Local Market Trends | Santa Cruz County | September 2026

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The Real Estate Report

Home Prices & Sales Down in August

Sales of single-family, re-sale homes were down 12.4% compared to last August. There were 106 homes sold in Santa Cruz County last month. The average since 2000 is 157.

The median sales price for single-family, re-sale homes was down 4.6% year-over-year last month.

The average sales price fell 8.5%, year-over-year.

Inventory was down 9.3% compared to last August.

As of September 5th, there were 342 homes for sale in Santa Cruz County. The average since January 2003 is 681.

The sales price to list price ratio rose from 99.4% to 100%.

One hundred and forty-nine homes went into escrow last month.

Days of Inventory rose from 79 to 97. The average since 2003 is one hundred and thirty-nine.

Days on market was thirty-nine. That is the time from when a home is listed to when it goes into contract.

The median sales price for condos fell 9.1% year-over-year. The average sales price rose 1.9%.

Condo sales were down 17.2% year-over-year. Twenty-four condos were sold last month.

Inventory was down 16.7%.

As of September 5th, there were one hundred for sale in Santa Cruz County. The average since January 2003 is 141.

Days of inventory fell from one hundred & five to one hundred & twenty-five.

It took forty-five days, on average, to sell a condo last month.

Also, if you go to my on-line report and click on Recent Sales & Listings, you will see what has sold, what is for sale and what is pending in your neighborhood.

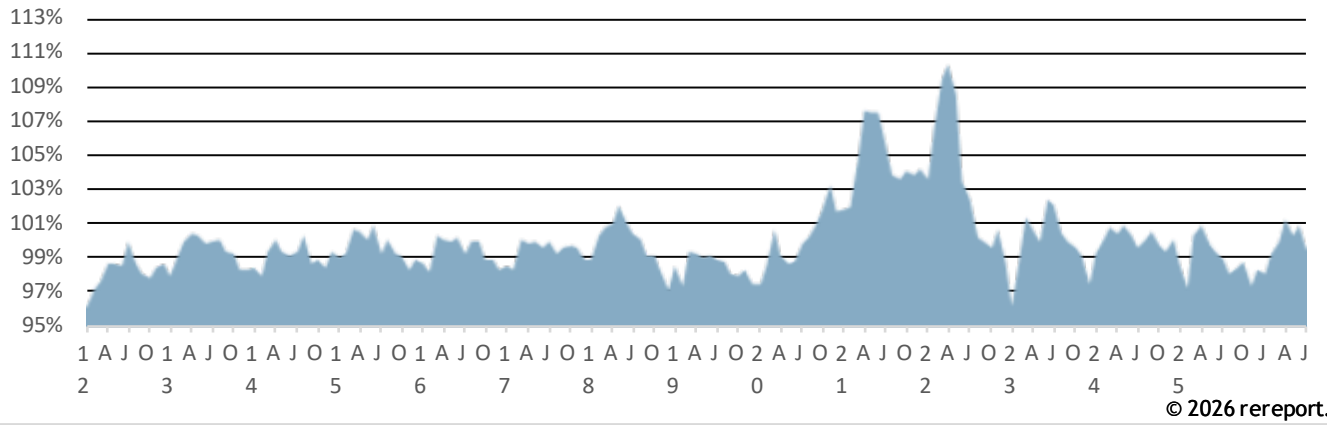
If you are planning on selling your property, call me for a free comparative market analysis.

HTTPS://TIMOHALLORAN.REREPORT.COM

VISIT

Search for recent sales & listings in your neighborhood, or in the neighborhood

Santa Cruz County Homes: Sales Price/Listing Price Ratio



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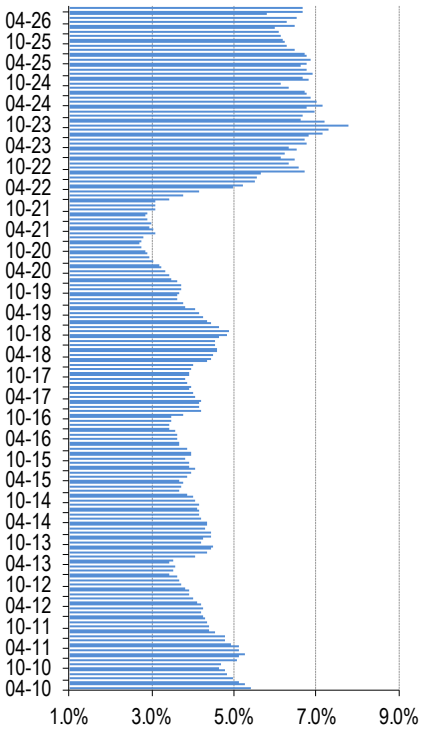
30-Year Fixed Mortgage Rates



The chart above shows the National monthly average for 30-year fixed rate mortgages as compiled by http://www.freddiemac.com/.

