2016 Annual Market Report

Stacey Schrader • (831) 917-6081 • StaceySchraderProperties.com

WHO'S WHO IN LUXURY REAL ESTATE

MONTEREY COAST REALTY

In Affiliation with Carmel Realty Company

Stacey Schrader J.D.

(831) 917.6081

StaceySchraderProperties.com

Stacey@MontereyCoastRealty.com

CalBRE#:01929589

Table of Contents

Letter From Stacey

It only gets better seems to be the theme for Real Estate sales on the Monterey Coast as we end 2016 and move optimistically forward to an even better year ahead. 2016 was a personal best for me in terms of my highest number of home sales across the widest geographic area. From Pebble Beach, to Carmel and as far south as Big Sur, I had the honor of representing the most wonderful clients in the sale of luxury real estate.

As you'll note in our enclosed 2016 Annual Market Report, all areas on our beautiful Monterey Peninsula held strong in terms of Sales. While Carmel prices remained relatively stable from the prior year, the inventory of homes declined slightly, meaning the good ones went fast and continue to do so. As a largely secondary market, I represent many second home Buyers from all over the world, looking for a walk to town and beach lifestyle that is superbly found in our quaint little Carmel "shire." Pebble Beach showed an increase in the number of sales as well as increased sales price overall. This is not surprising for the exclusive resort destination that only Pebble, with its world-renowned golf courses and luxurious estate setting provides. Then there is Big Sur, which speaks for itself in terms of the majestic beauty that only Big Sur commands. If you haven't seen Big Sur, you really need to go, walk, and breathe the wildness, hear the silence, feel the serenity and then, and only then, will you "SEE BIG SUR." It is the reason I moved to the Central Coast 24 years ago. I was so proud to recently close on the sale of a Big Sur property where I don't think I had ever seen a more majestic ocean view. To learn more of my significant sales, please visit my website at www.staceyschraderproperties.com.

Our Monterey Coast paradise has many microcosms of different landscapes and lifestyles, which appeal to all different types of Buyers and Sellers. It is a great time to put your house on the market if you've been wanting to sell and a great time to buy that home you've been thinking about because it just keeps getting better.

My past experience as an attorney combines with exceptional market knowledge to best serve my clients in the sale of real estate. For a professional advocate with the expertise to guide you in the sale or purchase of your home, please contact me. I'd love to hear from you!

Stacey Schrader J.D. Realtor®

"Love where you live!"

Letter From the Managing Broker

Our spectacularly beautiful coastal Monterey Peninsula area continued to attract folks from around the world to buy here, and we experienced another banner year in real estate for 2016. While Monterey Coast Realty worked with many locals in the purchase and sale of their properties, we also represented buyers who came from out of town, primarily to buy second, vacation homes. Many of these second home buyers come from Silicon Valley, drawn by our slower pace, sparkling beaches and scenic beauty.

Monterey Coast Realty, sister company to Carmel Realty Company, known for its excellence in the high-end luxury market, enjoyed another very successful year, increasing our sales by 50% from 2015. Our professional team of Realtors focus on a wide range of properties from cottages to mansions, throughout the Monterey Peninsula as well as north to Marina, east out onto the Salinas Highway and beyond the village of Carmel Valley and south to Big Sur. A beautiful French Country home in Carmel Meadows listed for $5,495,000 was our most significant sale for 2016.

Fewer listings in 2016 created a shortage of inventory in some areas throughout the year, resulting in prices going up across all markets and a quicker marketplace. In fact, across all areas the average days on market decreased 20%, from 82 to 66 days. And, of course, with a lower inventory market generally come more multiple offer situations, and we certainly saw an increase of those in 2016.

Carmel is frequently the first choice for out-of-towners buying here, with its ease of walking to town and beach, so it's no surprise that Carmel had the greatest number of homes sold at 282, for a total sales volume of almost $530 million. The average sales price hit $1,878,238, almost exactly the same as it was in 2006, so it appears the real estate market has fully recovered here in just ten years.

The Peninsula area exhibiting the greatest change in 2016 from the year before was Carmel Valley, which showed an interesting comparison of 20% figures: the average sales price went up 20% to $1,237,500; the number of homes sold was 98, an increase of about 20% in a year; and the average days on the market fell by almost 20%!

Another favorite area for buyers of both primary and second homes is Pacific Grove, with its 2016 average sales price coming in at $933,950. Because it also has a quaint charm and easy access to town and sea yet lower priced than Carmel, properties that come on the market here often sell quickly.

