

# REIA

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**WAYNE COUNTY**

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

Volume 29

July 2013

Number 6

## NEXT MEETING

**TUESDAY JULY 2, 2013**

**NETWORKING & DINNER**  
**RED LOBSTER**

**13999 Eureka Rd • SOUTHGATE**  
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**6:00 - 7:15** ..... Dinner and Networking  
**7:30** ..... Meeting

## SPEAKER/TOPIC

MICHAEL JEFFREYS is a personal & professional development expert and world-class motivational speaker. Since 1986, Michael has delivered over 3000 hours of live sales and personal development training. His main area of focus revolves around goal achievement through understanding and activating the power of the mind.

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**Hosted by our Vice President**  
**Bill Beddoes**

**WHERE**  
**Red Lobster@6pm - 9pm**  
**13999 Eureka Road, Southgate**

**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!

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

# Membership Application

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

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**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 July 2, 2013
- Tuesday August 6, 2013

**INVESTOR GET-TOGETHER — JULY 16TH**

### BOARD OF DIRECTORS

**NO MEETING THIS MONTH**

- Tuesday August 13, 2013

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

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## RENTS ARE UP AND VACANCY RATES ARE DOWN

During the third quarter of 2012, the U.S. apartment market saw an effective rent growth rate of 3.64%\*. Though the number was up, this was slightly down from the 4.0% increase at the end of the second quarter. However, most see this as good news in spite of the fact that 28,000 new rental units were put on the market during this time period. Experts speculate that the effective rent growth rate will slow to 3.6% during the winter months. The trend for increased rents seems to be a foregone conclusion for the coming months. This will likely hold true until increased pressure from new units forces greater competition.

Occupancy rates have also improved and hovered around 94.55% at the end of the third quarter, equating an approximate 6% vacancy rate-once again-all this despite the influx of new units on the market. RPOA members also continue to report a decrease in vacancies. The RPOA office has also seen a decrease in the volume of credit reports and decision reports pulled by members during the past six months, a typical indicator that units are filling up and there are fewer vacancies to fill.

\* Statistics reported in this article by Axiometrics,

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## ***SERVICE ANIMALS: THE ADA VS. THE FAIR HOUSING ACT***

I know this article is needed because we get these questions frequently:

- “The Americans with Disability Act (ADA) says that service animals have to be trained or certified..”
- “The ADA was recently changed; how does that affect the need to accommodate disability-related animals in housing?”
- “The ADA now only allows for the use of service dogs. Does that mean I can serve an eviction notice to those I’ve accommodated in the past with companion kitties? And so it goes.

Folks, there’s a fundamental point that many are missing. The ADA is not the Fair Housing Act (FHA). The ADA has nothing to do with the FHA. Changes to the ADA have no effect on the FHA. In fact, to a great extent, the ADA has little to do with housing at all. Unfortunately, the ADA has been in the news a good deal and articles about it rarely delve into the fact that disability-related animals in housing is a different critter altogether.

**The ADA addresses public accommodations in businesses, restaurants, and the like.** The only place it touches the housing industry is where it speaks to: (1.) The accessibility needs of the model homes and sales/ rental offices and (2.) the accessibility requirements of any publicly available places within a housing complex (for example, a community center available for anyone to rent for private functions).

**The FHA, on the other hand, deals with housing.** The portion of this federal law that addresses disability as a protected class includes provisions for reasonable accommodations and modifications. The request for a disability-related animal despite a no-pets (or other pet-restricted) policy is, in fact, one of the more common reasonable accommodation requests we see in housing of all kinds-rental, sales, homeowners associations, manufactured home parks, etc. And it’s not surprising given the range of services such animals can provide and knowing that an even broader array of medical conditions that can benefit from such treatment.

In housing, under the FHA, it doesn’t matter what you call them (service animals, companion animals, therapy animals, assistance animals, aid animals , working animals, etc.); if the animal exists to serve the individual’s disability it is not legally a pet and may not be treated as such. That means no pet fees, pet deposits, pet rent, and no increased security or cleaning deposit simply because the animal exists. You may not restrict such animals by breed or species in housing.

