

# Los Angeles

MAGAZINE

“This is a neighborhood where people are walking up and down the streets. You see old people, young people, strollers, and dogs. In the evenings adults are on lawn chairs, and in general there are a lot of red Solo cups,” says real estate agent Cari Corbalis. “There’s a Little League field here with a snack shack that’s the social hub, even for people who don’t have kids.” That bygone charm has lured buyers from Manhattan Beach who don’t want to spend \$6 million for a house with no yard, says Corbalis. “Here, they pay a fraction of that,” she notes of the approximately 400 homes that start in the mid-\$1 millions. “If people are going to start working from home, even part-time, suddenly Palos Verdes becomes one of Los Angeles’s most desirable places to live.”



L.A. real estate in the post-pandemic era is about to undergo massive changes as millions work from home, hipster hoods filter amid retail meltdown, and the city's newest hot spot might be monopolized by the richest man on Earth. Will massive home equity growth come to a crashing halt? Or will the residential market reset to its pre-pandemic self this summer? With millions sheltering in place, here's what's hitting home.

**ZOOM BOOM**  
 While Palos Verdes might have the peacecocks, horse trails, and ocean vistas, the commute to downtown or Century City is a deal killer for most, a fact that has suppressed prices relative to otherwise comparable communities. But the sudden uptick in remote working could have post-lockdown implications for the peninsula. “The area has the schools, the views, and amazing prices for what you get,” says real estate agent Tami Pardee, adding that clients were already decamping from Venice and Mar Vista before the pandemic. Anthony Poon migrat-

ed to Palos Verdes last year after owning homes on the Bird Streets in the Hollywood Hills and Bel Air. “I sought out a tranquil neighborhood of nature and birds, wide streets, and rejuvenating calm,” says the architect, who paid cash for a 2,800-square-foot midcentury with exposed beams, tongue-and-groove ceiling planks, and a split-level open plan. “If this house was in my past neighborhood, it would be literally three or even four times the price to obtain the same square footage, size of lot, canyon views, and architectural character.” And while Palos Verdes’ Valmagne district doesn’t boast ocean views, it could hold the biggest potential for appreciation. “This is a neighborhood where people are walking up and down the streets. You see old people, young people, strollers, and dogs. In the evenings adults are on lawn chairs, and in general there are a lot of red Solo cups,” says real estate agent Cari Corbalis. “There’s a Little League field here with a snack shack that’s the social hub, even for people who don’t have kids. That bygone charm has lured buyers from Manhattan Beach who don’t want to spend \$6 million for a house with no yard,” says Corbalis. “Here, they pay a fraction of that,” she notes of the approximately 400 homes that start in the mid-\$1 millions. “If people are going to start

◀ This Mount Washington A-frame listed during the lockdown sold in five days for its asking price of \$1.35 million.

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**A SHIFTING CENTER**  
 Amazon’s impending occupation of Culver City—Jeff Bezos’s behemoth will soon expand beyond 700,000 square feet of office space there—is just one of many tech giants moving into the area. Together with Apple, TikTok, and HBO, more than 7,000 new employees are scheduled to work in the incorporated city of 38,000 in the next two years. “That’s a remarkable amount of new jobs with remarkable companies,” says Eric Willett, a research director at CBRE. “(Neighboring) West Adams has a unique confluence of factors: a combination of cultural attractions, access to tech and creative talent as well as infrastructure. We don’t see underlying risk factors there, only huge potential for growth,” he says. Massive developments like Camulus, which features a 31-floor high-rise and a seven-story building, will add 1,210 rental units this fall, while an additional 400 from a variety of projects are in the pipeline, says Willett. Many of the people moving into these new properties will be coming from Culver City, says Lina Lee, associate vice president of development at CIM. “These are people whose apartment has changed hands or whose rent has gone up dramatically,” but they won’t be heading to just West Adams. Leimert Park, View Park, Ladera Heights, Baldwin Hills, and Windsor Hills have all seen double-digit annual price jumps in the past three years. “There is nowhere else to go to the west, and there are hills to the north. The migration we’re going to see is to the southeast of Culver City,” says Lee. “Four years ago you could get a small three-bedroom home in West Adams for half a million dollars. Now it’s more like \$850,000 or higher. That’s a year-over-year increase that far exceeds the rest of Los Angeles during the same time period.”

**SIX- AND SEVEN-FIGURE VIEWS**  
 Since the last recession the L.A. real estate market has become vista-obsessed, with promises of job views commanding eight- and even nine-figure prices in places like Trousdale Estates and Sunset Plaza. Can’t afford those downtown-to-ocean panoramas? See-

ond-tier alternatives are gaining status. “What you don’t get on the city side are the mountains. People are starting to appreciate the beauty of valley views,” says Compass real estate agent Tori Horowitz, who reports a surge of interest in Laurel Hills, a small section of Laurel Canyon off Mulholland Drive, which provides “wide views with layers of mountains. When the San Gabriels are snowcapped, it’s stunning.” Horowitz says home buyers are also attracted to the Laurel Canyon lore without the logistical hassles. “Laurel Hills has nicely paved streets and sidewalks as well as a proper sewer system,” she says of the area, where vista properties start in the mid-\$2 millions, a “fraction of what it would cost in the Bird Streets.” Agent Tami Pardee says landlocked Westsiders in Venice and Marina del Rey are seeking higher ground in Baldwin Hills. “You can get space and land for a lot less money there,” she says. “There are homes from \$700,000 to \$1.5 million, some of which have amazing city views.” Edel Legasi and her husband, Christopher Courts, paid less than a million for their 1,600-square-foot midcentury ranch in Baldwin Hills three years ago. “At that point we were priced out of Culver City,” says Legasi. “It was this great surprise to discover this neighborhood. It’s quiet, with great walks,

“The CEO may still be in Beverly Hills and the Palisades, but the rank-and-file millennials are settling in the center of the city. Where the decision-maker lives is no longer relevant, which explains why the center of the city is alive, from Culver City to West Adams, up through Hollywood to Los Feliz. The balance of power has shifted east.”

Carl Mulheisen, International Director, JLL commercial real estate company

◀ Camulus District in West Adams will have 1,210 apartments and its own Whole Foods.

