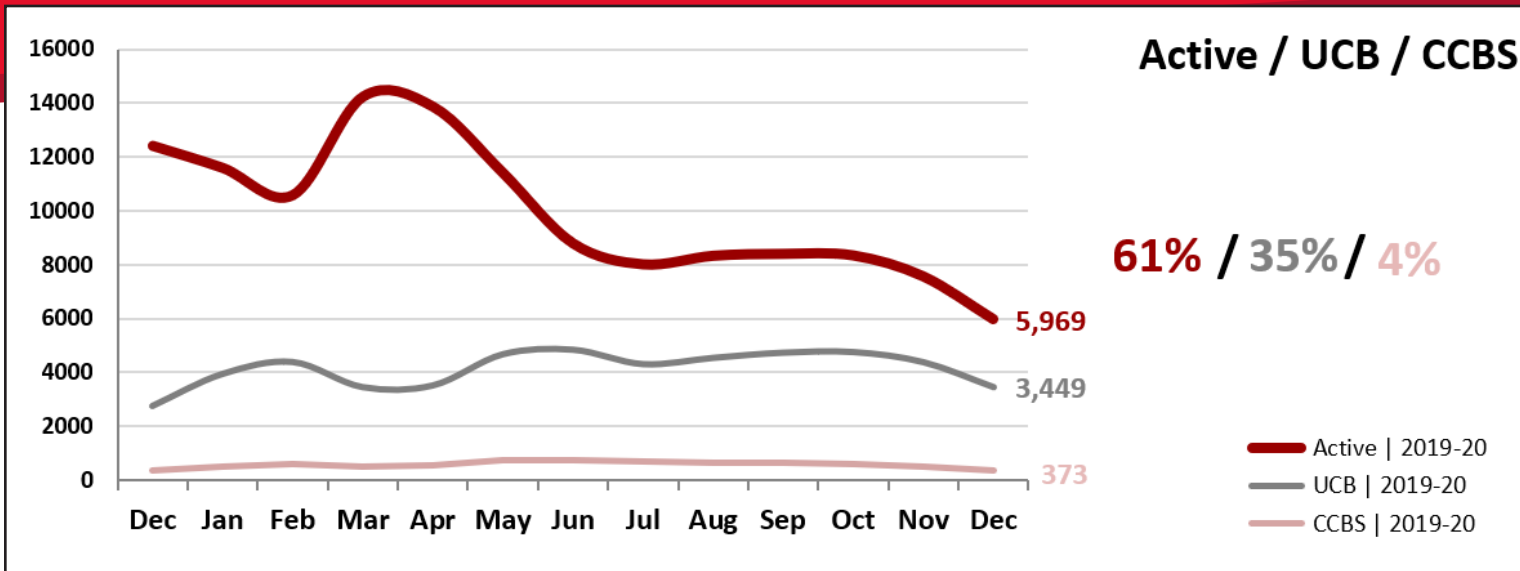
New inventory is down -17.4% month-over-month while the year-over-year comparison increased by +14.6%.

New MLS listings that were active for at least one day from 12/1/20 to 12/31/20, 0 day DOM sales removed



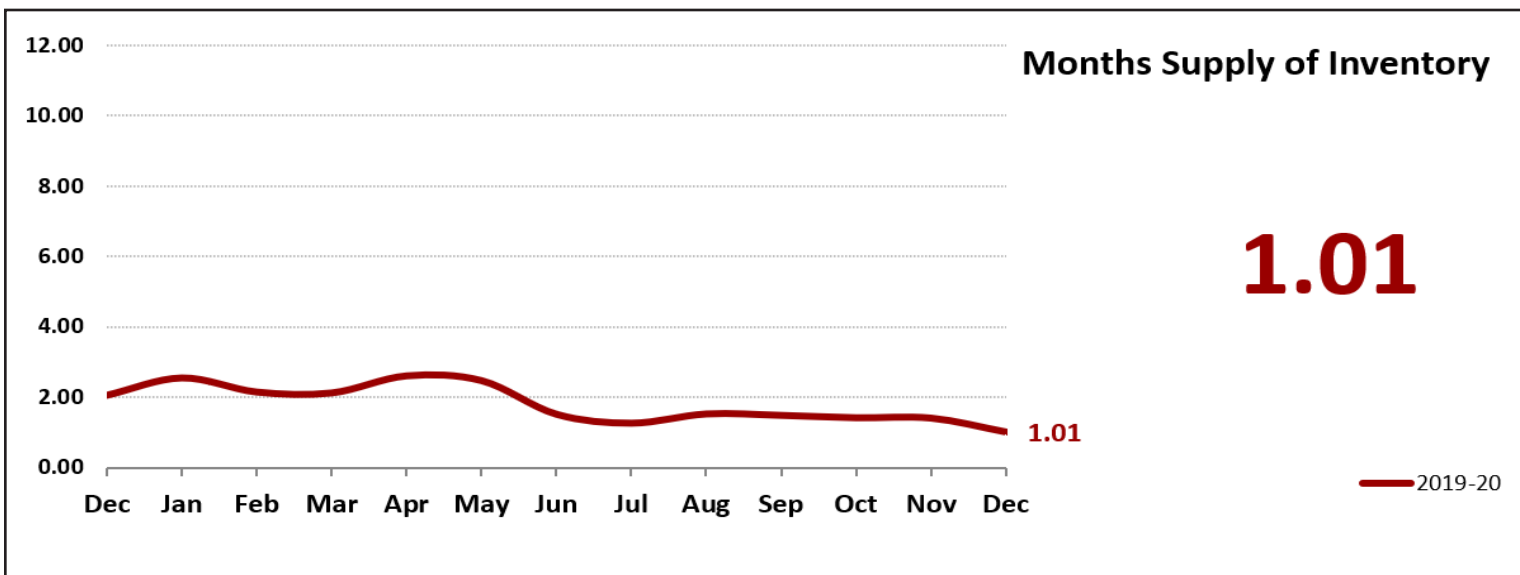
Total inventory has a month-over-month decrease of -21.5% while year-over-year reflects a decrease of -36.9%.

Snapshot of statuses on 12/31/20



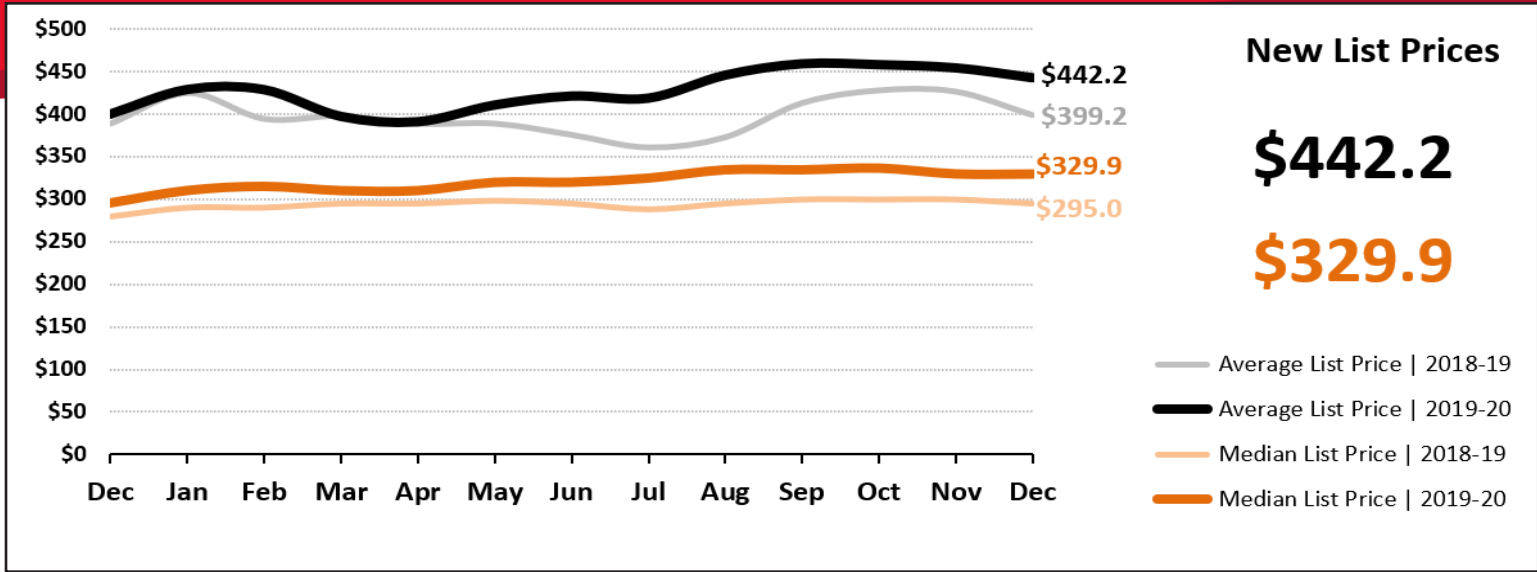
December UCB listings percent of total inventory was 35.2% with December CCBS listings at 3.8% of total inventory.