Saying Little, Speaking Volumes

August 28, 2026 -- Even after 100 days in office, little has been revealed about how Fed Chair Kevin Warsh feels about the stance of monetary policy and the economic conditions he inherited. We have come to learn that he isn't a proponent of providing "forward guidance", where the Fed reveals its hand regarding near-term policy expectations. However, we haven't learned much about his so-called "reaction function" or expected policy response when presented with a given set of economic conditions.

As far as forward guidance goes, Mr. Warsh said "Forward guidance [...] was adopted by my colleagues and me during the Global Financial Crisis. It was essential at the time [...] but, as with other legacies of crises past, I believe that the practice has overstayed its welcome. In normal times, the role of forward guidance should be limited and circumscribed." Later, he added "I'm not alone in noticing that forward guidance in 2021, to cite one example, might well have slowed the policy response to high inflation."

Mr. Warsh apparently believes in providing forward guidance when warranted, but not as a regular or routine communication tool. In his speech, he expressed concerns that setting market expectations can lead to policy errors, as they recently may have.

The National Activity Index from the Federal Reserve Bank of Chicago suggests that the economy ran at a sub-optimal level in July. Using an equilibrium rate of zero, the NAI seeks to show if the economy is growing above or below its "potential", or ability to grow without throwing off imbalances like inflation. While "potential" is a moving target, it's reckoned to be a GDP rate of perhaps as high as 2.4% but possibly as low as 1.8%. The NAI's -0.08 mark for July says growth was slightly below potential, and if potential is currently closer to the high end of the range, perhaps the FRB/NY's Nowcast is close to the mark on growth at present.

Personal incomes rose by 0.4% in July. Income growth was lifted by a 0.3% increase in wages, but also bolstered by a 0.5% rise in proprietor incomes, a gain of 0.3% in rental property receipts, a half-point gain in investment returns and another sizable (+0.8%) increase in government transfer payments for medicare, medicaid social security and such. While incomes were up for the month, spending was not, as real personal consumption expenditures

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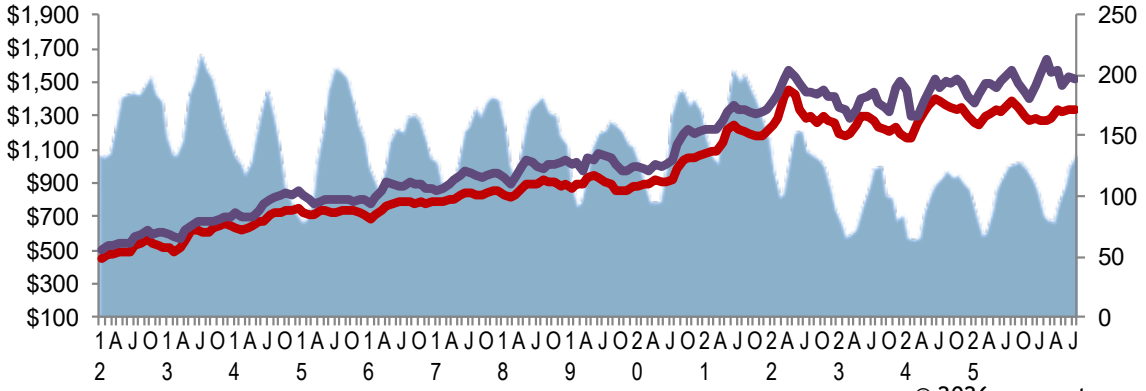
Santa Cruz County Homes - Median & Average Prices & Sales

(3-month moving average—prices in $000's)



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Santa Cruz County - August 2026

