

1st Quarter 2008 Report : Market Still Sinking

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The numbers continue to drop for the Peninsula's ten markets. Gross dollar volume was down 25% from the 1st quarter of 2007. Unit sales struck a new low with only 157 closed transactions in the quarter, down 27% from a year ago and off the previous low of 179 sales during the fourth quarter of 2007. Days on market was up in seven of the 10 markets. It is taking longer and longer to sell properties.

Hidden Factor

A hidden factor in both dollar volume and unit sales is distressed sales and sales of foreclosed properties. We are not able to track the number of short and foreclosed sales, but we know that a number of the sales in Marina and Seaside fell into those categories. Forty-five of the 157 sales in the quarter were in Marina and Seaside, 29% of total sales. If we were to subtract distressed and foreclosed sales from our gross numbers, the net figures would be even grimmer.

Carmel's dollar volume dropped 27% from last year, \$86,778,976 to \$62,958,250 and Carmel Valley, the hardest hit market in the first quarter, was down 40%. A scant nine properties closed escrow in the Valley, a drop of 53% from last year. Only Pebble Beach bucked the dollar volume trend with a small increase above the fourth quarter of 2007, rising from \$70,664,250 to \$71,275,053.

Prices

The real estate slump seems to have had little impact on selling prices except in Marina and Seaside. The median sales price in Marina for the first quarter of last year was \$599,000 and this year \$450,000. Seaside slipped from \$660,000 to \$369,500. These figures do not mean that overall value has dropped that much. The dearer properties are not selling. With stricter lending guidelines fewer potential buyers can afford them.

On the plus side, Carmel hit a new high with the median sales price reaching \$1,910,000 in the first quarter. Salinas Monterey Highway and South Coast topped both the first quarter of 2007 and the full year 2007 median sales prices.

Market Barometer

Our Market Barometer, a measure of the percentage of listings in escrow, remains below par. We consider a percentage of 20% or higher to be an indicator of a reasonable market. During the hot times barometer readings routinely exceeded 30% and at times even topped 50%.

Barometer readings on April 1, 2007 were extremely low. On April 1 this year six of the 10 markets had higher readings than last year.

MARKET BAROMETER		
Five Quarter Review		
Hottest to Coldest Market		
First Quarter 2008		
(In Descending Order)		
	<i>In</i>	
	<i>Escrow</i>	
	<i>vs</i>	
<i>Date</i>	<i>Listings</i>	<i>Percent</i>
Marina		
04/01/08	20/116	17%
01/01/08	9/92	10%
10/01/07	10/126	8%
07/01/07	10/99	10%
04/01/07	13/120	11%
Del Rey Oaks		
04/01/08	2/12	17%
01/01/08	1/10	10%
10/01/07	1/11	9%
07/01/07	2/7	29%
04/01/07	1/12	8%
Carmel		
04/01/08	20/147	14%
01/01/08	12/128	9%
10/01/07	21/190	11%
07/01/07	26/172	15%
04/01/07	20/176	11%
Seaside		

Those minor improvements may indicate something good stirring, though certainly not enough to signal an upturn. The second quarter is historically one of our best. In July we will have a better idea if 2008 is going to be another down year or the beginning of better news.

Seaside		
04/01/08	23/167	14%
01/01/08	16/154	10%
10/01/07	11/178	6%
07/01/07	13/119	11%
04/01/07	10/187	5%
South Coast		
04/01/08	7/52	13%
01/01/08	4/51	8%
10/01/07	4/49	8%
07/01/07	5/44	11%
04/01/07	2/45	4%
Pacific Grove		
04/01/08	11/103	11%
01/01/08	8/85	9%
10/01/07	9/107	8%
07/01/07	17/83	20%
04/01/07	9/110	8%
Salinas/Mty Highway		
04/01/08	18/163	11%
01/01/08	11/140	8%
10/01/07	10/173	6%
07/01/07	17/101	17%
04/01/07	15/109	14%
Monterey		
04/01/08	9/91	10%
01/01/08	14/88	16%
10/01/07	10/111	9%
07/01/07	17/101	17%
04/01/07	15/109	14%
Pebble Beach		
04/01/08	9/98	9%
01/01/08	11/81	14%
10/01/07	10/113	9%
07/01/07	8/99	8%
04/01/07	11/114	10%
Carmel Valley		
04/01/08	8/108	7%
01/01/08	7/88	8%
10/01/07	9/123	7%
07/01/07	13/114	11%
04/01/07	16/129	12%