One of our most spectacular areas, Pebble Beach, with its larger properties set on winding roads in the forest--many with stunning ocean views--saw gains across all indicators for 2016. Here was the highest average sales price for 2016 at $2,619, 262, a sizeable 23% increase over 2015, with 23% of the 117 sold homes selling over $3,000,000.

We're happy to provide you with this 2016 Annual Report giving you details on the sales in each of our markets. All statistics are based on sales of single-family homes reported on MLS and our team's off-market sales. We have an excellent team of Realtors here at Monterey Coast Realty, available to assist you in your real estate needs and eager to provide you with the exceptional service and expertise for which we are known.

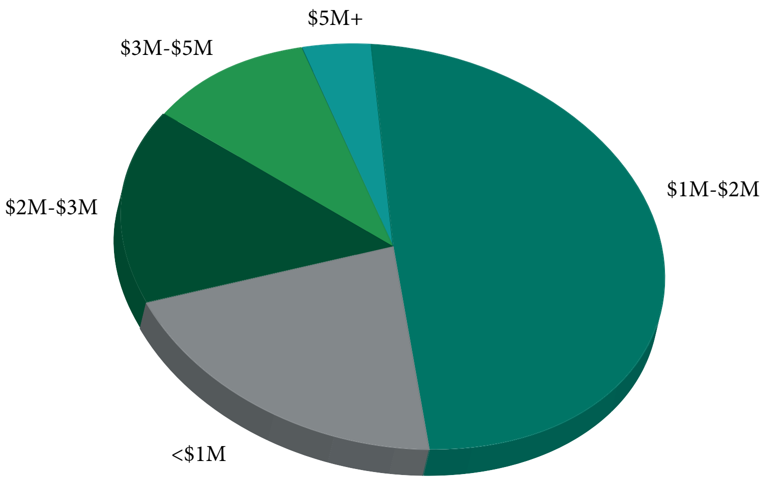
Best regards,

Rita J. Lewis, CRB

Managing Broker

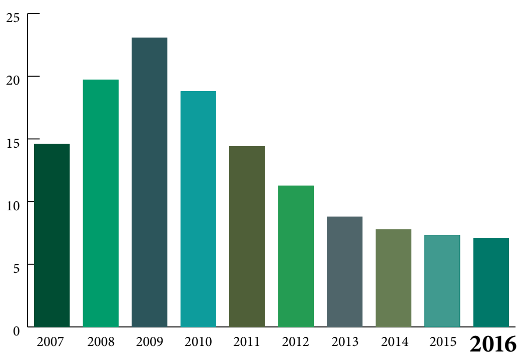
Carmel

2016 Sales Volume by Segment

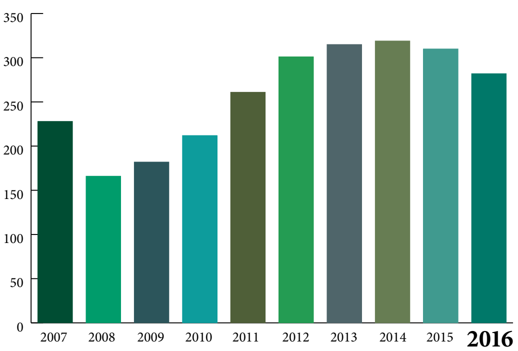


Average Sales Price

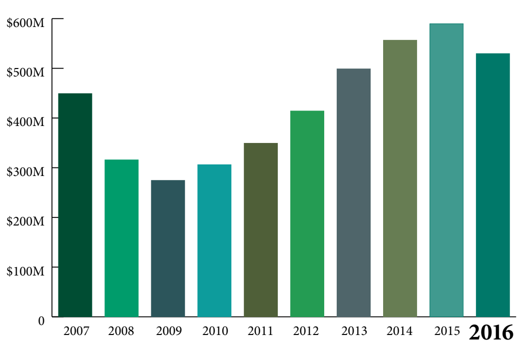
Months of Available Inventory



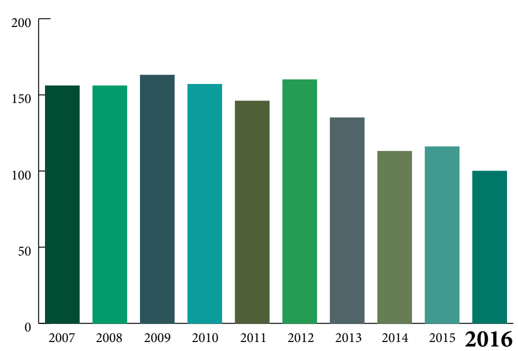
Number of Transactions



