

GLEN ECHO HEIGHTS (INCLUDING MOHICAN HILLS)

REAL ESTATE NEWS FROM

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NEIGHBORHOOD NEWS



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Recent real estate activity in Glen Echo Heights has nearly tripled over the activity level for the first four months of the year when there only seven sales. Since May 1st there have been **20 home sales** in the neighborhood and there are four homes under contract, pending settlement. When those four contracts close, that will bring the total to 31 sales, so far this year. As a comparison, last year was an exceptional one with the second highest number of sales since 2004—a total of 41 sales. With seven homes actively on the market as I write this, Glen Echo Heights seems to be headed for another robust year of sales.

Statistically, prices have increased over the last twenty sales with an **average price of \$1,168,120** as compared with last year's average of \$1,158,453. You may remember that the average price for the first four months this year was skewed by one outlier sale of \$4,100,000 which produced a meaningless average of \$1,307,500. Statistically, the average so far this year is \$1,319,348. but for the sake of discussion, if

that one high sale is removed from the data, the average price to this point of 2014 would still be a very healthy \$1,212,400.

With the wide range of prices found in Glen Echo Heights, the average price may not be the best way to judge value. The average price is susceptible to giving a skewed impression of value, as was the case this spring with that one huge sale. The volatility of the average is particularly great when the data sample is small, as it is likely to be for a short time period in a small area. A more representative measure of value may be the **MEDIAN SALE PRICE** which, so far this year, is **\$1,150,000**. The median is the midpoint of the data, with half of the sales above and half of the sales below the median price. It is considered to be a more accurate barometer of neighborhood values. According to RBI Statistics provided by the MRIS, this year's median price has **increased 9%** over the median price for the same time period in 2013.

Sales have been rather brisk, as well, with an average of 34 days marketing time before getting a contract. That figure, too, is better than the average for last year, which was 80 days. The statistics don't lie but they can be a little deceptive. Certainly with our dwindling inventory, it is not surprising for houses to be selling quickly but some properties do *not* sell immediately. The quick sales and stories of multiple offers with escalation clauses over the asking price are the focus of our attention but mispricing of any property will still cause a lengthy marketing experience that ultimately results in a lower price.

There is an upside and a downside to a market as fast as ours. The upside is obvious—it is no fun being on the market, having to keep your house in showing condition all the time and suffering through missed and late appointments. So what a blessing to have that over with quickly! The unfortunate negative ramification of such a fast pace is the effect it has on the buying public's perception that if a house has not sold in a matter of a couple weeks, there is something wrong with it. Buyer's have come to expect a good listing to sell quickly and when it doesn't, they assume that the price must be too high or that it needs too much work or that it has a bad lot or whatever. As the days on market accumulate, it does not take long before a home is stale and the activity level drops dramatically. That is why it is so important to get the condition and pricing right at the beginning. It doesn't matter if you have all the time in the world to sell your house, the best price will come from one of the most motivated buyers, and those buyers will see your property within the first week or so. An opportunity to sell within that time should not be missed.

PROPERTIES PENDING SETTLEMENT

One of the homes currently under contract is my listing at 6210 Massachusetts Avenue, priced at \$695,000. You can see from the picture that this 1942 red brick colonial was custom built with the traditional design and old world craftsmanship of that time. While the home is in need of modernization, the public spaces are well-proportioned and the kitchen was expanded to include more work and table space. The old side porch was expanded and enclosed to be a generous-sized Florida room with great views of the level, green yard. On the right side, a little breezeway leads to the detached garage. There is a semi-circular driveway in front and the property extends all the way to Wiscasset Road in the rear which allows for extra parking and easy access from behind. Sweet deal!



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Another home currently under contract is located at 6229 Walhonding Road, listed for \$735,000. This 1960 contemporary bilevel has a family room, a bedroom and a full bath on the entry level, with three more bedrooms and two baths on the upper main level, along with the living and dining rooms and the kitchen. There is not much space behind the house but it is nicely elevated with a generous front setback.



Also pending settlement is the home at 5402 Wehawken Road, listed for \$949,000. This home was purchased in 2009 at a price that reflected its need for updating. It sits on an excellent 14,000 square foot lot with a large grassy back yard and since then the house has been completely renovated. The vaulted ceilings are lined with natural wood that provides a warm cozy glow to the entire interior. The rear deck overlooks that terrific back yard.



