

THE AZREIA ADVANTAGE

ARIZONA REAL ESTATE INVESTORS ASSOCIATION NEWSLETTER

“AZ Real as it Gets”

MAY 2024

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AZREIA’s Fair Housing Panel

by **Mark Zinman, Zona Law**

April was fair housing month, and in support of fair housing, AZREIA held a panel discussion on the scope of fair housing laws along with their impact on investors and owners. Like fair housing laws themselves, the conversation covered a wide range of topics from lending to occupancy standards to reasonable modifications and assistance animals.

There were a few important takeaways for all investors to know.

1. Unless you fall within a narrow statutory exception, which most investors do not, AZREIA members are most likely covered by the applicable fair housing laws. A lot of investors are unaware that fair housing laws do not only apply to large apartment communities. While there are a few minor exceptions, the general presumption is that if you are involved in the buying, selling, renting, or financing of real estate, you are bound by fair housing laws
2. Fair housing laws trump contract terms and other areas of the law. We often take questions about what a landlord is supposed to do when a tenant is requesting something under fair housing laws, but it conflicts with the terms of the lease, with the HOA CC&R’s, or with the city’s municipal code. For example, an HOA may have a no pets policy, but the

resident wants an assistance animal. If they meet the requisite standard, their rights under fair housing laws control over the CC&R, and your resident would be allowed to have an assistance animal.

3. Owners must allow disabled residents to make physical changes to the structure of their buildings when needed to allow the person to reasonably use and enjoy the property. This is often a surprising rule for new landlords, but if a disabled resident

needs to make changes to the rental property, they are allowed to do so, provided certain criteria are met. For example, a resident in a wheelchair may elect to have kitchen cabinets lowered from off the wall, so they can be used. The tenant does have to pay for the changes, and many also have to tender a deposit to cover returning it to its original condition. (See rule #5 below).

4. While sharing a lot of similarities, there is a difference between ADA and fair housing laws, and they apply to different things. People often confuse fair housing laws and the Americans with Disabilities Act (ADA) because they both implicate rights for disabled persons. However, the ADA and fair housing laws cover different areas and have different standards. Fair

Phoenix
Monday, May 13 – 5:15 pm

- Market Update & Trends Discussion
- The Rise of Shared Living: PadSplit’s Impact on Arizona’s Housing Market
- Networking & Tradeshow

Tucson
Tuesday, May 14 – 5:15 pm

- Market Update & Market News
- Out of State Investing with Mike Del Prete
- Haves & Wants



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Continued on page 2

Elevating Standards: AZREIA's Commitment to Ethics and Integrity in Arizona's Real Estate Investing



In the world of real estate investing, the pillars of ethics and integrity are more than just buzzwords – they are the foundation upon which sustainable business practices are built. As the Executive Director of AZREIA, I'm proud to lead an organization that not only recognizes this but actively cultivates these values in our community.

This year marked a significant milestone in our journey towards elevating these standards. Our collaboration with the Arizona Department of Real Estate (ADRE) has enabled us to align our vision for Arizona's real estate landscape with the expertise and integrity of this esteemed agency.

Our interactions with Commissioner Nicolson during recent panel discussions have solidified our commitment to fostering a fair, informed, and ethical market. Their insights from the ADRE have opened doors to a deeper understanding and appreciation of our responsibilities as investors and professionals within our community.

Building on this synergy, we've launched the AZREIA Code of Ethics Certification. This isn't just another accolade for your portfolio; it's a testament to your dedication to operating with honesty and responsibility, signaling that AZREIA members are not merely participants in Arizona's real estate market but custodians of its integrity.

Ethics and integrity in real estate investing go beyond mere compliance with the law. They're about fostering trust with clients and partners, building a reputation resilient to market fluctuations, and leading by example. Our collaboration with ADRE reinforces our belief that ethical practice is not a barrier but a path to success.

The road ahead is filled with opportunities for growth, learning, and collaboration. As we continue our close work with the ADRE, we are opening new avenues for our members and the Arizona investment community to influence policy, understand the regulatory environment, and contribute to an even more robust marketplace.

As we step into this era of strengthened partnerships and a renewed focus on ethics, let's embrace the AZREIA Code of Ethics Certification. Let it become a hallmark of your professional identity. [Click here to Begin](#)

Smarter Investing,
Michael Del Prete
AZREIA Executive Director



AZREIA's Fair Housing Panel

Continued from page 1

housing laws govern residential real estate. The ADA covers "public accommodations" which are anywhere the public can go, such as hotels, bars, restaurants, theaters, and potentially some parts of residential properties (e.g., apartment offices). Further, the ADA only recognizes service animals, while fair housing uses the broader term assistance animals which includes emotional support animals.

