



Monthly Market Watch for Maricopa County

An overview of what is happening in the Maricopa County real estate market (using June 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 7/5/11.

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.

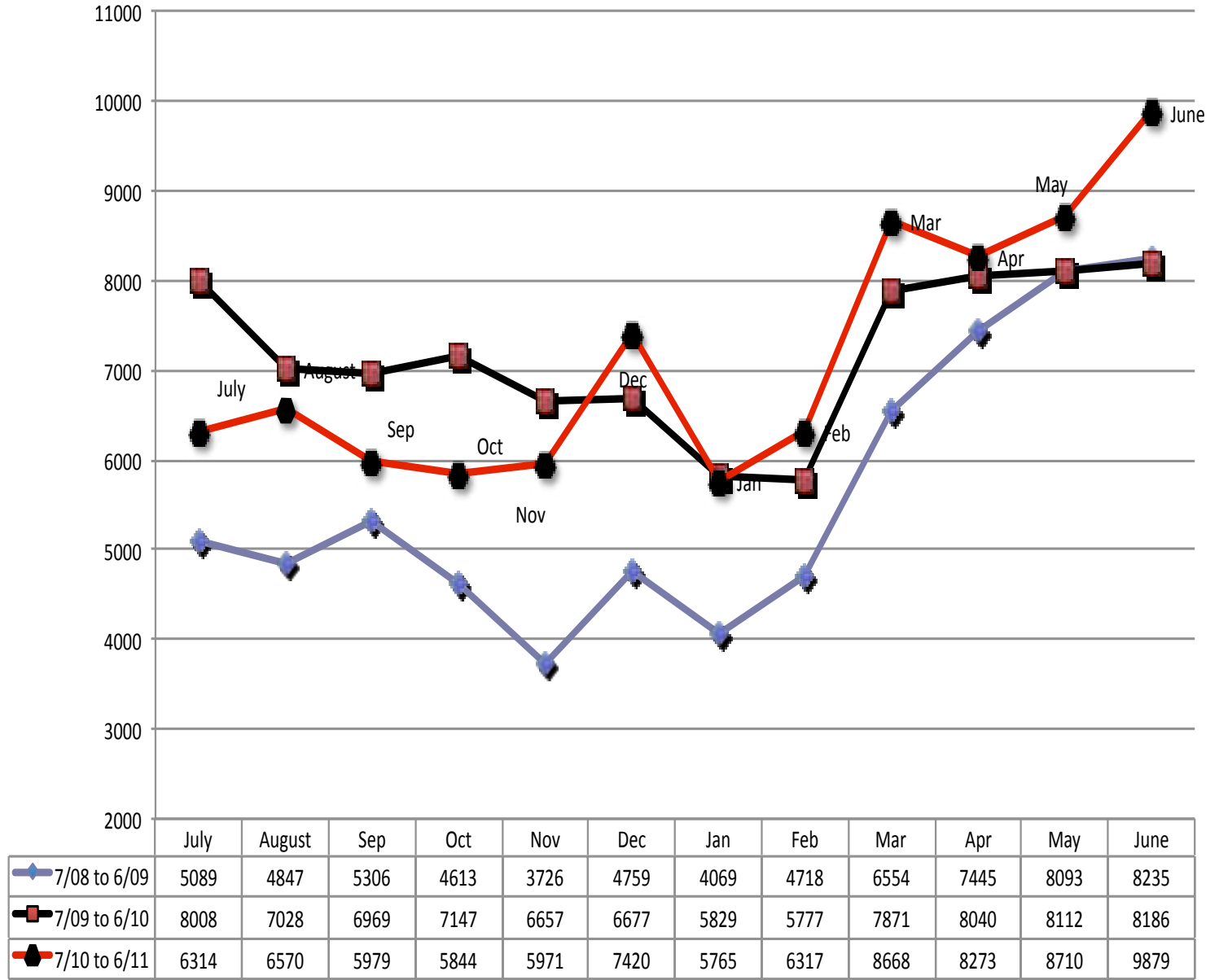




Closed Sales

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

Total # of Closed Sales (36 month overview)





Closed Sales Report Analysis:

Sellers:

The month of June saw a staggering increase in the number of closed sales of 13.4% over the month of May. Last month 9,879 homes closed – by far the highest amount of closings in the 36-month reporting period. As inventory continues to shrink, we are seeing buyer activity increasing. That means more competition for homes. The results? Sellers may have more control over pricing and terms when negotiating with potential buyers.

Buyers:

This type of activity means that buyers are competing for the best properties at record rates. As you will see later in this report, we have less than 2 months of inventory. Buyers should expect more competition and higher prices as a result. When inventory decreases, demand tends to increase. 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.

