



Monthly Market Watch for Maricopa County

An overview of what is happening
in the Maricopa County
real estate market
(using July 2010 statistics)



Report overview:

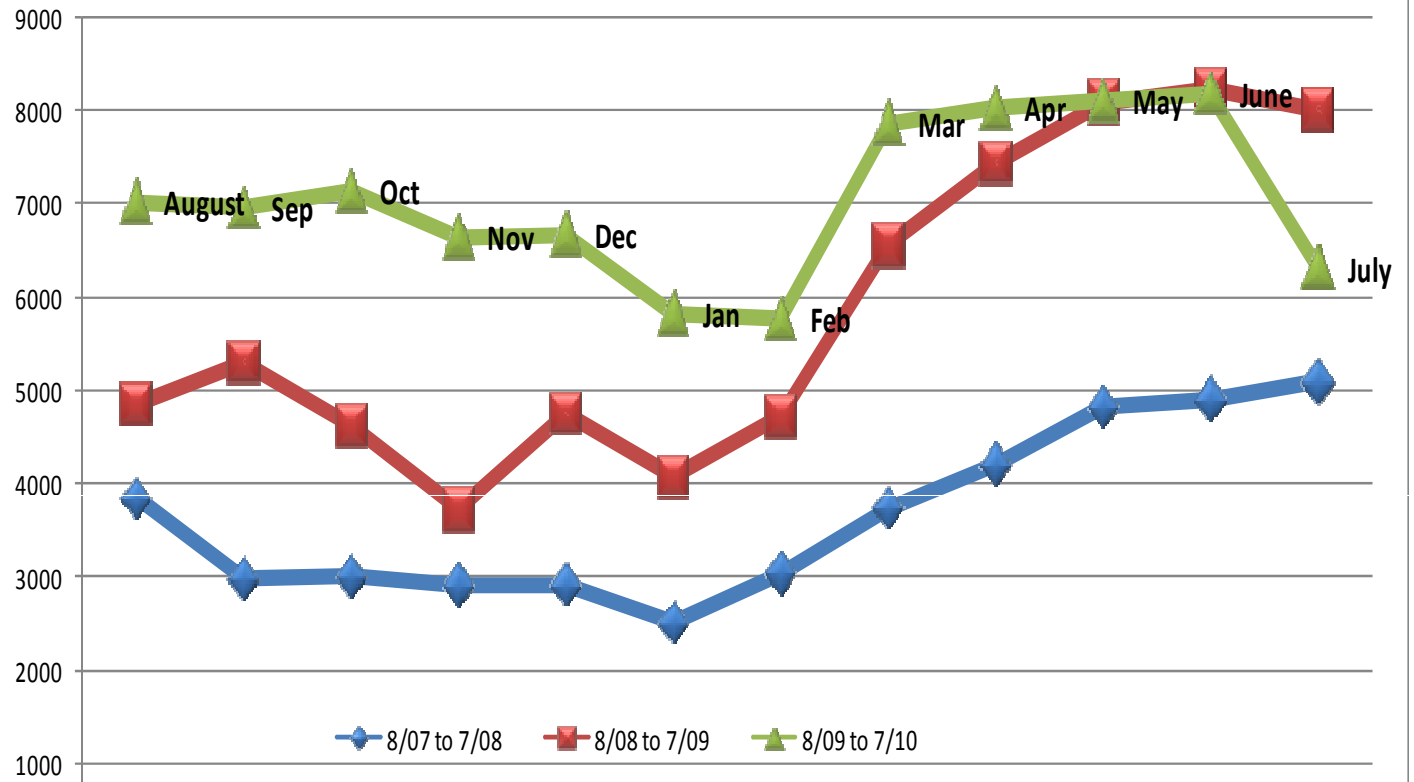
This report includes MLS data for the past 36 months in Maricopa County only as provided by the FlexMLS system.

Please note that searches fluctuate daily when running these reports; these figures were obtained on 8/3/10.





Total # of Closed Sales (36 month overview)



	August	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
8/07 to 7/08	3838	2976	3000	2908	2913	2506	3030	3731	4200	4822	4900	5089
8/08 to 7/09	4847	5306	4613	3726	4759	4069	4718	6554	7445	8093	8235	8008
8/09 to 7/10	7028	6969	7147	6657	6677	5829	5777	7871	8040	8112	8186	6314

Closed Sales

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



Closed Sales Report Analysis:

Sellers:

The month of July saw a 22.8% DECREASE in the number of closed sales. This is the lowest number since February of this year. There is no doubt that the tax credit expiration has had a dramatic impact on this; however, if you removed the months where we had the tax credit in place, the numbers for July are fairly consistent with the prior months of 2010. This will be an important trend to watch ... it means fewer homes are selling at a time when inventory is increasing. This could potentially mean that sellers have less control in today's real estate market.

Buyers:

For buyers, this means fewer homes are selling ... which could mean that you have a little less competition when making offers on homes. With many banks making sure homes are FHA-approved, there is good news for buyers that the market would like to see more primary home buyers over investors. Continue to watch these numbers, as it will help you and your real estate professional understand what type of incentives and assistance you may or may not be able to request.