Snapshot of statuses on 12/31/20



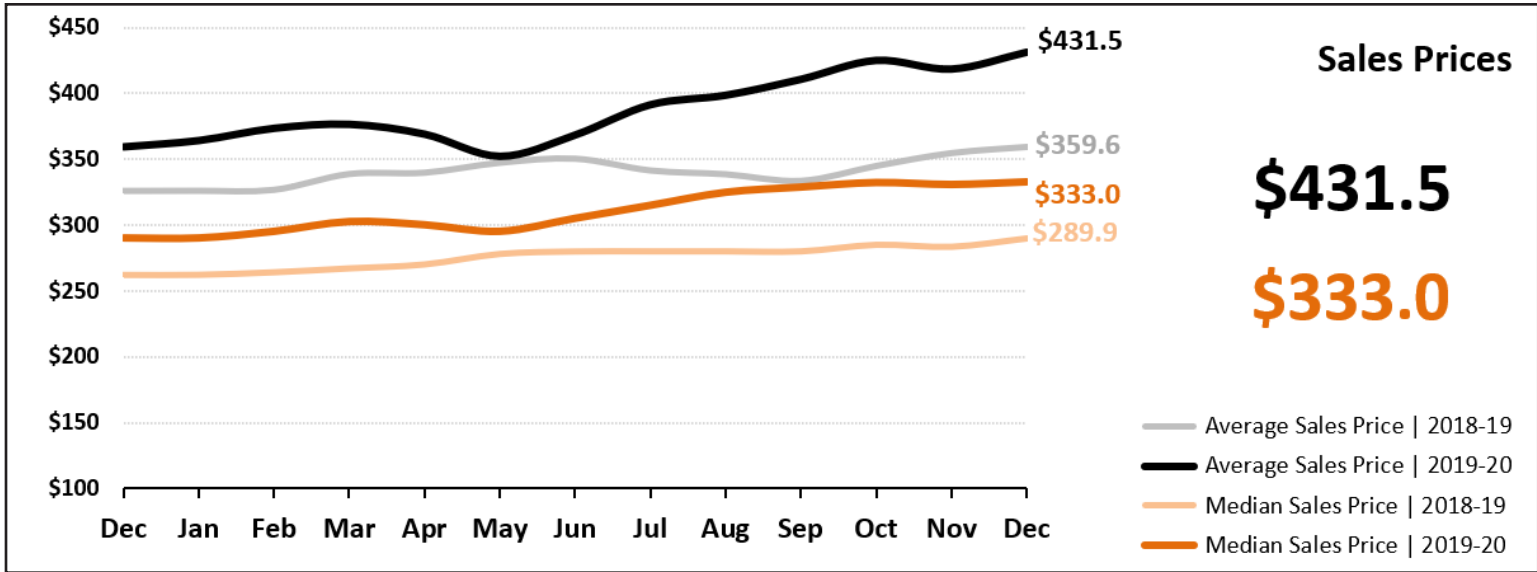
Months supply of inventory for November was 1.40 with December at 1.01.

Current inventory of Active/UCB/CCBS divided by the monthly sales volume of DECEMBER 2020, 0 day DOM sales removed



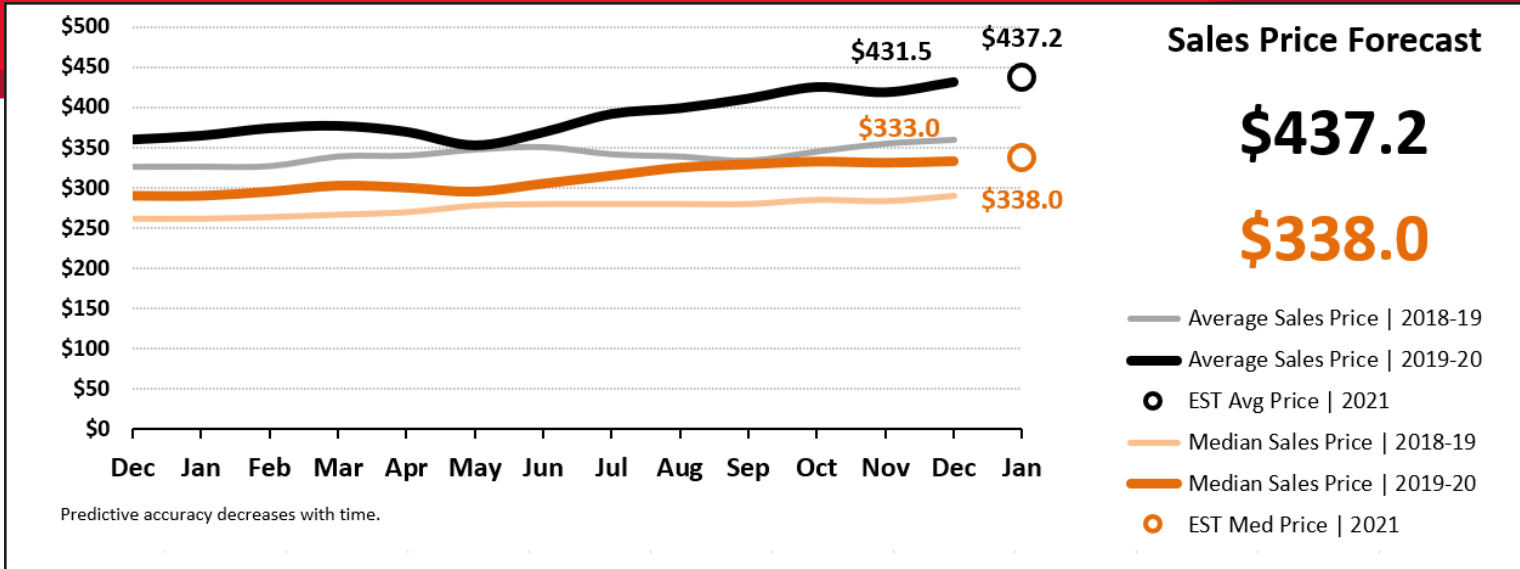
Average new list prices are up +10.8% year-over-year. The year-over-year median is up +11.8%.

