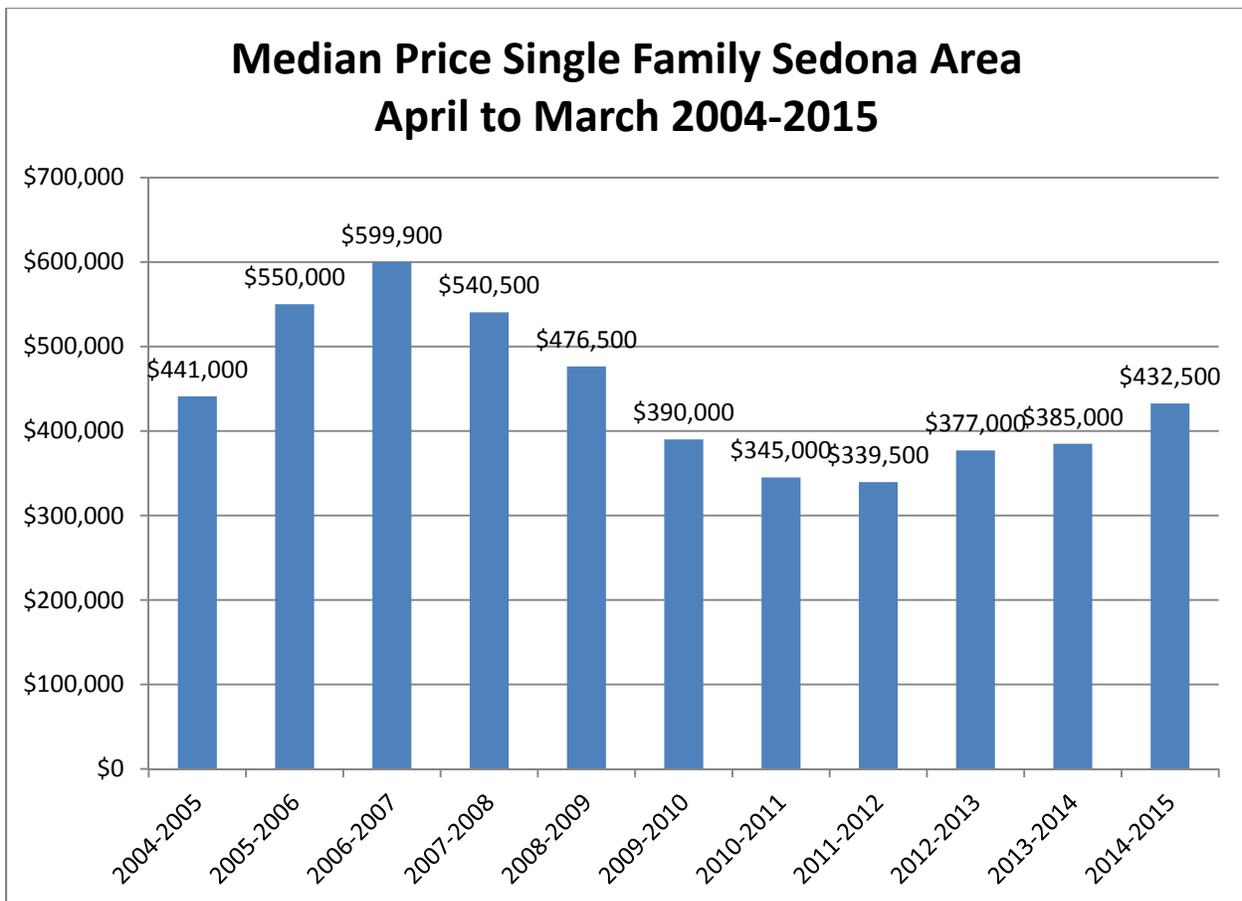


Sedona and Verde Valley Real Estate

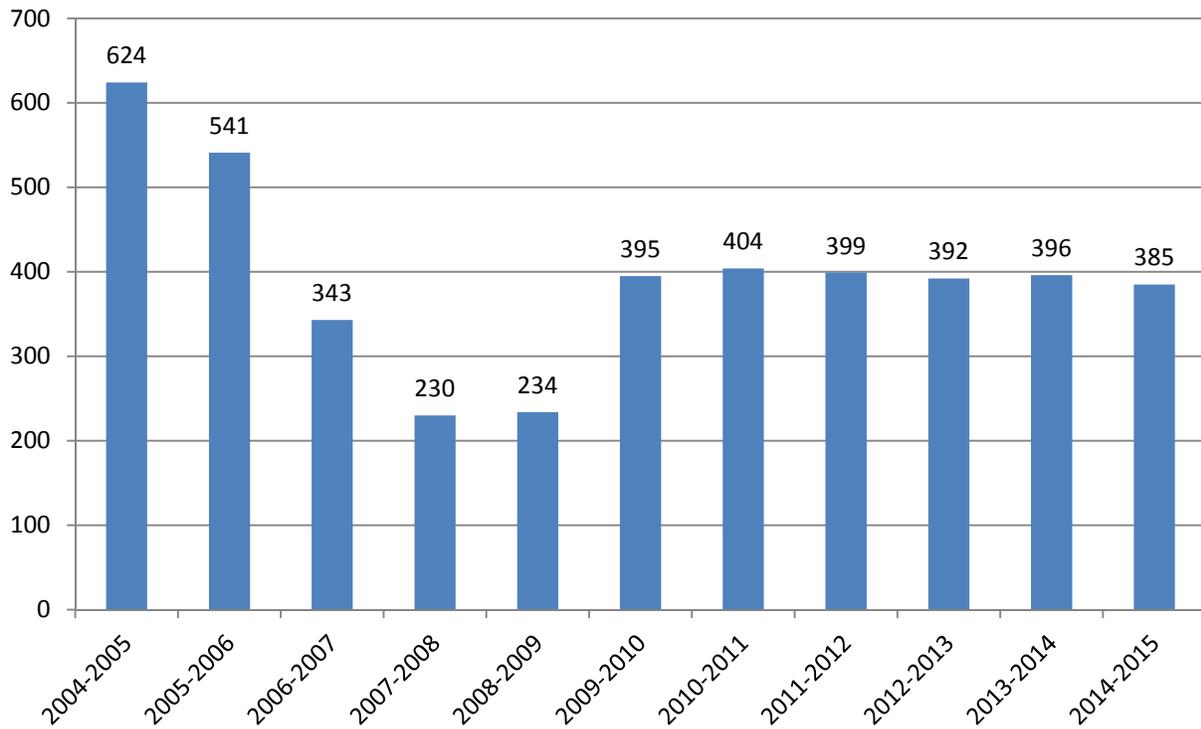
First Quarter 2015

For Sedona and the Verde Valley all areas continue to see a year over year increase in the median sales of single family homes, the bell weather of the real estate market. For the Sedona area the year over year increase as of the first of April 2015 was 12%. For the same time period the Cottonwood and Cornville area saw a 14% increase, Camp Verde area saw a 17% increase and the Rimrock Lake Montezuma area saw a 2% increase.

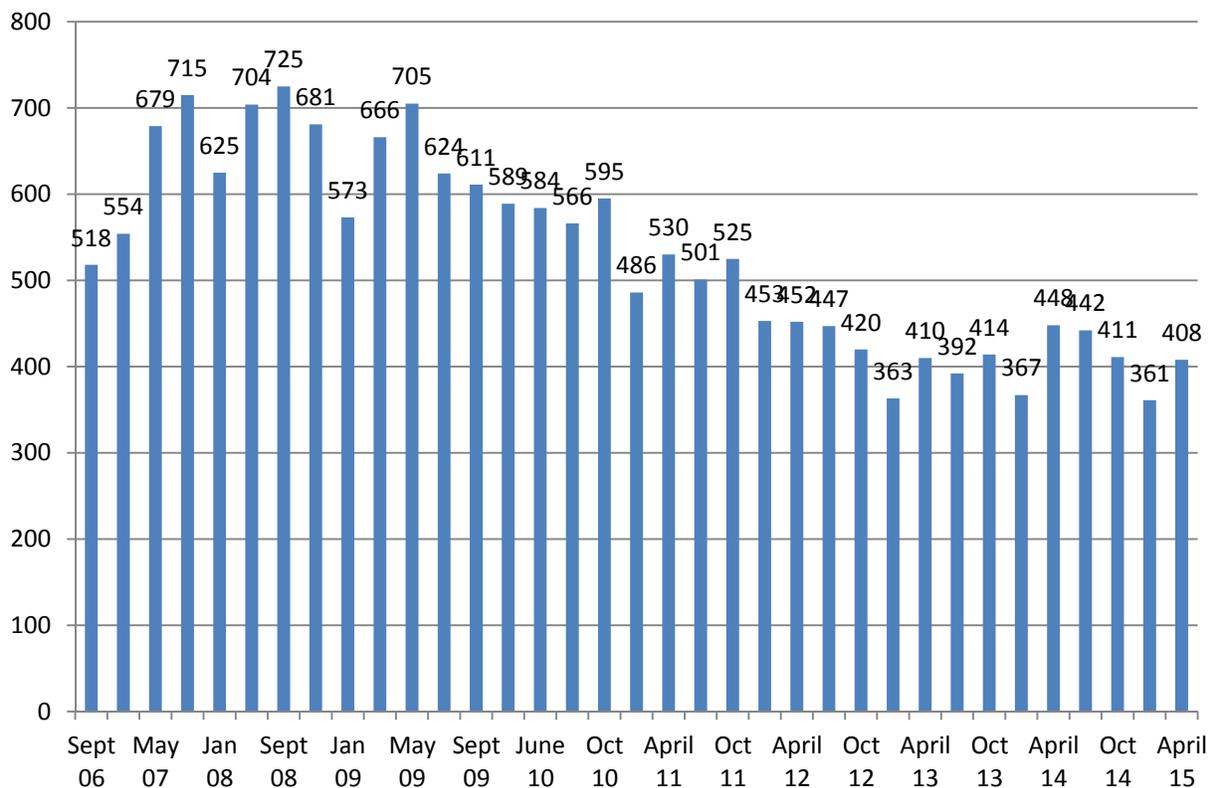


Under most circumstances an increase in prices would go hand in hand with an increase in demand and a decrease in inventory. But not so in Sedona and the Verde Valley. For the Sedona area over the last 5 years the number of sales for single family homes has virtually remained static at right around 400 sales per year. While we have seen a decrease in the amount of inventory since the dark years of 08 and 09 inventory has remained steady over the last three years with around 360 units in January of those years and increasing in the spring and early summer.

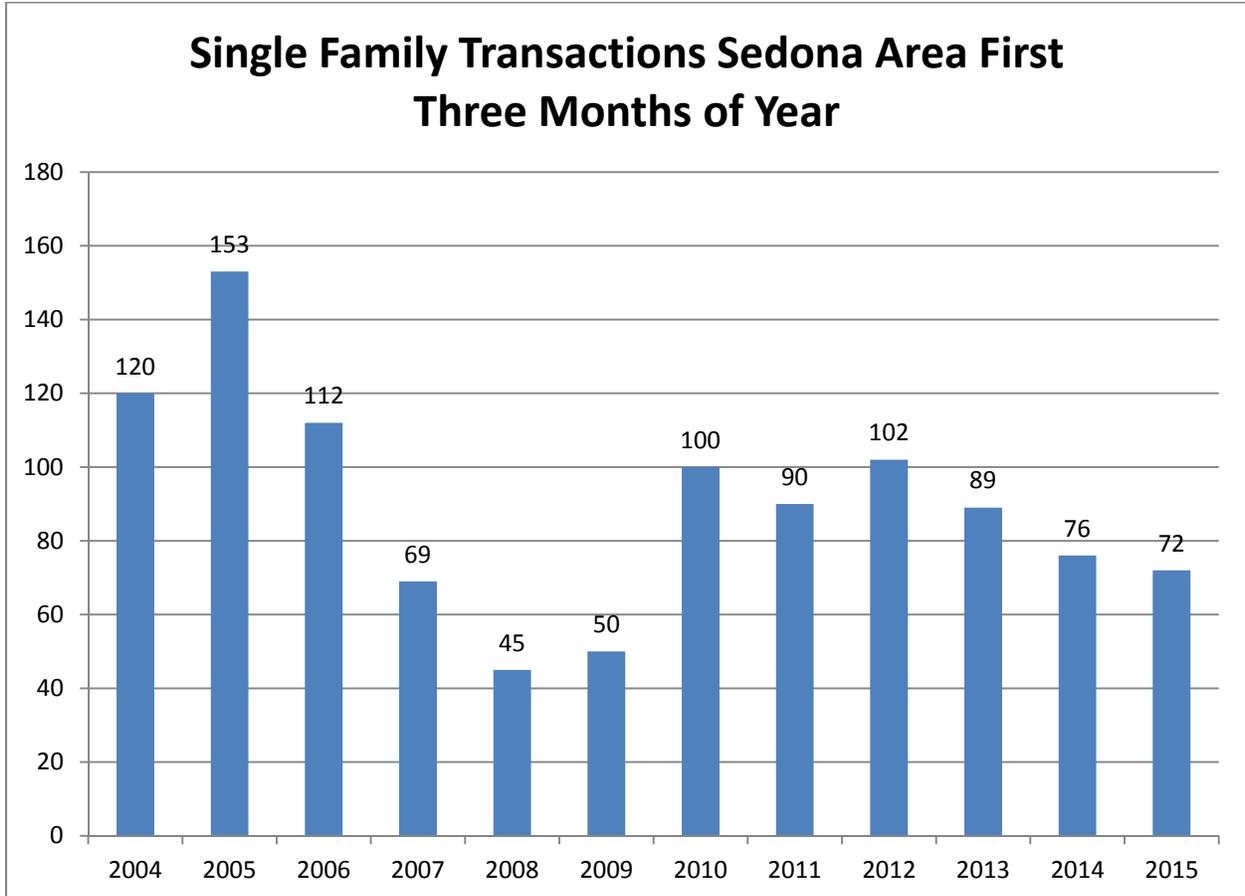
Single Family Transactions Sedona Area April to March 2004-2015



Sedona Residential Inventory



An interesting trend that bears keeping an eye on is the number of sales in the first quarter of the year. We all realize that closed sales in the first quarter represent sales that went under contract during the slowest time of the year, December, January and February. For the most part March sales do not show up until April. For the last three years in the Sedona area, sales of single family homes in the first quarter have been on a steady decline. In 2012 there were 102 sales of single family homes, in the first quarter of 2015 there were 72 sales, a 29% decrease.



It will be interesting to see if sales can recover for the rest of the year like they have done in the last several years or if we end up fewer sales for the entire year. Sales for the first quarter of the year in Rimrock-Lake Montezuma were off 50% from 2014 with only 11 sales. The only area in the Verde Valley to see an increase in first quarter sales was the Cottonwood - Cornville areas which saw a 30% increase in the number of sales to 121 up from 93 in 2014. We will see if this trend continues to provide a substantial increase in sales for 2015.

A couple of other items to keep an eye on. The cumulative days on market increased 30% year over year from 115 to 150 days. If this trend continues this along with increasing inventory it could have a dampening effect on the price increases we have seen over the last several years. Just to note in the Sedona area since the bottom of the market in 2011-12 the median sales price has increased a total of 27%, not too shabby.

The other item of note in the Sedona market first quarter sales was the number of sales in the \$500,000 to \$750,000 price. In the first quarter there were only 7 sales in the

\$500,000 to \$750 range compared to 96 sales in 2014. If this trend continues I would expect to see price reductions in this segment of the market as we head into the fall selling season.

As a side note, foreclosures and short sales continue to have a lessening impact on the market as we see the increase in prices. Foreclosures initiated continue to decline to normal market numbers, resulting in smaller numbers of foreclosure sales. In January of 2015 there were only two closings of distressed sales in the entire Verde Valley

Just the Facts: Please note the following statistics are for the 12 month period 4/1/14 to 3/31/15 and are compared to the previous 12 month period 4/1/13 to 3/31/14

Sedona area: The median price of a single family home rose 11.2% over the previous 12 month period. The number of transactions in the last 12 month period dropped to 385 transactions, down 2% from the previous 12 month period.

Vacant land transactions for the last 12 month period came in at 136 transactions slightly down from the previous 12 months of 140 transactions. Vacant land prices dropped in the last 12 month period to a median sales price of \$150,000, down from \$165,700 for the previous 12 months. Vacant land sales overall are still very soft and have not seen any real strength in the market.

The luxury market, over \$1,000,000, 35 sales in the last 12 month period up from 25 in the previous 12 months. There is some concern in this segment of the market since in the first quarter there were only six sales over \$1,000,000 reported.

Cumulative days on the market saw a 30% increase in the last 12 month period jumping to 150 days. As prices increase and sellers see those increases they are trending at higher asking prices which have been meeting with resistance from the buyers in the market.

The median sales price for Condos and Townhomes in the Sedona area rose to \$256,500 over the last 12 month period up from \$196,500 at the bottom of the market, a 31% increase.

Camp Verde:

The median sales price for single family homes in the Camp Verde area rose 16.7% in the last 12 month period over the previous 12 month period. The number of transactions is down to 81 transactions over the last 12 months compared to 102 from the previous 12 month period.

Lake Montezuma and Rimrock:

The median sales price for single family homes in the Rimrock and Lake Montezuma area rose slightly to \$131,000 just up 2% over the previous 12 month period. Number of transactions for the last 12 months was down to 69 sales in the last 12 months compared to 84 for the previous 12 months, an 18% drop.

Cottonwood and Cornville:

The median sales price for single family homes in the Cottonwood and Cornville area rose to \$195,000 for the last 12 months. Up just under 15% over the previous 12 month period. The number of transactions was steady at 477 sales for the last 12 months.

The Bottom Line: Prices are continuing to increase in all areas of the Verde Valley with the largest increases in the Cottonwood/Cornville and Camp Verde markets, with Sedona not too far behind. Year over year numbers of transaction have remained steady for the last 5 years but sales in the first quarter were the lowest in 5 or 6 years and will have some catching up to do in the next couple of quarters to keep sales on track. Vacant land sales are still very soft with some recovery in the Cottonwood market but just down right anemic in Camp Verde and Rimrock. Interest rates still remain low and are necessary to keep the residential market steady; we should not see a lot of increase for the rest of 2015. Inventory took its seasonal rise but we will need to see more sales for prices to continue to rise. It appears to be more of the same for the rest of 2015.

