

MARCH 2016

Real Estate Update



JEFF GERBER
ABR®, GRI®, SRES®, REALTOR®

Hello Everyone,

Play Ball! Welcome to calendar hyper-drive 2016! I'm excited to be entering my favorite time of the year (March & April) in The Valley. We get the sounds of sports (Baseball, NASCAR, Arabian Horses, Rodeo and more), the smells of the last rain of early spring offsetting the sweet aroma of the citrus blossoms (hope your allergies stay in check), the sights of the natural desert and our own landscaping coming into spring bloom all under bright blue and sunny skies with warm but not too hot temperatures. It's why I call this place, The Valley, home!

Real Estate activity has certainly picked-up in the past month, or so. We are all seeing increased Buyer activity. It has also been pleasantly interesting to see a small surge in properties listed for sale. Good news, more choices for Buyers. This year seems to be looking like a more traditional activity pattern. If that holds true, we should see a good number of transactions from late February till about mid-May. In other words, right now is the time to get your property on the market if you want it sold. Pricing generally seems flat to about 5% up from a year ago. Buyers need to act quickly and decisively when they see an interesting property. Like the old saying, 'the good stuff that is priced right goes fast.' Good news for Buyers is that interest rates for mortgages still are around 4% to 4.5%. Those rates are predicted to go up as the year goes on. I think it is safe to say that we have a housing market that is 'back on track'. Most of the big name housing analysts agree. Some (RL Brown, for one) even go as far as suggesting 2016 will be a breakout year!

Thanks to many great new and repeat clients and to those who might have referred them to me. February proved to be an extremely busy month. We did put Arvind's Laveen home under contract to a Buyer who closes at the end of this month. Thanks and congratulations to Linda & Tanya of Mesa. We were successful in finding Chandler investment properties that should prove to be nice income generators after closing later this month. I'm looking forward to presenting keys to their Phoenix golf course winter getaway condo to Glenn & JoAnne from MI at mid-month. The search continues to help Todd from Chandler find the right house and get it under contract for his family. I appreciate the opportunity to work for the Bhullar's again by listing their lovely 2-bed/2-bath condo near Scottsdale's Princess Resort for sale. We're still working to put all the pieces in place for the sale of Bob & Vivian's Gilbert home. Hopefully that will come together shortly. I'm excited to be able to discuss the merits of selling a current home with a couple of clients and exploring purchase options with several people. It's busier than (recent years) normal right now, but I'm still going to ask that you be kind enough to pass along my name to any friends or family members who might be considering buying or selling a home in The Valley. Your referrals mean the world to me. Thank you for the recommendations!

Regards,

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The Empowered Team, LLC
Real Estate For Today

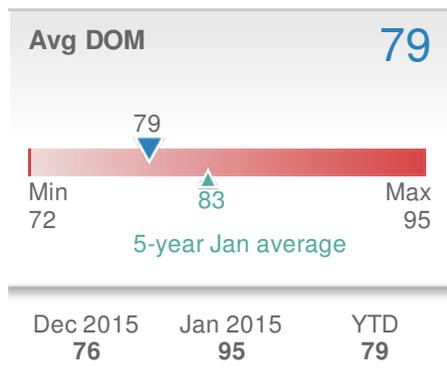
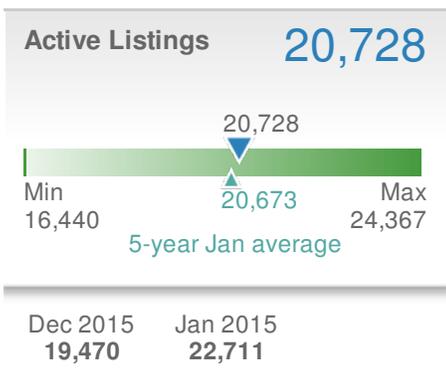
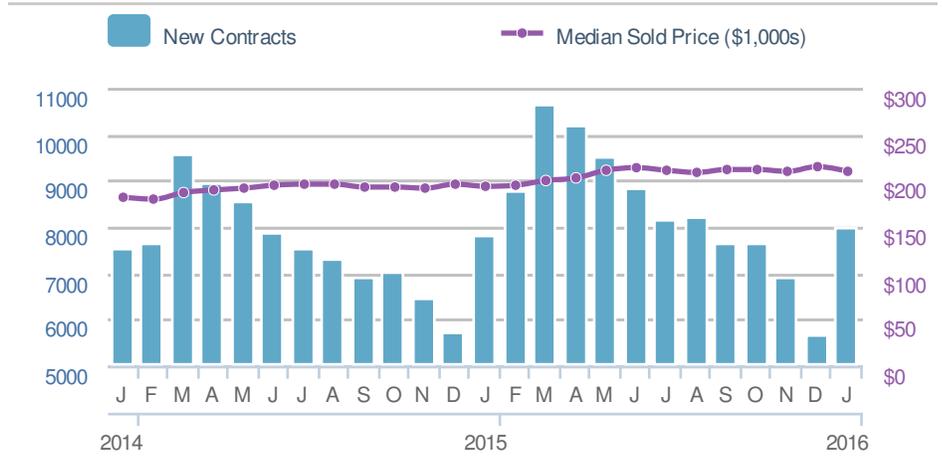
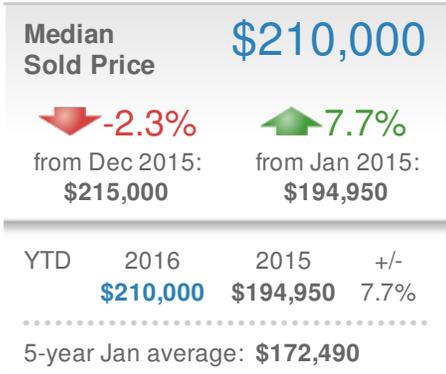


Visit my website at: www.jeffgerberrealtor.com



January 2016

Arizona Regional MLS





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Between FRIENDS

Real Estate for Today

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You've weathered the winter months and spring is just around the bend. Call me today and find out why NOW is a perfect time to buy or sell a home!



