



Monthly Market Watch for Maricopa County

An overview of what is happening in the Maricopa County real estate market (using November 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 12/3/11.

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.

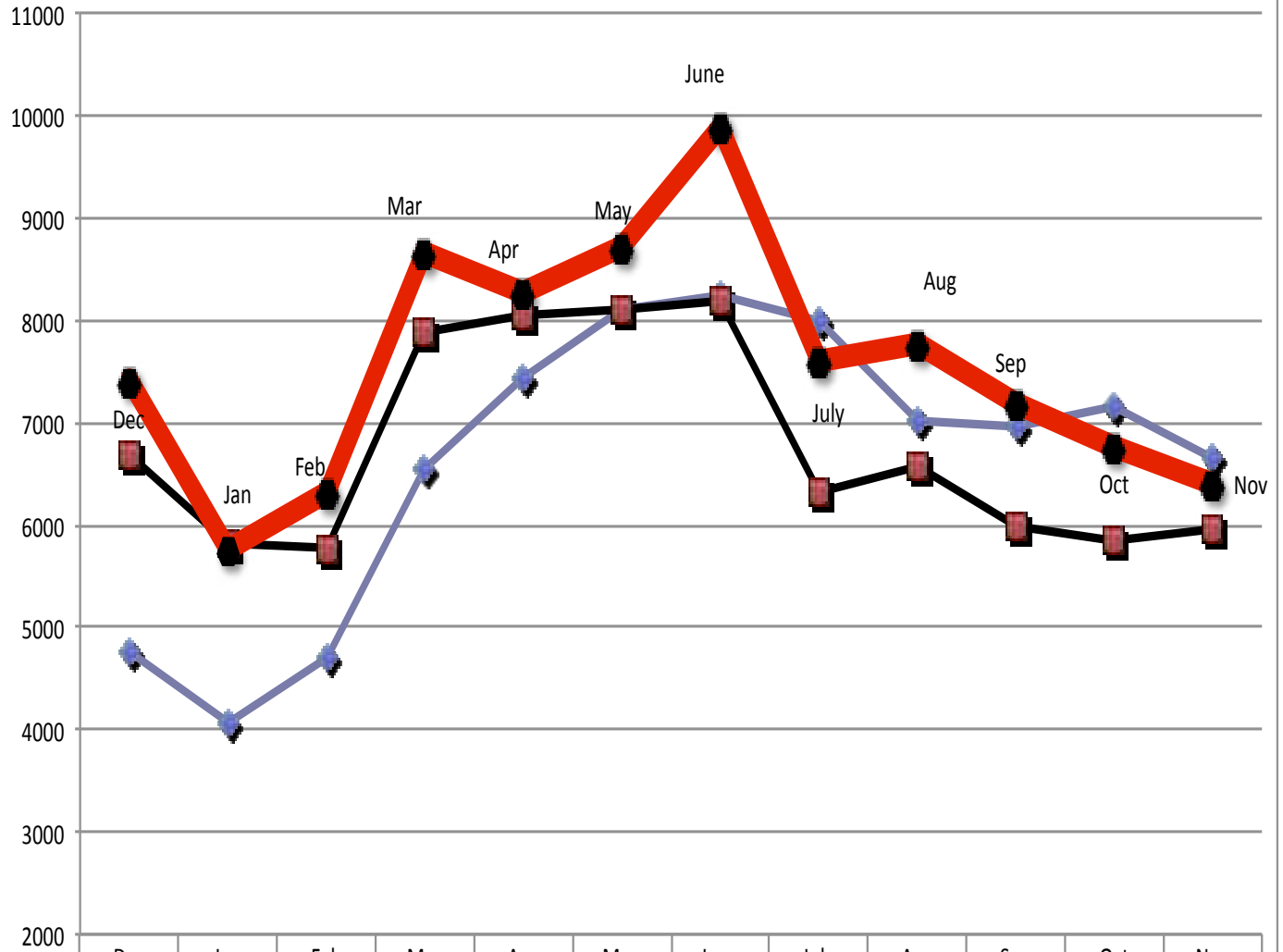




Closed Sales

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

Total # of Closed Sales (36 month overview)



	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
12/08 to 11/09	4759	4069	4718	6554	7445	8093	8235	8008	7028	6969	7147	6657
12/09 to 11/10	6677	5829	5777	7871	8040	8112	8186	6314	6570	5979	5844	5971
12/10 to 11/11	7420	5765	6317	8668	8273	8710	9879	7598	7775	7193	6756	6418



Closed Sales Report Analysis:

Sellers:

As inventory continues to decrease, so do the number of closed sales. The month of October saw a 5% drop in the number of closed units. For sellers, this means that homes continue to sell in this high-demand market IF they are a perceived value to buyers. New home builders are ramping up their inventory to provide options to buyers so sellers need to continue to monitor market activity.

Buyers:

Buyers must still pay very close attention to this number. Although the number of closed sales has decreased, this in no way reflects that buyers are not buying. We continue to see a great deal of competition for homes on the market which is resulting in double-digit multiple offers AND homes selling for above list price because of the competitive nature of the 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.

