

3rd Quarter 2005 Report: Great Quarter for Condos – Hint of Change

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The third quarter was another great performance by the condo market. Dollar volume for the quarter was terrific reaching forty-nine million six hundred twenty-three million dollars, up forty percent over last year. This forty percent gain was accomplished with only nine additional sales. Last year there were sixty-two transactions in the third quarter, this year seventy-one, a gain of fifteen percent.

Market Barometer Hints Change

The Market Barometer, which measures the percentage of listings in escrow, appears to indicate a slowing ahead. After nine consecutive quarters of Barometer readings over thirty-two percent and a robust second quarter reading of fifty-six percent, the Barometer fell to twenty-seven percent on October 1. The number of available active listings, i.e., those not under contract, grew to 49. This is the highest number since July 2003 when there were 81 available listings.

We took a new Barometer reading on November first to get a peek at the first month of the fourth quarter. On that date there were seventy-seven listings of which twenty-three were in escrow, a reading of thirty percent. Although the Barometer crept up, the number of available listings rose to fifty-four offering a bit more choice to buyers.

An increase in listings usually augurs a slowing market. Maybe buyers will catch a break in the months ahead.

Prices

Just like with single family houses, condominium prices keep pushing up. Perhaps inflation has been held in check in the economy at large, but certainly not in the local real estate market. Carmel is up twenty-two percent over the third quarter of last year and Monterey is plus sixteen percent. Carmel Valley, on the other hand, is up only four percent. All of the other markets are up too with the exception of Pacific Grove which is down.

The forty percent gain in dollar volume, achieved with only a fifteen percent increase in the number of transactions, shows vividly that there were widespread selling price increases throughout the entire market.

The market has been so good for so long that logic would seem to predict a slowing. Logic, however, is not a good guide to our real estate market. The third quarter was excellent, yet the Market

Market Barometer Monterey Peninsula Condominiums 3rd Qtr 2005		
	In	
	Escrow	
	vs	
Date	Listings	Percent
10/01/05	18/67	27%
07/01/05	38/68	56%
04/01/05	32/63	51%
01/01/05	19/43	44%
10/01/04	28/57	49%
06/30/04	34/63	54%
04/01/04	42/72	58%
01/01/04	26/70	37%
10/01/03	42/97	43%
07/10/03	38/119	32%
04/01/03	32/115	28%
01/01/03	21/87	24%
10/01/02	27/112	24%
07/01/02	34/124	27%
04/01/02	26/109	24%
01/01/02	15/85	18%
10/01/01	21/108	19%
07/01/01	21/110	19%
04/01/01	14/56	25%
01/01/01	31/51	61%
10/01/00	22/55	40%
07/01/00	31/67	46%
04/01/00	30/44	68%
01/01/00	20/31	65%
10/01/99	21/55	38%

Barometer seems to be indicating slower times ahead. We will have to wait to see if that develops or if we are only in a pause before another furious run up.

07/01/99	26/52	50%
04/01/99	25/54	46%
01/01/99	33/50	67%
10/13/98	39/63	62%
07/01/98	50/98	51%
04/01/98	57/99	58%
01/01/98	30/70	43%
10/01/97	60/141	43%
07/01/97	45/151	30%
03/14/90	25/67	37%

Median Sales Price Comparisons			
	<i>Full Year</i>	<i>3rd Qtr</i>	<i>3rd Qtr</i>
<i>Town</i>	<i>2004</i>	<i>2004</i>	<i>2005</i>
Carmel	\$647,500	\$629,000	\$770,000
Carmel Valley	\$680,000	\$693,500	\$723,000
Del Rey Oaks	\$435,000	\$406,500	\$576,000
Marina	\$375,000	\$415,000	\$440,250
Monterey	\$476,250	\$500,000	\$578,000
Pacific Grove	\$603,500	\$822,500	\$730,000
Pebble Beach(a)	\$620,000	\$660,000	\$687,000
Pebble Beach(b)	\$3,000,000	\$2,500,000	\$3,025,000
Salinas Hwy	\$570,000	No Sales	\$635,000
Seaside	\$465,000	\$507,000	\$620,000
(a) Condos under \$1 million (b) Condos over \$1 million			

SALES BY QUARTER -- Six Quarter Review

<i>Town</i>	<i>Q2 2004</i>	<i>Q3 2004</i>	<i>Q4 2004</i>	<i>Q1 2005</i>	<i>Q2 2005</i>	<i>Q3 2005</i>
Carmel	10	7	8	7	2	4
Carmel Valley	25	8	15	10	19	16
Del Rey Oaks	5	4	1	1	3	2
Marina	8	14	6	7	11	6
Monterey	23	13	6	11	17	30
Pacific Grove	8	4	6	4	2	5
Pebble Beach (a)	6	7	2	1	8	2
Pebble Beach (b)	2	1	0	1	3	2
Salinas Hwy	3	0	2	0	3	3
Seaside	2	4	4	2	2	1
Totals	92	62	50	44	70	71
(a) Condos under \$1 million (b) Condos over \$1 million						

Days on Market

3rd Qtr 2004-2005

<i>Town</i>	<i>2004</i>	<i>2005</i>
Carmel	50	24
Carmel Valley	69	68
Del Rey Oaks	16	60
Marina	35	23
Monterey	24	19
Pacific Grove	48	13
Pebble Beach	111	16
Salinas Hwy	N/A	4
Seaside	26	7

Monterey Peninsula Gross Dollar Volume		
	3rd Qtr	3rd Qtr
Town	2004	2005
Carmel	\$3,495,000	\$3,080,000
Carmel Valley	\$5,870,000	\$11,977,000
Del Rey Oaks	\$1,647,000	\$1,152,000
Marina	\$5,547,000	\$2,625,000
Monterey	\$6,724,000	\$17,002,000
Pacific Grove	\$3,020,000	\$3,789,000
Pebble Beach	\$7,077,000	\$7,424,000
Salinas Hwy	\$0	\$1,954,000
Seaside	\$1,964,000	\$620,000
Totals	\$35,344,000	\$49,623,000

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 in the market.

Please Call Us

We have lived on the Monterey Peninsula since 1978 and in the heart of Carmel since 1986. We know the market and have deep experience assisting both buyers and sellers.

We Help Buyers

Many of our buyers are from out of town and before they act they need to gain an understanding of our local market. If you are an out-of-town buyer, you are extremely dependent on your agent for guidance. We are skilled at assisting you up the learning curve so that you can make sound decisions. The way we prosper is by putting our buyers into good, solid situations.

We Help Sellers

We know the market and would be happy to evaluate the value of your house at no charge. We know how to help you get ready for market to get the best price for your property. Selling a property is a cooperative effort between the seller and his or her agent. We will guide you on the team approach to success.

Please [contact us via email](#), call us at 831-622-4642, or write us at PO Box 350, Carmel, CA 93921.

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