Are you in the market for a new home? A Home Warranty Plan can help protect your budget from repair or replacement costs caused by the breakdown of heating, plumbing, electrical systems, and most built-in appliances. Optional coverage choices are available for home buyers to custom fit the Plan to the unique needs of their home. Plus, a home warranty offers access to qualified service providers, helping reduce the stress of homeownership.

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Health & Safety

Prescription Medication Hacks

Are you losing time and money to pharmacies that charge too much and get your order wrong on a regular basis? If so, these prescription hacks might help!



Order a 90-Day Supply: Most insurance providers allow you to fill 90 days' worth of medication at a time. That means fewer trips to the pharmacy and fewer opportunities for them to mess up.

Shop Around: Try out different pharmacies until you find someone who gets your orders right. If that pharmacy charges more for your meds, ask if they can match their competitor's price.

Coupons: Manufacturers offer impressive cost-saving coupons on most brand-name drugs, and you can track them down with a simple Google search: "<<Drug Name>> + Coupon." Print the offer (or take a screenshot on your smartphone) and ask whether the pharmacy will honor the discount.

Pill Pack: *Pickpack.com* is a licensed online pharmacy that seals your daily medications in little plastic packs. Each pack comes labeled with the date you need to take them. Of course, before you order any medication online, make sure you're dealing with a licensed pharmacy by visiting www.fda.gov/drugs and clicking on: "BeSafeRx: Knowing Your Online Pharmacy."

Helpful Hints

Work-Life Integration

Work-life balance was all the rage a decade ago, but today's workplace extends far beyond the cubicle and the corner office. As our smart phones explode into the wee hours of the night, we've shifted the conversation from "balance" to "integration."



Effective work-life integration begins with communication and proper boundaries. If you're not in the office every day, your employers may not see how hard you're working. In other words, when you're overwhelmed, let them know!



Of course, when it comes to communication, don't forget about the rest of your colleagues. By keeping your electronic calendar up to date and blocking out *both* personal and professional events, you should be able to carve out a space for things like parent-teacher conferences and anniversary dinners. We all have important jobs to do, but let's face it... unless you're the leader of the free world, western civilization won't collapse if you go offline for an hour or two.



2 medium zucchini, halved lengthwise, and seeds scooped out
1 cup cooked quinoa
8 oz. cooked mild Italian turkey sausage
1 (15 oz.) can fire-roasted tomatoes
1/4 cup torn fresh basil leaves
1/2 tsp. salt
1/4 tsp. black pepper
1 Tbs. olive oil (to brush the insides of the zucchini)
Freshly grated Parmesan cheese to taste

Preheat oven to 400° F.

Sauté sausage in a medium pan until browned. Add quinoa, tomatoes, salt, and pepper. Remove from heat and add basil.

Place zucchini halves onto a baking sheet and brush with olive oil.

Spoon mixture evenly into zucchini.

Lightly tent with aluminum foil and place in oven.

Bake for 20 minutes or until zucchini is fork tender.

Remove from oven and serve. Garnish with freshly grated parmesan cheese if desired.



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Household Tips **Chemical-free Pest Prevention for Your Garden**



Looking for a pest-free garden without the use of pesticides? The following tips from *HGTVGardens.com* and *LifeHacker.com* might help you keep those pests in line without any toxic sprays.

Crushed Egg Shells: Crush egg shells and leave them on the top layer of soil. This deters larger pests, such as caterpillars and snails, from attacking plants from the ground up.

The Circle of Life: Nature keeps nature in check. For example, ladybugs eat aphids and toads eat slugs. Research how to attract the right predators to your garden so those valiant little critters can gobble up the plant munchers.

Organic DIY Insect Sprays: Do a quick online search for organic recipes that deter pests. Most include common ingredients you'll find in your pantry, such as garlic cloves or hot pepper.

Aromatic Herbs: Many pests hate the smell of yarrow, citronella, mint, fennel, catnip, basil, and lemongrass. Plant these herbs in your garden to keep many of the bad bugs away!



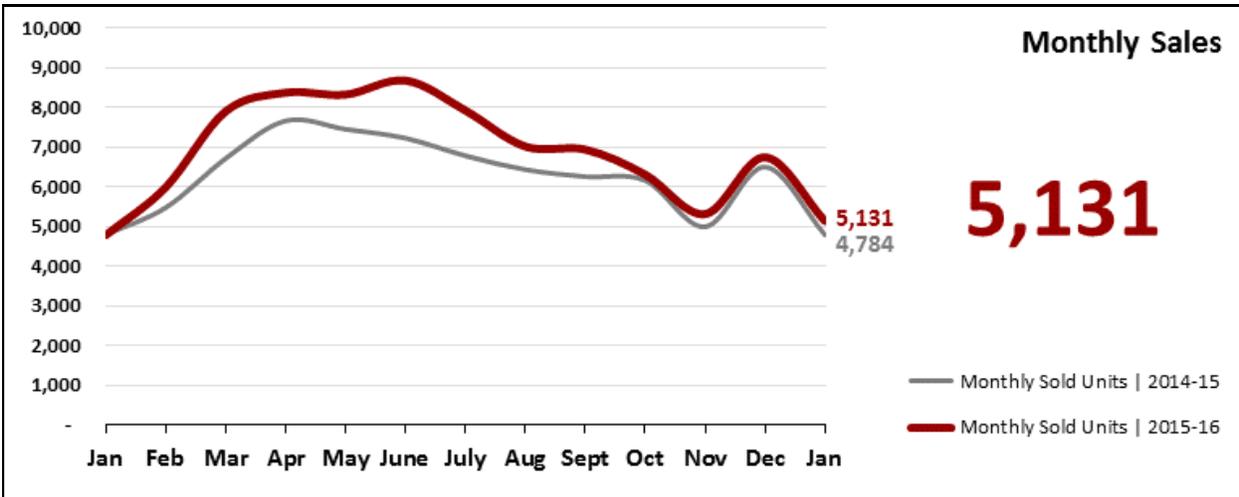
JANUARY 2016 ARMLS® STAT - Published February 23, 2016

Letter From The Editor

Before we dive into this issue of STAT, we have a few announcements. We have always titled each issue of STAT based on when it was published. A July STAT had data from June. Starting with this issue, we changed the title to reflect the month of the data, regardless of the publish date. For example, this is the January 2016 STAT, published in February 2016.

