

# The AZREIA Advantage

Arizona Real Estate Investors Association Newsletter

"AZ Real as it Gets"

OCTOBER 2020

## Contents

Executive Director . . . . .	2
Self-Directed IRA Expert. . . . .	3
Lending Expert. . . . .	4
Legal Expert . . . . .	5
Financing Professional . . .	6
Property Management Expert. . . . .	8
Title Expert . . . . .	9
PermaGlaze. . . . .	10
Monthly Meetings . . . . .	11
Equity Finders . . . . .	12
Calendar of Events . . . . .	13
Legally Speaking. . . . .	13
Meetings at a Glance . . . . .	14



## Arizona Real Estate Investors Association

1841 North 24th Street  
Suite 10  
Phoenix, AZ 85008

480.990.7092  
fax 480.990.7017  
www.azreia.org

## What Does Creative Deal Structuring Look Like?

by Bill Cook

Since 1999, Kim and I have continually learned from Pete Fortunato how to creatively structure and fund our deals – *without going to banks!*

The BEST real estate investing meeting we attend is the weekly Real Estate Exchangers meeting in St. Petersburg, Florida. It's creative deal structuring and funding at its most pure.

Here's an example of a deal that was put together at one of the meetings.

Rich has a SUV that he'll sell for \$3,000 cash. Pretty straight up deal, right?

Pete offers to trade his Nissan truck for Rich's SUV. But Rich doesn't want a truck; he wants \$3,000 cash! Does Pete have a hearing problem or what?

Here is a classic example of *Use What You Have, To Get What You Need, To Get What You Want.*

Upon seeing that Pete's truck is on the block, Kevin offers to give Pete a note in exchange for the truck. Note terms: \$150 per month for 18 months then a \$1,050 balloon (total paid will be \$3,750).

Mark, another exchanger, offers to buy Kevin's \$3,750 note for \$3,000 cash. (For you financial calculator wiz kids out there, what is Mark's yearly yield on this investment? The answer is below.)

Back to Rich; remember Rich? He just wants \$3,000 cash! Here comes the magic of creative deal making.

Rich accepts Pete's offer. Rich gets Pete's truck and Pete gets Rich's SUV. Only one problem: Rich doesn't want a truck – Pete's or anybody else's. He wants \$3,000 CASH!

Remember Kevin? Kevin DOES want Pete's truck and has offered to give a \$3,750 note in exchange for Pete's (now Rich's) truck. And remember Mark? Mark has offered to buy

Kevin's \$3,750 note for \$3,000 cash.

Rich sells Pete's (which is now Rich's) truck to Kevin in exchange for Kevin's \$3,750 note. Then Rich sells Kevin's \$3,750 note to Mark in exchange for \$3,000 cash.

This all began with Rich telling the exchanger group that he would sell his SUV for \$3,000. Did Rich get what he wanted? He sure did!

Let's look at why each player agreed to this deal.

Rich said yes because he got what he wanted: \$3,000 cash.

Kevin said yes because he got what he wanted: a truck that he could afford.

Mark said yes because he got what he wanted: a note with a 23.42% yearly yield. ( $N = 18$ ;  $I/YR = ?$ ;  $PV = -\$3000$ ;  $PMT = \$150$ ;  $FV = \$1050$ . When you solve for  $I/YR$  you get 23.42% yield.)

But why did Pete say yes? What did Pete get? Sure, he got a SUV. But if you know Pete, you know he doesn't give a flippin' honk about a car – *any car!* A car is nothing more than a conduit to use to help make a future deal. The two most important things Pete got by agreeing to this

*continued on page 11*



# Executive Director's Message

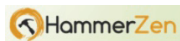
## *You're Not Getting the Most Out of Your Membership!*

One of AZREIA's biggest challenges is trying to be sure you, as a member, understand all the great benefits we provide and how you should use them. The main problem is we have so many, but we don't want to wear out our welcome by emailing you too many times. I know, we send you too many emails already. See our problem?

If you realized we have tremendous relationships and substantial savings with quite a few national brands, you may understand how valuable your AZREIA membership is in addition to education, market information and meetings. Here is a sample:



Office Depot / Office Max offers tremendous savings, award winning customer service, and the ability to shop the way you like (online, by phone, or in-store) with up to 55% off retail on office supply, cleaning & breakroom items; 10% off average savings on technology solutions; 10% off an expansive in-store assortment of 6,000+ items; Up to 20% off printer ink & toner; special pricing on finishing, printing and copies; and free next day delivery on orders over \$50



Intuit Solution Provider, offers preferred prices for QuickBooks products.



Save 45% on FedEx Express and 25% on FedEx Ground with the National REIA Shipping Program, managed by @PartnerShipLLC. Enroll today! [bit.ly/2YY3hF](http://bit.ly/2YY3hF)



Save up to 25% on pre-paid plans.



25% Off



Private website with great discounts and fast service.



Special pricing of 2.5 cents per voice blast and 3 cents for text blasts.



