

The AZREIA Advantage

Arizona Real Estate Investors Association Newsletter

"AZ Real as it Gets"

AUGUST 2020

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Investors Association

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Investing in Mobile Homes

by Frank Rolfe

A Low-Cost Way to Harness the Power of Affordable Housing

Home flipping is a common theme of HGTV, but you never see mobile homes on it. But that's a shame because investing in mobile homes can be a very profitable venture and the cost to get into this sector can be under \$1,000. In a business where the strategy is to buy low and sell high, you can't buy housing units for less than mobile homes, and that makes the upside enormous. So, what makes mobile home investing a profitable venture?

Sellers are desperate and prices are low

When an owner sells their mobile home, it's typically caused by some type of pressure, such as loss of a job or a divorce, or even settling an estate. In these cases, the seller does not have much time to properly advertise or market the property (if they even know how to do that) and are willing to take very low amounts of money for that. In addition, they typically have no debt as the average length of residence of a mobile homeowner is 14 years and the longest mortgage on any home 1990 or older is 10 to 15 years. Since they have no mortgage to worry about paying off, the price can be anything you can negotiate.

Competition is almost nonexistent in most markets

Another reason that mobile home prices are low is that there are few buyers for this asset type. Most Americans find single-family home flipping

appealing but the U.S. stereotype against mobile homes and their occupants (the slang term is "trailer trash") keeps most investors from even seriously considering this type of venture. Based on the law of supply and demand, when there are fewer buyers, the price always comes down. This makes mobile home prices extremely low.

An imperfect market creates perfect positioning

Since few people are buying mobile homes and most sellers have absolutely no idea what they're doing, it gives an extremely attractive open playing field of opportunity. If you can buy a mobile home for \$1,000 there's really no way you can go wrong, as the demand for affordable housing is extremely large. In many ways, the mobile home investor is acting simply as the middleman between the seller and the buyer – only with a commission that is much higher than any realtor.

The many options to make money

There are many different ways to make money with a mobile home including:

- Buy it cheap and then clean it up, advertise it, and sell it at a large profit for cash.
- Buy it cheap, do a full remodeling, and sell it at a larger profit for cash.
- Buy it cheap, remodel it, rent it out, and keep it as a rental property.

Because there are so many different methods to approach the business model, it is extremely adaptable to the market and your goals.

continued on page 2

Phoenix
Monday, August 10 • 5:45PM

- ***Investing in Mobile Homes & Parks***
- ***Current Market Analysis***
- ***Rental Update***
- ***Governor's EO Update***

Tucson
Tuesday, August 11 • 5:45PM

- ***Investing in Mobile Homes & Parks***
- ***Tucson Market Update***
- ***Haves & Wants***



Executive Director's Message

Relationships, Information, Education and Data

I am most proud of the relationships AZREIA has cultivated over the last 18 years. These vital connections provide you, our members, with unparalleled information, education and data critical to your business as an investor. This is true whether you own one property or hundred, whether you fix & flip, wholesale, own income property or notes.

What do I mean? The last four months have highlighted some of the most important relationships and what they mean to you. If you've attended our Zoom meetings or read your emails, think back to the data and, more importantly, the analysis Tian Tamboer of the Cromford Report provided specifically to you as an investor. Where else could you have procured that information? Nowhere! Think about the preciseness of information Mark Zinman has shared about the Governor's Executive Order on Evictions along with his direction on what you needed to do to ensure you were in the best position. Also, Barbara Habbeshaw's timely information of rental property operations during these fast changing and challenging times. But that's not all.

The information in our monthly newsletter, The AZREIA Advantage, from our author experts has kept you informed and up to date on everything from comping property, to changes in closing procedures, the latest legal issues and exposures, impacts on insurance coverages, self-directed IRAs and the rapidly changing lending market. But even that's not all.