We also improved the graphs. Graphs now show 13 months of data, so it's easier to see year-over-year changes. We also added a new trend line for CCBS in our UCB vs. Active graph. And last, a big thank you to our Subscribers for their great suggestions over the years. —James Marcus, ARMLS Brand Manager

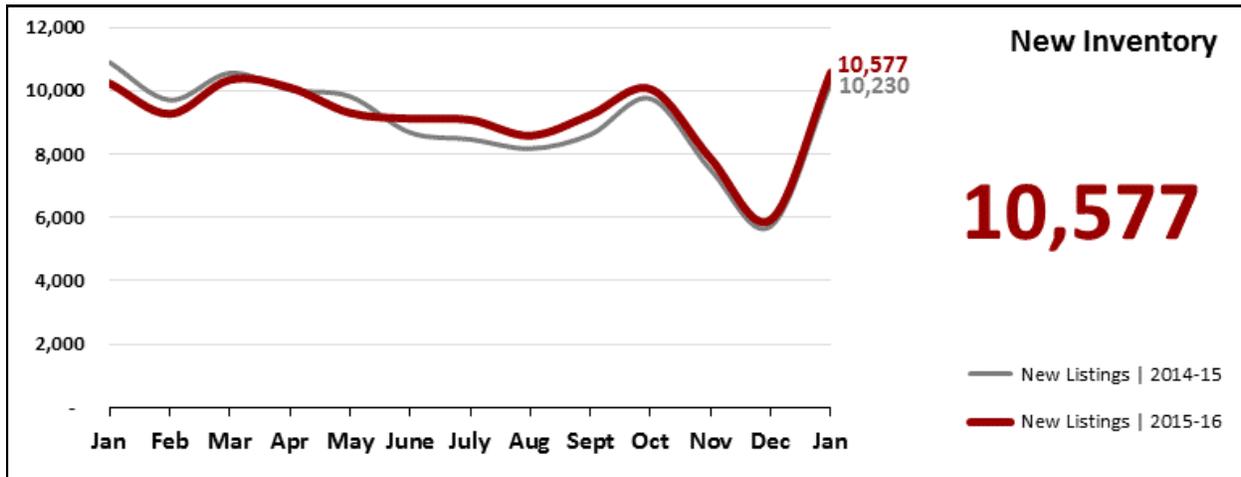
MONTHLY SALES



+7.3% year-over-year
-23.9% month-over-month

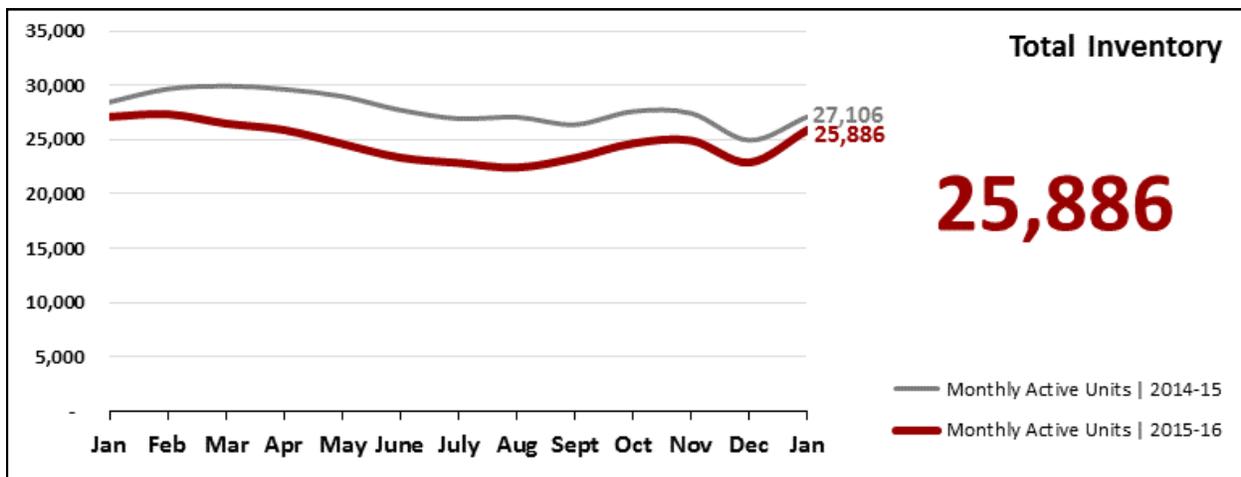
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NEW INVENTORY



