

2015 Northern AZ Annual Market Review

Across the Region and Spanning the 2000's

All Flagstaff Residential Sales Activity
The Relationship of the Average Sales Price
and Number of Units Sold



Continued Health and Stability Regarding Flagstaff, the “hub” of northern AZ, there was a 13% increase in 2015’s residential units sold and a slight increase in the average sales price (AV SP) of 4% at \$339,008. For single family homes (SFM), buyers spent an average of \$398K, a 4% increase from 2014, with a typical home being 2169 SqFt at \$183/SqFt. Sellers obtained about 98% of their asking price at time of contract, and sold the home after a cumulative 116 days on the market (about 2 weeks more than last year). The median sales price for SFM was \$340K, also up 4% from 2014. Third quarter reigns in as the heavy weight with 476 total sales (34% of annual residential sales), proving summer is still the most desirable time to move *to and from* Flagstaff. It was the third straight year with gains since the bottom in 2011, and the *highest sales price since 2006* before the market declined. In review of the last 15 years, the \$200K mark for AV SP was hit by 2003. Double digit percentage increases in the AV SP occurred each year until 2007 as home prices hovered in the \$300’s. By 2010 distressed properties adjusted the market dropping prices under \$300K. Buyers took advantage of low prices, low interest rates, and decent inventory, driving the market into stabilization. By 2013 homes sold for 13% more than 2012, bringing the average price back up to \$300K where Flagstaff remains.

Luxury Market: Although only 10% of Flagstaff’s SFM sales are above \$600K with 2% of that above \$1 Million, it is often an indicator of buyer confidence. Eighteen homes sold over \$1 Million in 2015: Forest Highlands had 9 sales, Pine Canyon had 4. Others were in non-golf course communities, and typically with acreage. Pine Canyon had 12 fewer overall sales than Forest Highlands, but a \$100K higher AV SP, a \$200K higher median SP, and taking 3 months less to sale. Forest Highlands had 8 less sales in 2015 vs 2014, yet had the highest selling property in all of Flagstaff at \$3.23 million, \$1M above Pine Canyon’s highest sale for 2015. (Over) →

Let's not forget the "meat": Although townhomes and condos account for a humble 25% of the residential sales (compared to SFM sales share of 67%) they help keep Flagstaff affordable for many. Townhomes (AV SP \$276K) showed an increase by \$10K from last year, increasing in sold units by 4%, while condo sales (AV SP \$167) jumped by 35% with an almost \$9K increase in price. Condo sales also showed a 31% decrease in their market time, having the quickest sale by an average of 74 days compared to townhomes at 103 days, and SFM at 116 days.

A Lot for Some: Flagstaff "dirt" showed an 11% increase in sales from 2014 with an average price per acre of almost \$158K, an 18% jump! Wanting to build your dream home? Don't worry, there's quite a bit out there, and with its average days on the market to sell at 10 months, you have some time to find your ideal lot. Financing your lot also just got a bit easier!

Flagstaff's Neighbors Nearby A quick drive along RT 66 or down I-17, and northern AZ expands its options for mountain living. Munds Park, south just 30 minutes and known for its close proximity cabin living, is often an ideal vacation home choice where SFM homes remain under \$300K. Accounting for 13% of northern AZ's market, Munds Park's AV SP rose 5% to \$272K, median at \$250K. Homes average about 500 less SqFt than what's selling in Flagstaff. Other favorite locations are Williams and Parks, which tends to be more suited for those wanting to have more acreage and privacy. Williams, about 30-45 minutes west, is best known for its RT 66 classic '50's fun, wild west rodeos, and of course, the Gateway to the Grand Canyon. Accounting for 6% of the northern AZ residential market, it fared better in 2014 with its number of sales down for 2015 by 13% for all residential sales, and by 7% for SFM sales. However, the AV SP for 2015 increased by 19% for total residential sales at \$187K, and by 17% for SFM sales at \$216K. Homes sold for 95% of their asking price (at time of contract), and took just over 6 months to sell. Land sales increased by 15% with the average price per acre at \$42,571 (less than 1/3 of Flagstaff land prices).

Parks is known for its more quaint lifestyle, and the pined pocket between Flagstaff and Williams. With only 26 sales (a 48% drop from 2014) the average sales price was \$281K, an 8% increase from 2014. Selling at \$36,124 an acre, with 9 acres being the average selling lot size, dirt *can* be affordable. Land in Parks took over a year to sell which was 70% longer than last year. Sellers are not only having to wait the longest to get rid of their land, but they're netting less than anywhere else, obtaining only 85% of their list price.

Not sure how the market effects you? If you're curious to find out if buying or selling in 2016 is optimal for you, *I can help!* Don't let the numbers and stats confuse you. I will guide you on what and why this, and other useful information is relevant, and how to empower yourself with it. Knowledge is not only power, but it is *key for preparedness*.

Just want more stats, graphs, and to peruse the inventory? Go ahead! Specific details regarding the market, communities, events, weather, schools, demographics, crime, as well as easily accessing ALL the available inventory in northern AZ can be done via my website.

Just go to www.FlagstaffRealEstateForSale.com.



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