Realtor Talk

Irvine, California

GLOBAL MORTGAGE GROUP

AMERICA MORTGAGES

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00:19
Donald Klip
Hope you enjoyed that short video showcasing Irvine and a taste of some of the homes there. For those of you who remember, the song in the video was from the hit TV show The OC, Short for Orange County. The topic of today's discussion. My name is Donald Klip, co-founder of America Mortgages, the world's Only US mortgage broker based outside the US, focusing on overseas clients looking to obtain financing for US real estate. Welcome to our Realtor Talk series, where we invite experts to bring knowledge, awareness, and opportunities in specific areas of the world to our international audience.

In today's episode, we're very excited to have our next two guests talk about an area in the US that is not only close to my heart, having done my undergraduate degree there, but frankly, the most beautiful and perfect place to live in the US. This area is known as Orange County, which is south of Los Angeles and home to Irvine, California, which will be the topic of our discussion today. Honestly, the pictures you're going to see in the presentation will not do justice to what it's like to live, grow up, and of course, own real estate here. It's truly an amazing place. Now, the goal of this talk is to bring awareness to our audience and to talk about why Irvine has been one of the most gentrified cities in the US for overseas Asians, and in particular the Chinese.

I'll stop rambling here and bring on our guest speakers, and from time to time ask some questions or highlight key points that I may feel are important to our international audience. So please welcome Lily Lyn Ly of Realty One and Jennifer Mualim of Home Smart Realty.

05:09
Lily Lin Ly
Hi, I'm Lily Ly. I have been an award-winning realtor with over 16 years of experience. UC San Diego graduate, have lived in Southern California for 35 years, and have lived in Irvine for 20 years. I formerly worked at Yahoo, Capital Group, and New Century Mortgage. Since I've been in this marketplace for many years, I've established an extensive professional network and I also speak fluent Chinese.

05:39
Jennifer Mualim
Thanks, Lily and Donald. My name is Jennifer Mualim and I've been a realtor for more than four years. I'm also a UC San Diego graduate and a resident of Southern California, in particular, San Diego for over 40 years, and I have been a resident of Irvine for many years as well. I also come from a business background working for KPMG and PriceWaterhouse Coopers. You can count on me for reliable contacts within the real estate industry.

06:10
Lily Lin Ly
Consistently ranked as a top producer for Realty One Group West, a five-star rated agent on Zillow, Trulia, and Yelp, an official member of an industry trade organization, and a published author and speaker at real estate events.

06:28
Jennifer Mualim
Why is Irvine so appealing? Irvine is home to many of the biggest Fortune 500 companies and continues to attract a growing number of tech and pharmaceutical companies. Here are some examples: Google, Disney, Alteryx, and Broadcom, just to name a few.

06:54
Lily Lin Ly
there are about 44% Asian population out of which 30% is Chinese. The higher Asian population leads to more resources and businesses catered to Asians such as a variety of Asian super restaurants, children after school programs, and senior centres to name a few.

07:20
Jennifer Mualim
Irvine is conveniently located an hour away from Los Angeles Airport and only another hour and a half away from Santa Monica and Beverly Hills, an hour to UCLA and USC. So, you can see it's very convenient. Irvine was ranked among the best places to live in America by Money magazine.

07:45
Lily Lin Ly
Irvine's median age is between 33 and 35 years old, with many young families establishing roots here and their parents soon to follow. Irvine has excellent schools and master plan communities, with each community having pools, parks, sports courts, trails, and much more. Irvine's residents, the city government, and Irvine Company's main goal is to provide an excellent school system for growing families. Hence people enjoy working and living in Irvine. There are many highly ranked schools, one of which is University High School, which is ranked number 35 by US News in the Best High School in California. Some of the students here have gone on to the top Ivy League universities.

08:39
Jennifer Mualim
Living and shopping in Irvine is super convenient. No matter which neighborhood you live in, it's a five to ten-minute drive away from the closest Asian supermarket. We are also a stone's throw away, about 15 minutes away from the West Coast's largest shopping mall, South Coast Plaza, where you can find your top luxury name brands such as Hermes, Prada, and Chanel. In addition, there are an abundant number of shopping and entertainment centers throughout Irvine, like a minute Drive to Irvine Spectrum Center or a close drive to the Irvine and Tustin Marketplace.

