

# MARICOPA COUNTY – PHOENIX METRO ARIZONA MARKET

The year 2008 will go down as the Maricopa Country - Phoenix Metro Areas most dismal performance in modern economic history. This can be traced to a number of factors: the single family market correction caused by over-building that occurred from 2002 to 2006, a slowdown in various economic disciplines, credit market conditions and the national recession.

## Population

Population growth has slowed as the Area economy has faltered with potential residents unable to sell their homes in other parts of the country. In 2008, the population in Maricopa County was estimated at 3.992 million. This was a 2.9% increase from 3,879 million in 2007. For 2009, the population is estimated to increase to 4,100 million a 2.8% increase. The next two years, the growth rate is projected to be in the 1.0% to 1.3%, that is only slightly greater than the U.S. rate.

## Employment

Among U.S. Metro Areas, the Greater Phoenix area had the third largest over the year decrease in employment (-86,800), placing it behind New York City (-120,300) and Detroit (-89,700).

January 2007 - January 2009	YEAR 08-09	YEAR 07-09
Construction	-24.8%	-32.8%
Employment Services	-25.2%	-28.8%
Retail Trade	-9.5%	-8.3%
Financial Activities (Including Real Estate)	-2.8%	-8.3%
Manufacturing	-5.3%	-7.8%
Government	-1.7%	8.2%
Education and Health Services	2.5%	8.2%

Source: Arizona Department of Commerce

## Housing Market

- For the fourth quarter 2007 the median price of a single family home was \$241,700. For the fourth quarter 2008, the median price was \$155,900. This is a 35.5% decrease. The Greater Phoenix Area ranked 8th nationwide during this period behind the cities of Ft. Myers, FL (-50.8%), Saginaw, MI (-41.4%), Riverside, CA (-40.8%), San Jose, CA (37.7%), San Francisco, CA (-37.4%), Sacramento, CA (-36.9%) and San Diego, CA (-36.4%).
- About 40% of all present Area home sales are repossessions or foreclosures. Historically this figure is about 3%. Over the last year, roughly half of all homes sold were sold at a loss. Just over 40% of homes have negative equity.
- Foreclosures in Maricopa County jumped 171 percent last year compared with 2007. In 2008, there were 60,860 foreclosures versus 22,426 in 2007.
- There were an estimated 17,600 single family permits in 2008. This is a decline of 72% from the peak in 2005.
- For all of 2008 and January thru March of 2009, the number of single family homes listed for sale ranged from 50,000 to 56,000. During this same time, inventory levels range from 9.1 months to 19.8 months.
- Forecasters are predicting that by mid to late 2009, the housing market is expected to bottom out, credit will expand, housing affordability should continue to rise and consumer demand will increase. However, the housing market may not return to its normal pre-bubble levels until 2012.

# MARICOPA COUNTY ARIZONA MARKET continued

Arizona Regional Multiple Listing Service, Inc.  
Home Sales Report - Maricopa County  
For 11/2008 To 12/31/2008

Price Class	Single Family - Detached Number of Sales				A-3 Other Types Number of Sales				Manufactured Number of Sales				Active Listings			Sales Pending		
	3 Br	4	4 or more	Total	3 Br	4	4 or more	Total	3 Br	4	4 or more	Total	Under \$100K	\$100K - \$150K	Over \$150K	Single Family	All Other	Manufactured
\$0-\$100,000	43	34	19	96	6	13		19	11	3		14	1	111	10	12	1	
\$100,000-\$200,000	80	103	40	223	34	15		49	5	4		9	759	134	10	30	3	
\$200,000-\$400,000	53	130	77	360	46	19		65	13	4	2	12	200	123	31	104	12	3
\$400,000-\$600,000	12	201	84	417	42	14		56	22	6	1	23	380	142	35	110	14	3
\$600,000-\$800,000	49	103	80	432	77	19	1	97	31	10	3	40	1900	300	40	100	20	3
\$800,000-\$1,000,000	34	109	100	343	117	21	1	139	25	10	1	34	1210	233	44	100	30	3
\$1,000,000-\$2,000,000	13	107	100	320	134	31		165	30	9	1	40	1180	389	30	101	31	3
\$2,000,000-\$3,000,000	3	574	167	744	194	31	3	228	39	3	3	43	184	473	45	174	31	3
\$3,000,000-\$4,000,000	243	1483	324	4050	486	19	3	685	59	21	3	62	2400	589	110	371	40	3
\$4,000,000-\$5,000,000	106	2035	1643	5744	348	115	5	468	31	26	3	33	3581	899	35	379	40	3
\$5,000,000-\$6,000,000	107	2207	1027	3941	330	103	12	445	30	24	3	31	2941	530	77	300	40	3
\$6,000,000-\$7,000,000	436	1029	1473	4138	454	103	13	570	3	4	3	19	2200	544	30	360	31	3
\$7,000,000-\$8,000,000	344	1061	1440	3845	320	100	10	420	7	7	3	17	2048	407	44	240	30	3
\$8,000,000-\$9,000,000	330	1075	1411	3816	336	100	10	436	3	3	3	16	2000	710	30	180	30	3
\$9,000,000-\$10,000,000	58	1740	3070	4968	254	100	3	357	1	2	3	2	2800	310	31	280	30	3
\$10,000,000-\$15,000,000	510	1407	2370	4287	386	173	37	596	1	1	3	3	3217	600	60	300	30	3
\$15,000,000-\$20,000,000	100	500	1000	1600	114	30	7	151					2000	300	3	100	30	3
\$20,000,000-\$30,000,000	37	400	800	1237	30	30	1	61					600	101	1	37		3
\$30,000,000-\$40,000,000	41	504	1000	1545	37	31		68					2000	273	2	37		3
\$40,000,000-\$50,000,000	13	140	400	553	20	31	1	51					1000	120	1	40		3
\$50,000,000-\$75,000,000	3	30	211	244	10	14	1	25					300	30		10		3
\$75,000,000-\$1,000,000,000	1	30	100	131	9	1		10					0	0		7		3
\$1,000,000,000-\$999,999,999	1	30	100	131	9	1		10					0	0		7		3
\$0-\$0.000	1	13	100	114	1	7		8					0	0		10		3
\$1,000,000,000 and over			100	100	3			3					0	0		10		3
Total**	1061	2000	3140	6401	404	140	31	575	30	31	31	62	3040	703	104	400	194	30
***Average**	140,086	204,074	340,128	360,301	190,817	221,640	142,151	176,840	171,488	137,247	140,240	114,480	183,348	212,644	121,440	200,040	144,480	24,980
****Median**	175,136	170,000	320,000	330,000	130,000	150,000	120,000	160,000	130,000	115,000	100,000	120,000	150,000	130,000	114,000	154,000	120,000	20,000

  

Property Type	Volume	Median Sold Price	Unit Sales by Financing Type			Unit Sales by Term or Month		
			Conventional	Other	All	3-30 Day	Other	All
Single Family - Detached	12,254,379,426	235,000	6000	14	6014	1000	1440	1140
All Other	1,281,387,300	150,000	3000	189	3189	300	1181	1481
Manufactured	33,81,320	100,000	100	0	100	0	0	
All	13,569,488,046	200,000	9100	203	9303	1300	2621	1581

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For additional or more current information on the residential market in the Maricopa County area, visit [www.rac.net](http://www.rac.net) and select "The RAC Report," or contact either of the following RAC members:

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