

Laura Fall, CRS

Principal Broker

(703)536-7001

laura@fallproperties.com

6504 Williamsburg Boulevard
Arlington, VA 22213



Regardless of your party affiliation, we encourage each and every one of you to get out and vote on Tuesday, Nov. 8. Remember, every vote counts!

KEEPING YOUR FUEL COSTS DOWN



Winter is almost here, and fuel prices have soared. The best way to prepare for these bills is to manage your household costs. Visit <http://hes.lbl.gov/> for surveys and complete an energy analysis of your home. They'll calculate your predicted heating costs and tell you how you can change them. And there are several ways you can make an impressive difference in your heating bills. Some of these solutions are quick, easy & cheap, while others are long term and pricey, but very efficient. Here are some tips we've gathered for you.

- 1.) **Keep blinds or drapes open** on sun-exposed windows during the day. You'd be surprised how much sunlight can warm up a small room.
- 2.) **Save hot water** when it isn't needed. For example: Wash your clothes in cold water. Also, when washing your hands, don't wait 15 seconds for warm water!
- 3.) **Use kitchen and bathroom vent fans sparingly.**
- 4.) Close fireplace dampers when not in use.
- 5.) **Plug the leaks** around your windows and doors with caulking and weather-stripping. *(continued on p. 2)*

Fall Properties

AUTUMN 2005 • www.fallproperties.com

A Word from Laura on MOVING

I survived my move and it was not easy!!

Even though I have moved many times as an adult and countless times as an Air Force brat, this summer's move was exhausting. Vaughn and I spent two months renovating so we could move in without chaos and sawdust. We accomplished that, but we still had to face the challenge and disruption of the move itself! I now appreciate my clients even more; especially those with children who have to juggle and manage everyone's belongings.

We still have a lot of pictures to hang and yes, quite a few boxes left to unload, but we are enjoying our new home, our neighbors, and our surroundings. Given the incredible natural disasters that have occurred in the Gulf Coast, in Pakistan, in Guatemala, and earlier this year in Indonesia, we feel enormously blessed and lucky to have a roof over our heads.

NVAR ECONOMIC SUMMIT

As is our tradition, the staff of Fall Properties attended the Northern Virginia Association of Realtors' 9th Annual Economic Summit at George Mason University on September 21, 2005. We heard from two highly respected economists regarding the state of the Washington area regional economy, and specifically, the housing market in Northern Virginia.



Dr. Stephen S. Fuller – Professor of Public Policy and Director, Center for Regional Analysis at GMU:

Always fascinating and knowledgeable, Dr. Fuller's opening statement was, "You couldn't be in a better market". In fact, with 84,500 new jobs created in the 12 month period ending August 2005, the Washington area is now ranked 1st in job creation out of the 15 largest job markets. The Washington

region is ranked 1st in per capita Federal spending, and Northern Virginia gets 50 cents of every dollar spent in our regional area. That's a whole lot of Federal dollars being spent in our own back yards! Dr. Fuller estimated that 53,000 new housing units are needed to support this level of job growth. New housing construction has fallen by 25,000 units, which explains why our housing market has been so hot! Dr. Fuller expects that our area will continue to have a deficit of available housing through 2030. With the available housing supply tight, workers cannot find or afford housing close to work and must endure long distance commutes. What Dr. Fuller dubbed the "Washington Housing Market Effect," is the enormous growth in housing markets as far south as Richmond, north to Baltimore, and west to Winchester. Simply put, job growth = housing demand = rising home prices. *(continued on p. 2)*

(Summit: continued from p. 1) From 1997 to 2005, home prices have risen 133% overall! Over the last three years, the average annual percent change in Washington area home prices is 18.4%. As Dr. Fuller stated, this pace cannot continue to grow indefinitely and he said that he welcomes a return to a “rational market” with growth rates that can be sustained. In his comparison of June-July-August 2005 versus the same period last year, Dr. Fuller reported a slowing in the number of housing units sold and an increase in days on the market, which he said indicates that the peak of our housing market probably occurred between the third quarter of 2004 and the first quarter of 2005. He expressed some concern regarding the impact of higher gasoline & home heating fuel prices on consumer spending in the short term, but noted that for the long term, incomes are still rising and job growth is strong. He closed by saying that “although Realtors may have to work a little harder, there is no bubble in sight”.

