KELLERWILLIAMS. REALTY
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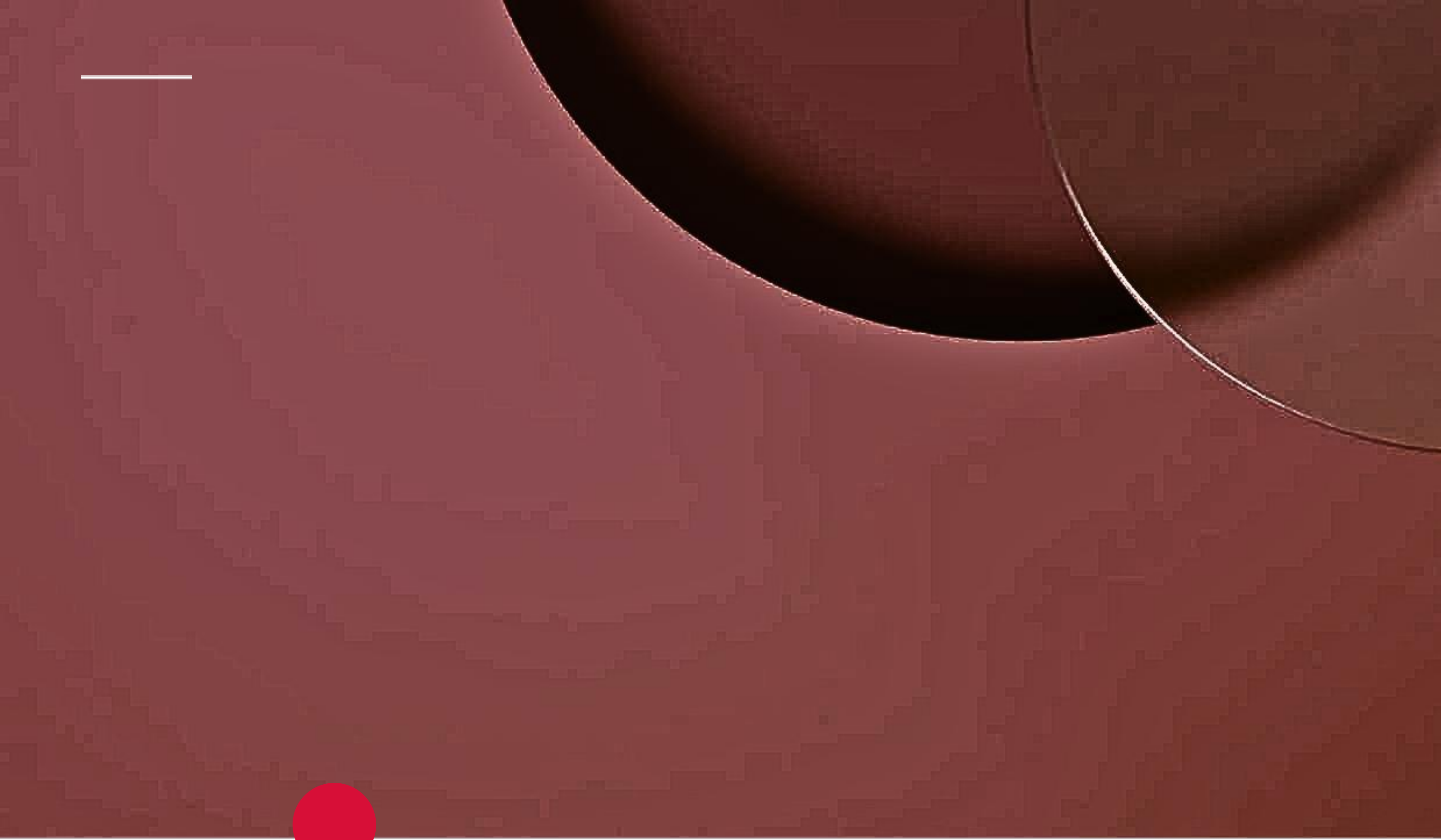
MARKET
UPDATE

REAL TALK. REAL STATS.
REAL ESTATE.

