

December 2021

According to The Davis Driver Group's records in our proprietary RCD9 System, as of the morning of November 1, 2021, only eighteen homesites were for sale in Desert Mountain (down from twenty on October 1):

Available Homesites as of November 1, 2021
Prepared for Readers of Desert Living magazine
Sorted by Membership, 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>Golf Course</u>	<u>Lights</u>	<u>McDowell Mtn.</u>	<u>Sunset</u>
SAG-279	310,331	132,647	\$4,000,000	SW	No				2
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				
SAG-154	47,597	30,052	\$2,395,000	NW	No	2	1	1	3
CTR- 14	113,692	27,055	\$2,000,000	SW	No		2		
SEV- 12	91,247	25,154	\$1,950,000	S	No	2	3	5	
SAG-185	114,909	22,171	\$1,870,000	SW	No		3	1	2
LM - 46	252,383	42,576	\$1,650,000	N	Yes	2			1
SAG-335	189,763	24,356	\$1,500,000	S	No	1	3	2	
LM - 25	320,108	36,710	\$1,299,000	S	No		4	5	
SAG-346	120,604	30,886	\$995,000	S	No			1	1
CTR- 4	238,709	25,252	\$995,000	N	No				
SAG-295	52,563	20,152	\$933,000	S	No			4	
AP - 71	29,715	15,541	\$875,000	SW	Yes		4	4	3
SUN- 71	29,828	14,400	\$645,000	SE	No		1	1	1
PS - 60	44,094	21,271	\$565,000	SW	Yes				3
AH - 3	39,524	27,000	\$499,000	S	Yes		1	1	2
GQ -134	49,218	22,866	\$495,000	S	No				1

Records 1 to 18 of 18

Summary			
	NON (18)		
	SF	LP	DOM
Largest	412,869	\$4,000,000	1,427
Smallest	29,715	\$495,000	6
Average	141,436	\$1,536,444	276

(The single digit numbers in the four right-most columns are "View Grades", numbers from 0 to 5 that I assign to ten different views a given property might have)

Nine homesites were under contract, including three listed for over \$1,000,000:

Pending Homesites as of November 1, 2021
Prepared for Readers of Desert Living magazine
 Sorted by List Price

<u>Lot</u>	<u>Env Size</u>	<u>List Price</u>	<u>OMD</u>	<u>Lot Faces</u>	<u>Overlooks Road</u>	<u>Golf Course</u>	<u>Lights</u>	<u>McDowell Mtn.</u>	<u>Sunset</u>
CTR- 7	25,355	\$1,995,000	2021-10-30	S	No		3	5	
CTR- 9	36,528	\$1,950,000	2021-07-22	S	No		3	5	
SAG-272	25,043	\$1,250,000	2021-10-30	S	No	4			2
SUN- 57	16,287	\$945,000	2021-10-20	S	No		1	1	2
LM - 50	17,049	\$895,000	2021-06-09	N	No	1			
SR -318	20,336	\$798,400	2021-10-15	SW	Yes				
MS - 9	16,510	\$599,000	2021-10-22	NW	No		1		
EF -420	20,670	\$495,000	2021-10-14	W	Yes	2	2		3
SR -209	20,162	\$445,000	2021-09-29	NW	Yes	1			3

As for finished homes on the market, there were twenty-five, up from nineteen last month. None were speculative homes. Here is the list:

Available Homes as of November 1, 2021
Prepared for Readers of Desert Living magazine
 Sorted by List Price
 Physical Status: Finished