Just this year, though our long-term relationships with the best educators and trainers in the business, we provided advanced

education on creative deal structuring, notes investing, rehabbing, rental ownership and management and seller financing. Coming up the rest of this year is mobile home and mobile home park investing, very advanced creative deal structuring, and finding deals and getting them closed. All practical learning focused on today's market challenges. But you guessed it, that's not even all.

We found ways to continue all our networking sessions like Haves & Wants through virtual means as we know and understand the importance of continuing to connect with your fellow investors. Our exceptional subgroups continued to meet with the normal exception of some off time in the summer. It is impossible to calculate the value of meeting with other investors, even virtually, on individual investing areas like income property, notes, fix & flip, and assisted living, along with a separate group for new investors.

When things shift as rapidly as they did because of something so unexpected like a pandemic and the associated shutdown, that is when you find out just how strong your relationships are. There is a new meaning to an old word – essential. I feel AZREIA has proven over the last few month that we are, in fact, essential to real estate investors. I strongly believe that we would not be essential without the continuing support of people like Tina, Mark, Barbara, our educators, and our subgroup leaders. They have our sincere thanks and we are very grateful for those relationships.

Smarter investing,
Alan Langston



Investing in Mobile Homes

continued from page one

Portfolio diversity

Another benefit of buying inexpensive mobile homes – as opposed to expensive single-family homes – is that you can have a diverse portfolio for the same amount of money as just one house. As we've seen with Covid-19, not all markets are created equally, and there is strength in not having all your eggs in one basket.

The endless demand for affordable housing

Regardless of which mobile home market you invest in, one trait of mobile home investing is identical across America: the high demand for affordable housing. A simple ad on Craigslist can garner ten

calls a day. That's because the average single-family home in the U.S. is around \$200,000 and the average apartment rent in the U.S. is around \$1,200 per month. That makes the average mobile home in a mobile home park the best value in America, and one that no other form of housing can match.

And the best product to meet this demand

And beyond price alone, mobile homes offer some definite advantage over apartments including:

- No neighbors knocking on your walls or ceiling.
- The ability to park by your front door.

- A yard of your own.
- Stable residents with a strong sense of community.
- The ability to be a homeowner.

Even if mobile homes were the same price as apartments – which they're not – the benefit to living in a mobile home would make them enormously attractive.

Conclusion

Investing in mobile homes allows you to participate in the huge demand for affordable housing at an extremely low price point and with little competition. It can be extremely profitable, low-risk, and a great way to create a strong additional income stream or nest egg.



AZREIA Advantage: Self-Directed IRA Expert

It's Vindication Time for Real Estate IRA Investors



J.P. Dahdah
Chief Executive Officer

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by
J.P. Dahdah

Do you remember the last time you felt triumphant vindication for an important choice you made in your life? How did it feel? It felt glorious, right? That's because after every choice we make, our natural human desire is to gain validation that our decision was the correct one. For most people, a choice is proven to be the right one when it leads to the sought after result. As usual, the continuum of time plays the biggest role in determining whether the result was in fact favorable or not, hence the popular saying "only time will tell." When we're faced with a choice involving a topic as meaningful and personal as money, the emotional stakes are high. Given that not every monetary decision we make carries an equal magnitude of substantial value and consequence in our lives, we tend to place an elevated level of emotional attachment to the outcomes of the choices we believe will have a profound impact in our lives. For most of us, the investment choices we make for our retirement fall into this category. As investors, the decisions on why, what, when, how and where we direct our retirement savings matter greatly due to the high value we place on our financial well-being.

One of the fundamental investment choices every IRA investor must make is the selection of asset categories and strategies for their retirement portfolio. Will you choose to invest in publicly traded securities offered through brokerage firms that are commonly referred to as traditional assets or would you rather invest into alternative private investments, such as real estate. Then again, perhaps a diversified combination of both is more in line with your investment appetite. The reality is that we all have our own reasons, beliefs and justifications that support each personal investment choice we make, which is why I believe so strongly in Self-Directed IRAs. They empower those of us that would rather direct our hard-earned nest eggs beyond the stock market, to do so, inclusive of all the tremendous tax-favored benefits retirement accounts offer.

