

INLAND EMPIRE REALTOR[®]

THE OFFICIAL PUBLICATION OF THE INLAND VALLEYS ASSOCIATION OF REALTORS[®]

New Benefit Helps REALTORS[®] Convert Renters to Home Buyers

FOR MORE INFORMATION GO TO PAGE 5





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JULY 2022

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KAMA BURTON,
2022 IVAR PRESIDENT

IVAR is the Organization Leading in Trade and Real Estate in Our Region

2022 has been a year to relaunch so much of what makes IVAR the leading trade and real estate organization of our region. After two full years of disruptions due to the pandemic, we've been able to host an installation dinner, bring back our charity golf event, return to Sacramento to advocate for homeownership and bring back a schedule of networking events.

Now it's time to again build the pipeline of future leaders within our association and community.

IVAR is once again hosting our annual Leadership Development program in September. The program consists of a three-course schedule, provided free to all members who sign up, that's designed to introduce students to the role of the association and its volunteer leaders in the industry, the community and the region. Program participants will learn about how our members work to shape the direction of our local, state and national associations. They will also meet elected leaders to talk about how REALTORS® participate in leadership positions in local, state and national government.

To sign up, contact CEO Mark Dowling at mdowling@ivaor.com or keep an eye on your inbox or the IVAR website for information on the program coming up. The schedule of meetings will also be released with the announcement.

Whether or not you're able to participate in the leadership training program, we also encourage our members to become volunteer leaders at the association. Our committees, such as MLS, Housing Policy and others, set the course for IVAR as a leader in real estate and beyond. Most of our committees are open to members interested in the topic in question, though a few deal in specific areas of association governance and may require applications and appointments.

For a full list of committees and how to get involved, please visit: <https://www.ivaor.com/committees/>.

Whether you decide to run for our board of directors in the future or serve as a director at our state or federal associations – or you wish to focus on lending your voice, experience and wisdom to one of our committees, we welcome your involvement. In the end, IVAR is designed to be the association that our members wish to make it.

Thank you for being a member. We look forward to seeing how you will shape IVAR to better serve future colleagues.

REALTORS® Enter August With a Sacramento To-Do List and Several Completed Wins



PAUL HERRERA,
GOVERNMENT AFFAIRS DIRECTOR

So far in 2022, REALTORS® have effectively moved good housing legislation in through the state Capitol and defeated a series of bills that threatened to do real damage to homeownership, property rights and the real estate businesses.

Earlier this year, REALTORS® successfully defeated a proposed statewide rental registry that would have required all rental property owners to submit a long list of information to the state about the property, their tenants and the leases. Failure to provide the data on tenants and properties would have resulted in a series of penalties while not providing any clear tangible positive use.

REALTORS® also successfully defeated a proposed new home tax that would have cost homeowners tens of thousands of dollars if they sold their home within 7 years of purchase. The bill would have imposed a 25% tax on the appreciation of a home sold within 3 years of being purchased. The tax amount would decrease to 20% in year 4, 15% in year 5 and on until it phased out entirely after 7 years.

Also in 2022, we successfully defeated two bills that were designed to make it more difficult for rental property owners to effectively go out of business. Both bills would have required that the purchaser of a rental property keep their tenants in place for at least 5 more years before invoking the Ellis Act, a state law that allows the owner to end the lease (even a lease that is month to month or whose term has long ended).

On the other hand, REALTORS® are working through what should be the final steps to enact a law that would protect against the type of bulk sales that turned so many single family homes into lucrative, hedge-fund owned rentals during the last housing recession. AB 2170 would require that bank-owned, foreclosed properties first be marketed to individual buyers before attempting to package them into large clusters of homes and sold in bulk to institutional investors. The legislation is moving through the legislature with broad support.

Also on the to-do list, we are working to oppose a complicated mandate that would require a new residential energy efficiency disclosure statement on all rental properties. The bill, SB 1026, would require that all rental properties provide a detailed energy efficiency audit whenever it is listed for lease or a lease is created. The disclosure statement includes asking the owner to sign off on information (such as thickness and types of insulation in walls) that they may not know. It also gives broad authority to state regulators to write up the requirements in the future and develop the disclosure as they see fit.

Any remaining state legislation that is pending consideration must be passed by the end of August. At that point, the legislative session ends and any bills will have to start the two-year process again after the elections and after a new legislature takes office in December.

