



Monthly Market Watch for Maricopa County

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



Report overview:

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

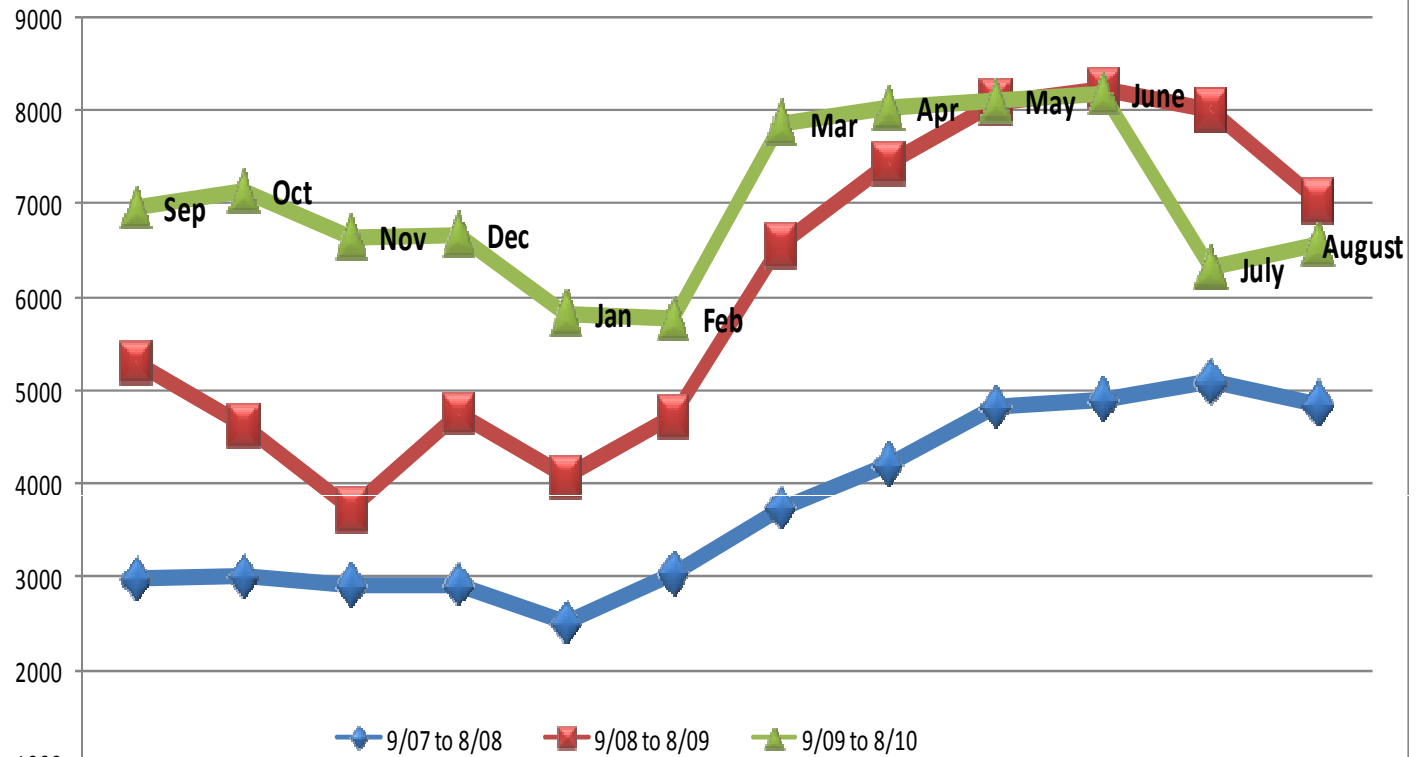
Please note that searches fluctuate daily when running these reports; these figures were obtained on 9/3/10.

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.





Total # of Closed Sales (36 month overview)



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	August
9/07 to 8/08	2976	3000	2908	2913	2506	3030	3731	4200	4822	4900	5089	4847
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

Closed Sales

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



Closed Sales Report Analysis:

Sellers:

In the past 2 years, August has traditionally seen a DROP in closed sales; however, we saw a 4.1% increase during the month of August, meaning that buyers are still buying. This is still much lower than in March through June of this year when the tax credit was in place, but was higher than in August of 2008. When you take out the boost the tax credit provided, August fits very closely to the trend of September '09 through February '10. Continue to watch this trend as we move into the fourth quarter of 2010.

Buyers:

For buyers, this means buyers ARE still buying even without a tax credit. These buyers see the value in home prices in today's market AND want to make sure they are taking advantage of the current interest rates. 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.

