



2016 Annual Market Report

Mary Bell ■ (831) 595.4999 ■ www.MaryBellProperties.com



CARMEL REALTY COMPANY
ESTABLISHED 1913

A Cornerstone in Luxury Real Estate for Over 100 Years

Letter From Carmel Realty Company

Two thousand and sixteen was a great year for real estate on the Monterey Peninsula and another successful year for the agents of Carmel Realty Company. Our focus on representing luxury properties has led Carmel Realty Company to once again dominate the luxury high-end market. Of thirty properties sold in excess of \$5 million in Carmel and Pebble Beach, Carmel Realty Company represented the Buyer, Seller or both on thirteen of those transactions.

Over the past five years in the over \$10 million market we have represented Buyers and/or Sellers in 73.3% of the 30 transactions. We represented the Buyer and Seller on 50% of those transactions, making us the leader in Luxury Real Estate sales in Carmel and Pebble Beach.

In our three primary markets—Carmel, Pebble Beach and Carmel Valley—our sales associates represented the Buyer, Seller or both in the highest-priced transactions in each of those markets.

In Carmel we represented the Seller and Buyer in the sale of 7 & 9 Carmel Way. This property, known as the ultimate beach house, was listed for \$25.5 million.

Carmel Realty Company agents also represented the Seller on the highest price sale for 2016 in Pebble Beach, which was an off market property on 17 Mile Drive that was listed for \$35 million.

In Carmel Valley we represented the Seller in the sale of a Comstock true hacienda in the beautiful Miramonte neighborhood. This magnificent property was listed for \$7 million.

Please see the detailed synopsis of each of our markets inside. All statistics are based on Residential Single Family listings and sales reported on MLS and off market sales that we represented either the Buyer or Seller or both.

On behalf of everyone at Carmel Realty Company, we thank you for a great year and look forward to assisting you with all of your luxury real estate needs in the future.

Regards,

Stacey Supica

Senior Vice President, Operations | Broker



Dear Friends,

As the New Year is off and running, I thought you might enjoy receiving a snapshot of the Carmel/Pebble Beach real estate market just in case you are thinking of marketing your home in the coming year.

2016 was an excellent year in real estate and the last quarter of the year was very strong with a total of 117 sales in the Carmel, greater Carmel, and Pebble Beach areas. Since the beginning of this year, we have seen a total of 46 closings with 36 more currently in the escrow pipeline hopefully headed toward successful closings. As of the end of February, Pebble Beach has 82 active homes and 6 in escrow, while Carmel-by-the-Sea has 52 listings and 5 of those homes in escrow.

For those of you fortunate to live in this area, it is important to remember that people rarely get “transferred” to Carmel or Pebble Beach. Most of our purchases are discretionary and competition, for appealing Carmel homes is not unusual. The old adage about people wanting to live in the “golden rectangle” still holds true for a few buyers, but Carmel has had considerable development and updating in other areas recently. This has made for some wonderful buying opportunities, and the people we work with are sophisticated in terms of realizing those values when they expand their search.

Many of our buyers are paying cash for their homes, but some prefer to put a loan on the property. Interest rates have shown more volatility as of late, and lending underwriters are putting buyers through a wringer of detailed information no matter how well qualified they are. There is no doubt that this causes frustration on the part of the buyers and sellers, but with a little patience, all of these transactions come together given a little extra time. In the event you choose to put a loan on a property you decide to purchase, you need to know it will take 45 days in most cases. A thirty day close is getting increasingly difficult to manage, particularly if the property in questions needs any repair work.

Currently, there are 122 job sites in the city of Carmel, so getting tradesmen to respond quickly has become more of an issue than it has been in some time.

Based on current statistics, we are currently at the top of the market in terms of historical pricing as we were about eight years ago. It may be that we will experience some correction in some niche markets or areas of the peninsula. Time will give us the answer to that question.

Should there be anything I can assist you with in terms of providing you information if you are thinking of marketing your home or keeping it, please do not hesitate to call. My wealth of experience and knowledge can be a great asset which I am happy to put to work for you. I always do my best to provide “Excellent Representation for Individual Needs.”

