

# CAREPA NEWS

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### 華裔房地產專業協會新聞

2009年五月號

May 2009

#### President's Message ~ 會長的話

May is the month we celebrate Mother's Day ... WISHING ALL THE MOM'S "A HAPPY MOTHER'S DAY!"!

2009 HOPE (Home Ownership Participation for Everyone) Awards Gala took place in Washington D.C.

on May 12. Five CAREPA directors (Philip Hsu, Kelvin Wong, Nancy Lin, Ling Chow and I) attended the great event. I am honored to present the HOPE Award on behalf of CAREPA to the "Leadership Award" recipient, Chris McCarthy, president and chief executive officer Nashville Area Habitat for Humanity (NAHFH), Nashville, Tenn. who has made a significant difference in the cause of minority homeownership. Under Chris's leadership, NAHFH has grown tremendously in recent years –from building 10 to 15 homes each year to upwards of 60 homes locally and globally. NAHFH has been recognized in the top one percent of the nation's Habitat affiliates and received the EPA's Energy Star Partner of the Year Award, the first Habitat affiliate to receive this award.

2009 GOLF TOURNAMENT is scheduled for June 29 (Monday) at Friendly Hills Country Club (FHCC) in the City of Whittier. We are looking for 25 foursomes (100+ players) and as many who wish to be sponsors. And if you don't golf, there is something for you too. Come for dinner and enjoy an evening of fun. Hope to see you there!

#### JOHN WU 吳程遠

華裔房地產專業協會 會長  
2009 CAREPA President



#### WORDS FROM LEGAL COUNSEL . . .

**ASK THE ATTORNEY** is a monthly news supplement that is included for the members of the Chamber of Commerce. The goal of Attorney Paul P. Cheng is empower business owners to defend themselves from the onslaught of frivolous litigation. Contact (626) 356-8880 or [www.paulchenglaw.com](http://www.paulchenglaw.com) for additional articles.

**Question:** I had an independent contractor that works for me. Although we had a contract that said he was an independent contractor I was still sued. The allegations were that I refused to give him meal breaks. I had a contract, isn't that enough?  
Samuel – Montebello

**Answer:** Dear Samuel, the benefits of hiring an independent contractor ("IC") are legion. Hiring IC's allow you to bypass the laws regarding meal breaks, rest breaks, overtime, worker's compensation, discrimination laws and many taxes. However, one must always realize that in California, the presumption is that a worker is an employee and not an IC. (see California Labor Code 3357).

To determine whether someone is an employee or an IC I always recommend the EDD factors stated in the DE-38 (see EDD website). The DE-38 clearly identifies the factors the government looks at in determining IC status. Notably, a contract is only one of several factors used to determine independent contractor status.

In addition, an often overlooked step is the DE-542. You must report to the EDD via the DE-542 within 20 days of either paying an independent contractor \$600 or more or entering into a contract with such individual over \$600. This is not an option. The DE-542 is required under the law. It is odd how employers claim IC status yet fail when it comes to simple compliance. In summary, contracts are not conclusive of IC status.

But no matter what, do not forget to fill out your DE-542's!

#### Existing-Home Sales Rise in April

Existing-home sales rose in April with strong buyer activity in lower price ranges, according to the National Association of Realtors®.

Existing-home sales – including single-family, townhomes, condominiums and co-ops – increased 2.9 percent to a seasonally adjusted annual rate<sup>1</sup> of 4.68 million units in April from a downwardly revised pace of 4.55 million units in March, but were 3.5 percent below the 4.85 million-unit level in April 2008.

Lawrence Yun, NAR chief economist, said first-time buyers continue to influence the market but there also is a seasonal rise of repeat buyers. "Most of the sales are taking place in lower price ranges and activity is beginning to pick up in the midprice ranges, but high-end home sales remain sluggish," he said. "The Federal Reserve needs to help restore liquidity for the jumbo mortgage market by buying these loans under the TALF program."

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# 2009 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!

Felicidades a la Junta de Directores. Gracias por ser voluntarios.



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## COMMITTEE CHAIRS

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BYLAWS  
ELECTION  
CHRISTMAS/INSTALLATION  
GOLF TOURNAMENT

Margaret Chiu  
Kelvin Wong  
Philip Hsu  
Philip Hsu  
Yin Bihr/Jacqueline Cheou

