

The AZREIA Advantage

Arizona Real Estate Investors Association Newsletter

"AZ Real as it Gets"

JANUARY 2022

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Arizona Real Estate
Investors Association

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"Lights, Camera, Action!"

"Lights, Camera, Action!" The famous saying that has broadcasted throughout the movie industry for decades also holds true in real estate. Think about it; there's some real estate wisdom buried in those three words. Using lights, camera, action, or rather vision, focus, action will take your real estate career to new heights.

Lights! A director's first task is to make sure the scene is set and lit properly to portray the VISION. On the movie set lighting can be one of the most expensive aspects and can be very time-consuming to set up, but it's a step that cannot be skipped.

This too is a step that needs to be in place in your real estate career. In any project, you need to have your vision lit up so you can clearly see and follow the plan. Use your vision to create a properly constructed "set" that is perfectly illuminated with clear planning

Camera! Now the director makes sure the camera is in position. The director knows exactly where to point and FOCUS the camera to capture the vision they want. In real estate, there can be a lot of moving pieces that can shift your focus into another direction. Use your camera to focus in, or even to zoom out to see the big picture. You may have to adjust the lens or switch the angle, but just remember if the vision becomes blurry, give yourself the time to readjust to keep the

big picture in focus. Stephen Spielberg, George Lucas, and Tyler Perry were all told their vision would never make it, but they succeeded because they never lost focus.

Action! Before the film starts rolling and the actors and actresses start acting, the director has already seen the scene in their head. If a gesture or line is off, they know it immediately. It's the same in business; you must know the actions needed and execute them to make the scene work.

As we enter 2022, I encourage you to take on Vision, Focus, Action.

What separates those who achieve their goals from those who don't are they realize that the decisive moments of their

lives aren't just in the once-a-year big goal-setting sessions.

They're in the countless small decisions they make and actions they take every single day that keep them on target toward achieving their dreams. Because, without regular and decisive action, your goals simply are not going to be achieved. Period.

Give up your excuses, don't wait for the perfect moment, make NOW the perfect moment, and focus on taking that one first small step – and then the next, and the next, and the next – while refusing to let the fear of failure stop you in your tracks

Smarter Investing,
Michael Del Prete
Executive Director

Phoenix – In-Person Monday, January 10 – 5:45pm

- Market Update & Market News
- All-Star Wholesale Panel: What is Working in the Market Now!
- Rental Update

Tucson – In-Person Tuesday, January 11 – 5:45pm

- Market Update & Market News
- Wholesale Interview: What is Working in the Market Now!
- Haves & Wants





Frozen Water Pipes – Here in the Desert??



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YES RIGHT HERE !! Think it doesn't happen here? Think again !!!

If you have never experienced frozen water pipes, perhaps you do not understand the severity of this situation. When water pipes freeze, the water expands and splits or cracks the pipe. Then, when the water is under pressure, it finds that crack, and the water runs until someone notices and shuts it off. Your investment rental property has fallen victim to a major catastrophe, but it wasn't a flood, a hurricane, or a tornado. Frozen pipes aren't just an inconvenience; about 250,000 homes are ruined each winter because of water pipes that freeze, burst, and then destroy property.

Worse yet, many of your fellow investor-owners and property managers mistakenly think that frozen pipes do not happen in the metropolitan Phoenix area or in warm desert areas around the state. **They are mistaken!** Almost every year there are frozen pipe incidents in cities where they were never expected.

Many frozen pipe claims are not covered by insurance. That's because virtually all insurance companies have one requirement and if that is not met, there is no insurance coverage. That requirement is that **"the heat must be turned on in the building"** (or it must be 'winterized', something people routinely do in Flagstaff, but seldom in the warmer parts of the state.) Most insurance companies do not set a temperature requirement for heat, but a minimum of 55 degrees (12 degrees Celsius) is recommended by some sources. Read your insurance policy or call your insurance agent just to be sure you do not

have a specific temperature requirement. Since you are not living in your rental property, your objective is to communicate the heat requirement to your tenant(s) and make sure they follow your instructions. Some landlords and property managers add the heat requirement to their lease. At the same time, they recommend or require "renters insurance" for the tenant themselves. Fact is, 8 inches of water on the floor of the house from a frozen pipe leak is going to be as much of a problem to your tenant as it is to you as the owner or the property manager.

Higher risk properties include those that have been re-plumbed. Usually, the new pipes are run from above and are more likely to freeze in the cold attic, than the original pipes under the floor. Having the heat turned on in the house, often provides just enough heat that rises upwards to keep attic pipes from freezing.

