

REALTOR®

Your local Association news source

September/October 2022

WE  SANTA CRUZ COUNTY



BE AWARE. KEEP ALERT.
STAY SAFE.

BUSINESS NEWS

Homebuyers Gain
More Bargaining Power
in August



EVENTS

Statewide Election
November 8



MARKET DATA

State and local housing
data + Market Minute



REALTOR® SAFETY

The goal of the REALTOR® Safety Program is to reduce the number of safety incidents that occur in the industry, so every REALTOR® comes home safely to his or her family every night. We will accomplish this goal together with our members by improving the Safety Culture in the industry: Talk about safety; create a safety plan and follow it; and encourage your fellow REALTORS® to do the same.

Top Safety Action Items for REALTORS®

1. Plan Your Safety Strategy
2. Tips and Best Practices
3. Training Videos
4. Personal Protection Resources
5. Take the REALTOR® Safety Pledge

56 Weekly Tips for REALTORS®
 These tips (PDF: 4.23 MB) cover a variety of topics including client meetings, safety during open houses and at showings, cyber security, and more.

7 SAFETY TIPS FOR REALTORS

- 01** Don't agree to a private showing unless you've already met the client.
- 02** Identify each of the home's exits prior to a showing or open house. Keep all doors unlocked.
- 03** Let your clients proceed in front of you during a showing.
- 04** Leave your purse or briefcase in the trunk of your car.
- 05** Don't wear expensive jewelry.
- 06** Shred all documents that include personal information.
- 07** Use smart passwords that include capital letters, numbers, and special characters.



REALTOR® SAFETY TIPS

Answering texts while driving can be very tempting, but here's a fact. If you text and drive, you're 23 times more likely to have an accident. Put down the phone. Send texts after you've parked the car.

Learn more at NAR.realtor/safety





NATIONAL ASSOCIATION of REALTORS®

It is important for you to know the laws regarding data security and privacy that affect your organization. Various state laws regarding data security have both common elements and differences. Learn more at NAR.realtor/DataSecurityToolkit.



For more safety tips from NAR, visit NAR.realtor/safety



REALTOR® SAFETY TIPS

Pre-program important numbers into your cell phone, like an emergency contact, your office, a roadside assistance service, and 9-1-1 to best prepare for an emergency.

Learn more at NAR.realtor/safety





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Understanding the Hispanic Homeownership Market

Wed., September 28
9:30 - 11 AM
SCCAR office, 2525 Main St., Soquel

Understanding unique homebuyer needs, challenges and opportunities within Hispanic communities can empower housing professionals to become trusted advisors. Knowing this market will allow you to create opportunities and provide solutions to advancing homeownership.

Speakers:
Lupe Quintero, RF Real Estate
Rudy Zamora, Aldina Real Estate
Victor Romero, Santa Cruz Lending Group

Registration: online at www.mysccar.org or 831-464-2000. \$5



Fairhaven: A Fair Housing Simulation by NAR



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2022 California General

The last day to register to vote for the November 8, 2022, General Election is October 24, 2022. All California active registered voters will receive a vote-by-mail ballot for the November 8, General Election. Your county elections office will begin mailing ballots no later than October 10, 2022.

Your General Election ballot will include:

- ▶ 7 Ballot Propositions
- ▶ Statewide candidates for U.S. Senate, Governor, Lieutenant Governor, Secretary of State, Controller, Treasurer, Attorney General, Insurance Commissioner, Member of State Board of Equalization, State Superintendent of Public Instruction
- ▶ U.S. Representative in Congress, State Senator, State Assembly Member
- ▶ Supreme Court Justices, as well as other local candidates and local measures.

