

Complex finally has business tenants

Prices for commercial space plummeted as storefronts sat vacant

By JONDI GUMZ

jgumz@santacruzsentinel.com

SANTA CRUZ — Storefront spaces at the 70-unit condo complex at 2030 N. Pacific Ave. downtown are finally filling up after sitting empty since 2008.

Dr. Chante Buntin, a board-certified specialist in pain medicine, palliative care and hospice, opened SxM Symptom Management in a sunlit corner office with floor-to-ceiling windows. She signed a one-year lease and is interviewing office staff.

Caroline Murphy bought a space for her tax-planning business, Dollars and Sense, because her business had outgrown her home office. She plans a grand opening 2-5 p.m. Saturday.

Alisa Thomas, an immigration attorney with an office in Live Oak, bought two spaces and hopes to open in a few months. She hired local contractor Mel Dion of Cardinal Construction and applied this month for permits for interior improvements.

"Women have to pick up the pieces in this recession," Thomas said.

"Only women have the guts to do it," said Blue Wilson of Santa Cruz River Street LLC, the partnership running 2030 North Pacific. "I think it's great."

Buntin, who is married and has a young daughter, returned to Santa Cruz after going away to medical school and working at the University of Washington.

"I love Santa Cruz so I came back," she said.

After working at a clinic in Aptos, she went out on her own, sharing space with doctors in Capitola while

SEE COMPLEX ON A3

COMPLEX

Continued from A1

looking for permanent quarters.

It took three months to get a business license, and she said she wishes she could get dedicated parking space for her patients. Still, she said she expects this to be her home base.

"I wanted a nontraditional clinic," she said. "It's a great location. I love to walk downtown if I take a lunch break."

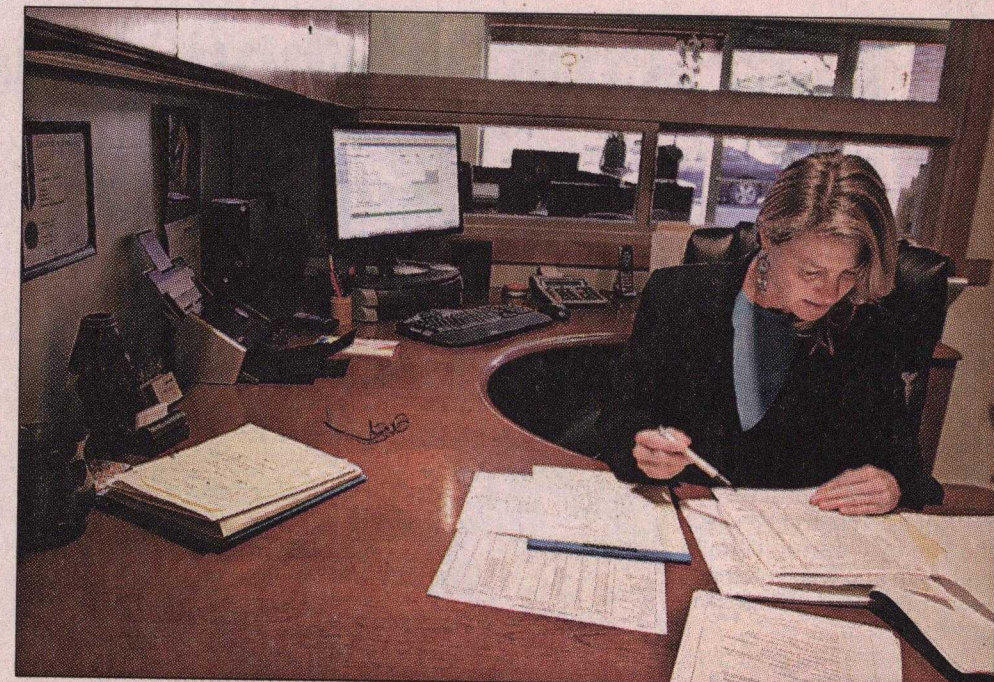
Murphy, in business for 12 years, has found tax planning nearly recession-proof. She recently hired a part-time employee because her business has grown so much over the past three years.

She said she paid a little more than \$100,000 for the office and spent \$46,000 to complete the interior, setting up four work stations. She financed her move with a loan.

"I saw it as an opportunity to grow while commercial real estate is soft," she said. "I expect to be in business for 20 years."

