CIBA Real Estate

Commercial Newsletter

Monthly Newsletter for Owners and Tenants

Volume 5, Issue 2 Visit our website at www.cibarealestate.com February 2017

Business Seminars

Monrovia Business Seminar
March 15, 2017
145 Walnut Ave Monrovia
John Moran Auctioneers

MADIA TECH LAUNCH
825 S Myrtle Ave., Monrovia
February 16, 2017 6:30-8:30 PM
John Tanner-Tanner Research

Monrovia Kiwanis
Meets at the Monrovian Restaurant
Every Thursday 12-1:30 PM

Duarte Kiwanis
Meets at Westminster Gardens
Every Other Tuesday 12-1:30 PM

Quotes for the Month

You're most unhappy customers are your greatest source of learning – Bill Gates

Industry is the soul of business and the keystone of prosperity – Charles Dickens

You can fool all the people all the time if the advertising is right and the budget is big enough – Joseph E. Levine

Hire character. Train skill – Peter Schutz

Be Very Careful When Wiring Money

We've all received E-mails over the years from someone claiming to be from an African country, and telling us that they're trying to get tens of millions of dollars out of their country. Then they appeal to us to begin working with them to get the money out of their country, and they tell us that they'll reward us handsomely for doing this.

But today we're now dealing with a different kind of financial fraud, and one that can easily grab tens of thousands of dollars or more out of our bank accounts, and leave us scratching our heads wondering how we never saw it coming.
This specific fraud that I'm talking about can happen when you're involved in a financial transaction, and it's time for you to now wire the money to someone to complete the transaction. You may receive an E-mail with wiring instructions that include your name, the parties involved in the transaction, the subject of what the money is being wired for, and the exact amount of money to be wired.

However, what has been going on is that someone has been hacking into the communications between you and the other party involved in the transaction, and they now know the names of the people involved, the exact nature of the business, and the exact amount of money to be wired.

Continued on Page 2 Money

Trump's Executive Orders: What Would Repealing Dodd-Frank Mean for Stocks?

U.S. News & World Report - Money John Divine

President Trump on Friday signed two executive orders designed to ultimately weaken, push back or replace financial regulations he sees as a burden to commerce and growth.

Doing so, however, would return the U.S. to a less regulated pre-financial crisis world, exposing investors and everyday Americans to the same risks that played out in destructive fashion in 2008 and 2009. The risks for the stock market in the long term are huge.

Specifically, the two regulations under attack are the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the fiduciary rule.

Continued on Page 2 Trump

Money Continued from Page 1

Then when you receive the E-mail containing the wiring instructions, these instructions seem legitimate, and you then follow them and wire the money as requested.

But the instructions were to have you wire the money to another bank, not the one that you're really supposed to be wiring the money to, and now you've lost all of your money.

This may seem strange, but it's actually been going on right now here in the United States.

With the way that today's surveillance technology has been evolving, we've unfortunately now gotten to the point where the people who would want to do these kinds of things to us can find ways to listen in on our telephone conversations, and read our E-mail. Keeping this in mind, the public doesn't yet understand the depth of what is now possible when utilizing this kind of technology, making it very easy for us to get burned by it. Unlike the E-mail mentioned earlier that we might receive from someone in Africa, the knowledge that people can now pull this new kind of money-wiring scam on us hasn't yet become widely known, making everyone much more susceptible to it.

With today's ever-evolving world of technology, we need to keep up with the ways in which other people will be constantly trying to take even greater advantage of us. So be very, very careful whenever you're wiring money to someone.

Trump Continued from Page 1

Dodd-Frank, a lengthy set of regulations signed into law in response to the financial crisis, was designed to limit the risks taken by financial institutions and protect consumers in an effort to limit future crises and bailouts, and look out for the little guy.

The fiduciary rule, on the other hand, is a proposed rule that hasn't yet gone into effect, giving Trump much more power to influence its eventual implementation. The fiduciary rule requires advisors and brokers to act in the best interests of their clients, essentially prohibiting them from selling self-enriching, higher-fee funds to clients with retirement accounts if they aren't in the client's best interest. Shockingly, this isn't a rule already.

While gutting the fiduciary rule would be a net negative for many Americans saving for retirement, it's unclear if there would be any meaningful impact on overall market returns. Turning back the clock on Dodd-Frank however, could have seismic implications on the way the stock market acts in the short and long term.

While it's unlikely sweeping changes could be made to Dodd-Frank in the very immediate future due to many of the rules already enacted, it could be weakened dramatically over time and much of the complicated process of repeal could be subverted and de facto accomplished by staff changes, who could then enact Trump's own policies more closely.

