

JULY
2024

Peak Possibilities

Your Monthly Guide to Informed Real Estate Decisions



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

6795 E. Tennessee Avenue
Suite 401
Denver, CO 80224
970-682-4267
icorockies.com

Table of Contents

Page 2

July @ ICOR

Page 4

The Risks of Hold
Open Policies

Page 5

The Power of Real
Estate and Emotion

Page 6

Father Knows Best

Page 8

Finding Your Ideal
Growth Partner

Page 9

Purchasing Flood
Insurance

Page 10

Why Evaluating Oil
and Gas Investments
Takes Time

Page 11

ICOR Business
Member Directory

Discover Mysterious Treasures in the Real Estate Landscape

By Gita Faust, HammerZen

We must adjust our business strategies to prepare for heavy market fluctuations because the real estate market is never steady. We have seen this during the 2008 real estate financial crisis and the Covid-19 pandemic. Hence, I am guessing that with an upcoming recession, it is necessary to stay competitive. This is only possible when new strategies are implemented, such as finding properties that are the right price for you! There are hidden gems everywhere in the real estate market; we must know how to unearth them. We have a few tips and tricks up our sleeves for you to unearth these hidden gems in the best way possible.

Insider's Guide to Off-Market Deals

Now, what exactly are off-market properties? These are the undiscovered treasures or the hidden gems in our real estate industry. Now, what makes them unique? They are properties not listed on Multiple Listing Services (MLS). Still, they are available through word-of-mouth, networking, or direct marketing.

There are multiple advantages of off-market properties:

- They allow us to discover the exclusive, which assists in finding unique and valuable properties.
- They give us plenty of time for inspection, saving on repair and maintenance expenses as there is less of a rush to buy the property.
- Lastly, off-market properties are heavily negotiable as they are sold by motivated sellers who wish to sell quickly and hassle-free.

Distressed Deals Don't Distress Us

Properties experiencing financial or physical distress due to bankruptcy, neglect, or abandonment are referred to as distressed properties. These kinds of properties may be quite advantageous as they present unique opportunities for investors to buy assets below the market value and turn them into successful enterprises while at the same time

demanding that you be able to spot a financial and economic gap that requires correction.

Finding these distressed properties is relatively easy, and searching for signs such as overgrown lawns and 'For Sale by Owner' signs can help

search for these properties. You can also partner with real estate professionals specializing in searching for distressed properties, as they have the necessary experience and expertise in purchasing these properties.

Promising Neighbors

Multiple neighborhoods are undergoing extensive change, experiencing positive growth, and showing excellent investment potential where you can find those hidden gems that will help you decide to flip or hold the property.

How exactly does one find these neighborhoods? Well, these neighborhoods are easily identifiable by analyzing market trends and economic growth, i.e., through thorough market research, which assists in evaluating zoning changes and local infrastructure projects, as these heavily affect the value of properties. There are various other indicators to explore such neighborhoods, such as increased employment, infrastructure upgrades, job creation, and new businesses and organizations.

In July at ICOR, As we head into Q3, what new or important market indicators should you look at? Check out who will be in the hot seat this month!

Continued on page 3



JULY MEETING INFORMATION

July @ ICOR

Denver | July 30th: Analyzing Investment Deals to Build Wealth with Michelle Davis

Fort Collins | *No July Meeting*

Colorado Springs | July 30th: Lisa Hernandez takes the Reins to Discuss the Springs Market

As we embark on Q3 of 2024, Colorado's real estate market showcases nuanced variations across its diverse regions, building upon the strengths observed in Q2. Here's an updated overview:

Metro Denver

- Metro Denver remains a dynamic hub with strong buyer demand, though variations in neighborhood performance are becoming evident.
- Prices continue to rise, driven by population influxes, employment opportunities, and lifestyle preferences, albeit with variations across different parts of the metro area.
- Affordability concerns persist, particularly in central districts, prompting buyers to explore suburban options for more accessible pricing.
- Suburban areas continue to attract interest for their relatively lower costs compared to urban cores, despite overall price increases.

Northern Colorado

- Fort Collins and Loveland in Northern Colorado sustain robust demand, though localized differences in market activity are emerging.

