

October 2024

As of October 1, 2024, three homesites went under contract in September. The overall YTD homesite demand is 69% of last year’s YTD Demand, and 76% of last year’s Total Demand.

Here is our October 1, 2024 Market Velocity Report for homesite contract activity (not sales):

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>98</u>	<u>90</u>	<u>27</u>	<u>32</u>	45%	<u>22</u>	44%	69%/76%
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%	<u>2</u>	43%	50%/85%
May	<u>6</u>	<u>7</u>	<u>5</u>	<u>4</u>	67%	<u>5</u>	94%	125%/94%
June	<u>11</u>	<u>5</u>	<u>2</u>	<u>4</u>	67%	--	0%	0%/76%
July	<u>8</u>	<u>2</u>	<u>1</u>	<u>4</u>	109%	<u>2</u>	86%	50%/72%
August	<u>6</u>	<u>7</u>	--	<u>1</u>	23%	<u>1</u>	38%	100%/73%
September	<u>17</u>	<u>4</u>	<u>1</u>	<u>3</u>	41%	<u>3</u>	113%	100%/76%
October	<u>10</u>	<u>8</u>	--	<u>2</u>	33%	--	0%	0%/76%
November	<u>11</u>	<u>6</u>	--	<u>1</u>	18%	--	0%	0%/0%
December	<u>15</u>	<u>9</u>	<u>2</u>	--	0%	--	0%	0%/0%

**On Membership “Mix” on Homesite Contracts This Year:** Twenty-one of the twenty-two homesite contracts this year had no access to any membership; one had access to a Lifestyle. **Not a single Full Golf Membership homesite has been put under contract this year.**

**List Price Range of Homesites Spoken For Last Month:** The list price range of the three homesites put under contract last month (with none including access to any membership) was \$650,000 to \$1,875,000 (the third was listed at \$1,495,000).

**On Homesite Supply:** As of October 1, 2024, there were twenty-five homesites for sale in Desert Mountain (-4 from last month). Two of the three sites offered with access to a Full Golf Membership (“FGA”) from the Seller through the Club (both of which were on the market last month), were priced at \$2,495,000; the third was priced at \$4,200,000 (Cochise-Geronimo # 1, previously on the market for 334 days at \$5,500,000, and for 294 days just prior to that listing at \$5,900,000). Only eight FGA homesites have been put under contract the last two years, and the highest price paid was \$1,625,000. The Average Days on Market for the three was 305 (one was at 431; the other at 475). None were listed with a Lifestyle Membership (no change). Twenty-two (-5) were listed without any membership (“NON”), starting at \$495,000 (up from \$450,000).

**On Housing Stock:** Our Housing Stock Analysis Report shows 200 custom homesites have no construction on them and are not owned by a neighbor to protect views or privacy, and that 103

are so owned by neighbor. Likewise, we show 2,042 homes are completed, including 550 semi-custom homes. Our records show 49 homes under construction (with the two most active villages being The Saguaro Forest with eleven, and Grey Fox with six).

Here is our October 1, 2024, Market Velocity Report for home contract activity (not sales) not including any sales in Seven:

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:	<a href="#">257</a>	<a href="#">232</a>	<a href="#">114</a>	<a href="#">145</a>	72%	<a href="#">107</a>	65%	74%/89%
January	<a href="#">16</a>	<a href="#">28</a>	<a href="#">5</a>	<a href="#">10</a>	61%	<a href="#">9</a>	63%	90%/90%
February	<a href="#">23</a>	<a href="#">27</a>	<a href="#">20</a>	<a href="#">13</a>	56%	<a href="#">17</a>	85%	131%/113%
March	<a href="#">18</a>	<a href="#">40</a>	<a href="#">19</a>	<a href="#">15</a>	58%	<a href="#">23</a>	93%	153%/129%
April	<a href="#">19</a>	<a href="#">23</a>	<a href="#">12</a>	<a href="#">20</a>	111%	<a href="#">12</a>	65%	60%/105%
May	<a href="#">21</a>	<a href="#">28</a>	<a href="#">15</a>	<a href="#">20</a>	94%	<a href="#">12</a>	57%	60%/94%
June	<a href="#">26</a>	<a href="#">18</a>	<a href="#">8</a>	<a href="#">15</a>	87%	<a href="#">12</a>	88%	80%/91%
July	<a href="#">18</a>	<a href="#">11</a>	<a href="#">8</a>	<a href="#">8</a>	65%	<a href="#">5</a>	56%	63%/89%
August	<a href="#">14</a>	<a href="#">5</a>	<a href="#">2</a>	<a href="#">11</a>	157%	<a href="#">7</a>	117%	64%/87%
September	<a href="#">28</a>	<a href="#">11</a>	<a href="#">5</a>	<a href="#">8</a>	55%	<a href="#">10</a>	125%	125%/89%
October	<a href="#">29</a>	<a href="#">11</a>	<a href="#">4</a>	<a href="#">9</a>	61%	--	0%	0%/89%
November	<a href="#">23</a>	<a href="#">20</a>	<a href="#">6</a>	<a href="#">8</a>	49%	--	0%	0%/0%
December	<a href="#">22</a>	<a href="#">10</a>	<a href="#">10</a>	<a href="#">8</a>	57%	--	0%	0%/0%

