



Monthly Market Watch for Maricopa County

**An overview of what is happening
in the Maricopa County
real estate market
(using June 2010 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 7/5/10.

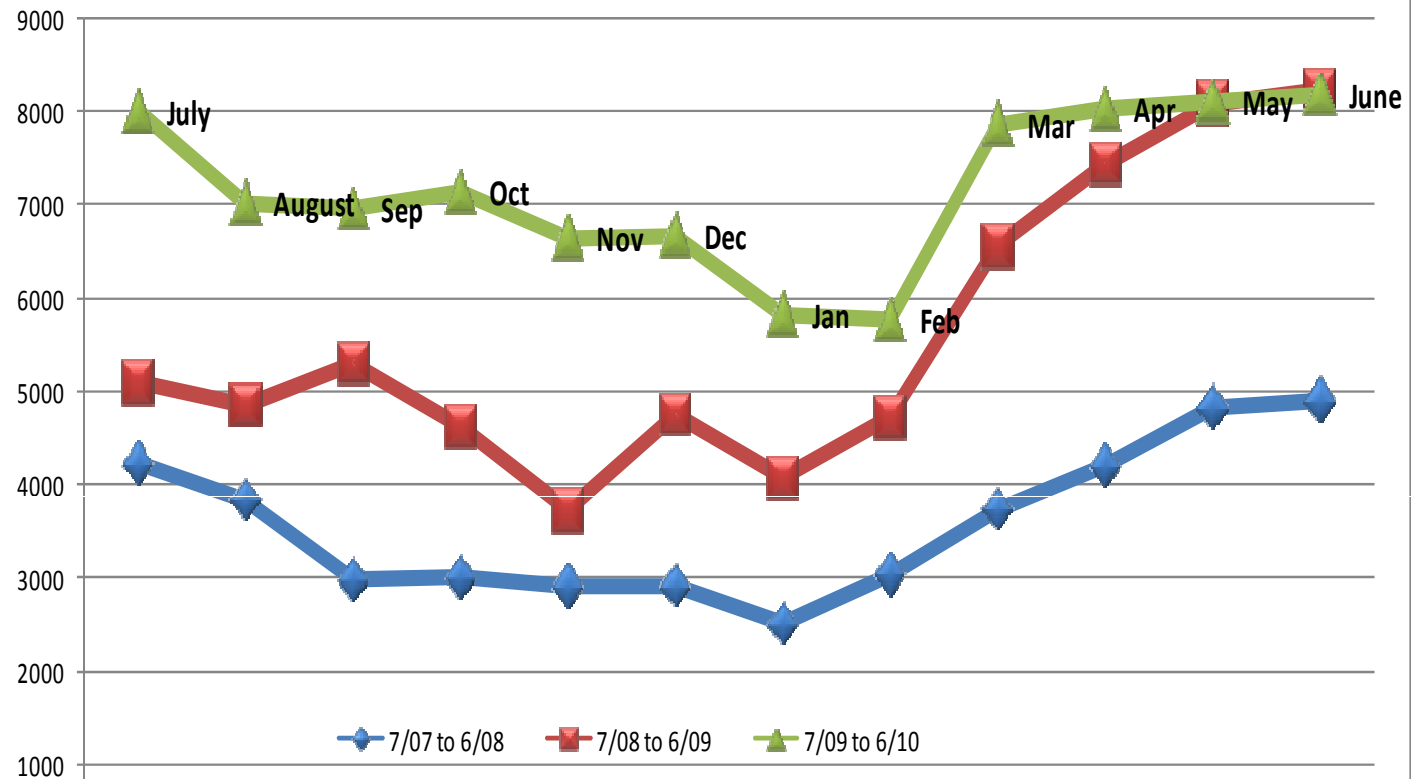




Closed Sales

Provided by Keller Williams Realty Professional Partners –
Statistics from June 2010 MLS

Total # of Closed Sales (36 month overview)



| | July | August | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June |
|--------------|------|--------|------|------|------|------|------|------|------|------|------|------|
| 7/07 to 6/08 | 4227 | 3838 | 2976 | 3000 | 2908 | 2913 | 2506 | 3030 | 3731 | 4200 | 4822 | 4900 |
| 7/08 to 6/09 | 5089 | 4847 | 5306 | 4613 | 3726 | 4759 | 4069 | 4718 | 6554 | 7445 | 8093 | 8235 |
| 7/09 to 6/10 | 8008 | 7028 | 6969 | 7147 | 6657 | 6677 | 5829 | 5777 | 7871 | 8040 | 8112 | 8186 |



Closed Sales Report Analysis:

Sellers:

June saw another very slight increase – just under a 1% increase – in the number of closed sales – this remains the highest number since June of 2009. This no doubt is being impacted by the buyers who were taking advantage of the tax credit prior to the end of June. It will be important to continue to monitor this number in July to determine the impact the end of this credit has on buyer activity AND to see how many closings will benefit from the extension in the closing date for the tax credit.

Buyers:

For buyers, this means that more buyers were successful in finalizing the sale of their home. Now that the buyer credit has ended, it will be important for you and your real estate professional to monitor the competition for well-priced homes. With interest rates continuing to be very low AND the average price still increasing, buyers need to make sure they are looking at the long-term impact of waiting to purchase a home.

