



Monthly Market Watch for Maricopa County

An overview of what is happening in the Maricopa County real estate market (using August 2011 statistics)



Report overview:

This report includes MLS data for the past 36 months in Maricopa County only as provided by the FlexMLS system.

Please note that searches fluctuate daily when running these reports; these figures were obtained on 9/5/11.

A reminder that you need to meet with a real estate professional to see how statistics impact the area where you are considering selling or buying – blended statistics will not be as accurate as a more detailed report that your real estate professional can provide to help you with your decision making.

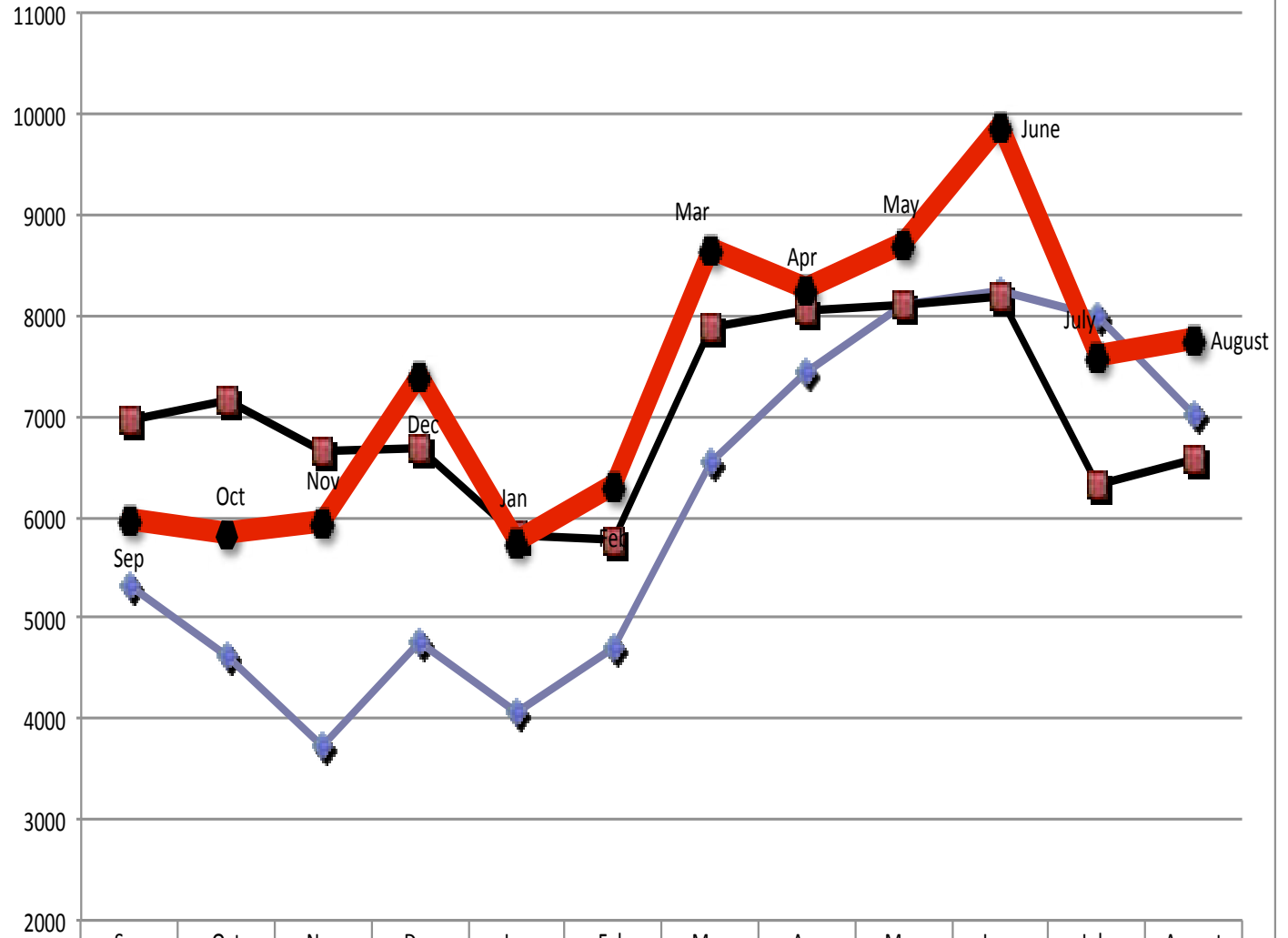




Closed Sales

Provided by Keller Williams Realty Professional Partners -
 Statistics from August 2011 MLS

Total # of Closed Sales (36 month overview)



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	August
9/08 to 8/09	5306	4613	3726	4759	4069	4718	6554	7445	8093	8235	8008	7028
9/09 to 8/10	6969	7147	6657	6677	5829	5777	7871	8040	8112	8186	6314	6570
9/10 to 8/11	5979	5844	5971	7420	5765	6317	8668	8273	8710	9879	7598	7775



Closed Sales Report Analysis:

Sellers:

The month of August saw a slight increase of 2.3% in the number of closed sales over the prior month. Last month 7,725 homes closed. Although not as high as the months of March through June, we are still seeing a great deal of selling activity as buyers continue to believe that the current market is providing great values and opportunities for home ownership. Sellers should continue to monitor this trend to determine what impact this decrease has on market activity, time on market, and pricing.

Buyers:

Buyers are encouraged to pay close attention to this number. This statistic reveals that buyers ARE buying and closing on homes. They realize that the current market continues to provide great affordability options, and they want to make sure they take advantage of today's real estate market. Buyers MUST carefully work with their real estate professional to understand the market AND to understand how they can compete with the market demand and other buyers who may be in a financial position that is more appealing to the seller.