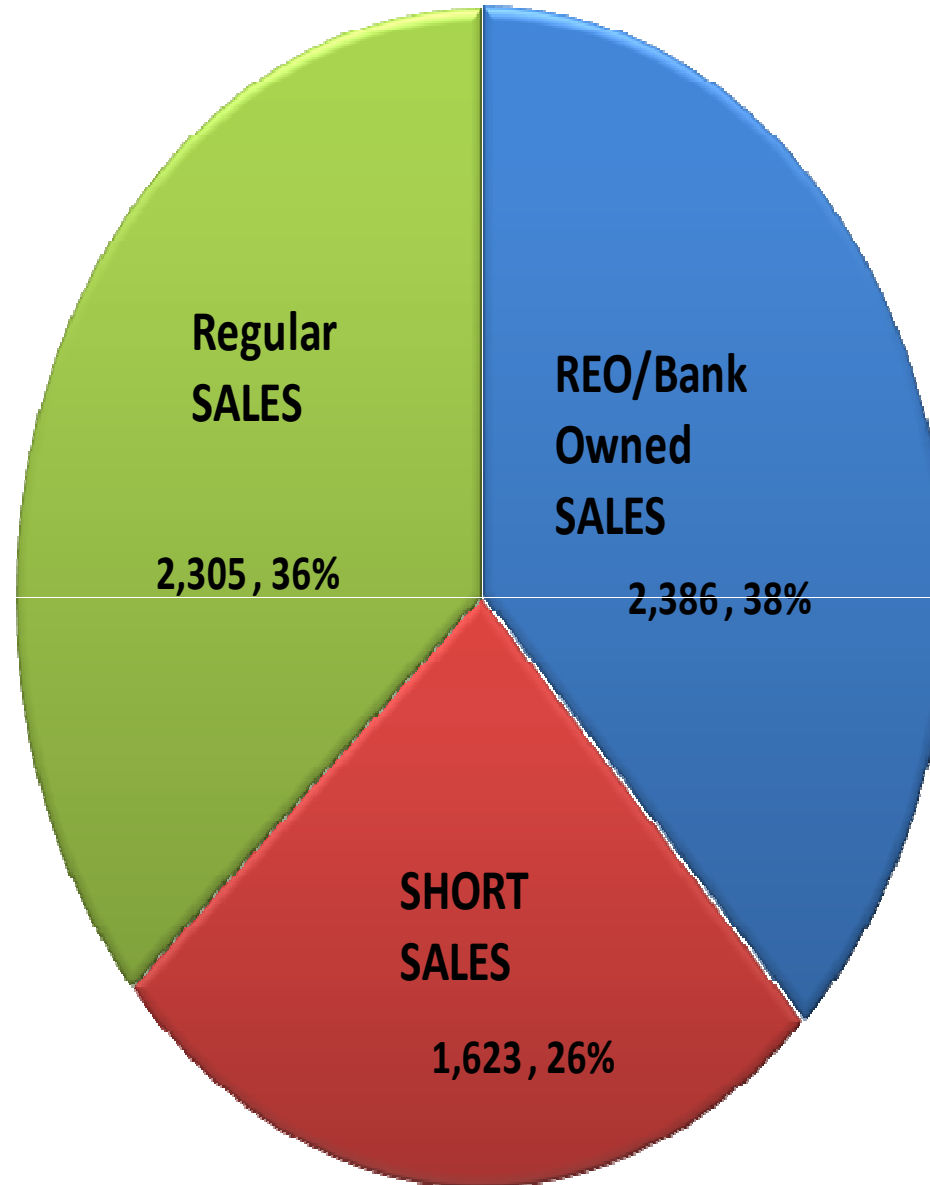




Distressed Sales

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

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





Distressed Sales Analysis:

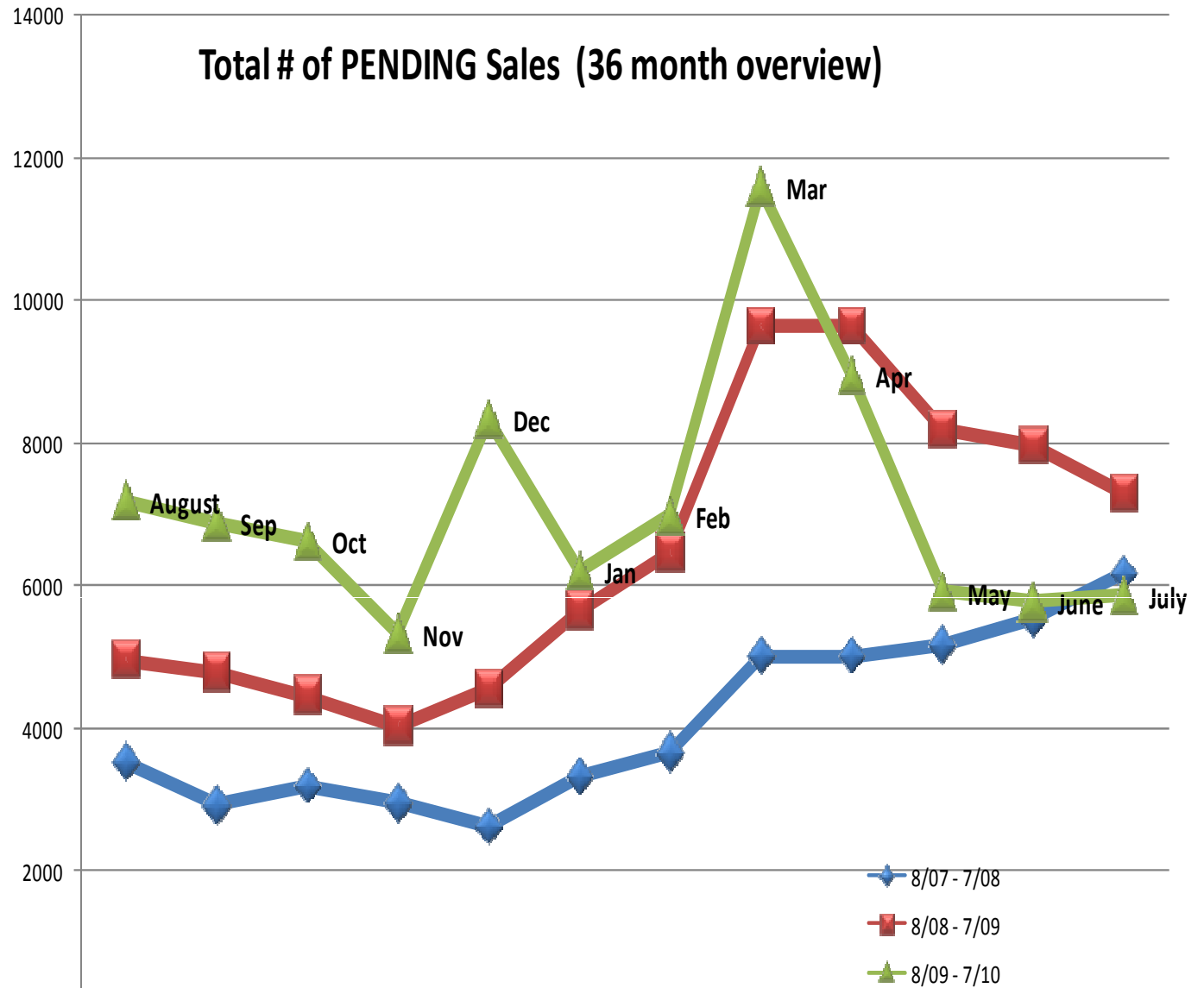
A bank owned/foreclosure home is one that the seller no longer owns – it has been taken over by the lender(s) who had a note on the home. Short sales are homes where the seller is negotiating with the bank to “forgive” a portion of the debt in order to avoid foreclosure.

