

The Beat Goes On Market Continues To Perform Well Third-Quarter 2017 Report

By: Paul Brocchini & Mark Ryan

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In our Second Quarter Report we alluded to the truism that nothing goes up forever and there might be some signs of regression in our real estate market in the not too distant future. We made a big deal out of not being prognosticators, which was good as the signs we spotted have evaporated.

Market Barometer

In our last report The Barometer reading for Carmel-by-the-Sea showed only 17% of its listings under contract, a weak number.

Carmel Area, all of the properties in 93923 with the exception of Carmel Highlands, was even worse with only 12% of the listings in escrow.

To us those were potential signs of a decline. Alas, we failed as seers, at least for now.

On October first those readings popped up to 26% in Carmel-by-the-Sea and 24% in Carmel Area, both good numbers. The obvious conclusion is the market has been and continues to be strong.

Gross Dollar Volume

Gross dollar volume is a number that always interests us as it shows how much money has changed hands and the willingness of buyers to exchange their hard-earned cash for Peninsula properties. The total number was down almost twenty million dollars from last year, mostly due to a large decline in the Carmel Area which had 13 fewer sales this year. Five of the eight markets surveyed, however, had increases in dollar volume which tells us the overall market was strong in the quarter.

Prices

Prices are continuing their relentless upward push. Median sales prices were up in five of the eight markets from last year. Even more illustrative of heady prices is the Distribution of Sales Chart. There were 274 closed transactions in the quarter of which 46 per cent exceeded one million dollars. Fully 15% exceeded two million dollars. In the entire Monterey Peninsula only one transaction sold for less than four-hundred thousand dollars. One! Imagine that!

New Feature

Today we are initiating a new feature in our reports, a look at a particular Carmel neighborhood and how it stacks up to the rest of the village in the report period. We begin with the most ballyhooed neighborhood, the Golden Rectangle.

People are entranced by the appeal of The Golden Rectangle, Dolores to Scenic, Ocean Avenue to Santa Lucia. It has the most cache in town as it is south of Ocean Ave. and close to the main Carmel beach. It is an area that almost everyone visits when they first discover Carmel. For many out of towners, the business district, beach and Golden Rectangle are Carmel-by-the-Sea.

Its importance to the real estate market cannot be exaggerated. It is the leading neighborhood and pulls the entire market along with it. Here are the impressive third quarter numbers: \$34,065,500 in total volume, 56 percent of the total; 14 closed transaction out of a total of 27, 52 per cent. The median sales price was \$2,251,750. The lowest price was \$1,250,000, the highest \$3,850,000.

Four of the transactions were over two million dollars, five surpassed three million dollars and five were under two million dollars.

Looking at the Golden Rectangle, the village at large and the other seven markets on the Peninsula, we find that things are good. The beat goes on.

Market Barometer Five Quarter Review		
<i>In Escrow vs</i>		
<i>Date</i>	<i>Listings</i>	<i>Percent</i>
<i>Carmel-by-the-Sea</i>		
<i>10/01/17</i>	<i>16/61</i>	<i>26%</i>
<i>07/01/17</i>	<i>11/64</i>	<i>17%</i>
<i>04/01/17</i>	<i>16/57</i>	<i>28%</i>
<i>01/01/17</i>	<i>13/49</i>	<i>20%</i>
<i>10/01/16</i>	<i>13/64</i>	<i>20%</i>
<i>Carmel Highlands</i>		
<i>10/01/17</i>	<i>2/32</i>	<i>6%</i>
<i>07/01/17</i>	<i>3/27</i>	<i>11%</i>
<i>04/01/17</i>	<i>1/21</i>	<i>5%</i>
<i>01/01/17</i>	<i>3/23</i>	<i>13%</i>
<i>10/01/16</i>	<i>1/15</i>	<i>7%</i>