New Benefit Helps REALTORS® Convert Renters to Home Buyers

Through REALTOR Benefits®, NAR members now have free access to Rental Beast, a provider of rental applications and tenant screening tools, as well as education programming to help you reach more aspiring homeowners.

REALTOR® Magazine Staff

REALTORS® now have free access to [Rental Beast](#), a software provider with a secure FCRA-compliant online rental application and tenant screening tool. The National Association of REALTORS® announced Tuesday that Rental Beast has become the newest addition to [NAR REALTOR Benefits®](#).

“NAR REALTOR Benefits® aims to provide products and services that deliver value and empower REALTORS® to succeed in their businesses,” says Rhonny Barragan, NAR’s vice president of strategic alliances. “Rental Beast created a lead-to-lease platform, which brings seamless entry into the multibillion-dollar rental industry and its clientele—and we are thrilled to provide this benefit to our members.”

Rental Beast also is integrated with many MLS platforms and association websites, which enables REALTORS® to receive additional access to rental listing management tools. Those could include listing add/edit, rental listing syndication, rental lead generation and qualification, and renter-to-buyer conversion.

“We are proud to be NAR’s exclusive provider of rental solutions,” says Ishay Grinberg, founder and CEO of Rental Beast. “This partnership will help REALTORS® better serve customers countrywide by partnering them with the nation’s more than 113 million renters. With our tools, REALTORS® can also build relationships with potential home buyers by serving as their trusted advisers in the rental process.”

Through the partnership, REALTORS® also have access to Rental Beast University, a digital education platform that includes on-demand webinars and self-paced courses covering topics like sales best practices, social media skills and how to convert renters to buyers.

To gain access and initiate applications for rental properties, NAR members can sign up for a free account at nar.realtor/rental-beast.



Yun: Bolder Fed Inflation Policy May Catapult Mortgage Rates

With inflation reaching a new high in June, the Federal Reserve will likely take more aggressive action. And that could influence even higher mortgage rates.

Melissa Dittmann Tracey

Inflation rose to a new 40-year high in June and is accelerating even faster than expected, according to data from the Bureau of Labor Statistics' Consumer Price Index. Consumer prices jumped 9.1% last month and posted an annualized inflation rate of 17%, much higher than economists predicted. Consumers faced record-high gas prices and spiking grocery costs last month.

"The Fed may be forced to raise interest rates even more aggressively than planned—even with the rising possibility of a recession on the horizon," says Lawrence Yun, chief economist for the National Association of REALTORS®. "The mortgage market had already factored in several additional rounds of the Fed's rate hike but may have to adjust a bit higher based on today's uncomfortable inflation rate."

That could be a major blow to aspiring home buyers who have been nervously watching mortgage rates climb drastically over the last few weeks. The 30-year fixed-rate mortgage [averaged 5.3% last week](#), up from 2.9% just a year earlier, according to Freddie Mac. Meanwhile, home prices have risen 15% over the past year. (Note: Home prices are not included in the latest inflation figures. Likewise, the 50% rise in monthly mortgage payments this year versus last year also is not reflected in the CPI, Yun notes.)

A new Forbes.com analysis shows that mortgage rates have contributed to higher monthly mortgage payments more than rising home prices. The publication's analysis shows that in the past 12 months, the typical monthly payment has increased up to 57%. Higher mortgage rates alone accounted for \$408 of the

average \$725 increase in payments, while higher home prices accounted for \$239, the analysis notes. (The remaining balance came from higher mortgage rates that were applied to a higher principal.)

"The homeowners who locked in low interest rates the prior two years have fixed, non-rising monthly mortgage payments," Yun says. That's "a different story for renters. Rents rose by 6% from last year and are rising at a 10% annualized rate. Rents will continue to rise in the upcoming years."

The Federal Reserve's next meeting is slated for the end of July. Many economists predict the Fed will tighten its monetary policy further to control inflation. That could lead to another 75- or 100-basis point increase in the Fed's short-term benchmark rate. While the Fed's benchmark rate does not directly impact mortgage rates, it does influence them. Yun said following the Fed's last rate hike—its largest since 1994—that [the buyer pool could shrink](#) as mortgage rates increase.





OWN YOUR PRESENT.



EMPOWER OUR FUTURE.



