



Real Estate
INVESTMENTS



HARD MONEY
LOANS



TRUST DEED
INVESTMENTS



INVESTOR
EDUCATION

Award-Winning Radio Show

- Over 400 shows
- 150+ hours of free education
- Over 100 real estate experts
 - » FBI Mortgage Fraud Division
 - » John Mauldin, Economist
 - » UBS, New York
 - » Peter Schiff, Euro Pacific Capital
 - » Frank Nothaft, *Freddie Mac*
 - » Leslie Appleton-Young, *CAR*
 - » Christopher Thornberg, Beacon Economic
 - » Mortgage Bankers Association
 - » Appraisal Institute
 - » Mike Cantu
 - » Tony Alvarez
 - » Mark Dotzour
 - » Center for Responsible Lending



Real Estate Radio Show
590AM





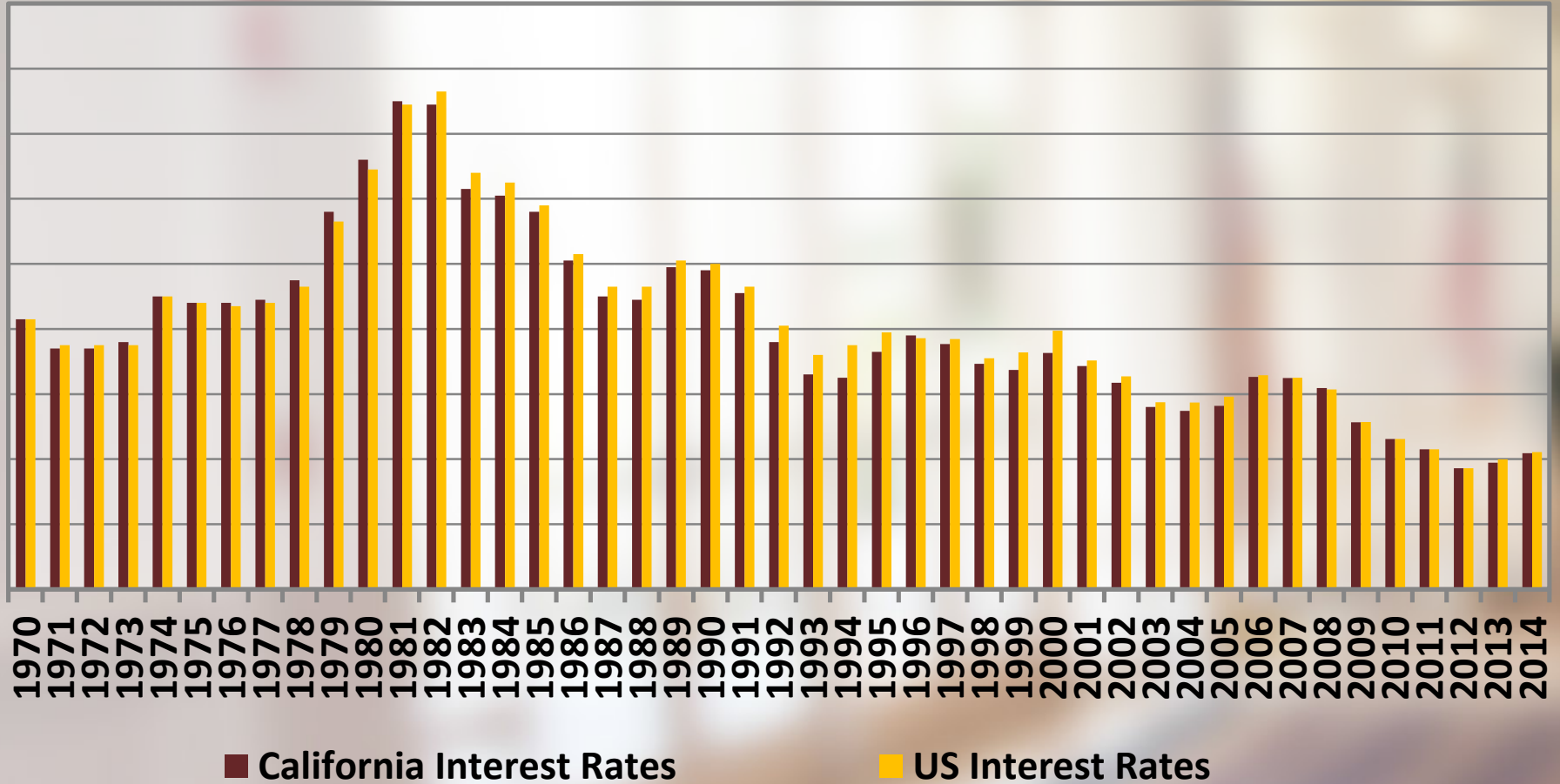


1. If interest rates go up, the following will likely happen to real estate prices in California.



- A. Prices will go up**
- B. Prices will go down**
- C. Prices will stay flat**
- D. Any of the above could happen when interest rates go up**

Interest Rates

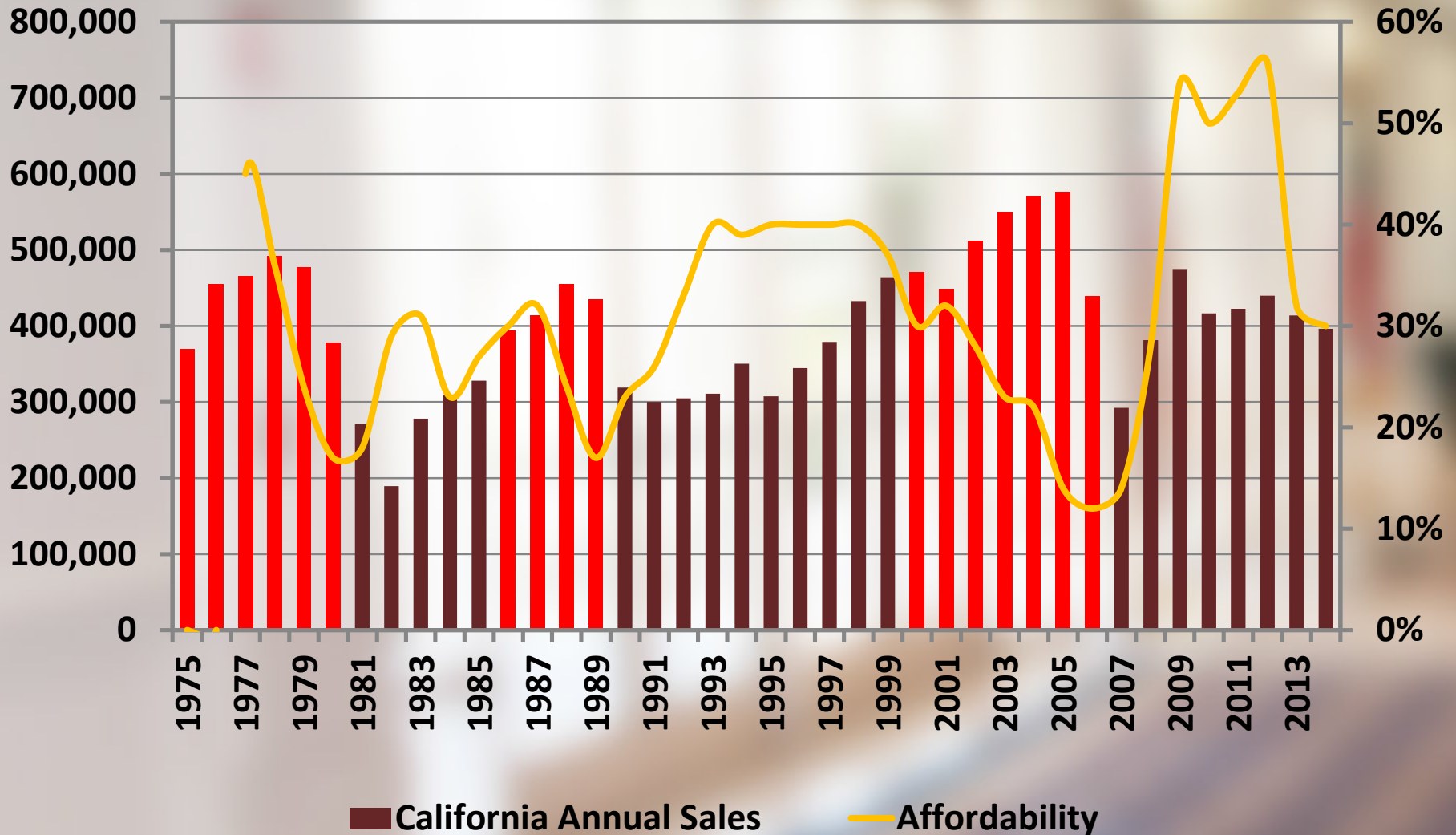


2. When houses are most affordable, what happens to the volume of sales in California?



- A.** Volume of sales increases as more people can afford them
- B.** Volume of sales is not affected by affordability
- C.** Volume of sales declines because inventory is so low when affordability is high
- D.** Sales decline when houses are most affordable

