

THE REPORT

STATE OF LUXURY 2019



**COLDWELL
BANKER** 

**GLOBAL
LUXURY**

www.coldwellbankerluxury.com

EXECUTIVE NOTES

CHARLIE YOUNG | PRESIDENT AND CEO



Changing. Stabilizing. These are a few of the words I've heard that describe the current state of luxury real estate. It's true. We are no longer seeing the record-breaking price appreciation we saw in prime markets across the country, coming out of the financial crisis 10 years ago. But it's important to have a long-term perspective—something we have always emphasized at the **Coldwell Banker**® brand, given our longevity and 112-year history. Case in point: In reviewing North American luxury market data for 2018, single-family luxury home prices fell as much as 5% from one month to the next, yet the median sold price remained right around \$1.4 million over the last 18 months. When you take the long view, the luxury real estate picture is steady and stable.

Hotbeds of luxury home sales at the million-dollar price point and higher can still be found. In the United States, markets such as Seattle, Denver, Dallas, Austin, Atlanta, and Greenwich [Connecticut] are high-end meccas to watch. In Canada, volumes at the equivalent level have surged in Montreal and Victoria. In New York City, the same dynamic has propelled sales but at higher price points above \$4 million. There are still many bright spots to be found on the luxury real estate map—and if you read the latest data and analysis from The Report, you will find them.

The Coldwell Banker brand has made it our mission to provide our network of real estate professionals with the kind of high-level data found in The Report. It's one of the many dynamic resources that distinguishes us here in North America and abroad.



EXECUTIVE NOTES

CRAIG HOGAN | VICE PRESIDENT OF LUXURY



I would like to officially welcome you to The Report: State of Luxury 2019, a full year of luxury in review published by the **Coldwell Banker Global Luxury**® program. What you have in your hands—or on your computer, if you're reading our digital version—is one of the most valuable and buzzed about luxury real estate market resources ever created. Now in our second year of collecting data for The Report, we have included many of the same features from our debut report. (See our recap of 2018 trends on page 6 and our latest list of "Power Markets" on page 28). We have also expanded certain features and put a greater emphasis on North America by including in-depth analyses on Canada and Mexico. Since "global" is in our name, we continue to focus on what's happening in prime markets overseas (see page 80).

The beauty of The Report is that it offers a comprehensive knowledge base provided by leading influencers from The Institute for Luxury Home Marketing, Wealth-X, Unique Homes, and others. Combined with the input from so many real estate agents who are in the trenches and doing the business of luxury real estate every day, the information contained in The Report is powerful and all-encompassing. I encourage Global Luxury Property Specialists to use the information in this report and make it their own. Be the voice of data in your marketplace. As I am fond of quoting Ryan Schneider, chief executive officer and president of Realogy: "Data is the new currency." It powers everything in the luxury real estate world.



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ON THE COVER

View from below Anaha, the perfect blend of urban and island living at Ward Village® — a 60-acre master planned community a collection of highrise residential towers located in the heart of Honolulu. Photo credit: Howard Hughes Corporation. See page 107 for property details.



LUXURY IN REVIEW

2018

THE ENDURING APPEAL OF LUXURY

Common themes emerge from an analysis of luxury home sales data and interviews with Coldwell Banker Global Luxury agents in dozens of markets throughout the United States and around the globe. No two markets are identical, but prices have held up overall, even after rising sharply since the current boom began in earnest in 2013. At the same time, there was a moderation in the pace of luxury home sales in 2018 due to several factors, including increasing inventory levels, elevated pricing, and—to a lesser degree—rising interest rates.

From our annual review of global luxury real estate trends, four themes resonate. The two most prominent are the persistence of demand for high-end properties all around the world, and the ways in which new developments are rising up to meet demand. Another major trend among wealthy individuals is a preference for owning multiple homes in several countries, especially across the borders of the nations of North America.

A final observation from field reports and a review of market data is that communities hit hard by a natural disaster tend to rebound strongly. From hurricanes to wildfires, the historical record shows that luxury markets are resilient in the face of adversity, including news that residents in fire-devastated California communities are already beginning to rebuild after last year's disastrous fires.

LUXURY: A GROWING NICHE MARKET



LUXURY — A GROWING NICHE IN AN UNCERTAIN MARKET

True direction and intensity of trends can be obscured by noise in the data when sample sizes or time frames under consideration are too small. Month-to-month comparisons could lead you to reach faulty conclusions, so it's important to keep a long-term perspective, which is the only proper context in which to view real estate investment and home purchase trends.

Under scrutiny, the current luxury market may appear to be hitting a slowdown, but viewed through a broader lens, the picture is one of stability, as home prices decline marginally, or rise at more sustainable rates than they did coming out of the Great Recession.

In looking at North American luxury market data, single-family luxury home prices have fallen as much as 5% from one month to the next, but over the last 18 months, the median sold price has remained right around \$1.4 million, illustrating a steady stabilization of the market. Attached luxury homes faced as much as an 8% drop month-over-month, yet the median sales price is consistently around \$915,000.¹

INTEREST RATES, AFFORDABILITY INJECT UNCERTAINTY

To jumpstart the global economy coming out of the financial crisis ten years ago, central banks around the world initiated extraordinary monetary policies and slashed short-term interest rates to zero. These policies reinvigorated an appetite for risk taking and boosted returns from assets like stocks and real estate, but monetary authorities are now unwinding the emergency measures. The Federal Reserve began hiking short-term rates in December 2015.

Globally, home values have seen substantial appreciation since the depths of the recession in 2009 and the feverish gains in prices seem to be acting as a natural brake on the market as elevated home prices have already impacted affordability for first-time buyers. Higher mortgage rates would further crimp affordability. Price stabilization, in turn, will naturally cool the appetite of real estate investors, as will the situation of having long-time homeowners not moving in the volumes expected.

UNIQUE MARKETS FOR UNIQUE PROPERTIES

Regarding the impact of the current situation on the outlook for the luxury real estate market in 2019 and

beyond, the most likely scenario to unfold, and one that is unfolding according to data from individual markets, is a slowing of the recent pace of price appreciation at the higher price points, rather than a 2008-like collapse.

The luxury market's slowdown is also related to world trade activities and geopolitics. The affluent population of countries with political and financial uncertainty still find North America and Europe to be highly desirable destinations to invest in real estate and seek asset protection due to stable governments and court systems that observe well-established rules of law. Here again, however, demand from the global investor is reported to be softening of late, with many investors waiting to see if prices will be affected by increasing inventory. Because the global population of ultra-wealthy individuals continues to multiply at a rapid clip, the desire and need for these individuals to diversify their property holdings around the globe also continue to grow. This trend is disguised or may be less than

obvious because many of the properties that these highly affluent buyers are purchasing are not luxury mansions; instead, they may be condominiums, townhomes, or more modest properties.

The ultra-rich have an affinity for buying quantity, and while they don't compromise on quality, they do sometimes elect to own smaller homes artfully created instead of mega mansions or showpiece villas. These homes are architecturally designed to create space, whereas mansions have a lot of wasted space and require more substantial costs for day-to-day living and regular maintenance.

URGENCY ON THE FRONT LINES OF LUXURY

Luxury Realtors in markets all around the world have observed that increasing inventory levels for high-end homes do not automatically mean it's a buyer's market. Instead, new listings with appropriate pricing are wooing back potential buyers previously frustrated by a lack of inventory, especially among homes for sale above \$1 million. Properties in this category continue to flourish not only in North America but globally.

Hotbeds of luxury home sales at the million dollar price point and higher have risen dramatically in U.S. markets such as Seattle, Denver, Dallas, Austin, Atlanta, and Greenwich [Connecticut.] In Canada, volumes at the equivalent level have surged in Montreal and Victoria. In New York City, the same dynamic has propelled sales but at higher price points above \$4 million.²

BREAKING GROUND: THE NEW WAVE OF LUXURY DEVELOPMENT

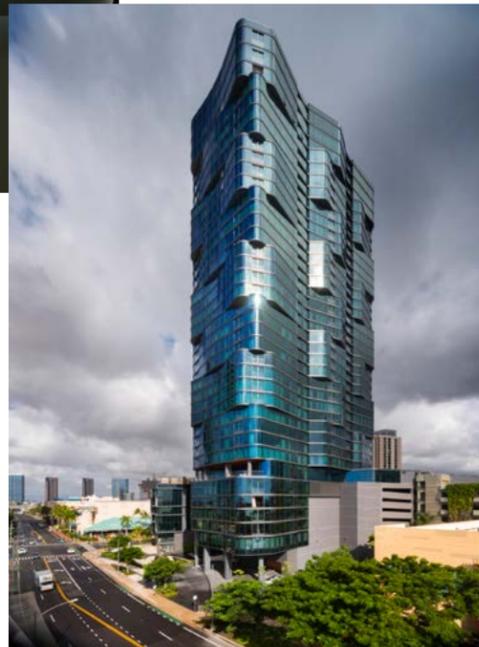


“Pets are really important to owners, especially dogs, so in just about every new development you see dog walking areas, some with doggie spas and dogs on treadmills, doggie daycare, pet washing stations; it’s all there.”

Regarding human wellness, the bare minimum at high-end condos is to have state-of-the-art exercise equipment with separate rooms for yoga, meditation,

and spaces to meet with physical or massage therapists. Saltwater pools have become popular and some developments feature special lighting, as well as air and water purification systems, in exercise and recreation areas.

New developments are also designed to reflect the way buyers want to integrate technology into their lives, from smart home features to designs and systems that make it easier to receive packages and ride shares. The Ten50 tower in Los Angeles is equipped with a drone landing pad to accommodate deliveries by air.



CREATING A SENSE OF PLACE

The sweet spot for luxury developers is to create a genuine sense of place by combining residential units with retail and commercial space.

“Like Hudson Yards in Manhattan, they’re literally creating the environment and people are buying into a city within a city,” says Wolf, noting that the trend of integrated developments is also strong in Chicago, with projects underway at Lincoln Yards, where an old steel mill is being turned into luxury units with a new soccer stadium and a new train station, and at

the artistically-themed Southbank Lendlease on the Chicago River in the South Loop.

“What luxury buyers are looking for is a specific lifestyle or experience and these intangible amenities often supersede neighborhood and location preferences, which is relatively new,” says Ricardo Rodriguez of Coldwell Banker Residential Brokerage in Boston.

ALL PART OF THE MASTER PLAN

With successful projects under its belt like the Woodlands in Houston, TX and the community of Summerlin, NV, the Howard Hughes Corp. has been a specialist in developing master planned communities. The latest Hughes project is Ward Village, a 60-acre planned community in Hawaii, situated between the Pacific Ocean and the Ko’olau Mountains and between downtown Honolulu and Waikiki.

“Ward Village is a curated experience for the mind and the body, a gated community without a gate that combines the best aspects of urban and island living,” says Simon Treacy, President, Hawaii for Howard Hughes.

The broad master planned street-level experience includes retail, restaurants, art collections, outdoor parks, and ambient music. Three residential towers have been completed at Ward Village, with several more coming over the next decade.

“Larger units at Ward Village have the feel of single-family estates but with the convenience and curated experience of condominium living,” says Anne Hogan Perry of Coldwell Banker Pacific Properties in Honolulu. “Plus, the views of Diamond Head and Waikiki are impossible to duplicate.”

THE LURE OF NEW LUXURY DEVELOPMENT

At the higher echelons of residential real estate, the decision to purchase usually depends not so much on price, but on value. Ultra-wealthy buyers have the financial wherewithal to buy just about any type of home that they want, anywhere in the world, but they need a good reason.

Developers of homes designed to appeal to this rarefied group of buyers are faced with the challenge of delivering a product that triggers the buying impulse with the right mix of location, living style, architecture, and amenities—and to achieve premium pricing, they must also build a competitive advantage that differentiates their developments from other new construction and existing homes.

MOVING TO THE CITY

From younger buyers just starting families to empty-nesters who have a taste for the vibrancy of urban life, wealthy buyers have shown a strong and enduring interest in city living over the past two decades.

“Urban migration is definitely still a big trend, and you see people all over the world people moving from suburban and rural locations into cities, which

usually means going from single-family homes into condominiums,” says David Wolf, president of ON Collaborative, a Coldwell Banker subsidiary that works with developers in planning and marketing new luxury residential projects.

City buyers tend to gravitate to situations in which they do not have to surrender the ease of living outside the city, seeking out buildings that make urban life more convenient.

“They’re trying to get all of the amenities of a suburban home in a luxury hotel type of environment,” says Wolf. “Developers are trying to give them the full experience, so what they had back home, they now have with a condo, like a place to walk their dog, quiet patches of grass to play ball with their kids, and even in-unit swimming pools,” says Wolf, who also notes that condo sizes have also increased because of demand.

ALL THE RIGHT AMENITIES

What constitutes an ideal amenity package varies by geography and demographics, but some common themes include an appeal to wellness, an embrace of technology, and the accommodation of pets.

THE NORTH AMERICAN CONNECTION



On issues ranging from trade to immigration, the past year has been full of news about ups and downs in the state of relations between the United States, Mexico, and Canada, but headlines of trade wars and friction between governments overlook undiminished amity among the people of North America's three biggest nations, especially when it comes to buying each other's properties.

FROM TRADE WARS TO TRUCE

In November at the G-20 Summit in Buenos Aires, President Trump, Canadian Prime Minister Justin Trudeau, and Mexican President Enrique Peña Nieto signed the United States-Mexico-Canada Agreement, the successor treaty to the North American Free Trade Agreement (NAFTA), which had governed trade relations and kept trade barriers low across the continent since 1994.¹

Although the new trade pact still requires legislative ratification by all three countries, it is a major step toward resolving disputes among the trio of trading partners who engage in \$1.2 trillion of annual cross-border commerce, largely in agriculture, energy, and automobiles.²

Key provisions of the agreement require automobiles

imported into the United States be assembled by high-wage workers and update language from NAFTA to reflect intellectual property based on digital technology that did not exist 25 years ago.³

CROSSING BORDERS

Decades of tighter trade relationships have bound the three countries close together economically, but on an individual and family level, the underlying spirit of friendship between citizens is made plainly evident by thriving and reciprocal markets in cross-border tourism and real estate. Indeed, a growing number of luxury home buyers from Canada, Mexico, and the U.S. will cross borders into neighboring countries to purchase their next full- or part-time residence.

MEXICO BOUND

"More than 75% of my buyers come from outside of Mexico, mostly from the U.S., but also Canadians and some from Europe," says Leticia Díaz Rivera from Coldwell Banker Riveras of Cabo San Lucas.

The resort area at the tip of Baja California on the Pacific Ocean has enjoyed a sharp rise in popularity over the past two decades, and a big boost more recently from a local building boom that followed a direct hit from Hurricane Odile in 2014.⁴ Continued

strong appreciation in U.S. home values has also fueled demand.

The situation is similar for other resort destinations along Mexico's Pacific coast. "We are definitely seeing a resurgence of high-end U.S. buyers who have been absent in large numbers until the past year," says Brock Squire of Coldwell Banker La Costa in Puerto Vallarta.

"We have communities that have been developed exclusively for U.S. buyers in our resort markets, and the retirees tend to go more inland," says Phillip Hendrix, Director of Coldwell Banker México.

In the state of Guanajuato, centuries-old San Miguel de Allende has been attracting a steady flow of expatriate Americans since the 1950s, when veterans used their G.I. Bill benefits to study at highly-regarded art and design schools in the historic town.



DESTINATION CANADA

Canada in recent years has seen strong interest from overseas buyers, particularly from China and the Middle East. "Canada has long been a destination of international appeal. We have one of the highest rates of immigration in the western world and recent interest from foreign buyers has had a significant impact on some of our more popular luxury markets," says Andy Puthon, President of Coldwell Banker Canada.

The appetite of foreign buyers prompted Canada's two most active and expensive markets, Greater Vancouver and Toronto to enact their own taxes on foreign buyers to curb rapid price escalation.⁵ These measures have had some impact, especially in Vancouver where the former sellers' market has returned to balanced territory and pricing is starting to become more attractive than seen in recent years. Some would-be foreign buyers are now considering other Canadian markets to avoid the new taxes assessed in Vancouver and Toronto.

Canada has been a firm favorite for many U.S. luxury purchasers for many years, and interest was prevalent in the 1990s to 2008. While the Canadian market stayed strong during the U.S. market downturn and subsequent decrease in US\$, American buyer interest waned during that period. However, for the last 2-3 years, demand from U.S. buyers has grown, with a substantial increase in 2018 as the US\$ topped a 30% increase in value against the CAD\$.

Canada also has several popular sites for vacation properties. Two perennial magnets for luxury buyers in Canada away from urban centers include Muskoka, the cottage country north of Toronto, as well as Kelowna, a lake and wine valley just west of the Rocky Mountains in central British Columbia. Populations of both destinations swell during the warmer months, with celebrities, and a host of professional athletes, entrepreneurs, and executives owning homes in Muskoka or Kelowna. While interest in these lakeside playlands is high in summer, an attractive offering of winter sports has spurred interest in four-season homes for many luxury buyers.

INTEREST IN U.S. MARKET REMAIN STRONG

Despite the increase in US\$ against both currencies, buyers from both Canada and Mexico have been purchasing property in the United States—many taking advantage of the substantial opportunity to buy properties that suffered during the 2008 crash such as Scottsdale and Las Vegas as well as invest in the new luxury markets—such as Dallas and Seattle.

UNDEFEATED: LUXURY COMMUNITIES REBOUND FROM DISASTER



Natural disasters each year exact an incalculable toll of human misery in terms of death, injury, and lives upended. Surprisingly, reports such as those completed by The Federal Reserve Bank of Dallas after investigating hurricane impacts, show these disasters actually cause housing prices to go up.

Damage to property and businesses totaled a record \$1.5 trillion in 2017¹, due in large part to devastation wrought upon Puerto Rico, Texas, and Florida by hurricanes Harvey, Irma, and Maria. In 2018, some of the biggest disasters included the deadly wildfires in Northern and Southern California, Hurricane Michael in the Florida panhandle, Hurricane Florence in along the Carolina coast, and the Kilauea volcano in Hawaii.

The National Centers for Environmental Information reports 16 disasters in the U.S. will each cause at least \$1 billion in damage. The number of single events inflicting damage in the billions has risen steadily over the past four decades, a reflection of rising overall property values and the population density of disaster-prone areas.

SURVIVING THE STORM

Areas affected by natural disasters have a history

of enduring the initial devastation and coming back better than before with improved infrastructure, upgraded housing stock, and strong demand. In fact, The Federal Reserve Bank of Dallas research shows that hurricane strikes boost home prices in affected areas by up to 4% three years afterward. Though the pace of sales slows significantly in the immediate wake of the storm, the effect is temporary.

Hurricane Harvey inflicted \$125 billion in losses² on the Houston area in 2017, doing massive damage to homes. Commercial properties were not hit as hard, leaving in place the solid economic underpinnings that drive the Houston housing market. As a result, demand for homes remains robust in Houston. Two months following the devastation wrought by Hurricane Harvey, median home prices were higher in 31% of Houston's neighborhoods.³

The Florida Keys took a direct hit from Hurricane Irma in 2017 and sustained damage estimated at \$50 billion.⁴ "We are used to hurricanes, but Irma was a Category 4 storm that left a trail of devastation unlike anything we've ever seen," says Jamie Engel of Coldwell Banker Schmitt Real Estate in Islamorada, FL.

In the aftermath of the storm, renters and those who lost their homes scrambled to find accommodation, which had become particularly tight.

"Hurricanes bring unexpected new housing problems as infrastructure workforces, clean-up crews, and insurance adjusters all need to find accommodation in the days and months that follow," says Engel, who notes that as insurance claims were paid, homes that sustained major damage were rebuilt to be more durable.

"The full clean up and rebound took more than a year, but now as Florida is coming into its peak season, communities and properties look stunning and offer new levels of safety and security."



JERSEY SHORE COMES ROARING BACK

In October 2012, towns up and down the New Jersey Shore and throughout the northeast were battered by the unique destructive force of superstorm Sandy, which came ashore as a late-season hurricane and caused damages in excess of \$70 billion.

"What was really shocking to residents along the shore was how some communities were completely devastated while others seemed untouched," says Marie Young of Coldwell Banker Residential Brokerage in Basking Ridge, New Jersey.

In the wake of the storm, flood insurance premiums rose sharply, and many municipalities established tighter guidelines on how and where to build along the coast. The new building restrictions followed federal standards in rebuilding homes to withstand future storms.

"From locations along the Jersey Shore to inland locations in Massachusetts the majority of homes have been rebuilt, although some of the hardest hit areas still have properties under restoration, but in general the buyers have returned," says Young.

KATRINA REDEFINES NEW ORLEANS

Hurricane Katrina remains the most damaging storm in U.S. history, flooding New Orleans and obliterating beachfront structures along the Gulf Coast. New Orleans is a smaller city today in terms of population than it was prior to Katrina, but home values since the storm have risen 50% higher in the city center and historic area, according to the New Orleans Metropolitan Association of Realtors.

"Two days after the hurricane we found our offices packed wall-to-wall with people looking to buy new homes," says Margie Inman of Coldwell Banker TEC in New Orleans. "People's homes were gone, and they realized it would take a long time before they could live where they used to live."

PRESTIGIOUS MALIBU WILL REBOUND

Malibu has long been home to some of the most expensive—and desirable—homes in the Los Angeles area. After the devastation of the Woolsey Fire in November 2018, the consensus from agents was that there will be a pause in the real estate market, but that Malibu will bounce back within six-months. In fact, residents whose homes were destroyed were buying houses in Malibu within weeks of the fire, so they can have a place to live while they rebuild their original homes.

Cyd Greer of Coldwell Banker Brokers of the Valley in Napa saw the same dynamic following the Northern California fires of 2017, as homeowners who had lost their homes bought another house to wait out the rebuilding.

"In Malibu, we live on the on the fringe of the extensive chaparral and woodland wilderness," said Chris Cortazzo of Coldwell Banker Residential Brokerage, Malibu. "Our most important lesson here is the appreciation of managing our environment, so we can enjoy its beauty while safeguarding our community and its residents."

Cortazzo says, like cities hit by storms, it is critical that city councils ensure the implementation of preventative measures against such destruction through stronger and safer building techniques and landscape management.

CHARTWELL / Bel Air, CA
See page 107 for property details.



LANDMARK LISTINGS



2018 TOP U.S. LISTINGS

\$500 MILLION

THE ONE | Bel Air, CA

\$260 MILLION

MOLOKAI RANCH | Maui, HI

\$250 MILLION

MESA VISTA RANCH | Pampa, TX

\$245 MILLION

CHARTWELL | Bel Air, CA

\$150 MILLION

THE BILLIONAIRE | Bel Air, CA



2018 TOP GLOBAL LISTINGS

\$446 MILLION

24 MIDDLE GAP ROAD | The Peak, Hong Kong

\$418 MILLION

THE BUBBLE PALACE | Cannes, France

\$387 MILLION

VILLA LES CÈDRES | Saint-Jean-Cap-Ferrat, France

\$330 MILLION

TOUR ODÉON SKY PENTHOUSE | Monte Carlo, Monaco

\$185 MILLION

LONSDALEITE ESTATE | Switzerland



THE TREND OF

DIVERSITY:

ULTRA-HIGH NET WORTH

RANKS OF WEALTHY SWELL AS GLOBAL FORTUNES RISE

Measuring net worth is a simple function: subtract debt from asset values. Wealth grows if asset values rise more than borrowing, and this has been the case for more than a decade across the spectrum of affluent individuals, from millionaires to billionaires, and several strata in between. Exceptionally positive stock market performance and gains in home values have boosted both the number of wealthy people and their level net worth, but recent stock market performance and trends in global trade points to at least a moderation in growth.

