



January 2016

A Monthly Insight into the Current Real Estate Market

Average Sold Price Drops in December.

Last month we had a downturn in the average sold prices for Phoenix area single family homes. It looks like this will turn out to be a seasonal glitch caused by slow sales in the higher price range homes. Compared to the month of November 2015, we nearly doubled the number of homes sold but the average price of those homes dropped nearly 7%. I do believe this is mainly due to the increased demand of homes priced under \$300,000 and the relatively weak demand for homes priced above \$500,000.00. Here are the numbers:

Number of Single Family Homes closed in December was 6289.

Average Sale price was down approximately 7% to only \$269,313.00

Number of homes pending sale 4250

Average days on market 76

2016 is shaping up to be a good year for buyers. Interest rates remain near historic lows and lenders are starting to relax loan restrictions. For sellers of homes priced under \$300,000 it should be a good year as well because most of the housing demand is in this price range. If you have a higher priced home to sell, you will have to be more competitive and make sure your home stands out from the others by getting professional pictures, virtual tours and fine tuning the drive up and interior showing appeal. Bottom line is, Phoenix should continue to have a good year in Real Estate with modest price gains in the 3 to 5% range.

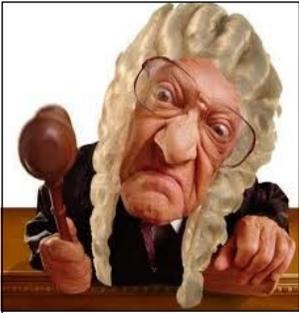


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History of Our Modern Calendar

The Roman Church of the 14th century ensured that most European regions adopted the Roman calendar. It was during this time that the "Anno Domini", Latin for "Year of our Lord" dating, or "AD", was implemented. AD is the counting of years from the time of Jesus Christ's incarnation. BC became "Before Christ". So Jesus became the center point of all time as we now know it.



Thinking of letting your Rental Property Foreclose?

Here's the AZ Law:

33-1331. [Notice of foreclosure/Trustee Sale; effect on lease; damages](#)

A. If a rental agreement is entered into after the foreclosure action was initiated, the owner shall include written notice of possible foreclosure with the rental agreement with the tenant. The notice shall include a statement that is substantially in the following form:

This property is undergoing foreclosure. For more information on this action, you should contact _____ (name, address and phone number of the court where the action is filed or trustee, attorney or other responsible party).

A sale at auction may or may not occur as a result of this foreclosure. Currently, the sale of this property has been set for _____ (time, date and place) or no date for sale of this property has been established.

B. If the owner receives a notice of trustee's sale or other notice of foreclosure on the property after a tenant has entered into a rental agreement on the property, the owner shall provide the tenant with written notice as prescribed in subsection A of this section within five business days after receipt of the notice of trustee's sale.

C. If the owner fails to provide notice as prescribed in this section the tenant may deliver a written notice pursuant to section **33-1361 (see Below)** and recover damages and obtain injunctive relief. The security deposit shall be returned to the tenant as prescribed in section 33-1321.

D. This section shall not apply to multifamily residential rental units consisting of four or more connected units.

33-1361. [Noncompliance by the landlord](#)

A. If there is a material noncompliance by the landlord with the rental agreement, the tenant may deliver a written notice to the landlord specifying the acts and omissions constituting the breach and that the rental agreement will terminate upon a date not less than ten days after receipt of the notice if the breach is not remedied in ten days.

Hiking Trails Around Phoenix

Now's the perfect time to get outside and enjoy the beautiful AZ desert.

Here are three great trails with varied levels of difficulty.



Pinnacle Peak - 3.7 miles. 1-3 hours. Easy.

It's the type of hike that can give you a good workout without being overly difficult. No Dogs allowed. Near Desert Highlands, AZ.

Shaw Butte - 4.5 miles. 1-3 hours. Moderate.

Despite not a lot of people knowing the name, this is a very popular trail and a good place to get a nice challenge in. Off of Thunderbird and 7th St.

Camelback Mountain - 2.2 miles. 1-3 hours. Difficult.

Echo Canyon is the popular route, which ascends 1,400 foot up the western side of the mountain in just over a mile. The journey quickly becomes a real leg-burner but delivers some good hiking experiences and a varied terrain.

The Cholla trail heads up a well maintained trail on Camelback's east flank, but becomes a challenging and technical ascent upon reaching the ridgeline. This 1.3 mile route becomes increasingly rocky, even though the conditions are not extreme, it is not recommend for young children or people with a strong aversion to heights.

BUYER'S CORNER – Is 2016 a good time to BUY?

