ENGEL&VÖLKERS



MARKET REPORT

Palmilla

An assessment of value, liquidity and negotiating leverage across Palmilla's three markets: Villas del Mar, Mountainside and Greater Oceanside, January 2021 to October 2026.

> *"Value has compounded at a double digit annual rate. What buyers have gained is not price, but time, choice and room against the original ask."*

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Data: FlexMLS · Palmilla

01 · EXECUTIVE SUMMARY

Three markets inside one address

Our view: Palmilla is a fundamentally sound, appreciating market in which **liquidity, not value, is the binding constraint**. Median closed value per AC sq ft rose from **$798 in 2021 to $1,525** over the last twelve months, while annual closings fell from 70 to 29. The three segments now run on different clocks: Villas del Mar remains supply constrained, while Greater Oceanside has tipped to buyers.

MEDIAN $ PER AC SQ FT
$1,525
Last 12 months, all Palmilla; $1,325 the 12 months before (+15%)

SAME UNIT RESALES
20.6%
Median gain a year, 16 like for like pairs; Villas del Mar 12.9%

CLOSINGS, LAST 12 MONTHS
29
Versus 36 the year before and 70 in 2021

FOR SALE TODAY
38
$277.9M asking; 8 listed by Engel & Völkers

MONTHS OF SUPPLY
15.7
Sold to List 76% · Absorption 131%

OFF ORIGINAL ASK
4.5%
Median, last 12 months; 3.1% off the last ask

Key messages

1 **Value has compounded, and the gain is real.** Villas del Mar moved from $1,031 to $2,133 per AC sq ft between 2021 and 2026 YTD. Sixteen same unit resales gained a median 20.6% a year, which rules out a pure mix effect.

2 **The segments have diverged on liquidity.** Villas del Mar sold 13 against 10 for sale (9 months of supply); Mountainside 12 against 18 (18 months); Greater Oceanside 4 against 10 (30 months), where asks sit 14% above closed value.

3 **Price discipline decides the timeline.** Since 2023, 80 sales closed within 5% of the original ask in a median 162 days; the 46 that needed 8% or more off the original took 255 days and gave up a median 13.4%.

Segment scorecard, last twelve months

SEGMENT	FOR SALE	SOLD	SOLD TO LIST	MONTHS SUPPLY	CLOSED $/AC SF	ASK $/AC SF	2021 TO 2026 YTD
Villas del Mar	10	13	130%	9.2	$2,128	$1,634	+107%
Mountainside	18	12	67%	18.0	$897	$870	+85%
Greater Oceanside	10	4	40%	30.0	$1,047	$1,195	+94%
All Palmilla	**38**	**29**	**76%**	**15.7**	**$1,525**	**$1,205**	**+52%**

Last twelve months = closings since October 24, 2025. Sold to List = sales ÷ units for sale; months of supply = units for sale ÷ monthly sales.

Where Palmilla stands, October 2026

Palmilla lists **38 properties** today against **29 closings** in the last twelve months and **261 closed sales** since January 2021. Value per AC square foot has roughly doubled in Villas del Mar and **nearly** doubled in the other two segments, while the number of buyers each year has thinned since the 2021 surge.

VILLAS DEL MAR · FOR SALE

10

Median ask $7.06M · $1,634/sf

MOUNTAINSIDE · FOR SALE

18

Median ask $1.79M · $870/sf

GREATER OCEANSIDE · FOR SALE

10

Median ask $8.35M · $1,195/sf

VALUE TREND, ALL PALMILLA

+91%

Median $/AC sf, $798 (2021) to $1,525 (last 12 months)

CLOSINGS, LAST 12 MONTHS

29

Versus 36 the year before; 15.7 months of supply

OFF ORIGINAL ASK

4.5%

Median, last 12 months; 3.1% off the last ask

The value story

Median closed price per AC sq ft rose from $1,031 to $2,133 in Villas del Mar, $440 to $816 in Mountainside and $539 to $1,047 in Greater Oceanside between 2021 and 2026 YTD. Fitted through every closing, the annual trend is 12% to 20% by segment, and 16 same unit resales confirm it.