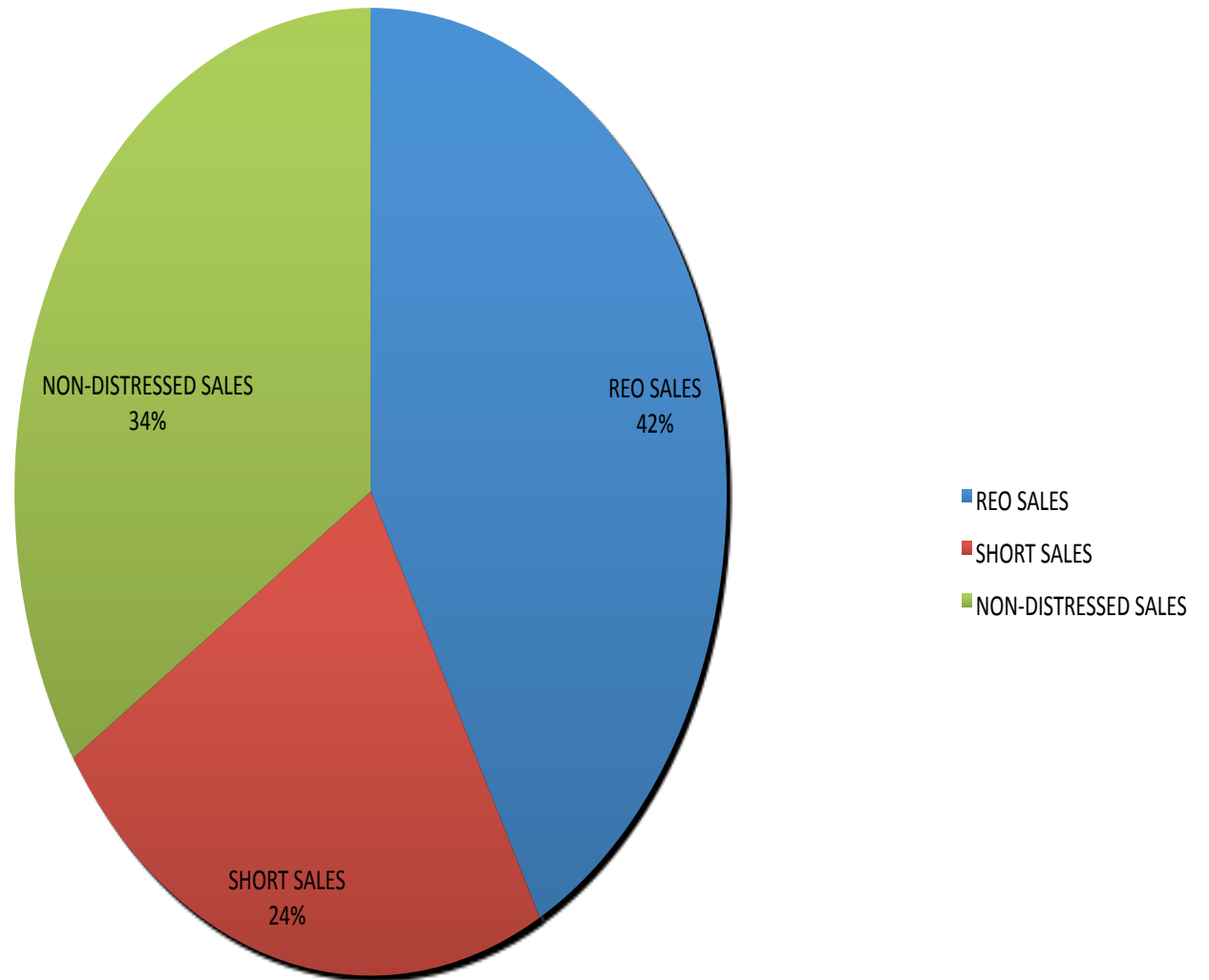




Distressed Sales

Provided by Keller Williams Realty Professional Partners –
Statistics from August 2011 MLS

REO, SHORT SALE & NON-DISTRESSED SALES COMPARISON August 2011





Distressed Sales Analysis:

A bank owned/foreclosure home is one that the seller no longer owns – it has been taken over by the lender(s) who had a note on the home. Short sales are homes where the seller is negotiating with the bank to “forgive” a portion of the debt in order to avoid foreclosure.

August statistics saw bank owned/foreclose sales DECREASE by just under 2%, short sales INCREASE by 1%, and traditional sales increase by just under 1% over the month of July. Sellers and buyers need to monitor this trend to see how the market continues to respond to the current inventory.

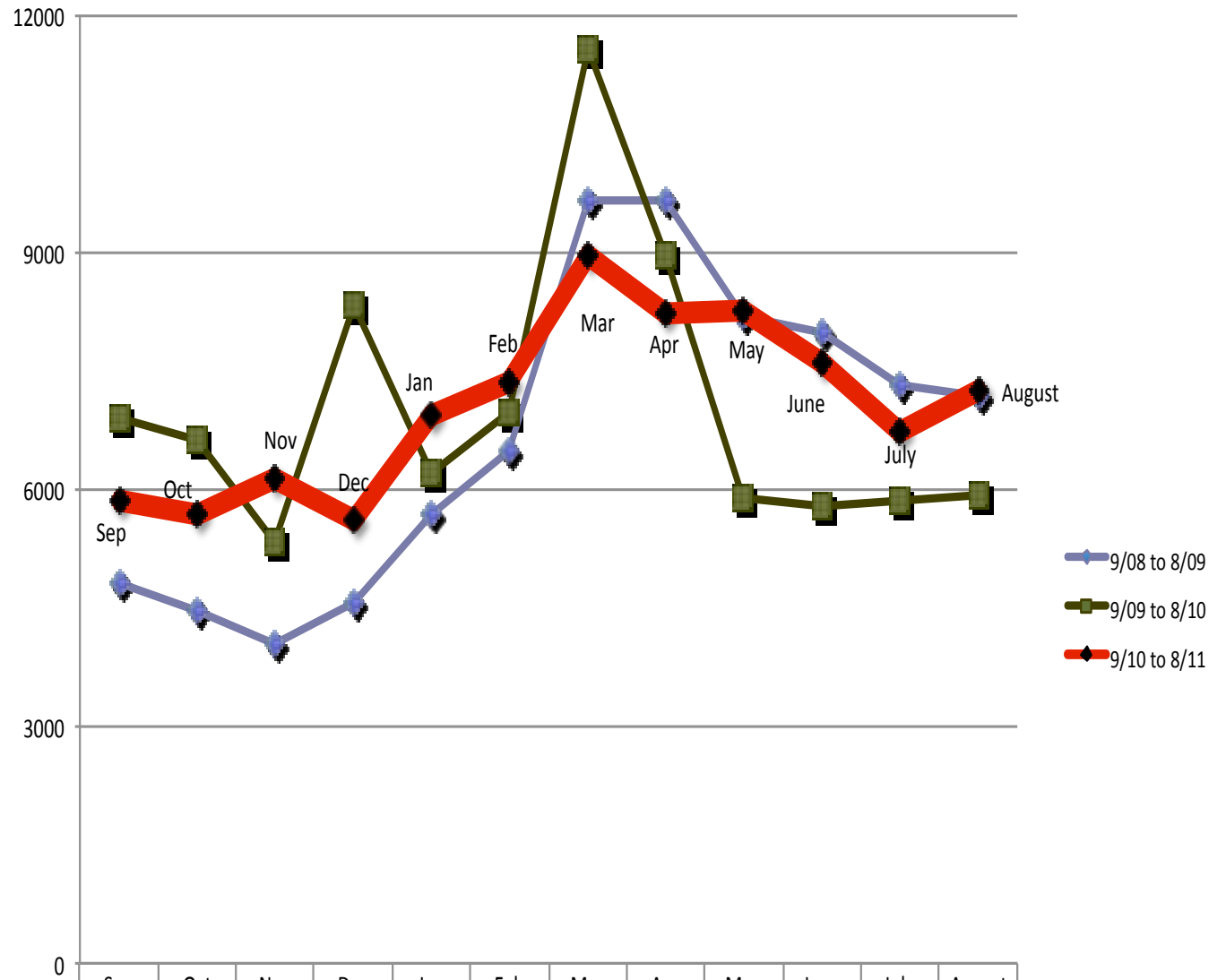




Pending Sales

Provided by Keller Williams Realty Professional Partners -
 Statistics from August 2011 MLS

