ENGEL&VÖLKERS



MARKET REPORT

Villas del Mar

An assessment of value, liquidity and negotiating leverage across the Del Mar communities of Palmilla: Villas del Mar, Espiritu del Mar and Villas de Montaña, January 2020 to October 2026.

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

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Prepared October 2026
Data: FlexMLS · Villas del Mar

01 · EXECUTIVE SUMMARY

Summary of findings, January 2020 to October 2026

Our view: Villas del Mar is a fundamentally sound, price firm market in which liquidity, not value, is the constraint. Value per square foot has more than doubled since 2020, and repeat sales confirm the move at a median **14.2% a year**. Liquidity has thinned to **15 contracts** in the last twelve months against **12 listings**. Correctly priced assets continue to clear; the market no longer underwrites an aspirational ask.

MEDIAN $ PER AC SQ FT

$1,820

2026 YTD, up from $884 in 2020 (+106%)

SAME HOME RESALES

14.2%

Median gain a year, 17 like for like pairs

CONTRACTS, LAST 12 MONTHS

15

Versus 22 the year before; slowest window since 2020

FOR SALE TODAY

12

5 of them listed by the developer, Del Mar

MONTHS OF SUPPLY

9.6

Sold to List 125% · Absorption 80%

DISCOUNT, LAST 12 MONTHS

3.1%

Median off last ask; 8.2% off the original ask

Key takeaways

1. **Appreciation is real, not a mix effect.** Median price per AC sq ft rose from $884 in 2020 to $1,820 in 2026 year to date, roughly 12.8% compounded. 17 like for like repeat sales corroborate the trend at 14.2% a year.
2. **Liquidity has contracted.** Contracts declined from 22 to 15 year over year, and the median interval from listing to contract extended from 60 to 192 days. At 9.6 months of supply, leverage on time and terms has moved to the buyer while pricing has held.
3. **Pricing discipline determines execution.** Assets that closed within 5% of their original ask reached contract in a median 91 days; those that closed 8% or more below it required 334. Pricing to closed comparables is the most reliable path to a timely outcome.

YEAR BY YEAR, BY CONTRACT DATE

	2020	2021	2022	2023	2024	2025	2026*
Contracts	18	50	23	21	22	21	12
Median $/AC sf	**$884**	**$1,026**	**$1,048**	**$1,325**	**$1,500**	**$1,631**	**$1,820**

**2026 is January 1 to October 14. Homes and condominiums, closed prices.*

02 · MARKET AT A GLANCE

Key metrics, October 2026

Villas del Mar offers **12 properties** today against **15 contracts** in the trailing twelve months and **167 transactions since January 2020**. Value per square foot has roughly doubled over the period, while annual buyer depth has normalized well below the 2021 peak.

HOMES · FOR SALE

10

Median ask $7.13M · $1,697/sf

CONDOMINIUMS · FOR SALE

2

Villas de Montaña, $1.95M and $2.33M

MONTHS OF SUPPLY

9.6

12 for sale against 15 contracts a year

HOMES · VALUE TREND

+137%

Median $/AC sf, $892 (2020) to $2,112 (2026 YTD)

HOMES · MEDIAN SOLD

$7.75M

2026 YTD, 9 closings

DISCOUNT OFF LAST ASK

3.1%

Median, trailing 12 months; 8.2% off the original ask

Valuation

Median price per AC sq ft for homes rose from $892 in 2020 to $2,112 in 2026 year to date. Seventeen like for like repeat sales appreciated at a median 14.2% a year, which indicates genuine repricing rather than a shift toward larger product.

