



1st Quarter, 2010 White Mountains Market Summary



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Sonoran Lifestyle Real Estate's
Executive Market Summary
 White Mountain and Fountain Hills Area Real Estate
 1st Quarter, 2010

Show Low and Torreon:

Torreon sales broke loose in 2009, with home sales increasing 65% over 2008. In general, 2009 sales velocity (# of sales) in the White Mountains were 14% ahead of 2008. While there was a decrease in values, the slide was not nearly as steep in Torreon as we feared going into the 2009 selling season, owing to the quality of the community and the popularity of Torreon that continues to grow. Sales during the 1st Quarter 2010 have doubled over sales one year ago, and inventory at Torreon is at the **lowest levels since 2006**. While there have been some foreclosures and short sales in Torreon, they continue to be absorbed through sales. Not unlike the Valley of the Sun, a current trend in distressed-property inventory tends toward larger, higher-priced homes. Obviously, a few people will get some great deals during the next few months as our summer season "heats up." We saw an uptick in homesite sales in December which carried over into 1Q-2010, while some savvy investors are also taking advantage of incredible opportunities.

The chart below highlights the effect of the Distressed Property Sales on our market. During 2009, this inventory had very little effect on absorption or prices. While the first quarter is only a slight pre-cursor to what we may see during the 2nd, 3rd & 4th Quarter in the White Mountains, it appears that Distressed Property Sales and Inventory may have a greater impact during 2010.

Torreon:	Total #	% of Market	Avg Price	Avg Size	Avg Price/Ft
2009 Non Distressed Sales	35	69%	\$424,477	2387	\$176
2009 Distressed Sales	16	31%	\$339,766	2243	\$153
2010 Non-Distressed Sales	2	33%	\$322,000	2350	\$137
2010 Distressed Sales	4	66%	\$182,225	1278	\$143
Active Non-Distressed Listings 3/31/10	50	77%	\$493,402	2353	\$206
Active Distressed Listings 3/31/10	15	23%	\$394,000	2523	\$154

Maricopa County:

The first quarter of 2010 has been robust with sales, coming off a very active 4th Quarter, 2009. Early 2nd quarter sales also appear to be starting strong and yes...the average price of homes (\$184,484) for 1st quarter 2010 has actually increased 5% over 2009 (\$175,051)...is it possible we've reached the bottom? Well, here's some more good news:

Total sales of homes for the calendar year 2009 were 91,943, the 3rd best year on record behind 2004 and 2005, and 55% ahead of 2008 (with 60,108).

Sales velocity for 1st Quarter 2010 also increased over 2009: 21,191 homes closed for the first 3 months of 2010, compared to 17,656 in 2009.

Valley wide, there were 43,595 homes for sale at the end of 1st Quarter 2010, compared to 52,164 at the end of 1st Q 2009. What a difference a year makes!

Fountain Hills:

As we "bump along the bottom" of the housing recession, Fountain Hills **residential inventory** (all products--single family homes, patio homes condos and townhomes) continues to be at the lowest levels since early in 2005, a hopeful sign that we've reached the bottom, at least in certain segments of our market.



Overall, Single Family and Patio Home **prices increased** to an average of \$544,029, a substantial increase over last quarter's \$414,737. The supply of housing inventory in Fountain Hills continues to drop...currently at 8.3 months of inventory. However, as we have been telling our Fountain Hills clients for some time, the inventory and pricing of homes and condos must be analyzed by price strata and really cannot be compared as a whole. For instance:

Market Times:

- Homes (single family and patio homes) under \$400,000: only 5.7 months of inventory
- Homes \$400,000-\$800,000: 12.3 months supply;
- Homes \$800,000-\$1.5 million: 6.5 month supply,
- Over \$1.5 million: Nearly a 2 year supply (this is much improved over just a few months ago when the supply exceeded an average of 5 years demand)

The following graph details the effects of Distressed Properties on the Fountain Hills market. It highlights the dramatic impact on sales velocity in 2009, but also speaks to the strength of the marketplace with only 21% of currently active listings in some form of Distress. Interestingly, the size and price of currently active listings, on average, is not as high as one would expect, given all the rhetoric about high-end homes being the next wave of foreclosures. While we don't necessarily discredit the possibility that high-end foreclosures will increase in future months, it's also interesting to understand that many of these homes are being absorbed (note the comments above about market-time of high-end homes.)

