

December 2023

As of the afternoon of November 1, two homesites had gone under contract in October, an improvement by two over last October. YTD we were at thirty-one contracts, compared to twenty-six all last year. We were at 45% of the average for the last three years. In the home market, ten went under contract compared to four last October. YTD, we were at 131, compared to 113 all last year. We were at 66% of the average for the last three years. So, better than last year in both sales categories, very different from 2021 and 2020.

Here is a snapshot of homesite selling activity (number going under contract each month) as of the afternoon of November 2023:

| 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>94</u> | <u>86</u> | <u>26</u> | 35% | <u>31</u> | 45% | 119%/129% |
| January | <u>2</u> | <u>5</u> | <u>9</u> | <u>7</u> | 131% | <u>4</u> | 57% | 57%/57% |
| February | <u>3</u> | <u>4</u> | <u>13</u> | <u>6</u> | 90% | -- | 0% | 0%/31% |
| March | <u>5</u> | <u>1</u> | <u>10</u> | <u>2</u> | 38% | <u>5</u> | 115% | 250%/60% |
| April | <u>3</u> | <u>4</u> | <u>9</u> | <u>1</u> | 19% | <u>4</u> | 86% | 400%/81% |
| May | <u>4</u> | <u>6</u> | <u>6</u> | <u>4</u> | 75% | <u>4</u> | 75% | 100%/85% |
| June | <u>2</u> | <u>11</u> | <u>4</u> | <u>2</u> | 35% | <u>4</u> | 71% | 200%/95% |
| July | <u>4</u> | <u>8</u> | <u>2</u> | <u>1</u> | 21% | <u>4</u> | 109% | 400%/109% |
| August | <u>2</u> | <u>5</u> | <u>7</u> | -- | 0% | <u>1</u> | 25% | 0%/113% |
| September | <u>1</u> | <u>17</u> | <u>4</u> | <u>1</u> | 14% | <u>3</u> | 41% | 300%/121% |
| October | <u>5</u> | <u>10</u> | <u>8</u> | -- | 0% | <u>2</u> | 33% | 0%/129% |
| November | <u>10</u> | <u>10</u> | <u>5</u> | -- | 0% | -- | 0% | 0%/129% |
| December | <u>4</u> | <u>13</u> | <u>9</u> | <u>2</u> | 23% | -- | 0% | 0%/0% |

Regarding Demand for Memberships: Of the twenty-nine homesites that have gone under contract so far this year, eight of them, or 27.6%, were offered with a Full Golf Membership available (“FGA”); the balance, twenty-three, or 79.3%, were offered with no membership available (“NON”). During the first ten months of 2022, only one of the twenty-two that went under contract were FGA.

Regarding Pricing: The one FGA homesite sold the first five months of 2022 was listed and sold for \$650,000. The eight FGA homesites sold in the first ten months of 2023 averaged \$1,020,000. The twenty NON membership lots that have sold so far this year averaged \$758,500.

Regarding Availability: As for homesite availability, as of November 1, 2023, there were thirty homesites for sale in Desert Mountain (up two from last month). The least expensive site offering a Full Golf Membership (“FGA”) from the Seller through the Club, out of seven (down one from last month), was listed for \$945,000, up from the previous low of \$649,900 for Eagle Feather 387, which sold for \$595,000 on October 10. The top price was still \$5,900,000 (Cochise-Geronimo Village # 1), now 76 Days on Market. One was listed with a Lifestyle

Membership, (same as last month). Twenty-two were listed without any membership, starting as low as \$480,000 (down from a low of \$495,000 last month). Our records show approximately 230 custom homesites have no construction on them and are not owned by a neighbor to protect views or privacy, and that 100 sites are owned by neighbors for view or privacy protection. Likewise, we show 2,002 homes are completed, including 550 semi-custom homes. Approximately fifty-eight new homes are under construction.

