HOUSING MARKET

INTRODUCTION

This section addresses characteristics of the supply of housing in the City of Falls Church including type, age, condition, costs, and availability. It also examines the implications of these housing characteristics with respect to housing programs.

Trends in Falls Church Housing Stock

- Single-family homes dominate housing stock
- Majority of housing is owner-occupied
- Housing stock is aging; 60% of housing will be 50 years old or more by 2010
- Cost of housing is increasing, with average sales price exceeding $400,000 annually

This Housing Market Analysis describes the City's housing inventory and the availability of housing that is affordable to low-and moderate-income households, as well as middle-income households.

GENERAL CHARACTERISTICS

Housing Stock is Slowly Increasing

Historically, the City has seen modest growth within the housing stock, despite population increases both within the City limits and in the Northern Virginia region. By year 2010, however, the City's housing stock will increase by 13% as a result of approval of several new residential (condominium) projects.

Between 2001 and 2002, the number of new residential housing permits in the City of Falls Church remained constant; a total of four permits were issued for single-family homes valued at $375,000.[1] The trend in housing development within the City is largely demolition and reconstruction of single-family homes. The number of demolitions in the City between 1975 and 2002 equaled 249, an average of nine single-family homes annually.[2]

Housing Stock Growth

Year	1990	1997	2000	2010 Projected
Housing Units	4,668	4,637	4,725	5,325
% Change	-	-1%	2%	13%

Source: U.S. Department of Commerce, Bureau of the Census, 2000 Census of Population and Housing, Summary File 3 and U.S. Department of Commerce, Bureau of the Census, 1990 Census of Population and Housing, Summary File 3; Metropolitan Washington Council of Governments, "2002 Housing Data Survey," February 2004. Projected 2010 estimate includes 600 units from Special Exception Projects: Byron Condominium, Spectrum Condominium, Simon Pearson Square and two proposed projects.

[1] Northern Virginia Regional Commission, "Northern Virginia Data Book 2004," Table 2.17, Residential Building Permits Issued in Northern Virginia 1975-2002; 2004.
[2] Ibid.

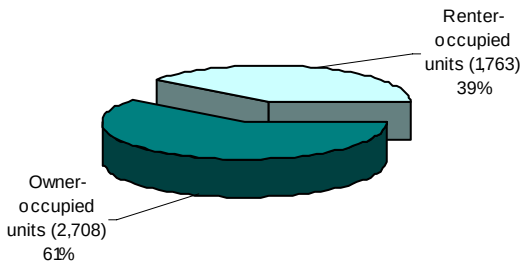
HOUSING CHARACTERISTICS

Housing Type & Tenure

Sixty-one percent of the City's housing stock is owner-occupied housing

The number of housing units within the City has largely remained constant but it is projected to increase significantly over the next six years. Recent and projected increases in the housing stock are a result of new condominium construction that began in 2003.

Housing Units by Tenure-2000



Source: Census 2000

Total Housing Units in the City of Falls Church by Type – 2000 & 2004

Type	2000		2004		Difference
	# Units	% of Units	# Units	% of Units	
Detached House	2198	46.3%	2350	47.7%	152
Attached Townhouse	540	11.4%	566	11.5%	26
Multi-family (condominiums)	564	11.9%	564	11.5%	0
Rental Apartment Units	1442	30.4%	1442	29.3%	0
Total	**4744**	**100.0%**	**4922**	**100.0%**	**178**

Source: City of Falls Church, Real Estate Assessment Office, 2000 & 2004; Housing & Human Services Division, 2000 & 2004

Vacancy

Low vacancy rates in City among both owner and renter units

Vacancy rates are an important factor in determining the need for additional housing. For rental units in the City, the 5% vacancy rate is a "normal rate." The low .6% vacancy rate in the homeowner market indicates that there are few homes that are unoccupied and that vacant homes are quickly sold and occupied.

Vacancy Rate - 2000

Total Housing Units	4,725
Occupied Housing Units	4,471
Vacant Housing Units	
Total	254
For Sale Only	6.7%
For Rent	39.0%
Seasonal, other use	35.4%
Vacancy Rate	
Owner	0.6%
Rental	5.3%

Source: Census 2000, Table GCT-H5 General Housing Characteristics

HOUSING COSTS

Owner-Occupied Housing Stock

The average price of a home in 2000 was $299,034; in 2003 it was $437,830.

