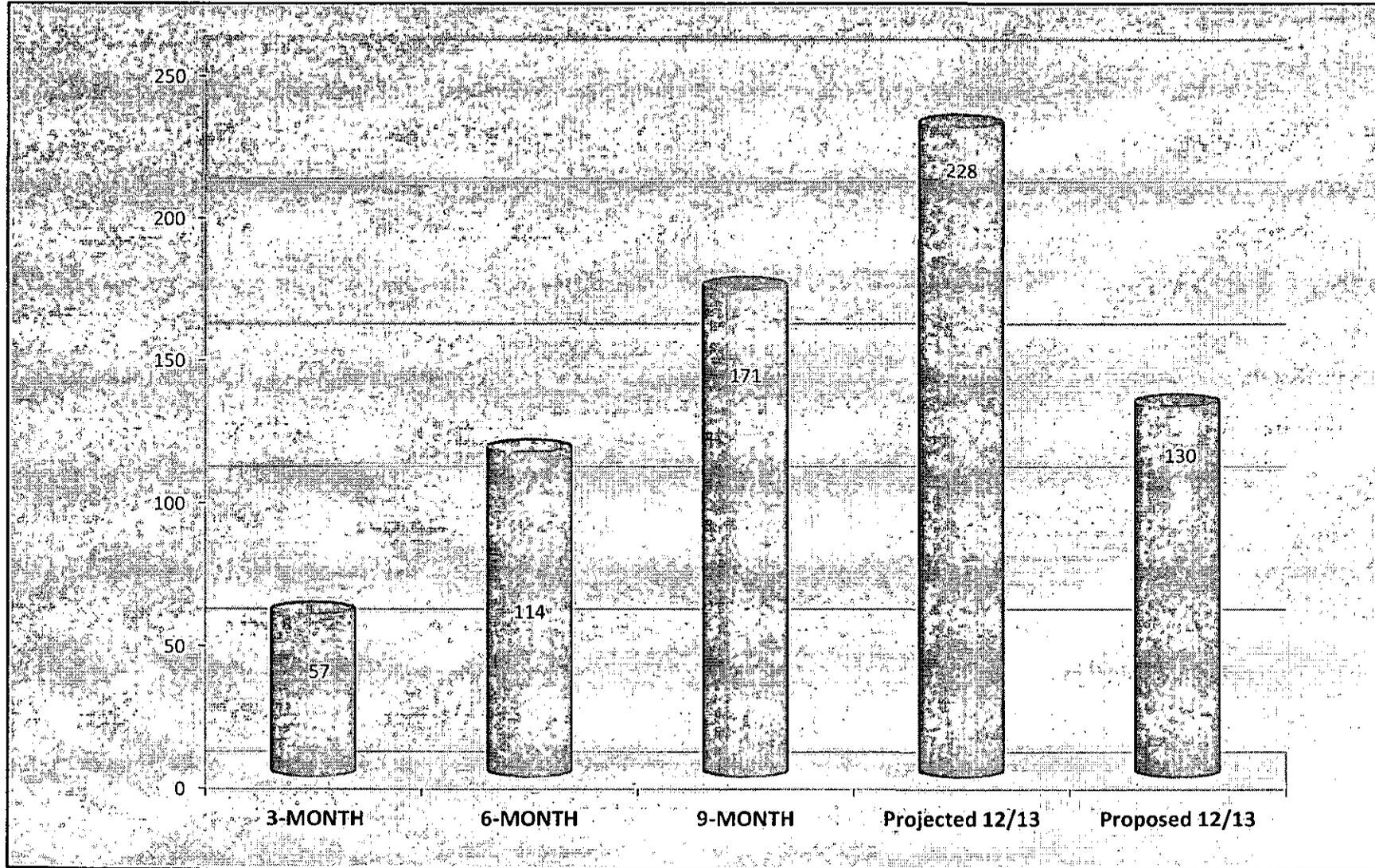