You can lead the way. Commitment to Excellence is a program for REALTORS® that empowers you to enhance and showcase your high level of professionalism. It gives you an advantage in our highly competitive market, and will help lead the way in improving consumer perception of our industry as a whole.

Be an advocate for the future of our industry. Be committed to excellence.
Get started at [C2EX.realtor](https://www.c2ex.realtor) by taking the self-assessment today!



INLAND EMPIRE

BOARD OF REAL ESTATE

A division of IVAR

Housing Data Report

JUNE 2022



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June 2022 - Monthly Summary Report

Mark Dowling, IVAR CEO

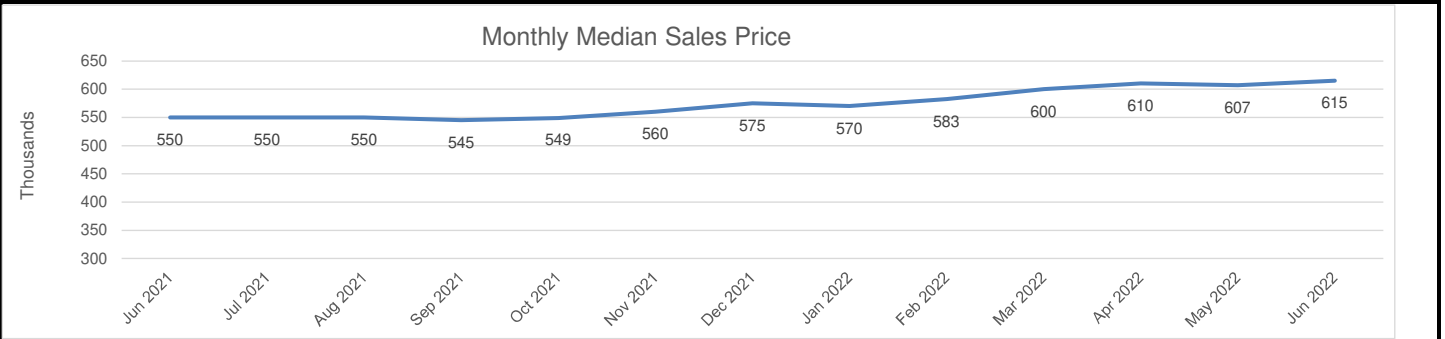


- It's official. After two scorching years, the housing market is finally cooling off. June experienced the biggest change (decrease) in year-over-year comparisons since Covid hit in March of 2020. June experienced a decrease in New Listings (-4.8%), Pending Sales (-25.1%) Sold Listings (-18.9%), and with fewer closings, Sales Volume was down -8.8% for the month.
- However, Median Sales Price was up 11.8%. This increase was largely due to homes going into escrow in the months of April and May.
- Days on Market continues to be under two weeks, but with mortgage rates increasing, this number is beginning to creep upwards as inventory increases and Buyers have more options and less competition.

	Jun-2021	Jun-2022	Annual Change
Monthly New Listings			
New Listings	5,043	4,799	↓ -4.8%
Pending Sales	4,218	3,161	↓ -25.1%
Sold Listings	4,207	3,410	↓ -18.9%
Median Sales Price	\$550,000	\$615,000	↑ 11.8%
Sales Volume (\$M)	\$2,465	\$2,249	↓ -8.8%
Price/Sq.Ft.	\$292	\$344	↑ 17.7%
Sold \$/List \$	104.34%	101.55%	↓ -2.7%
Days on Market	7	10	↑ 42.9%
CDOM	7	10	↑ 42.9%

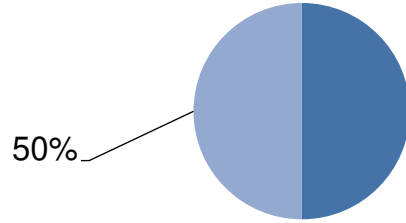


All data used to generate these reports comes from the California Regional Multiple Listing Service, Inc. If you have any questions about the data, please call the CRMLS Customer Service Department between the hours of 8:30am to 9:00pm Monday thru Friday or 10:00am to 3:00pm Saturday and Sunday at 800-925-1525 or 909-859-2040.