FEB 2026
EDITION



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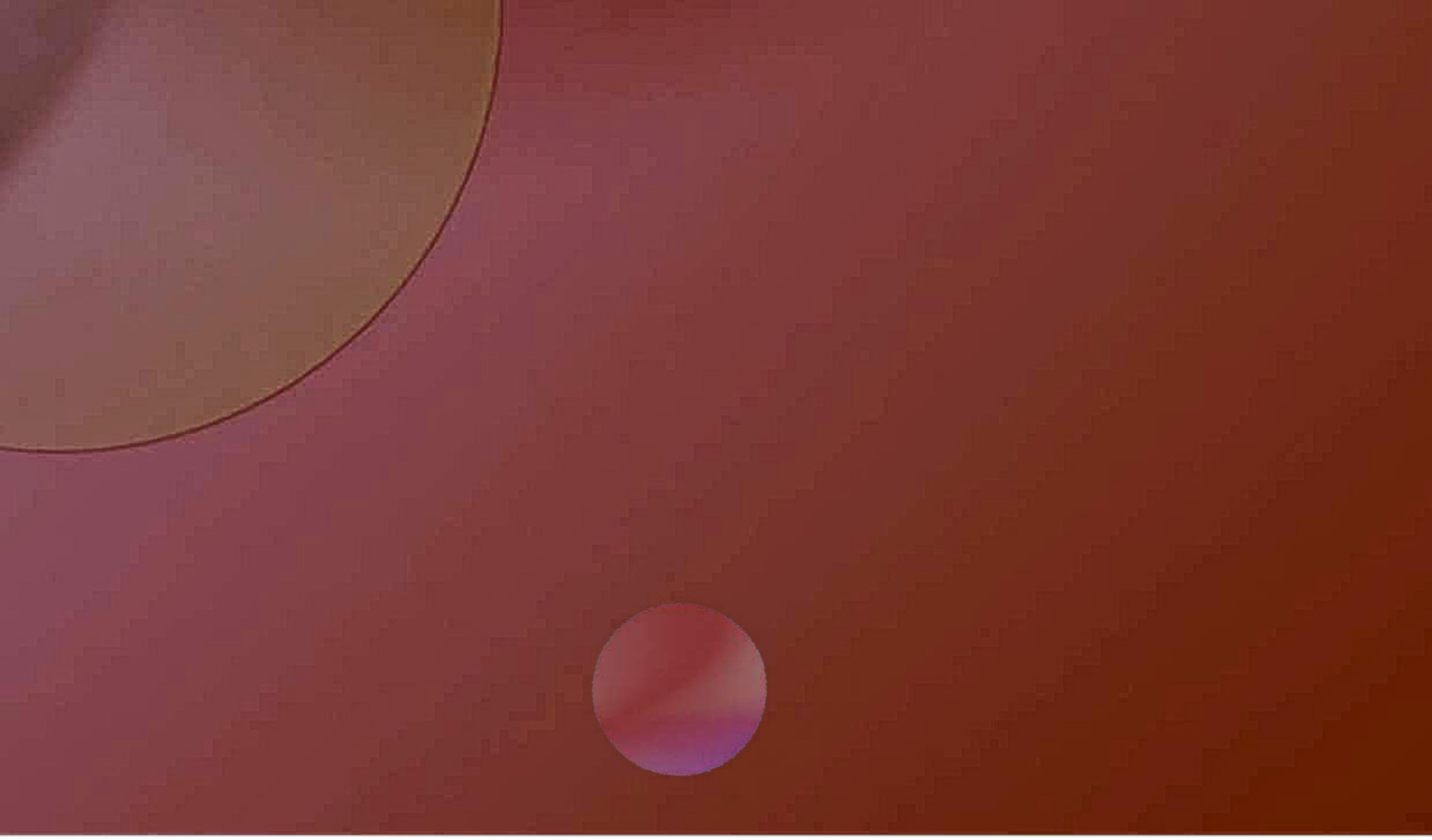

Economic Developments 12

In other news, Phoenix and Maricopa continues to see strong job growth, and topping nationwide lists for it's economic developments.

