

THE AZREIA ADVANTAGE

ARIZONA REAL ESTATE INVESTORS ASSOCIATION NEWSLETTER

"AZ Real as it Gets"

SEPTEMBER 2022

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INVESTORS ASSOCIATION

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Where Do You Find Great Deals on Apartments?

by **Anthony Chara**

I get this question a lot, especially, during or just after a presentation showing an apartment complex illustrating a 'cash on cash' return in excess of 20%.

If you went to a Commercial Broker and told them you were looking for properties with a 20% COCR, they'd do one of two things: 1. They'd tell you they would buy the property themselves if they ever found one with a 20% COCR or 2. They'd hang up on you because they'd think your expectations are unrealistic.

You probably won't find an Apartment complex advertised with a 20% COCR. Just like the broker said, if it fell into their lap, they'd buy it. However, you can increase your chances of finding some great deals by doing a few things differently.

First off, there's no big secret in 'finding' Apartment complexes for sale. Start by using the same vehicles most investors use. For instance, you can search through Loopnet.com or go to any of the major or regional Commercial Brokerage websites such as Marcus & Millichap (MarcusMillichap.com), CB Richard Ellis (CBRE.com), or Sperry Van Ness (SVN.com) just to name a few. There are many more out there.

You can also peruse local newspapers in the market you're interested in. Remember that not all papers are created equal. Some newspapers will advertise commercial

properties in the business section, not the classifieds. Another paper no one thinks about is the Wall Street Journal. They have both national and local properties advertised for sale.

Phoenix ~ In-Person

Monday, September 12 - 5:45 pm

- *Market Update & Market News*
- *How to Increase Your Wealth Exponentially with Apartments/ Multi-Family Properties with Anthony Chara*
- *Update on Fix & Flips and Rentals*

Tucson ~ In-Person

Tuesday, September 13 - 5:45 pm

- *Market Update & Market News*
- *How to Increase Your Wealth Exponentially with Apartments/ Multi-Family Properties with Anthony Chara*
- *Haves and Wants*

Another way to find Apartments for sale is to ask Property Managers or Commercial Financiers that work in the area you're looking to purchase. Oftentimes, they know owners who are looking for another property and have to sell their first one to move on or they know someone who's just ready to retire.

These are just a few of the sources I use. More support is provided in my workshops and boot camps. The key to getting great Apartment deals may start with

the information above, but it ends with the information below.

As I stated already, there's no big secret in finding Apartment complexes for sale. The key is to find a great deal and here's how I do it. The first thing I decide upon is a market in which I want to purchase. I may determine the market based on economic factors such as job growth or an expanding economy in that area. Additionally, I may decide upon the market just because it's a place I'd like to visit on a regular basis. The following step is to interview at least 3-4 good commercial brokers in that market and create a long-lasting, mutually beneficial relationship with at least one or two of them.

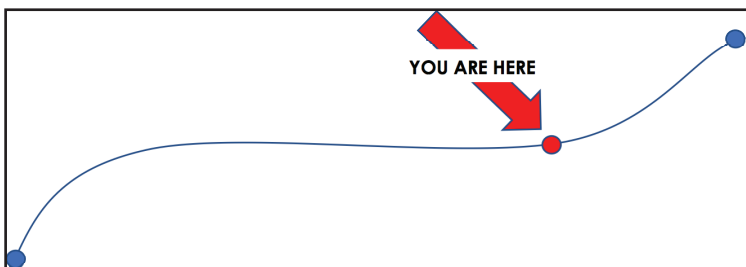
Next, here's what I do and how I use my research. Preferably, I want to find a commercial broker that has a CCIM

Continued on page 7

You Are Here: X



Dominique and I love to go on vacations to Sedona. One of our favorite activities is hiking, and we have been fortunate enough this year to visit Sedona multiple times and hike many of our favorite trails there. One of the nice features on trailhead maps is the 'You Are Here' mark. It provides a nice reference point for where you are to gauge where you are going. We see these red dots (or X's) on almost every type of map. They mark where you are in a mall, in an amusement park, on the fire escape map on the back of a hotel room door, and of course on Google Maps. The symbol on Google is actually more of a pin symbol, but you still get the point. When you look at any of these maps, you automatically look for the 'You Are Here' mark. You then look for where you want to be and see the way. It is a simple and very effective way to communicate.



It got me thinking that using a symbol like the 'You Are Here' icon may help real estate investors understand better where they are and see more clearly where they are trying to get. Also, it could symbolize how far you have come. Kind of like a past, present, future visual.

Of course, that assumes you know where you want to end up. Which is my roundabout way of saying you will

be more successful if you have a written plan that includes objectives that are measurable in terms of both revenue and time.