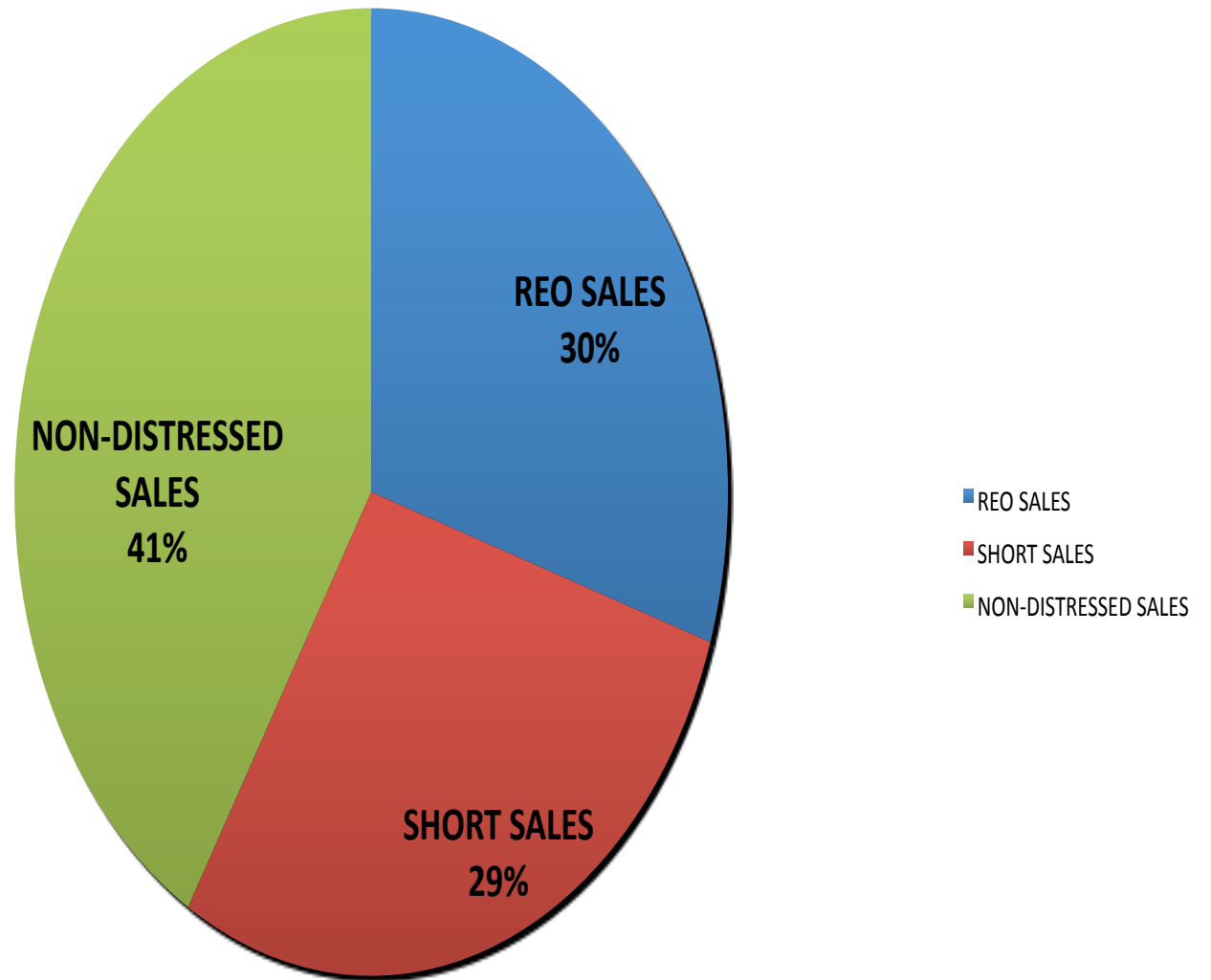




Distressed Sales

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

REO, SHORT SALE & NON-DISTRESSED SALES COMPARISON November 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.

November statistics saw bank owned/foreclose sales DECREASE by 6%, short sales remain constant, and traditional sales INCREASE 6% when compared to the month of October.

This statistic means that the competition from foreclosure properties decreased while traditional sales from sellers with equity AND investors who are flipping properties increased dramatically. Sellers and buyers need to monitor this trend to see how the market continues to respond to the current inventory.