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Do not learn for learning sake, learn for doing sake. Leverage the data in this report to educate your database, current clients and more. Become their local economist of choice.

OUR PERSPECTIVE

The Paradox

January's data promised opportunity—rates down a full point, finally breaking through 6%. Lower borrowing costs should trigger buying frenzies. Instead, we're seeing paralysis.

Mortgage expenses dropped dramatically from last year, yet demand barely budged. Pending listings actually declined 4% year-over-year. Buyers who should be rushing in are standing still, unconvinced despite significantly improved affordability.

Meanwhile, sellers who vanished during Q4 returned simultaneously—active listings jumped 10%, new listings exploded 82% higher. The spring surge arrived an entire quarter early, flooding a market unprepared to absorb it. Thirteen cities now favor buyers, up from nine just weeks ago.

The geographic story fractures completely: Northeast Valley stands alone gaining value while Pinal craters in the opposite direction. Luxury captures 39% of dollar volume versus 25% three years ago—masking widespread weakness elsewhere.

This edition exposes the contradiction. We'll reveal why cheaper money isn't creating confidence, what 69% success rates signal for your timeline, how early spring inventory threatens remaining leverage, and why this disconnect determines who capitalizes versus who waits too long.

LOCAL
MARKET

ACTIVE & NEW LISTINGS
GREATER PHOENIX DATA

ACTIVE LISTINGS

As of Feb 7th, 2026*

Current:		22,449
1M Pr:	9.02%	20,591
3M Pr:	-1.63%	22,822
6M Pr:	6.53%	21,073
12M Pr:	6.36%	21,106

NEW LISTINGS

As of Feb 9th, 2026*

Current:		10,659
1M Pr:	82.07%	5,854
3M Pr:	15.59%	9,221
6M Pr:	46.21%	7,290
12M Pr	1.14%	10,559

The spring inventory rush arrived early. Active listings jumped nearly 10% from last month as sellers who pulled back during the fourth quarter flooded back into the market. New listings surged over 80% from January's lows, intensifying competition. While opportunities remain for well-positioned properties, the window is narrowing. Sellers entering now face mounting competition as supply continues building ahead of peak season

* Data by Cromford Report.

HERE'S 4 FACTS TO DISCUSS

Whether Buying or Selling, here are things to consider.

- **Mortgage Rates Dropped Significantly:** Rates fell from 7.26% a year ago (Jan '25) to 6.17% in Feb '26, but buyer demand remains tepid despite significantly improved mortgage affordability.
- **Luxury Market Diverges Sharply:** Homes over $1M captured 39% of dollar volume in January versus 25% three years ago. High-end strength masks weakness elsewhere.
- **Fourth Quarter Listings Flooded Back:** Sellers who cancelled during Q4 returned en masse in January, creating a supply surge that fundamentally shifted competitive dynamics heading into spring.
- **Northeast Valley Stands Alone:** Only one region grew in Median Sales price since Q2 2022—Northeast Valley surged 13% while every other area declined, with Pinal & West Phoenix dropping over 10%.

WHAT THE HECK IS EXACTLY GOING ON

January's data reveals a market paralyzed by contradictions, where cheaper money fuels skepticism instead of confidence.

Mortgage rates dropped a full percentage point from last year, yet demand barely responds. Pending listings actually declined 4% year-over-year despite financing costs falling dramatically. Buyers who should be rushing in are instead standing still, unconvinced that today's prices represent value even with significantly reduced carrying costs.

Supply tells the opposite story. Sellers who vanished during the fourth quarter stormed back simultaneously, pushing active listings up nearly 10% in a single month. New listings exploded 82% higher than January's subdued baseline. The spring surge arrived a full quarter early, catching an unprepared buyer pool off guard.