Total Sales Volume



Average Days on Market



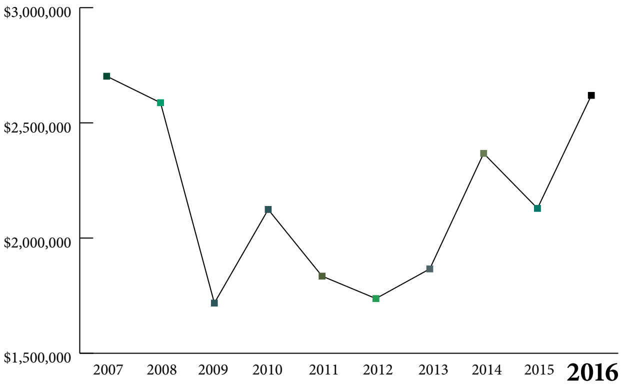
The Carmel market remained stable in 2016. There were 282 closed transactions for a total sales volume of $529,663,211 and an average sales price of $1,878,238. The amount of available inventory average continued to decline again this year. It would take seven months to sell through all of the Carmel 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.

MONTEREY COAST
REALTY

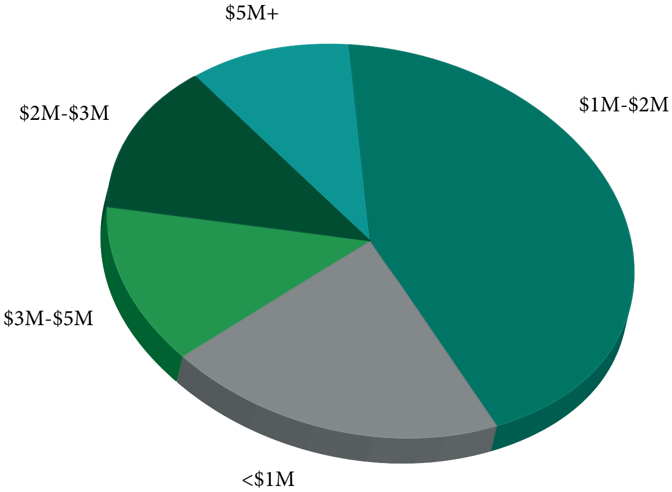
Dolores South of Seventh • P.O. Drawer C • Carmel-by-the-Sea, California, 93921
Office: 831.624.2300 • Fax: 831.624.3858

Pebble Beach

Average Sales Price



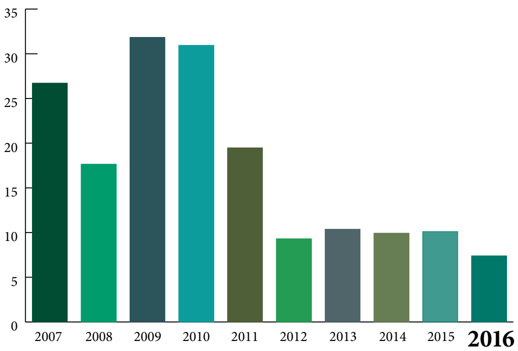
2016 Sales Volume by Segment



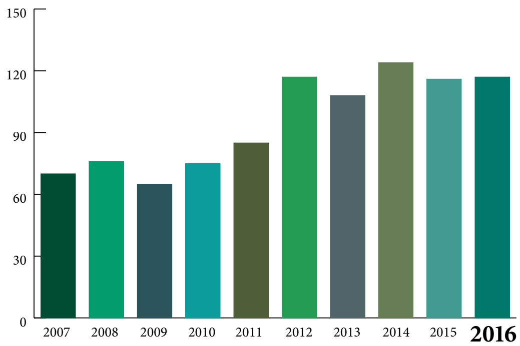
Pebble Beach had a strong 2016. The average sales price went up $500K to $2,619,262. $306M in real estate changed hands. Although the bulk of the transactions were in the $1M-2M range, there were 12 transactions over $5M. Carmel Realty represented the Seller in the highest priced transaction in Pebble 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.