List prices of new listings with list dates from 12/1/20 to 12/31/20, 0 day DOM sales removed



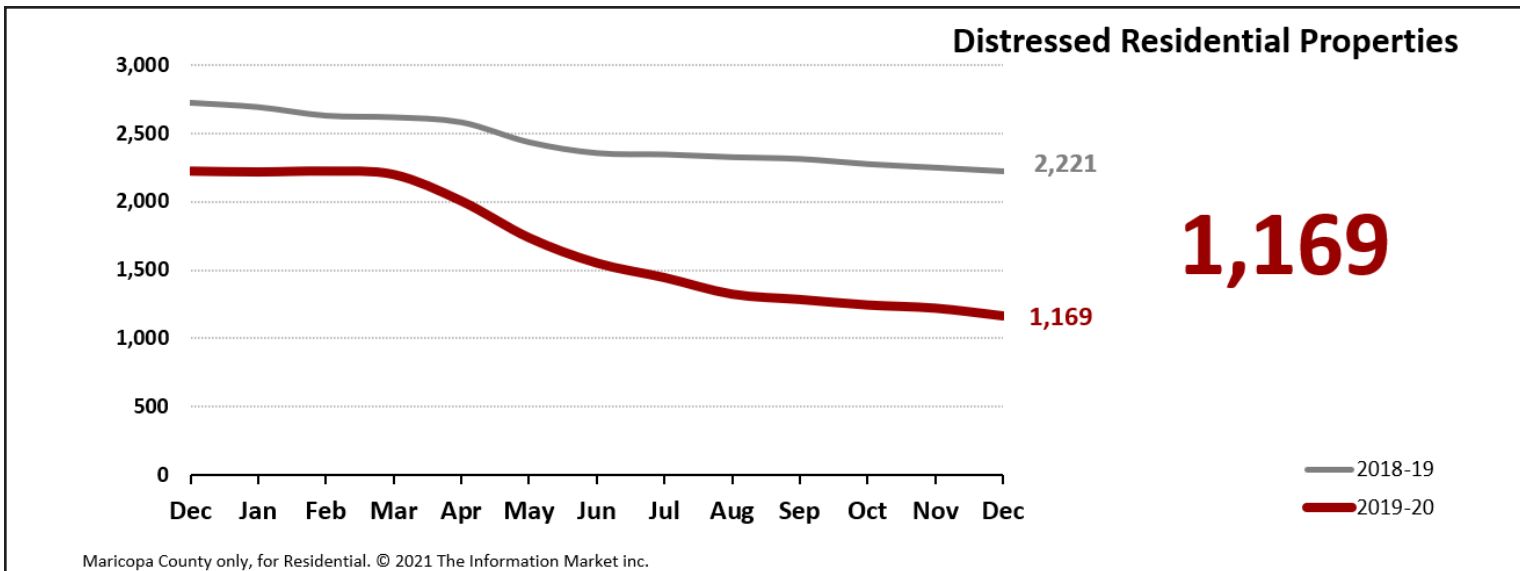
The average sales price is up +20.0% year-over-year while the year-over-year median sales price is also up +14.9%.

MLS sales prices for closed listings with a close of escrow date from 12/1/20 to 12/31/20, 0 day DOM sales removed



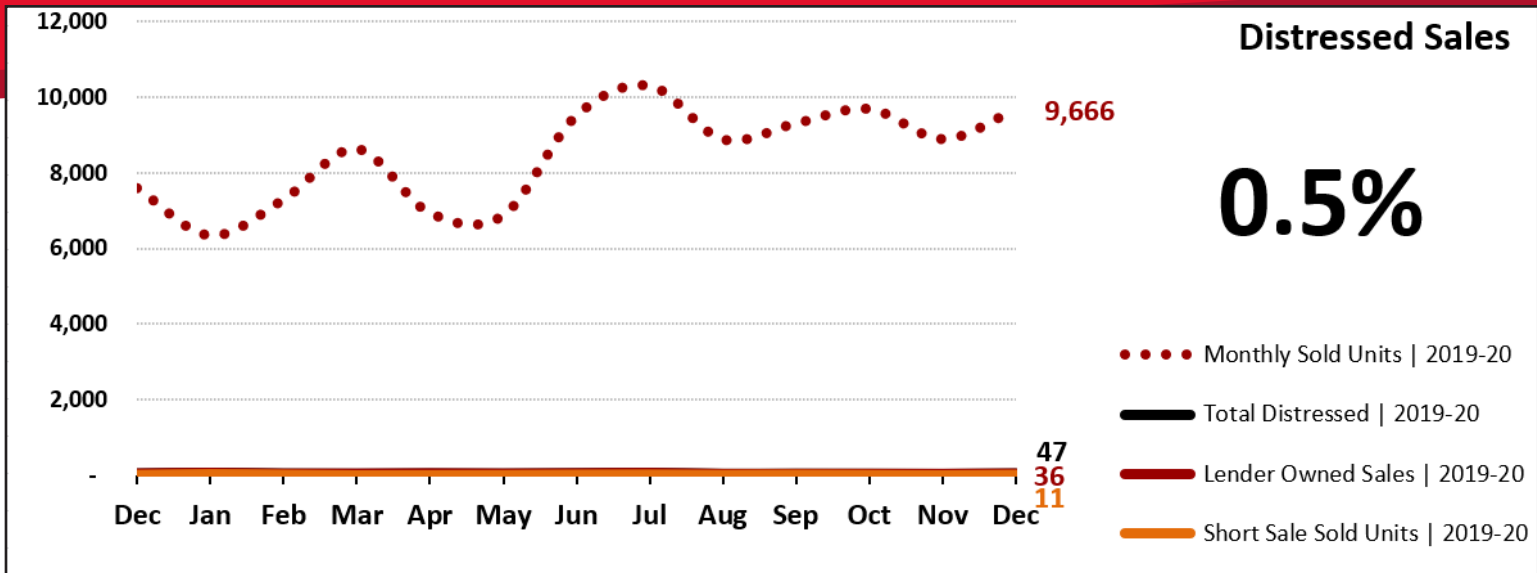
An increase is forecasted in January for both average and median sales prices.

