

# REIA

REAL ESTATE INVESTORS ASSOCIATION  
**WAYNE COUNTY**

WEBSITE: [reia.waynecounty.org](http://reia.waynecounty.org)  
FACEBOOK: Wayne County REIA of Michigan  
24 hr info line: 313-347-1401  
Fax: 313-386-7600

MAILING: **P.O. Box 5341**  
**Dearborn, Michigan 48128**

Volume 27

January 2012

Number 12

## NEXT MEETING

**TUESDAY JANUARY 3, 2012**

**NETWORKING & DINNER**

**RED LOBSTER**

**13999 Eureka Rd • SOUTHGATE**

**Next to 7-11, near Trenton Rd.**

**6:00 - 7:15** ..... Dinner and Networking

**7:30** ..... Meeting

### **SUBJECT: MYLES HOFFERT**

#### **APPEAL YOUR PROPERTY TAXES**

In the ever dropping property prices, Attorney Myles Hoffert will show how to reduce your property tax bills so you pay less taxes.

Myles has represented several of your fellow REIA members including your President Wayde Koehler! Wayde watched as he successfully negotiated the reduction of the taxes on one of his Taylor rentals by \$1,400 a year!

**Don't Miss Out On This Amazing Opportunity!!**

*For Any Questions Please Call:  
Wayde Koehler, President 313-819-0919*

## **WELCOME!**

### **New & Returning Members**

Wayde & Debbie Koehler

Bill Beddoes

Keith Lenard

Rose Papp

Mickey Gilhool

Alan Stirling

Georgia Kapsalis

Jon Werner

Gloria Werner

Diane Barcalaw

Nunzio & Karol Bommarito

Bob Cosnowski

Doug Montgomery

Bob Cousino

Bill & Patti Duffrin

Frank Jaros

Gregory Hayden

Noel Selewski

Gerald Kirchner

Swati S. Patel



*Thanks To All  
Who Joined Us  
To Make Our  
2nd Annual  
Christmas Party  
A Success!!*

# Membership Application

New Member ( ) Renewal ( )

**ANNUAL DUES Family — \$125.00** - (One Address — 2 People)

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

*(we hope this will encourage people to join)*

Fill Out Form and Mail or Fax to: R.E.I.A. • P.O. Box 5341 • Dearborn, Michigan 48128

Make Check Payable to: REIA — (313) 347-1401 Fax: (313) 386-7600

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** \_\_\_\_\_ **Can you volunteer some time, talent or information??**  
**Tell us the companies you use and see if we can advertise for them.**

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

## NEXT MEETINGS

*Red Lobster • Eureka Rd, Southgate*

### MONTHLY MEETING

- Tuesday January 3, 2012
- Tuesday February 7, 2012

### BOARD OF DIRECTORS

- Tuesday January 10, 2012
- Tuesday February 14, 2012

## **Real Estate Investors Association of Wayne County**

P.O. BOX 5341 • Dearborn, Michigan 48128  
R.E.I.A. 24 hr INFOLINE • (313) 313-347-1401  
24hr Fax Line: (313) 386-7600

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### **\*\* OFFICERS \*\***

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<b>VICE PRESIDENT</b>	<b>BILL BEDDOES</b>	<b>(734) 934-9091</b>
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Richard Nagy	734-283-1754	Rose Papp	313-383-6592
Bob Cousino	734-782-1847	Diane Barcalaw	<b>NEW DIRECTOR!</b>

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

— LIBRARY - Keith Lenard 1/2 hr before Meeting —  
**ASSISTANT: ----- MARGE MARTIN**

## POINTS OF LAW

### Tax Deeds May Not Provide Marketable Title

Several years ago, the State of Michigan adopted legislation that supposedly made it easier for local government units to foreclose upon real estate parcels for tax delinquencies, and then subsequently sell them to purchasers free of encumbrances or liens; that is, marketable title that would

allow the purchaser to resell or develop the property. This legislation came into place because under the old statute, it was up to the tax purchaser to clear out the title by filing a lawsuit, commonly known as a quiet title action to divest former owners and lien holders of their interest in the property. This could become a very convoluted, expensive process that sometimes took years to finish. Therefore, many would be buyers at the tax sales backed off because of the problems associated with having to file on a quiet title case.

