

TAXES • FINANCIAL COUNSELING

7/05



Gerald Pruneau
Operations Director

4028 Fort Street
Lincoln Park, Michigan 48146 Office (313) 928-4TAX
www.EGTAX.com

03/05



19025 Eureka Rd
Southgate, MI 48195

Cherise L. Zulewski
Owner/Agent

Shirl L. Schelevitz
Owner

(734) 284-8444
Fax (734) 284-8488

THE BIG "TAX SHIFT"

Some are calling it the biggest tax shocker to hit Michigan since the introduction for the state income tax in the early 60's. I am talking about the changing due dates for county taxes for all property owners in the state of Michigan.

This is how the tax switch works:

- 2004: County bills for current tax year will be dated December 15 and due in full by February 15, 2005, just as in the past.
- 2005: The gradual shift starts with July 15 bills for one-third of the county mileage allocation for tax year 2005, due September 15th. The remaining two thirds will be billed in December 05 and due by February 2006.
- 2006: The balance tilts further to summer as two-thirds of county tax obligations are billed in July for collection within 2 months. The final third will show up on winter bills with a final deadline of mid February 2007.
- 2007: Split payments end and so does the tradition of December property tax bills. County taxes will appear as a lump sum on July statements, with a September 15 cutoff for penalty-free payments.

The revised schedule itself is straight forward. But the impact for each property owner depends on the county mileage rate and your assessed property values. Be sure to revise your escrow accounts and tax payment allocation so you will not come up short in 2005 and 2006. For any specific questions and to receive additional information, you should contact the local taxing authority in your county.

By Ron Watcke — Real Estate Investors Association of Oakland. (www.REIAofOakland.org)
& Reprinted from the Macomb Property Owners Association

DISCLAIMER

Any opinions expressed in these articles are not necessarily the opinions of the Real Estate Investors Association of Wayne County. (R.E.I.A. of Wayne County) This information is designed to provide accurate and authoritative information in regard to the subject matter covered. It is offered with the understanding that the authors are not engaged in rendering legal, accounting or other professional service. If legal advice or other expert advice is required, the services of a competent professional should be sought. Members and Guests should consult an attorney, accountant or other professional before making an investment decision. All Members and Guests assume the risk of making their own investment decisions.

Credit Reports for Tenant Screening can be obtained locally at Credit Bureau Services, Inc. You must bring proof of property ownership and a copy of your prospective tenant's application. This service takes only 15 minutes for a hard copy report

CREDIT BUREAU SERVICES

13422 Fort Street • Southgate
(734) 284-7100
800-842-9110

12/05

FREE ADVERTISING

We are bringing back the *Commercial* segment just before the regular meeting, at 7:15 pm.

Be prepared to tell what you have for sale and or what you want to buy as a Real Estate Investor.

Hosted by Joe Trometer, Contact at
retemor@comcast.net or call (734) 612-0115.

Around Town with Real Estate Investor Groups

(call each group for details)

- **OAKLAND R.E.I.A.** *2nd Thursday of the Month*
870 Main St • Clawson
K of C Hall (between 14 & 15 Mi Rd)
1 (800) 747-6742
- **D.O.L.L.A.R.S. Group** *3rd Thursday of the Month*
Mound & 13 Mile
Contact WEndy Patton • (248) 394-2125
- **Macomb Property Owners Association** *1st Thursday of the Month*
Cocktails/Dinner 6-6:30 pm • Meeting 7:00 pm
For More Info Call: 586-716-5370
- **Monroe County Landlord Association** *4th Thursday of every Month*
6:30-7:30 pm Social/Dinner • 7:30 pm Meeting
(734) 457-5758
- **American Landlord Association**
877-247-3372
- **Real Estate Investors Association of Wayne County**
(REIA of Wayne Co) *1st Tuesday of every Month*
6:00-7:30 Dinner • 7:30 pm Meeting
(313) 386-7228 • 24 hr Answering Machine
- **New Real Estate Investors** *2nd Tuesday of every Month*
DoubleTree Hotel
7:00-9:00 pm Meeting
(810) 231-8126 Sharon or Larry Yelinek



22315 Michigan Avenue
Dearborn, Michigan 48124
313-565-3100, ext. 16
313-565-9275 Fax
E-mail: pmEEK@dfsB.net

PAMELA A. MEEK
Assistant Vice President
Human Resources

12/05

Newsletter

Subscriptions

A newsletter subscription can be obtained for \$20.00 per year for non members.

Simply mail a check payable to:



R.E.I.A.

2962 Fort Street
Lincoln Park, Michigan 48146

12/04

Wendy Patton's Complete Lease Option Program \$497.⁰⁰ 248.394.2125

- New
- Renewal

Membership Application

New Member () Renewal ()

ANNUAL DUES Family — \$100.00 • Renewing — \$85.00

(One Address — 2 People)

Single meeting fee for non-members is \$20.00 per person, which will be applied to the annual dues when you join the next month.

(we hope this will encourage people to join)

Fill Out Form and Mail to: R.E.I.A. • 2962 Fort St • Lincoln Park, Michigan 48146 • (313) 386-7228

Make Check Payable to: REIA

Name _____ Spouse _____

Mailing Address _____

City/State/Zip _____

Phone No.: Home _____ Work _____

How did you hear about us??: _____ Referred by a member?? Their Name _____

Business Name(if applicable) _____

EMAIL ADDRESS _____ Are you willing to volunteer some time & talents??

FOR RENEWING MEMBERS: Any questions/comments on how to better our organization??

