

Good Happenings

News & Insights from the Ron Sitrin Team

Deer in the Headlights

BY RON SITRIN

It's the question I get asked almost every day: **"Is now a good time to buy?"**

My eyes start darting left and right while my brain tries to come up with the right answer. There are just so many variables to consider: the financial position of the person I'm talking to, the neighborhood they're asking about, the interest rate hikes, or the latest economic report. Heck, there is so much conflicting information out there that the amount of coffee in my system might even have a bearing on my reply.

Thankfully, it's not just me having an existential crisis. Fannie Mae just released a study showing that buyer confidence in the market has dipped to a low not seen since October of 2011. The sentiment is that interest rates are likely to move higher and that sale prices will come down. **Only 19% of consumers surveyed thought that it's a good time to buy, while 59% suggested it's a good time to sell.**

That said, **timing a real estate purchase is very hard to do. To nail it you need to hit three unrelated cycles just right: your life cycle needs, house pricing and inventory trends, and fluctuation in mortgage interest rates.** This is not easy to do.

An all-cash buyer isn't concerned about interest rates, but she might be waiting to see if prices drop.

A first time buyer who needs financing is hoping to see prices come down, but also has a nagging fear that interest rates will go up and negate his savings.

Sellers who need to buy find themselves in quite a quandary. They want to sell now before prices get lower. At the same time, they don't want to give up their existing lower mortgage



It absolutely was the right time for Walter and Carol to make a move— see their crazy story on the inside pages of this edition.



rates. To add to their confusion, the lack of inventory makes it hard to find their next house.

Some people just need to move. There are always buyers who need more space, or need to change school districts, or have just relocated to the area. These highly motivated buyers want to buy now.

So, is now a good time to buy? Housing and stock market prices go up and down. Economies go hot and cold. Interest rates get higher and lower. Throughout it all, everyone needs a place to live. Over the years, I've helped many sellers who bought at near peak prices and held for a long time. If you ask them, each one will say, "It is the best decision I ever made." Even if they had a paper loss in the beginning, by holding long term, it turned out as a great investment.

When the Realtor is the Matchmaker

BY RON SITRIN

Being a Realtor means wearing a lot of hats. You're part salesperson, part financial advisor, part legal expert, and sometimes part therapist. Occasionally we get to be matchmakers too.

One example is a transaction that Ron Sitrin Team agent Ruth Berg and I recently put together. Ruth's client Carol decided that it was time to downsize. Carol invited us over to her Westchester co-op. She currently lived in two units that had been joined together to make one large and exquisite space. The room dimensions were huge and felt more like a house than a co-op. During the visit, Carol mentioned that her friend Walter had suggested that she take a look at a new condo development called the Perla.

Two days later we visited the Perla on O Street, NW. Carol invited Walter to join us since he was the one to suggest it. Why not have him tag along.

The Perla at O Street is a new condo development in the Logan/Shaw area. The location is excellent and the finishes are really nice. **At the time of our visit, the building was almost sold out and only two of the larger units remained.**

Walter was gushing over the units. He really loved them. However, the floorplans were just a bit shy on space for Carol. She was coming from a much larger home and had beautiful furniture she wanted to keep. No matter how hard we tried, her stuff just wasn't going to fit.

So there we were, still trying to figure out how to make it work, when Walter suggested we take a break. He invited us over to his place. It was only a

few blocks away and we could discuss things over a glass of wine. How could Ruth and I say no to that?

As soon as we walked into Walter's unit it hit me, and my Realtor mind went into overdrive. Walter's place was exactly what Carol was looking for. But was Walter thinking about moving? He really loved the Perla...was there a win-win opportunity here?

As Walter went on about the Perla, I just had to ask "Walter, do you want to buy one of those units?"

He did! The problem, he explained, was that the timing was not right. He was going on a big vacation with Carol, didn't have time to get his home on the market, didn't want to buy unless he had already sold, and at the current rate of sales, the Perla would sell out before he could get everything into place.

Then I had to ask the delicate question: "Carol, if Walter wanted to sell his unit, would you be interested in buying it?" She said, "YES!"

