

Happy Belated New Year! We enjoy the monthly opportunity to present a detailed analysis of Desert Mountain’s real estate market for the readers of this magazine! Our data is unavailable elsewhere as it is from a proprietary system I have custom-designed and built over thirty-two years specifically for The Davis Driver Group’s work in Desert Mountain at an investment of over \$1,200,000. Other market analyses you might see will be based mainly, if not entirely, on the Multiple Listing Service, a useful, but generic tool, the lowest possible common denominator data source for an entire city. It lacks the distinctions and insights our System has that we believe ought to underpin the decisions of all Desert Mountain buyers and sellers. However, as good as our analysis may be, by the time readers see it in this space it is over thirty days old. If you would like to receive it electronically on a timelier basis, please let us know!

As of January 2, 2023, there were thirty-six homesites for sale in Desert Mountain, ranging from \$375,000 to \$5,900,000. The least expensive site offering a Full Golf Membership (“FGA”) from the Seller through the Club was listed for \$625,000, down from \$850,000 last month. Five homesites have gone under contract since June 15th, ranging up to \$1,700,000 in list price. Four of the five had no membership offered. Our research indicates that at least three of these buyers did NOT already have a membership, confirming our position that there is substantial demand for “naked” property within Desert Mountain.

Here is a snapshot of homesite selling activity (number going under contact each month):

Homesites	2019	2020	2021	2022	2022 vs. Avg. for Last Three Years	2023 (YTD)	2023 vs. Avg. for Last Three Years	2023 vs. Last Year/vs. Last Year YTD
Total No. of Homesites:	<u>45</u>	<u>93</u>	<u>80</u>	<u>26</u>	36%	--	0%	0%/0%
January	<u>2</u>	<u>5</u>	<u>9</u>	<u>7</u>	131%	--	0%	0%
February	<u>3</u>	<u>4</u>	<u>10</u>	<u>6</u>	106%	--	0%	0%
March	<u>5</u>	<u>1</u>	<u>10</u>	<u>2</u>	38%	--	0%	0%
April	<u>3</u>	<u>4</u>	<u>9</u>	<u>1</u>	19%	--	0%	0%
May	<u>4</u>	<u>5</u>	<u>6</u>	<u>4</u>	80%	--	0%	0%
June	<u>2</u>	<u>11</u>	<u>4</u>	<u>2</u>	35%	--	0%	0%
July	<u>4</u>	<u>8</u>	<u>2</u>	<u>1</u>	21%	--	0%	0%
August	<u>2</u>	<u>5</u>	<u>7</u>	--	0%	--	0%	0%
September	<u>1</u>	<u>17</u>	<u>3</u>	<u>1</u>	14%	--	0%	0%
October	<u>5</u>	<u>10</u>	<u>7</u>	--	0%	--	0%	0%
November	<u>10</u>	<u>10</u>	<u>5</u>	--	0%	--	0%	0%
December	<u>4</u>	<u>13</u>	<u>8</u>	<u>2</u>	24%	--	0%	0%

The uptick in December was nice to see, but, in general, the slow homesite market we have been seeing reflects: 1) what has been a lack of reasonably priced membership-equipped opportunities; 2) poor-quality to-price ratio of most of the listed sites; 3) recession concerns, and 4) ongoing high costs of construction.

As for homes, there were seventy-eight homes for sale as of December 1 (without respect to current physical status), down from eighty-two a month ago. Of these seventy-eight, ten were not-yet-started spec homes (no change for two months). Only one of these, Saguario Forest 100, listed for \$10,895,000, included an option to buy the Seller’s FGA. Eight were under-construction speculative homes, none offered with a FGA available (up one from last month). Sixty were completed homes (down from sixty-five last month), ranging in price from \$1,125,000 to \$11,900,000. Twenty-eight were offered with a Full Golf membership available, with the least expensive one being \$1,500,000/\$653.31 per square foot. The high was \$1,309.85.

Of the twenty-five homes put under contract since September 1, 2022, eleven offered FGA memberships; two had Lifestyle Memberships; and the remaining eleven were offered with no membership. Only one of these was able to be confirmed as having been put under contract by a buyer who already had a membership in the Desert Mountain Club, further confirming that, at least recently, there has been decent demand for “naked” homes within Desert Mountain.

Here is a snapshot of home selling activity.

Homes	2019	2020	2021	2022	2022 vs. Avg. for Last Three Years	2023 (YTD)	2023 vs. Avg. for Last Three Years	2023 vs. Last Year/vs. Last Year YTD
Total No. of Homes:	168	255	226	113	52%	--	0%	0%/0%
January	9	16	28	5	28%	--	0%	0%
February	9	23	26	20	103%	--	0%	0%
March	16	18	40	18	73%	--	0%	0%
April	35	18	23	12	47%	--	0%	0%
May	28	21	28	15	58%	--	0%	0%
June	9	26	16	8	47%	--	0%	0%
July	5	18	10	8	73%	--	0%	0%
August	7	14	5	2	23%	--	0%	0%
September	5	27	11	5	35%	--	0%	0%
October	17	29	9	4	22%	--	0%	0%
November	19	23	20	6	29%	--	0%	0%
December	9	22	10	10	73%	--	0%	0%


The uptick in demand for homes in November and December was welcome, regardless of the hint of seasonality in it. The drilldown for the ten is on the following page. As noted here last month, the uptick in contracts, in the face of overwhelming negative predictions about housing prices generally heading downward reflecting a lack of demand due to high interest rates, recession concerns, etc., may suggest that extraordinary homes in Desert Mountain that are well-priced and expertly marketed and sold should do well.

<u>Lot ID</u>	<u>Off Market Date</u>	<u>List Price</u>	<u>Resale</u>	<u>Membership</u>
Full Golf Available from Seller (3 Decisions)				
GQ - 85	12/19/2022	\$3,075,000	Yes	Full Golf Available from Seller
SAG- 83	12/11/2022	\$4,199,000	Yes	Full Golf Available from Seller
SC - 2	12/07/2022	\$1,200,000	Yes	Full Golf Available from Seller
Lifestyle Available from Seller (2 Decisions)				
AC - 15	12/08/2022	\$1,599,000	Yes	Lifestyle Available from Seller
SOR- 29	12/16/2022	\$1,475,000	Yes	Lifestyle Available from Seller
Membership Not Included (5 Decisions)				
EF -363	12/04/2022	\$2,995,000	Yes	Membership Not Included
GF - 77	12/12/2022	\$2,295,000	Yes	Membership Not Included
LM - 30	12/29/2022	\$8,900,000	Yes	Membership Not Included
LOR- 27	12/27/2022	\$2,499,000	Yes	Membership Not Included
SAG-264	12/21/2022	\$5,477,000	Yes	Membership Not Included

Selling homes in Desert Mountain is an art, best performed by teams of agents with long experience in general and especially in Desert Mountain, who have the best competitive market information on every property in Desert Mountain, and who don't take on more listings than they can properly handle. The Davis Driver Group has a long track record of selling homes more quickly than our competitors and for a greater percentage of Original List Price

If you would like to know more about the very real differences in our methodology compared to other agents active in our market, give me a call at 602 399 0116, or Kathleen Spidell at 480 553 4177. We would be glad to answer your questions! Also, if you or a friend have real estate needs outside of Desert Mountain, we are in excellent position to be of assistance.

Sincerely,



Davis Driver



Kathleen and Jack Spidell, Ann and Davis Driver