<u>Lot</u>	<u>List Price</u>	<u>List Price/SF</u>	<u>Size</u>	<u>Arch Style</u>	<u>Lot Faces</u>	<u>Golf Course</u>	<u>Lights</u>	<u>McDowell Mtn.</u>	<u>Sunset</u>	<u>Finish Date</u>
SAG-341	\$9,995,000	\$1,295.02	7,718	TUSC	S	2	3	3		11/10/2019
LS - 21	\$7,500,000	\$960.80	7,806	SWCN	S	1	5	5	4	04/07/2003
CGV- 4	\$6,195,000	\$948.41	6,532	SWCN	SW	1	2	1	5	06/15/2008
SAG-133	\$5,995,000	\$1,086.64	5,517	CNTP	S	2	3	3	3	10/15/2013
AP - 87	\$5,890,000	\$912.75	6,453	SWCN	SW		5	5	5	07/01/1998
SAG-261	\$5,495,000	\$536.78	10,237	TUSC	E	2				09/24/2013
GQ - 25	\$5,000,000	\$896.38	5,578	CNTP	N	4	3	2	1	07/01/1995
CGV- 26	\$4,950,000	\$564.68	8,766	TUSC	W		2		5	06/08/2007
LM - 64	\$4,750,000	\$627.48	7,570	SWCN	NW	3			3	03/04/2004
SAG-282	\$4,695,000	\$750.72	6,254	TUSC	S	3	1	1		09/21/2007
SAG-297	\$4,500,000	\$720.92	6,242	CNTP	S			4		01/15/2009
MS - 51	\$4,500,000	\$616.44	7,300	TUSC	N	5			2	04/23/2008
RQ - 60	\$4,499,000	\$774.09	5,812	CNTP	SW	3	4	4	2	01/01/1993
LM - 71	\$4,495,000	\$563.71	7,974	TERR	SW	1			4	04/08/2003
PS - 1	\$4,295,000	\$692.74	6,200	SWCN	SW	1	1		1	05/28/2002
PS - 61	\$3,995,000	\$804.79	4,964	TERR	N	1				10/01/2021
LS - 33	\$3,795,000	\$626.13	6,061	SWCN	SW	1	3	1	4	04/10/2006
GQ -202	\$3,790,000	\$641.18	5,911	TUSC	SW		1		2	04/01/2009
DR - 7	\$3,750,000	\$614.75	6,100	PBSF	N					07/01/1997
SEV- 2	\$3,695,000	\$614.60	6,012	TUSC	SW		3	4	3	08/13/2004
SR -304	\$3,150,000	\$567.87	5,547	TUSC	S				2	05/15/2007
SR -239	\$2,375,000	\$540.02	4,398	MXTR	SE	2	2	3	2	08/20/2001
AH - 62	\$2,300,000	\$441.63	5,208	SWCN	S		3	2	1	07/01/1992
GF -119	\$2,299,999	\$516.16	4,456	TERR	SW		1		3	02/12/2001
CR - 50	\$1,299,000	\$504.07	2,577	SWCN	SE	1				07/01/1992

According to our records, twenty-three homes were under contract, ten of which (all finished) were put under contract on or after October 1 (eleven went under contract during September). Here is a list of the ten spoken for during October:

**Homes Spoken for by Date Range
For Date Range 10/01/2021 to 11/01/2021
Sorted by Membership, List Price**

<u>Lot</u>	<u>Village</u>	<u>Sale Status</u>	<u>List Price</u>	<u>Sale Price</u>	<u>List Price/SF</u>	<u>Sale Price/SF</u>	<u>Size</u>	<u>DOM</u>	<u>Spec</u>	<u>OMD</u>
SAG-259	Saguaro Forest	Pending	\$5,500,000	\$0	\$736.28	--	7470		Yes	10/13/2021
LS - 32	Lost Star	Pending	\$4,250,000	\$0	\$746.53	--	5693	5	No	10/31/2021
SAG-106	Saguaro Forest	Pending	\$4,000,000	\$0	\$869.57	--	4600	13	No	10/14/2021
SAG-150	Saguaro Forest	Pending	\$3,295,000	\$0	\$605.14	--	5445	148	No	10/05/2021
SR -292	Sunrise	Pending	\$3,195,000	\$0	\$592.76	--	5390		Yes	10/15/2021
GQ - 15	Gambel Quail	Pending	\$2,950,000	\$0	\$486.00	--	6070	129	No	10/29/2021
EF -426	Eagle Feather	Pending	\$2,000,000	\$0	\$422.65	--	4732	5	No	10/20/2021
RT - 4	Renegade Trail	Sold	\$1,585,000	\$1,610,000	\$458.09	\$465.32	3460	2	No	10/03/2021
LOR- 16	Lookout Ridge	Pending	\$1,350,000	\$1,503,212	\$453.17	\$504.60	2979	4	No	10/30/2021
CR - 4	Cochise Ridge	Pending	\$1,299,000	\$0	\$504.07	--	2577	28	No	10/19/2021

Note the Days on Market for these ten. Four were spoken for in a week or less. Only two finished, non-spec homes took longer than twenty-eight days. So, there is still plenty of demand for homes here.

Here is a snapshot of our RCD9 System’s “Market Velocity Report” for Homesites as of November 1, 2021 (which shows the number of homesites or homes that have gone under contract in a given month, not how many sold in that given month):

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>66</u>	94%	73%/93%
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>11</u>	330%	1,100%
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>7</u>	175%	140%
September	<u>4</u>	<u>5</u>	<u>1</u>	<u>17</u>	510%	<u>3</u>	39%	18%
October	<u>3</u>	<u>4</u>	<u>5</u>	<u>10</u>	250%	<u>6</u>	95%	60%
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%

The demand for homesites, slightly “up” in October, is encouraging especially considering the list prices of the lots that have been put under contract.