09:19
Lily Lin Ly
In the next two slides, I'm going to be talking about the Irvine housing market. The average price for a single-family house in Irvine is around 1.8 million. For condos and townhouses, it is a little over a million. It's been up 10.9% and 8.4% year over year as of September 2023. The median rent price has also increased by about 8% and currently stands at $4,100 per month. In the local market update, we have highlighted the new listings and the pending sales have come down and it's due to limited inventories. However, the days on the market until sale are shorter, 19 days versus 31 days as compared to last year, and the medium sales price is still climbing up. Demand is still very strong with many first-time homebuyers accounting for 27% of the marketplace.

10:30
Lily Lin Ly
Many of them are buying due to life events such as getting married and outgrowing their current space. Cash buyers also account for 29% of the real estate market.

10:45
Jennifer Mualim
on the next two slides, you'll see what Lily just discussed. You'll see the data and the graph of the average sales price and the days on the market until sale. As you can see on this graph, there has been a steady and consistent increase year over year in home sales and a decrease of days on the market on the next slide where most homes are sold within the first ten days.

11:17
Lily Lin Ly
This slide shows the OC Mac market snapshot and that includes Irvine and neighbouring cities. The general theme is that the medium sales price has increased year over year, the number of homes sold has decreased due to limited inventory and the number of days on the market has shortened as well.

11:47
Donald Klip
I want to jump in here really quickly and want to highlight and emphasize these points. What drives property prices, wage growth, employment growth, and quality of education? Irvine has ticked all of these boxes. As you can see, in a world that saw mortgage rates quadruple last year, geopolitical issues everywhere, and abundant inflation, Irvine saw increases in home prices. Keep that in mind. We don't see this trend changing anytime soon.

12:28
Jennifer Mualim
In the next few slides, we're going to show you what you can buy in Irvine. The first example here is a typical attached condo in the beautiful Eastwood community, a three-bedroom and two-and-a-half-bathroom home with

a square footage of 1714 sqft on an oversized lot of 5548 sqft for this price range. It's shy of 1.6 million. However, it sold for more than the asking price due to multiple cash offers. As you can see, the highlight of this home is the large backyard, making it a peaceful oasis for gathering with family and friends.

13:14
Lily Lin Ly
This second attached condo is also in Irvine in the Stonegate community. It's also an attached condo, with three bedrooms, two and a half baths, 1823 sqft, and a little shy of 1.4 million. I know this house also is in the pending stage and it's being sold for more than the list price. This is a beautiful, spacious, functional floor plan, a light and bright kitchen, and a great room.

13:52
Jennifer Mualim
Here we have a single-family home again in the beautiful Eastwood community of Irvine. It's four bedrooms, three bathrooms, 2259 sqft on a 3496 sqft lot and the asking price is just shy of 2 million. In the pictures, you can see that it has abundant natural lighting and a spacious open-concept kitchen and living room area.

14:24
Lily Lin Ly
This property is an off-market single-family house. This is through the network I've established. It's a tip from one of the realtors. I know it's in a gated Turtle Ridge community in Irvine and Turtle Ridge is very close to Newport Beach and Newport Coast. It's adjacent to Newport Beach. It's a single family, four bedroom, four and a half bathroom. And what's unique about this property is that it's on a corner lot with no neighbors behind or to one of your sides. Its interior size is 3520 sqft on a 12,000 sqft lot. The asking price is 4.7 million. This property is just stunning and everything's been done to the nine. You've got a beautiful pool, spa sitting area, and a ping pong table to the side that you can't see here. It's got beautiful Carrara marble throughout the bathroom. It's moving and ready. It's perfection.

15:38
Jennifer Mualim
Here are some examples of our client testimonials. Thank you so much, everyone, for your time. And thank you, Donald, for giving us this opportunity. We look forward to helping you find that California dream home. So please don't hesitate to contact us.

16:12
Donald Klip
Fantastic. I don't think that Turtle Ridge home is going to be staying on the market very long after this webinar. What a fantastic property that is. Thank you, Lily and Jennifer, for this informative discussion. Now, I'd like to introduce you to America Mortgages. America Mortgages is owned by Global Mortgages, our parent company. And America Mortgages is the only US mortgage broker outside the US, focusing only on non-resident borrowers, both expats and foreign nationals. While our registered office is in the US, our teams are based in twelve countries in the world, with our global headquarters in Singapore giving us the ability to speak to our clients in their time zone, in their language, 24 hours a day, seven days a week.

