CAREPA NEWS

華裔房地產專業協會新聞

2011 年 九月號 September 2011

President's Message ~會長的話

Now that Labor Day holiday is coming and going; that means kids are back to school. Finally all parents can take deep breath and take a nice break. I hope everyone had a fun and safe summer.

Last month we had 2012 directors' election. I want to take this opportunity to congratulate the newly nominated directors: Jason Lam of IRN Realty, Teddy Lu of TCD Development and Cindy Wu of Keller William – Encino; directors who are expiring in 2011 and re-elected for 2012: Margaret Chiu, Lucia Tam, Nancy Lin, Vincent Lieu and Suzie Koo; and the 2 years term remaining directors John Wu, Alex Tse and Annie Fann. I am sure all the directors under the new leadership of 2012 President Brian Chen will help CAREPA become a stronger Association. All directors will be installed at our Christmas Party on Sunday, December 11, 2011 at the San Gabriel Hilton. Please save the date. I invite everyone to attend and enjoy fun evening with members, friends and new acquaintances.

This month, we are celebrating an important Chinese holiday, "Mid-Autumn Festival" also known as "Moon Festival". Enjoy the moon cakes. I wish everyone "Happy Moon Festival" ~ "中秋節快樂"

CAR is holding its California Realtors Expo from September 20-22 in San Jose and NAR is holding its Realtors Conference and Expo from November 11-14 in Anaheim. I encourage you to register, attend and take advantage of the wealth of information they offer.

In our September 14 dinner meeting, our speakers Rodrigo Proust and Jeffrey Randle will be talking about Environmental Site Assessment reports Phase I and Phase II. Let's update ourselves on issues that we may encounter when dealing with commercial transactions.

Nancy Lin, GRI, SRES
2011 CAREPA President
Kotai Realty Inc.
(626) 786-5056

Real Estate – Luxury Home Values In Southern California

by Property Management on August 28, 2011

Real estate values for properties in Southern California were mixed. Luxury home values rose in Los Angeles and San Francisco in the second quarter of 2011 compared to the first quarter, but declined in San Diego, according to the First Republic Prestige Home Index(TM) by First Republic Bank, a leading private bank and wealth management company.

In the quarter ended June 30, 2011, the Index indicated the following:

- Los Angeles area values climbed 1.7% from the first quarter of 2011 and increased 1.8% from the second quarter a year ago. The average luxury home in Los Angeles is now $2.0 million.

San Diego area values decreased 1.2% from the first quarter and fell 6.0% year-over-year. The average luxury home in San Diego is now $1.6 million.

- San Francisco Bay Area values rose 0.6% from the first quarter and were 3.1% lower compared to a year ago. The average luxury home in San Francisco is now $2.5 million.

"Luxury home prices were largely stable in the second quarter of 2011," said Katherine August-deWilde, President and Chief Operating Officer of First Republic Bank.

"Certain communities in California, particularly those in and around the Silicon Valley and parts of San Francisco, showed robust activity. Real estate agents are now reporting that economic uncertainty and stock market volatility are impacting some buyers, despite the all-time low mortgage interest rates."

First Republic Bank produces the Prestige Home Index each quarter with Fiserv CSW Inc., a leading provider of automated property valuation services and home price metrics to U.S. financial institutions.

Los Angeles Area Values

Los Angeles values rose 1.8% in the second quarter of 2011 from the same period a year ago. The gain was the first on a year-over-year basis in the past 14 quarters.

"The upper end of the market is very strong for well-priced homes," said David Mossler of Teles Properties in Beverly Hills. "There are four to five buyers for every

continued on page 2

continued from front page

house.

There is very little quality supply. I just sold homes for $7.8 million and $8.6 million to all-cash buyers. If a home is properly priced, demand is very strong. But the home has to be well-priced."

Charles Pence of Pence Hathorn Silver in Santa Monica said that prices are varying widely by community. "More than ever before, we have highly attractive micro markets with strong activity and price gains, but the surrounding markets can often be flat. This market is driven more by a lack of inventory than anything else. We've had some big sales in terms of price. It is hard to predict what someone will pay for something now at the upper end."

Armen Sarkissian of Prudential California Realty in Pasadena said pricing strategy is key for sellers. "If the price is right, people will buy. There are a lot of buyers for $6 million to $7 million homes, but they are scrutinizing every deal. Because buyers are also concerned about purchasing a depreciating asset, the price has to be below the comparable sales in the past three to six months."

