

Phoenix Housing Market Report

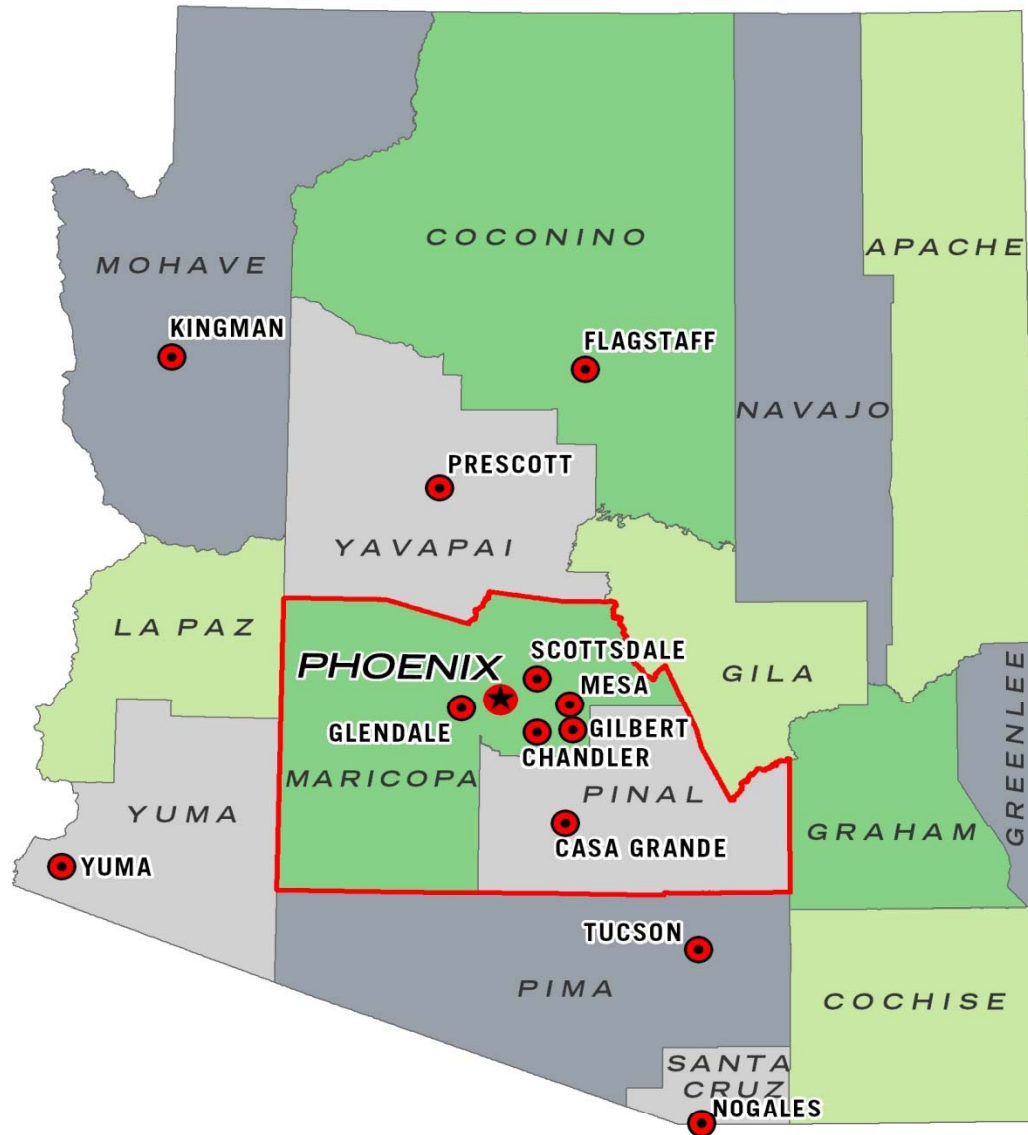
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Phoenix Metro Area



Phoenix

STRENGTHS

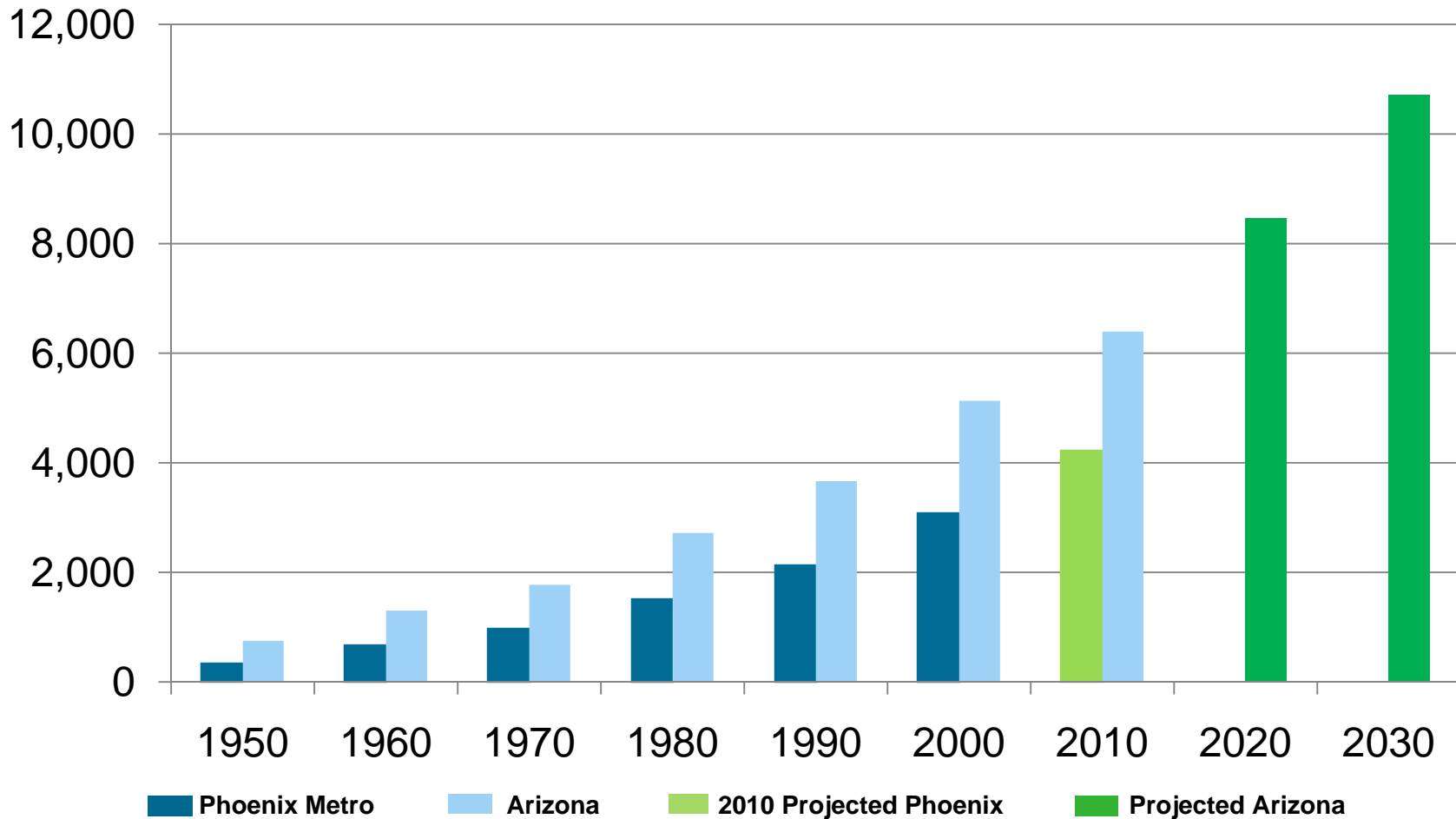
- Job Growth
- Affordable Housing
- Income Growth
- Population Growth
- Highly Educated Population
- Low Costs of Doing Business
- No hurricanes, earthquakes, tornadoes, Mud Slides, “Santa Ana Fires” or snow
- Climate
- Excellent Water Supply

