

Santa Clarita home experts market predictions ([00:00](#)):

Good to everybody. I am Connor MacGyver. Thank you so much for tuning in Santa Clarita, home experts.com. Of course you want to get all the real estate news, everything going on in the world wildly in Santa Cruz valley SCV nine one, one.com been selling real estate since 1998, representing buyers and sellers. Today, I do want to talk to you about the real estate market. I want to talk to you, what I believe is going to be happening in the near future. That's going to create a little bit of a shift in the market itself, and everybody thinks that that will not everybody. A lot of online, people are saying that we're going to have this big foreclosure wave and that's going to be because a lot of these properties that haven't had payments made on them and especially the rental properties, those are the ones where basically the tenants, when COVID first started, they were given an out and stated that basically they didn't have to pay their rent depending on where you were for a while.

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And that's continuing through the end of September. Now for that time, they haven't made those rental payments. So those landlords, depending on how fiscally savvy, they were a Fesco fiscally established, it's going to depend on what's going to happen at the end of this. But in some cases, some of these tenants may not leave. So they opine that at that time, these owners are going to want to let go of these properties or potentially have to foreclose because they're, they've been in the red for so long. That could happen on a very small scale. I don't think it's going to be huge news, but it is something to pay attention to. And if you hear a lot of reporting on it, just make sure that you verify whatever has been reported with fact, and you find out where those sources are. I can come here all day long and say this hose in the backyard, isn't mine.

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But then I would have to prove it in some way, shape or form. Whenever you're watching online sources with opinion, you also want to do that unless they're telling you that this is an opinion, as I'm telling you what my case is with regard to the real estate market, what I believe is going to happen. And again, it's all opinion, but there are a lot of people that were going to be putting their properties on the market last year when COVID started. And a lot of those people held back because they did a refinance. So there was a massive refinance, boom, last year during COVID, as you probably know. And if you don't usually after a refinance, people, last thing they want to do is sell. At least at that time, maybe in the coming, you know, three or four months, eight, nine months, maybe that makes sense to them to maybe try to sell it again.

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But at the time they do a refi, well, that's the last thing they're thinking about, but now it's going to be coming to where we've had probably better than a year, maybe 10 months since that market. So we're going to start seeing some of these sellers that wanted to sell last year, actually start to list those properties. The question is, is it going to be enough to change the market dynamic? Cause right now it's this, this is a dynamic sellers market, lots of offers on each listing. That's put together lots of viewings. The offers are written in such a way where basically these buyers are giving up their rights to do inspections, to have particular contingency, timeframes, to allow for the appraiser, to go in there and verify the value where the buyer then has a choice. The buyers are actually giving up those rights.

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And they're saying in a lot of cases, you know what? I don't care what this property appraises for. I'm going to make this offer this amount and I'll pay you the difference in cash. We see this happening over and over again with the real estate that's out there for sale. And this happens within two or three days of the property being on the market. In fact, when a property is listed for coming soon and coming soon purposes, this is something that goes back about a year and a half, maybe to, uh, may of 2020, maybe 2019. So it was a new status that was pulling the multiple listing service. And you might've seen it online. Basically the MLS was going to start competing with Zillow and Redfin and realtor.com. They actually had fields that allowed agents to input listings that weren't in the MLS. So the board of realtors, I think kind of took it upon themselves, that, you know, what we kind of have to get out of the old ages and kind of jump in with the new.

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So then they allowed agents to upload coming soon listings. The difference is, is ours are vetted and verified. And if I go in there and try to put something in fake, like I would be able to do on those other syndication sites, I mentioned, well, I would get in trouble quite a bit of trouble. In fact, I could lose my license and get fined for false and misleading. So that's why the MLS is actually a best, the best resource to go to, but back to coming soon. So I have 21 days 21, I can take a property, put it on the market coming soon, and then see what kind of attention and focus there is from people out there looking online and also other agents, if the listing is going to be popular and I put the listing coming soon, I'll start getting calls and text messages and emails within minutes because somebody is looking for a property in that area.

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They have a saved search in the multiple listing service. And that saves search is going to notify them immediately. Once a property does hit the market in that neighborhood, potentially in that price range or above it or below it, depending on how the settings are, but the agent and the person's going to be notified. If the agents tied up the person, their client that has the search set up for them, like we do for our clients, it's going to be notified. They're going to hit their agent up and say, Hey, this listing just popped on it's in the area I want. It's the housing type I want. It has everything I want. This is what I want. So you need to take care of this for me, in that particular case, the agent would then contact me and find out what's going on. I would say, well, we have it coming soon.