Local Measures on the November 8, 2022 ballot:

- K - Santa Cruz City High School District Bond Measure
- L - Santa Cruz City Elementary School District Bond Measure
- M - Loma Prieta Joint Union Elementary School District Parcel Tax Measure
- N - City of Santa Cruz Empty Home Tax Initiative Measure**
- O - City of Santa Cruz Our Downtown Our Future - General Plan and Downtown Plan Amendment Initiative
- P - City of Santa Cruz Transient Occupancy Tax Measure
- Q - City of Watsonville Planned Growth and Farmland Protection Initiative Measure
- R - City of Watsonville Community Investment Tax Measure
- S - City of Watsonville Planning for Watsonville's Future Measure
- T - Boulder Creek Recreation and Park District Parcel Tax Measure



Return your vote-by-mail ballot by mail with prepaid postage as long as it's postmarked on or before Election Day and received by November 15, 2022, or in-person to a secure ballot drop box, to a voting location or your county elections office by 8:00 p.m. on November 8, 2022. Weekend voting – open 9 a.m. to 5 p.m. at Santa Cruz County Elections and Watsonville City Hall. Election Day – polls open at 7 a.m. and close at 8 p.m.

UPCOMING EVENTS & EDUCATION

County ADU Update

9/16

Attend this session on Friday to get updates on the County's most recent ADU ordinance. Instructed by Daisy Allen, Senior Planner for the County. While this class is part of our SCCP series, it can be taken independently.

Friday, September 16, 9:30 - 10:15 AM
Held via Zoom. [Register](#)



**OWN YOUR
PRESENT.
EMPOWER
OUR FUTURE.**

C2EX Learning Session

9/26

Commitment to Excellence (C2EX) from the National Association of REALTORS® empowers REALTORS® to evaluate, enhance and showcase their highest levels of professionalism. It's not a course, class or designation—it's an Endorsement that REALTORS® can promote when serving clients and other REALTORS®

Monday, September 26, 9 - 9:30AM
Held via Zoom - [Register](#) (free)



Buyer Broker Agreements

9/19

Changes are coming from C.A.R. in response to recent DOJ lawsuits. Make sure you are aware of the three different Buyer Broker Agreements. What makes them different, how they can help protect you and how to explain to clients why they are important contracts.

Monday, September 19, 10 AM - 12 PM
Held at the SCCAR office - [Register](#)

Understanding the Hispanic Homeownership Market

9/28

Understanding unique homebuyer needs, challenges and opportunities within Hispanic communities can empower housing professionals to become trusted advisors. Knowing this market will allow you to create opportunities and provide solutions to advancing homeownership.

Wednesday, September 28, 2022 - 9:30 - 11 AM
Held at the SCCAR office - [Register](#)



Know Before You Owe

9/21

Learn about new agent budgets, taxes, retirement, self-employment investment strategies, annuities and much more! This event is free with nosh! A one drink minimum is encouraged to help support the local business. No RSVP needed - just mark your calendar!

Wednesday, September 21, 2022 - 4-6 PM



Tour Marketing Meeting

Thursday Mornings

Join us for our weekly Tour Marketing meeting to promote a listing, hear about what's on the market and what's coming up, share wants/needs and see some friendly faces! Meetings are held at our office, 2525 Main St., Soquel from 9 - 9:30 AM.



TIPS & RESOURCES TO HELP BUILD MORE EQUITABLE & INCLUSIVE COMMUNITIES.

[LEARN MORE](#)

HOMEBUYERS GAIN MORE BARGAINING POWER IN AUGUST

BUT MEDIAN PURCHASE PRICE STILL 6% HIGHER THAN A YEAR AGO

As demand has cooled, homebuyers in many markets have regained some bargaining power. During the four-week period ending Aug. 28, the average sale-to-list price ratio fell to 99.8%, according to a report from Redfin released Thursday.

A year ago, the sale-to-list price ratio was 101.4%. This is the first time the sale-to-list price ratio has fallen below 100% since March 2021.

Overall, the report found that just 37% of homes sold for above list price, compared to 50% a year ago. In addition, on average, 7.5% of homes for sale each week had a price drop, same as the previous four week period.

“Homebuyers’ budgets are increasingly stretched thin by rising rates and ongoing inflation, so sellers need to make their homes and their prices attractive to get buyers’ attention during this busy time of year,” Daryl Fairweather, Redfin’s chief economist said in a statement.

Sellers’ attempts to price their homes more attractively can be seen in the 5.8% drop in median asking price from the record high set in May, to \$379,194. However, this asking price is still 9% higher than a year ago.