Next Meetings

REGULAR MEETING

- Tuesday June 7, 2005
- Tuesday July 5, 2005

BOARD OF DIRECTORS

Members Welcome (CALL FOR TIME & LOCATION)

- Tuesday June 14, 2005
- Tuesday July 12, 2005

Real Estate Investors Association of Wayne County

2962 Fort Street • Lincoln Park, Michigan 48146
R.E.I.A. 24 hr INFOLINE • (313) 386-7228

** OFFICERS **

PRESIDENT	WAYDE KOEHLER	(313) 277-4168
VICE PRESIDENT	CHUCK SHIVEL	(313) 304-6234
TREASURER	FRANK JAROS	(734) 283-7169
SECRETARY	TED OROSZ	(734) 281-6960

** TRUSTEES **

David Kovacs	734 284-3727	Bob Petersen	734 591-2182
Rose Papp	313 383-6592	Maggie Gibson	734-676-1415
Blane Swenson	734 673-4736	Teresa Surowiak	313-218-2106
Joe Trometer	734 612-0115	Mansa Musa	248-559-9467

— LIBRARY - Maggie Gibson 1/2 hr before Meeting —
ASSISTANTS: ----- MARGE MARTIN • BOB COUSINO
DENNIS MCKEEHAN • DONNA HUBER - 734-502-4572



WEBSITE: reiawaynecounty.org

This newsletter is warranted to be free
from defects but NOT Guaranteed!!

REAL ESTATE INVESTORS ASSOCIATION of Wayne County

Website: reiawaynecounty.org — 24 hr info line: 313-386-7228

VOLUME 21

JUNE 2005

NUMBER 5

Next Meeting

Welcome

to our New/Renewing Members & Guests!!

— WOW!! —

DATE - Tuesday June 7, 2005

PLACE

Holiday Inn **HERITAGE CENTER**
17201 Northline Road
Southgate (at I-75 Exit #37)

TIME

Dinner at 6:00 pm
Registration/ Networking - 7:00 pm
MEETING at 7:30 pm SHARP!
FREE EARLY BIRD
- EDUCATIONAL SESSION 6-6:30
OPEN TO THE PUBLIC

SPEAKER

Joe Sharrak,
Sales Rep
&
Thad Bradley,

Manufacturing Rep

for Sherwin-Williams - Brush Division,
will be talking about
Brush & Roller applications.

- Getting the best look with the best brush
- Right brush for oil & latex

Terrance Whaley	Scott McDonald
Armanda Herbert	James O.
Frank Costello	Robin Burnett
Kete Bauer	Bill Florence
Marcus Jones	Mark Thomson
Dan & Sheryl Przewlocki	Roy Cavanaugh
Brian Bussar	Kim Hurst
Brian Burns Jr	Mieltael Kutuch
Jim Giambrone	Bill Provencarn
Mark Sikorski	Larry Dziadosz
Gerald James	Doug Cook
A Kotlarz	Mike Gilbert
Gary Lansky	Dave Smith
Sam Gauci	Rock Bolger
Dawn & Brian Nalli	Tom Fisher
Jason Kuczmarkski	Charles Shatelvoe
Linda & Jerry Jankowski	Kristen Jones
Joseph Neville	Sheryl White
Karen & Patrick Cox	Vito Chimienti
Peter Surur	Pam Edards
Randy & Alec Overly	Bernard & Brenda Reed
Murray & Wendy Mayors	Micah Bell
Keith & Sheila Trent	Marty Choinski
Lloyd Hart	Erick & Karen Frank
Georgia Kapsalis	Stewart Boswell
Joan Swain	Patrick Kroll
Shaun & Jamie Livernois	Mike Cadden

**Please Check out our
Library. Maggie Gibson will
have the Library available
(for 1/2 hr) before our
meeting! 7:00 pm - 7:30 pm**

Home Warranties

By: Dave Gaspard, Board Member, Realtor,
Investor, Rehabber

Dear Mr. Investor:

I recently purchased a rental home and my realtor offered me a home warranty for an additional \$375. I declined to purchase it, but wish that I had after a couple of recent expenses. What are your thoughts on home warranties?

Dear Reader:

Home warranties, like all insurance policies over the long term, should pay out less in repairs than they receive in premiums and deductibles. Otherwise the home warranty company couldn't remain in business. In addition, home warranties seem to be pretty expensive for the dollar amount of coverage you receive.

On the other hand, home warranties may still offer good value for landlords and rehab sellers alike.

For instance, home warranties can offer you a good vendor screen negotiating service. Home warranty companies already have an established pool of contractors they have negotiated set rates and procedures with. This can save a landlord plenty of vendor selection time and trouble when a system goes down. In fact, vendors referred to you by your home warranty company can make an excellent source of reliable vendors for your non-warranted homes as well.

Home warranties can also be a good way to manage maintenance headaches and related costs. I've heard of some landlords who require their tenants to pay home warranty deductibles and just give them the home warranty number to call if they have a problem. Since most home warranties can be renewed on an annual basis this could be used as a creative, long term, hands off, approach to landlording.

For the fix up for re-sale business model, a home warranty can be a great sales tool on a house your trying to sell, particularly if the house has an older furnace or other flaws that may raise buyer objections. In fact, a home warranty cannot only quell those objections; it can also help keep your phone quiet if you sell a home that has subsequent system failures.

Recently I have come across some home inspection companies that also offer a home warranty as part of their service. This win/win package allows home inspection companies to offer the additional value of a home warranty while protecting, the home warranty company from claims arising from pre-existing conditions. For the consumer or investor it offers the value of both a home inspection and a home warranty in a one-price service.