### On Recent Comparative Home/Membership Demand:

**One Month (September):** Ten homes went under contract in September, compared to eight and five the last two Septembers, and seven this August. A bit of an uptick. The 107 contracts so far this year are 74% of last year’s total, and 89% of last year’s YTD demand. We are not likely to match last year’s numbers by the end of the year. Of the ten, eight were offered “FGA,” priced from \$2,000,000 to \$6,750,000. None were offered with access to a Lifestyle Membership. Two were offered “NON,,” ranging from \$1,998,000 to \$2,250,000.

**Four Months (June through September):** Last year in this period, forty-two homes, without regard to new vs. used or what membership access may have been offered, went under contract (but may not have closed escrow in that four-month period). This year, only thirty-four. More narrowly, twenty-three resale/used homes, offered FGA, went under contract during this period last year, all closing on or before October 18. This year, only fourteen, or 60.9% of last year’s total. Regarding the twenty-three last year, the Average Total Price Paid was \$2,986,378; the Average Size was 4,609 square feet; the Average Days on Market was 102; and the Average Sales Price per Square Foot was \$646.34. Regarding the fourteen this year, the Average Total Price Paid was \$4,045,845 (helped by \$10,800,000 sale); the Average Size was 5,068; the Average Days on Market was 88 (down 13.7%); and the Average Sales Price per Square Foot was \$755.12 (up 16.8%). So, significantly fewer contracts during this period this year, but the homes were a little larger, sold more quickly, and at a significantly higher Price Per Square Foot.

Last year during this same four-month period, the Average Total Price Paid for the fifteen resale/used NON membership homes was \$2,757,920; the Average Size was 4,735 square feet; the Average Days on Market was 44; and the Average Sales Price per Square Foot was \$577.65. This year, there were only four such contracts/sales. The Average Total Price paid for these four NON homes was \$2,096,250; their Average Size was 3,822 square feet; the Average Days on Market was 106; and the Average Sales Price per Square Foot was \$542.41. So, again, significantly less activity, smaller homes, much slower sales cycle, and a drop in price.

**On Membership “Mix” on Homes over the Last Year:** Of the one hundred and twenty-one resale/used homes that went under contract and closed in the last 365 days, seventy-two were FGA, or 59.5%; eleven were offered with the Lifestyle membership (“L’), or 9.1%; thirty-four were offered NON, or 28.1%; and four went with a Seven membership, or 3.3%. **The seventy-two FGA resale (used) homes that went under contract and closed in the last 365 days averaged 94 Days on Market; the thirty-four NON homes averaged 66 Days on Market.**

**On Home Supply:** Sixty-nine homes were listed as of this morning without regard to current physical status or membership (no change). Of these, five were not-yet-started spec homes (NC), two of which were offered FGA. Six were under-construction speculative homes, with five offered FGA. Fifty-eight were completed. Twenty-seven of these were offered FGA, ranging in price from \$1,379,000 (Desert Fairways 22) to \$11,995,000 (Apache Peak 126, now on the market for 204 days), with an Average Total List Price of \$4,907,053, (up from \$4,881,726 last month). The Average List Price per Square Foot of these twenty-seven FGA homes was \$891.10 (down from \$942.23 last month), with an average Days of Market of 135 (up from 120 last month). Twenty-five were offered NON (+9), ranging from \$1,250,000 to \$6,500,000 in Total List Price (NC), with an average list price of \$3,276,840 (up from \$2,864,813 last month); and an average List Price per Square Foot of \$701.23, (up from \$634.86 last month). **(So, an average list price “premium” on a per square foot basis of \$189.87 for FGA homes vs. NON homes.**

The fifty-eight completed homes on the market today represent just 2.84 percent of the housing stock. Ten percent is generally considered to be a “balanced” market.

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