- Limited inventory remains a challenge, contributing to price escalation that varies by neighborhood and housing type.
- The region remains appealing for its blend of city amenities and natural beauty, with preferences shifting based on proximity to employment centers and lifestyle offerings.
- Affordability pressures intensify, affecting first-time buyers differently across the region's diverse housing markets.

Colorado Springs

- Colorado Springs maintains its strong market footing, yet micro-market trends reveal varying demand dynamics.
- The military presence continues to bolster market activity, with affordability and housing availability differing across neighborhoods.
- Mid-range homes remain highly sought-after for their balance of cost and quality of life, influencing market trends differently across the city.
- Inventory shortages persist as a major driver of price increases and buyer competition, impacting purchasing decisions in distinct areas.

Heading into Q3 2024, Colorado's real estate landscape demonstrates resilience with localized variations shaping market conditions. While overarching trends like rising prices and limited inventory prevail statewide, the nuances within Metro Denver, Northern Colorado, and Colorado Springs underscore the importance of localized insights for buyers and sellers navigating a competitive and evolving housing market.

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

Save the Date for ICOR's July Meetings

ICOR - Colorado Springs

Tuesday, July 30th,
6 PM-9 PM (MDT)
**2nd Thursday of Every Month*

ICOR - Denver

Tuesday, July 30th,
6 PM-9 PM (MDT)
**3rd Tuesday of Every Month*

ICOR - Northern Colorado / Fort Collins

NO MEETING IN JULY
6 PM-9 PM (MDT)
**3rd Thursday of Every Month*

Upcoming Webinars & Workshops

"Introduction To Infinite Banking" Presented By Unbridled Wealth Virtual

Thursday, July 18th

What if you could be the bank? The Infinite Banking Concept is a time tested investment strategy. Join Jason Powers for an hour to get a great overview of Infinite Banking and learn how you can apply it in your financial life.

ICOR X REIA Of NYC Joint Fractional Ownership & Deal Finding Mastermind Virtual

Monday, July 29th

ICOR is collaborating with our sister chapter, REIA of NYC, to develop a deal-finding, out-of-state investing, and fractional ownership mastermind where members of each organization get to discuss, share, and create opportunities for each other while facing similar challenges in our local markets.

Colorado RECON 2024: Emerging Trends in Real Estate In Person

Special Event

Saturday, September 21st

The dust has settled, and we have all gotten comfortable with what is now the "new normal." The question for many of us is, how do we make this market work for us?

Join ICOR with 300+ of your fellow investors for a day of panel discussions, networking, and building solutions to thrive TODAY!

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

On-Call Maintenance and Tenant Support

- Maintenance
- Tenant Support
- Showings
- Repairs
- Turnovers
- Main Point of Contact

The Alternative to Property Management

www.rentalriff.com



Check Out ICOR's Free & Preferred Resource Pages

Located on the ICOR website, for tools and resources to help YOU save time and money!



For Investor Resources visit
www.icorockies.com/investor-resource



For Landlord Resources visit
www.icorockies.com/landlord-resources



Discover Mysterious Treasures in the Real Estate Landscape

Continued from page 1

Wheels of Wealth

This method involves driving through the specifically targeted neighborhoods to find properties that may be distressed or off-market. It is a tried and tested method for discovering hidden gems known as "driving for dollars." It's similar to the previous ways of finding distressed and off-market properties. Still, it's different in its approach, wherein you spot an exciting property by driving around and then researching information surrounding the property through digital records and public records. We can easily use this strategy by utilizing technological apps/tools. Unlike the traditional approaches, we will have many more opportunities to search for these hidden gems.

Hence, thinking outside the box is necessary to find these hidden gems in the real estate market. These hidden gems provide a competitive edge by allowing us to delve into the niche markets and explore the less popular localities. Thus, real estate is an ever-evolving field, and by

thinking outside the box, we can generate quick revenue and explore multiple opportunities.

Embracing the Human Touch

Real estate is about finding suitable properties, caring for them, and making wise decisions. Tracking every penny will give you the adrenaline boost you need, and maintaining accrual-based books will help you manage your cash flow. This will help you close on a property in a split second. Your success hinges on selecting prime locations, maintaining them, and expanding one's investments.

