



# CMA: Comparative Market Analysis

12625 NE Manzanita Road

**Joanne and Michael**  
April 29, 2022



Information used to prepare this report has been obtained from multiple sources, including: MLS records of pending listings and recent sales; public records; and the current owner(s) of the subject property. The broker preparing this report has not independently verified the accuracy or completeness of any information obtained from sources reasonably believed by the broker to be reliable.

## IDENTIFYING VALUE

Your parent's home has many rare, translating to extraordinarily valuable, elements that high-end buyers are seeking in a home fitting this property's criteria on the Bainbridge Island.

First and foremost, the west-facing orientation is one of the most desirable on the island. This is the kind of spot that people may spend 10 years waiting for; I spoke with Sharen Borgies, who was the project manager for the renovation and is now the co-owner at Fairbank, and she implied your parents bought this place in part because of the specific dirt, not necessarily the home, with a mission to make the home work for their needs because of where it was located. Correct me if she was wrong.

Secondly, the extensive frontage (201') is a rarity that is shown by just a few recent sales with over 200' of beach involved (just two sales in 2021, four in both 2020 and 2019 and three in 2018).

Thirdly, the highly desirable low-bank designation offers incredible access for a watersports lifestyle and the demand is shown in the 2021 low-bank sales averaging 13% over asking price when a home sells with multiple offers in the first week.

Lastly, add in the recent renovation by Fairbank Construction and the documented uncommon development potential under the city's Shoreline Master Program rules, and your property is the perfect unicorn of high value characteristics.

## CRITERIA

This opinion of value is based on viewing your property and analyzing its placement in relation to recent comparable sales ("comps") under the current market's conditions. To ensure the homes selected qualify to use in forming an opinion of value, the properties have the following criteria in common:

- SOLD: BI waterfront homes sold for \$3,000,000 or more in the last 400 days
- SIZE: None selected
- BEDROOMS: None selected
- PRICE: None selected
- ETC: There were no other limitations; this is strictly a high-end waterfront analysis

## RECENT MARKET CONDITIONS FOR YOUR HOME'S CRITERIA

**Average Price of SOLD homes:** \$4,100,000

**Median Price of SOLD homes:** \$3,700,000

**Days on Market:** Average is 22 days but 20 of the 24 sold in less than 10 days (average of 5.5) and their average sale price was 12.5% over asking price.

**Showing Traffic:** It's been steady as it has been since demand for high end luxury waterfronts has been since the start of the pandemic, and there are no concerns of it slowing down. Some of the comps have had 5 showings a day, and some 10, according to the listing agents I spoke with.

**Multiple Offers:** These are still occurring when the property resonates with the audience; it's even possible that someone may come in with an "early offer" for a compelling amount over asking to try and solicit your acceptance without the need for escalations to push the price high.

**Months of Supply:** This metric is in your favor at less than a month for waterfront homes on the island right now.



**Approximate Market Value**  
**\$3,950,000 - \$4,225,000**

★ 12625 NE Manzanita Road

## Details

### PRICING ANALYSIS

The trend line in the scattergrams below are referred to as fair market value, and the homes above the line have more benefits than deficits in the market, and those below the line have more deficits than benefits. It is crucial to know there are three reasons homes sell, or don't:

1. Location: Notice on the scattergrams: low-bank, south or west-facing and a large amount of frontage all appear to dominate the highest priced homes.
2. Condition: Dylan's report is exceptional, given he states it's above average for its age and type and there are no major concerns noted. The relatively new roof and major systems means this home is still young, functionally speaking. That the listing can note the Effective Age of 2013 and the Builder as Fairbank goes a long way.
3. Price: To determine a suggested list price, I like to balance science and art.

**SCIENCE:** I've included many scattergrams showing the square footage of the comparable sales against many different nuances involved in determining value of these kinds of homes. After assigning a fair market value line, I analyze the homes above/below the line and search for patterns in benefits/deficits, respectively. Once I find a pattern, I then interpolate where I believe your home should be plotted in relation to the line given the way the location and condition compare. Keep in mind, the science part is easy.

**ART:** pricing these high-end homes always brings more art than science, candidly, because these buyers are not folks that need the home, but rather must want the home enough to pay for it. I will speak more to this on our call.