ADDING UP THE NUMBERS

The world's ultra-high net worth (UHNW) individual, defined as someone with a net worth of \$30 million or more, is a driving demographic force in luxury real estate. According to research firm Wealth-X,¹ the global UHNW population grew 12.9% to 255,810 people over the last year, with a collective net worth jumping 16.3% to \$31.5 trillion. Another source, Capgemini's *World Wealth Report 2018*,² shows that assets of high net worth individuals rose 10.6% in the past year, as the super wealthy population rose 11.2%. Forecasts call for the ranks of the

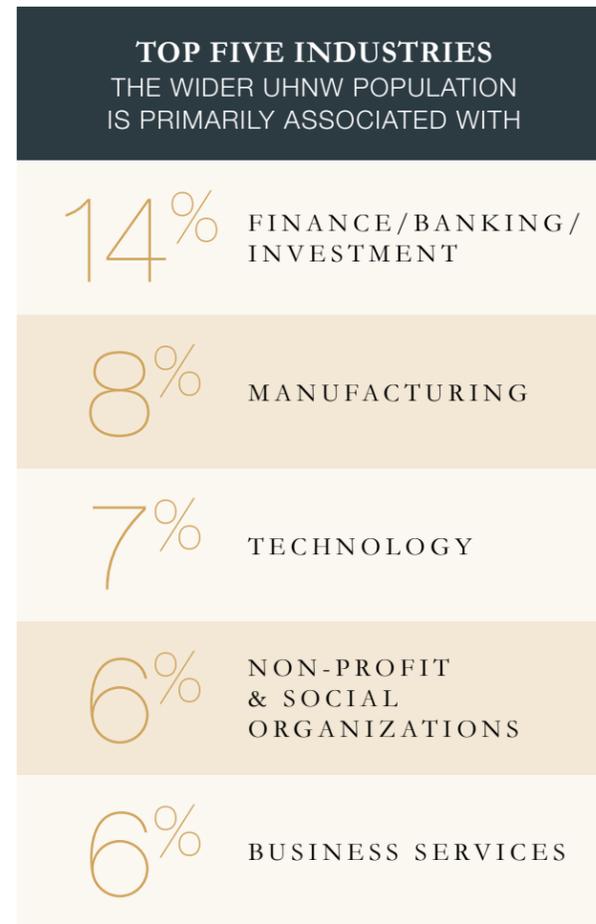
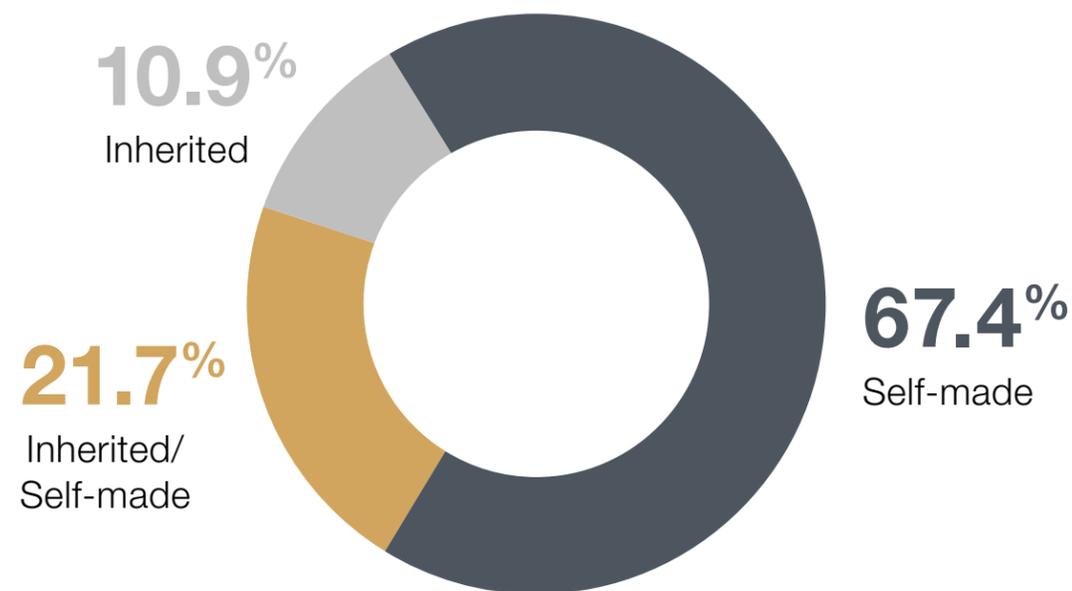
ultra-high net worth to swell to 360,390 individuals by 2022, rising almost 6% per year in North America, and more than 8% annually in the rapidly growing Asia-Pacific region.

WEALTHY WOMEN MAKE GAINS

UHNW women now number nearly 35,000 and make up a record-high 13.7% share of the global UHNW population. By comparison, the male UHNW population grew 10% last year. The number of women on the Forbes 400 list totals grew from 55 to 57, with two of these women co-founding companies with their husband.

MAJORITY OF ULTRA-WEALTHY ARE SELF-MADE

More than two-thirds (67.4%) of the world's ultra-wealthy made their own fortunes, compared to 10.9% who inherited their wealth, or 21.7% who are wealthy from a mix of inheritance and their own enterprise. The proportion of UHNW individuals with inherited wealth has been in decline, while the share who produced their own riches has been on the rise.



In terms of industries that generate wealth, the most widespread among the ultra-wealthy is finance, including banking and investment, named as the primary focus for 14% of UHNW globally. In terms of hobbies, the most popular is philanthropy, named by 35% of the ultra-wealthy. Philanthropic interest increases with age. While the gender breakdown of major donors (those giving more than \$5 million) is identical to that of the global UHNW population, the average age is six years older, and there is a larger share of ultra-wealthy individuals who have inherited their fortunes.

TOP SPORTS CITED BY UHNW WHO ENJOY SPORTS AS A HOBBY



TAKING STOCK OF TRENDS

With 79,595 ultra-high net worth individuals, the United States is home to the greatest share (31%) of the global UHNW population, but China's UHNW population of 16,875 has grown at a faster pace than its U.S. counterpart over the past decade. On a higher echelon, the U.S. has the highest number of billionaires at 680, according to Wealth-X, but China's billionaire population has exploded—growing from 16 people in 2006 to 373 in 2018—according to UBS and PricewaterhouseCoopers,³ accounting for 17% of the world billionaire population of 2,158 individuals. China's surge in ranks of

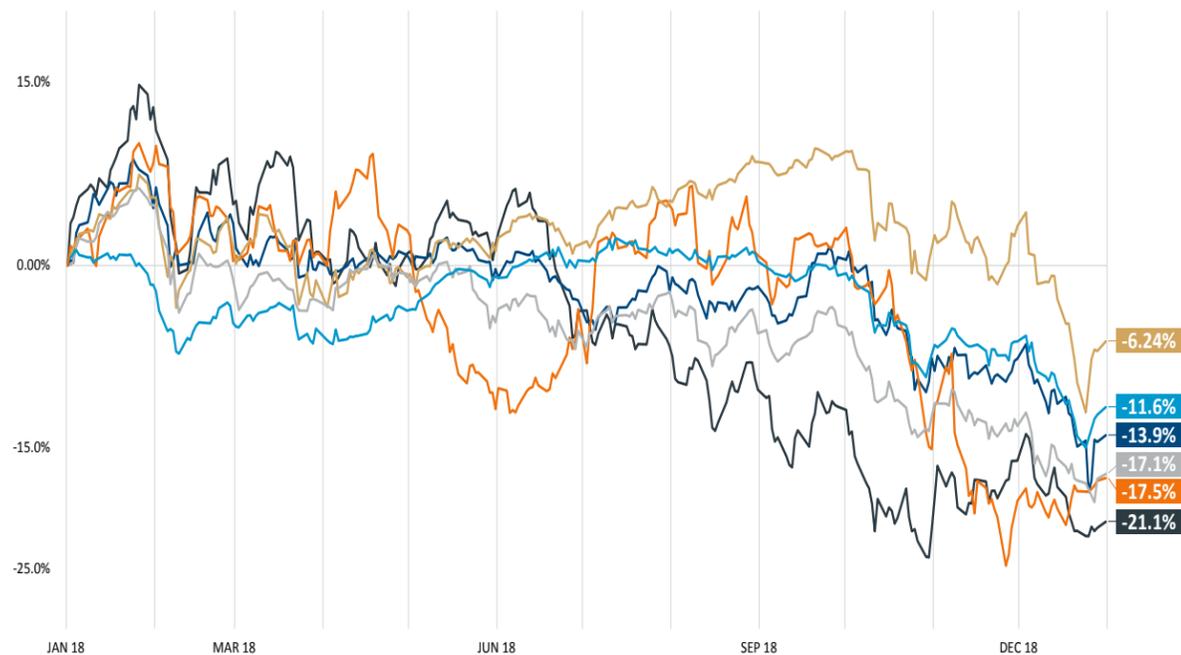
wealthy people has created a new and driving force in international real estate, as many wealthy Chinese acquire residences outside of their home country as a measure to help protect assets from political and judicial risk.

TRADE WARS AND STOCK MARKETS

Stock markets around the world were not supportive of wealth creation in 2018. Major stock market averages in China, Europe, Japan, Canada, and Mexico sustained double-digit percentage declines last year. In the U.S., the S&P 500 Index produced a total return of -6.24%, falling for the first time on a yearly basis since 2008.

Clouding the outlook for global growth are rising trade tensions, such as those between the U.S. and China as both countries have imposed tariffs on each other's goods, and the uncertain future of post-Brexit trade between the United Kingdom and the European Union. By contrast, a new three-country agreement between the United States, Canada, and Mexico provides some clarity in the realm of international trade.

■ MSCI China Large Cap Level % Change ■ S&P 500 Level % Change ■ S&P Europe 350 Level % Change ■ MSCI Mexico Large Cap Level % Change ■ S&P/TSX Composite Index Level % Change ■ MSCI Japan Large Cap Level % Change



AT HOME WITH U.S. MILLIONAIRES & DEMI-BILLIONAIRES



Substantial tax cuts that took effect in 2018 and another year of positive stock market performance are providing a lift to the fortunes of wealthy Americans. According to WealthEngine,⁴ the number of millionaires in the United States totals 32 million, accounting for 7% of the adult population, a share that has increased exponentially over the past four decades.

The average value of U.S. millionaire homes is \$953,917, with most owning multiple homes and 19% owning three or more. A more rarefied group are the 1,770 "demi-billionaires" with a net worth of

at least \$500 million. These exceptionally wealthy individuals own homes that average more than \$10 million in value, and they own nearly ten homes, on average. They are primarily concentrated in the most populous states. Demi-billionaires are most likely to reside in large states like California, New York, Florida, and Texas, but there are also major pockets in Colorado, Illinois, and Pennsylvania.

Behind the wheel, both millionaires and demi-billionaires prefer to drive German—citing both Mercedes-Benz and BMW as the two most popular automotive brands.



IN FOCUS

WHAT THE ULTRA-WEALTHY WANT IN A HOME

Preferences for tangible features of a home such as architecture and interior design vary from person to person, but the essence of what wealthy buyers seek in a luxury home is a sanctuary that promotes their security, serenity, and overall well-being—whether the property is a gated beachfront home, an urban pied-à-terre, or a working winery sprawled across hundreds of acres.

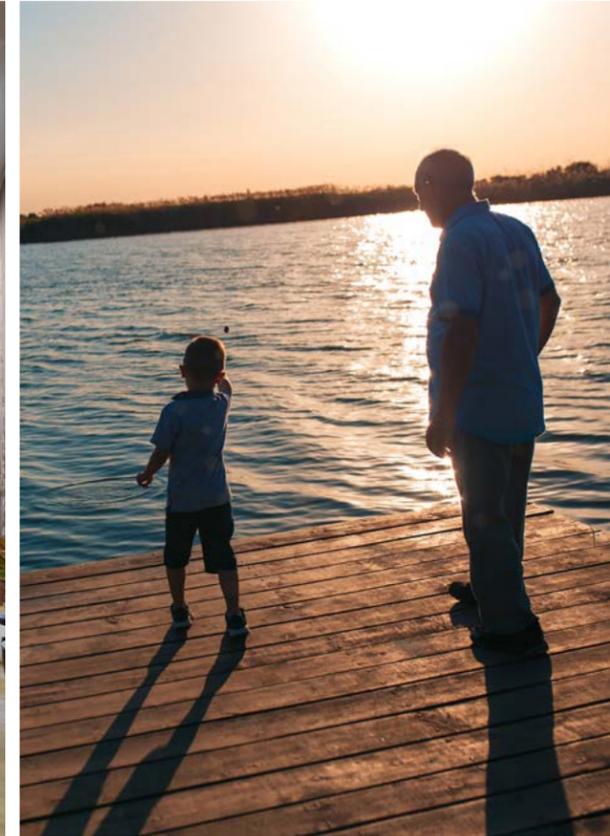
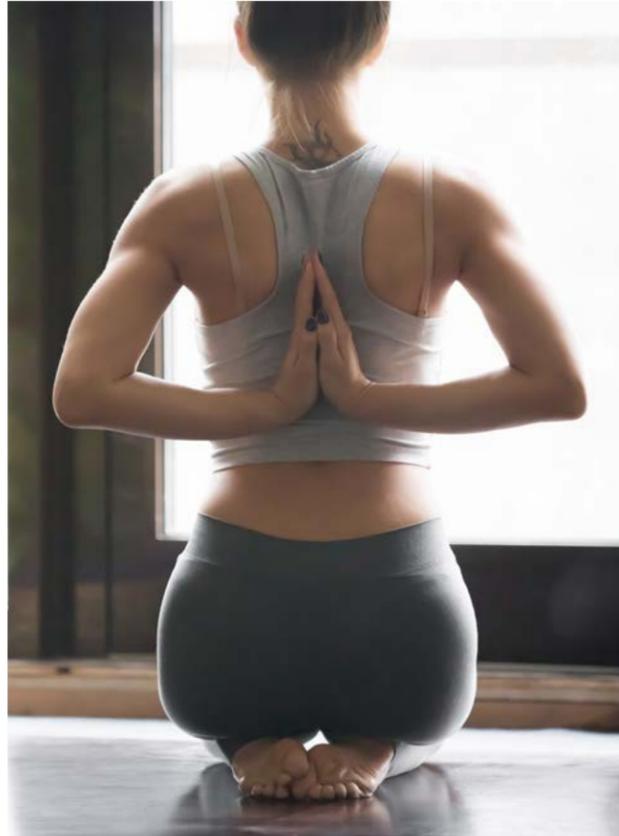
FOCUS ON FAMILY

For many luxury buyers, a serene home is one that is full of family. “Wealthy people are making decisions about where the route of life takes them,” says Jennifer Odorizzi from Coldwell Banker Horizon Realty in Kelowna, B.C. She notices couples 55 years of age and older drawn to large lakeside homes where they can entertain multiple generations of family. “They are buying for lifestyle and making their decision emotionally because they want children and grandchildren to visit them.” Factors that influence decisions on location include the proximity of high quality hospitals and medical care, as well as airports and universities.

Family oriented needs are driving home design. “People are looking hard at their pantries, their kitchens, where they want Sub-Zero, Wolf, and Gagineaux,” says British Columbia builder Tim Regan.

“We call them grandkid catchers because the people who live here want their kids to visit, so we’re building a lot of guest rooms, storage in garages for bike gear, and media rooms where you can always escape what might at times be a crowded house.”

In the resort destination of Puerto Vallarta, Mexico, Brock Squire of Coldwell Banker La Costa sees the



passing of the torch to a younger demographic. “We saw 15 to 20 years ago baby-boomers buying large properties for multigenerational use, and today it’s a new generation of buyers in their forties and early fifties taking their place,” says Squire.

CONDO DESIGN FOR TODAY’S WORLD

Family retreats are popular but so is the trend of moving to the city. New urban multi-family luxury development accounts for the realities of today’s world, like ride-sharing and frequent deliveries of online purchases. “The big thing now is what to do with all the packages, so buildings are having lockers installed,” says David Wolf, president of ON Collaborative, a full-service marketing and sales firm, providing advisory services to residential developments nationwide. Buildings without a doorman often use a virtual doorman app, says Wolf, and parking is becoming less of a problem

because so many people—and not just in New York—do not own a car and get around with Uber and car shares, so new buildings have ride share areas.

Around the world, today’s luxury buyers have elevated expectations for applications of technology to improve security and convenience. “People are expecting to have a high-quality, internet-based sound system in every room, and kitchens with all the bells and whistles,” says Brock in Puerto Vallarta. “Plus we’re starting to see a lot more interest in green footprints with things like saline-filtered water and solar panels for electricity.”

QUEST FOR WELLNESS

Wellness in many forms is another big consideration for luxury homebuyers. “Inside the home, this can mean anything from air purification to circadian

lighting systems and vitamin C showerheads,” says Wolf. Outside the home, this means having multiple opportunities for outdoor and indoor exercise, as well as features designed to promote mental and spiritual wellness.

“Wellness is a massive global issue, and we have a good allocation of parks and green space,” says Simon Treacy who leads development of a 60-acre master planned community in Honolulu, Hawaii for the Howard Hughes Corp. “Naturally there’s health and physical wellness, but the public art and music in the street, a curated experience for the mind and body, enhance it as well. In addition to swimming pools, we have other amenities such as dog runs, luxury fitness centers, private dining, quiet areas, yoga rooms, lounges, and theaters.”



POWER MARKETS

A COMPARISON OF LEADING U.S. LUXURY METROS

The **Coldwell Banker Global Luxury**® program partnered with The Institute for Luxury Home Marketing to analyze median list prices, median sold prices, median sales-price-to-list-price ratios, median price per square foot, median days on market, and the highest list and sold prices for 2018.

The average monthly inventory and average monthly solds were included to provide quantitative information on the sales ratio percentages, which allows for the determination of the individual status of each market. These parameters were included in the top 5% and 10% of the luxury markets for both single-family homes and condos, and are identified as “Power Markets.”

A Power Market is where the wealthiest and most powerful players tend to own property. Typically, these areas are destinations in their own right, offering high-net worth individuals a range of lifestyle opportunities, cultural experiences, and educational opportunities. Other key indicators of “power” status include airport accessibility, ease of doing business, a prestige brand presence, and a housing stock that prioritizes privacy, views, and exclusivity.

SINGLE-FAMILY HOMES TOP 5%

City	State	Median List Price	Median Sold Price	Median SP/LP Ratio	Median Price Per SqFt	Median Days on Market	Highest List Price	Highest Sold Price	Total Sold	Average Monthly Sold	Average Monthly Inventory	Sales Ratio	Status
Arlington, Alexandria, & Falls Church	VA	\$1,972,500	\$1,980,450	97.78%	\$330	35	\$7,650,000	\$3,270,011	88	7	49	14.29%	Buyer's
Austin	TX	\$1,799,250	\$1,488,750	96.43%	\$379	51	\$42,500,000	\$12,300,000	556	46	328	14.02%	Buyer's
Boca Raton & Delray Beach	FL	\$3,237,500	\$2,875,000	91.52%	\$409	101	\$34,500,000	\$31,000,000	184	15	361	4.16%	Buyer's
Boston	MA	\$3,298,500	\$2,920,000	96.48%	\$613	39	\$90,000,000	\$15,100,000	180	15	95	15.79%	Balanced
Boulder	CO	\$2,795,000	\$2,132,500	96.03%	\$494	95	\$22,200,000	\$8,137,400	164	14	98	14.29%	Buyer's
Brooklyn	NY	\$2,498,944	\$2,275,000	87.78%	\$649	118	\$5,250,000	\$4,000,000	39	3	51	5.88%	Buyer's
Charlotte	NC	\$1,271,625	\$1,157,050	96.51%	\$256	49	\$7,450,000	\$5,300,000	791	66	508	12.99%	Buyer's
Chicago	IL	\$1,783,722	\$1,536,875	95.20%	\$325	113	\$50,000,000	\$12,000,000	1,067	89	962	9.24%	Buyer's
Collin County	TX	\$863,725	\$825,000	97.24%	\$181	42	\$14,500,000	\$6,547,500	734	61	510	11.96%	Buyer's
Dallas	TX	\$1,912,500	\$1,590,000	95.90%	\$312	52	\$38,500,000	\$39,200,000	389	32	306	10.46%	Buyer's
Denver	CO	\$1,397,000	\$1,198,084	98.06%	\$247	25	\$20,000,000	\$8,000,000	1,499	125	559	22.36%	Seller's
Detroit	MI	\$641,950	\$620,281	97.74%	\$188	28	\$19,000,000	\$2,950,000	1,340	112	558	20.07%	Balanced
Douglas County	CO	\$1,498,000	\$1,367,471	97.50%	\$221	63	\$20,000,000	\$6,750,000	314	26	191	13.61%	Buyer's
Fairfax	VA	\$1,899,625	\$1,691,825	97.33%	\$279	65	\$29,900,000	\$19,900,000	377	31	357	8.68%	Buyer's
Florida Keys	FL	\$3,332,500	\$2,681,500	92.52%	\$861	87	\$15,500,000	\$5,830,000	65	5	105	4.76%	Buyer's
Ft. Lauderdale	FL	\$1,695,000	\$1,376,250	93.32%	\$385	100	\$159,000,000	\$16,000,000	774	65	1,085	5.99%	Buyer's
Ft. Worth	TX	\$899,700	\$790,000	97.48%	\$183	42	\$12,000,000	\$17,500,012	1,470	123	686	17.93%	Balanced
Greater Atlanta	GA	\$1,578,500	\$1,351,000	96.11%	\$271	51	\$25,000,000	\$8,925,000	791	66	768	8.59%	Buyer's
Honolulu	HI	\$2,991,250	\$2,658,750	96.21%	\$731	46	\$30,000,000	\$18,800,000	188	16	141	11.35%	Buyer's
Houston	TX	\$1,452,500	\$1,293,750	96.22%	\$331	52	\$29,999,999	\$8,350,000	1,074	90	798	11.28%	Buyer's
Jacksonville Beaches	FL	\$1,349,750	\$1,237,500	95.36%	\$330	71	\$13,400,000	\$6,050,000	271	23	241	9.54%	Buyer's
Kauai	HI	\$5,825,000	\$6,582,500	93.35%	\$2,272	228	\$70,000,000	\$46,100,000	29	2	34	5.88%	Buyer's
LA: Beach Cities*	CA	\$10,991,250	\$8,903,500	94.86%	\$1,699	81	\$85,000,000	\$45,000,000	78	7	109	6.42%	Buyer's
LA: City*	CA	\$7,947,500	\$5,856,750	94.96%	\$1,101	55	\$245,000,000	\$56,000,000	376	31	388	7.99%	Buyer's
LA: The Valley*	CA	\$2,999,999	\$2,712,500	97.20%	\$561	51	\$85,000,000	\$16,000,000	523	44	315	13.97%	Buyer's
Las Vegas	NV	\$949,000	\$796,250	97.74%	\$209	41	\$34,500,000	\$13,000,000	1,508	126	912	13.82%	Buyer's
Marin County	CA	\$5,300,000	\$4,412,500	96.91%	\$1,063	54	\$39,000,000	\$21,400,000	99	8	59	13.56%	Buyer's
Maui	HI	\$3,993,450	\$3,767,500	92.12%	\$1,064	213	\$49,000,000	\$22,800,000	56	5	140	3.57%	Buyer's
McLean & Vienna	VA	\$3,524,725	\$3,313,750	96.63%	\$351	84	\$49,500,000	\$43,000,000	60	5	58	8.62%	Buyer's
Miami	FL	\$2,095,750	\$1,700,000	91.91%	\$521	155	\$65,000,000	\$33,000,000	403	34	883	3.85%	Buyer's
Montgomery County	MD	\$1,999,000	\$1,827,500	96.87%	\$311	47	\$25,900,000	\$11,192,018	319	27	255	10.59%	Buyer's
Napa Valley	CA	\$4,950,000	\$3,358,580	95.21%	\$1,158	83	\$26,500,000	\$15,000,000	54	5	63	7.94%	Buyer's
Naples	FL	\$4,111,750	\$3,850,000	93.87%	\$923	109	\$60,900,000	\$48,800,000	281	23	388	5.93%	Buyer's
Nashville	TN	\$1,531,250	\$1,356,000	97.23%	\$300	26	\$32,500,000	\$7,200,000	358	30	178	16.85%	Balanced
New Orleans	LA	\$893,750	\$841,250	96.43%	\$210	56	\$9,250,000	\$3,400,000	550	46	315	14.60%	Buyer's

SINGLE-FAMILY HOMES TOP 5%

City	State	Median List Price	Median Sold Price	Median SP/LP Ratio	Median Price Per SqFt	Median Days on Market	Highest List Price	Highest Sold Price	Total Sold	Average Monthly Sold	Average Monthly Inventory	Sales Ratio	Status
Oakland County	MI	\$1,000,000	\$866,563	95.61%	\$240	33	\$10,550,000	\$5,500,000	764	64	685	9.34%	Buyer's
Ocean County	NJ	\$995,000	\$970,000	96.18%	\$319	56	\$7,950,000	\$5,700,000	282	26	207	11.59%	Buyer's
Orange County	CA	\$3,950,000	\$3,565,000	95.24%	\$990	61	\$63,500,000	\$60,500,000	902	75	719	10.43%	Buyer's
Orlando	FL	\$1,050,000	\$908,089	96.61%	\$177	75	\$28,500,000	\$7,189,333	1,226	102	982	10.39%	Buyer's
Palm Beach Towns	FL	\$7,711,250	\$6,367,500	90.12%	\$1,102	103	\$165,000,000	\$41,257,000	104	9	140	6.43%	Buyer's
Palm Springs & Palm Desert	CA	\$2,772,500	\$2,288,750	94.77%	\$496	99	\$648,000,000	\$12,000,000	224	19	277	6.86%	Buyer's
Paradise Valley	AZ	\$5,895,000	\$5,000,000	95.56%	\$583	146	\$22,888,000	\$7,000,000	20	2	49	4.08%	Buyer's
Park City	UT	\$7,296,250	\$6,600,000	92.50%	\$772	251	\$25,000,000	\$11,600,000	25	2	60	3.33%	Buyer's
Phoenix	AZ	\$955,205	\$862,500	97.33%	\$262	79	\$16,850,000	\$4,100,000	870	73	484	15.08%	Balanced
Pinellas County Coastal	FL	\$3,212,500	\$2,781,250	92.79%	\$700	164	\$7,850,000	\$7,250,000	35	3	24	12.50%	Buyer's
Placer County	CA	\$1,334,750	\$1,179,750	97.97%	\$289	37	\$7,318,000	\$4,250,000	278	23	134	17.16%	Balanced
Raleigh-Durham	NC	\$867,500	\$826,571	98.95%	\$200	3	\$9,500,000	\$378,500,000	901	75	495	15.15%	Balanced
Sacramento	CA	\$1,098,500	\$940,813	98.53%	\$277	23	\$439,999,000	\$365,000,000	1,007	84	359	23.40%	Seller's
San Diego	CA	\$3,195,000	\$2,447,500	94.30%	\$638	51	\$949,000,000	\$882,000,000	1,074	90	780	11.54%	Buyer's
San Francisco	CA	\$6,387,500	\$4,995,000	100.03%	\$1,398	14	\$29,500,000	\$32,000,000	126	11	33	33.33%	Seller's
Santa Barbara	CA	\$7,875,000	\$7,075,000	94.09%	\$1,236	84	\$85,000,000	\$35,000,000	59	5	105	4.76%	Buyer's
Sarasota & Beaches	FL	\$3,287,250	\$2,950,000	93.10%	\$654	114	\$26,500,000	\$7,000,000	112	9	188	4.79%	Buyer's
Scottsdale	AZ	\$2,354,250	\$2,100,000	94.62%	\$395	141	\$26,000,000	\$17,500,000	315	26	408	6.37%	Buyer's
Seattle	WA	\$2,456,250	\$2,155,000	98.08%	\$579	17	\$16,800,000	\$11,000,000	362	30	105	28.57%	Seller's
Silicon Valley	CA	\$6,995,750	\$4,862,500	100.00%	\$1,437	13	\$55,000,000	\$23,500,000	440	37	103	35.92%	Seller's
St. Louis	MO	\$849,975	\$719,500	97.63%	\$222	36	\$5,975,000	\$5,650,000	338	28	158	17.72%	Balanced
Staten Island	NY	\$1,557,000	\$1,422,000	93.16%	\$342	108	\$6,995,000	\$2,750,000	64	5	103	4.85%	Buyer's
Talbot County	MD	\$2,095,000	\$1,898,750	86.71%	\$390	156	\$10,500,000	\$5,500,000	30	3	50	6.00%	Buyer's
Tampa	FL	\$899,000	\$838,750	97.74%	\$249	46	\$9,995,000	\$9,500,000	975	81	489	16.56%	Balanced
The Woodlands & Spring	TX	\$1,062,500	\$886,750	96.58%	\$191	70	\$7,850,000	\$2,880,000	334	28	288	9.72%	Buyer's
Tucson	AZ	\$800,000	\$719,000	97.18%	\$211	45	\$12,500,000	\$3,250,000	725	60	639	9.39%	Buyer's
Vail	CO	\$6,996,000	\$7,500,000	93.68%	\$1,010	198	\$35,000,000	\$23,000,000	24	2	68	2.94%	Buyer's
Ventura	CA	\$2,362,500	\$2,090,002	96.94%	\$515	72	\$85,000,000	\$7,950,000	302	25	157	15.92%	Balanced
Washington	DC	\$4,122,500	\$3,152,735	95.00%	\$531	41	\$22,000,000	\$16,500,000	62	5	43	11.63%	Buyer's
Worcester County	MD	\$992,750	\$925,000	95.84%	\$301	93	\$3,599,000	\$2,000,000	44	4	43	9.30%	Buyer's

