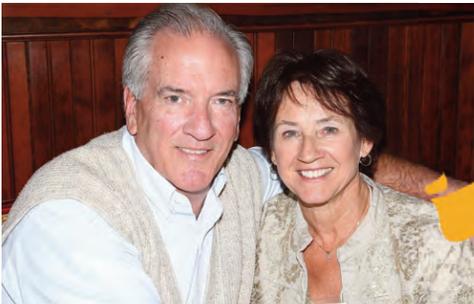




 **AREA**
ASSOCIATED REALTY OF THE AMERICAS



15TH
ANNIVERSARY
EDITION



IN THIS ISSUE:
COMMENTS FROM SETH TASK
NEW MEMBERS
15 YEARS AND GROWING
NATIONAL HERITAGE AWARD
SPOTLIGHT ON SPRINGFIELD, MA
FORUM
LEGAL UPDATE



ASSOCIATED REALTY OF THE AMERICAS

"All the news that fits."

Our members are 110% committed to excellence in our real estate profession. Our mission encompasses: Sharing BEST Practices with our colleagues; treating all referrals with the utmost of care, honesty and integrity; and being involved in organized real estate for the betterment of our profession."

AREA BOARD

Carl A. Bosse, Green Valley;
President

Suzanne Cooper, Ridgewood;
Executive Vice President

ADVISORY BOARD MEMBERS:

Seth Task, Cleveland;
Chair

Hans Hansson, San Francisco;
Vice Chair

Deborah Baisden, Virginia Beach

Diana Bull, Santa Barbara

Gloria Cannon Hilliard, Columbus

Meri Crandall, St. George

Gail Hartnett, Boise

Ken Libby, Stowe

Andrea McKey, Baton Rouge

Bill Milliken, Ann Arbor

Linda Jones Neil, Los Cabos

Jeanne Radsick, Bakersfield

Craig Sanford, Phoenix

Hagan Stone, Nashville

A R E A M E R I C A S . C O M



Seth Task
Cleveland, OH
sethtask@taskhomes.com
216-276-1626

Thoughts from Seth Task

Welcome to our **15th Anniversary edition** of the AREA Newsletter! My how time flies when you're having fun! It is certainly stupendous to see things loosen up a bit. It has been a long 12-15 months and I, for one, am so pleased to begin feeling something akin to semi-normalcy and I imagine you all are as well! In this month's Double Down Column featuring **Dennis** and **Diana** is a repeat of the very important information presented last month because of its necessary and spot-on content. Additionally, the **AREA Annual Retreat** will occur virtually on Thursday, July 15th, beginning at 4PM EST/1PM PST. Several different annual awards will be presented including Member of the Year. Be sure to put this date on your calendar. By the way, against custom, it is my understanding that all drinks served that evening will be on the house (paid in full by the homeowner of whichever house you choose to join us!) Reservations for the **Dinner Cruise** on Tuesday, November 9th exclusively for AREA Members and guests are being taken for San Diego! For \$130 per person receive a sumptuous buffet, Cash bar, and a whole lot of music and fun with our fantastic members and guests. The beautiful Hornblower begins loading at 5:45pm at the Marina at the Marriott and returns at 9:00pm. To reserve your fully refundable tickets, please go to www.areamericas.com and upon entering (in small letters) your username (first initial of your first name) plus your password (last three letters of your last name) go to MAKE PAYMENT. I am so very much looking forward to being TOGETHER AGAIN IN PERSON! Won't that be something!

Thanks,
Seth



As an independent contractor with HelmsBriscoe, I can help you streamline the meeting planning process by managing the time-consuming task of researching, contracting, and evaluating venues for your organization's events!



Ali McQueen Cannon
Manager, Global Accounts
615.364.8041
acannon@helmsbriscoe.com

Contact me for more information,
and let us put our buying power to
work for you!

Welcome **NEW MEMBERS**

We are approaching our Maximum Membership Capacity. As we do, we are looking for new members in Connecticut, Pittsburg and western New York to fill out our US membership. And a big thanks to **Gail Hartnett** for her special recruiting efforts not to mention our entire list of Advisory Board Chairs beginning with Ken Libby, Diana, Gail, Hagan etc., all of whom have done such a great job. More about them this Summer.

Why Choose Old Republic Home Protection? “Uncompromising Home Warranty Protection” Because home is where the heart is.



Every home is unique, which is why we offer customizable home warranty plans to meet the specific needs of home sellers and home buyers. We're committed to providing effective, efficient solutions, so you can celebrate the joy of homeownership!

Visit our Home Warranty Video Gallery to learn more about our home warranty plans and meet our **People Helping People**.

Jeff Velez, Regional Vice President

T: 800.282.7131 Ext. 1237

C: 407.620.6664 | jeffv@orhp.com

Old Republic Home Protection

Old Republic Insurance Group

P.O. Box 5017, San Ramon, CA 94583

www.orhp.com



Here with **Gary Brasher** at our 6th event, joined by **Jay West**, unidentified, **Ken Libby** and **Carl** at our **San Antonio Retreat** in 2012.

This month marks the 15th Anniversary since Associated Realty of the Americas began by holding its first Retreat held in Tucson, Arizona in May of 2007. Since that humble beginning it has grown today to have 180 members one each in all 50 States plus members in Canada and Mexico.