CONCERNS

- Foreclosures
- Building Permits Very Low

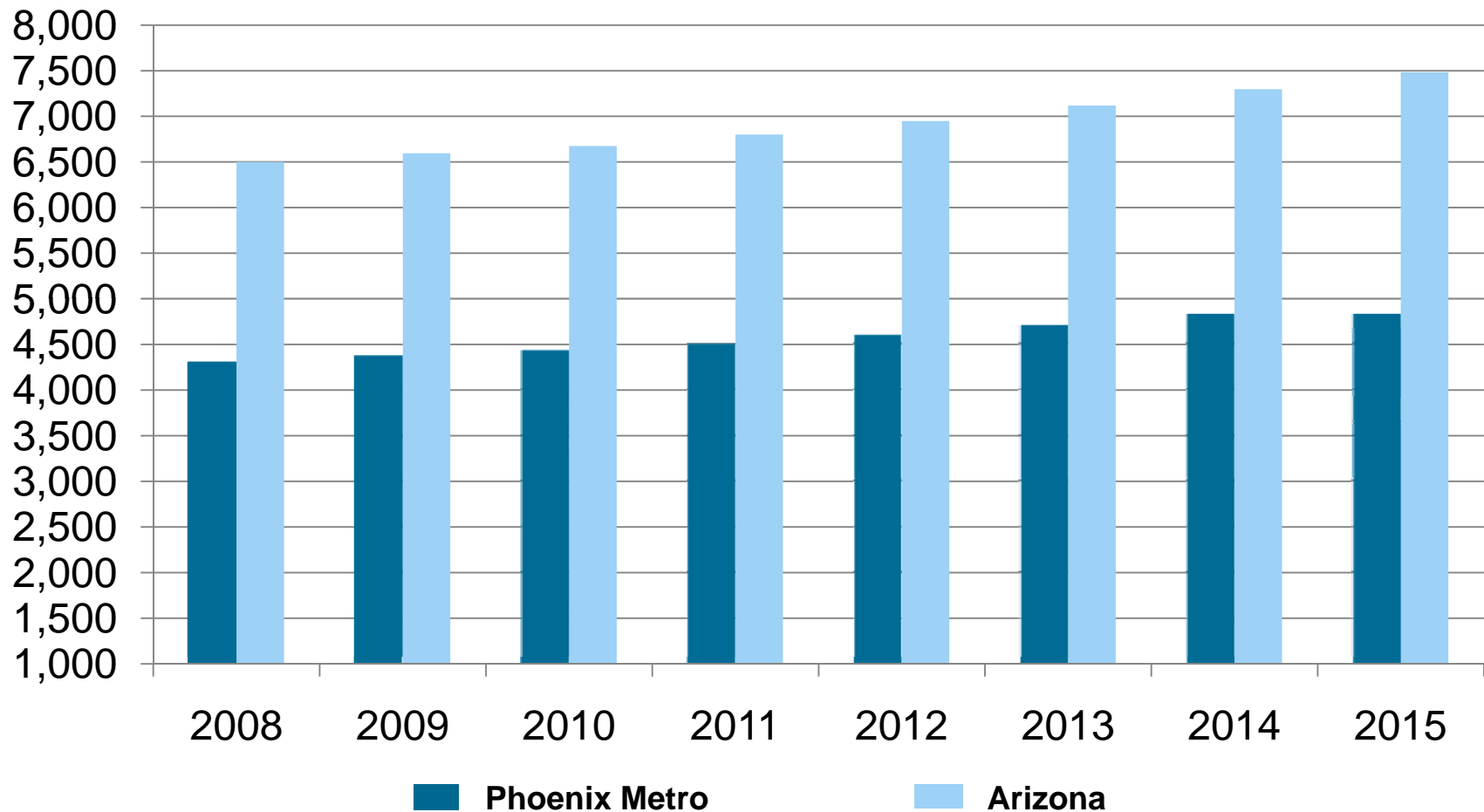
Arizona & Phoenix Metro Population Growth

(Data in Thousands)

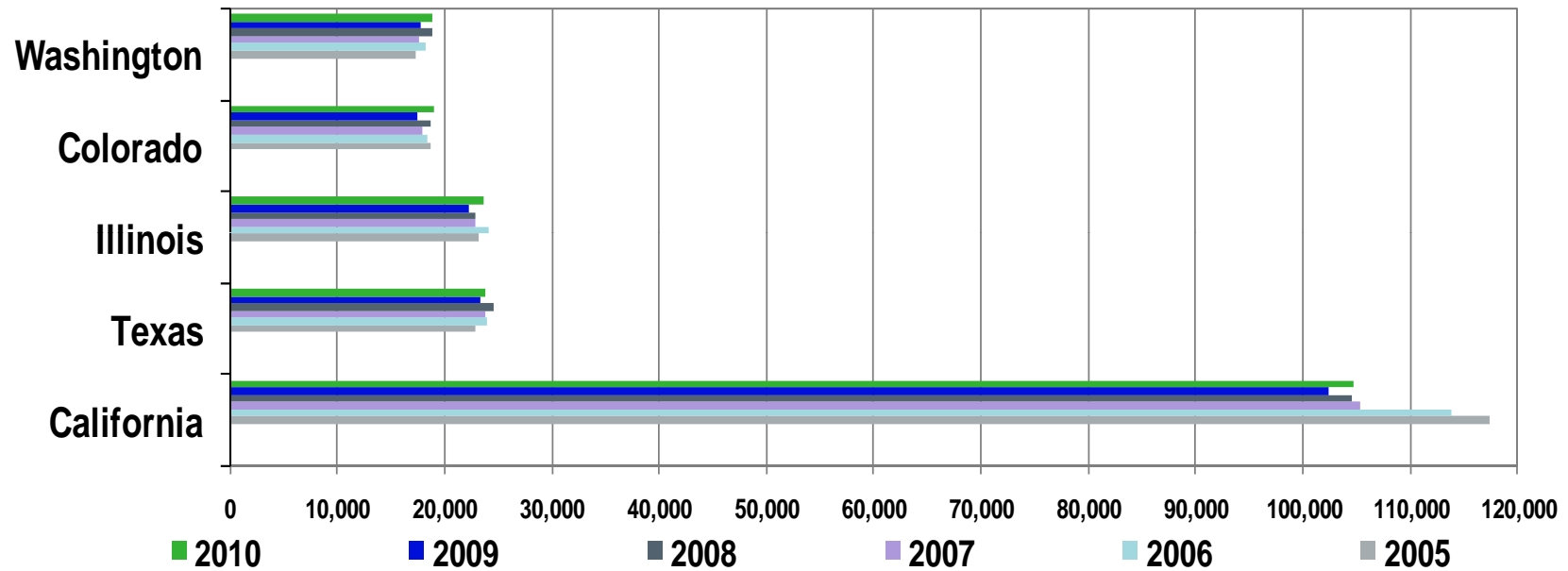


Arizona & Phoenix Metro Population Growth Projections

(Data in Thousands)



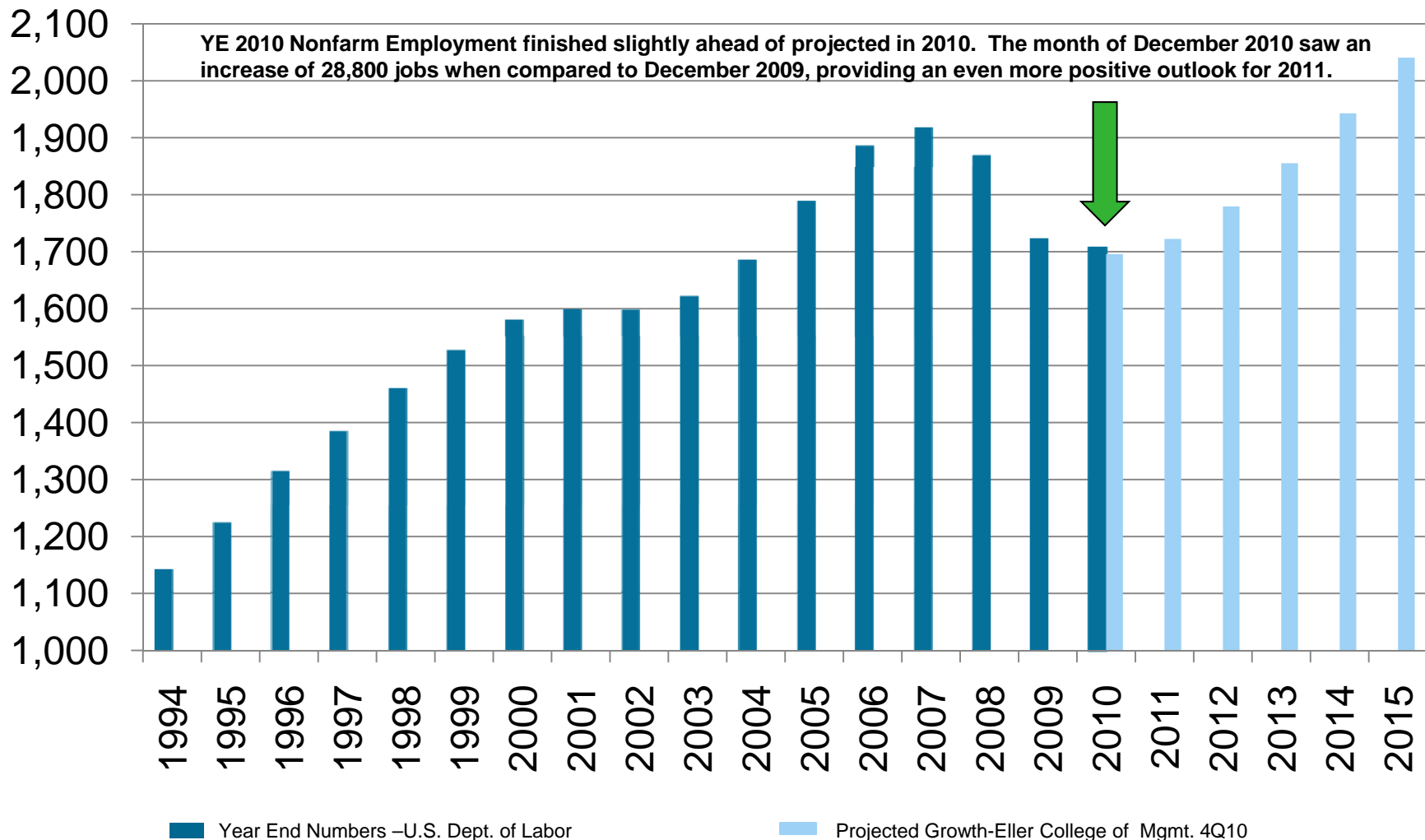
Arizona In-Migration Patterns for the Top 5 States Per Year



