

# REIA

REAL ESTATE INVESTORS ASSOCIATION  
**WAYNE COUNTY**

WEBSITE: [reiaawaynecounty.org](http://reiaawaynecounty.org)  
FACEBOOK: Wayne County REIA of Michigan  
Fax: 313-386-7600

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

Volume 30

April 2014

Number 3

## NEXT MEETING

**TUESDAY APRIL 1, 2014**

**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

## SPEAKER/TOPIC

**Matt Bezanson**

*of Sherlock Homes Inspection, Ltd.*

Matt has been an independent home inspector since 1984. He has spoken to this group several times, covering basement problems, mold, and property taxes.

**THE SUBJECT OF THIS MONTH'S PRESENTATION  
WILL BE ROOFING:**

- How various problems show themselves
- What kind of fixes are available
- How to avoid getting shorted by a sneaky contractor.

**Lots of useful info for buyers, sellers  
and owners of homes**

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

## WELCOME

### New & Returning Members

**Brian Neher**

**Bill Pinnell**

**Noel Selawski**

**Michael Taylor**

**Philip Kraft**

**Brian Kraft**

**Dawn & Jackie Lemke**

**Felicia Watson**

**Peter Gray**

**Jermal Carler**

**Linda Canley**

**Cindy Pletz**

**Doug Wochna**

**YOU ARE INVITED TO THE MONTHLY  
INVESTOR GET-TOGETHER!**

**Hosted by our Vice President  
Bill Beddoes**

**3RD TUESDAY MEETING  
APRIL 15, 2014**

**WHEN 3rd Tuesday of the month**

*Join us for a casual evening with like-minded  
individuals to share your stories, discuss your  
issues and learn more about our investing  
community!*

*No admittance fee,  
just make sure you pay for your food. :)*

*We hope to see many of you there, and feel  
free to bring a friend or two.*

**For More Info Contact:  
Bobbi (734) 946-6280 or Bill 734-934-9091**

# 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 — 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

### MONTHLY MEETING

- Tuesday April 1, 2014
- Tuesday May 6, 2014

**INVESTOR GET-TOGETHER — MAR 18TH**

### BOARD OF DIRECTORS

- Tuesday April 8, 2014
- Tuesday May 13, 2014

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

P.O. BOX 5341 • Dearborn, Michigan 48128

24hr Fax Line: (313) 386-7600

**WEBSITE: [www.reiawaynecounty.org](http://www.reiawaynecounty.org)**

**Facebook — Wayne County REIA of Michigan**

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

<b>PRESIDENT</b>	<b>WAYDE KOEHLER</b>	<b>(313) 819-0919</b>
<b>TREASURER</b>	<b>WAYDE KOEHLER</b>	<b>(313) 819-0919</b>
<b>VICE PRESIDENT</b>	<b>BILL BEDDOES</b>	<b>(734) 934-9091</b>
<b>PARLAMENTARIAN</b>	<b>BILL BEDDOES</b>	<b>(734) 934-9091</b>
<b>SECRETARY</b>	<b>Bill Dufrin</b>	<b>(517) 896-0516</b>

### **\*\* TRUSTEES \*\***

Jerry Kirschner	248-867-0744	Josh Sterling	530-314-9586
Richard Nagy	734-283-1754	Rose Papp	313-383-6592
Bob Cousino	734-782-1847	Bobbi Neid-Broderick	734-946-6280

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

— LIBRARY - Bob Cousino —

**Real Estate Investors Association of Wayne County**

[www.reiawaynecounty.org](http://www.reiawaynecounty.org)

# DON'T DENY; ASK FOR PROOF

By Jeffrey Taylor/*Landlording Lesson No. 4/*

Listen up landlords! People who fill out applications will put down ANYTHING needed to get into your rental property, so verify EVERYTHING!

- Pay Stubs
- Award letters from Social Security
- Award letters from Welfare
- Bank statements showing deposits
- W2's
- W9's

Never accept their word for how much they make. I had an unmarried couple apply. Together their stated income would qualify. So I called her up and told them I would need verification of income. She started telling me that her award letter didn't reflect her actual amount on her check - that her check was more - Yeah right. She said that her check was direct deposited so she could not show me the check. And he stated that he didn't have pay stubs because his pay was put directly on a Walmart card. Do I smell a fib here?

