

# Weekly Industry Update

A Weekly Review of Local, State and  
Nationwide Market Trends, Industry  
and Legislative News in the World of  
Real Estate



## BEFORE WE BEGIN

# Telephone Consumer Protection Act (TCPA)

- The TCPA regulates telemarketing calls and texts.
- There is no B2B exception to the TCPA.
- **TCPA Liability:**
  - \$500 - \$1,500 per violation, with lawsuits often brought as class actions
- **How to Comply:**
  - Before calling or texting, confirm the number:
    - Is not on the national Do Not Call registry
    - Is not on any state/provincial, county, or local Do Not Call list
    - Is not on any internal (market center and region) Do Not Call list
  - Before calling or texting any number using an autodialer or artificial voice or prerecorded message:
    - Obtain or confirm consent
  - Know and follow all state/provincial laws in addition to the TCPA

OUR OFFICES ARE CLOSED IN OBSERVANCE OF

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# JUNETEENTH

## FREEDOM DAY

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WE STAND WITH YOU AND FOR YOU

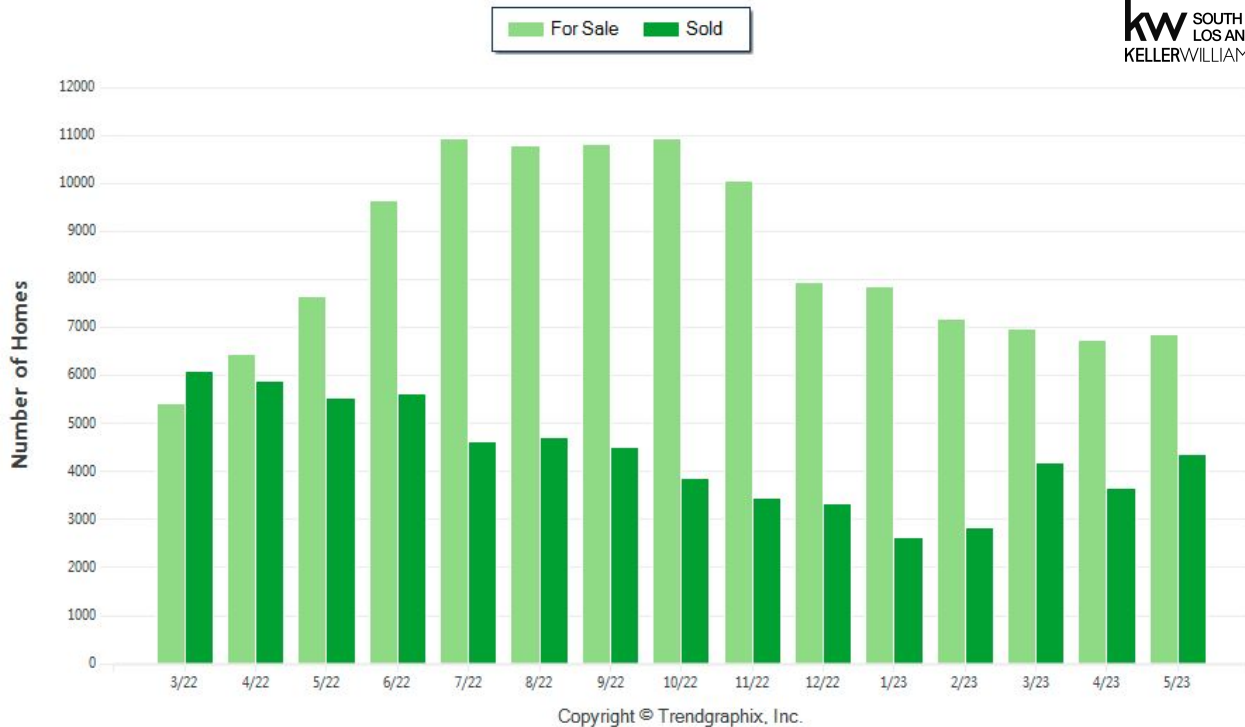
kw<sup>®</sup>



# Los Angeles County

Inventory Trends, Appreciation  
Insights, Absorption Rates, and more!

# Los Angeles County Sales Trends



## TODAY'S STATS

|                 | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|-----------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                 | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>For Sale</b> | 7,322                | 7,556            | -3.1% ▼  | 7,322                         | 9,646            | -24.1% ▼ | 7,322                | 9,646            | -24.1% ▼ |
| <b>Sold</b>     | 1,269                | 1,608            | -21.1% ▼ | 1,269                         | 2,125            | -40.3% ▼ | 18,933               | 28,343           | -33.2% ▼ |

# Los Angeles County Inventory Trends



## TODAY'S STATS

|                    | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|--------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                    | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>New Listing</b> | 1,670                | 2,270            | -26.4% ▼ | 1,670                         | 3,196            | -47.7% ▼ | 26,707               | 38,359           | -30.4% ▼ |
| <b>Pended</b>      | 1,305                | 1,724            | -24.3% ▼ | 1,305                         | 1,847            | -29.3% ▼ | 21,106               | 28,924           | -27% ▼   |

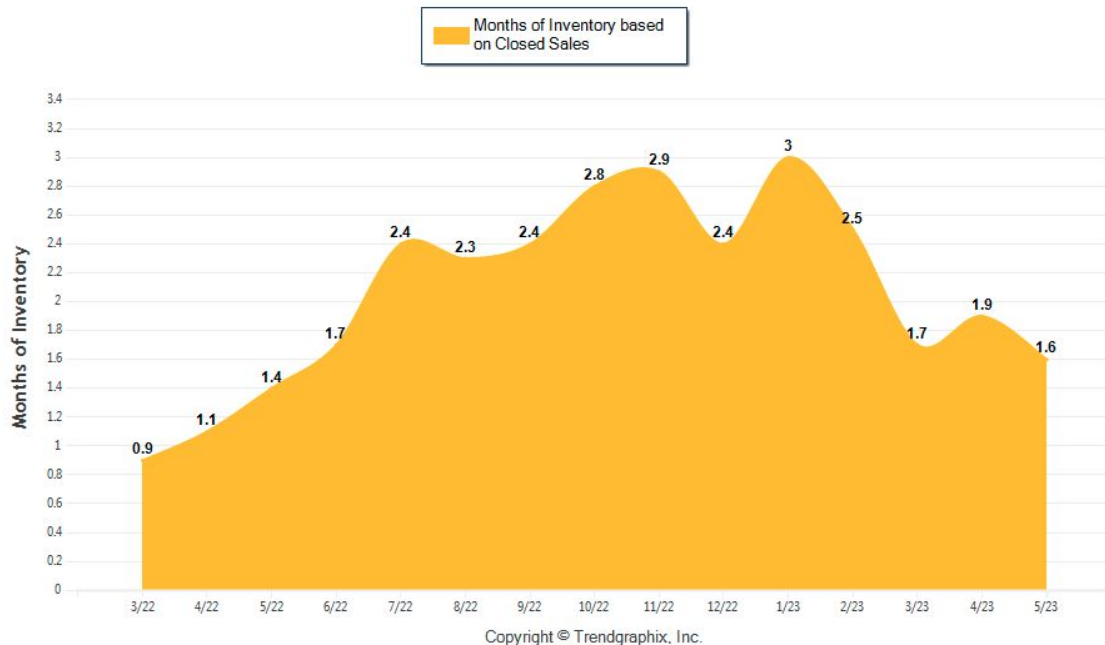
# Los Angeles County Price Trends



## TODAY'S STATS

|                          | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|--------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                          | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>Avg. Active Price</b> | 2,866                | 2,775            | 3.3% ▲   | 2,866                         | 2,173            | 31.9% ▲  | 2,866                | 2,173            | 31.9% ▲  |
| <b>Avg. Sold Price</b>   | 1,161                | 1,145            | 1.4% ▲   | 1,161                         | 1,323            | -12.2% ▼ | 1,197                | 1,272            | -5.9% ▼  |

