Amalfi Founder Anthony Marguleas: “TAKE TWO” on Palisades Real Estate

Posted on November 3, 2026 by Sue Pascoe

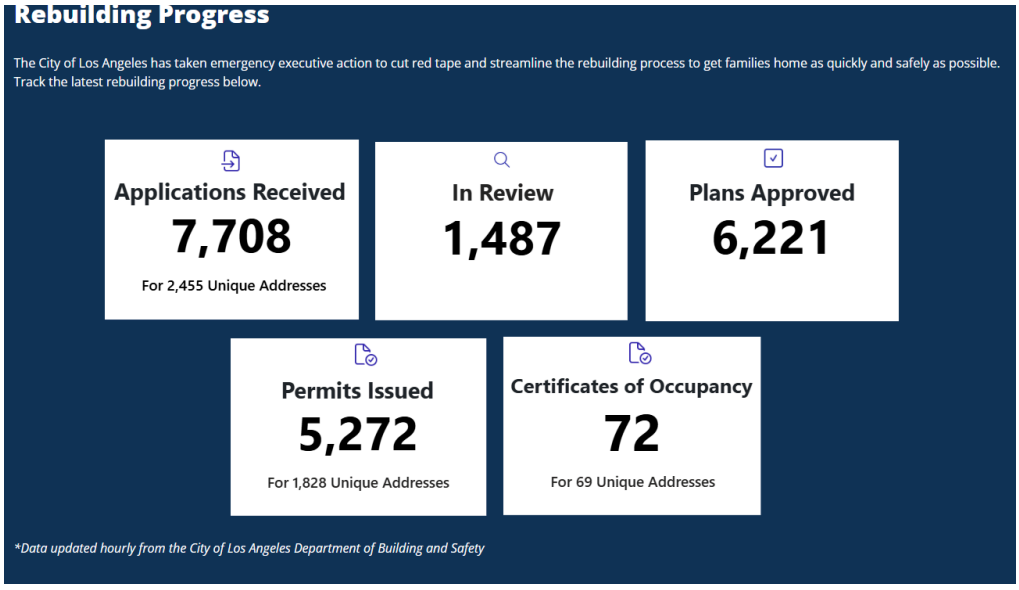
(Editor’s note: Amalfi Founder Anthony Marguleas examined the Palisades Real Estate market in October click here. He noted then that land closings were down 32.9%, new land listings were up 28.1%, and single-family rents were about 55% below spring 2025. In Part 2, he examines rebuilding: how long it takes, costs, difficulties with utility hookups, insurance availability, foreclosures and the vacant land market.)



Amalfi Founder Anthony Marguleas

BY ANTHONY MARGULEAS

Nearly two years after the Palisades fire, rebuilding is gaining momentum, but significant challenges remain. Construction, contracts, utility inspections and hookups, and insurance are all factors in the building process.



PaliBuilds has observed that it takes 96 days from submission of building plans to approval. The projected time needed for house construction is 347 days.

COST TO REBUILD:

These indicative base construction ranges are local builder estimates, not turnkey prices. The chart illustrates potential costs for a 3,000 square foot home on a straightforward flat lot.

WHAT DOES IT COST PER SQUARE FOOT TO REBUILD?

Indicative base construction pricing for a straightforward flat lot

BUILD TYPE	COST PER SQ. FT.	3,000 SQ. FT. HOME
Budget conscious	$450 to $550	$1.35M to $1.65M
Typical custom	$550 to $700	$1.65M to $2.10M
High end / complex	$700 to $1,000+	$2.10M to $3.00M+

Base estimates only. Site conditions, design, utilities and other costs may add substantially. Source: Local builder estimates provided October 2026.

Hillside lots can cost substantially more because of grading, retaining walls, caissons, soils work and site access.

A resident should budget beyond the base price for design, engineering, permits, utilities, contingencies and financing.

Thomas James Homes reportedly reduced a quoted base construction package from approximately $650 to $550 per square foot. Homeowners should compare current written proposals carefully because specifications, site work and exclusions can materially affect the final price. Compare complete written scopes and exclusions, not simply the quoted price per square foot.

A BUILD CONTRACT:

Before you sign a build contract, here are questions that can protect your rebuilding budget

1. Verify credentials: Confirm the contractor's active CSLB license, bond status, general liability coverage, workers' compensation and any applicable umbrella coverage.
2. Demand a complete written scope: Request a detailed schedule of inclusions and exclusions. Clarify demolition, soil remediation, grading, foundations, caissons, retaining walls, landscaping, utility work and required fire hardening features.
3. Understand the contract structure: Is the proposal fixed price, guaranteed maximum price or cost plus? Which items can change, and who bears unexpected site condition costs?
4. Examine allowances and changes: Identify allowances for windows, cabinetry, appliances, fixtures and finishes. Ask how change orders are priced and approved, and how contingencies will be funded.
5. Compare the whole project budget: Include architecture, structural and soils engineering, surveys, permits, expediting, insurance, financing, utility upgrades, temporary housing and a

separately identified contingency. Avoid double counting overlapping estimates.