10% off services

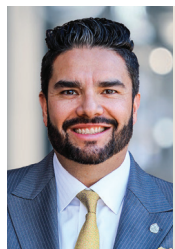
This is just a few of the available offerings. Others include Foreclosure.com, ClearVue Technologies, idICORE, Local Market Monitor, Podio, and more.



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: Self-Directed IRA Expert

## Avoid FOMO from Influencing Your Real Estate IRA Strategy



**J.P. Dahdah**  
*Chief Executive Officer*  
Vantage Self-Directed  
Retirement Plans  
[www.VantageIRAs.com/AZREIA](http://www.VantageIRAs.com/AZREIA)  
20860 N. Tatum Blvd. #240  
Phoenix, AZ 85050  
Phone (480) 306-8404  
Fax (480) 306-8408

by  
**J.P. Dahdah**

Every single one of us can relate to the feelings created by FOMO, the fear of missing out. In our social lives, we can experience it any time we get invited to a party, vacation, special event or concert, and for some reason, we aren't able to be present for all the fun we believe others will have without us. Studies show that FOMO leads to extreme dissatisfaction and has a detrimental effect on our physical and mental health; mood swings, loneliness, feelings of inferiority, reduced self-esteem, and increased levels of negativity and even depression. FOMO is not just the sense that there might be better things we could be doing, but we feel that we are missing out on something *fundamentally important* that others are experiencing. Due to the significant psychological impact FOMO can have, it isn't hard to understand how it can easily invade our financial lives and influence our investment moves. Money is Personal™. Therefore, emotions can play a pivotal role in how inexperienced investors make decisions, which can lead to detrimental financial mistakes.

So how does FOMO begin to creep into our financial lives? A friend brags to you about all the money they're making in a fix and flip investment and subtly shames you for not being in the deal. You read an article about a company that is having explosive growth and the shareholders are

receiving triple-digit returns, but you don't own it. You go to lunch with a co-worker and they're overjoyed because they recently purchased their third rental property in an emerging neighborhood. They are receiving an above market rental rate, yet, you don't own any investment properties.

As we find ourselves in these types of situations in our lives, we begin to perceive that others are winning at the financial game, they are having more fun and living better lives. These feelings can begin to create a deep sense of envy and harmfully impact our self-esteem. We begin to doubt our investment decisions which can increase our anxiety surrounding our ability to achieve our financial goals.

Naturally, this leads us to ask what steps we can take to avoid FOMO in our investing behavior. Here are 5 strategies to mitigate investment FOMO from damaging your mental and emotional wellbeing. Each of the following steps begins with your ability to first recognize that you are currently in an emotional state of investment FOMO. Self-awareness is a critical muscle to build to develop more self-control and the investment discipline necessary to succeed as an investor.

**1. Realize You Might Not Actually Be Missing Out** - This is accomplished by creating what is known as psychological distancing, which is the use of language to put mental space between you and whatever reactionary monetary temptation you are struggling with. Talk to yourself in the third person as another person would: *"J.P., you've made smart investment decisions that are appropriate to your goals and their investment victory isn't connected to your situation."*

- 2. Consider If You're the Cause of Your Own FOMO** - Create an alter ego. Imagine you are a different person, a more capable and experienced investor (i.e. Warren Buffett) and ask *yourself* "What would Warren do in the same situation?" Pick your investment superhero and model them!
- 3. Be Okay with Not Being Able to Do It All** - Give yourself some grace and accept the reality that you don't have a crystal ball or the time and resources to be in every winning strategy. Take a walk down memory lane and recall a time in your past when you successfully kept your resolve and overcame previous financial challenges.
- 4. Ask Yourself If Your FOMO Is About Something Bigger** - Consider whether this FOMO dredges up feelings of general unhappiness in your life and insecurities. If so, you may need to take the necessary time to figure out what the root cause is and evaluate how to change it.
- 5. Imagine Your Future Self** - Visualize yourself in the future, the way you want to be so you can connect your actions to your future goals. Ask your future self for advice and then take it!

Investment FOMO might seem difficult to fight off, but with a little practice, we can all be better at avoiding it. By using the tips mentioned here, you can help yourself feel a bit calm, cool, and collected the next time you feel you are missing out on an investment victory.

**For more information about Real Estate IRAs, please visit [www.VantageIRAs.com/AZREIA](http://www.VantageIRAs.com/AZREIA)**







# AZREIA Advantage: Lending Expert

## Andy the Lender Checking In



**Andrew Augustyniak**  
Branch Manager  
Loan Officer

Call or Text: 480.735.4095  
[aa@peoplesmortgage.com](mailto:aa@peoplesmortgage.com)  
[aa.loans.peoplesmortgage.com](http://aa.loans.peoplesmortgage.com)

by  
**Andrew Augustyniak**

2055 E Centennial Cir  
Tempe, AZ 85284

I may sound like I am beating a horse at this point...for the 2nd time, but again interest rates are on absolute fire 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.

### 2021 Annual Thresholds for Hoepa and QM Loans

The Consumer Financial Protection Bureau (CFPB) announced that changes to HOEPA and QM Points and Fee Thresholds would be coming for 2021.

