

“Half-Year Review: What’s the Scoop?”

JOHN & KATIE REAL ESTATE BRIEFING

JULY 2015



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Cliff Hangers.....

21 days is a long time!

When a buyer & seller reach agreement & a home goes into escrow, 21 days is how long we & our sellers usually have to wait - & wait - for the loan contingency to be removed. During this period, the physical inspection & appraisal contingencies are also due, adding further uncertainty to closing on time.

In a recent escrow, where we represented the seller, the buyer's lender was late on some important paperwork and that 21 days kept extending until the buyers got upset with their lender & decided to pay cash. Most buyers wouldn't be able to do that.

So our sellers felt great relief that the buyers were able to pay cash because they had already made an offer on another property & THEIR 21-day contingency period was now due. But then their lender ran into a snag - missing just one IRS verification of income statement, potentially adding another 10 days to the escrow. This wasn't going to sit well with the other party. Our client actually drove up to the Orange County IRS office despite being informed they would not help. Well, they got the statement, and the deal closed with a happy buyer & seller. Whew!

So welcome to our world of cliff hangers. We & our sellers go through this 21-day uncertainty period with almost every sale. And this might surprise you. Our team figures that we spend 40% of our talent & energy to get a home into escrow at the highest possible price. The remaining 60% is devoted to bringing our clients through the escrow period to the finish line. There are often an endless barrage of problems that need good solutions. That's one huge reason why we serve our clients as a team & never pass this work off to assistants. It's just too important.

When you're ready to sell, this is a big reason to select us. We negotiate for the highest possible price. We get into escrow. But, just as importantly, we get to "sold" by solving lots of tough problems. This is how we move lives forward.

"I honestly feel like we will be thanking John & Katie till the day we die for finding us this house!!!"



“We are so thrilled to have had the opportunity to work with John & Katie. Not only did they help us find our dream home, but it was truly a pleasure to work with them. John & Katie are professional, responsive, thoughtful, & always one step ahead. They listened to what we wanted most & worked tirelessly & creatively to see that we got it. Throughout the transaction & ensuing transition we felt fully supported & grateful for their guidance. Now that all is said & done, we not only consider John & Katie to be the greatest realtors, but also dear friends. We cannot recommend them highly enough!”

Meg & Allan Goldstein

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The Brother-Sister Expert Team

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Half-Year Review: What's the Scoop?

We're in a strong market. That's the bottom line. It's valuable to look at the combination of forces that are shaping real estate in 2015.

- Inventory remains much tighter than normal. That means that there are less homes for sale than usual.
- This low inventory, however, doesn't mean a slow market. Just the opposite. The low inventory is causing buyers to leap on new homes for sale & often compete against multiple offers. For example, we are representing a couple moving here from the Midwest. They have flown out twice to look at homes in Encinitas - & missed out on several due to multiple offers.
- Despite the low inventory, the number of sales this year, compared with last year at this point is strong in the more upscale communities of Leucadia & Olivenhain. Leucadia is up 53% and Olivenhain is up 68%.
- Encinitas as a whole is up 17% in number of sales, however, Encinitas NOT including Leucadia & Olivenhain is down 9%. This is why we separate out these communities. It gives you a more accurate picture of the market. See chart above.
- Interest rates continue to be low. It's obvious that rates are going to tick up "soon," but it keeps getting delayed.

Sales Summary by Community - 1/1/2015-6/29/2015					
Community	For Sale	Pending	Sold in 2015 to 6/29/15	Sold in 2014 to 6/29/14	% change in # sold
West Solana Beach Homes	16	7	29	24	21%
East Solana Beach Homes	6	3	18	11	64%
Cardiff Homes	20	8	40	38	5%
Encinitas Homes	105	71	236	201	17%
Encinitas Homes (Not Oliv or Leu)	57	53	141	155	-9%
Encinitas Condos	33	35	107	99	8%
Olivenhain Homes	23	6	42	25	68%
Leucadia Homes	38	19	55	36	53%
Carlsbad Homes	242	187	545	523	4%
Coastal North County Homes	826	415	1280	1253	2%
Coastal North County Condos	249	216	704	697	1%

So what's happening to prices?