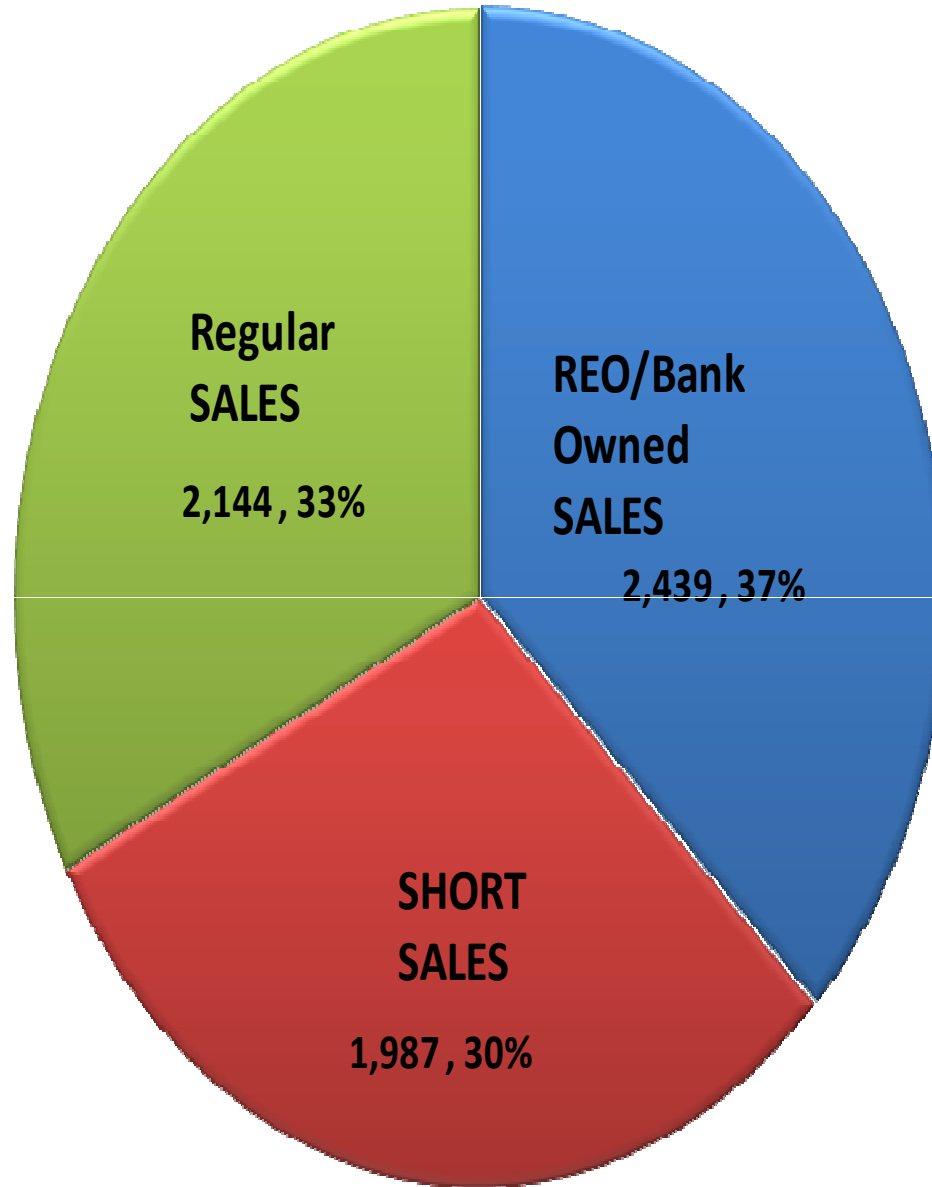




Distressed Sales

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

REO, Short, and Regular Sales Comparison (August 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.

August statistics showed a shift in where closed sales focused.

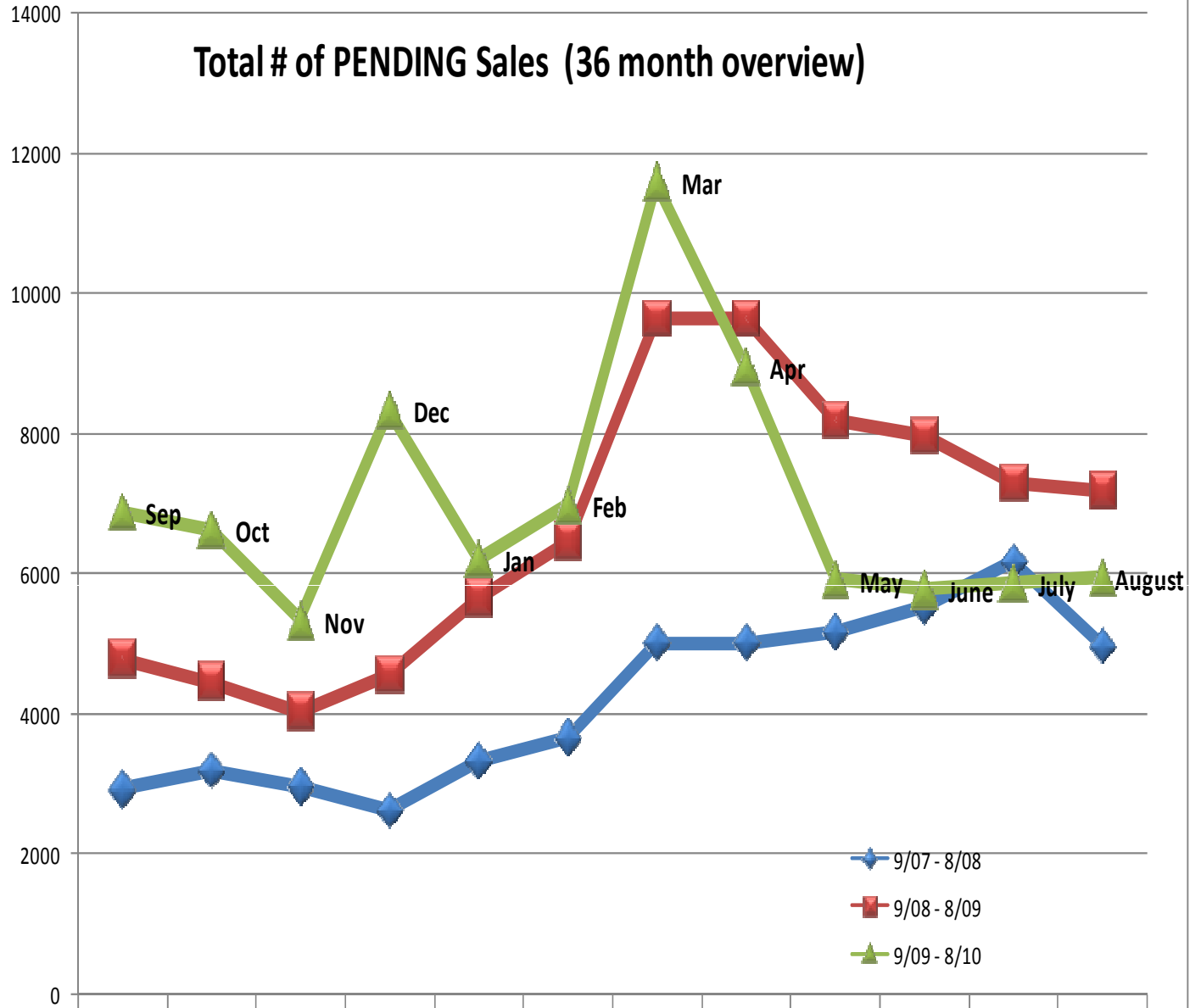
There was a slight decrease of .7% in closed foreclosure properties, but there was a 4.5% INCREASE in the number of closings that involved a short sale. As a result, we saw a 3.97% decrease in the number of “regular” sales. Continue to monitor this whether you are a buyer OR seller, as it provides the information on trends in home sales that will impact your success.





