



REALSMART

Newsletter

A QUARTERLY JOURNAL OF REALSMART IDEAS

A CASE STUDY ON RENT CONTROL: 910 CLINTON STREET, REDWOOD CITY

In the last few months we have seen more media coverage on the topic of skyrocketing rents, displaced tenants, and the possible need for rent control. Or, as some politicians refer to it: rent stabilization. The poster child for this movement can be found in a local 18 unit apartment building located at 910 Clinton Street in Redwood City.

Reports say, "every resident of an 18-unit apartment complex in Redwood City, including 31 children, had their tenancies terminated by new ownership that plans a complete interior and exterior renovation of the aging building" (San Mateo Daily Journal, May 18th, 2015). A notification sent by the new management company on May 1st, gave tenants 60 days to vacate the premises. Most of the units had been going for below market rate, and it is assumed that rents post-renovation will be significantly higher. But for all the front page stories published about the displaced tenants - their rallies for rent control, candle-lit vigils held in their honor and tearful pleas for affordable housing - very little, if anything, has been reported about the previous living conditions at 910 Clinton, or why the owner felt he had to evacuate and renovate it in the first place.

We were able to get into contact with someone involved with the new ownership group (who requested to remain anonymous), and found that once you start peeling back the layers, there is much more to the story. According to our source, a majority of the units exceeded the maximum allowable tenants, with many even tripling the maximum allowable tenants. 910 Clinton Street also had routine visits from local law enforcement

due to suspected drug and alcohol abuse, suspected drug dealing, noise complaints and a suspected gang presence. Many neighboring apartment owners have expressed discontent with the previous owner's "hands-off" approach to management, and thanked the new ownership for taking control. Local Law Enforcement officials have also reached out to new ownership with positive things to say about re-tenanting 910 Clinton Street due to the constant issues at the property over the years.

Does knowing this discredit the plight of the displaced tenants? Of course not, but it shows that there is more to know than what has been reported. It is evident that the standard of living at 910 Clinton was far below acceptable, and it is well within the owner's right to correct that.

Who should ultimately be held responsible for providing affordable housing to lower income families? Is it private property owners? Local government? We will discuss this further in our next newsletter, but for now, we'd like to hear what you think. We've created a poll on our Facebook page where you can chime in: www.facebook.com/realsmartgroup (click the poll tab underneath the cover photo).



Bryan Jacobs

RealSmart co-founder
bryan@realsmartgroup.com

IN THIS ISSUE

CLINTON ST. EVICTIONS	P. 1
HALL FIXER MIXER	P. 2
NEIGHBORHOOD SPOTLIGHT	P. 2
SMART HOMES	P. 3
MORTGAGE UPDATE	P. 3
FEATURED NEW LISTING	P. 4

FIX & MIX

996 Hall Street was a little different than our usual fixers. At the time we bought the property, the previous owners had already started the renovation process. We simply had to pick up where they left off. Our job consisted of finishing off the master bath remodel, putting in new drywall, completely remodeling the kitchen, putting in new floors, and re-landscaping the front and back yards. The home received a great deal of buyer interest right off the bat, and sold after just one open house. For those of you who missed the fixer mixer, a short video of the event can be viewed at the link below:

www.realsmartgroup.com/Hall-Fixer



996 HALL STREET



WHAT'S NEXT?

The next stop for the RealSmart Fund is on Ohio Avenue in the Woodside Plaza neighborhood of Redwood City - stay tuned!

NEIGHBORHOOD SPOTLIGHT

WOODSIDE PLAZA



Aerial view of Woodside Plaza Shopping Center, 1953. Rows of new ranch-style homes can be seen upper right hand corner.

During and after World War II, Redwood City saw rapid growth. Its population boomed from 12,500 at the beginning of the war, to more than 46,000 by 1960. During that time, the city's suburbs grew in concentric rings around the downtown area, until a few developers set their sights on what would ultimately become the Woodside Plaza neighborhood (Valota-Alameda/Roosevelt-Woodside). In a short period of time spanning from the late 40's to early 50's, a flurry of construction left the area blanketed with 3 bed/2 bath ranch-style homes.

Now one of the most up and coming neighborhoods in Redwood City, Woodside Plaza offers a look and feel similar to Palo Alto's Willows neighborhood, but with a notably smaller price tag. Pleasant tree-lined streets, quiet cul-de-sacs, close

proximity to grocery stores, and a diverse selection of dining options have made this neighborhood a standout amidst Redwood City's recent surge in housing demand.

Historically, Woodside Plaza has been known as a starter neighborhood for young families looking to set roots in Redwood City. And with the Henry Ford School District steadily improv-

ing its ranking, the area certainly still appeals to young families. But as Redwood City is growing, the neighborhood has seen a wave of renovations of more dated homes - a number of which we've worked on and sold. The resulting facelift has created a neighborhood in which more and more people feel comfortable settling long-term.

