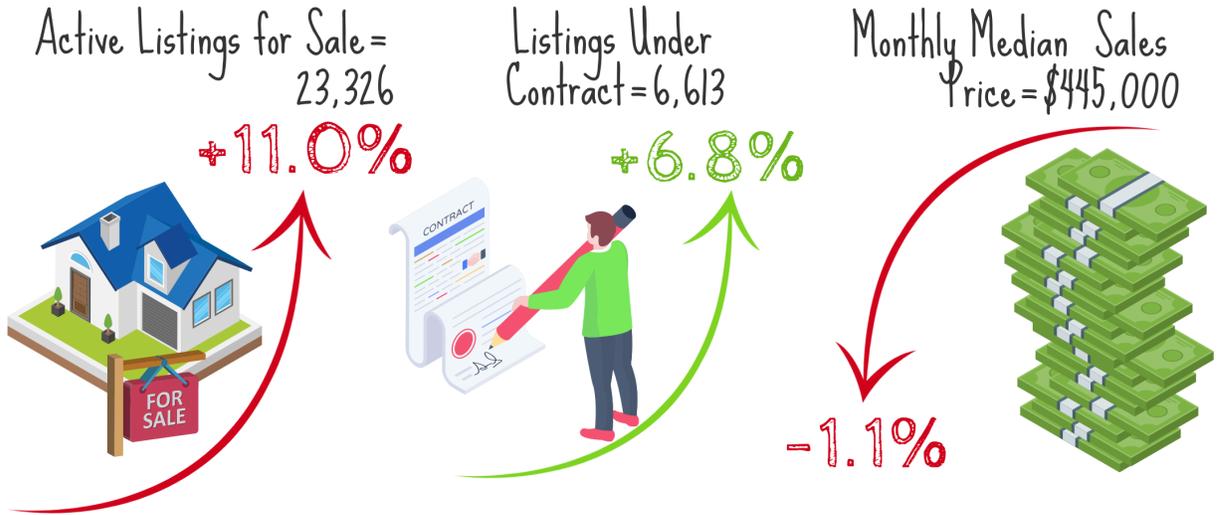


# PHOENIX METRO

## RESIDENTIAL REAL ESTATE

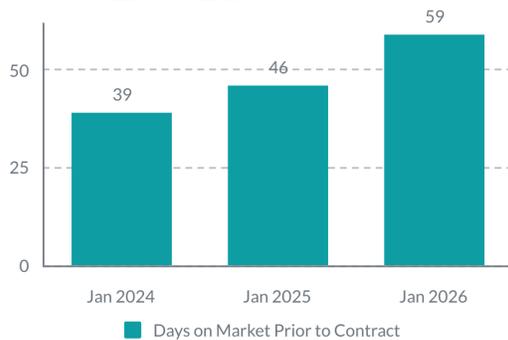
Annual Changes from January 16, 2025 to January 16, 2026



CLOSED SALES  
Total Monthly Sales = 5,089

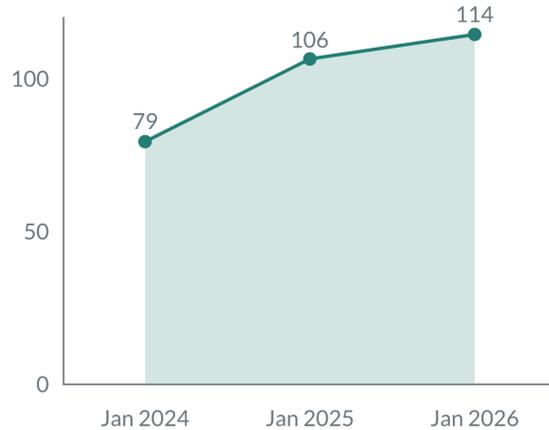


### MEDIAN DAYS BEFORE ACCEPTED CONTRACT



50% of listings placed under contract so far this month had been active for 59 days or more and 50% had been active for 59 days or less.

### DAYS OF SUPPLY



If no new listings were to come on the market, at the current annual rate of sales, inventory would run out in 114 days.

