

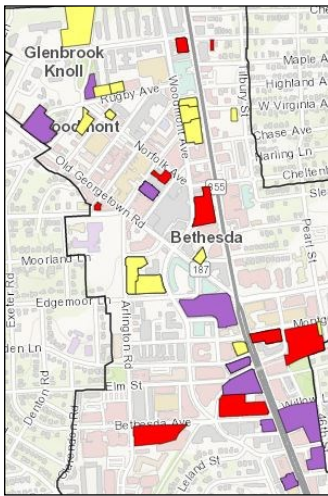
Glen Echo Heights / Mohican Hills

Real Estate Report

January
2020

ALL BETHESDA (20814, 20816, 20817)

The map below shows commercial development activity in downtown Bethesda including office buildings, mixed use and apartments. The color coding represents the stages of development from plans under review to buildings in progress, and more projects may have been approved since this map was created. That is a lot of construction in a relatively small area!



The presence of all those cranes you see looming in the sky as you approach downtown Bethesda is clearly a sign that developers believe our thriving local economy can support these buildings. While there may be some worries about overcrowding and insufficient infrastructure, (and I wonder how they will fill all that space), it does suggest a healthy housing market for us going forward.

According to Bright MLS, the three Bethesda Zip Codes posted **851 closed sales** of single family detached homes last year, an increase of about 7% over the 793 sales from 2018. The average **marketing time** remained the same at an average of **55 days** for a purchase contract to be ratified.

The combined value for all 851 home sales last year was \$1,011,307,755—just over a billion dollars of real estate. The final sale price was about 97.1% of the original list price which is down from the 98% figure for 2018. Doing the math results in an **average price** calculation for all Bethesda single family home sales of **\$1,188,376**, a slight decrease from the previous average which was \$1,190,286.

ZIP CODE 20816

In compiling the data for this Zip Code analysis, I use the information provided by our multiple listing service, Bright MLS, and add to it the off-MLS transactions. Those sales are discovered through a painstaking comparison of the MLS sales with all of the transactions listed in the public record for Montgomery County. That exercise turned up 15 private sales last year, many of which (11 of the 15, in fact) were low priced sales to builders. Adding those 15 private transactions to the 189 sales reported in Bright MLS brings the total to **204 single family detached home sales in Zip Code 20816**. For those of you keeping score, that is *6 more sales* than we saw in 2018—not much change.

The average number of days a listing took to sell in 2019 was about the same as it was in 2018. The length of marketing time ranged from pre-market sales of zero days to an unusually long 1043 day listing period at 5415 Mohican Road, the Baltzley “castle” in Glen Echo Heights. The historic renovation of that house was a particularly tough sale and it pushed the **average listing period to 47 days** before getting a contract. The next longest marketing time was 461 days and if we ignore the outlier, the average marketing time improved slightly to 42 days, compared with 46 days in 2018. It is worth noting that 98 homes sold within the first two weeks which is up from only 58 such timely sales in 2018.

The **average price** of the 204 sales last year was **\$1,186,727**, a significant increase of approximately 3.77% over 2018’s average of \$1,143,592. In last year’s report, I pointed out that the upper price range was not very active in 2018 with only three sales above \$2M. In 2019 there were seven sales above \$2M and two sales over \$3M! That would certainly explain the sharp jump in average price. All in all, 20816 performed very well last year and statistically it is the second highest priced zip code in Maryland, exceeded only by the exclusive Gibson Island, which zip code average price is over \$1,650,000.



MLS STATISTICS by ZIP CODE—2019

	# of Sales	Days for Sale	Average Price	% Change from '18
20814	193	40	\$ 1,162,860	- 4.62%
20816	189	47	1,215,349	+ 4.35%
20817	469	64	1,188,829	+ 0.31%

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Neighborhood Review (Homes Sold by All Brokers, per MLS)