Mary Bell



Mary Bell

(831) 595.4999

www.MaryBellProperties.com

MaryBell@CarmelRealtyCompany.com

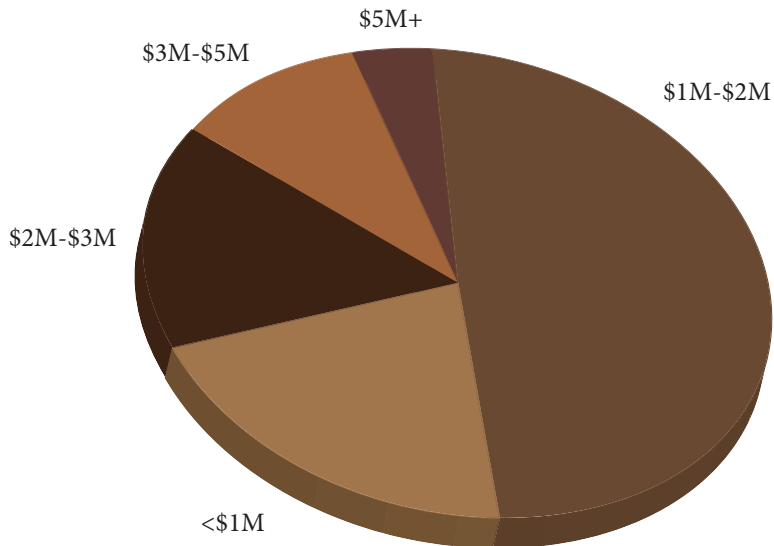
CalBRE#:00649274

Table of Contents

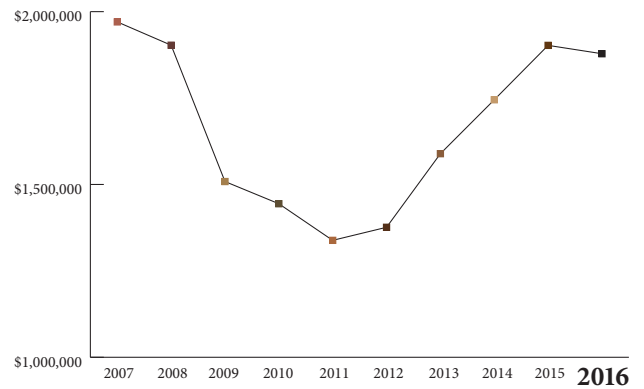
Letter From Carmel Realty	2
Carmel	4
Pebble Beach	5
Carmel Valley	6
Monterey & Pacific Grove	7
2016 High-End Luxury Market Report	8
Historical High-End Luxury Market Report	9
Partnerships	10
Notable Sales of 2016	11

