

TUESDAY October 1, 2024



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

Next Meeting: October 1, 2024

(food and beverages available for purchase)

Meeting starts at 5:30pm

Meeting ends at 8:00pm

Event is free for members or \$20 at the door for non-members

(now accepting debit/credit cards)

Topic: LANDLORD HORROR STORIES

Bring your scariest experiences of bad tenants and bad bad rehabs to the meeting. We will share and lament about our experiences and talk about what we learned and strategies to prevent the horror from ever happening again! (if possible)





Board of Trustees: (left to right) Maria King VP, Elizabeth Walker Trustee, Jeremy Paul Treasurer, (back row) Wayde Kohler President, Jerry Kirschner trustee, (Missing from pic) Mike Sloan, Secretary

Next Meetings

Directors Board:

**Tuesday October 8, 2024 6:000pm
at Leons Family Dining**

Next Monthly Meeting

**Tuesday November 5, 2024
5:30pm, Leons Family Dining**



It's that time again. If you are a Wayne REIA Association member, please familiarize yourself with the board members. If you want changes in the leadership, this is your opportunity to do so. We will complete a vote by hands for the following Wayne REIA Board Candidates:



Wayde Kohler: President

Wayde has been President of the REIA of Wayne for over 25 years. He enjoys helping others by sharing his knowledge gained by all his years in the business with the goal of saving other investor time and money. As a property investor, Wayde has built both a large portfolio of SFR's which he self-manages, and a successful cleaning business related to home maintenance. He has expertise in a variety of property investment strategies including fix & Flips, Land Contracts, and Joint Ventures as well as other financial investment tools.



Maria King: Vice President

Maria is visually impaired so her husband Steve Ehrman assists her to perform some of the tasks of her position (so you kind of get a 2-for on this one!) Maria and Steve are property investors who have focused on multi-family and other investment strategies. Maria has been on the board for over 4 years and has a passion for learning and helping others learn and grow their property investment business.



Jeremy Paul: Treasurer

Jeremy has been a real estate investor for 13 years, starting in 2009. He self-manages 14 properties, comprising both single-family and multifamily units. In addition to holding a real estate license, his W2 job of 18 years is an Account Manager for industrial sales. Jeremy has been a member of Wayne REIA for 5 years and has served as its Treasurer for the past 2 years. Jeremy has helped the board expand to except credit card payment and help organize the operations of the association.



Mike Sloan: Treasurer

Mike grew up in the construction trades. He has a wide range of knowledge and experience in home repairs and a passion for excellence. He is a newer property investor working on building his portfolio while maintaining his w-2 job. Mike has 2 properties and manages them himself. He is also occasionally able to offer handyman services outside of his regular job. Mike has been on the Wayne REIA Board for 7 years and served as secretary for 6 years.



Jerry Kirschner: Trustee

Jerry has a background in Real Estate. He was also a CPA for 30 years and currently does Process Serving for the courts. Jerry has also owned an Amway Distribution business for over 28 years. He has extensive knowledge of real estate with a particular focus in distressed properties, pre-foreclosures, and bank owned (REO's). He works extensively with property investors and home owners. Jerry has been a member of the Wayne REIA for 15 years and a Trustee for over 10 years.



Elizabeth (Liz) Walker: Trustee

Liz has been a property investor for over 25 years. She just purchased her 9th property giving her 11 doors. She self-manages all of her properties and helps manage 3 others. Liz notes that she enjoys the real estate field and believes it to be an excellent tool for financial growth and can be done without being unkind, cheap, or mean spirited. Liz has been a member of REIA for over 5 years and a Wayne REIA Trustee for 2 years. She has been integral in helping to update the by-laws and brought several important presenters to the membership including a judge.



Dave Moody: Trustee

Dave is a Real Estate Broker and Owner of Reality Real Estate Professionals. He is a Licensed Broker specializing in Distressed Properties. He has also worked in a variety of financial industry positions including Owner of a financial counseling company, A USDOJ Bankruptcy Counselor, A Mortgage Loan Office and Manager of a real estate investment team. Dave has been a member of Wayne REIA for longer than any of us know and a past board member. In addition to the above, he also brings exceptional technology skills to the board.