Geographic performance has fractured into separate realities. Northeast Valley stands alone as the only region gaining value since mid-2022, up 13% while Pinal craters 13% in the opposite direction. The gap between winners and losers has never been wider, creating vastly different experiences depending solely on zip code.

Perhaps most telling: dollar volume surged 34% while unit sales crawled ahead just 2%. The luxury segment now commands 39% of total dollars spent versus 25% three years ago. This isn't market strength, it's wealth concentration. The bulk of Phoenix homebuyers aren't participating in any meaningful recovery.

PROPERTY MOVEMENT
UNDER CONTRACT & SOLD DATA

Buyer Leverage Expanding - Momentum Shifting:
Thirteen cities now favor buyers, up from nine just weeks ago, while seller-favorable markets contracted to only five. The average CMI dropped 3.6%, reversing recent gains. Critically, supply expansion is driving the shift—not demand collapse. Active listings surged nearly 10% as fourth-quarter holdouts flooded back simultaneously. Buyers benefit from mounting inventory rather than rate-driven urgency.

- Cromford Report

GREATERPHOENIX DATA

Listings Under Contract - UCB/CCBS & Pending

	Units	VS%
Current	7,630	
1M Pr	5,431	40.49%
3M Pr	6,930	10.10%
6M Pr	6,805	12.12%
12M Pr	7,577	3.37%

As of Feb 8th, 2026

Sold Homes

	Units	VS%
Current	4,470	
1M Pr	5,836	-23.41%
3M Pr	5,612	-20.3%
6M Pr	5,735	-22.06%
12M Pr	4,424	1.04%

As of Jan 31st, 2025

January closings reached 4,843 transactions, up 2.3% year-over-year despite one fewer working day. The divergence intensifies: resale closings climbed 6% while new home sales collapsed 21%. The median price settled at $450,000, down 1.8% from December's $455,000. The builder era has definitively ended—resales now dominate while new construction faces mounting pressure in an increasingly competitive landscape.

Closed - AVG $/Sqft

	$/Sqft:	VS%
Current:	$316.95	
1M Pr:	$303.74	4.35%
3M Pr:	$291.66	8.67%
6M Pr:	$285.27	11.10%
12M Pr:	$316.79	0.05%