Total # of Pending Sales (36 month overview)



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	August
9/08 to 8/09	4796	4449	4031	4552	5662	6470	9641	9641	8190	7969	7300	7179
9/09 to 8/10	6882	6624	5321	8331	6204	6975	11584	8946	5905	5772	5855	5936
9/10 to 8/11	5861	5674	6125	5595	6932	7350	8969	8207	8252	7603	6710	7246



Pending Sales Report Analysis:

Sellers:

The month of August saw an INCREASE of almost 8% in the number of homes that moved to pending status over the month of July. Even with the decrease in inventory, buyers still remain very active in finding and succeeding in placing homes under contract. This statistic shows that homes continue to move to under contract status AND eventually to SOLD status.

Buyers:

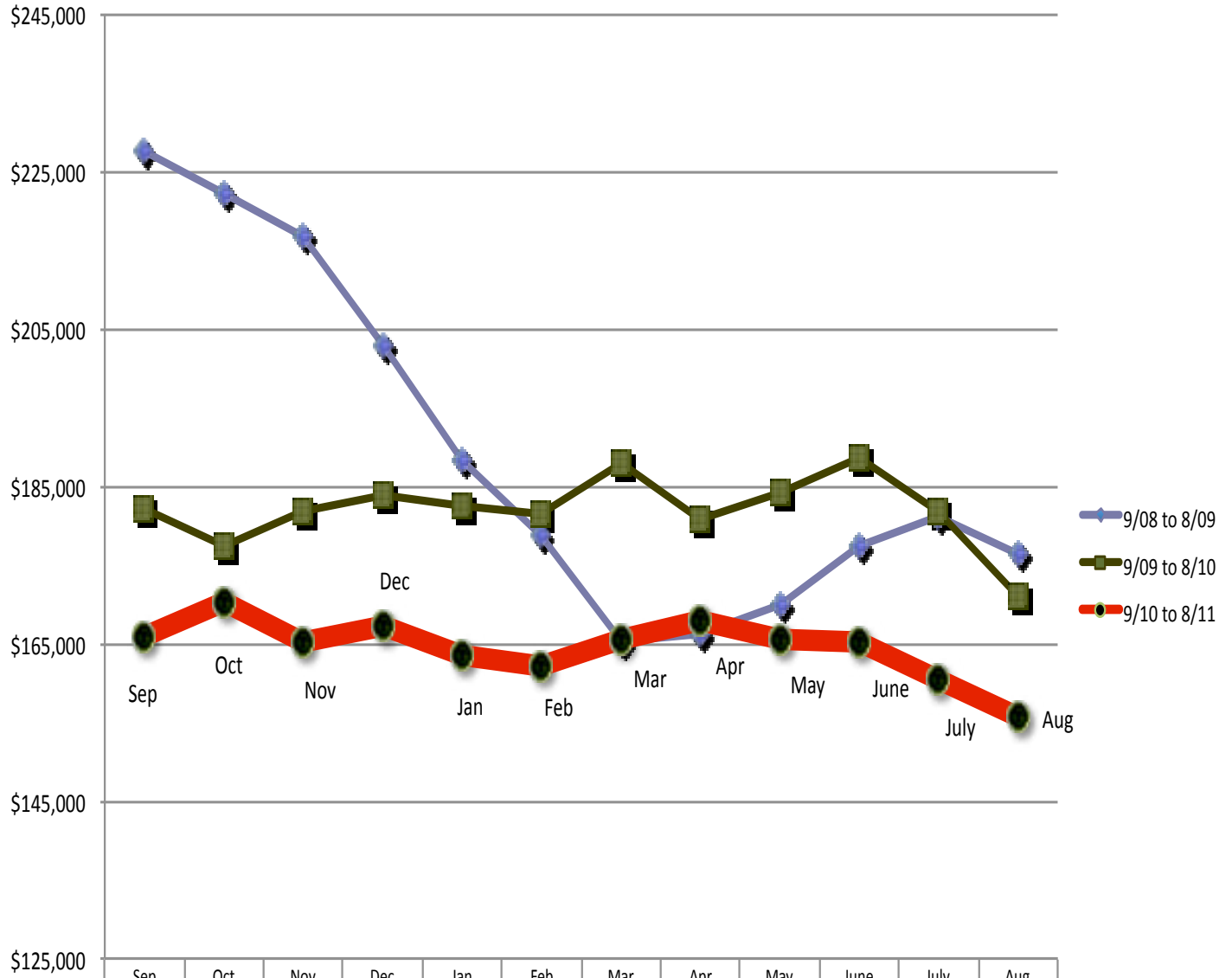
Buyers continue to take advantage of the current real estate market... they are hearing about great prices, homes that offer the amenities they want, and great loan rates and programs. Buyer activity has remained very high. For buyers who are waiting for prices to drop or to find that perfect home, the market is definitely not offering those options.

It is essential that buyers are studying these statistics in the location and area where they are searching to determine what is their best course of action.





Average Sales Price (36 month overview)



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
9/08 to 8/09	\$227,672	\$222,284	\$216,819	\$202,801	\$188,174	\$178,659	\$165,298	\$166,355	\$169,800	\$177,246	\$181,038	\$176,326
9/09 to 8/10	\$182,231	\$177,512	\$181,895	\$184,008	\$182,387	\$181,472	\$187,979	\$180,896	\$184,312	\$188,568	\$181,730	\$171,036
9/10 to 8/11	\$165,730	\$170,326	\$165,108	\$167,154	\$163,403	\$162,283	\$165,559	\$167,850	\$165,431	\$165,035	\$160,463	\$155,656

Average Sales Price

Provided by Keller Williams Realty Professional Partners –
Statistics from August 2011 MLS

Average Sales Price Analysis

Sellers:

For the fourth month in a row, we saw a decrease in the average sales price. The average of \$155,656 is the lowest average in the 36-month reporting period. However, continue to be careful. This once again may not actually mean that PRICES have dropped; instead, it may mean that homes that are selling tend to be homes priced in what is traditionally considered as the “affordable range.”

Sellers need to pay very careful attention to local market activity to ensure that homes are competitively priced to appeal to buyers who are ready to buy because of the amazing values.