The leverage story

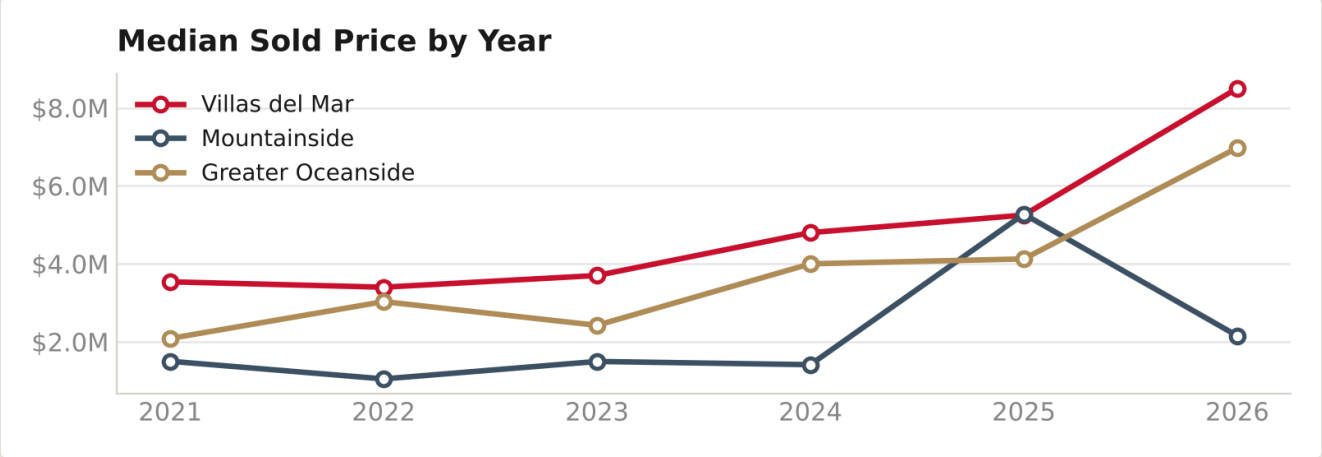
Closings fell from 70 in 2021 to 29 in the last twelve months, so time has moved to buyers even as values held. Buyers closed a median 3.1% under the last ask but 4.5% under the original: the cuts happen before the negotiation, and they are deepest in Greater Oceanside (9.5%).

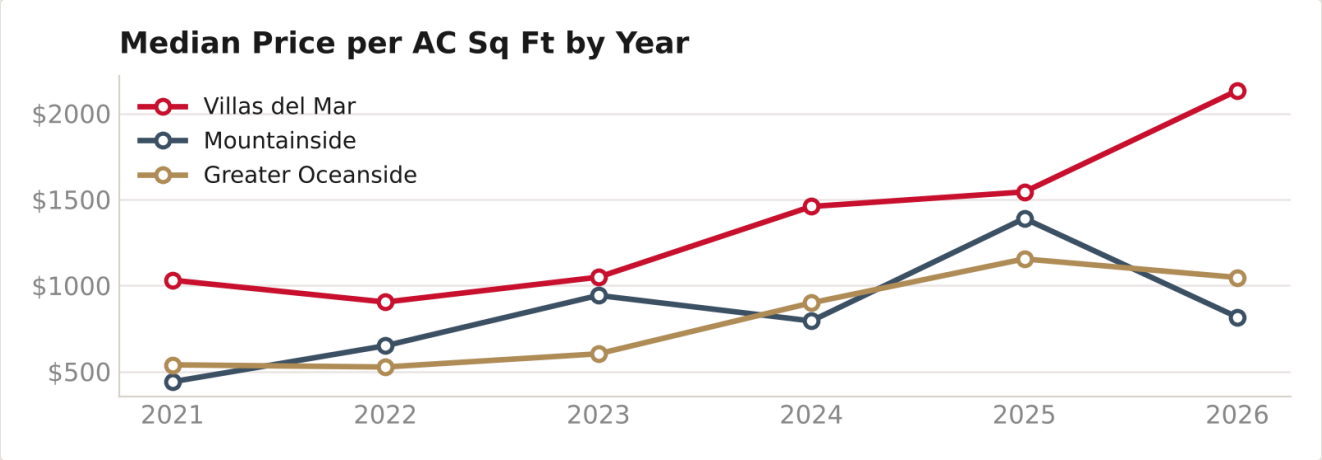


03 · PRICE & VALUE TREND

Where values are heading

Median sold prices and median price per AC square foot for each Palmilla segment over the five year window are shown below. Because sample sizes shrink in the most recent years, medians move with the mix of what trades, but the direction is what matters for pricing a listing today.