Median Sales Price Comparisons			
	<i>Full Year</i>	<i>1st Qtr</i>	<i>1st Qtr</i>
<i>Town</i>	<i>2007</i>	<i>2007</i>	<i>2008</i>
Carmel	\$ 1,550,000	\$1,475,000	\$1,910,000
Carmel Valley	\$ 1,295,000	\$1,350,000	\$1,215,000
Del Rey Oaks	\$ 735,000	\$ 771,500	\$ 725,000
Marina	\$ 580,000	\$ 599,000	\$ 450,000
Monterey	\$ 795,000	\$ 845,000	\$ 771,250
Pacific Grove	\$ 805,000	\$ 770,000	\$ 775,000
Pebble Beach	\$ 2,312,500	\$2,642,000	\$1,660,000
Salinas Hwy	\$ 932,500	\$ 940,000	\$1,105,000
Seaside	\$ 619,000	\$ 660,000	\$ 369,500
South Coast	\$ 2,215,000	\$2,377,800	\$2,850,000

Monterey Peninsula Gross Dollar Volume		
	<i>1st Qtr</i>	<i>1st Qtr</i>
<i>Town</i>	<i>2007</i>	<i>2008</i>
Carmel	\$ 86,778,976	\$ 62,958,250
Carmel Valley	\$ 27,239,500	\$ 16,355,000
Del Rey Oaks	\$ 1,543,000	\$ 725,000
Marina	\$ 12,352,000	\$ 8,475,500
Monterey	\$ 18,661,300	\$ 16,738,700
Pacific Grove	\$ 19,768,000	\$ 16,438,900
Pebble Beach	\$ 70,664,250	\$ 71,275,053
Salinas Hwy	\$ 33,337,150	\$ 17,212,100
Seaside	\$ 18,028,700	\$ 12,870,900
South Coast	\$ 23,627,800	\$ 10,900,000
Totals	\$ 312,000,676	\$ 233,949,403

Days on Market
1st Qtr 2007-2008

Town	2006	2007
Carmel	156	181
Carmel Valley	191	393
Del Rey Oaks	93	151
Marina	146	149
Monterey	129	149
Pacific Grove	130	95
Pebble Beach	215	282
Salinas Hwy	190	207
Seaside	127	127
South Coast	386	143

SALES BY QUARTER -- Seven Quarter Review

Town	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Q1 2008
Carmel	41	42	49	57	43	41	28
Carmel Valley	16	21	19	16	28	16	9
Del Rey Oaks	2	4	2	2	3	2	1
Marina	20	16	20	19	21	20	17
Monterey	20	36	20	29	25	20	20
Pacific Grove	21	28	23	26	27	21	17
Pebble Beach	15	20	22	10	22	15	20
Salinas Hwy	20	31	29	33	35	20	14
Seaside	20	35	27	20	20	20	28
South Coast	4	7	5	5	5	4	3
Totals	179	240	216	217	229	179	157

DISTRIBUTION OF SALES -- 1st Quarter 2008							
<i>Town</i>	\$0- \$699	\$700- 799	\$800- 999	\$1M- \$1.299	\$1.3M- \$1.699	\$1.7M- \$1.999	\$Two Mil +
Carmel	0	1	2	3	7	3	12
Carmel Valley	2	0	1	2	1	0	3
Del Rey Oaks	0	1	0	0	0	0	0
Marina	16	1	0	0	0	0	0
Monterey	6	5	4	3	2	0	0
Pacific Grove	6	3	3	3	1	0	1
Pebble Beach	0	2	1	5	2	1	9
Salinas Hwy	5	1	0	2	5	0	1
Seaside	25	0	3	0	0	0	0
South Coast	0	0	0	0	1	0	2
Totals	60	14	14	18	19	4	28

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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