2019

Address	Beds	Baths	List Price	Sold Price	Date	SQFT	DOM/CDOM
5308 Sangamore Rd	3	3	\$748,000.00	\$775,000	06/14/19	2,224	5 / 5
6107 Madawaska Rd	3	3	\$800,000.00	\$775,000	10/17/19	1,902	15 / 15
7215 Macarthur Blvd	3	3/0	\$809,000.00	\$779,000	01/25/19	2,691	77 / 77
6212 Walhonding Rd	3	2	\$849,000.00	\$849,000	09/23/19	1,762	21 / 21
6006 Massachusetts Ave	4	2/1	\$868,000.00	\$869,000	05/17/19	1,711	9 / 9
6111 Madawaska Rd	4	3	\$875,000.00	\$875,000	04/19/19	2,788	11 / 11
6250 Massachusetts Ave	4	3/1	\$899,000.00	\$890,000	07/17/19	2,558	46 / 46
6318 Walhonding Rd	3	2/1	\$899,000.00	\$900,000	11/11/19	2,965	5 / 5
5136 Wissioming Rd	3	3/1	\$900,000.00	\$900,000	05/06/19	2,385	1 / 1
6528 Wiscasset Rd	3	3	\$928,000.00	\$940,000	04/02/19	2,259	10 / 10
1 Wyoming Ct	5	3/1	\$1,049,000.00	\$980,000	04/30/19	3,039	5 / 5
6016 Massachusetts Ave	4	3/1	\$995,000.00	\$995,000	04/23/19	2,936	5 / 5
6113 Madawaska Rd	4	3	\$1,100,000.00	\$1,100,000	05/17/19	2,918	11 / 11
6433 Wiscasset Rd	4	3	\$1,150,000.00	\$1,150,000	06/26/19	3,140	6 / 6
6604 Rivercrest Ct	4	3/1	\$1,175,000.00	\$1,150,000	02/18/19	2,586	53 / 53
5315 Tuscarawas Rd	5	5	\$1,225,000.00	\$1,190,000	08/07/19	3,107	14 / 14
6017 Onondaga Rd	4	3/1	\$1,235,000.00	\$1,205,000	02/28/19	2,532	134 / 134
6014 Massachusetts Ave	3	3/1	\$1,275,000.00	\$1,220,000	08/23/19	2,515	49 / 49
6422 Dahlonga Rd	5	3	\$1,225,000.00	\$1,287,500	11/01/19	3,454	7 / 7
6208 Madawaska Rd	5	5/1	\$1,400,000.00	\$1,400,000	11/04/19	3,361	1 / 1
6204 Walhonding Rd	6	4/1	\$1,374,950.00	\$1,415,000	12/10/19	4,790	121 / 121
5517 Mohican Rd	4	2/1	\$1,479,000.00	\$1,479,000	06/06/19	2,093	9 / 9
5108 Waukesha Rd	6	5/1	\$1,495,000.00	\$1,500,000	11/08/19	4,350	8 / 8
5111 Wehawken Rd	6	4/1	\$1,645,000.00	\$1,635,000	07/19/19	4,940	58 / 58
5300 Tuscarawas Rd	5	5/1	\$1,699,000.00	\$1,654,000	01/11/19	4,600	52 / 154
5311 Tuscarawas Rd	5	4/1	\$1,679,000.00	\$1,679,000	07/17/19	4,967	10 / 10
5201 Wissioming Rd	6	6/1	\$1,749,000.00	\$1,725,000	03/18/19	4,550	236 / 236
6203 Walhonding Rd	5	4/2	\$1,799,000.00	\$1,800,000	10/10/19	5,337	14 / 14
5107 Waukesha Rd	5	4/1	\$1,950,000.00	\$1,820,000	05/01/19	0	393 / 393
6415 Wiscasset Rd	6	4/1	\$1,999,000.00	\$1,825,000	09/18/19	6,775	104 / 104
6201 Wiscasset Rd	6	6/1	\$1,895,000.00	\$1,850,000	04/12/19	6,044	53 / 182
6001 Walhonding Rd	6	6/1	\$1,895,000.00	\$1,875,000	08/26/19	8,150	99 / 433
6320 Walhonding Rd	6	6/2	\$1,995,000.00	\$1,960,000	11/14/19	6,616	43 / 193
5324 Wapakoneta Rd	6	5/1	\$1,997,000.00	\$1,997,000	06/27/19	5,859	4 / 4
5446 Mohican Rd	7	5/2	\$2,100,000.00	\$2,055,000	09/27/19	7,345	80 / 80
5316 Wapakoneta Rd	7	5/1	\$2,125,000.00	\$2,060,000	01/11/19	5,049	138 / 138
5313 Wehawken Rd	6	6/2	\$2,295,000.00	\$2,210,000	11/06/19	7,720	27 / 27
5417 Mohican Rd	5	4/1	\$2,495,000.00	\$2,300,000	02/26/19	2,252	308 / 308
5415 Mohican Rd	5	5/0	\$2,995,000.00	\$2,665,000	02/15/19	9,072	217 / 1043
5103 Wehawken Rd	5	5/1	\$3,225,000.00	\$3,160,000	07/26/19	7,012	16 / 16

