



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

MEETING AGENDA | February 7th, 2020

Real Estate Economy:

The current mortgage rate has decreased to 3.51%. As explained during the last office meeting. We are expecting the interest rate to hover around 3.5% to 4% area in 2020. The first month of 2020's data is out and Median Sales Price has a month to month increase between 6% to 15%. Actual closed sales have substantially increased across the associations except for Citrus Valley stagnating. This can be reflected with increase in buyer demands end of December 2019 until Early January 2020. However, pending sales during January have overall decreased between 20% to 25%. Arcadia's pending sales has dropped more than 40%. We are suspecting that the recent virus outbreak is affecting buyer demand mainly in cities with a substantial presence of Asian residents. Generally, listings are selling faster than it was before with Median Days on Market decreasing across all association boards. Overall, the market is seeing less new listing especially in the mid to low priced category. However, we are seeing this category's listing selling faster and at a higher value despite the recent virus outbreak news.

Coronavirus affecting our real estate market:

1. For seller or buyer who are currently in China, there is no timed schedule regarding when the US embassy can notarize legal documents to allow transactions to proceed. The office has come up with a standard addendum just to make your seller and buyer know the risk.
2. Note that buyers & sellers may have fear of showing up and showing properties that are from Asian communities. For now, office cannot make any claim what is safe or not safe. The owner and the buyer need to make their own assessment even if it means that they are suspending all showings on the listing.
3. Office have made notice in writing that all agents & staff who showed symptoms of the flu and possibly the corona virus or had possible contact with such people recently returning from China to not come to the office in order to maintain maintain a safe working environment. If you think you are showing symptoms or had met with someone who is. The office is ready & willing to assist you on all task to be completed online.
4. Some of the school and school districts are getting petition to close classes or campus due to global virus infection fear. Few of the Chinese New Year event was cancel or has no attendance.
5. Public area and Open House in San Gabriel Valley are experiencing substantially fewer traffic.
6. Any possible price adjustment has not been affected "yet" due to the Virus fear.
7. There are signs of fewer Inventory and fewer pending sales due to virus fear in the Month of January.



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Things you must do in 2020

1. Truly understand the current market trends and equip yourself with strategy to handle the current change of market. MY own forecast in 2020, mid to entry level price in any area will be looking at a 8% to 12% appreciation in 2020. With seller mentality that market is not good and doesn't want to sell, how you communicate with seller and buyer is completely different from 2019.
2. Categorize potential seller and buyer into type of clients where you have different techniques to close them. 2020 is completely different from 2019, so you must close the seller & buyer on the spot. Time is of essence, once you give them time to think, they may very well be someone else's client and closing.
3. How to respond on negative review and turn it to become your positive advertising. You need to standardized your services so it is easier for you to respond to any negative review.
4. Price range adjustments on all listing and buy side need to be extremely flexible yet you must grasp the knowledge to project what is the true future value of a property within the next 2 weeks. With the topsy-turvy situation of current market, it is crucial that you can be as precise as it is when it comes to setting the property price and putting in the offer. Knowing this will give you a better leverage to negotiate with the buyer and/or seller.
5. Video testimonial become one of your main closing tools. You must somehow get all your clients to do a 30 to 90 second testimonial video on your iphone or ipad. There is no need to advertise these videos. These are only for you and your potential clients to see. This is the best closing tool.

Super Session Speaker | Learning about Database

SHARON LIU – TOP 10 RE/MAX Agent in USA.

Speakers:

Yvonne Wang | Bank of America

Angie Tang | First American Title



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OFFICE ANNOUNCEMENTS

1. New & Improved Lead System eligible for all REMAX agents.

Instead of manually setting up your profile to get the leads, register with CK. We are currently running a program to help agents set up their new remax.net account and their LEAD profile so agents can fully utilize the lead system from REMAX.

2. Can you share your Supra Key with clients?

Agents are not allowed to share their Supra Key with Customers. We want to note that there is a \$10,000 fine on each party, the agent and the client. If agent gave the combo for a combo lock to a client, the same violation applies. Please be careful & do not put yourself into the risk of this hefty fine.

3. Lease Listing, where does the money go to?

When dealing with lease listing, please make sure that the whole amount is payable to the landlord, not the brokerage. In the residential lease agreement item 4A, you need to make sure to check the box that states "transfers to and held by the owner of the premises".

4. Septic or Sewer Connection?

It is important for listing and selling agent to have basic knowledge to identify whether the subject property is connected to a sewer or not. These photos will help to understand why and how the property is connected to the sewer or not. Any property that is connected to the sewer should have a manhole on the sidewalk along the curb. It may not be located on an immediate location from the property but it should be at a nearby location. Anytime you show a property or list a property, this is standard practice to visually inspect the surrounding area.

