



Sedona & Verde Valley Real Estate Information

May & June 2007



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RUSS LYON REALTY COMPANY
of Sedona



Its about the Walls ... or Green reflections on the Tale of the Three Pigs

There are increasing numbers of alternative wall systems available to the building industry today, many with more environmental benefits than conventional stick-framed or concrete masonry systems. Note that all of the wall systems mentioned below have exceptional fire resistance— except straw bale and wood frame. The durability of all wall systems is improved by having a roof with eaves and overhangs, keeping both rain and summer sun off the sides of the home.

Adobe (also compressed earth blocks/CEB): this is an ancient technique that uses local material, is labor intensive to build and has excellent thermal mass with a good “feel”. Excellent sound damping and pest resistance. Proper attention to water penetration is very important. In terms of its manufacture, this is probably the least environmentally damaging of all wall materials. El Portal Inn, the luxury hacienda-style inn here in Sedona, is made primarily of adobe, including the interior walls.

Rammed Earth: various techniques are used; most need small amounts of additional concrete. Walls must be thick (eg 18 inches or more) for best insulation. Great thermal stability and sound damping. Mold and pest resistant. Very durable IF external moisture barrier is kept intact. Not as useful for curved surfaces. Placing insulation (for instance, rigid foam) into the wall at time of manufacture will increase R-value greatly.

Cast Earth: this is a new process developed in Phoenix and it is patented. Similar to rammed earth, it uses gypsum to bind the soils, which can be of a much greater variety than rammed earth or adobe. Integral insulation can easily be added at time of construction for excellent R value: www.castearth.com There are builders certified in Flagstaff and Prescott to use this system.

Autoclaved aerated concrete: “E-Crete” (the plant is based in Scottsdale). This has good thermal stability, no mold or pests, excellent sound damping, very durable (used for decades in Europe where it is common) and is fire and wind resistant. It uses a high percentage of recycled materials, but needs waterproof external covering (e.g. stucco) plus additional insulation for best R-value. This should be the wall of choice in hurricane susceptible areas.

Stone: (Preferably locally sourced—for instance, from within 250 miles). With stone, insulation is essential. At Rocky Mountain Institute at 7500 feet in Aspen, walls have an external stone layer, eight to twelve inches of foam insulation and then an internal stone layer, providing outstanding insulation and thermal characteristics, despite the extremely cold mountain winters. With passive solar architecture, these buildings hardly need any extra heating or cooling.

Straw bale: there has been lots of interest in this technique in recent years. Straw is a recycled agricultural “waste” which needs post and beam construction for best results. Care must be given with regard to

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water permeability as mold can arise. Also straw is susceptible to termites and other pests. The thick walls produce excellent insulation (R 40 and more) and sound damping, but lack thermal mass. In owner built homes, the straw bale walls are often raised in a weekend of group work parties.

Insulating concrete forms (ICFs): there are a variety of block, panel and plank ICFs. Some use more foam and less concrete; they vary in their versatility. All are durable, mold and pest resistant. Good sound damping.

Rastra: a block ICF made primarily with recycled plastics and can be combined with recycled fly ash cement (made at the nearby plant in Clarkdale). Versatile, lightweight, mold and pest resistant. It has good thermal stability, R-value, depending on thickness, and can be formed in curves. It possesses good sound damping but needs added mass (e.g. fly ash cement) in the interior spaces.

Then there is the “house of sticks”: a green approach to frame construction will incorporate a high R-value insulation (e.g. R-25 or more), utilize engineered lumber (especially in non-exposed structural framing) or certified sustainably harvested lumber, ideally with Optimal Value Engineering framing techniques. For greatest efficiency, frame construction should minimize and insulate “thermal breaks” (the places where non-insulating materials directly connect the exterior part of the wall with the home interior).

Structural Insulated Panels (SIPS): these save on wood and provide good insulation. But they are not made from recycled materials and have OSB (Oriented Strand Board) panels in and out, which are usually made with glues that contain formaldehyde and other Volatile Organic Compounds (VOCs). Nor are they useful for curved surfaces.

As you can see, there are many green choices for wall systems. Cost, availability, aesthetics, builder capability all affect what the choice might be. With proper construction and roof design, these walls will have excellent durability.

(Source: Philip Snyder, PhD, Russ Lyon Realty of Sedona)

REAL ESTATE TRENDS

Unique Homes: Sedona made the “25 Markets to Watch” list published by Camilla McLaughlin of Unique Homes. She says “Luxury lives in Sedona where there is strong demand for properties priced at \$1 million and up. Upscale sales in 2006 exceed 2005, with those of more than \$2 million almost doubling. Retirees, pre-retirement boomers looking for second, third or even fourth homes, and telecommuters gravitate here”.