One of the commonly highlighted differentiating characteristics between public and private assets is the variance in *liquidity* offered by each

respective market. The public market offers a high level of liquidity through stock exchanges. Stock market investors that find themselves in a financial crunch and need money fast find value in having the benefit of having quick access to their funds, particularly for funds held in non-qualified brokerage accounts. Nevertheless, a major downside of the liquidity offered by stock exchanges is that it facilitates a significant increase in market volatility. If we evaluate the liquidity benefit factor within the context IRA accounts, however, the value proposition decreases significantly given the IRA distribution restrictions and tax penalties imposed for early withdrawals.

Additionally, keep in mind that IRAs are accounts that are already illiquid by nature because the U.S. Government designed them specifically to be long-term investment vehicles for our income during retirement, not as our emergency cash reserve fund. This makes them ideally constructed to hold illiquid assets, such as private investment real estate. Additionally, based on sound financial management principles, retirement accounts should be tapped as the option of last resort for cash strapped investors.

All that being said, we find ourselves halfway through a year of drastic ever-changing uncertainty brought on by the COVID-19 global pandemic. Now more than ever, investors are asking themselves "have I made the right investment choices with my IRA?" Those of us that chose to direct our Self-Directed IRA funds into illiquid private assets are experiencing that triumphant feeling of vindication I eluded to initially. At last, we are having our moment of glory because the current market conditions are providing us an opportunity to prove that our illiquid IRA asset holdings are delivering the exact result, we intended them to when we bought them. Our IRA balance is protected from the rapid downside risk exposure conversely being felt by the millions of investors in the public markets.

If you currently own real estate, or any other type of illiquid asset in your IRA, I encourage you to take this moment to join me in rejoicing proudly and relishing in the magnificent splendor of choosing wisely. If you don't, or perhaps you didn't even know you could until now, I encourage you to make this an opportunity to educate yourself about Self-Directed IRAs and evaluate if they aren't a better option than what you currently have.

To learn more about Real Estate IRAs, please visit www.VantageIRAs.com/AZREIA



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by
**Marco
Leone**

Are you looking for an investment property to flip? So how do you analyze the potential of that property? You look at comparable properties, right? But are they really comparable properties? Although it's important to build your analysis from the ground up, in a competitive real estate market you don't really have the luxury of time on your side. This means you need to be able to analyze and make decisions quickly.

The first step is to have a reliable system for your analysis. This is critical. I recommend you start with a radius search of no more than 1/4 to 1/2 mile. The further you get away from the subject property, the comparable properties are less likely to be similar to the subject property in a variety of ways. The comparable properties might be on the other side of a major street, which can add or subtract from the actual value. An appraiser will tell you that the further out the comparable properties are, the more adjustments they must make for offsetting factors, i.e. distance, different neighborhood, other amenities, etc. In contrast, when you have a tight radius, the age, size and other characteristics tend to be more similar to the subject property and will provide you with much better supporting data.

The next important step is to look at the square footage. At The Equity Finders, we analyze all properties on a price per square foot basis, which is the great equalizer when analyzing properties. Our exclusive SmartMap software provides us with a fairly tight search criteria of plus or minus 10% of the square footage to evaluate the comparable properties. This keeps comparable properties as close as possible to the subject property, which then allows us to use the average price per square foot to determine the value of the subject property.

Now if you're thinking to yourself, "I'm interested in flipping a property, so how do I

calculate ARV (After Repair Value)?" That's a great question, which leads me to my last point on comping investment properties.