6. Check the schedule and references

My take is the lowest per square foot quote may not produce the lowest final cost. Compare bids using the same scope, allowances, exclusions and contingency assumptions. Have a qualified construction professional and attorney review contracts.

LADWP:

For homeowners nearing completion, there is a priority to securing inspections and to have permanent power connections done as efficiently as possible.

Why this matters: Completing construction and being able to occupy a home are not the same thing. Homeowners have reported long waits for temporary service, inspections, trench approvals and permanent electrical connections.

Los Angeles Department of Water and Power DWP has added inspection and service staff to meet the demand. The utility company has hired 32 new inspectors (not just for the Palisades). Additionally, six inspectors dedicated solely to the Palisades and an additional six electrical service representatives were also hired.

LADWP announced an October 15 target for reducing temporary power and related backlogs. Homeowners should confirm the status of their own service request rather than assume that every connection has been completed.

The Palisades Inspections and Permitting Support Center, 16925 Marquez Avenue, Pacific Palisades coordinates assistance with rebuilding approvals and service requests.

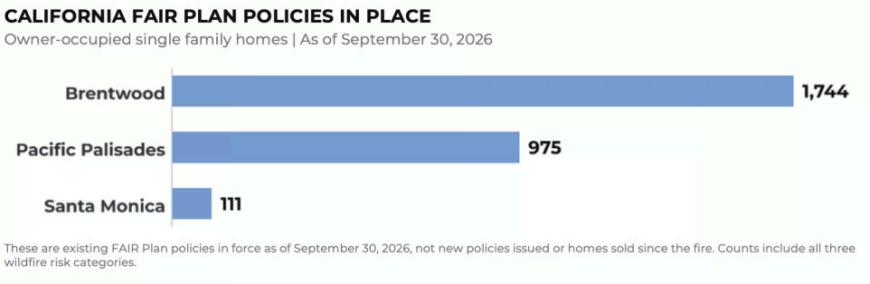
Homeowners should ask their contractor or electrician to confirm the meter location, trench and conduit specifications, required LADBS and LADWP releases, and the status of the service request. Keep written records and request an updated connection estimate.

Speak with owners of comparable completed Palisades projects. Ask for milestone dates, inspection dependencies, LADWP connection timing, delay remedies and warranty provisions.

INSURANCE:

One of the biggest questions people ask is, “If I rebuild, will I be able to get insurance?” Since the fire, 2,263 homes and condos have been sold. About 1,100 of the purchases involved financing. Lenders generally require acceptable property insurance for financed purchases.

FAIR Plan dwelling rates rose an average of 29.1% statewide beginning October 15, 2026.



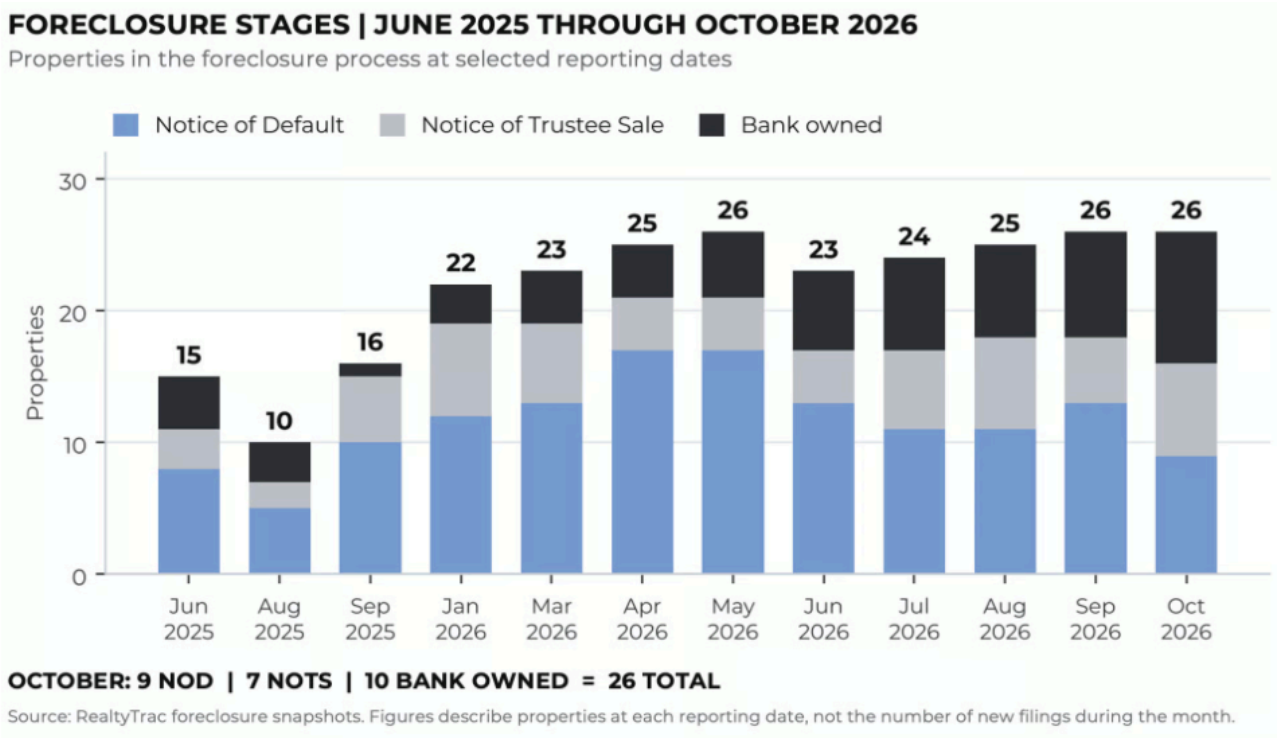
More private insurance options may become available, especially for homes with stronger wildfire protection. Eligibility will depend on each insurer's underwriting requirements.



