

CAREPA NEWS

CAREPA NEWS

華裔房地產專業協會新聞

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September 2012

President's Message ~ 會長的話



Our speaker, Sylvia Beltran, will talk about the Gold Line Foothill Extension and discuss about how the construction will affect all the surrounding cities. As the infrastructure in our communities is changed, real estate values change as well. It is always smart to be aware of all that is happening around us.

This month, CAREPA is holding elections. As all the nominees are gathered, you'll have the opportunity to select the directors that will represent you next year. Please take the time to pick up your ballot and vote.

CAR's California Realtor® Expo is scheduled for October 2-4, 2012 in Anaheim, California. NAR's Realtors® Conference and Expo is scheduled for November 9-12, 2012 in Orlando, Florida. If you are planning to attend, please register online. Both events are a good source of information and networking opportunity.

CAREPA Annual Christmas and Installation is just around the corner. . . December 15 at the San Gabriel Hilton, starting from 6pm. Those interested in sponsoring and ordering advertisement in our program book, please submit by November 30 for the "early bird special". All members and guests must R.S.V.P. by December 8. Save the date and plan to join us to enjoy an evening of great food and much fun.



Holidays and stay safe!

See you at our next meeting.

Very truly yours,

Brian H. Chen, CRS, GRI, SRES
2012 CAREPA President

We are entering the Fall in September. At the beginning of the month, we celebrate Labor Day and at the end, Mid-Autumn Festival. Yes! It's moon cake time. Enjoy the



Questions to Ask Before Buying or Renting Overseas

By Kathleen Peddicord August 20, 2012

If you're retiring abroad, either full- or part-time, one of your first and most important challenges will be finding a place to live. Real estate markets, for both sales and rentals, operate differently outside the United States and can be intimidating when you first try to navigate them. How can you safely choose a new place to call home?

Here are four checklists of questions and issues to address when shopping for a residence in a new country.

First, a checklist of the most important things to consider whether you're renting or buying:

1. What is the drive time from the nearest airport?
2. What is your access and right-of-way? That is, how do you get to your house or property? Must you cross another person's property? If so, are you certain your neighbor can't ever restrict your access?
3. Is the property accessible year-round, including in the rainy (sometimes called the "winter") season? Streams that barely flow or don't at all during the dry season can be raging torrents when the rains start. Ask about the road condition in rainy season
4. How far away is the nearest medical care facility? How far is the nearest hospital? Is there ambulance service?
5. Is there enough water and water pressure? Is there hot water? Check beneath the sinks (in every bathroom) to see if the plumbing provides for both hot and cold water. In some parts of the world, it's not uncommon that some bathrooms might be plumbed with cold water only
6. What distance are you from day-to-day services (grocery stores, dry cleaners, pharmacies, banks, etc.)? Consider this (and proximity to medical care facilities) in terms of time rather than distance. Ten miles on a rough dirt road can translate to an hour or more of travel time in the rainy season, for example.
7. Will you need a car living in this place? Does your budget allow for a car? Where will you park?
8. What's included with the property? In Argentina and Panama, for example, when you buy a home, you typically buy bare, stripped walls and empty rooms--no lighting fixtures, no appliances.

Here's a checklist of questions to consider if you're buying into a private development:

1. How will security be provided?

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Housing's Achilles Heel: Under 40 and Underwater

August 24, 2012

With encouraging news about home prices finally rising



and sales picking up, it's easy to think that the housing market is finally coming out of the dark ages.

But there's at least one trillion-dollar problem that lingers on: negative equity.

Though rising home values have shaved \$42 billion off the nationwide total—about \$1.15 trillion, according to the latest data from real estate information site Zillow—millions of Americans still owe more on their mortgages than their homes are worth, also known as being "underwater."

Just shy of 31 percent of American homeowners with mortgages are underwater, according to Zillow, and nearly half of them are under 40 years old. But although a good chunk of that age group has underwater mortgages, they are some of the least likely borrowers to skip payments.