Sales Prices

The price of housing in the City of Falls Church is increasing in the multi-year "hot" housing market. While the number of homes sold in the area remains nearly the same, the price of homes have increased by 46% since 2000. In 2003, there were 181 home sales in the City, as reported through the Metropolitan Regional Information Systems (MRIS) database[1]. The average sale price for homes sold in the City in 2003 was $437,830; the median sale price was $405,000.

As the charts on the right illustrate, would-be homebuyers in Falls Church had few home purchase options for modestly priced single-family homes. In 2000, there were nearly 40 single-family homes that sold for less than $300,000; in 2003, only seven single-family homes sold for less than $300,000. Increasingly, purchasers with low and moderate incomes are limited to purchasing condominium units; only condominium units sold for prices less than $250,000. In 2003, one out of three homes sold was priced at more than $500,000.

Residential Unit Sales for 2000

Home Price	Number of Bedrooms			Condo/Co-Op/Rent
	2	3	4 or more	
Under $90,000	0	0	0	10
$90,000 - $99,999	0	0	0	1
$100,000 - $119,999	0	0	0	13
$120,000 - $139,999	1	0	0	10
$140,000 - $159,999	0	0	0	7
$160,000 - $179,999	1	1	0	2
$180,000 - $199,999	1	7	0	0
$200,000 - $249,999	1	19	3	2
$250,000 - 299,999	2	9	6	1
$300,000 - $399,999	0	25	15	0
$400,000 - $499,999	0	12	20	0
Over $500,000	0	4	12	0
Total	**6**	**77**	**56**	**46**
Grand Totals	**185**			

Residential Unit Sales for 2003

Home Price	Number of Bedrooms			Condo/Co-Op/Rent
	2	3	4 or more	
Under $90,000	0	0	0	0
$90,000 - $99,999	0	0	0	2
$100,000 - $119,999	0	0	0	3
$120,000 - $139,999	0	0	0	6
$140,000 - $159,999	0	0	0	7
$160,000 - $179,999	0	1	0	6
$180,000 - $199,999	0	0	0	6
$200,000 - $249,999	0	0	0	12
$250,000 - 299,999	3	3	0	7
$300,000 - $399,999	3	24	2	2
$400,000 - $499,999	1	11	12	0
Over $500,000	1	24	44	1
Total	**8**	**63**	**58**	**52**
Grand Totals	**181**			

Source: Metropolitan Regional Information Systems, Inc: Year End Real Estate Trend Indicator, 2000 and 2003

[3] MRIS is the multiple listing services for the Washington, DC metropolitan area.

HOUSING MARKET

Affordability

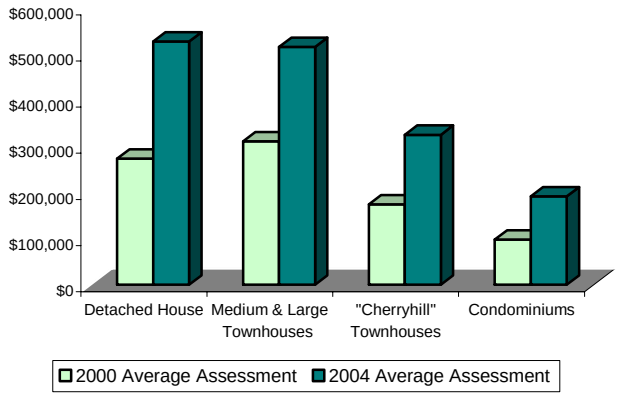
Average home in the City requires buyer with an annual income of $123,540.

The affordability of housing is dependent on the income of the purchasing household. "Affordable housing" means that the household does not pay more than 30% of their monthly income for housing costs. The average sale price for homes sold in the City in 2003 was $437,830. The minimum income required to purchase the average home was $123,540.

Real estate assessments also have tremendous impact on housing affordability. Within the City, real estate assessments have continued to increase since 2002. The average assessment for a detached house in 2002 was $391,200 and $130,300 for a condominium. However, in 2004, the assessments increased by more than 34% for detached homes and 47% for condominiums.

Potential homebuyers (including current renters in the City) have limited choices for home purchase. Nearly 50% of the housing stock had homes priced for sale at $400,000 or more in 2000.