Insurance can be costly and require planning, but it has not brought the residential sales market to a standstill. If you need insurance quotes, contact Adam Glazer, Comparion Insurance Agency (310) 683-6852 adam.glazer@comparioninsurance.com

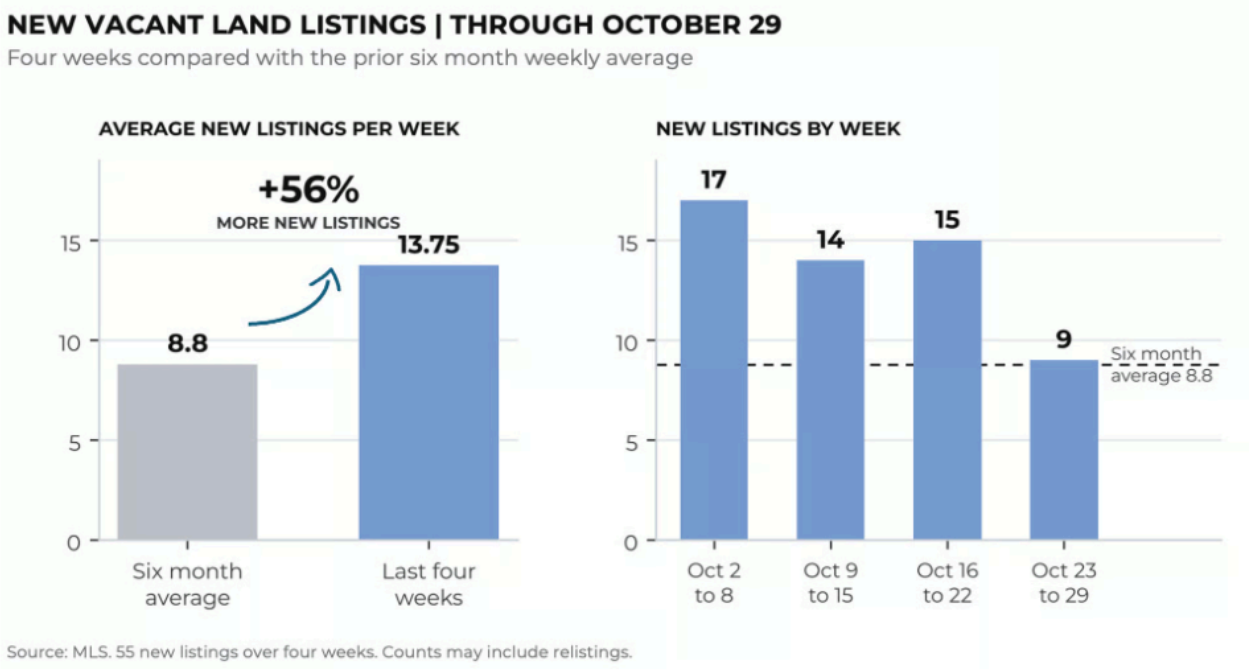
FORECLOSURE UPDATE: OCTOBER 22

The October snapshot shows 26 properties in the foreclosure process: Nine Notices of Default, Seven Notices of Trustee Sale and 10 bank owned. The total is unchanged from September, although the share in later stages has increased. The chart shows historical snapshots, not new monthly filings.



VACANT LAND LISTINGS: FOUR-WEEK UPDATE:

New vacant land listings averaged 13.75 per week over the four weeks through October 29, about 56% above the six-month average of 8.8. The most recent week slowed. New listings do not equal unsold inventory.



If one is selling land, watch competing listings and current demand.

If one is buying land, there is more supply available (180 current land listings), which can put downward pressure on pricing.

MY REBUILDING JOURNEY:



This is the Marguleas house as of October 2026.

The roof and framing are completed. The next step is flooring. The target completion date is spring 2027.

What I'm watching in 2027 is actual move ins and utility connection times, rebuilding costs, the balance of new land listings, buyer demand, and changes in foreclosure stages.

The seller/buyer's best decision depends on insurance, financing, construction costs, timing and long-term plans. Rebuilding, selling or waiting can each make sense depending on each individual's unique situation.

If you are rebuilding, considering selling or evaluating a purchase, I am always happy to share what I am seeing in the market and willing to help you consider your options.

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