You may have assistance animal rules as long as they’re no more restrictive than any pet rules you may have. Now as with any other accommodation/ modification request, the disability-animal request must too, be “reasonable” and the resident is responsible for their animal. That means that you would be within your rights to respond to the service bird that shrieks at two in the morning, the companion cat that attacks other residents, or the seeing-eye-dog that soils the carpet.

# MAYBE OBAMACARE WON'T BE SO BAD

## New Research suggests some penalties won't bite

It's been more than three years since President Obama signed the Patient Protection and Affordable Care Act, which requires companies to provide affordable insurance to their workers or pay tax penalties. That means there are fewer than seven months before the bulk of the law's provisions go into effect. Like many business owners, you may be eyeing the approaching deadline the way a nail eyes an approaching hammer. But new research suggests that certain costs may not be as high as businesses anticipated.

Some winners and losers are clear: You are no doubt keenly aware that if you have fewer than 50 full-time employees-or an equivalent combination of full-time and part-time workers-you have little to fear under the new law. If, on the other hand, your company is larger and doesn't offer health benefits, you will have to pony up in 2014. But if you already offer health insurance, as do more than 90 percent of large companies, things may look worse than they really are, according to a new study conducted by ADP, a large benefit and payroll processing firm based in Roseland, New Jersey.

Most of the uninsured are low-wage earners, who are less likely to join an employer-sponsored plan, according to ADP, which examined payroll and benefits data from 300 companies. ADP predicts that an unmarried employee who earns less than \$22,000 a year will probably find cheaper insurance through a government-run exchange than through an employersponsored plan.

Of course, this doesn't let you off the hook, because if one of your workers takes a government subsidy to buy insurance on an exchange, you could face a tax penalty of \$3,000. However, ADP's research suggests that few companies would incur this penalty. Here's why: If the worker who receives a subsidy could have purchased health insurance from you at a cost of 9.5 percent or less of his wages, there's no penalty. And, according to ADP, the vast majority of company plans already meet this threshold. On average, employees who earn from \$15,000 to \$20,000 a year and

participate in their companies' health care plans pay just 5.7 percent of their incomes for insurance. ADP calculates that just 1 percent of single employees are paying more than 9.5 percent of their wages to insure only themselves.

And most companies should be able to avoid another penalty as well. Despite the law's requirement that companies with 50 or more employees offer insurance to dependents, you are not required to foot the bill for your workers' children. As long as you offer a plan for dependents, you won't face penalties, even if you pass the entire cost of the plan on to employees. And the cost of dependents' care doesn't factor into the 9.5 percent rule.

For now, the biggest question mark is how the new law will affect insurance premiums. Because carriers can no longer base premiums on an individual's or group's preexisting conditions, businesses may see big price changes, particularly in states where that practice was previously allowed. That could be good news for some companies and bad news for others. "Companies that have healthy employees may see increases, and those with sicker employees may see decreases," says Alan Cohen, chief strategy officer for Liazon, a private health care benefit exchange in New York City.

Many companies are hoping for the best and expecting the worst. Brad van Dam, the CEO of Marich, a candymaker based in Hollister, California, already pays about \$800,000 a year to cover his 130 employees. Like many employers, van Dam has seen annual double-digit increases in health insurance premiums over most of the past decade. Recently, van Dam has had frequent discussions with his broker about compliance and next year's rates. "All indications are that costs will increase," says van Dam. "I can't venture a guess at this time, but we are assuming it will be lower double digits, at a minimum." -Jeremy Quittner

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## Lipstick in Catholic School

(You have to love this principal)

According to a news report, a certain private Catholic school was recently faced with a unique problem. A number of 12 year-old girls were beginning to use lipstick and would put it on in the bathroom. That was fine provided it was of a natural or neutral skin tone, but after they put on their lipstick they would press their lips to the mirror leaving dozens of little lip prints.

Every night the maintenance man would remove them and the next day the girls would put them back. Finally the principal, Sister Mary, decided that something had to be done.