SOME HIGHLIGHTS BUT NOT ALL!

Gary Brasher of Tubac, Arizona was the very first member and remains an active participant today. My two sons, **Brian** and **Christian** helped in the initial years and worked to create the foundation (website and programs) that exist today. Both, by the way are very successfully running major businesses (accounting for medical professionals and World-Wide Call Centers.) Members, **Joan Mantecon** of Stinson Beach and **Elly Mendham** and **Tom Wescott** of Calgary knew them well.

After the fabulous Napa Retreat hosted by **Terry** and **Chris Wunderlich** and **Heidi Rickerd Rizzo**, **Hans Hansson**, along with **Ronna Mae Brand** of Beverly Hills presented an award to the late **Rafer Johnson** on behalf of AREA after Hans won a contest in order to do so by correctly spelling Mississippi backwards. It

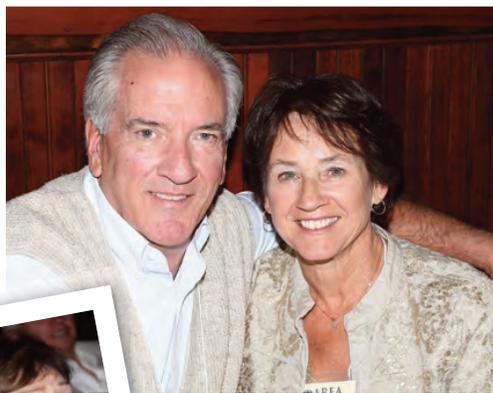


was during the Napa Retreat I had the privilege and great pleasure to sit on a bus ride with **Jeanne Radsick**, a visit I will never forget, while enjoying the wisdom she imparted.

By the way, Hans became a member, quite by accident, when I (this is a true story) dialed another broker named Hans (in Seattle) and got the area code wrong. (After a ten-minute conversation, Hans finally said: "By the way, who the hell are you?" Hans joined us in Denver in 2010 accompanied by son Craig.

Jay West followed in Seattle during which we had the most delightful lunch I can ever remember having, while he shared with me his history in radio business where rock n roll, sex and drugs, took center stage. Now, perhaps I

am exaggerating, so you may wish to ask him some time about those days in the 60's and 70's. Following that event, my, then, secretary, **Jan Conaway**, introduced me to **Ken** and **Bunny Libby** and we really began to grow.



From there **Ron Phipps**, **Leslie Rouda Smith**, **Kaki Lybbert**, **Diana Bull** and a plethora of others many like Fort Collin's **Chris** and **Teresa McElroy** came into play. **Don Bullock**, an old friend from high

school, joined in 2012. In Napa (13) the birthday girl **Elizabeth Allardice** received a surprise. One of three given that day, all in her honor.

And, then, **Suzanne Cooper** calls me out of the blue, a newbie in the industry, with a strong tech



15TH
ANNIVERSARY

background, she proposed that she would like to trade her services for the right to become a member and jump start her career. What a blessing because, with her help and that of **Hans Hansson** and his staff, we grew up faster than we otherwise would have until **Ken Libby** arrived.

And then the explosion began, which continues to this very moment.

Our most difficult to recruit was **George Harvey, Jr.** of Telluride, Colorado. He was so very busy and put Carl off for nearly four years. Thank goodness someone around here is persistent.



The Harvey's are now a fixture and we are so honored to have them as part of our family. George is well remembered for joining in with **Jay West** and a few others to share with us "Defining Moments". (Something special in one's life that sets the stage for the rest.) A video of that event would be priceless. All of us who attended will never forget, as a few years later, when **Deborah Baisden** shared with us her Defining Moment.

There is simply no room to honor all here. So, I suggest you, once again, peruse our Directory. It speaks volumes in support why this organization is so very special.

Yes, there were hits and misses and certainly some bad apples with whom we had to contend, but the effort of the journey was worth every step of the way both giant and small.

15TH ANNIVERSARY



Carl receiving a big hug from **Gail** who has done so much, along with **Diana Bull, Leslie Rouda Smith** and **Kaki** to assist in recommending and then helping to recruit our very special membership.

Some people, when I describe what I do are not so sure what I am talking about when I describe the family we have become.



And, if you didn't realize it, we have celebrities like these two kings of rock n roll.

And, **Ken Libby** with a couple of friends. Ken is one who is blushing.



Kaki Lybbert's, husband, Roger Foster being recruited to play for Notre Dame Circa 1991. (After a great college career (He caught "Wrong Way" Roy Riggles in that famous bowl game), Roger opted to become an attorney and enjoys the title of Honorary Legal Counsel for AREA.) We have never lost a single legal case during this time.



And who can forget **Bonnie Smith** that morning in Napa when she told us wasn't going to take it anymore!

And then there was this ship's captain, **B. J. Harris** who decided to throw away the running gear and jump on board AREA.

Oh, yes, East met West when **Trinkie Watson** of Lake



15TH ANNIVERSARY



Tahoe met President of the NAR, **Ron Phipps** in San Antonio in 2011.

How about **Steve Goddard** who led this singing of “29 Bottles of Beer on the wall ...” in Old Santa Fe at the Pipkin’s residence.



