



- QUICK LINKS
- Home Page
- Local News
- Sports
- Obituaries
- Business
- Santa Cruz Style
- Letters to Editor
- Opinion
- AP News
- Classifieds
- Weather
- Stocks
- Traffic
- Archives
- Site Index
- Customer Service



LOCAL NEWS | MORE LOCAL NEWS

LOCAL NEWS

Printer Friendly Version
 Email Story to a Friend
 Subscribe

December 3, 2000

Local housing prices soar

By DAVID PACINI
Sentinel staff writer

SANTA CRUZ — Local real estate prices rose at about double the statewide rate in October, with single-family homes fetching 34 percent more than they did in October of last year. Even so, the statistics indicate a slight cooling of the local market.

"It is true in the last couple years, the appreciation in Santa Cruz County and the Bay Area has been substantially higher than in California as a whole," said Gary Gangnes, Santa Cruz Association of Realtors president and Real Options Realty owner.

According to Gangnes' Web site, ror.com, which offers local real estate statistics and analysis, the average sales price in October for single-family homes in the Santa Cruz area was \$541,083, up from \$401,816 in October of last year.

The average price shows the sum of all sales prices divided by the number of sales. That figure has been slowly decreasing over the past few months from a high of \$609,391 in May, suggesting a cooling of the market.

Despite the apparent slowdown, the average sales price in Santa Cruz County has increased more than \$200,000 in the past 36 months.

Gangnes said those indications could mean a cooling trend, but also could just reflect a seasonal dip of both the median and average home price that takes place toward the end of each year.

"Another indicator is the number of jobs in Santa Clara County," Gangnes said. "In January of 1995 through 1998, there was an average net gain of 3,200 jobs each month in Santa Clara County. From the end of 1998 through three months ago, the rate of job increases dramatically slowed to an average of 200 a month, so clearly the number of people moving into the Bay Area is what put pressure on housing prices. In the past 90 days, there's been another surge upward in the number of jobs available. Should that continue, that would put more upward pressure on prices."

Gangnes said he other Realtors believe a few very expensive homes,

\$50
CLICK HERE

go to:
www.WaterSavingTips.org

Stewardship
Community



Now shop today's Sentinel print ads online

SantaCruzJOBFINDER.com
...powered by the Santa Cruz Sentinel

For EMPLOYERS
JOB LISTINGS \$50
Find out how easy it is to place your company ads
Go to [www.jobfinder.com](#) to start your ad today!

such as those fronting Monterey Bay, skew the average prices of homes, however. Because of that, the average price tends to be a higher number than the median price, which he said is a more accurate measure.

The median price in October was \$459,000, up from a median of \$347,677 in October of last year. The median has been over \$400,000 for the past nine months, and the record was four months ago, in July at \$475,000.

The "median price" indicates the price at which there were an equal number of sales higher than or lower than that price.

The local market saw an inventory of 645 homes in October, down from 687 a year ago. Realtors point out, however, that inventories are seasonal and tend to be lowest in December and January because people don't like to show their houses during the holiday season.

At 257, the Santa Cruz area saw more new listings on the market in October than it did at 216 a year ago.

Gangnes said the Santa Cruz County market typically follows trends in the Santa Clara County market. The median price in that market reached its peak in April at \$560,000. It declined to \$505,000 in September, a decrease of about 10 percent, but rebounded in October to \$530,000.

The average sales price for homes in Santa Clara County also reached its peak in April at \$816,468. It declined to \$690,402 in September, a decrease of about 15 percent. In October, the average price rebounded to \$712,501.

"When the market started to appreciate in 1996, it started in Silicon Valley first, then spread to areas closest to Silicon Valley and then continued throughout the state," he said. "... That's why we're watching that market closely. Should prices peak and start going down again like they did 10 years ago, that will happen in Silicon Valley first."

Statewide, home prices continued to rise at a double-digit pace in October.

The median price of an existing home in the state rose 17 percent in October to \$252,510, compared with \$215,820 last October, according to data compiled by the California Association of Realtors. It marks the 11th double-digit price increase in 13 months.