Pending Sales

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



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	August
9/07 - 8/08	2920	3184	2951	2626	3316	3654	5012	5012	5164	5539	6177	4963
9/08 - 8/09	4796	4449	4031	4552	5662	6470	9641	9641	8190	7969	7300	7179
9/09 - 8/10	6882	6624	5321	8331	6204	6975	11584	8946	5905	5772	5855	5936



Pending Sales Report Analysis:

Sellers:

Over the past 4 months, pending sales have remained fairly consistent. August saw a 1.4% increase in the number of homes that moved to pending status, meaning they are under contract, but have not yet closed. 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 is a strong indicator of buyer activity in the current market – are buyers still buying? And the answer remains, “yes, they are.”

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.

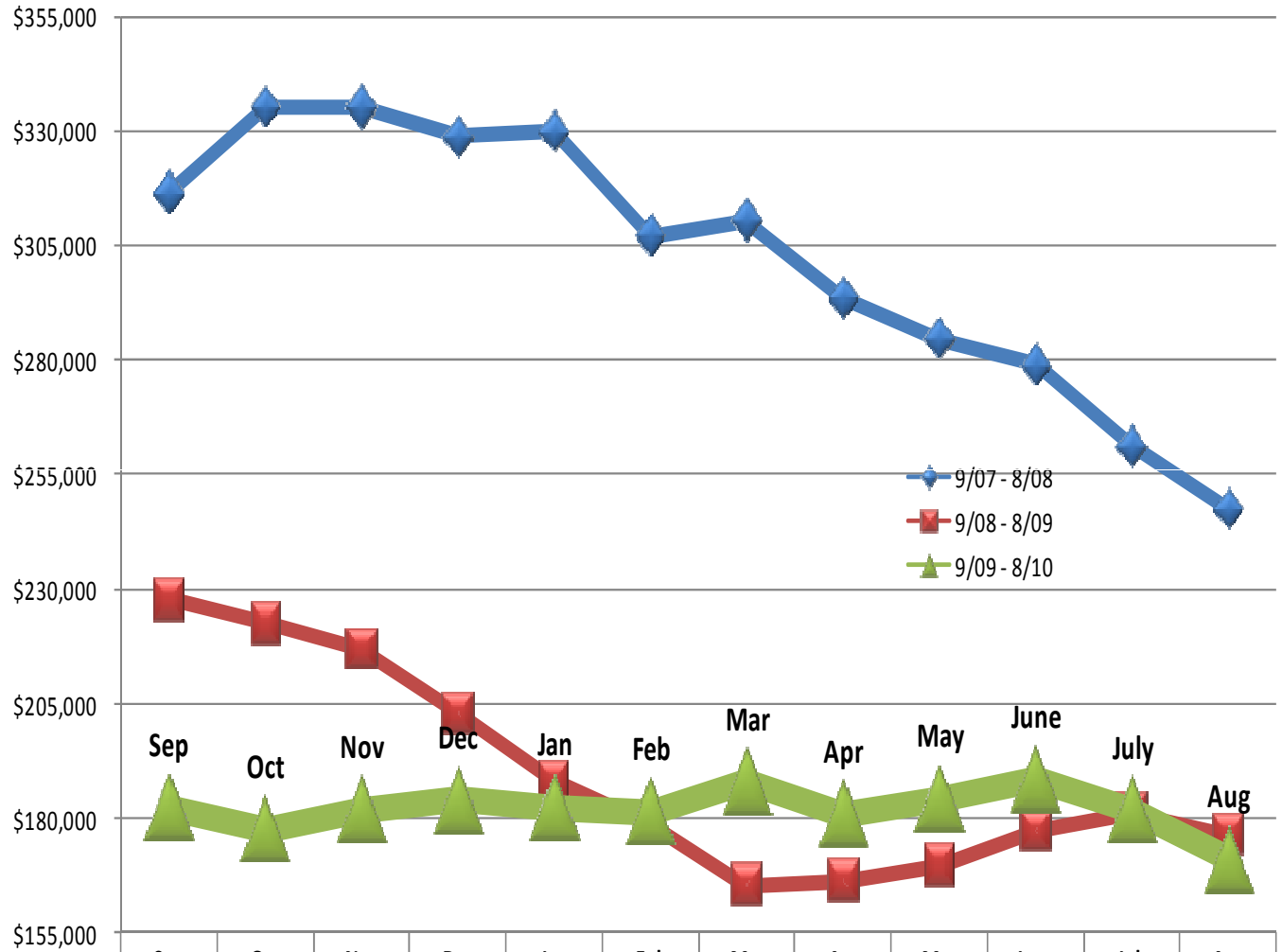




Average Sales Price

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

Average Sales Price (36 months)



9/07 - 8/08	\$316,436	\$335,146	\$335,116	\$328,813	\$329,909	\$307,045	\$310,472	\$293,464	\$284,632	\$278,957	\$261,238	\$247,587
9/08 - 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 - 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

Average Sales Price Analysis

Sellers:

After remaining fairly consistent, August saw a 6.3% drop in the average sales price over the month of July. However, we normally do see a drop in this month when you look at the historical perspective. This is the lowest average sales price the market has seen since May of 2009. Continue to watch this graph to see how low interest rates, increased inventory, and changing lender requirements impact this price.

