

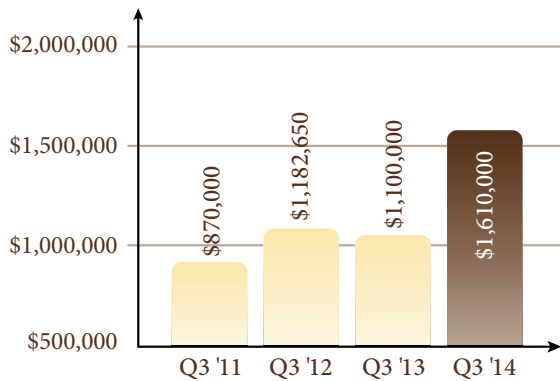


PEBBLE BEACH, CA

MARKET REPORT - SEPTEMBER 2014

Pebble Beach is on its way to having a great year as the fourth quarter of 2014 begins. A comparison of third quarter 2014 and third quarter 2013 shows that median price in Pebble Beach of properties sold via the Multiple Listing Service is up 46.4% compared to the third quarter of 2013, from \$1,100,000 to \$1,610,000 with nearly the same number of homes closing escrow in both quarters (34 this year, 33 in 2013.)

PEBBLE BEACH
MEDIAN PRICE SOLD BY QUARTER



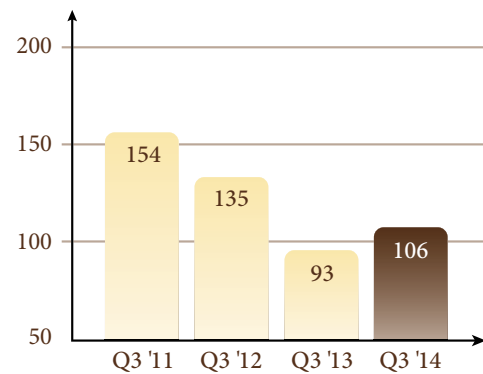
Pebble Beach, like Carmel, and to some extent Carmel Valley, is a market in which meeting market expectation with an opening list price can be challenging given the diversity in housing stock and importance of location. It is also a market that tends to have sellers who have staying power and who elect to price a home a bit stronger in hopes of drawing an offer with less concern about carrying costs than might be the case elsewhere.

This characteristic is reflected in the difference between Median Price of listed homes, \$2,397,000 for September, versus a median price of

\$1,570,000 for homes that closed escrow in September. Thirty four percent of the homes currently listed for sale in Pebble Beach have undergone at least one price reduction. Of course, properties do sell at list price, and occasionally above, in Pebble Beach. Of the 34 homes that closed escrow in Q3, five sold at 100% of list price with four of the five entering escrow within 25 days of listing and one taking 89 days to sell. The 34 closed escrows in the third quarter on average sold for 87% of their original list price and 93% of their list price at the time they went into escrow. The data does not suggest that "low ball" offers have much chance of success with only four homes selling at less than 90% of their list price at time of sale, the largest gap being a sale at 83% of list price for a home that closed escrow at about \$6.5M.

Malone Hodges, Managing Broker

PEBBLE BEACH
AVERAGE DAYS ON MARKET BY QUARTER



PEBBLE BEACH
SUPPLY AND DEMAND BY QUARTER

