

Bennett

Your Property Management Family

SINCE 1972

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“Branding” the South East Valley

I recently read an article in the Arizona Republic that asked, “Do you know where you are?” What they meant by their question was, do you know the depth of the assets offered by the community that you are living in? Or, as it may apply to you, do you know the community where your investment properties are? There is a group of “founding fathers” who have put together a branding strategy for the cities in the Southeast Valley. Because there are no longer boundaries between our cities, they propose that when one of the cities is touting their assets they should also include the assets of the surrounding cities. They want the rest of the country and the world to hear about all of our gems and for it to be natural for people to associate our highlights, regardless of which city they are referring to. I travel a bit, and when I say I’m from Mesa, many people do not know where that is. I usually say Phoenix, because most people have at least heard of Phoenix. Even though we are geographically close to Phoenix, the Southeast Valley has its own attributes. We have many jewels all our own. For instance, Arizona State University is in Tempe. The Phoenix-Mesa Gateway Airport is an alternative to Sky Harbor (check it out – they fly in to/out of smaller regional airports). When they named this airport, they specifically used Phoenix in the name for the recognition factor. This airport is listed as the nation’s fastest growing airport. We also have 157,000 college students in 21 private and public schools. Our workforce is young, diverse and highly educated. There are about 800,000 jobs, representing 40% of the entire Phoenix metro area. We have multiple transportation networks, including light rail and freeways. We are also able to boast the world’s largest and most sophisticated semiconductor factory (Intel). What our city fathers are hoping is that when someone asks questions like, “What communities come to mind for low business costs?”, or “Where can you find a young affordable workforce?”, that the answer will be: The Southeast Valley. If you already own investment property in the Valley, congratulations! If you don’t, what are you waiting for?



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Frank's Forum

Mesa Arts Center

This is the crown jewel of Mesa. We just beat out the Sydney Opera House to receive an International Award of Excellence (from the International Association of Venue Managers). How about that!

The center has 4 theaters with seating from 100 to 1800. The largest theater, the Ikeda, is a premium concert venue. Acoustics are great, seating is comfortable (really not a bad seat in the house) and visiting entertainers love to be here. Other theaters include a "black box" stadium-style theater designed to put audiences close to the action (great for kids).

The Arts Center also has a multitude of studios and classrooms with about 600 classes a year. Mesa Contemporary Arts feature 4 galleries, all below ground level, with many displays each year.

The campus of the center is a nice place to visit and is very popular with photographers for family and wedding groups. The staff picture on our website was taken at the Arts Center, which is very near our offices.

Tours are interesting and educational. Please call me or Anne—we'd be happy to show you around. Our company and family are very involved with the center and its programs.

Property Values

What a flip! Seems like only a few month ago that the experts were predicting we'd never recover. Now my mailbox (email and snail-mail) are full of offers from strangers who want to pay cash and close quick on my property.

I hate to be cynical, but here we go again. The Dow has busted through 15,000 even while we

wail about high unemployment and unsustainable debt.

Forbes Magazine always used to say the most dangerous 6 words were "it will be different this time." So our advice will be the same as it was when it was dark and gloomy. Hold on. Buy more. Residential rentals remain the best thing going for us average Joes.

Paradise

As this newsletter is being mailed, Barbara and I are on our annual trip to paradise—AKA Maui. Even though we are retired, life gets very hectic through the winter and into spring so we are very ready to find a lanai to sit on and watch the canoes go by.

Our cell phones, laptop, ipod and other electronics keep us tethered to Mesa, but we leave them behind when we go to the beach—which is every day.

Maui is big enough to have a wide variety of places and activities but small enough to drive around in one (very long) day. We golf, play bridge, hike, scuba and snorkel.

The Maui Film Festival takes place in June and features the Celestial Cinema, an outdoor theater on the driving range at the Wailea Golf Course. Beach chairs and towels are the seats for great first run and indie films.

If you're heading to Maui, give us a call. We'd love to share the island with you.



A Messy Business

The appeal and curse of the property management business (and real estate in general) is the fact that we deal with some of life's most sensitive and volatile issues: money, shelter, relationships. What's left?

Our business has grown because most owners don't want to deal with the messes that get made as people rent, live and leave property. We see the problems as opportunities for service.

One of our primary goals is to make ownership non-stressful. Every step of the rental process has potential for good and bad results.

Showing property can bring physical danger to the Agent. Meeting a stranger at a vacant house is a gamble. Our procedures call for Agents to tell someone where they're going, to never show vacant property after dark and to use caution in one-on-one situations.

Every showing is a sales call, bringing its own set of tensions. Getting rental applications completely filled out is a test of patience. Evaluating credit and job and rental history, and making a rent/don't rent decision is stressful.

Collecting rent and doing evictions is not everyone's cup of tea. Final walk-through and security deposit charges can be very contentious.