Growth in the median sales price of homes has also slowed, rising just 6% year over year to \$370,000, and down 6% from the record high of \$395,373 set during the four-week period ending June 19. Honolulu, and two California metro areas,

Oakland and San Francisco, saw their median sales price drop on an annual basis, falling 3.6% to \$676,875 in Honolulu, 0.5% to \$937,500 in Oakland, and 3.9% to \$1.45 million in San Francisco.

As buyer demand has cooled and sellers are unable to get as high prices for their homes, many are choosing to not list their home. During the four-week period, the number of new listings dropped 16% compared to a year ago. This is the largest year-over-year decline since May 2020. As a result, the number of active listings fell 0.9% from the prior four-week period. However, this metric is still up 4.2% compared to a year ago.

Despite the overall slowdown, homes are still selling at a fairly rapid pace, with the median number of days on market at 26 days, up slightly from 21 days a year ago under much hotter market conditions. During the four-week period, 35% of homes that went under contract had an accepted offer within their first two weeks on the market, down from 43% a year prior, while 24% had an accepted offer within one week, down from 30% a year ago.

“While the cooldown appears to be tapering off, there are signs that there is more room for the market to ease,” Fairweather said. “The post-Labor Day slowdown will likely be a little more intense this year than in previous years when the market was super tight. Expect homes to linger on the market, which may lead to another small uptick in the share of sellers lowering their prices.”

Reprinted from Real Trends, By Brooklee Han



BUYER BROKER AGREEMENTS

WHY, WHEN AND HOW TO GET THEM SIGNED

Changes are coming from C.A.R. in response to recent DOJ lawsuits. Make sure you are aware of the three different Buyer Broker Agreements. What makes them different, how they can help protect you and how to explain to clients why they are important contracts.

Monday, September 19
10 AM - 12 PM
SCCAR office, 2525 Main St.
Registration: \$25



Speaker: James Dill
Real Estate Broker

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Seascape Golf Course

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THE DIFFERENCE. REALTOR

As members of the National Association of REALTORS®, we are unified by the REALTOR® brand and our iconic trademark R. It's who we are – and it's important for consumers to understand that distinction. NAR has an award-winning national advertising campaign to differentiate and elevate the REALTOR® brand with consumers. But, what are WE saying to clients to engage in that conversation and articulate our value? Consumers should also learn that value directly from REALTORS®, and in a consistent way.

As a result, the National Association of REALTORS® developed language and supporting assets at TheDifference.realtor to help you, and every NAR member, succinctly articulate the REALTOR® difference. Please leverage these tools with your current and future clients – share it on your website, on social, in your profile and bio, at the bottom of emails and more.

Distinguish yourself by sharing the value of the REALTOR® brand, which unites us all, so consumers understand the REALTOR® difference.

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15 REASONS YOUR LISTING MIGHT NOT SELL

AND HOW TO FIX THEM

According to a recent Forbes report, active listing inventory in the U.S. is up nearly 31% for the third month in a row. Along with this comes longer days on the market, lighter showing activity, fewer competitive offers, and more power to qualified buyers.

With more listings to choose from, buyers' agents look for reasons to not show a property. Buyers look for reasons not to buy it — or at the very least — keep looking and delay their decision.

What causes a listing to not sell? Why does it expire? Why does a listing get deprioritized by buyers or buyers' agents? Some of the reasons may surprise you, but all of them can be remedied by the listing agent, the seller, or both. Let's take a look at some of the most common reasons listings get overlooked in a market where there's more to choose from.

The first three mistakes are all within the listing agent's control:

The listing is poorly presented. Little or no staging and other issues — clutter, questionable smells, messy or dirty and dark — all create problems. The goal is for the listing to show like a new construction model home. Consider adding shoe covers in a basket in the foyer. 'Please remove your shoes or cover them to protect the floors which may someday be yours!' The sellers will love you for saving them from vacuuming before and after every showing, and asking for visitors to cover their shoes sets a good precedent that this is a well-kept home.

The listing has a non-compelling description. This includes plain vanilla words like 'open and airy floor plan'. Don't make it sound like every other listing. Make the description convince me to show this property first. We used to borrow language from British Homes magazines; they're more descriptive and unique than the typical listing language we all see every day.