Sold values are bucketed by Sold Date. Price per square foot uses air conditioned (AC) area. Segment medians move with the mix of what traded; Greater Oceanside carries four to nine closings a year. 2026 reflects partial year activity.

WHAT IT MEANS

Fitted through every closing since 2021, value per AC sq ft has compounded at **12.2% a year in Villas del Mar, 14.4% in Mountainside and 20.2% in Greater Oceanside.** The 2026 dips in Mountainside and Greater Oceanside are mix, not price: seven of Mountainside's ten 2026 closings were Inland condominiums, and Greater Oceanside recorded four sales. Price against the trend line, not a single year.

04 · SAME UNIT, SOLD TWICE

Repeat sales, the cleanest proof of appreciation

When the same villa or condominium sells twice, location, lot and floor plan are held constant, so the change in price is the market itself. Since 2021, **16 Palmilla units resold** with the same recorded AC area. **All 16 sold for more**, a median **+49% in total and 20.6% a year**.

UNIT	FIRST SALE	PRICE	RESALE	PRICE	YEARS	TOTAL	PER YEAR
Casa Tres Ocho, La Caleta · Greater Oceanside	Sep 2022	$3.10M	Jul 2023	$4.05M	0.8	+31%	**38.8%**
The Ledges Residence Two · Mtn, Hillside	Feb 2021	$2.24M	Jun 2022	$2.90M	1.3	+29%	**21.3%**
Remanso 14 · Mtn, Hillside	Feb 2022	$3.90M	Aug 2024	$5.50M	2.5	+41%	**14.8%**
Villas de Oro 203 · Mtn, Inland	Oct 2021	$0.64M	Jul 2023	$1.10M	1.8	+73%	**36.0%**
Villas de Oro 106 · Mtn, Inland	Jun 2021	$0.42M	Jul 2023	$1.07M	2.1	+156%	**55.7%**
The Nest Penthouse 1124 · Mtn, Inland	Mar 2022	$0.99M	Oct 2023	$1.35M	1.6	+36%	**20.7%**
Palmilla Dunes 912 · Mtn, Inland	Mar 2021	$0.90M	Jul 2024	$1.25M	3.4	+40%	**10.5%**
Palmilla Dunes PH 221 · Mtn, Inland	Aug 2021	$0.85M	Oct 2024	$1.90M	3.2	+122%	**28.4%**
Villas de Oro 211 · Mtn, Inland	Apr 2022	$0.47M	Dec 2024	$0.88M	2.7	+88%	**26.7%**
Villas de Oro 205 · Mtn, Inland	Aug 2023	$0.75M	May 2025	$0.90M	1.7	+20%	**11.2%**
La Montaña Villa 701 · Villas del Mar	Jun 2021	$5.10M	Jun 2024	$7.00M	3.0	+37%	**11.3%**
Terraza 363 · Villas del Mar	Feb 2021	$2.25M	Mar 2025	$3.40M	4.1	+51%	**10.7%**
Cielos 78 · Villas del Mar	Jul 2021	$1.57M	Mar 2025	$3.15M	3.7	+100%	**20.4%**
Casita 3 · Villas del Mar	Jul 2021	$2.30M	May 2025	$4.75M	3.9	+107%	**20.7%**
Casita 23 · Villas del Mar	Oct 2022	$3.30M	Nov 2025	$5.00M	3.1	+52%	**14.5%**
Entrada 69 · Villas del Mar	Feb 2022	$2.17M	Aug 2026	$3.20M	4.6	+47%	**8.8%**