July statistics showed a slight shift in the ratio of bank-owned to short sale, to “regular” sales. There was a 3% drop in the number of “regular” sales, a 2% increase in bank-owned properties, and a 1% increase in short sales. 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.



Pending Sales

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



	August	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
8/07 - 7/08	3527	2920	3184	2951	2626	3316	3654	5012	5012	5164	5539	6177
8/08 - 7/09	4963	4796	4449	4031	4552	5662	6470	9641	9641	8190	7969	7300
8/09 - 7/10	7179	6882	6624	5321	8331	6204	6975	11584	8946	5905	5772	5855



Pending Sales Report Analysis:

Sellers:

The month of July saw pending sales remain fairly consistent over the prior month, with an increase of 83 units. Once again, if you took out the spikes during the tax credit period AND the month of December, this would be fairly “normal” compared to the other months. 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.

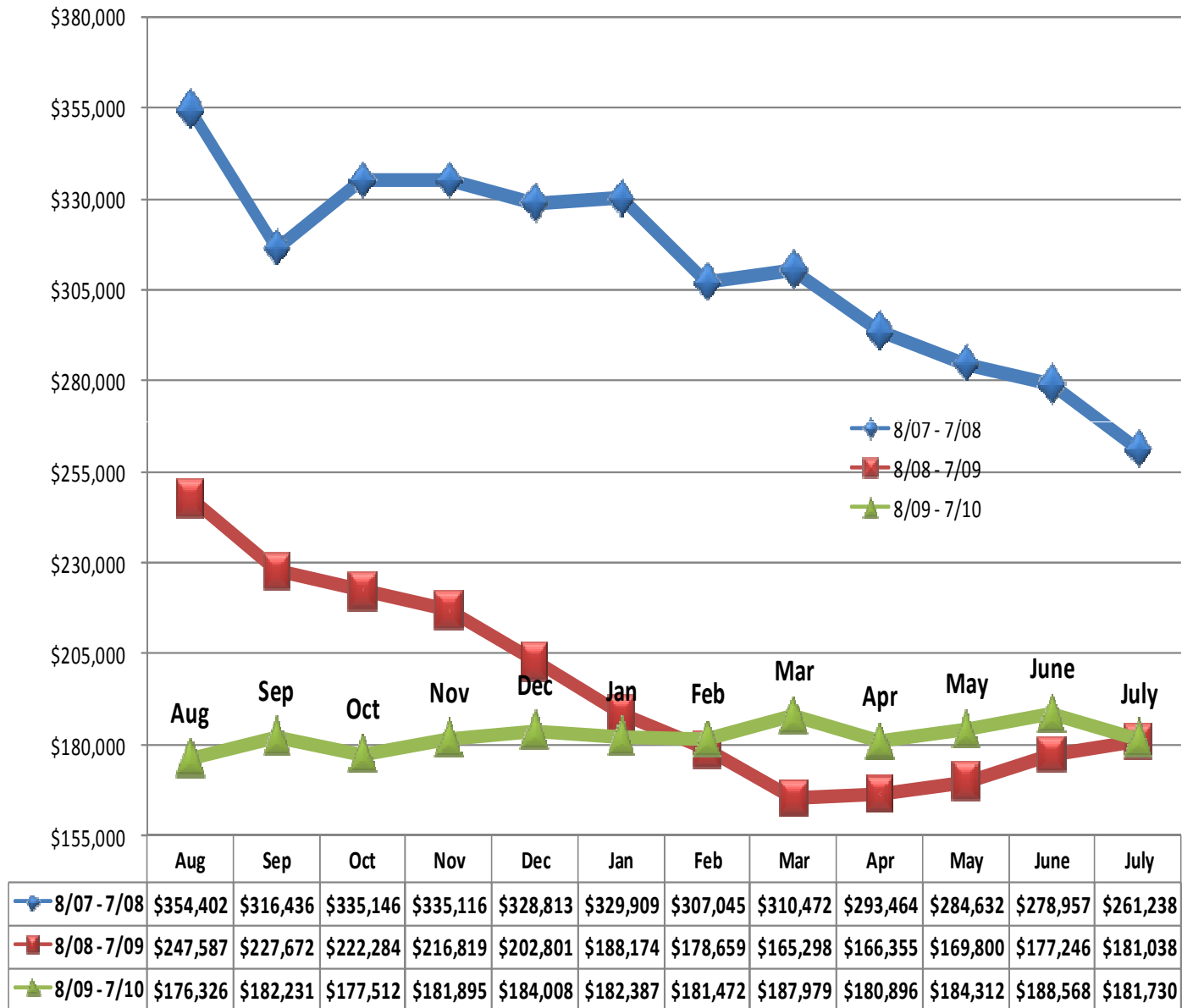




Average Sales Price

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

Average Sales Price (36 months)



Average Sales Price Analysis

Sellers:

July saw an average sales price of \$181,730, a drop of 3.6% over the month of June. When you look at the graph for the past 12 months, the average sales price has remained fairly constant, even with the tax credit earlier in the year.