- ARE YOU CONFUSED AND NEED HELP GETTING STARTED IN REAL ESTATE?
- DO YOU NEED A MENTOR? DO YOU NEED HELP FILLING OUT THE FORMS?

LEARN THE FOLLOWING:

- HOW TO INVEST IN REAL ESTATE NO MONEY DOWN
- LEARN HOW TO FILL OUT PURCHASE AGREEMENTS
- LEARN WHAT IS A LAND TRUST AND HOW TO FILL IT OUT

WE HAVE TWO 1 DAY BOOT CAMPS, ONE 2 DAY BOOT CAMP
OR A 3 DAY ONE ON ONE

CONTACT US AT WWW.REALESTATEJUNKIE.COM
OR 888-SOS-ASAP — FOR MORE INFORMATION



AMERICAN EGRESS WINDOW, INC.

32825 MANOR PARK DR. GARDEN CITY, MI 48135

Office: 734-427-7650

Fax: 734-427-8225

Complete Egress
Window
Installation,
Concrete Sawing,
Excavation,
Licensed and Insured

Free Estimates

John Fleischhacker
Manager

Cell: 734-637-2973

Email: americanegress@aol.com

www.americanegresswindows.com



Jane Scarlett
Homeless Programs Director

3715 W. Jefferson
Ecorse, MI 48229

(313) 843-2550 Ext. 224
Fax (313) 841-7540

jscarlett@waynemetrol.org

Wayne-Metropolitan
Community Action Agency

09/05

So before you reject that home warranty out of hand on your next purchase, ask yourself if this little piece of insurance could be a welcome addition to your investor tool kit.

Detroit Investment Homes

17177 N. Laurel Park Drive Suite 265
Livonia, MI 48152

Investment Properties at Wholesale Prices!
Real Estate Seminars—see our website for schedule!

Mark Maupin-*Sales Agent*
Sue Downey-*Partner*

Cell: 248-939-6232 Fax: 734-402-0279
Office: 734-402-0180, ext. 110

www.detroitinvestmenthomes.com
mmaupin@donaterealestate.com
sdowney@detroitinvestmenthomes.com

12/05

(continued from Positive Cash Flow)

Making A Good Deal Better

Wright agreed to the price and terms, but with two modifications. First, he wanted to split the down payment by paying \$20,000 at closing and the remaining \$20,000 in 30 days. This would give him a chance to get the down payment money because he knew he would receive prorated rents and security deposits at the closing, which he could put toward the second \$20,000 payment. The seller agreed. Second, Wright asked the seller to subordinate his interest in the property so he could use the property as collateral to borrow the funds needed to fix it up. Again, the seller agreed, on

the condition that Wright would not borrow more than \$60,000 and that Wright would give him a \$60,000 note secured by his home until Wright could show him receipts proving that the \$60,000 had been spent on the property. Wright agreed, and the sales agreement was written up and signed.

Getting The Money

During the next few days, Wright pleaded with banker after banker to grant him a \$40,000 loan based on his clean credit record. He finally found someone willing to give him \$20,000 on a short-term commercial note. He was halfway through the race, but the last lap was the toughest. “I wore out the knees of my suit pants groveling in front of every banker in town,” he admits. Rejection followed rejection. At one of the very last banks left, Wright finally got his loan by promising the banker he would deposit all of the rent money from the property (over \$120,000 per year) into that bank each and every month. Wright got his money, closed the deal and spent the next six months fixing up the buildings, using the four-part improvement program he now teaches throughout the country.

Cashing In

Eighteen months after Wright acquired his first “diamond in the rough” for \$325,000, the property appraised for \$850,000. That’s a \$525,000 increase in a year and a half! Making a great deal even better, Wright refinanced the property (after separating it from a 3/4 acre piece of land to the side of the buildings), paid off the two seller-carried mortgages at a discount and walked away with some loose change in his pocket. How much loose change? Try \$268,000. “And that money was tax-free to us until we sold the property,” adds Wright. Plus, the 3/4 acre commercial lot separated from the property appraised for \$105,000. So when the smoke cleared, Wright had \$268,000 in his pocket, a \$105,000 free and clear commercial lot and over a quarter of a million dollars worth of equity in the 24-unit property. Add all that to a positive cash flow that at times exceeded \$6,000 a month, and you have a real estate diamond of immense proportions. Wright Thurston soon took off his IBM suit and became a full-time real estate investor and educator.

Taken from Central Florida Realty Investors



6/05
Dean
Pest & Animal Control
 Commercial and Residential Pest Control

*Pest Entry Inspections • Pest Prevention Products
 Animal Trapping • Repairs & Screening • Bird Control*

Licensed & Insured
 734 425-7980

Business Phone
 248 910-1424



**Change Locks In
 Just 3 Seconds!**

LandlordLocks.com

- Custom Master Keyed Locks
- ShurLok Lockboxes
- Wholesale Prices
- Visa and Master Card Accepted

For FREE Information Package Call
 TOLL FREE 1-800-847-8729
 or visit our web site

12/05

Painting, Drywall (Repair/Replace)
 Also Handyman Service

**Quickly Get Your Rentals
 Back On The Market!**

06/05

Save YOUR Time!

