



Monthly Market Watch for Maricopa County

An overview of what is happening
in the Maricopa County
real estate market
(using October 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 11/4/10.

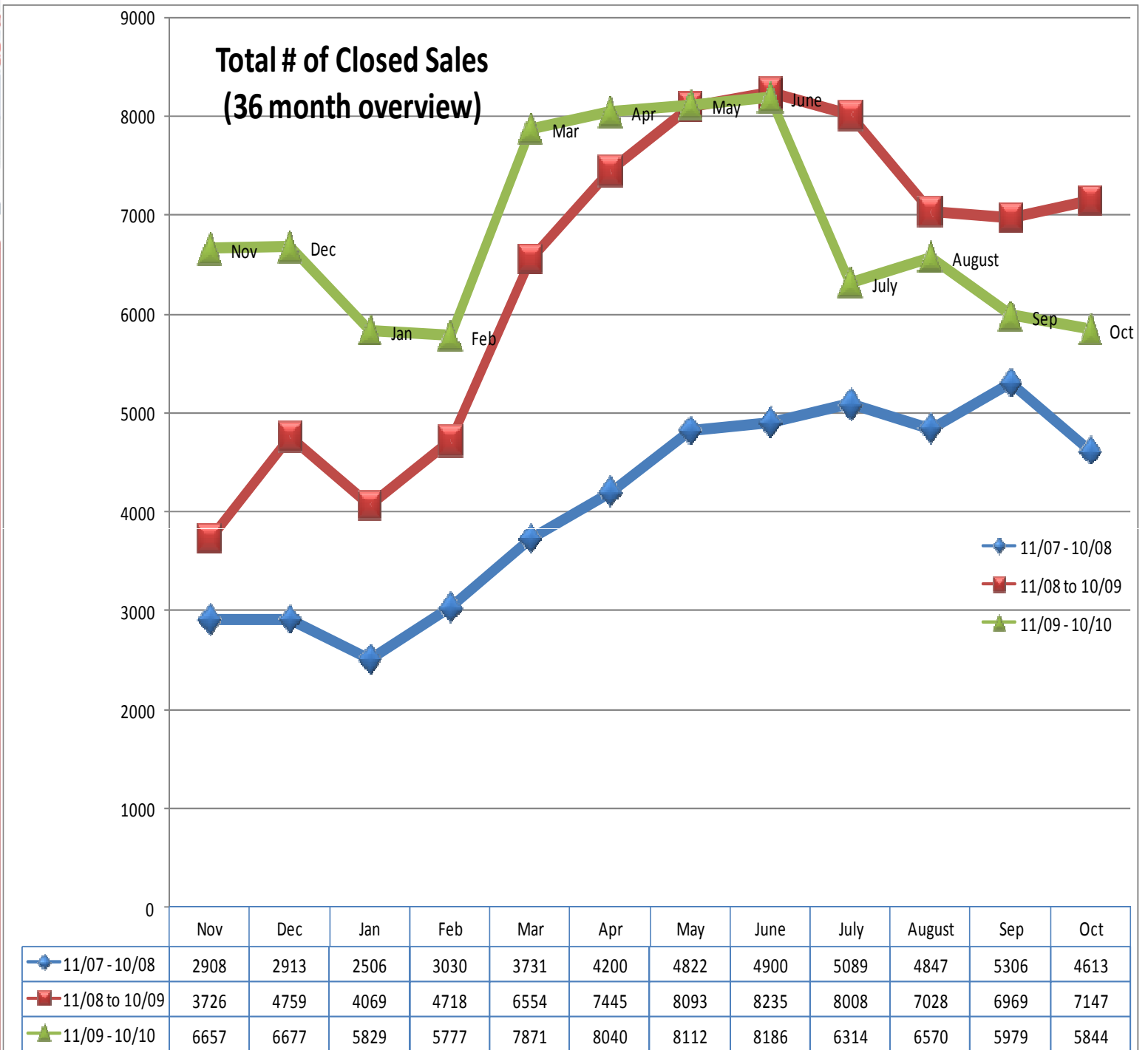
A reminder that you need to meet with a real estate professional to see how statistics impact the area where you are considering selling or buying – blended statistics will not be as accurate as a more detailed report that your real estate professional can provide to help you with your decision making.





Closed Sales

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





Closed Sales Report Analysis:

Sellers:

The month of October showed a 2.25% decrease in the number of closed sales over the prior month. This is the lowest number since February of 2010. For the 5th month in a row, the number of closed sales are lower than the same months one year ago. As we enter the holiday season, it will be important to watch how banks respond to halting foreclosures until the first of the year.

Buyers:

For buyers, this means you may have even less competition for the homes that are currently on the market. When you combine this with the great loans available, this could be the very best time for you to begin or finalize your search for a home. Should we see inventory drop because of the recent decisions on foreclosures, that could mean more competition for homes that are on the market ... and more competition could potentially mean higher prices for you. 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.