San Diego Area Values

In San Diego, prices continued a downward trend. On a year-over-year basis, second quarter prices fell 6% compared to the second quarter of 2010.

Mo Loghavi of Prudential California Realty in La Jolla said he expects prices to drop further. "People in the $1.5 million to $5 million want to continue downsizing, but there are no trade-up buyers. We still have another 12 to 14 months of inventory. By the end of 2012, we will see a little more movement, but I haven't seen the light at the end of the tunnel for the luxury market."

Farid Khayamian of RE/MAX Associates in La Jolla also said prices may continue to weaken. "In San Diego County, we have roughly 23 months of inventory for homes over $2 million," he said. "Average supply is about six months. Too much supply and not enough demand for higher end homes will cause prices to soften. Low prices and high inventory are encouraging many investors to make all-cash purchases."

San Francisco Bay Area Values

San Francisco Bay Area values reversed course in the second quarter, rising 0.6% after falling 4.3 percent in the first quarter of 2011. The strong tech sector in Silicon Valley strengthened the market.

Ken DeLeon of Keller Williams Realty in Palo Alto said the market is very strong. "Palo Alto is still really hot," he said. "Palo Alto is actually over 2006 prices. Interest is as good as I've seen it in 10 years. There was a home in Palo Alto that had 32 offers in the past week. Palo Alto is leading the pack in the surrounding communities. I expect to see Atherton, Menlo Park and Los Altos picking up by spring."

In San Francisco, the market appeared to be slowing. "The second quarter was starting to look better," said Joel Goodrich of TRI Coldwell Bank in San Francisco. "We had less inventory and more sales, but that was before the recent stock market volatility. In the second quarter, investor confidence was up in San Francisco, with the high tech boom in Silicon Valley and parts of the city. I'm still very bullish on San Francisco and the Bay Area over the next one to five years, assuming a return to normal economic cycles."

In Marin County, the luxury market was mixed. "In the mid-range, the market is active," said Pat Montag of McGuire Real Estate in Tiburon. "I was surprised by the three recent listings that went into escrow in Tiburon and Belvedere between $3 million and $7 million. For homes over $15 million, we're seeing some significant reductions, but many homes were overpriced."

Information of this kind helps landlords and real estate investors make more informed decisions on their real estate.

Source: First Republic Bank, August 22, 2011

This is a blog post for Real Estate Professionals, Investors, Landlord, Property Manager, and Property Management Companies. Real Estate – Luxury Home Values In Southern California is brought to you by SimplifyEm **Pay Rent** Online and **Property Management Software**

10 housing markets that will collapse this year

Recovery? In these areas, hitting the bottom of will have to come first

By Michael B. Sauter, Douglas A. McIntyre updated 8/11/2011 8:52:19 PM ET

The real estate market is already in the deepest depression in modern U.S. history. If you think it can't get any worse, think again.

In several cities, the real estate market is about to drop even more. Home values in many of those cities, such as Las Vegas, have already collapsed as unemployment has shot higher. And with no hope of quick recovery, housing prices are expected to continue to fall. 24/7 Wall St. identified ten housing markets that are

expected to drop by at least another 10 percent by 2012.

continued on page 4

2011 CAREPA BOARD OF DIRECTORS

感謝所有理事會成員為本協會所做出的貢獻
Thank to the Board of Directors for their voluntarism
Gracias a la Junta de Directores por ser voluntarios.


Nancy Lin
2011 President


Brian Chen
President Elect


Ling Chow
Vice-President


Lucia Tam
Secretary


Margaret Chiu
Treasurer

Directors


Lorinda Chou


Annie Fan


Vincent Lieu


Suzie Koo


Carina Pang


Dr. Alex Tse


John Y. Wong


John C. Wu


Paul Cheng, Legal Advisor

COMMITTEE CHAIRS

BUDGET AND FINANCE	**Margaret Chiu**
ELECTION	**Brian Chen**
CHRISTMAS/INSTALLATION	**Brian Chen**
GOLF TOURNAMENT	**Yin Bihr/Jacqueline Cheou**
HOPE AWARD	**Lucia Tam**
INTERNATIONAL	**John C. Wu**
MEMBERSHIP	**Carina Pang**
PROGRAMS/MIXERS	**Brian Chen**
PUBLICATIONS/PUBLIC RELATIONS	**Lucia Tam**
WEBSITE	**Lucia Tam**