ARMLS proprietary predictive model forecast, 0 day DOM sales removed



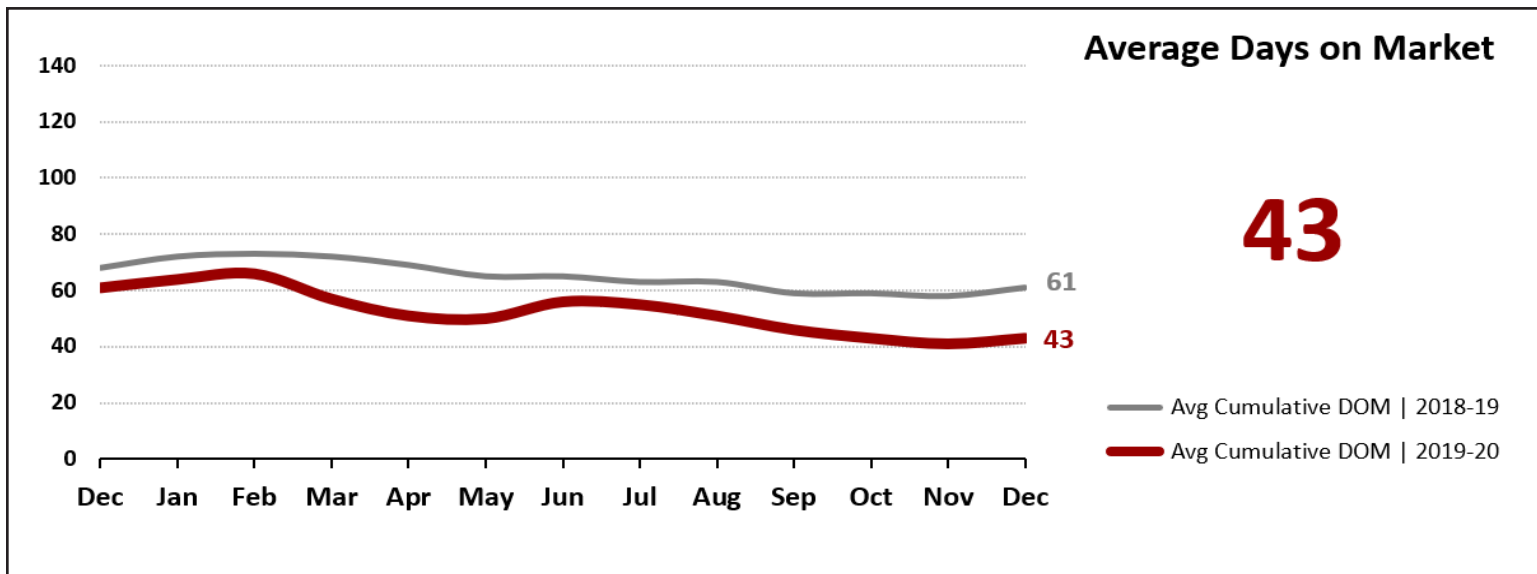
Foreclosures pending month-over-month showed a decrease of -4.6% while the year-over-year figure was down -47.4%.

Snapshot of public records data on 12/31/20 active residential notices and residential REO properties.



Distressed sales accounted for 0.5% of total sales, up from the previous month of 0.4%. Short sales rose +10.0% year-over-year. Lender-owned sales stayed the same year-over-year.

New MLS listings that were active for at least one day from 12/1/20 to 12/31/20, 0 day DOM sales removed



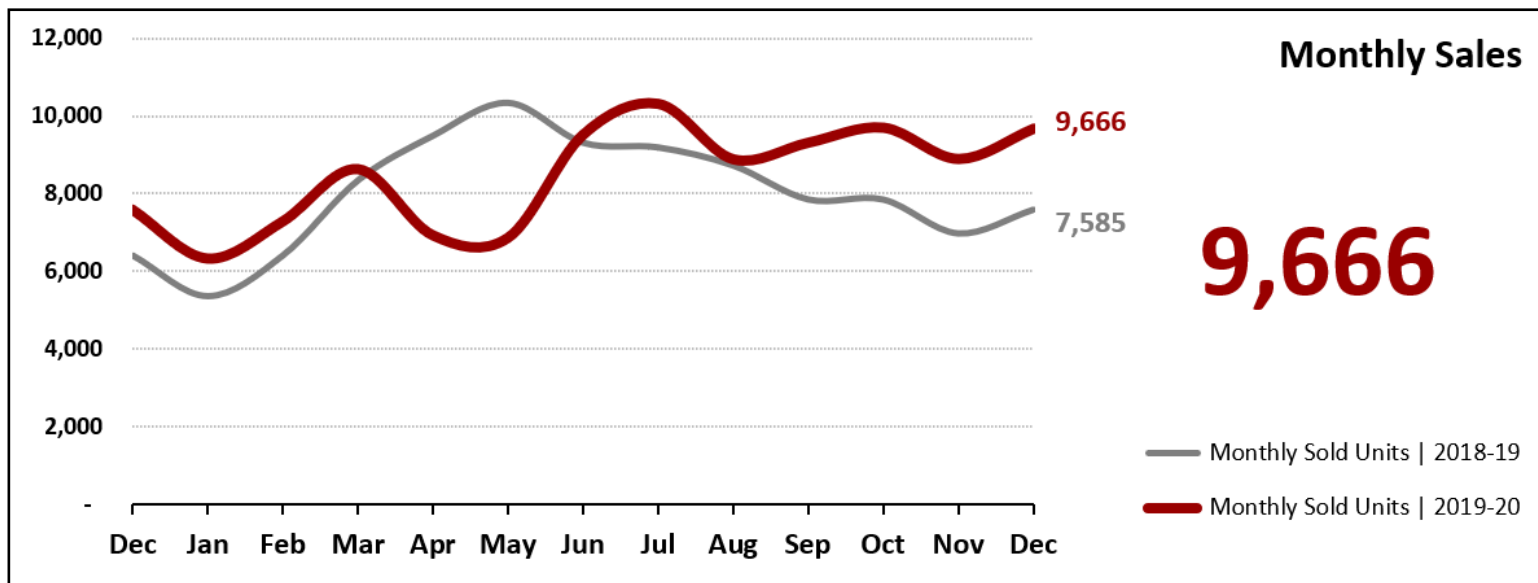
Days on market were down -18 days year-over-year while month-over-month went up +2 days.

MLS sales prices for closed listings with a close of escrow date from 12/1/20 to 12/31/20, 0 day DOM sales removed

COMMENTARY by Tom Ruff

The year that felt like it would never end is now in the books. I am happy to report 2020 is hindsight. One year ago today, STAT projected a strong 2020. We anticipated increases in both sales volume and prices, as well as a significant increase in total dollar sales volume over 2019. We based our 2020 projections on normal demand, extremely low supply and favorable interest rates. We did not anticipate a global pandemic, lockdowns or a major recession. Despite the challenges, 2020 exceeded our original projections. The story for 2020 is not where we began or where we finished, but in the journey itself. In hindsight, 2020 was beyond remarkable. A year, filled with challenges like none other, transformed itself into the most successful sales year in ARMLS history. This is your year in review.

ARMLS Monthly Sales



A strong first quarter was followed with a 27.1% year-over-year drop in sales volume in April and a 33.7% drop in May. Historically, April and May are in the middle of our home buying/selling season. In a time when sales normally flourish, we were floundering. With the June numbers, 2020 was back on top and back on track. Throughout the final half of the year sales soared, with 5 of the 6 final months of the year reporting the highest sales volume in ARMLS history.

