

Good Happenings

News & Insights from the Ron Sitrin Team

How's the housing market?

It really depends on your perspective.

BY RON SITRIN

When I bump into friends and past clients, many of them comment “it seems like the market is slowing.” I get why they say this. When they look around they don't see many for sale signs and interest rates are on the rise. From the perspective of somebody who is not in the market they are right, the market seems to be slowing.

However, perspective is a funny thing and it depends on your point of view. If you are currently buying or selling you would see the market as moving super fast.



Stare at Roy Lichtenstein's *House I* long enough and you'll start to question what your eyes and mind are telling you. Is the house projecting outward toward you or inward an away? It's the perfect metaphor for today's housing market – the direction is determined as much by perception as it is by numbers.

Sellers are seeing homes go under contract in days and many receiving more than one offer. Buyers need to rush out to see new listings as many sell before the weekend. To buyers it seems like prices are appreciating overnight.

Looking at the market strictly by the numbers you'll see limited inventory, houses selling fast and prices going up.

Thinking of trading up to a more expensive house? There is a silver lining if you own a home priced under \$1,600,000 and are planning to buy above \$2,000,000. As a seller, the market below \$1.6 is super hot and there are good odds you will sell your home fast and for more than you thought. As a buyer, the market above \$2 million is slower. You will most likely be the only offer and even get to negotiate. Can you say arbitrage?

So, how to answer the housing market question, why not use a picture of a house. Roy Lichtenstein's structure, *House I* does this perfectly. Just like our housing market, depending on your perspective, it's either moving towards you or away from you.

Still a bit unsure? Have a look inside and see how House I looks from yet another viewpoint.

Millennials pivot from renters to owners

BY RON SITRIN

The Millennial generation has hit a new milestone: in 2022 they officially became a generation that has more homeowners than renters. Not only that, they hit this milestone two years ahead of schedule.

As a reminder, Millennials (Gen Y) were born between 1981-1996, making them 27-42 years old today. Their trend towards home ownership has been underway since 2017 when the oldest Millennials turned 36. Historically speaking, 36 is late in life to purchase a first home. However, this was a generation that was known for pushing big milestone events off until later in life.

Then, an unusual thing happened. During the pandemic many Millennials stopped renting and moved back in with their parents. Many were able to work from home, save on rent and accumulate money for a downpayment.

In 2022 Millennials also reached a historically high median income of \$108,000. This was up 44% from just 5 years earlier. The combination of higher salaries, no rent, increased down payment savings and historically low mortgage rates (2021 - 2022) encouraged a frenzy of first time home buying for

this generation. And there's one other factor: 59% of Millennials received financial or downpayment support from their parents. It practically begs the question: was it FOMO or did the parents just want the kids out of the house?

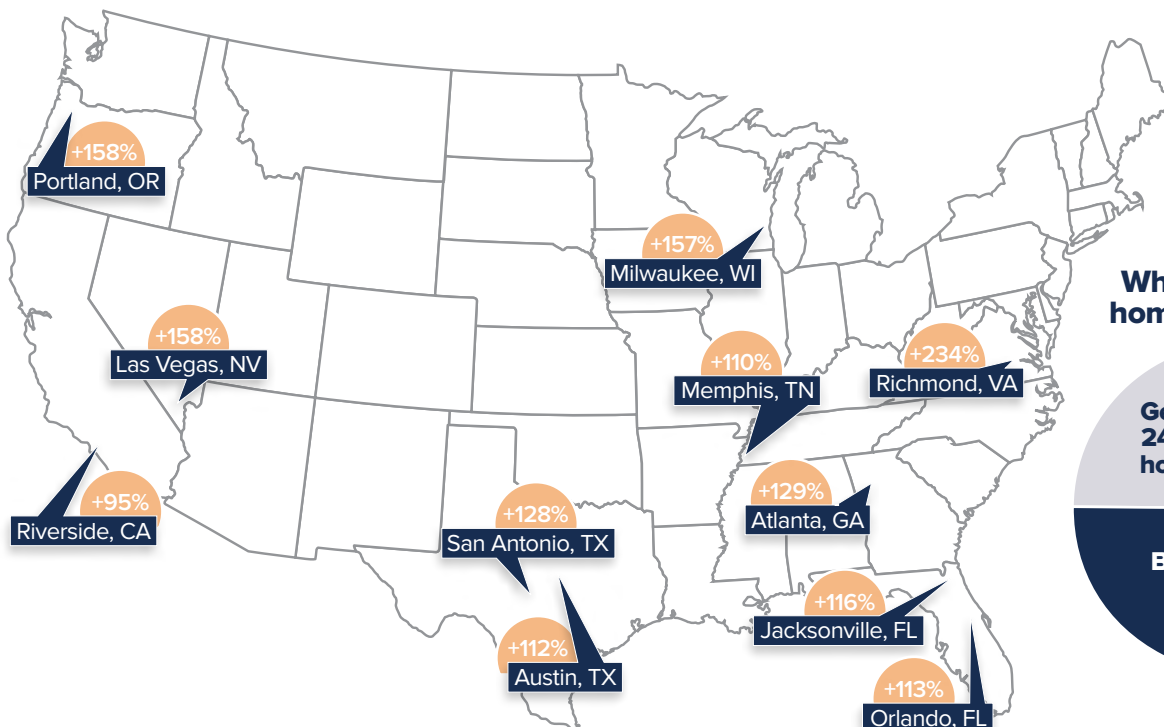
In all seriousness, how does this accomplishment compare to other generations? Millennials tipped to a majority of homeowners at an average age of 34. Baby Boomers (1946-1964) hit the same mark at an average age of 33. Generation X (1965 -1980) must have been in more of a hurry; they hit the transition point at an average age of 32.