As an investor, your goal is to buy low, renovate, and then sell high. In addition, you want to sell the property as quickly as possible to keep your carrying costs to a minimum. The first thing to consider is are you buying a property in a transition area? If so, it only makes sense that the renovated comps will have a higher price per square foot than the rest of the comps in the area. By multiplying the subject property's square footage by the average higher price per square foot, you'll be able to determine the subject property's after repair value or ARV. Second, whatever comping system you decide to use should provide all the pictures of the comparable properties. These pictures are priceless. You'll be able to see exactly what improvements were made to the comparable properties to achieve their ARV price. One of the biggest reasons people fail at flipping properties (besides not having a great comping system) is they make the mistake of over-improving the property. They end up spending money they'll never get back. Another reason is they don't have a solid

marketing plan in place to sell the property. You see, you don't really complete the whole flipping cycle until you actually SELL the property. That's where your profit comes from. Although the process of buying and fixing up the property can be loads of fun, I hope your end goal is to make a profit, right? Please say yes.

So, what am I trying to say? You absolutely need a fast and reliable system when analyzing and comping investment properties. At The Equity Finders, we use our own exclusive SmartMap technology, which provides all the data you need to help you make smart investment decisions.

Our SmartMap ARV Comping System really does it all for you. Try our ARV and rental comping system for 10 days, absolutely free (no credit card required).

Go to www.SmartMapComps.com to get started. I promise, you'll love it.

Looking for your next fix & flip or rental property but need help finding the best deals? Go to:

www.TheEquityFinders.com/get-started/ and tell us what you're looking for. We're always here to help.



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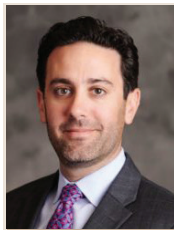
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AZREIA Advantage: Legal Expert

A Text Contract?



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by
**Mark
Zinman**

We have received a lot of questions lately about a legal article written where it was alleged that a purchase contract can exist in the form of text messages between the buyer and seller. The initial reaction from investors is, "can this be true?" The legal answer is yes, text messages may form the basis of a purchase contract but it will definitely be subject to attack in any lawsuit.

The very basic understanding of contract law provides that to form an enforceable contract, there must be: (1) offer; (2) acceptance; and (3) consideration. In terms of real estate purchase contracts, the contract must have sufficient material

terms so that the court can enforce what the parties intended. Amongst other terms, this usually means that the contract must identify the property being sold, who the parties are, the purchase price, the date of sale, any contingencies or other requirements.

The next major legal hurdle that must be addressed is the statute of frauds. A.R.S. § 44-101 says that for the sale of real property there must be a written memorandum of the agreement signed by the party to be charged. The obvious question then is whether a text message is a written agreement signed by the party to be charged. There is a case from the 1960's wherein it is held that, "Generally, a writing or memorandum is "signed" in accordance with statute of frauds if it is signed by person to be charged by any of known modes of impressing a name on paper, namely by writing, printing, lithographing or other such mode, provided same is done with intention of signing." In other words, any way that a person indicates or intends that they are signing, may constitute a signature even though it is not in the traditional sense a signature. Given this, almost anything may be a signature, but it will be up to a judge.

With this framework, it is conceivable that if a buyer and a seller are texting back and forth, they could meet all of the necessary elements to form a contract for the sale of real property, provided that the text messages are clear as to the necessary terms and there is an indication that they intend to bind themselves to a contract, via a "signature." The agreement and the "signature" would have to be very clear.

Remember, though, an agreement to contract in the future is not a binding contract. Therefore, if there is negotiating back and forth with the indication that a contract must be signed at a later time, that is not a binding contract. Rather, the text messages must be clear that the parties are actually binding themselves immediately via text. In a lawsuit over ownership to a property, when it is based upon text messages, it can be expected there will be lengthy litigation because there are a litany of potential defenses that will be raised regarding the sufficiency of the text messages.

We strongly recommend that clients use formal purchase contracts to avoid these issues.



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AZREIA Advantage: Title Expert

The Importance of Reconveyance



by
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A Reconveyance is an instrument used to transfer title from a trustee to the “owner” of real estate. This is most commonly used upon payment in full of the mortgage.