Suzanne Cooper and **Sharon Cohan** (In the background is **Tom Shirley**, the husband of **B.J. Harris**)



During our Retreat in Santa Fe, **The Schaefer’s**, **Staci Caplin**, **Jeanne Radsick**, **Judy Zeigler Tammy Newland**, **Terry Wunderlich** and **Diana Bull** join in!

I could go on, but, as Seat Cover Charlie’s wife said to him when he wanted to give them away, On those famous ads carried on Chicago’s WLS radio in the 1950’s, “Susie won’t let me!”

So, thanks to each and every one of you! And I promise the best is yet to come.

Thank you, Carl

HAPPY 15TH AND MANY MORE!



Guided us so well during the pandemic.



Anyone guessing who these two are, wins a prize. Hint: one of these two, questioned Carl over a potential robbery situation in 1961. Send your guess to carl@areamericas.com

HOT MARKETS: IS A HOME INSPECTION NECESSARY?

Many buyers in today's red-hot real estate markets are tempted to forego the home inspection. An otherwise strong offer may not even be considered if it has contingencies for the inspection or appraisal for example, yet there are abundant reasons why a home inspection should be a necessity even if it isn't part of the sales contract.

First, the home inspection allows the potential buyer to learn about any major defects or damage that will need to be addressed. Things like a new roof or repairing a foundation are costly and will need to be budgeted for, on top of all the usual costs of

homeownership like property taxes, mortgage payments, insurance and regular maintenance.

Second, the home inspection can reveal potentially dangerous conditions. The electrical system may be outdated or have faulty and unsafe wiring. The panel could be undersized and unable to meet a modern household's needs. There could be safety issues with the furnace or fireplace that need to be addressed. If the buyer is unaware of existing conditions, it can put them in harm's way.

Third, a home inspection is also the best way for a buyer to get to know the condition of the home in general. Is the attic adequately insulated? Is the water heater on its last legs? Is that water stain caused by an active leak, or is it not really a concern? These are just a few more examples of how buyers can really benefit from having the home professionally inspected.

In short, the buyer needs to know what they're buying. Whether or not it's part of the transaction process or takes place after closing, a home inspection is in the buyer's best interest and is key to their peace of mind.



Stephanie Bowling
Director of Marketing, Pillar To Post Home Inspectors Inc.



A BIG
Thank You
to our 2021 Sponsors



CALCAP's core competencies of lending, gap financing, asset management, and property management create synergistic opportunities and provide our customers a unique value proposition.

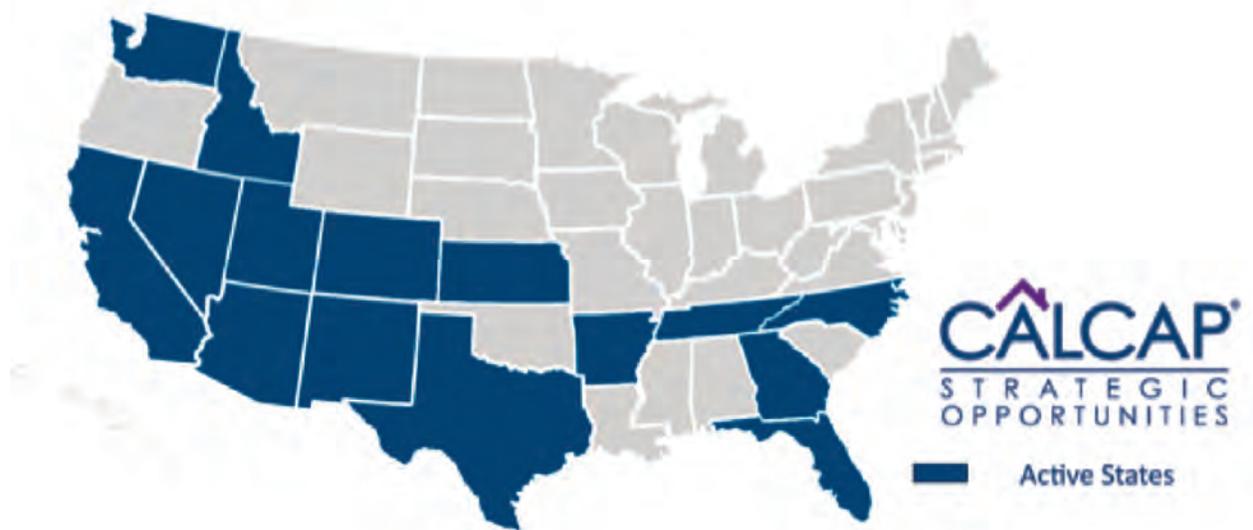
CALCAP Advisors' Strategic Opportunities and CALCAP Lending provide a wide array of business purpose and investor financing solutions (debt and equity) on commercial and residential assets – SFR, 2-4, fix and flip, and multifamily value-add.

Products:

- Bridge loan to acquire
- Bridge loan to recapitalize
- Equity to acquire
- Short term bridge for construction or renovation
- Long term loans for rental properties

Asset Class:

Single family and multifamily asset class only



CALCAP Advisors has decades of providing financing solutions to builders, real estate investors, multifamily owner operators, and fix and flip specialists. By offering quick closings and competitive terms, CALCAP is an obvious private money lending solution.



