



- 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



SIGN UP NOW!

LOCAL NEWS | MORE LOCAL NEWS

LOCAL NEWS

- Printer Friendly Version
- Email Story to a Friend
- Subscribe

May 21, 2002

'Exceptionally strong' home sales predicted

By MICHAEL DE GIVE
Sentinel STAFF WRITER

SANTA CRUZ — The life expectancy of a "for sale" sign is getting shorter and shorter these days, with home sales heating up so quickly that some agents predict prices will begin to rise again.

The number of local home sales surged in April, mirroring a Bay Area trend that's pushed real estate transactions to a pace not seen since 1999.

"April was the strongest sales month in the history of our company," said David Lyng of David Lyng & Associates in Capitola.

While the median price of a home has remained steady at about \$430,000 for several months, homes are being snatched up more quickly and the inventory is nearly half what it was a year ago.

The smaller supply tends to push prices up, said Gary Gangnes of Real Options Realty in Santa Cruz.

"We're back to a four-month inventory, which puts upward pressure on prices," said Gangnes, who compiles local real estate statistics monthly.

Three hundred and seven local single-family homes and condominiums were sold in April, up 36 percent from the year before, according to figures from DataQuick Information Systems of La Jolla.

The sales have been fueled by historically low mortgage rates of 6.6 percent for 30-year fixed loans.

"An awful lot of people are out there buying right now," said John Karevoll, an analyst at DataQuick, which monitors real estate transactions nationwide. "Though the price may appear to be very, very high, if you sit down and do the math, a lot of people can afford to buy right now."

Lyng said the jury's still out on how the rest of the year will unfold, but he expects mortgage rates to remain relatively low. Still, concerns



CLICK NOW




ORDER ONLINE



Now shop today's
Sentinel print
ads online

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



about terrorism and fear that rates may go up even slightly has pushed some buyers into the market.

"It's enough to get people off the fence and make a decision when there is still a decent inventory," he said.

According to Real Options, 207 single-family homes were sold in April, compared to 133 in April 2001. About 250 homes were sold in April 1999.

In the Bay Area, the increase was even more dramatic, with 10,768 single-family homes and condominiums being sold in April, up nearly 50 percent from the year before. It was the strongest April since 1999.

"I expect sales to be exceptionally strong this summer," Karevoll said.

Changes in the Santa Cruz real estate market typically lag six to eight months behind Santa Clara Valley, Gangnes said.

Contact Michael de Give atmdegive@santa-cruz.com.

Housing market

Santa Cruz County's median home price stayed steady at about \$430,000 in April. But shrinking inventories and surging sales may be a sign the prices will rise this year.

Number of Homes Sold

April '01 April '02 Change Median

Santa Cruz 225 307 36% \$430,000

Santa Clara Co. 1,400 2,533 80.9 % \$458,999

San Francisco 353 621 75.9% \$526,000

Bay Area 7,193 10,768 49.7% \$402,000

 [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](#)



GAYLE'S
BAKERY & ROSTICCERIA
504 BAY AVE • CAPITOLA • 462-1200

Know a Princess?
We have a cake for you.

[TOP ▲](#)

[Santa Cruz Sentinel Home](#)
[Local News](#) | [Sports](#) | [Obituaries](#) | [Business](#) | [Santa Cruz Style](#)
[Archives](#) | [Site Map](#) | [Associated Press](#) | [Weather](#)

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

[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 Bushes](#) 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

