



The Trails at Scottsdale

THANK YOU BILL, WELCOME STACY

Thank you to Bill Long for giving of his time and talents to The Trails at Scottsdale Board for the past two years. Bill has now retired from his position on the Board and we appreciate his input.

Welcome to Stacy Katz who was appointed to her position on the Board in March, filling the vacancy created by Bill's retirement. Her term will run for three years and we look forward to having Stacy and her insight's and community spirit on the Board.

GRANITE REEF DRAINAGE PROJECT

In case you've seen the big road machinery on the east side of the noise barrier wall, this is what is going on between McDowell and McKellips and extending to the south.

Scottsdale, along with the Maricopa County Flood Control District and the Salt River Pima-Maricopa Indian Community, is undertaking storm drain enhancements within the Granite Reef Wash watershed (in the eastern part of the city). Upon completion, these enhancements will redirect stormwater westward to Indian Bend Wash. Consequently, the 100-year floodplain for the Granite Reef Wash watershed is expected to be smaller than indicated on the Federal Emergency Management Agency's (FEMA's) current Flood Insurance Rate Maps (FIRMs). Phase I of these enhancements has been finalized and the city is currently progressing with the final design and construction of Phase II improvements.

QUESTIONS REGARDING THE TWO MONUMENT STONES IN THE ENTRANCE TO THE SUBDIVISION

People have seen the two memorial stones in the entrance to The Trails and asked if anyone was buried there? The answer is NO, there is no one buried there. These are in remembrance of two gentlemen who lived in The Trails from early on. They retired and used that extra time to care for and help the residents here. Jerry Rooney and Jack Buckley could be seen on a regular basis driving thru the subdivision looking to help anyone who needed it such as elderly needing to change out appliances, etc. They are really missed.

Board members:

Brenda Breit	480-970-0079
<i>President</i>	
Elizabeth Welch	480-990-2868
<i>Vice-President</i>	
Dennis DeGutes	928-457-0829
<i>Treasurer</i>	
Sandy DeGutes	928-457-0829
<i>Secretary</i>	
Bill Hooper	480-267-5478
<i>Projects/Improvement Chair</i>	

Colin Walsh	480-720-9023
<i>Landscape Chair</i>	
Fred Bollhoffer	630-842-9490
<i>Public Relations Chair</i>	
Stacy Katz	480-655-8908
<i>Historian</i>	
Bob Thayer	480-781-7940
<i>Architectural Chair</i>	

If you have any questions, please call the appropriate Board member listed above.

PREDICTIONS FOR 2025, WHAT TO EXPECT IN Q1; IT'S A BUYER'S MARKET, WILL PRICES DROP?

FOR BUYERS:

The buyer's market in Greater Phoenix is still young at just over 5 weeks old but isn't getting worse thanks to supply stabilizing over the past two weeks. For some, this scenario brings anticipation of a decline in sales prices, however there's more to this buyer's market than meets the eye. There have only been 3 other buyer's markets in Greater Phoenix over the last 25 years, and they are all unique in their circumstances and thus give us little to compare with our current market.

What can we expect in terms of price trends today with our new baby buyer's market? That depends on how long the market stays friendly towards buyers. Sales price is the last measure to respond to a shift from a seller advantage to a buyers advantage. The first measure to crack is the seller's asking price. When that doesn't improve buyer interest, then buyer incentives increase. If that doesn't improve sales, then negotiations begin to shave more off of the seller's asking price. The whole process for sales prices to respond can take 3-6 months; so if the buyer's market is brief there may be little effect on sales price trends.

Currently, price measures are flat and buyer incentives are high at 53% of November MLS closings with a median cost to sellers of \$10,000. The last 6 months have the highest percentage of concessions ever recorded in Greater Phoenix and double the long term normal concession range of \$4,000-\$5,000.

The moral of this story is don't rely on price measures to reflect the best time to buy. By the time prices hit a bottom the party is already over. Additionally, measures don't reflect the plethora of "shadow" benefits that happen outside of price during buyer's markets; like rate buy-downs, loan assumptions, seller acceptance of contingent sales, and major property improvements performed prior to close.

Will prices drop? Currently, December sales price measures are trending up over November, not down. If we attempt to correlate to the last buyer's market of 2022 that lasted 4 weeks between November and December, price measures dropped just 2.7% during that time before immediately bouncing up again in January and February when mortgage rates declined to 6%. Buyers who bought at that time have the most appreciation accumulated within the last 3 years.

FOR SELLERS:

It continues to be a frigid market for most zip codes in Greater Phoenix with the lowest contract ratio* we've seen since January 2015, 10 years ago. Mortgage rates have improved slightly from 7.1% in November to 6.8% as of December 12th, and most national lending experts believe they'll stagnate for the rest of December. In order to see a notable improvement in demand, these same experts agree that mortgage rates need to drop below 6.5%. Sellers struggling the most are those who have owned for less than 3 years, and especially those who purchased in mid-2022 at the height of market price. Those sellers may need to hold on for another year or so to see enough appreciation to recoup their selling costs and down payment. However, those who have owned for 3.5 years or more still have significant equity to manage the expenses of selling in today's market.

Sellers who purchased in 2021 have a possible advantage over those who purchased after them, and that's a much lower mortgage rate which may be assumable by a buyer. Both VA and FHA mortgages are automatically assumable for a qualified buyer and this option could save the seller thousands of dollars in costly buyer incentives in addition to saving the buyer hundreds per month in their payment.

After 2.5 years of a challenging housing market, there is one thing sellers can look forward to right now; the Spring buying season that kicks off in mid-January and continues through May every year. The Spring of 2024 saw contracts increase 83% from January through May, and the bounce was 85% in Spring 2023. Pre-Covid 2019, the Spring bounce was 105%. If mortgage rates decline as expected in 2025, this Spring could see similar improvements for sellers.

Provided By Alyssa Samuelson, Success Real Estate Group Alyssa@SouthScottsdaleHomes.com, 602-622-0488,

The Meeting Schedule for the Board of The Trails at Scottsdale Homeowners Association is as follows:

April 8, 2025 7:00 p.m. and May 13, 2025 at 7:00 p.m.

The meetings will be held on Zoom. If you wish to attend the Zoom meetings, please contact Bill Hooper and he can put you on his Zoom list. The meetings for June, July and August will be suspended as in past years. Meetings will resume on September 9th. If you have a concern please call any one of the Board members listed on the front page. We are always looking for ideas or suggestions on what you, the residents of The Trails would like to see in the way of improvements to the subdivision. Please give any board member a call with your ideas. We would also appreciate participation in our meetings. It would be great to meet and greet our neighbors.