It is important not to get confused about what law applies to your business.

- Each of the foregoing, like many aspects of fair housing, contains numerous rules and exceptions. Before taking any action, make sure you speak with an attorney or someone else qualified to give advice on the nuances of this area of the law.





PadSplit

March '24 Phoenix Market Update:

Previous Month Stats

Total Unit Count:

414 (61 properties)

Occupancy:

85%

Weekly Rates:

\$215/week (\$930/mo)

Days for First
Booking in

Days to
80/100%

New PadSplit:

2.9

Occupancy
20.1/31

Current Month Stats

Total Unit Count:

496 (72 properties)

Occupancy:

83%

Weekly Rates:

\$215/week (\$935/mo)

Days for First
Booking in

Days to
80/100%

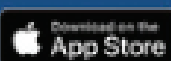
New PadSplit:

2.2

Occupancy
15.7/30



padsplit.com



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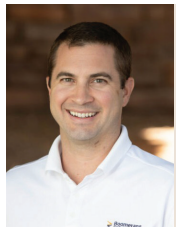
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Title Solutions for Increasing Density: Apartments and Accessory Dwelling Units



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by
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by **Rob Jafek**
Boomerang Capital Partners

If you haven't heard – Phoenix is awesome and seems to have everything going for it! Just consider the following:

- Phoenix's combination of favorable weather, most of the time.
- Outdoor recreation — so close and so varied, all over the state.
- Cultural attractions & events – our sports teams like the Phoenix Suns, the Diamondbacks, the Coyotes, etc. along with our golf and car events.
- Economic opportunities & growth (and more every day).

All these factors combine to make it a great place to live, work, and visit.

Fortunately, and unfortunately lots of people have noticed. And by 'lots,' I mean lots and lots! The city of Phoenix has become one of the fastest-growing cities in the nation according to the [Maricopa Association of Governments](https://www.maricopa.gov/association-of-governments) and there are no signs of that changing any time soon.

So where are we going to put all the new people? With demand for homes up and the supply limited, real estate prices have gone up, but

not as much as you might think. It is worthwhile to note that Phoenix's appreciation is not very different from what has been experienced in other desirable metros. This is largely due to the availability of land (haters refer to this as 'sprawl'), but the net result is that prices are still less than other comparable areas. Phoenix is still a relative bargain with an average house at \$424.9K, compared to Denver, CO at \$588.5K, Nashville, TN at \$518.4K, Miami, FL at \$540K, and don't even think about anything in CA with Los Angeles at \$979.6K, San Francisco \$1.3M, and San Diego \$850.3K¹.

However, the mix of difficult and inter-related issues of affordability challenges, infrastructure demands, traffic, and congestion, and even homelessness, all contribute to a complex and pressing issue for the city's residents and policymakers. Where to put all the people? One answer is pretty obvious: jam more people into the same space. In development terms, this is called increasing density. Within this solution there are two relevant ideas: use more of the land or build up.

ADUs

ADUs (Accessory Dwelling Units) are the solution to using more of the land. Often referred to as guest houses, casitas, or granny flats, these are separate, self-contained living areas that are either fully detached structures or attached to an existing home, but with its own external entrance. In September of 2023, Phoenix significantly expanded the rules to allow ADUs in all single-family residential properties for which the yard size and other parcel characteristics make them permissible. Since this is intended to be a long-term solution for people wanting to live here, the ADU cannot be used as

a legally separate short-term rental and there are other restrictions so it's worth reading up on². And with the all-in cost to build in the neighborhood of \$200 PSF, and built houses selling for around \$280 PSF, it's a pretty safe bet that we will soon see more of these.

Apartments

If the ADU solution is for more infill, the apartment solution is to go up. There are quite a few large housing developments under construction downtown, bringing about 2,400 apartments online in the next 12 months or so. The Maricopa County government has been saying that they wanted more apartments and workforce housing in the mix since 2019. Given it takes a while, apartments are finally coming online with 10,151 coming online in 2022³, which is the most since 2000, and that accelerated development pace is expected to continue. Phoenix is expected to have more apartments completed than any other metropolitan statistical area in the US with as many as 20,541 having been completed in 2023⁴.

