

MARKETBEAT

Metropolitan Phoenix

Land Q1 2018



PHOENIX LAND

Economic Indicators*

	Q1 17	Q1 18	12-Month Forecast
Phoenix Employment	2,012k	2,065k	▲
Phoenix Unemployment	4.4%	4.1%	▼
U.S. Unemployment	4.7%	4.1%	▼

Economy

The Metro Phoenix job market continued to improve, adding 53,000 jobs year-over-year through the first quarter of 2018. During the same time period, the unemployment rate decreased 30-basis-points (bps) to close the first quarter of 2018 at 3.8%, according to the Bureau of Labor Statistics.

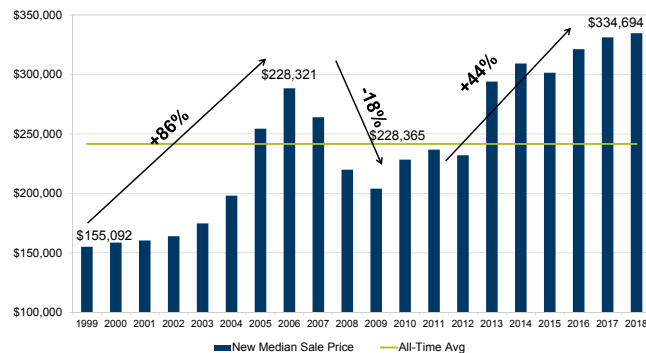
Market Indicators

	Q1 17	Q1 18	12-Month Forecast
New and Resale Home Closings	25,800	27,400	▲
Single Family Permits	4,800	5,200	▼
Trust Deed Sales (Maricopa County Only)	600	500	▲
Notice of Trust Deed Sales (Maricopa County Only)	1,900	1,700	▼

For land-related employers, there were 24,900 construction workers employed in the Phoenix-Mesa-Scottsdale Metropolitan Statistical Area in December 2017. At the height of the previous boom in April 2006 there were 33,600 construction workers in and at the bottom of the ensuing recession in February 2012 there were 14,800 construction workers, according to the Federal Reserve Bank of St. Louis.

Detached New Home Median Price ⁽¹⁾

MARICOPA COUNTY



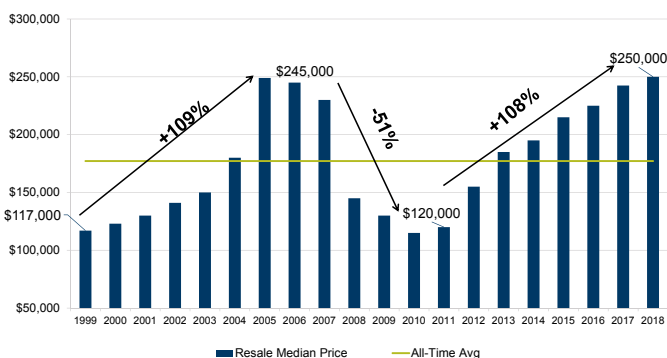
Market Overview

The Metro Phoenix land market saw 250 land sales in the first quarter of 2018. 8,085 acres of land in Metro Phoenix transacted. The average price per square foot (psf) was \$1.91. The total value of transactions was \$569.6 million dollars in the first quarter of 2018. The average price per acre was \$82,622, the median price was \$216,878.

In the first quarter of 2018, 5,187 single-family permits were issued. There were 2,511 multifamily permits issued, of which 88 were duplexes, 59 were either three or four units, and 2,304 were five or more units. A total of 56 building permits were issued for buildings with five or more units. Single-family permits are up 11% from Q4 2017 and 8% from Q1 2017. Multifamily permits were flat quarter over quarter and up 3 % year-over-year.