5. Phone Scams!

Agents & staff are receiving many scam messages in different forms usually via text messaging. The scammers are imposing as the broker, friends of the broker, possibly colleagues too. Typically, they will ask you for help to purchase various gift cards for them. Then, they will ask you to send the activation code/serial code on the gift card. All these are scams. Please note that anyone who is asking you for money from an unknown person, number are potentially a scam. Please try to refrain from texting these scammers back even if you know they are scammers. Because if you have any respond back, they will know the list that they target works and they will continue scamming others.

6. What is REX Realty?

We are receiving complaints and issue that our agents are experiencing when working with Buyers from REX Realty or Listings under REX Realty. REX Realty works similarly to Redfin where they are providing cash back and incentive to buyers or sellers if they choose to work with REX Realty. However, the big thing to note is, REX Realty does not post its listings on the MLS. Their listing is only available on their own website. We are not seeing a robust growth from Rex, however, agents do need to know what you are going against when you see the work "REX Realty" See the back of page for detailed information about REX Realty.



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7. The Challenges from iBuyer/Open Door

All of you will soon encounter your potential seller telling you “Before we sign the listing, we want to wait for the cash offer from REDFIN, ZILLOW, or OPENDOOR.” These iBuyer concept company is backed by Wall Street Money and there will only be more investors chasing new Real Estate ventures in the coming year. Generally, they are focused on property at the price range between \$200,000 to \$700,000 in Southern California. They will offer sellers 93% to 97% of current market value and charge 7% to 12% of service fee. Subject of professional inspection to verify the true property condition. It can close in 2 weeks or at the seller’s request with reevaluation of market value if it takes too long to close. Phoenix is the first city where these concepts has been applied. After three years in practice, it still only accounts for 1% of total sale in its market. However, it does not mean; you won’t be asked or encounter this problem. Be prepared to handle this objection from seller. Opendoor have been buying and selling in San Bernardino and Riverside County since 2018. These transactions and property average about 200 properties per year. There are not approaching market price above \$650,000 but do have exceptions. Average margin between selling price and acquisition price is less than 5%, Average turn time after acquisition to put on MLS is about 3 to 4 weeks. Most of the property they purchase is not major fix up property. Zillow and Redfin are not seriously buying properties at all. Most of the time, Zillow resell the lead back to agent. As far as Redfin, just use this to get potential seller. For agents who is working in the Inland Empire, you must know how Opendoor operates.

UPCOMING EVENTS

NEW ARCADIA OFFICE GRAND OPENING!

The new office is opening next Wednesday at 12PM! Ribbon cutting is at 12:15pm. There will be plenty of photo opportunities and delicious food catered by trendy local restaurants. Below is a map with the city parking lots and plenty of street parking. We recommend street parking south of Huntington Drive. We highly recommend you to attend this grand opening. Details at the back of the page.

KNOWING 2020 TAXES w/Tony Watson of Robert Hall & Associates | MARCH SESSION

Back by popular demand, Tony will be going through the things you need to know before the end of the tax season. Are there any notable changes and how will it affect you and your clients? You will find out during this super session. More info and register today. Flyer at the back of the page.