I learned a long time ago in designing line and bar charts for presentations that the X axis denotes the time and the Y axis the value. Even when viewing the simple visual above, you quickly draw the conclusion that you are about 50% of the way to the objective over 75% of the time allotted. Think about creating a chart for each one of your measurable objectives. This way you can track your progress and make adjustments to your activities if you are behind. You could easily start by plotting cash flow and net worth. Many software packages like QuickBooks have basic charts that show where you are with a quick click.

Once you have your progress charted, you will start carrying that image around in your head. It will be a constant reminder of where you started, where you are, and (most importantly) where you want to be.

Smarter Investing,
Michael Del Prete
Executive Director



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Subject to Transactions: Nuts and Bolts



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by
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Times they are a-changin.' Well, Bob Dylan had that mostly right. Actually, what we're seeing right now is that the interest rates are the ones doing the changing.

One of the great things about being a real estate investor is that no matter the market conditions, there is always a deal to be found. When rates are low, investors use cheap money to increase their margins. When foreclosures are high, investors scoop up properties on the cheap. Well, what we are seeing right now is that conditions are such that rates are high and foreclosures are becoming increasingly likely as a result of inflation driving up the cost of living. So, given those conditions, what deal type is going to be the most advantageous to you as an investor?

One deal type that should ring near the top of your priority list is what is known as a 'subject-to' transaction. Most folks reading this are already well educated on what a subject-to-deal is, but for the few that may not know, I'll provide a quick overview. A subject-to transaction is one where, in exchange for you, the buyer, taking over the payments on the seller's existing mortgage, and, in some instances, in exchange for some additional monetary compensation from buyer to seller, the seller assigns all of their interest in a piece of real property to the buyer. The property remains subject

to the existing mortgage and the buyer then makes payments on the seller's existing mortgage, hence why this transaction type is referred to as a 'subject-to' transaction. Importantly, the buyer does *not* ever qualify for a loan as part of the transaction, and typically, the lender isn't even aware that the transaction has occurred.

As you can imagine, with the cost-of-living expenses going up, there will be more folks teetering on the edge of defaulting on their home loans, especially those folks who stretched themselves especially thin buying a home when the market was hot and who will have their finances pinched as their earned dollars don't go as far. So, the market condition exists that there may likely be more properties becoming available to investors. Also of great importance is that interest rates have jumped drastically in the last eight or so months, meaning that it will be more expensive for you, the investor, to obtain financing. The subject-to transaction is so beneficial in this scenario because the cash-strapped seller does *not* want a foreclosure on their credit report, and you want to take advantage of the favorable rates that the seller locked in before interest rates went crazy.

My job is to advise investors on how to minimize risk in their business life. Subject-to transactions, while clearly advantageous, are also rife with pitfalls that an uninformed investor may encounter. Here are a few:

- Nearly all conventional mortgages include 'due on sale' clauses, meaning that if the borrower sells the subject property, the lender can accelerate the loan, demanding that the loan be paid off immediately.

This is a risk that you, the investor, need to be aware of.

- As part of your subject-to transaction, you should receive a deed of conveyance from the seller, vesting in you all right and title to the property. Whether you decide to record that deed is a decision that should be made after weighing the benefits of securing your interest in the property against the risks that come with recording, namely that your recordation may put the lender on notice that the property has been sold, triggering a due-on-sale provision.
- By entering into a subject-to-purchase agreement with the seller, you are creating a contractual obligation between yourself and the seller that you'll make payments on the mortgage. It's important to properly protect your assets from the risks involved in the investment by properly structuring the entity into which you'll purchase the property.

There are many other legal and strategic considerations for the investor when entering into a subject-to transaction. With the great benefits, such a transaction can provide in this market, the reward likely outweighs any risks, but that doesn't mean you should not do all you can to minimize your risk by becoming aware of the risks involved and protecting against them.

I love advising investors on the legalities involved in their transactions. If you'd like to discuss how I can help you, please don't hesitate to reach out to me. I can be reached by email at Mick@PhocusCompanies.com or by phone at 602-457-2191.





Updates from Andrew the Lender



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0.1% in July compared to June, a new report from Zillow shows. While deceleration in home-price growth is typical for this time of year, the small decline is the first monthly dip since 2012.

Given the recent dip in July, forecasts have been adjusted for the growth in home values to 21.4% through the end of August 2022. The current rate of growth is hovering around 16%.

Investors are also seeing far more options, with inventory gradually rising and the pendulum slowly swinging in their direction. As sellers are finding themselves with fewer offers and having to provide more concessions, a window is opening for investors to get in and find a great deal!

