

Fall Properties

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Thinking About a Refi or Loan Modification?

With interest rates dropping steadily, you may be wondering if you should refinance. Call your existing lender and discover what is available (rate and terms) through them for a refinance. You should enjoy significant savings if you refinance through your existing lender. You may also ask to speak with or be transferred to their loan modification department. A modification may allow you to lower your interest rate or modify the rate and terms on a

maturing ARM (adjustable rate mortgage).

If you are able to modify your existing loan, the cost is quite low and the process can be accomplished very quickly.

If you go outside your existing lender because they cannot offer you a refinance or modification, or if you find a lender who offers a rate that is too good to pass up, you should be prepared to pay a few to several thousand dollars to

refinance. Sometimes, those dollars can be added to your new loan and in effect financed over the life of the new loan. Your refinance will likely require a new appraisal (valuation) of your home, and if you borrow more than 80% of the appraised value, you will have to pay private mortgage insurance and will likely need to pay the costs of refinancing in cash instead of adding the cost to your new loan amount. *(continued on p. 2)*



Change is in the Air

It's a New Year, a new administration and new challenges for all of us. With all the changes in our economy, & more still to come, we at Fall Properties are making some changes, too.

This newsletter represents the first change – we will be coming to you every other month, in this black & white format. We hope that we can keep you more informed about what's going on in real estate and how it may affect you.

We will address changes in mortgage lending, changes in rates, changes in the market. The economy is in the news every day—we'll try to make that news easier for you to understand and apply to your real life.

The bottom line for us is that people continue to need a place to rest their heads at night, and connecting people with those places is our job. During the past two years of this challenging real estate market, three of us have sold our homes & bought new ones, and one of us moved our family out during a large renovation. We practice what we preach, and we're out in the trenches every day so we can give you the best information we can.

Just like the rest of the country, we'll be tightening our belts, but we stay committed to providing our clients with the best, most reliable service available. Don't hesitate to pick up the phone (703-536-7001) or shoot us an email (karen@fallproperties.com). We'll be happy to answer your questions.

How I Sold It *by Coral Gundlach*

Often real estate transactions consist of bringing two polar forces together. Both parties want the same thing, but get so caught up in the details of fixing this and crediting that and drawing lines in the sand, that it can feel like dragging two mountains to meet at the settlement table. Buyers and sellers and their agents often forget that we have a common goal: to sell the house. But sometimes, as some sort of karmic payoff, transactions seem destined to happen, and happen so smoothly that the story deserves to be shared.

We recently had clients who were the trustees for their aunt who had moved into a retirement community in Florida two years ago. She was having a hard time letting go emotionally of her house and her belongings, and our clients were tasked with sorting through 30+ years of collectibles, clothes and

random stuff. They first contacted us in Spring of 2008. Since they lived in Florida & were Realtors themselves, it took them dozens of trips over the course of nearly a year to get the house ready for the market. They had sacrificed a lot for this house and their aunt, and they desperately wanted a buyer to come along who liked the house the way it was—did not want to tear it down or extensively remodel it. Most buyers today want new and modern, and this house, although a good size, on a nice street in a great neighborhood, *(continued on p. 2)*



(Economy, cont. from p. 1) If you have an existing FHA loan, you can often accomplish a streamline refinance at very little cost. Credit and income is not investigated as long as you are current with your loan, and an appraisal is usually not required.

There have been many layoffs in the lending industry. Due to layoffs and a surge of refinancing, staffs are very busy and it may take time and patience to get through to someone to speak with. Be prepared when you do get through: have your current mortgage statement on hand, along with your loan balance, loan term and estimated value of your home. Your loan balance should be on your current mortgage statement, and the terms of your loan are found on your Promissory Note which you can locate in your closing documents. If you have more than one loan, have the terms of your second trust on hand during the discussion with your primary (first trust) lender.

Feel free to contact me if you would like an abbreviated market analysis to help estimate what the current market value of your home is. I work with several reputable, professional, lenders and will gladly give you a list of lenders to contact for a refinance. Please know that my staff and I are always glad to hear from you and help you with any your real estate needs. And always, if you know of someone who would benefit from my services, please pass my name along!

(Sold, cont. from p. 1) was not new and modern, rather old and charming.

We had a 'coming soon' sign on the house for a few weeks while they were taking care of all the last details. They wanted us to show it by appointment only and were not ready to put it in the MLS until more of the belongings were gone. During this time, a neighbor & long time client of Fall Properties called and requested a showing. He liked the house and wanted to write an offer almost immediately. Within a week, we'd introduced him to the sellers, explained dual agency and got everyone's consent, helped him secure financing, written a contract that was accepted by the seller and secured a settlement date less than one month away. The buyer took the house as-is and the sellers conceded a bit on the price. They even left the remaining "stuff" in the house, which the buyer said he did not mind sorting through.