**4 Month Free
Subscription
800-950-2250**

Mention you are a member of the REIA of Wayne
Founder@MrLandlord.com



Mr. Landlord

By Jeffrey Taylor CPL

Rental Owner Updates - September 25, 2024 **7 WAYS TO INCREASE CASH FLOW IN 2024**

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Landlords are always looking for ways to increase cash flow. A hot discussion is currently taking place on our Q&A Forum, where that popular topic has once again surfaced. Here are 7 things one successful landlord has been doing to increase cash flow in 2024:

1. Regular rent increases
2. Increased the application fee
(Be sure to stay within state limits on application fees, if there are any)
3. Rented out storage space
4. Focused on pre-marketing rentals before move-outs to get the vacancy time reduced
5. Created a solid process to keep residents current on rent and bills
6. Focused on the speed of rental turnover to reduce vacancy time
7. Get rid of the time wasters to be able to focus on the main goals

(Note: **"FOCUS to Build Wealth"** is going to be the key theme in our upcoming [Landlord Retreat in Puerto Vallarta in January](#). Hope you can join us along with 200 other successful landlords. :)

How to screen tenants: 6 essential steps



by Jeff Rohde, posted in [INVESTMENT STRATEGY](#)

Excerpt From Previous Printed Article In Wayne Reia Newsletter (Worth Repeating)

Screening tenants is a key part of owning and operating a rental property. Selecting a good tenant can help you keep cash flow strong and potential returns robust, while making the wrong decision could result in an eviction or a landlord being accused of discrimination.

19 important questions to ask a prospective tenant

Here are 20 key questions that should be on every rental application, according to [this article](#) from RentPrep:

1. Do you currently rent, and if so, where?
2. How long have you lived in your current home?
3. Why are you looking for a new place to live?
4. What date would you want to move in?
5. What kind of work do you do?
6. What is a rough estimate of your income?
7. How many people would be living with you?
8. How many people living with you smoke?
9. How many parking spaces would you require if you rent here?
10. How many pets do you have?
11. Do you think your current landlord will give you a favorable reference?
12. Does your current landlord know you are thinking of moving?
13. Have you ever had an eviction?
14. Are you familiar with our rental application process?
15. Are there any issues I should know about before I run a background screening for all the adults in the household?
16. Have you filed for bankruptcy recently?
17. Will you be fine to pay our lease application fee of (\$ amount) if you fill out the application?
18. Would you be able to pay the security deposit of (\$ amount) at the lease signing?
19. Are you willing to sign a 1-year lease agreement?

It's important to check with local legal counsel to ensure the questions are in compliance with local applicable laws.

How to turn down an applicant

There are situations in which prospective tenants don't meet a landlord's minimum screening requirements and will need to be turned down for the rental property. Here are some valid reasons for declining to rent to an applicant, according to [guidelines published by the Federal Trade Commission](#) (FTC):

- The applicant's employment can't be verified or work history is minimal.
- The applicant's income does not support the monthly rent amount.
- The applicant has a low credit score or poor payment history in multiple accounts.
- A rental history report reveals evictions, property damage, or judgments for unpaid rent.
- The applicant's criminal history indicates potential risk.

An "adverse action" occurs when an applicant is turned down for a rental property. The Fair Credit Reporting Act ([FCRA](#)) and FTC require a landlord or property manager to send an applicant an adverse action letter when being turned down.

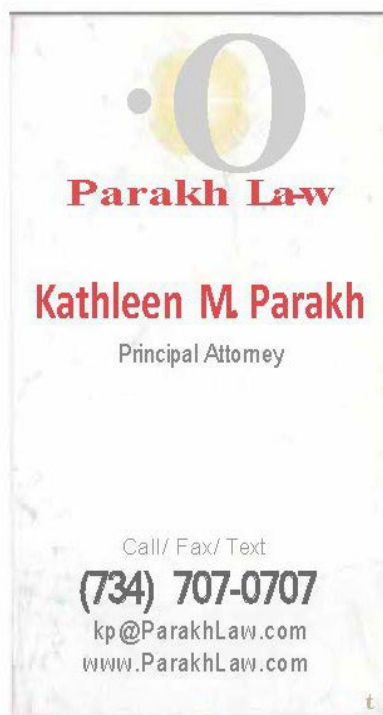
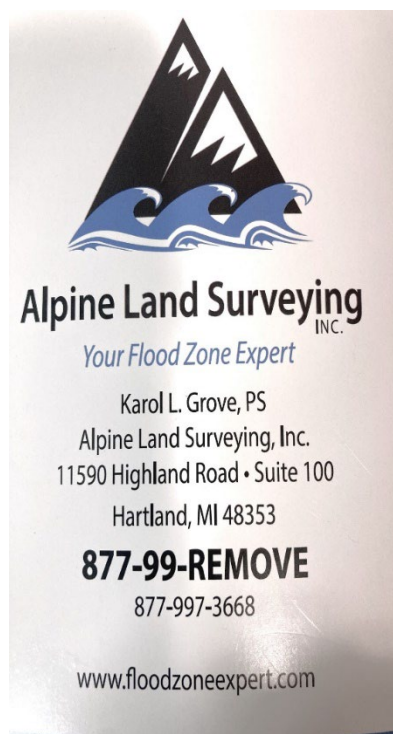
An adverse action letter should include:

- Name and contact information of the credit reporting agency
- Statement that the credit reporting agency did not determine the applicant should be denied, and can't give reasons for why the decision to decline was made
- Notice to the applicant that they may dispute the accuracy or completeness of any reports
- Disclosure to the applicant that they may obtain a free copy of their report from the reporting agency

It's important to keep records of all documentation that provide backup to support the decision to turn a tenant down. Items such as tenant screening reports, interview notes, and discussions with employers or previous landlords can be organized and stored online after signing up for a [free account](#) with Stessa, a Roofstock company, or paper records can be stored in a file folder.



Business card size \$100 for a year





REIA OF WAYNE BOARD MEMBERS INFORMATION

Name

Phone

Email

- Wayde Koehler.....313.819.0919.....housemgt@comcast.net
- Maria King.....248.259.3268.....kingm625@yahoo.com
- Mike Sloan.....313.618.5277.....sloanmaintenance.llc@gmail.com
- Jeremy Paul.....734.770.1455.....pauljer9my@gmail.com
- Jerry Kirschner..... 248.867.0744.....gkirsch888@aol.com
- Liz Walker.....313.443.8505.....beneficialinvestments@gmail.com

Around Town With Real Estate Investor Groups

(Call group to confirm meeting dates before attending as they are subject to change.)

• REIA of Wayne County

Meets 1st Tuesday of the month at
Leons Family Dining 23830 Michigan Ave., Dearborn
Meeting starts with networking at 5:30pm
Meeting starts at 6:00 pm and ends at 8:00pm
Call Wayde Koehler at 313 819-0919 for details

• Oakland REIA

Meets 2nd Thursday of the month at
Troy Community Center in meeting room.
Networking at 6:00pm Meeting 7-9pm
Call Brian Sullivan at 248 327-0588 for details

• Metro Detroit Investors Meet-Up

Meets 4th Thursday of the month at
McVee's Pub & Grub 1129 Long Lake Rd., Troy
6:30-9:00pm

• Pontiac Landlord Group

Meets 1st Thursday of the month at
Fino's 450 Perry St., Pontiac
Starts at 6:00 for dinner and meeting follows
Call Ken Moses 248 672-9699 for details

• Monroe County Landlord Association

Meets 4th Thursday at
Quatro's on Telegraph Rd. Meeting starts at 6:00pm.
Call Debbie Peters at 734 457-5086 for details

• Jackson Area Landlord Association

Meets 4th Monday of the month at
The Napoleon Café, 6816 W. Brooklyn Rd.
Jackson Dinner @ 5:30 and speaker at 6:30pm

New Group: The Exchange Group

This is a creative financing networking group
On break: Call contact
IHOP 3132 Rochester Rd., Troy
Contact: Cara Kennedy 734 358-8193



TUESDAY August 6, 2024

Please Become a Member Today

100% of your membership fee goes to operating the organization. Our board is all voluntary and there

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

is no payment of any kind going to leadership. All fees are used to offset costs of speakers, cost of hosting and maintaining website, insurance, newsletter, picnic and holiday events and along with other REIA's in the state we help support a Lobbyist in Lansing that advocates for landlords and property investor interests. (These are just some examples of how your membership fee helps maintain this association.)

Annual Membership

\$135.00

Individual with spouse

(your membership is tax deductible!)



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851 Sumpter Rd • Belleville

1 mile south of I-94 • Belleville Rd. Exit 190

(Located in Belle Plaza)



Do you have items you would like to sell, vehicles, left over construction materials, cabinets, flooring, tools, items that other landlords might be able to use? Members can post their items and contact info in the newsletter for free. Contact Maria King @ 248259-3268

(Must be able to post item description, price and contact name & number.)