Resale Home Median Price ⁽¹⁾

ALL-TIME AVERAGE

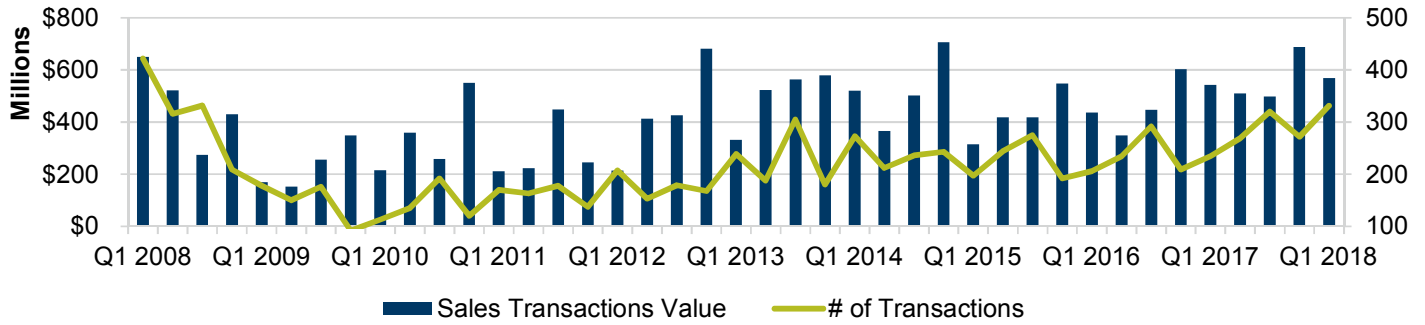


During the first quarter of 2018, a total of 27,439 homes were sold (23,639 resale homes and 3,800 new homes) amounting to a 16% decrease, quarter-over-quarter and 3.9% increase, year-over-year. Along with the increasing sales volume, the Metro Phoenix median home price in March 2018 (\$264,000) increased 7.8% in the same 12-month span.

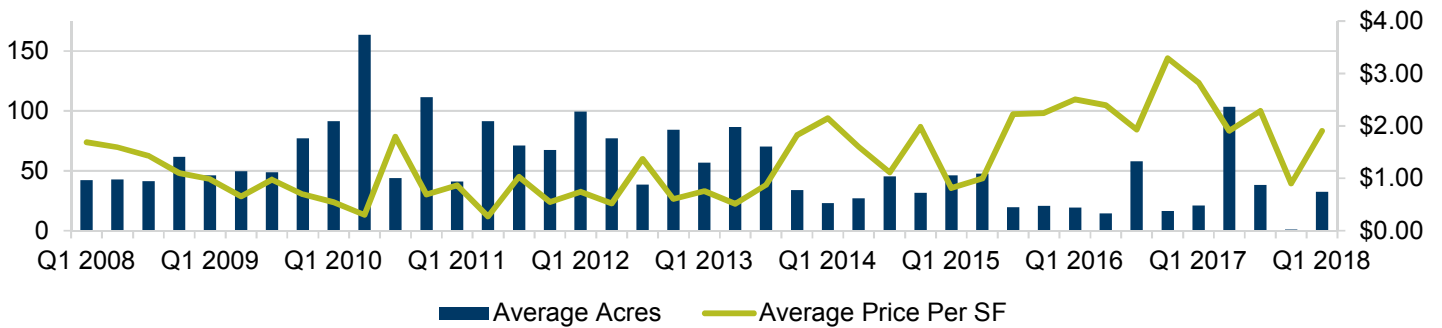
Cushman & Wakefield Land Market Snapshot