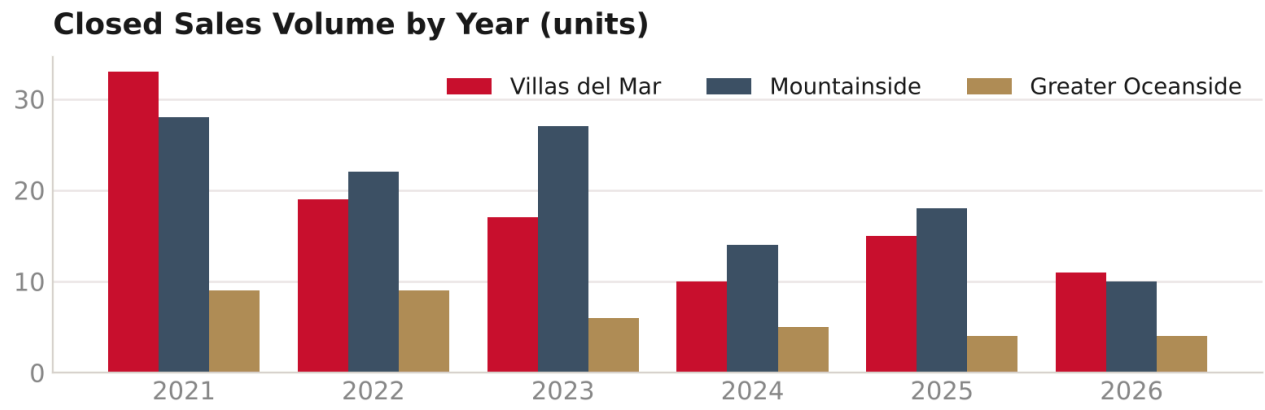
HOW TO READ IT

Short holds and entry prices set in the 2021 recovery inflate the annual rate, and MLS does not record renovations, so the largest gains (Villas de Oro 106, Palmilla Dunes PH 221) likely include upgrades. By segment the medians are 12.9% a year in Villas del Mar (6 pairs), 21.3% in Mountainside (9) and 38.8% for the single Greater Oceanside pair. The decision useful figure is Villas del Mar: six resales held three to four and a half years compounded at about 13% a year, in line with the 12.2% fitted across all 105 Villas del Mar closings.

05 · ABSORPTION & LEVERAGE

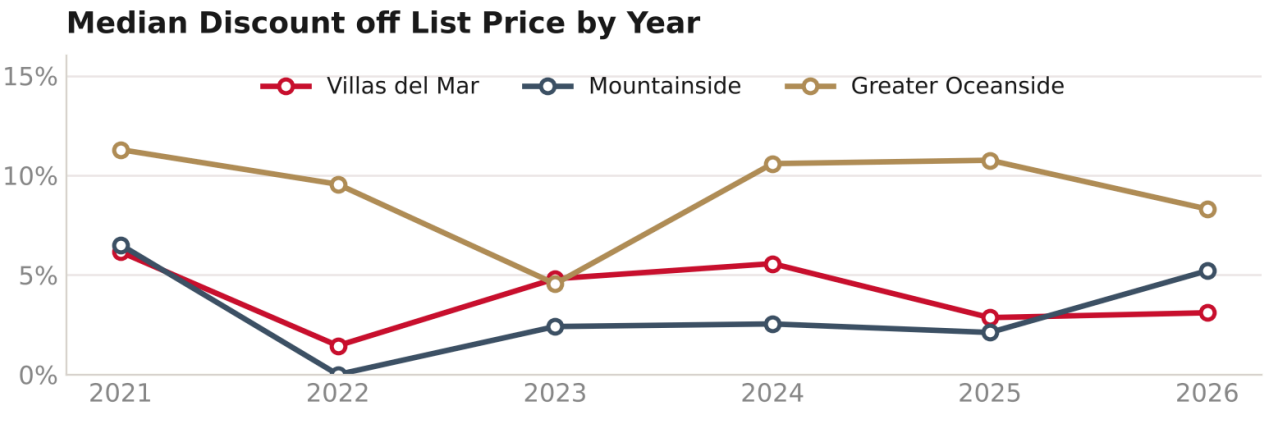
Fewer trades, changing leverage

Read year by year, transaction volume shows the short and medium term direction of demand. A cooling in count is not a fall in value, but it changes how a seller should price and how long to plan for.



2026 is partial (through report date).

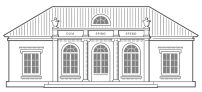
As inventory sits longer, negotiating leverage shifts toward buyers. The median discount off list price by year is the single most useful number to price against. A widening gap favors buyers; a compressing gap favors sellers.



Discount off list equals list price minus sold price, divided by list price, shown as the median by year.

THE PATTERN

Median discounts off the last ask stayed between 0% and 7% in Villas del Mar and Mountainside every year, while Greater Oceanside ran 8% to 11% from 2024 to 2026. Volume, not price, did the adjusting: 70 closings in 2021, 29 in the last twelve months. A seller who prices to closed comps still negotiates within a few points; the cost of a high ask shows up as time and as cuts before the offer.