California Sales vs. Affordability

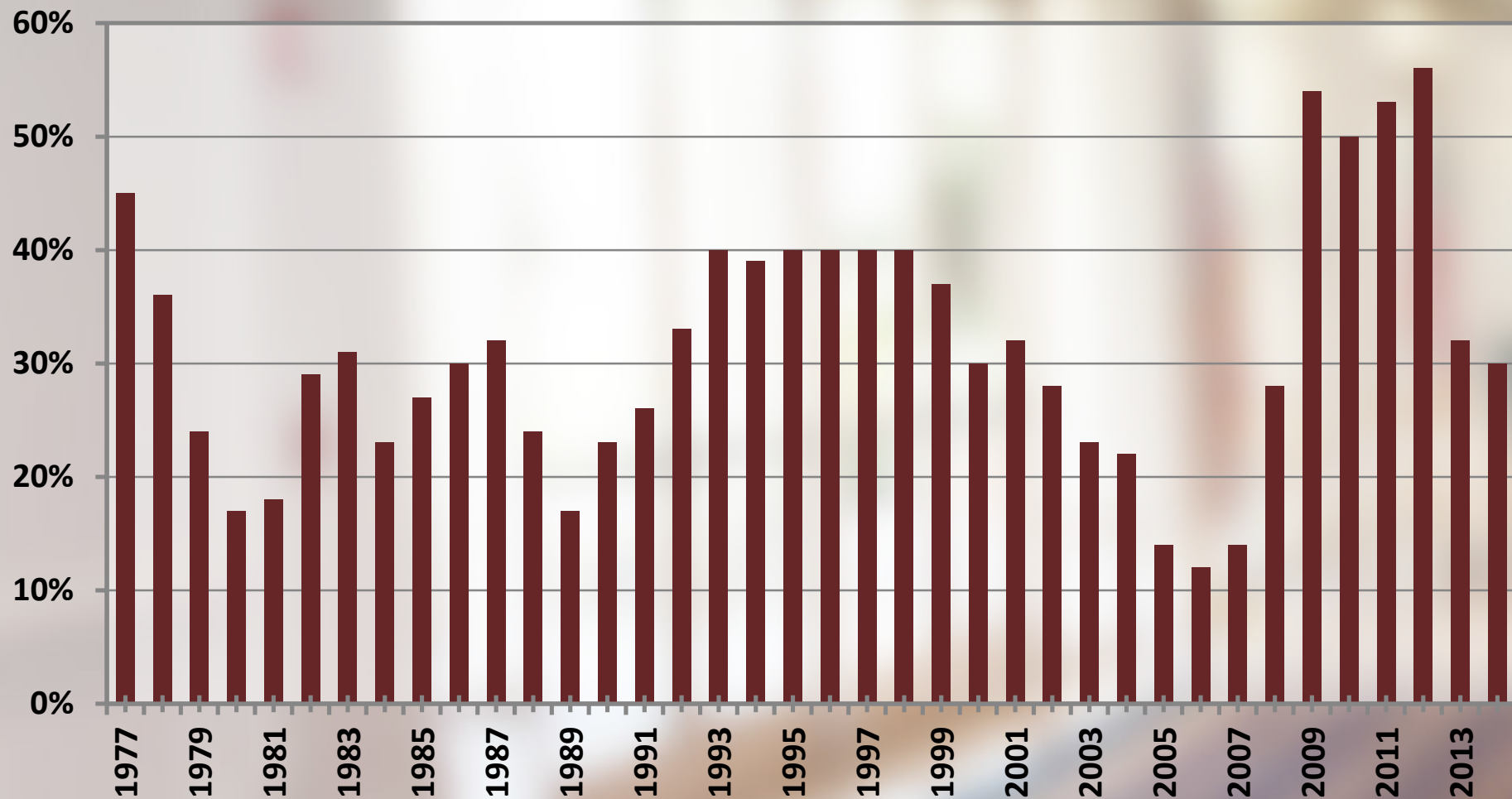


3. When houses are most affordable, where would a real estate investor look for bargains?



- A. In the MLS**
- B. Following people that are in foreclosure**
- C. Mailing directly to absentee owners**
- D. Pursue lender owned properties and short sales**

California Affordability

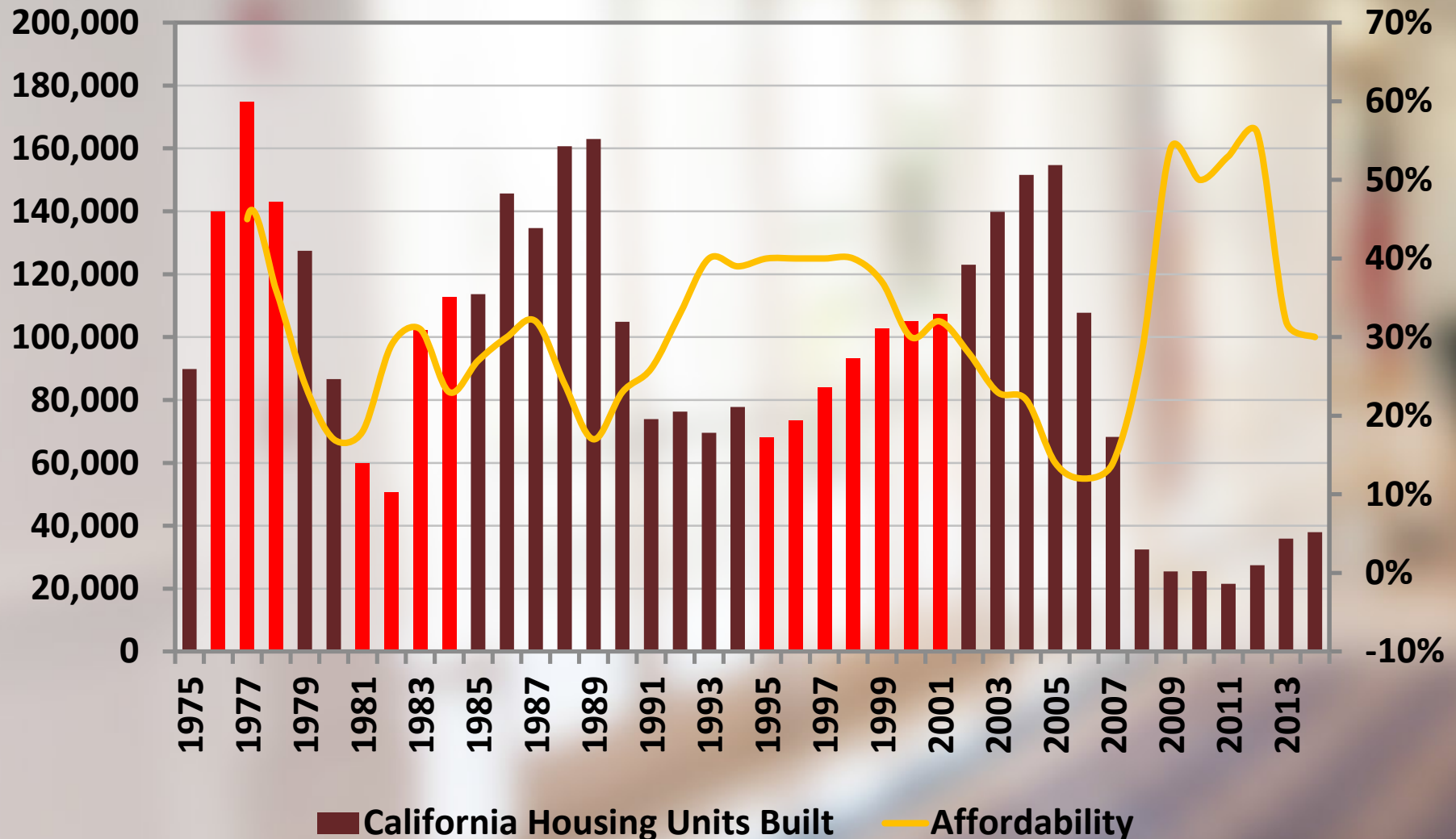


4. When affordability is extremely low, what happens to construction of new homes?



- A. Sales of new homes decline sharply because they become un-affordable**
- B. Sales of new homes decline slightly**
- C. Sales of new homes are near their peak**
- D. Sales of new homes are not affected by the affordability chart**