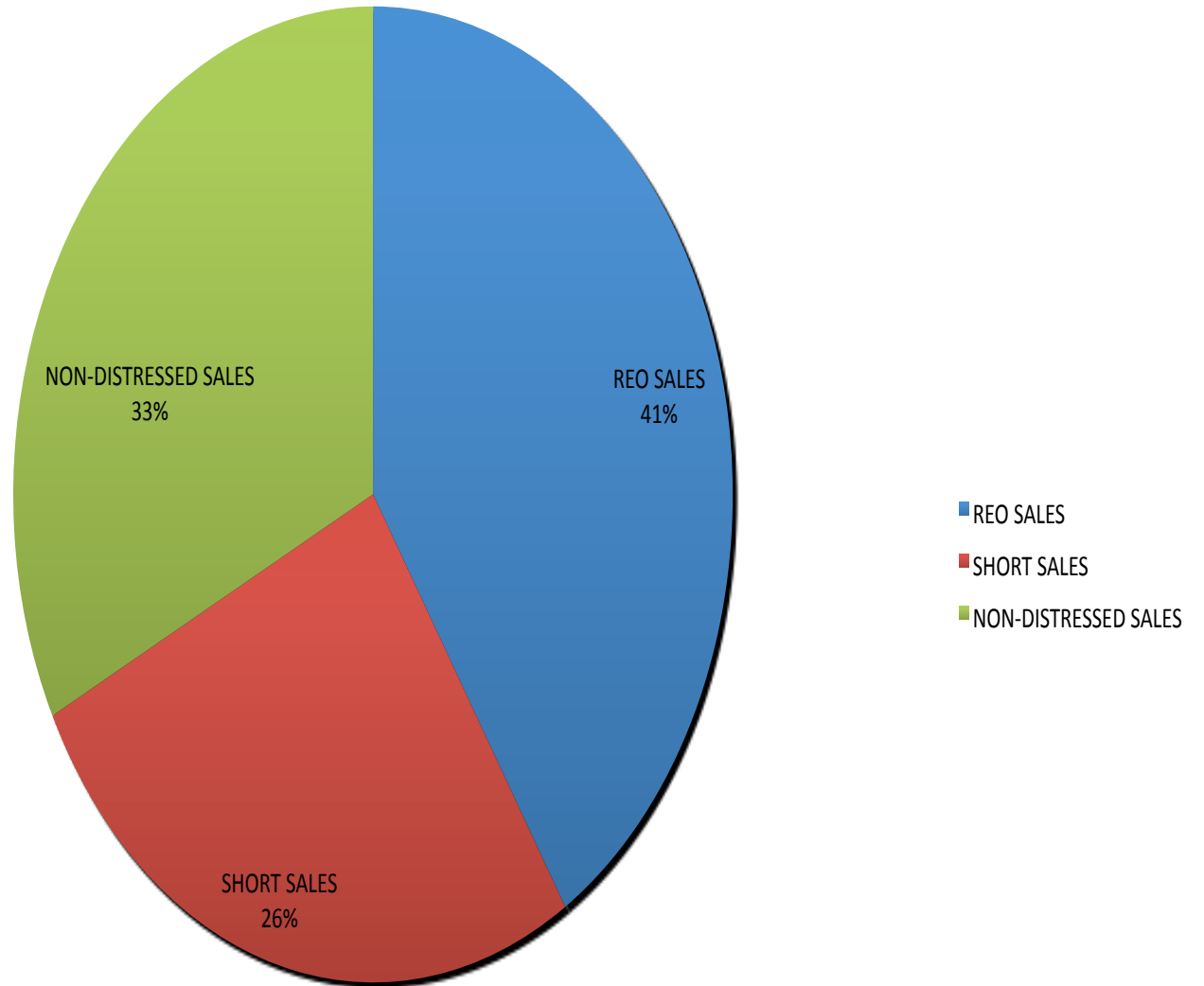


Distressed Sales

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

REO, SHORT SALE & NON-DISTRESSED SALES COMPARISON

June 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.

June statistics saw a slight drop in the number of REO/bank owned AND traditional sales; however, short sales increased by 5% over the month of May. Sellers and buyers need to monitor this trend to see how the market continues to respond to the current inventory.

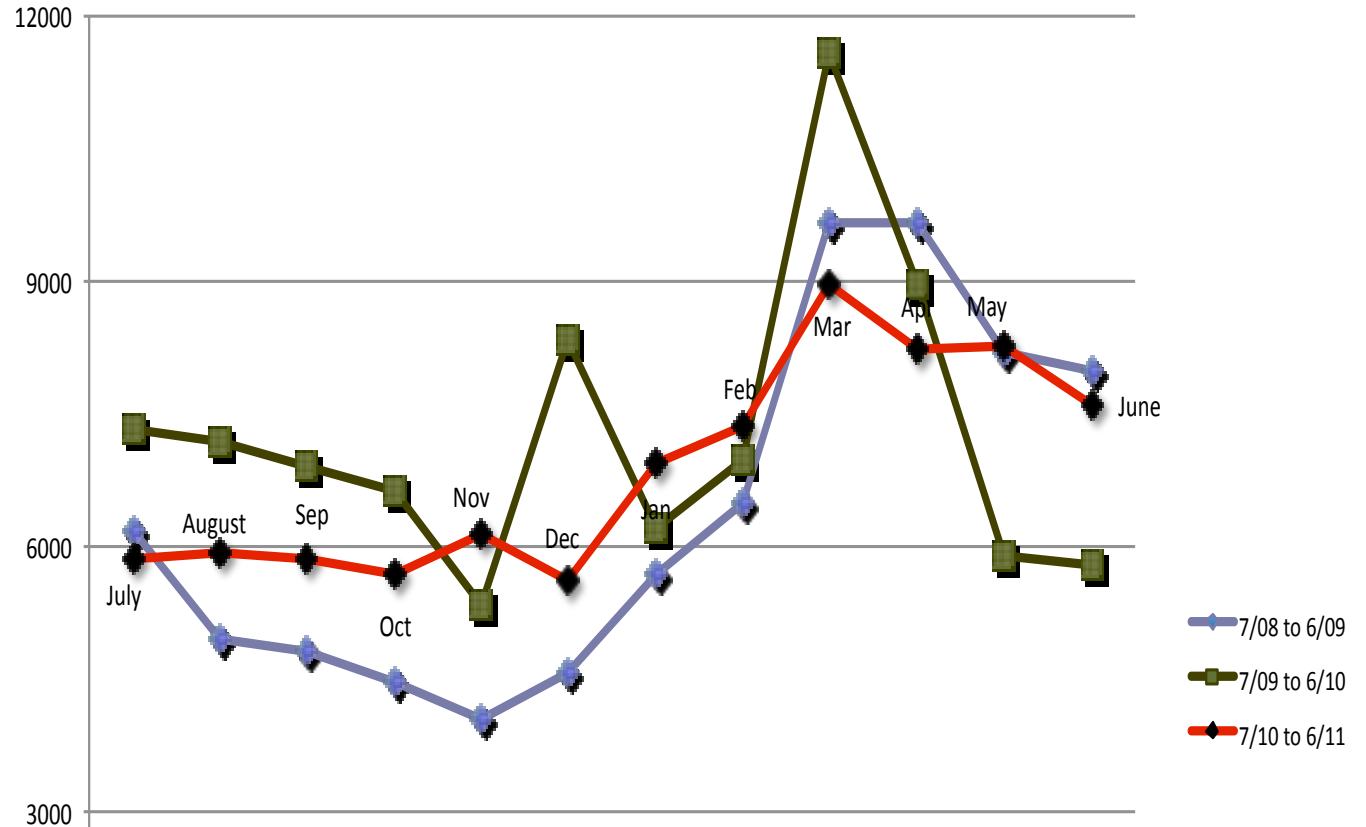




Pending Sales

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

Total # of Pending Sales (36 month overview)



