



Laguna Beach Real Estate

August 26, 2018 | \$5-10M Report

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My Take

Over the last year, 19 \$5-10M homes have sold in Laguna Beach at the rate of 1 sale every 19.2 days. As of August 26th, there are 38 such properties listed for sale, not including off market, pocket listings. At this rate of sales, it would take exactly two years to sell the current inventory. Said another way, it is a buyer's market. In any 19 day period, one buyer can pit 38 sellers against each other.

Four facts from the report:

- The median price reduction was \$750,000 or 9.9%.
- The median days on market was 168 days.
- The highest price reductions correlated somewhat with the longest time on the market: 30% of sales in the highest quintile of price reductions were also in the highest quintile for the longest time on the market.
- The lowest price reductions correlated highly with the shortest time on the market: 60% of sales in the lowest quintile of price reductions were also in the lowest quintile of time on market.

Clearly, many of these homes are overpriced. Clearly, Laguna's \$5-10M market is not exempt from the laws of supply and demand.

In real estate price is everything. No agent – no matter the reputation or how great the marketing plan – can get a buyer to over pay for a property, even in Laguna Beach. When a home is overpriced – especially in a buyer's market – it is rendered relatively illiquid. Fewer buyers will look at or even consider looking at an overpriced home let alone make offers. Pocket listings are even more illiquid.

When illiquid properties do sell – many times – they ultimately sell at a lower price than if home had been originally listed at a true market price. Illiquidity wears on sellers and they often capitulate.

This broker's take: save time and money by listing your home at the market price from the start.

\$5-10M Market Summary

ACTIVEs (As of August 26, 2018)

Median Price	\$6,995,000
Total # of Listings	38 Listings
Median CDOM	75 Days
Median Price per Square Foot	\$ 1,805

PENDINGs/Under Contract (P/U) (As of August 24, 2018)

4 Listings

SOLDs 50 Most Recent (May 31, 2016 to August 26, 2018)

Total # of Closings	50 Closings
Average Price Reduction	\$ 1,008,118
Average Price Reduction as a %	11.8 %
Median Price Reduction	\$ 750,000
Median Price Reduction as a %	9.9 %
Average Combined Days on Market (CDOM)	194 Days
Median Combined Days on Market (CDOM)	168 Days
Average \$ Per Square Foot	\$ 1,966
Median \$ Per Square Foot	\$ 1,726

Rate of Sales: 19 sales in the last year or 1 sale every

19.2 Days

Total Supply of Actives at the last year's Rate of Sales

730 Days or 2 Years

Laguna Beach Real Estate
Last 50 \$5-10M Deals May 31, 2016 to August 26, 2018

	Address	Date	Original Price	Closing Price	Reduction	% Reduct	\$ Per SqFt	CDOM
1	915 Emerald Bay	5/31/2016	\$ 6,900,000	\$ 6,650,000	\$ 250,000	3.6%	\$ 2,216	70
2	11 Emerald Bay	6/27/2016	\$ 8,500,000	\$ 6,000,000	\$ 2,500,000	29.4%	\$ 1,613	779
3	1009 Cliff Drive	8/4/2016	\$ 7,995,000	\$ 7,150,000	\$ 845,000	10.5%	\$ 1,430	413
4	6 Mar Vista	8/29/2016	\$ 6,495,000	\$ 5,850,000	\$ 645,000	9.9%	\$ 3,096	224
5	322 Emerald Bay	10/5/2016	\$ 7,995,000	\$ 7,525,000	\$ 470,000	5.8%	\$ 1,428	53
6	1405 Emerald Bay	10/20/2016	\$ 6,200,000	\$ 5,450,000	\$ 750,000	12.0%	\$ 1,135	874
7	10 Emerald Bay	10/26/2016	\$ 10,500,000	\$ 9,325,000	\$ 1,175,000	11.1%	\$ 2,072	206
8	1 Barranca Way	10/28/2016	\$ 7,995,000	\$ 7,795,000	\$ 200,000	2.5%	\$ 2,514	444
9	31107 Coast Highway	11/4/2016	\$ 8,500,000	\$ 6,500,000	\$ 2,000,000	23.5%	\$ 2,166	168
10	1100 Emerald Bay	12/6/2016	\$ 7,980,000	\$ 5,850,000	\$ 2,130,000	26.6%	\$ 1,279	262
11	31671 Sea Bluff Lane	1/9/2017	\$ 5,950,000	\$ 5,000,000	\$ 950,000	15.9%	\$ 1,027	644
12	648 Canyon View Drive	1/16/2017	\$ 6,995,000	\$ 5,000,000	\$ 1,995,000	28.5%	\$ 435	23
13	1025 Emerald Bay	2/27/2017	\$ 8,495,000	\$ 7,600,000	\$ 895,000	10.5%	\$ 1,305	169
14	8 Rockledge Road	3/6/2017	\$ 9,995,000	\$ 8,500,000	\$ 1,495,000	14.9%	\$ 1,781	224
15	998 Emerald Bay	3/13/2017	\$ 6,000,000	\$ 6,000,000	\$ -	0.0%	\$ 1,692	1
16	132 Emerald Bay	3/14/2017	\$ 5,900,000	\$ 5,600,000	\$ 300,000	5.0%	\$ 1,881	0
17	66 Emerald Bay	3/20/2017	\$ 14,150,000	\$ 8,450,000	\$ 5,700,000	40.2%	\$ 3,974	240
18	1013 Emerald Bay	3/24/2017	\$ 8,995,000	\$ 6,900,000	\$ 2,095,000	23.2%	\$ 1,500	245
19	514 Emerald Bay	3/27/2017	\$ 6,850,000	\$ 6,450,000	\$ 400,000	5.8%	\$ 1,437	168
20	4 Emerald Bay	4/10/2017	\$ 5,650,000	\$ 5,650,000	\$ -	0.0%	\$ 1,309	0
21	2566 Monaco Drive	4/10/2017	\$ 8,995,000	\$ 8,200,000	\$ 795,000	8.8%	\$ 1,768	56
22	920 Emerald Bay	5/3/2017	\$ 6,300,000	\$ 6,300,000	\$ -	0.0%	\$ 1,726	3
23	2506 Altamar Drive	5/4/2017	\$ 7,995,000	\$ 7,500,000	\$ 495,000	6.1%	\$ 1,636	7
24	39 N Stonington Road	5/8/2017	\$ 8,250,000	\$ 7,000,000	\$ 1,250,000	15.1%	\$ 1,295	298
25	631 Cliff Drive #B1	5/22/2017	\$ 4,999,900	\$ 5,000,000	\$ (100)	0.0%	\$ 3,095	2
26	845 S. Coast	6/9/2017	\$ 5,900,000	\$ 5,500,000	\$ 400,000	6.7%	\$ 2,070	223
27	7 Shreve Drive	6/29/2017	\$ 6,610,000	\$ 6,610,000	\$ -	0.0%	\$ 2,285	31
28	405 Dartmoor	8/17/2017	\$ 7,950,000	\$ 7,950,000	\$ -	0.0%	\$ 1,590	29
29	738 Cliff Drive	8/21/2017	\$ 5,975,000	\$ 5,416,000	\$ 559,000	9.3%	\$ 1,692	116
30	49 N La Senda Drive	8/22/2017	\$ 6,500,000	\$ 6,400,000	\$ 100,000	1.5%	\$ 2,000	0