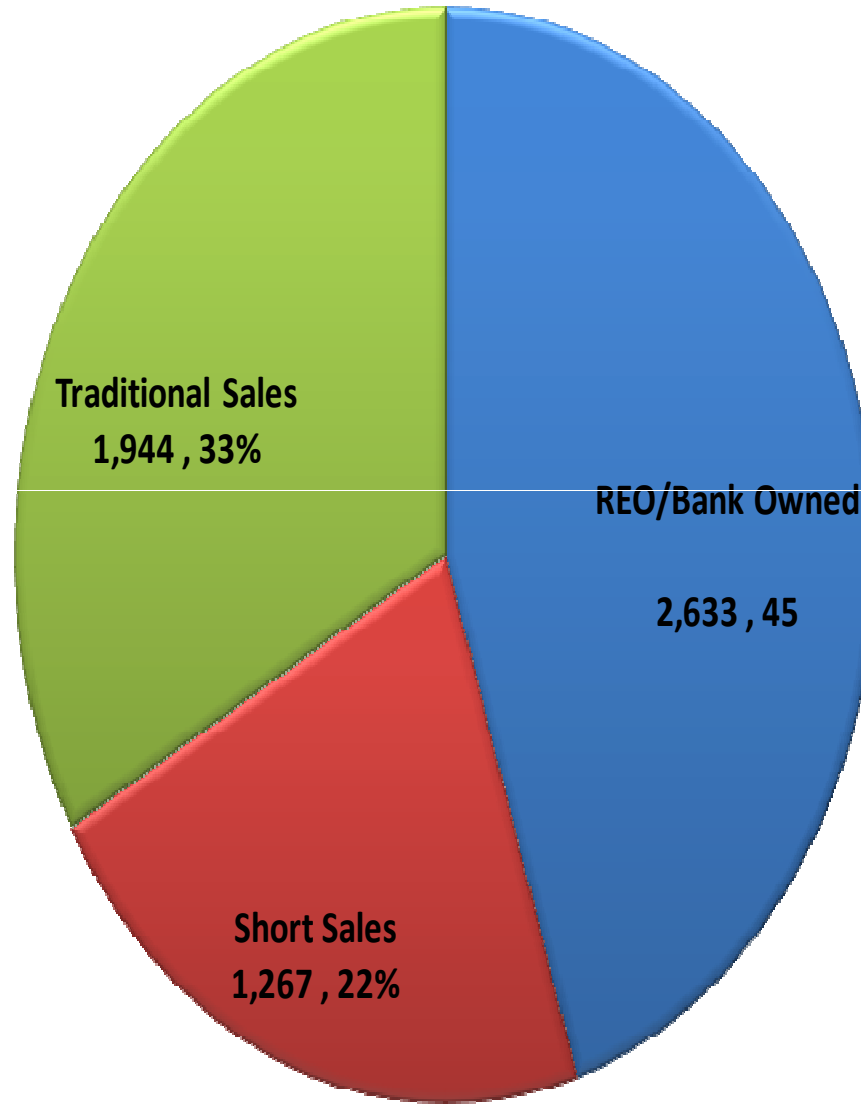




Distressed Sales

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

REO, Short, and Traditional Sales Comparison (October 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.

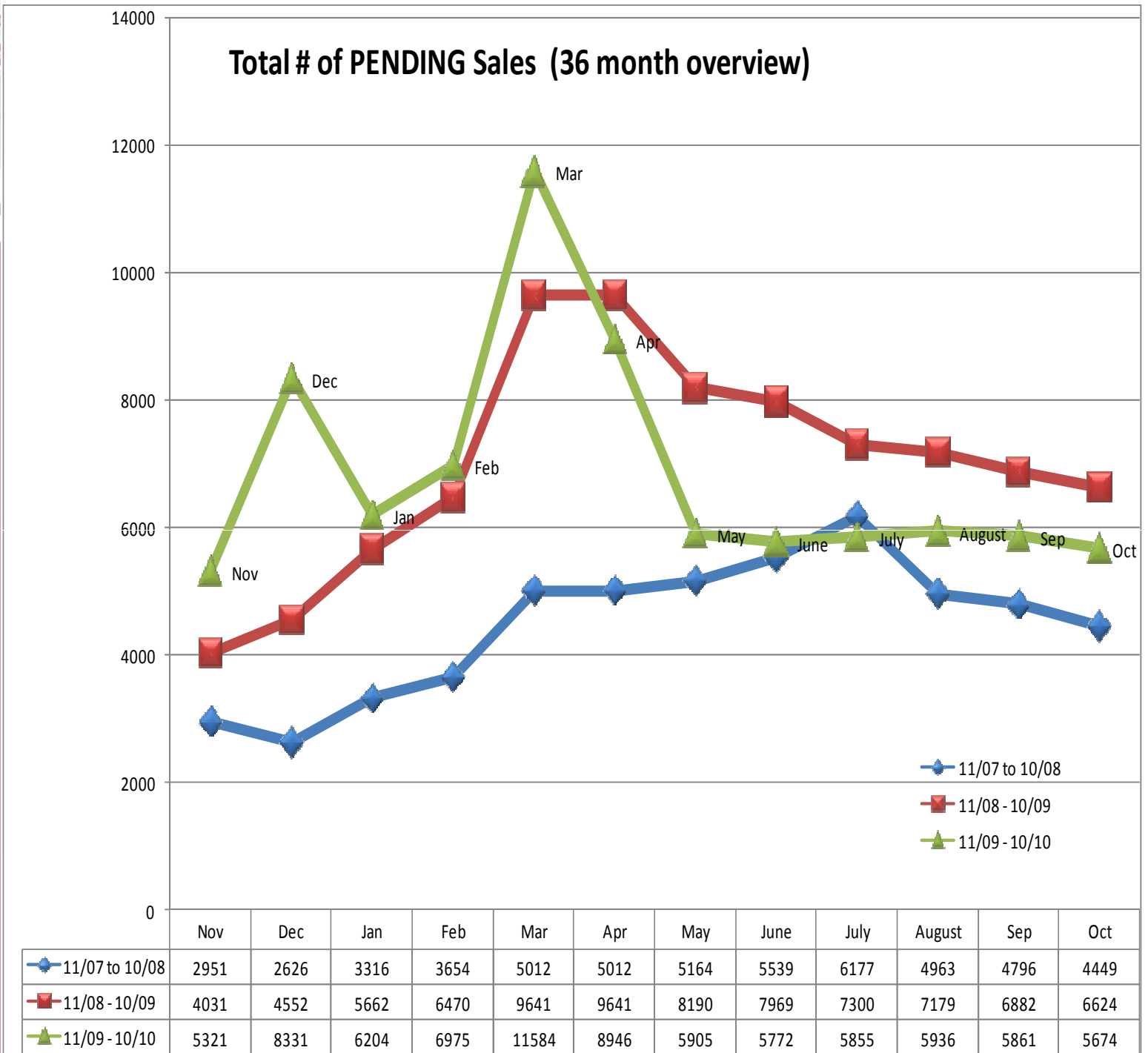
October statistics saw a *significant* shift in the type of closed sales. **Traditional sales increased 61% over the month of September. There was a slight decrease of 8.2% in short sales that closed, and a 22.3% decrease in the number of foreclosure sales. As banks make decisions on when to re-introduce foreclosed properties, it will be important to monitor the number of homes available for purchase.**





