

September 2021

Below is The Davis Driver Group’s “Market Velocity Report”, from our proprietary RCD9 System. It shows property escrows in the indicated time period (excluding activity in Seven) as of the afternoon August 6th. You can see that demand has continued to shrink, likely due to three factors: 1) the onset of summer, 2) the diminishing average quality of lot for the amount of money being asked (aka “rising prices”), and 3) severely limited inventory. These conditions are likely to stay in place for the foreseeable future.

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>76</u>	<u>45</u>	<u>90</u>	138%	<u>50</u>	71%	56%/128%
January	<u>7</u>	<u>10</u>	<u>2</u>	<u>5</u>	79%	<u>9</u>	159%	180%
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>	<u>1</u>	18%	<u>10</u>	300%	1,000%
April	<u>8</u>	<u>14</u>	<u>3</u>	<u>4</u>	48%	<u>9</u>	129%	225%
May	<u>10</u>	<u>8</u>	<u>4</u>	<u>5</u>	68%	<u>6</u>	106%	120%
June	<u>8</u>	<u>3</u>	<u>2</u>	<u>11</u>	254%	<u>4</u>	75%	36%
July	<u>2</u>	<u>5</u>	<u>4</u>	<u>8</u>	218%	<u>2</u>	35%	25%
August	<u>7</u>	<u>5</u>	<u>2</u>	<u>5</u>	107%	<u>1</u>	25%	20%
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>10</u>	250%	--	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>	330%	--	0%	0%

As for availability, as of that date, only twenty-one homesites were for sale in all of Desert Mountain. The least expensive one was listed for \$199,000, with the next being listed for \$225,000, both overlooking Cave Creek Road. The lowest priced lot that didn’t overlook Cave Creek road was priced at \$350,000.

As for homes, 38 were listed for sale.

Of these, 17 were not-yet-started spec homes. Five were under-construction spec homes (with the low being \$2,779,000/\$626.18 per square foot, followed by \$2,995,000/\$651.09. The four least expensive of the remaining sixteen existing, non-spec homes were priced at \$1,200,000, \$1,859,000, \$1,995,000, and \$2,750,000.

According to our records, twenty-seven homes were Pending. Their average size was 5,452 square feet. Their average list price was \$3,653,852. Of the twenty-seven, only two were semi-custom, ranging in list price from \$995,000 to \$1,350,000. There were nine used custom homes Pending, ranging in list price from \$1,495,000/\$368.41 to \$8,995,000/\$762.29.

Here is the Market Velocity Report for homes as of August 6th, 2021:

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:	133	146	168	256	172%	174	92%	68%/123%
January	12	14	9	16	137%	27	208%	169%
February	10	16	9	23	197%	26	163%	113%
March	15	17	16	18	113%	42	247%	233%
April	21	19	35	18	72%	24	100%	133%
May	13	25	28	21	95%	28	114%	133%
June	9	8	9	26	300%	16	112%	62%
July	6	8	5	18	284%	10	97%	56%
August	10	12	7	14	145%	1	9%	7%
September	3	3	5	27	736%	--	0%	0%
October	2	6	17	29	348%	--	0%	0%
November	15	10	19	23	157%	--	0%	0%
December	17	8	9	23	203%	--	0%	0%

Given the arrival of summer, the rise in asking prices, and the shrinking amount of inventory, it was not surprising to see demand continue to soften in July. We will have to wait and see what August holds.

The Davis Driver Group has the best market data on Desert Mountain thanks to our proprietary RCD9 System, in which we have invested approximately \$1,200,000 over the last thirty years. It gives us and our listing and buying clients material advantages that save them time and money. For **complete** information on available property please visit www.propertiesofdesertmountain.com. You won't have to register, and you will see details there that you won't see on any other site, since all other sites are based on a simple feed from our local Multiple Listing Service, which lacks many details that are typically crucial for Desert Mountain buyers and sellers.

If you would like to know more, give me a call. We would be glad to answer your questions!

Sincerely,



Jack and Kathleen Spidell Ann and Davis Driver