



Laguna Beach Real Estate Magazine

December 2022 | 2022 Review | 2023 Outlook | [Edition #90]



SOLD MEDIAN \$2,200,000 - 100,000 | **\$ PER SQ FT** \$1,198 - 148 | **SUPPLY** 7.6 MONTHS + 1.0 | **CLOSING RATIO** 80% - 8

Laguna Plunges \$1.6M Dec to Dec

January Surge in Forecast | Few Sellers | Fewer Buyers

Laguna Beach real estate's post COVID journey has been extraordinary. April 2020's median was \$1,475,000. Fast forward twenty months of robust demand and collapsing supply to December 2021 and the same monthly median was at \$3,795,000 – a stunning 157% rise. Last June, after massive rate hikes emasculated demand, median prices corrected to \$2,365,000. By August we were back at \$3,600,000. November and December, as I predicted, monthly prices declined. The median plunged \$1,300,000 and finished the year

at \$2,200,000. Now, with a 94% probability, the monthly median will rise again this month. Likely, the move will be huge. These puppies, clearly, are not done going up. Charts page 5

COVID has been quite the disrupter. Some COVID trends have come and gone. Some are still with us.

After the reopening, buyers rushed in. Now, they are mostly absent. In the depths of the shutdown, April 2020, there were there were only 15 closed sales. June 2021, with a pronounced influx Continued page 3



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A broker since 2004, Boyd Roberts has closed or overseen the closing of over 800 real estate and mortgage transactions exceeding \$250M.

December 2022 Closing Detail

	Address	Date	Original Price	Closing Price	Reduction	% Reduc	\$ Sq Ft	DOM
1	1797 Temple Hills Drive, Laguna Beach, CA 92651	12/20/2022	\$ 4,900,000	\$ 5,499,999	\$ (599,999)	-12.2%	\$ 1,980	4
2	1240 Roosevelt Lane, Laguna Beach, CA 92651	12/12/2022	\$ 1,225,000	\$ 1,306,666	\$ (81,666)	-6.7%	\$ 1,082	9
3	989 La Mirada Street, Laguna Beach, CA 92651	12/9/2022	\$ 1,500,000	\$ 1,518,000	\$ (18,000)	-1.2%	\$ 1,091	5
4	1015 Madison Place, Laguna Beach, CA 92651	12/29/2022	\$ 2,695,000	\$ 2,724,000	\$ (29,000)	-1.1%	\$ 966	10
5	276 Cajon Street, Laguna Beach, CA 92651	12/28/2022	\$ 2,295,000	\$ 2,295,000	\$ -	0.0%	\$ 2,957	6
6	496 Pearl Street, Laguna Beach, CA 92651	12/19/2022	\$ 3,195,000	\$ 3,000,000	\$ 195,000	6.1%	\$ 1,889	44
7	252 Wave Street, Laguna Beach, CA 92651	12/5/2022	\$ 3,995,000	\$ 3,750,000	\$ 245,000	6.1%	\$ 1,816	34
8	470 Hawthorne Road, Laguna Beach, CA 92651	12/16/2022	\$ 3,989,000	\$ 3,500,000	\$ 489,000	12.3%	\$ 2,316	6
9	31630 2nd Avenue, Laguna Beach, CA 92651	12/8/2022	\$ 2,295,000	\$ 1,950,000	\$ 345,000	15.0%	\$ 1,461	110
10	2140 Temple Hills Drive, Laguna Beach, CA 92651	12/30/2022	\$ 2,595,000	\$ 2,200,000	\$ 395,000	15.2%	\$ 1,198	65
11	1096 Madison Place, Laguna Beach, CA 92651	12/8/2022	\$ 2,399,000	\$ 1,930,000	\$ 469,000	19.5%	\$ 855	45
12	1480 Bluebird Canyon, Laguna Beach, CA 92651	12/19/2022	\$ 1,200,000	\$ 950,000	\$ 250,000	20.8%	\$ 1,077	45
13								
14	Not used in calculations		Median	\$ 2,200,000	\$ 195,000	6.1%	\$ 1,198	44

of buying, there were 64. Since then, volume collapsed. The number of December closings – at 12 – was the lowest I have ever documented. In fact, the most recent 3-month, 6-month, and 12-month periods all registered the lowest activity I have ever documented. In 2021 568 residences sold. In 2022 322 residences sold. As best I can tell, this is the largest drop in closing volume, year over year, ever.