Pending Sales

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





Pending Sales Report Analysis:

Sellers:

Over the past 6 months, pending sales have remained fairly consistent. October saw a 3.2% decrease in the number of homes that moved to pending status, meaning they are under contract, but have not yet closed. This is the lowest number of pending sales since November of 2009. Contributors definitely include banks halting and/or removing foreclosure properties from the market in response to recent legal actions taken. Sellers need to continue to this as the banks reintroduce these properties to the market.

Buyers:

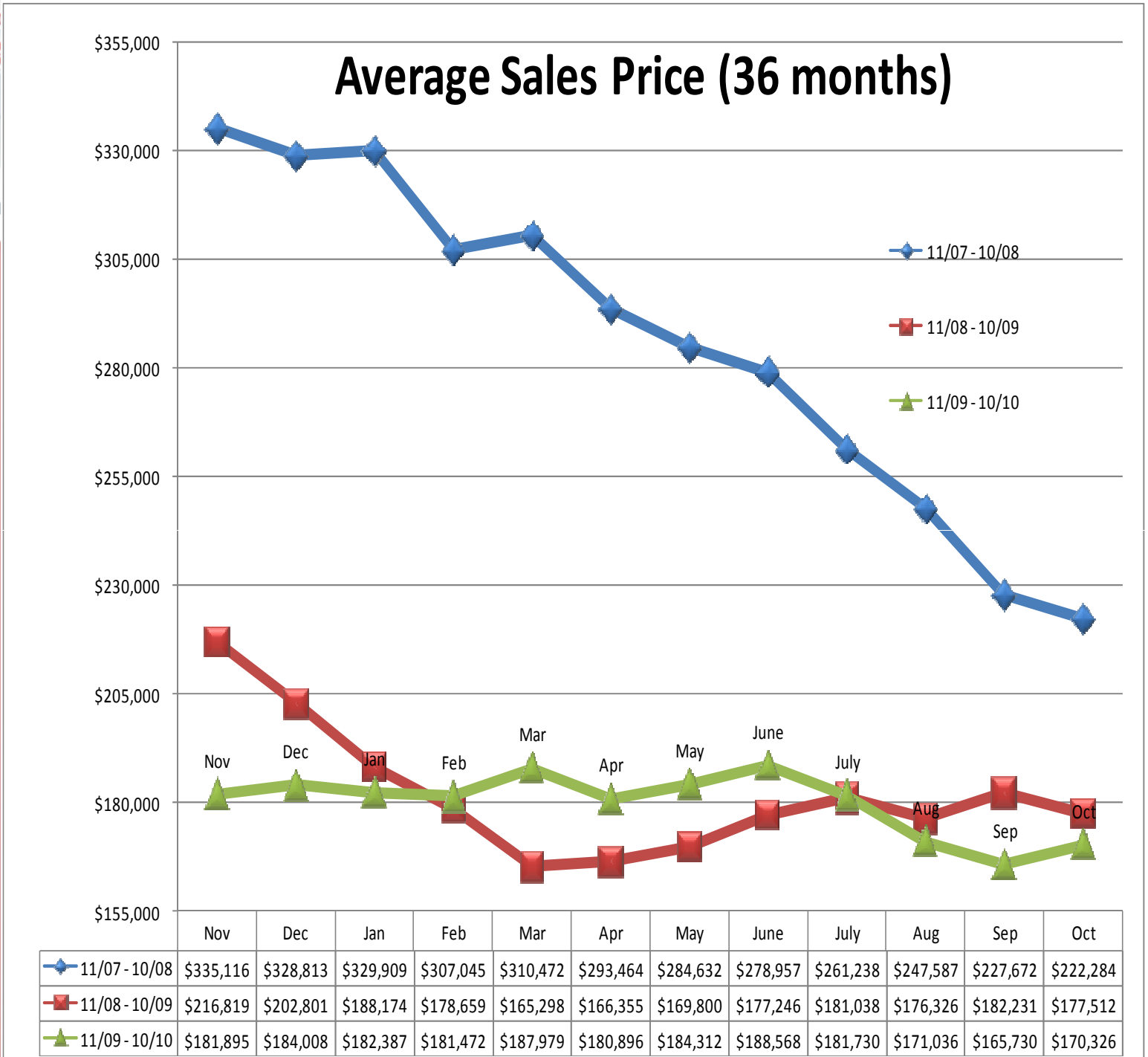
Buyers need to pay careful attention to projected market trends. Experts are projecting that interest rates will begin to rise again as early as May of 2011. If that is the case, buyers need to be diligent in finding the right home in order to lock in the lowest possible interest rate. Continue to work with your real estate professional to make sure you are aware of trends in more homes entering the market as the banks move forward with selling their foreclosure inventory.





Average Sales Price

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



Average Sales Price Analysis

Sellers:

After a drop in the average sales price in September, October saw a 2.77% increase to \$170,326. Although this is still the 2nd lowest average sales price in the 36-month reporting period, it does show that the shrinkage in inventory may be impacting the price buyers are paying. Continue to watch this graph to see how low interest rates, increased inventory, and changing lender requirements impact this price.