# Los Angeles County Absorption Rates

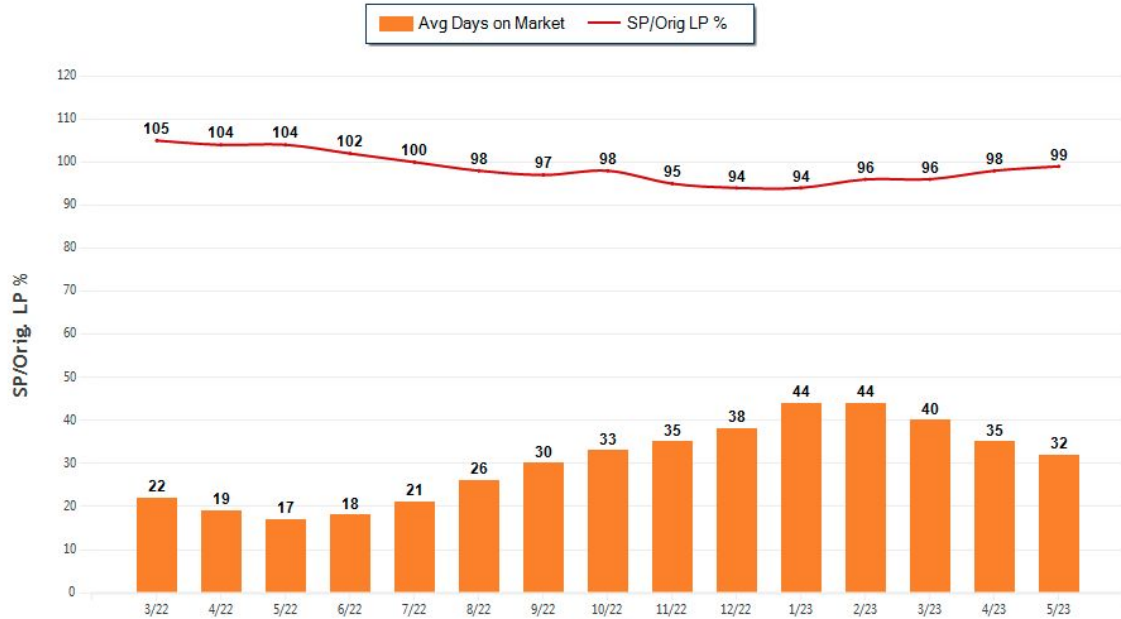


## TODAY'S STATS

|                                    | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|------------------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                                    | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| Months of Inventory (Closed Sales) | 2.1                  | 1.7              | 24% ▲    | 2.1                           | 1.7              | 24% ▲    | 2.1                  | 1.8              | 16.3% ▲  |



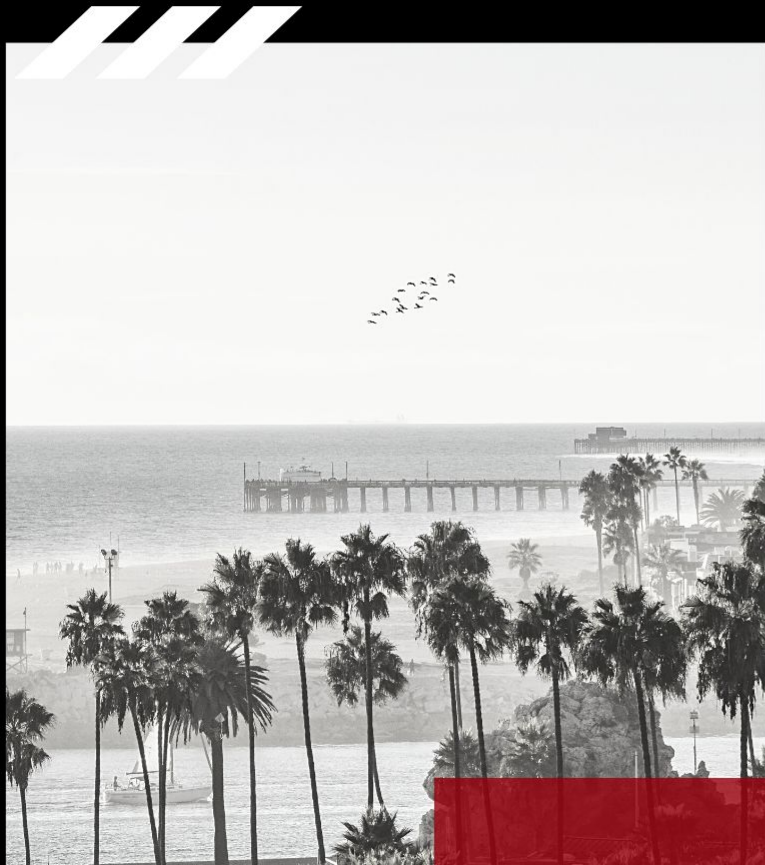
# Los Angeles County DOM & Sold Vs. List Price %



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## TODAY'S STATS

|                             | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|-----------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                             | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>Avg Days on Market</b>   | 30                   | 34               | -11.8% ▼ | 30                            | 18               | 66.7% ▲  | 38                   | 22               | 72.7% ▲  |
| <b>Sold/Orig LP Diff. %</b> | 99                   | 99               | 0%       | 99                            | 101              | -2% ▼    | 97                   | 103              | -5.8% ▼  |

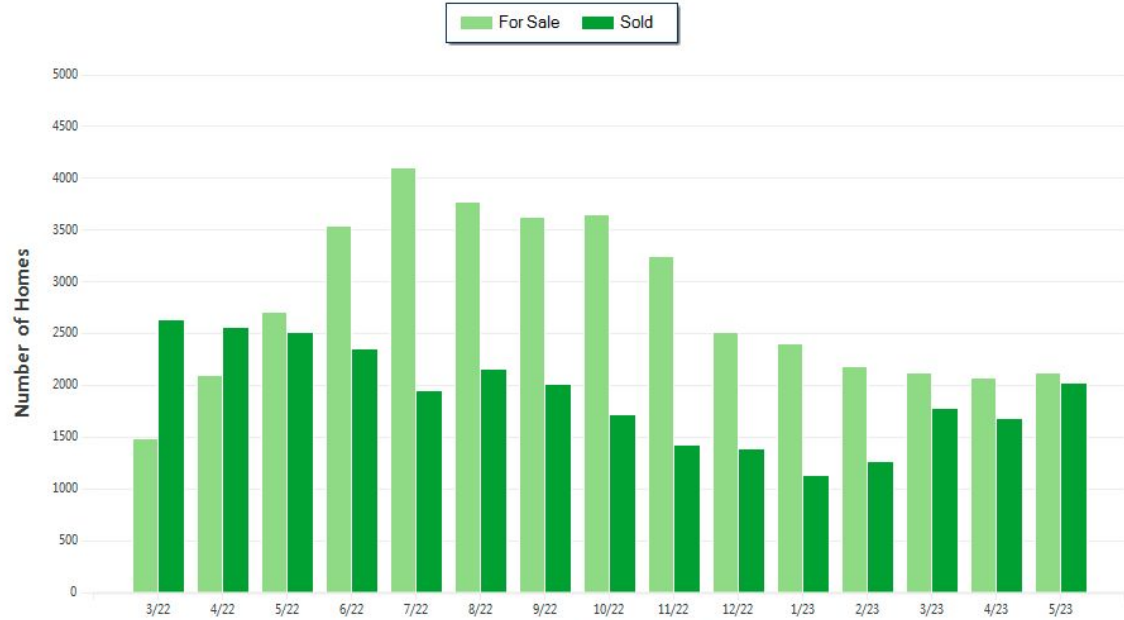


# Orange County

Inventory Trends, Appreciation  
Insights, Absorption Rates, and more!