Average Home Values for 2000 and 2004



Source: City of Falls Church Real Estate Assessments, 2000 & 2004

Minimum Income Required to Purchase a Home in the City of Falls Church in 2004[4]

Type	Average Assessment Year 2004	Monthly Payment	Minimum Income
Detached House	$527,025	$3,470	$148,704
Townhouse	$449,996	$3,196	$136,992
Condominiums	$191,435	$1,360	$58,272

Source: City of Falls Church Real Estate Assessments, 2000 and 2004

Potential Homebuyers by Income Compared to Number of Affordable Homes – 2000

Household Income (2000 Census Data)	# Potential Homebuyers	% of Potential Homebuyers	Affordable Home Sale Price	# Homes w/ Affordable Sale Price (2000 sales)	% of Homes w/Affordable Sale Price
Less than $5,000	60	3%	$ 0	0	0%
$5,000 to $9,999	72	4%	$ 0	0	0%
$10,000 to $14,999	66	4%	$ 22,131	0	0%
$15,000 to $19,999	60	3%	$ 47,835	0	0%
$20,000 to $24,999	104	6%	$ 73,539	7	4%
$25,000 to $34,999	133	8%	$ 120,662	17	9%
$35,000 to $49,999	332	19%	$ 197,773	30	16%
$50,000 to $74,999	447	25%	$ 304,873	43	23%
$75,000 to $99,999	181	10%	$ 404,832	72	39%
$100,000 to $149,999	207	12%	$ 604,750	16	9%
$150,000 or more	105	6%	$ 605,000		
Total:	**1,767**	**100%**		**185**	

Source: Census 2000 and MRIS data 2000

[4] Based on data using mortgage affordability calculator at http://www.decisionaide.com/mpcalculators/AffordabilityCalculator/Affordability2e.asp. Assumes 5% down payment, 5.75% interest rate, 30-year fixed rate mortgage, other monthly debts of $250, and $200 - 400 per month for taxes, insurance, and a 28/36 mortgage/debt-to-income ratio.

Rental Housing Stock

Average rents in the City exceed $1,000 for all bedroom sizes

Rents

As of 2000, there were approximately 1,840 renter-occupied units in the City. It is important to note that this includes both single-family homes that are rented as well as multi-family rental units. In 2000, the median rent in the City was $927.

Average Rents in Multifamily Complexes – 2000 & 2004

Bedroom Size	2000 Average Rent		2004 Average Rent	
	Rent	Rent w/o Outliers*	Rent	Rent w/o Outliers*
Efficiency	$1,181	$908	$1,250	$900
One Bedroom	$1,089	$941	$1,079	$920
Two Bedroom	$1,239	$1,063	$1,330	$1,135
Three Bedroom	$1,486	$1,486	$1,528	$1,529
Four Bedroom	$1,700	$1,700	$1,949	$1,949

Source: City of Falls Church Housing & Human Services Division, 2000 & 2004 Apartment List Update

*Does not include Oakwood furnished apartment rental prices.

Affordability

Average apartment in the City affordable to households that earn $57,000 or more

The average rent in the City within *multifamily* buildings was $1,427 in June 2004. In order to afford this monthly rent, a household would need to make at least $27.44 per hour, or $57,080 per year. This calculation assumes the household will spend no more than 30% of its income on rent (the generally accepted standard of affordability). If household workers earn the minimum wage in Virginia ($5.15), they would have to work 213 hours per week to have an income high enough to afford this rent.[1] The table to the right illustrates the various incomes required to rent an apartment within the City.

Minimum Income Required to Rent an Apartment in the City of Fall Church- 2004 (Multifamily Buildings Only)

Bedroom Size	Average Rent*	Required Minimum Income
Efficiency	$1,250	$50,000
One Bedroom	$1,079	$43,160
Two Bedroom	$1,330	$53,203
Three Bedroom	$1,528	$61,120
Four Bedroom	$1,949	$77,960

Source: City of Falls Church Housing & Human Services Division, 2004 Apartment List Update

*Average rent included Oakwood furnished apartment rental prices

Unlike the owner housing stock, the "income" required for renting is much lower; the average unit requires an income of $57,000 or more. In comparing the stock of rental housing with the incomes of the renter population, 72% of the rental housing stock is affordable to households earning $50,000 or more.