**Strategic Opportunities
Gap Financing**

Consisting primarily of preferred equity investments, bridge loans, and mezzanine debt on rental housing communities between in targeted markets across the US – AZ, NM, ID, CO, NV, TX, TN, GA, FL, NC, and select states.

**CALCAP Lending
Private Money Direct Lender**

Providing fast financing solutions for investor and business-purpose scenarios covering Bridge, Fix & Flip, Multifamily, and Long Term Rental opportunities.



Tim Landwehr | EVP Strategic Opportunities
tim.landwehr@calcapadvisors.com | 747-268-0675

OFFERING
Bridge Debt & Preferred Equity

NATIONAL HERITAGE AWARD 2021

Nominations for the 2021 National Heritage Award were closed last month and are now open for our 2022 award. The award will be announced during our Annual Retreat.

A Reminder About WHY and WHAT?

The Award is a product of Associated Realty of the Americas.

1. It is a method for real estate professionals to enhance their industry through the recognition of special properties, which, by their unique qualities are a major cut above what one would find typically listed for sale throughout North America. (To qualify they must have a strong and documented historical background and be readily available for purchase. Once the Award is given it becomes permanent.)
2. The Award, per se, is a single special plaque, presented at no cost. The value of the award is the fact that. Henceforth, all future listings may include reference to the fact that it is located in a National Heritage Award winning site of national significance.
3. It is hoped that such an award will increase the inherent value of the community to those outside and well as to elevate the pride of those who currently live with it.

This award has been created by member, **Katy Bullock** of Ponce Inlet, Florida, and AREA to honor those who preserve and protect. Now, more than ever our environment and the wonderful gifts that signify our historical character are under intense pressure. We salute the following national properties for their vision for understanding and responding to the tenants of responsible stewardship.

This is the 12th annual award given. Examples of some previous awards (2015-18) include:



Dunleith, Natchez! The Queen on the Mississippi River!

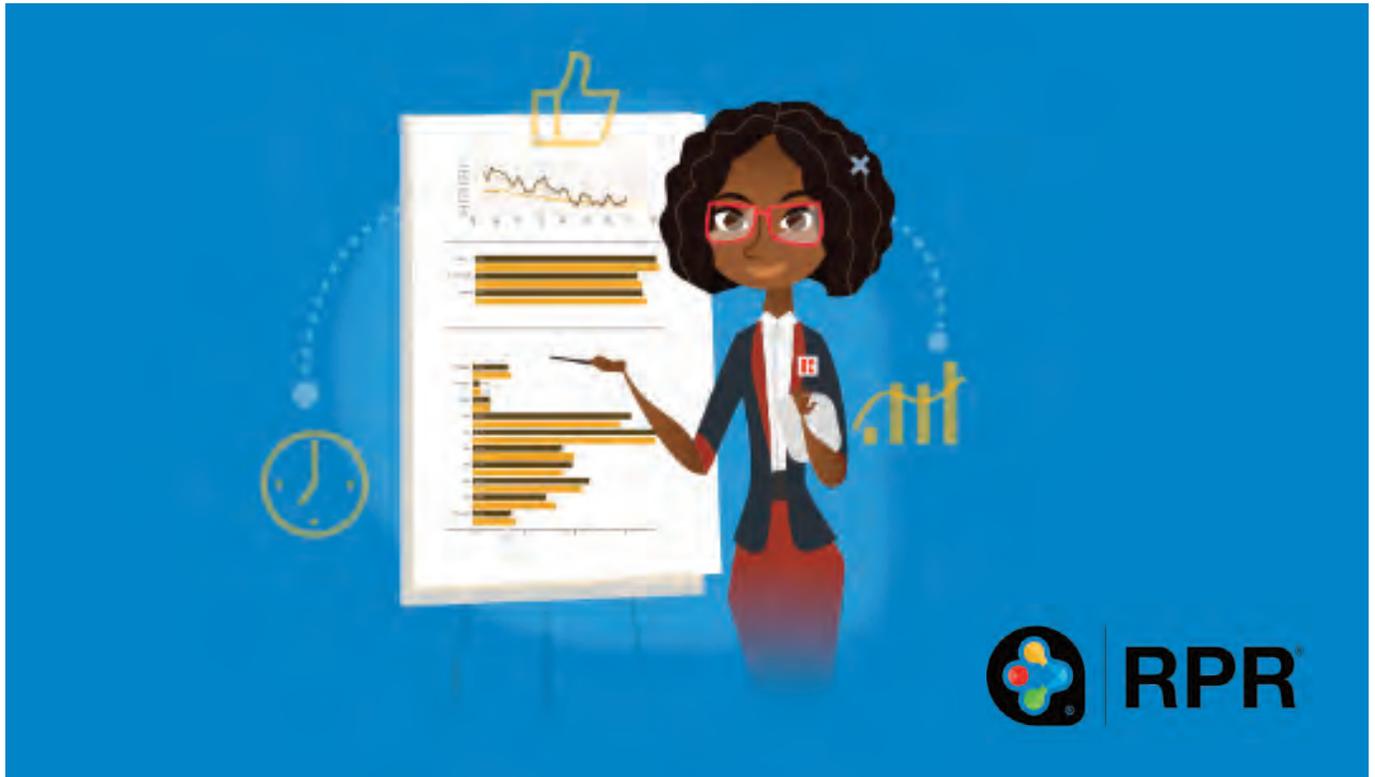
Dunleith is an exquisite 1856 Historic Inn located in the heart of Natchez, Mississippi overlooking the Mississippi River. This unique inn is listed as National Historic Landmark and on sits on 40 landscaped acres. It is graced with the original buildings dating back to the 1790's. Today it operates as a fully functional bed and breakfast. Peter Patout, of New Orleans, who heads up AREA's historic properties division, represents this property, which is listed for \$6.95 M. peterpatout@yahoo.com.



