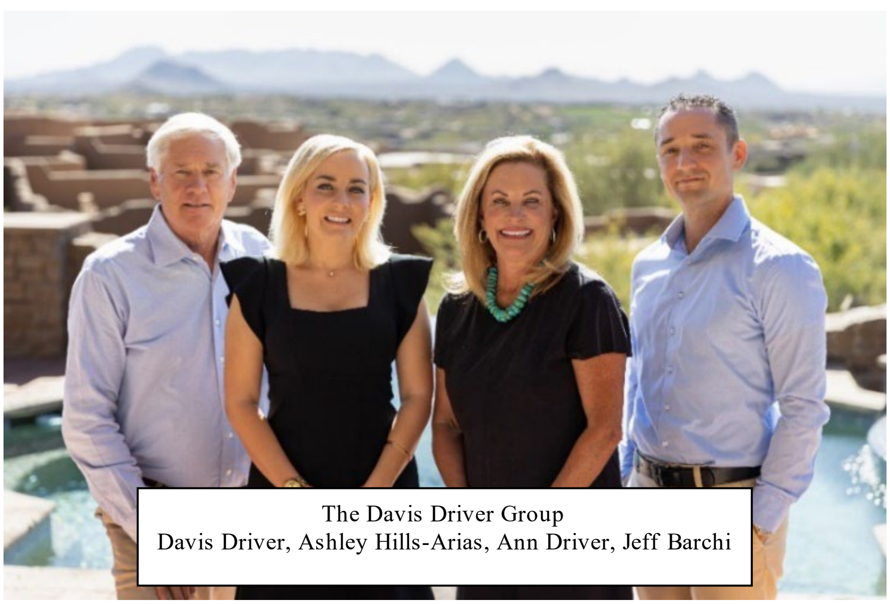
July 1, 2025

Only one homesite went under contract in June: Sunset Canyon 40, listed for $1,750,000, with no membership access (“NON”).

YTD and Monthly homesite demand (contracts opened, but not necessarily closed yet):

Homesites	2021	2022	2023	2024	2024 vs. Avg. for Last Three Years	2025 (YTD)	2025 vs. Avg. for Last Three Years	2025 vs. Last Year/ vs. Last Year YTD
Total No. of Homesites:	93	29	34	34	65%	9	28%	26%/53%
January	9	7	4	2	30%	--	0%	0%/0%
February	14	6	--	3	45%	2	67%	67%/40%
March	11	4	6	4	57%	2	43%	50%/44%
April	9	1	5	2	40%	2	75%	100%/55%
May	8	5	4	5	88%	2	43%	40%/50%
June	6	2	4	1	25%	1	43%	100%/53%
July	2	1	4	3	129%	--	0%	0%/53%
August	7	--	1	1	38%	--	0%	0%/0%
September	4	1	3	3	113%	--	0%	0%/0%
October	8	--	2	6	180%	--	0%	0%/0%
November	6	--	1	2	86%	--	0%	0%/0%
December	9	2	--	2	55%	--	0%	0%/0%

On Homesite Demand, Supply and Pricing: As of the afternoon of July 1, there were twenty homesites for sale in Desert Mountain (-2 from last month). Of these, two (NC) were offered with access to a Full Golf Membership (“FGA”): Saguaro Forest # 338, listed at $2,495,000 (NC); and Gambel Quail # 23, listed for $1,000,000 (down $100,000 from last month). None of the remaining eighteen homesites had any membership access. The list price range of the NON sites was from a low of $825,000 (up from $495,000) to a high of $10,000,000 (NC, with three listed at this price (NC) NOTE: These three lots are listed for that high a price as a defensive measure against land fraud. Otherwise, the highest list price is $7,000,000, for Lost Star 36; next is $2,950,000, for Cintarosa



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

Ranch 6. The Average Days on Market for the FGA sites was 418 (up from 387), and 438 for the NON sites (up from 384). Obviously, demand has been anemic, at best, matching last year's demand during June, but only at 53% of last year's YTD production. Pricing was largely stable through June.

