



## Top news: Arizona First-Time Home Buyer Programs and Loans



Are you a first-time home buyer in Arizona? Good news – the state offers an array of helpful programs to get you into your dream home. Even if you don't have a 20% down payment saved up, you still have options. For instance, the Conventional 97 program may only require a down payment of 3%, while the FHA program asks for a 3.5% down payment. To qualify for a VA loan, you must be a veteran, active-duty military member, reservist, or National Guard. But if you do meet the eligibility requirements, you'll enjoy the benefit of zero down payment. Lastly, for lower-income buyers shopping in designated rural areas, the USDA loan program offers zero down payment and low mortgage insurance rates. So, no matter your financial situation, you may be able to take advantage of a low-down-payment program.

### Arizona Down Payment Assistance Programs and Grants

Home buyers may be able to look to Arizona's down payment assistance programs for additional help. The Home Plus AZ program, for example, offers a 30-year fixed-rate mortgage with up to 5% in down payment assistance. This assistance can be paired with conventional, FHA, VA, or USDA loans. As an added benefit, Home Plus AZ comes with discounted mortgage insurance, allowing for low monthly payments. Another option for some buyers is down payment grants. In Pima county (which includes Tucson), eligible buyers may qualify for a grant of up to 10% of the purchase price. Plus, many programs allow for gifted money or further down payment assistance, making it possible to purchase your first home with minimal out-of-pocket costs



## **Business**

Arizona's programs and grants for first-time home buyers make it easier to enter the market. Investors should consider this as an opportunity to benefit from increased demand for rental properties and potential appreciation in property values. Don't miss out on investing in Arizona real estate today.



## Northeast Region Leads the U.S. in Rent Growth

### Historical Rent Growth in Northeast Region

The Northeast is already one of the most expensive apartment regions nationwide, and as such operators in this region generally don't raise rents to the extent of other locales. When extreme price hikes hit the U.S. apartment market in 2021 and 2022, the Northeast did see historical rent growth, but not quite to the extent of some other areas (looking at you, South and West regions).



### Northeast Rent Growth during the Fall of 2023

After the peak, when the inevitable fall of 2023 occurred, rental rates in the Northeast didn't suffer as much necessary correction as other regions. In fact, while operators in the South and West have turned to price cuts recently, rent growth remains the norm in the Northeast and Midwest regions.

### Northeast Region Takes Record Lead in Rent Growth

The Northeast region is the national leader, with average effective asking rents up 3.1% year-over-year, according to September data from RealPage Market Analytics. That performance was ahead of the U.S. norm (0.1%) by 300 basis points (bps), the biggest lead the Northeast has had over the national average in at least a decade.

### Historical Rent Growth in Northeast Region

The link between new apartment completions and pricing power becomes clear when examining the top rent growth markets across the Northeast, which have all seen relatively low levels of inventory growth in the past year. A handful of smaller apartment markets were the rent growth leaders for the Northeast region, including Springfield, Rochester, Trenton, and Providence. Newark is the only major apartment market to show up in the top rent growth leaders list in the Northeast.



In conclusion, the Northeast region is currently experiencing strong and consistent rent growth, surpassing the national average by a significant margin. This performance is less about big hikes in the Northeast and more about the loss of rents in other regions nationwide due to supply pressure deflating pricing power. Investing in the Northeast apartment market could potentially yield strong returns, especially in smaller markets with low inventory growth like Springfield, Rochester, Trenton, and Providence. As an investor, this is an opportunity to consider for a potentially profitable investment



## **REITs vs. Real Estate Syndication: The 4 Key Differences**

*Real estate syndication and real estate investment trusts (REITs) are two popular ways to invest in real estate passively. Both types of investments offer the opportunity to generate income from real estate without having to manage the properties yourself. However, there are some key differences between the two that investors should be aware of before making a decision.*

### **What is Real Estate Syndication?**

A real estate syndication is a partnership between a group of investors and a sponsor. The sponsor identifies and vets investment opportunities, and then raises money from investors to purchase the properties. The investors own a proportional share of the properties, and they receive income from the rental income and appreciation of the assets.

### **What is a REIT?**

A REIT is a company that owns and operates income-producing real estate. REITs are publicly traded on stock exchanges, so investors can buy and sell shares just like they would any other stock. REITs are required to distribute at least 90% of their taxable income to shareholders in the form of dividends.

### **Key Differences Between Syndication and REIT**

#### **Control Over Investments**

One of the biggest differences between syndications and REITs is the level of control that investors have over their investments. With a syndication, investors have the opportunity to evaluate each deal and choose which properties they want to invest in. REIT investors, on the other hand, are investing in a company that owns a portfolio of properties. While investors can research the company's investment strategy and management team, they don't have direct control over which properties the REIT invests in.

#### **Barriers to Entry**

REITs are publicly traded, so there is a low barrier to entry for investors. Anyone can buy shares of a REIT on a stock exchange. Syndications, on the other hand, are only available to accredited investors. Accredited investors are individuals with a high net worth or income.



## Liquidity

REITs are very liquid investments. Investors can buy and sell shares of a REIT at any time during the trading day. Syndications, on the other hand, are illiquid investments. Investors are typically locked into their investment for a period of time, such as three to five years.

## Tax Benefits

Another key difference between syndications and REITs is the tax benefits that they offer. Syndication investors are able to pass through income and losses from the properties to their personal tax returns. This means that investors can offset their investment income with losses from other sources, such as rental properties or businesses. REIT investors, on the other hand, pay taxes on their dividend income as ordinary income.

## Which One is Right for You?

The best way to decide whether to invest in a syndication or a REIT is to consider your individual investment goals and risk tolerance. If you're looking for a more hands-on investment approach and you're willing to lock up your money for a period of time, then a syndication may be a good option for you. If you're looking for a more liquid investment with a lower barrier to entry, then a REIT may be a better fit.

Here is a table that summarizes the key differences between syndications and REITs:

Feature	Real Estate Syndication	REIT
Control over investments	High	Low
Barriers to entry	Accredited investors only	Open to all investors
Liquidity	Illiquid	Liquid
Tax benefits	Pass-through income and losses	Ordinary income

No matter which type of investment you choose, it's important to do your research and understand the risks involved. Real estate is a long-term investment, and there is always the potential for losses.