The Chauvet, Glen Ellyn, California

The original hotel for the Sonoma County (wine country) town of Glen Ellyn, California was built in 1906. The Hansson Family of San Francisco has converted this incredible building into a beautiful condominium, preserving and protecting the original character for now and in the future. This property was sold through the efforts of the Wine Country's premier residential/commercial real estate company, Terra Firma Global Properties and was represented by Terry Wunderlich of their Napa office terry@napawunder.com.

MARY ROBERTS, 2021 CHAIR, LAKE HAVASU CITY, ARIZONA



It's finally here!

RPR has launched a completely revamped website, with easier access to an array of data, tools and reports. The new RPR is cleaner, simpler, and offers users a more overall intuitive experience. It's also been reorganized to help you find your most-used features and saved items.

We hope you love it! And as you get familiar with it, we want you to know that you have access to various types of learning resources:

Want to sign up for a live class to strengthen your knowledge of the new RPR? Check out our new set of webinars.

Is an at your-own-pace, video tutorial more your speed? We've got those, too: for Residential and for Commercial.

RPR's Printable Guides are laser-focused, step-by-step walkthroughs to a specific subject. They're easy to follow and apply.

A "refreshed" RPR blog with articles, announcements, and news you can use.

Have a question or need quick help? The Knowledge Base area of our blog is a great resource for FAQs, popular articles, product release updates and more.

Featured Webinars

Make a Lasting Listing Presentation

Maximize your Commercial Business

How to Follow RPR Maps to Success

Keep That Pipeline Pumping!
Prospect with RPR

And remember, RPR is a member benefit offered by the National Association of REALTORS®. You've already paid for it—you should be using it!

If you have questions or need any help, reach out to our Member Support team at 877-977-7576



NARRPR.com



SPOTLIGHT: Springfield, Massachusetts

Founded in 1636 as the first Springfield in the New World, during the American Revolution, George Washington designated it as the site of the Springfield Armory for its central location, subsequently the site of Shays' Rebellion. It would also play a pivotal role in the Civil War, as a stop on the Underground Railroad and home of abolitionist John Brown, widely known for his raid on Harpers Ferry and for the Armory's manufacture of the famed "Springfield rifles" used ubiquitously by Union troops. Closing during the Johnson administration, today the national park site features the largest collection of historic American firearms in the world.

Today the city is the largest in western New England, (153,000) and the urban, economic, and media capital of Massachusetts' section of the Connecticut River Valley, colloquially known as the Pioneer Valley. Springfield has several nicknames—"The City of Firsts", due to the many innovations developed there, such as the first American dictionary, the first American gas-powered automobile, and the first machining lathe for interchangeable parts; "The City of Homes", due to its Victorian residential architecture; and "Hoop City", as basketball—one of the world's most popular sports—was invented in Springfield in 1891 by James Naismith.

