

SPRINGFIELD!

Westwood/Beacon Hill

A Real Estate Letter from Matthew Maury of Stuart and Maury Realtors

January, 2004

Dear Springfield/Westwood/Beacon Hill Area Resident,

How much more can be said? If you owned a house in 2003, it's worth more than a year before. It's worth a lot more than it was a few years ago. We all should have bought a bunch of houses in the last few years. Who knew? In our hearts, we all knew the answer to that question. We knew that if we owned classic colonial architecture inside the Beltway, beneath magnificent tall trees and near superb, renovated schools, we were going to experience excellent appreciation in the long term. A very wise Realtor with 55+ years of experience (William C. Stuart III) said to me recently, "Never, ever, doubt the value of Bethesda real estate." Sounds simple, but remarkably true. Buyers in the today's market place seem vaguely worried about "buying at the top of the market." I hear this a lot. A long-term view of value obviously reveals that quality houses go up in value. This is indisputable.

For the 22nd consecutive year, this letter will review and discuss what happened in your community with respect to real estate values and trends in 2003. The recap on the last page provides complete and comprehensive data on each sale in the Springfield/Westwood area during the past year and the "Through the Years" page will continue to demonstrate the amazing course of Springfield/Westwood prices since I started this letter in 1981.

Five years ago the average sales price of a Springfield home in 1998 was \$409,821. **In 2003, the average price of a Springfield/Westwood home soared to \$732,150.** That's a 78% increase in value in the last five years. A very large and detailed article in the Washington Post appeared on Saturday January 3rd, 2004. The article was stunningly positive on the future of real estate and values. The Post is often cautious and pessimistic about the future when it comes to real estate. This article was a bit of a revelation to me. Page after page extolled the virtues of the coming year and the apparent certainty of reasonable interest rates, brisk sales and rising values. National real estate experts expect appreciation in the range of 4-5% in the coming year, but commented that the D.C. area could perform even better.

Let's take a look at the 'wider' picture happening in the immediate area nearby:

- There were **236** single family detached homes sold in the **20816** zip code in 2003. The average sold price was **\$768,377**. 20816 homes sold on average OVER the asking price in the past year. The high sale in the zip code was the \$2,350,000 sale in Fort Sumner and the low sale was \$388,000 on River Rd. in Greenacres. There were 30 sales over \$1,000,000 in the 20816 zip code in 2003, including two sales over \$2,000,000 (the other sale was in Westmoreland Hills). It took on average 40 days for a home in the 20816 zip code to go under contract, quite a bit longer than the 16 days in Springfield/Westwood!

- The cost of single family housing in the 20816 rocketed up **19.9%** from the 2002 average of \$640,650 to an astounding average in 2003 of **\$768,327**. This is largely attributable to the creation of new housing stock over \$1,000,000. Throughout many communities, new homes are springing up where small, outdated homes used to be. **The number of homes sold over \$1,000,000 in the 20816 zip code rocketed up from only 7 in 2002 to 30 in 2003.**

When homes that sold for more than \$1,000,00 are factored out of the 20816 sales stats for the past year, the average single family home sold for **\$680,936**, an **11%** increase over the 2002 average of \$614,738. Now let's look at the past year and the strength of the market in the Springfield/Westwood area:

- Only 20 homes sold in your community in 2003, about 3.3% of the 600 or so homes in the Springfield area. The 20 sales are 13 less than the 33 posted in 2002. The average number of sales over the past 20 years has been 25. When the number of home sales is stable and inventory remains reasonably low, each offering will be viewed by the public as special and will continue to garner a great deal of attention. But it is true that we don't have enough homes to sell to all the eager buyers and inventory is almost shockingly low. There are only a handful of homes for sale in the entire zip code under \$1,000,000 as of this late January writing.
- The average price in the Springfield area rose a terrific **18.6% to \$732,150**. The average price has risen every year since 1997. Average Springfield area values have now increased more than **\$322,329** in just the last five years, including a **\$162,038** rise in the past two years. In 2003, colonial sales almost doubled from four in 2002 to seven in 2003 and this contributed a great deal to the dramatic increase in the average sales price.
- The high sale for the year was a private sale on Albia Rd. for **\$1,100,000**. That is, by far the highest sale ever in the community, although this past summer a home in our community received an offer *over* **\$1,600,000**. The offer was ultimately turned down and the owners decided to stay in Springfield, but it does show the deep and enduring interest the marketplace has in the expanded and rebuilt homes in the Springfield area. I continue to believe strongly that there may well be as many as 40 homes worth over \$1,000,000 in the Springfield/Westwood/Beacon Hill community at this point. Additionally, I sold a second Albia Rd. home this past year for \$1,000,000.
- Returning to form, four of the five top sales in 2003 were the colonial style. Last year, the split sales dominated the top of the list. The **median** sale in the Springfield/Westwood area last year was \$696,000, with ten sales above that figure and nine sales below.
- The low sale in the Springfield area in 2003 was a rambler on Brookeway Dr. that sold for \$529,000. In 2002, the low sale was a private sale on Marengo for \$410,000. Only four homes were sold under \$600,000 in our community during the past year. Two were ramblers, on Cromwell and Brookeway, one was a split on Pollard, and one was a cape cod style on Briley Place.

- Once again, Springfield area homes sold for **99.6%** of the asking price last year, matching the figure posted the previous two years. Eight of the twenty sales took place over the asking price and another seven sold at the asking price. A Newington Rd. split-level property, dubiously priced at \$549,000, sold \$107,000 over the asking price at \$656,000. The home had eleven offers and I had more than a few calls from community members asking, “what the heck is that Newington house for sale all about?” A colonial sale on Ridgefield sold \$67,000 over the asking price at \$696,000 and also had multiple offers. On the other side of the equation, a split listed on Albia sold for \$39,000 *less* than the original asking price during the past year.
- Seven colonials sold in 2003, at an average price of **\$850,142**, UP from the 2002 average of \$735,875. This figure is up 25% from two years ago. The high colonial sale was the aforementioned Albia sale at \$1,100,000. The low colonial sale was \$625,000 for a home on Westbard Ave.
- Only five split-levels came on the market in 2003, selling at an average price of \$749,800. This price was fueled in part by the Frank Bell renovation on Newington that sold for \$959,000. The average split sale during the past year jumped in value another 17% from the previous year average. The high split sale in 2003 was \$959,000 on Newington, The low split sale was on Pollard for \$530,000.
- Seven ramblers sold in the Springfield/Westwood area in 2003, at an average price of \$626,285, up 23% from last year’s average and up 37% from two years ago. The high rambler sale for the year was \$715,000 on Brookeway Dr., purchased by the next door neighbors who moved about 35 feet from their old house to the new property. The low rambler sale was my **Stuart and Maury** listing on Brookeway for \$529,000.
- On average, it took about 25 days to sell a Springfield/Westwood area home in 2003. Eleven of the twenty sales occurred within a week of going on the market. The average was skewed by a couple of homes that languished on the market with overly optimistic initial asking prices, including a rambler on Newington that took about 83 days on the market to sell.
- **Stuart and Maury** and I sold 10 Springfield/Westwood area homes in 2003. That’s 50% of all the homes sold in your community. Year after year, Stuart and Maury and I consistently serve the Springfield/Westwood area with distinction. No other agent touts a web site with a devoted Springfield section, no other agent has sold over 125 Springfield area homes and another 280 in next door Wood Acres. My commitment is long term and enduring.

- These Springfield area homes have sold since my last letter in the fall:

		Original/List Price	Final Price
1)	5306 Brookeway Dr.	\$719,000	\$715,000
2)	5606 Newington Rd.	\$549,000	\$656,000
3)	5304 Brookeway Dr.	\$689,000	\$650,000
4)	5813 Ogden Court*	\$649,000	pending
5)	5605 Pollard Rd.	\$549,000	\$530,000
6)	5305 Brookeway Dr.*	\$529,000	\$529,000

***Stuart & Maury Realtors sale.**

- There were 236 single family homes sold in the 20816 zip code in 2003, about a 10% increase over the previous year. The following chart tells an interesting story:

# of sales In 2003	Ave. Price in 2003	% increase from 2002	Ave. Days on market	Hi sale in 2003	Low Sale in 2003	# Sales over Million
20814 Zip Code						
257	\$659,804	+11.02%	39	\$2,250,000	\$300,000	26
20815 Zip Code						
304	\$812,448	+1.8%	44	\$2,500,000	\$319,000	68
20816 Zip Code						
236	\$768,377	+19.9%	40	\$2,350,000	\$388,000	30
20817 Zip Code						
500	\$769,802	+11.4%	42	\$3,925,000	\$315,000	85

- In 2003, the appreciation action turned out to be in the 20816 zip code, a change from the previous year when 20817 led the way. The surprise is that Chevy Chase appreciation lagged behind. It didn't feel that way during the year however and 20815 did post an astounding 68 sales over \$1,000,000. Altogether, the four zip codes posted 209 sales over the million dollar mark. Wow! The high sales for the year were way up in all four zip codes in 2003, with the sale in 20817 on Arrowood Rd. topping the list at \$3,925,000. The low sales were also way up from the previous year with the lowest sale coming in Bethesda for \$300,000 on Fleming Avenue off Old Georgetown Rd., north of the Beltway.
- My web site at www.matthewmaury.com continues to expand. For the last two years, I have arranged for a professional photographer to take a virtual tour of each Springfield/Westwood area listing I have. These past sales can be accessed at "Springfield" on my site. Over time, the comparable information and the ability for real estate appraisers to access not only the data but also actually *see* the home inside and out has proven quite useful. If you refinance in 2003, feel free to direct your appraiser to my site for accurate and comprehensive information. I plan to maintain and keep these virtual tours for years to come, so they will be there accumulating weight and value. The tours also prove valuable for buyers with out of town parents or relatives that want to get a look at the home the buyers are considering.
Ain't technology grand!

- I thought you might be interested to see some 2003 year-end stats on surrounding communities in the 20816 zip code:

	# Sales	Average Sales Price	High Sale	Low Sale
Brookmont	9	\$744,022	\$1,095,000	\$539,000
Fort Sumner	6	\$1,012,127	\$2,350,000	\$699,900
Glen Echo Hts.	35	\$803,315	\$1,500,000	\$450,000
Glen Mar Park	14	\$668,282	\$1,275,000	\$425,000
Greenacres	12	\$584,988	\$637,750	\$388,000
Springfield	19	\$712,789	\$1,000,000	\$744,022
Sumner	21	\$817,027	\$1,450,000	\$575,000
Tulip Hill	5	\$849,000	\$995,000	\$700,000
Westgate	26	\$772,634	\$947,500	\$390,000
Westmoreland	19	\$1,086,726	\$2,060,000	\$690,000
Wood Acres	19	\$638,465	\$734,000	\$513,000

- A few caveats are in order. In Fort Sumner, the sale of one spectacular home at \$2,350,000 skewed a very small sample. The average drops to \$789,149 when the big sale is dropped out. The Glen Echo Heights average is skewed by several very large knockdown-rebuilds. Only eleven of the thirty-five sales were over the \$828,294 average in Glen Echo Heights. It is interesting to note that almost twice as many homes sold in Glen Echo Heights in the last year compared to our Springfield community. The Glen Mar Park average drops to \$574,245 when the two new home sales over \$1,000,000 are taken out of the equation.

It is fascinating to point out how many of the above communities had sales over \$1,000,000. The phenomenon of homes being knocked down and rebuilt into today's larger 4500 square foot plus homes has certainly touched the Springfield area as well.

- In 2003, I was fortunate enough to sell over **\$27,000,000** worth of real estate, bringing my career totals to over **\$325,000,000**. Stuart and Maury Inc. Realtors completed its 48th year in business serving the Bethesda area. It was our very best year ever.

Call me anytime to discuss your real estate needs, I'm here to help.

Sincerely,

Matthew Maury
Principal Broker
Stuart and Maury Inc. Realtors
301-928-8686 24 hours

P.S. This Springfield/Westwood/Beacon Hill newsletter, past newsletters, a 2003 year end recap of sales activity in the community and a history of Springfield sales going back to 1983, can be accessed at my web site **www.matthewmaury.com**. Click on "Springfield".