YTD 2015 Verde Valley Residential Sold vs Active.xls

Price Range	Sedona		Cottonwood		Camp Verde		Rimrock Lake Montezuma		Verde Valley	
	Sold	Active	Sold	Active	Sold	Active	Sold	Active	Sold	Active
0 - 199K	12	18	85	130	24	42	13	43	134	233
200K - 299K	26	35	27	109	4	20	2	11	59	175
300K - 399K	30	69	3	51	0	15	0	6	33	141
400K - 499K	17	71	2	17	1	12	0	0	20	100
500K - 749K	7	101	0	18	0	5	0	0	7	124
750K - 999K	9	46	0	7	1	0	0	0	10	53
1 Mil - 1.49 Mil	5	42	0	3	0	0	0	0	5	45
1.5 Mil - 1.99 Mil	1	14	0	3	0	0	0	0	1	17
2 Mil - 2.49 Mil	0	3	0	0	0	0	0	0	0	3
2.5 Mil & Over	0	9	0	0	0	0	0	1	0	10
Sold vs Active 0 - 499,999	85	193	117	307	29	89	15	60	246	649
Sold vs. Active 500K - 999,999	16	147	0	25	1	5	0	0	17	177
Sold vs Active 1 Mil & Over	6	68	0	6	0	0	0	1	6	75
Totals	107	408	117	338	30	94	15	61	269	901

Provided Courtesy of Randy Crewse ERA Real Estate Professionals

Data Source: SVVAR MLS as of April 4, 2015

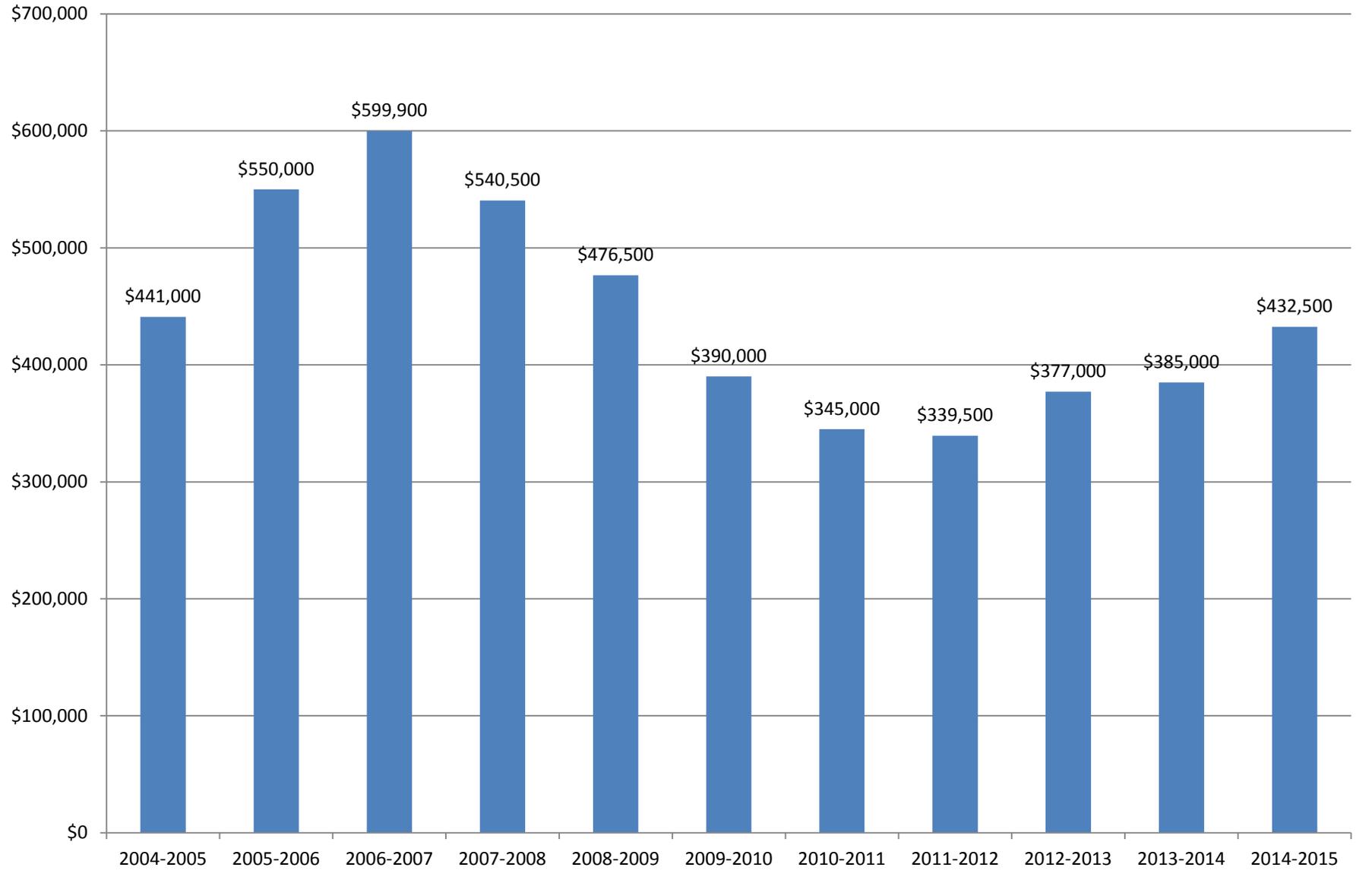
YTD 2015 Verde Valley Vacant Land Sold vs Active.xlsx

Price Range	Sedona		Cottonwood		Camp Verde		Rimrock	Lake	Verde Valley	
	Sold	Active	Sold	Active	Sold	Active	Montezuma	Montezuma	Sold	Active
0 - 99K	5	33	18	156	3	85	6	165	32	439
100K - 199K	11	118	1	101	0	16	0	8	12	243
200K - 299K	7	81	0	17	0	8	0	3	7	109
300K - 399K	1	20	0	9	0	4	0	2	1	35
400K - 499K	1	30	0	5	0	2	0	1	1	38
500K - 749K	1	21	0	4	0	1	0	0	1	26
750K - 999K	1	11	0	6	0	0	0	0	1	17
1 Mil - 1.49 Mil	0	9	0	3	0	2	0	0	0	14
1.5 Mil - 1.99 Mil	0	7	0	4	0	2	0	0	0	13
2 Mil - 2.49 Mil	0	2	1	0	0	0	0	0	1	2
2.5 Mil & Over	0	4	0	5	0	0	0	0	0	9
Sold vs Active 0 - 499,999	25	282	19	288	3	115	6	179	53	864
Sold vs. Active 500K - 999,999	2	32	0	10	0	1	0	0	2	43
Sold vs Active 1 Mil & Over	0	22	1	12	0	4	0	0	1	38
Totals	27	336	20	310	3	120	6	179	56	945

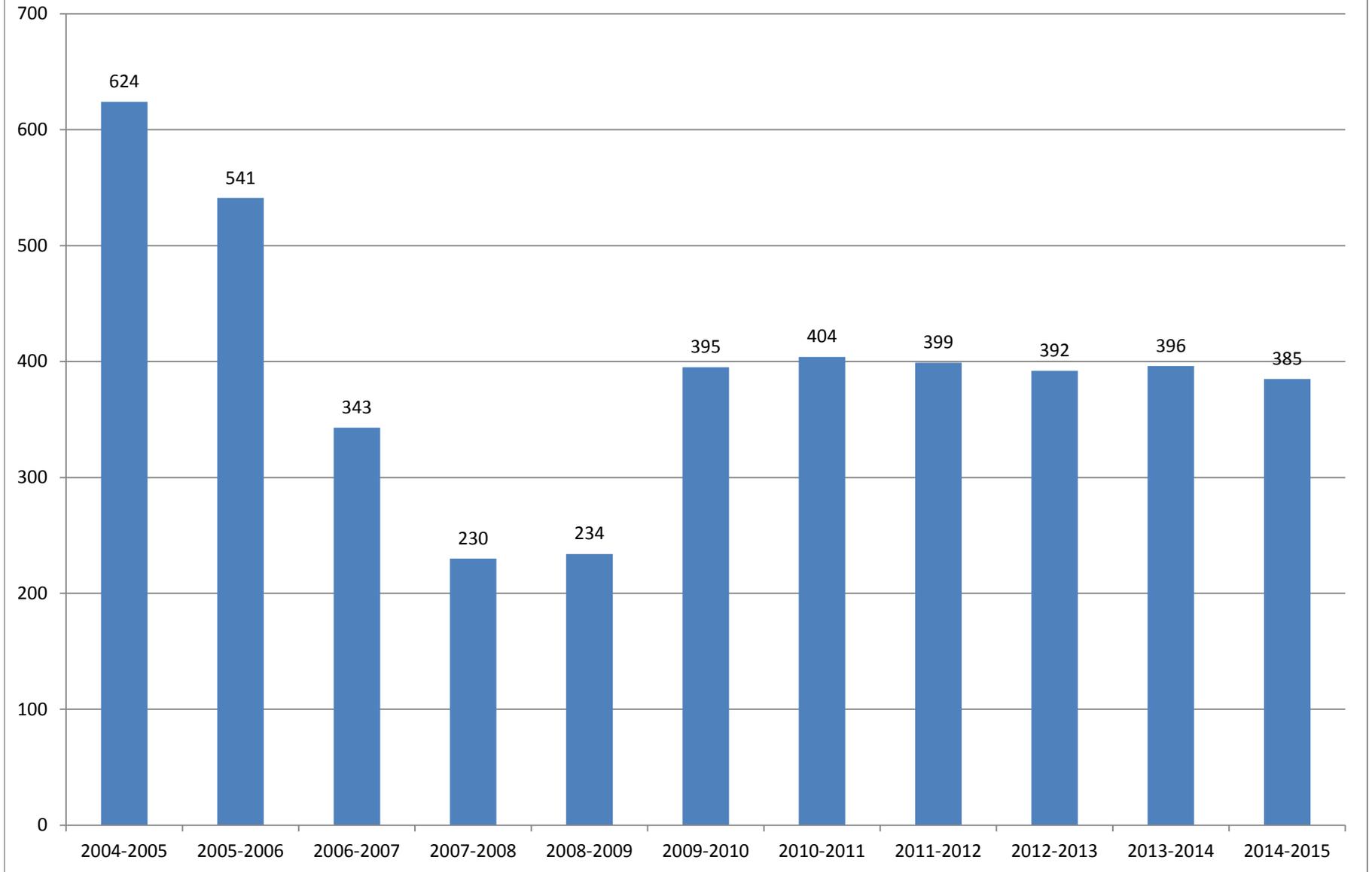
Provided Courtesy of Randy Crewse ERA Real Estate Professionals

Data Source: SVVAR MLS as of April 4, 2015

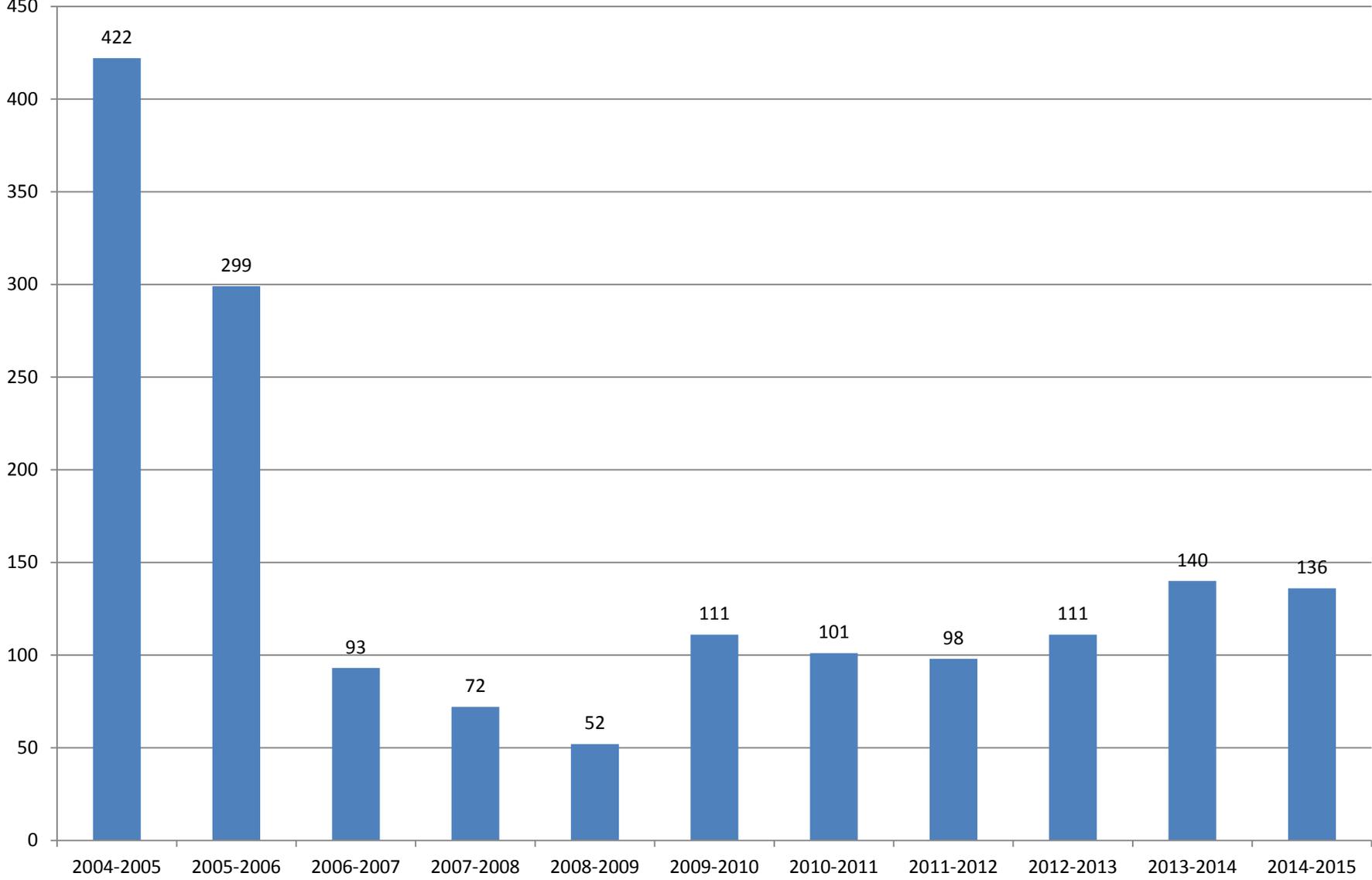
Median Price Single Family Sedona Area April to March 2004-2015



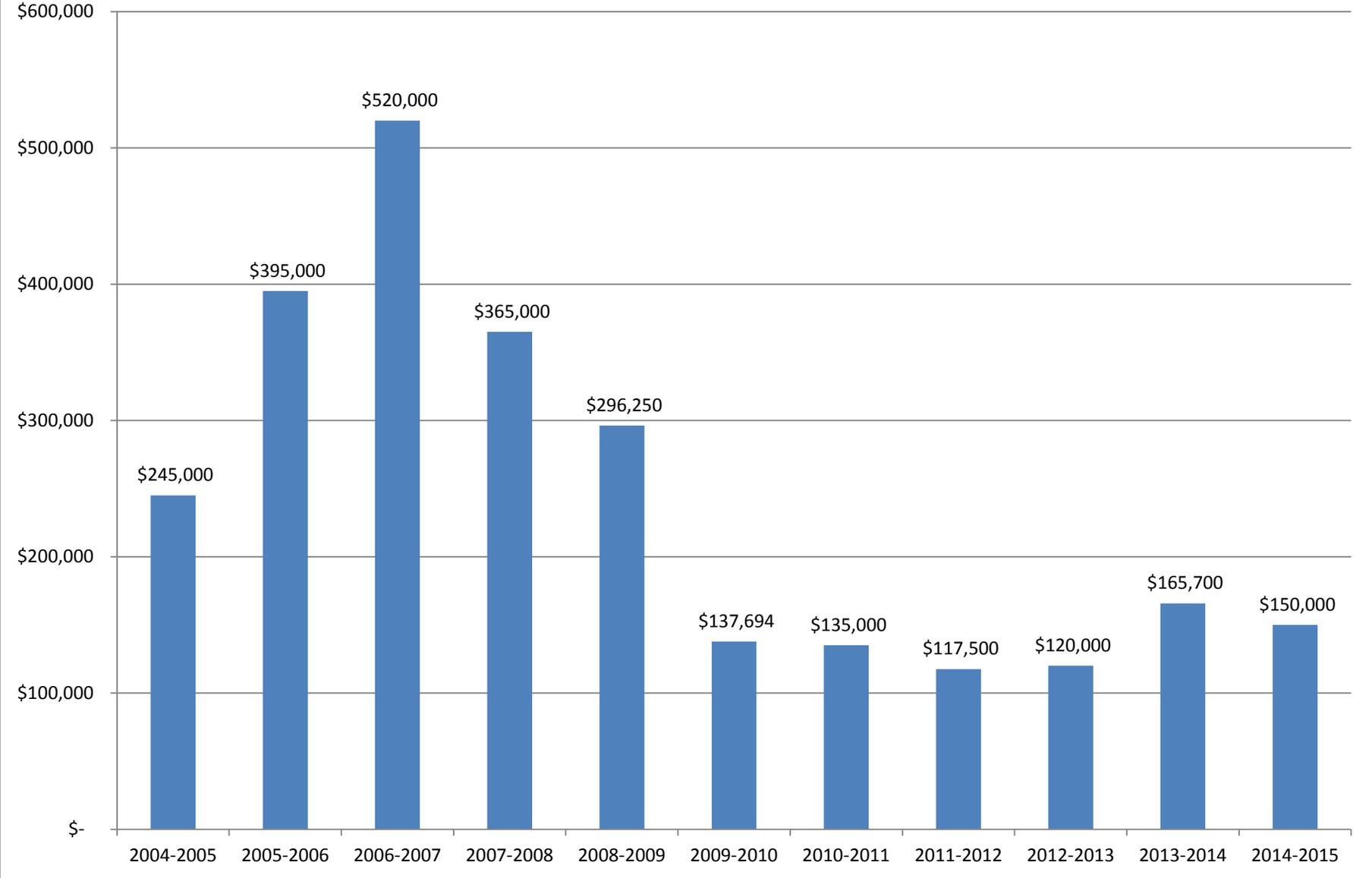
Single Family Transactions Sedona Area April to March 2004-2015



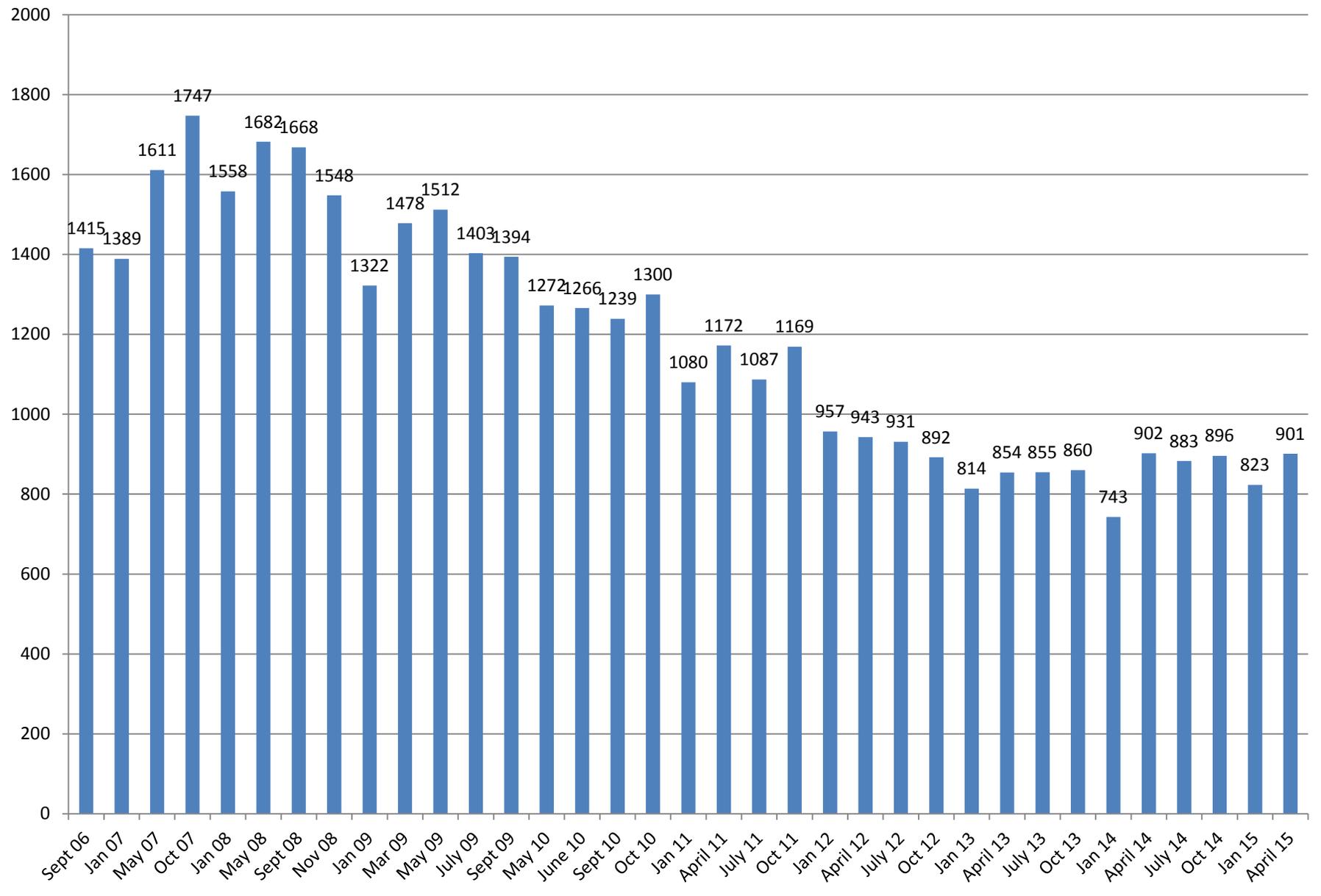
Vacant Land Transactions Sedona Area April to March 2004-2015



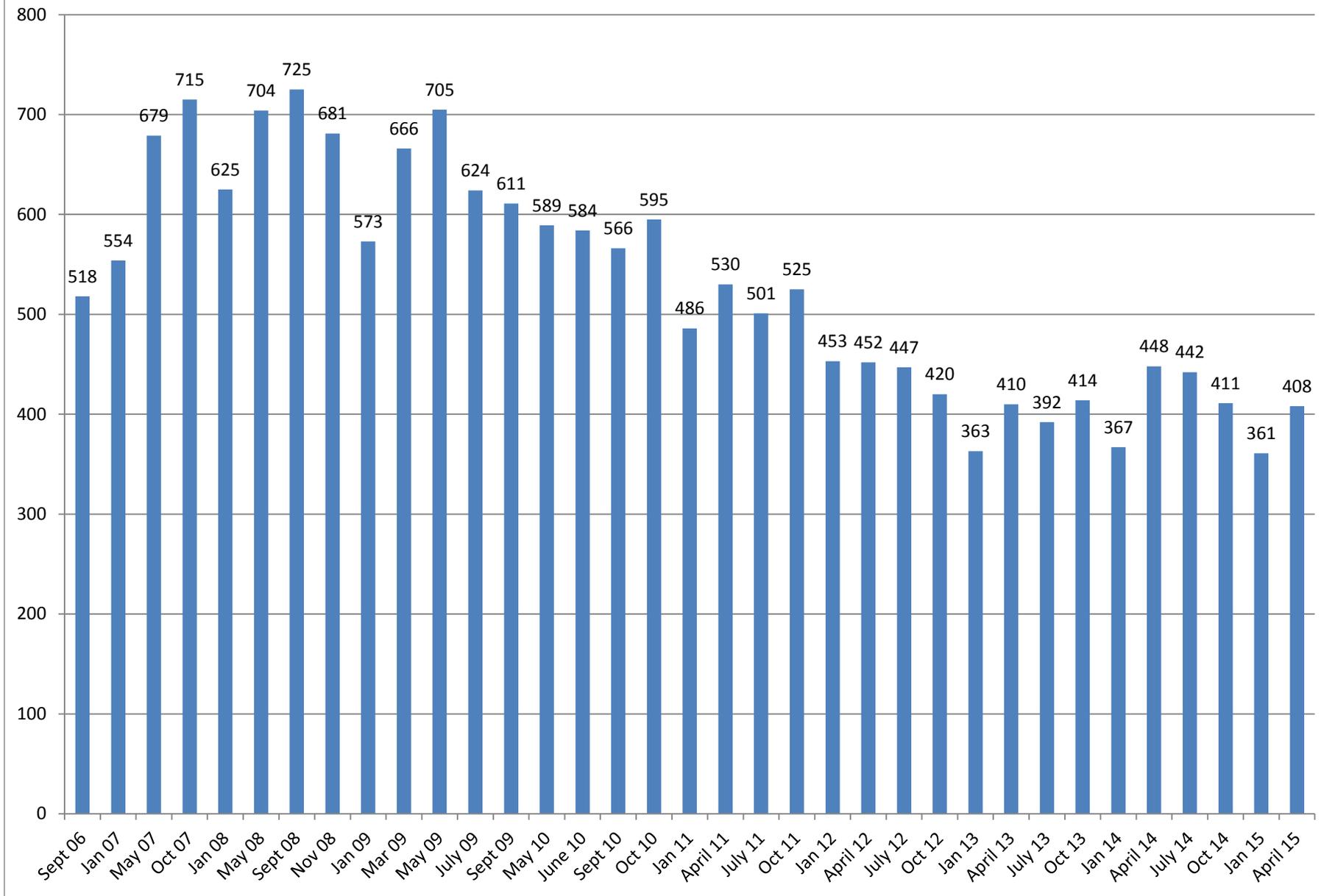
Median Sales Price Vacant Land Sedona Area April to March 2004-2015