Continue to watch this graph to see how low interest rates, increased inventory, and changing lender requirements impact this price.

Buyers:

Even though there was a drop in the average sales price last month, the market remains very competitive, especially in the lower prices – investors are still very active, looking for great values that can be purchased and returned to the market as a “flip.” There is more inventory right now from which to select – combine this with the financing options and incentives, this is a great time to spend with your real estate professional to learn why this could be the very best time to buy.

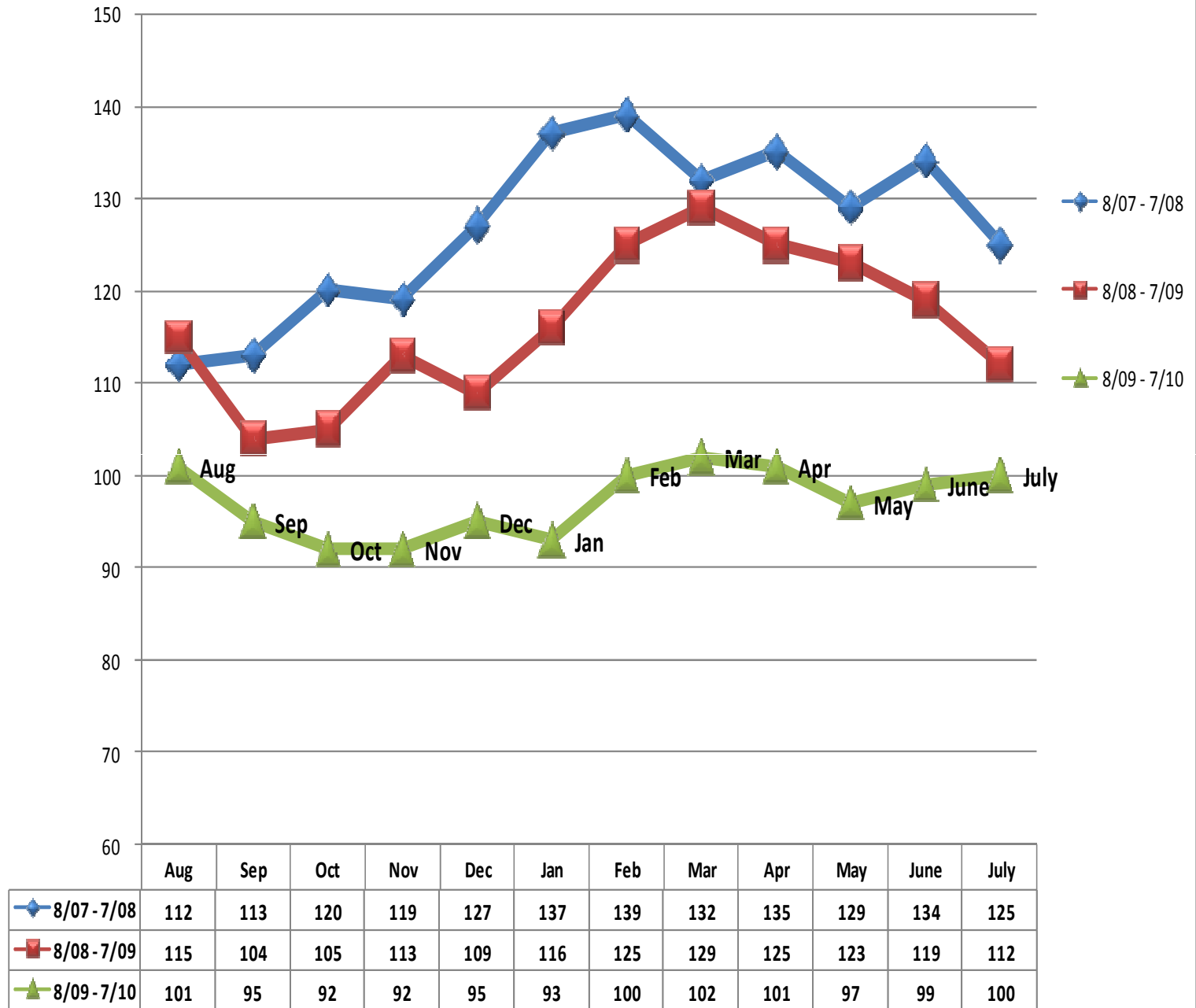




Average Days on Market

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

Average Days on Market (sales)



Average Days on Market Analysis

Sellers:

The numbers indicate an increase of 1 day for the average days on market. This means that the average home took 100 days to close from the time it was listed to the time it changed to PENDING status. We hit our 36-month low in November of 2009 – it will be important for sellers to watch this number, as the higher this number, the less “control” a seller will have on pricing and terms.

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 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.