Fountain Hills:	Total #	% of Market	Avg Price	Avg Size	Avg Price/Ft
2009 Non Distressed Sales	362	54%	\$443,048	2661	\$179
2009 Distressed Sales	313	46%	\$350,227	2449	\$133
2010 Non-Distressed Sales	122	59%	\$458,658	2428	\$169
2010 Distressed Sales	85	41%	\$377,240	2617	\$131
Active Non-Distressed Listings 3/31/10	415	79%	\$661,410	3466	\$233
Active Distressed Listings 3/31/10	111	21%	\$366,853	2378	\$137

Sonoran Lifestyle Real Estate:

We're proud to announce that, to date, 22 of Sonoran Lifestyle's 38 agents have received the prestigious SFR (Short Sales and Foreclosures Resource) certification from the National Association of Realtors. Just to put that into perspective, there are only 33 SFR's among Fountain Hills Realtors and 30 SFR's in the White Mountains. We're very proud of the work our team has done to understand the challenges of this housing recession, and the commitment they make to serving the needs of our clients..... Speaking of serving our client's needs, we are now providing Bank-Owned Property Tours at both our Fountain Hills and Show Low offices for folks who want to become educated about the opportunities and strategies of the Bank-Owned Inventory.

Our new Sonoran Foreclosure Resource Centers are now open in each of our offices, and will provide much needed guidance and assistance to those facing difficult situations. While we certainly wish that Short Sales and Foreclosures would be a short term phenomenon, it's likely the opposite is true. I'm proud of the way our group is handling these situations with compassion, professionalism and respect for the individuals involved.

We're also proud to introduce a new division of Sonoran Lifestyle Real Estate that is dedicated to providing high quality vacation rental management to our clients, customers and rental guests. **VacationsAZ.com** provides one-stop shopping for any rental property needs you may have as an owner of investment properties or as a potential guest for a quality vacation home in the White Mountains (at Torreon and Bison Ranch) or in the northeast Valley of the Sun. Please check us out!

Should you have any questions about the reports, please don't hesitate to contact your sales associate for more information!



	Summary 2005	Summary 2006	Summary 2007	Summary 2008	Summary 2009	1st Q 10	2nd Q 10	3rd Q 10	4th Q 10	Summary 2010
Heber-Overgaard										
Total Units Sold				99	121	26				26
Total Volume Sold				\$23,812,300	\$22,270,577	\$4,134,097				\$4,134,097
Average Price of Solds				\$240,528	\$184,054	\$159,003				\$159,004
Average Size-Sq Ft.				\$1,486	\$1,543	1,533				
Avg Price/Ft of Solds				\$99	\$117	\$103				
Active Inventory-End of Quarter						243				
Total Volume Available						\$63,186,718				
Average Price of Inventory						\$260,027				
Average Size-Sq Ft.						1,732				
Avg Price/Ft of Inventory						\$152				
Lakeside										
Total Units Sold	191	120	124	86	101	22				22
Total Volume Sold	\$51,814,167	\$32,394,466	\$35,297,339	\$24,637,704	\$23,254,436	\$3,156,350				\$3,156,350
Average Price of Solds	\$271,278	\$269,954	\$284,656	\$286,485	\$230,242	\$143,470				\$143,470
Average Size-Sq Ft.					\$1,770	1,671				
Avg Price/Ft of Solds					\$127	\$89				
Active Inventory-End of Quarter						83				
Total Volume Available						\$15,107,240				
Average Price of Inventory						\$182,014				
Average Size-Sq Ft.						1,475				
Avg Price/Ft of Inventory						\$132				
Linden										
Total Units Sold	51	44	36	27	24	6				6
Total Volume Sold	\$12,935,916	\$14,854,103	\$10,915,093	\$7,333,796	\$5,625,496	\$1,447,750				\$1,447,750
Average Price of Solds	\$253,645	\$337,593	\$303,197	\$271,622	\$234,396	\$241,292				\$241,292
Average Size-Sq Ft.						2,481				
Avg Price/Ft of Solds						\$96				
Active Inventory-End of Quarter						39				
Total Volume Available						\$13,212,100				
Average Price of Inventory						\$338,772				
Average Size-Sq Ft.						2,386				
Avg Price/Ft of Inventory						\$147				
Pinetop										
Total Units Sold				27	43	5				5
Total Volume Sold				\$8,153,700	\$10,771,940	\$892,500				\$892,500
Average Price of Solds				\$301,988	\$250,510	\$178,500				\$178,500
Average Size-Sq Ft.				\$1,736	\$1,951	1,601				
Avg Price/Ft of Solds				\$172	\$127	\$113				
Active Inventory-End of Quarter						72				
Total Volume Available						\$27,635,124				
Average Price of Inventory						\$383,821				
Average Size-Sq Ft.						2,343				
Avg Price/Ft of Inventory						\$157				
Pinetop Country Club										
Total Units Sold				89	84	5				5
Total Volume Sold				\$33,186,256	\$23,455,801	\$892,500				\$892,500
Average Price of Solds				\$372,879	\$279,235	\$178,500				\$178,500
Average Size-Sq Ft.				\$1,913	\$1,882	1601				
Avg Price/Ft of Solds				\$89	\$148	\$113				
Active Inventory-End of Quarter						163				
Total Volume Available						\$65,215,477				
Average Price of Inventory						\$400,095				
Average Size-Sq Ft.						2,063				
Avg Price/Ft of Inventory						\$190				
Showlow										
Total Units Sold	250	160	148	119	128	40				40
Total Volume Sold	\$47,922,378	\$39,456,348	\$39,801,724	\$29,119,506	\$24,584,353	\$6,605,243				\$6,605,243
Average Price of Solds	\$191,690	\$246,602	\$268,931	\$244,702	\$192,065	\$165,131				\$165,131
Average Size-Sq Ft.						1,712				
Avg Price/Ft of Solds						\$100				
Active Inventory-End of Quarter						239				
Total Volume Available						\$63,841,944				
Average Price of Inventory						\$267,121				
Average Size-Sq Ft.						1,905				
Avg Price/Ft of Inventory						\$140				