SINGLE-FAMILY HOMES TOP 10%

City	State	Median List Price	Median Sold Price	Median SP/LP Ratio	Median Price Per SqFt	Median Days on Market	Highest List Price	Highest Sold Price	Total Sold	Average Monthly Sold	Average Monthly Inventory	Sales Ratio	Status
Arlington, Alexandria, & Falls Church	VA	\$1,712,500	\$1,693,500	98.71%	\$322	34	\$7,650,000	\$3,270,011	177	15	75	20.00%	Balanced
Austin	TX	\$1,395,000	\$1,142,750	97.24%	\$331	43	\$42,500,000	\$12,300,000	1,111	93	491	18.94%	Balanced
Boca Raton & Delray Beach	FL	\$2,257,500	\$1,775,000	92.94%	\$335	114	\$34,500,000	\$31,000,000	368	31	560	5.54%	Buyer's
Boston	MA	\$2,856,250	\$2,246,875	96.98%	\$522	29	\$90,000,000	\$15,100,000	360	30	133	22.56%	Seller's
Boulder	CO	\$2,211,500	\$1,750,750	97.74%	\$437	61	\$22,200,000	\$8,137,400	322	27	144	18.75%	Seller's
Brooklyn	NY	\$1,899,000	\$1,915,000	92.68%	\$619	94	\$5,250,000	\$4,000,000	80	7	92	7.61%	Buyer's
Charlotte	NC	\$979,500	\$899,500	97.51%	\$223	43	\$7,450,000	\$5,300,000	1,577	131	837	15.65%	Balanced
Chicago	IL	\$1,399,000	\$1,186,500	95.58%	\$292	89	\$50,000,000	\$12,000,000	2,151	179	1,522	11.76%	Buyer's
Collin County	TX	\$717,752	\$681,750	97.58%	\$165	45	\$14,500,000	\$6,547,500	1,469	122	858	14.22%	Buyer's
Dallas	TX	\$1,459,500	\$1,256,331	96.15%	\$290	46	\$38,500,000	\$39,200,000	777	65	480	13.54%	Buyer's
Denver	CO	\$1,149,950	\$930,000	98.69%	\$221	19	\$20,000,000	\$8,000,000	3,028	252	833	30.25%	Seller's
Detroit	MI	\$538,795	\$509,540	98.14%	\$176	25	\$19,000,000	\$2,950,000	2,649	221	970	22.78%	Seller's
Douglas County	CO	\$1,260,000	\$1,081,250	97.73%	\$189	47	\$20,000,000	\$6,750,000	631	53	290	18.28%	Buyer's
Fairfax	VA	\$1,649,973	\$1,404,500	97.88%	\$262	46	\$29,900,000	\$19,900,000	759	63	522	12.07%	Buyer's
Florida Keys	FL	\$2,295,000	\$2,037,500	93.64%	\$854	97	\$15,500,000	\$5,830,000	131	11	182	6.04%	Buyer's
Ft. Lauderdale	FL	\$1,296,500	\$936,375	95.08%	\$292	82	\$159,000,000	\$16,000,000	1,544	129	1,523	8.47%	Buyer's
Ft. Worth	TX	\$711,750	\$633,750	97.85%	\$165	39	\$12,000,000	\$17,500,012	2,908	242	1,104	21.92%	Seller's
Greater Atlanta	GA	\$1,248,000	\$1,038,000	97.37%	\$239	43	\$25,000,000	\$8,925,000	1,574	131	1,197	10.94%	Buyer's
Honolulu	HI	\$2,298,750	\$1,927,500	96.84%	\$637	42	\$30,000,000	\$18,800,000	379	32	208	15.38%	Balanced
Houston	TX	\$999,999	\$906,000	97.09%	\$284	46	\$29,999,999	\$8,350,000	2,144	179	1,375	13.02%	Buyer's
Jacksonville Beaches	FL	\$999,500	\$917,475	96.26%	\$262	80	\$13,400,000	\$6,050,000	544	45	395	11.39%	Buyer's
Kauai	HI	\$3,803,900	\$3,500,000	90.86%	\$1,442	222	\$70,000,000	\$46,100,000	58	5	64	7.81%	Buyer's
LA: Beach Cities*	CA	\$8,892,500	\$7,303,156	96.63%	\$1,398	61	\$85,000,000	\$45,000,000	158	13	161	8.07%	Buyer's
LA: City*	CA	\$5,496,250	\$4,166,250	96.64%	\$938	47	\$245,000,000	\$56,000,000	753	63	576	10.94%	Seller's
LA: The Valley*	CA	\$2,398,000	\$2,073,122	97.57%	\$525	45	\$85,000,000	\$16,000,000	1,050	88	495	17.78%	Balanced
Las Vegas	NV	\$739,475	\$630,000	97.99%	\$192	36	\$34,500,000	\$13,000,000	3,030	253	1,364	18.55%	Balanced
Marin County	CA	\$4,622,500	\$3,512,500	97.34%	\$1,003	37	\$39,000,000	\$21,400,000	200	17	81	20.99%	Balanced
Maui	HI	\$3,396,250	\$2,297,625	92.69%	\$700	206	\$49,000,000	\$22,800,000	112	9	185	4.86%	Buyer's
McLean & Vienna	VA	\$2,750,000	\$2,541,359	95.71%	\$327	52	\$49,500,000	\$43,000,000	117	10	96	10.42%	Buyer's
Miami	FL	\$1,497,000	\$1,122,000	93.09%	\$384	126	\$65,000,000	\$33,000,000	804	67	1,282	5.23%	Buyer's
Montgomery County	MD	\$1,809,500	\$1,488,455	97.70%	\$289	39	\$25,900,000	\$11,192,018	658	55	337	16.32%	Balanced
Napa Valley	CA	\$3,449,500	\$2,454,500	95.78%	\$923	67	\$26,500,000	\$15,000,000	109	9	93	9.68%	Buyer's
Naples	FL	\$2,950,000	\$2,682,188	93.57%	\$683	98	\$60,900,000	\$48,800,000	559	47	692	6.79%	Buyer's
Nashville	TN	\$1,099,950	\$988,127	98.55%	\$271	17	\$32,500,000	\$7,200,000	723	60	305	19.67%	Balanced
New Orleans	LA	\$697,875	\$644,500	96.81%	\$182	48	\$9,250,000	\$3,400,000	1,100	92	530	17.36%	Balanced

SINGLE-FAMILY HOMES TOP 10%

City	State	Median List Price	Median Sold Price	Median SP/LP Ratio	Median Price Per SqFt	Median Days on Market	Highest List Price	Highest Sold Price	Total Sold	Average Monthly Sold	Average Monthly Inventory	Sales Ratio	Status
Oakland County	MI	\$784,925	\$664,700	96.95%	\$203	31	\$10,550,000	\$5,500,000	1,529	127	1,027	12.37%	Buyer's
Ocean County	NJ	\$758,750	\$737,500	96.93%	\$250	65	\$7,950,000	\$5,700,000	553	46	374	12.30%	Buyer's
Orange County	CA	\$2,950,000	\$2,430,700	96.19%	\$749	51	\$63,500,000	\$60,500,000	1,811	151	1,124	13.43%	Buyer's
Orlando	FL	\$799,993	\$695,000	97.04%	\$152	53	\$28,500,000	\$7,189,333	2,451	204	1,503	13.57%	Buyer's
Palm Beach Towns	FL	\$4,495,000	\$3,561,750	90.29%	\$804	154	\$165,000,000	\$41,257,000	207	17	259	6.56%	Buyer's
Palm Springs & Palm Desert	CA	\$2,047,500	\$1,750,000	95.17%	\$445	92	\$648,000,000	\$12,000,000	447	37	456	8.11%	Buyer's
Paradise Valley	AZ	\$4,856,250	\$4,200,000	95.50%	\$610	79	\$22,888,000	\$7,000,000	41	3	70	4.29%	Buyer's
Park City	UT	\$6,235,000	\$5,906,250	93.18%	\$773	179	\$25,000,000	\$11,600,000	50	4	99	4.04%	Buyer's
Phoenix	AZ	\$743,000	\$670,000	97.70%	\$228	66	\$16,850,000	\$4,100,000	1,737	145	784	18.49%	Balanced
Pinellas County Coastal	FL	\$2,072,500	\$1,998,500	93.84%	\$471	147	\$7,850,000	\$7,250,000	67	6	48	12.50%	Buyer's
Placer County	CA	\$1,074,748	\$915,750	98.25%	\$273	31	\$7,318,000	\$4,250,000	564	47	207	22.71%	Seller's
Raleigh-Durham	NC	\$767,943	\$722,500	99.06%	\$183	3	\$9,500,000	\$378,500,000	1,787	149	789	18.88%	Seller's
Sacramento	CA	\$892,200	\$788,125	98.86%	\$261	22	\$439,999,000	\$365,000,000	2,011	168	539	31.17%	Seller's
San Diego	CA	\$2,446,500	\$1,800,000	95.74%	\$546	41	\$949,000,000	\$882,000,000	2,150	179	1,123	15.94%	Balanced
San Francisco	CA	\$5,548,750	\$3,925,000	102.37%	\$1,201	14	\$29,500,000	\$32,000,000	258	22	42	52.38%	Seller's
Santa Barbara	CA	\$5,995,000	\$4,315,000	95.36%	\$1,081	81	\$85,000,000	\$35,000,000	118	10	148	6.76%	Buyer's
Sarasota & Beaches	FL	\$2,300,000	\$2,077,813	93.89%	\$562	99	\$26,500,000	\$7,000,000	225	19	321	5.92%	Buyer's
Scottsdale	AZ	\$1,885,000	\$1,603,500	95.39%	\$346	133	\$26,000,000	\$17,500,000	622	52	605	8.60%	Buyer's
Seattle	WA	\$2,028,000	\$1,723,000	99.98%	\$530	10	\$16,800,000	\$11,000,000	726	61	154	39.61%	Seller's
Silicon Valley	CA	\$5,860,750	\$3,740,000	102.30%	\$1,396	10	\$55,000,000	\$23,500,000	880	73	137	53.28%	Seller's
St. Louis	MO	\$699,900	\$591,250	97.97%	\$204	30	\$5,975,000	\$5,650,000	665	55	246	22.36%	Seller's
Staten Island	NY	\$1,300,000	\$1,092,500	94.81%	\$323	69	\$6,995,000	\$2,750,000	130	11	143	7.69%	Buyer's
Talbot County	MD	\$1,698,500	\$1,372,500	89.04%	\$390	147	\$10,500,000	\$5,500,000	63	5	80	6.25%	Buyer's
Tampa	FL	\$689,000	\$636,975	98.11%	\$203	43	\$9,995,000	\$9,500,000	1,964	164	834	19.66%	Balanced
The Woodlands & Spring	TX	\$795,875	\$709,750	96.92%	\$168	75	\$7,850,000	\$2,880,000	669	56	472	11.86%	Buyer's
Tucson	AZ	\$653,250	\$558,000	97.63%	\$192	37	\$12,500,000	\$3,250,000	1,456	121	961	12.59%	Buyer's
Vail	CO	\$4,993,750	\$4,305,000	93.84%	\$655	125	\$35,000,000	\$23,000,000	49	4	105	3.81%	Buyer's
Ventura	CA	\$1,865,000	\$1,623,400	97.22%	\$442	60	\$85,000,000	\$7,950,000	608	51	249	20.48%	Balanced
Washington	DC	\$3,496,250	\$2,512,500	97.48%	\$513	30	\$22,000,000	\$16,500,000	124	10	58	17.24%	Buyer's
Worcester County	MD	\$761,250	\$655,750	96.21%	\$241	91	\$3,599,000	\$2,000,000	89	7	70	10.00%	Buyer's

CONDOS TOP 5%

City	State	Median List Price	Median Sold Price	Median SP/LP Ratio	Median Price Per SqFt	Median Days on Market	Highest List Price	Highest Sold Price	Total Sold	Average Monthly Sold	Average Monthly Inventory	Sales Ratio	Status
Arlington, Alexandria, & Falls Church	VA	\$1,257,175	\$1,197,495	97.88%	\$486	18	\$5,200,000	\$3,210,000	224	19	62	30.65%	Seller's
Austin	TX	\$973,500	\$887,250	97.20%	\$466	49	\$8,900,000	\$3,750,000	140	12	109	11.01%	Buyer's
Boca Raton & Delray Beach	FL	\$1,347,000	\$1,004,500	94.65%	\$443	69	\$24,950,000	\$5,475,000	251	21	239	8.79%	Buyer's
Boston	MA	\$2,993,113	\$2,546,250	98.11%	\$1,274	32	\$45,000,000	\$15,110,000	350	29	146	19.86%	Balanced
Boulder	CO	\$997,250	\$1,096,000	100.00%	\$631	42	\$3,550,000	\$5,500,000	66	6	33	18.18%	Balanced
Brooklyn	NY	\$2,100,000	\$1,900,000	94.78%	\$608	88	\$7,999,999	\$9,500,000	68	6	88	6.82%	Buyer's
Charlotte	NC	\$799,900	\$735,000	98.73%	\$290	42	\$3,850,000	\$2,096,768	174	15	98	15.31%	Balanced
Chicago	IL	\$1,467,472	\$1,155,500	97.83%	\$532	56	\$18,500,000	\$12,100,000	957	80	628	12.74%	Buyer's
Dallas	TX	\$1,119,000	\$939,500	96.82%	\$368	61	\$13,500,000	\$4,075,000	125	10	110	9.09%	Buyer's
Denver	CO	\$900,000	\$840,975	99.26%	\$324	16	\$10,750,000	\$4,500,000	681	57	219	26.03%	Seller's
Detroit	MI	\$479,900	\$467,725	98.82%	\$243	24	\$1,985,000	\$1,665,000	309	26	148	17.57%	Balanced
Douglas County	CO	\$661,620	\$647,250	98.63%	\$209	22	\$959,000	\$940,000	56	5	15	33.33%	Seller's
Fairfax	VA	\$799,900	\$768,679	99.56%	\$327	16	\$2,799,900	\$3,750,000	310	26	77	33.77%	Seller's
Florida Keys	FL	\$1,444,750	\$1,562,500	96.51%	\$741	36	\$3,295,000	\$2,100,000	30	3	31	9.68%	Buyer's
Ft. Lauderdale	FL	\$896,438	\$835,000	95.23%	\$437	97	\$11,000,000	\$6,800,000	845	70	1,075	6.51%	Buyer's
Greater Atlanta	GA	\$847,200	\$750,000	99.07%	\$291	50	\$15,995,000	\$3,809,084	389	32	305	10.49%	Buyer's
Honolulu	HI	\$1,984,222	\$1,765,000	97.18%	\$1,278	49	\$36,000,000	\$23,500,000	295	25	191	13.09%	Buyer's
Houston	TX	\$727,000	\$679,500	97.30%	\$228	58	\$2,950,000	\$1,748,000	177	15	146	10.27%	Buyer's
Jacksonville Beaches	FL	\$1,239,500	\$1,076,875	95.71%	\$441	67	\$2,775,000	\$2,857,000	56	5	42	11.90%	Buyer's
Kauai	HI	\$2,890,000	\$2,575,000	93.44%	\$973	119	\$9,750,000	\$8,700,000	23	2	28	7.14%	Buyer's
LA: Beach Cities*	CA	\$3,175,000	\$2,777,500	98.29%	\$1,267	32	\$16,500,000	\$14,500,000	83	7	39	17.95%	Balanced
LA: City*	CA	\$2,562,500	\$2,050,000	97.47%	\$938	38	\$48,888,888	\$59,000,025	199	17	151	11.26%	Buyer's
LA: The Valley*	CA	\$883,281	\$830,750	100.00%	\$445	39	\$2,549,000	\$7,550,000	183	15	42	35.71%	Seller's
Las Vegas	NV	\$1,190,000	\$929,943	97.18%	\$342	56	\$15,000,000	\$5,500,000	167	14	79	17.72%	Balanced
Marin County	CA	\$2,043,500	\$1,780,000	99.69%	\$894	55	\$4,279,000	\$3,800,000	26	2	6	33.33%	Seller's
Maui	HI	\$3,136,750	\$3,015,625	98.13%	\$1,548	138	\$25,000,000	\$10,000,000	83	7	55	12.73%	Buyer's
McLean & Vienna	VA	\$1,149,000	\$1,099,975	97.86%	\$437	99	\$2,799,900	\$1,850,000	31	3	15	20.00%	Balanced

CONDOS TOP 5%

City	State	Median List Price	Median Sold Price	Median SP/LP Ratio	Median Price Per SqFt	Median Days on Market	Highest List Price	Highest Sold Price	Total Sold	Average Monthly Sold	Average Monthly Inventory	Sales Ratio	Status
Miami	FL	\$1,684,500	\$1,593,750	91.03%	\$865	169	\$65,000,000	\$26,500,000	388	32	1,459	2.19%	Buyer's
Montgomery County	MD	\$1,100,000	\$834,250	98.83%	\$359	27	\$4,190,000	\$2,950,000	266	22	114	19.30%	Balanced
Napa Valley	CA	\$1,233,250	\$1,180,000	98.70%	\$662	50	\$1,295,000	\$1,295,000	6	1	1	100.00%	Seller's
Naples	FL	\$2,288,750	\$2,155,000	94.80%	\$726	78	\$12,500,000	\$11,000,000	340	28	264	10.61%	Buyer's
Nashville	TN	\$864,925	\$862,500	99.34%	\$624	31	\$5,750,000	\$5,500,000	101	8	68	11.76%	Buyer's
New Orleans	LA	\$1,107,500	\$1,130,000	94.97%	\$554	100	\$3,500,000	\$3,300,000	58	5	42	11.90%	Buyer's
Oakland County	MI	\$619,675	\$517,691	97.41%	\$226	35	\$3,499,000	\$1,580,500	157	13	95	13.68%	Buyer's
Ocean County	NJ	\$652,300	\$649,000	98.66%	\$359	68	\$5,495,000	\$1,750,000	80	7	53	13.21%	Buyer's
Orange County	CA	\$1,573,750	\$1,307,500	97.57%	\$674	41	\$7,950,000	\$9,125,000	487	41	215	19.07%	Balanced
Orlando	FL	\$445,700	\$405,000	97.55%	\$173	44	\$6,500,000	\$3,700,000	394	33	227	14.54%	Buyer's
Palm Beach Towns	FL	\$3,153,750	\$2,775,000	93.72%	\$828	85	\$24,950,000	\$10,400,000	68	6	97	6.19%	Buyer's
Paradise Valley	AZ	\$2,146,818	\$2,386,064	97.32%	\$669	19	\$3,800,000	\$2,735,701	6	1	4	25.00%	Seller's
Park City	UT	\$4,475,000	\$3,890,000	96.21%	\$1,144	97	\$8,750,000	\$8,400,000	28	2	19	10.53%	Buyer's
Pinellas County Coastal	FL	\$1,371,000	\$1,244,000	96.56%	\$459	109	\$4,295,000	\$2,995,000	79	7	53	13.21%	Buyer's
San Diego	CA	\$1,499,750	\$1,333,988	96.00%	\$835	42	\$739,500,000	\$545,000,000	527	44	277	15.88%	Balanced
San Francisco	CA	\$3,430,000	\$3,146,250	100.00%	\$1,438	22	\$19,500,000	\$11,000,000	149	12	59	20.34%	Balanced
Santa Barbara	CA	\$2,695,000	\$2,278,000	96.81%	\$969	70	\$5,250,000	\$4,000,000	21	2	25	8.00%	Buyer's
Sarasota & Beaches	FL	\$2,186,000	\$2,161,250	95.93%	\$753	61	\$7,950,000	\$5,695,000	123	10	95	10.53%	Buyer's
Scottsdale	AZ	\$874,500	\$850,000	96.64%	\$322	105	\$3,300,000	\$3,150,000	108	9	65	13.85%	Buyer's
Seattle	WA	\$1,859,000	\$1,536,875	97.89%	\$990	23	\$13,800,000	\$3,600,000	123	10	57	17.54%	Balanced
Silicon Valley	CA	\$1,929,000	\$1,869,000	107.01%	\$1,059	10	\$3,888,000	\$3,898,000	202	17	11	154.55%	Seller's
Staten Island	NY	\$624,450	\$620,000	98.71%	\$353	55	\$1,299,999	\$1,350,000	58	5	25	20.00%	Balanced
Tampa	FL	\$620,000	\$555,831	98.08%	\$278	33	\$5,320,000	\$1,950,000	246	21	96	21.88%	Seller's
Vail	CO	\$6,750,000	\$5,862,500	95.71%	\$1,872	101	\$18,250,000	\$14,000,000	33	3	40	7.50%	Buyer's
Ventura	CA	\$888,625	\$871,690	99.09%	\$445	59	\$2,388,000	\$2,350,000	99	8	30	26.67%	Seller's
Washington	DC	\$1,944,000	\$1,690,000	99.08%	\$732	17	\$8,950,000	\$5,995,000	314	26	128	20.31%	Balanced
Worcester County	MD	\$713,750	\$745,500	95.95%	\$451	138	\$1,499,900	\$1,525,000	64	5	65	7.69%	Buyer's

Note: Not all Power Markets have condo markets in the top 5% of the overall marketplace.

CONDOS TOP 10%

City	State	Median List Price	Median Sold Price	Median SP/LP Ratio	Median Price Per SqFt	Median Days on Market	Highest List Price	Highest Sold Price	Total Sold	Average Monthly Sold	Average Monthly Inventory	Sales Ratio	Status
Arlington, Alexandria, & Falls Church	VA	\$1,000,000	\$965,500	98.77%	\$451	21	\$5,200,000	\$3,210,000	445	37	105	35.24%	Seller's
Austin	TX	\$787,000	\$695,000	97.33%	\$369	53	\$8,900,000	\$3,750,000	279	23	176	13.07%	Buyer's
Boca Raton & Delray Beach	FL	\$785,000	\$730,000	95.15%	\$356	61	\$24,950,000	\$5,475,000	504	42	430	9.77%	Buyer's
Boston	MA	\$2,298,250	\$1,891,500	98.39%	\$1,116	27	\$45,000,000	\$15,110,000	707	59	228	25.88%	Seller's
Boulder	CO	\$923,000	\$826,000	100.00%	\$462	54	\$3,550,000	\$5,500,000	136	11	53	20.75%	Balanced
Brooklyn	NY	\$1,770,000	\$1,702,500	94.99%	\$595	75	\$7,999,999	\$9,500,000	131	11	158	6.96%	Buyer's
Charlotte	NC	\$616,749	\$579,250	99.01%	\$265	33	\$3,850,000	\$2,096,768	355	30	161	18.63%	Balanced
Chicago	IL	\$1,050,000	\$894,000	98.24%	\$442	54	\$18,500,000	\$12,100,000	1,925	160	991	16.15%	Balanced
Dallas	TX	\$761,250	\$686,875	97.49%	\$299	54	\$13,500,000	\$4,075,000	250	21	179	11.73%	Buyer's
Denver	CO	\$759,750	\$708,625	99.69%	\$330	18	\$10,750,000	\$4,500,000	1,367	114	371	30.73%	Seller's
Detroit	MI	\$414,700	\$387,500	98.65%	\$213	19	\$1,985,000	\$1,665,000	615	51	242	21.07%	Seller's
Douglas County	CO	\$568,750	\$545,000	99.04%	\$207	23	\$959,000	\$940,000	118	10	27	37.04%	Seller's
Fairfax	VA	\$714,973	\$686,123	99.88%	\$307	12	\$2,799,900	\$3,750,000	629	52	126	41.27%	Seller's
Florida Keys	FL	\$1,161,250	\$1,160,000	96.63%	\$704	79	\$3,295,000	\$2,100,000	61	5	60	8.33%	Buyer's
Ft. Lauderdale	FL	\$639,725	\$572,800	95.62%	\$347	82	\$11,000,000	\$6,800,000	1,683	140	1,821	7.69%	Buyer's
Greater Atlanta	GA	\$682,500	\$622,079	98.91%	\$260	47	\$15,995,000	\$3,809,084	768	64	506	12.65%	Buyer's
Honolulu	HI	\$1,315,500	\$1,077,500	97.95%	\$924	39	\$36,000,000	\$23,500,000	581	48	287	16.72%	Balanced
Houston	TX	\$597,250	\$583,375	97.10%	\$205	50	\$2,950,000	\$1,748,000	351	29	273	10.62%	Buyer's
Jacksonville Beaches	FL	\$949,950	\$827,500	96.24%	\$429	71	\$2,775,000	\$2,857,000	112	9	68	13.24%	Buyer's
Kauai	HI	\$1,582,500	\$1,438,750	94.88%	\$759	74	\$9,750,000	\$8,700,000	47	4	48	8.33%	Buyer's
LA: Beach Cities*	CA	\$2,645,000	\$2,450,000	98.30%	\$1,146	27	\$16,500,000	\$14,500,000	159	13	67	19.40%	Balanced
LA: City*	CA	\$2,047,495	\$1,607,000	98.28%	\$810	31	\$48,888,888	\$59,000,025	401	33	214	15.42%	Balanced
LA: The Valley*	CA	\$769,500	\$747,500	100.00%	\$437	36	\$2,549,000	\$7,550,000	368	31	75	41.33%	Seller's
Las Vegas	NV	\$699,000	\$637,500	97.77%	\$270	51	\$15,000,000	\$5,500,000	309	26	142	18.31%	Balanced
Marin County	CA	\$1,415,250	\$1,349,500	100.00%	\$784	30	\$4,279,000	\$3,800,000	53	4	11	36.36%	Seller's
Maui	HI	\$1,899,750	\$1,950,000	97.21%	\$1,312	162	\$25,000,000	\$10,000,000	165	14	113	12.39%	Buyer's
McLean & Vienna	VA	\$998,120	\$944,725	98.48%	\$394	25	\$2,799,900	\$1,850,000	63	5	21	23.81%	Seller's
Miami	FL	\$1,035,000	\$991,250	93.07%	\$620	167	\$65,000,000	\$26,500,000	776	65	2,764	2.35%	Buyer's

Disclaimer: Data is based on closed and recorded transaction sides of homes sold in the top 10% of luxury markets between the periods of December 16, 2017 to December 31, 2018 as gathered by The Institute for Luxury Home Marketing from multiple sources including, but not limited to, various Multiple Listing Services, local Real Estate Boards, and Coldwell Banker cooperating brokerage firms.

