

Summer Real Estate Report

Summer
2017

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 up approximately 4%, as calculated by the 448 settlements that have taken place from January through June of 2017.

The market has been hot and cold. There have been plenty of quick sales, multiple offer sales and sales before marketing that would indicate a thriving market. But that is contrasted against a significant number of homes that have struggled with long marketing times and reduced pricing. Certainly it can be observed that the pace of sales in the lower price ranges was generally faster than that of homes priced in excess of \$1.5 M. As always, though, excellent houses did well at any price level.

Two examples of higher priced homes that sold quickly are my listings at 5720 Ogden Road and 5925 Searl Terrace. **Ogden Road (right)** is a new home that was priced at \$2,095,000 and it is beautiful. Still, there are many beautiful new homes at or above \$2 M that are languishing on the market for months and this builder considered himself fortunate indeed to have a contract in only 11 days. The house on **Searl Terrace (left)** is a stately red brick colonial in great condition that was priced at \$1,650,000. The owners were open minded to a pre-market showing or two, one of which resulted in a contract. Done. There is no holding back a great house in this market.

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 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.

As we head into summer there are about 250 homes listed in the MRIS as Active. Some of those 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.

THE NEIGHBORHOOD

You may remember that the first half of *last year* was unusually busy for Summer real estate with 15 closed sales! The first half of this year was less active but still yielded a healthy number of transactions with 9 settled sales. And the contracts came pretty quickly in most cases. The average time on the market was 39 days but the statistic is skewed by one particular home which took 244 days. If that entry is removed from the stats, the days on market figure drops to 13 and five of the sales took place in ten days or less.



Real Estate News from

Robert Jenets

President & Principal Broker



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Recent Summer Sales



5908 Madawaska Road—\$949,000



5112 Scarsdale Road—\$1,055,000



4904 Baltan Road—\$1,060,000



4805 Fort Sumner Drive—\$1,200,000



4700 Fort Sumner Drive—\$1,241,000



5112 Westpath Court—\$1,250,000



5001 Nahant Street—\$1,255,000



4907 Baltan Road—\$1,470,000



4907 Fort Sumner Drive—\$1,675,000



**5105 Randall Lane—List price \$1,490,000
PENDING CONTRACT**

The chart below shows that five of the nine homes received offers at full price or more. That is a strong neighborhood performance and certainly speaks to Sumner’s desirability, the limited inventory available to prospective buyers and fair pricing in most cases. Another factor contributing to that success story has to be price point. I mentioned earlier that the lower range (which in our area is roughly below \$1.4M) has been outperforming the more expensive part of the price spectrum. The five homes receiving full price or better were all below \$1.3M which played directly to the sweet spot for the Mass. Avenue corridor market.

<input type="checkbox"/> Address	FB	HB	BR	# Gar	OrigListPrice	ListPrice	ClosePrice	CloseDate	TaxLivingArea
<input type="checkbox"/> 5908 MADAWASKA RD	3	0	3	1	\$949,000	\$949,000	\$949,000	12-May-2017	1,484
<input type="checkbox"/> 5112 SCARSDALE RD	3	1	5	2	\$1,050,000	\$1,050,000	\$1,055,000	24-Mar-2017	2,409
<input type="checkbox"/> 4904 BALTAN RD	2	2	4	2	\$1,150,000	\$1,150,000	\$1,060,000	19-Jan-2017	2,684
<input type="checkbox"/> 4805 FORT SUMNER DR	5	0	3	2	\$1,199,900	\$1,199,900	\$1,200,000	24-Mar-2017	2,796
<input type="checkbox"/> 4700 FORT SUMNER DR	4	3	6	2	\$1,195,000	\$1,195,000	\$1,241,000	15-Jun-2017	3,144
<input type="checkbox"/> 5112 WESTPATH CT	4	1	4	2	\$1,295,000	\$1,295,000	\$1,250,000	09-Jan-2017	2,821
<input type="checkbox"/> 5001 NAHANT ST	2	1	4	1	\$1,225,000	\$1,225,000	\$1,255,000	02-Jun-2017	2,419
<input type="checkbox"/> 4907 BALTAN RD	4	1	4	2	\$1,545,000	\$1,498,000	\$1,470,000	05-May-2017	3,316
<input type="checkbox"/> 4907 FORT SUMNER DR	5	1	7	2	\$2,295,000	\$1,750,000	\$1,675,000	17-Mar-2017	5,058



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Bethesda, MD 20814

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«Delivery Point Barcode»

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 Sumner 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. People think of Sumner as stately but not stuffy and pristine but not prissy. No matter how you describe it, this is considered to be one of the most desirable neighborhoods in Bethesda, for the many reason we all know, 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 Sumner real estate interests and
welcome your questions and/or requests for a no-obligation, confidential consultation.
Thank you.*

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