

# FOCUS ON SOUTH BAY VIEW HOMES

## The Value of a View

A million dollar view: years ago, that's exactly what it meant. Today, a million dollars may only buy a sliver of a view. Nowadays, an ocean view that comes from being 20 feet away from the sand may actually cost an extra \$8,000,000 right here in Manhattan Beach. How badly you want/need that view will determine your bottom line. For example, if you are looking for a new, richly appointed, gorgeous Tuscan home, you can expect to pay over \$10 million for about a 4,500 sq.ft., ocean front home. However, if you purchase a similarly appointed home, just a little bit East in Manhattan Beach, you can find one "value priced" at about \$2 million.

Valuing a view is like putting a value on a diamond. No two are exactly the same. Diamonds are graded by what jewelers call the 4 C's: their Cut, their Clarity, their Color, and their Carat weight. Views are valued by what I call S.T.O.P.: Size, Type, Orientation, and Permanency.

In terms of views, when it comes to size, I am referring to just how "panoramic" that view actually is. You can have an ocean view that spans the width of your deck or you may actually have a 360 degree view which includes city, ocean, coastal and hillside vistas. Locally, a combination view that includes a view of the ocean and also of city lights is typically most valuable. Most understand that as beautiful as an ocean vista can be, they do disappear at night and city views come to life at night. If you are like most hard working Americans, one of the sure ways to afford a view is to work long and hard. In some cases, you find yourself coming home after the sun has set and that sparkling ocean view has gone dark by the time you get home. City views offer weekday, evening enjoyment of gently twinkling, open spaces, leaving the weekends to appreciate the glorious daytime ocean views.

Type of view is a major factor. Views vary in type; from views of the ocean or of the city, to simple pastoral views of trees, hills, or even distant mountains. (Also worth mentioning is the other end of the scale, where unsightly views may detract from the value of the home.) Things like being in the sightline of a manufacturing zone, a commercial zone, or views of an unkempt neighboring home that has been neglected for years can vary dramatically and will overall affect the bottom line value of a property.

When it comes to orientation, everyone has their own personal preference depending on the type of view they seek. However, homes in the Beach Cities that orient South and

command an Ocean view are by far the most sought after and valuable views to enjoy. Because the sun sets towards the South in this area, homes with a southern orientation tend to be warmer and brighter. This is the same reason that owners who desire a pool prefer their yards located on the southern part of their property: so they can enjoy more direct sun while using their pool.

If your home happens to be in Palos Verdes Estates, having a home orienting towards the North is the Crown Jewel of them all. The ideal view is what is called the "Queen's Necklace". This view showcases an expanse of South Bay coastal lights as well as the ocean and bay. From a distance, it is obvious where it gets its namesake. The edge of the bay comes to life at dusk, glittering with twinkling lights seen from Malibu through Redondo Beach, and is reminiscent of a richly jeweled necklace. When determining the value of a home based on ideal orientation, it is important to understand the community and what is in high demand, locally

The big question: "How long will my view last?" puts the "P" in S.T.O.P. Nothing is more frustrating than when you buy a home that presents terrific views and you later discover that your neighbor has decided to start building . . . there goes your view. In many areas, nothing can be done about it outside of quickly having a friendly conversation with your neighbor in hopes of adjusting the architectural plans to help preserve what you can of your view.

There are communities, however, with strict rules in place to help homeowners preserve what they paid for. For instance, the Hillside Overlay district in the Hollywood Riviera, an area in South Torrance, maintains that if you decide to add-on, remodel or construct something new, you better check with your neighbors first. Matter-of-fact, the City will require you to model a silhouette of your plans so your neighbor knows exactly what you intend to do and what your intentions might end up resulting in for your neighbor. If they don't like the effect, guess what . . . ? You're not building.

When you see a Real Estate ad that claims "Unobstructable" views, that one little word can have so much meaning. Views that are permanent can have tremendous value. You can rely on the fact that it will exist forever and that fact alone will increase the value of your view ten-fold. In some cases you will witness where, at the beach, some views can actually *improve* with a neighbor's construction plan. Today you can find homes that had been built before current height limits and set back limits were put into place. If these older homes are

torn down, new ones must comply with the current codes and limitations, thus improving some neighboring views!

So how do you sum up all of the components of my S.T.O.P. analysis to determine the value of your view? (This is, by far, one of the most challenging value tasks in South Bay Real Estate today.) The closest "science" to it involves reviewing those cases where you can find an exact match of a recently purchased home that enjoys a view and compare it to the same home that has little or no view. In The Beach Cities, you can easily find a builder that has duplicated a home that has been completed with the same floor-plan and finishes, but it is an entirely different location. Simply subtracting the value of the two sales achieves proper determination of the value of that view.

Let's apply the S.T.O.P. analysis to a real time scenario: as of this printing, there are two relatively similar homes for sale that were built by the same builder. One is for sale just over \$2 million without a view, while the other is asking just over \$3 million and enjoys beautiful city vistas. They are relatively \$1 million dollars apart in value, tempting you to state that the one home indeed can claim a "Million Dollar view". However, the home with the view happens to be West of Sepulveda and the one without is situated East of Sepulveda. Location now comes into the mix, affecting the value as well. In this case "simple" just went out the door. Is the view worth more or is the fact that the home is in the "Hill Section" the deciding factor in value? To summarize this case, it is likely that the real value of the view itself is equal to several hundred thousand dollars plus an increase in value for the location being West of Sepulveda; of an additional several hundred thousand dollars, all resulting in a total \$1 million increase in value over the other property.

The bottom line is that more people prefer to have a view, and supply and demand always dictate value. As long as homeowners seek refuge in their homes and desire to increase enjoyment of the same, views will increase the value of most any property. So, whether you own a peek of an ocean view, you enjoy dazzling city lights at night, or you are one of the rare few sitting directly in front of the blue Pacific, enjoy your view, because it is what you paid for and someday. Should you choose to sell your home, someone else is bound to be seeking that very view you see everyday, and will be more than willing to pay you what it is worth.

**For a list of 57 factors that help determine the value of a view, visit [www.OceanViewValues.com](http://www.OceanViewValues.com)**

## Beach Cities Homes for Sale Offering Views

Manhattan Beach, Hermosa Beach, Redondo Beach (SFR, condos & townhomes)

View Type	# of Homes Available	Price Range
Ocean View	184	\$685,000 - \$18,899,000
Panoramic View	94	\$685,000 - \$2,499,000
Pier View	35	\$968,900 - \$3,900,000
City Lights View	98	\$685,000 - \$1,950,000
Catalina Island View	50	\$968,900 - \$2,499,000
Hill View	22	\$799,900 - \$1,999,999

**See How Ed Expertly Determines the Value of a View at [www.OceanViewValues.com](http://www.OceanViewValues.com)**

Desiring a view but not sure which is most valuable to you? Call Ed direct at 310-427-2414 for an insider's tour of view properties that will help determine your dream view within your budget. If you currently own a home with a view and would like a detailed analysis of how to correctly place value on your view in order to maximize your sale price, call direct or email Ed at [EK@ItzSold.com](mailto:EK@ItzSold.com)



**310.798.1277**

[EK@ItzSold.com](mailto:EK@ItzSold.com)

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