

CALIFORNIA REAL ESTATE

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focus

THE MYTHS AND REALITIES OF WORKING WITH FOREIGN BUYERS

To gain a better perspective on the ways in which to develop working relationships with foreign buyers, California Real Estate spoke with three REALTORS® who have worked successfully in this market. The interviewees are: Ellen Mazzone, an agent with Grubb and Ellis in Burlingame; Gil Rufino, an agent with Fox and Carskadon/Better Homes and Gardens in San Francisco; and Christine Lee Watt, manager of Fred Sands' Pacific Rim Division in Los Angeles. Due to space limitations, all the responses to the questions are not included.

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WHO'S INVESTING IN CALIFORNIA?

SPOTLIGHT

Realtor of the month



Fred Sands
Pacific Rim Division

Director **Christine Lee Watt**

"The present stereo-typed way of doing American business will not work, if we, as Americans, are going to succeed and continue to do business with Japan and other Pacific Rim countries, in the future. This was what I expressed to my boss, Fred Sands, President of Fred Sands Realtors who consequently, established our currently existing 'Pacific Rim Division.' "

The individual who emphasized the necessity of this Pacific Rim perspective in business strategy was Christine Lee Watt, Executive Director of Fred Sands Pacific Rim Division. Although she looks as if she may

still be a student going to college, it has been 14 years since she challenged the broker's exam and acquired her license.

"At the University of California, Berkeley, I studied architecture and then, production management, and real estate finance. Although, I was not sure whether or not I would actually enter the real estate profession at that time, I decided if I would need to pass an examination, I should do it while I was still familiar with taking them."

Although, Christine was born in Hong Kong, she was raised in Japan. She is fluent in four languages. They

include, Chinese, of course, Japanese, and English. She also studied French at the University of Paris, Sorbonne.

Christine naturally followed in the footsteps of her father, as she closely watched him succeed in real estate ventures and various other areas of business.

"I entered into the business world due in large part to my father's influence. When I was in grade school, I helped out in my father's office as a receptionist and performed various other office duties. I also watched my father work hard and make investments always looking ten or twenty years into the future."

As she grew and saw her father develop real estate, her first thoughts of architecture began to develop.

"While I majored in architecture I was particularly interested in designing large, Luxurious, estate style homes. However, due to the high costs of these homes, I encountered many conflicts with my professor. (she laughs). Because I did many of my interior designs using black as the base color, my mother did not like my designs and often said that black and white are funeral colors and would bring bad luck. However, the current trend, now, is to use monotone colors. Many have stated to me that my ideas came ten years before their time."

The tremendous success of Fred Sands Realtors over the past 20 years has been primarily due to its oriental philosophy of "service foremost" treating each client as the number one client and priority. I would like to improve and use this philosophy in the most comprehensive manner possible."

"The current impression I have of the typical stereo typed American way of business is that they emphasize making money over services to their clients."

"Even when a transaction closes I try to conduct my business in a way that my professional relationship with each client can continue in the future. From the beginning of each meeting with clients, I discuss all real estate prospects honestly and frankly. For instance, I would say 'although, the current cap rate of this particular building is very low, its value will very likely increase in the future based on the location, location, location, theory.' Another example is that I may say 'the first couple of years may show a net loss, however, looking at past data on the history of this property, it will gradually become a steady and profitable investment due to the upside potential.' I try to express my insights and the best advice I can so that the client will have to deal with less problems in the future and so that the client will also understand and be more knowledgeable regarding his or her investment."

At the time Christine was a manager, she gathered all of her agents together and among other guidelines and rules strongly stressed that agents should 'not force their personal ideals upon clients, the decision is always left up to the seller or buyer, and that agents should never speak for other people'. For a Japanese person these rules probably seem very obvious, but for many Americans this is a very foreign way of thinking.

"The worst thing for an agent to do is to single handedly decide that a piece of property is unmarketable and consequently refuse to market it. However, each piece of real estate may be attractive and beneficial to different people for different reasons — for example, as a tax break."

In the event conflicts develop between the seller and the buyer, agents should never let their own personal opinions interrupt business or "put words" in another's mouth. Through communication, disagreements can,



Christine Lee Watt and President Fred Sands of Fred Sands Realtors

be amicably resolved.

Another aspect of Oriental philosophy is to "solve or prevent problems before they happen." This means thoroughly being committed to the after services of each transaction. Japanese and Chinese clients, in particular, can introduce and refer you to other possible clients, later. Therefore, agents should always maintain a strong and continuing relationship with each client. This very basic point is often forgotten and overlooked.

Christine was invited by a large real estate firm in Japan, to speak to agent managers on several occasions. Although women realtors in Japan are increasing, the real estate business still centers around men agents. In such a world, charming Christine, says "There was nothing particularly different about speaking in Japan although it may have been a little unusual....Even though, the men may have expressed their woes regarding my position and place in business and in general, as a woman speaker, I feel they truly wanted to get to know me better. I worked as a commercial credit and loan officer in a foreign bank in Japan for two years, where I experienced this attitude in the beginning, but when we all went out for drinks after work, we all became good friends, men and women alike.

In grade school Christine was designated as class monitor and was often in charge of keeping the class orderly and controlling incorrigible

kids. She also had a different side to her personality, when she enjoyed climbing trees and imitating napping cats on the roof. Then her mother would have to beg her stop her foolish behavior.

Then when she speaks about her two young boys a motherly expression glows through her smiling face.

"I will be called an excessively proud mother by saying that I always carry and show pictures of my sons to everyone. When I take my older son to open houses with me, he happily distributes brochures and guides clients around the house. Some people might say, he is the youngest real estate broker.

Her very educated and successful American husband who is fluent in Japanese as well as its customs and culture, says being lazy is a waste, which is somewhat similar to her father's point of view in life. Growing up in this kind of environment, her two sons will probably follow their parents into a successful career in the business field.

"Do unto others as you would have them do unto yourself" as Confucius said, long ago, is the way Christine lives her life. She is a worldly individual, who at a young age learned to be rational, and at the same time learned to follow Oriental philosophies. This may be the very important valuable combination needed in today's American business.

Translated by Hiroko Haneda