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: | 169 | 256 | 227 | 113 | 52% | 131 | 66% | 116% / 135% |
| January | 9 | 16 | 28 | 5 | 28% | 11 | 67% | 220% / 220% |
| February | 9 | 23 | 26 | 20 | 103% | 13 | 57% | 65%/96% |
| March | 16 | 18 | 40 | 18 | 73% | 15 | 59% | 83%/91% |
| April | 35 | 18 | 23 | 12 | 47% | 20 | 113% | 167% / 107% |
| May | 28 | 21 | 28 | 15 | 58% | 20 | 94% | 133% / 113% |
| June | 10 | 26 | 17 | 8 | 45% | 15 | 88% | 188% / 121% |
| July | 5 | 18 | 10 | 8 | 73% | 7 | 58% | 88%/117% |
| August | 7 | 14 | 5 | 2 | 23% | 12 | 171% | 500% / 128% |
| September | 5 | 28 | 11 | 5 | 34% | 8 | 55% | 160% / 130% |
| October | 17 | 29 | 9 | 4 | 22% | 10 | 71% | 250% / 135% |
| November | 19 | 23 | 20 | 6 | 29% | -- | 0% | 0%/135% |
| December | 9 | 22 | 10 | 10 | 73% | -- | 0% | 0%/0% |

Regarding Demand for Homes: Since April, only one month's number is less than last year (July). April through October last year showed 54 contracts being written. This year, that number is 92, a 70.4% increase.

Regarding Demand for Memberships: Of the one hundred and twenty-seven homes that have closed escrow the first ten months of this year, seventy-three were FGA, or 57.9%; ten were offered with the Lifestyle membership ("L"), or 7.9%; forty-three were offered NON, or 33.9%; and one was offered with a Seven membership. During this same period last year, one hundred and eleven homes were sold. Of these, 41, or 36.9%, were FGA; four, or 3.6%, were L; and sixty-seven, or 60.4%, were NON.

Regarding Pricing: The thirty-seven FGA homes *sold* during April, May, June, July, August, September, and October in 2022 averaged \$2,953,432 in price. The fifty-seven FGA homes that closed escrow this year during the same time period averaged \$3,448,582, **an increase of 16.8%** (at an average discount from list of 5.32%).

As for home availability, seventy-three homes were listed as of November 1, 2023 without regard to current physical status or membership (sharply up from sixty-four last month). Of these, eight were not-yet-started spec homes, three of which were offered FGA. Four were

under-construction speculative homes, one with FGA. Sixty-one were completed homes (up sharply from forty-nine last month). Thirty-six were offered FGA, ranging in price from \$1,575,000 to \$13,750,000, with an average of \$4,186,889. Twenty were offered NON, ranging from \$1,795,000 to \$12,995,000, with an average of \$4,297,125. Four were offered L, ranging from \$2,195,000 to \$5,125,000, with an average of \$3,530,000. Prices continue to go up!

As stated above, as of November 1, we showed 2,002 finished homes in Desert Mountain. Traditionally, ten percent of a community like Desert Mountain would be for sale in a “balanced” market, or about 200 homes. The sixty-one existing homes for sale represent 3.0% of the market, up from 2.5% of the housing stock last month. Even with this nice increase, our market remains very “tight” and getting more expensive.

Our “Quality vs. Quantity” approach, plus our proprietary data systems, provide our clients with very real, documented advantages in list price analysis, marketing, and sales compared to other agents active in our market. *

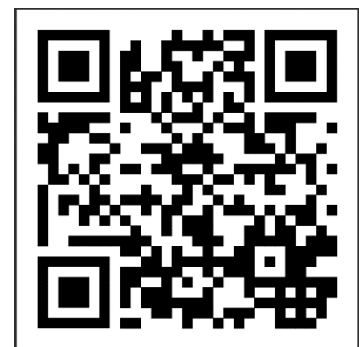
We sell our listings more quickly and for a greater percentage of the Original List Price. If you would like to know more, give me a call on 602 399 0116. We would be glad to answer your questions! Also, if you or a friend have real estate needs outside of Desert Mountain, we are in an excellent position to be of assistance.



Sincerely,

Davis Driver

Ann Driver



*Please use the QR Code to see the details going back nearly six years