

Dear GEH/MH Resident,

Real estate sales activity in our immediate area—specifically, the neighborhoods of 20816 that are served by Walt Whitman High School—has been hurtling at full speed through the first six months of this year, and Stuart & Maury has been prevalent in much of the action.

In that area, which I affectionately refer to as “the zone”, there were 57 sales of detached single family homes so far this year. I am proud to say Stuart & Maury was involved in 23 of them, which represents a 40% market share!

When you consider that there are several thousand licensed agents competing for that business, it says clearly that people trust us to be the most well qualified to help them here. I tell people all the time my company is focused like a laser beam on the Massachusetts Avenue corridor and these numbers confirm that to be the case. In general, I am hesitant to tout personal accomplishments, but a 40% market share is rather special. Thanks for letting me “crow” for a minute.

An overview of the real estate market for Bethesda, Chevy Chase and the surrounding areas shows a sales environment that is still quite competitive among buyers for the limited number of homes available for purchase. That imbalance of supply and demand continues to favor sellers. And the fact that it continues to be competitive, despite higher interest rates and prices, speaks to the depth of the buyer pool. For many people, the desire/need to own a home outweighs the cost challenges. As I write this, rates are fluctuating just under 7% but trending lower, and there are programs that start around 6.5%.

Comparing the sales data for the **three Bethesda Zip Codes** from Bright MLS for the first six months of 2023 with the same period this year shows:

	<u>2023</u>	<u>2024</u>
# of Sales	328	328
Average Price	\$1,592,481	\$1,746,192
Median Price	\$1,392,500	\$1,535,000
Average Days	29	25
Median Days	6	6
% of List Price	101.5%	103.4%

What a coincidence that the number of sales for the first six months of this year is exactly the same as it was last year. Remember, 328 is down from the 425 sales for that same period in 2022.

But look what happened to the average and median prices—yikes! Now, I have to point out that the average price was skewed higher by five very expensive home sales so far this year. The data sample includes the top five sales of \$5.875M, \$6.595M, \$6.99M, \$7.55M and the high sale of \$9.250M!

If I remove those five sales from the calculation, it brings the average price down to \$1,663,471 and the median to \$1,520,000, both representing an increase of around 10% over the previous year’s prices. Bethesda has appreciated more than the greater DC area. Prices for the greater metro area are up about 5%.

The market for condominiums and cooperatives has been quite active as well. The MLS shows 146 apartment sales at an average price of \$509,812 and a median of \$325,000. Their marketing time was similar to detached homes—an average of 25 days to get a contract, but the median time to get a contract was only 8 days.

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Real Estate News from

Robert Jenets
President & Principal Broker



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**Stuart &
Maury**
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Serving Bethesda, Chevy Chase and DC since 1956!

Glen Echo Heights/Mohican Hills Sales

January — June 2024



6130 Massachusetts Av
\$1,142,000



6409 Walhonding Rd
\$1,300,000



5305 Tuscarawas Rd
\$1,300,000



5026 Wissioming Rd
\$1,407,000



4 Wyoming Ct
\$1,430,000



5207 Wyoming Rd
\$1,677,000



6309 Wiscasset Rd
\$2,145,000



6006 Osceola Rd **
\$2,200,000



6215 Dahlonga Rd
\$2,700,000



5300 Mohican Rd
\$3,200,000

*Note: The homes pictured above were listed and sold by various brokers; ** Robert Jenets Sale*

NEIGHBORHOOD NEWS

Home sale activity in Glen Echo Heights/Mohican Hills this year has been about the same as it was for the first six months of last year. In 2023 there were 11 sales by June 30th and this year the multiple listing service shows **10 neighborhood transactions** by that date.

Pictures of the homes that sold are shown on the facing page. You can see that they range in price from \$1,142,000 to \$3,200,000. Statistically, **the average price was \$1,850,100**, which is quite a sizable increase over the average at this time last year—\$1,606,682. The stark jump is easily explained by the absence of any sales below \$1.1M. That is unusual for this neighborhood which has such a wide range of home styles and lot sizes. (Although the house at 6130 Massachusetts Avenue was listed for \$899,000, competition caused the final price to escalate to \$1,142,000.)

I know by the end of the year the data sample will include at least one sale below \$1.1M because I just sold the home at 6101 Walhonding Road for \$900,000. It closed on July 1st and is, therefore, not included in the statistics for this half of the year. It is a home that has been rented for many years and, after some freshening up, will, again, be offered for rent.

