THE AZREIA ADVANTAGE
ARIZONA REAL ESTATE INVESTORS ASSOCIATION NEWSLETTER
"AZ Real as it Gets"
NOVEMBER 2026

Contents

Executive Director 2
Title & Escrow Specialist . . . 3
Legal Expert 4
Lending Expert 5
Title Experts 6
Asset Protection & Estate Planning Expert 7
Hard Money Lending Experts 8
Silvercrest. 9
Insurance Expert. 10
Directed IRA 12
Monthly Meetings. 13
Calendar of Events 14
Legally Speaking 14
Meetings at a Glance 15

ARIZONA REAL ESTATE INVESTORS ASSOCIATION

4527 N 16th St #105
Phoenix, AZ 85016

480.990.7092
www.azreia.org

From Struggling Flip to Cash Flow: How One Arizona Investor Found the Better Way to Flip Savings

by Brian and Gina Kingdeski
Green Light Buying Machine

The Green Light Buying Machine is helping experienced fix-and-flippers rethink their strategy in today's changing market.

For years, the fix-and-flip formula was simple: buy right, renovate, sell, and collect the profit. But with higher interest rates, rising renovation costs, and longer hold times, even experienced investors are finding that the traditional model isn't as predictable as it once was.

David and Grizileen Flores of GAD Home Solutions knows this firsthand.

After 11 years in real estate, David and Grizileen have experienced the highs and lows of investing. They built their business through hard work, perseverance, and faith. From wholesaling, flipping, and creating a real estate team tackling all aspects of the industry.

When the market shifted, the Flores' were feeling the pains like most flippers in the industry. One flip was staled on the market. A 3,120-square-foot, four-bedroom, three-bath home appraised at $720,000. After sitting on the market at $650,000 with no offers, they decided to refinance to stop the bleeding.

A reminder that even a good property can become a costly investment when the traditional exit strategy doesn't work as planned.

A Different Exit Strategy Changes Everything

David and Grizileen began exploring renting individual bedrooms to help cover the property's $5,500 monthly payment, but the numbers weren't paying the bills.

Then he heard Brian and Gina Kingdeski in a webinar talking about Padsplit and co-living and they reached out.

Brian and Gina met David and Grizileen in Peoria to walk the property with them to explore the possibilities. The result? They transformed the four-bedroom home into an eight-bedroom, three-bathroom PadSplit property. Today, the home covers its expenses and generates positive monthly cash flow.

That experience introduced David to Green Light Buying Machine, a program designed to help experienced fix-and-flippers identify, renovate, and prepare co-living properties for pre-approved end buyers.

The Results Are Getting Attention

Seven months into this new venture, David and Grizileen have 10 projects underway. They report averaging more than $50,000 in profit per project, with their largest completed project generating close to $65,000. Another project is positioned to net about $80,000 or more!

Phoenix Monthly Meeting
Monday, November 9
In Person & Streaming - 5:15pm

- Association Update
- Market Update & Outlook
- Turn Up The Cash Flow With Turnkey Padsplits

Tucson Monthly Meeting
Tuesday, November 10
In Person - 6:00pm

- Food
- Haves & Wants + Association Update
- Tucson Market Discussion
- Lease Option Action: Fireside Chat with Arturo Mojica
- Open Networking

Continued on page 2

EXECUTIVE DIRECTOR'S MESSAGE

Are You Paying Attention to the Demand Side?

When we look at a rental property, most of us know exactly what numbers we want to see. What's the purchase price? What's the rehab going to cost? What can I finance it for? What are the comps? And, of course, what will it rent for?

But there's another question I think investors need to spend more time asking: Who is actually going to rent it?

We spend a lot of time analyzing the property and not nearly enough time thinking about the person who needs a place to live. And right now, that's worth paying attention to.

According to Harvard's Joint Center for Housing Studies, nearly half of U.S. renter households were cost-burdened in 2024. Here's another number that really caught my attention: from 2001 to 2024, renter incomes increased 9% after adjusting for inflation, while rents increased 30%.

Think about that for a minute. This isn't something that happened overnight. The gap between what people earn and what housing costs has been growing for more than two decades.

As real estate investors, we can look at that as a problem, but we should also look at it as a demand signal. There are a lot of working people who need a good place to live, but renting an entire house or apartment is becoming harder to afford.

That's one reason I think the co-living model is worth understanding.

Instead of renting an entire property to one household, co-living allows individual residents to rent rooms. Done correctly, it can create a more attainable housing option for the residents while potentially generating more income from the same property for the owner. That's an interesting combination, especially in the market we're in today.

Now, that doesn't mean every house should become co-living. It doesn't mean every deal works. And it doesn't mean you should jump into a strategy just because you heard somebody talking about it.

It means you should learn how it works so you can decide for yourself.

That's exactly what AZREIA is here for.

Next month at our Monthly Meeting, we're going to be talking about turnkey PadSplits and the co-living model. If you've been curious about PadSplit, wondering whether co-living makes sense in today's market, or simply looking for another strategy to add to your investor toolbox, I encourage you to come.

Come learn how the model works, ask questions, run the numbers, and talk to other investors. Then decide whether it belongs to your business.

You may walk away thinking, "This isn't for me." Or you may walk away seeing an opportunity in a property you would have passed on before. Either way, you'll know more than you did when you walked through the door.

And that's one of the biggest reasons we continue to hold these meetings month after month. AZREIA exists to help Arizona investors get the education, market information, resources, and relationships they need to make better decisions and take action.

Don't just hear about what other investors are doing. Come learn how it actually works.

See you at the next meeting.

Michael Del Prete
Executive Director

From Struggling Flip to Cash Flow: How One Arizona Investor Found the Better Way to Flip Savings____ ***Continued from pg 1***

For David and Grizileen, the appeal is straightforward: a strategy that gives their business another way to approach real estate opportunities without relying exclusively on a traditional retail sale.