Metro Phoenix • First Quarter • 2018

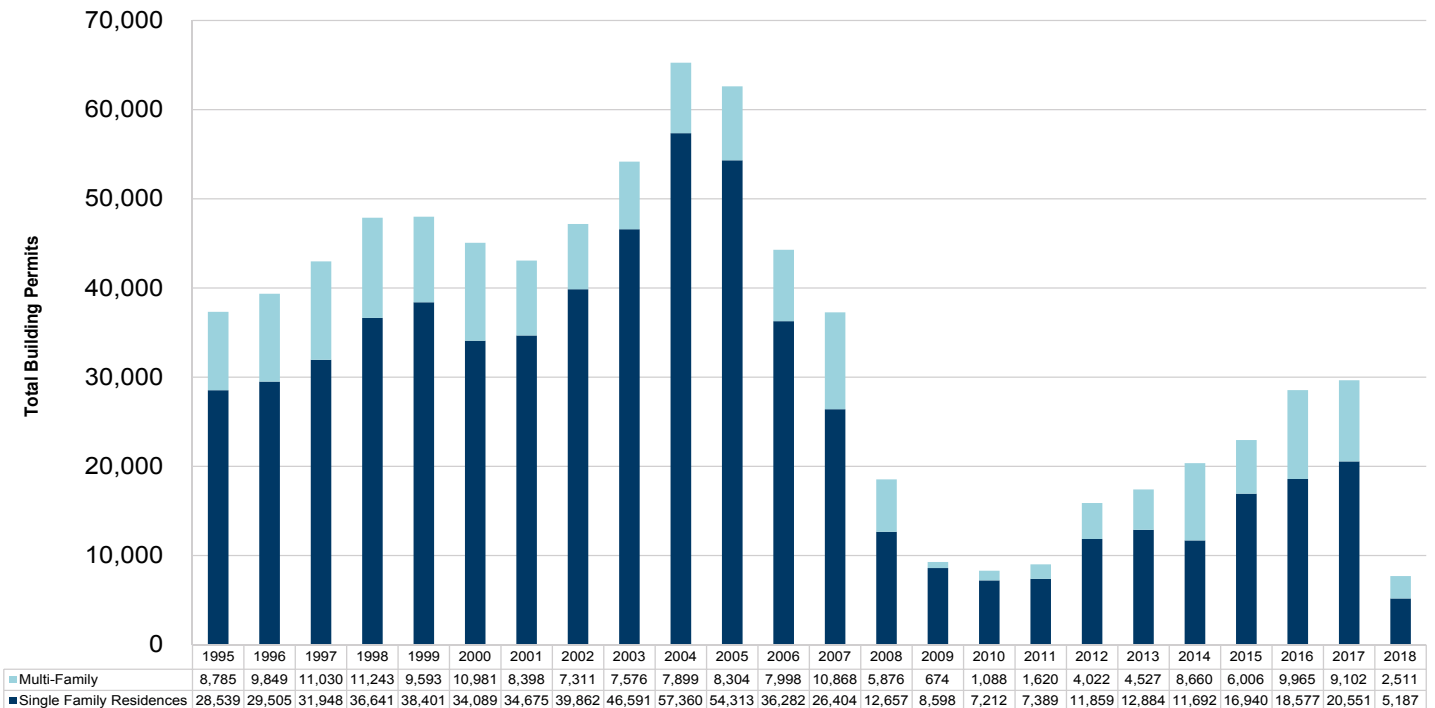
Total Sales Volume Vs. Number of Transactions ⁽²⁾