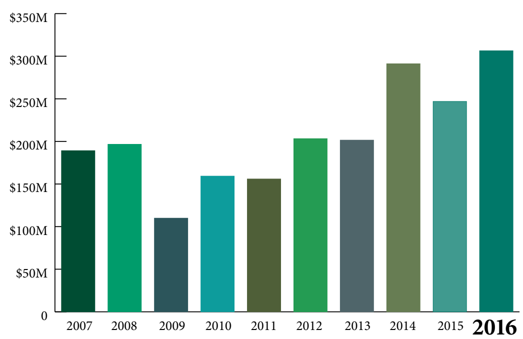
Months of Available Inventory



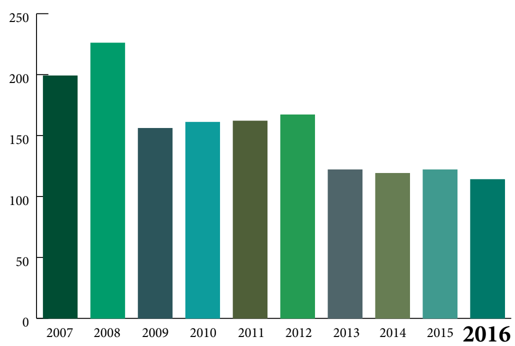
Number of Transactions



Total Sales Volume

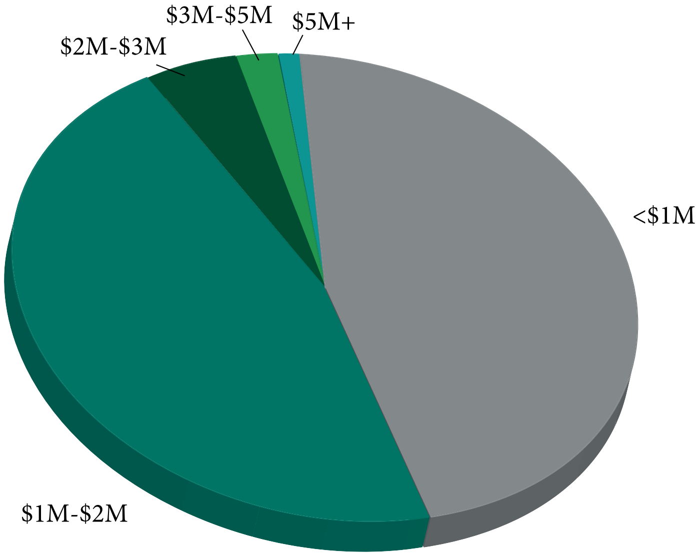


Average Days on Market



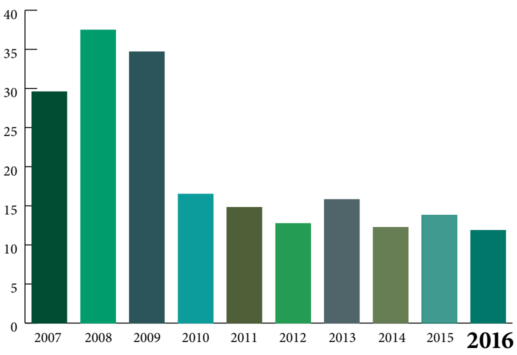
Carmel Valley

2016 Sales Volume by Segment

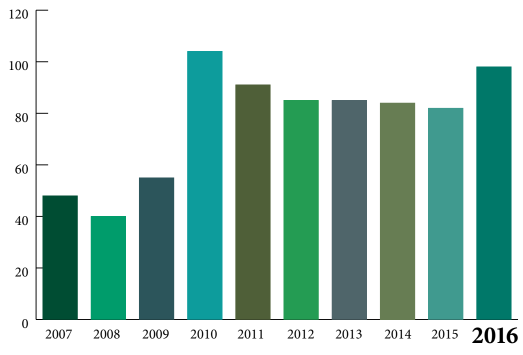


Average Sales Price

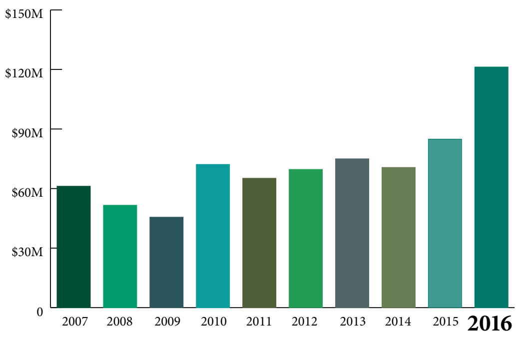
Months of Available Inventory



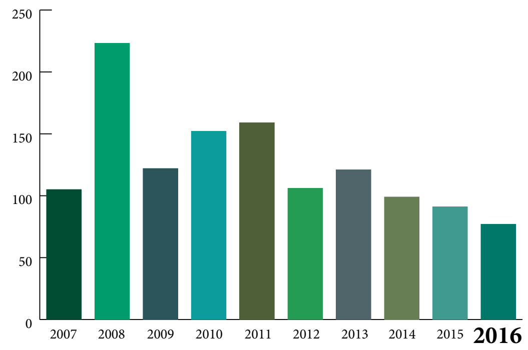
Number of Transactions



Total Sales Volume



Average Days on Market

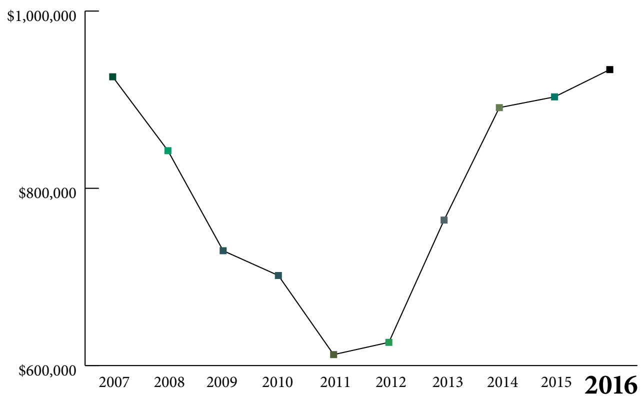


Carmel Valley market continues to grow which is evidenced by another 20% increase in average sales price and an almost 20% increase in total number of transactions from 82 to 98. Average days on market hit a new low for the past ten years at only 77 days. Although the number of sales under $1M went up 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.

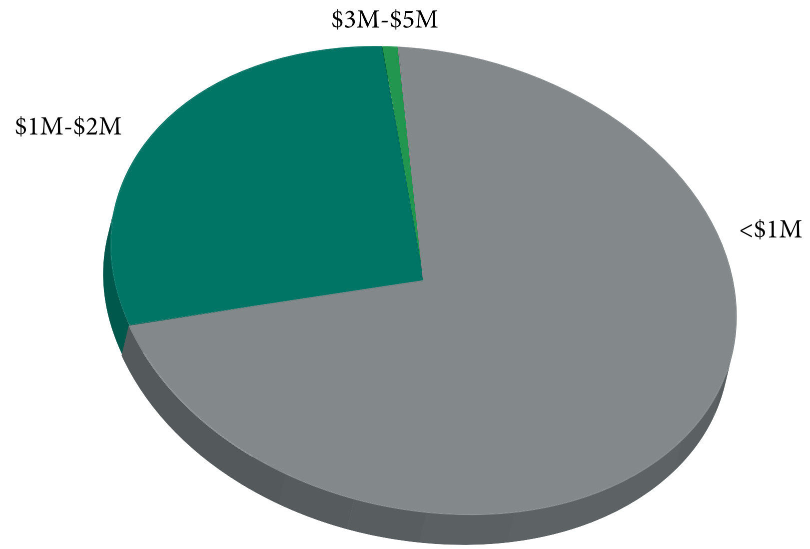
Inventory levels remain strong with an average of ten months of inventory available in 2016. 2017 should be another banner year for the Carmel Valley market.

