

2016 Real Estate Update for CMHO Tract 8923

The big news is that the Developers have discovered the Hill and we are now living in a very expensive neighborhood. Additionally, the proposed amendments for the Baseline Mansionization Ordinance (BMO) and Baseline Hillside Ordinance (BHO) are making big news.

It is my understanding that those of us on the hill under the jurisdiction of the Coastal Commission Authority should not be affected.

As of February 22, 2016, there are 79 single family homes (exclusive of mobile/manufactured homes) for sale in Pacific Palisades, as compared to 76 homes for sale at this time last year. There are also 24 (14) homes looking for a back-up offer, 13 pending sales, and 26 homes that have closed escrow since January 01, 2016. In 2015 there were 288 sales of single family homes in Pacific Palisades, a 5 percent drop from units sold in 2014. There has been a combined drop of nearly 12 percent in units sold in 2014 and 2015 than units sold in 2013 a strong recovery year.

In our tract, a total of 5 (5) homes sold in 2015, ranging in price from \$1,675,000 to two homes that each sold for \$5,700,000. There are currently two homes for sale, one home in original condition on Bellino listed at \$2,700,000 and another new construction project listed at \$8,695,000. There were 5 (5) properties that leased on our hill in 2015, ranging from \$5995(\$5950) per month to \$12,500 (\$7300) per month. There is currently one property on Bellino for lease according to the Multiple Listing Service*. The asking price of that home is \$14,000 and has been on the market since 08/19/2015. It is being marketed primarily as corporate or vacation housing for a minimum of one month. The rental rate for peak summer months goes up. It has not been leased.

Currently the price range for those homes for sale in Pacific Palisades is \$1,325,000 (\$995,000) on Friends Street to \$26,950,000 (\$25,000,000). The entry level home is a tear down property owned by the city and being sold at auction in a few days, and the \$26,950,000 is a fantastic new construction property on San Remo with breathtaking views, very large lot and one of a kind finishes. The median price in Pacific Palisades is \$3,895,000 (\$4,124,500). These properties have been on the market an average of 131 days.

2013, 2014, and the first half of 2015 were very active markets in Pacific Palisades. The activity in the fourth quarter of 2015 was more subdued and the first quarter of 2016 is shaping up similarly. Our California Association of Realtor chief economist, Leslie Appleton Young, predicts a continued strong market in 2016 for sellers, but not at the frenzied buying pace of the last several years. The wild cards are stock market volatility, slower growth in China, further collapse in energy and commodity prices, geo-political tensions, terrorism, and the 2016 Presidential election.

*The Multiple Listing Service is the name given to a computer data base that compiles information on houses listed for sale in a particular area by participating real estate agents.

Parenthesis () denotes 2014 prices



This information has been provided by Judy Orsini