

MARKET UPDATE

REAL TALK. REAL STATS.
REAL ESTATE.

SEPT 2025
EDITION



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The summer months have proven to create difficulties for Sellers, which is a common historical trend in Phoenix. Find out what factors have changed heading into August.

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While statistics about the entire valley can provide some great insight, let's dive deeper into our more hyper focused areas such as the North Valley, North West Valley and look at Keller Williams vs ibuyers vs. Discount Brokers.



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In other news, Phoenix and Maricopa continues to see strong job growth, and topping nationwide lists for it's economic developments.

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Let's take a look at interest rates and what the economy is telling us as we looking towards affordability.

OUR PERSPECTIVE

September brought the first signs of market momentum shifting as Phoenix rebounded from August's doldrums. New listings surged to 2,200 weekly—the highest pace since May and up 6.4% year-over-year—while under contract sales climbed 9% month-over-month to 7,260. Despite increased seller activity, active inventory dropped 2.2% monthly as buyers absorbed new supply and cancellations cleared older stock from the market.

Sales momentum improved with 5,900 monthly transactions, up 3% annually despite one fewer working day—meaning daily sales pace actually increased 8%. Pricing held steady with median sales at \$475,000 (up 1.1% annually), though new homes outpaced resales with medians jumping 4.2% to \$534,998 versus flat resale prices at \$449,999. The Cromford Market Index showed seller-favorable improvements in 13 of 17 cities, led by Fountain Hills (+31%), Scottsdale (+25%) and Cave Creek (+14%).

This issue explores how mortgage rates dropping to 6.28%—a 10-month low—are pulling both buyers and sellers back into action, why luxury markets are leading the recovery, and how to capitalize on this transition from stagnation to cautious optimism.








LOCAL MARKET



ACTIVE & NEW LISTINGS GREATER PHOENIX DATA



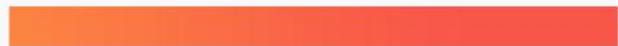
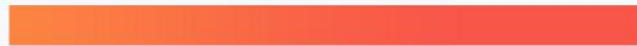

ACTIVE LISTINGS

As of Sept 6th, 2025*

Current:			20,954
1M Pr:	-0.57%		21,074
3M Pr:	-11.06%		23,559
6M Pr:	-6.63%		22,440
12M Pr:	24.63%		16,816

NEW LISTINGS

As of Sept 6th, 2025*

Current:			7,746
1M Pr:	6.21%		7,292
3M Pr:	-13.55%		8,963
6M Pr:	-21.12%		9,817
12M Pr:	-4.41%		8,104

Active listings in Greater Phoenix rose 28% from last year to 23,238, though they fell 2.2% from last month. New listings surged to 2,200 weekly—the highest rate since May and up 6.4% year-over-year. Despite more sellers entering the market, total inventory dropped monthly as buyers absorbed new supply quickly and cancellations cleared older stock. Those who stay on the market now face improving conditions, as under contract sales climbed 9% month-over-month to 7,260, showing renewed buyer activity as mortgage rates dropped to 6.52%.

HERE'S 4 FACTS TO DISCUSS

Whether Buying or Selling, here are things to consider.

● **New Listings Surge Back** →

Weekly new listings hit 2,200—highest since May and up 6.4% from last year. After months of limited supply, sellers are returning as rates improve, giving buyers more choice.

● **Rates Approaching 52 Week Low** →

Mortgage rates dropped to 6.28% from over 7% earlier this year—still above historical norms but providing relief that's sparking renewed buyer interest and market activity.

● **Under Contract Sales Climb** →

Pending sales jumped to 7,260, up 9% from last month and 2.7% above last year. The Cromford Demand Index reversed from August's low of 75.8 and started climbing.

● **Luxury Markets Lead Recovery** →

Fountain Hills CMI surged 31%, Scottsdale up 25%, and Cave Creek gained 14%, while affordable areas like Buckeye (+1%) and Surprise (+13%) show more modest improvements.

WHAT THE HECK IS GOING ON

Monthly sales improved 3% year-over-year to 5,900 transactions despite having one fewer working day than August 2024—meaning the daily sales pace actually increased 8%. New home sales dropped 10% annually while resale transactions gained 1.3%, showing buyers gravitating toward existing inventory over new construction.

Pricing tells two stories: overall median held steady at \$475,000 (up 1.1% annually) but resale medians stayed flat at \$449,999 while new home medians jumped 4.2% to \$534,998. Meanwhile, average \$/sq ft dropped 2.7% annually, suggesting size and quality mix shifts are impacting pricing metrics.