Segment by segment, year by year

Villas del Mar

10 active · 105 sold (5 yr)

ACTIVE MEDIAN ASK	ACTIVE $ PER AC SQ FT	LATEST SOLD MEDIAN	ACTIVE DAYS ON MKT
$7.06M	$1,634/sf	$8.50M	36
$3.50M to $24.95M	asking	2026, 11 closings	median

YEAR	CLOSED	MEDIAN SOLD	$ PER AC SQ FT	DISC. OFF LIST
2021	33	$3,537,700	$1,031	6.2%
2022	19	$3,400,000	$904	1.4%
2023	17	$3,700,000	$1,048	4.8%
2024	10	$4,800,000	$1,459	5.6%
2025	15	$5,250,000	$1,544	2.9%
2026	11	$8,500,000	$2,133	3.1%

Mountainside

18 active · 119 sold (5 yr)

ACTIVE MEDIAN ASK	ACTIVE $ PER AC SQ FT	LATEST SOLD MEDIAN	ACTIVE DAYS ON MKT
$1.79M	$870/sf	$2.15M	284
$0.96M to $21.00M	asking	2026, 10 closings	median

YEAR	CLOSED	MEDIAN SOLD	$ PER AC SQ FT	DISC. OFF LIST
2021	28	$1,500,000	$440	6.5%
2022	22	$1,047,500	$650	0.0%
2023	27	$1,495,000	$942	2.4%
2024	14	$1,412,500	$794	2.5%
2025	18	$5,275,000	$1,390	2.1%
2026	10	$2,153,500	$816	5.2%

Segment by segment, year by year

Greater Oceanside

10 active · 37 sold (5 yr)

ACTIVE MEDIAN ASK	ACTIVE $ PER AC SQ FT	LATEST SOLD MEDIAN	ACTIVE DAYS ON MKT
$8.35M	$1,195/sf	$6.97M	165
$3.49M to $19.95M	asking	2026, 4 closings	median

YEAR	CLOSED	MEDIAN SOLD	$ PER AC SQ FT	DISC. OFF LIST
2021	9	$2,085,000	$539	11.3%
2022	9	$3,030,000	$526	9.6%
2023	6	$2,422,500	$603	4.6%
2024	5	$4,000,000	$899	10.6%
2025	4	$4,125,000	$1,154	10.8%
2026	4	$6,975,000	$1,047	8.3%

READING THE SEGMENTS

Each product **type carries** different depth and negotiability. Villas del Mar is the deepest and most liquid segment. Mountainside blends Inland golf side condominiums near $660 per AC sq ft with Hillside homes near $1,500, so its median swings with whichever traded (see Four Inventories). Greater Oceanside carries four to nine closings a year, so one estate can move its median. Read the trend, not any single year.

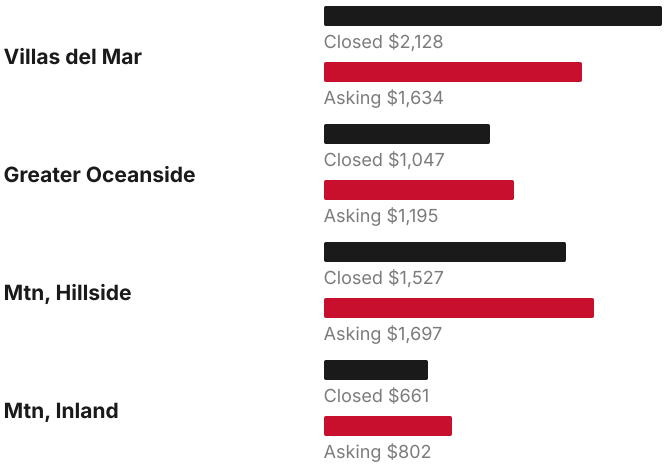
ADVISOR OBSERVATION

Greater Oceanside is Palmilla's estate tier: average closed homes of 6,500 AC sq ft against 4,900 in Villas del Mar. Its buyer pool is the thinnest in the community, so pricing errors compound: the four 2026 closings ranged from 2.9% to 26.0% below original ask, and the two that priced near market closed within 200 days.

Where asks meet closed value, segment by segment

Mountainside is two different products: the **Inland, golf side condominiums** (Villas de Oro, Palmilla Dunes, Palmilla Estates, Oasis) and the **Hillside homes south of the highway** (Espiritu del Mar, Villas de Montaña, The Ledges, Remanso). Read separately, each segment shows a distinct pricing posture.