**OUR WEBSITE!!!**  
[www.reiawaynecounty.org](http://www.reiawaynecounty.org)

There was dead silence when I told her to bring me her bank statements showing the deposits for her checks and that he must get some proof of the amount he was paid. I told her that when she got the proof of income she could contact my property manager and I would proceed with processing her application.

**Do not deny people.** Throw it back on them to provide the proof that they meet your criteria. I told them that when they got verification of income, and my property manager brought it to me, that I would proceed with processing their application. If they do come back with verification of income, I will proceed with credit checks, background checks, etc. That is if the rental property is still available.

*Reprinted from [www.mrlandlord.com](http://www.mrlandlord.com)*

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

- *Socializing, Networking, Networking & Networking*
- *Monthly Newsletter & Guest Speakers*
- *Court-Approved forms available - ([courts.michigan.gov/](http://courts.michigan.gov/))*
- *Liaisons with Local and State Government*
- *Referrals and Education*
- *Discount card for Sherwin Williams Paint Co. & Office Max*  
*(ask and have your membership card.)*



## ATTORNEYS AT LAW

Free Simple Legal Advice

- Peter C. Rageas CPA, MST  
(313) 962-7777  
(313) 962-0581 fx

- John Payne  
(313) 562-5700

- Gary Segatti  
(248) 808-2711

- Aaron D. Cox  
(734) 287-3664

- RealChek, Thomas Moorhead  
(800) 955-2435  
(CHEK)

## 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!**

(THIS IS A SHY FRIENDLY SETTING)

### PROFESSIONAL SERVICE PROVIDERS:

Tell everyone what Professional Service or skilled trade you offer; specifically for the Real Estate Investor.

(Bring your flyers and business cards)

### NEED HELP?

Come on up and introduce yourself.

Ask for a little help on your project.

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

***The Right Place at the Right Time!!***

**THIS IS NETWORKING!**

Identify yourself as a member of Real Estate Investors Association of Wayne County, for a Free 3 month subscription to Mr. Landlord.

Call 800-950-2250 or Fax 757-424-7963 MEMBERS ONLY

**Mr. Landlord**

**New Subscription Division**

**P.O.. Box 64442 • Virginia Beach, VA 23467**

*Mr. Landlord  
Subscription*

Also for an annual subscription, send \$29.00 (reg price \$79) to same address and identify yourself as a member.

## SPEAKERS COMMITTEE

Jerry Kirschner

248-867-0744

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



**Section 8 Questions???**  
Call Jane Scarlett

Wayne Metropolitan Community Action Agency  
Housing Agent for the Michigan State Housing  
Development Authority

734-284-6999

[jscarlett@waynemetro.org](mailto:jscarlett@waynemetro.org)

Wayne Metropolitan  
Community Action Agency

05/14

**Wayne County REIA of Michigan  
LOOK FOR US ON FACEBOOK!**

# HOUSING CODE INSPECTION AND RESTORATION

Written By Robert Tulloch

One of the most irritating aspects of the inspection program covering non-owner occupied rentals and inspection of homes being looked at for demolition is the time constraints placed on owners to make “necessary” repairs.

Windows are a prime example of how the City of Jackson encourages degradation of the housing stock. Allowing an owner to replace a 42” x 64” perfectly good window with a piece of plywood and an 18” x 22” vinyl window in the middle (which we see here and there in Jackson) is a contributor to blight. It looks horrible and blight is a condition that looks absolutely horrid.

Condemned houses bought at auction for the purpose of restoration invariably face the “30 days” window to spend \$150,000 to fix the place up per what the city dictates or pay \$25,000 to tear it down. Certainly, this is the city’s effort to discourage small time investors from making Jackson a better place.

One of the most costly renovations that the city tries to impose is window replacement. The city would like to see a vast expanse of cheap vinyl windows, cheap vinyl siding, and empty lots.

There are other ways to solve window problems. We all know how some old buildings have been painted over and over, windows scraped and repainted, sanded, ground down and finally the windows don’t seal, leak cold air, increase your heating bills and cause tenant complaints.

There are on the market sealing solutions for these problems. Of course this must be done in conjunction with a window by window repair regimen. One business I ran across is at:

[http://www.advancedrepair.com/  
weather\\_stripping\\_intro.html](http://www.advancedrepair.com/weather_stripping_intro.html)

They provide materials and kits for adding brush pile sealing to windows. The kits run about \$80 per window up to 42” x 80”. These materials can be purchased separately in bulk.

