

MARCH
2023

Peak Possibilities

Your Monthly Guide to Informed Real Estate Decisions



Investment Community of the Rockies
— COLORADO'S REAL ESTATE INVESTORS ASSOCIATION —

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ICOR Business Member Directory

So, Why Would Anyone Want to Invest in Land?

By Jonathan Havelas

Why does land investing appeal to many people? With houses, you really can't buy it for next to nothing. And if you do, there's a reason, it's just garbage. Whereas with land, there are different types of property that are valued all over the place for whatever reason. You can buy properties for 10 - 20% of value. When you do that, you can get in at a much lower rate that fits your confidence level, or what you feel comfortable with to begin with.

So, why land? Why would I invest in land? Well, the truth is that we are geared to go a different way. Everything we see as far as real estate programs or even television shows, the fix it upper shows and similar shows are all about houses. And of course, they show you the glamorous side of it. You get to redecorate; you get to tear down walls and turn it over from just a cheap house to an immaculate home and make \$100,000. Well, that's nice but the problem is they don't show you all the issues that are involved or if they do, they minimize them and somehow they overcome every one of them every time. And the fact is, that's just not real life.

There are going to be issues along the way and houses present a lot more than land does. With a house, you can run into issues as you start rehabbing or even wholesaling, you could still run into issues. You could have an issue with the sewer lines. You could have an issue with the electrical. You could have an issue with paint. You could have an issue with the roof. You could have an issue with pests. And On and on the list can go. These issues can get into thousands, tens of thousands of dollars to correct them while land doesn't have those issues. That's the bottom line. What we buy is exactly what we sell. We buy a piece

of property and we sell that same piece of property. It's not possible to go out and destroy it or ruin it like a house could be. You would literally have to have somebody go out with an excavator and start digging a big giant hole and even then, it wouldn't really be destroyed. It would just be a little less appealing, but it could be easily fixable.

And honestly, we've done thousands of deals, and that's never happened once because it just doesn't exist. Whereas, we constantly ran into different issues with houses. So yes, houses are appealing. People like the way they look, they like the way they sound, and we're just geared towards thinking that's where the money is in this business and in investing. But in reality, land poses a much easier barrier of entry to get into. There are ways to do land deals with very little money up front. And

that's true in houses too, but it's even easier in land and you can actually own the properties. That's not true in houses.

There is very little money up front, you are not borrowing it from others, and you still have ownership of the property. You will not run into the issues that you get with houses that we already discussed. So even if you have to retain it, you don't have to worry about these issues existing. And lastly, there's really no competition in land. Well over three quarters of the country is still vacant land. And then you add to the fact that hardly anybody's focusing on it. Everybody goes into the housing world and there are 1,000 investors working in one city. Meanwhile, there's not even 1,000 land investors working in the entire country. There are very few people that focus on this full time. There's so much potential out there for land deals.

Join ICOR, March 7-9th, for Real Estate Speed Networking with Local Investors: A night of networking and problem solving

Continued on page 3



MARCH MEETING INFORMATION

March @ ICOR

Real Estate Speed Networking with Local Investors: A night of networking and problem solving

For those who are coming who like to prepare we suggest you bring:

- Your Elevator Pitch, be sure to practice
- Your Business Cards
- A Flyer of What You Have to Offer

If you are more of a seat-of-your-pants kind of flyer, don't sweat it:

- Just remember who are you?
- How can you help other investors?
- How can we reach you?

We will have our normal Networking Hour from 6 to 7 - this is a great time to meet face and use the following conversation starters

- What brought you to ICOR tonight
- What would you most like to do in real estate in 2023.
- What's the biggest lesson you have learned so far in this business?
- is there one mistake you would warn people about who are just getting started?

Depending on you, who you're talking with, or where you are at in your business journey — any of the above questions would be good primers for conversation with new people.

Keep in mind, we REMEMBER best those who have helped us along the way... be that someone, and make the most out of March's event.