What does this all mean for investors? Having options for buyers is a good thing. ADUs are another way for purchasers to find (or keep) a house that fits their needs and accommodates more people. Apartments allow people to get started, and many will eventually move 'up' to homes. Not all will - more than a quarter of the apartments being built will be class A so we may see movement out of homes into some of these. More choice leads to more satisfaction, and that is good for everyone.



1 <https://www.rockethomes.com/real-estate-trends/az/phoenix>

2 <https://www.phoenix.gov/ADU>

3 <https://azmag.gov/Programs/Maps-and-Data/Land-Use-and-Housing/Housing-Data-Explorer>

4 <https://www.abc15.com/news/business/phoenix-tops-the-nation-in-multifamily-construction-will-it-slow-down>



Understanding the Timeline: How Long Do You Have to Own an Investment Property Before 1031 Exchange?



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by
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The “Holding Period” Requirement

While the IRS doesn't specify a specific holding period for the relinquished property in a 1031 exchange, there are certain factors to consider regarding how long you should own the property before initiating the exchange.

1. **Intent vs. Reality:** One crucial aspect the IRS considers is your intent when purchasing the property. If you acquire a property with the sole intent of exchanging it shortly afterward, it might not meet the requirements for a 1031 exchange. The IRS may view it as a 'dealer' property rather than an investment property.
2. **Demonstrating Investment Intent:** To ensure eligibility for a 1031 exchange, it's advisable to hold the property for a reasonable period, typically at least one to two years. This holding period helps demonstrate your intent to invest in the property for the purpose of generating rental income or for long-term appreciation.
3. **Avoiding Scrutiny:** While there's no strict rule on the holding period, shorter holding periods may attract IRS scrutiny, especially if there's a significant increase in property value within

a short timeframe.

Proving investment intent through a reasonable holding period can help mitigate the risk of IRS challenges.

Conclusion

While there's no set timeframe mandated by the IRS for how long you must own an investment property before initiating a 1031 exchange, maintaining a reasonable holding period is crucial to demonstrate investment intent and minimize the risk of IRS scrutiny. Investors should consider various factors such as market conditions, property type, and investment goals when determining the optimal holding period for their investment properties. Consulting with tax professionals and legal advisors can provide valuable guidance in navigating the complexities of 1031 exchanges and ensuring compliance with IRS regulations. By understanding the nuances of the holding period requirement, real estate investors can effectively leverage the benefits of 1031 exchanges to defer taxes and optimize their investment portfolios.

As always, feel free to reach out to Michael Velasco at Exchangeable, LLC to go over your specific scenario.

Investing in real estate offers a plethora of opportunities for wealth accumulation and asset growth. Among the strategies available to real estate investors, the 1031 exchange is a powerful tool for deferring capital gains taxes when selling one investment property and acquiring another. However, the 1031 exchange comes with its own set of rules and timelines, including how long you need to own an investment property before initiating the exchange.

What is a 1031 Exchange?

A 1031 exchange, named after Section 1031 of the Internal Revenue Code, allows real estate investors to defer paying capital gains taxes on the sale of investment property when they reinvest the proceeds into another property of equal or greater value. This exchange enables investors to defer taxes and potentially increase their purchasing power by reinvesting the full proceeds from the sale.





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by
Jason K. Powers

How the Infinite Banking Concept Counters Conventional Banking Flaws

To understand the unique approach of the Infinite Banking Concept (IBC), it's essential to first delve into the foundational practices of the modern U.S. banking system - particularly, fractional reserve banking. This system, where banks are required to keep only a fraction of their total deposits in reserve and are free to lend out the remainder is a cornerstone of contemporary finance. While the theory is that it fosters economic growth through increased lending (and most certainly enables banks to generate significant profits), it also introduces significant risks such as bank runs, asset bubbles, and destabilization of the financial system at large, as we've seen repeatedly.

Fractional reserve banking effectively creates money out of thin air. For every dollar deposited, only a fraction is kept on hand, and the rest can be used for loans. Before 1992, banks were required to keep 12% of deposited amounts on reserve. This meant they could loan out the remaining 88%. In 1992, that reserve was lowered to 10%. This now meant that 90% could be loaned out. In March 2020, following the shockwave of COVID-19, the Federal Reserve lowered that requirement to an unprecedented 0% (zero percent), where it has remained to date. We all know what this means.

This can lead to a multiplicative effect on money supply creation,

potentially leading to inflation if not carefully managed. Through the lens of Austrian Economic theory, we would argue that it leads to unsustainable credit expansion that can cause economic bubbles and crashes. Austrian economists advocate for a banking system based on *sound money principles* - where money supply expansion is tightly controlled and closely tied to real assets like gold, thereby promoting economic stability and reducing inflation risks.