The listing has terrible pictures. This includes tiny iPhone pictures, pictures with kids sleeping in their beds, kitchen pictures with dirty dishes, and worse. You've seen pictures where the agent's reflection is in the kitchen mirror, holding their iPhone to shoot photos.

The next three mistakes that can cause a listing to sit and not to sell are in the homeowner's control, but can be directed by the listing agent:

The listing has too many showing restrictions. If you can only show it on a Friday afternoon if the baby isn't sleeping and it's sunny outside, you won't get many showings! If you can't show it; you can't sell it. If you're a buyer's agent who can show four homes this afternoon, but there are eight to choose from, the one that's hardest to show will always go to the bottom of the list!

The listing has poor curb appeal. Some 50% of the buying decision is made from the street. Does your listing look like a house that someone would be proud to come home to? Do some simple things to improve the curb appeal, put a wreath on the door, add a pretty front doormat, plants on the porch, landscaping, weed removal, re-sod dead portions of the grass, make the pool blue again and get that dog poo cleaned up from the yard.

The listing gives a bad impression when you open the front door. The other 50% of the buying decision is made in the foyer. A clutter-free, bright foyer should make the buyer want to see the rest of the house, NOT make them want to turn around and go see what's next on the list.

The next reasons a listing might not be selling are more technical and strategic mistakes:

Something could be wrong with your actual MLS listing. Maybe your pictures aren't loading, the description doesn't make sense or it's not categorized correctly. For example, in some MLS systems, if you don't put in the square footage and someone is searching for it, your listing won't pop up. Maybe I'm searching for 1,500 to 2,500 square feet for my buyer; if you didn't enter the square feet, I won't even see your listing. Take an MLS class so you know all of the ins and outs and won't make these simple but hidden mistakes.

The listing could be in the wrong pricing segment. If you're at \$509k, you're possibly the least attractive listing for a search from \$500k to \$750k. That should be \$499k to make it the BEST option for someone searching from \$350 to \$500k. This has been analyzed many times and some contend that the right price would be \$500,000 so that it appears when you search from \$350,000-\$500,000 as well as \$500 to \$750,000. See what works best for you.

The listing looks clearly overpriced when compared to its competition. If there are 10 listings that meet a buyer's criteria, and your three-bedroom listing is priced as if it's a four-bedroom, you'll always look overpriced and go to the bottom of the showing list. A price adjustment may be the only remedy here.

The listing has a confusing floor plan. For example, a modern home in a colonial area, split levels, or anything unusual needs to have extra staging so buyers and buyer's agents understand how the floorplan works. If you can't tell what a room is supposed to be, the home just won't resonate with a potential buyer. They may not put their finger on the reason, they'll just say that it didn't feel right.

The listing has negative feedback that never gets remedied and the price doesn't improve to reflect that. Repetitive negative feedback. This is what causes listings to expire. Be proactive and get estimates to address condition issues. Ultimately, if the price doesn't reflect the problems, it could be an unsellable listing.

The listing has too many personal items, like family pictures, degrees on the wall, specific artwork, etc. These items can distract the buyer from focusing on the property and how they would live there. Buyers want to think about their stuff, not the seller's stuff. You've all heard people walk through a listing and imagine where they'd put their couch, wonder if their dining room set would fit and which kid would get which bedroom. Too many personal items can make it so that conversation never happens and the buyers just want to move on to the next option.

The listing has obvious detriments, like bugs, dog hair, cat litter smells, a green swimming pool, or other off-putting things that are making the buyer run away. Either price it to reflect the condition or fix the condition.

The listing agent simply isn't proactive or effective at communicating with the seller. When there's competition in the market, you must have a proactive strategy for being the listing that wins.

Work to eliminate these potential issues. If that's impossible, you must price the home to be more competitive. It's no longer good enough to just be available. The home you are listing must SHINE and be the clear choice for any buyer who sees it.

Tim and Julie Harris host a podcast for Realtors called [Real Estate Coaching Radio](#).



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C2EX.realtor



Commitment to Excellence (C2EX) from the National Association of REALTORS® empowers REALTORS® to evaluate, enhance and showcase their highest levels of professionalism. It's not a course, class or designation—it's an Endorsement that REALTORS® can promote when serving clients and other REALTORS®

Learn the in's and out's of C2EX!

