



# Monthly Market Watch for Maricopa County

An overview of what is happening  
in the Maricopa County  
real estate market  
(using January 2011 statistics)



# Report overview:

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

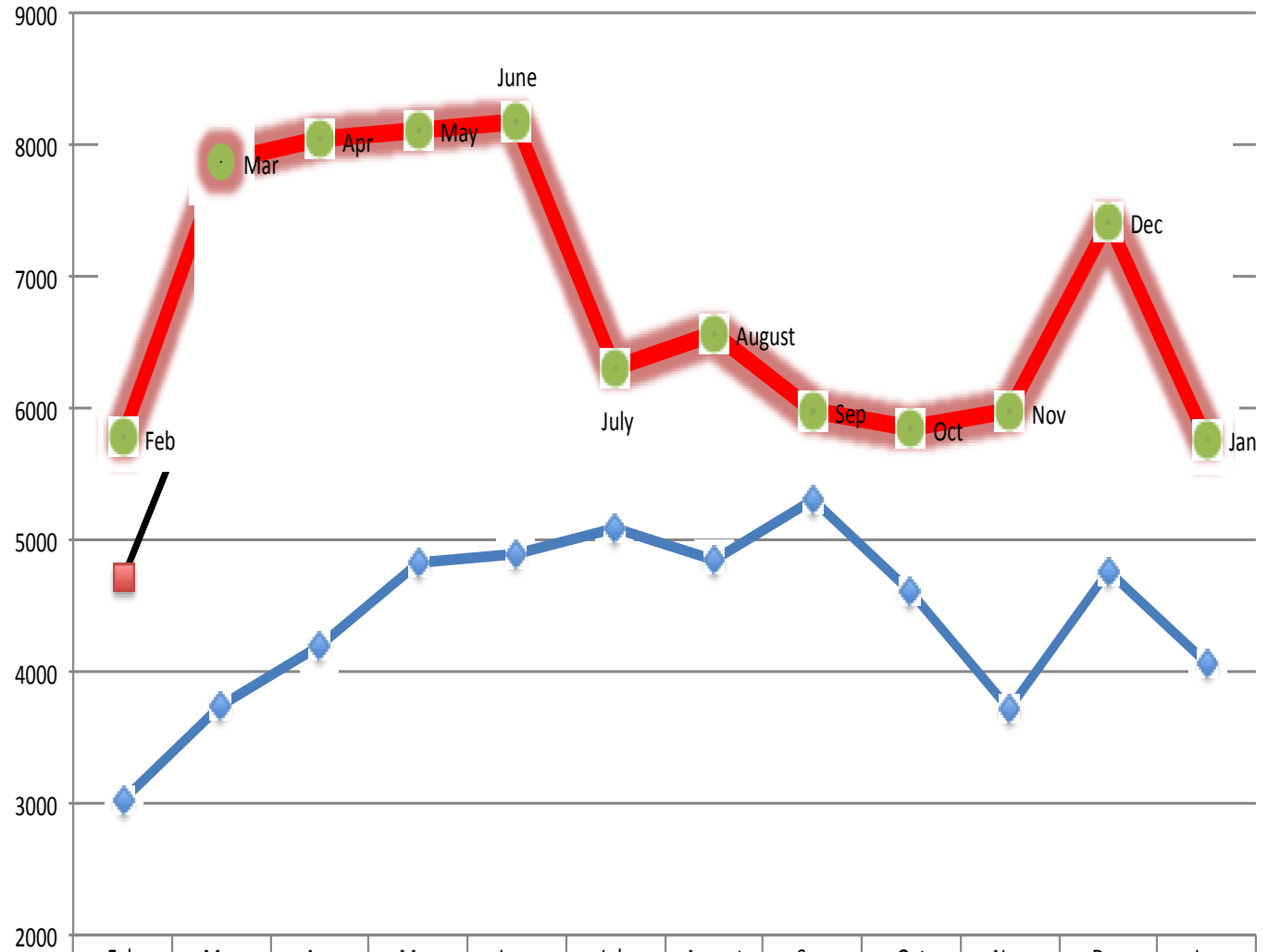
Please note that searches fluctuate daily when running these reports; these figures were obtained on 2/3/11.

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.





## Total # of Closed Sales (36 month overview)



	Feb	Mar	Apr	May	June	July	August	Sep	Oct	Nov	Dec	Jan
2/08 to 1/09	3030	3731	4200	4822	4900	5089	4847	5306	4613	3726	4759	4069
2/09 to 1/10	4718	6554	7445	8093	8235	8008	7028	6969	7147	6657	6677	5829
2/10 to 1/11	5777	7871	8040	8112	8186	6314	6570	5979	5844	5971	7420	5765

# Closed Sales

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



# Closed Sales Report Analysis:

## Sellers:

The month of December showed an amazing **22.3% DECREASE** in the number of closed sales over the prior month. This is the highest number since October of 2010.

Although this is a large decrease, it is important to know that this follows the same trend of the prior 2 years ... the number of sales tends to show a drop in January due to the holidays and slow down in buyer activity. As foreclosure properties begin to enter the market, it will be important to watch the impact they have on the number of closed sales in February and beyond.

## Buyers:

For buyers, this means that fewer buyers closed on a home in January; however, all indications are that buyers are becoming increasingly active in the month of February. This could mean more competition for the most desired homes. Investors continue to find the Phoenix housing market very appealing. With cash buyers still in the market, buyers who require financing need to consult with their real estate professional to make sure their offers are competitive.