Could This Be Your Next Move?
At Green Light Buying Machine, Brian and Gina believe experienced investors don't necessarily need to abandon flipping. They need more options-more Green Lights.

GLBM provides step-by-step guidance on identifying properties, analyzing numbers, designing layouts, managing renovations, selecting finishes, and preparing homes for the co-living market.

Join Brian and Gina on November 9th for the AZREIA event to learn more about how this approach works, what to look for in a potential co-living property, and how you can evaluate whether this strategy belongs in your investment toolbox.

The market has changed. Your strategy can change with it.
Don't stop flipping. Start thinking differently about what you flip.

Brian and Gina Kingdeski, Green Light Buying Machine, The Co-Living Ecosystem.

Contact: ginakingdeski@gmail.com | 480-332-0143

How New SBA Guidelines Are Making Commercial Real Estate Investment More Accessible



by DiAnna Jackman

DiAnna Jackman, CEO
Northstar Title Agency
15051 N Kierland Blvd
Floor 3
Scottsdale AZ 85254

844-212-6782
480-454-6704
www.NorthStarTitleAgency.com

The U.S. Small Business Administration (SBA) continues to play a critical role in helping entrepreneurs acquire, improve, and occupy commercial real estate. Recent updates to the SBA's lending policies, particularly through SOP 50 10 8, have modernized loan procedures and provided greater clarity for lenders and borrowers seeking financing through the SBA's 7(a) and 504 loan programs.

For small business owners, commercial real estate has long been an attractive investment. Owning a building can provide stability, protect businesses from rising lease costs, and create long-term wealth. However, obtaining financing has often been a challenge due to complex underwriting requirements and varying lender interpretations. The SBA's latest guidelines are designed to create consistency, improve efficiency, and make the lending process easier to navigate.

One of the most significant improvements is the reorganization of SBA lending guidance. The new framework separates core requirements, 7(a) loan requirements, and 504 loan requirements into clearly defined sections. This streamlined structure makes it easier for lenders to process applications and for borrowers to understand what is required before applying.

The updated guidelines also expand the use of electronic signatures and digital documentation. By embracing modern technology, the SBA has reduced administrative burdens and accelerated the approval process. Borrowers can complete more of the loan application process electronically, helping transactions move faster from application to closing.

For commercial real estate investors who occupy their properties, the SBA 504 program remains one of the most attractive financing tools available. Eligible borrowers can often finance major real estate purchases with relatively low down payments while preserving working capital for business operations. The SBA's updated operating procedures provide clearer standards for lenders, reducing uncertainty and helping qualified borrowers access financing with greater confidence.

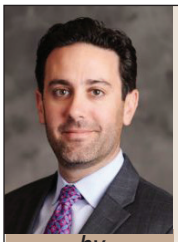
The agency has also clarified underwriting and credit requirements, giving lenders more specific guidance on documentation, environmental reviews, and due diligence. While these standards strengthen loan quality, they also create a more predictable process for borrowers. Predictability is especially valuable in commercial real estate transactions, where timing and certainty can determine whether a deal succeeds.

Another benefit is the continued availability of long-term, fixed-rate financing through the SBA 504 program. This feature can help business owners manage cash flow and reduce exposure to future interest rate fluctuations while building equity in real estate rather than paying rent to a landlord.

As commercial property markets continue to evolve, these SBA enhancements are helping small businesses pursue ownership opportunities that may have previously seemed out of reach. By streamlining procedures, embracing digital processes, and creating clearer lending standards, the SBA has strengthened its role as a key partner for entrepreneurs looking to invest in commercial real estate and build long-term financial stability.

For business owners considering purchasing an office, warehouse, retail space, or other owner-occupied property, the updated SBA guidelines provide a more transparent path to financing and ownership than ever before.

Security Deposits in the Age of AI: Back to the Basics



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

With AI being promoted everywhere, we expect to see more lawsuits by residents against landlords. A tenant who once would have just grumbled about a deduction can now have a chatbot draft a complaint in minutes. Security deposit lawsuits are already the #1 lawsuit filed by residents, so we thought it would be a good time to review the basics, to help in the event you end up in a lawsuit.

Start at move-in. In Arizona, the total security you can collect, regardless of what it is called, is one and one-half months' rent. All deposits are refundable unless the lease specifically states otherwise. Don't let a tenant apply the deposit to the last month's rent, or you'll have nothing left to cover the damage.

When a tenant moves out, a clock starts, and it runs out sooner than many landlords expect. We treat day zero as the day you get possession back, either when the keys come back, when a writ is executed or when the abandonment is complete. From then, you have 14 days, not counting weekends or legal holidays, to send an itemized accounting by first-class mail to the tenant's last known address.

Ask for a forwarding address at move-out. If you don't get one, use the last address you have on file, which is usually the rental property. Put the deadline on your calendar the day you regain possession and count carefully around holidays. Get a certificate of mailing from the post office so you can prove when it went out or keep a copy of the envelope and check.

Itemized means every charge gets its own line. Don't lump charges together under "cleaning and repairs." Make sure you have invoices and records to support each charge. Keep your move-in and move-out photos with the signed move-in inspection sheet. And remember that you can't charge for normal wear and tear. The tenant also has the right to be present at the move-out inspection. If they ask to attend, schedule it and let them come.

If you can't get all of the work done within that 14-business day period, send out an estimate on time to show that you complied. Then, once all the work is done and you have the actual invoices, send a final accounting. You never want to be late in sending out the accounting! And if the charges are more than the deposit, still send the accounting showing the balance owed. It's the foundation for any collection effort later.

If several tenants share the lease, write one check payable to all of them. Unless your lease has a provision that identifies which person gets the deposit, make it payable to all of them.

This matters because the tenant can recover twice the amount wrongfully withheld if you miss the deadline or can't support your charges. Fourteen days go by quickly, so plan for it. If you have a question about a particular accounting, call us before the deadline, not after.