California Construction New Homes vs. Affordability



5. Looking at this foreclosure chart, what would be true about 1989?



- A.** Trustee sales are very low, so it would be worthless to pursue foreclosures
- B.** Trustee sales are very low, so prices would probably be nearing their peak
- C.** Trustee sales are very low, so most of what you would buy is from the MLS
- D.** Trustee sales are very low, so it would be a good time to buy “subject to”

Southern California Trustee Sales



6. Looking at this foreclosure chart, what would a year like 1994 tell you?



- A. Trustee sales are still rising, so sales volume is probably up**
- B. Trustee sales are still rising, so it's a good time to mail directly to people in foreclosure**
- C. Trustee sales are rising, so it would be a good time to build new homes**
- D. Trustee sales are rising, so I would expect prices to be soft**

Southern California Trustee Sales

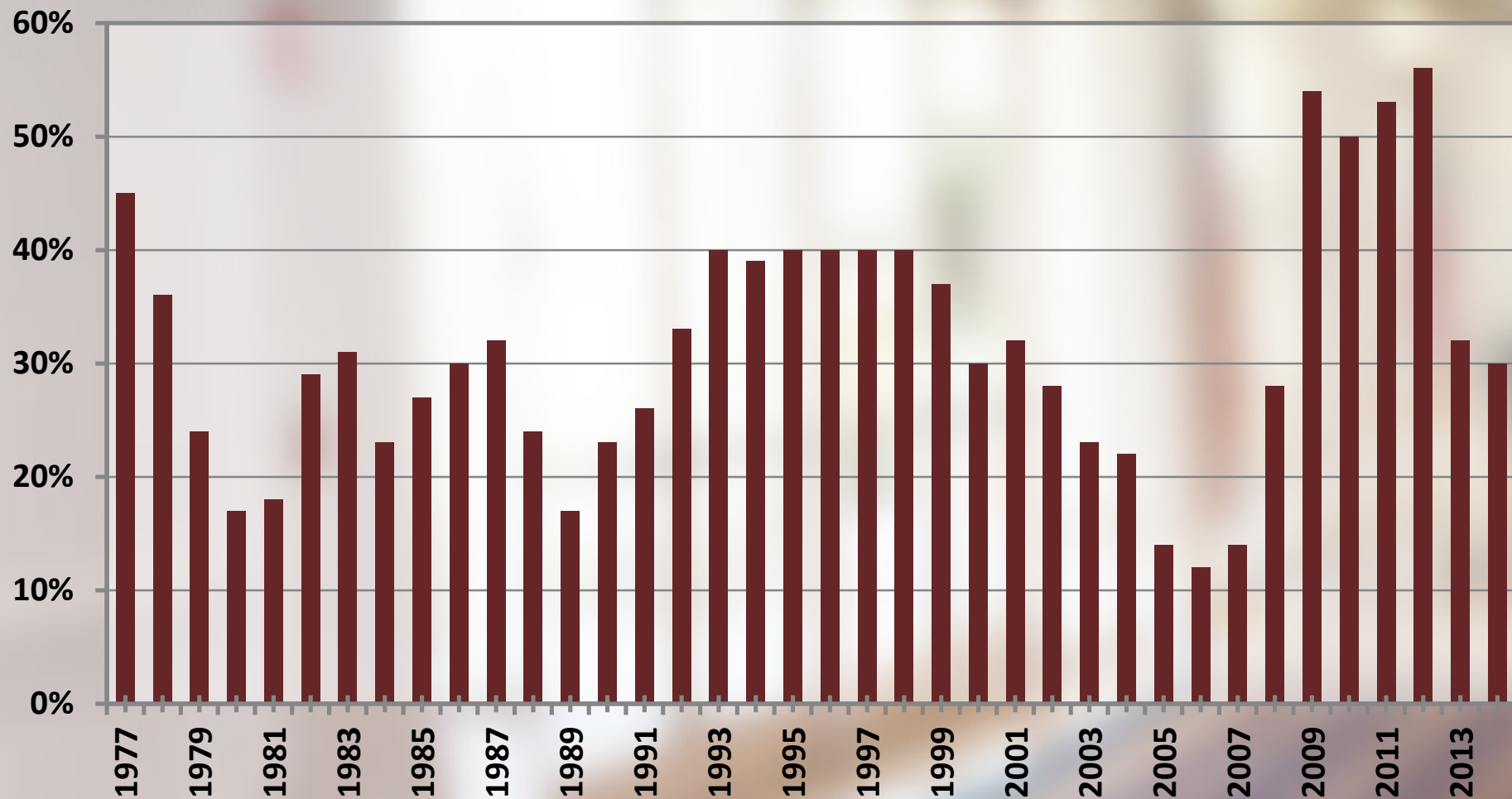


7. Looking at this affordability chart, what would a year like 1989 tell you about California real estate?



- A. It would tell you that you are approaching your price peak**
- B. It would tell you inventory is about to explode**
- C. Both A and B**
- D. Low affordability doesn't tell you anything about the future**