The new statute was intended to fix that problem by stating that the tax sales after foreclosure conducted by the county treasurer would provide full marketable title to the tax purchaser. It hasn't turned out that way. By virtue of successful constitutional challenges to the procedure (based on alleged lack of appropriate notice to the prior owners of the foreclosed property), title companies even under the new statute generally will not ensure marketable title to tax deed property. Therefore, in order to resell the property, a tax purchaser has to either file the above mentioned quiet title case or try to get an exotic form of title reinsurance which is not inexpensive.

Therefore, a tax deed purchaser today needs to take into account the cost and time issues of clearing out title. At the very least, such a purchaser should obtain a title search or report to determine the potential complexity of the title issue.

*Prepared By: George E. Pawlowski Pawlowski & Reens, PLC  
And Reprinted from the Rental Property Owner's Association (RPOA) - the Voice,*

### R.E.I.A. Membership Benefits

- *Socializing, Networking, Networking & Networking*
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12/11

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Matt Bezanson, President

ASHI #6862

12/11

## WHEN WILL IT EVER END?

It is against our policy at JALA to write political ly-slanted articles in our newsletter. I will try my best to keep this straight up-and-down from my perspective.

We are in real trouble in the United States of America. We have mortgaged our children's future by saddling them with mountains of debt through ever-increasing deficits with no end in sight. We have outsourced our manufacturing sector which was the back bone of the

middle-class lifestyle enjoyed by so many. That manufacturing sector made us the envy of the world! "MADE IN U.S.A" meant something. We were proud wherever we went. We were a creditor nation. We offered our advice to other countries on how to run their economies. We were the pinnacle of success.

What is destroying us? Debt brought about by outsourcing jobs and importing every imaginable item from China. We fill the Chinese coffers with profits made by selling both high tech items and junk through places like Wal-Mart.

Go to a hardware store and try to find something made in the U.S.A. It is VERY difficult. The Chinese use their vast reserves to buy our bonds and the rest to build a vast war machine. Mark my words, within the next 20 years we will have a military confrontation with China that may well lead to a war unless we cut the pipeline now, when they are much weaker. Japan attacked Pearl Harbor sooner rather than later because we cut off oil and raw materials to them. Later could have meant an atom bomb on Pearl Harbor rather than on Hiroshima, just as cutting the pipeline to China may mean a local war over Taiwan, rather than WWII.

Free trade, NAFTA, and all these other agreements have led to the demise of the American skilled workforce. There are many daunting problems we face today. First and foremost is putting Americans back to work. We need well-paid workers to provide the revenues needed to pay off our debt, run the government and provide adequate funding for our defense.

We need to re-impose the tariffs we used to have in-place to protect our industries and their workers. We will NEVER recover from this failed experiment until tariffs are used to level the playing field. Other countries all have tariffs to protect themselves. We tried to change the world thinking our industries could migrate to different areas of expertise and still be on top. That has failed. It was a bad idea. A very bad idea. We thought our high-tech industries would protect our industries and way of life. It has not. We have given every last one of our "secrets" to the Chinese and others in agreements to open their markets. All it has done is left us with company after company staring in the face of bankruptcy and government bailout.

We must impose tariffs now, or we will be forever doomed. Drop the corporate taxes and bring the companies and their production home.

The Chinese are waging an economic war against us and we must defend ourselves and retaliate. We can't depend on boycotting Chinese goods the local Or, all the other stores who have lost control of their suppliers and whose customers will opt for cheap over "MADE IN THE U.S.A."

Please write or call your congressman and senators and tell them to get America working again, not by phony "stimulus" programs, but by imposing tariffs. Filling your rentals with dependable tenants depends on it!

