

THE TRAILS AT SCOTTSDALE

Volume 1, Issue 73
October, 2024

PLEASE NOTE

The Board is investigating the implementation of a new fine schedule for violations of the CCR's. We are consulting with other HOA Boards as well as looking at what the State Laws allow. This has become necessary as there are more and more violations and we may have the need to fine residents to correct these violations.

The Board is planning to purchase Guest Parking signs as a reminder that the cul-de-sacs at the end of many of the streets are for **visitor parking** and **NOT** for residents to use on a permanent basis. The parking of recreational vehicles and boats in these areas are a violation of the CCR's and could result in fines.

There is a new digital application form for Architectural Approval on the website. This new section will allow the Board to keep track of the applications, and track them for future reference. Please check the website for this new form if you are going to be making updates to your home.



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 8th, 7:00 p.m.

November 12th, 7:00 p.m.

December 10th, 7:00 p.m.

The meetings will be held on Zoom. If anyone wishes to attend, please contact any Board member.

Board Members

- Brenda Breit
480-970-0079
- Dennis DeGutes
928-457-0829
- Sandy DeGutes
928-229-0513
- Elizabeth Welch
602-552-1162
- Fred Bollhoffer
630-842-9490
- Colin Walsh
480-720-9023
- Bill Hooper
480-287-5478
- Bill Long
480-254-9549
- Bob Thayer
480-662-5052



Sellers Get Off the Fence as Mortgage Rates Continue to Drop; Why Recessions are Good for Most Home Buyers, but Not All

FOR BUYERS:

It may be hard to believe, but recessions are historically the beginning of a turnaround for the housing market. After enduring more than 2 years of declining sales, sellers and buyers may start moving and transacting again. While recessions are negative for the economy (as they coincide with higher unemployment), two things typically occur that turn the housing market positive.

The first is home value stabilization. In every recession since 1970 (except for one infamous recession in 2008) home values had minimal fluctuation and appreciation year-over-year. The second is mortgage rates. Every recession since 1970 saw mortgage rates decline while at least 90% of the labor force remained employed. According to the August employment report from the Arizona Dept of Economic Opportunity, private sector earnings rose 7.3% annually in June, and 5.3% in July. Both rates are higher than the rate of inflation, and higher than the rate of home price appreciation. The combination creates an environment for increased home sales as affordability improves due to higher incomes, lower rates, and flat home appreciation.

Unfortunately, Mortgage News Daily showed zero improvement in purchase mortgage applications in August. The housing market simply doesn't move as fast as the stock market, and it takes time for buyers to warm their engines and apply for mortgages after rates begin their decline. Partly because they wait to see if rates continue down or stabilize, but also because they don't have an acceptable home in sight for motivation. As a result, application data often picks up after showings increase.

Future buyers may have one other obstacle to overcome, and that's selling their existing home. This is what Greater Phoenix is experiencing now. As expectations of sustained rate declines increase, it's sellers who are getting off the fence first. Weekly new listings are up 11% since rates began their decline on August 1st. These sellers will most likely become buyers within 1-3 months. This creates a good opportunity for buyers who are ready today. An early boost in supply without an offsetting boost in competing buyers means the buying environment will remain relaxed and accommodating over the next few months until the new year begins.

FOR SELLERS:

September and October are the last hurrahs for home sale activity as 2024 enters its last stretch. New listings activated during this time should be well priced and in competitive condition to the listings around them. The median marketing time before contract is currently 33 days, so most properties listed in September should expect a contract in October. However, sellers who wait to list until late October will run into holiday speed-bumps that could tack on an extra 1-2 weeks before an acceptable contract.

While lower mortgage rates are expected to boost demand in price ranges under \$2M, they don't have much effect on the high-end luxury market where 55% of sales over \$2M are cash. Recessions are not good for luxury because they coincide with poor stock market performance and stagnate corporate profits, which are the primary drivers for demand in this segment. So far, multiple headlines warning of an approaching recession are not tanking the stock market, and luxury listings under contract for September are higher than any other year. Other good news for luxury sellers, high cancellation rates from May-July dropped supply counts and launched Paradise Valley back into a seller's market. In fact, all luxury sellers in the Northeast Valley saw market improvements from lower supply counts.

However, uncertainty can still stall luxury sales in the 4th quarter. If unemployment rates continue to rise and uncertainty grows over a recession and the November election, the hope of an October rally could fade and contract activity stagnate until the election and holiday seasons have run their course. Hope and optimism will return at the kickoff of 2025 along with perfect weather, tourism, and an increasing flow of contracts.

Finish reading at: <https://southscottsdalehomes.com/2024/09/15/september-cromford-report/>

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 December 25th and your name will be placed on the ballot.

WEBSITE - <https://thetrailsatcottsdale.org> is the website for our subdivision. There is information regarding meetings, CCR's, telephone numbers, meeting minutes, past newsletters, forms, etc. Please be sure to check it out.