2022 - Year to Date Report

We are 6 months through the year:



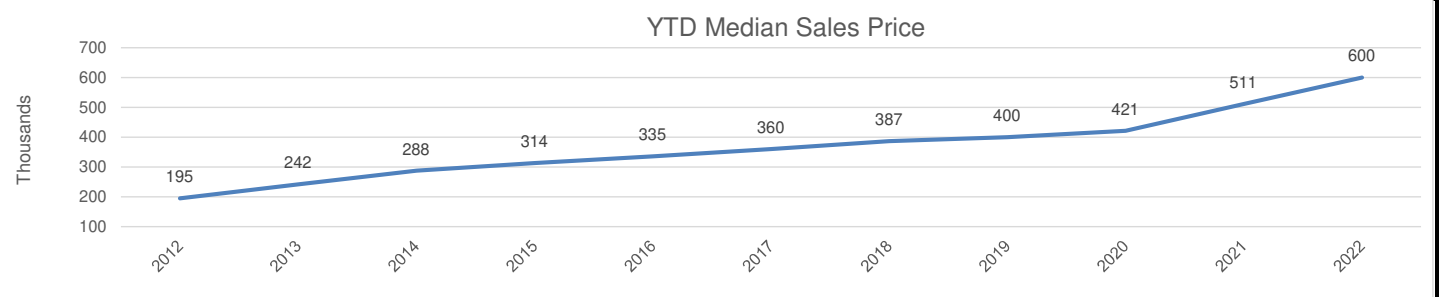
The statistics shown below are for the first 6 months of the years represented.

Month to month comparisons give you a quick way to see what is recently changing in the region. However, by comparing Year-To-Date (YTD) information across several years, you can observe more significant trends.

	Jan-Jun 2021	Jan-Jun 2022	Year-Over-Year Change
New Listings	26,144	25,873	↓ -1.0%
Pending Sales	22,925	20,360	↓ -11.2%
Sold Listings	21,538	20,001	↓ -7.1%
Median Sales Price	\$511,000	\$600,000	↑ 17.4%
Sales Volume (\$M)	\$11,854	\$12,842	↑ 8.3%
Price/Sq.Ft.	\$277	\$333	↑ 20.0%
Sold \$/List \$	102.90%	102.61%	↓ -0.3%
Days on Market	7	8	↑ 14.3%
CDOM	7	9	↑ 28.6%



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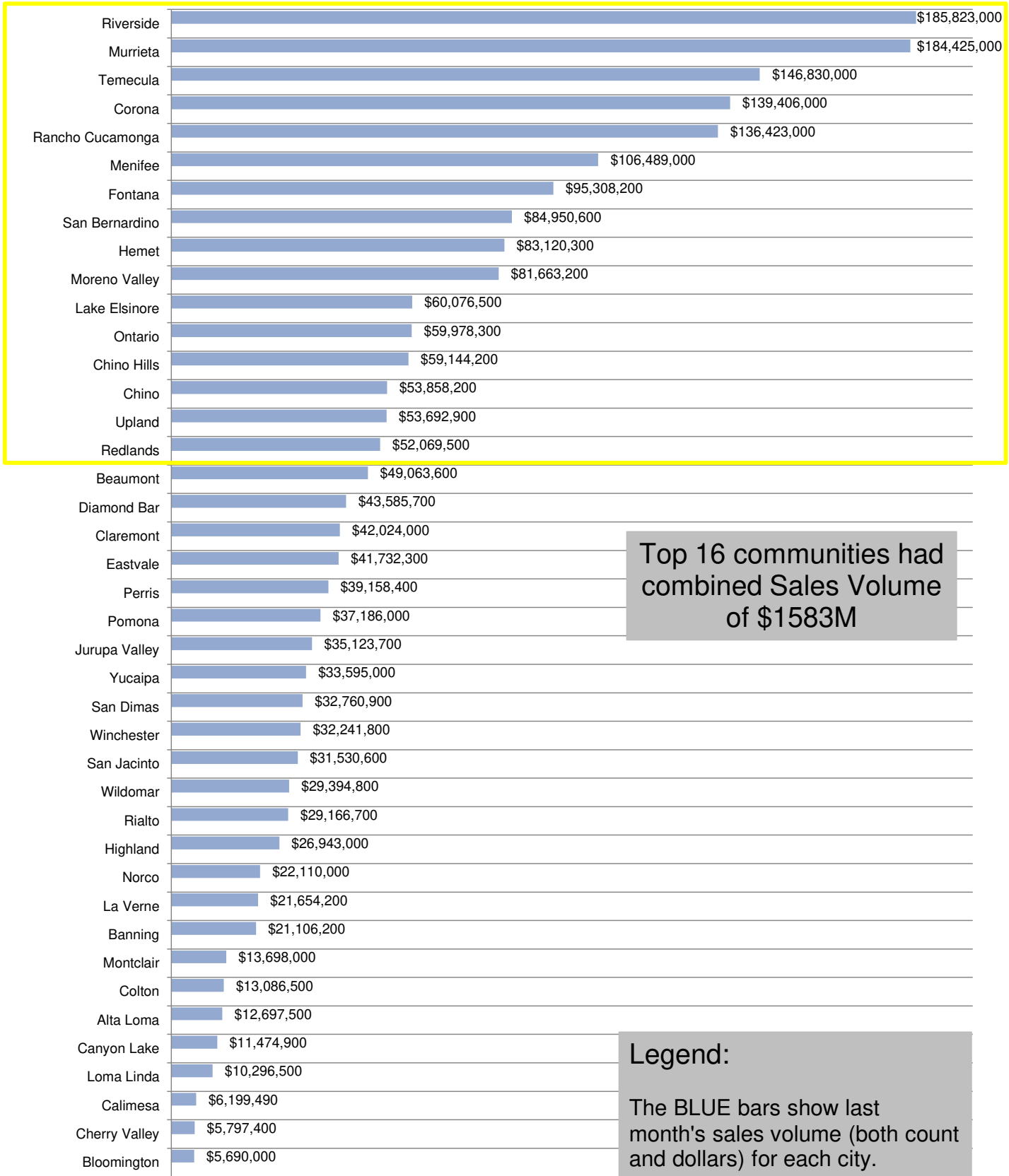
June 2022 City Overview

