

Building boom at Redwood Shores reshapes community

Price survey changed to reflect new housing

by Corrie M. Anders
THE EXAMINER STAFF

REDWOOD CITY — Redwood Shores, a picture-perfect little community that edges out into the San Francisco Bay, has bounced back from the housing recession with a vengeance.

New construction is everywhere — seemingly as commonplace as seagulls, mallards and geese that idle along the many internal lagoons that meander throughout the neighborhoods.

The construction activity has been so frenetic that it has prompted a revision in The Examiner's Home Values survey affecting the waterfront community on the east side of U.S. 101.

For the last six years on a biannual basis, Coldwell Banker Residential Real Estate Services has ranked the value of specific homes in six regions, including San Mateo County, for The Examiner. But in homes initially tracked in Redwood Shores no longer represent a typical property there.

"Those homes are now 15 to 20 years old" and were replaced in the survey, said Glenda Spohr, Coldwell Banker's office manager nearby San Carlos. "There's been so much new construction at the entire makeup of the community has changed."

Located on the mid-Peninsula,

Redwood Shores is a mixed use residential and commercial neighborhood that got underway in the early 1970s. There were 2,300 housing units in the master-planned community by 1990 — just about the time the state's economy was starting to falter.

"Redwood Shores has suffered less and has come back sooner" from the recession than other communities, said developer Don Warren, president of Redwood Shores Properties. "It's come back with a vengeance."

More than 1,000 single-family detached, town homes and condominiums have been built in the last couple of years, Warren said. Another 700 are under construction or nearing the start of construction.

Because its nearly 1,500-acre site represents one of the largest parcels of developable land in the county, most of the new housing on the Peninsula has been built in Redwood Shores.

Population growing

That has swollen its population from 7,000 residents three years ago to approximately 10,000 today. After going for the high end market in its early days — with \$850,000 waterfront homes for executives — Warren said builders now are keying in on junior executives and secretaries by building single-family homes in the \$300,000 range and town homes and condominiums starting in the \$150,000-\$175,000 range.

Warren said property values have fallen 10 to 15 percent from

their highs of five years ago. However, prices have been more or less stable over the last year and probably would have risen if not for the wave of building activity.

According to the Home Values survey, the estimated value of a four-bedroom, single-family detached home in Redwood Shores held steady at the \$300,000 level of six months earlier. A three-bedroom residence showed a modest decline of less than 1 percent to \$349,000 while a two-bedroom condominium slipped 1.7 percent to \$239,000.

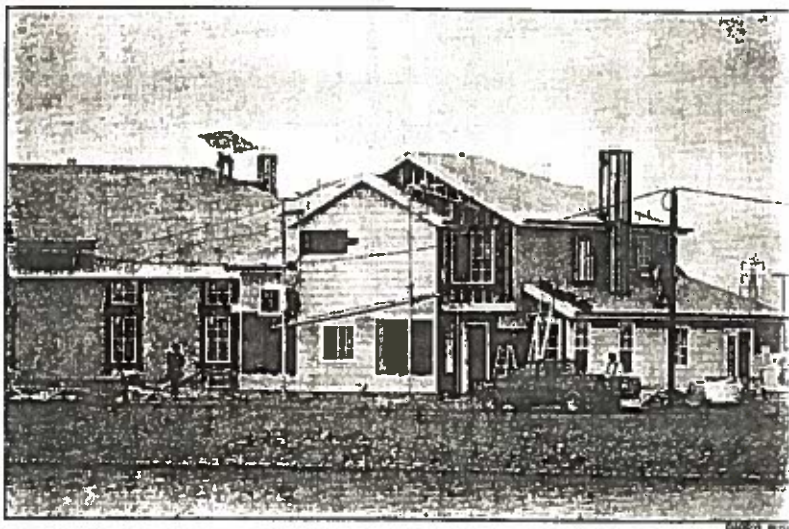
Countywide, the Home Values survey showed that three-fourths of the properties experienced modest gains or did not change in value — continuing the Bay Area's slow recovery from the housing recession.

Million dollar properties in the affluent cities of Atherton, Hillsborough and Woodside showed solid appreciation as did three-bedroom homes in the contiguous, mid-peninsula cities of Belmont, San Carlos and Redwood City.

Four-bedroom homes increased an estimated 4.8 percent to \$1,312,000 in Atherton, 4.5 percent to \$1,325,000 in Hillsborough and 3.9 percent to \$1,805,000 in the home country of Woodside.

Avram Goldman, Coldwell Banker's senior vice president, said properties in those affluent cities were boosted by the same combination of heavy demand factors that helped push up prices recently in the upper-end areas of San Francisco and Marin County.

Values had fallen so far from



Kaufman & Broad's new houses at Redwood Shores is one of many developments under construction there.

their 1989-90 peak — off 20 to 25 percent in some neighborhoods — that they represented "a good value," he said. And while many high-end shoppers are discretionary buyers, they were nonetheless prompted to purchase before this year's rising mortgage interest rates went even higher.