She called all the girls to the bathroom and met them there with the maintenance man. She explained that all these lip prints were causing a major problem for the custodian who had to clean the mirrors every night (you can just imagine the yawns from the little princesses).

To demonstrate how difficult it had been to clean the mirrors, Sister Paschal asked the maintenance man to show the girls how much effort was required. He took out a long-handled squeegee, dipped it in the toilet, and cleaned the mirror with it.

Since then, there have been no lip prints on the mirror.

**There are teachers- And then there are educators.**

## HOPE YOU CHECKED OUT OUR LIBRARY!

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**Need to E-mail any questions or articles or anything for us?? Our web address is [ApPrint1@aol.com](mailto:ApPrint1@aol.com)**

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# CONSIDERATIONS FOR TENANT BACKGROUND CHECKS

By Lonnie Smrkovski (*Landlords of Mid-Michigan-LLOM, Lansing, MI*)

Background checks of tenant applications are, of course, very important in the selection of prospective residents and normally include the standard checks regarding credit, evictions, employment, income, and landlord references. While these factors are related to the anticipation of prompt payment of rent, there seems to be little said about criminal background checks.

Why may criminal background checks be desirable? For the same reason we may not want convicts who have committed certain crimes living in our own neighborhood. Tenants deserve to live in a clean, safe environment which is free of potential criminal threats or other problems.

No doubt, there are many who have committed crimes, paid their debt to society, learned their lesson, and go on to trying to lead good lives. Depending on the offense and circumstances, a landlord may well give consideration to such an applicant. Many convictions are for non-violent or other crimes that may not present a threat to your business or your tenants.

Is this discrimination? Conviction for crimes does not seem to be a protected class. Under the Fair Housing Act, the following are protected: Race, color, religion, sex, national origin, those with disabilities, marital status, age, social orientation, and source of income.

Michigan has a very large prison population (more than surrounding states). Our prison system has been costing Michigan taxpayers 1.6 billion dollars per year for the last several years. In an attempt to reduce costs, thousands of prisoners have been released or otherwise paroled and a number of prisons have been closed. On release and/or parole, they are looking for housing. Obviously, many convicts released from prison have low paying jobs or none at all. Clearly, they cannot qualify as housing applicants based on their lack of income. They may, however, be financially supported by family members. I think it safe to say that criminals convicted for drug offenses, violent crimes (including sex offenders), and others who have committed serious offenses pose a possible threat to landlords and tenants are of the most concern.

According to the National Center for Missing and Exploited Children, there are an estimated 739,853 registered sex offenders in the USA (2010 statistical data). That is 236 per 100,000 populations. Michigan has 47,329 (per 100,000 population, 477)! To access the Michigan Public Sex Registry go to [www.mipsor.state.mi.us](http://www.mipsor.state.mi.us) and do your search. You will be required

to know their name and age (approximate). Information on the offender includes a photo, name, date of birth, address, and the specific crime for which they were convicted. There is no charge for the search.

One should keep in mind that Michigan's Criminal History Records include arrest information provided by law enforcement when a person is charged with a crime punishable by over 93 days, which includes all felonies and serious misdemeanors. Other misdemeanor offenses are reported with fingerprints after conviction IF the sentence includes incarceration with fines and costs totaling more than \$ 100 (source: Michigan State Police).

For inquiries on applicants outside the area where your rentals are, you may wish to contact the appropriate courts in the jurisdiction where the applicant lives. (Jackson, Michigan has the 12th District Court website for access to public legal records and the site web address is: [www.dl2.com](http://www.dl2.com)).

Criminal background checks have been made easier with the advancement of record keeping and computer technology. There are numerous internet sights on which one can obtain (for a fee) all kinds of public record information including criminal convictions. Some are state specific, and others will do a nationwide search of public records. Again, these sites do charge a fee.

The Michigan State Police provides the Internet Criminal History Access Tool (ICHAT) allowing the search of public records contained in the Michigan Criminal History Record maintained by the department. Warrant information and suppressed records are not available, nor are federal, tribal, and criminal records from other states. Inquiries in other states would have to be done directly with the state of interest.