A mentor has shared with me this perspective about luxury properties:

1. Is it one of a kind?
2. Can they afford it?
3. Can they live with themselves for paying the price?

When the answer is yes, then those holding the product are in control to set the market. To me, the data of the rarity and desirability of this property sets the tone. This is important when looking at the shoreline: the frontage, location on island and orientation facing the sunshine.

## Price Based on Average Sales

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Average Price of Sold Comparable Properties	<b>\$4,063,174</b>
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## Price Based on Square Footage

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Average \$/SqFt of Sold Comparable Properties	<b>\$1,082.35</b>
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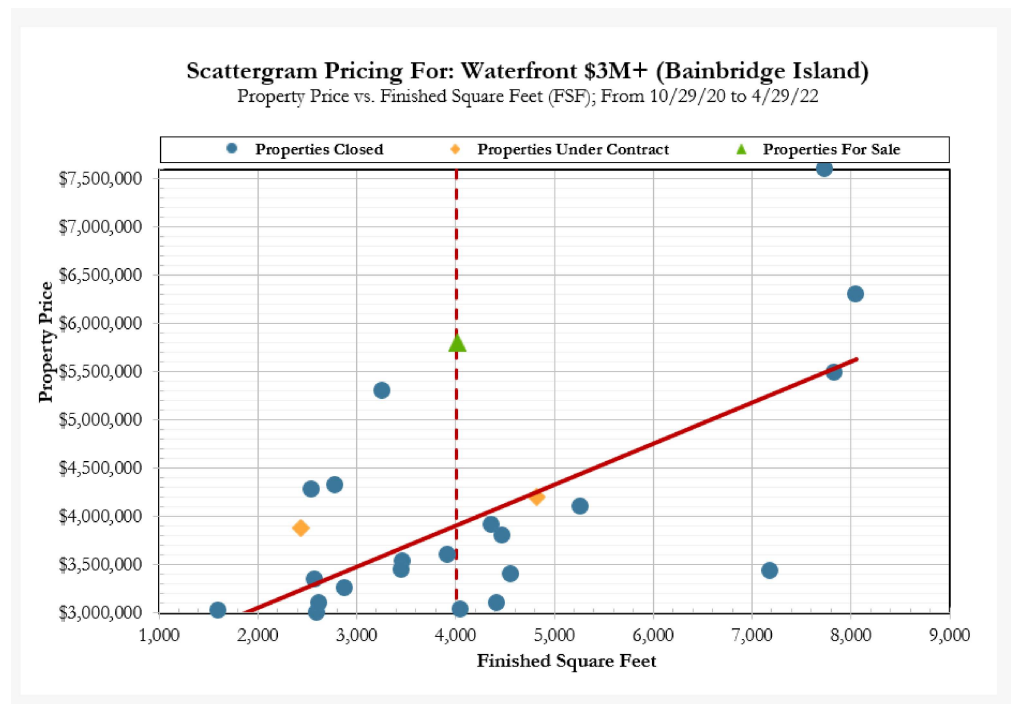
## QUANTITATIVE ANALYSIS: Plotting them out

Below are a myriad of scattergrams analyzing various elements of the property that get into the emotional nuances of buying these kinds of homes. Those charts are where I spend most of my time determining the range.

- The homes *above* the fair market value line mostly sun-drenched orientations with excellent water access and have large frontage, in addition to mostly having very high-quality homes.
- I believe the benefits to your home are every single one of these elements.
- I believe the market has a high likelihood to push you above your asking price if positioned competitively.
- The homes *below* the line all are darker orientations, smaller frontage, may not even have access to the water, and/or are homes that need a *lot* of work (ie. investment) after purchasing to bring them up to someone's modern standard.
- I believe your home has no business being placed here.
- SCIENCE: Your home should be strategically positioned *above* the fair market value line and, with an offer review date strategy, solicit dozens of showings and be positioned to hope the market pushes it up as far as the buyers will tell us the escalated market value is.
- ART: I believe you have the value to be in the low/mid 4's but let the psychology not be too aggressive to be into the upper 4's or so. At the same time, you must be cautious that the number is good enough that you're happy in the event where if you only get one offer at full price, you'd be happy, and also not so high that we need to work on a price reduction strategy at day 15.
- **SUGGESTED LIST PRICE:** Right now, I'm feeling a list price of 3,850,000 or so is the sweet spot to solicit the best activity, but as high as \$4,225,000 still shows the value of the home given the characteristics described herein.