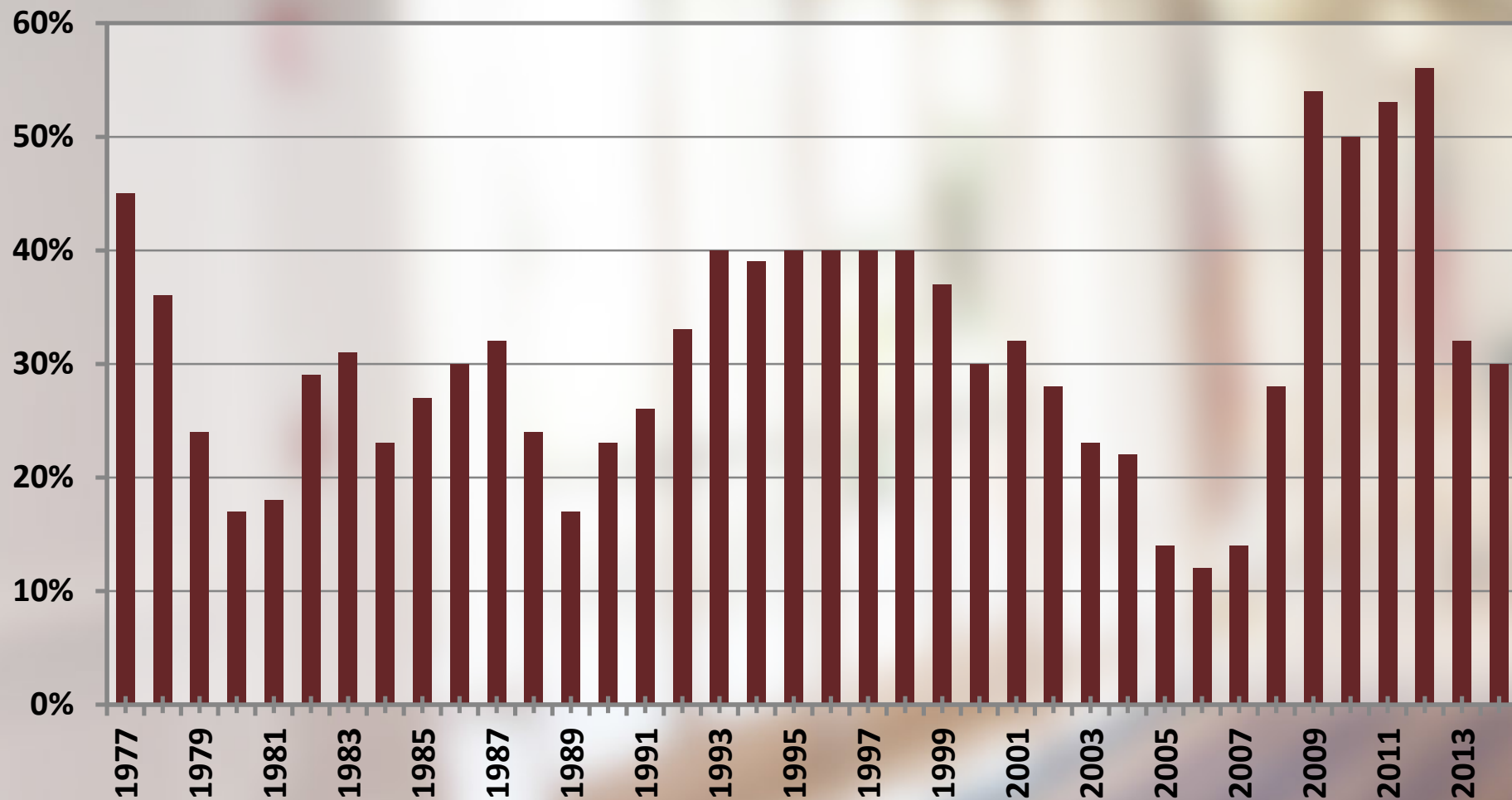
California Affordability



8. Which of these statements is most important?

- A.** Affordability has declined from 55% to 30%
- B.** Affordability is at 30% with room to head down further

California Affordability

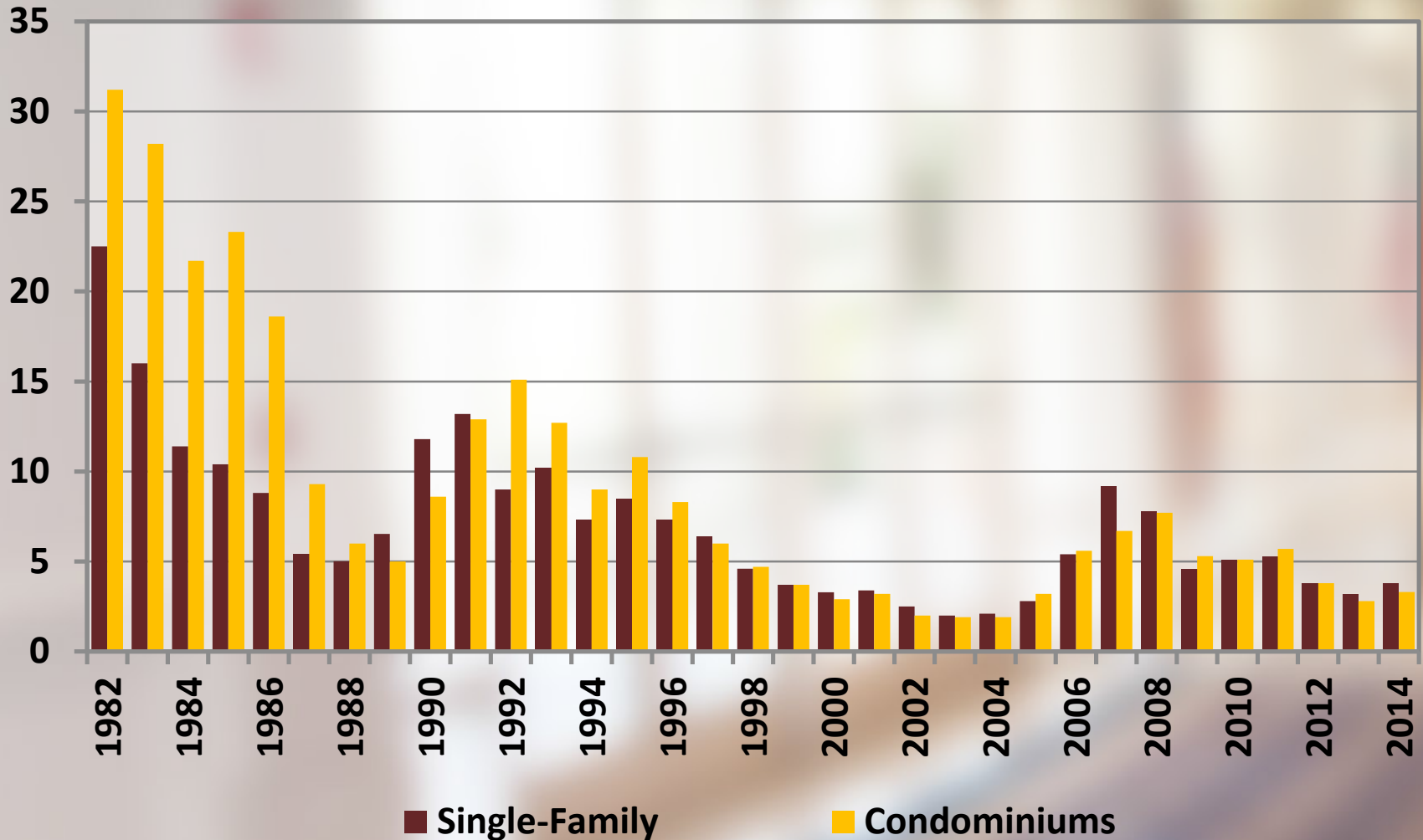


9. Looking at this inventory chart, where would you be the most likely to find bargain properties in 1987, 2003 and 2014?



- A. The MLS**
- B. People in foreclosure**
- C. Lender owned properties**
- D. Going directly to owners with mailers**

California Unsold Inventory (Inventory in months)



10. What's the most important element of a mailer?

- A. That it makes the owner trust your motives**
- B. That you make an offer in the mailer**
- C. That you make have a “call to action” statement**
- D. That it gets opened**

11. When you buy a property at a discount, what's the most common reason a seller says yes to your offer?

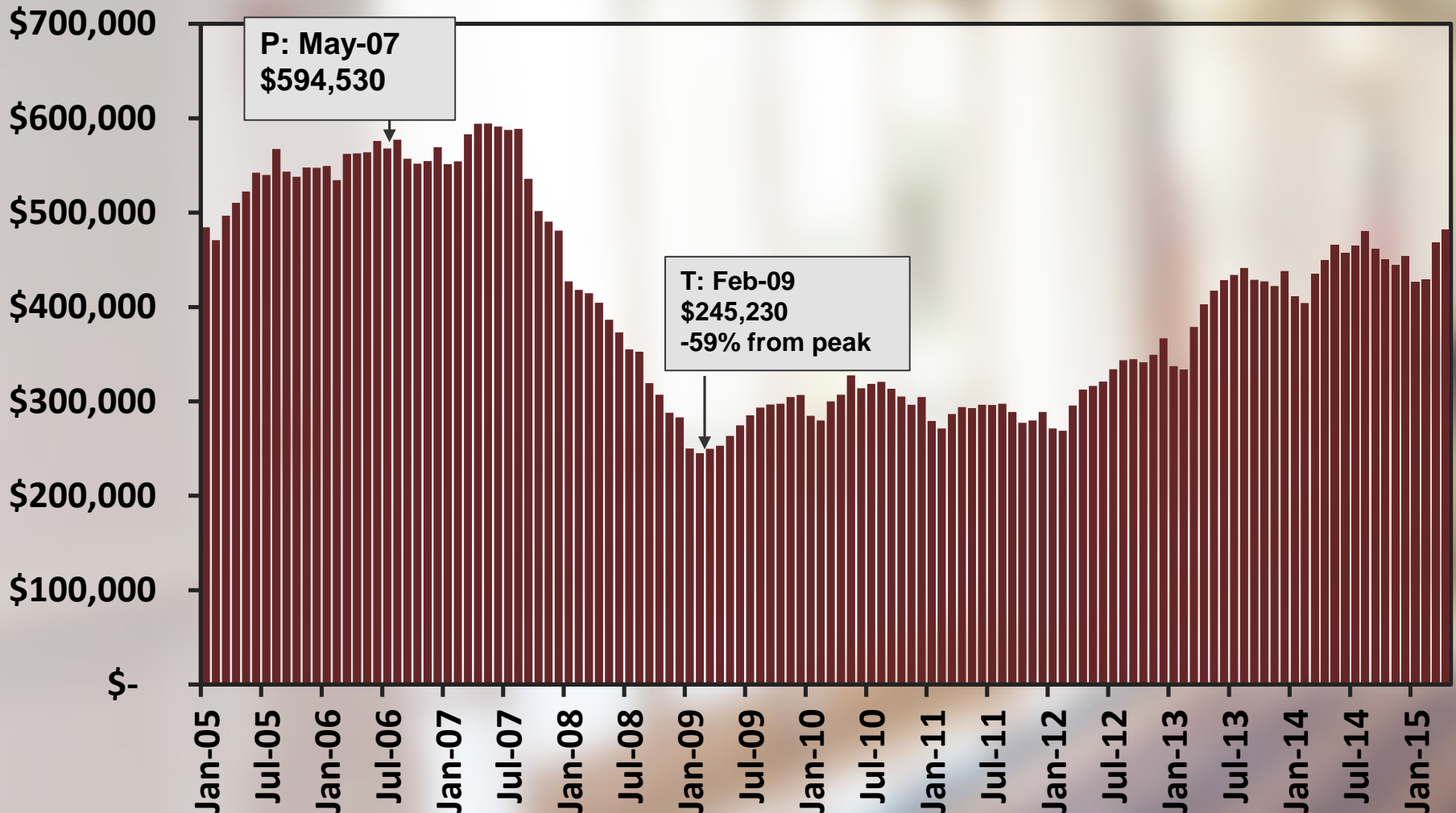
- A. They were desperate**
- B. They had no other choice**
- C. You were a great sales person**
- D. It was in their best interest**