Rental Population Income & Rental Unit Affordability

Household Income (2000 Census Data)	Renters	% Renters	Affordable Rent	# Units with Affordable Rents	% Units Affordable
Less than $5,000	60	3%	$ 125	41	2%
$5,000 to $9,999	72	4%	$ 250	51	3%
$10,000 to $14,999	66	4%	$ 375	0	0%
$15,000 to $19,999	60	3%	$ 500	12	1%
$20,000 to $24,999	104	6%	$ 625	28	2%
$25,000 to $34,999	133	8%	$ 875	367	21%
$35,000 to $49,999	332	19%	$ 1,250	961	54%
$50,000 to $74,999	447	25%	$ 1,875	128	7%
$75,000 to $99,999	181	10%	$ 2,500		
$100,000 to $149,999	207	12%			
$150,000 or more	105	6%	$ 3,750	192	11%
Total:	**1,767**	**100%**		**1767**	

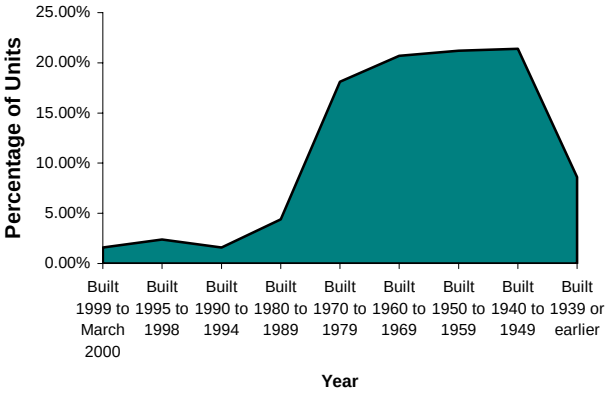
Source: U.S. Department of Commerce, Bureau of the Census, 2000 Census of Population and Housing, Summary File 3

HOUSING CONDITIONS

Age of Housing Stock

The age of a City's housing stock provides insight into the condition of housing and potential need for upgrading. As noted in the chart on the right, only 28% of the City's housing stock has been constructed since 1970. Housing constructed between 1970 and 1979, which constitutes 18 percent of the current housing stock, will reach 30 years of age during the decade 2000-2010. Generally, most homes require some major rehabilitation at their 30-year mark; nearly one out of five homes in the City may require major rehabilitation (e.g., major roof repair, heating/ventilation/air conditioning system replacement, etc).

Age of Housing Stock : 1999



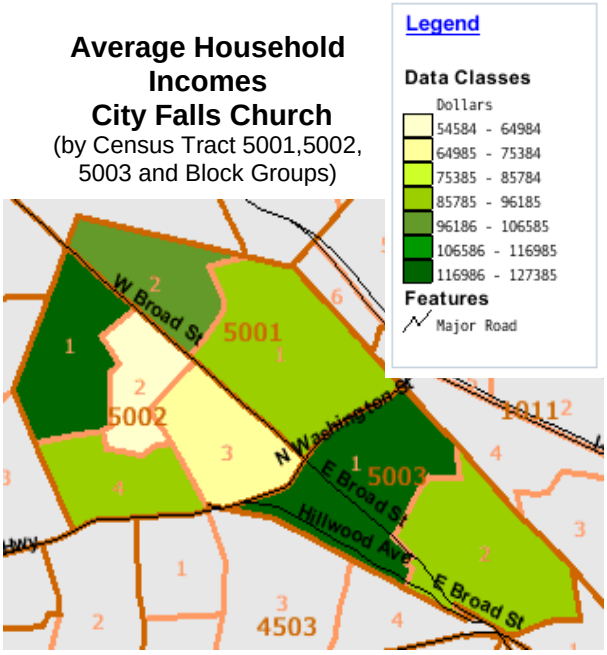
Source: 2000 Census

However, the development trends suggest that homeowners and new homebuyers will forego major rehabilitation and instead opt to reconstruct or demolish the existing structure in order to build a larger housing unit. The City recently proposed legislation to curb the practice of significantly increasing a home's size.