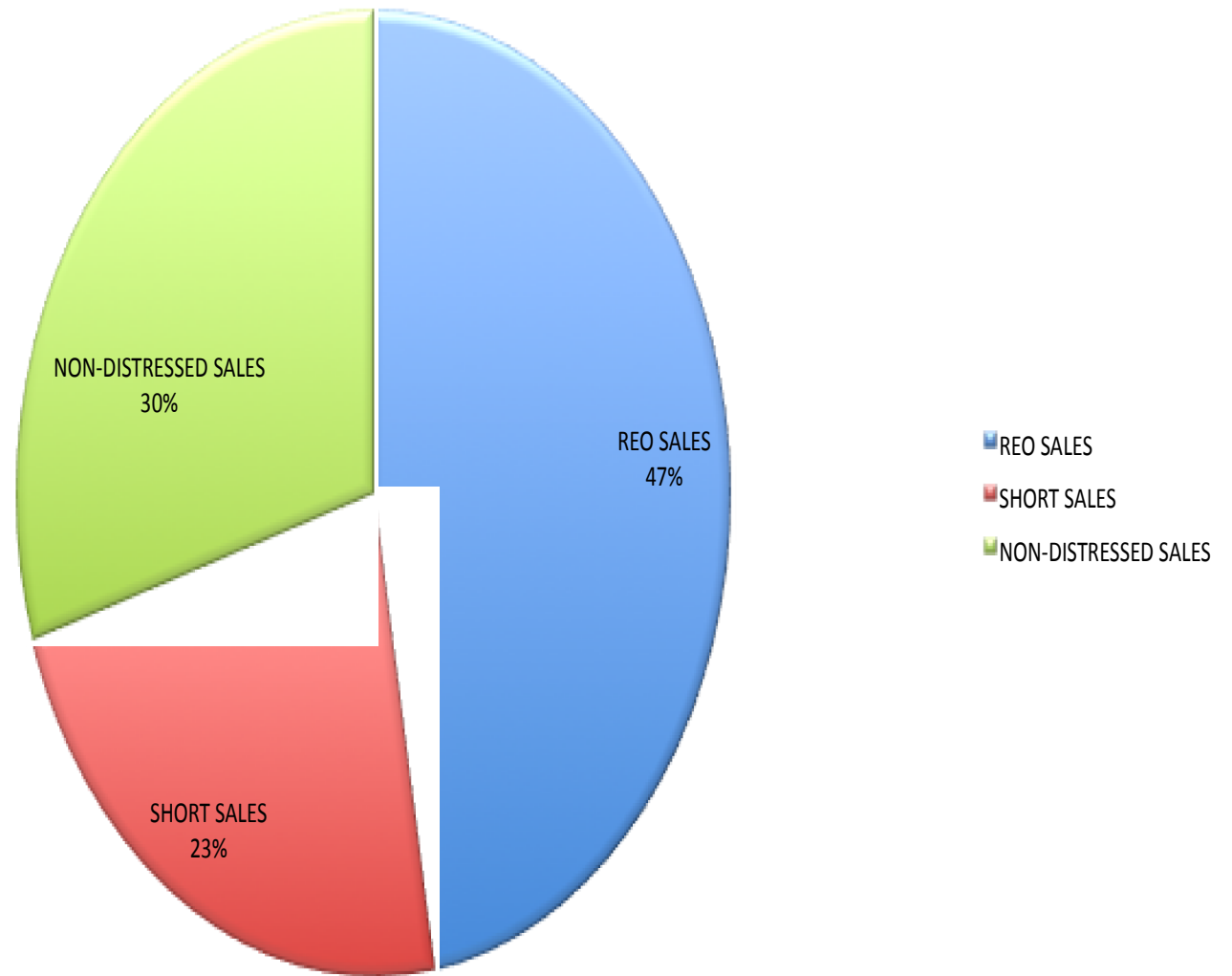




# Distressed Sales

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

## REO, SHORT SALE & NON-DISTRESSED SALES COMPARISON January 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.**

**January statistics saw a slight shift of 2% -- a 2% increase in the number of closed short sales and a 2% decrease in the number of foreclosure homes that closed. The percentage of traditional/non-distressed sales remained the same at 30% of closed sales. Sellers and buyers need to monitor this trend to see how the banks respond in 2011 AND how they treat the shadow inventory that currently exists but has not yet been made available to buyers.**