Buyers:

For buyers, it is important to be careful about thinking this means that prices are decreasing. Instead, understand that this could mean that homes in the lower price range are selling. More than ever, you need to work with your real estate professional to make sure you have the best possible information regarding the market value of homes.

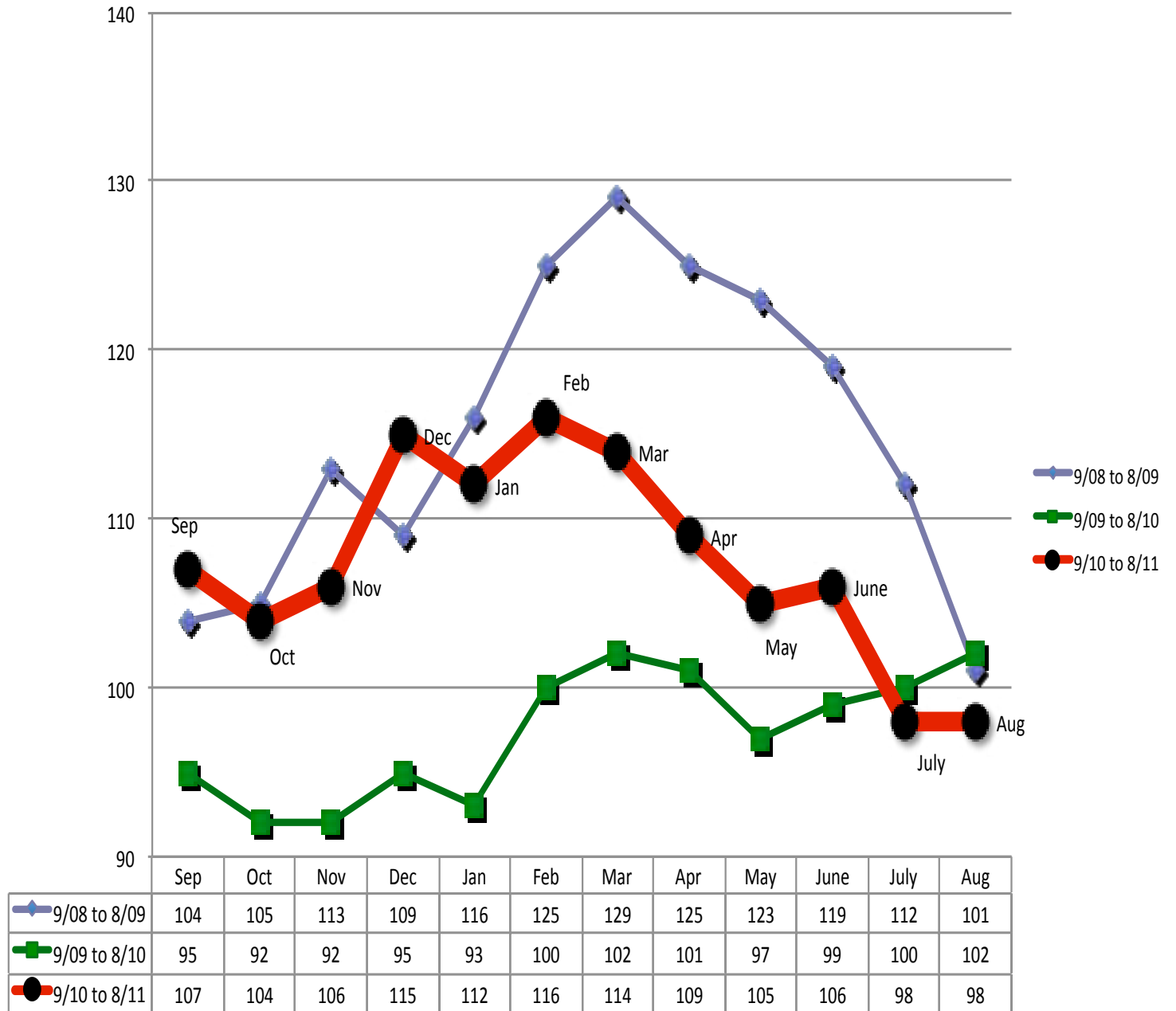




Average Days on Market

on Market
 Provided by Keller Williams Realty Professional Partners -
 Statistics from August 2011 MLS

Average Days on Market (36 month overview)



Average Days on Market Analysis

Sellers:

The month of August saw the average days on market for homes that sold remain the same as the month of July. On average, it took 98 days for a home to remain on the market before moving to pending status. This is tied for the lowest average since May of 2010. Although the average price dropped, this consistency in the average days on market shows that sellers were able to move to pending status much more quickly – a sign that buyer demand for inventory remains high.

Buyers:

Buyers need to be aware of this number because it is an indicator of how long sellers are having to wait to go under contract and close. The lower the number, the less control a buyer normally has. Buyers need to be aware that competition for great homes continues to remain very high, especially in the lower price ranges. The importance of having a reliable lender AND real estate professional to guide you through this process has never been more important.

