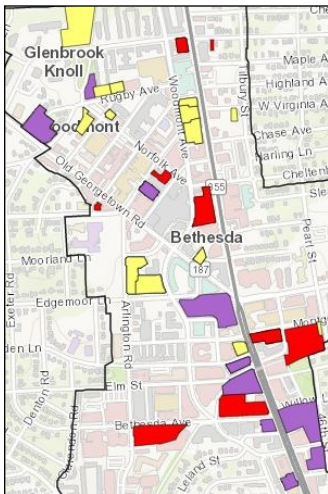


Summer Real Estate Report

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 building 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%

Robert Jenets

PRESIDENT & PRINCIPAL BROKER

(301) 257-3200 (cell)
(301) 654-3200 (office)

✉ Robert@RobertJenets.com
👉 RobertJenets.com



Stuart & Maury
REALTORS®

Neighborhood Review (Homes Sold by All Brokers)

2019



5114 Nahant St
\$805,000



5614 Overlea Rd
\$910,000



5105 Westpath Ct
\$938,000



5710 Overlea Rd
\$967,500



4408 Sangamore Rd
\$990,000



5009 Overlea Ct
\$1,000,000



5623 Overlea Rd
\$1,050,000



5009 Fort Sumner Dr
\$1,125,000



5708 Overlea Rd
\$1,150,000



5004 Baltan Rd
\$1,200,000



5620 Wood Way
\$1,155,000



4809 Scarsdale Rd
\$1,289,000



5117 Baltan Rd
\$1,330,000



5708 Rockmere Dr
\$1,375,000



6006 Corewood Rd
\$1,430,000



4903 Baltan Rd
\$1,449,000



5024 Baltan Rd
\$1,460,000



4828 Fort Sumner Dr
\$1,470,000



4811 Fort Sumner Dr
\$1,495,000



4905 Scarsdale Rd
\$1,560,000

The NEIGHBORHOOD REVIEW for 2019 shows a more active year for sales than we normally see. The MLS database lists the 20 transactions seen above and my off-MLS search added two more which brings the total to **22 Sumner home sales last year**. As a reminder, there were 18 sales in the prior year.

Throughout the year I read articles and reports citing a declining number of home sales in comparison with 2018. Perhaps it is merely coincidental that our area had more sales last year, but maybe it reflects the increasing desirability of close-in neighborhoods with, what the public perceives to be, good schools.

One of the private sales was 5605 Overlea Road which was essentially purchased as a lot for a new home at a price of \$750,000. The other was 5104 Baltan Road which sold for \$1,435,000. With those two sales included, the 2019 **average price computes to be \$1,195,159**. That represents an increase of about 1.8% over the prior year's average of \$1,173,945.

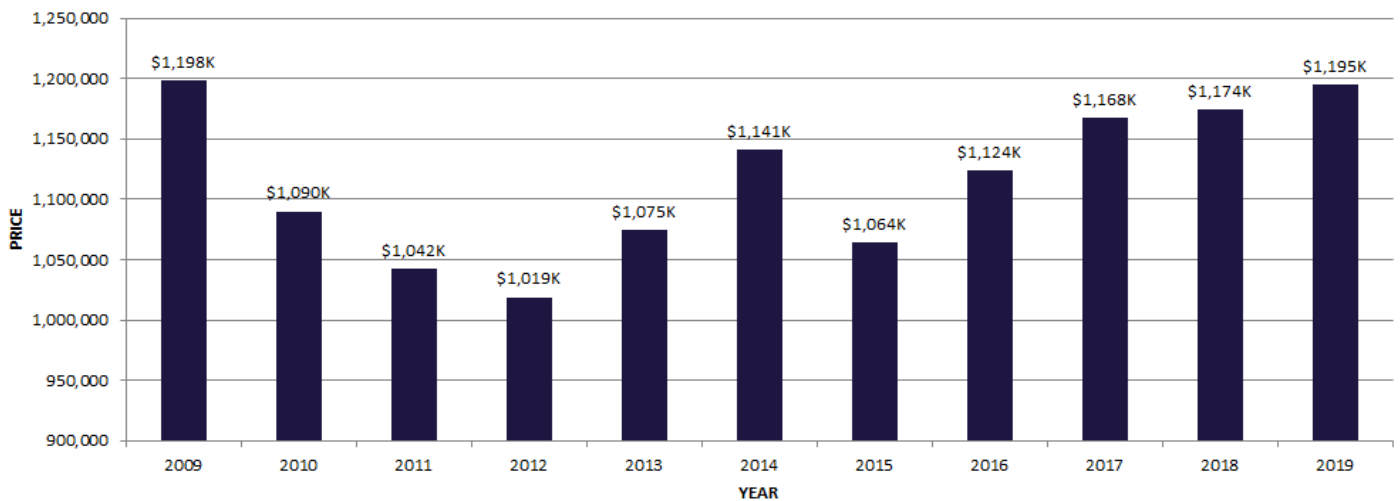
Sales continue to be relatively brisk in the neighborhood where last **year's average marketing time was 31 days**. That is up a little over the 24 day mar-

keting time from 2018 but still qualifies as a respectable statistic. Don't lose sight of what a blessing it is to be able to sell a home in such a short period of time. The longest marketing time for a Sumner home last year was 113 days. I am sure you are aware that in many cities, it is not uncommon for a home to be available for 6-24 months. If you have ever marketed your home while you still live there, you know what a terrible inconvenience it is, and to minimize that disruptive time is surely a blessing.

The average Sumner selling price in 2019 was 97.4% of the *original* list price. Six of the twenty homes that sold last year made a price reduction at some point in the marketing period. Considering those adjustments, the average asking vs. sale price percentage was 99.2%.

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 six that did have a price adjustment, we see an average marketing time for the former of just 12 days while the latter had an average marketing time of 74 days. Other than condition, pricing is still the most critical

Summer Average Prices



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 choosing the right asking price.

Homes that have an extended marketing time sell for less than they might have, had their list price been correct at the outset of the listing. Indeed, six of the 14 homes that sold *without a price reduction* escalated to a price

greater than the asking price. The marketplace will reward a home with a good price to value ratio.

In closing, I ask you to look at the graph above which shows that last year's average price was only about \$3,000 less than the highest Summer average sale price, ever. That peak price came in 2009 based on a data sample of only 11 home sales. One could argue that last year's average of 22 sales is the more reliable statistic and good news for Summer homeowners.

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!



Sponsored by  Stuart & Maury REALTORS®

Robert Jenets
Stuart & Maury, Inc.

(301) 257-3200 (cell)
(301) 654-3200 (office)

✉ Robert@RobertJenets.com
RobertJenets.com