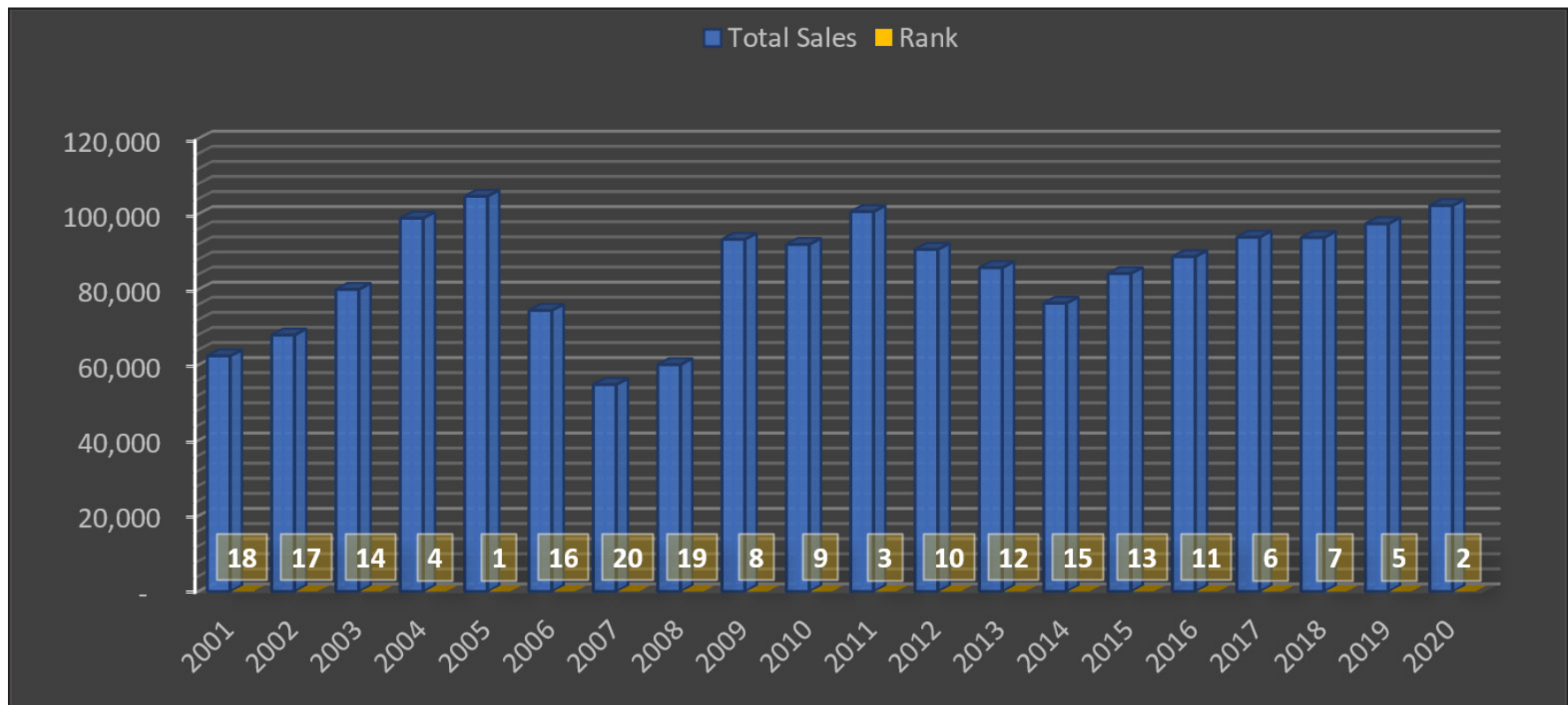
The chart below displays the monthly sales volume as reported by ARMLS. The highlighted cells feature the highest individual month totals in the history of ARMLS reporting. No debating, 2020 finished strong.

Monthly Sales Data via ARMLS

Year	January	February	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec	Total:
2001	3,700	4,609	5,704	5,833	6,244	6,164	5,638	5,728	4,801	4,766	4,761	4,466	62,414
2002	4,016	4,403	5,732	6,131	6,783	6,404	6,114	5,797	5,542	5,723	5,365	5,940	67,950
2003	4,760	5,493	6,545	7,464	7,468	7,495	7,680	7,688	6,868	6,541	5,693	6,357	80,052
2004	5,118	6,196	8,744	8,971	9,019	10,019	9,040	8,992	8,677	8,173	8,071	7,902	98,922
2005	6,632	7,781	9,987	9,600	9,890	10,252	9,394	10,031	9,213	8,046	7,350	6,549	104,725
2006	5,266	5,918	7,497	6,798	7,573	7,214	6,102	6,163	5,608	5,599	5,337	5,411	74,486
2007	4,389	4,958	5,990	5,535	5,795	5,438	4,730	4,358	3,435	3,457	3,318	3,420	54,823
2008	2,912	3,448	4,293	4,879	5,656	5,748	5,966	5,725	6,166	5,389	4,412	5,514	60,108
2009	4,742	5,477	7,636	8,564	9,284	9,327	9,095	8,007	7,906	8,119	7,494	7,657	93,308
2010	5,789	6,594	8,969	9,261	9,077	9,280	7,100	7,358	6,764	6,593	6,786	8,401	91,972
2011	6,541	7,157	9,933	9,331	9,809	10,345	8,387	8,712	7,892	7,563	7,146	7,840	100,656
2012	6,455	7,249	8,867	8,435	8,442	9,129	7,180	7,562	6,460	7,044	6,804	7,016	90,643
2013	5,828	6,630	8,136	8,754	9,436	8,228	8,216	7,055	6,314	6,041	5,206	5,969	85,813
2014	4,797	5,474	6,710	7,659	7,445	7,219	6,775	6,428	6,252	6,154	4,989	6,495	76,397
2015	4,784	5,990	7,900	8,367	8,319	8,674	7,914	7,010	6,935	6,304	5,311	6,741	84,249
2016	5,131	5,718	8,412	8,293	8,676	8,861	7,630	7,843	6,738	6,981	6,804	7,036	88,713
2017	5,932	6,435	9,116	8,666	9,641	9,391	7,853	8,113	7,328	7,268	7,074	7,070	93,887
2018	6,082	6,911	9,402	8,990	9,913	9,079	8,380	8,036	6,897	7,182	6,515	6,403	93,790
2019	5,357	6,409	8,344	9,493	10,341	9,313	9,192	8,726	7,850	7,848	6,974	7,585	97,432
2020	6,328	7,279	8,626	6,925	6,860	9,508	10,303	8,878	9,305	9,690	8,886	9,666	102,254