Transitioning to the Infinite Banking Concept

Against the backdrop of these potential instabilities inherent in fractional reserve banking, R. Nelson Nash introduced the Infinite Banking Concept. Nash proposed that individuals could *become their own bankers*, thus sidestepping some of the systemic risks posed by traditional banking practices. By utilizing dividend-paying whole life insurance policies as financial tools, individuals can build a personal banking system. This system allows policyholders to borrow against the cash values of their policies rather than depending on commercial banks for loans.

Here's how it works: a policyholder pays into a properly structured whole life insurance policy designed specifically for the purposes of Infinite Banking, which over time accumulates a cash value. This cash value grows at a guaranteed rate and also earns dividends. Policyholders can then borrow against this cash value for personal (or business) financing needs - whether for buying a car, investing in real estate, or funding a child's education - without having to go through a traditional bank. Now you, the policyholder, are in control of the banking function in your life. Imagine a life without the bank.

The beauty of this system lies in its simplicity and control. Loans taken against a life insurance policy

come with no mandatory repayment schedule, and the interest rates are typically lower than those of bank loans. Moreover, since the policyholder is borrowing against their own savings, they are essentially paying themselves back, thus keeping the money within their personal economy.

Infinite Banking as a Sound Money Solution

From an Austrian Economic perspective, the Infinite Banking Concept resonates strongly with the theory's core principles. Austrian Economics favors systems that minimize the risk of inflation and promote fiscal conservatism. By encouraging individuals to save and build their wealth within a life insurance policy - a historically stable and non-volatile asset - IBC promotes financial self-reliance and stability.

Moreover, by reducing reliance on traditional banks and their loan products, individuals using the Infinite Banking Concept mitigate the risk of being adversely affected by broader economic downturns or banking crises. They create a buffer against economic uncertainty by leveraging their life insurance policies to fund their borrowing needs.

In conclusion, while fractional reserve banking has facilitated economic expansion and prosperity on a massive scale, it is not without significant risks - risks that are amplified by the very nature of the banking practice as critiqued by Austrian Economics. The Infinite Banking Concept offers a compelling alternative that not only aligns with Austrian principles of *sound money* but also empowers individuals by making them their own financial managers. By building wealth in a controlled, self-sustained banking system, individuals can achieve greater financial security and independence, making the Infinite Banking Concept a prudent choice in an uncertain economic landscape.





Don't Get Burned: Why Occupancy Status Matters



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by
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One of the most frequent questions I get asked at the AZREIA monthly meetings is, "Does it matter if I have the wrong policy?" People don't ask it that way, but that IS the question they are asking. In some cases, they ask, "Will a rental property work for a flip?" Or "Why doesn't a homeowners policy work for a rental property?" As a real estate investor, you juggle many responsibilities, and keeping your properties insured correctly is one of them. However, did you know that occupancy status plays a crucial role in choosing the right insurance? Let's discuss some of the ways that matters.

First, I think it is a consensus that people don't like insurance companies. Rates go up when you don't have a claim. Claims rarely go as we want them to, and sometimes claims get denied. But quite frankly, we do it to ourselves. An insurance policy is nothing more than a contract. When we, as the contract's purchaser, keep to the policy's conditions, the carrier is bound and has no choice but to pay the claim. When we justify actions that violate the conditions, we invite the insurance company to deny the claim. It's as simple as that. How does occupancy play into that? Well, you have to look at things through the eyes of an underwriter in the context of typical properties.

Primary Home vs Rental Property

A primary home you are in every day. You see the leaking sprinkler, the peeling paint, and that pile of leaves that need to be cleaned

up. Many of these items might take a minute, but they will end up on your to-do list. A rental property, on the other hand, has a tenant that is so cheap they won't even get a blasted shower curtain and dare to complain about mold when mildew starts growing in the corner of the bathroom (true personal story). I mean, tenants break stuff and pay late. By law, your ability to check stuff out and inspect requires notifications, has limitations, etc. So, there is a different risk. When you have money to fix a home, which comes first – your castle or theirs? Therefore, if you had to place a dollar amount on what the insurance should cost between the two, which would be higher? If you guessed rental property, you are correct! When carriers learn that the home has been used as a rental property rather than a primary home, they get skittish.