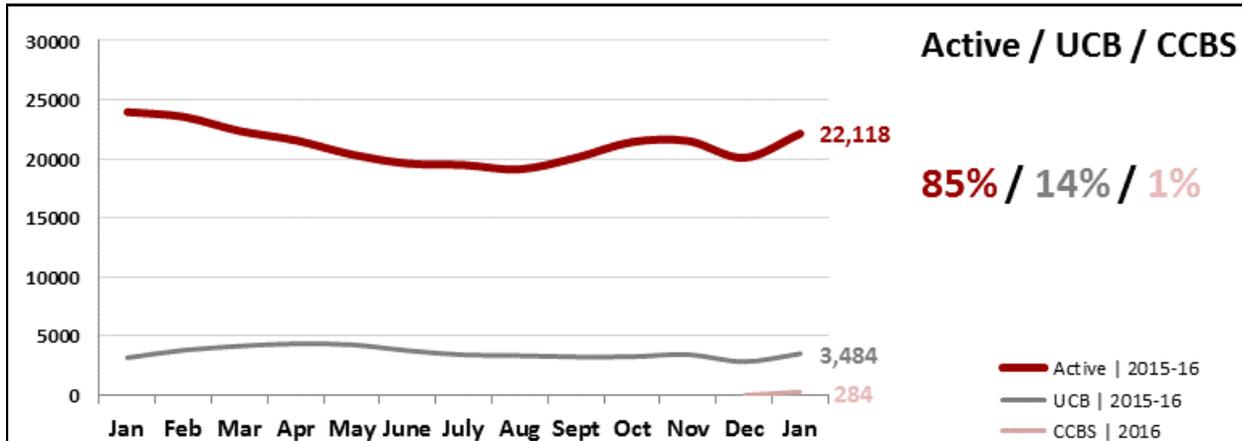
+3.4% year-over-year
+78.5% month-over-month

