

## Market Purrs - Prices Surge

### Mega Sales Amazing

### 3<sup>rd</sup> Quarter 2018 Report

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Two salient trends emerged in the third quarter: 1. prices are surging; 2. the number of mega sales was truly spectacular. Looking at the totality of the eight markets surveyed there was one fewer sale, 273 to 274 last year, yet the gross dollar volume jumped 33%, from \$356,580,937 to \$473,435,509.

Surveying the median sales price chart we find they increased in every market except Carmel Valley.

Let's look behind the numbers shown in our tables and take a peek at the mega sales. First, those over ten million dollars:

Carmel Highlands – One at \$14,435,135 (What do you think the \$135 was all about? We haven't a clue but it is fun to speculate.)

Pebble Beach - Two, one at \$25,250,000 and another at \$28,000,000, When looking at these numbers, the price of a house, it is amusing to remember Carmel Valley Ranch, 500 acres, Pete Dye 18-hole Golf Course, clubhouse and pro shop, luxury hotel, tennis facilities fitness center, junior-Olympic saltwater pool and a splendid location, once sold for \$18,000,000.

On to the junior mega sales, those of five million dollars and up:

Carmel-by-the-Sea – Two, \$5,000,000 and \$7,750,000.

Carmel Area – Two, \$5,200,000 and \$5,460,000.

Pacific Grove – One at \$5,750,000.

Pebble Beach – Three, \$7,800,000, \$9,450,000 and \$9,800,000.

These fat sales are largely responsible for the 33% up-tick this year from third quarter 2017 figures.

### **Distribution of Sales**

The Distribution of Sales chart vividly demonstrates the home price inflation we are experiencing. In the quarter, 53% of the sales were over one million dollars. If we take Seaside out of the equation 65% of home sales on the Peninsula in the third quarter were greater than \$1 million dollars.

### **Market Barometer**

The Market Barometer offers a look into the immediate future. Our bench mark for a good market is 20% or more of the listings under contract. On October first five of the eight markets were above that number led by Seaside with 39% closely followed by Pacific Grove at 32%. Pebble Beach, after an amazing gross dollar performance in the third quarter, brought up the rear at only 11%, perhaps signaling a slow-down there.

Overall, there were 77 fewer active listings on the market without sale's contracts than last year. The overall Barometer reading was 24% as opposed to 26% last year, an insignificant difference. Prospects, to us, still look good.

### **Southeast Carmel**

We continue our neighborhood survey.

The outlines of what we call the Southeast Neighborhood of Carmel run west to east, San Carlos to Forest, south, Ocean to 11<sup>th</sup> Ave, with a pan handle south from 11<sup>th</sup> to Santa Lucia bordered by San Carlos on the west and Junipero on the east.

This is a "South of Ocean Avenue Neighborhood" and enjoys the local "South of Ocean" mystique if not the "close to beach" allure of the Golden Rectangle. It is an area of lots of variety from the sloping streets just off Ocean Avenue to the flat areas below and the heavily forested sections near Mission Trails Park. The northern part of the neighborhood is a stone's throw to downtown whereas the southern part is a bit of a hike to town but still not far. Though not "on the beach or very close" all of it is not far from the white sands of Carmel.

At this writing, October 27, there are seven listings in the neighborhood, two of which are under contract. Asking prices range from \$1,249,000 to \$2,395,000.

There were six closed transaction in the quarter from \$1,150,000 to an impressive \$5 million dollars on Acacia Way, a hidden street just south of Crespi and Vizcaino. This year has been a great one for sellers in the neighborhood with 21 sales logged from a low of \$1,055,000 to the aforementioned \$5 million dollar sale on Acacia. The median sales price so far is \$1,900,423.

So, once again we report the market continues to hum.

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The charts are based in whole or in part on data supplied by the Monterey County Association of Realtors' Multiple Listing Service (MLS). Neither the Association nor the MLS guarantees or is responsible for their accuracy. Data maintained by the Association or its MLS may not reflect all real estate activity.