Vacant Property (Rehab or otherwise) vs Rental Property or Primary Home

Let's face it, an empty property is a vulnerable one. Imagine a burst pipe going unnoticed for weeks in a vacant home. Or imagine from the insurance companies' perspective how they feel about the idea that you are going to move the wall. Or the fact that you are about to put a dumpster out front signaling to the world that there is an easily accessible stash of copper available. In the mind of an insurance company, a vacant home will flood or be the party place for the local teens at the end of the week. The concern is so great that after 30 days (in some cases 60 days) insurance companies limit vandalism, and the damage done by bursting pipes. 30 Days, that's it... and then the policy will automatically exclude this coverage.

Short-Term Rentals, PadSplit, and Group Homes

One other note: insurance

companies want to know about your tenants. Therefore, not all rental property insurance covers every tenant type. A long-term rental situation allows you to do your due diligence to your tenant (credit, eviction history, etc.). Short-term rentals are a different beast, and you have no idea about the tenant other than Claire in Santa Monica gave them 4 stars (something, but who knows). PadSplit is awesome, but also has a unique situation as far as multiple tenants from different backgrounds in one place. Group homes, whether sober or assisted living or any other type, are viewed as a business and EXPRESSLY excluded in a standard insurance policy. Be sure to disclose these situations to your agent or insurance company. If you try a different business model you will need to make sure your policy matches the risk.

The Takeaway

Matching the right insurance policy to your property's occupancy status is crucial for real estate investors. Don't get caught off guard by assuming a homeowner's policy covers everything. Remember:

- **Use landlord insurance for tenant-occupied properties.**
- **Obtain vacant property insurance for unoccupied dwellings or homes under renovation.**
- **Make sure if you are renting the property to a different type of tenant that you let your agent know.**

By understanding occupancy and choosing the appropriate coverage, you can ensure your investment properties are well-protected, no matter who calls them home (or doesn't).





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"SPECIAL SPECS"

SMALL MULTI-FAMILY
"BEST IN CLASS"





Warning Signs of Wire Fraud for Investors, Fix and Flips, Wholesalers and Sellers

by **Janet Moe and**
Maria Brandenburg,
Great American Title

A hot topic for investors and/or anyone receiving funds via wire transfer is the potential for wire fraud. Due to the ongoing increase in wire fraud schemes, it is pertinent to be aware of the various scenarios and to follow some tips to protect against wire fraud.

1. When an investor, seller, or wholesaler is receiving funds in a real estate transaction, it is important to avoid dictating your wiring instructions to the title company by phone or text. Therefore, wiring instructions should be in writing and in the name of the party receiving the funds.
2. Title companies should always call to verify your wiring instructions. Even though the title company has already been provided with a written copy of your instructions via email.
3. Before providing written wiring instructions to the title company, confirm with your bank the accurate ABA routing number. Not all checks reflect the accurate ABA number.
4. In an assignment transaction, it is always wise to have the assignment fee wired.
5. When title companies are handling transactions involving assignment fees, the title company should email the party receiving the assignment fee, and disbursement instructions to

be completed. The title company should also verify the wiring instructions with the entity receiving the assignment fee.

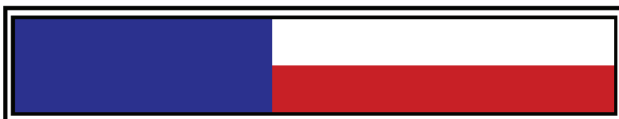
*Note, in an assignment transaction, provide all contact information to the title company for the party receiving the assignment fee; i.e., name, phone number, email, and address.

Following these tips will minimize the risk of wire fraud. We hope you find this information useful and look forward to facilitating your next transaction. For escrow questions, please contact Janet Moe. For any marketing support, please contact Maria Brandenburg.



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Litigating Your Dispute – Lost Money or Not?



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by
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Litigation – a word almost nobody likes to hear aside from a small pocket of lawyers who like to be unhappy. If we are being honest, when any investor hears that L-word, they see money going away that they will never get back. Litigation is expensive, time-consuming, and exhausting for a business-minded person. But, sometimes, litigation is also unavoidable.

First of all, I'll give you a quick and dirty definition of litigation so that we are all on the same page. Litigation is the process of taking a dispute between two or more parties to the courts. Litigation, if it plays all the way out, typically ends with a judge or a jury getting to decide who the 'winner' is and who ends up being the 'loser.' In between those two steps, there is a lot of lawyer work, including discovery (each side exchanging with the other all the information they have on the dispute), motions (asking the court to decide in your favor based on law and some fact), and preparation. All of that lawyer time costs you, the investor or business owner, a lot of money in legal fees.