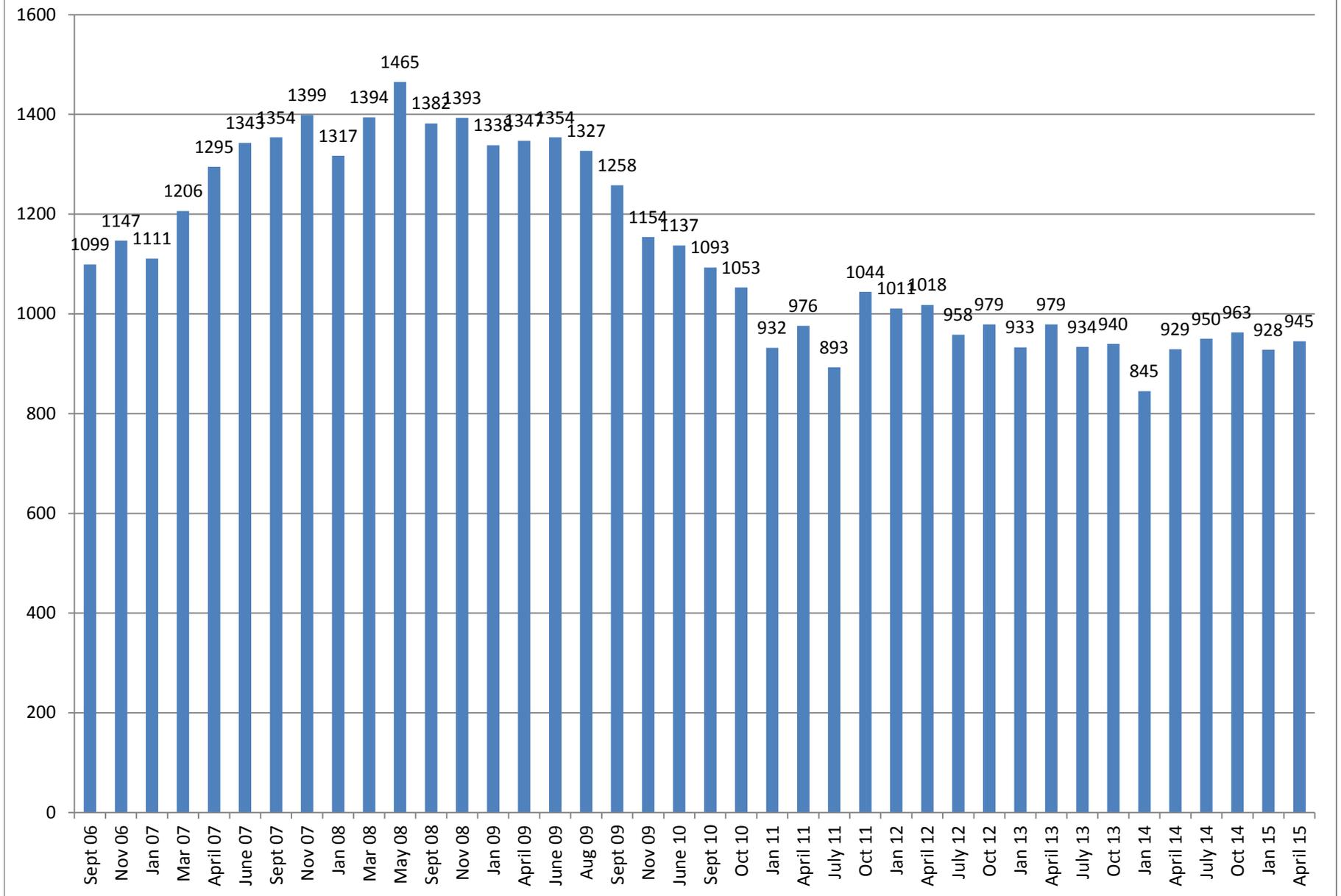
Verde Valley Residential Inventory



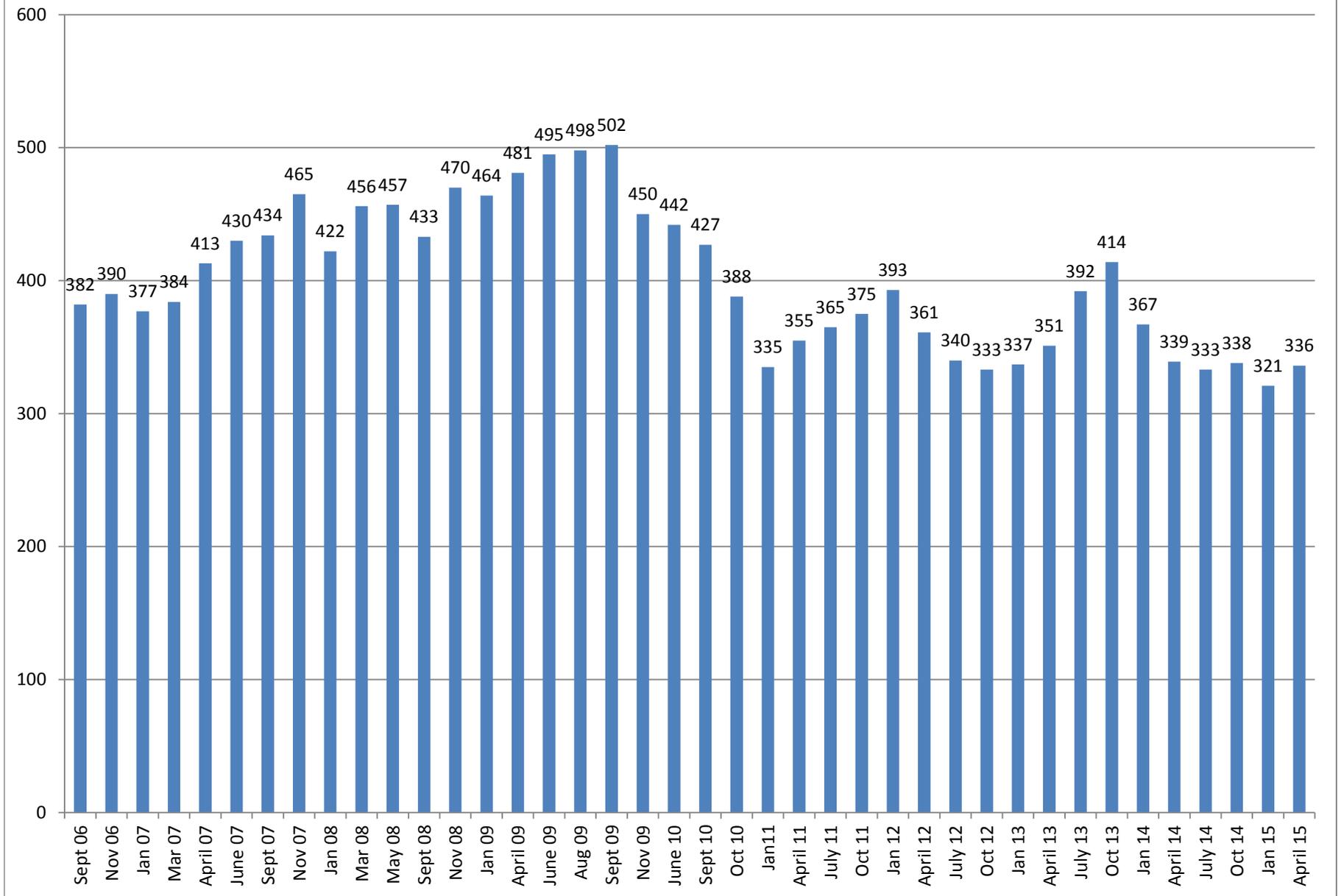
Sedona Residential Inventory



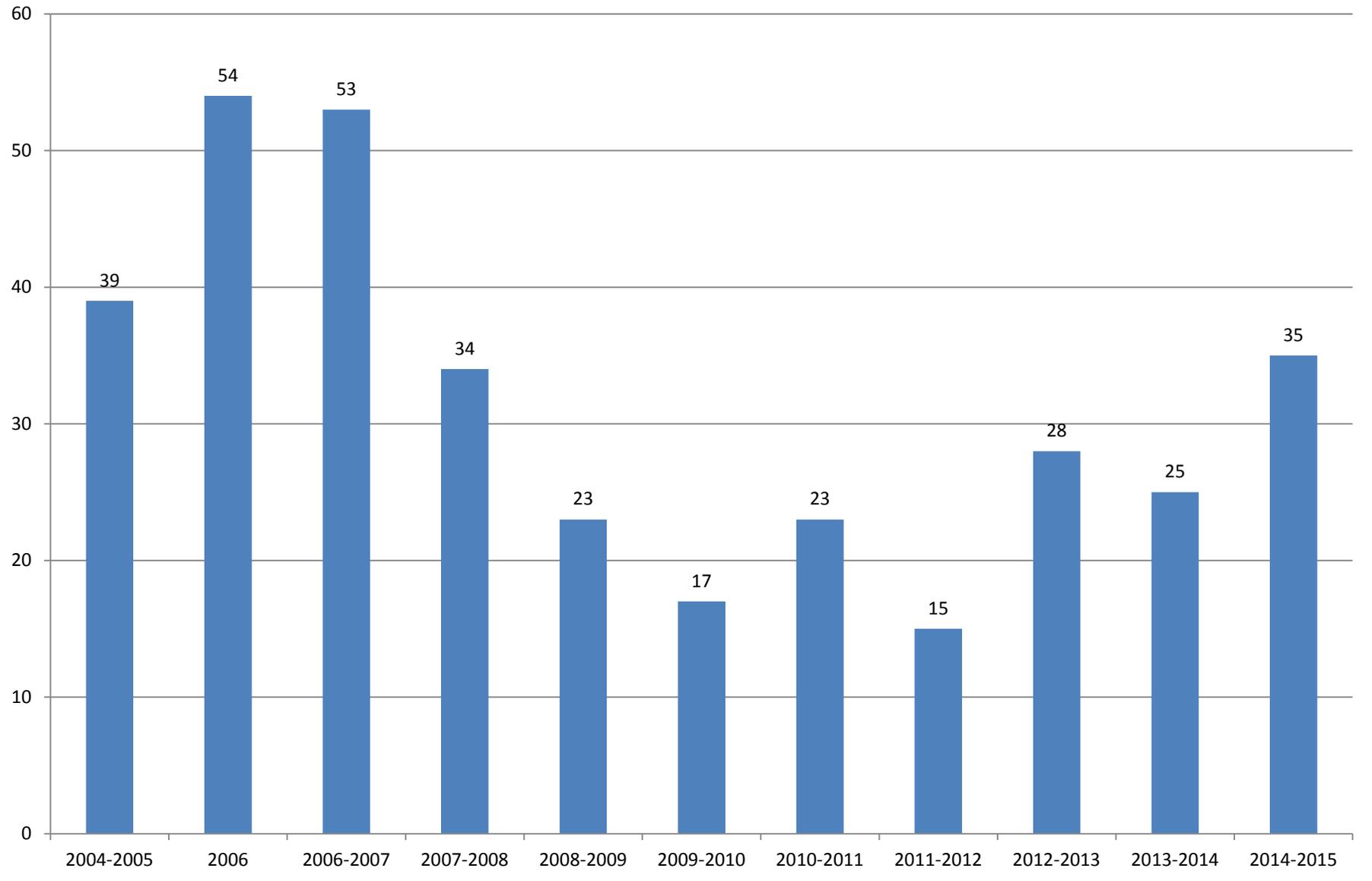
Verde Valley Vacant Land Inventory



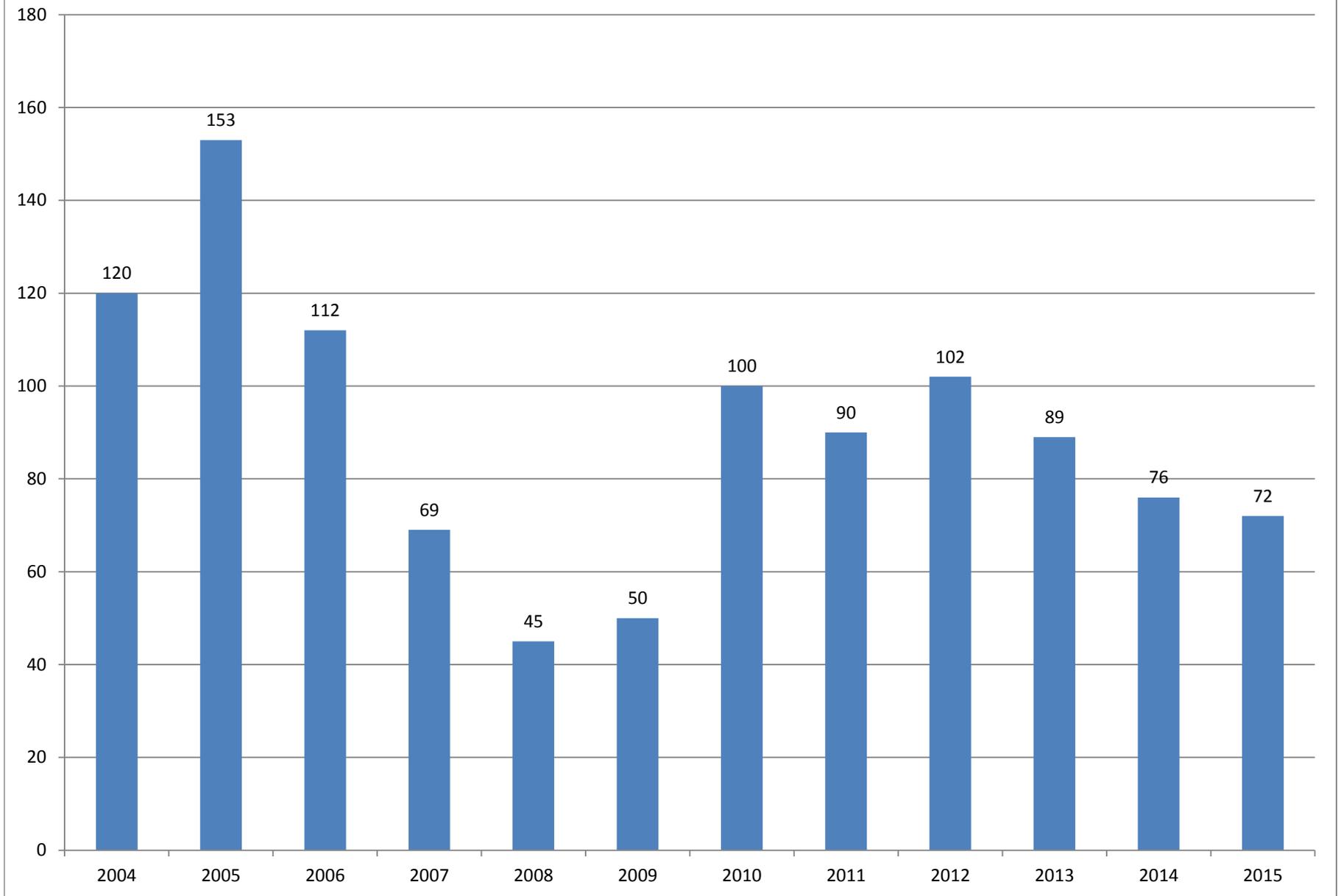
Sedona Vacant Land Inventory



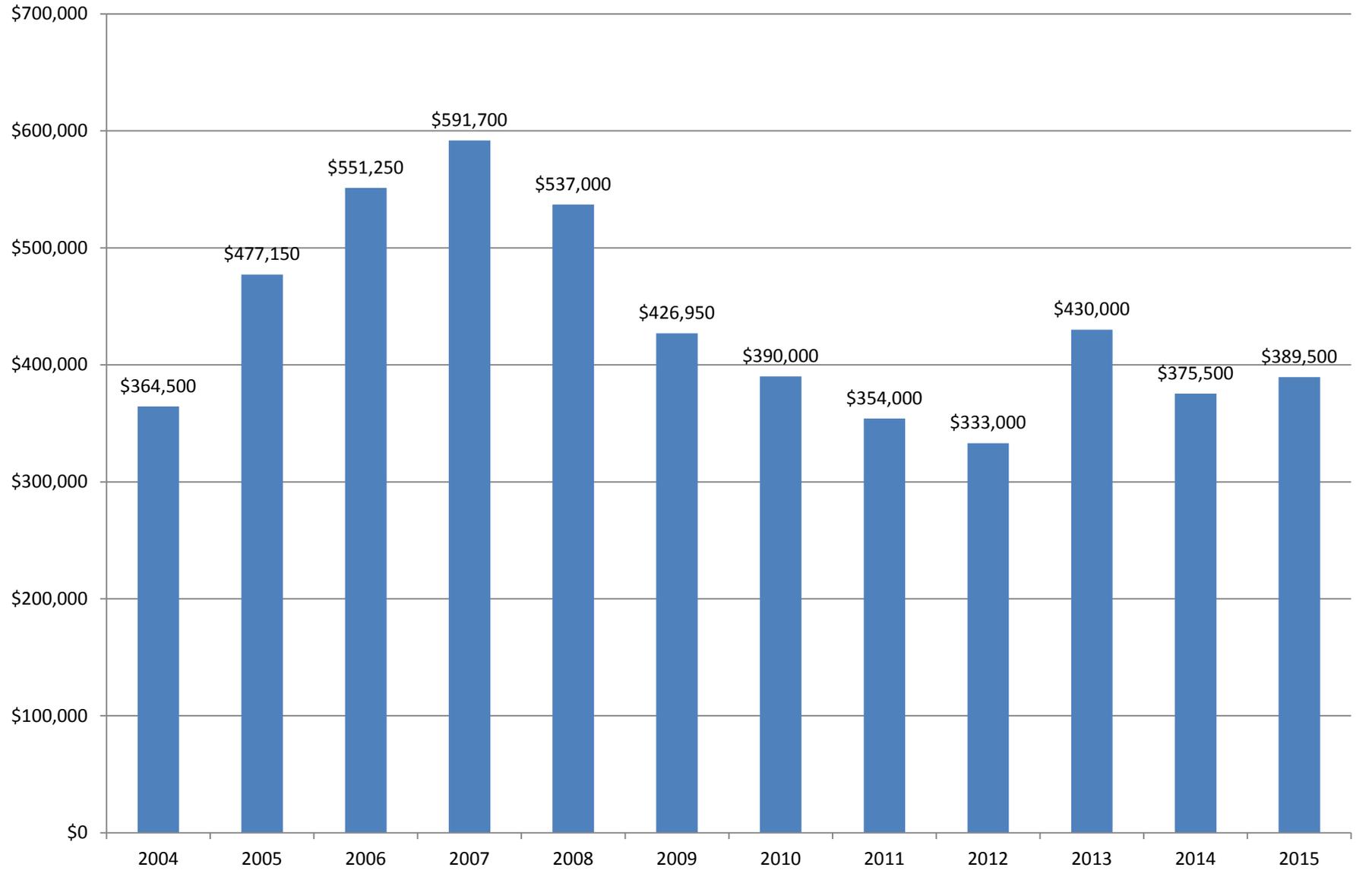
Single Family Transactions Above \$1,000,000 Sedona Area April to March 2004-2015