Liquidity and leverage

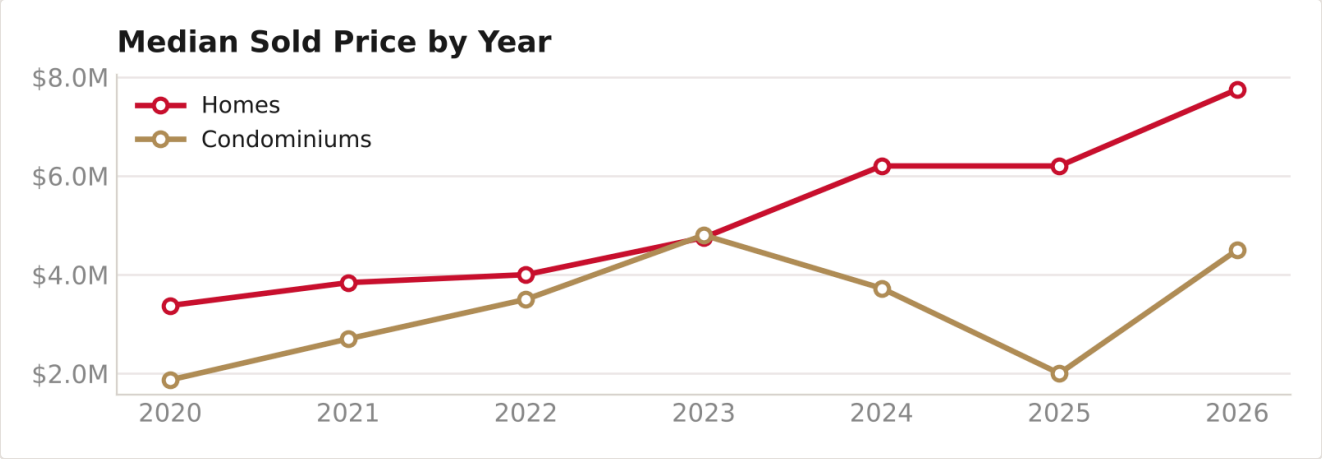
Contracts peaked at 50 in 2021, stabilized at 21 to 23 a year from 2022 to 2025, and fell to 15 in the trailing twelve months. The median closing settled 3.1% below the last ask but 8.2% below the original ask: price adjustment now occurs before negotiation, not during it.