This company also makes a window glazing (tubes/caulking gun) that is paintable in 24 hours, and can be put over and seal up old cracked out linseed oil-based putty. As anyone who has done re-glazing, it is a dirty, very time-consuming job and leads to glass breakage. Puttying over the old stuff is a lifesaver. On top of that, a good high quality storm window with low E-glass will make a huge difference.

I found the Larson “Gold” storm windows at Knibloe’s hardware for about \$25 less (\$125) than at big box stores. These are top of the line. A similar size aluminum two track is about \$115 locally and definitely not top of the line. The bottom line is that to do an adequate repair job on windows or anything else in these old houses, takes time. Not 30 days, not 60 days, but probably a year to do a complete job. The attitude of the city and the people appointed by the previous administration to the BCBA have no real interest in preserving any of the older historic/semi- historic homes in Jackson. That must change.

Reprinted from JALA

(Jackson Area Landlords Association) and submitted by  
Rose Papp, Trustee, R.E.I.A. of Wayne County



**Pollard Heating and Cooling**  
 -Quality Heating and Cooling Work  
 -Service, Installation and Sales  
 -A Licensed and Insured Corporation

Howard Pollard, President  
 Office-313-551-4011  
 Howard--313-215-4889--can text  
 Fax-313-551-4526  
[hpollard@PollardHeating.com](mailto:hpollard@PollardHeating.com)

23067 Columbia Street  
 Dearborn, MI 48124

7/14

7/14

**AARON D. COX**  
 Professional Limited Liability Company

23944 Eureka Rd • Suite 107  
 Taylor, Michigan 48180

**Ph (734) 287-3664      Fax (734) 287-1277**

Email: [aaron@aaroncoxlaw.com](mailto:aaron@aaroncoxlaw.com)

## THE RENTAL REGISTRY AND INSPECTION FEES

Remember the horror stories about blight and how the rental registry and inspection fees were necessary to clean up blight in the City of Jackson?

The following story was posted on M-Live/Jackson Citizen Patriot regarding the budget surplus and how it helped the city's bond ratings:

[http://www.mlive.com/news/jackson/index.ssf/2014/02/city\\_of\\_jacksons\\_bond\\_rating\\_i.html#incart\\_river](http://www.mlive.com/news/jackson/index.ssf/2014/02/city_of_jacksons_bond_rating_i.html#incart_river)

The most important statement in the article follows: In the wake of dwindling revenues, city officials found creative and controversial ways to raise funds and free up general fund dollars, instituting fees for everything from leaf pick-up to owning a rental home.

Both the stormwater utility fee used to pick up leaves and the rental registry fee used to regulate and inspect apartments in Jackson were created in 2011, at the height of cuts to city services. Gee, it's nice to know how these fiscally conservative public servants at city hall used us to increase the surplus and thus the bond rating.

Written by Robert F. Tulloch and reprinted from JALA & submitted by Wayde Koehler, Pres, R.E.I.A. of Wayne County

**AFFORDABLE CREDIT REPORTS**  
 Yearly Fee: \$25.00 Reports: \$3.50 - \$7.00 each  
 24/7 Access Using Software We Provide At No Cost  
 Monthly Invoicing Direct To You  
 Contact us now to find out how to screen tenants  
 at the very lowest cost available  
 Call: (517) 782-4384 email [CRSupport@jala-mi.org](mailto:CRSupport@jala-mi.org)  
 or visit [http://www.jala-mi.org/jala\\_contact.htm](http://www.jala-mi.org/jala_contact.htm)

**SAFE GUARD**  
**Pest Control**

**Search & Destroy**

Lloyd A. Phipps

Specializing In: (734) 595-4044  
 Carpenter Ants (734) 427-0707  
 Slab Ants Serving Wayne County  
 Spiders and Bees and Surrounding Areas

Also Treats for:  
 • Fleas • Rats  
 • Box Elder Beetles • Roaches  
 • Mice "Real Estate Inspection Not Available"

# 3 die in apparent carbon monoxide poisoning incident in Flint

By Tresa Baldas  
Free Press Staff Writer

What was supposed to be a heartwarming family Christmas gathering turned into mindnumbing tragedy Tuesday in Flint, where an 11-year-old boy and a couple died of what is believed to be accidental carbon monoxide poisoning.

According to Flint police, an old, poorly ventilated fireplace may have been the source of the toxic gas that killed 43-year-old Troy Edwards, 37-year-old Senena Carranza and her 11-year-old son Jason Cobbin.