12. When you buy a property at a discount, what's the most common reason a seller says yes to your offer?



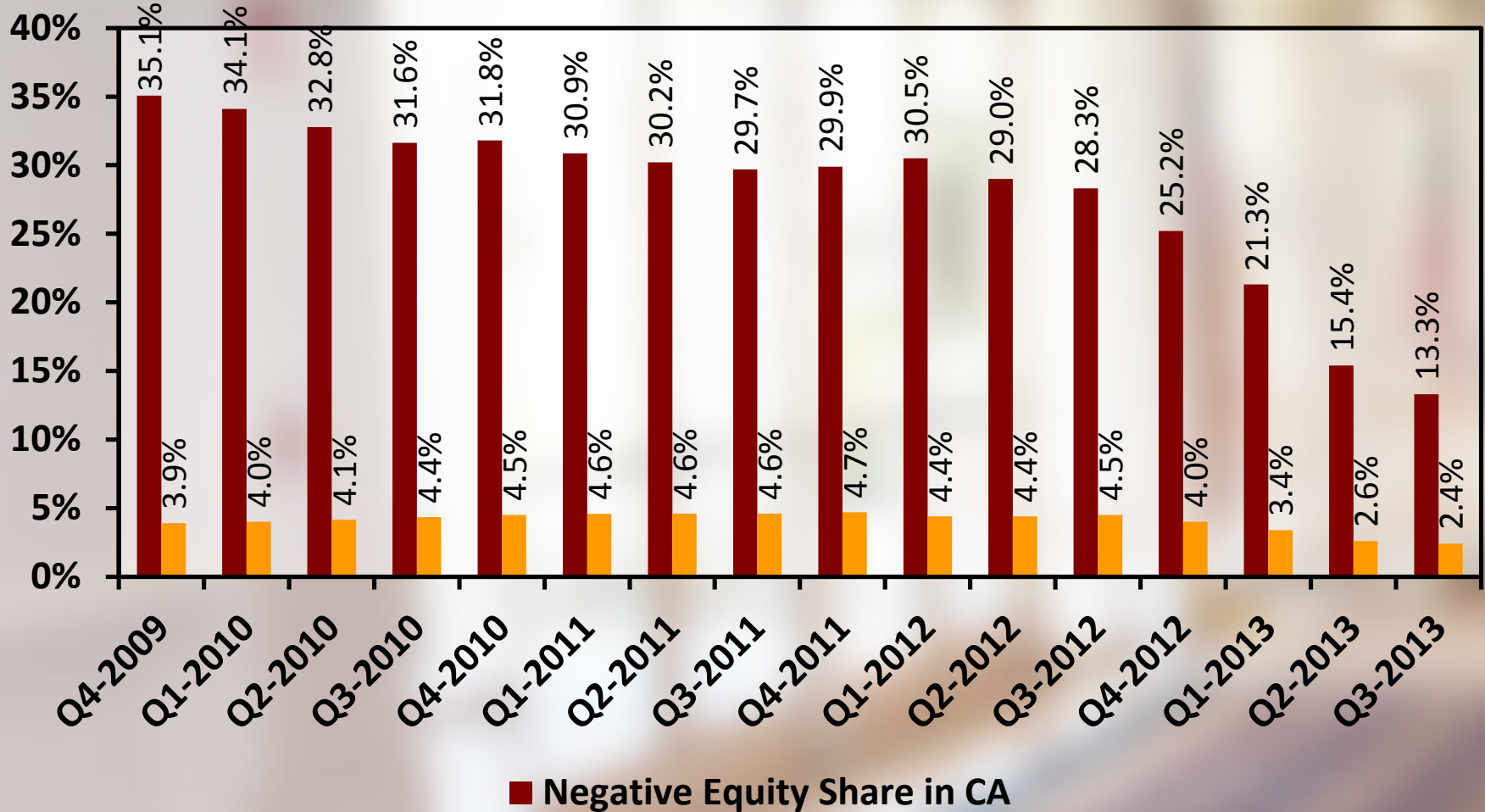
Median Price of Existing Homes

April 2015: \$481,760



SERIES: Median Price of Existing Single Family Homes
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

