

WESTERN MASSACHUSETTS

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Continuous Improvement of the Western Mass REIA in the Second Year!

The Western Mass Real Estate Investors Association is looking to expand and formalize as we progress towards fall 2016 and beyond.

Our group officially surpassed the 250 member mark earlier this summer, our monthly meeting attendance has risen to over 40 members, and the volume of interaction on our social media groups has been higher than ever. We are excited about these new milestones, but we do not want to stop here. The founding members of the group are looking to formalize in the second half of the year by making some new additions to the group. The founding members are looking for individuals who would like to volunteer to help the organization become a better version of itself and to share in the responsibilities of making such a wonderful group function. If you are interested in getting more involved with the group, please email the founders at westernmassreia@gmail.com.

We were delighted to have a variety of speakers over the past few months including Justin Silverio aka The Boston Investor, Stephan Lecesse of Fund That Flip, and Scott Leonard of Private Lending LLC. If you happened to miss their presentations/panels please check the facebook page for more info on those speakers. Justin Silverio's Presentation slides are also available [here!](#)

The Western Mass REIA founders are excited to announce the formation of an advisory board. These industry leaders are committed to empowering the group to new heights through their extensive knowledge and achievement in the community. This advisory panel includes renowned attorney Stanley Komack of Record Title and Law; Hunter Marosits President of H&R Homes and President of the Western Mass Builders Association; John Weiss President of Ormsby Insurance; and Maria Gomes CPA and partner at Gomes, DaCruz and Tracy. With these advisors in industry, we expect to grow even more ambitiously than we already have in the past 18 months!

Real Estate: High demand for houses, low supply sparks bidding wars for homes in Western Mass.

Home buyers energized by an early spring and frustrated by their choices of available homes in hot neighborhoods are putting in multiple offers and sparking bidding wars when the right house shows up on the market, according to local real estate agents.

"Properties are coming on the market and they are going very quickly," said Lou Mayo, president of the Realtor Association of Pioneer Valley, which released its monthly statistical rundown of the housing market Monday. "We have the buyers, we need the listings."

Single-family sales are up 38.2 percent across the Pioneer Valley, from 280 homes sold a year ago in March 2015 to 387 sold last month. The region-wide median price is up 2.7 percent from \$180,000 in March 2015 to \$184,900 last month.

Realtors harvest their statistics on sales that go through the Multiple Listings Service through a real estate agent. Mayo said he's seeing bidding wars in Agawam, including Feeding Hills, as well as when mid- to high-priced homes come on the market in Wilbraham. Sellers are able to get above the asking price.

"It is happening extremely frequently," said Dawn Henry of Coldwell Banker in East Longmeadow. "And they are entry-level homes. They are under \$200,000."

One home in East Longmeadow received eight offers in 24 hours. She's also seen multiple offers come in for homes in Longmeadow and in Springfield.

But Mayo said it is simply demand speaking in a market that didn't slow down as much for this mild winter has it did in past winters when buyers spent months waiting for snow to melt so they could get a look at the backyard of a place they were considering.

"(Realtors are seeing) Very well qualified buyers just looking for a home," Mayo said. "They have already looked at everything else that is out there and said no. They are ready to jump as soon as something pops that they like."