TOTAL INVENTORY



-4.5% year-over-year
+13.1% month-over-month

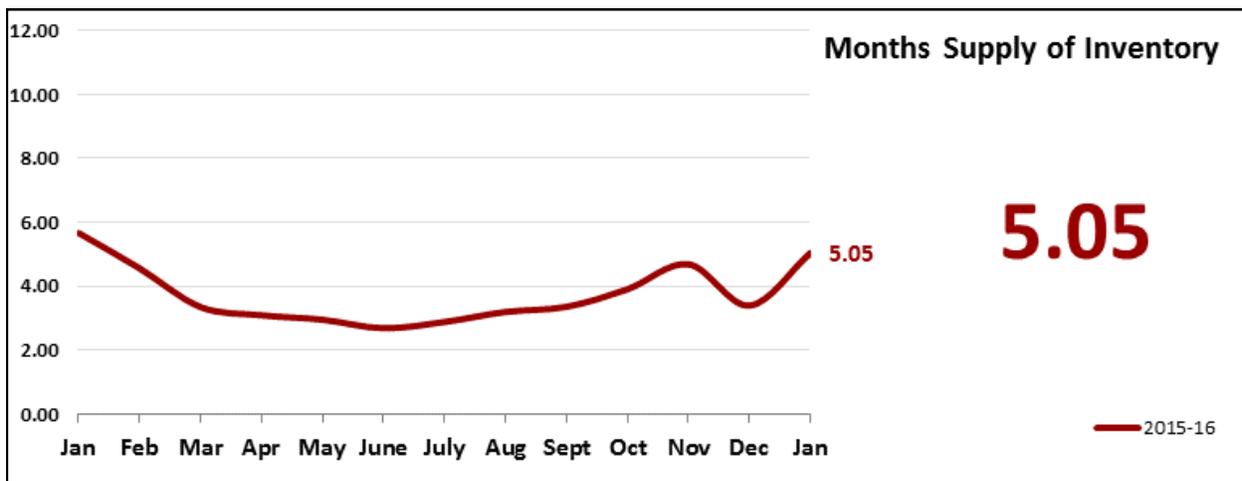
ACTIVES / UCB / CCBS



13.5% JAN 2016 UCB percent of total Active

1.1% JAN 2016 CCBS percent of total Active

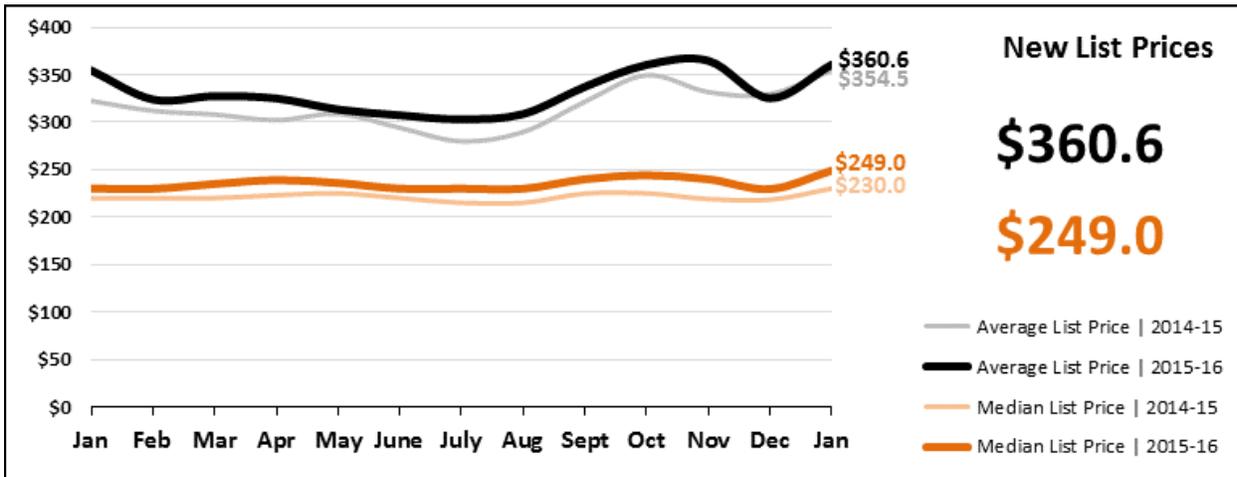
MONTHS SUPPLY OF INVENTORY



3.40 MSI DEC 2015

5.05 MSI JAN 2016

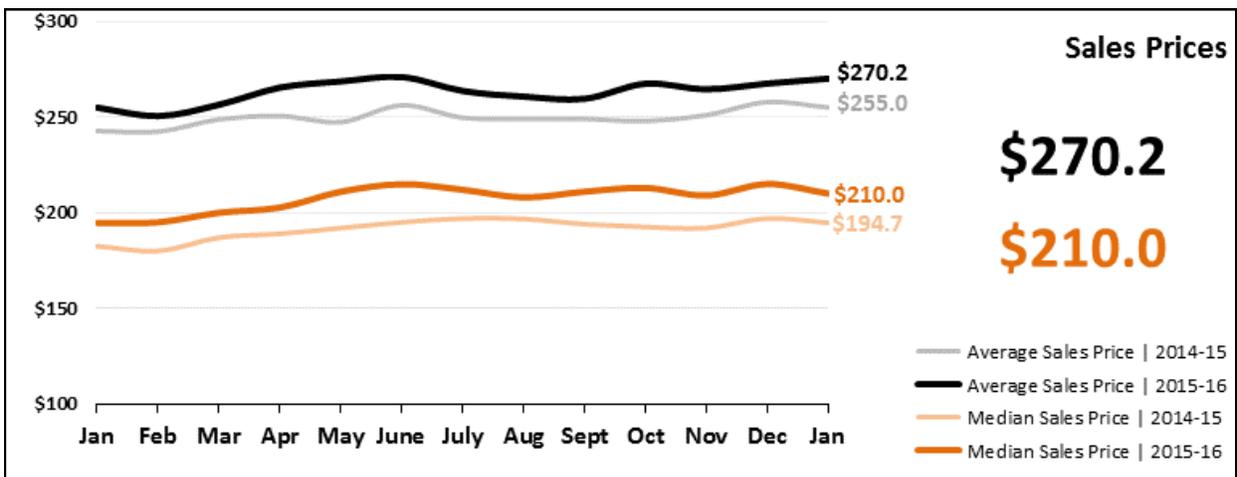
NEW LIST PRICES



+1.7% year-over-year average

+8.3% year-over-year median

SALES PRICES

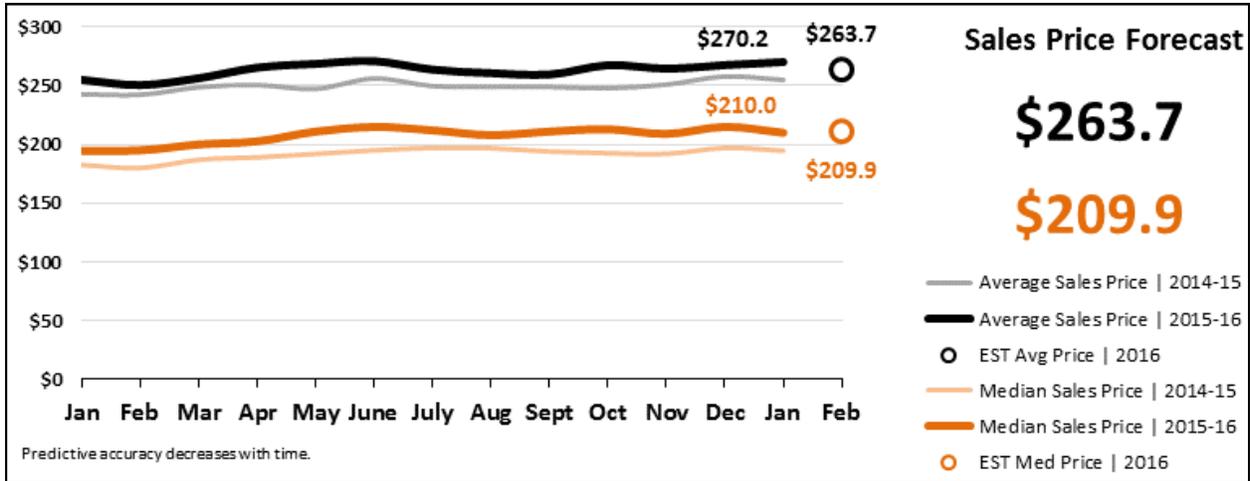


+6.0% year-over-year average

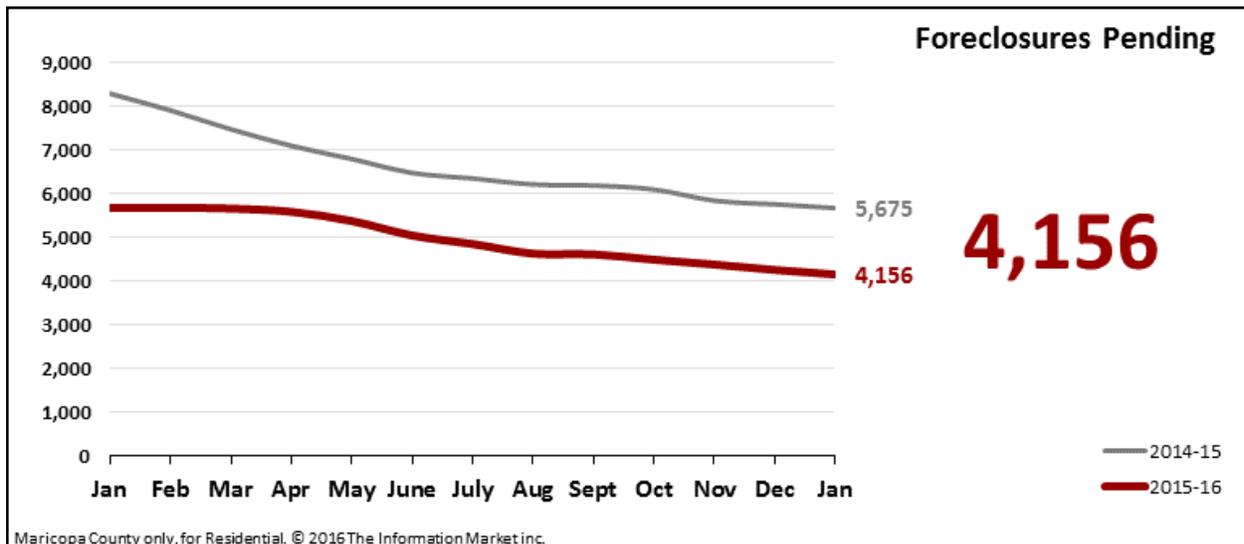
+7.9% year-over-year median

THE ARMLS® PENDING PRICE INDEX™

SALES PRICE FORECAST

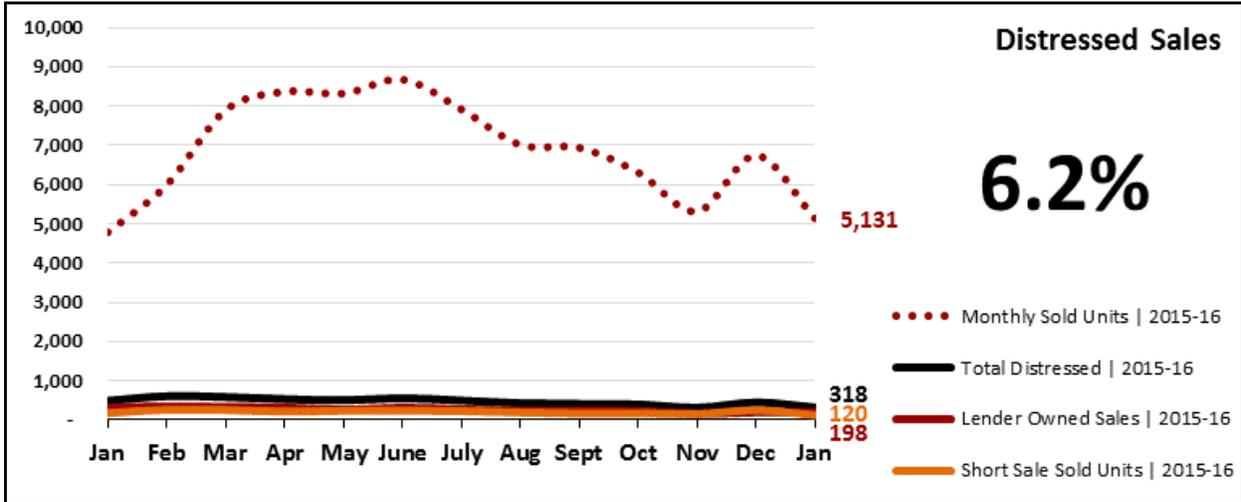


FORECLOSURES PENDING



-26.8% year-over-year
-2.5% month-over-month

DISTRESSED SALES

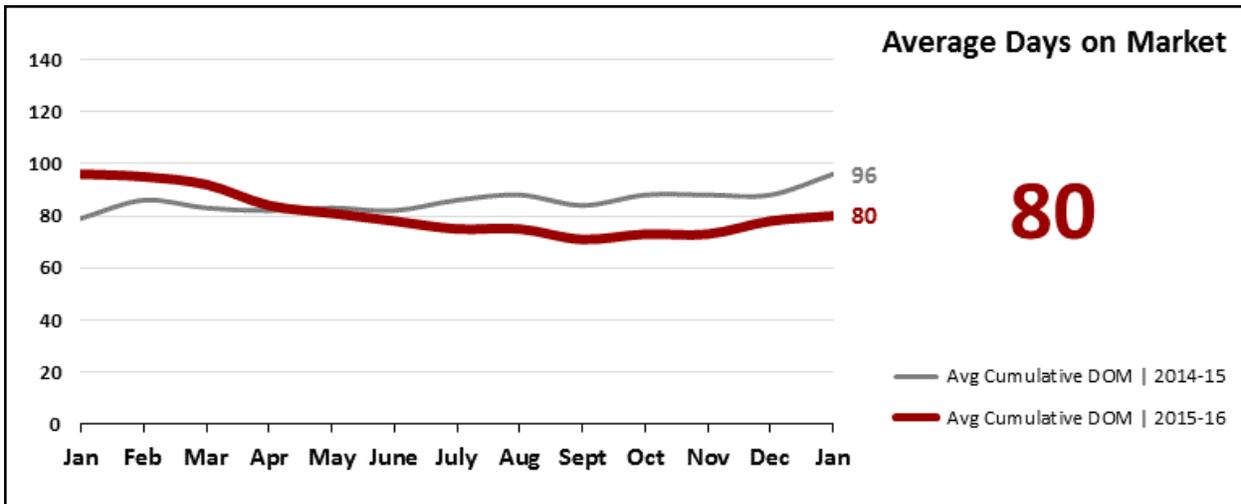