SEPTEMBER GENERAL MEETING

September 14, 2011

6:30PM

SPEAKERS

RODRIGO PROUST
JEFFREY RANDLE

TOPIC

"What Triggers a Phase II Environmental Site Assessment"

EMPRESS HARBOR RESTAURANT
111 N. Atlantic Blvd. 3rd floor
Monterey Park, CA 91754

For reservations and information,
contact BRIAN CHEN @ **626-831-3120**

November 11-14, 2011 • Anaheim, California

Register by October 14

U.S. residents who register by October 14
will receive their badge in the mail.

"Denim and Diamonds" Inaugural Party
Come kick up your heels with music, dancing and the installation of your 2012 Leadership, including Moe Veissi as your 2012 NAR President.

continued from page 2
Methodology: We used data from the Fiserv Case-Shiller Indexes, which track real estate activity in 380 cities. We selected those that are forecast to have the largest percent price drop between the first quarter of this year and the first quarter of next. We added several other pieces of information to our city-by-city information, including June unemployment levels, median household income, and when home prices are expected to reach their troughs in each market.

Southland Housing Market's Vital Signs Remain Weak

August 15, 2011

La Jolla, CA---Southern California home sales fell last month to the lowest level for a July in four years, though the decline from a year earlier was the smallest in 13 months. The drop in sales from June was more pronounced, especially for $500,000-plus homes, as the job market sputtered, economic uncertainty intensified and some potential homebuyers got cold feet, a real estate information service reported.

A total of 18,090 new and resale houses and condos sold in Los Angeles, Riverside, San Diego, Ventura, San Bernardino and Orange counties in July. That was down 11.9 percent from 20,532 in June and down 4.5 percent from 18,946 in July 2010, according to San Diego-based DataQuick.

On average, sales between June and July have fallen 4.8 percent since 1988, when DataQuick's statistics begin. July sales have varied from a low of 16,225 in 1995 to a high of 38,996 in 2003. Last month's sales count was the third-lowest on record for a July, and was 29.8 percent below the July average of 25,752 sales.

Among all months, June has had the highest number of sales most often -- in eight of the past 23 years in DataQuick's records --while July has had the highest sales twice in that period.

The decline in sales last month from both June and a year earlier isn't as great when viewed in terms of the average number of homes sold daily. Last month had 20 business days on which sales were recorded, compared with 22 business days in June and 21 in July 2010. Average daily sales last month fell 3.7 percent from June and fell 1.0 percent from a year earlier.

"The latest sales figures look a bit worse than they really are, given this July was a fairly short month, but they still suggest some potential homebuyers got spooked. Reports on the economy became increasingly downbeat and, no doubt, some people fretted over the possibility the country would default on its obligations," said John Walsh, DataQuick president.

"If there's a shred of good news in the data it's that last month's sales weren't much worse than a year earlier. For the first time in many months, we get an apples-to-apples comparison to year-ago sales, given that in July 2010 the market lost its crutch -- federal homebuyer tax credits."

The median price paid for all new and resale Southland houses and condos purchased last month was $283,000. That was down 0.7 percent from $285,000 in June and down 4.1 percent from $295,000 in July 2010.

The median has declined year-over-year for the past five months. It has been unchanged or lower than a year earlier each month since last December, when it posted a 0.3 percent annual increase.

Last month's median was 14.6 percent higher than the median's low point in the current real estate cycle -- $247,000 in April 2009 -- but was 44.0 percent lower than the peak $505,000 median in mid 2007. The peak-to-trough drop was due to a decline in home values and a shift in sales toward lower-cost homes, especially inland foreclosures.

Today's median is suppressed somewhat by incredibly low sales of new homes, which typically sell for more than resale homes. Southland builders sold 1,022 newly built houses and condos last month, down 26.7 percent from June and down 7.3 percent from a year earlier. It was the lowest number of new-home sales for a July in DataQuick's records back to 1988.

Overall home sales in July fell across all price categories compared with June. Sales declined 11.2 percent from June for homes priced below $200,000, while they fell 13.3 percent month-to-month for $300,000-to-$800,000 homes and fell 20.5 percent for homes over $800,000.

