

May 2024

As of the morning of April 1, four homesites had gone under contract in March, one more than February and one shy of the demand for homesites last March. YTD 2024 with nine compares exactly to YTD 2023.

Here is a snapshot of homesite selling activity (number going under contract each month) as of the morning of April 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>97</u>	<u>90</u>	<u>27</u>	<u>32</u>	45%	<u>9</u>	18%	28%/100%
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%	<u>4</u>	67%	80%/100%
April	<u>4</u>	<u>9</u>	<u>1</u>	<u>4</u>	86%	--	0%	0%/100%
May	<u>6</u>	<u>7</u>	<u>5</u>	<u>4</u>	67%	--	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>15</u>	<u>9</u>	<u>2</u>	--	0%	--	0%	0%/0%

Regarding Demand for Memberships: Eight of the nine homesites spoken for so far in 2024 had no access to any membership opportunity. One had access to a Lifestyle.

Regarding Pricing: The list price range of the four spoken for in March was from \$625,000 to \$1,600,000, up from \$599,000 and \$850,000 last month.

Regarding Homesite Supply: As of April 1, 2024, there were twenty-nine homesites for sale in Desert Mountain (down four from last month). The least expensive site offering a Full Golf Membership (“FGA”) from the Seller through the Club, out of five (down one from last month), was listed at \$1,775,000, (up from \$1,600,000). The top price was still \$5,500,000 (Cochise-Geronimo Village # 1, (no change), now 228 Days on Market. (the Average Days on Market for the five was 419; the smallest was 228). None were listed with a Lifestyle Membership, (down one). Twenty-four were listed without any membership (down two from twenty-six last month), starting at \$450,000 (no change). Our Housing Stock Analysis Report shows approximately 213 custom homesites have no construction on them and are not owned by a neighbor to protect views or privacy, and that one hundred and two sites are owned by neighbors for view or privacy protection. Likewise, we show 2,006 homes are completed, including 550 semi-custom homes. Approximately seventy-two new homes are under construction (with the two leaders being the Saguaro Forest with ten, and Gambel Quail with nine).

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:	257	230	114	145	72%	49	30%	34%/129%
January	16	28	5	10	61%	9	63%	90%/90%
February	23	26	20	13	57%	17	86%	131%/113%
March	18	40	19	15	58%	23	93%	153%/129%
April	19	23	12	20	111%	--	0%	0%/129%
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	11	157%	--	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, compared to this year and last year:

One Month (March): Twenty-three homes went under contract this March, compared to fifteen last March, and seventeen this February, indications of continued strong demand, overall, for homes in Desert Mountain. Of the twenty-three, fifteen, or 65.2%, had access to a Full Golf Membership (“FGA”) at list prices ranging from \$1,500,000 (Desert Greens 75) up to \$8,750,000 (Eagle Feather 404). Seven, or 30.4%, had no membership access (“NON”) and ranged from \$1,429,000 up to \$4,800,000 in list price. One home was spoken for with access to a Lifestyle membership (Desert Horizons 16, listed at \$2,400,000). March’s level of demand continued a rising trajectory for homes the last two months.

Four Months (December through March): Last year, forty-eight resale homes went under contract in this period; this year, fifty-seven. Last year, the Average Total Price Paid for the twenty-five FGA homes that went under contract and closed escrow during this period was \$3,734,048; the Average Days on Market was 114; and the Average Sales Price per Square Foot was \$718.43. This year, the Average Total Price Paid for the fifteen FGA homes that went under contract and closed escrow during this period was \$2,788,000, a decrease of 25.34%! The Average Days on Market dropped to 68 (from 114). The Average Sales Price per Square Foot dropped to \$647.29 (from \$718.43).

Last year, the Average Total Price Paid for the sixteen NON homes out of the forty-eight total homes was \$2,829,969; the Average Days on Market was 108; and the Average Sales Price per Square Foot was \$593.12. This year, the Average Total Price paid for the seven NON homes out of a total of fifty-seven was \$2,988,571, and an increase of \$158,602, or 5.6%. The Average

Days on Market was slightly lower at 104. The Average Sales Price per Square Foot was much higher, at \$698.57.

Regarding Membership Demand Over the Last Year: Of the one hundred and twenty-five homes that went under contract and closed in the last 365 days, seventy-six were FGA, or 60.8%; eight were offered with the Lifestyle membership (“L”), or 6.4%; thirty-eight were offered NON, or 30.4%; and three were offered with a Seven membership, or 2.4%.

Regarding Home Supply: Eighty-three homes were listed as of the morning of April 1, 2024, without regard to current physical status or membership (down six from last month). Of these, five were not-yet-started spec homes (down from eight last month), two of which were offered FGA (down one). Ten were under-construction speculative homes (up one) with two offered FGA. Sixty-eight were completed homes (down four). Sixty-eight were finished homes. Thirty-six of these (vs. forty-four last month) offered FGA, ranging in price from \$1,595,000 (up from \$1,500,000 last month) to \$13,000,000, with an Average Total List Price of \$5,833,365 (up from \$4,766,696 last month). The Average List Price per Square Foot of these thirty-six FGA homes was \$915.77, up from \$819.07 last month, with an average Days of Market of 122 (down from 132 last month). Twenty-nine were offered NON (up four from last month), ranging from \$1,300,000 to \$7,700,000 in Average Total List Price, with an average list price of \$3,677,948 **(so, an average list price “premium” of \$2,155,427 for homes offered FGA vs. NON; over the last six months, the true premium paid was \$73,590)**. Three were offered L, (no change) ranging from \$2,195,000 to \$4,950,000, with an average of \$3,381,667 (no change), and average Days on Market of 216 (compared to 186 last month).

As stated above, as of April 1, 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 sixty-eight existing homes for sale represent a mere 3.4% of the market (down from 3.6% last month).

We provide our listing clients with documented advantages in list price analysis, marketing, and sales compared to our logical competition.* 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 six years and four months of details.