R.E.I.A.

REAL ESTATE INVESTORS ASSOCIATION
WAYNE COUNTY

WEBSITE: reiawaynecounty.org
FACEBOOK: Wayne County REIA of Michigan
24hr recording (313) 437-2945
Fax: 313-386-7600

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

Volume 30 | *October 2014* | *Number 9*

NEXT MEETING

TUESDAY OCTOBER 7, 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

Chris Paglialunga (Pag) will be speaking on High End Buy, Fix and Flips. Chris is a local Contractor and Investor and he has had extensive experience in purchasing great homes substantially below market, performing spectacular rehabs and then selling them quick.

For Any Questions Please Call:
Wayde Koehler, President 313-819-0919
or 24hr recording (313) 437-2945

Time for BOARD ELECTIONS Again!!

If you are so inclined that you might like to be a part of the Board of Directors, we'd love to hear from you - We have a great board, but can always use more opinions and helpful members to give a different perspective on all the important things taking place at the present time

They must attend at least 1 Board Meeting (September or October)

The 4th Annual R.E.I.A Christmas Party - Tuesday, December 2nd 2014 - INSTEAD OF OUR MEETING AT THE RED LOBSTER

There will be an hour and a half of Hors d'Ouvers, prior to All-You-Can-Eat Dinner. Also an Open Bar all Nite

Tickets are $35.00 per person or $25 + FREE GIFT if paid before November 21st

For More Info, Check the Website: www.reiawaynecounty.org

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 — 24hr recording (313) 437-2945 • 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 October 7, 2014*
- *Tuesday November 4, 2014*

INVESTOR GET-TOGETHER — SEPTEMBER 16TH

BOARD OF DIRECTORS

- *Tuesday October 14, 2014*
- *Tuesday November 11, 2014*

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

Real Estate Investors Association of Wayne County

P.O. BOX 5341 • Dearborn, Michigan 48128

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WEBSITE: www.reiawaynecounty.org

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How to grow your savings

Stop 401(k) fees from cheating you out of retirement money

Jeff Gardner, 58, started his first job in 1979, the year after a new retirement plan called a 401(k) made its debut. Gardner, an insurance executive from Bensalem, Pa., took advantage soon after, setting aside $100 a month at first. By the late 1990s, he had socked away a sizable nest egg, but his returns were under par. “I was getting 4.2 percent, compared with 12 percent for the market at the time,” he recalls.

Gardner consulted a colleague—an actuary—who unmasked the culprits. Numerous tiny, compounding fees, like termites, were eating away at his returns. Aghast, he gradually changed his investments to index funds, which are known for low fees. But he estimates that those earlier up-front loads, management expenses, 12b-1 marketing fees, and other charges compounded over decades eroded at least $100,000 of his nest egg.

“You don’t see it happening because it’s small,” Gardner says. “But that’s a lot of money that went out the door.”

Are you paying too much in 401(k) fees? Until recently, it was difficult to know. But as of last year, 401(k) plan sponsors are required to send participants annual disclosures outlining fund fees and their effects on savings over time.

Those disclosures, newly mandated by the Department of Labor’s Employee Ben-efits Security Administration, which oversees private retirement plans, must be delivered by Aug. 30 each year. In fact, they may be sitting on your mail tray or in your e-mail inbox right now. Investors can now see what they’re spending—and how much they may be losing—on what is arguably the most crucial investment of their lives.

At the same time, a steadily increasing flow of class-action lawsuits is targeting employers that sponsor 401(k)s. The suits contend that by charging high fees, improperly passing costs on to participants, and even engaging in conflicts of interest, plan sponsors violate their fiduciary duty to act in the sole interest of participants.

The two developments represent a turning point in a consumer movement that 35 years after the 401(k) was written into law may finally make plan sponsors accountable to the people they’re bound by law to serve.

In this report, we’ll discuss how high fees can dramatically affect what you have available in retirement. We’ll outline what you can do within your own account to improve your returns. And if you have a bad 401(k) plan to start with, you’ll also learn how to push your employer to make changes to the funds within the plan—or even to dump the company that administers the plan—to improve your odds for retirement security.

