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Weak Market Nationwide Reaches Area as Prices Stagnate

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Once again, it all came down to location.

Even though the dizzying climb in Washington area home prices generally slammed to a halt last year, the market varied notably around the region. While Northern Virginia experienced sharply lower sales and stagnant prices, the slowdown was not as abrupt elsewhere, according to a Washington Post analysis of government sales records for single-family houses and townhouses.

Regionally, the median sales price last year was \$417,000, down 0.5 percent from \$419,000 in 2005. The number of sales fell 21 percent, to 83,647. Condominiums, which were analyzed separately, showed a median price increase of about 1 percent, to \$285,299, but the number of sales fell 9 percent, to 19,430.

The slowdown came against a background of concern nationally about how a weak housing market is affecting the economy overall. It is a stark difference from the boom years just past, when frenzied bidders here drove up prices 20 percent or more a year.

The median is the point at which half the sales prices are higher and half are lower. It does not measure the change in value of an individual house. It also cannot measure how much house the buyers got for their money -- for example, whether the same amount of money bought a stainless-and-granite gourmet kitchen or one with 1970s avocado appliances.

Perhaps the sharpest contrast last year was between two of the region's most populous counties. In Fairfax County, the number of homes sold dropped 39 percent, and the median price fell about 1 percent. In Prince George's County, there was almost no evidence of a slowdown -- the number of sales rose 8 percent and the median price jumped 18 percent, an increase reminiscent of the first half of the decade.

Prince George's, along with several other suburban Maryland counties, remained markedly more affordable than any Northern Virginia county: The median sales price in Prince George's last year was \$339,900, compared with \$525,100 in Fairfax.

The most expensive of the 13 jurisdictions surveyed remained Alexandria, with a median sales price of \$599,000 for houses and townhouses. In that densely developed city, however, condos accounted for more sales last year than houses and townhouses, and their median price was about half, \$301,133.

Median prices also remained more than \$500,000 in Arlington, Fairfax and Loudoun counties. Prince William was the least expensive of the Northern Virginia counties, with a median price of \$410,000.

In suburban Maryland, Montgomery County remained the most expensive, with a median price of \$475,000.

Despite increases last year, several Maryland counties still had median prices of less than \$400,000: Anne Arundel, Calvert, Charles, Frederick and Prince George's. Of the five, the lowest was Calvert County, at \$323,000.

Among the hundreds of Zip codes included in The Post analysis, it has become almost impossible to find a neighborhood where the median sales price is less than \$200,000 -- a level that was the rule five years ago.

The three Zip codes east of the Anacostia River in the District, which were at or below that mark a year earlier, all

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experienced price increases that boosted them above it in 2006.

Overall in the District, the median price rose about 7 percent, to \$450,000, and the number of house and townhouse sales recorded increased, 12 percent to 4,236.

Condo sales dropped off about 6 percent, to 1,867, and the median condo price fell 4 percent, to \$355,000.

Because The Post's analysis reviewed legally recorded sales, there are some differences between these results and the closely followed real estate sales numbers produced by Metropolitan Regional Information Systems, the area's multiple listing service. The MRIS numbers track only those sales listed by real estate agent members of the listing service. Those are the bulk of local sales, but do not include owners selling directly who choose not to pay separately for a listing. They also do not include builders that sell directly without listings.

And while there may be differences in the details of the different sets of numbers, they follow the same general trends.

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