American Mortgages was founded in 2019 to address the problem of securing a US mortgage while living overseas. Fast forward to 2023. We have over 150 lenders and have created loan programs to meet the exact requirements of our overseas borrowers, which I will discuss shortly. Here's a small sample of what makes us unique aside from being based in the US. There's a common myth or misperception that you have to be a US citizen to own property there, that you need US credit to own property there, or get a mortgage. You need to have a bank account and be a resident. These are all myths. For our loan programs, you do not need US credit. We can accept foreign credit. We don't require assets to be deposited in the bank accounts at all times. Foreign income is allowed.

18:23
Donald Klip
All of our loans are similar, if not exactly like going into a bank in the US and they're 30 years fixed, which means that if and when rates come down, you can just refinance it to a lower rate. Even as a foreign national, you can get up to 75% of the property value as a loan in terms of loan to value. I'm going to discuss the loan programs, starting with our newest program, which is AM student. The reason why we're discussing this first was that especially in Irvine, with all such brand name schools around and great high schools, which Lily and

Jennifer discussed earlier, oftentimes you want to buy a home so your son or daughter or child can live there while they're attending a university nearby, as opposed to living in the dorm.

19:21
Donald Klip
Most lenders, in fact, all lenders, will not take the mortgage payments that are coming from your child till now. So, we've created a loan program where we take the mortgage payment on that property and we analyze the comparable rents in that area. If the rents cover the mortgage payments, then you qualify. It's a fantastic way for you to have a property, and have your child stay there. If and when they graduate from the university and they want to stay in the US, you can transfer the title to their name and have them build credit. Or likely, the property would have increased in value over four or five years. Or if they're Asian, they're probably going to get their master's and PhD.

20:19
Donald Klip
So over the course of that time, you sell the property and you would have paid for their college degrees. This is a fantastic new program and it's been very popular with our Asian borrowers. The next program is AM Express, and this is very similar to the AM Student. In that, we take the mortgage payments and if the rental income that you will be receiving from renting this out covers the mortgage payments, then you qualify. This is very convenient because we use the income that the asset is going to generate to cover the mortgage payments. So, it alleviates a lot of the underwriting criteria. That's been probably our most popular loan program this year. The next loan program is AM Investor. This is your classic bank-type mortgage.

21:32
Donald Klip
What makes this unique is that we've created this to accept overseas income to qualify. We've used a way to get your local accountant to write a letter qualifying your income, and that substitutes the need to show tax returns, for example. Again, this goes up to 75% loan to value for our overseas borrowers and all of our loans that we've discussed today can be closed within 30 to 45 days. The way to qualify for this loan is very standard across all banks in the US. You need to have a debt-to-income ratio of at least 47% of your gross income and here's the calculation. The next loan program is probably well suited for Irvine, California. But this is our high net worth loan program.

22:39
Donald Klip
In Asia and many parts of the world, the affluent are very busy running the factories, making money, and seeing clients. Oftentimes, they prefer to have a hassle-free experience where they don't have to show too much documentation. And a lot of times high net worth individuals report low income because they keep their assets high. They have a large investment portfolio. Given these types of clients in Asia in particular, we created a loan program where we said, okay, you don't have to show your income because you're an executive and you're a business owner. All we need to see is your investment portfolio, which all high-net-worth individuals have. That consists of your stocks, your bonds, or your liquid instruments. And we say, okay, you've got X amount.

23:35
Donald Klip
If you divide that by 60, which is five years, if you divide that by 60 months, if that covers the mortgage payments, then you qualify. Now what makes this super cool is that we don't encumber those assets. We don't say, give us those assets to sit on while you repay the loan. No. We just look at two months of bank statements from your fidelity account or your local investment portfolio. If you qualify, that's it. No questions asked, hassle-free. That's been super popular with our high-net-worth clients this year. And last but not least is your typical US expat. This is for a US citizen living overseas.

24:30
Donald Klip
A lot of times, myself included, you get sent overseas to work and you start getting local credit cards and you start relinquishing your US credit cards. You think, well, maybe I can't qualify because my credit isn't good enough. But that's also a myth. We've created loan programs that are exactly like walking into a bank in the US. The only real difference here is that we accept your US tax returns. And number two, you qualify for using the same rates and terms as if you were living in the US. The difference between the foreign national loan is that the

loan to value is at 80% versus a non-US citizen at 75%. The qualifying criteria are generally the same. These are standard across all banks in the US.

25:41
Donald Klip
I hope you've enjoyed this episode of the Realtor Talk series in Irvine. We will be dropping this video into your email soon, and we'll be posting this across all our social media platforms. Feel free to drop me a line if you want to get in touch with Lily or Jennifer and learn more about Irvine and its real estate opportunities. Thank you very much.

26:08
Lily Lin Ly
Thank you.