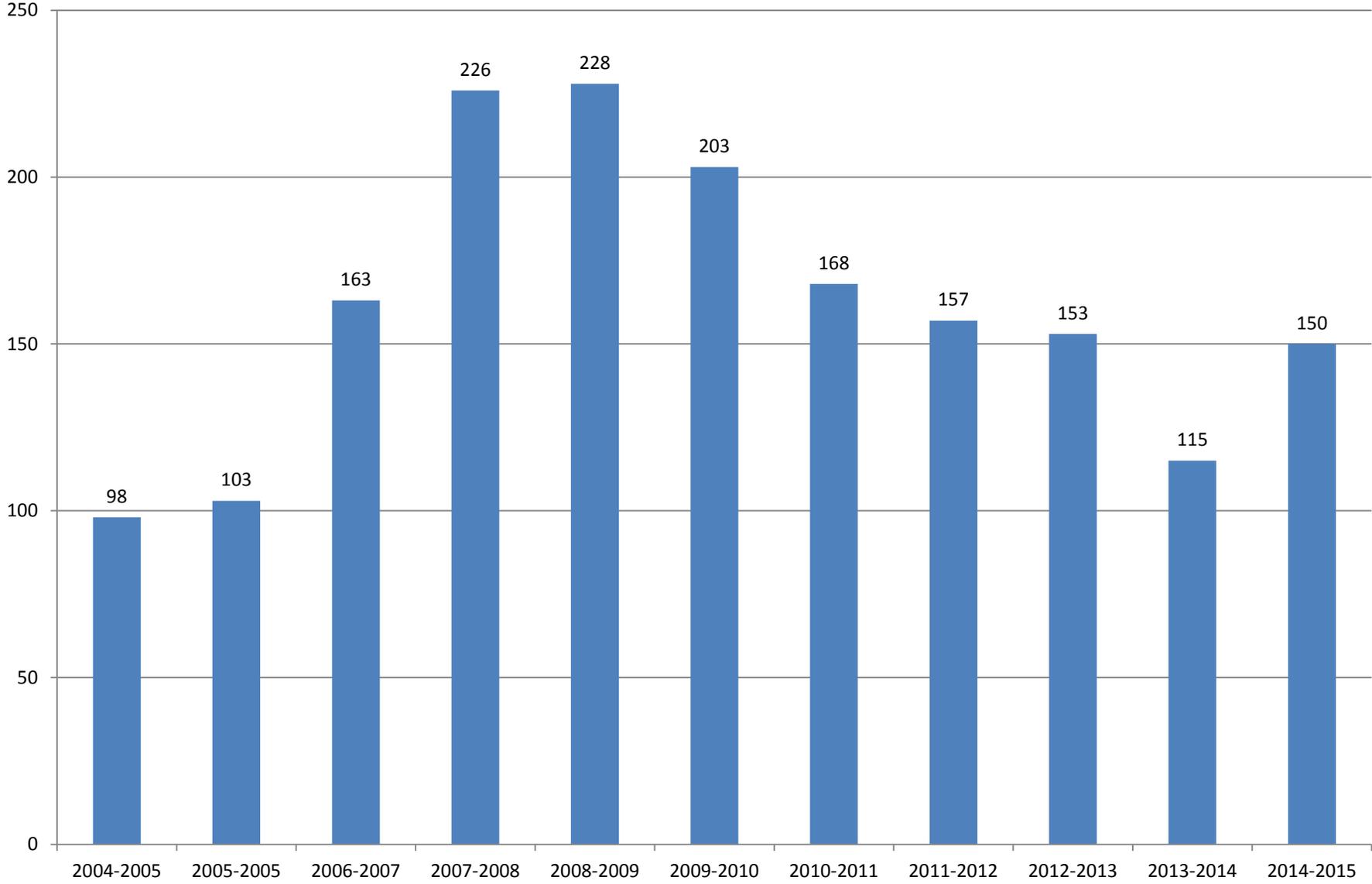
Single Family Transactions Sedona Area First Three Months of Year



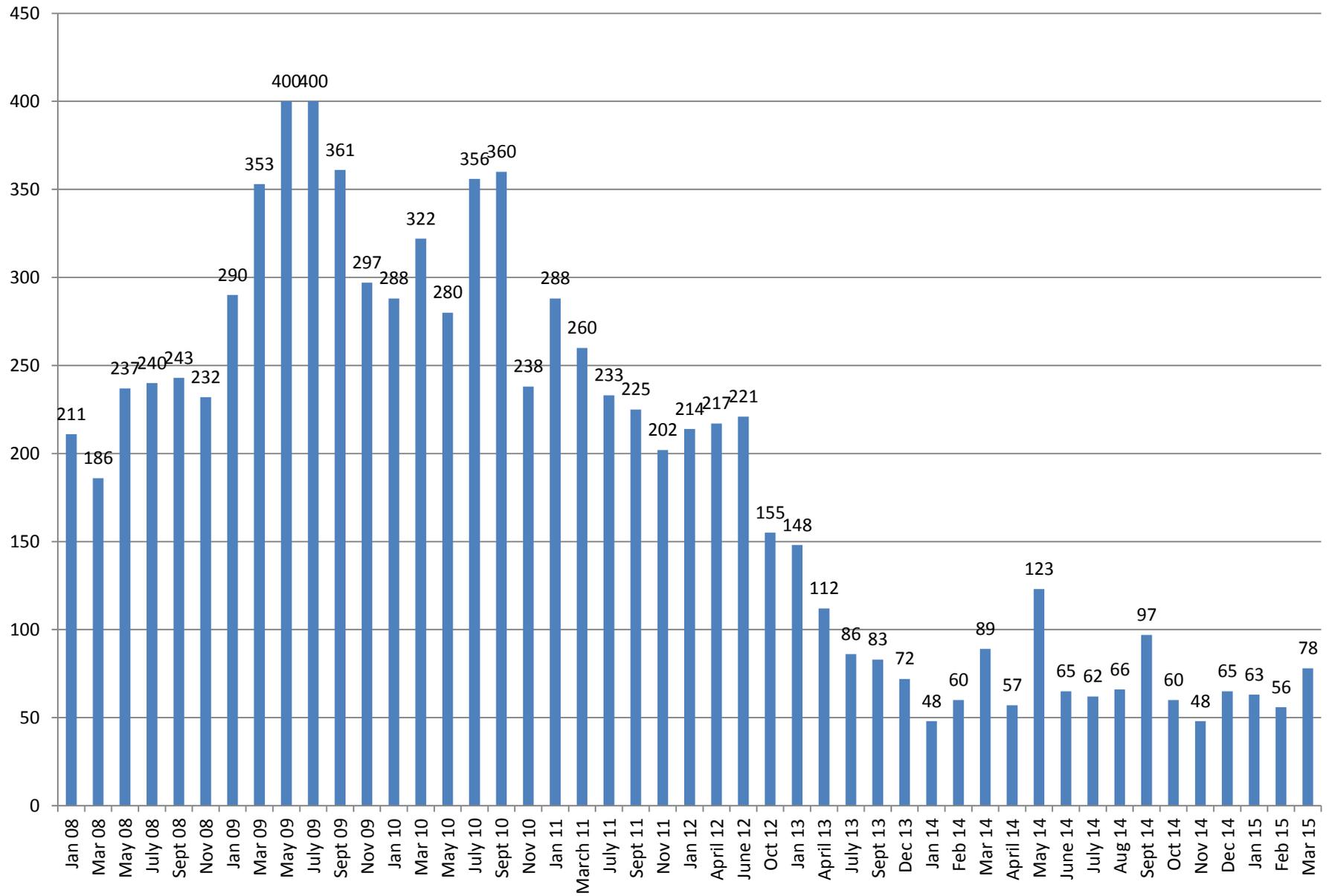
Median Sales Price Single Family Sedona Area First Three Months of Year



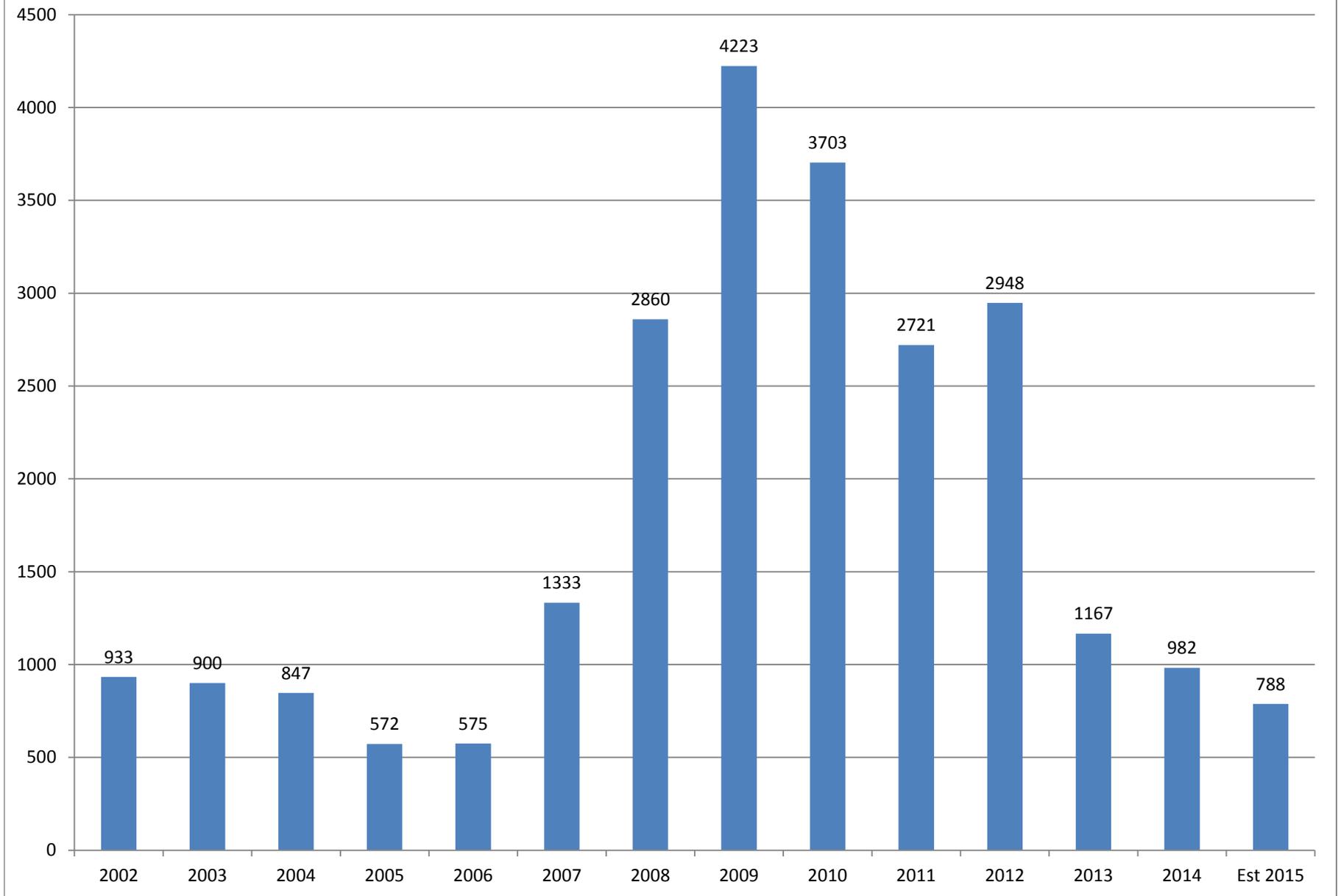
Cumulative Median Days on Market for Single Family Sedona Area April to March 2004-2015



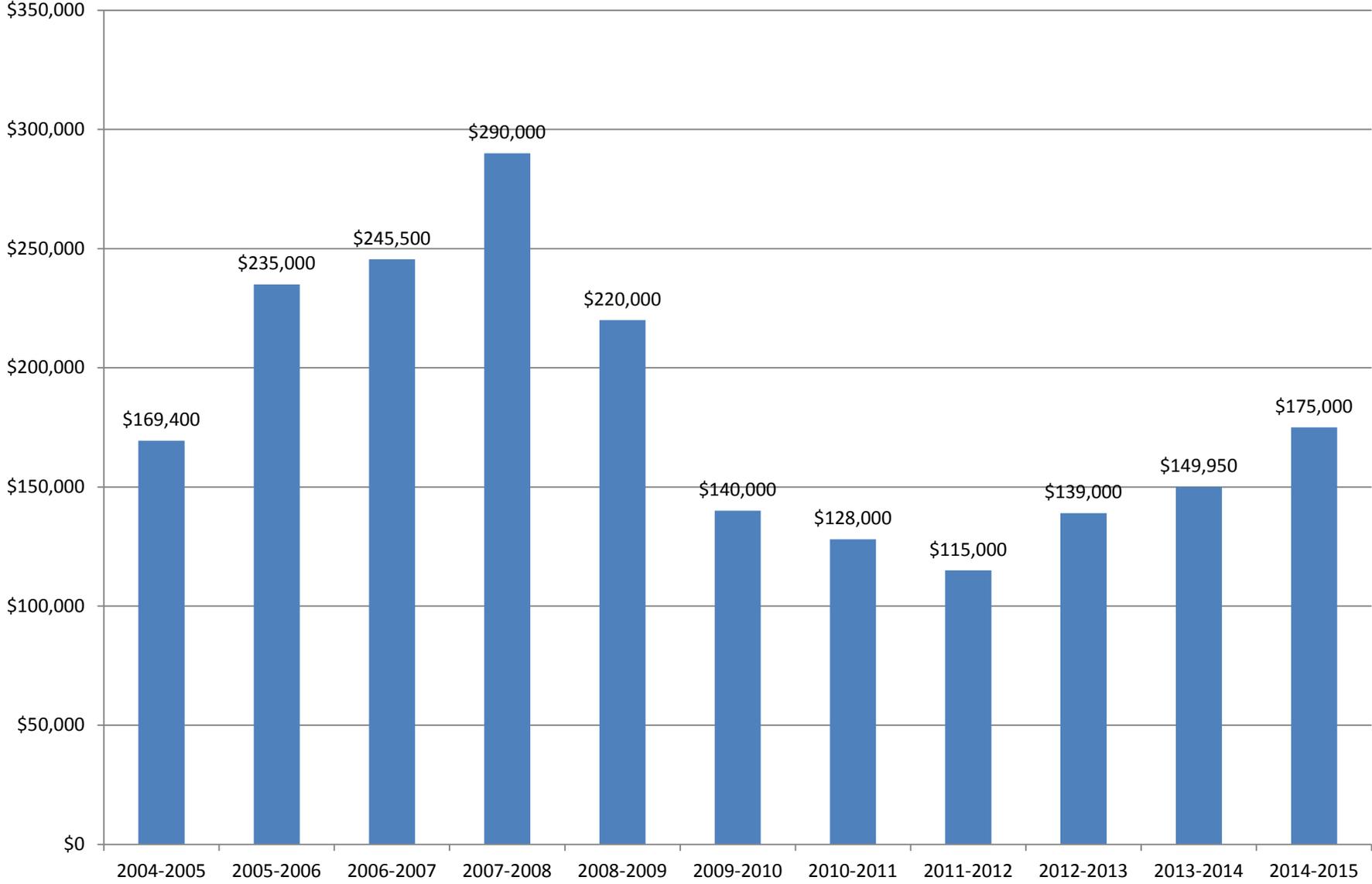
Yavapai County Notice of Trustees Sales (Foreclosures Initiated)



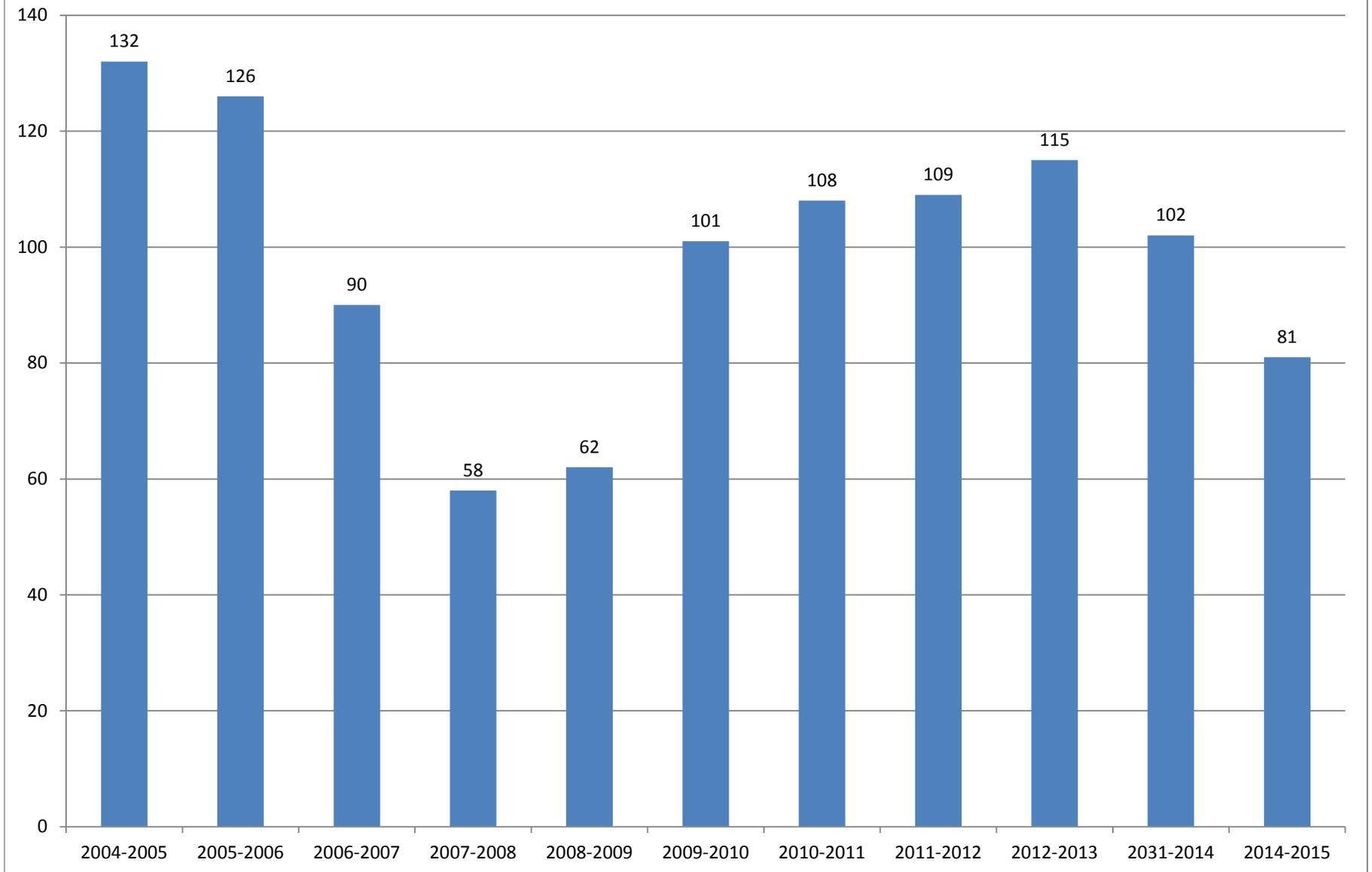
Annual Notice of Trustees Sales in Yavapai County (Foreclosures)



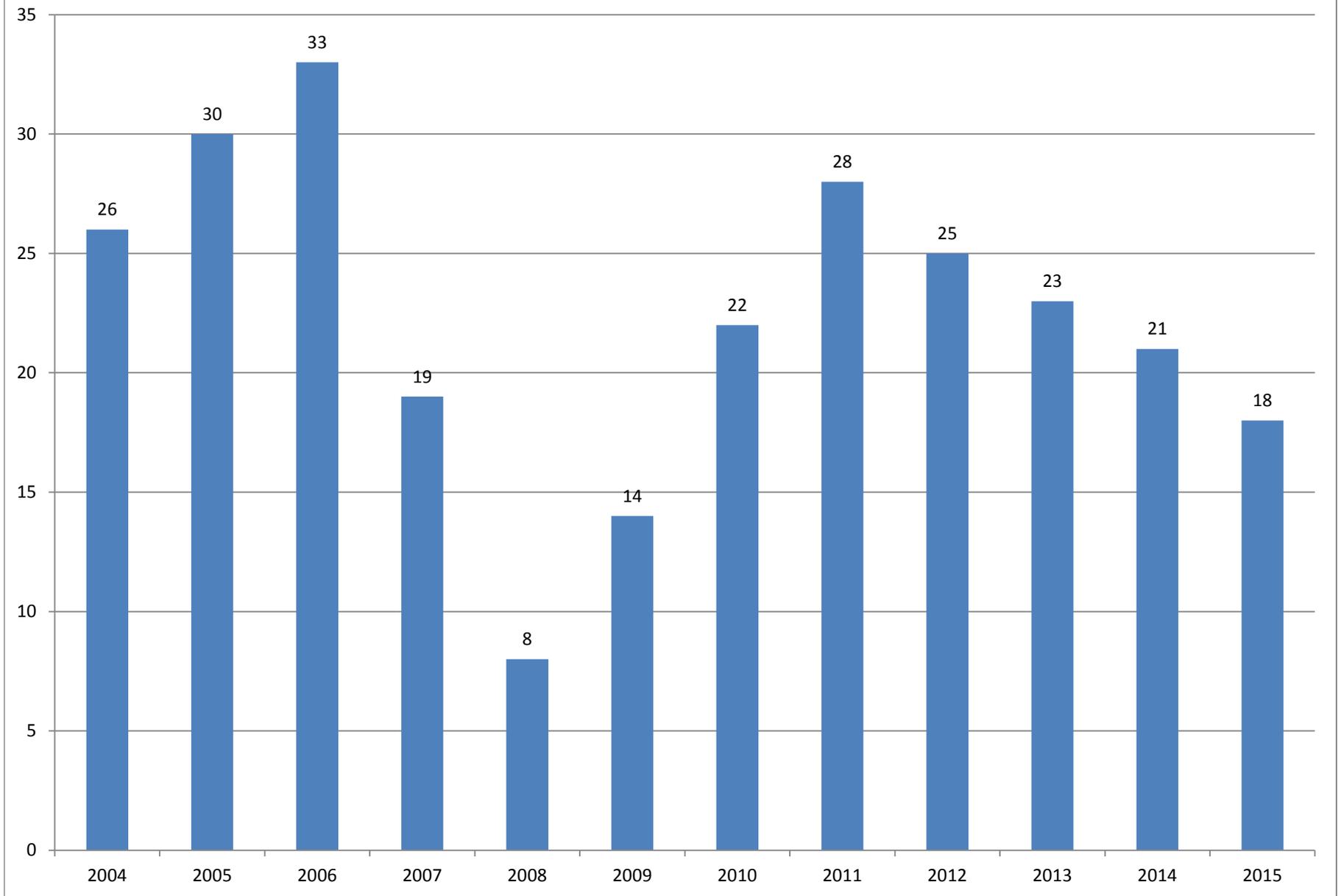
Median Price Single Family Camp Verde Area April to March 2004-2015