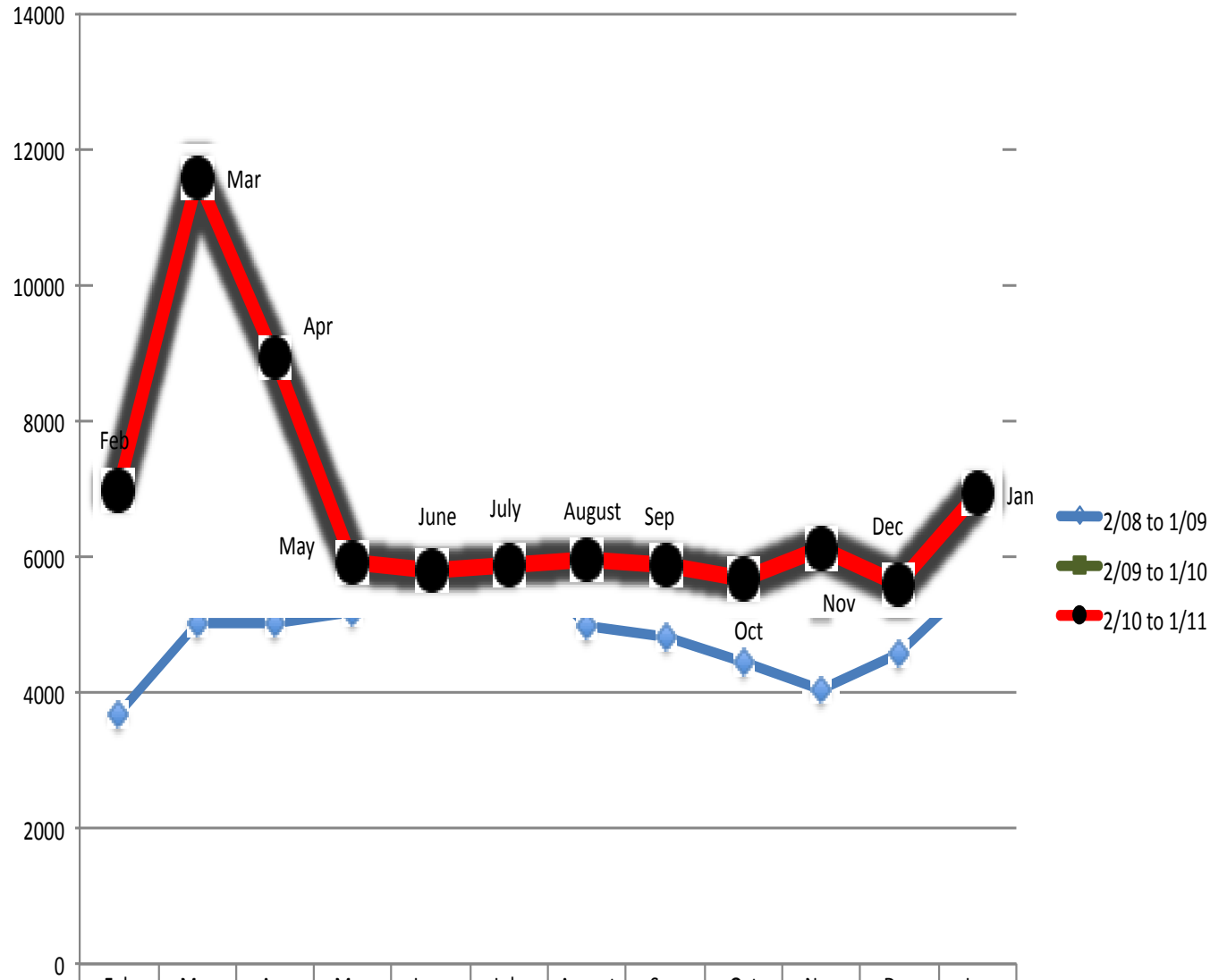




# Pending Sales

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

## Total # of Pending Sales (36 month overview)



	Feb	Mar	Apr	May	June	July	August	Sep	Oct	Nov	Dec	Jan
2/08 to 1/09	3654	5012	5012	5164	5539	6177	4963	4796	4449	4031	4552	5662
2/09 to 1/10	6470	9641	9641	8190	7969	7300	7179	6882	6624	5321	8331	6204
2/10 to 1/11	6975	11584	8946	5905	5772	5855	5936	5861	5674	6125	5595	6932



# Pending Sales Report Analysis:

## Sellers:

Over the past 8 months, pending sales have remained fairly consistent. However, January saw an impressive **increase of 23.9%** in the number of homes that moved to pending status ... homes that are under contract and waiting to close. This is the highest number since March of 2010! Sellers should monitor this information to see what impact, if any, this might have on future sales.

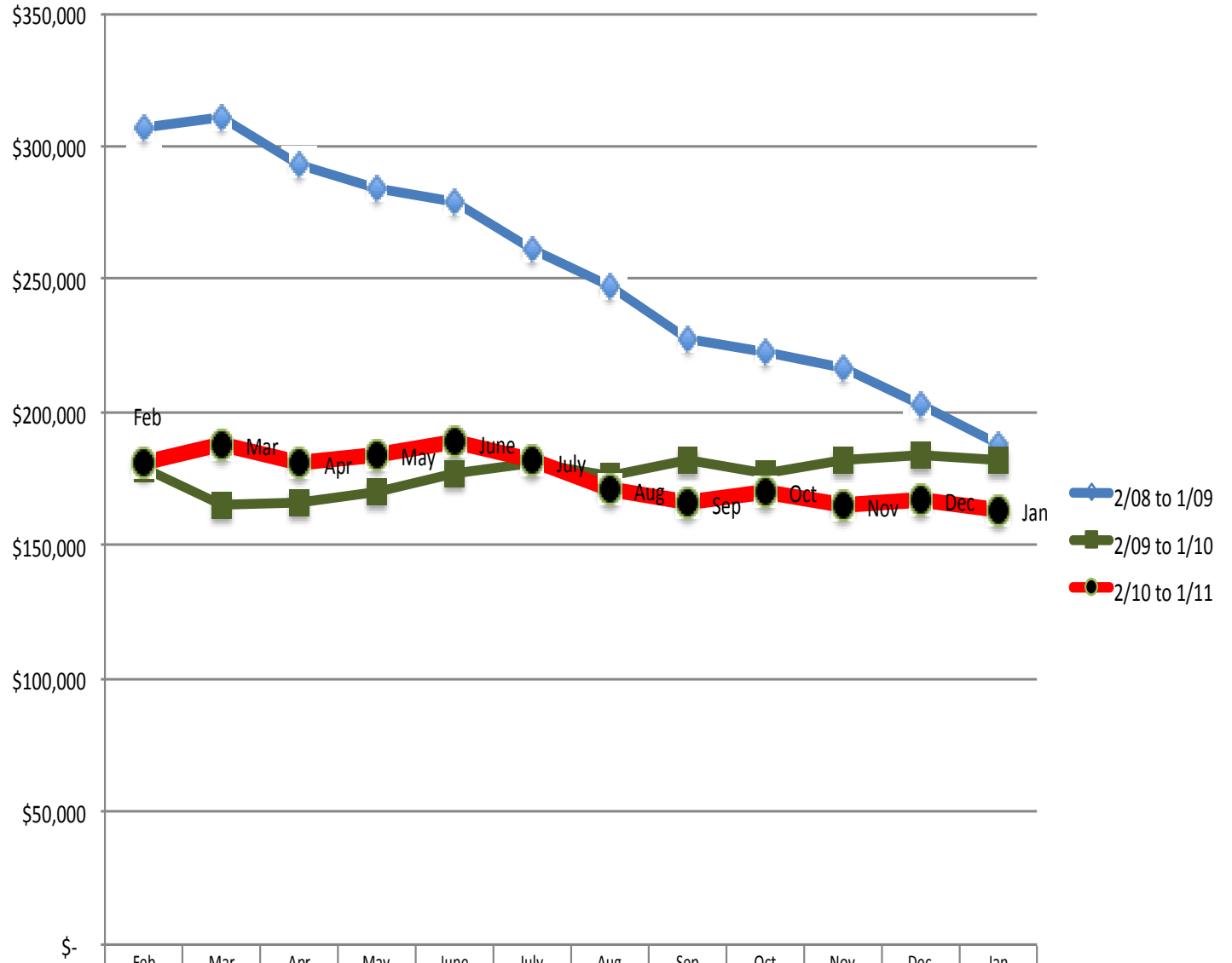
## Buyers:

Buyers need to pay careful attention to projected market trends. There is no doubt that buyers have re-entered the market ... and they are finding homes they want to buy. 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 (36 month overview)



# Average Sales Price

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

	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan
2/08 to 1/09	\$307,045	\$310,472	\$293,464	\$284,632	\$278,957	\$261,238	\$247,587	\$227,672	\$222,284	\$216,819	\$202,801	\$188,174
2/09 to 1/10	\$178,659	\$165,298	\$166,355	\$169,800	\$177,246	\$181,038	\$176,326	\$182,231	\$177,512	\$181,895	\$184,008	\$182,387
2/10 to 1/11	\$181,472	\$187,979	\$180,896	\$184,312	\$188,568	\$181,730	\$171,036	\$165,730	\$170,326	\$165,108	\$167,154	\$163,403

# Average Sales Price Analysis

## Sellers:

The month of January showed the lowest average sales price in the 36 month reporting period ... a drop to \$163,403. This is nearly \$21,000 lower than this same month last year. Continue to watch this graph to see how interest rates, inventory, and changing lender requirements impact this price.

