Greater Phoenix Residential Market

- **September Results for the Greater Phoenix Single-Family Resale Market**
- **Two Underlying Strengths of Greater Phoenix Real Estate**
- **Overall Sales Decrease, Luxury Sales Increase**
- **Purchase Price Flat**

Through the first seven months of the year, home sales were up year-over-year (YOY). However, the trend reversed in August and September, with sales declining YOY in both months.

In my opinion, the main culprit for the recent decrease in YOY sales, is the increase in the thirty-year fixed rate mortgage (30-year FRM). Purchasing a home with a 30-year FRM is the most popular method used by buyers. In general, about half of all purchases are with a conventional loan. When mortgage rates go up this number drops. On October 1, the 30-year FRM averaged 7.28% compared to 6.34% on October 1, 2025.

In the short run, higher mortgage rates will decrease sales. To compete for buyers in a higher-rate environment, sellers are more likely to reduce their asking prices and/or offer seller-paid closing costs. Some buyers will opt for an adjustable-rate mortgage (ARM).

In the long-run, the Greater Phoenix residential real estate market has two fundamental strengths in its favor: population growth and job growth.

According to the most recent population data from the U.S. Census Bureau, the combined populations of Maricopa and Pinal Counties increased by an average of 162 people per day. With an average household size of 2.6 people, this population growth translates into approximately 62 new households per day across the two counties. These households will ultimately need housing — either as renters or homeowners.

New residents not only need houses and apartments, but they also need grocery stores, restaurants, schools, medical, warehouses, entertainment and services. Population growth creates a multiplier effect across the real estate market.

People need income to purchase homes and pay rent. That is why employment growth is so important to a sustainable real estate market. The Arizona Office of Economic Opportunity estimates that from a ten-year period, 2024 to 2034, it is estimated Arizona will average a gain of 124 jobs per day

Yes, mortgage rates can cause home sales to rise or fall in the short run. They influence *when* people buy. Population and job growth influence *how many* people ultimately need housing.



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So, when evaluating the Greater Phoenix real estate market, do not look only at last month's sales numbers. Remember the fundamentals underneath the market: **Are we adding people, and are we adding jobs?**

Even with the recent slowdown in September sales, in October there will still be between 3,500 and 4,000 closed single-family resale transactions. That represents thousands of opportunities for buyers, sellers and real estate professionals.

So now is the time to work your leads, refine your database, improve your marketing and work your niche.

Work the fundamentals. Work the opportunities. Amazing things just might happen.

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September Results: 12 Key Metrics That Measure the Greater Phoenix Single-Family Resale Market

1. Monthly sales of single-family resale homes: September sales (3,734) decreased 5% compared to September 2025 (3,948). For the first nine months of 2026 sales are up 3% year-over-year (YOY). See Table One at end of article.

2. Sales By Sold Price Range: Table Two, at the end of this article compares sales by Sold Price Range. September sales took a big dip, 14% YOY, in the $500,000 to $749,999 price range. Sales over $2,000,000 outperformed last September.

3. Mortgage Rate Averages from Freddie Mac.

Mortgage Rates Avg.	2025 Oct 1	2026 Oct 1	Change
30-year FRM	6.34%	7.28%	0.94%
15-year ARM	5.56.%	6.60%	1.05%

4. How Single-Family Resale Homes Were Purchased: Purchases in September with a conventional loan are down 11% YOY and purchases with an FHA loan are down 3% YOY. Cash purchases are slightly up and purchases with a VA loan are up 8%.

How Purchased	2025 Sep	2026 Sep	Change	% Change
Cash	706	716	10	1%
Con	2,042	1,813	-229	-11%
FHA	735	710	-25	-3%
VA	251	271	20	8%
Other	214	224	10	5%
Total	3,948	3,734	-214	-5%

5. Seller Concessions: Because of higher mortgage rates, more sellers are likely to offer seller-paid closing costs to remain competitive. The median dollar amount of seller concessions may also increase.

Single-Family Resales	2024 September	2025 September	2026 September
Percentage of Sales with Seller Concession	55%	57%	59%
Median Seller Dollar Concession	$10,000	$10,050	$10,875

6. Monthly listings of single-family resale homes: New monthly listings in September (6,064) were 8% higher compared to last September (5,627). See Table One at end of article.

7. Total Single-Family Resale Inventory for Normal, Short Sale, REO, and HUD Listings: Total normal resale inventory is 4% lower than a year ago. Listings of short sales, lender-owned properties and HUD properties represent 2% of all listings.

Listing Category	September 30 2025	September 30 2026	Change	% Change
Normal Listings	13,435	14,037	602	4%
Short Sale Listings	134	233	99	73%
REO Listings	49	61	12	2%
HUD Listings	17	5	-12	-70%
Total	13,635	14,336	701	5%

8. Median Purchase Price (MPP): The MPP in September ($500,000) was the same as August ($500,000) and was 2% lower than last September ($511,000). See Chart One at end of article.