For full details or to register visit
www.icorockies.com/events



Colorado Springs

Tuesday, March 7th

Hyatt Place Colorado Springs
503 Garden of the Gods Rd West
Colorado Springs, CO 80907



Denver

Wednesday, March 8th

Lakewood Cultural Center
470 South Allison Parkway
Lakewood, CO 80226-3123



Northern Colorado / Fort Collins

Thursday, March 9th

Chicago Title of Colorado
4645 Ziegler Road Ste 220
Fort Collins, CO 80528-9601

Save the Date for ICOR's March Meetings

ICOR - Colorado Springs

In Person

Tuesday, March 7th, 6 PM-9 PM (MDT)

ICOR - Denver

In Person

Wednesday, March 8th, 6 PM-9 PM (MDT)

ICOR - Northern Colorado / Fort Collins

In Person

Thursday, March 9th, 6 PM-9 PM (MDT)

Webinars & Workshops

Beginner Investor Subgroup

Webinar

Thursday, March 2nd

Investing with Your Retirement Account

Webinar

Wednesday, March 15th

Closing Land Deals Workshop: The Most Overlooked Investing Strategy

Workshop

Saturday, March 18th

What To Expect With Your Insurance Rates In 2023 Webinar

Webinar

Wednesday, March 22nd

How to Master The Off-Market: The Ultimate RE Deal Hunting Event

Special In-Person Event

Wednesday, March 29th

- Happy Hour
- Networking
- Market Panels

Find out more and register online at www.ICOROCKIES.com/events



Continued from page 1

For example, I had worked with a few people a couple years back. One of the things that they had was a lack of confidence. Because of this, we put them into buying super low end lots. Abandoned subdivisions, stuff that most people aren't going to want, but they were able to buy them for around \$50 and sell them for \$500. Although it was low end, they were making 10 times their money! Now I don't want to deal with you like that. Honestly, to me, that's too small, but they still made 10 times their money. They made \$450 per lot and it helped them to build up their confidence.

Then they realized, if they can do this with \$50 and then selling it for 500, they could do it for \$500 and sell it for 5,000, or buy for \$5,000 and sell it for 50,000, and that's the way it works. Maybe you come right into through the gate and you're willing and able to go out there and spend the big bucks. Maybe you're able to pay \$50,000 for a property, and sell it for 150,000. That's a great deal, a hundred thousand dollars in one deal. But a lot of people don't have \$50,000. They feel timid about it. Even with transactional funding, they don't feel comfortable doing that. Whereas if it's a \$500 purchase price and it's worth \$5,000, it's a much lower barrier of entry than all other forms of real estate and because of that and because of that, many more are a lot more comfortable with entering

The reason many people get into land investing is because it's a lot easier, and has a much lower barrier of entry. It also helps you to build your confidence, move forward, and get comfortable with investing.

***Jonathan will be teaching a workshop Saturday, March 18th, "Closing Land Deals Workshop: The Most Overlooked Investing Strategy" in Denver. Use Promo Code "LANDMETHOD" to receive 50% off registration at <https://bit.ly/3lbQPc5>**

**SATURDAY, MARCH 18, 2023
DENVER, CO | 9:00 AM - 5:00 PM**

Closing Land Deals Workshop: The Most Overlooked Investing Strategy

Learn:

- How to scale from your first land deal to making 6 figures within 6-12 months.
- The biggest problem investors face today, and how to solve it.
- How to reach motivated sellers that are willing to sell their property at a discounted rate.
- How to flip, cash flow, or develop the properties you acquire.