Monday, September 26
9 - 9:30 AM
via Zoom

Register: mysccar.org
Instructor: Marion Proffitt
2022 NAR Director
2022 C2EX Committee



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Report as of
September 2022
California Latest Market Data



How the market is doing



*Daily Average for week ending
September 3, 2022

627
Closed Sales per day*



371
Pending Sales per day*



306
New Listings per day*




% change indicates change from last week



What REALTORS® are saying

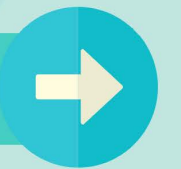
 **-5.2%**
19.5%
Closed a sale

 **-1.5%**
18.8%
Entered escrow

 **2.7%**
24.9%
Listed a property

% change indicates change from last month

What REALTORS® think will happen



-1.9%
9.3%
Sales will be **up**

-1.6%
1.1%
Prices will be **up**

3.7%
40.9%
Listings will be **up**

% change indicates change from last month

Source: California Association of REALTORS®

Santa Cruz County Housing Statistics

August 2022: Santa Cruz County - Single Family Residential

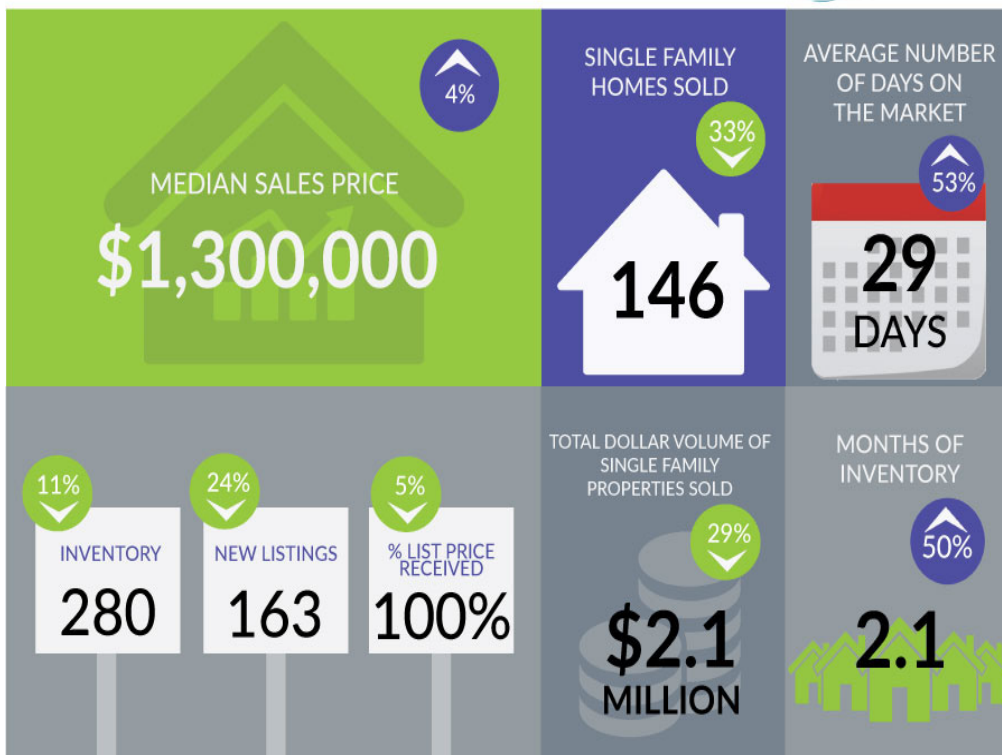
City	New	Inventory	Sold	Avg. DOM	Avg. Sale Price	Median Sale Price	Median \$/Sqft	% LP Rec'd	Sale Volume	Avg. Home Sq. Ft.	Avg. Lot Sq. Ft.	Months of Inventory
Aptos	27	41	28	29	\$1,716,571	\$1,417,500	\$844	99%	\$48,064,000	1,997	49,377	1.8
Ben Lomond	6	9	6	19	\$1,043,000	\$1,050,000	\$570	104%	\$6,258,000	1,871	14,433	1.4
Boulder Creek	17	22	12	20	\$873,333	\$790,500	\$622	103%	\$10,480,000	1,510	34,100	1.8
Brookdale	0	3	1	18	\$900,000	\$900,000	\$480	113%	\$900,000	1,876	111,993	3
Capitola	2	6	4	21	\$2,475,000	\$2,137,500	\$1,941	107%	\$9,900,000	1,373	4,657	1.5
Corralitos	3	6	1	51	\$950,000	\$950,000	\$786	100%	\$950,000	1,208	8,581	9
Davenport	0	0	1	63	\$2,000,000	\$2,000,000	\$1,151	100%	\$2,000,000	1,738	506,515	0
Felton	10	16	11	32	\$918,000	\$902,000	\$731	102%	\$10,098,000	1,457	15,543	1.6
Freedom	0	1	1	35	\$670,000	\$670,000	\$607	100%	\$670,000	1,104	9,496	1
La Selva Beach	4	7	0									
LOS GATOS	5	14	8	45	\$1,911,750	\$1,749,500	\$644	97%	\$15,294,000	2,991	335,684	1.9
Mount Hermon	3	3	3	15	\$780,000	\$935,000	\$570	105%	\$2,340,000	1,360	9,075	3
Santa Cruz	48	85	36	23	\$1,656,780	\$1,465,000	\$965	101%	\$59,644,106	1,724	13,210	2.3
Scotts Valley	9	18	13	46	\$1,334,538	\$1,300,000	\$739	97%	\$17,349,000	1,937	25,154	1.6
Seacliff	1	0	0									
Soquel	6	9	5	51	\$1,756,000	\$1,735,000	\$710	97%	\$8,780,000	2,736	75,890	1.8
Watsonville	22	40	16	28	\$1,035,558	\$815,000	\$573	97%	\$16,568,930	1,617	48,364	2.7
Summary	163	280	146	33	\$ 1,334,702	\$1,050,000	\$710	101%	\$209,296,036	1,767	84,138	2.3

