

The LITTLE WOODS

Santa Barbara Real Estate

By Harry Kolb

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Estate Sales Remain Strong

Across the country, the usual exclusive residential communities are reporting the same general market conditions: The lower or mid-price range of homes was slower last year than in 2005, but the estate market was very strong.

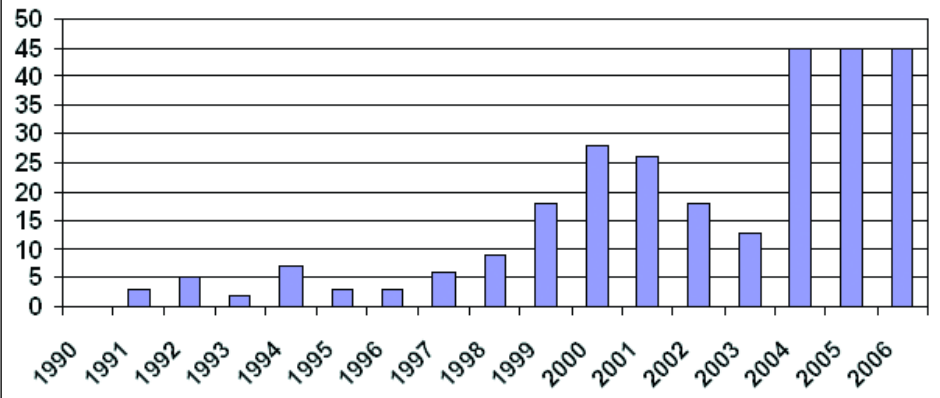
Here in the Santa Barbara area, the story is the same. During 2006 the total number of homes sold was down 19% and the median price was down 2% compared to 2005, while the number of homes sold above \$5 million was equal to the last two banner years.

Supporting the fact that the estate market was strong last year is the comparison of how close sale prices were to the last asking price of those homes sold: The percent has increased from 91% in 2004, to 92% in 2005, up to a near-record high of 94% last year. A very healthy 11 estate homes sold within the first 90 days of coming on the market compared to 13 during each of the previous two years – both of these comparisons illustrate a very healthy estate market.

Also reflecting the ever increasing market value of all our homes on the south coast was the healthy number of estates that sold for over \$8 and \$16 million. Last year we sold 18 homes for over \$8 million compared to 20 and 16 in the two previous years, and we had 5 sales over \$16 million compared to 6 in 2005 and only 2 in

Santa Barbara Area Homes Sold Over \$5 Million 1990 - 2006

To see further statistics on the current market visit www.HarryKolb.com and click "Market Trends"



2004. The most expensive residential property sold in our area last year for \$28.5 million and was, of course, listed and sold by Sotheby's International Realty.

Because so many of our estate buyers come from other exclusive

communities back east, it's always a good idea to know how their markets are performing.

In Manhattan, security firm bonuses this December set an all-time high of \$23.9 billion and helped fuel a very healthy real estate market. Down from an annual appreciation rate of 20% just a few years ago, 2006 saw a 6% rise in the price of apartments. The last quarter saw a definite surge in the general market with the number of sales up 15% over the same period the previous year.