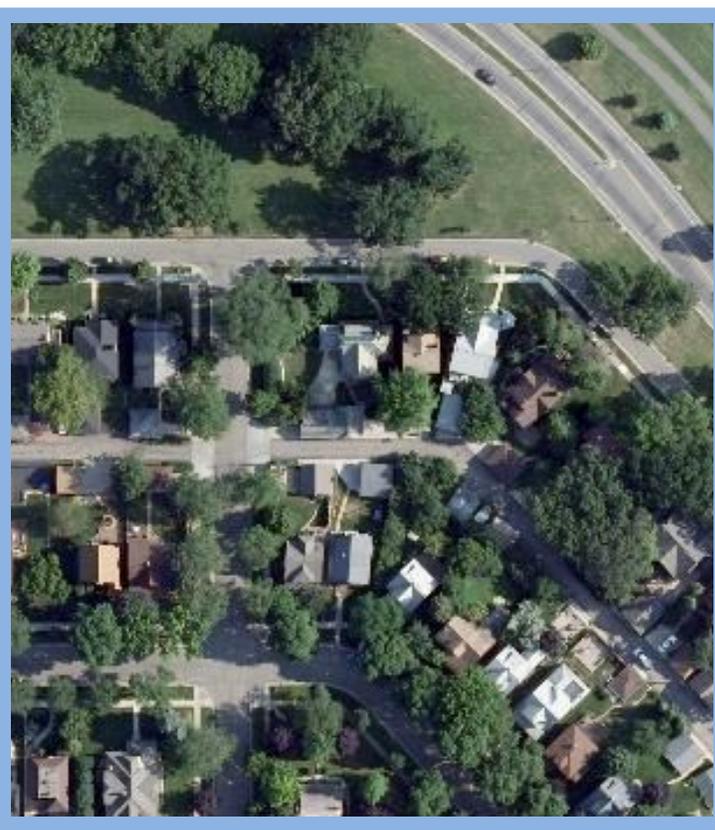
Mayo said one problem is that there isn't the historical data to back up the new, higher prices, so appraisers who set prices used as guides by mortgage lenders are sometimes reluctant to OK the higher loans.

County-by-county statistics:

- **Hampden County:** Sales are up 44.8 percent from 192 homes sold in March 2015 to 278 sold last month. Median price is up 3.9 percent from \$163,950 in March 2015 to \$170,400 last month.
- **Hampshire County:** Sales increased from 58 in March 2015 to 74 last month. The median sales price is up 4.4 percent from \$250,000 to \$261,100.
- **Franklin County:** Sales are up from 32 in March 2015 to 34 last month. The median sales price is up 8.5 percent from \$178,500 in March 2015 to \$193,750 in March 2016.

Other statistics:

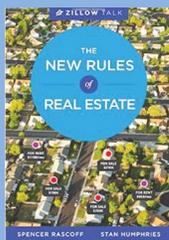
- **Inventory:** Single-family home listings fell 14 percent from 2,271 in March 2015 to 1,925 last month.
- **Days on market:** The average days on market fell 3 percent from 149 at the end of March 2015 to 144 days at the end of last month.
- **Pending sales:** Listings under agreement are up 55 percent from 411 in March 2015 to 637 last month.
- **Mortgage rates:** A 30-year fixed-rate mortgage averaged 3.71 percent at the end of March. That is compared with 3.69 percent a year ago.



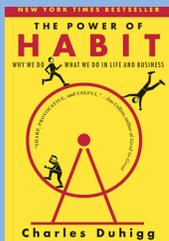
2016 Reading Corner



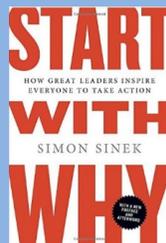
The E Myth: Real Estate Investor
Michael Gerber, Than Merrill, Paul Esajian
Leading a real estate investment business can seem like a daunting task. The E-Myth Real Estate Investor offers you a road map to create a real estate investment business that's self-sufficient, growing, and highly profitable.



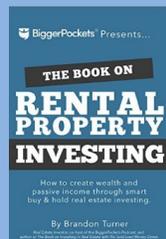
The New Rules of Real Estate
By Spencer Rascoff, Stan Humphries
Zillow CEO Spencer Rascoff explain the science behind where and how we live now and reveal practical, data-driven insights about buying, selling and financing real estate.



The Power of Habit
By Charles Duhigg
At its core, *The Power of Habit* contains an exhilarating argument: The key to being more productive and achieving success is understanding how habits work. By harnessing this new science, we can transform our businesses, our communities, and our lives.



Start With Why: How Great Leaders Inspire Everyone to Take Action
by Simon Sinek
Drawing on a wide range of real-life stories, this book provides a framework upon which organizations can be built, movements can be led, and people can be inspired – and it all starts with WHY.



The Book on Rental Property Investing
by Brandon Turner
This book by Brandon from the Biggerpockets.com community contains nearly 400 pages of in-depth advice and strategies for building wealth through rental properties. You'll learn how to build an achievable plan, find incredible deals, pay for your rentals, and much much more!