Regulation Z which implements both statutes provide that this threshold amount be recalculated annually using the Consumer Price Index (CPI) in effect on the preceding June 1. The HOEPA points-and-fees coverage test assesses whether a transaction is a high-cost mortgage due to points and fees the creditor is charging, the applicable points-and-fees coverage test depends on whether the total loan amount is for \$20,000 or more, or for less than \$20,000.

Effective January 1, 2021, for purposes of determining the points-and-fees coverage test under HOEPA to which a transaction is subject, the total loan amount threshold is \$22,052, and the adjusted points-and-fees dollar trigger is \$1,103. If the total loan amount for a transaction is \$22,052 or more, and the points-and-fees amount exceeds 5 percent of the total loan amount, the transaction is a high-cost mortgage. If the total loan amount for a transaction is less than \$22,052, and the points-and-fees amount exceeds the lesser of the adjusted points-and-fees dollar trigger of \$1,103 or 8 percent of the total loan amount, the transaction is a high-cost mortgage.

A covered transaction is not a qualified mortgage if the transaction's total points

and fees exceed: 3 percent of the total loan amount for a loan amount greater than or equal to \$100,000; \$3,000 for a loan amount greater than or equal to \$60,000 but less than \$100,000; 5 percent of the total loan amount for loans greater than or equal to \$20,000 but less than \$60,000; \$1,000 for a loan amount greater than or equal to \$12,500 but less than \$20,000; or 8 percent of the total loan amount for loans less than \$12,500.

Effective January 1, 2021, a covered transaction is not a qualified mortgage if the transaction's total points and fees exceed 3 percent of the total loan amount for a loan amount greater than or equal to \$110,260; \$3,308 for a loan amount greater than or equal to \$66,156 but less than \$110,260; 5 percent of the total loan amount for loans greater than or equal to \$22,052 but less than \$66,156; \$1,103 for a loan amount greater than or equal to \$13,783 but less than \$22,052; or 8 percent of the total loan amount for loans less than \$13,783.

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



## ANDREW AUGUSTYNIAK Branch Manager/Loan Officer

Call or Text: [480.735.4095](tel:480.735.4095)

[aa@peoplesmortgage.com](mailto:aa@peoplesmortgage.com)

[aa.loans.peoplesmortgage.com](http://aa.loans.peoplesmortgage.com)

3303 S Lindsay Rd, Bldg 2, Suite 104, Gilbert, AZ 85297





**THE AUGUSTYNIAK TEAM**

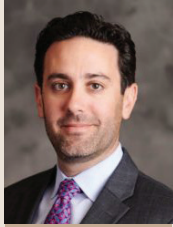
[PeoplesMortgage.com](http://PeoplesMortgage.com)

**IT'S ALL ABOUT THE PEOPLE.**





## CDC Enters Eviction Moratorium



by  
Mark  
Zinman

**Mark B. Zinman,**  
Attorney  
Zona Law Group P.C.  
7701 E. Indian School Rd.  
Suite J  
Scottsdale, AZ 85251  
Phone: (480) 949-1400  
Fax: (480)-946-1211  
[www.zona.law](http://www.zona.law)

On September 1, 2020, the U.S. Centers for Disease Control and Prevention ("CDC") released an Order titled "Temporary Halt in Residential Evictions to Prevent the Further Spread of COVID-19" (the "Order"). The Order became effective Friday, September 4, 2020, and expires December 31, 2020.

This applies throughout the country,

and throughout the state of Arizona. This applies to all residents and not just CARES properties.

The Order prohibits "eviction" of a tenant, which it defines as "any action by a landlord, owner of a residential property, or other person with a legal right to pursue eviction or a possessory action, to remove or cause the removal of a covered person from a residential property." Mortgage foreclosures are excluded.

A tenant is protected from being evicted if they sign a declaration saying 5 things:

- The tenant has used best efforts to obtain all available government assistance for rent or housing;
- The tenant either: (i) expects to earn not more than \$99,000.00 in annual

income in 2020 (or no more than \$198,000 if filing jointly); (ii) was not required to report any income to the IRS in 2019; or (iii) received a stimulus check pursuant to Section 2201 of the CARES Act;

- The tenant is unable to pay the full rent;
- The tenant is using best efforts to make timely partial payment; and
- An eviction would likely render the tenant homeless or force the tenant to move into and live in close quarters with others

Until directed otherwise, it is important to note that landlords don't get to verify the information in the affidavit, the tenant is protected if they sign the declaration and give it to the landlord.

