

October 2020

As you can see from The Davis Driver Group’s “Market Velocity Report” below, as of the afternoon of September 3rd, demand for real estate here “tapered off” during August, at least compared to the other worldly demand shown in June and July.

Here is the top half of the report, for Homesites:

Buying Decisions - Market Velocity - by Off Market Date
(Have entered escrow, but may not have yet closed)

Homesites	2016	2017	2018	2019	2019 vs. Avg. for Last Three Years	2020 (YTD)	2020 vs. Avg. for Last Three Years	2020 vs. Last Year/vs. Last Year YTD
Total No. of Homesites:	<u>58</u>	<u>73</u>	<u>73</u>	<u>45</u>	66%	<u>46</u>	72%	102%/184%
January	<u>3</u>	<u>7</u>	<u>10</u>	<u>2</u>	30%	<u>5</u>	79%	250%
February	<u>9</u>	<u>3</u>	<u>7</u>	<u>3</u>	47%	<u>4</u>	92%	133%
March	<u>2</u>	<u>8</u>	<u>4</u>	<u>5</u>	107%	--	0%	0%
April	<u>2</u>	<u>8</u>	<u>14</u>	<u>3</u>	38%	<u>4</u>	48%	133%
May	<u>6</u>	<u>9</u>	<u>6</u>	<u>4</u>	57%	<u>5</u>	79%	125%
June	<u>5</u>	<u>8</u>	<u>2</u>	<u>2</u>	40%	<u>10</u>	250%	500%
July	<u>6</u>	<u>2</u>	<u>5</u>	<u>4</u>	92%	<u>8</u>	218%	200%
August	<u>3</u>	<u>7</u>	<u>5</u>	<u>2</u>	40%	<u>6</u>	129%	300%
September	<u>4</u>	<u>4</u>	<u>5</u>	<u>1</u>	23%	<u>4</u>	120%	400%
October	<u>5</u>	<u>3</u>	<u>4</u>	<u>5</u>	125%	--	0%	0%
November	<u>6</u>	<u>10</u>	<u>9</u>	<u>10</u>	120%	--	0%	0%
December	<u>7</u>	<u>4</u>	<u>2</u>	<u>4</u>	92%	--	0%	0%

The demand for homes has been getting all the “press” lately, but Homesite demand has been very strong, too. The six spoken for in August was 129% of an average for the last three Augusts, and 300% of what went under contract last August. So, very decent, indeed! September has gotten off to an incredible start, with four going under contract in just two and a half days:

Homesites
09/01/2020 - 09/02/2020

<u>Lot ID</u>	<u>Off Market Date</u>	<u>List Price</u>	<u>Resale</u>	<u>Membership</u>
Membership Not Included (4 Decisions)				
AH - 12	09/02/2020	\$119,000	Yes	Membership Not Included
PS - 94	09/01/2020	\$299,000	Yes	Membership Not Included
SAG-144	09/01/2020		Yes	Membership Not Included
SR -292	09/02/2020	\$250,000	Yes	Membership Not Included

Note the \$1,000,000 lot going under contract!

Here is the bottom half of the report, for Homes:

Homes	2016	2017	2018	2019	2019 vs. Avg. for Last Three Years	2020 (YTD)	2020 vs. Avg. for Last Three Years	2020 vs. Last Year/vs. Last Year YTD
Total No. of Homes:	119	133	146	168	127%	151	101%	90%/128%
January	10	12	14	9	75%	16	137%	178%
February	15	10	16	9	66%	23	197%	256%
March	7	15	17	16	123%	17	106%	106%
April	19	21	19	35	178%	18	72%	51%
May	12	13	25	28	168%	21	95%	75%
June	7	9	8	9	113%	26	300%	289%
July	7	6	8	5	71%	18	284%	360%
August	5	10	12	7	78%	10	103%	143%
September	7	3	3	5	115%	2	55%	40%
October	13	2	6	17	243%	--	0%	0%
November	4	15	10	19	197%	--	0%	0%
December	13	17	8	9	71%	--	0%	0%