The Cromford Demand Index hit its low point on August 4 at 75.8 but has started climbing as mortgage rates dropped from over 7% to 6.52%. This is still 23% below normal demand levels, but the trend is accelerating and buyers are responding to the rate relief.

Bottom line: The market is absorbing increased supply efficiently as rates pull both buyers and sellers off the sidelines. Buyers prefer existing homes over new construction, while pricing reflects complex dynamics beyond simple appreciation or depreciation.

PROPERTY MOVEMENT

UNDER CONTRACT & SOLD DATA



13 cities improved for sellers with 4 improving for buyers. Paradise Valley and Glendale joined Maricopa and Tempe. Among the front-runners are Fountain Hills, Scottsdale, Avondale, Gilbert Cave Creek, Surprise and Peoria. Paradise Valley is falling back after taking the lead for several weeks. We have 6 cities that are seller's markets, 4 that are balanced and 7 that are buyer's markets.

- Cromford Report

GREATERPHOENIX DATA

Listings Under Contract - UCB/CCBS & Pending

	Units	VS%
Current	6,695	
1M Pr	6,904	-3.03%
3M Pr	7,637	-12.33%
6M Pr	8,338	-19.72%
12M Pr	6,493	3.11%

Sold Homes

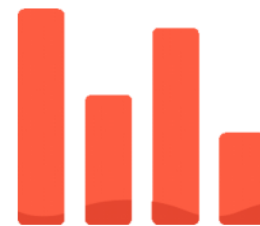
	Units	VS%
Current	5,397	
1M Pr	5,735	-5.90%
3M Pr	6,684	-19.28%
6M Pr	5,495	-1.78%
12M Pr	5,230	3.19%



New listings jumped to 2,200 weekly in early September—the highest rate since May—while under contract sales climbed 9% over last month to 7,260. Active inventory dropped 2.2% month-over-month despite the listing surge, as mortgage rates falling to 6.28% sparked renewed buyer activity.

Closed - AVG \$/Sqft

	\$/Sqft:	VS%
Current:	\$279.22	
1M Pr:	\$285.24	-2.11%
3M Pr:	\$301.63	-7.44%
6M Pr:	\$313.69	-11.00%
12M Pr:	\$289.01	-3.39%



Strategic Pricing Tools for Phoenix Sellers

The Reality: "Let's try for more—what's the harm?" The harm? Fewer showings, longer market time, and eventual price cuts that signal desperation. Smart pricing beats hopeful pricing every time.

1) Rapid Stats - Market Pulse Check

Track real-time competition and demand in your zip code. See if active inventory is rising while pending sales drop. That extra \$25K could price you into a dead zone.

2) Aligned Showings - Buyer Behavior Data

Price Point Analysis reveals where buyers actually spend time looking. Discover if homes at \$320K get 40% more showings than \$340K in your area. Small price bumps can cut your buyer pool in half.

3) Strategic MLS Analysis - Read All the Signals

- Closed Sales: Shows the past (remember: July closings reflect April market conditions)
- Pending Sales: Your crystal ball for current buyer activity
- Active 40+ Days: Cautionary tales showing what price points buyers reject

The Strategic Advantage

Using these tools together creates precision pricing that attracts buyers instead of repelling them. The goal isn't pricing low—it's pricing right and avoiding "pricing purgatory" where overpriced homes gather dust.

Bottom Line: Being 95% right on price from day one beats being 100% wrong for 60 days.

HYPER FOCUSED MARKET

Let's take a look into segments of our market.

East Valley Market:

(Ahwatukee, Chandler, Chandler Heights, Gilbert, Tempe, Mesa, AJ, QC, STV)

Price Range	Active / Coming Soon	Sold in Aug	Months Supply
\$0-\$250K	746 ↑ 46	111 ↓ 26	6.72 ↑ 1.54
\$250K-\$400K	1,083 ↑ 67	354 ↓ 70	3.06 ↑ 0.67
\$400K-\$500K	1,112 ↓ 7	407 ↓ 31	2.73 ↑ 0.17
\$500K-\$600K	922 ↓ 3	296 ↓ 7	3.12 ↑ 0.07
\$600K-\$800K	980 ↓ 86	292 ↓ 23	3.36 ↓ 0.02
\$800K-\$1M	363 ↓ 31	102 ↓ 2	3.56 ↓ 0.22
\$1M+	455 ↓ 27	92 ↑ 4	4.95 ↓ 0.64

Active Days on Market: 89 ↑ 1
 Under Contract DOM: 79 ↑ 5
 Closed DOM: 78 ↑ 2
 52.30% Sold in 60 Days or Less
 68.26% in 90 Days or Less

Cash accounted for
 20.1% of all East Valley
 Aug sales.
 Up 0.3%.

