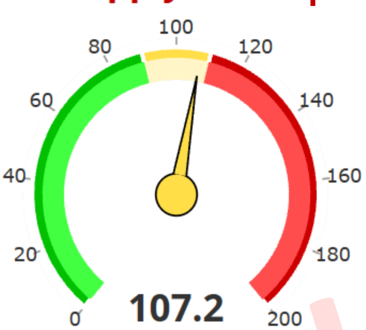
The Real State®

A Snapshot of the Greater Phoenix Residential Real Estate Market

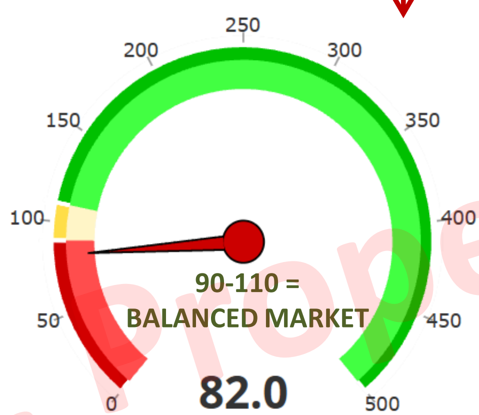
R·O·I PROPERTIES
ENHANCING REAL ESTATE ASSETS®

Supply Index ↑



107.2
90-110 =
NORMAL SUPPLY

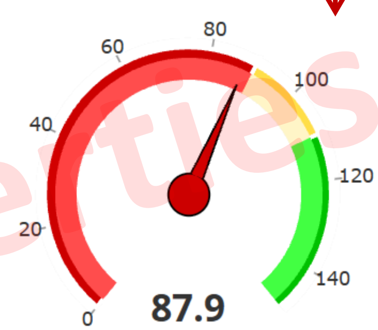
Market Index ↓



82.0

May 24, 2026

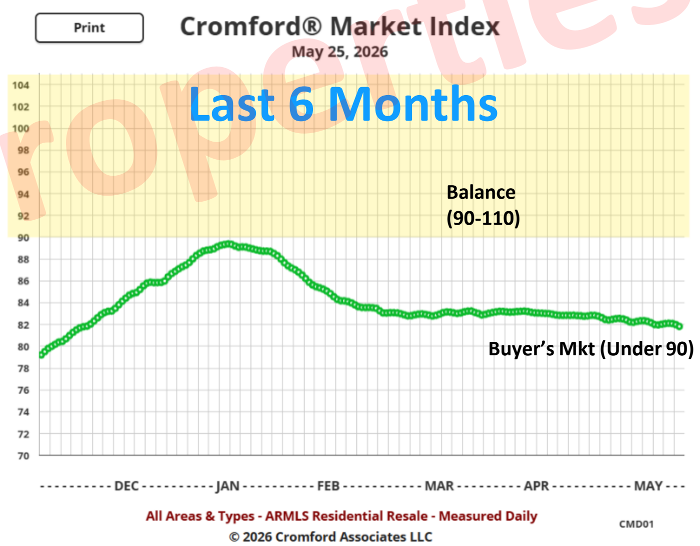
Demand Index ↓



87.9
90-110 =
NORMAL DEMAND

From April to May 2026, the supply-demand index decreased 1.1 points from 83.1 to 82.0. The supply index increased 0.6 points from 106.6 to 107.2, while the demand index decreased 0.7 points from 88.6 to 87.9. Mortgage rates saw another volatile month, fluctuating from a low of 6.4% to a high of 6.75% before drifting back down to 6.6%, but buyer demand performed better than expected. As all eyes are fixated on inflation due to trade uncertainty, personal income per capita in Arizona has been on the rise, ranking our state #7 in the country for a 4.3% annual increase per the University of Arizona. The Bureau of Labor Statistics reported the May average hourly rate for Greater Phoenix as $37.45, up 31% since 2020. That is nearly $78,000/year for a full-time annual employee. Assuming a dual-income household, that puts a median-priced single-family home well within the affordability range for a couple making $140,000/year.

