

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
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RCFE MARKET REPORT:

Last Call 2021

Housing will shift to the Holiday Market in just 3 weeks and buyer and seller activity will plunge to its lowest levels of the year.

End of Year Expectations:
Three more weeks until the slowest season of the year starts, the Holiday Market.

Before the blink of an eye, everyone will be gathering for a day of gratitude, family, feasting, and football. That is correct, Thanksgiving is less than one month away. From there, it will be turkey leftovers, calendars filled with holiday parties, Amazon, UPS, and FedEx trucks will be parked in front of every door, and families will gather again and swap gifts with the ones they love. The holiday season is around the corner.

From now through the week before Thanksgiving, it is the LAST HURRAH before housing transitions from the Autumn Market to the Holiday Market, the slowest time of the year for real estate in terms of supply and demand. The holidays are filled with distractions. As a result, the hunt for an RCFE takes a back seat for many buyers and in past years, typically fewer RCFE homeowners take advantage of selling their RCFEs, regardless of how incredibly hot the rest of the year will be for real estate. The overall speed of the market cools slightly, and the market time increases a little bit.

Supply	Demand	Market Time
Plunges ↓	Plunges ↓	Increases Slightly ↑

The supply of RCFEs available to purchase will plunge as many unsuccessful sellers throw in the towel to enjoy the holidays and hold off until the Spring Market. It is hard to imagine that there are that many RCFE homeowners lingering on the market, unable to sell, given how hot housing is right now. November and December are traditionally when the fewest number of RCFE homeowners opt to list their homes for sale during the year. That being said, the RCFE market is still a seller's market, and remains hot. Perhaps not as hot as it was during the Spring Market, but blazing hot nonetheless.

With the inventory dropping, there are fewer available options for buyers to choose from. Many buyers also place their RCFE shopping desires on hold while they enjoy the holiday season. As a



result, demand, the number of new escrows over the prior month, dips. It's impossible to know for sure right now, but from what we are seeing in the trenches, this year may be different than previous years, when demand plummeted precipitously during the Holiday Market. We are witnessing significant seller activity, with many RCFE owners electing to place their homes on the market at the end of October or early November. Buyer demand for nice RCFEs that are fairly priced remains strong.

Demand typically plunges a little bit more than the inventory this time of year. For those buyers and sellers that do participate in the real estate market during the holidays, they can expect housing to continue to soar at an insane pace, with a ton of showings, bidding wars with multiple offers, and well-priced RCFEs selling for above their asking prices. It will continue to be a white-hot Seller's Market.

ATTENTION BUYERS: The incredibly crazy, Hot Seller's Market persists and that will not change for the remainder of the year, even with demand plunging during the holidays. Remember, it is not just demand that is plunging, the number of available RCFEs to purchase will be plunging as well. But maybe it will be different this year. To wait until later in the year for a "deal" during the "slowest time of the year for real estate" simply does not make sense. The temperature of housing will not feel much different in December compared to today.

ATTENTION SELLERS: It really is the last call to cash in on the 2021 housing market and find success. Sellers who are clearly overpriced will run out of time and run into an end of the year with significantly fewer participating RCFE home buyers due to the holidays. The time to be accurately priced and taking full advantage of maximum market exposure is right now, today.

Last call!

WHAT DO PAST YEARS TELL US ABOUT TODAY'S REAL ESTATE MARKET?



As you follow the news, you're likely seeing headlines discussing what's going on in today's housing market. Chances are high that some of the more recent storylines you've come across mention terms like cooling or slowing when talking about where the market is headed.

But what do these terms mean? The housing market today is anything but normal, and it's still an incredibly strong sellers' market, especially when compared to the few years leading up to the pandemic. With that in mind, what can previous years tell us about today's real estate market and if it's truly slowing?