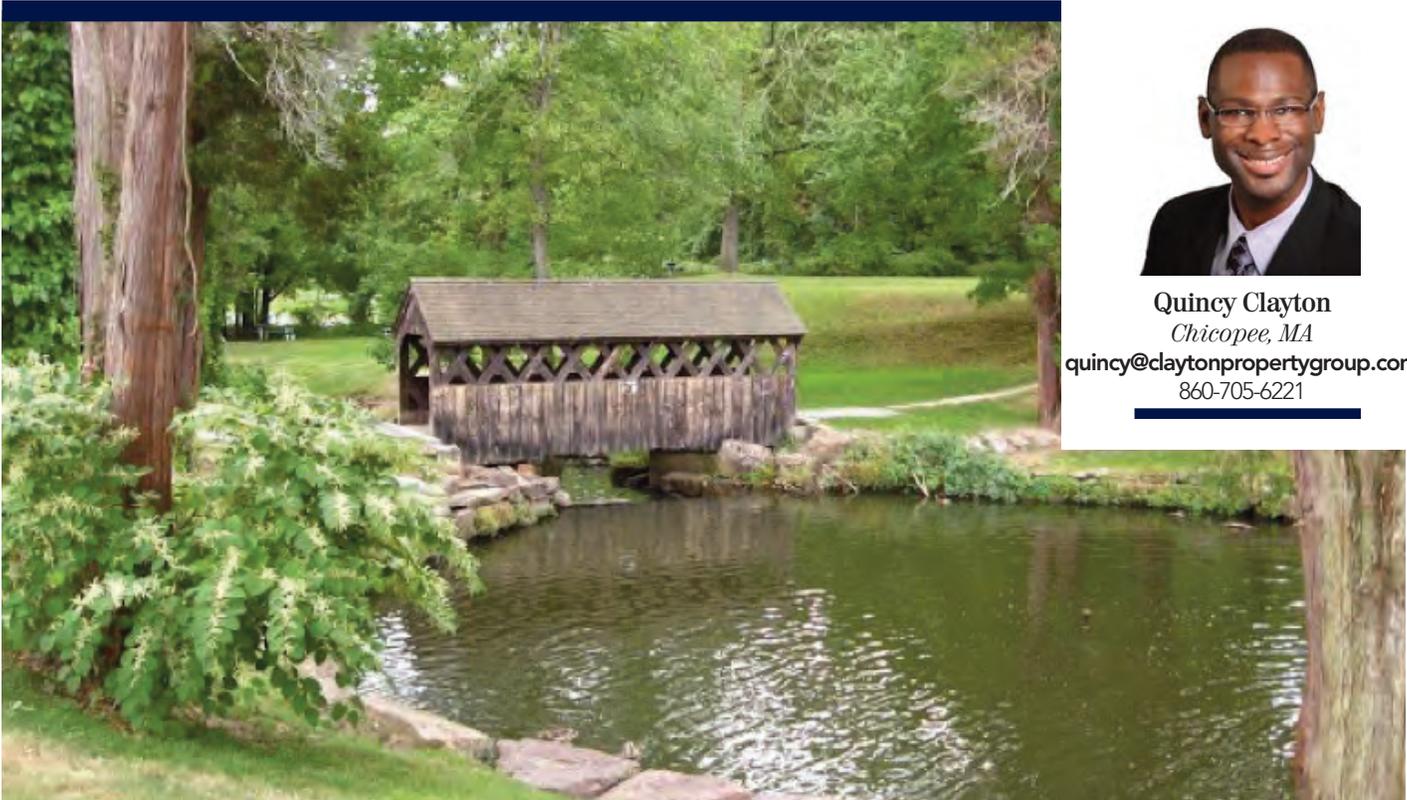
Hartford, the capital of Connecticut, lies 24 miles (39 km) south of Springfield, on the western bank of the Connecticut River. The Hartford–Springfield region is known as the Knowledge Corridor because it hosts over 160,000 university students and over 32 universities and liberal arts colleges—the second-highest concentration of higher-learning institutions in the United States. The city of Springfield itself is home to Springfield College, Western New England University, American International College, and Springfield Technical Community College, among other higher educational institutions.

Things to do in Springfield:

The Connecticut River Walk

Bear the Basketball Hall of Fame, one can access this pleasant park and marvel at the Connecticut River scenic beauty. It's difficult to find an entrance to this park due to the inhibiting presence of Interstate 91 - a highway that virtually amputates Springfield from recreational opportunities on the Connecticut River. If you can find your way in, bring a partner at night.





Quincy Clayton
Chicopee, MA
quincy@claytonpropertygroup.com
860-705-6221

Forest Park

One of the largest urban parks in the United States at 735 acres (295 ha), Forest Park was established via the donations of Springfield's like skating blade magnate Everett Hosmer Barney (whose family mausoleum is in Forest Park.) Designed by Frederick Law Olmstead of NYC's Central Park fame, Forest Park offers amenities including a sizable zoo, America's first public swimming pool, picturesque gardens, hiking and walking trails, athletic fields, whimsical sculptures (one can see where Dr. Seuss got his inspiration), and camping facilities. During the winter it serves as the venue for Bright Nights, a nationally known holiday light display.



Bright Nights

In Forest Park, a nationally known, innovative, creative lighting display in Springfield's Forest Park, featuring various themes during the holiday season (Christmas, Chanukah, Dr. Seuss' characters, etc.) Nearly 2 miles, cars and buses drive through the lighting display, which

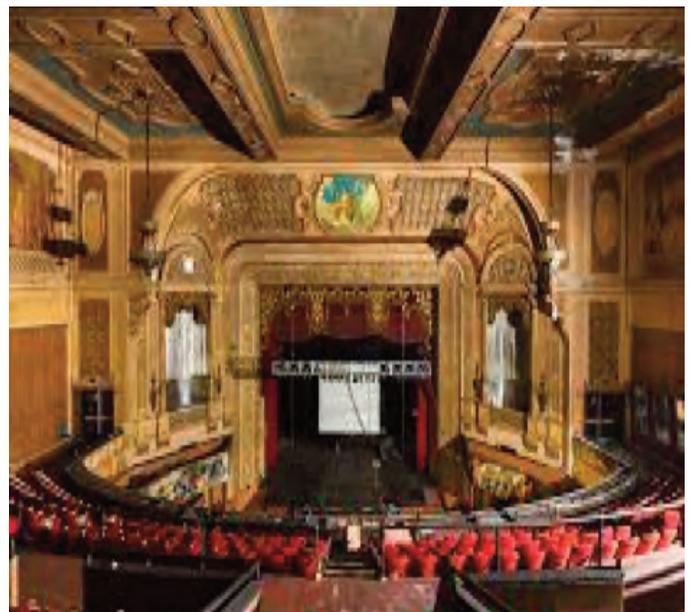
seems to become more intricate each year. Bright Nights usually impresses both children and adults. November-January. \$8. edit

The Zoo at Forest Park. The Zoo at Forest Park features a wide variety of exotic and indigenous creatures found throughout North America and the world. Lions, kangaroos, reptiles, and birds of all sorts populate this well-maintained zoo.