-32.2% short sale units year-over-year

-36.7% lender owned units year-over-year

-35.1% total year-over-year

AVERAGE DAYS ON MARKET



-16 year-over-year

+2 month-over-month

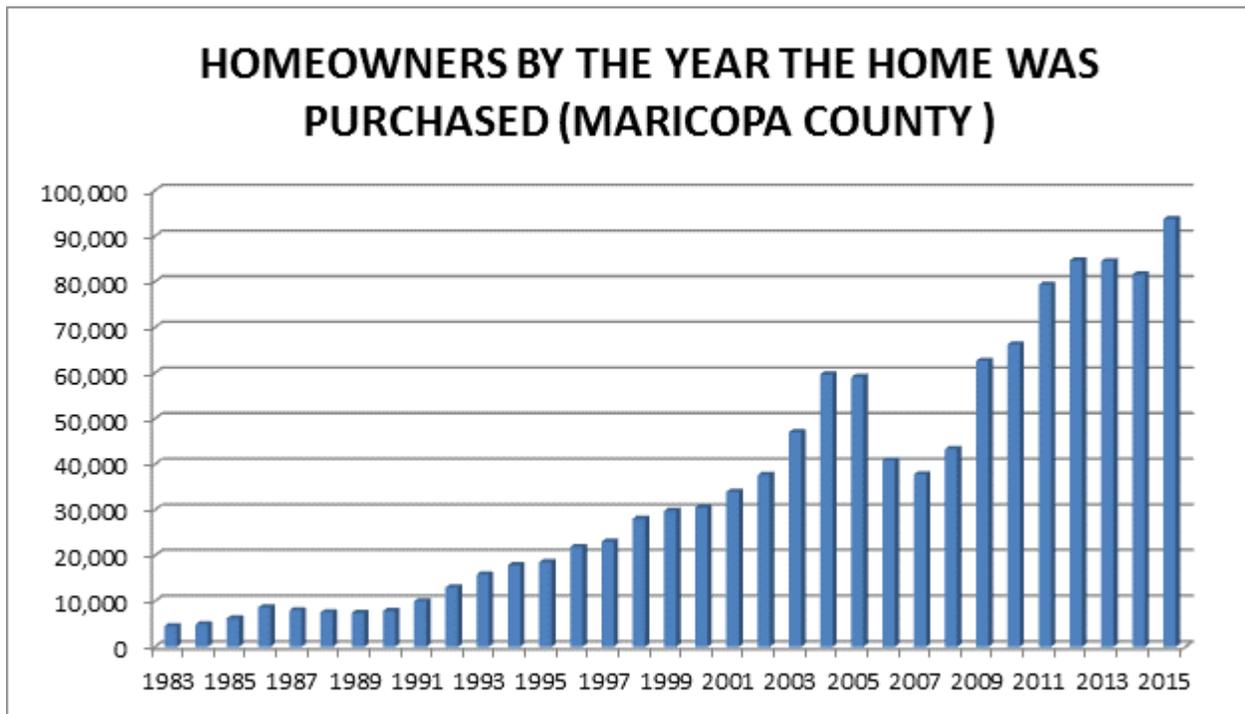
COMMENTARY

by Tom Ruff of The Information Market

Our selling season starts when the Super Bowl kicks off. This wisdom is reflected in the number of pending contracts currently in the MLS. Historically, pending contracts hit their low water mark in early January. Pending contracts are increasing daily and this ascent will continue through the next three months. Traditionally, pending contracts peak between late April and early May. It's too early to project what's in store for 2016 but we'll have a much clearer picture when March and April sales numbers are reported.