Buyers:

For buyers, this means the average buyer paid less for a home in August than in the prior several months. With the prior chart showing that more properties went under contract in August than in the prior month, this is a strong indicator that buyers are actively taking advantage of this market and financing options available to them. Find time now to meet with your real estate professional to learn why this could be the very best time for YOU to buy.

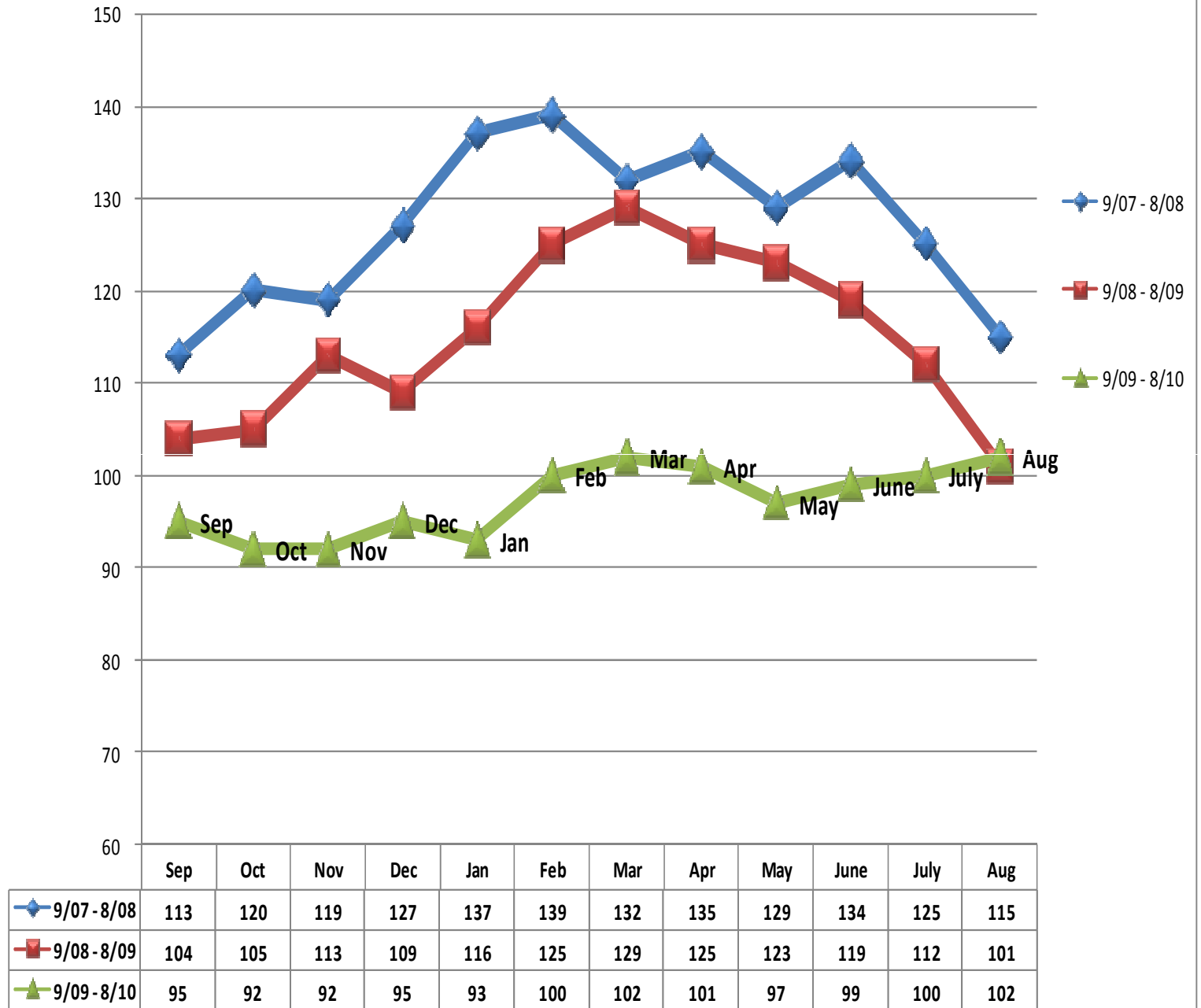




Average Days on Market

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

Average Days on Market (sales)



Average Days on Market Analysis

Sellers:

For the third month in a row, the statistics show an increase in the average days on market. In August, the average home was on the market for 102 days.

We hit our 36-month low in November of 2009 – it will be important for sellers to continue 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.