# Orange County Sales Trends



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## TODAY'S STATS

|                 | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|-----------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                 | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>For Sale</b> | 2,236                | 2,099            | 6.5% ▲   | 2,236                         | 3,545            | -36.9% ▼ | 2,236                | 3,545            | -36.9% ▼ |
| <b>Sold</b>     | 554                  | 798              | -30.6% ▼ | 554                           | 854              | -35.1% ▼ | 8,440                | 12,135           | -30.4% ▼ |

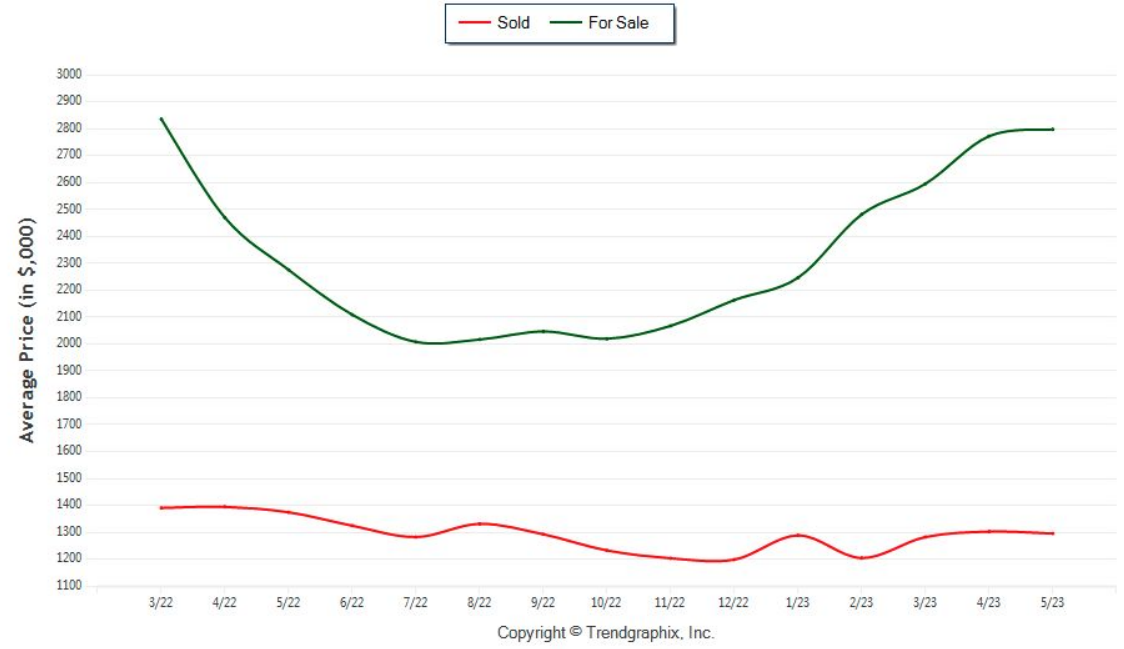
# Orange County Inventory Trends



## TODAY'S STATS

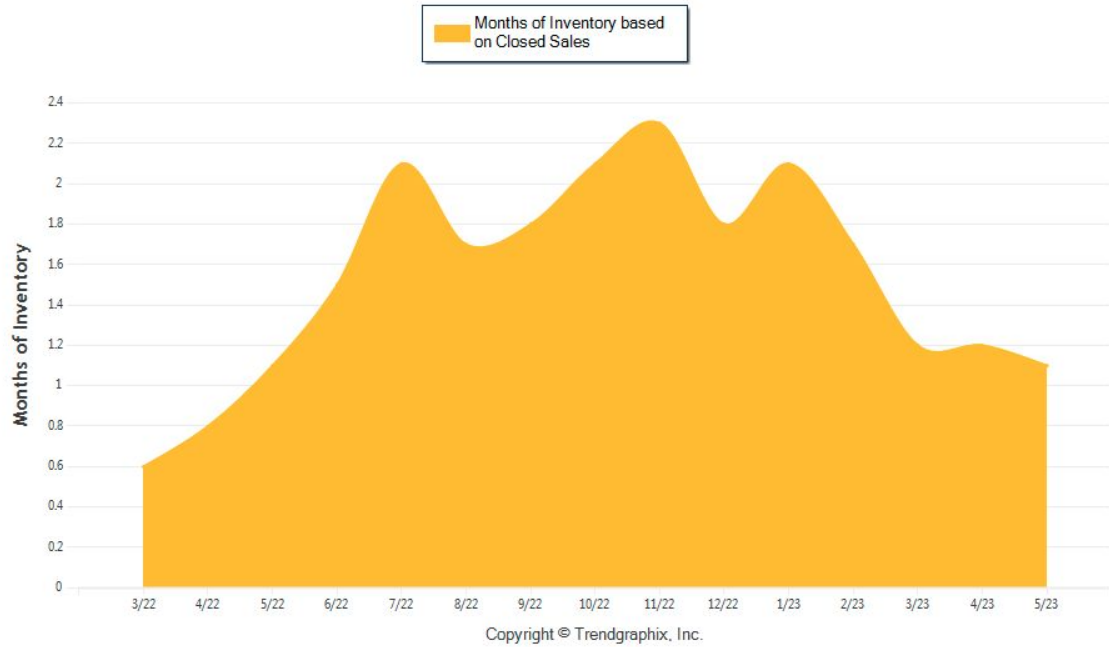
|                    | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|--------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                    | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>New Listing</b> | 522                  | 891              | -41.4% ▼ | 522                           | 1,281            | -59.3% ▼ | 10,276               | 16,258           | -36.8% ▼ |
| <b>Pended</b>      | 637                  | 731              | -12.9% ▼ | 637                           | 773              | -17.6% ▼ | 9,303                | 12,554           | -25.9% ▼ |

# Orange County Price Trends



| TODAY'S STATS            |                      |                  |          |                               |                  |          |                      |                  |          |
|--------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                          | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|                          | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>Avg. Active Price</b> | 2,684                | 2,838            | -5.4% ▼  | 2,684                         | 2,109            | 27.3% ▲  | 2,684                | 2,109            | 27.3% ▲  |
| <b>Avg. Sold Price</b>   | 1,390                | 1,265            | 9.9% ▲   | 1,390                         | 1,337            | 4% ▲     | 1,286                | 1,360            | -5.4% ▼  |

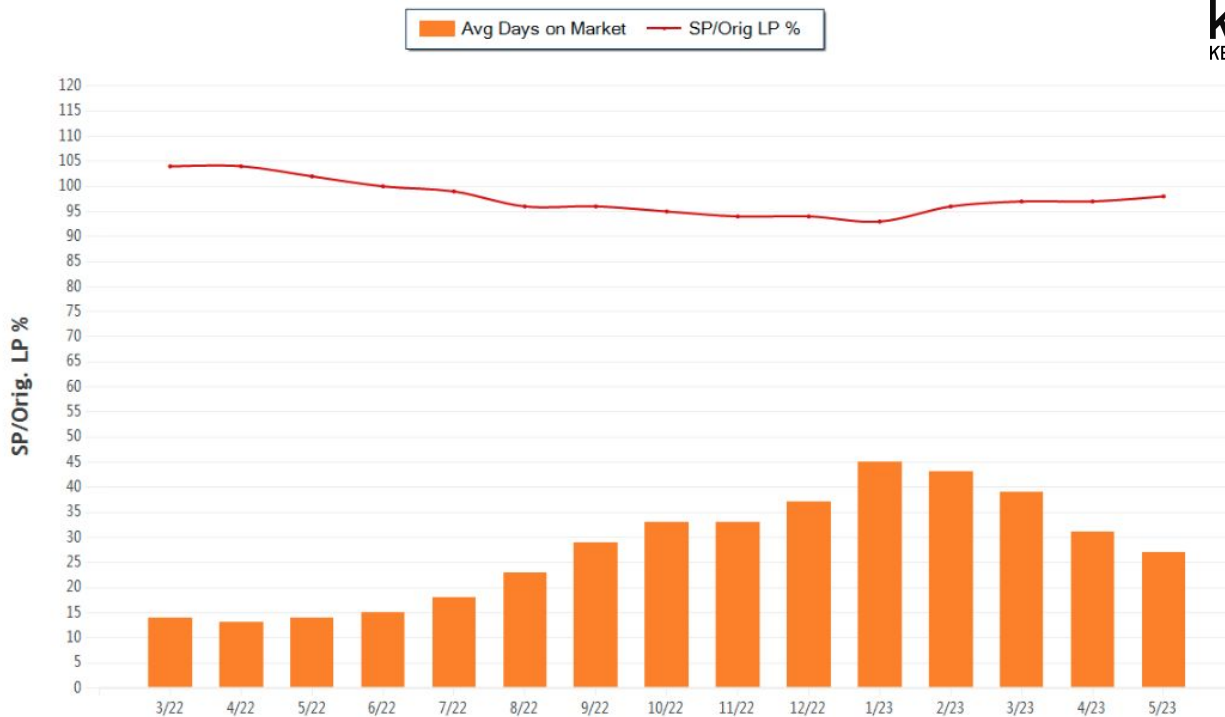
# Orange County Absorption Rates



## TODAY'S STATS

|                                    | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|------------------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                                    | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| Months of Inventory (Closed Sales) | 1.5                  | 0.9              | 64.3% ▲  | 1.5                           | 1.5              | 0%       | 1.4                  | 1.6              | -12.7% ▼ |

# Orange County DOM & Sold Vs. List Price %



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## TODAY'S STATS

|                             | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|-----------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                             | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>Avg Days on Market</b>   | 22                   | 31               | -29% ▼   | 22                            | 14               | 57.1% ▲  | 35                   | 15               | 133.3% ▲ |
| <b>Sold/Orig LP Diff. %</b> | 94                   | 98               | -4.1% ▼  | 94                            | 102              | -7.8% ▼  | 96                   | 103              | -6.8% ▼  |

A black and white photograph of a sign that reads "Riverside COUNTY LINE". The sign is tilted slightly to the right. To the left of the sign is a solid red rectangular block.

