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PAGE 17

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## Key Stats Indicate an Emerging Rebound

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*Special to the Palisadian-Post*

So overall, how is the Pacific Palisades real estate market really doing? We hear so many conflicting stories that it can be confusing trying to make sense of it all. But here is the latest data, fresh off the press, and it points to some encouraging signs.

In December, 20 homes sold in Pacific Palisades totaling \$34,732,500. The average selling price was \$1,736,625 and the average list price was \$1,841,095. The median price was \$1,567,500 and the average days-on-market was 42 days. The average sale price to most recent list price was 94.3 percent. However, the average sale price to original list price which is a much more accurate indicator was 90.40 percent. This means that on average, sellers listed their homes for 10 percent over what the market (i.e. buyers) believed they were worth.

In 2010, the Palisades saw real estate prices decline 6 percent based on the median sale price of \$1,815,000 as compared to 2009's median sale price of \$1,930,000. This is encouraging because in the past 2 years we saw a total drop in home values of 20 percent. So while we saw a 6 percent drop this past year it was a 57 percent improvement over the 14 percent price declines in 2009.

We had a very respectable 250 homes sell (totaling \$571,156,716) for all of 2010 which was 35 percent more than in 2009, when 185 homes sold (totaling \$448,240,140).

There were 17 properties leased in December 2010. The average lease was \$6,486 and was on the market for 70 days. The average lease price to original list price was 90.3 percent, which was very similar to what the sales data showed as well. For all of 2010 the average lease price was \$5,150, compared to 2009's average lease price of \$5,325.

If it has seemed that there are a lot more leases on the market, you would be correct. The Palisades had 138 properties lease in 2006, 146 in 2007, 171 in 2008, 223 in 2009 and 244 in 2010. So over 5 years (from 2006 to 2010) we saw a 76 percent increase in the number of leased homes. By comparison, the number of homes selling from 2006 to 2009 dropped 40 percent until this year when home sales started reversing that trend.

What was happening was that many people who could not sell their home for the price

they wanted decided to lease their home. Now that home prices are starting to stabilize there will continue to be more homes selling and less leases coming on the market.

Five condos sold in December with an average selling price of \$673,400 and an on-the-market average of 53 days. The average condo sold price to original list price was 91.2 percent, which was a little better than homes or leases. For all of 2010, \$30,365,104 worth of condos sold (average sale price of \$680,000) as compared to \$36,281,569 for all of 2009 (average sale price of \$681,375). So condos appear to have been a little better investment this past year than homes as they lost almost no value based on the average sale price.

For Palisades land sales, there were 5 transactions during 2010 totaling \$6,595,000. This is compared to 3 land transactions totaling \$1,032,000 in 2009. Not only were there more land sales this year, the median sold price was almost double. This is an indication that there are more lenders doing construction loans, which is encouraging. The average land sold price to original list price was 81.54 percent.

One of the best barometers to gauge the health of our local real estate market is the unsold inventory index. This is calculated by taking the number of properties for sale the last day of the month and dividing it by the number of properties that are in escrow during the month. Around 6 months is considered a balanced market between a buyer and seller. The higher the number the more it is considered a buyer's market and the lower the number the more it is considered a seller's market.

In December 2008, we had an unsold inventory index of 30.3 months. We are now at a 2-year low of 4.5 months, which is a much healthier market. For 2010 the unsold inventory averaged 7.82 months (a 42 percent improvement) as compared to 13.43 months for 2009.

I believe that with 35 percent more homes selling, home values continuing to stabilize and the unsold inventory index at a 2-year low, we're seeing very favorable signs that Pacific Palisades is emerging from the real estate recession.

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### December Home Sales In Pacific Palisades

1. 16717 W Sunset	\$676,000
2. 709 Iliff St	\$910,000
3. 838 Hartzell Street	\$920,000
4. 16811 Edgar St	\$915,000
5. 1085 Ravoli Dr	\$1,175,000
6. 3440 Shoreheights Dr	\$1,265,000
7. 858 Galloway St	\$1,295,000
8. 820 El Oro Ln	\$1,175,000
9. 17211 Avenida De La Herradura	\$1,450,000
10. 1127 Hartzell St	\$1,400,000
11. 16604 Calle Jermaine	\$1,675,000
12. 1006 Kagawa St	\$1,635,000
13. 16634 Calle Brittany	\$1,685,000
14. 16553 Akron St	\$2,195,000
15. 522 Chapala Dr	\$2,195,000
16. 756 Brooktree Rd	\$2,250,000
17. 646 El Cerco Pl	\$2,351,500
18. 15234 Friends St	\$2,485,000
19. 18048 Blue Sail Dr	\$2,900,000
20. 1268 Amalfi Dr	\$3,600,000

Statistics are provided by Anthony Marguleas through the Multiple Listing Service, a public record. Marguleas is president of Amalfi Estates on Monument Avenue. Contacts: (310) 573-4245, ext. 100, and am@LAestatehomes.com