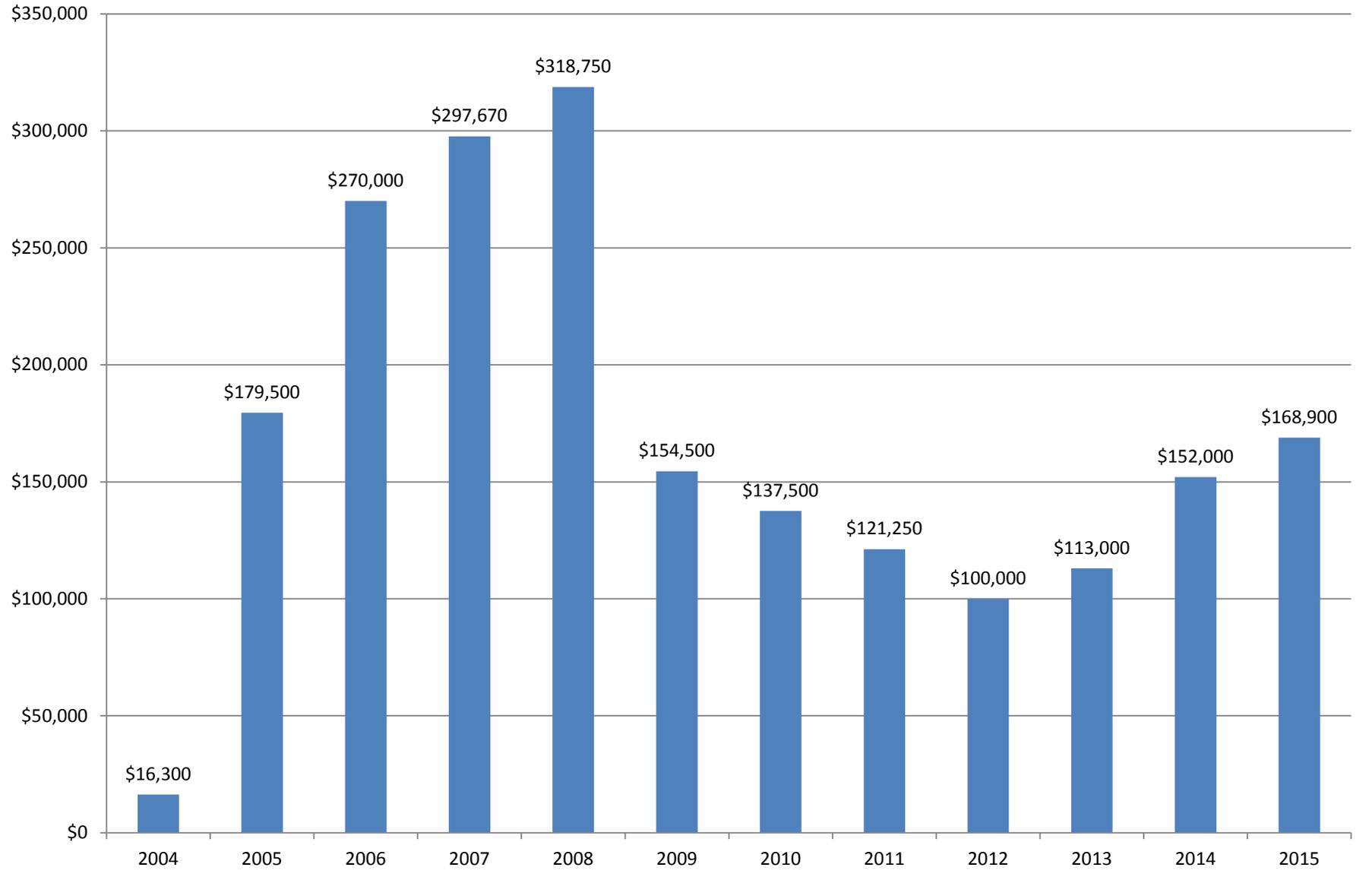
Single Family Transactions Camp Verde Area April to March 2004-2013



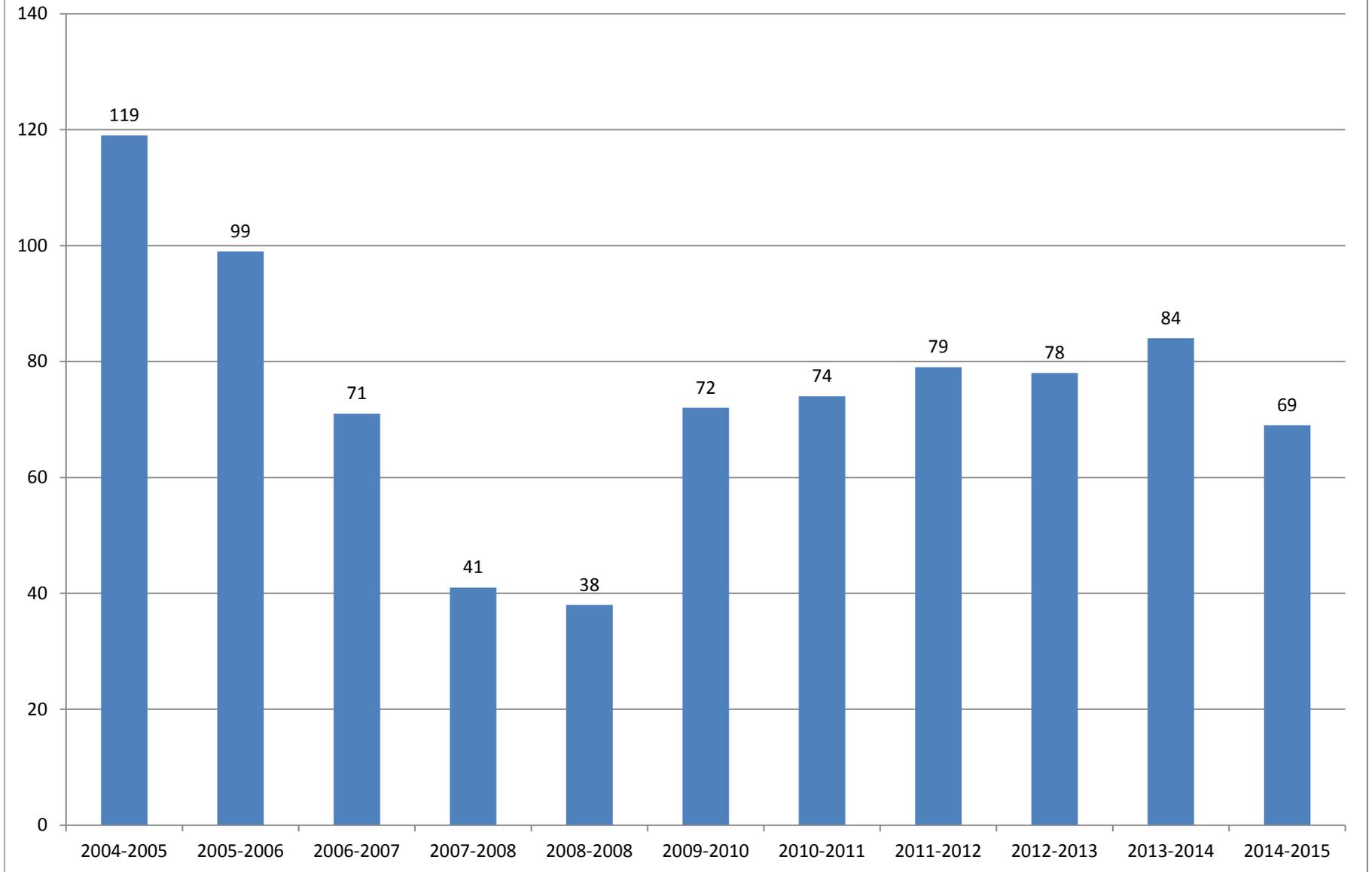
Single Family Transactions Camp Verde Area First Three Months of Year



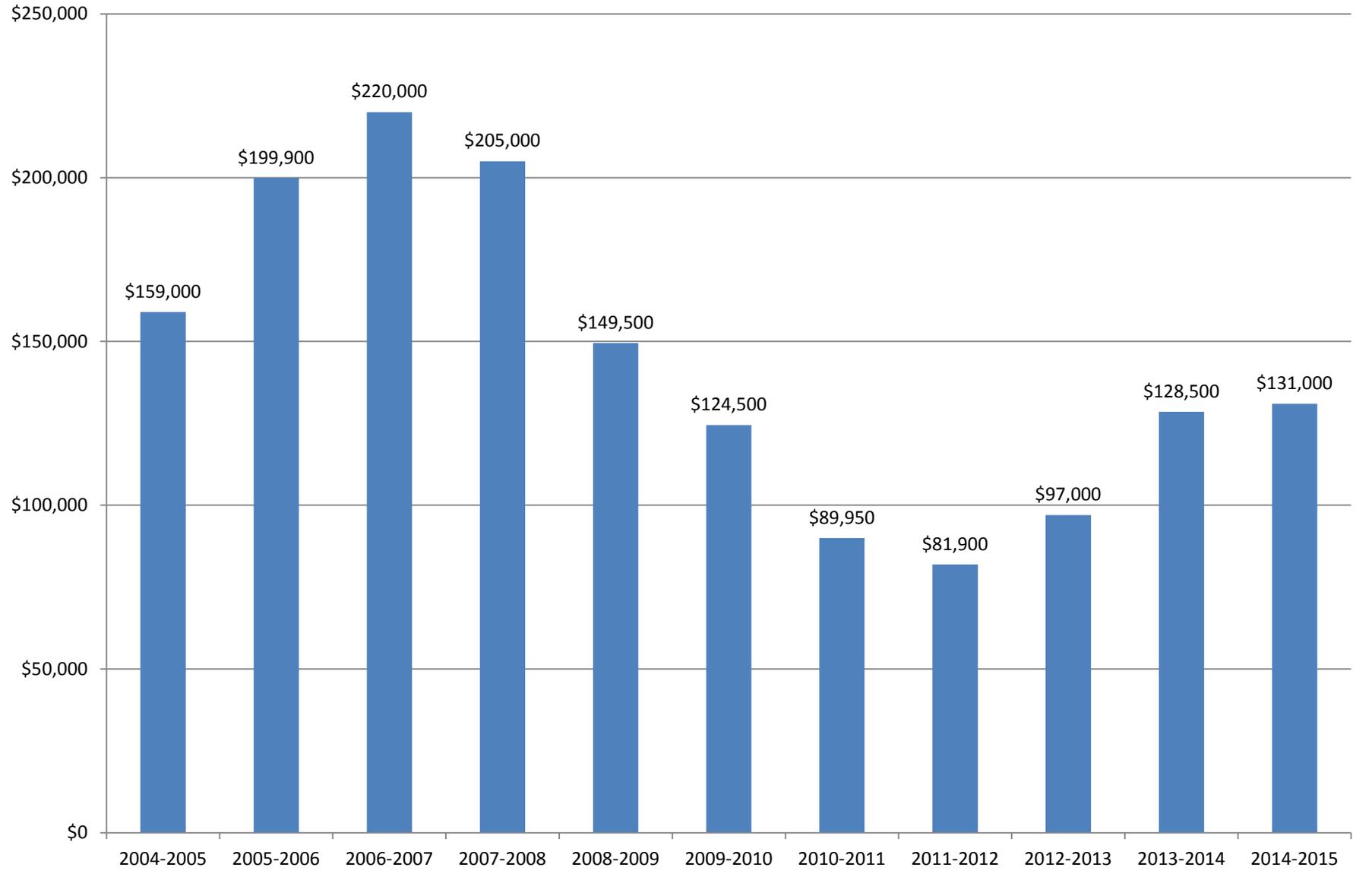
Median Sales Price Single Family Camp Verde Area For The First three Months of Year



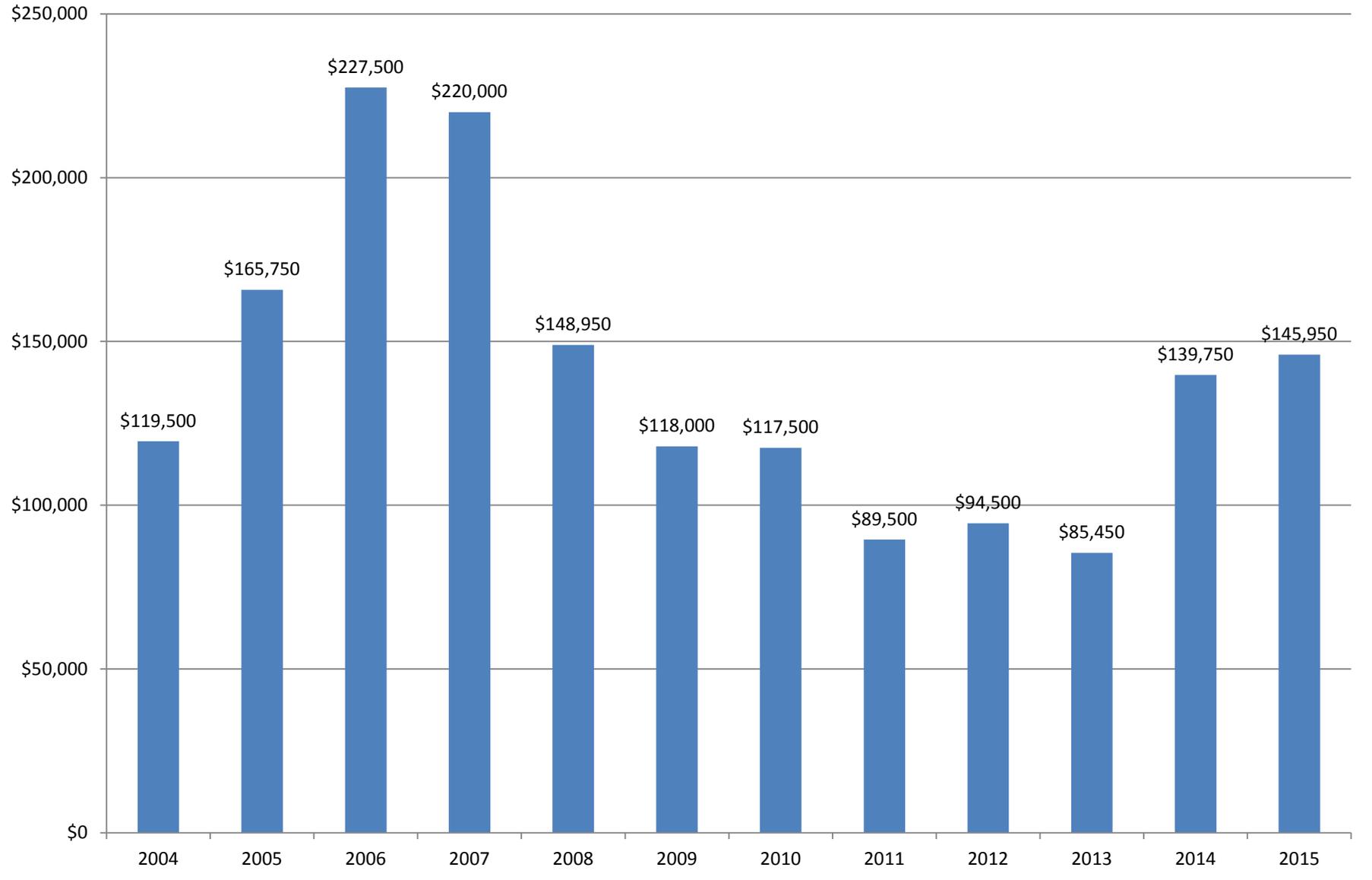
Single Family Transactions Lake Montezuma and Rimrock April to March 2004-2015



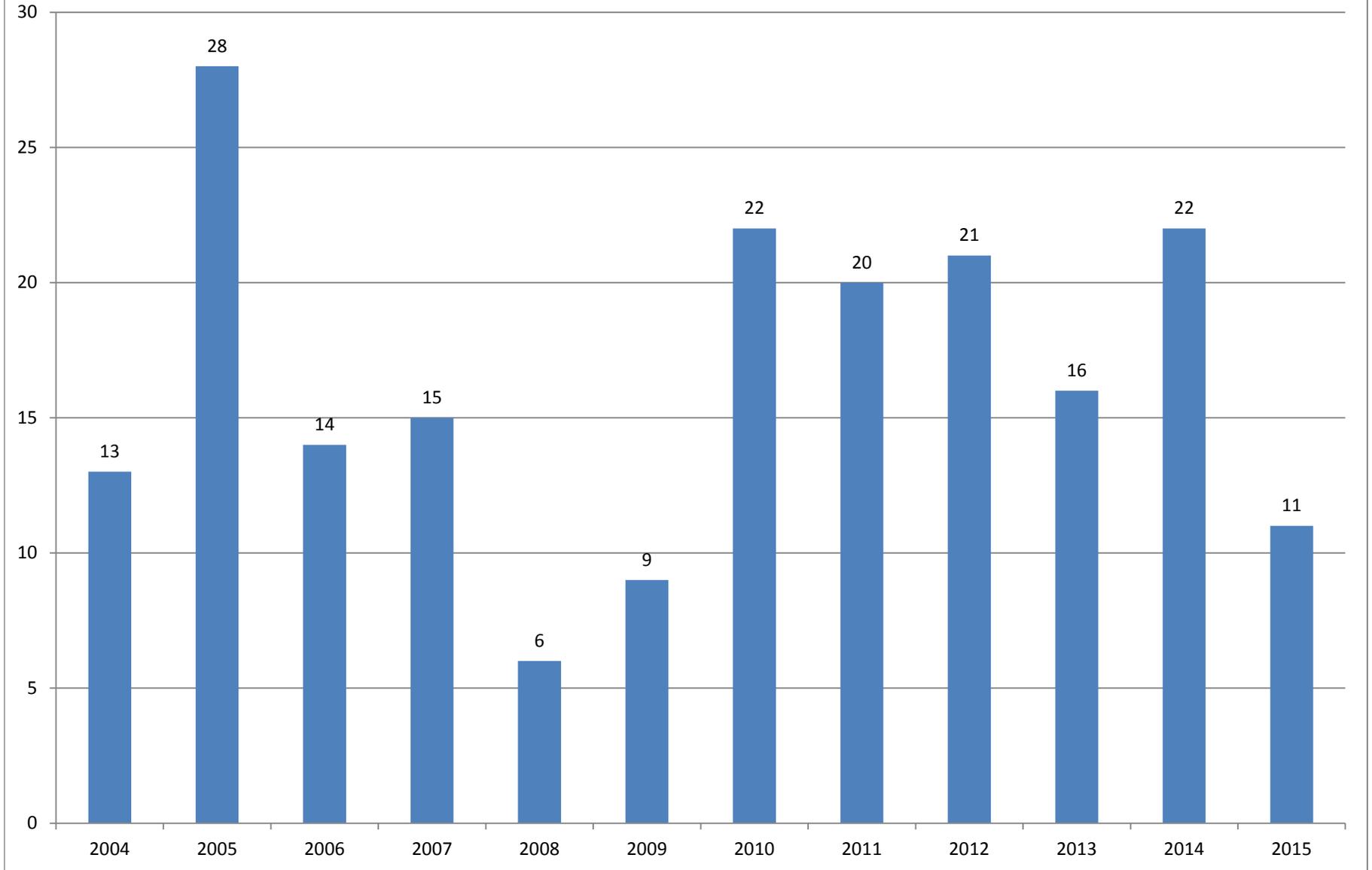
Median Sales Price Single Family Lake Montezuma and Rimrock April to March 2004-2015