California Underwater Mortgages Dropping Sharply



SERIES: Underwater Mortgages

SOURCE: CoreLogic

Unsold Inventory Index

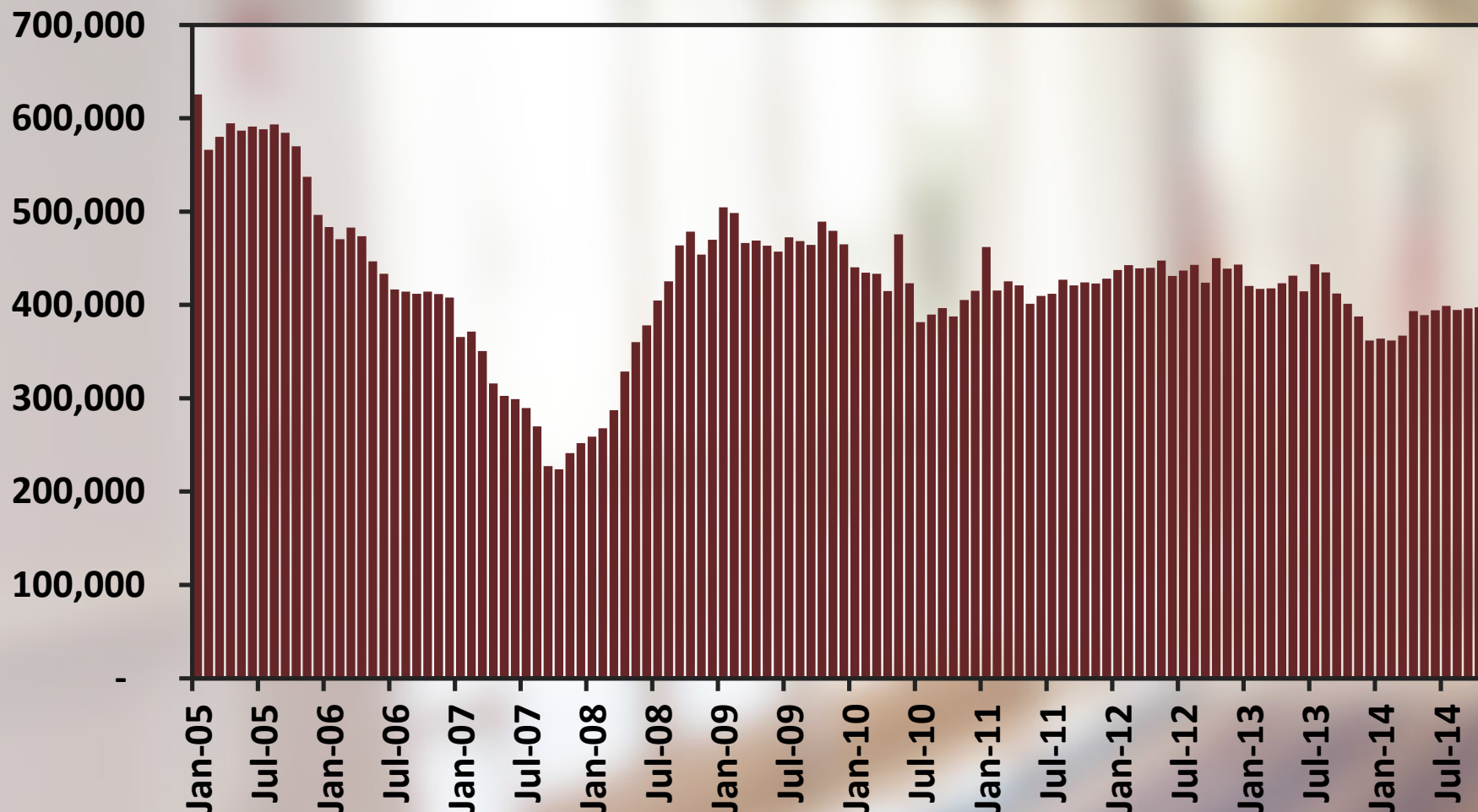
California, April 2015: 3.5 Months



SERIES: Unsold Inventory Index of Existing Single Family Homes
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

Sales of Existing Detached Homes

California, April 2015 Sales: 427,620



SERIES: Sales of Existing Single Family Homes
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

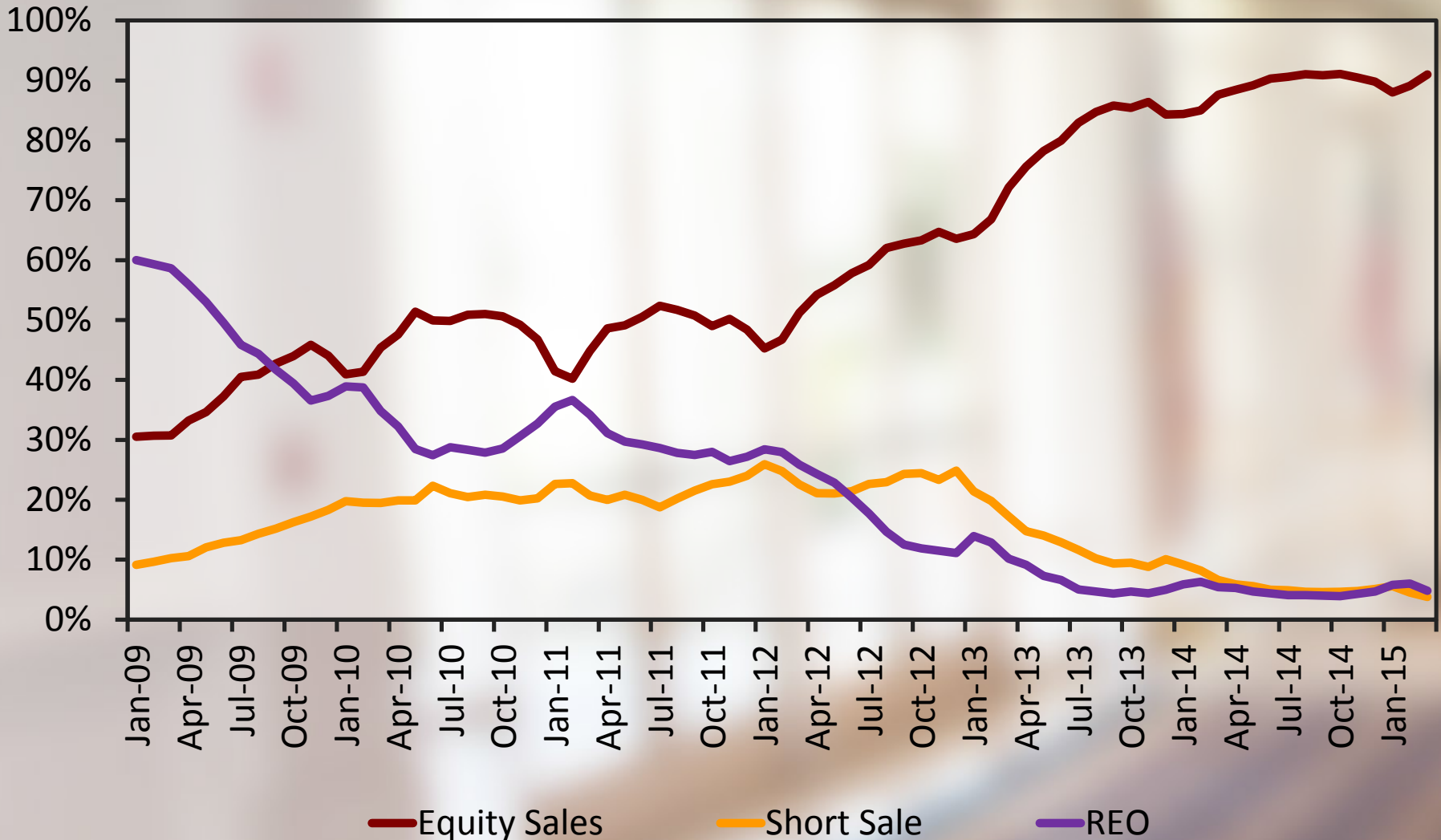
*Sales are seasonally adjusted and annualized

Distribution of FHA Borrower Credit Scores by Fiscal Year and Quarter



		Credit Score Categories					
Fiscal Year	Quarter	720+	680-719	620-679	580-619	Less than 579	Missing
2008	Oct-Dec	8.9	8.9	31.0	24.1	23.4	3.8
	Jan-Mar	9.5	9.7	31.7	23.4	22.4	3.3
	Apr-Jun	14.7	13.0	35.7	21.1	13.1	2.4
	Jul-Sep	18.5	15.8	37.7	19.3	7.1	1.6
2009	Oct-Dec	20.5	17.2	37.5	18.6	5.2	1.0
	Jan-Mar	24.3	18.9	36.9	15.5	3.4	1.1
	Apr-Jun	29.6	21.2	38.1	8.4	1.5	1.1
	Jul-Sep	33.3	22.1	37.7	4.9	1.0	1.0
2010	Oct-Dec	33.5	22.5	38.5	4.0	0.7	1.0
	Jan-Mar	33.9	22.8	38.4	3.5	0.5	1.0
	Apr-Jun	34.9	22.6	38.4	2.7	0.4	1.0
	Jul-Sep	34.8	22.6	38.3	3.0	0.4	0.9
2011	Oct-Dec	37.0	23.2	36.0	2.5	0.3	0.9
	Jan-Mar	37.7	24.1	35.0	2.2	0.2	0.8
	Apr-Jun	35.3	23.8	37.5	2.6	0.2	0.7
	Jul-Sep	33.1	23.8	39.2	3.3	0.2	0.6
2012	Oct-Dec	32.9	23.9	39.3	3.2	0.2	0.5
	Jan-Mar	33.9	23.9	38.8	2.8	0.2	0.4
	Apr-Jun	33.2	24.2	39.5	2.5	0.2	0.4
	Jul-Sep	30.9	25.3	41.1	2.3	0.2	0.4
2013	Oct-Dec	29.9	26.0	41.6	2.1	0.2	0.3
	Jan-Mar	29.2	26.6	41.9	1.8	0.2	0.3
	Apr-Jun	26.9	27.4	43.9	1.5	0.1	0.3
	Jul-Sep	23.6	27.7	46.7	1.6	0.2	0.2
2014	Oct-Dec	20.1	27.3	50.1	2.2	0.1	0.2
	Jan-Mar	19.1	26.6	51.1	2.8	0.2	0.2
	Apr-Jun	17.4	26.4	52.5	3.3	0.2	0.2
	Jul-Sep	17.0	26.0	52.5	4.1	0.2	0.2

