

### GREATER BETHESDA (20814, 20816, 20817)

This time last year, I reported that the number of single family home sales throughout Bethesda had increased by 10% over the preceding year, with 431 sales closing in the first six months. This year's total is only up about 4% over that, as calculated by the 448 settlements that have taken place from January through June of 2017. There are plenty of people who would be interested in buying a house and the number of sales could be even greater if not for the scarcity of homes for sale. No one seems to be able to explain why that continues to be the case.

The real estate market in Bethesda ran true to form in the first half of the year, getting off to a fast start. For the past several years we have seen an increased level of demand from buyers right after the first of the year which causes the few listings available in the dead of winter to sell quickly. The threat of rising interest rates probably motivated some buyers who were "on the fence" about buying to become active. But after a slight increase, we have seen interest rates fall back to the level where they have been hovering for years now.

Not surprisingly, the lower end of the market has been particularly strong with innumerable examples of quick contracts, escalated prices and pre-market sales. Bethesda attracts people from all over to take advantage of the highly rated schools and the close proximity to DC. Some of those buyers are coming from communities in our outer suburbs and many are from different states where the cost of living is not as high as ours. As prices continue to rise, it is quite a challenge for many to afford a home in Bethesda which only adds to the heat of the market under \$1,000,000.

That is not to say that only the lower end of the price range is doing well. Of the 448 sales, 223 of them were \$1M or less but not insignificantly, there were 149 sales between \$1M and \$1.5M. There were even 76 sales above \$1.5M. It is interesting to note, though, that it took an average of 75 days for the homes from \$1M-\$1.5M to sell while the lower cost homes sold in an average of 30 days.

Much of the reporting on the real estate market this year has focused on the limited supply resulting in higher sale prices in the Metropolitan area. The Bethesda statistics do reflect that movement, although not to any great degree, with the **average sale price** for the first half of 2017 rising to **\$1,155,061**. That represents a modest increase over 2016's average price of \$1,139,486—up only about **1.4%**. The average marketing time last year was 61 days and so far this year it is similar at 59 days.

At this writing there are about 250 homes listed in the MRIS as Active. Some are relatively new listings, but to a greater extent, these are the homes that are struggling. That is evident by their collective average marketing time being so much greater than the homes that sold in an average of 59 days. These active homes have been on the market for an average of 106 days. A detailed study of the active listings would reveal in many cases, a higher original asking price that obviously did not resonate with the buying public as being appropriate since these houses are not sold. And reducing the price after the fact doesn't always produce immediate results because a home gets its most intense attention from buyers when it is new on the market. If a contract is not secured in the first few weeks, a home tends to be overlooked and the sale process can become long and hard. Accurate initial pricing is critical in our fast paced market.



### 6314 Walhonding Road is FOR SALE

This 2-year young home is better than new! Custom built with high quality materials and tasteful finishes, you will be taken by the precise moldings, elegant stone and stylish tile. The impressive two-story entrance welcomes you to a main level that is open and bright! There are four ample bedrooms and three luxurious baths upstairs, a main level bedroom and full bath and the lower level in-law suite features a fully equipped granite kitchen!

**\$1,749,000**

Contact Bob for more information and a private showing.

Real Estate News from

**Robert Jenets**  
President & Principal Broker



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# Neighborhood Sales

## January — June 2017



6005 Massachusetts Ave  
\$625,000



5223 Wyoming Rd  
\$799,500



5201 Wissioming Rd  
\$825,000



6320 Walhonding Rd  
\$850,000



5302 Waneta Rd  
\$850,000



6113 Walhonding Rd  
\$875,000



6202 Madawaska Rd  
\$894,000



6437 Dahlonga Rd  
\$937,000



5108 Wehawken Rd  
\$1,200,000



5113 Wissioming Rd  
\$1,300,000



6216 Winnebago Rd  
\$1,500,000



6416 Dahlonga Rd  
\$1,535,000

## Glen Echo Heights / Mohican Hills Sales Summary, January - June 2017

Address	FB	HB	BR	# Gar	OrigListPrice	ListPrice	ClosePrice	CloseDate	TaxLivingArea
6005 MASSACHUSETTS	2	0	4	1	\$625,000	\$625,000	\$625,000	25-Apr-2017	1,879
5223 WYOMING RD	3	0	4		\$799,500	\$799,500	\$799,500	24-Mar-2017	1,461
5201 WISSIOMING RD	3	0	5	2	\$850,000	\$850,000	\$825,000	10-Feb-2017	2,952
6320 WALHONDING RD	2	1	4		\$825,000	\$850,000	\$850,000	15-May-2017	1,812
5302 WANETA RD	3	1	4	1	\$869,000	\$869,000	\$850,000	20-Jun-2017	2,408
6113 WALHONDING RD	3	0	4	1	\$875,000	\$875,000	\$875,000	31-Mar-2017	1,336
6202 MADAWASKA RD	2	0	4		\$899,000	\$899,000	\$894,000	03-Mar-2017	1,706
6437 DAHLONEGA RD	3	0	4		\$895,000	\$895,000	\$937,000	06-Jun-2017	1,982
5108 WEHAWKEN RD	4	0	5		\$1,100,000	\$1,100,000	\$1,200,000	25-Apr-2017	2,676
5113 WISSIOMING RD	3	1	4		\$1,375,000	\$1,375,000	\$1,300,000	30-Jun-2017	2,452
6216 WINNEBAGO RD	5	1	6	2	\$1,699,000	\$1,590,000	\$1,500,000	28-Feb-2017	5,380
6416 DAHLONEGA RD	4	1	5	2	\$1,575,000	\$1,575,000	\$1,535,000	02-Jun-2017	4,075