As of Jan 31st, 2025

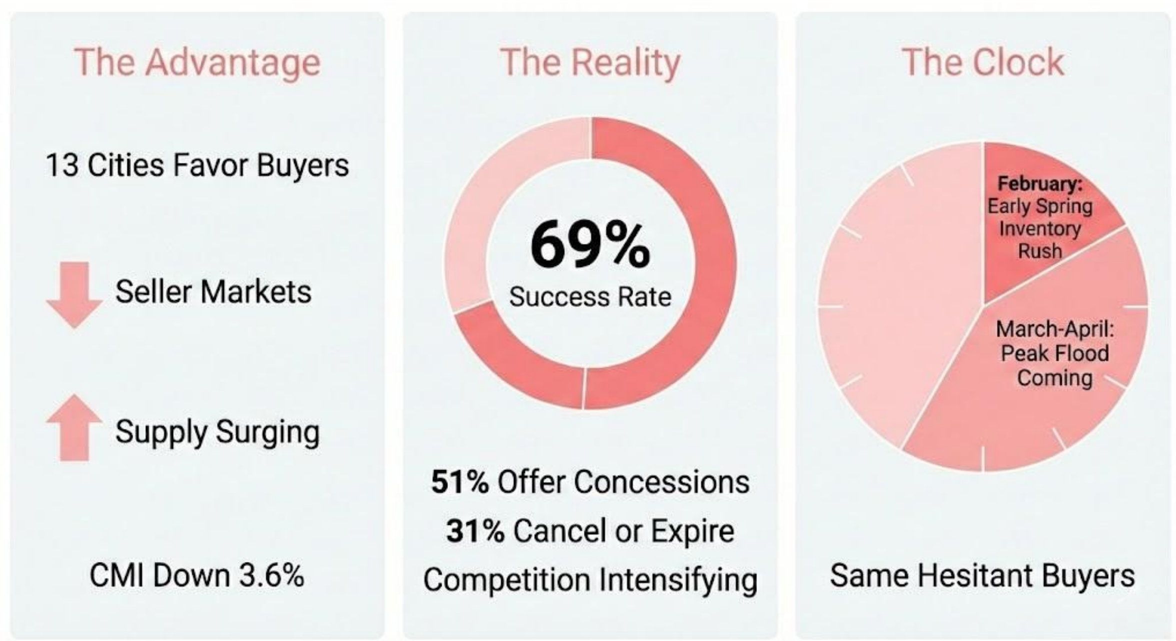
Listing Success Rate

	%	VS%
Current:	69%	
1M Pr:	64%	7.81%
3M Pr:	70%	-5.48%
6M Pr:	64%	7.81%
12M Pr:	69%	0%

As of Jan 31st, 2025

Seller Reality Check: February '26

The market is shifting against you, and the cause is clear. Thirteen cities now favor towards buyers, not because demand collapsed, but because your competition multiplied overnight. Active listings jumped 10% as fourth-quarter holdouts rushed back simultaneously. New listings exploded 82% from January's lows. This creates real pressure—and the advantage window is closing fast. Understanding what's driving this shift and how quickly conditions can deteriorate will determine whether you capture February's remaining opportunities or wait too long.



You're competing in a fundamentally different environment than existed 30 days ago. The spring inventory surge arrived a full quarter early, catching buyers unprepared. Those considering selling face a choice: enter while competition remains manageable, or wait as supply continues building through traditional peak season. The 69% success rate reflects today's reality but it's deteriorating. March and April will bring the predictable flood as optimistic sellers join simultaneously, all competing for the same hesitant buyer pool we have right now. Price strategically and move decisively, or watch your leverage evaporate entirely.

HYPER FOCUSED MARKET

Let's take a look into segments of our market.

East Valley Market:
(Ahwatukee, Chandler, Chandler Heights, Gilbert, Tempe, Mesa, AJ, QC, STV)

Price Range	Active / Coming Soon	Sold in Jan	Months Supply
$0-$250K	873 ↑ 39	119 ↓ 4	7.34 ↑ 0.56
$250K-$400K	1,117 ↑ 96	306 ↓ 93	3.65 ↑ 1.09
$400K-$500K	1,139 ↑ 121	324 ↓ 52	3.52 ↑ 0.81
$500K-$600K	870 ↑ 48	201 ↓ 105	4.33 ↑ 1.64
$600K-$800K	908 ↑ 87	187 ↓ 99	4.86 ↑ 1.99
$800K-$1M	329 ↑ 7	67 ↓ 30	4.91 ↑ 1.59
$1M+	455 ↑ 27	77 ↓ 16	5.91 ↑ 1.31

Active Days on Market: 85 ↓ 10
Under Contract DOM: 77 ↓ 5
Closed DOM: 83 ↑ 3
47.13% Sold in 60 Days or Less
65.40% in 90 Days or Less

Cash accounted for 24.6% of all East Valley Jan sales.
Up 4.0%.