## GENERAL:

Overall, it's clear only the most special and rare homes sell above the market value line.



AMOUNT OVER ASKING:

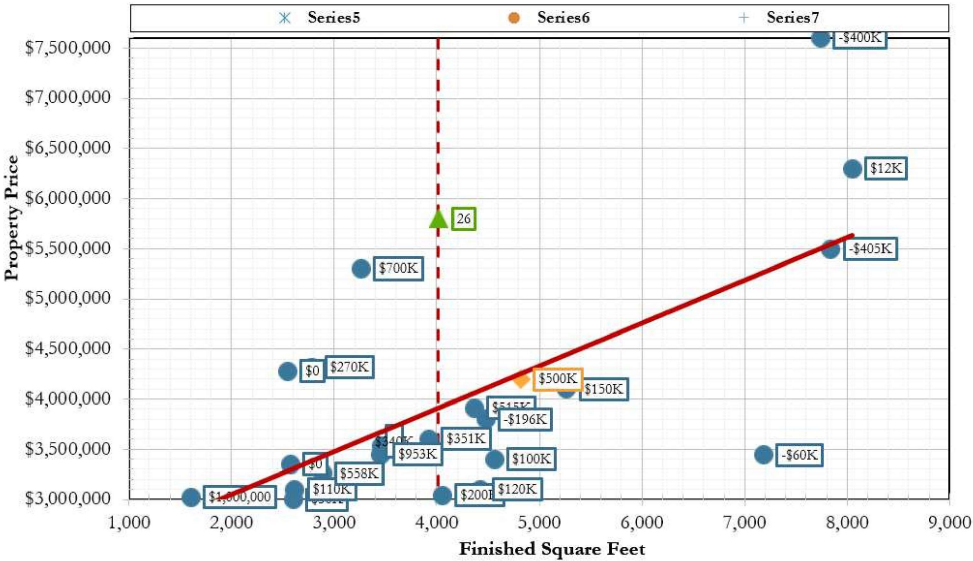
This is meant to show that were homes land on sale price is often driven by high price escalations. Keep this in mind because it's important to price a home so somebody want to go over asking and still not pay too much. If it's priced too high, then they worry about it going higher and then they stand back and watch.

Please note, the orange one that says \$500K is the Eagle Harbor that is going to close at \$4.6M, maybe next week. And for some tech glitch reason, the one on Point White (home 24) isn't showing but sold for about \$4.5M at \$570K over asking.

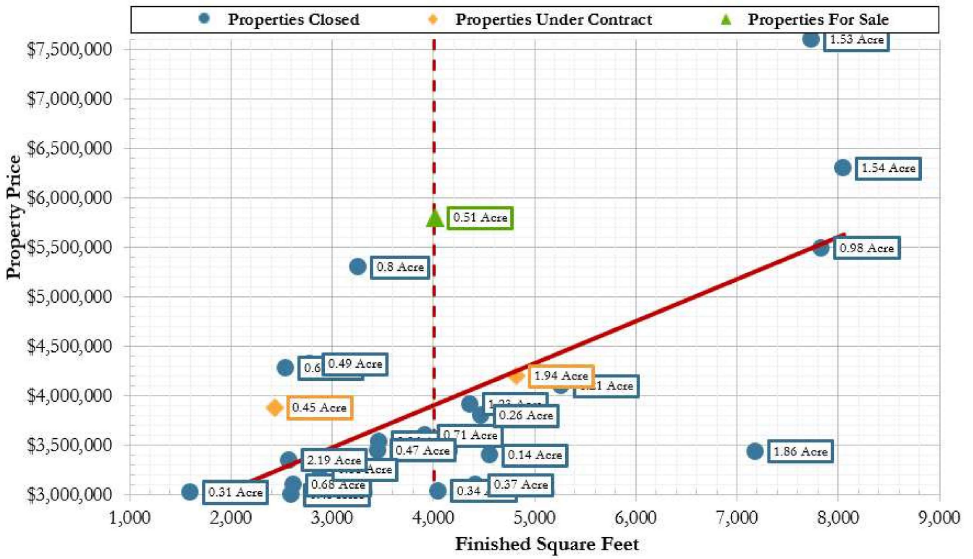
LOT SIZE:

From a lot size perspective, your 0.94 acres is one of the larger parcels, and that is valuable in the development of more footprint under COBI regulations (over 3k square feet of footprint can be added, according to the Site Plan.