Carmel

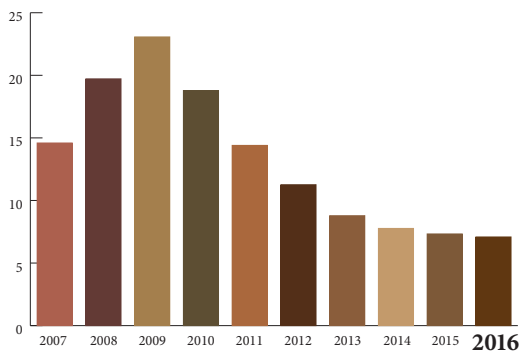
2016 Sales Volume by Segment



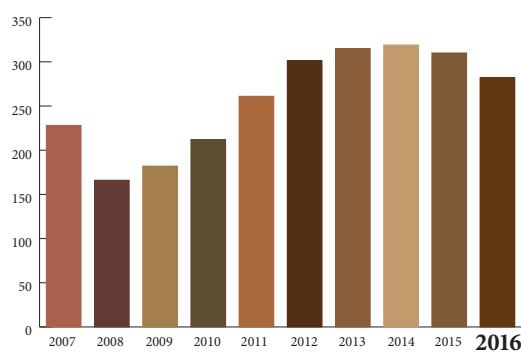
Average Sales Price



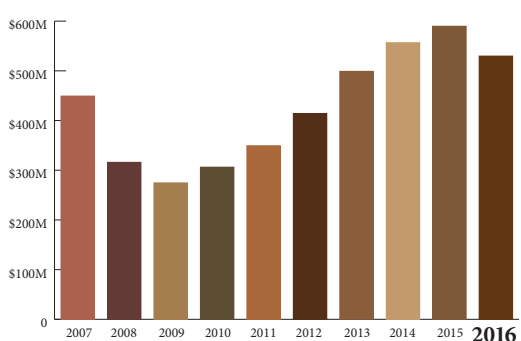
Months of Available Inventory



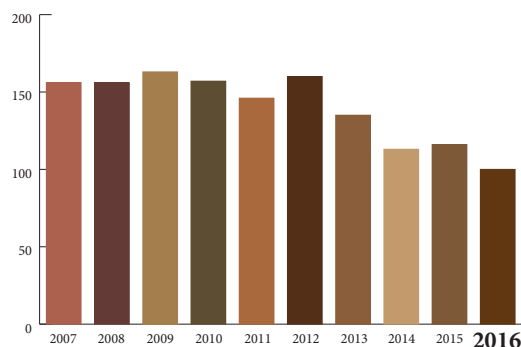
Number of Transactions



Total Sales Volume



Average Days on Market



The Carmel market remained stable in 2016. There were 282 closed transactions for a total sales volume of \$529,663,211 and an average sales price of \$1,878,238.

The amount of available inventory average continued to decline again this year. It would take seven months to sell through all of the Carmel inventory available at year end.

The distribution of sales at the higher end from \$3M and up remained at 14.5%. Almost half of the Carmel sales were in the \$1M-2M range. We did see a reduction in the number of transactions under \$1M, down to 57 transactions from 76 in 2015. Carmel Realty Company represented the Seller and Buyer on the highest price sale in Carmel in 2016. That property on Carmel Way, known as the Ultimate Beach House, was listed for \$25.5M.

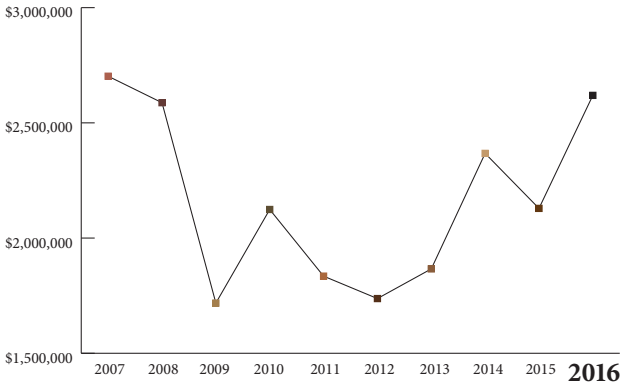
Please note: All data is for Single Family Home transactions only