*continued on page 13*

## We Represent Property Managers, Owners and Investors in All Real Estate Matters.

LANDLORD / TENANT LAW

REAL ESTATE TRANSACTIONS

DISPUTES OVER OWNERSHIP



Quick Communication  
Aggressive Litigation  
Intuitive Technology



**ZONA LAW GROUP**

**(480) 949-1400**

[WWW.ZONA.LAW](http://WWW.ZONA.LAW)



# AZREIA Advantage: Financing Professional

## The Seasonal Benefit for Fix and Flippers



**David Neilson**  
Boomerang Capital Partners

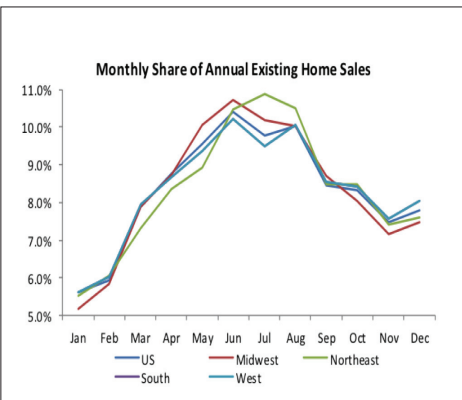
2152 S. Vineyard #105  
Mesa, AZ 85210

by  
**David  
Neilson**

Office: 480.779.9779  
www.boomerangcapital.com

It is well known that the residential real estate market is highly seasonal, with activity and prices following the heat: warming up in the spring, hot in the summer, then cooling off in the fall and going into near hibernation in the coldest part of the year.

This chart shows the seasonality in home sales volumes and its consistency across regions by using the National Association of Realtors monthly existing home sales as a percentage of total homes sold in the year.<sup>1</sup>



### Buy When Its Cold

Obviously: it's best to buy homes when the competition and prices are lowest. According to realtor.com, the best week of the year in 2019 to purchase a home after considering all factors was the week of September 22. As summer winds down and kids return to school, many families hit pause on their home search and wait until the next season to start again. With dramatically less competition, persistent buyers will feel the scales tip in their favor as eager sellers begin to cut their prices in an effort to entice a sale. As seasonal inventory builds up and restores itself to more buyer-friendly levels, fall buyers will be in a better position to take advantage of today's low mortgage rates and increased purchasing power.

### Sell When Its Hot

The peak in volumes is confirmed by looking at the busiest days to move, which are June 1st and May 31st. Movers speculate that people are realizing the prices are higher later in the year, and enjoy the milder weather.<sup>2</sup> The increased demand means higher prices and fewer days on market.

### But This Time Is Different...Or Is It?

Transactions depend on both buyers and sellers showing up, although sometimes in different quantities and with different motivations, leading to some of these seasonal patterns and anomalies. There are more buyers than sellers in the post COVID

world at this point and prices have returned to their steady march higher after taking a brief hit. Buyers seem to be motivated to get into their own space, as well as the upward demand represented by millennials entering prime home-buying years. Sellers, on the other hand, continue to hold back and listings are at significantly lower levels than prior to the pandemic.<sup>3</sup> The seasonality effect may be different in Denver, as Chris Hodges (Homesmart Realtor) observes, "COVID has shaken the real estate market by surprise and really created a strong seller market in Denver that I expect to be prolonged into the Winter."

### Conclusion

While local conditions continue to dominate, the seasonality effect seems unimpacted by the unexpectedly moderate changes in the SFR real estate market, with buying in the fall to have a home ready for sale in the spring or summer a plan likely to yield profits.

1. <https://www.housingwire.com/articles/36855-heres-why-seasonality-matters-in-the-housing-market/>
2. <https://www.mymovingreviews.com/move/moving-statistics-2019-annual-moving-industry-infographic>
3. <https://www.fanniemae.com/portal/research-insights/surveys/national-housing-survey.html>



**(480) 779-9779**  
**www.boomerangcapital.com**

NO CREDIT CHECK

NO UNDERWRITING FEE

NO HASSLE

NO PAYOFF FEE

NO PREPAY PENALTY

NO PROCESSING FEE

NO MAINTENANCE FEE

NO INCOME

NO DRAW FEES

NO APPRAISAL

NO DOC PREP FEE

NO INSPECTION FEE

**AZREIA MEMBERS EXCLUSIVE—\$400 credit at closing and \$2,000 less down payment**

**2152 S. Vineyard #105, Mesa, AZ 85210 Company NMLS: 1644075**







## AMERICA'S FAVORITE MOVERS

You Move Me isn't just a moving company; we're a customer service company. Nothing makes us happier than making you happy.



**YouMoveMe.com**  
**1.800.926.3900**



# H & S

ACCOUNTING, LLC

*Certified Public Accountants*

We Are Real Estate Investors Ourselves  
Tim Walch CPA

- Tax Return Preparation for Real Investors at Reasonable Rates
- Tax Planning
- Bookkeeping Services
- Entity Selection & Consulting
- AZREIA Business Associate
- Two Locations

506 E. Camelback Rd.  
Phoenix, AZ 85012

10225 W. Thunderbird Blvd.  
Sun City, AZ 85351

Ph 623-933-9363  
[tim@hsaccounting.com](mailto:tim@hsaccounting.com)

# Hard Money Specialists

*"When the banks say no or move too slow"™*

Single Family 1-4-unit,  
Commercial Property, Apartments,  
Spec Construction and Lot Loans

Fix & Hold  
Fix & Lease  
Fix & Wrap

No Point Programs Available  
Up to 90% Cost/Max 69% of Value  
12 Months to 5 Year Term



11024 N. 28th Drive #170  
Phoenix, AZ 85029  
602-375-8951 Office  
602-375-0760 Fax  
[Jack@HiltonCorp.com](mailto:Jack@HiltonCorp.com)  
NMLS 143636  
AZ MB 0928800  
UT MB 5491797

Appraisal fee (up to \$350.00) refunded at COE to AZREIA members!



