

Scott & Bob's

SOLANA BEACH REAL ESTATE BRIEFING

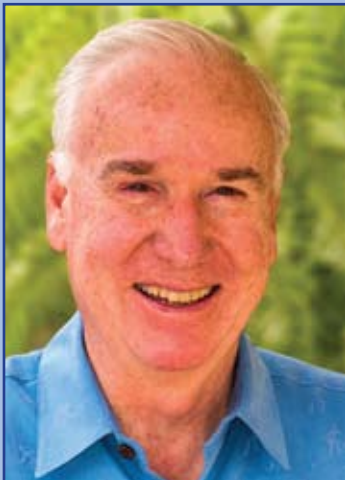
“Taking Stock as We Enter Fall”

OCTOBER, 2014



Photo by Sharon Griswold

Fletcher Cove Sunset



Moving Lives
Forward!

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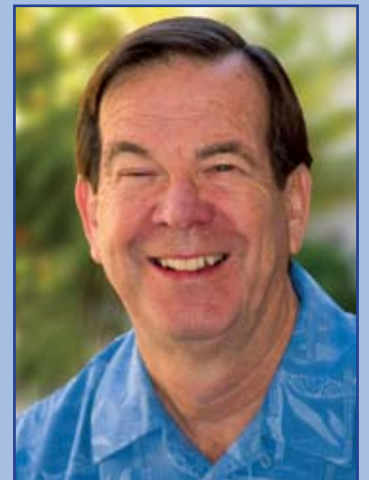
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“Taking Stock as We Enter Fall”

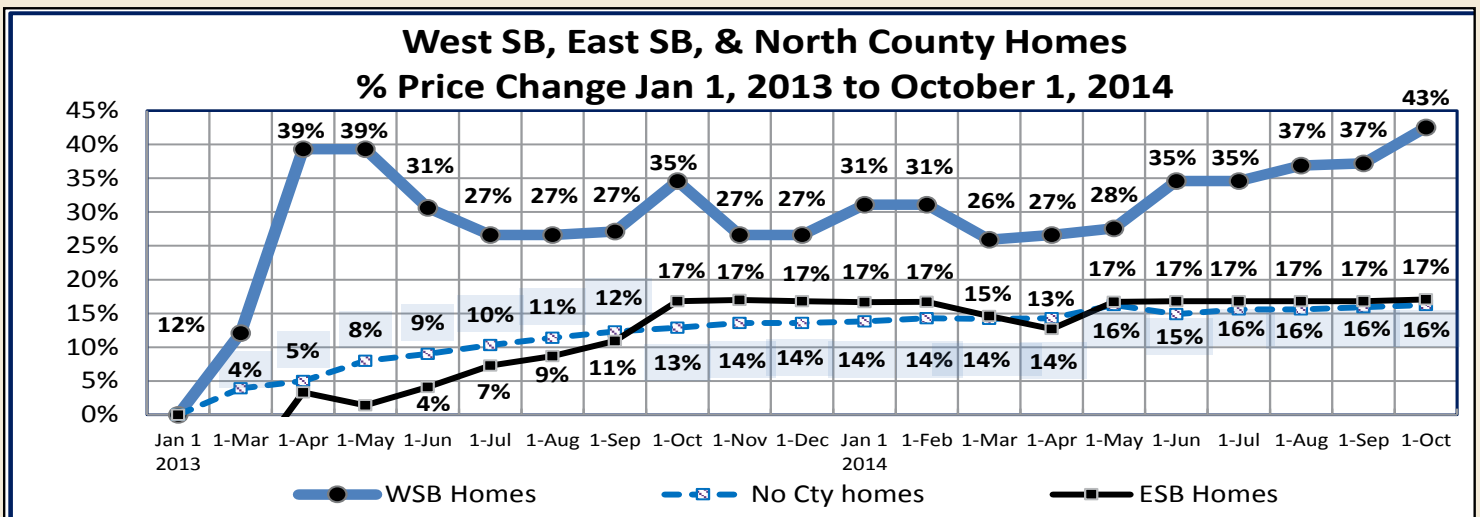
So let's take stock as we enter Fall & the last 3 months of 2014. **Prices are still nudging upwards** for coastal North County, West Solana Beach homes, & Solana Beach condos. **But the market has slowed.**