In the Phoenix market alone, we are finding that 28.8% of the current homes on the market have been met with a price cut. With these kinds of cuts, buyers and investors especially are able to find opportunities that didn't exist even a couple of short months ago.

This could be the news investors are looking for. In July, the annual home price growth rate saw "the greatest single-month slowdown on record since at least the early 1970s," according to mortgage data and analytics company Black Knight. What's more, this was coupled with the "largest single-month influx of for-sale inventory in 12 years," the firm noted in a [release](#) about its latest Mortgage Monitor report on August 1.



The housing market is not crashing but is definitely feeling the burn.

After two frenzied years, home buying is starting to cool off as mortgage rates have reached pre-pandemic levels. Now that we are shifting into more of a buyers' market, some experts are calling this a "housing recession."

U.S home values dropped by

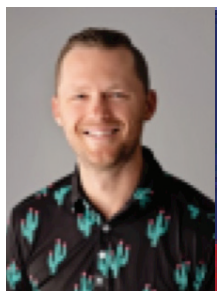
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To Be or Not To Be Trendy



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by
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by **Francisco Vallecillos**
Boomerang Capital, VP of Lending

Good Housekeeping doesn't "suggest going overboard" but does suggest you play with patterns.

Design can have a major impact on the home which could leave you guessing as to what will be popular in 6 months - when your project is done and ready to sell. Luckily, there is plenty of guidance out there. In fact, possibly too much. Vogue says the colors from the 70s are in, while Good Housekeeping says the 80's colors are the ones to go with and Trulia says the 90s are back. And while they all seem to agree that florals are good, Realtor.com says they need to "go away." There are a lot of people saying Mid-Century modern is on its way out, but Home and Gardens wants to introduce it to you as timeless and on-trend. Ask your local designer and they are likely to give an up-to-the-minute assessment (that differs from their opinion of last month), along with a healthy dose of attitude. What to do? Should you research all the trends and predict what the future will hold? Or better yet how about ignoring it all?

Andrew Bang, one of our loan officers and experienced flipper (200+ homes) points out: "Every home I



buy I ask myself this simple question: Do I want to fit in, or do I want to stand out? How can I get the most money possible in the quickest time possible? I look over the house and the neighborhood and ask: Do I want to fit in or stand out? Most of the time I am fitting in. Why? Because I have never regretted fitting in with beige/grey walls and a bland but new kitchen. I have regretted the blue kitchen I did once. I did regret the treehouse I built to try and stand out. I did regret the mural I paid a local artist to paint in a family room."

Fitting-in appeals to a larger market than standing out. One plus to this is that it leaves room for the new buyer to 'make it their own' rather than imposing your design choices or going wherever the winds and whims of fashion & style will blow. The buyer can always change something or add something to personalize the home in their own way.

To find that middle ground, you can always add a single accent wall that can easily be repainted by the buyer. One advantage of doing that, as pointed out by one of our favorite realtors, is that everyone has to find

something to not like about a home and that needs to be changed - so why make it tough? "Give them an orange wall in the hall and make it easy on them, and easy on you when they demand a change." Although, avoid wallpaper as it is much harder to change than paint.

As Jackie Pizana - Equity Real Estate - Advantage (801) 673-7306 points out: "Families that move into a new place are super excited and usually bring their own furniture. They want to make the spaces their own and they can't make those choices if someone has already done that for them."

There are two trains of thought when it comes to rehabbing a house and there are successful real estate investors on both sides. While being trendy may have its advantages, broadening the design choices available to the buyer will lead to streamlined operations for you and a bigger pool of interested buyers, all of which means reduced turn times and headaches on your projects. And we'd never say which is 'right' but just say no to the dog wallpaper entryway. Trust us.

<https://www.vogue.com/article/interior-design-trends-2022>

<https://www.goodhousekeeping.com/home/decorating-ideas/g38502403/interior-design-trends-2022/>

<https://www.trulia.com/blog/90s-home-design-trends-coming-back/>

<https://www.realtor.com/advice/home-improvement/say-goodbye-to-these-10-home-design-trends-that-are-so-2015/>

<https://www.homesandgardens.com/interior-design/mid-century-modern-decor>





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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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LEGALLY SPEAKING



Q: We have a tenant that is month-to-month and has utilities included in the rent. We want to have them start paying utilities. What is the best way to do this?

A: Your question highlights the benefit of being on a month-to-month lease: you have more flexibility and can change the terms of the lease on 30-day notice. Technically, if you send notice that their lease is terminating and that if they stay on, they are subject to new terms (and you list the terms) then they bound. When the new month starts, they

are bound by the new terms. I wrote "technically" because it is technically correct, but we do suggest that if you are changing substantial terms in the lease, you should just have the tenant sign a new lease. This will avoid issues in the future. You could send a non-renewal notice but write that they can stay if they sign a new lease. Remember, when terminating a MTM lease, you must do so on the periodic rental period and give notice at least 30 days prior (35 days if sent certified).