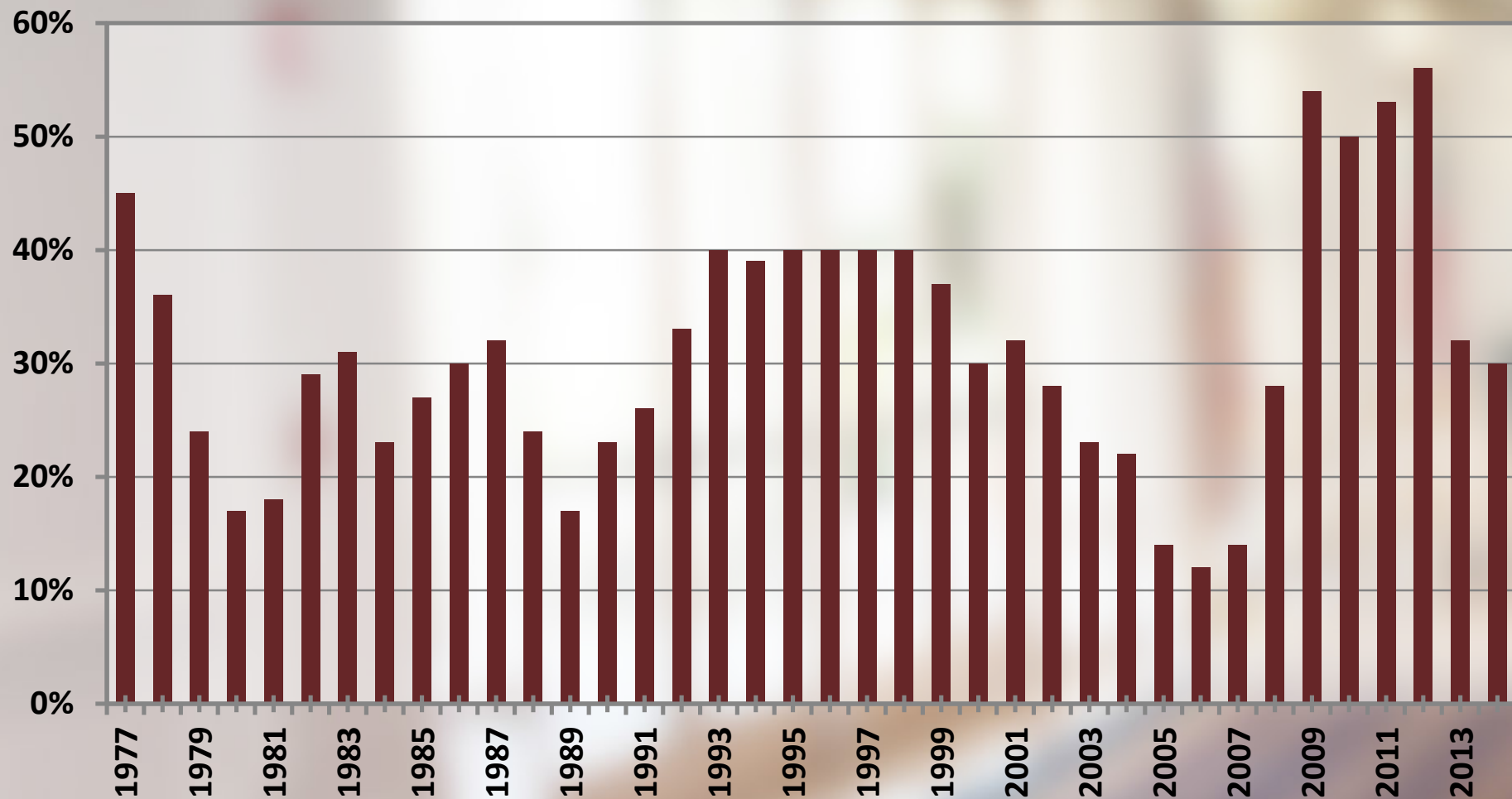
Share of Equity Sales Has Increased Sharply Since Early 2012



SERIES: Distressed Sales

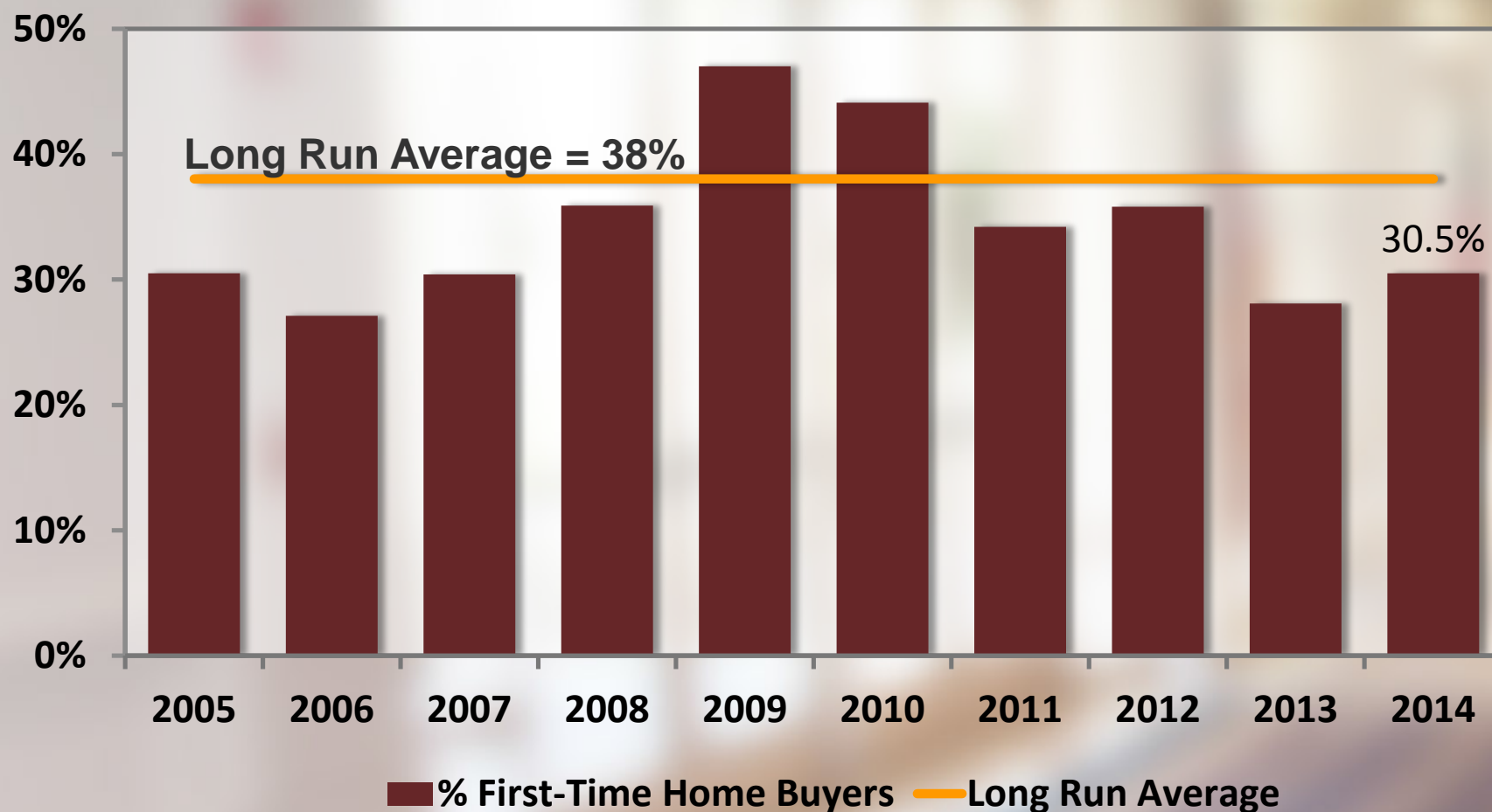
SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