The following monthly data shows "YEAR-OVER-YEAR" (YOY) changes as well as current conditions in the real estate market

	YOY Sales Transactions	YOY Median Sales Price %	Median Sales Price \$	Active Listings	Price per Sq.Ft.	Total Days on Market
Alta Loma	↓ -35%	↓ -1%	\$ 805,000	17	\$ 475	7
Banning	18%	16%	\$ 390,600	62	\$ 286	14
Beaumont	-7%	18%	\$ 540,000	121	\$ 270	12
Bloomington	9%	1%	\$ 477,500	20	\$ 406	6
Calimesa	-20%	2%	\$ 507,500	15	\$ 324	9
Canyon Lake	-60%	5%	\$ 619,500	40	\$ 317	11
Cherry Valley	71%	41%	\$ 351,500	10	\$ 262	12
Chino	-16%	24%	\$ 780,000	91	\$ 410	10
Chino Hills	-19%	7%	\$ 879,500	62	\$ 486	12
Claremont	2%	23%	\$ 981,000	28	\$ 493	8
Colton	-24%	12%	\$ 447,500	44	\$ 355	10
Corona	-25%	12%	\$ 720,000	198	\$ 396	11
Diamond Bar	-41%	14%	\$ 970,000	42	\$ 536	8
Eastvale	-21%	16%	\$ 908,000	69	\$ 299	10
Fontana	-13%	20%	\$ 658,500	180	\$ 345	11
Hemet	6%	18%	\$ 420,000	226	\$ 267	11
Highland	-24%	18%	\$ 555,000	49	\$ 332	8
Jurupa Valley	9%	23%	\$ 705,500	53	\$ 364	8
La Verne	-32%	8%	\$ 875,000	16	\$ 513	7
Lake Elsinore	-20%	16%	\$ 594,990	126	\$ 299	9
Loma Linda	-16%	14%	\$ 648,000	10	\$ 353	10
Menifee	-27%	16%	\$ 575,000	231	\$ 297	10
Montclair	-5%	18%	\$ 650,000	23	\$ 403	11
Moreno Valley	-4%	17%	\$ 540,000	185	\$ 308	9
Murrieta	-24%	14%	\$ 680,000	221	\$ 306	11
Norco	-31%	19%	\$ 850,000	29	\$ 405	11
Ontario	-28%	14%	\$ 652,500	105	\$ 420	9
Perris	-13%	14%	\$ 509,500	82	\$ 321	10
Pomona	-29%	17%	\$ 670,000	60	\$ 489	8
Rancho Cucamonga	-12%	11%	\$ 735,000	166	\$ 430	10
Redlands	-16%	5%	\$ 595,000	80	\$ 361	7
Rialto	-15%	11%	\$ 540,000	66	\$ 368	12
Riverside	-27%	14%	\$ 630,000	347	\$ 379	9
San Bernardino	-13%	19%	\$ 475,000	173	\$ 344	9
San Dimas	-41%	27%	\$ 1,020,500	30	\$ 522	13
San Jacinto	13%	20%	\$ 480,000	90	\$ 265	13
Temecula	-29%	9%	\$ 730,000	159	\$ 347	11
Upland	-21%	4%	\$ 718,000	77	\$ 417	10
Wildomar	-28%	6%	\$ 601,500	35	\$ 297	8
Winchester	-28%	11%	\$ 642,500	61	\$ 279	8
Yucaipa	-17%	6%	\$ 575,000	56	\$ 297	7