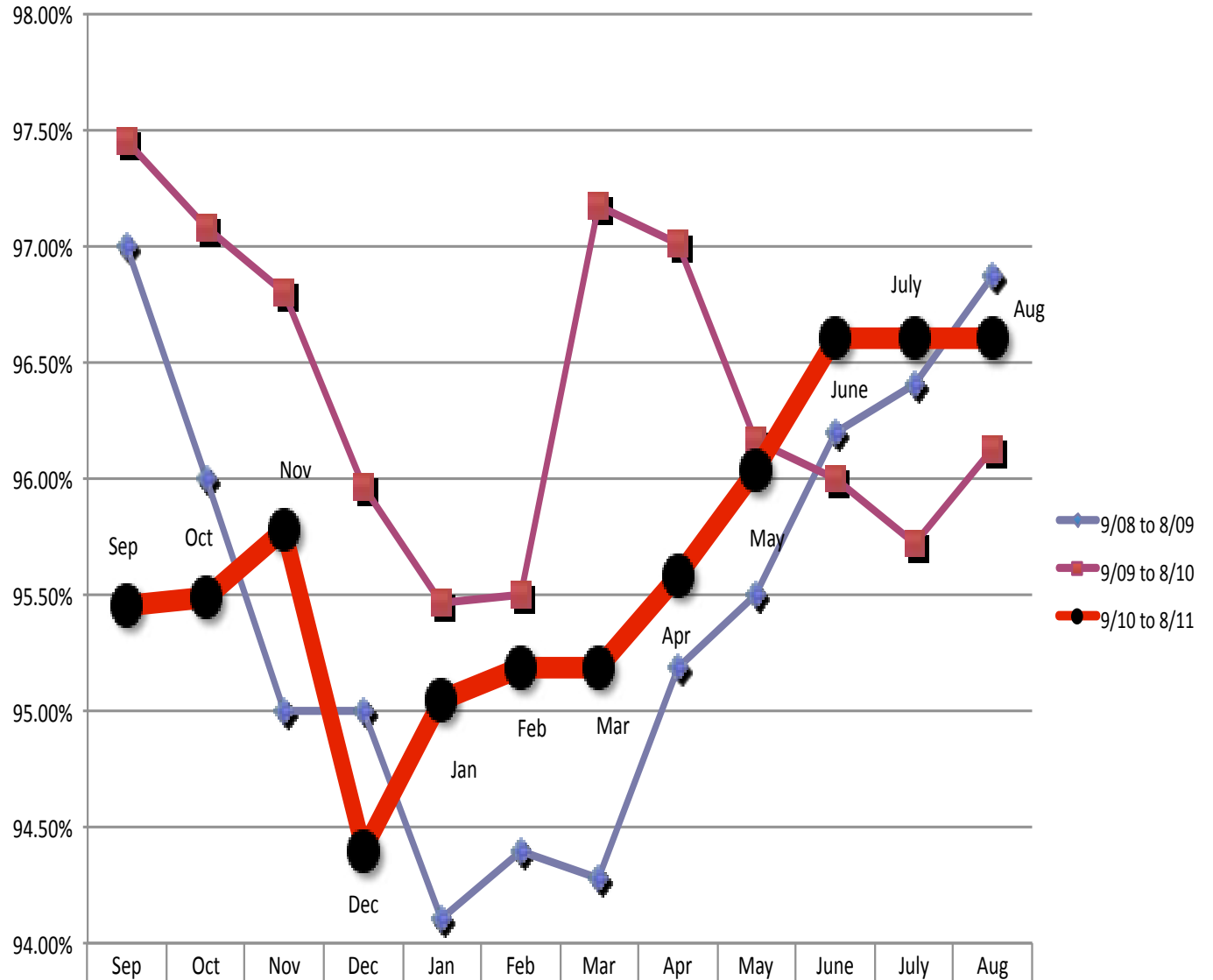




Average List to Sales Price Ratio

Provided by Keller Williams Realty Professional Partners -
Statistics from August 2011 MLS

Average List to Sales Price Ratio (36 month overview)



9/08 to 8/09	97.00%	96.00%	95.00%	95.00%	94.10%	94.40%	94.28%	95.18%	95.50%	96.20%	96.40%	96.87%
9/09 to 8/10	97.45%	97.08%	96.80%	95.96%	95.46%	95.50%	97.17%	97.01%	96.16%	96.00%	95.72%	96.13%
9/10 to 8/11	95.45%	95.49%	95.78%	94.40%	95.05%	95.18%	95.18%	95.58%	96.03%	96.60%	96.60%	96.60%



List to Sale Price Ratio Analysis

Sellers:

The month of August saw sellers receiving the same 96.6% of the price at which the home was listed as they did in the month of July AND June. Continue to watch this trend, as it will continue to impact how homes should be priced in the current market in order to appeal to the buyers.

Buyers:

Buyers need to pay attention. This number means that once again, buyers have a little less buying power than they did in the prior 3 months. Although the average is less than 100%, on lower priced/highly desirable properties buyers **may** still have to pay above list price. Since a home must appraise in order to obtain a loan, underwriters are still looking very closely at prices and making sure that homes are selling at or below market value. Make sure your real estate professional helps you understand the competitiveness of the list price of the home you are wanting to purchase. You also need to be aware of the interest and sales activity in the area where you are wanting to buy and how the offer you are making competes with the market AND with trends relative to the price where homes are selling in the areas you have an interest.

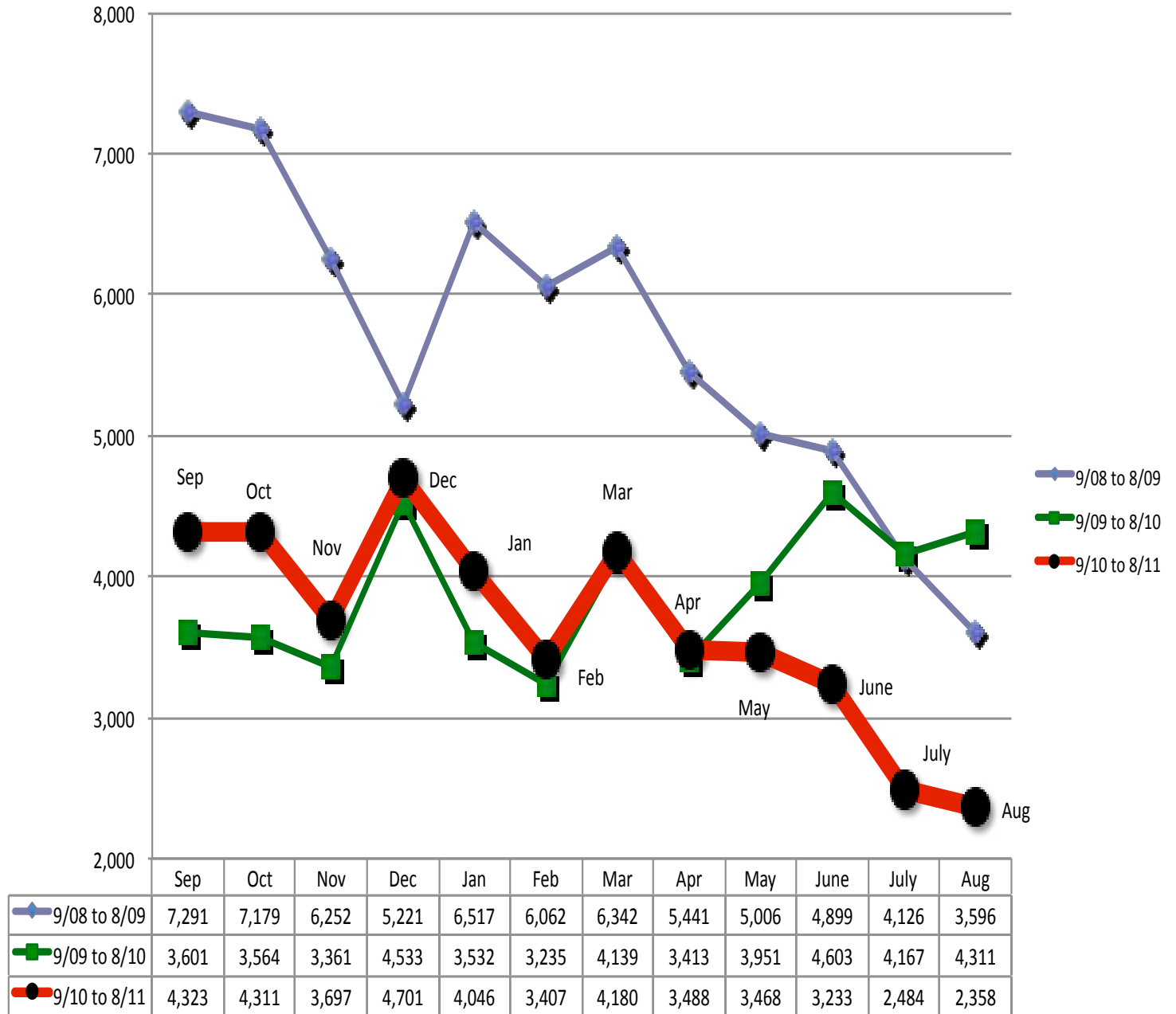




Monthly Expired & Cancelled Listings

Provided by Keller Williams Realty Professional Partners -
Statistics from August 2011 MLS