HOPE AWARD  
MEMBERSHIP  
PROGRAMS/MIXERS  
PUBLICATIONS/PUBLIC RELATIONS  
WEBSITE

Kelvin Wong  
Karen To  
Nancy Lin  
Lucia Tam  
Brian Chen

### MAY GENERAL MEETING

May 6, 2009  
6:30PM

#### SPEAKER

Susan Hsieh, REALTOR®  
Green Nest Design, Principal

#### TOPIC

STAGING AND THE  
VALUE OF GREEN

#### EMPRESS HARBOR RESTAURANT

111 N. Atlantic Blvd. 3<sup>rd</sup> floor  
Monterey Park, CA 91754

For reservations and information,  
contact Nancy Lin @ 626-285-8333

### MAY GENERAL MEETING

June 10, 2009  
6:30PM



#### SPEAKER

Saul Larner, Ph.D., LL.M., AARE

#### TOPIC

REAL ESTATE AUCTION

#### EMPRESS HARBOR RESTAURANT

111 N. Atlantic Blvd. 3<sup>rd</sup> floor, Monterey Park

For reservations and information, please  
contact: Nancy Lin @ 626-285-8333

### CAREPA GOLF TOURNAMENT

June 29, 2009  
10:30am Shotgun

#### FRIENDLY HILLS COUNTRY CLUB Whittier

We are looking for 25-35 foursomes  
(100+ players) and as many who wish  
to be sponsors. If you are the golfer  
and/or the sponsor we are looking for,

#### PLEASE CALL

Yin Bihr at 626-292-7200 x 132 or  
Jacqueline Cheou at 626-656-8788 x 109

Visit our website: [www.carepa.org](http://www.carepa.org) to  
download the flyer and check out more  
information about CAREPA Golf  
Tournament. Let's have fun there!

# HOPE AWARDS

## Closing the Divide in the American Dream

Many American families own their home, but not everyone realizes the dream of homeownership. While more than three out of four white households own their own home, only half of minority households enjoy the benefits of homeownership.

After years of slow gains, minority homeowners are once again losing ground as a result of recent problems in the mortgage markets. While many communities have been affected regardless of race or income, lending issues disproportionately affected minorities, who were more likely to assume risky, high-cost mortgages and as a result, have been in danger of losing their homes to foreclosure. Tighter lending standards have also made it harder for many minority households to qualify for mortgages, hampering efforts to build equity and long-term wealth through homeownership.

## Home Ownership Participation for Everyone

The HOPE (Home Ownership Participation for Everyone) Awards is a national industry awards program that was created in 2001 to recognize individuals and organizations who have made outstanding contributions to increasing minority homeownership, revitalizing communities and expanding affordable housing opportunities.

The HOPE Awards is sponsored by a partnership of real estate associations; awards are conferred every other year. The awards honor those who work every day to close the divide in the American dream and help make the face of homeownership in this country look more like America.

HOPE Awards Winners receive a \$10,000 honorarium, national media coverage, paid travel expenses to attend and speak at a minority housing symposium, recognition at the HOPE Awards Gala in May 2009 in Washington, D.C., and much more.

The HOPE Awards recognize up to seven organizations and individuals who are making outstanding contributions to increase minority homeownership. Awards were determined by a panel of distinguished judges based on the impact of the nominee's work, use of innovative ideas and applications, acceptance in the minority community, and focus on minority homeownership and affordability. Winners were announced in April 2009 on the following categories:

### Education Award

Korean Churches for Community Development, Los Angeles

### Finance Award

Illinois Assistive Technology Program, Springfield, Ill.

### Media Award

Community Reinvestment Association of North Carolina, Durham, N.C.

### Leadership Award

Chris McCarthy, Nashville Area Habitat for Humanity

### Project of the Year Award

Affordable Homes of South Texas Inc., McAllen, Texas

**Awards Presentation:** Tuesday, May 12, 2009

CONGRATULATIONS TO THE WINNERS!

## Existing-Home Sales Rise in April

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“Because foreclosed properties will likely be released into the market over the rest of year, it is critical that distressed homes be quickly cleared from the market,” Yun said. “Fortunately, home buyers are being attracted to deeply discounted prices and are bidding up many foreclosed listings, particularly in California, Nevada, and Florida – this will set the stage for healthy market conditions going forward.”

An NAR practitioner survey in April showed first-time buyers declined to 40 percent of transactions, implying more repeat buyers are entering the traditional spring home-buying season. It also showed the number of buyers looking at homes has increased 14 percentage points from a year ago. “This is consistent with our forecast for home sales in the latter part of the year to be 10 to 20 percent higher than the second half of 2008,” Yun said.

The national median existing-home price<sup>2</sup> for all housing types was \$170,200 in April, which is 15.4 percent below 2008. Distressed properties, which accounted for 45 percent of all sales in April, continue to downwardly distort the median price because they generally sell at a discount relative to traditional homes.

NAR President [Charles McMillan](#), a broker with Coldwell Banker Residential Brokerage in Dallas-Fort Worth, said conditions are optimal for buyers with good jobs and long-term plans. “We have record low mortgage interest rates, a wide selection of homes and affordable prices in most areas,” he said. “When you add the \$8,000 first-time buyer tax credit, it’s hard to imagine a better time to make an investment in your future through homeownership.”

