

RCFE Resource

MOST ACCURATE RCFE HOME AND BUSINESS VALUATIONS

WHAT'S THE VALUE OF YOUR RCFE?

For a **FREE** No Obligation Consultation **CALL** us at
(949) 397-4506



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RCFE MARKET REPORT:

Un-healthy Pace

Although home values have been skyrocketing at a record pace, eating into affordability, the housing market is not going to cool anytime soon.

Everybody looks forward to the Super Bowl. It is not just the excitement surrounding championship football, or the extravagant, over-the-top television commercials, or getting together with family and friends to enjoy the game. It is also about the bountiful feast, the plethora of food options. Hamburgers, hot dogs, chicken wings, several varieties of chips, nachos, chili-cheese dip, spinach-artichoke dip, cheese, crackers, nuts, pretzels, beer, soda, brownies, cookies, candy, and so much more. By the second half of the game, it gets harder and harder to dip just one more corn chip into the chili-cheese dip. It is an unhealthy pace in eating for one afternoon per year.

Similarly, with market time at unprecedented low levels, RCFE home values are shooting skyward, eroding home affordability at an unhealthy pace. Yet, it has been going strong since July of last year and will not slow for the rest of the year and into 2022. It is great to be an RCFE homeowner, but for those aspiring to own an RCFE home sometime in the future, the goal is getting harder and harder to reach, and, for some, out of reach.

It is important to clear the air and explain that just because housing is appreciating at an unhealthy rate, it does not mean that a bubble is inflating or that housing will inevitably crash.



There is absolutely nothing in the charts and data that statistically support that conclusion. Instead, housing is becoming unattainable for more and more first-time RCFE home buyers and lessees.

RCFE housing will remain hot because the supply crisis will continue into 2022 and the historically low mortgage rate environment is not going to fade away anytime soon. It all boils down to good old-fashioned supply and demand. The ultra-low supply matched up against record-low mortgage rate induced demand has led to the skyrocketing home values. The continued imbalance will continue to drive appreciation.

Soaring home values is not healthy and ultimately will limit the number of buyers able to purchase. While affordability is not yet an issue due to record low rates (affordability factors prices, rates, and incomes), eventually values in will climb to a point where the housing market will slow as more and more buyers stop their search due to monthly payments that are just out of reach. When that occurs depends upon how high values climb, any eventual rise in rates, and the limits to rising incomes. For now, it is not an issue, and the current pace will not change for the rest of 2021.

YOUR AGENT IS KEY WHEN PRICING YOUR RCFE

Pricing your RCFE isn't guesswork.

Agents determine a price that will attract multiple offers and maximize return on your investment.



It takes market experience and expertise to price your house right:

Agents balance:



Some Highlights:

- Pricing your RCFE right takes market experience and expertise. We provide the most accurate home and business valuations available. Our RCFEs typically appraise at the listed price or within \$5,000 of the listed price.
- To find the most suitable list price, we balance current market demand, values of RCFE homes and single-family homes in your neighborhood, and the direction where prices are headed. We take into account your RCFE's overall condition, upgrades, presence of deferred maintenance, and the various features and amenities, such as private vs semi-private bedrooms, spaciousness of the home, and other such considerations.
- If you're ready to sell, don't guess on the price. Reach out to us today for a free valuation of your RCFE to attract multiple offers and maximize your return on investment and your return on all the investment of time, energy and money into your RCFE.

Ask The Broker

WHAT'S THE DEAL WITH MY SOLAR LEASE?

Q: I am planning on selling my RCFE. I have a solar lease with 18 years remaining. Will that be a problem?



A: Solar leases and installations are becoming more commonplace in care homes, as they typically save the owner \$200 - \$800 a month in energy costs, sometimes more. We've noted that approximately 20-30% of RCFEs have gone solar, more so in areas with higher-than-average temperatures and energy usage.

There are all types of solar options. With some companies, you are paying a straight lease, and will not own the panels at the end of the 20-year lease term. In some cases, you will own the installation when the lease concludes. Occasionally the cost of the installation is financed as part of the HERO (Home Energy Renovation Opportunity) Program tax assessment.