The Equity in Your Rentals Is Not Stuck



by Jake Burt

Jake Burt
Mortgage Administrator
M: 480.735.4095
D: 480.691.3791
Jake@
Neighborhoodloans.com
25 S. Arizona Pl., Ste 510
Chandler, AZ 85225

by Jake Burt, Burt Lending Team at Neighborhood Loans

Every month I talk to an investor with a seven figure balance sheet and a tax return that says they barely work. Great for taxes. Terrible for a loan application. Asset utilization, sometimes called asset depletion, fixes that mismatch by converting what you own into qualifying income.

Here is the math most borrowers never see. The lender takes your eligible liquid assets, applies a haircut by account type, subtracts whatever you are using for the down payment, closing costs, and reserves, then divides what remains by a fixed number of months. That result is treated as monthly income. Divisors vary widely by lender, commonly anywhere from 36 to 120 months. The shorter the divisor, the more income the same assets generate, so two lenders can look at identical statements and produce very different approvals. On this product, shopping the guideline matters as much as shopping the price.

The haircuts are where deals live or die. Cash, checking, savings, and money market funds typically count at full value. Stocks, bonds, and mutual funds usually count at 70 to 90 percent to absorb market swings. Retirement accounts often count at 50 to 80 percent, and many programs only allow them if you are over 59 and a half or already taking distributions. Crypto is excluded almost everywhere. Business accounts can count, but expect to document your ownership percentage and show the withdrawal will not harm the company.

Quick illustration: 1.2 million dollars in eligible assets after haircuts, divided by an 84 month divisor, is over 14,000 dollars a month in qualifying income. No paycheck required.

Three profiles keep showing up on these files. The recently retired investor living off a portfolio with almost no reportable income. The seller sitting on proceeds from a business or property sale. And the investor whose write offs are so aggressive that even bank statement and P and L programs come up short.

One distinction worth filing away: DSCR qualifies the property, so it only works on investment properties. Asset utilization qualifies you, which means it can finance a primary residence or second home where DSCR was never an option.

The tradeoffs are real. Pricing sits in non QM territory. Most programs want 30 to 90 days of statements, and large recent deposits get questioned, so season your money before you apply. And proceeds from the transaction itself never count toward the calculation.

If your balance sheet is strong but your tax return is quiet, send me your account statements and I will run the numbers across multiple guidelines so you can see exactly what your assets qualify you for. Text or call me at 480-341-0920.

Programs, terms, and eligibility vary by lender, scenario, and state. Educational content only, not a commitment to lend or a guarantee of approval.

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.

Your Buyer's Payment Is Your Exit Price

by Alex Hollien and Janet Moe
Great American Title Agency

Flippers and wholesalers don't sell to the market. When a retail buyer looks at your property, the question isn't only whether it's worth the asking price. It's whether they can live with the payment.

Price Cut or Buydown? Let the Numbers Make the Call

When a flip sits, it often reflects in a price reduction. When the investor is considering selling to an end buyer who has secured financing, talk to the buyer's lender. Inquire what concessions may be needed on the loan program, the end buyer is considering.

Wholesalers feel this first. When an end buyer can't make the numbers work, they walk, and your net gain walks with them.

Rates will keep moving, so don't build a strategy around guessing their direction. Build around your own numbers.

Our daily and weekly lead lists give you current metrics on what's happening in your Arizona market, so you can choose targets based on activity instead of instinct.

The Takeaway is to Partner with the Best!

When you partner with Great American Title, whether you are a wholesaler, investor, flipper, or REALTOR®, you can draw on a wide array of marketing services that give you the right levers and leverage.

Lead Lists, Farms & Marketing Services: contact Alex Hollien, Sales Executive, at 480-204-2983 or ahollien@azgat.com.

Expert Title & Escrow Transaction Experience: partnering with Janet Moe, Branch Manager / Escrow Officer, puts complex investor transaction experience, and mastery of any other transaction, on your side. Contact her at 602-773-3310 or jmoe@azgat.com.

Great American
TITLE AGENCY, INC.
7720 N 16th St Ste 450 • Phoenix 85020



Janet Moe
Branch Manager
Senior Escrow Officer
602-773-3310
jmoe@azgat.com
www.azgat.com



Alex Hollien
Sales Executive
480-204-2983
ahollien@azgat.com
www.azgat.com

Wholesaling Real Estate in Arizona in 2026…



by Michael J. McGirr

Michael J. McGirr, Esq.
Attorney at Law

Phocus Law

Phone: (602) 457-2191

Mick@phocuscompanies.com

phocuslaw.biz

…What Every Investor Needs to Know

Three years ago, I wrote for AZREIA about whether wholesaling real estate is legal in the Grand Canyon State. Since then, wholesaling has stayed one of the most popular ways for new investors to get into the market without a lot of capital, and it has also drawn more scrutiny from sellers, title companies, and listing agents. Arizona's disclosure statute has now been in effect for several years, and the market has adjusted around it. So it's a good time to revisit the rules and look at what separates compliant wholesalers from the ones who end up in trouble.

What is Wholesaling?
Wholesaling means putting a property under contract and then assigning your rights under that contract to another buyer, usually for an assignment fee, without ever taking title yourself. (A related approach is the "double close," where the wholesaler actually buys the property and resells it right away.) Either way, the wholesaler is a middleman, and the law cares a great deal about how that middleman presents himself.

The Legality in Arizona
Is wholesaling legal in Arizona? Yes, but only if you follow the rules. Arizona has not banned wholesaling. Instead, it regulates how wholesalers deal with the people on both sides of the deal. Here's what you need to know in 2026:

1. **Licensing**: Act as a Principal, not a Broker. You do not need a real estate license to wholesale in Arizona as long as you are acting for yourself, as a party to the contract, and not representing a buyer or seller. The line gets crossed most often in marketing. You can market your contract rights. You should not market the property itself as if you own it or have the right to list it, and you should never negotiate or earn compensation on behalf of someone else. If you hold a license, the rules are different: you must disclose your licensed status when you buy or sell for your own account.