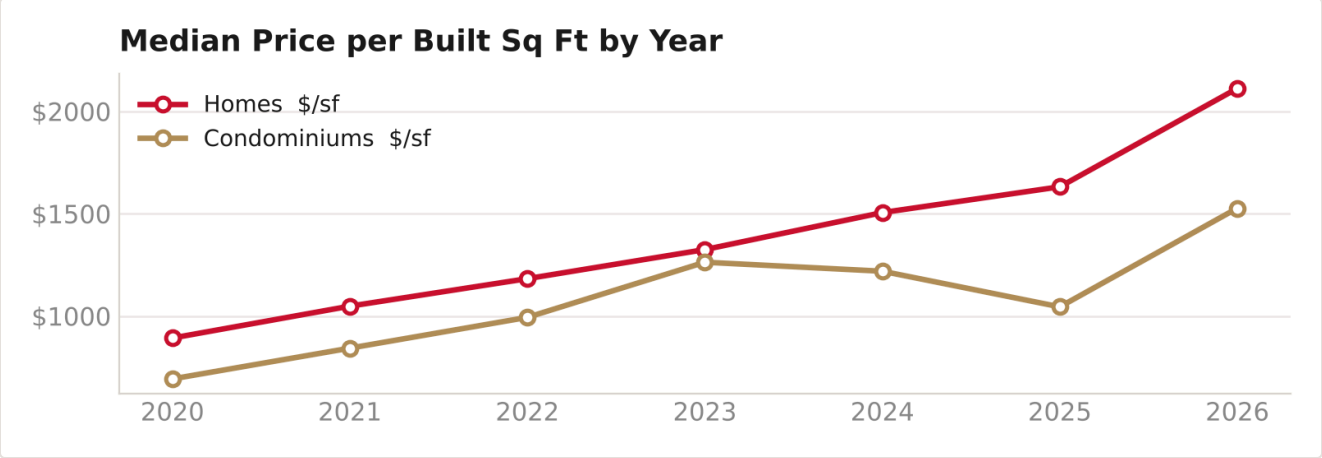


03 · PRICE & VALUE TREND

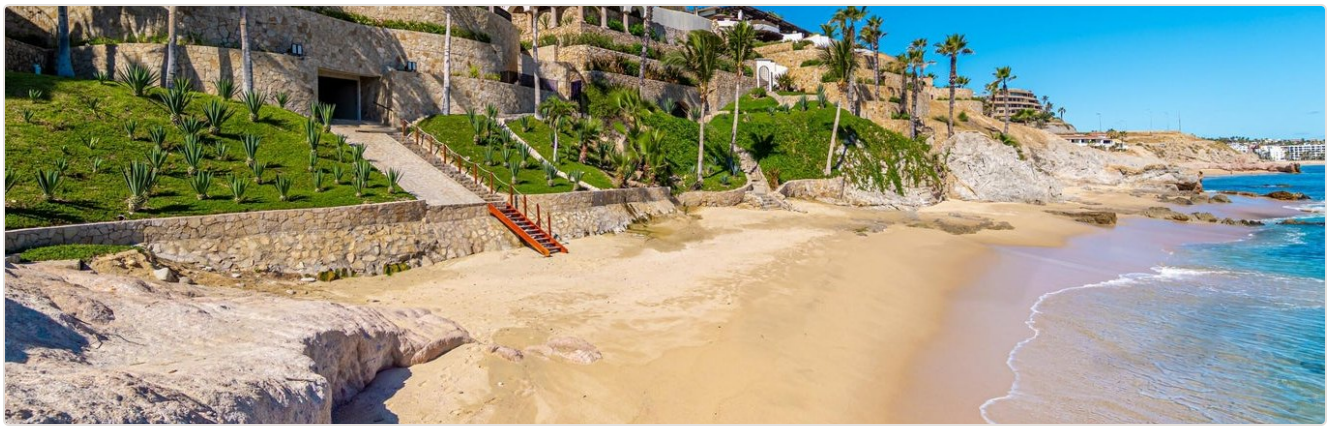
Median sold price and price per AC sq ft, 2020 to 2026

Median closed prices by segment, dated by contract. We anchor on price per AC sq ft rather than headline price: with annual samples this small, headline medians track the mix of what trades, while value per square foot isolates the underlying repricing.





Sold values are bucketed by Under Contract Date. Price per square foot uses air conditioned built area for homes and condominiums. Homesites are measured per square meter. 2026 reflects partial year activity.



04 · SAME HOME, SOLD TWICE

Like for like repeat sales since 2020

A repeat sale holds location, lot and floor plan constant, so the change in price isolates the market itself. Since 2020, **17 homes** resold with an unchanged recorded AC area, at a median **14.2% a year**, consistent with the 12.8% compounded rise in median price per AC sq ft. The trend is not an artifact of composition.

HOME	1ST CONTRACT	1ST SALE	2ND CONTRACT	2ND SALE	YEARS	TOTAL	A YEAR
Villa 131	2020	$2.50M	2021	$4.80M	1.3	+92%	**66.7%**
Casita 6, Las Casitas	2020	$2.20M	2021	$2.70M	1.0	+23%	**22.3%**
Ledges Residence Two	2020	$2.24M	2022	$2.90M	1.7	+29%	**16.7%**
Cielos 83	2021	$1.82M	2022	$2.40M	1.0	+32%	**29.9%**
Remanso 15	2020	$2.50M	2022	$4.50M	2.3	+80%	**29.0%**
Entrada 63	2021	$2.20M	2023	$2.48M	1.5	+12%	**8.2%**
Villa 222	2021	$1.90M	2024	$3.90M	2.9	+105%	**28.4%**
Villa 701, La Montaña	2021	$5.10M	2024	$7.00M	3.1	+37%	**10.8%**
Remanso 14	2021	$3.90M	2024	$5.50M	2.6	+41%	**14.2%**
Terraza 363	2020	$2.25M	2024	$3.40M	4.1	+51%	**10.7%**
Cielos 78	2021	$1.57M	2025	$3.15M	3.8	+100%	**20.0%**
Hacienda 514	2020	$5.39M	2025	$10.35M	5.0	+92%	**13.9%**
Casita 3	2021	$2.30M	2025	$4.75M	4.0	+107%	**19.8%**
Casita 23	2022	$3.30M	2025	$5.00M	3.3	+52%	**13.6%**
Cielos 75	2022	$2.50M	2026	$3.70M	3.4	+48%	**12.4%**
Hacienda 505	2021	$7.10M	2026	$11.60M	5.2	+63%	**9.8%**
Entrada 69	2021	$2.17M	2026	$3.20M	4.5	+47%	**8.9%**
Median, 17 like for like pairs							**14.2%**

Ten further resales are excluded from the median because the recorded AC area changed by more than 3% (remeasured or expanded) or the home resold within a year. Including them, the median is 17.1% a year.