Dr. Lawrence Yun – Senior Economist for the National Association of Realtors:

Dr. Yun reported that the nation’s GDP grew at over 3% each quarter since March 2003, and 4 million jobs have been created in the last 2 years. He echoed that Washington is the top market for job growth. Dr. Yun reported that the driver of consumer spending has been the wealth created by rising housing values (\$3 trillion since 2001). He considers the stock market to be “not overvalued” at this point, and noted that corporate profits are at an all-time high. He expressed concern about rising oil prices which he called a “tax on consumers” (because we import so much oil) and described the rising home-price-to-income ratio “troublesome”. He described inflation as building, but still contained. As such, he expects the Federal Reserve to continue to tighten credit by raising the Fed Fund



rate to 4% by the end of the year. Dr. Yun finished by providing his Northern Virginia 2006 housing forecast. He expects to see 30 year fixed rate mortgages at 6.4%, overall home sales to decline by 3%, and for price appreciation to moderate between 8-12%.

In addition to our two economists, we heard from **David Robertson, president of the Metropolitan Washington Council of Governments**, with regards to the US Department of Defense (DoD) Base Realignment and Closure Commission (BRAC) for the Metropolitan Region. The BRAC closures that are slated for our area are not expected to have a significant impact on our economy because of our overall strength. Mr. Robertson said that areas such as Crystal City, Rosslyn, and Bailey’s Crossroads will see office vacancies rise as jobs are shifted to more secure facilities at Fort Belvoir and Fort Meade. Robertson said however, that these existing Metro friendly areas are “diamond in the rough” opportunities to transform former office space into neighborhoods with upscale housing and vibrant street life. For those employees who will now have to commute to Fort Belvoir and Fort Meade, transportation and traffic congestion will be difficult. These bases are not well served by our transportation infrastructure. Mr. Robertson said he expects some rapid

bus routes, but does not see an extension of Metro in the foreseeable future. The COG assessment anticipates that more than 80% of the relocation will occur by 2010 and will result in more jobs in Fairfax County (+14,506) and Anne Arundel County (+4450), and fewer jobs in Arlington County (-19,321), the City of Alexandria (-7,539) and the District of Columbia (-6,508).

(Fuel Costs: continued from p. 1)

- 6.) **Add insulation** to walls, attics and basements. Make sure all air ducts are insulated and sealed.
- 7.) **Replace or clean the air intake filter** once a month (this improves airflow and allows more warm air where desired).
- 8.) **Replace leaky, single pane windows**, doors and skylights with products designed for cold climates. A common home improvement for winter is installing double-glazed windows with low-emission glass, allowing maximum light while keeping out the cold.
- 9.) **Invest in a programmable thermostat**, which can be set to lower temperatures at night or when the family is away. If buying a new thermostat is inconvenient, continuously check the temperature. By decreasing your thermostat five degrees for just four hours a day, you can make a 10% difference in your bills.

- 10.) **Install radiant floor heating** (moves heat from lower half of the room to upper half where the human body needs it most) which will allow you to lower the thermostat more comfortably.
- 11.) Hire a professional to service the furnace OR **upgrade/replace old furnaces, heat pumps, and appliances with fuel efficient models**. Make sure to visit www.energystar.gov to view highly efficient models that reduce your energy costs as well as conserve our natural resources.