As the parent of a few amazing Millennials, this data makes me happy on several levels.

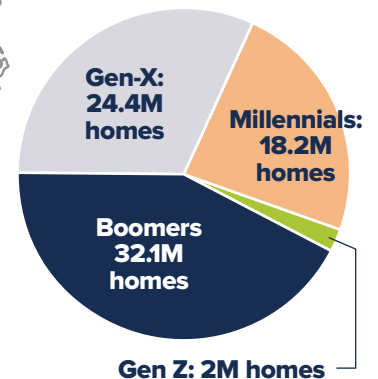
First, it shows that this generation is working as hard as and achieving at a similar rate as prior generations. And as more Boomers, Gen-Xers and Millennials chase their homeownership opportunities, the Ron Sitrin Team will be here to help them make good things happen.

The hottest markets for Millennials

% increase in ownership since 2017



Who owns all the homes in America?



source: rentcafe.com/



Blending a hike in the real world... and ChatGPT?

We've all been hearing about artificial intelligence (AI) and ChatGPT lately, and last week while I was on a very analog hiking experience I got to wondering how the experience might be captured by a non-human, digital "brain". So when I got home I decided to try ChatGPT to see what it would make of my experience.

ChatGPT, for those who are just learning about this technology, is a process that takes small bits of input from the user and generates some impressive output. I told it about my hike, who I was with, and asked it to create a poem in the style of Amanda Gorman

Here's what it came back with. What do you think?



I still prefer real-world experiences over screen time, so here's a link to the AllTrails page that tells you all about my recent outing to Turkey Run Potomac Heritage Trail.

*Onward we three, with feet that crave
The earthy trail, that winding wave
Aliza, Wynne and me on this hike
Just ten minutes away, our spirits alight
Turkey Run, the name of our trail
Up hills and down, we will prevail
The beauty of nature, on full display
Our muscles stretch, our breaths we catch
The air is pure, with every snatch
Of wind that blows, through trees so tall
We feel alive, and stand up tall
The crunch of leaves, beneath our boots
The rustle of branches, with bird-song flutes
All around us, the wild life hums
And with each step, our heartbeats drum
We leave behind the noise of town
And find in nature, our peace profound
A moment's respite, from screens and strife
A chance to reconnect, with our own life
On Turkey Run, we find a journey's worth
Of memories to cherish, on this earth
The sights, the sounds, the smells we inhale
Remind us of our own true tale
Aliza's 26th birthday, we celebrate
As we hike and explore, this wondrous landscape
Views of the Potomac River, we behold
Small waterfalls, with stories untold
The natural world, in all its glory
Reminds us of life's inspiring story
So let us go, and hike our way
Through mountains high, and valleys gray
For in the end, we'll find a view
That makes us grateful, for all we do
Aliza, Wynne and Ron, on Turkey Run
Just ten minutes away, our spirits alight.*

Taking a longer view on the market

Here's an even more revealing look at our cover story subject – and, I think, a fitting analogy for the true answer to the question: When you take a few steps back and get out of the buy/sell mindset, you realize you can't define a home purchase in a single moment. It takes time, and the perspective of years of ownership, to see it for what it really is.





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The passing of Wes Foster, Founder

BY RON SITRIN

Wes Foster grew up in the small town of McDonough Georgia, attended VMI University and entered the Washington real estate scene in the 1960's. During the 60's, real estate was a white male dominated industry and discriminatory practices were commonplace.

Wes rejected these practices and broke the mold by embracing diversity. **By putting people first, regardless of who they were or where they were from, Wes grew Long and Foster into the country's largest privately held real estate brokerage.**

Wes was among the first brokers to hire agents and managers that were discriminated against by other firms. He hired people regardless of their sex, color, religion or race.

When I joined Long and Foster in 1995, I distinctly remember how impressed I was with the number of incredibly talented women in key leadership positions. Marj Rosner, my manager, chose to work for Wes because he helped women build careers in real estate. He was doing this even during the times when women could not get loans to buy a home.

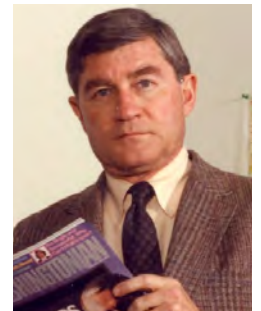
One of Wes' strengths was spotting great potential.

If someone had character, integrity and drive, then Wes wanted them onboard. Once hired, he was known for taking care of his people. **He often said "take care of people first and the profits will come".**

I remember being stuck in traffic at the intersection of Whittier and River Road and receiving an incoming call from Long and Foster HQ. It was Wes calling me. He had just heard me on WTOP radio and wanted to say thank you for everything I was doing and how proud he was that I was part of Long and Foster. It was a short call but the impact was big. He made me feel important and it was the highlight of my day.

Long and Foster is a huge company with over 8,000 agents, yet he took the time to call me. Many of my colleagues have told me similar stories.

If we can take a page from Wes Foster's leadership style it would be, put people first and let them know how valued they are. It's amazing the impact it will have on them and how it will become part of your leadership legacy as well.



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.

How do things look from your vantage point? If you'd like to buy or sell, let's find the best angle and make a good thing happen for you!

The Ron Sitrin Team

Long & Foster Real Estate, Inc.

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

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This is not intended to solicit the listing of other brokers.