LOW-INCOME POPULATION CONCENTRATION

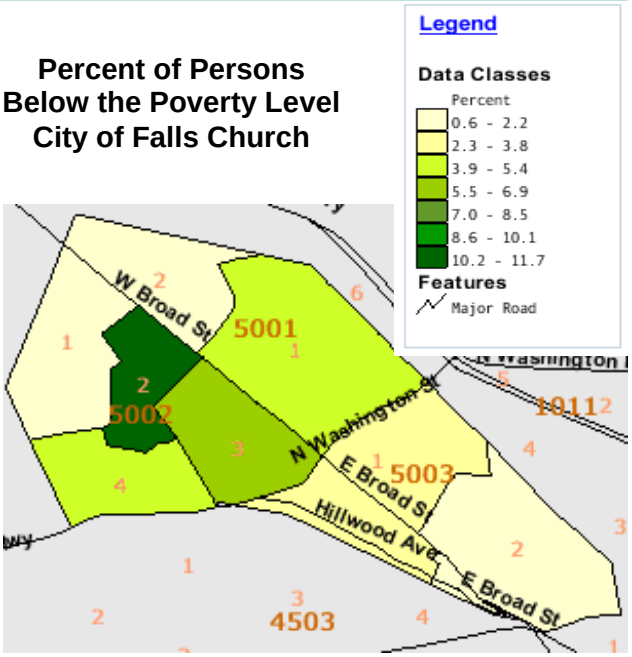
The maps below are presented by Census tract and the City is divided into three Census tracts. As the maps indicate, low-and moderate-income residents live in communities throughout the City. However, the concentration of lower income residents in the two block groups within Census Tract 5002 coincides with the location of the affordable rental housing in the City.

Average Household Incomes
City Falls Church
(by Census Tract 5001,5002, 5003 and Block Groups)



Source: Census 2000

Percent of Persons Below the Poverty Level
City of Falls Church

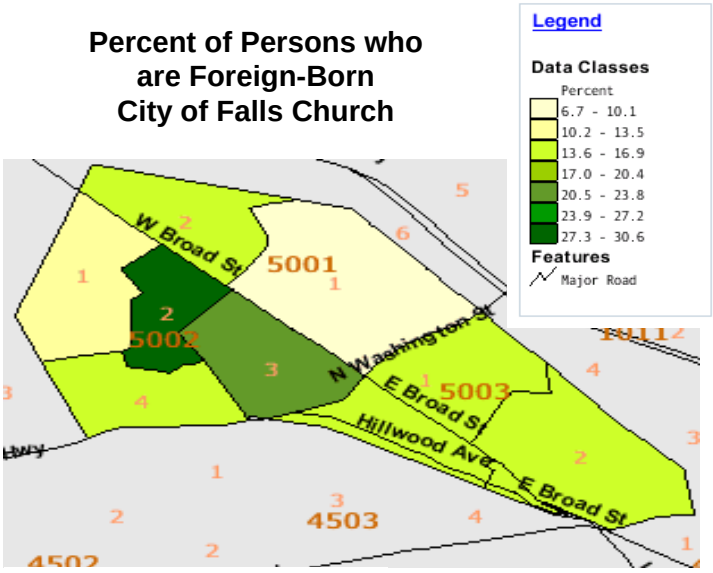


Source: Census 2000

ETHNIC AND MINORITY POPULATION CONCENTRATION

Diversity within the community is often the reason why many communities thrive. The City of Falls Church has a modest population of ethnic and racial minorities and the number is increasing. These communities are concentrated in specific areas of the City. The data and maps are presented by Census tract. As noted in the map on the right, minority households are present throughout the City, but there is some ethnic concentration in Census Tracts 5002 and 5003.

Percent of Persons who are Foreign-Born City of Falls Church



Source: Census 2000

Ethnic Concentrations in the City by Census Tract

Ethnicity/Race	Census Tract 5001	% of Total	Census Tract 5002	% of Total	Census Tract 5003	% of Total
Total:	**2,288**		**4,704**		**3,385**	
White alone	2,065	90%	3,919	83%	2,833	84%
Black or African American alone	45	2%	166	4%	129	4%
American Indian and Alaska Native alone	5	0%	14	0%	6	0%
Asian alone	105	5%	277	6%	293	9%
Native Hawaiian and Other Pacific Islander alone	2	0%	4	0%	1	0%
Hispanic or Latino	114	5%	616	13%	146	4%
Some other race alone	35	2%	180	4%	46	1%
Two or more races	31	1%	144	3%	77	2%

Source: Census 2000

PUBLIC AND ASSISTED HOUSING CHARACTERISTICS

The City does not have the legal right of a housing authority to own or operate public housing. However, there is housing in the City that receives either Federal subsidy or some other benefit in order to provide affordable housing.

Assisted Housing (Privately Owned)

Assisted housing refers to housing that receives some type of Federal subsidy or mortgage assistance. Assisted housing is not assisted living; assisted living residences provide health and other services to its residents.

