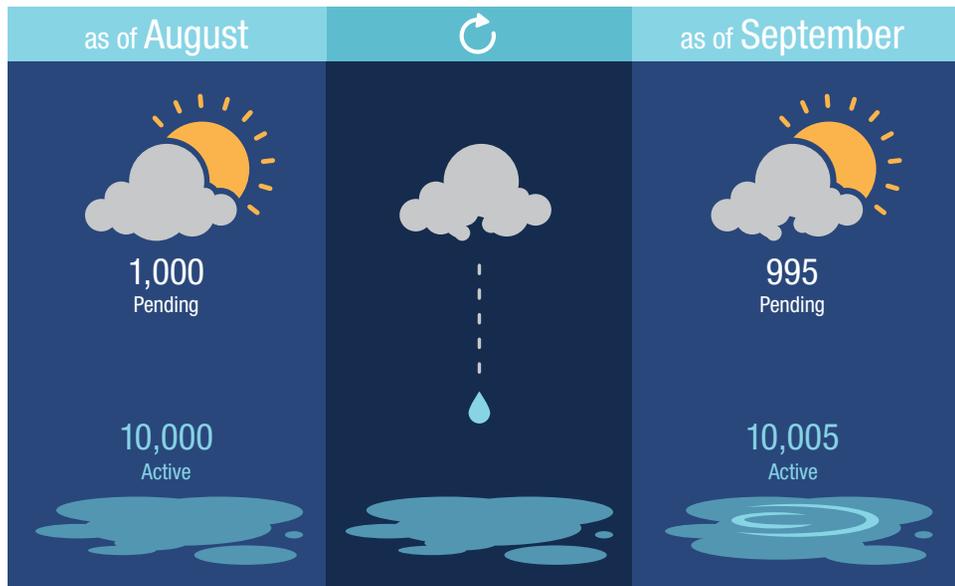# 10K RESEARCH AND MARKETING LIVE DATA APPROACH

What is the Live Data Approach?

Our data analytics vendor, 10K Research and Marketing, employs a "live data" approach to reporting. Numbers reported in the past are not frozen; rather, they are refreshed and recalculated using the latest and most up-to-date information (status changes) each time reports are issued.

Let's say we reported **10,000 active listings** and **1,000 pending sales** in July when we published reports in August. In September, we refresh not only the August number, but also the July number and all previously reported figures. During that September run, our system determines that **5 of those 1,000 pending sales** in July fall through because of lender approval or a low appraisal. We would then revise down the July pending figure to **995 pending sales** and revise up the July **inventory figure to 10,005**. We cannot in good faith continue to report that there were **10,000 actives** and **1,000 pending sales** in July if we have reliable information indicating otherwise.

Why does 10K Use the Live Data Approach?

The real estate market is constantly changing – e.g. late entries, canceled contracts, listing expirations, temporarily off market listings. If we were to freeze data and report static numbers from month to month, we would be reporting on how the market was and not on how it is. Things evolve over time (including the past) our market intelligence reflects this. Each report reflects the current state of our market.

Historical revisions are common practice in the data world. As new information comes to light, revisions are frequently issued for GDP, unemployment rates, job growth, inflation, etc. In this case, discreet counts like Closed Sales, Actives or New Listings are more apt to change, while derived stats like Days on Market, Median Sales Price or Months Supply tend to be more stable. Important characteristics of markets (like contract fall-through rates) are often discovered because of this methodology.

A live data method prioritizes accuracy over precision or consistency. While a frozen approach would ensure consistency, it wouldn't account for the human element of data.

Old data is a version of the truth – it was the best truth available at the time of publication – but with the benefit of time, we have a better and more accurate truth. If ALL status changes were ALWAYS entered on time and NEVER changed in the future, we would not need to distinguish between a live and frozen approach – since they would be one in the same.

10K has given this a lot of thought over the years, and it remains committed to this philosophy, even though it can cause some slight confusion. 10K's objective is always transparency in data methodology. 10K would rather report the best and most accurate truth than deliver a false sense of security from static figures.

as of August	↻	as of September
1,000 Pending		995 Pending
10,000 Active		10,005 Active

July Sales : Pending and Active

10K RESEARCH AND MARKETING