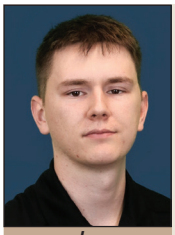
2. **Written Disclosure Is Mandatory**: A.R.S. § 44-5101. Since September 2022, Arizona law has required written disclosures in wholesale deals involving residential real property, meaning property with fewer than five dwelling units. Before any binding agreement is signed, a wholesale buyer must disclose in writing to the seller that the buyer is a wholesale buyer. On the other side of the deal, a wholesale seller must disclose in writing to the end buyer that the wholesale seller holds only an equitable interest in the property and may not be able to convey title. The penalties for skipping these steps are serious. If you fail to disclose to the seller, the seller can cancel at any time before close of escrow without penalty and keep your earnest money. If you fail to disclose to your end buyer, that buyer can cancel and get all of their earnest money back. Put the disclosure in the contract itself, before signing, every time. A last-minute email doesn't count.

3. **Liability to Close**: Plan your exit before you sign. Nothing has changed here: if you can't find a buyer and your cancellation window closes, you are on the hook to perform. Make sure your purchase contract clearly permits assignment, gives you a realistic due diligence or inspection period, and lays out a clean way to cancel. Be realistic about your timelines, too. In a slower, more selective buyer market, deals that once assigned in a few days can now take weeks.

4. **Know Your Title Company and Your Counterparty**: Not every title or escrow company is comfortable handling assignments, and some listing agents now add anti-assignment language or wholesale-specific terms to their counteroffers. Confirm early that your escrow officer will handle the transaction, read every counteroffer and addendum carefully, and be upfront about your assignment fee. Transparency protects your reputation as much as your deal.

Wholesaling can still be a legitimate and profitable strategy in Arizona, but in 2026 the investors who thrive are the ones who treat compliance as part of the business model and not an afterthought. Stay connected with the AZREIA community, keep your contracts current, and when you're unsure, a quick conversation with a real estate attorney costs far less than a cancelled deal or lost earnest money. The Phocus Law team is here to assist with all your investment needs, from reviewing your purchase and assignment contracts to structuring your next deal. If we can be of service, please don't hesitate to reach out. I can be reached by email at Mick@PhocusCompanies.com or by phone at 602-457-2191.

Beyond the Flip: Planning for a Cash Flow Exit



by Jakob Fuhriman

Jakob Fuhriman
Vice President, Origination
480-542-8692
jakob@capitalfund1.com
14555 N. Scottsdale Rd
Suite 200
Scottsdale, AZ 85254

An Arizona investor finds a property with renovation potential, but selling after construction is not the only strategy on the table. The investor is considering keeping the home as a rental or exploring a co-living model. Before making an offer, one question matters: how will the financing support both the renovation and the planned exit?

At Capital Fund 1, we help investors evaluate that question from the beginning. Our asset-driven approach starts with the property, deal structure, and proposed exit strategy. Whether your goal is resale or rental income, we want to understand the complete plan. Because we originate, underwrite, fund, and service loans in-house, you work with one CF1 team through the financing process and after closing as needed.

Financing the Purchase and Renovation

Turning a property into an income-producing asset often begins with acquisition and improvements. Our financing programs give investors options to evaluate based on the property and strategy. Highlights include:

- CF Advantage: up to 92.5% loan-to-cost, including up to 90% of purchase price and 100% of the rehab budget.
- CF Advantage rates starting as low as 9.75%, with a stated minimum FICO of 620 and only a soft credit pull to provide terms.
- DSCR loans: up to 80% loan-to-value, with 30-year fixed and adjustable-rate options and qualification available at a ratio as low as 1.0.

The right structure depends on the transaction. For investors considering co-living, discussing the intended configuration and use upfront helps us evaluate whether an available program fits. Financing a renovation does not automatically establish eligibility for a future rental loan. That early conversation helps identify financing questions before you commit to the purchase or renovation.

Planning Beyond Construction

When holding the property is your goal, the budget needs to extend beyond the last contractor's payment. Carrying costs, furnishings, utilities, reserves, and the time needed to establish rental income can affect how much cash you need throughout the project.

We help borrowers understand their financing terms, required contribution, and renovation draw process so they can plan around those obligations. If refinancing is your intended exit, discuss that financing early. Property use, valuation, rental documentation, and program requirements can influence the next loan. Projected co-living revenue alone does not confirm refinance eligibility.

Moving From Application to Closing

Start with our online application, purchase contract, property photos, and planned improvements. Include your intended exit so our in-house underwriting team can evaluate the request and outline available options. Terms may be provided as quickly as the same day, and eligible loans can fund in as little as 24 hours once the file is complete, and title is ready.

Ready to Plan Your Next Investment?

Bring us your property, renovation budget, and exit strategy. We will review the opportunity and walk you through next steps. Visit apply.capitalfund1.com or give us a call at 866-999-0398 for current program information or to apply.

Program availability, rates, leverage, loan amounts, timelines, and borrower eligibility are subject to underwriting and may change. Requirements vary by program and transaction. Contact our team for current guidelines.

SILVERCREST
OPPORTUNITY FUND
FIRST-LIEN ARIZONA PRIVATE CREDIT

AZREIA
Private Credit Brief

MANUFACTURED HOUSING

AN OVERLOOKED ASSET CLASS DESERVING ATTENTION WHEN STRUCTURED CORRECTLY



$1.5M+
PERFORMING NOTE PORTFOLIO

0%
CURRENT DELINQUENCY

7 MILLION
AFFORDABLE HOUSING UNIT SHORTAGE
(Source: National Housing Conference)

52%
DECLINE IN BANK CREDIT AVAILABILITY SINCE 2021
(Source: Federal Reserve H.8 Data)

PRIVATE CREDIT DEMAND AT AN ALL-TIME HIGH
(Source: Apollo Private Credit Outlook)

4.1 MILLION
ARIZONA POPULATION GROWTH DRIVING HOUSING DEMAND
(Source: U.S. Census Bureau)

For decades, institutional capital has ignored manufactured housing. Today, some of the most sophisticated investors in real estate—private equity firms, family offices, and real estate credit managers—are increasingly allocating capital toward this sector.