31	677 Mystic Way	8/25/2017	\$ 5,900,000	\$ 5,300,000	\$ 600,000	10.1%	\$ 1,217	98
32	951 Cliff Drive	8/31/2017	\$ 10,500,000	\$ 8,500,000	\$ 2,000,000	19.0%	\$ 5,617	196
33	120 Irvine Cove Court	9/20/2017	\$ 9,950,000	\$ 7,850,000	\$ 2,100,000	21.1%	\$ 1,275	60
34	433 Emerald Bay	10/17/2017	\$ 5,988,000	\$ 5,650,000	\$ 338,000	5.6%	\$ 1,430	336
35	517 Emerald Bay	10/23/2017	\$ 7,695,000	\$ 6,495,000	\$ 1,200,000	15.5%	\$ 1,501	148
36	253 Emerald Bay	11/1/2017	\$ 6,300,000	\$ 5,900,000	\$ 400,000	6.3%	\$ 1,247	169
37	31107 Coast	11/10/2017	\$ 7,995,000	\$ 7,200,000	\$ 795,000	9.9%	\$ 2,400	36
38	31951 Coast Highway	3/30/2018	\$ 5,995,000	\$ 5,000,000	\$ 995,000	16.5%	\$ 2,083	170
39	765 Gaviota Drive	4/18/2018	\$ 9,750,000	\$ 9,500,000	\$ 250,000	2.5%	\$ 2,149	182
40	12 S La Senda Drive	4/19/2018	\$ 7,995,000	\$ 6,655,000	\$ 1,340,000	16.7%	\$ 2,609	223
41	844 Emerald Bay	4/24/2018	\$ 8,199,000	\$ 7,595,000	\$ 604,000	7.3%	\$ 1,526	337
42	2191 Ocean Way	4/26/2018	\$ 8,775,000	\$ 6,800,000	\$ 1,975,000	22.5%	\$ 2,833	807
43	620 Mystic Way	4/30/2018	\$ 5,995,000	\$ 5,140,000	\$ 855,000	14.2%	\$ 1,428	249
44	1119 Emerald Bay	5/7/2018	\$ 9,100,000	\$ 9,100,000	\$ -	0.0%	\$ 2,294	3
45	532 Emerald Bay	6/8/2018	\$ 7,750,000	\$ 6,825,000	\$ 925,000	11.9%	\$ 1,751	114
46	922 Emerald Bay	6/12/2018	\$ 8,650,000	\$ 8,100,000	\$ 550,000	6.3%	\$ 1,192	72
47	12 Lagunita Drive	6/27/2018	\$ 7,500,000	\$ 6,450,000	\$ 1,050,000	14.0%	\$ 2,555	93
48	3 Stickley Drive	7/17/2018	\$ 6,495,000	\$ 6,200,000	\$ 295,000	4.5%	\$ 2,170	16
49	53 Emerald Bay	8/2/2018	\$ 8,995,000	\$ 7,000,000	\$ 1,995,000	22.1%	\$ 4,206	124
50	8 N La Senda Drive	8/9/2018	\$ 9,995,000	\$ 6,250,000	\$ 3,745,000	37.4%	\$ 2,375	289
51								
52				Total	\$ 50,405,900			
53	Highest Quintile			Average	\$ 1,008,118	11.8%	\$ 1,966	194
54	Lowest Quintile			Median	\$ 750,000	9.9%	\$ 1,726	168

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This "\$5-10M" report tracks the last 50 deals closing between \$5,000,000 and \$9,999,999.

Boyd Roberts was licensed as a salesperson in 2002 and as a broker in 2004. Individually and as a broker he has closed or overseen the closings of over 800 real estate and real estate loan transactions in excess of a \$1/4 billion. Year to date he has closed \$4,930,000. He has a BA in Economics from CSUSB. He was a licensed commodities broker for 14 years.

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