

WEBSITE: reiawaynecounty.org FACEBOOK: Wayne County REIA Wayde Koehler, President 313 819-0919 MAILING: P.O. Box 5341 Dearborn, MI 48128

### **Monthly Meeting: First Tuesday of the Month**

At: Leon's Family Dining 23830 Michigan Ave., Dearborn 313 563-3713

East of Telegraph on Michigan Ave Dinner and Networking 5:30 PM

November 1, 2022
Dinner starts at 5:30
(food and beverages available for purchase)

Meeting starts at 6:00 Meeting ends at 8:00pm

Event is free for members or \$20 at the door for non-members (cash or check only please



Kathleen Parakh Parakh Law

## Leases

A review of what should and should not be in a lease and how to bullet proof your lease so you are able to benefit when it comes to evictions and preditory tenants. Kathleen will also be reviewing the new eviction related court rules.

Kathleen Parakh is licensed to practice before the United States Patent office, State of Michigan and the 6th Circuit Federal Court. She has a Juris Doctor from Thomas M. Cooley Law and has over 15 years' experience. In addition, Kathleen has worked as a property manager herself for over six years. She specializes in representing landlords & tenants, including lease drafting and tenant removal processes.



### **Next Meetings**

Directors Board: Tuesday November 8, 2022 at 6:00pm at Leon's Family Dining Next Monthly Meeting: No Meeting Holiday Party at Crystal Gardens



### From the President's desk

FAIR MARKET RENT DOCUMENT for Section 8.



Two meeting ago one of our members (thankyou) brought this in. In summary for 2023 Section 8 is paying \$952.00 for a one bedroom, \$1213.00 for a two bed room \$1,511.00 for a three bedroom and a four bedroom \$1,629.00. If you are looking to increase rents on your section 8 properties now is the time. Usually you need to give a sixty day notice to increase rents.

**FYI:** If you are in the house buying mode, the market is dropping, and my crystal ball/magic eight ball says it will continue to drop for the next couple years. This being said (and having lived through a couple of downturns). If you are going to sell the home you just purchased/flip you must adjust the purchase price lower to reflect the selling price a few months from now.

If you do not, this new purchase may be sold at no profit or a loss or become a rental for the next few years, until the prices rebound.

#### A Bit I Learned:

One of my rentals has a higher ceiling therefore needs longer shower curtains. This becomes a challenge since only a few retailers sell longer showder curtains. I Bought two sets of curtains the rings were defective and broke upon install. The second set of rings had issues not wanting to stay on the curtain rod. I happen to be at a hotel on vacation and their shower curtain uses no rings, the curtain has the ring/rod holder built in. Went online and bought two sets. They come in sizes 71x74 up to 71 x 98. And you can buy the interior snap-in liner separately. Company is called River Dream Shower Curtain. PS They install much faster than using the metal rings.

Looking forward to seeing everyone at the Holiday Party on December 6<sup>th</sup> AT Crystal Gardens for an all you can eat buffet and unlimited bar. Join us for a fun night of socializing. This is a great event to bring your spouses, business partners and contractors to (it's a good holiday gift).

In the meantime Happy Holidays everyone!

### Wayde Koehler

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

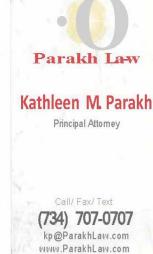
- · Socializing, Networking, Networking & Networking
- Strong focus on Landlord needs including specific rehab and rental presentations
- Monthly Newsletter and Guest Speakers
- Opportunities to personally meet and talk with local business owners/ contractors
- Free 3 month subscription to Mr. Landlord newsletter.

Investors can build a rehab and investment team through referrals from other investors

Contractors get a great source on which to build long term repeat customer business

- Access to Court-Approved forms
- · Liaisons with Local and State Government through RPOA
- Discounts with Sherwin Williams Paint,& Office Max and strategies to maximize saving at several big box chains





### Epic Property Management

Joshua K. Sterling

(734)225-6934

12863 Eureka Road Southgate, MI 48195 josh@epicpropertymanagement.com

### Pollard Heating and Cooling



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(Located in Belle Plaza)



### **REIA Of Wayne**

### **BOARD MEMBER INFORMATION**

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		pauljer9my@gmail.com
Bill Beddoes	734.934.9091	billbeddoes@gmail.com
Jerry Kirschner	248.867.0744	gkirsch888@aol.com
Liz Walker	313.443.8505	beneficialinvestments@gmail.com
Steve Ehrman	248.390.0738	steve@andrewsdreamllc.com



### **MrLandlord Monthly Management Tips**

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"Management tips provided by landlords on MrLandlord.com. To receive a free Rental Owner newsletter, call 1-800-950-2250 or visit our nationwide Q&A Forum, LandlordingAdvice.com, where you can ask landlording questions and seek the advice of other rental owners 24 hours a day."