California Affordability



Share of First-Time Buyers

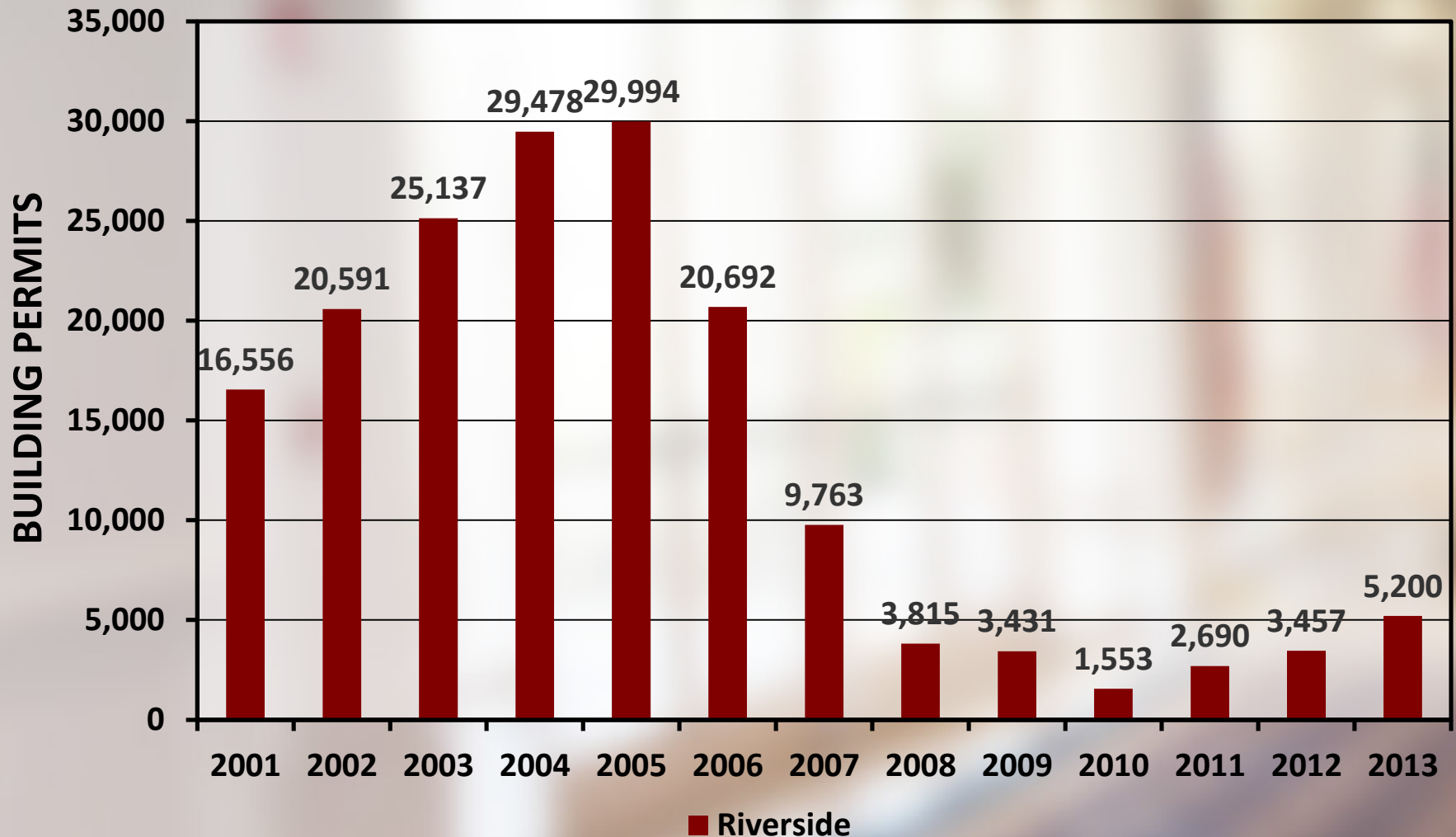
Q. Was the buyer a first-time buyer?



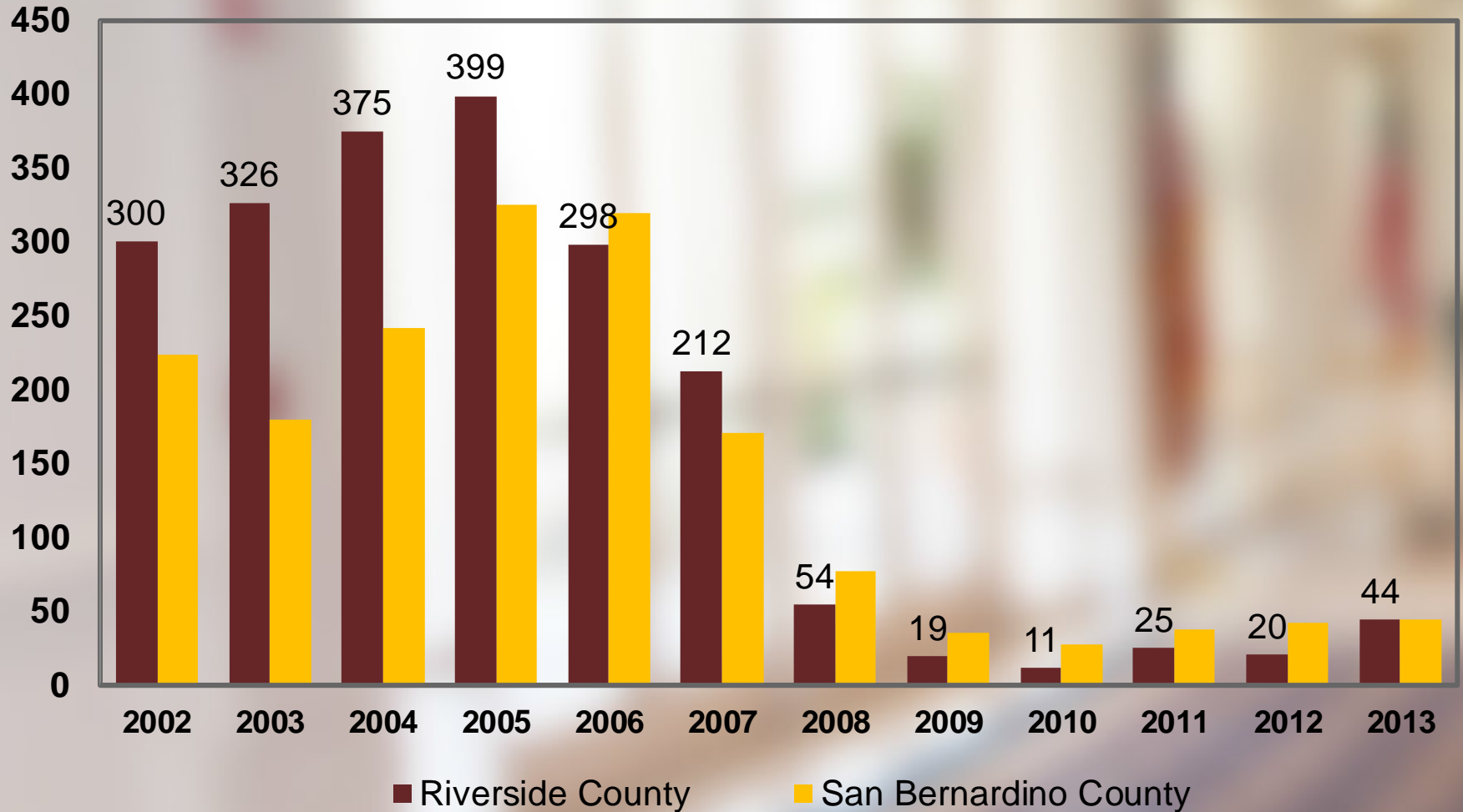
SERIES: 2014 Housing Market Survey

SOURCE: CALIFORNIA ASSOCIATION OF REALTORS®

Single Family Construction – Riverside



Subdivisions Recorded





Real Estate
INVESTMENTS



HARD MONEY
LOANS



TRUST DEED
INVESTMENTS



INVESTOR
EDUCATION