681 Listings in the East
 Valley Expired or
 Cancelled in Aug.
 Down 96.

North East Valley:

(Scottsdale, Paradise Valley, Greyhawk, Desert Ridge, Cave Creek Fountain Hills)

Price Range	Active / Coming Soon	Sold in Aug	Months Supply
\$0-\$400K	405 ↑ 19	88 ↑ 5	4.60 ↓ 0.05
\$400K-\$600K	333 ↓ 6	111 ↑ 10	3.00 ↓ 0.36
\$600K-\$1M	707 ↓ 14	196 ↑ 11	3.61 ↓ 0.29
\$1M - \$2M	621 ↑ 5	160 ↓ 7	3.88 ↑ 0.19
\$2M-\$5M	544 ↑ 30	53 ↓ 20	10.26 ↑ 3.24
\$5M-\$10M	160 ↑ 35	11 ↓ 1	14.54 ↑ 4.04
\$10M +	49 ↑ 10	0 ↓ 1	49.0 ↑ 10.0

Active Days on Market: 118 ↓ 6
 Under Contract DOM: 95 ↓ 3
 Closed DOM: 97 = 0
 40.13% Sold in 60 Days or Less
 55.99% Sold in 90 Days or Less

Cash accounted for
 36.03% of all North East
 Valley Aug Sales.
 Up 0.18%

401 Listings in North
 East Valley Expired or
 Cancelled in Aug
 Down 226.

KELLER WILLIAMS

HOW DO WE STACK UP?

ALL KELLER WILLIAMS

Coming Soon:	34 ↓ 12
Active Listings:	1,118 ↑ 9
New Listings in Aug:	443 ↑ 33
Contracted:	442 ↓ 81
Closed in Aug:	536 ↓ 45
Market Share:	9.04% ↓ 0.35%

kwsI

Coming Soon:	8 ↓ 4
Active Listings:	141 ↑ 18
New Listings in Aug:	61 ↑ 19
Contracted:	63 ↓ 22
Closed in Aug:	87 ↓ 9
Market Share:	1.47% ↓ 0.08%

iBuyers Breakdown

Opendoor:

- Active: 101 ↓ 11
- Pending: 50 = 0
- Closed: 51 ↓ 19
- Market Share: 0.86% ↓ 0.27%

OfferPad

- Active: 38 ↓ 9
- Pending: 20 ↑ 3
- Closed: 19 ↑ 9
- Market Share: 0.32% ↑ 0.16%

72SOLD & Just 990:

CITIEA (New Brokerage Name)

- Active: 224 ↑ 8
- Pending: 46 ↓ 19
- Closed: 92 ↓ 27
- Market Share: 1.55% ↓ 0.37%

Discount Brokers

Redfin

- Active: 117 ↓ 9
- Pending: 23 ↑ 9
- Closed: 103 ↑ 19

Flat Fee

- Active: 157 ↓ 14
- Pending: 17 ↓ 1
- Closed: 28 ↓ 2

Homie

- Active: 6 ↓ 3
- Pending: 3 ↑ 1
- Closed: 3 = 0

NON-CONVENTIONAL

IBUYERS & DISCOUNT BROKERS

ECONOMIC

DEVELOPMENT & NEWS IN PHOENIX

From infrastructure improvements to job openings, here's this month's developments.



PNC to acquire FirstBank in \$4.1B deal; The move would triple PNC's presence in Colorado and boost its Arizona footprint by more than a dozen branches, the bank said. In Arizona, PNC will add FirstBank's 13 branches, bringing its total in the state to about 70.

- [bankingdive.com](https://www.bankingdive.com)



Phoenix ranks No. 2 in US for planned data center development; according to the new JLL [North America Data Center Report - Midyear 2025](#). This places the Valley in a prime position as the North America Data Center colocation market reaches a critical tipping point, with vacancy rates plummeting to an unprecedented 2.3% amid relentless demand for digital infrastructure.

- [azbigmedia.com](https://www.azbigmedia.com)