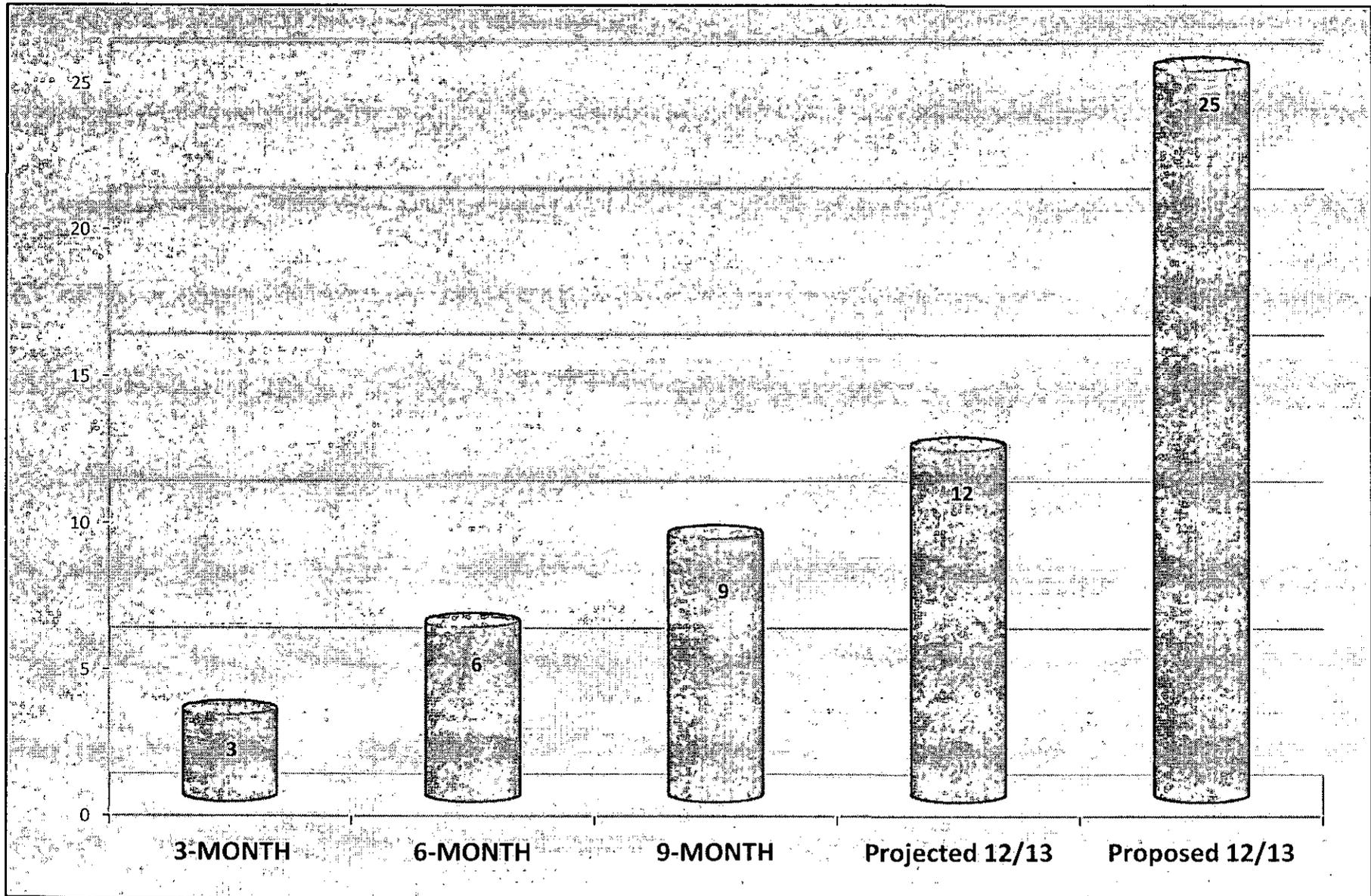


