

## For Bay Area tech elite, a second home is just, you know, normal

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CARMEL -- The minute Diane Flynn leaves her Menlo Park driveway, the vacation begins. She listens to TED Talks and music, calls her daughters, and arrives in about two hours at Santa Lucia Preserve, driving up, up and up the twisting roadway, passing through stands of valley oak and coastal redwood as the vistas open up in front of her -- pristine green canyons, rolling for miles -- before she finally pulls into the driveway of her second home.

It's time for her to get unplugged: "You've checked out of all the high-pressure hustle-bustle of Silicon Valley and checked into the most relaxing mindful place where you can enjoy life and friends and think," said Flynn, a tech marketing executive. "It's just an unbelievable escape. Our guests always comment on how well they sleep here. They check their cares at the gate."

And there is a gate.

Santa Lucia Preserve is a gated community that doubles as a wilderness preserve on 20,000 acres adjacent to Carmel Valley and Pebble Beach. With custom homes selling for between \$3.6 million and \$11.8 million, it also is one of the many getaways -- from the Central Coast up through Napa Valley, Sonoma County and Lake Tahoe -- that lure affluent Silicon Valley families looking for summers and weekends away from the brutal work routines of the tech economy.

The National Association of Realtors reports record sales of vacation and second homes across the U.S.: roughly 21 percent of all homes sold in 2014 fell into that category. In California, where real estate prices are through the roof, second homes accounted for only 5.3 percent of all home sales in 2015, according to the California Association of Realtors. That still translates into substantial numbers in Northern California: more than \$1 billion in residential home sales last year in North Tahoe alone.

Whether the recent stock market turmoil in the U.S., China and elsewhere will have a softening effect on the second-home market remains to be seen. For the moment, the numbers are robust: "When times are good, it's a growing market," said Mike James, president of the Bay Area and Hawaii regions for Coldwell Banker, the real estate brokerage. "When times are bad, it's the first shrinking market. It's good right now."

Ginger Martin, a Sotheby's agent based in the Napa Valley, would agree: "I have made my living on second and third and fourth-home buyers," she said. "That's my clientele. I'm dealing with the private equity and VC guys who fund the companies."

The Bay Area's middle class doesn't necessarily relate to that kind of braggadocio. To many of the region's residents, having a second home means renting a modest lakeside cottage for a week away with the family. Still, the accumulated wealth of the tech elite is substantial; for that portion of the population, second homes are both a way of life and a solid investment.

At Santa Lucia Preserve, where 18,000 acres are conserved through the community's own endowed land trust, development is a fairly laid-back affair. It is limited to 300 lots and the marketing emphasis is on slow-speed living.

Diane Flynn and husband Mark, comanaging partner of a venture group in Woodside, designed, built and furnished their approximately 8,000-square-foot house in 2000-2001 with a second couple from Silicon Valley, old friends from business school. It's a contemporary ranch-style house with three wings -- one for each family and another for guests -- radiating out from a large common area with 25-foot ceilings, kitchen and TV nook, pool table, grand piano and cozy knock-around sofas.

During holidays, long weekends and summer breaks, the children of both families have grown up together -- and count the preserve as their backyard, with its 100 miles of trails. When the Flynn's daughter Lisa turned 21 in 2013, she requested that the family mark the occasion with a favorite hike up to Hall's Ridge.

"We get there and the kids launch into a chorus of 'The Hills are Alive,' " Diane Flynn said.

Skewing toward baby boomers, while planning a shift toward younger Gen X buyers, Santa Lucia Preserve's amenities include a pool club and equestrian center, a golf course that encircles a mountain and a 1920s-era Hacienda of Gatsby-esque splendor, where residents can linger over cocktails and meals in front of roaring winter fires -- or drop by for takeout pizza. Residents invariably talk about the community's informal rituals: the summer camp programs, the annual dog show, the Friday night campfires with S'mores by the lake.