## Buyers:

For buyers, this means the average buyer paid LESS for a home in January than in the prior month. However, the increased number of homes that moved to pending status will be a statistic to watch ... does this increased activity mean more competition for homes? Increased competition could mean an increase in prices. It is vital that you are consulting with a real estate professional to watch this trend and determine what price is appropriate for a home based on what the seller is asking.

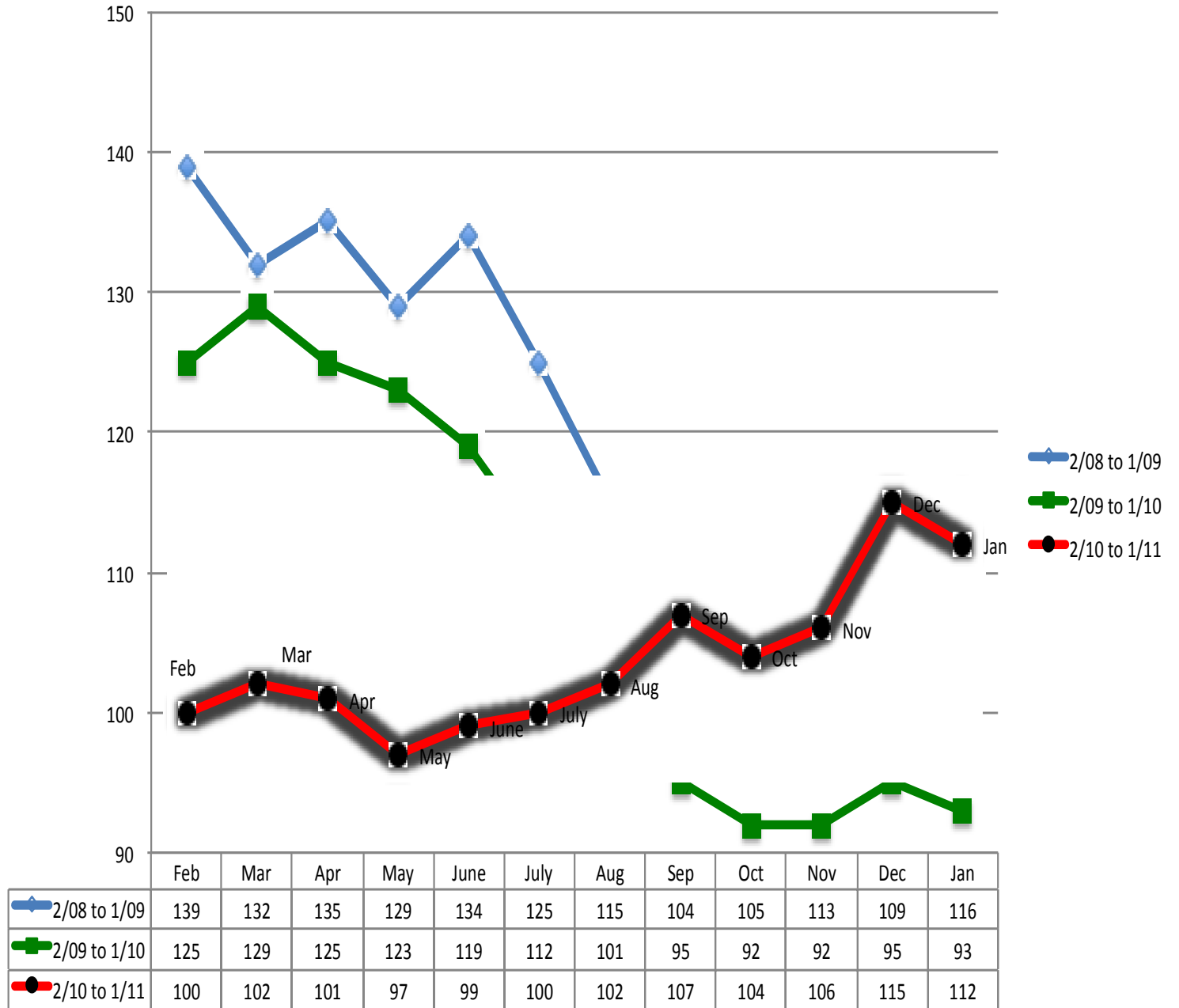




# Average Days on Market

on Market  
 Provided by Keller Williams Realty Professional Partners –  
 Statistics from January 2011 MLS

## Average Days on Market (36 month overview)





# Average Days on Market Analysis

## Sellers:

January saw a decrease of 3 days in this category. This decrease means that the average homes is taking 112 days to close from the time it is shown being under contract. This is the second highest this number has been since July of 2009.

Sellers need to watch this trend ... the higher the number, the longer it is taking for a home to close.