SEGMENT	SOLD 12 MO	CLOSED $/AC	ASK $/AC	ASK VS CLOSED	FITTED PER YR	OFF ORIGINAL	MONTHS SUPPLY
Villas del Mar	13	$2,128	$1,634	-23%	12.2%	8.2%	9.2
Greater Oceanside	4	$1,047	$1,195	+14%	20.2%	9.5%	30.0
Mountainside, Hillside	5	$1,527	$1,697	+11%	13.0%	2.5%	9.6
Mountainside, Inland	7	$661	$802	+21%	17.0%	3.2%	24.0



WHAT IT MEANS

Greater Oceanside and Inland Mountainside are the two places where sellers are asking ahead of the market, and both carry two years or more of supply. Villas del Mar is the opposite: asks sit below closings because today's inventory leans to casitas and terrazas, while villas and haciendas closed at $2,100 to $2,500.

THE PATTERN

Hillside homes have held near $1,500 since 2024: values are firm, appreciation has paused.



Closed = median sold $/AC sq ft, last twelve months; Ask = median asking $/AC sq ft today. Fitted per year = log linear trend through every closing since 2021. Off original = median discount from original list, last twelve months. Small samples: Greater Oceanside 4 sales, Hillside 5.

09 · RECENT SALES

Anchor comps, 2024 to 2026

The most recent closings frame today's pricing conversation. The final columns, the gap between ask and sold, are the true measure of leverage at the point of sale.

Villas del Mar

PROPERTY	CLOSED	SOLD	$ PER SQ FT	OFF LAST LIST	OFF ORIGINAL
Entrada 69 Villas del Mar	2026-08-26	$3,200,000	$1,066	3.0%	19.0%
Villa 709 Villas del Mar	2026-08-20	$12,500,000	$2,112	3.1%	3.1%
Casa Adriana Villas del Mar	2026-07-27	$19,000,000	$2,534	4.5%	4.5%
La Montaña 7 Villas del Mar	2026-07-21	$25,900,000	$2,436	0.0%	13.4%

Mountainside

PROPERTY	CLOSED	SOLD	$ PER SQ FT	OFF LAST LIST	OFF ORIGINAL
Dunes Penthouse 1322 Palmilla Dunes	2026-09-07	$850,000	$598	8.1%	8.1%
Ledges Residence One Espiritu del Mar	2026-09-04	$4,500,000	$1,527	14.3%	14.3%
Villas de Oro Topacio Villas de Oro	2026-06-16	$1,320,000	$869	9.0%	12.0%

Greater Oceanside

PROPERTY	CLOSED	SOLD	$ PER SQ FT	OFF LAST LIST	OFF ORIGINAL
1 Palmilla Norte Palmilla Norte	2026-07-29	$9,250,000	$1,132	26.0%	26.0%
Casa Estrella La Caleta	2026-06-12	$13,600,000	$1,590	2.9%	2.9%
Casa Tres Flores Palmilla Norte	2026-05-22	$4,700,000	$961	13.8%	16.1%

PRICED RIGHT

Casa Abejas Beach Front, Villas del Mar, closed at its full $8.5M ask in 112 days. Casa Estrella, La Caleta, closed at $13.6M, 2.9% off its original ask.

THE COST OF OVERPRICING

1 Palmilla Norte closed 26.0% below its original ask. Entrada 69 waited 482 days and closed 19.0% below its original ask, 3.0% below its last.

10 · YEAR TO YEAR COMPARISON

Q3 2026 versus Q3 2025

This is the report's most dynamic section, refreshed each reporting cycle. Because a single quarter is thin in a market this exclusive, the headline compares the **trailing twelve months** ending each quarter, a stable and fully populated year over year read. The quarter's individual closings follow.

Rolling twelve month comparison

METRIC	12 MO ENDING SEP 2025	12 MO ENDING SEP 2026	CHANGE
Closed sales	39	29	**-10 (-26%)**
Median sold price	$4.75M	$5.45M	**+15%**
Median discount off list	2.9%	3.1%	**+0.2 pts**
Median days on market	249	256	**+7 days**

Closed sales bucketed by Sold Date across all property types. Median sold price is blended, so its move partly reflects the mix of what traded.