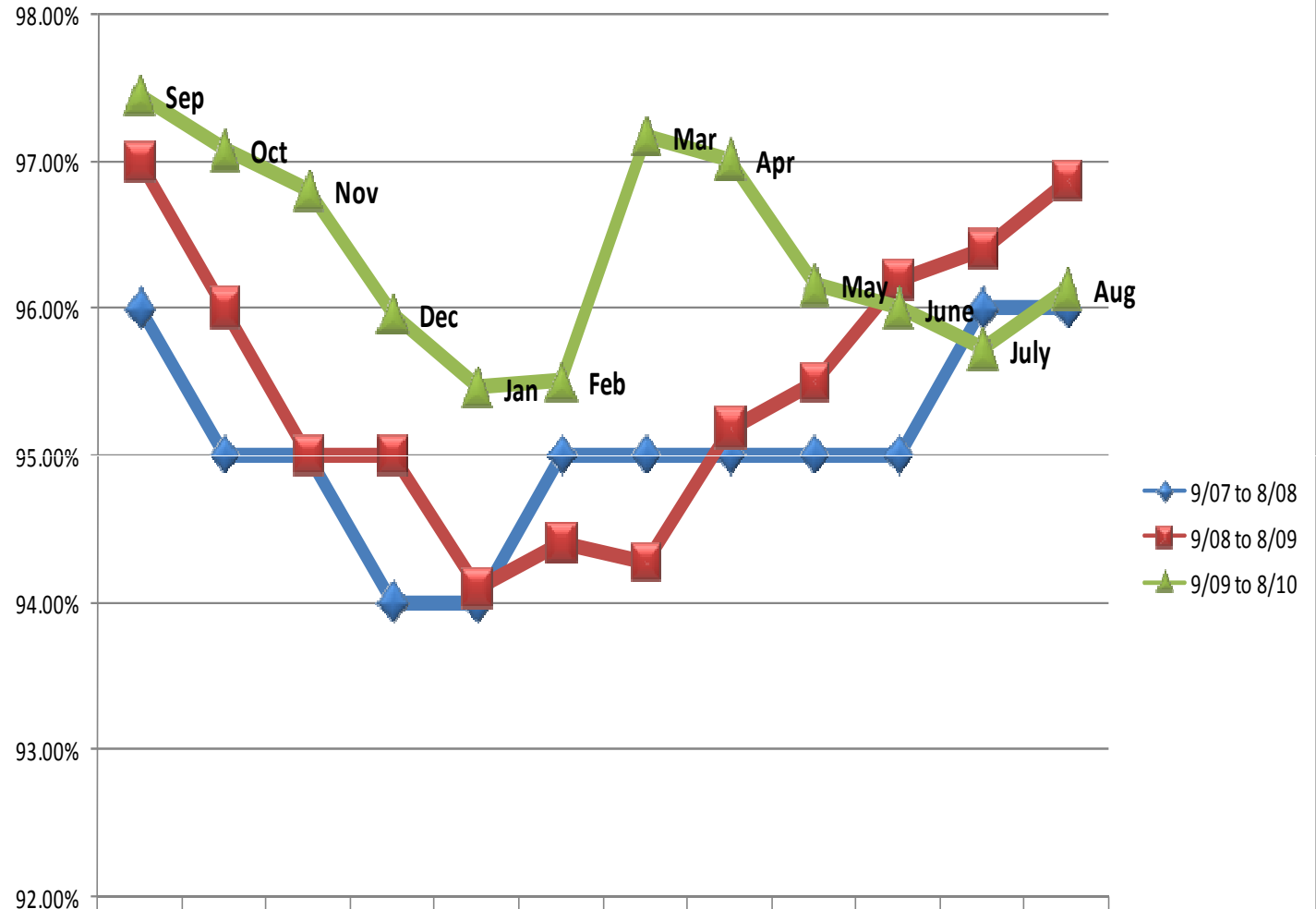




Average List to Sales Price Ratio

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

Average List to Sales Price Ratio



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
9/07 to 8/08	96.00%	95.00%	95.00%	94.00%	94.00%	95.00%	95.00%	95.00%	95.00%	95.00%	96.00%	96.00%
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%

List to Sale Price Ratio Analysis

Sellers:

For the first time in 4 months, we saw an increase in the list to sales price.

This statistic reveals how close the actual sales price was to the list price on a home.

In August, the average was 96.13%. As a seller, it means you can expect a higher return than you did in June and July, 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:

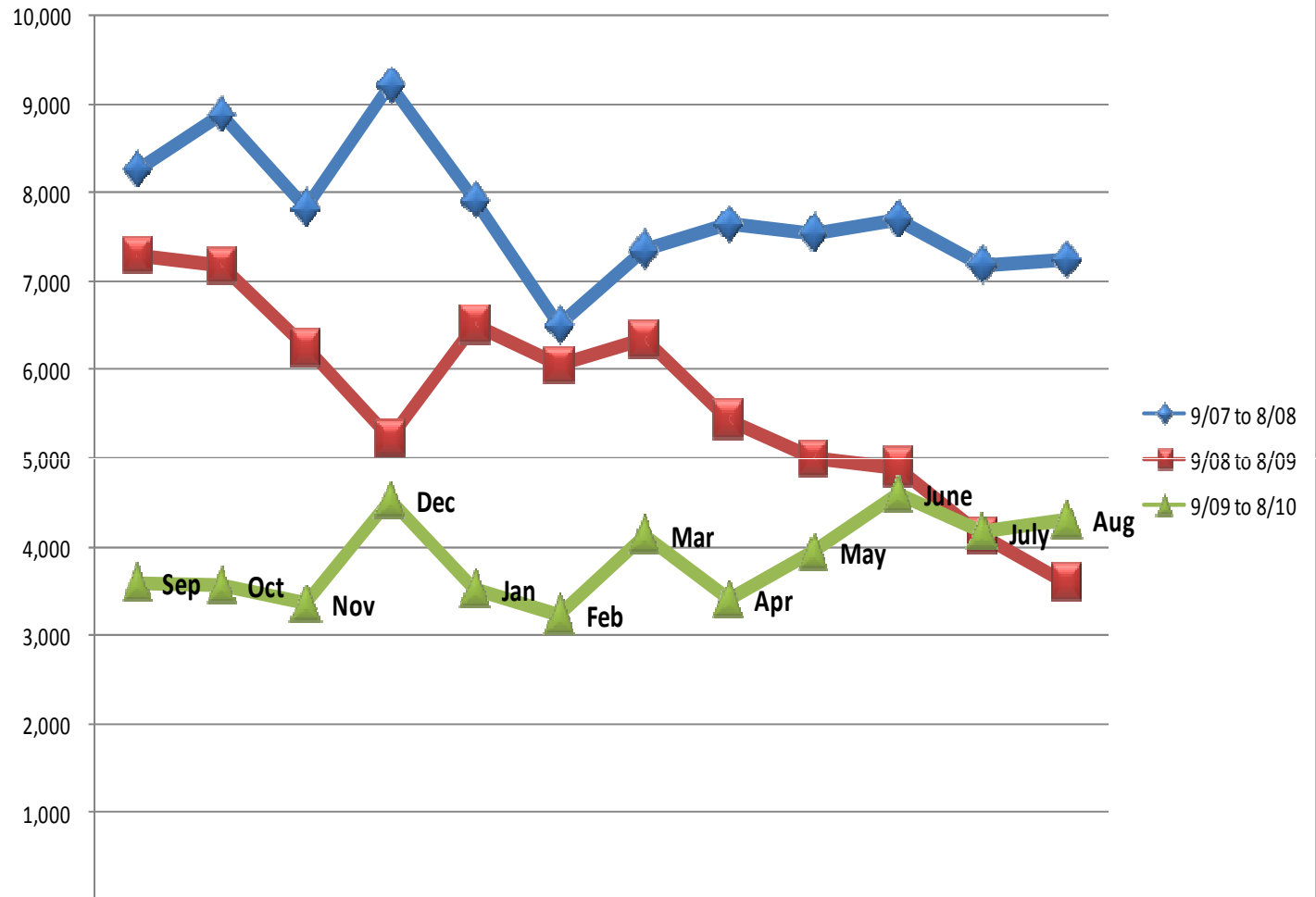
Buyers need to pay attention. This number means that buyers paid nearly ½% more for their homes than in the month of July from a list to sales price ratio standpoint. With the drop in the average sales price, this increase should come as no surprise, as it is an indicator that list prices are closer to what buyers are willing to pay. 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.