For a reference see Wayde
 Rick — Cell 734-306-7907 • Home 734-591-9634

SHERLOCK HOMES INSPECTION LTD.
1-800-260-4100 or 248.585.8584
 www.inspectmichigan.com

Serving REIA Members Since 1986
Quality • Integrity • Experience



Matt Bezanson, President

ASHI #6862

12/05

ProSource
 Wholesale Floorcoverings

LAURA SPRINKLE

11700 Metro Airport Center, Suite 111
 Romulus, MI 48174
 (734) 942-9345
 Fax (734) 942-9295

"Your Source For Floors"

12/05

Gary Segatti

**2536 Chalk Farms
 Warren, Michigan 48091**

**Attorney at Law
 Practicing Real Estate Law**

Phone 248-808-2711

12/05

OUR WEBSITE!!!

www.reiawaynecounty.org



RealChek America, Inc.

"Serving America with Unique Rental Services"

Thomas E. Moorhead
 President

605 S. Washington Street
 P.O. Box 370
 Owosso, MI 48867-0370

1-800-955-2435 (CHEK)
 1-517-723-1183
 Fax: 1-517-725-3135

12/05

Joint tenancy

Free Court Forms
Web Site: court.michigan.gov/
Go to Forms
By Ted Orosz

When two or more individuals own a property as Joint tenants with full rights of survivorship, the death of one joint tenant extinguishes his or her interest, and the surviving joint tenants Succeed to the decedent's share in equal proportions. As a result, the property does not become an asset of the decedent's estate, but instead becomes a joint asset of the surviving tenants.

Under this form of co-ownership, the right of survivorship can be destroyed only by an act of all the parties, Likewise, pledging such a property as collateral for a loan requires the consent of all joint tenants. One joint tenant cannot individually obligate the other joint tenants.

Townsend v. Chase Manhattan Mortgage Corp., 254 Mich. App. 133; 657 N.W.2d 741 (2002).

QUESTION BEFORE THE COURT: A mother and her son purchase a home as joint tenants with full rights of survivorship, The mother obtains a mortgage loan, but the lender does not require the son to sign the mortgage note. Upon the mother's death, is the son obligated for repayment of the loan pursuant to a provision in the mortgage that binds the mortgagor's successors and assigns?

FACTS: Plaintiff and his mother purchased a home as Joint tenants with full rights of survivorship. Plaintiff's mother individually executed a mortgage to Defendant lender on that date. Plaintiff was not a party to the mortgage.

Upon his mother's death, Plaintiff made no payments an the mortgage, and notified Defendant lender that the mortgage did not survive his mother's death. Defendant lender later foreclosed on the mortgage and conducted a foreclosure sale. Plaintiff then filed an action seeking to have ilia foreclosure set aside.

The trial court ruled in favor of Defendant lender by relying on a provision in the mortgage that bound the mortgagor's successors and assigns and finding Plaintiff to be his mother's successor.

DECISION: The Michigan Court of Appeals reversed, finding that Defendant lender had a mortgage against the mother's interest in the property only, and when that interest was extinguished by her death, the mortgage was terminated and Defendant was left holding an unsecured note.

To reach this ruling, the Court determined that Plaintiff was "...neither a successor nor assign. That is, plaintiff's interest in the property was not created by an assignment from his mother, nor was he otherwise a successor in interest to his mother-lie is no(his mother's estate nor... did he inherit the property. Rather, his interest was created at the same time as was his mother's interest...Simply put, while the debt became an obligation of the estate, the property did not become an asset of the estate."

Taken from the Voice

SPEAKERS COMMITTEE

Chuck SHIVEL **1-313-304-6234 CELL**
 1-734-692-1303 HOME
Email: chuckjean@comcast.net

Wayde Koehler **313-277-4168**
*If you have any suggestions for speakers, drop us
a line at: reilawaynecounty.org or call our Hotline
at 313-386-7228 • 24 hrs/7 Days*

Apollo Printing

YOUR NEWSLETTER EDITOR

- ✓ BUSINESS CARDS • TICKETS
- ✓ RUBBER/SELF INKING STAMPS
- ✓ FLIERS - RESUMES - FORMS
- ✓ Laser Cartridges

12/05

Sharp • H.P. • Canon • Epson • Xerox
\$49.95 & up Exchange - Pick Up Available

2962 Fort St • Lincoln Park 48146
(313) 388-2229 • 388-3480 • Fx 386-7600

How To Build A \$9,000 A Month Positive Cash Flow

by Wright Thurston

“My breakthrough property,” states real estate investor, author and educator Wright Thurston, “was a 24-unit property comprised of two 12-unit buildings. It took me from the little league to the major leagues.” Until then, the young IBM executive had invested in nothing larger than two and three-unit buildings. Wright and his family lived in Alaska at that time, and it was becoming clear to him that larger multiple unit properties were the way to go. “We were living in what was at the time the single most expensive city in the U.S. Fairbanks, Alaska during the Alaska Pipeline days,” he explains. “We realized that it made more sense to invest in multifamily units rather than in single family houses, or even duplexes or triplexes. To give you an idea of how expensive things were, the average cost of a single family home back then was in the \$140,000 range and a gallon of 2% milk cost anywhere from \$3.50 to \$5.00 a gallon. Because of high ‘prices, it was virtually impossible to invest in a single-family home and then rent it out for enough to cover the mortgage payments. So I had been looking for a multi-unit property because I realized

- (1) the cost per unit would be less
- (2) the competition would be less
- (3) my time investment would be less because I could delegate some responsibilities to an on-site manager
- (4) I could still I cover expenses even if there were a few vacancies. There were all kinds of advantages.”