CURRENT PERFORMING NOTE EXAMPLES

Lot 129 – La Montana Del Sur (Phoenix)
- Unpaid Balance: $96,500
- Term: 20 Years
- Monthly Payment: $1,200

Lot 192 – Casa De Francisco (Phoenix)
- Unpaid Balance: $95,000
- Term: 20 Years
- Monthly Payment: $1,250.95

Here's why:

Manufactured Housing Sits at the Intersection of:
- America's Affordable Housing Shortage
- Declining Availability of Bank Credit
- Rising Investor Demand for Collateralized Income

To Acquire Notes or Learn How This Strategy Works,
CONTACT US NOW:

VIEW CURRENT NOTE INVENTORY >

WIN MOBILE
BUY SELL TRADE
MAILBOX MONEY

SILVERCREST
OPPORTUNITY FUND
FIRST-LIEN ARIZONA PRIVATE CREDIT

480-923-6456
SilvercrestOpportunityFund.com
WinMobileHomes.com

Past performance is not indicative of future results. Investments involve risk, including the possible loss of principal.
This material is for informational purposes only and does not constitute an offer to sell securities.
Any offering is made solely through applicable offering documents and to qualified investors where appropriate.

How Landlords Can Handle a Property Claim the Right Way



by Derek Kartchner

Derek Kartchner
Gila Insurance
Phone: (877) 784-6787
Derek@GilaInsurance.com
www.GilaInsurance.com

When a pipe bursts or a kitchen fire guts a unit, what you do in the next few days can decide whether your claim is paid in full, paid in part, or denied. Here's what every landlord should know.

Start the Claim the Right Way - First, protect the property from further damage. Shut off the water, board up broken windows, and tarp the roof. Most landlord policies require reasonable steps to prevent additional loss, and damage that spreads because nobody acted may not be covered. Keep receipts for emergency repairs, since they're usually reimbursable.

Next, document everything. Take photos and video before cleanup begins, and keep move-in inspection reports, leases, and maintenance records handy.

Then get a quote for the damage. You are on the clock, but filing a claim when it's going to be under the deductible or near the deductible doesn't make sense (unless liability is involved; then file the claim immediately. Once you know the value of the damage and whether or not it makes sense to file the claim, report the claim promptly. Delays make it harder for an adjuster to separate a sudden event from a long-running problem, and that distinction often decides the outcome.

Know the Common Exclusions - Landlord policies cover sudden, accidental losses, not every repair a rental will need. These are the exclusions that trip up owners most often:

- **Wear and tear.** Worn carpet, aging roofs, and failing appliances are maintenance costs, not insured losses.
- **Neglect and gradual damage.** A slow leak under a sink that rots the subfloor over months is typically excluded, along with the mold that follows.
- **Tenant damage.** This one surprises many owners. Some policies exclude tenant-caused damage entirely, while others cover vandalism or malicious mischief only by endorsement. Pet damage and ordinary abuse are rarely covered. Your security deposit is usually the first line of defense.
- **Vacancy.** Many policies restrict coverage for vandalism, glass breakage, and water damage once a property sits empty beyond a set period, often 60 days.
- **Flood and earth movement.** These require separate policies.
- **Tenant belongings.** Your policy covers your building and the items you supply, not the tenant's possessions. Require renters insurance in your lease.

Why Tenant Complaints Matter - The best way to protect your claims is to take tenant complaints seriously. A tenant who reports a dripping water heater is giving you a chance to fix a $200 problem before it becomes a $20,000 one. If you ignore that report, the eventual loss may be denied as neglect.

Unanswered complaints also create a paper trail that works against you. If a tenant's text about a soft spot in the floor sits for weeks, an adjuster may conclude the damage was gradual and known. In a liability claim, that record can show you knew about a hazard and didn't fix it. Arizona's Residential Landlord and Tenant Act also requires landlords to keep rentals habitable, so slow responses create legal problems beyond insurance.

Build a simple system: log every request with the date, respond quickly, and record how each issue was resolved. Schedule periodic inspections to catch what tenants don't report.

Review Your Coverage Now - The time to learn what your policy excludes is before a claim, not during one. Gila Insurance Group, LLC can review your coverage, explain the exclusions, and compare options from multiple carriers. Call or text 928-428-6440 or visit gilainsurance.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.

For the last 10 years investors locally and across the country have trusted me to buy and sell their investment properties.

Here's WHY they chose me over the other 100,000 licensed agents in the state of Arizona besides the fact that ***I answer my phone.***

- I personally flip and hold properties
- Access to off market properties, pocket listings & strategic MLS searches
- I can do the math! Repair Analysis and Calculations
- Fluent in investor lingo: ROI, ARV, NOI, 1031, Cap rate
- Market knowledge including micro markets
- Push through tough negotiations
- Access to tradesmen, supplies and labor

REACH OUT TO ME TODAY, I'D LOVE TO CHAT!

Dominique Martinez
(602) 501-0689
dom@whhouses.com

DPR REALTY LLC
DEDICATED. PROFESSIONAL. RELIABLE.

REALTOR® MLS — MULTIPLE LISTING SERVICE

EQUAL HOUSING OPPORTUNITY

90%
Fix & Flip Financing

Do you qualify?

Contact us to find out.

MERCHANTS FUNDING AZ, LLC
License #BK-0918174 NMLS #388757

Mark Steinbeck, VP
480-889-7569
NMLS #180782

Bo Seamands
903-721-5807
NMLS #1191246

EQUAL HOUSING OPPORTUNITY

The information in this ad is for real estate professionals only. Adequate disclosures for home buyers are not provided. Rates and terms are subject to change without notice and are are subject to underwriting and qualification.