Average Acres Sold vs. Average Price Per Square Foot ⁽²⁾

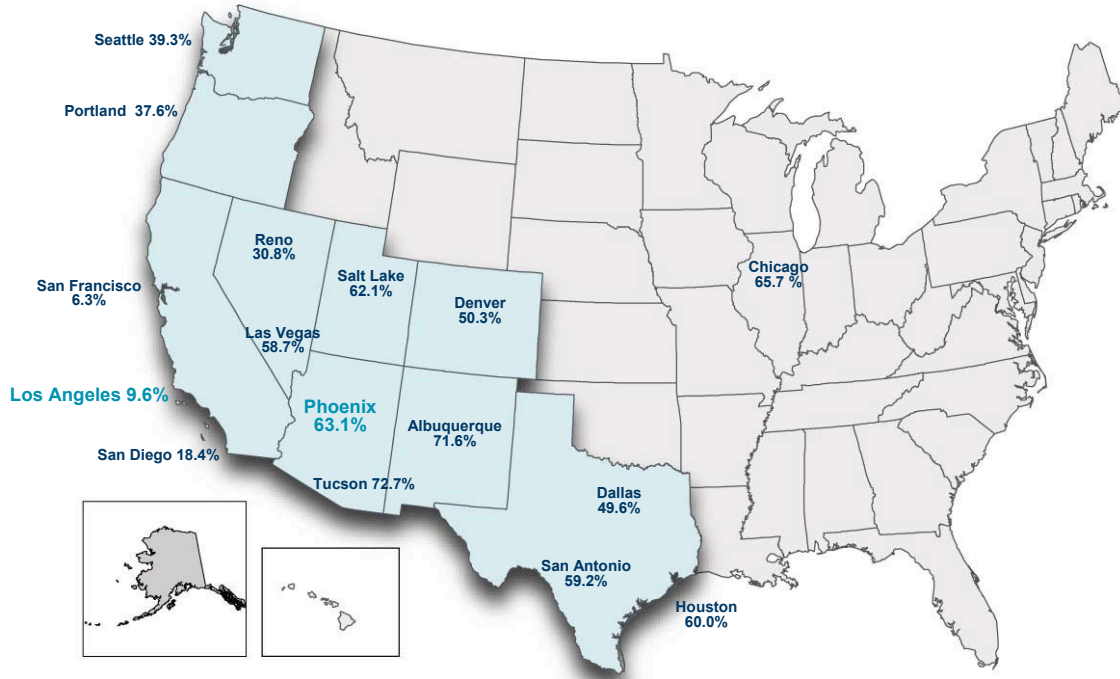


Single Family Permits vs. Multifamily Permits ⁽³⁾



Cushman & Wakefield Land Market Snapshot

Metro Phoenix • First Quarter • 2018

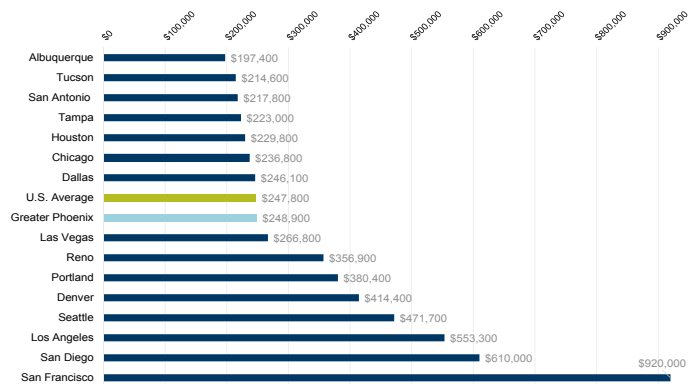


Housing Opportunity Index^{(4)*}

Percentage of new and existing homes that were sold during the fourth quarter of 2017 that were affordable to families earning the area's median income.

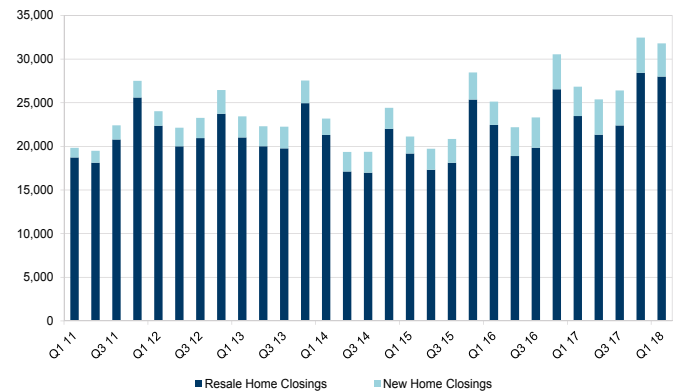
Median Sales Price of Existing Single-Family Homes ^{(5)*}

4th Quarter 2017 – Median price of Metro Phoenix homes has increased 7.2% year-over-year