Why? A lot has to do with how much homeowners are

underwater. Though more borrowers under 40 are underwater, their loan-to-value ratios are smaller than their older counterparts.

For instance, underwater borrowers between the ages of 30 and 34 have average loan-to-value ratios of more than 123 percent. That figure jumps to more than 130 percent for borrowers in the 55 to 59 age group. But where only 8 percent of underwater borrowers 30 to 34 are delinquent, 10 percent of 55- to 59-year-old borrowers are.

The more a borrower is underwater, the more likely they are to feel that trying to pay back the loan is futile, says Stan Humphries, chief economist at Zillow, even if they can afford the payment. That tends to result in more strategic defaults, where a borrower walks away from a property allowing it to be foreclosed on instead of paying on a mortgage larger than the home's value.

Another reason simply has to do with a borrower's stage in life. Those under 40 are more likely to have children still living at home, and many are hesitant to disrupt family life despite having an underwater mortgage. Also, younger folks may be less likely to have more expensive or multiple houses, experts say, making them less precariously stretched when it comes to finances.

But economists point out that high levels of negative equity continue to stunt a deeper recovery in the housing market. Would-be sellers are trapped in properties because they can't break even on their mortgages. That in turn has tightened the supply of homes for sale and kept pent-up demand for housing at bay.

"Negative equity is trapping young people in their homes, preventing them from selling," Humphries said in a recent report. "These homes are likely the very starter homes potential first-time homebuyers are seeking."

Housing Market Continues to Heal as Home Prices Rise Again

August 28, 2012

It's a steep upward climb, but home prices continue to gain ground. Nationally, property values inched up more than 1 percent in the second quarter, while both the 10- and 20-city composites the indices track saw month-over-month gains of more than 2 percent. It's the first time all three readings showed positive annual growth since 2010. Only the Charlotte, N.C. and Dallas, Texas metro areas saw a slowdown in their annual price appreciation rates.

"We seem to be witnessing exactly what we needed for a sustained recovery; monthly increases coupled with improving annual rates of change," said David Blitzer, a spokesman for S&P, in a statement. "The market may have finally turned around." But although prices have been gaining for the past few months, a bumpier road could be ahead, especially as the hot spring and summer sales months drift into the more staid fall and winter months. "We do expect declines in the Case-Shiller indices in the back half of this year, particularly as the overall monthly sales volume declines, thereby increasing the percentage of foreclosure re-sales in the transactional mix being tracked by Case-Shiller," Zillow Chief Economist Stan Humphries wrote in an E-mail.

Foreclosures tend to sell at relatively deep discounts and a higher percentage of those types of properties in the sales mix in coming months could skew price data downward. Still, most economists are confident that the worst of home value declines are in the past even if foreclosures leaking into the market and negative equity continue to subdue the housing market recovery as a whole.



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SEPTEMBER GENERAL MEETING

SEPTEMBER 10, 2012

6:30PM

SPEAKER

Sylvia O. Beltran

Gold Line Foothill Authority

TOPIC

“Where will the Metro Gold Line Train Take You?”

What is the Metro Gold Line Train

About the Construction Authority

Project Update; Future Phases

Transit-Oriented Development

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CAREPA IS IN THE PROCESS OF
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ELECTION BALLOTS AVAILABLE
 SEPTEMBER 12, 2012

DEADLINE
 DUE BY 8PM ON OCTOBER 10, 2012

PLEASE VISIT OUR WEBSITE

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2. Is there a building requirement? What is it? Does it fit with your retirement time frame, plan, and budget?

3. What construction and design standards are in place? Zoning is almost non-existent in Latin America. If you're buying into a private development, you want building covenants.

4. What is the current, existing infrastructure? Understand what's planned but understand, as well, that you're buying only what you see. Promised infrastructure doesn't always materialize. Ask specifically about waste management, phone service, and Internet.