## 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.

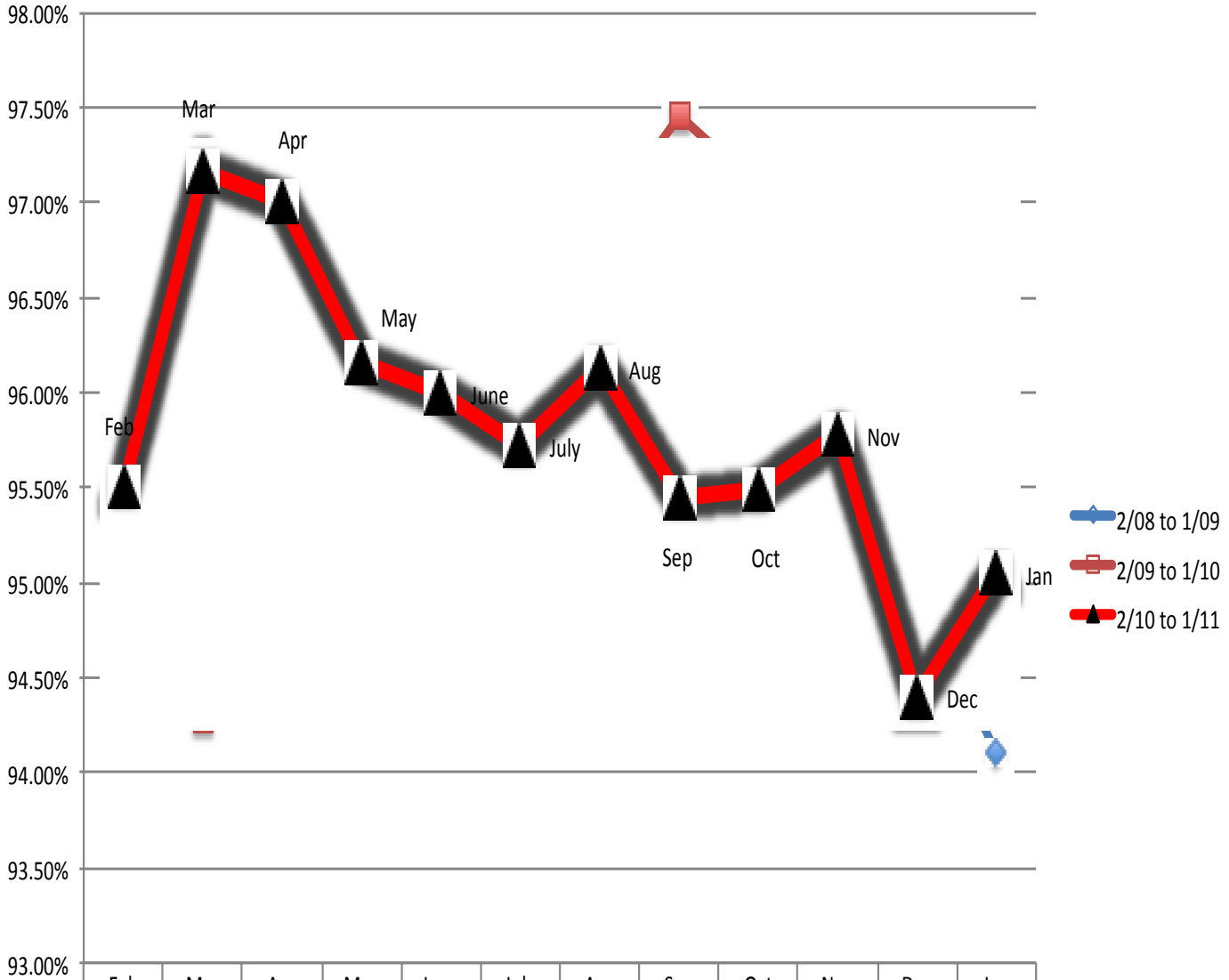




# Average List to Sales Price Ratio

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

## Average List to Sales Price Ratio (36 month overview)



	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan
2/08 to 1/09	95.00%	95.00%	95.00%	95.00%	95.00%	96.00%	96.00%	97.00%	96.00%	95.00%	95.00%	94.10%
2/09 to 1/10	94.40%	94.28%	95.18%	95.50%	96.20%	96.40%	96.87%	97.45%	97.08%	96.80%	95.96%	95.46%
2/10 to 1/11	95.50%	97.17%	97.01%	96.16%	96.00%	95.72%	96.13%	95.45%	95.49%	95.78%	94.40%	95.05%



# List to Sale Price Ratio Analysis

## Sellers:

The month of January saw an increase of .65% in the list to sales price ratio. In the past 2 years, we have traditionally seen a decrease in the month of January, so this is definitely not following the trend of prior years. This statistic reveals how close the actual sales price was to the list price on a home. 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:

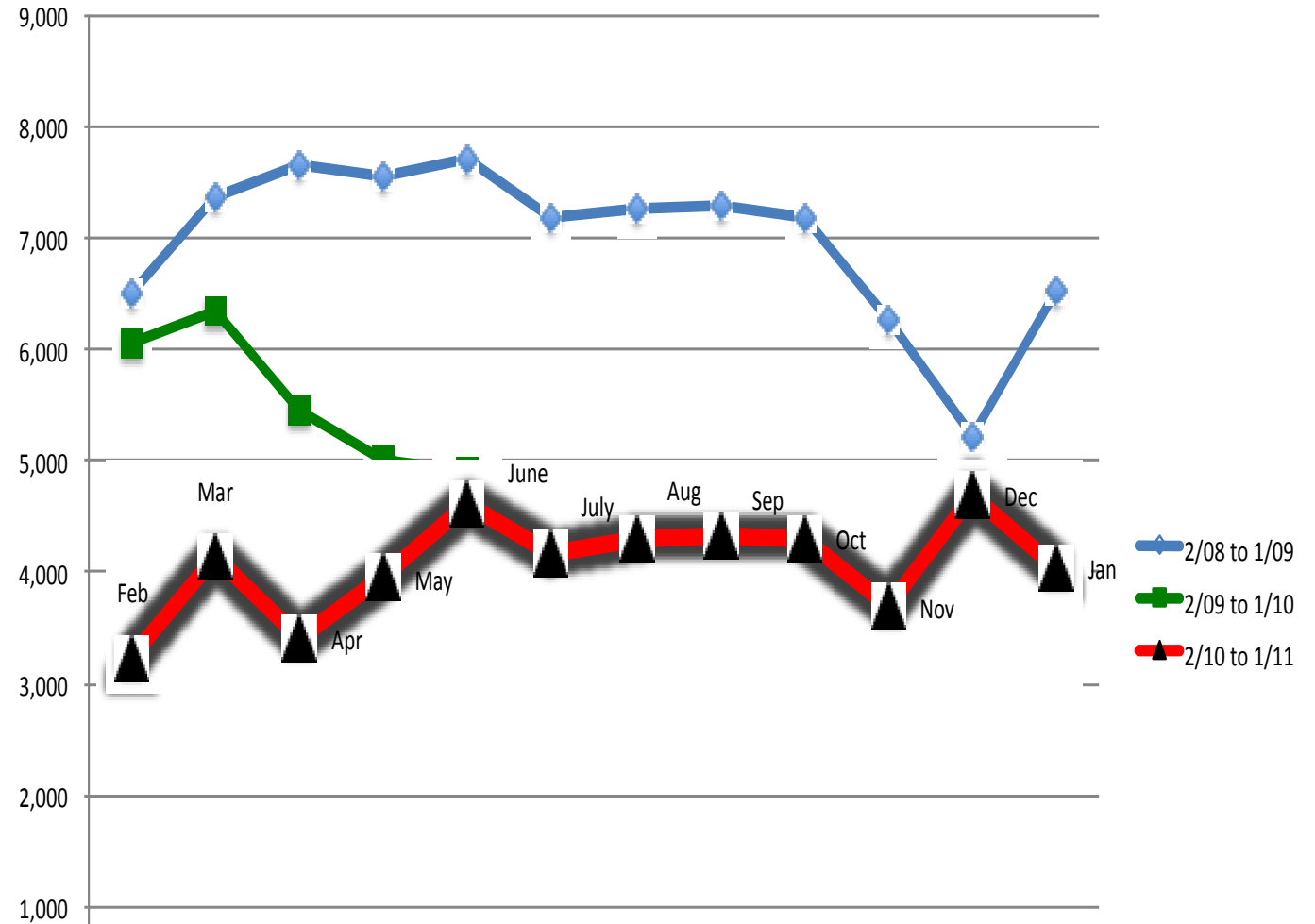
Buyers need to pay attention. This number means that buyers have a little less buying power than they did in the month of December. Although the average is less than 100%, on lower priced/highly desirable properties buyers **may** still have to pay above list price. Since a home must appraise in order 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 January 2011 MLS