The adjacent graph illustrates the relationship between supply and demand over time and indicates shifts between seller's and buyer's markets. A measurement between 90-110 indicates equal advantage for both buyer and seller, over 110 indicates distinct seller advantage, and below 90 indicates distinct buyer advantage.



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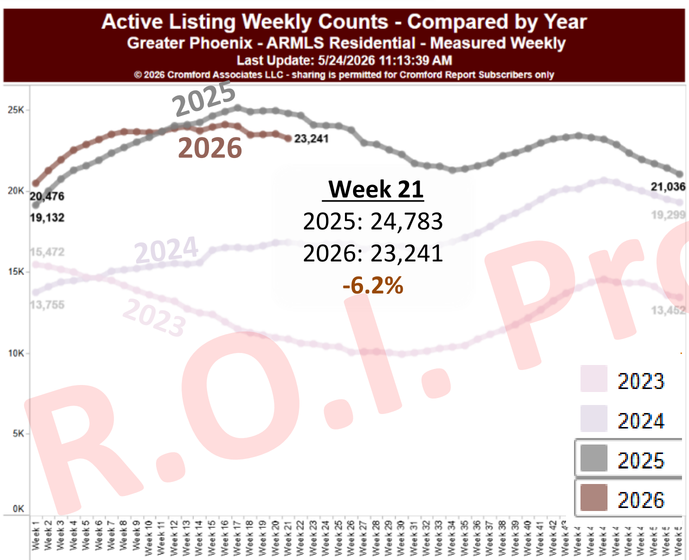
Comparing 2026 to 2025: ACTIVE LISTINGS

New listings in April totaled 9,414 in the Arizona Regional MLS, down 7.7% from last year. May new listings are trending nearly 9% below last year to date, which is contributing in part to overall supply counts down 6.2%. Historically, new listings added weekly to the MLS are at the second lowest count in 25 years, the lowest being 2023. May and June are high months seasonally for cancelled and expired listings; it's not unusual to see cancellations rise 10-15% between April and June, and expired listings rise 15-25%. They are even more pronounced in the luxury market, where sellers often remove their homes from the MLS for the summer. The combination of fewer listings added and seasonal removals of listings for the off-season is contributing to the declining supply counts over the past two months. Even with the decline, 2025 and 2026 supply counts are still at levels not seen since 2014, which makes the market challenging for sellers at the current level of demand. Adding to frustrations, conflicting headlines in May made statements that local supply is both at a record high and at a shortage.

ALL NEW LISTINGS ADDED in Q2:
As of May 22, 2026 vs. 2025: 15,721 (-6.9%)

- Under $300K: 2,054 (-0.1%)
- $300K–$600K: 8,675 (-7.9%)
- $600K–$1M: 3,233 (-10.6%)
- $1M–$2M: 1,192 (-3.4%)
- Over $2M: 567 (-0.1%)

While supply is at the second-highest level in 11 years, neither 2025 nor 2026 reached a record high. That honor is given to November 2007, when supply reached nearly 58,000 listings in the Arizona Regional MLS and did not drop below 30,000 until April of 2011. Analytics are not pointing to a severe housing shortage either. Shortages typically coincide with rising asking prices and fewer price reductions. The opposite is occurring. Today's measures show that inventory is within normal range based on 25 years of data.