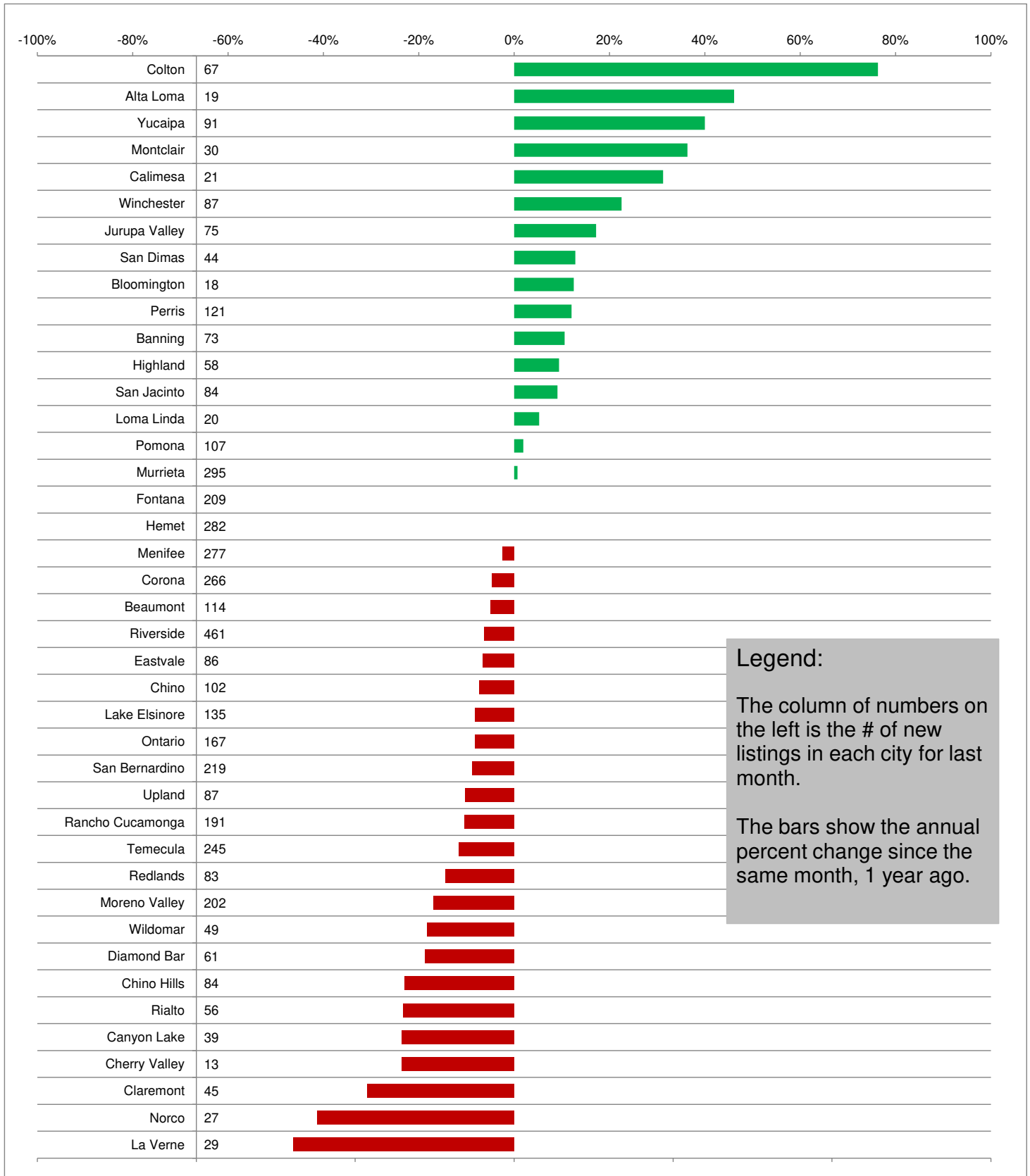
June 2022 - Sales Volume per City



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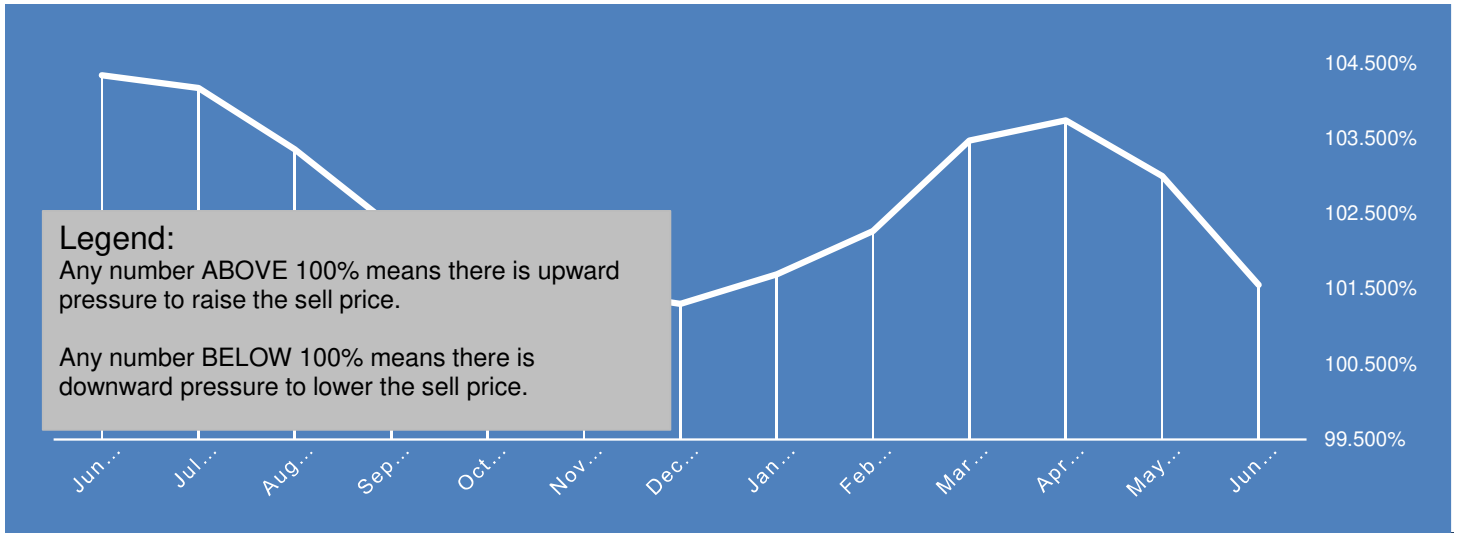
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June 2022 - Top Communities with New Listings (year-over-year)



Legend:
The column of numbers on the left is the # of new listings in each city for last month.
The bars show the annual percent change since the same month, 1 year ago.

Sell Price vs Original List Price



2021/2022 INLAND EMPIRE LISTINGS OVERVIEW

	New	Pending	Closed
July	3.2%	-6.7%	-4.4%
August	0.8%	3.9%	1.3%
September	-2.3%	1.8%	0.7%
October	-14.2%	-1.1%	-9.3%
November	-0.5%	6.5%	-0.4%
December	-12.3%	2.6%	-6.8%
January	-2.6%	2.1%	-3.8%
February	-5.9%	0.3%	-2.3%
March	-3.1%	-0.9%	-1.6%
April	-3.8%	-8.7%	-7.6%
May	0.5%	-9.6%	-5.9%
June	-4.8%	-25.1%	-18.9%

MONTHLY FINANCING TYPES