Written By Robert F. Tulloch - JALA President, And Reprinted from the JALA News

# Are you an organized landlord?

By Bill Grey

## An Organized Landlord Has Less Tenant Debt And More Profit

An organized landlord is a more profitable landlord. I have reviewed many thousands of tenant debtor files, and one thing is certain; by looking at a tenant file after the tenant moves out, I can usually tell you fairly accurately how the property is being managed. A well organized landlord who documents everything has less tenant debt, and, as result enjoys more profit.

Organize your files logically and consistently. At least half of the files I review are little more than a pile of unorganized papers thrown into a file folder; and often very important documents are missing altogether.

What does an unorganized file like this tell you about how the landlord manages his or her property? File your documents and paperwork logically and neatly in a file folder with brackets on each side of the folder. Two-hole punch the top of each document and file them in a way that works for you. Some landlords put all "pre-move in" documents on one side, and all other documents on the other. It makes no difference how you organize the material, as long as you or a co-worker can put their hands on a specific document quickly and efficiently.

What should be included in the file? Remember, my view of the industry is from that of a tenant debt perspective. I am sure there are documents, such as marketing results, welcome letters, etc., that you will want to include, in addition to what I suggest. Here are the documents I am looking for when reviewing a landlord file that has a balance owed by a previous tenant:

### ***Signed Rental Application***

The best landlords require the prospective tenant to fill out the application completely and legibly. Don't let your eagerness to rent the unit get in the way of requiring a complete, legible and signed application. The signature is required to authorize you to view the applicant's credit. The application should be completed in black ink. Colored ink does not copy well. Also, do not use colored paper or ink colors other than black to print the blank application. They do not copy well either.

### ***Court Ordered Money Judgment***

This is not required in order to attempt to collect the debt. But, if you have sued the previous tenant and won, this document is needed.

### ***Copies of Driver's Licenses***

For all adults who sign the lease - this picture ID may be needed for various reasons, but for my purposes I may need it to verify or debunk later claims of identity fraud by the now previous tenant who owes you money.

### ***Complete Executed Lease and Addendums***

All adults who live in the unit must sign the lease.

### ***Move-Out Statement/Security Deposit Refund Letter***

This document is called by different names in various states. It is a document that gives all the tenant information on one page It is not the ledger. This page should include the move in and move out dates, the unit address, the names of all adult occupants and a breakdown of all charges after the tenant moves out, such as unpaid rent, damages, etc. It should also show how any deposits were refunded or were applied to the amount due upon move out.

### ***Move In/Move Out Inspection***

A common mistake for landlords is failing to inspect the rental unit with the tenant before they move in. This mistake alone costs landlords a great deal of profit. It is very important that both the landlord and tenant sign the move in checklist. At the move out, always attempt to inspect the unit with the tenant. Hopefully they will be available to inspect the site with you and sign the move out portion of the form. Take pictures during both inspections. Some landlords also use a black light stick to identify pet urine in the carpet during both inspections.

(continued next page - Co-Signer Agreement)

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248.528.0200 Ask for Ken	

8/10

### **Co-Signer Agreement and Application**

If the tenant had a co-signer, you should have a rental application and agreement signed by the co-signer on file.

Why do some landlords not review the credit of a co-signer? This puzzles me. What good is a co-signer if they do pay their bills?

### **Roommate Release**

Anyone who wishes to leave your rental unit before the lease expires must be released from the lease by all other signees, including the landlord. A copy of this release should be given to everyone involved.

### **Communications Log**

If you are not using a communications log, begin using one immediately; they are extremely very important. Log any communication of any nature between you and your tenant. Also file all written communication from and to the tenant.

### **Receipts**

Keep copies of all receipts for carpet cleaning, trash removal, legal fees, etc.

### **Copies of Rent Checks**

Few landlords copy the checks tenants use to pay their rent. The check contains information such as the bank name, account number and cell phone numbers that may be helpful in recovering debt after move out. Of course, also keep copies of any returned checks.

### **Certified Mail Receipts and Returned Mail**

Many states require that the landlord mail the previous tenant a statement within a certain number of days after move out that shows how the landlord applied any deposits. Often these statements are returned as undeliverable or unaccepted. It is very important to keep all mail receipts and any returned mail in the tenant file. Many landlords staple the mail receipt to their copy of the move out statement.