According to Freddie Mac, the [national average commitment rate](#) for a 30-year, conventional, fixed-rate mortgage fell to a record low 4.81 percent in April from 5.00 percent in March; the rate was 5.92 percent in April 2008; data collection began in 1971.

Total housing inventory at the end of April rose 8.8 percent to 3.97 million existing homes available for sale, which represents a 10.2-month supply<sup>3</sup> at the current sales pace, compared with a 9.6-month supply in March. “The gain in inventory is largely seasonal from sellers entering the spring market. Even with the rise, inventory over the past few months has remained consistently lower in comparison with a year earlier,” Yun noted.

Single-family home sales rose 2.5 percent to a seasonally adjusted annual rate of 4.18 million in April from a level of 4.08 million in March, but are 2.8 percent below the 4.30 million-unit pace in March 2008. The median existing single-family home price was \$169,800 in April, which is 14.9 percent below a year ago.

Existing condominium and co-op sales increased 6.4 percent to a seasonally adjusted annual rate of 500,000 units in April from 470,000 in March, but are 9.4 percent lower than the 552,000-unit pace a year ago. The median existing condo price<sup>4</sup> was \$173,900 in April, down 18.5 percent from April 2008.

Regionally, existing-home sales in the Northeast jumped 11.6 percent to an annual pace of 770,000 in April, but are 10.5

percent below April 2008. The median price in the Northeast was \$237,400, which is 9.6 percent lower than a year ago.

Existing-home sales in the Midwest slipped 2.0 percent in April to a level of 1.00 million and are 9.9 percent lower than a year ago. The median price in the Midwest was \$138,800, down 11.7 percent from April 2008.

In the South, existing-home sales increased 1.8 percent to an annual pace of 1.74 million in April but are 8.9 percent lower than April 2008. The median price in the South was \$148,000, which is 12.8 percent below a year ago.

Existing-home sales in the West rose 3.5 percent to an annual rate of 1.17 million in April and are 19.4 percent higher than a year ago. The median price in the West was \$222,600, down 21.8 percent from April 2008.

NOTE: References to performance in states or metro areas are from unpublished raw data used to analyze regional trends; please contact your local association of Realtors® for more information.

<sup>1</sup>The annual rate for a particular month represents what the total number of actual sales for a year would be if the relative pace for that month were maintained for 12 consecutive months. Seasonally adjusted annual rates are used in reporting monthly data to factor out seasonal variations in resale activity. For example, home sales volume is normally higher in the summer than in the winter, primarily because of differences in the weather and family buying patterns. However, seasonal factors cannot compensate for abnormal weather patterns.

Existing-home sales, which include single-family, townhomes, condominiums and co-ops, are based on transaction closings. This differs from the U.S. Census Bureau's series on new single-family home sales, which are based on contracts or the acceptance of a deposit. Because of these differences, it is not uncommon for each series to move in different directions in the same month. In addition, existing-home sales, which generally account for 85 to 90 percent of total home sales, are based on a much larger sample – more than 40 percent of multiple listing service data each month – and typically are not subject to large prior-month revisions.

Single-family data collection began monthly in 1968, while condo data collection began quarterly in 1981; the series were combined in 1999 when monthly collection of condo data began. Prior to this period, single-family homes accounted for more than nine out of 10 purchases. Historic comparisons for total

home sales prior to 1999 are based on monthly single-family sales, combined with the corresponding quarterly sales rate for condos.

<sup>2</sup>The only valid comparisons for median prices are with the same period a year earlier due to the seasonality in buying patterns. Month-to-month comparisons do not compensate for seasonal changes, especially for the timing of family buying patterns. Changes in the composition of sales can distort median price data. Year-ago median and mean prices sometimes are revised in an automated process if more data is received than was originally reported.

<sup>3</sup>Total inventory and month's supply data are available back through 1999, while single-family inventory and month's supply are available back to 1982.

<sup>4</sup>Because there is a concentration of condos in high-cost metro areas, the national median condo price generally is higher than the median single-family price. In a given market area, condos typically cost less than single-family homes.

Existing-home sales for May will be released June 23. The next Pending Home Sales Index & Forecast is scheduled for June 2; release times are 10 a.m. EDT.

### EDITOR MESSAGE

In the last few months, there are lots of talks and deals involving loan modifications and real estate foreclosures. As a professional, we must always do our business in an ethical manner. Please educate yourselves and follow the proper regulations when dealing with these matters. Healthy business practice is always better than letting greed get the best of you. Attend our monthly mixers to keep informed.

Summer is coming. There are lots of business opportunities during this season. Enjoy a great summer with much success. Keep a positive attitude and move forward!

"CAREPA News" is newsletter published by CAREPA, Chinese American Real Estate Professionals Association in an attempt to facilitate and serve our membership needs. 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](mailto:luciatam@yahoo.com) or contact CAREPA President, John C. Wu, at 323-578-8988.



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