Another high-risk situation is condos or other multi-unit buildings, where seasonal residents may be away and did not leave their heat turned on. It only takes one unheated condo in a building with multiple units to have a frozen pipe leak that flows under adjacent walls into neighboring units or to units below and causes extensive damage to many other units.

Even with the heat turned on, there are no guarantees. Since garages are seldom heated, water pipes in garage walls and ceilings (including fire sprinkler pipes) can be the "weak link" in some cases. In one actual claim, the motor heat from the two parked cars when the owners came home from work each day, was just enough to prevent freezing. But when the family left on vacation, with no car engine heat, the pipes in the garage froze and disaster struck.

Now would be a great time to add something about frozen pipes to your billing notices or any other tenant communication you utilize. I also have available a small hand-out about frozen pipes and can provide multiple copies free. Frozen pipes can be prevented!

Think you've read this information before? This is an updated version of a similar article that appeared in January 2019.

CLARK SANCHEZ has been an Arizona insurance agent for over 41 years and has been a Vendor-Affiliate with AZREIA for about 20 years. You can contact Clark if you have any insurance related questions at clark@clarksanchez.com or (602) 803-2179



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A-C

AZREIA Advantage: Private Banking Systems Expert

Financial Flexibility In Deals



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by
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Imagine a world where you were the lender for your own real estate investment strategies.

I can't tell you how many times I finished a Flip and paid off the Hard or Private Money Lender and thought to myself, "I wish that was *me* making that money." How many of us close on a rental and count the fees, points, and total interest we are going to pay to the bank?

How many of us have been in that situation where we have our numbers dialed in, and then we open up that wall on our Flip and what we found behind that wall just added 45 more days to the rehab time? You start counting dollars and wishing that buffer line item was a little bit bigger. Then, compound the problem with the fact that the lender, any of them, still want to get paid each month no matter how long your deal is taking. Not only do you have the added stress of the unexpected work to be done, but you've also got lenders circling above you, waiting to get paid. Then, to make matters worse, there's an

economic shift and all of a sudden, the *days on market* just got 30 days longer. Now the lenders start swooping in. You can't very well tell them you'll pay them back once you actually sell the house. "It sure would be nice to have flexible payments about right now," you think to yourself.

What if there was a vehicle in which you could be the bank, provide the payment flexibility when needed and keep control of the property?

Maybe you've got multiple rental properties, and the economy takes an unexpected downward turn and all of a sudden 60% of your tenants can't pay the rent that month, or the month after that, or the month after that (does any of this sound familiar?). The bank still needs to get paid. Property maintenance still needs to be done. You still need your income. It's supposed to be passive, remember? "It sure would be nice to have flexible mortgage payments about right now," you think to yourself.

"It would be nice to not have to pay as much this month."

"It would be great to defer my payments for just a little bit longer."

"It would help if I could pay myself anyway, even though rents are late."

How many thoughts come to mind like this for you?

Imagine a world where you were the lender for your own real estate investment strategies.

There is freedom and flexibility in having your own Private Family Banking System set up. You get to be the bank. You get to set the loan terms. You get to decide if payments can be late or not. You choose the interest rate in which to charge. You get the flexibility. You get control of your money.

This is not beyond your reach, and it is never too late. Let's get started now.

We look forward to strategizing with you!



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AZREIA Advantage: Asset Protection & Estate Planning Expert

Due Diligence in Your Transactions



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by
**Michel J.
McGirr**

Routinely, I have clients come to me to 'document' transactions for them, meaning I am responsible for putting together the various contracts and agreements that will serve to create the legal obligations between the parties to the transaction. Despite having documented more deals than I can count, representing likely close to 100 million dollars changing hands, if not more, I still have to stay 'dialed in' when completing due diligence for each and every transaction. Due diligence is a blanket term I use to describe the research and review that should be done to verify that the 'deal' really is what you believe it is. If you fail to do your due diligence, you run the risk of losing what you've worked so hard to achieve.

Most recently, I had a client come to me to assist in preparing the documents for a transaction where my client was to serve as the lender in a transaction where their borrower was buying an investment property. In this article, I'll briefly take you through the various items I reviewed in conducting my due diligence for my client, and I'll try to shed light on why, in this scenario, due diligence was so important.

First, I did a summary review of the ALTA title policy that had been issued to cover the transaction. The title policy protects both the buyer (my client's borrower) as well as the lender (my client) from potential issues that may exist with title on the property. In reviewing the title policy, I paid the most attention to the section entitled 'exceptions', as that is the list of encumbrances to title that exist that the title company has identified in their title research, and which the title company is *not* covering. If there is an exception listed, and you don't want to take title subject to that exception, you need to work with the seller to make sure that such exception is resolved before the transaction closes. As my client is the lender,

I was reviewing the title policy for exceptions that would limit my client's ability to recover the amounts it lends in the instance that the borrower fails to pay. In this transaction, there were no significant encumbrances that raised red flags, so I moved on with my review.