At the time of payoff, the lender is obligated to make certain that the title to your property is cleared of the lien. A Reconveyance of the Deed of Trust is the document which releases the lender's interest in your property and confirms that you have fully paid your loan. In addition, under the terms of your Policy of Title Insurance, the title insurer assumes liability for the elimination of that paid lien. This policy is your written guarantee that your property is free and clear of liens which were paid off by the title company as a part of your

escrow process. This important document is your best protection against any defects in the title to your property and should be a part of every escrow transaction.

What happens when there is no reconveyance of record on a loan that has been paid or when the lender or beneficiary is no longer available to issue the request for reconveyance?

Example: The preliminary report shows two deeds of trust but the seller says they only have one loan. There is no reconveyance on record that shows that one of those loans has been paid. The seller must contact the lender and request a reconveyance before the transaction closes in order to remove the second loan on record.

What happens if the lender in scenario is no longer in business and never issued a reconveyance?

The title company will then need to be provided with a “lost note bond”, this typically is the Sellers responsibility. A licensed bonding company can issue the lost note bond for a fee that is typically a percentage of the sale price. This can be expensive and can create a delay

in closing. It is therefore important to always request a reconveyance when a loan is paid off. Years later it may be an expensive issue to fix.

In certain transactions, supporting documentation in addition to the Reconveyance may be required in order to remove the item from the Preliminary Report.

Definitions:

- **TRUSTEE:** An independent third party that performs under the terms of the Deed of Trust for the benefit of the borrower and the lender. Chicago Title is the trustee when preparing a Reconveyance on behalf of the lender and the borrower.
- **Trustor:** The borrower
- **Beneficiary:** The lender
- **Note:** The obligation
- **Deed of Trust:** A Security document used to secure the performance under a Note.

As a Title Company we are not just here to issue clear title on a property. We are here as a resource to guide you through the process and also help you find more deals! When it comes to the resources, reach out to us to help make your life a little easier.

Ask Chicago Title About...

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Refinish Fixtures vs. Replacement

- Replacing a fixture, for example a bathtub, can take several days or even weeks during which time the occupants are unable to use the facility. Replacement fixtures are almost invariably of lesser quality than the original.
- Replacement requires many tedious and destructive chores:
 - breaking and removing ceramic wall tile that surrounds the tub
 - gouging out dry wall and cutting through 2X4 studs
 - ripping out and disposing of floor tile before the old tub can be removed for replacement.
- Replacing is dangerous, messy, noisy, and expensive work, usually requiring the services of a carpenter, plumber and tile setter. (Cast iron tubs weigh up to 300 pounds)

In just a few hours, without removal, the **Perma Glaze** system of polymer resins restores worn and damaged surfaces to their original luster. The remarkable beauty of **Perma Glaze** is the result of our proprietary process that combines unbeatable depth and richness of color with a uniquely ultra-durable surface that retains its lustrous like-new look.

“The **Perma Glaze** process is a quick and inexpensive solution for any remodel job,” says founder Dale Young. Ace **Perma Glaze** offers the opportunity to refinish fixtures vs. replacing them. **Perma Glaze** renews worn fixtures to their original glory, avoiding altogether the need to rip out and dispose of

bathtubs, sinks, countertops, appliances, and more. His motto: “Why Replace It? Perma Glaze It!” The environment will be far better off, and homeowners/investors can save up to 85% in replacement costs!

+++

Additionally, **Perma Glaze** offers licensing opportunities to real estate investors:

“A Perma Glaze License is the perfect opportunity to expand your Real Estate business and increase your profitability overnight.”

– Dale Young, Owner/President, Perma Glaze

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Monthly Meetings

AZREIA Phoenix Meeting
Monday, August 10
Zoom

AZREIA Tucson Meeting
Tuesday, August 11
Zoom

Phoenix Real Estate Club
Tuesday, August 25
Zoom

We are back to a full schedule of AZREIA meetings in August. There are separate meetings for Phoenix, Tucson and the Phoenix Real Estate Club. Our focus topic this month is mobile homes and mobile home parks. Great information will be shared on this highly affordable and profitable way to invest. We will also provide you with the latest market trends and news making sure you are well informed. Timely, market-driven information and education makes this meeting must see. Don't miss it!

