

Residential Real Estate

Existing home sales continue to slide in Arizona, nationwide

BMO analyst: Market weakness expected until Fed finally moves on interest rates



The number of existing home sales continue to slide across the country.

JIM POULIN | PHOENIX BUSINESS JOURNAL



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Existing U.S. home sales slipped 5.4% to an annualized 3.89 million – the lowest level since December 2023 – after falling 0.7% in May, according to the [National Association of Realtors](#).

This is the fourth-straight drop amid high mortgage rates and low affordability, which have undermined home demand, said Jay Hawkins, senior economist for BMO Capital Markets.

At the same time, the median sales price jumped to a record high of \$426,900 nationwide, according to NAR. This is the second straight month it reached an all-time high, and the 12th consecutive month of year-over-year price gains.

"The weakness in the housing market outside of home prices is likely to continue until the Fed starts cutting interest rates in September," Hawkins said.

Looking more closely at the Phoenix market, 10,501 single-family homes are available on the market for sale, which is up 73 homes from last week, according to The Cromford Report.

Homes in metro Phoenix are selling at 98% of list value, according to Cromford.

"However, the number of sales per month has decreased by 795 from last week," said Keith Burton, Realtor with The Rider Elite Team at Keller Williams Arizona Realty. "The average days on the market remain at 65 days, with no change from last month. The housing supply has risen to 3.2 months, an increase of 0.7 months."

The latest RE/MAX National Housing Report pointed to five markets with the biggest year-over-year increase of homes listed for sale.

Phoenix was named No. 2 on that list, with 7,942 new listings in June, up 25% from 6,354 new listings in June 2023.

New Listings: 5 Markets with the Biggest YoY Increase		
Market	Jun 2024 New Listings	Jun 2023 New Listings
Burlington, VT	342	273
Phoenix, AZ	7,942	6,354
San Antonio, TX	5,466	4,556
Richmond, VA	2,028	1,694
Miami, FL	10,914	9,316

In the 50 metro areas surveyed in June, the number of newly listed homes was down 5.2% compared to May 2024, and up 8.3% compared to June 2023.

RE/MAX LLC

At the same time, Manchester, New Hampshire, was the market with the biggest year-over-year decrease of transactions in June, followed by Anchorage, Alaska and New Orleans, Louisiana.

Homebuilders have been [sustaining the Phoenix market](#) for over a year, offering attractive promotions, such as a 4.99% interest rate locked for 30 years and covering closing costs, Burton said.

"In Maricopa County, [there are just over 2 million renters](#)," he said. "Approximately 875,000 of these renters have credit scores above 640 and can afford to purchase a new home."