Meet My Property Manager...

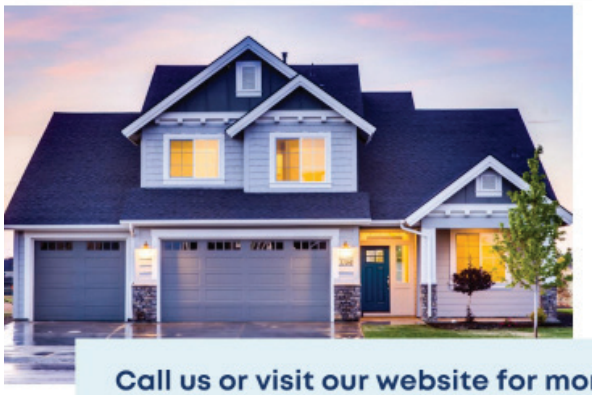


"Everything I need to manage my property from anywhere... right on my phone!"

rent perfect
An Investigative Screening Company

AZREIA OFFER
95 Cent Membership
www.RentPerfect.com

UNIQUE COVERAGE, INTELLIGENTLY DESIGNED.



Call us or visit our website for more information on our property and liability programs

- Investment Property Insurance
- Tenant Discrimination Program
- Landlord Supplemental Protection
- Tenant Renters Program

TEL: (877) 744-3660
WWW.NREIA.ARCANAINSURANCEHUB.COM

MSI MILLENNIAL SPECIALTY INSURANCE

DIRECTED IRA
by Directed Trust Company

BUYING REAL ESTATE WITH YOUR IRA

Did you know that your IRA or 401(k) can invest in real estate? It's true! There are currently 38 trillion dollars in U.S. retirement accounts—making it one of the most untapped resources of investable wealth to invest in real estate.

IRAs can own rental properties, fund real estate deals, private lend, and so much more. **Schedule a Call with Directed IRA** (based in Phoenix) and we'll walk you through setting up an account and how to get started!

USE YOUR IRA OR 401K TO INVEST IN WHAT YOU KNOW

Real Estate
Use your own IRA funds to purchase real estate, generating rental income and appreciation within your IRA.

Private Lending
Your IRA can lend money to individuals or entities, typically secured by real estate, and earn interest on the loan within your retirement account.

Private Funds
Invest in multifamily syndications and private funds using your retirement account.

AS SEEN ON: NBC NEWS FOX NEWS



What is a Self-Directed IRA?

A self-directed IRA is an IRA that can invest into any investment allowed by law. Real estate is the most common investment for self-directed IRAs. This includes rentals, flips, lending, multifamily, syndications and private funds.

Funding Your First Deal

The Directed IRA team has helped 20,000+ investors set up self-directed IRA accounts with over $1.8B in assets under custody. Everyone has unique goals and circumstances—our experienced team is ready to answer your questions and help you get the ball rolling.

BOOK A CALL W/ DIRECTED IRA **OPEN AN ACCOUNT**

**Directed IRA is a Tradename of Directed Trust Company. Directed Trust Company performs the duties of a directed custodian, and as such does not provide due diligence to third parties on prospective investments, platforms, sponsors or service providers and does not sell investments or provide investment, legal, or tax advice. Learn More @ directedira.com*



AZREIA ADVANTAGE: MONTHLY MEETINGS

AZREIA Phoenix Meeting	AZREIA Tucson Meeting	Phoenix Real Estate Club
Monday, November 9	Tuesday, November 10	Tuesday, November 24
In-Person & On-Line	In-Person	In-Person
Doors open at 5:15 pm	6:00 pm	6:00 pm
Venue 8600	Keller Williams Building	AZREIA Office
8600 E Anderson Dr	1730 E River Rd #200	4527 N 16th Street #105
Scottsdale, AZ 85255	Tucson, AZ 85718	Phoenix, AZ 85016

Join us this November for two AZREIA meetings designed to help Arizona real estate investors explore new strategies for creating cash flow and building long-term wealth. In Phoenix, Brian and Gina Kingdeski of Green Light Buying Machine will share how investors can transform traditional fix-and-flip properties into cash-flowing co-living rentals using the PadSplit platform. In Tucson, experienced investor Arturo Mojica will discuss how lease options can create opportunities in today's market, drawing from nearly two decades of hands-on real estate investing experience.

The Phoenix meeting also features the Market Update and Trends presentation with Tina Tamboer, Senior Housing Analyst at The Cromford Report. Tucson attendees will receive a local market update from Patrick Allen.

Phoenix Meeting – Turn Up the Cash Flow with Turn Key PadSplits

Join AZREIA for a practical look at how investors can turn traditional fix-and-flip properties into long-term cash-flowing assets. Brian and Gina Kingdeski of Green Light Buying Machine will share how they purchase homes, renovate them for co-living, and launch them on the PadSplit platform to generate rental income. As both investors and licensed general contractors, they'll show how their approach helps fix-and-flippers shift from one-time profits to recurring cash flow, maximize a property's income potential, and build long-term wealth through co-living investments.

You'll walk away with:

- How to identify the right property for a successful PadSplit investment.
- A realistic look at renovation costs, including the big-ticket items that can impact your budget.
- An investors and contractor's perspective on buying, renovating, and preparing a co-living property.
- The key components of a successful launch on the PadSplit platform.
- How to transition from traditional fix-and-flip projects to long-term, cash-flowing investments.

Tucson Meeting – Fireside Chat w/ Arturo Mojica: Lease Option in Action Open Q&A, Food, Networking & Market Update

Join us in Tucson for food, networking, and an engaging fireside chat with experienced local investor Arturo Mojica. After leaving his engineering career, Arturo and his wife Maria built a diverse real estate portfolio that includes single-family rentals, student housing, lease options, and sober living properties, along with wholesaling and fix-and-flip investments. With nearly two decades of hands-on experience, Arturo will share how he's successfully used lease options to create cash flow, what's working in today's Tucson market, and lessons learned along the way. Come connect, ask questions, and discover whether lease options could be the right strategy for your next investment.