CONDOS TOP 10%

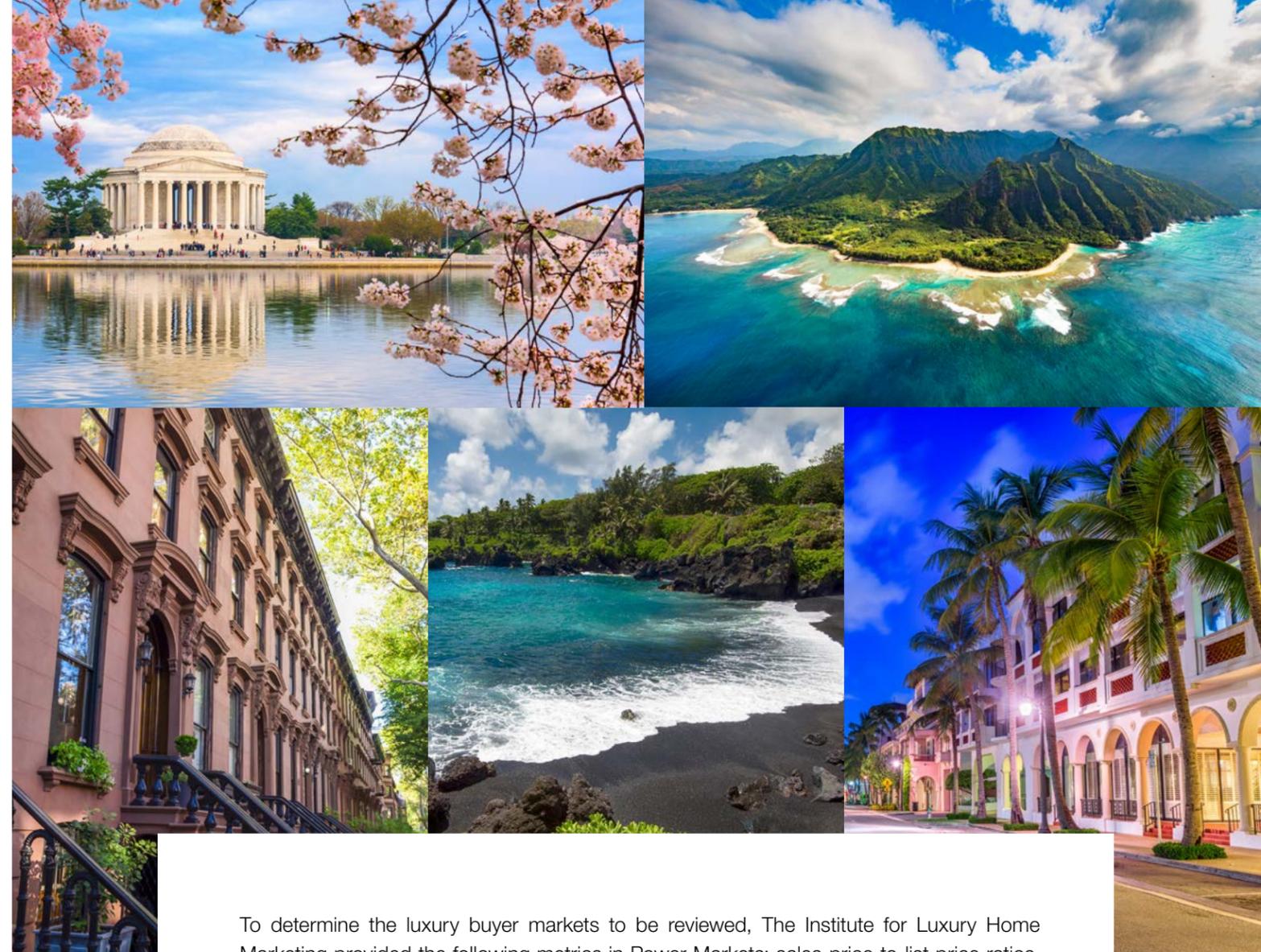
City	State	Median List Price	Median Sold Price	Median SP/LP Ratio	Median Price Per SqFt	Median Days on Market	Highest List Price	Highest Sold Price	Total Sold	Average Monthly Sold	Average Monthly Inventory	Sales Ratio	Status
Montgomery County	MD	\$843,225	\$698,500	98.88%	\$330	27	\$4,190,000	\$2,950,000	532	44	159	27.67%	Seller's
Napa Valley	CA	\$843,375	\$860,200	99.75%	\$640	33	\$1,295,000	\$1,295,000	21	2	5	40.00%	Seller's
Naples	FL	\$1,599,500	\$1,510,000	94.28%	\$599	67	\$12,500,000	\$11,000,000	673	56	506	11.07%	Buyer's
Nashville	TN	\$689,950	\$616,250	98.38%	\$480	27	\$5,750,000	\$5,500,000	203	17	106	16.04%	Balanced
New Orleans	LA	\$792,500	\$747,500	97.41%	\$453	92	\$3,500,000	\$3,300,000	116	10	82	12.20%	Buyer's
Oakland County	MI	\$492,198	\$440,546	97.70%	\$198	25	\$3,499,000	\$1,580,500	310	26	139	18.71%	Balanced
Ocean County	NJ	\$596,500	\$591,500	100.00%	\$293	53	\$5,495,000	\$1,750,000	148	12	92	13.04%	Buyer's
Orange County	CA	\$1,199,500	\$1,069,750	98.48%	\$525	30	\$7,950,000	\$9,125,000	970	81	333	24.32%	Seller's
Orlando	FL	\$379,675	\$351,500	97.65%	\$156	43	\$6,500,000	\$3,700,000	785	65	361	18.01%	Balanced
Palm Beach Towns	FL	\$1,962,500	\$1,782,550	91.77%	\$681	88	\$24,950,000	\$10,400,000	137	11	179	6.15%	Buyer's
Paradise Valley	AZ	\$1,924,000	\$1,969,000	100.00%	\$627	14	\$3,800,000	\$2,735,701	12	1	4	25.00%	Seller's
Park City	UT	\$3,216,250	\$3,272,563	96.42%	\$1,033	99	\$8,750,000	\$8,400,000	57	5	54	9.26%	Buyer's
Pinellas County Coastal	FL	\$1,192,225	\$939,975	97.57%	\$443	72	\$4,295,000	\$2,995,000	155	13	91	14.29%	Buyer's
San Diego	CA	\$1,199,000	\$994,250	97.01%	\$664	28	\$739,500,000	\$545,000,000	1,056	88	431	20.42%	Balanced
San Francisco	CA	\$3,012,500	\$2,438,750	100.00%	\$1,338	19	\$19,500,000	\$11,000,000	292	24	78	30.77%	Seller's
Santa Barbara	CA	\$2,102,500	\$1,521,250	98.26%	\$829	33	\$5,250,000	\$4,000,000	43	4	33	12.12%	Buyer's
Sarasota & Beaches	FL	\$1,572,000	\$1,419,250	95.44%	\$663	55	\$7,950,000	\$5,695,000	242	20	167	11.98%	Buyer's
Scottsdale	AZ	\$763,000	\$679,500	97.01%	\$295	82	\$3,300,000	\$3,150,000	218	18	99	18.18%	Balanced
Seattle	WA	\$1,331,249	\$1,203,500	99.05%	\$829	13	\$13,800,000	\$3,600,000	247	21	87	24.14%	Seller's
Silicon Valley	CA	\$1,707,904	\$1,699,750	107.45%	\$1,012	9	\$3,888,000	\$3,898,000	406	34	24	141.67%	Seller's
Staten Island	NY	\$589,948	\$594,350	98.31%	\$327	49	\$1,299,999	\$1,350,000	117	10	45	22.22%	Seller's
Tampa	FL	\$490,250	\$452,375	98.32%	\$253	27	\$5,320,000	\$1,950,000	495	41	172	23.84%	Seller's
Vail	CO	\$3,945,000	\$3,400,000	94.73%	\$1,629	118	\$18,250,000	\$14,000,000	66	6	69	8.70%	Buyer's
Ventura	CA	\$766,513	\$754,975	99.13%	\$422	50	\$2,388,000	\$2,350,000	202	17	57	29.82%	Seller's
Washington	DC	\$1,599,950	\$1,359,850	100.00%	\$659	12	\$8,950,000	\$5,995,000	631	53	185	28.65%	Seller's
Worcester County	MD	\$597,000	\$580,750	96.23%	\$356	124	\$1,499,900	\$1,525,000	131	11	106	10.38%	Buyer's

Note: Not all Power Markets have condo markets in the top 10% of the overall marketplace.

*LA: Beach Cities includes all cities along the coast of the greater Los Angeles area. Cities include Santa Monica, Malibu, and Manhattan Beach. LA: City covers all of inland Los Angeles through the Westside with Ventura Boulevard as the border. Cities include Beverly Hills, West Hollywood, and Downtown. LA: The Valley begins at Ventura Boulevard and edges Ventura County. Cities include Thousand Oaks, Calabasas, and Northridge.

2018 LUXURY BUYER MARKETS

IN REVIEW



To determine the luxury buyer markets to be reviewed, The Institute for Luxury Home Marketing provided the following metrics in Power Markets: sales-price-to-list-price ratios, days on market, median sold price, and inventory. Coldwell Banker independent sales associates provided the local insight, knowledge, and understanding of the nuances in each individual marketplace.

Traditionally, a buyer's market describes conditions in which supply exceeds demand, giving home purchasers an advantage over sellers in price negotiations.

It must be recognized that in reviewing these markets over a 12-month period that conditions do fluctuate, especially in a transitioning market. Therefore, these markets were selected based on the predominance of their market status over the last 12 months, not on their final status at the end of the year.

1 MAUI

MARKET BECOMING MORE BUYER-FRIENDLY

The second largest of Hawaii’s five major islands, Maui was mostly a patchwork of sugar cane and pineapple plantations before the first hotel appeared in Hana on the island’s east coast in 1946, foreshadowing a future rich in tourism.¹ Sugar companies opened planned vacation communities, first at Kaanapali Beach on the western part of the island in the 1960s, and then on the eastern part at Wailea in the 1970s, turning Maui into a world-class resort destination over the past four decades.

As tourists flocked to Maui’s pristine blue waters and wide sandy beaches to surf, snorkel, and fish, its dozens of golf courses and tennis clubs beckoned sports enthusiasts from all over the world.

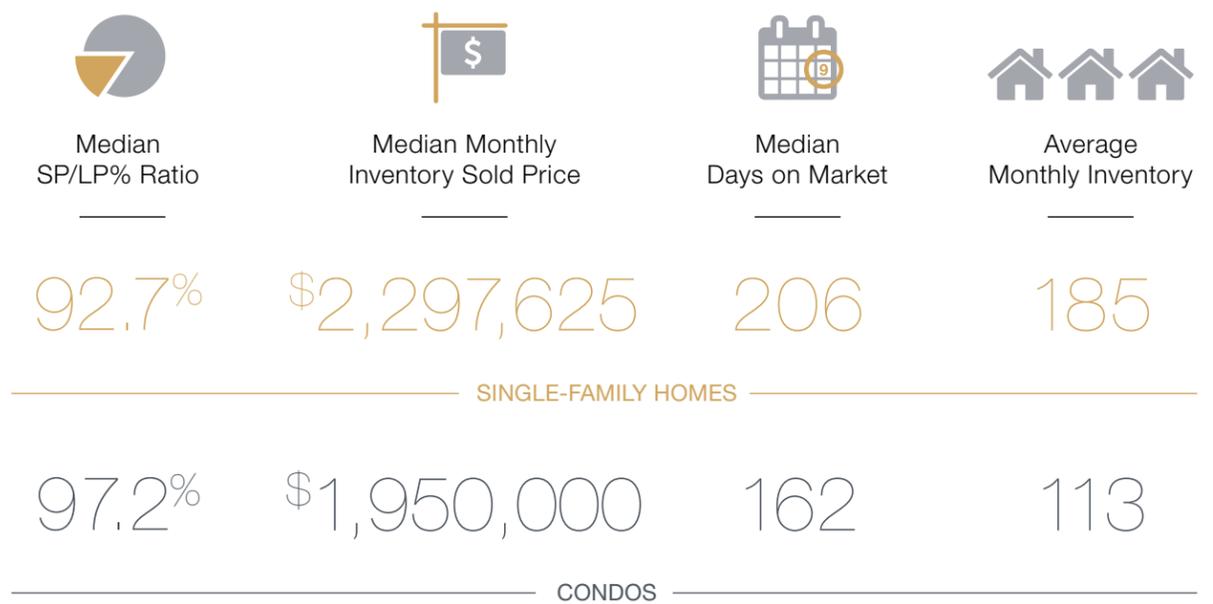
“Before long, Maui became a very desirable destination for vacation home buyers from California and the west coast of the U.S., as well as from Canada, Japan, and many people from Europe,” says Volker Weiss of Coldwell Banker Island Properties in Wailea. “Location is everything, with proximity to water and views of highest importance for high-end properties.”



Following a furious appreciation of home prices over the past six years that took property values back to levels not seen since before 2008, there are signs of a moderate slowdown that is tipping the scale in favor of buyers.

“Maui is definitely becoming a buyer’s market,” says Weiss. “People are way more cautious, more educated, and they wait a lot longer before making a purchase.”

In the top 10% of the Maui condominium market, median price per square foot in 2018 was down 8% from 2017 to \$1,312, while properties spent 30% more days on market at a median of 162 days. Among single-family homes, price per square foot was down 22% to \$700.





2 PALM BEACH

“Season in the Palm Beaches runs from November to April, and our population nearly doubles during that time, attracting snowbirds from the northeast, as well as foreign buyers, especially Canadians,” says Tate. “The area has a lot to offer in terms of arts and entertainment, from performances at the Kravis Center to elite Palm Beach galas, the nightlife of Clematis Street & Cityplace, and the International Boat Show with more than 800 yachts showcased in the harbor.”

With no Florida state income tax and frequent corporate relocations to the area, the Palm Beaches remain a magnet for luxury buyers.

“Luxury buyers often gravitate to the neighboring suburbs of Jupiter and Palm Beach Gardens, and there are a number of new construction waterfront opportunities underway in northern Palm Beach County,” says Tate. “Developers are speculating that luxury market demand will continue, but on the resale side, it’s more of a buyer’s market.”

In the condominium market, the pace of sales last year was down 13% from 2017, and inventory was up 68%. Inventory of single-family homes was up 69%, while price per square foot declined by 16%.

INCREASING INVENTORY HELPS BUYERS

Since its initial development just before the turn of the 20th century by John D. Rockefeller’s Standard Oil co-founder, Henry M. Flagler,¹ Palm Beach has been a favorite wintertime playground for America’s wealthy. Flagler built railroads and hotels on the east coast of Florida extending as far as Key West in 1912.

“Palm Beach’s temperate climate and 47 miles of beaches have been enticing the fortunate elite since Flagler and his wife, Lily, began hosting elaborate parties during the gilded age of the early 1900s,” says Brandon Tate of Coldwell Banker Residential Real Estate in Palm Beach Gardens, FL.

Today Palm Beach County has a population of 1.47 million people in towns and cities including Palm Beach Gardens, North Palm Beach, Juno Beach, Jupiter, Singer Island, and West Palm Beach.

Median SP/LP% Ratio	Median Monthly Inventory Sold Price	Median Days on Market	Average Monthly Inventory
90.3%	\$3,561,750	154	259
SINGLE-FAMILY HOMES			
91.8%	\$1,782,550	88	179
CONDOS			

See pages 106-107 for a full list of resources.

3 WASHINGTON D.C.



BUYERS GAIN GROUND IN WASHINGTON

Since its establishment in 1790 as the capital district of the United States, Washington, D.C. has enjoyed a sizable built-in demand from buyers from buyers both nationally and globally.

However, in 2018 the luxury real estate market witnessed a large disparity between the demand for single family homes and condominiums, causing a simultaneous buyer and seller market, respectfully.

While the market continued to show strength at the lower priced end of luxury—mainly condominiums—by the start of the second half of 2018, the luxury market of homes priced at \$2 million and higher showed the distinct signs of cooling, turning it into a buyer’s market.

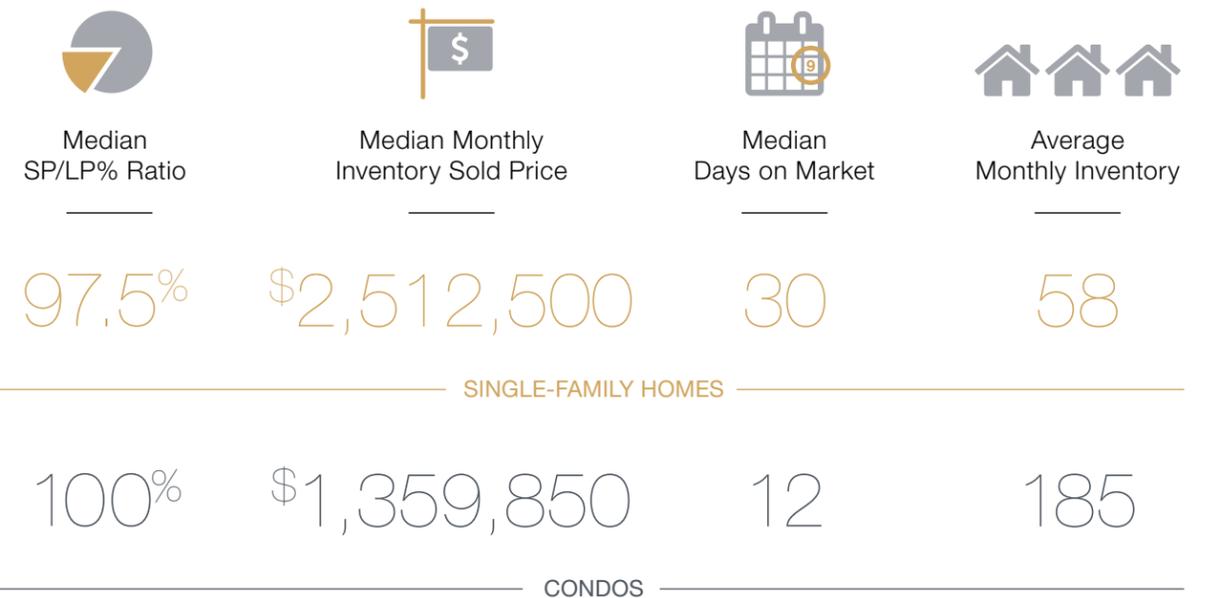
“If you put your home on the market and price it right, it will sell,” says Marin Hagen of Coldwell Banker Residential Brokerage Georgetown in Washington, D.C. Hagen notes that the pace of sales of luxury homes in D.C., Montgomery County, MD, and Fairfax County, VA, was down 4% year-over-year in December 2018. Median sold price of \$2.5 million was flat compared to

December 2017, while the 9.6-month supply of inventory priced above \$2 million rose 3%.²

“The trend in Washington, like in many metropolitan areas, is that people are moving in because they want to live in the city, but buyers will not overpay, even though there is low inventory,” says Marin.

Homes that sell most quickly are new construction or those that have been recently renovated.

“Homes that are not renovated are hard to sell, and by ‘recently renovated’ I mean something that has been updated in the past five years, definitely not 20 years ago,” says Marin. “Most people want something that is move-in ready because they’re working all the time.”





4 KAUAI

here is because they're charmed by the culture and the people, as well as the spectacular environment and pristine beaches," she adds, noting that the world's rich and famous prize the laid-back lifestyle.

"When a celebrity walks down the street in Los Angeles they're mobbed by paparazzi, but on Kauai people are respectful of private space," says Charles. "The part of island that's always charmed the high-net worth buyer is the North Shore and Hanalei Bay, where prices can exceed \$15 million, while the south side of the island is a little bit different and relatively undiscovered, but lately there has been a big spike in the \$5 million to \$10 million range, with several above \$10 million."

In 2018, luxury single-family residence sales were up 53% and price per square foot increased by 29% compared to 2017, although the average days on market rose to 222 days from 132 the prior year.

"The luxury market on Kauai is highly correlated to U.S. markets on the west coast, like Orange County and San Francisco in California, as well as Seattle," says Charles.

TIGHT KAUAI MARKET TILTS TOWARD SELLERS

Known as the "garden isle" because of its lush green splendor, and situated about 70 miles northwest of Oahu, Kauai stands apart quite literally as the northernmost and geologically oldest of the five major Hawaiian Islands. The 5,243-foot Mount Waialeale at the center of the island receives an average of 450 inches of rain per year, contributing to both the island's ubiquitous greenery and the fact that it has Hawaii's only consistently navigable rivers.

The island's natural beauty has made it a favorite vacation home location for the super-wealthy.

"People coming to Kauai are not looking for shopping, nightlife, and headliner entertainment," says Roberta Charles of Coldwell Banker Island Properties in Koloa. "The reason that they come

Median SP/LP% Ratio	Median Monthly Inventory Sold Price	Median Days on Market	Average Monthly Inventory
90.9%	\$3,500,000	222	64
SINGLE-FAMILY HOMES			
94.9%	\$1,438,750	74	48
CONDOS			

5 BROOKLYN

BUYERS GAIN LEVERAGE IN BROOKLYN

With a population of 2.65 million people, Brooklyn is the most populous of New York City's five boroughs, and as a standalone city, it would rank fourth biggest in the U.S., just behind Chicago.¹ In terms of luxury real estate, it has traditionally taken a backseat to its neighbor, Manhattan, across the East River, but the gap in pricing closed over the past decade.

"Ten years ago, there was a glaring differential in pricing between what you could buy in Brooklyn compared to a similar property in Manhattan, and the high-rise condo market didn't even exist," says of Christian Florez of Coldwell Banker Reliable in Brooklyn.

As Manhattan real estate rebounded from the Great Recession and hit new highs, Brooklyn also ignited. Luxury high-rise condominiums sprouted up in downtown Brooklyn and along the waterfront, while the brownstone market boomed in Brooklyn Heights, Cobble Hill, and Park Slope. New inventory was quickly absorbed by the market and prices continued to rise, fueled by the same potent mix of international buyers, a rising stock market, and low interest rates that propelled the market in Manhattan. Recent trends, however, show a change in dynamics that favors buyers in Brooklyn.



Although the median selling price for the top 10% of Brooklyn condo sales rose in 9% in 2018, and median price per square foot rose 10% against 2017 levels. However, condos spent an average of 75 days on the market in 2018, up 14% from 2017. Units sold dropped by 9%.²

"The market was at it hottest around 2015 when properties priced anywhere near market value would sell in days, often with buyers coming in and offering above asking price," says Florez. "That has really changed over the past year, especially with new condominiums, where we're seeing developers trying to close sales by adjusting prices to reflect the reality of the market and offering additional incentives."

Median SP/LP% Ratio	Median Monthly Inventory Sold Price	Median Days on Market	Average Monthly Inventory
92.7%	\$1,915,000	94	92
SINGLE-FAMILY HOMES			
95%	\$1,702,500	75	158
CONDOS			

2018 LUXURY SELLER MARKETS

IN REVIEW



To determine the luxury seller markets to be reviewed, The Institute for Luxury Home Marketing provided the following metrics in Power Markets: sales-price-to-list-price ratios, days on market, median list price, and inventory. Coldwell Banker independent sales associates provided the local insight, knowledge, and understanding of the nuances in each individual marketplace.

