

# CITY OF MARICOPA

## HOUSING OUTLOOK

MARCH  
2013

Prepared by:  
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### SYNOPSIS

For Maricopa, 2012 was an extremely positive year marked by great improvements in the real estate market. Foreclosures dropped to a level below many Valley cities and the housing vacancy rate is currently posting its lowest level since the series started being tracked over two and a half years ago. The City has also experienced significant resale housing price increases over the last 12 months and that trend is expected to continue through 2013. Homebuilding also took strides forward with 312 single family permits issued, a 160% increase over 2011.

### POPULATION

Since 2000, the City of Maricopa has grown from a town of just over 1,000 people to a city with an estimated population of 45,000 residents. Recent U.S. 2010 Census releases of population estimates indicate that the City has grown according to previous estimates, whereas other regions have been revised downward. The Arizona Department of Administration has estimated continued growth of 1.1% in the City for 2012.

Year	Population	% Growth
2004	5,690	13.8%
2005	9,790	72.1%
2006	25,830	163.8%
2007	32,157	24.5%
2008	37,252	15.8%
2009	39,429	5.8%
2010	43,482	10.3%
2011	44,450	2.2%
2012	44,946	1.1%

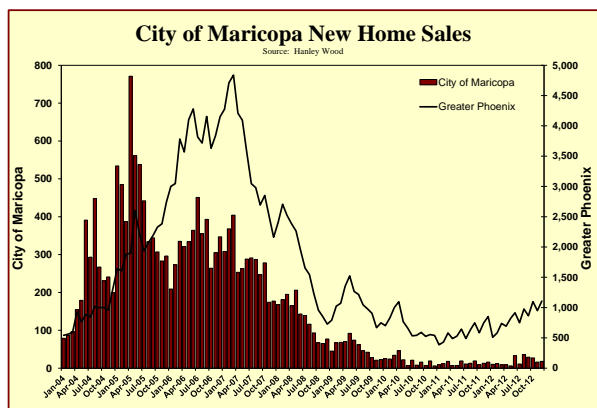
Source: AZ Dept. of Administration; U.S. Census

### HOUSING

The 2011 American Community Survey (ACS) reported 18,498 homes within the City. As of January 2013, vacancy continues to decline and is now estimated at only 5.4% based on the most recent available idle or underutilized connections data received by the local water company. Vacancies have been declining consistently over the last two and a half years.

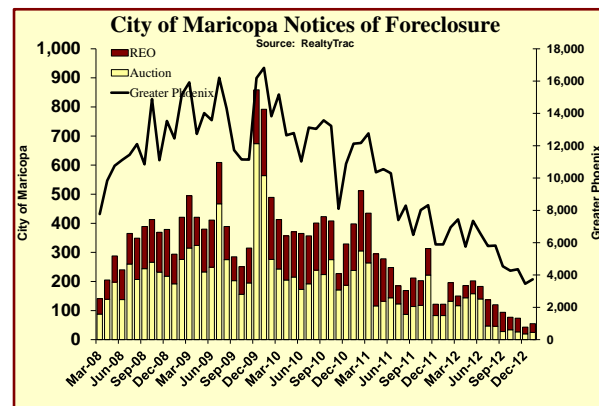
There are also tens of thousands of planned lots within the City and surrounding area. The finished lots and extensive planning efforts by home builders prove the region's mid term outlook for growth.

New home sales in Maricopa have increased over the last 12 months, averaging 18 sales per month. This trend mirrors that of Greater Phoenix as a whole. New home sales growth is expected to continue throughout the year.



On a seasonally adjusted basis, Greater Phoenix added 51,600 jobs in 2012 and 96,500 jobs from the trough of employment reported in September 2010. Positive job growth is expected to continue into the foreseeable future. A continually improving economy will help brighten housing prospects as it eventually induces population growth to the region.

Foreclosures are still happening, but at a rate very similar to other communities in Greater Phoenix. We will likely continue to see more foreclosures occur, though overall volumes are down significantly from one year ago and analysts believe we are now more than 85% through the foreclosure boom.