Police said they received a 911 call shortly after 6 a.m. Tuesday from Carranza's sister, who had woken up to use the bathroom in the same home and found her sister unresponsive on the floor of her bedroom. Edwards also was unresponsive in his bed, they said.

The sister then checked on Jason, who also was unresponsive in his bedroom, they said.

When paramedics arrived at the home on Foss Avenue, Carranza and Edwards were pronounced dead at the scene. The boy was rushed to Hurley Medical Center, where he died shortly after.

"They were using an old fireplace, that may have been the source of it," said Flint Police Sgt. Steven Wheeler, who added that emergency personnel opened the windows at the home upon arrival.

According to Wheeler, Carranza has a teenage daughter who was not at home at the time of the incident.

Shortly after police and paramedics responded to the scene, friends and relatives flooded the Facebook page of the Flint Police Operations (FPO) with condolences.

"I cannot even process this right now ... This was one of my closest friends and I'm really at a loss for words right now," wrote Lori Belknap.

Max Carranza, Carranza's cousin, wrote: "My prayers for my first cousin and her family, please guide them to the heavens..."

Another commenter wrote: "**What** a tragedy. An entire family lost on Christmas day!!!! Kinda sheds new light on the start to my morning!!!!"

Edwards' father, Roy Reeves, was among several family members and friends who showed up at the Foss home Tuesday, where they were supposed to meet for a Christmas dinner, according to the Flint Journal. Instead, the paper reported, they removed Christmas presents that had been giftwrapped for children.

"I'm numb - I have a very numb feeling right now," Reeves told the Flint Journal. "It's hard for me to describe it ... We usually come over here every Christmas."

A friend of one of the victims, meanwhile, reached out to her Facebook friends and delivered a message she hopes will prevent a similar tragedy in the future.


"I just want to ask a BIG favor to all of my Facebook friends and family," Belknap wrote on her Facebook page on Christmas night. "If u don't have a carbon monoxide detector/ smoke alarm will u please promise to get one IMMEDIATELY... Becuz u never know it can be the greatest gift that u cant give yourself... Life.... My heart is so heavy today."

In a separate incident, the Macomb County Sheriff's Office said two people died of apparent carbon monoxide poisoning Monday in Bruce Township.

They referred requests for details to State Police, who declined comment Tuesday.

REPRINTED FROM THE DETROIT FREE PRESS & SUBMITTED BY  
WAYDE KOEHLER, PRES, R.E.I.A. OF WAYNE COUNTY

**12/14**



**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

# UTILITY COSTS: CAN WE PASS THEM ON?

Written By Robert F. Tulloch

In these times of extreme utility consumption, it is appropriate to visit the issue of passing on these costs to those who enjoy the comforts of a warm place to live.

The cost of gas resulting from extreme cold weather is nothing to laugh at. My cost for a four-unit in the winter normally runs around \$300 to \$350 per month for natural gas for the billing period from December through March. This year I expect those charges to be \$500 to \$600. The electric bills are also high because they are in the summer and the tenants run four fans or a couple of window air conditioners.

The problem arises when you are charging low rents to folks with limited incomes. To make this situation even more distasteful, is that these folks get a rebate from the state (your tax dollars) for utility usage as a percentage of their rent.

Of course, you can raise the rent to cover any contingencies, but that may have a real negative effect on securing tenants. The alternative is to impose a surcharge for utility costs above an average threshold. This is illegal according to laws passed by liberal legislators years ago when the drive was to rake evil landlords over the coals and redistribute wealth from those who worked hard for it to those who don't.

Sound familiar?

So what is there to do? The air conditioner issue is easy. I surcharge the electric bill if they want an air conditioner. Sign a separate contract specifically stating conditions for allowing air conditioners and the monthly cost. Heating is another issue. The Jackson Housing Code states:

*(4) Heating facilities.* Every dwelling shall have heating facilities which are properly installed, are maintained in safe and good working condition, and are capable of safely and adequately heating all habitable rooms and bathrooms in every dwelling unit located therein to a temperature of at least seventy (70)degrees Fahrenheit with an outside temperature of ten (10) degrees below zero, and with the measurement being taken three (3) feet above the floor level in accordance with the state mechanical code. You can turn down the heat in your own house to save fuel, but the city requires you to keep the rentals at 70 degrees when it is -10 below zero degrees outside.