<b>Market Barometer Five Quarter Review</b>		
	<i>In</i>	
	<i>Escrow</i>	
	<i>vs</i>	
<i>Date</i>	<i>Listings</i>	<i>Percent</i>
<b>Carmel-by-the-Sea</b>		
10/01/18	7/38	18%
07/01/18	7/37	19%
04/01/18	9/41	22%
01/01/18	7/29	24%
10/01/17	16/61	26%
<b>Carmel Highlands</b>		
10/01/18	5/23	22%
07/01/18	1/22	5%
04/01/18	4/24	17%
01/01/18	1/27	3%
10/01/17	2/32	6%
<b>Carmel Area</b>		
10/01/18	26/102	25%
07/01/18	21/105	20%
04/01/18	27/106	25%
01/01/18	14/78	18%
10/01/17	29/121	24%
<b>Carmel Valley</b>		
10/01/18	12/64	19%
07/01/18	12/68	18%
04/01/18	11/58	19%
01/01/18	7/41	17%
10/01/17	13/54	24%
<b>Monterey Area</b>		
10/01/18	24/98	24%
07/01/18	34/96	35%
04/01/18	31/94	33%
01/01/18	15/72	21%
10/01/17	34/118	29%
<b>Pacific Grove</b>		
10/01/18	16/50	32%
07/01/18	13/41	32%
04/01/18	17/51	33%
01/01/18	12/29	41%
10/1/17	14/47	30%
<b>Pebble Beach</b>		
10/01/18	9/85	11%
07/01/18	19/80	24%
04/01/18	19/86	22%
01/01/18	13/72	18%
10/01/17	15/96	16%
<b>Seaside</b>		
10/01/18	18/46	39%
07/01/18	23/43	53%
04/01/18	21/36	58%
01/01/18	18/41	44%
10/01/17	28/54	52%

<b>Monterey Peninsula Gross Dollar Volume</b>		
	<b>3rd Qtr</b>	<b>3rd Qtr</b>
<i>Town</i>	<b>2017</b>	<b>2018</b>
Carmel-by-the-Sea	\$60,893,133	\$52,719,000
Carmel Highlands	\$12,350,000	\$25,696,600
Carmel Area	\$53,066,000	\$90,431,844
Carmel Valley	\$26,656,589	\$30,808,450
Monterey Area	\$58,188,077	\$67,937,865
Pacific Grove	\$42,927,800	\$43,759,000
Pebble Beach	\$80,050,888	\$134,519,500
Seaside	\$22,448,450	\$27,563,250
<b>Totals</b>	<b>\$356,580,937</b>	<b>\$473,435,509</b>

<b>Median Sales Price Comparisons</b>			
	<i>Full Year</i>	<i>3rd Qtr</i>	<i>3rd Qtr</i>
<i>Town</i>	<i>2017</i>	<i>2017</i>	<i>2018</i>
Carmel-by-the-Sea	\$ 1,691,750	\$ 1,950,000	\$ 2,250,000
Carmel Highlands	\$ 2,485,000	\$ 2,700,000	\$ 4,937,500
Carmel Area	\$ 1,345,000	\$ 1,325,000	\$ 1,404,240
Carmel Valley	\$ 950,000	\$ 1,019,950	\$ 911,100
Monterey Area	\$ 800,000	\$ 790,000	\$ 872,000
Pacific Grove	\$ 915,000	\$ 862,500	\$ 915,000
Pebble Beach	\$ 1,640,000	\$ 1,675,000	\$ 1,875,000
Seaside	\$ 495,000	\$ 493,750	\$ 525,000

<b>Average Days to Sell 3rd Qtr 2017-2018</b>		
<i>Town</i>	<i>2017</i>	<i>2018</i>
Carmel-by-the-Sea	68	54
Carmel Highlands	222	207
Carmel Area	95	55
Carmel Valley	91	88
Monterey Area	58	59
Pacific Grove	47	59
Pebble Beach	113	60
Seaside	42	25

<b>SALES BY QUARTER -- Seven Quarter Review</b>							
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<i>Town</i>	<i>2017</i>	<i>2017</i>	<i>2017</i>	<i>2017</i>	<i>2018</i>	<i>2018</i>	<i>2018</i>
Carmel-by-the-Sea	27	25	27	35	17	22	19
Carmel Highlands	1	6	5	4	8	7	4
Carmel Area	44	53	35	46	42	58	48
Carmel Valley	13	30	28	20	15	27	26
Monterey Area	42	64	61	63	57	69	59
Pacific Grove	38	50	41	33	33	43	37
Pebble Beach	18	33	35	35	32	42	31
Seaside	31	67	42	50	43	50	49
<b>Totals</b>	<b>214</b>	<b>328</b>	<b>274</b>	<b>286</b>	<b>247</b>	<b>318</b>	<b>273</b>

**Distribution of Sales 3rd Quarter 2018**

	\$0	\$400	\$700	\$1-M	\$1.5M	\$2M	
Town	\$399	\$699	\$999	\$1,499	\$1,999	\$2,999	\$3M+
Carmel-by-the-Sea	0	0	0	3	2	8	6
Carmel Highlands	0	0	0	2	0	0	2
Carmel Area	0	1	7	16	6	10	8
Carmel Valley	2	3	9	7	2	2	1
Monterey Area	0	10	25	17	5	1	1
Pacific Grove	0	2	19	8	7	0	1
Pebble Beach	0	0	1	7	8	5	10
Seaside	4	36	9	0	0	0	0
<b>Totals</b>	<b>6</b>	<b>52</b>	<b>70</b>	<b>60</b>	<b>30</b>	<b>26</b>	<b>29</b>