## Monthly Expired and Cancelled Listings (36 month overview)



	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan
2/08 to 1/09	6,511	7,357	7,657	7,546	7,707	7,193	7,247	7,291	7,179	6,252	5,221	6,517
2/09 to 1/10	6,062	6,342	5,441	5,006	4,899	4,126	3,596	3,601	3,564	3,361	4,533	3,532
2/10 to 1/11	3,235	4,139	3,413	3,951	4,603	4,167	4,311	4,323	4,311	3,697	4,701	4,046

# Expired & Cancelled Listings Analysis

## Sellers:

The number of expired and cancelled listings in the month of January decreased 13.9% over the month of December. This means 4,046 homes were removed from the market, meaning buyers had more homes from which to choose than in prior months. Serious sellers need to pay attention to all of the numbers this month ... days on the market, the average sales price, and homes expiring from having a market presence due to lack of buyer interest 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 4,046 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.**

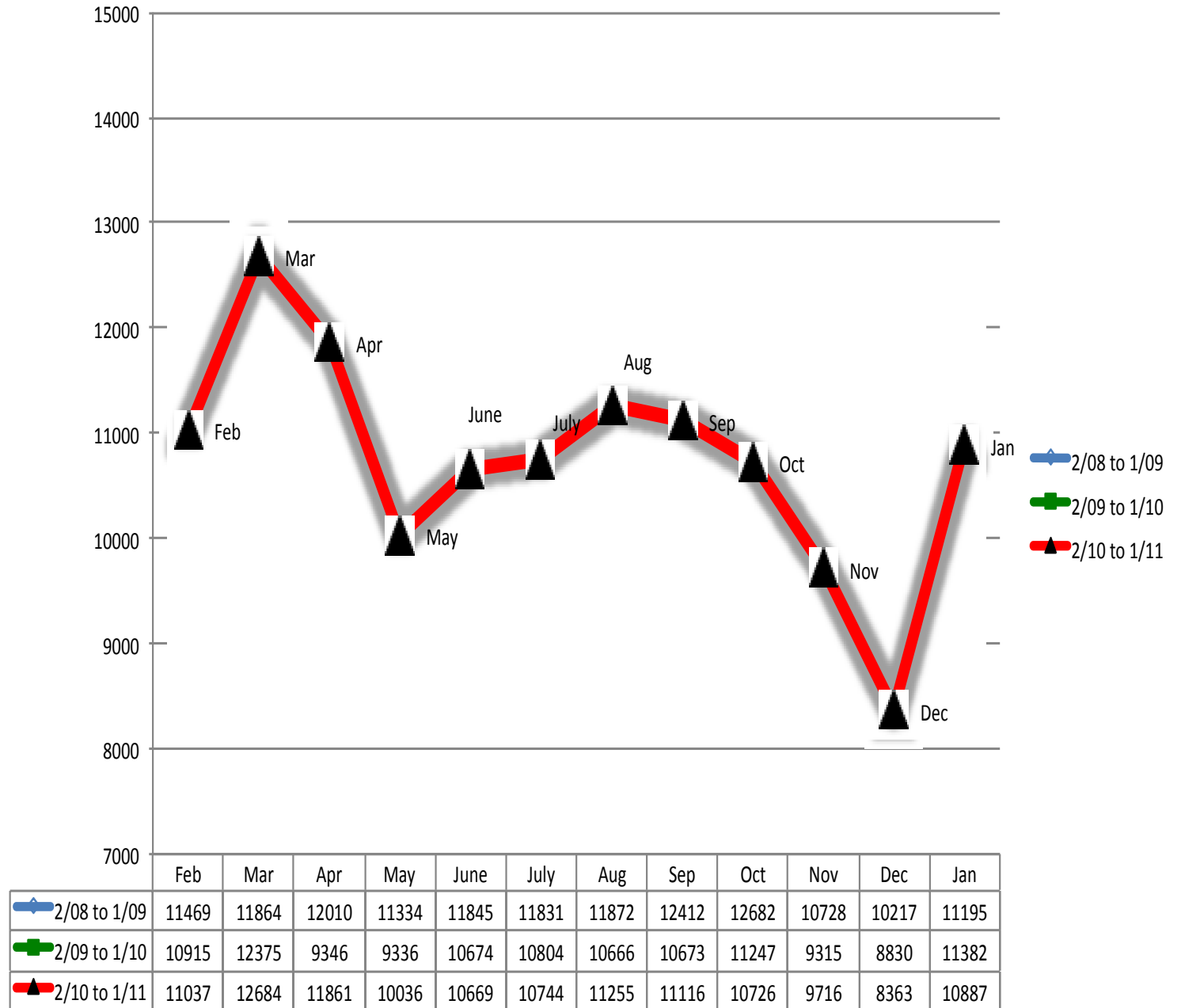




# New Listings

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

## New Listings (by month)





# New Listings Analysis

## Sellers:

As is typical for the month of January, last month saw a dramatic increase of 30.2% in the number of new listings that entered the market. This means there were 10,887 NEW properties available to buyers – they could be traditional sales OR they could be distressed sales. It will be important to watch this statistic to see how sellers introduce new inventory in 2011.