Pacific Grove

Average Sales Price

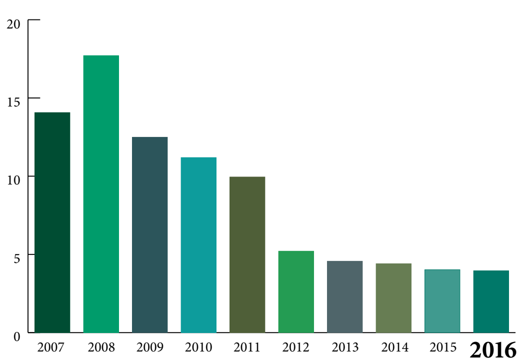


2016 Sales Volume by Segment

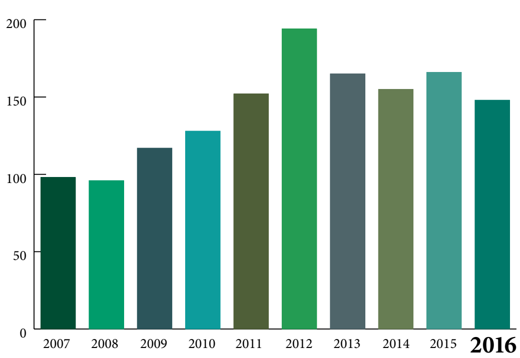


Pacific Grove had another great year in 2016, with 148 sales of single-family homes for $138,224,560 in total sale volume and an average sales price of $933,950. Perhaps it's the hometown ambiance and proximity to the sea that draw buyers; and once again the marketplace was very active. In just five years the average sales price in Pacific Grove has jumped by an incredible 50%. During the year there were only 193 new listings, keeping inventory low and creating multiple offers on many of the sales there. The number of homes on the market dropped to a new low in December 2016 of only 2.6 months of inventory available. A solid 65%, or 96 homes, sold between $600K and $1M, with the greatest number occurring between April and August. A dramatic contemporary residence located in the Asilomar area was the highest-priced sale for 2016, at $3.2M.

