

# RAM Review

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## Special Interest Articles:

- Interest rates are at an all time low. Is it time to build your real estate portfolio?.
- Special Legislation on insurance policies are currently being debated in the Arizona Legislature.

## Individual Highlights:

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## Market Update.....

We have a goal to communicate via newsletter to all of our owners on a quarterly basis. With the vacancies we've had lately, you are being notified or called personally, so we've also been giving you personal calls lately. The market has been slow, as it is every winter, but for some

time, the greatest challenge has been the enticement of home ownership vs. renting has lured lots of tenants to the ownership status. Record low interest rates and the availability of homes for sale have taken most of our "high dollar" clients from our rent rolls. Are we discouraged?

ABSOLUTELY NOT! We have a team of the best marketing personnel in the tri-city area working hard for you. In comparison with our competitors, our vacancy rate is lower than the rest!

## Prescott College Housing Fair

In January, we attended a "Housing Fair" for the Prescott College students. Our presence was hard to miss! Our marketing specialist made up a presentation on a table showing all of our properties that would rent to students on a map, move-in specials, rentlists, etc.

This was the second such "Housing Fair" put on by Prescott College and because not all owners will rent to students, the housing coordinator from the college contacted all the property management companies and privately

owned homeowners to the fair. It was quite an experience – all of us clamoring for this market. We were ready and made an outstanding mark that day. Thank you Staff of RAM Enterprises for making us look so professional!

Of the many landlords, ranging from single family to large property management companies who spoke, our team stood up and welcomed the students to Prescott, and clarified many misconceptions. Our "not so shy" broker, Shirley, took the negativity from

the audience and stated to them in a positive way that we were all here to welcome the students back and to help them find housing.






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*“Two claims in three years could cancel your homeowner’s policy.”*

## Do You Have a CLUE?

We would like to address items of business that relates to you as investment property owners:

1. Homeowner’s Insurance: AAR (Arizona Association of Realtors) is working hard in your behalf by sponsoring two bills regarding homebuyers. Yes, there will come a day when you will want to sell your investment property ~~is~~. Insurance companies reserve the right to cancel an insurance policy for any reason within 60 days after its effective date because they had not reviewed the Comprehensive Loss Underwriting Exchange (CLUE) database prior to issuing a binder or policy.

After many meetings with insurance company executives and their

lobbyists, it was decided that AAR needed to find a legislative fix. SB 1265 requires the insurance companies to review the CLUE or a similar database prior to issuing a binder or policy. Furthermore, it cuts the 60-day review period allowed by current law to 30 days.

SB 1266 is also sponsored by Senator Leff. This bill prohibits insurance companies from raising a homeowner’s premium when they call their insurance company about a possible claim or when they file a claim that falls below \$500.

They expect a heavy opposition to AAR’s homeowner’s insurance reform bills from the insurance lobby. You can help by calling your

legislators and expressing your support for SB 1265 and SB 1266. (*Arizona Realtor Digest, March 2003, Vol. 25 No. 3*)

What does this have to do with you, our income property owners? Well, hail, flooding, fires, vandalism are jus some of the things that occur to everyone’s properties, not just income properties. We used to look up the insurance company FIRST, and then call you. Depending on the severity of the claim, we will notify you of your decision to pay out of pocket if it’s under a certain dollar amount or turn it in. The risk is that of cancellation. Some companies will not insure non-owner occupied properties at all.

## Did You Know.....

1. Two claims in three years could cancel your homeowner’s policy.
2. If you purchase a home/investment property that had claims from a previous property owner, your

policy could be cancelled – even if you’re moving from another state.

3. One water related claim could cancel your homeowner’s policy. Most insurance policies

are excluding mold, so plumbing problems are addressed in your behalf to prevent these potential problems. We also have a “MOLD ADDENDUM” that a tenant signs when they sign their lease.

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## The Good News!

Our website is up, alive and running!

**Check it out at**  
[www.ram-enterprises.com](http://www.ram-enterprises.com)

We're so proud of the information contained in it for owners, tenants and the general public. Our vacant available properties have photos, so check those out. The "Local Links" have websites for every entity

in the county, newspaper, Chamber of Commerce's in the entire tri-city area and more. The other exciting link is for owners wanting to add more property to their inventory. Yes, now you can search the properties for sale and it will direct you to our email to request more information ✉



Our new Website. Check it out..

## The Devastating Bark Beetle

Our Beautiful Forest – Prescott, Arizona has one of the largest stands of Ponderosa Pines in the country. I can remember coming to town by myself, asking for confirmation if this is where we were supposed to live. I drove my car up White Spar Rd. and got out and took a deep breath and took in the wonderful aroma of the pines! I wept to be standing on such beautiful soil in such a

beautiful place.

Due to our drought conditions of last year, forests in Arizona have been attacked by the destructive "bark beetle". The only way to stop further destruction is to cut down the trees that have been killed by this devastating BUG.

Fortunately, we had some nice rain and snow this month and it's been encouraging to

prolong the situation. We will be sending notices to tenants that have pines on their properties to provide the equivalent of a half-inch of water twice a month. This is the information on the City of Prescott web page to protect the live trees.

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## Final Note From The Team

Our focus and pledge to you at this time: Rent our properties, protect our assets, and preserve our beautiful forest. We're doing our part and encourage your support in our endeavors