Scattergram Pricing For: Waterfront \$3M+ (Bainbridge Island)  
Property Price vs. Finished Square Feet (FSF); AMOUNT OVER ASKING

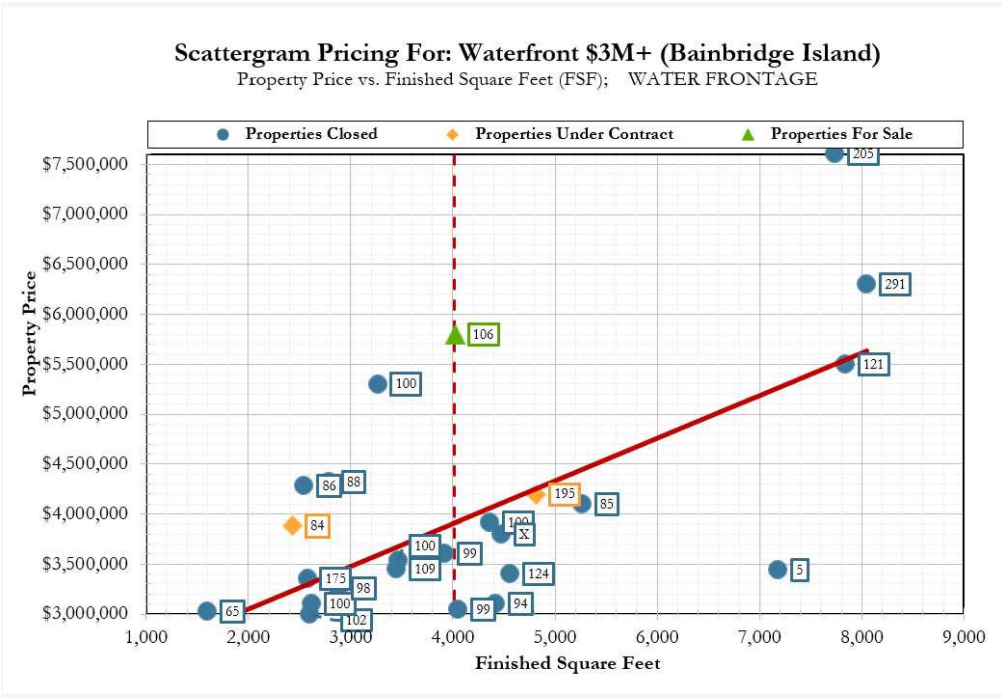


Scattergram Pricing For: Waterfront \$3M+ (Bainbridge Island)  
Property Price vs. Finished Square Feet (FSF); From 10/29/20 to 4/29/22