Spring Sedona Real Estate Trends:

Overall there was a pickup in home sales of 28% (to 51) for the period March-April compared with the January-February months. In terms of overall “absorption rate” (hypothetical time it would take to sell all the homes currently on the market at the present rate of sales), this was offset by an increase in the number of homes by 18% to 630 in the greater Sedona area.

We basically have at least two years of inventory of homes on hand at this sales rate—which makes for an excellent selection for buyers and good negotiating conditions. For sellers: prudent pricing and patience! The relatively slow rate of sales is especially the case with vacant land, where there is a very large inventory (368) and sales of just 12 lots in the past two months.

Here in Sedona as elsewhere, listing price reductions are continuing for many properties. This softening is beginning to be seen in the listing price to actual sales price percentage ratio, with slight decreases in all categories except condos. However, the key indicator of price per square foot for homes sold rose in all categories except luxury homes (above \$1 million), as did the median sales prices which rose in all categories. In this respect Sedona is not following the trends of many other localities.

We have included numbers for two segments: the Luxury Market, valued at \$1,000,000 or more for homes & \$500,000 or more for home-sites and the Mainstream Market, valued at less than \$1,000,000 for homes & less than \$500,000 for home-sites as it gives a more realistic picture of our market. The median (the point at which half the prices are higher & half are lower) is used as it is generally thought to be a more reliable statistic than the mean or average price.

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These numbers are for the Greater Sedona Area Real Estate Market which includes the City of Sedona (West Sedona, Uptown Sedona & Little Horse Park) & the unincorporated areas of Village of Oak Creek (includes Big Park), Red Rock Loop Road and Oak Creek Canyon.

WHAT IS FOR SALE (May 5, 2007)?

No. of Homes (change for 60 days):

630 Total (up 18%)
373 Mainstream (up 21%)
114 Luxury (up 9%)
98 Condo (up 23%)
45 Manufactured (up 13%)

Median Listing Price for Homes (No.):

Single Family -
\$498,000 Village of Oak Creek (99)
\$645,450 West Sedona (152)
\$729,900 Little Horse Park (63)
\$795,000 Big Park (91)
\$764,950 Red Rock Loop (22)
\$875,000 Uptown (51)
\$899,000 Oak Creek Canyon (9)

Condo/Town \$388,750

Manufactured - \$299,000

No. of Home-Sites (change for 60 days):

368 Total (up 6%)
213 Mainstream (up 3%)
155 Luxury (up 10%)

Median Listing Price Home-Sites (No.):

\$260,000 Village of Oak Creek (23)
\$439,000 West Sedona (116)
\$469,000 Little Horse Park (47)
\$499,250 Big Park (88)
\$599,900 Red Rock Loop (59)
\$429,900 Uptown (31)
\$1,049,750 Oak Creek Canyon (4)

Price Range

Lowest Priced Home - \$ 249,000
Highest Priced Home - \$13,500,000

Lowest Priced Home-Site \$ 147,000/0.21 Acres
Highest Priced Home-Site \$8,100,000/23.78 Acres

WHAT IS SELLING (Mar & Apr 2007)?

The change for 60 days is shown in parenthesis.

No. Homes Sold

51 Total (up 28%)
44 Mainstream (up 38%)
7 Luxury (down 13%)
13 condos (up 160%)
3 manufactured (down 57%).

Median Selling Price for Homes:

\$567,500 Mainstream (up 5%)
\$1,270,000 Luxury (up 3%)
\$360,000 Condo/Town (up 31%)
\$270,000 Manufactured (up 22%).

Median No. of Days to Sell a Home:

89 Mainstream (down 26%)
213 Luxury (up 37%)
98 Condo/Town (up 53%)
133 Manufactured (up 90%).

Price/Square Foot

\$284.03 Mainstream (up 7%)
\$302.31 Luxury (down 20%)
\$293.64 Condos/Town (up 45%)
\$191.48 Manufactured (up 8%)

Listing/Selling Price Ratio for Homes:

96% Mainstream
91% Luxury
97% Condos/Town
90.3% Manufactured

No. of Home-Sites Sold:

10 Mainstream (up 43%)
2 Luxury (no change)

Median Selling Price for Home-Sites:

\$294,500 (up 3%)
\$277,750 Mainstream
\$602,500 Luxury

Median No. of Days to Sell Home-Sites:

153 Mainstream/Luxury (down 28%)
153 Mainstream
236 Luxury

Listing/Selling Price Ratio for Home-Sites:

93.4% Mainstream
92.8% Luxury

OPPORTUNITIES

You can view all Sedona & Verde Valley listings on our website and/or also sign up to be notified when new listings that you are interested in come on the market. Simply go to www.david-levine.com and click on "Property Search".