Single-Family Homes	Prices							% Change from Year Before Prices				
Cities	Median	Average	Sales	Pend	Inv	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven
SZC	$ 1,350,000	$ 1,434,160	106	149	342	97	100.0%	-4.6%	-8.5%	-12.4%	-12.4%	-9.3%
Aptos	$ 1,550,000	$ 1,715,730	21	24	53	76	98.6%	10.7%	1.7%	-8.7%	-7.7%	-26.4%
Ben Lomond	$ 1,107,000	$ 1,152,820	4	6	10	75	99.8%	0.3%	9.3%	0.0%	20.0%	-33.3%
Boulder Creek	$ 887,250	$ 935,208	12	14	30	75	98.9%	30.5%	19.1%	50.0%	16.7%	-47.4%
Capitola	$ 1,640,000	$ 1,600,830	6	4	14	70	102.4%	-0.9%	-3.7%	-40.0%	-20.0%	-17.6%
Felton	$ 915,000	$ 1,004,070	9	13	10	33	100.9%	7.6%	18.6%	0.0%	0.0%	-56.5%
Soquel	$ 1,325,000	$ 1,325,000	2	7	16	240	96.0%	-8.6%	-18.0%	-77.8%	-22.2%	14.3%
Scotts Valley	$ 1,690,000	$ 1,606,350	13	9	27	62	97.6%	-2.3%	-7.2%	44.4%	0.0%	3.8%
Santa Cruz	$ 1,550,000	$ 2,074,050	38	25	79	62	100.9%	-6.3%	16.3%	-13.6%	-28.6%	-15.1%
Watsonville	$ 749,500	$ 749,712	8	21	48	180	98.4%	-16.5%	-32.9%	-33.3%	0.0%	0.0%

Trends at a Glance

(Single-family Homes)

	Aug 26	Month %	Jul 26	Year %	Aug 25
Median Price:	$1,350,000	-3.6%	$1,400,000	-4.6%	$1,415,000
Average Price:	$1,434,160	-9.3%	$1,580,760	-8.5%	$1,566,980
Units Sold:	106	-15.2%	125	-12.4%	121
Pending Sales:	149	8.0%	138	-12.4%	170
Active Listings:	342	3.6%	330	-9.3%	377
Sale/List Price Ratio:	100.0%	0.6%	99.4%	1.9%	98.1%
Days on Market:	39	-10.4%	44	-17.8%	48
Days of Inventory:	97	22.2%	79	3.6%	93

(Condominiums)

	Aug 26	Month %	Jul 26	Year %	Aug 25
Median Price:	$814,000	23.4%	$659,500	-9.1%	$895,000
Average Price:	$902,562	35.6%	$665,475	1.9%	$886,103
Home Sales:	24	-20.0%	30	-17.2%	29
Pending Sales:	33	32.0%	25	-8.3%	36
Active Listings:	100	-4.8%	105	-16.7%	120
SP/LP Ratio	98.7%	0.0%	98.7%	0.0%	98.8%
Days on Market:	45	-44.8%	81	21.9%	37
Days of Inventory:	125	19.0%	105	0.7%	124

Santa Cruz County Condos - Median & Average Prices & Sales

(3-month moving average—prices in $000's)

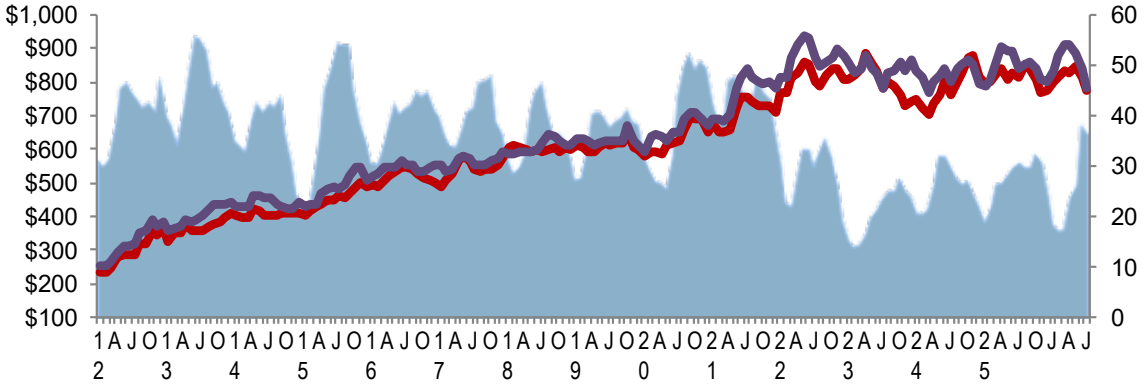

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Table Definitions

Median Price
The price at which 50% of prices were higher and 50% were lower.

Average Price
Add all prices and divide by the number of sales.

SP/LP
Sales price to list price ratio or the price paid for the property divided by the asking price.