Finding A “Diamond In The Rough”

One day, Wright found a classified ad in the newspaper that appeared to be exactly what he had been looking for. It said that a 24-unit property was for sale for \$325,000. The price seemed incredibly low ... until he went to see it. “How bad was the property?” asks Wright. “Have you ever been in a building where you didn’t want to bump up against anything because you were afraid you’d get something on you? That’s how bad it was!” Wright returned home to tell his wife Janett that the property was a major loser. But Janett reminded him of something. “Isn’t it the worst property in a nice area?” she asked. “Yes,” said Wright. “And doesn’t it have all the right things wrong with it?” “Yes,” he answered again. “Couldn’t you use your management skills to turn it around?” she continued. “Yes!” said Wright as he bounded for the telephone to call the real estate agent. “Wright,” cautioned Janett before her husband reached the phone, “you can buy all the property you want, just don’t use any of our money.” “No problem, honey,” he called back as he was dialing the number. “We don’t have any anyway.” As it turned out, the owner was a motivated seller who worked out of state. He owed back taxes and assessments were due. He was a real “don’t want.” The seller was asking \$325,000 with a \$40,000 down payment. The remaining \$285,000 would be satisfied by Wright assuming the existing private first mortgage and the seller carrying back a second mortgage for the balance. *(continued next page-Making a Good Deal Better)*

BUY REAL ESTATE WITH NO MONEY PRIVATE LENDERS PROVIDED

\$2,995.00 per Person/ \$99.00 2nd Person (Partner or Spouse)

ORDER NOW & SAVE • CALL FOR DATES!

EARLY BIRD Special \$2.495.00 for 1 or 2 People (Partner or Spouse) Call for Dates

Things you need to know to become successful in Real Estate with Kimberlee & Larry Frank

CALL FOR DATES!

We Accept Credit Cards

Held at: 12514 N. Saginaw, Mt. Morris, MI (5 minutes from Flint – I 475 - Exit 13)

Nationally known successful Real Estate Investors, Kimberlee and Larry Frank (read our biography which is in Ron LeGrand's New Book) of Real Estate Junkie are inviting you to their office in Mt. Morris, Michigan to tell you all the secrets we know about real estate. (WHOLESALE, RETAIL, REHAB, LEASE OPTION / RENT-TO-OWN, SUBJECT TO, LAND TRUST are just a few things we discuss at our boot camp).

YES, THE BOOT CAMP IS FILLING FAST AND WE HAVE ONLY A FEW SEATS LEFT. WE ONLY TAKE 12 STUDENTS TO MAKE IT CLOSE AND PERSONAL SO THAT YOU CAN BECOME SUCCESSFUL. At this 2 day Boot Camp you will learn HANDS ON - STEP BY STEP - what's needed to become successful quickly.

- *Where to find the Money to Buy Real Estate \$\$
- *Understanding all the Forms especially LAND TRUSTS
- *Entity Structuring & Bookkeeping
- *A list of team players – CPA, Attorney, Contractors
- *Finding Cash Buyers
- *How to track owners of vacant homes
- *You will get Course, Forms, 10 CDs & 6 Mo. Coaching

- *How to get Motivated Sellers calling you
- *Advertising that works from Flyers to postcards
- *House Tour and analyzing repairs
- *Understanding what is needed to get Mortgages
- *Formulas needed to make offers on houses
- *How to find good deals listed with Agents & FSBOs
- *Possible Private Lenders for Business in Box

WHAT IS BUSINESS IN THE BOX?? WE DO EVERYTHING AND YOU DO NOTHING.

Our Students just can't stop talking about BUSINESS IN THE BOX. This program is available for our Students only. We help you find a house, you buy it, our crew will fix it, you get a mortgage, we find a Tenant Buyer, and you rent to own/lease option to them who will ultimately buy the home from you. We will do all the managing and paperwork during Business in the Box. You just sit back and watch it work. You get paid \$3,000 to \$5000 and you still own the property with an equity position of \$10,000 or more. Just think what that will do to your Personal Financial Statement. With all the write-offs, you can lower your tax basis and ZERO out your taxes.

Name: _____ **Address:** _____

Email: _____ **City, State, Zip Code:** _____

Phone: Hm _____ **Cell** _____ **Fax** _____

Credit Card Number: _____ **Expiration date:** _____

Amount: \$ _____ **"X"** _____

Signature

Mail checks to:

ASAP Investments, P.O. Box 342, Hartland, MI 48353 • Phone 810/750-4910 FAX 810/7501173

Boot Camp is from 8 to 8 on Saturday and 8 to 6 on Sunday – See you there

CALL OR FAX YOUR ORDER TO RESERVE YOUR SEAT NOW !!!

810/750-4910

TURN PAGE OVER www.RealEstateJunkie.com

TURN PAGE OVER

FREE HOUSE "SUBJECT TO" ONE DAY TRAINING

**\$999.00 per Person • \$99.00 2nd Person (Partner or Spouse)
ORDER NOW & SAVE \$300.00**

EARLY BIRD Special \$699.00 for 1 and \$99.00 for the 2nd Person **CALL FOR DATES!**
Things you need to know to become successful in Real Estate with Kimberlee & Larry Frank

**** Call for Dates ****

We Accept Credit Cards

**Held at: 12514 N. Saginaw, Mt. Morris, MI (5 minutes from Flint - I 475 - Exit 13)
Nationally known successful Real Estate Investors, Kimberlee and Larry Frank (read our biography which is in Ron LeGrand's New Book How to be a Quick Turn Real Estate Millionaire) of Real Estate Junkie are inviting you to their office in Mt. Morris, Michigan.**

How would YOU like to have a FREE HOUSE and I mean not an ugly piece of junk house??? I mean a beautiful house that needs absolutely no work well maybe clean the carpet or minor repairs but not a full blown rehab. And it is free!!! Or even better, you get paid to get a FREE HOUSE!!! This is known as getting a house "Subject to" the existing financing. We have a One Day Training Class for a lucky few who can step outside the box and leave their comfort zone. This training could be your ticket to wealth. How do we know???? We have done it many times most recently in September of 2004 and got paid \$2,000 to take the home with minor clean up and with a profit of \$30,000 plus on the back end. This didn't include the down payment we would receive from our Tenant Buyer.