– Mark B. Zinman, Attorney
Zona Law Group, P.C.

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Where Do You Find Great Deals on Apartments? Continued from page 1

designation. CCIM stands for Certified Commercial Investment Member. Most CCIMs will list this designation in their internet and newspaper ads. CCIMs have gone thru extensive training on commercial property, plus, they must have a proven track record of closed deals or consultations showing extensive commercial knowledge and they must pass a comprehensive examination. I consider a CCIM equivalent to a Ph.D. By the way, you can also find CCIMs at www.CCIM.com too. It's estimated that only 6% of the roughly 125,000 commercial brokers out there have a CCIM designation.

Once I find 5-6 brokers in a given market, with or without the CCIM designation, I call them to introduce myself. I ask them about the market conditions, recent sales in the area, and their own experience as a commercial broker. It's amazing how much information you can get when you ask the right questions. You also get a pretty good feel for the person about whether or not you see yourself having a long-term relationship with them.

Once I have a good feel for 3-4 of the agents I've spoken with, I give them the criteria I'm searching for in a complex. My criteria will include the number of units, unit mix, minimum Cap Rate, price range, the quality of the complex (A, B, or C), and the area of the city. I may even mention that I'm looking for the owner to do some or all of the financing. I follow up on my phone conversations by emailing or faxing my contact information and criteria to the brokers. Then, I phone or email the brokers every 1-2 weeks to stay in contact with them. Since the brokers know exactly what I'm looking for it makes it easier for them to find something that

fits my criteria. The ones that bring me deals I take care of. Obviously, they get their commission, but it's the extra little things I do that I believe makes a difference, such as sending them a restaurant gift card to take their spouse or significant other out for a night on the town at my expense or maybe tickets to a local sporting event or bottle of wine. That way, I am always in the front of their mind anytime a good deal comes across their desk.

You've probably heard the term 'Pocket Listing.' Well, I want to be a 'Pocket Client.' When the broker gets a new listing, I want to be one of the few clients they call first, sometimes before they even release the details to other brokers in their own office. And that's the key to finding great deals.

If you think about it, everyone out there has access to the same sources for deals, but it's the people who have nurtured and cultivated their relationship with the broker that reaps the bumper crop! They will even tend to go to bat for you with the seller if you're looking to do something other than just put down a traditional 20%-25%. They will also be in your corner helping you explain to the seller why it would be better financially for them to carry back some or the entire purchase price than to just sell the property outright and make you bring in new financing.

Even in the commercial world, it's about relationships. Once you have those relationships established you have a much greater chance of turning an average deal into a great deal. A 10% COC return into a 20% COC return. That relationship just helped you double your cash flow. How much is that worth to you?



Tax Law Changes with the Inflation Reduction Act



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by
**David J.
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On August 16, President Biden signed the 2022 Inflation Reduction Act (IRA), a \$750 billion healthcare, tax, and climate bill. Here are some tax highlights that you should be aware of.

Health Premium Tax Credit

The Obamacare subsidy that allows eligible participants to take a credit against monthly insurance premiums has been extended through 2025. Beware, if your income is too high, you will have to pay back the credit when you file your tax return.

Energy Credits

The credit for purchasing solar panels to place on your primary residence or vacation home has been extended through 2034. This credit applies to alternative energy systems that rely on a renewable energy source so wind, geothermal, or fuel cell technology is included in addition to solar. The credit is also expanded to cover battery storage technology that is installed in your residence.

Additionally, the credit is 30% of the cost of the equipment and installation for 2022 through 2032 but will decrease to 26% in 2033, 22% in 2034, and expires in 2035.

The credit for adding energy-efficient improvements to your primary residence is back. This energy credit applies to 10% of the cost of certain types of insulation, external windows, doors, and skylights. It also includes 100% of the cost of electric heat pumps, water heaters, and some A/C units. The lifetime credit limitation is \$500 through 2022 but increases to a \$1,200 annual limit for improvements installed between 2023 and 2032. The annual limit is lowered to \$600 in the aggregate for exterior windows and skylights and \$500 for exterior doors along with other applicable items. The annual limit increases to \$2,000 for a biomass stove, hot water boiler, and electric or natural gas heat pump installed in the home.