### Jeffrey Taylor

Founder@MrLandlord.com

#### WILL THEY BE COOPERATIVE?

I have shared for many years that I believe the number one criteria when qualifying rental applicants is their cooperation level. The question is then often asked,

#### "How can I tell if a prospective resident is cooperative or not?"

There is a great discussion this week on our forum on that very topic. Below are a few real life examples shared by a landlord who objectively determines applicant's cooperation.

- 1. Ad says: "Please visit my website and fill out our Preview Questions form to get started." Prospect emails: "Is this available? Please call me." (They do not follow directions. Not cooperative.)
- 2. Prospect fills out Preview Questions. Doesn't qualify based on whatever, usually income. Auto-email tells them that in a very nice way. Prospect emails with an attitude, possibly curses, etc.

(They are confrontational and I haven't even met them yet. - Not cooperative.)

3. Ad says: "Please visit my website." Somehow they get your biz phone number. The prospect starts calling and leaving voice mails or texts that say: "I'm terrible with computers, can you please call me?"

(This person will require hand-holding forever. No thanks. - Not Cooperative.)

#### **HOW DO YOU ASK?**

A landlord asked other rental property owners that visit the applicant's current home as part of the application process, what do you tell them to get access for a home visit?

It should be noted that many landlords think it is important to bring up the subject right on the application. That way many "non-cooperative" applicants will freely pre-screen themselves out and not complete the application.

Below are samples of the wording used on the application by a couple of landlords.

#### Sample #1

"If tentatively accepted, we (management) may, at our discretion, conduct an in-home inspection."

### Sample #2

"I understand that in the final stages of processing this application, a home visit may be performed."

#### FAIR HOUSING TESTERS ARE NOT A MYTH

Below is from an advertisement to hire part-time "testers" in 24 Indiana counties. This ad was spotted recently by an Indiana landlord.

### **NEEDED FAIR HOUSING TESTERS (SECRET SHOPPERS)**

"Stated simply, testing is typically sending two individuals with similar profiles and housing needs but with different protected class statuses, such as race, to the same available housing unit to see if they are treated differently because of their protected class status. For example, to determine if people are being discriminated against due to their race by a lender, we may pair a black tester with a white tester and see if they are treated differently.

Testing can occur in the rental, real estate, sales, or lending markets. Without testing, most housing discrimination goes undetected. This position is so critically important to stopping housing discrimination. We are also always in need of more Fair Housing Testers (Secret Shoppers)! Testers are a diverse group of dependable, conscientious people, 18 years and older, who assist those working to eliminate housing discrimination in gathering information about housing practices. They are of various racial and ethnic groups, across genders, and over a broad range of ages with and without disabilities.

Testers take on various roles and profiles. They do not try to trap the housing provider or cause them to discriminate. They perform a task similar to a restaurant critic. They observe and record their experiences. The tester's job is to gather information, much like anyone on a housing search or when seeking a loan, and to observe how a housing provider treats prospective housing tenants, mortgage applicants, or home buyers. After each test, the tester will complete a detailed account of what occurred during the test and submit it to the FHCCI staff.

Testers receive a stipend for their time ranging from \$50-\$200 per test, depending upon the type of test conducted. Related expenses are also reimbursed with prior approval. Due to labor requirements, testers are classified as part-time employees but the time for testing is very flexible based on your schedule and time available. Some FHCCI testers conduct tests several times a month, while others may only test occasionally as their schedule allows and as we have need for their assistance. Want to get an application to be a Fair Housing Tester? Just email us at \_\_\_\_\_\_."

