

## May 2021

As you can see from The Davis Driver Group's "Market Velocity Report" below, as of the morning of April 1, 2021 (reflecting real estate that has gone under contract, but which may not have yet closed escrow, on a monthly basis for the current year, and the four previous years; does not include the six homes in Seven that are under contract, or the five that have already closed escrow), our market exploded, again, in March.

Here is what happened in Homesites:

Homesites	2017	2018	2019	2020	2020 vs. Avg. for Last Three Years	2021 (YTD)	2021 vs. Avg. for Last Three Years	2021 vs. Last Year vs. Last Year YTD
Total No. of Homesites:	<u>74</u>	<u>73</u>	<u>45</u>	<u>88</u>	100%	<u>29</u>	42%	33% <del>22%</del>
January	<u>7</u>	<u>10</u>	<u>2</u>	<u>5</u>	79%	<u>9</u>	159%	100%
February	<u>3</u>	<u>7</u>	<u>3</u>	<u>4</u>	92%	<u>9</u>	193%	225%
March	<u>8</u>	<u>4</u>	<u>5</u>	--	0%	<u>11</u>	367%	0%
April	<u>8</u>	<u>14</u>	<u>3</u>	<u>4</u>	48%	--	0%	0%
May	<u>10</u>	<u>6</u>	<u>4</u>	<u>5</u>	75%	--	0%	0%
June	<u>8</u>	<u>2</u>	<u>2</u>	<u>11</u>	275%	--	0%	0%
July	<u>2</u>	<u>5</u>	<u>4</u>	<u>8</u>	218%	--	0%	0%
August	<u>7</u>	<u>5</u>	<u>2</u>	<u>5</u>	107%	--	0%	0%
September	<u>4</u>	<u>5</u>	<u>1</u>	<u>17</u>	510%	--	0%	0%
October	<u>3</u>	<u>4</u>	<u>5</u>	<u>9</u>	225%	--	0%	0%
November	<u>10</u>	<u>9</u>	<u>10</u>	<u>9</u>	93%	--	0%	0%
December	<u>4</u>	<u>2</u>	<u>4</u>	<u>11</u>	390%	--	0%	0%

The twenty-nine homesites going under contract so far this year compares to just nine the first three months of last year. Of those nine, only two were listed for more than \$399,000 (Saguaro Forest 185, listed for \$889,000 and sold for \$750,000; and Saguaro Forest 182, listed for \$825,999 and sold for \$760,000). This year, thirteen sites were listed for more than \$399,000, with seven listed at \$800,000 or more. Four of these seven were listed for \$1,000,000 or more:

Lot	OMD	Village	Sale Status	List Price	Sale Price
AH - 42	03/31/2021	Arrowhead	Pending	\$1,895,000	\$0
AP - 94	02/28/2021	Apache Peak	Pending	\$1,150,000	\$1,069,500
SAG-320	01/19/2021	Saguaro Forest	Sold	\$1,100,000	\$1,100,000
SAG- 50	02/12/2021	Saguaro Forest	Sold	\$1,000,000	\$1,000,000
LS - 11	03/07/2021	Lost Star	Pending	\$850,000	\$0
SUN- 40	01/19/2021	Sunset Canyon	Sold	\$830,000	\$800,000
SEV- 24	01/01/2021	Seven Arrows	Sold	\$800,000	\$750,000

So, having eleven homesites go under contract tore a huge, gaping hole in the quantity of available homesites. As of April 1, only seventeen were available in all of Desert Mountain:

**Available Homesites as of April 1, 2021  
Sorted by List Price**

<u>Lot</u>	<u>Lot Size</u>	<u>Env Size</u>	<u>List Price</u>	<u>Lot Faces</u>	<u>Overlooks Road</u>	<u>Road Name</u>	<u>Golf Course</u>	<u>Lights</u>	<u>McDowell Mtn.</u>	<u>Sunset</u>
SAG-246	412,869	17,124	\$2,495,000	S	No			3	5	2
CGV- 18	88,700	19,800	\$2,495,000	SW	No					
CTR- 14	113,692	27,055	\$2,000,000	SW	No			2		
LM - 39	226,673	26,090	\$1,595,000	N	No		3			3
SEV- 12	91,247	25,154	\$1,450,000	S	No		2	3	5	
LM - 25	320,108	36,710	\$1,299,000	S	No			4	5	
DR - 4	110,891	34,027	\$1,200,000	SW	No			1		3
SAG-346	120,604	30,886	\$995,000	S	No				1	1
SAG-141	49,986	21,780	\$895,000	SE	Yes	Chiricahua Pass	4	3	5	5
SAG-327	82,582	23,025	\$895,000	S	No			1		
LM - 40	300,779	30,925	\$825,000	N	No		4			2
AP - 65	35,613	17,838	\$699,000	S	No			3	4	3
RQ - 21	37,623	20,600	\$545,000	SW	No				1	
AH - 3	39,524	27,000	\$499,000	S	Yes	Desert Mtn Parkway		1	1	2
LM - 85	69,168	20,832	\$400,000	SE	No					
GQ -149	58,163	26,536	\$399,000	SE	No					1
GF -178	23,944	15,268	\$349,000	S	No					

This suggests to me that very soon prospective purchasers will be having to buy homes and tear them down in order to get a decent lot, which means a significantly higher “entry fee” into Desert Mountain. You will note, too, that only six homesites were priced below \$825,000 as of April 1<sup>st</sup>.