AI might be super smart, but it's got nothing on us humans when it comes to uncovering hidden gems! Even if AI figures out how to dial a phone, there's just something special about the personal touch of a human. It's like trying to teach a robot to tell a joke—sure, it might get the punchline right, but it's missing that genuine laugh that comes from a real person!



TITLE EXPERT

TAMMY HAYUTIN / TAMMY@ELEVATEDTITLECO.COM/ ELEVATEDTITLECO.COM

The Risks of Hold Open Policies: Why Real Estate Investors Should Think Twice

As a real estate investor, you're always looking for ways to maximize your returns and minimize costs. One strategy that might seem appealing at first glance is the hold open policy. While hold open policies can save you money, they come with significant risks that could cost you much more in the long run. This article will explain what hold open policies are, their potential pitfalls, and why they might not be the safest choice for real estate investors.

What is a Hold Open Policy?

A hold open policy is an endorsement added to an owner's title insurance policy at closing. This endorsement keeps the policy open until the property is resold, typically within a specified period. When the property is resold, the policy costs the difference in premium between the original sales price and the final sales price. The primary appeal of this policy is the cost savings on title insurance premiums when the property is flipped quickly.

The Risks of Hold Open Policies

While the cost savings of hold open policies can be tempting, it's crucial to understand the inherent risks. The most significant risk is that the original purchaser does not have title insurance. This means that during the period the hold open policy is in effect, the buyer is not protected against title defects, liens, or other issues that could affect the property's ownership.

Potential Issues Without Title Insurance

Here are some examples of what could go wrong without title insurance:

- **Undiscovered Liens:** If there are undiscovered liens on the property, such as unpaid taxes or contractor liens, these could become your responsibility as the new owner. Without title insurance, you would have to pay these liens out of pocket.
- **Ownership Disputes:** If someone else claims ownership of the property, such as an heir or a previous owner, you could face costly legal battles to resolve the dispute. Title insurance typically covers legal expenses in these cases, but without it, you would bear the full cost.
- **Forgery and Fraud:** If the property's title was forged or fraudulently conveyed at any point in its history, you could lose your investment entirely. Title insurance protects against such risks, but without it, you would have no recourse.
- **Easements and Restrictions:** Unrecorded easements or restrictions could limit how you use the property. For example, there could be a right of way that allows someone else to use part of your property, which could affect your plans for development or use.

Why a Hold Open Policy May Not Be the Safest Choice

Given these risks, a hold open policy may not be the best choice for every investor. The cost savings can be attractive, but the lack of coverage leaves you vulnerable to significant financial losses. Here are a few reasons why opting for full title insurance might be a safer bet:

- **Peace of Mind:** Full title insurance provides peace of mind, knowing that you are protected against most title-related issues. This can be particularly important if you are investing a substantial amount of money into a property.
- **Financial Protection:** The cost of dealing with title issues can far exceed the savings from a hold open policy. Title insurance protects your investment by covering these potential expenses.

Conclusion

While hold open policies can offer cost savings, they come with significant risks that could jeopardize your investment. For real estate investors, the peace of mind and financial protection provided by full title insurance often outweigh the initial savings of a hold open policy. Carefully consider your options and consult with a trusted title company to ensure you make the best decision for your investment strategy. Your future self will thank you for prioritizing security over short-term savings.



Elevated Title is dedicated to ensuring a seamless experience from commitment to closing. Offering a full suite of title agent services, we know many people are depending on us to ensure that every closing is performed correctly and efficiently. At Elevated Title, our team is ready and able to help you with your next real estate transaction.

**Closing your transaction
is our number one priority!**

P: (720) 734-2767

W: elevatedtitleco.com





The Power of Real Estate and Emotion

Real estate is much more than property acquisition; it's a very emotional investment. Whether buying a home to live in or using real estate as an investment vehicle, the journey is always tied to emotions. Questions about the future surface: "Do I want to be tied to this person for 30 years?" couples ask. "How will I handle caring for the properties?" wonders the investor. "How will I retire?" "Do I have enough?" "Is my job secure?" "How will this impact my ability to travel?" All these questions boil down to one common emotion: fear.

Fear of the unknown and fear of failure can paralyze us, making the process of buying or investing in real estate seem daunting. However, understanding and overcoming this fear is essential. The key to navigating the emotional landscape of real estate lies in clear goals and education. Studying under mentors who have used real estate to achieve control of their time and create wealth is crucial.