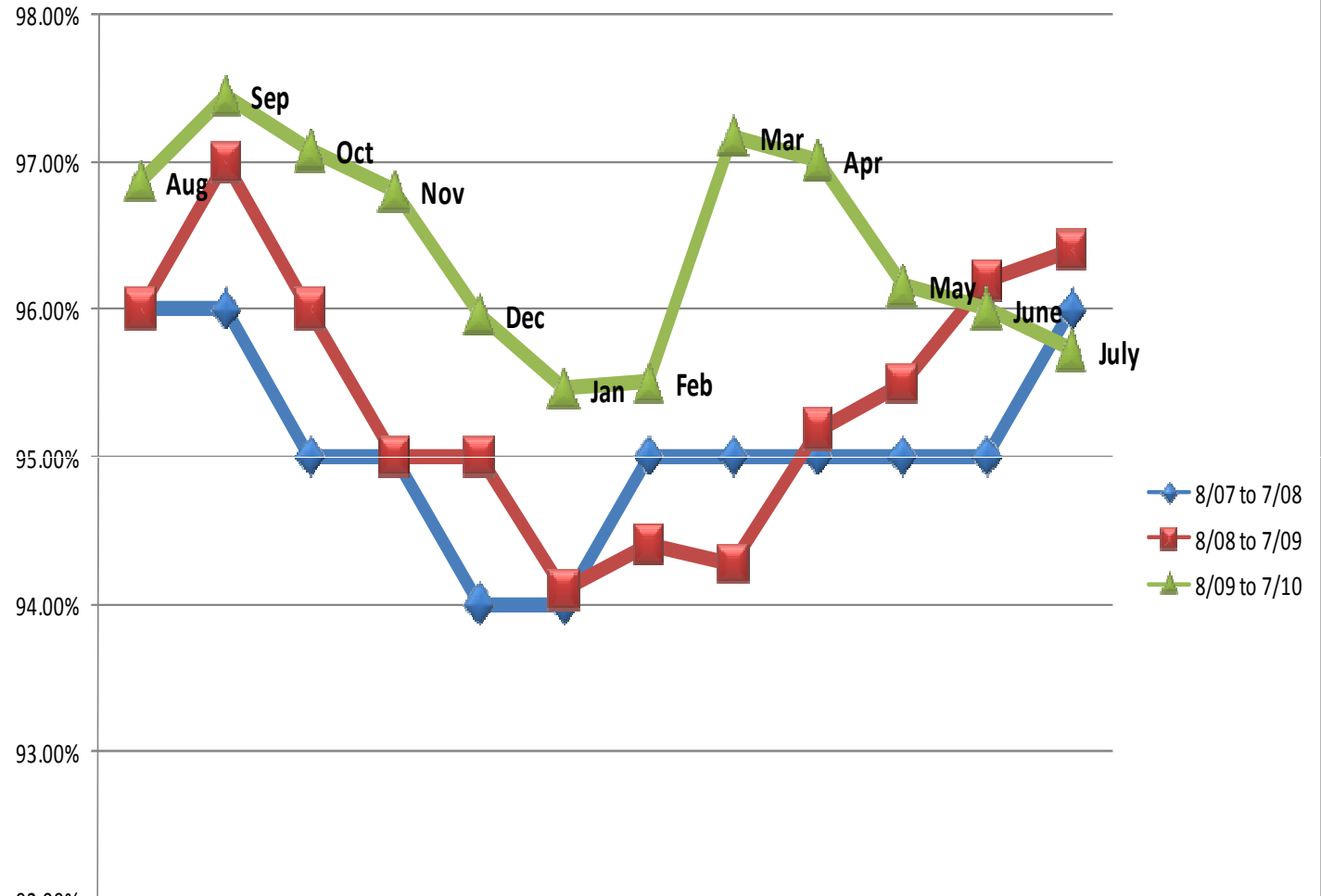




Average List to Sales Price Ratio

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

Average List to Sales Price Ratio



	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
8/07 to 7/08	96.00%	96.00%	95.00%	95.00%	94.00%	94.00%	95.00%	95.00%	95.00%	95.00%	95.00%	96.00%
8/08 to 7/09	96.00%	97.00%	96.00%	95.00%	95.00%	94.10%	94.40%	94.28%	95.18%	95.50%	96.20%	96.40%
8/09 to 7/10	96.87%	97.45%	97.08%	96.80%	95.96%	95.46%	95.50%	97.17%	97.01%	96.16%	96.00%	95.72%



List to Sale Price Ratio Analysis

Sellers:

For the 4th month in a row, we have seen a decrease in the list to sales price. This statistic reveals how close the actual sales price was to the list price on a home. In July, the average was 95.72%.

As a seller, it means you can expect a higher return than you did in December, January and February, but less than you did during the months of March through June 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 June 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.