# AZREIA Advantage: Property Management Expert

## CDC Orders Temporary Halt in Residential Evictions on All Properties



by  
**Nick  
Mertens**

**Nick Mertens**  
Vice President,  
Property Management  
Atlas Real Estate

335 E. Palm Lane  
Phoenix, AZ 85004

Office: 719.337.5317  
info@realatlas.com

At Atlas AZ, we have been receiving many calls concerning the CDC Order issued on September 1st surrounding the “Temporary Halt in Residential Evictions to Prevent Further Spread of COVID-19.” While there are still unanswered questions to this order that we will find answers to over time, here is what we currently know.

### Summary of the Order:

The Order prohibits landlords from evicting covered residents for non-payment of rent from any residential property (both covered and non-covered) beginning September 4th, 2020 through December 31, 2020. The resident will have to provide the Landlord with a Declaration of Hardship. Landlords can charge tenants late fees, penalties or interest for nonpayment of rent. Residents are still obligated to pay rent and comply with their leases. You can still evict for non-payment related issues. Several key aspects of the Order are not clear including what constitutes an eviction. Because it is not clear what constitutes an eviction, what constitutes a violation of the Order is also not clear. These aspects of the Order will have to be clarified through the judicial process. The Order does not supersede state or local eviction moratoriums that are stricter than the Order.

### Key Points of the Order:

- The current effective dates of the Order are September 4th, 2020-December 31st, 2020
- Residents ARE still required to pay rent
- A resident must provide a Declaration to stop an eviction and eviction proceedings. The resident must declare ALL of the below in writing:

- The individual has used best efforts to obtain all available government assistance for rent or housing;
- The individual either (i) expects to earn no more than \$99,000 in annual income for Calendar Year 2020 (or no more than \$198,000 if filing a joint tax return), (ii) was not required to report any income in 2019 to the U.S. Internal Revenue Service, or (iii) received an Economic Impact Payment (stimulus check) pursuant to Section 2201 of the CARES Act;
- The individual is unable to pay the full rent or make a full housing payment due to substantial loss of household income, loss of compensable hours of work or wages, a lay-off, or extraordinary out-of-pocket medical expenses;
- The individual is using best efforts to make timely partial payments that are as close to the full payment as the individual's circumstances may permit, taking into account other non-discretionary expenses;
- Eviction would likely render the individual homeless— or force the individual to move into and live in close quarters in a new congregate or shared living setting— because the individual has no other available housing options.
- Penalties range from \$200,000-500,000 if Landlords move ahead with evictions after receiving the Declaration
- Landlords may still serve Demands for Rent if the resident has not provided a Declaration and proceed with eviction hearings
- Landlords may still serve notices for non-monetary violations such as Demands for Compliance, Notice to quit for Repeat Violations, Notice to Quit for Substantial Violations, and Notice of Non-Renewal
- Reasons to serve the above include, but are not limited to:
- Engaging in criminal activity while on the premises;
- Threatening the health or safety of other residents;

- Damaging or posing an immediate and significant risk of damage to property;
- Violating any applicable building code, health ordinance, or similar regulation relating to health and safety; or
- Violating any other contractual obligation, other than the timely payment of rent or similar housing-related payment (including non-payment or late payment of fees, penalties, or interest)
- A Declaration can stop current eviction proceedings even if you already have a writ
- Landlord may charge late fees
- The Order includes ALL rental properties, both covered and non-covered properties under the CARES Act

### Unanswered Questions About the Order:

- Can a Landlord challenge a resident's Declaration and ask for proof?
- What actions constitute a violation of the Order under which “taking action contrary to the Order or the prohibitions set forth in the Order” would trigger a violation?

### Unanswered Questions at Large:

- How will the government protect the finances and investments of the Owner/Landlord?
- What will this look like after December 31st?

So, What Now?

As we learn more about the CDC Order, we will be providing updates. It's important to note that we believe that the vast majority of residents will still continue to pay their rent. In August, of the 3,200 units we manage, 95.7% (our 10-year average has been 98.5%), so only 2.8% lower than normal. Overall collections since COVID has begun have been much better than expected. We are continuing to recommend that property owners work with residents on payment plans when necessary.



# AZREIA Advantage: Title Expert

## How Has COVID-19 Affected Our Industry and Our Market?



by  
Jill  
Bright

**Jill Bright**  
AVP/Sr. Sales Executive

Chicago Title  
Maricopa County

Phone (602) 525-0790

BrightJ@ctt.com

[www.ChicagoTitleArizona.com](http://www.ChicagoTitleArizona.com)

**Guest Author: DiAnna Jackman**  
VP | Escrow Operations Manager  
Chicago Title

Well I can tell you for a fact that I have never experienced anything like this in my 30+ plus years in the title and escrow industry.