There are also revamped tax credits for electric vehicles. In 2022, the credit ranges from \$2,500 to \$7,500. Changes beginning in 2023 include limits on the manufacturer's suggested retail price, fuel cell vehicles qualifying for the credit, the 200,000 plug-in-

sales threshold limitation by manufacturers being removed, and buyers of certain used electric vehicles can get a credit up to the lesser of \$4,000 or 30% of the car's sales price. Beginning in 2024, the buyer can monetize the credit by transferring it to the dealer at the time of purchase, thereby lowering the purchase price of the vehicle.

Business Losses

Under present law, the amount of trade or business losses over \$540,000 for married couples filing jointly and \$270,000 for other filers is nondeductible with excess losses being carried forward. The law was set to expire after 2025 but will now expire after 2028.

There are several other tax law changes that mostly affect large businesses and will not be mentioned here. Please consult your tax adviser if you have questions regarding any of these or other tax laws that were changed because of the Inflation Reduction Act.

If you need the help of a CPA who understands real estate taxation, you can call me at (480) 626-5557 or email me at dhawks@hawks-cpa.com.





WARNING: It's a rookie move if your Agent doesn't personally invest in real estate. This action alone can be a costly mistake.

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Is Your Tenant 'Managing' Your Rental Property? Nothing Could Be Worse!



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As an insurance agent who specializes in single-family rental property, I go out and look at every single property that we insure. Most are in good condition and approved without any issues. However, more and more properties are being declined, not because the structure is in bad shape or falling down but due to the current tenants learning that they can get away with just about anything, and the owner and/or property manager will not say or do anything in return.

Ultimately, landlords, property managers, and the insurance company should all want the same thing - a tenant with good housekeeping ensuring the property is neat and clean. Unfortunately, many tenants have learned over time that the owner or property manager will allow almost anything without much consequence. To avoid issues like this, property managers need to look at every property at least once a quarter (every 3 months) and get into the habit of providing a written inspection summary to the tenant after every visit. This form needs to specify that for any serious problems, a re-inspection will be conducted and if no corrections have been made then the threat of eviction will be the next step. Property owners need to also monitor their property managers until they have 100% confidence in them and know that they (the owner) do not need to back-check the property manager to be sure everything is being done correctly.

Neat, clean, orderly properties attract neat, clean, orderly renters. At the same time, they also bring higher rent rates and fewer tenant issues. Here are some examples of tenant activities that should never have been allowed:

- Unlicensed vehicles and/or vehicles that do not run are stored at the rental property (front or back yard).
- Vehicles, trailers, and boats that are not operational, and/or do not have current license plates.
- Construction equipment, tools, and supplies are stored at the rental property (including scaffolding, cement mixers, brick, block, lumber, paint, various tools, etc.).
- Old furniture, toys, junk, and tools are scattered around the yard or carport.

And sometimes it is the property manager who has dropped the ball on things like:

- Trees that are overgrown and rubbing against the house roof or

walls.

- Weeds and grass that have not been mowed and create fire hazards.
- Swimming pool fences and self-closing gates that are not in good repair.
- House fences, trim, fascia, and gables that have been neglected and need paint.

Insurance companies periodically send inspectors to look at the properties they insure. In addition, the city and county send people to check on neighborhoods. Every landlord wants tip-top tenants, maximum rental income, and minimal issues or trouble. Now would be a good time to check to be sure you're on that successful road.

Clark Sanchez is a 42-year Arizona insurance agent and 24-year AZREIA vendor member and sponsor. You can reach him with your insurance questions by calling him at (602) 803-2179 or by e-mail at rental@clarksanchez.com.



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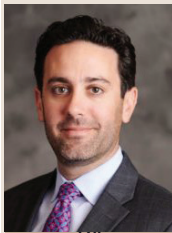


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Media Coverage of Landlords



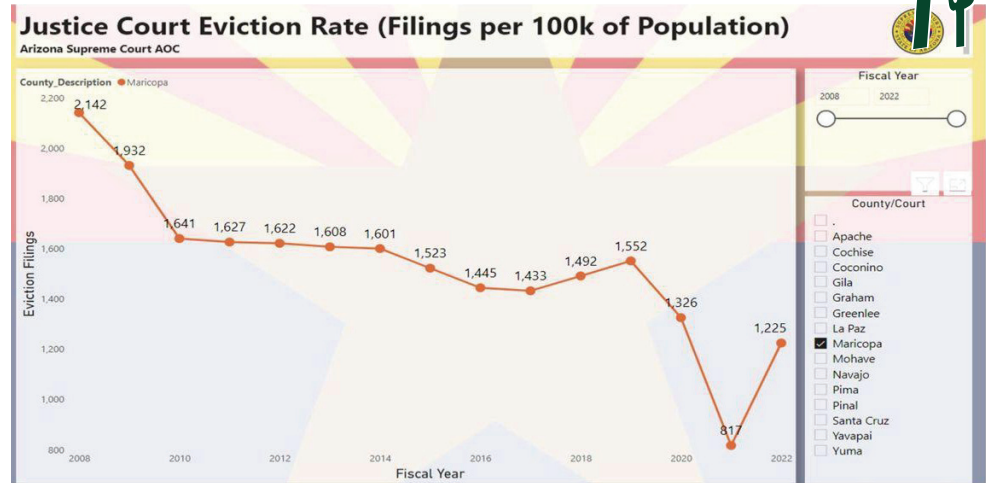
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by
**Mark
Zinman**

