

Palisadian-Post

Serving the Community Since 1928



2015 Real Estate Year in Review

By ANTHONY MARGULEAS
Special to the Palisadian-Post

Last year proved to be a strong one for the residential real estate market in Pacific Palisades. As 2015 came to a close, it signaled the end of the fourth consecutive year of a strong run of appreciating home values.

In 2015, the average price of a Palisades home was \$3,458,545, which is a 9 percent increase compared with 2014. The median average price was \$2,820,000, which is a 13 percent increase compared with 2014. The cost per square foot of \$1,011.98 is a 13 percent increase compared with 2014.

In addition, 288 homes sold in 2015 at press time, representing the third year of declining home sales. That number, while lower than 2014 when 303 homes sold, was still significantly higher than in 2009 when only 189 homes sold.

One of the most encouraging aspects of 2015 was the “days on market” average of 61 days, which was the lowest in 10 years. Days on market is defined as not simply when a home

goes into escrow but rather when all contingencies are removed, something the MLS classifies as “pending.”

The least expensive home to sell was on lower Bienvenida for \$1,005,000. The most expensive home to sell was on Corona Del Mar for \$22,000,000. All the data above is based on single-family home sales as taken from the MLS. No condos or land were included in these statistics.

The rate of appreciation stayed about the same in 2015 with approximately 9 to 13 percent annual appreciation when comparing the average and median home prices.

The most accurate way to analyze a market is to compare annualized data as opposed to monthly data. In addition, rather than using just one metric, such as average home prices, it’s best to look at a number of things, including average prices, median prices and price per foot.

In the accompanying chart, additional data shows the number of home sales as well as the average days on market. The Palisades has averaged approximately 1 percent per month ap-

preciation for the past four years.

In the past few months, however, there has been a slight slowing in the rate of appreciation to approximately one-half of 1 percent per month, down from 1 percent per month.

I predict there will be a 5 to 7 percent annual appreciation for 2016.

The previous price peak for the Palisades was in 2008. We are currently about 25 percent over the previous 2008 price peak, so if you are a seller it is a good time to sell.

With interest rates still very low, it also makes it very desirable for buyers to lock in those rates now. Overall, the market is very active with more buyers looking to purchase than there are homes available.

Anthony founded Amalfi Estates 21 years ago. He has sold close to \$1 billion in properties and was selected by The WSJ as one of the top 100 agents in the country out of one million agents. He is currently the #1 agent in the Palisades. He can be reached on his cell at 310-293-9280, www.AmalfiEstates.com.

Year	Median Price	Change	Average Price	Change	Cost per ft	Change	# Sales	Average DOM
2014	\$2,500,000	12%	\$3,184,229	15%	\$895.78	9%	303	62
2015	\$2,820,000	13%	\$3,458,545	9%	\$1,011.98	13%	287	61