

Record Santa Fe home sales continue into winter

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Jodi Morris stands in her living room surrounded by travel mementos Thursday afternoon. Morris, founder and CEO of Connecting Growth Globally, moved to Santa Fe from San Francisco in September.

Gabriela Campos/The New Mexican

Winter is the new summer for home sales in Santa Fe.

For the first time, Santa Fe County saw as many homes sold in October, November and December as in the prime home buying months of July, August and September, according to the Santa Fe Association of Realtors.

The 557 homes sold in the fourth quarter nearly matched the 558 homes sold in the third quarter, and fourth-quarter sales were 31 percent higher than during the same period in 2019, association data shows.

The fourth quarter usually has the fewest homes sold.

No more.

“The seasonal factor has been stripped away,” said Roger Carson, association president and an associate broker at Keller Williams Realty Santa Fe. “When May rolled around [after a steep drop in sales because of COVID-19 restrictions in March and April], things just took off, and it’s been nonstop ever since.”

Homebuyers were willing to pay top dollar as the median sales price in the fourth quarter hit an all-time high of \$537,764, a 19.5 percent increase from the same period in 2019.

The median price was \$480,000 in the city of Santa Fe and \$606,500 outside the city, according to the association.

The lowest-priced sector — west of St. Francis Drive between Alameda Street and Interstate 25 — saw an 11.6 percent increase in median price, from \$313,750 in 2019 to \$350,300 in 2020. That area was also where the most homes were sold.

In the fourth quarter, there were only 228 homes for sale, the smallest inventory on record. That translates to a 1½-month supply of homes. In a balanced market, there is a five- to seven-month supply.

Houses can have a half-dozen offers and sell in a couple of days.

“It became a whole different world for brokers,” Carson said of the exceptionally tight housing supply. “There is a lot of chaos. There is a lot of anxiety. How do you properly advise your buyer?”

Texans and Coloradans remain the big buyers, but people from the East Coast and California also are flooding the market, experts said.

“We had terrible fires,” said Bay Area transplant Julia Sze, who moved into the Casa Solana neighborhood in April. “We had smoke for months on end. It’s clear this was going to be the new normal. I didn’t need to be in the Bay Area anymore.”

Sze said she briefly considered Berkeley, Calif., (way too expensive), then Boulder, Colo., (not very diverse) and Ashland, Ore. (rather isolated) before being won over by the adobe-style house Barker Realty associate broker Stephanie Duran found for her.

Sze is a financial consultant and adjunct faculty member at the University of California, Berkeley Haas School of Business.

Sze decided on Santa Fe in the months preceding the coronavirus pandemic, but many other Californians have discovered Santa Fe mid-pandemic.

“It’s the COVID effect,” Duran said. “People have been realizing they don’t need to be at the office. They can live anywhere. At the same time, they are fleeing higher density. Instead of just retiring to Santa Fe, they can live in Santa Fe now instead of having a multidecade dream of living here.”

Carson said plenty of Californians are coming to Santa Fe while working remotely at their California jobs.

“You’re going to see a new class moving in,” Carson said. “Telecommuting for jobs in San Francisco and New York, that is going to grow. People are finally realizing Santa Fe is the best place to live any time, especially in a pandemic.”

Sze’s San Francisco friends Jodi and Bob Morris visited her for Memorial Day. Sze lined them up with Duran. Two days later, after not at all expecting to move to Santa Fe, the Morrises found a house to buy near Bishop’s Lodge.

“Memorial Day weekend we found the house, and Labor Day weekend we moved in,” Jodi Morris said. “We didn’t have a plan.”

The Morrises had lived in San Francisco for 22 years, but growing crime and homelessness disenchanted them. Like many during the pandemic, the Morrises came to realize they didn’t need to be in the Bay Area for her to operate her global travel company, Connecting Growth Globally, or for his job at Charles Schwab.

“We needed to leave the Bay Area,” she said. “It wasn’t working for us anymore.”

Carson said Texans find Santa Fe exotic, but Californians find Santa Fe has plenty of similarities to much of California in terms of culture, terrain and sophistication.

“It’s like California on a smaller scale with no drama,” Morris said. “It’s been super easy to meet people.”

Carson said the buying spree in Santa Fe is fueled by near-record mortgage rates around 2.8 percent or lower and the relatively low housing prices compared to the West Coast.

Sze sold a 1,600-square-foot condo with a tiny yard in Mill Valley north of San Francisco for \$1.1 million and bought a 1,800-square-foot house with a large yard in Santa Fe for \$420,000.

“I love being here,” she said. “The outdoors are even more amazing than I realized. It’s much more culturally and historically rich than I realized.”

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