So why even litigate a dispute if it is so expensive and time-consuming? Well, sometimes, despite your best efforts to reach a voluntary resolution that works for everyone, the other party just won't be reasonable. If

that is the case, the cost of going through a lawsuit may be far less than what you would stand to lose by just giving up. If you are in a property line dispute on an investment property and giving up would mean losing a 150' long strip of property that is 5' wide, that 750 square feet of land may justify expending a fair amount of time and money on a lawsuit to seek a resolution of the issue in your favor.

When advising clients on whether to file suit or not, I try to redirect all analysis to whether or not litigation makes *business* sense. If a client is going to file suit based primarily on pride or emotion, I will often advise against doing so, unless filing suit is also advisable from a financial and logical perspective.

If you go through the whole analysis and still find yourself having to file suit, all is not lost. Many issues that you as a business owner or investor will encounter are issues 'arising out of contract,' meaning that they are issues that involve a business or legal agreement between parties. Fortunately, within the Arizona Revised Statutes, specifically section 341.01, the prevailing party in a dispute arising out of contract is entitled to an award of their attorneys' fees. That means that,

if you win your lawsuit, you can also request that the judge include in the judgment that you have the right to pursue the losing party(ies) for the amount you spent in attorneys' fees in litigating the matter. As long as your attorney charged you a 'reasonable' fee, the judge will almost always award you the entirety of what you spent. While there is no guarantee that you'll be able to collect that award from the losing party, there are a lot of avenues available to get your money back from them, especially if you're willing to be patient.

I consider litigation an inconvenient necessity. If you can avoid it by reaching a reasonable voluntary resolution, I recommend that. However, if you find yourself in a situation where litigation is the only outcome, having a diligent, capable, and efficient attorney leading the charge will give you the best chance at success.

Phocus Law has a team of experienced, powerful, and cost-effective litigators. If you're considering filing a lawsuit and would like to discuss that prospect, please don't hesitate to reach out to me by email at Mick@PhocusCompanies.com or phone at (602) 457-2191.



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In the world of real estate transactions, every detail matters. From property inspections to closing deals, the process demands precision and reliability. At State 48 Roofing, we understand the critical role that roofing plays in the equation. With our commitment to timely service, quality workmanship, and unparalleled communication, we set the standard for roofing excellence in real estate transactions.

Timely Service

In the fast-paced world of real estate, time is of the essence. That's why at State 48 Roofing, we pride ourselves on our ability to deliver prompt and efficient service. Whether conducting inspections, providing estimates,

or completing roof repairs, our team works diligently to meet deadlines and keep transactions on track. We understand the importance of keeping the process moving smoothly, and our timely service ensures that roofs are inspected, repaired, or replaced promptly, minimizing delays, and ensuring a seamless transaction for all parties involved.

Quality Workmanship

When it comes to real estate transactions, quality matters. A well-maintained roof not only enhances the curb appeal of a property but also provides peace of mind to both buyers and sellers. At State 48 Roofing, we are committed to delivering superior quality workmanship on every project. Our team of experienced professionals is trained to handle a wide range of roofing materials and styles, ensuring that every roof we work on is built to last. From minor repairs to complete roof replacements, we take pride in our attention to detail

and commitment to excellence, providing our clients with roofs that are not only aesthetically pleasing but also structurally sound.

Unparalleled Communication

Effective communication is the cornerstone of any successful real estate transaction. At State 48 Roofing, we understand the importance of keeping all parties informed every step of the way. From initial consultations to project updates and final inspections, we prioritize clear and transparent communication with our clients, real estate agents, and other stakeholders. Our team is always available to answer questions, address concerns, and provide timely updates, ensuring that everyone involved in the transaction is kept informed and empowered to make informed decisions.

Best,
Kianna Parker



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AZREIA ADVANTAGE: MONTHLY MEETINGS

AZREIA Phoenix Meeting

Monday, May 13
In-Person 5:15 pm
Venue 8600
8600 E Anderson Dr

AZREIA Tucson Meeting

Tuesday, May 14
In-Person 5:15 pm
Tucson Association of Realtors
2445 N Tucson Blvd

Phoenix Real Estate Club

Tuesday, May 28
In-Person 6 pm
AZREIA Office
4527 N 16th St #105

Join us for our monthly meetings to learn what you need to do to make your real estate investing business successful. This month in Phoenix we are joined by PadSplit to teach you how mid-term rentals are taking over the investing game. In Tucson, our Executive Director Mike Del Prete will show you the strategies to invest out of state. Timely, market-driven information and education make these meetings must-see. Don't miss it!

