

MARKETBEAT

Metropolitan Phoenix

Land Q4 2016



PHOENIX LAND

Economic Indicators*

	Q4 15	Q4 16	12-Month Forecast
Phoenix Employment	1,946	1,976	▲
Phoenix Unemployment	5.1%	4.4%	▼
U.S. Unemployment	5.0%	4.7%	▼

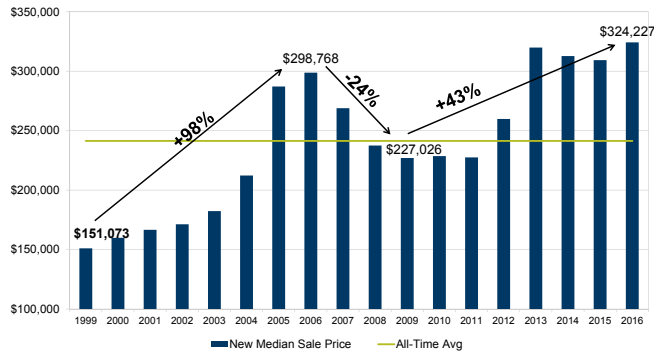
*Q4 data based on the average of October, November & December values.

Market Indicators

	Q4 15	Q4 16	12-Month Forecast
New and Resale Home Closings	22,000	25,345	▲
Trust Deed Sales (Maricopa County Only)	882	673	▼
Single Family Permits	3,919	4,177	▲
Notice of Trust Deed Sales (Maricopa County Only)	2,191	1,869	▼

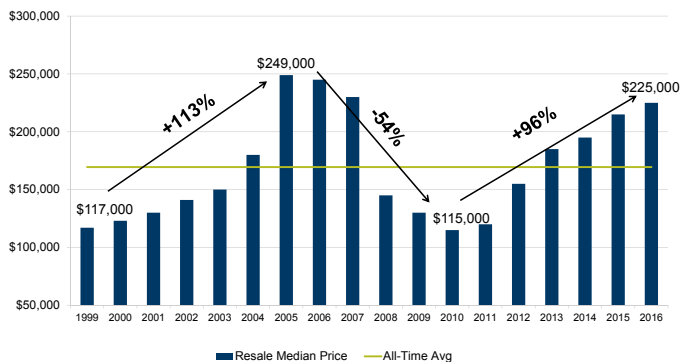
Detached New Home Median Price ⁽¹⁾

MARICOPA COUNTY



Resale Home Median Price ⁽¹⁾

ALL-TIME AVERAGE



Economy

The Metro Phoenix economy continues to post positive gains, adding 30,400 new jobs year-over-year through December. During the same time period, the unemployment rate decreased 60 basis points to 4.4%. Of the 52,250 jobs added, 6,478 can be attributed to the construction sector increasing at a rate of 6.4% year-over-year.

Market Overview

The Metro Phoenix land market closed 2016 on a strong note with 331 total land sales in the fourth quarter, bringing the year-to-date total to 930. The average price per square foot (PSF) reached \$3.16 during the fourth quarter. This rate increase equates to a 66% increase over the rate that was in place throughout Q3 2016, and a 42% increase year-over-year. During Q4, the average acreage sold was 16.9 acres, reflective of an 18% decrease year-over-year.

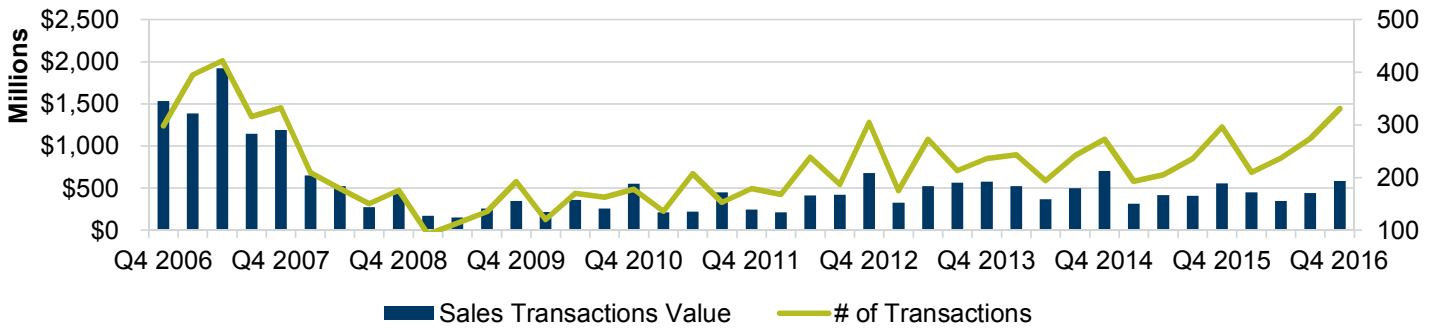
In Q4 2016, 4,177 single-family permits were issued throughout the Metro Phoenix region, bringing the year-end total to 18,380. This marks a 9.6% increase from the total permits issued in 2015. In regards to multifamily, 2,522 permits were issued during the fourth quarter. This brings the YTD total to 9,850 multifamily permits, a 32.4% increase from the amount issued throughout 2015.