I recently posted on LinkedIn the following information: there has been a slew of news articles reporting that Arizona has hit a historic high volume of monthly evictions. What many of these reports do not account for is the significant increase in population growth, the effect of the 18 months of moratorium, resulting hardship for property owners, and delays in rental assistance. The Arizona Supreme Court just published the chart below, which accounts for population growth, showing that per capita, evictions are below historic averages. It's important to understand the context of these issues.

During the pandemic, we heard from tenant advocates and reporters that there would be a tsunami of evictions once the moratoriums were lifted. In August, 2021, the United States Supreme Court struck down the last eviction moratorium (in Arizona), and there was no such tsunami. Rather, a year later, what we have seen is a gradual increase in the monthly evictions. However, given the context of the economy and inflation, an 18-month ban on evictions, and the significant increase in the local population - the increase in evictions is to be expected.



As evictions rise, we expect that more stories will negatively portray property owners and managers. Property owners must be aware of the scrutiny they are under in the public eye. There has been a significant change in the way landlord-tenant matters are covered. Each story you read, perpetuates the hostility of an us vs. them mentality, which perpetuates a hostile environment.

We always suggest that our clients try to work with residents to avoid evictions where reasonably possible. We say "reasonably possible" as we recognize that an eviction is a property owner's sole remedy to address a resident who refuses to pay rent or otherwise comply with the terms of a lease. However, entering into a lease with a resident is a partnership and should be treated as such.

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by
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What's the rate of return on this investment?

This is one of the central questions people have as they consider where to deploy their capital. But a sole focus on the rate of return can limit your perspective on what's possible with different financial vehicles.

We teach AZREIA members how to utilize the Infinite Banking Concept (IBC) in their investing strategy. This is a process that allows you to build a pool of capital that is always growing, but accessible for you to leverage for other investments. How are you able to do this?

Enter the financial Swiss army knife. This is the financial tool that fuels the Infinite Banking strategy - a specially designed, dividend-paying whole life insurance policy.

It has a rate of return associated with it, but it's not an investment product. It's life insurance that covers a pure risk because everyone will die. But these contracts can be structured in a way that makes them an optimal warehouse to store your money.

In the same way a business owner stores goods in a warehouse, before sending them out for their purpose. The money you store in the cash value of this policy will compound on a guaranteed basis plus dividends. And

it can be deployed to other investments via tax-free policy loans without ever interrupting the growth of the money in the warehouse. This effectively allows your dollar to be working in two places at the same time.

Some other functions available within this one tool:

- Funds can be accessed via policy loans tax-free for the life of the policy, at any time for any purpose. Including as a retirement supplement. Any outstanding loans at the time of death are repaid by the death benefit before it is issued to the beneficiary.
- The death benefit is guaranteed to be paid out tax-free upon your "graduation," making this an efficient tool for transferring wealth to the next generation.
- In Arizona, the cash value and death benefit are creditor protected. Making capital you hold in the policy exempt from inclusion in lawsuits or bankruptcy.

- In the case of critical, chronic, or terminal illness you can access a large portion of the death benefit while living to cover life and medical expenses. This is a free rider on the policy that effectively serves as long-term care.
- As you can see, judging this tool solely based on the rate of return is mostly irrelevant because it provides so many added benefits over the course of life. And notably, what it doesn't provide are taxes to be paid at unknown future rates, investment fees, market losses, and interrupted growth when you use it. These aspects affect every other financial account you can use, but not this one.

In closing, know that utilizing permanent life insurance to its full extent is a learned skill. It takes time, education, and practice to wield it well. But once a person does, it will change their financial trajectory for this life and likely the generations in their family to come.



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Why Cryptocurrency?



by
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Cryptocurrency is a digital currency in which transactions are verified and records maintained by a decentralized system using cryptography, rather than by a centralized authority.

Cryptocurrency leverages a technology called blockchain. A blockchain is a ledger that keeps track of cryptocurrency transactions. It is maintained across computers that are linked through a distributed network, rather than one central authority. Transactions are logged into a blockchain that protects the currency from being counterfeited and prevents transactions from being duplicated.