You may have to prove that you followed the law in notifying the previous tenant of how you applied the deposit.

Being organized is simply a good business practice. Whether you manage one rental unit or a thousand, being organized and consistent will make you a better landlord and put more of the profit in your pocket.

Reprinted from *AOA News and Buyers Guide*, and taken from *Rental Property Owner's Association (RPOA) - the Voice*



**Need to E-mail any questions or articles or anything for us?? Our web address is [ApPrint1@aol.com](mailto:ApPrint1@aol.com) Send us your email for meeting reminders and to get your newsletter sent to you. Or fax your email address to us at 313-386-7600 or call and leave it on the 24hr Real Estate Investor Line at 313-347-1401**

04/12

Frank Lucarelli  
Account Executive



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FAX: 866-279-1079

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**HOPE YOU CHECKED OUT OUR LIBRARY!**

**Keith Lenard will have the Library available (for 1/2 hr) before our meeting or reserve a book by calling Keith at 734-778-0823 or [kal70rs@aol.com](mailto:kal70rs@aol.com)**

**7:00 pm - 7:30 pm**

— WEB SITE CORNER —

**This new column of useful website addresses is a new addition to our newsletter format. If you wish to have a website featured in this column please email [reianews@aol.com](mailto:reianews@aol.com)**

[www.reiafoakland.com](http://www.reiafoakland.com) ..... REIA of Oakland.  
[www.nationalreia.com](http://www.nationalreia.com) ..... National Headquarters  
[www.irs.gov](http://www.irs.gov) ..... IRS web site  
[www.bendover.com](http://www.bendover.com) ..... Govt. Red Tape Help  
[www.taxsites.com](http://www.taxsites.com) ..... Tax and Accounting  
[www.unclefed.com](http://www.unclefed.com) ..... Online Tax Resource  
[www.courts.michigan.gov/](http://www.courts.michigan.gov/) ..... Michigan Courts  
<http://www.michigan.gov/taxtrib> ..... Tax Appeals  
<http://www.ask-the-rehabber.com>

**State Criminal Records:**

[www.state.mi.us/mdoc/asp/otis2.html](http://www.state.mi.us/mdoc/asp/otis2.html) ..... Offender Tracking System (OTIS)  
<http://apps.michigan.gov/ichat/home.aspx> ..... Criminal History Check (ICHAT)  
<http://www.oakgov.com/crtsOO04/main> ..... Oakland County District Court Case Search  
[www.mipsor.state.mi.us/](http://www.mipsor.state.mi.us/) ..... Michigan Sex Offender: (PSOR)

***Are You Looking For Houses To Buy???***

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[www.buyowner.com](http://www.buyowner.com)  
[www.fsbo.com](http://www.fsbo.com)  
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[www.homeradar.com](http://www.homeradar.com)  
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***Need to find someone?***

[www.555-1212.com](http://www.555-1212.com)  
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***Lead Base Paint Pamphlets?***

[www.hud.gov/lea](http://www.hud.gov/lea)

— **MEETING AGENDA** —  
**RED LOBSTER ON EUREKA • SOUTHGATE**  
*Next to 7-11, near Trenton Rd.*  
**6:00 - 7:15 ... Dinner and Networking**  
**7:30 - ..... Meeting — (\$20.<sup>00</sup> FOR GUESTS)**

# 10 tips for being a low-risk landlord

By Ruth Calkins, LoMM Board Member

## 1. Obtain adequate insurance

Obtaining the right type of insurance on a rental property will ensure coverage for accidents and physical damage to the property. There are three types of insurance for rentals:

**Personal liability insurance:** Covers violations of fair housing laws and injuries caused by conditions on the property, such as slip-and-fall accidents, criminal activity and hazardous material.

**Property Insurance.** Pays for structural and physical damage to the property.

**Rent Insurance.** Reimburses the landlord for lost rent when the property becomes uninhabitable because of a natural disaster or a tenant's actions.