Source: Arizona Department of Transportation, Motor Vehicle Division

Phoenix Metro Nonfarm Employment

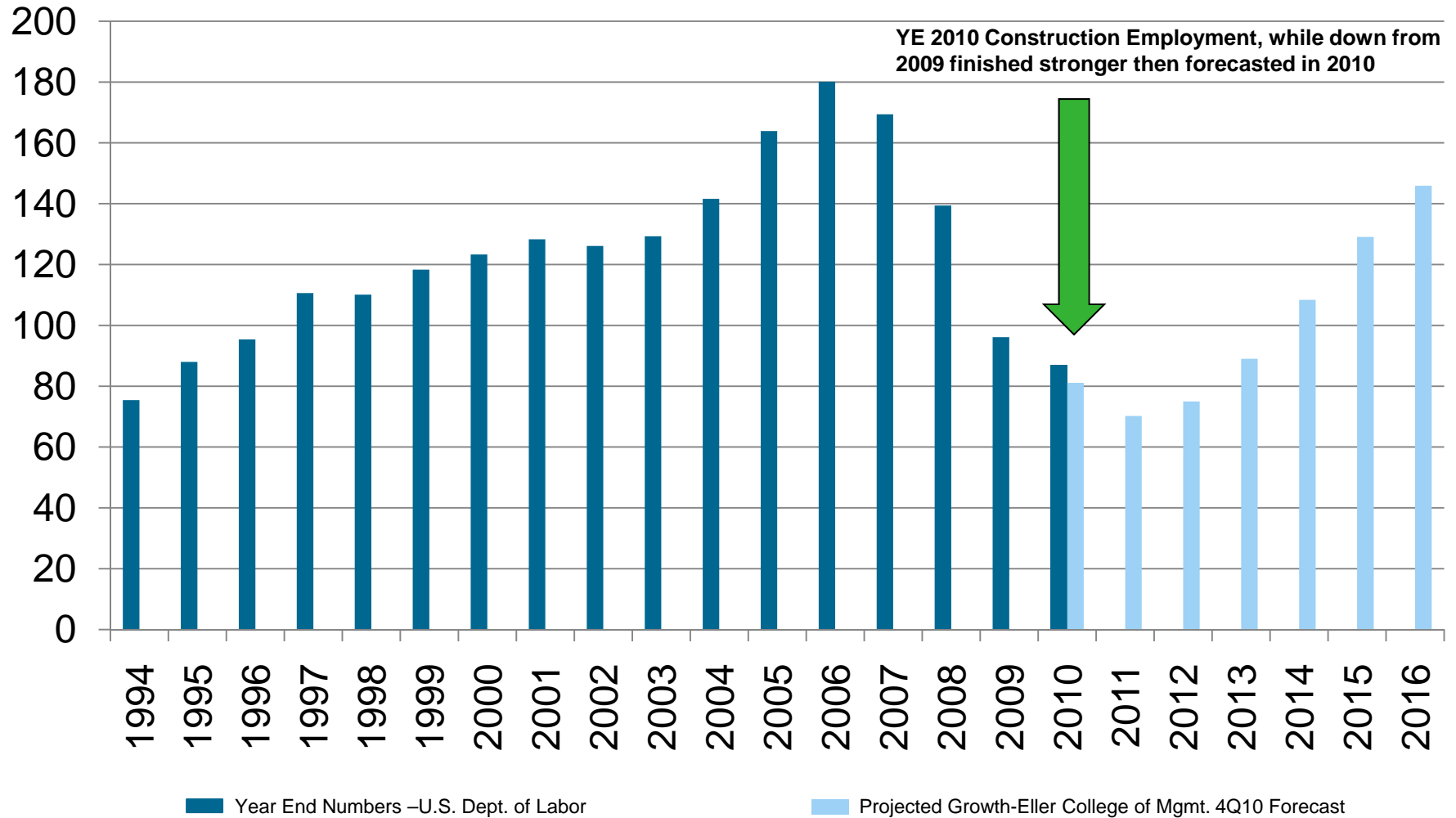
(Data in Thousands)



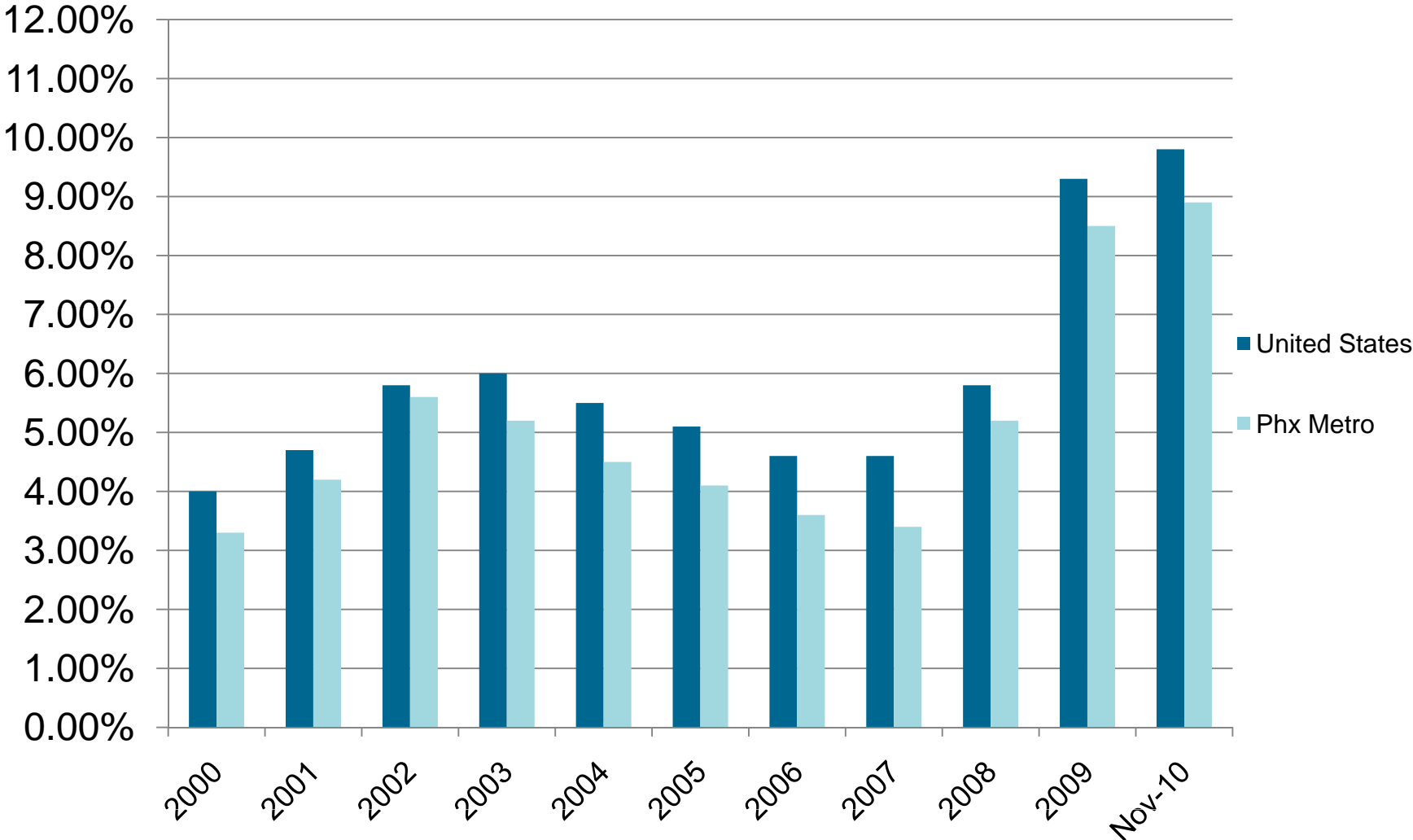
Source: U.S. Department of Labor, BLS Arizona Department of Commerce Research Administration (Dec 2010). Eller College of Management 4Q 10 Forecast, The University of Arizona.

Phoenix Metro: Construction Employment

(Data in Thousands)



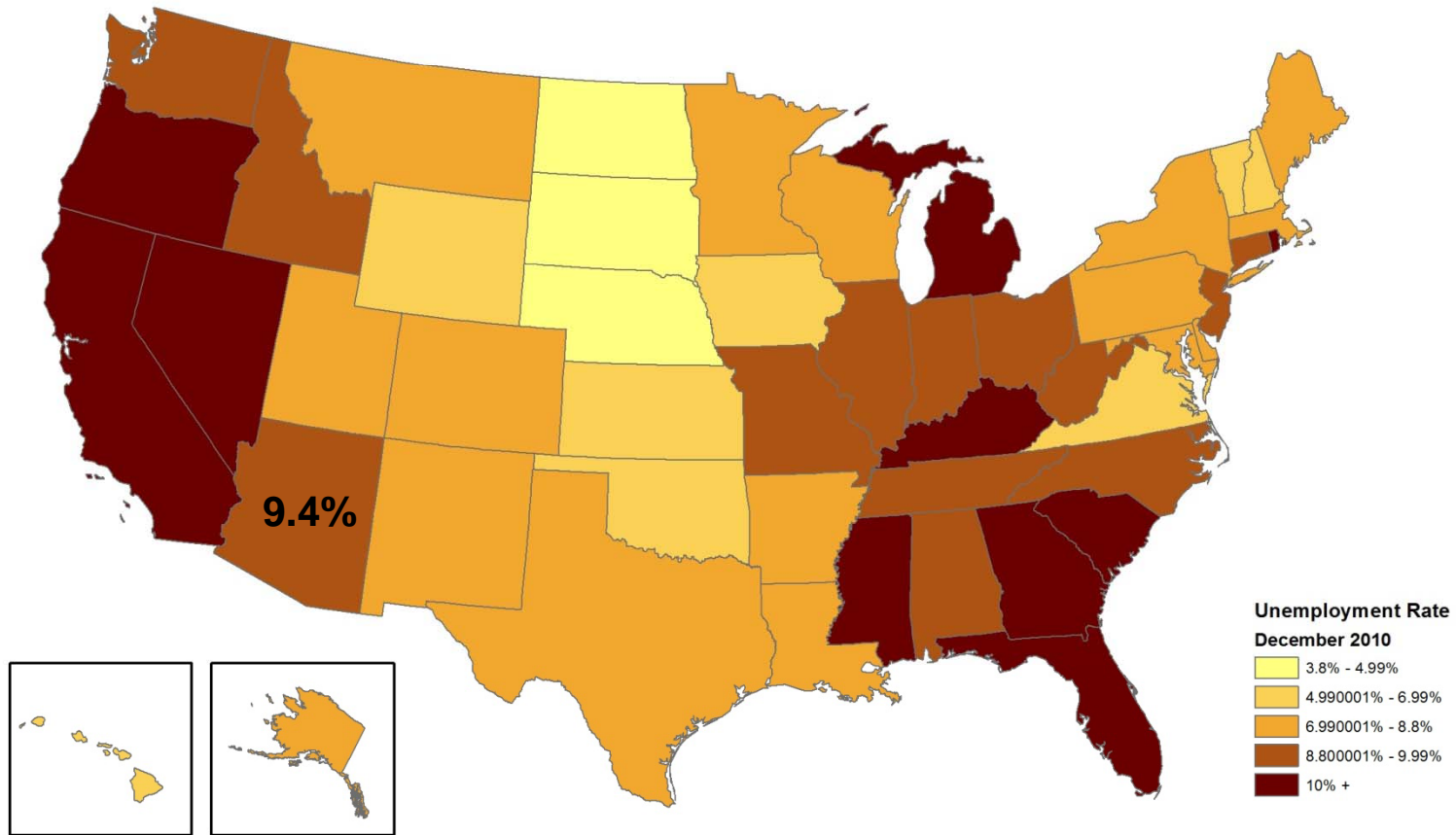
Unemployment Rate (Seasonally Adj.) United States vs. Phx Metro