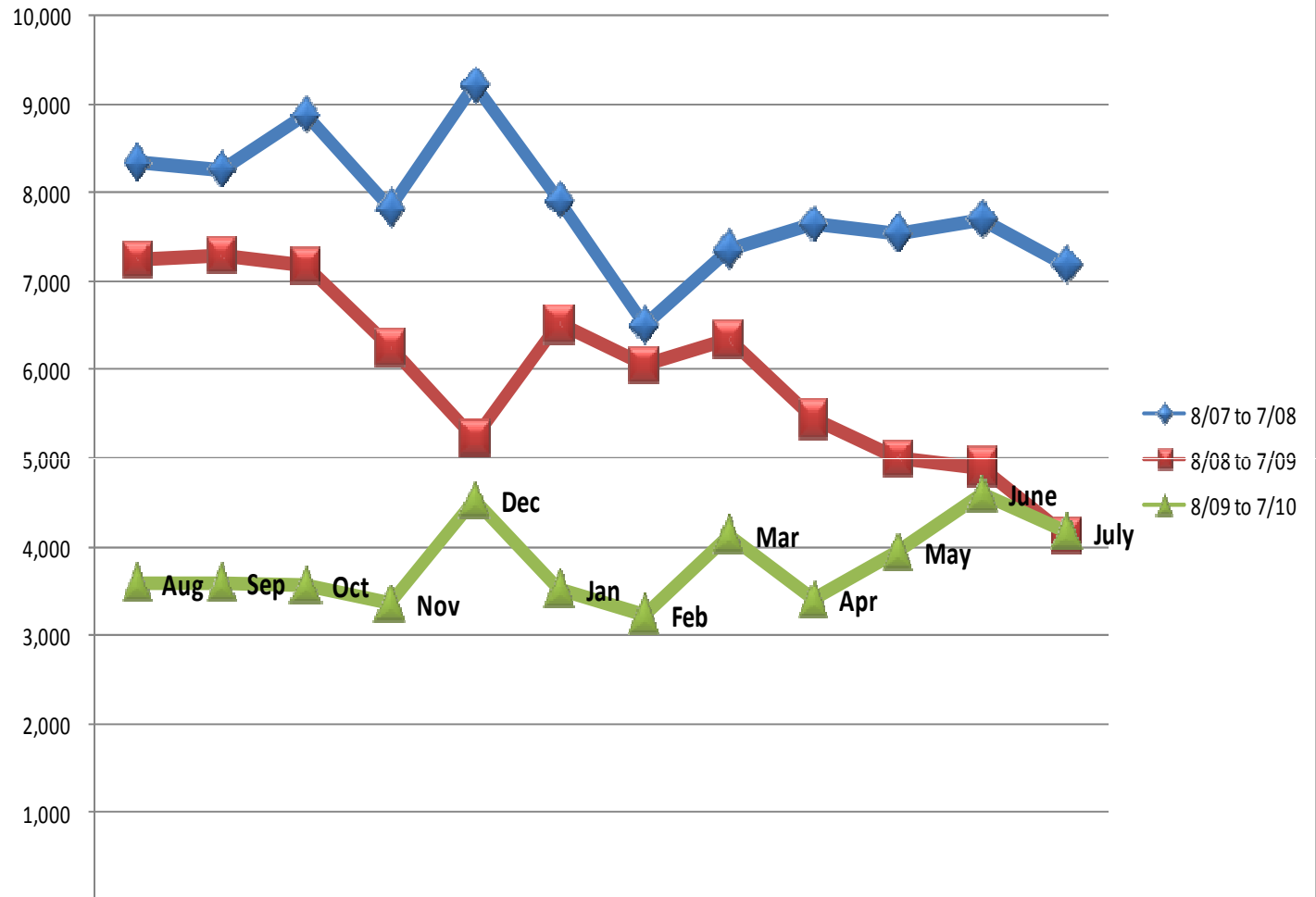
FOR SALE



Monthly Expired & Cancelled Listings

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

Monthly Expireds & Cancelled Listings



	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
8/07 to 7/08	8,345	8,267	8,891	7,826	9,224	7,924	6,511	7,357	7,657	7,546	7,707	7,193
8/08 to 7/09	7,247	7,291	7,179	6,252	5,221	6,517	6,062	6,342	5,441	5,006	4,899	4,126
8/09 to 7/10	3,596	3,601	3,564	3,361	4,533	3,532	3,235	4,139	3,413	3,951	4,603	4,167

Expired & Cancelled Listings Analysis

Sellers:

The month of July saw the number of expired and cancelled listings drop by 9.47% after a two month increase. This means more homes are remaining on the market, creating more potential competition for active sellers. 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 need to pay very careful attention to how homes are priced so they can be the first choice of buyers.

Buyers:

For buyers, this means that there are 4,167 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.

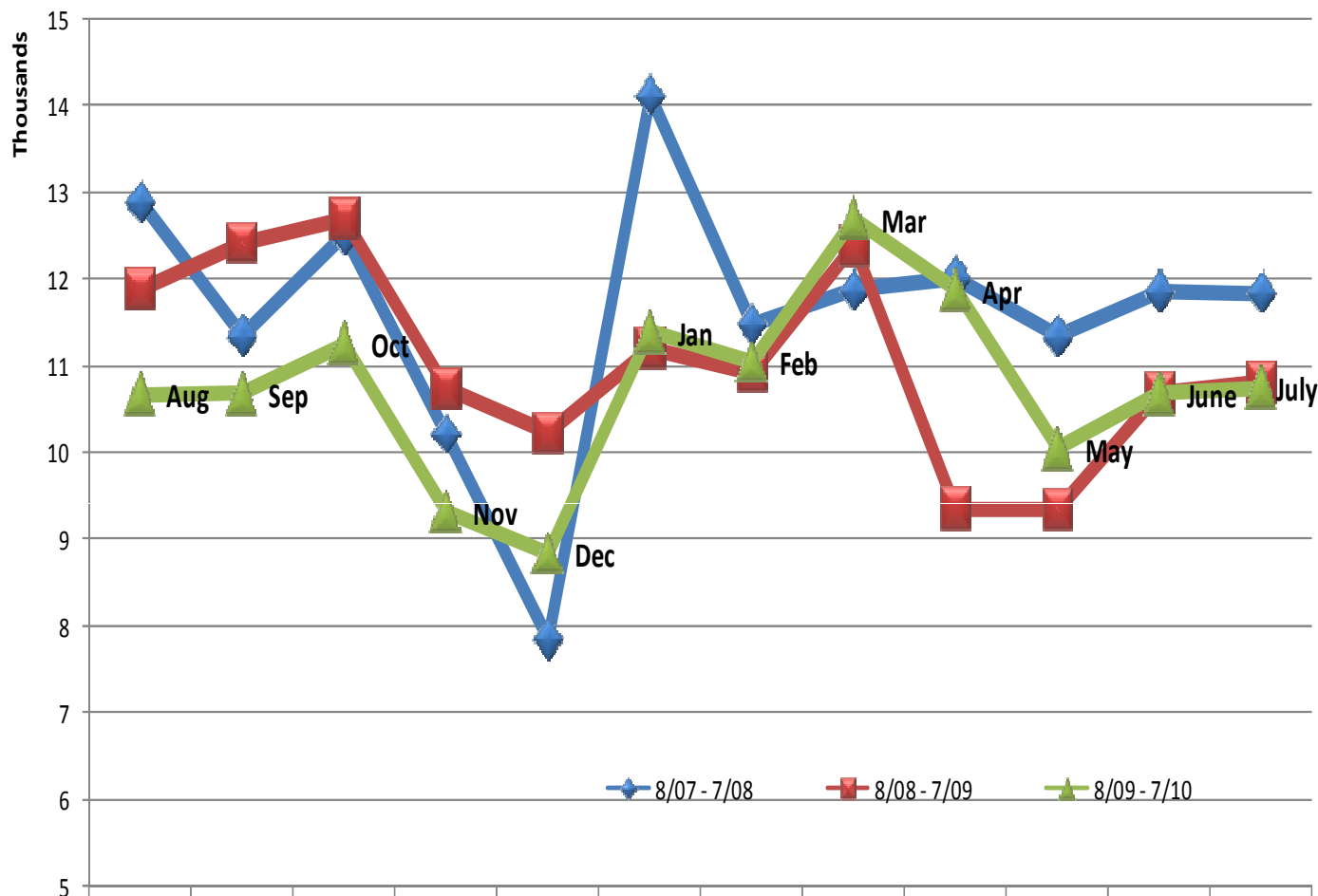




New Listings

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

New listings by month



	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July
8/07-7/08	12882	11339	12503	10203	7832	14115	11469	11864	12010	11334	11845	11831
8/08-7/09	11872	12412	12682	10728	10217	11195	10915	12375	9346	9336	10674	10804
8/09-7/10	10666	10673	11247	9315	8830	11382	11037	12684	11861	10036	10669	10744



