

---

# **REAL ESTATE MARKET OUTLOOK 2004**

---

---

# REAL ESTATE CRITICAL ISSUES

- **INTEREST RATES**

- **REASONS**
- **AFFORDABILITY**

- **ROLE OF THE CONSUMER**

- **INCOME TRAP**
  - **DEBT**
  - **CONFIDENCE**
-

---

# REAL ESTATE CRITICAL ISSUES

## ■ JOB-LITE RECOVERY

### ■ REASONS

### ■ ECONOMIC DEVELOPMENT CLUSTERS

- Aerospace and aviation
- High-tech
- Advanced Financial & Business Services
- Bioindustry
- Software

### ■ INCOME

---

---

# REAL ESTATE CRITICAL ISSUES

- **FISCAL INTEGRITY**
  - **WATER**
  - **TRAUMATIC SHOCKS**
-

---

# REAL ESTATE SECTORS

- **SINGLE-FAMILY HOMES**
  - **APARTMENTS**
  - **RETAIL**
  - **OFFICE**
-

---

# NEW HOME MARKET

■ PERMITS	Maricopa	Pinal
□ 2003	39,652	6,730
□ 2002	34,309	4,433
□ 2001	32,867	3,273
□ 1990s	242,161	
□ 1980s	151,796	
□ 1970s	171,406	

---

---

# RESALE HOME MARKET

## ■ SALES ACTIVITY

□ 2003	73,785
□ 2002	62,625
□ 2001	61,155

## ■ MEDIAN PRICE

□ 2003	\$ 155,000
□ 2002	\$ 144,900
□ 2001	\$ 136,000

---

---

# APARTMENT MARKET

## ■ UNITS AUTHORIZED

□ 2003	4,836
□ 2002	5,607
□ 2001	7,201
□ 1990s	51,608
□ 1980s	137,436

---

---

# RETAIL MARKET

	2002	2003
<b>Inventory</b>	<b>95,602,706</b>	<b>97,482,159</b>
<b>Vacancy</b>	<b>10.5%</b>	<b>10.9</b>
<b>Absorption</b>	<b>1,178,621</b>	<b>1,743,585</b>

---

---

# OFFICE MARKET

	2002	2003
<b>Inventory</b>	<b>54,896,256</b>	<b>56,244,915</b>
<b>Vacancy</b>	<b>21.6 %</b>	<b>21.8%</b>
<b>Absorption</b>	<b>813,830</b>	<b>947,202</b>

---

---

# CONTACTS

**[WWW.WPCAREY.ASU.EDU/SEID/CBR](http://WWW.WPCAREY.ASU.EDU/SEID/CBR)**

**Click on [AZB/Arizona Business](#)**

---