"Parents can put the helicopter down. They don't have to be circling," said developer Tom Gray, whose company purchased the 20,000 acres -- a former ranch -- for \$70 million in 1990. A lifelong backpacker, he said that "the land drives the plan" for development. That has been generally steady, though the dot-com bust and more recent recession have posed challenges. Since lots went on the market in 1999 -- all have been sold -- about 115 homes have been built, including one that encompasses 11,500 square feet and recently listed for \$8.5 million. Aside from its 9,600-square-foot residence, the spread includes a 12-car garage, caretaker cottage and guesthouse, plus barn, bocce court, infinity pool and home theater.

Even with that kind of luxury, many buyers say the preserve is a counterbalance to the rest of their lives. "It's not competitive," said Alayna Gray, a cosmetics executive before she and her husband, Tom, moved here a quarter-century ago. "A dress-up event is really not that attractive here. People wear jeans to dinner. It's back to some old values and the kids can just roam. There's no security concern."

In North Tahoe, the development known as Mountainside at Northstar puts a different spin on the unplugging-from-Silicon Valley theme.

With a marketing plan that targets Gen X families looking for second homes, it describes itself as a "ski-in/ski-out" community for time-strapped techies who want to get away and go. That's the message: Walk out your door, strap on your snowshoes or skis, then hit the 40 miles of trails crisscrossing the previously undeveloped mountainside between the Village at Northstar and the Ritz-Carlton hotel, now being lightly peppered with custom homes and townhouses across 3,000 acres.

"Yes, they're coming to unplug -- that's the point, to understand nature, for everyone to take a deep breath," said agent Jeff Brown who owns Tahoe Mountain Realty in the Village at Northstar. "The reality is that everyone's wiped out at the end of a day of skiing."

Single-family homes -- most of them glass-walled with expansive mountain views -- cost between \$3.6 million and \$9.3 million. The newest ones are designed by Bohlin Cywinski Jackson, the architectural firm behind the design of Apple stores. (Townhouses aimed at a younger millennial crowd begin at \$1.95 million.)

Staff outfitters are available to arrange everything from massages to grocery shopping, baby-sitting and ski lessons for the kids. Private concierges work out of Mountainside's community hub, which is known as the Tree House and has a fitness center, pool, game room -- and more awesome vistas. Upon request, the outfitters go hiking with homeowners, too.

Senior partner Ron Barnes emphasized what Mountainside is not.

Not gated, it is a remote enclave with one long and winding road leading to it. Unlike nearby Martis Camp and other more traditional Tahoe communities that cater to the tech and venture capital elite with golf course and lodge, it is an example of "esoteric development," he said. By summer, it will offer movable meditation and yoga huts -- set down here and there on the mountain by helicopter -- and, some time in 2018, a Zen Cube think tank and gathering space for executives and their associates.

The Zen Cube will have glass walls, too.

Unlike Santa Lucia Preserve, Mountainside isn't about buying a lot and then designing and building one's own home, a lengthy process.

Rather, the residences -- 10 single family homes and 43 townhouses have been completed thus far -- are built and sometimes furnished by the parent company. That's because Gen X buyers, said agent Brown, want "instant gratification. They are making this purchase in order to maximize the time with the family and they know the clock is always ticking. So waiting a couple of years to build essentially mortgages that time. So this is about, 'Let's go, let's start enjoying this now.' "

Then again, there are all kinds of gratification, instant and otherwise.

Back at Santa Lucia Preserve late one recent afternoon, Diane Flynn sat down in the courtyard of the Hacienda, shady from the labyrinth of old madrone branches overhead. Glass of chardonnay in hand, she lingered with friends Jeff

Chambers and Andi Okamura, of Atherton, who built a home here about five years ago -- and whose son Nat was married at the preserve in 2014.

They mused over the pleasures of the place.

"The minute we drive through the gates, it feels like we're in another world, just relaxing and peaceful," said Chambers, semiretired from his private equity firm on the Peninsula.

"Exactly. Leave your worries behind," said Flynn.

"It's time to decompress," said Okamura. "I can spend hours in front of a window doing a puzzle or needlepoint -- but I can also spend five or six hours on the golf course."

She laughed.

"I can do what I want. I'm home."

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