Las Residencias price history

LAS RESIDENCIAS	CONTRACT	PRICE	$/AC SF
Las Residencias 5	May 2023	$5.60M	$1,325
Las Residencias 4	Apr 2024	$6.10M	$1,443
Las Residencias 3	Feb 2025	$6.10M	$1,443
Las Residencias 2	Dec 2025	$6.45M	$1,526
Las Residencias 1 (for sale)	Asking today	$6.95M	$1,644

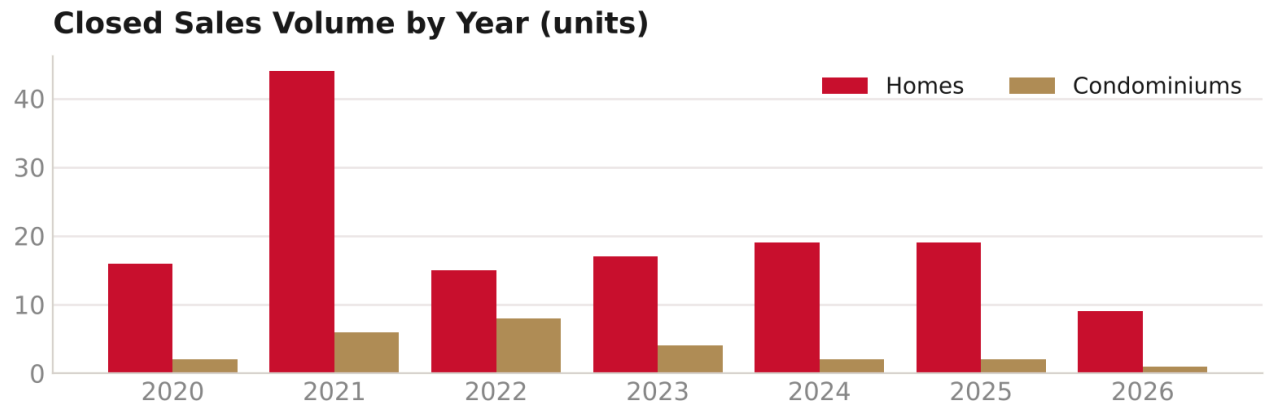
DEVELOPER PRICING

The developer has sold the same 4,227 AC sq ft Espiritu residence on a rising price list: $5.60M in 2023, $6.45M in 2025, and $6.95M asked today. Each closed release resets the reference point against which resale owners price.

05 · ABSORPTION & LEVERAGE

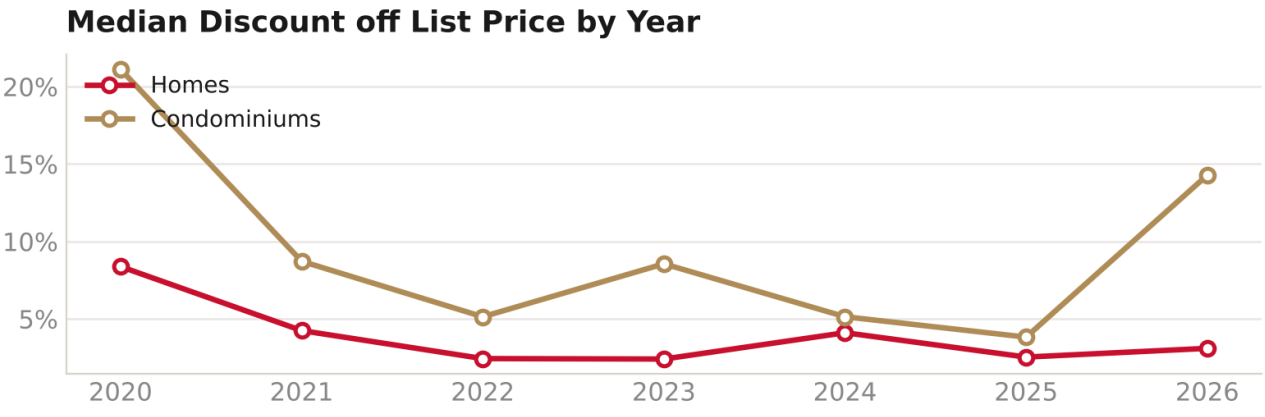
Annual contract volume and median discount to list

Contract volume is the leading indicator of demand. A lower count is not a lower value, but it lengthens marketing periods and moves terms toward the buyer.

