

Real Estate Outlook

The Arizona Real Estate Investors Association recently held a “Prescriptions and Predictions” panel discussion on what the next year or two might hold for the real estate market. The consensus was “slow and steady”, with some specific observations.

1. Young People and First Time Home Buyers Will Drive Sales

Millenials are pushing into their late 20’s and now thinking of building families and buying homes.

2. Lower Interest Rates Will Help Demand

Low interest rates benefit both buyers and sellers. They compel more inventory to hit the market and more buyers to purchase that inventory without aggressively negotiating. If you are thinking about getting pre-qualified for a new home loan I can recommend some good lenders for you.

3. Multifamily Market

We have all seen the new multifamily construction projects all across the state. But there is still an overall housing shortage in the Phoenix metro area. This will keep upward pressure on rents and purchase prices.

4. Impact of a Strong Economy

Arizona was hit hard by the housing and economic meltdown a few years ago. But now our reasonably priced housing, lower cost of living, available workforce, and stable climate all forecast a growing economy and strong housing growth in 2020, provided that interest rates don’t rise too fast. The experts expect no more than a slight pause in our housing market in the foreseeable future. This outlook bodes well for investors and vacation home buyers as well.

I enjoy helping both buyers and sellers, and will gladly answer any real estate questions you may have. If you know anyone who is thinking of buying or selling, either in the Phoenix area or in Arizona rim country, please have them call me!