	Summary 2005	Summary 2006	Summary 2007	Summary 2008	Summary 2009	1st Q 10	2nd Q 10	3rd Q 10	4th Q 10	Summary 2010
Torreón										
Total Units Sold	44	40	44	29	51	6				6
Total Volume Sold	\$22,235,657	\$22,200,799	\$26,017,119	\$14,679,250	\$19,800,087	\$1,372,900				\$1,372,900
Average Price of Solds	\$505,356	\$555,020	\$591,298	\$506,181	\$388,237	\$228,816				\$228,817
Average Size-Sq Ft.						1,625				
Avg Price/Ft of Solds						\$141				
Active Inventory-End of Quarter						63				
Total Volume Available						\$28,680,500				
Average Price of Inventory						\$455,246				
Average Size-Sq Ft.						2,298				
Avg Price/Ft of Inventory						\$194				
Taylor/Showflake/WML										
Total Units Sold	149	135	98	75	87	23				23
Total Volume Sold	\$23,956,324	\$27,875,739	\$19,797,811	\$14,433,810	\$12,897,746	\$2,953,050				\$2,953,050
Average Price of Solds	\$160,781	\$206,487	\$202,018	\$192,451	\$148,250	\$128,393				\$128,393
Average Size-Sq Ft.						1,932				
Avg Price/Ft of Solds						\$70				
Active Inventory-End of Quarter						151				
Total Volume Available						\$32,607,605				
Average Price of Inventory						\$215,944				
Average Size-Sq Ft.						2,107				
Avg Price/Ft of Inventory						\$108				
Vernon										
Total Units Sold			12	4	9	3				3
Total Volume Sold			\$3,930,400	\$1,133,500	\$1,922,499	\$432,500				\$432,500
Average Price of Solds			\$327,533	\$283,375	\$213,611	\$144,167				\$144,167
Average Size-Sq Ft.						1,680				
Avg Price/Ft of Solds						\$90				
Active Inventory-End of Quarter						38				
Total Volume Available						\$17,273,849				
Average Price of Inventory						\$454,575				
Average Size-Sq Ft.						2,037				
Avg Price/Ft of Inventory						\$201				
Combined										
Total Units Sold	685	499	462	555	648	136				136
Total Volume Sold	\$158,864,442	\$136,781,455	\$135,759,486	\$156,489,822	\$144,582,935	\$21,886,890				\$21,886,890
Average Price of Solds	\$231,919	\$274,111	\$293,852	\$281,964	\$223,122	\$160,933				\$160,933
<i>The above does not include mobile home or modular residences</i>										