Signs of a dud 401(k)

• No index funds.• Fund expense ratios of 1 percent or more.• Delayed vesting of employer match.• Matches only in company stock.• Funds not diversified.• Low or nonexistent employer match.

Poor retirement choices

An American wage-earner pulling in about $50,000 in adjusted gross income each year will need seven to 10 times that—up to $500,000—to maintain a similar lifestyle in retirement, financial planners estimate. But a survey this spring by the Em-ployee Benefit Research Institute found that 57 percent of American households have less than $25,000 in savings and investments, not including the value of their homes or a traditional pension. In about two-thirds of households with 55- to 64-year-olds—the group closest to retirement age—the average saved amount was not even equal to a year's income, says a study by the National Institute on Retirement Security released in June.

Why this dire reality? For one, only about 60 percent of workers younger than 65 have access to a workplace retirement account. Among workers 18 to 34 years old, 56 percent are not saving for retirement at all, says a 2012 study by LIMRA. Of those who are saving, many defer just 3 percent of income to their 401(k)s, the typical default option, says a 2012 report by the Employee Benefit Research Institute. Many don't elect to automate increases in contributions each year and so don't ratchet their savings further.

With a 401(k), you invest now and defer your taxes until you withdraw the money, presumably when you are in a lower tax bracket. But employees who make poor 401(k) fund choices, with high, built-in investment fees, can lose out on tens or even hundreds of thousands of dollars in returns over their working lives without even knowing it. Last year, the progressive think tank Demos estimated that two median-income earners will pay, on average, almost $155,000 in 401(k) fees over a lifetime. IRA plans that individuals set up themselves were included in that figure.

A glut of fees

You might think the most important element in picking a mutual fund in a 401(k) is past performance or the experience of the fund's manager. But the best predictor of a fund's performance is fees, says the investment research company Morningstar. No matter what type of fund—large-cap, small-cap, value, or growth—lower fees correlate with better performance. That's because although stocks go up and down, fees are a constant. Over the long haul, higher fees drag down a fund's overall return.

Consider the impact of a margin of just 1 percentage point in fees on a $25,000 investment growing at an average 7 percent annually. Subtracting annual fees of 0.5 percent, that investment grows to $227,000 over 35 years, with no additional contribution. With annual fees of 1.5 percent, that nest egg is only $163,000. That's $64,000, or 28 percent, less.

As a rule of thumb, you shouldn't pay more than 1 percent in expenses, or fees, for any mutual fund if your 401(k) is with a large company that has thousands of employees. Your company should be able to use its size to negotiate significant discounts with mutual-fund companies. Even small companies without much bar-gaining power should be able to find low-cost funds for their employees. Mutual funds that follow indexes such as the Standard & Poor's 500, for instance, should cost far less because the managers have to do less work. The Schwab S&P 500 Index, for instance, has an expense ratio of just 0.09 percent, or 0.0009 annually. On a $1,000 investment, you'd pay a mere 90 cents. Policy analyst Robert Hiltonsmith, author of the Demos study on 401(k) fees, estimates that about 40 percent of 401(k) participants pay excessive overall fees. "And we have a conservative bar—1 percent of assets—for what's considered excessive," Hiltonsmith says.

Fund fees: The little things add up

Mutual funds that sound similar or have identical investment goals can vary widely in cost within 401(k) plans. Here's how much $50,000 will cost if invested over 20 years in certain target-date or life-cycle funds common in 401(k) plans.

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For More Info, Check the Website: www.reiawaynecounty.org

Fund family and ticker symbol	Expense ratio (%)	Total cost
Vanguard Target Retirement 2030 Investor VTHRX	0.17	$ 3,531
TIAA-CREF Lifecycle 2030 Institutional TCRIX	0.47	9,416
Fidelity Freedom K 2030 FFKEX	0.62	12,199
BlackRock LifePath Active 2030 Portfolio Class K BIPEX		0.67 13,104
T. Rowe Price Retirement 2030 Class R TRRCX	0.75	14,529

Source: Morningstar, FINRA. Assumes average growth rate of 7 percent.