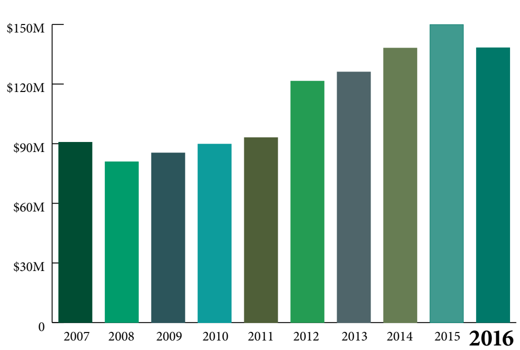
Months of Available Inventory



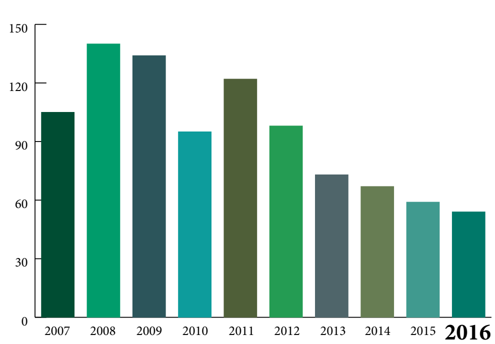
Number of Transactions



Total Sales Volume

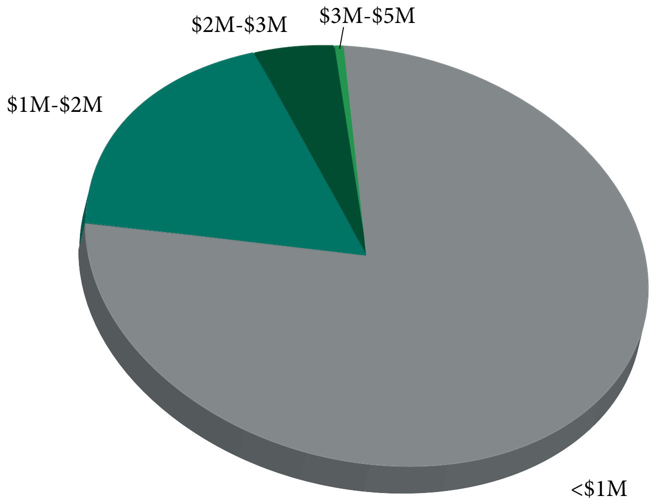


Average Days on Market

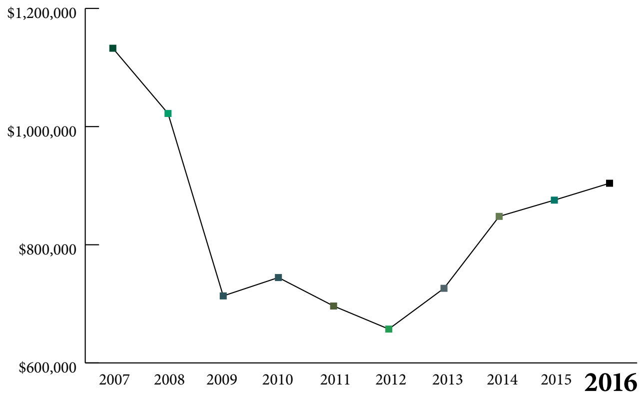


Monterey

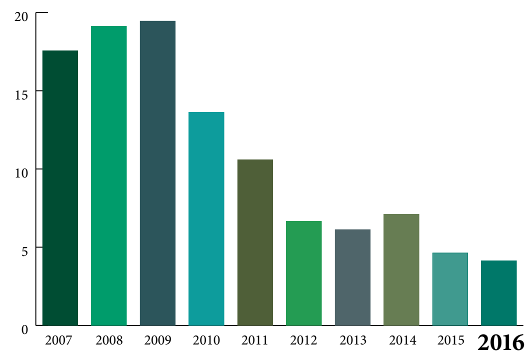
2016 Sales Volume by Segment



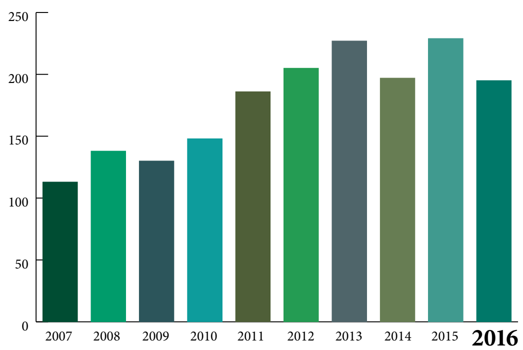
Average Sales Price



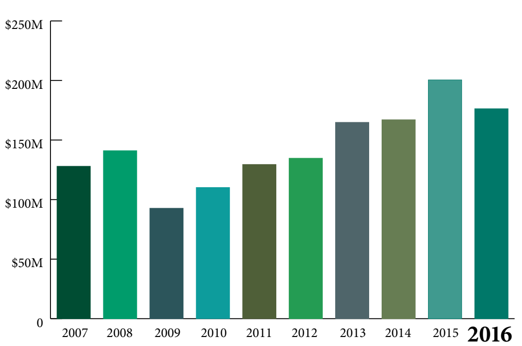
Months of Available Inventory



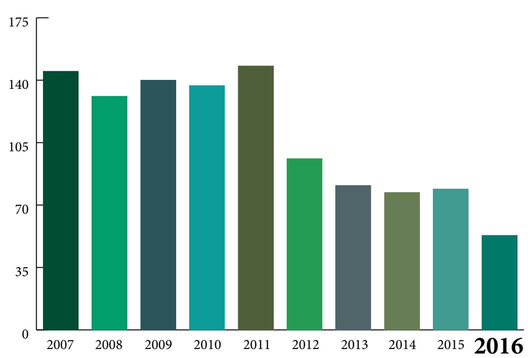
Number of Transactions



Total Sales Volume



Average Days on Market



Once again, the average sales price for single-family homes in Monterey has increased, now to $904,102, with a total sales volume of $176,299,943 for 2016. Though a modest change of only 3.2% over 2015, it is a 