

SCPD & SCSH Sales Comparison: December 1st thru Feb 25th

Sun City Palm Desert vs. Sun City Shadow Hills

Dec 1-15 to Feb 25 -16	Total Homes Sold	Median Price	Average SF	Average \$/SF
SCPD				
2015-16 All Homes	64	\$317,500	1797	\$188
2014-15 All Homes	65	\$340,000	1932	\$189
% Increase or (Decrease)	(1%)	(7%)	(7.5%)	0%
SCSH				
2015-16 All Homes	56	\$337,500	1874	\$192
2014-15 All Homes	47	\$290,000	1675	\$193
% Increase or (Decrease)	19%	15%	11%	0%

Sun City Palm Desert **total unit sales declined by 1%**. Sun City Shadow Hills **total unit sales increased by 19%**. **The number of buyers has stayed about the same in SCPD, while increasing in SCSH. The significant change in the market is the average size of the homes being purchased: The higher value homes in SCPD are selling at a very slow pace, while the higher value homes in SCSH are selling better.**

Interestingly, the size of the median sale has declined in SCPD by **7%**, and increased in Sun City Shadow Hills to **15%**. **SCSH has a higher percentage of its' homes for sale, about 4.4%, while SCPD has about 3.2% of their homes on the market. The weak Canadian dollar has resulted in both communities having raising inventories of homes, reflecting the soft market driven by Canadian owners selling at a much higher volume than in past years.**

Three market forces come into play here:

1. The devalued Canadian dollar has lowered the number of Canadian buyers and increased the number of Canadians selling their homes.
2. The weak US recovery has forced many older seniors to be much more conservative in their home purchases as seen in SCPD sales, but at the same time the still working younger seniors purchasing homes for future retirement are buying larger homes as seen in SCSH sales.
3. The anger and frustrations evidenced in the presidential year election results reflect a general sense that the government is out of control in spending and its' influence on the economy is negative.

IT IS NOW A BUYER'S MARKET.

Billy D Lewis, Broker Associate, Billy D Lewis Team of Realtors

2/25/16