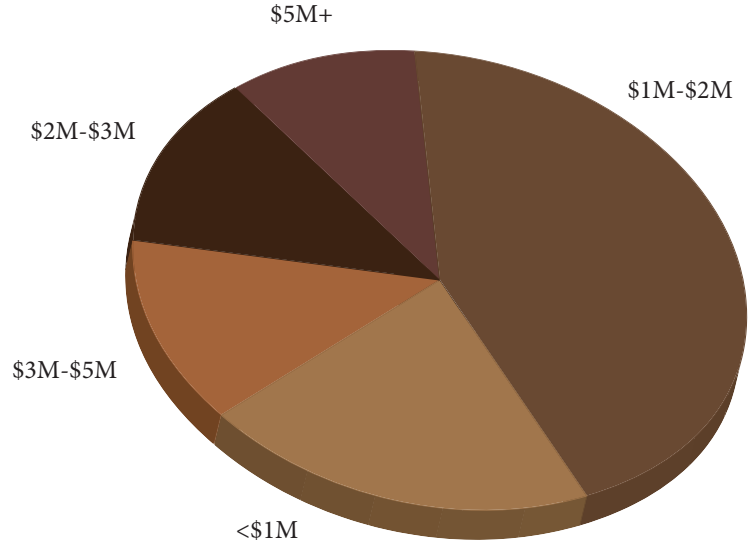


Pebble Beach

Average Sales Price

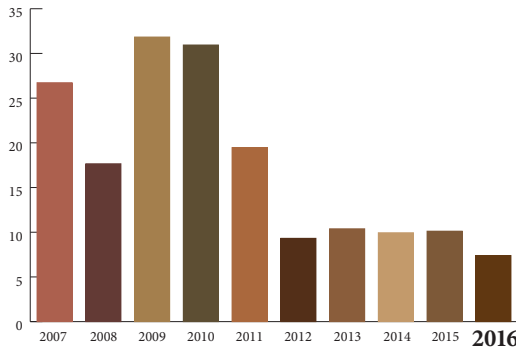


2016 Sales Volume by Segment

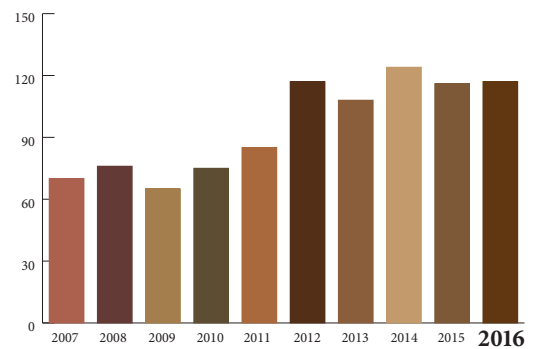


Pebble Beach had a strong 2016. The average sales price went up \$500K to \$2,619,262. \$306M in real estate changed hands. Although the bulk of the transactions were in the \$1M-2M range, there were 12 transactions over \$5M. Carmel Realty represented the Seller in the highest priced transaction in Pebble Beach in 2016. Listed for \$35M, Otter Cove is an Oceanfront French Normandy Estate on 17 Mile Drive sold in April. Since the beginning of 2017, three properties came to market listed in excess of \$20M, including 3167 Del Ciervo Road listed at \$37.9M. With only seven months of available inventory and strong property values, Pebble Beach is poised for another great year.