Thomas, who has practiced law in the county since 1999, said her office on Brommer Street was getting too small. She employs Natalie Ponce as her paralegal and provides internships to college students.

Coming downtown was a



SHMUEL THALER/SENTINEL PHOTOS

Tax preparer Caroline Murphy works in her new office at 2030 N. Pacific Ave. on Wednesday.

conscious choice, she said, adding, "I like being downtown."

The estimate to finish the two offices is \$190,000, so she is going to do one space at a time. She said she hopes to hire another attorney and would like to keep her Live Oak office, though people are already asking about that space.

Owners at 2030 North Pacific originally asked \$500 a square foot for the commercial space. The one unit purchased in mid-2008 by a software developer, now leased

to the doctor, went for \$400 a square foot.

Commercial real estate agent Reuben Helick, who left Wilson Bros. Commercial after 17 years to join Cassidy Turley, brokered a deal for Murphy at \$210 a square foot, which he said was less than the bank's lease rate.

"I convinced everybody it was a good idea," he said.

He said Thomas paid \$234 a square foot, a price that reflected zero profit for the owners.

The deals leave just one

storefront vacant, and Wilson is pushing to sell more residential condos, which had been leased to provide cash flow.

Fannie Mae, which offers better terms than conventional lenders, is skittish about loans to condo buyers because so many units today are occupied by renters.

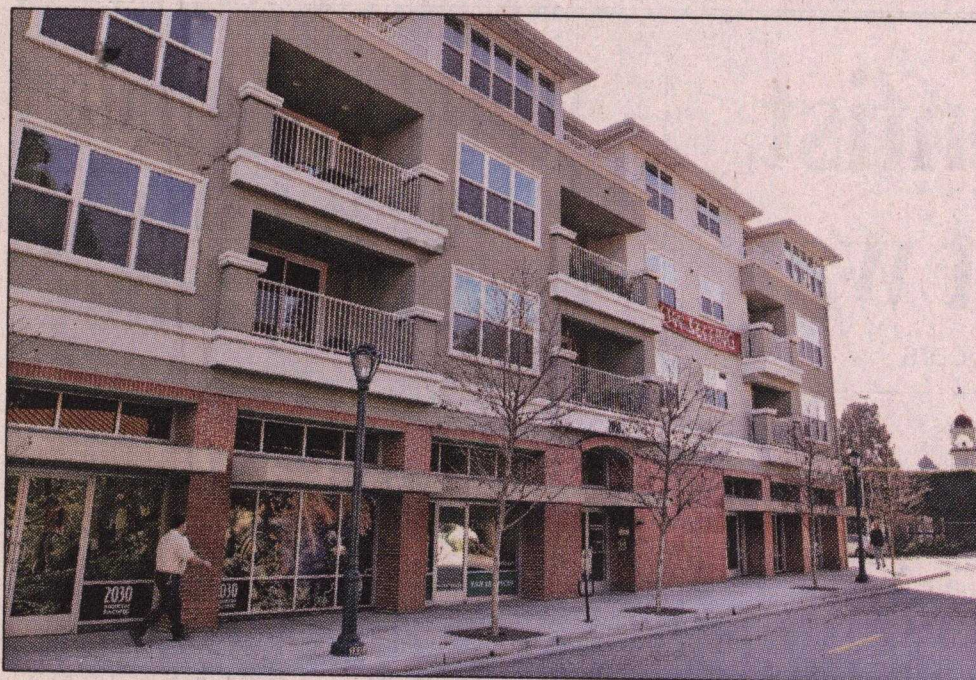
Wilson is working on a deal to meet the lender's requirement to "pre-sell" 51 percent, or 36, of the 70 units.

Thirteen were sold before the market collapsed. The city owns two. Since August, 14 or 15 have gone into escrow, Wilson said.

"We need six more to hit the number," she said.

Prices started at \$500,000 to \$600,000 for a one-bedroom unit at the complex, which has a pool, gym and underground parking.

Today, prices range from \$299,000 for a one-bedroom unit to \$550,000 for a three-bedroom unit.



The ground-floor commercial space at 2030 North Pacific is finally being occupied.

IF YOU GO

GRAND OPENING
FOR DOLLARS AND
SENSE TAX
PLANNING SERVICE

WHEN: 2-5 p.m., with Santa Cruz Chamber of Commerce ribbon-cutting at 3:30 p.m.

WHERE: 2030 N. Pacific Ave., Santa Cruz

INFORMATION: 461-4304