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!

AZREIA ADVANTAGE: CALENDAR OF EVENTS

Check www.azreia.org for the current schedule.

NOVEMBER MEETINGS

AZREIA – Phoenix Monday November 9	AZREIA – Tucson Tuesday November 10	Phoenix Real Estate Club Tuesday, November 24
NOVEMBER SUBGROUPS – Join like-minded investors, share ideas, network, and learn in small group settings.		
• **AZ Women In Real Estate Subgroup (AZWIRE)** Tuesday, November 3 • **Tucson Buy & Hold Subgroup** Tuesday, November 3 • **Income Property Owners Subgroup (Buy & Hold)- Hybrid** Thursday November 5	• **Beginning Investors Subgroup Phoenix - Hybrid** Thursday November 12 • **Prescott Subgroup** Monday November 16 • **Tucson New Investors Subgroup Hybrid** Monday November 16	• **Short-Term Rental Investor Group** Tuesday November 17 • **Call-A-Thon** Wednesday November 18 • **Fix & Flip Subgroup** NO MEETING IN NOVEMBER

YOU'RE THE FUTURE CHARITY EVENT
Thursday November 19 6pm-8pm

Phoenix's 30 and under leadership night, featuring Brett Hundley: former NFL quarterback, real estate investor, entrepreneur, sports analyst, and founder of the Hundley Foundation. NFL, broadcasting, real estate, and entrepreneurship in one conversation. Half of every ticket goes to the Hundley Foundation and half to Sleep in Heavenly Peace. Limited seats.

CREATIVE DEALS WORKSHOP: Start 2027 With Deals That Pencil
Saturday December 12, 9am - 5pm

Learn how to make deals work using subject-to, seller carryback, and lease options. This full-day workshop combines practical strategies, hands-on deal analysis, and connections with industry resources. Includes immediate access to our six-week Creative Finance course recordings when you register!

UPDATED INFORMATION & REGISTRATION ONLINE AT WWW.AZREIA.ORG/CALENDAR

LEGALLY SPEAKING



Q: One of our residents passed away in his unit. We sent the security deposit accounting with a refund check made out to "The Estate of" the tenant. His children came into the office and said they can't cash it. Who should the check be made out to?

A: Making the check payable to the estate is not wrong, but it creates a practical problem. To cash it, the family would have to open a probate and an estate bank account, which is rarely worth the time or money for a security deposit. Arizona has a simpler process for small estates, that can apply 30 days after the person dies. Under A.R.S. § 14-3971, a family member can collect money owed to the deceased person by signing a notarized affidavit, but only after 30 days have passed since the death. Since your accounting is due before then, the first check will usually have to be issued to the deceased tenant or the estate. Once the family provides a copy of the death certificate and the signed affidavit, get the original check back or place a stop payment on it, and then reissue the refund to the person who signed the affidavit. That way, only one check is ever outstanding. Also keep in mind that the lease does not simply end when a tenant dies, so there are often charges that reduce or eliminate any refund.

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.

AZREIA MONTHLY MEETINGS AT A GLANCE

November 9, Phoenix Meeting

- **Phoenix Market Update & Market Trends with Tina Tamboer** Phoenix Market Update & Market Trends with Tina Tamboer The Market Update and Trends presentation features insights from Tina Tamboer, Senior Housing Analyst at The Cromford Report, delivering trusted, data-driven analysis of Arizona's real estate market. This timely update provides investors with the clarity and confidence needed to make informed decisions, adapt to changing conditions, and stay competitive in today's market. Don't miss the opportunity to learn from one of Arizona's most respected housing analysts.
- **Phoenix Main Meeting: Turn Up The Cashflow With Turn Key Padsplits** Most fix-and-flip deals end with a sale, but what if you could turn your next flip into a cash-flowing investment instead? Brian and Gina Kingdeski of Green Light Buying Machine will share how they purchase properties, renovate them for co-living, and launch them on the PadSplit platform to generate rental income. As both investors and licensed general contractors, they bring hands-on experience from acquisition through renovation and operation. Learn how their program helps fix-and-flip investors shift their strategy, maximize a property's income potential, and turn traditional flips into long-term cash-flowing assets.
- **Networking & Trade Show** Join for investor-to-investor networking and an expo of our local investor-friendly Business Associates to help build your team and do more deals!

November 10, Tucson Meeting

- **Tucson Market Update with Patrick Allen** Tucson Market Update, sharing current market trends, investment opportunities, and local insights from the Tucson real estate market. Investors will gain valuable perspective on market conditions, emerging opportunities, and factors impacting Southern Arizona real estate.
- **Tucson Main Meeting: Lease Option Action – Fireside Chat with Arturo Mojica:** Lease options are often discussed as an alternative investing strategy, but what does it take to make them work in today's market? Join us for a fireside chat with experienced Tucson investor Arturo Mojica, who has been successfully using lease options for years. After leaving his engineering career, Arturo and his wife Maria built a diverse real estate portfolio that includes single-family rentals, student housing, lease options, and sober living properties, along with wholesaling and fix-and-flip investments through their HomeVestors franchise. Hear firsthand what's working in today's Tucson market, how lease options fit into a successful investment strategy, and the lessons learned from nearly two decades of real estate investing.
- **Haves & Wants Power Networking & Deal Sharing:** Come prepared to listen, learn, and share..

November 24, 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.

THE AZREIA SHOW

HOSTED BY MARCUS MALONEY & MICHAEL DEL PRETE

REAL ESTATE INVESTING STORIES, INSIGHTS & STRATEGIES FROM THOSE WHO'VE BEEN THERE

FOLLOW US ON SOCIAL MEDIA & WHEREVER YOU LISTEN TO PODCASTS



VISIT **AZREIA.ORG/SHOW** TO SEE OUR LATEST PODCASTS & TO SIGN UP FOR UPDATES!