Houses are emotional parts of our lives, and sometimes those emotions can get in the way of a real estate transaction. But every now and then, they actually make the transaction work. This was the case here. The aunt in Florida wanted a nice family to buy the house and that's what she got. The man who who bought the house really wanted to stay in the neighborhood for his kid's schools, and houses in this price range don't come around too often. They all made slight concessions to make the sale work and it was a Happy New Year for all involved!



Remodelers We Love

Working in real estate brings us into contact almost daily with people and companies that remodel existing homes. Times are tough for everyone, so we thought we'd shine a light on some of our favorites, just in case you're looking.

For building & remodeling, we really love TCook Company (703-534-5930), Horizon Builders (703-354-5712) and Sagatov Associates, Inc. (703-534-2500). Leonardo de la Cruz (571-238-5098) does wonderful marble & ceramics installation. Alex Zia at Carpet Royale (703-330-1120) is our go to guy for carpet installation.

These are just a few of the referrals we stand behind. If you need a contact for other work (HVAC, Roofing, Hardwood floors, etc.) just give us a call.

Available for Rent:



1700 Forest Lane, McLean

4BR 4BA 2car garage 3640sqft
Chesterbrook Woods • \$3500/mo



2422 N. 14th Street, Arlington

Fully furnished 3BR 3.5BA 2car garage
townhome at Metro • \$3900/mo



7022 Strathmore Street, Falls Church

3BR 2BA Rambler in
Broyhill Park • \$2000/mo



3906 Estel Road City of Fairfax

Great 1/2 acre lot
w/teardown house
in Little River Hills
\$312,000

Our Featured Homes

Click for pics & info at
www.fallproperties.com



\$989,000

1600 Clarendon Blvd. W409, Arlington
1BR 1.5BA Penthouse Loft
Urban Contemporary Living



\$939,000

2915 N. Westmoreland St., Arlington
5BR 4.5BA Total Renovation
Awesome Value! • Walk to Metro



\$815,000

1404 N. Vermont Street, Arlington
3BR 2BA Vintage Charmer
Walk to Ballston Metro



\$1,489,999

6014 N. 28th Street, Arlington
5BR 4.5BA New Sagatov Contemporary
Energy Star certified Green Home



\$820,000

1210 N. Frederick Street, Arlington
4BR 2BA newly renovated Colonial
Stunning Kitchen & Baths



\$289,000

4312 N. 2nd Road #2, Arlington
2BR 1BA top floor Condo at
popular Arlington Oaks

Coming Soon!

Click for pics & info at
www.fallproperties.com



\$539,000

3418 Charleson Street, Annandale
4BR 3BA Contemporary Bi-level
On the Market mid-February



Mid \$300's

5009 Wills Lane, Annandale
3BR 1BA Rambler in Wilburdale
On the Market mid February



Upper \$200's

1511 Lincoln Way, #204B, McLean
2BR 2BA Condo at The Fountains of
McLean • On the Market early Feb

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Interest rates change daily and sometimes throughout the day; especially in our current economy. If you do not 'lock' your interest rate in at the time of purchase, the rate is subject to change.

Most lenders offer rate 'locks' for 60 days.

Credit scores under 720 result in higher loan fees.

Full documentation is required to prove income and assets.

CURRENT MORTGAGE INTEREST RATES

Conforming 30 yr fixed	4.75% with 1 point
Conforming plus fixed	5% with 1 point
Jumbo 30 year fixed	5.75% with 1 point
FHA 30 year fixed	5.125% with 1 point
FHA plus fixed	5.25 with 1 point

- \$417,000 or less – conforming loan limit
- \$417K - \$625,500 - conforming
- Over \$625,500 – Jumbo Loan. Interest rates fluctuate among lenders
- FHA loans have a standard and a plus feature which tops out at \$625,500.
- VA loan - available for members of the Armed Forces who meet eligibility requirements.



Avoiding Foreclosure

If you or someone you know is feeling overwhelmed by your current financial situation, the best advice we can give you is to reach out & talk to someone about it. Keeping your worries inside often only magnifies your problems. Call your lender, check out the information at www.hud.gov/helpforhomeowners, call Hope Now (1-888-995-HOPE), or pick up the phone & call us. We will be happy to put you in touch with programs that can assist you and hopefully keep you in your home.