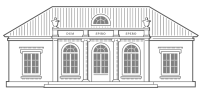


2026 is partial (through report date).

The median discount off list is the most direct read of pricing power at the point of sale: a widening spread favors buyers, a narrowing one favors sellers. Developer presales close at or near list and compress these figures.



Discount off list equals list price minus sold price, divided by list price, shown as the median by year. The 2026 condominium point reflects a single sale, Ledges Residence One. Supply and demand ratios appear on the Executive Summary: Sold to List 125%, absorption 80%, 9.6 months of supply.



06 · BY PROPERTY TYPE

Homes and condominiums by contract year

Single Family Homes & Villas

10 active · 139 sold since 2020

ACTIVE MEDIAN ASK	ACTIVE $ PER BUILT SQ FT	LATEST SOLD MEDIAN	ACTIVE DAYS ON MKT
$7.12M	$1,697/sf	$7.75M	243
$5.10M to $24.95M	asking	2026, 9 closings	median

YEAR	CLOSED	MEDIAN SOLD	$ PER BUILT SQ FT	DISC. OFF LIST
2020	16	$3,375,000	$892	8.4%
2021	44	$3,838,500	$1,048	4.2%
2022	15	$4,000,000	$1,183	2.4%
2023	17	$4,750,000	$1,325	2.4%
2024	19	$6,200,000	$1,505	4.1%
2025	19	$6,200,000	$1,631	2.5%
2026	9	$7,750,000	$2,112	3.1%

Condominiums

2 active · 25 sold since 2020

ACTIVE MEDIAN ASK	ACTIVE $ PER BUILT SQ FT	LATEST SOLD MEDIAN	ACTIVE DAYS ON MKT
$2.14M	$1,074/sf	$4.50M	262
$1.95M to $2.33M	asking	2026, 1 closings	median

YEAR	CLOSED	MEDIAN SOLD	$ PER BUILT SQ FT	DISC. OFF LIST
2020	2	$1,870,000	$693	21.1%
2021	6	$2,700,000	$843	8.7%
2022	8	$3,500,000	$993	5.1%
2023	4	$4,800,000	$1,263	8.6%
2024	2	$3,725,000	$1,219	5.1%
2025	2	$2,000,000	$1,045	3.8%
2026	1	$4,500,000	$1,527	14.3%

Developer presale and resale transactions compared

Two structurally different sellers operate in this market. **Del Mar Development** sells new Espiritu and Reserva residences from a price list, closes at or near list and steps prices up release by release. **Resale owners** price against closed comparables and negotiate. Analyzed separately, the two segments show where value is actually set.

SEGMENT	SALES	MEDIAN PRICE	$/AC SF	OFF LAST ASK	OFF ORIGINAL	DAYS TO CONTRACT
2020 TO 2022						
Developer presale	13	$3.70M	$1,048	0.0%	0.0%	6
Resale	78	$3.42M	$933	6.2%	6.1%	96
2023 TO 2026 YTD						
Developer presale	21	$6.10M	$1,491	0.0%	0.0%	54
Resale	52	$5.42M	$1,526	4.8%	5.8%	66

Presale = recorded as pre construction or contracted before the year built. Days to contract = list date to under contract date. Medians.

PRICE CONVERGENCE

In 2020 to 2022 resale homes traded at $933 per AC sq ft, below the developer's $1,048. Since 2023 resales have closed that gap and now trade at parity, with a modest premium, $1,526 against $1,491. Finished, delivered product has re-rated to the developer's level.

IMPLICATIONS FOR RESALE SELLERS

Resale transactions still carry negotiation, a median 4.8% off the last ask and 5.8% off the original. The developer controls release pace and does not discount; a resale seller therefore competes on finish, view and price, not on outlasting the developer.

Homes versus condominiums, 2023 to 2026 YTD

HOMES · SALES
64
Median $5.94M

HOMES · $/AC SF
$1,515
Median closed

CONDOMINIUMS · SALES
9
Median $3.00M

CONDOMINIUMS · $/AC SF
$1,211
Median closed

DEVELOPER PRICE CHANGES

The developer reprices upward, not downward. **Espiritu Estate 12** first listed at $4.77M and is offered today at $7.00M, up 47%; **Las Residencias 1** moved from $6.20M to $6.95M. Each successful release lifts the ceiling resale owners can reference; only finished, comparable product can credibly claim it.