	July	August	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
7/08 to 6/09	6177	4963	4796	4449	4031	4552	5662	6470	9641	9641	8190	7969
7/09 to 6/10	7300	7179	6882	6624	5321	8331	6204	6975	11584	8946	5905	5772
7/10 to 6/11	5855	5936	5861	5674	6125	5595	6932	7350	8969	8207	8252	7603



Pending Sales Report Analysis:

Sellers:

The month of May saw a significant DECREASE in the number of homes that moved to pending status over the month of May – a 7.9% decrease. This is no doubt due to the shrinking inventory – there are simply fewer homes available, so we would expect that the number of homes going under contract would follow that trend. This statistic shows that homes continue to move to under contract status AND eventually to SOLD status.

Buyers:

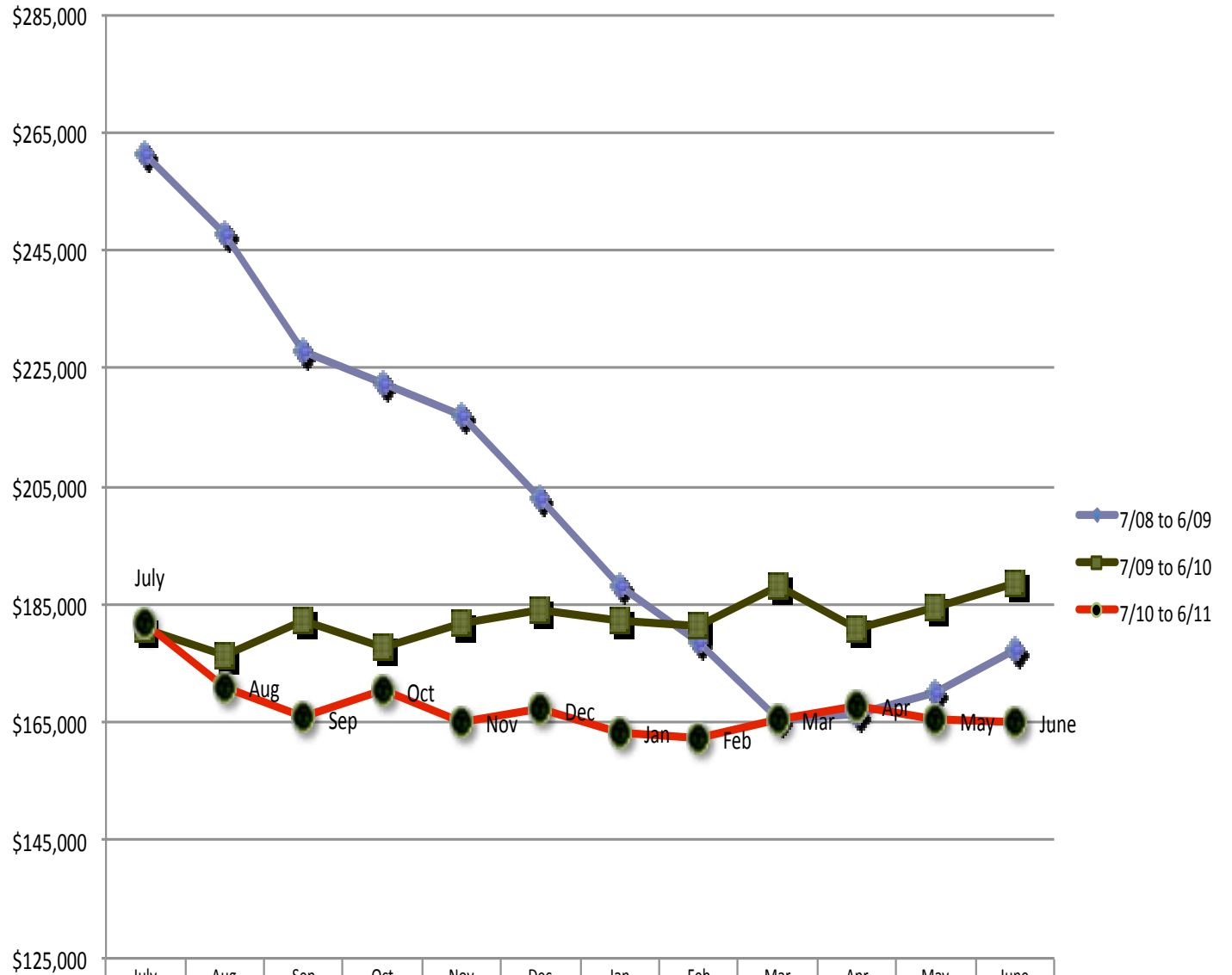
Buyers continue to take advantage of the current real estate market... they are hearing about great prices, homes that offer the amenities they want, and great loan rates and programs. Buyer activity has remained very high. For buyers who are waiting for prices to drop or to find that perfect home, the 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)



	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
7/08 to 6/09	\$261,238	\$247,587	\$227,672	\$222,284	\$216,819	\$202,801	\$188,174	\$178,659	\$165,298	\$166,355	\$169,800	\$177,246
7/09 to 6/10	\$181,038	\$176,326	\$182,231	\$177,512	\$181,895	\$184,008	\$182,387	\$181,472	\$187,979	\$180,896	\$184,312	\$188,568
7/10 to 6/11	\$181,730	\$171,036	\$165,730	\$170,326	\$165,108	\$167,154	\$163,403	\$162,283	\$165,559	\$167,850	\$165,431	\$165,035

Average Sales Price

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

Average Sales Price Analysis

Sellers:

For the second month in a row, we saw a decrease in the average sales price to \$165,035. This remains as the lowest average price since February of this year. Don't be confused by this decrease. It does not mean that prices are decreasing as much as it does that the lower priced homes are more likely to sell. 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 you real estate professional to make sure you have the best possible information regarding the market value of homes.