9. Average Purchase Price (APP) Per Square Foot: September APP per square foot ($292.15) increased $1.77 from August ($290.38), and is higher than last September ($289.59).

10. Agent Days on Market (ADOM): Marketing times remain stable. September ADOM (74) is one day higher than August (75) and four days less than last September (78).

11. Foreclosure Watch: Notices of Trustee Sales (NOTS) and Foreclosures. NOTS increased 25% YOY. Of the 117 foreclosures in September, 66 were sold to a third party and 51 reverted to the beneficiary. Approximately 25% of properties that get a foreclosure notice (NOTS) ever make it to the auction.

Residential Properties	2025 Sep	2026 Sep	Change	% Change
NOTS (foreclosure notices)	398	498	100	25%
Foreclosures	108	117	9	8%

12. Single-Family Rental Market Insights: Median monthly rent decreased in September ($2,300) compared to August ($2,350).

Median Monthly Rent:

- September 2026: $2,300
- September 2025: $2,282
- August 2026: $2,350

Agent Days on Market (ADOM):

- September 2026: 40
- September 2025: 48
- August 2026: 40

Average Square Feet Per Rental:

- September 2026: 1,940 sq. ft.
- September 2025: 1,937 sq. ft.
- August 2026: 1,945 sq. ft.

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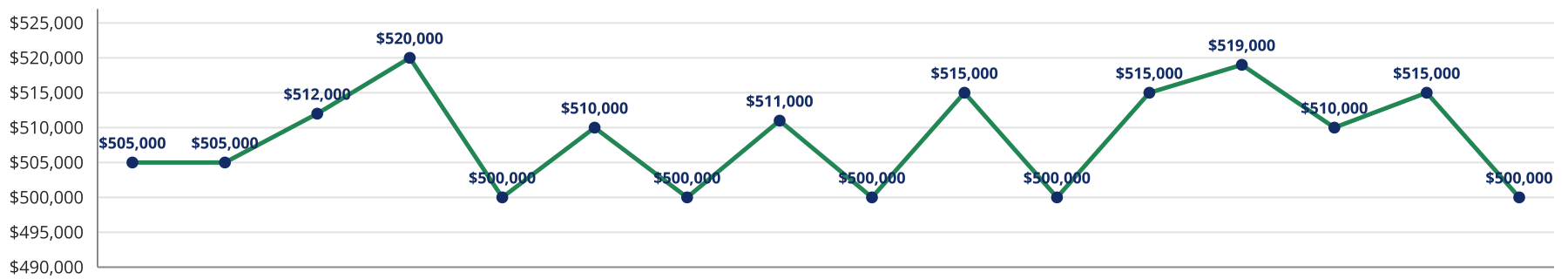
Table One: Monthly Single-Family Sales and Listings

Sales	2025	2026	Change	% Change	Listings	2025	2026	Change	% Change
January	2,997	3,047	50	2%	January	7,020	6,994	-26	0%
February	3,755	3,791	36	1%	February	6,445	6,189	-256	-4%
March	4,602	5,011	409	9%	March	6,991	6,819	-172	-3%
April	4,698	4,953	255	5%	April	7,023	6,538	-485	-7%
May	4,661	4,864	203	4%	May	6,186	5,792	-394	-6%
June	4,304	4,730	426	10%	June	5,148	5,338	190	4%
July	3,999	4,209	210	5%	July	4,942	5,044	102	2%
August	3,782	3,603	-179	-5%	August	5,204	5,190	-14	0%
September	3,948	3,734	-214	-5%	September	5,627	6,064	438	8%
Total	36,746	37,942	1,196	3%	**Total**	54,586	53,968	-617	-1%

Table Two: Sold Price Range Comparison of September Sales

Sold Price Range	2025 Sep	2026 Sep	Change	% Change
Under $500,000	1,882	1,850	-32	-2%
$500,000 to $749,999	1,235	1,059	-176	-14%
$750,000 to $999,999	386	379	-7	-2%
$1,000,000 to $1999,999	338	320	-18	-5%
$2,000,000 to $2,999,999	57	72	15	26%
$3,000,000 to $3,999,999	27	25	-2	-7%
$4,000,000 to $4,999,999	8	11	3	38%
$5,000,000 to $7,499,999	14	11	-3	-21%
$7,500,000 to $9,999,999	1	5	4	400%
$10,000,000 and over	0	2	0	0%
Total	3,948	3,734	-214	-5%

Chart 1: Monthly Median Purchase Price for Single-Family Resale Homes



Median Purchase Price — Single-Family Resales Greater Phoenix — The Wilcox Report™