Let's start with some of the positive effects.

Innovation! COVID-19 has forced a stagnant industry heavy with regulatory requirements to jump on the innovation highway in the fast lane. Although we were slowly inching our way into the 21st century, the pandemic forced us to find technology driven solutions to allow us to safely transact business. Platforms formerly thought of as taboo have become a necessity. Things like E-Closings, RON (Remote Online Notarization), and

remote online deposits are becoming the norm, not the unknown. This, along with quarantine has finally peeked the millennials interest in real estate. Combine that with the flood of California buyers and other struggling states, and Arizona's market is looking pretty hot right now. I personally feel that social distancing should have been a law all along. There is no need for me to feel someone breathing on me while I stand in line anywhere!

In the world of title insurance, some of these innovative ways to social distance mentioned above would still be on the cutting room floor waiting for approval indefinitely had COVID not forced our hand to accept these new ways of doing business.

In my opinion, some of the negative effects would include the uncertainty of our Commercial sector. Certainly everyone is wanting to upgrade their home as our workforce stays closer to home. Will we see companies questioning the need for brick and mortar moving forward? Only time will tell.

Although the market in Arizona is as hot as the weather outside, are we in a false bubble? Thanks to a very hot seller's market, we all have loads of equity or so it seems. With in-

terest rates at an all-time low, and people antsy with nothing to do but spend their money, are we headed for trouble? The forbearance extension and moratorium of evictions may play a role in the extension of the false bubble, forcing more houses on the market to avoid foreclosure or at least an extremely high bill to repay the mortgage companies for allowing homeowners to "delay" paying their mortgage. In some cases making it next to impossible to catch up some homeowners will use this hot market to refinance or simply sell to get caught up.

So what's an investor to do to find a deal in the age of COVID-19? Use this time to innovate your business. Re-examine your business model and look at new ways to invest. Personally I like storage right now, but don't give up on Residential. They may be fewer and farther between, but a great fix and flip is still my favorite way to make money in real estate.

As the largest title company in the nation and a Fortune 500 company, Chicago Title is committed to protecting you and bring you the resources needed to navigate our changing market. If you would like to learn more about how we can help you, please do not hesitate to reach out!



## Ask Chicago Title About...

Chicago Title's Investor Division handles Assignments, Agreements for Sale, Double Closings, Wraps, Subject To & Seller Carryback Transactions. In addition to these special types of transactions, we also close "normal" residential/commercial files every day.

### We also have the tools you need to be successful!

- 24/7 Online Sales Comps/Transaction History
- Buyer/Seller Net Sheet Software
- Target Market Area Mailing Lists
- Lead Programs for Probate, Divorce, Tax Default
- Elusive Ownership Database to find "Off Market" Property Owners
- Weekly Notice of Default & Auction List
- Custom Marketing w/Professional Design/Print Partner

Don't forget to ask us  
about our Special Investor  
Rates on Title Insurance!



CHICAGO TITLE AGENCY

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



# Why Replace It? Perma Glaze It!



One essential service and a permanent hygienic solution is **Perma Glaze** for all your multi-surface concerns! **Perma Glaze** offers a seamless, non-porous application that encapsulates grout lines and all joints. Our state-of-the-art technology can be applied over metal, wood, tile, porcelain, countertops, showers, sinks, cabinets, surrounds, bathtubs, appliances, fiberglass, Formica and more.

## 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

## Transform Outdated Surfaces for a Fraction of Replacement Cost!

Choose Liquid Granite To Resurface Your Vanities & Countertops

AFTER



State  
of the Art  
Technology

Multi-Surface Restoration

Bathtubs • Tile • Showers

**perma glaze**® Over 40 Years  
in Business!

Multi-Surface Restoration

ROC#126971 & 156724

150 South Camino Seco #108, Tucson AZ 85710

520-885-7397 • [www.permaglaze.com](http://www.permaglaze.com)



# Monthly Meetings

## AZREIA Phoenix Meeting

Monday, October 12 14

Zoom 5:45 pm

## AZREIA Tucson Meeting

Tuesday, October 13

Zoom 5:45 pm

## Phoenix Real Estate Club

Tuesday, October 27

Zoom 5:45 pm

We are continuing our Phoenix, Tucson, and Phoenix Real Estate Club meetings online this month. Our focus will be on creative deal structuring. With Bill Cook to teach us, we will be getting educated on how to think creatively in order to make more deals possible. 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 Creative Deal Structuring and Financing

During a pandemic, certain investments that felt difficult before can seem even more impossible now. However, by opening your mind to new options, you can make those impossible deals possible! Bill Cook, creator of What Box?, will be joining us to give some insight into how you can get creative with your deals and financing.

- Let your exit strategy dictate your deal structure
- The best paperwork and entities to use to transfer transactional benefits
- How to become a master negotiator
- Examples of deals structured without using institutional financing

- Why you should always be thinking about the deal-after-the-deal
- Marketing that gets you to the seller's kitchen table 80% of the time
- At the Seller's kitchen table, what are the most important questions to ask

### 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.

### Tucson Main Meeting – Creative Deal Structuring and Financing

See above. Plus, all the great networking sessions including Haves & Wants and the Tucson Market Update.

