

April 2024

As of the morning of March 1, only three homesites had gone under contract in February. Last year, no homesites went under contract in February, but YTD 2024 with five compares to YTD 2023 with four. So, about the same.

Here is a snapshot of homesite selling activity (number going under contract each month) as of the morning of March 1, 2024:

Homesites	2020	2021	2022	2023	2023 vs. Avg. for Last Three Years	2024 (YTD)	2024 vs. Avg. for Last Three Years	2024 vs. Last Year/vs. Last Year YTD
Total No. of Homesites:	<u>95</u>	<u>89</u>	<u>27</u>	<u>32</u>	45%	<u>5</u>	10%	16%/125%
January	<u>5</u>	<u>9</u>	<u>7</u>	<u>4</u>	57%	<u>2</u>	30%	50%/50%
February	<u>4</u>	<u>13</u>	<u>6</u>	--	0%	<u>3</u>	47%	0%/125%
March	<u>1</u>	<u>11</u>	<u>2</u>	<u>5</u>	107%	--	0%	0%/125%
April	<u>4</u>	<u>9</u>	<u>1</u>	<u>4</u>	86%	--	0%	0%/0%
May	<u>6</u>	<u>6</u>	<u>5</u>	<u>4</u>	71%	--	0%	0%/0%
June	<u>11</u>	<u>5</u>	<u>2</u>	<u>4</u>	67%	--	0%	0%/0%
July	<u>8</u>	<u>2</u>	<u>1</u>	<u>4</u>	109%	--	0%	0%/0%
August	<u>6</u>	<u>7</u>	--	<u>1</u>	23%	--	0%	0%/0%
September	<u>17</u>	<u>4</u>	<u>1</u>	<u>3</u>	41%	--	0%	0%/0%
October	<u>10</u>	<u>8</u>	--	<u>2</u>	33%	--	0%	0%/0%
November	<u>10</u>	<u>6</u>	--	<u>1</u>	19%	--	0%	0%/0%
December	<u>13</u>	<u>9</u>	<u>2</u>	--	0%	--	0%	0%/0%

Regarding Demand for Memberships: None of the five homesites spoken for so far in 2024 had any membership opportunity connected to them.

Regarding Pricing: The list price range was from \$599,000 to \$850,000.

Regarding Homesite Supply: As of March 1, 2024, there were thirty-three homesites for sale in Desert Mountain (down two from last month). The least expensive site offering a Full Golf Membership (“FGA”) from the Seller through the Club, out of six (no change from last month), was listed at \$1,600,000, (no change). The top price was still \$5,500,000 (Cochise-Geronimo Village # 1, (no change), now 198 Days on Market. (the Average Days on Market for the six was 391; the smallest was 198). One was listed with a Lifestyle Membership, (no change), at \$739,000 (no change). Twenty-six were listed without any membership (down two from twenty-five last month), starting at \$450,000 (no change). Our Housing Stock Analysis Report shows approximately 220 custom homesites have no construction on them and are not owned by a neighbor to protect views or privacy, and that one hundred and one sites are owned by neighbors for view or privacy protection. Likewise, we show 2,006 homes are completed, including 550 semi-custom homes. Approximately sixty new homes are under construction.

Here is a snapshot of home selling activity:

Homes	2020	2021	2022	2023	2023 vs. Avg. for Last Three Years	2024 (YTD)	2024 vs. Avg. for Last Three Years	2024 vs. Last Year/ vs. Last Year YTD
Total No. of Homes:	256	230	114	147	74%	27	16%	18%/104%
January	16	28	5	11	67%	8	55%	73%/73%
February	23	26	20	13	57%	19	97%	146%/113%
March	18	40	19	15	58%	--	0%	0%/104%
April	18	23	12	20	113%	--	0%	0%/0%
May	21	28	15	20	94%	--	0%	0%/0%
June	26	18	8	15	87%	--	0%	0%/0%
July	18	10	8	8	67%	--	0%	0%/0%
August	14	5	2	12	171%	--	0%	0%/0%
September	28	11	5	8	55%	--	0%	0%/0%
October	29	11	4	9	61%	--	0%	0%/0%
November	23	20	6	8	49%	--	0%	0%/0%
December	22	10	10	8	57%	--	0%	0%/0%

Regarding Home/Membership Demand: Looking back One and Four Months: One Month: Nineteen homes went under contract during February, compared to thirteen last February, a nice rise. Of the nineteen, twelve, or 63.2%, had access to a Full Golf Membership (“FGA”) at list prices ranging from \$1,795,000 (Cochise Ridge 14) up to \$7,250,000 (Saguaro Forest 66). Four had no membership access (“NON”) and ranged from \$1,895,000 up to \$4,455,000 in list price. One home was spoken for in “mainland” Desert Mountain (outside of Seven) with a Seven golf membership. February was the first month out of the last three where the number of home escrows was higher than that month’s counterpart last year.

Four Months (November through February): Last year, thirty-six resale homes went under contract in this period; this year, just twenty-six. Last year, for the twenty FGA homes out of the thirty-six total homes, the Average Total Price Paid was \$3,504,625. This year, for the eighteen FGA homes out of a total of twenty-six, it was \$2,748,056, a drop of \$756,569, or 21.6%. Average Prices paid per Square Foot also dropped sharply, from \$676.64 last year for FGA homes to \$649.32 this year. FGA Days on Market increased from 81 to 99.

Last year, for the twelve NON homes out of the thirty-six total homes, the Average Total Price Paid was \$2,681,458. This year, for the five NON homes out of a total of twenty-six, it was \$2,231,500, a drop of \$449,958, or 16.8%. Curiously, the Average Sales Price per Square Foot of resale homes offered NON *rose*, from \$573.89 to \$631.91, even as the demand for these “naked” homes went from twelve to five.

Regarding Membership Demand Over the Last Year: Of the one hundred and thirty-one homes that went under contract and closed in the last 365 days, eighty-two were FGA, or 62.6%; nine were offered with the Lifestyle membership (“L”), or 6.9%; thirty-seven were offered NON, or 28.2%; and three were offered with a Seven membership.

Regarding Home Supply: Eighty-nine homes were listed as of the morning of March 1, 2024, without regard to current physical status or membership (no change from last month). Of these, eight were not-yet-started spec homes (no change), three of which were offered FGA (no change). Nine were under-construction speculative homes (up one) with three offered FGA. Seventy-two were completed homes (no change). Forty-four (vs. forty-three last month) offered FGA, ranging in price from \$1,500,000 (down from \$1,795,000 last month) to \$12,950,000, with an average of \$4,766,696 (up from \$4,494,291 last month). The average list price per square foot of these FGA homes was \$819.07, up from \$818.02 last month), with an average Days of Market of 132 (up from 112 last month). Twenty-five were offered NON (up two from last month), ranging from \$1,300,000 to \$12,995,000, with an average list price of \$4,058,900 **(so, an average list price “premium” of \$707,796 for homes offered FGA vs. NON; over the last six months, the true premium paid was \$422,097)**. Three were offered L, (down two from last month) ranging from \$2,195,000 to \$4,950,000, with an average of \$3,381,667 (compared to \$2,984,000 last month), and average Days on Market of 186 (compared to 101 last month).

As stated above, as of February 29, we showed 2,006 finished homes in Desert Mountain. Traditionally, ten percent of a community like Desert Mountain would be for sale in a “balanced” market, or about 206 homes. The seventy-two existing homes for sale represent a mere 3.6% of the market.

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.



Sincerely,

Davis Driver

The Davis Driver Group

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



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