Encompassing the Arizona Regional MLS area, which includes Maricopa County, Pinal County and a small part of Yavapai County

# These Cities Had the Most Sales Growth in 2025

## Affordability Strains Show Signs of Easing

### For Buyers

Happy New Year! Buying season has begun in Greater Phoenix, and it's kicking off with a wave of fresh new listings. In a typical year, January is the most popular month for luxury and retirement community listings to hit the market while March tends to be the peak month for the main stream. Within the first 3-4 weeks of the year, these new listings are met with buyer demand escalating dramatically in January, then tapering off before peaking in April or May.

New listings are coming in weaker than this time last year, but only down 2.5%. That's still stronger than the 5 years from 2020-2024 which had the weakest counts in 25 years for January listings. Listings under \$300K are seeing a significant increase in new supply, up 15% over last year and with nearly 3,800 active listings at this writing, comprising 18% of supply. This is the most affordable range in Greater Phoenix where sales prices are down 2-3% from last year and are continuing to decline. It comprises mostly condos and mobile homes in central cities such as Phoenix and Mesa, and mostly single family homes in the outskirts like Pinal County. All other new listing counts are in line with last year or weaker, which is contributing to a more balanced state between supply and demand as we begin 2026.

A \$300K purchase with FHA is approximately \$1,860/month before taxes and possible HOA. Mortgage payments on properties under \$300K can compete with rent, but not necessarily when tenants are upgrading their living space. For instance, a tenant paying \$2,100 in apartment rent in Scottsdale cannot afford to upgrade to a single family home in the same area for the same monthly payment. However, they may be able to purchase a similar unit in the same area, or they could purchase a single family home in an outer city like Maricopa and commute.

This is where the affordable housing debate can get messy. Listing counts are telling us that the supply of affordable homes under \$300K is rising and sales of those units are also rising (up 7%), suggesting that affordability strains are easing. However, 2025 sales over \$500K were also up 7% while sales within \$300K-\$500K were near identical. If there were truly a lack of affordable homes, then supply under \$300K would be rapidly declining like it did from 2020 to 2022 where there were fewer than 500 for sale, and prices would be rising. But that's not happening. Evidence suggests that it's not a lack of affordable homes to purchase, but an aversion to moving out of a desirable area.

### For Sellers

2025 ended with total annual sales up 3.5%, equivalent to 2,351 more sales through the MLS than in 2024. Local builder reports\* show new home sales down nearly 6% for the year and 2025 permits for new construction were down a significant 21%. Nationally, builder optimism is low for future sales, reportedly due to labor and lot shortages. However, some cities with a lot of builder activity saw sales shoot up the most in 2025.

By number of sales per the Maricopa County Recorder's Office, the following cities saw the biggest jumps in closed sales last year: 1) Goodyear with 414 more sales, up 16%, median price \$486K; 2) Scottsdale with 335 more sales, up 5%, median price \$900K; 3) Peoria with 245 more sales, up 7%, median price \$515K.

By percentage growth of sales, the following mid-sized cities saw the biggest proportional increases: 1) Waddell up 36% with 178 more sales, median price \$468K; 2) Sun Lakes up 32% with 122 more sales, median price \$470K; 3) Anthem up 29% with 64 more sales, median price \$574K.

The 2025 annual median sales price for Greater Phoenix is \$451K, but it's interesting to note that half of the cities with sales growth had considerably higher median prices. Considering that most of 2025 operated with mortgage rates in the high-6% or low-7% range, entering 2026 with rates ranging in the high-5% and low-6% means payments are at least 10-12% lower on the same priced homes from a year ago. This bodes well for first quarter sales in Greater Phoenix in 2026.

While sales are expected to increase, prices are not. Price is the last measure to move when a market shifts, and it can take up to 3-6 months to emerge. Price appreciation remains stagnant in the middle price ranges, rising in upper ranges, and declining under \$400K. Greater Phoenix is pulling out of a buyer's market and edging towards a balanced state, but a seller's market isn't on the horizon yet.

*\*Per RL Brown Reports, a local specialist on new home construction data.*

*Commentary written by Tina Tamboer, Senior Housing Analyst with The Cromford Report  
©2026 Cromford Associates LLC and Tamboer Consulting LLC*