Monthly Expired & Cancelled Listings

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

Monthly Expireds & Cancelled Listings



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
9/07 to 8/08	8,267	8,891	7,826	9,224	7,924	6,511	7,357	7,657	7,546	7,707	7,193	7,247
9/08 to 8/09	7,291	7,179	6,252	5,221	6,517	6,062	6,342	5,441	5,006	4,899	4,126	3,596
9/09 to 8/10	3,601	3,564	3,361	4,533	3,532	3,235	4,139	3,413	3,951	4,603	4,167	4,311

Expired & Cancelled Listings Analysis

Sellers:

The month of August saw the number of expired and cancelled listings increase by 3.5%. This means fewer homes are remaining on the market compared to the month of July, creating a little less 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, be aware that there are 4,311 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.

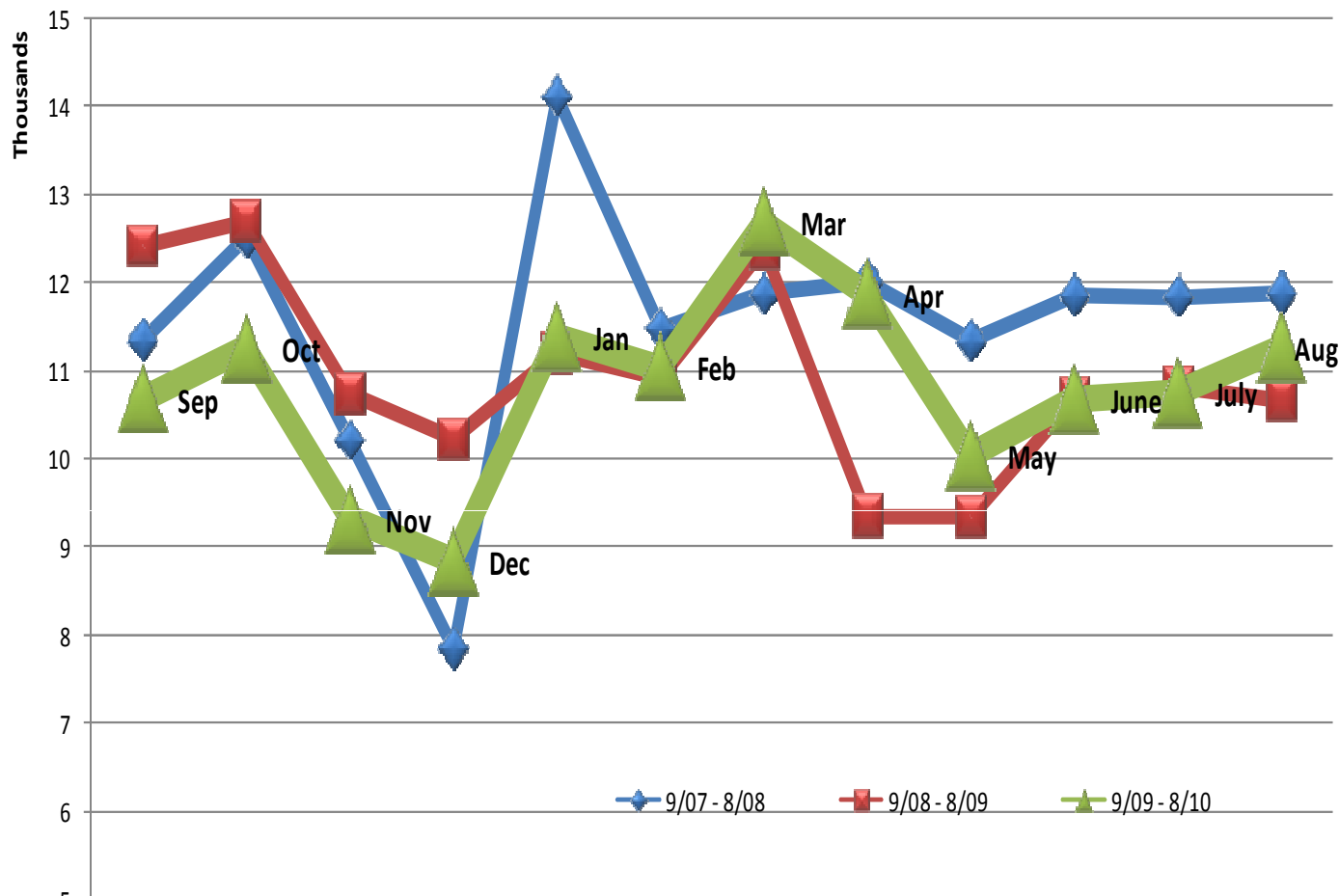




New Listings

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

New listings by month



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug
9/07 - 8/08	11339	12503	10203	7832	14115	11469	11864	12010	11334	11845	11831	11872
9/08 - 8/09	12412	12682	10728	10217	11195	10915	12375	9346	9336	10674	10804	10666
9/09 - 8/10	10673	11247	9315	8830	11382	11037	12684	11861	10036	10669	10744	11255



New Listings Analysis

Sellers:

Statistics for the month of August showed only an increase of 4.8% for new listings over the prior month. This means there were 11,255 NEW properties entering the market – they could be traditional sales OR they could be distressed sales. 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.

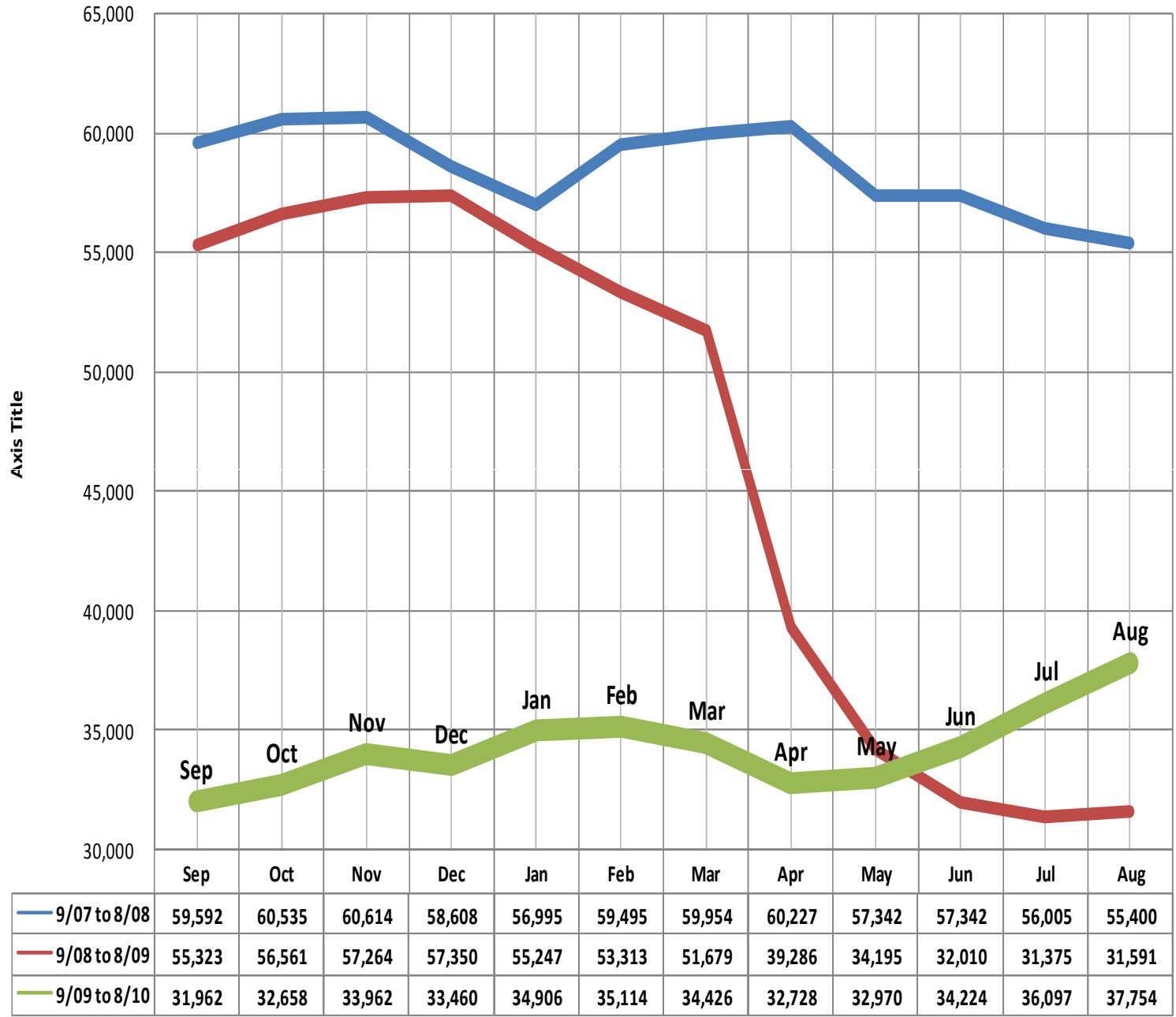




Active Listings

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

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





Active Listings Analysis

Sellers:

For the fourth month in a row, we have seen an increase in the number of active listings. August saw active listings totaling 37,754. This is an increase of 4.6% over the prior month. **This is the highest number we have had since April of 2009.**

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.