### 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!

## What Does Creative Deal Structuring Look Like?

*continued from page one*

deal are 1) The joy of helping to facilitate this deal. 2) More importantly, he built allies!

Doesn't it make sense that Rich, Kevin and Mark will want to return the favor by helping to facilitate a deal for Pete at some point in the future? Gary Johnston says it best: Real estate investing is a TEAM sport!

Did this deal structure make sense to you?

If not, why not? Are you hanging around the right people? And by "right," I mean been-there-and-done-that investors, and not those self-proclaimed TV gurus.

One last thing: I've not asked Pete about this, but I already know his answer. Anybody need an SUV? It is a fact that he'll exchange out of the SUV into something he likes more in a New York minute!

Obviously, the above transactions are not real estate deals. I share this with you help you begin the process of opening your mind to very creative deal structuring. I'll be teaching at the AZREIA meetings this month and all day on Saturday, October 17th. The entire day will be on Making impossible deals possible through creative deal structuring.

# The Total Investor Toolbox – True One-Stop Shopping

Hey there. As you know, real estate investing in Phoenix is very competitive, and I'm not just talking about competing with other investors over properties. The reality is... you have a lot of options regarding where to get your information and who to work with to achieve your goals. Personally, I think being able to get all the tools you need from one place offers huge value and saves you lots of time and energy.

Here at **The Equity Finders**, we've built a one-stop shop to support you and help you achieve your investing goals. When you choose to work with me and my team of **Equity Finders**, you not only benefit from the best tools you need to be successful, but you'll also work with a team of hard working individuals who always go the extra mile to get things done for you. By combining our exclusive and powerful **SmartMap** technology with the highest quality professionals in the industry, it's no wonder we've become the go-to Agents for MLS deal properties in Maricopa County. Here's what we offer that you just can't get anywhere else.

Let me start by talking to my fix & flip investors. Using our own exclusive **SmartMap** technology, we'll first set up a custom search for you, based on your specific criteria. Then our system instantly goes to work and automatically scours the MLS to find only the best potential deal properties to fix & flip. Thanks to our own built-in ARV comping system, the results that are generated will also include the highest ARV (after repair value) comps available for each potential deal property. We'll then review each property to make sure the comps are truly good supporting ARV comps for that particular subject property. After screening each property, we'll send you only the ones that appear to have the most built-in equity. Along with each property, we'll also include a custom investor profit report, which calculates your potential profit based on a specific scenario including offer price, repair costs, etc.

With all this information at your fingertips, you'll quickly be able to make an informed buying decision on each and every property.

Oh, and did I mention financing? That's right. If you need fast and easy funds to fix and flip properties, my team will set that up for you ahead of time, so you're ready to pull the trigger when the right property comes along.

And when you're ready to move forward on your fix and flip, your dedicated Equity Finders Agent will represent you,

submit your offer, and negotiate the best deal for you. So what are you waiting for? Let's get started on that next fix and flip!

Ok. Now let me switch gears and speak to my buy and hold investors out there. In addition to finding the best properties on the MLS to fix and flip, our exclusive **SmartMap** technology also finds the best MLS properties to buy and hold as long term rentals. Again, after setting up a custom search for you, our **SmartMap** technology finds only the best potential rental properties, based on ROI or return on investment. That's right. Our powerful software will find only the best deal properties, based on the potential ROI of that property. How does it do that? Well...did I tell you our **SmartMap** technology also provides real and accurate rental data as well as rental comps? Yup. So when we send you only the best potential rental properties with the highest return on investment (ROI), each property will also include your custom investor ROI report. That's right. You'll be able to see how much rent you can expect to receive for each property, and the ROI or "cash on cash" return you can expect is calculated from a combination of the potential rent you can expect to receive, versus the amount of actual cash you invest in the property as a down payment, etc.

Again, we've made all these tools available to you so you can make an informed decision and quickly move forward on the best potential deal properties.

Whether you need traditional financing or something a little more creative, my team is standing by to get you pre-qualified and ready to go. If you're planning on buying a rental property, let's get your financing in place right away.

And again, when you're ready to move forward on your rental property, your dedicated Equity Finders Agent will represent you, submit your offer, and negotiate the best deal for you.

So if you're looking for your next fix and flip or buy and hold, click on the link below and tell me exactly what you're looking for. I'll call you right away to discuss your goals and develop a customized game-plan just for you.

Cheers!

**The Equity Finders**

[www.TheEquityFinders.com/get-started/](http://www.TheEquityFinders.com/get-started/)



# AZREIA Calendar of Events

Check [www.azreia.org](http://www.azreia.org) for the current schedule.