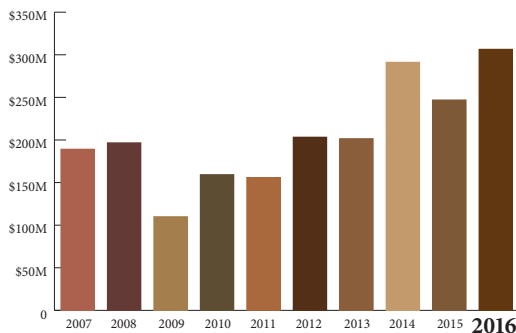
Months of Available Inventory



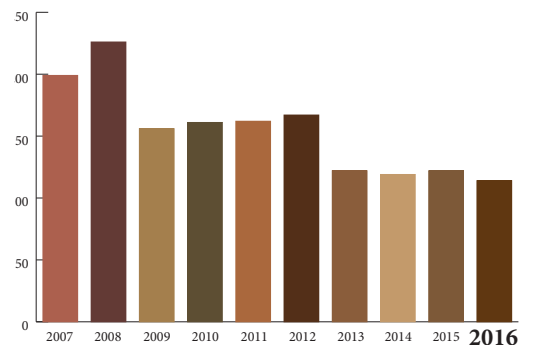
Number of Transactions



Total Sales Volume



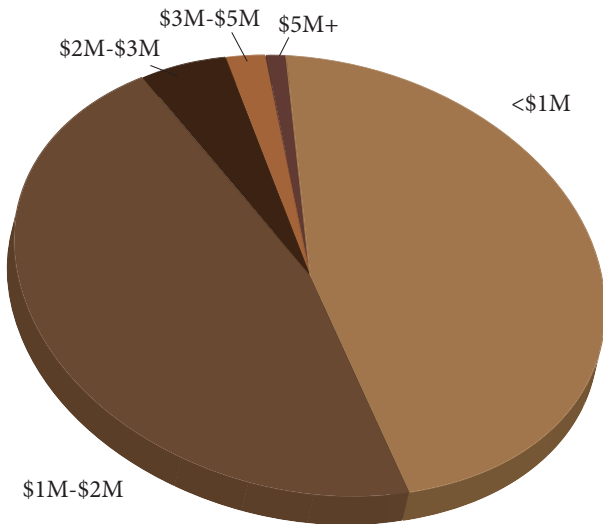
Average Days on Market



Please note: All data is for Single Family Home transactions only

Carmel Valley

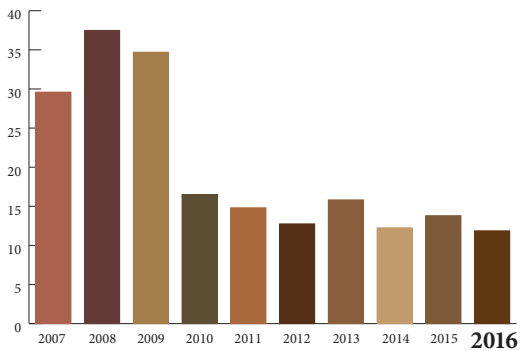
2016 Sales Volume by Segment



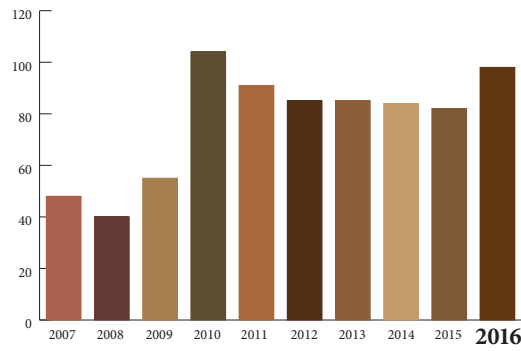
Average Sales Price



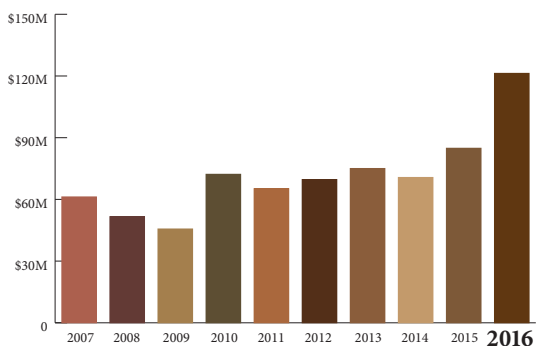
Months of Available Inventory



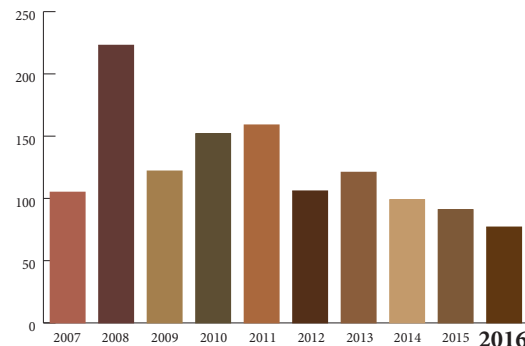
Number of Transactions



Total Sales Volume



Average Days on Market



Carmel Valley market continues to grow which is evidenced by another 20% increase in average sales price and an almost 20% increase in total number of transactions from 82 to 98. Average days on market hit a new low for the past ten years at only 77 days.

Although the number of sales under \$1M went up slightly, the number of sales in the \$1M-2M range almost doubled as a result of the higher sales prices. Again this year there was only one transaction on a property over \$5M which was the sale on a Comstock True Hacienda in the Miramonte neighborhood listed for \$7M by Carmel Realty Company.

Inventory levels remain strong with an average of ten months of inventory available in 2016. 2017 should be another banner year for the Carmel Valley market.