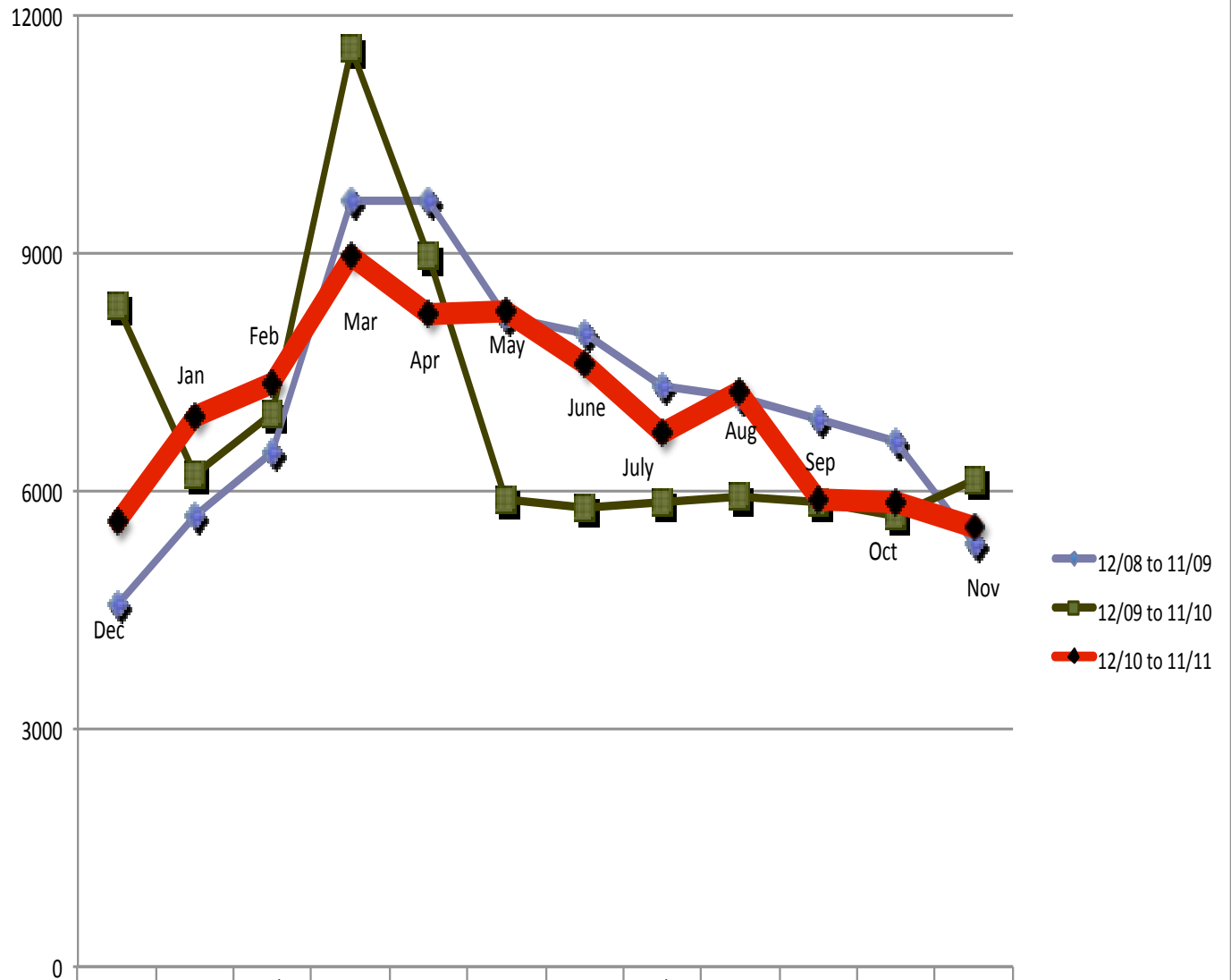




Pending Sales

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

Total # of Pending Sales (36 month overview)



	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
12/08 to 11/09	4552	5662	6470	9641	9641	8190	7969	7300	7179	6882	6624	5321
12/09 to 11/10	8331	6204	6975	11584	8946	5905	5772	5855	5936	5861	5674	6125
12/10 to 11/11	5595	6932	7350	8969	8207	8252	7603	6710	7246	5901	5862	5532



Pending Sales Report Analysis:

Sellers:

As inventory decreases, it should come as no surprise that the number of pending sales will also decrease. November saw a 5.6% DECREASE in pending sales, for a total of 5,532 vs. 5,862 in October. Sellers should continue to monitor these numbers to determine what type of activity there should be on their homes.

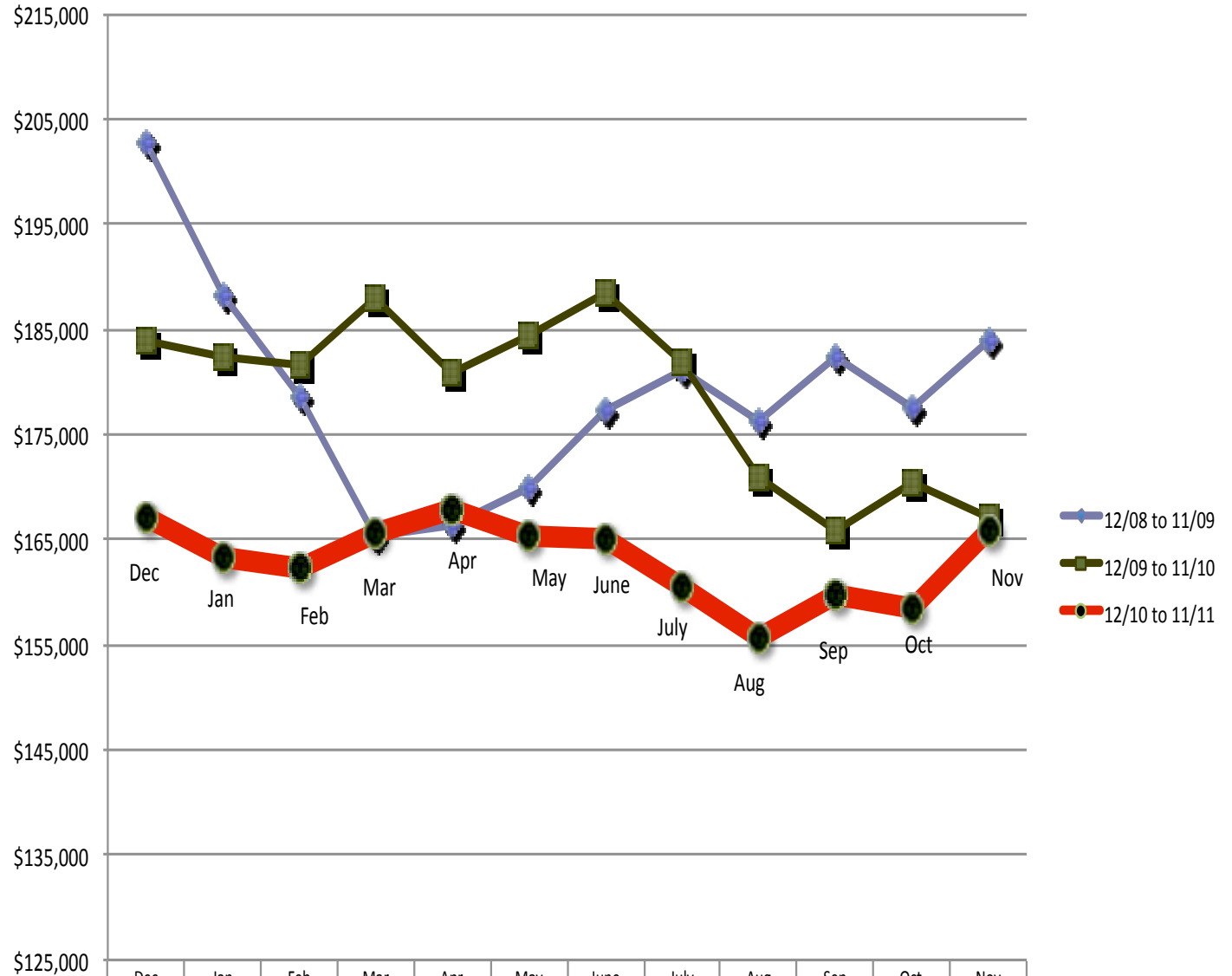
Buyers:

Buyer activity continues to remain very high. Educated and savvy buyers understand that a competitive market gives them fewer options for home choices, negotiating on price AND looking for concessions from a seller. Although this may vary from area to area AND from price range to price range, buyers need to make sure they are fully informed regarding the individual market in which they have an interest. This will give them the best chance of being competitive in the search for a home.





Average Sales Price (36 month overview)



Average Sales Price

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

Average Sales Price Analysis

Sellers:

With the decrease in inventory, it should come as no surprise that home prices are now on the rise. **November saw an astounding 4.6% increase in price over the prior month.** This is the largest dollar increase in the 36-month reporting period.

The average increased from \$158,517 to \$165,808. Although this is very good news for sellers, sellers need to remain cautious as they see the impact that appraisals and final loan underwriting have in validating these increases

Buyers:

For buyers, it is important to be careful about this shift in the price of homes.

This increase means that buyers have 4.6% less buying power than they did in the prior month. Although we have no idea what will happen in future months, the shrinking inventory could provide even more competition for homes on the market, which could result in even higher home prices. 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 and to carefully monitor this trend to see how it will impact the availability, pricing, and terms associated with purchasing a home.

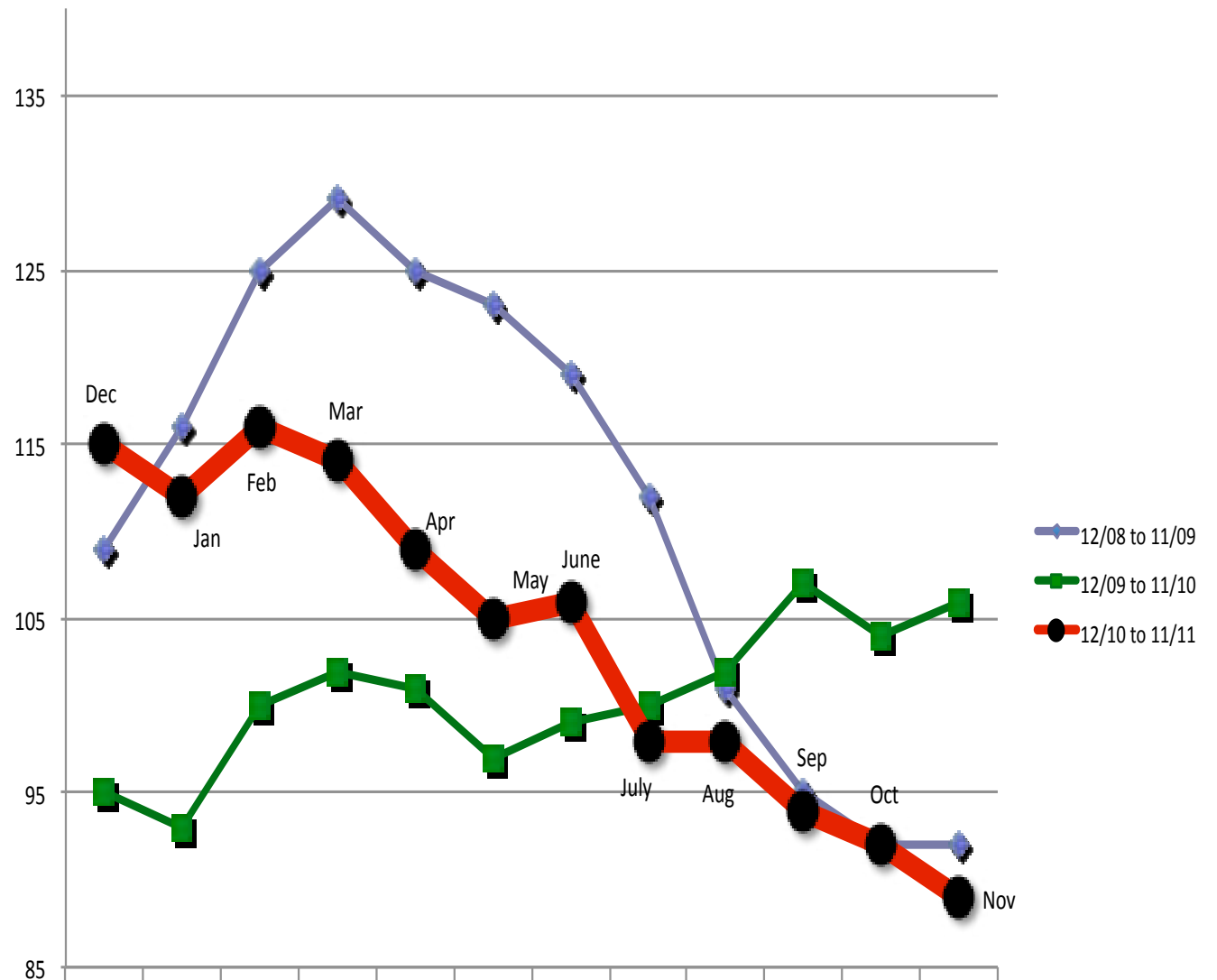




Average Days on Market

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

Average Days on Market (36 month overview)



	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
12/08 to 11/09	109	116	125	129	125	123	119	112	101	95	92	92
12/09 to 11/10	95	93	100	102	101	97	99	100	102	107	104	106
12/10 to 11/11	115	112	116	114	109	105	106	98	98	94	92	89

Average Days on Market Analysis

Sellers:

Prices are up, inventory is down – so it should come as no surprise that once again the average days that a home was on the market in November DECREASED over the prior month by 3 days. On average, it took 89 days for a home to remain on the market before moving to pending status. This is a 22.6% decrease since the beginning of the year. This decrease 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 continues to remain very high.