**Stuart &
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Springfield Area Sales Recap 2003

Address Original homes	Original price	Final price	Style of home	Total Bedrms	Full Baths	Half Baths	List Month	Days on market	Settlement Date
1. 5607 Albia Rd.	unknown	1,100,000	Colonial	5	3	2	May-03	1	05/29/03
2. 5602 Albia Rd.*	\$1,000,000	\$1,000,000	Colonial	4	3	1	August 02	1	04/30/03
3. 5405 Newington Rd.*	\$1,089,000	\$959,000	Colonial	5	3	1	July 03	74	10/09/03
4. 5406 Albia Rd.	\$950,000	\$950,000	Colonial	7	4	1	May 03	37	08/29/03
5. 5300 Ridgefield Rd.*	\$899,000	\$901,000	Colonial	4	4	1	March 03	6	05/15/03
6. 5601 Lamar Rd.*	\$839,000	\$850,000	Split level	5	3	0	September 03	6	10/06/03
7. 5700 Springfield Dr.*	\$729,000	\$730,000	Split level	4	2	1	May 03	6	07/31/03
8. 5306 Brookeway Dr.	\$719,000	\$715,000	Rambler	4	4	0	October 03	6	12/03/03
9. 5211 Ridgefield Rd.	\$629,000	\$696,000	Colonial	4	2	2	March 03	5	05/15/03
10. 5421 Albia Rd.**	\$719,000	\$680,000	Split level	5	3	1	March 03	15	04/30/03
11. 5504 Cromwell Dr.*	\$679,000	\$679,000	Colonial	4	2	2	May 03	4	06/27/03
12. 5606 Newington Rd.	\$549,000	\$656,000	Rambler	4	2	0	November 03	4	12/05/03
13. 5415 Newington Rd.*	\$689,000	\$655,000	Rambler	4	3	0	December 02	83	06/02/03
14. 5304 Brookeway Dr.	\$689,000	\$650,000	Rambler	4	2	1	October 03	23	12/03/03
15. 5801 Kirkwood Dr.	\$639,000	\$629,000	Rambler	4	2	1	March 03	14	05/14/03
16. 5509 Westbard Ave.	\$649,000	\$625,000	Colonial	4	2	1	January 03	50	05/02/03
17. 5316 Briley Place	\$559,000	\$559,000	Cape Cod	4	2	1	March 03	6	05/15/03
18. 5401 Cromwell Dr.*	\$529,000	\$550,000	Rambler	4	3	0	February 03	4	06/13/03
19. 5605 Pollard Rd.	\$549,000	\$530,000	Split level	3	2	1	September 03	34	12/03/03
20. 5305 Brookeway Dr.*	\$529,000	\$529,000	Rambler	3	2	0	November 03	1	12/16/03
Average:		\$736,649					Average		
		99%					Days on market	16	

Source: Metropolitan Regional Information System, exhaustive public record research & careful memory.
 *Stuart and Maury & Matthew Maury participated in the sale of these homes (10 of 20) (50%). ** Stuart & Maury/Bob Jenets sale.

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Springfield area sales history through the years!

YEAR	AVG. SALES PRICE	HOUSES SOLD	GAIN/LOSS
1983	\$194,511	22	**
1984	\$202,464	28	+4.0%
1985	\$221,315	29	+9.3%
1986	\$247,090	22	+11.6%
1987	\$312,560	33	+26.5%
1988	\$404,444	45	+28.1%
1989	\$391,091	19	-3.3%
1990	\$453,300	20	+15.9%
1991	\$383,591	28	-15.4%
1992	\$372,950	16	-2.8%
1993	\$421,695	22	+13.0%
1994	\$404,260	23	-4.1%
1995	\$393,294	17	-2.7%
1996	\$387,227	26	-1.5%
1997	\$382,227	36	-1.3%
1998	\$409,821	31	+7.2%
1999	\$476,245	31	+16.2%
2000	\$511,386	22	+7.4%
2001	\$570,112	19	+11.5%
2002	\$616,812	32	+8.2%
2003	\$732,150	20	+18.7%

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