We're Still Seeing an Above Average Number of Sales

You may see headlines about a drop in home sales. But are those headlines telling the full story? The most recent Existing Home Sales Report from the National Association of Realtors (NAR) does show a drop of about 2% from July to August. But the month-over-month decline doesn't provide the full picture (see graph below):



As the graph shows, historical context is key. Today's home sales are well ahead of some of the more normal years that led up to the health crisis. The same is also true for RCFE homes. That means buyers are still in the market, which is great news if you're planning to list your RCFE home.

Houses Are Selling Faster Than Usual

When headlines mention the market is slowing, sellers may naturally wonder if their RCFE home will sell as quickly as they'd like. According to the most recent Realtors Confidence Index from NAR, homes are still selling at record speed (see graph above):

Again, if we look back at data from previous years, we can see the average time on market -- 17 days for typical residential homes, a bit longer for RCFE homes -- means homes, and RCFE homes, are selling faster than normal pace.

Bidding Wars Are Still the Norm

The Realtors Confidence Index from NAR also shows a drop in the average number of offers homes are receiving in August, and many headlines may simply focus there without providing the important context (see graph below):



Again, it's important to compare today's market to trends from recent years. Currently, the average number of offers per listing is higher than 39 of the previous 45 months. For RCFEs, the average is closer to 2.3 offers per listing. That means the likelihood of a bidding war on your RCFE home is still high. And the number of offers your RCFE receives can have a major influence on the final sale price of your RCFE.

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Ask The Broker

QUALITIES TO LOOK FOR IN A BUSINESS BROKER

Q: I am planning on selling my RCFE home and business. What qualities should I look for in a business broker?



A: What should your business broker do for you to successfully sell your small to mid-sized business? Well, there's many things that a qualified business broker can and should be doing for you. Besides keeping you in the loop during the entire process, the broker or agent needs to make sure your interests come first and foremost.

Here are a few key points brokers should be doing for you when you sell your business:

Keep a Secret: Your broker should be good at keeping a secret. Keeping a sale confidential is essential to your success. A business broker should ensure all safeguards are in place to protect your business. One word to your caregivers or residents that you are selling the RCFE can have repercussions on your business operations.

Cooperation with other Brokers: Make sure your Broker is Cooperating with other Brokers & Agents on your listing: 70% of California Business Brokers don't cooperate with other Brokers and agents - make sure your representative does! If they aren't, they are not reaching over 50% of the California marketplace. It's unfortunate that Intermediaries don't cooperate - they have their reasons - you just don't want to be a statistic (failure to sell)!

Deliver an Effective Marketing Plan: Just because a business is for sale doesn't mean it's going to sell itself. Selling your business is all about the right marketing. Properly positioning the sale of your company to attract and motivate as many business buyers as possible should be your goal.

Allow You to Avoid the Pressure: Selling an RCFE business is not an easy decision and once that decision has been made the process doesn't get any easier. A Business Broker should assist you and let you take the time to learn and clarify all uncertainties to avoid the pressure you may feel in a complex transaction.

Keep Costs Low with No Heavy Front Fee: Business broker fees typically range from 10% to 12% commission of the sales price OR a flat fee of \$8-\$15,000 if the business sale price is less than \$100,000-\$150,000. Avoid any broker asking you for a large, upfront fee to assess your business value or start an application process. Your business broker should be extremely knowledgeable about RCFE sales, and should have a thorough grasp of the rules and regulations governing such transactions. A great business broker will know how to accurately price your RCFE to sell for the maximum possible amount.

An outstanding business broker will guide you every step along the way, keep you informed at all times, minimize the "bumps" that will inevitably arise, and get you top dollar on the sale of your RCFE business

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 / SALE

- Masterpiece Collection of 5 almost-identical homes
- 6 BDR/3 BA, 3,000 s.f. each
- RCFE Businesses gross \$1.4M annually
- All within 2 minutes of one another
- Gorgeous homes; highly desirable area
- Lease approximately \$4,000/month per home
- Some homes for Sale.
- 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

Anaheim - RCFE FOR SALE

- 6 BDR/3 BA, 2,700 s.f.
- Fully turnkey and updated
- Beautiful neighborhood

Orange - RCFE FOR SALE

- 5 BDR/3 BA, 2,250 s.f.
- Lovely garden-like setting
- Iconic architecture
- Spacious veranda

Sacramento - RCFE FOR SALE

- 5 BDR/2 BA, 2,450 s.f.
- Clean and immaculate
- Near Elk Grove
- Older home; fully modernized

Riverside - RCFE FOR LEASE

- 6 BDR/3 BA, 2,820 s.f.
- Cul de sac street
- Quiet residential neighborhood



Continued from Page 2...