Here is what happened in Homes:

Homes	2017	2018	2019	2020	2020 vs. Avg. for Last Three Years	2021 (YTD)	2021 vs. Avg. for Last Three Years	2021 vs. Last Year vs. Last Year YTD
Total No. of Homes:	<u>133</u>	<u>146</u>	<u>168</u>	<u>257</u>	173%	<u>96</u>	50%	37% <del>166%</del>
January	<u>12</u>	<u>14</u>	<u>9</u>	<u>16</u>	137%	<u>27</u>	208%	159%
February	<u>10</u>	<u>16</u>	<u>9</u>	<u>23</u>	157%	<u>25</u>	158%	109%
March	<u>15</u>	<u>17</u>	<u>16</u>	<u>18</u>	113%	<u>44</u>	259%	244%
April	<u>21</u>	<u>19</u>	<u>35</u>	<u>18</u>	72%	--	0%	0%
May	<u>13</u>	<u>25</u>	<u>28</u>	<u>21</u>	95%	--	0%	0%
June	<u>9</u>	<u>8</u>	<u>9</u>	<u>26</u>	300%	--	0%	0%
July	<u>6</u>	<u>8</u>	<u>5</u>	<u>18</u>	284%	--	0%	0%
August	<u>10</u>	<u>12</u>	<u>7</u>	<u>14</u>	143%	--	0%	0%
September	<u>3</u>	<u>3</u>	<u>5</u>	<u>27</u>	738%	--	0%	0%
October	<u>2</u>	<u>6</u>	<u>17</u>	<u>29</u>	348%	--	0%	0%
November	<u>15</u>	<u>10</u>	<u>19</u>	<u>23</u>	157%	--	0%	0%
December	<u>17</u>	<u>8</u>	<u>9</u>	<u>24</u>	212%	--	0%	0%

Since, as of April 1, there were only 29 finished homes for sale in all of Desert Mountain, it is unlikely that we will continue to see 25 to 40 homes go under contract each month. For that to happen, a body of current Desert Mountain owners will have to start deciding, probably at least a few years earlier than they might have wanted to, to take the inevitable step of selling now to take advantage of a white-hot market. This might be a difficult decision for many members who have been here for a long time, but we expect, as has happened in our own house, that reality will set in and the wisdom of at least entertaining the idea of providing for the future in a current time frame will become apparent. Making such a move on a voluntary basis, when health is good and things are bright, would be far better than being forced into doing it due to ill health, and possibly under far less favorable market circumstances. Moving is stressful, and no fun to do when other issues are weighing heavily.

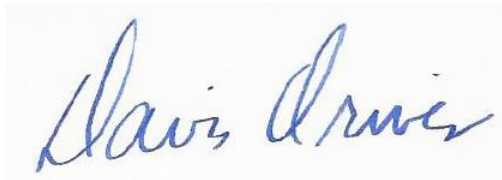
Of the finished twenty-nine homes for sale on April 1, the least expensive one was listed for \$1,295,000. Only two Developer-built semi-custom homes were on the market, Lookout Ridge # 5, and Cochise Ridge 31. Only three homes were listed for less than \$1,525,000. Only nine were on the market for less than \$2,065,000. Only four were listed between \$2,065,000 and \$3,499,000. Only six were in the \$3,000,000 range. Only 19 were listed for less than \$4,395,000. Call me for complete details on the listed spec homes that were under construction (a very small number) or the 25 not-yet-started spec homes. Of these, only one was under \$2,000,000. Only three were under \$2,500,000. Only ten were under \$3,200,000.

Will things slow down? It depends on how many owners decide to get out while the “getting is good”. Stay tuned!

If you are interested, you can find the Market Velocity Report anytime on the Home Page of our main website, [www.propertiesofdesertmountain.com](http://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](mailto:Davis@DavisDriver.com).

Sincerely,

A handwritten signature in blue ink that reads "Davis Driver". The signature is written in a cursive, flowing style. The first name "Davis" is written with a large, looped 'D' and the last name "Driver" follows in a similar cursive script. The signature is centered within a light gray rectangular box.