

Los Angeles Times

Cash-only home sales rise in California

All-cash buyers grabbed a record 30.9% share of California house and condo sales in January. In Southern California's most expensive communities, cash deals now account for as much as two-thirds of home sales.



A house is listed for \$4.2 million in Montecito, where 57.2% of sales go to cash buyers. (Joda / March 1, 2011)

By Lauren Beale, Los Angeles Times

March 1, 2011

Cash talks. And it's speaking loudly in California real estate these days, even in the nicest parts of town.

All-cash buyers grabbed a record 30.9% share of the Golden State's houses and condos in January as low prices lured investors and others, according to San Diego research firm DataQuick Information Systems.

Cash activity has been brisk for months in foreclosure-ridden areas such as Riverside and San Bernardino. But now, the cash buyer has become a major player in Southern California's most expensive communities, where cash deals account for as much as two-thirds of home sales.

Quotes from Rodeo Realty's Ian L. Brooks

"All-cash buyers are becoming the optimum buyer," said agent Ian Brooks of Rodeo Realty, Beverly Hills. "I just closed three deals in a row that were all cash."

Among the properties was a \$1.73-million condo at the Azzurra in Marina del Rey, a 19-story building known for its collection of paintings, sculptures and photographs by artists including Andy Warhol, Ed Ruscha and Roy Lichtenstein that adorn the lobby and other public areas.

Brooks says most of his clients who pay cash are investors looking for a fast close.

"We call it land banking," he said, "because buyers are literally taking these condos and homes and they are betting prices will go up."

"Cash will continue to prevail in any purchase, big or small," said Rodeo Realty's Brooks. "The all-cash offer is king."