WARNING TO LANDLORDS: Treat EVERYONE as if they are a tester. Treat EVERYONE the SAME. That prospect might be earning \$200 to call you or walk into your open house, even without submitting an app. -- Brad, Indiana Landlord

#### 9 TIPS TO LOWER YOUR HEATING BILLS IN RENTAL PROPERTY

- 1. Blown insulation in the walls, ceilings and attic.
- 2. Thermal rated windows.
- 3. Good weatherization. Cracks and crevices all sealed up, windows tight fitting and double glazed or storm windows, and weather stripping. Even though you, like I, may not pay for heat, heating bills still matter because tenants won't stay long in a place that has high heating bills.
- 4. Whenever cost effective and possible, convert the utilities so that they are listed in the resident's name because if residents are paying the utilities, they will use less, resulting in lower heating bills. Plus, in some areas, low income residents are eligible to participate in a special program that allows them to pay utilities at a much lower rate.
- 5. To reduce drafts, try sealing the inside from the outside, choose a path and follow it, even dog battered door weather strips can allow a breezy day inside when it is breezy outside. Take a birthday candle and hold it around outlet and switch plates, some draft will come thru there also. Replace all electrical devices and get new metal plates ready a quick squirt of spray foam solves the air leak and the complaint of crummy devices all at one time.
- 6. Go through and check the upper window sashes. They often fall down 3 or 4 inches over the Summer. Tenants sometimes go all Winter with the gap at the top.
- 7. Suggest to your residents to call the electric and gas companies to do an audit of ways they can save on the bills.
- 8. Installing storm doors and newer front entrance door can greatly reduce drafts into the house.
- 9. A New York landlord offers to "hold" their window A/C for them during the winter free of charge. And instructs residents to move furniture from radiators so the hot air can better move around.

The tips in this column are shared by regular contributors to the popular MrLandlord.com Q&A forum, by real estate authors and by Jeffrey Taylor, <a href="mailto:Founder@Mrlandlord.com">Founder@Mrlandlord.com</a>. To receive a free sample of the Mr. Landlord newsletter, call 1-800-950-2250 or visit their informative Q&A Forum at <a href="LandlordingAdvice.com">LandlordingAdvice.com</a>, where you can ask landlording questions and seek advice of other landlords 24 hours a day.



### CITY OF DETROIT

**BUILDINGS, SAFETY ENGINEERING** AND ENVIRONMENTAL DEPARTMENT



#### **PRESENTERS**

- Buildings, Safety Engineering and Environmental Department
- Detroit Health Department
- Housing and Revitalization Department
- State of Michigan
- 3rd-party inspection companies
- Detroit Police Department

### **VENDORS**

#### **Home Repair Contractors**

- Lead removal Roofs
- Doors
- Boilers
- Windows
- Plumbing

### Register at https://rb.gy/3lfpim

Landlords and vendors must register by October 31. Limited vendor tables available.

For more information, contact BSEED Property Maintenance. Call 313-628-2451 or email pm@detroitmi.gov

PLEASE USE THE LINK BELOW TO REGISTER:

https://rb.gy/3lfpim



800-950-2250

Mention you are a member of the REIA of Wayne and get a free 3 month subscription. MrLandlord.com

Jeffrey Taylor

Founder@MrLandlord.com

## The Annual REIA Christmas Party

(Instead of meeting at Leon's)



Join us at:

CRYSTAL GARDENS BANQUET CENTER 16703 Fort Street Southgate, MI 4819

Hors d'oeuvres
All you can eat buffet dinner
Open Bar

Cost: \$38.00 by November 25, 2022 \$45.00 after or at the door

Pay in person at November's meeting with cash or check or mail a check to P.O. Box 5341, Dearborn, MI 48128 Make check payable to REIA Wayne County

# Lease renewals: What to know before offering one to a tenant

by Jeff Rohde, posted in **INVESTMENT STRATEGY** 

There's a saying in real estate that good tenants are like gold. Great tenants can be hard to find, and some landlords will do everything they can to avoid seeing a good tenant go.

Sending a tenant a lease renewal is an important part of owning and operating a rental property. Before the existing lease comes to an end, a lease renewal is sent to a tenant to outline any changes and to offer a tenant the opportunity to sign a new lease.

In this article, we'll explain what to consider before renewing a lease, how to write a new renewal letter, and where to find free templates for a lease renewal and residential lease agreements.

- A landlord generally does not have to renew a lease, although there may be some exceptions due to local landlord-tenant laws.
- Factors to consider before renewing a lease include determining the current fair market rent and the terms and conditions of the new lease.
- A lease renewal eliminates the time and expense of finding a new tenant, and vacancy and lost rental income due to tenant turnover.
- A lease renewal letter is generally sent to a tenant 90 days before the expiration date of the current lease.
- If a tenant agrees to renew the lease, a new lease agreement is drawn up and signed.
- If a landlord or tenant does not want to renew, a non-renewal lease letter is sent to a tenant.

### Does a landlord have to renew a lease?

Local and state landlord-tenant laws in areas with rent control may restrict how landlords can end tenancies.

However, as the legal resource website <u>Nolo.com</u> explains, even if a property is located in a rent-controlled area, single-family rental homes and owner-occupied buildings with 4 units or less are commonly exempt from rent control laws.