Dodd-Frank is a notoriously expansive piece of legislation, but there are several key pieces

The Volcker rule. "The Volcker Rule was brought into effect to essentially reenact the Glass-Steagall rule," says Julian Rubenstein, CEO and president of American Asset Management, referring to regulation that was repealed in the late 1990s requiring commercial banks to separate from riskier, trade-happy investment banks.

A world without Glass-Steagall or the Volcker rule is a flawed system, according to Rubinstein, who sees this less regulated world as a payday for big banks at the expense of the working class.

"They get to take all the risk with FDIC-insured money, and then, as we all learned in '08, if they make a mistake you and I have to cover the losses. That's a pretty good business model if you think about it, right?"

It certainly is, at least for the Wall Street banks. But not for average Joe taxpayer.

The Consumer Financial Protection Bureau. While abolishing the Consumer Financial Protection Bureau wouldn't directly have an impact on long-term stock market returns, the indirect consequences for the market could be disastrous. The bureau, established through Dodd-Frank, describes itself as "a U.S. government agency that makes sure banks, lenders and other financial companies treat you fairly."

It largely helps protect consumers from predatory schemes in credit cards, mortgages and student loans, among other areas.

So what sort of indirect consequences might result if the CFPB lost its power?

Trump Continued from Page 2

"We would probably see a rise in mortgages being written which are not really affordable to consumers or they may not really have the ability to pay," says Nilesh Vaidya, senior vice president and head of banking and capital markets for Capgemini Financial Services. "More mortgages could be written, but the likelihood for delinquencies would increase as well."

If the main cause of the financial crisis were to be summed up into one word, it certainly could be: leverage. Homeowners used too much leverage when buying places that cost more than they could afford, and banks used too much leverage with risky financial instruments no one truly understood.

There's speculation that Trump could immediately weaken this agency without officially scrapping it by simply replacing its current acting head.

The Financial Stability Oversight Council. The Financial Stability Oversight Council is another prominent spawn of Dodd-Frank, intended to review the systemically important financial institutions.

"If that were to go away, that would be a significant change in market structure. Institutions would be able to use much more leverage than they have today," Vaidya says. "In some cases that would increase lending, in some cases it would increase more proprietary trading. Other instruments which have become a little less prevalent, like CDOs, would come back into the picture. That would be much more impactful to the market than even the Consumer Financial Protection Bureau."

From one extreme to another. Even some proponents of less regulation, who generally feel less government restrictions on the financial industry will inevitably lead to higher revenue and earnings, believe there are dangers that should be acknowledged.

"We've seen times where financial institutions get a little carried away if some regulations aren't in place, and we could be pushing ourselves toward another financial mania – which would certainly not be helpful for investors, consumers or banks themselves," says Tom Stringfellow, president and chief investment officer at Frost Investment Advisors.

Stringfellow noted that JPMorgan Chase & Co, (ticker: JPM) stock was rallying on news of Friday's executive orders. Shares finished the day with 3.1 percent gains.

"I suspect that there is a moment of investor euphoria taking place right now," Stringfellow says.

The problem with euphoria in investing, however, is the unrealistic and often unsustainable expectations that come with it – and the ugly back-to-reality market corrections that inevitably follow.

While stripping the financial industry of some of its biggest legal safeguards in decades may indeed boost short-term market returns, instant gratification has never translated to long-term stability.

Introducing more leverage, less consumer protections, and greater leeway for banks to use the same shady, irresponsible tricks that sparked the Great Recession may be celebrated at first, it's a proven recipe for disaster in the long run.

Employee Social Media Tips

Employees can be your company's greatest advocate, which means it is a good idea to encourage them to have a profile on social media sites such as LinkedIn or Twitter, in order for them to be able to help your organization, while also grooming their own professional brand.

Employees are able to enhance their online profiles in a number of ways, including using their real name, adding a background image, and showing their face as their profile image.

People use social media largely to connect with real human beings, and the use of real names and real pictures makes them more relatable.

Your business deserves a great property.
With service to match.

FOR SALE - 670 E. Foothill Blvd., Azusa, CA 91702

Filippo Fanara
626.255.1124
BRE No. 01198019
filippo@cibare.com

Alfredo Mejia
626.841.0599
BRE No. 01340251
alfredo@cibare.com

Gina Fanara
626.818.3283
BRE No. 01805710
Gina@cibare.com

830 S. Myrtle Ave.
Monrovia, CA 91016

Property Highlights

- Two Story Office Building For Sale
- Approximately 7,180 SF Office Building Located on an Approximately 15,559 SF Lot
- Ideal for Owner/User or Investment
- Parking: 3.3/1,000
- Located Along Busy Foothill Bl-Approx. 1 Mile From Gold Line Station
- Property has 6 Individual 100 amp Electrical Meters
- Near Azusa Pacific University & Old Town Azusa
- Sale Price is $1,500,000

Shown by appointment only. Please call listing office to schedule an appointment.