Buyers:

Buyers beware! When inventory remains on the market for fewer days, it means that sellers are having more success selling their homes. 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.

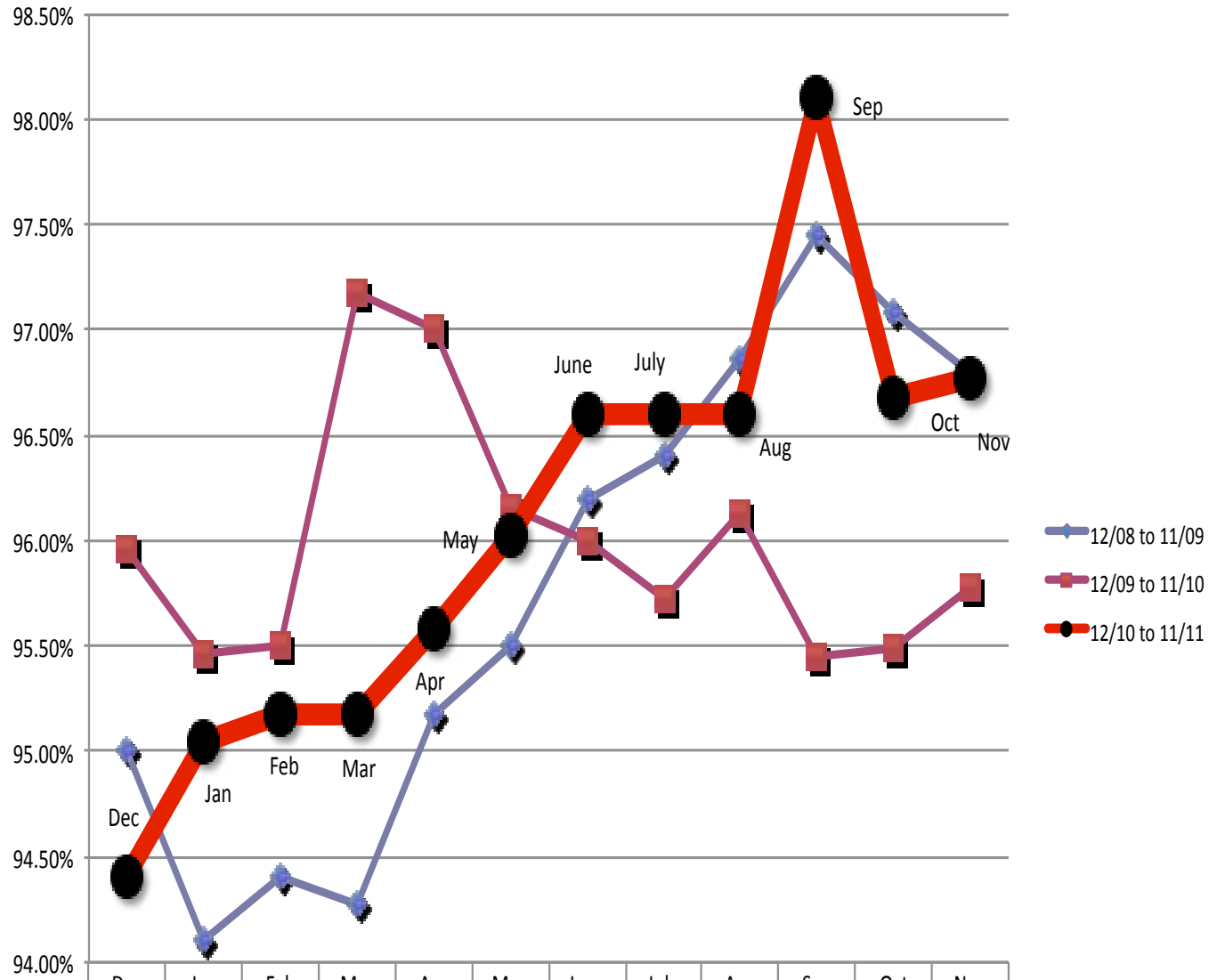




Average List to Sales Price Ratio

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

Average List to Sales Price Ratio (36 month overview)



	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
12/08 to 11/09	95.00%	94.10%	94.40%	94.28%	95.18%	95.50%	96.20%	96.40%	96.87%	97.45%	97.08%	96.80%
12/09 to 11/10	95.96%	95.46%	95.50%	97.17%	97.01%	96.16%	96.00%	95.72%	96.13%	95.45%	95.49%	95.78%
12/10 to 11/11	94.40%	95.05%	95.18%	95.18%	95.58%	96.03%	96.60%	96.60%	96.60%	98.10%	96.68%	96.77%



List to Sale Price Ratio Analysis

Sellers:

The average price a seller receives continues to be on the increase, ending November at 96.77%. The higher the number, the closer the final sales price is to the listing price. With the competitive nature of the market, an increase in this statistic would be expected. 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. As this average inches closer to 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. This could mean that investors have an advantage if they are willing to pay higher than the list price.

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 November 2011 MLS

Monthly Expired and Cancelled Listings (36 month overview)



Expired & Cancelled Listings Analysis

Sellers:

November saw a slight increase in the number of expired and cancelled listings. However, this was still the second lowest number in the 36-month reporting period. 1,957 homes left the market during the month of November. Because of the competitive nature of the market, we would expect that fewer homes would be leaving the market – that is good news for sellers. However, sellers must be very careful to monitor their local market to ensure that they are pricing homes and offering terms that are appealing to buyers.

