

PETER BUTLER PROPERTIES



2013 ANNUAL MARKET REPORT



THE YEAR OF THE BIG SALE!

For many, 2013 will be long remembered as The Year of The Big Sale! The first Quarter started the year off with the biggest sale in Pebble Beach since 2005 when an oceanfront property on the 17 Mile Drive near The Lone Cypress Tree sold for \$22.5M. Then in the third quarter, another oceanfront property on the 17 Mile Drive near The Lodge closed for \$28M, matching the highest price ever paid for a home in Pebble Beach. In between those two significant sales the famous Butterfly House, 1 of only 5 oceanfront properties in Carmel, sold for \$16.5M – the highest priced

sale, by far, ever in Carmel. These 3 transactions highlight the clear recovery in demand at the upper end of our market. The Monterey Peninsula was not alone in this phenomenon as Christie's International Real Estate recorded 10 sales worldwide over \$35M.

A number of properties also sold in 2013 that last traded within the previous 3 years, offering a rare, nearly apple-to-apple comparison of how prices have increased. Three particular properties in Pebble Beach experienced price appreciation of

\$500K to \$950K (22% to 29%) from the prior sales price over a 20-36 month period.

One of the highlights for me and Carmel Realty in 2013 was the invitation to become the exclusive Christies International Real Estate representative for the Monterey Peninsula. This is a great honor and truly puts Carmel Realty in a global marketing position to have our listed properties represented through an international network of 25,343 agents in 929 offices in 40 countries around the world.



Peter Butler, Managing Director | Broker



COMING SOON IN 2014: I am very excited and honored to announce that I will be representing and marketing the Chappellet Estate located at 3296 17 Mile Drive. This property was originally listed by Coldwell Banker in April of 2004 for \$36,000,000 and had been on the market until November 2013 when it was listed for \$19,500,000. I will be bringing this historic and majestic property back to market with a new and different marketing plan in late January with the hopes of attracting a buyer that understands and appreciates this rare piece of oceanfront property. Our list price will be \$16,900,000 with the hope of quickly finding a buyer and making a sale close to the new list price.



Another milestone in 2013 for Carmel Realty was honoring the brand's 100th year in Carmel. The creative ad campaign that ran in all local publications displayed the appreciation towards the area's beauty, history, and lifestyle of the Monterey Peninsula.

• 2013 MARKET RECAP •

ACTIVE LISTINGS : 62

The number of Active Listings on the MLS in Pebble Beach at the end of 2013 was 62, only slightly higher than the 59 at the end of 2012. A few notable shifts in the number of Active Listings, when compared to this time last year, include the number of properties priced between \$1-2M more than doubling from 8 to 18, while the number priced between \$3-5M dropped from 19 to 6 and the number priced over \$10M doubling from 4 to 8. As with last year, the number of Active Listings clearly represents a historically low inventory level, especially when compared to the 132 Active Listings that were on the market in August of 2010. However there continues to remain a sizable but shrinking hidden inventory of "discreetly available" properties not currently listed on the MLS.

PENDING SALES : 14

The number of Sale Pending properties in Pebble Beach at the end of 2013 was 14; nearly the same number as the 13 at the end of 2012, with almost the same exact pricing breakdown as a year ago. Of the 5 properties in escrow priced under \$1M, 3 were sold right away after hitting the market and I expect all will close very near to their List Price. Of the 4 properties in escrow listed for more than \$2M, 3 went under contract within 90 days of being listed, while the other had been on and off the market for many years and was listed for just under \$5M in the Country Club part of Pebble Beach.

CLOSED ESCROWS : 121

2013 was another very strong year in terms of sales in Pebble Beach with 121 properties closing escrow, a slight decrease from the 128 that closed in 2012. Properties continue to sell faster as the average Days on Market, according to the MLS, was 117 days representing 23% less time than the 152 Average Days on Market for the properties that sold in Pebble Beach in 2012. Of the 121 sales in 2013, 40

(33%) were sold essentially as soon as they hit the market or without ever hitting the MLS – this compared to the 29 (24%) in 2012. A 32% increase from the prior year is reflective of the increased velocity with which buyers are moving into our local market. Additionally, 33 (27%) of the 121 properties that closed were sold for their full asking price – this compared to the 39 (32%) of 2012.

This high number further illustrates how the increased level of demand is squeezing our market. The Average Sales Price of the 121 properties that closed escrow in Pebble Beach in 2013 was \$2,245,321, a 35% increase from the \$1,661,808 in 2012 and was the highest average sales price in Pebble Beach since 2008.