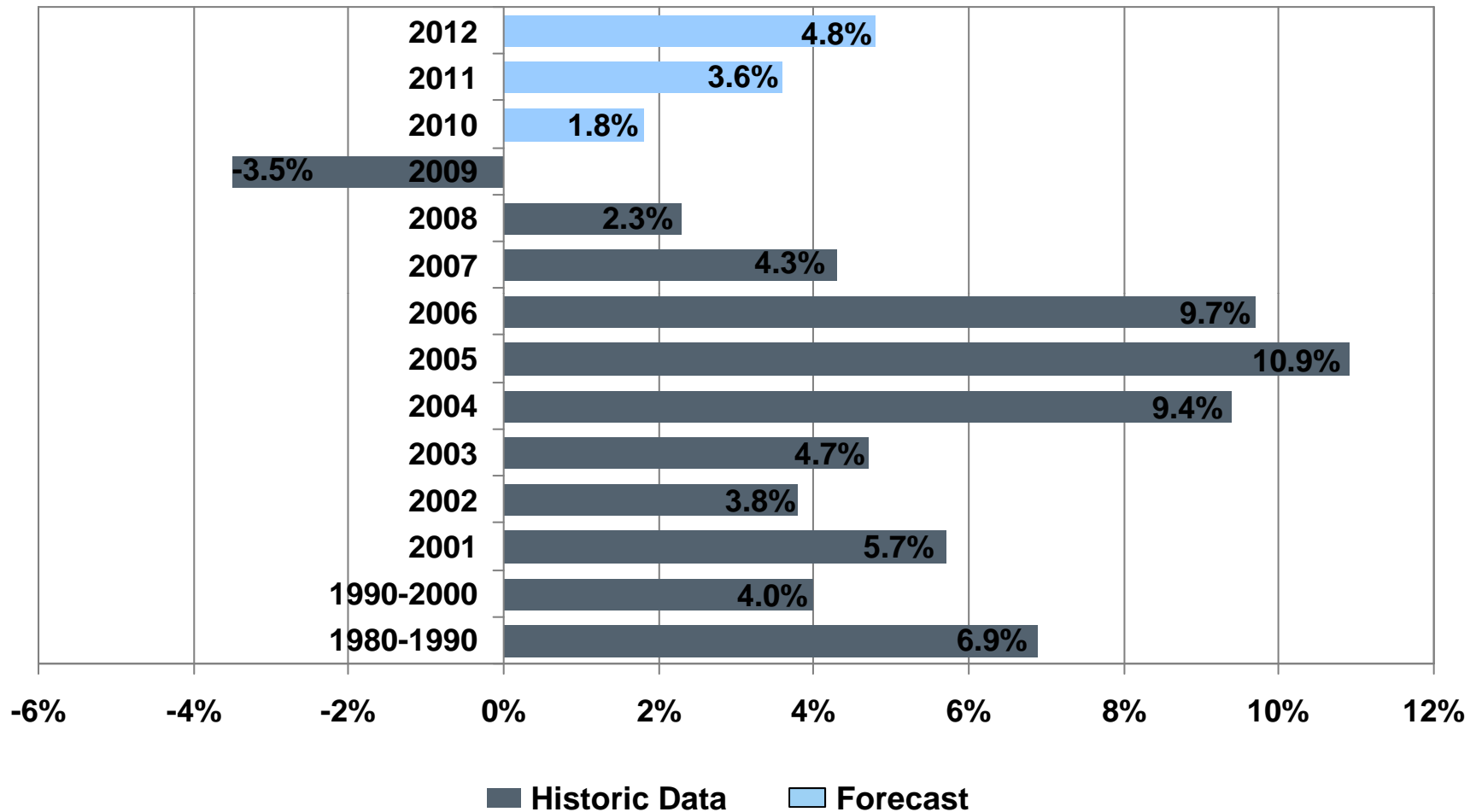
Source: Arizona Department of Commerce, Research Administration December 2010.

Comparing States:

State Unemployment %: December 2010 (Seasonally adjusted in thousands)
U.S. Average 9.4%



Personal Income Growth Percentages for Greater Phoenix



Source: Eller College of Management, The University of Arizona, 2001 – 2009 are actual, 2010-2012 are based off 4Q10 Forecast Comparison. Historical Data: U.S. Census Bureau, 1980, 1990, 2000.

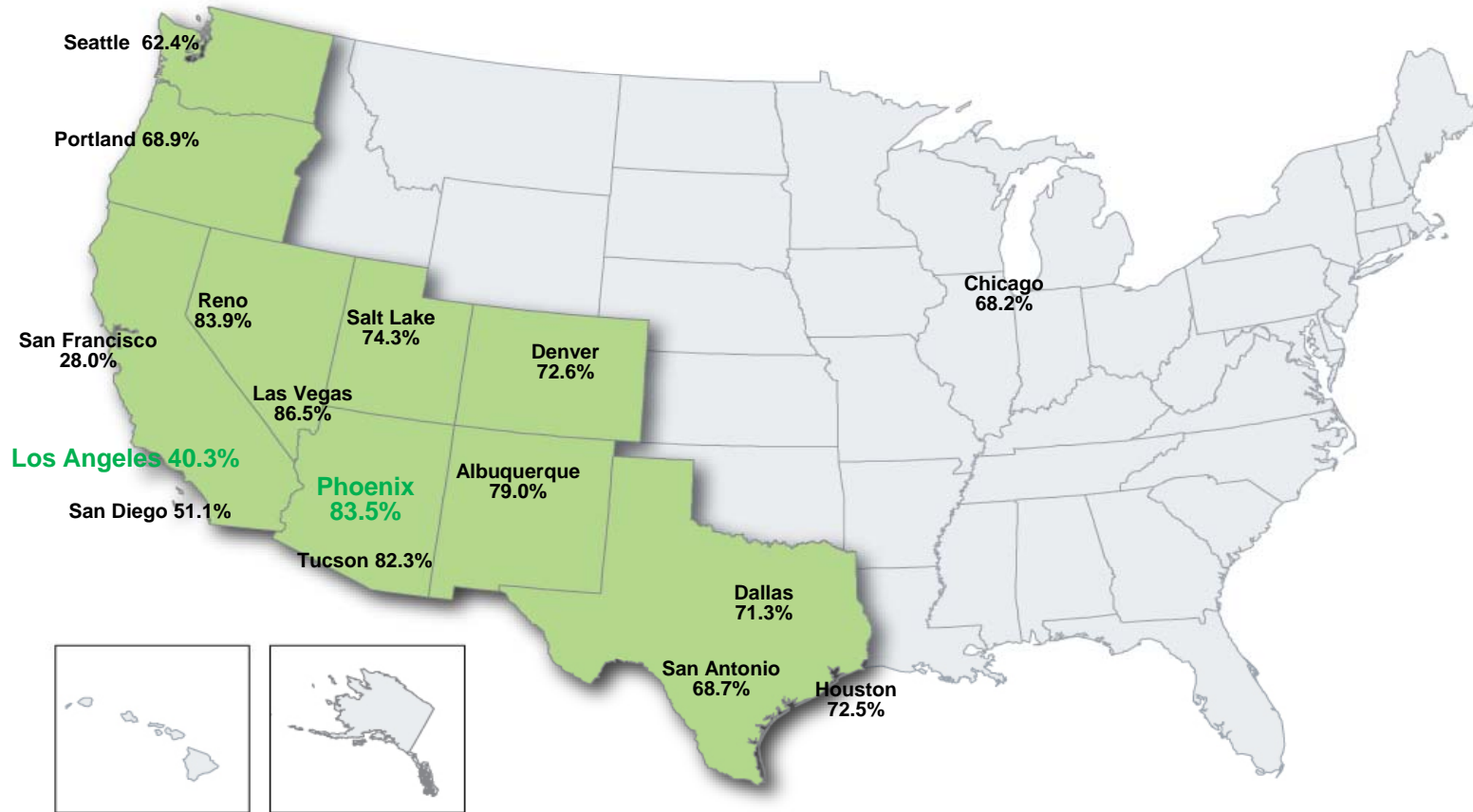
U.S. Average Yearly Mortgage Rates (40 Years)



