

11 PROVEN STRATEGIES For buyers in the Metro DC Market

Have you heard a “horror story” about being a buyer in the DC market?

Want a buy a home...without the hassle?

Here you will find 11 tried-and-true strategies for buying a home that not only help you win that house...but can also make the entire process...dare we say, enjoyable!

Our highly specialized team at Living by Design has a combined nearly 35 years in the DC area market. We know the market inside and out—and have learned a thing or two about buying the *smart* way.

Our clients trust us to be their expert consultant and powerful negotiator every step of the way. There are what can seem like a million moving parts in a real estate transaction, and having a team of tried-and-true experts on your side is of the utmost importance.

When buying your home, the agent you choose to represent you can literally make or break the deal.

You want someone who truly knows what they’re doing. Someone who has a systematic, proven process. Someone who cares about getting you what you want.

→ Buying your home is not only one of the largest personal financial transactions of your life—it’s an emotional experience as well.

Together with my team at Living by Design, I am with you every step of the way, and I treat your real estate goals as if they were my own...because that is what you deserve.

To your success!



Wendy Messenger
Realtor & Principal
Living by Design
Keller Williams Capital Properties



Here are the 11 strategies you need to know to successfully buy a home in the DC market this year:

1) Step Away from the Computer

So, you've decided you're finally ready to buy in the competitive DC market. Congrats!

The first thing to do? Step away from the computer.

Don't waste countless hours drowning in a sea of online listings until you have narrowed your target area.

One of the first things I do with buyers is a "Grand Tour." We take a drive around your top neighborhoods of interest so you can more quickly narrow your search to your most ideal areas. I encourage my clients to get out and walk around the area, have lunch and check out the neighborhood amenities, and get a sense of where they can see themselves living.

→ Getting specific about your search will save you time, hassle and heartache.

Once we have your ideal parameters of a neighborhood nailed down, then I can set you up with completely customized alerts for your target neighborhoods, property specifications and budget. No more endless searching on Zillow (with inaccurate information)!

This way, you won't get overwhelmed with a barrage of listings, and you will be 100% ready to jump on The Right Property when it comes along.

→ Make expert real estate technology work FOR you!

2) Why a Dynamic Team Matters

Working with an established, dynamic team gets you the best of everything.

Real estate transactions have what can seem like a million moving parts...working with a specialized team allows us to have experts for each niche, so you are 100% taken care of.

Our structured team communication and project management makes sure every facet is in alignment.

► Real Estate Professional

Living by Design includes three in-house agents, with a combined nearly 35 years in DC. Our transaction coordinator makes sure that every contract's i's are dotted and t's are crossed—so you can focus on the big picture, and we can focus on taking care of you.

We also work with a nationally acclaimed marketing strategist, keeping our marketing hyper-focused and hyper-effective.

► Lender

It is critical to have a lender who serves as a financial guide, who takes the time to educate you to make smart decisions. This is, after all, a huge purchase! You don't want someone who punches in the numbers to a computer algorithm and lets you know the most you can spend - you want someone who listens and can help you understand how a mortgage payment will fit within your lifestyle and your financial goals.

The DC metro area is fast-moving, meaning we need short contingencies for financing and appraisal to make a competitive offer. So you need a trusted, local lender, who understands the market, how to position you well in this competitive area, and who will place a call to the listing agent or at least be available by cell to answer any questions the listing agent may have. This can make or break a deal!

► Home Inspector

Have we mentioned that buying a home is a big deal? Given the financial commitment, it is important to know what you are getting into! That's where the



home inspector comes in. Your home inspector gives a thorough assessment of your potential new home and its condition, so you can make an informed decision about the purchase.

Your home inspector should evaluate all the major systems and components of the the home, and provide the findings in a detailed report. They should also help you understand how to best take care of and maintain your home.

► **Settlement Attorney**

The settlement attorney oversees the closing process and it typically selected by you, as the buyer. They are a fiduciary, meaning they owe responsibility of good faith and trust, yet they are a neutral third party. The settlement attorney is the final step in your purchase, so be sure to chose an experienced firm with a committed team that can ensure a successful closing! They are responsible for very important steps, and you want a reputable attorney and firm who dot their i's and cross their t's!

Together, a solid teams means everyone is working to the highest and best use of their time...maximizing their value to YOU and getting you the best possible results.

HOME BUYING TIP

A common strategy I recommend for my clients is using a reputable local lender, who puts you through underwriting before your find a property.

This sets you up for fewer surprises, and helps **better position you in competitive situations, since your offer is viewed almost like cash!**

This is especially great in DC Metro, where we see about 20% cash offers as it is.