Phoenix Market Update & Market Trends Discussion

The Market Update and Trends presentation will equip you with the necessary knowledge to stay ahead of the competition in the ever-changing world of real estate. Whether you're a seasoned investor or just starting out, this is information you cannot afford to miss. With our reliable data and expert analysis, you'll gain the confidence to make informed decisions that will help you maximize your profits and grow your business. Don't miss out on this opportunity to learn from the best!

Phoenix Meeting – The Rise of Shared Living: PadSplit's Impact on Arizona's Housing Market

This enlightening presentation promises to unveil the innovative approach of PadSplit in reshaping the housing landscape through shared living concepts, emphasizing affordability, community, and flexibility. Here's what to expect:

- **Introduction to PadSplit:** We'll kick off with an insightful introduction to PadSplit, sharing the compelling vision and mission that underline our impactful work. Discover how PadSplit is not just changing how people live but also fostering a supportive community that benefits everyone involved.

- **Market Update:** Gain exclusive insights into PadSplit's remarkable growth trajectory, with a special focus on Arizona. We'll highlight the expanding footprint and success stories that showcase how PadSplit is becoming a significant player in the local housing market, offering a new lens through which to view housing solutions.
- **Member Success Stories and Q&A:** Hear directly from PadSplit members whose lives have been positively impacted by our platform. These stories will not only inspire but also illustrate the real-world benefits and transformative potential of shared living. Following the presentations, we'll open the floor for a Q&A session, encouraging attendees to engage, ask questions, and deepen their understanding of PadSplit's model and its implications for the future of housing.

Whether you're a real estate enthusiast, investor, or simply interested in innovative housing solutions, this presentation will provide valuable insights into the shared living revolution and its positive ripple effects in Arizona. Don't miss this opportunity to learn, network, and be part of the conversation on the future of housing.

Tucson Monthly Meeting

We will be joining in person for all the great networking sessions including Haves & Wants, a Market Update for the Tucson area, and a presentation from Mike Del Prete on Out of State Investing.

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.

MAY MEETINGS		
AZREIA – Phoenix <i>Monday, May 13</i>	AZREIA – Tucson <i>Tuesday, May 14</i>	Phoenix Real Estate Club <i>Tuesday, May 28</i>
MAY 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, May 2</i> ● Cashflow 101 Board Game <i>Saturday, May 4</i> ● Prescott Subgroup <i>Monday, May 6</i> ● Tucson New Investors – In-Person & Online <i>Monday, May 6</i> ● AZ Women in Real Estate(AZWIRE) <i>Tuesday, May 7</i> 	<ul style="list-style-type: none"> ● Beginning Investors Subgroup <i>Thursday, May 9</i> ● Tucson Cashflow 101 Board Game <i>Saturday, May 11</i> ● Experienced Real Estate Investor Happy Hour <i>Wednesday, May 15</i> ● Notes Subgroup <i>Thursday, May 16</i> 	<ul style="list-style-type: none"> ● Multi-Family Subgroup <i>Monday, May 20</i> ● Financial Independence through Real Estate (F.I.R.E.) - In-Person & Online <i>Tuesday, May 21</i> ● Beginner's PadSplit Subgroup <i>Thursday, May 23</i> ● Fix & Flip Subgroup <i>Wednesday, May 29</i>
Launch Pad Group Session <i>Saturday, June 1, 2024 9:00 am – 1:30 pm</i> The Launch Pad Group Session is for AZREIA Members and future members new to real estate investing who want to dramatically increase their probability of success and shorten the time to complete real estate investment deals to reach their financial objectives. Launch Pad is designed to take months off your development cycle and get you focused where you need to be focused! AZREIA is here to help you get started the correct way and help you design your personal pathway to achieving your goals and changing your life. Want to get started today? You can take the Entrepreneurial Self-Assessment for free right now! Visit azreia.org/entrepreneurial-self-assessment/		
UPDATED INFORMATION & REGISTRATION ONLINE AT WWW.AZREIA.ORG/CALENDAR		

LEGALLY SPEAKING



Q: I have a resident whose lease ended in 10/2023 and has been on month-to-month (MTM) since at the rate of \$2,200. We recently made an increase and provided over a 60-day notice of the increase in MTM charge to \$2,600. He is now fighting me on the increase. We have offered multiple times to him to renew his lease with different options, but he continues to choose to stay at MTM. Is there a cap on what we can charge for MTM rates?