MICHAEL DEL PRETE

PHOENIX CITY COUNCIL D6

SCAN ME

Why This Matters to the Real Estate Community

- Housing supply & affordability
- Property rights & responsible development
- Small business growth
- Public safety & neighborhood quality

Contribute. Volunteer. Stay Connected

Don't Forget to Use AZREIA's Premier Business Associates!

rent perfect
An Investigative Screening Company

Heather Johnson
Heather@RentPerfect.com

PadSplit

Endia Armstead
Endia@PadSplit.com

ZONA LAW GROUP

Mark Zinman
mark@wzplegal.com

MERCHANTS FUNDING AZ LLC

Mark Steinbeck
msteinbeck@merchantsMTG.com

HILTON
FINANCIAL CORPORATION

Jack Hilton
jack@hiltoncorp.com

Gila Insurance Group LLC

Derek Kartchner
derek@gilainsurance.com

neighborhood loans
Your Neighborhood Lender

Andrew Augustyniak
Andrew@neighborhoodloans.com

Great American
TITLE AGENCY, INC.

Maria Brandenburg
mbrandenburg@azgat.com

ECKARD ENTERPRISES

Thomas Lorance
thomas.l@eckardenterprises.com

Boomerang
Capital Partners

Andrew Bang
andrew@boomerangcapital.com

1024 WEALTH

Jason K. Powers
jpowers@1024wealth.com

PHOCUS
LAW

Michael J. "Mick" McGirr
mick@phocuscompanies.com

Dwellboldly

Nicholas Tsontakis
nicholas@dwellboldly.com

MOTIVATED SELLERS.COM

Joe Tenenbaum
joseph@motivatedsellers.com

DIRECTED IRA
by Directed Trust Company

Nate Hare
nate.hare@directedira.com

CAPITAL FUND I LLC
Reliable Private Money for Your Real Estate Projects

Luis Cota
luis@capitalfund1.com

WANT TO SEE YOUR LOGO HERE?

Contact memberservices@azreia.org for more details

CHOICE FLOORING

Dennis Matasaru
choicefloringllc@gmail.com

AZREIA has many Business Associates to provide your needed products and services in areas such as:

| Accounting & Taxes | Community Services | Flooring | Insurance | Janitors | Legal | Market Data | Movers |

| Notes | Property Managers | Self-Directed IRA | Tenant Screening | Title & Escrow | Virtual Assistants | Wholesalers |

Visit our Business Associate Page for complete list of providers!

AZREIA Membership Options

Lite Membership

Connect with the community

$0
/month

Sign Up

Includes:

- ✓ **Forum Access:** Post and comment on forums
- ✓ **Networking:** Connect with other investors
- ✓ **Event Registration:** $25 guest entrance fee per event

Premium Membership

Network, Learn, and Invest with Success

$249/year
or $25/month

Sign Up Monthly ($25/mo)

Sign Up Annually ($249/yr)

Includes:

- ✓ **Networking Events:** Free entry to 15 events per month (in-person and virtual)
- ✓ **Home Depot Discounts:** 2% cashback, 20% off paint, and more
- ✓ **Real Estate Service Discounts:** Over 30 vetted providers to build your team
- ✓ **Training Discounts:** Specialized workshops and prerecorded online education
- ✓ **Resident Expert Training:** Discounted pricing
- ✓ **Monthly Meeting Replays:** Access to past meetings
- ✓ **Market Updates:** Phoenix and Tucson real-time market and government affairs updates
- ✓ **Online Community:** Full forum access, direct member interaction, tradeslist, and off-market properties
- ✓ **Monthly Newsletter:** Insights from local experts
- ✓ **LLC Formation Discount:** 50% off with Phocus Law
- ✓ **Real Estate Calculators:** Access to essential tools

AZREIA MEMBER BENEFITS ARE WORTH MORE TO YOU AND YOUR BUSINESS THAN YOU CAN IMAGINE

AZREIA is the only REIA in Arizona that is a certified official chapter of the National Real Estate Investors Association. This means all of our members have access to exclusive national discounts with businesses that will help your and your investing, no matter your experience or strategy. On top of these national discounts, AZREIA members have access to more education and networking opportunities than any other real estate investing group in the state.

Our goal is to bring AZREIA members the most value to their membership as we possibly can. We have served over 50,000 real estate investors across the state in our 20+ years of business and are continually adding more and more to membership offerings. Consider these benefits listed above to see how AZREIA membership can serve you and support your real estate investing business.

Visit azreia.org/join

Are you looking for better vendors?

AZREIA has teamed up with VendorVIP to share our valued vendors, contractors and in-home service providers to our membership. VendorVIP makes it easy to save this list right on your phone and even hire them with just a few clicks.

Visit azreia.org/VendorVIP



Who is it for?

Anyone who wants to know if Real Estate Investing is right for them BEFORE spending time or money on education and training,

And everyone new to Real Estate Investing

Our Entrepreneurial Self Assessment is designed for you to understand if Real Estate Investing is right for you and, if so, are you best suited for active or passive investing.

Visit azreia.org/ESA

ON DEMAND EDUCATION!

Premiere coaching and courses from the top real estate investing educators at the best prices available.

AZREIA.ORG/EDUCATORS



AZREIA CODE OF ETHICS CERTIFICATION COURSE

UNVEILING THE NEW STANDARD IN REAL ESTATE INVESTING

Benefits:

- Foster Integrity: Learn the importance of ethical practices in real estate.
- Enhance Professionalism: Stand out with a certification that signifies your commitment to the highest standards.
- Drive Success: Empower your transactions with trust and confidence, leading to more opportunities and better outcomes.
- Exclusive AZREIA Certification once complete!

Visit azreia.org/codeofethics