YTD and Monthly home demand (contracts opened for homes in "mainland" Desert Mountain, excluding any in Seven), but not necessarily closed yet:

Homes	2021	2022	2023	2024	2024 vs. Avg. for Last Three Years	2025 (YTD)	2025 vs. Avg. for Last Three Years	2025 vs. Last Year/ vs. Last Year YTD
Total No. of Homes:	234	114	145	145	88%	68	50%	47%/78%
January	28	5	10	9	63%	17	213%	189%/189%
February	27	20	13	17	85%	13	78%	76%/115%
March	41	19	15	23	92%	11	58%	48%/84%
April	23	12	20	13	71%	10	67%	77%/82%
May	28	15	20	12	57%	9	57%	75%/81%
June	19	8	15	12	86%	7	60%	58%/78%
July	11	8	8	5	56%	1	14%	20%/78%
August	5	2	11	7	117%	--	0%	0%/0%
September	11	5	8	11	138%	--	0%	0%/0%
October	11	4	9	16	200%	--	0%	0%/0%
November	20	6	8	12	106%	--	0%	0%/0%
December	10	10	8	8	86%	--	0%	0%/0%

Recent Home Demand:

The seven homes taken in June continued the dismal, and worsening, market conditions that started diving in February. Of the seven, six were offered FGA at list prices ranging from $1,750,000 (Sonoran Ridge 23) to $5,700,000 (Apache Peak 118); none were offered with a Lifestyle membership ("L"); and one was offered NON, listed for $6,075,000 (Sunrise 318).

Home Sale Details:

Of the one hundred and nineteen resale/used, non-Seven homes that ***closed*** in the last 365 days (-2), seventy-three were offered FGA (-1), or 61.34% (and averaged 87 Days on Market ("DOM") (+1); 5,261 square feet in size ("SF") (up from 5,202); and $790.71 on Sale Price per Square Foot ("SPSF") (up from $785.55). Fourteen were L (-2), or 11.76% (68 DOM (down from 87), 3,486 SF (down from 3,703; and $718.58 SPSF (up from $609.71). Thirty-one were NON (+1), or 26.05%; 61 DOM (-2), 4,278 SF (up from 4,272); $618.19 SPSF (up from $610.49). One was SEV (NC), or .084% (13 DOM; 2,850 SF; $973.68/SPSF). Based on this data, **the actual premium paid for FGA vs. NON on a per square basis over the last year is $790.71 – $618.19, or $172.52. On a 4,000 s.f. house, this is equal to $690,080.**

Home Supply Details: Seventy-nine homes were listed as of the afternoon of July 1 in Desert Mountain (excluding Seven) without regard to physical status or membership (-31).

Physical Status Breakdown of Listed Homes: Of these seventy-nine, non-Seven homes, seven were not yet started spec homes (-1); three were under-construction spec homes (-1); and sixty-nine were finished homes (-29); of which five (NC) were completed specs, leaving sixty-three used, resale, non-Seven homes on the market (-30).

Membership Offered and Price Breakdown of the Sixty-Three Used Homes For Sale:

33 FGA (-17): Total Price Range $1,800,000 to $25,000,000; Average Total List Price $5,009,667 (down from $5,082,080); Average List Price per Square Foot **$853.81** (down from $882.57); Average Days on Market 137 (up from 126).

26 NON (-9): Total Price Range $1,100,000 to $10,439,246; Average Total List Price $3,085,048 (down from $3,103,407); Average List Price per Square Foot **$700.65** (down from $702.34); Average Days on Market 163 (NC).

3 L (-3): Total Price Range $1,825,000 to $5,000,000; Average Total List Price $2,935,000 (down from $3,420,667); Average List Price Per Square Foot $684.64; Average Days on Market 96 (down from 126).

1 SEV (-1): Total Price Range $2,097,000 to $2,097,000; Average Total List Price $2,097,000; Average List Price Per Square Foot $713.02; Average Days on Market 90.

Average LP/SF Premium FGA vs. NON: $853.81 – $700.65 = $153.16 (down from $180.23).

On Housing Stock: Our Housing Stock Analysis Report shows 186 custom homesites have no construction on them and are not owned by a neighbor to protect views or privacy, 100 are so owned by neighbors, and 66 have been merged with other homesites, for a Total Possible Custom Home total of 1,867. Likewise, we show 2,052 completed used homes, including 550 semi-custom homes. Our records show 38 new homes under construction (with the two most active villages being The Saguaro Forest with nine, and Gambel Quail with six). The one sixty-three, resale homes on the market today represent 3.1% of the finished, used home inventory. Ten percent is considered to be "balanced."

We have been reworking our main website, www.propertiesofdesertmountain.com for several weeks. We anticipate it to be completed by July 31st. Please visit it then for a fresh, highly focused and ***very*** revealing presentation, of interest to any Desert Mountain prospective seller, or purchaser!

Sincerely,

Davis Driver