5. Likewise, understand what amenities exist and what is promised but recognize that you're buying (and be sure that you're paying for) only what exists. If there's no marina when you buy, there may never be a marina, no matter what the developer's nice brochures and pretty drawings indicate.

6. What are the plans for a homeowners' association? What will the monthly fees be? Are these enough to cover the developer's responsibilities? You don't want to pay high HOA fees, of course, but neither do you want to invest in a development where the developer has so underestimated his costs that the HOA fees don't cover them. The result

can be that essential maintenance and services (for example, security) are reduced.

7. Is the development company financially sound? Does it have a track record? What else has it built?

8. What kind of title guarantee can be provided? If you can't get title insurance, you might want to reconsider the purchase.

Another checklist if you're buying land with the intention of building your own home:

1. Will you be in the country during construction? If not, how will you build long distance? Who will oversee the work for you day-to-day?

2. What's your timeline and budget? What are your contingency plans if the project takes longer and costs more than you're planning? (It will; take my word for it.)

3. Again, can you get title insurance?

Finally, one more checklist to keep in mind if your plan is to live in the place only part of the year:

1. Who will look after the property while you're away? At what expense?

2. Will you be able to rent the place out while you're elsewhere? If so, you could earn enough in rental income during the months you're living somewhere else to cover the property's annual carrying costs.



CALIFORNIA REALTOR® EXPO 2012 is *THE* real estate event of 2012! Join us in Anaheim for sessions packed with information to help you succeed. EXPO sessions offered on Wednesday, Oct. 3, and Thursday, Oct. 4, as well as entry to the exhibit hall, are free for C.A.R. members, but you still must register for the event.

Have EXPO your way with our session tracks! We have organized sessions into tracks to help you find the sessions most meaningful to you. You can pick from the following tracks, or make your own track ... EXPO is all about you!

N.A.R. EXPO • Nov. 9-12, 2012 • Orange County Convention Center • Orlando, Florida



- Internet advertising
- Mobile devices and applications
- Mortgage and financial services
- Home protection and warranties
- Professional development and training
- Franchises and referral services
- Office products
- "Green" innovations
- Real estate properties and developer referral programs

EXPO INFO

The expo is the largest trade show floor in real estate, where 400 exhibitors will be on-hand with innovations and ideas.

Here are just a few of the solutions showcased at the expo:

- Tech tools
- Real estate software

Expo Hours

- Friday, Nov. 9, NEW TIME: 3:00pm–6:00pm (Grand Opening)
- Saturday, Nov. 10, 9:00am–4:00pm
- Sunday, Nov. 11, 10:00am–5:00pm
- Monday, Nov. 12, 9:00am–1:00pm

California housing market posts gains in July

August 15, 2012 By Alejandro Lazo



The median home price in California rose to near a four-year high in July as more expensive homes sold and fewer foreclosures were purchased in the key Southern California and San Francisco Bay Area markets.

The Golden State's median home price increased 2.6% from June and 11.5% from July 2011 to \$281,000, real

Number of California homes entering foreclosure is at five-year low
Notices of default in the second quarter fell 2.9% from the first quarter and 3.6% from a year earlier. The number of homes lost to foreclosure plummets.

July 24, 2012|By Alejandro Lazo, Los Angeles Times

California's foreclosure crisis appears to be ebbing as fewer home loans enter default and its once-troubled housing market heads into recovery.

The latest evidence of improvement came Monday when real estate firm DataQuick reported that the number of California homes entering the foreclosure process slipped to the lowest level since mid-2007. The number of homes lost to foreclosure plummeted.

Many economists believe the worst of the foreclosure mess is over, although the number of bank-owned homes will remain significant for a long time.

DataQuick reported that 54,615 notices of default were filed on California homes and condominiums in the second quarter, a 2.9% decline from the first quarter and a 3.6% drop from the same period last year. Default notices are the public filings used to initiate foreclosures.

The relatively slight decline could mean that there are fewer homes in trouble, DataQuick President John Walsh said. Or, viewed less optimistically, the easing could indicate that "we're just seeing distress get processed at a slower pace," he said.