If you'd like to help out those who are less fortunate, there are a number of ways to support/donate to energy programs for low income families. Dominion Virginia Power is in its 23rd year with EnergyShare, where you can contribute as you pay your own bill. Washington Gas teams up with the Salvation Army through the Washington Area Fuel Fund, also available on your monthly bill. Two government websites that lend a hand are www.libcap.org and www.nationalfuelunds.org.

FOR SALE
Fall Properties
 www.fallproperties.com
 (703) 536-7007
 Call for
 Fall
 (703)967-9987



Arlington: Quintessential bungalow
 5BR, 4BA – \$825,000 – Location++
 Unbelievable 3 story, 2 car garage!



Arlington: 2BR 1BA condo w/balcony at
 The Carlton – \$312,000 – 1084 sqft



Springfield: Investor's Special! 4BR 3BA 2Fireplace
 All brick rambler on gorgeous lot – \$495,000
 Leased through Summer 2007 at market rate



Arlington:
 Storybook Cape in
 Lyon Park –
 \$695,000
Sorry, it's SOLD!

What's Going On?

- Our series of Autumn seminars took place in October. They featured John Haske of Haske Inspection who enlightened us about the details of home inspections; Tom Ridpath of State Farm Insurance, who spoke about homeowners insurance and rising property values; and Rebecca Mead and Grady Skaggs, two Master Gardeners from the Virginia Cooperative Extension Service, who told us how to get our lawns and gardens ready for winter. If you'd like copies of materials from any of our speakers, just give us a call.

- Laura Fall, our fearless leader, is quite an accomplished potter. She is currently throwing at the Lee Arts Center at 5722 Lee Highway in Arlington. They have ongoing open studio programs in pottery, ceramic sculpture, tilemaking and printmaking. On November 19, from 10AM–4PM they will have a Holiday sale open to the public. You'll find some terrific one-of-a-kind gifts there made by regional artists.

- Speaking of holiday shopping and gifts, our office manager, Karen Haines, has a little



jewelry business on the side. Since making jewelry helps her relax and keeps her sane for the work we need from her, we encourage this outlet – Strongly encourage it!

She'll be showing and selling some of her pieces at the office from December 5th – 10th. Everyone here at Fall Properties owns some of Karen's jewelry—now you can, too.

- On a serious note, a campaign has been launched encouraging people to enter an emergency contact number in their mobile phone's memory under the heading ICE (In Case of Emergency). This way paramedics or police know who to contact in an emergency situation. For more than one contact, just enter ICE1, ICE2, etc. This could save a life, or put a loved one's mind at rest. Take the time to do it now.



- Everyone, please enjoy your Thanksgiving, and have a peace-filled holiday season.

Fall Properties

6504 Williamsburg Blvd.
Arlington, Va 22213

Laura Fall, CRS
Principal Broker/Owner



703-536-7001

CURRENT MORTGAGE INTEREST RATES

<i>30 year fixed</i>	6.0%
<i>30 year Jumbo loan</i>	6.25%
<i>15 year fixed</i>	5.75%
<i>7 year ARM</i>	5.75%
<i>5 year ARM</i>	5.5%

New Conforming loan limit is \$385,000;
Jumbo loans are all amounts over.

INTEREST ONLY LOANS

Becoming a very popular choice for today's buyers – they can afford more house or enjoy lower mortgage payments. Call for more information.

<i>10 year ARM</i>	5.75%
<i>5 year ARM</i>	5.375%

Santa is coming to Fall Properties!

On Saturday, December 10, Fall Properties and the Virginia Commerce Bank have arranged for a visit from Santa. If you're looking for a more intimate visit with the man in the red suit than you'll get at the Mall, stop in and see him. He'll be at the bank from 10AM to 12noon and at Fall Properties from 12noon to 2PM.



The entire month of December, we'll also serve as a drop off site for the US Marine Corps Reserve Toys for Tots program, and we'll be collecting non-perishable



foods for the Arlington Food Assistance Center. So celebrate the true spirit of the season and bring an unwrapped gift for a child

age 2 through 17, or some food for those in need.