During the fourth quarter, a total of 25,345 homes were sold (21,337 resale homes & 4,008 new homes) amounting to a 6% decrease from the same time period one year ago. Throughout 2016, the Metro Phoenix housing market experienced a 10.1% increase in total sales year-over-year with 104,651 homes sold. Along with the increasing sales volume, the Metro Phoenix housing market experienced a rise in the total median home price (\$243,500) with this metric increasing 5.9% in the same 12-month span.

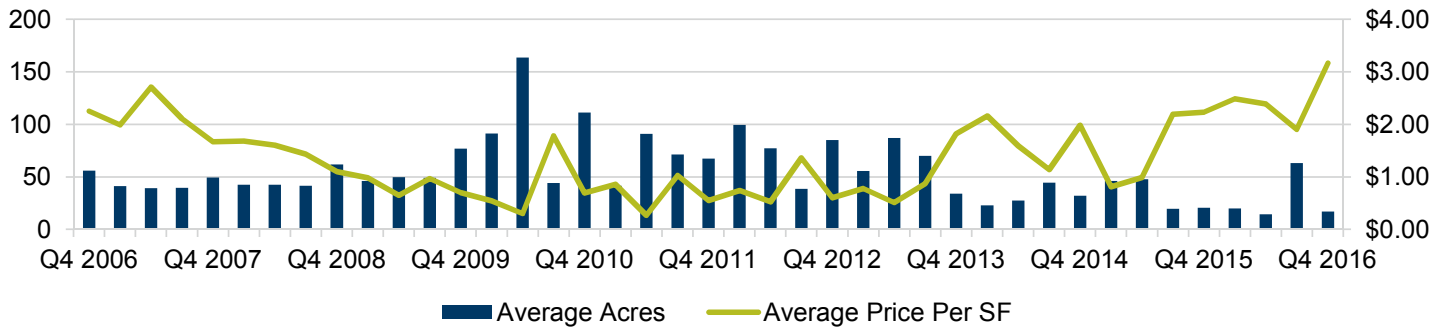
Cushman & Wakefield Land Market Snapshot