38% increase from five years ago. Like other areas in Monterey Peninsula, there were fewer sales at 195 compared to previous year's 229, but that was not because of any slowness in the market. Monterey's market was bustling, with the fewest days on market here--just 53. Only 259 listings came on the market during the year that started in January with 6.4 months of inventory and ended with a mere 3.1 months. A full 58% of homes in Monterey, 114 of the 195 that transferred in 2016, sold between $600K and $1M. There were eight sales over $2M, with the highest-priced home a California Mission Mansion on two acres in Monterra that closed at $3,560,000.

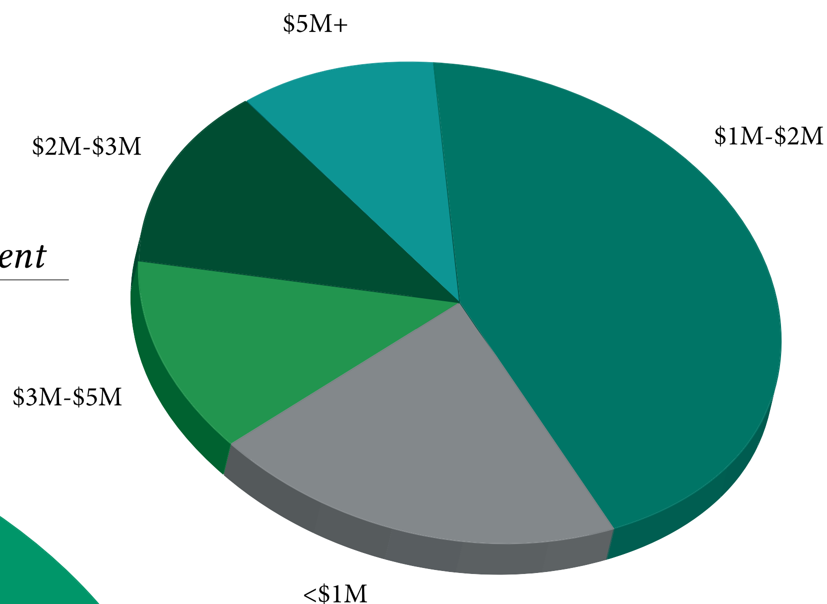
Dolores South of Seventh • P.O. Drawer C • Carmel-by-the-Sea, California, 93921
Office: 831.624.2300 • Fax: 831.624.3858