Single-Family Permits  
YTD, Projected, Proposed  
FY 2012/2013

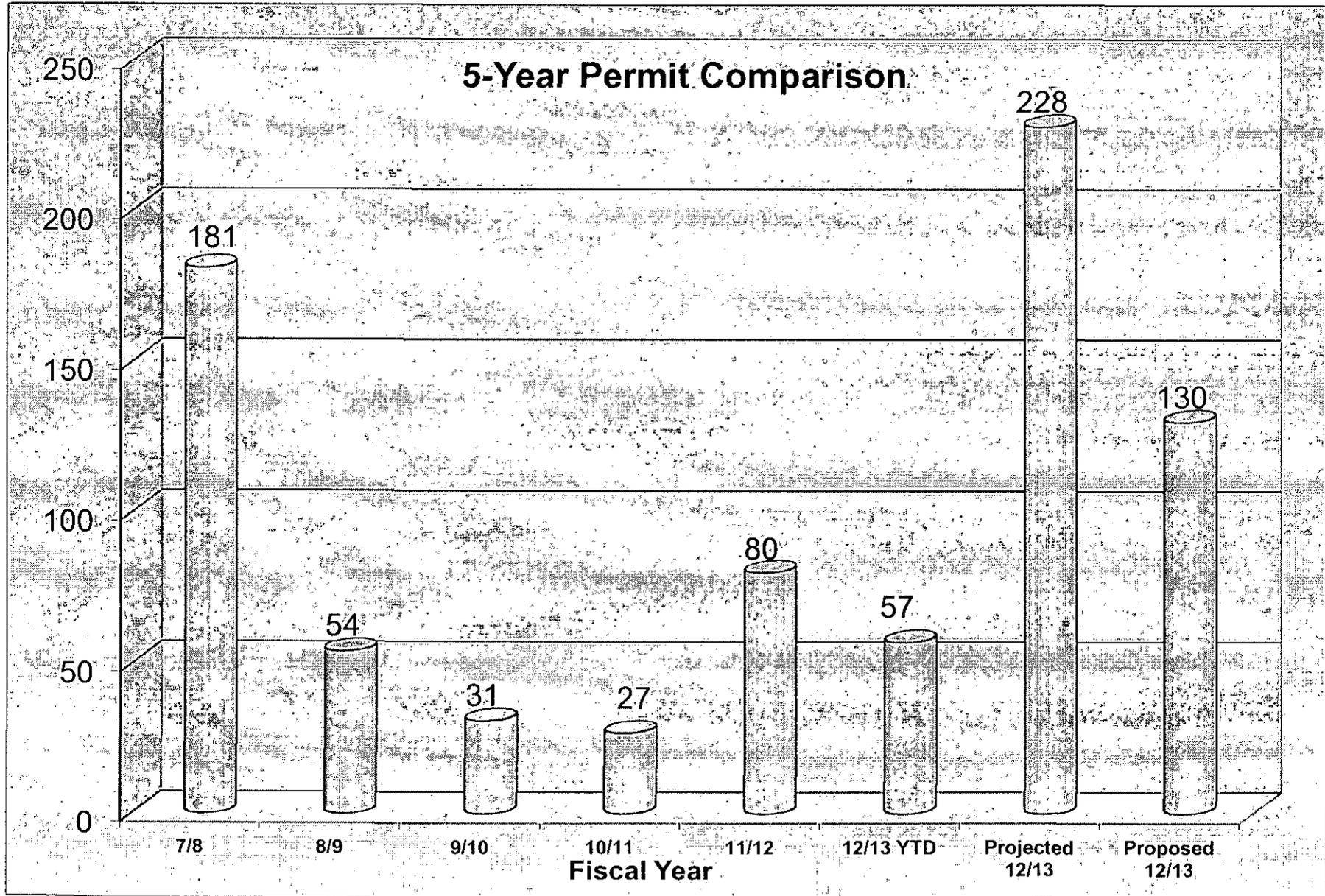


5.2

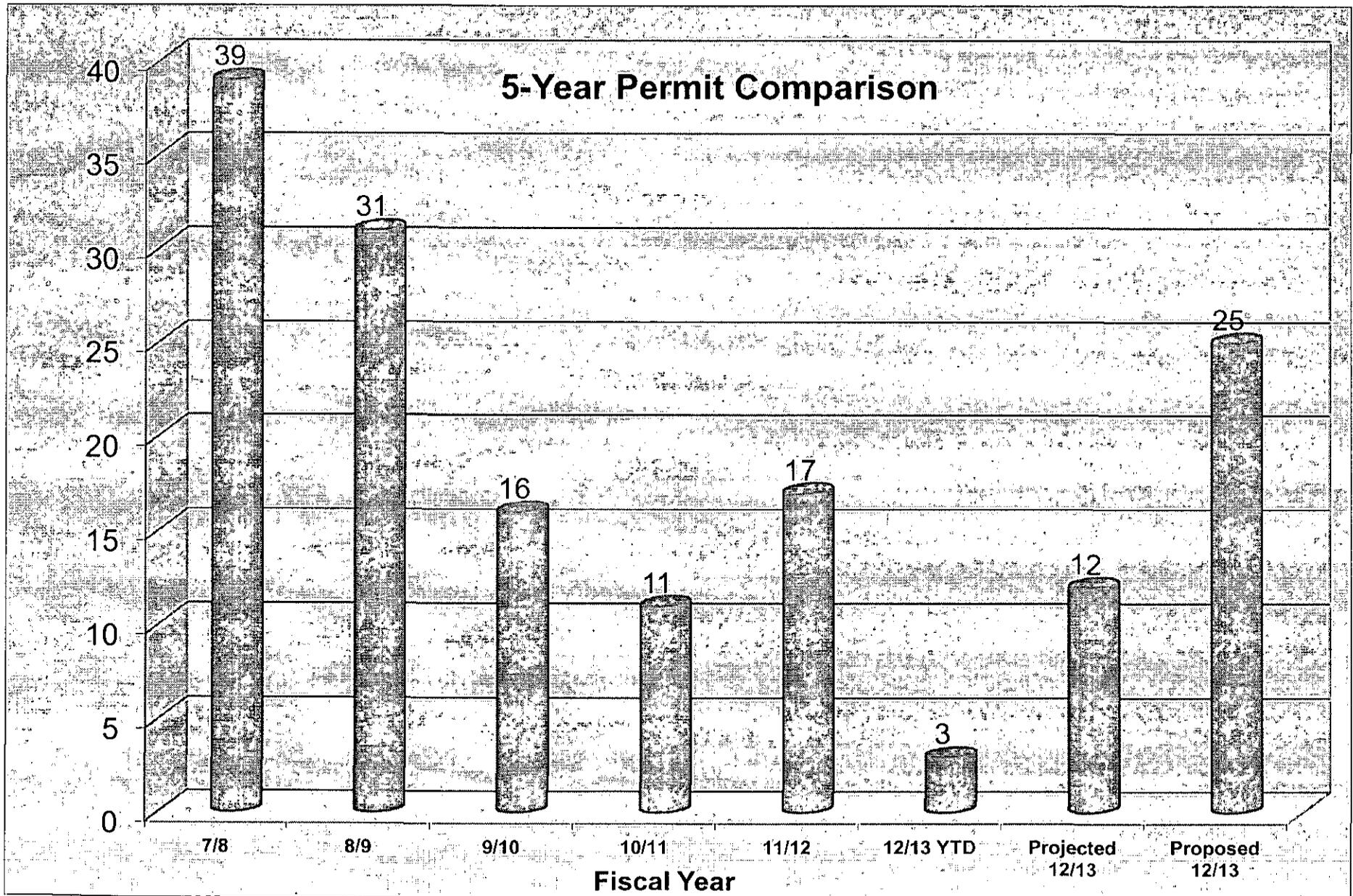
# New Commercial Permits YTD, Projected, Proposed FY 2012/2013



# Single-Family Residential Projects



# New Commercial Projects



# The Cycle of Real Estate

- Cycles are affected by