Metro Phoenix • Fourth Quarter • 2016

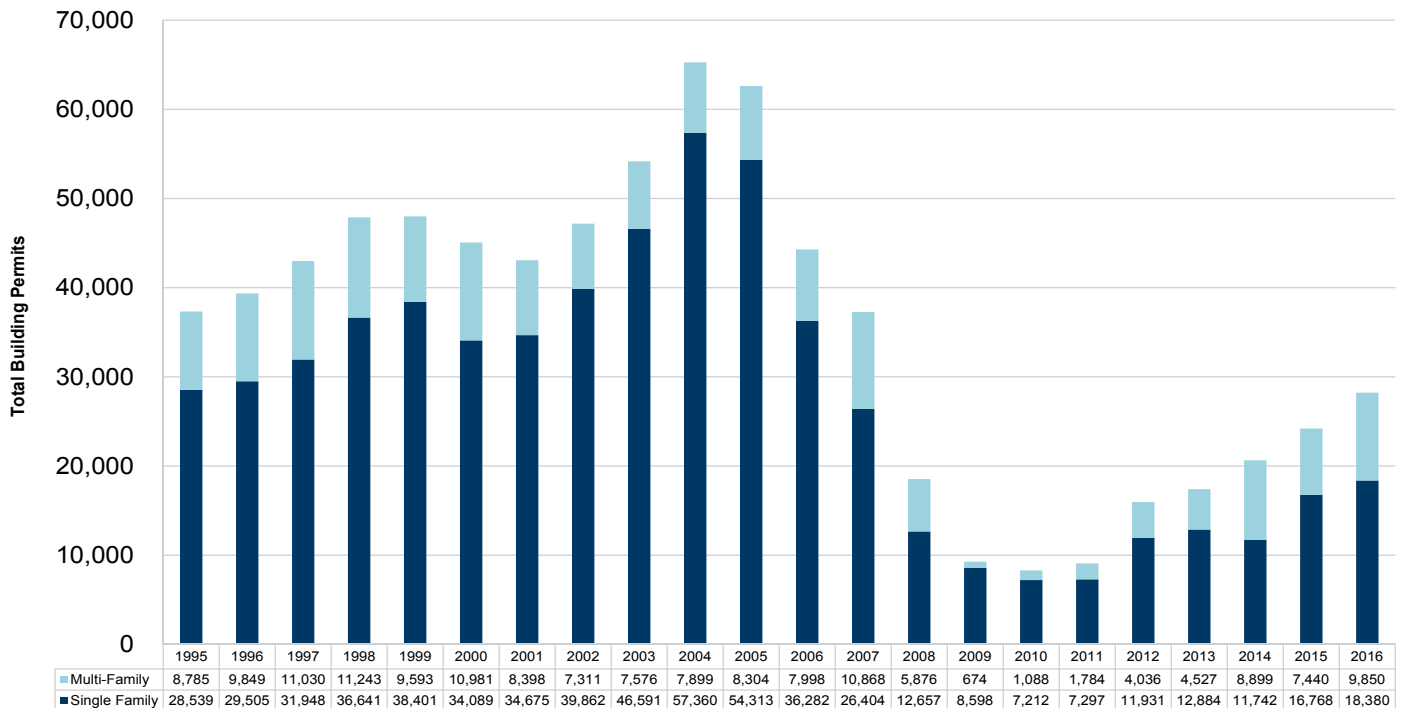
Total Sales Volume Vs. Number of Transactions ⁽⁸⁾