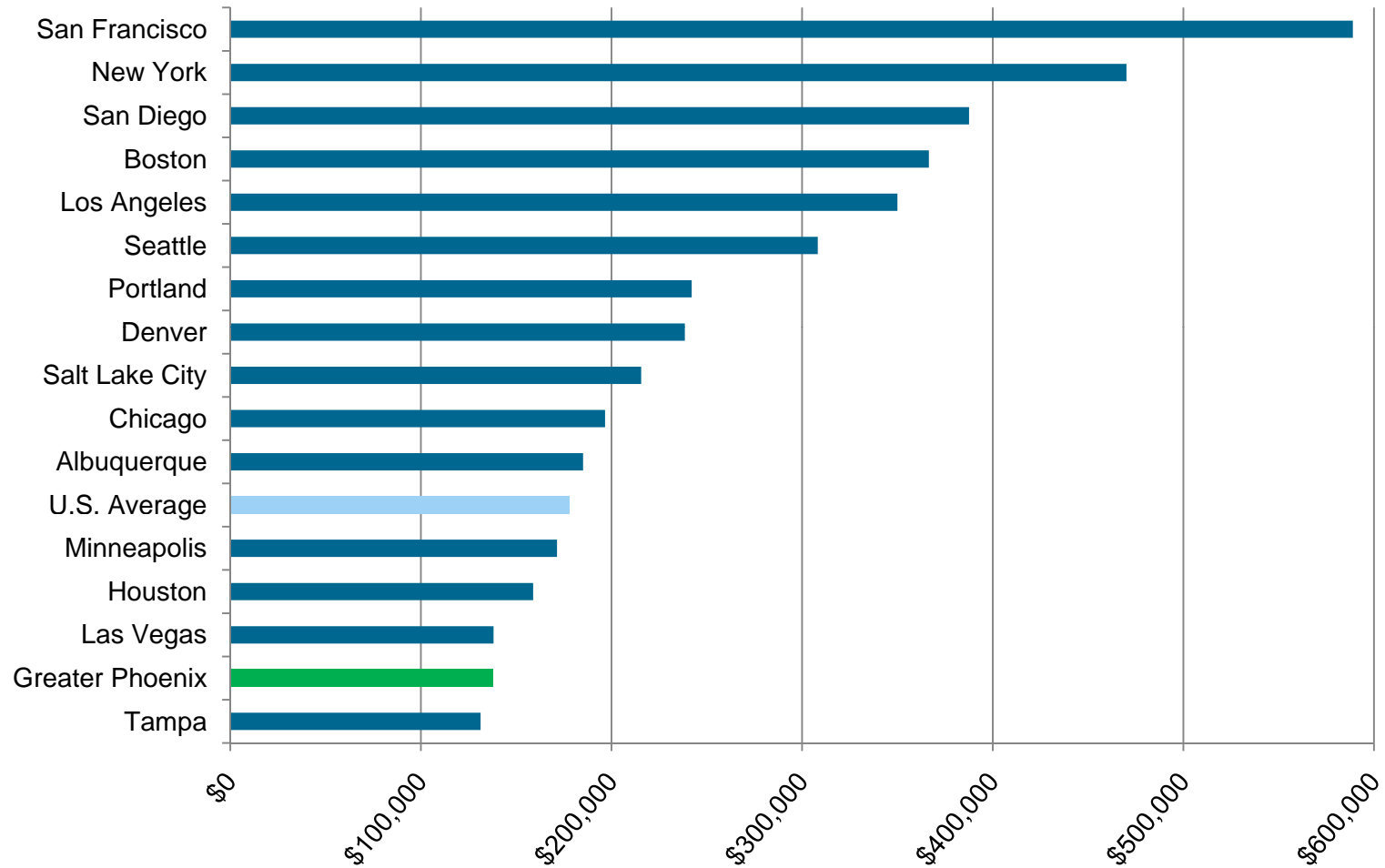
Source: Mortgage News Daily, November 2010. Freddie Mac. National Bureau of Economic Research (US Recession Periods)

Comparing Markets:

Percentage of new and existing homes that were sold during the 3rd quarter of 2010 that were affordable to families earning the area's median income.