***HANDS ON TRAINING**

***HOW TO fill OUT A PURCHASE AGREEMENT**

***HOW TO find MOTIVATED SELLERS**

***A disk with all FORMS ON SUBJECT TO**

***YOU will be filling OUT FORMS**

***WHAT THINGS TRIGGERS THE DUE ON SALE CLAUSE**

***REASONS why SELLERS will
GIVE YOU THEIR HOUSE**

***CLEAR EXPLANATION of all FORMS**

Name: _____ Address: _____

Email: _____ City, State, Zip Code: _____

Phone: Hm _____ Cell _____ Fax _____

Credit Card Number: _____ Expiration date: _____

Amount: \$ _____ "X" _____

Signature

Mail checks to —

ASAP Investments, P.O. Box 342, Hartland, MI 48353 Phone 810/750-4910 Fax 810/7501173

Boot Camp is from 9 to 5 on Sunday - See you there

CALL OR FAX YOUR ORDER TO RESERVE YOUR SEAT NOW !!!

810/750-4910

TURN PAGE OVER

www.RealEstateJunkie.com

TURN PAGE OVER

??? LAND TRUST & PURCHASE AGREEMENTS???

ONE DAY TRAINING

\$799.00 per Person • \$99.00 2nd Person (Partner or Spouse)

ORDER NOW & SAVE \$300.00

EARLY BIRD Special \$499.00 for 1 and \$99.00 for 2nd Person

Call for Dates

Things you need to know to become successful in Real Estate with Kimberlee & Larry Frank

*** CALL FOR DATES * We Accept Credit Cards**

Held at: 12514 N. Saginaw, Mt. Morris, MI (5 minutes from Flint - I 475 - Exit 13)

Nationally known successful Real Estate Investors, Kimberlee and Larry Frank (read our biography which is in Ron LeGrand's New Book) of Real Estate Junkie are inviting you to their office in Mt. Morris, Michigan.

Do you know what a Land Trust is? Do you know why SMART Investors use a Land Trust? Should you be using a Land Trust for your property? No one understands a Land Trust. If you are going to be a Real Estate Investor, you need to know what a Land Trust is and how to properly use it! You need this class. It is not what you know that can hurt you, it's what you don't know that can really hurt you. You don't want to be the unlucky Investor who is sued by an attorney (CALL ME FREE) and lose everything because you were uneducated in protecting your assets. Most people put property in their own name. You need to know how to title property in case of a lawsuit. If property is in one name, then everything in that name is at risk. This training will answer all of your questions and teach you how to prepare the forms yourself. You can immediately place your own HOME in a Land Trust, this is worth the cost of this course 10 times over. There will be no high attorney fees for an attorney to prepare the Land Trust.

Are you worried about what paragraphs are really necessary to have in a Purchase Agreement? There are so many forms and paragraphs that a lot of Investors get confused what Purchase Agreement to use. If you have a CASH SALE or a LAND CONTRACT SALE wouldn't it be nice to have a specific Purchase Agreement? Would you like to have a short explanation on why you should use certain paragraphs in the Purchase Agreements?

*Hands on Training

*Forms Disk with specific Purchase Agreements

*Clear explanation of all forms

*Written explanation of paragraphs in the Purchase Agreement

*You will be filling out forms

*Why you should be using a Land Trust

*Clear understanding of Forms

Name: _____ Address: _____

Email: _____ City, State, Zip Code: _____

Phone: Hm _____ Cell _____ Fax _____

Credit Card Number: _____ Expiration date: _____

Amount: \$ _____ "X" _____

Signature

Mail checks to: ASAP Investments, P.O. Box 342, Hartland, MI 48353 Phone 810/750-4910 Fax 810/7501173

Boot Camp is from 9 to 5 on Saturday - See you there

CALL OR FAX YOUR ORDER TO RESERVE YOUR SEAT NOW !!!

810/750-4910

TURN PAGE OVER

www.RealEstateJunkie.com

TURN PAGE OVER

**ONE ON ONE TRAINING AVAILABLE FOR 3 DAYS INCLUDES COURSE, 10 CDs, FORMS
AND 1 YEAR OF MENTORSHIP – \$3,750.00**

TESTIMONALS FROM STUDENTS

Larry and Kimberlee are very thorough with their information. They made it so easy to do deals with them and they walk you through every step of the way - Looking at houses and showing you what they would recommend and then ask you what you would do. They keep you informed in all the progress of the rehab and keep tabs on the construction crew. It is just the way Larry and I love it - write a check and make money in doing it. It is truly a "BUSINESS IN A BOX". Owners of Novi New Real Estate Investor Group - Larry and Sharon Yelinek

I have attended your boot camp and have done "BUSINESS IN A BOX". Your Boot camp was clear and concise and more importantly it was in my own back yard "MICHIGAN". Your Business in the Box is a "NO BRAINER" and it is a great way to start in the business. On my first deal I made \$17,000.00 at closing and it was GREAT!! I will continue to do business with you both anytime. You both are always there to answer questions and make me feel comfortable. Thank you both again for all your help.
Gregory Hall - Whitemore Lake, MI

