



View From The Shores

DECEMBER 2016

SALES ACTIVITIES

Some years can have markers that set them apart from others. This year was definitely a year that will stand out in my mind for many reasons. The start of 2016 had more activity during the first quarter than the previous year. This year we saw more demand, which could have been from a pent-up demand due to three years of very low inventory. We are seeing a younger buyer. These buyers are positioning themselves for a completely different lifestyle contemplating their retirement. Along with the buyers, weekend visitors in Coronado haven't slowed down. The streets continue to overflow with day trippers. It is the perfect place to get out of the city of San Diego and the surrounding areas and spend a day or two here. They only wish that they could afford to buy here.

When the summer months hit, the sun worshipers were spread across the beach towel to towel on the weekends. Orange Avenue was bumper to hood to bumper, which made it difficult for pedestrians to reach their favorite restaurant or watering hole. A must visit was to the newly remodeled Brigantine for lunch or dinner. There seemed to be a pent-up demand for everything Coronado. In speaking with a restaurant owner and a woman's high end store owner, they said it was the strangest summer on record for them. The restaurateur who owns four eating establishments said it was "weird". That was the best word he could come up with. Their July and August numbers were down. Lots of visitors and locals but not enough people spending. We found that to be the same at The Shores for the month of August. Lots of lookers at property, but reluctant to make an offer. Our rental department had the same remarks. We had a full house for July and few unrented properties for August, but the office was very quiet. Speaking with several building managers, they said the same thing, "it was a very easy summer". The tenants weren't calling about small things, parking issues or the overcrowded pool, they were happy or just complacent. That word complacent just might be what we experience this year and maybe everyone was holding their breath until the election was over. Our sales office activity picked up after August and the demand for

ownership at Coronado Shores started back in September and hasn't let up yet. We will end the year of 2016 with strong sales and happy clients. The following units have closed since my last *View*.

ONE BEDROOMS

El Camino	0707	\$1,150,000	May
Cabrillo	1405	\$ 980,000	June
La Princesa	0810	\$ 925,000	June
El Camino	0503	\$ 737,500	June
El Mirador	0110	\$ 887,500	June
La Princesa	0605	\$ 965,000	July
La Princesa	0606	\$ 950,000	Sept.
Las Palmas	0701	\$ 725,000	Oct.
El Camino	1614	\$ 700,000	Oct.

TWO BEDROOMS

El Camino	0604	\$1,650,000	July
La Princesa	1108	\$1,615,000	July
Cabrillo	1102	\$1,300,000	Aug.
El Encanto	0202	\$1,200,000	Aug.
La Playa	0104	\$1,230,000	Aug.
Las Palmas	0210	\$1,200,000	Sept.
La Princesa	1402	\$1,758,000	Sept.
Cabrillo	0810	\$1,350,000	Sept.
El Encanto	0606	\$1,590,000	Nov.
Las Flores	0906	\$1,326,950	Nov.
La Perla	0402	\$1,562,000	Nov.

TWO BEDROOMS + DEN & THREE BEDROOMS

La Princesa	0807	\$1,950,000	April
Cabrillo	1103	\$1,650,000	May
Cabrillo	707/8	\$2,995,000	May
El Mirador	0904	\$1,825,000	May
Las Flores	407/8	\$2,750,000	June
La Princesa	1104	\$3,250,000	Sept.
La Sierra	0704	\$3,150,000	Oct.

(Sales prices reported are from the MLS and the County Recorder's office)

WHAT'S RENTING ALL ABOUT?

Most of you know that this company was the original sales team that sold all 1467 condos at The Shores. The majority of the buyers were out of towners who had the vision to recognize the value in this unique development. The rental business developed when a buyer wanted to know if we could rent their property for them. It was a simple question that became an enormous advantage of ownership for the part time owner or investor. The City of Coronado has an Ordinance that no dwelling or habitable unit in any residential zone be used as a transient rental. The right to rent a dwelling or habitable unit must be for a period of 26 consecutive days or more. I have tried to research when this Ordinance was written, but have never been able to determine when it came into practice and why. Reading an article on the subject just recently I found that it has been on the books for well over two decades. I hate to bring it up, but I have been in this office over three decades, and we have always quoted the Ordinance. I have always wondered how it came about; was it when The Shores was under construction or was it after the Second World War? No one has been on the job long enough at City Hall to answer my question. The reason why I bring this up, in today's papers from New York to San Francisco, cities are going through the struggle on how to monitor rentals that appear on AIRBNB and VRBO just to mention a few internet overnight success stories that have change neighborhoods and communities. The San Diego City Council can't seem to come to an agreement on how to handle the problem. Today there is nothing in the San Diego municipal code that clearly defines a short-term rental. A proposal was brought before the Council that visitors and tourists would be reclassified as transients if they rented a home for less than 30 days. This proposal didn't come to a vote. In New York the governor in October signed into law some of the toughest restrictions on short-term rentals in the country. There has been a law on the books since 2011 that short-rentals had to be for 30 days, however it wasn't being enforced. But with Airbnb with short term renting as their business, the implications from this new law and enforcement will have a negative effect on the Airbnb business model. They have already spent over \$1 million in a political action committee in New York created to advocate for rental "hosts". Today Airbnb business is under siege across the US. In June Airbnb sued its hometown of San Francisco for fining hosts who have failed to comply with SF regulations of 30 days that took effect last year. One city after the other on the Pacific coast to the Atlantic seaboard are facing the same problem of rentals in residential areas for short term. This new world is very fascinating to me. There are listings in Coronado on these websites for weekend rentals. I have even seen listings at Coronado Shores. This is not what we want or should

have in our community. In the Sunday, November 13, San Diego Union-Tribune newspaper in the business section was a picture of the Hotel del Coronado with a question, "Will the growth of short-term vacation rentals hurt the local hotel business?" When 8 economists were asked the question, 7 said yes it would. Something to think about.

*After 46 years of service to you,
we're still having fun at Coronado Shores*

***WISHING EVERY DAY OF THE
NEW YEAR BE FILLED WITH
SUCCESS, HAPPINESS & PROSPERITY***

Happy Holidays To All!

CORONADO SHORES COMPANY

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And

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*We built them. We sell them.
We lease them.*

Yvonne
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