The word "strong" comes up again. You can see the complete picture on our back page, but here are some key statistics:

- Encinitas median prices are up 12% over last year. Olivenhain median prices are also up 12% over last year - & the average price is up 24%. Leucadia median prices are up 9%. Encinitas, NOT including Olivenhain or Leucadia, is up 3%.
- Cardiff is up 22% over last year - but 7% in average price. West Solana Beach median prices are up 14% - with a 24% increase in average price.
- The only community in coastal North County where prices have decreased is Del Mar. Their median price is down 6% over last year. But (& this is a big "but") Del Mar is the third highest in actual median price for coastal North County - a median sales price of \$1,525,000. Only Rancho Santa Fe & WSB are higher than that.

Moving Lives Forward!

We're a powerful team. We provide extraordinary quality of service to our clients & develop wonderful relationships over time. Our focus is to help our clients achieve their goals with ease & success. When you're ready for the "highest & best," call us. You'll be so happy you did!



John



Katie



Scott



Bob

**The Brother-Sister
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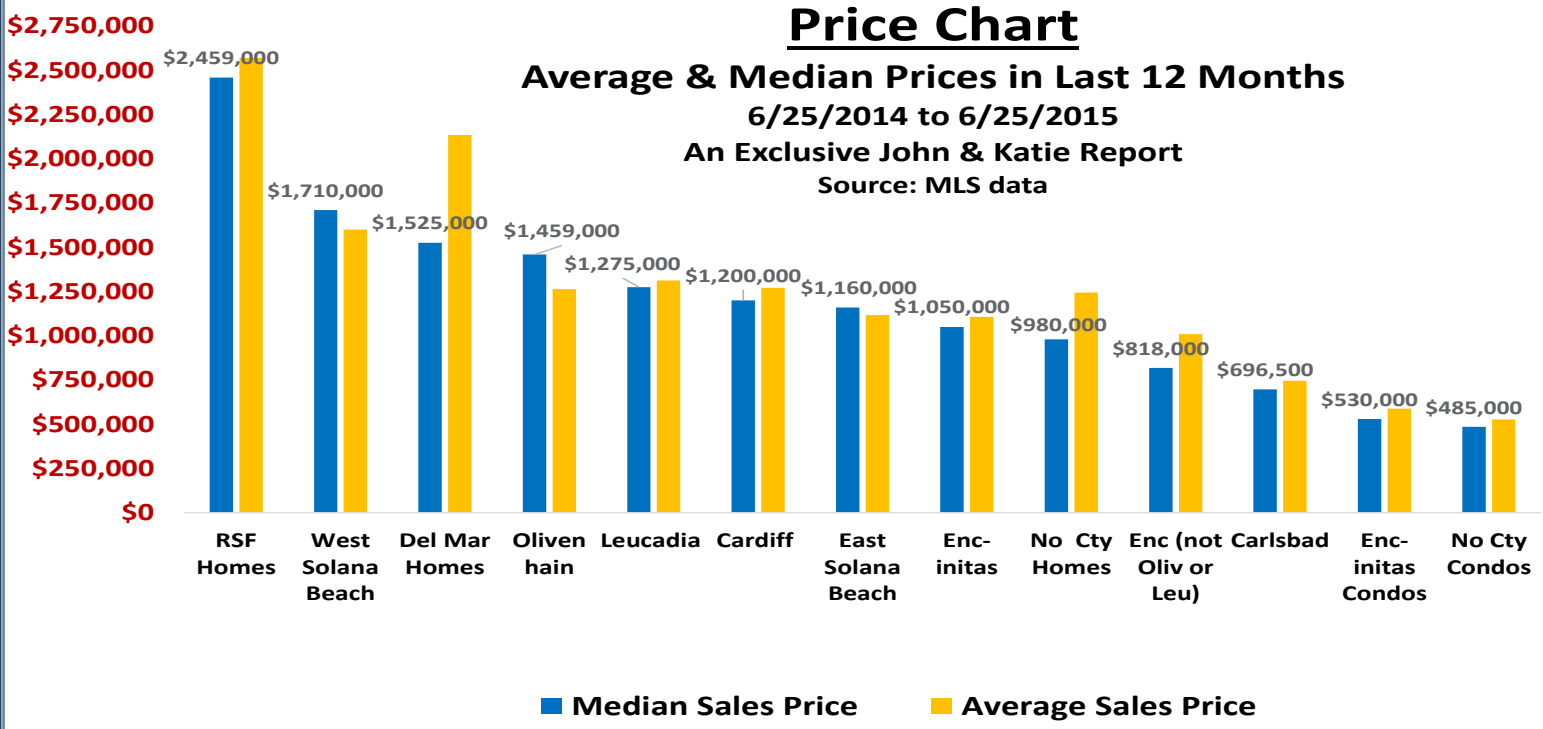


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