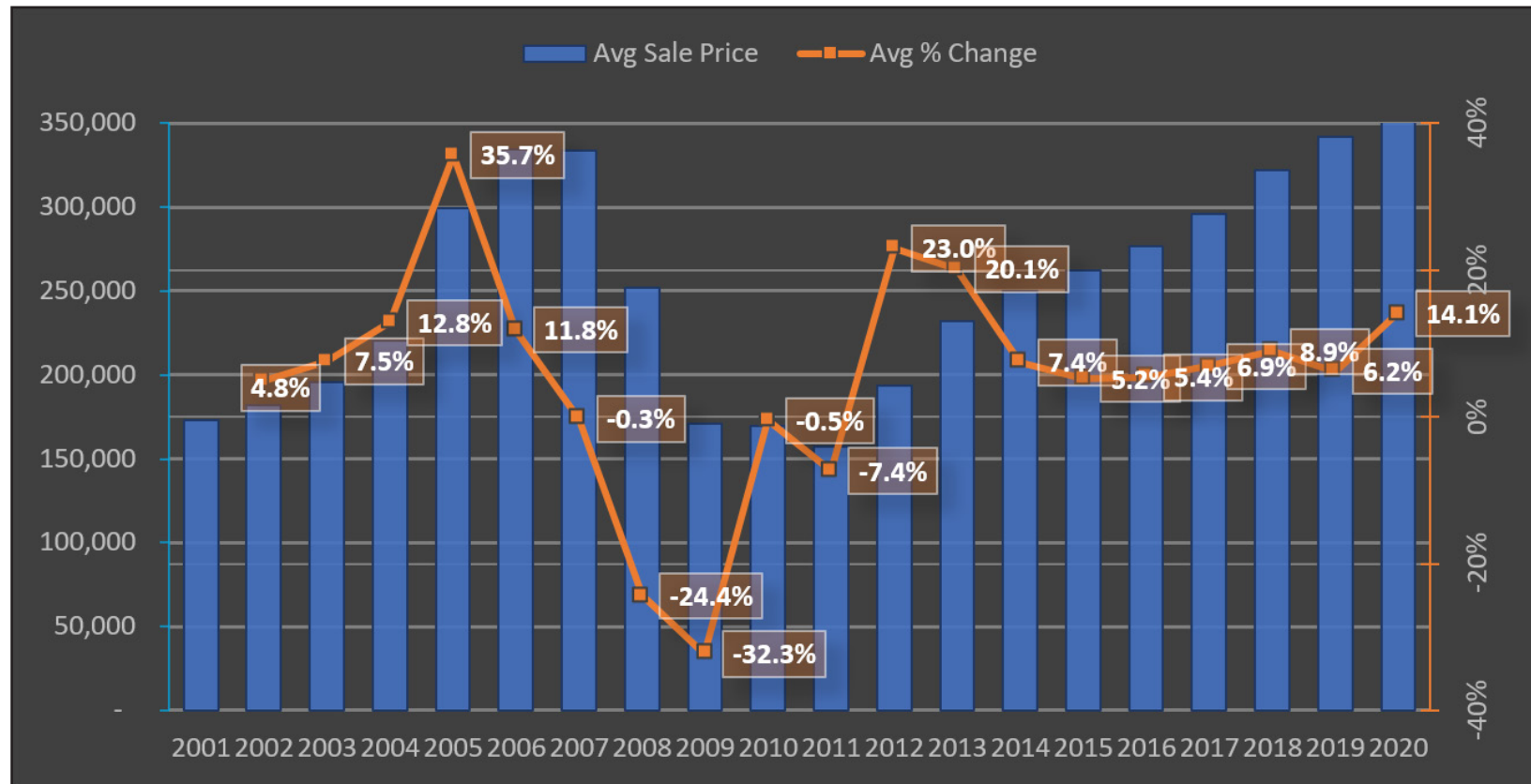
ARMLS Total Sales Volume

With the ARMLS books closed for the year, 2020 went down as the year with the 2nd highest number of homes sold, with just 2,471 fewer sales than 2005. For those of you that have been in the industry for more than 15 years you surely remember 2005, a year that ended with record sales while reporting a December median sales price 42.75% higher than December 2004.

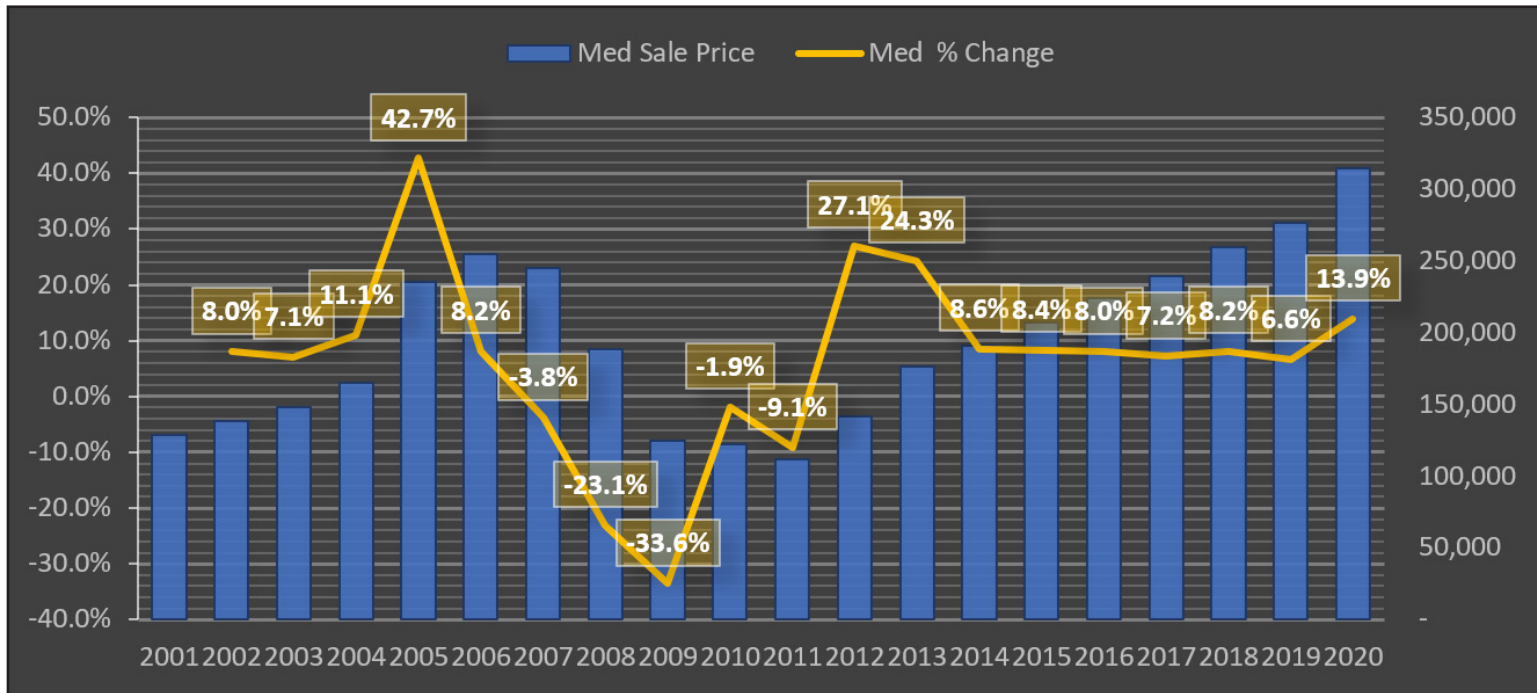


Not only did we see an increase in sales volume in 2020, but we also saw continued growth in the median sales price as well as the average sales price. The two charts below display the average sales price and the median sales price for each year ARMLS has been compiling data and how these prices have trended. These are not current numbers; they are a summation of the entire year.