Housing Conditions Vary Widely at the Local Level

As a home buyer, the first thing you need to realize is that housing trends and conditions vary widely from one local market to the next. This is true even for different areas within Metro Phoenix! As a home buyer, you must research values at the local level. As a general rule, markets with fast-rising prices tend to create a stronger sense of urgency among buyers, and cause sellers to be less willing to negotiate price and terms. Slow-rising or “flat” markets give buyers more time to ponder their purchase and drive a better bargain with sellers.



Home Prices Leveling Off in 2016?

Many economists and analysts have predicted more moderate price gains in 2016 compared to 2015 — or no gains at all, in some areas. In many cities across America, house values appear to be hitting a plateau of sorts. I am forecasting modest price gains for the Phoenix market in 2016.

Employment Conditions Have Improved

Home buyers should also consider their employment status, the likelihood of *continued* employment, and the state of the local job market. The Phoenix job market is another bright spot for those planning to purchase a home next year. According to AZ Central.com the Phoenix unemployment rate dropped to 5.3%. The East valley cities of Gilbert, Chandler and Mesa had the lowest unemployment rate 4.1%. In the West Valley, Peoria had the lowest rate at 4.7%. There are more jobs to go around these days, and this puts more people in a position to buy.

Mortgage Rates Expected to Rise

Mortgage rates also play a big role in the “should I buy” equation. They affect housing affordability and the long-term cost of a borrower’s home loan. The good news here is that rates have been historically low, and relatively *stable*, since the beginning of 2015. The average rate for a 30-year home loan has been hovering around 4% for months now. But we could see an increase in mortgage rates going into 2016. The Federal Reserve raised the federal funds rate in December. This could have an indirect influence on long-term mortgage loans. In short, there’s a pretty good chance loan rates will be higher in 2016 than they are right now.

Meet the Cornerstone Team

Each month we will highlight a Cornerstone Team Member

SHARON MARTINEZ — BOOKKEEPER

This month we highlight Sharon Martinez, our “Money Lady”. Sharon has been with the AZ Cornerstone team since the beginning. She handles the money coming in and going out as well as many other accounting related tasks. Because of Sharon’s attention to detail, we made the Honor Roll at our last Real Estate Audit!



A native of Arizona, Sharon grew up in Wickenburg. Now a long time resident of Glendale, AZ, she is married with two adult children. Sharon enjoys cooking for her LARGE extended family and hosting their get-togethers. She has a cute little puppy named Ashley and a noisy bird named Pete.

P.S. What happens in Vegas stays in Vegas :-)

Home Sale/Purchase Advantage Program

What we can do for You!

- Up to \$500.00 Cash Gift at closing to use however you want
- Free Home Appraisal (Reimbursed at Closing) if you use our preferred lender
- Great Mortgage Rates & Service with our Preferred Lenders
- The Best Home Insurance with A+ rated Companies
- 50% Discount on Escrow Closing Fees
- Discounted Home Inspection Service
- Discounted Home Warranty
- Free Termite Inspection
- Free Home Searches sent to your Email
- You can Search the Realtor MLS on our Website!
- FREE Membership to BUX180 Savings Club
- We will attend the Closing with you.



BUYING OR SELLING?

Don't forget...

If you're searching for a home, check out our website where you can search the Realtor MLS real time!

FIRM FOUNDATIONS BEGIN WITH THE RIGHT CORNERSTONE

Need **FAST** Dependable Service?

We Recommend these Quality Vendors!



<u>AC/HVAC Service</u>	Clear Air AC - (602) 478-2974. Air Conditioning & Heating.
<u>Appliance Repair</u>	Elite Appliance Repair - (623) 866-3677. Always friendly and very reliable.
<u>Cleaning Service</u>	Kingdom Cleaning - (602) 434-0852. Call Julie for fast and reliable housecleaning. You can trust her and her crew to make your home spic & span.
<u>Garage Door Service</u>	A & R Garage Door - (602) 427-7808. Ron is very friendly and always gets the job done in a timely manner.
<u>Handyman Service</u>	Dave Moses - (602) 488-3812. Very good all around handyman. Specializes in tile flooring.
<u>Landscaping</u>	Lupe's Landscaping - (602) 451-9593. Ask for Lupe.
<u>Plumbing</u>	Paradise Plumbing & Gas, LLC - (602) 565-0936. Licensed, bonded, and insured.
<u>Pool Service</u>	My Pool Man - (602) 326-0589. Dave Hazel is reliable and has great prices. He is the pool dude.

Dana Brown - Broker

Mike Konieczki - Assoc. Broker

Sharon Martinez - Accountant

Pam Brown - Realtor/Assistant

Gina Burns - Marketing

Desiree Fabrizio - Realtor/Assistant

Qamar Zaman - Realtor/Investor

Allison Nguyen - Realtor

Mindy Brown - Realtor

Kim Elmdanat - Realtor

Brandon Moses - Realtor

Eric Lee - Realtor

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