

June 2011

Dear Friends,

Summer is here but you have to admit, if you live in the Phoenix area, we really had a mild spring. We're just hitting 100 degrees and I'm not complaining.

I've started a Facebook Fan page for RooPho Realty with the goal of not just talking real estate but letting you know the activities in the Urban Centers of The Valley of the Sun. Please click on the Facebook link on the top left of this message, then click on "Like". I'll keep you up to date on what's happening and if you know of something, please feel free to add it there too or let me know.

In this Issue:

1) Downtown Phoenix is moving forward.

2) The Economy? Now what?

3) Condo Sales along the Metro Light Rail.

1) If you thought nothing was happening in Downtown Phoenix because of the economy, think again. The Arizona Cancer Center is coming to the Biomedical Campus and CityScape retail stores will continue to open all summer. Also, we congratulate our first doctors graduating from UofA Medical School in Downtown while they have broken ground on the medical school expansion. And a new music venue is set to liven up the Warehouse District. Get this & more information about Urban Life on RooPho Realty's Fan page.

2) I don't know if it's the economy that has me seeing **red** or the media. Yes, the economy still stinks, we all get that. But home values were reported to have gone down from February to March, and they did. However, the Metro Phoenix area went down one half of 1%. That means a property worth \$100,000 went down \$500. Let's head for the hills, the world is going to end!!! Oh wait, that was May 21st and it didn't end, I guess we're safe until October. A real problem is the fear these stories instill in everyone (even me), until you realize values didn't really go down **THAT** much. I wonder how often in the last 30 years values went down a half a percent and it was headline news. I know I'm only one guy and I'm not an economist but I'm going to stand by what I've been saying for almost a year now, we are skimming the bottom in values and yes, values will go up and down a bit, but shy of something catastrophic, we'll sit here skimming the bottom for a two to three years. I'm more concerned about interest rates going up. If they go up fast that could lead to hyper-inflation and that won't be good for any of us.

3) On a positive note, there are only 6 one bedroom condos Active in MLS in the Downtown/Midtown area along the Light Rail between \$50k and \$150k with HOA fees of less than \$300 per month and there are 14 two bedrooms meeting the same criteria. That's not many but I think it's enough to sustain values where they are base on supply and demand. There were 8 one bedrooms and 23 two bedrooms that were sold or went under contract in May 2011 with the same criteria. These numbers are low but they only show we are working our way through the inventory of homes. Realty Trak reported recently that Phoenix has about 14 months of homes in inventory while Vegas, California and Florida all have 17 month and higher. So let's be thankful that although the economy is still bad we are still in better shape than other states and we may recover a little sooner. Of course, we hope the best for everyone.

I hope you have a wonderful June and keep that sunscreen on. Don't forget to find me on Facebook and please review the small businesses I keep on the left column, I've used all of these small business and know they can do a good job for you. Let's continue to help the little guys.

Best Regards,

A handwritten signature in black ink, consisting of the letters 'C' and 'L' followed by a period, written in a cursive style.

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