SALES & INVENTORY SUMMARY

CURRENT INVENTORY

<u>LIST PRICE</u>	<u>Active</u>	<u>Pending</u>
Less than \$1,000,000	8	5
\$1,000,000 - \$2,000,000	18	5
\$2,000,000 - \$3,000,000	12	2
\$3,000,000 - \$5,000,000	6	2
\$5,000,000 - \$10,000,000	10	0
\$10,000,000 and over	8	0
<u>Total</u>	62	14

2013 SALES

<u>SALES PRICE</u>	<u>1st Q</u>	<u>2nd Q</u>	<u>3rd Q</u>	<u>4th Q</u>	<u>Totals</u>
Less than \$1,000,000	17	11	16	8	52
\$1,000,000 - \$2,000,000	13	3	7	10	33
\$2,000,000 - \$3,000,000	6	2	5	2	15
\$3,000,000 - \$5,000,000	1	3	6	2	12
\$5,000,000 - \$10,000,000	0	3	1	1	5
\$10,000,000 and over	1	1	2	0	4
<u>Total</u>	38	23	37	23	121

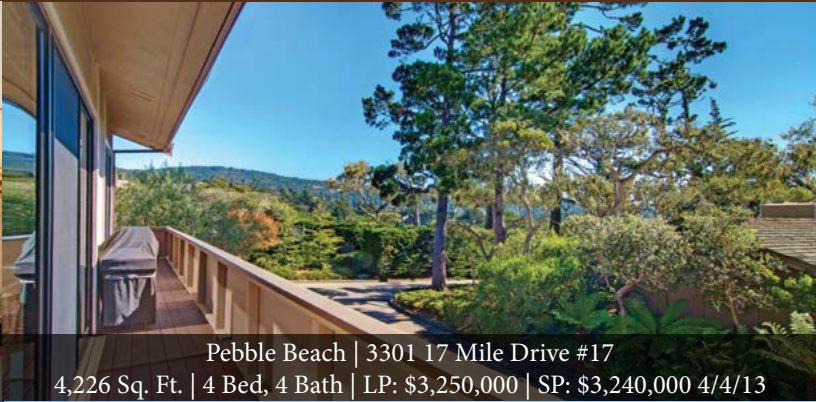
6-YEAR MARKET REVIEW

<u>SALES PRICE</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2012</u>	<u>6-Year Average</u>
Less than \$1,000,000	22	27	38	47	57	52	40.5
\$1,000,000 - \$2,000,000	32	25	23	24	43	33	30
\$2,000,000 - \$3,000,000	15	8	10	10	13	15	11.8
\$3,000,000 - \$5,000,000	14	6	7	11	6	12	9.3
\$5,000,000 - \$10,000,000	6	3	4	3	8	5	4.8
\$10,000,000 and over	2	0	2	2	1	4	1.8
<u>Total</u>	91	69	84	97	128	121	98.3
<u>Avg. Days on Market</u>	219	152	152	174	152	117	161
<u>Avg. Sales Price</u>	\$2,449,332	\$1,729,192	\$2,022,394	\$1,741,782	\$1,661,808	\$2,245,321	\$1,974,971

PETER BUTLER 2013 SOLD PROPERTIES



Pebble Beach | 1104 Arroyo
1,957 Sq. Ft. | 2 Bed, 2 Bath | LP: \$950,000 | SP: \$800,000 3/16/13



Pebble Beach | 3301 17 Mile Drive #17
4,226 Sq. Ft. | 4 Bed, 4 Bath | LP: \$3,250,000 | SP: \$3,240,000 4/4/13



Pebble Beach | 1601 Sonado Road
6,934 Sq. Ft. | 4 Bed, 5 Bath+ | LP: \$8,950,000 | SP: \$7,450,000 5/16/13



Pebble Beach | 3032 Cormorant
2,500 Sq. Ft. | 3 Bed, 3 Bath | LP: \$3,500,000 | SP: \$3,135,000 6/28/13



Pebble Beach | 3061 Bird Rock
4,452 Sq. Ft. | 4 bed, 3 Bath+ | LP: \$2,250,000 | SP: 2,050,000 7/12/13



Pebble Beach | 1440 Riata Road
6,264 Sq. Ft. | 4 Bed, 4 Bath+ | LP: \$3,999,000 | SP: \$3,750,000 8/6/13



Pebble Beach | 1 Arbor Lane
5,057 Sq. Ft. | 5 Bed, 4 Baths | LP: \$4,500,000 | SP: \$4,450,000 9/20/13