Whether that slow pace will continue remains to be seen, although many economists now say a second wave of Foreclosures is unlikely.

estate firm DataQuick reported. It was the fifth consecutive month that the median has risen year over year and the highest point for the measure for any month since September 2008.

Sales fell 3.7% from June, part of a normal seasonal decline. Sales were up 13.9% from the same month last year, as 39,507 newly built houses and condominiums sold statewide last month.

Sales of so-called distressed homes – foreclosures and short sales, in which the lender allows a property to be sold for less than what is owed – accounted for 41.0% of the market last month, down from 43% in June and 51.8% in July 2011.

In the Southland, the region's median home price hit \$306,000, a 2% increase from June and up 8.1% from July 2011. Sales fell 6.7% from June but were up 13.8% from July 2011. A total of 20,588 newly built and previously owned houses and condos sold in the six-county region.

In the Bay Area, the median home price hit \$421,000 last month, up 1% from June and 12.6% from July 2011. Sales fell 1.4% from the previous month but were up 22.9% from a year earlier. A total of 8,461.



"The housing market has bottomed, but there is still a lot of inventory," said Kenneth Rosen, an economist with UC Berkeley's Haas School of Business. "The worst numbers are certainly over, but that doesn't mean there still isn't a lot to work through."

Foreclosures began slowing more than a year ago after several states and federal authorities launched

investigations into foreclosure improprieties. In California, investigators targeted the runaround that troubled borrowers often get when trying to get a loan modification.

With increased scrutiny of lenders in the Golden State, including recent legislation dubbed the Homeowner Bill of Rights, some experts expect that banks will increasingly look for other ways to deal with their inventories of troubled properties

That should help keep foreclosures in check, they said.

At the same time, fewer borrowers are falling behind on their mortgages. The percentage of California borrowers who were at least 120 days behind on their mortgages was 2.9% at the end of the second quarter, down from 4% a year earlier, according to Equifax and Moody's Analytics.

"We have been eating away at that big pile of bad loans, and now we are at the far end of things," said Christopher Thornberg, a principal at Beacon Economics and one of the

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first to call the housing crash. "Obviously, there is no big second wave."

Another factor sure to improve the foreclosure picture: Employers are hiring again in the Golden State. Although the national economy remains weak, California's job market appears to be picking up. California employers added

38,300 net jobs in June, with gains in most industries, including construction and professional services.

Paul Herrera, government affairs director for the Inland Valleys Assn. of Realtors, said the change in the Inland Empire, still one of the most troubled markets in the country, was palpable.

Survey shows evidence of recovery in key California commercial real estate markets

Many developers planning multi-family housing construction in next year

By Elise Anderson and Golie Alemi July 12, 2012

Developers in California's continue to express optimism, and impending new commercial according to the latest semi-Anderson Forecast commercial polls industry professionals on change over the coming three

"Since the end of the recession, spread to all markets and types of commercial space, along with an increased willingness to go forward with new development," said UCLA Anderson Forecast senior economist Jerry Nickelsburg.

Promising news also comes from the first Allen Matkins/UCLA Anderson Forecast survey of multi-family housing developers. Overall, 70 percent of survey participants in San Francisco, the Silicon Valley and Los Angeles plan to begin new multi-family housing developments in the next 12 months. The turnaround in multi-family residential construction is being driven by high occupancy rates and rising rents, particularly in the Bay Area, as household formation begins to rebound in California.

"This growth in multi-family housing is encouraging," said John Tipton, a partner at Allen Matkins. "It is in markets where there have been substantial job gains — especially for younger workers who prefer to rent apartments in urban areas — and where property values are high."

California office-space market sentiment has been positive over the past three years as well, but it did not immediately translate into any significant new development. After two-and-a-half years, the Bay Area panel indicated a change.



commercial real estate industry there are solid indications of development in the state, annual Allen Matkins/UCLA real estate survey. The survey their views of how the market will years.

we have seen developer optimism

"We haven't seen any new wave of foreclosures," Herrera said. "You drive around these streets, and it's not like what it was four years ago, where there were dead lawns sprinkled around every block."