What you pay

The impact of investment fees is outlined in the annual disclosure sent from your plan each August. You'll see the performance of your funds over one, five and 10 years, as well as how much you pay in fees for every $1,000 you invest. Every quarter, by the middle of February, May, August, and November, your investment statement should show the dollar amount and description of fees and expenses you paid. The disclosures highlight the costs that funds pass on to their customers.

Investment management fees. These are the largest component of 401(k) fees for individual funds. They're ongoing charges to manage the funds in your account. Also known as investment advisory or account maintenance fees, they're generally stated as a percentage of assets, or expense ratio. A 12b-1 fee pays the fund's costs to market itself. Other administrative fees cover maintenance of customer-service numbers, and accounting and other services.

Plan administration fees. These include record keeping, accounting, legal services, and other costs to run your 401(k). They also include the costs of maintaining, for example, a plan website, telephone voice response systems, and investment education. Your plan might charge your account a flat fee or a percentage of your assets to cover those expenses. Or it may deduct your share of the costs from your investment returns. You'll find that information in the quarterly statements from your 401(k) plan.

Insurance fees. If you own a variable annuity contract within your account, you might also pay a "mortality risk" fee to cover the insurer if you die earlier than anticipated. You'll also pay surrender and transfer charges if you withdraw investments prematurely. Those are included in the expense ratio.

Individual fees. They might include what you pay for individual services, such as taking out a loan and obtaining documents in a divorce proceeding.

What you can do

For the first time, employees are beginning to flex their muscles, influencing employers to make changes in their 401(k) fund lineups and other features (see below). But change takes time, and in the short term, employees with high-cost plans often have to fend for themselves. In the meantime, here are ways to make the best of a bad hand and build the retirement fund you'll need:

Take the free money and run. Invest the minimum needed for the full company match (often 6 percent of your gross income, for a 3 percent match). Put other savings in a Roth or a traditional IRA composed of low-cost funds. At 59+, you might also be able to use what's known as an in-service, nonhardship withdrawal from your current employer's 401(k). You roll over balances into an IRA with more choices; you still defer taxes while avoiding an early--withdrawal penalty. With this tactic, you can still contribute to your 401(k) to take advantage of the match.

Diversify but simplify. Consider a target--date fund composed of low-cost index funds or a simple lineup of four funds—a large-cap equity, a small-cap equity, a bond, and an international—offering the lowest expenses compared with comparable portfolios. Target-date funds, sometimes called life-cycle funds, are actually collections, or "funds of funds." They give diversification and will rebalance, or reallocate, your holdings automatically. Those that invest in low-cost index funds are a good default investment for many people. If the expenses of available target-date funds in your 401(k) are higher than a diversified basket of other options, though, go with the latter.

Avoid too much company stock. If your plan match is in company stock, rebalance regularly to shift those shares to 5 to 10 percent of the total; it's unwise to depend on the same company for your investment gains and your livelihood.

Up your ante. Most people younger than 40 should have a combined contribution—what's taken from their pay plus what the employer provides—of at least 10 percent of their income. If you're older than 40 and behind on your savings goal, put away at least 15 percent. The maximum allowable 401(k) contribution for 2013 is $17,500; for those 50 and older, it's $23,000.

Even workers without the benefit of time can fatten their bottom line by slightly enriching their investment. A 57-year-old doubling a $3,000 contribution to $6,000 could raise his savings from almost $47,000 to $94,000 in 10 years, given an 8 percent annual growth rate. That's not enough to sustain anyone for more than a few years, but it's a start.

Get your employer to overhaul your 401(k)

Wal-Mart practically owns the word "discount." But the behemoth retailer, well known for muscling its suppliers to provide goods at the lowest possible cost, apparently didn't try so hard to rein in costs in its own 401(k) plan, to the detriment of thousands of current and former employees.

