September 1, 2025

Zero homesites went under contract in August, the second month in a row with not a single homesite contract.

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%/43%
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%/45%
August	7	--	1	1	38%	--	0%	0%/43%
September	4	1	3	3	113%	--	0%	0%/43%
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 morning of September 1, there were seventeen homesites for sale in Desert Mountain (-1 from last month). Of these, two were offered with access to a Full Golf Membership ("FGA"): Gambel Quail 257, at $1,500,000, and Gambel Quail 23, at $900,000 (No Change from last month "NC"). None of the remaining fifteen homesites had any membership access. The list price range of these "NON" sites was from a low of $675,000 (down from $825,000) to a high of $10,000,000 (NC, with three listed at this price). NOTE: These three lots are listed for that high a price to defend against fraud. Otherwise, the highest list price is $7,000,000, for Lost Star 36; next is $2,950,000, for Cintarosa Ranch 21, at $2,650,000. The Average Days on

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

Market for the FGA sites was 114, and 344 for the NON sites (up from 311). Obviously, demand has been anemic.

YTD and Monthly home demand (contracts opened for homes in "mainland" Desert Mountain, excluding any in Seven ("SEV"), 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%	84	62%	58%/86%
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%	8	69%	67%/79%
July	11	8	8	5	56%	9	129%	180%/85%
August	5	2	11	7	117%	7	105%	100%/86%
September	11	5	8	11	138%	--	0%	0%/86%
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 August was slightly down from July on a running three-year average, but still decent. Of the seven, two were offered FGA at list prices ranging from $2,350,000 (Desert Hills 11) to $3,3550,000 (Sunrise 215); none were offered with a Lifestyle membership ("L"); and five were offered NON, at list prices as high as $5,550,000. Demand YTD is 86% of last year.

Home Sale Details: Of the one hundred and sixteen resale/used, non-Seven homes that ***closed*** in the last 365 days (-1), seventy-four were offered FGA (-2), or 63.8%, and averaged 89 Days on Market ("DOM") (-2); 5,160 square feet in size ("SF"), down from 5,225; and **$781.97** on a Sale Price per Square Foot ("SPSF") (up from $784.12).

Eleven were offered L (NC), or 9.5%; (52 DOM (NC); 3,308 SF (NC); and $730.07/SPSF (NC).

Thirty-one were offered NON (+2), or 26.7%; (55 DOM (+4); 4,186 SF (up from 4,148); and **$617.94**/SPSF (up from $616.27).

None were offered SEV.

Based on this data, **the actual premium paid for FGA vs. NON on a per square basis over the last year is $781.97 – $617.94, or $164.03. On a 4,000 s.f. house, this is equal to $656,120.**

Home Supply Details: Seventy homes were listed as of the morning of September 1 in Desert Mountain (excluding Seven) without regard to physical status or membership (+4).

Physical Status Breakdown of Listed Homes: Of these seventy non-Seven homes, four were not yet started spec homes (NC); three were under-construction spec homes (NC); and fifty-nine were finished homes (-10); of which three (NC) were completed specs, leaving sixty used, resale, non-Seven homes on the market (+4).

Membership Offered and Price Breakdown of the <u>Sixty</u> Used Homes For Sale:
31 FGA (+2): Total Price Range $1,895,000 to $25,000,000; Average Total List Price $5,121,290 (down from $5,193,241); Average List Price per Square Foot **<u>$882.23</u>** (up from $866.20); Average Days on Market 148 (up from 141).

25 NON (NC): Total Price Range $1,100,000 to $10,439,246; Average Total List Price $3,207,810 (down from $3,288,250); Average List Price per Square Foot **<u>$723.71</u>** (down from $737.99); Average Days on Market 164 (up from 163).

3 L (+1): Total Price Range $1,825,000 to $2,295,000; Average Total List Price $2,033,333 (Up from $1,902,500); Average List Price Per Square Foot $690.88 (down from $699.00); Average Days on Market 121 (down from 142).

1 SEV (+1): Total Price Range $2,995,000; Average Total List Price $2,995,000; Average List Price Per Square Foot $1,001.00; Average Days on Market 104.

Average LP/SF Premium FGA vs. NON: $882.23 – $723.71 = $158.52

On Housing Stock: Our Housing Stock Analysis Report shows 185 custom homesites have no construction on them and are not owned by a neighbor to protect views or privacy, 100 other homesites 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 2,057 completed homes, including 550 semi-custom homes and three completed specs. 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 sixty resale homes on the market today represent 2.9% of the 2,054 finished, used home inventory. Ten percent is considered to be "balanced."

Our main website, www.propertiesofdesertmountain.com, has been completely renovated and revised over the last couple of months. Please visit it for a fresh, highly focused and ***<u>very</u>*** revealing "behind the scenes" look at the real estate market in Desert Mountain, of keen interest to ***<u>any</u>*** Desert Mountain prospective seller or purchaser!

Sincerely,

Davis Driver