Coastal North County homes are up 16% for the past 21 months (chart below). **West Solana Beach homes** are up 43% for the past 21 months! **East Solana Beach homes** are up 17% for the past 21 months. **Lomas Santa Fe homes** are up 14% for the past 21 months (chart on back). **Coastal North County condos** are up 28% (chart on back). **Solana Beach condos** are up 22% for the past 21 months (chart also on back page).

As you can see in our “Synopsis” on the back page, there were 25 homes for sale in WSB & 10 in escrow as we entered October. In ESB, there were 12 for sale & only 1 in escrow. **Our projections for the NUMBER of sales in 2014 vs. 2013 (see Synopsis) is more than last year for coastal North County homes & condos & also for WSB.**

On the other hand, **there is a HUGE discrepancy in East Solana Beach & Lomas Santa Fe.** The number of East Solana Beach homes projected to sell this year vs. last year is only 49%. And our Lomas Santa Fe projection is for only 37% of the number of sales last year. Yikes!

Despite an overall “nudging up” trend in prices, **our sense is that the market is cooling.** Many homes in the last 90 days are just not selling despite low inventory & low interest rates. In September, there were only 6 home sales in Solana Beach & 10 condo sales. Our two favorite homes in WSB & our two favorite homes in ESB have all been on the market for over 100 days. Buyers are still pouncing on homes priced low or in the buyer-perceived sweet spot, but many other properties are not moving. The market is adjusting & buyers & sellers are in a more stalled position. **Sellers are not reducing their prices enough & buyers are not jumping in until they do.**



“It is easy to see why Scott & Bob are constantly the top sellers”

“We were looking for a home in Solana Beach for almost a year when we were blessed to meet Scott & Bob. They have a very easy going style that we felt very comfortable with. Their experience was truly unmatched. They study the real estate market in our area one house at a time. They were incredibly responsive & so kind. With such experience & integrity, it is easy to see why they are constantly the top sellers in this area. We met a lot of agents before we made our purchase but none have the complete package like Scott & Bob.”



Natalie & Frank Bittar
(& Lina & Michael)

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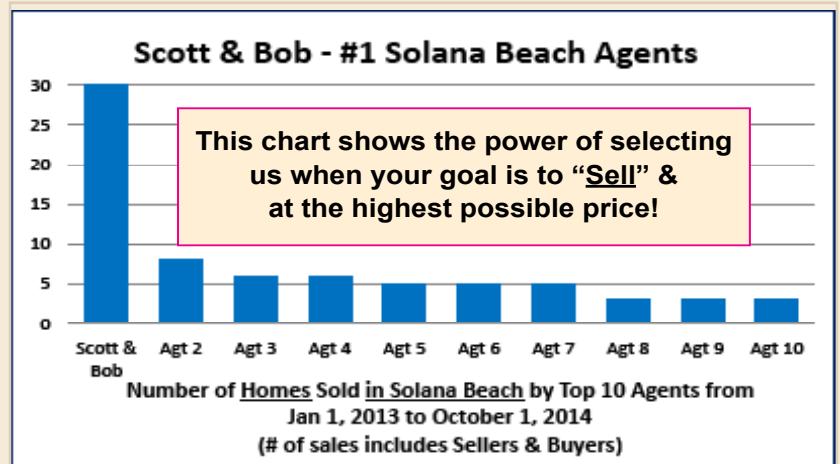
“Our Advice to Sellers & Buyers”

Succeeding in this **slower market** requires some very refined insights & skills. If our closest friend asked us for candid, honest advice on selling, here's what we'd say:

On price, don't be headstrong. Listen to the market. We know this is incredibly difficult because sellers often have a “number” they “want” or think it “should be.”