Phoenix – Current Market Trends & Activity

Experts representing Market Data Analysis, Legal and the Rental Market provide the absolute latest information essential to your real estate investing business.

Phoenix & Tucson Main Meetings – Investing in Mobile Homes and Mobile Home Parks

Affordable housing is the hottest segment in American real estate as it combines the nation's most essential product with a price point that those earning minimum wage to \$15 per hour can afford. The mobile home and mobile home park sectors of investing offer spectacular returns on investment, extremely low entry price points, the virtual absence of competition, and huge ability to push rents, occupancy and cost-cutting, as you

bring older communities back to life. In a nutshell, this sector is the best investing option in American real estate.

- If you are trying to find a real estate niche that allows you to make huge returns starting with as little as zero capital, then you should attend. We'll show you a range of options of how to invest including contract assignments, master lease with option, zero down seller carry, and a wide variety of traditional purchase options.
- You will learn the basics of how to identify, evaluate, negotiate, perform due diligence on, renegotiate, finance, turn-around and operate both mobile homes and mobile home parks.
- Learn from Frank Rolfe, who the New York Times calls "the human encyclopedia of all things mobile home" and serves as part of the fifth largest ownership of mobile home parks in the U.S. with over 20,000 lots.

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.

Phoenix Real Estate Club

Even in a virtual environment, this is some of the best real estate networking anywhere! Haves & Wants continue. Structured networking activities in breakout rooms. Market Discussion. Member Deals. It all still happens!



AZ.R.E.I.A., Inc. (the "Association") does not: (1) render legal, tax, economic, or investment advice, (2) investigate its members, or (3) represent or warrant the quality of goods or services provided by its members, the honesty, integrity, reliability, motives and/or resources of its members or their officers, directors, managers, employees, agents, and/or contractors. Consult your legal counsel, accountant, and other advisors as to risks and legal, tax, economic, investment and other matters concerning real estate and other investments. Members will comply with the Code of Ethics of the Association.



AZREIA Advantage: Lending Expert

Andy the Lender Checking In



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by
Andrew Augustyniak

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The world sure is an interesting place right now. Whether you are on the right or the left, the good news is interest rates are at a 50-year low. No matter what your goals are, how many homes you have...now is the time to strike while the iron is hot. Make sure to take advantage and pick up those additional properties. Go refinance your current long term holds and increase your cash flow. Pull out the cash to purchase additional properties. Do not let the time pass when money is this affordable is what I am trying to say.

With that being said, we have also had many changes in lending with everything going on. Self employed borrowers have been hit most. Here are the changes regarding being self-employed.

Self Employed Borrower Changes Direct from Fannie Mae

Self-employment income is variable in nature and generally subject to changing market and economic conditions. Whether a business is impacted by an adverse event, such as COVID-19, and the extent to which business earnings are impacted can depend on the nature of the business or the demand for products or services offered by the business. Income from a business that has been negatively impacted by changing conditions is not necessarily ineligible for use in qualifying the borrower. However, the lender is required to determine if the borrower's income is stable and has a reasonable expectation of continuance. Due to the pandemic's continuing impact on businesses throughout the country, lenders are now required to obtain the following additional documentation to support the decision that the self-employment income meets our requirements:

- an audited year-to-date profit and loss statement reporting business revenue, expenses, and net income up to and including the most recent month preceding the loan application date; or
- an unaudited year-to-date profit and loss statement signed by the borrower reporting business revenue, expenses, and net income up to and including the most

recent month preceding the loan application date, and two business depository account(s) statements no older than the latest two months represented on the year-to-date profit and loss statement.

- For example, the business depository account statements can be no older than Apr. and May for a year-to-date profit and loss statement dated through May 31, 2020.
- The lender must review the two most recent depository account statements to support and/or not conflict with the information presented in the current year-to-date profit and loss statement. Otherwise, the lender must obtain additional statements or other documentation to support the information from the current year-to-date profit and loss statement. NOTE: The year-to-date profit and loss statement must be no older than 60 days old as of the note date consistent with current Age of Documentation requirements below.