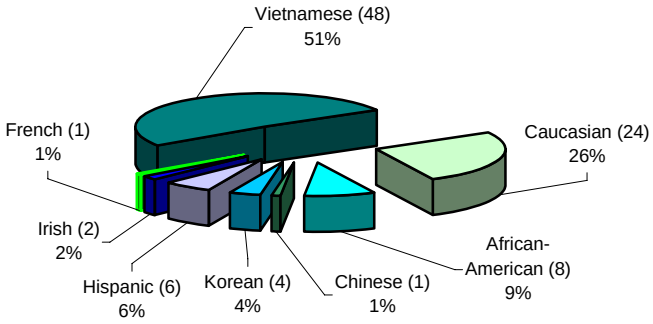
Winter Hill Apartments

Within the City of Falls Church, there is one assisted housing complex, Winter Hill Apartments. Winter Hill Apartments is an 80-unit rental complex for low-income elderly and disabled households. The Falls Church Housing Corporation (FCHC), the owner of Winter Hill Apartments, is a nonprofit affordable housing organization. FCHC is not part of the government of the City of Falls Church.

Winter Hill Apartments consists of three different structures that have duplex walk-up units. All of the units are one-bedroom units. As of October 2004, there were no vacancies at Winter Hill and the complex maintains a wait list of 200 persons; however only 8% of these are current City residents.

The Winter Hill Apartments complex was built between 1940 and 1945 and underwent substantial rehabilitation in 1978. The units are side-by-side, back-to-back two story duplexes. The second floor units have steep stairs that pose a physical obstacle for residents with mobility limitations. The average age of residents at Winter Hill is 72 years old and the residents that leave are likely moving to receive assisted living/nursing home services. Currently, Winter Hill Apartments does not provide specific supportive services to its 94 residents.

Ethnicity/Race Winter Hill Residents
(Tenant Selected Categories)



Source: Winter Hill Apartments Management, July 2004

HOMELESSNESS

The City provides services to homeless individuals and families through direct contracts with Fairfax County. Many of these services are offered in partnership (through contracts or memoranda of understanding) with larger jurisdictions, such as Fairfax or Arlington Counties. Further, the City participates with the Fairfax-Falls Church Community Services Council, a nonprofit ecumenical consortium, for the delivery of emergency needs for homeless adults and families. In addition, the City is a member of the Fairfax County Continuum of Care, which includes a “continuum” of services for persons who are homeless and provides services ranging from homelessness prevention to permanent housing.

Homeless individuals make the City’s bus benches, wooded areas, and sheltered commercial establishments their beds, and use the local library and community center as informal daytime shelters. This visible population of homeless "street people" is joined by a larger hidden population of individuals and families at risk for homelessness because of special needs, marginal incomes, or overcrowding.

Fairfax-Falls Church Continuum of Care Resources

(Continuum of Care Resources not necessarily located in the City of Falls Church)

EMERGENCY SHELTER

Provider	*Description of Services*	*Beds/Units*
Fairfax County/Nonprofit Organizations	Five full-service 24-hour emergency shelters	➢ 125 family beds ➢ 134 adult beds
	Three Emergency Winter Shelters	➢ 42 beds added during winter
Friends of the Falls Church	Emergency Winter Shelter	➢ 12 beds; 10 men, 2 women
Alternative House	14 days of shelter for runaway youth	➢ 8 beds
Fairfax County Women's Shelter (Bethany House)	➢ Supportive services ➢ Counseling ➢ Court advocacy ➢ Education on domestic violence	➢ 12 beds

TRANSITIONAL HOUSING

Provider	*Description of Services*	*Beds/Units*
Community Housing Resource (Fairfax County; nonprofit agencies**)**	Long term transitional housing (up to two years) for homeless families	➢ 60 units
RISE	Meets service needs of homeless children in conjunction with the non-profit agencies that operate the family shelters	➢ 20 housing units
Shelter House and Mondloch House	Transitional housing for homeless families; short-term (6 months)	➢ 11 units
United Community Ministries (UCM)	Homeless families with multiple disabilities; up to 3 years of housing	➢ 9 apartments
Homestretch	➢ Subsidized housing and support services for homeless families for 18 months	➢ 63 lease units (including 6 townhouses)
Homes for the Homeless (Christian Relief Services (CRS), Inc)	➢ Lease units to homeless single adults and families	➢ 52 units
Bethany House	➢ Housing for families who are victims of domestic violence ➢ Crisis intervention and short-term transitional housing program for women & children ➢ Case management & support services	➢ Three small group homes; 28 beds
Lutheran Social Services of the National Capital Area & Safe Place (Christian Relief Services)	➢ Transitional housing program	➢ 4 units

Transitional Housing for Persons with Substance Abuse Needs

Homeless mentally ill and substance dependent persons can use transitional group homes and graduate to a transitional apartment program. Some move directly from a shelter to the apartment program.