Average Acres Sold vs. Average Price Per SF ⁽⁸⁾

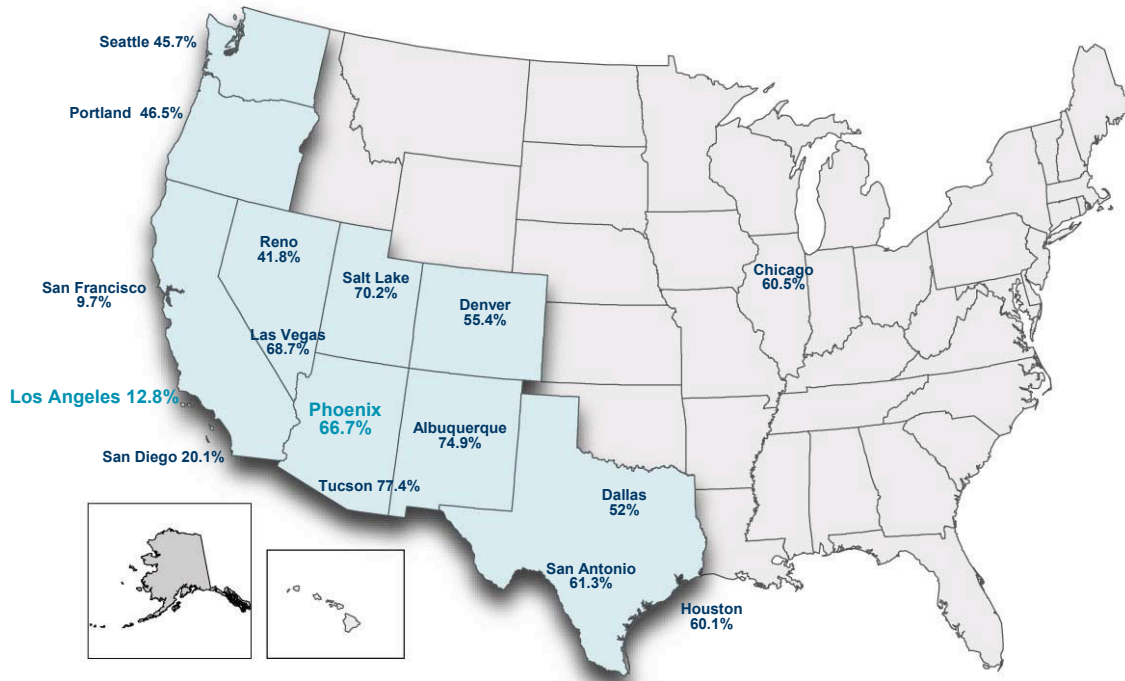


Single Family Permits vs. Multifamily Permits ⁽⁷⁾



Cushman & Wakefield Land Market Snapshot

Metro Phoenix • Fourth Quarter • 2016

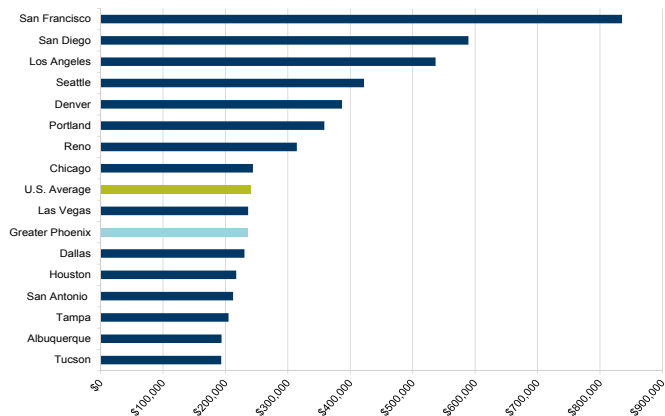


Housing Opportunity Index^{(5)*}
 Percentage of new and existing homes that were sold during the second quarter of 2016 that were affordable to families earning the area's median income.

Median Sales Price of Existing Single-Family Homes ^{(6)*}

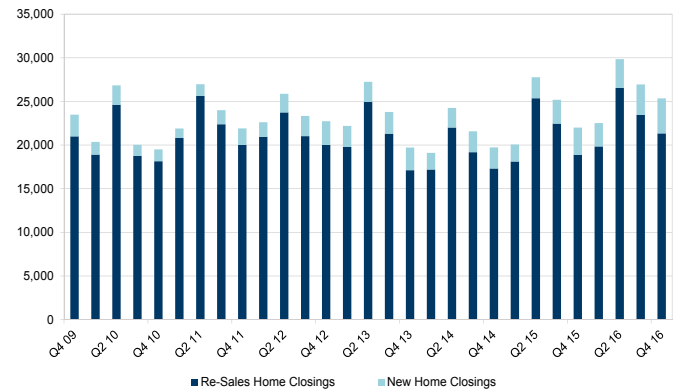
4TH QUARTER 2016

Metro Phoenix median price of existing homes has increased 7.5% percent year-over-year