Buyers:

For buyers, be aware that there are 1,957 fewer homes to consider. At a time when inventory continues to shrink, this means an even tighter market for buyers.

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.

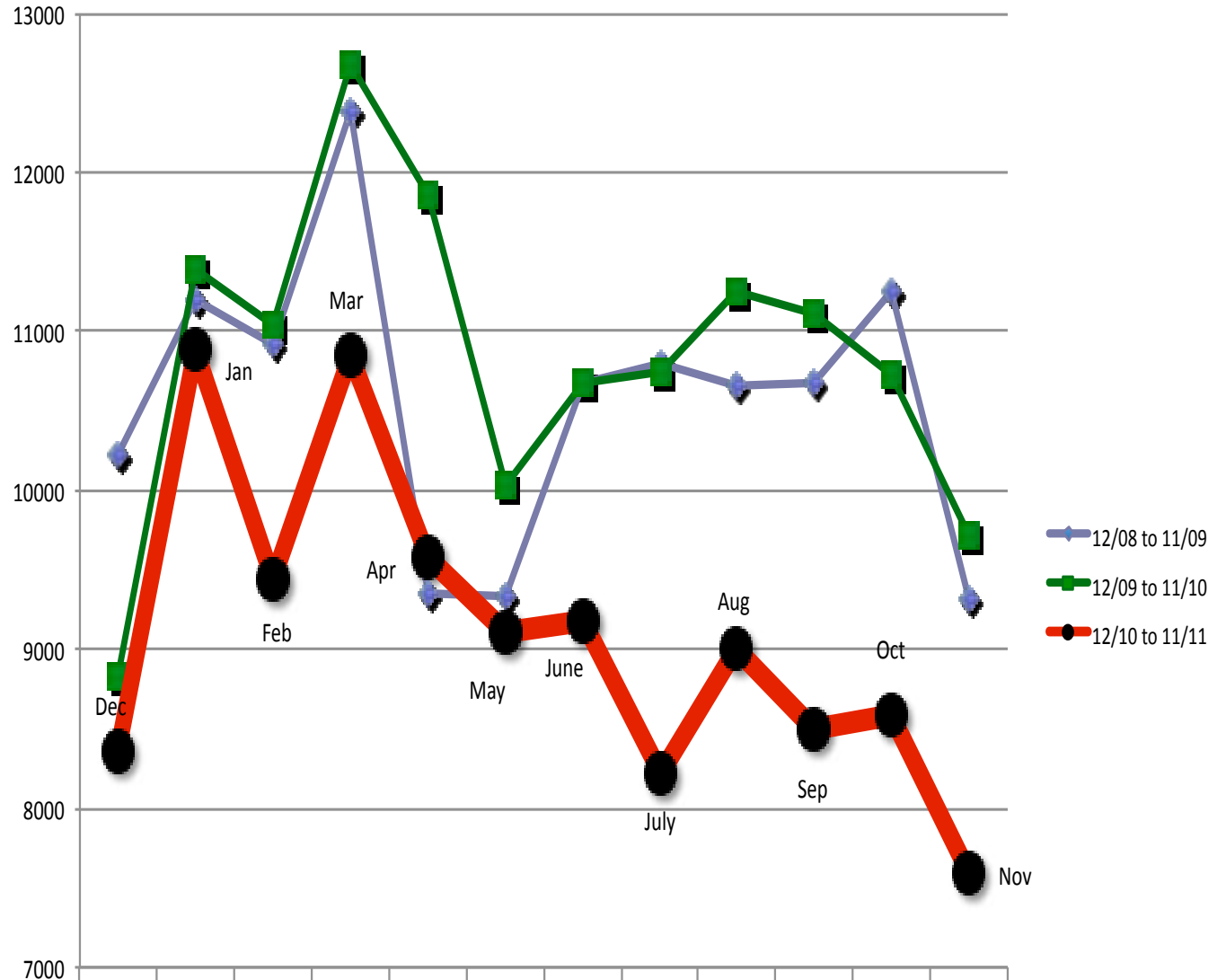




New Listings

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

New Listings (by month)



	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov
12/08 to 11/09	10217	11195	10915	12375	9346	9336	10674	10804	10666	10673	11247	9315
12/09 to 11/10	8830	11382	11037	12684	11861	10036	10669	10744	11255	11116	10726	9716
12/10 to 11/11	8363	10887	9436	10843	9586	9109	9179	8227	9002	8504	8593	7590



New Listings Analysis

Sellers:

All of the stars are lining up for an even more competitive real estate market in the Phoenix metro area. November saw an 11.6% drop in the number of new listings entering the market. Only 7,590 homes entered the market last month, by far the lowest number in the 36-month reporting period. At a time when buyers are competing to find a home, this number means they will have even fewer choices than in the prior months. However, sellers should monitor this new inventory to see how it might impact the sale of their home. In this great market, it is even more important that sellers need to make sure they remain as the top choice for active buyers in the marketplace. If your home is not selling in this aggressive market, it is more than likely a pricing issue – buyers are still looking for the best value possible.