Don't miss:

- The secret to finding deals without taking risks, so you can profit every time.
- How to create win-win situations for your buyers and sellers.
- How to Invest with very little capital outlay

REGISTER AT

www.icorockies.com/events/closing-land-deals-workshop-the-most-overlooked-investing-strategy



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SELF-DIRECTED IRA EXPERT

SARAH SHELLAM / SARAH.SHELLAM@QUESTTRUST.COM / QUESTTRUSTCOMPANY.COM

Latest SECURE Act Updates You Need to Know for 2023 and Beyond

While most of us spent the Christmas holiday eating fruit cake, opening presents, and spending time with the ones we love, Congress was busy making decisions that would affect SDIRA account holders. If you haven't heard yet, Congress has passed a massive piece of retirement legislation that will have a significant impact on IRAs and the entire retirement industry. The SECURE 2.0 is a collection of provisions intended to build on the SECURE act of 2019. The act was part of a 1.7 trillion omnibus spending Congress approved right at the end of 2022. While this blog won't cover everything, we will highlight the main points and significant changes that our specialists here at Quest believe are the most crucial for alternative investors to know about.

How Does This Affect Retirement Accounts?

Self-Directed IRAs and 401(k)s alike will be affected by the SECURE Act 2.0. Some changes you can expect to see are in regard to Required Minimum Distributions and other distributions, contributions, and prohibited transactions. Other things to be aware of will be changes to enrollment and employer matching for 401(k) holders, finding lost benefits, and Saver's Credit.

RMDs/Distributions

One of the biggest changes is the increase for Required Minimum Distribution age, which was 72. The age increased to 73 effective in 2023. If you turned 72 in 2022 or earlier you still have to take your 2022 RMD. It's also important to note that the RMD age will increase to 75 in 2033. The penalty for not taking an RMD has also been lowered from 50% to 25% (or 10% if corrected in a timely manner), and there will be no more in-plan RMDs for Roth funds in 401(k)s starting in 2024. For distributions, there is no penalty tax on distributions of income on excess IRA contributions.

Contributions

There are also some changes surrounding contributions, too. One of the most notable changes will be for SEP and SIMPLE IRAs. Before, these accounts could only hold pre-tax contributions. Now, they can hold both pre-tax and post-tax funds. Catch up contributions saw a change, as well. Currently, catch-up contributions are stagnant at \$1,000, but with the new act, they will now be indexed with inflation starting in 2024.

401k/General Retirement Accounts

Pre-Secure Act 2.0, employees needed to elect to enroll in a 401(k) plan and then determine their contributions. All new 401(k)s must automatically enroll participants to contribute at least 3% and not more than 10% and automatically increase contributions 1% per year to 10%-15%. Participants can still opt out but this will start in 2025. Another change is that, before the new legislature, the employer matching was strictly based on employee contributions. Now, it allows employers to match

student Loan payments into 401(k)s. The act makes changes to the Saver's Credit, too, effective after December 31, 2026. Saver's Credit offered a tax deduction for those who participated, and now Saver's Credit is going to be a matching system that will deposit funds into an individual's retirement account.

Where employees needed to keep track of all QRP accounts from past employers, that is no longer needed. The Department of Labor will create a Retirement Savings Lost and Found no later than two years after the date of enactment of SECURE 2.0 to help individuals locate their pension or 401(k) benefits.

Prohibited Transactions

The last topic we will cover is about prohibited transactions. The final bill that passed into law "clarified" to affirm that each IRA is a separate contract. In other words, if you do a prohibited transaction in one IRA, that gets blown up under the regular rules. But this doesn't affect other IRAs of the same person. And, of course, this provides no relief for prohibited transactions done prior to 2023. As Shakespeare would say, this is "much ado about nothing"!

As you can see, there are some very big changes that SDIRA and retirement account holders need to be aware of, and we hope this article is helpful. While it provides a lot of increased opportunities, all situations are different. If you have more questions about the SECURE Act 2.0 changes, you can call our IRA Specialists for more information.

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Rental Income and Self-Employment Tax — Do I Have To Pay?

As a seasoned tax professional in the real estate rental space, I often run into this question: “Do I owe self-employment tax on Airbnb rental income?”

This is a good question that involves a disproportionately lengthy explanation. In other words, grab a cup o’ joe and settle in. Ready? Ok, here we go...