When selling your RCFE, depending on the solar installation, the new buyer typically must assume the solar lease or pay off the remaining balance of the solar installation. If the balance owed is considerable, the seller may decide to pay it off. Sometimes another agreement is reached between seller and buyer.

While California Association of Realtors standard purchase contracts mention leased or licensed items, purchase contracts don't specifically address solar installations. If you are selling your RCFE, we strongly suggest that you settle this matter in the negotiations stage, rather than during escrow. We have heard of numerous sale transactions where unresolved issues festered and killed the deal. In other cases, we've known it to cause considerable ill feelings between the buyer and seller.

Please email your RCFE/ARF questions to broker Michelle J. London (MBA, CPA, MIPA), at michelle@commlre.com, subject line "Ask the Broker" for possible inclusion in a future newsletter.

Current Listings



To view our current listings visit our website at www.rcferesource.com

CURRENT LISTINGS

Riverside County - 5 RCFEs FOR LEASE

- Masterpiece Collection of 5 almost-identical homes
- 6 BDR/3 BA, 3,000 s.f. each
- RCFE package grosses \$1.4M annually
- All within 2 minutes of one another
- Gorgeous homes; highly desirable area
- Lease approximately \$4,000/month per home
- Astounding returns! Economies of scale!
- Must be sold as a package
- Serious investors only

Orange - RCFE FOR SALE

- 8 BDR/4 BA, 3,400 s.f.
- Home \$1.15M; Business \$180K
- Wonderful neighborhood!

Mission Viejo - RCFE FOR SALE

- 4 BDR/3 BA, 2,420 s.f.
- Home \$1.0 M/Business \$180K
- Immaculate and pristine
- Light-filled and cheerful

Anaheim - RCFE FOR SALE

- 5 BDR/3 BA, 2,750 s.f.
- Home \$925K/Business \$165K
- Comfortable and welcoming

COMING SOON

Murrieta - RCFE FOR LEASE

- 6 BDR/3 BA, 2,500 s.f.
- Lease and business prices TBD

San Diego County - RCFE FOR SALE

- 5 BDR/2 BA, 2,850 s.f.
- Home and business price TBD
- Wonderful area; quiet community



FEELING YOUNGER COULD HELP YOU LIVE LONGER

How old you feel may be more important than your actual age.

By Rachel Nania, Excerpted from AARP, October 29, 2019



It's not uncommon for Paula Lester's jaw to drop when she spots a patient's age on the chart. The New York-based geriatrician treats plenty of people in their 90s who could easily pass for 70. She also has patients in their 70s who say they feel decades older.

When it comes to age, Lester says, "It really is just a number. It's about how you feel." The notion of how old you feel versus how old you really are has been attracting more attention from researchers and medical professionals. Recent studies have linked subjective age – the age that you feel – to a range of health outcomes, including depression, dementia and longevity. The findings: The younger you feel, the better off you may be.

Adults who feel younger report fewer chronic conditions than those who feel older. They also take fewer medications, visit the doctor less often and are more likely to maintain a normal weight, according to data collected from a large national study on health and well-being led by the University of Wisconsin.

Find what makes you feel young

Asking patients how old they feel isn't common medical practice yet. But it is a "fairly easy" thing to include during a routine doctor's visit, and doing so could help identify patients at higher risk for age-re-

lated diseases so they can be screened more intensively.

It's not as easy as telling patients who identify with an older subjective age to "think young," Lester says, especially if that patient is dealing with a debilitating condition. Instead, she encourages adults who feel their age or older to "think about what's important to them" and to do what makes them feel young, and adapt accordingly.

"It really is just a number. It's about how you feel."

"Take assistance where you need it. A walker might make morning stroll goals a reality; a hearing aid could improve quality time with friends and family – both of which could help you feel younger." When patients resist these devices, Lester reminds them: "It's better to use a little bit of help to be able to do things and enjoy things. And sometimes you need a little bit of help to avoid a lot of help."

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OUR FEATURED LISTINGS

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Napa: Highly profitable RCFE home and Business!
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JUST SOLD

Exquisite Orange RCFE
Home=\$1.175M • Business=\$130K • 9 bdr /4 ba. 3,681 s.f.



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