Real-life stories illustrate the transformative power of real estate. Take the family who can now send their kids to college because of wise property investments. Or the grandmother who can finally retire comfortably, knowing her rental properties provide a steady income. Consider the couple who purchased their dream home in Steamboat and enjoy a quality of life they once thought unattainable. Then there's the single mom who, through her real estate investments, can afford a nice home in Denver and provide a stable environment for her children.

Being a real estate professional, I know firsthand that half of my job is securing properties, and the other half is counseling my clients through some of the most significant decisions of their lives. This dual role is vital because real estate decisions are not just about financial outcomes; they're about life outcomes.

When fear arises, it's essential to remember what real estate can achieve. Real estate is a powerful tool for building wealth and securing financial stability. It allows individuals to take control of their financial future, enabling them to achieve personal goals and dreams. But to harness this power effectively, one must not go at it alone.

Working with a professional can make a world of difference. Having someone by your side who has navigated the complexities of the real estate market can alleviate the fear and stress associated with these decisions. As someone who has underwritten and brokered a billion dollars of real estate with my team, I've seen firsthand how proper guidance can turn fear into confidence and indecision into action.

In the end, real estate is not just about financial transactions; it's about achieving dreams and creating a secure future. Whether you're looking to buy your first home, invest in rental properties, or plan for retirement, remember that you don't have to face these challenges alone. With the right support and guidance, real estate can become a powerful vehicle for achieving your goals and securing your future.



ATLAS
REAL ESTATE

Property Management By the Numbers

3,200

UNITS CURRENTLY
MANAGED

98%

OCCUPIED &
COLLECTED

10

AVERAGE DAYS
BETWEEN RESIDENTS

4

CONSECUTIVE YEARS
VOTED BEST OF
COLORADO



0

MAINTENANCE
UPCHARGES OR
HIDDEN FEES

cory@realatlas.com | 303.242.8980 | realatlas.com



INSURANCE EXPERT

EVE HOELZEL / EVE.DSTANSFIELD@FARMERSAGENCY.COM / EVEINSURANCECOLORADO.COM

Father Knows Best: Avoiding Common Estate Planning Pitfalls

If you're a father, you've always strived to provide the best for your family, ensuring their well-being and securing their future. However, even the most well-intentioned plans can falter if you overlook the complexities of estate planning. So this Father's Day season, let's celebrate all of you dads and explore some common pitfalls that fathers often encounter, then offer practical strategies to navigate them successfully.

Heads up before we dive in; I'll provide some stories below that illustrate what happens when a dad hasn't created an estate plan or hasn't updated it over time. The names of the people below are made up, but the scenarios I'll describe are common.

Pitfall No. 1: Procrastination

If you're a father, the weight of responsibility for your family's well-being often rests heavily on your shoulders. However, even the most well-intentioned plans can fail if you overlook the complexities of estate planning. One of the most significant pitfalls is procrastination, or postponing the process under the assumption that you have ample time or that your assets are currently too modest to warrant formal planning. But the truth is that estate planning is crucial for individuals of all ages and asset levels! Unexpected events can occur at any time, leaving your loved ones in a bad situation if you haven't properly documented your wishes.

Take for example, John, a 45-year-old father of three, who put off creating a will, thinking he had decades ahead of him. You can't really blame him, can you? Many of us are in the same boat. However, he passed away tragically and unexpectedly, leaving his family to deal with his affairs in the court process called probate. The probate process was lengthy, and his assets were frozen and unavailable for his kids until the court process played out. In addition, probate drained his assets, so there wasn't as much to leave his kids in the end.

I doubt this is what John would have wanted.

So dads, to avoid the procrastination trap, it's essential to approach estate planning with a sense of urgency. Start the process as soon as possible, and review your plan regularly to ensure it remains aligned with your evolving circumstances and family dynamics (keep reading for more information on how I can help!).

Pitfall No. 2: Failing to Update Your Plan Over Time

This brings us to another pitfall: failing to update your plan after significant life events, such as marriages, divorces, births, or deaths. Life is inherently dynamic, and your estate plan should reflect those changes. Your plan should reflect your life as closely as possible, otherwise it could become ineffective or even invalid. And if that happens, you end up like John, even if you already have an estate plan.