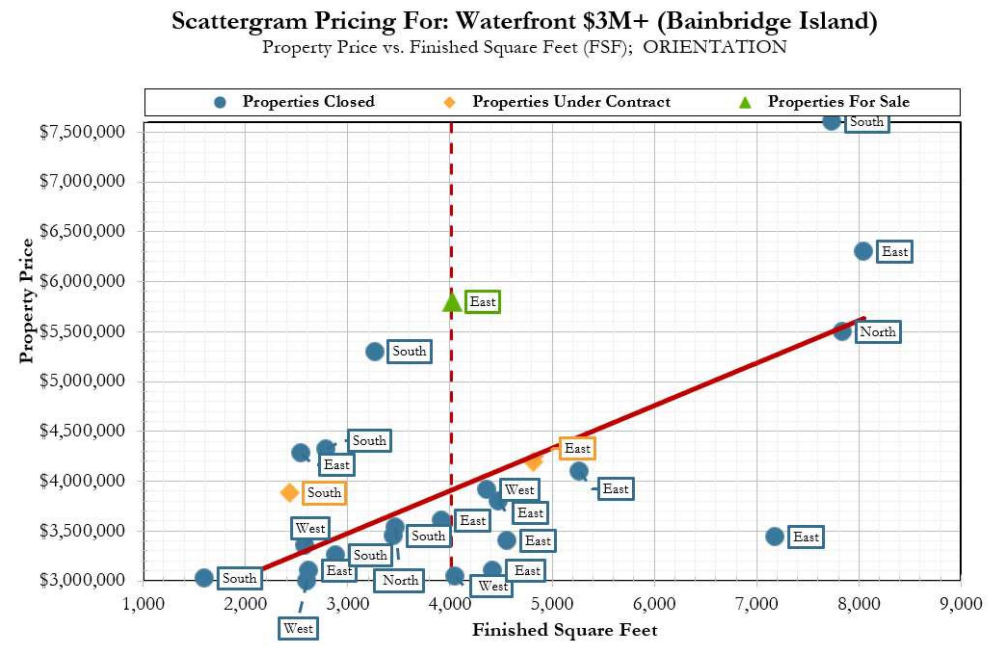
**FRONTAGE:**

As I noted before, your 201' of frontage is one of the highest numbers available on the market in a long time. This qualifies your property as a luxury item that just can't be found all that often.



**ORIENTATION:**

Generally speaking, south and west facing sell for higher than east and north facing, and the south end near Pleasant Beach and your stretch near Manzanita Bay are the most desirable because of the sunshine and open water views looking at the mountain range.

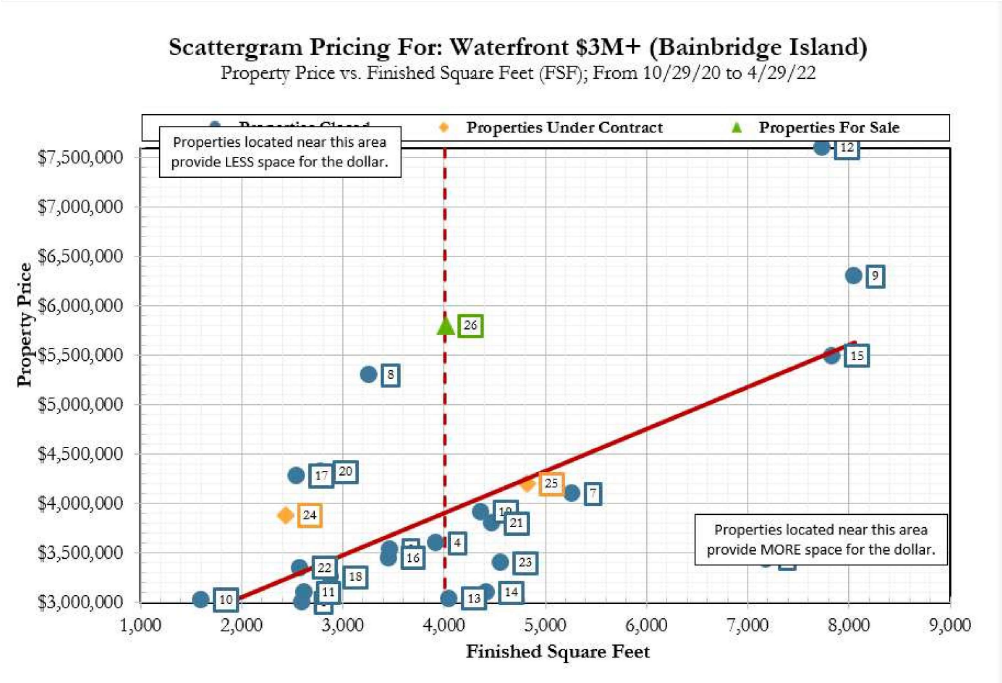
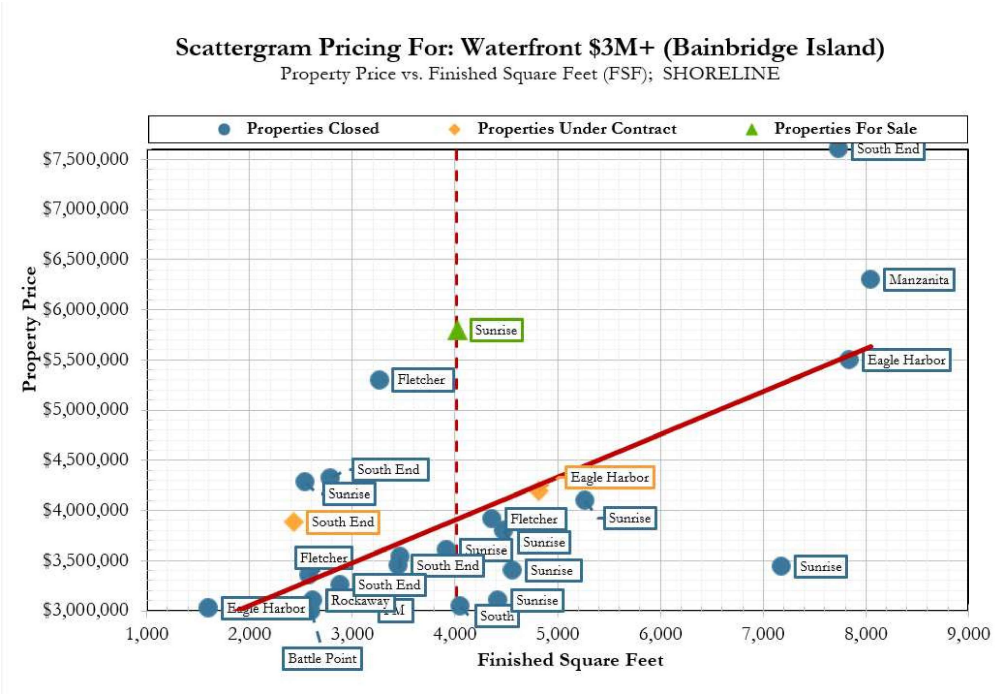