I think it is safe to say that the media had no shortage of hot topics to cover in 2019. We in the greater Washington area were treated to some very special sports triumphs to celebrate. We could revel in the excitement of the Mystics winning the national championship, the U.S. Women's soccer team taking the World Cup and who will ever forget the euphoria of the Nats winning the World Series! However, there was always some controversy or scandal to talk about as well and the fun was offset by unrelenting news of angst and negativity.

Almost every day we were presented with accounts of disagreement on a wide variety of topics but one thing that was evidently *not* at issue during 2019 was the decision to buy a house in Glen Echo Heights/Mohican Hills. Buyer interest was strong and that unquestioned enthusiasm led to some of the best sales statistics to be posted in the last 15 years.

On the page opposite this one, you see a longer than usual list of neighborhood sales from last year. Those **45 sales in 2019** (40 from Bright MLS and 5 private sales from the public record) rank second only to the amazing 55 sales in 2004 as the real estate bubble was rapidly expanding.

Over the last ten years, Glen Echo Heights/Mohican Hills has averaged an annual turnover of 34.4 sales per year, (4.7%) which is a little higher than the average rate in many neighborhoods. Last year's sales represent a **turnover ratio of over 6%**. This is in stark contrast to our neighboring neighborhood across Massachusetts Avenue, Wood Acres, which normally has about 20 homes turnover every year. Last year there were only 8 sales there, for a turnover ratio of only 1.8%.

The graph below steals the thunder of the high average price statistic I am about to reveal. As you can see, the sales for 2019 came in at an impressive **average price of \$1,398,354**. That number includes the off-MLS sales that were all low priced transactions directly to builders. The average of the

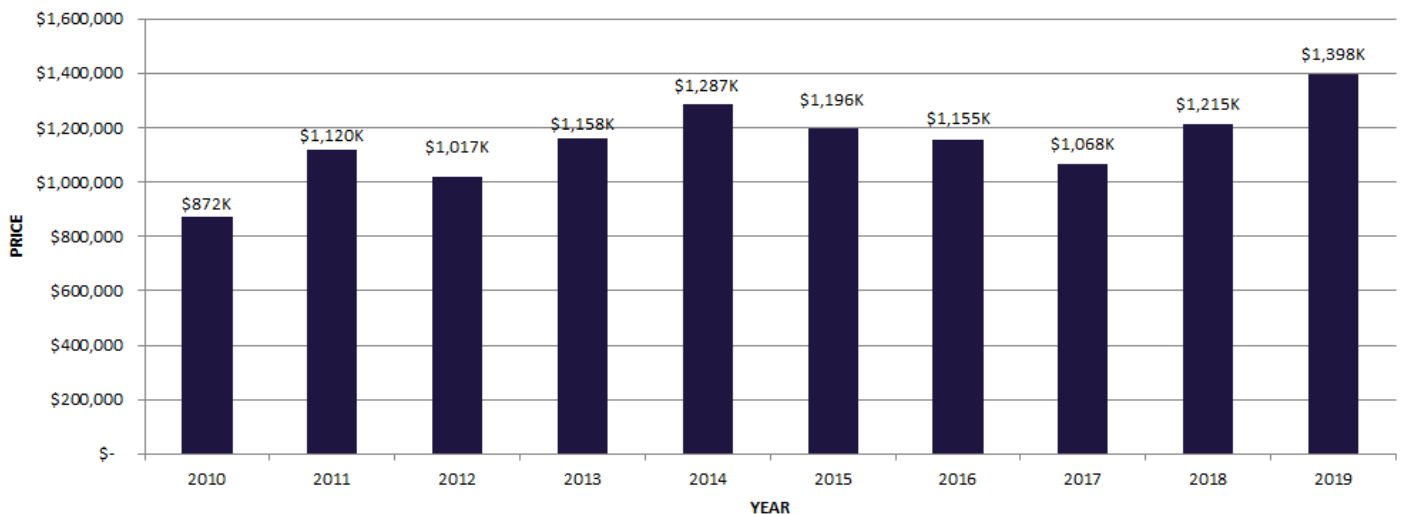
sales in the MLS computes to \$1,472,338! It is not the highest average price ever because there was the crazy statistic from 2008 when one house sold for \$6.6M and drove the average to \$1,646,469. But removing that outlier sale brought the average for that year down to \$1,316,233 which lends a very positive perspective to last year's number.