Updating your estate plan over time is crucial. So make a habit of reviewing your plan at least every three years, preferably annually, or whenever a major life event occurs. When you work with me, I will help you ensure your plan accurately reflects your current wishes and aligns with any changes in state or federal laws.

Pitfall No. 3: Not Communicating With Loved Ones

Contrary to common belief, estate planning is not solely about legal documents, such as a Will, Trust or Power of Attorney. Documents are merely the byproduct of good estate planning. The real power of estate planning is in having open and honest communication with your loved ones. However, many fathers make the mistake of keeping their estate plans a closely guarded secret, leaving their families in the dark about their intentions and wishes. This lack of transparency can breed misunderstandings, conflicts, and resentments that can undermine the effectiveness of your plan and strain family relationships.

Let's look at David's story for a greater understanding. David, a successful business owner and loving father, always assumed his oldest son would take over the family business after his passing. So David's estate plan included a provision wherein his oldest son inherited the business. When David died, however, his son revealed that he had different career aspirations and didn't want to run the business. This led to family conflict - because David didn't have a "Plan B" in his estate plan.

As a result, the family had to go to probate court, spending lots of time, energy, attention, and money, to get the business transferred to the one family member who wanted to run the business. Had David discussed his wishes openly, the family could have addressed their concerns together and arrived at a mutually agreeable solution that would have saved them the unnecessary hassle of probate court.

So what can you learn from David's story? Share your wishes with your family members, explain your reasoning, and address any concerns they may have. This open dialogue can foster a deeper understanding and strengthen the bond between you and your loved ones. It also allows your loved ones to provide valuable insights and perspectives that can help refine and improve your plan. What a loving gift to give your family!

Pitfall No. 4: Not Working With a Professional

The last pitfall I'll address is going at it alone, or doing your plan cheaply online. As I pointed out above, estate planning is not just about creating a few documents and putting them away on a shelf until something happens. There's much more to it.

Instead, work closely with an estate planning firm like ours, who can help you craft a plan that fits your unique family dynamics, wishes and assets,



as well as keep in touch over time to ensure your plan is updated and works when you need it to. At my firm, we support you with all this and more, including helping you structure your plan in a tax-efficient manner, minimizing the impact of taxes on your assets and ensuring your loved ones receive the maximum benefit from your estate.

I also help you address any unique circumstances within your family, such as a family business, a child with special needs or a family member with addiction issues, ensuring that your plan is tailored to meet the specific needs of your loved ones.

So dads, after reading this, I hope it's clear that estate planning is a profound expression of your love and responsibility as a father. By taking action now, you can navigate the pitfalls and create a lasting legacy that transcends your lifetime. Remember, your knowledge and attention to detail today can shape the future of your loved ones for generations to come.

How We Support You to Avoid These Common Pitfalls

At Law Mother we understand that protecting your family goes far beyond just legal documentation. Our mission is to empower you to enshrine your hopes, values, and profound love for your children into a comprehensive plan that preserves your family's integrity for generations to come. We take the time to truly understand what family means to you—the struggles you overcame, the values you hold dear, the future you envision. And then we help you craft a tailored estate plan that meets your needs and stays updated over time.

Give yourself and your children the greatest gift: your love. Book a complimentary 15 minute call with our office to learn how we can support you, and by extension, your entire family. To schedule call 720.706.0036 or email info@Lawmother.com



LAW MOTHER

ASSET PROTECTION & ESTATE PLANNING FOR REAL ESTATE INVESTORS



Give your family the gift of Legacy Protection

SCHEDULE A COMPLIMENTARY 15-MINUTE PHONE CONSULTATION TO LEARN MORE.

WWW.LAWMOTHER.COM | PAM@LAWMOTHER.COM | 720.706.0036



Finding Your Ideal Growth Partner: Coach or Mastermind Group?

In business development and real estate investment, both coaches and mastermind groups serve as invaluable resources for growth and success. However, depending on the coaching program or mastermind group, they can operate through different frameworks.

