

WOOD ACRES!

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

Dear Wood Acres Resident,

January, 2001

“It’s like trying to take a sip of water from a fire hose at full throttle!” This expression seems to best describe the real estate market in the past year. The torrent of buyers resulted in an environment in which there simply weren’t enough good houses to meet demand in the past year. Prices rose accordingly, rising in Wood Acres to an average sales price of \$470,800, **UP 7.8%** from 1999’s average sales price of \$436,842.

2000 will be remembered as the year in which multiple contract offers were not uncommon on good house offerings. Offering over the asking price was often required in order to get the home a buyer wanted. Home inspection contingencies were sometimes left out of contract offerings to make an offer more appealing, as were financing contingencies. In short, it was a tough year to be a buyer. The competition was brutal and the home buying process was often disappointing and harrowing .

Conversely, it was a wonderful time to be a seller. I doubt anyone, yours truly included, thought that three bedroom homes were going to sell for over \$500,000 in Wood Acres in 2000, but several did and the trend certainly seems to be leading us to that level. Our market is healthy and stable at this writing in early January. Interest rates are very attractive and drifting lower. Inventory remains ridiculously low and every single offering garners enormous attention. Navigating the “roar” of the market right now is a challenge to agents, buyers and sellers alike. There are pitfalls and making the right choices, more than ever, rests upon the quality, experience and advice of knowledgeable real estate professionals. Which offer to take? What contingencies to discourage and which ones to leave in? How high an asking price is too high? When has the marketplace told you a price is too high? What do you do then? When do you stand firm and refuse repairs and when do you acquiesce? These are a few of the questions that I deal with on a daily basis.

This is the 20th year I have published this newsletter. The year end recap of sales has grown so long I decided to move it to a separate page this year. You will note the remarkable growth attained in Wood Acres since 1979, a year before I started this letter. A 346% increase in value: “not too shabby” comedian Adam Sandler might say!

As we enter 2001, the information age is in full bloom around us. Accordingly, I have a new service to offer Wood Acres homeowners that might prove quite interesting and useful in the coming years. Most casual real estate watchers peruse the Sunday Washington Post for listings, occasionally, surf Realtor.com, or pick up the Real Estate Book down at Starbucks. I’ve been at many parties where someone will say to me, “I wish I could go to one place on the Internet to find out what is for sale in the area I am interested in.” The sentiment is widespread. There are probably more real estate sites on the Web than any other endeavor except for the kind of sites we won’t talk about in this letter. Real estate information is fractured into a million pieces. Logging onto to Realtor.com could be helpful if you are curious about real estate in San Diego or Boston. It will certainly give you a feel for the area and prices. But specific real time data about what is for sale in Bethesda, or Potomac or Chevy Chase has been hard to come by until now.

I invite all of you to go to www.homesdatabase.com/matthewmaury. Here, you can access everything for sale in our Metropolitan Regional Information System area, in real time, downloaded daily. It **IS** the MLS database. You can search by style or price, or zip code, just like I do everyday. It is, ladies and gentlemen, the “keys to the kingdom” with one important caveat. There are no addresses. Subdivisions yes, but not the exact address, for that you can call me anytime!

Further, you can enter the specific information that you are interested in and ask me to send you an email, automatically, the minute such a property is entered into the database. I have buyers interested in 20816 between the prices of \$400,000 and \$600,000.

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Every time a new listing appears in the MLS, an email is automatically generated to their email address, describing bedrooms, baths and an identifying number. They can, and do, call me to get an exact address. They often know of the home before I do! Alternatively, they can go to www.homesdatabase.com/matthewmaury and put in the identifying number and find out quite a bit on their own. I can provide you with an address easily with a simple phone call.

In this way, I am communicating with you 24 hours a day, seven days a week and you will be up to date on the market in a way we could never have imagined 10 years ago. It is probably best to call me and go over what you may be wishing for in the future and let me set you up in the database but if you prefer to try it on your own, go for it!

Let's take a look at the fascinating results of a banner year in 2000:

- Only 20 original homes were sold in Wood Acres in 2000, down a dramatic 90% from last year's total of 38 homes sold. This is fully indicative of the lack of inventory in 2000 and the 20 sales is more in line with the sales totals we witnessed in the late '90's. We could have probably sold 60 homes last year if there had been that many offered, although that amount of inventory would have resulted in stable, not rising prices. The laws of supply and demand were in full flower last year, as the scarcity of product drove up the price of available inventory.