Traditionally, a seller's market describes conditions in which demand exceeds supply, giving homeowners an advantage over buyers in price negotiation.

It must be recognized that in reviewing these markets over a 12-month period that conditions do fluctuate, especially in a transitioning market. Therefore, these markets were selected based on the predominance of their market status over the last 12 months, not on their final status at the end of the year.

1 LA VALLEY

CONTINUED STRENGTH IN THE SAN FERNANDO VALLEY, SAN GABRIEL VALLEY, AND PASADENA

Twelve miles northeast of downtown Los Angeles and incorporated in 1886, the city of Pasadena is the second oldest community in the Los Angeles area, and for more than a century it has been one of the most desirable residential areas in Southern California. Located in the San Gabriel Valley at the base of the San Gabriel Mountains to the west, Pasadena is famed for its annual New Year's Day Tournament of Roses parade and the Rose Bowl college football game, and it is also home to the California Institute of Technology, among the top engineering schools in the United States.

"Pasadena has always been very desirable but it's not very flashy, and while people here are very wealthy, they do not flaunt it," says Darrell Done of Coldwell Banker Residential Brokerage in Pasadena. "Even in the worst downturn of the market in 2008, our area was one of the last to experience the effects, and we were one of the first to recover."

The perennial strength of the market attracts both buyers looking for a place to live and those looking for an investment, most notably buyers from China.

"Appraisals and inspections were not issues for foreign buyers because a poker mentality prevailed in which they kept raising the stakes, but rationality is making a reappearance in the market and we've transitioned back to a more traditional dynamic," says Done. "People who were able to move money from their home country ten years ago bought before the big recovery, and now they are parlaying gains into additional properties."

Condominiums in recent years have been among the hottest segments of the luxury market. "The big growth has been in units between 3,000 and 4,000 square feet with three- and four-car private garages," says Done. "These properties sell very quickly because baby boomers want to minimize responsibilities without sacrificing amenities or quality."




Median
SP/LP% Ratio

97.6%


Median Monthly
Inventory Sold Price

\$2,073,122


Median
Days on Market

45


Average
Monthly Inventory

495

SINGLE-FAMILY HOMES

100%

\$747,500

36

75

CONDOS



2 DETROIT

“Going back 10 years, there really was nowhere to get brunch in Detroit; now you have more than a dozen great restaurants started by award-winning young chefs,” says Brundage. “Detroit is on fire, with downtown condos priced at \$600,000 and up selling like hotcakes,” he adds, noting that automakers adding jobs in the city of Detroit are extending the revival.

“Ford is spending almost three-quarters of a billion dollars to build a new campus in the Corktown neighborhood where it will focus on driverless cars,” says Brundage. “Midtown is hot, downtown is hot, and Brush Park is seeing a tremendous amount of residential development.”

Detroit’s boom has also extended to the suburban markets, but recent numbers show that buyers may have greater negotiating power in the leafy suburbs of Oakland County northwest of downtown.

“That’s true with some of the older luxury homes like the big grand 8,000 to 10,000 sq. ft. ‘mega mansions’ in Bloomfield Hills and Birmingham,” says Brundage. “Today’s luxury buyer, especially the kinds of engineers and technologically savvy people working in the automotive industry, want a home packed full of the latest and greatest technology, and it’s very difficult to update the mansions.”

BUYERS CATCH A BREAK IN THE SUBURBS

Over the past five years, real estate markets in Detroit and the surrounding metropolitan area have been among the strongest in the U.S., benefitting from a big rebound for the automotive industry and a renaissance for the city of Detroit, which declared bankruptcy in 2013 and emerged one year later.

“The automotive industry totally drives our economy and property markets, and it came back strongly from the recession,” says William Brundage of Coldwell Banker Weir Manuel in Birmingham, MI. “The comeback continued for several years, and that’s really what drove the renaissance.”

Brundage notes that younger people started coming back to Detroit over the past decade, driven in part by the availability of extremely affordable housing and a newfound vitality downtown.

Median SP/LP% Ratio	Median Monthly Inventory Sold Price	Median Days on Market	Average Monthly Inventory
98.1%	\$509,540	25	970
SINGLE-FAMILY HOMES			
98.7%	\$387,500	19	242
CONDOS			

3 LAS VEGAS

STRONG LUXURY MARKET STILL FAVORS SELLERS IN LAS VEGAS

From luxury penthouses on the strip to sensational estates in new developments just outside of town, the Las Vegas luxury real estate market continues to sizzle. The median sold price of single-family residences in the top 10% rose 19% in 2018 and the days on market fell 16% against 2017 levels.

“Even though this has been the strongest market in recent memory, we’re still bullish about what’s happening here,” says Lavert Benefield of Coldwell Banker Premier Realty in Las Vegas. “Our sweet spot is between \$1 million to \$3 million, and many of the buyers in this range are Californians coming to Nevada because of the exceptional relative value, plus a much more favorable tax situation.”

Homes are selling for \$10 million and higher in some of the most spectacular newer developments, says Benefield, including Ascaya, southwest of city limits in Henderson, NV, and just west of town in the master planned community of Summerlin at The Ridges, as well as the Summit Club, a joint venture between Discovery Land Co. and the Howard Hughes Corp.

On the strip, condo hotels like those on the upper floors at the Waldorf Astoria are among the most sought after properties.

“Our entertainment residencies, celebrity chefs, and absence of natural disasters make us more uniquely attractive than any other major city,” says Coldwell Banker Premier Realty’s Diane Varney, who also notes that the Las Vegas economy supports a strong housing market. “With people moving here in droves, companies like Amazon locating here, and professional sports teams like the Golden Knights and the Raiders in 2020, we are probably the most affordable celebrated destination in the U.S. right now.”



 Median SP/LP% Ratio	 Median Monthly Inventory Sold Price	 Median Days on Market	 Average Monthly Inventory
98%	\$630,000	36	1,364
SINGLE-FAMILY HOMES			
97.7%	\$637,500	51	142
CONDOS			



4 BOULDER

compared to the nationwide U.S. average of 31%.² *U.S. News & World Report*³ named Boulder the “most educated” city in America, and *Forbes*⁴ calls it the “smartest.”

The economic foundation driving Boulder’s ascendancy as one of the top seller’s markets in the U.S. is only getting stronger. Numerous robotics and technology companies are expanding in the area, including Google, which opened a Boulder campus in 2017 that employs 800 people and plans eventually to almost double the headcount to 1,500.⁵

“We get a significant flow of new residents from both coasts who come here for the lifestyle, as well as the jobs and the very reasonable taxes,” says Chritton. “With high-end jobs, a phenomenal location, and 300 days of sunshine per year, it’s easy to understand the why demand is so strong.”

Tight inventory and surging demand make Boulder very much a seller’s market. The \$1.75 million median sales price of luxury homes in 2018 was up 14% from 2017; homes were on the market for an average of 61 days—down from 77 days in 2017, and inventory decreased by 10%.

EAGER BUYERS FLOCK TO BOULDER

Home to the University of Colorado, Boulder has a long history of attracting an educated and affluent population that enjoys the spectacular natural setting of the city just east of the continental divide about 30 miles northwest of Denver. Situated in a wide basin where the Rocky Mountains meet the Great Plains, the city is renowned for nearby hiking, cycling, skiing, and a host of other outdoor activities. *Bon Appétit*¹ has called Boulder “America’s Foodiest Town” for its abundance of first-rate restaurants and highly-skilled chefs.

“Some people like to say that Boulder is 26 square miles surrounded by reality,” says Sonia Chritton of Coldwell Banker Residential Brokerage in Boulder.

Nearly three-fourths (74%) of Boulder’s population 25 and older hold at least a bachelor’s degree,

Median SP/LP% Ratio	Median Monthly Inventory Sold Price	Median Days on Market	Average Monthly Inventory
97.7%	\$1,750,750	61	144
SINGLE-FAMILY HOMES			
100%	\$826,000	54	53
CONDOS			

See pages 106-107 for a full list of resources.

5 RALEIGH

ECONOMY SUPPORTS RALEIGH SELLER'S MARKET

In addition to being the capital of North Carolina, Raleigh is also a major business hub, especially for technology. Open source software outfit Red Hat is headquartered here, and companies like IBM, Cisco Systems, NetApp, and others all have a major presence in the nearby Research Triangle Park, located between Raleigh and the neighboring cities of Durham and Chapel Hill. The area's relatively low cost of living and its vibrant employment picture are big drivers of demand for high-end homes.

"The two major groups of luxury buyers in Raleigh are corporate relocations and people who come here to escape high taxes and the feeling of not being safe somewhere else," says Kimberly Conroy of Coldwell Banker Howard Perry and Walston in Raleigh. "The \$1 million to \$1.5 million range is a pretty busy price point around here, and once you cross the \$2 million mark, the buyer places a premium on security, privacy, and living in a gated community where they can create their own oasis."

The median sold price at the top end of the Raleigh-Durham single-family market in 2018 was

up 8%, while inventory declined by 12%, and price per square foot rose by 7% compared to 2017.

"New construction is in very high demand, and builders are getting full-price, often more once upgrades are added," says Conroy. "Same goes for the teardowns and rebuilds that you often see near downtown and in golf course communities in North Raleigh."

Conroy says buyers are "paying prime dollar to live in the city," while most of the estate homes north of Interstate 540 are outside of city limits. "You have a Raleigh address, but property taxes are just about half what you'd pay inside the beltline."



Median
SP/LP% Ratio

99.1%



Median Monthly
Inventory Sold Price

\$722,500



Median
Days on Market

3



Average
Monthly Inventory

789

SINGLE-FAMILY HOMES

N/A

N/A

N/A

N/A

CONDOS



THE BEST MOD

THINGS TO PROS

DEFINING LUXURY DESIRABILITY IN THE U.S.
Many wealthy real estate investors in the United States have the opportunity to own a luxury property anywhere. When deciding where to purchase their next home, what are the important considerations, both emotionally and financially?

The Institute for Luxury Home Marketing took a closer look at 12 diverse locales across four key luxury market types—resort, vertical, lifestyle, and evolving—to determine what really influences an affluent individual's decision to buy in a certain marketplace. Do lifestyle factors, such as activities or culture, ultimately drive their purchase decisions? Is it proximity to amenities like upscale shopping and restaurants? Or does it ultimately come down to geographical advantages like schools and business accessibility?

For a more statistical understanding of the 2018 trends for both single-family and attached homes in the top 10% of these 12 markets, the monthly inventory and sold totals were examined together with the median sold price.

While statistics show trends, it is the Coldwell Banker independent sales associates who provided the local insight, knowledge, and understanding of the nuances in each individual marketplace, revealing a more complete picture of the factors that are truly shaping purchase decisions among modern day luxury homebuyers.



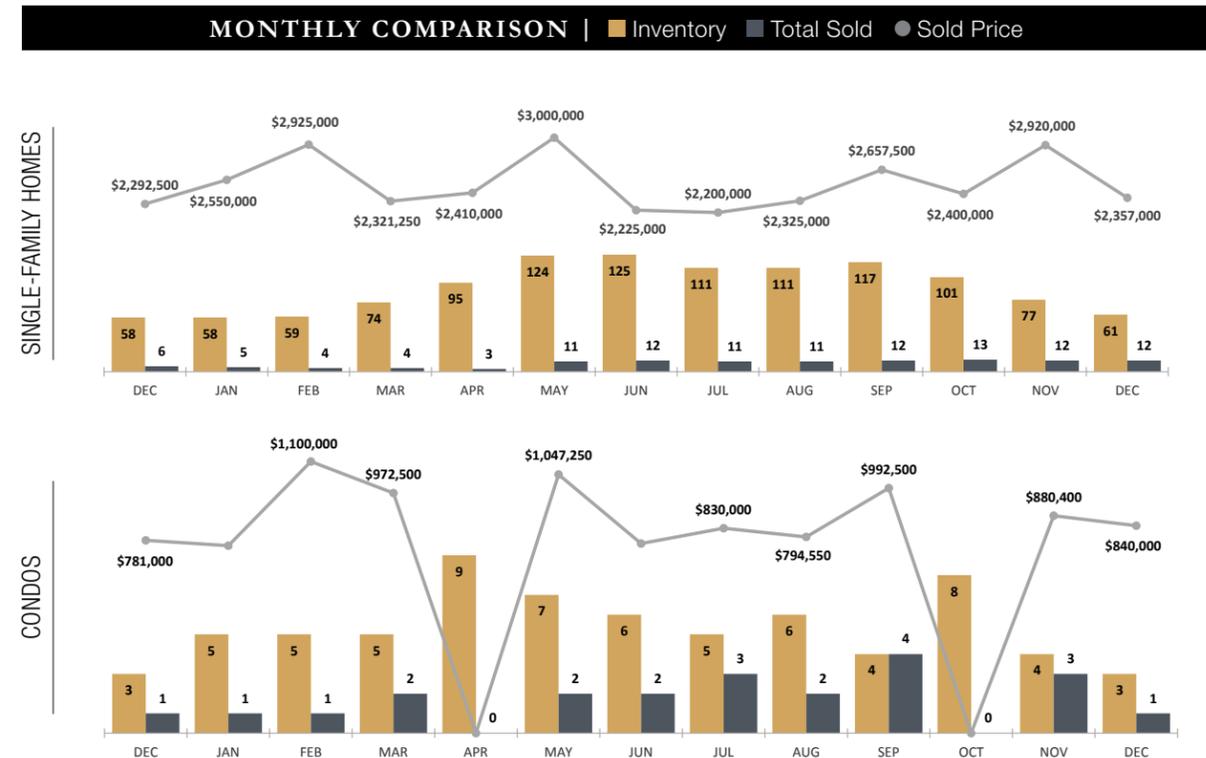
NAPA VALLEY, CA

“

People come here to relax and pursue a laid-back lifestyle. Napa is ground zero for the best wines in the world, and the natural beauty is so stunning that when you come here, you just feel relaxed. Our buyers of properties above \$10 million come primarily from Silicon Valley and San Francisco, with others flying in from Los Angeles and Texas on private jets. They want to immerse themselves in natural beauty with views and privacy with easy access to amenities like wine tasting and great restaurants from Napa all the way up Highway 29 to Calistoga, and in towns like Yountville, Oakville, and Rutherford.

—
 CYD GREER, BROKER ASSOCIATE
 Coldwell Banker Brokers of the Valley - Napa

RESORT MARKETS





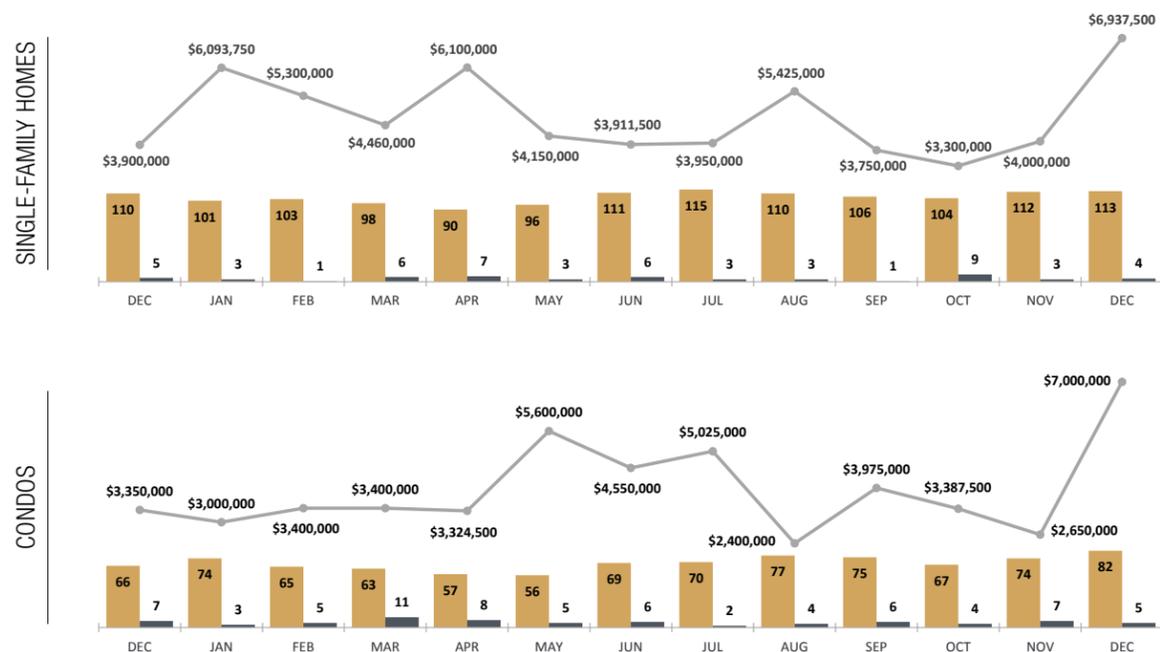
VAIL, CO

“

From mountainside estates to trailside and in-town condos and townhouses, the luxury home market in Vail is vast and diverse. We've seen a big jump in sales between \$1 million and \$1.5 million, and our biggest numbers last year were between \$700,000 and \$1.2 million, but we do have properties selling for \$20 million and higher. A few small developments are in progress, but inventory is largely constrained. Buyers come primarily from the Denver area, and many from Texas, New York, and Florida. Buyers from Mexico, Venezuela, and Colombia have been active in recent years, looking to park their money in Vail real estate.

ROBERT SCHILLING, ASSOCIATE BROKER
Coldwell Banker Distinctive Properties - Vail

MONTHLY COMPARISON | Inventory Total Sold Sold Price



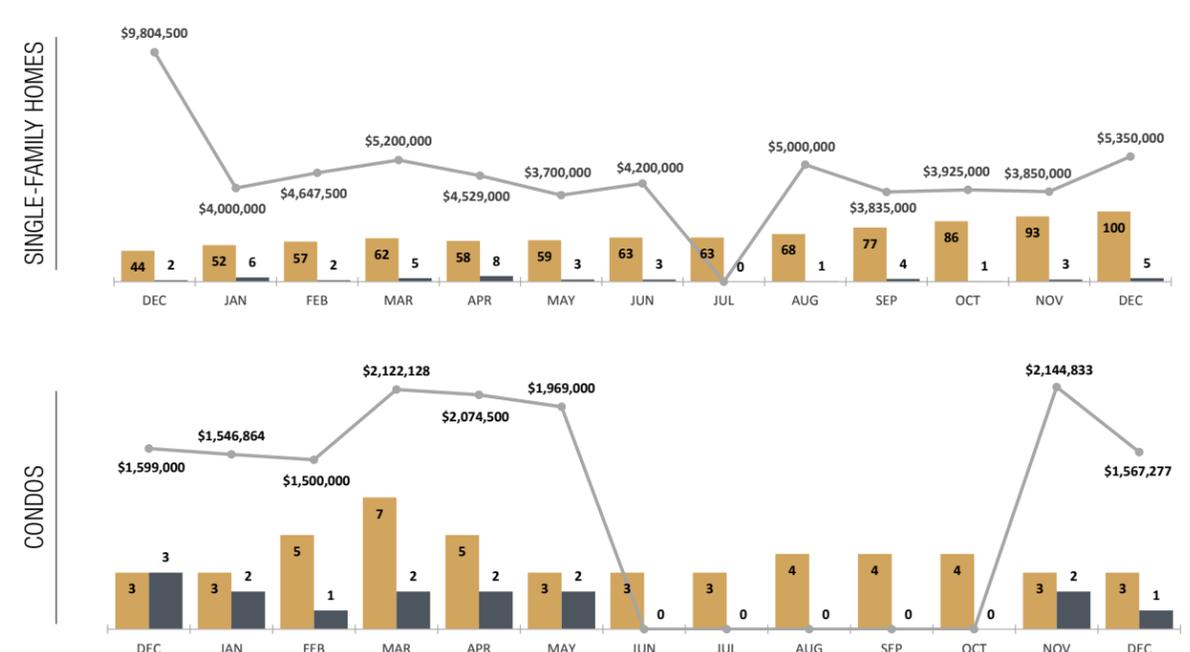
PARADISE VALLEY, AZ

“

With outstanding golf, mountain views, and extremely inviting year-round weather, we are a destination that people come to visit and to live. What's popular now is resort-style living around the mountains, like new developments at the base of Camelback Mountain. There is also the upcoming Ritz-Carlton hotel and residences, which recently broke ground and will be a highly sought-after residential and retail destination. From newly built, single-family dwellings and condos to five-star hotel-style living, we have many options for living throughout Phoenix, Biltmore, Arcadia, Scottsdale, Cave Creek, and Carefree. With high rates of employment and population growth, the economic climate is as sunny as the weather.

DEBORAH FRAZELLE, BROKER
Coldwell Banker Residential Brokerage Biltmore-Paradise Valley - Phoenix, AZ

MONTHLY COMPARISON | Inventory Total Sold Sold Price





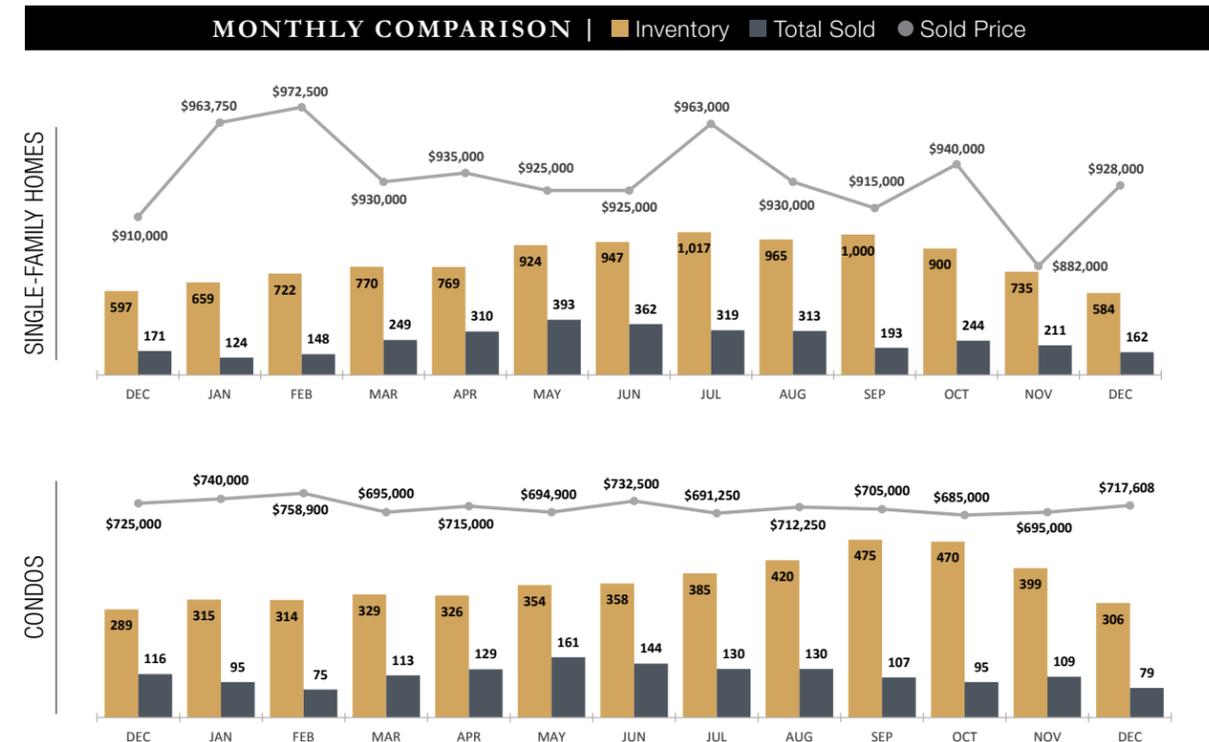
DENVER, CO

“

Downtown Denver’s vertical market remains strong. Spire Denver, with 42 stories and 496 condos, is the largest highrise condo building in Denver. Sales were strong in 2018, but the rate at which prices rose was slower than in 2017 and days-on-market rose, particularly in the \$1,000,000+ range. Just down the street, the pattern was similar at the Four Seasons condominiums where price per square foot hit a record of \$1,049.16 in 2018. With 334 homes on 19 floors, the Coloradan near Union Station is the first large condo building to be built since Spire. The Coloradan will open soon, with 24 residences still unsold.

