

Average Northern Virginia home price tops \$500,000

By Ramona Fortanbary 05/17/2005

The average home sales price in Northern Virginia climbed above \$500,000 in the first quarter of 2005, according to a report by Alexandria-based realty group McEneaney Associates.

"Current market conditions continue generating conversations in many area households about whether to buy, rent, sell or stay put," said Maureen McEneaney Dunn, general manager of the company.

"Statistically, there has never been a better time to sell a home," she said.

Data compiled by the firm's newsletter, Market Watch, said that the average sales price of \$505,912 in March 2005 was a 21.5-percent increase over March 2004, when the average sales price was \$416,526.

In addition, in March 2005, resale houses that sold within the first seven days garnered 3.5 percent more than the asking price. And those that sold in the second week also sold above asking price.

And it appears most people follow through with their offers to buy. Fully 86 percent of homes that sold in March had a ratified contract within 30 days, according to McEneaney Associates.

Market Watch, McEneaney's in-house newsletter, also had some not-so-good news to relate: the overall number of new contracts on homes declined by 16.2 percent between March 2004 and March 2005.

"While some say we may be experiencing the first signs of the market softening, I see signs of a healthier market ahead," McEneaney Dunn said.

"Washington's robust employment market continues to drive the demand for housing," she said. "And even if the current pace of home price appreciation drops to between 10 and 12 percent by year's end, that's still an incredibly high rate of appreciation."

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