Escrow activity mirrors closings. May 1, 2020, there were 29 open escrows. A year later there were a record breaking 77 open escrows. As of the January 1 that number was 13: an 83% decline. Said another way, it is a good time to be a buyer. (Call me). Competing hordes are not out there bidding against you on your preferred property.

Four COVID trends are still intact.

One, buyers – by a factor of 25% - are paying more for smaller homes. The 3-month median dollars per square foot best illustrates this trend. Over October, November, and December the median \$PSF was \$1,602, an 85% rise since May 2020. In the comparable period the 3-month sold median was up only 60%.

Two, open escrows – by factor of 26% - are more likely to close. The pre-COVID median closing ratio was 64%. The post COVID closing ratio is 81%. Buyers once in escrow are not messing around. They are closing.

Three, few Lagunans are listing their homes for sale. Perhaps they feel trapped with a low in-

terest rate mortgage. Perhaps they do not know where they would go if they did sell. Perhaps they would rather improve their home than sell it. (By the way if you need an awesome Laguna Beach contractor with availability, call me). June 1, 2020 there were 225 residences for sale. As of January 1, 2023, there were only 92: almost half of the 5-year median and the second lowest January I have ever documented. For sure, in the absence of an abundance of supply, Laguna Beach prices cannot go down in a sustained fashion. Certainly, it is a good time to be a seller. Prices are up, your listing will not be competing against multiple comparable properties, and it will get a lot of attention. (Call me).