SHORELINE:

Generally speaking, south and west facing sell for higher than east and north facing, and the south end near Pleasant Beach and your stretch near Manzanita Bay are the most desirable because of the sunshine and open water views looking at the mountain range.

INDEX:

The comparable sales, noted by “item number,” with all details in the data table. Please note these do not, sadly, match up with the numbers in the slideshow with homes; these tech tools have a mind of their own when sorting and I could not match them up.



List Price	Sold Price	Over Asking	Sale/List	DOM	Water Frontage	Item	Address	Bank
\$5,398,000	\$5,398,000	\$0	100%		267	2	6001 Rose Loop NE	Bank-Medium
\$3,195,000	\$3,534,000	\$339,000	111%	7	100	3	8020 Hidden Cove Rd NE	Bank-Low, Bay, Bulkhead, Sound
\$3,249,000	\$3,600,000	\$351,000	111%	2	99	4	11610 Wing Point Wy NE	Bank-High, Sound
\$3,500,000	\$3,440,000	-\$60,000	98%	26	100	5	8070 Grand Ave NE	Bank-High
\$1,950,000	\$3,000,000	\$1,050,000	154%	7	102	6	11771 Sunset Ave NE	Bank-Medium, Bay, Bulkhead, Sound, Tideland Rights
\$3,950,000	\$4,100,000	\$150,000	104%	6	85	7	4181 NE Cedar Heights Lane	Bank-High, Sound
\$4,600,000	\$5,300,000	\$700,000	115%	8	100	8	9135 Fox Cove Lane NE	Bank-Low
\$6,288,000	\$6,300,000	\$12,000	100%	2	291	9	12269 Arrow Point Ln NE	Bay, Bulkhead, No Bank, Saltwater, Sound
\$2,588,000	\$3,025,000	\$437,000	117%	6	65	10	1195 Inne Place NE	Bank-Low, Bulkhead, No Bank, Saltwater, Sound
\$2,990,000	\$3,100,000	\$110,000	104%	7	100	11	5066 Rockaway Beach Rd NE	Bank-Low
\$7,996,000	\$7,600,000	-\$396,000	95%	116	205	12	1792 Beans Blight Rd NE	Bank-Low, Bulkhead, Saltwater, Sound, Tideland Rights
\$2,840,000	\$3,040,000	\$200,000	107%	6	99	13	4175 Pleasant Beach Dr NE	Bank-Low, Bulkhead, Saltwater, Sound
\$2,980,000	\$3,100,000	\$120,000	104%	4	94	14	10834 NE Manitoz Park Blvd	Bank-Low, Bank-Medium, Bulkhead, Saltwater, Sound
\$5,900,000	\$6,495,000	\$495,000	93%	197	121	15	5905 Rose Loop NE	Bank-Low
\$2,495,000	\$3,448,000	\$953,000	138%	7	109	16	10901 NE South Beach Dr	Bank-Low, Bulkhead, Sound
\$4,280,000	\$4,280,000	\$0	100%	10	86	17	7268 Madrona Dr NE	Bank-High, Saltwater, Sound
\$2,698,000	\$3,256,000	\$558,000	121%	6	98	18	10596 NE South Beach Dr	Bank-Low, Bulkhead, Sound, Tideland Rights
\$3,400,000	\$3,915,000	\$515,000	115%	1	100	19	7749 Hansen Rd NE	Bank-High, Sound, Tideland Rights
\$4,050,000	\$4,320,000	\$270,000	107%	7	88.55	20	3822 Point White Dr NE	Bank-Low, No Bank, Saltwater, Sound, Tideland Rights
\$3,996,000	\$3,800,000	-\$196,000	95%	78	1	21	7692 NE Yeomalt Point Dr	No Bank, Sound
\$3,350,000	\$3,350,000	\$0	100%	6	175	22	7761 Hansen Rd NE	Bank-High, Saltwater, Sound, Tideland Rights
\$3,300,000	\$3,400,000	\$100,000	103%	7	124	23	10478 NE Yaguma Ave	Bank-Low, Bulkhead, Saltwater, Sound
\$3,880,000	\$4,450,000	\$570,000	115%	7	94	24	4000 Point White Dr NE	Bank-Low
\$4,198,000				3	195	25	6020 Eagle Harbor Dr NE	Bank-Low, Bulkhead, Sound
\$5,800,000				0	106	26	6516 Wing Point Rd NE	Bank-Low, Bulkhead, Saltwater, Sound
<b>\$3,954,840</b>	<b>\$4,097,870</b>	<b>\$233,826</b>	<b>109%</b>	<b>22</b>	<b>120</b>			
				6.5 days no outliers				