Buyers:

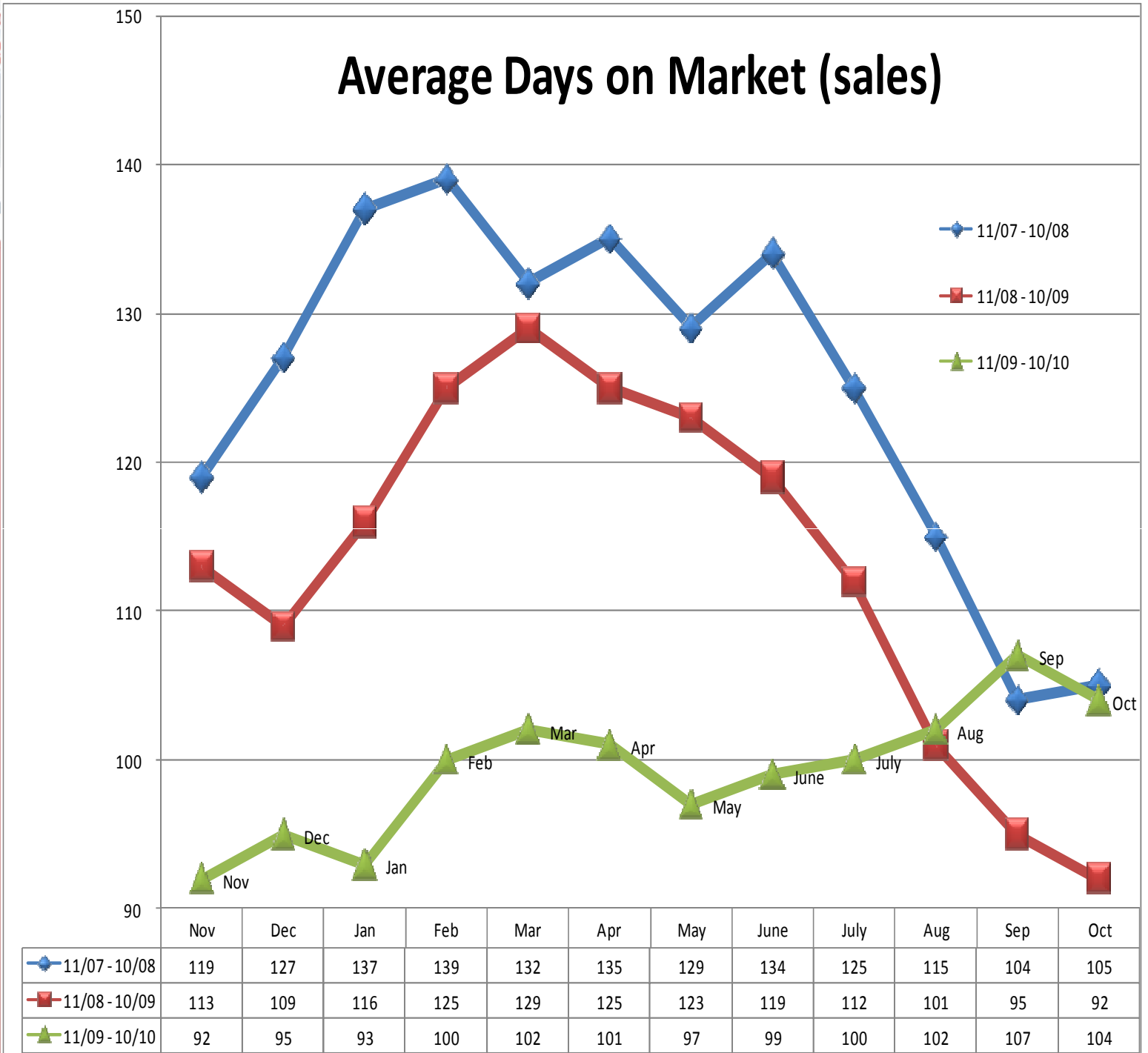
For buyers, this means the average buyer paid less for a home in October than in the prior several months. As mentioned previously, it is very important for buyers to monitor what is happening with the bank-owned properties – a continued reduction in inventory could have a significant impact on a buyer's ability to buy a home, as there will be more competition for the inventory. 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

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



Average Days on Market Analysis

Sellers:

The month of October saw a 3-day decrease in the average days on market for closed sales. This is the second highest number since July of 2009. This decrease means that sellers are selling homes slightly faster than they did last month. As banks make decisions as to when and how they will introduce the shadow foreclosure inventory into the market (projected at over 32,000 homes), sellers may be faced with more competition in finding the perfect buyer.

Buyers:

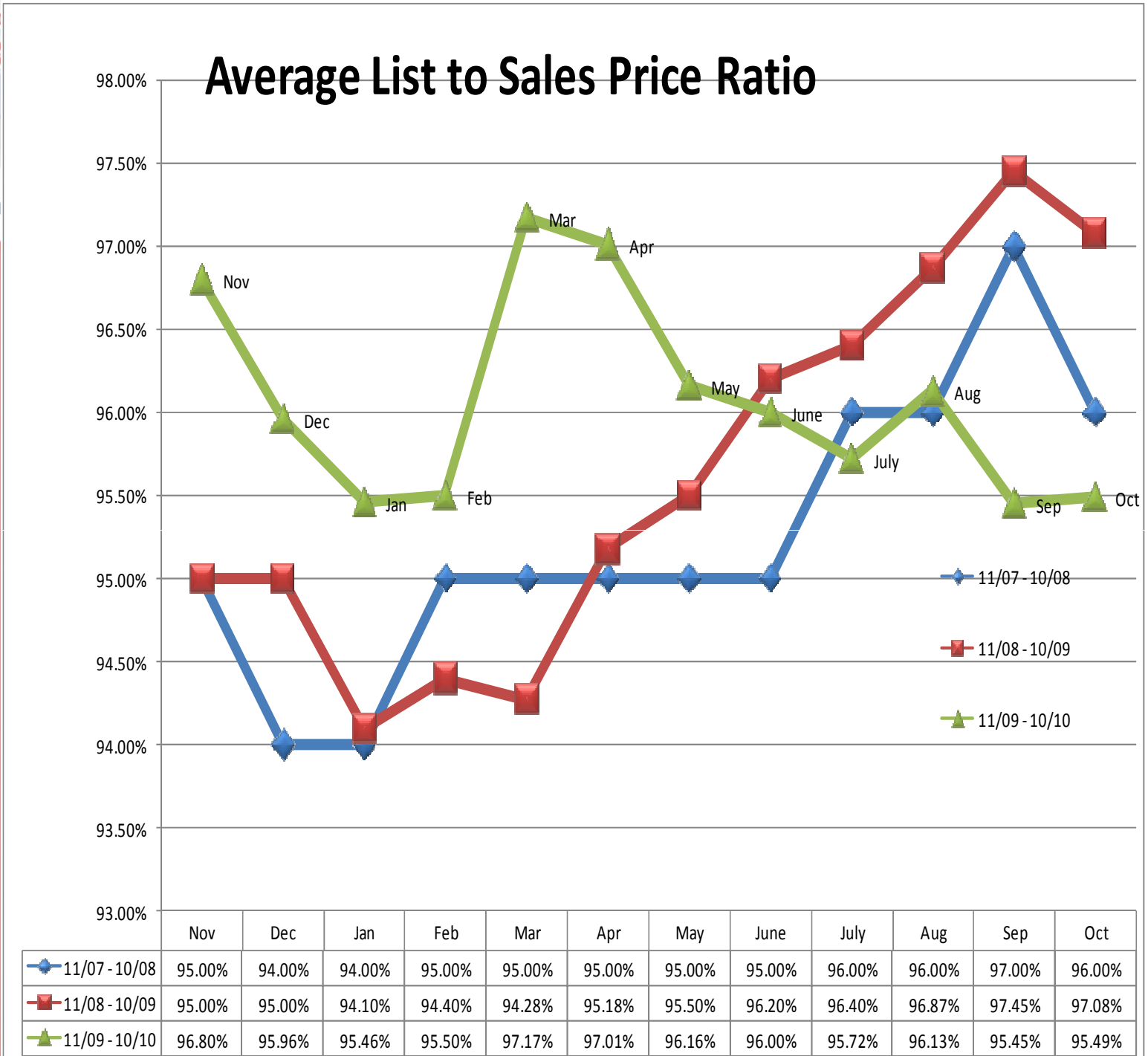
Buyers need to be aware of this number because it is an indicator of how long sellers are having to wait to go under contract and close. The higher the number, the more control a buyer normally has. Even if we have an addition of homes to the market via foreclosures, buyers need to understand that competition 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 October 2010 MLS



List to Sale Price Ratio Analysis

Sellers:

After a decrease in September, October saw a slight increase in the list to sales price ratio. This statistic reveals how close the actual sales price was to the list price on a home. In October, the average was 95.49%. 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:

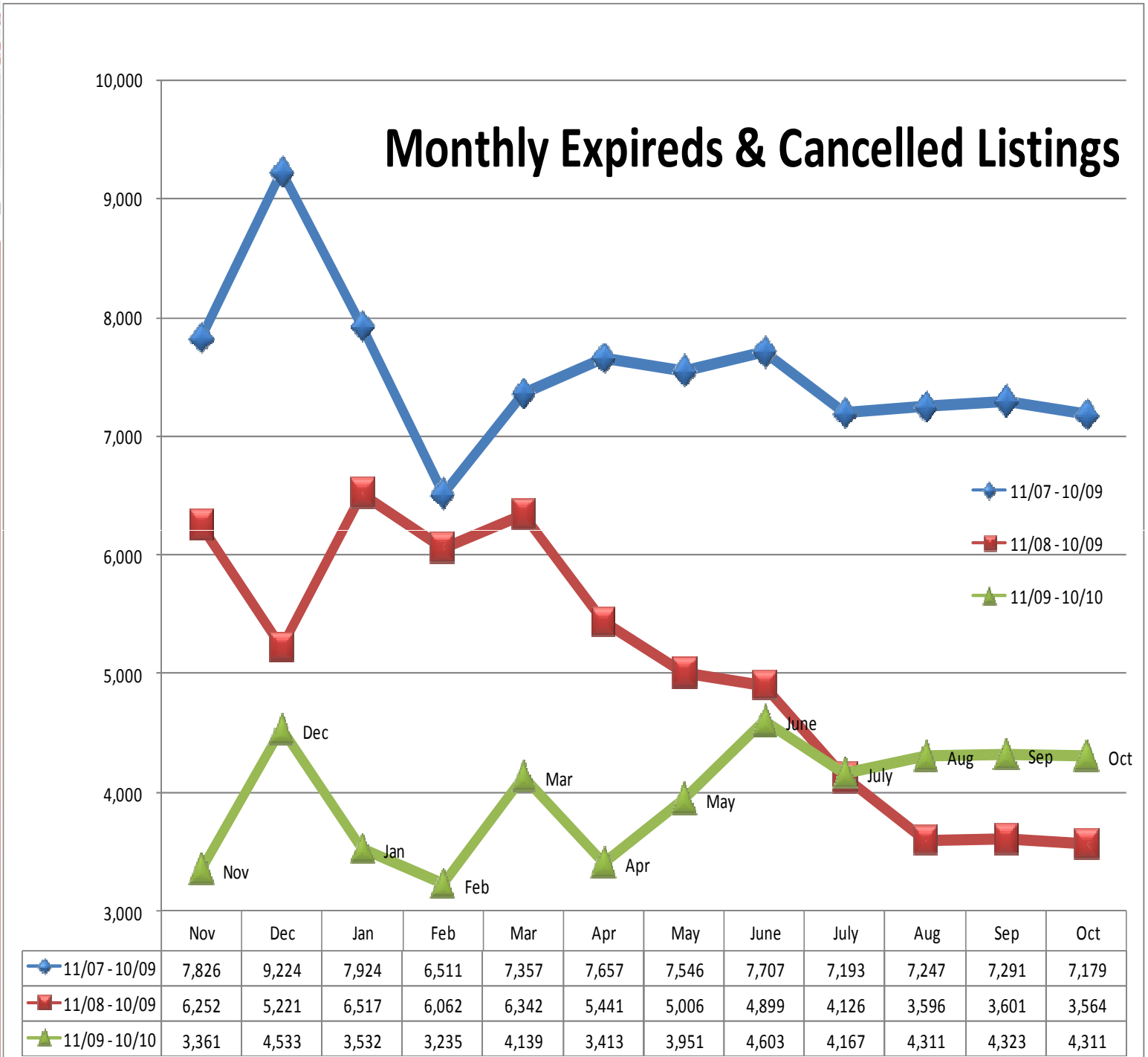
Buyers need to pay attention. This number means that buyers have a little more buying power than they have for several months. Although the average is less than 100%, on lower priced/highly desirable properties buyers **may** still have to pay above list price. Since a home must appraise in order to 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 October 2010 MLS