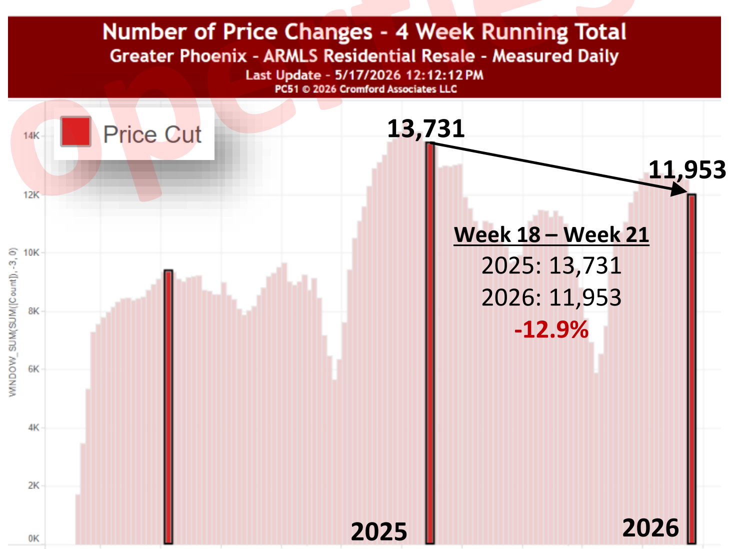


% Change in Active Supply: Week 21, 2026 vs. 2025

Price Range	# Active	Δ From Last Year	Listing Success Rate
Under $300K	3,815	+7.9%	69%
$300K–$400K	4,271	-2.0%	77%
$400K–$500K	4,511	-7.0%	75%
$500K–$600K	2,844	-12.2%	78%
$600K–$800K	3,001	-16.7%	73%
$800K–$1M	1,474	-13.3%	71%
$1M–$2M	1,987	-5.1%	66%
Over $2M	1,338	-4.6%	56%

% Change in Average Asking Prices per SF: Week 21, 2026 vs. 2025

Price Range	Active $/SF	YOY % Chg	Median Reduction
Under $300K	$177.62	-2.4%	-$6,000
$300K–$400K	$229.99	-2.0%	-$9,000
$400K–$500K	$237.61	-3.2%	-$9,905
$500K–$600K	$255.58	-1.3%	-$10,000
$600K–$800K	$285.33	-0.3%	-$10,049
$800K–$1M	$326.70	+0.2%	-$16,000
$1M–$2M	$429.10	+0.6%	-$47,000
Over $2M	$880.09	+3.4%	-$125,000



Comparing 2026 to 2025: SALES VOLUME & PRICE

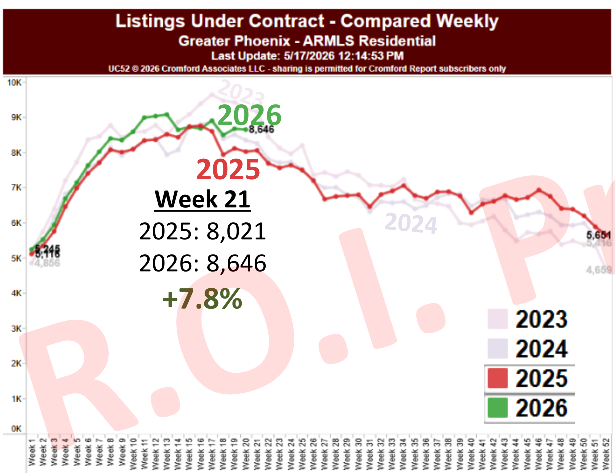
April sales closed at 7,145, up 2.9% over last year's April count of 6,944. So far, May sales to date are up 9.4% with just a few closing days to go. That equates to an extra 417 closings so far before the month ends. The market under $300K is showing the most improvement, up 31% month to date with 158 more closings, mostly condominiums. The second-best improvement by the numbers is the $300K-$400K market, up 110 closings for an increase of 11% so far. In third place is $1M-$1.5M, up 27% with an extra 55 sales. While these are the top performers for May, all price points are up over last May to date. This can change in the last week of closings, especially when the last week is a 4-day work week due to the Memorial Day holiday. Even so, listings under contract waiting to close over the next 4-6 weeks are up 7.8%, which is a positive trend for June closings. While the median sales price for May is unchanged, sales prices per square foot are down slightly from last year. This indicates that buyers are getting more square footage for their budgets.

ALL CLOSED SALES IN Q2

As of May 22, 2026 vs. 2025: 11,748 (+3.0%)

- Under $300K: 1,643 (+14.9%)
- $300K–$600K: 6,720 (+0.9%)
- $600K–$1M: 2,171 (+2.0%)
- $1M –$2M: 876 (+16.0%)
- Over $2M: 338 (+9.4%)

The sales price per square foot collectively for all homes under $1M, representing 91% of sales, is down 2.4% over the past 2 years, which is about 36 extra square feet for the money. Properties under $300K are down 5.8%, however. For a buyer with that budget, it's an extra 70 square feet for their money. That's just about the size of 1.5 king-sized beds, which can make a big visual difference in closet space, laundry rooms, kitchens, and larger bedrooms. Buyers are noticing, too. Listings under contract for studio and one-bedroom condominiums are up 73% over last year as the median 2026 price has dropped to $198,000.