Sales also fell across the price spectrum on a year-over-year basis. While they declined just 1.7 percent for homes priced below $200,000, they dropped 11.2 percent year-over-year in the $300,000-$800,000 range and 15.0 percent in the $800,000-plus segment.

Distressed property sales continued to account for around half of the Southland resale market in July. Roughly one out of three homes resold was a foreclosure, while close to one in five was a "short sale."

Foreclosure resales -- properties foreclosed on in the prior 12 months -- made up 32.5 percent of the Southland resale market in July, down from 32.9 percent in June and 34.2 percent a year earlier. Foreclosure resales peaked at 56.7 percent in February 2009.

Short sales, where the sale price fell short of what was owed on the property, made up an estimated 17.3 percent of Southland resales last month. That was down from 17.7 percent in June and 19.4 percent a year ago. Two years ago the estimate was 14.3 percent.

Tight credit conditions continue to hamper sales in mid- to high-end markets that have long relied on adjustable-rate and "jumbo" home loans.

Last month adjustable-rate mortgages (ARMs) accounted

continued on page 7

Commercial Real Estate Update, Is the Market Improving?

by James Foxx , August 26, 2011: 09:53 AM

The real estate market for most of the country has been anything but hopeful over the past few years (unless you're an investor looking for cheap property). The commercial real estate market is no exception, but unlike its residential counterpart, CRE has actually showed signs of promise lately.

What is the commercial real estate market doing now? Are we still looking at the beginnings of a recovery?

First, we'll look at projections to gauge whether or not the industry itself expects a recovery to occur. According to the National Association of Realtors, growth in the commercial real estate market is expected over the next 12 months – albeit at a slower pace than originally expected. NAR projects that vacancies will fall anywhere from 0.3% to 0.9% across various sectors within CRE by this time next year.

Not so fast, say others. Deloitte, a financial advisory firm, said that an abundance of underwater commercial real estate loans will come due over the next four years – worth as much as $1.7 trillion – making it difficult for the market to truly recover.

The weak economy is the main culprit. Businesses simply are not hiring as often as they would need to in order to support a full and true economic recovery. Instead, we have been witnessing a jobless recovery that has not managed to restore any semblance of underlying strength to the economy. As a result, many corporations are not expanding and, therefore, are not filling the CRE space they normally would.

Of course, there are bright spots. There has been a noticeable increase in demand and prices for the multifamily rental sector (i.e. apartment buildings), which has partially been spurred by the foreclosure crisis and the increased need for affordable rental units.

All in all, there is some strength in the commercial real estate market. Vacancy rates are dropping, and rental prices have been rising. Plus, an influx of foreign capital has bolstered the domestic market and given a bit of a foundation or floor to the market as a whole. And, depending on the region, capital expansion is on upswing, which means more tenants for commercial properties.

Investors can capitalize off of the commercial real estate market by taking advantage of low interest rates, falling vacancy rates in some areas, and an increased demand for multifamily rental units that probably will not subside significantly for a year or two at the absolute earliest.

In short, while it is not completely there yet, the commercial real estate market is improving and may do so for the time being.

continued from page 4 - **Southland Housing . . .**

for 8.9 percent of all Southland purchase loans, up from 8.8 percent in June and up from 6.1 percent a year ago. While still low by historical standards, the July ARM share was the highest since 10.3 percent of purchase loans were ARMs in August 2008. Until a few years ago, ARMs were nothing special: Over the past 10 years, a monthly average of about 38 percent of purchase loans were ARMs.

Jumbo loans, mortgages above the old conforming limit of $417,000, accounted for 17.8 percent of last month's purchase lending, down from 18.2 percent in June and 18.5 percent a year earlier. In the current cycle, jumbos fell in early 2009 to less than 10 percent of the purchase market. In the months leading up to the credit crisis that struck in August 2007, jumbos accounted for 40 percent of the Southland market.

In many lower-cost neighborhoods, many buyers -- especially investors -- continue to buy homes without a loan.

Southland buyers paying cash accounted for 28.2 percent of total July home sales, paying a median $214,000. Last month's cash buyer level was down slightly from 28.6 percent in June but up from 27.5 percent a year earlier. Cash purchases hit a high of 32.1 percent of sales this February, while the 10-year monthly average is 13.3 percent. Cash purchases are where there was no indication in the public record that a corresponding purchase loan was recorded.