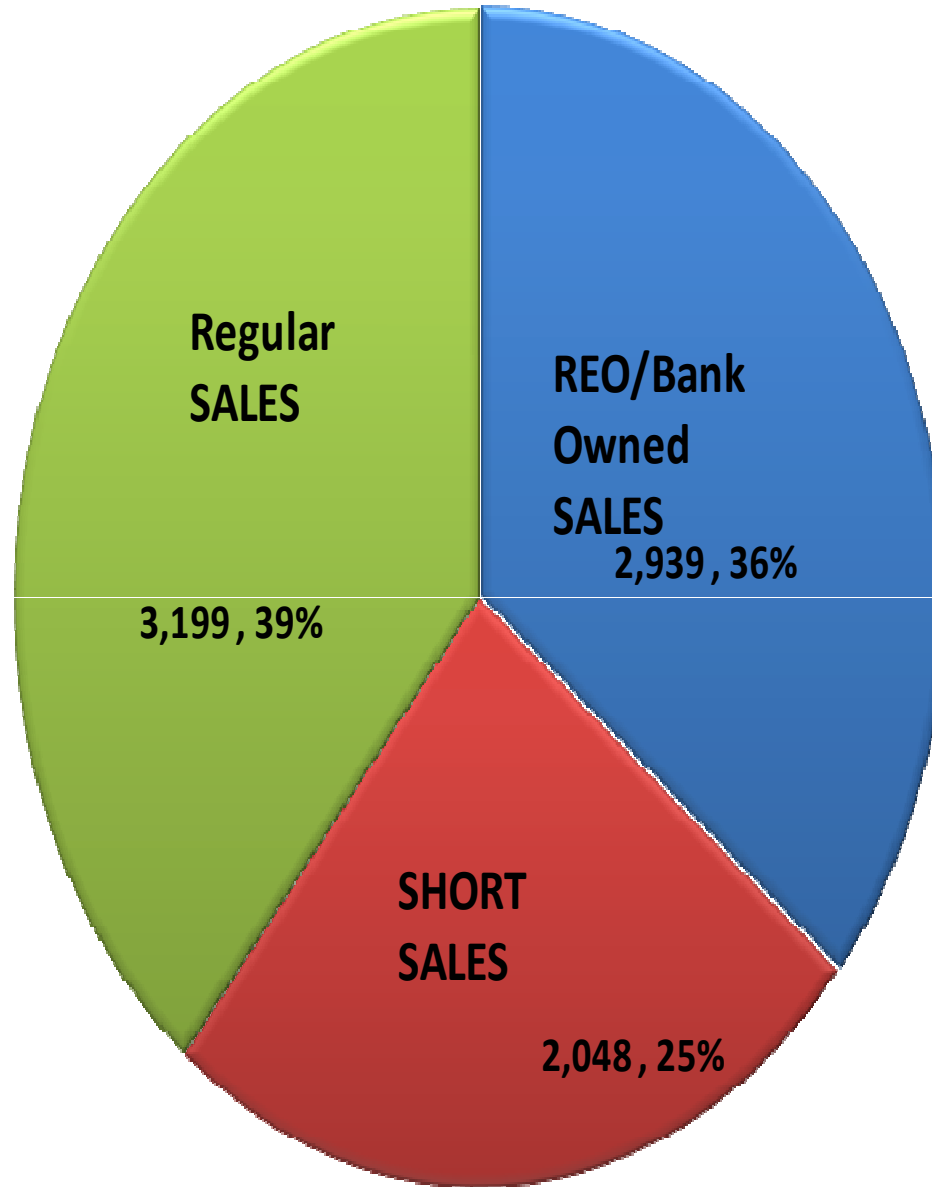




Distressed Sales

Provided by Keller Williams Realty Professional Partners –
Statistics from June 2010 MLS

REO, Short, and Regular Sales Comparison (June 2010)





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.

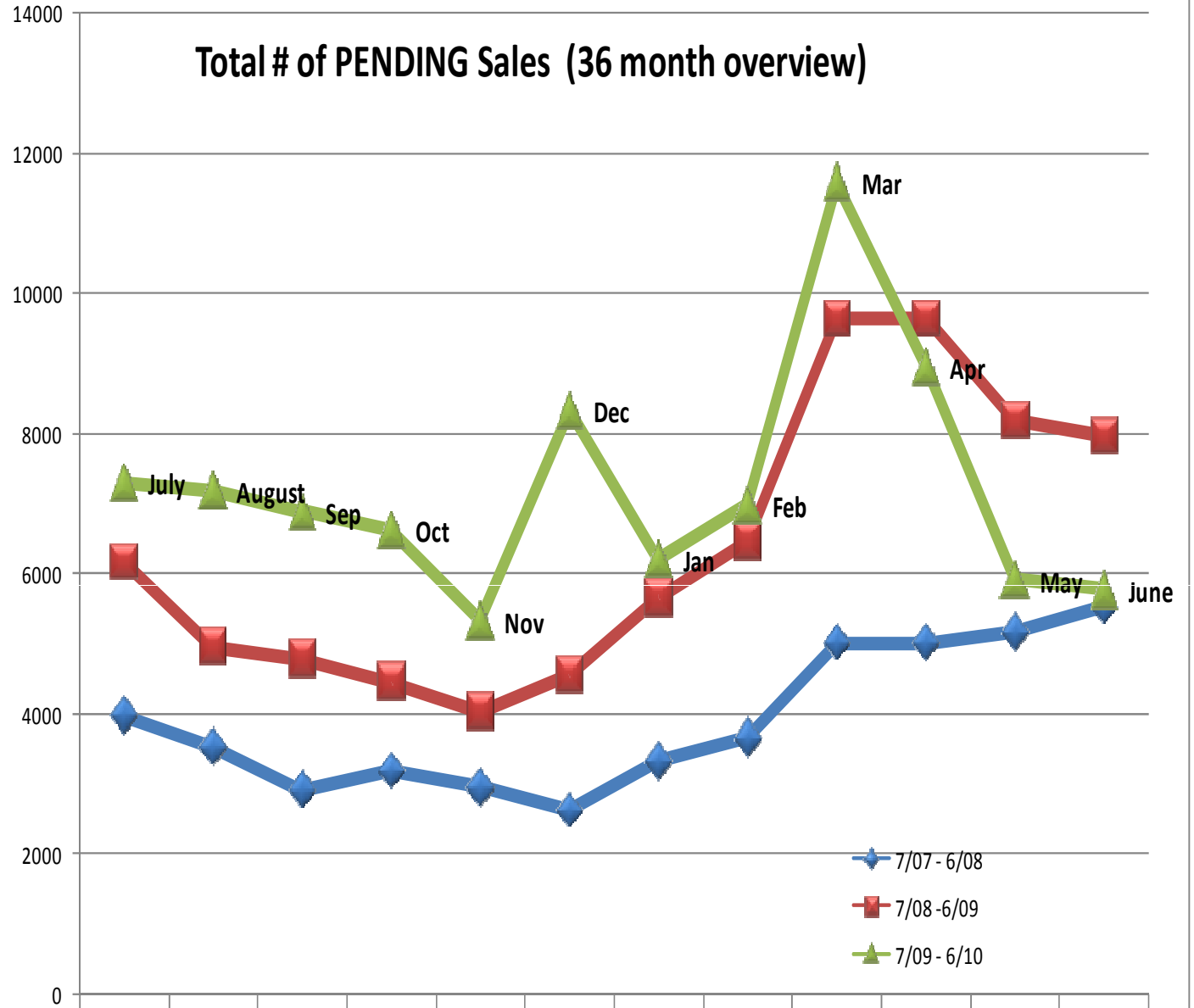
June statistics showed a significant increase in the number of short sales that closed – a 17.5% increase over May of this year. Traditional sales decreased by 5.1%. Bank owned/REO sales remained fairly constant. Continue to monitor this whether you are a buyer OR seller, as it provides the information on trends in home sales that will impact your success.