In 2012 Wal-Mart and its brokerage, Merrill Lynch, which was trustee and administrator of its 401(k) plan, agreed to pay a $13.5 million settlement in a class-action suit that accused the retailer of breaching its fiduciary duty by failing to negotiate lower fees for the plan's mutual funds. As a result, excess fees had cost 401(k) participants about $60 million over six years, the suit charged. Plaintiffs also alleged that Wal-Mart should have told participants how they'd be affected by the high fees. They also alleged that Wal-Mart should have divulged that mutual-fund companies in the plan used part of the fees they earned to reward Merrill Lynch for including them in Wal-Mart's lineup. That common practice is called revenue-sharing. (The suit called the payments "kickbacks.") In the settlement, neither Wal-Mart nor Merrill admitted any wrongdoing.

Jerome J. Schlichter, a St. Louis lawyer who has brought more than a dozen class actions against large 401(k) plan providers, says any large plan sponsor that isn't providing reasonable-cost investment options is shirking its fiduciary duty. "If you have a $1 billion company, you should not be paying retail fees," he says.

Schlichter is at the forefront of a small but growing movement to force large plan sponsors to address revenue-sharing and other hits on participants' retirement assets.

Those class actions, combined with more-transparent fee disclosures, have begun to have an impact. Sponsors of 401(k) plans are proactively changing, hiring independent fiduciaries to watch over their plans, and choosing more reasonably priced investments such as index funds, says Ary Rosenbaum, a lawyer who advises on compliance with the Employee Retirement Income Security Act (ERISA), the federal law that governs retirement plans. And because of the litigation and fee-disclosure regulations, more ERISA and Department of Labor officials are paying attention to plan sponsors' actions, Rosenbaum says.

Smaller employers in the dark

Most large employers can employ consultants, lawyers, and other professionals to correct those shortcomings. But small and medium-sized businesses often don't have those resources. And the evidence shows that they're often clueless about fees, to workers' detriment.

Consider, for instance, investment-management fees, or expense ratios. They are usually the largest mutual-fund expense. In a study last year by the Government Accountability Office, half of small and medium-sized employers surveyed about 401(k) expenses didn't know whether they or their plan participants paid investment-management fees. (The GAO says participants paid.)

Sponsors of more than half of those small and medium-sized plans told the GAO that they hadn't asked their plan providers about fees for marketing and distribution (called 12b-1 fees), reimbursements to record keepers for certain expenses (sub-TA fees), extra broker commissions, trading and transaction costs, and "wrap" fees, which are associated with annuities. About half of plan sponsors who provided investment reports to GAO researchers didn't realize their 401(k)s had revenue-sharing arrangements like those in the Wal-Mart 401(k) plan.

How to take control

You don't have to resort to litigation to improve your 401(k) plan—and your individual account. To change elements in your 401(k) lineup, follow these steps:

- **Find the fiduciary.** The plan fiduciary, an individual named in plan documents, is your primary contact for all correspondence. Ask your employee-benefits manager for the correct name. Or search for your company plan online at BrightScope. The fiduciary's name will be on your plan's page under the tab for Form 5500 Data. (Form 5500 is a federal disclosure that all retirement plans must file.)
- **Collect documents.** Find fund expense ratios in the annual disclosure of your funds' expenses, which your plan must send to you by Aug. 30 (most will arrive by mail). On the report you'll see an explanation of each fund's average annual returns over one, five, and 10 years; the comparable returns of a benchmark fund; and average annual operating costs as a percentage of assets and as a dollar figure per $1,000 invested. You also should receive a quarterly fee statement showing additional expenses specific to you, including loan-administration fees.
- **Research new funds.** "If they don't have any index funds, that's your first thing to ask about," says David Loeper, an investment manager and author of "Stop the Retirement Rip-Off!" (2009, Wiley). Such funds simply mirror the portfolios of broad market indexes such as the Standard & Poor's 500. Managers don't need to do a lot of research to pick index portfolios, so costs are low.
- **Draw up comparisons.** You'll need to show what makes your choices better than the plan's current lineup (see "Want Changes in Your 401(k)?" below).
- **Write to the fiduciary.** Include your research. Mention how the costs affect not only you but also everyone in the company who invests in those plans. "Make it easy for them to see the high fees," says Stuart Robertson, president of ShareBuilder 401k by Capital One, an investment company that provides 401(k) plans to small and medium-sized businesses.
- **Enlist others.** Ask co-workers to sign your letter. "If the plan sponsors get one person, it's one squeaky wheel," Loeper says. "If they get three, four, five, they start wondering, how many people are worried about this?"