Buyers:

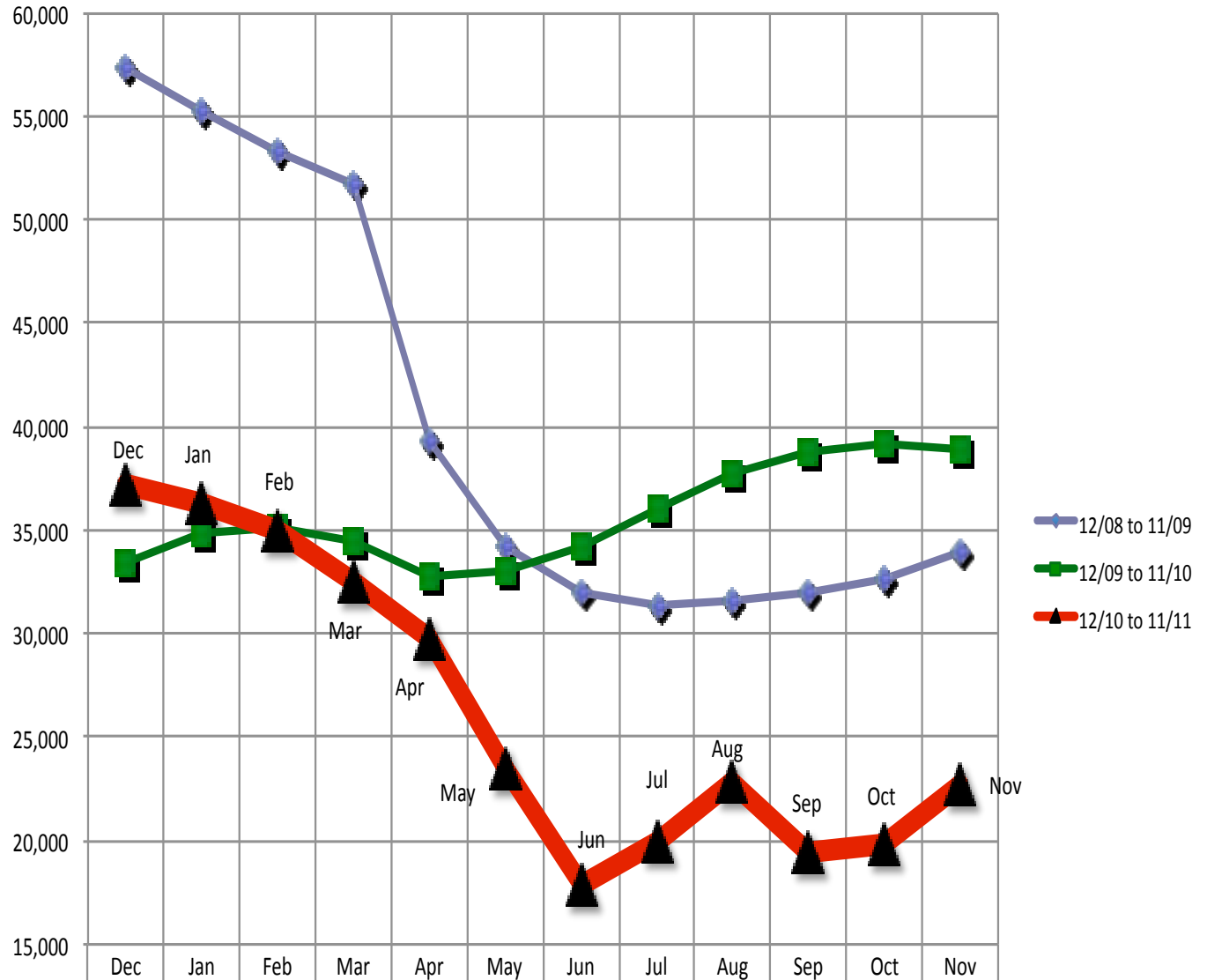
Buyers pay attention! November saw a dramatic number of new inventory entering the market. This is more than likely due to the drop in foreclosed homes becoming available. Many of the banks will “hold off” foreclosing on homes until after the holidays, so you can expect this number will remain low at least through the month of December. More than ever, it is essential that you 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 continued decrease in new listings entering the market could present challenges for finding your next home.



Active Listings

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

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



	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
12/08 to 11/09	57,350	55,247	53,313	51,679	39,286	34,195	32,010	31,375	31,591	31,962	32,658	33,962
12/09 to 11/10	33,460	34,906	35,114	34,426	32,728	32,970	34,224	36,097	37,754	38,838	39,176	38,876
12/10 to 11/11	37,159	36,299	34,991	32,485	29,785	23,477	17,816	19,941	22,864	19,467	19,781	22,773



Active Listings Analysis

Sellers:

For the second month in a row, we have seen an INCREASE in the number of active listings. November saw a dramatic 15.1% increase. This could be due to changes in FHA limits OR that some of this inventory is priced outside of the “affordability” range for many buyers and investors. 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.