## THE BEST COMPS

This is the artistic side of how I'm looking at placing your home in relation to those that have sold in the last 6 months.

It's worth noting these homes take more emotion to pricing than a tract home, as there never a perfect set of comps, and folks that buy these homes don't *need* housing, but want this kind of housing. As I've spoken with more and more agents and clients about these types of homes over the years, there is often more feeling to the price than there is analytics.

But you asked for a data-backed approach, and I look at the market that way, so:

**6020 Eagle Harbor:** Listed at \$4,200,000 and got an early offer on day 3 at \$4,600,000. This home was larger in square footage and had an extra tax lot that did have a 3-car garage and separate living studio space above, and a private dock. The home was very dated and faces east in Eagle Harbor. It did have single level living, which makes it very attractive to an older couple, and the price does leave room for someone to feel like they can make some improvements. This purchase price allows for someone to have one of the highest end estate properties on the island after "putting a million into it." The agent that sold this did help with pricing.

**7692 Yeomalt:** Listed at \$4,000,000 and took 78 days to sell for \$3,800,000. I choose this one because of its size and style, but it had about a foot of waterfront because it shared the beach with the 38 neighbors and the shared beach access. It had a non-traditional floorplan and was on the east side of the island, so a less desirable location.

**4181 Cedar Heights:** Listed at \$3,950,000 and sold for \$4,100,000. Granted, it was a larger building and brand new construction, but it faced east, had very little privacy and had no access to the beach whatsoever, other than what we refer to as the "one way trip" from the high bank down. While some may look at your home as needing investment after purchase to come to this modern standard of style, this owner can never buy the location you're sitting on.

**7749 Hansen:** Listed at \$3,400,000 and sold for \$3,915,000. Again, this one is nearly new inside and is a little larger home, but the beach access, frontage and view does not rival your home.

## WHAT MY COLLEAGUES SAID:

While I shared comps with this group so they would have the data in front of them, they arguably don't need them, mostly just ignored them and went by feel.

Of the seven that I got numbers from, four were in the "low 4s" and three were in the "low 3s." I spent time talking to all of them about their reasoning and was just as shocked about the low 3's as you are reading this.

In short, the ones that I agree with in the low 4's pointed out all that I have all along... rarity of orientation, type of bank, amount of bank, and the development potential is just icing on the cake.




- One pointed out that she herself waited 10 years to buy a house like this, just to knock it down and start over. She bought the dirt. And this dirt is the kind of parcel many folks seek out. She's the one that sold the one in Eagle Harbor for \$4.6M that's set to close soon.
- One pointed out that some of the neighbors have more money than gawd, and may be the kind of people to buy it to have a guest house or try and start building out a monopoly board around the area. She rolled in with "low to mid 4's, when are you going live cause I'm bringing you the buyer."
- One pointed out the rarity of this as a building site that would be at least \$2.5 million to start fresh from the ground up with a build that would cost well over a million dollars if not two, so that's about 4 just in the function of being a nice home on valuable dirt.
- And another pointed out the legacy type of property this offers families, and that some families could just move from different parts of the island to capture this part of the monopoly board.