If we hadn't attended your December boot camp, we would still be sitting at our REIA groups watching everyone else talk about their deals. Well thanks to the two of you, we can now say we have a deal too. You gave us knowledge, enthusiasm, a dream team and a guiding hand. Your confidence, experience and integrity actually relieved the fear we had in doing our first deal. We can never thank you enough for helping us into the wonderful world of real estate investing. Sue and I are having a great time rehabbing our new house which we purchased for \$16,026.00 and will appraise for about \$55,000.00, and can't wait to "rent to own" this home so we can get another. I have a feeling we just may become "real estate junkies ourselves". Everett and Sue Wilbur - Commerce Township, MI

I wanted to take a moment and thank you for the impact you have had on my life. Though I only met the two of you at your Boot Camp in January I consider you both good friends and you are also the foundation of the Dream Team. I must say that your REAL ESTATE JUNKIE BOOT CAMP is probably one of the best things to ever happen to me. I joined the NREI Club in October and after attending 4 meetings I decided rather than continuing to wish I was one of the members up front giving their story it was time for me to make my own story. To my amazement 3 weeks after taking your Boot Camp I had two offers accepted and closed on my 1st house all within one month of taking your Boot Camp. What's even more amazing is that on March 1st; I will be closing on my second home. HOW AWESOME.... Oh, I gues I left out one small detail, after I take a mortgage out on these two properties I should put \$17,000 IN MY POCKET. SEVENTEEN THOUSAND DOLLARS in like two months and that does not include the remaining equity of \$20,000.00 in the two homes. Thanks for changing my life, helping me fulfil my dream in real estate and becoming great friends. Todd C. - Macomb County, MI

Thanks for the great advice and class information discussed at your boot camp. I found it extremely helpful, organized and informative. Attorney Robert Mattler - Franklin, Michigan

For more testimonials please visit our website at www.realestatejunkie.com and click on testimonials.

Read more about Larry and Kimberlee Frank in Ron Legrand's new book, "How To Be A Quick Turn Real Estate Millionaire", page 101.

HURRY CALL OR FAX YOU ORDER TO RESERVE YOUR SEAT NOW — PRICES ARE GOING UP!

www.realestatejunkie.com (810) 750-4910 Telephone - FAX 810/750-1173

Insurance Claims Rising on Houses With Claims

Does the place you're thinking of buying have a bad reputation with the insurance industry? If so, you could face insurance premiums hundreds of dollars higher than what you'd pay if the house had a clean record.

These days, insurers treat claims almost like crimes, and they check a house's reputation when setting premiums. More than 80% of insurers participate in a claims-sharing database, the Comprehensive Loss Underwriting Exchange, which goes by the acronym Clue, and is maintained by Choice-Point, of Alpharetta, Ga. Using Clue, all agents from Allstate, for example, can learn about claims filed by a home owner with a State Farm policy.

Clue reports have been available to homeowners by mail for several years, but they're expected to become much more widely used by consumers now that they are available at (www.choicetrust.com). The report will cost about \$15 (a price had not been set at our press time). For \$12.95, you can also purchase a copy of your credit score and report online; insurers may check this as well before quoting a premium.

The Clue report details every claim filed on a house for the preceding five years, and even inquiries about potential claims maybe included. Let's say you call your agent to ask if you are covered for water damage because a frozen pipe burst overnight. After finding that the reimbursement won't be much higher than your deductible, you decide to pay for repairs out-of-pocket. But if the agent opens a file on the matter, it will still show up in your Clue report.

That makes your home look like a higher risk, and you can expect to pay higher premiums or even have your insurer refuse to renew your policy, especially if there have been three or more claims in just a few years.

Water damage is particularly threatening-to your insurance record because insurers fear eventual claims for mold damage. The Insurance Information Institute says an average mold claim can run as high as \$35,000, more than 12 times a typical claim.

Help for buyers and sellers.

If you're in the market to buy a home, you should check out its Clue report. Although only the owner of a house can request a Clue report, there's nothing stopping you from requesting a copy as a condition of your purchase offer, just as you would condition the sale on a satisfactory home inspection. You want to find out not only about prior damage but also the difficulty you might face in securing affordable insurance.

As a seller, should you volunteer a Clue report to buyers? Chuck Jones, spokesperson for ChoicePoint, says home-owners can use a clean report as a marketing tool. "Homeowners looking to sell could get their Clue report to prove to a prospective buyer the current condition and claims history of the property."

Heightened interest in Clue reports comes at a time when finding affordable insurance can be more difficult than finding an affordable house in some markets. The rate of increase in premiums has been doubling each year, says Robert Hunter, director of insurance for the Consumer Federation of America. Rates rose 3% in 2000, 6% in 2001 and more than 12% this year. And large insurance companies have been pulling out of some states entirely, most spectacularly in Texas and Florida, where the risk of mold claims and hurricane damage is high. In some places, they limit new policies to the number of policies dropped from their business each year.

Difficulty finding insurance is delaying home sales in some states, says Marcia Salkin, a policy representative for the National Association of Realtors. But so far, there's not much evidence that it's choking off sales. Kiplinger's

So What's The Big Deal About Trusts Anyway?

