

From the Phoenix Business Journal:

<https://www.bizjournals.com/phoenix/news/2022/10/23/griggs-group-cullum-luxury-home-sales-scottsdale.html>

First look: Luxury agent has five Valley homes in escrow to close

Oct 23, 2022, 8:00am MST

Scott Grigg is poised to close on five luxury homes in Scottsdale and Paradise Valley within the next two weeks.



All built by Scottsdale-based Cullum Homes, the total sales price of all five homes is around \$19.1 million, said Grigg, luxury agent with The Grigg's Group at Realty Executives.

For a look into some of these homes, click through the gallery above.

Grigg said he felt the pace of home buying beginning to slow in July and taper off until the beginning of October.

"Traffic was really non-existent," he said. "However, in the last three weeks, we've really seen activity pick up as of Oct. 1."

It felt like a normal, pre-pandemic summer, he said, where many of his clients finally took their trips to Europe after putting them on hold during travel restrictions created by the coronavirus pandemic.

Cullum Homes exec: Inventory supply still low

Rod Cullum, owner of Scottsdale-based Cullum Homes, said his sales team stopped getting calls in May, and didn't see interest pick up until September.

Much of that was because luxury buyers were taking advantage of their travel plans, he said, but rising interest rates also impacted their businesses and stock portfolios, causing them to pause on big purchases.

But a low supply of inventory in the luxury market is creating more demand, he noted.

Looking at Paradise Valley, there might be one newly constructed finished home and another three under construction, Cullum said.

"If you're wanting a new home in Paradise Valley, you're going to have to wait two or three years to build it or buy what's available," Cullum said. "The same thing in most of the north Scottsdale luxury market."

Cullum said he hasn't seen any price degradation in the luxury market, but many homebuilders are lowering their prices and offering incentives for homes priced under \$1 million.

The buying frenzy began to cool over the past several months as mortgage interest rates have doubled since January.

But the current mortgage interest rate hovering around 7% is nothing compared to the 17% interest rate Cullum paid for his first home in the late 1970s.

In fact, he said, the historical average of a 30-year fixed mortgage is 6%.

"Today, most institutions aren't doing fixed rate loans right now," he said. "They're only doing variable adjustables."

Cullum said he's just glad to be building in Arizona, which has a positive income tax structure and many individuals and corporations moving to the state.

Last year the average net worth of individuals moving to Arizona

was higher than the Arizona average, Cullum said.

"Everything long term for Arizona looks very positive," he said.

The sale of these five Cullum Homes mirrors similar activity in January, where Grigg sold five of Cullum's newly built homes at Seven Desert Mountain community in north Scottsdale for a total of \$17.2 million.

For a look at some of those Seven Desert Mountain homes, click through the gallery below:

Here are the key details on the five deals closing for Grigg over the next two weeks:

Address: 5673 E. Village Drive, Paradise Valley; **Price:** \$4.7M;

Square feet: 6,554; **Subdivision:** The Village at Mountain Shadows; **Year built:** 2018; **Bedrooms:** 6; **Bathrooms:** 7

Address: 5012 N. Ascent Drive, Scottsdale; **Price:** \$4.5M; **Square feet:** 4,394; **Subdivision:** Ascent at Phoenician; **Year built:** 2023; **Bedrooms:** 4; **Bathrooms:** 4.5

Address: 7190 E. Ironwood Drive, Paradise Valley; **Price:** \$4M; **Square feet:** 4,334; **Subdivision:** Ironwood Golf Villas; **Year built:** 2022; **Bedrooms:** 4; **Bathrooms:** 4.5

Address: 37200 N. Cave Creek Road, Scottsdale; **Price:** \$3.5M; **Square feet:** 3,713; **Subdivision:** Desert Mountain; **Year built:** 2022; **Bedrooms:** 3; **Bathrooms:** 3.5

Address: 6645 N. 39th Way, Paradise Valley; **Price:** \$2.45M; **Square feet:** 3,351; **Subdivision:** The Village at Paradise Reserve; **Year built:** 2013; **Bedrooms:** 3; **Bathrooms:** 3

Source: The Grigg's Group

Angela Gonzales

Senior Reporter

Phoenix Business Journal