OCTOBER MEETINGS		
<b>AZREIA – Phoenix – Virtual</b> <i>Monday, October 12</i>	<b>AZREIA – Tucson – Virtual</b> <i>Tuesday, October 13</i>	<b>Phoenix Real Estate Club – Virtual</b> <i>Tuesday, October 27</i>
<b>OCTOBER SUBGROUPS</b> – Join like-minded investors, share ideas, network, and learn in small group settings.		
<ul style="list-style-type: none"> <li>• <b>Income Property Owners -In Person</b> <i>Thursday, October 1</i></li> <li>• <b>Prescott Meeting</b> <i>Tuesday, October 6</i></li> <li>• <b>Burley – In Person &amp; Virtual</b> <i>Tuesday, October 13</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Residential Assisted Living – In Person</b> <i>Wednesday, October 14</i></li> <li>• <b>Beginning Investors – In Person</b> <i>Thursday, October 15</i></li> <li>• <b>Notes</b> <i>Thursday, October 15</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Fix &amp; Flip</b> <i>Wednesday, October 28</i></li> <li>• <b>Tucson New Investors</b> <i>Monday, October 5</i></li> <li>• <b>Tucson Wholesale &amp; Creative Financing</b> <i>Thursday, October 20</i></li> </ul>
<p align="center"><b>What Box? with Bill Cook</b>  <i>Saturday, October 17, 2020   9:00 am – 5:00 pm   Available Online &amp; In Person</i></p> <p>If you want to learn how to do your deals better, if you want to be able to make the impossible deals profitable, then this is your gotta-be-there-event! This event will help you see the different ways you can creatively construct a deal without using institutional financing. <b>What Box?</b> helps you realize that when it comes to real estate investing, there is <b>no box</b>. Everything is Possible!</p>		
<p align="center"><b>Launch Pad – ONLINE   Friday, October 2, 2020   9:00 am – 1:00 pm</b></p>		
<p align="center"><b>UPDATED INFORMATION &amp; REGISTRATION ONLINE AT <a href="http://WWW.AZREIA.ORG">WWW.AZREIA.ORG</a></b></p>		

## LEGAL EXPERT: CDC Enters Eviction Moratorium continued from page five

Based on the Order's language, we believe that a landlord could still serve a non-payment of rent notice on a tenant and file an eviction action for non-payment in court, but if the tenant presents the landlord with the declaration, the writ of restitution could not be executed and the tenant could not be removed from the property. In effect, the landlord should proceed as normal with their eviction protocol, including serving notices and filing actions, until a declaration has been signed by the tenant and provided to the landlord. However, landlords must have systems in place to track and immediately stop any eviction action when the declaration has been provided. If a landlord does not have that capability, they may wish not to take any action against their tenants.

The Order only applies to cases involving non-payment of rent. It does not prohibit evictions based on criminal activity; threats to health and safety of other residents; damaging or

posing an "immediate and significant" risk of damage to property; violating any applicable building code, health ordinance, or the like; or violating other contractual obligations (other than the timely payment of rent and other fees). The language and intent is not clear regarding nonrenewals and those cases should be reviewed on an individual basis.

All types of residential rental properties are covered: houses, buildings, mobile homes, land in a mobile home park, or similar dwellings leased for residential purposes.

Penalties for violating the Order are extreme; they are both criminal and financial. For an individual landlord:

- If the violation does not result in a death, the penalty is a fine of not more than \$100,000 or one year in jail, or both;
- If the violation results in a death, the penalty is a fine of not more than

\$250,000 or one year in jail, or both;

For an organization landlord:

- If the violation does not result in a death, the penalty is a fine of not more than \$200,000 per event;
- If the violation results in death, the penalty is a fine of \$500,000 per event.
- It is possible that the CDC Order is unconstitutional. However, until it is successfully challenged in court, its terms must be followed.

**SUMMARY** - for now, you are allowed to proceed with your eviction filings. If your resident provides a signed declaration or attestation, stop all action. **ABSOLUTELY DO NOT PROCEED WITH A WRIT IF YOUR RESIDENT HAS GIVEN YOU ANY INFORMATION THAT CLOSELY RESEMBLES WHAT IS REQUIRED IN THE CDC ORDER AND CONTACT YOUR ATTORNEY.**





## AZREIA Monthly Meetings at a Glance

### October 12th Phoenix Meeting

- **Current Market Trends and Activity:** Experts representing Market Data Analysis, Legal, and the Rental Market provide the absolute latest information essential to your real estate investing business.
- **Phoenix Main Meeting:** Creative Deal Structuring and Financing with Bill Cook: During a pandemic, certain investments that felt difficult before can seem even more impossible now. However, by opening your mind to new options, you can make those impossible deals possible! Bill Cook, creator of What Box?, will be joining us to give some insight into how you can get creative with your deals and financing.
- **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.

### October 13th Tucson Meeting

- **Tucson Main Meeting:** During a pandemic, certain investments that felt difficult before can seem even more impossible now. However, by opening your mind to new options can make those impossible deals possible! Bill Cook, creator of What Box?, will be joining us to give some insight into how you can get creative with your deals and financing.
- **Tucson Market Update:** The latest sales volume, pricing, supply and demand numbers.
- **Haves & Wants, Power Networking and Deal Sharing:** Come prepared to listen, learn and share.

### October 27th 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!