Many other communities across the nation continue to experience the same economic recovery and foreclosure issues that are being realized within the City of Maricopa.

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There are 560 homes listed in Maricopa on the ARMLS as of March 1<sup>st</sup>, 2013. Current listings are quite low, comparable to early 2006 levels. Compared to recent sales activity, supply stands at 4.0 months, which is slightly higher than most major cities in the Greater Phoenix region but very healthy by historic standards.



Through January, an estimated 29.6% of homes for sale are in some stage of foreclosure, which is a drastic improvement from one year ago at 61.3% and 83% at mid-year 2009.

**The percentage of listed homes in foreclosure within the City of Maricopa is now lower than many other cities in the Valley and has declined greatly over the past six months.** On a percentage basis, the City of Maricopa's distressed inventory is now lower than Phoenix, Casa Grande, Gilbert, and Glendale.

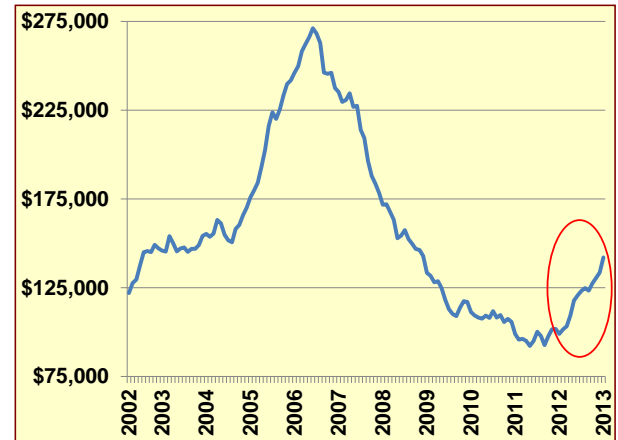
## GREATER PHOENIX LISTINGS BY STATUS MARCH 1, 2013

City	Traditional Sale	Pre-Foreclosure	REO/Foreclosed	Total in Foreclosure
Avondale	99 51%	80 41%	16 8%	96 49%
Buckeye	326 71%	106 23%	28 6%	134 29%
Casa Grande	206 68%	55 18%	41 14%	96 32%
Gilbert	476 66%	194 27%	56 8%	250 34%
Glendale	325 59%	178 32%	52 9%	230 41%
Laveen	75 51%	56 38%	15 10%	71 49%
<b>Maricopa</b>	<b>394 70%</b>	<b>110 20%</b>	<b>56 10%</b>	<b>166 30%</b>
Phoenix	2,049 69%	725 24%	206 7%	931 31%
Queen Creek	589 71%	175 21%	71 9%	246 29%

Source: The Cromford Report; ARMLS

The declining inventory of distressed housing has resulted in a significant increase in resale prices. Resale prices have increased 44% year over year and are now 54% higher than the trough which occurred back in May 2011. Price increases are expected to continue over the next two years.

## CITY OF MARICOPA MEDIAN RESALE PRICES



## SHORT TERM PERMIT FORECASTS

In 2012, Pinal County accounted for 10.2% of Greater Phoenix permits and the City captured 2.7%, or 312 permits. Maricopa's permitting experienced a 160% increase over 2011 and higher activity has continued into the first months of 2013. The City is likely to capture higher rates of Greater Phoenix permits over time as well.

Greater Phoenix as a whole saw a resurgence of permit activity in 2012, increasing 71.5%. Due to this unexpected increase, many have upwardly revised community forecasts throughout the region. While a complete recovery is still not expected until 2016, interim years will show impressive rates of growth. Communities such as Maricopa should prepare once again for higher development related activity.

The longer term outlook is very promising as well. It is expected that housing permits will see double digit growth over the next 3 to 4 years, which will eventually lead to a recovered market.

## CITY OF MARICOPA HOUSING PERMITS

	Conservative	Baseline	Aggressive
2013	180	350	560
2014	200	450	720
2015	350	750	1,250
2016	600	1,050	1,750
2017	600	1,050	1,750

Source: Elliott D. Pollack & Co.; U of A; RL Brown; City of Maricopa; GPBC