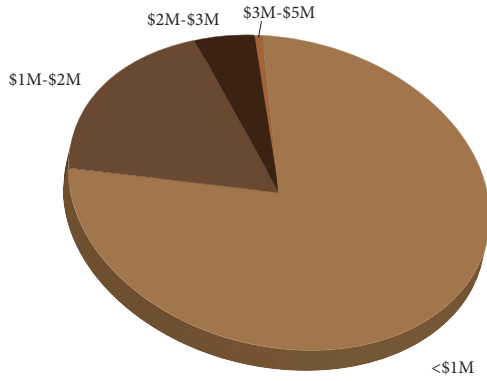
Please note: All data is for Single Family Home transactions only



Monterey & Pacific Grove

2016 was another great year for the Monterey and Pacific Grove markets. Both saw increases in their average sales prices and a reduction in days on market. Pacific Grove's average sales price is now \$933,950 with Monterey's at \$904,102. Both markets saw an increase in the number of transactions under \$1M. Although Monterey saw an uptick in the \$2M-3M price range with five closings, Pacific Grove's market was steady with nine sales in the \$2M-3M range. Inventory levels remained low in both markets. Monterey and Pacific Grove both have an average of four months of inventory available to sell. Most sales take place in 54 days or less.

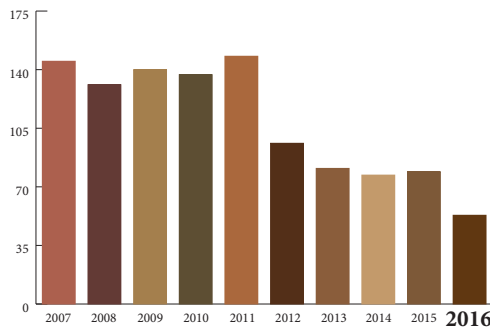
2016 Sales Volume (Monterey)



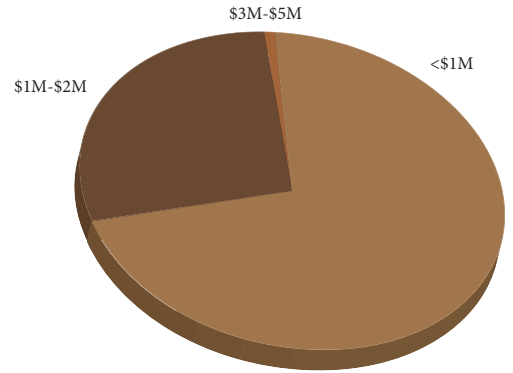
Average Sales Price



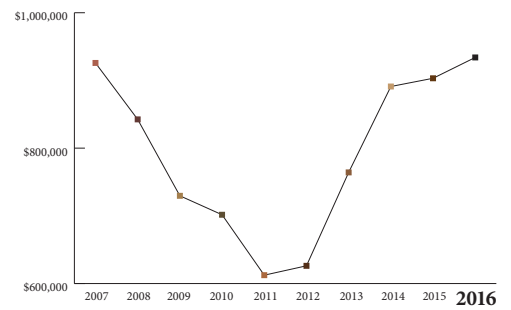
Average Days on Market



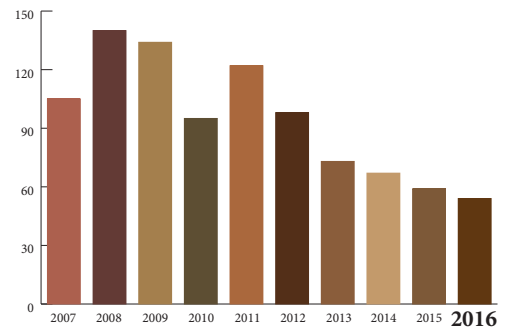
2016 Sales Volume (Pacific Grove)