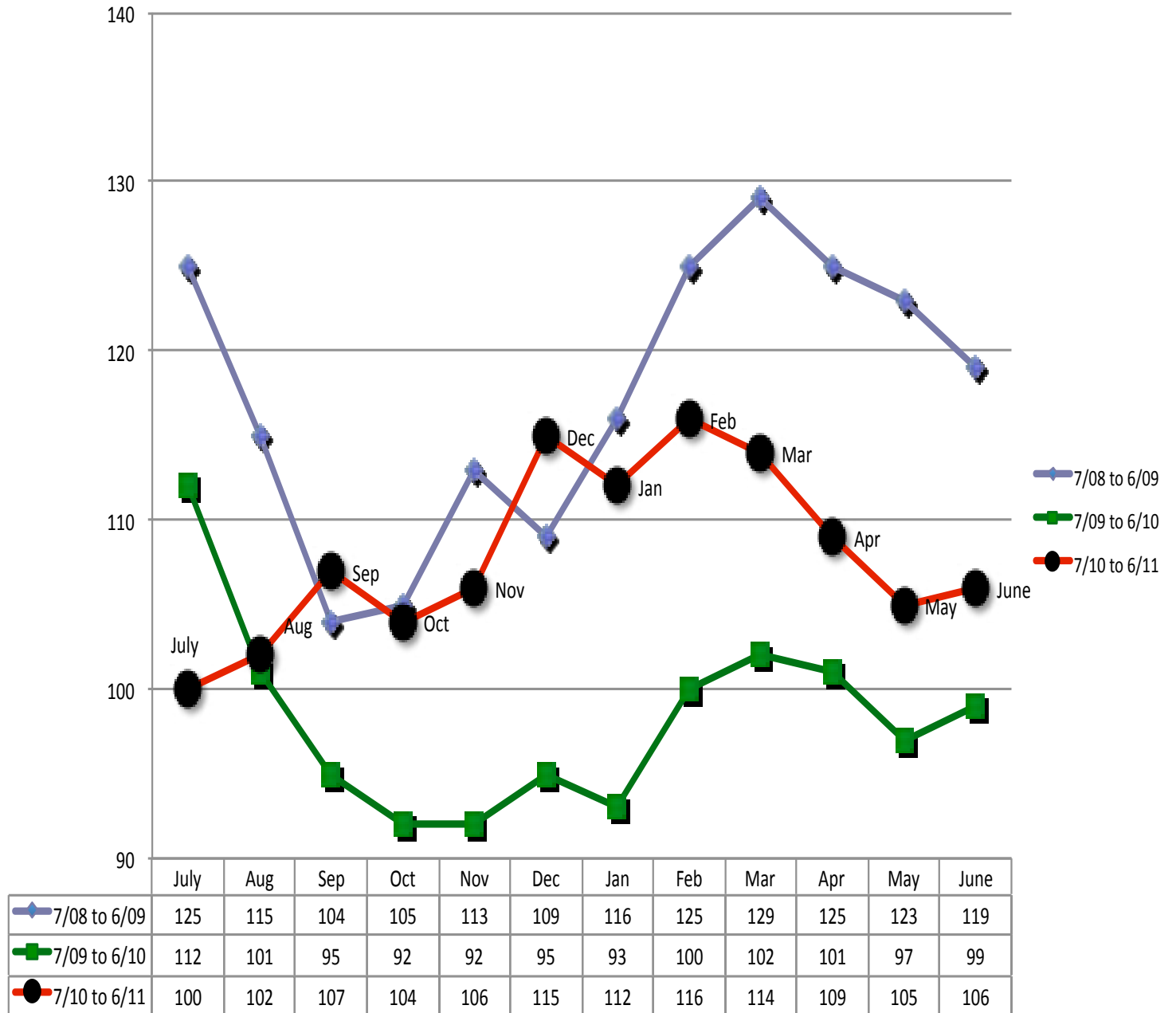




Average Days on Market

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

Average Days on Market (36 month overview)





Average Days on Market Analysis

Sellers:

With the decreased inventory AND the increased buyer demand, it should come as no surprise that the average number of days on a CLOSED home remained consistent over the prior month with an average of 106 days. Lower priced homes are still tending to sell more quickly; the higher priced homes still may find that they are staying on the market longer because of demands and financing restrictions.

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.