A red sign with white text that says "FOR SALE". The sign is tilted and has a white border.



Pending Sales

Provided by Keller Williams Realty Professional Partners –
 Statistics from June 2010 MLS



| | July | August | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June |
|-------------|------|--------|------|------|------|------|------|------|-------|------|------|------|
| 7/07 - 6/08 | 3981 | 3527 | 2920 | 3184 | 2951 | 2626 | 3316 | 3654 | 5012 | 5012 | 5164 | 5539 |
| 7/08 - 6/09 | 6177 | 4963 | 4796 | 4449 | 4031 | 4552 | 5662 | 6470 | 9641 | 9641 | 8190 | 7969 |
| 7/09 - 6/10 | 7300 | 7179 | 6882 | 6624 | 5321 | 8331 | 6204 | 6975 | 11584 | 8946 | 5905 | 5772 |



Pending Sales Report Analysis:

Sellers:

The month of June saw a decrease of 2.25% in the number of pending sales over the prior month. The end of the buyer tax credit is more than likely a significant contributor to this number; however, it can also be impacted by agents not classifying properties under contract as pending until they are solidly ready to close. This is the lowest number of pending contracts since November in 2009. We saw the 36 month high in March of 2010 when we saw 11,584 homes go pending. Sellers need to continue to monitor this very closely, as it means far fewer homes are successfully going under contract.

Buyers:

Although the home buyer credit is no longer available, buyers should still be diligent in searching for a home – prices and interest rates continue to be favorable, and without the pressure of the competition for this credit, this might be the perfect time to find a home without competing with dozens of other buyers. Continue to work with your real estate professional to make sure you are benefiting as well from the fantastic opportunities that are still available to you.

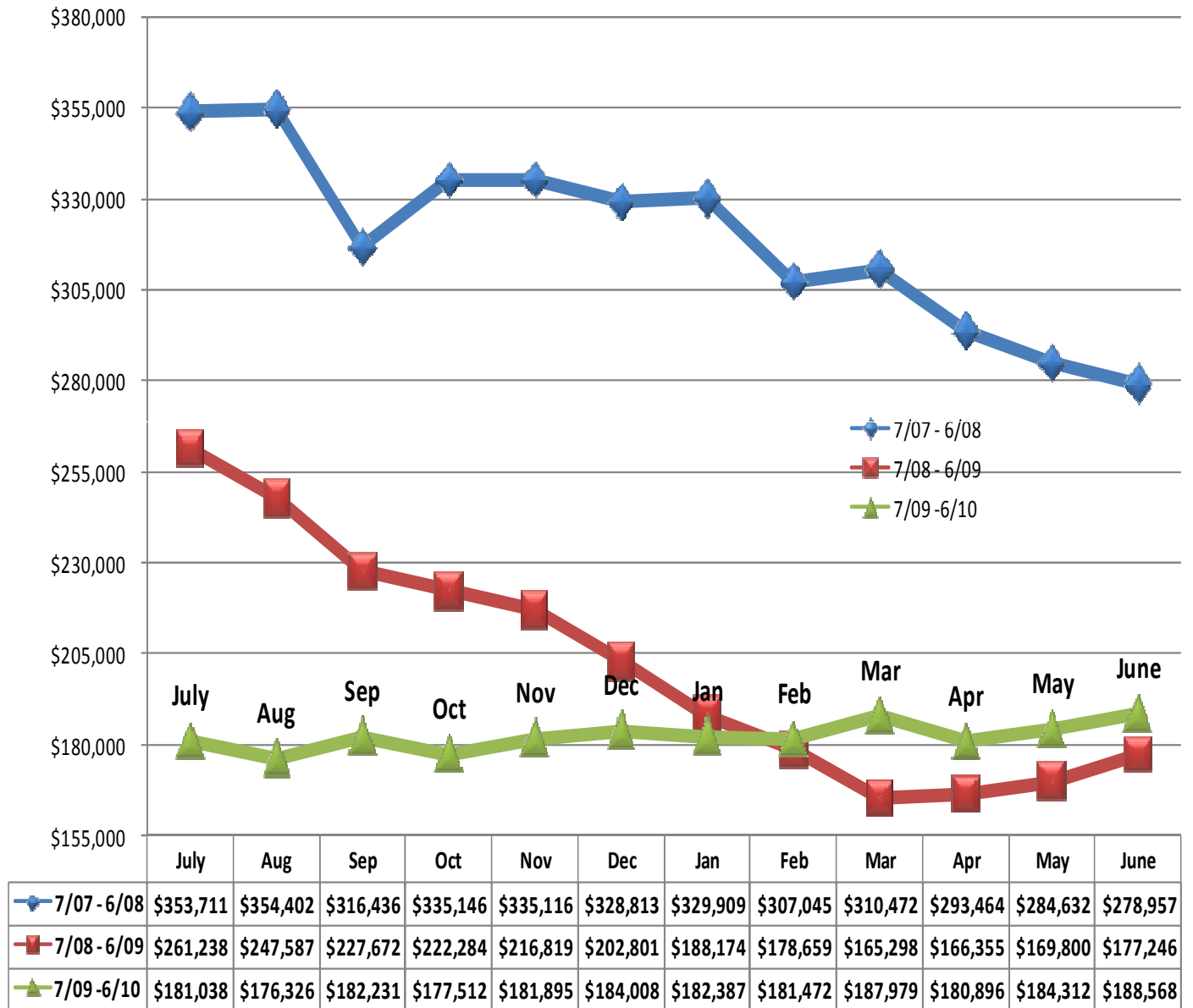




Average Sales Price

Provided by Keller Williams Realty Professional Partners –
Statistics from June 2010 MLS

Average Sales Price (36 months)



Average Sales Price Analysis

Sellers:

June saw an average sales price of \$188,568 – the highest since December of 2008! This is an increase of over 14% since we saw our 36-month low of \$165,298. This is good news for sellers who are wanting to see an upward movement in the average price of homes.