Closings this quarter (Q3 2026)

PROPERTY	TYPE	CLOSED	SOLD	$/AC SQ FT	OFF LIST
Dunes Penthouse 1322 Palmilla Dunes	Mountainside	2026-09-07	$850,000	$598/sf	8.1%
Ledges Residence One Espiritu del Mar	Mountainside	2026-09-04	$4,500,000	$1,527/sf	14.3%
Entrada 69 Villas del Mar	Villas del Mar	2026-08-26	$3,200,000	$1,066/sf	3.0%
Villa 709 Villas del Mar	Villas del Mar	2026-08-20	$12,500,000	$2,112/sf	3.1%
1 Palmilla Norte Palmilla Norte	Greater Oceanside	2026-07-29	$9,250,000	$1,132/sf	26.0%
Casa Adriana Villas del Mar	Villas del Mar	2026-07-27	$19,000,000	$2,534/sf	4.5%
La Montaña 7 Villas del Mar	Villas del Mar	2026-07-21	$25,900,000	$2,436/sf	0.0%

The quarter recorded 7 closings (2 Mountainside; 4 Villas del Mar; 1 Greater Oceanside), a reminder of how few properties change hands in Palmilla in any ninety day window. Also under contract in the quarter and not yet closed: Casita 16 (Villas del Mar), Casita 22 (Villas del Mar). This is where the newest activity surfaces first, so sellers can see exactly what has traded.

WHAT CHANGED

Twelve month closings fell 26% to 29 while the blended median rose 15% to $5.45M; the discount off last ask (3.1%) and days on market (256) barely moved. The market is thinner, not cheaper. Q3 2026 alone recorded $75.2M across seven closings, led by the $25.9M La Montaña 7 record.

What is for sale, and who holds it

Palmilla lists **38 properties worth $277.9M**, from $965K at Villas de Oro to $24.95M at Legado 7. **Engel & Völkers Snell holds 8 of them ($37.0M)**, the largest footprint after the developer's own brokerage.

Villas del Mar

10 for sale · median $7.06M · $1,634/sf

PROPERTY	ASK	$/AC SF	DAYS
Legado 7 Villas del Mar	$24.95M	$2,224	273
Villa 452 Villas del Mar	$23.00M	$5,034	24
Casa Amore Villas del Mar	$13.90M	$2,103	2
Casa Reposado Villas del Mar	$8.43M	$2,313	36
Palmilla Villas Del Mar Villas del Mar	$7.25M	$1,364	275
Villas del Mar Casita Villas del Mar	$6.88M	$1,566	5
Casita 23 Villas del Mar	$5.49M	$1,673	5
Villa del Grande E&V Villas del Mar	$5.20M	$1,241	233

Top 8 of 10 by ask.

Greater Oceanside

10 for sale · median $8.35M · $1,195/sf

PROPERTY	ASK	$/AC SF
Villa Marselina	$19.95M	$1,718
Beachfront Caleta Palm	$19.85M	$1,872
Casa Hendo E&V	$18.00M	$2,910
Villa Encanto	$10.00M	$1,555
Caleta 36	$9.97M	$850
Casa Ocho Nueve E&V	$6.72M	$1,129
Casa Maravilla	$5.60M	$1,244
Oceano Alta 4	$3.95M	$1,145
Oceano Alta 12	$3.70M	$1,043
Oceano Alta 18	$3.49M	$1,057

Mountainside

18 for sale · median $1.79M · $870/sf

PROPERTY	ASK	$/AC SF
Casa Luna Escondida	$21.00M	$1,750
Villa Lunara	$7.30M	$1,485
Villa Soleste	$7.30M	$1,485
Las Residencias 1	$6.95M	$1,644
Casita 5	$5.95M	$1,810
Palmilla Estates 58	$4.50M	$849
Casa Nova	$3.55M	$825
Villas de Montaña	$2.33M	$1,168
Dunes Residence Club 3	$1.90M	$1,002
Dunes Residence Club 1 E&V	$1.69M	$891

Top 10 of 18 by ask.

Why Palmilla commands the premium

Palmilla is the original luxury address of the Los Cabos corridor: a protected bay with one of the corridor's few calm, swimmable beaches, a 27 hole Jack Nicklaus golf club and the One&Only Palmilla resort, inside a gated, master planned community. That amenity base, and beachfront no one can create, underwrites the pricing in this report.