ARMLS Annual Average Sales Price

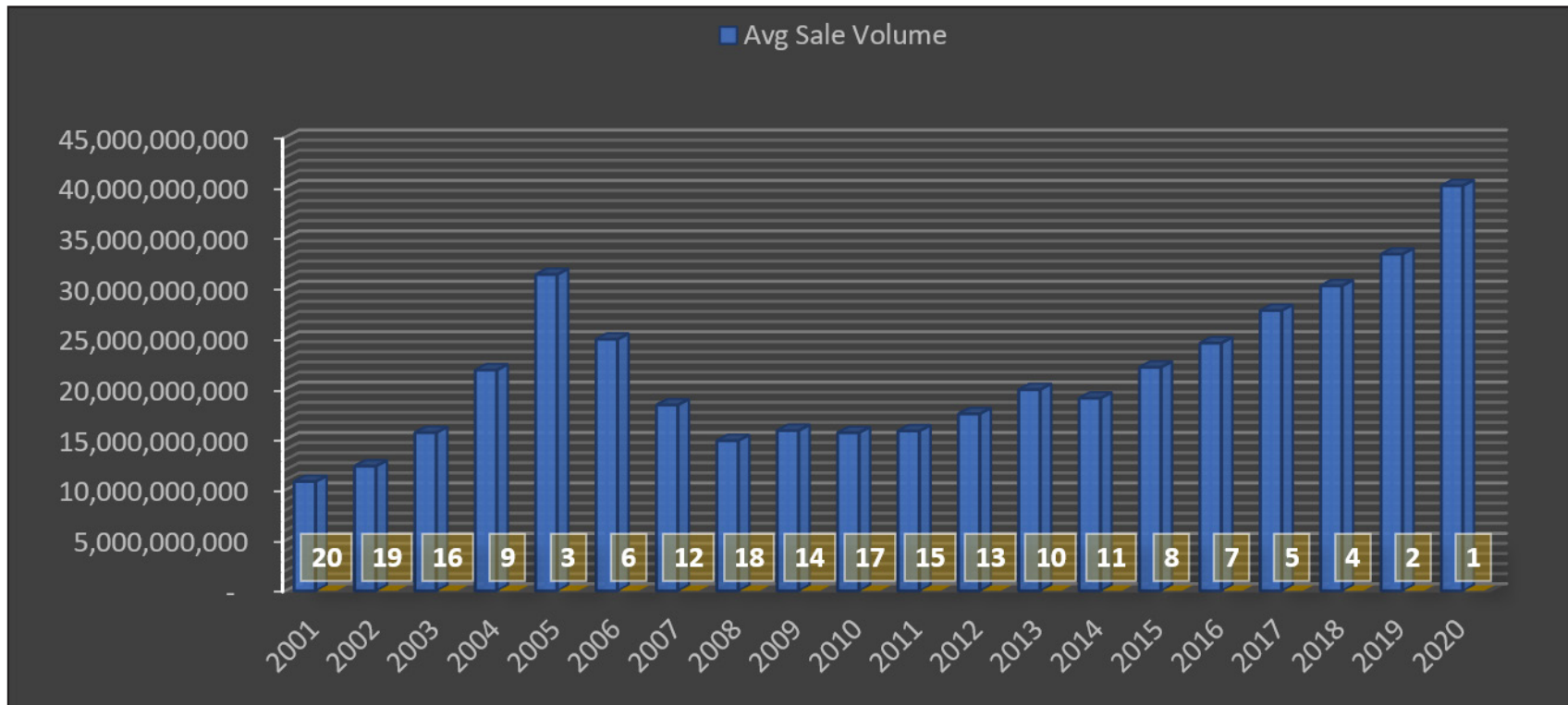


ARMLS Annual Median Sales Price



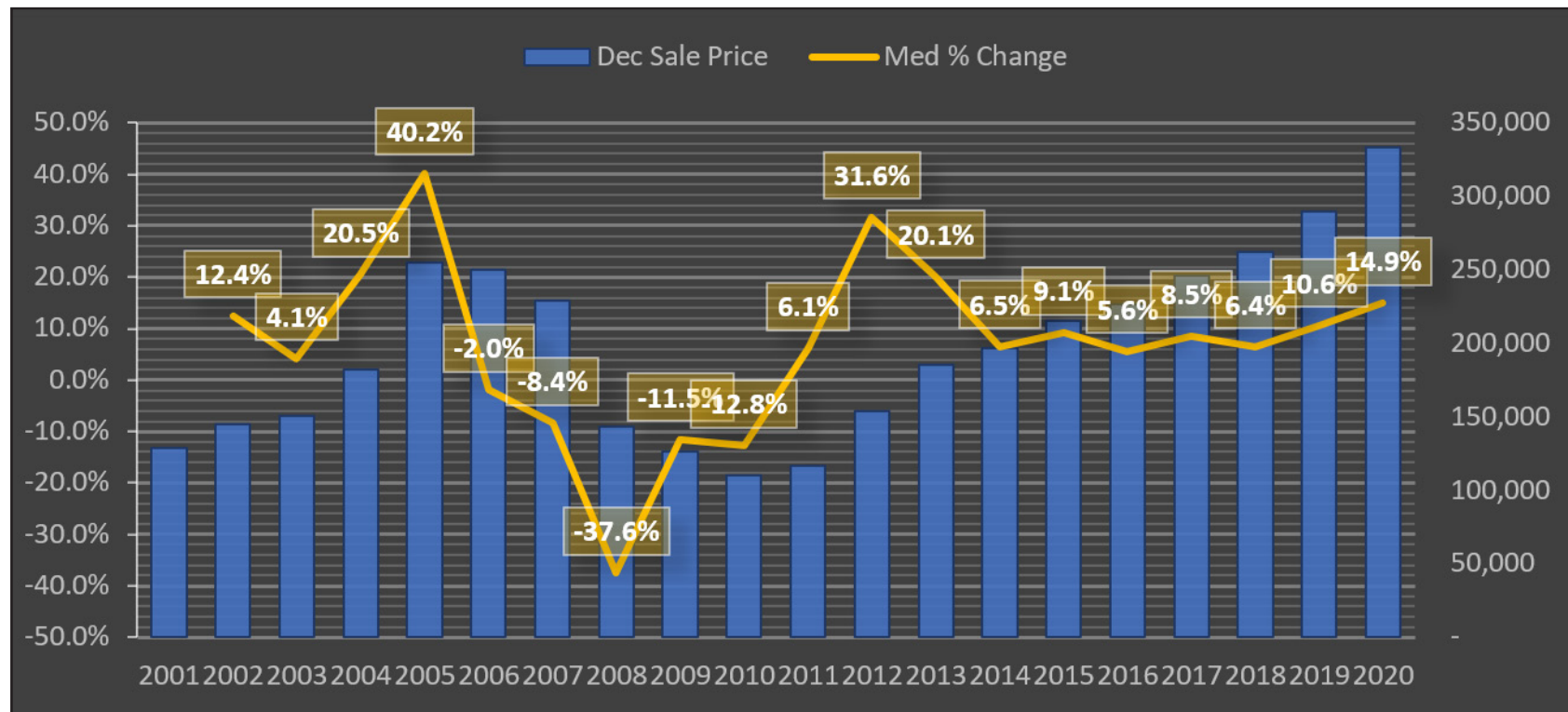
In an industry based on commissions, we come to the metric most important to real estate brokers and agents: sales by gross dollar volume. When we multiply the second-best sales volume with the average sales price of 2020, we achieve the highest gross dollar volume in ARMLS history, eclipsing the 2019 total by over 20%. Remember when 2005 was the gold standard? The 2020 gross dollar sales volume was 28% higher. The December gross sales volume of \$4,171,149,648 surpassed the December 2005 totals by 93.5%. Gross dollar volume as reported by ARMLS was nearly double the total of 2005. Extraordinary.