Personalized Guidance vs. Collective Wisdom

A business/investment coach or mentor provides tailored guidance and advice based on the individual's specific goals and challenges. The coaching relationship is typically one-on-one, allowing the mentor to offer personalized strategies and feedback. Coaches use their expertise to help you craft a customized plan. For instance, a coach might help a new investor navigate their first property purchase, providing step-by-step instructions and insights based on their own successful experiences.

Conversely, a real estate investment mastermind group leverages the collective wisdom of its members. Masterminds bring together individuals with varied experiences and skills, fostering a collaborative environment where members can share insights, challenges, and strategies. The group dynamic is pivotal in a mastermind setting, as it allows for diverse perspectives on any given issue. This diversity can lead to innovative solutions and fresh perspectives that a single mentor might not provide. Peer-to-peer learning encourages members to learn from each other's successes and failures, fostering a collaborative environment where collective intelligence drives progress. For example, if a member is facing a difficult negotiation with a seller, the group can offer multiple approaches based on their collective experiences.

Structured Approach vs. Dynamic Interaction

Coaches and mentors operate through a structured approach, setting clear objectives and creating detailed action plans. Regular sessions are scheduled to track progress and adjust strategies as needed. This structured environment is beneficial for investors who thrive on accountability and a clear roadmap. A mentor's role includes not only providing advice but also ensuring that the mentee stays on track and achieves their goals.

Most Mastermind groups operate through dynamic and organic interactions. While meetings are regularly scheduled, agendas are often flexible and driven by the immediate needs of the members. Discussions can range widely, addressing various aspects of real estate investment, from market trends to specific deal analysis. This fluidity allows members to bring up pressing issues as they arise, ensuring that the support and advice they receive are timely and relevant.

Accountability Mechanisms

Both coaches/mentors and mastermind groups emphasize

accountability, albeit in different ways. A coach holds their mentee accountable through regular check-ins and progress reviews, setting specific, measurable goals and ensuring adherence to the action plan. This structured accountability can be a powerful motivator for individuals who need a disciplined framework to stay focused.

In mastermind groups, accountability stems from peer pressure and mutual support. This collective accountability can be highly motivating, as members do not want to let their peers down. The shared journey and mutual encouragement foster a strong sense of camaraderie and collective responsibility for each other's success.

Emotional Support and Networking

While coaches and mentors provide significant emotional support and encouragement, the one-on-one nature of the relationship can sometimes limit the range of emotional insights available. A mentor can be a confidant and source of inspiration, but the support is inherently limited to the mentor's perspective.

Mastermind groups offer a broader spectrum of emotional support due to their diverse membership. The shared experiences and challenges create a strong sense of community and belonging. Members can draw on a wide range of emotional and psychological insights, finding encouragement and empathy from multiple sources. The Mastermind offers a safe place to be vulnerable due to the strong confidentiality code established when members enter the group.

The ICOR Mastermind – A Hybrid Approach Offering the Best of Both Worlds

The ICOR Mastermind, in collaboration with Investors Network Community (INC), offers a unique approach that combines the best of both worlds. Members start by developing and sharing their specific, actionable goals and plans through a structured and facilitated process called the Real Estate Action Plan (REAP). This comprehensive plan addresses not only wealth goals but also a whole life vision and purpose, encompassing health, family, relationships, personal interests, travel, and more. Meetings are professionally facilitated to ensure that every member has adequate time for the group to brainstorm their needs. Members use their action plans as a guide to stay clear, accountable, and on track. This combination of a well-defined plan, supported by the group's brainstorming and community support, accelerates their success. It's a beautiful synergy of clear planning and creative insights, driving members towards their goals efficiently.



Purchasing Flood Insurance

Often when homeowners or real estate investors are looking to purchase a new property, they often forget to ask, “is the property in a flood zone?” The good news is you have choices, you could purchase flood insurance if your property is in a flood zone or is outside the flood zone. An insurance agent could check with the property address, if the dwelling is in a flood zone. Currently, you could purchase flood insurance through FEMA or through the WYO “Write Your Own” flood program through private insurers.

Flood insurance is available for homeowners, business owners and even renters. There is a difference between how water losses are considered to be a flood loss, vs a covered hazard insurance water loss. Hazard insurance policies would provide coverage for **Water Damage** that occurs as a sudden and accidental discharge of water. This can often be from a broken pipe, toilet, refrigerator, washing machine, or HVAC system doesn't drain properly, causing a flood. The resulting damage can be severe, depending on the location of the leak and the amount of time it has been leaking. Water damage can often occur on second floors and then can leak to the lower levels and cause extensive and expensive claim damage.