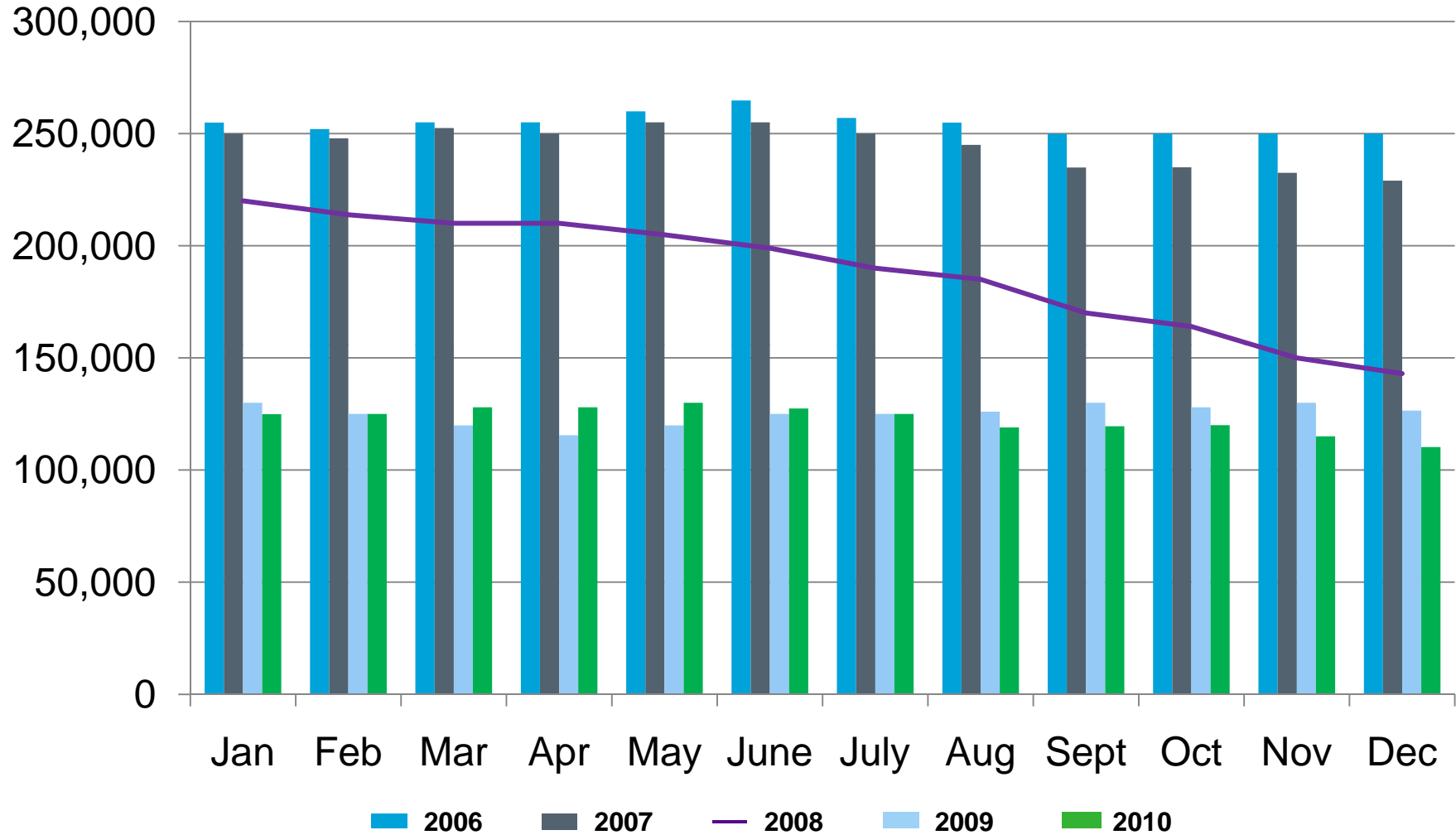


Median Sales Price of Existing Single Family Homes 2010 3rd Quarter



Source: National Association of Realtors

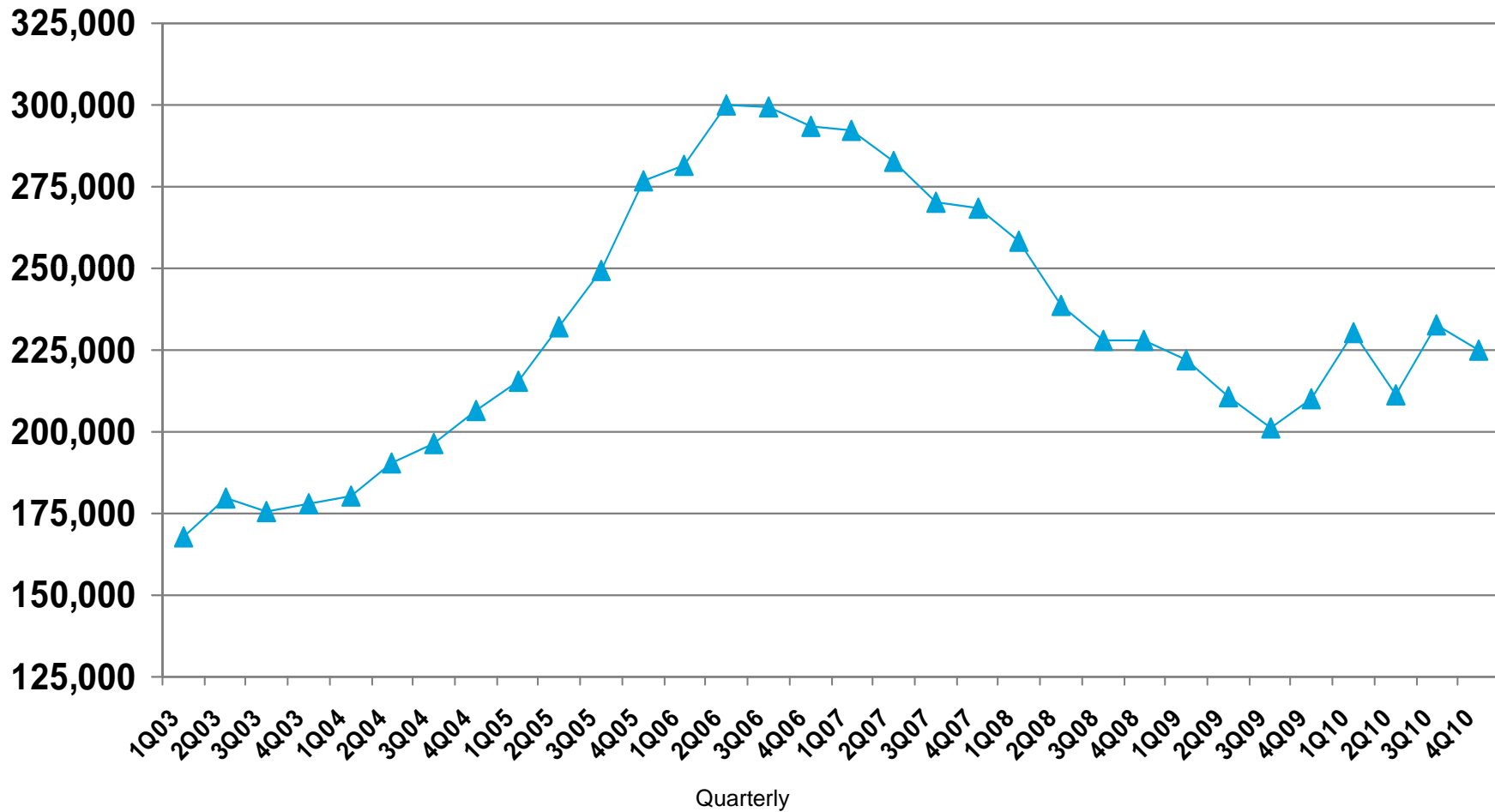
Resale Home Median Price Per Month



DETACHED NEW HOME MEDIAN PRICE: Maricopa County

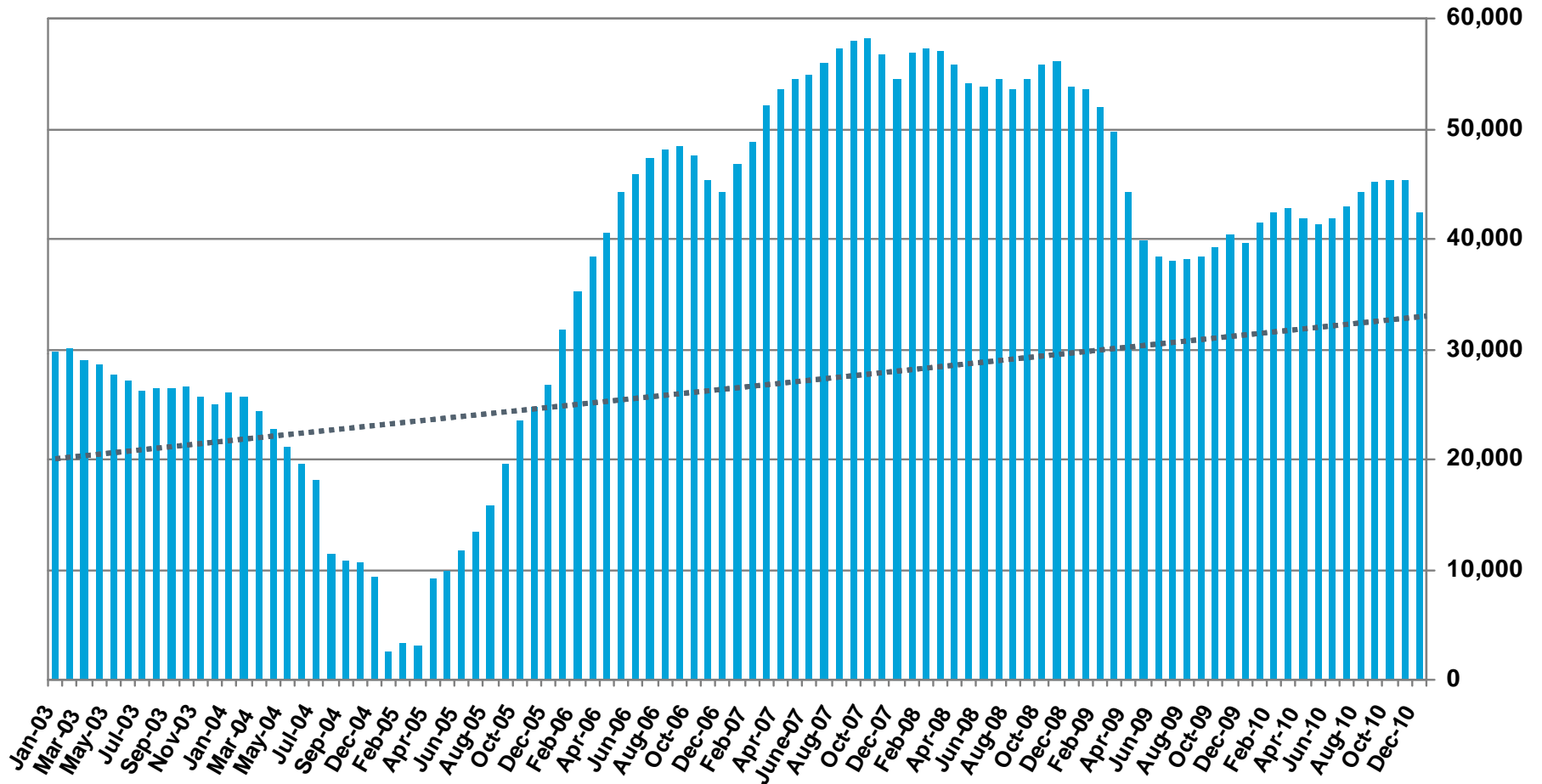
December 2010 Statistics

Phoenix \$228,422



Source: The Information Market per The Cromford Report

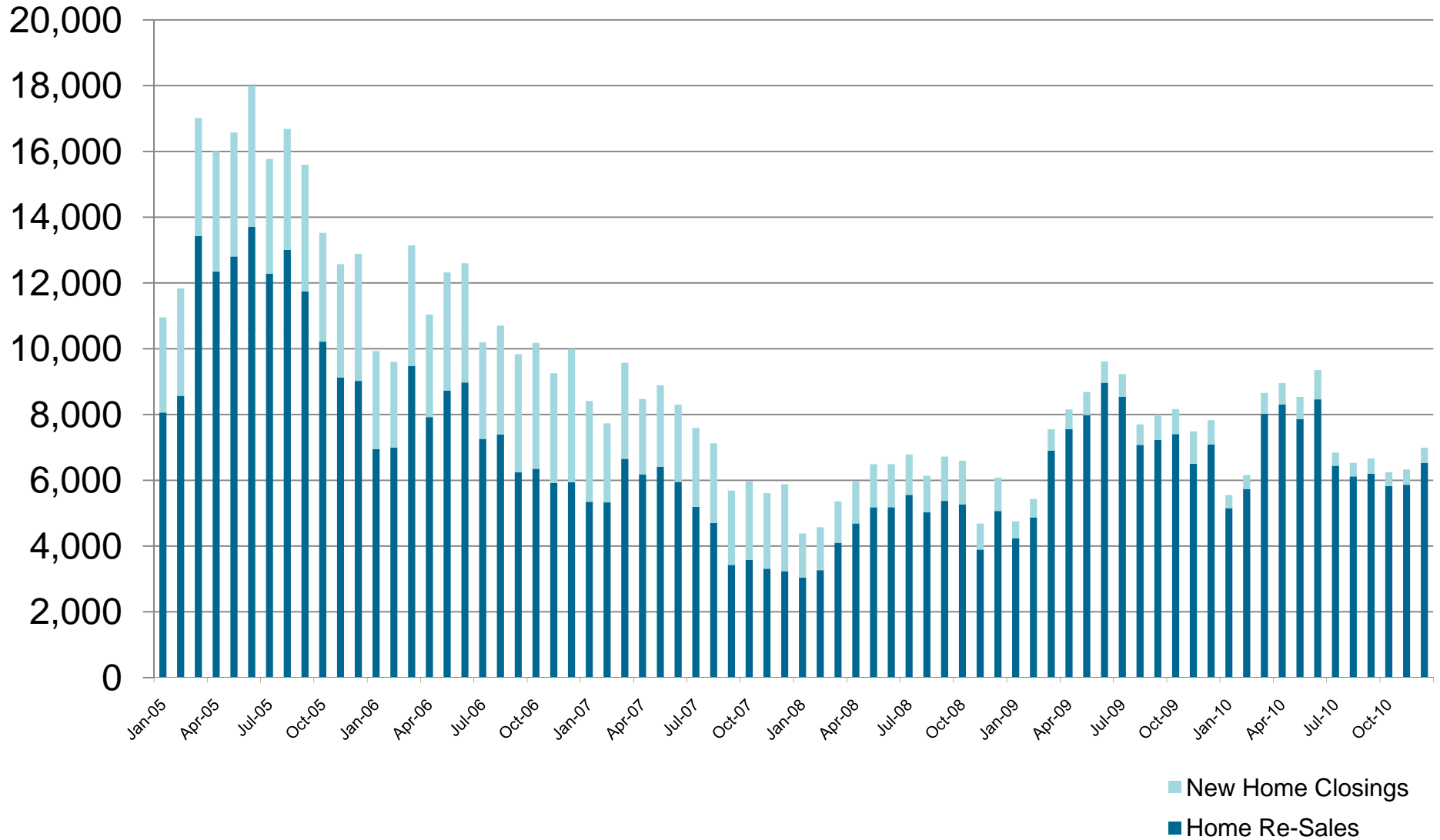
All Active Home Listings