The IRS made its position on this question clear in Chief Counsel Advice (CCA) 202151005. But just because the IRS takes a position doesn’t make it the law of the land. The issue still needs to be hammered out in Tax Court. Why? Because a CCA memorandum cannot be cited as precedent or authority by others (such as you or your tax professional). Instead, we need a judge to decide.

Even so, we tax professionals always consider what the CCA says, because it essentially tips the IRS’ hands and shows us what they’ll argue if it ever came down to an audit, etc. Put simply, when the IRS provides a heads-up as to the stance they’ll take, we should watch and listen.

The Exact Question

To be specific, the CCA asks whether net income (or income after expenses) from renting out living quarters is excluded from (not considered as) self-employment income when you’re not classified as a real estate dealer. This is perhaps one of the few times in life we want to be excluded from something!

If the income is excluded, you don’t owe self-employment tax on your net rental income. This is a win, and it’s what all real estate investors should want. The flip side is extra tax owed to the IRS — a result we all want to (legally) avoid.

The taxpayer addressed in this CCA was an individual who owned and rented out a furnished beachfront vacation property via an online rental marketplace (such as Airbnb or VRBO). The taxpayer provided kitchen items, linens, daily maid service, Wi-Fi, access to the beach, recreational equipment, and prepaid vouchers for ride-share services between the rental property and a nearby business district.

The CCA’s Conclusions

According to the CCA, when you’re not a real estate dealer, net rental income from renting out living quarters is considered rental from real estate and therefore is excluded from self-employment income — as long as you don’t provide services to rental occupants. In other words, providing services to renters can potentially cause you to lose the exclusion from self-employment income. (Losing the exclusion = paying self-employment tax.)

The IRS attorney who wrote the CCA decided that the IRS will argue that you must pay self-employment tax on net rental income if you provide services to renters and the services:

- are not clearly required to maintain the living quarters in a condition for occupancy and
- are so substantial that compensation for the services constitutes a material portion of the rent.

So, according to the CCA, the question is: Will providing services to renters trigger exposure the self-employment tax?

Two factors come into play, when answering this question:

1. What is Customary?
2. What is Substantial?

The “Customarily” Issue

According to IRS regulations, services are generally considered above and beyond the norm only if they exceed the services that are customarily provided to renters of living quarters.

So, how do you decide whether the services provided to renters are above and beyond what’s customary? Well, circumstances matter.

In the real world of vacation rentals in expensive resort areas, renters customarily expect and receive lots of services that might be considered above and beyond in other circumstances.

For instance, in resort areas, renters customarily expect and receive cable service; Wi-Fi access; periodic housekeeping services, including changing bedding and towels; repair of failed appliances; replacement of burned-out lightbulbs; replacement of dead smoke alarm batteries; access to recreational equipment such as bicycles, kayaks, beach chairs, umbrellas, and coolers; and so forth and so on. That’s a lot of services!

Why are lots of services provided in expensive resort areas? Because rental charges in expensive resort areas are expensive! The cost may be \$2,000 or more per week or \$5,000 or more per month, or even higher during peak periods—maybe much higher! So, the portion of the rent that could be attributed to these services would almost always be a small fraction of the overall rental charges.

In the context of expensive resort area vacation rentals, it’s hard to imagine which services would be so above and beyond the norm that the property owner’s net rental income would be exposed to the self-employment tax.

It shouldn’t matter if the services are provided directly by the owner



SELF-DIRECTED IRA EXPERT

SARAH SHELLAM / SARAH.SHELLAM@QUESTTRUST.COM / QUESTTRUSTCOMPANY.COM

of the property (unlikely) or indirectly by a rental management agency and included as part of the fee paid by the owner of the property (likely).

The “Substantiality” Issue

In assessing whether services provided to renters are above and beyond the norm, substantiality also matters.

A Tax Court decision addressed a situation where the taxpayer rented out trailer park spaces and furnished laundry services to tenants. The laundry services were clearly provided for the convenience of the tenants (not to maintain the trailer park spaces in a condition for rental occupancy). Tenants were not separately billed for the laundry services, and they were not separately paid for — they were part of the rent.