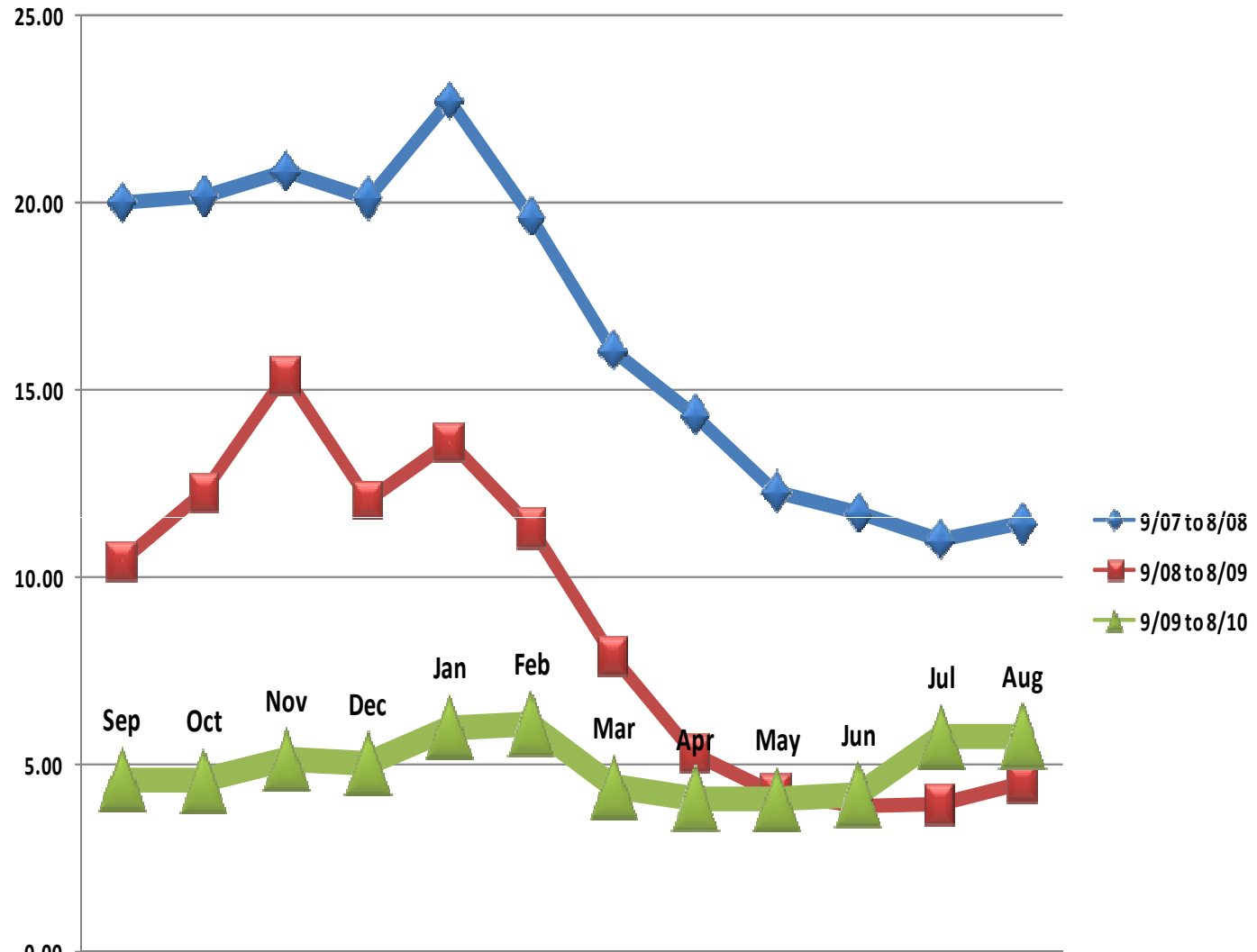




Months of Inventory

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

Months of Inventory (36 month history)



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
9/07 to 8/08	20.02	20.18	20.84	20.12	22.74	19.64	16.07	14.34	12.27	11.70	11.01	11.43
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

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:

August saw a slight increase of .03 months in available inventory after a fairly flat 12-month period. August averaged 5.75 months of inventory. This is the highest number since February of this year 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 August 2010 MLS

Maricopa Cty

TOTAL MARKET OVERVIEW

AUGUST

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	9,260	5,000	54.0%	1,358	2,451	\$ 63,503	\$ 61,680	97.1%	71	89
100,000- 124,999	3,519	1,813	51.5%	461	741	\$ 113,278	\$ 110,880	97.9%	77	93
125,000- 149,999	3,496	1,691	48.4%	457	727	\$ 137,352	\$ 133,560	97.2%	79	95
150,000- 174,999	2,315	1,123	48.5%	289	537	\$ 161,744	\$ 158,464	98.0%	82	101
175,000- 199,999	2,193	929	42.4%	272	421	\$ 187,717	\$ 182,184	97.1%	84	101
200,000- 224,999	1,205	541	44.9%	157	272	\$ 213,334	\$ 207,578	97.3%	83	105
225,000- 249,999	1,410	565	40.1%	184	290	\$ 237,850	\$ 231,322	97.3%	84	98
250,000- 299,999	1,849	766	41.4%	232	338	\$ 273,740	\$ 264,842	96.7%	90	114
300,000- 349,999	1,137	429	37.7%	145	202	\$ 325,425	\$ 315,333	96.9%	92	117
350,000- 399,999	998	365	36.6%	145	153	\$ 376,737	\$ 362,813	96.3%	124	142
400,000- 449,999	557	183	32.9%	92	84	\$ 426,460	\$ 409,300	96.0%	114	125
450,000- 499,999	599	157	26.2%	82	82	\$ 476,489	\$ 453,714	95.2%	121	145
500,000- 749,999	1,370	300	21.9%	174	147	\$ 602,551	\$ 608,224	100.9%	130	180
750,000- 999,999	767	110	14.3%	108	50	\$ 869,637	\$ 813,583	93.6%	149	193
1 million +	1,414	121	8.6%	157	63	\$ 1,780,453	\$ 1,525,139	85.7%	201	277



Summary Comments

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