## Buyers:

This is important news for buyers, as it means there are still more homes entering the market, as is normal during this time of year. 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 more homes enter the market, there will more options, but there still may be more competition for the best values.

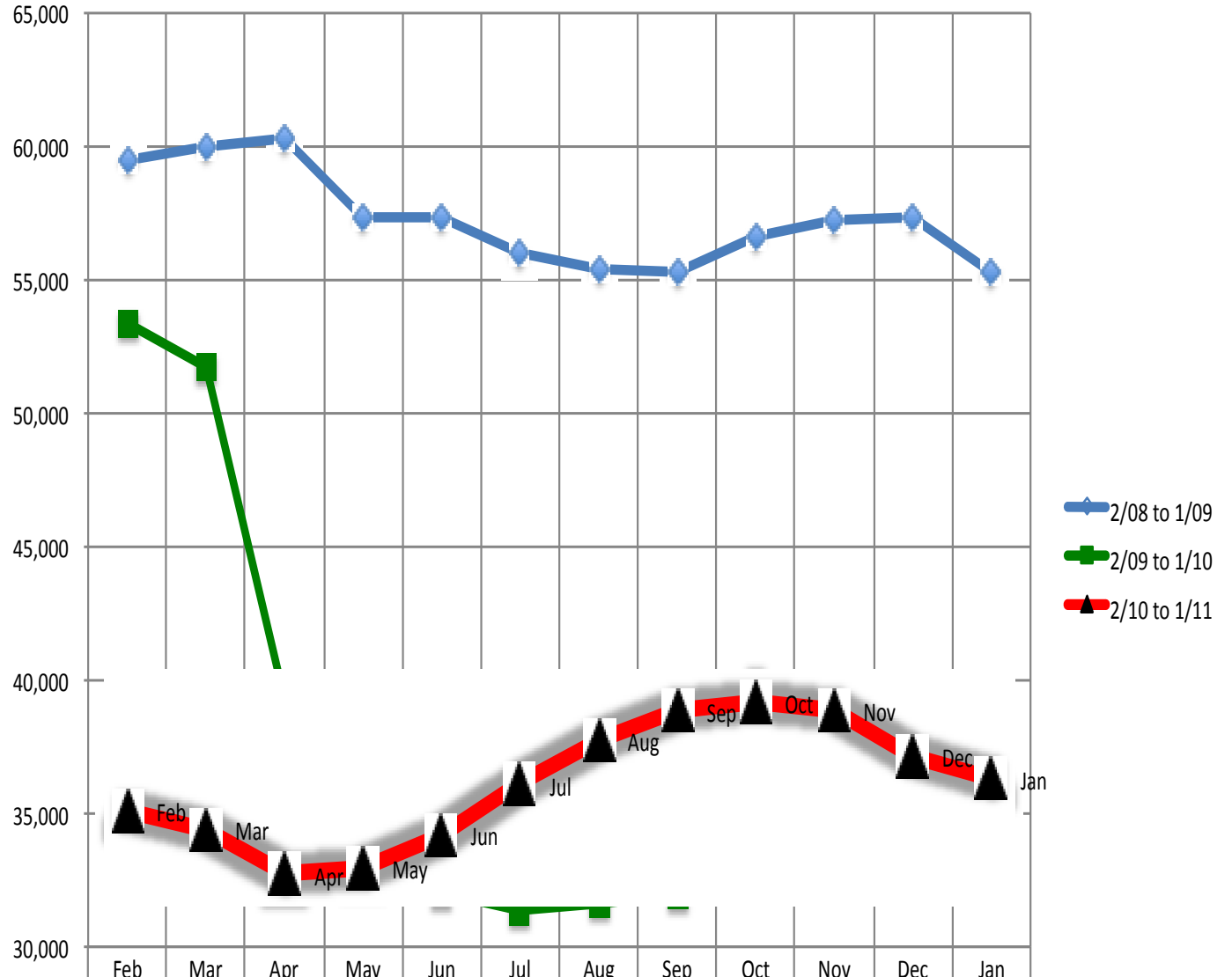




# Active Listings

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

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



2/08 to 1/09	59,495	59,954	60,227	57,342	57,342	56,005	55,400	55,323	56,561	57,264	57,350	55,247
2/09 to 1/10	53,313	51,679	39,286	34,195	32,010	31,375	31,591	31,962	32,658	33,962	33,460	34,906
2/10 to 1/11	35,114	34,426	32,728	32,970	34,224	36,097	37,754	38,838	39,176	38,876	37,159	36,299



# Active Listings Analysis

## Sellers:

The market review for January showed a decrease of 860 homes in active inventory over the month of December. This has been influenced by more homes moving to pending status during last 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 sales to ensure that homes are competitive with other homes on the market.