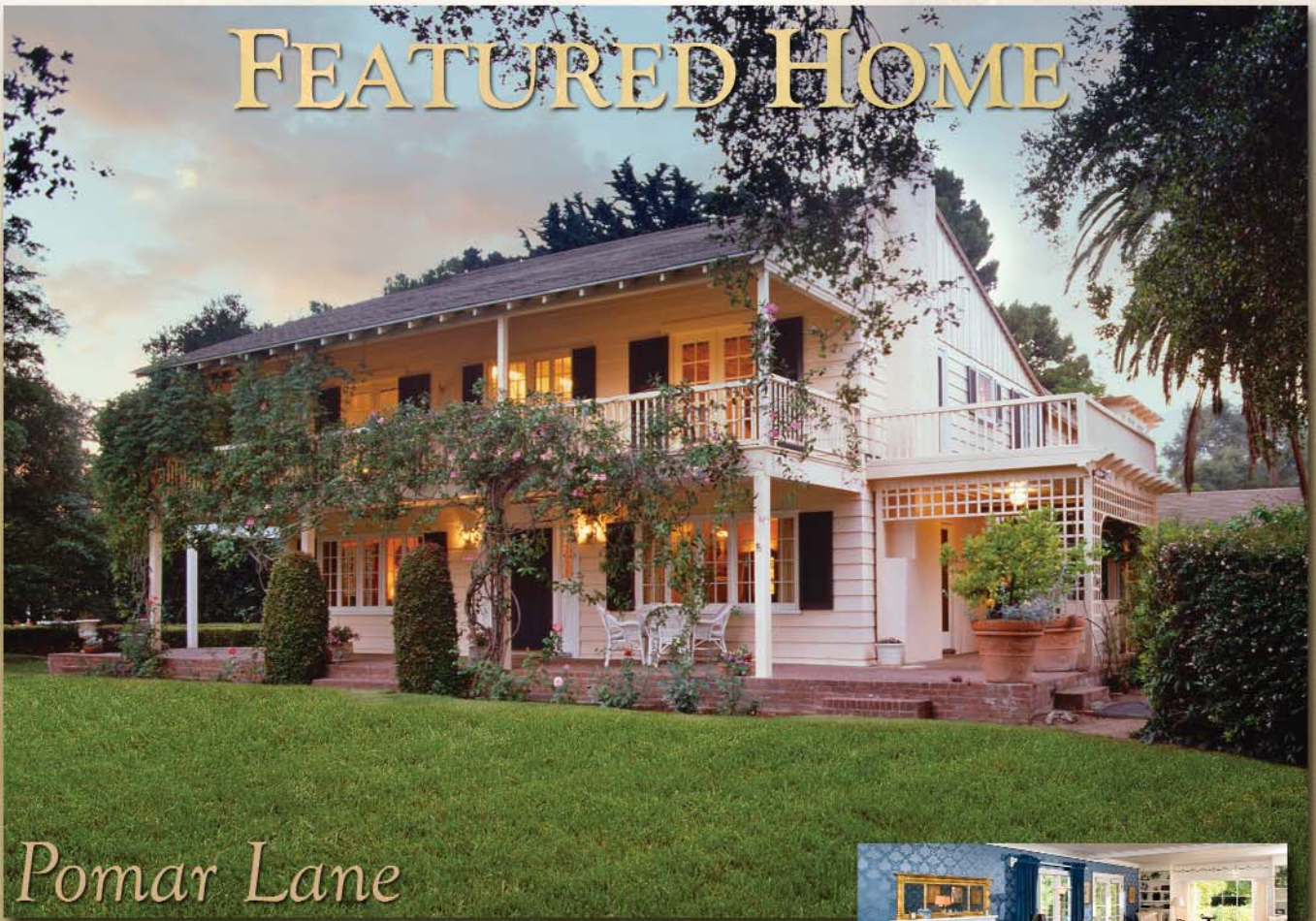
During the housing boom, prices for second homes in vacation hot spots across the U.S. soared. But now, as the real estate market slows, price tags in some areas are declining. Vacation locales in all price ranges are experiencing a slowdown – from

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This is your quarterly report on the sale of estate properties in the Santa Barbara area. These updates are sent as a courtesy to clients and friends by Harry Kolb. For further information, Harry may be reached at (805) 565-8633.

FEATURED HOME



Pomar Lane

MONTEREY COLONIAL

Originally built around 1918 by Robert S. Hyde, owner of Union Realty Company, this home features a formal center hall floor plan, extensive wood moldings and hardwood floors to warm each room, along with bright, small-pane shuttered windows and French doors to bathe each room with natural sunlight.

Offered at
\$3,995,000

This home is now a most sought after renovation candidate offering architecture, provenance, and the best in family locations.

Set on approximately 1.25 level acres in the prestigious Hedgerow district of Montecito,

this very private property includes specimen live oak trees, formal boxwood and rose gardens, a large hedged motor court for guest parking, a rear garden Gazebo and reflecting pond, a separate maid's apartment, a three-car garage and a wonderful two-story guest house with its own two-car garage.

This perfect Montecito family location is in close proximity to the beach, private schools, Montecito Union public grade school, Manning Park, the YMCA and the upper and lower village.



Properties Represented by Harry Kolb



Para Grande \$29,500,000



Llano \$25,900,000



Robledal *Confidential*



Olgivy \$16,900,000



Woodley \$11,900,000



East Mountain \$8,750,000



Llano \$6,950,000



Alston \$7,495,000



Bella Vista \$6,450,000



East Mountain \$6,200,000



East Mountain \$5,995,000



Mesa \$5,750,000



Malaga \$5,495,000



Park \$5,495,000



Pomar \$3,995,000

Estate Sales cont...

enclaves like Lake Tahoe and the Hamptons. Sales dropped 35% in the first half of last year in Lake Tahoe, 14% in Southampton and 19% in East Hampton. The most sluggish market segment was the homes priced below \$5 million. Homes over that level were doing quite well.

Florida has perhaps been the hardest hit state for falling home prices in the general market, down 30% last year. But homes priced above \$10 million were weathering the storm. In Palm Beach, the number of homes sold was down, but the average sales price was up 5% for an average of \$4.38 million. Palm Beach also had 42 homes sell above \$5 million – very similar to Santa Barbara's number of 45.



This G.W. Smith Olgilvy Estate, listed at \$16,900,000, was sold by Harry in October of 2006.

And finally, in its latest consumer trend study, Architectural Digest has united with Sotheby's International Realty Affiliates, Inc. to find that affluent homeowners are planning to acquire additional residences in the near future. One in three Architectural

Digest subscribers intend to acquire a secondary/additional home in the next two years – and of those AD subscribers who already own three or more homes, 49 % plan to acquire an additional home within two years. Quick, we need more inventory!

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