

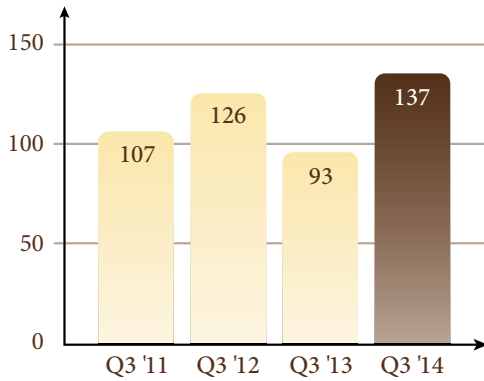


CARMEL VALLEY, CA

MARKET REPORT - SEPTEMBER 2014

The Median Price for homes sold in Carmel Valley in Q3 of this year (\$875,000) is off about 8% from the same quarter of 2013 (\$947,500) and off of the highs seen in the last quarter of 2013 (\$1,198,000) and the first quarter of 2014 (\$1,187,000). Even with those declines, the health of the Carmel Valley market continues to trend upward albeit at a more modest rate than other area markets.

CARMEL VALLEY
AVERAGE DAYS ON MARKET BY QUARTER



The number of homes for sale in Q3 2014 is down 12.6% from Q3 of 2013 with an increase of 22.7% of homes going under contract and properties closing escrow as well, at 16.7%
Days on Market (DOM) of Under Contract Properties in Carmel Valley was up significantly from the same quarter last year, by 47.3% from 93 days in Q3 2013 to 137 days in Q3 2014. When considered on a monthly basis, it is clear that most of this increase was properties going under contract in August (with DOM of 192) while September saw a dramatic drop to an average of 40 DOM for under contract properties. Likewise

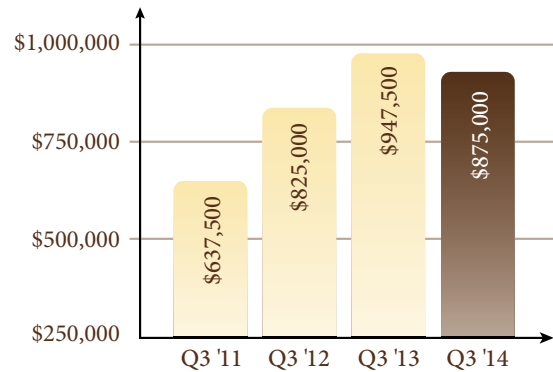
September's Median Price of Sold property was a modest step up from August and July.

In our markets, Carmel Valley does have the distinction of being most aligned with the market in terms of pricing. Closed escrows in the last quarter sold at an average of 95% of their final list price with 20% of the 35 homes selling at list price, or above. Thirty four percent of Carmel Valley homes that sold, entered escrow within 21 days of listing in the MLS.

Although Days on Market extended in August and Median Price doesn't have the same growth as in other markets, Carmel Valley remains an area where buyers who have defined their criteria are watching the market closely for a match. Once a match occurs, they are moving quickly to enter negotiations with the seller in hopes of reaching a deal. Homes that the market perceives as improperly priced are taking as long as a year and a half, and in another, over two and a half years to sell.

Malone Hodges, Managing Broker

CARMEL VALLEY
MEDIAN PRICE SOLD BY QUARTER



CARMEL VALLEY
SUPPLY AND DEMAND BY QUARTER