Pebble Beach | 3301 17 Mile Drive #13
2,951 Sq. Ft. | 3 Bed, 2 Bath+ | LP: 4,350,000 | SP: 4,000,000 10/7/13



Pebble Beach | 1039 Parkway Drive
1,848 Sq. Ft. | 3 Bed, 2 Bath | LP: \$1,250,000 | SP: \$1,205,450 11/19/13



Pebble Beach | 1525 Viscaino Road
4,644 Sq. Ft. | 4 Bed, 4 Bath+ | LP: \$3,400,000 | SP: \$3,250,000 12/20/13

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ACTIVE LISTINGS



Pebble Beach | \$16,900,000

Main House: 4 Bed, 4 Bath ~ Guest House: 2 bed, 3 bath | Sq. Ft.: 4933, Lot Size: 2.74 acre | www.StillwaterCoveestate.com



Carmel-by-the-Sea | \$6,950,000

Sq. Ft. 4,290 | 4 Bed, 4.5 Bath | www.CarmeloAnd13th.com



Pebble Beach | \$4,200,000

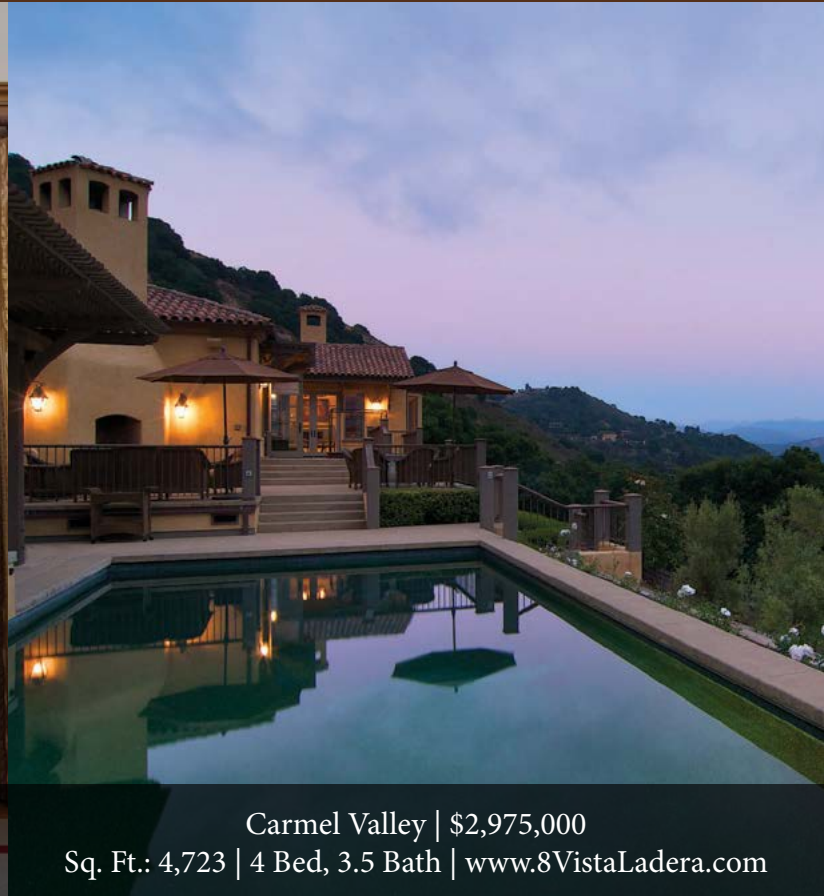
Sq. Ft.: 7,807 | 4 Bed, 4.5 Bath | www.3106Flavin.com

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ACTIVE LISTINGS



Pebble Beach | \$3,900,000
Sq. Ft.: 7,358 | 6 Bed, 6.5 Bath | www.3130Flavin.com



Carmel Valley | \$2,975,000
Sq. Ft.: 4,723 | 4 Bed, 3.5 Bath | www.8VistaLadera.com



Pebble Beach | \$2,700,000
Sq. Ft.: 3,316 | 3 Bed, 3 Bath | www.PBTownhouse19.com



Pebble Beach | \$2,595,000
Sq. Ft.: 2,927 | 5 Bed, 4 Bath | www.2930BirdRock.com



CARMEL REALTY COMPANY
ESTABLISHED 1913

PETER BUTLER

Lives, Works & Plays in Pebble Beach!

C: 831.277.7229 | F: 831.250.5225

PeterButler@CarmelRealtyCompany.com | www.PeterButlerProperties.com



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