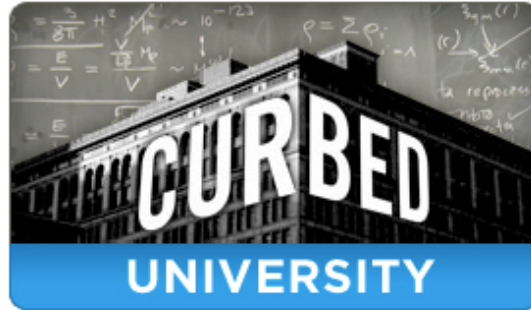


## CURBED UNIVERSITY

# Jennifer Myers Of Dwell Residential Answers Your Questions

Monday, March 18, 2013, by Amy Rose Dobson

For this week's open thread we asked Jennifer Myers, owner of [Dwell Residential Brokerage](#), to answer the questions that came in through the comments and the tipline. Since Jennifer specializes in working with first-time homebuyers she



has her finger on the pulse of what the newbies to the market are thinking, worrying, and obsessing about (her eleven years in the industry includes being named "Accredited Buyer Agent of the Year" by *Realtor Magazine* in 2009, winning the "Best Of" DC Real Estate Agent in the *Washington City Paper* in 2010, and a number of television and radio appearances). This year has been more difficult than ever for the entry level homebuyer to find a house simply because there are so few houses on the market but Jennifer swears there's still room for hope. She touches on that and other important considerations after the jump.

## What are the top considerations before buying a property?

Know thyself. What are the things you most love about your daily life (or want to change)? Make sure those items are the drivers in your home search. Pick ONE thing that is most important to you and don't give up on that one thing, but be willing to change other factors or "nice to haves." Next, ask yourself how long you plan to live in this property. Then, ask yourself what is most realistically going to happen during that time period. If you can be really honest with yourself about this, your criteria and "must haves" become very clear. There are only a few factors that will determine what you will buy—you need your budget, location, and needs to line up. I usually suggestion buyers focus on location first and foremost since that decision defines a lot about your lifestyle. Either way, only change one of these three factors at a time to understand the choices the market presents. Having a hard time with decision making? Read the book *The Paradox of Choice* by Barry Schwartz

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### **How long should you keep a property before selling?**

Trulia recently did a study that said the break-even point in DC to buy vs. rent was 3.5 years. I always round up and say 5 years. If you plan to live in DC for 5 years. You should buy, no question about it.

### **When is the right time of year to buy a house?**

The time of year that is best for your life.

Inventory-wise, though, there are the most options in the "Spring" which for real estate tends to be March through June. But, that is also when the most buyers are looking. There are some really good deals to be had during the lower inventory periods when less buyers are looking which around here is August and December.



### **What are the biggest mistakes you see first time buyers making over and over again?**

Not understanding that financing enough before they start looking at homes. Getting the right loan for a buyer's specific financial situation is a total game changer. You don't have to put 20% down anymore to avoid Private Mortgage Insurance, for example. Another thing I see all the time is buyers focusing on the purchase price or interest rate instead of the monthly payments. Start with monthly payments, then find the best loan option for the amount of cash you have. Works like a charm every single time. If there is ONE thing I wish I could teach everyone it is to erase everything you think you know about financing a home and start with a fresh mindset and a smart lender who can explain what is best for YOUR individual financial situation and goals. Gone are the days when loans are one size fits all.

### **How much of someone's monthly income should they spend on a mortgage?**

The rule of thumb nationally is one-third of your income. In areas like here, New York, San Fran, where the cost of living is high, we see that number trend to about 40%. I wouldn't spend more than 40% even if your lender approves you for more.

**My wife and I are shopping for our first home. We recently placed an offer on a condo and ended up in a competitive situation with 5 other buyers. We lost to an offer that waived all contingencies and I assume was for a slightly higher dollar amount than ours as well. We made what we felt like was our best offer, but did not waive inspection. It's discouraging to fall in love with a place, make a strong, and lose out like this. How can buyers best prepare themselves for rejection in this seller's market? On the one hand you have to fall in love with a place to want to make the offer, but on the other hand it makes it hurt that much more when you lose.**

The market is very competitive right now so prepare yourself that you may have to write a few offers before getting "the one." Also think about ways that you can improve your chances of being the best offer. For example, you can waive the home inspection contractually by conducting the home inspection before submitting your offer. Offers tend to be due on Mondays or Tuesday and that gives plenty of time to get an inspection done before the offers are due. I often remind clients that finding "the one" in real estate is like finding the "the one" in love—you may have to get through a little heartache but once you find the one, you'll look back and see it's all been worth it.

**Which is a better investment for a first-timer: a row house or a condo (assuming they are in the same condition and are roughly the same price)?**

They are both great investments if they fit the buyers needs. It also depends on the location and budget, but I see most first timers go for condos mainly because rowhomes and condos have such a huge price difference. It's a great way to get into the market sooner and start building equity.

**What neighborhoods are the right places to buy in right now?**

Almost any in DC right now! Definitely anywhere that you see construction and/or that the city is putting money into. You really can't go wrong buying anywhere near metro and commercial areas that have restaurants, grocery stores, and "stuff".