

Up, Up and Away in my Real Estate Balloon

By Elaine VonCannon

It is June, 2005 and the media has initiated a doom and gloom campaign for the real estate market. Major national news sources are reporting that the 'housing bubble' will inevitably burst. These sources also speculate that this bursting real estate bubble will cripple the real estate market and adversely affect the economy of the entire United States.

As a REALTOR in Williamsburg, Virginia, I know that the area is a market with a high growth potential for real estate investments. There are similar markets to Williamsburg, such as Silicone Valley in California, Washington D.C. and the suburbs of Maryland and Northern Virginia, and I could add numerous others to this hot list. The closer a home is to metropolitan and populated areas and desirable places to live, the higher the cost of real estate. The chances of turning a profit in a shorter amount of time on real estate investments increases in these types of areas.

Real estate prices in one state or even areas within the same state are not tied to each other. But the U.S. media might like to make us think they are all related because extreme stories sell newspapers and add value to advertising time. Real estate is still the most stable investment a person can make with their money, and it will be for decades to come. In my opinion, the media is also tied to the stock market, which loses investors when people choose the security, safety and high return of a real estate investment over an investment in stocks, bonds, or mutual funds.

The media helped stimulate a similar fall for the dot com companies in the early part of this millennium. The fact is, many dot com companies were houses built on sand, and these fell. The others remained, and are stronger than ever. E-commerce remains one of the most efficient, and time saving ways to do business. In fact, I would not be a major player in the Williamsburg real estate market without my website. In a similar vein, I believe that the media myth about the eventual collapse of the national housing market is painted in too broad of strokes.

I am in good company with my opinion. I would like real estate investors, home buyers, and home sellers to consider the opinion of two articulate and influential men, instead of relying upon the U.S. media's disproportionate analysis of the real estate market. U.S. Treasury Secretary, John Snow, stated in an interview on Bloomberg Radio on April 26, 2005, "I do not think the evidence suggests there is a national housing bubble at all. Housing prices are high in some markets, but those markets are supported by underlying supply and demand considerations. It's really a misnomer, I think, to talk about bubbles in the sense that you get a stock market bubble or a bubble in the commodity markets." And, David Lereach, the National Association of Realtor's chief economist, said in late April of 2005, "We still have more buyers than sellers. There is a strong demand for housing from a growing population."

Home sales have rocketed at an unprecedented pace. According to the National Association of Realtors' statistics home sales are still defiantly on the rise. This demand is fueled by many factors. Baby boomers make up a large percentage of affluent home buyers and their population is estimated at 75 million. They are buying investment properties, second homes, and helping their children become homeowners. Mortgage rates may seem to be inching up, but they are still extremely low compared to the double digit rates of the 1980s. I believe the current lending friendly market will promote a boon in the real estate market – not a bust.



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In closing, I have some advice for home buyers and home sellers. Know the price of homes sales in your own market area and then take your place within that market. You can buy, sell, or hold, just like investing in stocks. In the coming years, the real estate market may see a slow down of appreciation in home equity from double digits to single digits. Yet all investors, even in the stock market, know that to truly reap the benefits of investing, you must at least be prepared to hold onto an investment until the time is right to sell. Real estate is, and will remain, the most stable investment anyone can make now and in years to come. For more information on buying property with some great potential in the Williamsburg area, read my article on purchasing in New Kent County, Virginia, "If I had a Hammer, I Would Build in New Kent County Virginia".

Chicken Lettuce Wraps (just like P.F. Changs!)

From www.epicurean.com

Ingredients: 8 dried shiitake mushrooms
 1 tsp cornstarch
 2 tsp dry sherry
 2 tsp water
 salt and pepper
 1 1/2 pounds boneless, skinless chicken
 5 Tbsp oil
 1 tsp fresh minced ginger
 2 cloves garlic, minced
 2 green onions, minced
 2 small dried chilis, (optional)
 8 oz can bamboo shoots, minced
 8 oz can water chestnuts, minced
 1 package cellophane Chinese rice noodles, prepared according to package

Cooking Sauce:
 1 Tbsp Hoisin sauce
 1 Tbsp soy sauce
 1 Tbsp dry sherry
 2 Tbsp oyster sauce
 2 Tbsp water
 1 tsp. sesame oil
 1 tsp. sugar
 2 tsp. cornstarch



Directions: Iceberg lettuce "cups" leaves (I tried the Iceberg lettuce and did not like it so I changed it to a bibb or other leaf lettuce)

Cover mushrooms with boiling water, let stand 30 minutes then drain. Cut and discard woody stems. Minces mushrooms. Set aside. Mix all ingredients for cooking sauce in bowl, and set aside. In medium bowl, combine cornstarch, sherry water, soy sauce, salt, pepper, and chicken. Stir to coat chicken thoroughly. Stir in 1 tsp. oil and let sit 15 minutes to marinate. Heat wok or large skillet over medium high heat. Add 3 Tbsp oil, then add chicken and stir fry for about 3-4 minutes. Set aside. Add 2 Tbsp oil to pan. Add ginger, garlic, chilies (if desired), and onion; stir fry about a minute or so. Add mushrooms, bamboo shoots and water chestnuts; stir fry an additional 2 minutes. Return chicken to pan. Add mixed cooking sauce to pan. Cook until thickened and hot. Break cooked cellophane noodles into small pieces, and cover bottom of serving dish with them. Then pour chicken mixture on top of noodles. Spoon into lettuce leaf and Roll.

Peninsula Area Schools Comparison- Where to find the best education for your family

| | Gloucester | Hampton | Newport News | Poquoson | Williamsburg JCC | York County |
|--|----------------|----------------|----------------|----------------|------------------|----------------|
| Contact Info | (804) 693-2802 | (757) 896-8100 | (757) 591-4500 | (757) 868-3055 | (757) 253-6760 | (757) 898-0300 |
| # of schools | 10 | 34 | 39 | 4 | 12 | 18 |
| # of students | 6,379 | 23,192 | 32,907 | 2,500 | 8,407 | 11,942 |
| Students Attending College | 74% | 88% | 86% | 85% | 91% | 85% |
| Average total expenditure per student | 4,641 | 5,054 | 5,498 | 5,125 | 6,555 | 5,178 |
| Graduating Seniors | 365 | 1,465 | 1,748 | 203 | 551 | 778 |
| Mean SAT Scores | | | | | | |
| Verbal | 500 | 464 | 493 | 530 | 518 | 530 |
| Math | 478 | 448 | 464 | 526 | 504 | 519 |
| Total | 978 | 912 | 957 | 1056 | 1022 | 1049 |