Those in the low 3's didn't like the house and were just confused by it or the market.

- One said concerns over war, stock market, bitcoin, covid, supreme court and politics... the whole Debbie Downer skit in one sentence. Maybe she has a client influencing her viewpoint, but this to me is a sky-is-falling and scarcity mindset that I'll just reject.
- Another said the home is too (deleted adjective, and adjective and adjective) so just doesn't work. Again, that has got to be her own views or herself channeling clients' opinions of homes. Sure, lots of folks won't like it, but we just need one good one that does. I'll agree that many older folks want single level living, but your parents sure didn't care about that, right?
- And another spends a of time with one of these and I believe is very impressionable, and came up with a number in the same \$100k range so made me think it wasn't an authentic number.

		Address	Price	Beds	Baths	Days	SQFT	\$/SQFT
★		12625 NE Manzanita R...		0	0	–	–	
1.		1792 Beans Bight Road... Bainbridge Island, WA ...	\$7,600,000	4	4	116	7,739	\$982
2.		12269 Arrow Point Lp ... Bainbridge Island, WA ...	\$6,300,000	4	9	2	8,053	\$782
3.		6516 Wing Point Road ... Bainbridge Island, WA ...	\$5,800,000	4	5	10	4,021	\$1,442
4.		5905 Rose Loop NE Bainbridge Island, WA ...	\$5,495,000	4	7	197	7,839	\$701
5.		9135 Fox Cove Lane NE Bainbridge Island, WA ...	\$5,300,000	3	3	8	3,265	\$1,623
6.		6020 Eagle Harbor Dri... Bainbridge Island, WA ...	\$4,600,000	3	4	3	4,819	\$955
7.		4000 Point White Drive... Bainbridge Island, WA ...	\$4,450,000	2	3	7	2,431	\$1,831
8.		3822 Point White Dr NE Bainbridge Island, WA ...	\$4,320,000	4	5	7	2,786	\$1,551
9.		7268 Madrona Dr NE Bainbridge Island, WA ...	\$4,280,000	2	3	10	2,548	\$1,680
10.		4181 NE Cedar Heights... Bainbridge Island, WA ...	\$4,100,000	4	4	6	5,265	\$779
11.		7749 Hansen Rd NE Bainbridge Island, WA ...	\$3,915,000	4	5	1	4,364	\$897
12.		7692 NE Yeomalt Point... Bainbridge Island, WA ...	\$3,800,000	4	5	78	4,474	\$849
13.		11610 Wing Point Way ... Bainbridge Island, WA ...	\$3,600,000	4	5	2	3,924	\$917
14.		8020 Hidden Cove Rd ... Bainbridge Island, WA ...	\$3,534,000	3	5	7	3,465	\$1,020
15.		10901 NE South Beach... Bainbridge Island, WA ...	\$3,448,000	4	4	7	3,452	\$999
16.		8070 Grand Avenue NE Bainbridge Island, WA ...	\$3,440,000	4	5	26	7,184	\$479
17.		10478 NE Yaquina Ave Bainbridge Island, WA ...	\$3,400,000	4	5	7	4,562	\$745
18.		7761 Hansen Rd NE Bainbridge Island, WA ...	\$3,350,000	3	2	6	2,577	\$1,300
19.		10596 NE South Beach... Bainbridge Island, WA ...	\$3,256,000	2	2	6	2,882	\$1,130
20.		5066 Rockaway Beach ... Bainbridge Island, WA ...	\$3,100,000	3	3	7	2,617	\$1,185
21.		10834 NE Manitou Par... Bainbridge Island, WA ...	\$3,100,000	4	5	4	4,422	\$701

All information provided is deemed reliable but is not guaranteed and should be independently verified.

	Address	Price	Beds	Baths	Days	SQFT	\$/SQFT
22.	 4175 Pleasant Beach D... Bainbridge Island, WA ...	\$3,040,000	4	4	6	4,056	\$750
23.	 1195 Irene Place NE Bainbridge Island, WA ...	\$3,025,000	2	3	6	1,603	\$1,887
24.	 11771 Sunset Avenue ... Bainbridge Island, WA ...	\$3,000,000	2	3	7	2,603	\$1,153