The median price so far this year is \$1,553,500. As you know, the median price represents the midpoint of the range of prices, with half of the sales greater than, and half of the sales less than the median. In a data sample with an even number of sales such as this one—10, the midpoint is calculated as halfway between sale #5 and sale #6.

Given the lack of inventory, it is not surprising that the pace of sales continues to be fast. **So far this year, contracts have come in an average of only 6 days!** Serious buyers are well aware of this speed and are diligent about seeing a new listing that they might want to buy as soon as it becomes available.

In an effort to avoid having to compete with several other offers, many would-be buyers have taken to submitting a compelling offer within a day or two of the home coming on the market. Sometimes within only hours. What makes an offer compelling enough for the seller to sell so quickly? A clean offer with no contingencies whatsoever and a price greater than the listed price. The amount over the list price varies and it is up to the seller to decide how much is enough.

To service this desire of buyers to see the house right away, in the last few years I started

holding open house on the first afternoon the house hits the market, which is usually Thursday. It has been a tactic adopted by many agents now and the weekday open houses are well attended. I usually plan to have another open house on Saturday, if necessary, but none of my last three listings made it to the weekend. Each listing attracted one or more great offers by Friday, and the Saturday open house was canceled.

One of those listings was the home I sold at 6006 Osceola Road (*picture on facing page*). This Glen Echo Heights house is one of several that are actually located on the other side of Massachusetts Avenue. My clients bought this house in 2015 when it was a small Rambler in average condition. Then, a few years ago, they hired Castlewood Homes to demolish it down to the original foundation and build what is essentially a new home. But because they stayed within the original footprint, it is not as big as many new homes. That was ultimately a benefit because it kept the price lower than what you would have to pay for a typical new home. I listed it for \$2.1M on Thursday and by Friday, we had two great offers. The sellers accepted one at \$2.2M.

The ten sales that comprise this data sample sold at **an average of 104.5% of the original list price.** Five of the ten houses sold for more than the listed price, two of them sold at full price and three of the sales closed at a price somewhat lower than the asking price. It is my experience that the most successful sales strategy in this type of market is one where the list price is reasonable enough to generate multiple offers. That usually results in the seller getting a clean offer that closes with a minimum of drama, at a price greater than expected. Simply put, in this market, you can't underprice a house; you can only overprice a house. In the latter case, the final price is likely to be lower than it would have been with the former strategy.

It has been my observation over the last few years, that real estate activity takes a little pause from early June through July 4th. I suppose it has to do with the school year coming to an end and the distraction of getting summer plans in place. I think people are anxious to get away as soon as school is out and things are a little quieter around town. That was the case this year as well.

As I write this in mid July, things are picking up again. A few new listings have entered the market that I expect to spark an increase in sales activity over the next few weeks, especially if mortgage rates come down a bit, as some have predicted. I am optimistic!



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The list of sales from the MLS for the first half of the year includes only 33 homes that sold for less than a million dollars. Last year there were 67 such sales which confirms that prices are still rising. By contrast, there were 80 sales of \$2M or more! Are you old enough to remember when “a million dollar house” was a mansion? Those days are long gone and, for close-in Bethesda, what we might consider to be a mansion costs at least \$3M.



Pictured above is the property that sold for \$9,250,000 at 8801 Fernwood Road. This sleek, contemporary residence sits on almost three acres of perfectly manicured land with a swim-

ming pool and tennis court. The house has approximately 15,000 sq. ft. of living space and is drop dead gorgeous. A very special property indeed.

Here is what has happened in some nearby neighborhoods so far this year:

Wood Acres—8 Sales at an average price of \$1,261,278—median price \$1,320,000

Glen Mar Park—6 sales at an average price of \$1,578,633—median price \$1,383,400

Springfield—15 sales at an average price of \$1,836,467—median price \$1,610,000

The average prices for Glen Mar Park and Springfield are skewed higher by a few particularly high sales. 5913 Madawaska Road sold for \$2.7M in Glen Mar Park. Springfield had sales of 5508 Parkston Road for \$2,970,000 and 5512 Pollard Road for \$3,695,000—all considerably higher than the norm for their respective neighborhoods.

While my company and I are most active in the Massachusetts Avenue corridor, we are by no means limited to that area. We have a strong presence in many of the neighborhoods of 20814 and 20817 like Greenwich Forest, Glenwood, Battery Park, English Village and Huntington Terrace. We list and sell homes all over Montgomery County and DC. Wherever your real estate needs take you, I would be happy to help. Call me.

Even if you have no definite plans to sell your home but would like a confidential, no-obligation consultation about what steps you might want to consider to maximize your value, please don't feel that you would be troubling me - I am always happy to help.

THANK YOU!

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