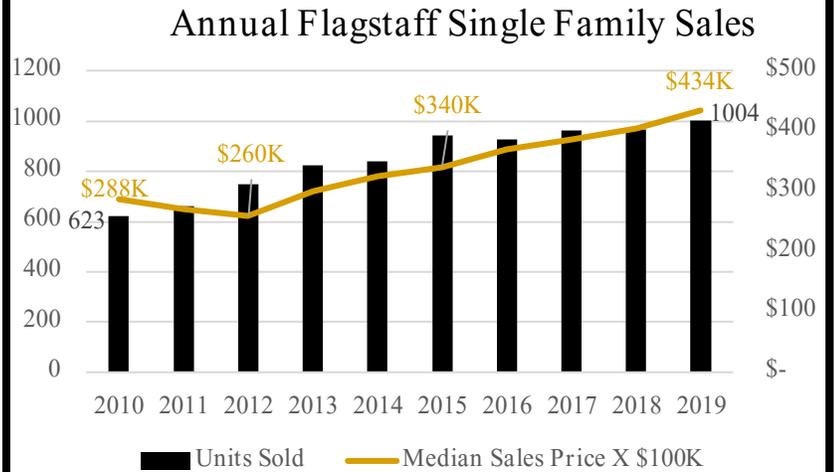


2019 Housing Market Review & 2020 Update

How Time (and the Market) Flies!

A record-breaking **1004** Single Family (SFM) units sold in Flagstaff with the annual Median Sales Price (MESP) at **\$434,000**, a **45%** increase from 2013 (*the year values increased after the crash with the MESP up by 15% from 2012*). Compared to 2018, 2019's MESP grew by **7%**, the highest year over year increase since 2016 at **9%**; most years saw a more modest rise of **4-5%**. This past decade has allowed Homeowners to gain equity at an average pace of **5%/year**. Ironically, this has not encouraged the average Homeowner to sell, which has been a contributing factor in the lack of inventory, and thus, high prices.

Although new construction accounted for **11.5%** of sales, it's not enough to meet demand. The good news: more new construction is underway, there is a wide variety of loan programs, and **4%** rates are expected to remain.



Flagstaff has been selling **900+** SFM homes annually since 2015, with no sign of slowing. Analyst predict that due to the strong economy, low unemployment and steady GDP that the largest factors that could impact the housing market is the trade war with China and more recently, the Corona Virus. However, it is an election year...stay tuned!

Flagstaff Monthly Single Family Sales



Data Trends The peak months May-SEP averaged **105** SFM sold homes/month. One of the busiest Winters, JAN 2020 had **2.2** times the sales compared to JAN 2019. Compared to FEB 2019, FEB 2020 ended with **18** more SFM sales, and up by **\$23K** the MESP was **\$457K**. Leaving only **3.3** months supply of inventory available, it's still a Seller's Market with Sellers getting **98.5%** of asking price and a market time of **2.5** months. The typical SFM selling is a 3 bed/2 bath home with 2000 SqFt. Townhomes offer a more affordable similar layout with a MESP of **\$340K**, and for a smaller space, Condos at **\$217K** for 2/2 with 906 SqFt.

- ◆ **38%** Sold under **\$400K**; **28%** **\$400-\$499K**; **15%** **\$500-\$599K**; **15%** **\$600-\$999K**; and **5%** **\$1 Million+**
- ◆ **13%** Accounts for Luxury Market (**\$700K+**) with **27%** selling in Pine Canyon, **22%** in Forest Highlands, and **7%** in Flagstaff Ranch; Lakeside Acres, Amberwood, Westwood & Fort Valley area contributed to non-golf course community luxury home sales; **2** highest selling homes were over **\$3M** (*both in Pine Canyon*)
- ◆ NW City Region had largest market share at **22%**, MESP **\$430K**; SW City had **20%** with MESP **\$480K**
- ◆ Neighboring cities offer affordability: Williams at **\$288K** MESP, and Munds Park **\$345K** MESP
- ◆ Similar-sized SFM home is selling **\$105K less** in Maricopa county vs Coconino County



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