Riverside  
COUNTY LINE

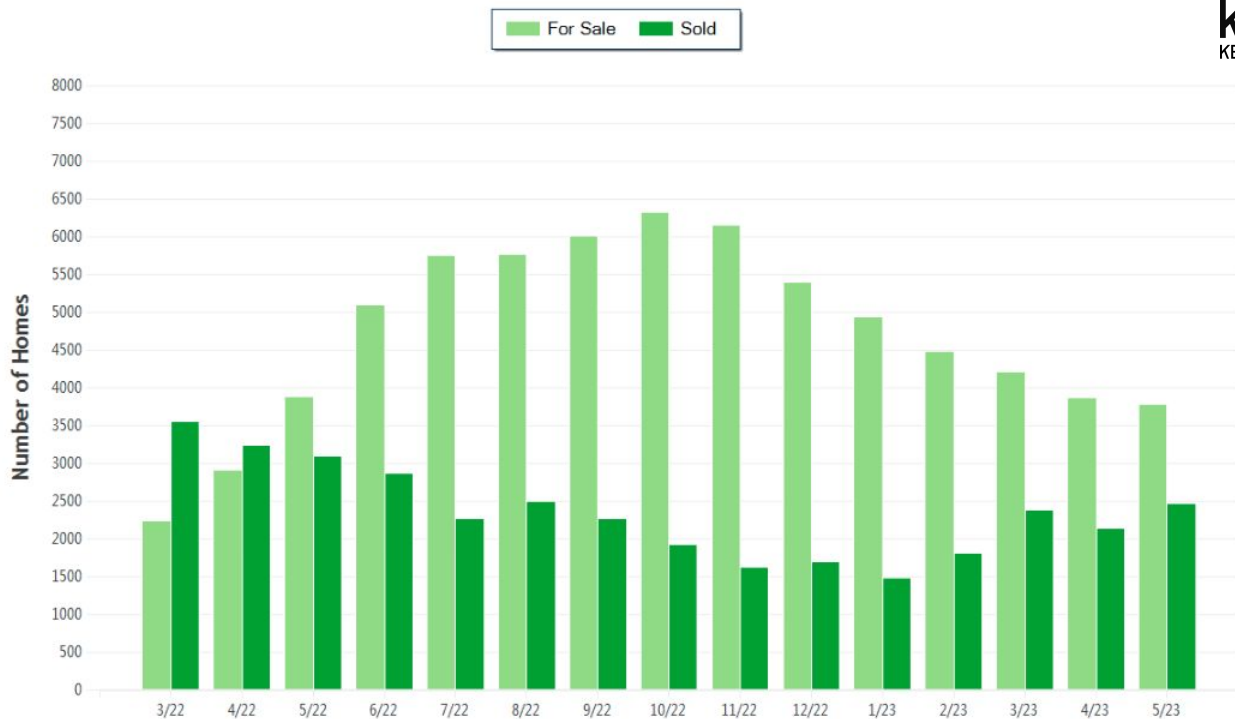
An aerial black and white photograph of a city street in Riverside, California. The street is lined with tall palm trees. On the left side of the street, there is a large, ornate building with a prominent tower. In the background, a highway and a residential area with houses on a hillside are visible. In the top left corner of the image, there are four white diagonal lines. At the bottom of the image, there is a solid red rectangular block.

# Riverside County

Inventory Trends, Appreciation  
Insights, Absorption Rates, and more!



# Riverside County Sales Trends



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| TODAY'S STATS   |                      |                  |          |                               |                  |          |                      |                  |          |
|-----------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                 | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|                 | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>For Sale</b> | 3,997                | 3,905            | 2.4% ▲   | 3,997                         | 5,107            | -21.7% ▼ | 3,997                | 5,107            | -21.7% ▼ |
| <b>Sold</b>     | 645                  | 895              | -27.9% ▼ | 645                           | 1,085            | -40.6% ▼ | 10,950               | 16,132           | -32.1% ▼ |

# Riverside County Inventory Trends



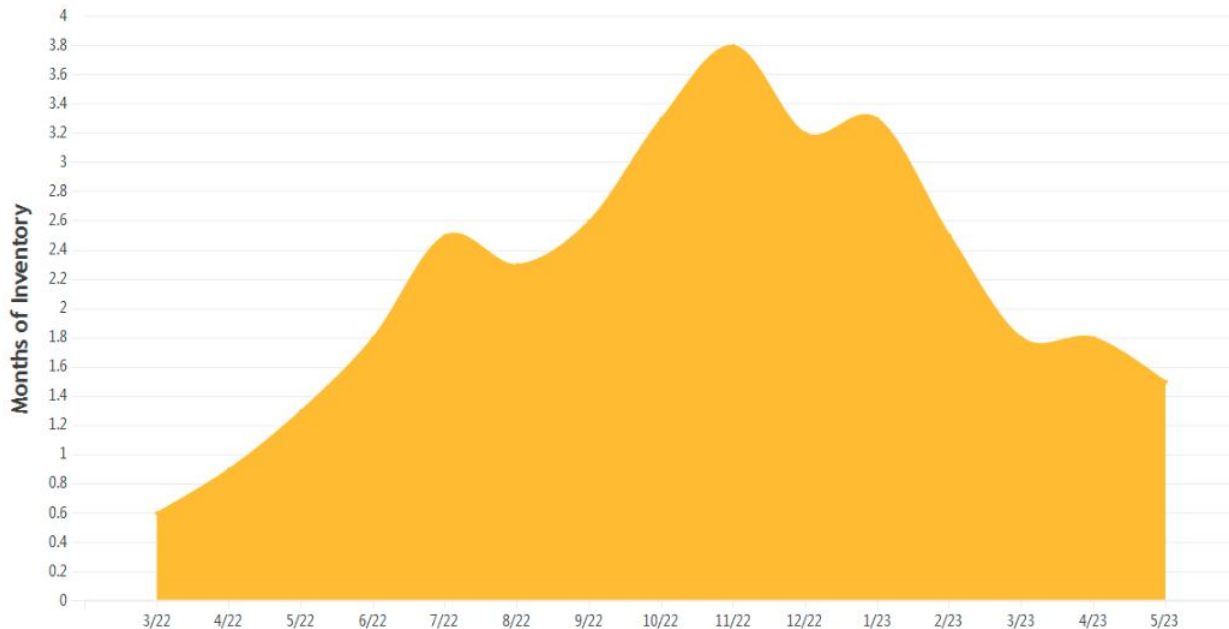
| TODAY'S STATS      |                      |                  |          |                               |                  |          |                      |                  |          |
|--------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                    | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|                    | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>New Listing</b> | 735                  | 1,189            | -38.2% ▼ | 735                           | 1,630            | -54.9% ▼ | 14,033               | 20,588           | -31.8% ▼ |
| <b>Pended</b>      | 818                  | 1,004            | -18.5% ▼ | 818                           | 987              | -17.1% ▼ | 12,475               | 16,226           | -23.1% ▼ |

# Riverside County Price Trends



|                   | TODAY'S STATS        |                  |          |                               |                  |          |                      |                  |          |
|-------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                   | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|                   | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| Avg. Active Price | 910                  | 932              | -2.4% ▼  | 910                           | 840              | 8.3% ▲   | 910                  | 840              | 8.3% ▲   |
| Avg. Sold Price   | 689                  | 737              | -6.5% ▼  | 689                           | 671              | 2.7% ▲   | 664                  | 688              | -3.5% ▼  |