Includes all single-family, townhomes, and manufactured homes

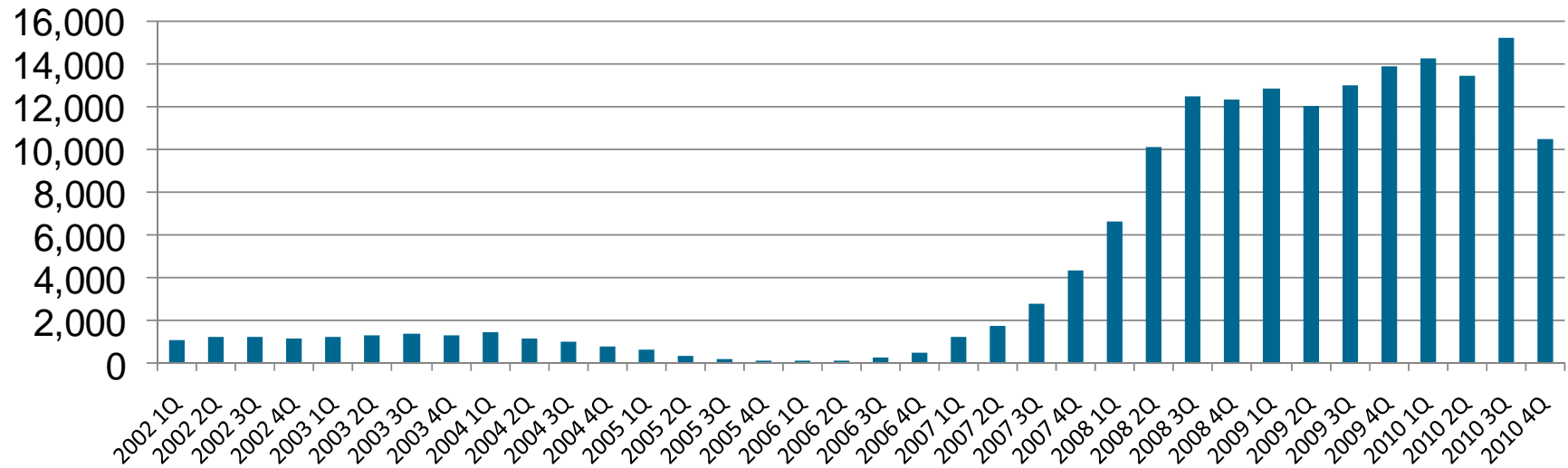
----- Normal Market Conditions

Maricopa County Monthly Home Closings



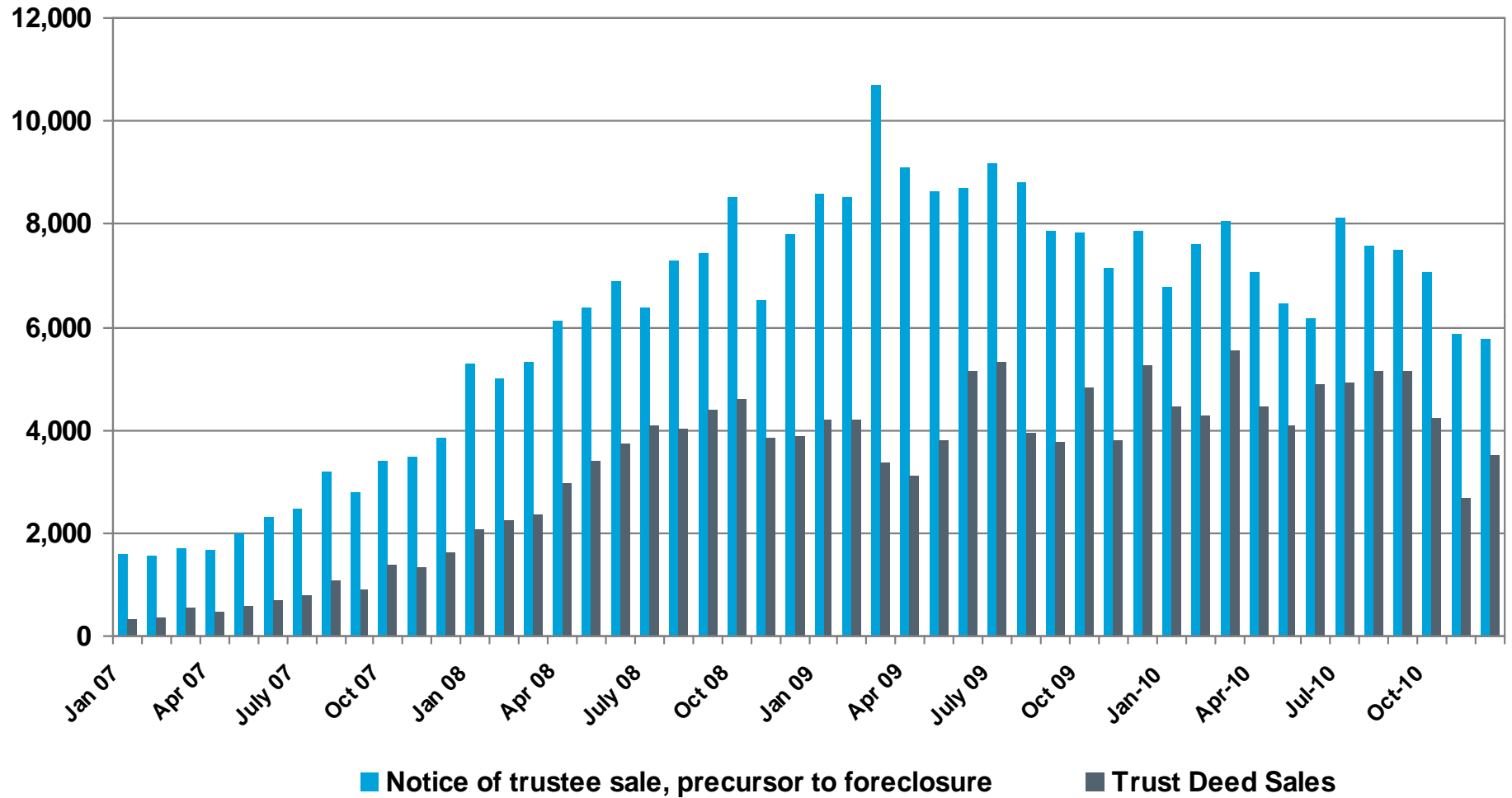
Source: The Information Market per The Cromford Report (Includes: Single Family Detached, Townhomes, & Condos)

Historical Foreclosure Trends-Trust Deed Sales



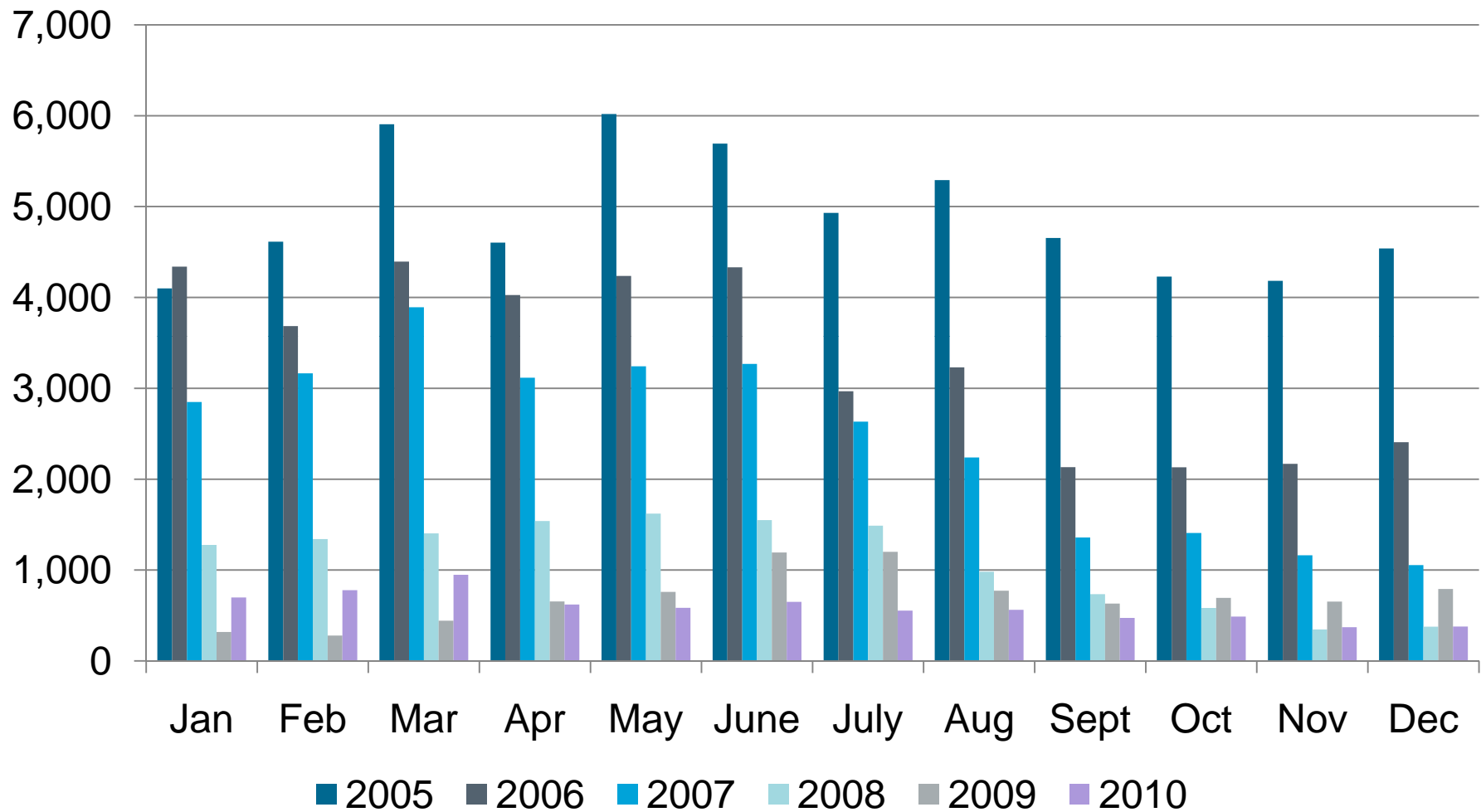
Source: *The Information Market per The Cromford Report*

