

REAL ESTATE

Coastal, urban communities “most loved” neighborhoods: report

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The Oaks in southern California is one of the "most loved" neighborhoods in the U.S. Image credit: Zillow

By SARAH RAMIREZ

Home values in the country's most desirable neighborhoods can be at least three times higher than in their overall metro areas, according to a new analysis from online real estate marketplace Zillow.

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Among the most popular areas are luxury neighborhoods, popular vacation destinations, retirement communities and developing urban areas that offer investment opportunities. Since many of these neighborhoods are near city centers, it would suggest that the urbanization trend is likely to continue.

"Our analysis of the most-loved neighborhoods across the country painted a picture of the qualities today's home shoppers are looking for," said Matthew Speakman, economic data analyst at [Zillow](#), Seattle. "The results showed their affinity for luxury, leisure and investment opportunities."

Zillow evaluated the top 35 metro areas and defined a region's "most loved" neighborhood as the one having the highest rate of net user saves per household.

Superlative neighborhoods

The Oaks, a luxury gated neighborhood in the Los Angeles metro area, topped the "most loved" neighborhood list for 2018. The community has a median home value of \$3 million, 366 percent higher than the region's median home value of \$650,200.

Warm-weather neighborhoods in coastal areas dominated the list as a whole.



Homebuyers are drawn to warm-weather destinations, such as Palm Springs. Image credit: Zillow

Pineapple Park: Ibis was the most favored neighborhood in the South Florida metro area, while Escena in Palm Springs and South Beach in Carlsbad were the most popular in Riverdale, CA and San Diego, CA, respectively. In the Northeast, the community Ellisville near Cape Cod was the most liked neighborhood in the Boston, MA metro area.

Among the city neighborhoods making the list was Riverdale, located in the Bronx, NY. Riverdale's median home value is \$952,300, which is \$515,000 above the median home price in the New York metro area.

Philadelphia's Manayunk neighborhood was the region's most popular area. Home values in the up-and-coming community are actually 3 percent lower than the metro's median of \$231,800.

The upscale Kingswood neighborhood in Atlanta, GA has a median home value of \$1,589,700, well-above the metro area's median home value of \$216,600. Similarly the median home value of Lake Nona Estates in Orlando, FL is \$1,485,600, 531 percent more than the metro area's median.



Upscale, urban neighborhoods such as Riverdale, NY are trending. Image credit: Zillow

"Favorites" are an important metric on Zillow's platform. According to a previous analysis, listings across the U.S. that receive 30 or more favorites within their first week of hitting the market typically sell in less than two weeks, and more than 40 percent sell above list price.

Changing regions

Certain areas of the United States will see their luxury real estate markets continue to evolve in the coming years.

With ecommerce giant Amazon officially announcing its plans to open new headquarters in New York and Northern Virginia, the surrounding real estate markets are bracing for major changes.

Amazon plans to invest \$5 billion and create more than 50,000 jobs between the two new headquarters, located in the neighborhood of Long Island City, Queens and the town of Arlington, VA. While the luxury housing market in D.C. and the surrounding areas is not as competitive as New York's, changes are still expected following Amazon's announcement ([see story](#)).

While the average sales price for luxury homes in the United States rose nearly 5 percent in the fourth quarter of 2018, the sales of homes priced at \$2 million and above fell year-over-year.

According to Redfin, the average sales price of luxury homes rose to an average of \$1,772,000 to end 2018. The state of Florida saw the biggest price gains as well as the steepest losses for the fourth quarter of 2018 ([see story](#)).

"Home prices are growing fastest in more affordable communities that have good access to transit and jobs," Zillow's Mr. Speakman said. "So while the average home shopper may begin their search in the types of fantasy neighborhoods that populate this list of most loved neighborhoods, they often move toward homes in these types of areas as they near a decision."

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