To perform a search through ICHAT, the minimal information required is a person's full name and date of birth. A fee of \$10 per search is charged. The search site is [www.michigan.gov/ichat](http://www.michigan.gov/ichat). You will be asked to register if you are a new customer, or simply login if you are already registered. You may wish to confirm the information with an applicant (source: Michigan State Police).

If in doubt about renting to an applicant with unusual circumstances, landlords may wish to check with the local housing authority and/or seek legal counsel.

# **ANIMALS LEFT IN ABANDONED RENTAL PROPERTIES**

At the last general meeting where Barb Dwyer spoke, a member (me) asked about animals that are abandoned by their owners when they vacate their rental units. I have received numerous calls on this issue, all the way from rats to a really nasty sounding pitbull on the other side of the door. In general, the historical response from authorities has been “not our problem”. No one was aware of any specific regulations regarding situations such as these, so I contacted the Jackson County Sheriff’s Department and received the following response from Captain Brad Piros:

“I certainly understand your concern and it’s unfortunate these animals are being left behind. Generally, our Animal Control Officers respond to neglect cases, vicious dogs, and dogs on the loose. If the owner of the animal cannot be located, I would encourage your members to transport any animals they feel comfortable doing so with to the Animal Shelter on Spring Arbor Road. If they have a situation they feel is criminal neglect, or if the animal is not able to be transported due to potential danger, etc., I would advise them to contact 911 and we can assist.

The open question of course is determining if the rental unit/ animals have in fact been abandoned. If the rent has not been paid and the utilities are shut off, if the tenants vehicles are gone, if mail is accumulating in the mailbox and best of all, if the neighbors say

“They moved” you can be pretty sure they have abandoned the unit. If they have been served with an eviction notice or summons and complaint and no one answers the door after repeated attempts at

contacting them, you can at least make a preliminary assumption that the unit is abandoned. Post a notice of “abandoned unit” on the entrances to the rental stating that you will take possession in seven days unless you are contacted by the tenant.

Assuming you have a provision in your lease for immediate inspection in emergencies or a 24-hour notice of inspection for nonemergencies, post a notice on the door that you are entering the building for either an emergency inspection in four hours or a routine inspection in 24 hours. Call their phone and leave a message informing them of the inspection, then wait. Enter the premises cautiously calling out that you are inspecting.

Quickly assess any condition that might be an emergency which could damage your property. Take note of any animals in the premises. If the animals are caged and have food and water wait until the period noted on the abandoned property posting has expired to take them to the animal shelter as suggested earlier. Otherwise, take them immediately.

If you are concerned about a potentially dangerous animal, call 911 as was suggested by Captain Piros. A dog or cat left loose in an apartment without attention can become bored and very destructive. Cats in particular create havoc by urinating on carpets. I have had to tear out carpets, padding and soak the underlayment in Clorox to kill the odor. It’s a very expensive effort!

*Submitted by Robert Tulloch, JALA President*

## AN ACTUAL CRAIG'S LIST PERSONALS AD

*To the Guy Who Tried to Mug Me in Downtown Savannah night before last.*

I was the guy wearing the black Burberry jacket that you demanded that I hand over, shortly after you pulled the knife on me and my girlfriend, threatening our lives. You also asked for my girlfriend's purse and earrings. I can only hope that you somehow come across this rather important message.

First, I'd like to apologize for your embarrassment; I didn't expect you to actually crap in your pants when I drew my pistol after you took my jacket.. The evening was not that cold, and I was wearing the jacket for a reason.. my girlfriend was happy that I just returned safely from my 2nd tour as a Combat Marine in Afghanistan ... She had just bought me that Kimber Custom Model 1911.45 ACP pistol for my birthday, and we had picked up a shoulder holster for it that very evening. Obviously you agree that it is a very intimidating weapon when pointed at your head ... isn't it?!

I know it probably wasn't fun walking back to wherever you'd come from with crap in your pants. I'm sure it was even worse walking bare-footed since I made you leave your shoes, cell phone, and wallet with me. [That prevented you from calling or running to your buddies to come help mug us again].