Notices of default were clustered in California's most affordable neighborhoods, DataQuick said. In the state's largest counties, mortgages were most likely to go into default in Tulare, San Joaquin and Sacramento counties and were least likely in San Francisco, Marin and San Mateo counties.

The number of trustee deeds, which are the public documents filed when a foreclosure is completed, fell to 21,851 in the second quarter, down 27.8% from the first quarter and off 48.5% from the same period last year.

alejandro.lazo@latimes.com

And in the current survey, Southern California developers have joined their Bay Area counterparts; approximately 25 percent of survey participants are planning to start new development in the coming 12 months.

Despite uncertainty about Europe's economic future and moderate growth in California import activity, there is also strong optimism in California's industrial space market, which should generate new building activity in the next 12 months as well. This optimism has been present in the survey panel for more than two years, with industrial space occupancy rising to 96 percent in both Los Angeles and Orange County, driven by growth in California manufacturing exports.

The survey indicates that opportunities for new developments have emerged in this market, particularly in Los Angeles and Orange County. For a copy of the latest Allen Matkins/UCLA Anderson Forecast California Commercial Real Estate Survey and Index Research Project, visit www.uclaforecast.com.

FHA House Appraisal Guidelines

by M.C. Postins

If you're attempting to get a home loan through the Federal Housing Administration, you will be subject to an FHA home appraisal. The primary goal of an FHA appraisal is to determine whether the home is safe for you to live in. So, while an FHA appraiser does determine the home value, the appraiser also looks throughout the house

for places where your well-being could be at risk. You cannot get an FHA loan without the home passing the appraisal.

Roofs and Attics

For roofing, appraisers must determine if the roof shields

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How to Evict a Commercial Tenant in California

A commercial tenant in California may be evicted for failing to pay a demanded amount that is up to 20 percent higher than the normal rent charge or for a breach of the rental contract. The tenant is mostly protected to the extent of the contract, as state law does not afford commercial tenants many protections. The eviction process involves serving several documents to the tenant and taking the tenant to court. The following is a guide on how to evict a commercial tenant in California.

1. Draft a "3-day notice."

- This is a notice of the problem that is given to the tenant.
- The tenant will have 3 days to remedy the problem.
- Have an attorney who is familiar with tenant law in your area assist you with this notice if you are unfamiliar with how to draft this notice.

2. Serve the 3-day Notice to the tenant.

- Do this at the tenant's place of business, such as the rental property.
- Personally give it to the tenant or a senior employee at the tenant's location.
- Post the document on the front door of the rental property if nobody is available to take it.
- If unable to serve the notice in any other way, mail it to the tenant using Certified Mail and request a return receipt.

3. Complete a "Proof of Service" form.

- This can be used to prove your service of the 3 Day Notice if the issue is taken to court.
- If you served the eviction notice by mail, use the form found at the following link: <http://www.courtinfo.ca.gov/forms/fillable/pos030.pdf>.

4. Allow the tenant an opportunity to remedy the situation.

- The tenant has 3 full days after the notice has been served to remedy the situation.
- Continue with the eviction process if the situation is not remedied.

5. Serve the tenant with an "Unlawful Detainer Notice."

- This is an eviction notice.
- This form can be found at the following link: <http://www.courtinfo.ca.gov/forms/fillable/sum130.pdf>.

6. Allow the tenant 5 days to vacate the property.

7. Take the issue to court.

- If the tenant has not vacated the property, visit the courthouse in the county that the rental property is located in.
- Take 2 completed copies of the following form: <http://www.courtinfo.ca.gov/forms/fillable/sum130.pdf>.
- Follow all instructions that are issued by the court from that point on.
- Bring any evidence, including your Proof of Service form, and witnesses that support your case when your case begins.
- If you lose the case, stop at this point. The tenant will legally be allowed to remain on the property.