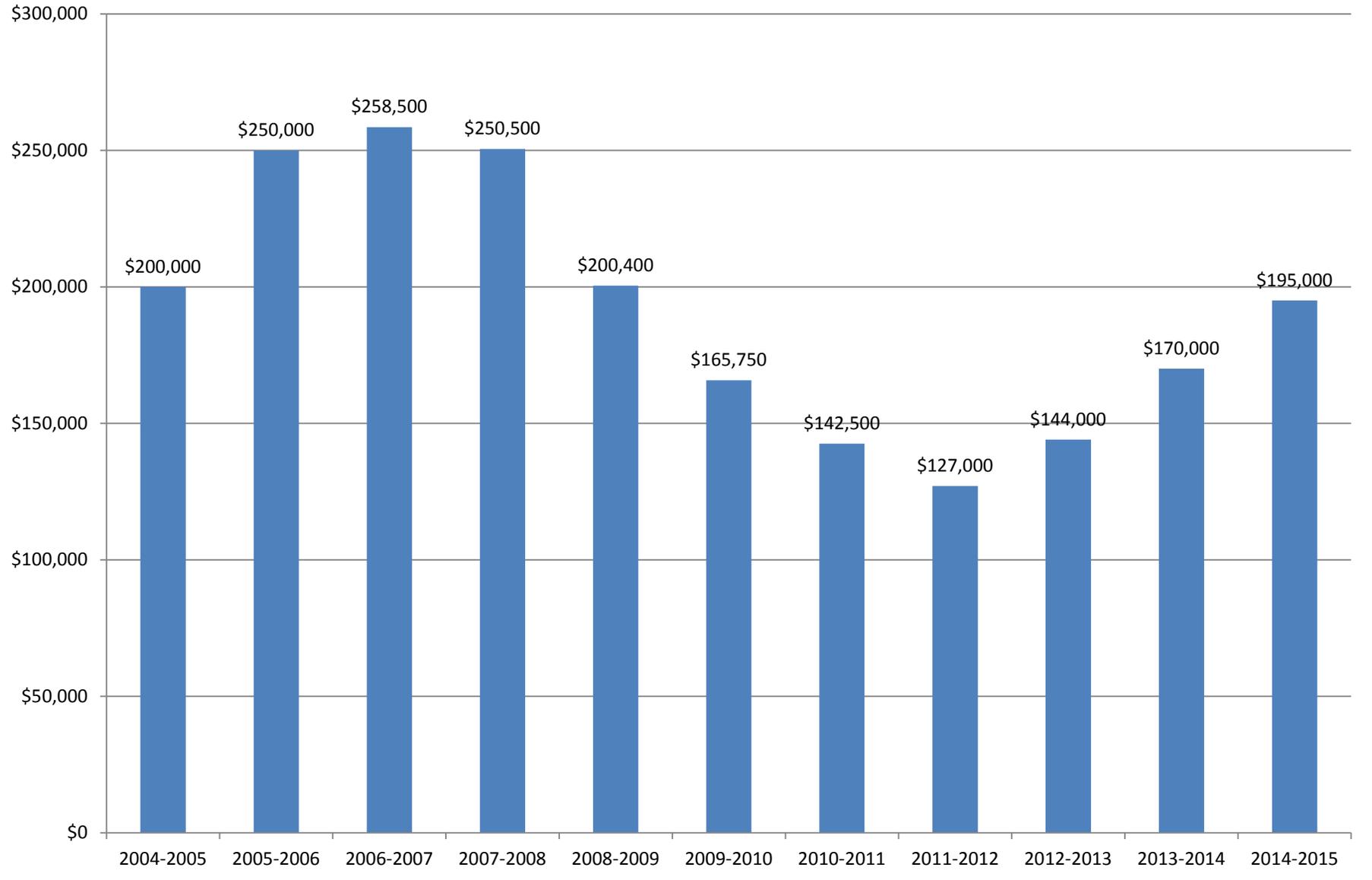
Median Sales Price Single Family Lake Montezuma and Rimrock First Three Months of Year



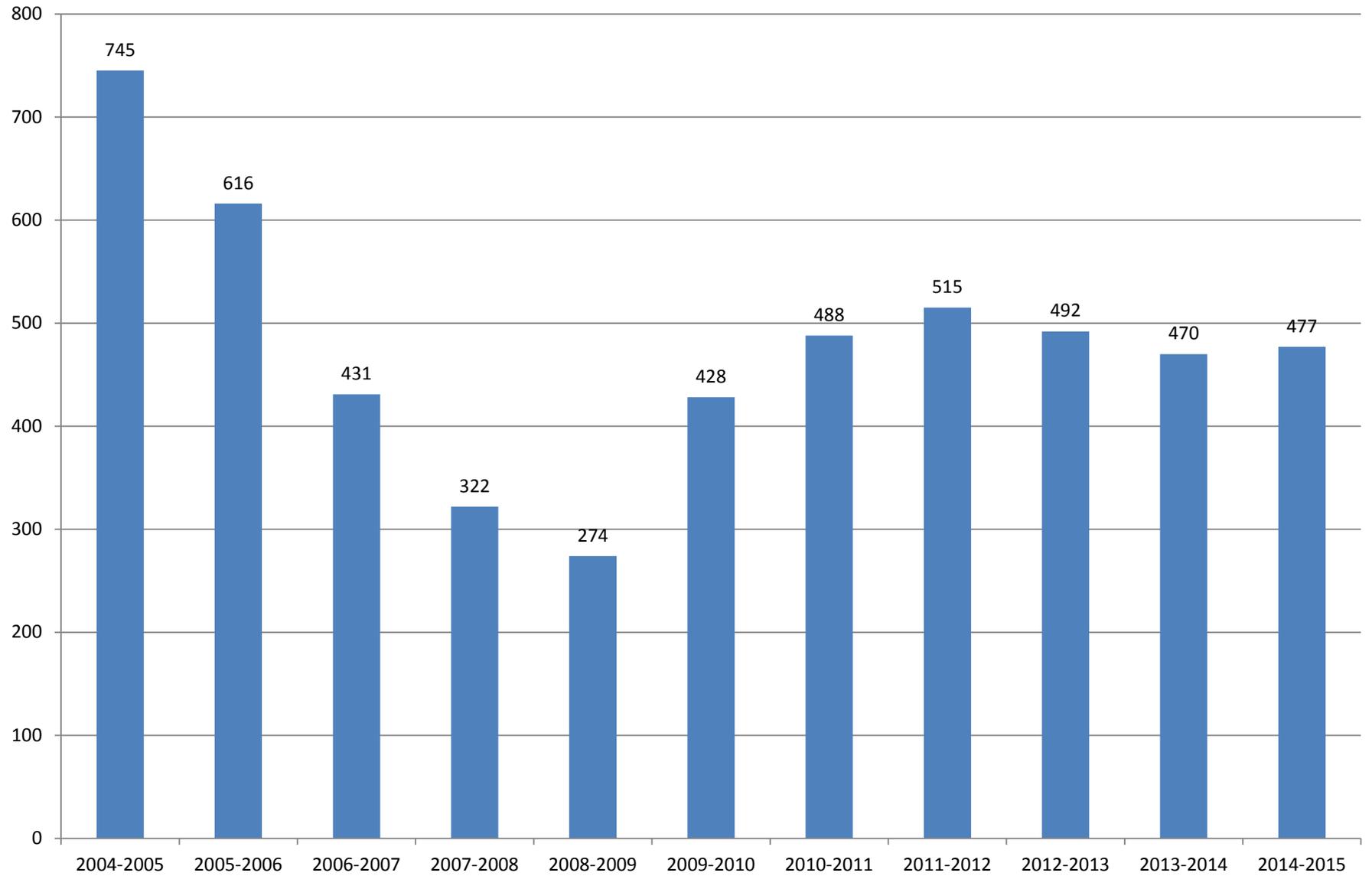
Single Family Transactions Lake Montezuma and Rimrock First three Months Of The Year



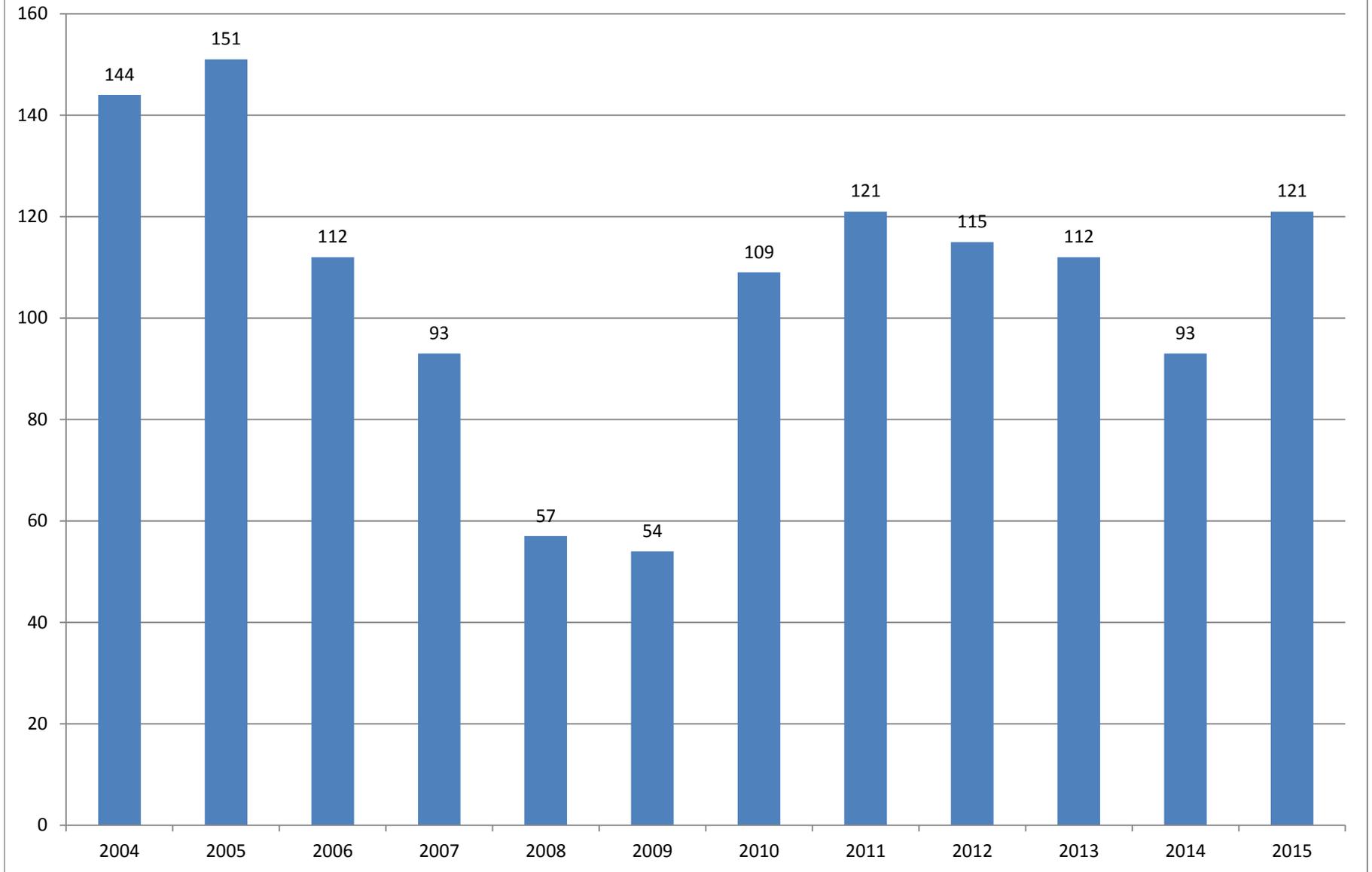
Median Price Single Family Cottonwood - Cornville Areas April to March 2004-2015



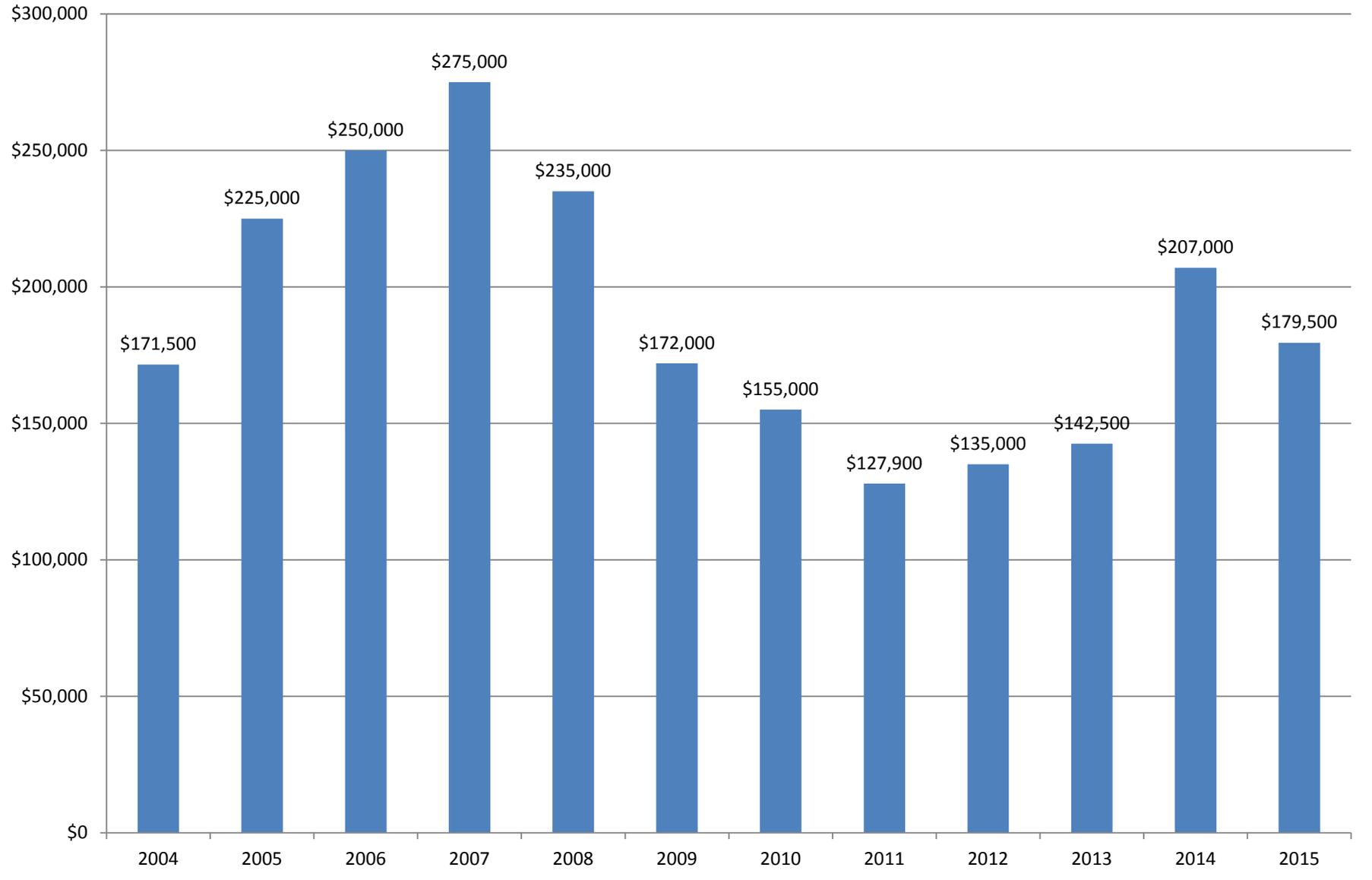
Single Family Transactions Cottonwood - Cornville Areas April to March 2004-2015

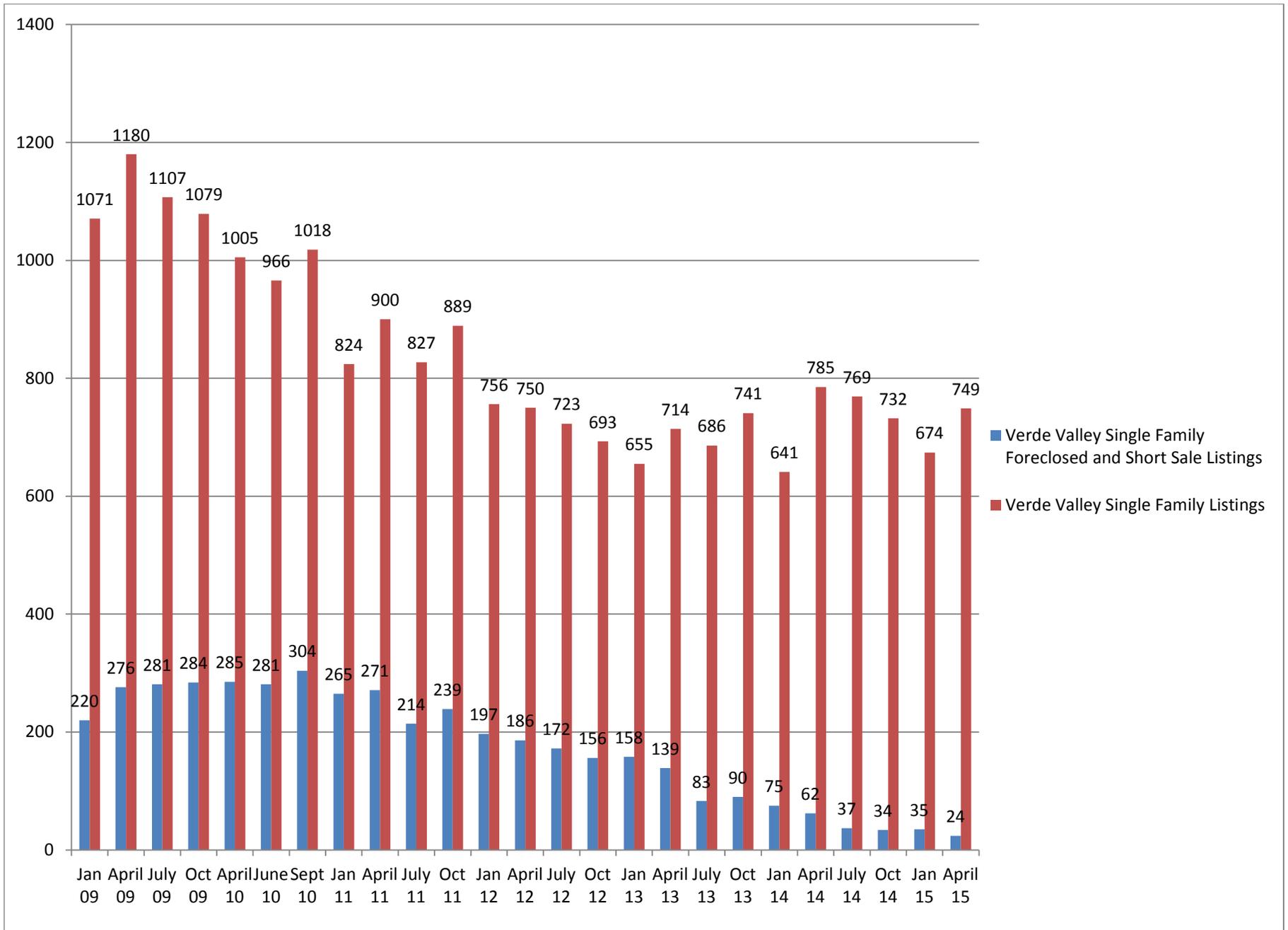


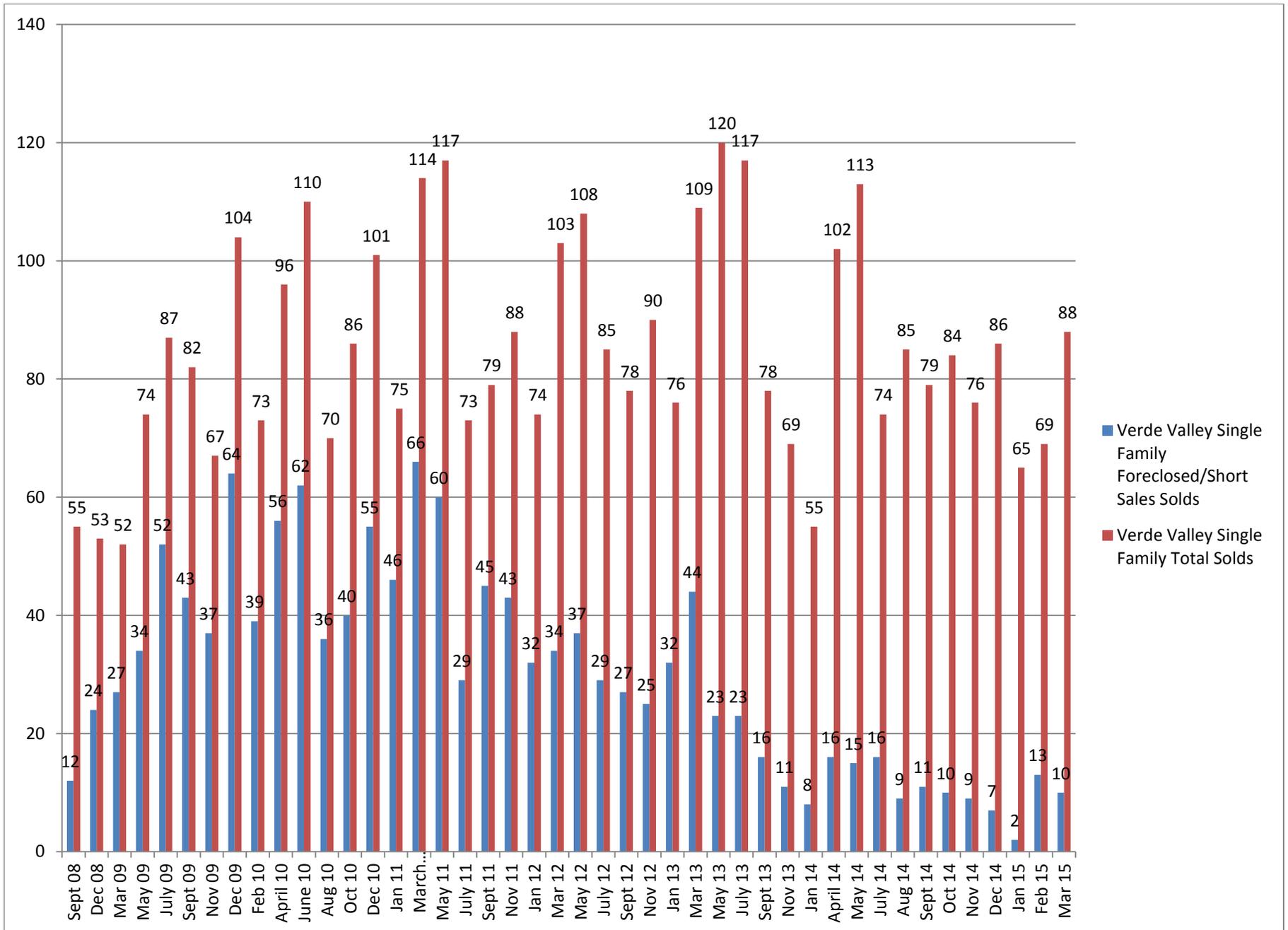
Single Family Transactions Cottonwood - Cornville Areas First three Months of Year