I, regularly, get the question from investors, “is water damage covered that originates from the roof?” This is always reviewed on a case-by-case basis but can be covered if it is related to a covered peril from a storm (hail).

Even though each claim has its own merits, **floodings events like surface ground water or flash flood are normally excluded from hazard insurance policies.**

Flood damage is damage to the home, personal property, or commercial building as a direct result of a flooding event. There should be significant rain over a short period of time to create a flooding event or flash flood.

If the rental property or commercial building is in a high-risk flood zone, the property owner must have a separate flood insurance endorsement or policy to have coverage for a flood caused by weather events.

Flood insurance is often required by the mortgage lenders for properties that are in a designed flood zone. The most common flood policy is normally covering the building or home. I always recommend to the investor to include coverage for property inside the building as well as a loss of rents or additional living expense coverage. These additional costs for additional living expenses and contents can sometimes be greater than the damage to the building or home. I review many flood policies and I have found that many policies do not include these important coverages. Flood insurance will provide money to repair or even rebuild a home, if

it is damaged or destroyed by flood. When a homeowner has to file a claim, they are only responsible for paying the deductible. As a result, the homeowner retains the home, keeps making their mortgage payments, and everyone will be happy.

According to FEMA, a flood insurance policy covers the following:

- The insured building and its foundation
- Electrical and plumbing systems
- Central air conditioning equipment, furnaces, and water heaters
- Refrigerators, stoves, and built-in appliances such as dishwashers
- Permanently installed carpeting over an unfinished floor
- Permanently installed paneling, wallboard, bookcases, and cabinets
- Window blinds
- Detached garages up to 10% of building property coverage (detached buildings other than garages require a separate building property policy)
- Debris removal

If you notice above, what is not covered is the loss of use/additional living expenses and or loss of rents. However, some private carrier could cover it.

In Colorado, purchasing the right flood insurance can be difficult. Before purchasing your new property ask to see if the property is in a high-risk designated flood zone before initiating the property purchase.

Feel free to contact me and I can assist you with the correct flood policy for your investment property.

**Federal Emergency Management Agency. "National Flood Insurance Program: Summary of Coverage," Page 4. Accessed Jan. 15, 2021.*

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!
Your Investment Insurance Specialist,
Eve Hoelzel, Licensed Agent Producer

970.217.8019
eve.dstansfield@farmersagency.com
www.eveinsurancecolorado.com





ENERGY INVESTING EXPERT

TROY ECKARD / TECKARD@ECKARDENTERPRISES.COM / ECKARDENTERPRISES.COM

Why Evaluating Oil and Gas Investments Takes Time

Mineral rights can be extremely complex and there are many different risk factors associated with acquiring them.

When you have a full appreciation for these risks and why such a high level of technical, geological, economic, and mechanical analysis is required, you'll understand why a lot of time is often required before a deal is made. Even with all the risks, a well thought out and executed deal could make your decision to buy oil and gas minerals a good one for years to come.

Minerals Under Production Have Higher Values

Some of the main risk factors you can't overlook regarding mineral rights include:

- **Exploration Risks:** When you're drilling deep into the earth, precision and accuracy are critical. One minor misstep can lead to tough consequences, and even the most experienced experts can make mistakes. Nevertheless, the mineral owner is not burdened with any exploration or production expenses. This risk only relates to mineral owners from the standpoint of reduced and/or delayed revenue streams.
- **Sponsor Risks:** People always introduce an element of risk. You must do your due diligence on the people or entities offering mineral rights. It is crucial to work with people of high character when looking into making these types of deals.
- **Geological Risks:** Evaluating the size of the reservoir is critical for maximizing your investment, since the size can vary drastically. Knowing what's beneath the surface will allow you to better negotiate your mineral rights with an oil company interested in exploring and producing your oil and gas minerals.

- **Market Risks:** The price of oil and gas is something you can't control, so this is always a risky component to consider. There are numerous factors that influence commodity prices.