  - Total Economy
  - Overbuilding
  - Politics
  
- Where are We Today
  - Inventory
  - Sales
    - Residential
    - Commercial
    - Land
  
- Growth

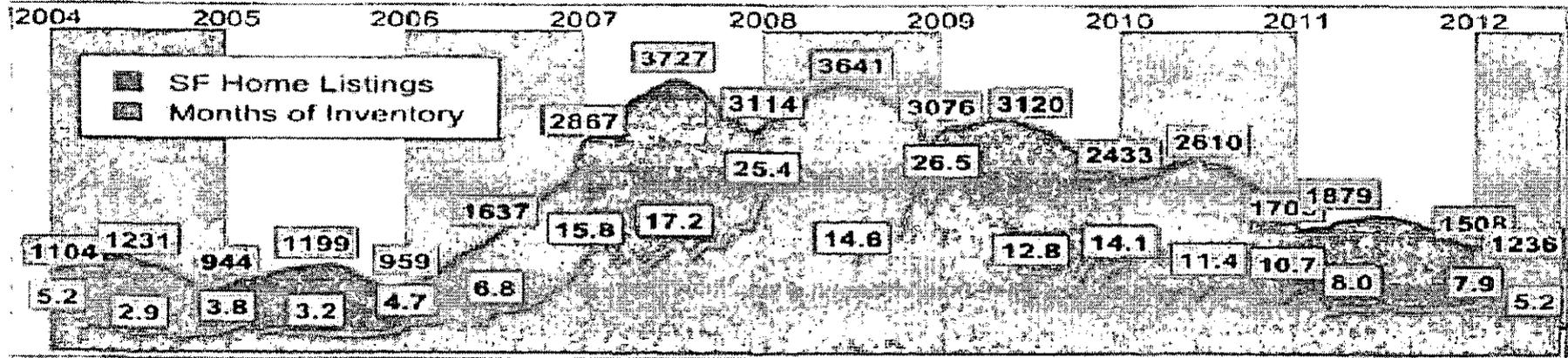
July 2012 showed upward movement in Homes Sold, Median Price, Average Sales Price, and Total Sales Volume. Both in Month to Month and Year to Date.