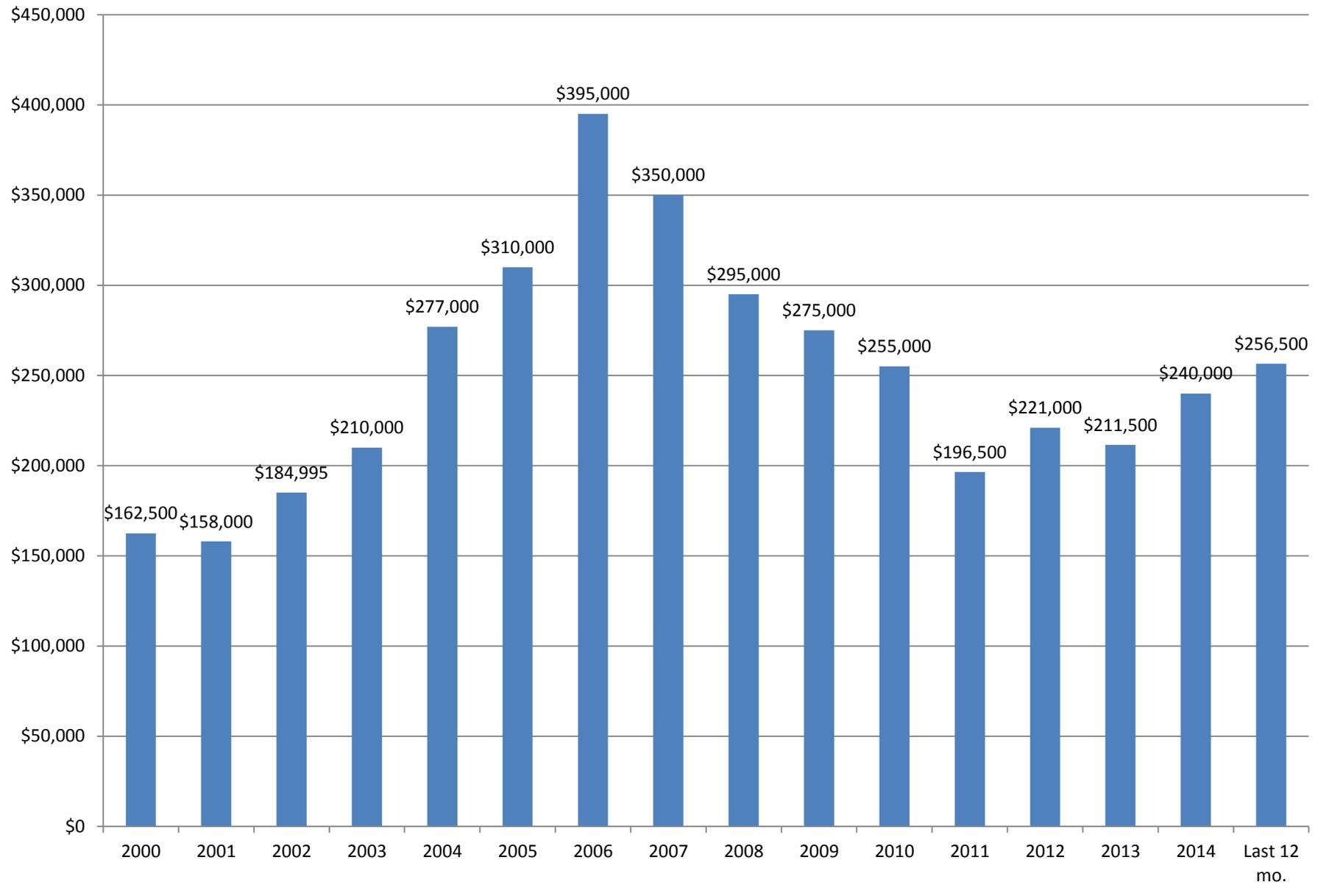
Median Sales Price Single Family Cottonwood - Cornville Areas First Three Months of Year



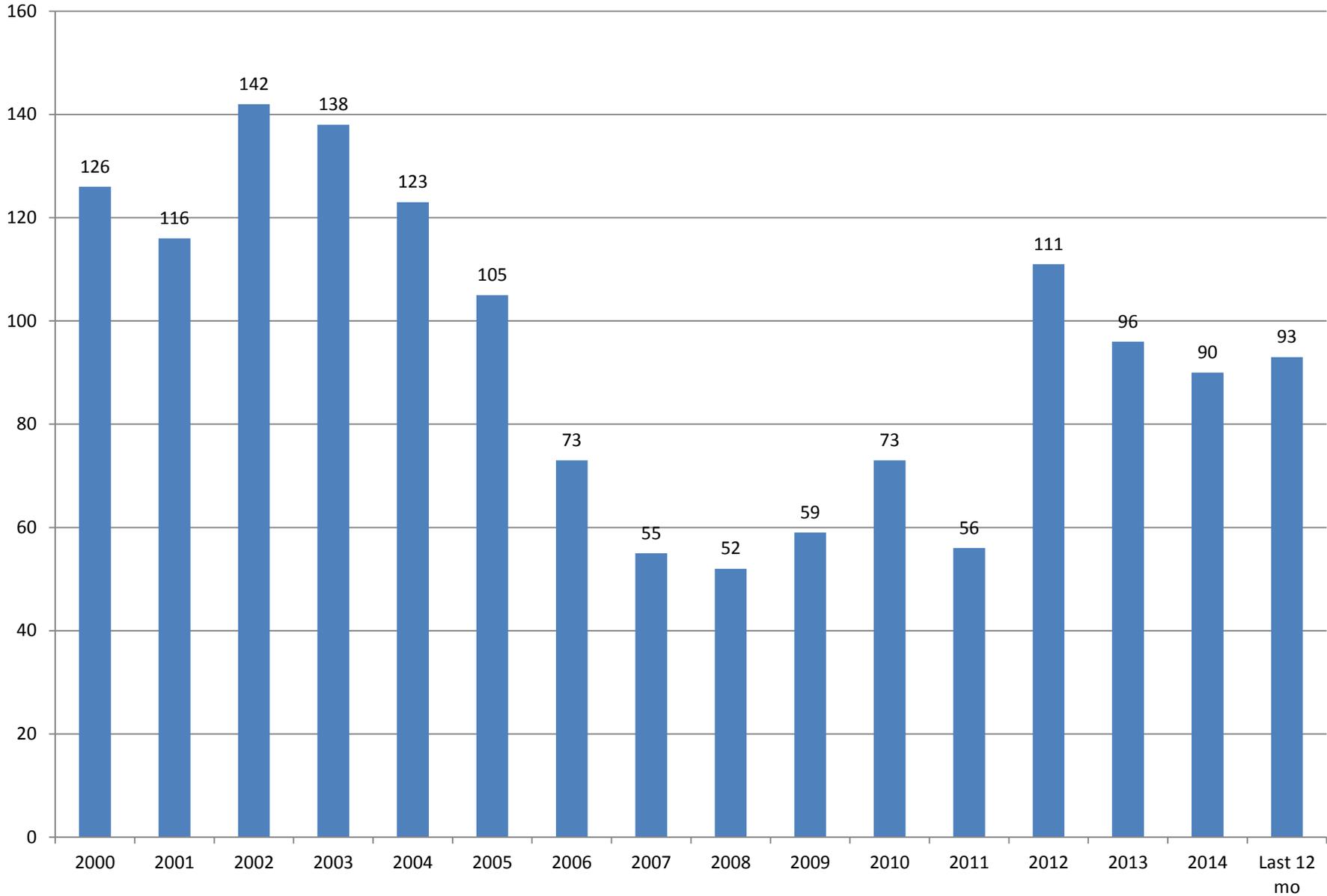




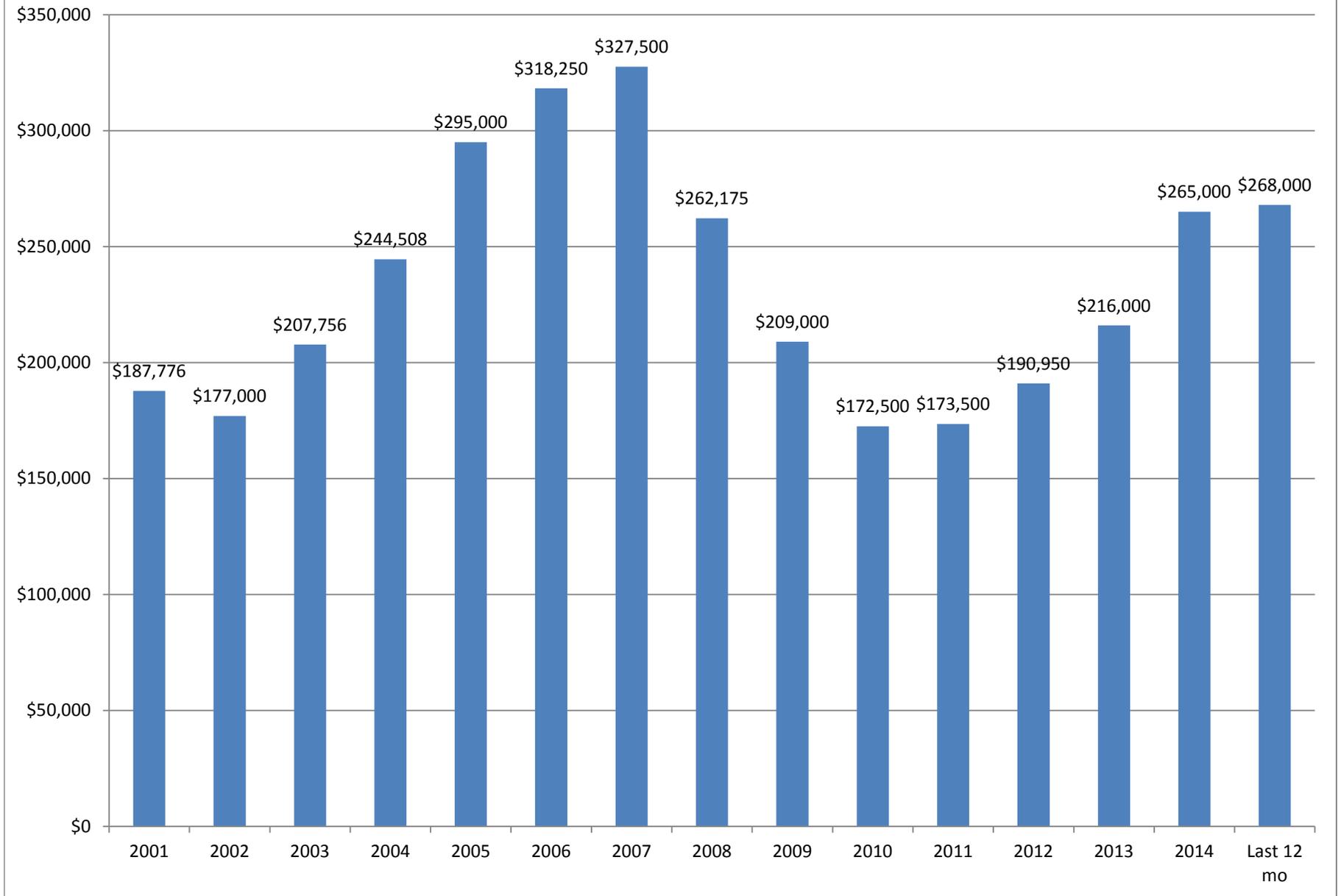
Median Sales Price Condominiums and Townhomes Sedona Area



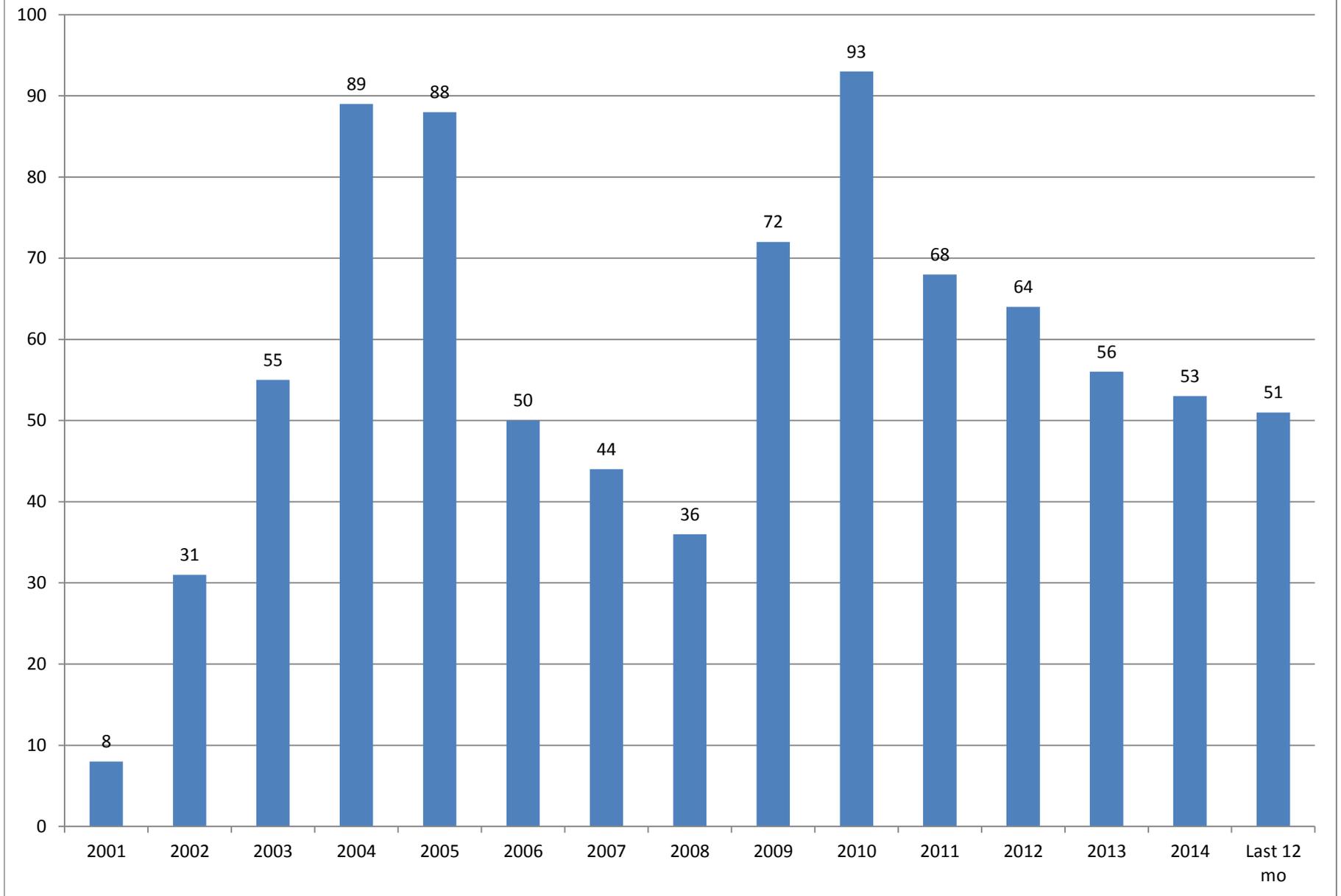
Number of Condominuis and Townhomes Sold Sedona Area



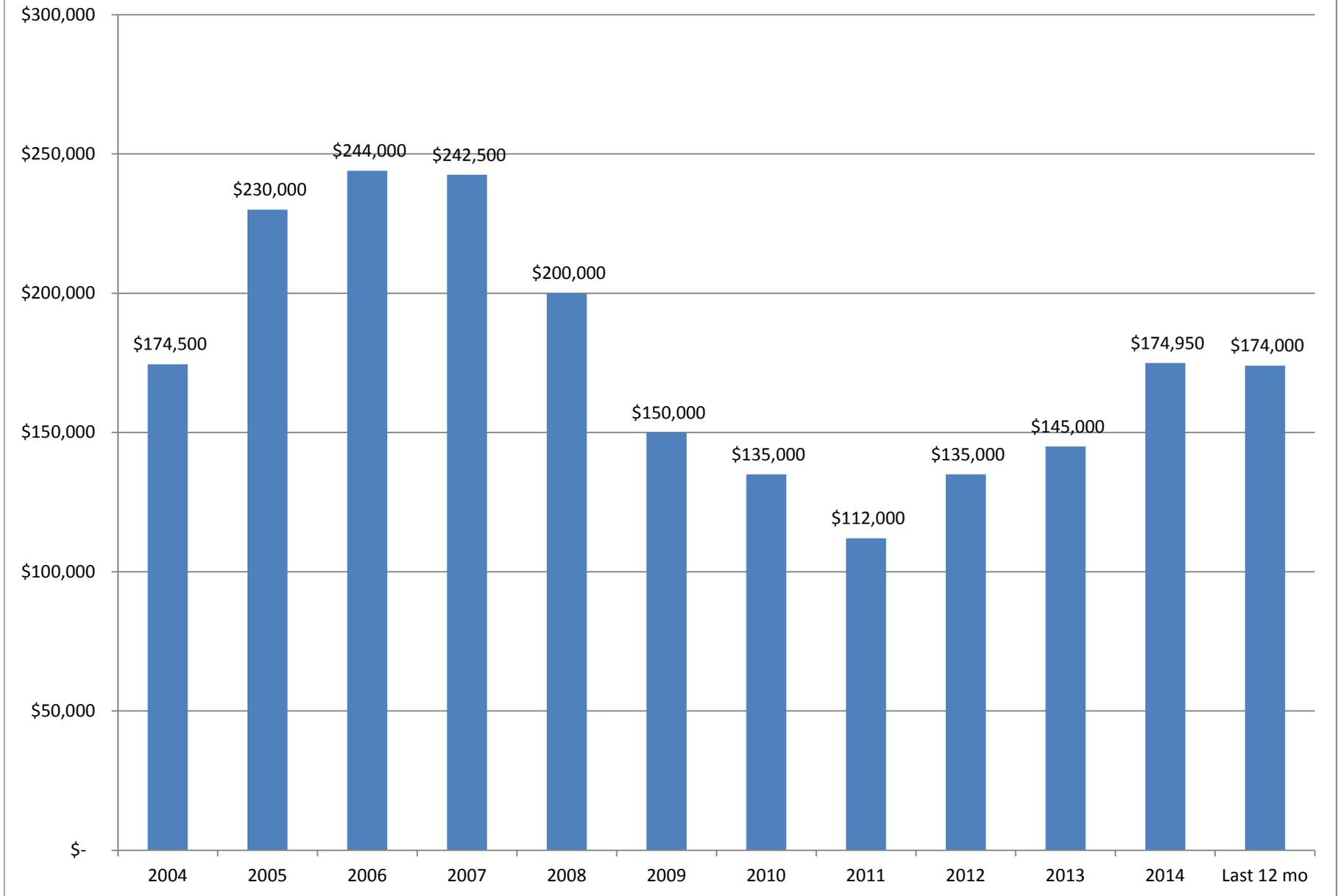
Verde Santa Fe Median Sales Price 2000 - 2015