Let me know if you have any questions or would like any estimates! Stay healthy!



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AZREIA Calendar of Events

Check www.azreia.org for the current schedule.

AUGUST MEETINGS		
AZREIA – Phoenix - Virtual <i>Monday, August 10</i>	AZREIA – Tucson - Virtual <i>Tuesday, August 11</i>	Phoenix Real Estate Club - Virtual <i>Tuesday, August 25</i>
AUGUST SUBGROUPS		
Join like-minded investors, share ideas, network, and learn in small group settings.		
<ul style="list-style-type: none"> • Prescott Meeting <i>Tuesday, August 4</i> • Income Property Owners <i>No meeting in August</i> • Residential Assisted Living <i>No Meeting in August</i> 	<ul style="list-style-type: none"> • Burley - Virtual <i>Tuesday, August 11</i> • Beginning Investors <i>Thursday, August 20</i> • Notes - Virtual <i>Thursday August 20</i> 	<ul style="list-style-type: none"> • Fix & Flip <i>Wednesday, August 26</i> • Tucson New Investors - Virtual <i>Monday, August 3</i> • Tucson Wholesaling - Virtual <i>Tuesday, August 18</i>
<p align="center"><u>Launch Pad Group Session LIVE & ONLINE</u> 8/1/2020 Location: 1841 N 24th Street, Phoenix, Arizona Time: 9:00 AM-1:00 PM Pre-register online to get the links to virtual meeting.</p>		
<p align="center">Mobile Home and Mobile Home Park Investing with Frank Rolfe <i>Saturday, August 15, 2020 / 9:00 am – 4:00 pm / On-line Session</i></p> <p>This event is designed for any investor that is interested in new concepts with high rates of return. This is an industry that rewards strategy and knowledge and does not require huge amounts of capital to succeed.</p>		
<p align="center">UPDATED INFORMATION & REGISTRATION ONLINE AT WWW.AZREIA.ORG</p>		

LEGALLY SPEAKING



Q: My lease provides that I have to give my tenant 48 hours notice before entering. I am trying to show the property to potential tenants and even potential buyers, as the lease is expiring in a month. I have tried to work with the tenants but they are telling me no one should enter and threatening me that if someone does enter, and the tenants get sick from COVID-19, they will sue for damages. What can I do?

A: First, remember that the Arizona Residential Landlord and Tenant Act requires a two-days notice which may not even be 48 hours' notice. Therefore, your lease should reflect that. Second, under the law, you

have a right to enter your property after valid notice. If the tenant refuses, you can serve a second notice and then evict if the problem continues. If the tenant is in quarantine, you may not wish to enter. However, if the tenant is not sick, you have a right to enter but you should wear masks and gloves and follow appropriate social distancing guidelines when in the unit to protect yourself and your resident. This is likely the appropriate standard of care. Remember, if you are ever sued for harming someone, the question is whether your conduct fell below the applicable standard of care.

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 Monthly Meetings at a Glance

August 10th – Phoenix Monthly Meeting

- **Current Market Trends and Activity** - Experts representing Market Analysis, Legal and the Rental Market provide the absolute latest information essential to your real estate investing business. Tina Tamboer of the Cromford Report, Mark Zinman from Zona Law and Barbara Habbeshaw from AZ Residential Management are expected to participate.
- **Investing in Mobile Homes and Mobile Home Parks.** The mobile home and mobile home park sectors of investing offer spectacular returns on investment, extremely low entry price points, the virtual absence of competition, and huge ability to push rents, occupancy and cost-cutting, as you bring older communities back to life. In a nutshell, this sector is the best investing option in American real estate.
- **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.

August 11th – Tucson Meeting

- **Investing in Mobile Homes and Mobile Home Parks.** See above.
- **Tucson Market Update** - The latest sales volume, pricing, supply and demand numbers.
- **Haves & Wants**