"I was a first-time home-buyer this past fall and Wendy was right by my side every step of the way (even when I had to make an offer while overseas!). I couldn't have dreamed of a better agent, and I never would have guessed that the process would go so smoothly.

Wendy was patient with me as I figured out what I wanted and provided thoughtful insight every step of the way. She earned my complete trust from the beginning and I recommend her whole-heartily. I am absolutely thrilled with my new condo on Capitol Hill - and I have Wendy to thank for it!"

—Trula T.



3) Understanding Affordability

For many of our clients, buying a home is the largest financial transaction of their personal life.

While buying real estate can be a wonderful investment, especially in the DC market, it's important to understand what goes into your monthly payment so you don't end up overwhelmed.

There are a few key factors in affordability.

◆ **Comfortable Monthly Payment**

◆ **Interest Rates**

◆ **DC Market Home Prices**

Together, these three combine to make your real estate dreams your reality—and determine affordability.

Let's break down what these factors mean...

☞ **Comfortable monthly payment**

Once you have your maximum approval amount, work backwards from there.

Just because you are “allowed” to spend that much does not mean that you should.

Don't focus on the maximum...what are you are actually comfortable with spending every month?

Remember to consider other expenses that are outside of your mortgage, insurance and property taxes, like property maintenance...and even vacations, summer camps, new cars, etc.

Decide on a comfortable monthly payment, and work backwards from there.

☞ **Interest Rates and Purchasing Power**

Lately, mortgage rates have been a hot topic in the real estate world.

Rates have been at historical lows, but are climbing higher.

What does that actually mean?

As mortgage rates climb higher, buyers' purchasing power decreases.

Climbing rates increase the monthly payment amount, effectively creating a situation in which “your money doesn't go as far as it used to.”

In anticipation of climbing rates, locking in a lower rate is a major motivator for many buyers in the DC market right now.

☞ **DC Market Home Prices**

DC is an area of local, national and global importance. Especially in the most-desired neighborhoods, prices are likely to always be on the “higher end.”



In this competitive market, values have appreciated quite strongly.

For many buyers, locking in your value sooner rather than later is often a wise strategy.

Not only are you able to get your home sooner, you are likely able to buy it at a lower price, before values appreciate out of your current budget, while also creating an investment strategy for your future.

“Wendy is an excellent agent! She has advanced degrees in architecture and design which most agents don't have. She has great insight into market conditions and the different variables that go into real estate pricing. In addition to a keen insight honed from years of experience, she brings a data-driven approach to both the buying and selling of properties. She uses the latest tools to ferret out opportunities...

Lastly, she has tremendous hustle. Buying and selling properties in the DC area can be competitive, and she is very efficient at organizing properties and finding value.”

—S.K.



4) Why YOU Need to Care About Market Data

Becoming a “data master” overnight as someone who doesn’t do real estate transaction every day is simply not a realistic goal.

It is 100% your agent’s job to provide you with the data you need to know in order to make a standout offer that not only is accepted, but is a wise choice for you.

That said, it is also your agent’s job to teach you what the market numbers mean.



Buying real estate, especially in our hot market, is a major investment. You deserve to understand the numbers, and you deserve to feel confident in what you are doing.

At Living by Design, we provide in-depth quarterly market updates, and give regular customized updates based on your micro-market, so you can fully understand WHAT, exactly, your offer means.

5) Your Readiness = Your Success

In our heavy sellers' market, your preparedness is key to successfully getting "the one" when you find the right property for you.

There are two key things you need to do as a buyer when it comes to readiness and success...

1) Don't look earnestly until you are wholeheartedly ready to make an offer.

If you start looking before you have your "ducks in a row," chances are that you will see a house that seems "perfect"...and won't be able to make an offer.

Fast forward a month or so when you finally are ready to buy, and you will already be feeling burned out...

Set yourself up for success and be smart about your home search.

2) Don't wait for the open house.

Once you find a house you DO love and you are ready to go, ACT IMMEDIATELY.

If you wait until the open house, you are giving dozens of other buyers just like you a chance to snatch it off the market before you can.



With my connections, I can often get you in for a showing before the open house—and sometimes can even submit an offer ahead of time.

➔ **Have your agent check on offer timelines.**

In this hot market, there is often a set “offer date” for properties that will move quickly.

Be ahead of the game—and don’t miss your chance.

CLIENT CASE STUDY

My clients Charles and Jennifer were looking to purchase from overseas. They were focused in a fast-moving market. Most homes were going under contract in 5 to 6 days.

Communication was key. We developed systems to maximize their ability to narrow in on properties that caught their eye.