Permanent Housing for Formerly Homeless Families

Low and moderate-income City residents can access permanent assisted rental housing through three providers. City households can make use of Section 8 Housing Choice Vouchers, which provide rental subsidies to eligible households. However the waiting list for such vouchers, especially for single adults, is three to four years long. Additionally, households may participate in the City's rental subsidy programs for 12 or 18-month periods.

AFFORDABLE (PERMANENT) HOUSING OPTIONS

Provider	*Description of Services*	*Beds/Units*
Winter Hill Apartments (Falls Church Housing Corporation)	None	One two-bedroom unit affordable to households earning 50% of median income or less
Virginia Village Apartments (Falls Church Housing Corporation)	None	8 one-bedroom units affordable to households earning 50% of median income or less
Westbrook Commons Apartments	None	96 one- two- and three-bedroom apartments affordable to households earning 60% of the median or less

HOUSING AVAILABLE TO PERSONS WITH SPECIAL NEEDS

Persons with special needs include the elderly, persons with physical disabilities, and individuals with mental health disabilities. Residential services for City residents with mental health disabilities are provided primarily by the Fairfax-Falls Church Community Services Board (CSB), which provides mental health, mental retardation and substance abuse services. This section addresses the resources available for Falls Church City residents.

HOUSING FOR PERSONS WITH MENTAL DISABILITIES

Provider	*Services*	*Beds/Units*
Community Services Board	➢ Supportive	➢ 8 group homes ➢ 47 supervised apartments, town homes, or homes
	➢ Intensive Support Services	➢ 3 housing units
	➢ Intensive Support Services w/close supervision	➢ 75 units

HOUSING FOR PERSONS WITH ALCOHOL/OTHER DRUG ADDICTIONS

Provider	*Services*	*Beds/Units*
Community Services Board	➢ Twelve residential programs offering treatment ranging from nine weeks to one year in duration are available to City residents ➢ Nine units of supportive housing are also available to this population	➢ 224 beds
	➢ Detoxification residential program	➢ 33 beds

HOUSING FOR PERSONS WITH DISABILITIES

Provider/Community	*Services*	*Beds/Units*
Winter Hill Apartments	None	➢ 4 fully-accessible apartments
Virginia Department of Housing & Community Development	➢ Grants to multifamily building owners and tenant to pay for accessibility improvements ➢ Grants to homeowners to make accessibility improvements	Varies

HOUSING FOR THE ELDERLY		
Provider/Community	***Services***	***Beds/Units***
Winter Hill Apartments	None	➢ 80 1-bedroom apartments (subsidized rent)
Sunrise Retirement Home	Assisted living	➢ 65 beds; 30% for low- and moderate-income elderly individuals
Community Homes for Adults (CHAs)	Daily chore and care services in private residences	➢ 18 CHA provider homes ➢ 26 approved beds

HOUSING FOR PERSONS WITH MENTAL RETARDATION		
Provider	***Services***	***Beds/Units***
Community Services Board	➢ 55 community group homes for adults with mental retardation; one located in and owned by City of Falls Church	➢ 226 units
	➢ Residential Support Program: supervised living arrangement for semi-independent adults	➢ 26 units; 53 persons
	➢ Intermediate Care Facility	➢ 12-bed or 4-bed housing unit
	➢ Supervised Family Living Program	➢ Up to 115 people in individual or family residences

HOUSING FOR PERSON WITH HIV/AIDS		
Provider/Community	***Services***	***Beds/Units***
Whitman-Walker Clinic of Northern Virginia	Extensive residential-based services	➢ Four beds
	Supportive	➢ 70 beds in ten group homes and six scattered-side condos in the metropolitan area
Fairfax County/Northern Virginia Regional Commission	Rental Assistance	Varies

BARRIERS TO AFFORDABLE HOUSING

While the City has made efforts to promote and incorporate affordable housing into its policy and development process, the provision of affordable housing is impeded by several factors: high housing costs and assessments, lack of funding, and competing public policies. The following describes public policies that increase the cost of housing.