Expired & Cancelled Listings Analysis

Sellers:

The month of October saw the number of expired and cancelled listings once again remain fairly consistent over the prior month. This means 4,311 homes were removed from the market – sellers may have decided to remove the home from the market OR the home may have been a short sale that was not successful. 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.

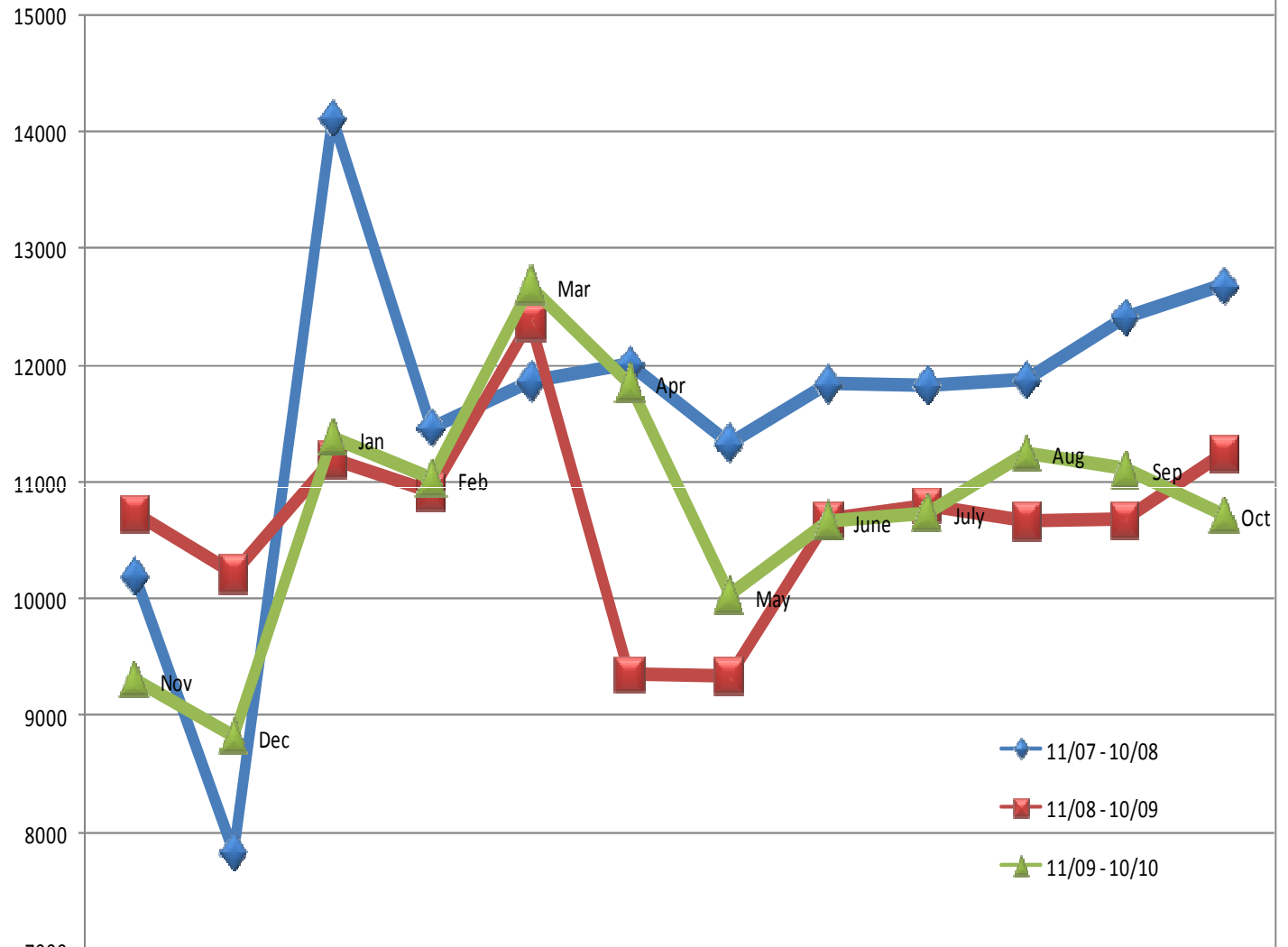




New listings by month

New Listings

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



	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct
11/07-10/08	10203	7832	14115	11469	11864	12010	11334	11845	11831	11872	12412	12682
11/08-10/09	10728	10217	11195	10915	12375	9346	9336	10674	10804	10666	10673	11247
11/09-10/10	9315	8830	11382	11037	12684	11861	10036	10669	10744	11255	11116	10726



New Listings Analysis

Sellers:

Statistics for the month of October showed a slight decrease of 390 new listings over the prior month. This means there were 10,726 NEW properties entering the market – they could be traditional sales OR they could be distressed sales. In the past 2 years, October has seen an increase in inventory; this year, the numbers did not follow that trend. 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.