08 · RECENT SALES

Closed sales, 2024 to 2026

Recent closings set the reference range. Discounts are shown against the last and the original ask; the difference is the reduction absorbed before negotiation.

Homes

PROPERTY	UNDER CONTRACT	SOLD	$ PER SQ FT	OFF LAST LIST	OFF ORIGINAL
Casa Adriana Villas del Mar	2026-06-19	$19,000,000	$2,534	4.5%	4.5%
Entrada 69 Villas del Mar	2026-05-27	$3,200,000	$1,066	3.0%	19.0%
Villa 709 Villas del Mar	2026-05-26	$12,500,000	$2,112	3.1%	3.1%
Casita 382 Villas del Mar	2026-04-23	$7,750,000	$2,169	1.9%	8.8%
La Montaña 7 Villas del Mar	2026-04-23	$25,900,000	$2,436	0.0%	13.4%
Hacienda 505 Villas del Mar	2026-04-13	$11,600,000	$2,249	10.1%	10.1%
Villa Buena Vista (Casita 38) Villas del Mar	2026-03-12	$7,250,000	$1,090	8.2%	8.2%

Condominiums

PROPERTY	UNDER CONTRACT	SOLD	$ PER SQ FT	OFF LAST LIST	OFF ORIGINAL
Ledges Residence One Espiritu del Mar	2026-06-22	$4,500,000	$1,527	14.3%	14.3%
Villas de Montaña 121 Villas de Montana	2025-09-06	$2,250,000	$1,211	0.0%	0.0%
Villas de Montaña 112 Villas del Mar	2025-04-29	$1,750,000	$879	7.7%	7.7%
Villas de Montaña 132 Villas de Montana	2024-11-21	$1,500,000	$1,009	6.2%	0.0%
Reserva E2 Villas del Mar	2024-06-07	$5,950,000	$1,429	4.0%	4.0%

CLOSED WITHIN 5% OF ORIGINAL ASK

91 days to contract, median

The 6 sales of the last year that closed within 5% of their original ask. **Casa Abejas (Villa 131)**, beachfront: under contract in 18 days at its full $8.50M ask.

CLOSED 8% OR MORE BELOW ORIGINAL ASK

334 days to contract, median

The 7 sales that closed 8% or more below their original ask. **La Montaña 7**: listed at $29.9M, sold at $25.9M after 401 days, 13% below where it started.

09 · YEAR TO YEAR COMPARISON

Trailing twelve months to October 2026 versus prior year

Each window runs October 15 to October 14 and dates every sale by its **under contract date**, the point of buyer commitment, consistent with the accompanying snapshot workbook.

METRIC	OCT 2024 TO OCT 2025	OCT 2025 TO OCT 2026	CHANGE
Contracts (incl. pending)	22	15	**-7 (-32%)**
Monthly sales pace	1.83	1.25	**-0.58**
Median sold price	$5.72M	$7.30M	**+28%**
Median $ per AC sq ft	$1,519	$1,949	**+28%**
Median discount off last ask	2.7%	3.1%	**+0.4 pts**
Median discount off original ask	1.9%	8.2%	**+6.4 pts**
Median days, list to contract	60	192	**+132 days**

Prices, $ per sq ft and discounts use the 22 and 13 closed sales in each window; contracts include sales still pending.

Closings recorded in Q3 2026, by sold date

PROPERTY	TYPE	CONTRACT	CLOSED	SOLD	$/AC SF	OFF LAST	OFF ORIGINAL
Ledges Residence One Espiritu del Mar	Condominium	Jun 22	Sep 04	$4.50M	$1,527	14.3%	14.3%
Entrada 69 Villas del Mar	Home	May 27	Aug 26	$3.20M	$1,066	3.0%	19.0%
Villa 709 Villas del Mar	Home	May 26	Aug 20	$12.50M	$2,112	3.1%	3.1%
Casa Adriana Villas del Mar	Home	Jun 19	Jul 27	$19.00M	$2,534	4.5%	4.5%
La Montaña 7 Villas del Mar	Home	Apr 23	Jul 21	$25.90M	$2,436	0.0%	13.4%

The quarter recorded **5 closings worth $65.10M**, against 8 closings worth $55.76M in Q3 2025: lower volume, higher average ticket. Also under contract and not yet closed: Casita 16 (asking $5.49M, Sep 03), Casita 22 (asking $5.40M, Sep 21).