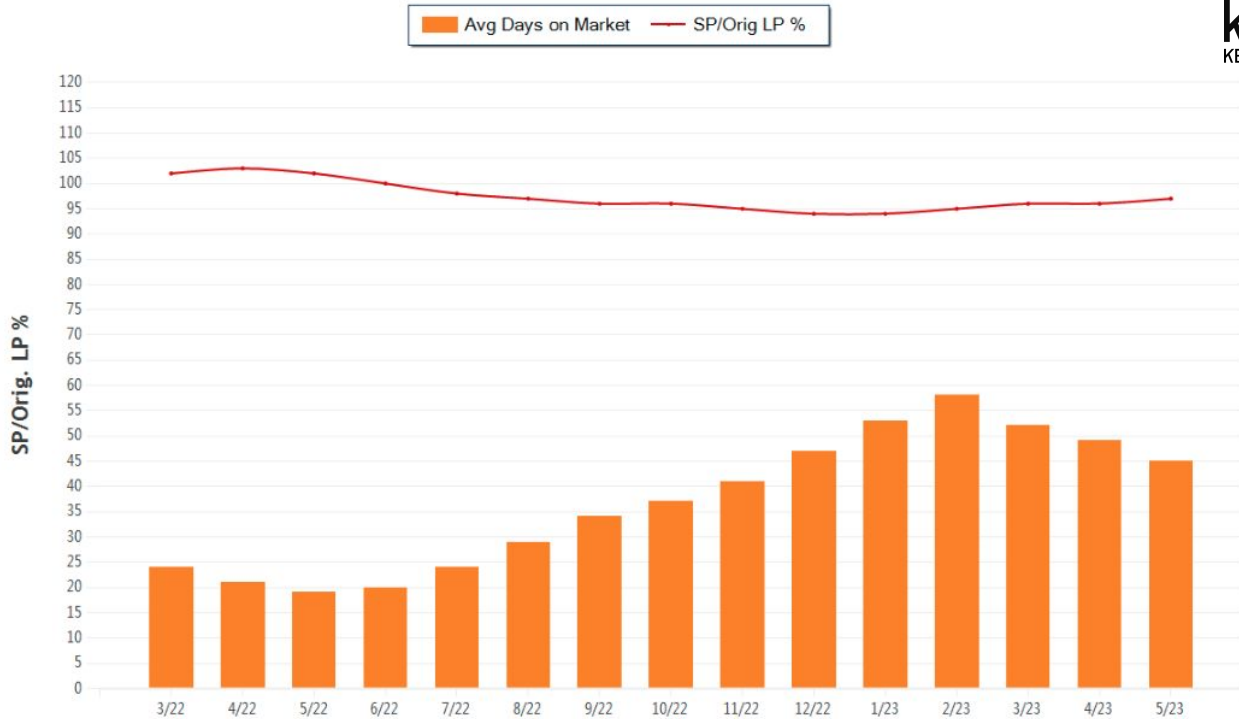
# Riverside County Absorption Rates



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| TODAY'S STATS                      |                      |                  |          |                               |                  |          |                      |                  |          |
|------------------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                                    | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|                                    | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| Months of Inventory (Closed Sales) | 2.3                  | 1.5              | 51.7% ▲  | 2.3                           | 1.7              | 34.8% ▲  | 2                    | 1.7              | 17.5% ▲  |

# Riverside County DOM & Sold Vs. List Price %



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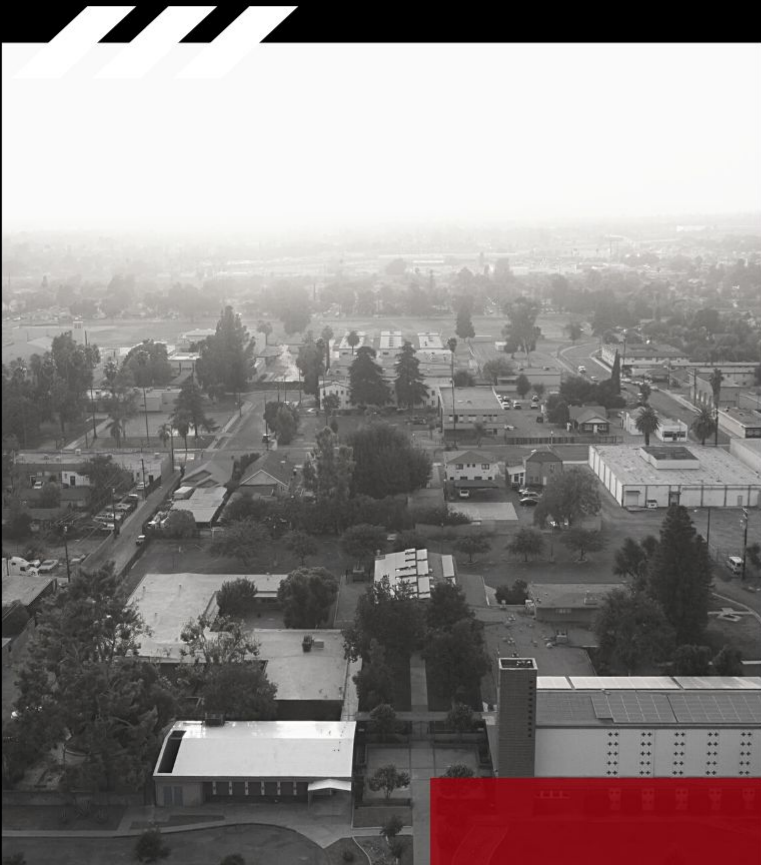
## TODAY'S STATS

|                             | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|-----------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                             | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>Avg Days on Market</b>   | 38                   | 46               | -17.4% ▼ | 38                            | 19               | 100% ▲   | 50                   | 23               | 117.4% ▲ |
| <b>Sold/Orig LP Diff. %</b> | 93                   | 96               | -3.1% ▼  | 93                            | 101              | -7.9% ▼  | 96                   | 102              | -5.9% ▼  |

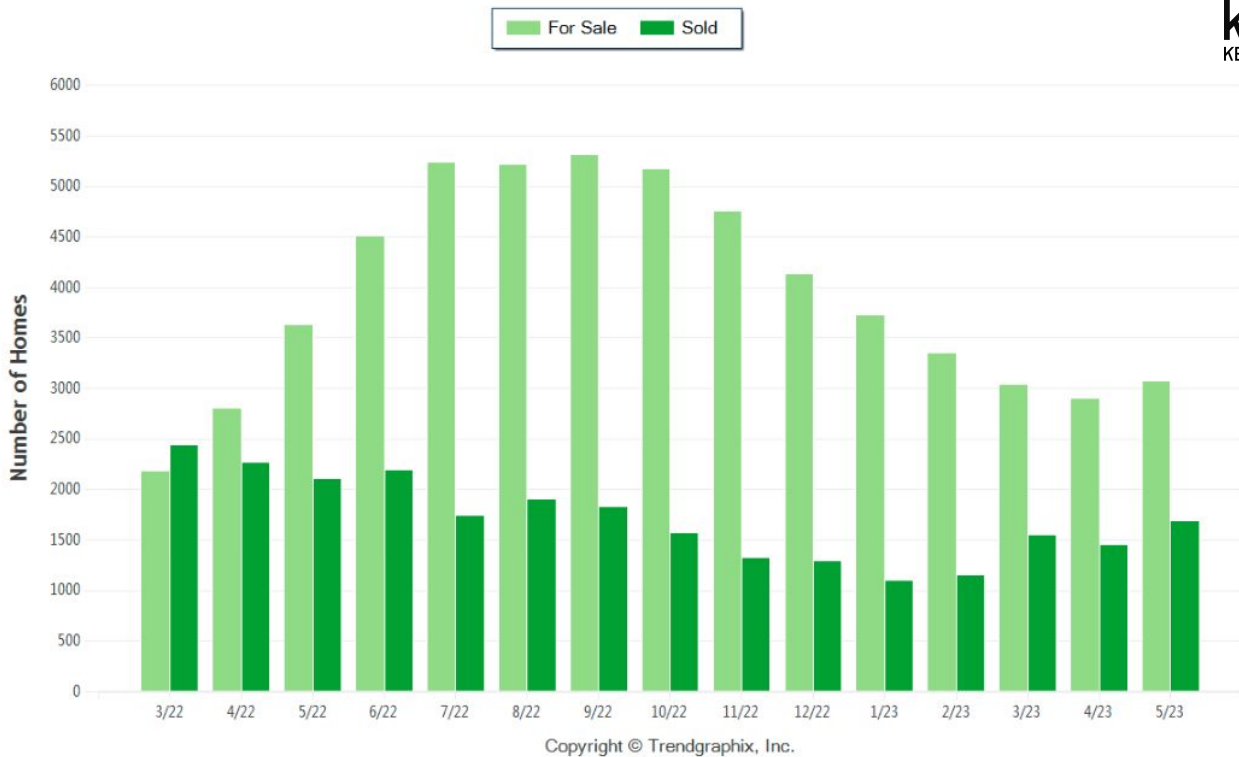
San Bernardino

# San Bernardino County

Inventory Trends, Appreciation  
Insights, Absorption Rates, and more!