To better understand the law, landlords may wish to consult with their property manager or real estate attorney before deciding whether or not to renew a lease.

### Lease renewal pros and cons

Here's a quick summary of the pros and cons of offering a lease renewal to a current tenant:

### Pros of a lease renewal

- It's the path of least resistance.
- The current tenant already knows the property, the existing lease terms and conditions, and the expectations of the landlord or property manager.
- It saves time and money by not having to find a new tenant.
- It eliminates vacancy and lost rental income due to tenant turnover.
- It helps to reduce the risk of leasing to a bad tenant, which can occur even with the best tenant screening.

### Cons of a lease renewal

- The landlord may not want to keep an existing tenant, such as when a tenant consistently pays the rent late or repeatedly damages the property.
- Landlord-tenant laws may limit how much of a rental increase can be given to an existing tenant.
- The tenant may not agree to the terms of the lease renewal, or want to negotiate renewal conditions with the landlord.
- Having the property vacant for a short period of time provides a landlord with the opportunity to perform updating and rehabbing that may justify a higher rent.

### How to renew a lease

If a tenant agrees to the terms and conditions outlined in the lease renewal letter, the next step is to draw up a new lease and arrange for the tenant and landlord to sign. Before the new lease is signed, a landlord or tenant sometimes agree to negotiate on items such as:

- An increase in the security deposit (depending on local landlord-tenant laws).
- How to pay the rent going forward (such as an online rent payment system).
- Requiring the tenant to obtain renters insurance if they do not currently have a policy.
- Changes to other lease terms and conditions like having a roommate or a pet.

If a tenant does not want to renew the lease, or does not reply by the deadline date, a landlord will send a tenant a form notice that the lease will not be renewed.

A non-renewal lease letter provides documentation that a tenant was formally offered the opportunity to renew the lease and declined to do so. A non-renewal lease letter can also be used to notify a tenant that a landlord does not wish to renew a lease with an existing tenant.

### What to include in a lease renewal letter

A lease renewal letter contains the following details:

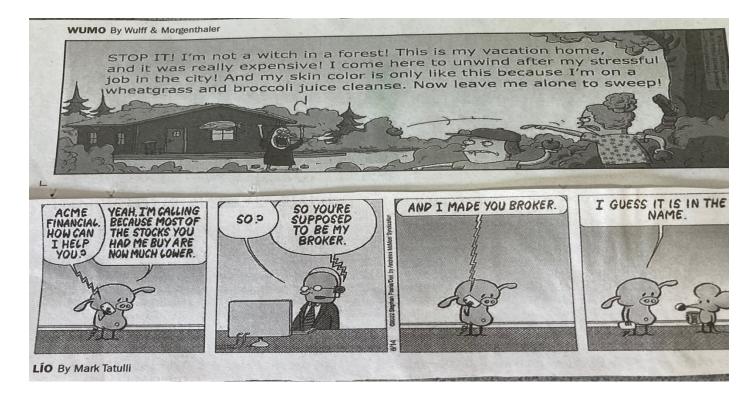
- Date of the lease renewal letter.
- Name and information of tenant and landlord.
- Property address and unit number (if applicable).
- Reference expiration date of the existing lease.
- Rent amount of the new lease.
- Term of the new lease (such as renewing for another 12 months).
- Deadline for tenant to respond to the lease renewal letter.

### Where to find residential lease templates

A local property manager or real estate attorney are two good resources for obtaining residential lease templates such as a lease renewal notice, a non-renewal lease letter, and the most recent version of a residential lease agreement for the city and state the rental property is located in.

Some online resources for finding residential lease templates include:

- <u>eForms</u> rental/lease agreement templates
- <u>ezLandlordForms</u> free lease and rental agreements
- <u>LegalTemplates</u> rental and lease agreements
- RentalLease.com standard residential lease agreement templates



### **Fall Rental Property Maintenance Checklist**

Zillow Rentals Team • OCT 01 2020

Rental property upkeep and preventative maintenance are essential to the health of your investment. Stay on top of seasonal maintenance with this downloadable checklist, and



protect your rental from the cold, wet, wind and ice of the season. Completing these tasks can save you time and money from costly damage during the colder months.

### **Exterior Maintenance**

### Inspect roof and clean out gutters

Stop leaks at the source by checking your roof for broken shingles or holes. Replace problem areas and seal with watertight caulk. While you're up there, scoop out leaves and debris from the gutters.