The Paramount Theater

Formerly The Hippodrome, 1700 Main Street. Equipped with state-of-the-art sound, lighting, and video production facilities, this is the most technologically advanced club north of New York City. It features live performers, club nights, and movies.

This is a vibrant city, re-cast in the last 10 years and a great place to live, work and play. That's why I'm here. Come let me show you!





This is a place to share your thoughts and ideas. Please feel free to send a commentary to THE FORUM to Carl at carl@areamericas.com to published exactly as received.

Baja California's Best Kept Secret

BY JOHN K. GLAAB, CIPS



How many times have you driven past Km 83.5 on the federal, main Highway 19 between Cabo San Lucas and Todos Santos and asked yourself, “What is going on there?”

You see hundreds of coco palms and the famous hill that drops off into the sea. But what you do not see is the abundance of exotic plant and wildlife.

At Rancho Gaspareño the recent focus has been experimental organic agriculture and the development of a low-key commercial coconut plantation enterprise. On the ranch many different herbs can be found growing in their natural habitat, one in particular, Guyacura Indians for this precious little plant. It is also quite well known for its benefits of curing anxiety. Google and see! Other organic plants Damiana, is native here and grows very few other spots in the world. Damiana is the aphrodisiac of the Aztecs. Legend has it that the Aztecs would send their emissaries here to trade with the that grow unassisted on the ranch are Oregano, Jojoba, Neem trees, Aloe, and many more.

Here is a bit of history of the Ranch and the surrounding area; In the Mexican American war 1846-1848, battles were fought inland of Rancho Gaspareño. It is one of a few places where the Mexican Army prevailed before the final agreement was made and the American troops were withdrawn. The Mexican nation retained Baja California in the Treaty of Guadalupe Hidalgo. Mexico was forced against its will to relinquish over 55% of its territory to the United States. Mexico lost much of what are now the states of Texas, California, Nevada, Arizona, Utah and Colorado. All properties north of the Rio Grande were the undisputed property of the United States. Mexico was paid 18.6 million dollars for giving up these lands.

The 42-acre Gaspareño ranch includes land on both sides of the highway. Animal life abounds. Wild animals include; numerous wild pigs, mountain cats, deer, herds of wild donkeys, descendants of the ones brought by the churches, many types of eagles, hawks and falcons, snakes of many types. On the ocean side of the highway can be found



various types of sea birds and creatures as well as some of the best shore fishing anywhere. Directly in front of the Ranch there is a deep-water trench that runs south to the Cabos into the sea of Cortez where you find the big game fish that the area is world famous for. During the season, you will also find large groups of lingering whales so very close to shore you can almost touch them, often times frolicking all day. Also, in season, you will find many turtle tracks where mothers leave the water to deposit their eggs in nests that they dig the previous evening on the beach....

So now the cat I out of the bag, "The Best Kept Secret..." is no longer a secret. By the way I understand the property is for sale, at the right price.



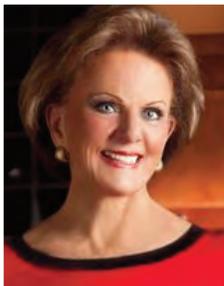
EDITOR'S Note:

Rancho Gaspareno is for sale.

The 42-acre property is a terrific investment opportunity with a plethora of options for development.

For example, a hotel(s) site, villas, condominiums, large luxury lots, an extended care facility, etc.

Further information: linda@lindaneil.com



Trinkie Watson
Lake Tahoe, CA
twatson@chaseinternational.com
 530-582-0722

On the **Lighter Side** with **Trinkie**

Featuring Tahoe's Trinkie Watson and her wit and wisdom.

Church People with Typewriters – Bulletins or announcements:

Ladies, don't forget the rummage sale. It's a chance to get rid of those things not worth keeping around the house. Bring your husbands.

Please place your donation in the envelope along with the deceased person you want remembered.

A Memo From David White & Associates

How do you help a landlord that wants to retire and get that listing that may not have happened?

Whether or not you are aware, you probably know clients or prospective clients looking for a way out of being a landlord, but do not want the tax burden of capital gains and depreciation recapture that comes with a sale.

Maybe they have reached retirement age, want to travel, are tired of managing properties, and would like a passive income while deferring capital gains tax.

Sure, a traditional 1031 will get them out of their current property but puts them back into the landlord role on the new property. There are many property owners doing nothing to change their circumstances for that very reason, and they have no interest in selling.

If you could show them an option that fits their needs, they may be inclined to list that property!

Delaware Statutory Trusts (DST) investments are recognized by the IRS as like/kind real estate investments for 1031 and 1033 exchanges. They are similar in nature to T.I.C. investments but provide more investor protection including non-recourse financing.

The properties are operating and leased prior to client investment. Income starts on the close date. The same rules apply as conventional exchanges regarding use of an intermediary and 45/180-day exchange rules.. DST shares offer easy division to heirs and retain step-up in basis at death. DSTs can be used as the only exchange property or as a filler for unspent "boot."