ARMLS Gross Dollar Volume For Each Year

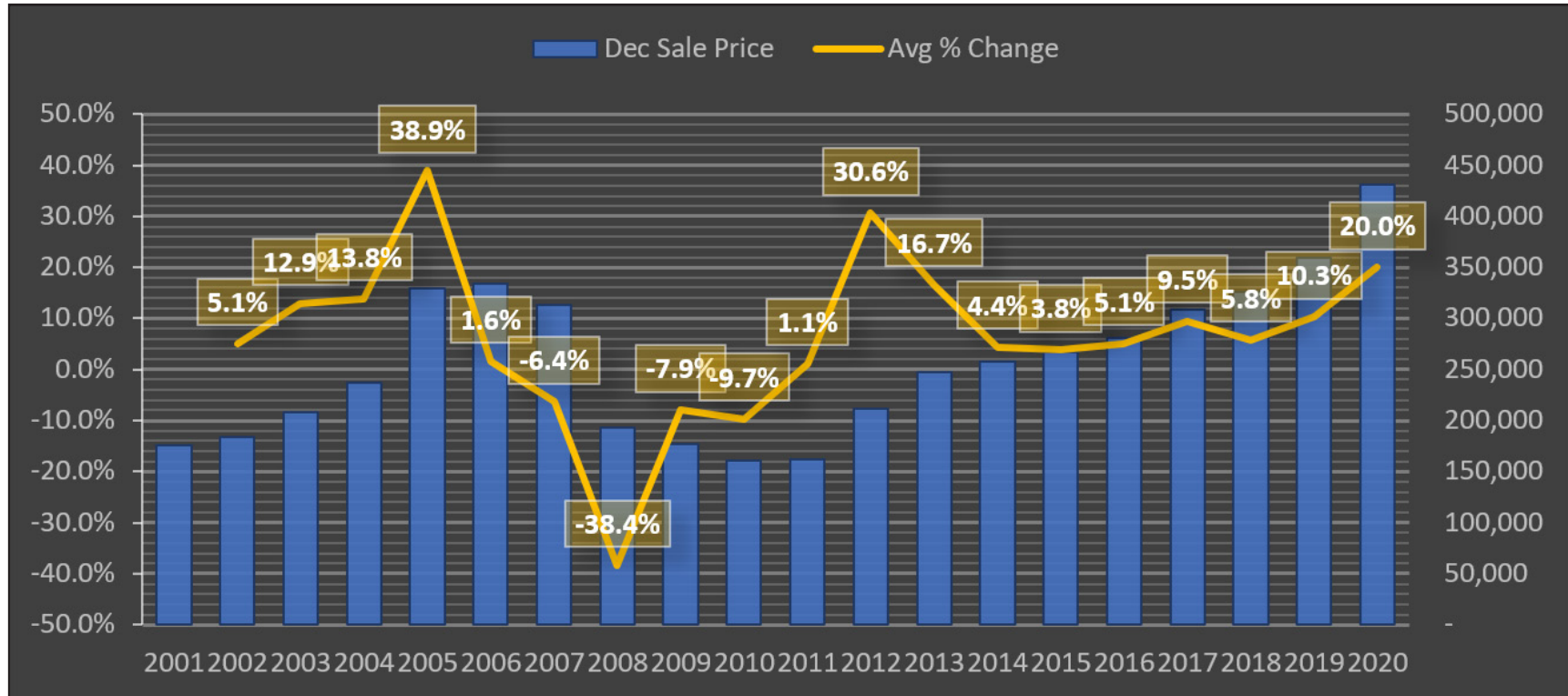


Before we leave 2020, let us take one final look at the year-over-year price metrics for December. The next two charts display December data as reported by ARMLS going back to 2001. Both the median sales price as well as the average sales price hit historic highs, both with significant price gains. In December, the median sales price rose to \$333,000 and the average sales price hit \$431,528, accounting for year-over-year increases of 14.9% and 20.0% respectively.

December Sales Price-Median Change



December Sales Price-Average Change

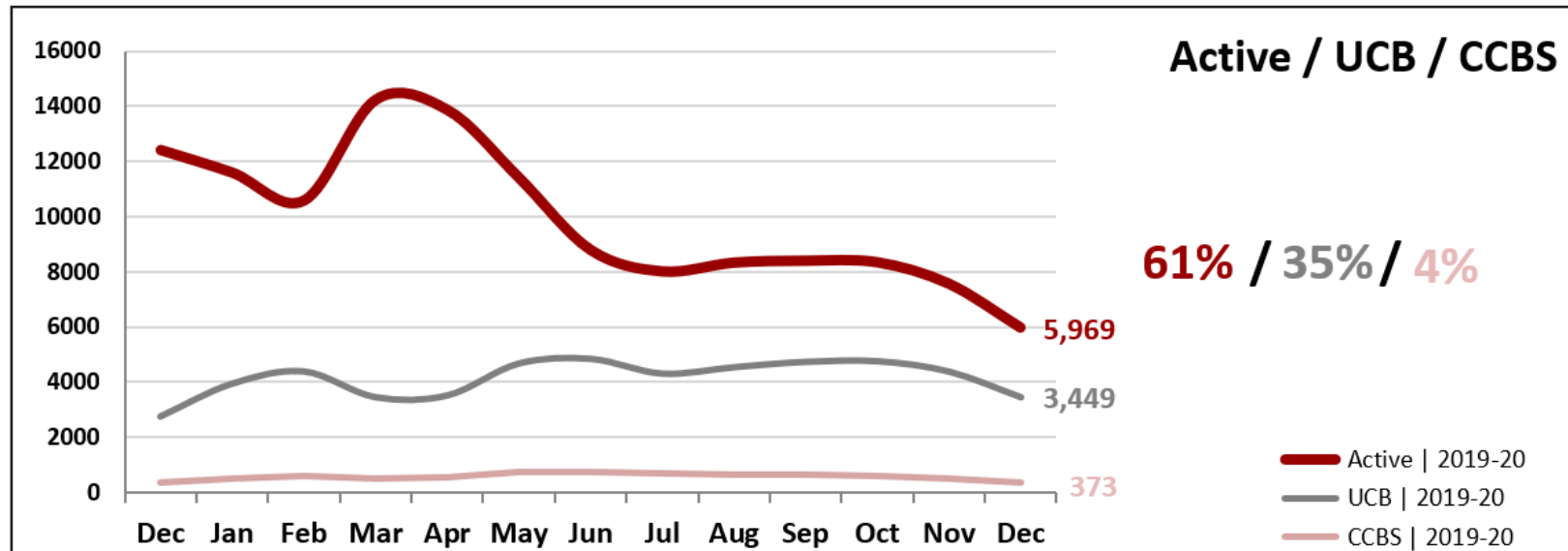


Repeating earlier remarks, 2020 was a year filled with challenges like none other, only to transform itself into a record setting year. As reported by the Cromford Report, here is a list of the many records set:

- Highest active listings \$/SF
- Highest pending listings \$/SF
- Highest monthly sales \$/SF
- Highest annual sales \$/SF
- Highest listing success rate
- Highest average price for monthly sales
- Highest average price for annual sales
- Highest median price for monthly sales
- Highest average square feet for monthly sales
- Highest average square feet for annual sales
- Highest Cromford Market Index
- Lowest Cromford Supply Index

Looking Ahead

In reporting real estate statistics, we attempt to measure as many metrics as we can, and then focus on the most relevant. As we move into 2021, there is no more important metric than supply and how supply relates to demand. We begin 2021 with above normal demand and extremely low supply. STAT reported 11,602 active listing (excluding UCB & CCBS) entering 2020. As of January 2021, we currently have 5,969: a 48.6% decline.



We began 2020 with normal demand while seeing a 31% decline in active listings and we know how it turned out. What will a 48.6% decline coupled with above normal demand mean? None better than Michael Orr to explain:

“Buyers cannot be blamed if they’re in despair about the lack of supply. We have less than half the number of active listings without a contract than we had a year ago. This time last year we described the lack of supply as shocking, so what do we call the current situation? We saw more new listings arrive during 2020 than during 2019, but only 1.4% more. The annual sales rate increased by 6% so the extra supply proved thoroughly inadequate in the face of demand. Prices have accelerated due to the huge imbalance between supply and demand, yet we have only seen part of that reaction. Sales prices are a trailing indicator and lag the leading indicators by up to 15 months. We can therefore expect to see prices move even higher during the next 12 to 15 months with appreciation rates possibly rising over 20%.”

Next month in STAT we will look at new construction and foreclosures numbers, two metrics that have increased inventory levels in the past, as well as interest rates, a current tailwind in our market. Spoiler alert on new construction and foreclosures rescuing our limited supply; do not hold your breath. So buckle up, because 2021 is setting up to be a heck of a ride.

Pending Price Index

Last month the STAT mathematical model projected a median sales price for December of \$329,000. The December reported median was \$333,000. For the eighth straight month our mathematical model slightly underestimated our reported median sales price. Throughout 2020 our optimistic monthly projections repeatedly underestimated our current market strength. Looking ahead to January, the ARMLS Pending Price Index is projecting a median sales price of \$338,000.

We began January with 5,908 pending contracts, 3,449 UCB listings and 373 CCBS giving us a total of 9,730 residential listings practically under contract. This compares to 7,922 of the same type of listings one year ago. At the beginning of January, the pending contracts were 22.82% higher than last year. There were 21 business days in January of 2020 and 19 this year. ARMLS reported 6,328 sales in January of 2020. We will see year-over-year sales gains this January. The highest sales volume ever in January occurred in 2005 when ARMLS reported 6,632 home sales. When the January sales are reported, it's likely we will see our 5th consecutive monthly record.