### Winterize exterior faucets and sprinkler systems

Insulate outdoor faucets with foam or towels held tight with a bungee cord. Drain water from irrigation or sprinkler systems and garden hoses to prevent freezing and cracking.

### Check snow and ice removal tools

Make sure you have the necessary supplies to keep your properties safe, including salt for deicing sidewalks and paths, and a snow blower or shovel for clearing driveways.

### Secure snow-removal services

Sometimes a shovel isn't enough: If you live in an area that generally gets a lot of snow, line up a plow service. Look for a service that lets you pay as you go in case you don't get the expected snowfall.

### Landscaping

### Fertilize grass and mulch beds

Mow and dethatch your lawn with a rake, aerate and fertilize. Apply fertilizer to beds as well, and then spread mulch. Water well to get the fertilizer into the soil to do its work. This is a good time to plant spring bulbs, like tulips and hyacinths, for added appeal.

### Trim flowers, plants and trees

Cut back dead flowers and prune bushes. Be on the lookout for trees that need trimming. Remove dead branches, and take out unstable trees.

### Check the water drainage in your yard

Check outside areas for disconnected drain spouts and landscaping that slopes toward your foundation. Add sand or gravel to improve draining in low areas.

### Interior

#### Check window and door seals

Check for drafts and air leaks to prevent heat loss and cold air coming in. Caulk over trouble areas or call in a professional to replace a window or two if they are beyond repair.

### Test the furnace and service if needed

Replace furnace filters, and check the connection between the furnace and the thermostat.

### Clean out air ducts

Hire an HVAC professional to use negative pressure to clean out your ducts at least once a year.

### Have your fireplace and chimney checked

If your properties have fireplaces, check for buildup and make sure the damper and flue are functioning properly. If needed, call a professional chimney sweep to come and clear soot and creosote to avoid accidental fires.

### Replace batteries in smoke and carbon monoxide detectors

Make sure your smoke and carbon monoxide detectors are in tip-top shape by replacing the batteries every six months and testing them monthly.

### Check your dryer to prevent fire

If you provide washers and dryers for your tenants, now is a good time to clear lint. Check the dryer's lint trap and ductwork, and clean out any built-up lint or debris.

### Wrap pipes to prevent freezing

If you have pipes in chilly basements, exposed crawlspaces or accessible attics, insulate them with foam covers or towels.

### Add insulation to the attic and basement

Add extra insulation to your attic ceiling and basement walls. You can use traditional insulation or spray-foam that acts as an instant barrier against freezing temperatures.

### **Contractors:**

(Note: REIA of Wayne does not support or make any recommendations regarding contractors. It is up to you to do your due diligence when hiring any contractor. This is for information purposes only)

<b>Heating and</b>	Cooling:
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Pollard Heating and Cooling....313 551-4011 Main Heating and Cooling.....248 650-8511 Mega Rooter H & C......313 254-3529

### **Plumbing**

Waterwork Plumbing......248 542-8022 Levin and Sons......248 356-1680

### **Painting**

Diamond Painting......248 935-4514 Dante's Painting (Edmond)....586 610-1812

Sergio Guerrero......313 282-9119 Edgar Plass.....313 926-3814

### **Handyman**

### **Locksmith**

American Lock & Key......734 281-1454

### Lawn Service

J & A Lawn Svc (Jason)......727 906-7958 Classic Cuts (Liz).....313 989-8713

### **Appliance Repair**

**Keith Devoy** 

Appliance Repair......313 689-2446

### **Tree Trimming/Removal**

Paul Harris-Tree Trimming.....734 775-6974



### **Tub Reglaze**

 Surface Solutions......734 455-0200

 Michigan Tub Refinishing.....313 304-9639

 Brett (bath reglazer)......586 804-1227

#### **Pest Control Service**

Stop Pest Control......313 914-2981

### Construction/Remodeling

Ideal Home Improvement......734 624-3454

### **Concrete**

J Nelson Concrete...... 313 212-3927

### Roofing

Jeff Williams Roofing......734 341-3843 Kanga-Roof......566 255-0308



# November is Election for the Wayne REIA Board of Directors

The Candidates are as follows:

Wayde Koehler, President Maria King, Vice President Mike Sloan, Secretary Jeremy Paul, Treasure Bill Beddoes, Trustee Jerry Kirschner, Trustee Elizabeth Walker, Trustee Steve Ehrman, Trustee

# **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 & Meeting Starts

\*

Meeting Ends at 9:00 pm **Leon's • (313) 563-3713**23830 Michigan Ave, Dearborn

(313) 347-1401 • 24 hr Answering Machine

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