Average Sales Price



Average Days on Market

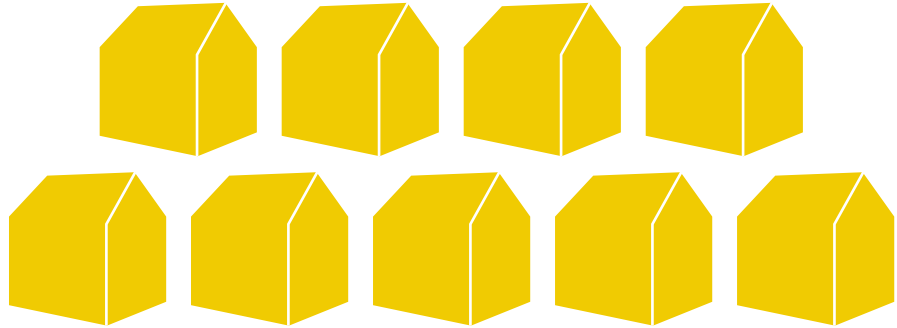


Please note: All data is for Single Family Home transactions only

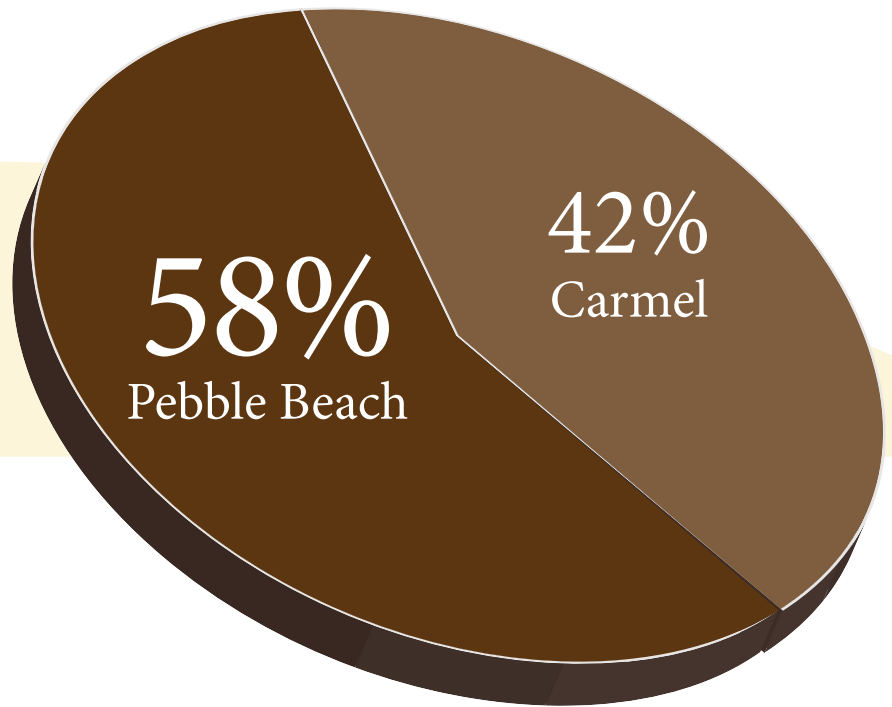
2016 High-End Luxury Market Report of Carmel & Pebble Beach