Many who pay cash are absentee buyers, who are mainly investors. Absentee buyers purchased 23.8 percent of the Southland homes sold in July, paying a median $212,000. Absentee buyers made up 24.1 percent of sales in June and 22.3 percent in July 2010. The absentee share of the market peaked this February at 26.4 percent. Over the last 10 years, absentee buyers purchased a monthly average of 16.7 percent of all homes sold.

Last month 20.2 percent of all sales were for $500,000 or more, down a tad from 21.6 percent in June and down from 22.4 percent a year earlier. The low point for $500,000-plus sales in this cycle was in January 2009, when only 13.8 percent of sales were above that threshold. Over the past 10 years, a monthly average of 27.5 percent of homes sold for $500,000-plus.

An alternative method of tracking mid- to high-end activity suggests those neighborhoods now account for a fairly normal level of sales relative to overall activity. Southland zip codes in the top one-third of the housing

continued on page 6

continued from page 5

market, based on historical prices, accounted for 37.0 percent of total sales last month, compared with a 10-year monthly average of 36.9 percent. Last month's figure was down slightly from 38.2 percent in June but up from 36.6 percent a year ago. These higher-cost zips codes' contribution to overall sales hit a low of 26.8 percent in January 2009.

Government-insured FHA loans, a popular low-down-payment choice among first-time homebuyers, accounted for 31.5 percent of purchase mortgages in July. Last month's FHA figure was up slightly from 31.1 percent in June but down from 34.7 percent a year earlier. Two years ago FHA loans made up 35.2 percent of all purchase loans, while three years ago it was 24.4 percent.

The percentage of Southland homes that were "flipped" -- bought and re-sold on the open market within a six-month period -- rose last month to 3.5 percent of all sales. That was up from 3.0 percent in June but down from 3.6 a year earlier. Flipping varied last month from as little as 2.9 percent of sales in Ventura and Orange counties to as much as 4.1 percent in San Diego County.

DataQuick monitors real estate activity nationwide and provides information to consumers, educational institutions, public agencies, lending institutions, title companies and industry analysts.

The typical monthly mortgage payment that Southland buyers committed themselves to paying was $1,154 last month, down 0.2 percent from $1,157 in June and down 4.2 percent from $1,204 in July 2010. Adjusted for inflation, current payments are 50.1 percent below typical payments in the spring of 1989, the peak of the prior real estate cycle. They are 59.2 percent below the current cycle's peak in July 2007.

Indicators of market distress continue to move in different directions. Foreclosure activity remains high by historical standards but is much lower than peak levels reached over the last few years. Financing with multiple mortgages is very low, and down payment sizes are stable, DataQuick reported.

	Sales Volume			Median Price		
All homes	Jul-10	Jul-11	%Chng	Jul-10	Jul-11	%Chng
Los Angeles	6,515	6,193	-4.90%	$339,000	$320,000	-5.60%
Orange	2,527	2,455	-2.80%	$450,000	$437,500	-2.80%
Riverside	3,529	3,288	-6.80%	$200,000	$190,000	-5.00%
San Bernardino	2,556	2,378	-7.00%	$155,000	$151,000	-2.60%
San Diego	3,070	3,041	-0.90%	$338,000	$325,000	-3.80%
Ventura	749	735	-1.90%	$370,000	$360,000	-2.70%
SoCal	18,946	18,090	-4.50%	$295,000	$283,000	-4.10%

Source: DQNews.com

Visit http://expo.car.org/ to see a full list of sessions to start planning your time at CALIFORNIA REALTOR® EXPO 2011.

Entrance to the exhibit hall is FREE for all C.A.R. members, but you must register to receive an entrance badge. Fees apply to ticketed events, including PRE EXPO and special luncheon events.

In addition to the free session on Wednesday and Thursday, be sure to check out the session lineup for PRE EXPO. PRE EXPO is a ticketed event that focuses on social media, property management, and top producers, and offers boot camp-style training for all three topics. More information about PRE EXPO can be found at http://expo.car.org/preschedule.html.

You can register online for the CALIFORNIA REALTOR® EXPO 2011 and PRE EXPO by visiting http://expo.car.org/, or calling toll-free (800) 242-2732.

