

Building Character

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James asked me what I might actually read if he mailed me something once a month. A newsletter? No. A glossy brochure? Nope. A recipe? Nuh uh. My own writing? Jackpot!

All kidding aside, I told him that when it comes to real estate, all I really want to know is how much my house is worth. And maybe more about the different neighborhoods in our area—places my friends and coworkers live. Places I might like to live or visit on an uneventful Saturday. I also told him, as his #1 customer, I cannot tolerate mail that is more than one page. OK, it can be front and back.

So, once a month I've promised to do a little write-up on one of our neighboring communities. I hope it inspires you to spend an afternoon exploring your local suburbs, drive-ins, and dives. And why not start with our new neighborhood?

Shasta Hanchett Park



Boundaries:

Historically called Hanchett Residence Park (now referred to as Shasta Hanchett), this neighborhood includes Shasta/Hanchett Park, St. Leo's, Garden Alameda, and Cahill Park neighborhoods in San José, California (According to my research, I would be remiss if I did not use the linguistically accurate San José... I find it adds a little something extra, don't you?).

History:

In 1905, Lewis E. Hanchett marketed his subdivision as a "desirable" neighborhood with amenities such as electric streetlights, a septic tank sewer system, and flush toilets. (Flush toilets! I'm sold...) Each resident purchased a lot and commissioned an architect to design a home that met Hanchett's design standards. The majority of the houses were built between 1915 and 1930 and include classic examples of California Craftsmen, Italian Revival, and Prairie-style architecture. The neighborhood's park-like streets feature European roundabouts and were designed in 1907 by John McLaren, the designer of Golden Gate Park in San Francisco.

There are only two residential parks in San José, Shasta Hanchett and Palm Haven in Willow Glen. Stay tuned for Palm Haven later this year...

Tours:

Last year we went on a really great home tour to raise money to re-build the original neighborhood entrance pillars. As you can imagine, we go on a lot of home tours and were genuinely appreciative of the lack of doilies, wall paper, and doll collections on this one. This year's Hanchett Park Spring Home Tour is scheduled for May 22, 2010 (www.hanchettpark.org). Go early, wear slip-on shoes, and pack water.

Places with Character:

Peet's Coffee & Tea, www.peets.com: This local chain coffee house is the place to see and be seen. I would wager a guess that every resident of this neighborhood visits Peet's at least once a week and twice on Sundays. If you're looking for somewhere with more seating and a quieter atmosphere, visit La Crema down the street (www.facebook.com/CremaCoffeeCo). I'll see you at Peet's—please leave me an olallieberry scone.

Café Rosalena, www.caferosalenasan jose.com: We just stumbled across this cute little place on the Alameda. Famous for their breakfast burritos, James had a great salad and I had breakfast for lunch. I'm all about places that don't have breakfast deadlines. She also seems to own Rosie's New York Pizza across the street.

Si Food, www.pescasifood.com: James and I have been arguing for months on whether this fabulous seafood taqueria is called Si Food or Dia de Pesca. It looks like James was right, but that's beside the point. I think "Si Food" is significantly more clever and if asked, would give them this tidbit of marketing advice. But who really cares when everything they have is delicious. Don't be deterred by the quasi permanent taco truck and outdoor eating. I ate here the day I went into labor and Jake seems to have turned out fine... I especially like the fact they have ceviche in the following sizes: chico, copa, extra grande, and super grande. Super grande is essentially a bathtub. ¡Buen provecho!

Schurras Fine Confections, www.schurrasfineconfections.com: Since 1912, Schurra's has been making chocolate and other goodies on the Alameda. I've always been meaning to stop in and vow that this is the month I'll make it happen... under the guise of Valentine's Day and Easter of course.

Plant 51, www.plant51.com: If you're the "San Francisco" type but find yourself living in San José, check out Plant 51. This old Del Monte cannery used to process dried fruit and has been converted into hip lofts featuring exposed brick and industrial design. It's close to CalTrain, VTA, HP Pavilion, and across the street from the site where rumor has it, we'll be getting a Whole Foods.

Jaimie Fucillo (a.k.a., James' wife), January 2010

To Squeak or Not to Squeak?

You've probably heard the expression, "The squeaky wheel gets the grease." In other words, the loudest complainer gets the most attention. Here's a story that suggests another point of view:

The other day I was at our local Peet's coffee on the Alameda. Waiting in what appeared to be an abnormally long line, I noticed that it appeared the staff was having "one of those days." The espresso machine seemed to be malfunctioning; one of the staff members was racing around trying to make sure all the brewed coffee makers were working and stocking the days baked goods. And the line of people waiting to get their first cup of coffee for the day already snaked around the store.

A woman at the back of the line began to complain loudly. "What's taking so long? Are you growing the beans back there or what? I don't have all day!"