However, the Tax Court still concluded that the trailer park owner’s net rental income was excluded from self-employment income. Why?

Because they did not deem the portion of the rental payments that was attributable to the laundry services was substantial enough to trigger exposure to the self-employment tax.

Closing Thoughts

In the context of the rental of vacation properties, focus on two things:

- 1) What is customary for similar rentals?
- 2) Is any service included in the rent charges substantial enough to trigger the self-employment tax?

To the extent any portion of rental charges could (1) be attributed to the provision of services that are not customary for similar rentals, or (2) result in substantial increases in the cost of the overall rental charges, you should change your approach. If you don’t, open your wallet and prepare for a self-employment tax hit.

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Considering Foreclosures

The market certainly seems to be thawing, but it is likely to remain tough to find project homes for a while. Rather than working the same processes harder, it may be worth looking in a few new places. With some of the pressure and silliness from last spring coming to roost, foreclosures are coming, so why not get educated now? To find homes in foreclosure, here are a few places to try:

Check the notices: Check the public notices section of local newspapers, online classified ads, and government websites for listings of homes in foreclosure.

Check online listings: There are numerous online resources available that list homes in foreclosure, such as RealtyTrac, Zillow, and Foreclosure.com.

Contact a real estate agent: A real estate agent who specializes in foreclosures can help you find homes in the process of being foreclosed on and can provide valuable information and assistance.

Attend foreclosure auctions: Many homes in foreclosure are sold at public auction with each county administering their own. Attending one or two and will help you understand how they work.

Professional foreclosure brokers: There are a few brokers that specialize in foreclosure auctions, and certainly can be worth their fees.

Contact banks and lenders: Banks and lenders often have lists of homes in foreclosure, and they may be willing to sell them directly to buyers.

Talk to wholesalers: Wholesalers work many channels, and we've been hearing them sniffing around in the space.

Make sure you understand what you are buying, as buying a home directly out of foreclosure certainly has its own set of issues. The two big advantages are a generally lower price and an ability to take quick possession. The disadvantage, of course, is the unknown condition of the home, as most auctions do not allow a thorough inspection, if any at all. Learning about foreclosures now can open a new source for properties and be well worth the effort. Or not. But in a tight supply market it's certainly worth considering, and there will be supply coming from this channel.

If you need some help understanding this and thinking about it, give me a ring and we can discuss it and if you'd like, I can introduce you to a few people in the areas you are thinking about. Or we can go discuss it over tacos.





PRIVATE BANKING SYSTEM EXPERT

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The Privatized Family Banking System Part IV of IV-Part Series

Read Part 1 here: <http://bit.ly/3Wky3mF> | Part 2 here: <http://bit.ly/3Ji-yrzt> | Part 3 here: <http://bit.ly/3xr5Uk3>

It is advised you go back and read Parts 1, 2 & 3 before continuing below, to get the full context of this article below. Previously we talked about the best vehicle for Infinite Banking — properly structured, dividend paying whole life insurance, from a mutual carrier. We also covered all the various benefits of utilizing it throughout your life. Next, we will expound on one approach to having this system last for multiple generations.

The intent behind what is outlined below is to help you see an alternative way to have your money flow, in contrast to what is generally taught in public circles, the traditional education system and the financial world as we see it from the public's side. It is also to help set up the next generation for greater financial success (or at least provide some financial relief), and to have the ability to utilize the Privatized Family Bank instead of traditional lenders. This is the Infinite Banking Concept.

The Multi-Tasking Dollar. Bank now, retire later, leave a legacy.

A policy will be used throughout your life for a wide variety of purposes ranging from car loans, to a family vacation, to business ventures, to down payments, college funding and so much more. While you're using it throughout your life, it will continue to grow and compound. It will continue to build up cash value that far outpaces what you've paid in. Then, once the time comes, this same policy can then be used to supplement your retirement income. I have seen reasonably smaller policies being utilized to their fullest throughout one's life, and doing great things for them, then able to supplement their entire 20 years of retirement, tax free. And once they are done living life to the fullest, the money due to the insurance carrier at the time of this person's graduation, is simply reduced from the death benefit, and the difference, paid to the beneficiary.