Buyers:

Buyers who are waiting for prices to drop need to be alert as to the trends. For buyers who are waiting for prices to drop, this trend shows that for the past 6 months, average prices have been higher than our 36-month low in 2009.

Investors and savvy buyers continue to understand the value the current market offers. Combined with the current interest rates and financing options available to them, they are making decisions that have allowed them to take advantage of the affordability the current market continues to provide.

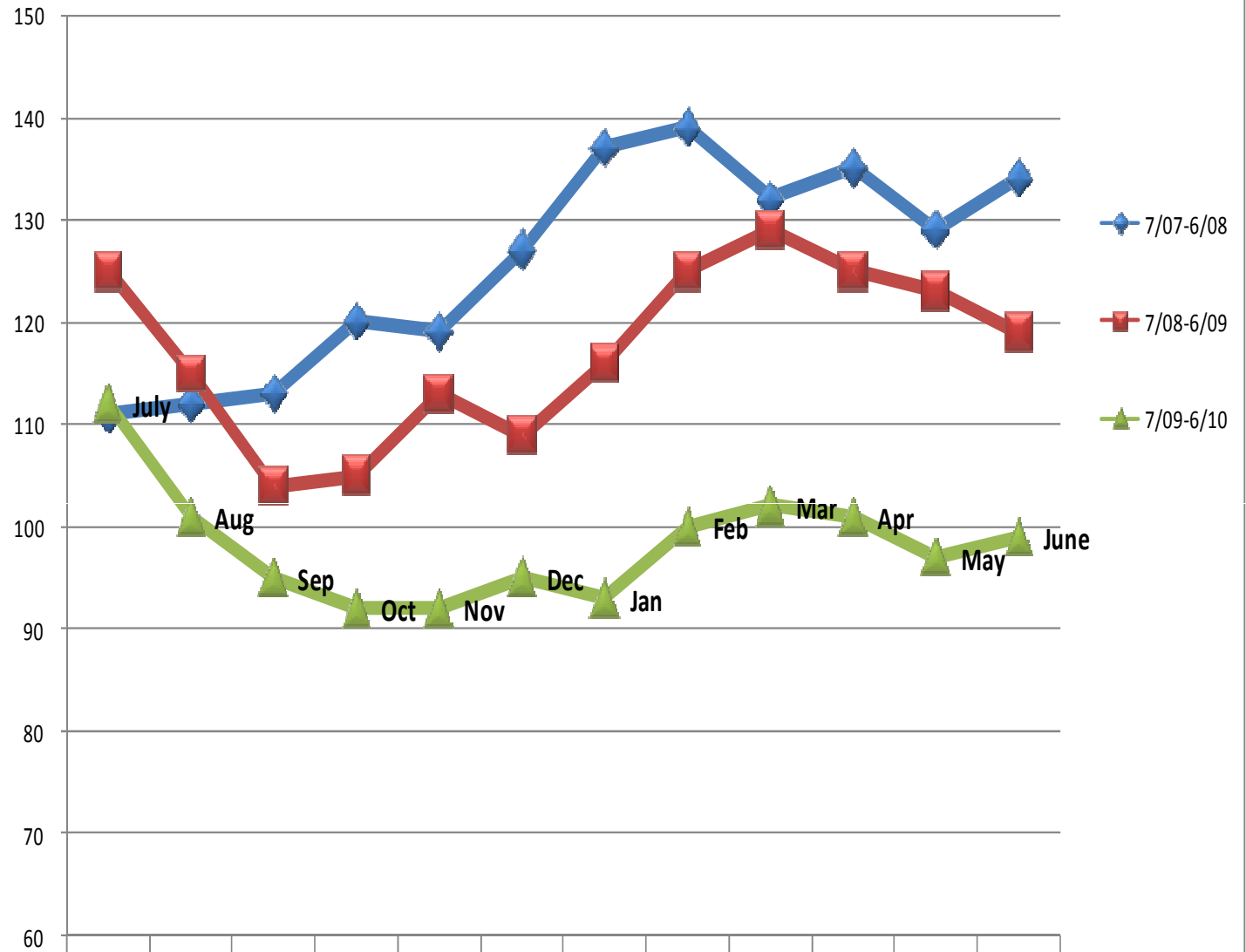




Average Days on Market

on Market
 Provided by Keller Williams Realty Professional Partners –
 Statistics from June 2010 MLS

Average Days on Market (sales)



| | July | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June |
|-----------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|
| 7/07-6/08 | 111 | 112 | 113 | 120 | 119 | 127 | 137 | 139 | 132 | 135 | 129 | 134 |
| 7/08-6/09 | 125 | 115 | 104 | 105 | 113 | 109 | 116 | 125 | 129 | 125 | 123 | 119 |
| 7/09-6/10 | 112 | 101 | 95 | 92 | 92 | 95 | 93 | 100 | 102 | 101 | 97 | 99 |

Average Days on Market Analysis

Sellers:

The numbers indicate an increase of 2 days for the average days on market. This means that the average home took 99 days to close from the time it went pending on the MLS. We hit our 36-month low several months ago, so even with the credit, we didn't see a big drop in this number. It will be important to see what happens in the months to come as the tax credit closings are finalized and we return to what a "normal" market would be without this type of incentive.

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 higher the number, the more control a buyer normally has. Even if we have an addition of homes to the market via foreclosures, buyers need to understand that competition for great homes will continue to remain very high, especially in the lower price ranges. We are still seeing multiple offer situations, so make sure you are fully qualified with your lender and ready to go when you see the house you want to call home.