2011 Multifamily Housing Market Outlook – Southern California

by Cameron Izadi on August 17, 2011

Multifamily housing demand improved during 2010, with increased occupancy rates for all Southern California metro areas. Orange County, San Diego County, and the Inland Empire experienced higher levels of positive net absorption than in 2009. Vacancies and rents in all four markets are expected to remain relatively stable to slightly ncreasing/decreasing, varying from submarket to submarket.

Job Growth

Job losses have stopped in Los Angeles County, which added 2,500 jobs in 2010. The region is also expected to create 25,000 to 35,000 new jobs in the coming year. In 2010, Orange County gained 6,500 new jobs, seeing a decline in the unemployment rate from 9.5 to 8.9 percent, the lowest of the four markets. San Diego added 5,200 jobs in 2010, bringing its unemployment rate down to 10.1 percent, the second lowest of the four markets. However, little to no significant job growth is expected in 2011 for the region. The Inland Empire suffered a major blow from the

continued on page 7

continued from page 6

economic recession, registering one of the highest foreclosure rates in the country, along with heavy job losses. Riverside-San Bernardino area lost 7,600 jobs in 2010, ending with an unemployment rate of 14 percent, the highest in Southern California. The Inland Empire is expected to experience some job growth throughout 2011, adding as many as 9,000 jobs (primarily from companies seeking lower rental costs moving warehousing and distribution operations to the area), an 80 basis point reduction to the 2010 regional unemployment rate.

Rent & Vacancy

Los Angeles County gained 2,500 jobs in 2010, a significant improvement from its 225,000 job loss the prior year. Positive net absorption in the region was only 28 percent the level observed in 2009. Despite an improvement in apartment demand, vacancy rates are still 1 to 3 percentage points above their “natural” level (the level at which inflation-adjusted rents remain constant). Intown Los Angeles showed the largest increase in average rents (6.8 percent), followed by the South Bay submarket (5.9%). Tri Cities showed the largest decline (9.2 percent), and was one of only two submarkets with larger declines in average rents for 2010 relative to 2009. Completions for 2011 will decline roughly 60 percent from 2010 levels.

Orange County’s job market experienced some degree of stabilization by adding 6,500 jobs in 2010 (following a 75,000 job loss in 2009). Demand for apartments in Q4 2010 with a YoY positive net absorption of 5,830 units, a 39 percent increase for the period. Occupancy increased another 1.2 percent during the same period, bringing the overall rate to 94.9 percent. Average rents rose 0.8 percent in 2010, bringing the monthly rent for 2010 to $1,475. While the County added 3,187 new units in 2010, of which the Irvine submarket alone accounted for 60 percent, completions for 2011 are expected to drop dramatically, with North Orange County, Anaheim, and Huntington Beach adding only 176 new units.

Multifamily housing markets in the Inland Empire have been severely affected by the economic recession. Unemployment rates in Riverside and San Bernardino have been as high as 14.9 and 13.8 percent, respectively, in 2009. By December 2010 these rates saw little improvement, having stood at a combined 14 percent for the two counties. The region lost 7,600 jobs in 2010. However, like Orange County, demand for apartments increased in 2010 at a net absorption rate of 4,280 units, a 15 percent YoY increase. Average rents increased 1.1 percent, ending the 2010 year at a monthly figure of $1,034. Although 2,068 new units were added in 2010, like Orange County, completions are expected to drop precipitously in 2011, with just over 200 units scheduled for delivery between the East San Bernardino, Southwest Riverside, and Coachella Valley submarkets. Considering the anticipated employment turnaround, this low level of development could serve to place some upward pressure on rents and decrease vacancies in the area.

San Diego County’s unemployment rate fell to 10.1 percent, the second lowest of the four markets. The region added 5,200 jobs in 2010, rebounding from a job loss of 43,000 in 2009. Apartment demand continued its upward trend from 2009, with 3,420 units of positive net absorption. Although net move-ins were 82 percent higher than the prior year, the region had the lowest absolute level of net absorption among the four markets. San Diego County also had the second worst relative change in demand for 2010. However, occupancy increased 0.3 percent to 95.4 percent, which is the highest level of all four markets. The region added 2,616 units in 2010, up nearly 1,000 units from 2009. Intown/Coronado, Chula Vista/Imperial Beach, and Escondido will add 1,051 new units in 2011.

Forecast

For the first time in two years, all four markets saw a turnaround in rent growth in 2010. All four markets experienced YoY effective rent increases, as well as falling average vacancy rates. Over the next two years, average rents are expected to remain stable, as vacancy rates will appear stable-to-declining across all four markets.

