

Good Happenings

News & Insights from the Ron Sitrin Team

Perfect timing gets the perfect home

BY RON SITRIN

You've probably heard it a thousand times -- the three most important things in real estate are "Location, location, location." Up until now I've always believed this, but I just helped a buyer get to closing, and his situation has me rethinking things. For them it was "Timing, timing, and timing."

In 2008, the heart of the great recession, Adele Liskov referred Unjum and Farida to me. **They were ready to buy their first home and their timing was perfect.** Prices had bottomed out, there was an over supply of inventory, and President Obama created a \$10,000 first time home buyer tax credit. The reason their timing was perfect was because in that market you could get the seller to give a 3% closing credit and get a \$10,000 refund on your taxes. This meant they could effectively purchase a house with no money out of pocket. That purchase was their first brush with great timing.

Fast forward to 2022, and Unjum, Farida and their three children were ready to trade up to a larger house. To maximize their spending power, their lender wanted them to sell their existing home first. This created a problem because sellers were still enjoying the upper hand and would not accept an offer with a home sale contingency. So they decided to sell their home first and then buy second. This was a risky proposition and they needed perfect timing for this to work out.

We listed their home just as the market began to cool off. Mortgage rates were creeping towards 6% and homes were no longer selling in hours or days. Remarkably, a buyer came in with a strong offer, \$25K over asking, no contingencies, and a two month rent back. Maybe the buyer really loved the



house, or maybe they were weary from losing out on too many prior offers, but I think they were the last of the aggressive buyers of 2022. Perfect timing; lightning struck twice.

Now we had 90 days to find their next dream home dream. Just two months prior, the odds of success would have been slim, but again, perfect timing. The Fed's aggressive actions caused the market to slow down right when we needed it most. Unjum and Farida were able to find the perfect home and get their offer accepted with a home sale contingency. That was something I had not seen in over two years!

Just when all seemed perfect, the strangest timing issue happened. Unjum's contract required him to settle on Friday, August 19. Three days before settlement Unjum called in a panic. He'd been selected for jury duty and the trial was expected to last all week long. If he missed his settlement he could be in default and risk losing the house and his deposit. I asked him who the judge is and now it goes from just bad timing to can't make this stuff up. The judge is John Maloney. John happens to be married to Dolores Murphy Maloney. Dolores is a member of the Ron Sitrin Team and happens to be the team member that shepherded Unjum's deal through. Dolores' husband is the judge presiding over Unjum's case! On Thursday, the case went into jury deliberation. Fortunately, Unjum was named as an alternate juror, and excused just in the nick of time.

I can't wait to see what good thing happens when Unjum and Farida are ready to buy their next home.

Coming home to a new awareness

Wynne and I, with our three young adult daughters in tow, just took the longest vacation of my life - 22 amazing days! About halfway through, I realized these kinds of trips are just as much about going places as they are about leaving your day-to-day world behind and freeing up space in your head to make new discoveries.

It was an epic journey through Croatia, Slovenia and Montenegro. On paper it was meticulously planned out... flight times, hotel bookings, tour guides, distances between points of interest and so on. **But once we were there, something unexpected happened.**

Suddenly, I was able to slow down and just experience life with a quiet mind. Our family became attuned to new tastes and flavors. We noted all the subtle differences in things compared to “back home”. We delighted in interactions with people not just to get information but to learn about them – observing our differences and the things we had in common. It made me realize that so much of our lives are spent rushing to get things done and we often forget to enjoy the moments.

It’s ironic that **by traveling thousands of miles we could more clearly see what was already inside us.** It was as though it took physical travel for us to experience internal enlightenment.

In addition to the sights and experiences of this amazing part of the world, Wynne and I relished the chance to witness our children as confident, independent adults. In the unfamiliar and interesting new places we went, often it was them taking the lead and looking out for everyone – a parental experience that I didn’t anticipate. They chose the places to eat and selected the exotic items on the menu, they encouraged us to step off planned paths. They pushed us to go a bit farther in every direction, including down. (scan to see Ron’s leap of faith).

All three of our kids said, “this was the best vacation ever.” That’s a memory that I’ll always have in my mind, but honestly, it fills my heart.



Who knew you could live like this?

Our GPS had us about a mile from Ljubljana, the capital of Slovenia, when Wynne seemed to be prematurely looking for parking. “Why do we have to park so far from our AirBnB?” I asked again in disbelief.

“I told you”, Wynne reminded us, “our AirBnB host said there is no parking near the unit.”

This seemed crazy to me and a huge inconvenience. Why did we book a room where you have to lug three week’s worth of luggage some impossible distance?