506 Listings in the East Valley Expired or Cancelled in Jan.
Down 357.

North East Valley:
(Scottsdale, Paradise Valley, Greyhawk, Desert Ridge, Cave Creek Fountain Hills)

Price Range	Active / Coming Soon	Sold in Jan	Months Supply
$0-$400K	495 ↑ 27	80 ↑ 10	6.19 ↓ 0.50
$400K-$600K	373 ↑ 12	94 ↓ 3	3.97 ↑ 0.25
$600K-$1M	826 ↑ 85	171 ↓ 67	4.83 ↑ 1.72
$1M - $2M	924 ↑ 132	169 ↓ 68	5.47 ↑ 2.13
$2M-$5M	767 ↑ 94	103 ↓ 12	7.45 ↑ 1.60
$5M-$10M	229 ↑ 5	22 ↑ 4	10.41 ↓ 2.03
$10M +	88 ↑ 3	7 ↑ 2	12.57 ↓ 4.43

Active Days on Market: 104 ↓ 7
Under Contract DOM: 82 ↓ 12
Closed DOM: 99 ↑ 6
43.65% Sold in 60 Days or Less
61.61% Sold in 90 Days or Less

Cash accounted for 44.12% of all North East Valley Jan Sales.
Up 7.20%

281 Listings in North East Valley Expired or Cancelled in Jan.
Down 143.

KELLER **WILLIAMS**

HOW DO WE STACK UP?

ALL KELLER WILLIAMS

Coming Soon:	53 ↑ 6
Active Listings:	1,167 ↑ 87
New Listings in Jan:	533 ↑ 176
Contracted:	456 ↑ 71
Closed in Jan:	397 ↓ 151
Market Share:	8.18% ↓ 0.39%

KWSL

Coming Soon:	12 ↑ 11
Active Listings:	148 ↑ 20
New Listings in Jan:	79 ↑ 29
Contracted:	64 = 0
Closed in Jan:	76 ↓ 14
Market Share:	1.57% ↑ 0.16%

NON-CONVENTIONAL
IBUYERS & DISCOUNT BROKERS

iBuyers Breakdown

Opendoor:

- Active: 90 = 0
- Pending: 43 ↑ 11
- Closed: 22 ↓ 10
- Market Share: 0.45% ↓ 0.01%

OfferPad

- Active: 17 ↓ 4
- Pending: 3 ↓ 3
- Closed: 5 ↓ 3
- Market Share: 0.12% ↓ 0.10%

72SOLD & Just 990:

CITIEA (New Brokerage Name)

- Active: 273 ↑ 10
- Pending: 75 ↑ 12
- Closed: 89 ↓ 34
- Market Share: 1.83% ↓ 0.09%

Discount Brokers

Redfin

- Active: 159 ↑ 32
- Pending: 12 ↓ 4
- Closed: 81 ↓ 56

Flat Fee

- Active: 142 ↑ 28
- Pending: 33 ↑ 4
- Closed: 25 ↑ 2

Homie (Also Flat Fee)

- Active: 7 = 0
- Pending: 1 ↓ 1
- Closed: 3 ↑ 2

ECONOMIC

DEVELOPMENT & NEWS IN PHOENIX

From infrastructure improvements to job openings, here's this months developments.

Hadrian celebrates ribbon cutting of Factory 3 in Mesa, marking major milestone in AI-powered manufacturing expansion: Hadrian has invested $200 million in the 290,000-square-foot facility, which will bring over 350 new jobs to East Mesa in early 2026.

– gpec.org

City Winery inks lease for 30,000-square-foot Scottsdale location; City Winery, a heralded winery, restaurant, live music venue and multi-functional events space concept, has signed on to open a 30,000-square-foot location in Scottsdale, at the $100 Million Entertainment Driven Retail development, The Sydney.