New Listings Analysis

Sellers:

Statistics for the month of July showed only a slight increase of 75 new listings over the prior month. This follows the trend of the prior 2 years in the month of July. 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 still 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.

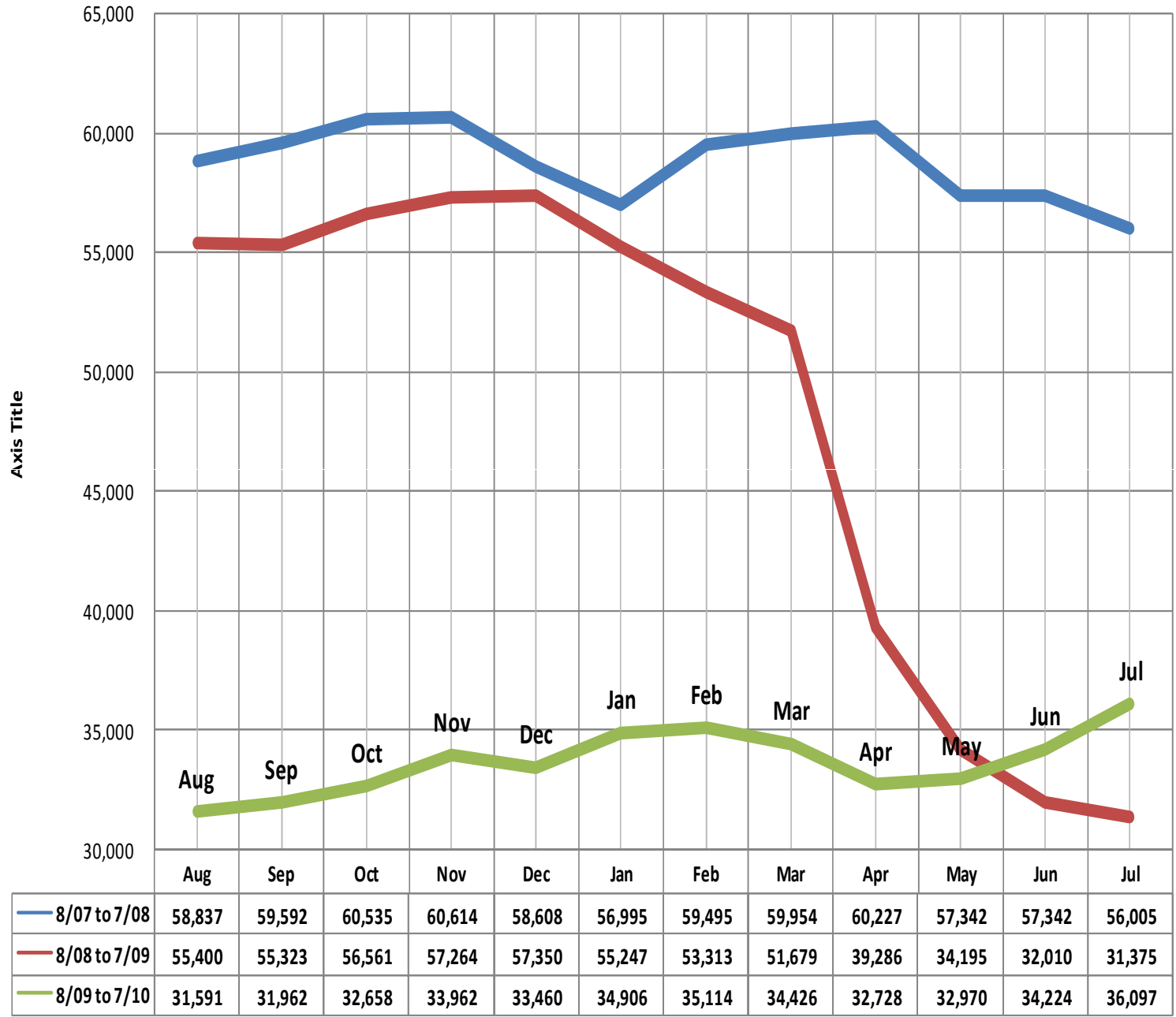




Active Listings

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

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





Active Listings Analysis

Sellers:

For the third month in a row, we have seen an increase in the number of active listings. July saw active listings totaling 36,097. This is an increase of 5.47% over the prior month. Sellers need to make sure that they 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.

