

Local median home price drops below \$400,000

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Local home and condominium prices dropped below \$400,000 in November for the first time since April 2000.

According to DataQuick, a La Jolla-based real estate analysis firm, the median home sale price for single-family homes and condominiums was \$399,750 — down from a high of \$530,000 in March. John Karevoll, a researcher for DataQuick said, said the numbers reflect a significant shift in the type of home that's selling. Gone are the \$1 million homes. According to the November numbers, people had shifted their focus to far smaller and far more affordable condominiums.

"The market for prestige homes is not what it was a year ago," he said. "It has to do with the economy, and it has to do with how low mortgage interest rates are."

Local real-estate agents say it also has to do with seasonal lows and fallout from the Sept. 11 terrorist attacks.

"The disaster just added to the (real estate) slowdown that's been happening since April," said Jan Kocsis, an agent with Century 21 Cheshire in Soquel. "People weren't buying for the first few weeks after it and that's reflected in November's numbers."

Because homes sit in escrow for 45 days, the sales posted in November represent deals made in September and the early part of October. The California Association of Realtors found that home sales slowed in the three weeks after Sept. 11.

Not only did the price fall, but the number of homes sold in November dropped by almost half compared to the same time last year, according to DataQuick. Prices dropped only 3 percent.

DataQuick's numbers are nearly \$100,000 less than the figure given by local real estate agents last month for the same period. Real estate agents list the median price for a single-family home as \$490,000. DataQuick lists not just single-family homes but condominiums and homes sold by owners

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Median home prices

November 2001, Santa Cruz County

Mid-County and Scotts Valley remain the most expensive places to buy a home in Santa Cruz County and the San Lorenzo Valley remains the most affordable.

Soquel	\$508,250
Scotts Valley	\$497,000
Westside SC	\$480,750
Aptos	\$467,500
Capitola	\$465,000
Eastside SC	\$450,000
Live Oak	\$447,000
Watsonville	\$355,000
Ben Lomond	\$339,500
Felton	\$337,000
Boulder Creek	\$284,000

Source: DataQuick

Median

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who don't go through an agent. Since condominiums sell for less, that brings the overall home sale price down.

Robert Bailey, of Bailey Properties and president of the California Association of Realtors, said November's numbers are an anomaly in what was one of the strongest real estate years in recent memory. And while sales are down from 2000, Bailey said that 2000 was the busiest sales year his office ever had.

Both he and Kocsis say they're seeing increases in sales since November. The California Association of Realtors just released a report saying that the percentage of Santa Cruz County residents who can afford the median-priced home actually increased in November, from 16 percent in April to 21 percent in November.

"That's still woefully low," he said. "But people are more able to afford homes here now because of the softening of the market. There's a lot of energy in the market today. There are more first-time home buyers out there, and there's still a very positive outlook out there despite the downturn in the tech economy in Santa Clara Valley."

Bailey said he expects the market to stay relatively flat through the first half of the year, but that home prices may begin to rise again because more people are looking for homes now.

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