

Arizona Real Estate: Land Gold – IS or IS NOT? **Pinpoint signals when to buy. End of year** **Interview with *Kuldip Verma* – continued from** **last month**

By Anil Kakad, Contributor



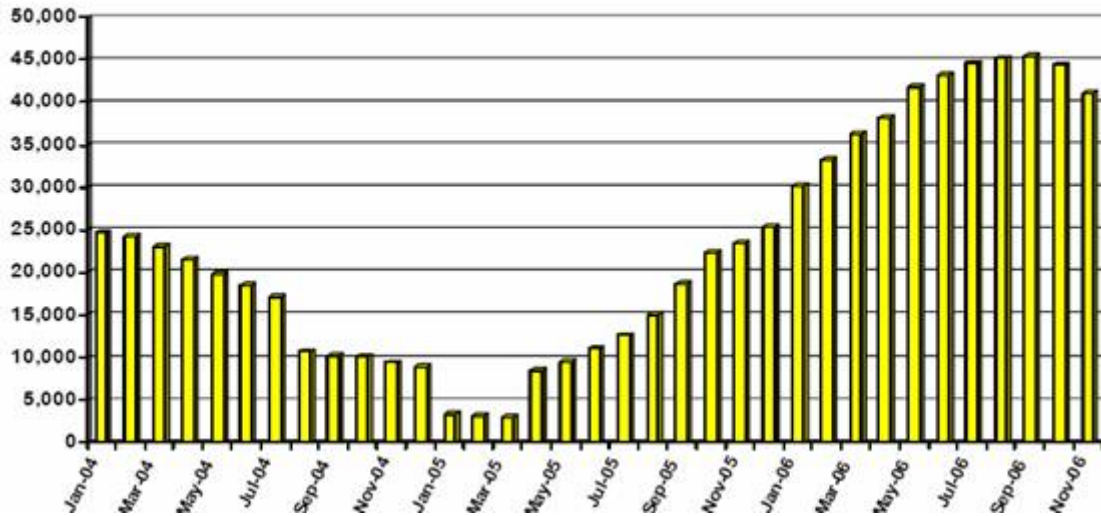
Kuldip Verma of Vermaland

In my last month's interview with Kuldip Verma regarding the Phoenix real estate market, he had indicated that as the latest numbers on the housing market become available, we will publish them. The good news- bad news story continues as indicated by the following information furnished by Kuldip. We will continue to share pertinent information in this column as it becomes available:

The latest data, as per the accompanying charts, is indicating that the worst maybe over with housing inventories in the Metro Phoenix market. Both listings for resale homes and the supply of new spec homes have fallen for the second month in a row.

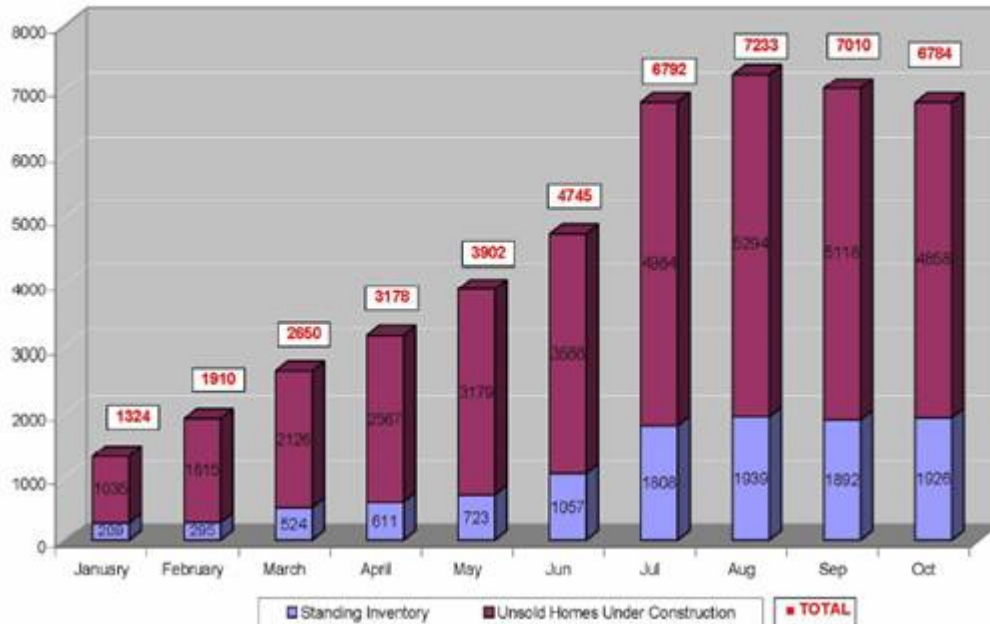
MLS listings for single family homes in the Phoenix Metro market have fallen dramatically, dropping by over 3,000 in a single month. Listings peaked at 44,623 in July. They now stand at 41,103. The inventory of new spec homes has fallen 6% since August.

