

January 2024

As of the evening of November 30, 2023, only one homesites had gone under contract in November, a continuation of a slowdown in homesite sales since April 2023. YTD, however, we were at thirty-two contracts, compared to twenty-six all last year. We were at 47% of the average for the last three years. In the home market, eight went under contract this November compared to six last November. YTD, we were at 139, compared to 113 all last year. We were at 70% of the average for the last three years. So, better than last year in both sales categories, but very different from 2021 and 2020.

Here is a snapshot of homesite selling activity (number going under contract each month) as of the evening of November 30, 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>32</u>	47%	123%/133%
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%	<u>1</u>	20%	0%/133%
December	<u>4</u>	<u>13</u>	<u>9</u>	<u>2</u>	23%	--	0%	0%/0%

Regarding Demand for Memberships: Of the thirty-two homesites that have gone under contract so far this year, eight of them, or 25.0%, were offered with a Full Golf Membership available (“FGA”); the balance, twenty-four, or 75/0%, were offered with no membership available (“NON”). During the first eleven months of 2022, only one of the twenty-two that went under contract was offered FGA.

Regarding Pricing: The one FGA homesite sold the first eleven months of 2022 was listed and sold for \$650,000. The eight FGA homesites sold in the first eleven months of 2023 averaged \$1,020,000. The thirty-one NON membership lots that have sold so far this year averaged \$745,174.

Regarding Availability: As for homesite availability, as of November 30, 2023, there were thirty-three homesites for sale in Desert Mountain (up three from last month). The least expensive site offering a Full Golf Membership (“FGA”) from the Seller through the Club, out of

seven (no change from last month), was listed for \$945,000, (no change from last month). The top price was still \$5,900,000 (Cochise-Geronimo Village # 1), now 105 Days on Market. One was listed with a Lifestyle Membership, (same as last month), at \$739,000. Twenty-six were listed without any membership, starting as low as \$450,000 (down from a low of \$480,000 last month). Our records show approximately 224 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 2,004 homes are completed, including 550 semi-custom homes. Approximately sixty-two 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%	139	70%	123%/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%	8	67%	100%/119%
August	7	14	5	2	23%	12	171%	600%/130%
September	5	28	11	5	34%	8	55%	160%/131%
October	17	29	9	4	22%	9	64%	225%/135%
November	19	23	20	6	29%	8	49%	133%/135%
December	9	22	10	10	73%	--	0%	0%/0%

Regarding Demand for Homes: Since March, no month's number was less than last year's, and only month, July, was tied with last year. April through November last year showed 60 contracts being written. This year, that number is 99, a 65.0% increase.

Regarding Demand for Memberships: Of the one hundred and thirty-six homes that have closed escrow the first eleven months of this year, seventy-six were FGA, or 55.9%; ten were offered with the Lifestyle membership ("L"), or 7.4%; forty-nine were offered NON, or 36.0%; and one was offered with a Seven membership. During this same period last year, one hundred and fifteen homes were sold. Of these, 43, or 37.4%, were FGA; four, or 3.5%, were L; and sixty-eight, or 59.1%, were NON.

Regarding Pricing: The thirty-nine FGA homes *sold* during April, May, June, July, August, September, October and November in 2022 averaged \$2,949,795 in price. The sixty FGA homes that closed escrow this year during the same time period averaged \$3,391,570, **an increase of 15.0%** (at an average discount from list of 5.16%).

As for home availability, seventy-seven homes were listed as of the evening November 30, 2023 without regard to current physical status or membership (up from seventy-three last month). Of these, nine were not-yet-started spec homes, four of which were offered FGA. Seven were under-construction speculative homes (up from four last month), two with FGA. Sixty-one were completed homes (no change from last month). Thirty-six were offered FGA, ranging in price from \$1,695,000 (up from \$1,575,000 last month) to \$13,750,000, with an average of \$4,607,111 (up from \$4,186,889 last month). Twenty were offered NON (no change from last month), ranging from \$1,795,000 to \$12,995,000, with an average of \$4,031,775. 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 30, we showed 2,004 finished homes in Desert Mountain. Traditionally, ten percent of a community like Desert Mountain would be for sale in a “balanced” market, or about 204 homes. The sixty-one existing homes for sale represent 3.0% of the market (no change from last month). 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.* If you would like to know more, give me a call on 602 399 0116, or Jeff Barchi on 602 558 5200.



The Davis Driver Group

Davis Driver, Ashley Hills-Arias, Ann Driver, Jeff Barchi

Sincerely,

Davis Driver



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