Did you miss it? One single policy, benefited someone throughout their entire life, then on through retirement and it still paid out, leaving an even greater legacy.

Using it generationally. There will be no way to make the Private Family Bank sustainable and generational, this is, lasting for generations, if each generation in charge does not have (1) the final responsibility necessary to keep it going and (2) does not put forth the effort to teach the up-and-coming generation. What I've outlined below is just one idea, of the many, that can be taken for setting up a "system" of banks to utilize intergenerationally.

First, after the first generation (you), the Family Trust will have been set up with some of the proceeds from the death benefits from your life insurance policies. This death benefit will fund The Family Trust, from the get-go.

Second, each generation thereafter is insured, where the beneficiary is The Family Trust. This will help ensure the perpetuity of the family bank for ongoing generations.

The policy owner (in this case, the Trust) has the right to utilize the cash value of policies as it deems necessary. This, I believe, gives The Family Trust more clout to accomplish greater means of funding and loans for family. In this case, each newborn family member should have a policy taken out on them, owned by the Trust, so that throughout their life, the policy is growing exponentially. As the Trust is the policy owner, the Trust has the ability to utilize the cash value of the insured, for the good of the family bank.

As with any endeavor, this intent will not go on unless each generation takes charge and responsibility in raising up the next generation to understand all that this can do. It is the responsibility of parents to teach their children, the responsibility of those managing the Trust to enforce it, and the responsibility of the student to have ears to hear — and between you all, you can see this through, and bless the countless lives around you.

This concludes the 4-part series on Infinite Banking. You can download a complete pdf of 4 articles at www.1024wealth.com/ICOR.

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What is HO-6 Insurance and Why Do I Need It?

Condo Unit Owners Insurance is sometimes referred to as an "HO6". An HO6, is a specific insurance policy that a condo unit owner would purchase to provide coverage where the HOA master policy does not provide coverage for the unit owner. An increasing insurance trend is that Homeowner Associations are requiring the unit owners to carry an HO6 policy to protect their interior unit, upgrades, personal property, personal liability and loss assessment.

When a Condo/Townhouse unit owner pays their monthly HOA fees, these fees include such items as, exterior maintenance of buildings and grounds, security, as well as maintenance of the HOA. One of the largest portions of the monthly HOA fees, is the insurance. The master insurance policy usually covers the building exterior and common areas that are included in your association's CC&Rs (Covenants, conditions and restrictions). CC&Rs are very important as they are specific to each HOA. Some CC&R's require coverage to a limited portion of the interior units within the master policy while others transfer this risk to the unit owner. This is where an HO6 policy is needed to pick up the interior walls and contents coverage. Always have your insurance Agent check with your association if your master policy is an "All Inclusive" or "Exterior Only".

HO-6 policies for a rental or personal condos or townhomes should cover the following:

- Interior building coverage may include the original fixtures, cabinets or improvements.
- Personal property such as appliances, clothes, electronics, furniture, etc.
- Liability protection as a landlord or owner-occupied unit
- Loss of rents
- Loss assessment

Currently, Insurance Companies are renewing Master HOA policies with large percentage deductibles. An example of this might be, an HOA is insured for \$20,000,000 and the deductible is 5% or \$1,000,000. Most HOA Boards do not have the operating capital to cover such a large deductible. This is where the HO6 can be so important for the unit owner. The coverage that would potentially pay for this deductible is "Loss Assessment."

Loss Assessment is the coverage included in the HO-6 policy that protects the unit owners in the event of damages to common areas and/or exterior buildings. In Colorado, the most common use of the loss assessment endorsement is when there is a hailstorm causing building damage. The unit owner can then file a claim with their HO6 policy, and this would pay all or part of the large deductible or assessment. The idea of claiming the large deductible on the HO6 is nothing more than a risk transfer to the unit owners HO6 policy.