Metro Phoenix Monthly Foreclosures



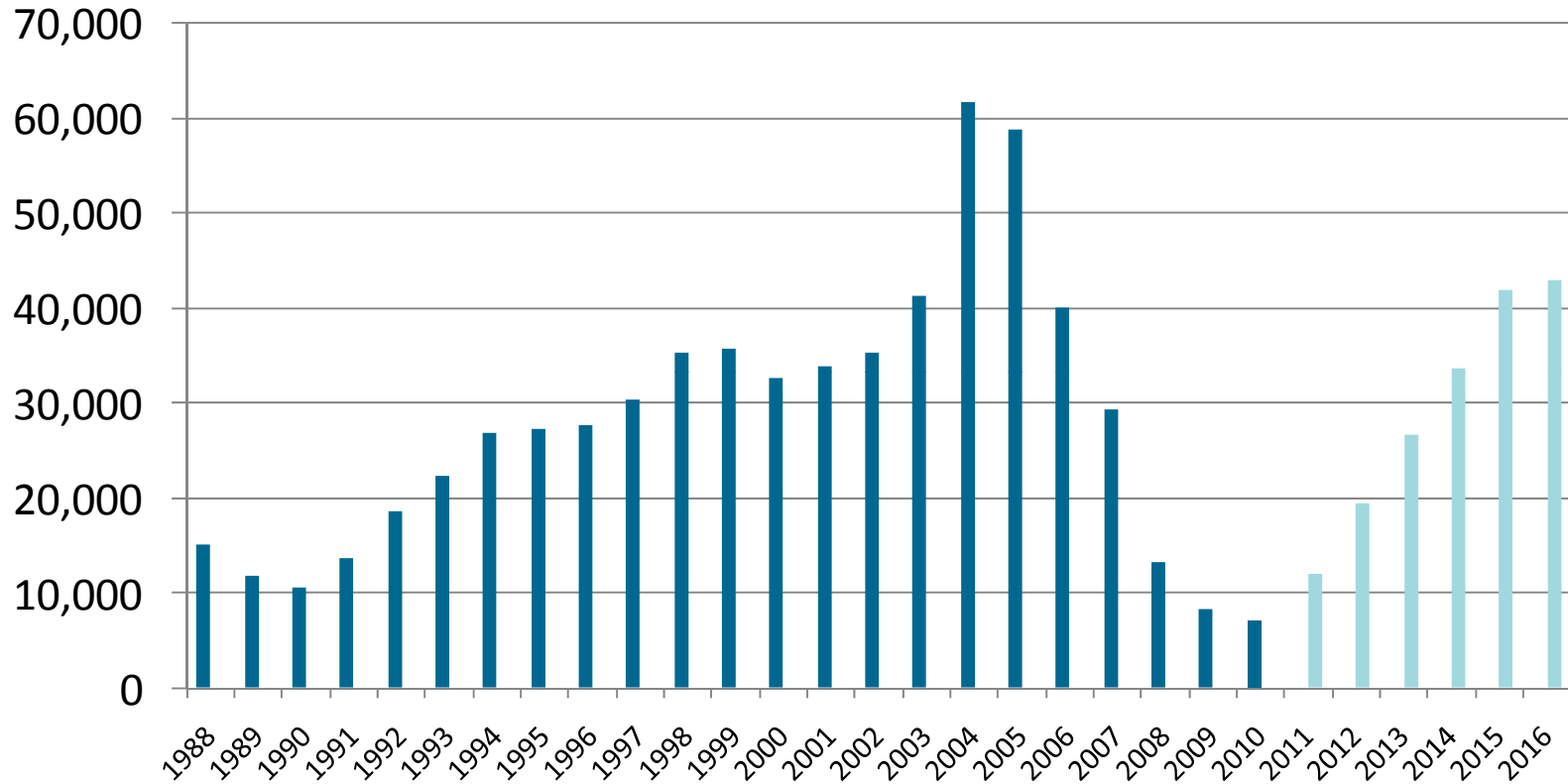
Source: The Information Market per The Cromford Report

Phoenix Metro Single Family Building Permits



Source: Home Builders Association of Central Arizona (HBACA)

Phoenix Metro Single Family Building Permits



■ Historical-Home Builders Association of Central Arizona
 ■ Projected-Eller College of Management 4Q10 Forecast

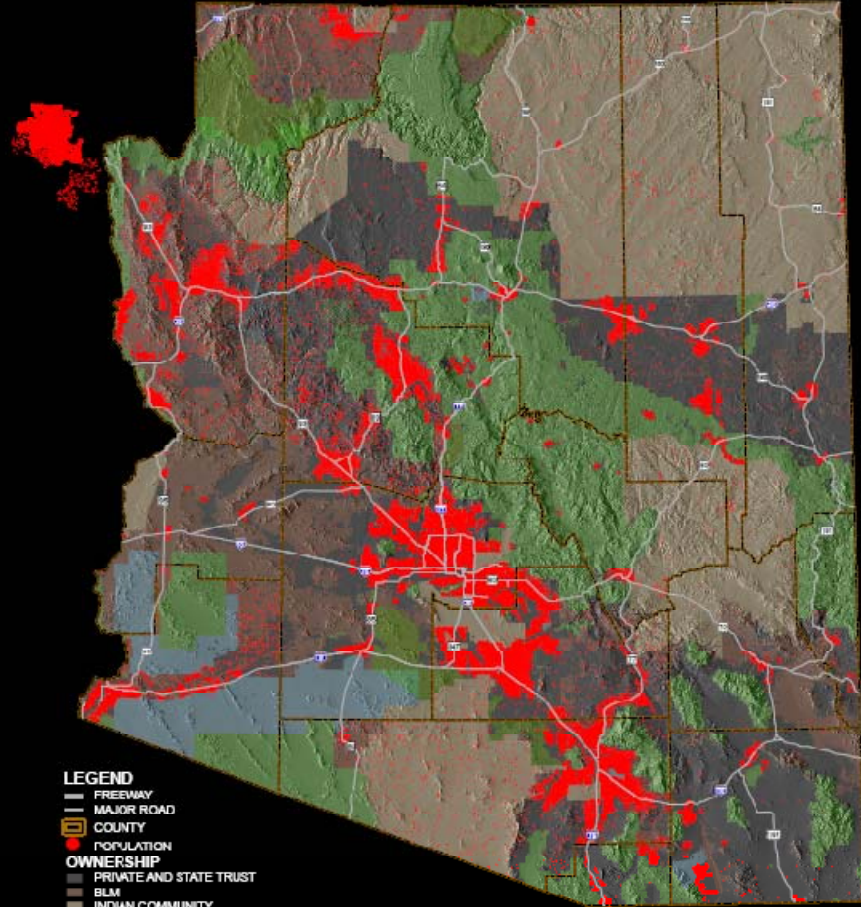
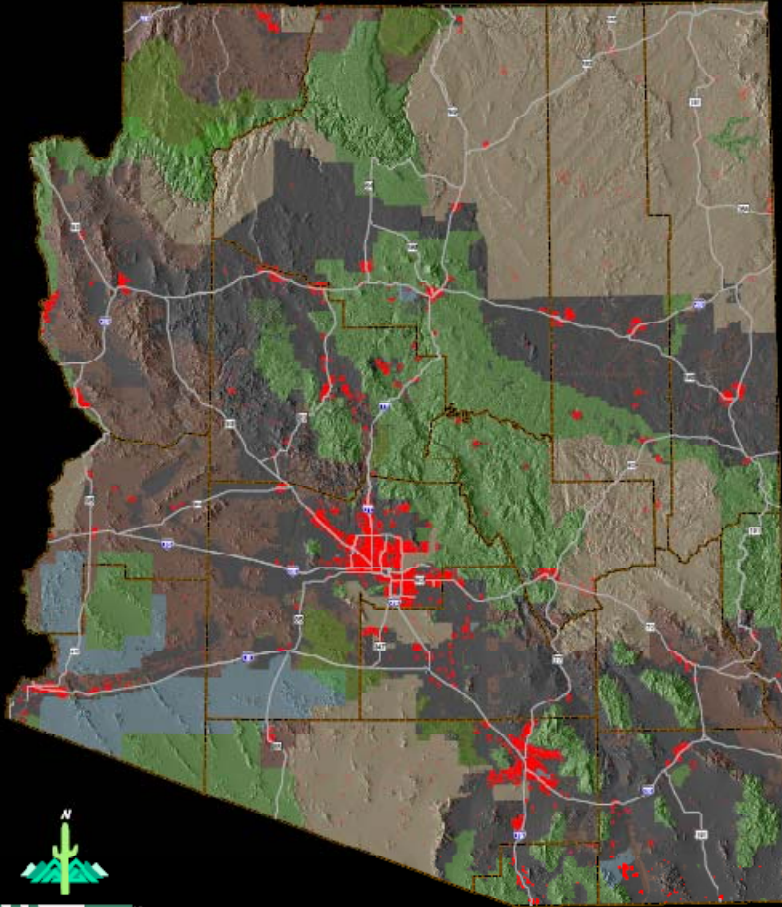


ARIZONA'S FUTURE



2000 : 5.1 MILLION PEOPLE

2050 : 16 MILLION PEOPLE



- LEGEND**
- FREEWAY
 - MAJOR ROAD
 - COUNTY
 - POPULATION
- OWNERSHIP**
- PRIVATE AND STATE TRUST
 - BLM
 - INDIAN COMMUNITY
 - FOREST, PARK, MONUMENT
 - MILITARY

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