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From the Phoenix Business Journal:

<https://www.bizjournals.com/phoenix/news/2021/12/01/phoenix-home-price-increases-2022.html>

Housing forecast: How much Phoenix home prices will rise in 2022

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Phoenix home prices are expected to rise 6.8% in 2022, according to a housing market forecast released Wednesday by Realtor.com.

The projected increase is based on a recent median home price in the Valley of \$485,000.

The new report also expects Phoenix home sales to grow 7.5% in 2022 as home shoppers explore areas where they can get more house for their money as they work remotely from their kitchen or home office.



JIM POULIN | PHOENIX BUSINESS JOURNAL

Realtor.com has issued its 2022 Housing Forecast: Here's how much Phoenix-area

While it appears that housing supply issues will improve somewhat in 2022, the housing market as a whole will still be competitive, predicts Steve Hensley, advisory manager for Zonda housing market research firm. home prices are expected to rise.

"Housing affordability will be an issue for many prospective homebuyers, which will likely result in a very competitive housing market for more affordable homes," he said. "Rising mortgage interest rates could also add to these issues as purchasing power declines."

Phoenix reported the highest year-over-year gain in the nation with a 33.1% increase in September.

Tampa was right behind Phoenix, with a 27.7% increase, followed by Miami, with a 25.2% year-over-year gain, according to the latest results of the S&P CoreLogic Case-Shiller Indices. Nationwide, home price growth was 19.5% in September, down a bit from 19.8% in the previous month.

Carson Eilers, designated broker for Scottsdale-based Original Realty Co., said he wouldn't be surprised to see another double-digit increase in appreciation for 2022.

"I think Phoenix will continue to grow over the next few years based on the growing number of job opportunities and companies continuing to relocate and grow their businesses in metro Phoenix," Eilers said.

The U.S. Census Bureau estimates the metro area grew on average 291 people every day, he said.

"Over the past decade, builders have not built enough houses to service demand," Eilers said. "With continued labor shortages and the high cost of construction materials, new homes will be more costly than ever to build."

Read more: What housing analysts are predicting for housing prices nationwide in 2022

Angela Gonzales

Senior Reporter

Phoenix Business Journal