The market continues to show positive signs while interest rates remain low, and inventory is dropping.

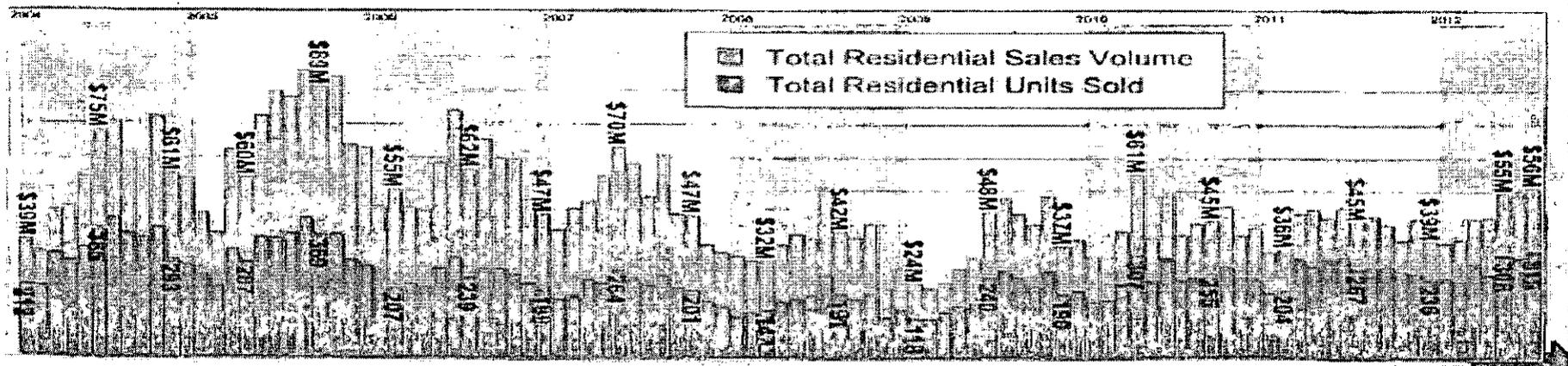
In the sub \$300,000 price range, we are in a sellers market.

Single Family Homes At A Glance	Prescott		Entire Area	
	Jul '12 (vs Jul '11)	2012 (vs 2011 YTD)	Jul '12 (vs Jul '11)	2012 (vs 2011 YTD)
Homes Sold	131 (↑42%)	734 (↑8%)	316 (↑1%)	1922 (↑5%)
Median Sales Price	\$204k (↓47%)	\$220k (↑5%)	\$150k (↑8%)	\$150k (↑9%)
Average Sales Price	\$235k (↓10%)	\$240k (↓5%)	\$178k (↑3.5%)	\$176k (↑1%)
Sales Volume	\$31m (↑27%)	\$176m (↑3%)	\$56.2m (↑23%)	\$335m (↑6%)
Average Days on Market	127 (↓10%)	157 (↓7%)	137 (↑9%)	147 (↑3%)
Active Listings			1623 (↓33%)	
Months of Inventory			5.2 (↓42%)	

Conventional wisdom says when the Months of Inventory (number of listings divided by number of sales) is above 6, you have a Buyers Market (market conditions favor buyers), and below 6, you have a Sellers Market (market conditions favor sellers).



This chart shows the Total Sales Volume and Total Homes Sold, in the Entire Greater Prescott Area, since 2004. Notice the apparent 'bottom' of the market in late 2008/early 2009, and the steady climb up since then.



On the right is a chart which shows the break down of sales for June 2012, in terms of Normal (Owner Equity) listings, Short Sale Listings, and REO/Bank Owned Listings. Note the decline in REO sales, now 31%.

Below you will find charts for median price and land sales.

The median price chart compares YTD in 2012 with the median price for the entire year in previous years.

So far in 2012, the Median price across the board (Prescott, Prescott Valley, Chino Valley, and the Entire Area) is up compared to 2011.

Land sales are starting to show a slight upswing.