Demand for Homes during August, as measured by signed contracts, certainly did come down from where it was during June and July. It could have been a result of our August heat wave, but I believe the apparent dip in demand is due to Desert Mountain running low on the size and price-range of homes that have been so much in demand since the first of the year. So, I'd call the numbers above "Met Demand", and believe these numbers would be much, much higher if we had more inventory in the size and price-range that the majority of buyers have been looking for. Here is a table summarizing those topics:

Sold Homes Analysis Report
 Custom & Semi-Custom, New & Used, Resale & Developer
 1/1/2020 to 09/03/2020

139 Homes Sold

Sold For	Any Size	10,000 SF or more	7,500 - 9,999 SF	5,000 - 7,499 SF	2,500 - 4,999 SF	Under 2,500 SF
\$8,000,000 & up	0.72% (1)	0.72% (1)	--	--	--	--
\$7,000,000 - \$7,999,999	--	--	--	--	--	--
\$6,000,000 - \$6,999,999	--	--	--	--	--	--
\$5,000,000 - \$5,999,999	0.72% (1)	--	--	0.72% (1)	--	--
\$4,000,000 - \$4,999,999	1.44% (2)	--	--	1.44% (2)	--	--
\$3,000,000 - \$3,999,999	8.63% (12)	--	2.16% (3)	4.32% (6)	2.16% (3)	--
\$2,000,000 - \$2,999,999	13.67% (19)	--	0.72% (1)	5.76% (8)	7.19% (10)	--
\$1,000,000 - \$1,999,999	43.88% (61)	--	--	8.63% (12)	33.81% (47)	1.44% (2)
\$500,000 - \$999,999	30.94% (43)	--	--	--	20.86% (29)	10.07% (14)
Under \$500,000	--	--	--	--	--	--
Any Price	100.00% (139)	0.72% (1)	2.88% (4)	20.86% (29)	64.03% (89)	11.51% (16)

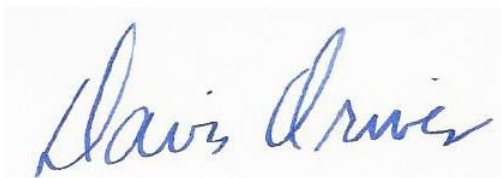
As the table shows the dispersion of the 139 homes *sold* (not just being placed under contract) by price- and size-range. As of September 3rd, there were only six homes for sale at list prices less than \$1,000,000; so far this year, the demand in that price range has been 104. Nineteen have been sold priced in the \$2,000,000 range; there were 31 in inventory as of September 3rd. Size-wise, 64.03% of the 139 sales, or 89 homes, were between 2,500 and 4,999 square feet. As of September 3rd, there were just 53 in inventory in that size range. Only five homes have sold all year that were 7,500 square feet or larger (and not one was Pending as of September 3rd); against a supply of nine homes at 7,500 square feet or larger (two of which are offered as unbuilt designs). So, larger homes are still very much in need of being priced to sell.

Twenty-six homes were Pending as of the morning of September 3rd. One month ago, there were thirty-seven.

If you are interested, you can find the Market Velocity Report anytime on the Home Page of our main website, www.propertiesofdesertmountain.com (which, by the way, is in the process of being significantly updated. We will let you know when it is finished!).

The Davis Driver Group prides itself on having the best possible market information for the benefit of both our listing and buying clients. Our RCD9 System, in which we have invested well over \$1,200,000 over the nearly twenty-nine that Davis Driver has been working in the real estate market in Desert Mountain, provides substantially more, and more useful, information than the Multiple Listing Service can provide, which means we save time and money for our clients. We invite your further inquiry! You can reach Davis Driver at (602) 399 0116, or at Davis@DavisDriver.com.

Have a great fall, and thanks for all the comments and feedback we are getting on this data.

A handwritten signature in blue ink that reads "Davis Driver". The signature is written in a cursive, flowing style.