OCEANFRONT ENCLAVES



PRIVATE BEACH ACCESS



HILLSIDE ESTATES

Golf and resort

- **Palmilla Golf Club,** 1992, the first Jack Nicklaus Signature course in Latin America; full renovation due 2027 to 2028.
- **One&Only Palmilla**, born as the Palmilla hotel of the late 1950s.

Owner lifestyle

- **Club 96** beach club and **Club Espíritu** wellness club.
- Gated, guarded enclaves with private beach paths.

The collections

Del Mar Development built Villas del Mar, Espiritu del Mar and Villas de Montaña; the estates of La Caleta, Caleta Loma, Palmilla Norte, Cove and Oceano hold the point, and Villas de Oro, Palmilla Dunes and Palmilla Estates sit on the golf side.

THE STORY ABOVE THE LINE, THE VALUE BELOW IT

2.1x

Villas del Mar median $/AC sq ft, 2021 to 2026 YTD



Median closed price per AC sq ft by sold year, Villas del Mar. *2026 is January 1 to September 7. Milestones are closed MLS sales; the 1992 golf club and the 2027 to 2028 golf renovation frame the arc.

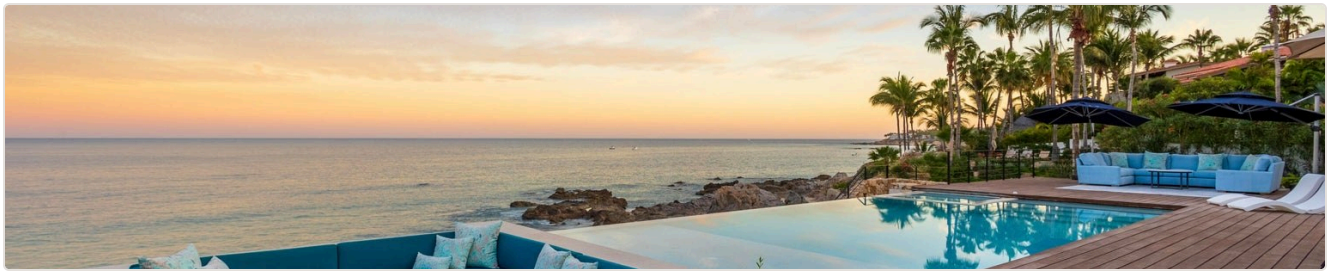
Advisory read for a seller

Palmilla is a healthy, appreciating market with a thin buyer pool and three distinct clocks. Villas del Mar remains a seller's segment; Mountainside leans to buyers; Greater Oceanside is a buyer's market for time and terms, with 30 months of supply and asks ahead of closed value. Correctly priced homes still clear within about 5% of the original ask; ambitious asks wait, and then cut.

PRICE TO THE COMPS	EXPECT A TIMELINE	VALUE TREND	MONTHS OF SUPPLY
4.5%	162 days	+107%	15.7
Median off original ask, last 12 months	Median to sale when within 5% of original, since 2023	Villas del Mar $/AC sf, 2021 to 2026 YTD	38 for sale, 29 sales a year

Recommendation

If you are selling: price to the closed $/AC sq ft of your segment and view, not to the trophy asks, and plan on a four to six month campaign; every Snell pricing recommendation is a band of plus or minus 4 percent around a closed comp target. In Greater Oceanside, an ask 14% over closed value is the single largest risk to your net. **If you are buying:** the market will not fall to you in Villas del Mar; the room is in Greater Oceanside and on stale listings that have already cut. **What to watch:** the Palmilla Golf Club renovation milestones (end 2027 and 2028), the seven pending contracts closing, and whether monthly sales recover above 2.5.



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Prepared for informational purposes from FlexMLS data for Palmilla, bucketed by Sold Date over the trailing five years. Scope: Palmilla, SJD Corridor Oceanside and Inland, residential, January 22, 2021 to September 7, 2026 closings plus actives at October 24, 2026. Segments: Villas del Mar; Greater Oceanside = La Caleta, Caleta Loma, Palmilla Norte, Palmilla Cove, Oceano Alta, Oceano Baja; Mountainside = all other Palmilla enclaves. Excluded: 34 Querencia Ocean Residences sales mis-geolocated into Palmilla. Two sales with impossible AC areas are excluded from $/AC figures; seven pending contracts carry no price. All figures in US dollars as published in FlexMLS. Placeholder MLS names replaced with enclave and unit number. Figures are medians unless noted and will shift as new transactions record. Not a formal appraisal.

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