With all this, I think that almost all our agents would say they love their job. For myself, I loved the fact that every day is different and that, no matter how long we do it, we learn something new almost every day.

I always encourage new investors, if it's a one or two-property portfolio, to self-manage a while. It is

not rocket science and we are always available to help. After the learning experience is over, call us to manage. We love it.

Hot Market

Seems like only yesterday we were talking gloom and doom in the residential real estate market. Even those of us who have seen several cycles were predicting that we wouldn't see those kind of prices for a long, long time.

Well hold on, Harvey! Most parts of the market have roared back. Except for high dollar homes, prices have gone nuts. Almost nothing has been built for 5 to 6 years, so supply has shrunk while demand has returned. Adam Smith was right!

Since we were thinking about selling a couple of properties, I checked in with my favorite Broker-Frank, Jr. I was worried that I might be asking too high a price. Boy was I surprised to hear just how the market has flipped.

Seems like it's still a good time to buy, but if you're thinking about selling I think you'll be pleasantly surprised.

NARPM NEWS

National Association of Residential Property Managers

Narpm.org

25th Annual Convention and Trade Show

The Keys to Excellence

October 16-18, 2013

San Diego, California

**To join our mailing list, please email us at :
susan@bennett2rentit.com**

Rental Futures

A recent column in the NY Times quoted a MacArthur Foundation survey asking the questions: given our nation's current situation, is buying a home more or less appealing? Fifty-seven percent replied it had become less so.

Renting, which allows more mobility, might come to be identified with a high-status lifestyle. Go figure!

Another trend that will effect the future of housing is the growing number of retiring baby boomers.

Both of these issues, more up-scale users of rentals and more retirees, looks like they are shifting the emphasis from large homes in out-lying suburbs to smaller properties more centrally located. No predictions here, my crystal ball broke last week, but certainly food for thought.

Donations

We write in every issue of our involvement with A New Leaf. It is a large comprehensive behavioral health agency. My mother was a co-founder and I've been on the board for some 40 plus years. A New Leaf is our "family" charity.

A New Leaf was started to help kids 14-18. These are still the primary focus, but we also operate 2 large domestic violence shelters, an emergency family homeless shelter, a large (90 bed) homeless shelter for men, several counseling centers and many other programs. We have an operating budget of \$24 million!

Our latest "push" is into the supportive housing field. A large tax credit grant is allowing us to build 80 units of housing, partly to support the work of the family shelter.

All this wind-up is for a pitch: along with building the 80 units, we will raze and re-build the 16 unit family emergency shelter. All it takes is money!

A New Leaf has begun our first ever Capital Campaign. The goal is to raise \$6 million dollars to re-build and operate this 15 year old program, the only family shelter in the East Valley serving a population of some 1.2 million.

A suggestion: our hot market is yielding great gains. Barbara and I are donating a house to the campaign. We will get a write off equal to the full appreciated value of the property and avoid taxes on the gain. What a nice way to make a significant, fairly painless donation!

Any donation to this worthwhile cause would be appreciated. If you have questions about donating property please call me.

Welcome to the Family!

I'd like to take this opportunity to introduce a couple of new people. First, Rebecca Pinholster, a property manager with the Kristina and Luana team. "Becky" isn't really new-she's a cousin to the Bennett's - following the rule of being related in some way, either blood or adoption☺. Becky has been with us for a while, training and working part time. We are very excited to have her with us full time now. Becky is originally from New Hampshire, lived and worked in New York during college and after graduation, came out for a visit and fell in love with Arizona. We're so glad she did and that she decided to become a property manager! I'd also like to introduce



Annual Essential Needs Donation Drives:

We are now accepting New items only

Please encourage family, friends, neighbors and social groups to host an Essential Needs Donation Drive to benefit *A New Leaf's* homeless and domestic violence shelters and programs.

January-March	Paper and Hygiene Supplies
April-June	Non-Perishable Food
July-August	Back to School Supplies
Sept-October	New Pillows, Linens and Kitchenware
November-December	Holiday Gifts

Drop off hours: Between 9 am and 4 pm, M-F (No weekends please)

Drop Off Locations:

Development Office

845 E. University Dr, Mesa
(All East Valley donations)



Eileen Atkiss. Eileen is joining us at the front desk. She has a background in property management, working in the administrative part of an HOA management company. We've rescued her from HOAs, and have thrown her into the challenges of running our front desk/reception area.

Southwest Vocal Project (formerly Fiesta Chorus)

Sing with us!

OPEN REHEARSALS
are held Thursday nights
7:00 pm-10:00 pm

Please join Southwest Vocal Project of Sweet Adeline's International, the world's largest women's singing organization.

For more information
Call Pat at
480-399-9799

www.fiestachorus.org

**A special "Thank You!"
to our donors that
helped make our annual
show a great success!!**