DOI
Days of Inventory, or how many days it would take to sell all the property for sale at the current rate of sales.

Pend
Property under contract to sell that hasn't closed escrow.

Inven
Number pf properties actively for sale as of the last day of the month.

Santa Cruz County - August 2026

Condominiums	Prices							% Change from Year Before Prices				
Cities	Median	Average	Sales	Pend	Inv	DOI	SP/LP	Med	Ave	Sales	Pend'	Inven
SZC	$ 814,000	$ 902,562	24	33	100	125	98.7%	50.8%	61.9%	265.5%	313.9%	185.0%
Aptos	$ 946,800	$ 875,600	3	4	30	300	98.5%	15.8%	10.6%	-50.0%	-55.6%	-14.3%
Boulder Creek	$ 575,000	$ 575,000	1	1	2	60	96.6%	5.2%	5.2%	-50.0%	0.0%	-33.3%
Capitola	$ 596,500	$ 565,833	6	2	11	55	98.3%	-24.0%	-27.9%	500.0%	0.0%	-21.4%
Scotts Valley	$ 890,000	$ 890,000	1	3	13	390	96.2%	-1.0%	9.1%	-66.7%	-40.0%	18.2%
Santa Cruz	$ 775,500	$ 739,995	10	8	25	75	99.6%	1.5%	0.0%	-9.1%	-20.0%	-13.8%
Watsonville	$ 588,500	$ 560,938	8	3	20	75	98.7%	-32.2%	-30.3%	166.7%	0.0%	-28.6%

This is not intended as a solicitation if your home is currently listed.

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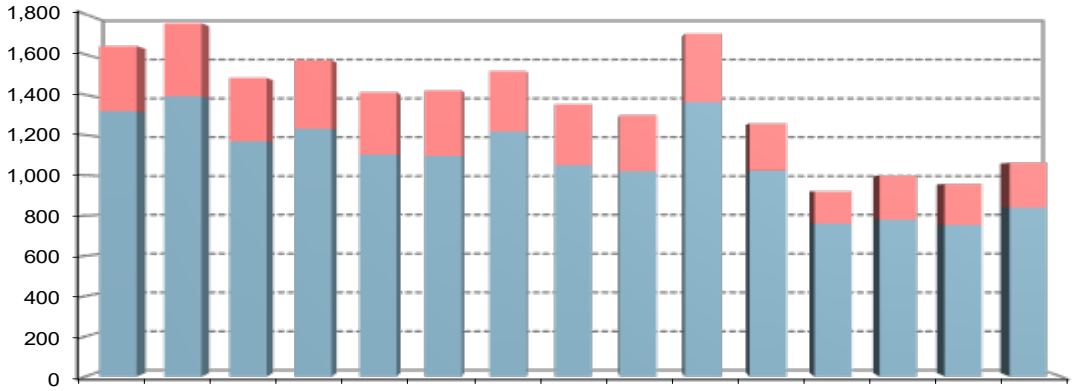
were unchanged. Less outgo than income meant more available for the piggy bank, and the national rate of savings improved by 0.4% to an improved (though still weak) 3% rate.

As might be expected, sales of new homes were soggy in July. The Census Bureau reported that sales of newly-constructed residences managed just a 607,000 annual rate of sale. This was a 10.5% deterioration from an upwardly-revised June figure, where 50,000 units were added to the initial estimate, lifting the total for June to 678,000. Supplies of new homes for sale remain more than ample; soft sales saw the inventory-to-sales ratio re-balloon to 9.6 months of supply at the present rate of sale; optimal supply is considered to be perhaps six months. If there's any positive in the report, it may be that new homes sold were less expensive; at $393,800, it is the lowest cost for a new home in five years, so there may be relative bargains available.

Mortgage rates hovering around one-year highs? Check. Applications for mortgage credit posting declines? Also check. According to the Mortgage Bankers Association, requests for mortgages declined by 1% in the week ending August 21. Applications for funds to purchase homes declined by 0.3%; those for loans to refinance existing mortgages dropped off by a full 2%. Mortgage rate conditions simply aren't supportive of any increase in activity at the moment, and this may be the case for a time yet.

Santa Cruz County
Sales Year-to-Date



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Condos	323	362	315	342	309	325	301	303	280	341	234	159	219	203	223
SFR	1,319	1,393	1,169	1,231	1,103	1,096	1,217	1,050	1,019	1,363	1,023	761	779	753	839

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