\$5M & up sales of 2016

2016 \$10M[↑] Sales

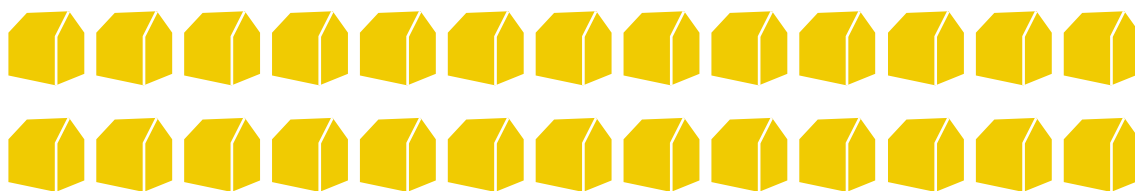


2016 \$5M[↑] Sales



Twenty-six total transactions, eleven in Carmel and fifteen in Pebble Beach

\$5M & up 2016 Sales



26

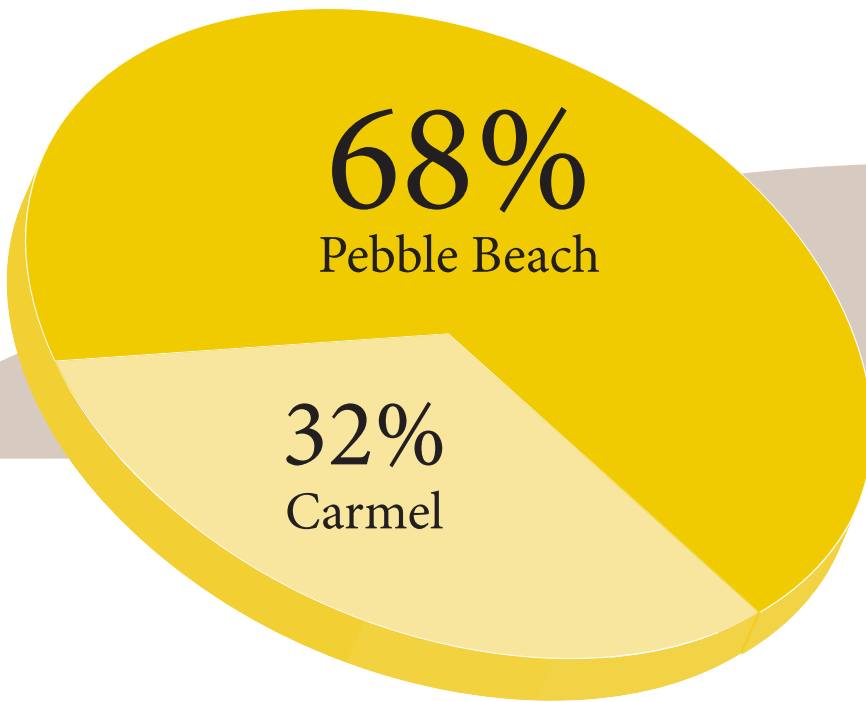
Please note: All data is for Single Family Home transactions only

Historical High-End Luxury Market Report of Carmel & Pebble Beach

Five years of cumulative sales greater than \$10M since 2011

\$432,658,987

Total sales volume over the past 5 years
\$10M & up segment



5 years \$10M↑ Sales

Twenty-eight total transactions, nine in Carmel and nineteen in Pebble Beach

\$10M & up Sales since 2011

28

Please note: All data is for Single Family Home transactions only

PARTNERSHIPS

Luxury Real Estate ■ Pacific Union



As the exclusive Board of Regents member of Luxury Real Estate for the entire Monterey Peninsula, Carmel Realty Company has access to an exclusive network of the world's most elite luxury real estate professionals. Access to this network not only offers Carmel Realty Company clients an expanded global reach, but exclusive networking opportunities amongst the nation's top real estate professionals. Additionally, LuxuryRealEstate.com remains the #1 portal for luxury properties on the internet with their network of professionals collectively selling \$128 Billion of real estate annually.

PACIFIC UNION

Carmel Realty Company and Pacific Union are proud to align to deliver extraordinary results to all of our valued clients. This relationship allows for cross-marketing opportunities that benefit all of our clients throughout the San Francisco Bay Area, Monterey Peninsula and beyond.



CARMEL REALTY COMPANY
ESTABLISHED 1913

Dolores South of Seventh • P.O. Drawer C | Carmel-by-the-Sea, California 93921
Office: 831.622.1000 • Fax: 831.624.7338

Carmel Realty Company's Notable Sales of 2016



Otter Cove ■ Pebble Beach ■ \$35M



7 & 9 Carmel Way ■ Carmel ■ \$25.5M



3177 Del Ciervo Road ■ Pebble Beach ■ \$22M



3350 17 Mile Drive ■ Pebble Beach ■ \$13.75M



26200 Ocean View Avenue ■ Carmel ■ \$12.75M



3958 Ronda Road ■ Pebble Beach ■ \$9.8M



Scenic 7NW of 8th ■ Carmel-by-the-Sea ■ \$9.2M



1041 Marcheta Lane ■ Pebble Beach



1700 Crespi Lane ■ Pebble Beach ■ \$7M



9 Miramonte Road ■ Carmel Valley ■ \$7M



CARMEL REALTY COMPANY

ESTABLISHED 1913

A Cornerstone in Luxury Real Estate for Over 100 Years

P: 831-622-1000 · F: 831-624-7338

Dolores Street between 7th & 8th · PO Drawer C · Carmel-by-the-Sea, CA 93921

WWW.CARMELREALTYCOMPANY.COM