8. Have the local Sheriff serve a "5-day Notice to Vacate" to the tenant.

- Allow the tenant 5 days to leave.

9. Have the Sheriff place a lock on the door to the rental property (optional).

- Do this if the tenant refuses to leave.

10. Have the tenant claim any remaining possessions (optional).

- If the tenant has left possessions behind, he or she has 15 days to claim them by law.
- Mail a "Notice of Belief of Abandonment" to the tenant's address of record if any possessions remain after 15 days. This form can be found at the following link: http://www.courtinfo.ca.gov/selfhelp/other/document/s/notice_of_belief_of_abandonment_per_civil_code_19513.pdf.
- The tenant will have 18 more days to claim his or her possessions. You must store them safely during this period.

11. Get rid of the tenant's possessions (optional).

- If the tenant's possessions remain at this point, you may dispose of them or sell them.
- Research the laws in your municipality or county with regard to such actions before doing so.

Tips

- Take pictures of any possessions that the tenant leaves behind. This will help counter any claims of damage or theft.
- If you prefer professional assistance, hire an attorney who is familiar with tenant law in your area.

continued from page 6 – [FHA House Appraisal Guidelines](#)

the home from water and its remaining life. If the roof has fewer than two years of use, then it must be replaced. A licensed roofer is required in most cases, if there are repairs. Flat roofs are not exempt from inspection, as are townhomes and buildings with up to four living units. An attic inspection is also required, and appraisers look for water damage, holes in the ceiling and proper ventilation.

Basements and Crawl Spaces

Appraisers focus on water in the basements and crawl spaces, looking for evidence of damp soil and damage to appliances kept in this area. If your house has a sump pump, it must work properly when inspected. Crawl spaces must have proper ventilation, and the entrance must be free of obstruction. Additionally, the crawl space must be at least 18 inches high.

Electricity and Heating

Your electricity must be on at the time in appraisal so that all outlets and electrical items in the house may be inspected. Electrical boxes may not have exposed wires. All rooms must receive heat, and that heat may come from a central system or a wall unit. Your heating system must generate a temperature of at least 50 degrees, considered the minimum for comfortable living. The controls for your heat source must also work. Heat sources such as wood-burning stoves, solar heaters, wall heaters, floor heaters and space heaters are subject to inspection.

Sewage

The appraiser must determine if the house sewage lines connect to the public lines (owned by the city), community lines, or are self-contained (septic tank). Each type of sewage line must meet its own FHA standard. Leaking sewer lines or septic tanks would force an assessor to order repairs before the sale. In some cases, the appraiser may even recommend that you not buy the home. Sewers may not drain under concrete.

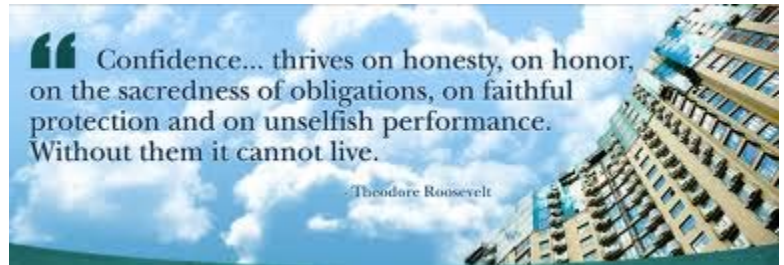
Other Notes

FHA appraisers inspect a home for pests, including termites, and new homes must come with a one-year guarantee against termites. All parts of the home must be inspected for lead-based paint if the home was built before 1978, and if there is evidence, repairs will be ordered. FHA appraisers also determine noise levels for homes that sit near airports and train tracks, determine a home flood designation (which may require you to buy separate flood insurance) and determine the safety of any oil and gas wells on the property.

EDITORS MESSAGE

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

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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.

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P.O. Box 1435

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