Those poor tenants! God forbid they would have to put on a shirt or coat. I have a tenant that answers the door bare top with shorts on when it is -10 below outside. I suspect this is never enforced except for tenant complaints, but who knows. I suggest we place a clause in our lease showing historical gas and electric usage and define how the tenant will be charged a surcharge for excess usage of electricity or higher than "normal" gas consumption due to the weather. I realize that liberal judges may throw this out even though written into the contract. Protecting tenants against evil landlords who want to pass on operating costs to users of their services probably trumps justice.

**Reprinted from JALA & submitted by  
Wayde Koehler, Pres, R.E.I.A. of Wayne County**

**Noel Selewski Insurance Agency, Inc.**

Noel Selewski  
Owner

  
Trusted  
Choice

Phone: (313) 886-6857  
Fax: (313) 886-6106  
noelselewski@sbcglobal.net

15206 Mack Ave  
Grosse Pointe, MI 48230

12/14



# NEW INSPECTORS, NEW DEPARTMENT; SAME OLD GAME!

I just had my first inspection of a property since the “new game” in town (not that it had anything to do with the inspection, but I got the notice a few days after I put up a “Vote for Susan Murdie” sign in my yard. Pure coincidence I am sure.) I was hoping with the new regime in town and new inspectors (what with their bright/shiny new cars patrolling for errant landlords), that things would be different. That is not so. Just like years ago, violations are written up that are NOT violations, no specific code sections are cited, and some items are just opinions of the inspector. I’d say a few specifics are in order! The inspector said to block in basement windows (this includes the code requiring one opening window and screen, which I installed “per code requirements” at the last inspection). This is an old pre-1900 historic home with a cut stone foundation. Bricking in the basement windows will certainly add to the blighted look of the neighborhood!

Another item written up was installing waterproof exhaust fans over the bathtubs. These fans are on the bathroom GFIC to prevent shock if some idiot changes a bulb while standing in a water-filled tub. The GFIC is what makes the installation safe and complies with code. One of the units inspected is under renovation. The inspector wrote up the lack of all switch plate covers, which were off for painting. He wrote up the toilet, which was sitting on cardboard on the bathroom floor and was removed to facilitate tiling. I rebuilt the porch last summer and a railing was not required because the porch height was less than what the code said required a rail. I even stated that to the inspector. He wrote up that I needed a handrail. The electrician who wired this property followed my directions and hooked up the kitchen lights to the bath room GFIC to protect the installation in case someone stood on the stainless sink and tried changing a light bulb. The inspector wrote this up as a violation of the requirement that kitchens be on separate circuits. The power circuits in the kitchen are separate. The code requirement does not apply to lighting circuits. The inspector wrote up a violation saying installation of storms and screens were needed. All doors and windows have storms and screens. The inspector cited no specific locations where these violations occurred, making it impossible to respond. The list goes on and on. I have requested the city manager to require specific information on these inspection reports so an owner can read the code and challenge the inspector’s assertions if incorrect. By requiring specific code citations, the inspectors will be required to understand and be familiar with the actual codes rather than citing generalized city code sections which do not address specifics. I urge you to familiarize yourselves with the code requirements and don’t let these inspectors run roughshod over you and end up spending money on changes which are not required.

If you have any questions on inspections or code requirements, please contact me at (517) 596-2592 and I will assist you as best I can. Remember, we need to organize ourselves like a union and have representatives to negotiate well with those that work for the City of Jackson.

Written by Robert F. Tulloch and reprinted from JALA & submitted by Rose Papp, Trustee, R.E.I.A. of Wayne County



## ALERT

### Heating & Cooling Inc.

Licensed & Insured  
**(313) 381-2665**



5/14

**Douglas L. Montgomery**

3971 Fort St  
Lincoln Park, MI 48146

*30 Day Warranty*

## LC's APPLIANCES

*Washers • Dryers • Stoves • Refrigerators*

Sales & Service Call  
**313-429-9543**

## *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

734-654-1707  
TOLL FREE  
888-SWEEP41  
888-793-3741



Allen Park  
Birmingham  
Canton  
New Boston

STATE LICENSED • FULLY INSURED

*Chimney Relining Specialist*

CHIM-SCAN VIDEO INSPECTIONS

Custom Brickwork & Repair

PROFESSIONAL MASTER SWEEP

10/09

# 'No-interest-now deals' can be risky

During the rush to buy last-minute, big-ticket **gifts**, **some shoppers could save** a bundle in the long run by just walking away from tempting 0%, "no-interest-now" deals.