Second, I reviewed the financials and disclosed information regarding the property itself, the borrower, and the personal guarantors (those parties who were making themselves individually liable for the debt if the borrower failed to meet its contractual obligations). For you, I would call this your 'financial' due diligence. In short, I was looking to make sure that the deal looked as financially solid as my clients had been led to believe, and thereafter, I was trying to confirm whether my client would be able to collect from the guarantors if the borrower did not pay and there was a shortcoming in what was recovered from the property.

Finally, I turned my review to the specifics of the borrower. In this instance, there were actually a few borrowers, each being LLCs that were to own an indivisible interest in the subject property. As they would each be signing the deal documents, I needed to make sure that I knew who would be signing for each LLC. In this portion of my due diligence, I needed to review the operating agreements for each LLC to see who would sign for the entity, as well as to confirm that the signor actually had the authority of the LLC to sign such documents. I ran into a few complications in this portion of my review as each LLC had been set up as a single-asset LLC, with the operating agreement of each stating that the 'purpose'

of the LLC was to own and manage that single asset, which asset had long since been sold or transferred. Had my client moved forward with having the LLC managers sign the deal documents, and had the deal gone south, it is likely that my client would have had some difficulty in securing its interests as the LLCs' members would have claimed that they never entered into the contracts, and they would have been correct in saying so. Legally, it would have been as if the managers were rogue, not acting as the operating agreements allowed.

We were able to resolve this issue by making sure that we knew how the LLCs' respective operating agreements could be amended, and then asking each LLC to obtain an amendment to their operating agreement, signed by all required members, that allowed each LLC to engage in the deal, even though the deal fell outside of the LLC's original purpose, as stated in the original operating agreement of each.

While the above is not an exhaustive explanation of the due diligence I perform for my clients, I hope this serves as an example to you of the types of items you should be reviewing in your deals so that you can be successful in keeping the money that you've worked so hard to accumulate.

If you have a transaction coming up and would like my assistance in documenting it or in completing your due diligence, please reach out so that I can assist. Feel free to reach out to me at (602)457-2191 or via email at mick@phocuscompanies.com.



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Bridget Pruss

As a new investor, Derek took the time to ensure I understood the process and provided me with key learnings/ considerations that I didn't have to ask. I value this since "I don't know what I don't know." I consider Derek/Gila to be my go-forward partner.



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AZREIA Advantage: Lending Expert

Refinance Programs from Fannie and Freddie Expand Refi Reach to More Homeowners



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by
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Both Fannie Mae and Freddie Mac have rolled out refinance programs to help low- to moderate-income households take advantage of lower mortgage rates. Borrowers whose income does not meet the area's median income thresholds could still be eligible if they can meet some other requirements.

Launched in June by Fannie Mae,

the RefiNow program targets low- to moderate-income borrowers who might otherwise struggle to get a loan. The program recently increased the income limit for qualifying and loosened some other requirements to make it easier for more borrowers to participate. Freddie Mac also rolled out a similar program with similar requirements called RefiPossible.

The changes "are broadening the population that can qualify and are making the transactions have less friction," said Mike D'Ambrosio, Director of Credit Risk at Better.com. Households whose earnings are not above their area's median income are generally eligible if they can meet some other requirements. When the program first launched, the

income limit was 80% of that local median amount.

The programs eliminated the requirement that the loan could not be older than 10 years. A cap on closing costs also was removed, and payment reduction can be of any amount instead of a minimum. However, lenders must provide a rate cut of at least 50 basis points (half a percentage point). Additionally, borrowers must have a debt-to-income ratio below 65% and a FICO credit score of at least 620.

For any specific questions in regards to refinancing and investor specific loan programs, always feel free to contact me directly with any questions!



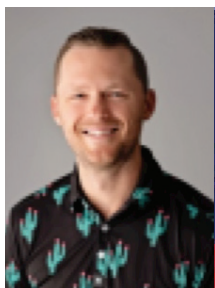
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AZREIA Advantage: Property Management Expert