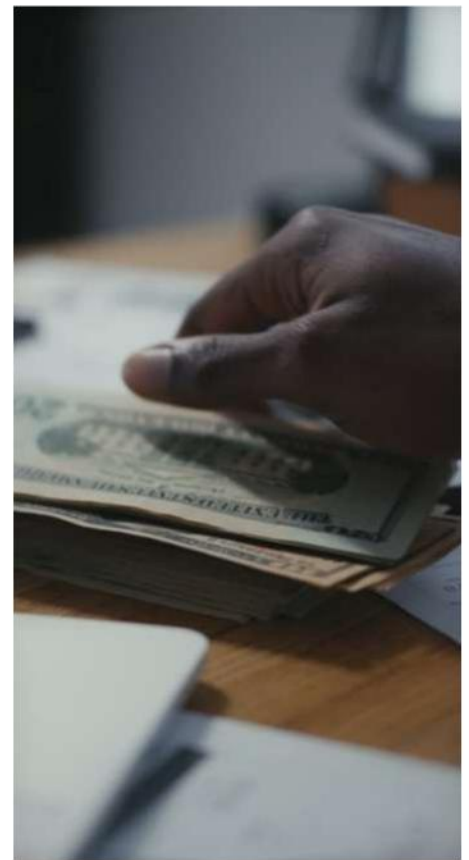
Applied Materials invests over \$200M in chipmaking factory in East Valley; A California-based technology company is investing \$200 million to establish a Chandler factory that will bolster the U.S. semiconductor supply chain. The chipmaking factory in Chandler could support 200 new jobs in the next five years, according to the announcement.

- [ktar.com](https://www.ktar.com)

Let's discuss Interest Rates.

We are getting closer to our 52-Week Low. Shall this continue?

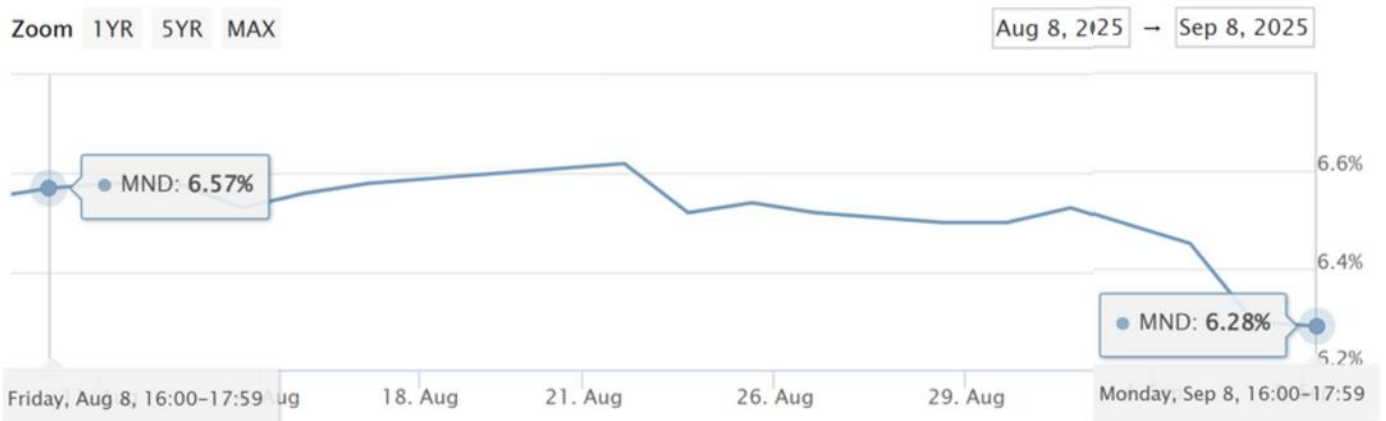
Based on the mortgage rate data from the past month, interest rates have declined notably from early August through early September 2025. The 30-year fixed mortgage rate dropped from 6.57% on August 8th to 6.28% by September 8th, representing a decrease of nearly 30 basis points. This downward trend is reflected across most mortgage products, with rates moving closer to their 52-week lows, providing some relief for potential homebuyers after a period of elevated borrowing costs.



	Rate	Points	Change		52 Week Range		
			Previous	1 Year	Low	High	
Mortgage News Daily - updated daily as of 9/8/25							
30 Yr. Fixed	6.28%	--	-0.01% ↓	+0.01% ↑	6.11%	7.26%	
15 Yr. Fixed	5.65%	--	+0.05% ↑	+0.00% —	5.54%	6.59%	
30 Yr. Jumbo	6.25%	--	+0.00% —	-0.24% ↓	6.25%	7.45%	
7/6 SOFR ARM	5.62%	--	+0.03% ↑	-0.43% ↓	5.59%	7.25%	
30 Yr. FHA	5.94%	--	-0.01% ↓	+0.27% ↑	5.65%	6.62%	
30 Yr. VA	5.95%	--	-0.02% ↓	+0.26% ↑	5.66%	6.64%	

- mortgagenewsdaily.com on 9/8/2025

Average 30 Year Fixed Mortgage Rates



kwsI - Ahwatukee/Chandler

📍 15210 S 50th St Suite 130, Phoenix

☎ 480-759-4300

kwsI - Scottsdale/PV

📍 9000 N Pima Center Pkwy #170, Scottsdale

☎ 480-948-3338