The blocks that make up the chain log in each transaction link together, making up a historical record or ledger. These virtual exchanges are difficult for law enforcement — or anyone else — to track. This can make it difficult to unveil the threat actors who demand payments in the form of cryptocurrency for a ransomware attack.

There are many types of cryptocurrencies, all with

their own blockchains. The first — and most commonly used — is Bitcoin, which is open source. No one person, entity or regulator owns or controls bitcoin. Anyone and everyone can own and transfer in bitcoin.

Ether is the second most common cryptocurrency, according to law enforcement. Their online community is Ethereum, which touts as having built a booming digital economy and method for other creators to earn currency virtually. It is also available to anyone, anywhere in the world.

The U.S. Department of Justice has a National Cryptocurrency Enforcement Team (NCET). This team investigates illegal activities that utilize cryptocurrency to perpetrate their crimes. Ransomware is one of their focuses, since the hackers demand the ransom be paid in cryptocurrency.

The NCET continue to hone their skills and develop ways to track the payments (depending on the type of cryptocurrency being used) to identify the perpetrator. In some cases, they can catch the criminals when they cash in their cryptocurrency through exchanges.

The establishment of the NCET demonstrates the seriousness of these crimes and how they threaten our economy. In addition, **new or added** regulations are being proposed throughout all branches of the U.S. Government.

Article provided by contributing author:

Diana Hoffman
Corporate Escrow Administrator
FNTG/National Escrow Administration



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AZREIA ADVANTAGE: MONTHLY MEETINGS

AZREIA Phoenix Meeting

Monday, September 12
In-Person 5:45 pm
Venue 8600
8600 E Anderson Dr

AZREIA Tucson Meeting

Tuesday, September 13
In-Person 5:45 pm
Tucson Association of Realtors
2445 N Tucson Blvd

Phoenix Real Estate Club

Tuesday, September 27
In-Person 6 pm
AZREIA Office
4527 N 16th St #105

We are excited about our monthly meetings every month, and we hope you are too! This month we have Anthony Chara joining us to teach our members a very hot topic right now: multi-family. Our main session takes an in-depth look at how you can get started in investing in multi-family housing and apartment buildings. As always, the Market Updates and Market News will be current and important to your investing. Timely, market-driven information and education make these meetings must see. Don't miss it!

Phoenix – Current Market Trends & Activity with Sarah Perkins

Updates on Market Data Analysis, the fix and flip market, and the Rental Market provide the absolute latest information essential to your real estate investing business. Sarah Perkins is the founder and contributor to theAZmarket.com with several years of experience in presenting Cromford Report data to investors.

Phoenix Main Meeting – How to Increase Your Wealth Exponentially with Apartments/Multi-Family Properties with Anthony Chara

In this presentation, Anthony Chara will show you how Multi-Family investing is easier than you would expect. With the right knowledge and resources, you can expand your buy and hold portfolio with 5, 10, or maybe even one hundred units in just one deal!

- Market Analysis – Update on Local and Nationwide Apartment Markets
- Find It - Where can you find good properties?
- Figure It - Analyzing the numbers to make sure it's the right property
- Fund It - If the numbers make sense, funding is easy!

- Finish It - Hold the property for long-term cash flow or sell it for a quick return

Anthony Chara is a seasoned Real Estate investor who has investment and property management experience dating back to 1993. Mr. Chara turned to Apartments full time in 2004 and has owned or syndicated over two thousand apartment units around the country.

Presently, he's managing partner of Apartment Mentors and founder of Success Classes. During the past 20 years, he has owned or managed several successful companies. He started his teaching career in September 2006, in order to educate both the beginning investor and more sophisticated investors about how to successfully invest in Apartments and Multi-Units. He also volunteers and supports several worthy charities such as the American Red Cross, Denver Rescue Mission, Habitat for Humanity, St Jude Children's Hospital, and the Wounded Warrior Project.

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 presentation from Anthony Chara on How to Increase Your Wealth Exponentially with Apartments/Multi-Family Properties!

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 out what your real estate investing business needs! Haves & Wants, structured networking activities, market discussion, and Member Deals. It all still happens!



AZREIA ADVANTAGE: CALENDAR OF EVENTS

Check www.azreia.org for the current schedule.