A Year in Review and Preparing for 2022



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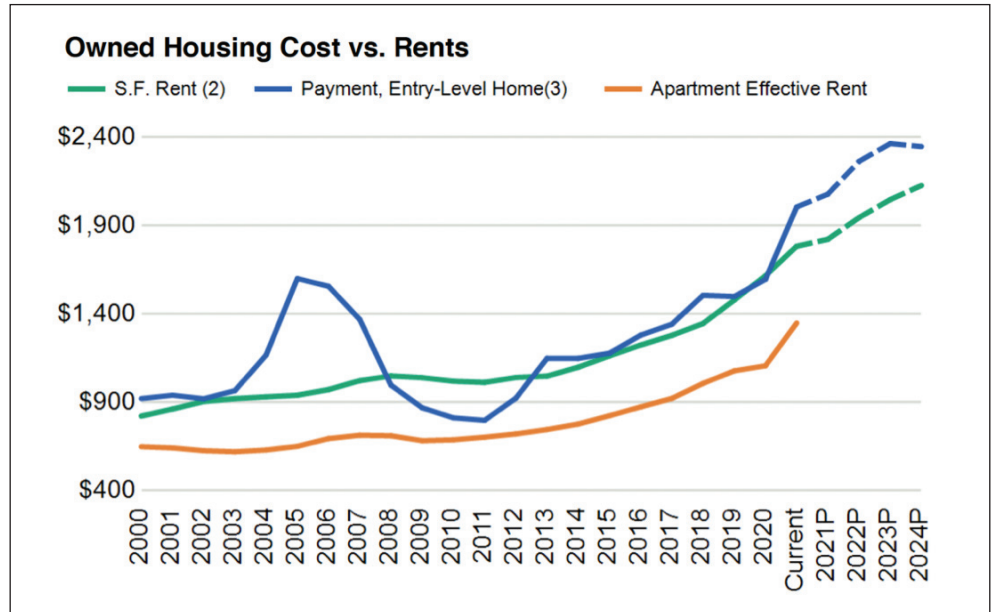
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by
*Michael
Bennett*

There have been some incredibly dynamic changes in the last two years. The economy has had to overcome some massive hurdles with pandemic shutdowns and stay-at-home orders. We have seen unprecedented job losses and massive cuts to interest rates. However, for those in the real estate investment world, it has allowed many to grow portfolios at interest rates next to zero.

While parts of the United States were hit harder than others with job loss, Arizona has weathered the storm well. According to John Burns Real Estate Consulting, Phoenix has seen a rebound in new jobs that has exceeded pre-pandemic rates with year-over-year job growth at 6%. This paired with great interest rates has made 2021 a strong year for appreciation which is up 32.9%.

Single-family rents continue to rise as well. While rent growth has not kept pace with rising purchase prices, it has helped keep vacancy low on SFR rentals. The chart below prepared by John Burns Real Estate Consulting shows that it is currently more cost-effective to rent,



rather than to purchase. This pushes people to rent longer. And because lifestyles have changed due to the pandemic, more renters are opting for single-family homes.

2022 Outlook

While no one can be sure, especially given the roller coaster that has been the last two years, there are some indicators that interest rates will rise to offset inflation. An article by Bloomberg recently stated, "Federal Reserve officials this week will quicken their wind-down of bond purchases and signal interest-rate liftoff in 2022, economists surveyed by Bloomberg said, heralding a historic

policy pivot to counter the fastest inflation since the 1980s."

There is no doubt that this will affect purchase prices as well as demand. But the gap between rent and purchase prices is significant. This means there will be the opportunity to increase the rent on your investment year over year.

Real estate has remained strong through the pandemic and continues to prove that it is a great place to invest for the long term. Finding deals may become increasingly difficult, but if you consider appreciation with the ability to lock in rates while rents continue to increase, it becomes a hard investment to beat.





AZREIA Advantage: Financing Professional

Year-End Reflections and Predictions



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It's been quite a year, and the next one looks no less exciting. Here's a chance to look back on a few of the more interesting events, along with a few suggestions as we look forward to the coming new year.

According to Case-Shiller, the average single-family residential home in the Phoenix Metropolitan area increased by 33%, with much of the increase coming in the later part of the year and is forecast to increase again next year by double-digits. This would continue the multi-year outperformance by Phoenix when compared to the national average. And of course, that's an average, so some areas increased much more, and others increased by less, but the rising tide did indeed seem to float all boats. Regardless, back-to-back increases of that magnitude are unprecedented for as long as that data has been gathered.

Certainly, the monetary stimulus had something to do with it, and that is tapering. And certainly, the presence of iBuyers and other institutional buyers helped push prices higher. Even with Zillow rather spectacularly imploding, there seems to be quite a few institutional buyers to fill in the void. In the second half of the year, financial purchasers appear to be more common than individuals that are purchasing the home for personal use. The IMN Conference



last month was all about people buying (and building) for rent, rather than looking to purchase and rehab, or build, with the intent to sell.