Four, – although you would not know it

Continued page 7

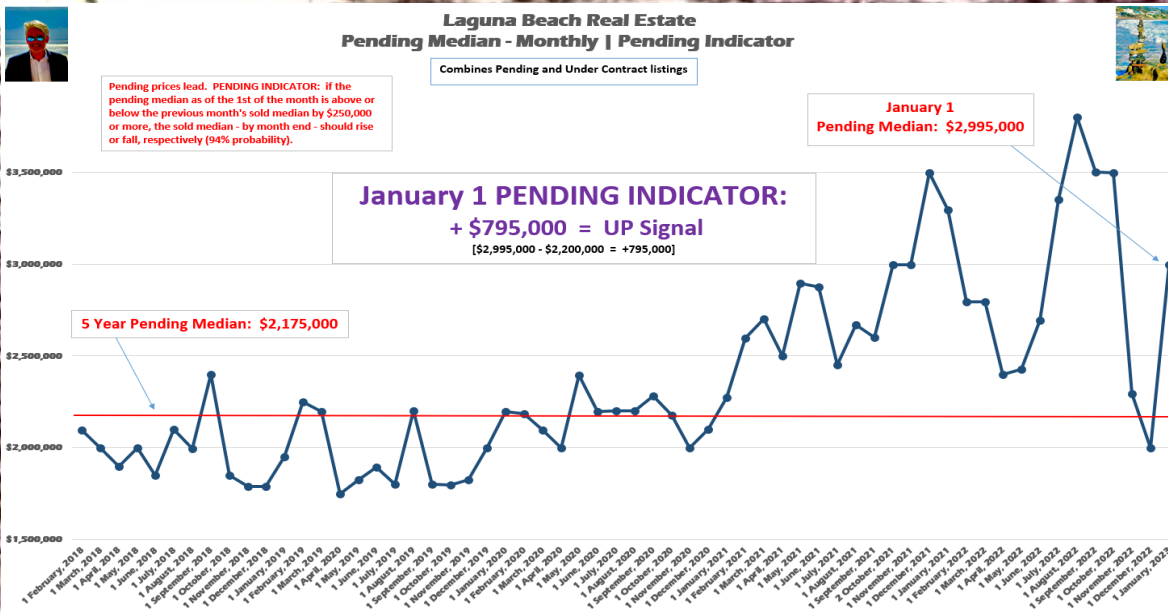
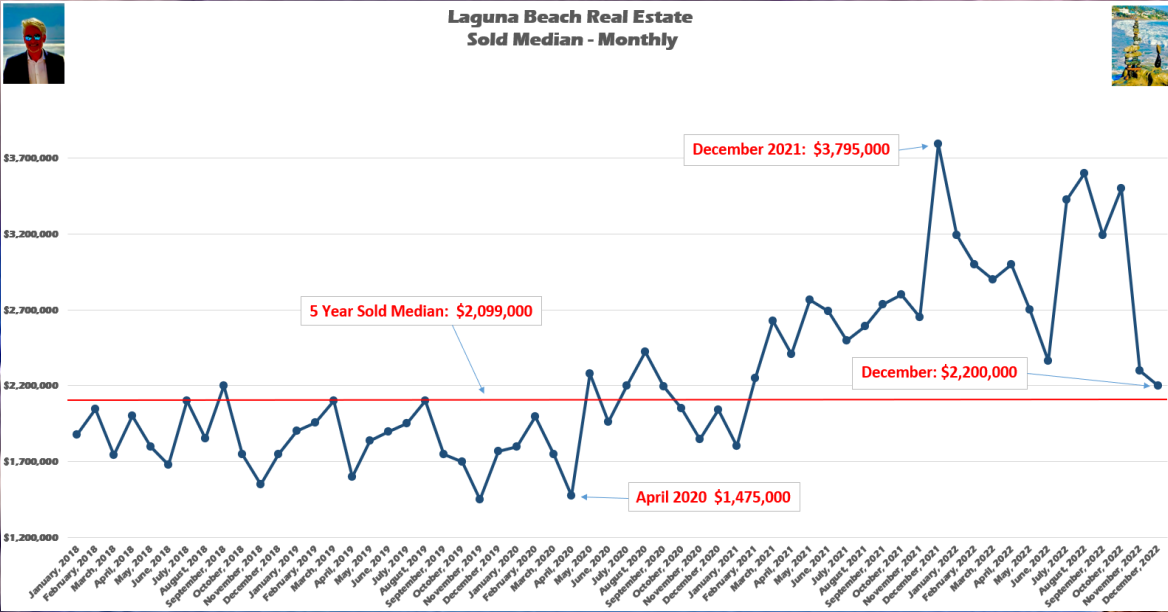
December 2022 Sales Data