A: There is no legal cap on what you can charge MTM - the only requirement is that you serve a valid notice of the rent increase. If he doesn't want to pay, his remedy is to just non-renew. The whole purpose of the MTM charge is to get him to sign a long-term lease. Don't forget, you can non-renew him at any time as well provided you don't want him there. Note that this is the legal answer and does not account for PR or operational concerns.

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

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

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HOSTED BY MARCUS MALONEY & MICHAEL DEL PRETE

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If you just had someone to lean on and push you in the right direction, you know things would happen much faster!

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

May 13th Phoenix Meeting

- **Phoenix Market Update & Market Trends Discussion:** The Market Update and Trends presentation will equip you with the necessary knowledge to stay ahead of the competition in the ever-changing world of real estate. Whether you're a seasoned investor or just starting out, this is information you cannot afford to miss.
- **Phoenix Main Meeting: The Rise of Shared Living: PadSplit's Impact on Arizona's Housing Market** This enlightening presentation promises to unveil the innovative approach of PadSplit in reshaping the housing landscape through shared living concepts, emphasizing affordability, community, and flexibility. Whether you're a real estate enthusiast, investor, or simply interested in innovative housing solutions, this presentation will provide valuable insights into the shared living revolution and its positive ripple effects in Arizona.
- **Networking & Trade Show:** Join us for investor-to-investor networking and an expo of our local investor-friendly Business Associates to help build your team and do more deals!

May 14th Tucson Meeting

- **Tucson Market Update:** The latest sales volume, pricing, supply, and demand numbers for both the Tucson market.
- **Tucson Main Meeting: Out Of State Investing with Mike Del Prete** Discover the secrets to diversifying your portfolio and maximizing returns through strategic investments beyond your local market. Whether you're a seasoned investor or just starting out, Mike will provide valuable insights and practical advice to help you navigate the complexities of out-of-state real estate.
- **Haves & Wants, Power Networking, and Deal Sharing:** Come prepared to listen, learn, and share.

May 28th Phoenix Real Estate Club

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

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Heather Johnson
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<p><u>Monthly Events</u></p> <ul style="list-style-type: none"> ✓ AZREIA Chapter Meeting (\$10/Meeting) ✓ Phoenix Real Estate Clubs (\$10/Meeting) ✓ Subgroup Meetings (\$5/Meeting) <p><u>The Home Depot Discounts</u></p> <ul style="list-style-type: none"> ✓ The Home Depot Rebate ✓ The Home Depot Paint Discount ✓ The Home Depot Cabinet Discount ✓ The Home Depot Appliance Discount <p><u>Education & Seminars</u></p> <ul style="list-style-type: none"> ✓ Significant Member Only Discounts ✓ \$30 Launch Pad <p>Additional Features</p> <ul style="list-style-type: none"> ✓ Discounts from AZREIA Business Associates ✓ Access to Market Updates & News Charts ✓ AZREIA Newsletter & Blog 	<p><u>Monthly Events</u></p> <ul style="list-style-type: none"> ✓ AZREIA Chapter Meetings FREE ✓ Phoenix Real Estate Club FREE ✓ Subgroup Meetings FREE <p><u>The Home Depot Discounts</u></p> <ul style="list-style-type: none"> ✓ The Home Depot Rebate ✓ The Home Depot Paint Discount ✓ The Home Depot Cabinet Discount ✓ The Home Depot Appliance Discount <p><u>Education & Seminars</u></p> <ul style="list-style-type: none"> ✓ Significant Member Only Discounts ✓ \$30 Launch Pad <p>Additional Features</p> <ul style="list-style-type: none"> ✓ Discounts from AZREIA Business Associates ✓ Access to Market Updates & News Charts ✓ AZREIA Newsletter & Blog 	<p><u>Monthly Events</u></p> <ul style="list-style-type: none"> ✓ AZREIA Chapter Meeting (\$20/Meeting) ✓ Phoenix Real Estate Clubs (\$20/Meeting) ✓ Subgroup Meetings (\$20/Meeting) <p><u>The Home Depot Discounts</u></p> <ul style="list-style-type: none"> X The Home Depot Rebate X The Home Depot Paint Discount X The Home Depot Cabinet Discount X The Home Depot Appliance Discount <p><u>Education & Seminars</u></p> <ul style="list-style-type: none"> ✓ Guest Pricing ✓ \$100 Launch Pad <p>Additional Features</p> <ul style="list-style-type: none"> X Discounts from AZREIA Business Associates X Access to Market Updates & News Charts ✓ AZREIA Newsletter & Blog

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