Public Policies that Increase the Cost of Housing

The current City zoning code includes two districts originally designed for townhouse development, R-C and R-TH. Both districts have density maximums of eight and ten dwelling units per acre, respectively. In addition, the R-TH district requires each unit to have a minimum of 1500 square feet, with at least 750 square feet on each floor. As most townhouse builders are now building three story townhouses, this results in 2250 square foot units. Larger units equate to higher construction costs and higher home costs.

Incentives to Offset the Cost of Public Policies

The Housing and Human Services Division has formally recommended that minimum lot size be reduced in all residential districts. Additionally, the City has implemented several homeownership assistance programs and a rental assistance program to offset the cost of rental and owner-occupied housing.

In addition to conventional financing, the City of Falls Church offers a variety of home purchase assistance programs, primarily for first-time homebuyers. The information on the right describes each of the City's homeownership assistance programs:

- **Affordable Dwelling Units (ADUs)**

The City of Falls Church offers opportunities for first-time homebuyers, to purchase affordable single-family homes, townhouse and condominiums. Under the ADU program, the City can offer homes at prices well below those of other homes in developments or subdivisions. The ADU prices range from $99,000 - $145,000, and vary based on the type of home. Many of the newer ADUs are one- and two-bedroom condominiums that are built in buildings with shopping amenities, fitness centers, and accessible to local public transportation.

- **Down payment and Closing Cost Assistance**
  - Up to $9,600 for down payment and/or closing cost assistance
  - Available only to first-time homebuyers purchasing a home in the City of Falls Church
  - Households must have incomes between $51,250 and $86,000 (80% of HUD Area Median)
  - Assistance is provided as deferred payment loan to be repaid upon resale of the home.
  - Buyers must contribute a minimum of $2,000 toward the down payment & closing costs.

- **Low-interest Mortgages…using VHDA's Single Family Regional Loan**
  - Eligible households must have incomes between $35,000 and $67,000 (60% of HUD Area Median)
  - Must purchase a home in the City of Falls Church
  - Interest rates have been as low as 4.125%,
  - Includes a second mortgage for down payment & closing at 0% interest

- **Affordable Second Mortgages …using Home Stride**
  - Eligible households receive up to $20,000 for down payment & closing costs
  - Repayment of $20,000 not due until three years **after** closing at 5 percent interest
  - Must use a VHDA first mortgage
  - Homebuyers must purchase a home in the City of Falls Church
  - Maximum household income up to **$135,000**
  - Maximum total loan amount (first mortgage plus second mortgage) is **$322,700**

- **Live near your work…through Smart Commute**
  - Homebuyers must purchase a home in the City of Falls Church within a ½ mile of a rail station or a ¼ mile of a bus stop
  - A portion of the potential transportation savings added to borrowers qualifying income (up to $200 per month for one wage-earner households and $250 per month for two wage-earner households)
  - Maximum purchase price of a home is $322,700
  - Low down payment of only 3 percent on the purchase price of the home
  - Borrowers receive a 50 percent discount for six months on Metrobus or Metrorail service for up to two people per household or reduced transit fare or Flexcar usage credit

Rental Assistance

Households who cannot afford to rent units within the City or households who have an existing rent burden may be eligible for assistance through the City's Tenant-Based Rental Assistance (TBRA) program or through the federal Housing Choice Voucher (HCV) program. Through both programs, low-income households receive a rental subsidy wherein the household pays no more than 30% of monthly income for rent. The availability of such assistance is limited to annual budget allocations. As of 2004, there are currently 52 City residents participating in the HCV program and 13 are currently participating in the TBRA program.

SUMMARY OF HOUSING MARKET ANALYSIS

- Single-family homes dominate housing stock
- Majority of housing is owner-occupied
- Housing Stock is aging; 60% of housing will be 50 years old or more by 2010
- Cost of housing is increasing, with average costs exceeding $400,000 annually
- Low vacancy rates in City among both owner and renter units
- Average home in City requires buyer with an annual income of $109,000
- Average rents in the City exceed $1,000 for all bedroom sizes
- Average apartment in the City affordable to households that earn $57,000 or more
- Concentration of some ethnic and lower income households within City
- Several resources for special needs housing throughout Northern Virginia
- More resources focused on increasing homeownership rather than rental