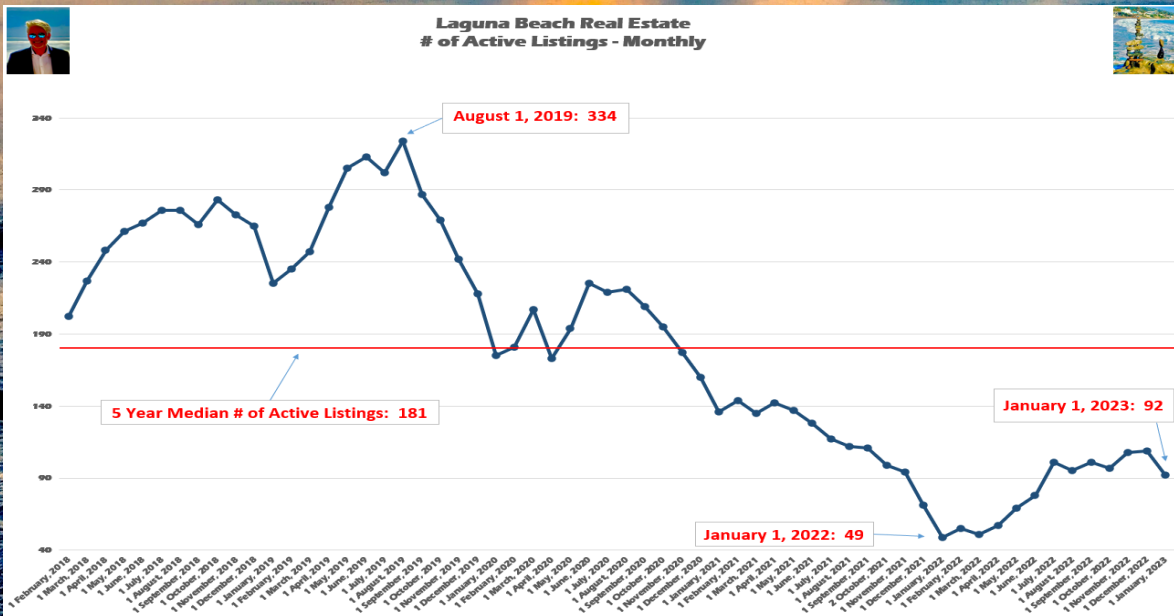
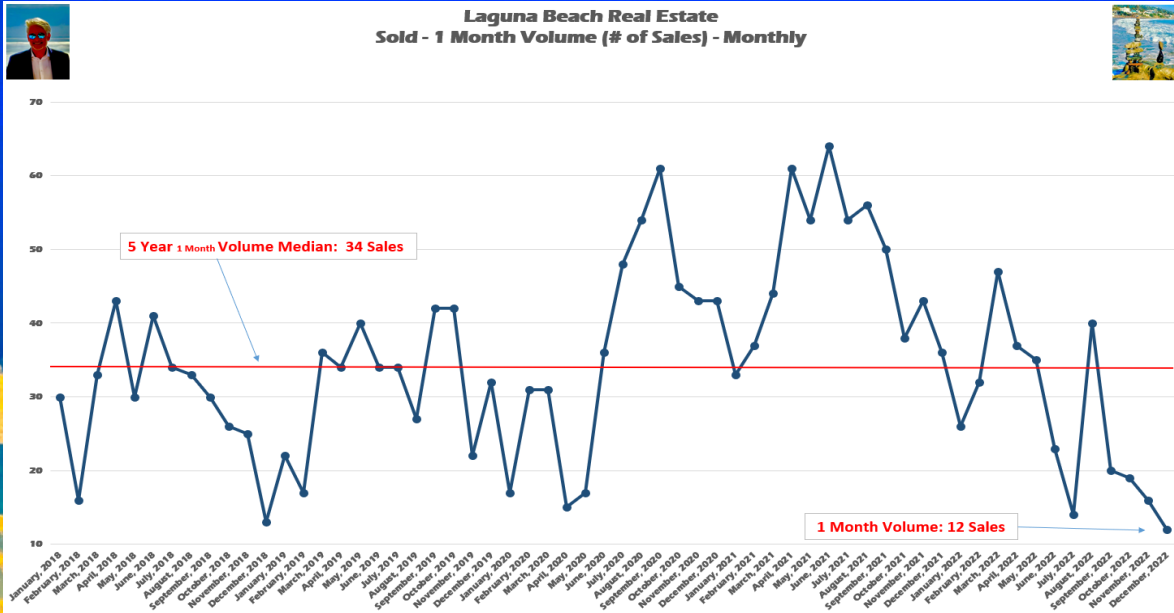
Active Median (As of 1/1/2023)	\$ 3,595,000	92 Listings
\$ per Square Foot Median		\$ 1,700
Pending Median (As of 1/1/2023)	\$ 2,995,000	13 Listings
\$ per Square Foot Median		\$ 1,558
Sold Median December 2022	\$ 2,200,000	12 Sales
Price Reduction Median	\$ 195,000	6.1 %
\$ Per Square Foot Median		\$ 1,198
Sold 3 Month Median	\$ 2,810,000	47 Sales
\$ Per Square Foot Median		\$ 1,602
Sold 6 Month Median	\$ 3,195,000	122 Sales
Sold 12 Month Median	\$ 3,000,000	322 Sales
Price Reduction Median	\$ 95,000	3.2 %
\$ Per Square Foot Median		\$ 1,541
Sold 2021 Median	\$ 2,650,000	568 Sales
Sold 2022 Median	\$ 3,000,000	322 Sales
PENDING INDICATOR (Pending - Sold)		+ \$ 795,000
SPREAD (Active - Sold)		+ \$ 1,395,000
December Absorption (Sold to Active Ratio)		13 %
December Pending Absorption (Pending to Active Ratio)		14 %
December Closing Ratio (Pending to Sold)		80 %
December Supply	7.6 Months	Balanced Market
December 3 Month Supply	5.8 Months	Balanced Market
\$1,499,999 -	4.7 Months	Seller's Market
\$1,500,000 - \$1,999,999	5.0 Months	Balanced Market
\$2,000,000 - \$2,999,999	3.7 Months	Seller's Market
\$3,000,000 - \$4,999,999	9.0 Months	Buyer's Market
\$5,000,000 - \$9,999,999	3.2 Months	Seller's Market
\$10,000,000 +	25 Months	Buyer's Market