- The average price in Wood Acres rose **7.8%** in 2000, from \$436,842 to \$470,800. That's a bit less than the double digit increases of 1998 and 1999 but expected in light of the rarified air that Wood Acres prices have now reached. Like a great tech company that has a harder and harder time sustaining double or triple digit growth as it gets bigger and bigger, Wood Acres prices will have a harder time growing at double digit rates as we inch towards the half a million dollar average. To illustrate, a 10% increase in value in 1990, when prices averaged \$328,626, would have required an increase in prices of about \$33,000. In 2001, in order to grow the average sales price in Wood Acres by 10%, prices will have to rise over \$47,000, obviously quite a bit more difficult. It makes the gains of the past year even more impressive. Additionally, five of the six highest sales in 2000 were contracted for between September and December, indicating that home prices were still rising as the year came to an end.

- The high sale for the year took place on Ramsgate Rd. for \$595,000. I was the buyer's agent for this home and believe it to be one of the great buys in Wood Acres in recent memory. This home had a huge three story. Even today, just a half year later, I believe it could be sold well into the \$600's. Resting in Wood Acres today are at least 10 to 20 homes that could sell over \$600,000 and a few that could sell over \$700,000. **Stuart and Maury sold 8 of the highest 9 sales in Wood Acres in 2000.**

- The low sale for this year took place on Mass. Ave. for \$325,000. The low sale in the interior of the community sold for \$397,000 on Welborn, but that home contracted for sale in November of 1999. The lowest home sale that went under contract in 2000 was on Newburn Dr. for \$425,000. The previous year, in 1999, the low sale was \$379,000. This is a terrific indicator of the strength and depth of the Wood Acres real estate market. The following will frame that point: in 1996 and 1997, NO home in Wood Acres sold for more than \$400,000! Just a few years later, the LOW sale was \$425,000. Wow!

- Wood Acres homes sold for 99.79% of their original asking price in 2000. This is up slightly from 1999's figure of 99.3% and completely consistent with the hot market we experienced all year. It is also an indication that educated and aware Wood Acres owners did not lose all sense of reality in 2000, unlike a few neighboring communities where sellers seemed to sense "blood in the water" and sometimes overpriced their homes. 12 of the 20 homes to sell in 2000 sold at or over the asking price, only eight sold off the original price. A home on Cromwell sold for \$34,500 less than the original asking price, the highest spread in the past year. Interestingly, the seven homes that sold between \$325,000 and \$440,000 all sold for less than their asking price. The next 12 sales between \$440,000 and \$595,000 all sold at or over the price. What I see deep inside these numbers is the importance of condition and improvements. Homes that have not been updated and enhanced are seen by the public as needing an infusion of cash to bring them up to today's standards. Thus, buyers are a bit more skeptical of paying full price or more for a home that will need renovation once they buy it.

- Continuing a twenty year tradition in this letter, let's take a look at where the 22 departing Wood Acres owners (that's 20 original homes and two newer Avalon homes) moved to last year. The big story here is that nine of these owners moved out of town, often pursuing an exciting new job. The number of owners moving out of town nearly doubled in the past year. Another seven sellers moved somewhere in Bethesda. Interestingly, three Wood Acres owners moved into *another* home in Wood Acres! Now that hasn't happened in the past 20 years. It just goes to show how much Wood Acres owners love living in the community! One of these Wood Acres owners bought a much bigger home with a huge addition, one bought a home more conducive to putting on a great big addition, and the third bought almost the exact same home they were living in previously, but already enhanced with a marvelous first floor addition. One seller moved to Potomac, one to Sumner, one to Tulip Hill, and one to Cabin John.

In 1999, 66% of the Wood Acres owners moving were buying a larger home in the area. In 2000, that figure dropped to 35%, mostly because of the scarcity of larger homes to consider as a next property. 25 owners bought a larger home in 1999, only 7 in 2000. Finally, two owners retired to smaller quarters, one estate was settled and two rental properties were sold.

- The average marketing time for a home to sell in Wood Acres in 2000 was 9 days. 15 of the 20 sales took place in 9 days or less. The longest marketing time was 39 days for a home on Corbin Rd. One of the homes on Avalon was on the market for 25 days, largely because it was listed for \$645,000 and eventually sold for \$550,000. No "hot" market can overcome a \$95,000 initial overpricing.