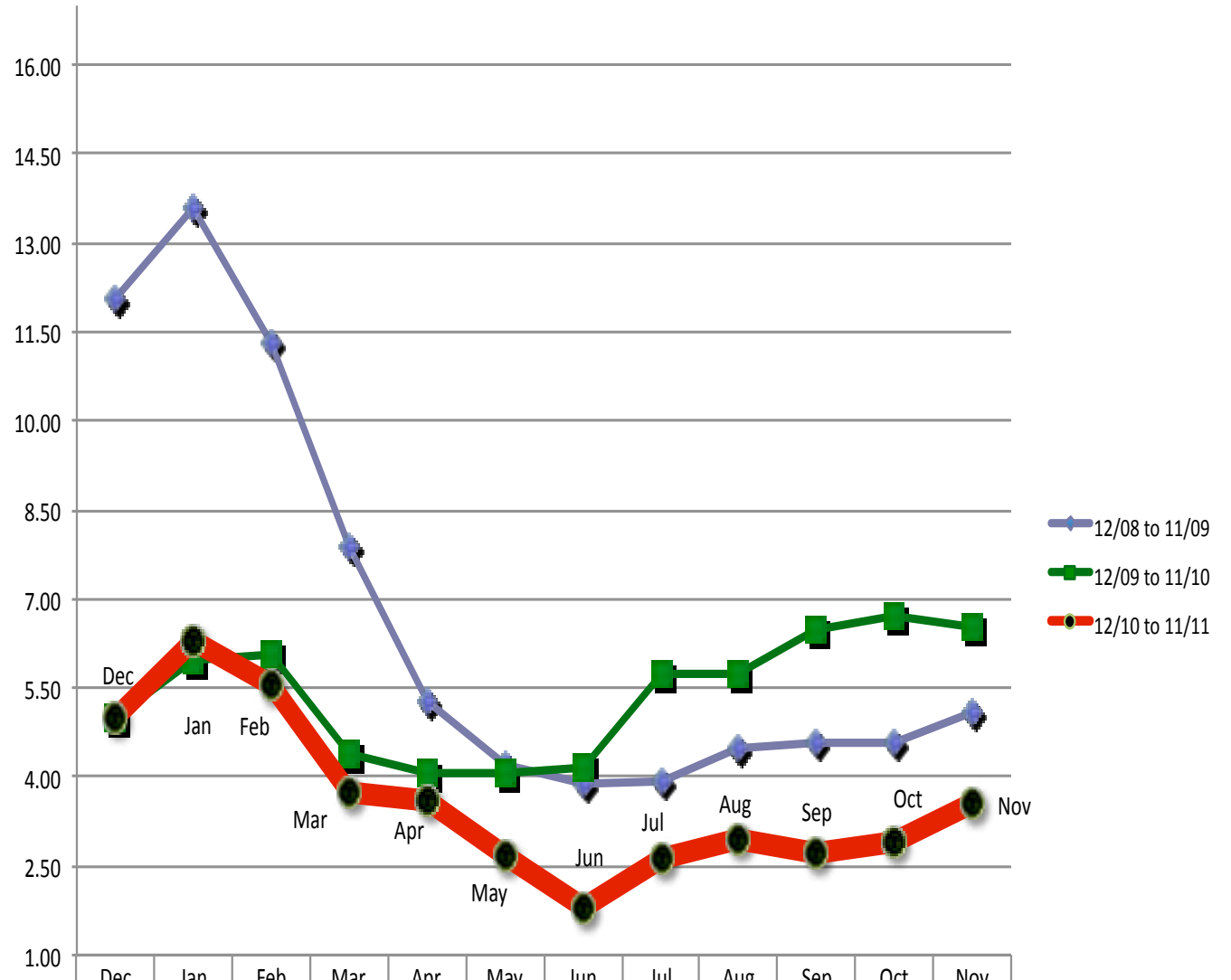
Buyers:

In a market that appears to favor sellers, this is good news for buyers. It means that the available inventory did remain on the market substantially longer last month than in prior months. Continue to monitor this statistic, as it WILL be the statistic that indicates how much inventory you will have to preview and how quickly you will need to act... 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)



	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
12/08 to 11/09	12.05	13.58	11.30	7.89	5.28	4.23	3.89	3.92	4.50	4.59	4.57	5.10
12/09 to 11/10	5.01	5.99	6.08	4.37	4.07	4.06	4.18	5.72	5.75	6.50	6.70	6.51
12/10 to 11/11	5.01	6.30	5.54	3.75	3.60	2.70	1.80	2.62	2.94	2.71	2.93	3.55

Months of Inventory

Provided by Keller Williams Realty Professional Partners -
Statistics from November 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:

Sellers beware as well! November saw a 21.1% increase in the number of months of available inventory. Although it remains very low at 3.55 months, this is a substantial increase over prior months. This is the highest we have seen since April of this year. This statistic means, that on average, we continue to 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 well, as it indicates that there is still low inventory BUT THAT it has shifted in the last couple of months. We remain in a seller's market overall, however, we are inching closing to a balanced 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.





Total Market Overview

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

Maricopa Cty TOTAL MARKET OVERVIEW NOVEMBER 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	3,425	6,676	194.9%	662	2,573	\$ 64,259	\$ 63,555	98.9%	69	80
100,000- 124,999	1,207	1,907	158.0%	164	718	\$ 112,764	\$ 110,760	98.2%	74	85
125,000- 149,999	1,360	1,683	123.8%	172	715	\$ 137,385	\$ 134,836	98.1%	63	74
150,000- 174,999	1,076	1,195	111.1%	116	488	\$ 162,256	\$ 161,830	99.7%	73	86
175,000- 199,999	1,084	906	83.6%	123	417	\$ 187,815	\$ 183,368	97.6%	75	96
200,000- 224,999	642	508	79.1%	63	227	\$ 213,466	\$ 208,690	97.8%	91	109
225,000- 249,999	831	575	69.2%	87	235	\$ 237,383	\$ 231,759	97.6%	77	83
250,000- 299,999	1,268	757	59.7%	121	334	\$ 275,871	\$ 266,404	96.6%	86	99
300,000- 349,999	865	377	43.6%	92	202	\$ 325,494	\$ 314,949	96.8%	87	97
350,000- 399,999	738	327	44.3%	65	141	\$ 376,044	\$ 362,836	96.5%	86	98
400,000- 449,999	496	154	31.0%	37	76	\$ 427,862	\$ 412,171	96.3%	89	113
450,000- 499,999	412	152	36.9%	45	56	\$ 474,841	\$ 453,900	95.6%	130	155
500,000- 749,999	1,008	284	28.2%	85	119	\$ 605,473	\$ 575,269	95.0%	148	156
750,000- 999,999	614	118	19.2%	52	60	\$ 853,363	\$ 810,247	94.9%	118	135
1 million +	1,141	109	9.6%	73	57	\$ 1,763,207	\$ 1,584,533	89.9%	192	223



Summary Comments

Provided by Keller Williams Realty Professional Partners -
Statistics from November 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.