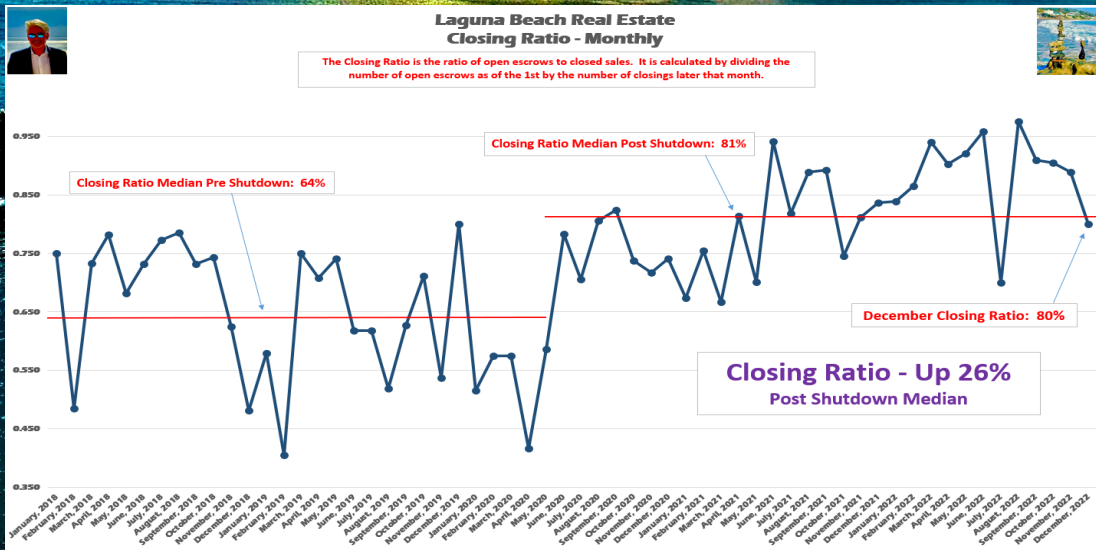
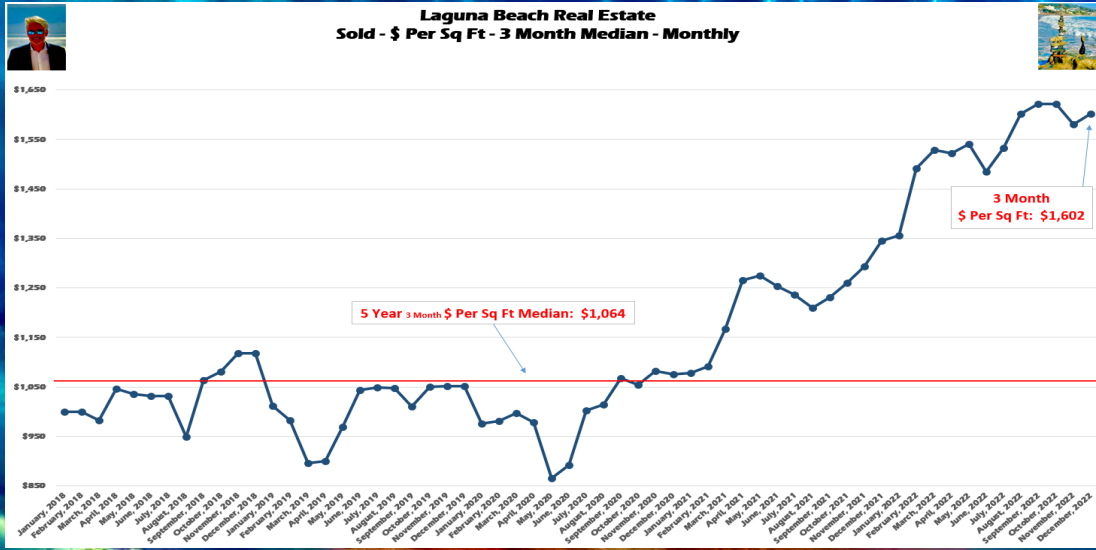
Balanced Market 5 to 7.9 Months