E-mail joanne@david-levine.com or call Joanne Holiday at (928) 862-0882 if you would like to receive more information about any properties. We have an electronic brochure that we can send by e-mail or if you would prefer, we will send you a brochure by regular mail.

As well contact us if you would like Sedona/Verde Valley real estate magazines or relocation information sent to you.

Residents International

We are pleased to be the exclusive representative for Sedona/Flagstaff/Prescott for Residents International Magazine. This opportunity allows us to market your fine properties nationally & internationally.

New Listings

Go to www.david-levine.com and click on "Listings" for more information on our listings.

Serenity: This estate offers 1.96 acres bordering the National Forest, Oakcreek Country Club and red rock views. The bold, modern architecture, curvaceous and interesting, maximizes the varied views and creates a dynamic setting for entertaining, sculpture and wonderfully suited furniture, which comes with the home. 6370 Sq. Ft., 4 Bdrms/6 Baths, Main, Guest and Pool House MLS#113661 \$13,500,000

Hidden Paradise: A tropical island retreat in Sedona - a paradise of ponds, streams, showers, ever-blooming orchards & gardens, outdoor decks, Tiki Torches, a Bellagio-like pool/water feature & fiber optic lighting. 6200 Sq. Ft. with Main, Guest & Caretaker's House 6 Bdrs/6.5 Baths 2.36 Acres MLS#113717 \$4,800,000

Harmony Between Earth & Sky: This powerful home delivers 360 degree views of all varieties - Wilson Mtn, Schnebly Hill, Munds Mtn. the Canyon, Courthouse, Cathedral & Bell Rock is framed beautifully. 6250 Sq. Ft., 4 Bdrm/3.5 Baths, 3.36 Acres MLS#113656 \$5,000,000

325 Rim Shadows: This home defines Red Rock Country - SPECTACULAR, expansive red rock views of the famous red rocks inside & out surrounded by National Forest with hiking trails only steps away. 3 Bdrm/2.5 Baths, 3348 Sq. Ft., 0.43 Acres MLS#114027 \$1,385,000

125 Les Springs: The kitchen remodel is complete with granite counter tops, new range, new colors ... on this 4185 square foot home located in Les Springs gated community in the heart of Sedona. 4185 Sq. Ft. 3 Bdrms/3.5 Baths MLS#110565 \$1,239,000

60 North Slopes Drive: This scenic, easy build lot is located in the much sought after Dry Creek Road corridor. 2.09 Acres MLS#113469 \$799,000

40 Sagebrush Way: This Back O' Beyond lot has wonderful panoramic views of Munds Mtn, Twin Sisters with Madonna & Child, Bell Rock & Cathedral Rock. 1.0 Acre MLS#113412 \$789,000

360 Michael's Ranch: This home is spacious, open, bright & light and it offers 2 Master Suites & a nice sized back yard. 2326 Sq. Ft., 4 Bdrm/3 Baths, 0.8 Acres MLS#113719 \$709,000

675 Mountain Shadows: This home has been cleverly updated by an architect who has maximized the floor plan and added many attractive upgrades. 1677 Sq. Ft. 3 Bdrm/2 Baths 0.27 Acres MLS#113659 \$639,000

135 Stutz Bearcat Drive: This is an ideal home if you want to have lan office. The home sits on a wonderfully landscaped property with red rock views & a convenient location. 2240 Sq. Ft., 2 Bdrms/2 Baths, 0.21 Acres MLS#113858 \$547,700

75 Lolomi Drive: This is a quiet, private property is in a great location on 0.75 Acres & horses are welcome. 1772 Sq. Ft., 3 Bdrm/2 Baths MLS#113861 \$499,000

15 Sandstone Drive: This Thunder Mtn. view lot offers open space & it is close to National Forest & hiking trails. MLS#113245 \$415,000.

WHAT'S HAPPENING

Things to do: Go to www.sedona.net & www.sedonaaz.gov for things to do in Sedona.

Go to www.sedonaweather.com and www.sedonaweather.net for the latest *weather*.