## 2. Avoid Fair Housing Violations

Federal and state laws prevent the use of discriminatory practices in housing when selecting a tenant. State laws vary and

many prohibit other types of discrimination, but the federal Fair Housing Act and the Fair Housing Amendments Acts prohibit discrimination based on race or color, national origin, sex, religion, familial status, and disability. When selecting a tenant, it is important to treat every prospective tenant equally. A landlord should not:

- Deny the availability of an available rental dwelling
- Include preferences or limitations in an advertisement
- Create different terms or standards for certain tenants
- Terminate a tenancy for a discriminatory reason

Anti-discrimination laws apply to anyone dealing with prospective tenants. This includes owners, landlords and managers. A prospective tenant may be able to sue the property owner for the civil rights violations of its employees.

## 3. Use a consistent tenant screening process

To avoid fair housing complaints, a landlord should create a fair application procedure by:

- Creating a screening process
- Only rejecting tenants based on legitimate reasons, such as insufficient income, bad credit history, or a negative reference from a previous landlord.
- Requiring all prospective tenants to undergo the same application process

## 4. Put a landlord/tenant agreement in writing.

Typical residential lease agreement specify important rental terms that will guide the landlord/tenant relations. The most important provisions include the following.

- Name of the tenants
- Length of the tenancy
- Amount of the security deposit

- Party responsible for specific repairs When pets are allowed

- The amount of rent
- When rent is due

- What form of payment is acceptable Whether a grace period applies

Whether late fees and return check fees apply

## 5. Get Rid of Environmental Hazards

A landlord should inspect property for dangerous environmental risks. Hazardous materials include lead-based paint, asbestos, mold, carbon monoxide, and radon. Because many environmental hazards remain undetected, physical injury or property damage may Occur before the discovery of the danger.

## 6. Make the property habitable

Regardless of the terms in a lease or rental agreement, a landlord must provide the tenant with a rental unit that is fit and habitable to live in. During the renter's tenancy, the landlord must comply with state and local building and safety codes.

## 7. Fix dangerous conditions

A landlord must also regularly inspect the property for hazards. If there is a dangerous conditions and the landlord is unable to fix it immediately, the landlord has a duty to warn tenants and visitors to the danger.

## 8. Provide a safe environment

In recent years, courts have held landlords responsible for criminal activity that occurs on their rental property. Consequently, landlord should take precautions to protect the neighborhood from the illegal activity of tenants and should protect tenants from the criminal behavior of other tenants and from criminals that enter the property. Landlords have a duty of "due care" to take reasonable steps to protect tenants from foreseeable danger. Reasonable precautions a landlord may take include.:

- Inspecting exterior security lighting systems Reporting suspicious activity to police
- Not making promises about the security system that are unattainable
- Responding to a tenant's security requests as soon as possible
- Regularly inspecting the property for safety

## 9. Take precautions when hiring help

Hiring employees or contractors to help manage rental property may create a more profitable and efficient business. Depending on whether the worker is an employee or a contractor will determine a landlord's level of risk. When hiring employees, it is important to consider liability issues for sexual harassment or discrimination since under certain circumstances a landlord may be held liable for the acts of its employees. When hiring contractors, creating a written contract that clearly specifies the duties of each party should govern the relationship. Contractors should also acquire their own liability insurance.

**(Continued next page - #10. Understand tax implications)**

*(Continued from 10 tips for being a low-risk landlord)*

## 10. Understand tax implications

Maintaining organized and accurate records is an important part of managing rental property. You may want to consult a certified public accountant or a tax attorney for advice.

One of the biggest problems that landlords in the market today have is how to advertise to get great tenants. When advertising your property it is important to include the information about the square footage, the number of bedrooms and bathrooms, the location, and the rent. You should avoid advertisements that contain discriminatory requirements about race, gender, religion, disability and familial status.

**I'm going to list a variety of ways for advertising your rental properties:**

### Use a "For Rent" sign

Using a for rent sign in the window or yard of a property is not only cost efficient, but one of the best ways to advertise a rental unit in areas where foot and car traffic is heavy.