Home prices were not the only prices to rise sharply, with commodity and labor costs also rising sharply. Commodity prices are likely to continue to be volatile, and likely to stay at these higher levels. And even at the high prices, it still has been occasionally difficult to get specific materials, although that pressure seems to be lessening. When comparing rehabbed homes to new builds, rehabbed homes have a lower percentage of costs that are exposed to these higher input costs, so while concerning, it is still supportive of our industry.

Next year we see a few changes coming. We expect prices to continue increasing, but at a slower rate than last year. The underlying dynamics of not enough homes, and those that are currently built needing maintenance and updated aesthetics, means a strong need for homes to be purchased and rehabbed. In fact, the market has changed so much that we don't think calling it 'fix and flip' really reflects what is going on in the market. Commercial developers (and re-developers) have long referred to this type of activity as 'value-added'. In their terms, these are properties with 'good bones,' in

desirable areas, that need improvements to be commercially desirable to tenants. This is the same dynamic that we see our borrowers following and think there's no reason to refer to it any differently when applying this activity to a residential property instead of a commercial property. To reflect the change, we'll be referring to the market as 'value-added' in the new year and see if it catches on.

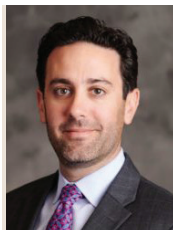
There's no reason to expect a change in the strong seasonal nature of the residential market. It may be slowing a bit now, although we're quite busy, but spring of 2022 should be strong again, and it's a good time to prepare now. You can use this slower time to make sure your subs are happy and can be counted on in the new year. Reach out to realtors and wholesalers to make sure you have a supply of homes to work on. Drive and familiarize yourself with a few new areas and anything else you can think of that may have caused issues in the past year. While certainly less exciting, a review of your budgeting and accounting policies and procedures may be helpful as well. Using this slower time productively now will make sure you are good to go and can keep up when it starts getting really busy again.





AZREIA Advantage: Legal Expert

Tucson Considers Significant Changes for Rentals



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by
**Mark
Zinman**

(SOURCE OF INCOME & “BAN THE BOX”)

If you own or manage rental property, you know that complying with fair housing laws is critical to avoiding liability. Over the years, we have found that many AZREIA members incorrectly believe that fair housing laws do not apply to them. Whether or not a property owner falls under an exception or not, we always tell clients to comply with fair housing laws. It's the right thing to do and it's the law.

On a federal and state level, there are seven protected classes: race, color, national origin, religion, sex (which includes sexual orientation and gender identity), familial status and disability. Most cities in Arizona are not allowed to add additional protected classes, but certain places, such as Phoenix and Tucson, can add additional protected classes which changes the landscape of managing and owning properties.

Tucson mayor and city council are contemplating making “source of income” a protected class for purposes of fair housing laws and requiring landlords to “ban the box.” This is critical for Tucson property owners to be aware of.

Source of Income

If Tucson passes source of income as a protected class, it will require landlords to accept Section 8 and other subsidized programs. The Section 8 program would no longer be voluntary, and all property owners would have to participate in the program, even though there are additional administrative burdens and potential issues with participation.

It's important to note that the problems referenced herein are not a critique on Section 8 in its entirety – rather, the concerns are focused on making Section 8 mandatory. I have heard from many owners and managers that participate in Section 8 that they have had great experiences with the program – they get the rent monthly and the residents want to stay for several years. This ensures that the owner has a steady stream of income. However, I have also heard of the pitfalls of the program where governments have a significant backlog before they are able to pay rent, residents causing problems and residents causing significant damage that the landlord is unable to recoup.

It doesn't matter which story is true (or if they are both true), what is important is that an owner's property rights should dictate that a property owner gets to choose whether or not to participate in the program. There are benefits and drawbacks to subsidized rent programs, and each individual property owner should get to decide how to balance those benefits and drawbacks. However, if “source of income” becomes a protected class, such property rights will be eviscerated.

“Ban the Box”

Tucson mayor and city council also

are contemplating a “ban the box” requirement. While the details are not clarified by Tucson employees yet, the general idea of this is that owners would not be able to ask about criminal background of potential residents until after they have passed other application standards. In other words, a person would not be banned from renting a property initially, solely because of having a criminal conviction. As noted above, the details of the program have yet to be released.

For AZREIA members, either of these programs could have a significant impact on their rental business. Owners would need to change their application standards and handle the additional administrative requirements applicable to participation in subsidized programs.

If you, as the reader, feel strongly about this issue, feel free to reach out to Tucson mayor's office or city council. The only way that such programs will be voted down, is if our government officials hear from individuals who own properties. Also, don't ignore this if you don't own properties in Tucson – what starts in Tucson will be closely watched by the rest of the state.