Here is a snapshot of home selling activity:

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>256</u>	172%	<u>197</u>	104%	77%/94%
January	<u>12</u>	<u>14</u>	<u>9</u>	<u>16</u>	137%	<u>27</u>	208%	169%
February	<u>10</u>	<u>16</u>	<u>9</u>	<u>23</u>	197%	<u>26</u>	163%	113%
March	<u>15</u>	<u>17</u>	<u>16</u>	<u>18</u>	113%	<u>41</u>	241%	228%
April	<u>21</u>	<u>19</u>	<u>35</u>	<u>18</u>	72%	<u>23</u>	96%	128%
May	<u>13</u>	<u>25</u>	<u>28</u>	<u>21</u>	95%	<u>28</u>	114%	133%
June	<u>9</u>	<u>8</u>	<u>9</u>	<u>26</u>	300%	<u>16</u>	112%	62%
July	<u>6</u>	<u>8</u>	<u>5</u>	<u>18</u>	284%	<u>10</u>	97%	56%
August	<u>10</u>	<u>12</u>	<u>7</u>	<u>14</u>	145%	<u>5</u>	45%	36%
September	<u>3</u>	<u>3</u>	<u>5</u>	<u>27</u>	736%	<u>11</u>	94%	41%
October	<u>2</u>	<u>6</u>	<u>17</u>	<u>29</u>	348%	<u>10</u>	58%	34%
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>23</u>	203%	--	0%	0%

The average list price of the eleven homes put under contract in September was \$3,284,455. In October, the average was down a little, to \$2,942,400.

This month, I have taken a detailed look at the performance of our spec home market, looking back four years. Here is a table I worked up using data from our RCD9 System;

Desert Mountain Speculative Home Performance					
since October 31, 2017					
	11/1/2017 – 10/31/2018	11/1/2018 – 10/31/2019	11/1/2019 – 10/31/2020	11/1/2020 – 10/31/2021	As of 11/1/2021
Available – Not Yet Started	n/a	n/a	n/a	n/a	11
Average List Price					\$5,838,636
Average List Price / SF					\$902.24
Average Size					5,987
Average Lot Cost					\$349,425
Available – Under Construction					7
Average List Price					\$3,682,557
Average List Price / SF					\$722.31
Average Size					5,016
Average Lot Cost					\$316,428
Available – Completed					0
Pending as of 11/1/2021					12
Average List Price					4,536,417
Average List Price / SF					\$778.60
Average Lot Cost					\$389,618
Sold 11/1/2020 – 10/31/2021				24	
Average Discount from List Price				0.89%	
Average Sale Price				\$3,012,976	
Average Sale Price / SF				\$615.08	
Average Size				4,824	
Average Lot Cost (for 23 lots)				285,668	
Sold 11/1/2019 – 10/31/2020			29		
Average Discount from List Price			1.91%		
Average Sale Price			\$2,739,928		
Average Sale Price / SF			\$558.99		
Average Size			4,895		
Average Lot Cost (for 28 lots)			\$315,999		
Sold 11/1/2018 – 10/31/2019		14			
Average Discount from List Price		5.15%			
Average Sale Price		\$2,624,143			
Average Sale Price / SF		\$487.05			
Average Size		5,281			
Average Lot Cost		\$312,214			
Sold 11/1/2017 – 10/31/2018	24				
Average Discount from List Price	4.52%				
Average Sale Price	\$2,000,029				
Average Sale Price / SF	\$422.28				
Average Size	4,679				
Average Lot Cost	\$241,588				

There are some very interesting statistics hiding in this table:

- The cost of the average lot underneath the sold spec homes has increased from \$241,588 during the period of November 1, 2017, through October 31, 2018, to \$349,425 under the unstarted, spec homes for sale today, an increase of 44.64%.

- The average discount from list has gone from 4.52% in 2018, to 5.15% in 2019, to 1.9% in 2020, to .89% for the twenty-four homes that have sold so far in 2021.
- The average size has climbed from 4,679 square feet in 2018 to 5,987 for the eleven unstarted spec homes listed today.
- The spread between the average sales price and the lot price has climbed dramatically:
 - \$1,758,442 in 2018
 - \$2,311,929 in 2019
 - \$2,423,929 in 2020
 - \$2,727,308 in 2021
 - \$4,146,799 for currently under contract homes
 - \$3,366,129 for currently under construction and available homes
 - \$5,489,211 for current unstarted and available homes

If the eleven currently listed but unstarted homes sell for the same discount from list as the twenty-four spec homes sold so far in 2021, .89%, the spread will have gone from \$1,758,442 to \$5,440,357, an increase of 309%.

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. Having significantly more and better market information gives us and our listing and buying clients material advantages over all other agents and brokerages since they all only have the generic Multiple Listing Service on which to rely.

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

Sincerely,

A handwritten signature in blue ink that reads "Davis Driver".

Jack and Kathleen Spidell Ann and Davis Driver



Donna Legate

Bob Terry