MARK CALLAGHAN, BROKER ASSOCIATE
Coldwell Banker Devonshire - Denver

VERTICAL MARKETS



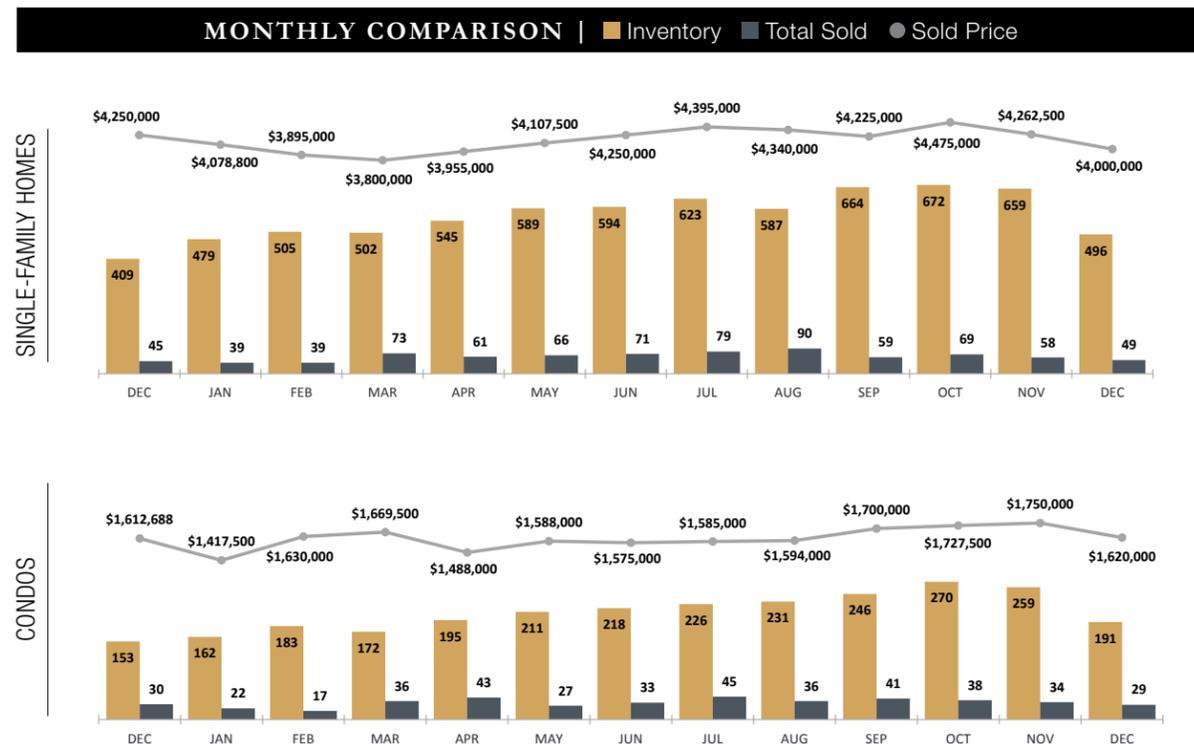


LOS ANGELES, CA



People are still flocking to the Westside of Los Angeles, and 2018 was an amazing year. Our neighborhoods here are booming because people want to be close to Beverly Hills and Rodeo Drive with its amazing shopping, restaurants, and spas. We've seen a bit of discomfort with financial markets lately, and people are looking for safe investments. Real estate here has historically been a very safe investment. Even when the market went down in 2008, we held our value well. Vertical living is popular in Beverly Hills and especially in nearby Century City, and desirable homes on big, beautiful lots are available throughout Holmby Hills and Bel Air.

JADE MILLS, GLOBAL LUXURY AMBASSADOR
Coldwell Banker Residential Brokerage - Beverly Hills

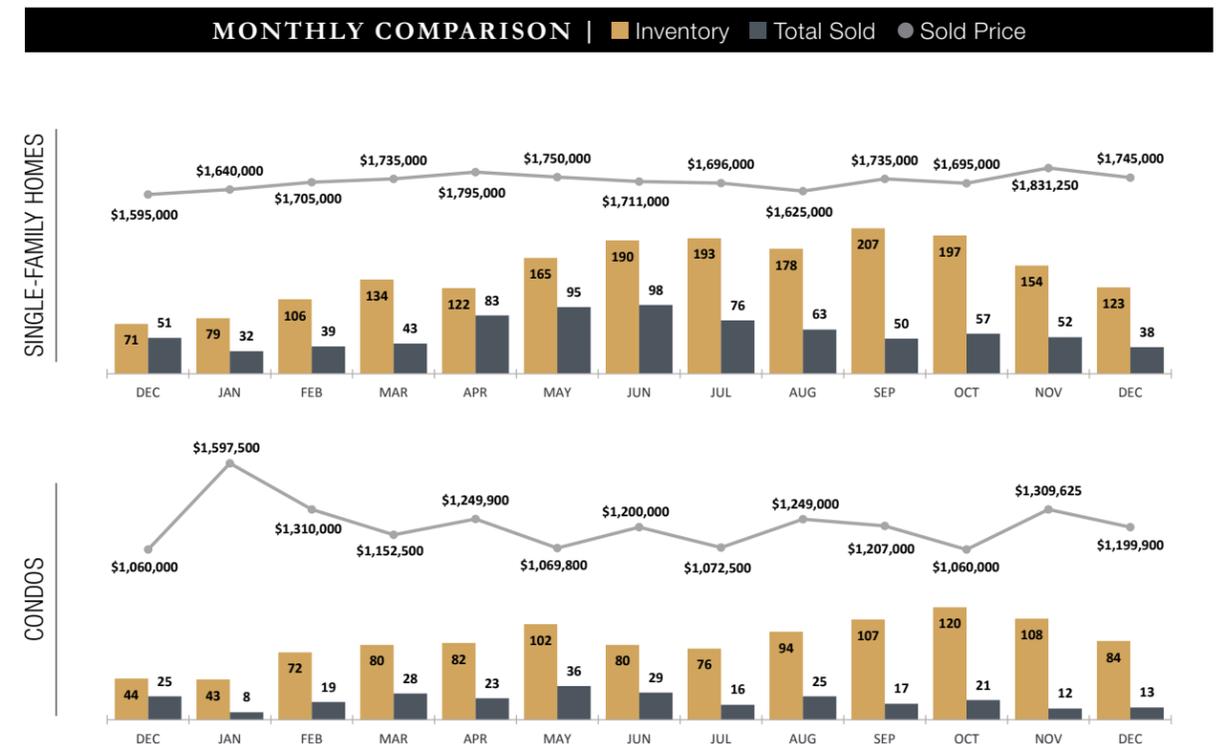


SEATTLE, WA



Tech companies are flocking to Seattle, and they bring with them highly-paid executives, many of whom seek out a primary luxury home, as well as a nearby second home on an island or in a ski community. Gorgeous waterfront landscapes from the shores of the Puget Sound to Lake Washington are most desired. There is also a need for greater inventory in the highrise market. Many wealthy clients seek proximity to the city core on weekdays, while spending extended weekends closer to the outdoors. After very little condo construction in Seattle and Bellevue, dozens of projects are being built or are in the pipeline.

JENNIFER JOHNSEN CAMERON, VICE PRESIDENT OF LUXURY
AND PRINCIPAL MANAGING BROKER
Coldwell Banker Bain - Lincoln Square





SILICON VALLEY, CA

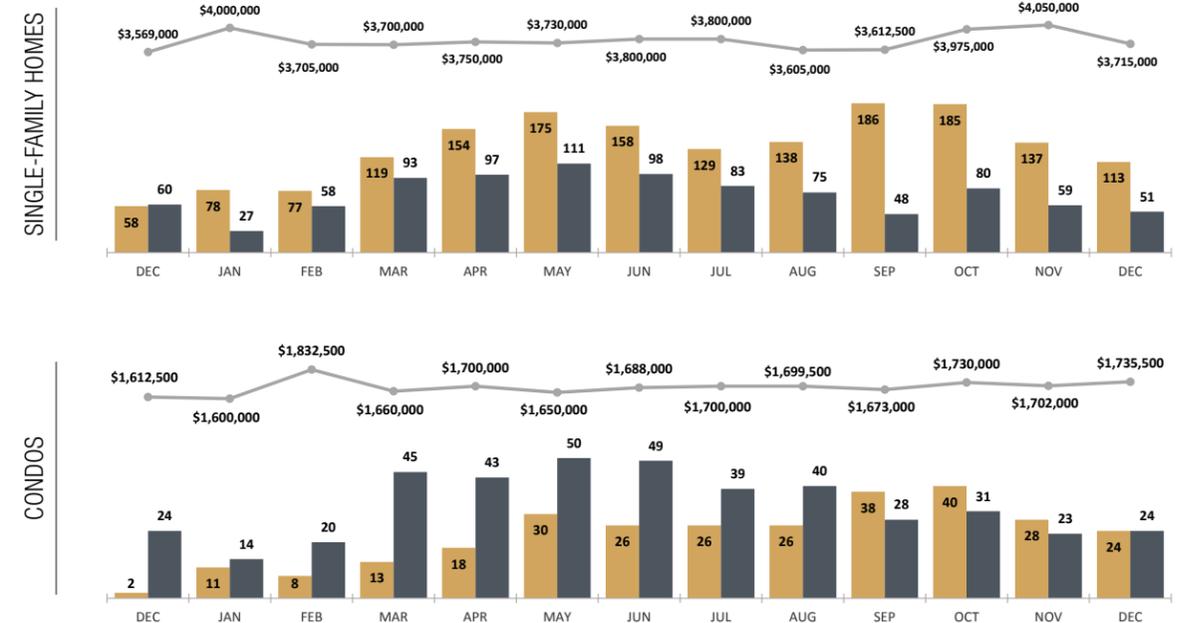
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In Silicon Valley, luxury is defined more by lifestyle than price threshold or what you might consider the traditional trappings of luxury. The real luxury is the time you get to spend at home or play because you live close to where you work. In desirable neighborhoods, homes selling around \$2 million are often starter homes and can be tear-down situations. Properties selling for \$4 million and higher are likely much more modest residences on smaller parcels of land than would be available on a similar budget elsewhere in the country. Even our \$6 to \$8 million homes often still need renovation. And yet, prices remain strong because buyers understand the inherent value and opportunity in this area.

CHRISTOPHER FLING & KAREN YANG
Coldwell Banker Residential Brokerage - Los Altos, CA

LIFESTYLE MARKETS

MONTHLY COMPARISON | Inventory Total Sold Sold Price



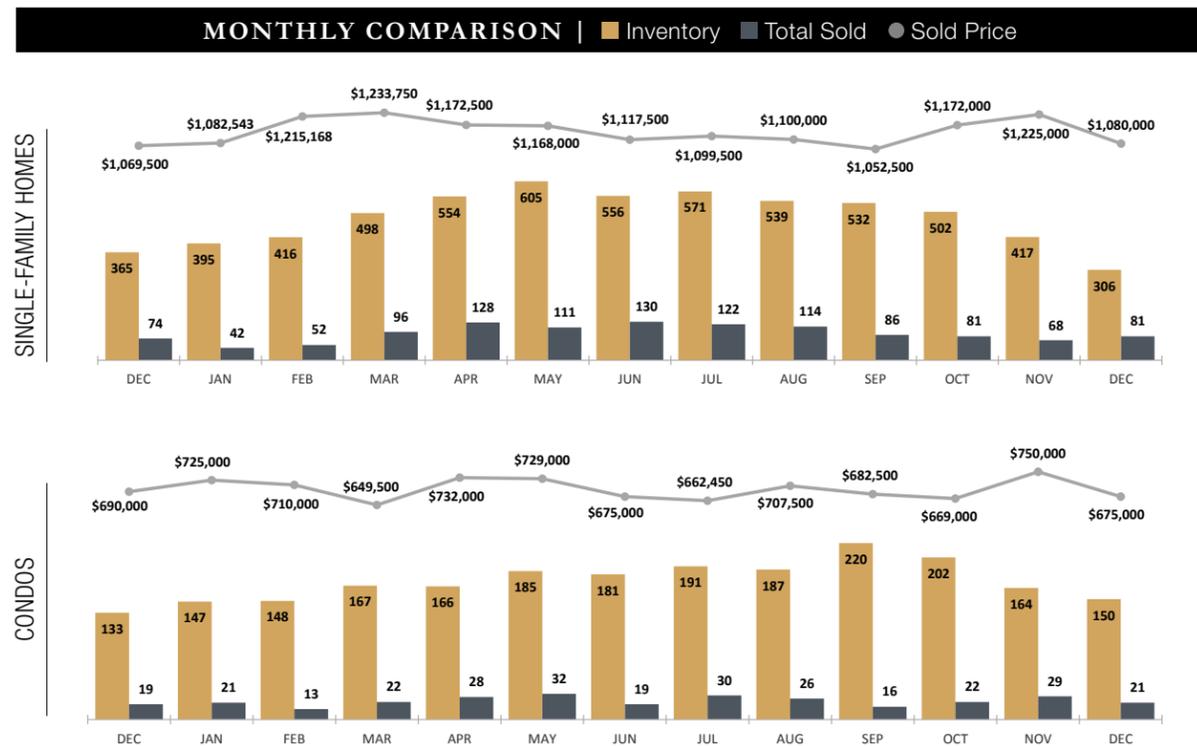


AUSTIN, TX



To say that Austin is booming right now is an understatement. Tech companies like Google, Facebook, Amazon, and Apple have major operations here, and in December, Apple said it's adding 5,000 additional jobs at a new campus in North Austin. We also get a lot of folks with kids out of the home who are downsizing and attracted to what Austin has to offer. It's a huge outdoor city with so much to do in the city limits like hiking, biking, swimming, and enjoying great food and live music. Ranch properties outside of town are becoming popular, too, both for investment and lifestyle.

DAVE MURRAY, BROKER
Coldwell Banker United - Austin

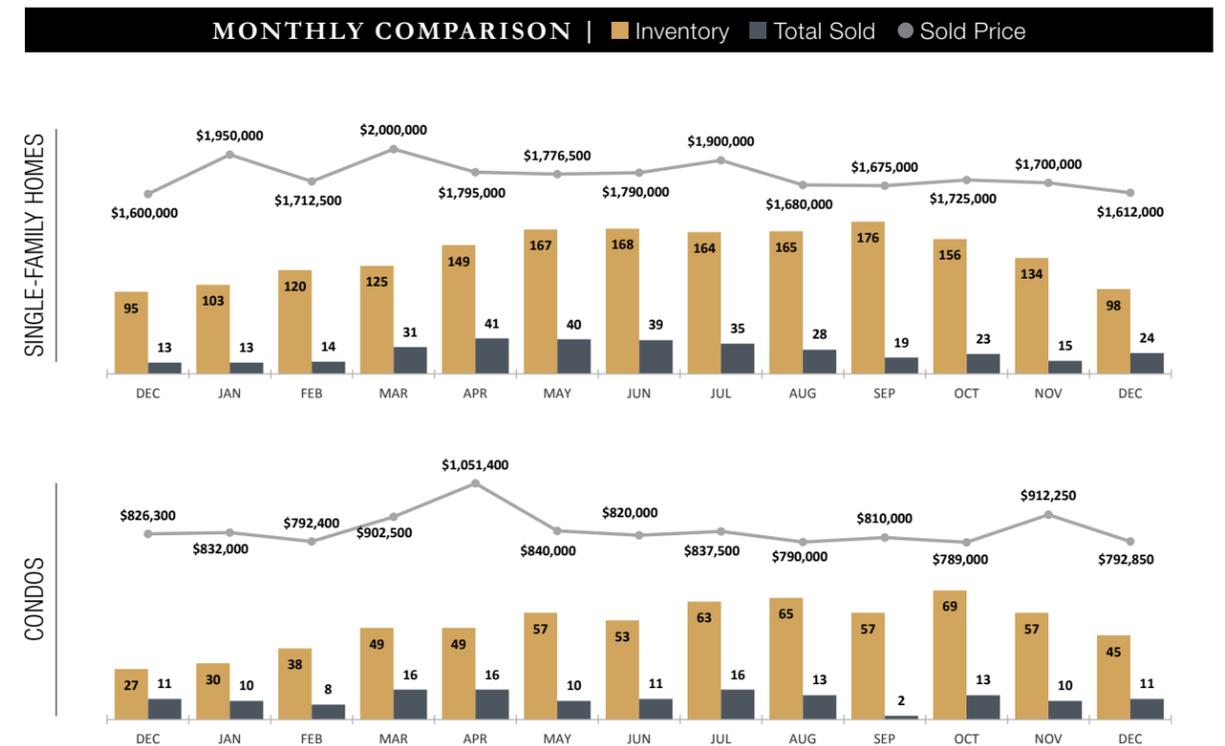


BOULDER, CO



From nearby skiing at a handful of resorts to hiking the Flatirons, or eating and shopping in the hip downtown district, Boulder has always had an advantage when it comes to the first driver of real estate value, location, but with technology and robotics firms like Google opening locations here lately, the market now has the additional benefit of an influx of high paying jobs. This really has helped sustain the top end of the market here, plus inventory has not increased in any meaningful way. There is a lot of vertical building in the city limits, but it's part of an affordable housing plan, and only a limited number are for sale.

SONIA CHRITTON, LUXURY PROPERTY SPECIALIST
Coldwell Banker - Boulder





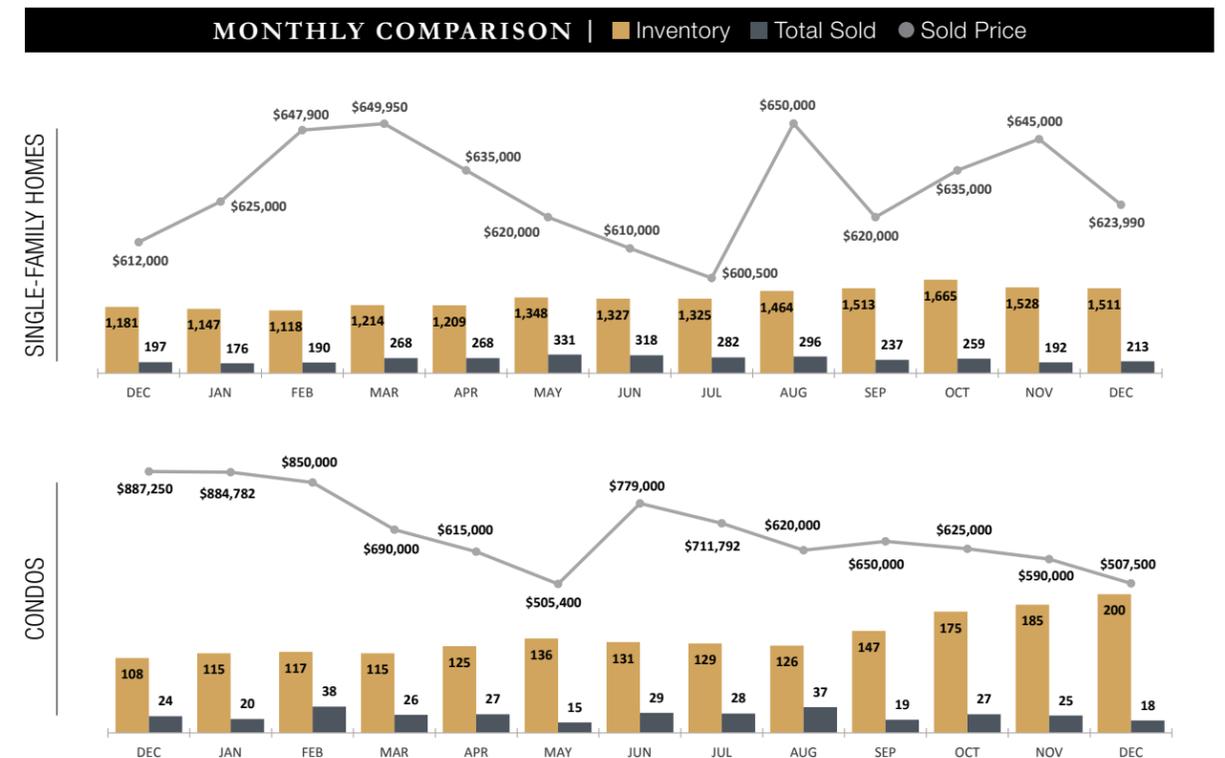
LAS VEGAS, NV

“

When many people think of Las Vegas, they naturally imagine the Strip. There is plenty going on there with luxury highrises and condo hotels, but what may be something of a secret is that just a short drive away, we have some of the most spectacular enclaves of luxury that you will find anywhere, with homes selling for \$5 million to \$10 million, and higher. The seller's market here is the result of a booming economy in the area, as well as persistently low levels of inventory relative to demand since the recovery from the financial crisis began over the past 10 years.

—
LAVERT BENEFIELD & DIANE VARNEY
 Coldwell Banker Premier Realty - Las Vegas

EVOLVING MARKETS





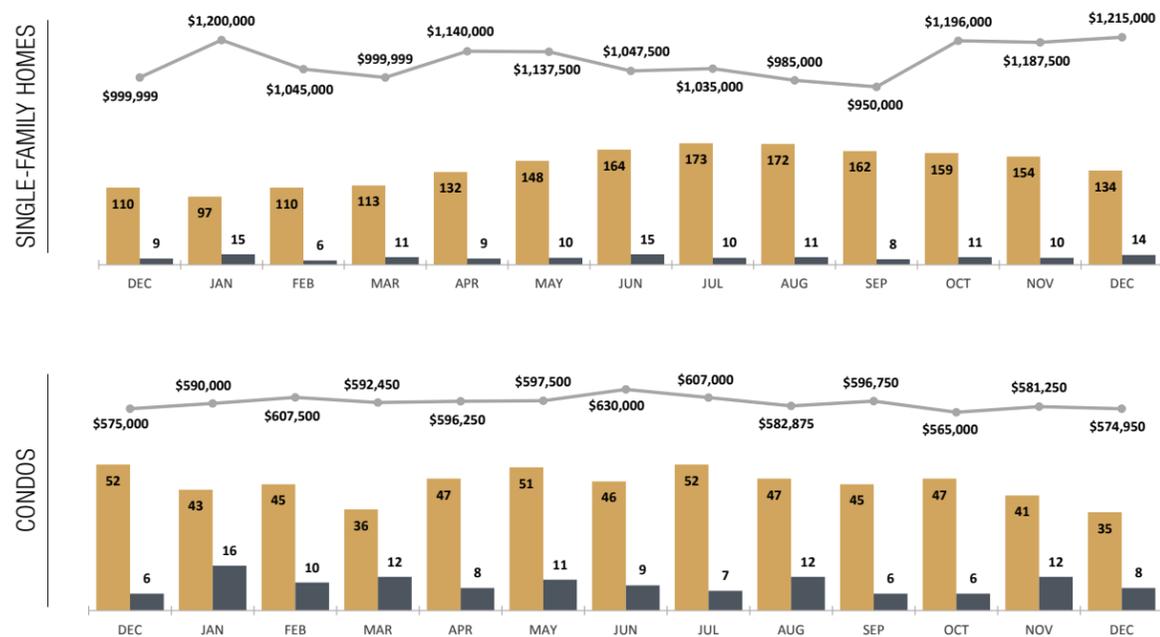
STATEN ISLAND, NY



Compared to the other four boroughs of New York City, the value of Staten Island is striking. Our luxury market here is comprised of custom new construction to fabulous old-world estate homes. Locations span from our prestigious hills to our scenic waterfront properties with breathtaking views. The one specific appeal that entices our luxury market is our proximity to Manhattan and Brooklyn, where many buyers work or own businesses. In 2018, we had 134 homes on Staten Island close at a price above \$1 million, and four closed above \$2 million. We currently have 187 active luxury listings with approximately 40 closes pending.

JOHN PAGLIARO, BROKER
Coldwell Banker DeSimone Realty - Staten Island, NY

MONTHLY COMPARISON | Inventory Total Sold Sold Price



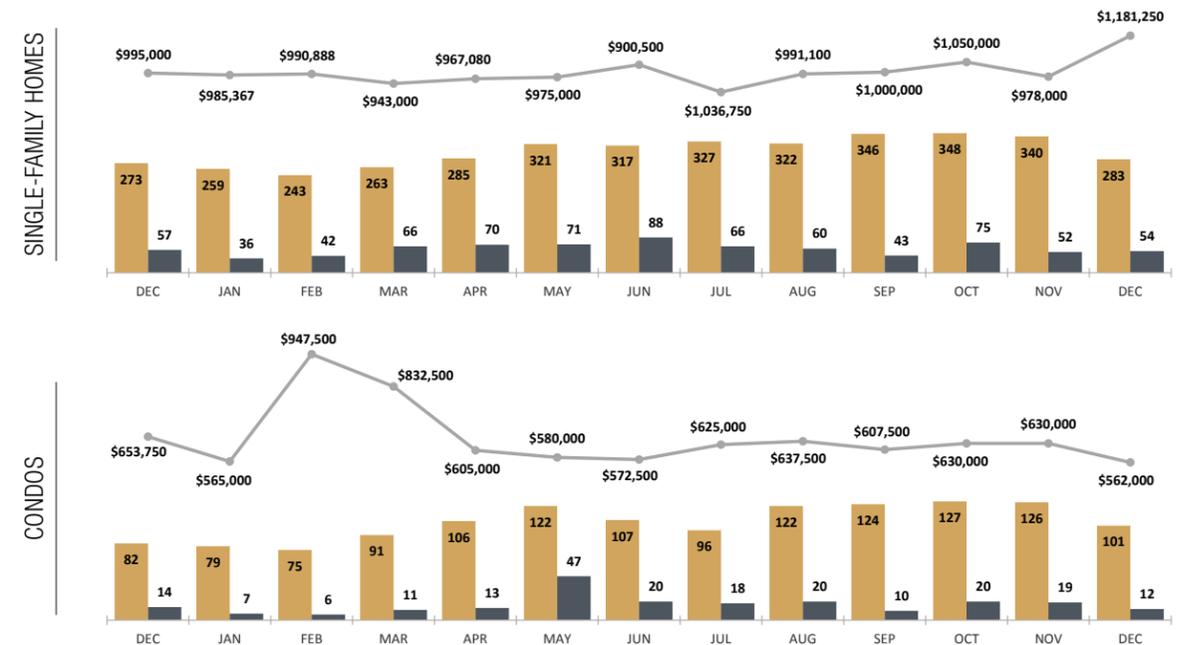
NASHVILLE, TN



Over the past decade, Nashville has had a facelift. The downtown skyline is not recognizable, and it's still growing, with a handful of new highrises under construction and numerous apartment districts popping up around the city. It still feels small but has all the big city amenities. The culinary scene is big here, and tourists love the music and party scene downtown. Transplants come here for jobs and affordability. Numerous large businesses have relocated here. Last fall, Amazon announced that it is opening an operations center downtown at the Nashville Yards that will employ 5,000 people earning \$150,000 a year, on average.

ASHLEY BOYKIN, BROKER
Coldwell Banker Barnes - Nashville

MONTHLY COMPARISON | Inventory Total Sold Sold Price





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DEFINING LUXURY: PART ONE

CANADA AND MEXICO

During 2018 we saw a growing number of wealthy buyers make luxury home purchases in Canada and Mexico. Some were seeking another home for part-time use or investment, while others purchased a primary residence, attracted by a mix of geography, economics, and lifestyle.