SEPTEMBER MEETINGS		
AZREIA – Phoenix – In-Person <i>Monday, September 12</i>	AZREIA – Tucson – In-Person <i>Tuesday, September 13</i>	Phoenix Real Estate Club – In-Person <i>Tuesday, September 27</i>
SEPTEMBER SUBGROUPS – Join like-minded investors, share ideas, network, and learn in small group settings.		
<ul style="list-style-type: none"> • Income Property Owners (Buy & Hold) <i>Thursday, September 1</i> • South East Real Estate Club – In-Person & Online <i>Saturday, September 3</i> • Cashflow 101 Boardgame <i>Saturday, September 3</i> 	<ul style="list-style-type: none"> • AZREIA Prescott Subgroup <i>Monday, September 5</i> • Tucson New Investors – In-Person & Online <i>Monday, September 6</i> • AZ Women in Real Estate (AZWIRE) – In-Person <i>Monday, September 6</i> 	<ul style="list-style-type: none"> • Beginning Investors <i>Thursday, September 8</i> • Raising Capital & Options – In-Person & Online <i>Tuesday, September 13</i> • Notes Subgroup <i>Thursday, September 15</i> • Fix & Flip Subgroup <i>Wednesday, September 28</i>
<p align="center">Analyzing Multi-Unit Deals with Anthony Chara</p> <p align="center"><i>Wednesday, September 14, 2022 6:00 pm – 8:00 pm Available In-Person</i></p> <p>Join us for a drill down session with Anthony Chara to learn about the tips and tricks to analyze multi-unit deals. Stay for the Q&A and networking with Anthony! Anthony will cover why you should invest in multifamily, the steps necessary to do a complete analysis of multi-unit deals, what makes a deal, how to find and finance multifamily deals, and a “What if” analysis. You can bring in YOUR deal – we will analyze it and walk you through the steps in the process.</p>		
<p align="center">How to Grow Your Wealth with Apartment Buildings/Multi-Units</p> <p align="center"><i>Saturday, September 24, 2022 9:00 am – 5:00 pm Available In-Person</i></p> <p>Learn how and why wealthy people like Robert Kiyosaki used apartments to generate massive cash flow. Anthony will teach you the advantages & disadvantages of apartments, how you actually have more control over the value of your Apartments than with SFH's, the lingo you need to know, the key ratios used in valuing Apartments, and how to analyze the numbers on Real Complexes, plus bring your own deals to analyze live in the workshop!!! Why not take the same time, energy, and money that you're putting into buying a one-unit property and buy a 10-unit property? A 20-unit property? A 50+ unit property? Anthony Chara made the switch from SFH's to Multi-Family when he received this same advice from one of his mentors. If you register for this Saturday session, you get the above Drill-Down session for free!</p>		
<p align="center">Membership Discovery Session</p> <p align="center"><i>Friday, September 23, 2022 12:00 pm – 1:00 pm Available Online</i></p> <p>New to AZREIA? These discovery calls are for you, our members, to ask us anything about your membership. From accessing your exclusive national benefits to finding the right Business Associate to help you, with any questions about upcoming classes or events. Need help learning how to network? Do you have questions on what to bring to the meetings? Ask us! Whatever you need to ask AZREIA, we will be here to help you because we want you to be able to get the most out of your membership with us!</p>		
UPDATED INFORMATION & REGISTRATION ONLINE AT WWW.AZREIA.ORG		



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Then you might consider checking out the Deal Finders Club, a community of investors eager to sign more contracts, close more deals and get ahead in life. The DFC provides weekly coaching, a thriving online community, and all the education you need to be confident.

DFC is your fastest path to closing your first deal.

To learn more head over to azdfc.com

AZREIA MONTHLY MEETINGS AT A GLANCE

September 12th 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: How to Increase Your Wealth Exponentially with Apartments/Multi-Family Properties with Anthony Chara** In this presentation Anthony Chara will show you how multi-Family investing is easier than you would expect. With the right knowledge and resources, you can expand your buy and hold portfolio with 5, 10, or maybe even one hundred units in just one deal! He will cover the current multifamily market, and how to find, analyze, fund, and finish any multi-family deal!
- **Market Update & Market News** 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.

September 13th Tucson Meeting

- **Tucson Market Update:** The latest sales volume, pricing, supply, and demand numbers for both the Phoenix and Tucson markets.
- **Tucson Main Meeting: How to Increase Your Wealth Exponentially with Apartments/Multi-Family Properties with Anthony Chara** In this presentation Anthony Chara will show you how Multi-Family investing is easier than you would expect. With the right knowledge and resources, you can expand your buy and hold portfolio with 5, 10, or maybe even one hundred units in just one deal! He will cover the current multifamily market, and how to find, analyze, fund, and finish any multi-family deal!
- **Haves & Wants, Power Networking, and Deal Sharing:** Come prepared to listen, learn and share.

September 27th Phoenix Real Estate Club

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

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