Listings For Existing Single Family* Homes



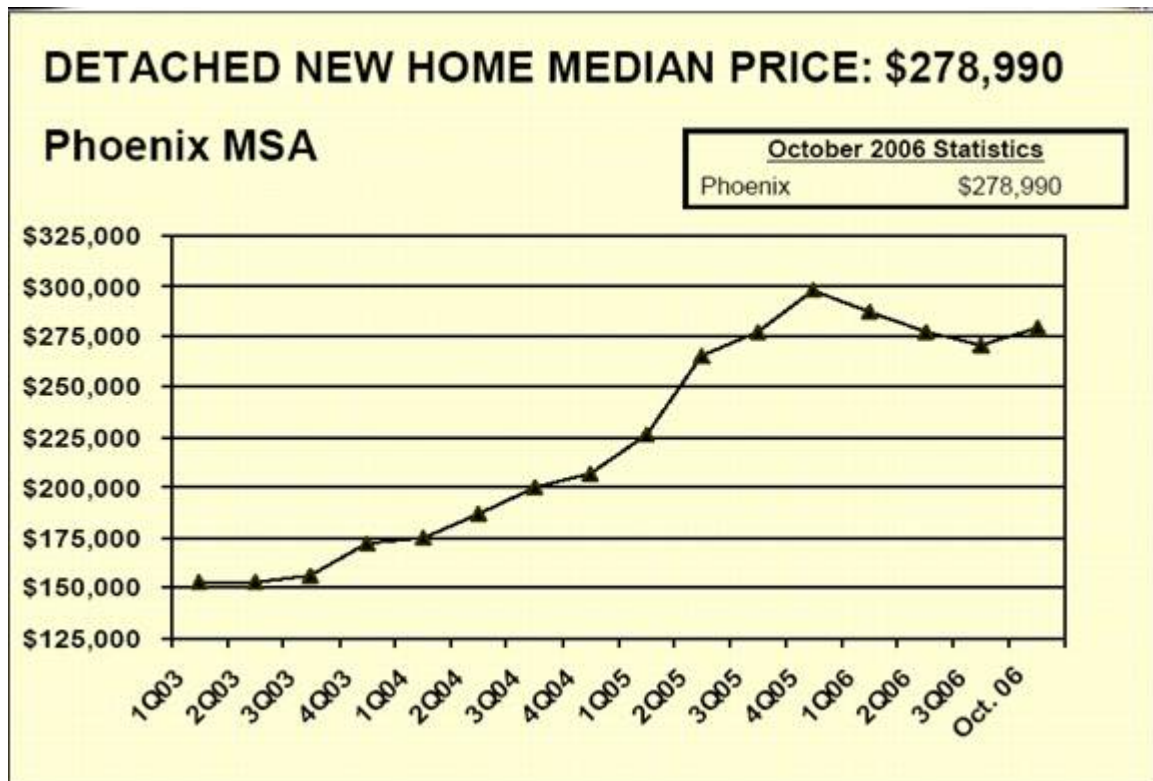
Another indication that the market is normalizing is that the median price for new homes has drifted lower, since peaking early this year. The median price for a new home in October was approximately \$279,000, about 6% lower than the peak median price of about \$298,000. The median price of new homes appears to be stabilizing in the 270,000's.

PHOENIX METRO AREA Maricopa and Pinal Counties Single Family Detached Spec Homes



This improves the affordability of the Phoenix housing market, making it more attractive to both individuals and companies who are faced with a scarcity of affordable housing in most California markets.

Both the new homes and resale inventories are still on the high side.



I recommend watching this data for the next couple of months and confirm that the reduction of inventory trend continues. This would be an indicator of a buying signal.

Thanks to Kuldip for providing such insightful information, enabling potential investors to make informed decisions.

Source: Grubb & Ellis/ BRE Commercial, Hanley Wood Market Intelligence

Further information can be obtained by visiting www.vermland.com