IF YOU ARE SELLING

"My neighbor is asking more, so I want the same."

Asking prices do not establish value; closings do. The median listing asks $1,620 per AC sq ft, against a median closing of $1,949 over the last year, led by beachfront product. The relevant benchmark is closed sales in the same enclave and view.

IF YOU ARE BUYING

"The market is slowing. I'll wait for prices to drop."

Volume has slowed; value has not. Median $/AC sq ft rose 28% year over year, partly reflecting a richer mix. The opportunity lies in negotiating on aged listings, not in waiting for a correction the data do not indicate.

Active listings, October 2026

Active homes span $5.10M to $24.95M. Engel & Völkers Snell represents **Villa del Grande 367**, a second row Villas del Mar residence steps from the beach. The developer, Del Mar Real Estate, controls five of the twelve listings, three of them presales.

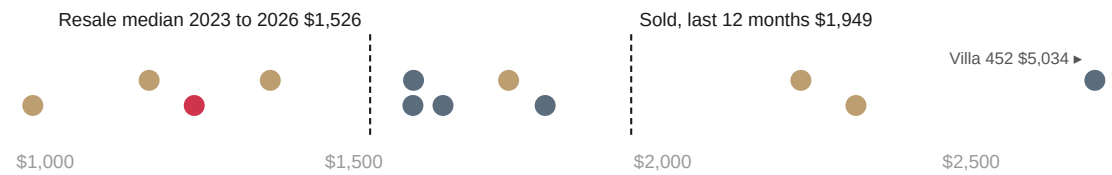
Active Homes, top of market

PROPERTY	ASK	$ PER SQ FT	DAYS
Legado 7 Villas del Mar	$24.95M	$2,224	263
Villa 452 Villas del Mar	$23.00M	$5,034	14
Casa Luna Escondida Espiritu del Mar	$21.00M	$1,750	314
Casa Reposado Villas del Mar	$8.43M	$2,313	26
Terrazas 360 Villas del Mar	$7.25M	$1,364	265
Espiritu Estate 12 Espiritu del Mar	$7.00M	$1,596	1501
Las Residencias 1 Espiritu del Mar	$6.95M	$1,644	932
Casita 5 Espiritu del Mar	$5.95M	$1,810	197
Villa del Grande 367 E&V Villas del Mar	$5.20M	$1,241	223

Active Condominiums

PROPERTY	ASK	$ PER SF
Villas de Montaña 131	$2.33M	$1,168
Villas de Montaña 112	$1.95M	$980

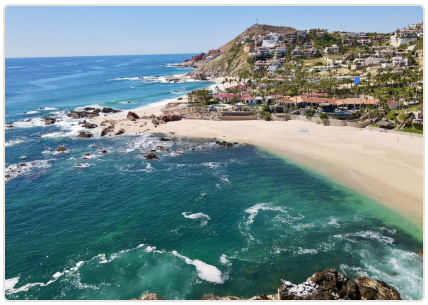
ASKING $ PER AC SQ FT, EVERY LISTING, AGAINST WHAT HAS SOLD



● Developer, Del Mar ● Other brokerages ● Engel & Völkers Snell. The median listing asks $1,620 per AC sq ft, below the $1,949 median closing of the last year. The premium product has cleared; remaining supply skews to second row, condominium and presale stock.

Location, amenities and developer

Palmilla is the founding luxury address of the Los Cabos corridor: a protected bay, a 27 hole Jack Nicklaus golf club and the One&Only Palmilla resort, within gated, master planned communities developed by Del Mar. Beachfront supply is finite and cannot be replicated; together with the amenity base, that scarcity underwrites the valuations in this report.



PALMILLA POINT



PALMILLA BEACH



VILLAS DEL MAR

Golf and resort

- **Palmilla Golf Club**, opened 1992, the first Jack Nicklaus design in Latin America: 27 holes across the Mountain, Arroyo and Ocean nines.
- **One&Only Palmilla**, successor to the Palmilla hotel of the late 1950s, named one of GOLF's Top 100 Golf Resorts in the World (2023).