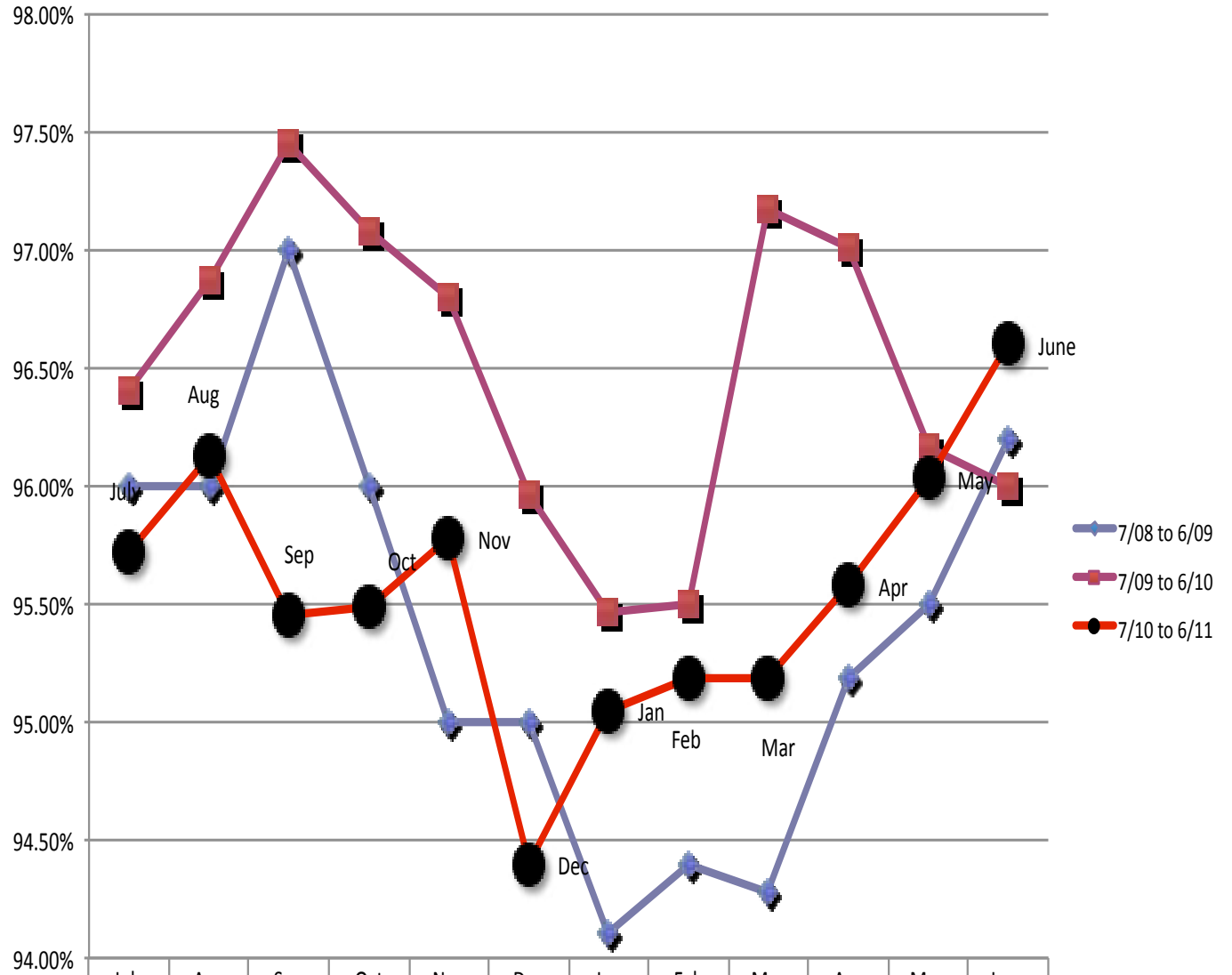




Average List to Sales Price Ratio

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

Average List to Sales Price Ratio (36 month overview)



	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
7/08 to 6/09	96.00%	96.00%	97.00%	96.00%	95.00%	95.00%	94.10%	94.40%	94.28%	95.18%	95.50%	96.20%
7/09 to 6/10	96.40%	96.87%	97.45%	97.08%	96.80%	95.96%	95.46%	95.50%	97.17%	97.01%	96.16%	96.00%
7/10 to 6/11	95.72%	96.13%	95.45%	95.49%	95.78%	94.40%	95.05%	95.18%	95.18%	95.58%	96.03%	96.60%



List to Sale Price Ratio Analysis

Sellers:

For the 5th month in a row, we have seen an INCREASE in list to sales price ratio. June saw the average seller receiving 96.6% of the price at which the home was listed. Continue to watch this trend, as it will 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 months of December, January, February, March, April, May AND June. 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.

