

December 2020

As you can see from The Davis Driver Group's "Market Velocity Report" below, as of the morning of November 1st, demand for real estate here continued to be exceptionally heavy during October, for both homesites and homes. Our report tallies the number of accepted contracts, not closings. Most do go on to close. Here is what happened in 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>70</u>	111%	<u>53%</u> /226%
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%	113%
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%	113%
May	<u>6</u>	<u>9</u>	<u>6</u>	<u>4</u>	57%	<u>5</u>	79%	173%
June	<u>5</u>	<u>8</u>	<u>2</u>	<u>2</u>	40%	<u>11</u>	275%	550%
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>5</u>	107%	250%
September	<u>4</u>	<u>4</u>	<u>5</u>	<u>1</u>	23%	<u>17</u>	510%	1,700%
October	<u>5</u>	<u>3</u>	<u>4</u>	<u>5</u>	125%	<u>11</u>	275%	220%
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 homesites softened in October, to 11, "merely" 275% of the average number of homesite contracts written the last three Octobers. Two of these eleven were listed for \$799,000, Apache Peak 95 and Lost Star 11. The highlight of the other nine was Saguario Forest 199, which went under contract at a list price of \$495,000.

As of the morning of October 1, there were only 34 homesites listed for sale, down from 43 a month ago. The average list price of the 33 that were offered without any kind of membership in the Desert Mountain Club was \$627,936, up from \$585,255 a month ago, a 7.3% increase. Thirteen were priced at \$299,000 or less, down from seventeen last month. Of these, nine had main views that included a road in the foreground. So, the homesite inventory continues to thin, drastically.

Here is what happened in 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:	<u>119</u>	<u>133</u>	<u>146</u>	<u>168</u>	127%	<u>216</u>	119%	125%/119%
January	<u>10</u>	<u>12</u>	<u>14</u>	<u>9</u>	75%	<u>16</u>	117%	170%
February	<u>15</u>	<u>10</u>	<u>16</u>	<u>9</u>	66%	<u>23</u>	157%	256%
March	<u>7</u>	<u>15</u>	<u>17</u>	<u>16</u>	127%	<u>18</u>	113%	112%
April	<u>19</u>	<u>21</u>	<u>19</u>	<u>35</u>	179%	<u>18</u>	72%	51%
May	<u>12</u>	<u>13</u>	<u>25</u>	<u>28</u>	168%	<u>21</u>	95%	75%
June	<u>7</u>	<u>9</u>	<u>8</u>	<u>9</u>	111%	<u>26</u>	300%	289%
July	<u>7</u>	<u>6</u>	<u>8</u>	<u>5</u>	71%	<u>18</u>	284%	360%
August	<u>5</u>	<u>10</u>	<u>12</u>	<u>7</u>	78%	<u>14</u>	145%	200%
September	<u>7</u>	<u>3</u>	<u>3</u>	<u>5</u>	115%	<u>27</u>	736%	540%
October	<u>13</u>	<u>2</u>	<u>6</u>	<u>17</u>	243%	<u>35</u>	420%	206%
November	<u>4</u>	<u>15</u>	<u>10</u>	<u>19</u>	187%	--	0%	0%
December	<u>13</u>	<u>17</u>	<u>8</u>	<u>9</u>	71%	--	0%	0%

Sixty-two homes spoken for in sixty-one days, looking back to September 1. 119 homes going under contract from June 1 through October 31 in 2020, compared to 43 a year ago. Unprecedented demand, with no sign of it slowing down.

Here is a table summarizing the homes already sold in 2020 by price and size ranges:

Sold Homes Analysis Report
Custom & Semi-Custom, New & Used, Resale & Developer
 1/1/2020 to 10/31/2020

184 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	1.09% (2)	0.54% (1)	--	0.54% (1)	--	--
\$7,000,000 - \$7,999,999	--	--	--	--	--	--
\$6,000,000 - \$6,999,999	--	--	--	--	--	--
\$5,000,000 - \$5,999,999	0.54% (1)	--	--	0.54% (1)	--	--
\$4,000,000 - \$4,999,999	1.09% (2)	--	--	1.09% (2)	--	--
\$3,000,000 - \$3,999,999	8.70% (16)	--	1.63% (3)	4.89% (9)	2.17% (4)	--
\$2,000,000 - \$2,999,999	16.30% (30)	--	0.54% (1)	8.15% (15)	7.61% (14)	--
\$1,000,000 - \$1,999,999	41.85% (77)	--	--	9.24% (17)	31.52% (58)	1.09% (2)
\$500,000 - \$999,999	30.43% (56)	--	--	--	21.20% (39)	9.24% (17)
Under \$500,000	--	--	--	--	--	--
Any Price	100.00% (184)	0.54% (1)	2.17% (4)	24.46% (45)	62.50% (115)	10.33% (19)

The bulk of demand has been under \$3,000,000, and below 7,500 square feet.

Here are details of the most expensive fifteen homes sold so far in 2020:

<u>Lot</u>	<u>List Price</u>	<u>Sale Price</u>	<u>List Price/SF</u>	<u>Sale Price/SF</u>	<u>LP-SP Disc.%</u>	<u>Size</u>
SEV- 16	\$8,500,000	\$8,500,000	\$1,399.87	\$1,399.87	--	6,072
SAG-233	\$15,500,000	\$15,500,000	\$913.48	\$913.48	--	16,968
CR - 87	\$3,950,000	\$3,700,000	\$963.41	\$902.44	6.33%	4,100
SAG-284	\$4,765,000	\$4,665,000	\$821.55	\$804.31	2.10%	5,800
SEV- 17	\$5,299,999	\$5,100,000	\$775.76	\$746.49	3.77%	6,832
AP -133	\$3,750,000	\$3,500,000	\$778.33	\$726.44	6.67%	4,818
SAG-187	\$3,100,000	\$3,000,000	\$732.69	\$709.05	3.23%	4,231
SAG- 47	\$5,400,000	\$5,025,000	\$760.35	\$707.55	6.94%	7,102
SAG- 31	\$3,995,000	\$3,850,000	\$733.43	\$706.81	3.63%	5,447
AP - 93	\$3,200,000	\$3,000,000	\$747.84	\$701.10	6.25%	4,279
SAG-135	\$3,750,000	\$3,700,000	\$707.55	\$698.11	1.33%	5,300
GQP-261	\$2,995,000	\$2,920,000	\$703.55	\$685.93	2.50%	4,257
AP -119	\$3,500,000	\$3,450,000	\$693.07	\$683.17	1.43%	5,050
GF - 26	\$2,801,000	\$2,660,000	\$695.90	\$660.87	5.03%	4,025
SUN- 7	\$2,798,500	\$2,878,500	\$642.30	\$660.66	-2.86%	4,357

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 over \$1,200,000 over the twenty-nine 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 at (602) 399 0116, or at Davis@DavisDriver.com.

Sincerely,