From coastal resorts along the Caribbean Sea, the Gulf of Mexico, and the Pacific Ocean, to historical and culturally significant towns in the interior of the country, Mexico remains a source of attraction for those seeking out a hospitable climate and culture for vacation and retirement. However, our review of 2018 reveals that there is a new level of sophistication and security growing in the luxury real estate market.

In contrast, Canada, which has long been a haven for wealth from the rest of the world, has seen significant changes in recent years with regard to the international flow of people and capital. As we show in our report, foreign buyers' taxes in Canada's two major cities, Vancouver and Toronto, have prompted international buyers to seek out new destinations that are now becoming big draws for the affluent.



CANADA

NORTHERN LAND OF OPPORTUNITY

Foreign buyer demand has had significant effects on the luxury real estate market in Canada, from major cities to seasonal retreats and vacation-oriented destinations near the coast, in the mountains, or on one of Canada's thousands of lakes.

In contrast with its geographic vastness, Canada's population of 36.7 million people is just 11% the size of the U.S. population, and 28% as big as Mexico's.¹

With an aging population and declining birth rate, attracting new residents from the rest of the world has long been central to Canada's economic growth. The government sets annual immigration goals and in many cases, selects newcomers who can best contribute to the country's economic and social well-being. In November, Canada raised its target to 1.3 million new permanent residents by 2021,² 60% of whom will gain admission because they belong to a desirable economic class, often health care professionals, information technology specialists, or skilled trades experienced in the transportation and equipment industries.

Along with attracting an influx of skilled workers from all over the world, Canada for more than two decades has also been a magnet for wealthy foreigners. This is especially true for those arriving from China and other countries in Asia, a trend that accelerated after the transition of Hong Kong from British to Chinese rule in 1997. In addition, Canada continues to attract a healthy flow of ultra-wealthy individuals from the U.S., Mexico, and Europe who choose to own a home within its borders, as well as growing numbers from Africa and the Middle East.³



NOVA SCOTIA

Nova Scotia juts out into the Atlantic Island, a 360-mile long peninsula from Cape Breton Island in the north, to Yarmouth in the south, with the provincial capital of Halifax midway between the two on the eastern coast. The province features prominently in the history of trans-Atlantic immigration.

French cartographer and navigator Samuel de Champlain established the first French settlement in North America in 1605 at Port Royal along the Bay of Fundy on Nova Scotia's western shore near present-day Annapolis Royal. On the Halifax waterfront, in a former ocean liner terminal and immigration shed in use from 1928 to 1971, the Canadian Museum of Immigration at Pier 21 chronicles waves of twentieth century immigration to Canada.

While they may arrive by jet airplane instead of an ocean liner, newcomers are still attracted to Nova

Scotia, some for college, some for work, and others simply because they appreciate the seaside setting and welcoming culture.

"Part of the reason Nova Scotia appeals to an international audience is our lifestyle," says Mariana Cowan of Coldwell Banker Supercity in Halifax. "Welcoming immigrants has been part of Nova Scotia's identity for generations, and people who come here are encouraged to maintain their cultural identity, traditions, and languages, so we provide a convenient, safe haven for these buyers from all over the world."

Cowan has seen greater diversity among clients particularly over the past ten years, including a large contingent of luxury buyers from Middle Eastern countries like Saudi Arabia, Iraq, and Iran, as well as Chinese families purchasing homes or condominiums for their children attending one of ten degree-granting universities in the province.

"The Chinese market is becoming more prevalent in Nova Scotia, and investors from there typically target the bigger cities like Toronto and Montreal, but more and more people are gravitating to the lifestyle offered here," says Cowan, noting that strong demand has been driving the market for high-end homes. "Fifteen years ago, what I considered luxury was in the \$750,000 to \$1 million range, but now it's \$1.5 million and upward, all related to location. I have one right now on the market, practically brand new, for \$3.2 million."

Coastal properties are most in demand by luxury buyers, and they command the highest prices. "Most wealthy buyers are looking for waterfront properties that are convenient to the city, but private with the ocean at their doorstep," says Cowan. "The Northwest Arm in Halifax is a popular area, as well as the South Shore and Annapolis Valley."

MUSKOKA

About a two-hour drive north of Toronto is the Muskoka District, an area of more than 4,000 square miles encompassing more than 16,000 lakes. Originally a lumber producing region, tourists began arriving in 1875 when the Northern Railway of Canada reached Gravenhurst at the southern tip of Lake Muskoka.

Over the past century, Muskoka cemented its status as the summertime playground for the well-heeled of Toronto and beyond. Today the total year-round population of 60,000 swells to 82,000⁴ during the summer months and “cottage country” remains one of the most coveted destinations for ultra-wealthy cottagers willing to spend several million dollars for the perfect summer home.

Exquisitely crafted, custom-built homes with panoramic water views are tactfully tucked away into the landscape as far west as the shores of Georgian Bay, and ring the main lakes adjoining Port Carling.

“The most sought-after areas are the shores of the big three lakes of Joseph, Rosseau, and Muskoka, with at least 300 feet of lake frontage to accommodate a boathouse that stores two boats minimum, and some will have fitness facilities, tennis courts, and

pools,” says broker Tom O’Hara, owner of Coldwell Banker Muskoka, Brokerage. “They only live here a few months of the year, and many also own homes in Toronto, Florida, the Caribbean, or Europe.”

Many cottagers employ a personal chef or hire catering services for in-home entertaining. “Personal shopping services are also popular so that when they arrive (no matter the time of the year), their property is fully stocked with everything they need.”

Muskoka offers fine dining at the five-star JW Marriott hotel, and five private golf clubs in the area are also popular choices when cottagers dine out.

Cottagers tend to respect each other’s privacy, and the relaxing vibe of Muskoka has attracted a wide range of entrepreneurs, executives, musicians, professional hockey players, and film and television stars. Many arrive via private jet at the nearby Muskoka Airport, which also offers commercial flights to Toronto.

“It’s considered a safe place, so they can walk the streets comfortably without being bothered, and they appreciate the lack of paparazzi,” says O’Hara. “Some of the most discerning buyers, to afford even more privacy and security, are purchasing entire islands and traveling by boat, plane, or helicopter when they want to go golfing, dining, or shopping.”



KELOWNA

Kelowna is a city in British Columbia with a population of 129,500,⁶ situated four hours from Vancouver in the Okanagan Valley, midway up the eastern shore of the three-mile wide and 84-mile long Okanagan Lake. The first Europeans in the area were fur trappers in the early nineteenth century, and subsequent settlers found the moderate climate, rich soil, and stepped topography ideal for cultivating soft fruits like apples, pears, plums, prunes, peaches, cherries—and especially grapes.

Today, the Okanagan Valley has blossomed into a major winemaking region with hundreds of wineries producing a host of award-winning reds and whites. Locals have nicknamed Kelowna the “California of Canada,” an appellation given as much for its prowess in wine as its temperate climate and ability to attract wealthy residents seeking luxury living and healthy lifestyle.

“You have skiing in the winter, boating in the summer, wine season in the fall, and soft fruit blossom festivals in the spring,” says Jane Hoffman of Coldwell Banker Horizon Realty, who has been selling lakeside properties in Kelowna since 1985. “It is truly a four-season playground with spectacular mountain and lake views.”

The area also boasts world-class golf courses, miles of trails throughout the city and hillsides for biking, hiking, and horseback riding, as well as rock climbing and hockey. In terms of accessibility and amenities, Kelowna International Airport offers frequent flights to cities throughout Canada and the U.S., while the main hospital specializes in heart and cancer care.

“For entertainment, the Mission Hill summertime concert series is always popular and has brought in big-name performers like Tony Bennett and Martina McBride,” says Jennifer Odorizzi, managing broker and owner of Coldwell Banker Horizon Realty. “Elton John played Kelowna twice without playing Vancouver, and we recently had Jerry Seinfeld.”

Lakefront homes often sell for more than \$4.5 million and most often go to domestic buyers.

“We’ve attracted quite a few professional hockey players who originally came to Kelowna for the summer and decided to buy a home and stay here when they got married and started a family,” says Hoffman. “It’s not really an international market, so we see mostly Canadian buyers, many coming from the oil industry, along with people who have sold highly appreciated properties in cities like Vancouver.”



MEXICO

MEXICO'S NEW DIRECTION

Putting the presidential palace on display as one of his first official acts is highly symbolic for López Obrador, the former mayor of Mexico City, whose third-party candidacy won 53%² of the popular vote in July. “AMLO,” as the president is also known, promised a shakeup of traditional Mexican politics with more openness and inclusivity, as well as efforts to stimulate economic growth, clamp down on corruption, and halt the illegal drug trade.

With heavy reliance on oil production, manufacturing, and tourism, Mexico’s gross domestic product in the most recent quarter grew at a 2.5% annualized pace³ and the unemployment rate stood at 3.2%.

“The president takes office at a time when Mexico is doing very well in terms of the economy and the real estate market nationally,” says Coldwell Banker Mexico Director, Phillip Hendrix. “Government finances are in good shape, we have a new trade agreement with the U.S., and the president has said that he will not interfere with central bank or issue debt recklessly, so we certainly hope to see continued stability from the new administration.”

THE LURE OF LUXURY IN MEXICO

In recent decades, Mexico has also risen in prominence as a place for U.S. luxury buyers to purchase a second home.

“The luxury market in Mexico is growing at a steady pace, and California seems to lead in terms of state origin for people moving here, with many from Texas, too,” says Hendrix, who notes that luxury purchases in Mexico tend to move in tandem with U.S. real estate markets and have been on an upswing for the past several years as housing around the world

has rebounded from the financial crisis. Higher home prices in the U.S. also highlight comparatively lower prices for similar properties in Mexico.

From coastal resorts along the Caribbean Sea, the Gulf of Mexico, and the Pacific Ocean, to historical and culturally significant towns in the interior of the country, Mexico has long been a source of attraction for Americans—as well as Canadians and Europeans—seeking out a hospitable climate and culture for vacation and retirement.

“Some of the coastal areas that are now hot include Cabo San Lucas—a fairly new resort destination that started in the late 1970s and has really boomed in the past 20 years, and Puerto Vallarta—a market that has been around much longer, with major growth taking place north of town along the coast,” he says. “Further inland, San Miguel is rich in history going back 500 years, and it has taken off in the last five to ten years among luxury buyers in search of authentic Mexican culture and a very strong heritage in the arts.”

CABO SAN LUCAS

Cabo San Lucas and San Jose del Cabo are situated at the tip of Baja California, where the rigorous desert and mountain landscape to the north yields to the deep blue waters of the Pacific Ocean. Between the two cities, collectively known as Los Cabos, 20 miles of spectacular natural scenery feature bright colors of flowering plants and the lush greenery of several championship golf courses.

By the mid-1980s, Cabo San Lucas had begun



to attract considerable development, turning the one-time fishing village into a world class vacation destination.

“The combination of the desert with the ocean creates a special energy, which is something that people really feel when they arrive here, and many of them decide that they want to live in this unique paradise,” says owner/broker Leticia Diaz Rivera of Coldwell Banker Riveras. “These are wealthy buyers paying cash, no debt, but the atmosphere here is what we call ‘relaxed luxury’ because people are outside all of the time enjoying the beaches, going fishing, playing golf, or even riding four wheelers around in the desert.”

Cabo San Lucas has increasingly become a focal point for wealthy travelers and luxury home buyers over the past two decades, with five-star hotels for tourists, and for those seeking more permanent residence, secluded villas perched on and above beaches, as well as luxury condominiums and branded hotel residences.

“I typically see buyers in their forties to sixties who want a place to spend time during family vacations, and eventually for their retirement,” says Diaz Rivera, who observes that many high-end buyers from north of the border are attracted not only by the area’s natural blessings but also by the relative value. “Median prices are around \$800,000 and many larger homes sell at prices above \$1.5 million and higher, but it’s still a fraction of what a buyer would pay for a similar property in California.”

After sustaining more than \$1 billion in damage from a direct hit by Hurricane Odile in September 2014,⁴ Cabo has come back bigger and stronger than before, attracting a building and investment boom that continues to supply the market with new luxury inventory in high demand by foreign and domestic buyers. Among the newest of the high-end properties, the Montage Resort & Residences Los Cabos Twin Dolphin features a golf course designed by Fred Couples and architect Todd Eckenrode.

PUERTO VALLARTA

Puerto Vallarta is a port city and resort center on the Pacific coast of the Mexican mainland. The area at the mouth of the Cuale River along Banderas Bay that became Puerto Vallarta was originally a small village of fishermen, pearl divers, and traders, but it blossomed into a premier vacation destination during the twentieth century, originally attracting wealthy citizens of Guadalajara just to the east, but in the past several decades drawing a substantial presence of wealthy people from other countries.

The first waves of luxury home building took place along the water close to the city of Puerto Vallarta in the state of Jalisco, but in recent years development has been extremely active to the north, in areas including the exclusive peninsula of Punta Mita in the state of Nayarit, and further up the Riviera Nayarit.

“Punta Mita set a new luxury standard for the vacation home market in Mexico,” says Brock Squire of Coldwell Banker La Costa in Puerto Vallarta. “About 20 years ago, there was a huge push into the high-end, and the planned community at Punta Mita, first with the Four Seasons and now the St. Regis and several sub-developments really delivered spectacular residences with first-rate amenities and unbelievable levels of security and privacy.”

Luxury homes at Punta Mita have been extremely well-received, and land values have soared. “When the area was just getting started, they were first

selling individual waterfront lots for \$750,000 that today would realistically change hands for \$6 million or more,” says Squire, who notes that home sales have reached as high as \$70 million. “The owners of these types of homes are typically marquee business people who tend to be from entrepreneurial backgrounds.”

Puerto Vallarta and the surrounding area are prized by wealthy individuals seeking out golf, diving, surfing, fishing, and a wide range of high-end services. “Nowhere else in the world can you play a round of golf on a Jack Nicklaus designed golf course that requires you to take an amphibious craft to reach the green at high tide, plus you have all the private chefs, quality restaurants, bars, boutiques, and galleries that add to the active lifestyle high-end buyers are demanding.”

Although rental income is not a primary motivation for luxury buyers, Squire says that many owners after purchase do opt to rent their homes for top-dollar to help offset operating cost. “Rents go from \$7,000 to \$30,000 per night, and that would house 12-24 people and usually come with a couple of private chefs and 24-hour room service,” says Squire who says that trends point toward buyers gravitating to more manageable properties and away from sprawling estates.

“Branded villas like Four Seasons, Auberge, and One&Only are all seeing strong reception, and all offering trouble-free maintenance with some selective rental income optional.”

SAN MIGUEL DE ALLENDE

The historic city of San Miguel de Allende, less than 200 miles northwest of Mexico City, has roots dating back to the sixteenth century as a stop along a silver route when Mexico was under Spanish colonial rule and known as New Spain. The town thrived as a merchant’s hub and developed a refined downtown area with accommodations, restaurants, churches, and centers of art and music.

Over the years, and especially since World War II, San Miguel became a popular center for visual and performing arts and one that was deeply imbued with authentic Mexican culture that attracted a large contingent of Americans.

“A big wave of people came to town and married locals, and before long everybody knew each other,” observes Daniel Ortiz of Coldwell Banker Smart, who says that 60% of buyers⁵ in the historic district of San Miguel are from the U.S. “Now we see many second, third, or fourth home buyers who have an interest in cultural travel and are attracted by Mexican colonial towns, and even people as young as their thirties coming here to be a part of the traditions and lively atmosphere, as well as the burgeoning wine country lifestyle.”

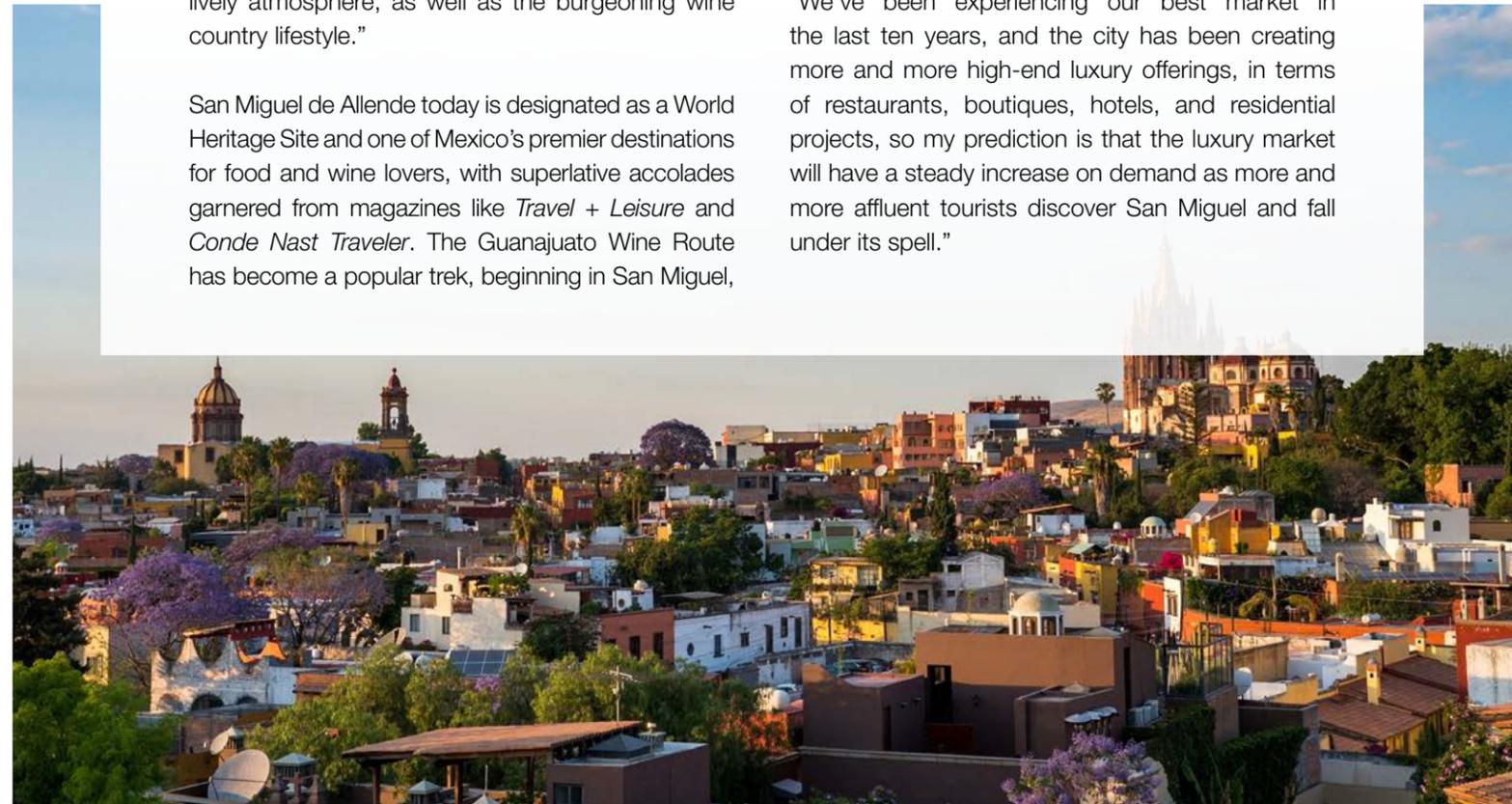
San Miguel de Allende today is designated as a World Heritage Site and one of Mexico’s premier destinations for food and wine lovers, with superlative accolades garnered from magazines like *Travel + Leisure* and *Conde Nast Traveler*. The Guanajuato Wine Route has become a popular trek, beginning in San Miguel,

passing through more a half-dozen wineries, and ending just north of town in Dolores Hidalgo. The appeal of the emerging wine country has also spurred new development in the countryside designed to attract wealthy buyers.

“There is a type of client who likes wine, and who might also like to ride horses or play polo,” says Ortiz. “There are three polo fields in residential projects outside of town, and four vineyard-themed developments that incorporate winemaking, lavender and olive cultivation, and all kinds of very good food.”

The cultural attractions of historic San Miguel translate into a steady demand for residences in the old colonial city center, and here, too, there are recent high-end developments that maintain the city’s strict architectural standards coming to market. “The traditional buyer wants to be in the center of town near Juarez Park,” says Ortiz. “In the center of town and its immediate walking distance, there are luxury projects, like the Rosewood Residences San Miguel de Allende, La Noria, La Fuente, and others that offer luxury buyers modern amenities in the heart of the historic city.”

Sustained strong demand from feeder markets in Mexico and the U.S. gives Ortiz confidence that the San Miguel market continues its upward trajectory. “We’ve been experiencing our best market in the last ten years, and the city has been creating more and more high-end luxury offerings, in terms of restaurants, boutiques, hotels, and residential projects, so my prediction is that the luxury market will have a steady increase on demand as more and more affluent tourists discover San Miguel and fall under its spell.”





AESTIQ Thonglor penthouse / Bangkok
See page 107 for property details.

GLOBAL BOUTIQUE

DEFINING LUXURY: PART TWO

SIX NEW PLAYGROUNDS FOR THE WEALTHY

Compared to other asset classes like stocks and bonds, high-end real estate is unique in that it provides not only an investment, but also security, comfort, and enjoyment as a place to live. Owning multiple luxury properties around the globe affords the world's ultra-wealthy an opportunity to diversify their wealth by mitigating political or currency risks associated with a single country while allowing them to live in some of the world's most desirable destinations.

Throughout Western Europe, the Middle East, and Southeast Asia, luxury home buyers are seeking out a wide range of exceptional residences, from bustling urban experiences to the tranquility of coastal and country living. Here are some of the places where ultra-wealthy buyers from all parts of the world are deciding to call home.



SPANAIN

EUROPEAN PLAYGROUND BECOMES WEALTH HAVEN

With its beautiful beaches and verdant countryside, Spain has long been a popular location for Europeans to own a vacation home, but over the past five years, wealthy buyers from all over the world have been coming to the country, attracted as much by the promise of political stability and potential for a good investment as they are by Spain's natural beauty and urban charm.

Surging prices for high-end residential properties in Madrid and Barcelona reflect a vast influx of wealthy buyers from places where economic and political risks motivate a desire for international diversification, or outright emigration to a country where the rule of law is applied a little more evenly. Newer arrivals from Russia, China, and the Middle East have been active buyers, but the largest contingent of wealthy emigres in recent years have been coming from Venezuela and countries throughout Latin America.¹

"The flight to quality is indisputable when it comes to having stability, security, and hard currency, just for starters," says Pablo Bergthal, who left behind a 30-year legal career in Argentina in 2015 and today is director and franchisee of Coldwell Banker Eminent in Barcelona. "People from Latin America find in Spain a place where the integration and sense of familiarity is almost instantaneous."

Since 2013, Spain's "golden visa" program has encouraged the flight of foreign non-European buyers by offering residency and a five-year path to citizenship to individuals and their families investing at least \$570,000 in real estate.²

"Madrid has been a focus for Latin American buyers, especially in the Salamanca district where new, trendy Venezuelan and Colombian restaurants are popping up everywhere," says François Carriere, CEO and managing director of Coldwell Banker Spain Andorra. New luxury villas fetching \$5.7 million and higher on the island of Ibiza at Es Cubells are also popular among international buyers, says Carriere, along with Costa Brava beach homes and estate estates in the Penedès wine country west of Barcelona.



VILLA DELL'ANGELO / Ameglia
See page 107 for property details.



ITALY

the buyers are international," says Sabatini, who estimates that foreign buyers account for 70% of all sales between \$2 million and \$6 million, and 90% of sales above \$10 million.

ETERNAL APPEAL ATTRACTS BUYERS TO LA DOLCE VITA

Similar to the resurgence of the property market in Spain since the financial crisis, luxury properties across Italy have also attracted the interest of international buyers, drawn in by perceived value and the unique appeal of Italian living, particularly in country and seaside destinations. In fact, one major trend underway is that Italian families are selling their long-held Tuscan villas in central Italy, and lake homes in places like Lugano and Como to eager international buyers and moving to cities like Rome, Milan, and Venice.

"Italy in the last year really started becoming a magnet for international buyers," says Cassiano Sabatini, vice president of Coldwell Banker Italy. "In the cities, 80% of buyers are Italian, but in the more rural areas like Tuscany and Como, 80% of

The general upsurge in demand from fresh foreign buyers and a relocating domestic market has spurred the interest of developers who have launched new luxury projects up and down both of Italy's major coastlines. One new development on the coast about 100 miles northwest of Rome near the seaside village of Porto Ercole is the Argentario Golf Resort & Spa, which in 2018 sold its first eight villas at prices ranging from \$2.25 million to \$8 million. (per Sabatini)

Sabatini also sees widespread interest from international buyers in seaside resorts along the heel of the boot of Italy in Puglia. "Throughout the south of Italy, there's been a lot of demand from abroad for newer properties," he says. "Puglia is full of Americans, British, and a wide range of jet-set Europeans who come there for the quality of seaside living and a range of top-flight services."



DIAGONAL RESIDENCES / Barcelona
See page 107 for property details.



TURKEY

HISTORY AND VALUE PROVE POWERFUL ATTRACTIONS FOR ISTANBUL

Turkey as a country is geographically unique in that it straddles two continents, Europe and Asia, which meet along the Bosphorus Strait in the ancient city of Istanbul, known as Constantinople when it succeeded Rome as capital of the Roman Empire. Along both sides of the strait are hundreds of spectacular mansions, many of them centuries old, perched on banks high above the waterway that connects the Black Sea with the Sea of Marmara.

These mansions, with panoramic views and updated with modern amenities, are selling for the equivalent of \$10 million and higher, but they are priced in Turkish lira, a currency that over the past five years has lost more than half of its value against the U.S. dollar.³ The lira's depreciation provides a big benefit for international buyers holding dollars, and it has helped to prompt several recent sales of some of Istanbul's most stately homes.

