

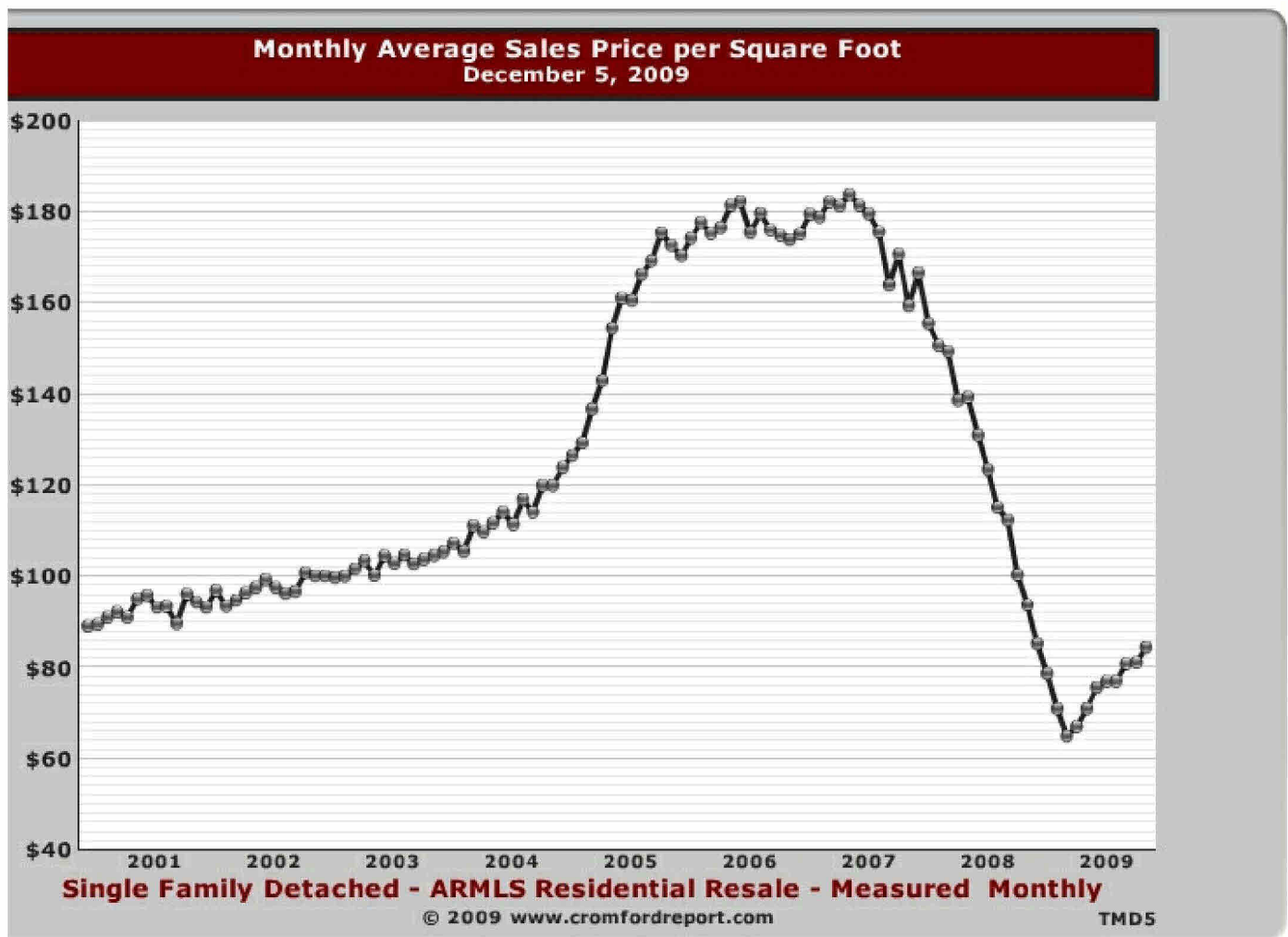


Service
First
Realty

Maureen Porter
Service First Realty LLC
(928)451-1844 1-877-AZ4-CDNS
maureen@arizonaforcanadians.com

DECEMBER 2009

PHOENIX HOME PRICES HAVE STARTED RISING AGAIN



November's resale sales volume was up 60% over the previous year while median sales prices continue to rise, up 12.6 % over their April bottom

For the first time since measuring them separately in 2008, we can report a monthly average sales price per square foot (\$/SF) increase from one month to the next for all three listing types:

Greater Phoenix - All Dwelling Types: (November 6 to December 6)

- Lender Owned Properties: up from \$69.85 to \$70.88
- Pre-foreclosures & Short Sales: up from \$86.80 to \$88.18
- Normal Sales: up from \$114.38 to \$114.96

While lender owned property sales \$/SF has been increasing since hitting a low almost eight months ago, the pricing for normal sales has been declining until very recently. The current lowest monthly average \$/SF figures recorded are:

- Lender Owned Properties: \$62.59 on April 27
- Pre-foreclosures & Short Sales: \$84.11 on September 3
- Normal Sales: \$112.86 on November 16

We are seeing strong evidence of price stabilization in all three categories. Although normal sales is the category which has been slowest to stabilize, the outlook is actually stronger for normal sales \$/SF based on average pending sales pricing:

- Lender Owned Properties: \$69.40
- Pre-foreclosures & Short Sales: \$85.20
- Normal Sales: \$128.20

We have already seen established turn-round points (bottoms) set for the following:

- All ARMLS Areas & Types: \$82.09 on April 6, 2009 (now \$91.00)
- Greater Phoenix - All Dwelling Types - All Listing Types: \$81.74 on April 6, 2009 (now \$90.72)
- Greater Phoenix - Single Family Detached - All Listing Types: \$80.35 on April 6, 2009 (now \$90.42)
- Maricopa County - All Dwelling Types - All Listing Types: \$86.16 on April 6, 2009 (now \$95.52)
- Maricopa County - Single Family Detached - All Listing Types: \$84.63 on April 6, 2009 (now \$95.54)
- Pinal County - All Dwelling Types - All Listing Types: \$53.59 on June 13 (now \$57.15)
- Pinal County - Single Family Detached - All Listing Types: \$53.55 on June 16 (now \$57.15)

All the above are based on measuring monthly average sales prices on a dollar per square foot basis. For those who prefer their pricing expressed in medians, here is a monthly median chart for Maricopa County single family detached sales over the last two years:



There are still many great deals available in the Greater Phoenix Area, but it is no longer a buyer's market for many of the most desirable properties as savvy investors and investor groups are entering the market. Having said that, this chance of a lifetime in Arizona has about 12-18 months of foreclosure activity left – before it will return to a normal market where home prices will be based on true values for land and construction cost.

For those who have been sitting on the sidelines, we recommend starting the process now. Take advantage of rock bottom prices, the high Canadian dollar and low interest rates. We may never see such a confluence of these three factors again.

To start the process, contact us through our website at:

www.arizonaforcanadians.com

or call us toll free at

1-877-AZ4-CDNS (1-877-294-2367)

This 2800 sq. ft. home in Anthem Country Club was recently purchased by one of our Canadian Clients for just over \$300,000. Less than half the price it sold for in 2006.



What would this home cost in your neighborhood? How long can these prices last?