

Santa Cruz Sentinel



• M/CLOUDY
• Temp: 54°
• SW at 8 mph
Full Forecast

Subscribe Now

- **Home**
- **News**
- **Entertainment**
- **Classifieds**
- **Shopping**
- **Jobs**
- **Autos**
- **Homes**
- **Ad Viewer**
- **Business Finder**
- **Place an Ad**

- Home News Sports
- Obituaries Business The Guide Entertainment Santa Cruz Style Opinion - Letters Weather Blogs Polls Email Headlines Traffic Play Games Special Sections Community Archives Site Map Customer Service Contact Us
- Local Special Projects Breaking National U.S. World Politics Day in Photos Multimedia
- Local National Football Baseball Basketball Hockey Tennis Golf Soccer Auto Racing College Basketball Other Sports Remembrances
- Local National Technology Marketwatch
- Santa Cruz Magazine Food & Dining Home & Garden Movies TV Celebrity News Personals
- Santa Cruz Live La Ganga Online
- Santa Cruz Magazine Food & Dining Home & Garden Movies TV Celebrity News Personals
- Local National Sudoku Santa Cruz Jigsaw Casual Games Classic Games
- Add your group Organizations About Contact Us Information Home Delivery Renewals Place an Ad Souvenir Reprints Advertise Newsroom Announcements Circulation

Archives

advanced search

Sponsored by:
FrontRowUSA
Sports & Concert Tickets

Marketplace

SantaCruz
JOBFINDER SantaCruz
HOMEFINDER SantaCruz
AUTOFINDER SantaCruz
BUSINESSFINDER Today's
Ads online Classified Ad
Builder Local Coupons
Grocery Coupons

Special Sections

Weddings Newspaper in Education Home & Garden Wineries Golfing Homework Help SantaCruz
PHOTOGALLERY Sentinel
Triathlon Special Projects

Entertainment

Marketplace

Find a Job Find a Car Find a Home Find a Rental Find a

Business Find Stuff Find
Local Coupons Find a
Display Ad Build an ad

The Guide Santa Cruz Live
TV Schedule

Santa Cruz
JOBFINDER.com

Featured Links

SantaCruzLive.com
Australia Accommodation

Travel

Destination Santa Cruz

Community

Forum Lottery

Sponsored Links

Bridal Shower Favors
Staples Center Events
Vacation Rentals Diamond
engagement rings Movers
and Moving Companies
Aupairs & nannies available
Personal Loan Strollers Debt
Management Diamond Rings
Heat Press Chrysler Reverse
Osmosis Water Filter
Personal Loan Bad Credit
Loans Attorney Finder
Lawyer Search

Local News

 Printer Friendly Version  Email Story to a Friend  Subscribe

- Share this Story :
- delicious
- digg
- facebook
- newsvine

January 20, 2007

Santa Cruz County's median home price drops to two-year low

By **JONDI GUMZ**
Sentinel staff writer

With nearly 200 homes on the market for under \$600,000 and the median price near a two-year low, it appears to be a good time to buy a house in Santa Cruz County.

The median home price dropped to \$710,000 in December. The median is the midpoint where half the sales were above and half below. It hasn't been this low in two years, except for last February, when it was \$709,000.

The median marched upward from \$500,000 in 2001, speeding up in 2004, and nearly reaching \$800,000 in mid-2005. Then it stopped going

up.

"What we see in the trend, upward appreciation has stopped," said Gary Gangnes of Real Options Realty, who compiles the monthly statistics.

"It's different from a very fast market," he said, advising sellers to set a reasonable asking price.

The market always slows down during December. Last month, the number of single-family listings dropped to 791, a seasonal low. December sales totaled 160, up slightly from December 2005, but down compared to 215 sales in December 2003 and 215 in December 2004.

Like many others, Scotts Valley residents Greg and Kim Johnson took their home off the market in December because of the holidays.

Johnson, 51, who runs a semiconductor company in Scotts Valley, said he's not worried. He's seen two homes in his neighborhood sell even though the market has slowed.

He and his wife bought Advertisement the 2,750-square-foot house in 1997, when executive-style homes in the Monte Fiore development were considered pricey because they sold for \$475,000.

"We came here for the kids," he said.

Now their two children are in high school and middle school, and the couple is ready to sell and move back to the mountains. They've devoted their spare time to home improvement projects, installing a pool, English garden, outdoor barbecue and basketball court, and decorating rooms with a style that rivals Martha Stewart. The asking price is \$1,198,000.

To market the home, the Johnsons tapped their neighbor, Mark Oliverez of Alain Pinel, who is ranked among the top 1 percent of realtors nationwide. Oliverez, who focuses on the executive market, has put together a virtual tour of the property.

"We've had a lot of interest from out of the area," Johnson said. "People realize they're ready to buy, but it takes time to get their home sold"

The Johnsons are in the same boat; they want to sell before they buy their next house.

While some agents claim the seller's market has turned into a buyer's market, Gangnes considers it more of a normal market.

He cited the Unsold Inventory Index, which has dipped to 4.9 months, because of the shrinking number of properties on the market during the holidays. The index, created by dividing the number of listings by the number of sales, shows the time it would take to deplete the inventory of houses for sale at the current sales rate.

An index between six and eight months is normal; when the supply is less than six months, prices can rise.

In September, the index exceeded nine months, "but it didn't hold," Gangnes said.

The median price since then has dropped.

"If a number of expensive homes sell or don't sell, it skews the median," Gangnes noted.

Even though the number of listings has fallen, there are twice as many homes on the market as there were at this time of year in 2004.

Condo statistics are more easily skewed because of the small number of sales. The median for 46 sales in December was \$510,000, higher than November but not a record. Listings dropped to 191, but there were still three times as many choices compared to two years ago.

For those of modest means, there is good news: Interest rates are lower than they were in July and more single-family homes are available in the lower price ranges.

The Multiple Listing Services has 81 houses for sale in the county priced at under \$500,000, and another 100 between \$500,000 and \$600,000, Gangnes said.

Contact Jondi Gumz at jgumz@santacruzsentinel.com.

December home statistics

SINGLE FAMILY HOMES

Number of sales: 160

Number of listings: 791

Unsold Inventory Index: 4.9 months (down)

Median price: \$710,000

CONDOS

Number of sales: 46

Number of listings: 191

Unsold Inventory Index: 4.2 months (down)

Median price: \$510,000

Source: Real Options Realty,

www.ror.com

 [Printer Friendly Version](#)

 [Email Story to a Friend](#)

 [Subscribe](#)



Santa Cruz Sentinel Home

Local News | Sports | Obituaries | Business

[Santa Cruz Style](#) | [Entertainment](#)

[Archives](#) | [Site Map](#) | [Associated Press](#) | [Weather](#)

[Travel](#) | [Community](#) | [Forum](#) | [Classifieds](#)

[Customer Service](#) | [Reporter Contact List](#)

[Contact Us](#)

207 Church Street, Santa Cruz CA 95060

USA (831) 423-4242

Copyright © 1999-2007 Santa Cruz Sentinel.

All rights reserved.

Using our site is your
agreement to the terms and conditions.

[Webmaster Feedback](#) | [Privacy](#)

[Online advertising rate card](#)

For online advertising inquiries contact

Tammie McKenzie: tmckenzie@santacruzsentinel.com