Monthly Expired and Cancelled Listings (36 month overview)



Expired & Cancelled Listings Analysis

Sellers:

For the 5th month in a row, we have been seeing the number of expired and cancelled listings decrease. August saw a decrease of 5% over the month of July – 2,358 homes left the market in August. This should come as no surprise since the inventory has been shrinking, but it is by far, the lowest number in the 36-month reporting period. We would expect that fewer homes would be leaving the market because of the opportunity for buyer response.

Buyers:

For buyers, be aware that there are 2,358 fewer homes to consider. At a time when inventory continues to shrink, this could mean a tighter market for buyers. If that happens, buyers can expect more competition and less room for negotiation on price and/or concessions from sellers. This means buyers will have to be more patient with homes still active AND be prepared to act quickly on available homes. Continue to watch this trend, as this, combined with price, days on market, and list to sales price ratio are an important indicator of what buyers need to do in order to be successful in closing on the home of their dreams.





INVENTORY OVERVIEW

Following is an overview of what is happening with the inventory of homes currently available in Maricopa County and the MLS.

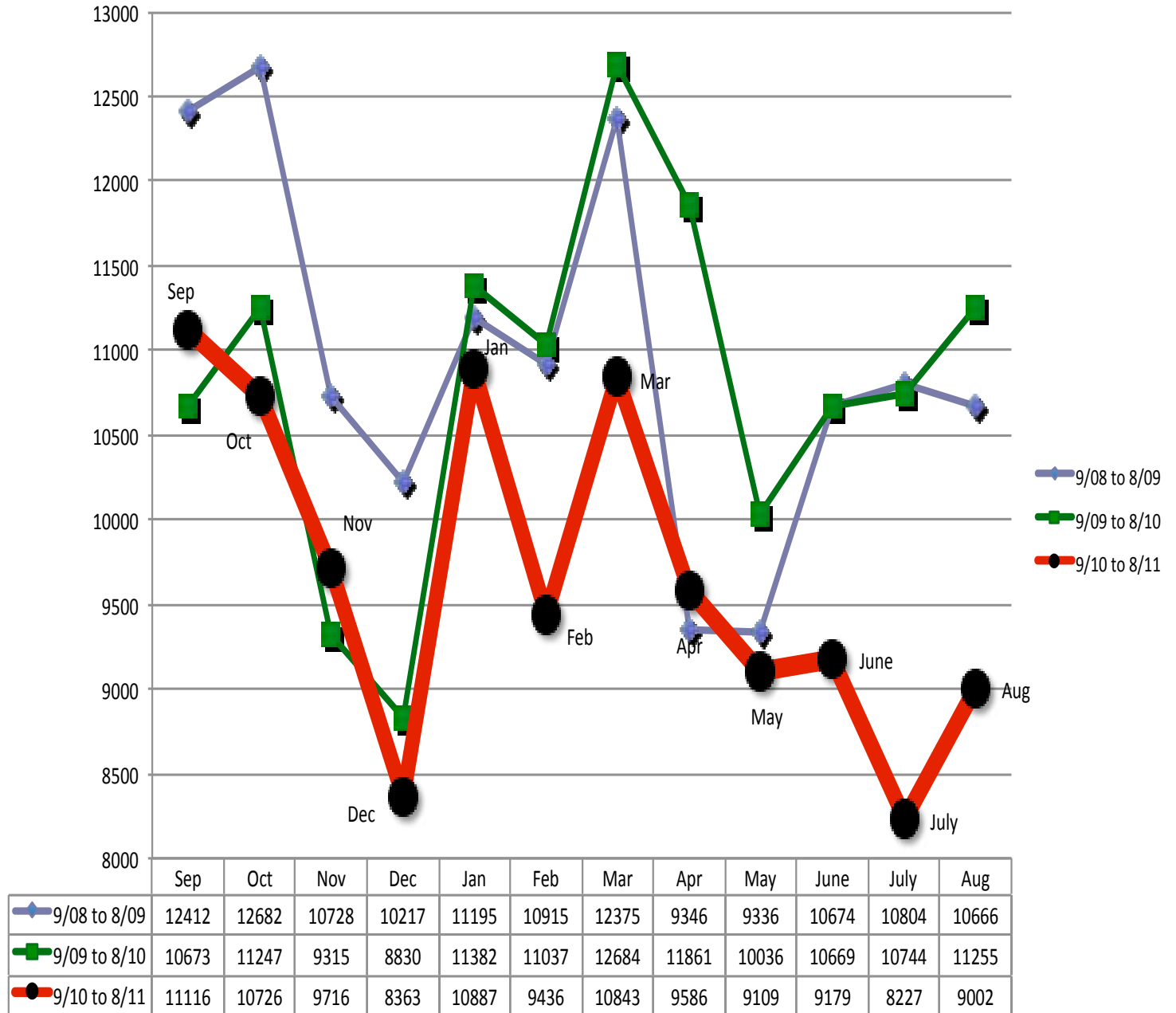




New Listings

Provided by Keller Williams Realty Professional Partners -
 Statistics from August 2011 MLS

New Listings (by month)





New Listings Analysis

Sellers:

The month of August saw a 9.4% INCREASE in the number of new listings entering the market. At a time when buyers are competing to find a home, this number means they will have MORE choices. More choices means that sellers MUST monitor this new inventory to see how it might impact the sale of their home. More homes normally means that sellers need to make sure they remain as the top choice for active buyers in the marketplace.

Buyers:

Good news! 9,002 new listings entered the market in August. Although this number is up, it is still very important that you continue to spend time with and listen to your real estate professional to develop your strategy for succeeding in a market that is constantly changing. Be prepared: a change in the number of new listings could be great news if there are more homes from which to choose OR it could present challenges if the inventory continues to decrease.