Goldman said those factors also advanced the value of three-bedroom homes in Redwood City, up an estimated 5.1 percent to \$304,750, in San Carlos, 3.9 percent to \$405,000, and in Belmont, 3.8 percent to \$330,000.

Last year, the average Redwood City home took 100 days to sell and this year it's 50 days, said Goldman. "That's really indicative of that whole area," he said.

Prices slipped in the northern county cities of San Bruno and Daly City, but rose in South San Francisco, according to Home Values.

Goldman noted that much of the housing stock in San Bruno and Daly City was built in the 1950s. Three-bedroom homes in those two cities, known for its fog, are in the \$240,000 range.

"There are just a lot of them, particularly in San Bruno, and people have been there a long time and they're moving out" and leaving a lot of older homes on the market, said Goldman.

South San Francisco, however, benefitted from its closer proximity to The City, its warmer weather, and relatively newer housing stock. Three-bedroom values were up 2.1 percent while four-bedroom homes rose 2.9 percent.

Owners of three- and four-bedroom Foster City homes — of which there is an oversupply — City suffered reversals of 2.7 percent and 5.4 percent respectively, according to the Home Values report.

Goldman noted that Foster City is a "nice place to live" but tends to have a "high concentration of transferees" of junior executives who are affected by frequent corporate movement of nearby companies.

REDWOOD SHORES

New housing under construction or planned to start over next several months at Redwood Shores:

► **Governors Bay**, 52 single-family homes by Greenbriar, in its final phase. The exclusive-style homes range from 2,912 square feet to 3,181 square feet. Prices are from \$499,950 to \$555,950. For more information, call JoAnn Connor at (415) 299-8888.

► **Laguna Pointe**, 121 luxury single-family homes by W.W. Dean, in its final phase, expected to be completed in 1995. Four floor plans range from 2,529 square feet to 2,854 square feet, with three to four bedrooms. Prices start at \$465,000. For more information, call Cindi Hayne at (415) 592-0407.

► **Hastings**, a 104-unit town home, condominium and flats project, recently started construction. The developer is Woodson Development Co. of Redwood City. Units will range from 798 square feet with one bedroom up to 1,535 square feet with three bedrooms. Prices begin in the mid-\$100,000s. For more information, call 1-800-543-3432.

► **The Shore at California Bay-side**, a 113 single-family waterfront home project by Kaufman & Broad, is under construction. Units will range from 1,600 to 2,000 square feet with three to four bedrooms. Prices will range from \$315,000 to \$345,000. For

more information, call Terri Amaya or Dayna Lucas, 1-800-900-4070.

► **The Cove at California Bay-side**, a 185-unit town house project by Kaufman & Broad, is under construction. Units will range from 1,187 square feet to 1,577 square feet. Prices will range from \$215,000 to \$240,000. For more information, call Terri Amaya or Dayna Lucas, 1-800-900-4070.

► **Legacy Homes of Belmont**, a 244-unit condominium project for which escrow closed in November. Construction scheduled to start early next year. Project will feature 12 three-story building clusters with units ranging from 907 square feet to 1,755 square feet. Prices will be from \$172,900 to \$299,900. For more information, call (415) 591-5556.

► **Stratford Bay**, in the planning stages, expects to break ground in 1995. It's a 105-unit, single-family home development by Greystone Homes of Campbell. The project will feature three floor plans ranging from 1,550 square feet to 1,843 square feet. Prices from the low to mid-\$300,000s. For more information, call Cathy Lawrence at (408) 370-1168.

— Corrie M. Anders

EXAMINER GRAPHIC

Home Values is a monthly feature of The Examiner Real Estate section. It monitors the values of homes in six regions — Alameda, Contra Costa, Santa Clara, San Francisco and San Mateo counties and the Marin County / North Bay area.

The survey in each area is conducted twice a year on a rotating basis. The survey doesn't report actual sales prices. Using appraisal techniques, sales prices and other market information, the survey tracks the value of three specific residences in each community: a two-bedroom, two-bath condominium; a three-bedroom, two-bath, single-family detached home and a four-bedroom, three-bath single-family detached home.

Each property is in the median-price range for the area and is typical of the kind of housing found there. The median means that half the homes sell for more and half for less.

Home Values figures aren't intended to represent the value of all homes in an area, but are one general indicator of property values. Actual sales prices of specific homes can vary sharply, depending on local market conditions, and values can be affected by the number of like sales available to make estimates.

The study contrasts with surveys by real estate trade groups, which depend on home price data voluntarily supplied by its members. Those figures, nationally or locally produced, are sometimes skewed because not all members supply the data, and many sales go uncounted because of real estate agents not affiliated with the trade organizations.