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The first showings aren't until whatever date we established in the multiple listing service. And if they wanted to get in early, that's a seller option that could happen more than likely. Most of the sellers say, no, we have it coming soon for a reason. And we're going to hold it until that time. In some cases that agent, again, we'll go out there and have that offer written site and seen. But as part of the offer, they haven't written contingent on the buyer coming and viewing the property, which only makes sense. In some cases, though, they write a site and scene and they don't put that as a contingency at all. And in fact, they don't have any contingencies. That could be a problem for the buyers out there, but I believe this market is going to turn not because we're going to have a depressed state or some kind of economic impact, like the inflation that's going up.

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It seems gas going up. I believe the biggest impact, not interest rates either. I believe the biggest impact is going to be extra housing inventory entering the market hand over fist right now, 260 units for sale

totally. And all total Santa Clarita valley, all the cities, we increase that by triple or quadruple, that amount get up near a thousand, 1100. We'll see the market start to become a little more stagnant because now buyers are going to have a lot more to choose from. And in those amounts, that's probably going to outrun the amount of buyers we have current in the market today. So looking near the future here, coming in the end of September, the forbearance coming to an end, that's something to pay attention to. But if somebody's telling you, they have factual information as to why that's going to spear off some kind of a foreclosure or a depressed state of the real estate world, you need to get from them where that is, where is that factual information?

Santa Clarita home experts market predictions ([07:26](#)):

Or it's just opinion like this is my opinion. I've been doing this for a while. It seems to make sense. That's where the break is going to come in housing. And what numbers are we talking about? 5%, maybe, maybe less, maybe up to seven, not huge numbers. When we get that extra inventory, unless we get so much that it really puts the market back on its heels. And then at that time, sellers are definitely going to want to renegotiate those prices that they had said in their mind as to what was going to be good to ask for the residents. Maybe that number is going to come down and get a little less. Maybe the buyers are going to start to control the ball a little bit more because right now they have, they don't even touch it during the entire game for the most part, except when they fire it off without original, that initial offer, usually it's hands off the rest of the game and the sellers controlling it.

Santa Clarita home experts market predictions ([08:19](#)):

If we get that extra inventory, the buyers are, they're going to be able to pull it out and they're going to have that ball. They're going to be able to run with it a little bit. They're going to be able to request things like closing cost credit. They're going to be able to request things like having things, items, repaired, credits for different things that typically wouldn't be asked for, because now there's a lot more competition on the seller side, which we haven't seen for a long time. I believe that's where it's going to come in. I wouldn't be concerned about interest rates going up. That's kind of slotted more for next year. And when they do go up, it's not going to be dramatic either. I wouldn't concern myself with this extra, that the real estate market's starting to reduce because of overbuilding the new housing.

Santa Clarita home experts market predictions ([08:59](#)):

There's a lot of new housing building here off the five freeway and even off the 14, but with that new housing, we're seeing that it's going to be a little while before they're released. They can't build them fast enough. And we're talking an excess of almost 38 to 40,000 new residents as between five point and they Hasley canyon project. We have all of those slotted to be built, but they can't go fast enough to overrun this current market. Give it a few years. Maybe that'll have an impact on real estate resale in the private sector versus new housing. But as it is now, we don't see that as much of an impact at all. Also don't forget. Mello Roos does exist out here in Santa Clarita valley. It's starting to become more accepted because it seems like every new housing area besides a few, cause not all of them have it because they paid it at the very beginning. And that's kind of the trick. You're a builder. You go in to buy a bunch of acreage to start building houses. You have a choice. You can pay that those infrastructure freeze known as Mello-Roos up front, or you can pass it on to the event event, um, individual homeowners.

Speaker 2 ([10:12](#)):

So in a lot of cases, you know, the builders, in some

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Cases, they actually pay it upfront so they can set these prices for their houses and be able to advertise out there. These houses don't have Mello-Roos, but in most cases, that's not the case. You're going to see Mello-Roos corresponding to house square footage and price. So it's going to be a little bit more for some, a little bit less than others. And you'll see that maturity date, whenever the Mello-Roos finish being a certain date into the future. Um, a lot of the stuff I've been Saugus there, they're looking at 2056 being the, the end date. There's some opinion as to what it takes to keep those going. Uh, some opinion is doesn't take much. So maybe they'll end. Maybe they won't. Whenever I'm selling to a buyer, explaining to them the way it works. I wouldn't put anything in, in, you know, I wouldn't bet any paychecks on an actually stopping when it's supposed to.