So, Is the Market Slowing Down?

While there are slight declines in various month-to-month data, it's important to keep historical context in mind when determining what's happening in today's market. Odeta Kushi, Deputy Chief

Economist at First American, put it best recently, saying:

"It's not the white-hot market from earlier in the year & it's not the 2020 market benefiting from a wave of pent-up demand but make no mistake this is still a hot housing market."

Bottom Line

Don't let headlines make you rethink listing your RCFE home this fall. Selling today means you can still take advantage of high buyer demand, multiple offers, and a quick sale. If you're considering selling your RCFE, this fall is the perfect time to do so.

REMOTE-CONTROLLED ROBOTS BEING TESTED TO ASSESS RESIDENTS LIVING WITH DEMENTIA

By Mcknight's Senior Living
Kimberly Bonvissuto

Health practitioners in Scotland are piloting a remote-controlled robot to assess the physical and cognitive health of care home residents with Alzheimer's disease and related dementias.

Researchers from the National Robotarium at Heriot-Watt University in Edinburgh are using machine learning and artificial intelligence techniques to monitor smart home sensors to detect and analyze daily activities of residents of Blackwood Homes and Care communities.

The system can be programmed to use this information to conduct non-intrusive assessments of an older adult's cognitive abilities, as well as their ability to live independently.

Combining the system with a tele-presence robot equipped with sensors allows physicians to see through the eyes of the robot, move around the room or between rooms and operate the robot's arms and hands to carry out more complex assessments, according to a news release from Heriot-Watt University. The robots also can operate semi-autonomously 24/7.

"With gaps between assessments lengthening, the care and support that is being prescribed to assist vulnerable people may become unsuitable as an individual's physical and cognitive abilities change over time," Mauro Dragone, Ph.D., an assistant professor in the school of Engineering & Physical Sciences at the National Robotarium at Heriot-Watt University,

said in a statement. The feasibility of the concept was first tested in the National Robotarium's assisted living lab.

"The experience of inhabiting a distant robot through which I can remotely guide, assess and support vulnerable adults affected by devastating conditions, such as Alzheimer's disease, grants me confidence that challenges we are currently experiencing to mitigate the impact of such diseases will soon be overcome through revolutionary technologies," Mario Parra Rodriguez, M.D., a researcher from the University of Strathclyde, said in a statement. "The collaboration with the National Robotarium, hosted by Heriot-Watt University, is combining experience from various disciplines to deliver technologies that can address the ever-changing needs of people affected by dementia."

Colin Foskett, head of innovation at Blackwood Homes and Care, said that robotics has the potential to improve the ability of residents to live more independently.

"Our partnership with the National Robotarium and the design of the assisted living lab ensures that our customers are involved in the co-design and co-creation of new products and services, increasing our investment in innovation and in the future, leading to new solutions that will aid independent living and improve outcomes for our customers," Foskett said.

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OUR FEATURED LISTINGS

IN ESCROW

LEASE of Property: = \$4,000 Per Month
PURCHASE of Business: = \$165,000 (5 BDR, 3 BA, 3,300 SF)



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M&M GROUP **KW**
PERSONALIZED WEALTH BUILDING IN REAL ESTATE COMMERCIAL
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COMING SOON

Rancho Mirage: Lovely RCFE - 3 BDR - 3 BA - 2,300 SF
DESERT CHARM RCFE HOME AND BUSINESS



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THINKING OF BUYING OR SELLING?

We will develop a comprehensive strategy, tailored to help you achieve your RCFE goals.

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