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AZREIA Advantage: Title Expert

How a Bank Uncovered a Scheme



Jill Bright
AVP/Sr. Sales Executive

Chicago Title
Maricopa County

Phone (602) 525-0790

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www.ChicagoTitleArizona.com

by
Jill
Bright

In the course of a residential refinance, a borrower signed loan documents on January 22nd; the three day right of rescission expired on January 26th at midnight.

The lender did not fund the loan until February 8th. The deed of trust recorded on February 9th, and loan proceeds were disbursed that same day.

The loan was sold on the secondary mortgage market to a major bank. The onboarding process for new loans serviced by the bank requires an audit for compliance with Regulation Z of the Real Estate Settlement Procedures Act (RESPA) regarding the three day right of rescission.

The bank's auditor reviewed an escrow settlement statement provided by the loan

originator that reflected the funding date as January 26th, with a recording and disbursement date of January 27th.

The bank auditor reached out to the title company in order to confirm the dates shown on the purported escrow settlement statement. The Escrow Officer could not confirm any information about the transaction, as the bank was not a party to the loan transaction.

The Escrow Officer raised the issue with her manager. The manager was confused as to why the settlement statement from the bank did not match the settlement statement generated by their office. She noticed it was drastically altered.

Not only were the settlement and disbursement dates changed, but other areas of the settlement statement were altered, including: prepaid interest, lender credits, messenger fees, title insurance premium, sub-escrow fee, county taxes, recording fees, payoff amount, the balance paid to the borrower at closing and even the date/time stamp in the footer of the document.

The Escrow Manager contacted her manager; they reached out to the loan

officer who readily admitted that he provided settlement statements to purchasing banks that contained estimated dates which were not always updated with the actual escrow settlement dates. As a result of the altered escrow settlement statement and this conversation, the title company determined they could no longer do business with this loan officer.

The owner of the lending company was notified, and the loan officer and his team were no longer able to originate loans for his lending operation — as of that day.

After thorough consideration, the title company concluded they would resign as escrow holder and title insurer on all pending transactions involving the lending company to avoid potentially becoming involved in any incorrect or misleading documents in these transactions.

Resigning from a transaction is always a last resort; however, in certain circumstances it is necessary.



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- Weekly Notice of Default & Auction List
- Custom Marketing w/ Professional Design/Print Partner



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CHICAGO TITLE AGENCY

Jill Bright | AVP/Sr Sales Executive | Cell: (602) 525-0790 and BrightJ@ctt.com

Monthly Meetings

AZREIA Phoenix Meeting

Monday, January 10

In-Person 5:45 pm

Venue 8600

8600 E Anderson Dr

AZREIA Tucson Meeting

Tuesday, January 11

In-Person 5:45 pm

Tucson Association of Realtors

2445 N Tucson Blvd

Phoenix Real Estate Club

Tuesday, January 25

In-Person 6 pm

Grid.Works

5227 N 7th St

We are back in-person this month! We hope everyone enjoyed their holidays and we are excited to get everyone kicked in to gear for the new year! We know this time of year is when everyone is highly motivated to put in the work to make their dreams come true. Because of this, we have set up our first quarter to make sure everyone is investing the right way, so rain or shine, your investments remain cash-flowing! Timely, market-driven information and education makes these meetings must see. Don't miss it!

Phoenix – Current Market Trends & Activity

Updates on Market Data Analysis and the Rental Market from Alan Langston provide the absolute latest information essential to your real estate investing business.

Phoenix Main Meeting – All-Star Wholesale Panel: What is Working in the Market Now

Join us for a panel discussion with a few of Arizona's top wholesalers! They will reveal their success working in today's market conditions. They will also discuss the best way every investor can work with wholesalers, even if that investor does not do wholesaling themselves. This is an opportunity for everyone to understand this side of investing and learn how to work with other investors to maximize their returns!

At this meeting you will learn:

- What Strategies Are Finding the Most Deals
- The "New Breed" of Cash Buyers

- How to Find the Best Leads with Today's Technology
- How to Negotiate Your Deals as a Wholesaler or With a Wholesaler
- What has Changed for the Better or Worse
- Where They Expect to See the Most Change in the New Year

Market Update & Market with Alan Langston

The latest Fix & Flip and rental data along with further analysis of our Seller's market. Plus, current events and news important to your investing.

Tucson Monthly Meeting

We will be joining in-person for all the great networking sessions including Haves & Wants and a Market Update for the Tucson area, and a Wholesaling Interview: What is Working in the Market Now!

See Phoenix Main Meeting

Phoenix Real Estate Club

This is some of the best real estate networking anywhere! Meet face-to-face with other investors to find what your real estate investing business needs! Haves & Wants, structured networking activities, market discussion, and Member Deals. It all still happens!