August 2022: Santa Cruz County - Common Interest Development

City	New	Inventory	Sold	Avg. DOM	Avg. Sale Price	Median Sale Price	Median \$/Sqft	% LP Rec'd	Sale Volume	Avg. Home Sq. Ft.	Avg. Lot Sq. Ft.	Months of Inventory
Aptos	7	13	8	27	\$907,250	\$862,500	\$612	99%	\$7,258,000	1,411	1,437	1.9
Boulder Creek	0	1	0									
Capitola	7	10	7	24	\$813,050	\$775,000	\$674	97%	\$5,691,350	1,095	523	1.9
Freedom	0	1	1	84	\$640,000	\$640,000	\$482	98%	\$640,000	1,327	1,481	1.5
La Selva Beach	1	2	0									
Santa Cruz	15	20	13	22	\$896,846	\$882,500	\$678	101%	\$11,659,000	1,293	1,121	1.5
Scotts Valley	2	3	1	4	\$685,000	\$685,000	\$794	106%	\$685,000	863	1,002	1.5
Soquel	0	0	2	9	\$663,500	\$663,500	\$640	104%	\$1,327,000	1,037		0
Watsonville	9	15	6	22	\$766,666	\$712,500	\$621	99%	\$4,600,000	1,071	5,200	3.2
Summary	41	65	38	27	\$767,473	\$712,500	\$640	101%	\$ 31,860,350	1,157	1,794	1.6

MARKET MINUTE

AUGUST 2022 MARKET SNAPSHOT - SINGLE FAMILY HOMES - YEAR OVER YEAR



Sept. 05, 2022 – The Conference Board's monthly snapshot of consumer attitudes rose to 103.2 from July's downwardly revised 95.3. The share of consumers that see jobs as "plentiful" fell, but so too did the share finding jobs as "hard-to-get". The expectations component shot up almost 10 points to 75.1. While that is an improvement, it still places the measure at a point that is lower than all but three months in the past eight years. Gas prices at 4-month low might have provided some relief to consumers last month, but the decline in stock prices since mid-August could weigh on confidence in the coming month if markets continue to dip.

Read more:
<https://www.car.org/en/marketdata/marketminute>