- By my careful count, there are now 23 rentals in Woodacres, out of 400 homes, or approximately, 6% of the community. Stuart and Maury and I professionally manage 13 of these homes. They are rarely, if ever, vacant, and demand is terrific. Prices run from a high of \$3500.00 for a four bedroom home while the owners are assigned in Paris, to as low as about \$2,000 for a three bedroom rented to long term tenants. I would say that rental rates are creeping towards the \$2500.00 range for a good three bedroom house with a couple of extra rooms. The quality of Wood Acres tenants is exceptional and I take pride in caring for these homes and keeping them up to the quality of the rest of the community. Our management job has been dramatically increased in the past few years as "pinhole" plumbing leaks keep us busy. I am in and through Wood Acres every day of my life and therefore I'm particularly suited for taking care of a Wood Acres home when owners are out of town or overseas.

- Finally, my yearly sales totaled \$20,275,000 in 2000. The last three years show a total of over \$63,000,000. In an era in which more and more agents are delegating their work to assistants and "worker bee" licensed agents that show their properties, write their contracts, present those contracts, attend their home inspections and do the follow up, I'm proud to say that I still do my own work. When you hire me, you get me. My career sales now total over \$225,000,000 and almost all of that has occurred within a few miles of your home. In 2000, **Stuart and Maury** sold 12 of the 20 homes, the 18th straight year we have sold more than half of the homes in Wood Acres. I have now sold over 238 Wood Acres homes.

I'm pleased to say that life isn't all real estate either. As a coach, my 14 year old summer all-star baseball team won two tournaments, my spring 11 year old baseball team made the final of the B-CC Baseball playoffs, my 11 year old basketball team went 7-1 and tied for first place. Mostly, I treasure the time I spend with young people. It's a joy and it keeps me sane.

I enjoy my service on the Board of Directors of BCC Baseball. As some of you know, I also am the self appointed "Commissioner" of **WAMBA**, the Wood Acres Mens Basketball Association. Our fierce efforts on Wednesday nights up at Woodacres Elementary are great fun. Given my sales total, I often encounter people that think that real estate is my all consuming passion. 20+ years in the business has taught me to be more efficient and well rounded. I worry less and focus more on just helping people. My sales totals have grown in recent years in no small part because of the wonderful, consistent and treasured referrals that all of you send my way. I'm very grateful and pledge to provide serious, knowledgeable service to each and every person you send in my direction.

Since my last letter in October, the following real estate activity has taken place in your community:

	Address	Original Price	Final Sales Price
1)	#10 Avalon Court*	\$579,000	\$581,000
2)	6113 Cromwell Drive**	\$549,500	\$577,000
3)	5814 Devonshire Dr.*	\$515,000	\$523,000
4)	6016 Woodacres Dr.*	\$469,500	\$480,000
5)	6009 Corbin Rd.***	\$489,000	\$475,000
6)	5901 Gloster Rd.	\$469,000	\$469,000

***Matthew Maury sales. **Listed with another company, Matthew Maury sold! ***Listed by Stuart and Maury.**

Setting our sights on the horizon, 2001 is certainly looking like another good year. A positive environment should be created by low interest rates, the inevitable energy surrounding any new administration, hopefully a continuing healthy economy, and a seemingly inexhaustible supply of ready, willing and eager buyers for Wood Acres! Call me anytime to chat. And check out that website!

Sincerely,

**Matthew Maury,
Principal Broker
Stuart and Maury Inc. Realtors
301-996-2626– 24 hours**

P.S. This newsletter, and recent past newsletters can be accessed on our website at **www.stuartandmaury.com**. Click on “community profiles” and go to Wood Acres. Along with the newsletters, you can also find the Wood Acres covenants, guidelines, and a recap of community history. Often, a community member will request a copy of this newsletter to give to a friend, prospect or relative. Here it is!

Additionally, the “Wood Acres Sales Recap 2000” included in this material should prove quite valuable for those of you contemplating a refinance (yes, it may be time again). If you need a referral for a quality, honest, hardworking and competitive lender, call me. Tell your lender to have the appraiser call me directly for detail on comparables he may be using to appraise your home. I can help get that value up.