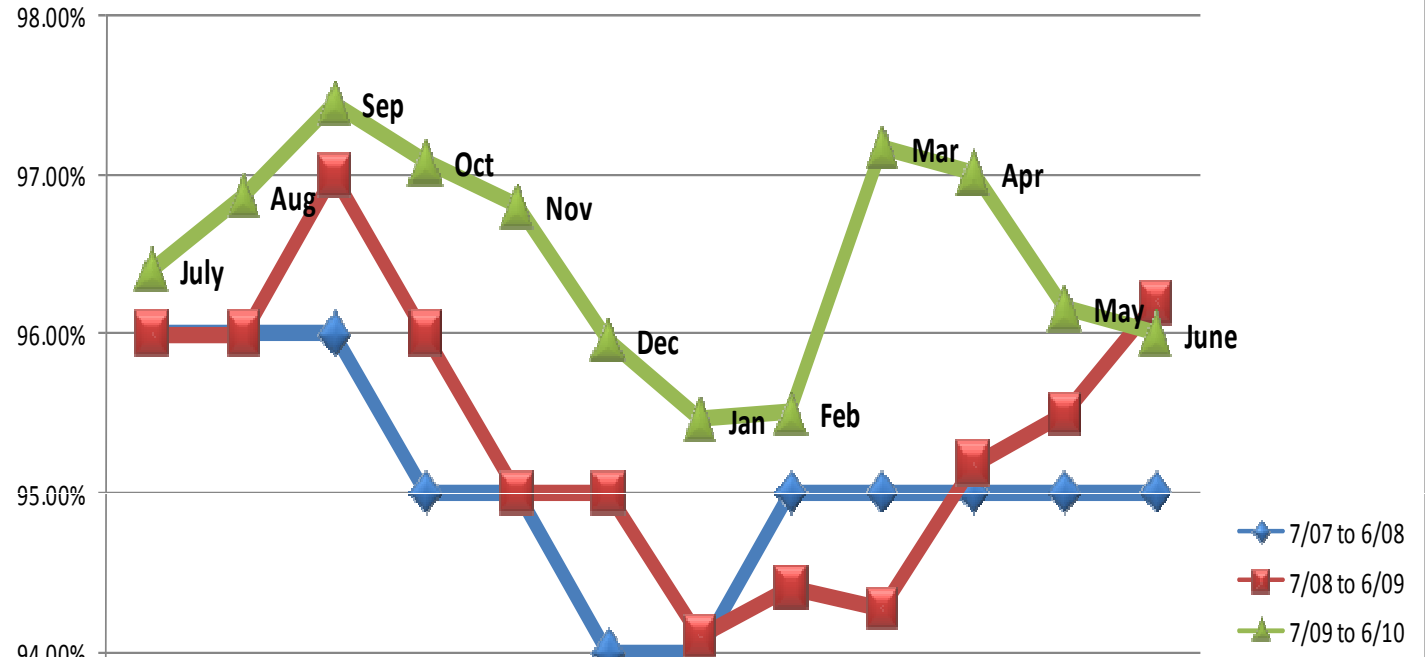




Average List to Sales Price Ratio

Provided by Keller Williams Realty Professional Partners –
Statistics from June 2010 MLS

Average List to Sales Price Ratio



| | July | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 7/07 to 6/08 | 96.00% | 96.00% | 96.00% | 95.00% | 95.00% | 94.00% | 94.00% | 95.00% | 95.00% | 95.00% | 95.00% | 95.00% |
| 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% |

List to Sale Price Ratio Analysis

Sellers:

June statistics reveal that there was a slight drop in the list to sales price ratio over the month of May. This statistic reveals how close the actual sales price was to the list price on a home. In June, the average was 96.0%. As a seller, it means you can expect a higher return than you did a few months ago, but less than you did during the months of March through May of this year. 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 buyers were able to pay a little less for their homes than in the month of May from a list to sales price ratio standpoint. 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 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 any trends relative to the price at which homes are actually selling in the areas you have an interest.

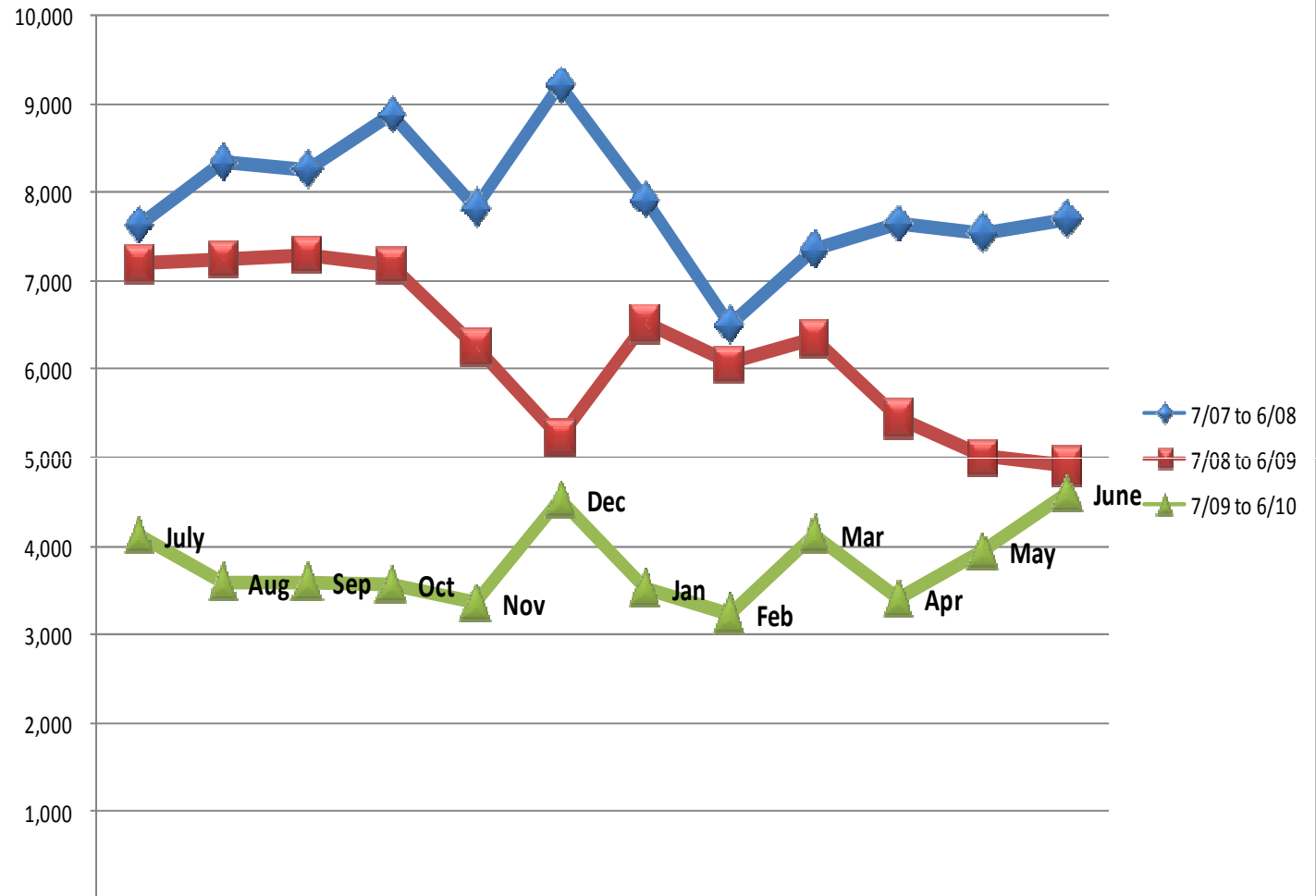
FOR SALE



Monthly Expired & Cancelled Listings

Provided by Keller Williams Realty Professional Partners –
 Statistics from June 2010 MLS