Back to January. January often brings in the lowest monthly sales volume in any given year. This year there were 5,131 home sales in the MLS, a 7.3% increase over last year for January 2016. The monthly median sales price in January was up 7.9% year-over-year and down 2.3% month-over-month.

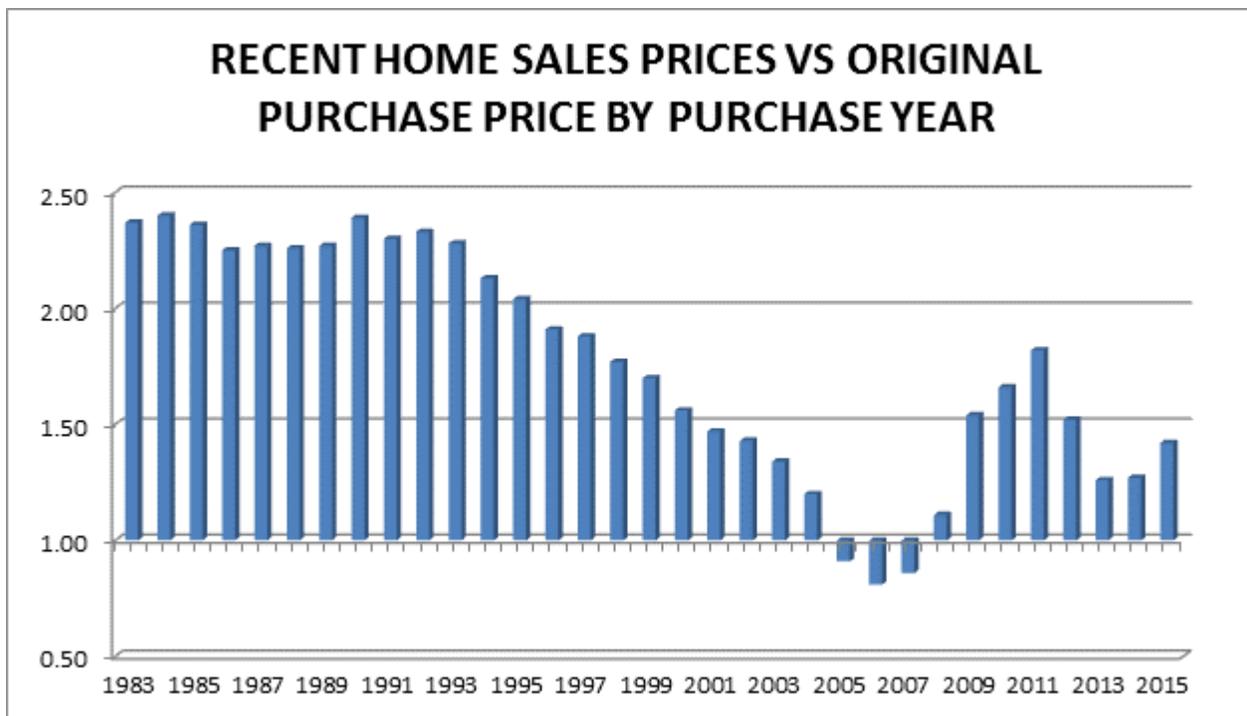
As we wait for our 2016 market to develop, I thought it might be interesting to take a look at a couple of housing metrics in Maricopa County based on the year purchased. The first chart we'll view is a simple summation of all single-family residences currently owned in Maricopa County based on the year they were purchased. The chart clearly demonstrates the disruptive impact of the housing boom, subsequent collapse and finally, our return to traditional patterns. This chart also represents the entire universe of potential sellers.