### Advertise rental property online

Advertising vacancies online is a good way to publicize the availability of a rental unit to a wide array of potential tenants. Check local real estate sites and national sites like Craigslist.

### Place an ad in the newspaper

Placing an ad in the classified section of a newspaper is a time-tested and traditional way to find tenants. You may also consider advertising in college presses.

### Make Neighborhood Flyers

A flyer can notify local residents already living in the area of the vacancy. A simple flyer with the landlord's phone number included on detachable tabs can be put in laundromats, on college campuses, grocery store bulletin boards, etc.

### Publicize through word of mouth

Sometimes the word of mouth is all the advertising that you need. Friends, neighbors, family members and colleagues can spread the word of the vacancy. You can also tell current tenants and encourage them to tell friends, relatives, and co-workers.

### Special tips for high end rentals and owners with multiple units

**Not every advertising method is appropriate for all rental units. Higher end rental and landlords with multiple properties may need to use additional methods:**

**Advertise in rental magazines**

**Employ a property management company** **Employ a real estate agent**

**I hope you find the best method to fill your vacancies with wonderful tenants. Good luck and keep being the best landlord you can be.**

*Rental Property Owner's Association (RPOA) the Voice,*



**Business Card Size**  
\$100.00 for 6 months  
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Fax: 313-386-7600  
Ph: 313-383-6592

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**(313) 962-0581 fx**

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

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

- **Gary Segatti**  
**(248) 808-2711**

- **Aaron D. Cox**  
**(734) 287-3664**

- **RealChek, Thomas Moorhead**  
**(800) 955-2435**  
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## FREE ADVERTISING

The **Commercial Segment** is just before the regular meeting, at 7:15 P.M..

This is your opportunity to tell everyone what you want to:

**BUY ■ SELL ■ TRADE ■ GIVE AWAY**

**COME ON UP TO THE MICROPHONE!**

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### PROFESSIONAL SERVICE PROVIDERS:

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(Bring your flyers and business cards)

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Come on up and introduce yourself.

Ask for a little help on your project.

(This may be why we are all here????)

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## OUR WEBSITE!!!

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**Wayne County REIA of Michigan**

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## SPEAKERS COMMITTEE

Wayde Koehler

313-819-0919

If you have any suggestions for speakers, drop us a line at: [www.reiawaynecounty.org](http://www.reiawaynecounty.org)

## DIG OUT YOUR MONEY JUDGMENTS AND GARNISH STATE INCOME TAX

Now is the time to start thinking about garnishing your ex-tenants/ current tenants who owe you money by their garnishing their State of Michigan income tax.

It's a very good idea to find those money judgments now, before the end of the year in order to garnish their state income tax.

You should file them as early as possible (November) before the ex-tenant/ tenant has a chance to claim it.

Reprinted from the SLA NL and reprinted from the JALA News

**YOU MUST POST, ADD TO LEASE, OR HAND OUT THESE ADDENDUMS**

Landlords are now required to advise tenants of their rights in domestic violence (which was discussed significantly in the last JALA newsletter), or elderly/ disabled transition to nursing facilities situations.

The law regarding posting the domestic violence advisory is in accordance with MCL5 54.601 b, paragraph I (Landlord and Tenant Relationships Act 349 of 1972). The letting an elderly/incapacitated renter out of the lease is in accordance with MCL554.601a.

Landlords must post these paragraphs in their rental management office, incorporate them into the lease, or hand them out as a special addendum page at the time the tenant signs the lease. You may find the following paragraphs helpful in your compliance:

"A tenant who has occupied the premises for more than thirteen (13) months may terminate this lease upon sixty (60) days written notice to the landlord if. (i) Tenant has become eligible during the term to take possession of a subsidized rental unit in senior citizen housing and provides the landlord with written proof thereof; or (ii) Tenant has become incapable during the term of living independently, as

certified by a physician's notarized statement."

"A tenant who has a reasonable apprehension of present danger to him/ her or his/her child from domestic violence, sexual assault, or stalking may have special statutory rights to seek a release of rental obligation under MCL 554.601b".