So, if Walter wants to sell before he buys, and now we found a buyer, Carol (who happens to be one of his close friends) how can we make this work? **See the timeline below.**

There were a lot of moving parts, people, rent-back agreements, and money that all had to dovetail for this to go right. We nailed it. Everything worked out perfectly. I realize this is nowhere as complicated as Lee's job (see accompanying article) but everyone felt great about how it all came together.

So did we get to play matchmaker? Carol and Walter both fell in love with their new homes, and Ruth was the Cupid that made Good Things Happen.



You think *your* job is stressful? Meet my friend Lee.

Imagine launching a billion dollar telescope into space. There are thousands of things that could go wrong. The system complexity is ridiculously high and the cost of time and money are enormous. This doesn't even factor in the public embarrassment if things go wrong.

This is the kind of pressure my friend Lee Feinberg is under.

Lee has a very specialized job. He's one of the many talented people at NASA who designed, built and deployed the James Webb Space Telescope (JWST). Imagine the stress of being responsible for something this complicated and ground-breaking.

I'm a pretty anxious guy. I worry about things. Will the seller accept our offer? Is the inspection going to reveal a deal-breaking issue? These are the kinds of things that keep me up at night. **I couldn't even begin to imagine what's going on in Lee's head.**

I asked Shari, Lee's wife, how he handles all this. "Oh, he doesn't sleep for six months before a launch," she laughed.

JWST is an extraordinary and audacious undertaking. It's designed to see infrared images from billions of years in the past. It's fair to say, most of us can't even begin to comprehend how it was built and what it can do.

If you're a space enthusiast, the QR code (below) will take you to Lee's presentation on how NASA prepared for this herculean feat. You'll get his insider's view on how they worry about a speck of dust hitting the telescope's mirror, or how every component must withstand hundreds of degrees of temperature change, or how such a fragile creation can withstand the G-forces of launching into space. I assure you

that three minutes in your head will be spinning and you'll have a new appreciation for those men and women we casually refer to as "Rocket Scientists".

Picture me looking at a broken hot water heater. I pull out my phone, make a call, and it's replaced in a

few days. Now imagine Lee sitting at mission control, here on earth, and something goes wrong with the telescope. It's hurtling through space thousands of miles away. There's no one up there to fix it. A repair, if even feasible, is a billion dollar project and could take years to get done.

On Christmas day 2021, the James Webb Space Telescope launched into space. Lee is very happy to report that everything is working flawlessly and recently began delivering breathtaking photos of our cosmos. Good Things are Happening even millions of miles away.

Meanwhile, at my job, I just hope I put that new listing's address into my GPS correctly...





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Philosopher's Corner

BY RON SITRIN

My friend Mike Goldman and I went on a fall hike. We found ourselves talking about human nature in general and anxiety in particular. The question we were battling around was **“why do people tend to worry so much?”**

Mike asked, “Ron, on a professional level, how do you see this play out in real estate?”

Moving is stressful. **The natural by-product of stress is fear and worry.** As you can imagine, I see my share of this.

Here's an example: A problem arises for someone in the course of a transaction. That person takes the problem, and in their mind, they magnify the problem to its worst possible outcome. Then they take this worst possible outcome and experience it as if it's already happened.

A simple example might be a small plumbing leak in the basement. Somehow this leak gets translated into the basement will flood, mold will grow everywhere, and my house is ruined. This could actually happen. However, the probability of this happening is pretty slim. The vast majority of plumbing leaks are easily fixed with no further consequences.

Mike reminded me of a book written by Mitch Albom called *Tuesdays with Morrie*. Morrie is dying from ALS and every Tuesday Mitch and Morrie meet for life lessons. Mitch asks Morrie, “what is one of your greatest regrets?” Morrie's answer, **“All the time I spent worrying about things that never happened.”**



Ron and fellow philosophers Mike Goldman and Gregg Trilling on a recent hike.

Good Happenings

Good Happenings is a look at market trends, Ron Sitrin Team insights, great stories and good things we want to share. All content shared is approved by the clients.

Thinking of selling in 2023? Give us a call and let us put our real estate wisdom to work for you!

The Ron Sitrin Team

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

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