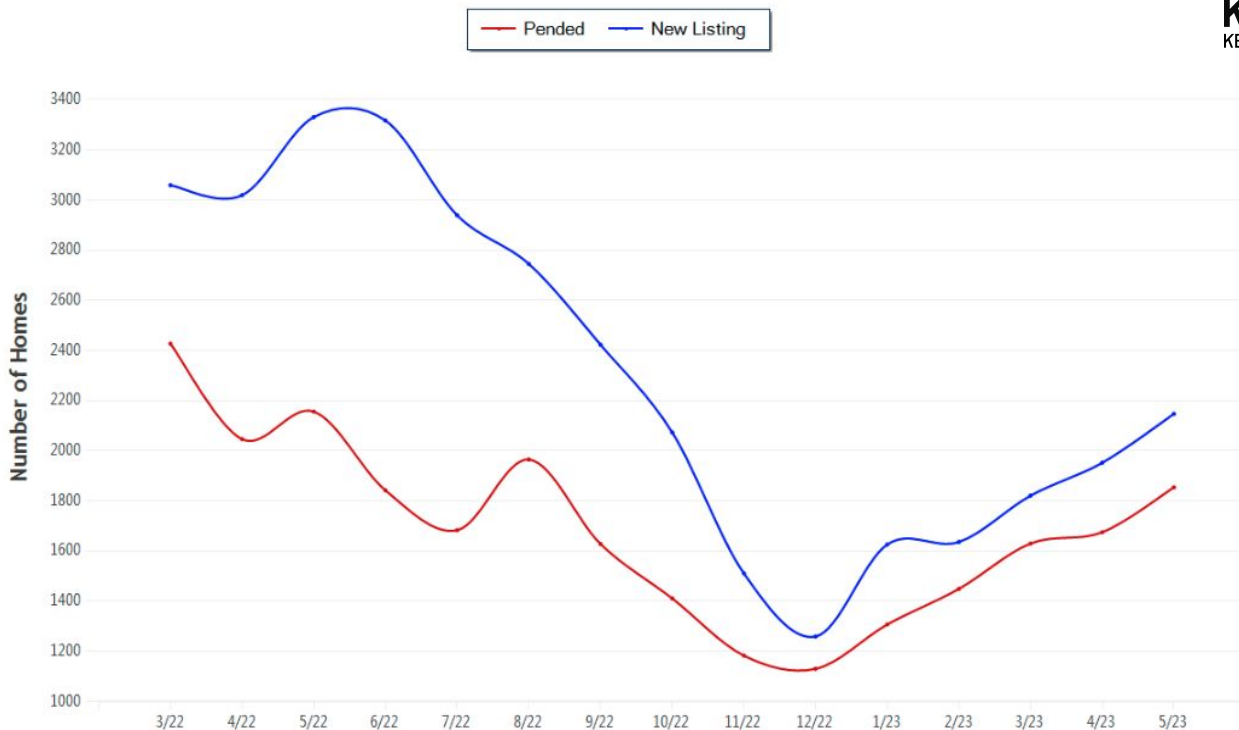


# San Bernardino County Sales Trends



| TODAY'S STATS   |                      |                  |          |                               |                  |          |                      |                  |          |
|-----------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                 | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|                 | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>For Sale</b> | 3,231                | 2,928            | 10.3% ▲  | 3,231                         | 4,516            | -28.5% ▼ | 3,231                | 4,516            | -28.5% ▼ |
| <b>Sold</b>     | 451                  | 596              | -24.3% ▼ | 451                           | 802              | -43.8% ▼ | 7,414                | 11,403           | -35% ▼   |

# San Bernardino County Inventory Trends

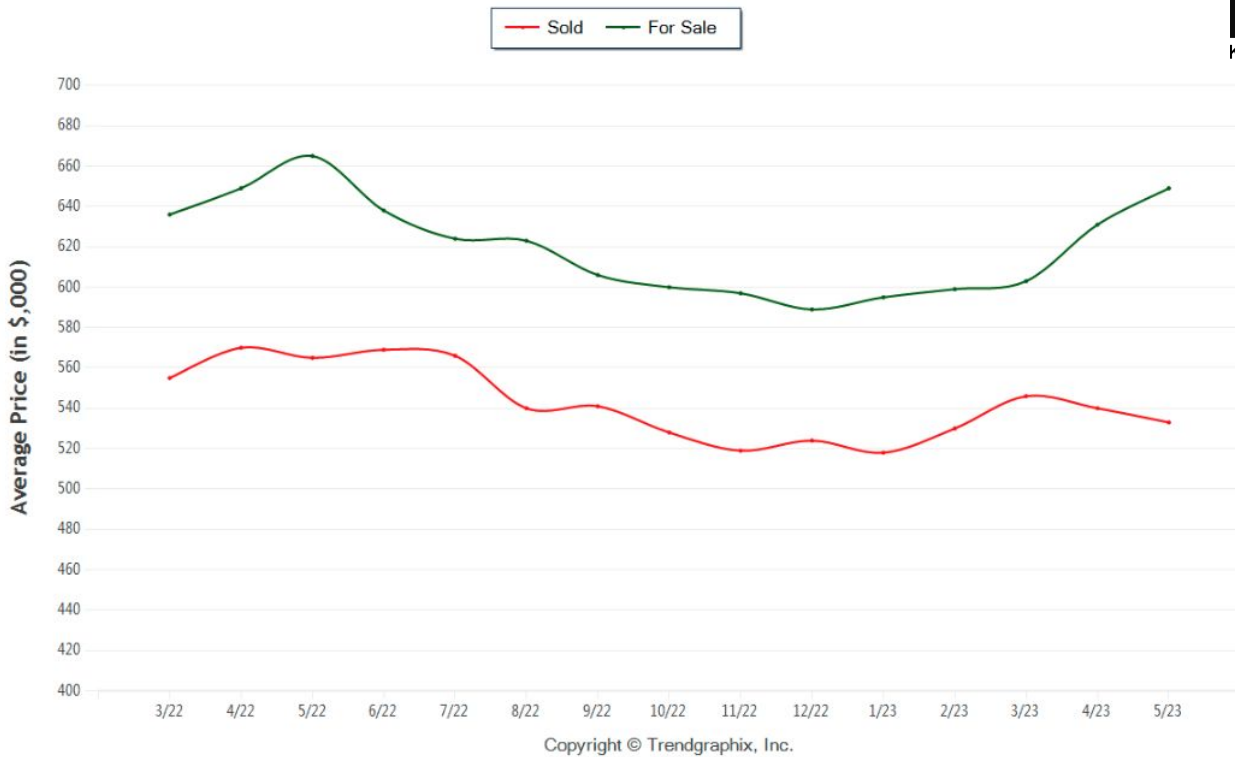


## TODAY'S STATS

|                    | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|--------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                    | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>New Listing</b> | 623                  | 850              | -26.7% ▼ | 623                           | 1,202            | -48.2% ▼ | 9,878                | 15,373           | -35.7% ▼ |
| <b>Pended</b>      | 531                  | 674              | -21.2% ▼ | 531                           | 702              | -24.4% ▼ | 8,396                | 11,435           | -26.6% ▼ |