You know, that's what I used to say. I had no idea all the benefits trusts offered. I felt it was too complicated of a subject and that I'd get by without them. That was in the early 80's before had been sued by one of my "alien beings from another planet" occupying my property. After I found out how easy it was for someone to stress me out, waste my time, cost me money and undue heart palpitations, I decided I might need to learn more about what the big deal about trusts was. So I set out to find out everything I could about the subject. I traveled around the country learn what any guru I could find had to say about it. I then set out about doing research on laws in my state. (Later I expanded that to learning about all the states). I then tried to find an attorney who could fill me in and provide the documents. Big surprise! I couldn't find anyone, ANYONE, who had a clue. Of course, an attorney typically doesn't want to admit it when they don't know something, so they would ask questions like "why would you do that?" Some would ask why I didn't use a limited Partnership. This was before the day of the LLC (Limited Liability Company), so they wouldn't ask about that. By that time I was absolutely sold on the concept of holding property in Trust and couldn't understand why anyone, especially trained professionals, didn't think they were the greatest thing since that white stuff between OREO cookies, so, I would stutter a bit, get a little embarrassed, shut up and move my head in an affirmative action, making them think I agreed with them. I kept asking questions but in the meantime, I started a list of why I felt trusts were "it." Let me share it with you:

1. Privacy of ownership. When I got sued, I realized I was just a sitting duck, just waiting to get picked off. Anyone, unbeknownst to me, could go to the courthouse any time it was open, put my name in the computer or look it up on a book, and find out about every piece of property I owned! Now if I owned stocks, bonds, mutual funds, certificates of deposits, etc., they couldn't do that ... but they could just because I invested in real estate. What a downer. But with Trusts, and more specifically Land Trusts, I could enjoy the same privacy as the others because I could choose any name I could think of to name my trust. Then, once I had titled my property in trust, if anyone went down and typed my name into the computer, nothing would pop up. I would look like a pauper ... penniless, in fact. How juicy of a duck would I look like then? Probably an attorney thinking of suing me might get a little discouraged if he did a preliminary search and could not readily find accessible assets.

2. Division of Assets. I realized if I had a corporation and I put all my eggs in one basket - the corporation- and then someone sued it, all of the eggs would be exposed to that lawsuit. WOW! All my work could be snatched because an "alien being" slipped and fell (on purpose?) on the corporation's property. Of course, it would be the corporation's fault that the person slipped and fell in the first place. But I learned that with a few documents I could actually own each property in a separate name. So if anyone "slipped" at the Elm Street house, it wouldn't expose my Maple Street house to the lawsuit (or the judgment).

3. Estate Planning. Overlooked by most "gurus," this should actually be at the top of the list. If you are like me, you despise even thinking about "estate planning." BORING! "That's for when
(continued next page *Deal About Trusts*)

ATTORNEYS AT LAW

Free Simple Legal Advice

- **Peter C. Rageas CPA, MSP**
(313) 961-8400
(313) 961-0090 fx

- **John Payne**
(313) 562-5700

- **Paul Nida**
(248) 643-7141

(continued from Deal About Trusts)

I'm rich" or "I'm too busy thinking about making money" or "I'd rather do something - anything - else other than that." I've said all that and yeah, I understand. But I have found with Land Trusts that I could choose my "beneficiary" (the one or more persons who would inherit) at the time I bought (or transferred) the property. No need to pile up a big estate and then pay someone thousands of dollars to fix my mess, instead I could plan my estate as I go. This also provides peace of mind ... we don't know what each day brings and each day, no matter what happens, I have provided for the future of my family. I have left my affairs more or less in order where my absence would not produce panic or distress because I may or may not have left a will to be probated.

4. Passing Your Assets to Your Heirs. I don't know if you've ever had this happen to you, but I'm sure you've heard of it. Mom and dad are dead, leaving everything to the three kids. One kid doesn't need the money and doesn't want to sell. One could use some money, but wouldn't mind keeping the asset(s). The other one "married" a guy with an advanced degree in beach combing, who can't wait to get the money. Squabbles ensure. Upset lasts long past the sale and no one really appreciates all mom and dad's hard work. With a Land Trust, you could give the beneficial interest of Elm Street to Bobby, the beneficial interest of Maple Street to Sue, and the third house to Goldie. When the surviving spouse dies, the assets pass and each can do whatever they want with their inheritance - sell, it, keep it, mortgage it, or live in it. Each asset then becomes an individual inheritance without the other kids' being involved in it. Everybody wins. And the family ties are not broken by controversy. I actually came up with a list of eight things then, now my list is twenty or so reasons why Land Trusts make so much sense. Then there's the Personal Property Trust. This is for the rest of what you own. Stocks, bonds, mutual funds, Bank accounts, certificates of deposits, Seadoos, mobile homes, mortgages, motor homes, cars (real liability), boats, motorcycles etc. can be set up like Land Trusts and further segregate your exposed assets. In addition, Personal Property Trusts can direct who each of your individual assets goes to by separating each asset into its own Personal Property Trust.

5. Probate Avoidance. Attorneys might not like trusts for another reason. When someone dies with or without a will, the estate must go through a court process called probate. The judge decides who gets what after the process, which can take a while. Marilyn Monroe's estate is still being settled. Howard Hughes's estate hasn't been settled yet. Trusts don't go through probate! The trustee actually passed to the successor beneficiary (ies) at the death of the primary beneficiary (mom or dad). No long, drawn out process. You get it right now!

The benefits are many; the hassles are few. Create the paperwork at the time you acquire the asset (or now for the ones you already own). The paperwork is critical. It's not just a piece of paper. The words on the paper matter. You need carefully crafted documents designed to provide all the benefits I mentioned and a whole lot more.

Reprinted from www.cri.net

R.E.I.A. Membership Benefits

- *Socializing, Networking, Networking & Networking*
- *Monthly Newsletter & Guest Speakers*
- *Court-Approved forms available*
- *Liaisons with Local and State Government*
- *Referrals and Education*