



RE/MAX 2000 Realty
17843 N. Colima Road
City of Industry, CA 91748
(626) 964 – 8999
www.remax2000ca.com

OFFICE AGENDA – August 4th, 2017

RE/MAX

Real Estate Market Outlook

Despite the affordability issue, there is a 2.4% gain in closed sales and prices went up by 7% to \$555,000 to set a new high in median home prices. On the other hand, the price increase can be attributed to the increasing buyer demand index. Buyer Demand Index (BDI) measures the number of offers submitted to new monthly listing supply. An increase in the index would mean more offers are coming in than new listings are supplied which will pressure house prices to increase. The BDI for San Bernardino County, Orange County, Los Angeles County & Riverside County has increased by 5 points in total since the month before with Riverside County and OC County experiencing a higher increase.

On the downside, Inventory went down by 13% and has been dropping for two years continuously which will also mean listings will be harder to get and your buyers may have less options to choose from and needs to be more competitive in the offers. Rowland Heights and Hacienda Heights has the lowest amount of inventory while Chino and Chino Hills has higher amount of inventory

Based off the statistic from CAR, foreign buyer transactions have been declining for the past two years from 8.5% to 3% of total transactions. Even so, the decline is less in the San Gabriel Valley Area & Irvine meaning Foreign Buyers influence is still relevant in these areas. Foreign buyer numbers are still expected to remain at a substantial percentage of 3%. However, it will be a smart move to not concentrate your client pipeline exclusively on foreign buyers.

Last Month Announcement Recap

1. CAR LEGAL APP Download: <http://www.car.org/marketing/digitaltools/hotlineapp/>
2. REDFIN IPO & REDFIN NOW? Redfin went Public and Raised \$138 Million
3. FANNIE MAE loosen mortgage requirement of Debt-to-Income Ratio from 45% to 50%
4. Agents cannot manually post their listings on Zillow anymore
5. Buyer & Seller Objection List: <https://join2000.com/buyer-seller-objection-list/>
6. FREE PODCAST on Housing Market: <https://join2000.com/car-podcast-access/>
7. New Market Data tool from CAR: <http://www.car.org/marketdata/interactive/>
8. Is your Listing Not Shown on Zillow? Call Zillow at **1-888-367-4001**

Speaker Info:

Angie Tang of First American Title



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Office Announcement

1. June 2017 New Forms Release on CAR.org

- Seller's Affidavit of NonForeign Status: Defaults to the use of a Qualified Substitute to document federal withholding. Optional paragraph if seller to provide information direct to buyer. Reorganized form. Removed explicit language regarding California tax withholding and replaced with reference to escrow compliance.
- Lease Listing Agreement: Optional arbitration clause removed. Replaced by language advising of need to use separate arbitration agreement if both parties consent. Added reference to representative signatures.
- Residential Lease or Month-to-Month Rental Agreement: Added references to bed bugs and water submeters. Permits landlord to terminate lease if tenant has not made payments required before possession. Updated language concerning photos. Revised paragraph regarding smoking. Explicit prohibition on short term rentals.
- Residential Listing Agreement: Optional arbitration clause removed. Replaced by language advising of need to use separate arbitration agreement if both parties consent. Added language about disclosing security devices.
- Trust Advisory: Added language concerning need to comply with water conserving plumbing fixtures law. Form reorganized so requirements come first. Exemption, second. Modified explanation of when seller who is trustee has to provide a TDS. Add broker signature lines so same form can be used at time of listing or at time of sale.

All new forms are available in ZipForm. Please go to the following link for more information:

<http://www.car.org/zipform/standard-forms/summary-forms-releases-chart/june2017formsrelease/>

2. Property Management:

An agent who holds salesperson's license is NOT eligible to perform property management. For broker license holder, office requires the agent who plan to do property management to take related course on CAR.org. Office highly recommend agents should refer out the client to a property management company.

Difference between Leasing a property and Property Management.

Trust Accounts

For more info about property management. Please go to the following link:

<http://www.car.org/riskmanagement/qa/landlord-tenant-folder/property-management-faq/>



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3. **Square Footage Discrepancy**

Office recently have a couple of cases about buyer complains to the selling agent about square footage discrepancy. Agent should always cross check the square footage shows on MLS listing to the Realist Tax Assessor record. If the square footage is different. The agent needs to disclose to buyer and suggest the buyer to verify the square footage with city and county immediately. Per Buyer Inspection Advisory, it's Buyer's obligation to verify the square footage and city permit.

Solar on Lease

When you represent seller or buyer, please be aware of solar system on lease. The lease term is not normal lease agreement, agent cannot interpret or explain the lease for seller nor buyer. Most of the lease has pay off that is higher than normal value. Solar rental fee will increase annually.

Death Disclosure

Unnatural death disclosure is not limit to 3 years. It is considered as a Stigma and may attach to the life of the property. Whenever there is suicide, homicide, or any cause of unnatural death, you must disclose.