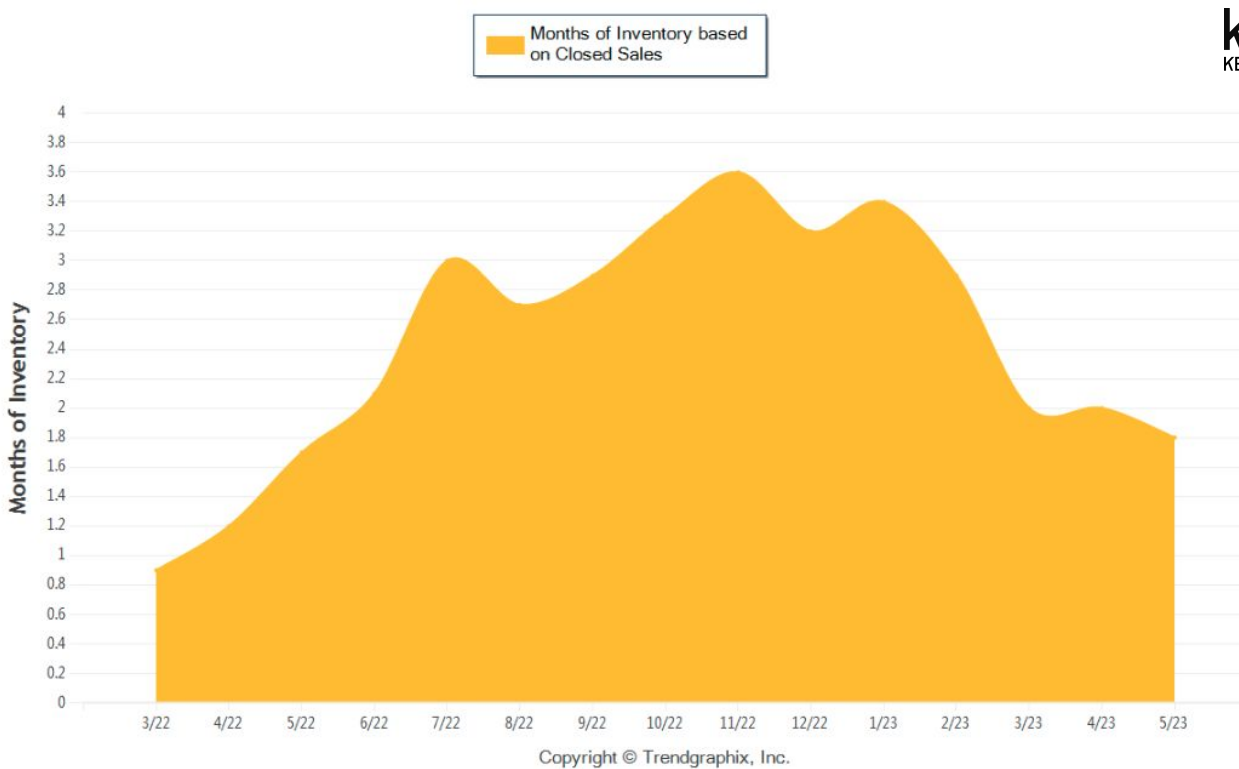


# San Bernardino County Price Trends



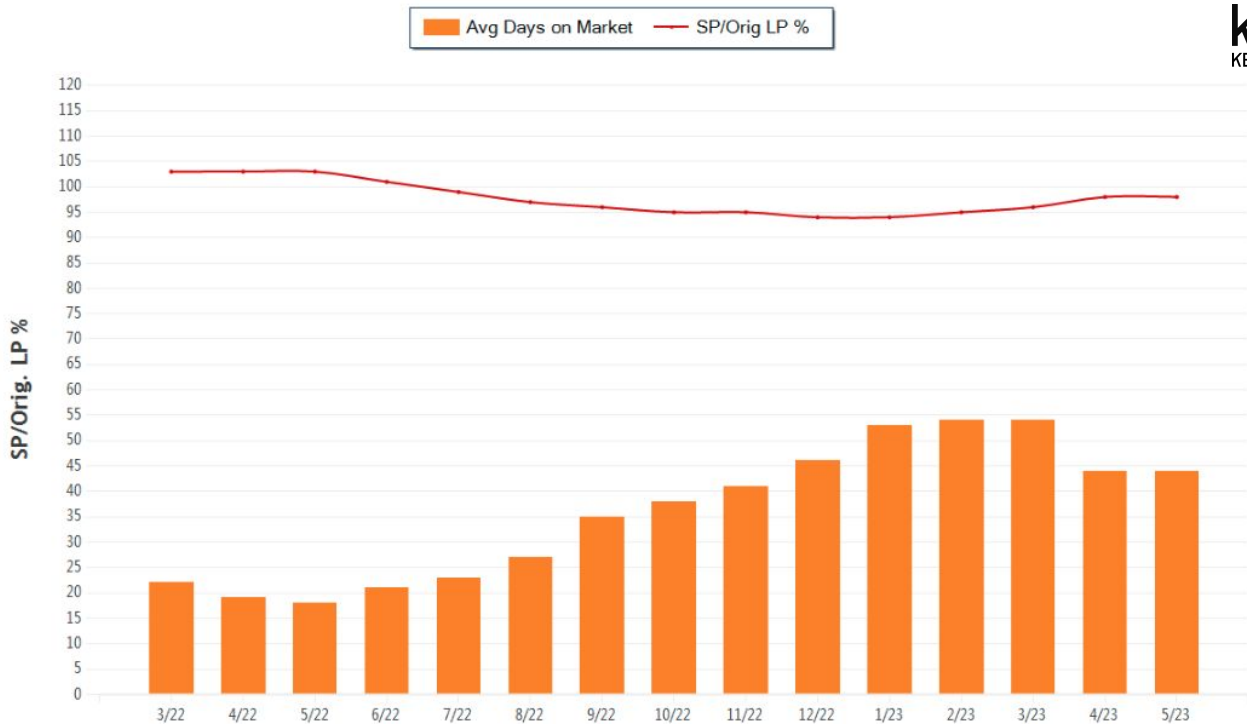
|                   | TODAY'S STATS        |                  |          |                               |                  |          |                      |                  |          |
|-------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                   | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|                   | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| Avg. Active Price | 646                  | 644              | 0.3% ▲   | 646                           | 638              | 1.3% ▲   | 646                  | 638              | 1.3% ▲   |
| Avg. Sold Price   | 548                  | 520              | 5.4% ▲   | 548                           | 567              | -3.4% ▼  | 535                  | 553              | -3.3% ▼  |

# San Bernardino County Absorption Rates



| TODAY'S STATS                      |                      |                  |          |                               |                  |          |                      |                  |          |
|------------------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                                    | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|                                    | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| Months of Inventory (Closed Sales) | 2.6                  | 1.7              | 51.6% ▲  | 2.6                           | 2.1              | 24.2% ▲  | 2.4                  | 2.1              | 14% ▲    |

# San Bernardino County DOM & Sold Vs. List Price %



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| TODAY'S STATS               |                      |                  |          |                               |                  |          |                      |                  |          |
|-----------------------------|----------------------|------------------|----------|-------------------------------|------------------|----------|----------------------|------------------|----------|
|                             | Current vs. Prev MTD |                  |          | Current vs. Same MTD 1 Yr Ago |                  |          | Current vs. Prev YTD |                  |          |
|                             | 6/1/23 - 6/11/23     | 5/1/23 - 5/11/23 | % Change | 6/1/23 - 6/11/23              | 6/1/22 - 6/11/22 | % Change | 1/1/23 - 6/11/23     | 1/1/22 - 6/11/22 | % Change |
| <b>Avg Days on Market</b>   | 37                   | 46               | -19.6% ▼ | 37                            | 21               | 76.2% ▲  | 48                   | 22               | 118.2% ▲ |
| <b>Sold/Orig LP Diff. %</b> | 96                   | 98               | -2% ▼    | 96                            | 101              | -5% ▼    | 96                   | 102              | -5.9% ▼  |

# Industry News

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# U.S. Foreclosure Activity Sees Spike In May 2023