“Be Fearful When Others Are Greedy and Greedy When Others Are Fearful”

One of the greatest anxieties a potential seller faces is the list price. In analyzing recent ARMLS sales data we know that a home sells for 98% of the list price on average. If a home is over-priced, the seller has to be very patient. If priced too high without a price adjustment, it will probably end up being cancelled or expire.

In this chart we looked at sales in the last four months of Maricopa County compared to what the homeowners originally paid by original purchase year. We are able to do this using our secret sauce of public records data. If a home sold for the same price as its original sales price, it is a “1.00”, meaning 100%.



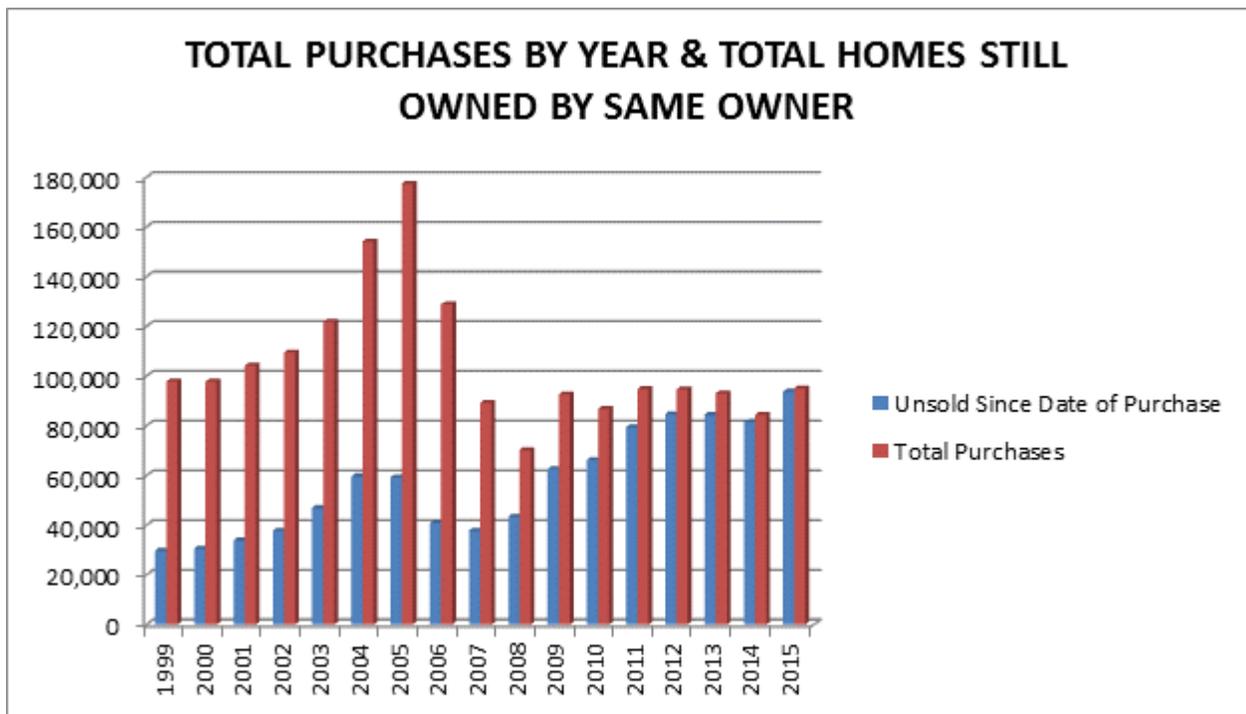
*This chart is based only on purchase prices and does not take into consideration parties that refinanced their home and took “cash out”. If someone purchased their home prior to the housing bubble and “maxed out” their equity by refinancing, they essentially “purchased” their home at that time.

Doing this allows us to calculate the average multiplier current homeowners could expect based on the year they purchased their home. For example, homes purchased in 1990 sold for 2.39 times the original price paid on average. On the other hand, a home purchased in 2006 sold for only 0.81 of the price paid. On average anyone that purchased their home in 2005, 2006 and 2007 can expect to sell their home for less than the price paid.

Homeowners, who purchased in 2011, when market prices bottomed, are selling their homes for 1.82 times their original purchase price. The people who purchased in 2011 also account for the highest percentage by year of current home sales, 8.49% of all home sales over the last four months originally purchased their homes in 2011.

The two years which are not reflective in the chart are 2014 and 2015 where the multipliers for these years are heavily impacted by extensive remodel flipping.

Our final chart compares the total number of homes that were purchased by year to the number of homes currently owned from that time period. This chart demonstrates the challenges that we've overcome as well as the challenges still remaining. In 2005, public record tells us 177,385 homes were purchased. Of the 177,385 purchased in 2005, 59,111 (33%) are still owned. On the flip side, this chart shows a bright side, 79,315 (84%) of the buyers in 2011 still own their home which affords them an excellent opportunity as a move up buyer.



ARMLS Pending Price Index (PPI)

Our last Pending Price Index projected a January median sales price of \$212,000 with the actual median coming in at \$210,000, off by less than 1.0%. Sales volume in January as reported by ARMLS was 5,131, which is 169 fewer sales than our projected volume of 5,300.

Looking ahead to February 2016, the ARMLS Pending Price Index projects a median sales price of \$209,900. We begin February 2016 with 5,877 pending sales and 3,484 UCB listings giving us a total of 9,361 residential listings under contract. This compares to 8,789 listings under contract at this time last year.

STAT is projecting 6,200 sales in February with little to no change in home prices. This year is a leap year, which adds one more working day to our calendar. As a final projection for February, STAT projects the number of women asking men to marry them will spike on February 29th.