Yep, walk away. Sure, you **think you'll** pay off the **purchase in** full before getting hit by double-digit rates. But **will you** really? Will you be late with a monthly payment and lose that 0%?

Deferred-interest-rate deals are a hot offering right now, as this is the busiest and most profitable time of the year for retailers," said Odysseas Papadimitriou; founder and CEO of the personal **finance** websites CardHub and WalletHub.

But consumer watchdogs warn that there are plenty of ways for shoppers to get caught paying far higher rates than they'd expect from what's marketed as a "no-interest-if-paid-in-full" deal. It's something to keep in mind if you're heading out for Super Saturday - the last Saturday for shopping before Christmas.

About 43% of borrowers with not-so-great credit - consumers with credit scores below 660 and known as subprime borrowers - did not pay off all their balance before interest kicked in when they participated in a deferred-interest program, according to an October report by the Consumer Financial Protection Bureau.

"Deferred-interest products can be risky for consumers in the best of circumstances," Richard Cordray, director of the CFPB, said in a statement.

This type of deal can work for people who carefully watch due dates and who could pay cash on the spot anyway.

But many still could start out with good intentions to pay off the bill in 12 months or 18 months. But say a monthly payment is mailed late during that time. Or the furnace breaks down, the tax refund doesn't arrive on time, someone gets sick or loses a job.

About 12% of consumers with the best credit did not pay off the bill in full and triggered interest charges with those deferred-interest programs, the CFPB said.

"Lenders count on the fact that some percentage are going to trip up," said Chi Chi Wu, staff attorney for the National Consumer Law Center in Boston.

Consumer advocates would like to see deferred-interest plans banned, and some say the programs are one of the "nastiest tricks and traps" that remain after the Credit Card Accountability Responsibility and Disclosure Act of 2009 eliminated many abusive practices with credit cards.

Regulators charge that some deceptive enrollment practices can take place with "no interest if paid in full" products.

I've written about some of the troubles faced by consumers who take out such loans anyway.

I've written about some of the troubles faced by consumers who take out such loans for medical procedures. In 2011, I wrote about a Pinckney woman who financed \$5,500 for dentures using a 0% introductory rate. But she was hit later with a 22% rate and her bottom dentures weren't finished correctly. The dental chain - Allcare Dental - went out of business, and she was struggling to pay off more than \$2,000 on that highrate card.

## READ THE FINE PRINT ON 0% DEALS

- Do not miss a monthly payment if you sign up for a deferred-interest deal. Your 0% rate could be revoked and the interest would be charged retroactively if you are simply one day late with a bill on a deferred-interest Plan.
- Consumers could be more willing to overspend when using plastic that has a 0% promotion. But the more debt you build during the holidays, the more trouble you could have paying all the bills.
- If you leave even \$20 or \$50 unpaid on that balance, you're also in trouble with a deferred-interest deal, according to CardHub.com. Interest is retroactively applied to your entire original purchase amount, even if you leave one dollar unpaid by the time the regular rates hit under a deferred-interest plan, CardHub.com said.

Source: Consumer Financial Protection Bureau and CardHub.com.

Early in December, the CFPB announced an enforcement action against GE Capital Retail Bank and its subsidiary CareCredit. GE Capital didn't acknowledge any wrongdoing in consenting to the order.

"At doctors' and dentists' offices around the country, consumers were signed up for CareCredit credit cards they thought were interest-free, but were actually accruing interest that kicked in if the full balance was not paid at the end of a promotional period," the CFPB noted.

The promotional periods ranged from six months to 24 months, and the cards could accrue interest at 26.99%. If the patient did not pay the full balance by the end of the promotional period, the consumer became liable for all of the accrued interest.

More than 1.2 million consumers could be eligible for refunds totaling \$34.1 million. Cardholders who meet the criteria for filing a claim will be sent a form from CareCredit within the next 120 days.

"Medical debt is already a big problem for many Americans. Poor credit card transparency should not be making the problem even worse," the CFPB's Cordray said.

CareCredit said the lender has high customer satisfaction ratings and cooperated with the CFPB. CareCredit said it looks forward to providing consumers access to non-emergency health care and veterinary services from 175,000 providers. As part of the agreement, CareCredit representatives, not the doctors' office employees, would work with enrolling consumers for certain transactions that exceed \$1,000 now.