I honed in on ways to get feedback to them on properties quickly, using video and Skype, and quickly honed in on their key priorities for a home and neighborhood.

Patience, focus and great communication definitely paid off.

We found an great home in an ideal neighborhood that checked all the boxes.

We were able to get a strong offer in and get under contract before the open house.

When a few issues arose in the home inspection process, I negotiated what we needed to fully address the concerns and make the home just right for them.

My clients were ecstatic. They found the perfect home for their family, with completely minimized stress—and from afar!

6) Knowing the Necessary Steps Frees Your Mind to Focus on What You Really Want

When working with me, I take as many of the details off your plate as possible.

That said, you DO need to understand the basics of the transaction so you can rest easy, knowing you are in good hands.

➡ So how are you supposed to know exactly what is coming next?

It's your agent's job to give you a solid guide BEFORE things come up, so you don't get hit with a curveball at the last second.

This allows you to enjoy the process and stay focused on and excited about this major life event.

"Wendy is detail-oriented, knowledgeable and professional. Wendy represented us on the buying and selling. She is knowledgeable about markets in Maryland, Virginia and DC. This was great for us as we were looking in all places when we started. She was patient in helping us narrow down our search, personally attending open houses and private showings with us for many weekends until we made a decision."

—Amanda P.



7) How to Make a Stand-Out Offer

A stellar offer comes down to the full package.

👉 It is not always about price...



In fact, we have won many a property when offer was *not* the highest price.

You might be thinking, “How can that be?”

It comes down to understanding motivation, having strong relationships, and having a solid reputation.

- ✓ A good agent takes the time to get to KNOW the other side of the transaction.
- ✓ A good agent takes the time to get to KNOW the micro-market of your target property.
- ✓ A good agent takes the time to get to KNOW how to position your offer to win.

Real estate transactions ultimately come down to a few key factors.

At Living by Design, you have an expert negotiator by your side, working for you and in your best interest—giving you a competitive advantage.

CLIENT CASE STUDY

My clients Amanda and Chris were ready to sell their downtown condo and find a home that better fit their growing family’s needs.

We started the search for a home looking in neighborhoods in DC, Maryland, and Virginia, and began to narrow the field to hone in on what best met their priorities.

After negotiating a very successful sale on their condo, we were able to secure their new, dream home in their ideal community.

► The best part was that we won out over multiple offers, and even negotiated their new home below list price...even though we didn’t have the highest offer! ◀

The end result?

Amanda and Chris moved into their home (for only slightly more than their condo’s sale price!)...plus they were able to buy a new car, and are even considering a mountain cabin property. The process was seamless, and it was very easy transition for their family!

8) Thinking Outside the Box

In hot markets like the one we are experiencing here in DC, the competition buyers face can be *steep*.

Tired of the competition? Just don't want to deal with it in the first place?

Here are some options to consider:

1) Overpriced listings

So it's out of your price range? Has it been on the market awhile? Take another look.

In this competitive market, buyers don't expect to pay a penny less than list price. If seller makes a mistake of pricing too high, it can be a golden opportunity.

Look at days on market (DOM) and know your stats, with guidance from your expert agent. If it is way off from the typical of the neighborhood, there could be an opportunity to snag it without the typical competition.

This is why having an agent who knows the market and can recognize these opportunities for you is so important.

2) Listings that need work

Doesn't seem like a dream off the bat? Don't write it off your list quite yet.

Sometimes just a little cosmetic updating can turn a property into your dream home. Look for good bones and desirable features that cannot be changed (like location), and keep an open mind.

Not only can you have the opportunity to turn into your picture perfect home, customized to you, there is often a very nice return on investment!

3) Expired or withdrawn listings

Know exactly the area you want? If so, one of the first things your agent should do is check the off-market potential of expired or withdrawn listings to find you a deal without the drama of the current competition.

How does that work? The market wasn't always as hot and heavy as it is now. Many sellers with great properties couldn't sell during our market downturn in the late 2000s.

If you are working with a resourceful agent, they can help you get a handle on those potential opportunities, as well as those that may have been more recently overpriced or needed work, and didn't sell.

4) Active prospecting for off-market listings

This option isn't for everyone, as some off-market transactions can have added complications.

But if you do want to start looking at off-market listings...

☛ **This is where your dynamic team from Strategy #2 comes in, big time.**

As a top local agent, combined with the relationship power my team has built over the last 35 years in the DC market, we have connections we can tap into when a client wants to look at off-market opportunities.

With relationships and a savvy combination of traditional and online marketing, we can open a "portal" into new, off-market opportunities that wouldn't have existed had we not created them.

