

THE TRAILS AT SCOTTSDALE

Volume 1, Issue 61
October, 2021

PLEASE NOTE

- ◆ Notice has been received from the City of Scottsdale that regular garbage pickup for our subdivision which was normally on Wednesdays is being moved to **Mondays** effective November 1, 2021. As in the past, all cans will need to be on the curb by 5:00 a.m. of pickup day and removed from the curb that same day per City Codes. The Trails CCR's require that the dumpsters not be visible from the street other than for pick up.
- ◆ This monsoon season was a great improvement over the last couple of years. As we all welcomed the rain, we also have had an increase in the amount of weeds in everyone's yards. Be aware that the City Code Enforcement department has been giving out citations for weeds. So, it is in your best interests, and that of the subdivision to keep the weeds pulled and your yard clear.
- ◆ If you are planning on painting the exterior of your home, you must have approval from the Architectural Committee BEFORE beginning to paint. If the colors are not within the guidelines of the Committee you may have to repaint. The Board is now working to establish new color palette guidelines. Please also check the Trails website for the Approval form and contact our Chair, Bob Thayer if you have any questions. <https://thetrailsatscottsdale.org>



HAPPY
THANKSGIVING!!



Emergency Numbers:

Police: 911 or

480-312-5000

Graffiti: 602-320-8243

Silent Witness:

602-261-8600

Code Enforcement:

480-312-2546

Board Meeting Schedule:

October 12th, 7:00 p.m.

November 9th, 7:00 p.m.

December 7th, 7:00 p.m.

The Granite Reef Senior Center continues to close at 5:00 p.m. so the regular Board meetings will be held on Zoom.

Board Members

- Brenda Breit
480-970-0079
- Dennis DeGutes
928-229-0513
- Sandy DeGutes
928-229-0513
- Elizabeth Welch
480-990-2868
- Deborah Blacklock
480-998-9612
- Jim Nowatzki
602-499-8088
- Bill Hooper
480-287-5478
- Bill Long
480-254-9549
- Bob Thayer
480-781-7940



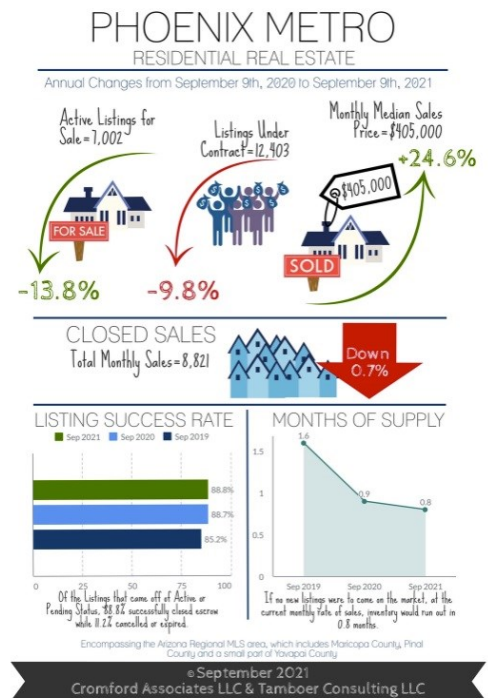
ARIZONA REAL ESTATE MARKET NOW

For Buyers:

Buyer demand has rallied sharply over the past 4 weeks, which is unusual for this time of year. The rally is exclusively between \$400K-\$800K, spiking nearly 20% in contract activity since the end of July. We have to wait until the transactions close and record to identify the buyers, but judging from July's closing analysis we expect to find a surge in iBuyer purchases (aka "Internet Buyers"). The most notable iBuyers active in Greater Phoenix are OpenDoor, OfferPad, Zillow, and now RedFin. At least one of these organizations has increased their approved acquisition price to a \$750,000 limit, which could explain the sudden spike in sales. iBuyers do not buy and hold property, they primarily engage in a short-term flip strategy and their activity does not constitute true demand. True demand is someone who will live in the home or rent it to someone who will live in the home. Flip investors are strictly the middlemen between the seller and the final buyer, which adds one extra closing to the books and makes true demand appear larger than reality by increasing the total number of sales without increasing the level of supply. The existence of institutional flip investors in the marketplace can be frustrating for buyers from a competition standpoint, but in the end these buyers still need to resell the home to someone. As prices have reached levels beyond the affordability threshold for a larger percentage of residents, the question is whether or not iBuyers will be able to flip their acquisitions with the same profit margins going forward. Permits for new homes are up 32% for January through July this year and are at their highest since 2006. Considering the average build time for a new home is anywhere from 10-14 months due to supply chain disruptions, iBuyers and sellers in general may be seeing more competition from new construction starting in the 4th quarter 2021 and into early 2022.

For Sellers:

While the \$400K-\$800K market is seeing elevated activity, the luxury market over \$1M is a different story. Make no mistake, the luxury market is still extremely hot but it's not because buyer activity is rising. Listings in escrow over \$1M have dropped 17% since June, but that's normal for this time of year in this segment. The reason the luxury market is still hot is due to a simultaneous drop in competing supply. It's more prominent over \$1.5M where supply has dropped 10%, also since June. So if contract activity isn't rising, then why is supply over \$1M dropping? It's seasonal. Every year from May to July there's an elevated number of cancelled and expired listings in this price point, which reduces the number of active listings. This year was no different. Additionally, the number of new listings added monthly to supply dropped 26% between April and August, which meant there were fewer new listings to replenish those that cancelled or expired. The result is a luxury supply count 31% lower than this time last year. This is good news for the sellers who remained active over the summer. Even though luxury demand came down, it's still 21% higher than it was last September with fewer competitors. If the market follows its seasonal tendencies there will be a rally of new listings coming to the party in October, possibly giving buyers more choice in the 4th quarter.



Alyssa Samuelson, Real Estate Agent with Success Real Estate Group/Apartment Source, 602-622-0488, Alyssa@SouthScottsdaleHomes.com

BOARD ELECTIONS IN FEBRUARY

Three (3) Board member seats will be up for election in February. Ballots will be mailed to all homeowners in January. If anyone is interested in serving on the Board, please contact any Board member prior to January 1st and your name will be placed on the ballot.

WEBSITE

<https://thetrailsatscottsdale.org> is the new website for our subdivision. There is information regarding meetings, CCR's, telephone numbers, etc. Please be sure to check it out.