Monthly Expireds & Cancelled Listings



| | July | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June |
|--------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 7/07 to 6/08 | 7,635 | 8,345 | 8,267 | 8,891 | 7,826 | 9,224 | 7,924 | 6,511 | 7,357 | 7,657 | 7,546 | 7,707 |
| 7/08 to 6/09 | 7,193 | 7,247 | 7,291 | 7,179 | 6,252 | 5,221 | 6,517 | 6,062 | 6,342 | 5,441 | 5,006 | 4,899 |
| 7/09 to 6/10 | 4,126 | 3,596 | 3,601 | 3,564 | 3,361 | 4,533 | 3,532 | 3,235 | 4,139 | 3,413 | 3,951 | 4,603 |

Expired & Cancelled Listings Analysis

Sellers:

The month of June saw the highest number of expired and cancelled listings since June of last year! This means fewer homes are remaining on the market, creating less potential competition for active sellers. However, it also means more sellers gave up. This could be due to the time of year, it could be homes that went into foreclosure, or unsuccessful short sales. Serious sellers need to pay attention to all of the numbers this month ... longer days on the market, the average sales price, and more homes remaining on the market – this means sellers, more than ever, need to pay careful attention to how homes are priced so they can be the first choice of buyers.

Buyers:

For buyers, this means that there are 4,603 fewer homes to consider. 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.





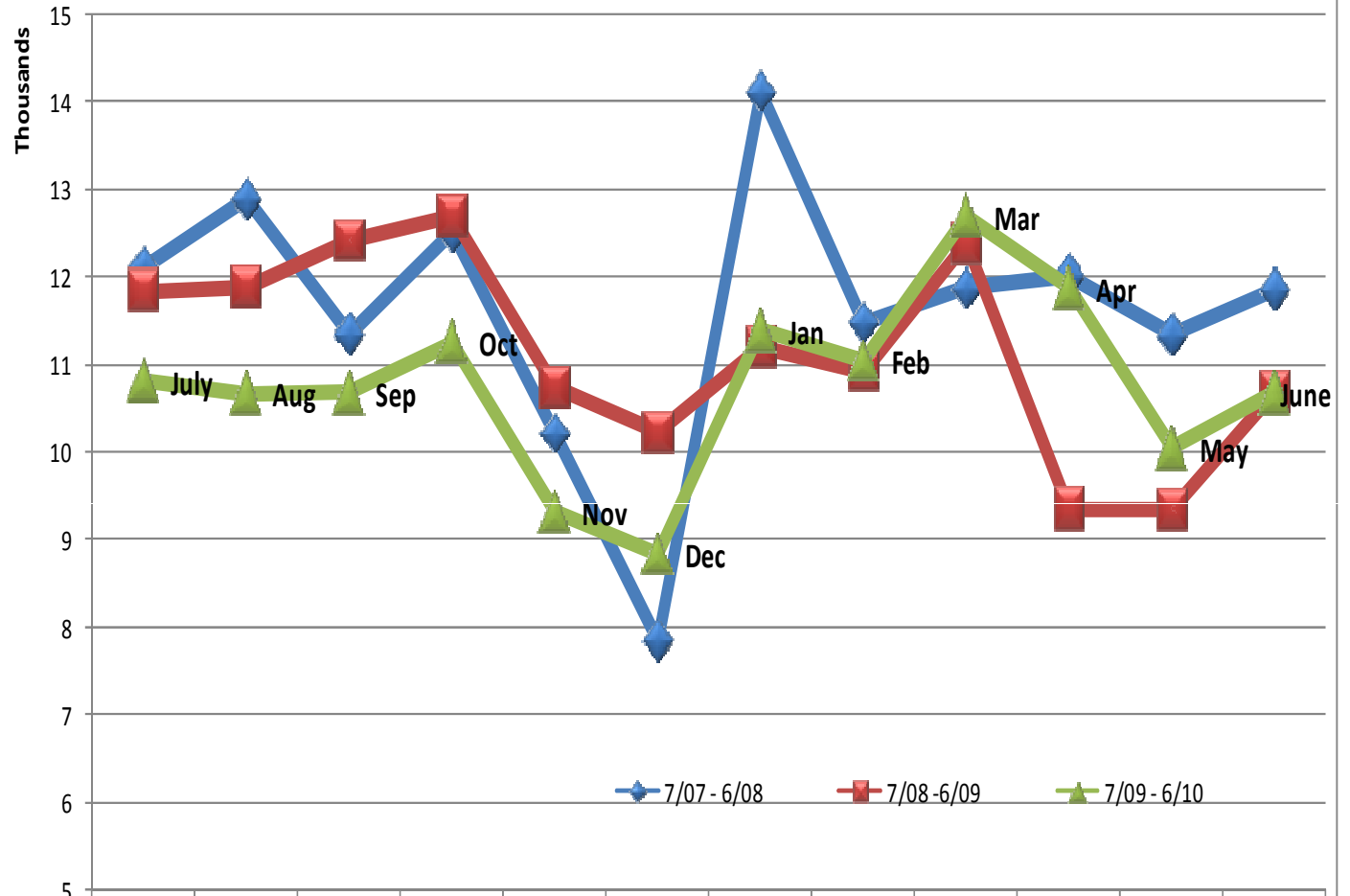
INVENTORY OVERVIEW

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





New listings by month



| | July | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | June |
|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 7/07 - 6/08 | 12108 | 12882 | 11339 | 12503 | 10203 | 7832 | 14115 | 11469 | 11864 | 12010 | 11334 | 11845 |
| 7/08 - 6/09 | 11831 | 11872 | 12412 | 12682 | 10728 | 10217 | 11195 | 10915 | 12375 | 9346 | 9336 | 10674 |
| 7/09 - 6/10 | 10804 | 10666 | 10673 | 11247 | 9315 | 8830 | 11382 | 11037 | 12684 | 11861 | 10036 | 10669 |

New Listings

Provided by Keller Williams Realty Professional Partners –
Statistics from June 2010 MLS



New Listings Analysis

Sellers:

Statistics for the month of June showed an increase of 6.3% over May. June traditionally sees an increase in the number of new listings entering the market, as summer approaches. Sellers need to pay attention: a substantial amount of competition still remains on the market – it will potentially show its impact through fewer showings, fewer offers, and more competition for the attention of serious buyers.

