

## March 2 - Market Summary for the Beginning of March

### Market Summary for the Beginning of March CONTINUED

Let us look at segments of the market to see where things are improving fastest.

#### Where Is Supply Going Down Fastest (over the last month)?

##### A. Special Listing Conditions (all types - Greater Phoenix):

- REO supply is down 15% - **the main reduction is here!**
- Short Sale & Pre-foreclosure supply is down 4%
- Normal supply is down 3%

##### B. Price Ranges (single family detached in Greater Phoenix):

Price Range	Active Feb 1	Active Mar 1	Change %
Under \$25,000	161	161	0%
\$25,000 - \$49,999	1,806	1,776	-1.7%
\$50,000 - \$74,999	3,910	3,719	-4.9%
<b>\$75,000 - \$99,999</b>	<b>5,337</b>	<b>4,919</b>	<b>-7.8%</b>
<b>\$100,000 - \$124,999</b>	<b>3,783</b>	<b>3,346</b>	<b>-11.6%</b>
<b>\$125,000 - \$149,999</b>	<b>3,391</b>	<b>3,118</b>	<b>-8.1%</b>
<b>\$150,000 - \$174,999</b>	<b>2,341</b>	<b>2,159</b>	<b>-7.8%</b>
<b>\$175,000 - \$199,999</b>	<b>2,163</b>	<b>2,002</b>	<b>-7.4%</b>
<b>\$200,000 - \$224,999</b>	<b>1,188</b>	<b>1,109</b>	<b>-6.6%</b>
\$225,000 - \$249,999	1,337	1,319	-1.3%
\$250,000 - \$274,999	839	840	+0.1%
\$275,000 - \$299,999	973	945	-2.9%
\$300,000 - \$349,999	1,150	1,106	-3.8%
\$350,000 - \$399,999	997	957	-4.0%
\$400,000 - \$499,999	1,075	1,026	-4.6%
\$500,000 - \$599,999	676	694	+2.7%
\$600,000 - \$799,999	889	880	-1.0%
\$800,000 - \$999,999	549	536	-2.4%
\$1,000,000 - \$1,499,999	553	536	-3.1%
\$1,500,000 - \$1,999,999	339	347	+2.4%

\$2,000,000 - \$2,999,999	316	314	-0.6%
Over \$3,000,000	222	223	+0.5%

We see that the sweet spot for falling supply is between \$75,000 and \$225,000

C. Cities (single family detached):

City	Active Feb 1	Active Mar 1	Change %
<b>Tonopah</b>	<b>30</b>	<b>24</b>	<b>-20.0%</b>
<b>Maricopa</b>	<b>940</b>	<b>771</b>	<b>-18.0%</b>
<b>El Mirage</b>	<b>355</b>	<b>314</b>	<b>-11.5%</b>
<b>Goodyear</b>	<b>852</b>	<b>761</b>	<b>-10.7%</b>
<b>Carefree</b>	<b>112</b>	<b>100</b>	<b>-10.7%</b>
<b>Queen Creek</b>	<b>1,613</b>	<b>1,442</b>	<b>-10.6%</b>
<b>Apache Junction</b>	<b>293</b>	<b>262</b>	<b>-10.6%</b>
<b>Youngtown</b>	<b>57</b>	<b>51</b>	<b>-10.5%</b>
Avondale	656	608	-7.3%
Glendale	1,729	1,615	-6.6%
Tolleson	453	423	-6.6%
Buckeye	882	825	-6.5%
Phoenix	7,967	7,450	-6.5%
Chandler	1,709	1,601	-6.3%
Laveen	587	552	-6.0%
Casa Grande	418	394	-5.7%
Gilbert	1,884	1,778	-5.6%
Mesa	2,821	2,667	-5.5%
Florence	262	249	-5.0%
Peoria	1,383	1,322	-4.5%
Tempe	536	516	-3.7%
Scottsdale	2,931	2,836	-3.5%
Anthem	212	205	-3.3%
Arizona City	124	120	-3.2%
Surprise	1,480	1,438	-2.8%
Rio Verde	144	140	-2.8%
Coolidge	95	93	-2.1%
Gold Canyon	258	253	-1.9%

Sun City	469	461	-1.7%
Wickenburg	188	185	-1.6%
Sun City West	531	524	-1.3%
Fountain Hills	323	318	-1.5%
Wittmann	65	65	0%
Waddell	127	127	0%
Sun Lakes	234	235	+0.4%
Cave Creek	365	368	+0.8%
Eloy	57	58	+1.8%
Paradise Valley	384	395	+2.9%
Litchfield Park	223	231	+3.6%
New River	67	82	+22.4%

Notice how some of the cities that fared poorly in 2010 are now coming back with a vengeance. Anything over 10% reduction in supply per month is exceptional, particularly for larger cities such as Queen Creek (which for us includes the San Tan Valley area), Goodyear and Maricopa. Maricopa's supply was growing fast until late November when the trend reversed sharply. Could this be the Bristol Palin effect?

Whatever the reason we cannot deny that the bottom end of the market is coming back into fashion. Falling supply this early in the season is a very unusual and positive sign.

Just don't expect prices to be affected yet. Give them time.