The median number of days it took to sell a single-family home was 30 days in October, down from 35 days during October 1999. The association's unsold inventory index — which indicates the number of months needed to deplete the inventory of homes at the current sales rate — was 3.6 months, compared to 4.1 months a year ago.

Statewide, 301 of 345 cities and communities surveyed by the organization showed an increase in median home prices from a year ago.

While sales of existing homes posted a 0.3 percent increase from last October, the rate actually dropped 3.2 percent from last month.

"The modest sales increase for October is further evidence that

SPECIAL FEATURES



Jobs
Resumes
NEW!



Web
Directory



Shop
Today's
Ads online



Build a
classified
ad online



Sentinel
Health



21st
Annual
Triathlon



Home &
Garden



24/7
Business
Directory



Wedding
Section



Homework
Help



Sentinel
Photos



Santa Cruz
Personals



Movies
Times
Reviews



Travel
Zone



Forum
Chat
Discuss



Lottery
Winning
Numbers



Maps
Driving
Directions



E The
People
Petitions
Forums



TV
CABLE
Schedule

MOVIE TIMES

California is on track with the soft landing hitting the national economy," said Leslie Appleton-Young, the association's chief economist.

The state's housing crunch is forcing many first-time buyers to look for alternatives.

"People are turning to condominiums rather than a home because they can get the amenities they want and not pay the prices they normally would for a single family house," said Pat Zicarelli of Style Realty in Tarzana.

Carri Wagner, 25, recently bought a two-bedroom condo in Studio City after several months of house hunting. With a price range of \$150,000 to \$200,000, Wagner said she couldn't find anything acceptable in the San Fernando Valley communities where she was looking.

"A lot of the places I was looking at were horrible. I wouldn't consider living in them," Wagner said. "They were outdated, not maintained well and would take about \$40,000 to fix up."

Wagner paid \$178,000 for her condo. She was spending \$1,700 per month to rent a home in Sherman Oaks.

The Associated Press contributed to this report.

 [Printer Friendly Version](#)

 [Email Story to a Friend](#)

 [Subscribe](#)



You can ONLY view the Sentinel's award-winning local news photos in the print edition; click here to find out how you can get the rest of the story and **6 weeks FREE** of Sentinel Home Delivery.

 [LOCAL NEWS](#) | [MORE LOCAL NEWS](#) | [ARCHIVE SEARCH](#)

Search for Santa Cruz area homes in the MLS. 

City	Bed / Bath	Sq. Ft.	
<input type="text" value="Santa Cruz"/>	<input type="text" value="3bd 2ba"/>	<input type="text" value="1300"/>	<input type="button" value="Go"/>

[TOP ▲](#)

[Santa Cruz Sentinel Home](#)

[Local News](#) | [Sports](#) | [Obituaries](#) | [Business](#) | [Santa Cruz Style Archives](#) | [Site Map](#) | [Associated Press](#) | [Weather Portal](#) | [Travel](#) | [Community](#) | [Forum](#) | [Classified](#) | [Marketplace](#) | [Customer Service](#) | [Reporter Contact List](#) | [Contact Us](#)

207 Church Street, Santa Cruz CA 95060 USA (831) 423-4242
Copyright © 1999-2003 Santa Cruz Sentinel.
All rights reserved.
[web master Feedback](#)




Search for movies by city:


- [▶ Santa Cruz](#)
- [▶ Watsonville](#)
- [▶ Capitola](#)
- [▶ Aptos](#)
- [▶ Scotts Valley](#)
- [▶ Search by zip](#)
- [▶ Trailers](#)
- [▶ Movie reviews](#)
- [▶ Today's theater ads](#)

FORUM


Latest topics:


 [Another embarrassment that must be hidden behind the Buses by ChrisLS](#)

 [Future SC Councilmembers? by Grammarx](#)

 [Your state representatives hard at work. by Great Sambino](#)

 [Slaughtergate by LocalYokel](#)

 [Dear City Council, I would like you to... by LocalYokel](#)

 [I just got a horrible carwash at "Cruz Car Wash"!!!!!! by KarenG](#)

 [Election 2004 Dems by Great Sambino](#)

 [Why France Why? by Great Sambino](#)

ADS ONLINE



Now shop today's Sentinel print