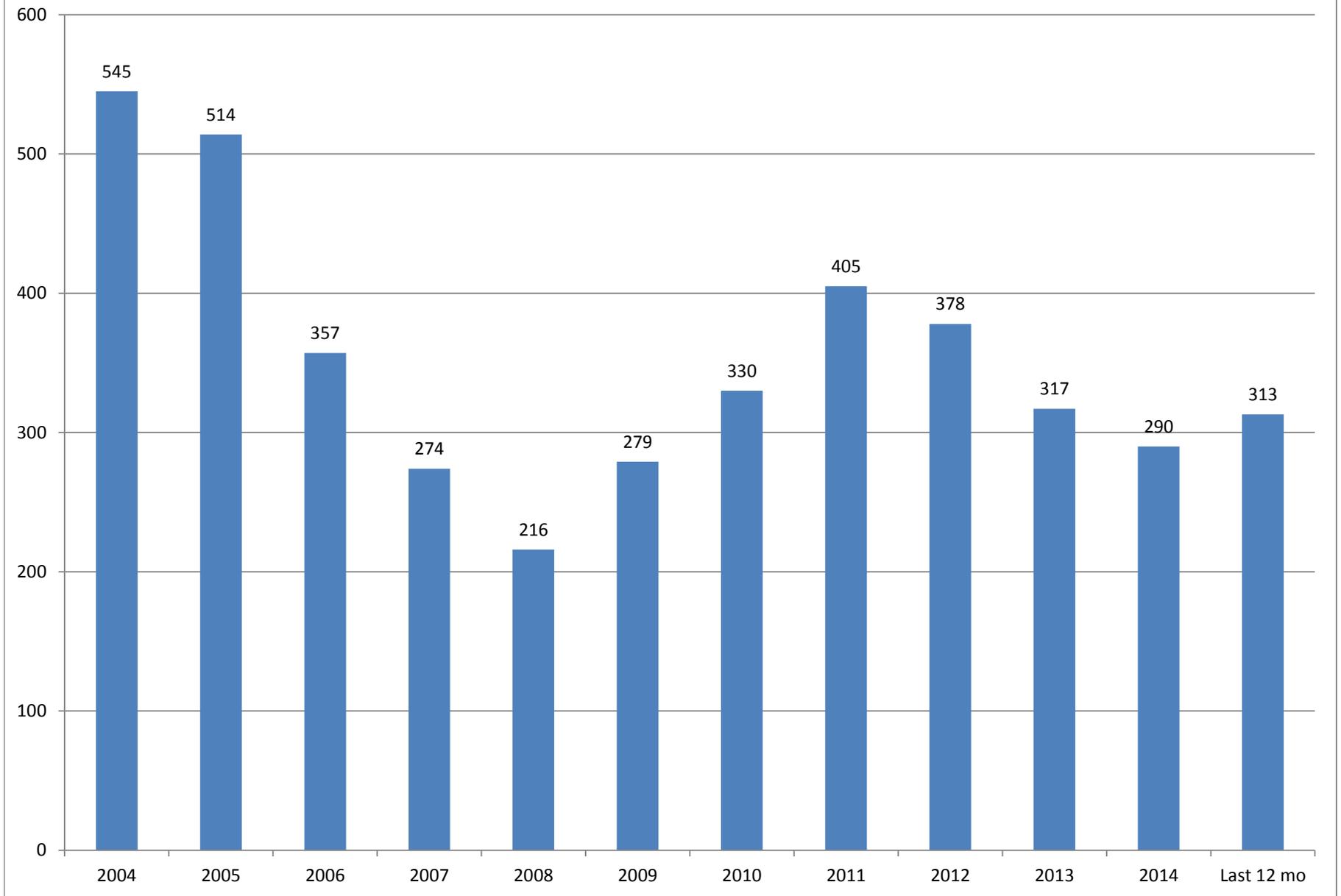
Verde Santa Fe Number of Sales 2000 - 2015



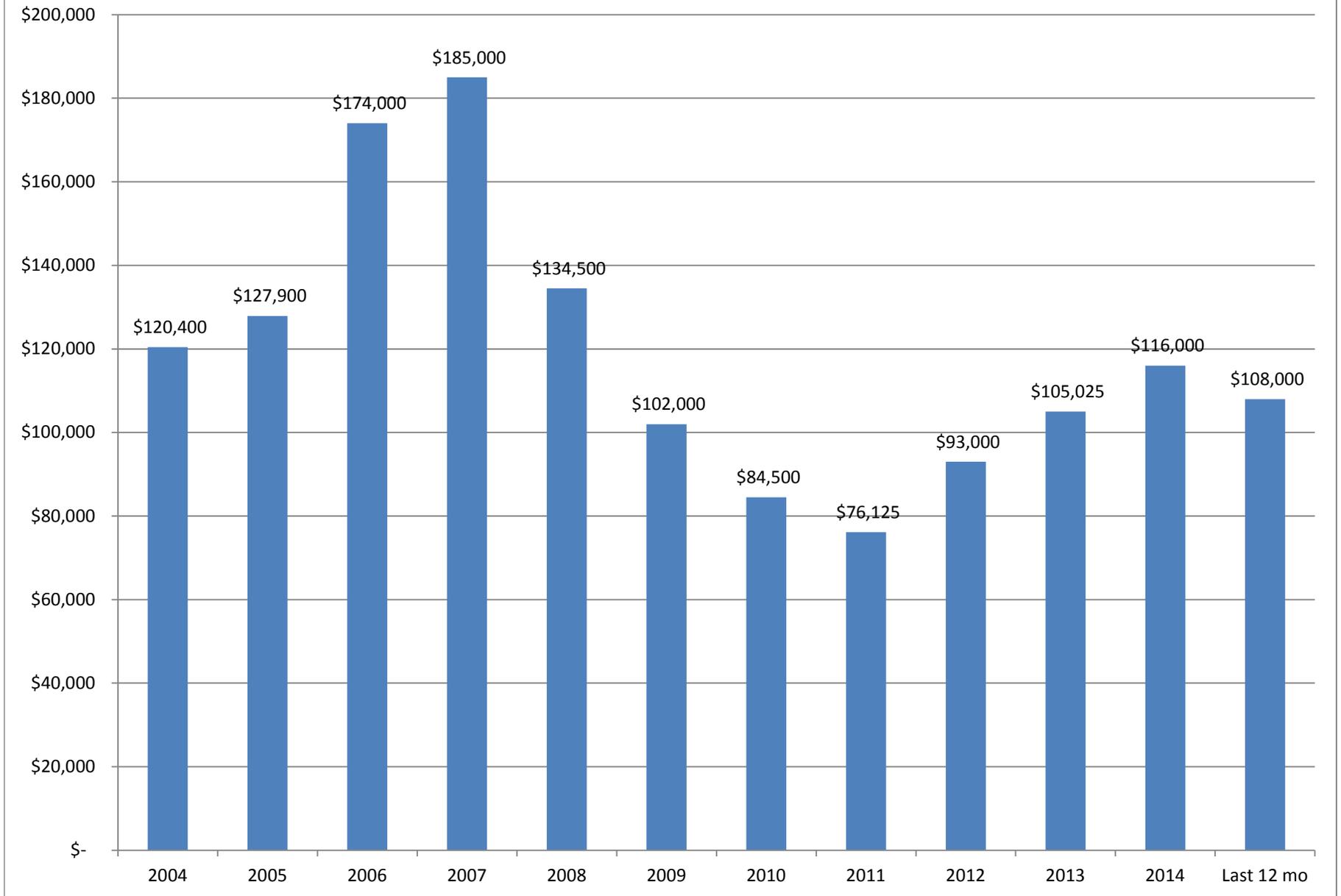
Median Sales Price Cottonwood Single Family Homes 2004-2015



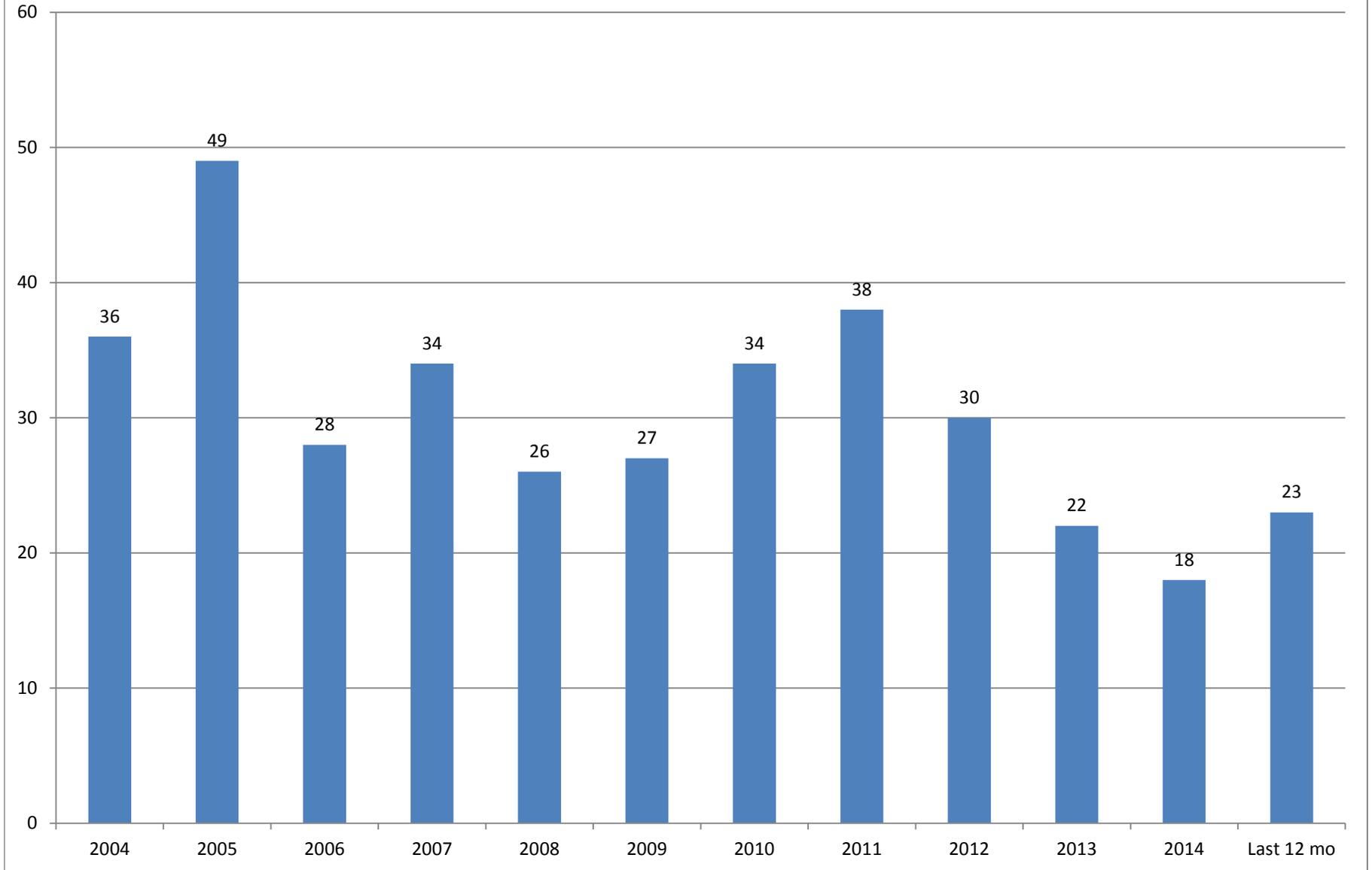
Cottonwood Single Family Homes number of Transactions 2004-2015



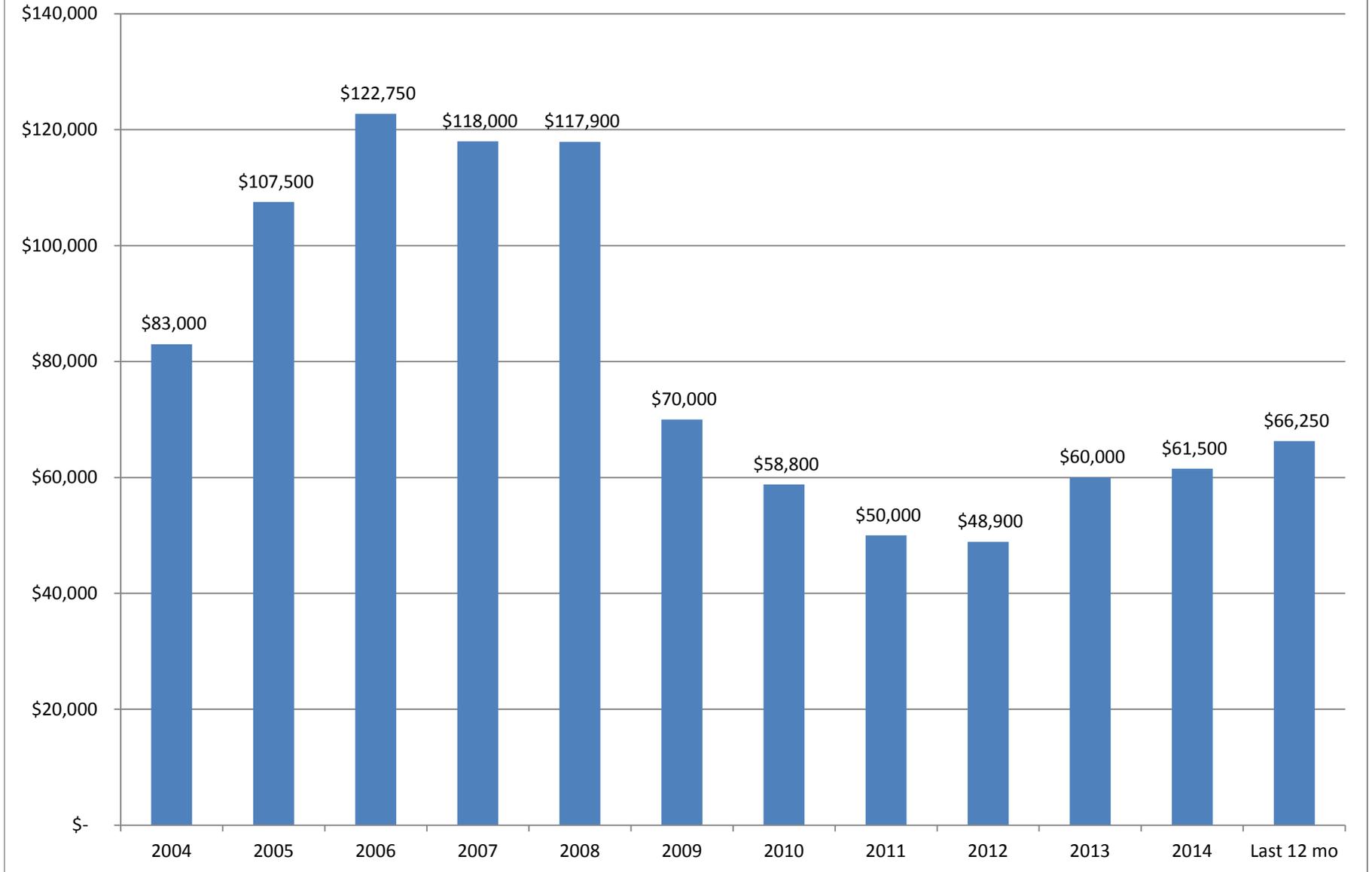
Median Sales Price Cottonwood Condos and Townhomes 2004-2015



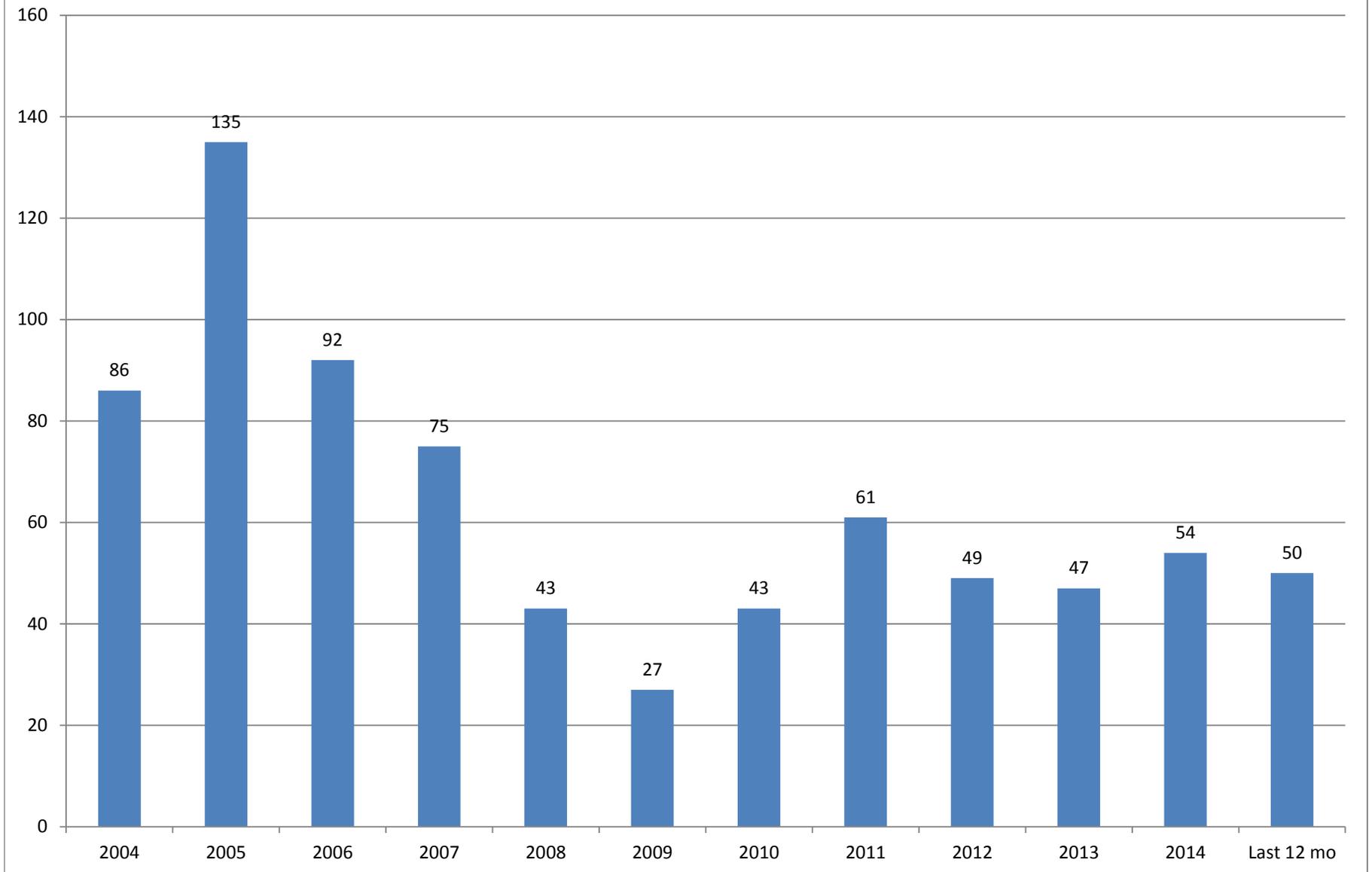
Cottonwood Condos and Townhomes numbers of Transactions 2004-2015



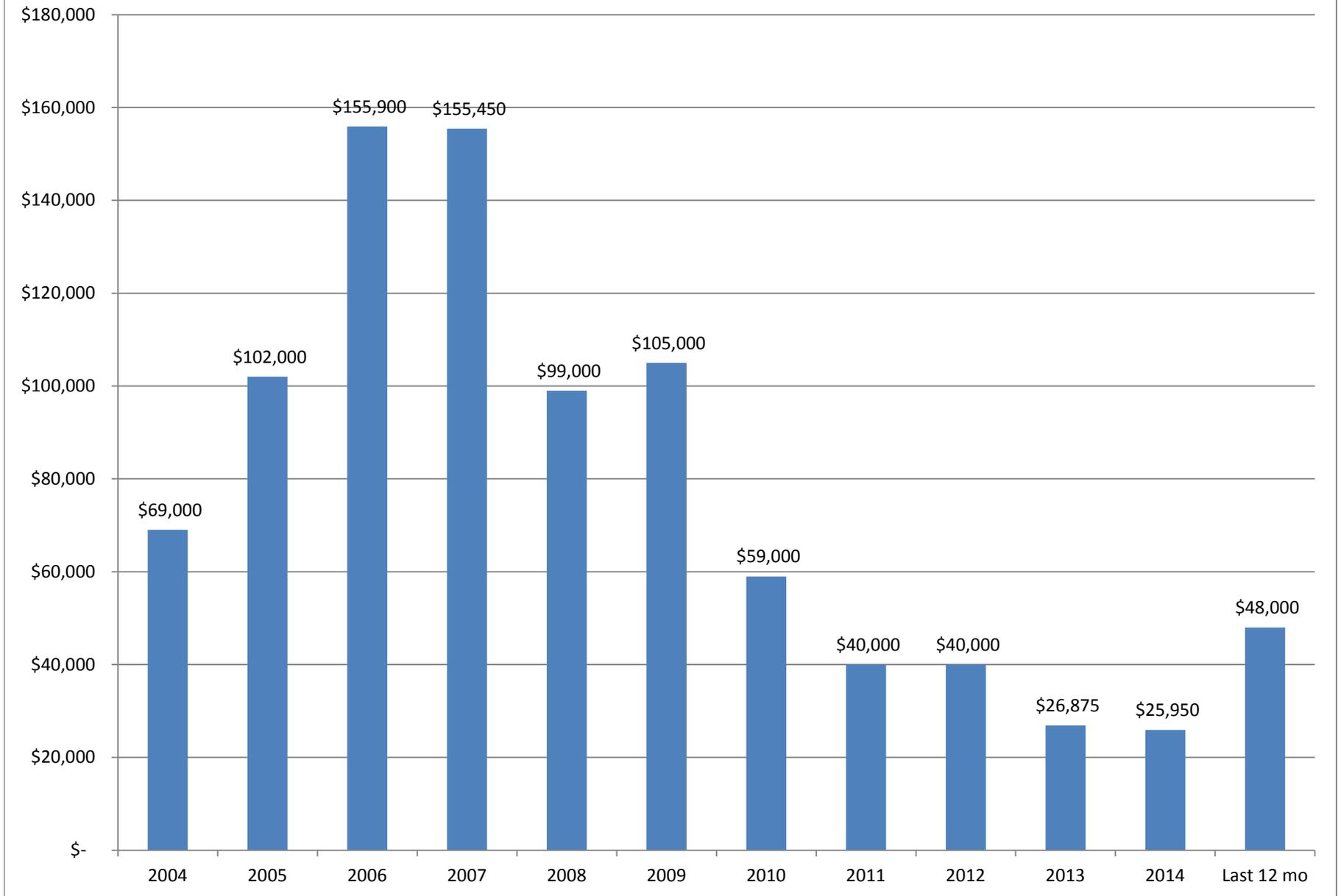
Median Sales Price Cottonwood Mobile and Manufactured Homes 2004-2015



Cottonwood Mobile and Manufactured Homes numbers of Transactions 2004-2015



Median Sales Price Cottonwood Vacant Land 2004-2015



Cottonwood Vacant Land Numbers of Transaction 2004-2015