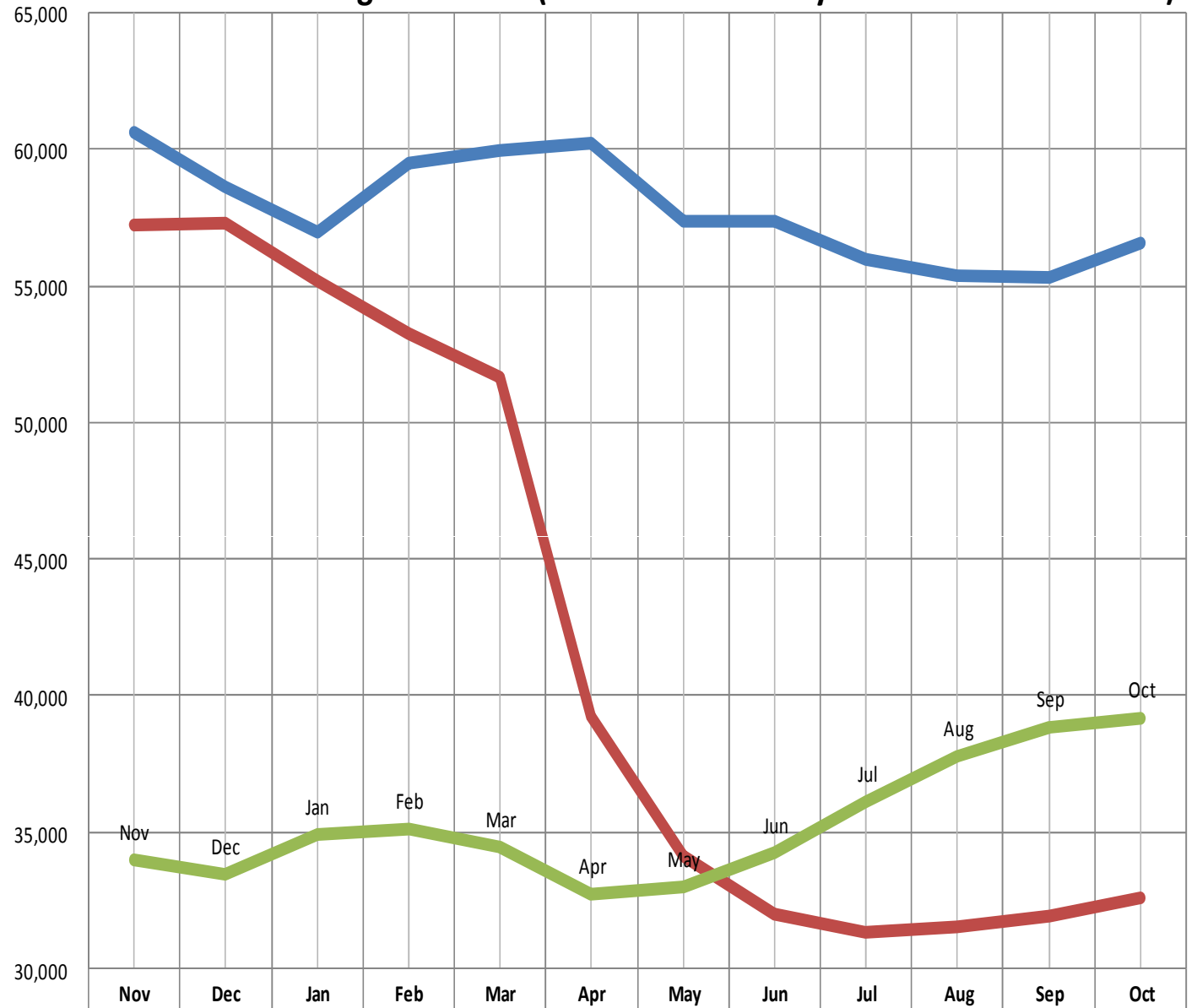




Active Listings

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

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



	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
11/07-10/08	60,614	58,608	56,995	59,495	59,954	60,227	57,342	57,342	56,005	55,400	55,323	56,561
11/08-10/09	57,264	57,350	55,247	53,313	51,679	39,286	34,195	32,010	31,375	31,591	31,962	32,658
11/09-10/10	33,962	33,460	34,906	35,114	34,426	32,728	32,970	34,224	36,097	37,754	38,838	39,176



Active Listings Analysis

Sellers:

For the sixth month in a row, we have seen an increase in the number of active listings. October saw active listings totaling 39,176. This is an increase of 0.8% over the prior month. **This remains 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 sales.

Some of the new decisions by banks could mean less competition for sellers as they attract the perfect buyer.