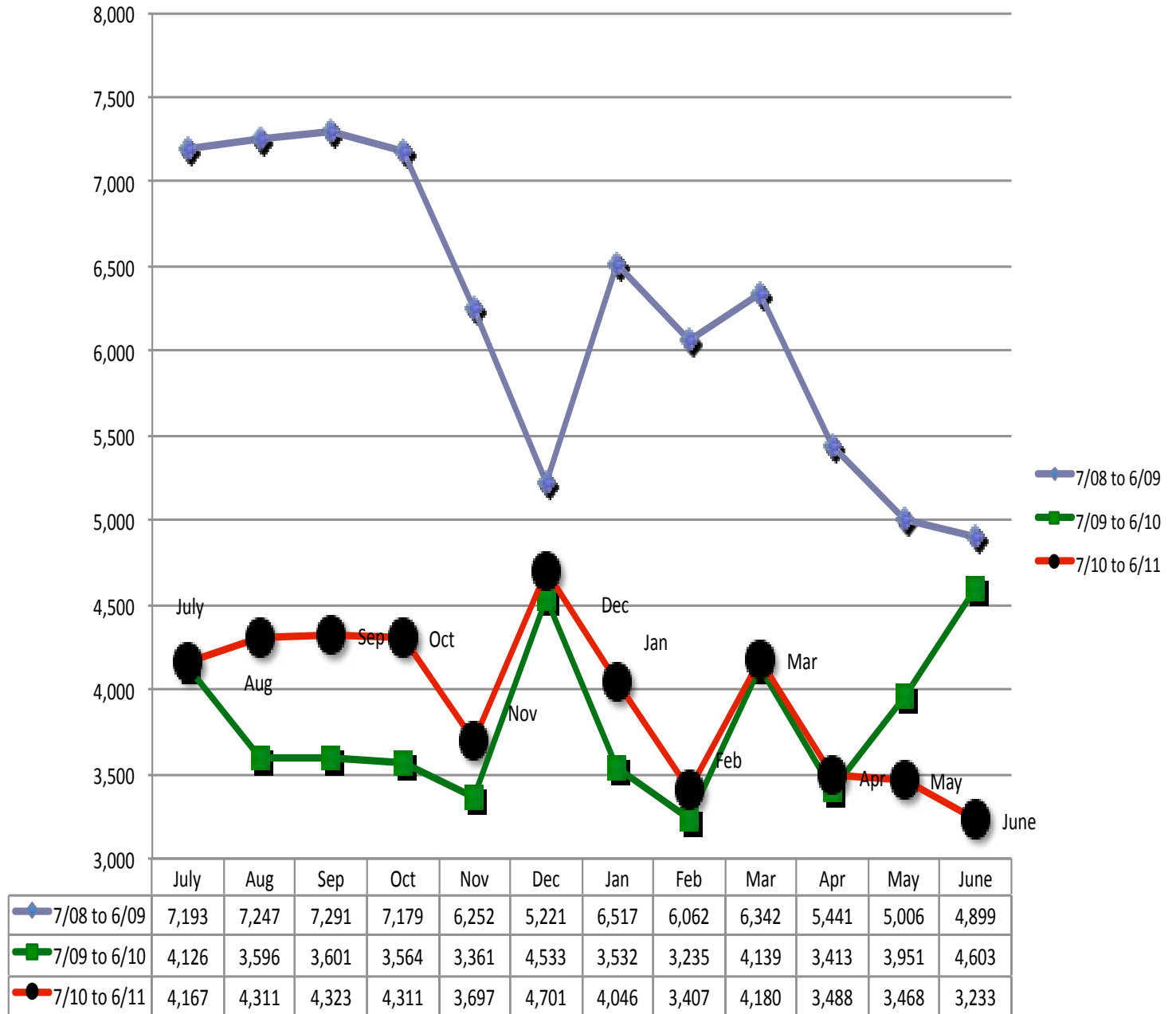




Monthly Expired & Cancelled Listings

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

Monthly Expired and Cancelled Listings (36 month overview)



Expired & Cancelled Listings Analysis

Sellers:

June saw a decrease of 235 homes in the number of expired and cancelled listings for a total of 3,233 homes that were removed from the market. This should come as no surprise since the inventory has been shrinking. 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 3,233 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.

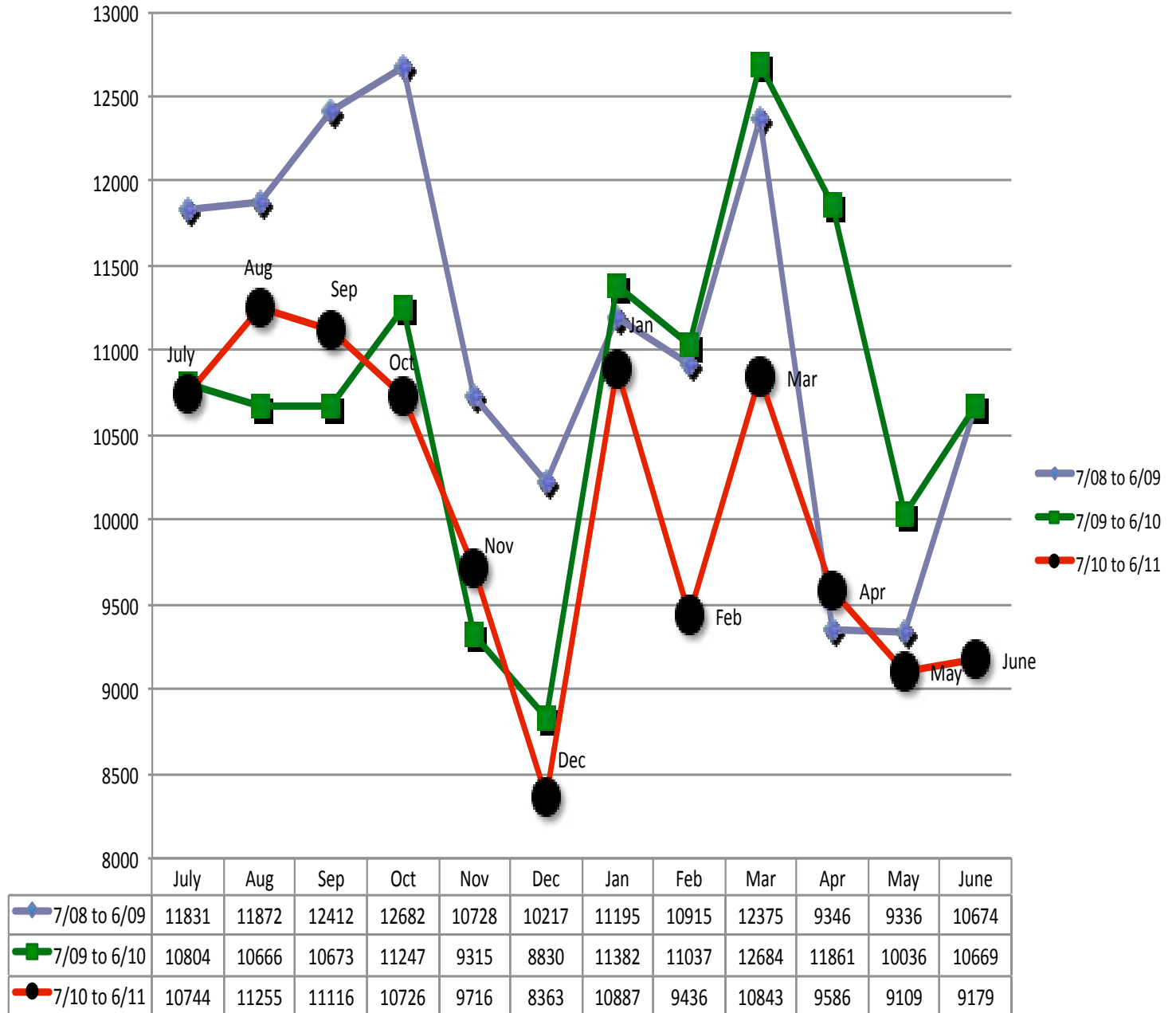




New Listings

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

New Listings (by month)





New Listings Analysis

Sellers:

June normally sees an increase in new listings entering the market. Last month followed this trend with an increase of 70 in new homes entering the market, for a total of 9,179 new listings. These new opportunities could be traditional sales OR they could be distressed sales. Sellers need to continue monitoring this statistic to see how market fluctuations impact the sale of their home.