Thorough Due Diligence Is A Requirement

When making the decision to buy oil and gas minerals, one must consider their own risk tolerance. It is highly constructive to perform a thorough evaluation of the company or entity you're working with. Plenty of mineral rights deals have gone sour, and most of the time it's because the investor did not spend the appropriate amount of time evaluating and analyzing every aspect of the deal. Here at Eckard Enterprises, we use our considerable expertise and experience to scrutinize every aspect of the mineral rights we acquire.

Confer With Experts

In most cases, successful mineral rights deals occur when the buyer confers with third-party experts. These experts know everything there is to know about oil and gas mineral interests, including current trends, short-term and long-term impacts, potential cash flow, and much more. When you're thinking about becoming involved in a mineral rights deal, you can never have too many expert opinions.

Eckard Enterprises is always available to help you with your mineral rights questions. We are a premier mineral rights aggregator that partners with industry experts like geologists, engineers, and landmen to validate our decisions. To learn more about mineral rights, working interest, or other oil and gas assets, contact us today.



Eckard helps investors...

BUILD & PROTECT WEALTH



Scan the QR code to visit our website, or simply call to speak to a wealth manager today!

(800) 527-8895

www.eckardenterprises.com

Get access to MLS Data and Cutting Edge REI Software

- Get live REI CMA market reports
- Automatically source real deals using algorithms
- Get access to MLS data and pull your own comps
- Analyze any property — on or off-market
- Nationwide rental data and analytics
- Find the hottest investment spots all across the country

Whether you're new or experienced investor, agent, or a wholesaler Sign Up and attend our free training to learn how to leverage data and technology to EDGE out the competition.

We'll be giving ICOR Members a Special Discount Use Promo Code: ICOR
Email support@teamprivy.com with questions.



Fix-n-Flips



Pop-Tops



Tear Downs

privy™

www.getprivynow.com

ICOR's Business Member Directory

Service	Contact/Business	Phone	Email
Cleaning/Fencing	Susanna Tabares Heart & Home Solutions	720.477.8268	heartandhomesolutionsllc@gmail.com
Contractor/GC	Alex Lovera ManyBuild	720.354.2630	alex@manybuildsolutions.com
Contractor/Electric	James Hornof B&W Electric, LLC	303.505.3543	j.hornof@bandwelectric.com
Energy Investing	Derreck Long Eckard Enterprises	800.527.8895	dlong@eckardenterprises.com
Estate Planning	Pam Maass Law Mother	702.706.0036	pam@lawmother.com
Financial Planning	Sarah Shellman Quest IRA	800.320.5950	Sarah.Shellam@questtrust.com
Financial Planning	Jason Powers Unbridled Wealth	303.957.9175	jpowers@unbridledwealth.com
Foundation Repair	Drew Rogers Colorado Foundation Repair & Waterproofing	720.266.9331	diggingcolorado@gmail.com
Insurance	Eve Hoelzel Farmers Insurance	970.970.8019	eve.dstansfield@farmersagency.com
Lender	David Nielson COPA Capital	480.244.4698	david@copacapital.com
Lender	Alex Nigh DIYA Finance	720.850.8459	anigh@diyafinance.com
Lender	Chuck Townsend Forrest Financial	303.877.3221	chuck@forrestfinancial.com
Lender	Greg Osborne Bridge Capital Resources, LLC	303.475.5873	gregosborne@bridgelending.com
Lender	Justin Cooper Pine Financial	303.916.5366	justin@pinefinancialgroup.com
Lender	Tyler Ideker Indicate Capital	303.567.6333	tyler@costfund.com
Lender	Drew Jeffers Phoenix Loans	970.420.6472	drew@phxloans.com
Lender	Vanessa Montoya Boomerang Capital	480.410.0945	vanessa@boomerangcapital.com
Property Mgmt	Cory Rassmusen Atlas Real Estate	303.242.8980	info@realatlas.com
Rental Property	Brittany Katalenas B-Konnected	720.551.7039	getkonnected@b-konnected.org
Syndication	Byron Elliott 3 Pillars Law	303.284.3850	byron@3pillarslaw.com
Title	Tonya Stevens Elevated Title	720.734.2767	tonya@elevatedtitleco.com
Title	Bill McAfee Empire Title, Colorado Springs	719.499.0968	bill@etcos.com