For holiday shoppers, consumers need to realize that some deferred-interest offers are easier to understand than others. CardHub did a 2103 deferred-interest survey of some offers and noted not all companies are clear about their policies.

Pay attention to what kind of plastic you sign up for during the holidays. You'd still need to make monthly payments even during a deferred-interest promotional period.

"It's very hard to explain how deferred-interest works to some consumers," Wu said,

That 0% can hook you to buy more and, if you're not lucky, leave you on the hook for paying much more in interest than you expected.

**Taken from the Detroit Free Press & submitted by  
Wayde Koehler, Pres, R.E.I.A. of Wayne County**

## **NEW Member Application**

***Please fill out our form  
when you come to the  
meeting. We need your  
email address so we can  
send you the newsletter &  
alerts and updates!!***

## **HOPE YOU CHECKED OUT OUR LIBRARY!**

***Our Library will be available (for 1/2  
hr) before our meeting or reserve a  
book by calling 734-778-0823 or  
kal70rs@aol.com***

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

**SALE**

### **Business Card Size**

\$100.00 for 6 months

\$160.00 for 1 year

### **Post Card & 1/2 page**

\$85.00 per month

\$350.00 for 6 months

\$550.00 for 1 year

### **Full Page**

\$150.00 per month

\$600.00 for 6 months

\$1000.00 for 1 year

If you decide to advertise with us, send  
a copy or information w/check to:

**R.E.I.A.**

2962 Fort St • Lincoln Park, MI 48146

Email: [reiaawaynecounty.org](mailto:reiaawaynecounty.org)

Fax: 313-386-7600

Ph: 313-383-6592

# How the Legislature helped kick Michiganders out of their homes

By Ken Gross

In July 2009, the Legislature passed a statute to help homeowners facing foreclosure to save their home. The law mandated that before a lender could foreclose by advertisement (the common way in Michigan), a homeowner had to receive written notice of a right to request a mediation. If this request was submitted in a timely fashion, a bona fide effort to modify the mortgage was available. I can tell you the law worked - and worked well - and similar laws were then passed in other states. This law helped thousands of Michiganders save their homes from foreclosure and was recognized by mortgage industry experts as a good law to avoid foreclosure and assist in curtailing Michigan's foreclosure crisis.



Unfortunately, the law, which had been modified over the last couple of years, was extended through only Jan. 9 of this year. In its place, the Legislature has passed a new law, which irrationally helps only certain people. If the servicing agent for your mortgage is one of the five lenders subject to the National Mortgage Settlement (Chase, Wells Fargo, Bank of America, Citi or GMAC/Ally), the servicer must provide you a letter offering you 30 days to elect to have a meeting to attempt to work out a modification. If that is your choice, the lender cannot commence foreclosure proceedings until the meeting has occurred.

But here's the rub. If one of the five lenders transfers your loan to another servicer, the new servicer is not bound by the law. If you happen to have a mortgage held by someone other than these five lenders, you receive no protection. It makes you scratch your head and ask: "Why does my neighbor, whose mortgage is with Chase, get the benefit of help, and I don't because my mortgage is held by HSBC, Comerica, Fifth Third, Huntington or any one of the hundreds of other lenders?" This makes no sense, whatsoever. On top of that, a "meeting" under the new rule has no standards or mandates such as existed under the previous law.

The Michigan Legislature has succeeded in unraveling the one good thing it did to help a Michigan homeowner in mortgage trouble.

## **BOARD MEMBERS INFORMATION**

<u>NAME</u>	<u>PHONE</u>	<u>EMAIL</u>
Wayde Koehler .....	313.819.0919 .....	housemgt@comcast.net
Bill Beddoes .....	734.934.9091 .....	billbeddoes@me.com
Bill Duftrin .....	517.896.0516 .....	william.duftrin@gmail.com
Josh Sterling .....	530-314-9586 .....	jsterling20@hotmail.com
Richard Nagy .....	734.283.1754 .....	ricknagy@wowway.com
Jerry Kirschner .....	248-867-0744 .....	gkirsch888@aol.com
Rose Papp .....	313.383.6592 .....	rosep2962@yahoo.com
Bob Cousino .....	734.782.1847 .....	bojic@att.net
Roberta Nied-Broderick .....	734.946.6280 .....	rnbroderick@yahoo.com
Mike Brandau .....	734.231.0400	
John O'Neil .....	603.848.8689	