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## Tenant claims wrongful eviction regarding domestic violence

Cleaves-Milan based the wrongful eviction lawsuit that she filed against her Illinois landlord on that landlord providing her an eviction notice in October 2007 after Cleaves-Milan received a protection order based on her report that her live-in boyfriend had shown her a gun and stated that he was going to end both of their lives. Cleaves-Milan asserted in her lawsuit against her landlord that that landlord based the eviction on the criminal activity of her boyfriend that she had reported.

The landlord responded that both the domestic violence that had occurred and concern regarding the ability of Cleaves-Milan to pay the rent after her boyfriend moved prompted the eviction. The landlord stated too that it tried to find Cleaves-Milan a less expensive apartment in the complex and that it never intended to penalize her for being a victim of domestic violence.

An Illinois law that will become effective in 2010 will prohibit a landlord from discriminating against a tenant who has obtained an order of protection from domestic violence.

**Source: Chicago Tribune**

Editor's Note: Victims of domestic violence are receiving increasingly strong protections against evictions and other adverse actions by landlords. These new laws are designed to encourage these victims to report these crimes; additionally, a landlord that asserts another reason for such adverse action must be prepared to prove that that reason actually motivated the action that the tenant challenged.

Reprinted from Landlords 'Bottom Line' Bulletin, And Reprinted from the Rental Property Owner's Association (RPOA) - the Voice,

# JUST A REMINDER!!

We are continuing our Saturday Meeting on the Saturday after our regular meeting (1st Tuesday of the month at :

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## Beyond tweets and friends: The meaning of social media

I was not surprised when I learned that the term "retweet" was added to the 12th Edition of the Oxford English Dictionary. New words born of the social media revolution are everywhere. It's an odd fact of our social media world that you can be "unfriended" on Facebook and not even know it. If you're interested, you can read a discourse on the politics of unfriending here: <http://www.facebook.com/topic.php?uid=4647588319&topic=4080>

Treatises on the significance of social media are abundant. A search of Amazon's book listings for "social media" turned up 102,071 paperback titles, 46,597 hardcover titles, 1,461 Kindle edition titles and 24 audio editions. The majority of these are how-to books for business: marketing and branding advice, tips on moneymaking and metrics for measuring success. Apparently, one can create a business out of social media by writing a book on the subject!

I won't offer a how-to on the business opportunities present in social media; you should be pursuing this on your own already. What interests me is the broader implications of the social media; how is it different than previous media, how is it impacting our lives and where is it going? That's what brought me to the book by Erik Qualman, "Socialnomics: how social media transforms the way we live and do business."

Qualman, a marketing executive at EF Education and an MBA professor at Hult International Business School, sets himself a high bar with his title. However, I'm not sure he reaches his goal, even in the revised and updated edition.

Let me start with the positive. The core of Qualman's theory of social media is found in the introduction where he states: "Socialnomics is the value created and shared via social media and its efficient influence on outcomes (economic, political and relational, etc.). Or more simply put, it's Word of Mouth on digital steroids."

I think his idea is basically correct, although the term "socialnomics" and the "value created" assertion should be debated. Social media transforms activities previously associated with word-of-mouth communications (exchanges between people that multiply) and accelerates them exponentially beyond anything previously possible. What we are living through is the evolution from simple verbal contact between individuals in one location to (potentially) a worldwide exchange between all individuals in all locations. (continued next page - Beyond Tweets)

(continued from Beyond Tweets)

To illustrate this point, let us look at communications technology from the time of Gutenberg up to the present. When comparing the creator/recipient spectrum of social media to all previous technologies (dates subject to review), the transformation becomes apparent:

Social media, originating with what we know as Web 2.0 (online user-generated content, the Wiki phenomenon or web-as-participant-platform), has changed forever communications between people. We are no longer restricted to information from establishment sources or individual contact between our limited circle of friends and family; everyone can now simultaneously consume and create in the worldwide media-scape.

What Qualman does next is review, through case studies, the ways that this alteration in communications has been used, especially in business. He gives positive and negative examples. He examines the use of social media in the 2008 presidential campaign of Barack Obama. Many of these stories are interesting.