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Grand Opening

PLEASE JOIN US TO
CELEBRATE THE OPENING OF
OUR NEW LOCATION

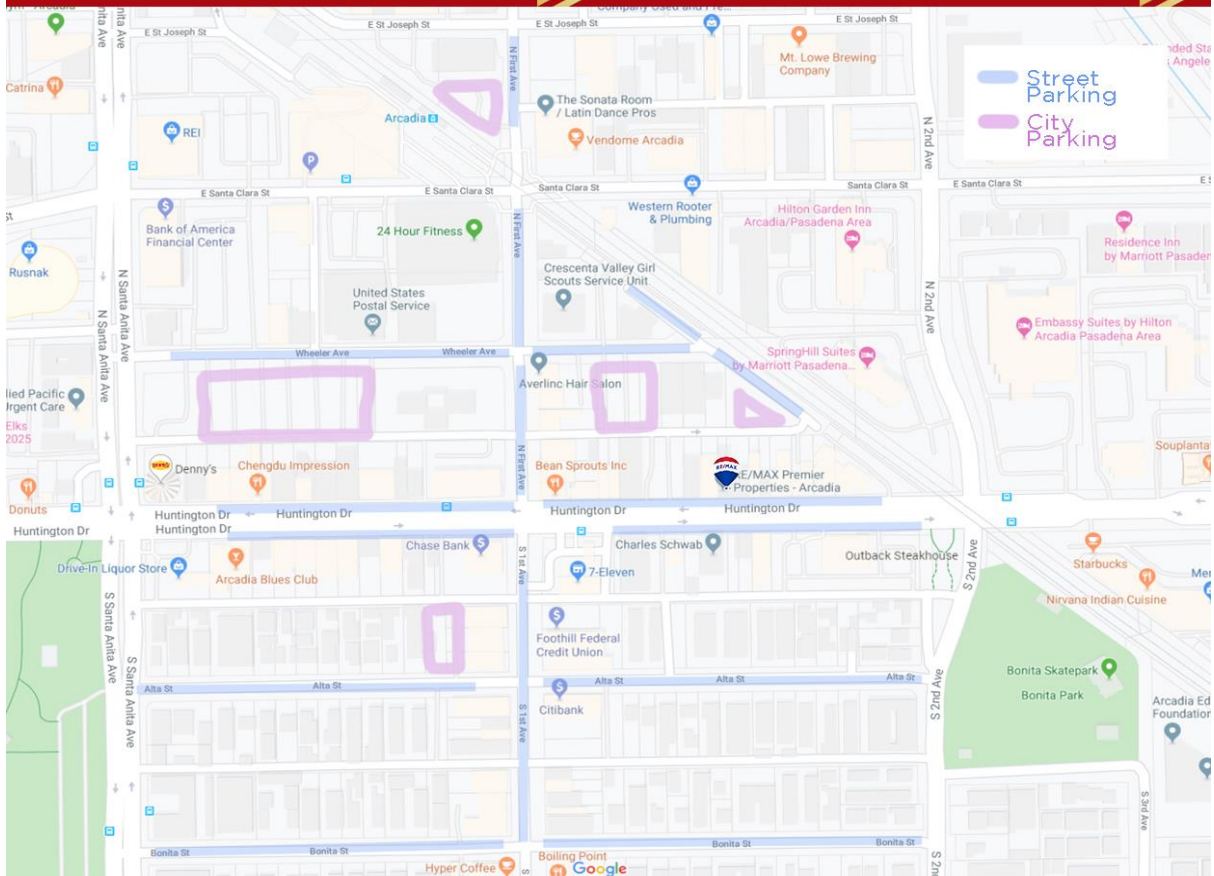
RE/MAX PREMIER PROPERTIES
133 EAST HUNTINGTON DRIVE
ARCADIA, CA 91006

WEDNESDAY
FEBRUARY | **12** | 12:00PM
2020

LUNCH WILL BE SERVED

**RE/MAX
PREMIER PROPERTIES**

SINCE 1993





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KNOW YOUR TAXES FOR 2020

How will they affect you?



RH ROBERT HALL
& ASSOCIATES
TAX CONSULTANTS

Robert Hall & Associates has been named the "Best Accounting Firm in Glendale" for the past 5 years.



Back by popular demand, **Tony Watson** from Robert Hall & Associates will go through the things you need to know before the end of the tax season. Are there any notable changes? How will it affect you and your clients? Register today for the TAX super session.

FRIDAY, MARCH 6, 2020

10:30 AM - 12:00 AM

Hacienda Heights Office

1221 S. Hacienda Blvd., Hacienda Heights

First Floor Meeting Room

(right after Office Meeting!)



LIMITED SPACES!

Please scan to RSVP or go to:
remaxep2.mikecrm.com/zeig3qx





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REGARDING CORONAVIRUS CLAUSE

Please read instructions below regarding how and when to use the clause.

- *This clause is meant to be added to the addendum that goes with the offer or counter offer.*
- *You are strongly advised to attach an addendum with the following wordings that goes with the offer or counter offer when the party you represent is in areas that are affected by the coronavirus outbreak*
- *You are encouraged to reach out to management to discuss further as each case could be different or if you have any other concerns or circumstances.*

Clause- Standard

Buyers and Sellers are aware that one (both) of the Parties to this transaction is/are in areas that are affected by the Coronavirus outbreak. Therefore, that Party's ability to adhere to contract timeframes/deadlines may be impacted and out of their control. Parties agree that any delays in performing/closing due to the inability to sign documents or transmit paperwork will NOT be considered as a breach of the Purchase Agreement or failure to perform.

Add statement below when needed:

"Sellers/Buyers have the option to cancel this agreement in ___ days if the situation does not



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January 30, 2020

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	3.70 %	3.07 %	3.39 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

January 23, 2020

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	3.77 %	3.11 %	3.56 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

January 16, 2020

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	3.84 %	3.16 %	3.60 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

January 09, 2020

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	3.81 %	3.16 %	3.50 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74

January 02, 2020

	30-Yr FRM	15-Yr FRM	5/1-Yr ARM
Average Rates	3.86 %	3.20 %	3.68 %
Fees & Points	0.5	0.5	0.4
Margin	N/A	N/A	2.74