	Summary 2005	Summary 2006	Summary 2007	Summary 2008	Summary 2009	1st Q 10	2nd Q 10	3rd Q 10	4th Q 10	Summary 2010
Heber/Overgaard										
Total Units Sold				33	31	2				2
Total Volume Sold				\$2,347,350	\$2,374,600	\$56,000				\$56,000
Average Price of Solds				\$67,067	\$76,600	\$28,000				\$28,000
Average Size of Lot In Acreage						5.50				
Lakeside										
Total Units Sold	53	57	20	14	18	4				4
Total Volume Sold	\$5,334,990	\$10,410,151	\$3,777,799	\$2,080,240	\$1,691,398	\$309,500	\$0	\$0	\$0	\$309,500
Average Price of Solds	\$100,660	\$182,634	\$188,890	\$148,589	\$93,967	\$77,375				\$77,375
Average Size of Lot In Acreage						2.80				
Linden										
Total Units Sold	28	38	17	6	5	0	0			0
Total Volume Sold	\$2,385,300	\$2,820,691	\$2,235,299	\$275,000	\$556,001	\$0	\$0	\$0	\$0	\$0
Average Price of Solds	\$85,189	\$74,229	\$131,488	\$45,833	\$111,200	\$0	\$0			\$0
Average Size of Lot In Acreage							0.00			
Pinetop										
Total Units Sold	117	54	48	5	5	0				0
Total Volume Sold	\$12,456,277	\$11,141,135	\$11,527,519	\$1,077,450	\$638,300	\$0		\$0	\$0	\$0
Average Price of Solds	\$106,464	\$206,317	\$240,157	\$215,490	\$127,660	\$0				\$0
Average Size of Lot In Acreage										
Pinetop Country Club										
Total Units Sold				8	13	0				0
Total Volume Sold				\$1,831,500	\$1,680,900	\$0				\$0
Average Price of Solds				\$228,937	\$129,300	-				\$0
Average Size of Lot In Acreage						0.00				
Showlow										
Total Units Sold	175	121	70	28	22	2				2
Total Volume Sold	\$13,558,600	\$10,103,775	\$6,751,986	\$1,976,717	\$1,744,897	\$114,333				\$114,333
Average Price of Solds	\$77,478	\$83,502	\$96,457	\$70,597	\$79,314	\$57,166				\$57,167
Average Size of Lot In Acreage						0.27				
Torreón										
Total Units Sold	380	48	24	14	14	3				3
Total Volume Sold	\$49,390,300	\$10,777,150	\$5,569,750	\$2,281,550	\$1,012,900	\$207,000				\$207,000
Average Price of Solds	\$129,974	\$224,524	\$232,073	\$162,968	\$72,350	\$69,000				\$69,000
Average Size of Lot In Acreage						0.75				
Taylor/Showflake/WML										
Total Units Sold	131	192	175	45	18	5				5
Total Volume Sold	\$5,704,310	\$9,176,645	\$8,758,099	\$1,354,995	\$586,499	\$436,400				\$436,400
Average Price of Solds	\$43,544	\$47,795	\$50,046	\$30,111	\$32,583	\$87,280				\$87,280
Average Size of Lot In Acreage						30.00				
Vernon										
Total Units Sold			32	19	10	0				0
Total Volume Sold			\$2,826,214	\$1,354,211	\$1,131,000	\$0				\$0
Average Price of Solds			\$88,319	\$71,274	\$113,100	\$0				\$0
Average Size of Lot In Acreage										
Combined										
Total Units Sold	884	510	354	172	136	16				16
Total Volume Sold	\$88,829,777	\$54,429,547	\$38,620,484	\$14,579,013	\$11,416,495	\$1,123,233	\$0	\$0	\$0	\$1,123,233
Average Price of Solds	\$90,552	\$136,500	\$146,776	\$115,652	\$92,897	\$39,853				\$35,425

The above includes "Home Only" or Acreage