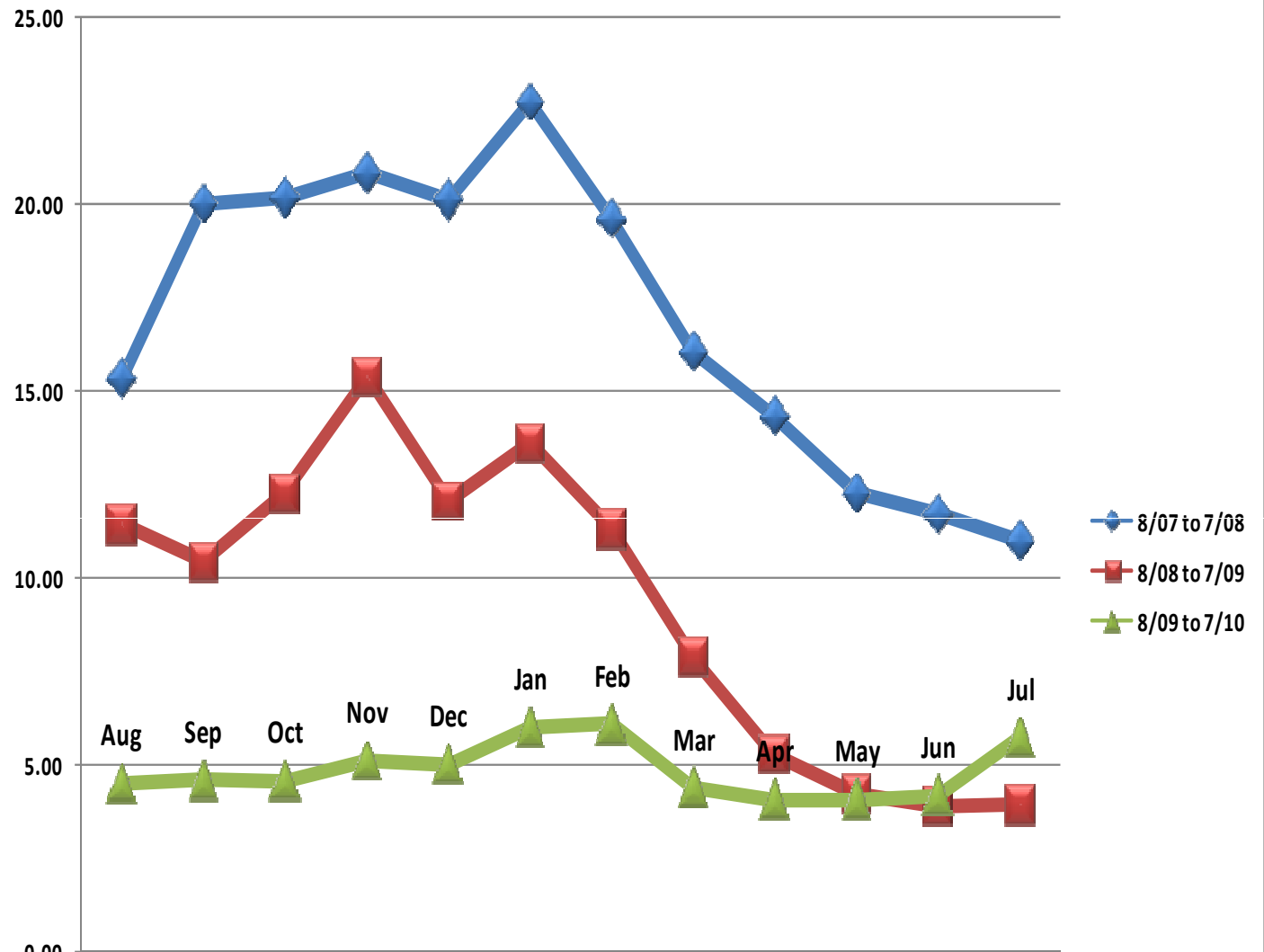




Months of Inventory

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

Months of Inventory (36 month history)



	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
8/07 to 7/08	15.33	20.02	20.18	20.84	20.12	22.74	19.64	16.07	14.34	12.27	11.70	11.01
8/08 to 7/09	11.43	10.43	12.26	15.37	12.05	13.58	11.30	7.89	5.28	4.23	3.89	3.92
8/09 to 7/10	4.50	4.59	4.57	5.10	5.01	5.99	6.08	4.37	4.07	4.06	4.18	5.72

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:

July saw a big spike of 1.54 months in available inventory after a fairly flat 12-month period. This is the highest number since March of 2009 and now means, that on average, we are no longer in a seller's market (5 months or less of inventory). This means sellers 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 in order to become the choice of the buyer pool.

Buyers:

Buyers will want to seriously monitor this, as 5 to 7 months inventory normally indicates a "balanced" market, giving equal 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 July 2010 MLS

Maricopa Cty

TOTAL MARKET OVERVIEW

JULY

2010

1 MONTH OVERVIEW					1 month averages-----					
Price range 1,000s	# of Active listings	# of Pendlings & 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	8,408	5,125	61.0%	1,262	2,163	\$ 64,274	\$ 63,897	99.4%	68	85
100,000- 124,999	3,256	1,823	56.0%	432	736	\$ 113,167	\$ 109,994	97.2%	76	92
125,000- 149,999	3,421	1,781	52.1%	411	751	\$ 137,193	\$ 133,892	97.6%	76	90
150,000- 174,999	2,148	1,235	57.5%	297	509	\$ 161,987	\$ 158,029	97.6%	80	99
175,000- 199,999	2,127	932	43.8%	277	423	\$ 188,188	\$ 181,487	96.4%	81	98
200,000- 224,999	1,157	597	51.6%	154	239	\$ 213,322	\$ 208,784	97.9%	86	102
225,000- 249,999	1,329	622	46.8%	175	293	\$ 237,895	\$ 230,975	97.1%	85	109
250,000- 299,999	1,780	808	45.4%	256	356	\$ 276,316	\$ 267,049	96.6%	88	110
300,000- 349,999	1,119	459	41.0%	165	226	\$ 324,468	\$ 313,604	96.7%	82	100
350,000- 399,999	1,015	390	38.4%	141	184	\$ 377,968	\$ 361,743	95.7%	101	122
400,000- 449,999	555	196	35.3%	69	78	\$ 426,860	\$ 409,782	96.0%	102	131
450,000- 499,999	619	165	26.7%	84	69	\$ 476,183	\$ 447,287	93.9%	130	152
500,000- 749,999	1,378	338	24.5%	174	154	\$ 607,479	\$ 570,266	93.9%	127	161
750,000- 999,999	789	118	15.0%	117	61	\$ 865,763	\$ 802,668	92.7%	170	199
1 million +	1,476	126	8.5%	153	72	\$ 1,901,839	\$ 1,678,172	88.2%	239	301



Summary Comments

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