One more recently contracted residence is the home at 5505 Mohican Road, listed for \$1,270,000. Located on the no-thru appendage of Mohican Road off Dahlonga, this custom built 1972 contemporary is also nicely renovated and features wall of glass with lush green views. The specially designed kitchen is particularly well done with sleek natural wood cabinetry, high-end appliances and a skylit breakfast area.



SOME SALE HIGHLIGHTS

The twenty **homes that have settled** since May 1st range from \$715,000 to \$1,972,500. Every price level is represented, although there is only one sale in the \$900's, leaving a gap from \$845,000 to \$989,000. That low sale at \$715,000 is a small house on a large lot that you may assume will be a new home soon. Just up in price from that is the house I sold at 5505 Sangamore Road, across Massachusetts Avenue. The house is a cute rambler that was listed for \$745,000 and my clients were able to purchase it in competition for \$750,000. The house at 6006 Onondaga Road is a good looking cape cod that was sold by one of my Stuart & Maury Associates at the full price of \$830,000.

The highest priced sale over the past several months was a home built in 2013 on the 12,000 square foot lot at 5309 Wehawken Road (right). This impressive 6,400 square foot Arts & Crafts home features five bedrooms and three baths on the second level plus a sixth bedroom and fourth bath on the lower level. The gorgeous kitchen, family room and screened porch across the back of the house all look out on a perfectly level, green, grassy backyard! This is the type of back yard that most buyers seek but few are lucky enough to find. Listed in the middle of July at \$2,095,000, the home was under contract only 13 days later at a final price of \$1,972,500. Win/Win!

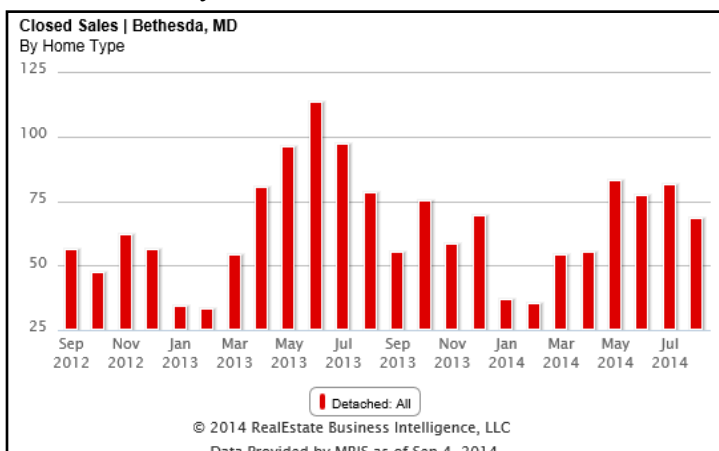


Among the recent quick sales, the property that got people the most excited and produced the highest escalation over list price was the contemporary home at 6600 Rivercrest Court (right). This exquisite home featured top-of-the-line renovations, vaulted, skylit ceilings and an airy, open floor plan. Every square inch of this home had been redone and the showing condition was perfect! It has a screened porch, flagstone patio and a huge deck to enjoy the treetop splendor in back. Listed at an asking price of \$1,150,000 this impeccable home attracted, what I assume must have been, an intense competition that resulted in a sale price of \$1,325,000. It was that good!



Although the average marketing time for sales since May 1st was 34 days, *twelve of the twenty homes sold in 10 days or less*. This figure was skewed by two listings that took 170 and 281 days to sell, one of which was a new home and the other was a large home built in 2005. But as quickly as most of those home went under contract, it is worth noting that only five of the homes sold for more than the asking price. For most properties, the real estate market is much more evenly balanced between buyers and sellers than it has been in some recent years.

MRIS statistics collated by RBI show the YTD *median sale price for the 20816 Zip Code up 6.1% over 2013*, as compared with *9% for Glen Echo Heights*. While it has been a very good year for prices, there have been fewer sales than last year. That is illustrated in the RBI chart below where you can see that the number of sales from April through August of 2013 exceeds the number of sales for those months this year. Lack of inventory continues to be a point of discussion although sales slowed a bit and, with interest rates as low as they are, it is actually a great time to buy. Let's hope that the active listings sell soon. **Please don't hesitate to contact me with any real estate questions or needs that you may have.**



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