Housing Market Predictions For 2024: When Will Home Prices Be Affordable Again?

Written By Robin Rothstein
Updated: Sept. 26, 2024, 2:48pm

The housing market has yet to heat up this summer, but that may change soon. The Federal Reserve cut the fed funds rate by 50 basis points on September 18, the first cut in over four years. One basis point is one one-hundredth of a percentage point.

The mortgage-rate roller coaster ride appears to be over. Recently, rates have been behaving more like a water slide, moving downward with occasional plateaus and landing at their lowest levels since February 2023.

At the same time, inventory continues to loosen, slowing home price growth.

Despite these improvements, home prices continue to break records. Consequently, many buyers are likely waiting for further rate drops to improve affordability. However, experts caution against waiting too long.

Although this increase reflects a slowdown from the 5.9% annualized gain in May, the index still surpassed the record high set the previous month, indicating that home prices remain out of reach for many would-be buyers.

“The upward pressure on home prices is making this the most unaffordable housing market in history,” Lisa Sturtevant, chief economist at Bright MLS, said in an emailed statement.

Struvetant predicts that home prices will decline as we move into the later months of 2024 amid increasing inventory, but she sees no evidence of substantial declines in national home prices in 2024—or in 2025.

“Despite more leverage, buyers are still going to face a competitive market well into 2025 in most markets across the U.S. supply—while increasing—is still low by historical standards,” Sturtevant

tells Forbes Advisor. “And there are few signs indicating a major drop in home prices.”

Though affordability obstacles persist, indicators suggest the market is beginning to tilt toward buyers to some extent. For instance, Zillow reports that roughly 25% of its listings saw price cuts in June. The last time the rate was this high for cuts this time of year was in 2018.

Can We Expect a Housing Market Recovery in 2025?

For a housing recovery to occur, several conditions must unfold. “For the best possible outcome, we’d first need to see inventories of homes for sale turn considerably higher,” says Keith Gumbinger, vice president at online mortgage company HSH.com. “This additional inventory, in turn, would ease the upward pressure on home prices, leveling them off or perhaps helping them to settle back somewhat from peak or near-peak levels.”

Of course, mortgage rates would need to cool off, which seems promising given the recent declines. The average 30-year fixed mortgage rate has been below 7% since the first week of June, landing at 6.08% in the week ending September 22.

During its September 18 meeting, the Federal Open Market Committee (FOMC) cut the federal funds rate by 50 basis points. Mortgage rates indirectly track this key interest rate banks use as a guide. However, as mortgage rates continue their descent, Gumbinger says don’t hope they cool too quickly. Rapidly falling rates could create a surge of demand that wipes away any inventory gains, causing home prices to rebound.

He adds that returning mortgage rates to a more “normal” upper 4% to lower 5% range would also help the housing market, but he predicts it could be a while before we return to those rates.

As far as 2025 is concerned, Gumbinger says it’s a little too early to tell whether the housing market will be in better balance considering all the variables, such as whether or not mortgage rates decline and by how much, and how home prices react amid the unleashing of pent-up demand.

“I would think 2025 will be a better year for housing, but not a great year,” Gumbinger says. “[A]ffordability would only be improved somewhat, even with lower mortgage rates in place.”

Housing Inventory Forecast: When Will There Be Sufficient Supply To Reduce Prices?

Despite more resale and new homes entering the market, the inventory shortage remains well below the pre-pandemic average, according to a Freddie Mac report. Thanks to multiple headwinds, this severe deficit will likely remain for some time.

For one, many homeowners remain “locked in” at ultra-low mortgage rates, unwilling to exchange for a higher rate in a high-priced housing market. Consequently, demand continues to outpace housing supply—and likely will for the remainder of this year.

“I don’t expect to see a meaningful increase in the supply of existing homes for sale until mortgage rates are back down in the low 5% range, so probably not in 2024,” says Rick Sharga, founder and CEO of CJ Patrick Company, a market intelligence and business advisory firm.

New home construction has provided some relief, with inventory at its highest since early 2008. However, more than this welcome supply is needed to fill the inventory gap.

Still, while inventory is some 33% lower than pre-pandemic averages, there is a bright spot in the data—current inventory levels sit at their smallest deficit since fall 2020, according to Zillow analysis. Moreover, if mortgage rates continue trending downward, this could loosen the lock-in effect and add some much-needed inventory.