Exchanging a property with debt is an option. Many DSTs include leverage that is passed to the buyer without qualification or loan application. Unlike a T.I.C., the investor

does not need to form an LLC or provide their own financing or cash to replace relinquished debt. The process is much simpler and affords additional consumer protections. Additionally, if the internal leverage in a DST purchase exceeds their debt requirement, the buyer obtains additional real estate creating a new depreciation schedule.

An investor can sell one property and purchase several DSTs to gain further industry and geographic diversification.

A Summary of DST Features and Risks:

- Defer taxes on rental or investment property sale
- Provide steady monthly income from professionally managed properties
- Avoid the need to add cash or qualify for debt to meet exchange numbers. Leveraged DSTs can solve financing problems
- Identify a back-up property in case a 1031 purchase fails
- Provide a "filler" to complete an exchange and avoid boot.
- Eliminate day to day management of rental properties
- Help solve reduced income problems due to vacancy, high tenant turnover, rent control and increasing expenses.
- Provides simple estate planning. Shares are divided among beneficiaries while retaining step up in basis.
- For those retiring and selling their business

Kirk Dobson and Chris Riel offer products and services using the following business names: David White & Associates – insurance and financial services | Ameritas Investment Company, LLC (AIC), Member FINRA/SIPC – securities and investments | Ameritas Advisory Services (AAS) – investment advisory services. AIC and AAS are not affiliated with David White & Associates. Representatives of AIC and AAS do not provide tax or legal advice and should not be construed as a recommendation. Investors should consult their tax advisor or attorney regarding their situation.

- property, they provide tax deferral and income.
- For 1033 involuntary transfers sales via imminent domain
- Sell a single property and diversify into multiple real estate sectors and locations, all while deferring taxes and retaining step-up in basis at death
- DSTs are securitized investments. Investors must meet Accredited Investor Requirements as defined by the SEC: In the United States, to be considered an accredited investor, one must have a net worth of at least \$1,000,000, excluding the value of one's primary residence, or have income at least \$200,000 each year for the last two years (or \$300,000 combined income if married) and have the expectation to make the same amount this year. The term "accredited investor" is defined in Rule 501 of Regulation D of the U.S. Securities and Exchange Commission (SEC).
- An investment in the Interests of the Trust involves significant risk and is suitable only for Investors who have adequate financial means, desire a relatively long-term investment and who will not need immediate liquidity for their investment and can afford to lose their entire investment.

- The Interests are subject to legal restrictions on transfer and resale and Investors should not assume they will be able to resell their interests.
- There is no public market for the Interests.
- Investors may not realize a return on their investment for years, if at all.
- There are various tax risks, including the risk that an acquisition of an Interest may not qualify as a Section 1031 Exchange.

David White & Associates can help. Contact Chris Riel or Kirk Dobson for more information.



Chris Riel CFP®
925-277-2683
criel@dwassociates.com
www.Rieladvisor.com



Kirk Dobson CFP®, ChFC, ChSNC
925-277-2649
kdobson@dwassociates.com
www.Kirkdobson.com



Dennis Badagliacco
San Jose, CA
dennisb@alterasv.net
408-218-1800



Diana Bull
Santa Barbara, CA
dianabull4re@gmail.com
805-689-2855

Legal Update

by Double Aces Dennis and Diana

This is a Repeat of Our April Column

REX Lawsuits

It has been reported that Jack Ryan, the CEO and co-founder of REX, which employs salaried agents, supposedly charges sellers a 2% listing fee, and supposedly has a policy of never paying outside brokers – has been working directly with the DOJ to share recordings and other evidence that there are “many ways that the NAR and MLSs set their practices to extract money from buyers and sellers.”

Where REX is an MLS member, it is reported that they “offer \$1 to a buyer’s broker as commission.” Or, they hire other brokerages to expose their listings to the market. Yet, their business model is NOT to use the MLS – market properties on their platform.

REX sued NAR and Zillow alleging antitrust violations for NAR rules that require Zillow to segregate non-MLS listings from MLS listings. Now, that Zillow has joined many MLSs, they are using a different platform to comply with IDX rules. REX’s marketing exposure supposedly has been impaired. In December, REX sued the State of Oregon for its law prohibiting brokerages from offering consumers rebates. REX supposedly plans to sue at least 10 more States with similar laws. REX’s business model offers one-half of the buyer broker’s commission for cooperation to their buyers as a “rebate.”

Stay tuned as these lawsuits unfold.

Next Up: The PRO Act. On March 9, 2021 the House passed the PRO Act. If passed by the Senate and put into law the act would make the ABC test to determine independent contractor status the law of the land. Passage of the PRO Act would be a HUGE BLOW to independent contractor status for Realtors. President Biden has said he will sign the bill. Right now the word on the hill says the bill lacks sufficient support in the Senate. The bill is being pushed by unions. The bill bears watching because the impact on real estate including local, State, and National Associations. Put simply, if Real Estate Brokerages have to start paying salaries and medical expenses for Realtors most Realtors would have to face aly offs.

Update on one aspect of the DOJ Settlement with NAR: A section of the settlement would allow non-participant lockbox access WITH THE SELLER’S PRIOR APPROVAL. Seller’s will have to be informed of the consequences of letting people who are not bound by the rules Realtors are if such a lockbox is placed on a home. We await the publication in May of the NAR rules in regard to the entire DOJ settlement.