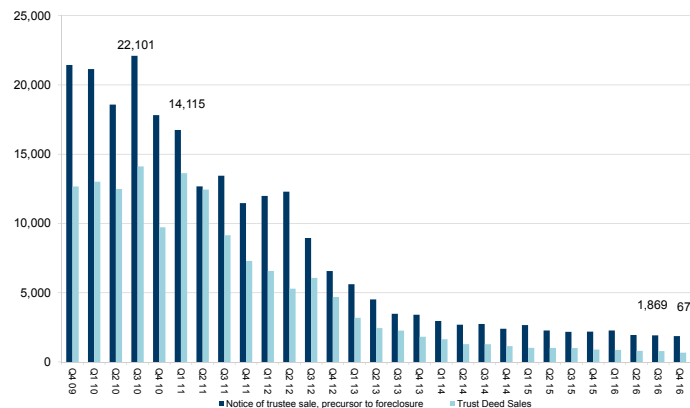


Quarterly Home Closings ⁽¹⁾

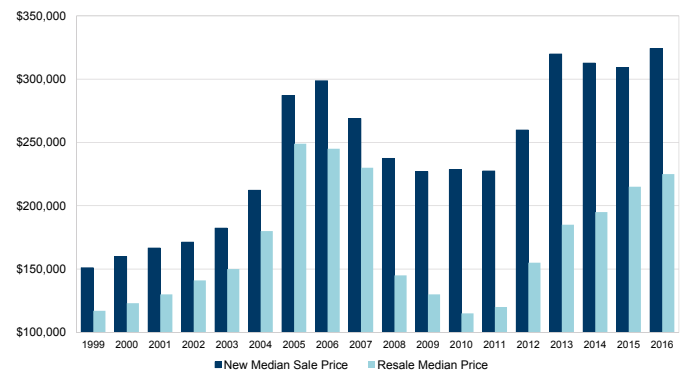
MARICOPA COUNTY



Maricopa County Quarterly Residential Foreclosures ⁽¹⁾



Resale Home Median Price vs. New Home Median Price ⁽¹⁾

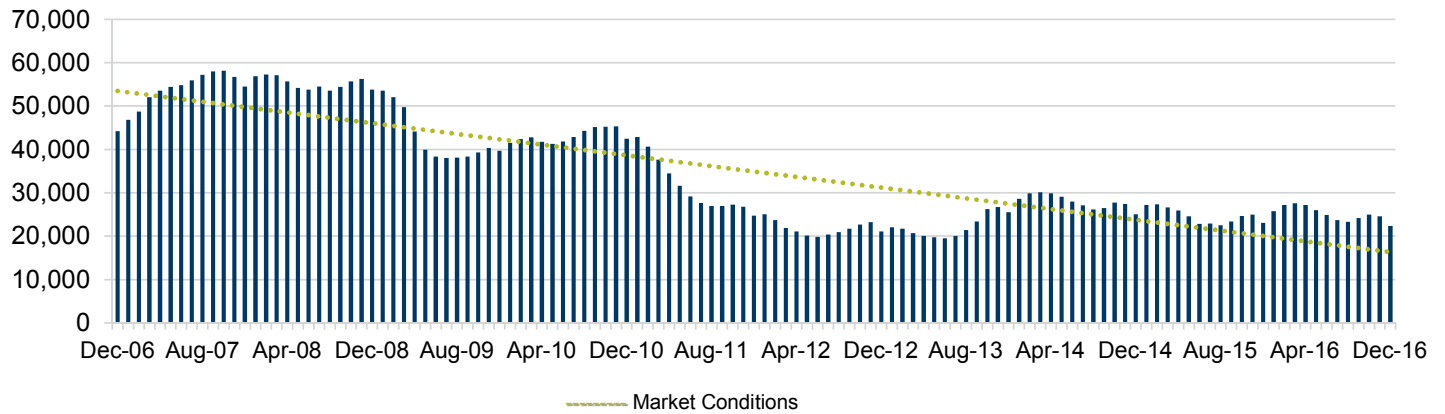


MARKETBEAT

Metropolitan Phoenix Land Q4 2016



Active Listings ⁽²⁾



Q4 2016 Top Land Sale Transactions ⁽⁸⁾

Property Address	Property City	Sale Date	Sale Price	Proposed Use Type	Acreage	\$ Per SF	Seller	Buyer
SW 56th St & Lincoln Dr	Paradise Valley	1/15/2016	\$39,750,000	Residential	10	\$88.65	The New Home Company	Crown Realty & Development, Inc.
Bella Vista & Skyline Rd	Queen Creek	8/31/2016	\$37,243,653	Residential	1,083	\$0.79	El Dorado Holdings, Inc.	
NE Scottsdale Rd & Indian Be Rd	Scottsdale	12/22/2016	\$36,000,000	Residential	39	\$21.35	iStar Financial Inc.	iStar Financial Inc.
NWC 91st & Deer Valley Rd	Peoria	7/21/2016	\$30,808,991	Residential	142	\$4.98	Maracay Homes	Communities Southwest
Dove Valley Rd	Phoenix	12/1/2016	\$30,600,000	Commercial	101	\$6.96	Honor Health	Westcor/Black Canyon Motorplex LLC
7350 E Silverstone Dr	Scottsdale	12/15/2016	\$21,750,000	Residential	22	\$22.88	K. Hovnanian Enterprises, Inc.	7575 Development, Inc.
S Recker & E Williams Fie Rd	Gilbert	3/30/2016	\$20,667,865	Residential	93	\$5.12	Fulton Homes Corporation	JLC Family Investments
E Germann Rd	Queen Creek	10/21/2016	\$19,995,600	Residential	150	\$3.05	Shea Homes LP	Colleen Goodell Knecht
NE Porter Rd & Bowlin Rd	Maricopa	12/20/2016	\$17,643,000	Residential	34	\$11.78	Fulton Homes Corporation	CMG 900, LLC
SW Ray Rd & Recker Rd	Gilbert	9/19/2016	\$16,000,000	Residential	79	\$4.64	Shea Homes LP	800 Southwood Partners

Sources:

- (1) The Cromford Report. Data through 09/2016
- (2) Arizona Regional Multiple Listing Service
- (3) Moody's
- (4) US Census Bureau - Arizona Department of Administration
- (5) National Association of Home Builders
- (6) National Association of Realtors
- (7) 1988-1994 - Home Builders Association of Central Arizona, 1995-2016 - U.S. Census Bureau
- (8) Cushman & Wakefield Research, CoStar
*Data released is from the previous quarter

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