"With its rich cultural heritage, climate, and natural beauty, Istanbul has always been a different kind of place, and it is increasingly the center of attention for European and many Middle Eastern investors," says Sühran Aras with Coldwell Banker Baras in Istanbul. "The luxury market in Turkey does not exceed 5% of the total housing market, and 75% of the luxury housing market is in Istanbul, Ankara, Izmir, and Bursa."

Like Spain, Turkey has encouraged international buyers by offering residency and citizenship in return for a minimum property purchase, which had been \$1 million, but was lowered last year to \$250,000.⁴ New developments are springing up to meet strong demand, particularly from buyers in Qatar, and throughout the Arab world.

"With the urban transformation that started in the region, there are several alternatives that appeal both to people who want to experience city life fully, and to families with children," says Aras, noting the popularity of new waterfront developments near Istanbul for both domestic and international buyers.



DOLPHIN AVM / Kyrenia
See page 107 for property details.



CYPRUS

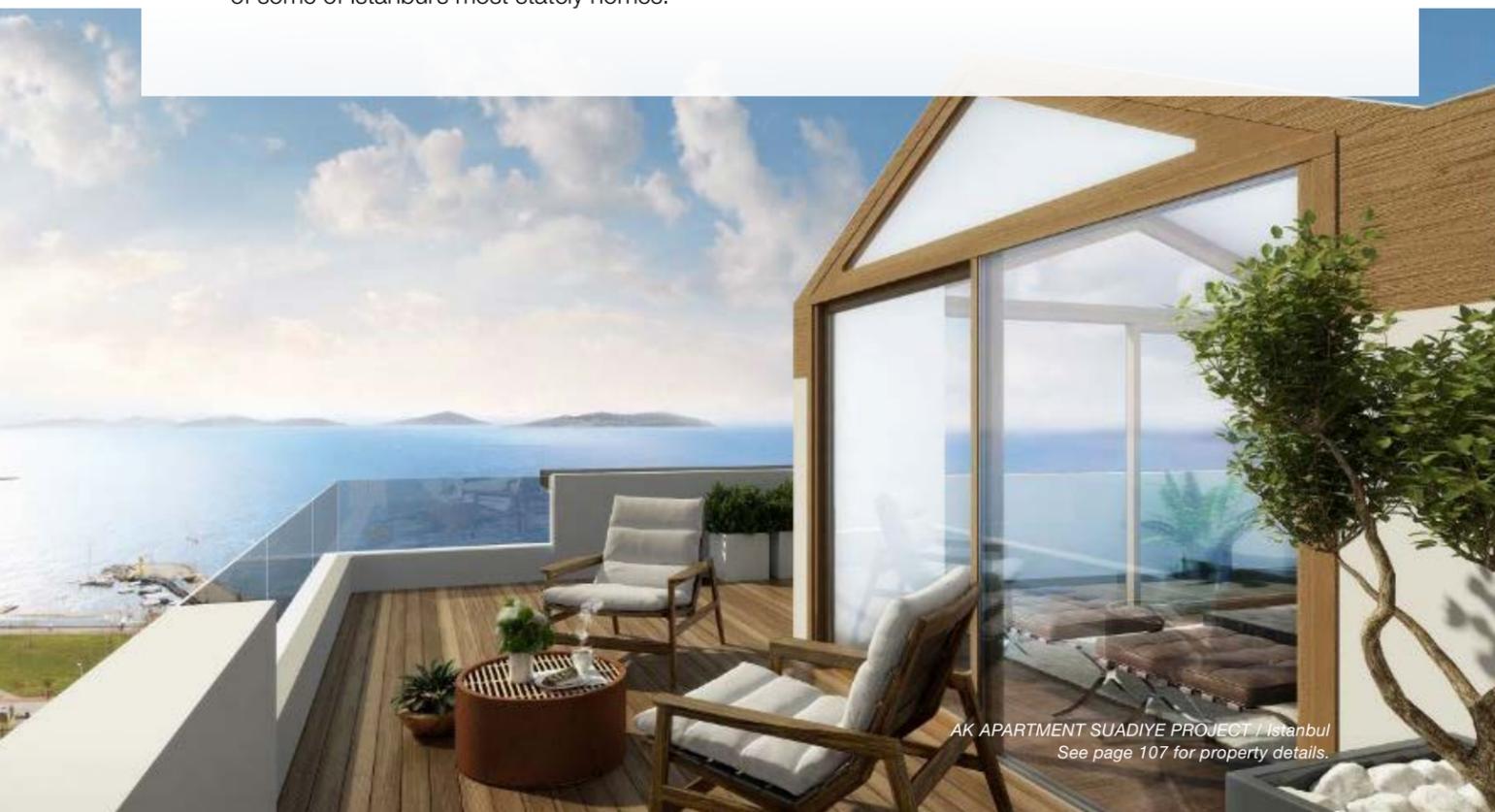
demand in Northern Cyprus, where new marina, hotels, and high-end restaurants have appeared along the coast in Kyrenia.

ISLAND OF LOVE OPENS ARMS TO INTERNATIONAL BUYERS

In the Mediterranean Sea, just a short flight from Istanbul, Cyprus has been divided into northern and southern portions since 1974, with Greek Cypriots populating the south, and Turkish Cypriots along the northern shore of the island. The European Union recognizes the whole of Cyprus as a member state, and considers Turkish Cypriots to be E.U. citizens,⁵ prompting many wealthy foreign buyers seeking citizenship to purchase property⁶ on the island.⁷

The same dynamics of currency and immigration that have propelled property markets higher in Istanbul and throughout Turkey are also supporting luxury

"Northern Cyprus has a long history and a rich culture that spans thousands of years, making it one of the most popular and attractive destinations in the world," says Aylin Pelin Onar, broker and owner of Coldwell Banker Maximum in Kyrenia on the northern coast of Cyprus. "Our market is growing due to improving local and international economic conditions, and we have robust international demand from clients from Turkey, Russia, Scandinavian countries, Middle East, England, Israel, and Australia."



AK APARTMENT SUADIYE PROJECT / Istanbul
See page 107 for property details.



THAILAND

URBAN BLISS IN BANGKOK, SEASIDE PARADISE IN PHUKET

Luxury highrise towers dot the downtown skyline of Bangkok, symbols of the vast amounts of wealth in Thailand seeking out an urban oasis in the capital city. Meanwhile, buyers from around the world continue to flock to the seaside natural beauty of Phuket, drawn by the pristine waters and luxury living in dozens of new developments along the shore.

“Bangkok has completely transformed over the past decade, growing from a slightly seedy city into a proper global capital,” says Adam Taugwalder, CEO of Coldwell Banker Thailand, noting the rise of skyscrapers designed by world class architects, including the 77-story Ritz-Carlton Residences, the 75-story Four Seasons Tower, and the 52-story Mandarin Oriental Residency.

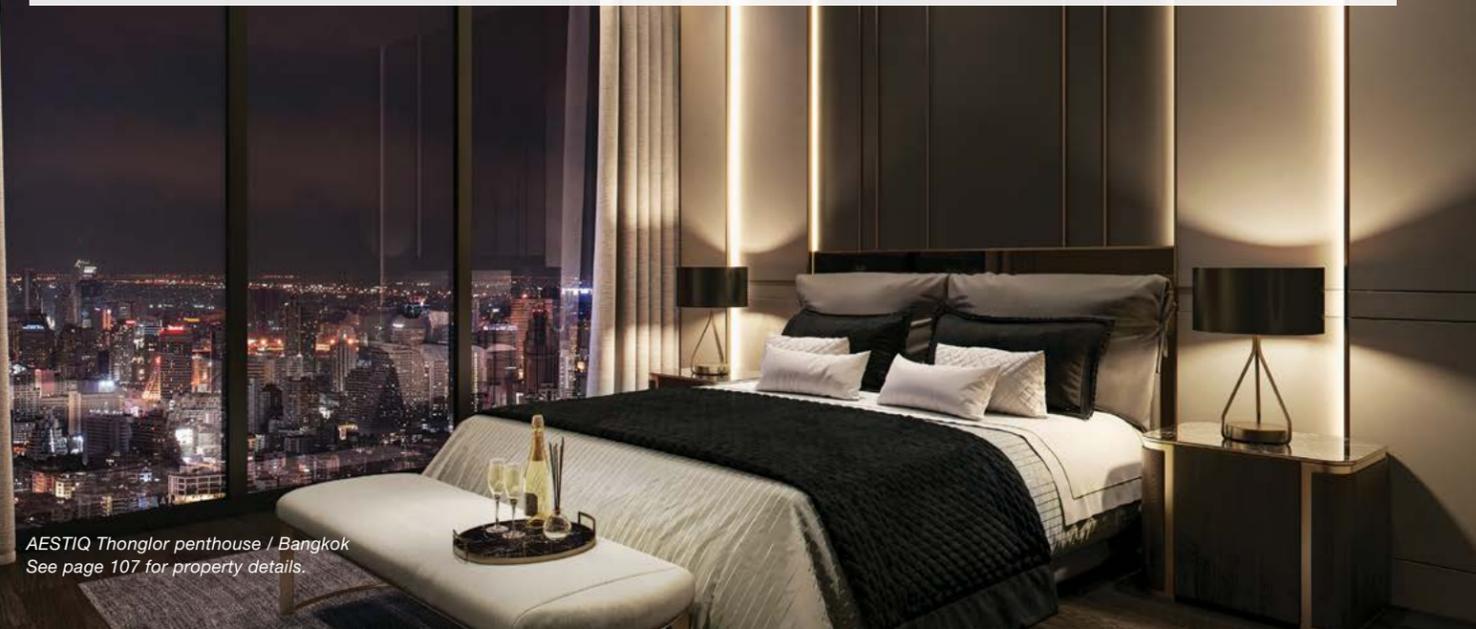
Taugwalder says that 75% of the buyers of these types of urban luxury properties are Thai natives, a reflection of the country’s vast wealth. “International buyers are a mixed bag containing Europeans, Americans, and a growing number of Asian buyers coming from regional capitals where prices are between two and four times higher than

Bangkok,” he says. “Lifestyle is the primary driver for international buyers, and Bangkok is a place that checks all the boxes: easy access from all over the world, political stability, a strong currency, beautiful weather all year round, a warm, welcoming local population, top notch medical care, and international schools, plus proximity to some of the world’s best beaches.”

South of Bangkok is the traditional European vacation destination of Phuket, which is lately seeing a pick-up in high-end development.

“The luxury buyer is looking for villas in the price range between \$1.5 million and \$10 million, and looking as well for branded development,” says Norbert Witthinrich of Coldwell Banker Phuket, who sees new developments taking shape along the route to a new airport.

“Phuket is running out of beachfront land, but the new Airport in Phang Nga is coming soon,” says Witthinrich. “Developers and investors are already starting to buy land along the beaches to the north for luxury branded resorts launching over the next three years.”



AESTIQ Thonglor penthouse / Bangkok
See page 107 for property details.



UAE

UNITED ARAB EMIRATES: LUXURY RISES HIGH IN DUBAI

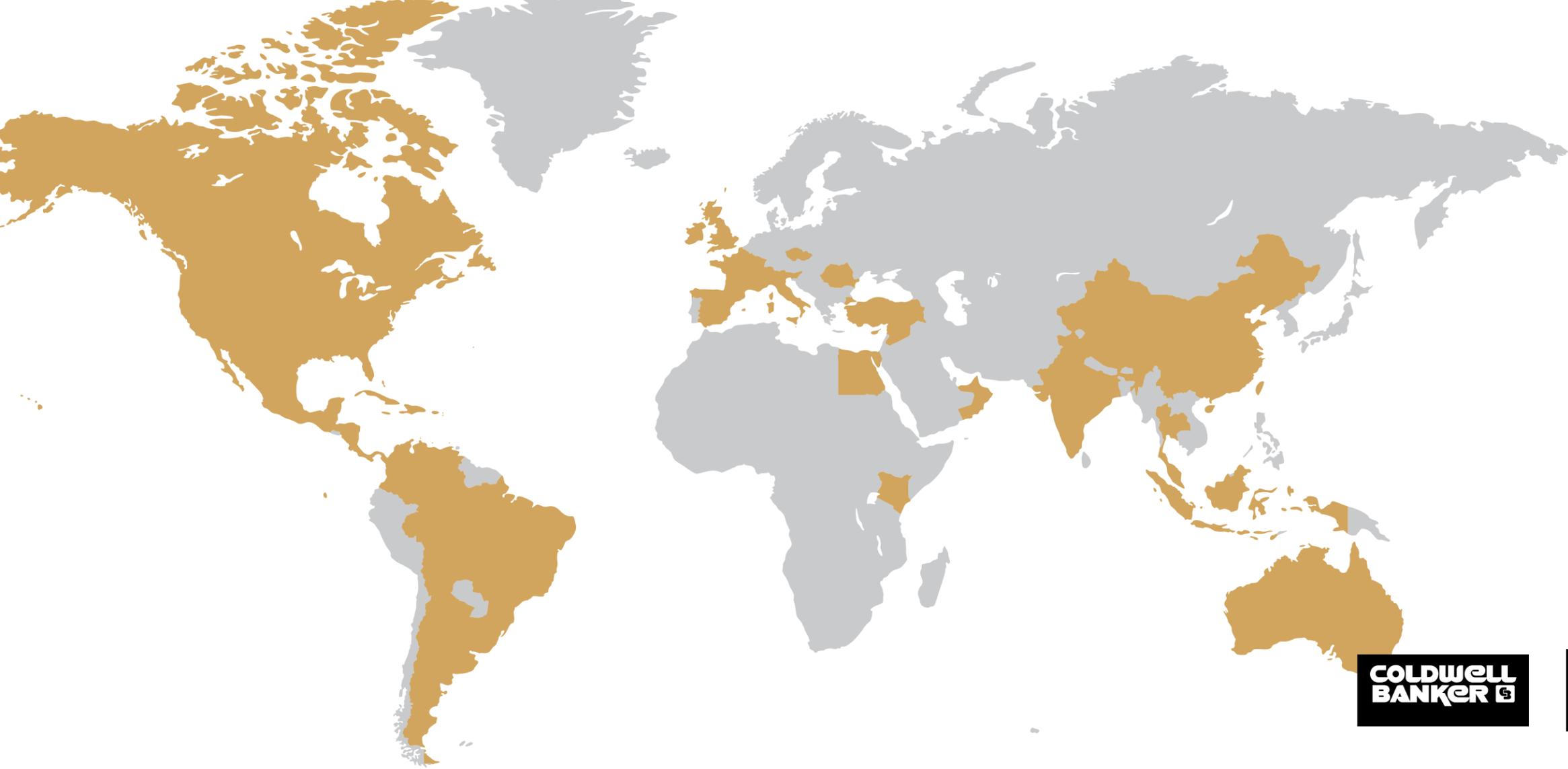
Located on 45 miles of coastline, Dubai is the second biggest and second most populous emirate in the federation of seven United Arab Emirates situated along the eastern shores of the Arabian Peninsula—smaller only than its neighbor, Abu Dhabi.⁸ Over the past two decades it has become a cosmopolitan center of finance, commerce, entertainment, and high-end real estate.

Dubai bet big on ambitious projects, like creating new developments on man-made islands shaped like palm trees, to building the world’s tallest building, the 162-floor and 2,717 foot-high Burj Khalifa.⁹

“Connected by a network of light-rail and monorail service and traversed by a 16-lane highway, the city offers high-end buyers the opportunity to own a penthouse in a gleaming urban highrise, a beachfront villa, or a home in several spectacular golf course communities in Dubai Hills and other desert playgrounds,” says Ayman Youssef, Vice President and Director of Sales at Coldwell Banker UAE.

Among areas where properties are selling above \$10 million include luxury mansions on an island in Jumeirah at the Bvlgari Hotels & Resorts that give buyers access to world-class dining and recreation facilities and the yacht club. Also popular among ultra-wealthy buyers is One Palm, a collection of residences at Palm Jumeirah, the first of Dubai’s palm-shaped archipelagos.¹⁰

See pages 106-107 for a full list of resources and featured properties.



GLOBAL LUXURY

The Coldwell Banker® brand has a global reach with offices in 44 countries and territories, including the United States and Canada. There are approximately 3,000 Coldwell Banker offices and 90,000 Independent Contractor Sales Associates/Representatives worldwide.

LUXURY BY THE NUMBERS

COLDWELL BANKER® AFFILIATED AGENTS AND TEAMS:

Sell **\$161.8 million** in million+ homes each day*

Handled **30,748 transaction sides** of \$1 million+ homes, with an average sales price of **\$1.9 million***

More than **30%** of traffic to ColdwellBankerLuxury.com was international, representing visitors from more than **137 countries**, led by Canada, France, Brazil, Russia, Spain and the United Kingdom.

The Coldwell Banker social accounts geared toward luxury, including the lifestyle blog, blog.coldwellbankerluxury.com, saw an **80 million** in social engagements. Overseas web traffic combined for **55%** of readership.

*Average daily sales. Data based on closed and recorded transaction sides of homes sold for more than \$1 million (USD\$) or more as reported by the U.S. Coldwell Banker® franchise system for the calendar year 2018.

2018



GLOBAL
LUXURY

SIGNIFICANT U.S. LISTINGS

- **\$135 MILLION**
THE BEVERLY HOUSE | Beverly Hills, CA
- **\$115 MILLION**
OWLWOOD | Los Angeles, CA
- **\$45 MILLION**
INDIAN HARBOR ESTATE | Greenwich, CT
- **\$44.995 MILLION**
CUSTOM BAY ESTATE | Newport Beach, CA
- **\$40 MILLION**
97-ACRE RANCH PROPERTY | Aspen, CO
- **\$36 MILLION**
GRAND PENTHOUSE RESIDENCE | Honolulu, HI



Owlwood / Los Angeles, CA



Le Belvédère / Bel Air, CA

2018

COLDWELL
BANKERGLOBAL
LUXURYSIGNIFICANT
U.S. SALES*

- \$85 MILLION**
LE BELVÉDÈRE | Bel Air, CA
Represented by Joyce Rey
Coldwell Banker Residential Brokerage, Beverly Hills (seller)
- \$49.5 MILLION**
MERRYWOOD ESTATE | McLean, VA
Represented by Monica Boyd
Coldwell Banker Residential Brokerage, Georgetown (buyer)
- \$38.9 MILLION**
IRVINE COVE OCEANFRONT OASIS | Laguna Beach, CA
Represented by Rod Daley
Coldwell Banker Residential Brokerage, Newport Beach (seller)
- \$32 MILLION**
CANARY COTTAGE | Pebble Beach, CA
Represented by Jonathan Spencer and Tim Allen
Coldwell Banker Residential Brokerage, Carmel-by-the-Sea (sides)
- \$23.8 MILLION**
BEVERLY HILLS MEDITERRANEAN | Beverly Hills, CA
Represented by Joyce Rey and Jade Mills
Coldwell Banker Residential Brokerage, Beverly Hills (seller)

DISCLAIMERS

METHODOLOGY FOR DATA REPORTING

Top 10% is defined as homes with sold prices (or in terms of inventory, list prices), matching or exceeding the 90th percentile sold price for homes sold in 2018 in the specified city. Top 5% is defined as homes with sold prices (or in terms of inventory, list prices), matching or exceeding the 95th percentile sold price for homes sold in 2018 in the specified city.

Data is calculated monthly from various sources to attain the most accurate set of information pertaining to parameters, as seen throughout this report, such as closed sales, active listings, sold prices, sold-price-to-list-price percentages, days on market, and sales ratios. Data is then represented both monthly and yearly throughout the report, using medians, averages, totals, percentages, and ratios. However, unless otherwise specified, statistics typically presented in this report represent both the monthly median and the median of monthly medians of the respective data.

The median was calculated by arranging the data in sequential order and selecting the middle number of the set, whether that number be a price, volume, number, percentage, or ratio. To determine the median of the monthly median, monthly medians are totaled and the same method applied as for the monthly figure.

Unless otherwise specified, all statistics are based on property sold. Inventory statistics are based on property available at the end of each month. Average Monthly Inventory and Average Monthly Sold statistics are based on the average of monthly property totals for each month. Sales Ratio is based on the ratio of Average Monthly Sold to Average Monthly Inventory.

Market Status is an analysis of Sales Ratio and represents market speed and market type: Buyer's = less than 15%; Balanced = 15% to less than 21%; Seller's = 21% or greater. If greater than 100%, MLS® data reported previous month's sales exceeded remaining inventory pulled at the end of the month.

DATA ON ULTRA-HIGH NET WORTH INDIVIDUALS (UHNWIs)

Wealth-X's team of researchers and analysts has access to an unrivaled proprietary database of global UHNWIs that is the largest in existence. UHNWIs are defined as having a net worth of \$30M and above. Wealth-X's database highlights their financial profiles, passions and interests, known associates, affiliations, family members, biographies, news, and more. Wealth-X uses a proprietary valuation model to assess all asset holdings including privately and publicly held businesses and investable assets to develop its net worth valuation model.

GLOBAL LUXURY RESIDENTIAL PROPERTY INDEX METHODOLOGY

The Global Luxury Residential Property Index focuses exclusively on the top 10% of the residential property market with regards to sales price. It is based on the median selling price of luxury properties across a broad range of the world's top destinations, including not only cities, but mountain resorts, seafont, and countryside properties, to reflect the full nature of the wealthy's real estate holdings. The Index is based on property sales data from Barnes and Perchwell as well as publicly available data for locations including London and Singapore.

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The statistical information showcased through The Report for **Coldwell Banker Global Luxury®** has been compiled from various sources, including but not limited to Coldwell Banker's Independent Sales Associates, Brokers, Brokerages, and Affiliates, The Institute for Luxury Home Marketing, Wealth-X Pte. Ltd, Wealth Engine, Reuters, local MLS boards, local tax records, private and public sources, and Realtor.com. Data may not include private sales, as these transactions are not always reported through the above sources.

The Institute for Luxury Home Marketing publishes the Luxury Market Report on a monthly basis to measure market conditions for luxury real estate around the country and is prepared using statistical representation of the Median Price for each of the markets represented in its report. Information contained herein has been computed by The Institute for Luxury Home Marketing's data research partner and shared with **Coldwell Banker Global Luxury®** and based on information attained both privately and publicly.

The data for this report is based on closed and recorded sides of homes sold during 2018. However, statistical information has been calculated using closed sales activity reported over a 13-month period from December 1, 2017, through December 31, 2018. Closed sales reported significantly later than this analysis period will not be included. All active status listing records were downloaded and processed to the same standards, at the end of each calendar month, from December 2017 through December 2018. Property-specific active and sales records were standardized, inaccurate list and sale prices were corrected when necessary, and all duplicate records were manually excluded. As a result, statistics available via the source data providers may not correlate to this analysis.

Although we believe that high standards have been used in the preparation of the information, analysis and views presented, we take no responsibility or liability whatsoever for the contents. As not all private real estate activity is actively reported within its primary marketplaces, it is believed that not all property transfer data is included in this analysis. All the information is provided "as is," and we make no express, implied, statutory, or other warranty of any kind or guarantee as to the accuracy, timeliness, completeness, efficacy, merchantability, and fitness for any particular purpose of any of the contents.

This data is considered to be reliable but is not guaranteed, either by The Institute for Luxury Home Marketing, its data research partner or any participating MLS, Coldwell Banker Real Estate, LLC, Coldwell Banker Independent Sales Associates, Brokers, Brokerages, or Affiliates. The information provided in this report is not a recommendation to buy or sell real estate, and when evaluating a particular property, it is recommended that specific comparable sales data is used in addition to this market trend information.

As far as applicable laws allow, we do not accept responsibility for errors, inaccuracies or omissions, nor for loss or damage that may result directly or indirectly from reliance on or use of its contents. Instead, it is recommended that all homeowners work directly with a licensed real estate agent or broker.

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RESOURCES

PAGE 8-9 | LUXURY: A GROWING NICHE MARKET

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PAGE 12-13 | THE NORTH AMERICAN CONNECTION

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¹<https://www.frommers.com/destinations/maui/in-depth/history>

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⁵*Daniel Ortiz, Broker - Coldwell Banker, San Miguel*

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FEATURED PROPERTIES

COVER | ANAHA, Honolulu, HI

Represented by Anne Hogan Perry - Vice President, Coldwell Banker Pacific Properties

808.286.6474 | annep@cbpacific.com | AnneHoganPerry.com

PAGE 16 | CHARTWELL, Bel Air, CA

Represented by Jade Mills, Joyce Rey, and Alexandra Allen - Coldwell Banker Residential Brokerage, Beverly Hills

Jade@JadeMills.com, Joyce@JoyceRey.com, Alexandra.Allen@camoves.com

PAGE 90, 96 | AESTIQ Thonglor, Bangkok, Thailand

Represented by Adam Taugwalder - Coldwell Banker Brokerage, Thailand

+66 95 554 5151 | adam@coldwellbanker.co.th | coldwellbanker.co.th

PAGE 92 | DIAGONAL RESIDENCES, Barcelona, Spain

Represented by Artur Stabinski - Coldwell Banker Prestige Barcelona - AICAT 2606

+34 632 01 01 01 | artur@cb-prestige.com

PAGE 93 | VILLA DELL'ANGELO, Ameglia, Italy

Represented by Cassiano Sabatini - Vice President, Coldwell Banker Italy

+39 335 6916221 | csabatini@coldwellbanker.it | www.cassianosabatini.com

PAGE 94 | AK APARTMENT SUADIYE PROJECT, Istanbul, Turkey

Represented by Sühran Aras - Coldwell Banker Brokerage, Turkey

+90 532 451 3616 | suhran.aras@cb.com.tr | www.cb.com.tr/baras

PAGE 95 | DOLPHIN AVM, Kyrenia, Cyprus

Represented by Aylin Pelin Onar - Coldwell Banker Maximum, Kyrenia

+90 533 880 8040 | aylinpelin.onar@coldwellbanker.com.tr

www.maximumevler.com



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