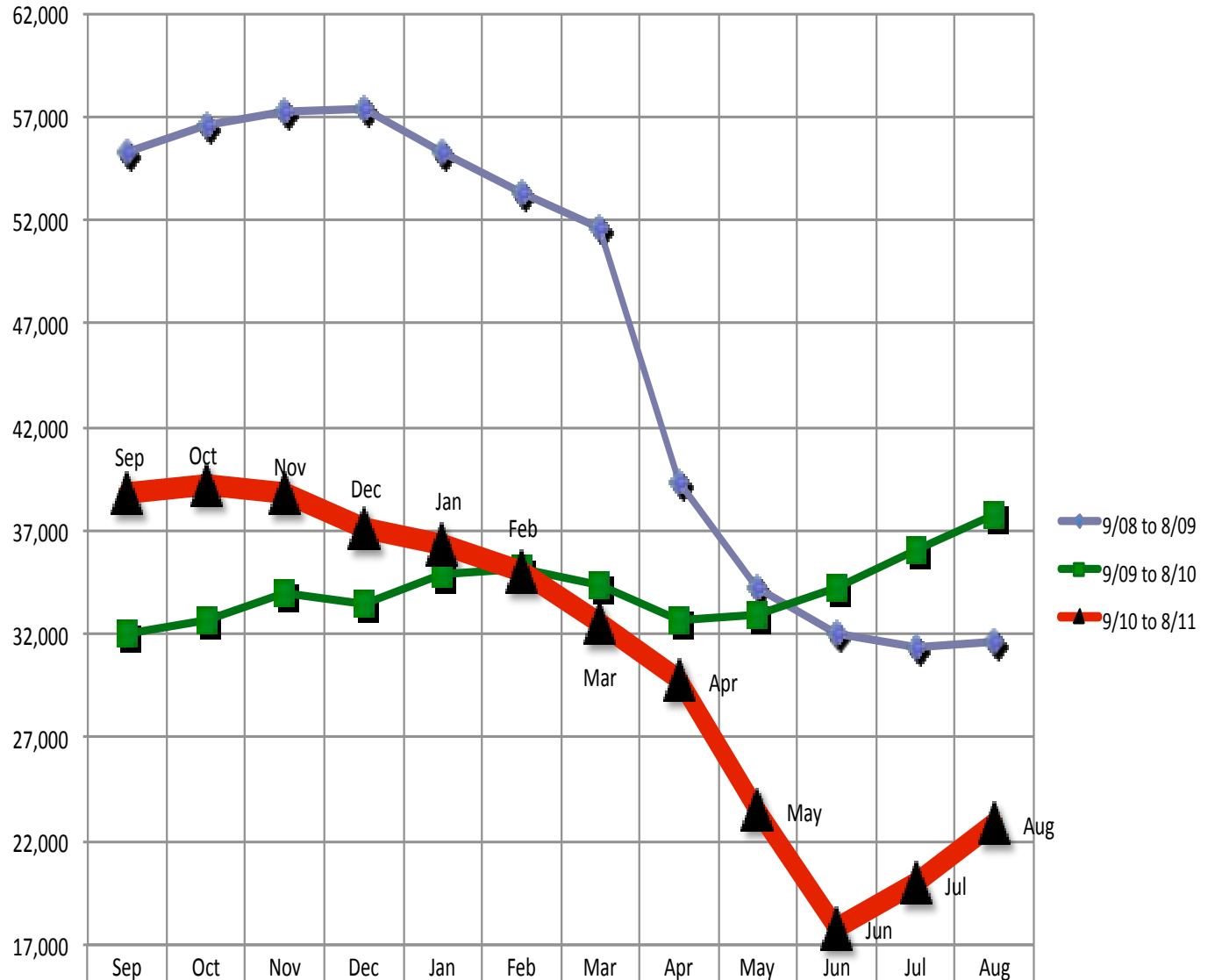




Active Listings

Provided by Keller Williams Realty Professional Partners -
Statistics from August 2011 MLS

Active Listings in ARMLS (36 month Summary - Residential in ARMLS)



9/08 to 8/09	55,323	56,561	57,264	57,350	55,247	53,313	51,679	39,286	34,195	32,010	31,375	31,591
9/09 to 8/10	31,962	32,658	33,962	33,460	34,906	35,114	34,426	32,728	32,970	34,224	36,097	37,754
9/10 to 8/11	38,838	39,176	38,876	37,159	36,299	34,991	32,485	29,785	23,477	17,816	19,941	22,864



Active Listings Analysis

Sellers:

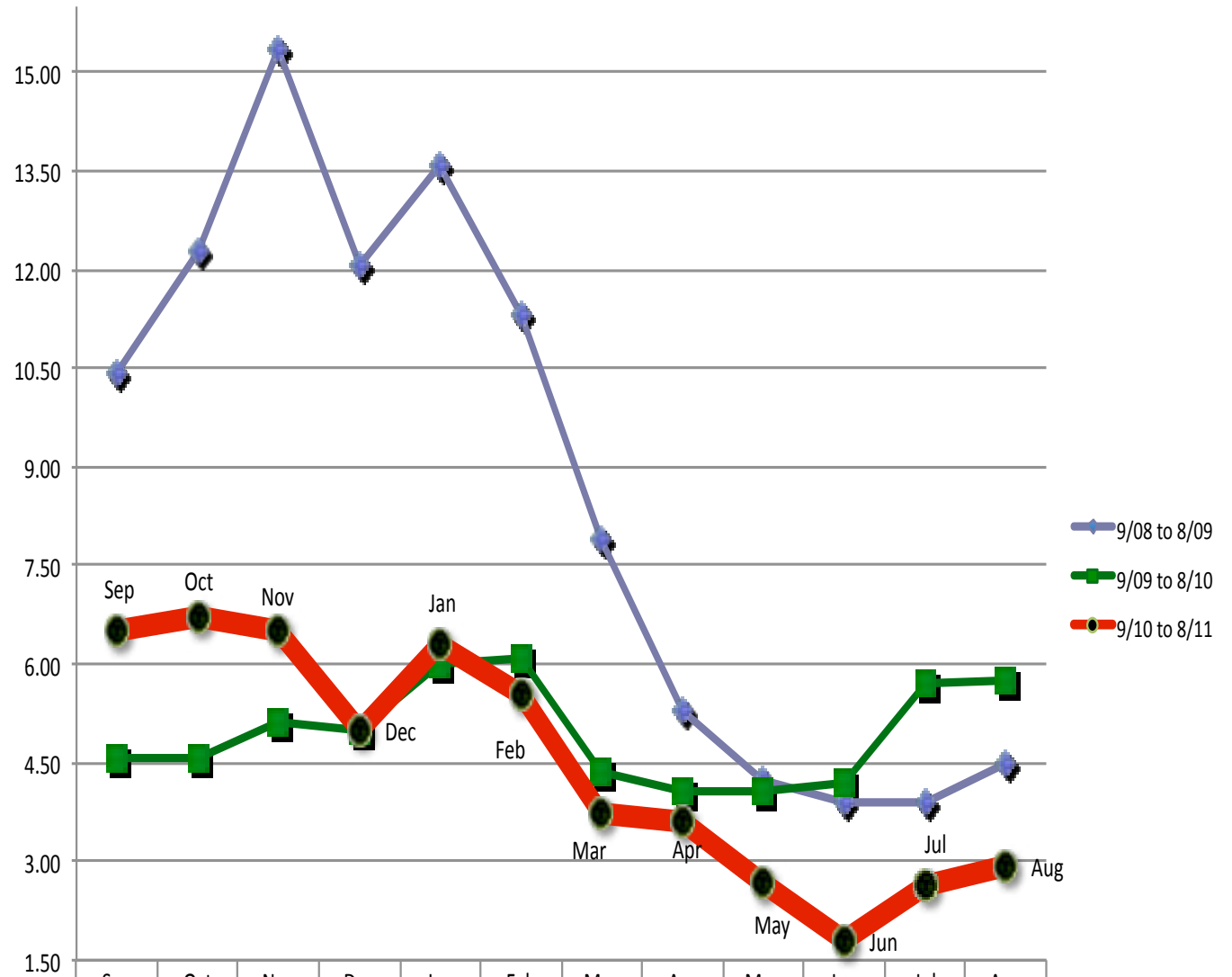
After 8 months of a decrease in the number of active listings, July and August saw an increase in inventory. August saw an amazing 14.6% increase! This is still the 3rd lowest number in the 36-month reporting period, but is no doubt the result of fewer properties moving into pending status last month and an increase in new inventory. Sellers need to make sure that they continue to watch this trend to determine how their homes should be priced in order to be competitive AND the terms that will need to be available for prospective buyers.