But this is also where the book falls down. His case studies are anecdotal and poorly researched. His conclusions are platitudinous and silly. Qualman has written an entire chapter called, "Social Media=Braggadocian Behavior" to explain that people use social media to compete for "who's doing the coolest thing." In my opinion, this only serves to reinforce negative perceptions of social media as a medium to post mundane daily activities. Of course, this is happening; much the same as it does with letter writing or telephone calls. This fact does little to reveal the underlying significance of what is happening.

YouTube, LinkedIn, Facebook and Twitter are the names of the services most associated with social media. In just a few short years, hundreds of millions (even billions in aggregate) worldwide are using these technologies to communicate in entirely new ways. We need to understand social media in the context of the breakthroughs and limitations of its predecessors in order to take advantage of the opportunities that it represents.

Reprinted from The Graphic News • *By Kevin R. Donley Grand River Printing & Imaging.*

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# WHAT AN OUTRAGE!

## Early Payment Sets Off Foreclosure

*After making her mortgage payment a week early, Sharon Bullington, 70, was stunned when Bank of America began foreclosing on her home. Why? Because she was told, she made the payment too soon.*

*Here's how it happened. Bullington and her husband, James, 78, had modified their mortgage, cutting payments on their one-story New Port Richey, Fla., home from \$1,400 to \$916. She mailed the first check on Dec. 23, 2010—a mistake.*

*In Bank of America's eyes the check was due Jan. 1, and the early check invalidated the modification. "It's like death to me," an emotional Sharon Bullington told the St. Petersburg Times. "I just don't understand why they're doing this."*

*Desperate, she wrote to bank CEO and President Brian T. Moynihan and was told the foreclosure couldn't be stopped. Bullington's congressman, Rep. Gus Bilirakis, R-Fla., contacted the bank on her behalf. "It is extremely frustrating to hear about cases such as these," he said. Bullington's St. Petersburg attorney, Shawn Yesner, 38, said, "I've seen some crazy stuff, but this is a first:"*

*In August, Bank of America issued a statement admitting it "made an error posting" one of the Bullingtons, mortgage payments. It also offered the couple "a long-term affordable mortgage," and agreed to reimburse the couple for \$1,800 in legal fees and waived late fees. That should resolve the matter, Yesner says. -Blair S. Walker*

Reprinted from the [aarp.org/bulletin](http://aarp.org/bulletin) •  
Submitted by **Wayde Koehler, President**  
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(call each group for details)

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- **Macomb Property Owners Association**  
Cocktails/Dinner 6-6:30 pm • Meeting 7:00 pm  
For More Info Call: 586-977-7372
- **Monroe County Landlord Association**  
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(734) 457-5758
- **American Landlord Association**  
Northwest Activity Center  
877-247-3372
- **Real Estate Investors Association of Wayne County (REIA of Wayne Co)** *1st Tuesday of every Month*  
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7:30 pm Meeting  
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- **Jackson Area Landlords**  
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- **Toledo Real Estate Investors**  
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- **Southeast Michigan Real Estate Investor Association**  
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## **Work-Out May Be the Answer to Real Estate Investor in Financial Trouble**

The Michigan economy is without question in the tank, especially the real estate market as we now know. Many real estate investors who were prospering a year ago now find themselves under water or in extreme difficulty because of falling market values and negative cash flow. This is especially true for those who leveraged their investments with debt. That strategy which worked for many years now has backfired because some investors find that the current cost of debt service is in excess of income. This is bleeding some investors into insolvency.

Is the gut wrenching harshness of bankruptcy the answer? Probably not if a real estate investor engages in a "work-out" plan that is acceptable to his or her financial creditors. If the plan works, it avoids lawsuits and bankruptcy.

The process can be very complicated and involves many disciplines including law, finance, accounting and integrated analysis. With the proper professional assistance it can be done, and a good work-out plan and end an investor's living nightmare.

*Reprinted from the Rental Property Owner's Association (RPOA) - the Voice,*

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