We love the neighborhood and plan to stay active there for a long time. In just over 3 months, we have been a party to 6 sales in the area, making us the neighborhood's most active brokerage.

If you are interested in making the move to Woodside Plaza, give us a call and we'll be happy to help you find your new home.

THE SMART HOME REVOLUTION

SO WE NEVER HAVE TO LIFT A FINGER AGAIN

In 1999, the movie "Smart House" was released, in which a teenage boy wins a fully automated home controlled by doting cyborg house maid, PAT (Katy Segal). The story goes as follows: the boy's father falls in love with PAT's programmer... PAT falls into a jealous rage... PAT terrorizes the boy and his father until they reboot her.

Here we are 16 years later, and the marvels of modern technology have all but given PAT new life in homes all across the country. Well, not entirely - we're probably still a long way from seeing homes capable of human emotions like jealousy and rage, but we do have the technology to automate or control many everyday household tasks through our mobile devices - from sensors that will turn off the AC if a window is left open, sensors attached to water pipes monitoring water usage, self-cooling LED lights that can be synced with sunrise and sunset, digitally operated deadbolt locks that automatically open as the key-bearer approaches the door, electrical sockets that allow you to remotely turn-off "non-smart" devices that you accidentally left on, and much more. The recent boom in the diversity of commercially available smart home devices has also led to the creation of protocol meant to standardize how these devices communicate with each other. This allows them to alter their behavior based on the activity or inactivity of other connected devices. The result is a self-regulating, money-saving, energy efficient home.

Just a couple of years ago, smart home technology was nothing more than a hobby for DIY tech buffs. Now it's a rapidly growing industry with practical applications in every facet of home life. If you're interested in updating your home with smart technology, I've found that www.smarthome.com is a great resource to learn about available options and explore price points.



Karen Vega

RealSmart Co-Founder
karen@realsmartgroup.com

"LIKE" REALSMART GROUP ON

FACEBOOK



TO GET MARKET
UPDATES & LOCAL
REAL ESTATE NEWS.

[FACEBOOK.COM/REALSMARTGROUP](https://www.facebook.com/realsmartgroup)

YOUR MORTGAGE TEAM

George McFaden
NMLS # 344084
george.mcfaden@wjbradley.com

Laurie Musielak
NMLS # 253971
laurie.musielak@wjbradley.com



MORTGAGE UPDATE: TRID IMPLEMENTATION DELAYED

The TILA-RESPA Integrated Disclosure (TRID) implementation has been pushed back from August 1st to October 3rd. To refresh your memory, the TRID will integrate a pair of disclosures that are given at the beginning of the mortgage application process, as well as a pair of disclosures given just before the loan closes. They will also dictate a new timeline under which the forms must be delivered to the borrower.

Here's the point: Come October 3, government oversight will make the lending process longer, and more cumbersome and complicated. As usual, in an attempt to provide more clarity to the consumer, the new forms and procedures will result in less clarity and more expense. When refinancing, these obstacles are less destructive, but if you are in the purchase market, just make sure to do as much work up front in the loan process as possible before making an offer.

ANTICIPATING CLOSING CHANGES

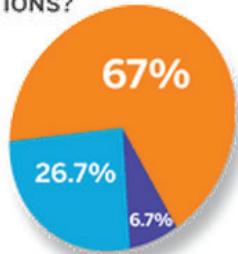
The **HUD-1** and **Good Faith Estimate** are being replaced with new forms and new timelines to take effect later this year under changes instituted by the Consumer Financial Protection Bureau. Here's the impact that lenders, surveyed this spring, are expecting.

HOW WILL THE CHANGES AFFECT TRANSACTIONS?

**Will delay
some closings**

**Will delay some
closings and kill
others**

Will have no impact



Source: NAR, May 2015 Mortgage Originators Survey

THE REALSMART TEAM



BRYAN JACOBS - REALSMART CO-FOUNDER
BRE # 0129660 DENNIS VORRISES- REALTOR
BRE #01406502

KAREN VEGA - REALSMART CO-FOUNDER
BRE # 00930844 TODD WEIDMER - REALTOR
BRE # 01320934

CAMILO PEREZ - REALTOR & CONTRACTOR
BRE # 01875711 SHELLY NORMOYLE - TRANSACTION COORDINATOR
BRE # 01332984

ROBERT TRALLER - MARKETING COORDINATOR

www.realsmartgroup.com



REALSMART

REALSMART GROUP
50 EDGEWOOD Road,
REDWOOD CITY, CA 94062
(650) 363-2808

FEATURED LISTING

2806 BREWSTER,
REDWOOD CITY



COMING SOON IN MT. CARMEL!

3 bed, 2 bath home in the highly sought after Mt. Carmel neighborhood of Redwood City. 2 car garage, sunroom leading into the home, mature fruit trees in the back yard and much more. Located at the West end of Brewster, just before it starts taking you up Emerald Hills.