"Yes, we're running on empty this morning," Rory, one of the great Peet's employees said with a pleasant smile. He motioned for the woman to come forward. "What can I get for you?"

"I want a large coffee with steamed milk - to go," barked the woman.

"No problem," said the Rory. He looked past the woman to the other customers waiting in line and offered them a reassuring wink. In a matter of moments he made the woman's coffee, took her money, and sent her on her way with a "Have a nice day!"

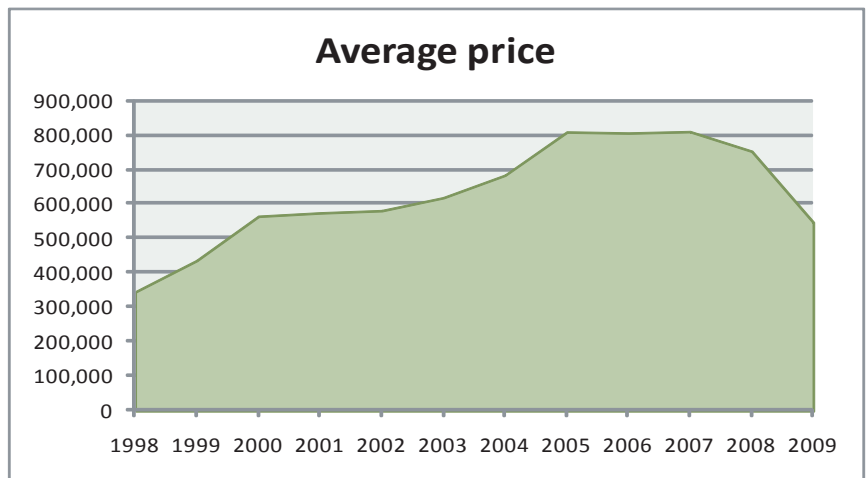
The other customers stood silently. Some had confused looks on their faces, others were bristling.

Then Rory made an announcement that put a smile on the face of every remaining customer: "Folks, I'm really sorry for the inconvenience this morning. Because you've been so patient, your coffee is on the house."

Sometimes it's OK not to be the squeaky wheel!

When we began looking for our first home, Jaimie and I looked at a lot of neighborhoods. We began to narrow down our search focusing on neighborhoods with character. After living on the peninsula we were very familiar with Palo Alto's Crescent Park & Professorville but our price range pushed us further south. We loved Mountain View and the downtown area had the quality of home we were looking for but still at a premium. That's when we found San Jose and the neighborhoods of Willow Glen, Naglee Park, and the Rose Garden. It's unclear at the time if the Rose Garden was still redefining itself or if we just missed the demarcation lines, but we lumped Shasta Hanchett into the greater Rose Garden area. One thing we did notice though was the style of homes in this neighborhood. Even before I was a real estate consultant, I would drive down the streets picking out the homes I liked best. Only later was it pointed out, through a recommendation of a friend & local historian, that the homes I enjoyed in all three of these neighborhoods were predominately designed & built by the same man, Frank Delos Wolfe (but more on him later).

Shasta-Hanchett Park has always been a popular neighborhood for those looking for homes of unique character. Many, if not most, of the homes were designed by local architects. And since being developed in the 20's & 30's, the area has maintained its unique charm & quaint tree lined streets.



The real estate market in Shasta Hanchett follows the numbers of the greater Rose Garden quite closely, with the odd blip coming from a high end, or historically significant home selling. Historically the neighborhood has seen a healthy 10% annual appreciation, with the exception being the years 2000-2008. Like most of the Bay Area the appreciation seen between 2003-2006, thanks in large part to the Sub-Prime lending market, had a dramatic effect on the average price in this area. Our current average price of \$550,000 is much more in line with what would have been an average appreciation during this last 10 year period as well as with general affordability. But average (or median) price doesn't tell the whole story. There are really three segments, or tiers, of home prices in this neighborhood. Tier 3 is the entry level market, which is quite hot right now. Priced between \$400,000-\$600,000, this market has a short marketing period (typically 30 days or less) and often sells with multiple offers, especially if the home is of unique character or curb appeal. Tier 2 are the homes between \$600,000-\$900,000. Most buyers in this market are "move-up buyers" often selling a smaller home or condo to get into this mid-priced home. The current inventory in this Tier is extremely low so hot properties are selling quickly while homes that need improvement or in a less desirable location can sit a while. This Tier has the biggest effect on our average price. Tier 1 are homes at \$1,000,000 or above. This Tier has had the most difficult time in the last 12 months. We've only seen a handful of homes at this price range sell, and average days on market can be more than 90 days. The current lending market has had a big effect on this Tier as well as the ability of Tier 2 homeowners to sell and move up to Tier 1.

Want to know more about this neighborhood market or what your home may be worth? Do you know someone who would love to buy a home in Shasta-Hanchett? Send me an e-mail @ James@Serenogroup.com



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