If your loss assessment coverage isn't sufficient, ask your agent to increase the amount of coverage to satisfy the deductible amount. If the higher limit isn't available, I suggest you should shop around to find an insurer who could protect you better.

Overall, insurance policies have many rules and limitations. I suggest to not rely only on your HOA master insurance policy to be the only coverage for your condo unit. By purchasing an HO6 unit owner policy, you will avoid any unplanned costs and surprises. Best of all, these policies are affordable. The average cost is \$450 annually. If you have more questions about your HO-6, CC&Rs or your HOA's master policy coverage, please contact me. I will be glad to assist and explain the coverages you should have for your rental or personal condo.



Sure, you have a roof over your head, but do your investments have the right coverage?

How can I help? Let's set up a time to review your policies!
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RENTAL PROPERTY EXPERT

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Tips for Going House Hunting

House hunting...while it may be fun and exciting to some, the prospect of a day of house hunting is daunting to most. And it can be downright exhausting for the unprepared. Surprisingly, many people overlook essentials needed for a day of productive house hunting, making it a more challenging activity than it needs to be. The good news? Just a little organization can reduce stress and help you have a fruitful house hunting event that you might just enjoy!

Water bottle and energy snacks.

While it may seem like common sense to bring hydration for a long day of traipsing through homes, some people forget their water bottle and you can't expect homeowners to provide it! Of equal or greater importance is high energy snacks. A day of house hunting can zap your energy, especially if you haven't scheduled replenishment into your house-hunting excursion. There's nothing like a convenient, nutritious protein or nut bar to re-energize you, so don't leave home without it!

Comfy slip-on shoes.

Shoes come off at the door so be prepared by wearing shoes that slip on and off with ease. As a courtesy to homeowners, remove your shoes at both private showings and open houses. If you don't want to walk barefoot through homes, especially on cold tile floors, remember to wear shoes that work with socks rather than sandals or flip flops.

Tape measure & furniture measurements.

If you have a collection of furniture you love and plan to use it in your new home, bring furniture measurements to assess how each piece will fit into the homes in which you're most interested. This is particularly important if you're considering a home with an unusual layout or if you're significantly upsizing or downsizing. You'll want your furniture pieces to work size-wise and stylistically with any home you're considering. Record the measurements of each room so you can do a more careful assessment of furniture relative to room dimensions when you're back home. If your furniture will not fit, it's not a deal breaker; rather, it is an important consideration since buying new furniture can be quite expensive.

Trusted friend or relative.

Buying a home is an emotionally charged experience, which is why an objective, calm and trusted friend or relative can help with valuable input, ideas and opinions. Importantly, bring someone with experience buying and selling homes of their own to provide input on the good, the bad, and the ugly. Objectivity is critical to good decision-making, and since it's sometimes in short supply during stressful, emotional times, the detached and impartial input of a trusted friend can be invaluable.

Phone or camera for photos.

In days gone by, taking photos of the inside of a home while house

hunting was considered to be impolite, even an invasion of privacy. Not so today. If you are a serious house hunter, digital photos are a must. Although real estate listings are accompanied by photos, they are not inclusive of everything in the home. For instance, if you want photos of trim or hardware, closets, pantries, etc., that are not shown in MLS listings, then record them with your phone. If you're not interested in the house, no need to take photos!

Note-taking materials or devices

When you're looking at a number of homes in one day, it's a lot of mental and visual stimuli, so it's not at all unusual to become confused about what you saw where. Hence, notes on each home you preview are essential, whether you take those notes with pen and paper or your smartphone. When you use your phone for interior and exterior snapshots, add notes to correspond with images so you have references when you get back home and begin the process of sorting through all the properties you saw. With such an important decision at stake, don't trust your memory alone.

One non-tangible essential to bring when you're house hunting is a mind-set open to possibilities. Try to suspend any preconceived notions about what will or will not work. Be open to ideas and suggestions, thinking in terms of possibilities instead of limitations. Last but not least, have fun!





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10

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4

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