*Ken Gross is an attorney with Thav Gross and host of "Financial Crisis Talk Center" which airs 8:30-10 a.m. on WDFN-AM (1130) and on MyTV20 at 11 a.m. Sundays.*

**Taken from the Detroit Free Press & submitted by Wayde Koehler, Pres, R.E.I.A. of Wayne County**



# Medical marijuana users, caregivers decline in 2013

By Charles Crumm  
Digital First Media

There were fewer medical marijuana patients in Michigan in 2013, but the number of medical marijuana providers dropped by nearly half as new laws regulating the growing industry took effect, and court rulings and prosecutions affected medical marijuana outlets.

The number of registered patients fell to 118,368 in fiscal 2013 from 124,131 the year before, or slightly less than 5 percent. However, the number of licensed caregivers fell to 27,046 from 50,188.

Even so, the state took in nearly \$1 million more in licensing fees, raking in \$10.89 million in 2013, compared to \$9.9 million in 2012, according to two annual reports required by the Michigan Legislature. However, the cost of the program rose from \$3.6 million in 2012 to \$4 million in 2013.

Oakland County Undersheriff Mike McCabe says it's likely the court decisions have had the most impact on medical marijuana numbers, along with changes in state law.

"I think all the court decisions that have come out have had a huge effect on that," says McCabe. "The courts clarified a lot of that. I'm not an expert on this but I would attribute a lot of it to all the court rulings on dispensaries and who can be a caregiver and who can't be a caregiver.

"It's much more restrictive as to who can be a caregiver and who can't be," he said. "They've more strictly defined what is allowable and what isn't allowable."

McCabe rejects the implication that law enforcement has aggressively enforced medical marijuana laws.

"I wouldn't say aggressive," he said, "I would say law enforcement and prosecutors were following the law. Some chose to lay back and wait for the courts. What occurred in Oakland County, the courts have proven we were correct in our interpretation of the law all along."

Voters approved a ballot question in 2008, with 63 percent in favor of allowing medical marijuana. Users pay a \$100 fee to register. Approved caregivers are allowed up to five patients and to have 2.5 ounces of usable marijuana per patient, and 12 plants per patient.

But how the program works has largely been left to the Legislature and court rulings to iron out.

New laws and a key Michigan Supreme Court ruling took effect in 2013.

The state's high court ruling in February found that retail sale of medical marijuana is legal but that the state's medical marijuana law doesn't provide for dispensaries, dealing a blow to storefront operations that were popping up around the state. The law doesn't provide for dispensaries, dealing a blow to storefront operations that were popping up around the state.

Reprinted from the Detroit Free Press & submitted by  
Wayde Koehler, Pres, R.E.I.A. of Wayne County

## Changes in state law that took effect in 2013 include:

- Requiring that transported medical marijuana be inaccessible to the driver,
- Making doctors perform a "complete assessment" (in-person evaluation) of a patient before authorizing a recommendation for medical marijuana.
- Changing the renewal period from every year to every two years. Proof of residency is now required before one may obtain a registration card.
- Requiring that outdoor cannabis plants not be "visible to the unaided eye from an adjacent property when viewed by an individual at ground level or from a permanent structure" and be "grown within a stationary structure that is enclosed on all sides, except the base, by chain-link fencing, wooden slats, or a similar material that prevents access by the general public and that is anchored, attached or affixed to the ground, located on land that is owned, leased, or rented by the registered grower and restricted to that grower's access."
- State-qualified caregivers must not have been convicted of any felony within the last 10 years, or any violent felony ever



— 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???***

[www.realtor.com](http://www.realtor.com)  
[www.buyowner.com](http://www.buyowner.com)  
[www.fsbo.com](http://www.fsbo.com)  
[www.hud.org](http://www.hud.org)  
[www.historicproperties.com](http://www.historicproperties.com)

***Are you looking for comps?***

[www.homeradar.com](http://www.homeradar.com)  
[www.realestate.yahoo.com/realestate/homevalues](http://www.realestate.yahoo.com/realestate/homevalues)

***Need to find someone?***

[www.555-1212.com](http://www.555-1212.com)  
[www.anysho.com](http://www.anysho.com)

***Lead Base Paint Pamphlets?***

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



**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 [reiaawaynecounty.org](http://reiaawaynecounty.org)**

— **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)**