Owner lifestyle

- **Club 96**, the private owners' beach club on Palmilla Beach, with ocean side pools and a sports lounge.
- **Club Espíritu**, the private ocean view fitness and wellness club, with spa services and a lap pool.
- Gated, guarded enclaves with tennis, parks and private beach paths.

The collections

Del Mar Development has built across Palmilla for three decades: **Villas del Mar** (beachfront and second row villas, Casitas, Terrazas, Entradas, Haciendas, La Montaña, Reserva, Legado), **Espiritu del Mar** (Remanso, Las Residencias, Club Casitas, Estates, The Ledges) and the **Villas de Montaña** condominiums.

Community facts compiled October 2026.

MILESTONES AND MEDIAN PRICE PER AC SQ FT

+106%
median $/AC sq ft, 2020 to 2026



Median closed price per AC sq ft by contract year, homes and condominiums. *2026 is January 1 to October 14.

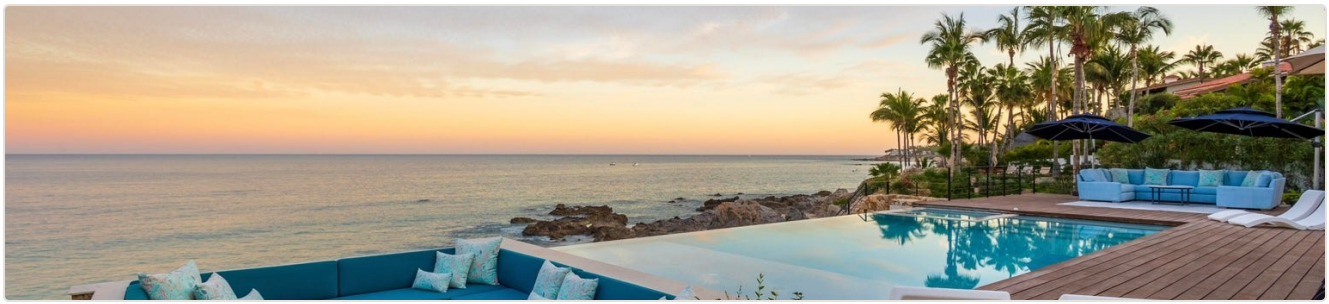
Conclusions and recommendations

Villas del Mar is a fundamentally sound, price firm market with a narrow buyer base. Value per square foot has roughly doubled since 2020, corroborated by repeat sales at about 14% a year, yet only about 1.25 buyers a month are committing. The average closing in the last twelve months settled at 95% of final ask; aspirational pricing has been met with time on market and, ultimately, reductions.

PRICE TO COMPARABLES	EXPECTED TIMELINE	VALUE TREND	MONTHS OF SUPPLY
3.1%	91 days	+106%	9.6
Median discount to last ask, trailing 12 months	Median to contract when priced within 5% of ask	Median $/AC sf, all sales, 2020 to 2026	12 listings against 15 contracts a year

Recommendations

For sellers: anchor the ask to closed $/AC sq ft in the same enclave and view, not to the developer's price list or to the $22M to $25M trophy offerings. When priced to comparables, plan for roughly three months to contract and a further 60 to 90 days to close. Every Snell pricing recommendation is a band of plus or minus 4 percent around a closed comparable target. **For buyers:** the data do not indicate a correction; the opportunity lies in aged listings where sellers have already reduced 8% or more. **Risks to our view:** further slowing in contract pace below one a month, pricing of the next Espiritu release, and the closing of the two pending Villas del Mar casitas.



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Prepared for informational purposes from FlexMLS data for Villas del Mar, bucketed by Under Contract Date from January 2020 to the report date. Scope: the Del Mar communities of Palmilla (Villas del Mar, Espiritu del Mar and Villas de Montaña), homes and condominiums. All figures in US dollars as published in FlexMLS. Sales whose contract predates 2020 are excluded. Pending Reserva E1 (contract March 2024) never closed and carries no price. Placeholder MLS names replaced with enclave and villa number. Figures are medians unless noted and will shift as new transactions record. Not a formal appraisal.

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