LEGALLY SPEAKING

Q: I was in court on a non-payment of rent case, and the judge gave the tenant until the end of the day to pay what is owed. Do I have to accept the money? I have had numerous problems with this tenant, and just want them out.

A: Arizona is a cure-state, so if they pay everything that is owed BEFORE a judgment is entered, then you have to accept it. Nothing in Arizona law specifically allows a judge to "hold" judgment, but it does sometimes happen.

If the judgment has not yet been signed and the tenant offers to pay everything that is owed (rent, late fees, court costs and attorneys' fees, if applicable) you have to accept it. Once the judgment is signed, however, you have sole discretion as to how to proceed. You can elect to not accept the funds if the tenant has otherwise been a problem.

Mark B. Zinman, Attorney

Information contained in this article is for informational purposes only and should not be considered legal advice. You should always contact an attorney for legal advice and not rely on information published here.



AZREIA Calendar of Events

Check www.azreia.org for the current schedule.

JANUARY MEETINGS		
AZREIA – Phoenix – In-Person <i>Monday, January 10</i>	AZREIA – Tucson – In-Person <i>Tuesday, January 11</i>	Phoenix Real Estate Club – In-Person <i>Tuesday, January 25</i>
JANUARY SUBGROUPS – Join like-minded investors, share ideas, network, and learn in small group settings.		
<ul style="list-style-type: none"> Tucson New Investors – In-Person & Online <i>Tuesday, January 3</i> AZREIA Prescott – In-Person <i>Tuesday, January 4</i> 	<ul style="list-style-type: none"> Raising Capital & Options –In-Person & Online <i>Tuesday, January 11</i> Shared Living –In-Person <i>Wednesday, January 12</i> 	<ul style="list-style-type: none"> Beginning Investors –In-Person <i>Thursday, January 13</i> Notes – In-Person <i>Thursday, January 20</i> Fix & Flip – In-Person <i>Wednesday, January 26</i>
<p align="center">Wholesaling Live Q&A on Facebook & Instagram <i>Monday, January 17, 2022 6:00 pm – 7:00 pm Available Online</i></p> <p>This is an invitation for you to ask wholesaling professionals Mike and Marcus anything you want about wholesaling real estate. We'll be streaming live on Facebook and Instagram and can assure you this will be one of the most informative wholesaling meetings you have all year! ASK THEM ANYTHING! You can ask them your most pressing real estate question, business question, mindset question, or any question that's been holding you back from starting your wholesale business. You can't get this type of feedback or coaching on YouTube University. HOW CAN WE HELP YOU KICK START YOUR WHOLESAL BUSINESS IN 2021? Make sure to follow us on Facebook and Instagram to access this live Q & A with Marcus and Mike and get your questions answered and learn how to wholesale houses with little money or risk.</p>		
<p align="center">Build Your Wholesale Business Step-By-Step <i>Saturday, January 29, 2022 9:00 am – 5:00 pm Available In-Person</i></p> <p>You've probably heard by now the best way to make money in real estate without a real estate license or previous experience is through Wholesaling. In this class we'll break down everything you need to know to build your wholesaling business. We'll show how to find Motivated Sellers, how to talk to these motivated sellers and execute a purchase contract, how to find Cash Buyers for your properties and execute an assignment contract to ensure you lock in your assignment fee. After this class you will have a full understanding of the wholesaling process, how to build a profitable wholesale business and close a deal from start to finish, how to find motivated sellers and what to say to them without sounding like a new investor and much, much more!</p>		
<p align="center">Launch Pad Group Session <i>Saturday, January 22, 2022 9:00 am – 1:30 pm Available In-Person</i></p> <p>The Launch Pad Group Session is for AZREIA Members and future members new to real estate investing who want to dramatically increase their probability of success and shorten the time to complete real estate investment deals to reach their financial objectives. Launch Pad is designed to take months off your development cycle and get your focused where you need to be focused! Virtually all new investors start without a clearly defined path. Without a path your odds of success plummet. AZREIA is here to help you get started the correct way and help you design your personal pathway to achieving your goals and changing your life. Want to get started today? You can take the Entrepreneurial Self-Assessment for free right now! Visit azreia.org/entrepreneurial-self-assessment/</p>		
CORE SKILLS CLASSES ARE BACK IN-PERSON!	<ul style="list-style-type: none"> Marketing <i>Thursday, January 27, 6pm-8pm</i> Comping & Estimating Repairs <i>Wednesday, February 2, 6pm-8pm</i> Negotiations <i>Monday, February 21, 6pm-8pm</i> 	<ul style="list-style-type: none"> Contracts <i>Thursday, February 24, 6pm-8pm</i> Where's the Money? <i>Wednesday, March 2, 6pm-8pm</i>
UPDATED INFORMATION & REGISTRATION ONLINE AT WWW.AZREIA.ORG		