– orionprop.com

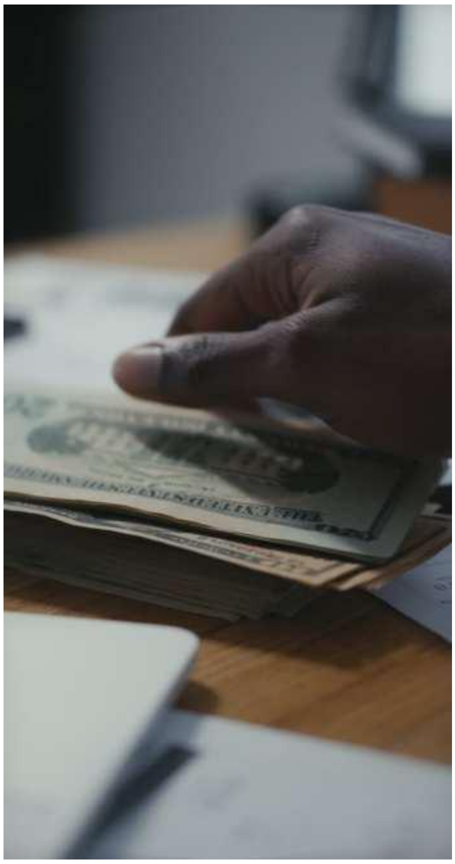
Amazon leases another Phoenix-area warehouse for additional 1.1M sf; The Jeff Bezos-led e-commerce giant has leased a nearly 1.1-million-square-foot building at the West 202 Logistics industrial site west of downtown. In 2025, Amazon was the second-largest employer in Arizona, boasting approximately 40,000 employees in the Grand Canyon State.

- therealdeal.com

Let's discuss Interest Rates.

Uncertainty looms as we head into the holidays.

Rates fell to three-year lows following Trump's $200 billion mortgage bond purchase announcement in January—from 6.89% last year to around 6% today. Yet economists warn this relief proves temporary, representing a "sugar high" rather than structural change. The modest improvement—roughly 25 basis points from the directive itself—hasn't sparked anticipated buyer enthusiasm. Demand remains surprisingly tepid despite dramatically improved affordability, suggesting deeper market hesitation beyond financing costs alone.



			Change		52 Week Range	
	Rate	Points	Previous	1 Year	Low	High
Mortgage News Daily - updated daily						as of 2/9/26
30 Yr. Fixed	6.16%	--	+0.01%	-0.87%	6.01%	7.13%
15 Yr. Fixed	5.73%	--	+0.01%	-0.69%	5.55%	6.50%
30 Yr. Jumbo	6.33%	--	+0.00%	-0.98%	6.10%	7.45%
7/6 SOFR ARM	5.57%	--	+0.01%	-1.24%	5.56%	7.25%
30 Yr. FHA	5.76%	--	+0.01%	-0.63%	5.69%	6.53%
30 Yr. VA	5.78%	--	+0.01%	-0.63%	5.70%	6.54%

- mortgagenewsdaily.com on 02/09/2026

MARKETING

HOW TO LEVERAGE THIS DATA.

Blast Out This Market Report

Click here to access the "Consumer Friendly" version to send out to your database and prospects. Great value piece to send BEFORE your appointment for them to review, and you come in and validate the state of the market.

Create A "One Minute Market Update" every week.

Looking to dominate social media? Posting reels frequently is key! Here are 5 done-for-you scripts to create 60 second reels. Pro tip: Post these as "Trials" in Instagram to get views outside of your followers.

Social Media Post Ideas

Video not, your thing? That's okay... for now. While you warm up to the idea, still get a head start by posting these social media post ideas. Just create an image to go with them!

STRATEGIES

Use for this for a YouTube Video

Click this box for a pre-made YouTube Script for a 7 to 8 minute video, all based on the data in this report. Leverage this with StreamYard or Riverside to make a killer video in one single take!

Weekly Email Newsletter

Email every week equals 52 touches a year. Copy and paste our made-for-you emails or upload this report to have the AI of your choice make custom ones for you!

Market Data Scripts To Learn

Confidence is the key to sales. Leverage this month's scripts to sound like the pro at the table! All scripts are designed with this month's data.

Your New Role Play Partner

Did you practice your scripts above? Now use the power of ChatGPT to role play with you. Use it as much as you want without waiting for someone else to practice wise!

kwsl - Ahwatukee/Chandler

15210 S 50th St Suite 130, Phoenix

480-759-4300

kwsl - Scottsdale/PV

9200 N Pima Center Pkwy #240, Scottsdale

480-948-3338