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## Local homes sell at record pace

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SANTA CRUZ — Local real estate agent Peggy Gillett recently had a Santa Cruz townhouse on the market — for a week.

It sold that fast.

"It was priced right," she said of the \$249,000 home.

And, it was for sale at a time when houses are selling faster than they have in a decade.

The typical home sold this year in the state was on the market a mere four weeks, half the eight-week period of two years ago and the shortest time on the market since 1989, according to the new California Housing Finance Survey.

Gillett, owner of Realty Executives in Capitola and president of the Santa Cruz Association of Realtors, said Santa Cruz County is in line with statewide trends.

The housing survey, conducted by the California Association of Realtors, revealed that the stock market played less of a role in the decision to purchase a home than it did earlier in the year.

The survey showed, however, that buyers using the Internet were much more likely to use the sale of stock for their down payment, 7.6 percent compared to 1.4 percent respectively, said Leslie Appleton-Young, the state association's vice president and chief economist.

"This year's Housing Finance Survey also found that buyers are viewing their residential real estate purchase as a prudent investment as well as a place to live," Appleton-Young said.

The statewide report also found that repeat home buyers made up 57.6 percent of those who bought homes this year, down slightly from 58 percent last year.

The proportion of first-time home buyers stayed about the same at 42.4 percent compared to 42 percent a year earlier. This was still the second lowest market share of



**Peggy Gillett, head of the Santa Cruz Association of Realtors, says fast-selling homes reflect a statewide trend.**

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first-time home buyers in the decade.

"It looks like first-time buyers are losing a little ground because they are getting priced out of the market," said Wayne Shaffer, a Santa Cruz real estate agent. "In this town, I can see that."

The price of a Santa Cruz County home continues to rise. The median sales price broke yet another record in September — \$379,000.

That's up from the previous record of \$366,000 set in August, reported Gary Gangnes, a broker with Real Options Realty in Santa Cruz, who tracks local statistics and is president-elect of the local Realtors association.

In comparison, the median price in California has been \$221,500, 8 percent higher than last year, according to the survey.

The number of single-family homes sold in the county last month was 249, an 8 percent increase from a year ago.

The number of available houses for sale or in escrow on Oct. 6 was 789, a 27 percent decrease from a year ago, Gangnes said.

"When you have significantly fewer listings and more sales that puts upward pressure on the price," he said.

Gangnes is among the many local real estate brokers with a Web page, an increasingly important sales component, according the survey.

Nearly 38 percent of those surveyed reportedly used the Internet to buy a home.

Shaffer said he recently fielded a call from a woman in Boston who was interested in the Epworth mansion on West Cliff Drive. She had seen the property on the World Wide Web.

"One of the things that hit me was just how many people were using the Internet to gain information," said Joe Hutchins, owner and broker of Pacific West Realty in Aptos. Hutchins specializes in multiresidential property sales and serves on the board of the Santa Cruz Association of Realtors.

The Internet trend is true for people looking for multiresidential properties, he said.

"We're finding that consumers are more sophisticated by the time they are calling the office," Hutchins said. "They have done some searches of local properties for sale and have an idea of values."

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