

SUMNER

REAL ESTATE NEWS FROM

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NEIGHBORHOOD NEWS



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Real estate activity in Sumner has continued at a good pace since my last newsletter, with **eight more sales** taking place since May 1st. As a reminder, there were a total of seventeen sales in the calendar year 2013. Adding these last eight sales to the nine that settled in the first four months of the year, we have already equaled last year's total.

Statistically, prices have been stable over the last eight sales with an **average price of \$1,051,250**. Combined with the first nine sales which averaged \$1,197,167, the average price so far this year calculates to be \$1,138,588. Last year's average was \$1,074,706 so values have increased by about 6% this year, at least according to the stats.

Sales have been rather brisk, as well, with an average of 22 days marketing time before getting a contract. That figure, too, is better than the average for last year, which was 45 days. The statistics don't lie but they can be a little deceptive. Certainly with our dwindling inventory, it is not surprising for houses to be selling quickly but some properties do *not* sell immediately. The quick sales and stories of multiple offers with

escalation clauses over the asking price are the focus of our attention but mispricing of any property will still cause a lengthy marketing experience that ultimately results in a lower price.

There is an upside and a downside to a market as fast as ours. The upside is obvious—it is no fun being on the market, having to keep your house in showing condition all the time and suffering through missed and late appointments. So what a blessing to have that over with quickly! The unfortunate negative ramification of such a fast pace is the effect it has on the buying public's perception about a listing. That perception is that if a house has not sold in a matter of a couple weeks, there is something wrong with it. Buyer's have come to expect good listings to sell quickly and absent that, they assume that the price must be too high or that it needs too much work or that it has a bad lot or whatever. As the days on market accumulate, it does not take long before a home is stale and the activity level drops dramatically. That is why it is so important to get the condition and pricing right at the beginning. It doesn't matter if you have all the time in the world to sell your house, the best price will come from one of the hottest buyers and those buyers will see your property within the first week or so. An opportunity to sell within that time should not be missed.

In ascending order of price, the recent sales include:

5014 Fort Sumner Drive; originally listed for \$860,000; reduced to \$845,000; four bedrooms upstairs; somewhat updated kitchen; small backyard due to its corner lot but prominent setting; Sold at \$850,000 but with a seller credit to the buyer of approximately \$15,000 for a net effective price of **\$835,000**.



5023 Sangamore Road; this was my listing but it sold before being posted for sale; a week before this home was ready for market, I sold 5801 Namakagan Road in Mass Avenue Hills which had multiple offers; I mentioned this home to the runner-up contract there; they toured the house, liked it and bought it for **\$865,000**.



4913 Fort Sumner Drive; listed in late March for \$895,000; this house had a measure of deferred maintenance and was in need of some updating; but not many houses for sale in March; ratified a contract after fifteen days; settled for **\$870,000**.



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4408 Sangamore Road; listed for \$1,090,000; this is a newer house (1989) that is not within the neighborhood proper; it is a little cul-de-sac of homes off Sangamore Road as you proceed past the shopping center toward MacArthur Blvd; reduced to \$997,500 and eventually sold for **\$950,000**.



5608 Overlea Road; listed for \$1,100,000; handsome stone façade on a four bedroom colonial with a walk-out basement to a level, grassy yard; very good condition; reduced to \$1,049,000 and then \$1,029,000; sold after 54 days on the market for **\$1,010,000**.



4833 Fort Sumner Drive; listed for \$1,199,000; stately presence and nicely updated condition; three bedrooms on the second level; third level with two more bedrooms and a bath; another player in the March market surge following the tough winter; sold with multiple offers for **\$1,250,000**.



6007 Corewood Lane; listed for \$1,299,000; this is a very large home; two-car garage; dated décor requiring cosmetic updating; first tried to sell in 2012 at a price of \$1,750,000; tried again in 2013 at \$1,675,000; succeeded this year at a final price of **\$1,300,000**.



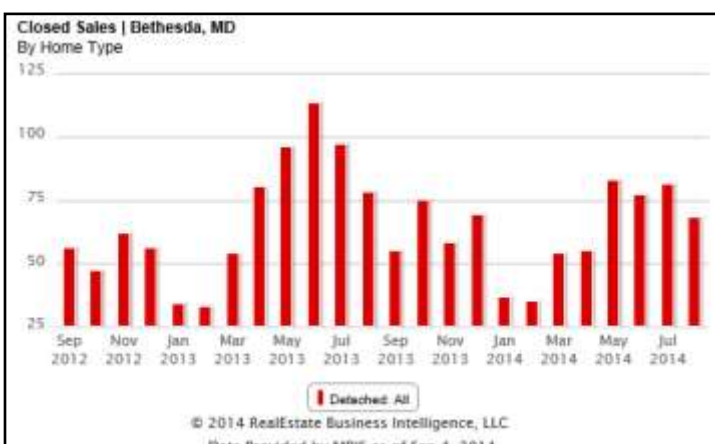
5922 Overlea Road; listed early in May for \$1,199,000; large home with a bedroom and bath on the main level; three more bedrooms and two baths on the upper level; nice 15K sq ft lot; two-car garage; multiple offers resulted in a sale at **\$1,315,000**.



With seventeen sales already this year, one would be led to believe that the number of sales this year will surpass the seventeen sale total from 2013. However, we can't be sure of that because as I write this letter, there are no contracts pending settlement and no houses on the market—ZERO. Now, that could change even before you read this but at the moment, nothing. I have mentioned before that the average turnover rate is 4% in Sumner, which is roughly 18 homes. So if there are no more sales this year, the turnover rate would still be about average for the neighborhood.

Sales activity in Sumner has been roughly representative of the 20816 Zip Code. The MRIS statistics collated by RBI show the YTD *median sale price for 20816 up 6.1%* over the same period in 2013. While it has been a very good real estate year for prices, it has not been as robust as last year's market. One can see that illustrated in the RBI chart below where the number of sales from April through

August exceed the number of sales for those months this year. Lack of inventory continues to be a major point of discussion but interest rates are cooperating nicely. There are some good houses on the market in the area; let's hope they get sold by year's end. **Contact me with any real estate needs you may have.**



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