Compared with the 2018 **average price** of \$1,214,998, last year's average represents an **increase of over 15%**. If you look at the list of sales it is easy to see the main reason for the sharp increase. The prolific performance of the upper price range was remarkable last year with seven sales around \$2M or more and one sale over \$3M. The high sale for the year of 5103 Wehawken Road (below) at \$3.16M is a good example of how much excitement a dramatic contemporary can generate.



Glen Echo Heights and Mohican Hills offer a variety of contemporary styles with open, airy designs that attract lovers of that "modern" sensibility to the neighborhood. They range from the 1950's Frank Lloyd Wright inspired home I sold at 6528 Wiscasset Road, to the 1960's California styled homes like 5517 Mohican Road, all the way to the larger, new contemporaries like 5103 Wehawken Road that dot the neighborhood landscape.

Glen Echo Heights / Mohican Hills Average Price



The 40 neighborhood home sales last year in Bright MLS sold for 95.8% of the original list price. Sixteen of those forty homes had a price reduction at some point in the marketing period. Considering those reductions, the average asking vs. sale price percentage improves to 98.3%.

Accurate initial pricing has always been a crucial factor in successful marketing and a closer look at the days on market statistic will illustrate that fact. Separating the homes that sold without the need for an asking price adjustment from the sixteen that did have a price adjustment, we see an average marketing time for the former of just 21 days while the latter had an average marketing time of 220 days!

Other than condition, pricing is still the most critical element in a positive selling experience. That is why it is so important to hire a listing agent who is intimately familiar with your neighborhood. That hyper-local expertise will provide you with the guidance needed to maximize your value by starting at the right price. I am proud to say that all three of my listings in the neighborhood last year sold for more than the asking price and the terms were very favorable to the seller. That type of excitement around a new listing leads to a smoother transaction for all involved.

At this writing there are two homes under contract, pending settlement. One is the new home at 5315 Wehawken Road priced at \$2,695,000 and the other is the home at **5431 Mohican Road** (below)

for which I am the buyer's agent. Every January we all wonder how the market will be in the coming year. From my own bustle of buyer and listing activity and all other indications, it should be another good one.



If you have been paying attention you would know that interest rates have dropped again! It is unbelievable. Rates are about 1% lower than they were at this time last year which affords a very friendly sales environment to home buyers and sellers. There is no indication of any dramatic increase in inventory so one would expect the market to continue with the high intensity we experienced last year. Stand by.

As always, thank you for your support and I welcome your questions or comments.

SHRED-IT DAY 2020

The annual opportunity for you to have your important papers shredded before your eyes is coming on **April 25th**. Just like last year, the truck will be available in the parking lot of the Washington Waldorf School on Sangamore Road from 11:00 AM to 1:00 PM. There is no need to remove paper clips or file fasteners but they do not take three ring binders.

If you would like to receive Shred-It Day notices by email, simply send me your email address and I will be happy to keep you informed.

I look forward to seeing you on the 25th of April!



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