Spotlight on South Coast to Big Sur

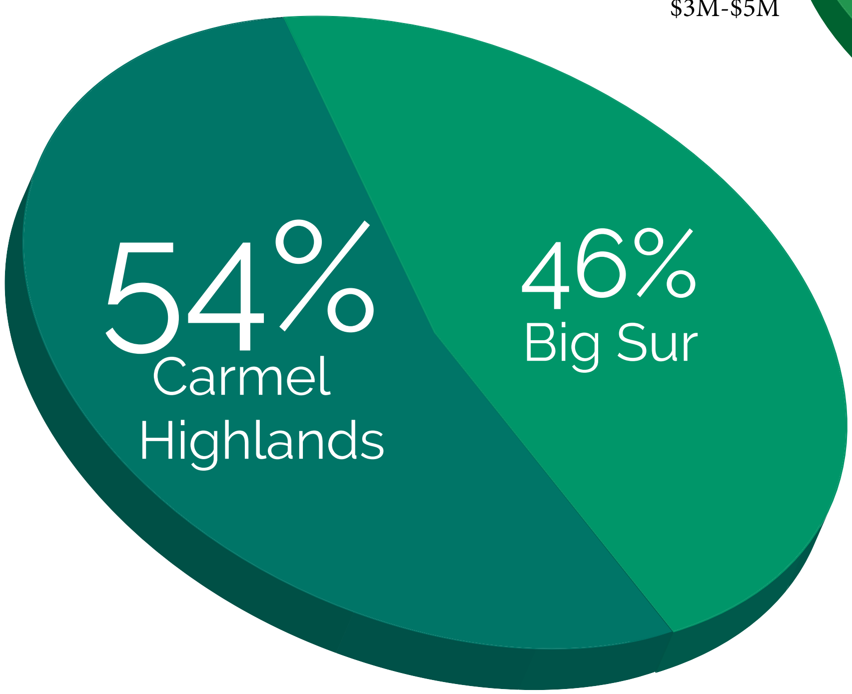
13
2016
Total Sales

Sales Range
$835K-$3M

Average Sales Price
$1.836M



2016 Sales Volume by Segment



Sales by Community

Partnerships

WHO'S WHO IN LUXURY REAL ESTATE

Monterey Coast Realty is now a proud affiliate of Who's Who in Luxury Real Estate. As the premiere luxury homes search site, LuxuryRealEstate.com is known for providing fine international estates and property listings. Recognized worldwide by industry leaders and media alike, the Who's Who In Luxury Real Estate brand continues to set the standard for extraordinary estates by offering a network of more than 1500 brokerages with over 55,000 for-sale multimillion-dollar mansions and properties from around the world. Their extensive list of luxury homes for sale enables you to search and browse unique properties from across the globe.

Monterey Coast Realty is the sister brand to Carmel Realty Company. Over the past century, Carmel Realty Company has built a legacy of excellence putting their client's aspirational lifestyle and interests first while powerfully aligning that with all the community has to offer. Carmel Realty Company is known as the leading luxury real estate firm on the Monterey Peninsula.

CARMEL REALTY COMPANY
ESTABLISHED 1913

Dolores South of Seventh • P.O. Drawer C • Carmel-by-the-Sea, California, 93921
Office: 831.624.2300 • Fax: 831.624.3858

Significant Sales of 2016

3 beds, 3+ baths | 2737 Calle La Cruz | CARMEL | $5,495,000

5 beds, 4.5 baths | 3 Victoria Vale | MONTEREY | $1,200,000

3 beds, 2 baths | 216 1st Street | PACIFIC GROVE | $1,089,000

MONTEREY COAST
REALTY

P: 831.624.2300 · F: 831.624.3858
Dolores Street between 7th & 8th · P.O. Drawer C · Carmel-by-the-Sea, California 93921
www.MontereyCoastRealty.com