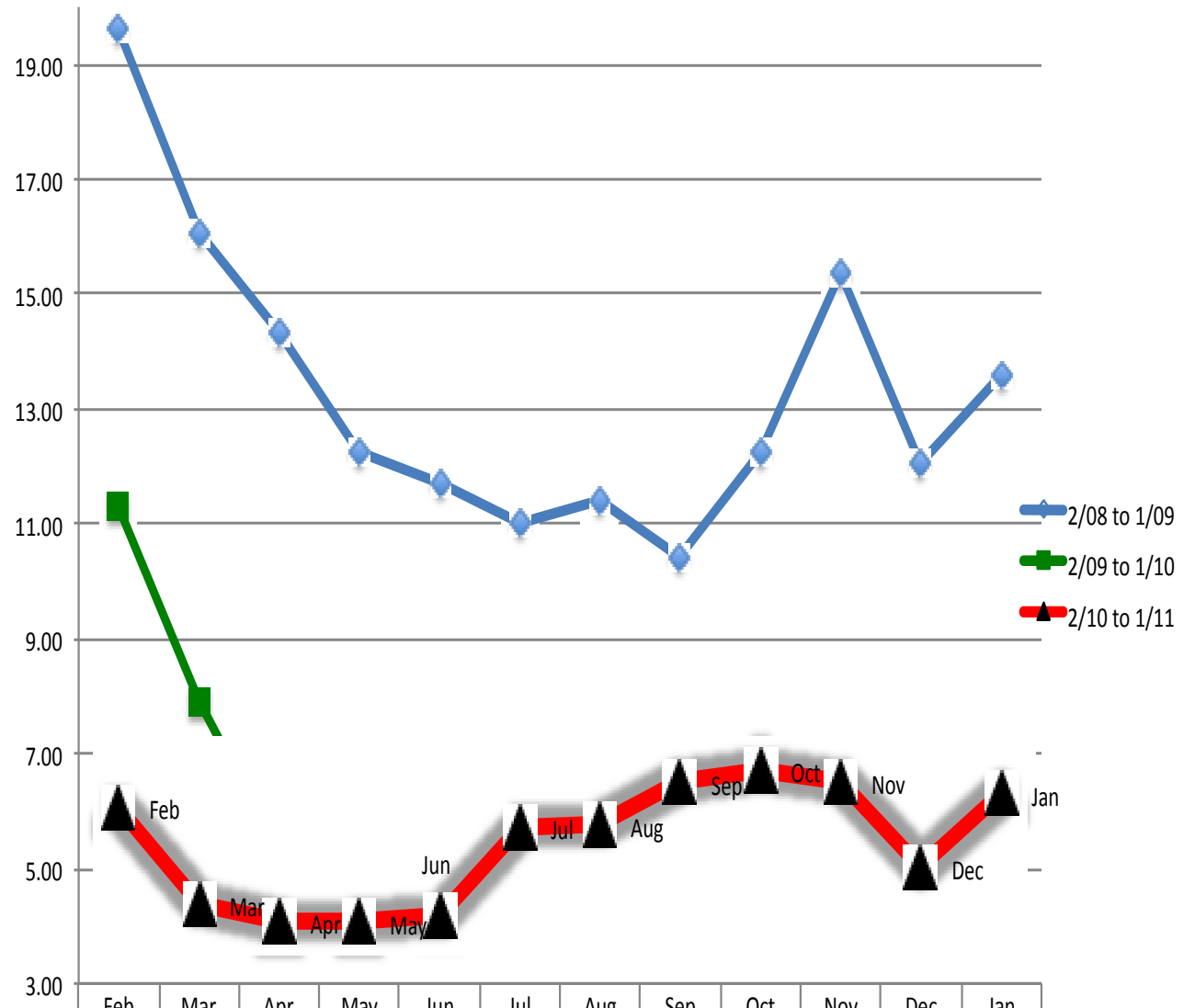
## Buyers:

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. 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)



	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
2/08 to 1/09	19.64	16.07	14.34	12.27	11.70	11.01	11.43	10.43	12.26	15.37	12.05	13.58
2/09 to 1/10	11.30	7.89	5.28	4.23	3.89	3.92	4.50	4.59	4.57	5.10	5.01	5.99
2/10 to 1/11	6.08	4.37	4.07	4.06	4.18	5.72	5.75	6.50	6.70	6.51	5.01	6.30

**Months of Inventory**  
 Provided by Keller Williams Realty Professional Partners –  
 Statistics from January 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:**

The months of inventory increased from 5.01 to 6.3 months in January. This means, that on average, we are in what is called a “balanced market” that is identified when this statistic reflects 5 months or more of inventory. This means sellers have a little 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 it indicates a shift away from a buyers’ market – a balanced market traditionally gives equal control to the sellers and buyers. We are seeing this in many price ranges, however, we are still experiencing significant competition for desirable 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.





Maricopa Cty

## TOTAL MARKET OVERVIEW

JANUARY

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	10,561	6,217	58.9%	1,561	2,412	\$ 62,145	\$ 59,575	95.9%	80	99
100,000- 124,999	3,210	1,737	54.1%	433	615	\$ 113,486	\$ 109,143	96.2%	87	110
125,000- 149,999	2,957	1,590	53.8%	425	616	\$ 137,146	\$ 132,560	96.7%	94	111
150,000- 174,999	2,050	1,149	56.0%	239	435	\$ 162,586	\$ 156,613	96.3%	91	109
175,000- 199,999	1,947	929	47.7%	236	330	\$ 187,690	\$ 180,964	96.4%	91	111
200,000- 224,999	1,052	505	48.0%	150	173	\$ 213,153	\$ 205,150	96.2%	99	132
225,000- 249,999	1,235	542	43.9%	191	243	\$ 236,971	\$ 228,011	96.2%	104	125
250,000- 299,999	1,669	727	43.6%	189	285	\$ 274,811	\$ 265,060	96.5%	90	109
300,000- 349,999	1,097	425	38.7%	103	149	\$ 329,247	\$ 314,160	95.4%	114	134
350,000- 399,999	974	325	33.4%	102	128	\$ 376,173	\$ 36,413	9.7%	110	143
400,000- 449,999	554	169	30.5%	46	86	\$ 425,736	\$ 406,737	95.5%	126	150
450,000- 499,999	565	138	24.4%	56	62	\$ 477,466	\$ 458,115	95.9%	116	127
500,000- 749,999	1,266	338	26.7%	136	131	\$ 602,171	\$ 565,633	93.9%	131	157
750,000- 999,999	807	125	15.5%	78	49	\$ 852,871	\$ 786,030	92.2%	152	233
1 million +	1,435	150	10.5%	101	53	\$ 1,843,693	\$ 1,633,576	88.6%	242	271

# Total Market Overview

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



# Summary Comments

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