AZREIA Monthly Meetings at a Glance

January 10th Phoenix Meeting

- **Current Market Trends and Activity** Updates on Market Data Analysis and the Rental Market provide the absolute latest information essential to your real estate investing business.
- **Phoenix Main Meeting: All-Star Wholesale Panel: What is Working in the Market Now!** Join us for a panel discussion with a few of Arizona's top wholesalers! They will reveal their success working in today's market conditions. They will also discuss the best way every investor can work with wholesalers, even if that investor does not do wholesaling themselves. This is an opportunity for everyone to understand this side of investing and learn how to work with other investors to maximize their returns!
- **Market Update & Market News with Alan Langston** The latest Fix & Flip and rental data along with further analysis of our Seller's Market. Plus, current events and news important to your investing.

January 11th Tucson Meeting

- **Tucson Market Update:** The latest sales volume, pricing, supply and demand numbers for both the Phoenix and Tucson markets.
- **Tucson Main Meeting: All-Star Wholesale Interview: What is Working in the Market Now!** Join us for a discussion with one of Arizona's top wholesalers! They will reveal their success working in today's market conditions. They will also discuss the best way every investor can work with wholesalers, even if that investor does not do wholesaling themselves. This is an opportunity for everyone to understand this side of investing and learn how to work with other investors to maximize their returns!
- **Haves & Wants, Power Networking and Deal Sharing:** Come prepared to listen, learn and share.

January 25th Phoenix Real Estate Club

- This is some of the best real estate networking anywhere! Meet face-to-face with other investors to find what your real estate investing business needs! Haves & Wants, structured networking activities, market discussion, and Member Deals. It all still happens!

Membership in AZREIA has never been more valuable or more affordable!

[CLICK HERE TO JOIN OR RENEW WITH AZREIA TODAY!](#)

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AZREIA Membership Build-Your-Own Membership	PLUS Membership Most Convenient for Highly Active Members	AZREIA Guest
\$100 / YEAR Pay as you go for your own personalized AZREIA experience	\$239 / YEAR \$309 PLUS Family Option: Add one family member to your membership	\$0
<p>Monthly Events</p> <ul style="list-style-type: none"> ✓ AZREIA Chapter Meeting (\$10/Meeting) ✓ Phoenix Real Estate Clubs (\$10/Meeting) ✓ Subgroup Meetings (\$5/Meeting) <p>The Home Depot Discounts</p> <ul style="list-style-type: none"> ✓ The Home Depot Rebate ✓ The Home Depot Paint Discount ✓ The Home Depot Cabinet Discount ✓ The Home Depot Appliance Discount <p>Education & Seminars</p> <ul style="list-style-type: none"> ✓ Significant Member Only Discounts ✓ \$30 Launch Pad <p>Additional Features</p> <ul style="list-style-type: none"> ✓ Discounts from AZREIA Business Associates ✓ Access to Market Updates & News Charts ✓ AZREIA Newsletter & Blog 	<p>Monthly Events</p> <ul style="list-style-type: none"> ✓ AZREIA Chapter Meetings FREE ✓ Phoenix Real Estate Club FREE ✓ Subgroup Meetings FREE <p>The Home Depot Discounts</p> <ul style="list-style-type: none"> ✓ The Home Depot Rebate ✓ The Home Depot Paint Discount ✓ The Home Depot Cabinet Discount ✓ The Home Depot Appliance Discount <p>Education & Seminars</p> <ul style="list-style-type: none"> ✓ Significant Member Only Discounts ✓ \$30 Launch Pad <p>Additional Features</p> <ul style="list-style-type: none"> ✓ Discounts from AZREIA Business Associates ✓ Access to Market Updates & News Charts ✓ AZREIA Newsletter & Blog 	<p>Monthly Events</p> <ul style="list-style-type: none"> ✓ AZREIA Chapter Meeting (\$20/Meeting) ✓ Phoenix Real Estate Clubs (\$20/Meeting) ✓ Subgroup Meetings (\$20/Meeting) <p>The Home Depot Discounts</p> <ul style="list-style-type: none"> X The Home Depot Rebate X The Home Depot Paint Discount X The Home Depot Cabinet Discount X The Home Depot Appliance Discount <p>Education & Seminars</p> <ul style="list-style-type: none"> ✓ Guest Pricing ✓ \$100 Launch Pad <p>Additional Features</p> <ul style="list-style-type: none"> X Discounts from AZREIA Business Associates X Access to Market Updates & News Charts ✓ AZREIA Newsletter & Blog

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