Check out Audible.com! It is a great site for all the up to date books and noteworthy classics as audiobooks!

Summer!

Calendar of Events

July - August: Summer Recess

No meetings July through August. Spend time with your friends and family and have those cookouts on the hot summer days!

September 20th: Samuels Event!

We will be meeting at Samuels bar and grill for our September meeting! More info on topic to come! **Address:** Naismith Memorial Basketball Hall of Fame, 1000 W Columbus Avenue

Hope everyone is enjoying the warm weather. We have some exciting panelist and speakers lined up to help jump start your real estate career!



MEMBER SPOTLIGHT

How and when you got started in real estate?

My first real estate success was in 2003 when I purchased my first home in a highly desirable suburb of Washington, DC using 100% financing. After one year, my property value increased by \$100K and I thought, "Wow! Making money with the bank's money is great!"

What got you interested in real estate?

I always had an appreciation for homes, architecture, human connection, and community. Often people see flippers as opportunists or get-rich-quick schemers, but flipping is about so much more. You're impacting the community positively, solving someone's difficult life problem, or preserving someone's memories. Just last week, the woman who, in 1942, owned a house I'm renovating was in tears, thanking me for preserving her childhood home, which had fallen into disrepair. Additionally, both my parents were involved in real estate investing. In the 1980s they owned a 45-unit apartment complex in Springfield. My dad would always say you have more control over real estate investments than the stock market. Those words really stuck with me.

After my parents divorced, my dad and I did not speak for about 12 years. We reconnected in 2006 and now he is my real estate mentor; we discuss real estate on a daily basis. So for me, real estate isn't about just making money, it's about bringing me closer with my dad, connecting positively with community, and having more control over my investments.



Melissa Utzinger

What was your first deal and how long ago was it?

In 2010, I purchased a two-family property in Chester, MA for \$15K, cut one tree down and sold it a month later for \$65K, holding the mortgage at 6.5% for 20 years. Not a bad first deal!

What part of REI do you focus on? Currently, I'm focused on flipping and buy & holds. I have two buy & holds and will be listing my first rehab in May.

What do you do full time? I'm currently a full-time real estate investor. I worked in The Netherlands for the past 6 years as an engineer. In 2015 I took a year off to explore Europe and reflect on life. During this period, I negotiated a real estate deal from The Netherlands. I then acquired my real estate license, moved back to the U.S., and renovated the property. Each day it feels like I'm living a dream and doing what I love to do.

Things you like to do outside of full time job and real estate? I love to travel, hike, bike, kayak, backpack, swim, cook, thermomix (google it) and connect with people. I'm hiking 87 miles in Italy with my cousin in the fall. Real estate and working for myself allows me the flexibility to travel and spend time with loved ones.



LEGAL QUICK TIP

Massachusetts Property Owners: Who is responsible for lawn upkeep?? Summertime is here!

Suppose you are renting a house, a townhouse, or part of a multi-family house property where there is a substantial outdoor area. Who is responsible for the maintenance of those outdoor areas, such as tree trimming and gutter cleaning? It depends on two things:

What does the lease say?

What area has the tenant rented?

First, it's important to know what is stated in the lease. Whenever there is any question in a landlord-tenant relationship, the first and most important place to look for answers is the lease. A lease is a contract, and two parties can generally come to any legal agreement they choose. In terms of a lease, the two parties can come to any division of maintenance they want. Not all leases address outdoor maintenance, but if a lease does, the lease's terms will control.

Second, if the lease is silent on the subject, what has the tenant actually rented? The landlord owns the whole property and is responsible for the maintenance in all areas not rented by the tenant,

while the tenant is responsible for maintaining the areas under his or her control.

So in a multi-family unit, where the tenant rents one unit of several, the tenant only has possession of his or her own unit. The landlord would be responsible for the maintenance of common areas, including the outdoors.

However, if a tenant rents an entire house and it includes surrounding property, such as a front yard and a backyard, then unless the lease says otherwise, the tenant is probably responsible for much of the routine outdoor maintenance because it's within the area rented by the tenant.

There are some limitations to this general rule. For instance, landlords are still typically responsible for repairs, but that line is not necessarily as bright as it should be.



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