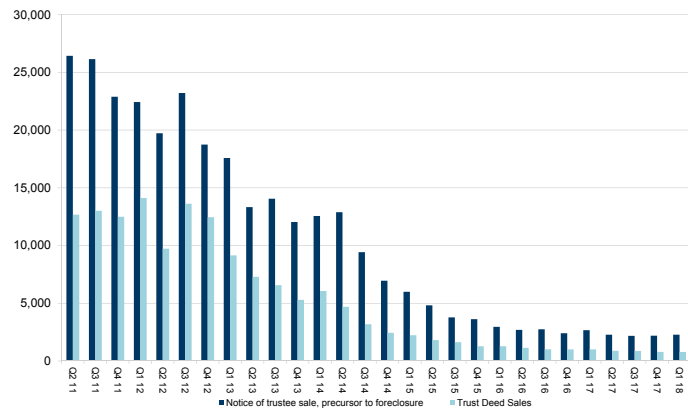


Quarterly Home Closings ⁽¹⁾

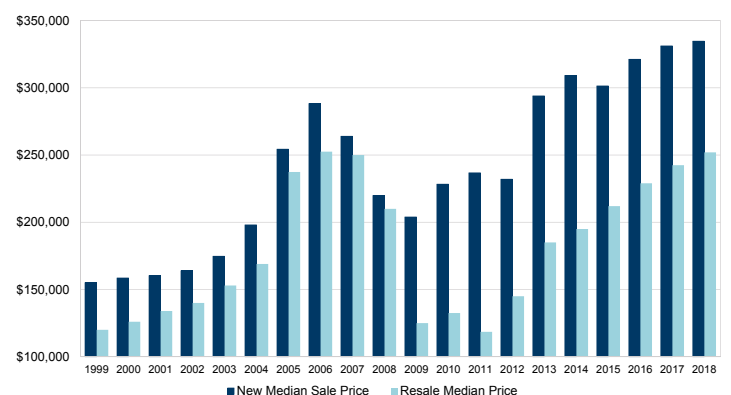
MARICOPA COUNTY



Maricopa County Quarterly Residential Foreclosures ⁽¹⁾



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



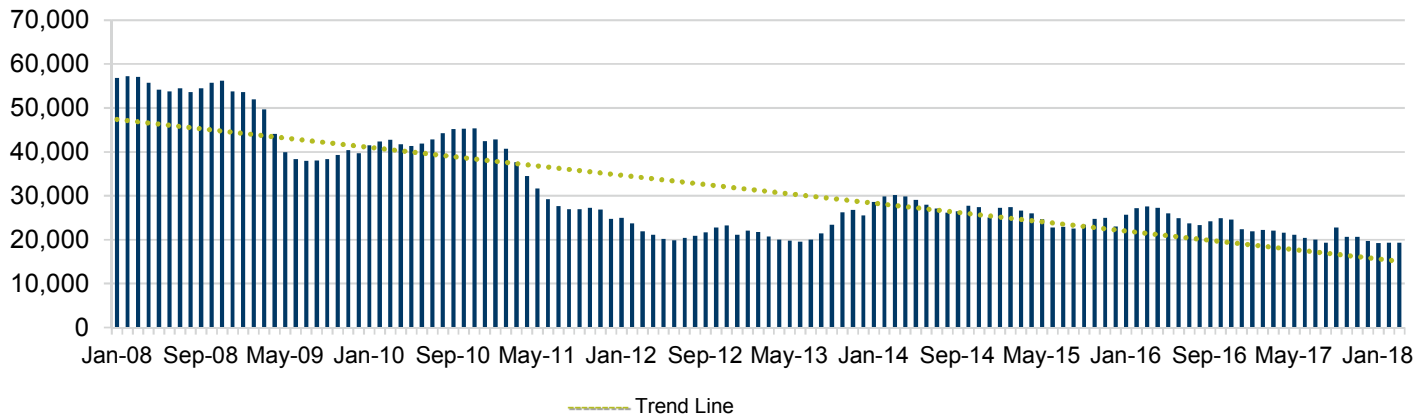
MARKETBEAT

Metropolitan Phoenix

Land Q1 2018



Active Listings ⁽⁶⁾



Q1 2018 Top Land Sale Transactions ⁽²⁾

Property Address	Property City	Sale Date	Sale Price	Proposed Use Type	Acreage	\$ Per SF	Buyer	Seller
W Camelback Rd & N 91st Ave	Glendale	3/22/2018	\$35,832,000	Single Family Residences	383	\$2.15	StoneHaven Residential JV LLC	John F Long Family Revocable Living Trust
W Camelback Rd	Goodyear	1/5/2018	\$30,185,470	Industrial	198	\$3.49	Merit Partners, Inc.	Sunbelt Holdings
W Camelback Rd	Goodyear	1/12/2018	\$17,964,101	Industrial	305	\$1.35		Sunbelt Holdings
W Asante Blvd	Surprise	2/28/2018	\$17,611,405	Single Family Residences	32	\$12.73	Lennar Communities Development, Inc.	He Capital 232 Phase I Property Llc
W Hunt Hwy	Queen Creek	3/29/2018	\$17,300,400	Single Family Residences	236	\$1.68	Fulton Homes	STS Prescott LLLP
E Knightsbridge Way	Gilbert	1/5/2018	\$15,265,800	Single Family Residences	25	\$13.93	Woodside Homes Sales AZ LLC	Jen Arizona 24 Llc
SWC MC 85 And SR 85	Buckeye	3/2/2018	\$14,767,085	Agricultural	691	\$0.49	Ambian Dairy LLC	Benessere
2325 S 7th St	Phoenix	1/30/2018	\$14,000,000	Industrial	45	\$7.22	Prologis	Ameron International Water Transmission Group
777-801 N 59th Ave	Phoenix	2/15/2018	\$13,650,000	Low Income Housing	16	\$19.15	Chicanos Por La Causa	Cotterkey
15125 N Scottsdale Rd	Scottsdale	2/7/2018	\$12,500,000	Multifamily	3	\$83.46	Lennar Multifamily Investors LLC	Washington Prime Group Inc.

Sources:

- (1) The Cromford Report. Data through 09/2016
- (2) CoStar Group/Cushman & Wakefield Research, Arizona
- (3) United States Census Bureau
- (4) National Association of Home Builders
- (5) National Association of Realtors
- (6) Arizona Regional Multiple Listing Service

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