Here's an example. A seller listed with us but at \$500,000 over our recommendation - & then stayed at that price for about a year. We kept advising them to move to the “highest **POSSIBLE** sweet spot” & pointed out the accuracy of our predictions on price - within 1% (see Synopsis on back). After a year, they changed agents & moved to our recommended price. A few months later, it sold - for \$100,000 below the price we could have easily achieved at the beginning - all because they got stuck in their own price bubble & missed a hotter market.

We understand. It's painful to lower to a price below your expectations. But there is a price we call the “**Highest POSSIBLE sales price.**” We direct enormous energy into knowing every home that is active, pending, & sold so we can be deeply tuned in to that highest possible sales price. This is a huge value to our sellers!



This is also where our negotiating finesse kicks in with enormous power! Buyers want to pay the “lowest possible price” & often submit offers showing the lowest “comps” & point out the slower market. Sellers who use less-informed agents often then sell too low. Not with us! Because we have privately calculated the “highest POSSIBLE sales price,” we are in a strong “knowledge position” to negotiate for that price. In fact, we often need to educate the buyers (& their agents) to help them see this value.

Key piece of advice. **Don't be cheap on commission. Do it right.** You get what you pay for. Saving half a percent or even a percent on commission will usually cost you double that in the final outcome. Why? Because we deliver the highest possible price! To do that takes enormous resources, money, marketing, & negotiating savvy. Honestly, it doesn't get better than that! We don't cut corners. We do for our sellers EXACTLY what we would do to sell our own home & at the highest possible price.

So what advice do we give to our buyers?

About 25% of our clients are buyers & we are very effective in helping them buy wisely. Obviously, with a buyer, our goal is to get the right property at the lowest possible price.

Our most successful buyers take the time to “know” the market intimately. We set up searches for them so they are “in the flow of possibilities” that match their needs. We discuss new properties as they come on the market & help our buyers have the information & insight to act intelligently & decisively.

Even though the market seems slower, buyers are still competing against multiple offers when a property is priced “low” or close to the “buyer sweet spot.” It costs nothing to make an offer & many sellers, & agents, are surprisingly flexible on price because they are motivated and ready for it all to be over.

As you get to know us through these monthly “Briefings,” you can see that our goal is help our clients be very successful sellers & buyers. We are honest, open, & full of valuable information for our clients - & we don't push. We give empowering advice from our hard-earned position as the #1 agents in Solana Beach. We look forward to serving you with all our expertise!

**Solana Beach's
1 Agents**

**Scott Peck
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Visit our website. See what our clients say about us

www.ScottandBob.com

Scott Peck & Bob Griswold Exclusive 2014 Price Report

Solana Beach & Coastal North County Sales Overview (to October 1, 2014)

Community	# Sold	Median Sale Price 2007 (high point)	# Sold	Median Sale Price 2012	# Sold	Median Sale Price 2013	% Change 2013 vs 2012	# Sold in 2014	Median Sale Price 1/1/13 to 10/1/14 (last 21 mo)	% Change 1/1/13 to 10/1/14 (last 21 mo)
All SB Homes (92075)	72	\$1,237,500	96	\$955,000	114	\$1,100,000	15%	58	\$1,180,500	24%
WSB Homes (W of I-5)	39	\$1,450,000	51	\$1,070,000	60	\$1,402,500	31%	39	\$1,525,000	43%
ESB Homes (E of I-5)	33	\$1,020,000	45	\$920,000	54	\$1,073,500	17%	19	\$1,077,000	17%
LSF Homes (Santas)	18	\$880,000	29	\$875,000	43	\$999,000	14%	11	\$997,000	14%
Solana Beach Condos	82	\$642,500	128	\$545,000	140	\$622,500	14%	109	\$665,000	22%
Carlsbad 92008 & 92010	262	\$675,000	354	\$547,474	355	\$635,000	16%	249	\$652,500	19%
Carlsbad 92009 & 92011	629	\$843,900	893	\$705,000	847	\$785,000	11%	556	\$805,000	14%
Cardiff Homes	64	\$929,000	70	\$887,000	88	\$961,250	8%	56	\$982,500	11%
Encinitas Homes	389	\$879,000	474	\$822,500	466	\$870,000	6%	305	\$879,000	7%
Carmel Valley Homes	438	\$1,000,000	489	\$875,500	515	\$1,015,000	16%	362	\$1,055,000	21%
Del Mar Homes	136	\$1,525,000	174	\$1,325,000	188	\$1,495,645	13%	145	\$1,550,000	17%
All Coastal N Cty Homes	1990	\$ 894,500	2549	\$ 757,000	2573	\$ 861,450	14%	1731	\$ 880,000	16%
All Coastal N Cty Condos	1132	\$470,000	1321	\$359,000	1454	\$433,884	21%	1023	\$459,000	28%