Santa Clarita home experts market predictions ([11:04](#)):

So that's something else that buyers need to research when they start looking at residential real estate, a good, a good place to look, maybe HOA, or maybe speaking with a title officer that has a background of Mello-Roos and that special assessment tax I wanted to give you this update. I believe this is necessary. It is timely. And there is a lot going on in the market. Currently loans and lending. We still have very low interest rates in the twos for the most part, depending on FICO scores and credit, you're going to want to make sure that you get two opinions with regard to loans and lending. You have a bank that you work with. That's recommended, you know, go check them out, have them pull your credit, go to a local lenders. Well, maybe a mortgage broker. They have two or 300 different sources of money.

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And that being the case, they can pull on each one so they can find maybe a better deal here, which might give them a little bit more. And then they can discount you a little bit more, a little bit further as well. So that's how that process works. You want questions to ask lenders, reach out to me when you're ready, I'll be able to give you those questions. So you make sure that you're not being taken advantage of and you are being given a fair deal. And that's really what all of us want is a fair deal. I don't want to be taken advantage of. I was going to say something else. I don't want to be taken advantage of either. Whether I'm buying a car, buying a house, buying a suit, buying a pair of shoes. I want to be treated fairly. And I want to get the deal that I believe most everybody else is getting now to get a better deal than that.

Santa Clarita home experts market predictions ([12:29](#)):

Well, you're gonna have to call us. We want a better deal. Nobody else give us a call. I'll be able to help you out with commission and also for buyers out there with certain rebates. I'm Connor with honor here at exp Realty in Santa Clarita. We really do appreciate it. When you're ready, please let me know. Also go to SCV nine one, one.com. You see my weekly updates, including this. I'm going to plug this in there. It's not going to be part of the main update, but at least this will, this is an opinion piece. We'll see how whole, how much it holds. True. We'll find out the other reason why this market is not going to collapse on itself is remember back in oh 6 0 7 0 7. When a new century bank fell in March, I believe I was here. I was doing this. I believe that, uh, when they did fall, it was like house of cards.

Santa Clarita home experts market predictions ([13:14](#)):

But the reason why they did that was a subprime lender. And the subprime lenders were doing a lot of a hundred percent financing. So there wasn't much skin in the game, as far as real estate, not much investment as far as personal money. So people were buying residential real estate with nothing in, they

were paying for a home inspection. They were paying for the appraisal. And so a lot of times that appraisal was also covered by the lender. Money was easy, everything was wonderful. Market was all time high. But at that particular time, you were able to purchase a house with a hundred percent financing. Like if is if you were a veteran, no money out of pocket. When that market collapsed, it collapsed because we had very, very high prices and that sub primer kicked it off. So there are a lot of people not paying their mortgages.

Santa Clarita home experts market predictions ([14:00](#)):

Subprime lenders are for people that need a little bit extra help. So they were getting that help, but they couldn't perform. You had loans being given to people that had no business buying residential real estate. They weren't, they didn't have enough standing at their employer and they didn't make enough, but greed under the picture. And I believe that's what drove that last market cycle down. And that's great on both ends folks. Everybody's responsible, but this market has a lot of equity. You have no idea how many deals weekly I handle and see where buyers are putting in 50, 60, 80, \$120,000. And that's above what their down payment is. So they're buying into this market cash and they're doing it because there's no inventory and they really need to buy a house. That's a very personal decision. If you need to buy a house, that's the only people that should be in this market need to rest of you.

Santa Clarita home experts market predictions ([14:56](#)):

Folks should let's hold off and wait and watch how the market unfolds here in the next few months. Yeah. Can't keep going up forever. But it has been for quite a while. Yeah. I don't think we're going to see a foreclosure reset. Like they say supposed to have, but every 10 years, I believe that we're going to kind of keep nice and steady. If there is going to be a correction, it's not going to be massive, but it will be enough to maybe help some buyers out there that have been priced out of this current market and maybe solve some other problems as well. I'm Connor MacGyver when you're ready. SCV nine one, one.com. Reach out to me by cell phone. I'll help you out all day long. We are at August 3rd, 2021. And when you're ready. Okay. No, somebody that wants to buy residential real estate or sell it I'm here. And we can talk about those credits and discounts. When you call be safe, I'm Connor with honor talk to you soon over and out.