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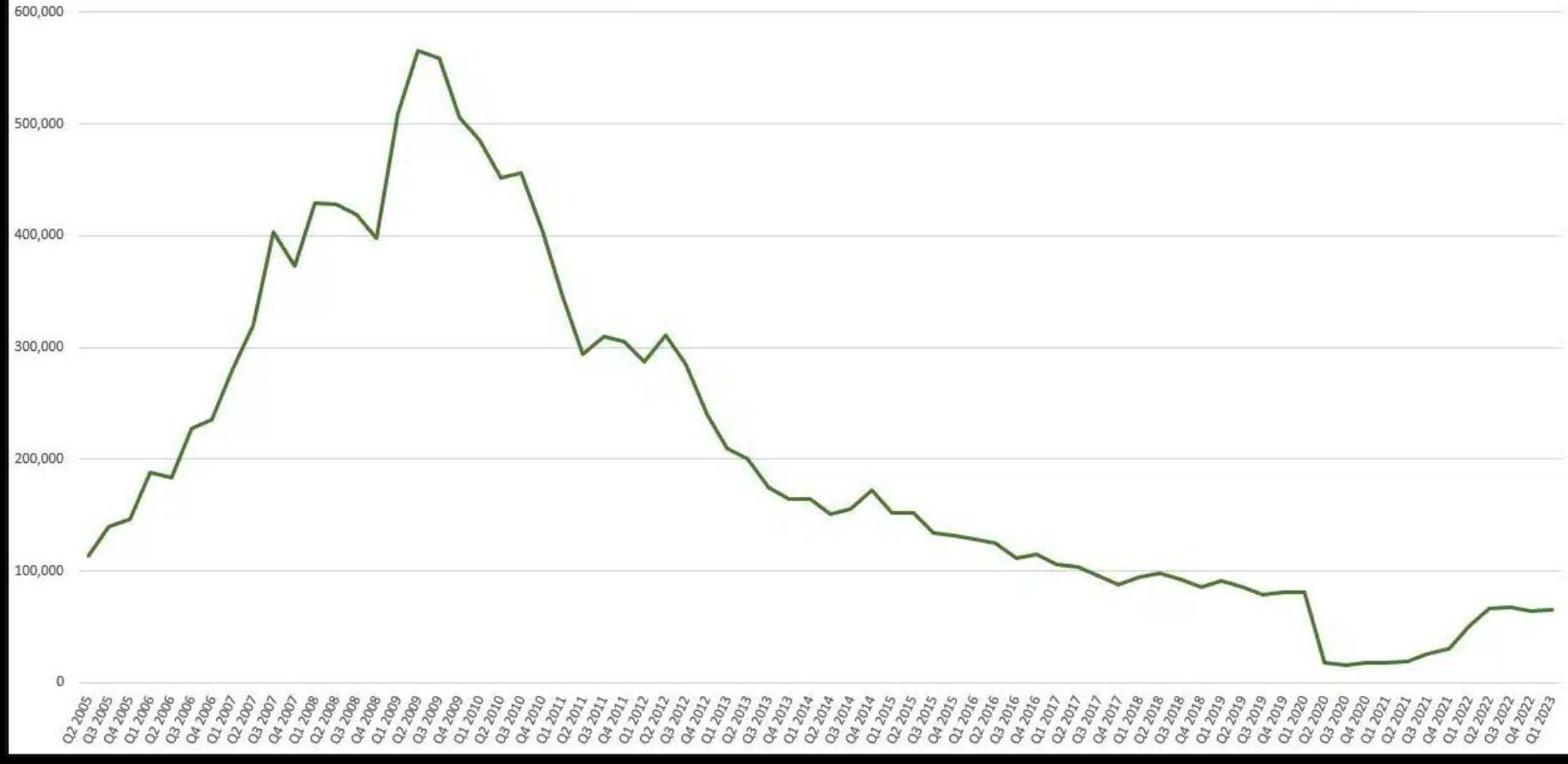
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2023 Mid-Year Housing

# U.S. Foreclosure Starts





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Ignite agents are

**138%**

more likely to  
have **transactions**  
than non-Ignite  
agents.





## Mortgage Hacks Email Series For Buyers | #kwSELA

For most real estate agents and consumers, the term "mortgage" conjures an image of a fixed rate, 30-year loan. When the real estate market is good th...

Published: March 8, 2023

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12

Steps

10

Duration

6

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Monica Rivera  
Author

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Published: March 13, 2023

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22

Steps

24

Duration

13

Touches



Monica Rivera  
Author

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# MORTGAGE HACKS

Hey |\*ContactFirstName\*|,

I'm excited to share some valuable information about how you can save money on your mortgage payments and afford your dream home! In this email series, I'll be covering different Mortgage Hacks, starting with Buydowns.

A Buydown is a way to lower your monthly mortgage payments by paying upfront to reduce the interest rate on your mortgage. This is especially helpful for first-time homebuyers who may have limited resources but want to purchase a home. By buying down the interest rate, you'll pay less in interest over the life of your loan and have lower monthly payments for the first few years of your mortgage.

There are two types of Buydowns: Temporary and Permanent. With a Temporary Buydown, you'll make payments at a lower interest rate for the first few years of your mortgage, after which your interest rate and monthly payments will adjust to the market rate.

With a Permanent Buydown, you'll pay a one-time fee at the beginning of your mortgage to permanently lower your interest rate and monthly payments for the entire life of your loan.

A common misconception is that 1% = 1 point. In reality, approximately 1 point = 0.25% of the mortgage rate. **Buying down the rate by 1 point costs ~1% of the loan amount.**

~~How to lower the monthly mortgage payment~~



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### Here is how the math works on a 30-year mortgage

|                                  | No Points  | 1 Point         | 3 Points        |
|----------------------------------|------------|-----------------|-----------------|
| Purchase Price                   | \$500,000  | \$500,000       | \$500,000       |
| Down Payment                     | 5%         | 5%              | 5%              |
| Quoted Interest Rate             | 7%         | 7%              | 7%              |
| Interest Rate w/buydown          | 7%         | 6.75%           | 6.25%           |
| Monthly Payment                  | \$3,160    | \$3,081         | \$2,925         |
| Total Interest over life of loan | \$662,667  | \$634,103       | \$577,876       |
| <b>Monthly Savings</b>           | <b>N/A</b> | <b>\$79</b>     | <b>\$235</b>    |
| <b>Interest Savings</b>          | <b>N/A</b> | <b>\$28,564</b> | <b>\$84,791</b> |
| <b>**Buydown Cost to Seller</b>  | <b>N/A</b> | <b>\$4,750</b>  | <b>\$14,250</b> |

\*Not including taxes, insurance, or private mortgage insurance (PMI). Figures are rounded to the nearest whole dollar.

\*\*Can be paid by buyer, seller or lender.

Here is an example of a Temporary Buydown such as a 3-2-1.

A 3-2-1 buydown is a concession to the buyer that reduces the buyer's interest rate and monthly payment for the first three years of homeownership making the home more affordable. In the below example, the seller agrees to finance three years of a lower interest rate for the buyer.

- The interest rate for Year 1 is reduced by 3 percentage points
- The interest rate for Year 2 is reduced by 2 percentage points

- **AB 2097** - prohibits a public agency from imposing a minimum parking requirement on any development project that is located within one-half mile of a major transit stop, including commercial projects which are not for housing purposes. Exceptions apply for certain circumstances where the local jurisdiction concludes the lack of adequate parking will have a substantial, negative impact on the community, but the standards for these exceptions have been heightened.
- **AB 2011/SB 6** - Referred to as the “Affordable Housing and High Road Jobs Act of 2022”, AB 2011 streamlines the development process for multifamily housing developments with a zoning designation permitting office, retail or parking use. In order to qualify for this ministerial approval process for which CEQA review is not required, the project must pay prevailing wages to construction workers and satisfy certain affordable housing standards.

Similar to AB 2011, SB 6 (referred to as the “Middle Class Housing Act of 2022”) allows residential development on property zoned for retail or office use. While there is no streamlined approval process like AB 2011, SB 6 does not apply affordable housing standards for qualification. SB 6 also requires prevailing wages and utilizing a “skilled and trained workforce.” *These two laws take effect July 1, 2023.*

- **SB 561/AB 2233/AB 2592** Codifying Governor Newsom’s 2019 order, SB 561 and AB 2233 require surplus state land to be used for affordable housing development. Timelines have been put in place to create a list of such development opportunities. Similarly, AB 2592 requires identification of state-owned buildings for conversion to housing. These could present opportunities for developers looking for new housing projects.

## Quick Updates

- **AB 2234:** New enforceable timelines for issuance of governmental approvals have been implemented for post entitlement housing permits, such as building, demolition and grading permits.
- **AB 2295:** Special exemptions from local zoning and use restrictions now apply for rental housing developments on land owned by an educational agency (teacher housing law).
- **SB 886:** New exemptions from CEQA apply to university housing projects, subject to an extensive list of qualifying requirements.
- **AB 2334/AB 1551/AB 682:** New density standards have been applied to the qualification requirements for affordable housing projects.
- **AB 2221/SB 897/AB 916:** Various changes have been made to ease the development of ADUs, such as increased height limits and bedroom counts.
- **AB 2245:** Expanded procedures have been put in place for partition actions, expanding the option right previously applicable to “heirs property” only.
- **AB 2745:** New limitations enacted for broker applicants, specifying that the 2-year experience requirement must be satisfied within the 5-year period prior to the application date.