After I called your mother or "Momma" as you had her listed in your cell, I explained the entire episode of what you'd done. Then I went and filled up my gas tank as well as those of four other people in the gas station, -- on your credit card. The guy with the big motor home took 153 gallons and was extremely grateful!

I gave your shoes to a homeless guy outside Vinnie Van Go Go's, along with all the cash in your wallet. [That made his day!]

I then threw your wallet into the big pink "pimp mobile" that was parked at the curb after I broke the windshield and side window and keyed the entire driver's side of the car.

Earlier, I managed to get in two threatening phone calls to the DA's office and one to the FBI, while mentioning President Obama as my possible target.

The FBI guy seemed really intense and we had a nice long chat (I guess while he traced your number etc.).

In a way, perhaps I should apologize for not killing you ... but I feel this type of retribution is a far more appropriate punishment for your threatened crime. I wish you well as you try to sort through some of these rather immediate pressing issues, and can only hope that you have the opportunity to reflect upon, and perhaps reconsider, the career path you've chosen to pursue in life.. Remember, next time you might not be so lucky. Have a good day!

Thoughtfully yours,  
Semper Fi,  
Alex

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## 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**  
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- **Aaron D. Cox**  
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### Section 8 Questions???

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jscarlett@waynemetro.org

Wayne Metropolitan  
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05/14

## SPEAKERS COMMITTEE

Wayde Koehler

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

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# Kilpatrick's peers deserve good lawyers, too

Even Detroiters who believe Kwame Kilpatrick was a victim of selective prosecution seem to have grudgingly accepted the legitimacy of his conviction on multiple felony counts.

That's an encouraging turn of events in a country where controversial jury verdicts have been known to trigger violent protests, and it's worth pausing to highlight the factors that made it possible.

Much has been made of the Kilpatrick jury's diversity, which not only bolsters the credibility of Monday's guilty verdicts but also minimizes the likelihood of a successful appeal on grounds that minorities were unconstitutionally excluded.

But it's also important that Kilpatrick, who pleaded that he lacked the wherewithal to hire experienced lawyers of his own, had top-flight legal representation throughout his five-month trial. The ex-mayor's lawyers aggressively cross-examined each government witness and succeeded, in several instances, in convincing jurors that the prosecution had failed to meet its burden of proof.

Whatever you think of the jury's verdicts, it's hard to argue that Kilpatrick was railroaded to prison without the benefit of procedural due process.

That Kilpatrick would not be left to his own devices was ordained in 1938, when the U.S. Supreme Court ruled in *Johnson v. Zerbst* that any federal defendant too poor to hire an attorney must be

provided one at the taxpayers' expense.

But the much larger group of defendants who face criminal charges in state court didn't win the same privilege until March 18, 1963, when justices decided that they, too, enjoyed a constitutional right to competent legal representation.

Like other Warren Court decisions that protected the rights of criminal defendants, the justices' landmark ruling in *Gideon v. Wainwright* was wildly unpopular when it was handed down 50 years ago this Monday. Taxpayers continue to chafe at the cost of indigent defense, but few today challenge the *Gideon* court's reasoning that the right to a fair trial is meaningless unless every defendant gets competent legal representation.

## Compliance lags in Michigan

Kilpatrick had the good luck to be prosecuted in federal court. But state courts have been less conscientious about enforcing the U.S. Supreme Court's 50-year-old mandate. And few states have been more negligent than Michigan, where a bipartisan commission appointed by Gov. Rick Snyder reported just last year that most of the state's counties were still failing to meet their legal obligation to indigent defendants.

"The constitutional standard has been clear since *Gideon* in 1963," observes Mason District Judge Tom Boyd, who served on the governor's Indigent Defense Advisory Commission. "But Michigan has never gotten around to doing it."