### THE NEIGHBORHOOD

Sales activity in Glen Echo Heights and Mohican Hills was a little slower in the first six months of this year than it had been in the first half of the previous two years. Those previous years had 18 and 19 closed transactions compared with this year's twelve.

You can see in the chart above that the highest sale was \$1,535,000 and there are no sales in the \$2M range. Two statistics are oppositely affected by that circumstance. The average price obviously is less than it would be if the higher sales were a part of the data. But on the positive side, the average days that it took to get a contract are fewer.

The fewer days on market results from the absence of any new home sales which typically have a much longer marketing time due to the construction process and the slower pace of higher sales in general.

Last year when the first half sales included transactions of \$1,772,000 and \$1,940,000, the average price was \$1,193,910 and the DOM stat was 69 days. This year **the average price is \$1,015,875** but with a DOM stat of only 30 days.

The first settlement this year was for a house that never came on the market and settled in February. I was fortunate to have two of the earliest listings in the neighborhood this winter with 5223 Wyoming Road and 6202 Madawaska Road coming on the market in January. Both houses benefited from having newer kitchens that had been opened up to their living areas as part of their renovations. That open feeling is in high demand these days and both houses sold in short order.

To illustrate how brisk the sales pace was in the first half of the year, one need only look at the days on market for each of the sales. To summarize, **ten of the twelve sales have single digit DOM's**, one other sale happened in ten days and one of the higher priced homes struggled for 299 days.

As I write this report, there are five homes under contract awaiting settlement but the real story is the high level of inventory. At the moment, there are 21 homes available for sale in the neighborhood! Last year that number was 15, and that was rather high, but 21 homes is a lot of real estate to be sold.

I have used the phrase "top heavy" to describe a group of homes for sale where more of them are high priced than low and that term certainly applies to the crop of home for sale right now in the neighborhood. Of the 21 homes for sale, twelve of them are around \$2M (a few at \$1,995,000) and above. These are beautiful homes but any time buyers have that many choices, it is bound to slow down the pace of sales.

On a positive note, the home at 5313 Wehawken Road which is listed for \$2,269,000, is under contract. Let's hope that this success story turns out to be the catalyst for breaking the logjam around \$2M.

*If you are planning to sell your home within the next two years and would like a no-obligation consultation with me about what steps you should take to maximize your value, please don't feel that you would be troubling me - I am always happy to help.*



**Stuart & Maury**  
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I came across an internet article on BizJournal (below) that I found intriguing. The chart is based on last year's MEDIAN prices so don't be confused with the discrepancy in these numbers and the *average* prices that I typically use for comparison.

### MOST EXPENSIVE ZIP CODES IN MARYLAND

ZIP	Town	Median sale price 2016	County	
1	21056	Gibson Island	\$1,650,000	Anne Arundel County
2	20816	Bethesda	\$903,000	Montgomery County
3	20815	Chevy Chase	\$900,000	Montgomery County
4	20817	Bethesda	\$853,343	Montgomery County
5	20854	Potomac	\$830,000	Montgomery County
6	21737	Glenelg	\$777,500	Howard County
7	20818	Cabin John	\$775,500	Montgomery County
8	20896	Garrett Park	\$755,000	Montgomery County
9	20814	Bethesda	\$750,000	Montgomery County
10	21029	Clarksville	\$670,500	Howard County

I am sure many of you have visited Gibson Island, as have I, and there is no doubt that it exudes a nostalgic charm that recalls the carefree days of our childhoods. And I get that Gibson Island is a very limited market which is bound to keep prices high, but \$1.65M as a median price? Wow!

And look who is second on the list—we are! I am sure I don't have to convince you that your neighborhood has the qualities that so many people admire and want to share. But seeing our Zip Code ranked so highly among such elite competition reminds us of just how special a community this is. Many people love the variety and individuality of home styles found in Glen Echo Heights and Mohican Hills. Combined with the other fine neighborhoods along the Massachusetts Avenue corridor, this Zip Code is considered to be one of the most desirable areas of Bethesda, and the chart above would seem to confirm that notion. Enjoy your summer and I look forward to publishing the yearly recap in a few months.

*I am committed to promoting the real estate interests of Glen Echo Heights & Mohican Hills.  
I welcome your questions and/or requests for a no-obligation, confidential consultation.  
Thank you.*

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