Buyers:

This is important news for buyers, as it means there are more homes entering the market. 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: as fewer homes enter the market, there will definitely be more competition for the best values.

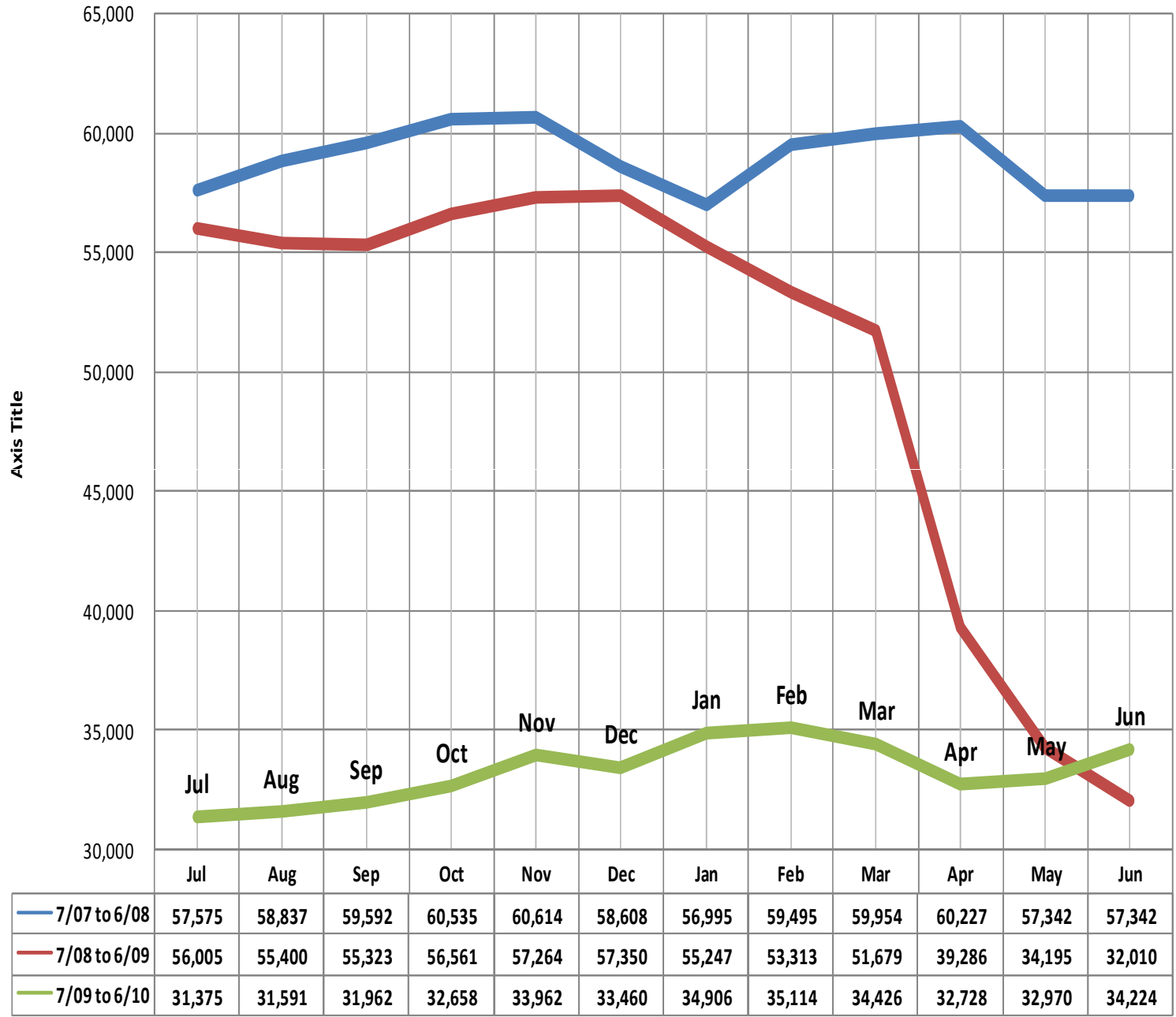




Active Listings

Provided by Keller Williams Realty Professional Partners –
 Statistics from June 2010 MLS

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





Active Listings Analysis

Sellers:

For the second month in a row, we have seen an increase in the number of active listings. June saw active listings totaling 34,224 compared to 31,375 in July of 2009 -- the lowest number in the 36 month reporting period. The home buyer credit no doubt had a positive impact on decreasing the number of homes available to buyers. Sellers need to continue to watch what the banks are doing with foreclosed properties and how they are responding to short sale requests – more properties entering the market will mean more competition for sellers who are wanting to sell their home.

Buyers:

Buyers still have inventory to preview. 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. AND, the prediction of increased interest rates means now is the time to get serious about buying.