Last fall, at the urging of Boyd and his colleagues, the Republican-led state House of Representatives adopted legislation that would have bolstered funding for indigent defense and brought Michigan into compliance with *Gideon*. (On a per-capita basis, Michigan currently spends just half the national average states set aside for indigent defense.) (continued next page)

## Newsletter Subscriptions



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

2962 Fort Street

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(continued from Kilpatrick Peers)

But state Sen. Rick Jones, R-Grand Ledge, who chairs the Senate Judiciary Committee and has made a career of anti-crime posturing, had little enthusiasm for the House legislation, and it died without ever coming to a vote in the Senate.

Jones and his Senate colleagues concluded that Michigan taxpayers can't afford to meet the standards justices established in Gideon.

They won't face criminal charges for their craven decision, but make no mistake: The indifference they've displayed for constitutional rights of Michigan's indigent defendants is every bit as indefensible as Kilpatrick's arrogant crimes.

There's little doubt that assuring competent legal counsel for everyone accused of a serious crime will cost more than Michigan is paying now. But the evidence is overwhelming that states that scrimp on indigent defense end up incarcerating a disproportionate number of innocents.

The high cost of injustice

Spending \$30,000 a year to incarcerate a falsely accused defendant is no bargain, especially when that defendant is later exonerated and collects millions dollars in damages. And how do we calculate the cost of allowing real criminals to get away when poorly represented defendants are erroneously convicted?

But in the long run, the demonstrable costeffectiveness of giving every defendant a fair trial is irrelevant; it's simply what the law of this country demands.

Respect for the law is enhanced when the public sees police and prosecutors playing scrupulously by the rules, as they did in Kilpatrick's corruption case. And it's diminished when those in authority make light of those rules, as Jones and his fellow senators have.

Half a century has passed since the Supreme Court made clear what states must do to guarantee that every citizen gets a fair trial. Isn't it about time Michigan began paying attention?

**BRIAN DICKERSON IS THE DEPUTY EDITORIAL PAGE EDITOR OF THE DETROIT FREE PRESS.**

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## NEW ISSUES SURROUNDING STATE TAX LIENS

REALTORS® in Ingham County have recently had closings fail at the last minute due to the discovery of numerous state tax liens against the property they are trying to close. The state tax liens are filed against the owner or a former owner of the property who received a deed for the property as a result of a foreclosure by advertisement. The claim for unpaid taxes appear to arise from a failure of a purchaser who did not reside on the property (the Non-Resident Owner) to pay additional property taxes as a result of the removal of the principal residence exemption (PRE) after December 31 of the year title transferred to the Non-Resident Owner. The Non-Resident Owners to date that have been brought to the attention of MAR are HUD, Federal Home Loan Mortgage Corporation and Wells Fargo Bank. It is fair to assume the same situation exists for other banks, Fannie Mae and Freddie Mac.

The state tax liens have been filed with the Ingham County Register of Deeds. The Michigan Department of Treasury contends that the filing of a state tax lien with the Ingham County Register of Deeds covers all properties owned by a Non-Resident Owner anywhere in the State of Michigan. In other words, if the Federal Home Loan Mortgage Corporation has a state tax lien filed against it in Ingham County, it is claimed that this state tax lien attaches to all properties owned by the Federal Home Loan Mortgage Corporation throughout Michigan. It should also be noted that the state tax liens are cumulative. For example, if the Federal Home Loan Mortgage Corporation has state tax liens against it totaling \$150,000 based on taxes owed on a number of different properties, the entire \$150,000 will attach to every property owned by the Federal Home Loan Mortgage Corporation in Michigan. This could result in a property under contract for \$12,000 having tax liens against it totaling \$150,000.

It is our understanding that Non-Resident Owners such as HUD are currently working with the Michigan Department of Treasury to try and resolve this situation. Further, MAR will be meeting with Treasury this week to discuss the importance of the issue. In the meantime, if REALTORS® are listing properties or representing buyers who are interested in purchasing properties that are currently owned or were owned at one time by a Non-Resident Owner, they should check with a title company to make certain that there are no state tax liens on the property. If there are state

tax liens on the property, as a practical matter, it is likely that the property cannot be sold until this issue is resolved with Treasury. Keep in mind that this particular problem with state tax liens is limited to residential properties that were previously owner-occupied and then acquired by a Non-Resident Owner, such as HUD, typically through foreclosure.