Although positive rent growth was recorded in Los Angeles County in 2010, rents trended downward from March onward. Modest further decline is expected. Average rents and vacancy rates for Orange County, San Diego County, and the Inland Empire are forecasted to remain relatively flat-to-slightly-increasing over the next eight quarters. Vacancy is expected to decline another half percent in Los Angeles County, while only slightly in San Diego County and the Inland Empire. Orange County’s vacancy rates are expected to remain stable. Currently, all four markets are still 1 to 3 percentage points above their natural vacancy rates.

Competition from shadow market inventory is expected to decline further in 2011, as it is believed to have done in 2010. This, in conjunction with a small increase in supply from construction activity, will work to increase rents and decrease vacancies in all four markets. Rising oil prices may also work to move demand away from farther-flung submarkets, such as the Antelope Valley of Los Angeles, and towards economic centers as residents move closer to their workplaces to lower the cost of their daily commute.

Effective August 1, 2011, if an electronic lockbox is selected in the **Key Safe Description** field, you will be required to enter the key safe’s serial number in the **Key Safe Serial Number** field for all new listings you add in the CRMLS Matrix Platform.

Note: *If you change the value entered in the Key Safe Description field for an existing active listing, you will be required to enter your key safe’s serial number in the Key Safe Serial Number field before you can submit your updated listing information.*

continued on page 8

Failure to enter a valid serial number for your key safe in the Key Safe Serial Number field is a violation of Sections 7.14 and 8.3 of the CARETS Standardized Rules and Regulations and may result in fines and/or further action by your local Association/Board of REALTORS®.

For customer support go to http://www.crmls.org or call 800-925-1525. Business hours are M-F 8:30-9:00pm and Sat-Sun 10:00am -3:00pm.

EDITOR MESSAGE:

The real estate market has changed in most places throughout the United States. Homes that were getting multiple offers, often at more than their listed price, now sit for months without an offer from a prospective buyer. But does that mean you should cut back on your marketing practices? Not at all. If anything, this is the time to begin a new way of marketing.

Generating leads and doing business in general has changed quite a bit with the onset of the new media marketing we are all experiencing. New media marketing includes teleseminars and other audio, video of all types, blogs, social marketing and other non-traditional types of marketing. The world is changing rapidly and your real estate business needs to change as well.

Take a good, hard look at what is happening in your real estate business. How do you currently find prospects and clients? If referrals are a big part of how you get new business, ask the clients that refer clients to you what they like most about the way you do business. Ask other realtors and agents to share their methods with you. Successful people are usually more than happy to tell you what is working for them.

Read the official magazines and other publications offered by the National Association of Realtors and local associations. Visit their web sites and read about the latest research on marketing for your real estate business. Read your local newspaper and see what others are doing in real estate and in related businesses, such as mortgage lenders and insurance agents. Marketing can be an easy part of your regular work day if you know how to do it. Find out what best fits you.

CAREPA News" is newsletter published by CAREPA, Chinese American Real Estate Professionals Association with the goal to inform, facilitate and serve our membership needs. CAREPA does not endorse and may not agree with the content of each article. If you would like to contribute an article, include an advertisement, make a comment and/or sponsor any program, please contact Lucia Tam at 626-221-2888 or e-mail to luciatam@yahoo.com or contact CAREPA President, Nancy Lin, at 626-786-5056。

ADVERTISING OPPORTUNITIES
You may want to put an ad in our monthly CAREPA NEWS: 1/4 PAGE AD $25 ~ 1/2 PAGE AD $50 ~ FULL PAGE AD $100 Feel free to contract Lucia Tam at 626-221-2888 or luciatam@yahoo.com for further information.

ARTICLES/WRITE-UP
If you have an interesting article you would like to submit, please send to luciatam@yahoo.com by the 20th day of the month before the article is to appear.

WEBMASTER REQUEST
Please check the website to ensure that your information posted is accurately. If you have changed office or your information is incorrect, please let us know. To put your picture in the website, kindly sent us one. Please contact Lucia Tam at 626-221-2888 or luciatam@yahoo.com if you have questions.

華裔房地產專業協會
CHINESE AMERICAN REAL ESTATE
PROFESSIONALS ASSOCIATION
P.O. Box 1435
San Gabriel, California 91776

place
stamp