But there we were, staring at a fairly long cobblestone street that disappeared into the city center. We stacked our small bags on top of our roller suitcases, slung our backpacks over our shoulders, and began trudging our stuff toward our unit.

Noting our struggles and awkwardness, I couldn’t help feeling like we had to be providing amusement to the locals.

Then the realization hit. Aliza noticed it first and shouted out, “I think I’m going to love this city.” And boy was she right.

What had she noticed? **There were no cars anywhere. None. No traffic, no noise, no vehicles zooming past pedestrians. It was like going back 200 years into the past...and perhaps a look into our near future?**

In 2007 the forward-thinking city planners of Ljubljana wanted to go 100% Green. This included creating a car free zone. As you can imagine, the car free idea was met with a lot of opposition.

The next day, our tour guide told us that when the city council proposed a car free zone that many people, including herself, were against it. “Where would we park, what about deliveries, how could this possibly work?”

The city planners argued that when you don’t have cars you do not need roads and parking lots. This frees up space to create walkable, tree-covered boulevards,

public squares with fountains, storefronts that beckon you in as you stroll by and cafes that spill onto the streets.

Ljubljana got it right. Their car free zone fosters a city dynamic that feels magical. Instead of engine noise you hear conversation and laughter. Fast moving vehicles are replaced with strolling pedestrians. Vehicle emissions are now replaced with the aroma of fresh bread and tasty foods.

Going 100% Green makes for an incredibly holistic environment. Things slow down, you notice more, conversations seem better, and life feels more in balance. Ljubljana quickly became our favorite destination of the trip.

I think what is interesting here is the hidden subtext. Many people living in Ljubljana had a strong opposition to change. **The change was made, the logistics worked themselves out, and now those that were initially opposed to it, love it.**

Maclom Gladwell points that the ability to change your mind is a kind of superpower – that once one admits that there are other options and other possibilities – new opportunities and solutions have the space to present themselves. With an open mind, good things happen..

Going car free is a radical change from the way we think about cities here in the U.S., but we already see little hints of this taking place. In the DC area – a street cut off to cars here, and expanded sidewalk for restaurants there – but nothing like on the scale of how Ljubljana did it.

It makes me think... Imagine no cars in downtown Bethesda or Georgetown?



Scan the code for Farheed Zacharia’s take on car free zones



Oh, the places we’ve gone...

It was an amazing trip! If you’re interested, the QR code at left will pull up the full itinerary and some great photos from our family adventure. Enjoy!

Where have you been?

If you have a great vacation destination story that you’d like to share, come over for coffee.



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Correcting back to a healthy market

BY RON SITRIN

There's been much talk recently about a slowdown in the market. Some experts are calling it a "housing recession", a new term that defines a declining housing market.

Sellers are no longer getting multiple, non-contingent offers within hours of hitting the market. Interest rates have soared to 5.5%. It's an absolute free-fall, right? Of course not.

I think it's helpful to frame things with a slightly different perspective. Has our market slowed down? Yes, of course it has. Has it crashed? No, not at all.

I think a speeding car analogy explains it best.

In 2021, 3% interest rates boosted our market to over 100 mph. We were going way too fast but it was an exhilarating ride for sellers.

Early 2022, as prices reached record highs, buyers eased up on the gas pedal to 80 mph. Still way above the speed limit but noticeable slower than before.

Mid 2022 the Feds pumped the brakes and interest rates climbed. Record high prices combined with

“[it] may feel like a housing recession but in reality we are still moving at a healthy speed.”

higher rates slowed buyers down to 60 mph. Ah, finally we were going the speed limit.

As summer ends, there are still plenty of motivated buyers. They just want to drive safely and are cautious about overpaying. It feels like we're moving around 50 mph.

Less than the speed limit but no

traffic jam either.

So here is my perspective. If the market kept going 100 mph we would have been setting ourselves up for a crash. I doubt Geico would even insure this driver. Slowing down from 80 mph to 60 mph to 50 mph may feel like a housing recession

but in reality we are still moving at a healthy speed.

We're driving at a pace where we can see the scenery go by and not every transaction feels like a white-knuckled adventure.

Whether you are looking to buy or sell, **you will still find plenty of opportunities** in this market.

Good Happenings

Good Happenings is a look at market trends, Ron Sitrin Team insights, great stories and good things we want to share with you. All content and information shared is approved by the clients. With Ron's worldly view – plus all his local experience – he's ready to help you buy or sell a property. Give us a call today!

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Have a question, story idea or comment? Give us a shout!

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