Waging a bigger campaign

Replacing the company that provides the funds and record keeping for your plan takes more work. Here's how to get started:

- **Get more documents.** Ask your fiduciary for your plan's summary plan description and summary annual statement. Ask, too, for the 408(b)(2) plan level disclosure, which shows total plan fees.
- **Determine your plan's expenses.** Using your summary annual statement, look under the "basic financial statement" section for "total plan expenses." From that figure, subtract "amount of benefits paid" to arrive at your plan's net administrative expenses. Divide that figure by the total value of the plan. The result, a ratio, is the percentage of the plan's assets that go toward expenses that are above and beyond the investment expenses charged directly against your account and a valuable figure to show to the fiduciary. (Multiply that ratio by your own account value to see how much of your plan's expenses you're subsidizing.)
- **Call in a professional.** You and your colleagues might want to contact an independent financial adviser with no ties to particular investment companies to do more analysis.
- **Contact the federal government.** If you get nowhere after several months, write a letter specifying your concerns to the Department of Labor's Employee Benefits Security Administration, which monitors 401(k) plans. The EBSA's job is to ensure that plan fiduciaries meet all requirements. At dol.gov/ebsa you'll find links and phone numbers.

Reprinted courtesy of www.cbgindustrynews.com - Community Buying Group

Allen Park sells Unity Studios property for $12 million

By Frank Witsil
Detroit Free Press Business Writer

The controversial and defunct studio that has weighed on the City of Allen Park for years has a new owner.

The city sold the 104-acre Southfield Lease Properties to Time Equities, the city's emergency manager Joyce Parker announced.

The property, adjacent to City Hall and formerly known as Unity Studios, was sold for $12 million, she said Tuesday.

Parker framed the deal as the latest step toward restoring Allen Park's fiscal stability. The property, which was formally put up for sale in October 2012, has been a financial drain on the city and helped push the city into receivership.

"Not only does this sale end an unfortunate moment in Allen Park's rich history, the city also sheds debt payments, meaning a savings to taxpayers," she said.

Time Equities plans to develop the site as a mix of offices, retail, commercial and light industrial.

The deal calls for payments to be made over 7 1/2 years, Parker added. Time Equities will provide up to 1,500 square feet in its building for employment training and job opportunities to Allen Park residents through a partnership with Wayne County and Michigan Works.

City Hall, which officials said needs roof and other repairs, will move temporarily to a section of the property on Dec. 1, as the city seeks a permanent home, Parker said.

In addition, Parker said, the city will no longer have to pay taxes, insurance, maintenance and utilities on the property, which cost about $1.2 million in the last fiscal year.

When the city bought the property, it was to be used as a movie studio and media production facility. However, Unity Studios left the city after one year. The city received three offers in January, including the one from Time Equities.

In August 2009, during a kickoff party at the site of the vacant commercial building that became Unity Studios, Hollywood production executive Jimmy Lifton said his project would become a permanent part of the metro Detroit economy.

"We will be here 25 and 50 and 100 years from now," he said at the opening.

Reprinted 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

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(313) 962-0581 fx

- John Payne
(313) 562-5700

- Gary Segatti
(248) 808-2711

- Aaron D. Cox
(734) 287-3664

- RealChek, Thomas Moorhead
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Jerry Kirschner *248-867-0744*

If you have any suggestions for speakers, drop us a line at: www.reiawaynecounty.org

Wayne County REIA of Michigan
LOOK FOR US ON FACEBOOK!