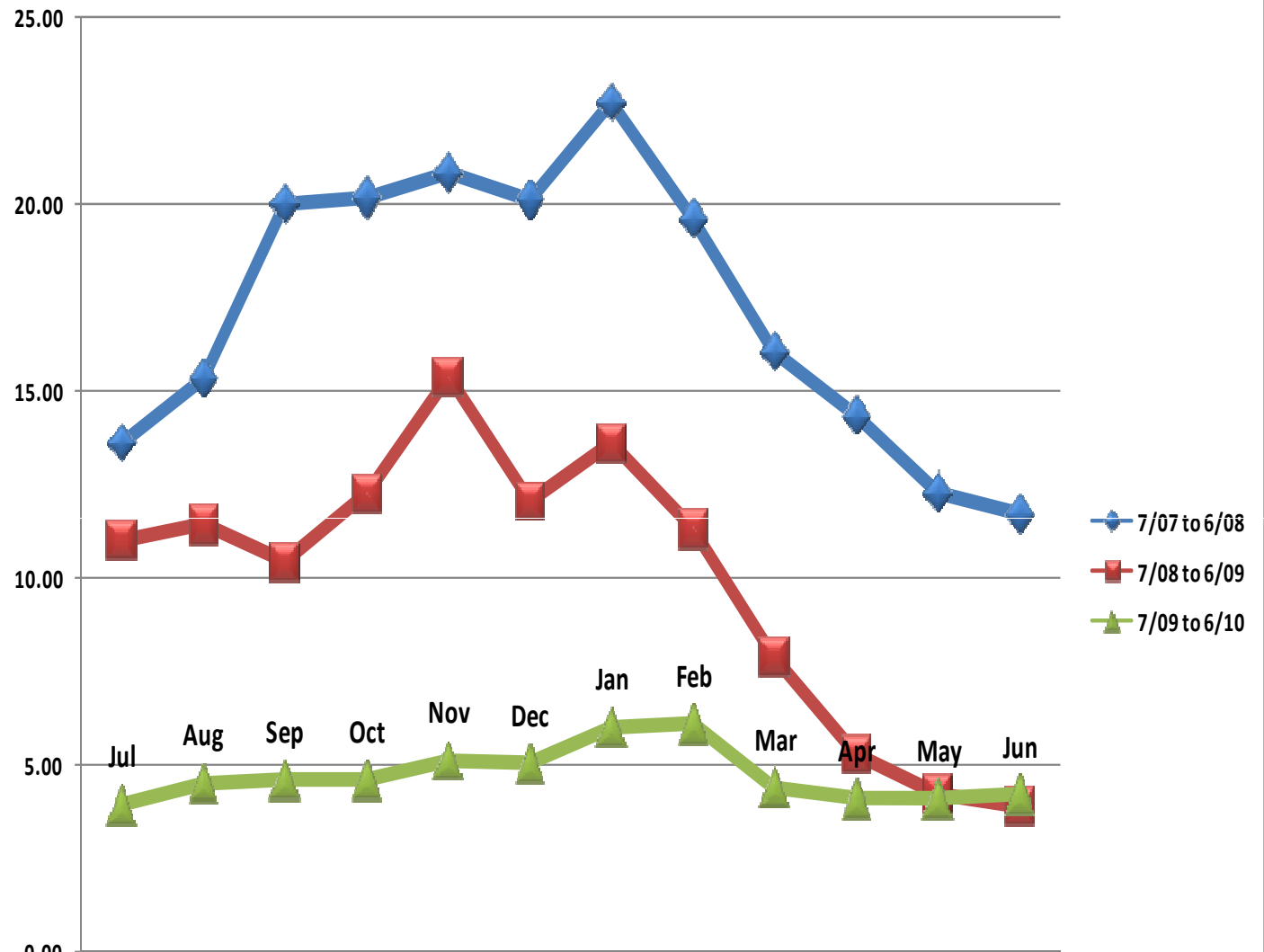




Months of Inventory

Provided by Keller Williams Realty Professional Partners –
 Statistics from June 2010 MLS

Months of Inventory (36 month history)



| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|--------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 7/07 to 6/08 | 13.62 | 15.33 | 20.02 | 20.18 | 20.84 | 20.12 | 22.74 | 19.64 | 16.07 | 14.34 | 12.27 | 11.70 |
| 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 |

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 inventory of homes continues to remain fairly consistent after 2 years of ups and downs. June saw 4.18 months of inventory. This means there are MORE homes available than the prior month. For a seller, this means they have more competition for buyers. It continues to be very important for you and your real estate professional to monitor this number so that you can make sure your home is priced accordingly.

Buyers:

Buyers will want to seriously monitor this, as 5 or fewer months inventory normally indicate a seller's market, giving more control to the sellers than the buyers. We are seeing this in many price ranges, resulting in significant competition for those homes. 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 June 2010 MLS

Maricopa Cty

TOTAL MARKET OVERVIEW

JUNE

2010

| 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 | 7,447 | 5,414 | 72.7% | 1,171 | 2,634 | \$ 66,515 | \$ 66,581 | 100.1% | 67 | 83 |
| 100,000- 124,999 | 2,976 | 1,935 | 65.0% | 404 | 1,043 | \$ 113,191 | \$ 112,174 | 99.1% | 73 | 86 |
| 125,000- 149,999 | 3,185 | 1,932 | 60.7% | 487 | 966 | \$ 137,551 | \$ 135,146 | 98.3% | 76 | 95 |
| 150,000- 174,999 | 2,097 | 1,290 | 61.5% | 368 | 676 | \$ 161,982 | \$ 157,823 | 97.4% | 77 | 90 |
| 175,000- 199,999 | 2,002 | 1,040 | 51.9% | 316 | 545 | \$ 188,131 | \$ 182,779 | 97.2% | 81 | 96 |
| 200,000- 224,999 | 1,148 | 606 | 52.8% | 169 | 342 | \$ 212,965 | \$ 207,918 | 97.6% | 85 | 103 |
| 225,000- 249,999 | 1,304 | 682 | 52.3% | 211 | 399 | \$ 236,842 | \$ 229,420 | 96.9% | 82 | 104 |
| 250,000- 299,999 | 1,775 | 892 | 50.3% | 295 | 456 | \$ 275,186 | \$ 266,352 | 96.8% | 88 | 109 |
| 300,000- 349,999 | 1,125 | 521 | 46.3% | 164 | 261 | \$ 326,058 | \$ 314,277 | 96.4% | 88 | 110 |
| 350,000- 399,999 | 1,025 | 445 | 43.4% | 150 | 219 | \$ 377,567 | \$ 361,897 | 95.8% | 100 | 134 |
| 400,000- 449,999 | 521 | 208 | 39.9% | 98 | 131 | \$ 425,817 | \$ 406,170 | 95.4% | 100 | 127 |
| 450,000- 499,999 | 608 | 182 | 29.9% | 108 | 99 | \$ 478,497 | \$ 455,460 | 95.2% | 112 | 135 |
| 500,000- 749,999 | 1,371 | 377 | 27.5% | 259 | 233 | \$ 601,241 | \$ 570,550 | 94.9% | 122 | 154 |
| 750,000- 999,999 | 830 | 133 | 16.0% | 149 | 78 | \$ 877,010 | \$ 811,177 | 92.5% | 184 | 234 |
| 1 million + | 1,544 | 152 | 9.8% | 254 | 109 | \$ 1,827,893 | \$ 1,616,291 | 88.4% | 195 | 288 |



Summary Comments

Provided by Keller Williams Realty Professional Partners –
Statistics from June 2010 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.