Price Forecasts

Short-Term PENDING INDICATOR Forecast for January	Up Signal
Short-Term SPREAD INDICATOR Forecast for January	No Signal
Long-Term PRICE INDICATOR Forecast for 2023	No Signal







if you follow year-over-year prices – the market is much more volatile. Right out of the gate, May 2020 the sold median was up 54 percent - Laguna’s biggest move ever. December 2021 was up 43 percent. July

2022 was up 44 percent. Rounding out the four biggest moves in Laguna’s history, November 2022 was down 34 percent. By the way, all these moves were forecasted, in real time, in this space, by this

broker.

To access the world’s preeminent source of Laguna Beach real estate data and information, go to my website. Have an excellent new year.

All charts at www.LagunaGalleryRealEstate.com/charts



Need Help?

I wish everybody would want to look great feel great be great and I love helping people achieve those goals usually it's in the way they carry themselves by their fashion the things that they bring into their home and office to bring style and design I love to re-create what people have to give him a new sense of himself there's always something new you can do wherever you go you can feel new you don't have to be in the past with all things because we have opportunities to change that every day and I'd love to be

part of that creative process of change and beauty and Transforming I know people go through a lot internally also and I have always shared great gifts that I have myself that help me pull through the dark times into the light every day because there is so much good and so much light and so much to be grateful and appreciative for I'd like to focus and help other people focus on those attributes that we all have.

Who is my perfect customer somebody who knows specifically what they want and what they need they just don't know how to get it where do I find my clients I find them from people that share my expertise with them and they shared me with the next I love referrals it's a much better platform for me

And how do I work I always consult on face time or in their home office or closets

I always go in and I make a clear plan so that my special person I'm helping really sees that I'm getting the job done in the time that we have allotted For the job

What kind of jobs have I finished the last two years?

One client has to travel for business and I help her put many many outfits together for her trips I help her pack pick out her accessories clothing etc.

Another was in her gigantic closet for her and her husband and it took months and months to organize things but she is so happy and has sent me four clients donated recreating many outfits so she can shop in her own closet.

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