Want changes in your 401(k)? These tools can help.

Lots of new tools to analyze your 401(k) plan and its fees make it easier than ever to get your employer to pay attention and act. These resources are free, except as noted:

Shop for funds. Plug the name of a fund you'd like to replace into the search box at Morningstar's website. You'll get a report identifying the type of fund—small-cap value or large-cap blend, for instance—and a comparison of the fund's performance to a benchmark. Then search the site for other funds of the same type—or better, just select an index fund. Morningstar's pay service, which includes more comparison tools, is free for a two-week trial; subscriptions start at $195 per year or $23 per month.

Compare the effects of fees on your savings. With the free Fund Analyzer offered by FINRA, the securities industry's self-regulatory body, you can plug in the ticker symbol, estimated return, and investment period for three funds at a time; the tool shows you the lowest-cost option. The 401(k) Fee Analyzer at Personal Capital (personalcapital.com) shows you how much you're paying in fees from your entire account.

Compare your 401(k) plan with others. BrightScope rates 401(k) plans on factors including total cost and generosity of the company match, based on IRS information. It shows how your plan stacks up against plans from similar employers and against all 401(k) plans. (For a more detailed report, you'll have to pay $100 and get access permission from your fiduciary; contact BrightScope for details.)

Get advice from the trenches. Bogleheads.org, a free website for index-investing fans, has a very helpful forum on how to change your 401(k). The site also features a form letter you can send to your plan sponsor to request changes. You'll need to register to post a question or comment.

Editor's Note: This article appeared in the September issue of *Consumer Reports* magazine.

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

RPOA of Michigan Fighting On Many Fronts

Updated: September 16, 2014

In addition to the constant battles fought by the RPOA of Michigan (RPOA-M), the group is also proactively working on legislation to improve the environment for the rental and real estate investment industries. The legislature is back in session for a short duration before taking another break for the elections. They'll come back in session for about 9 days afterwards. Here is a short list of the bills the RPOA-M is currently working on:

- House Bill 4830 – The bill, sponsored by local Rep. Lisa Lyons, would allow a member, trustee, officer, or partner of a small partnership, Corporation, or LLC, who is not an attorney, to represent the entity in a summary proceeding (landlord eviction case) to regain possession of a premises or obtain a money judgment, under certain conditions. Current negotiations are progressing and negotiations are leaning towards a bill that would enable single-member LLC's and husband/wife two-member LLC's to represent their LLC in a summary proceeding case without an attorney. The RPOA-M is leaning toward accepting the limit to only single-member LLC's to get the bill moving. The bill has not yet seen action this Fall. Full bill: http://legislature.mi.gov/doc.aspx?2013-HB-4830

- House Bill 5388 – The bill, sponsored by Rep. Marilyn Lane, would enable a summons to be served for a money judgment without personal service. This bill isn't likely to move until the lame duck session. Full bill: http://legislature.mi.gov/doc.aspx?2014-HB-5388

- Senate Bill 313 – This bill, sponsored by Sen. David Robertson, would make many changes to the Housing Law of Michigan which controls how cities of 10,000 or more operate their rental inspection program. The Senate passed a very watered down version of the bill before summer break. The new bill would, in part, do the following:

• Cap the amount an enforcing agency can charge for rental registration to a maximum fee of $100 and prohibit the agency from charging a new registration fee until there was a change in ownership.

• Provide that an enforcing agency can require registration only upon new ownership, ownership change or upon the adoption of local rental registration.