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### Around Town with Real Estate Investor Groups

(call each group for details)

- **OAKLAND R.E.I.A.**  
www.ReiaofOakland.com
- **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**  
6:30-7:30 pm Social/Dinner • 7:30 pm Meeting  
(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*  
6:00 pm Networking @ Red Lobster, Southgate  
7:15 Announcements  
7:30 pm Meeting  
(313) 347-1401 • 24 hr Answering Machine
- **Real Estate Investors Association of Wayne County**  
(REIA of Wayne Co) *3rd Tuesday of the Month*  
*Red Lobster • 13999 Eureka Rd • Southgate*
- **Jackson Area Landlords**  
6:30 pm Meeting  
517-596-2592
- **Toledo Real Estate Investors**  
*Sullivan Hall @Gescu Parish*  
*2049 Parkside @Bancroft*  
6:45 pm Meeting  
(419) 283-8427
- **Southeast Michigan Real Estate Investor Association**  
*39555 Orchard Hill Place*  
*Novi, Michigan*  
(248) 692-1100

— 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.reiaofOakland.com](http://www.reiaofOakland.com) ..... REIA of Oakland.  
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[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)

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[www.historicproperties.com](http://www.historicproperties.com)

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***Need to find someone?***

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[www.anysho.com](http://www.anysho.com)

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

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- *Discount card for Sherwin Williams Paint Co. & Office Max*  
*(ask and have your membership card.)*

— **MEETING AGENDA** —  
**RED LOBSTER ON EUREKA • SOUTHGATE**  
*Next to 7-11, near Trenton Rd.*  
**6:00 - 7:15 ... Dinner and Networking**  
**7:30 - ..... Meeting — (\$20.00 FOR GUESTS)**

## PROTECT YOUR ASSETS

### **LET YOUR RESIDENTS KNOW ABOUT RENTER'S INSURANCE**

**Renter's insurance** is something your residents obtain and pay for themselves; it covers losses to a resident's personal property as a result of fire, theft, water damage, and so on. Residents often think they don't need renter's insurance because they possess few valuables, but renter's insurance covers much more than just their personal possessions. It also provides protection.

Protection against claims made by injured guests or visitors. The insurance offers supplemental living expenses if the rental property becomes uninhabitable due to fire or smoke damage. And it protects the resident in the event that he or she causes damage to another resident's property.

Although the number of residents with renter's insurance has increased significantly in the last decade, a recent Insurance Research Council study shows that 96% of homeowners have a homeowner's policy, but only 43% of renters have a renter's insurance policy.

As a rental property owner, you benefit from renter's insurance, because it covers any claims in the event that the residents start a fire or flood. Their premiums go up instead of yours. So to protect your property, consider placing a clause in your rental contract that clearly points out the requirement that every resident must have a renter's insurance policy (especially in a multi-unit building). Depending on the policy limits, renter's policies typically cost from \$150 to \$300 per year, with deductible amounts of \$250 or \$500. As with car insurance, the insurance company only pays for losses over and above the deductible.

#### PERSONAL STORY

The importance of renter's insurance was reinforced to me early in my management career when a bad fire occurred at one of the properties I managed. Apparently, a new resident was getting help from sixpack movers-friends who assist with a move in exchange for a six-pack of their favorite beverage. The fire started when one of the new resident's friends negligently placed a box of paper goods right on top of the gas-stove pilot light.

Luckily, no one was seriously injured, but 12 of 16 rentals in the building were completely destroyed. None of the residents had renter's insurance, and even the innocent neighbors lost everything they owned.

Although legally you can point to the fact that each and every one of the residents had initialed the rental contract clause indicating they should have renter's insurance, facing residents who'd just lost everything because they didn't get around to buying renter's insurance was still difficult.

***Robert Griswold, Property Management Kit for Dummies, available at LandlordBooks.com.  
and reprinted from MR. LANDLORD***