Buyers:

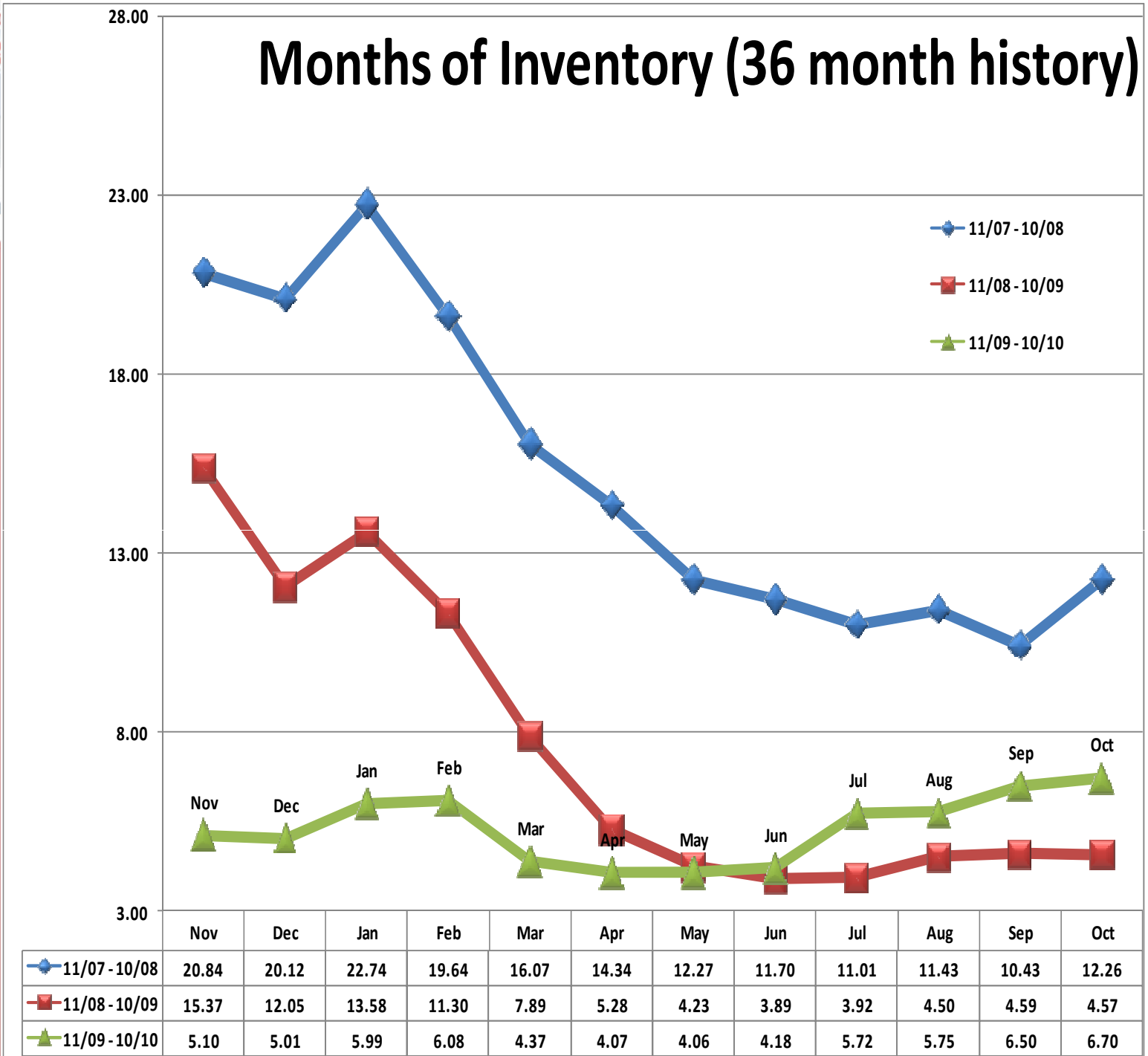
Buyers still have inventory to preview. Continue to monitor this statistic, as it WILL be the statistic that indicates how much new inventory you will have to preview ... the lower the number, the more likely the competitiveness for lower priced homes will remain part of the current market. AND, the decision by some of the banks to stop foreclosures could mean this IS the time to get serious about buying.





Months of Inventory

Provided by Keller Williams Realty Professional Partners –
Statistics from October 2010 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:

October showed an increase of .2 months in available inventory to an average of 6.7 months after a fairly flat 12-month period. This remains the highest number since March 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 October 2010 MLS

Maricopa Cty

TOTAL MARKET OVERVIEW

OCTOBER

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	10,524	5,389	51.2%	1,534	2,137	\$ 62,446	\$ 59,438	95.2%	73	93
100,000- 124,999	3,598	1,756	48.8%	416	681	\$ 113,325	\$ 109,549	96.7%	73	100
125,000- 149,999	3,480	1,700	48.9%	463	706	\$ 137,203	\$ 135,095	98.5%	80	102
150,000- 174,999	2,340	1,092	46.7%	276	430	\$ 162,004	\$ 156,492	96.6%	78	100
175,000- 199,999	2,227	902	40.5%	283	363	\$ 188,814	\$ 182,884	96.9%	76	107
200,000- 224,999	1,184	518	43.8%	153	239	\$ 213,136	\$ 206,799	97.0%	85	107
225,000- 249,999	1,447	589	40.7%	190	246	\$ 238,536	\$ 231,117	96.9%	85	104
250,000- 299,999	1,846	747	40.5%	233	316	\$ 276,885	\$ 268,366	96.9%	91	109
300,000- 349,999	1,190	454	38.2%	146	194	\$ 326,862	\$ 316,076	96.7%	90	125
350,000- 399,999	1,085	324	29.9%	119	165	\$ 377,508	\$ 362,676	96.1%	96	112
400,000- 449,999	564	187	33.2%	67	63	\$ 429,259	\$ 408,718	95.2%	105	113
450,000- 499,999	618	161	26.1%	68	72	\$ 479,048	\$ 453,537	94.7%	92	119
500,000- 749,999	1,390	313	22.5%	148	138	\$ 605,611	\$ 575,758	95.1%	124	160
750,000- 999,999	801	118	14.7%	89	44	\$ 855,404	\$ 811,486	94.9%	113	174
1 million +	1,501	108	7.2%	126	50	\$ 1,822,045	\$ 1,578,034	86.6%	255	322



Summary Comments

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