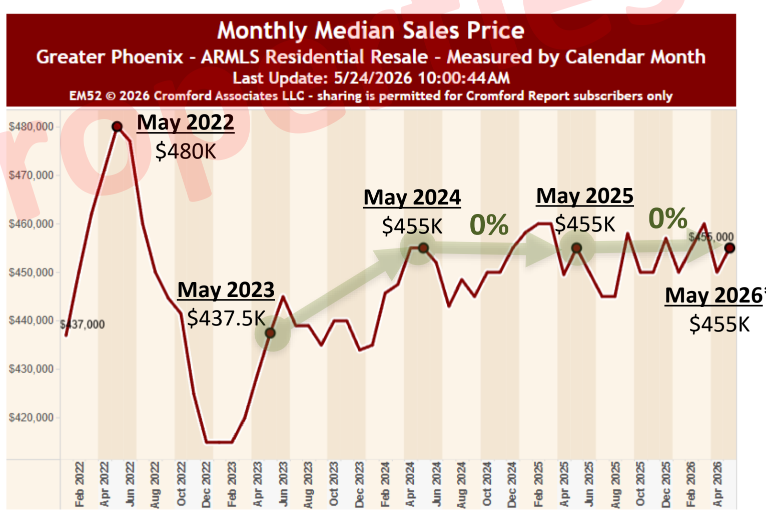


Contract and Sales Activity: Week 21, 2026 vs. 2025

Price Range	Week 21 In Escrow	Δ From Last Year	Sales $/SF	Annual Price Chg.
Under $300K	1,108	**+18.8%**	$179.67	**-3.5%**
$300K–$400K	1,962	**+4.4%**	$226.58	**-1.3%**
$400K–$500K	1,860	**+5.1%**	$237.33	**-1.8%**
$500K–$600K	1,023	**-0.1%**	$258.33	**+0.3%**
$600K–$800K	1,105	**+2.5%**	$280.09	**-0.5%**
$800K–$1M	531	**+15.2%**	$314.82	**+0.6%**
$1M–$2M	702	**+28.3%**	$407.98	**-3.1%**
Over $2M	355	**+7.9%**	$725.41	**-2.1%**

Concessions and DOM: May 2026 to Date

Price Range	% Incl. Concessions	Median $ Concession	Days On Mkt
Under $300K	**48.6%**	**$7,480**	**44**
$300K–$400K	**65.4%**	**$10,200**	**36**
$400K–$500K	**63.5%**	**$11,000**	**35**
$500K–$600K	**57.1%**	**$10,798**	**36**
$600K–$800K	**45.0%**	**$12,300**	**35**
$800K–$1M	**39.7%**	**$13,659**	**41**
$1M–$2M	**29.8%**	**$10,000**	**49**
Over $2M	**16.1%**	**$22,000**	**65**



**May is measuring 16 of 22 closing days to date*

ARTICLES OF INTEREST:

May 8, 2026 – Phoenix Business Journal
Report: Phoenix luxury home sales jump 24% week-over-week

May 11, 2026 – Phoenix New Times
2 Phoenix suburbs ranked among best U.S. cities to begin a career

May 15, 2026 – Phoenix Business Journal
Arizona exports surge 37% to $44.4B, second-fastest growth rate in the nation

May 15, 2026 – AZ Big Media
Arizona's personal income growth closes 2025 strong

May 21, 2026 – AZ Office of Economic Opportunity
Total Nonfarm Employment Increased by 7,700 Jobs Since April 2025

May 22, 2026 – Phoenix Business Journal
Amkor buys 67 acres in Peoria for future expansion as $7B chip facility takes shape

May 24, 2026 – AZ Big Media
How European investment in Phoenix is fueling economic rise