The bill now goes to the House Local Government Committee where it must be voted on before the end of the lame duck session in 2014. - Full bill: http://legislature.mi.gov/doc.aspx?2013-SB-0313

- House Bill 5037 – The bill, sponsored by Rep. Joseph Graves, would amend the Housing Law of Michigan to specify that "occupants" take responsibility for the sanitary and safe conditions of their dwellings within the areas they occupy and control. This bill has not yet been heard in the House committee on local government and is not likely to see light of day until the lame duck session. Full bill: http://legislature.mi.gov/doc.aspx?2013-HB-5037

-House Bill 5199 – The bill, sponsored by Rep. Andy Schor, would allocate responsibilities with respect to prevention and management of bedbug infestation. The RPOA-M is working diligently to place the responsibility where it clearly belongs—the tenant. The bill is not expected to be taken up before the end of the year but Rep. Schor is planning to reintroduce the bill in 2015. Full bill: http://legislature.mi.gov/doc.aspx?2013-HB-5199

- House Bill 5070 & 5071 - These two bills, sponsored by Rep. Kurt Heise, would amend the Michigan Penal Code to prohibit and prescribe criminal penalties for squatting and would amend the Code of Criminal Procedure to include the felony proposed by House Bill 5070 in the sentencing guidelines as a Class G property felony with a statutory maximum sentence of two years' imprisonment. The package of bills passed in June 2014 and put into law immediately. Full bills and PA: http://legislature.mi.gov/doc.aspx?2013-HB-5071

Ex-Duggan aide owes City 2 years of taxes

By Gina Damron
Detroit Free Press Staff Writer

For two years, Conrad Mallett Jr., former chairman of Detroit Mayor Mike Duggan's election campaign, hasn't paid taxes on his home - which kept its tax-exempt status after he purchased it from a church.

Mallett, chief **administrative Officer for the Detroit Medical** Center **and a former chief justice** for the Michigan Supreme Court, said Tuesday he was made aware of the error, filed the proper paperwork with the city in June and plans to pay the tax bill once it arrives.

Mallett said a real estate agent failed to file property transfer paperwork with the city. He also said that he thought taxes were being paid through an escrow account at Comerica Bank.

Records show Mallett purchased the more than 7,600 square-foot Palmer Woods house from the Historic Little Rock Baptist Church in 2012 for $320,000. Mallett said the taxes on the home, where he said the Rev. Jim Holley had lived, are estimated to be about $11,000 a year.

"There was never an intent not to pay," Mallett said. He added that he believes everyone associated with the transaction "was committed to doing the right thing. The paperwork for the property transfer didn't get filed, and I'm not sure why, but I'm not blaming anybody."

Mallett, a member of Detroit's Board of Water Commissioners, said he should have made sure the proper paperwork had been filed. He said a neighbor flagged him to the error.

The city's chief assessor, Gary Evanko, and a spokesman for Duggan and could not be immediately reached for comment.

Contact Gina Damron:
313-223-4526 or gdamron@freepress.com

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

YOU ARE INVITED TO THE MONTHLY INVESTOR GET-TOGETHER!

Hosted by our New Director - Bobbi Nied-Broderick

3RD TUESDAY MEETING
OCTOBER 21, 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!

FREE ADMITTANCE
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

Welcome

New Members & Guests

Bryan Zychawicz
Noel Selewski
Leonard Martindale
Greg Johnston
David Hall
Lovett Moore
John Kirska
Bertha Beach
Mike Holloway

R.E.I.A. Membership Benefits

- *Socializing, Networking, Networking & Networking*
- *Monthly Newsletter & Guest Speakers*
- *Court-Approved forms available - (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.*

— 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

www.reiaofoakland.com	REIA of Oakland.
www.nationalreia.com	National Headquarters
www.irs.gov	IRS web site
www.bendover.com	Govt. Red Tape Help
www. taxsites.com	Tax and Accounting
www.unclefed.com	Online Tax Resource
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	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/	Michigan Sex Offender: (PSOR)

Are You Looking For Houses To Buy???

www.realtor.com
www.buyowner.com
www.fsbo.com
www.hud.org
www.historicproperties.com

Are you looking for comps?

www.homeradar.com
www.realestate.yahoo.com/realestate/homevalues

Need to find someone?

www.555-1212.com
www.anysho.com

Lead Base Paint Pamphlets?

www.hud.gov.lea

Need to E-mail any questions or articles or anything for us?? Our web address is 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 reiawaynecounty.org or

24hr recording (313) 437-2945

— 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)**