4. **LoopNet Account, CoStar Account & Commercial Transaction**

Start from April 2017. Office will not share Kuan's Loopnet account with any agent. Office suggests agents to pair with a commercial agent for all commercial transactions. If you want to get a CoStar account, please contact Anita. The cost of costar commitment is for 12 months period. Which mean you use it for 2 months and decide its not for you, office still need to charge you for 12 months. There is no early termination.

5. **2018 New Year Calendar Coming Soon!**

We will have designs of the New Year Calendar available for you to order for your clients very soon. Contact Khloe or CK if you want to know more about it!

6. **None Responding RR**

Whenever you finish RR request and getting no respond from the listing agent, please do understand, No Response mean "NO". You need to inform your buyer that Seller's response on the request is "NO".

7. **Assumption of seller's existing loan.**

If your transaction is Residential transaction, you can help seller or buyer to structure transaction that involve assumption or option to purchase. This type of transaction is extremely high risk, you do not have the qualification to structure this type of transaction.

8. **Referral of Service or Client.**

You need to know, even if you are not a signed listing/selling agent, simply referring a lead or prospect will also deem you liable. Anything that happens, you will be involved.



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9. Seller & Buyer only Need Agent to do Paper Work Handling?

Time to time, seller or buyer may come to you and want you to handle or structure paper work for them. Buyer and seller already come with agreement of term and price and they found each other. You need to understand by handling the paper work, you are representing both buyer and seller regardless of what's on verbal agreement you have with buyer or seller. They may claim, just need you to oversee and will pay you in private or not pay at all. You already establish agency regardless your name is on the purchase contract or not. You do need to treat it as regular transaction with no difference of you handle as normal transaction. As far as your commission, it is always negotiable and you need to make that decision how much you charge. Office will charge according to your individual plan.

10. Popular Fraud Schemes

- **Buyer Reverse Occupancy & Income Misrepresentation**

This scheme is particularly popular in Los Angeles and involves reverse occupancy or investment income misrepresentation. The buyer says they intend to buy the property as investment purposes and will rent the property out. Then the future rental income on the property itself will be considered as a factor to qualify the buyer for a loan but the buyer moves in to the property instead of renting it out.

- **Wire Scammers Strikes Again!**

These scammers will hack into agent's or title company's account to fish out information of an upcoming transaction where activity of wiring money will be involved. Scammer will then send a bogus email to buyer posing as title company or agent to wire the money into a different account belonging to the scammer.

If the buyer takes the bait, their account will be cleared out within minutes. PLEASE be educated about this and educate your clients about it too! Here is a link that we created that you as an agent must read and also send to your clients in order to educate them:

<https://join2000.com/handle-money-wire-scammers/>





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UPCOMING EVENTS

1. END OF SUMMER BBQ FIESTA!

To celebrate the summer season, RE/MAX EP2 will be hosting a Barbecue Fiesta for all staff & agents! Barbecue, Beer & Wine, Fun Activities, Competitions, Inflatable Jumpers! We have everything setup for you & your family! Join us & revitalized yourself! Agents are also encouraged to share their homemade recipes or bring food from their favorite joint & they will earn extra raffle tickets for Prizes!

To register, simply scan the QR Code below or click on this link: <http://cn.mikecrm.com/sYpAfug>

RE/MAX Elite Realty **RE/MAX Premier Properties** **RE/MAX 2000 REALTY**

End of Summer BBQ Fiesta!

Potluck Style

Saturday
SEPTEMBER 2
12-5 PM (subject to change)

Craig Regional Park
3300 State College Blvd. Fullerton, CA 92835

Please scan to
RSVP by: **August 14**

Parking: \$5.00 per vehicle
(The \$5.00 does NOT include Re-Entry, if you leave the parking area you will be charged another \$5.00 to park.)

2. NEW FORM TRAINING

Are you still confused by the new forms released by the CAR recently? Fear not, we are organizing a training regarding these new forms featuring James Chou as our Trainer! The training will be held on August 17th 2017 from 10am – 12pm replacing the usual training.

Date: August 17th 2017

Time: 10AM – 12PM

Location: RE/MAX 2000 Hacienda Heights



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August 03, 2017

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	4.04 %	3.28 %	3.48 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

July 27, 2017

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	4.09 %	3.31 %	3.50 %
Fees & Points	0.5	0.5	0.5
Margin	N/A	N/A	2.74

July 20, 2017

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	4.11 %	3.31 %	3.52 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

July 13, 2017

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	4.13 %	3.33 %	3.54 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

July 6, 2017

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	4.16 %	3.37 %	3.58 %
Fees & Points	0.5	0.5	0.5
Margin	N/A	N/A	2.74

June 29, 2017

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	4.07 %	3.31 %	3.52 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

June 22, 2017

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	4.05 %	3.27 %	3.47 %



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	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

June 15, 2017

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	4.02 %	3.25 %	3.41 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

June 8, 2017

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	4.04 %	3.24 %	3.40 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74