Buyers:

Buyers still have inventory to preview, but for the second time in several months, the number of available homes has increased. Continue to monitor this statistic, as it WILL be the statistic that indicates how much new inventory you will have to preview ... the lower the number, the more likely the competitiveness for lower priced homes will remain part of the current market. As always, market activity is local and should be researched with your real estate professional to determine the activity and desirability of the homes that are of interest to you.



Months of inventory (36 month overview)



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
9/08 to 8/09	10.43	12.26	15.37	12.05	13.58	11.30	7.89	5.28	4.23	3.89	3.92	4.50
9/09 to 8/10	4.59	4.57	5.10	5.01	5.99	6.08	4.37	4.07	4.06	4.18	5.72	5.75
9/10 to 8/11	6.50	6.70	6.51	5.01	6.30	5.54	3.75	3.60	2.70	1.80	2.62	2.94

Months of Inventory
 Provided by Keller Williams Realty Professional Partners –
 Statistics from August 2011 MLS

Months of Inventory Analysis:

(This report has been generated by taking the number of active listings and dividing it by SALES for the past month)

Sellers:

For the second time in several months, our available months of inventory increased last month – from 2.62 months to 2.94 months. This statistic means, that on average, we remain in what is called a very strong “seller’s market” that is identified when this statistic reflects less than 5 months of inventory. Although this traditionally means that sellers will have more control in a sales transaction than the buyer, it is essential that you are meeting with your real estate professional to determine the ACTUAL market in your area. You may find that you have more or less control than the average.

Buyers:

Buyers will want to seriously monitor this, as it indicates a slight shift in increased inventory – a seller’s market traditionally gives less control to buyers and can create significant competition for the current inventory. However, the type of market will vary from price range to price range and even area to area. Work with your real estate professional to make sure you understand the type of market you are in.





Total Market Overview:

Sellers:

This report provides a detailed breakdown of homes in Maricopa County based on price ... by determining the price range where your home SHOULD sell, you can see what the average list to sales price ratio is, the average days on market, and more importantly, the percentage of homes selling in that price range. Note that as the price increases, so does the days on market AND the list to sales price ratio decreases. You will also see a lower percentage of homes selling as the price increases.

Buyers:

By reviewing the price range where you are purchasing, you can determine what the average home is selling for vs. list price. This should help you make better and more acceptable offers based on the current market.





Maricopa Cty

TOTAL MARKET OVERVIEW

AUGUST 2011

1 MONTH OVERVIEW

1 month averages-----

Price range 1,000s	# of Active listings	# of Pendings & AWC	Pending Ratio	# of Expired & Cancelled listings	# of Closings Last month	Average List Price of Sold Homes	Average Sold Price	List to Sales Price Ratio	Days on Market (Agent)	Days on Market (Cumul)
0 - 99,999	4,169	7,568	181.5%	828	3,431	\$ 62,708	\$ 62,296	99.3%	72	88
100,000- 124,999	1,234	2,118	171.6%	211	919	\$ 113,909	\$ 112,542	98.8%	75	92
125,000- 149,999	1,348	1,896	140.7%	209	774	\$ 137,424	\$ 134,456	97.8%	77	94
150,000- 174,999	991	1,240	125.1%	124	569	\$ 162,023	\$ 159,179	98.2%	84	101
175,000- 199,999	1,019	958	94.0%	128	406	\$ 187,412	\$ 183,160	97.7%	89	106
200,000- 224,999	627	587	93.6%	67	207	\$ 213,186	\$ 207,107	97.1%	86	104
225,000- 249,999	780	573	73.5%	108	280	\$ 238,208	\$ 230,871	96.9%	78	99
250,000- 299,999	1,162	804	69.2%	155	373	\$ 276,563	\$ 267,709	96.8%	97	110
300,000- 349,999	745	425	57.0%	88	204	\$ 328,324	\$ 318,022	96.9%	86	105
350,000- 399,999	636	344	54.1%	72	197	\$ 377,761	\$ 365,246	96.7%	97	123
400,000- 449,999	411	153	37.2%	58	83	\$ 426,989	\$ 410,175	96.1%	107	128
450,000- 499,999	364	159	43.7%	50	67	\$ 478,397	\$ 462,562	96.7%	103	144
500,000- 749,999	901	266	29.5%	98	160	\$ 597,292	\$ 568,381	95.2%	133	158
750,000- 999,999	537	129	24.0%	60	48	\$ 865,324	\$ 813,519	94.0%	161	192
1 million +	1,023	109	10.7%	102	56	\$ 1,748,757	\$ 1,514,467	86.6%	259	297

Total Market Overview

Provided by Keller Williams Realty Professional Partners -
Statistics from August 2011 MLS



Summary Comments

Provided by Keller Williams Realty Professional Partners –
Statistics from August 2011 MLS

IMPORTANT INFORMATION:

Although these reports are beneficial in understanding the general market in Maricopa County, it is essential that you meet with your real estate professional to study these same figures in your area, as statistics will vary from neighborhood to neighborhood.

As you make decisions related to the purchase or sale of a home, it is important that you understand how the current real estate trends will impact your decisions. Your real estate professional is available to help you monitor and interpret them to make sure that you are taking advantage of the current market whether you are selling OR buying.