	Carmel Area	
10/01/17	29/121	24%
07/01/17	14/114	12%
04/01/17	25/103	24%
01/01/17	23/95	24%
10/01/16	27/144	19%
	Carmel Valley	
10/01/17	13/54	24%
7/1/17	15/62	24%
04/01/17	16/56	29%
01/01/17	6/45	13%
10/01/16	9/57	16%
	Monterey Area	
10/01/17	34/118	29%
07/01/17	30/101	30%
04/01/17	38/86	45%
01/01/17	26/69	38%
10/01/16	39/100	39%
	Pacific Grove	
10/1/17	14/47	30%
07/01/17	20/53	38%
04/01/17	24/51	47%
01/01/17	11/42	26%
10/01/16	15/60	25%
	Pebble Beach	
10/01/17	15/96	16%
07/01/17	20/97	21%
04/01/17	12/90	13%
01/01/17	8/67	14%
10/01/16	12/87	14%
	Seaside	
10/01/17	28/54	52%
07/01/17	19/45	39%
04/01/17	31/57	54%
01/01/17	21/40	53%
10/01/16	32/57	56%

Monterey Peninsula Gross Dollar Volume		
<i>Town</i>	3rd Qtr 2016	3rd Qtr 2017
Carmel-by-the-Sea	\$51,489,500	\$60,893,133
Carmel Highlands	\$6,122,200	\$12,350,000
Carmel Area	\$74,251,028	\$53,066,000
Carmel Valley	\$23,795,625	\$26,656,589
Monterey Area	\$56,292,226	\$58,188,077
Pacific Grove	\$36,179,900	\$42,927,800
Pebble Beach	\$103,412,000	\$80,050,888
Seaside	\$23,795,625	\$22,448,450
Totals	\$375,338,104	\$356,580,937

Median Sales Price Comparisons			
<i>Town</i>	Full Year 2016	3rd Qtr 2016	3rd Qtr 2017
Carmel-by-the-Sea	\$1,595,000	\$1,300,000	\$1,950,000
Carmel Highlands	\$1,900,000	\$3,311,100	\$2,700,000
Carmel Area	\$1,350,000	\$1,232,500	\$1,325,000
Carmel Valley	\$997,500	\$875,000	\$1,019,950
Monterey Area	\$755,000	\$782,500	\$790,000
Pacific Grove	\$832,000	\$821,000	\$862,500
Pebble Beach	\$1,550,000	\$1,580,000	\$1,575,000
Seaside	\$445,000	\$500,000	\$493,750

SALES BY QUARTER -- Seven Quarter Review							
<i>Town</i>	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
Carmel-by-the-Sea	25	31	25	21	27	25	27
Carmel Highlands	4	4	3	2	1	6	5
Carmel Area	33	47	48	46	44	53	35
Carmel Valley	10	33	23	16	13	30	28
Monterey Area	41	54	60	51	42	64	61
Pacific Grove	28	51	39	30	38	50	41
Pebble Beach	26	30	35	26	18	33	35
Seaside	35	45	54	49	31	67	42
Totals	202	295	287	241	214	328	274

Average Days to Sell 3rd Qtr 2016-2017		
Town	2016	2017
Carmel-by-the-Sea	52	68
Carmel Highlands	42	222
Carmel Area	76	95
Carmel Valley	97	91
Monterey Area	49	58
Pacific Grove	54	47
Pebble Beach	123	113
Seaside	29	42

Distribution of Sales 3rd Qtr 2017							
	\$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	2	8	5	5	7
Carmel Highlands	0	0	0	1	0	3	1
Carmel Area	0	1	10	13	5	4	2
Carmel Valley	0	5	10	11	2	0	0
Monterey Area	0	22	23	8	6	2	0
Pacific Grove	0	8	19	8	4	1	1
Pebble Beach	0	0	6	9	4	8	8
Seaside	1	35	6	0	0	0	0
Totals	1	71	76	58	26	23	19

Paul Brocchini and Mark Ryan are real estate agents with Carmel Realty Company, NE Corner of Dolores & 8th, Carmel-by-the-Sea. They can be reached at either 831-238-1498 (Mark) or 831-601-1620 (Paul).

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.