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Data from Sandicor, Inc. to 10/1/2014 & represents properties listed or sold by various brokers. If your property is currently listed, this is not meant as a solicitation.

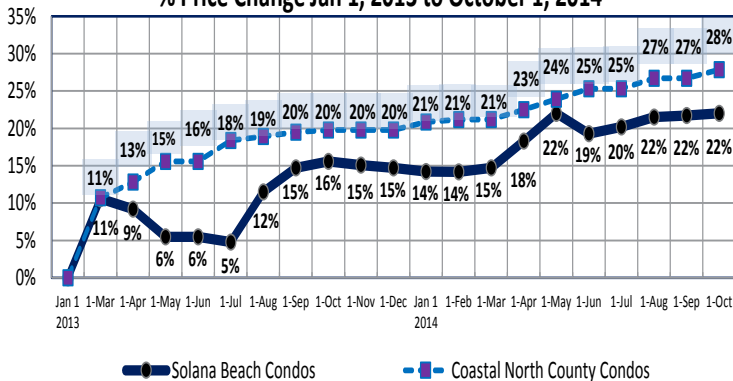
Scott & Bob Quick SYNOPSIS of Solana Beach & Coastal North County Sales - October 1, 2014

Community	# Sales in 2013	# Sales in 2014	In Escrow	For Sale	Projected % of Sales vs	AVG List Price of 2014 Sales	AVG Sales Price 2014	Avg Sq Ft	Sales Price vs List Price	Accuracy of Our Estimates*	Sale Price per Sq Ft	# of days to sell
West Solana Beach	60	39	10	25	109%	\$ 1,758,103	\$ 1,718,067	2425	-2.3%	-1%	\$ 709	137
East Solana Beach	54	19	1	12	49%	\$ 1,198,042	\$ 1,187,837	2594	-0.9%	-0.8%	\$ 458	41
Lomas Santa Fe	43	11	1	6	37%	\$ 1,045,727	\$ 1,026,181	2189	-1.9%	-0.8%	\$ 469	53
Solana Beach Condos	140	107	9	28	110%	\$ 825,280	\$ 798,269	1438	-3.3%	N/A	\$ 555	52
Coastal North Cty Homes	2573	1731	280	649	104%	\$ 1,197,165	\$ 1,146,224	2741	-4.3%	N/A	\$ 418	40
Coastal North Cty Condos	1454	1023	201	264	112%	\$ 556,356	\$ 543,461	1374	-2.3%	N/A	\$ 396	37

* We privately estimate the sales price for EVERY home for sale in Solana Beach - by all agents. When it sells, we check to see how well we did so we can be fine-tuned to the market. This column shows how close we come to estimating the actual sales price - **close to 1% accuracy!** By comparison, Zillow's computer-driven estimates, strive to be within 10% accuracy. **Just another reason we are the #1 agents in Solana Beach!**

Scott & Bob: Wisdom & Clarity in the Deluge of Data

Solana Beach Condos vs North County Condos
% Price Change Jan 1, 2013 to October 1, 2014



Lomas Santa Fe Homes vs North County Homes
% Price Change Jan 1, 2013 to October 1, 2014

