

Surging housing market leaves young professionals with limited living options

By Asia McGill

WASHINGTON- The District of Columbia is a city blooming with young professionals and college students, yet many have found themselves not being able to live in the city at all.

Data collected from Renter Market Trends on Oct. 11 showed that the cost of a one-bedroom apartment in the district is \$2,515, about 38% more than the average rent price in America.

The cost of living is directly affected by the inflation of America's economy, ultimately forcing young employees and college students to flock elsewhere for affordable living.

"The budget was definitely one of the bigger challenges... it's like as soon as you go out of a bad area the price just increases significantly," said student researcher Alexis Surtel in a phone interview.

Surtel is a 22-year-old student currently studying and working at the NIH Clinical Center and had plans to move to Washington for a convenient commute.

Her plans quickly changed when many of the properties she sought after were extremely over her budget and decided that finding affordable living was better than being set on a location.

"I didn't really settle on a 'plan b' because I was really hustling to find an apartment," Surtel said.

Surtel opted toward residing in Maryland instead, which realtors of the district see to be a common choice for buyers that have been priced out.

Cher Castillo has been a hybrid real estate agent with McEneaney Associates for 21 years and has seen some of her buyers lean toward living in Maryland or Virginia.

"It's really cutting budgets in half for many people. So, some people have been priced out of the market, or they've fallen into a situation where they have to cut their budget significantly," Castillo said in a phone interview.

Castillo notes that the combination of high interest rates and local homeowners not selling may be the repellent that is warding off Washington home seekers.

“A lot of people are holding on to their properties and renovating and just kind of staying put hoping that interest rates will eventually just drop,” Castillo said.

Real estate broker Gavin Kersellius argues that the lack of affordable living in Washington is not just due to the inflated market and weary sellers, but also because investors are buying out the lower-priced properties and flipping them to sell at a higher bid.

“A lot of those (homes) are bought as soon as they’re put on the market by investors who offer cash offers with no contingencies, and they always beat out first-time home buyers,” Kersellius said in a phone interview.

Though studies show that home-seekers are within the most unaffordable market since 1984, Kersellius commends his clients for continuing in their search regardless of the economic crisis.

“It’s so great to see that buyers are still optimistic, and they still want to participate for the most part even though it’s gotten a lot more difficult,” Kersellius said.

While Castillo and Kersellius do not work for the same brokerage, they both have the same objective in mind, to show buyers their best-case scenario amidst an up market.

“I always tell my clients ‘it’s all a game and how you play it,’” Castillo said.

Sources

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