Now, that is the power of good relationships...and a good reputation!

✓ Negotiation mastery

- ✓ Expert marketing
- ✓ Systematized processes—we simply *do not* drop the ball

CLIENT CASE STUDY

My client Phyllis was looking to buy an investment property that would also work for downsizing in the coming years.

Phyllis knew the specific area she wanted, but we needed a property that would meet to distinct needs.

After focusing in and understanding the market and inventory, we were able to move decisively and get a great deal on a new construction condo.

The result?

We got her an amazing new condo, and quickly rented it to boot, generating her positive cash flow, and a place to look forward to moving into in the coming years!

9) The One Question You Should Never Have to Ask

Buying your home is stressful enough—even if the transaction is smooth as butter, there is still the hassle of multiple “minor” inconveniences.

As much as I handle everything for my clients, selling and moving still takes time away from your everyday life.

The LAST thing you want to be wondering when you’re buying?



“What comes next?”

With me, you have an expert guide by your side, every step of the way...AND a team of experts to get you exactly what you need, often before you even know you need it.

No questions, no chaos, no panic attacks.

Working with a relative or a family friend might seem like the “easy” or “right” choice at the moment...

But when your largest personal asset is on the line, the answers to all your questions matter.

“Wendy assisted us with purchase of an investment condominium and was the leasing agent as we secured the tenant. She was very knowledgeable of trends in the condo market and was able to advise on purchase price and potential income stream from rental.

We've worked with many realtors in the past and found Wendy to have the right mix of assertiveness when things need to happen and willingness to step back when we were in a 'look and see' mode.”

—Phyllis C.



10) The Power of Negotiation

Powerful negotiation is #1 in a top real estate agent’s arsenal when representing YOU, the buyer.

When I show up at the negotiation table, **I show up for YOU.**

You deserve an expert guide who you can trust, and who you know other local agents can trust.



I take pride in doing a good job for all parties in every single transaction, whether I represent the buyer or the seller. My clients appreciate my expert negotiation, and agents appreciate my integrity and professionalism...and they know I take my fiduciary responsibility to my clients seriously.

There are two key factors to power negotiation to look for in a real estate agent:

1) Coming from a place of abundance

This isn't touchy-feely stuff...this is a mindset that positions our clients to win at the negotiation table.

2) The belief that they can get you more

We come into negotiations ready to get you more of what you want, and we do extensive research ahead of time. Most agents go to the table blind, simply hoping the offer will win. We find out what the other side of the transaction wants, too—and agents truly respect that we play fair and take our fiduciary responsibility seriously.

→ You can be sure I negotiate like it was my own home on the line—because that is what you deserve.

11) The Meaning of a True “Sphere of Influence”

A common term in real estate marketing is one's “Sphere of Influence.”

- ✓ My sphere of influence goes far beyond my local real estate connections...**
- ✓ It goes beyond my local knowledge of all the best vendors and services...**



✓ **It goes beyond my team's powerful business connections...**

✓ **It truly extends to global connectivity**

As a top agent with Keller Williams Capital Properties, I am always on the cutting edge of technology, new information and the inside scoop on all things real estate and finance.

Keller Williams is the largest brokerage in the world by agent count, creating an incredible network. This allows me to get your listing exposure on a global level—something smaller brokerages just can't do.

I work hard to be a resource for both my clients and the community.

I host events, interview experts, regularly send out pertinent news updates on the market and economy, and am involved in numerous community initiatives.

This value and connectivity keeps me—and my clients—at the forefront of what is important and what is working *now*.

→ **So...What's Next?**

**Thinking of buying in the next
12 months?**

Contact Wendy today for your
Home Search & Strategic Negotiation
Consultation→

202-550-8380



→ What to Expect with Living by Design

Step One: Initial Phone Call

On our initial phone call, we will gather a summary of your goals, including:

- Basic details of your home search
- Your financing parameters
- Your goals and needs

Step Two: Home Search & Strategic Negotiation Consultation

Our home search and negotiation consultation typically takes around 2 hours. We meet in your home or at one of our two offices, and go in-depth on your ideal home search parameters and answer all your questions, and cover all pertinent details, including:

- Our strategic home search plan
- A market assessment
- Expert home search tips and a “Grand Tour” of your target neighborhoods
- Our fiduciary responsibility as your real estate agents
- Pertinent legal information
- Negotiation tactics

By the end of our Home Search & Strategic Negotiation Consultation, you will have a comprehensive understanding of the current market, your target home search parameters, and a calendar of next steps.

Contact Wendy today for your
Home Search & Strategic
Negotiation Consultation →

202-550-8380