Buyers:

This is important news for buyers, as it means there was a slight increase in the number of homes entering the market, as is normal during this time of year.

It is 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.

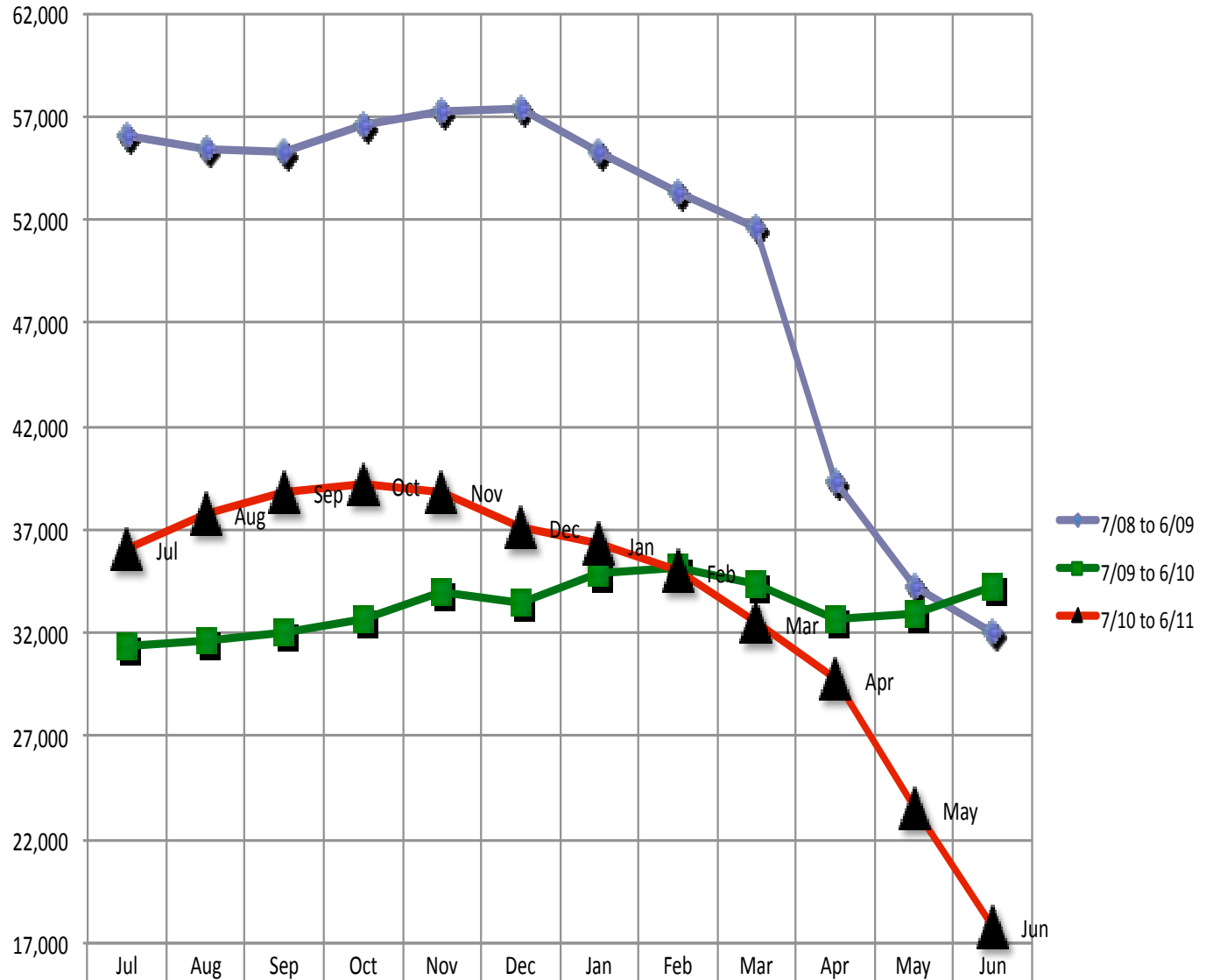




Active Listings

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

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



7/08 to 6/09	56,005	55,400	55,323	56,561	57,264	57,350	55,247	53,313	51,679	39,286	34,195	32,010
7/09 to 6/10	31,375	31,591	31,962	32,658	33,962	33,460	34,906	35,114	34,426	32,728	32,970	34,224
7/10 to 6/11	36,097	37,754	38,838	39,176	38,876	37,159	36,299	34,991	32,485	29,785	23,477	17,816



Active Listings Analysis

Sellers:

For the 8th month in a row, the number of active residential listings has decreased. The drop in June was a dramatic 24% reduction! This is by far the lowest we have seen in the 36 month reporting period – it is nearly ½ of the available inventory just one year ago. 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:

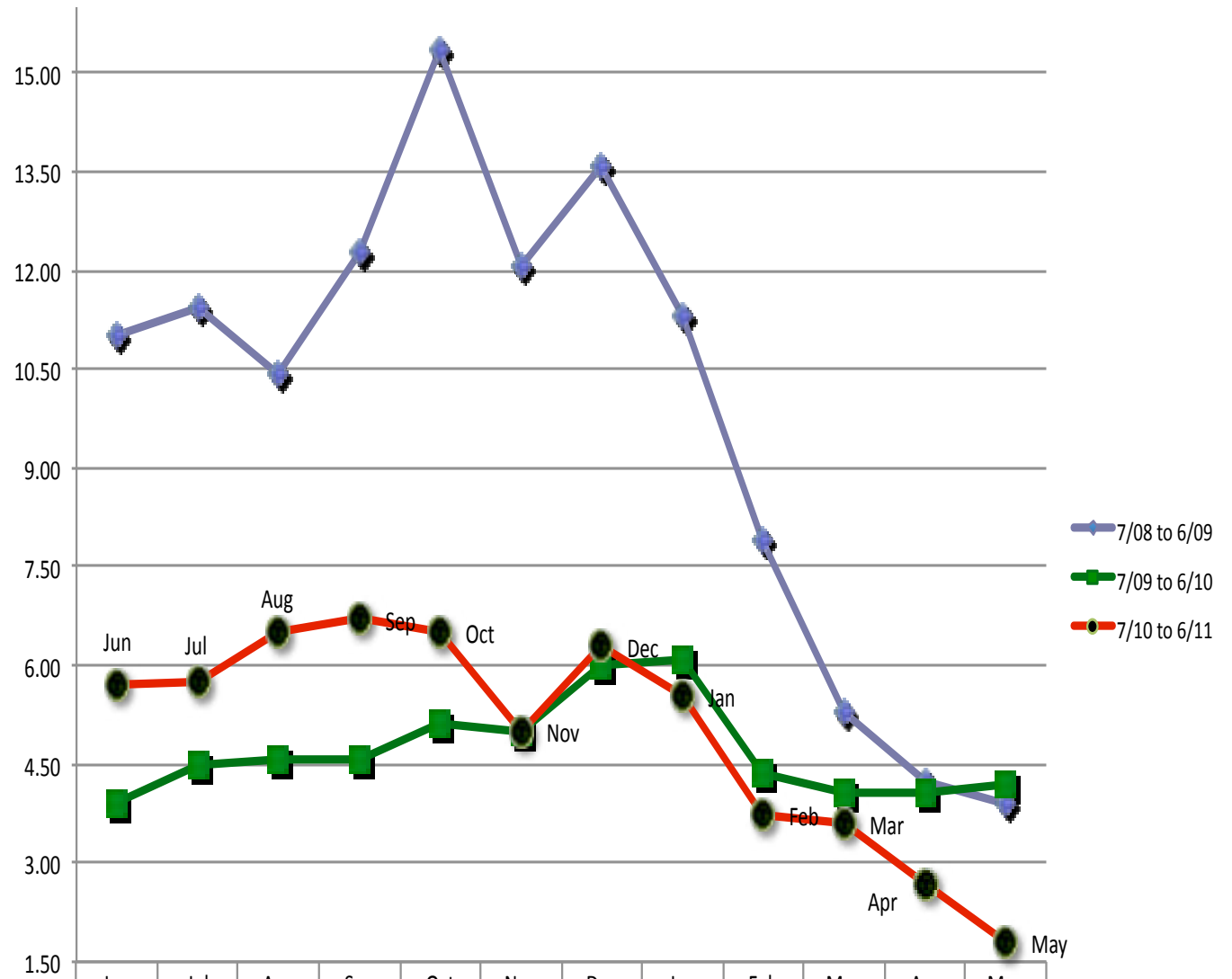
Buyers still have inventory to preview, but that amount is trending downward. Continue to monitor this statistic, as it WILL be the statistic that indicates how much new inventory you will have to preview ... the lower the number, the more likely the competitiveness for lower priced homes will remain 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)



	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
7/08 to 6/09	11.01	11.43	10.43	12.26	15.37	12.05	13.58	11.30	7.89	5.28	4.23	3.89
7/09 to 6/10	3.92	4.50	4.59	4.57	5.10	5.01	5.99	6.08	4.37	4.07	4.06	4.18
7/10 to 6/11	5.72	5.75	6.50	6.70	6.51	5.01	6.30	5.54	3.75	3.60	2.70	1.80

Months of Inventory
 Provided by Keller Williams Realty Professional Partners –
 Statistics from June 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:

The available months of inventory should also not come as no surprise to anyone. With fewer available properties, more closed and pending sales, the available months of inventory has once again hit a 36-month low – only 1.8 months – a drop of .9 months just since May! This statistic means, that on average, we are in now 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 deeper shift into a sellers’ market – 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

JUNE

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	5,220	7,739	148.3%	1,117	4,181	\$ 62,585	\$ 63,785	101.9%	76	95
100,000- 124,999	1,552	2,084	134.3%	300	1,091	\$ 113,648	\$ 111,373	98.0%	84	107
125,000- 149,999	1,530	1,749	114.3%	277	1,045	\$ 137,413	\$ 134,221	97.7%	85	104
150,000- 174,999	1,103	1,199	108.7%	170	724	\$ 162,556	\$ 159,083	97.9%	92	109
175,000- 199,999	1,071	993	92.7%	177	558	\$ 187,644	\$ 182,176	97.1%	91	110
200,000- 224,999	665	512	77.0%	102	335	\$ 212,812	\$ 208,210	97.8%	85	108
225,000- 249,999	804	550	68.4%	128	366	\$ 237,653	\$ 231,029	97.2%	75	92
250,000- 299,999	1,171	799	68.2%	196	462	\$ 275,470	\$ 266,176	96.6%	93	112
300,000- 349,999	735	460	62.6%	119	294	\$ 327,941	\$ 314,250	95.8%	95	117
350,000- 399,999	658	362	55.0%	108	207	\$ 377,298	\$ 363,477	96.3%	111	122
400,000- 449,999	405	168	41.5%	52	104	\$ 425,361	\$ 404,567	95.1%	113	123
450,000- 499,999	390	160	41.0%	66	108	\$ 476,576	\$ 456,989	95.9%	92	108
500,000- 749,999	886	355	40.1%	173	220	\$ 612,548	\$ 578,083	94.4%	134	157
750,000- 999,999	557	145	26.0%	78	92	\$ 854,573	\$ 801,410	93.8%	166	207
1 million +	1,074	149	13.9%	170	91	\$ 1,830,796	\$ 1,623,071	88.7%	181	214

Total Market Overview

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



Summary Comments

Provided by Keller Williams Realty Professional Partners –
Statistics from June 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.