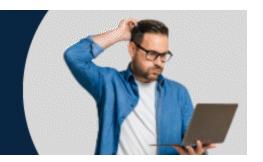




S SKYSLOPE Losing deals and agents?





Dear Californians,

The devastation caused by the recent wildfires in Southern California is beyond words. Our hearts are heavy for those whose lives have been upended, so many of whom are now facing unimaginable losses. Despite this tragedy, we continue to be inspired by the extraordinary courage shown by our first responders. To those who risk everything to protect life and preserve property, we are deeply grateful.

The next several months will bring untold challenges for so many. As professionals whose core values are tethered to the building of communities and to the meaning that "home" occupies in our lives, we not only stand committed to helping rebuild what has been lost but also aim to protect you however we can. We take this commitment seriously. The immediate housing needs for those who have lost their homes create new vulnerabilities that some may seek to exploit. We want you to know your rights, to stay vigilant against predatory practices, and to report any misconduct you become aware of. Here are a few areas we want to draw your attention to:

1. Price gouging: During a declared emergency. California law

C.A.R. publishes open letter to support LA wildfire survivors

Source: Inman

The CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) has published an

open letter in more than 45 major newspapers to help Californians displaced by recent wildfires understand and avoid common pitfalls as they recover form the disaster. The letter is being published in the California editions of the Wall Street Journal, The New York Times, the Los Angeles Times, the Orange County Register and others, as well as Spanish language versions in La Opinion, La Opinion de La Bahia, El Latino and El Observador. Both language editions will be available in digital editions of all newspapers.

The letter echoes some warnings that California officials have put forth to consumers in recent weeks, as bad actors seek to take advantage of those who have been left vulnerable by the fires. C.A.R.'s warnings highlight price gouging, fraudulent activities (including fake rental listings) and unsolicited, undervalued offers to purchase property in ZIP codes impacted by the fires as things for which consumers should be on high alert. The letter also points out resources available to consumers impacted by the fires.

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PHOTO TIME.

Did you know that you have an official CA REALTOR® Virtual Photo Op? Skip the line.

Over \$4 billion in LA fire claims distributed, more to come

Source: CalMatters

Insurance companies have paid out \$4.2 billion in claims so far to survivors of the Los Angeles County fires, the state Insurance Department said Thursday. That figure includes home, business, living expenses and other disaster-related claims related to the Eaton and Palisades fires, the department said, citing data from insurance companies and the FAIR Plan, which is a pool of insurers that offers fire insurance to customers who can't get it elsewhere.

Affected property owners have filed 31,210 claims – 14,417 of which have been partially paid. Part of the point of letting the public know how much has been paid out so far is so that they know that under the law, claimants are eligible for some advance funds without having to file itemized claims, said spokesperson Michael Soller. For some people, it could be "lifechanging to know that they can get money up front," he added.

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State Farm requests 22% emergency rate hike for California homeowners

Source: KSBY

If your home is covered by State Farm, you could soon face a 22 percent rate increase. In a letter sent to the California Department of Insurance on Monday, the company requested an emergency rate hike. Following the Los Angeles wildfires, State Farm says it has paid out more than \$1 billion and expected to pay out more.

The company is asking for permission to increase rates so they can rebuild

capital to keep providing coverage. "All we are asking for in the industry is adequate rates so that we can pay claims and expenses," said Janet Ruiz, Insurance Information Institute Director of Strategic Communication. Homeowners aren't the only ones that could be affected. The company is also requesting a 15 percent rate increase for condo owners and a 38 percent increase for rental dwellings.

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The LA fires have a shocking price tag

Source: Vox

Now that the extraordinarily fast-moving wildfires that engulfed swaths of Southern California this year have started to die down, the enduring toll is beginning to emerge. The blazes killed 29 people and destroyed at least 16,000 structures including homes, offices, shops and public infrastructure. Verisk, a risk analysis firm, calculated that insured losses would total between \$28 billion and \$35 billion. CoreLogic, a property analytics company, put the bill between \$35 billion and \$45 billion. Economists at UCLA pegged the insured losses at \$74 billion.

Insured properties weren't the only things list to the flames. Morgan Stanley estimated that the fires would lead to 20,000 to 40,000 lost jobs in January and will increase local inflation as people try to replace what they've lost. The UCLA team found the total property and capital losses range as high as \$164 billion. AccuWeather estimated that the total damage plus broader economic slowdown would add up between \$250

billion and \$275 billion. That would make the 2025 Los Angeles fires the costliest natural disaster in U.S. history.

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AG Bonta says Gov. Newsom's executive order provides protections for LA fire victims

hikes un

Source: California Office of the Attorney General

California Attorney General Rob Bonta issued a statement on Governor Newsom's Executive Order N-17-25. Among other things, the executive order expands rental price gouging protections to leases of any length, adds three new ZIP codes to prior executive orders prohibiting real estate speculation, and exempts housing in ZIP codes with high fair market values, that have not previously been on the rental market, from statutory rent caps.

"Governor Newsom's executive order will make an important difference in the lives of Californians who have been affected by the wildfires. With today's executive order, California's price gouging protections now apply to leases of any length. Unsolicited property offers by predatory buyers are now prohibited in three additional zip codes in Southern California: 91024, 91103, and 91367. And, with the suspension of the statutory rent caps for certain homes that were not previously on the rental market, additional housing options can come on market."

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Homebuyer mortgage demand drops further, boding ill for the spring market

Source: CNBC

Homebuyers are seeing very little reason to get a jump on the all-important spring housing market, even with more listings coming up for sale. Mortgage rates haven't moved much in the last few weeks, and home prices continue to rise. Mortgage applications to purchase a home last week dropped 4 percent from the previous week, according to the Mortgage Bankers Association's seasonally adjusted index. Demand was flat compared with the same week a year ago.

The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances decreased to 6.97 percent from 7.02 percent, with points increasing to 0.64 from 0.63 (including the origination fee) for loans with a 20 percent down payment. Applications to refinance a home loan dropped 7 percent for the week and were 5 percent higher than the same week one year ago. Interest rates are now 24 basis points higher than they were a year ago. Applications for a mortgage to purchase a home rose 12 percent from one week earlier and were 17 percent higher than the same week one year ago. More sellers are offering price cuts, while the supply of homes for sale rose 25 percent compared with a year ago. Much of the supply gain is because homes are sitting on the market longer.

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